

July 19, 2024

REIT Issuer: Daiwa Office Investment Corporation (Stock Code No.: 8976)  
Representative: Keiichi Sakai, Executive Director

Asset Manager: Daiwa Real Estate Asset Management Co. Ltd.  
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## Notice Concerning Divestment of of Trust Beneficiary Interest in Domestic Real Estate (Daiwa Tsukishima)

Daiwa Office Investment Corporation (the “Investment Corporation”) hereby announces that Daiwa Real Estate Asset Management Co. Ltd., to which the Investment Corporation entrusts management of its assets (the “Asset Manager”), has decided today to divest trust beneficial interest in real estate (the “Divestment”) as follows.

### 1. Summary of the Divestment

Asset Name	Daiwa Tsukishima (the “Property”)		
Type of Asset	Trust beneficial interest in domestic real estate		
Sale Price (Note 1)	9,800 million yen (excluding settlement amounts of fixed asset tax and city planning tax and consumption tax.)		
	(1) 3,920 million yen (40% of quasi co-ownership interest)	(2) 2,940 million yen (30% of quasi co-ownership interest)	(3) 2,940 million yen (30% of quasi co-ownership interest)
Book Value	6,295 million yen (As of May 31, 2024)		
Difference between Sale Price and Book Value (Note 2)	3,505 million yen		
Date of Conclusion of Sales Agreement	July 19, 2024		
Scheduled Delivery Date	(1) November 29, 2024	(2) May 30, 2025	(3) November 28, 2025
Purchaser	Daiwa Securities Realty Co., Ltd. (“Daiwa Securities Realty”)		
Intermediary (Note3)	Yes		
Payment Method	To be received on each of the scheduled delivery dates		

(Note 1) The Investment Corporation will pay expenses for soil contamination survey and countermeasures to the purchaser as reimbursement. In addition, depending on the future development of discussions with the tenants and other circumstances, it is possible that the Investment Corporation will need to bear the cost of responding to the tenants as the seller. Note that the expenses for soil contamination survey and countermeasures are those related to the soil contamination survey required when cutting, filling, excavating or otherwise altering land of the Property in accordance with the Ordinance on the Environment to Ensure the Health and Safety of Tokyo Residents as stated in the securities report filed by the Investment Corporation on February 19, 2024.

(Note 2) The figure differs from a capital gain from divestment. It is a simple calculation of difference between the sale price and the book value as of May 31, 2024, for reference.

(Note 3) The intermediary of the Divestment does not correspond to an interested person, etc.

### 2. Reason for the Divestment

The Investment Corporation decided that the Divestment was in line with its management policy, comprehensively taking into account the characteristics of the Property, measures on return of profits to unitholders described below, current and future portfolio strategy, and trends in real estate market conditions for the improvement of unitholder value.

In light of the current status of the management of the portfolio, after considering the level of yields on the Property and potential for future stability and growth, it was determined that actualizing the evaluation of the Property in the current trading market would contribute to the enhancement of unitholder value. Note that the delivery of the Divestment is divided between three periods (the fiscal period ending November 2024, the fiscal period ending May 2025, and the fiscal period ending November 2025) to stabilize the distribution over a longer term by returning the proceeds of the sale to unitholders in installments over the three periods while reserving some of them internally.

### 3. Details of the Asset to Be Divested

Asset Name	Daiwa Tsukishima
Type of Specified Asset	Trust beneficial interest in domestic real estate
Trustee	Mizuho Trust & Banking Co., Ltd.
Maturity of Trust Period	March 31, 2026
Location (Address)	4-16-13 Tsukishima, Chuo-ku, Tokyo
Use (Real Property Registry)	Office
Ownership Form	Ownership
Site Area (Real Property Registry)	3,157.62 m <sup>2</sup>
Total Floor Area (Real Property Registry)	9,416.34 m <sup>2</sup>
Structure (Real Property Registry)	Reinforced concrete structure flat roof, 5 stories above ground
Construction Date (Real Property Registry)	July 31, 1996
Book Value	6,295 million yen (May 31, 2024)
Appraisal Value (Date of Valuation)	9,800 million yen (as of May 31, 2024)
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Date of Delivery	(1) November 29, 2024, (2) May 30, 2025, (3) November 28, 2025
Summary of Tenants (as of May 31, 2024)	
Total Number of Tenants	3
Rent Revenue	141 million yen (Note)
Security Deposit and Guaranty	166 million yen
Total Leased Floor Space	3,425.23 m <sup>2</sup>
Total Leasable Floor Space	8,425.69 m <sup>2</sup>
Occupancy Rate	40.6%

(Note) Rent revenue is for the fiscal period ended May 2024 (from December 1, 2023, to May 31, 2024).

