



# **Invesco Office J-REIT Investment Corporation (3298)**

Supplemental Information Regarding “Notice Concerning Issue of New Investment Units and Sale of Investment Units” released on May 16, 2016

**Invesco Global Real Estate Asia Pacific, Inc.**

<http://www.invesco-reit.co.jp/>

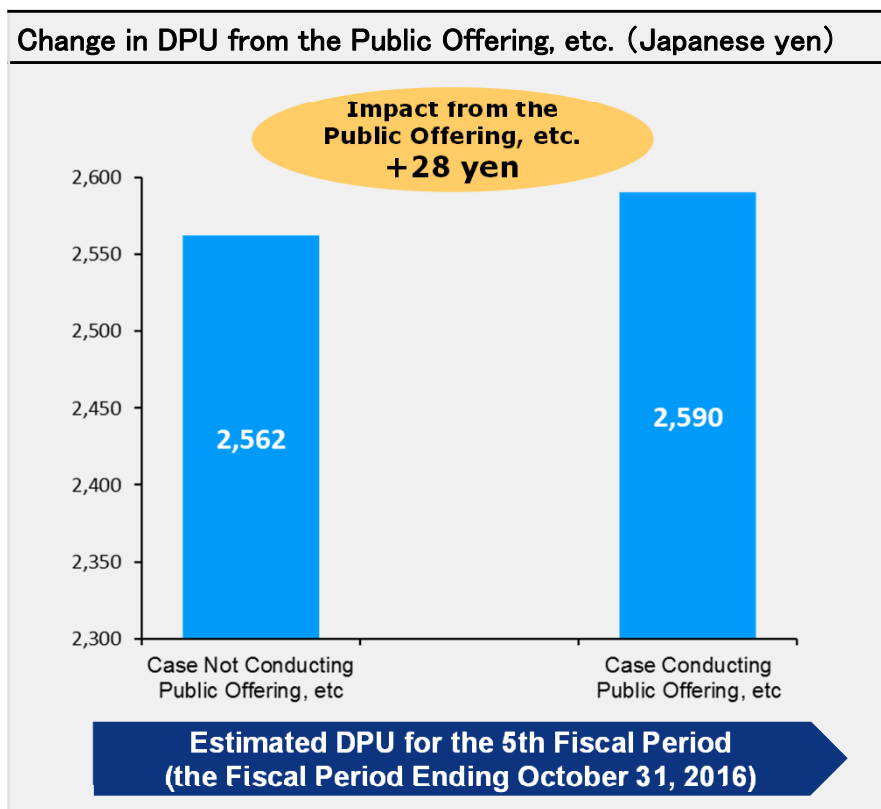


# Impact from Public Offering, etc. – Increase in DPU



## Estimated DPU for the 5th Fiscal Period (the Fiscal Period Ending October 31, 2016)

- DPU for the 5th fiscal period is estimated higher in 28 yen (+ 1.1%) than the estimated DPU amount in case that the Public Offering is not conducted.

