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For Immediate Release

Investment Corporation

Japan Real Estate Investment Corporation

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(TSE code: 8952)

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Announcement of Disposition of Domestic Real Estate

Japan Real Estate Investment Corporation (“JRE”) hereby announces that Japan Real Estate Asset Management Co., Ltd. (“JRE-AM”), the asset management company to which JRE entrusts asset investment, today decided to dispose of domestic real estate as described below.

This disposition will take place in two stages, with 50% co-ownership to be disposed of on each transfer date.

1. Outline of the Disposition

Property name	JRE Tenjin Crystal Building	
Disposition price (planned)	JPY 6,630 million	
	①JPY 3,315 million (co-ownership interest: 50%)	②JPY 3,315 million (co-ownership interest: 50%)
Estimated book value	JPY 3,220 million	
	①JPY 1,610 million	②JPY 1,610 million
Estimated gain on disposition	JPY 3,320 million	
	①JPY 1,660 million	②JPY 1,660 million
Buyer	Undisclosed (see item 4 below)	
Brokerage	No	
Decision date	February 12, 2026	
Contract date (scheduled)	February 13, 2026	
Transfer date (scheduled)	①March 6, 2026	②April 1, 2026
Payment date (scheduled)	①March 6, 2026	②April 1, 2026
(Notes)	<ul style="list-style-type: none"> The disposition price does not include disposition expenses, property tax and city planning tax adjustments and consumption taxes. The estimated book value is the book value estimated as of today, calculated by JRE- 	

AM on the basis of capital expenditures planned to be incurred by and depreciation estimated as of the transfer date.

- The estimated gain on disposition is the estimated amount as of today derived by subtracting the estimated book value and disposition expenses (partially undetermined) from the disposition price.

2. Reason for the Disposition

The Tenjin area, where the property is located, has strong agglomeration as the central business district of Fukuoka City. However, a large supply of office buildings has already begun to enter the market and is expected to continue in the coming years, and close attention to supply–demand trends is required. Moreover, as the property has reached an age of approximately 30 years since its completion, there is a risk of declining profitability due to increasing repair and renewal costs going forward. Against this backdrop, JRE-AM compared the options of operating this property in the medium- to long-term and selling it. As a result, taking into account the transaction proposal received from the buyer under the above conditions, the decision was made to proceed with the disposition.

In addition, the proceeds from this sale are expected to be used for loan repayment and as funds on hand for the future acquisition of specific assets.

3. Description of the Property to be Disposed of

Property name	JRE Tenjin Crystal Building		
Type of specified asset	Domestic real estate		
Type of ownership			
	Land	Ownership	
	Building	Ownership	
Location (Building address)	4-6-7 Tenjin, Chuo-ku, Fukuoka City, Fukuoka Prefecture		
Completion	August 1993		
Usage	Offices and shops		
Appraisal value (Date of value)	JPY 3,590 million (as of February 1, 2026)		
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.		
Outline of lease			
	Total number of tenants	29	
	Total rent revenues	JPY 157 million	
	Security deposit	JPY 284 million	
	Total leased area	5,718 m ²	
	Net rentable area	5,964 m ²	
	Occupancy rate	September 30, 2023	98.4%
		March 31, 2024	94.4%
		September 30, 2024	94.4%
		March 31, 2025	97.5%
		September 30, 2025	95.9%
Special notes	None		
(Notes)	<ul style="list-style-type: none"> • The property will be transferred in the form of a trust beneficiary interest in real estate after concluding the real estate management and disposition trust agreement and establishing the trust on the scheduled transfer date, March 6, 2026. • “Usage” shows the main entries, among those listed in the real property registry. • “Outline of lease” indicates the figures as of the end of the fiscal period ended September 2025. 		

4. Outline of Buyer

The buyer's information is undisclosed due to the absence of its consent.

There are no capital, personnel or business relationships to note between JRE or JRE-AM and the buyer. In addition, the buyer does not fall under the category of a related party of JRE or JRE-AM.

5. Settlement Method

A lump-sum payment is to be made on each of the transfer dates.

