



For Translation Purposes Only

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For Immediate Release

Issuer of real estate investment trust securities:
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Notice Concerning
the Forecasts of Investment Management Performance and Cash Distributions per Unit
for the Fiscal Periods Ending October 31, 2019 (11th Fiscal Period)
and April 30, 2020 (12th Fiscal Period)

Invesco Office J-REIT, Inc. (hereinafter referred to as the "Investment Corporation") announces the forecasts of investment management performance and the cash distributions per unit for the fiscal periods ending October 31, 2019 (11th Fiscal Period) and April 30, 2020 (12th Fiscal Period).

There are no changes to the forecasts of investment management performance and the cash distributions per unit for the fiscal period ended April 30, 2019 (10th Fiscal Period) as announced in the "Notice Concerning Revisions to the Forecast of Investment Management Performance and the Estimated Distributions per Unit for the Fiscal Period Ending April 30, 2019 (10th Fiscal Period)" dated March 20, 2019.

1. Details of disclosures

- (1) Details of the forecasts of investment management performance and cash distributions per unit for the fiscal period ending October 31, 2019 (11th Fiscal Period) (from May 1, 2019 to October 31, 2019)

	Operating revenues	Operating income	Ordinary profit	Current net income	Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit
Forecasts	¥8,584m	¥3,878m	¥3,331m	¥3,328m	¥374	¥ -

- (2) Details of the forecasts of investment management performance and the cash distributions per unit for the fiscal period ending April 30, 2020 (12th Fiscal Period) (from November 1, 2019 to April 30, 2020)

	Operating revenues	Operating income	Ordinary profit	Current net income	Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit
Forecasts	¥8,561m	¥3,917m	¥3,394m	¥3,392m	¥381	¥ -

Note: This press release is a document for making a public announcement concerning to the forecasts of investment management performance and the cash distributions per unit for the fiscal periods ending October 31, 2019 (11th Fiscal Period) and April 30, 2020 (12th Fiscal Period), and has not been prepared for the purpose of soliciting investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (hereinafter referred to as, the "Securities Act"). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be offered or sold, publicly or otherwise, in the United States.

(Reference Information)

Fiscal period ending October 31, 2019 (11th Fiscal Period):

The estimated number of issued investment units as of the end of the period is 8,899,256 and the estimated current net income per unit is ¥374.

Fiscal period ending April 30, 2020 (12th Fiscal Period):

The estimated number of issued investment units as of the end of the period is 8,899,256 and the estimated current net income per unit is ¥381.

(Note 1) The estimated number of issued investment units as of the end of each fiscal period is calculated based on the assumptions set forth under the "Investment units" in Attachment 1 hereto, "Assumptions for the Forecasts of Investment Management Performance and Cash Distributions per Unit for the Fiscal Periods Ending October 31, 2019 (11th Fiscal Period) and April 30, 2020 (12th Fiscal Period)."

(Note 2) The estimated figures above are calculated as of the date hereof based on the assumptions set forth in Attachment 1 hereto, "Assumptions for the Forecasts of Investment Management Performance and Cash Distributions per Unit for the Fiscal Periods Ending October 31, 2019 (11th Fiscal Period) and April 30, 2020 (12th Fiscal Period)." Accordingly, the subsequent acquisition/disposition of real estate, etc., change in rent revenues due to changes of tenants or other reasons, unexpected repair costs and any other changes in management circumstances, interest rate fluctuations, the number of units to be issued and/or issue price of new investment units actually determined, or the additional issue, etc. of new investment units will cause the assumed conditions to deviate, and thus actual operating revenues, operating income, ordinary profit, current net income and distributions per unit (excluding distributions in excess of earnings) may differ from the revised and estimated figures. In addition, the forecasts above do not guarantee the amount of the distributions.

(Note 3) If a deviation from the forecasts above is expected to beyond a certain extent, they may be revised.

(Note 4) Figures less than units are rounded down, and percentages are shown rounded to one decimal place.

