



For Translation Purposes Only

November 25, 2019

For Immediate Release

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### Notice Concerning Changes in Asset Management Fee Calculation Methods

Invesco Office J-REIT, Inc. (hereinafter referred to as the "Investment Corporation") announces that the board of directors of the Investment Corporation today resolved to propose that the calculation methods of the asset management fees payable to Invesco Global Real Estate Asia Pacific, Inc. (hereinafter referred to as the "Asset Management Company"), which the Investment Corporation has appointed as its asset manager, are to be amended (hereinafter referred to as the "Amendments"). The proposed Amendments are subject to the condition that relevant amendments to the Articles of Incorporation are approved at the fifth general meeting of unitholders of the Investment Corporation, which is scheduled to be held on January 15, 2020 (hereinafter referred to as the "General Meeting of Unitholders").

For the details of the proposal to the General Meeting of Unitholders, please refer to the press release "Notice Concerning Amendments to the Articles of Incorporation and Election of Directors", which has also been announced today.

#### 1. Overview and purpose of the Amendments

Since it was listed in June 2014, the Investment Corporation has pursued a variety of proactive strategies intended to timely capture certain market trends such as the acquisition and cancellation of its own investment units, which was the first among J-REITs, as well as implementing growth strategies, including the expansion of its asset size, improvements in both profitability and stability, and strengthening of its financial base. By doing so, the Investment Corporation has aimed to enhance investors' value. The Investment Corporation now proposes to amend the methodology used for calculating the asset management fees with a view to further align the interests of the Asset Management Company to the investors. The Amendments, if implemented, would result in the applicable maximum fee rate for the asset management fee (1) calculated based on the amount of total assets to be reduced from 0.45% to 0.30% and the applicable maximum fee rate for the asset management fee (2) calculated based on distribution per unit (adjusted EPU (Note)) and net operating income (NOI) to be increased from 0.0008% to 0.0017%. The Amendments are intended to further align the interests of the Asset Management Company to the investors. For the details of the Amendments, please refer to the Appendix.

#### 2. Effective date

The Amendments are to be effective after the approval at the General Meeting of Unitholders. The calculation methods after the Amendments are to be applied from the fiscal period ending October 2020 (13th fiscal period from May 1, 2020 to October 31, 2020).

### 3. Future Outlook

As the Amendments are to be applied from the fiscal period ending October 2020 (13th fiscal period from May 1, 2020 to October 31, 2020), there are no impacts on the asset management performance for the fiscal period ending April 2020 (12th fiscal period from November 1, 2019 to April 30, 2020).

(Note) Adjusted EPU = (Net income before tax for the subject fiscal period (before the adjustments of consumption tax and deduction of asset management fee (2), as well as after the addition of amortization amount related to goodwill or reduction of profit caused by negative goodwill) + loss carried forward from the last fiscal period) / the total number of issued and outstanding investment units as of the end of the subject fiscal period

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

# (Appendix)



## Overview of the amendments to the asset management fee calculation methods

- The Investment Corporation amends the asset management fee calculation methods to further improve investors' value
- For the purpose of further aligning the interests of the Asset Management Company to the investors, the fee ratio to calculate the asset management fee (1) based on total assets is to be reduced and the fee ratio to calculate the asset management fee (2) based on adjusted EPU and NOI is to be increased.

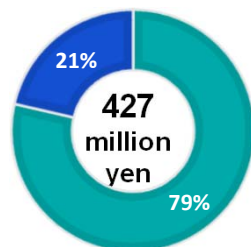
Asset management fee (1) (Based on the total amount of assets)		Asset management fee (2) (Based on Adjusted EPU <sup>(Note)</sup> and NOI)	
<div style="background-color: #cccccc; padding: 5px; border: 1px solid #000;">Before the amendments</div> <p>Total assets (Based on the balance sheet)</p> <p style="text-align: center;">×</p> <p style="color: #00a651;">0.45% (maximum)</p>	<div style="background-color: #e91e63; color: white; padding: 5px; border: 1px solid #000;">After the amendments</div> <p>Total assets (Based on the balance sheet)</p> <p style="text-align: center;">×</p> <p style="color: #00a651; font-size: 1.2em;">0.30% (maximum)</p>	<div style="background-color: #cccccc; padding: 5px; border: 1px solid #000;">Before the amendments</div> <p>Adjusted EPU<sup>(Note)</sup></p> <p style="text-align: center;">×</p> <p>NOI</p> <p style="text-align: center;">×</p> <p style="color: #00a651;">0.0008% (maximum)</p>	<div style="background-color: #e91e63; color: white; padding: 5px; border: 1px solid #000;">After the amendments</div> <p>Adjusted EPU<sup>(Note)</sup></p> <p style="text-align: center;">×</p> <p>NOI</p> <p style="text-align: center;">×</p> <p style="color: #00a651; font-size: 1.2em;">0.0017%(maximum)</p>

(Note) Adjusted EPU = (Net income before tax for the subject fiscal period (before the adjustments of consumption tax and deduction of asset management fee (2), as well as after the addition of amortization amount related to goodwill or reduction of profit caused by negative goodwill) + loss carried forward from the last fiscal period) / the total number of issued and outstanding investment units as of the end of the subject fiscal period

### Pro forma calculation

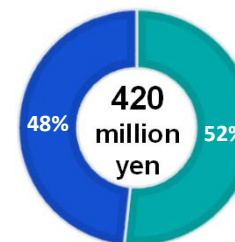
Changes in the ratio of the asset management fee (1) and the asset management fee (2) before and after the Amendments (calculated based on the average of the actual from FP1 (October 2014) to FP10 (April 2019)(average))

BEFORE THE AMENDMENTS



■ Asset Management Fee (1)  
■ Asset Management Fee (2)

AFTER THE AMENDMENTS



■ Asset Management Fee (1)  
■ Asset Management Fee (2)