



## ASX/Media Release

24 August 2016

### AJA FULL YEAR RESULTS - MEDIA RELEASE AND PRESENTATION

Please find attached the following documents relating to Astro Japan Property Group's Full Year Results to 30 June 2016:

1. Media Release
2. Results Presentation

AJA will present its full year results this afternoon at 4.00pm AEST. The results presentation will be hosted by Mr Eric Lucas, Senior Advisor to AJA. Dial-in details for participation in the conference call are on AJA's website, [www.astrojapanproperty.com](http://www.astrojapanproperty.com).

## ENDS

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### About Astro Japan Property Group (AJA)

Astro Japan Property Group is a listed property group which invests in the Japan real estate market. It currently holds interests in a portfolio comprising 29 retail, office, residential and hotel properties. Asset management services in Japan are generally undertaken by Spring Investment Co., Ltd.

AJA is a stapled entity comprising Astro Japan Property Trust (ARSN 112 799 854) and Astro Japan Property Group Limited (ABN 25 135 381 663). For further information please visit our website: [www.astrojapanproperty.com](http://www.astrojapanproperty.com).

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#### Astro Japan Property Group

Astro Japan Property Group Limited ABN 25 135 381 663  
Astro Japan Property Management Limited ABN 94 111 874 563 AFSL 283142  
as responsible entity of the Astro Japan Property Trust ARSN 112 799 854

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## AJA FULL YEAR RESULTS TO 30 JUNE 2016

- Underlying profit after tax of A\$31.5 million, up 17.5% on the prior year primarily as a result of increased net property income and an approximate 11% strengthening of the Japanese Yen
- Earnings per security increased by 28.5% to 51.9 cents
- Statutory net profit after tax of A\$132.1 million, compared to A\$43.6 million for the prior year
- Year on year increase in the value of ongoing portfolio of approximately 2.5% with the 30 June 2016 portfolio size ¥83.0 billion (A\$1.08 billion)
- Distribution of 36.0 cps for the full year in line with guidance, an increase from 28.5 cps in the prior year
- NTA of A\$8.26 per security, up 28.3% from A\$6.44

### Financial results

Astro Japan Property Group (ASX: AJA) today announced an underlying profit after tax of A\$31.5 million for the full year ended 30 June 2016, 17.5% higher than the prior year, primarily as a result of an approximate 11% strengthening of the Japanese Yen, increased property income and savings in borrowing costs achieved through refinancings during the prior year. These increases have been partially offset by higher asset management fees (including a performance fee of A\$5.1 million). Underlying profit after tax is a measure which the Directors believe most accurately and consistently reflects the underlying business performance of AJA.

The underlying result for the full year reflects an increase in net property income of 16.7% to A\$53.8 million, with 4.7% of the increase due to the consolidation from 1 July 2015 of income from JPTGK which owns a 64% interest in Musashino Towers. On a like for like portfolio basis and excluding currency movements, net property income increased by 4.9%.

Statutory net profit after tax for the full year was A\$132.1 million, compared to A\$43.6 million in the prior year. The increase is mainly driven by foreign exchange rate gains and an increase in value of the property portfolio.

Distribution for the six months ended 30 June 2016 of 18 cents per stapled security is to be paid on 31 August 2016. The full year distribution of 36.0 cents per security was less than underlying earnings of 51.9 cents per stapled security, with the balance used for capital management purposes.

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## **Portfolio Performance**

Portfolio values continue to show a positive trend with an approximately 2.5% or ¥2.0 billion increase in the value of the portfolio for the full year on a like-for-like basis. As at 30 June 2016, AJA's total portfolio value was ¥83.0 billion, following the sale of four assets during the year and the purchase of an additional 12% interest in JPTGK. In Australian dollar terms, the value of the portfolio increased from A\$877.5 million at 30 June 2015 to A\$1.08 billion at 30 June 2016. This increase in property values continues a rising trend in Japanese asset values. The weighted average capitalisation rate used by the independent valuers for the portfolio at 30 June 2016 has tightened to 5.1% from 5.3% at June 2015.

Portfolio occupancy by area continues to remain high at 99.1% as at 30 June 2016 compared to 97.3% as at 30 June 2015.

Mr Eric Lucas, Senior Advisor to AJA, said, "The continued positive trend in asset values is pleasing, although it still reflects a firming of capitalisation rates more than improvement in actual or expected rental returns. We remain cautious as to how we invest our surplus cash, but are pleased that even in a very strong market we are able to achieve acquisitions such as the hotel purchases announced earlier this week."

## **Net Tangible Assets**

Strengthening of the Japanese Yen was the primary factor in a 28.3% increase in NTA to \$8.26 cents per security as at 30 June 2016, along with an increase in the Yen value of the portfolio.

## **Capital Management**

Mr Eric Lucas, Senior Advisor to AJA, said, "Having completed the refinance of all of the portfolio debt on substantially improved terms during the prior fiscal year, our weighted average interest rate has reduced to 1.27% p.a. as at 30 June 2016, and on an annual basis, financing costs were approximately A\$1 million or 10% lower than the prior year, with a further saving on annual amortisation payments of approximately A\$2.2 million or 52% lower compared to the prior year. The weighted average maturity of AJA's debt is still comfortable at 6.9 years.

AJA currently holds unrestricted cash equivalent to approximately A\$45 million, mostly held in Yen, even after setting aside funding for the June 2016 distribution and after settlement of the purchase of the two hotels announced earlier this week."

## **Post Balance Date Events**

On 22 August 2016, AJA announced the acquisition of interests in two hotels for a combined purchase price of ¥1.47 billion (A\$19.1 million) held through a new special purpose, property owning Japanese company KTS&S Co., Ltd. (JPKT). These assets have been acquired with new 20 year non-cancellable leases and without debt, using part of AJA's free cash.

## **Outlook**

Focus will continue to be on deployment of cash resources, portfolio optimisation and asset level performance.

Further acquisitions and dispositions continue to be under consideration. Acquisition focus is on longer-term cash flows from younger assets. Dispositions will mainly seek to recycle capital from non-strategic assets to improve portfolio age, quality and long-term portfolio transparency and value.

The recently announced acquisition of two hotels demonstrates the Board's and the asset manager's objective to further diversify income streams and capitalise on Japan's growing tourism sector.

To maintain the highest possible rental outcomes, AJA expects to continue an ongoing program of capital expenditure on the portfolio, forecast at approximately 10 cents per security, fully funded from cash flows.

#### **- J-REIT Investigations**

Investigation is ongoing of the previously disclosed possibility of a sale of all or substantially all of AJA's portfolio to a J-REIT or similar vehicle. Although the J-REIT IPO market continues to be active, some recent, smaller issues are trading poorly post IPO.

Directors believe AJA's continued strong liquidity position and both recent and long-term return outperformance vs the A-REIT index dictate that attempting a J-REIT-based liquidity event should be done only with an appropriate level of execution, cost and reputation risks.

Examination of this potential option will continue and updates will be made promptly if there is any substantive development.

#### **- Earnings and Distribution Guidance**

Based on a foreign exchange rate of A\$1=¥80 and assuming no substantial performance fee to the asset manager, underlying profit after tax for the current fiscal year to 30 June 2017 is expected to increase by approximately 8%-11% to between A\$34 million and A\$35 million or approximately 56.0 – 58.0 cents per security.

Distribution guidance for the 6 months to 31 December 2016 is 21.0 cents per security, an increase from 18.0 cents per security for the most recent 6 month period.

#### **Ends**

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Astro Japan  
Property

# FULL YEAR RESULTS TO 30 JUNE 2016

**Eric Lucas, Senior Advisor**

24 August 2016





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Asset management services in Japan are generally undertaken by Spring Investment Co., Limited (“Spring”). Property level information contained in this Presentation has been provided by Spring. The Astro Group’s property interests are held via a Japanese Tokumei Kumiai structure, which is a contractual arrangement whereby the Astro Group has no ownership interest in the properties. Refer to the Astro Group website under About Us – Ownership Structure for more details, [www.astrojapanproperty.com](http://www.astrojapanproperty.com).



# AGENDA

- Overview
- Portfolio operating performance and leasing activity
- Capital structure
- Outlook
- Appendices







Astro Japan  
Property

# OVERVIEW



# OVERVIEW

## Financial Results

- Underlying profit after tax of A\$31.5 million, up by 17.5% on the prior year. Positive impact of increased net property income primarily from lower property expenses, approximate 11% strengthening of the Japanese Yen and savings in borrowing costs achieved through refinancings during the prior year, partially offset by higher asset management fees
- Underlying profit after tax per security was up 28.3% to 51.9 cents, of which 36.0 cps will be paid in distributions with the balance used for capital management purposes
- Statutory full year net profit after tax of A\$132.1 million, compared to A\$43.6 million in the prior year, largely due to foreign exchange rate gains, along with an increase in value of the property portfolio
- Net property income (NPI) of A\$53.8 million increased 16.7% on the prior year. Of this increase 4.7% relates to the inclusion of JPTGK as a reportable segment from 1 July 2015, the remainder of the increase being due to foreign exchange rate movements and lower property expenses, offset by reduced income following the sale of four properties during the current year along with the sale of three properties during the prior financial year. In Yen terms, the NPI increase was 3.9%
- On a like for like portfolio basis and excluding currency movements, net property income increased by 4.9%
- Strengthening of the Japanese Yen was the primary factor in an 28.3% increase in NTA to \$8.26 cents per security as at 30 June 2016, along with an increase in the Yen value of the portfolio



# OVERVIEW (CONT'D)

## Portfolio Update

- Values continue to show a positive trend, with an approximately 2.5% (¥2.0 billion) increase in the value of the portfolio for the full year on a like for like basis. Of the 27 properties whose values were adjusted during the year, 23 properties increased in value
- Closed the sale of four properties:- three office properties, FT Nihombashi for ¥541.2 million (A\$6.8 million at A\$1=¥80), Yamashitacho for ¥2.1 billion (A\$25.9 million at A\$1=¥81) and Sun Ace Tokugawa for ¥1.37 billion (A\$16.9 million at A\$1=¥81) and one retail property, Sapporo Co-op for ¥1.1 billion (A\$12.9 million at A\$1=¥85)
- Net proceeds from all sales were used for the repayment of debt with the balance used for capital management purposes
- All assets sold at a premium to book value or at book value
  - ✓ FT Nihombashi – approx. 7.8% premium to book value
  - ✓ Sapporo Co-op – approx. 8.9% premium to book value
  - ✓ Yamashitacho – book value
  - ✓ Sun Ace Tokugawa – approx. 4.6% premium to book value
- Acquired an additional interest in the TK owning Musashino Towers for ¥281 million (A\$3.1 million at A\$1=¥91), increasing AJA's interest to 64%



# OVERVIEW (CONT'D)

## Post Balance Date

- On 22 August 2016 AJA announced the acquisition of interests in two hotels for a combined purchase price of ¥1.47 billion (A\$19.1 million at A\$1=¥77) held through a new special purpose, property owning Japanese company KTS&S Co., Ltd. (JPKT). These assets have been acquired with new 20 year non-cancellable leases to an experienced Japanese hotel operator, Kuretakeso, and without debt, using part of AJA's free cash



