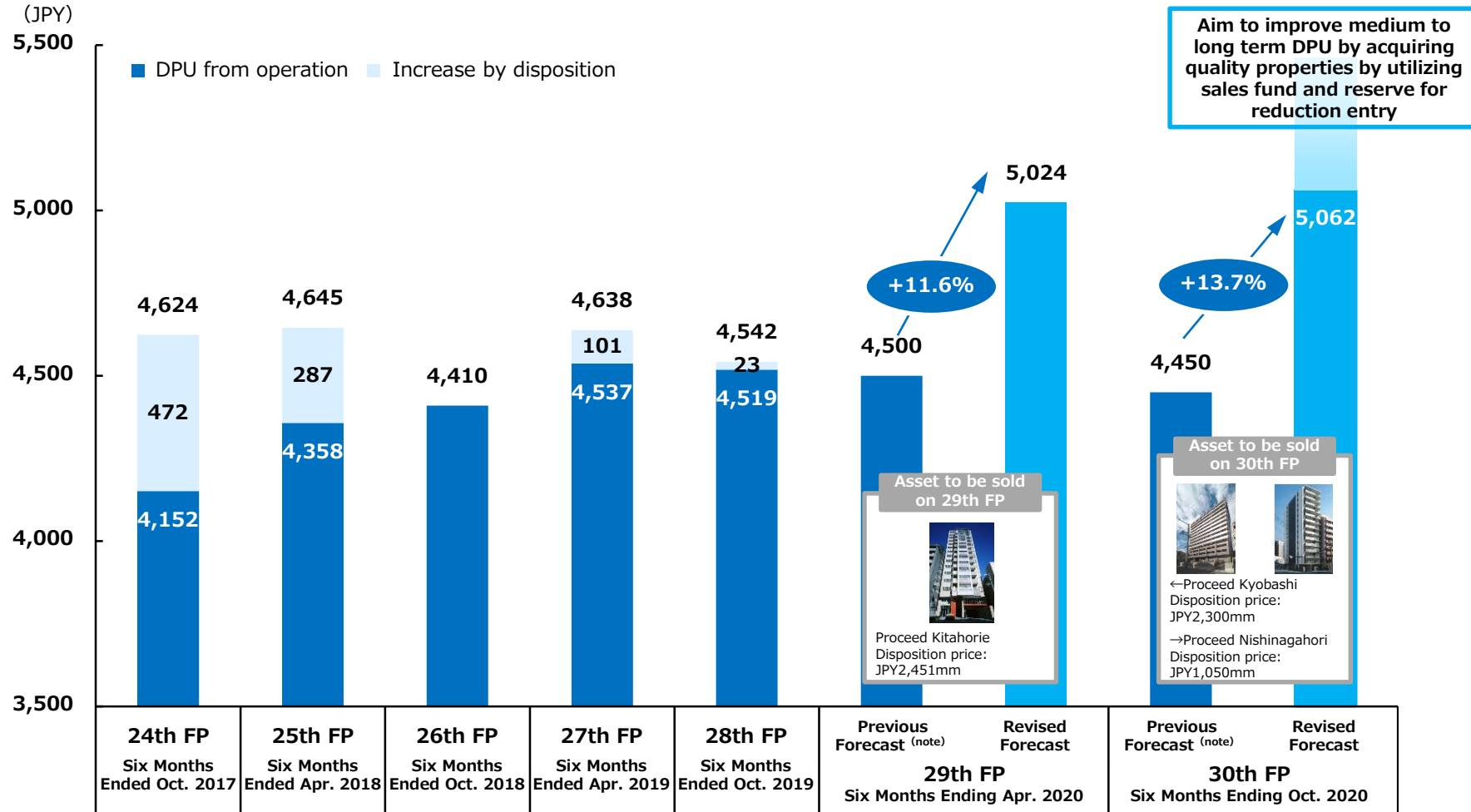


Rationale behind Asset Disposition

- ▶ As a part of asset replacement, planning to sell three assets
- ▶ Total disposition price for three properties is bigger than total appraisal price, which leads us to realize the increase of DPU through capitalization of unrealized gain
- ▶ Aim to further strengthen our portfolio through asset replacement and capex by utilizing sales fund and reserve for reduction entry
 - Aim to improve medium to long term DPU by acquiring quality properties through a rich sponsor pipeline

Revision of the Forecast DPU



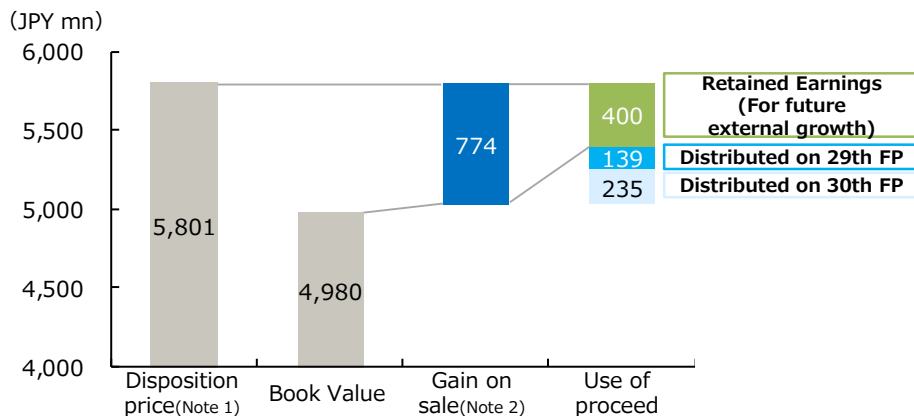
(Note) Previous Forecast of the DPU on 29th FP and 30th FP were disclosed in the financial report of 28th fiscal period, released on December 13, 2019.

