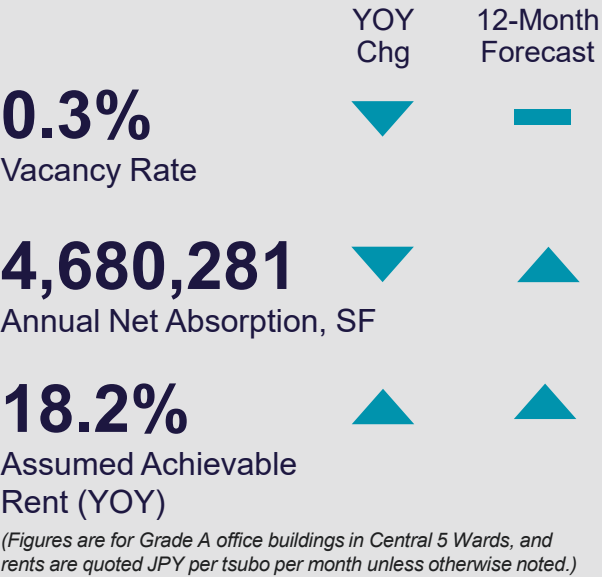
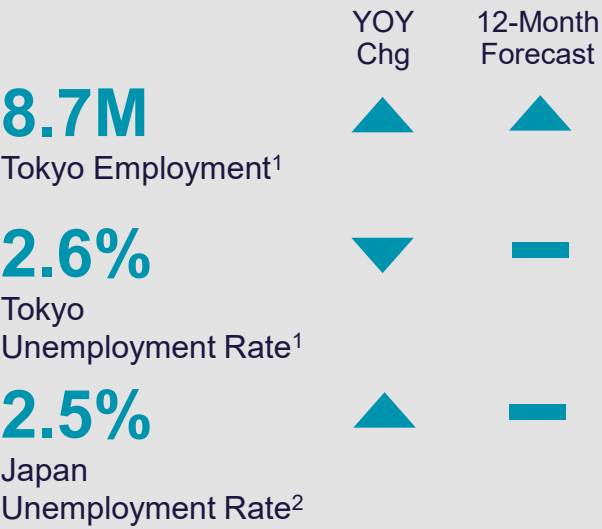


MARKET FUNDAMENTALS



ECONOMIC INDICATORS



Source: Tokyo Metropolitan Government, Ministry of Internal Affairs and Communications

ECONOMIC SENTIMENT

The Bank of Japan's September Tankan DI (the Business Conditions Diffusion Index) rose three points from June to +21, continuing its upward trend since the December 2025 survey, led by improving manufacturer sentiment. However, the outlook DI declined to +15, reflecting concerns over high energy prices and rising financing costs. Corporate revenues are projected to grow 4.1% y-o-y in FY 2026, while recurring profits were revised upward from a 2.4% decline to 2.3% growth, supported by expanding AI and data center-related demand.

SUPPLY, DEMAND AND RENTAL TRENDS

Prime Grade A office assumed achievable rents in the Tokyo Central 5 Wards rose to US\$95.55 per sf per annum in Q3 2026, up 18.2% y-o-y and 4.7% q-o-q. The vacancy rate has been at less than 1% since Q3 2025 and fell to 0.3% this quarter, the lowest level over the period.

Approximately 2.1 million sf of new supply was delivered in the quarter, with a 97.7% pre-commitment rate upon completion. Cumulative net absorption in the first three quarters of 2026 exceeded cumulative new supply. Although some recently completed buildings have pre-commitment rates of around 80%, the overall average remains high at 91.6%. Properties with pre-commitment rates below 90% have generally experienced longer leasing periods. Despite limited availability, occupiers remain selective based on rents, location and environmental performance, continuing to favor highly competitive properties.

Assumed achievable rents recorded double-digit y-o-y growth across all submarkets. Notable submarkets include:

