

Financial Report

for the Fiscal Period Ended October 31, 2022 (May 1, 2022 – October 31, 2022)

REIT Issuer: NTT UD REIT Investment Corporation

Security Code: 8956

Representative: Takeshi Oodera, Executive Director

Asset Management Company: NTT Urban Development Asset Management Corporation

Representative: Yutaka Torigoe, President & CEO

Contact: Takeshi Iwata, Director & CFO, Finance Department (Tel: +81-3-6262-9400)

Scheduled date for filing of Japanese "Securities Report": January 30, 2023

Scheduled start date for dividend distribution: January 20, 2023

Earnings supplementary explanatory materials to be prepared: Yes

Analyst meetings to be convened: Yes (for institutional investors and analysts)

Stock Exchange: Tokyo Stock Exchange

URL: <http://www.nud-reit.co.jp/en/>

1. Performance for the 40th Fiscal Period (May 1, 2022 – October 31, 2022)

(1) Business Results

(Percentage figures show increase (decrease) from the preceding fiscal period)

| | Operating Revenues | | Operating Income | | Ordinary Income | | Net Income | |
|--------------------|--------------------|--------|------------------|--------|-----------------|--------|-----------------|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| 40th Fiscal Period | 10,618 | (15.7) | 4,339 | (29.2) | 3,909 | (31.2) | 3,907 | (31.2) |
| 39th Fiscal Period | 12,589 | 17.2 | 6,128 | 24.8 | 5,682 | 27.0 | 5,681 | 27.1 |

| | Net Income per Unit | Return on Unitholders' Equity (ROE) | Ordinary Income to Total Assets | Ordinary Income to Operating Revenues |
|--------------------|---------------------|-------------------------------------|---------------------------------|---------------------------------------|
| | yen | % | % | % |
| 40th Fiscal Period | 2,787 | 2.8 | 1.4 | 36.8 |
| 39th Fiscal Period | 4,055 | 4.3 | 2.1 | 45.1 |

(2) Distribution

| | Distribution per Unit (Excluding excess of earnings) | Total Distribution | Distribution in Excess of Earnings per Unit |
|--------------------|---|--------------------|---|
| | Yen | Millions of yen | Yen |
| 40th Fiscal Period | 2,787 | 3,906 | - |
| 39th Fiscal Period | 4,054 | 5,682 | - |

| | Total Distribution in Excess of Earnings | Distribution Payout Ratio | Distribution to Net Assets |
|--------------------|--|---------------------------|----------------------------|
| | Millions of yen | % | % |
| 40th Fiscal Period | - | 100.0 | 2.8 |
| 39th Fiscal Period | - | 100.0 | 4.2 |

(Note 1) The difference between distribution per unit and net income per unit for the 39th fiscal period is primarily due to distribution of the amount obtained by adding the reversal of reserve for reduction entry (0 million yen) to the unappropriated retained earnings for the fiscal period and the fact that a calculation of net income per unit was based on an average number of investment units outstanding during the period.

(Note 2) The distribution payout ratio has been rounded down to the tenth place. Furthermore, the distribution payout ratio for the 39th fiscal period was calculated using the following formula, as NUD issued new investment units in the 39th fiscal period:

Distribution payout ratio = Total distributions / Net income x 100

(3) Financial Position

| | Total Assets | Net Assets | Unitholders' Equity to Total Assets | Net Assets per Unit |
|--------------------|-----------------|-----------------|-------------------------------------|---------------------|
| | Millions of yen | Millions of yen | % | yen |
| 40th Fiscal Period | 277,449 | 137,656 | 49.6 | 98.211 |
| 39th Fiscal Period | 280,999 | 139,431 | 49.6 | 99.477 |

(Reference) Unitholders' equity: the 40th fiscal period: 137,656 million yen, the 39th fiscal period: 139,431 million yen.

