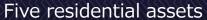
# Investor Presentation for the 8<sup>th</sup> Fiscal Period (ended July 2025)

## September 16, 2025



Three industrial infrastructure assets











Sponsor collaboration pipeline of properties with active development involvement by the Asset Manager (Note)









(Note) As of this document's disclosure date, Tokaido REIT has no plans to acquire the pipelines and cannot guarantee any future acquisition.



The Asset Manager





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## Section 1

## About Tokaido REIT

### **Ongoing Investment in Industrial Areas Since Our IPO**

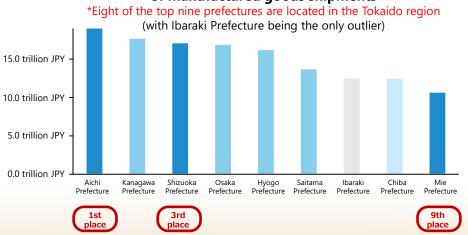


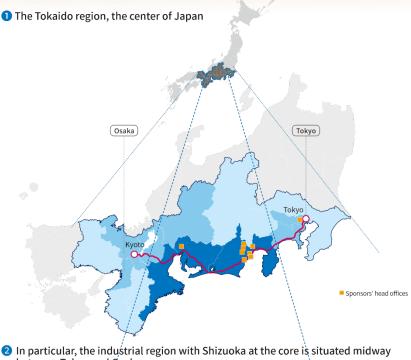
### Strategic investment in an industrial area that has sustainable economic bases

### Strategic Investment in the Industrial Area **Centered Around Shizuoka Prefecture**



#### Nationwide Ranking of prefectures by the amount of manufactured goods shipments





between Tokyo and Osaka



3 The industrial region with Shizuoka at the core is logistically suited for the processing and distribution of materials to consumption areas

## Background of strengths of investment target area



Transportation infrastructure of the Shizuoka-centered industrial region supports sustainable industrial clusters and population concentration

#### Industrial clusters

1

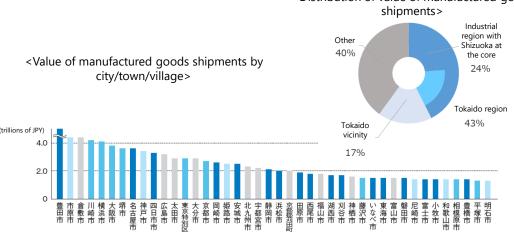
Well-developed transportation infrastructure in the Tokaido region



## -

### Key areas handling Japan's industry

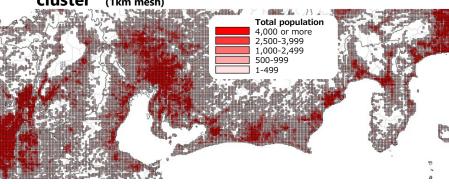
<Distribution of value of manufactured goods



### High population area

-

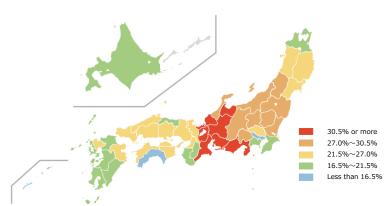
Population concentration rooted in "industrial cluster" (1km mesh)



(Source) Prepared by the Asset Manager based on the 2020 National Census of Japan

## Demographics characteristic of an "industrial region"

<Percentage of secondary industry workers by prefecture>



## **Investment Strategies & Policy**



### Strategic Investment Area

# **Greater Tokaido Region**

inital)

(Tokaido Region + Tokaido Vicinity)

or more

9()%

**Industrial Area Centered Around Shizuoka Prefecture** 

60%

(Shizuoka, Aichi, and Mie Prefectures)

or more

## Main Target Property Types

#### **Industrial Infrastructure**

**Assets** (Logistics / Industrial or Business / Land)

25%

or more

## **Community Infrastructure Assets**

(Residential / Land / Others)

25%

or more

# Attractive asset portfolio of the industrial areas in Shizuoka Prefecture and the Tokaido Region

- 1. Assets driven by the industrial region's sustainable economic strength
- 2. Prime tenants underpinned by a strong economy
- 3. Investment area having relatively low risk of property price fluctuations



## Section 2

## Financial Highlights

## **Executive Summary**



- Over 8 and 9 fiscal periods, asset replacement was conducted, realizing unrealized gains and improving the profitability of the portfolio.
- Asset size approximately doubled (¥61.2 billion) through three public offerings in the four and a half years following the IPO.
- Operations for the 8th fiscal period are running smoothly with a period-end occupancy rate of 99.6%.
- 4. Achieved steady internal growth, mainly through industrial infrastructure assets.
- 5. Newly acquired a long-term issuer rating (JCR: A-).
- We aim to achieve 100 billion yen quickly and build a foundation for the 200 billion yen target by continuing to cultivate CRE (Corporate Real Estate) projects, primarily with manufacturing companies in industrial areas, while utilizing our available cash on hand.

## Overview of 8th Period(ended Jul. 2025) Financial Results



## Distributions per unit

3,380 JPY(+81 JPY)

compared to the 8<sup>th</sup> FP forecast

9th Fiscal Period

(ended Jun. 2026)

3,311 JPY

10th Fiscal Period

(ended Jal. 2026)

3,200 JPY

**NAV** per unit: 113,288

External Growth

Asset Size(as of Jul. 2025)

60.85 billion JPY

Following the asset replacement over 8 and 9 fiscal periods

61.28 billion JPY

Public Offering

The asset size after the acquisition of the new properties is 2.0 times what it was at the IPO

The pipeline has been expanded using growth strategies in which the Asset Manager (AM) is actively involved New Properties Acquired in the 3<sup>rd</sup> Public Offering (total of 6 properties)

- •Miyoshi Industrial Center (Land)
- ·Kaisei Town Industrial Center (Land)
- ·SOCIO Kariya Toshincho A and B Buildings
- •EMBL Aile Tokoname Shinkaicho
- ·Yokkaichi EMBL Court
- ·Kodeki EMBL Court

Internal Growth Occupancy Rate as of Jul. 31, 2025

99.6%

Average Occupancy Rate during the Period **99.6** %

Maintaining Stable Operation

The diverse needs of industrial areas are being leveraged to contribute to stable high occupancy rates

Occupancy Rate Average Occupancy Rate as of Jul. 31, 2025 during the Period

Industrial as of Jul. 31
Infrastructure Assets
Community
Infrastructure Assets
99.

99.7% 99.8% 99.4% 99.3%

Financial Strategy

Total Interest-bearing Liabilities

32.96 billion JPY

Expansion of Lender Formation

Further diversification of suppliers through the participation of Aozora Bank and The Bank of Fukuoka **Average Maturity Period** 

2.0 years

We will strive to strategically extend and diversify maturity dates

**48.1**%

Conservatively controlled within the range of 40% to 50%

## 8<sup>th</sup> Period(ended Jul. 2025) Financial Results



Results & Forecasts of the 8th Fiscal Period (ended Jul. 2025)

Nesults & Foret		10 1 130	ai i ciiou (	ended Jul. 2025)
(Unit: million JPY)	8 <sup>th</sup> FP Forecast ①(Note)	8 <sup>th</sup> FP Result ②	Difference ② – ①	Primary Factors of Change
Operating revenue	2,278	2,306	+27	[Gain on sale of 51% of Marunouchi EMBL Court] +21 [Leasing business revenue] +6
Operating expenses	956	937	▲19	
Expenses related to real estate leasing business (Excluding depreciation)	518	494	▲23	[Utilities expenses]
Depreciation	236	241	+4	
SG&A, etc.	201	201	▲0	
Operating profit	1,321	1,368	+46	
Non-operating income	-	2	+2	
Non-operating expenses	275	298	+23	[Interest expenses] +20
Ordinary profit	1,046	1,071	+25	
Net profit	1,045	1,070	+25	
(Reference) NOI	1,759	1,789	+29	
(Unit: JPY)	1	2	2-1	
Distributions per unit	3,299	3,380	+81	

7 <sup>th</sup> FP	Difference		
Result	2-3	Primary Factors of Change	
2,009	+296	[Properties acquired through the Public Offering in Feb. 2025] [Acquisition of AIG Kyoto Building]	+207 +41
		[Rent income from the Inabe Logistics Center] [Gain on sale of 51% of Marunouchi EMBL Court]	+32 +21
916	+20	[Properties acquired through the PO] [Acquisition of AIG Kyoto Building]	+24 +11
		[Properties acquired through the PO] [Acquisition of AIG Kyoto Building]	+24 +11
506	▲12	[Fixed Asset Tax and City Planning Tax or the properties acquired in 2024.]	+27
		[Elimination of renewal fees for Inabe Logistics Center]	<b>▲</b> 77
211	+29	[Properties acquired through the PO] [Acquisition of AIG Kyoto Building]	+20 +2
198	+2		
1,093	+275		
0	+1		
163	+135	[Interest costs] [Financing fees] [Depreciation on investment unit issuance expenses]	+71 +58 +5
929	+142		
928	+142		
1,502	+286		
3	2-3		
3,335	+45		

## 9<sup>th</sup> Period(ended Jan. 2026)& 10<sup>th</sup> Period(ended Jul. 2026) Forecasts





Results & Forecasts for 9th FP (ended Jan. 2026)

Results & Forecasts for 10<sup>th</sup> FP (ended Jul. 2026)

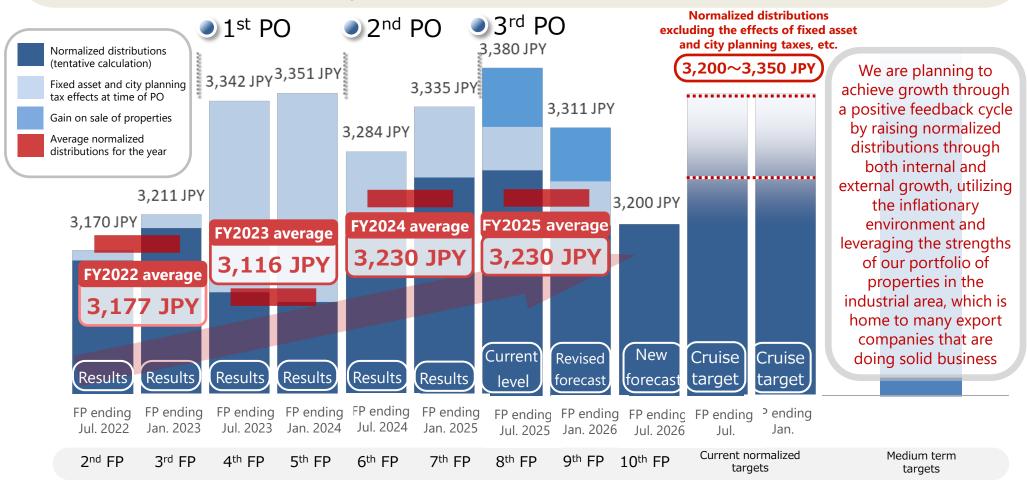
y Results & FC	Results & Forecasts for 9" FP (ended Jan. 2026)						asis for Tum FP (ended	l Jul. 2026
(Unit: million JPY)	8 <sup>th</sup> FP Result ①	9 <sup>th</sup> FP Forecast ②	Difference ②-①	Primary Factors of Change	10 <sup>th</sup> FP Forecast ③	Difference ③-②	Primary Factors of Cha	ange
Operating revenue	2,306	2,307	+1		2,304	▲2	[Leasing business revenue] [Elimination of gain on sale of Marunouchi EMBL Court]	+16 <b>▲</b> 19
Operating expenses	937	1,011	+74		1,010	<b>1</b>		
Expenses related to real estate leasing business (Excluding depreciation)	494	525	+30	[Utilities expenses] +10 [Repair expenses] +24		<b>▲</b> 6	[Repair expenses] [Properties taxes]	+18 ▲23
Depreciation	241	245	+4		254	+8		
SG&A, etc.	201	240	+39		237	▲3		
Operating profit	1,368	1,296	<b>▲</b> 72		1,294	<b>1</b>		
Non-operating income	2	-	<b>▲</b> 2		-	-		
Non-operating expenses	298	245	<b>▲</b> 53	[Interest costs] +4 [Elimination of financing fees]	278	+33	[Financing fees] [Depreciation on investment unit issuance expenses]	+37 ▲3
Ordinary profit	1,071	1,050	▲21		1,015	▲35		
Net profit	1,070	1,049	▲21		1,014	▲35		
(Reference) NOI	1,789	1,762	<b>▲</b> 26		1,785	+23		
(Unit: JPY)	1	2	2-1		3	3-2		
Distributions per unit	3,380	3,311	<b>▲</b> 69		3,200	<b>▲</b> 111		

## **Enhancing Investor Value Through Distribution Management**



Tokaido REIT will leverage its industrial area portfolio and further accelerate its growth strategy to increase investor value

As a result of the 3rd PO and the Asset Rotation, the average normalized distribution per unit for 2025 was achieved 3,258 JPY. In the future, we will aim for normalized distributions of 6,400 to 6,700 JPY from profit alone and we will strive to maintain our growth speed and further improve our normalized distributions.



## memo



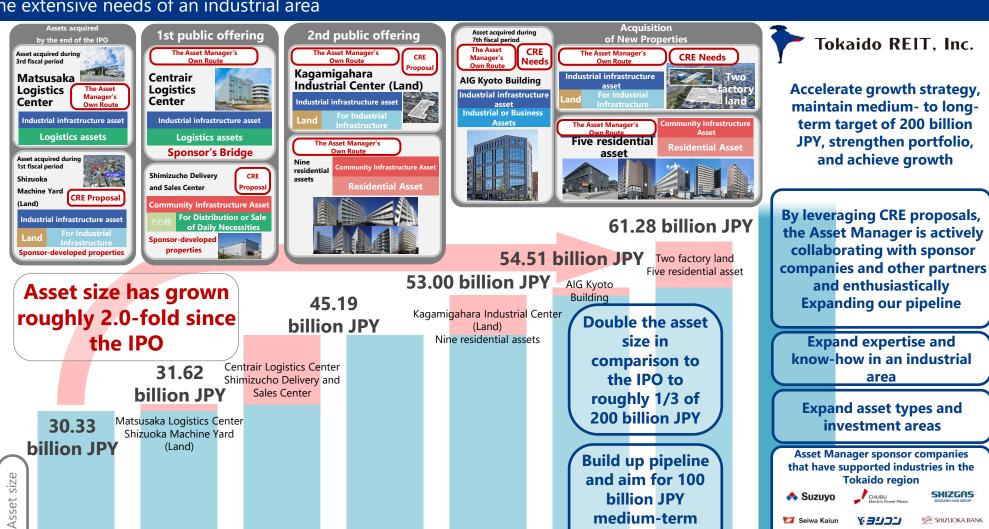
## Section 3

Overview of Assets Newly Acquired and Assets Replacement in the 8th Fiscal Period

#### We will reach an asset size of 60 billion JPY and maintain a normalized speed that will bring us to our medium- and long-term target of 200 billion JPY



### 2.We are increasing our scale 2.0-fold compared to the IPO through investment targeting the extensive needs of an industrial area



July 31, 2023 January 31, 2024 July 31, 2024 January 31, 202 After 3rd PO and Future target June 2021 January 31, 2023 (End of 6th FP) (IPO) (End of 3rd FP) (End of 4th FP) (End of 5th FP) (End of 7th FP) assets replacement

target

SHIZGAS

SHIZUOKA BANK

Shizuoka Fudosan

KIUCHI

JDC correspondence

### Industrial area portfolio that will grow through these initiatives while keeping up with inflation



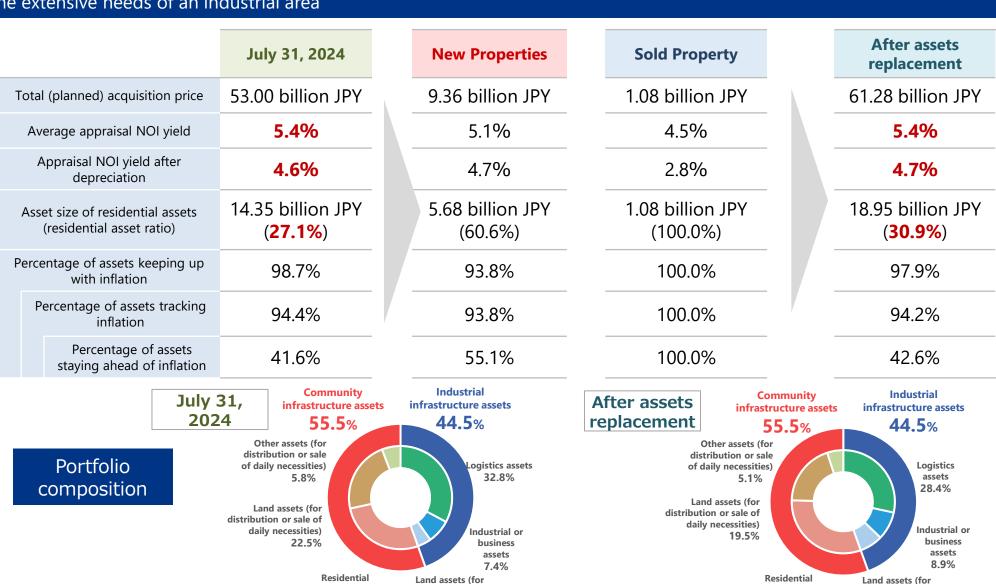
#### 2.We are increasing our scale 2.0-fold compared to the IPO through investment targeting the extensive needs of an industrial area

assets

27.1%

industrial infrastructure)

4.3%



industrial infrastructure)

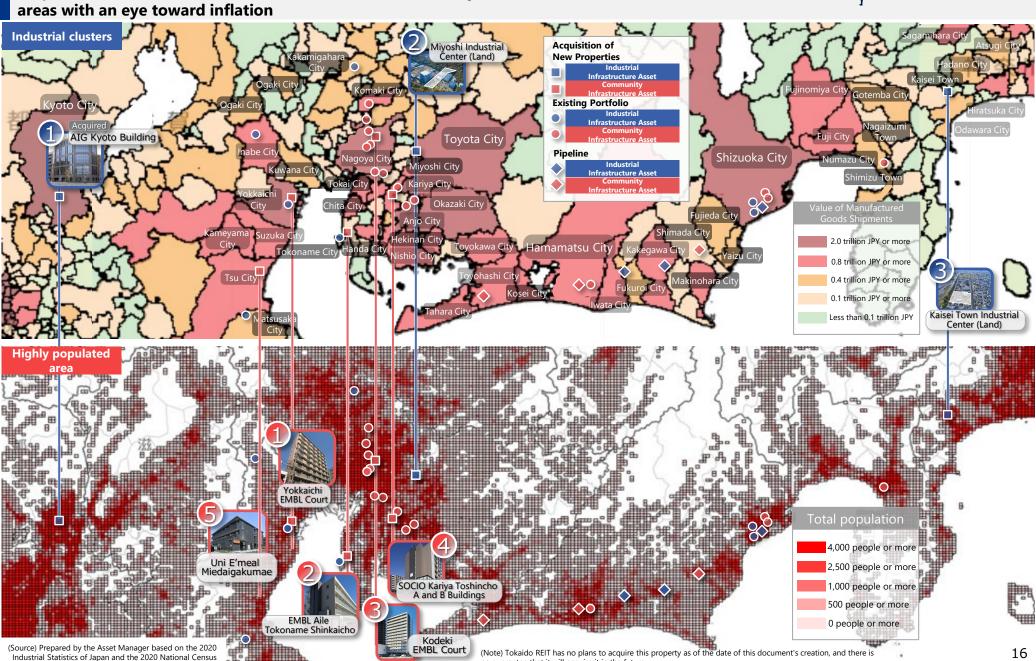
7.3%

assets

30.9%

## Acquisition of industrial infrastructure assets and community infrastructure assets in industrial





no guarantee that it will acquire it in the future.