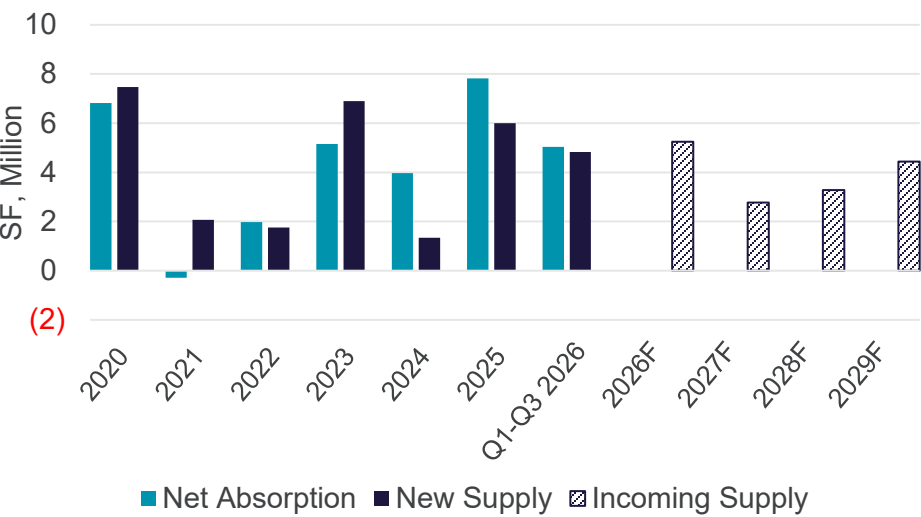
Kyobashi/Yaesu/Nihonbashi: Approximately 2.8 million sf of new supply was delivered over the past year, expanding total leasable area by approximately 29%. Assumed achievable rents rose 29.6% y-o-y to US\$123.32.

Marunouchi/Otemachi: Assumed achievable rents climbed 9.2% q-o-q to US\$123.74, again exceeding Kyobashi/Yaesu/Nihonbashi to record the highest average rent among submarkets. Asking rents at an existing Grade A building reached a US\$180.00s figure.

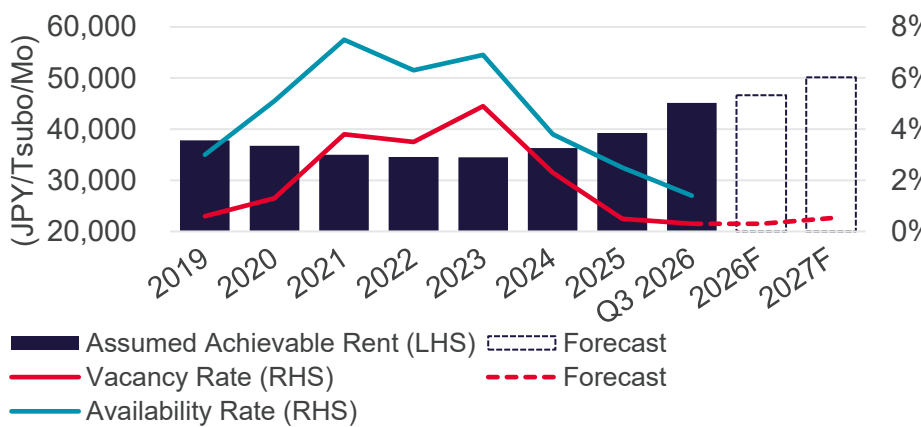
OUTLOOK

- With limited new supply expected in 2027 and 2028, coupled with potential completion delays amid rising construction costs, tight market conditions are expected to persist.
- Pre-commitment levels vary among recent and incoming supply. As occupiers increasingly prioritize the office environment to attract talent and enhance the employee experience, demand is expected to remain focused on highly competitive buildings, despite tight market conditions.

NET ABSORPTION/ INCOMING SUPPLY



VACANCY & RENT INDEX



¹ Tokyo Labor Force Survey Results, Average for Q2 2026 (April-June 2026), released 27 August 2026
² Labor Force Survey, August 2026 Results, released 2 October 2026

KEY LEASE TRANSACTIONS Q3 2026

Tenant	Industry	Relocated To	Submarket*	Relocated From	Submarket*	RSF	Reasons for Relocation
ORIX	Financial Services	World Trade Center Main Building	Hamamatsucho / Onarimon	-	-	355,831	(Undisclosed)
SoftBank Group	TMT**	Blue Front Shibaura Tower S	Shibaura / Kaigan	-	-	220,615	Expansion & Communication Improvement
Tokyo Century	Professional services	HIBIYA CROSSPARK South Tower	Hibiya / Yurakucho	Hulic Akihabara Tower Building, Tokiwabashi Tower	Akihabara / Ochanomizu	199,265	Head Office Relocation, Office Consolidation, Higher Engagement
Sanofi	Manufacturing	TOFROM YAESU TOWER	Kyobashi / Yaesu / Nihonbashi	Tokyo Opera City Tower	Hatsudai / Sasazuka	81,129	(Undisclosed)
Ryoyo Ryosan	Retail & Wholesale	Toyosu Sail Park Building	Toyosu	Konwa Building, Company-owned Building	Tsukiji / Shintomicho	78,817	(Undisclosed)