Kuretake Inn Asahikawa



Kuretake Inn Okayama



# OVERVIEW (CONT'D)

## Capital Management

- Following the refinancing during FY2015 of all debt of the special purpose, property owning Japanese companies (SPCs) through which AJA has invested in Japan:
  - ✓ Financing costs in FY2016 were lower by approximately A\$1.0 million or 10% compared to the prior year
  - ✓ Annual amortisation payments have been reduced by approximately A\$2.2 million or 52% compared to the prior year
- AJA holds unrestricted cash equivalent to approximately A\$45 million (mostly held in Japanese Yen), after setting aside funding for the June 2016 distribution and after settlement of the purchase of the two hotels announced on 22 August 2016





# OVERVIEW OF KEY FINANCIAL RESULTS

	Twelve months to 30 June 2016 <sup>1</sup>	Twelve months to 30 June 2015 <sup>2</sup>	Change
Net property income (¥)	¥4.57 bn	¥4.40 bn	3.9%
Net property income (A\$)	\$53.8 m	\$46.1 m	16.7%
Underlying profit after income tax (A\$)	\$31.5 m	\$26.8 m	17.5%
Underlying profit after income tax per security (A¢)	51.9 ¢	40.4 ¢	28.5%
Net statutory profit / (loss) after income tax (A\$)	\$132.1 m	\$43.6 m	203.0%
Weighted average stapled securities on issue	60,652,466	66,312,686	-8.5%
Distribution per security (A\$)	36.0¢	28.5¢	26.3%
	30 June 2016 <sup>3</sup>	30 June 2015 <sup>4</sup>	Change
Total assets (A\$)	\$1.26 bn	\$1.01 bn	24.7%
NTA per security (A\$)	\$8.26	\$6.44	28.3%

- Net property income increased 16.7% (3.9% in Yen terms) on the prior year, 4.7% of the increase relates to the contribution to net property income of JPTGK, which has been included as a reportable segment from 1 July 2015, the remainder of the increase is due to foreign exchange rate movements and lower property expenses, offset by the sale of four properties during the current year along with the sale of three properties during the prior financial year
- Underlying profit after tax of A\$31.5 million was up 17.5% on the prior year, primarily as a result of an approximately 11% strengthening of the Japanese Yen, the increase in net property income, savings in borrowing costs achieved through refinancings during the prior year, partially offset by higher asset management fees (including a performance fee of A\$5.1 million). Underlying profit after tax is a measure which Directors believe most accurately and consistently reflects the underlying business performance of AJA
- Statutory net profit after tax of A\$132.1 million, compared to A\$43.6 million in the prior year, largely due to foreign exchange rate gains, along with an increase in value of the property portfolio
- Full year distribution of 36.0 cps with the balance of underlying profit after income tax per security used for capital management purposes
- 60,652,466 securities on issue at 30 June 2016 and 30 June 2015, 66,312,686 was the weighted average for the year to 30 June 2015

<sup>1</sup> Average exchange rate for period of A\$1.00 = 84.98    <sup>3</sup> Exchange rate of A\$1.00 = 76.67 at 30 June 2016

<sup>2</sup> Average exchange rate for period of A\$1.00 = 95.55    <sup>4</sup> Exchange rate of A\$1.00 = 93.99 at 30 June 2015



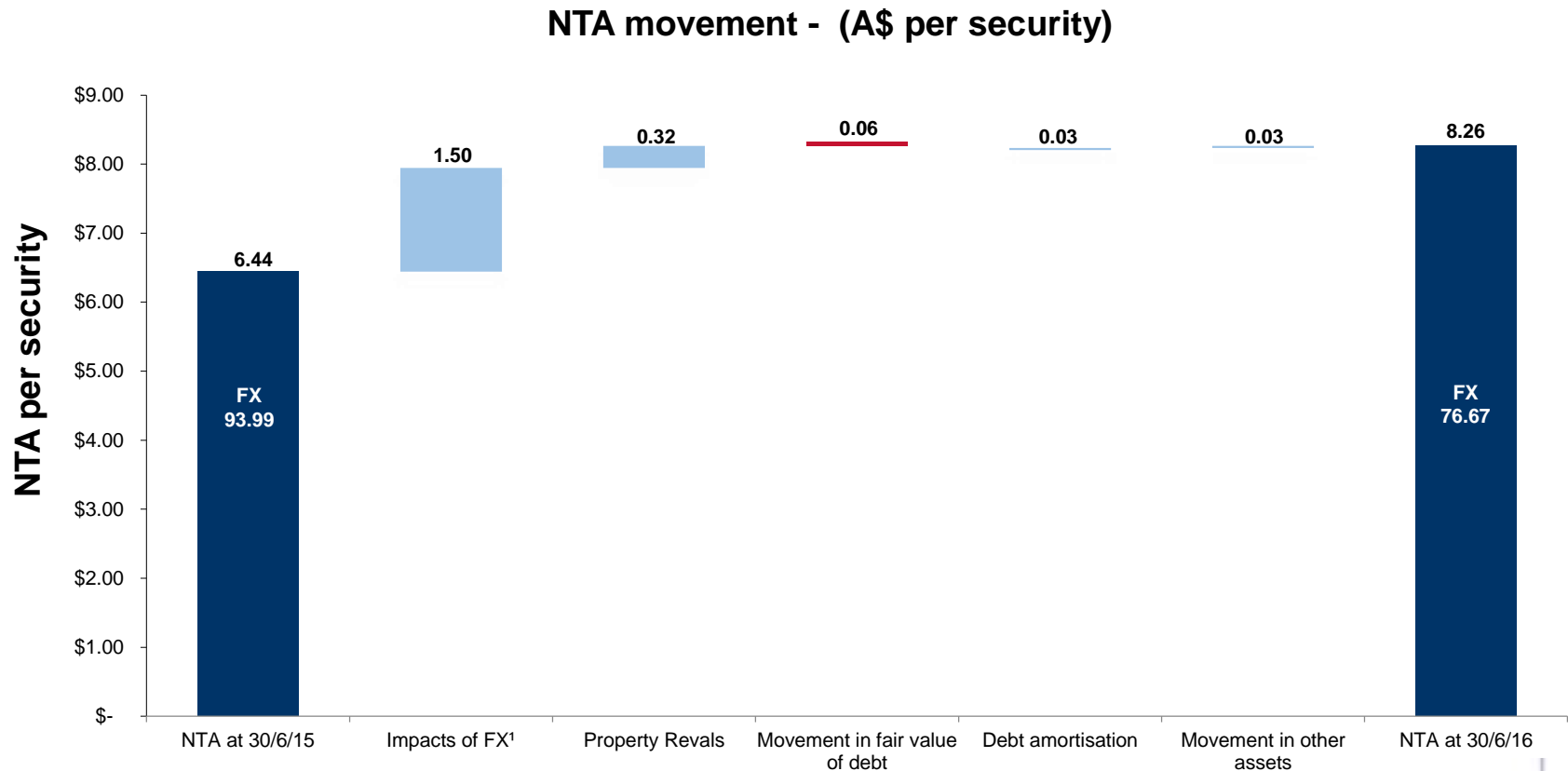
# RECONCILIATION TO FINANCIAL STATEMENTS

	Year ended 30 June 2016 A\$	Year ended 30 June 2015 A\$
<b>Statutory Profit for the year</b>	<b>\$132.1 m</b>	<b>\$43.6 m</b>
Fair value adjustments to unlisted investments	\$0.9 m	\$(0.8) m
Fair value adjustments to interest bearing debt	\$3.8 m	\$3.2 m
Foreign currency translation impact on the fair value of the TKs	\$(82.3) m	\$(3.8) m
TK operator share of TK distributions	\$0.1 m	\$0.1 m
Net fair value adjustment to investment properties	\$(19.2) m	\$(21.9) m
Net foreign currency gain	\$(8.5) m	\$(1.2) m
Loss/(gain) on disposal of investment properties	\$0.2 m	\$(4.6) m
Expenses associated with TK refinancings	\$0.8 m	\$5.0 m
Impairment of Goodwill	-	\$0.4 m
Deferred tax on fair value adjustments	\$3.6 m	\$6.8 m
<b>Underlying profit after tax</b>	<b>\$31.5 m</b>	<b>\$26.8 m</b>
	<b>As at 30 June 2016 - A\$</b>	<b>As at 30 June 2015 - A\$</b>
<b>Net assets</b>	<b>\$503.3 m</b>	<b>\$393.0 m</b>
Deferred tax	\$0.1 m	\$0.4 m
Intangible assets	\$(2.6) m	\$(2.6) m
<b>NTA</b>	<b>\$500.8 m</b>	<b>\$390.8 m</b>
NTA per security (A\$)	\$8.26	\$6.44
Percentage change (A\$)	28.3%	
Percentage change (A\$/Yen exchange rate)	18.4%	

NOTE: The above calculations have not been subject to independent audit or review.

# NTA PER SECURITY

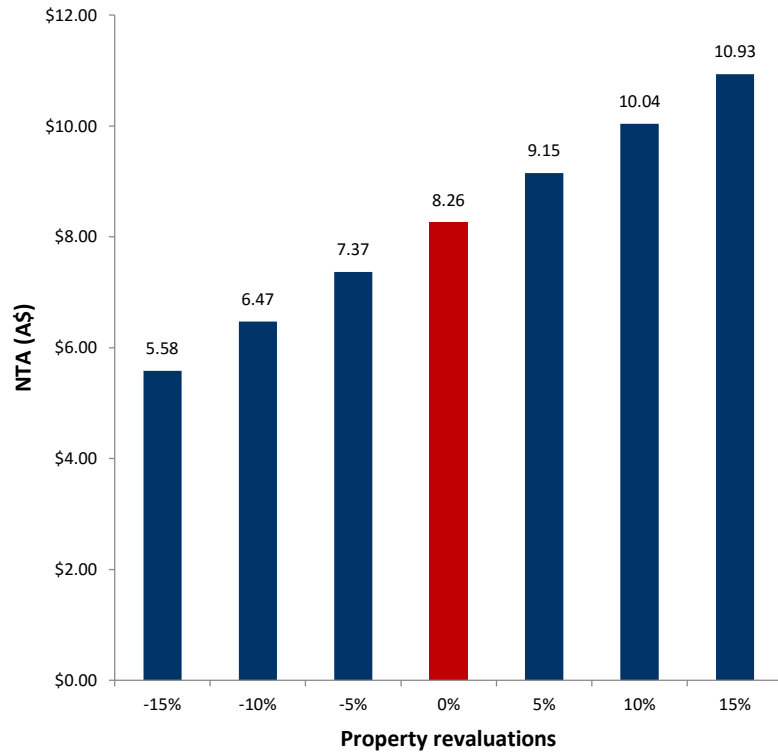
Movement over twelve months to 30 June 2016