### 1 Investment in industrial/business assets to capture business demand in industrial areas



The Asset Manager's Own Route

(CRE needs

Features similar to existing properties

First property in Kyoto to capture business demand in an industrial area

#### **AIG Kyoto Building**

(Asset acquired during 7th fiscal period

Industrial Infrastructure
Asset
Industrial or Business
Assets

Acquisition Price
1.51 billion JPY

Appraisal NOI Yield
4.8%

Appraisal Value

1.52 billion JPY

	<u> </u>	•
<b>1</b> Advantag	es of the area	

1. Kyoto has a longer history as Japan's capital than Tokyo does, and both its industry and its population are highly concentrated

Investment value emphasized when acquiring the property (key points of acquisition)

- ✓ For roughly 1,000 years, Kyoto was the capital of Japan, until it was moved to Tokyo in the 19th century
- ✓ In addition to its cultural heritage, nurtured through its long history, Kyoto has also built-up corporate capital and an advanced consumer culture that affect the quality of products

Kyoto is the final stop of the 53 stations of the Tokaido, and has deep historical ties to the Tokaido region

- 2. It is an industrial area that is home to many companies recognized around the world, and it has rich tenancy needs
- ✓ Kyoto's companies maintain a high level of competitive power thanks to the techniques and technologies nurtured by the financial capital that has accrued in this ancient capital city, together with the rich human resources, primarily those from Kyoto University, which has produced more Nobel Prize winners than any other university in Japan
- ✓ Kyoto's industry is roughly the same size as that of Yokkaichi, the location of a similar owned asset, Mid Building Yokkaichi

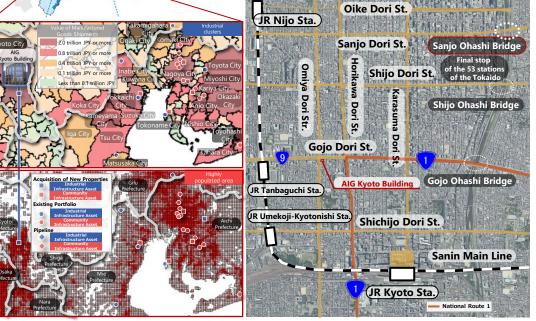
By city/town/village (Greater Tokaido region/Aichi and further west)		Value of Manufactured Goods Shipments	ir	Major global companies headqua n Kyoto PrefectureIn order of market o (as of November 30, 2024)	rket capitalization		
<b>1</b> st	Toyota City	15.2 trillion JPY	1st	Nintendo	11.4 trillion JPY		
6 <sup>th</sup>	Osaka City	3.6 trillion JPY	2nd	Murata Manufacturing	4.9 trillion JPY		
7 <sup>th</sup>	Sakai City	3.5 trillion JPY		Nidec			
8 <sup>th</sup>	Kobe City	3.4 trillion JPY	4th		3.2 trillion JPY		
9th	Nagoya City	3.3 trillion JPY		Kyocera	2.2 trillion JPY		
14 <sup>th</sup>		2.8 trillion JPY	5 <sup>th</sup>	Shimadzu Corporation	1.2 trillion JPY		
15 <sup>th</sup>		2.6 trillion JPY	6 <sup>th</sup>	Omron	0.9 trillion JPY		
16 <sup>th</sup>	Anjo City	2.5 trillion JPY	7 <sup>th</sup>	SCREEN Holdings	0.9 trillion JPY		
17 <sup>th</sup>	Kyoto City	2.5 trillion JPY	8 <sup>th</sup>	Rohm	0.5 trillion JPY		
18 <sup>th</sup>	Himeji City	2.3 trillion JPY	9 <sup>th</sup>	Wacoal Holdings	0.2 trillion JPY		

Location Omiyadori Street, Shimogyo-ku, Kyoto City, Kyoto Prefecture Spaces 11 / 38

Site Area / Total Floor Area 633.44m' / 3,953.55m' Date of Construction September 2001

Structure / Unit Rent per 3.3m' Steel construction , 8 above-ground floors, 1 underground floor/ 9,166 JPY Occupancy Rate 100.0 %

- Key point at the intersection of Gojodori Street and Omiyadori Street, which offers excellent access to a wide area, including Kyoto Station
  - ✓ Gojodori Street (National Route 1), which crosses Gojo Bridge, is 51 meters wide, and Omiyadori Street is 17 meters wide, providing access to a wide area
  - Kyoto's population is roughly 1.4 million, and its population is highly concentrated in its urban area



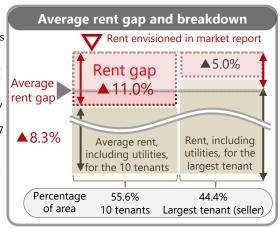
(Note) Tokaido REIT has no plans to acquire this property as of the date of this document's creation, and there is no guarantee that it will acquire it in the future.

### 1 Investment in industrial/business assets to capture business demand in industrial areas

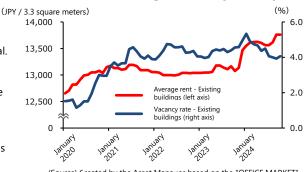


### ②Advantages of the tenants

- The multi-tenant property has 11 tenants. Lease agreements for the office portions are short, and there are many opportunities to handle inflation by raising rents
- 2. Demand is high and the rent gap is an attractive -8.3%, so there is high potential for upside improvement
- ✓ The rent gap for portions other than the portion used by the seller, which accounts for 55.6% of the leasable area, is -11.0%
- The tenants include members of industry, government, and a property and casualty insurance company, reflecting the character of the area. They are sufficiently diversified, with the average area of the 10 tenants other than the seller being 147 m2.
- The largest tenant, which accounts for 44.4% of the leasable area, is using a sale & leaseback format, ensuring steady occupancy



- 3. For Kyoto as a whole, vacancy rates are trending downward and rents are trending upwards. The macroeconomic environment is positive. <Office buildings within Kyoto City>
  - ✓ Vacancy rates are trending downward and recently have been 4.1%. Vacancies are minimal.
- ✓ Average rents have been trending upward, reflecting these vacancy rates. As of October 31, 2024, rents were up 8.7% compared to pre-pandemic levels (January 31, 2020)



(Source) Created by the Asset Manager based on the "OFFICE MARKET" published by Miki Shoji Co.,ltd

③Advantages of the property and the area

This elegant building, constructed as a Kyoto branch office for a property and casualty insurance company, has its own parking lot and is well matched to the area, which has a high need for company car use ✓ It is an existing property which has continuously







AIG Kyoto Building, which faces the intersection

- ✓ It is an existing property which has continuously operated extremely well. The building is an elegant industrial/business asset similar to Mid Building Yokkaichi, which was also the branch of a property and casualty insurance company.
- While located in the heart of an industrial area, it also offers excellent access to major roads and is suitable for use by tenants with a high need for parking spaces.
- 2. The property was sourced using the Asset Manager's network of unique routes and meets the CRE needs of a globally competitive property and casualty insurance company.





The Asset Manager's Own Route

(PRE investment)

**CRE** needs

Tokaido REIT's first investment in public real estate (PRE)

### **Miyoshi Industrial Center (Land)**

Industrial
Infrastructure Asset
For Industrial

0.58 billion JPY

**Acquisition Price** 

Appraisal NOI Yield
6.3%

Appraisal Value

0.62 billion JPY

Use district

Industrial district

Tenant 1 tenant

## Investment value emphasized when acquiring the property (key points of acquisition)

**1**Advantages of the area

related industries.

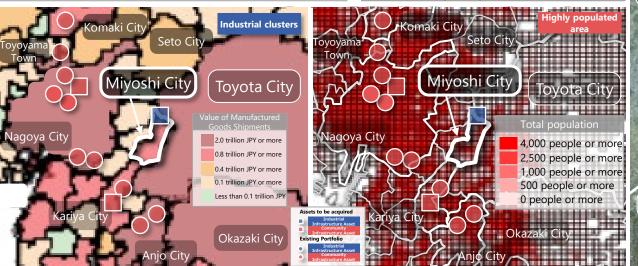
- 1. Miyoshi City is one of Japan's top industrial areas. It is adjacent to Toyota City and has a high concentration of Toyota manufacturing sites and
- 2. It is within 30 minutes of a residential area of Nagoya, so it is highly convenient for commuting

## Ranking of cities in Aichi Prefecture by amount of manufactured goods shipments

<Value of manufactured goods shipments, etc. per square kilometer>

	City/town/village	Value of manufactured goods shipments, etc.
<b>1</b> st	Takahama City	40.8 billion JPY
2 <sup>nd</sup>	Okazaki City	37.2 billion JPY
3 <sup>rd</sup>	Miyoshi City	33.6 billion JPY
4 <sup>th</sup>	Tokai City	33.1 billion JPY
5 <sup>th</sup>	Oguchi Town	32.7 billion JPY
6 <sup>th</sup>	Kariya City	31.4 billion JPY
7 <sup>th</sup>	Anjo City	29.2 billion JPY

所在地	Komochimatsu, Kurozasa-cho, Miyoshi City, Aichi Prefecture
敷地面積	11,218.32m <sup>2</sup>





19



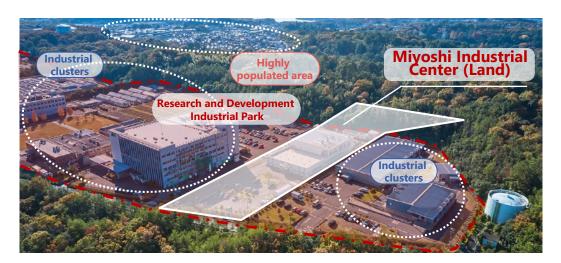
#### **2** Advantages of the tenant

## 1. The tenant is a global company that is a world leader in coatings for passenger and commercial vehicles

- ✓ The tenant specializes in automobile coating, and its strengths lie in automobile repairs, passenger vehicles, and commercial vehicles
- ✓ It has advanced coating repair strengths and a high market share
- ✓ It provides service to end customers, both for Japanese vehicles and foreign-made vehicles

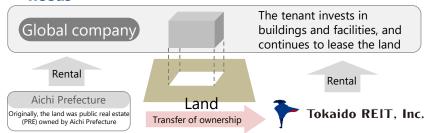
## 2. It is a research site for leading technologies. Capital investment, including buildings, is believed to be high, making it a steady occupant

- ✓ Its clients, Japanese automobile manufacturers, perform coating technology verification in their head offices, so this site coordinates with the tenant's research sites in various countries, functioning as a contact point for the head offices of different automobile manufacturers
- ✓ The tenant actively develops new technologies and is highly recognized for its state-of-the-art technologies
- ✓ The Aichi research site is one of the tenant's 29 customer support research centers around the world
- ✓ The tenant is located near the Toyota head office and is also roughly in the middle of Japan, so it is highly accessible to automobile manufacturers spread across the country, making it an important site from the standpoint of the tenant's company strategy



#### **3** Advantages of the property and its location

 Originally, a global company was leasing land in Aichi Prefecture, and we acquired this land to meet CRE needs

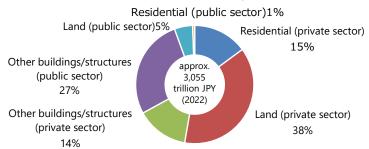


- Research and development industrial complex developed by the Aichi Public Enterprise Bureau
  - ✓ Located in a research and development industrial complex developed by the Aichi Public Enterprise Bureau
  - Aichi academic research and development zone with a high concentration of universities and R&D facilities

### 3. The public real estate (PRE) market is a large one with high potential for investment

- ✓ Public real estate accounts for roughly 33% of Japan's domestic real estate market (approx. 1,007 trillion JPY)
- ✓ The number of examples of acquisition by J-REITs is limited, but we will
  take the lead, building up expertise, and then carry out similar measures in
  the future

#### <Real estate ownership share>





Tokaido REIT, Inc.

Asset Manager's Own Route

Features similar to existing properties

CRE needs

First property in Kanagawa to address CRE needs in an industrial area

# Industrial Infrastructure Asset Land Infrastructure

Acquisition Price
1.59 billion JPY

Appraisal NOI Yield
5.5 %

Appraisal Value

1.71 billion JPY

**\***(

Investment value emphasized when acquiring the property (key points of acquisition)

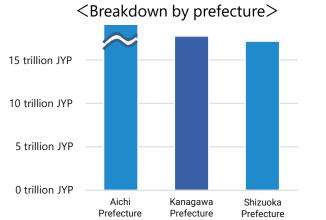
**Kaisei Town Industrial Center (Land)** 

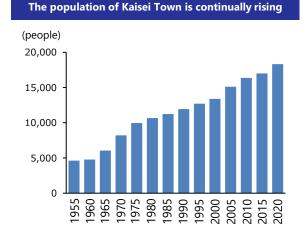
LocationKaisei Town, Ashigarakami District,<br/>Kanagawa PrefectureUse DistrictIndustrial DistrictSite area21,732.53m²Tenant1 tenant

#### **1** Advantages of the area

- 1. Kanagawa Prefecture is one of Japan's top industrial areas, with the nation's second highest value of manufactured goods shipments as of 2020
- 2. Kaisei Town is an important area that has not only plants but also numerous academic research institutions, such as the R&D centers of major corporations, that support the competitiveness of the manufacturing industry.
  - ✓ There are plants that make industrial rubber, paper for home use, die-cast products, etc.
  - The percentage of employees working in academic research or the specialized/technical service industry is higher than the national average
- 3. Due in part to the support provided by industry, the population is growing over the medium and long term. In 2020, the population growth rate in Kaisei Town was the highest in all of Kanagawa Prefecture (and 16th highest in all of Japan).

Nationwide ranking of prefectures by amount of manufactured goods shipments, etc. in 2020









#### 2 Advantages of the tenant

- 1. The tenant is in an automobile-related industry, manufacturing aluminum die-cast products, which is experiencing medium- and long-term growth
  - ✓ Aluminum die casting is a metal-forming method in which aluminum which is molten at a high temperature is injected into a mold under high pressure
  - ✓ The tenant supplies products with high levels of heat dissipation performance. This is essential for achieving further size reductions for semiconductors, which are seeing rising demand, and electronic components
  - ✓ The tenant's products meet needs related to electrification and automated driving, which have been increasing in recent years, and demand for the tenant's products is on the rise
  - ✓ The tenant has established an integrated system that covers everything from mold design to die-casting, processing, assembly, and inspection of aluminum die-cast products, primarily automobile components
- 2. Through CRE proposals, we are looking towards the tenant's future medium- and long-term business result growth, meeting their funding needs through rent adjustments while securing relatively high NOI yield over the medium term
  - ✓ Rent revisions are performed every three years, when property tax revaluation is performed. Changes to rent can be negotiated to keep up with inflation.



#### 3 Advantages of the property and its location

- 1. In addition to a population growth rate of 7.7%, the area has the largest composition ratio of children (aged 0 to 14) in the prefecture, at 14.8%, and many young families of child-rearing age are moving into the area.
  - ✓ The location is highly convenient. The Tomei Expressway Oi Matsuda Interchange is extremely close to the site, reachable in eight minutes by car. Kaisei Station is a 6-minute walk, and Shinjuku can be reached from Kaisei Station in only 80 minutes via the Odakyu Odawara Line.
  - ✓ The Ashigara Industrial Village Framework has been formulated for an area close to the site with the aim of promoting the development and vitalization of the entire Ashigara area. The working-age population of municipalities within commuting range of the site is 460,000 people.
- 2. A great deal of attention has been turned to the area due to its success in increasing its population. The government is carrying

out forward-looking, systematic urban development, supporting the competitiveness of the area.

Kaisei Town's population is growing due to (1) its systematic infrastructure development, (2) its childcare support, and (3) its branding.