2. Reasons for disclosures

The Investment Corporation has resolved, at a meeting of the board of directors held today, to issue new investment units for the purpose of procuring a part of the fund for acquiring two new specified assets (as such term is defined in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations) set forth in the "Notice Concerning Asset Acquisition" announced today. Following such resolution, as of today, the Investment Corporation announces the forecast of investment management performance and cash distributions per unit for the fiscal periods ending October 31, 2019 (11th Fiscal Period) and April 30, 2020 (12th Fiscal Period).

(Reference Information)

All or part of the effects of temporary gain from the sale of CS Tower Annex set forth in the "Notice Concerning the Disposition of a Portion of an Asset (CS Tower Annex)" announced on March 20, 2019, and temporary expenses for the issuance of new investment units set forth in the "Notice Concerning Issue of New Investment Units and Sale of Investment Units" announced today as well as the effect of fixed asset tax, the city planning tax and other taxes that would be incurred in connection with the assets to be acquired, but not to be recorded as expense for the fiscal period during which the acquisition occurs are reflected to the forecasts of investment management performance and cash distributions per unit for the fiscal period ended April 30, 2019 (10th fiscal period) announced in the "Notice Concerning Revisions to the Forecast of Investment Management Performance and the Estimated Distributions per Unit for the Fiscal Period Ending April 30, 2019 (10th Fiscal Period)" on March 20, 2019, and the forecasts of investment management performance and cash distributions per unit for the fiscal periods ending October 31, 2019 (11th Fiscal Period) and April 30, 2020 (12th Fiscal Period) announced today. For the purpose of illustrating the anticipated effect on the investment management performance through the acquisition of assets to be acquired and other measures described above, the Investment Corporation calculated hypothetical adjusted distribution per unit which eliminates such temporary effect (hereinafter referred to as "Adjusted DPU") and it is described in the Attachment 2 "Adjusted DPU (hypothetical) eliminating impact from temporary profit or loss".

* Website address for the Investment Corporation: <http://www.invesco-reit.co.jp/en/>

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Assumptions for the Forecasts of Investment Management Performance
and Cash Distributions per Unit
for the Fiscal Periods Ending October 31, 2019 (11th Fiscal Period) and April 30, 2020 (12th Fiscal
Period)

Items	Assumptions						
Calculation period	<ul style="list-style-type: none"> ➤ Fiscal period ending October 31, 2019 (11th Fiscal Period) (from May 1, 2019 to October 31, 2019) (184 days) ➤ Fiscal period ending April 30, 2020 (12th Fiscal Period) (from November 1, 2019 to April 30, 2020) (182 days) 						
Assets managed	<ul style="list-style-type: none"> ➤ Based on the assumption that in addition to the 18 properties (hereinafter referred to as the “Acquired Assets”) which the Investment Corporation owns as of the date hereof, it will acquire the two additional properties on May 22, 2019, as described in the table below (in the “Attachment 1” and “Attachment 2”, hereinafter referred to as the “Assets to be Acquired in the 11th Fiscal Period”) as set forth in the following table. <table border="1" style="margin-left: 40px; margin-top: 10px;"> <thead> <tr> <th style="text-align: center;">Number of the Property</th> <th style="text-align: center;">Property names</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">19</td> <td style="text-align: center;">Techno Wave 100 (Additional Acquisition)</td> </tr> <tr> <td style="text-align: center;">21</td> <td style="text-align: center;">Otowa Prime Building</td> </tr> </tbody> </table> (Note) As of the date hereof, the name of “Otowa Prime Building” is “Unizo Otowa 1-chome Building” but in this material “Otowa Prime Building” is used since it will be changed to “Otowa Prime Building” on June 1, 2019. The same shall be applied hereinafter. ➤ It is based on the assumption that there will be no changes in managed assets except the above (such as the acquisition of new properties or the disposal of owned properties) until the end of the fiscal period ending April 30, 2020 (12th Fiscal Period). In fact, however, there is a possibility of fluctuations depending on changes in managed assets. ➤ For details of the Assets to be Acquired in the 11th Fiscal Period, please refer to the “Notice Concerning Asset Acquisition” announced today. 	Number of the Property	Property names	19	Techno Wave 100 (Additional Acquisition)	21	Otowa Prime Building
Number of the Property	Property names						
19	Techno Wave 100 (Additional Acquisition)						
21	Otowa Prime Building						
Operating revenues	<ul style="list-style-type: none"> ➤ Based on the operating revenues from “Assets managed” described above. The revenues from the leasing business for the Acquired Assets are calculated, considering the lease agreements that are effective as of the date hereof, tenant circumstances, market circumstances, etc., and based on the assumption that no tenants will fail to pay or default on rents. The revenues from the leasing business for the Assets to be Acquired in the 11th Fiscal Period are calculated in consideration of information provided by the current owners or current beneficiaries (hereinafter referred to as the “Current Owners, etc.”) of the respective Assets to be Acquired in the 11th Fiscal Period, the lease agreements that will be effective as of the scheduled date of the acquisition, market circumstances and other factors, and based on the assumption that no tenants will fail to pay or default on rents. 						
Operating expenses	<ul style="list-style-type: none"> ➤ Among the expenses for the leasing business, which is a major operating expense, the expenses other than the depreciation expenses are calculated reflecting variable factors of expenses based on the past actual figures for the Acquired Assets. Those of the Assets to be Acquired in the 11th Fiscal Period are calculated in consideration of information provided by the Current Owners, etc., and reflecting the variable factors of expenses based on the past actual figures. ➤ The depreciation expenses are calculated including any incidental expenses, etc. according to the straight-line method. The estimates are 980 million yen for the fiscal period ending October 31, 2019 (11th Fiscal Period) and 1,005 million yen for the fiscal period ending April 30, 2020 (12th Fiscal Period) respectively. 						