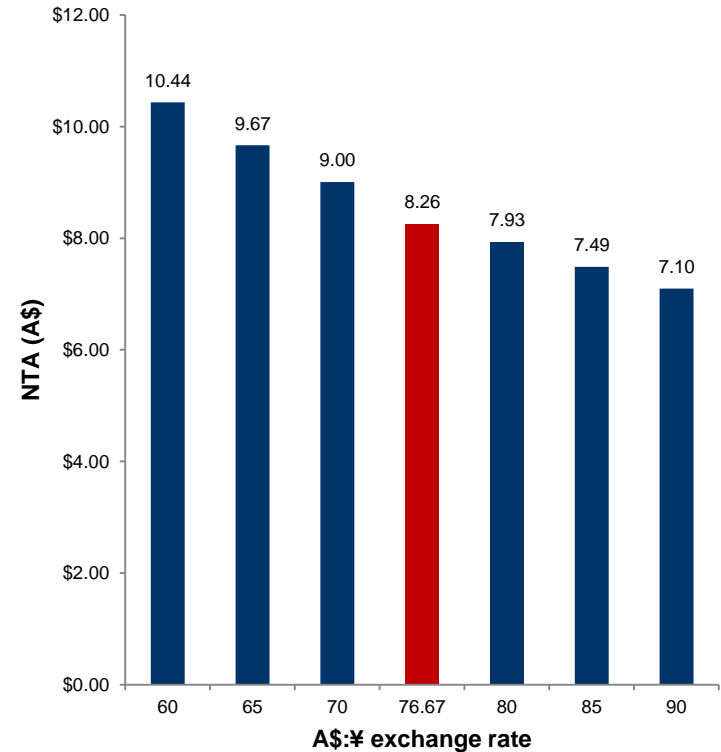
<sup>1</sup> Impacts of FX calculation is based on average Yen denominated net tangible assets

# NTA SENSITIVITIES

NTA sensitivity to revaluations



NTA sensitivity to A\$:¥ exchange rate





Astro Japan  
Property

# PORTFOLIO OPERATING PERFORMANCE AND LEASING ACTIVITY



# PORTFOLIO OVERVIEW

	30 June 2016	30 June 2015	Change
Portfolio carrying value	¥83.0 bn	¥85.3 bn	-2.7%
Total number of properties	27	31	-4
NRA (sqm)	174,358	200,332	-13.0%
Occupancy by area	99.1%	97.3%	1.8%
Number of leases	156	200	-22.0%
% non-cancellable leases by income	46.6%	43.7%	2.9%
Weighted average term to expiry (WALE) (non-cancellable leases) – years	5.7 years	6.2 years	-0.5 years

- Property portfolio carrying value has decreased to ¥83.0bn at 30 June 2016 from ¥85.3bn at 30 June 2015 mainly due to asset sales of ¥4.9bn (Sun Ace Tokugawa and Yamashitacho in February 2016, Sapporo Co-op in March 2016 and FT Nihombashi in May 2016), offset by the acquisition of an additional interest in the Musashino Towers property in August 2015 for ¥0.6bn and an increase in fair value of approximately ¥2.0bn for the full year
- The increase in fair values reflects marginally improved assumed market and actual rents and a slight tightening in cap rates
- Proportion of non-cancellable leases (mainly in retail assets) has increased to 46.6% by income, adding stability to AJA's medium-term portfolio income stream
- Decrease in the number of leases during the period mainly the result of asset sales
- AJA's interest in Musashino Towers, purchased April 2013, previously excluded from the consolidated portfolio data, has been included in the above figures including a restatement of 30 June 2015 property data. AJA has a 64% interest in Musashino Towers. As at 30 June 2015 AJA had a 52% interest



# MAIN COMPONENTS OF LIKE FOR LIKE PROPERTY REVENUE (LIKE FOR LIKE PORTFOLIO<sup>1</sup>)

Property revenue (¥ million)	Twelve months to 30 June 2016	Twelve months to 30 June 2015	Change
Retail	2,958	2,935	0.8%
Office	1,854	1,818	2.0%
Residential	644	635	1.4%
<b>Total portfolio</b>	<b>5,456</b>	<b>5,388</b>	<b>1.3%</b>

Occupancy by area	30 June 2016	30 June 2015	Change
Retail	99.2%	99.2%	0.0%
Office	98.0%	95.3%	2.7%
Residential	100.0%	100.0%	0.0%
<b>Total portfolio</b>	<b>99.1%</b>	<b>98.6%</b>	<b>0.5%</b>

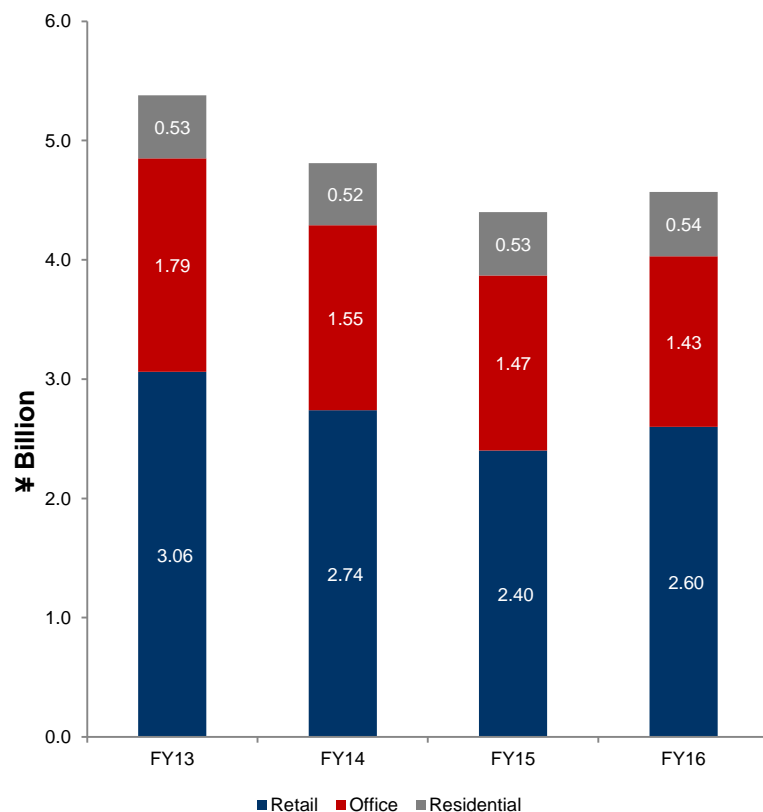
- Property revenue increased slightly relative to the prior corresponding period on a like for like basis
- Period end occupancy also increased slightly relative to the prior period end on a like for like basis

<sup>1</sup> Property revenue for the ongoing portfolio excludes any properties purchased or sold since June 2014

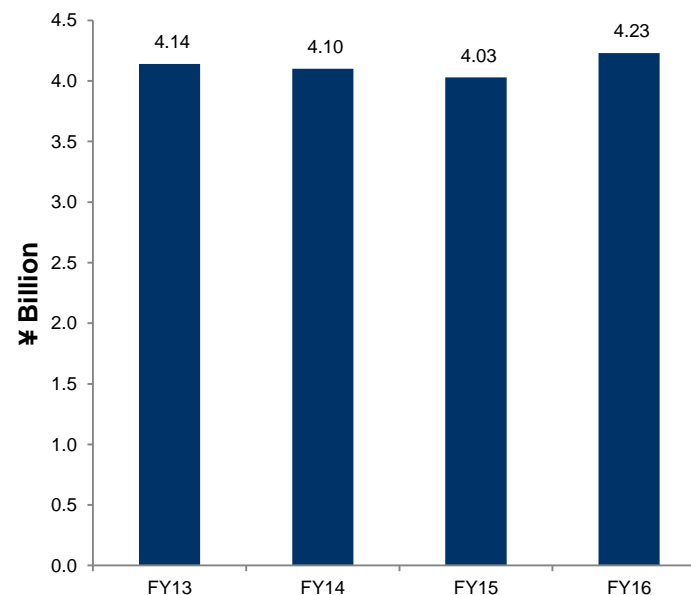


# OPERATING PERFORMANCE

**Actual Portfolio Net Property Income**



**Like for Like Net Property Income  
(Ongoing portfolio<sup>1</sup>)**



<sup>1</sup> Net property income for the ongoing portfolio excludes any properties purchased or sold since June 2012

# TOP 10 TENANTS

As at 30 June 2016

Tenant Name	Property	Industry	Lease type	% of Trust's total passing rent + CAM	Lease expiry date
Toyota Tsusho Corp / Konan Shoji	Konan Home Centre	Trading / Retail	Fixed non-cancellable <sup>1</sup>	11.5%	March 2025
Good Real Estate	Tosabori	Real Estate	Fixed non-cancellable <sup>2</sup>	5.9%	March 2024
Matahari	Kawasaki Dice	Game Centre	Standard	4.0%	August 2023
City of Yokohama	JN	Government	Standard	3.9%	March 2017
Gaia	Shinjuku Fuji	Game Centre	Fixed cancellable	3.9%	July 2020
Jikei Space	Sekijomachi	School	Standard non-cancellable <sup>3</sup>	3.5%	March 2022
Maxvalu Tokai	Susono	Retail	Fixed non-cancellable <sup>4</sup>	3.5%	April 2024
Konami Sports & Life	Shibuya Konami	Fitness Club	Standard	3.1%	March 2019
Kyodo PR	Ginza Dowa	Advertising	Standard	3.1%	January 2017
Nitori Holdings	Matsudo Nitori / Matsudo Nitori Parking	Retail	Standard non-cancellable <sup>5</sup> / Fixed non-cancellable <sup>6</sup>	2.8%	September 2024
<b>TOTAL</b>				<b>45.3%</b>	

<sup>1</sup> The property is 100% leased to Konan Shoji on a 20 year lease. For the first 12 years (until March 2017) the master lessee under a non-cancellable Fixed Term Lease is Toyota Tsusho Corporation pursuant to which Toyota Tsusho subleases to Konan Shoji. From the end of the 12 year master lease term the lease is directly with Konan Shoji.

<sup>2</sup> 9.5 year lease. The lease is non-cancellable during the term (until March 2024).

<sup>3</sup> 15 year lease. The lease is non-cancellable (until July 2018).

<sup>4</sup> 10 year lease. The lease is non-cancellable during the initial three years (until April 2017).

<sup>5</sup> 20 year lease. The lease is non-cancellable during the term (until September 2024).

<sup>6</sup> 20 year lease. The lease is non-cancellable during the term (until June 2023).