3. The property is located on a street lined with condominiums that runs in front of the station, so there is high potential for housing other types of tenants in the future



3 Additional investment in residential assets located in industrial areas with many export-oriented manufacturing companies that are capable of keeping ahead of inflation





The Asset Manager's

**Sponsor Bridge** Community property **Own Route** Infrastructure Asset EMBL Aile Tokoname Shinkaicho **Residential Asset Acquisition Price** 1.07 billion JPY **Appraisal Value** 1.09 billion JPY **Appraisal NOI Yield** 5.0 % No. of units / aicho, Tokoname City, Aichi Prefecture Location 102 / 113 lo, of Parking Spaces Site Area / 4,482.10㎡ / 3,380.18㎡ Date of Construction March 2020 Total Floor Area

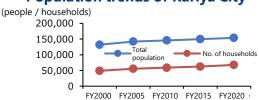
The Asset Manager's

## **Property features**

#### 1. Located in a highly populated area backed by the economy of the industrial area

- 2. Located near the heart of Kariya City and home to the head offices of Denso and Aisin
- 3. There is a collection of Toyota Group plants in front of Kariya Station, and the entire area forms a company town
- 4. The tenant is a publicly listed personnel placement company and will use the building as company housing
- 5. Reasonable pricing through direct transactions with other parties through the Asset Manager's own business routes

#### **Population trends of Kariya City**



(Source) Prepared by the Asset Manager based on the Ministry of Internal Affairs and Communications' System of Social and Demographic Statistics

#### Kariya City

- 1. Kariya City has a great deal of economic power, coming in 15th place among Japan's 1,715 cities, towns, and villages (in FY2021)
- 2. Extensive childcare support and public services
- 3. The proportion of the working age population is second only to Tokyo's 23 Wards and the Kanto urban area

### **Property features**

Structure / Floor Plan

Close to existing

1. Residential asset in central Tokoname City, which has long been home to many companies in the manufacturing industry with ties to ceramics, such as INAX

4 floors Steel-framed reinforced

concrete structure / Studio

- 2. Located near Centrair Airport, the Chubu region's gateway to the skies, and home to a large number of aircraft companies
- The tenant is a major Japanese aircraft company, and will use the building as company housing
- Reasonable pricing through direct transactions with other parties through the Asset Manager's own business routes

#### **Population trends of Tokoname City**

Occupancy Rate

100.0 %



Affairs and Communications' System of Social and Demographic Statistics



(Source) Ministry of Internal Affairs and Communications -List of Major Financial Indices of Local Public Bodies (FY2022)

23

building department store, and other

convenient daily living facilities within

walking distance. There are also cultural

facilities, such as a museum and library.

The per capita income of town residents

in 2021 was the second highest in Mie

Prefecture, after Inabe City (in 2020, it had the highest per capita income in the

prefecture)

3 Additional investment in residential assets located in industrial areas with many export-oriented manufacturing companies that are capable of keeping ahead of inflation







(Source) Prepared by the Asset Manager based on the Ministry of Internal Affairs and Communications' System of Social and Demographic Statistics

### 2 Portfolio Quality Enhancement through Asset Replacement



## **Purpose of Asset Replacement**

- (Aquisition) Uni E'meal Miedaigakumae, a residential asset supporting the industrial region, is a rare student dormitory located only a 2-minute walk from Mie University. It is a recently constructed property (built in January 2022) offering excellent convenience and specialized facilities/services, including comprehensive meal services.
- (Disposition) Marunouchi EMBL Court was determined to have a low post-depreciation NOI yield and limited future internal growth potential. As a result of the sale activities, the transfer was achieved at a price exceeding the appraised value.
- 3. We anticipate the acquired assets to yield a higher postdepreciation NOI compared to the disposed assets, and we aim to improve the mid-to-long-term portfolio income through the acquisition of recently constructed properties.
- 4. The disposition was executed in two tranches, with a gain on sale of 21.5 million yen (JPY 67 per unit) expected to be recorded in the 8th Fiscal Period (ending July 2025), and 19.6 million yen (JPY 62 per unit) projected for the 9th Fiscal Period (ending January 2026).

	Acquired asset	Disposed asset
Acquisition price	0.96 billion JPY	1.08 billion JPY
Appraisal NOI yield	5.3%	4.5%
Appraisal NOI yield after depreciation	3.3%	2.8%

#### **Acquired asset**

Acquired in 9th FP

### Uni E'meal Miedaigakumae

Community **Infrastructure Asset Residential Asset** 





#### **Asset replacement**

#### **Disposed asset**

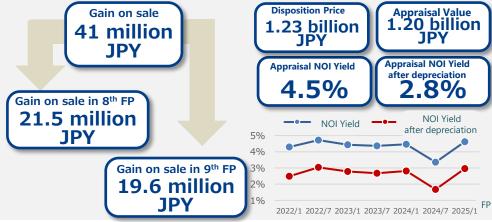
Disposed 51% in 8th FP, 49% in 9th FP

### Marunouchi EMBL Corut

Community Infrastructure Asset **Residential Asset** 

area

Total floor 3,524.70m



#### Acquisition of a Rare Student Dormitory, a Residential Asset in an Industrial Area



The Asset Manager's Own Route

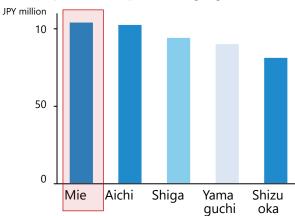
**Student Dormitory Supporting the Industrial Area** 

## Uni E'meal Miedaigakumae

Community Infrastructure Asset Residential Asset



National Ranking of Manufactured Goods Shipments, etc. per Working-Age Person



(Source) Prepared by the Asset Manager based on the 2020 Industrial Statistics of Japan the 2020 National Census of Japan

| The angle of the angle of

## Key points of this property

Tsu City, Mie

#### **1** Advantages of the area

- Mie Prefecture is an industrial region that ranks first nationwide in Manufactured Goods Shipments, etc. per working-age person.
- Located near our existing Matsusaka Logistics Center, the Tsu and Matsusaka areas benefit from a high concentration of automotive and semiconductor industries.
- 3. A student dormitory (112 units) situated in a highly competitive area, located only a 2-minute walk from Mie University—the prefecture's sole national university, which has a strong reputation for industry collaboration.
- 4. We assess that the property, targeting over 7,000 undergraduate and graduate students, is positioned to capture stable and abundant long-term demand, as the university maintains all of its faculties and the affiliated hospital on campus.

Location Jan.2022 construction Prefecture Number of Site area 2.332.44m Total floor area 3,524,70m Students Uni E'meal Miedaigakumae Miedaigakumae St. Foreign Students **Faculty of Education** Teachers at Affiliated Schools **Faculty of Bioresources** Other Staff Edobashi St. **Faculty of Humanities**, Library Daigakubyouinm & St. **Regional Innovation Studies** Auditorium **University Hospital Population** Faculty of Medicine **Faculty of Engineering Mie Unversity Kamihama Campus** 

Date of

Mie University Outline Faculty: 5,912 Graduate Shool: Schools Affiliated with Faculty of Education and others: 1,101 Faculty: 34 Graduate School: 89 1.367 Faculties, Graduate Schools Engineering Medicine **Bioresources Regional Innovation Studies** Humanities, Law and Economics Education As of Apr.1, 2025 26

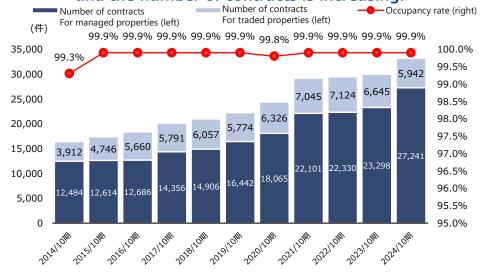
#### Acquisition of a Rare Student Dormitory, a Residential Asset in an Industrial Area



#### 2 Advantages of the tenant

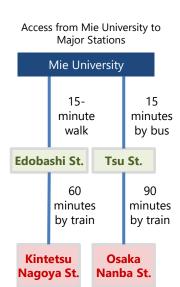
- 1. Out of the approximately 1.09 million 18-year-olds nationwide, the number of university entrants is around 630,000, and the university enrollment rate is showing an increasing trend.
- 2. The operator, J.S.B. Co., Ltd., maintains solid performance based on an asset-light business model primarily centered on subleasing.
- 3. The company's managed units numbered approximately 94,000 as of 2024, and the number of contracts, including annual replacements, totaled around 33,000, indicating tight supply and demand.
- 4. he company's facilities are highly popular among parents, reflecting growing security awareness, concerns over young people's dietary issues (such as eating alone, imbalanced diets, and reduced food intake), and the weakening of interpersonal relationships.

#### <The occupancy rate of J.S.B.'s managed properties is high, and the number of contracts is increasing.>



#### 3 Advantages of the property and its location

- 1. Ensuring high profitability through sourcing that leverages the Asset Manager's own routes.
- 2. Although the property is a newly built student apartment complex with meal services, it is the first such facility in Mie Prefecture for the operator and houses a leasing agency branch specifically for Mie University students. It is equipped with a dining hall that offers nutritionist-supervised menus and 'UniTime Lounge' designed to foster interaction among students.
- The property is located directly in front of the main gate of Mie University. With convenience stores, a shopping center, and a post office nearby, the area offers a commensurately high level of daily convenience.
- 4. Access to central Nagoya is favorable, with Kintetsu-Nagoya Station approximately 60 minutes away from Edobashi Station on the Kintetsu Nagoya Line, which is a 15-minute walk from the property.





## Portfolio following the new property acquisitions



Acquisition Price (million JPY)

6.230

692

Appraisal NOI Yield (%)

6.2

4.9



**Infrastructure Assets** Infrastructure Assets

44.5%

**Land Assets** 

(For Industrial

Infrastructure)

7.3%

Logistics

Assets

28.4%

Industrial

or Business

Assets

8.9%

55.5%

Other Assets

Necessities)

Land Assets

Necessities)

19.5%

Residential

Assets

30.9%

(For Distribution

or Sale of Daily

5.0%

(For Distribution

or Sale of Daily

	Assets	וויממפנומו ווווימפנומכנמוס



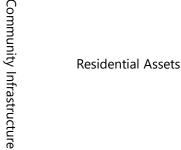
Class



Subclass

Logistics

Assets

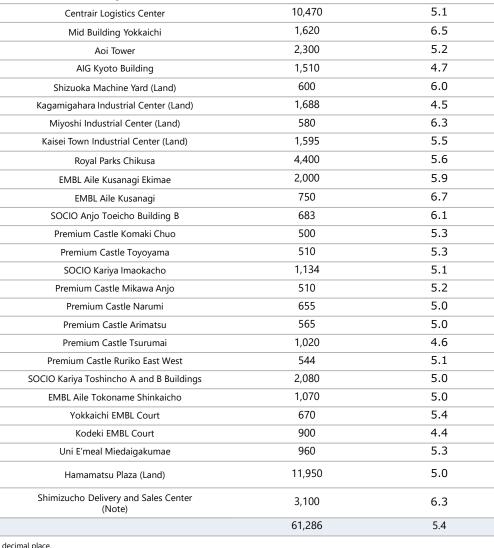


Land Assets (For Distribution

or Sale of Daily Necessities)
Other Assets (For Distribution

or Sale of Daily Necessities)

Total / Average



Name of Property

Inabe Logistics Center

Matsusaka Logistics Center

(Note 1) The "Investment Ratio" indicates the acquisition price of each property as a percentage of the total acquisition price, rounded to the first decimal place.

Assets

(Note 2) The "Acquisition Price" indicates the sale and purchase price (excluding consumption tax, local consumption tax, brokerage commissions, and other various expenses) indicated in the sale and purchase agreement, rounded down to the nearest million JPY.

(Note 3) "Appraisal NOI Yield" figures are obtained by dividing the total appraisal NOI of each property by the total acquisition price, rounded to the first decimal place. Those figures are figures calculated by the Asset Manager and are not figures indicated in the real estate appraisal report.

## memo



## Section 4

8th Fiscal Period Operations/Financial Strategy

## **Ensuring Stable Operation by Addressing Industrial Area Demands** ①



## Continued stable operation leveraging the strength of our assets' locations in the industrial area

Change in Occupancy	<b>Rates</b> Jan. 31, 2025		Jul. 31, 2025	Unit Rent	per 'Tsu	boʻ(3.3m๋	<b>)</b> (including co	ommon service (JPY per T	
Entire Portfolio	End of 7 <sup>th</sup> FP) <b>99.7%</b>		(End of 8 <sup>th</sup> FP) <b>99.6%</b>	)	Jan. 31, 2024 End of 5 <sup>th</sup> FP	Jul. 31, 2024 End of 6 <sup>th</sup> FP	Jan. 31, 2025 End of 7 <sup>th</sup> FP	Jul. 31, 2025 End of 8 <sup>th</sup> FP	7 <sup>th</sup> FP → 8 <sup>th</sup> FP
Inabe Logistics Center	100.0%		100.0%	Centrair Logistics Center	3,372	3,373	3,367	3,385	
Matsusaka Logistics Center	100.0%		100.0%	Mid Building Yokkaichi	9,428	9,428	9,428	9,652	
Centrair Logistics Center	99.2%		99.0%	Aoi Tower	17,000	17,000	17,000	17,000	
Mid Building Yokkaichi	100.0%	- \ -	100.0%	AIG Kyoto Building	_	_	9,166	9,369	
Aoi Tower  AIG Kyoto Building	100.0%	1	100.0%	Kagamihara Industrial Center	_	770	770	770	$\rightarrow$
Shizuoka Machine Yard (Land)	100.0%		100.0%	(Land)  Royal Parks Chikusa	8,408	8,435	8,408	8,438	
Kagamihara Industrial Center (Land)	100.0%		100.0%	Marunouchi EMBL Court	7,921	7,944	7,958	7,963	
Miyoshi Industrial Center (Land)  Kaiseimachi Industrial Center (Land)			100.0%	EMBL Aile Kusanagi Ekimae	6,577	6,577	6,577	6,577	$\rightarrow$
Royal Parks Chikusa	97.2%		96.4%	EMBL Aile Kusanagi	6,376	6,376	6,376	6,376	$\Rightarrow$
Marunouchi EMBL Court	96.9%		97.1%	SOCIO Anjo Toeicho Building B	_	7,496	7,496	7,496	$\Rightarrow$
EMBL Aile Kusanagi Ekimae	99.0%		99.0%	Premium Castle Komaki Chuo	_	7,123	7,123	7,157	
EMBL Aile Kusanagi	100.0%		100.0%	(Note) Due to tenant	s request, the i	ental unit price	e of some prop	erties is not	21

**Delivery and Sales Center** 

## **Ensuring Stable Operation by Addressing Industrial Area Demands 2**



## Continued stable operation leveraging the strength of our assets' locations in the industrial area

Change in Occupand	<b>Cy Rates</b> Jan. 31, 2025 (End of 7 <sup>th</sup> FP)	Jul. 31, 2025 (End of 8 <sup>th</sup> FP)	Unit Ren	t per 'Tsu	boʻ(3.3m	(including c	ommon service ( (JPY per T	
SOCIO Anjo Toeicho Building B	100.0%	100.0%		Jan. 31, 2024 End of 5 <sup>th</sup> FP	Jul. 31, 2024 End of 6 <sup>th</sup> FP	Jan. 31, 2025 End of 7 <sup>th</sup> FP	Jul. 31, 2023	$7^{\text{th}}$ FP $\rightarrow$ $8^{\text{th}}$ FP
Premium Castle Komaki Chuo	97.8%	97.4%	Premium Castle Toyoyama	_	6,074	6,059	6,069	
Premium Castle Toyoyama	100.0%	96.2%	SOCIO Kariya Imaokacho	_	8,906	8,906	8,906	
SOCIO Kariya Imaokacho	100.0%	100.0%	Premium Castle Mikawa Anjo	_	7,206	7,206	7,206	
Premium Castle Mikawa Anjo	100.0%	100.0%	Premium Castle Narumi	_	7,444	7,445	7,442	
Premium Castle Narumi	100.0%	98.2%	Premium Castle Arimatsu	_	7,011	7,031	7,061	
Premium Castle Arimatsu	98.0%	97.2%	Premium Castle Tsurumai	_	7,959	7,887	7,872	
Premium Castle Tsurumai	93.4%	93.7%	Premium Castle Ruriko East West	_	6,163	6,187	6,187	
Premium Castle Ruriko East West	100.0%	100.0%	SOCIO Toshincho A building/B building	_	_	_	6,960	_
SOCIO Toshincho A building/B building	_	100.0%	EMBL Aile Tokonameshinkaicho	_	_	_	5,257	_
EMBL Aile Tokonameshinkaicho	_	100.0%	Yokkaichi EMBL Court	_	_	_	5,720	_
Yokkaichi EMBL Court	_	98.3%	Kodeki EMBL Court	_	_	_	7,217	_
Kodeki EMBL Court	_	100.0%	Hamamatsu Plaza	2,168	2,168	2,168	2,168	
Hamamatsu Plaza (Land)	100.0%	100.0%	(Land)	_,	_,	_,	_,	
Shimizucho Delivery and Sales Center	100.0%	100.0%	(Note) Due to tenant allowed to be		rental unit pric	e of some pro	perties is not	

### Portfolio management status - Logistics assets in an industrial area

Inabe Logistics Center 49-北勢ICから8分(5km)

operation around

Mie Pref.