Plan to sale proceed Kitahorie on 29th FP, and Proceed Nishinagahori and Proceed Kyobashi on 30th FP. A portion of the capital gain is to be reserve for reduction entry and the rest will be distributed to unitholders.

Outline of Dispositions

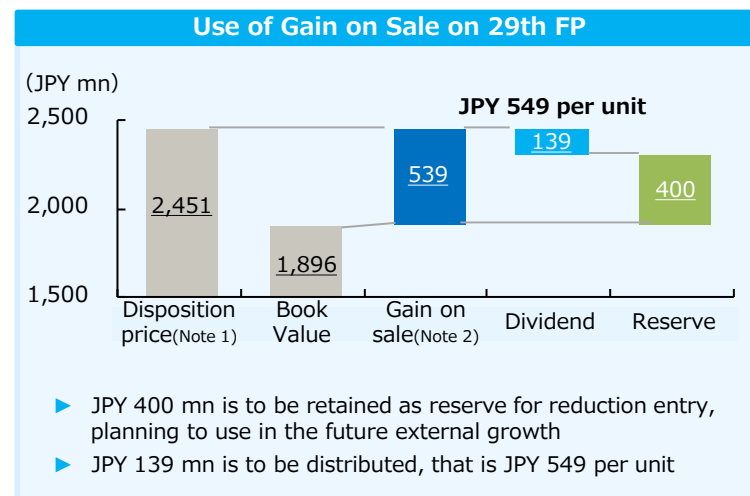
- ▶ Realize unrealized gains on the sale of three properties at a price 16% higher than their book value
- ▶ Capital gain to be distributed on 29th FP and 30th FP

Asset to be sold on 29th FP		Asset to be sold on 30th FP		Asset to be sold on 30th FP	
Proceed Kitahorie		Proceed Nishinagahori		Proceed Kyobashi	
					
Location	Osaka, Osaka-shi	Location	Osaka, Osaka-shi	Location	Osaka, Osaka-shi
completion date	Nov. 29, 2007 (12.3 year)	completion date	Feb. 15, 2008 (12.1 year)	completion date	Jan. 16, 2008 (12.2 year)
Disposition Price (a)	JPY2,451million	Disposition Price (a)	JPY1,050million	Disposition Price (a)	JPY2,300million
Book Value (b)	JPY1,896million	Book Value (b)	JPY975million	Book Value (b)	JPY2,108million
Difference (a-b)	JPY554million	Difference (a-b)	JPY74million	Difference (a-b)	JPY191million
Appraisal Value	JPY2,580million	Appraisal Value	JPY934million	Appraisal Value	JPY2,040million
Date to be sold	Mar. 27, 2020	Date to be sold	May 29, 2020	Date to be sold	May 29, 2020

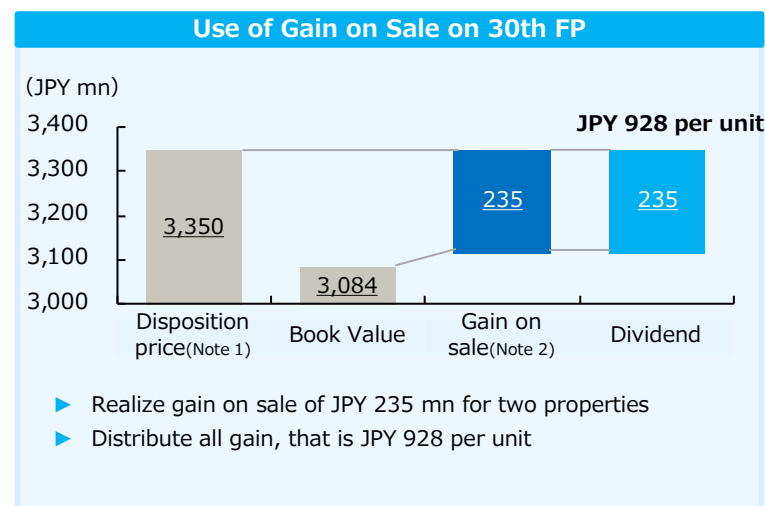


(Note 1) Disposition price doesn't include disposition expenses, property tax, city planning tax and consumption tax.
(Note 2) Difference between total of book value and gain on sale, and disposition price is those expenses.

Use of Proceed



- ▶ JPY 400 mn is to be retained as reserve for reduction entry, planning to use in the future external growth
- ▶ JPY 139 mn is to be distributed, that is JPY 549 per unit



- ▶ Realize gain on sale of JPY 235 mn for two properties
- ▶ Distribute all gain, that is JPY 928 per unit