### 4. Details of the Purchaser

The purchaser is Daiwa Securities Realty Co., Ltd., a sister company of the Asset Manager and a subsidiary of Daiwa Securities Group Inc. ("Daiwa Securities Group"). The purchaser is an interested person, etc. as stipulated in the Act on Investment Trusts and Investment Corporations, and a related party as stipulated in the "rules on prevention of conflicts of interest," the Asset Manager's internal regulations. In conducting the divestment transactions of the asset to be divested with the purchaser, the Asset Manager therefore has taken the decision-making procedures as stipulated in the rules on prevention of conflicts of interest, and confirmed that the sale price is the same as the appraisal value.

(1) Name	Daiwa Securities Realty Co., Ltd.
(2) Location	2-1, Ginza 6-chome, Chuo-ku, Tokyo
(3) Title/Name of Representative	Toshio Fukushima, President and Representative Director

(4) Nature of Business	<ol style="list-style-type: none"> <li>1. Purchase and sale, investment, leasing, and brokerage of real estate</li> <li>2. Management of real estate</li> <li>3. Owning, purchase and sale, and brokerage of trust beneficial interest</li> <li>4. Type II financial instruments business</li> <li>5. Real estate brokerage business</li> <li>6. Trust business</li> <li>7. Purchase and sale, holding, management, and investment of securities</li> <li>8. Brokerage and mediation of corporate business transfer, asset sales, capital participation, business alliance, merger, etc.</li> <li>9. Supervision of and consultation on construction works</li> <li>10. Direct investment and purchase and sales, brokerage, and management of investments in specified purpose companies, special purpose companies (companies so defined by the Ordinance on Terminology, Forms and Preparation Methods of Financial Statements, etc.), real-estate investment funds, and real estate investment corporations</li> <li>11. Planning and research on effective use of real estate</li> <li>12. Management consultancy</li> <li>13. Property management and administration</li> <li>14. Money lending business as stipulated in the Money Lending Business Act</li> <li>15. Services related to purchase and sale of monetary claims, or related to intermediary, brokerage or agency of the same</li> <li>16. Services related to conclusion of loan participation agreement, or related to intermediary, brokerage or agency of the same</li> <li>17. Services related to conclusion of partnership contract, limited partnership agreement for investment, or silent partnership contract, or related to intermediary, brokerage or agency of the same</li> <li>18. Services related to Article 17-3, paragraph (2), item (xii) of the Regulation for Enforcement of the Banking Act</li> <li>19. Any and all businesses incidental or related to the preceding items</li> </ol>
(5) Stated Capital	500 million yen
(6) Net Sales	42,763 million yen
(7) Date of Establishment	April 1, 2021
(8) Net Assets	1,834 million yen
(9) Total Assets	68,381 million yen
(10) Major Shareholders	Daiwa Securities Group Inc. 100%
(11) Relationships with the Investment Corporation/Asset Manager	
Capital Relationships	There is no capital relationship to be noted between the purchaser and the Investment Corporation/Asset Manager. Daiwa Securities Group, the parent company of the Asset Manager, is the parent company of the purchaser owning 100% of its shares. In addition, the purchaser is an interested person, etc. of the Asset Manager as stipulated in the Act on Investment Trusts and Investment Corporations.
Human Relationships	As of today, some employees of the Asset Manager are seconded to the purchaser.
Business Relationships	The purchaser has concluded a basic agreement on pipeline support, etc. with the Asset Manager regarding the provision, etc. of the pipeline support function and the warehousing function by the purchaser.
Related Party Status	The purchaser is a subsidiary of Daiwa Securities Group, the parent company of the Asset Manager, and therefore a related party.

## 5. Future Prospects

Regarding the forecast of management status for the fiscal period ending November 2024 (from June 1, 2024 to November 30, 2024) and the fiscal period ending May 2025 (from December 1, 2024 to May 31, 2025) assuming the Divestment, please refer to “REIT Financial Report for the 37th Fiscal Period” announced today.