# LEASING ACTIVITY

For the twelve months ended 30 June 2016

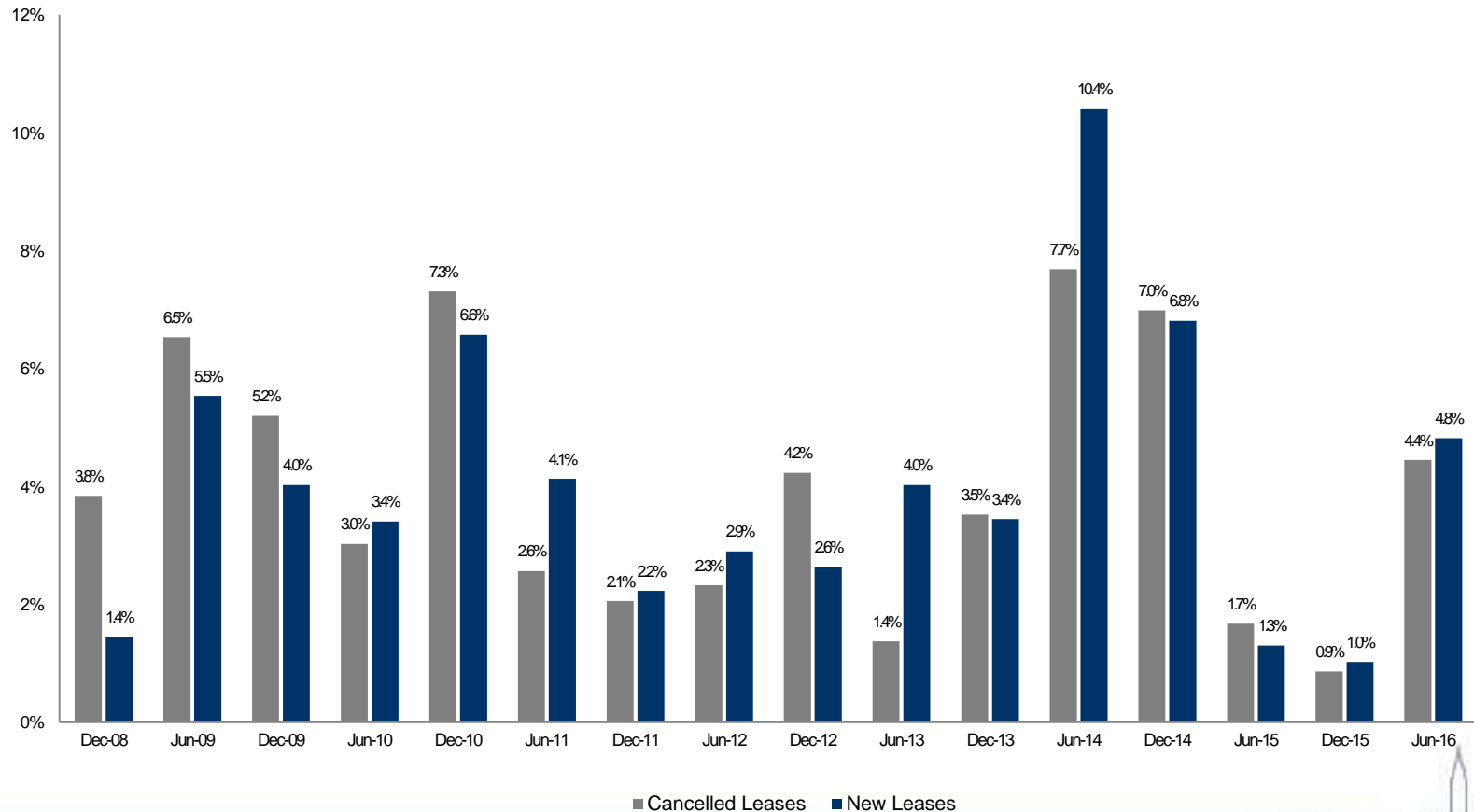
Leasing activity	No. of leases	% of NRA	% of portfolio income <sup>1</sup>
<b>Expired / renewed leases</b>			
Expired leases	(44)	(9.8)%	(16.5)%
Renewed leases	44	9.8%	16.5%
<b>Net increase / (decrease) due to renewals</b>	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>New / cancelled</b>			
Cancelled leases	(20)	(5.4)%	(6.0)%
New leases	23	6.0%	7.1%
<b>Net increase / (decrease) due to new / cancelled leases</b>	<b>3</b>	<b>0.6%</b>	<b>1.2%</b>
<b>Net increase / (decrease)</b>	<b>3</b>	<b>0.6%</b>	<b>1.2%</b>
<b>Ongoing leases: Rental Adjustments</b>			
Net decrease of rental adjustments for ongoing leases (1 lease, representing 0.2% of NRA)			(0.0)%
<b>Net increase / (decrease) contract base at 30 June 2016</b>	<b>3</b>	<b>0.6%</b>	<b>1.2%</b>

- All 44 leases that expired during the period (equivalent to 16.5% of portfolio income) were renewed by the existing tenants. The 44 renewed leases renewed at rents equal to the previous rents
- 20 leases were cancelled during the period and there were 23 new leases during the period which resulted in a net increase of 0.6% of NRA and a 1.2% increase of portfolio income
- Total increase of 1.2% in portfolio income due to net increase in number of leases

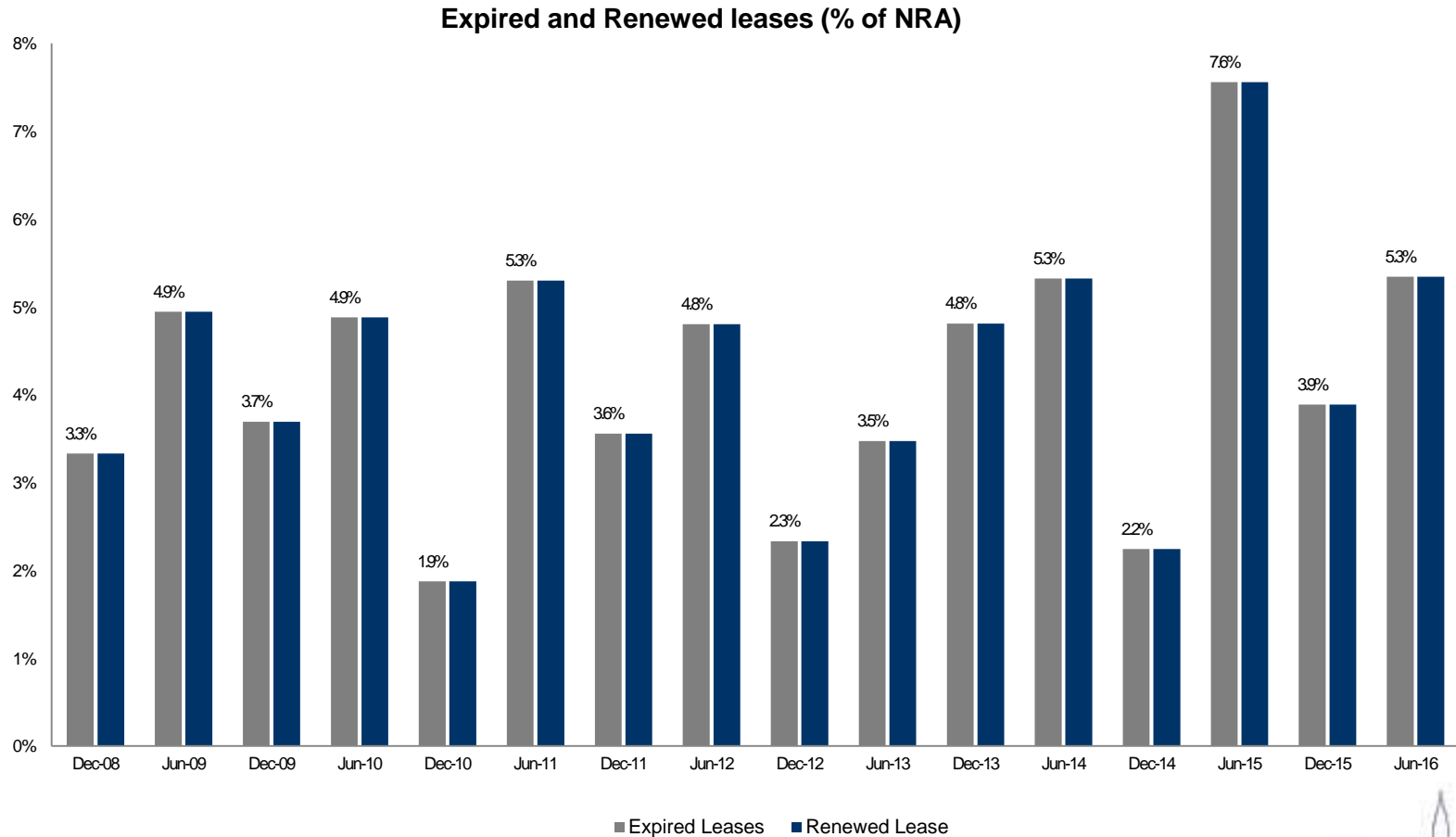
<sup>1</sup> Rent and Common Area Maintenance (CAM) as a percentage of the portfolio at June 2016

# LEASING ACTIVITY COMPARISON

Cancelled and New leases (% of NRA)



# LEASING ACTIVITY COMPARISON (CONT'D)

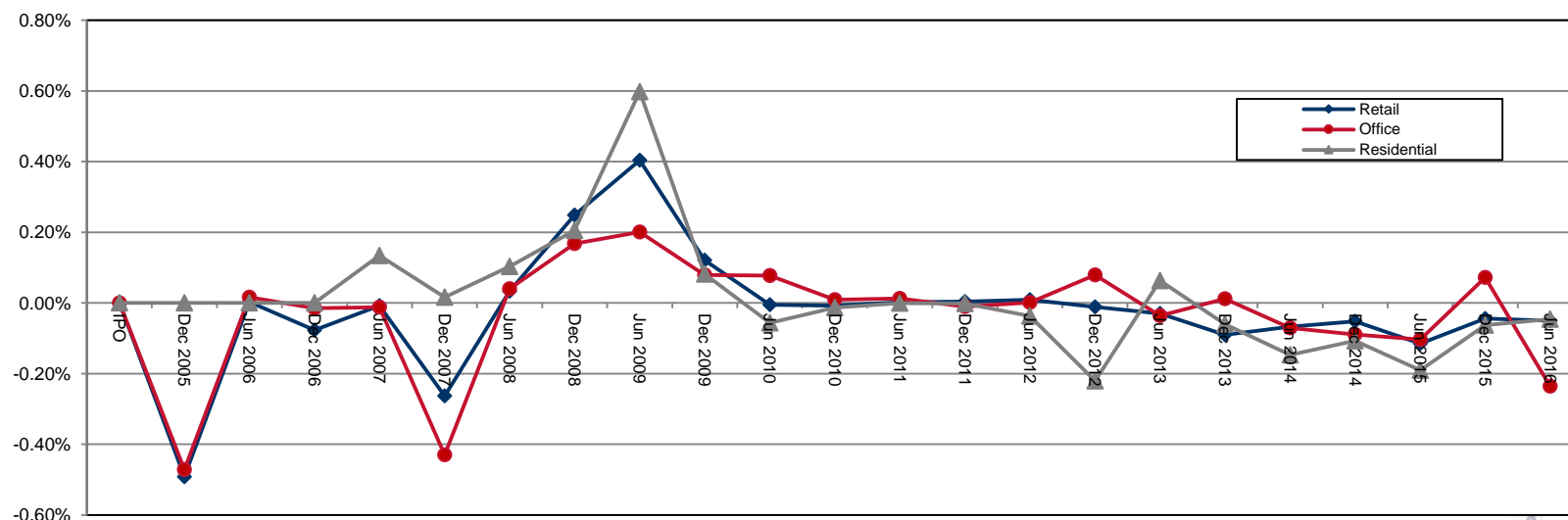


# PROPERTY REVALUATIONS

- Weighted average capitalisation rates used by independent valuers for the portfolio have continued to tighten since 30 June 2013