**Sponsor-bridge SPC** (Inabe City, Mie Prefecture)

### **Inabe Logistics Center**

Industrial infrastructure asset **Logistics assets** 

**Sponsor-bridge SPC** (Tokoname City, Aichi Prefecture) **Asset Manager's Own Route** 

## **Centrair Logistics Center**

Industrial infrastructure asset

**Logistics assets** 







Asset Management Status at the end of the 8th Fiscal Period

**Acquisition Price** 

6.23 billion JPY

**Appraisal NOI Yield** 

6.2%

✓ Large logistics facility backed by the industrial cluster

Strengths

- ✓ Inabe City is home to the plants of many major manufacturers
- ✓ The completion of the interchange in close proximity to the property dramatically improved access to the Nagoya and Kyoto-Osaka-Kobe areas
- ✓ We are maintaining competitive rents and have achieved a high degree of long-term retention of high quality tenants
- ✓ The facility is a large one, unusual for its area, with multiple tenants, so it is highly versatile (it is flat and can be subdivided into four parts, each with their own elevator)

Steady occupancy for both the main building and separate wing warehouses due to highly creditworthy,

long-term tenants







#### Strengths

- ✓ The asset is located in central Japan (Chukyo region), with one of the highly concentrated industry clusters of manufacturers and the third populated region in Japan. Therefore, the asset has an essential role in processing the extensive logistics needs of the area.
- ✓ Tokoname City has an industrial area with a high concentration of company headquarters and factories manufacturing high-tech fine ceramics. Many steel and automobile companies are located within the area
- ✓ The property is connected to an extensive highway network and offers excellent access to the megacity of the central Nagoya region, which has an expansive industrial area.
- ✓ The property is an expansive logistics facility with earthquake-resistant structure. It offers advanced specifications uncommon in the region, designed to serve a variety of tenants on both a large and small scale.
- ✓ The property is in strong demand among its tenants, comprised of third-party logistics providers and manufacturing companies.



**Acquisition Price** 10.47 billion JPY

**Appraisal NOI Yield 5.1%** 

Asset management status as of the end of the 8th fiscal period

✓ The occupancy rate is a high 99.0% as of Jul. 31, 2025

### Portfolio Management Status - Logistics assets / Land assets in an industrial area



Asset Manager's Own Route (Matsusaka City, Mie)

### **Matsusaka Logistics Center**

Industrial infrastructure asset

Logistics assets

The Asset Manager's Own Route (Kakamigahara City, Gifu Prefecture)

#### **Kagamigahara Industrial Center (Land)**

Industrial Infrastructure Asset

Land

For Industrial Infrastructure







Strengths

Asset Management Status at the end of the 8th Fiscal Period

- The area is home to numerous automotive manufacturers and semiconductor manufacturers, and there is a high concentration of industry, including heavy industry
- ✓ There is medium- and long-term logistics demand due to industry related to electronic products used in the next generation of electric vehicles and hybrid vehicles
- ✓ The tenant is a 3PL company which
  meets the needs of cargo owners
  in the region, with its high
  concentration of industry, and the
  property has maintained steady
  occupancy

#### Strengths

- √ The aerospace industry is a global growth sector, and it is heavily concentrated in this area.
- ✓ The government has made it a national policy to promote the aircraft industry in order to
  ensure supply chains and ensure security
- √ The site is located in an industrial cluster anticipated to generate significant industrial demand.
- ✓ The site is located adjacent to the plants of Kawasaki Heavy Industries, Ltd.
- ✓ The parent company of the main end tenant has an aviation division
- ✓ As an aircraft component manufacturer, the end tenant is part of the aircraft industry supply chain. It also has high retention rate at manufacturing bases.
- ✓ The property is just a 3-minute walk from SoharaStation and is easily accessible from residential areas
- ✓ The property is located near the Japan Air Self-Defense Force's Gifu Air Base, which has led Japan's aircraft industry as the nation's oldest air base
- ✓ A property management company who is well-versed in industrial assets is the building owner's parent company.

Asset Management Status at the end of the 8th Fiscal Period

✓ Stable cash flow due to long-term contract with the tenant



## 4 8th Fiscal Period Operations/Financial Strategy **Portfolio Management Status – Industrial / business assets**

#### and land assets in an industrial area

**Sponsor-bridge SPC** (Yokkaichi City, Mie Prefecture)

### Mid Building Yokkaichi

**Industrial Infrastructure Asset Industrial or Business Assets** 



**Acquisition Price** 

1.62 billion JPY

Appraisal NOI Yield

6.5%

- Support for solid industrial need backed by a concentration of industry
- Many industrial tenants, reflecting the concentration of the manufacturing industry in Yokkaichi

Asset Management Status at the

- √ 100% occupancy rate
  - ✓ Steady occupancy due to use by tenants with low relocation rates, including semiconductor-related
  - ✓ Achieved a total monthly rent increase of JPY 262,000 across seven contracts through negotiations during the contract

#### Strengths

end of the 8th Fiscal Period

- tenants
- period.

#### Executed value-add construction work on the common areas.

Updated facilities in the men's restroom

Installed storage boxes in the ladies' restroom

**Updated facilities** in the kitchenette

Tokaido REIT, Inc.









**Our Sponsor's Own Route** (Shizuoka City, Shizuoka Prefecture)

Aoi Tower

**Acquisition Price** Appraisal NOI Yield **5.2%** 

**Asset Industrial or Business** 

**Assets** 

**Industrial Infrastructure** 

Asset Management Status at Strengths the end of the 8th Fiscal Period

.30 billion JPV Aoi Tower is a Landmark tower in Shizuka City, which meets strong business needs backed by the

industrial cluster.

- ✓ Stable operation continued due to the sponsor's master lease.
- ✓ The shared offices within the property are in high demand and consistently occupied.

**Our Sponsor's Own Route, CRE Proposal** (Shizuoka City, Shizuoka Prefecture) Shizuoka Machine Yard (Land) **Industrial Infrastructure Asset** 

Land

**Acquisition Price** 0.60 billion JPY **Appraisal NOI Yield** 6.0%

The tenant is a civil engineering and construction machinery rental company (construction equipment rental company), operating in a growth field

Strengths

- Stable cash flow through a long-term contract
- ✓ Stable cash flow due to long-term contract with the tenant

Asset Management

Status at the end of

the 8th Fiscal Period

### Portfolio Management Status - Residential assets in an industrial area



### **Kariya City Area**

The Asset Manager's Own Route (Kariya City, Aichi Prefecture)

Community Infrastructure Asset **Residential Asset** 

Asset Management Status at the end of the 8th Fiscal Period

✓ Stable operation from entire building being leased to a single tenant

### **SOCIO Kariya Imaokacho**



**Acquisition Price** 1.134 billion JPY

> **Appraisal** NOI Yield 5.1%

#### Strengths

- ✓ Entire building rented out to an automobile affiliate that is highly competitive at the global level
- √ 30 minutes from Nagoya Station on the Meitetsu Nagova Main Line

## **Anjo City Area**

The Asset Manager's Own Route (Anjo City, Aichi Prefecture)

### SOCIO Anjo Toeicho Building B

Community Infrastructure Asset **Residential Asset** 



**Acquisition Price** 

0.683 billion JPY

**Appraisal NOI Yield** 6.1%

#### Strengths

#### Asset Management Status at the end of the 8th Fiscal Period

- ✓ Located in an area with few rental properties along National Route 1. which provides access to a wide area
- ✓ Approximately 10-minute walk from Shin-Anjo Station on the Meitetsu Nagova Main Line
- ✓ The tenant is a publicly listed personnel placement company and is using the building as company housing

✓ Maintained an occupancy rate of 100% during the fiscal period due to use as company housing

### **Area of Komaki City & Toyoyama Town**

The Asset Manager's Own Route (Komaki City, Aichi Prefecture)

Community **Infrastructure Asset Residential Asset** 

### **Premium Castle Komaki Chuo**



0.500 billion JPY **Appraisal** 

**NOI Yield** 5.3%

#### Strengths

Asset Management Status at the end of the 8th Fiscal Period

✓ Centrally located train station (approx.) 5-minute walk from Komaki Station on the Meitetsu Komaki Line)

Located near city hall, hospitals, and commercial facilities

✓ Maintaining a high average occupancy rate of 96.5% during the fiscal period due to strategic leasing activities

The Asset Manager's Own Route

#### (Nishikasugai-gun, Aichi Prefecture) **Premium Castle Toyoyama**

**NOI Yield** 

5.3%

**Acquisition Price** 0.510 billion JPY **Appraisal** 

Strengths

Asset Management Status at the end of the 8th Fiscal Period

Community

Infrastructure Asset

**Residential Asset** 

✓ About 1 km away from ✓ Maintaining a high average Nagoya Airport

✓ Offering excellent access to a wide area occupancy rate of 97.8% during the fiscal period due to strategic leasing activities

#### The Asset Manager's Own Route (Anjo City, Aichi Prefecture)

### **Premium Castle Mikawa Anjo**

Community Infrastructure Asset **Residential Asset** 



**Acquisition Price** 

0.510 billion JPY

NOI Yield 5.2%

**Appraisal** 

#### Strengths

Asset Management Status at the end of the 8th Fiscal Period

- ✓ Located in front of a train terminal for both the JR Tokaido Main Line and the Tokaido Shinkansen
- ✓ Convenient location with a high concentration of commercial facilities. A LaLaport is scheduled to open in 2025
- ✓ Maintained an occupancy rate of 100% during the fiscal period due to use as company housing



36

### Portfolio Management Status - Residential assets in an industrial area

Community



Community

### **Nagoya City Area**

The Asset Manager's Own Route (Nagoya City, Aichi Prefecture)

### **Premium Castle Tsurumai**

Infrastructure Asset **Residential Asset** 

**Acquisition Price** 1.020 billion JPY Appraisal NOI Yield 4.6%

#### Strengths

- ✓ Approximately 4-minute walk from Tsurumai Station on the JR Chuo Main Line and Nagoya Municipal Subway
- Meets the needs of the Nagoya University School of Medicine and its hospital, which are located extremely close by

#### Asset Management Status at the end of the 8th Fiscal Period

✓ Despite a high volume of tenant move-ins and move-outs, strategic leasing activities enabled us to maintain an average occupancy rate of 90.5% during the period. successfully keeping it above the 90% level

The Asset Manager's Own Route (Nagoya City, Aichi Prefecture)

### **Premium Castle Arimatsu**





**Acquisition Price** 0.565 billion JPY

> Appraisal NOI Yield 5.0%

#### Strengths

✓ Approximately 12 minutes northeast, on foot, from Arimatsu Station on the Meitetsu Nagoya Main Line ✓ Many residents associated with a medical university, which is located extremely close by

Asset Management Status at the end of the 8th Fiscal Period

✓ Maintaining a high average occupancy rate of 97.4% during the fiscal period due to strategic leasing activities

Community Infrastructure Asset

**Residential Asset** 

The Asset Manager's Own Route (Nagoya City, Aichi Prefecture)

### **Premium Castle Ruriko East West**

**Acquisition Price** 

0.544 billion JPY

Appraisal NOI Yield 5.1%

#### Strengths

- ✓ Provides excellent access to Komaki City, which has a thriving manufacturing industry. Positioned in a work and living area of the industrial cluster.
- One stop away from Ozone Station, the heart of Kita Ward, which has a well-developed community infrastructure

Asset Management Status at the end of the 8th Fiscal Period

✓ Maintaining a high average occupancy rate of 100.0% during the fiscal period due to strategic leasing activities

**Asset Manager's Own Route** (Nagoya City, Aichi Prefecture)

#### Community Infrastructure Asset

**Residential Asset** 

Asset Management Status at the



The Asset Manager's Own Route

(Nagoya City, Aichi Prefecture)

**Premium Castle Narumi** 

**Acquisition Price** 

5.0% 0.655 billion JPY

#### Strengths

- Approximately 5 minutes south, on foot, from Narumi Station on the Meitetsu Nagova Main Line
- Nagoya's Midori Ward offers convenient access to Tovoake City and Kariya City by rail
- Asset Management Status at the end of the 8th Fiscal

Community

Infrastructure Asset

**Residential Asset** 

Appraisal NOI Yield

✓ Maintaining a high average occupancy rate of 98.2% during the fiscal period due to strategic leasing activities

### **Marunouchi EMBL Court**



**Acquisition Price** 1.08 billion JPY

> Appraisal NOI Yield 4.5%

✓ A well-located residential property with business demand backed by the industrial cluster and population concentration in the region

Strengths

end of the 8th Fiscal Period ✓ Marunouchi EMBL Court was

determined to have a low post-depreciation NOI yield and limited future internal growth potential. As a result of the sale activities, the transfer was achieved at a price exceeding the appraised value.

### Portfolio Management Status - Residential assets in an industrial area



### **Nagoya City Area**

Sponsor-bridge SPC (Nagoya City, Aichi Prefecture)

### **Royal Parks Chikusa**

Community Infrastructure Asset Residential Asset Installed new partitions in response to tenant needs (converting the units from studio apartments to 1DK layouts)



Acquisition Price
4.40 billion JPY

Appraisal NOI Yield **5.6%** 

#### Strengths

Asset Management Status at the end of the 7th Fiscal Period

- ✓ A rare family rental residential property backed by a highly concentrated population
- ✓ It is a high-grade rental property within walking distance of the Sakae area, and has absorbed a wide range of needs
- ✓ Maintaining a high average occupancy rate of 97.6% during the fiscal period due to

strategic leasing activities





### **Shizuoka City Area**

Our Sponsor-developed Project, CRE Proposal (Shizuoka City, Shizuoka Prefecture)

Community Infrastructure Asset Residential Asset Our Sponsor-developed Project, CRE Proposal (Shizuoka City, Shizuoka Prefecture) EMBL Aile Kusanagi

Community Infrastructure Asset Residential Asset

EMBL Aile Kusanagi Ekimae

Acquisition Price

Appraisal NOI Yield 5.9%

2.00 billion JPY

#### Strengths

Asset Management Status at the end of the 7th Fiscal Period

- ✓ We acquired this sponsordeveloping property as proposing a CRE
- ✓ Shizuoka Bank company housing and student apartment
- ✓ Currently in operation, leased by JSB, a major corporation
- ✓ Company housing and student apartments both have high occupancy rates



Acquisition Price

0.75 billion JPY

Appraisal NOI Yield **6.7%** 

#### Strengths

Asset Management
Status at the end of the
7th Fiscal Period

- ✓ We acquired this sponsor-developing property by proposing a CRE
- ✓ A rare property that provides both students and their parents with peace of mind, leased and operated by major corporation JSB
- ✓ It is strong that the actual operation rate of leasing as a student apartment



## Portfolio Management Status - Land assets and other assets in an industrial area

Tokaido REIT. Inc.

**Sponsor-bridge SPC** (Hamamatsu City, Shizuoka Prefecture)

### Hamamatsu Plaza (Land)

**Community Infrastructure Asset** 

For Distribution or Sale of Daily Necessities

**Acquisition Price** 

11.95 billion JPY

**Appraisal NOI Yield** 5.0%

#### Strengths

浜松IC

Hamamatsu

Plaza

- ✓ A rare land asset with a last-one-mile location for meeting needs for daily necessities, backed by the high population density of the industrial area
- The main tenant is COSTCO Wholesale Corporation (NASDAQ: COST) Japan, and the site has been succeeding in attracting customers

自動車学校前駅

浜松基地

#### Asset Management Status at the end of the 6th Fiscal Period

- ✓ It is being operated in a stable with 100%
- Costco, which is focused on daily necessities, is performing strongly and is providing synergistic benefits, making other commercial facilities highly popular as well
- We performed exterior wall renovation work on the Akachan Honpo and Xebio buildings to improve tenant and customer satisfaction.

manufactured goods shipments, etc.		
1st	Shizuoka City	2.1 trillion JPY
2 <sup>nd</sup>	Hamamatsu City	1.9 trillion JPY
3 <sup>rd</sup>	Kosai City	1.6 trillion JPY
4 <sup>th</sup>	Iwata City	1.4 trillion JPY
5 <sup>th</sup>	Fuji City	1.4 trillion JPY
6 <sup>th</sup>	Kakegawa City	1.1 trillion JPY
7 <sup>th</sup>	Makinohara City	1.0 trillion JPY

Shizuoka Prefecture - Value

浜松プラザイースト





浜松プラザウエスト

**Sponsor Development Project, CRE Proposal** (Sunto-gun, Shizuoka Prefecture)

#### **Shimizucho Delivery and Sales Center**

**Community Infrastructure Asset** 

For Distribution or Sale of Daily Necessities



**Acquisition Price** 3.10 billion JPY

**Appraisal NOI Yield** 

6.1%

#### Strengths

- Located in Shimizucho, one of the prefecture's most densely populated areas, backed by an industrial region that stretches from Numazu City to Mishima City, the main cities in eastern Shizuoka Prefecture
- Appro 130,000 people live within a three-kilometer radius of the property and approximately 300,000 people within a five-kilometer radius (as of 2020), making it a highly attractive area in an excellent trade zone with high potential
- It offers excellent access, is located on major roads such as National Route 1 (Numazu Bypass), and is 6 km from the Numazu Interchange of the Tomei Expressway
- We acquired the Land based on the judgment of the sponsor company, which is highly familiar with local information. The sponsor company developed the property as a CRE project, and Tokaido REIT acquired it after completion
- Perfect location for a distribution and sales given the large local

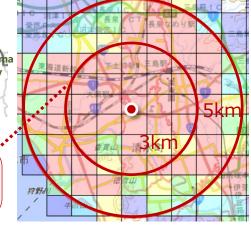
Asset Management Status at the end of the 6th Fiscal Period

- Stable operation with 100% occupancy
- Currently being used as an ecommerce logistics site and daily necessity facility, taking advantage of the high population density



Value of manufactured goods shipments, etc. in the area 102.2 billion IPY Town Mishima 450.4 billion JPY Numazu City City 601.5 billion JPY 182.4 billion JPY Shimizu Town 1,336.6 billion JPY

Mishima Station, Numazu Station, the Shimizucho Town Hall, and Nagaizumi Town Hall are all located within three kilometers of the property, and there is a large population in the area around Shimizucho



(Source) Prepared by the Asset Manager based on the 2020 Industrial Statistics of Japan

Shimizu

Town

Nagaizumi

Town

Numazu

City Mishima

City

Total

## 4 8th Fiscal Period Operations/Financial Strategy 4 Portfolio of properties with internal growth that can fill rent gaps and which can keep up with inflation



The portfolio is made up primarily of assets with short lease periods and short average remaining lease periods that stay ahead of inflation, such as residential properties and multi-tenant logistics facilities, and also has properties that can keep up with inflation even when they have long average remaining lease periods because their leases are designed with room for internal growth by including economic fluctuation clauses. Together, these make up 98% of the portfolio.