**6. Summary of Appraisal Report**

Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.	
Appraisal Date	May 31, 2024	
Appraised Value	9,800 million yen	
Items	(million yen) (Note 1)	Outline, etc.
Income Approach Value	9,800	Estimated equally based on direct capitalization value and discounted cash flow value.
Direct Capitalization Value	4,849	
(1) Operating Revenue	484	
Potential Annual Rent Revenue	510	Assessed rent, which is stable over the medium to long term, etc.
Amount of Loss due to Vacancy	25	Assessed by taking into account the standard vacancy rate and specific factors of the subject property.
(2) Operating Expenses	96	
Maintenance and Operation Cost	22	Assessed based on the level of actual historical data.
PM Fee	(Note 2)	
Water & Utility Charges	30	Assessed based on actual historical data.
Repair	1	Recorded as the average annual repair cost as per the ER estimate.
Leasing Fee	4	Amount equivalent to new monthly rent for 1.2 months.
Tax	32	Based on actual historical amount.
Non-life Insurance	0	Deemed actual amount, etc. as being appropriate.
Others	3	
(3) Net Operating Revenue	388	
(4) Profit from Deposits/Guarantees	3	Return yield is assumed at 1.0%.
(5) Capital Expenditures	11	Deemed the average annual amount of major repair costs and renewal costs as per the ER estimate.as being appropriate.
(6) Net Revenue ((3)+(4)-(5))	380	
(7) Capitalization Rate	3.8%	Assessed by reflecting fluctuation risks of income and principal in the discount rate.
Discounted Cash Flow Value	9,710	
Discount Rate	3.5%	Assessed by comprehensively taking into account the market trends, etc. after considering the regional factors, specific factors, etc. of the subject property.
Terminal Capitalization Rate	4.0%	Assessed considering future uncertainties, deterioration of buildings and divestment risks, based on capitalization rate.
Integrated Value by Using Cost Method	6,250	
Ratio of Land	88.3%	
Ratio of Building	11.7%	
Other, things appraiser noted upon valuation	—	

(Note 1) The above revenue and expenses are based on the appraisal report and are not the figures forecasted by the Investment Corporation or the Asset Manager.

(Note 2) With no PM's permission given for a specific disclosure of the PM fees, there is no disclosure of the breakdown of the fees. Disclosure of the PM fee figures in a specific manner may cause adverse effects on other business operations of the PM, resulting in a negative impact on the planned efficient operation based on the maintenance policy of the investment-target property of the Investment Corporation that the Investment Corporation is to contract with the PM. This may in turn further cause adverse effects on unitholders' interests. Therefore, the figure presented in this column is calculated together with maintenance and operation costs.

**【Reference Material】 Portfolio Overview After Acquisition of the Property**

Region	Name of Property	Date of (Scheduled) Acquisition	Acquisition Price (million yen)	Investment Ratio (Note 4)
Five Central Wards of Tokyo (Note 1)	Daiwa Ginza	Oct 21, 2005	14,100.0	3.0%
	Daiwa Ginza Annex	Oct 21, 2005	3,050.0	0.7%
	Daiwa Shibaura	Oct 21, 2005	8,265.0	1.8%
	Daiwa Sarugakucho	Oct 21, 2005/ Mar 30, 2012	3,190.0	0.7%
	Daiwa A Hamamatsucho	Oct 21, 2005	2,865.0	0.6%
	Daiwa Jingumae	Oct 21, 2005	2,800.0	0.6%
	Daiwa Shibadaimon	Oct 21, 2005	2,578.0	0.6%
	Daiwa Misakicho	Oct 21, 2005	2,346.0	0.5%
	Daiwa Tsukijiekimae	Jan 27, 2006	1,560.0	0.3%
	Daiwa Tsukiji	Jan 27, 2006	1,240.0	0.3%
	Daiwa Nihonbashi Horidomecho	May 1, 2006	2,520.0	0.5%
	Daiwa Azabudai	May 1, 2006	1,600.0	0.3%
	Shinjuku Maynds Tower	Jul 13/ Nov 26, 2007	66,900.0	14.4%
	Daiwa Kodenmacho	Aug 31, 2007	2,460.0	0.5%
	Daiwa Nishi-Shimbashi	Aug 13, 2010	5,000.0	1.1%
	Daiwa Kayabacho Building	Mar 25, 2011	5,600.0	1.2%
	Daiwa Jimbocho 3-chome	Mar 29, 2011	3,550.0	0.8%
	E SPACE TOWER	Jul 8, 2011	24,000.0	5.2%
	Daiwa Nihonbashi Hongokucho	May 11, 2012	1,721.0	0.4%
	shinyon curumu	Dec 3, 2012/ Apr 12, 2013	9,650.0	2.1%
	Daiwa Akasaka	Aug 9, 2013	9,200.0	2.0%
	Daiwa Shibuya Miyamasuzaka	Sep 27, 2013	7,000.0	1.5%
	Daiwa Azabu Terrace	Jul 4, 2014	14,000.0	3.0%
	Daiwa Ebisu 4-chome	Dec 1, 2014	4,135.2	0.9%
	LAQUAS Higashi Shinjuku	Dec 3, 2014	8,450.0	1.8%
	Daiwa Aoyama	Mar 2, 2015	9,800.0	2.1%
	Shinsen Place	Mar 2, 2015	4,800.0	1.0%
	Daiwa Shibuya Square	May 1, 2015	16,000.0	3.4%
	Daiwa River Gate	Jun 2, 2015	28,000.0	6.0%
	Daiwa Hatchobori ekimae	Sep 11, 2015	2,871.0	0.6%
	Daiwa Hatchobori ekimae West	Sep 11, 2015	1,647.0	0.4%
Daiwa Nishi-Shinjuku	Mar 29, 2016	13,710.0	2.9%	
Kirin Nihonbashi Building	May 26, 2016	8,180.0	1.8%	
Daiwa Higashi-Nihonbashi	Jun 1, 2016	6,370.0	1.4%	
Daiwa Daikanyama	Jun 29, 2016	2,280.0	0.5%	