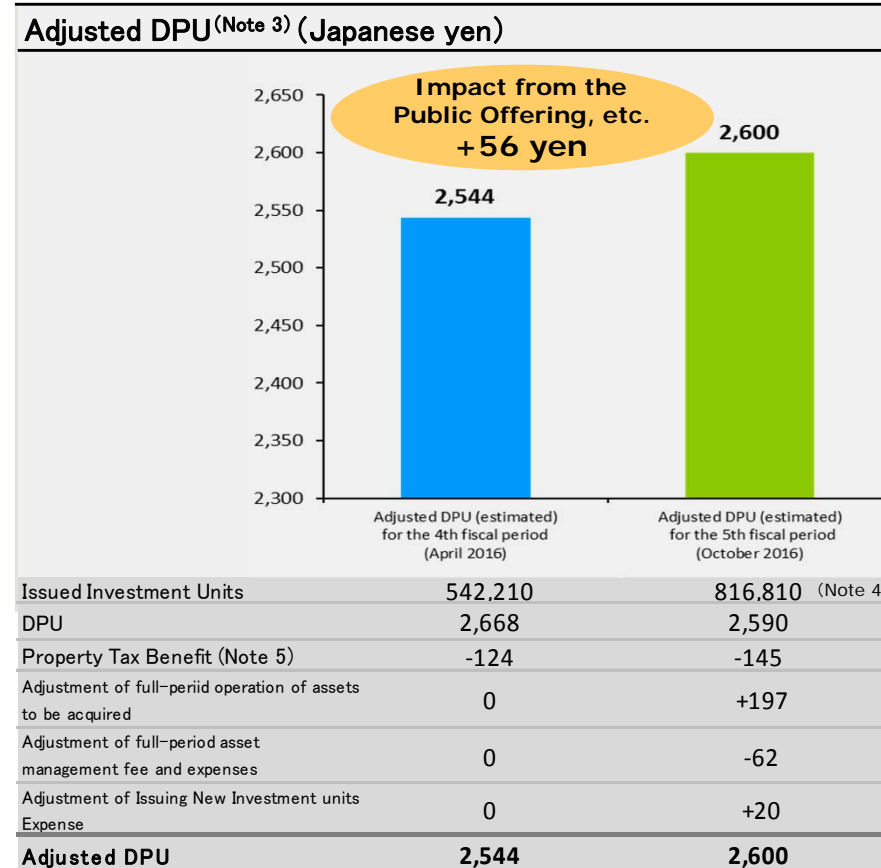


(Note 1) "The Public Offering, etc." mentioned above collectively means the issuing new investment units, the borrowing of funds, and the acquisition of assets scheduled to be acquired mentioned in the "Notice Concerning Issue of New Investment Units and Sale of Investment Units", the "Notice Concerning Borrowing of Funds" and the "Notice Concerning Asset Acquisition and Leasing" released on May 16, 2016 respectively. The above DPU amount mentioned as not conducting public offering, etc. is based on that the increase in total investment units, the cost or interest payable regarding borrowing of funds, and the costs (including depreciation) and income of acquiring assets scheduled to be acquired are not incurred. The amount is not equaled to the estimated DPU for the 5th fiscal period.

(Note 2) The DPU amount shown above is calculated on condition that the asset management fee is calculated on the basis of the conditions above, which influences the amount of total assets, operating revenue, and distributable cash. Thus the amount of operating expenses decrease in accordance with the decrease in the asset management fee which is based on the items mentioned above.

## Adjusted DPU (Note 3) (for reference)

- DPU increases by 2.2% compared to the previous fiscal period on assumption that the holding assets and the assets scheduled to be acquired along with the Public Offering, etc. is operated in full period with the same level as the estimated occupancy rate of the 5th fiscal period.



(Note 3) The adjusted DPU for the 4th fiscal period is calculated on the basis that adjusting the property tax benefit to the estimated DPU amount mentioned in the "Notice Concerning Revisions to the Forecasts of Investment Management Performance and the Estimated Distributions per Unit for the Fiscal Period Ending April 30, 2016 (4th period)" released on April 11, 2016. For the adjusted DPU of the 5th fiscal period, it is calculated that considering the property tax benefit, adjustment of full-period operation of the assets to be acquired, adjustment of full-period interest amount payable, and non-operating expenses regarding the issuance of new investment units to the estimated DPU amount for the 5th fiscal period released on May 16, 2016.

(Note 4) Mentioned herein is the total amount of the issued investment units of 542,210 as of today and the investment units of 274,600 (upper limit) to be issued through the Public Offering (261,500 units) and through the third party allocation (upper limit 13,100 units) mentioned in the "Notice Concerning Issue of New Investment Units and Sale of Investment Units", released on May 16, 2016.

(Note 5) The "Property Tax Benefit" mentioned above is the amount increased which derives from not recording the fixed asset tax, the city planning tax and other taxes under the expenses for the fiscal period during which the acquisition occurs because the said adjusted amounts will be included in the acquisition cost.