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Items	Assumptions
	<ul style="list-style-type: none"> ➤ Generally, in sales and purchases of real estate, etc., the fixed asset tax and the city planning tax, among others, are adjusted with the previous owner by calculation on a pro-rata basis for the relevant period upon the acquisition of the relevant real estate, etc. However, the Investment Corporation will not record the relevant adjusted amounts for 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. Accordingly, the fixed asset tax, the city planning tax and other taxes of the Assets to be Acquired in the 11th Fiscal Period will not be recorded under expenses for the fiscal period ending October 31, 2019 (11th Fiscal Period). (If the fixed asset tax, the city planning tax and other taxes were recorded as expenses on a full-year basis, the estimated amount would be 15 million yen). In addition, the estimated total amount of the fixed asset tax, the city planning tax and other taxes to be included in the acquisition cost of the Assets to be Acquired in the 11th Fiscal Period is estimated at 19 million yen. Among the Assets to be Acquired in the 11th Fiscal Period, with regards to Otowa Prime Building which is located in Tokyo, the whole amount of the fixed asset tax, the city planning tax and other taxes will be recorded as expense from the fiscal period ending October 31, 2020 (13th Fiscal Period). With regards to Techno Wave 100 which is not located in Tokyo, a portion of the fixed asset tax, the city planning tax and other taxes will be recorded as expense from the fiscal period ending April 30, 2020 (12th Fiscal Period) and the whole amount of such taxes will be recorded as expense from the fiscal period ending October 31, 2020 (13th Fiscal Period). ➤ In terms of repair costs, the asset management company (Invesco Global Real Estate Asia Pacific, Inc.) records the estimated cost amounts for each property as expenses, as necessary. However, an increase in repair costs or additional repair costs may arise due to unpredictable causes, and thus the actual costs may differ substantially from the estimated costs.
Non-operating expenses	<ul style="list-style-type: none"> ➤ The estimated interest expenses and other loan-related costs are expected to be 527 million yen for the fiscal period ending October 31, 2019 (11th Fiscal Period) and 521 million yen for the fiscal period ending April 30, 2020 (12th Fiscal Period) respectively. ➤ Temporary expenses of 18 million yen are expected to arise for the fiscal period ending October 31, 2019 (11th Fiscal Period) pertaining to the issue, etc. of new investment units set forth in the “Notice Concerning Issue of New Investment Units and Sale of Investment Units” announced today.
Loans	<ul style="list-style-type: none"> ➤ The Investment Corporation has a balance of interest-bearing debts amounting to 121,300 million yen as of the date hereof. In addition, it is assumed that it will undertake additional borrowings of 4,480 million yen (hereinafter referred to as the “Borrowing”) on May 22, 2019 to be applied to part of the funds for acquiring the Assets to be Acquired in the 11th Fiscal Period (For the detail of the Borrowing, please refer to the “Notice Concerning Borrowing of Funds” announced today.). Afterwards, the balance of interest-bearing debts will amount to 125,780 million yen (hereinafter referred to as the “Balance of Interest-Bearing Debts after the Acquisition of the Assets to be Acquired in the 11th Fiscal Period”). However, the amount of the Borrowing and the Balance of Interest-Bearing Debts after the Acquisition of the Assets to be Acquired in the 11th Fiscal Period may change, depending on the final number of units and amounts of new investment units, regarding the issuance of new investment units (hereinafter referred to as the “Offering”) through public offering resolved at the board of directors of the Investment Corporation today, as well as issuance of new investment units through third-party allocation resolved today (hereinafter referred to as the “Third-party Allocation”). For details of the Offering and the Third-party Allocation (hereinafter collectively referred to as the “Offering and TPA”), please refer to the “Notice Concerning Issue of New Investment Units and