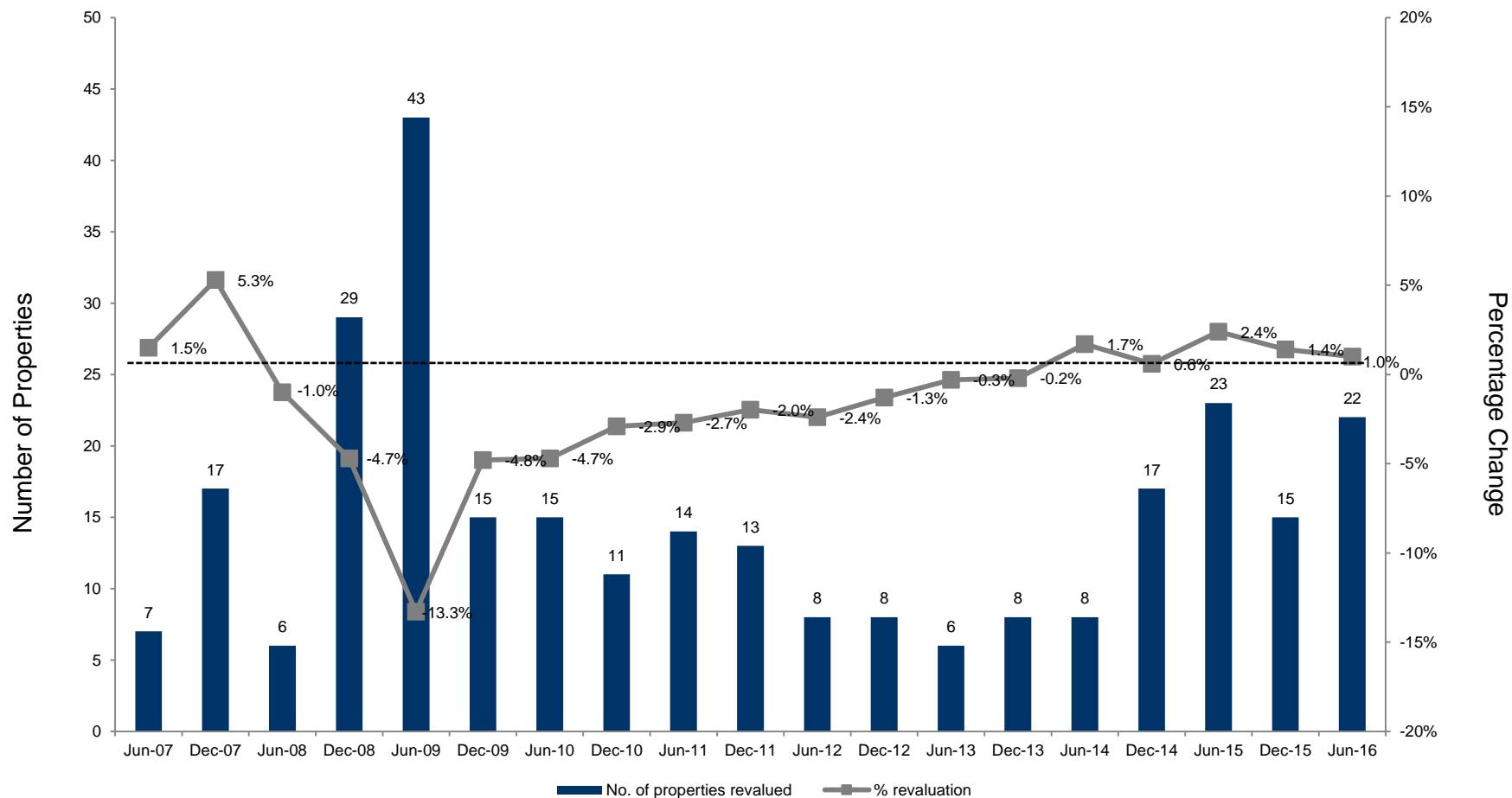
Valuers' Capitalisation Rates by Segment	June 2016	June 2015
Retail	5.18%	5.28%
Office	4.82%	5.14%
Residential	5.40%	5.51%
<b>Total</b>	<b>5.10%</b>	<b>5.26%</b>

Changes in Valuers' Direct Capitalisation Rates

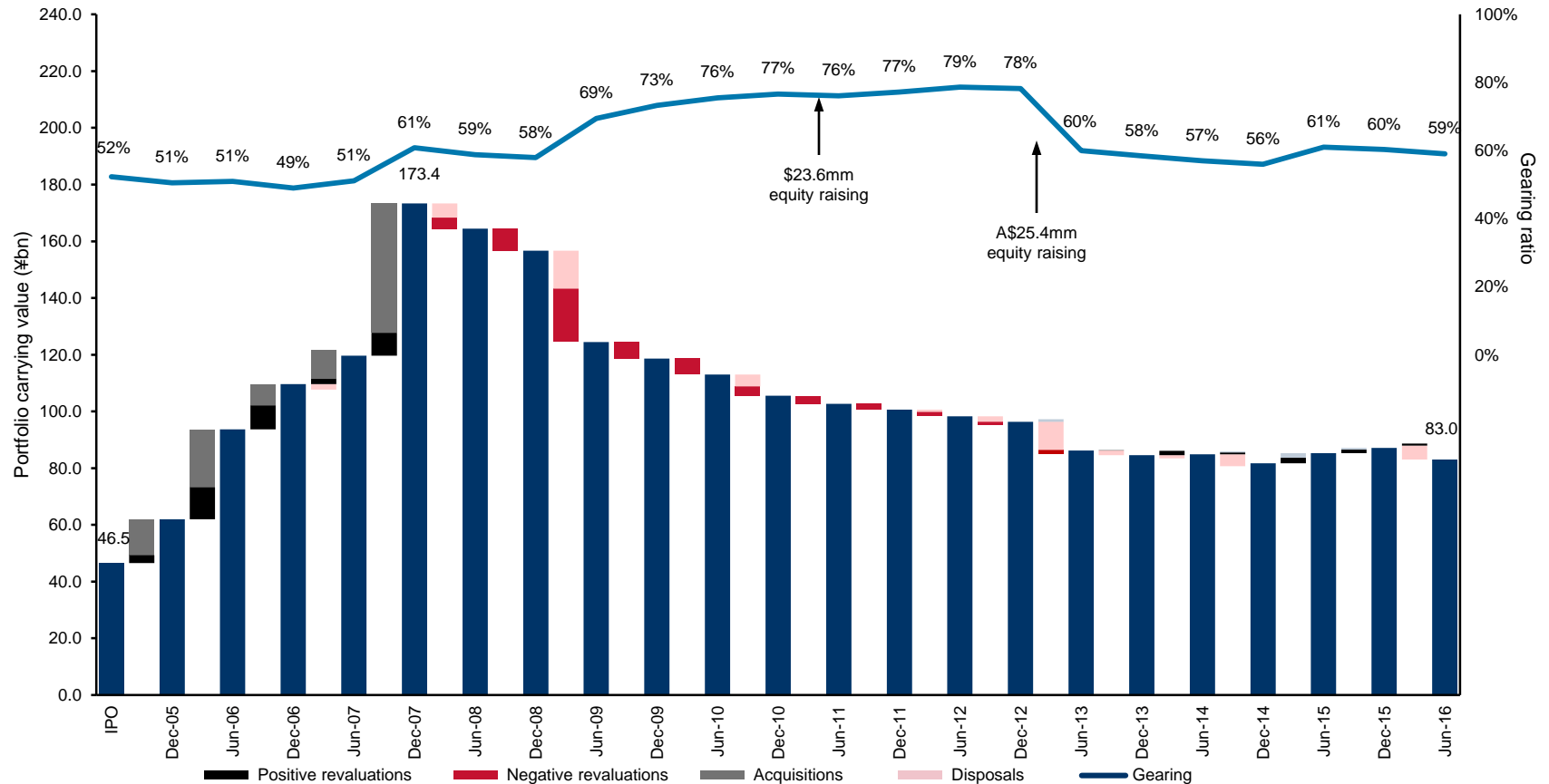




# HISTORICAL TREND OF PORTFOLIO VALUATION



# PORTFOLIO VALUE / GEARING SINCE IPO<sup>1</sup>



<sup>1</sup>Gearing represents interest bearing debt to gross property values

# PORTFOLIO YIELD DATA AS AT 30 JUNE 2016

Asset class	Original NOI yield / purchase price	Current NOI yield / current book value June 2016
Retail	5.3%	5.4%
Office	5.0%	5.2%
Residential	5.5%	5.8%
<b>Total</b>	<b>5.2%</b>	<b>5.4%</b>

Weighted average valuation cap rates <sup>1</sup> June 2016
5.2%
4.8%
5.4%
<b>5.1%</b>

<sup>1</sup> Cap rate used by valuers for NCF (underlying income less leasing fees less capex)





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# CAPITAL STRUCTURE



# PORTFOLIO CAPITAL STRUCTURE BY TK

As at 30 June 2016

	AJA value Jun 2016 (¥ bn)	Loan amt (¥ bn)	LTV at Jun 2016	LTV covenant test	DSCR covenant test <sup>2</sup>	DSCR at Jun 2016	Maturity	Total interest rate	NPI per security 12 mths to 30 Jun 16 (¥) <sup>4</sup>	Debt Amortisation per security 12 mths to 30 Jun 16 (¥) <sup>4</sup>	Debt Amortisation per security 12 mths to 30 Jun 16 (A¢) <sup>4</sup>
JPT	21.0	13.0	62.1%	87.0%	Actual: No less than: 2.5x (1-3 yr) 1.8x (4-10 yr)	Actual: 5.83x	Sep 2024	1.36%	16.6	-	-
JPTC	27.1	16.2	59.7%	87.0%	Actual: No less than: 2.5x (1-3 yr) 1.5x (4-10 yr)	Actual: 5.85x	Sep 2024	1.36%	22.2	-	-
JPTS	12.1	6.6	54.5%	90.0%	Stress: No less than 1.5x	Stress: 2.83x	Jan 2020	1.57%	13.5	0.70	0.81
JPTN	14.0	8.2	59.0%	80.0%	Actual: No less than 1.5x Stress: No less than 1.2x	Actual: 5.26x Stress: 2.38x	Mar 2022	1.02%	15.1	1.53	1.77
JPTO	5.3	3.1	58.6 %	80.0%	Stress: No less than 1.1x	Stress: 1.50x	Dec 2019	0.46%	4.9	0.26	0.30
JPTGK <sup>1</sup>	3.5	2.2	61.2%	N/A	Actual: No less than 2.6x	Stress: 3.91x	Nov 2025	1.20%	3.0	0.42 <sup>5</sup>	0.49 <sup>5</sup>
Portfolio	83.0	49.3	59.4%	N/A	N/A	N/A	N/A	1.27% <sup>3</sup>	75.3	2.91	3.37

<sup>1</sup> Represents the 64% interest held in JPTGK (Arabesque S GK), which owns the Musashino Towers property, and has been included as a separate segment from 1 July 2015

<sup>2</sup> Actual DSCR based on actual loan payment whereas Stress DSCR based on theoretical loan payment constants

<sup>3</sup> Weighted average interest rate as at June 2016 of 1.27% (1.29% at 30 June 2015). Variable rate based on 3 month JPY Tibor currently 0.06%. JPTN based on 3 month JPY Libor currently -0.04%

<sup>4</sup> Based on 60,652,466 weighted average stapled securities, current securities on issue 60,652,466