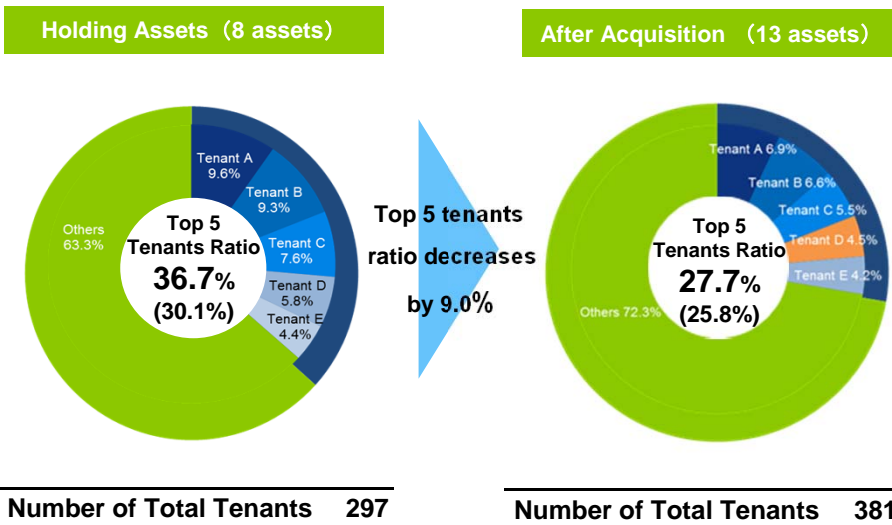
# Impact on Tenant Concentration from Public Offering and Lease Situation of Harumi Island Triton Square Office Tower Z



## Impact on Tenant Concentration by the Public Offering (Note 1)

### Tenant Diversification of the Portfolio

- The occupancy ratio of top 5 tenants after acquisition decreases by 9.0%. The share of each tenants declines, thus the tenant concentration is expected to be eased.

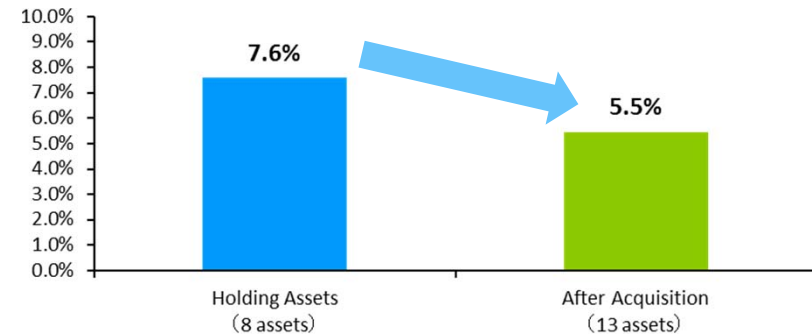


(Note 1) The top 5 tenants ratio mentioned in above "Tenant Diversification" is calculated on the basis that the ratio of the total leased area based on the valid lease agreements with the top 5 tenants as of the end of February, 2016 to total leasable area of the portfolio and rounded off to one decimal place. In addition, the top 5 tenants ratio is calculated on the basis of total leasable area of the portfolio, thus "Others" includes the vacant area. The percentage mentioned in brackets is calculated on the basis that the total rental income based on the valid lease agreements as of the end of February 2016 and rounded off to one decimal place.

## Lease Situation of Harumi Island Triton Square Office Tower Z

The ratio of Sumitomo Corporation's occupying area to Total Leased Area

- By acquiring new assets through the Public Offering, the occupancy ratio of the leased area of Sumitomo Corporation to total leased area is estimated to drop from 7.6% to 5.5%.



## Lease Situation of Harumi Island Triton Square Office Tower Z

Floor	Leased Area (m <sup>2</sup> )	Leasing Situation of Each Floor
40F - 18F		
17F	11,076	Tenant : Sumitomo Corporation 13 Sumitomo Corporation's Subsidiary Companies are occupying
16F		
15F		
14F		
13F		
12F		
11F - 2F		

- The part of the Harumi Island Triton Square Office Tower Z, which the Investment Corporation owns, is leased to Sumitomo Corporation and is occupied by 13 Sumitomo Corporation's subsidiary companies. As of the date hereof, there are no lease termination notices by Sumitomo Corporation.
- According to the report by CBRE, Inc. as of April 2016, the occupancy rate of Harumi Island Triton Square as a whole was 98.4% as the end of March, 2016.

## Disclaimer

- This material is solely intended to provide information concerning the impact on Investment Corporation's asset management performance and is not prepared for the purpose of solicitation of investment. Investors, when making an investment, must always make their own decisions after reviewing the prospectus for the registration of the issue of new investment units of the Investment Corporation and the offering and other related amendments (if any).
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