Simple average of remaining

contract years for each type

Inflation leading / tracking

Multi-tenant assets

No. of tenants: 10 or more

> Overall portfolio

60. 8billion JPY (100%)

Assets with low number of tenants/single tenant assets

No. of tenants: 7 or fewer

Responding to inflationary changes takes time

10.9 billion JPY 1.3 years **Multi-tenant** residential assets (18%)

**Multi-tenant** 13.6 billion JPY 1.6years industrial infrastructure (22%) assets

16.0 billion JPY 7 years or less (26%) 3.5years Average remaining lease period

7 years or more

Leases with periodic 16.6 billion JPY 19.9years (1/3/5 year) economic (27%)fluctuation clauses

Leases with general economic fluctuation clauses

2.2 billion JPY 22.0years (4%)

1.2 billion JPY 20.3 years Other

high turnover rates make it easy to stay ahead of or keep up with the

Assets that stay ahead of inflation

24.5 billion JPY (40%)

Short term lease assets

40.6 billion JPY · (67%)

Assets that track inflation 57.2 billion JPY (94%)

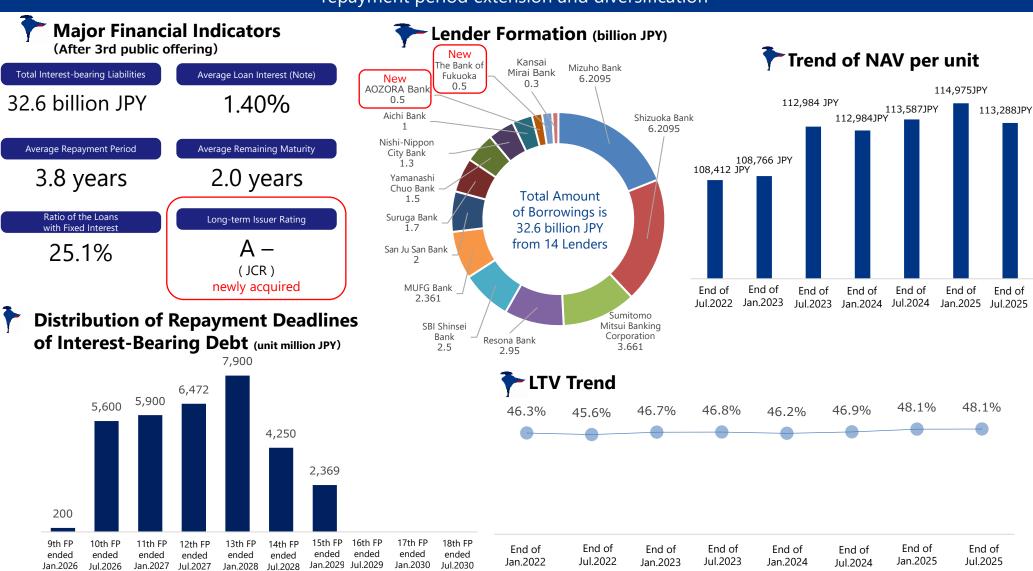
Assets that keep up withinflation 59.5 billion JPY (98%)

· y	meraamg	ccononne i	iuctuutioii ciuuses.
	No. of tenants	Average remaining lease period	Property type
N			Multi-tenant residential asset
Ш			Multi-tenant residential asset
Ш			Multi-tenant residential asset
Ш	22.472		Multi-tenant residential asset
Ш	33-178 (Avg. 67)	0.9 - 3.1 years	Multi-tenant residential asset
Ш	g ,		Multi-tenant residential asset
Ш			Multi-tenant residential asset
Ш			Multi-tenant residential asset
Ц			Multi-tenant residential asset
Ш	48-53	The standard	Multi-tenant residential asset
Ш	(Avg. 50)	lease length is 2.0	Multi-tenant residential asset
Ш			Logistics asset
Ш	10-20 (Avg. 14)	0.7-2.2 years	Industrial or business asset
	7 Wg. 147		Industrial or business asset
П			Logistics asset
Ш			ML residential asset (194 units)
Ш			ML residential asset (200 units)
Ш	1-3	12.50	ML residential asset (102 units)
Ш	(Avg. 2)	1.3-5.9 years	ML residential asset (98 units)
Ш			ML residential asset (41 units)
Ш			ML residential asset (102 units)
ł,			Industrial or business asset
			Land asset (for distribution or sale of daily necessities)
Ш	1-8 (Avg. 3)	12-29 years	Other asset (for distribution or sale of daily necessities)
	7 Wg. 37		Land asset (for industrial infrastructure)
П	1	46.07	Land asset (for industrial infrastructure)
	1	16-27 years	Land asset (for industrial infrastructure)
1	1	10 21	Logistics asset
	1	19-21 years	Land asset (for industrial infrastructure)

### **Solid Financial Base Supported by Strong Lender Formation**



Deliberations regarding switching to fixed interest rates for debt procurement and CF stabilization with an eye toward repayment period extension and diversification



# memo



# Section 5

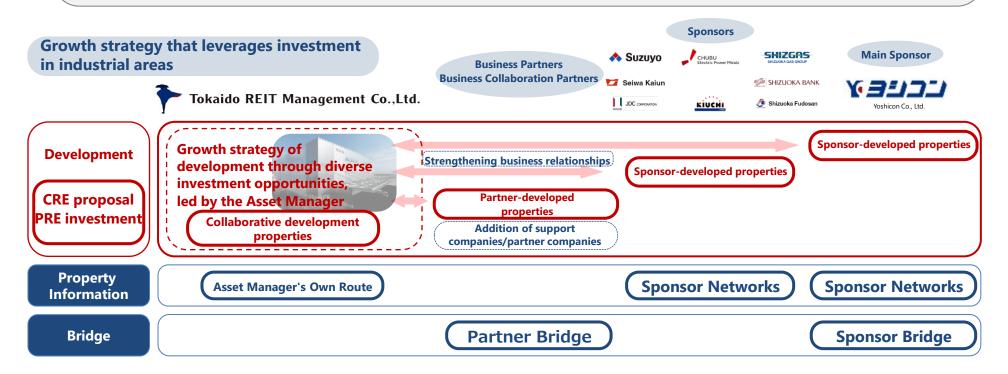
Future Growth Strategy

# The Asset Manager will actively collaborate with diverse partners to expand the pipeline through property development



In addition to the development activities carried out by the sponsor companies so far, the Asset Manager is taking an active role in development to further develop the pipeline

- 1. The Asset Manager will be actively involved in the pipeline, aiming to minimize development costs while ensuring proactive growth.
- 2. The Asset Manager's leadership in development will ensure better alignment with Tokaido REIT's needs and increase the likelihood of property acquisition
- 3. We will leverage the strengths of multiple sponsors with expertise in industrial regions to foster active and organic collaboration.
- 4. We will build win-win relationships with real estate players beyond sponsor companies, promoting the further development of our pipeline.



Residential asset located in industrial area with a significant export-oriented manufacturing industry presence to stay ahead of inflation



**Sponsor-developed** properties

**CRE Proposal** 

Close to existing

Preferential negotiation rights already acquired

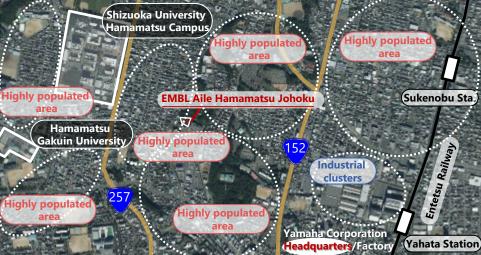
Student apartment building that will support the industrial area from a personnel perspective

Community Infrastructure Asset

### **EMBL Aile Hamamatsu Johoku**

**Residential Asset** 





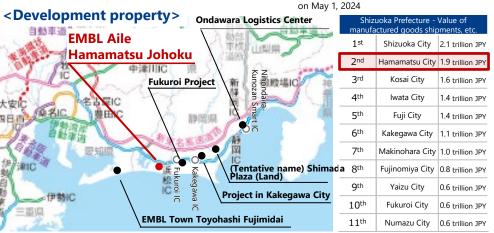


Pipeline project that will be completed in very near future

1 Advantages of the area

- 1. The Hamamatsu area is one of Japan's leading industrial areas and its population is growing more concentrated
- 2. The nearest station is in a highly industrial area home to Yamaha's head office/plants (approx. 1.5 km northwest of Hamamatsu Station)
- 3. There are also many academic institutions such as universities that support the area's industry
- 4. The property is located in an area with a high population concentration near Shizuoka University. It is a student apartment building that will support the industrial area from a personnel perspective.

Nearby campuses	Faculty	No. of students	Other	
Shizuoka University	Faculty of Informatics	1,048	Hamamatsu University School of Medicine	
Hamamatsu Campus (8-	Faculty of Engineering	2,344		
minute walk)	Graduate school	1,015	Joyo University	
Hamamatsu Gakuin University (11-minute/14- minute walk)	Faculty of Regional Co-creation	204	(Hamamatsu Campus)	
	Faculty of Children's Communications	191	Tokai Technical College of Automotive Engineering	
	Junior college	218		
Shizuoka University of Art and Culture (9 minutes by		949	Design Technology	
	Faculty of Design	486	Vocational School	
bicycle)	Faculty of Design	41		





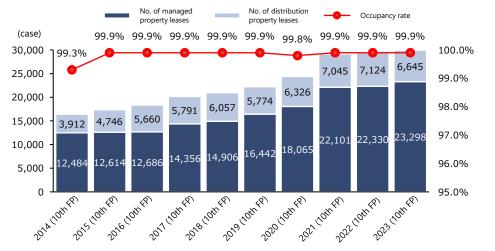
#### 2 Advantages of the tenant

- 1. This property will be a student apartment which serves meals, making it popular with both parents and students.
- 2. Operator J.S.B. has an asset-light business model primarily focused on sub-leasing and has solid business results.
- 3. No other operators in Shizuoka Prefecture have similar properties, so the property is expected to be highly competitive.
- 4. There are 1,090,000 people in Japan who are 18 years old. Of them, roughly 630,000 plan to enter university, and the university advancement rate is rising.
- 5. In 2023, the operator managed 85,000 units, and there are leases for roughly 30,000 units, including annual replacements, so demand is high.

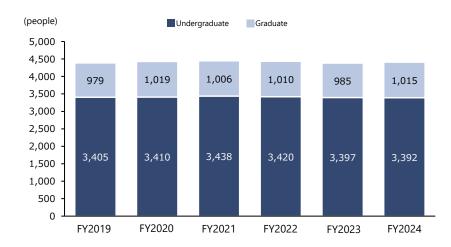
### 3 Advantages of the property and its location

- 1. The sponsor company has secured land through its network and developed the property through a CRE proposal to meet the needs of a major operator.
- 2. Taking inflation into consideration, the lease period will extend until 2035, with plans for rent revision deliberations in the 5th and 8th year, and a two-year lease extension will be possible with the consent of all parties.
- 3. The property is a residential asset, which is rare for the area, and over the medium and long term, it will be possible to operate it flexibly, envisioning various types of demand and aiming to maximize rent.

#### <J.S.B. has a high occupancy rate and the number of managed property leases is rising>



#### <No. of students enrolled in Shizuoka University (Hamamatsu Campus)>



(Note) Created by the Asset Manager based on the "Overview of Shizuoka University" (Note) Tokaido REIT has no plans to acquire this property as of the date of this document's creation, and there is no guarantee that it will acquire it in the future.

The Asset Manager will be actively involved and will collaborate with multiple sponsor companies to develop the logistics facility pipeline ①



Sponsor-developed properties

Collaborative development properties

(CRE Proposal)

### Ondawara Logistics Center (Pipeline under development)

Industrial Infrastructure
Asset
Logistics Assets

A logistics property where the Asset Manager will actively participate and collaborate with sponsor companies

Property features and development strategy

- 1. This logistics asset is being developed by the Asset Manager in collaboration with sponsor companies and is strategically positioned to meet the high demand of the surrounding industrial area.
- ✓ The property is an industrial infrastructure asset located in an industrial area centered around Shizuoka, which is home to one of Japan's top industrial clusters, straddling multiple prefectures, and is an industrial infrastructure asset that can meet the abundant needs of the area
- ✓ Well-situated for delivery to a wide area through the use of nearby expressways

 Developed with the active involvement of the Asset Manager and in conjunction with multiple sponsor companies
 Ondawara Logistics Center



2. A rare, expansive site in a prime location, close to a new Tomei Expressway interchange

Overview of Site		
Location	Suruga Ward, Shizuoka City	
Land Area	14,150 m (4,280 tsubos)	
Use District	Industrial District	
Building Coverage Ratio /Floor Area Ratio	70% / 200%	



- ✓ Ondawara Logistics Center will be situated within a unique land rezoning project area next to the Nihondaira Kunozan Smart IC.
- Shizuoka City has high demands from cargo owners due to its dense concentration of manufacturing and logistics companies.



Value of manufactured goods shipments (2019)		
Aoi Ward	128.3 billion JPY	
Suruga Ward	808.4 billion JPY	
Shimizu Ward	1,183.4 billion JPY	
Total 2,120.2 billion JP		

(Source) Prepared by the Asset Manager based on 2020 Industrial Statistics of Japan

Shimizu (2022)		
Export value 2,250.0 billion JPY		
Import value 1,450.7 billion JPY		
Total 3,700.8 billion JPY		

(Source) Prepared by the Asset Manager based on the Nagoya Summary of Customs and Trade

#### 5 Future Growth Strategy

The Asset Manager will be actively involved and will collaborate with multiple sponsor companies to develop the logistics facility pipeline ②



3. The Asset Manager will play an active role in development, aligning with the investment policies and perspectives of Tokaido REIT. They will leverage the strengths of individual sponsor companies to execute this development effectively.

The asset manager will lead coordination efforts with individual sponsor companies, aiming for acquisition by Tokaido REIT.



Tokaido REIT Management Co.,Ltd.



Industrial sponsor companies

Overview of Building

Structure
/ Floors

Total Floor
Area

Overview of Building
/ Planned to be a 4-floors

Approximately 30,000 m²
(Approximately 8,500 tsubos)

Land transfer Land purchasing

Logistics sponsor company

**Tenant** 



Seiwa Kaiun Co., Ltd.
Provision of

After completion of construction owners

Abundant needs of the industrial area

Conclusion of leasing reservation agreements



ndustrial Infrastructure Asset

Deliberation regarding future acquisition

Proxy development

Design and construction

Leasing company



**Land purchasing** 



KIUCHI Construction Co., Ltd.

Design and construction

**Development consignment** 

Industrial sponsor companies



Tokaido REIT, Inc.

- 4. Fulfilling the corporate real estate (CRE) needs of Seiwa Kaiun, our logistics sponsor company
  - ✓ We have been considering developing logistics assets in collaboration with a logistics sponsor company since our IPO.
  - ✓ This company is one of the leading logistics firms in Shizuoka Prefecture. Besides its port transportation business, it also provides warehousing, customs clearance, international intermodal transport, and more.
  - Additionally, it operates logistics sites in the Tokaido region and overseas.

- 5. We will utilize the design and construction expertise of an industrial sponsor company.
  - ✓ Kiuchi Construction Co., Ltd., the sponsor company, has built a strong reputation through its extensive experience in constructing industrial infrastructure assets. While primarily focused on its business in Shizuoka Prefecture, the company also operates in the broader Tokaido region.
  - ✓ It has the capabilities necessary to perform land sourcing, design, and construction development, and it can seamlessly coordinate with Tokaido REIT, the asset manager, and other sponsor companies.

We will regularly conduct project meetings with sponsor companies and other relevant parties, enhancing our coordination efforts to drive the growth of Tokaido REIT, Inc. Development as a community infrastructure asset together with sponsor companies and partners, with the active involvement of the Asset Manager 1



Sponsor-developed properties

Collaborative development properties

**CRE Proposal** 

## EMBL Town Toyohashi Fujimidai (Pipeline under development)

**Community Infrastructure Asset** For Distribution or Sale of Daily Necessities

Community infrastructure assets developed through coordination with sponsor companies and partners, with the active involvement of the Asset Manager





(people/

**Property features and development strategy** 

1. Community infrastructure assets backed by an industrial area that stretches from **Toyohashi City to Tahara City** 

2. Location in an area with a high population density, backed by a strong economy centered on the manufacturing industry

Toyohashi City, Location Aichi Prefecture Approximately Land Area 4.200 tsubos **Population trends of** 

FY2010

Aichi Prefecture - Value of manufactured goods shipments, etc.		
1 <sup>st</sup>	Toyota City 15.1 trillion JPY	
2 <sup>nd</sup>	2 <sup>nd</sup> Nagoya City 3.2 trillion JPY	
Tahara City+Toyohashi City		3.1 trillion JPY
3 <sup>rd</sup>	Okazaki City	2.5 trillion JPY
5 <sup>th</sup>	Tahara City	1.7 trillion JPY
10 <sup>th</sup>	Toyohashi City	1.3 trillion JPY

Statistics of Japan and the 2020 National Census

Kariya City 100 billion JPY or more ess than 100 billion JPY **EMBL Town** Toyohashi Fujimidai (Source) Prepared by the Asset Manager based on the 2020 Industrial

Industrial clusters

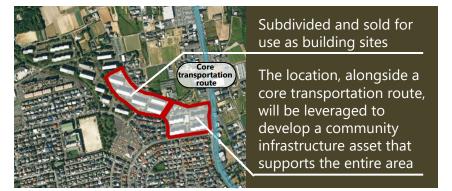
Highly populated area households) **Komaki City** 400,000 300,000 Total population —— No. of households 200,000 100,000 (Source) Prepared by the Asset Manager based on

the 2020 Industrial Statistics of Japan (Note) Tokaido REIT has no plans to acquire this property as of the date of this document's creation, and there is no quarantee that it will acquire it in the future.