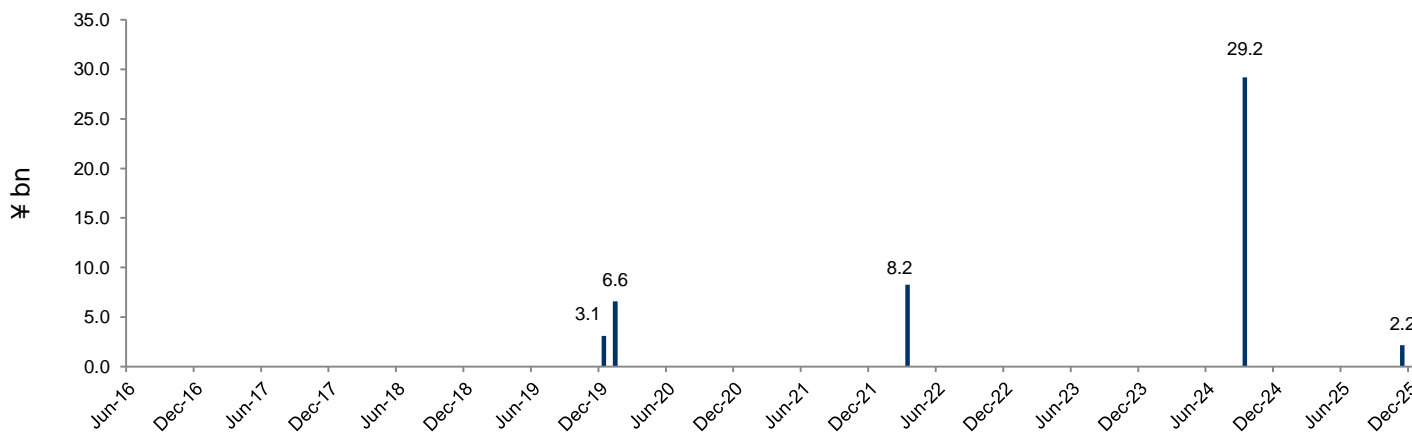
<sup>5</sup> JPTGK was refinanced on 4 December 2015. Had the refinancing been completed on 1 July 2015 debt amortisation per security for the year ended 30 June 2016 would have been ¥0.36 or 0.42¢



# CAPITAL MANAGEMENT

	As at 30 June 2016
Number of non-recourse, asset specific loans, borrowed in ¥ in Japan	6
Weighted average portfolio interest rate	Approx 1.27%
Proportion of AJA debt based on floating rate	Approx 53.2%
Weighted average debt maturity	6.9 years
Annual debt amortisation	3.5 cps <sup>1</sup>

**Debt Maturity Profile (¥ bn) as at 30 June 2016**



<sup>1</sup> Based on 60,652,466 stapled securities as at 30 June 2016 and exchange rate at 30 June 2016 of ¥76.67





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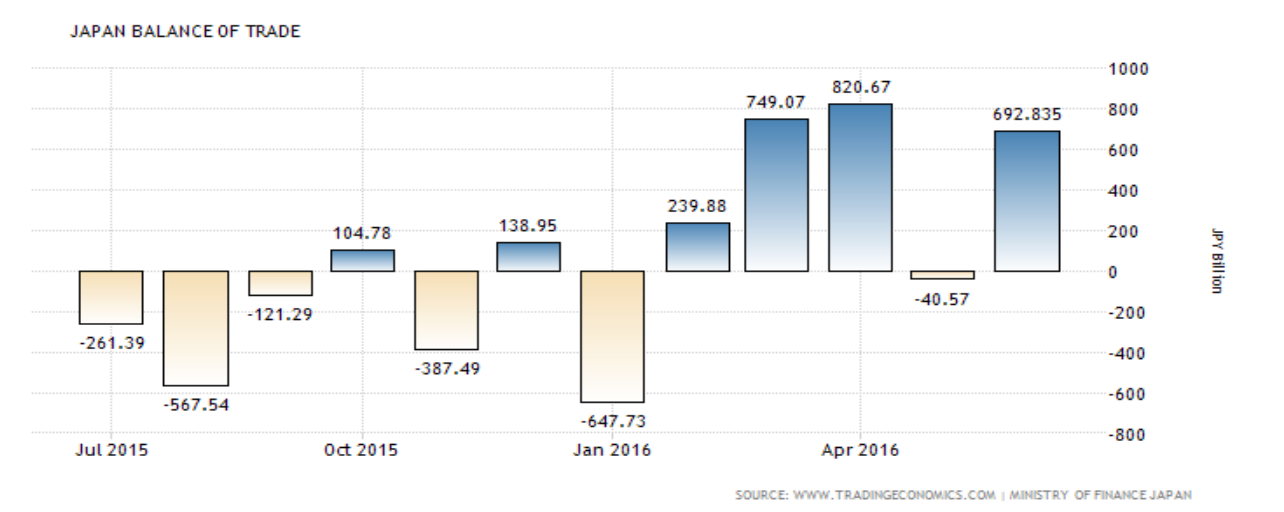
# OUTLOOK



# JAPANESE ECONOMIC OUTLOOK

## Overall Japanese market and economic outlook

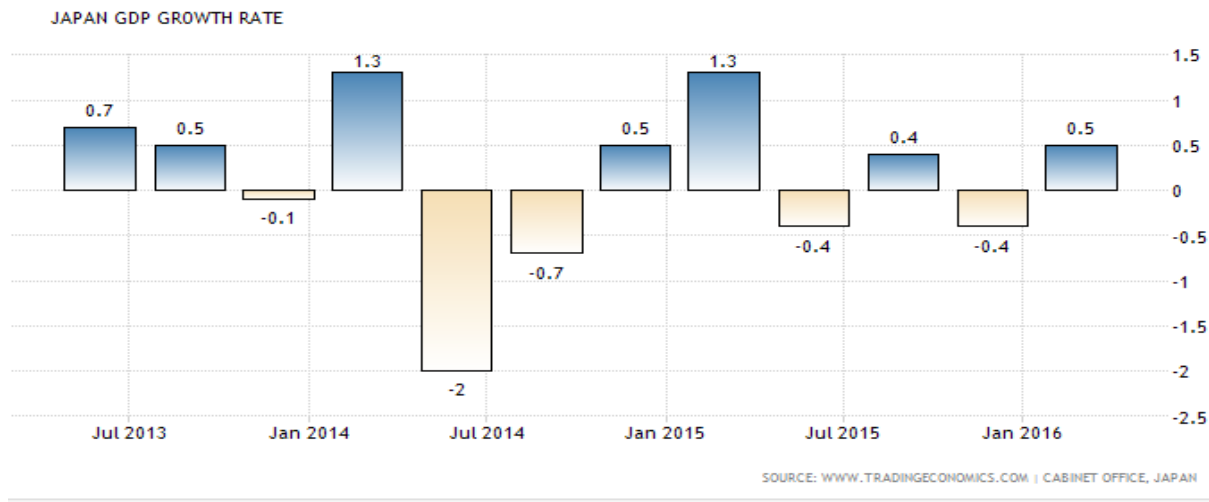
- Prime Minister Abe's Liberal Democratic coalition now has a "super majority" in both the upper and lower houses of parliament which provides opportunity for much needed structural reforms
- Sales tax increase from 8% to 10% has now been deferred to October, 2019, as had been widely expected, in attempt to avoid a negative impact on Japan's recovery
- Balance of trade numbers have returned to strength assisted by lower energy costs





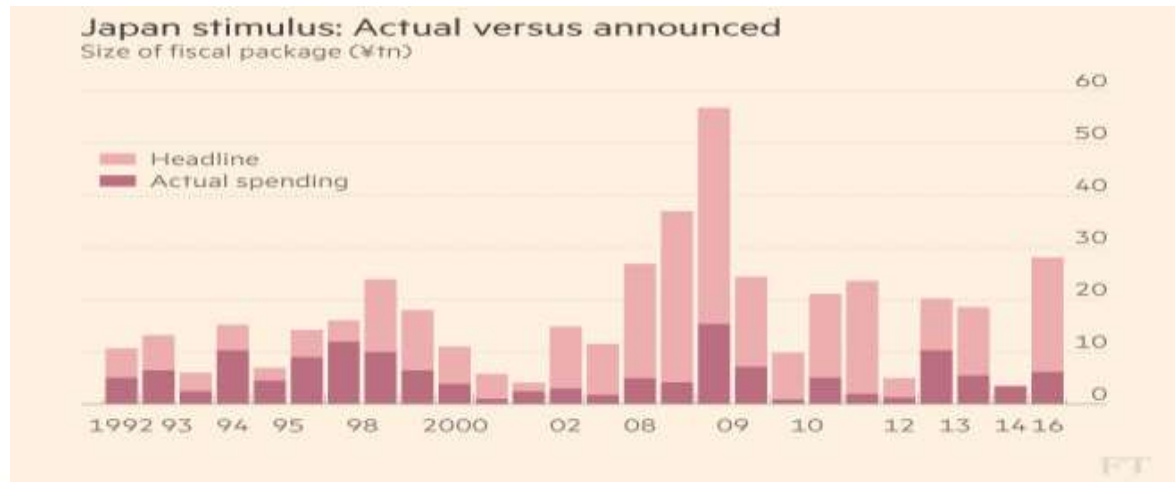
# JAPANESE ECONOMIC OUTLOOK (CONT'D)

- The Japanese economy expanded 0.5% in the quarter ended 31 March 2016 with private consumption growing faster than expected
- Further fiscal and monetary programmes have been announced to stimulate consumption and improve export revenues
- Housing lending, prices and starts all showing a positive trend, underpinned by further loosening of monetary policy



# JAPANESE ECONOMIC OUTLOOK (CONT'D)

- The Japanese Government recently announced a new fiscal stimulus package to complement the BOJ programme of buying government bonds and securities
- ¥13.5 trillion will be spent on areas such as infrastructure including upgrading ports, building a new high speed railway and food processing plants to improve exports
- There will also be cash handouts to poorer pensioners and needy families and a focus will also be on reducing the labour shortage with new child care facilities
- Doubts remain: There is a history of unspent fiscal commitments in Japan as detailed in the below graph by the Financial Times



# AJA OUTLOOK

- Focus will continue to be on deployment of cash resources, portfolio optimisation and asset level performance
- Further acquisitions and dispositions continue to be under consideration. Acquisition focus is on longer-term cash flows from younger assets. Dispositions will mainly seek to recycle capital from non-strategic assets to improve portfolio age, quality and long-term portfolio transparency and value
- The recently announced acquisition of two hotels demonstrates the Board's and Asset Manager's objective to further diversify income streams and capitalise on Japan's growing tourism sector
- To maintain the highest possible rental outcomes, AJA expects to continue an ongoing program of capital expenditure on the portfolio, forecast at approximately 10 cents per security, fully funded from cash flows



# AJA OUTLOOK (CONT'D)

## J-REIT Investigations

- Investigation is ongoing of the previously disclosed possibility of a sale of all or substantially all of AJA's portfolio to a newly established J-REIT or similar vehicle. Although the J-REIT IPO market continues to be active, some recent, smaller issues are trading poorly post IPO
- Directors believe AJA's continued strong liquidity position and both recent and long-term return outperformance vs A-REIT index (see page 35) dictate that attempting a J-REIT-based liquidity event should be done only with an appropriate level of execution, cost and reputation risk
- Examination of this potential option will continue and updates will be made promptly if there is any substantive development