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Items	Assumptions
	<p>Sale of Investment Units” announced today.</p> <ul style="list-style-type: none"> ➤ The LTV ratio as of the end of the fiscal period ended October 31, 2018 (9th Fiscal Period) was 49.4% and, after the acquisition of the Assets to be Acquired in the 11th Fiscal Period, the LTV ratio is expected to be approximately 49.5%. However, as described above, the amount of the Borrowing and the Balance of Interest-Bearing Debts after the Acquisition of the Assets to be Acquired in the 11th Fiscal Period may change as above, and thus, the LTV ratio after the acquisition of the Assets to be Acquired in the 11th Fiscal Period may also change. <p>The LTV ratio after the Acquisition of the Assets to be Acquired in the 11th Fiscal Period is calculated according to the following formula.</p> <p>LTV ratio = (Balance of Interest-Bearing Debts after the Acquisition of the Assets to be Acquired in the 11th Fiscal Period) / (Total asset value after the acquisition of the Assets to be Acquired in the 11th Fiscal Period*)</p> <p>*Total asset value after the acquisition of the Assets to be Acquired in the 11th Fiscal Period= Total assets as of the end of the fiscal period ended October 31, 2018 (9th Fiscal Period) + Funds to be procured associated with the acquisition of the Assets to be Acquired in the 11th Fiscal Period + Deposits and guarantees pertaining to the Assets to be Acquired in the 11th Fiscal Period - Deposits and guarantees pertaining to the asset disposed after the end of the fiscal period ended October 31, 2018 (9th Fiscal Period).</p>
Investment units	<ul style="list-style-type: none"> ➤ Based on the assumption of 8,899,256 units, which is derived by adding 255,900 units (upper limit) planned to be issued by June 14, 2019 through the Offering (243,700 units in total) and the Third-party Allocation (upper limit of 12,200 units), to 8,643,356 units already issued as of the date hereof. (For details of the Offering and TPA, please refer to the “Notice Concerning Issue of New Investment Units and Sale of Investment Units” announced today.) ➤ Based on the assumption that the upper limit of 12,200 units will be issued fully as additional investment units by the Third-party Allocation. ➤ Except the above assumptions, it is assumed that there will be no additional issue of investment units or investment unit split until the end of the fiscal period ending April 30, 2020 (12th Fiscal Period).
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> ➤ The distributions per unit (excluding distributions in excess of earnings) are calculated based on the cash distribution policy provided for under the Articles of Incorporation of the Investment Corporation. ➤ The distributions per unit may change due to various reasons, including a change in rent revenues arising from a change in managed assets or tenants or unexpected repairs.
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> ➤ Currently, the distribution of money arising from sources in excess of net income is not scheduled.
Other	<ul style="list-style-type: none"> ➤ Based on the assumption that there will be no revisions to laws, regulations, the tax system, accounting standards, listing rules, rules of The Investment Trusts Association, Japan, etc. that will affect the estimated figures described above. ➤ Based on the assumption that there will be no unexpected material changes in general economic trends, real estate market circumstances, etc.