*C&W’s office submarket area. “-” means no applicable data.
**Telecom Media Technology (TMT) industry
Source: Nikkei Real Estate Market Report

PLANNED GRADE A OFFICE SUPPLY Q3 2026

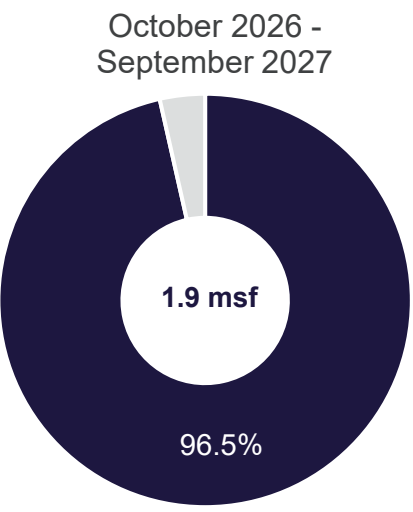
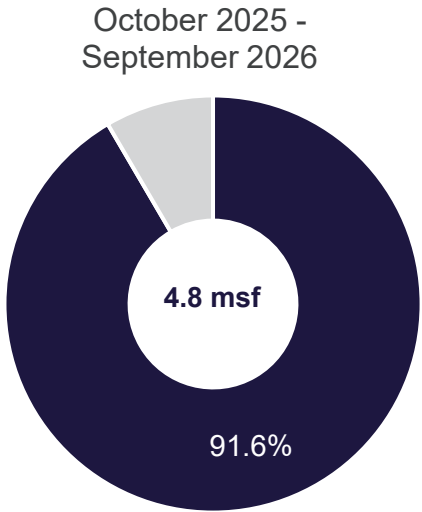
Property	Submarket	Major Tenant	Typical Floor Area (SF)	Assumed Gross Floor Area (SF)	Planned Completion	Owner / Developer
Nomura Real Estate Nihonbashi Honcho Building Project	Nihonbashi Honcho /Nihonbashi Muromachi	Marufuji Sheet Pile, DAI-DAN	18,191	378,296	Nov-26	Nomura Real Estate Development
Nihonbashi Honcho Mitsui Building & forest	Nihonbashi Honcho /Nihonbashi Muromachi	HOCHIKI, Central Glass, Nivea-Kao, QUO CARD	12,703	290,609	Dec-26	Mitsui Fudosan
Osaki Riverwalk Garden	Osaki / Gotanda	LIFULL, Leverages, Tokyu Architects & Engineers, Mizuno	27,577	745,331	Feb-27	Tokyu Land, Takenaka
World Trade Center Main Building	Hamamatsucho / Onarimon	Nippon Sanso, Sumitomo Mitsui Trust Panasonic Finance, ORIX, SB OAI (a joint venture between SoftBank and OpenAI)	30,175	2,238,471	Mar-27	World Trade Center Building
MITAKE Link Park	Shibuya	TOKYU CONSTRUCTION	27,755	501,355	Jun-27	Hulic, Shimizu
TORANOATE	Toranomon / Kamiyacho	Nippon Dengi, ASSIGN	30,246	1,290,490	Oct-27	Chuo-Nittochi, UR, Sumitomo Realty & Development
Dogenzaka 2-chome Project (tentative name), Shibuya-ku, Tokyo	Shibuya	coconala, PIA Corporation, Drecom	16,146	676,756	Nov-27	Mitsubishi Estate
TOKYO TORCH Torch Tower	Marunouchi / Otemachi	Mitsubishi HC Capital, DENTSU SOKEN, M&A Capital Partners	71,167	5,952,463	Mar-28	Mitsubishi Estate
Akasaka 2-6-chome District Development Plan East Wing	Akasaka	Mitsui O.S.K. Lines	29,072	1,824,489	Mar-28	Mitsubishi Estate, TBS
Tokio Marine Nichido New HQ Building	Marunouchi / Otemachi	Tokio Marine Holdings, Tokio Marine & Nichido Fire Insurance, Tokio Marine & Nichido Life Insurance	-	1,339,733	Aug-28	Tokio Marine & Nichido Fire Insurance
YAESU CORE(Yaesu 2-chome Middle Area Redev)	Kyobashi / Yaesu / Nihonbashi	Honda Motor, Chugai Pharmaceutical, Northsand	67,678	4,183,400	Jan-29	Mitsui Fudosan, Sumitomo Realty & Development