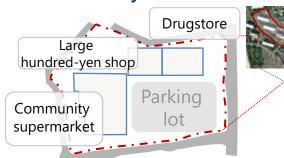
Development as a community infrastructure asset together with sponsor companies and partners, with the active involvement of the Asset Manager 2

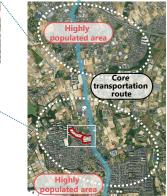


- **CRE** proposals to acquire company housing complexes for members of the automotive manufacturing industry that do business around the world
  - The value of manufactured goods shipments from adjacent Toyohashi City and Tahara City total to roughly 3 trillion yen, making this area an economic powerhouse
  - ✓ The Atsumi Peninsula is home to many large Toyota Group factories, centering around Toyota's main factory, the Tahara Plant
  - The heart of the area is Toyohashi Station, but there are commuter towns that support the industrial areas of Toyohashi City and Tahara City, and this property is part of this supporting area
- The sponsor company will purchase the land and subdivide and sell part of it while developing a large area of land along the area's core transportation route into a community infrastructure asset.
  - The sponsor company will tear down all of the existing, aging housing and split the area into two sections. One section will be subdivided and sold for use as building sites, while the other large section, located along a core transportation route, will be developed into a transportation and sales asset



The sponsor company will leverage its network to use 5. We will bring together category killers, primarily fresh food suppliers that make up the community infrastructure, as tenants, producing an asset that is closely connected to the lives of people in the community





6. The Asset Manager and sponsor company will work together closely, dividing up their roles and the roles of partners within the development project



# Pipelines being developed by sponsor companies and pipelines leveraging sponsor company bridges

Sponsor-developed properties

**CRE Proposal** 

Industrial Infrastructure Asset

**Logistics Assets** 

**Sponsor Bridge** 

**CRE Proposal** 

(Tentative name) Shimada Plaza (Land)

**Community Infrastructure Asset** 

**Land** For Distribution & Sale

### **Project in Kakegawa City**



Location Kakegawa City, Shizuoka Prefecture







#### **▶** Property characteristics

- √ 5.5 km northeast of the Tomei Expressway Kakegawa Interchange
- Located in the new Ecopolis industrial park, about 1.3 km south of the Senba Interchange on National Route 1

### **▶** Sponsor development policy

 Perform development that addresses the CRE needs of a major third-party logistics operator

#### Shizuoka Prefecture - Value of manufactured goods shipments, etc. 1st Shizuoka City 2.1 trillion JPY Hamamatsu City 1.9 trillion JPY 3<sup>rd</sup> 1.6 trillion JPY Kosai City 4th Iwata City 1.4 trillion JPY 5<sup>th</sup> Fuji City 1.4 trillion JPY 6<sup>th</sup> Kakegawa City 1.1 trillion JPY 7<sup>th</sup> Makinohara City 1.0 trillion JPY 8<sup>th</sup> 0.8 trillion JPY Fujinomiya City 9th 0.6 trillion JPY Yaizu City 10th Fukuroi City 0.6 trillion JPY 11<sup>th</sup> 0.6 trillion JPY Numazu City

(Source) Prepared by the Asset Manager based on the 2020 Industrial Statistics of Japan

#### **■** Property features

- Community infrastructure asset on the former grounds of a major textile company plant, focused on the sale of daily necessities by bringing together category killers
- 2. The key tenant will be Uny, a member of the Aeon Group based in Aichi Prefecture
- Other tenants include the Shizuoka-based hardware store Encho and appliance retailer K's Denki, giving the site the ability to draw in large numbers of customers
- 4. The Shimada-juku area, part of the former Tokaido road, has long been a lumber distribution center and has many companies in industries such as the papermaking industry
- The area that extends along the Tokaido has high concentrations of industry and population, forming a major economic zone. The location makes the land itself highly valuable, and the site is well-suited for diverse living and industrial applications

#### Historical notes

- 1. The Oi River is a famous chokepoint of the Tokaido, as exemplified by the saying "Horses can even cross the 30 kilometers of Hakone, but they cannot ford the Oi River"
- 2.To protect the city of Edo, neither bridges nor boats were allowed on the Oi River. Instead, all river crossings were done on foot, by professional river forders
- 3. When the river's water level was high, it could not be forded at all, so Shimada-juku and Kanaya-juku, on the banks of the river, were said to be almost as lively as Edo itself
- 4. Lumber was transported down the Oi River to Yaizu Port and then on to Edo

Location

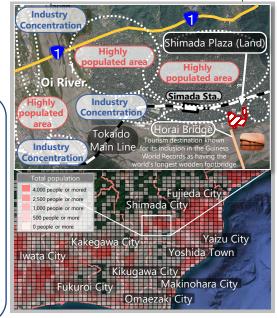
Shimada City, Shizuoka Prefecture

Tokaido REIT, Inc.

Shizuoka Prefecture - Value of manufactured goods shipments, etc.		
Shimada City and neighboring municipalities		4.2 trillion JPY
6 <sup>th</sup>	Kakegawa City	1.1 trillion JPY
7 <sup>th</sup>	Makinohara City	1.0 trillion JPY
9 <sup>th</sup>	Yaizu City	0.6 trillion JPY
12 <sup>th</sup>	Fujieda City	0.5 trillion JPY
15 <sup>th</sup>	Shimada City	0.3 trillion JPY
17 <sup>th</sup>	Kikugawa City	0.2 trillion JPY
18 <sup>th</sup>	Yoshida Town	0.2 trillion JPY
red by the Asset Manager based neighboring		

(Source) Prepared by the Asset Manager based on the 2020 Industrial Statistics of

neighboring municipalities

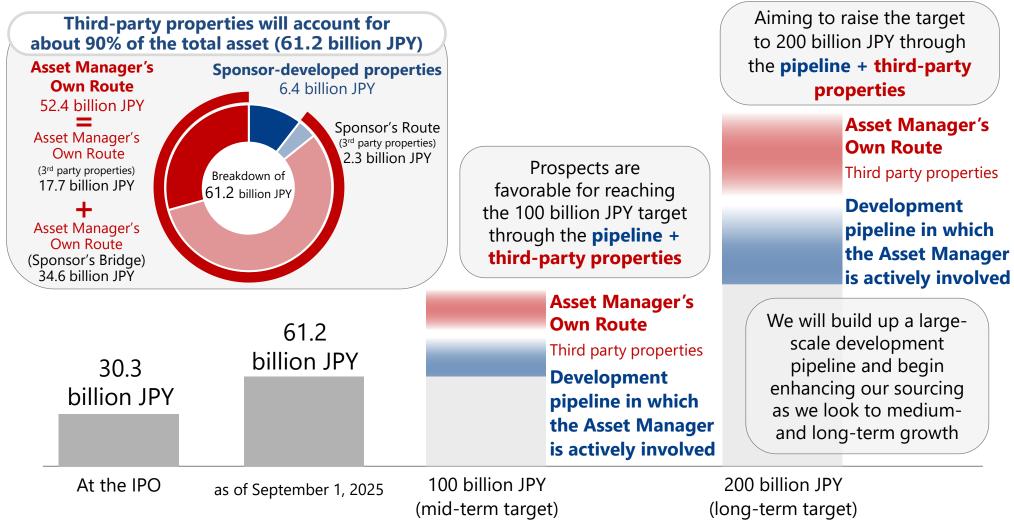


# memo

### Plans for Future Growth and Strategies to Increase Asset Size to 200 bn JPY



We aim to achieve an asset size of 200 billion JPY by expanding our pipeline and strengthening our third-party property sourcing. We will accomplish this through growth strategies involving active participation from the Asset Manager and close collaboration with sponsor companies and partners.



# Diversifying the acquisition routes, including the Asset Manager's Own Routes and coordination with the sponsor companies





In order to maximize its external growth opportunities, Tokaido REIT is expanding its acquisitions using diverse routes



Tokaido REIT, Inc.

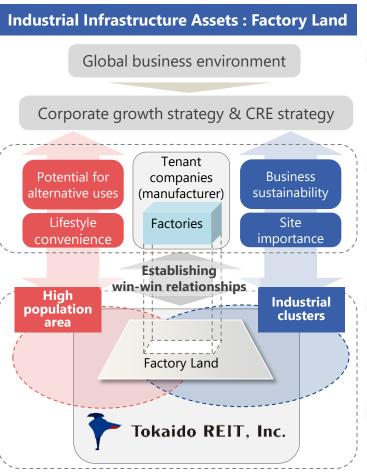


### **Expansion of Asset types, Including Factory Land ①**



### Our approach to acquiring factory land backed by sustainable manufacturing

We will support corporate growth strategies and establish win-win relationships by acquiring land and other asset types through CRE proposals for the manufacturing industry in the industrial area



- It is essential for the manufacturing sector to enhance its competitiveness in the global market
- Manufacturing companies can sell their factory land and become tenants, using the proceeds to invest in growth and to implement growth strategies to increase ROE
- Tokaido REIT will acquire factory land and build medium- and long-term win-win relationships with tenants
  - By analyzing industrial clusters and population clusters, we will consider company sustainability and the potential for alternative tenants, based on appropriate rent and land prices

### **Expansion of Asset types, Including Factory Land 2**



We will take advantage of active investment opportunities resulting from the decoupling of the U.S. and China and the recovery of the domestic manufacturing industry

- Fiven the business environment surrounding the manufacturing industry, we believe that there will be a further rise in the amount of investment opportunities through CRE proposals
  - The decoupling of the U.S. and Chinese economies, along with structural changes such as ESG-related developments, is creating a need to rebuild supply chains. There is a movement toward returning to the use of domestic sites, especially for cutting-edge technologies
  - The mindsets of companies are evolving due to expectations of capital efficiency improvements mandated by the Tokyo Stock Exchange, the need for stronger governance, and anticipated future inflation, including demands for wage increases
  - The manufacturing industry urgently needs to enhance its growth strategies through the sale and leaseback of assets. Consequently, we anticipate even more opportunities for investment in factory land and other areas in the future



# Appendix

Features of Tokaido REIT and Supplementary Materials

The Primary Philosophy of Tokaido REIT

Tokaido REIT invests in assets in the Tokaido region, which connects Japan's eastern and western hubs, which boasts one of the world's largest economies.



# Tokaido REIT's Equity Story & Growth Strategy

We are a J-REIT (TSE 2989) investing in stable assets in the Tokaido region, which connects Japan's eastern and western hubs

- We focus on investing in the "Industrial Region" that has sustainable economic bases
- Our growth based on the stable portfolio backed by industrial and population clusters
- We supports that draws on the extensive insight of sponsors rooted in the "industrial region"
- 4 We develop the asset pipelines driven by CRE proposals
- We have the stable financial base backed by a strong formation of lenders

yoto Yokkaichi Nagoya Shizuoka Hamamatsu

### **Growth Strategy of Tokaido REIT**



Tokaido REIT's strategy for achieving growth by expanding pipelines that meet CRE needs based on the concept of focusing on the industrial area

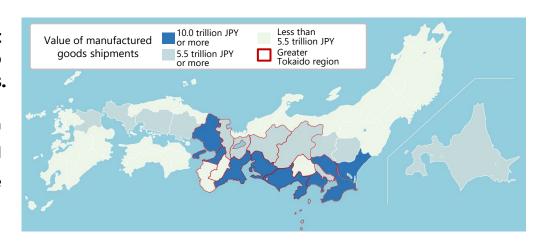


Further expand the pipeline by promoting development based on corporate real estate (CRE) proposals within the industrial region.

Submit proposals to optimize real estate usage as leased properties through the J-REIT, while divesting surplus land and other non-critical real estate assets.

The Greater Tokaido region offers abundant corporate real estate opportunities thanks to its significant manufactured goods shipments.

By leveraging our network of nine sponsors focused on the industrial area, we aim to introduce new rental properties that align with CRE demands and off-balance sheet requirements in the Greater Tokaido region.



### Support Leveraging Our Sponsors' Extensive Insight Based in the Industrial Region





### Details of support from sponsors leveraging their insight in the industrial region



### Overview of Yoshicon Co., Ltd., the main sponsor company

#### Securities Code 5280 (Standard Market in the Tokyo Stock Exchange) HQ: 1-4-12 Tokiwacho, Aoi Ward, Shizuoka City, Shizuoka Pref. Location Tokyo Office: 2-2-1 Otemachi, Chiyoda City, Tokyo, Japan Naohiro YOSHIDA, Representative Director and President Representative Establishment January 13, 1969 100 million JPY (as of the Fiscal Year Ended in March 2025) Capital "Our company seeks unlimited possibilities, providing happiness **Primary Policy** and profit to our stakeholders, and contributing to the community through our and their work" **Equity Ratio** 7.1% (As of July 31, 2025) of Investment n Tokaido REIT, Inc.

# Yoshicon's development records rooted in the industrial region

Food manufacturer plants



Logistics facilities







### Investors in the Asset Manager & Tokaido REIT (as of July 31, 2025)





### **Overview of the Asset Manager**

Name	Tokaido REIT Management Co., Ltd.	
Location	2-2-1 Otemachi, Chiyoda City, Tokyo, Japan	
Capital	100 million JPY	
Representative	Yoshinobu Kato, Representative Director and President	
	Yoshicon Co., Ltd.	55.0%
	Chubu Electric Power Miraiz Co., Inc.	10.0%
	KIUCHI Construction Co., Ltd.	5.0%
	SHIZUOKA GAS CO., LTD.	5.0%
Capital Structure	THE SHIZUOKA BANK, LTD.	5.0%
Stractare	Shizuoka Fudosan Co., Ltd.	5.0%
	Suzuyo & Co., Ltd.	5.0%
	Seiwa Kaiun Co., Ltd.	5.0%
	JDC CORPORATION	5.0%

#### **Organization Chart**



### 1

Number of Investment Units (Total number of investment units: 316,883)

Individuals, other 167,396 units

Financial institutions (including securities companies)
96,126 units

Other domestic corporations 47,502 units

Foreign nationals 5,859 units

Number of Unitholders (Total number of investors: 18,838)

Foreign nationals 101

Individuals, other 18,363



Financial institutions (including securities companies) 47

Other domestic corporations 327

1	•	
Classification		Number of Unitholders (people)
Ind	ividuals, other	18,363
	City banks, trust banks	4
Financial institutions (including securities companies)	Regional banks	0
	Shinkin banks, other	19
	Life & non-life insurers, securities companies	24
Total		47
Other domestic corporations		327
Foreign corporations, foreign individuals		101
Total		18,838

Name	Number of Investment Units Held (units)	Ownership Ratio (%)
Custody Bank of Japan, Ltd. (Trust Account)	33,503	10.5%
The Master Trust Bank of Japan, Ltd. (Trust Account)	29,715	9.3%
3 Yoshicon Co., Ltd.	22,428	7.0%
The Nomura Trust & Banking Co. (Investment Trust Account)	14,037	4.4%
5 Magonote Club Co., Ltd.	5,989	1.8%
6 (Individual)	4,657	1.4%
7 (Individual)	1,998	0.6%
8 The Numazu Shinkin Bank	1,979	0.6%
9 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	1,818	0.5%
10 Fuji-Izu Japan Agricultural Cooperatives	1,600	0.5%
Tota	ıl 117,724	37.1%

## **Financial statement | Balance sheet**



(Unit: thousands of JPY)	7 <sup>th</sup> Fiscal Period on Jan. 31, 2025	8 <sup>th</sup> Fiscal Period on July. 31, 2025
Assets	011 Jan. 31, 2023	011 July. 31, 2023
Current assets		
Cash and deposits	1,059,409	1,805,022
Cash and deposits in trust	2,301,141	2,452,759
Operating accounts receivable	66,792	70,279
Prepaid expenses	87,365	84,038
Other	30	72
Total current assets	3,514,739	4,412,173
Non-current assets		
Property, plant and equipment		
Buildings	2,041,102	1,719,592
Structures	66,896	64,334
Tools, furniture and fixtures	6,538	6,401
Land	4,404,791	4,763,071
Construction in progress	5,472	206
Buildings in trust	13,526,854	15,309,941
Structures in trust	330,622	346,321
Tools, furniture and fixtures in trust	57,417	54,346
Land in trust	33,752,173	38,722,703
Total property, plant and equipment	54,191,869	60,986,918
Intangible Assets		
Land leasehold interests in trust	2,076,544	2,076,544
Total intangible assets	2,076,544	2,076,544
Investments and other assets		
Investment securities	_	_
Long-term prepaid expenses	47,017	53,261
Leasehold and guarantee deposits	330,035	330,035
Deferred tax assets	14	10
Total investments and other assets	377,066	383,306
Total non-current assets	56,645,479	63,446,769
Deferred assets		
Investment unit issuance expenses	17,009	38,248
Total deferred assets	17,009	38,248
Total assets	60,177,229	67,897,192

	7 <sup>th</sup> Fiscal Period	8 <sup>th</sup> Fiscal Period
(Unit: thousands of JPY)	on Jan. 31, 2025	on July. 31, 2025
Liabilities		
Current liabilities		
Operating accounts payable	266,886	205,155
Current portion of long-term borrowings	1,850,000	200,000
Short-term borrowings	2,600,000	5,600,000
Accounts payable	158,167	149,069
Income taxes payable	857	670
Accrued consumption taxes, etc.	728	70,456
Accrued expenses	12,295	11,433
Advances received	276,018	303,500
Other	4,523	6,496
Total current liabilities	5,169,477	6,546,783
Non-current liabilities		
Long-term borrowings	24,500,000	26,891,000
Leasehold and guarantee deposits received	176,858	202,949
Leasehold and guarantee deposits received in trust	977,846	1,054,857
Total non-current liabilities	25,654,704	28,148,807
Total liabilities	30,824,182	34,695,590
Net assets		
Unitholders' equity		
Unitholders' capital	28,424,415	32,130,482
Surplus		
Unappropriated retained earnings or unappropriated losses (negative)	928,631	1,071,119
Total surplus	928,631	1,071,119
Total unitholders' equity	29,353,046	33,201,601
Total net assets	29,353,046	33,201,601
Total liabilities and net assets	60,177,229	67,897,192