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Adjusted DPU (hypothetical)
eliminating impact from temporary profit or loss

Item	Fiscal Period ended April 30, 2019 (FP10)	Fiscal Period ending October 31, 2019 (FP11)	Fiscal Period ending April 30, 2020 (FP12)
Estimated cash distribution per unit	¥ 404	¥ 374	¥ 381
Deduction of gain from disposition of CS Tower Annex (Note1)	¥ -17	¥ —	¥ —
Deduction of the property tax benefit (Note 2)	¥ -14	¥ -1	¥ -1
Adjustment of the penalty of the tenant cancel (Note 3)	¥ -3	¥ —	¥ —
Adjustment of asset management fee (Note 4)	¥ —	¥ -1	¥ —
Adjustment of cost regarding issuance of new investment units (Note 5)	¥ +1	¥ +2	¥ —
Adjustment of operation of the scheduled acquisition in the 11th Fiscal Period for whole year (Note 6)	¥ —	¥ +2	¥ —
Adjusted DPU (hypothetical) (Estimated)	¥ 371	¥ 376	¥ 380

(Note 1) It is assumed that the gain from disposition of CS Tower Annex does not arise during the fiscal period ended April 30, 2019 (10th Fiscal Period).

(Note 2) It is assumed that the whole amount of the fixed asset tax, the city planning tax and other taxes for the Assets to be Acquired in the 11th Fiscal Period is recorded as expense in the fiscal periods ending October 31, 2019 (11th Fiscal Period) and April 30, 2020 (12th Fiscal Period).

(Note 3) Adjusting by assuming there is no revenue from the penalty by the temporary canceling tenant during the fiscal period ended April 30, 2019 (10th Fiscal Period).

(Note 4) It is assumed that the increase or decrease of the total assets due to the acquisition of the Assets to be Acquired in the 11th Fiscal Period has occurred as at the base date for the purpose of calculation of the asset management fee (1) (total assets basis) for the period from May 1, 2019 to July 31, 2019.

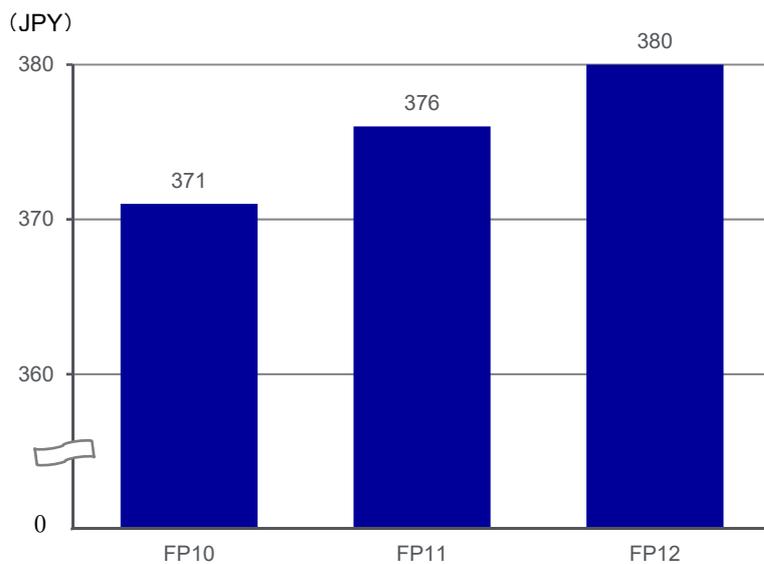
(Note 5) It is adjusted that there is no temporary expenses regarding issuance of new investment units, which was described in the "Notice Concerning Issue of New Investment Units and Sale of Investment Units" announced today, during the fiscal periods ended April 30, 2019 (10th Fiscal Period) and ending October 31, 2019 (11th Fiscal Period).

(Note 6) It is adjusted that there is the rental revenue and property-related expense of the Assets to be Acquired in the 11th Fiscal Period from the beginning of the fiscal period ending October 31, 2019 (11th Fiscal Period).

Please be aware that the figures shown as Adjusted DPU (hypothetical) do not have any meaning for the estimated cash distribution per unit.

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Figure: Forecast of Adjusted DPU (hypothetical) eliminating impact from temporary profit or loss



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