Source: Press releases from Owner / Developer or Major Tenant, Nikkei Real Estate Market Report

PRE-COMMITMENT %

LTM NEW SUPPLY

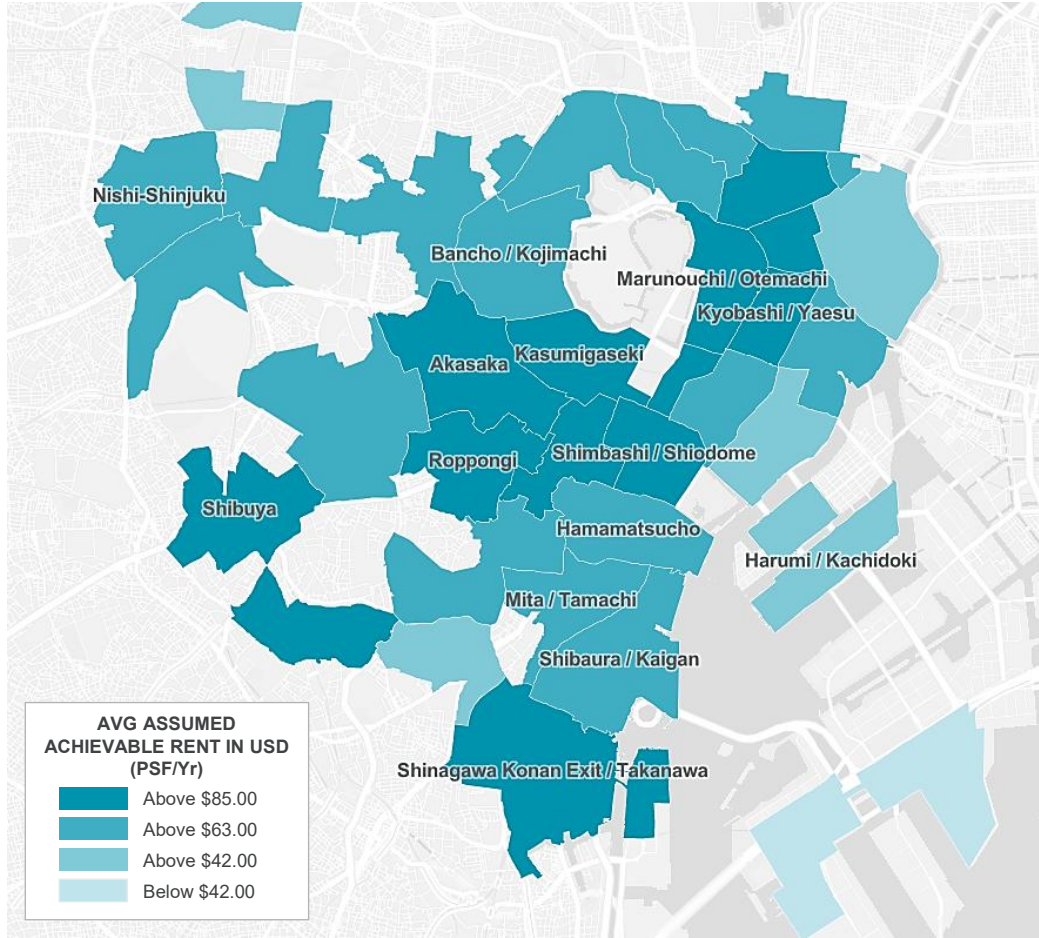
INCOMING SUPPLY



MARKET STATISTICS

SUBMARKET	NET LEASABLE AREA (SF)	OCCUPIED SPACE (SF)	AVAILABILITY RATE		VACANCY RATE		LTM NET ABSORPTION (SF)	LTM NEW SUPPLY (SF)	INCOMING SUPPLY WITHIN 1yr (SF)	AVG ASKING RENT IN USD		AVG ASSUMED ACHIEVABLE RENT IN USD*	
				YOY		YOY				(PSF/Yr)	YOY	(PSF/Yr)	YOY
Marunouchi / Otemachi	20,846,441	20,804,748	1.2%	0.0pp	0.2%	0.2pp	(41,693)	0	0	\$134.95	22.9%	\$123.74	19.1%
Kyobashi / Yaesu / Nihonbashi	9,663,464	9,663,464	2.7%	2.1pp	0.0%	-0.2pp	2,798,009	2,784,251	1,275,523	\$134.36	32.6%	\$123.32	29.6%
Shibuya	5,511,675	5,511,675	0.7%	0.0pp	0.0%	-0.1pp	5,512	0	249,795	\$110.59	17.5%	\$99.23	13.1%
Toranomon / Kamiyacho	9,155,192	9,136,881	1.1%	-1.8pp	0.2%	-0.3pp	27,466	0	0	\$108.54	20.9%	\$97.37	16.4%
Akasaka	4,889,928	4,880,148	1.1%	-3.8pp	0.2%	-2.1pp	102,688	0	0	\$103.47	19.2%	\$96.01	18.5%
Roppongi	7,541,382	7,518,758	0.5%	-1.5pp	0.3%	-1.5pp	113,121	0	0	\$103.20	14.3%	\$95.96	16.4%
Kasumigaseki / Uchisaiwaicho	3,540,147	3,529,526	0.3%	-2.0pp	0.3%	-0.3pp	10,620	0	0	\$93.87	15.2%	\$86.09	14.2%
Shinagawa Konanguchi	7,402,180	7,402,180	2.9%	1.5pp	0.0%	0.0pp	761,910	761,910	0	\$93.26	26.5%	\$85.94	22.4%
Shimbashi / Shiodome	4,285,546	4,285,546	0.8%	-0.3pp	0.0%	0.0pp	0	0	0	\$92.01	19.5%	\$84.69	16.3%
Bancho / Kojimachi	2,671,950	2,671,950	2.0%	1.0pp	0.0%	-0.7pp	18,704	0	0	\$88.56	19.9%	\$81.77	18.0%
Shibaura / Kaigan	3,862,852	3,851,263	0.3%	-30.2pp	0.3%	-0.3pp	11,589	0	0	\$86.89	13.2%	\$81.17	10.1%
Hamamatsucho/ Onarimon	3,574,912	3,574,912	0.4%	-0.6pp	0.0%	-0.5pp	17,875	0	1,250,433	\$82.71	22.0%	\$75.82	12.3%
Mita / Tamachi	4,133,249	4,096,050	1.2%	0.9pp	0.9%	0.8pp	185,481	218,766	0	\$87.66	15.0%	\$77.81	16.8%