## **Financial statement | Balance sheet**



	7 <sup>th</sup> Fiscal Period from Aug. 1, 2024 to Jan. 31, 2025	(Unit: thousands of JPY) 8 <sup>th</sup> Fiscal Period from Feb. 1, 2025 to July. 31, 2025		7 <sup>th</sup> Fiscal Period from Aug. 1, 2024 to Jan. 31, 2025	(Unit: thousands of JPY) 8 <sup>th</sup> Fiscal Period From Feb. 1, 2025 to July. 31, 2025
Operating revenue			Income before income taxes	929,373	1,071,782
Leasing business revenue	1,963,398	2,236,312	Income taxes – current	898	826
Other leasing business revenue	46,426	48,255	Income taxes – deferred	0	3
Gain on sale of real estate		21,529	Total income taxes	899	830
Total operating revenue	2,009,824	2,306,097	Net income	928,474	1,070,952
Operating expenses			Retained earnings brought forward	156	167
Expenses related to leasing business	718,372	736,127	Unappropriated retained earnings or unappropriated losses (negative)	928,631	1,071,119
Asset management fees	116,694	117,209			(Unit: thousands of JPY)
Asset custody fees	2,406	2,754		7 <sup>th</sup> Fiscal Period	8 <sup>th</sup> Fiscal Period
Administrative service fees	20,623	18,870		from Aug. 1, 2024	From Feb. 1, 2025
Remuneration for directors (and other officers)	2,400	2,400		to Jan. 31, 2025	to July. 31, 2025
Audit fees	9,480	8,640	I. Unappropriated retained earnings	928,631,170	1,071,119,332
Other operating expenses	46,817	51,325	II. Distribution amount	928,464,000	1,071,064,540
Total operating expenses	916,794	937,327	[Distribution amount per unit]	(3,335)	(3,380)
Operating income	1,093,030	1,368,770	III. Retained earnings brought forward	167,170	54,792
Non-operating income					
Interest income	271	1,492			(Unit: thousands of JPY)
Subsidy income	_	504		7 <sup>th</sup> Fiscal Period	8 <sup>th</sup> Fiscal Period
Interest on refund	4	10		from Aug. 1, 2024	From Feb. 1, 2025
Total non-operating income	276	2,006		to Jan. 31, 2025	to July. 31, 2025
Non-operating expenses			Net cash provided by (used in) operating activities	1,253,246	1,942,619
Interest expenses	128,303	199,635	Net cash provided by (used in) investing activities	△1,632,849	△7,531,429
Financing fees	29,403	87,641	Net cash provided by (used in) financing activities	736,378	6,486,040
Amortization of investment unit issuance expenses	6,225	11,718	Net increase (decrease) in cash and cash equivalents	356,775	897,230
Total non-operating expenses	163,932	298,994	Cash and cash equivalents at beginning of period	3,003,776	3,360,551
Ordinary income	929,373	1,071,782	Cash and cash equivalents at end of period	3,360,551	4,257,782

### **Portfolio List & Status of Property Appraisals 1**



		Summar	y of Appraisal	Results		Unrealized	Rate Us	isal		
	Acquisition	Apprais	al Value (milli	on JPY)	Book Value	Gain as of End of 8 <sup>th</sup>	Capi	talization Rat	e	Appraisal
Property Name	Price (Note 1)	7 <sup>th</sup> FP (Previous Appraisal)	8 <sup>th</sup> FP (Current Appraisal)	Difference	(million JPY, Note 2)	Fiscal Period (million JPY, Note 2)	Previous Appraisal	Current Appraisal	Change	Company
Inabe Logistics Center	6,230	7,880	7,880	_	6,320	1,559	5.4%	5.4%	_	Japan Valuers Co., Ltd.
Matsusaka Logistics Center	692	756	754	(2)	702	51	4.3%	4.3%	_	The Tanizawa Sōgō Appraisal Co., Ltd.
Centrair Logistics Center	10,470	11,700	11,700	_	10,889	810	4.5%	4.5%	_	The Tanizawa Sōgō Appraisal Co., Ltd.
Mid Building Yokkaichi	1,620	1,840	1,850	10	1,674	175	5.1%	5.1%	_	Daiwa Real Estate Appraisal Co., Ltd.
Aoi Tower	2,300	2,470	2,420	(50)	2,316	103	4.8%	4.8%	_	The Tanizawa Sōgō Appraisal Co., Ltd.
AIG Kyoto Building	1,510	1,530	1,530	_	1,604	(74)	4.0%	4.0%	_	Daiwa Real Estate Appraisal Co., Ltd.
Shizuoka Machine Yard (Land) (Note 3)	600	727	728	1	612	115	5.3%	5.3%	_	Daiwa Real Estate Appraisal Co., Ltd.
Kagamigahara Industrial Center (Land)	1,688	1,790	1,790	_	1,818	(28)	4.2%	4.2%	_	The Tanizawa Sōgō Appraisal Co., Ltd.
Miyoshi Industrial Center (Land)	580	_	620	_	616	3	_	6.0%	_	Daiwa Real Estate Appraisal Co., Ltd.
Kaiseimachi Industrial Center (Land)	1,595	-	1,710	_	1,756	(46)	-	(Note 4)	_	JLL Morii Valuation & Advisory K.K
Royal Parks Chikusa	4,400	4,780	4,810	▲30	4,476	303	4.0%	4.0%	_	The Tanizawa Sōgō Appraisal Co., Ltd.

(Note 1) "Acquisition Price" for each real estate or trust beneficiary right shall be the purchase price stated in the purchase and sale agreement for each asset (excluding consumption tax, local consumption tax, and various expenses such as transaction fees). Figures are rounded down to the nearest ten thousand JPY. (Note 2) Book value and unrealized gain figures are for the end of the 8th fiscal period and have been rounded down to the nearest million JPY.

(Note 3) Discount rate used in capitalization method (Inwood method) is indicated.

(Note 4) Capitalization method was not applied, therefore not applicable. The discount rate used in the DCF Method (Discounted cash flow method) is 5.0%.

(Note 5) Discount rate used in direct capitalization method (adjusted Inwood method) is indicated. (Note 6) Percentages are simple arithmetic averages.

### **Portfolio List & Status of Property Appraisals 2**



	Acquisition		y of Appraisal		Book Value	Unrealized Gain as of	Gain as of			
Property Name	Price (Note 1)	7 <sup>th</sup> FP (Previous Appraisal)	8 <sup>th</sup> FP (Current Appraisal)	Difference	(million JPY, Note 2)	End of 8 <sup>th</sup> Fiscal Period (million JPY, Note 2)	Previous Appraisal	Current Appraisal	Change	Appraisal Company
Marunouchi EMBL Court	529	588	578	(10)	557	20	3.7%	3.7%	_	The Tanizawa Sōgō Appraisal Co., Ltd.
EMBL Aile Kusanagi Ekimae	2,000	2,190	2,190	_	2,002	187	5.0%	5.0%	_	Daiwa Real Estate Appraisal Co., Ltd.
EMBL Aile Kusanagi	750	1,010	1,010	_	757	252	4.8%	4.8%	_	JLL Morii Valuation & Advisory K.K.
SOCIO Anjo Toeicho Building B	683	778	774	(4)	755	18	4.9%	4.9%	_	Japan Valuers Co., Ltd.
Premium Castle Komaki Chuo	500	520	519	(1)	546	(27)	4.7%	4.7%	_	The Tanizawa Sōgō Appraisal Co., Ltd.
Premium Castle Toyoyama	510	553	553	-	548	4	4.5%	4.5%	_	Japan Valuers Co., Ltd.
SOCIO Kariya Imaokacho	1,134	1,180	1,180	_	1,197	(17)	4.6%	4.6%	_	Rich Appraisal Institute co.,Ltd
Premium Castle Mikawa Anjo	510	534	534	_	547	(13)	4.7%	4.7%	_	Japan Valuers Co., Ltd.
Premium Castle Narumi	655	716	713	(3)	701	11	4.5%	4.5%	_	Japan Valuers Co., Ltd.
Premium Castle Arimatsu	565	586	586	_	614	(28)	4.6%	4.6%	_	The Tanizawa Sōgō Appraisal Co., Ltd.
Premium Castle Tsurumai	1,020	1,140	1,140	_	1,086	53	3.9%	3.9%	_	Japan Valuers Co., Ltd.
Premium Castle Ruriko East West	544	626	623	(3)	582	40	4.1%	4.1%	_	The Tanizawa Sōgō Appraisal Co., Ltd.

(Note 1) "Acquisition Price" for each real estate or trust beneficiary right shall be the purchase price stated in the purchase and sale agreement for each asset (excluding consumption tax, local consumption tax, and various expenses such as transaction fees). Figures are rounded down to the nearest ten thousand JPY. equivalent to the co-the (Note 2) Book value and unrealized gain figures are for the end of the 8th fiscal period and have been rounded down to the nearest million JPY.

(Note 3) Percentages are simple arithmetic averages.

(Note 4) The figures, excluding the Capitalization Rate (or Cap Rate), are presented as the values equivalent to the co-ownership interest (49%) held by the Investment Corporation as of the end of the 7th fiscal period

### **Portfolio List & Status of Property Appraisals 3**



		Summa	ry of Appraisal	Results		Unrealized	Rate Us	ed for Appra	isal	
	Acquisition	Apprais	al Value (millio	on JPY)	Book Value	Gain as of End of 8 <sup>th</sup>	Capit	talization Rat	e	Appraisal
Property Name	Price (Note 1)	7 <sup>th</sup> FP (Previous Appraisal)	8 <sup>th</sup> FP (Current Appraisal)	Difference	(million JPY, Note 2)	Fiscal Period (million JPY, Note 2)	Previous Appraisal	Current Appraisal	Change	Company
SOCIO Toshincho A building · B building	2,080	_	2,100	-	2,163	(63)	_	4.6%	_	Rich Appraisal Institute co.,Ltd
EMBL Aile Tokonameshinkaicho	1,070	_	1,090	_	1,186	(96)	_	4.6%	_	Rich Appraisal Institute co.,Ltd
Yokkaichi EMBL Court	670	_	679	-	712	(33)	_	4.6%	_	Rich Appraisal Institute co.,Ltd
Kodeki EMBL Court	900	_	911	_	948	(37)	_	4.0%	_	Rich Appraisal Institute co.,Ltd
Hamamatsu Plaza (Land)	11,950	12,500	12,500	_	12,265	234	4.7%	4.7%	_	Daiwa Real Estate Appraisal Co., Ltd.
Shimizucho Delivery and Sales Center	3,100	3,400	3,390	(10)	3,096	293	5.6%	5.6%	_	The Tanizawa Sōgō Appraisal Co., Ltd.
Total (Note 5)	60,856	60,436	66,832	(102)	63,063	3,768	4.6%	4.6%	_	

## Portfolio Operating Status (Data) 1





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		Oı	verall	
	Number of contracts	Tenancy period	Contract period	Remaining years
	(section)	(year)	(year)	(year)
Inabe Logistics Center	2	5.7	5.0	4.2
Matsusaka Logistics Center	1	4.0	25.0	21.0
Centrair Logistics Center	65	3.6	4.5	2.1
Mid Building Yokkaichi	32	9.1	2.0	0.7
Aoi Tower	3	4.1	10.0	5.9
AIG Kyoto Building	14	6.9	3.9	2.2
Shizuoka Machine Yard (Land)	1	4.1	20.4	16.8
Kagamigahara Industrial Center (Land)	1	2.3	30.0	27.7
Miyoshi Industrial Center (Land)	1	13.0	20.0	19.6
Kaiseimachi Industrial Center (Land)	1	0.7	30.0	29.3
Royal Parks Chikusa	178	3.4	5.0	3.1
Marunouchi EMBL Court	64	2.2	2.0	1.1
EMBL Aile Kusanagi Ekimae	3	4.2	6.4	3.8
EMBL Aile Kusanagi	1	6.4	10.1	3.7
SOCIO Anjo Toeicho Building B	89	17.2	2.0	1.8
Premium Castle Komaki Chuo	43	2.7	2.0	1.2
Premium Castle Toyoyama	52	2.8	2.0	0.9
SOCIO Kariya Imaokacho	1	2.0	5.0	3.1
Premium Castle Mikawa Anjo	2	5.5	6.0	1.5
Premium Castle Narumi	49	2.6	2.0	1.0
Premium Castle Arimatsu	44	2.7	2.0	1.1
Premium Castle Tsurumai	59	2.9	2.0	1.1
Premium Castle Ruriko East West	33	3.2	2.0	1.0
SOCIO Toshincho A building • B building	3	2.7	2.0	1.3
EMBL Aile Tokonameshinkaicho	1	5.4	10.0	4.7
Yokkaichi EMBL Court	53	5.2	1.9	1.1
Kodeki EMBL Court	48	3.0	2.0	1.0

		Ov	erall	
Hamamatsu Plaza (Land)	8	14.4	19.4	12.8
Shimizucho Delivery and Sales Center	1	2.2	20.0	17.8
Total	853	4.5	2.9	1.8

### Top 20 Tenants by Leased Area

4		<del>-</del>		
Ranking	Tenant	Area (m²)	Ratio	Property Name
1	Α	105,914.86	27.4%	Inabe Logistics Center
2	В	30,728.00	8.0%	Kagamigahara Industrial Center (Land)
3	C	28,956.56	7.5%	Hamamatsu Plaza (Land)
4	D	21,732.53	5.6%	Kaiseimachi Industrial Center (Land)
5	E	17,594.12	4.6%	Hamamatsu Plaza (Land)
6	F	15,777.89	4.1%	Hamamatsu Plaza (Land)
7	G	15,073.35	3.9%	Centrair Logistics Center
8	Н	12,709.00	3.3%	Centrair Logistics Center
9	I	9,932.34	2.6%	Centrair Logistics Center
10	J	8,895.08	2.3%	Shimizucho Delivery and Sales Center
11	K	8,420.33	2.2%	EMBL Aile Kusanagi
12	L	6,876.56	1.8%	Hamamatsu Plaza (Land)
13	М	6,709.66	1.7%	SOCIO Toshincho A building · B building
14	N	6,651.12	1.7%	Hamamatsu Plaza (Land)
15	0	6,459.32	1.7%	Miyoshi Industrial Center (Land)
16	Р	6,219.80	1.6%	Shizuoka Machine Yard (Land)
17	Q	5,891.19	1.5%	Centrair Logistics Center
18	R	4,406.22	1.1%	Hamamatsu Plaza (Land)
19	S	4,209.80	1.1%	Centrair Logistics Center
20	T	3,643.41	0.9%	Centrair Logistics Center
				68

### **Portfolio Operating Status (Data) ②**





### \*\* 8<sup>th</sup> FP: Status of New, Renewed & Terminated Contract (Only the Properties with Actual Tenants)

			١	lew			Renewal					Termination		
Property Name		Number of			Monthly amount (thousand JPY)		Number of			Monthly (thousa	amount and JPY)	Number of		
	Overall	Increased amount	Same amount	Decreased amount	Amount of increase	Amount of decrease	Overall	Increased amount	Same amount	Decreased amount	Amount of increase	Amount of decrease	Overall	Average length of tenancy
Centrair Logistics Center	3	2	1	0	178	0	6	6	0	0	332	0	4	
Mid Building Yokkaichi (Note 2)	0	0	C	) 0	0	0	6	0	6	0	0	0	0	
AIG Kyoto Building	1	1	C	0	163	0	3	0	3	0	0	0	1	;
Miyoshi Industrial Center (Land)	0	0	C	0	0	0	1	1	0	0	— (Note 3)	0	0	(
Royal Parks Chikusa	18	7	g	) 2	71	(3)	5	4	1	0	22	0	19	
Marunouchi EMBL Court	9	6	3	3 0	11	0	13	0	13	0	0	0	9	
SOCIO Anjo Toeicho Building B	0	0	C	) 0	0	0	89	0	89	0	0	0	0	
Premium Castle Komaki Chuo	8	1	7	′ 0	9	0	8	0	8	0	0	0	8	4
Premium Castle Toyoyama	4	0	4	ļ 0	0	0	8	0	8	0	0	0	6	
Premium Castle Narumi	5	0	5	5 0	0	0	8	0	8	0	0	0	6	;
Premium Castle Arimatsu	6	0	6	5 0	0	0	10	0	10	0	0	0	6	•
Premium Castle Tsurumai	14	0	13	3 1	0	(6)	11	0	11	0	0	0	14	4
Premium Castle Ruriko East West	1	0	21	0	0	0	10	0	10	0	0	0	1	2
Yokkaichi EMBL Court	8	8	C	) 0	17	0	12	0	12	. 0	0	0	6	
Kodeki EMBL Court	5	4	1	0	16	0	6	0	6	0	0	0	5	:
Total	82	. 29	50	) 3	467	(9)	197	11	186	0	— (Note 3)	0	85	3.

(Note 1) Changes in monthly amounts due to new tenants are for the end of the 8th fiscal period and have been rounded down to the nearest thousand JPY.

(Note 2) Mid-Building Yokkaichi recorded a total monthly rent increase of ¥262 thousand due to seven upward contract revisions made during the contract period.

