

## Accelerating Growth with Real Estate Fund Business Targeting 300 Billion Yen

### -Establishment of JR East Private REIT Investment Corporation-


- JR East has established JR East Private REIT Investment Corporation, of which JR East Real Estate Asset Management Co., Ltd. (“JAM”) will be the asset management company. Preparations are under way with the goal of commencing operations in March 2023.
- The JR East Group has quickly achieved its initial target of 100 billion yen in assets under management for the entire real estate fund business, including private fund business, and will continue to accelerate its business expansion, aiming to reach 300 billion yen in assets under management by the end of FY 2026.3.
- We will sell our own developed and owned properties to private REITs and realize development profits at an early stage, while continuing to promote rotational business in which acquired funds are expanded and reinvested in growth areas. By doing so, we aim to realize diverse and attractive urban development that leverages the strengths of the JR East Group and achieve further growth of the Group.

#### 1. Accelerating “Move UP” 2027 through the establishment of private REITs

JR East positioned the real estate fund business as a growth engine for the Life-style Service Business, and launched rotational business by starting the liquidation of the JR Minami Shinjuku Building in December 2021, thereby developing a growth strategy for the Group.

By establishing JR East Private REIT Investment Corporation in December 2022 and starting its operation in March 2023, we will continue to promote rotational business, further expand the real estate fund business, and accelerate the “Move UP” 2027 of the JR East Group.

#### 《Overview of Investment Corporation》

Name	JR East Private REIT Investment Corporation	<div>【logo】</div> <div> JR東日本プライベートリート投資法人</div>
Address	1-7-12 Marunouchi, Chiyoda-ku, Tokyo	
Representative	Takuya Umezawa, Executive Officer	
Establishment date	December 19, 2022	
Operation form	Unlisted open-ended real estate investment corporation* <sup>1</sup> (Private placement limited to qualified institutional investors* <sup>2</sup> )	
Investment target	Comprehensive type (offices, commercial facilities, residences, hotels, etc.)	
Operation start date	March 2023 (target)	
Asset size	Approx. 25 billion yen (at the time of establishment)	

\*1 Unlisted open-ended real estate investment corporation: Investment corporation established for the purpose of investing in and managing real estate, etc. under the Investment Trust and Investment Corporation Act that is not listed on a securities exchange and is permitted to make refunds under certain conditions upon request of

shareholders.

- \*2 Private placement limited to qualified institutional investors: Solicitation of securities acquisition limited to financial institutions such as banks and other investors with expertise and experience in securities investment

## 2. Future Development

### (1) Expanding the scale of the real estate fund business and accelerating the expansion of the business

As a result of our efforts to further expand the real estate fund business by accelerating the formation of real estate funds (acquisition of external properties and accumulation of assets under management through rotational business) by JAM, we have achieved our initial target of 100 billion yen in assets at an early stage.

Going forward, we will further accelerate business expansion by combining private placement funds and private REITs after considering appropriate fund formation schemes, aiming to achieve an asset scale of 300 billion yen in the real estate fund business as a whole by the end of FY 2026.3.

### (2) Further growth of the Group through the development of the rotational business model

By selling our own developed and owned properties to private REITs, we will realize development profits at an early stage and continue to promote rotational business in which acquired funds are expanded and reinvested in growth areas.

For example, reinvesting acquired funds in such projects as Takanawa Gateway City (tentative name) will enable us to realize diverse and attractive urban development, while reinvesting acquired funds in local development projects will help us contribute to regional development.

By linking such urban development with various services that leverage the Group's strengths, we aim to achieve further growth of the JR East Group.

## 【Examples of reinvestment in growth areas】

### ■Town development to offer diverse attractiveness

Takanawa Gateway City (tentative name)



FY2025.3  
to FY2026.3  
Completion  
  
Total floor area  
About 845,000 m<sup>2</sup>  
(1-4 City Block)

Oimachi Square Development Plan (Tentative name)



FY2026.3  
Completion  
  
Total floor area  
About 259,000 m<sup>2</sup>  
(A area)

Nakano Station North Exit Base Facility Development Project\*



FY2029.3  
Completion  
  
Enforcement district area  
About 23,000 m<sup>2</sup>

Shinjuku Station Southwest Exit Area\*



2040s  
Completion  
  
Total floor area  
About 291,500 m<sup>2</sup>  
(South and North City Block)

Shibaura Project\*



South City Block:2025.2  
North City Block:FY2031.3  
Completion  
  
Total floor area  
About 550,000 m<sup>2</sup>

Hamamatsucho 2 Chome 4 Area Development\*



FY2030  
Completion  
  
Total floor area  
About 314,000 m<sup>2</sup>

\*Joint venture with Other Groups

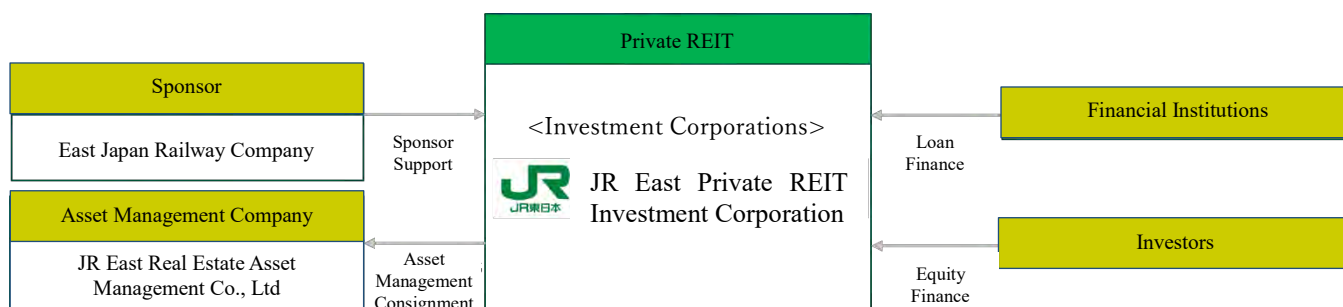
■ Further growth of the JR East Group by offering various services that leverage its strengths



**Reference (1): Overview of Asset Management Company**

Company name	JR East Real Estate Asset Management Co., Ltd.
Address	1-7-12 Marunouchi, Chiyoda-ku, Tokyo
Representative	Takuya Umezawa, President
Establishment date	April 28, 2021
Registered licenses	<p>License for real estate brokerage: Governor of Tokyo (1) No. 106386</p> <p>Approval for Entrustment-Based Agency Services for Transactions, etc.: Approval by the Minister of Land, Infrastructure, Transport and Tourism No. 144</p> <p>Registration for financial instruments business: Director-General of the Kanto Local Finance Bureau (financial instruments) No. 3275</p> <p>(Type II Financial Instruments Business, Investment Advisory and Agency Business, and Investment Management Business)</p>
Membership	Japan Investment Advisers Association, The Association for Real Estate Securitization, The Investment Trusts Association, and Type II Financial Instruments Firms Association
Website	<a href="https://www.jre-am.co.jp">https://www.jre-am.co.jp</a>

**Reference (2): Outline of REIT Scheme**



### Reference (3): Rotational Business Model Using Real Estate Funds