Nishi-Shinjuku	3,593,984	3,532,887	4.3%	3.1pp	1.7%	0.7pp	(25,158)	0	551,541	\$77.56	13.6%	\$73.09	11.4%
Harumi / Kachidoki	3,203,173	3,116,687	4.2%	-11.7pp	2.7%	-11.4pp	365,162	0	0	\$55.00	25.5%	\$50.46	25.0%
Central 5 Wards (Local unit/currency)	112,989,859 3,175,362 tsubo	112,650,889 3,165,836 tsubo	1.4%	-1.5pp	0.3%	-0.6pp	4,680,295 131,531 tsubo	4,038,705 113,500 tsubo	4,062,370 114,165 tsubo	\$104.13 JPY 49,196 tsubo/month	20.9%	\$95.55 JPY 45,139 tsubo/month	18.2%

*1 USD = 159.32 JPY (quarterly average)



Scope of Survey

- Office buildings
- In Tokyo Central 5 Wards
 - Completed after 2000
 - Net leasable area of 4,000 tsubo / 142,333 sf or more
 - Standard floor area of 300 tsubo / 10,675 sf or more

227 buildings as of Q3 2026

Definition

- Rent:** Assumed achievable rent or asking rent, gross rent including CAM, divided by total Net Leasable Area
- Vacancy Rate:** Current vacancy divided by total Net Leasable Area where the space is immediately available
- Availability Rate:** Available space divided by total Net Leasable Area and includes the space not yet vacated but lease cancellation notice has been accepted
- Net Absorption:** (Vacant space of previous quarter) + (Net Leasable Area of New supply provided during current quarter) – (Vacant Space of current quarter)

Contact

MANAMI CHISAKI
Head of Tenant Advisory Group
manami.chisaki@cushwake.com

Author

HIDEAKI SUZUKI
Head of Research & Consulting
hideaki.suzuki@cushwake.com

AYAKA HAYASHI
Director, Research & Consulting
ayaka.hayashi@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 53,000 employees in nearly 350 offices and 60 countries. In 2025, the firm reported revenue of \$10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.

Source: OpenStreetMap (contributors: Microsoft, Facebook and its affiliates), Esri Community Maps (contributor: Esri)