6. Future Outlook

There are no revisions to the operating performance forecasts for the fiscal period ending March 2026 (October 1, 2025 to March 31, 2026) and the fiscal period ending September 2026 (April 1, 2026 to September 30, 2026) as the dispositions will likely have only a marginal effect on performance.

In addition, regarding a portion of the gain on this disposition, JRE-AM is considering retaining it internally as a reserve for tax purpose reduction entry and as a deferred tax liability, under the application of Article 65-7 "Exceptions of the Taxation in case of the Replacement by Purchase of Specific Assets" of the Act on Special Measures Concerning Taxation.

<Reference>

Performance forecasts announced on November 17, 2025 and actual results

	Operating Revenues	Operating Profit	Ordinary Profit	Net Profit	Dividend per Unit (excluding dividend in excess of earnings)	Dividend in excess of earnings per unit
Period ended	JPY million	JPY million	JPY million	JPY million	JPY	JPY
September 30, 2025 (Actual)	41,093	19,297	17,784	17,805	2,511	0
March 31, 2026 (Forecast)	40,680	19,110	17,450	17,650	2,536	0
September 30, 2026 (Forecast)	41,150	19,340	17,580	17,800	2,561	0

7. Summary of Appraisal Report

Property name	JRE Tenjin Crystal Building
Appraisal value	JPY 3,590 million
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of value	February 1, 2026

Item	Amount	Description
Value indicated by the income approach	3,590,000	Indicated by the income approach, placing more weight on the DCF method that incorporates fluctuations of the future net cash flow, while employing the direct capitalization method for verification
Value indicated by the direct capitalization method	3,580,000	
(1) Operating income [(1)-(2)]	334,249	
① Potential rental income	351,000	Estimated by considering the new rent levels of comparable properties, the current contracts, as well as the medium- to long-term competitiveness of the subject property, etc.
② Vacancy loss	16,750	Recorded based on average vacancy rates in previous years and of comparable properties, considering the competitiveness of the subject property
(2) Operating expenses	160,339	
Maintenance and management fee	43,976	Estimated based on expenses incurred in previous years for the maintenance and management fee, and the expenses of comparable properties for property management fee
Property management fee	(Note)	
Utilities expenses	37,141	Estimated based on expenses incurred in previous years, taking into account occupancy rates
Repair expenses	22,110	Estimated according to the average annual expenses stated in the engineering report
Leasing cost	1,816	Estimated with reference to the leasing cost of comparable properties, etc.
Property tax and city planning tax	54,753	Estimated based on the taxes levied for fiscal year 2025
Insurance Premium	542	Recorded the actual amount as deemed appropriate
Other expenses	0	
(3) Net operating income [(1)-(2)]	173,909	
(4) Operating profit on lump-sum payments	2,203	Estimated under the assumption of an investment yield of 1.0%
(5) Capital expenditures	32,789	Estimated based on the building replacement cost stated in the engineering report
(6) Net cash flow [(3)+(4)-(5)]	143,322	
(7) Capitalization rate	4.0%	Estimated with reference to the market capitalization rates of comparable properties
Value indicated by the DCF method	3,590,000	
Discount rate	3.9%	Estimated from the discount rates in the transactions of comparable properties and comparisons with the yields of other financial instruments, etc.
Terminal capitalization rate	4.2%	Estimated on the basis of the capitalization rate, while taking into account the marketability of the subject property at the end of the holding period
Value indicated by the cost approach	6,030,000	
Land ratio	91.1%	
Building ratio	8.9%	

* In thousands of yen (amounts are rounded down to the nearest thousand yen)

Any special considerations in the reconciliation between indicated values and determination of the final appraisal value	Nothing in particular
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(Note) No consent has been obtained from the property management company to disclose the property management fee as a separate item. Moreover, if the property management fee for the subject property is disclosed separately, it might potentially affect other deals done by the property management company, which could negatively affect JRE in efficiently delegating property management services under its policy on the maintenance and management of target investment properties. This could in turn undermine the interests of its unitholders. Accordingly, the maintenance and management fee and the property management fee are shown by the combined amount.

This is the English translation of the announcement in Japanese dated February 12, 2026.
No assurance or warranties are given for the completeness or accuracy of this English translation.