(Note 3) Tokaido REIT, Inc. cannot disclose these figures since the tenants do not permit for disclosure

### **List of Income & Expenses of Our Property Portfolio** ①



	•							
Property Name	Inabe Logistics Center	Matsusaka Logistics Center	Centrair Logistics Center	Mid Building Yokkaichi	Aoi Tower	AIG Kyoto Building	Shizuoka Machine Yard (Land)	Kagamigahara Industrial Center (Land)
Exterior Photo								
Location	lnabe City, Mie Prefecture	Matsusaka City, Mie Prefecture	Tokoname City, Aichi Prefecture	Yokkaichi City, Mie Prefecture	Aoi Ward, Shizuoka City, Shizuoka Prefecture	Shimogyo-ku, Kyoto City, Kyoto Prefecture	Suruga Ward, Shizuoka City, Shizuoka Prefecture	Kakamigahara City, Gifu Prefecture
Site Area (m²)	102,038.46m²	6,708.07m	24,865.82m²	1,025.94m	4,923.89m²	633.44m <sup>2</sup>	6,219.80m²	30,728.00m²
	104,224.73㎡ (Note 1)				42,532.27m²			
Total Floor Area (m²)	7,061.60㎡ (Note 2)	3,018.52m <sup>2</sup>	73,995.95㎡	5,165.48ml	(2,858.50m <sup>2</sup> ) (Note 4)	3,953.55m <sup>2</sup>	<u>-</u>	- 
	September 28, 1995 (Note 1)		22					
Construction Date	September 6, 2004 (Note 2)	July 27, 2021	May 22, 2007	Feb 14, 1991	Mar 31, 2010	Sep 28, 2001	-	-
Occupancy Rate on Jyly. 31, 2025 (%)	100.0%	100.0%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Acquisition Price (mn JPY)	6,230	692	10,470	1,620	2,300	1,510	600	1,688
Appraisal Value in the 8 <sup>th</sup> FP (mn JPY)	7,880	754	11,700	1,850	2,420	1,530	728	1,790
Property Management Company (Note 3)	CBRE	JPM	CBRE	Tokyo Capital Management	Yoshicon	CBRE	Yoshicon	CCReB Advisors
PML (Probable Maximum Loss, %)	2.4	4.3	1.2	7.4	10.2	10.7	-	-
Days of Asset Management	181	181	181	181	181	181	181	181
Real Estate Leasing Revenue (k JPY)								
Lease/Common Service Fees			385,249	66,710	88,198			
Other Revenue		_	20,596	8,047	0	· · · · · · · · · · · · · · · · · · ·		
Total Leasing Business Revenue		_	405,846	74,758	88,198			
Management Commissions		_	28,895	8,185	11,633			
Taxes and Public Dues			51,258	3,982	8,227	5,586		11 P 1 101
Utilities Expenses	Undisclosed (Note 5)	Undisclosed (Note 5)	22,211	8,521	4,746			Undisclosed (Note 5)
Repair Expenses Insurance Premiums		_	623 3,062	200 530	1,345 797	782 462		
Trust Fees		_	500	325	0			
Other Leasing Business Expenses		-	133	246	392			
Total Leasing Business Expenses		_	106,683	21,989	27,140			
Net Operation Income (NOI)	303,685	16,832	299,163	52,768	61,058			37,921
Depreciation	39,996	6,277	37,830	13,189	5,183			0
Leasing Business Profit and Loss	263,689	10,555	261,333	39,579	55,876			37,921
<del></del>		.0,555		23,2.3	33,0.0	30,003	,	37/321

(Note 1) Warehouse 1 and office

(Note 2) Warehouse 2

(Note 3) The official names of some property management companies are omitted.

(Note 4) The total area of the entire building is 42,532.27 square meters. Tokaido REIT, Inc. has acquired the sectional ownership of 2,838.50 square meters as the area of the exclusive portion. (Note 5) Tokaido REIT, Inc. cannot disclose these figures since the tenants do not permit for disclosure.

## **List of Income & Expenses of Our Property Portfolio 2**



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Property Name	Miyoshi Industrial Center (Land)	Kaiseimachi Industrial Center (Land)	Royal Parks Chikusa	Marunouchi EMBL Court	EMBL Aile Kusanagi Ekimae	EMBL Aile Kusanagi	SOCIO Anjo Toeicho Building B	Premium Castle Komaki Chuo
Exterior Photo								
Location	Miyoshi-shi, Aichi Prefecture	Ashigarakami-gun (County), Kanagawa Prefecture	Nagoya City, Aichi Prefecture	Nagoya City, Aichi Prefecture	Shimizu Ward, Shizuoka City, Shizuoka Prefecture	Suruga Ward, Shizuoka City, Shizuoka Prefecture	Anjo City, Aichi Prefecture	Komaki City, Aichi Prefecture
Site Area (m²)	11,218.32m	21,732.53m²	6,905.70m²	396.68ml	3,070.99m²	1,641.26㎡	1,349.69m²	365.46ml
Total Floor Area (m²)	-	-	17,469.21㎡	2,789.50m²	6,486.26ml	2,908.12ml	2,296.40m²	1.504.23㎡
Construction Date	-	-	Nov 29, 2007	Mar 4, 2016	Feb 22, 2021	Mar 10, 2019	Apr 23, 2008	Mar 15, 2017
Occupancy Rate on July. 31, 2025 (%)	100.0%	100.0%	96.4%	97.1%	99.0%	100.0%	100.0%	97.4%
Acquisition Price (mn JPY)	581	1,595	4,400	529	2,000	750	683	500
Appraisal Value in the 8 <sup>th</sup> FP (mn JPY)	620	1,710	4,780	578	2,190	1,010	774	519
Property Management Company (Note 1)	JLL	CCReB Advisors	Rio Consulting	Rio Consulting	Yoshicon	Yoshicon	Haseko Livenet	Minitech
PML (Probable Maximum Loss, %)	-	=	4.0	3.0	10.5	14.9	6.2	2.4
Days of Asset Management	178	178	181	181 (Note 2)	181	181	181	181
Real Estate Leasing Revenue (k JPY)								
Lease/Common Service Fees			183,958	29,723	75,150	33,654	25,098	16,586
Other Revenue		_	16,591	2,667	1,479	765	537	923
Total Leasing Business Revenue			200,550	32,390	76,629	34,419	25,635	17,509
Management Commissions		-	13,791	2,350				1,597
Taxes and Public Dues			12,094	3,024	<u>`</u>		1,790	1,696
Utilities Expenses	Undisclosed (Note 3)	Undisclosed (Note 3)	1,947	512			,	575
Repair Expenses Insurance Premiums		-	8,330 1,119	1,031 224			<u>.</u>	1,197 120
Trust Fees		-	400	224				250
Other Leasing Business Expenses		-	38,207	2,181			38	724
Total Leasing Business Expenses		-	75,887	9,322				6,158
Net Operation Income (NOI)	18,474	35,950	124,662	23,068	· · · · · · · · · · · · · · · · · · ·		18,936	11,350
Depreciation	0		35,868	9,009			2,873	4,296
Leasing Business Profit and Loss	18,474		88,795	14,059	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	16,063	7,054
- Leasing Business Front and Loss	18,474	33,930	00,795	14,039	42,123	, 10,299	10,003	1,034

## **List of Income & Expenses of Our Property Portfolio 3**



	<u>-</u>						
	Premium Castle	SOCIO Kariya	Premium Castle	Premium Castle	Premium Castle	Premium Castle	Premium Castle Ruriko
Property Name	Toyoyama	Imaokacho	Mikawa Anjo	Narumi	Arimatsu	Tsurumai	East West
Exterior Photo							
Location	Nishikasugai-gun (County), Aichi Prefecture	Anjo City, Aichi Prefecture	Kariya City, Aichi Prefecture	Nagoya City, Aichi Prefecture	Nagoya City, Aichi Prefecture	Nagoya City, Aichi Prefecture	Nagoya City, Aichi Prefecture
Site Area (m²)	1,822.00㎡	1,786.28㎡	640.23m²	1,348.96ന്	943.16㎡	470.76㎡	1,467.76m²
Total Floor Area (m²)	1,816.13㎡	2,178.83ml	1,475.41m <sup>2</sup>	1,722.96ൻ	1,749.19ml	2,839.55㎡	874.13m
Construction Date	Oct 24, 2017	July 30, 2007	Jan 24, 2017	Feb 19, 2020	Jan 11, 2018	Oct 27, 2015	Feb 22, 2017
Occupancy Rate on July. 31, 2025 (%)	96.2%	100.0%	100.0%	98.2%	97.2%	93.7%	5 100.0%
Acquisition Price (mn JPY)	510	1,134	510	655	565	1,020	544
Appraisal Value in the 8 <sup>th</sup> FP (mn JPY)	553	1,180	534	713	586	1,140	623
Property Management Company (Note 1)	Minitech	Haseko Livenet	Minitech	Minitech	Minitech	Minitech	Minitech
PML (Probable Maximum Loss, %)	2.6	5.9	5.2	2.9	4.2	4.2	2 3.7
Days of Asset Management	181	181	181	181	181	181	181
Real Estate Leasing Revenue (k JPY)							
Lease/Common Service Fees	18,652	33,516	16,724	21,147	18,012	28,375	5 17,791
Other Revenue	1,864	1,072	546	1,926	1,848	1,530	1,499
Total Leasing Business Revenue	20,515	34,588	17,270	23,073	19,860	29,905	19,289
Management Commissions	1,633	1,791	1,379	1,847	1,554	2,640	1,643
Taxes and Public Dues	1,877	1,917	1,700	2,327	2,110	2,555	1,897
Utilities Expenses	791	1,320	216	205	182	288	3 160
Repair Expenses	766	484	0	423	688	1,789	
Insurance Premiums	140	202	114	132	143	209	
Trust Fees	250	400	250	250	250	250	
Other Leasing Business Expenses	592	106	5	926	760	3,403	
Total Leasing Business Expenses	6,049	6,220	3,664	6,108	5,688	11,135	
Net Operation Income (NOI)	14,467	28,367	13,606	16,965	14,172	18,770	14,587
Depreciation	2,407	6,297	2,570	3,060	3,797	2,968	1,874
Leasing Business Profit and Loss	12,059	22,070	11,035	13,905	10,375	15,802	12,713

(Note 1) The official names of some property management companies are omitted.

### **List of Income & Expenses of Our Property Portfolio 4**



Property Name	SOCIO Toshincho A building·B building	EMBL Aile Tokonameshinkaicho	Yokkaichi EMBL Court	Kodeki EMBL Court	Hamamatsu Plaza (Land)	Shimizucho Delivery and Sales Center
Exterior Photo						
Location	Kariya City, Aichi Prefecture	Tokobname City, Aichi Prefecture	Yokkaichi City, Mie Prefecture	Nagoya City, Aichi Prefecture	Hamamatsu City, Shizuoka Prefecture	Shimizu-cho, Sunto-gun (County), Shizuoka Prefecture
Site Area (m²)	3,703.78㎡	4,482.10m²	558.00m²	498.69m²	135,838.91ml	15,558.55ml
Total Floor Area (m²)	2,692.69നി	3,398.30㎡	2,824.29m²	2,078.22ml	11,070.81㎡ (Note 1) 158.98㎡ (Note 2)	8,895.08ml
Construction Date	Dec 4, 2006	Mar 2, 2020	Mar 27, 2003	Mar 9, 2020	November 9, 2000 (Note 1) November 7, 2000 (Note 2)	Apr 26, 2023
Occupancy Rate on July. 31, 2025 (%)	100.0%	100.0%	98.3%	100.	0% 100.09	% 100.0%
Acquisition Price (mn JPY)	2,080	1,070	670	9	900 11,95	3,100
Appraisal Value in the 8 <sup>th</sup> FP (mn JPY)	2,100	1,090	679	Ġ	911 12,50	3,390
operty Management Company (Note 3)	Haseko Livenet	ANA Facilities	Samty Property Management	Samty Property Management	t Xymax	Yoshicon
PML (Probable Maximum Loss, %)	4.0	9.0	6.8		4.5	.1 17.9
Days of Asset Management	178	178	178		178 18	181
eal Estate Leasing Revenue (k JPY)						
Lease/Common Service Fees	60,353		21,864	25,0		
Other Revenue	4,867		2,469		199 39,16	_
tal Leasing Business Revenue	65,221		24,333	26,5		
Management Commissions	4,339	·	1,529		329 17,74	
Taxes and Public Dues	68		5		10 29,73	_
Utilities Expenses	3,300		611		192 58	
Repair Expenses	310		1,312		348 27	
nsurance Premiums	522		236		210 62	
Trust Fees	437		267		388 1,30	
Other Leasing Business Expenses	46		1,178		589 56	_
otal Leasing Business Expenses	9,023		5,138		066 50,80	
et Operation Income (NOI)	56,198		19,195	23,4		
Pepreciation	5,069	7,235	4,028	4,2	288 8,01	4 8,622

<sup>(</sup>Note 1) Akachan Honpo Building, Xebio Building (Note 2) Administrative Building

<sup>(</sup>Note 3) The official names of some property management companies are omitted. (Note 4) Tokaido REIT, Inc. cannot disclose these figures since the tenants do not permit for disclosure.

### Concept of Tokaido REIT's Initiatives for Realizing a Sustainable Society



1

Our policy is to proactively contribute to the creation of a sustainable community, in collaboration with sponsors dedicated to supporting our region.

We are committed to building a sustainable society that aligns with the Sustainable Development Goals (SDGs) by working closely with our stakeholders and managing investments in the region's infrastructure assets.



### **Sustainability Policy and Sustainability Promotion System**



In the 2<sup>nd</sup> fiscal period, the Asset Manager developed a Sustainability Policy and established Regulations for a Sustainability Promotion System, reinforcing its commitment to building a sustainable society.

### Sustainability Policy

We recognize our corporate duty to drive ESG-focused management, mindful of environmental, social, and governance issues, as part of our commitment to building sustainable communities. We're set on joining forces with community-based stakeholders, including our sponsors, to roll out our sustainability efforts.

#### 1. Addressing Climate Change

We are committed to assessing climate-related risks and opportunities in our real estate portfolio, seeking and implementing suitable measures, and enhancing our resilience to climate change. We aim to build organizational and property management frameworks that can adapt quickly and effectively to societal shifts occurring over the medium to long term, contributing to the evolution towards a carbon-neutral society.

#### 2. Environmental Impact Reduction Efforts

To lessen our environmental footprint, we plan to explore the development and installation of energy-efficient technologies within our properties to optimize energy consumption. We will evaluate the adoption of renewable energy sources and work diligently to reduce greenhouse gas emissions.

#### 3. Contributing to Creating a Recycling-oriented Society

We are dedicated to promoting a recycling-based society by employing water-saving fixtures to improve water efficiency in our properties and actively encouraging the 3Rs: reduce, reuse, and recycle in managing our waste. The above is part of our ongoing effort to utilize finite resources better.

#### 4. Improving Tenant Health, Safety, Comfort, and Satisfaction

We aim to nurture strong relationships with our tenants by implementing robust disaster preparedness and Business Continuity Planning (BCP) in our properties. Our goal is to enhance the health, safety, and comfort of tenants and users of the facilities. We also gather tenant feedback through surveys and are committed to elevating their satisfaction.

#### 5. Engaging and Collaborating with Stakeholders

We are advancing our ESG initiatives by fostering constructive engagements with stakeholders, including property management firms, tenants, suppliers, and local communities, working in collaboration for mutual benefit.

#### 6. Governance Involving Executives

We are focused on educating and raising awareness among our executives to ensure our staff places greater emphasis on ESG, enhance operational competence, and maintain a healthy work-life balance. Additionally, we adhere to social standards, such as respect for human rights and diversity, upheld by our comprehensive compliance practices.

#### 7. Timely ESG Information Disclosure and Governance Enhancement

To strengthen trust with our investors and stakeholders, we are committed to upholding transparency in our business practices and proactively disclosing information. Moreover, we aim to manage information responsibly and bolster security against cyber risks, such as data breaches and unauthorized access to internal data, through continuous training and fortifying our information management systems.

# **Sustainability Promotion System**





### Sustainability Promotion System

	Position Holder	Roles, etc.				
Chief Sustainability Officer (CSO)	Representative Director and President	CSO prepares the system for promoting sustainability, supervises its formulation and the implementation of policies, objectives, and individual measures.				
Sustainability Operating Officer (SOO)	General Manager of the Asset Management Department	SOO supervises preparation of the system for promoting sustainability and the implementation of individual measures.				
Sustainability Promotion Board	CSO SOO General Manager of the Financial Planning Department Compliance Officer	<ul> <li>As the rule, the Board carries out the followings via holding a meeting at least once every 3 months:</li> <li>Considers and proposes sustainability-related policies, objectives, and measures.</li> <li>Follows up raised issues not completed and findings pointed out regarding the objectives as the rule, to factor into the goals in the following fiscal period.</li> <li>Reports policies, objectives, measures, etc. to both the Board of Directors of the Asset Manager (here Tokaido REIT Management Co., Ltd.) and that of the Investment Corporation (here Tokaido REIT, Inc.)</li> </ul>				

# **Tokaido REIT's Initiatives for Realizing a Sustainable Society: Acquiring Environmental Sustainability Certifications**





### **Current Status of Environmental Certification Acquisition**

We will persist in our ESG initiatives through our owned portfolio assets, working alongside stakeholders such as tenants and investors to foster a sustainable society. Moving forward, Tokaido REIT will continue its policy of actively acquiring sustainability-related certifications.

Industrial Infrastructure Asset

Logistics Asset

### **Matsusaka Logistics Center**







Industrial Infrastructure Asset

Logistics Asset

### **Centrair Logistics Center**







Industrial Infrastructure Asset
Industrial or Business
Assets

#### **Aoi Tower**





- (Note 1) BELS stands for "Building-Housing Energy-efficiency Labeling System." It is a third-party certification system for indicating the energy efficiency of buildings in accordance with Article 5 of the Building Energy Efficiency Act. The system is implemented by the Association for Evaluating and Labeling Housing Performance, which is responsible for issuing BELS certifications.
- (Note 2) CASBEE stands for "Comprehensive Assessment System for Built Environment Efficiency." It uses methods for evaluating the environmental performance of buildings and land to assess the environmental efficiency of buildings on a five-point scale.

### **Disclaimer**



The purpose of this document is to provide information on Tokaido REIT, Inc. (hereinafter, "Tokaido REIT"), and should not be construed as an offer of investment or solicitation for the purchase or sale of specified instruments.

Please make investment decisions at your own discretion and responsibility, and contact securities companies when purchasing investment units of Tokaido REIT.

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