## Earnings and Distribution Guidance

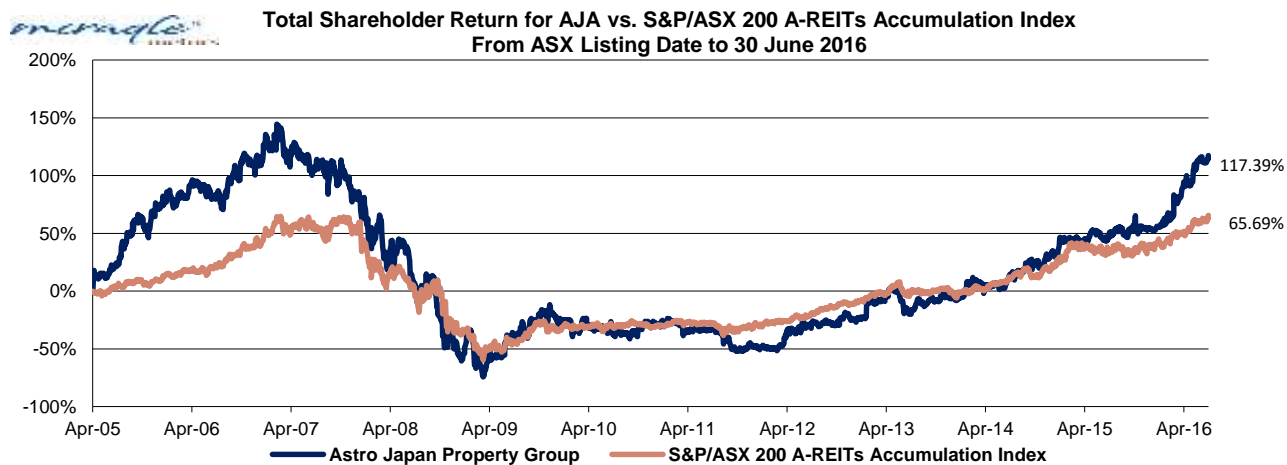
- Based on a foreign exchange rate of A\$1=¥80 and assuming no substantial performance fee to the asset manager, underlying profit after tax for the current fiscal year to 30 June 2017 is expected to increase by approximately 8%-11% to between A\$34 million and A\$35 million or approximately 56.0–58.0 cents per security
- Distribution guidance for the 6 months to 31 December 2016 is 21.0 cents per security, an increase from 18.0 cents per security for the most recent six month period



# AJA OUTLOOK (CONT'D)

## AJA Historical Return v A-REIT Index Return

- Over more than 11 years since IPO, AJA has achieved a compound annual return of 7.14% per annum, compared to the A-REIT Index return of 4.59% per annum
- Data, compiled by Miracle Metrics, is calculated with all distributions/dividends reinvested at then prevailing market prices and including all capital raisings. Based on the relevant value of an initial investment at IPO in April 2005





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# APPENDICES



# INCOME STATEMENT

	30 Jun 2016 \$'000	30 Jun 2015 \$'000	30 Jun 2016 ¥ '000	30 Jun 2015 ¥ '000
<b>Net Property Income</b>				
Property revenue	71,661	63,757	6,085,804	6,088,742
Property expenses	(17,903)	(17,706)	(1,518,845)	(1,691,244)
<b>Net property income</b>	<b>53,758</b>	<b>46,051</b>	<b>4,566,959</b>	<b>4,397,498</b>
Interest income	109	153	9,305	14,565
Distribution income	2,090	2,023	177,602	193,300
Other income	186	15	15,696	1,408
<b>Total income</b>	<b>56,143</b>	<b>48,242</b>	<b>4,769,562</b>	<b>4,606,771</b>
<b>Expenses</b>				
Asset Management fees	(10,262)	(6,012)	(836,076)	(574,118)
Borrowing expense	(8,485)	(9,446)	(720,616)	(904,487)
Other expenses	(4,238)	(3,995)	(360,545)	(381,674)
<b>Total Expenses</b>	<b>(22,985)</b>	<b>(19,453)</b>	<b>(1,917,237)</b>	<b>(1,860,279)</b>
<b>Underlying profit before tax</b>	<b>33,158</b>	<b>28,789</b>	<b>2,852,325</b>	<b>2,746,492</b>
Income tax expense, net of deferred tax on fair value adjustments	(1,698)	(1,994)	(144,371)	(190,519)
<b>Underlying profit after tax</b>	<b>31,460</b>	<b>26,795</b>	<b>2,707,954</b>	<b>2,555,973</b>
<b>Non underlying items</b>				
Fair value adjustment to unlisted investments	(862)	787	(73,263)	75,150
Fair value adjustments to interest bearing debt	(3,815)	(3,232)	(326,532)	(308,525)
Foregin currency translation impact on the fair value of the TKs	82,291	3,842	-	-
TK operator share of TK distributions	(65)	(73)	(5,416)	(6,992)
Net fair value adjustment of investment properties	19,187	21,876	1,592,302	2,071,551
Net foreign currency gain	8,510	1,152	723,173	110,041
(Loss)/gain on disposal of investment properties	(193)	4,566	(14,572)	440,107
Expenses associated with TK refinancings	(779)	(4,971)	(68,753)	(480,063)
Impairment of goodwill	-	(400)	-	(38,220)
Deferred tax on fair value adjustments	(3,600)	(6,780)	(236,015)	(651,840)
<b>Net non underlying profit</b>	<b>100,674</b>	<b>16,767</b>	<b>1,590,924</b>	<b>1,211,209</b>
<b>Net AIFRS accounting profit</b>	<b>132,134</b>	<b>43,562</b>	<b>4,298,878</b>	<b>3,767,182</b>





# BALANCE SHEET

	30 Jun 2016 (A\$'000)	30 Jun 2015 (A\$'000)	30 Jun 2016 (¥'000)	30 Jun 2015 (¥'000)
<b>Assets</b>				
Cash and cash equivalents	107,020	59,632	8,205,168	5,605,038
Restricted cash <sup>1</sup>	48,279	38,278	3,701,526	3,597,895
Trade and other receivables	4,330	2,840	331,979	266,942
Financial assets at FVTPL	3,781	19,251	289,887	1,809,475
Investment properties	1,081,950	877,521	82,952,542	82,481,530
Deferred tax asset	7,303	4,061	559,917	381,709
Intangible assets	2,600	2,600	199,341	244,384
Other assets	897	952	68,773	89,482
<b>Total assets</b>	<b>1,256,160</b>	<b>1,005,135</b>	<b>96,309,131</b>	<b>94,476,455</b>
<b>Liabilities</b>				
Payables and other liabilities	20,691	11,076	1,586,368	1,041,075
Tenant deposits	47,987	41,440	3,679,138	3,895,103
Distribution payable	10,917	9,705	837,001	912,210
Interest bearing debt at fair value	647,745	536,376	49,662,271	50,416,017
Current tax liabilities	858	412	65,782	38,725
Deferred tax liabilities	24,623	13,085	1,887,833	1,229,909
<b>Total liabilities</b>	<b>752,821</b>	<b>612,094</b>	<b>57,718,393</b>	<b>57,533,039</b>
<b>Net assets</b>	<b>503,339</b>	<b>393,041</b>	<b>38,590,738</b>	<b>36,943,416</b>
Net tangible asset per security	\$8.26	\$6.44		
Gearing ratio (interest bearing debt (at par)/property value)	59.4%	61.1%		

<sup>1</sup> Restricted cash consists of cash in trust (e.g. tenant security deposits) and lender reserves (e.g. cash required under loan agreements for items such as capex and repairs)



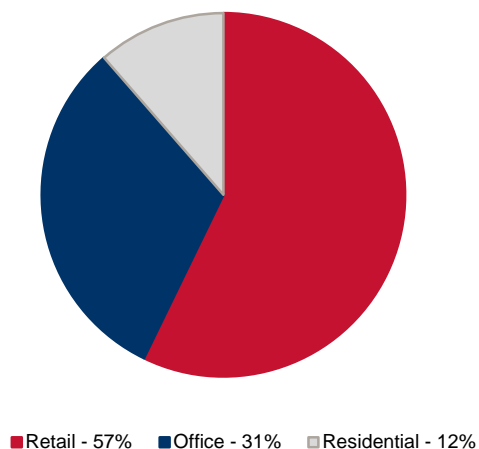
# PORTFOLIO OVERVIEW

	Retail		Office		Residential		Portfolio	
	30 Jun 16	30 Jun 15	30 Jun 16	30 Jun 15	30 Jun 16	30 Jun 15	30 Jun 16	30 Jun 15
Number of properties	14	15	9	12	4	4	27	31
Carrying value (¥ bn)	47.4	47.8	26.0	28.4	9.5	9.1	83.0	85.3
Net Rentable Area (tsubo)	34,756	38,707	9,788	13,694	8,199	8,199	52,743	60,600
Net Rentable Area (sqm)	114,898	127,957	32,357	45,270	27,105	27,105	174,358	200,332
% of portfolio by value	57.2%	56.1%	31.4%	33.3%	11.4%	11.0%	100.0%	100.0%
% of portfolio by area	65.9%	63.9%	18.6%	22.6%	15.5%	13.9%	100.0%	100.0%
Number of leases	68	73	84	123	4	4	156	200
Occupancy by area	99.2%	99.3%	98.0%	90.0%	100.0%	100.0%	99.1%	97.3%

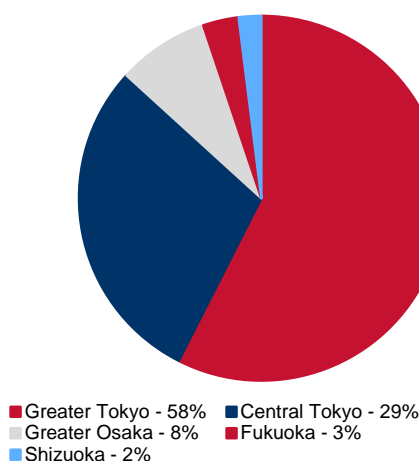


# PORTFOLIO DIVERSIFICATION

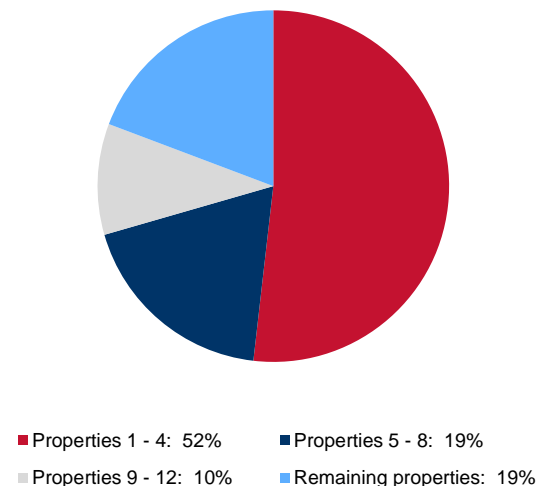
Asset class diversification (by value)



Geographic diversification (by value)



Asset diversification (by value, largest to smallest)



- Post property revaluations in June 2016 and asset sales, all segments remain substantially unchanged from June 2015
- Over 80% concentration of properties in Central and Greater Tokyo



# TOP 10 PROPERTIES

Property	Property Type	Carrying Value 30 June 2016 ¥ billions	% of portfolio	Occupancy by area
Kawasaki Dice	Retail	13.8	16.6%	100.0%
Konan Home Centre	Retail	12.0	14.5%	100.0%
Ginza Dowa	Office	8.9	10.8%	100.0%
JN	Office	8.2	9.9%	100.0%
Tosabori	Residential	5.1	6.1%	100.0%
Shinjuku Fuji	Retail	4.3	5.2%	100.0%
Musashino Towers	Retail	3.5	4.2%	100.0%
Sekijomachi	Residential	2.6	3.2%	100.0%
Shibuya Konami	Retail	2.4	2.9%	100.0%
Matsudo Nitori	Retail	2.3	2.7%	100.0%
<b>Total</b>		<b>63.2</b>	<b>76.2%</b>	