Region	Name of Property	Date of Acquisition	Acquisition Price (million yen)	Investment Ratio (Note 4)
	Daiwa Shinjuku West	Jul 21, 2016	942.0	0.2%
	Daiwa Kanda Mikuracho Building	Dec 21, 2016	1,592.0	0.3%
	Daiwa Kanda East	Jan 12, 2018	4,200.0	0.9%
	Daiwa Kandasudacho	Jun 7, 2018/ Nov 1, 2018	2,295.0	0.5%
	Daiwa Sasazuka Tower	Oct 30, 2018	15,500.0	3.3%
	Daiwa Sasazuka	Dec 27, 2018	3,000.0	0.6%
	Daiwa Harumi	Feb 27, 2019	11,200.0	2.4%
	Daiwa Mita 2-Chome	Jul 1, 2019	2,635.0	0.6%
	Nihonbashi Central Square	May 21, 2020	3,521.5	0.8%
	Daiwa Nihonbashi Bakurocho	Nov 13, 2020	5,733.0	1.2%
	Daiwa Kandabashi	Sep 29, 2021	1,970.0	0.4%
	Daiwa Akihabara	Jun 28, 2024	15,503.0	3.3%
	S-GATE FIT Nihonbashi Bakurocho	Mar 29, 2024	6,300.0	1.4%
Total Number of Properties located in Five Central Wards of Tokyo: 48			375,829.7	80.7%
Greater Tokyo (Note 2)	Daiwa Higashi-Ikebukuro	Oct 21, 2005	2,958.0	0.6%
	Daiwa Shinagawa North	Jul 13, 2007	7,710.0	1.7%
	Daiwa Kamiooka	Mar 1, 2013	2,000.0	0.4%
	Daiwa Ogikubo Tower	May 29, 2014	15,220.0	3.3%
	Daiwa Meguro Square	May 1, 2015	5,600.0	1.2%
	Daiwa Ogikubo	Jul 21, 2016	3,800.0	0.8%
	CONCURRED Yokohama	Jan 11, 2018	38,100.0	8.2%
	Daiwa Shinagawa Gotenyama	Sep 13, 2018	2,500.0	0.5%
	Daiwa Nakano-Sakaue	Dec 13, 2019	2,750.0	0.6%
Total Number of Properties located in Greater Tokyo: 9			80,638.0	17.3%
Major Regional Cities (Note 3)	Daiwa Kitahama	Aug 1, 2014	9,481.5	2.0%
Total Number of Properties located in Major Regional Cities: 1			9,481.5	2.0%
Total Number of Properties: 58			465,949.2	100.0%

(Note 1) "Five Central Wards of Tokyo" means Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku and Shibuya-ku.

(Note 2) "Greater Tokyo" means Tokyo (excluding the Five Central Wards of Tokyo), Kanagawa, Chiba and Saitama prefectures.

(Note 3) Major Regional Cities" means Osaka area (i.e., Osaka, Kyoto and Hyogo prefectures), Nagoya area (Aichi, Mie and Gifu prefectures), ordinance-designated cities and core cities under Local Autonomy Act.

(Note 4) Figures in the "Investment Ratio" column represent the percentage of the acquisition price of each property to the aggregate amount of the acquisition price and are rounded to the first decimal place. Please note that adding up of the investment ratio of the properties may not exactly match the investment ratio for each investment region or for the overall portfolio.

(Note 5) The above overview represents the state after the completion of the third delivery (scheduled delivery date: November 28, 2025) of the Property (Daiwa Tsukishima).

\*Website URL of the Investment Corporation: <https://www.daiwa-office.co.jp/en/>