(4) Cash Flow

| | Cash Flow from Operating Activities | Cash Flow from Investment Activities | Cash Flow from Financial Activities | Cash and Cash Equivalents at End of Period |
|--------------------|-------------------------------------|--------------------------------------|-------------------------------------|--|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| 40th Fiscal Period | 5,493 | (609) | (7,479) | 20,625 |
| 39th Fiscal Period | 20,571 | (28,381) | 9,388 | 23,220 |

2. Forecast of the 41st Fiscal Period (November 1, 2022 – April 30, 2023) and the 42nd Fiscal Period (May 1, 2023 – October 31, 2023)

(Percentage figures show increase (decrease) from the preceding fiscal period.)

| | Operating Revenues | | Operating Income | | Ordinary Income | | Net Income | |
|--------------------|--------------------|-------|------------------|-------|-----------------|-------|-----------------|-------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| 41st Fiscal Period | 10,733 | 1.1 | 4,196 | (3.3) | 3,758 | (3.9) | 3,756 | (3.8) |
| 42nd Fiscal Period | 10,451 | (2.6) | 3,967 | (5.4) | 3,499 | (6.9) | 3,497 | (6.9) |

| | Distribution per unit (Excluding excess of earnings) | | Distribution in Excess of Earnings per Unit | |
|--------------------|--|--|---|--|
| | Yen | | Yen | |
| 41st Fiscal Period | 2,680 | | - | |
| 42nd Fiscal Period | 2,680 | | - | |

(Reference) Estimate net income per unit: the 41st fiscal period 2,680 yen, the 42nd fiscal period 2,495 yen

(Note) Distribution per unit for the 42nd fiscal period has been calculated based on the assumption that 259 million yen out of the balance of the existing reserve for reduction entry (1,110 million yen) will be reversed and added to the unappropriated retained earnings for the period.

Other

(1) Changes in Accounting Policies

- | | |
|--|----|
| (i) Changes accompanying amendments to accounting standards, etc.: | No |
| (ii) Changes other than (i): | No |
| (iii) Changes in accounting estimates: | No |
| (iv) Restatements of revisions: | No |

(2) Number of Units Outstanding

| | 40th Fiscal Period | 39th Fiscal Period |
|--|--------------------|--------------------|
| (i) Number of units outstanding at the end of the fiscal period (including treasury units) | 1,401,635 units | 1,401,635 units |
| (ii) Number of treasury units at the end of the fiscal period | 0 units | 0 units |

(Note) Please refer to “Notes on Per Unit Information” on page 22 of the Japanese “Kessan Tanshin” report for the number of units used as the basis for calculating the net income per unit.

(3) Rounding of Monetary Amounts and Percentage Figures

In this report, unless otherwise indicated, monetary amounts have been rounded down to eliminate amounts of less than the specified unit and percentage figures have been rounded to the nearest one decimal place.

* Statement on Implementation Status of Audit Procedures

As of the publication of this Financial Report, no auditing procedure under the Financial Instruments and Exchange Law has been completed for the financial statements.

* Explanation on the Appropriate Use of the Forecast of Results, and Other Matters of Special Note;

- The forecast of results and other forward-looking statements presented in this document are based on information currently available to and certain assumptions deemed reasonable by NTT UD REIT Investment Corporation (NUD). Accordingly, actual results, etc. may differ materially from these forward-looking statements due to a variety of factors. Moreover, the forecast should not be construed as guarantees of the distribution amounts.
- For the assumptions underlying the forecast of results, please refer to “Assumptions for the Forecast of Results for the 41st Fiscal Period (November 1, 2022 – April 30, 2023) and the 42nd Fiscal Period (May 1, 2023 – October 31, 2023)” set forth on page 6 of the Japanese “Kessan Tanshin” report.

- * The information above was translated from the first and second pages of the Japanese “Kessan Tanshin” report, dated December 15, 2022. Neither NUD nor NTT Urban Development Asset Management Corporation makes any assurance or warranty with respect to the completeness or accuracy of this English translation. For more complete and accurate information, please refer to the original report in Japanese.