# PORTFOLIO ASSETS BY TK AS AT 30 JUNE 2016

Property	JPT		Property	JPTS		Property	JPTC		Property	JPTN		Property	JPTO		Property	JPTGK	
	Carrying value 30 Jun 16 ¥bn	% of portfolio		Carrying value 30 Jun 16 ¥bn	% of portfolio		Carrying value 30 Jun 16 ¥bn	% of portfolio		Carrying value 30 Jun 16 ¥bn	% of portfolio		Carrying value 30 Jun 16 ¥bn	% of portfolio		Carrying value 30 Jun 16 ¥bn	% of portfolio
Konan Home Centre	12.0	14.5	Shinjuku Fuji	4.3	5.2	Kawasaki Dice	13.8	16.6	Shibuya Konami	2.4	2.9	Sekijomachi Matsudo	2.6	3.2	Musashino Towers	3.5	4.2
Ginza Dowa	8.9	10.8	Takadanobaba	1.7	2.1	JN	8.2	9.9	Tsudanuma	2.0	2.4	Nitori	2.3	2.7			
			OS Tsukiji	1.3	1.5	Tosabori	5.1	6.1	Harajuku Bell Pier	1.8	2.2	Matsudo Nitori Parking	0.4	0.5			
			G-Clef Kamata	1.2	1.5				Susono	1.7	2.0						
			Prime Kanda	1.2	1.4				Forest Kita Aoyama	1.5	1.9						
			Asakusa	1.1	1.4				HigashiTotsuka	1.5	1.8						
			Kajicho Ekimae	0.7	0.9				Motomachi	1.0	1.2						
			Nishi-Kasai	0.6	0.7				Round One Nara	0.8	1.0						
									Round One Amagasaki	0.8	1.0						
									Sun No. 5	0.5	0.6						
<b>Total</b>	<b>20.9</b>	<b>25.2</b>	<b>Total</b>	<b>12.1</b>	<b>14.6</b>	<b>Total</b>	<b>27.1</b>	<b>32.7</b>	<b>Total</b>	<b>14.0</b>	<b>16.9</b>	<b>Total</b>	<b>5.3</b>	<b>6.4</b>	<b>Total</b>	<b>3.5</b>	<b>4.2</b>



# PORTFOLIO SNAPSHOT AS AT 30 JUNE 2016

	Carrying Value					Occupancy by area	
	Jun-16	Dec-15	Jun-15	%	% of portfolio post revaluations	Actual	Actual
	¥ billions	¥ billions	¥ billions	Change (Jun-15 to Jun-16)		Jun-16	Jun-15
Retail	47.4	47.8	46.8	1.3%	57.2%	99.2%	99.3%
Office	26.0	25.1	24.4	6.6%	31.4%	98.0%	90.0%
Residential	9.5	9.3	9.1	4.4%	11.4%	100.0%	100.0%
<b>Portfolio</b>	<b>83.0</b>	<b>82.2</b>	<b>80.3</b>	<b>3.4%</b>	<b>100.0%</b>	<b>99.1%</b>	<b>97.3%</b>

<b>Retail</b>							
Kawasaki Dice	13.8	13.8	13.7	0.7%	16.6%	100.0%	100.0%
Konan Home Centre	12.0	11.8	11.8	1.7%	14.5%	100.0%	100.0%
Shinjuku Fuji	4.3	4.2	4.2	2.4%	5.2%	100.0%	100.0%
Musashino Towers <sup>1</sup>	3.5	3.5	2.8	25.0%	4.2%	100.0%	100.0%
Shibuya Konami	2.4	2.4	2.4	0.0%	2.9%	100.0%	100.0%
Matsudo Nitōri	2.3	2.2	2.2	4.5%	2.7%	100.0%	100.0%
Tsudanuma	2.0	1.9	1.9	5.3%	2.4%	100.0%	100.0%
Harajuku Bell Pier	1.8	1.8	1.6	12.5%	2.2%	94.3%	100.0%
Susono	1.7	1.8	1.8	-5.6%	2.0%	100.0%	100.0%
Motomachi	1.0	1.1	1.1	-9.1%	1.2%	40.5%	40.5%
Round One Nara	0.8	1.0	1.0	-20.0%	1.0%	100.0%	100.0%
Round One Amagasaki	0.8	1.2	1.3	-38.5%	1.0%	100.0%	100.0%
Kajicho Ekimae	0.7	0.7	0.7	0.0%	0.8%	100.0%	100.0%
Matsudo Nitōri Parking	0.4	0.4	0.4	0.4%	0.5%	100.0%	100.0%
<b>Retail sub total/average</b>	<b>47.4</b>	<b>47.8</b>	<b>46.8</b>	<b>1.3%</b>	<b>57.2%</b>	<b>99.2%</b>	<b>99.3%</b>

<sup>1</sup> Additional 11% interest acquired in August 2015, increasing AJA's interest to 64%



# PORTFOLIO SNAPSHOT AS AT 30 JUNE 2016 (CONT'D)

	Carrying Value					Occupancy by area	
	Jun-16	Dec-15	Jun-15	%	% of portfolio post revaluations	Actual	Actual
	¥ billions	¥ billions	¥ billions	Change (Jun-15 to Jun-16)		Jun-16	Jun-15
Office							
Ginza Dowa	8.9	8.2	7.9	12.7%	10.8%	100.0%	100.0%
JN	8.2	8.2	8.0	2.5%	9.9%	100.0%	92.7%
Takadanobaba	1.7	1.7	1.6	6.2%	2.1%	100.0%	92.4%
Forest Kita Aoyama	1.5	1.4	1.4	7.1%	1.9%	100.0%	100.0%
Higashi Totsuka	1.5	1.6	1.6	-6.3%	1.8%	93.6%	93.6%
OS Tsukiji	1.3	1.2	1.2	8.3%	1.5%	86.5%	100.0%
Prime Kanda	1.2	1.2	1.2	0.0%	1.4%	100.0%	85.7%
Asakusa	1.1	1.1	1.1	0.0%	1.4%	100.0%	100.0%
Sun No.5	0.5	0.5	0.5	0.0%	0.6%	100.0%	100.0%
Office sub total/average	26.0	25.1	24.4	6.6%	31.4%	98.0%	90.0%
Residential							
Tosabori	4.7	4.5	4.7	6.8%	5.7%	100.0%	100.0%
Sekijomachi	2.6	2.5	2.6	4.0%	3.1%	100.0%	100.0%
G-Clef Kamata	1.2	1.1	1.2	9.1%	1.4%	100.0%	100.0%
Nishi Kasai	0.6	0.5	0.6	20.0%	0.7%	100.0%	100.0%
Residential sub total/average	9.5	9.3	9.1	4.4%	11.4%	100.0%	100.0%
Total/average	83.0	82.2	80.3	3.4%	100.0%	99.1%	97.3%





# PORTFOLIO VALUATION SUMMARY

	Portfolio Carrying Value		Date	Direct Cap Overall Cap Rate	DCF Discount Rate	DCF Terminal Cap Rate	Method
	30/06/2016 ¥ billions	% of portfolio		%	%	%	
Retail	47.4	57.2%		5.2%	4.9%	5.4%	
Office	26.0	31.4%		4.8%	4.6%	5.0%	
Residential	9.5	11.0%		5.4%	5.2%	5.6%	
<b>Portfolio</b>	<b>83.0</b>	<b>100.0%</b>		<b>5.1%</b>	<b>4.8%</b>	<b>5.3%</b>	

<b>Retail</b>							
Kawasaki Dice	13.8	16.6%	30/06/2016	4.5%	4.3%	4.6%	DCF
Konan Home Centre	12.0	14.5%	30/06/2016	5.5%	5.3%	5.6%	DCF
Shinjuku Fuji	4.3	5.2%	30/06/2016	5.8%	5.1%	6.3%	DCF
Musashino Towers	3.5	4.2%	30/06/2016	4.9%	4.7%	5.0%	DCF
Shibuya Konami	2.4	2.9%	30/06/2016	4.7%	4.4%	4.9%	DCF-50% DC-50%
Matsudo Nitōri	2.3	2.7%	30/06/2016	5.4%	5.2%	5.6%	DCF-50% DC-50%
Tsudanuma	2.0	2.4%	30/06/2016	5.7%	5.6%	6.1%	DCF
Harajuku Bell Pier	1.8	2.2%	30/06/2016	4.3%	4.1%	4.4%	DCF
Susono	1.7	2.0%	30/06/2016	6.3%	6.1%	6.5%	DCF-50% DC-50%
Motomachi	1.0	1.2%	30/06/2016	5.7%	5.2%	5.6%	DCF
Round One Nara	0.8	1.0%	30/06/2016	6.8%	6.2%	7.2%	DCF
Round One Amagasaki	0.8	1.0%	30/06/2016	6.7%	6.2%	7.7%	DCF
Kajicho Ekimae	0.7	0.9%	30/06/2016	5.5%	5.0%	5.6%	DCF
Matsudo Nitōri Parking	0.4	0.5%	30/06/2016	5.4%	5.2%	5.6%	DCF- 75% DC -25%
<b>Total retail</b>	<b>47.4</b>	<b>57.2%</b>		<b>5.2%</b>	<b>4.9%</b>	<b>5.4%</b>	



# PORTFOLIO VALUATION SUMMARY (CONT'D)

	Portfolio Carrying Value		Date	Direct Cap Overall Cap Rate	DCF Discount Rate	DCF Terminal Cap Rate	Method
	30/06/2016 ¥ billions	% of portfolio					
<b>Office</b>							
Ginza Dowa	8.9	10.8%	30/06/2016	4.2%	4.0%	4.4%	DCF
JN	8.2	9.9%	30/06/2016	4.8%	4.6%	5.0%	DCF-50% DC-50%
Takadanobaba	1.7	2.1%	30/06/2016	5.2%	5.0%	5.6%	DCF-50% DC-50%
Forest Kita Aoyama	1.5	1.9%	30/06/2016	4.4%	4.3%	4.5%	DCF
Higashi Totsuka	1.5	1.8%	30/06/2016	6.8%	6.0%	6.3%	DCF
OS Tsukiji	1.3	1.5%	30/06/2016	5.2%	4.9%	5.2%	DCF
Prime Kanda	1.2	1.4%	30/06/2016	5.3%	5.1%	5.4%	DCF
Asakusa	1.1	1.4%	30/06/2016	5.9%	5.7%	5.9%	DCF
Sun No.5	0.5	0.6%	30/06/2016	5.9%	5.6%	6.1%	DCF
<b>Total office</b>	<b>26.0</b>	<b>31.4%</b>		<b>4.8%</b>	<b>4.6%</b>	<b>5.0%</b>	
<b>Residential</b>							
Tosabori	5.1	6.1%	30/06/2016	5.1%	4.8%	5.1%	DCF
Sekijomachi	2.6	3.2%	30/06/2016	5.8%	5.6%	6.2%	DCF-50% DC-50%
G-Clef Kamata	1.2	1.5%	30/06/2016	5.5%	5.3%	5.6%	DCF
Nishi Kasai	0.6	0.7%	30/06/2016	6.0%	6.1%	6.4%	DCF
<b>Total residential</b>	<b>9.5</b>	<b>11.0%</b>		<b>5.4%</b>	<b>5.2%</b>	<b>5.6%</b>	

