



Chairman's Column

In a Society with a Declining Population, it is not AI but People Capabilities that will Shine

The recent torrential rains caused by linear rainbands have increased in both frequency and scale to the point that they can no longer be dismissed simply as “abnormal weather.” I had never heard of cars becoming submerged and unable to move in a country as safe as Japan. I sincerely hope that all of you will make safety your highest priority.

Articles ranking “jobs that will disappear because of AI” are often circulated, listing occupations such as data entry, general administration and bookkeeping. However, to speak honestly about the current situation, are such rankings not somewhat nonsensical ;.at this point? They can also look like puff pieces that merely stoke fear. Even when we look across the accounting-firm workplace, there is no situation in which jobs are dramatically disappearing because of AI. Rather, we are at a stage where “small improvements” are accumulating, such as parts of business processes becoming more efficient and portions of checking work and document preparation being automated. AI has certainly become useful as a tool, but I do not believe it has reached the point of shaking the fundamental value of an accounting firm.

What is more important is to remain “a company chosen by people” even in an era of widespread AI adoption. As President Ozasa of Link and Motivation also stated in Nikkei Business that, in Japan, where the population is declining, people capabilities are the strongest management resource. Enhancing engagement and being an organization of which the people who work there are proud of will determine corporate value going forward. No matter how far AI advances, “work that only people can do” such as generating ideas, creativity, and hospitality should become even more important. I strongly believe that it is the role of management to create an environment in which people’s abilities can be maximized. Our business is B2B, but how many customers would be pleased to receive an output accompanied simply by the statement, “AI made this” ?

AI is not a threat, but a new tool that we should use and continue learning about. I myself will continue to keep my antenna up, correctly understand AI, and pursue management that help people shine even more brightly.

by Kazuhiro Matsuzawa, Chairman





Monthly Topic

The Expansion of the Security Token Market

Public offerings of security tokens in Japan exceeded a cumulative JPY 330 billion in fiscal 2025, the market having continued to expand since Japan's first public offering in 2021. At present, security tokens with real estate as their underlying asset are largely responsible for this expansion. They appear to be extremely popular among individual investors because real estate in which so-called professionals (institutional investors) have invested enormous amounts of capital can be accessed in small investment units, with a high level of transparency in disclosures and other information, and, unlike listed REITs, no daily price fluctuations.

I have been involved in the real estate fund business since 2010, but never imagined that individual would have the opportunity to invest in large-scale buildings such as Shiodome City Center, which was publicly offered last year. In fact, when speaking with people in the real estate fund industry, I often hear that although foreign-affiliated real estate funds stood out as exceptionally strong buyers in the past, security token operators have also become buyers that cannot be overlooked.

One of the interesting aspects of security tokens is that, in a sense, almost any product can be tokenized. One example is a mechanism in which an investment in a film production committee (Nini Kumiai: voluntary partnership:) is tokenized, allowing investors to support a favorite actor appearing in the film while receiving dividends if the film becomes a hit. These kinds of fan-oriented security tokens have also been used as a mechanism to attract and take in fans, rather than solely to raise funds. Examples include the Marui Group issuing corporate bonds to EPOS Card members and the Toyota Group issuing corporate bonds in collaboration with TOYOTA Wallet.

Security tokens also have the aspect of being more costly because blockchain technology is added to conventional structures, but my impression is that this issue has not received much attention. In January of this year, Tokio Marine Asset Management publicly offered the "Tokio Marine Japan Private Equity Strategy Fund ST" through SBI Securities, creating an opportunity to invest amount from JPY 1 million in a Fund of Funds (FoF) targeting private equity funds (PE funds) and venture capital funds (VC funds). People in the blockchain business had been saying for quite some time that products could be created by turning PE funds and VC funds into security tokens in order to make them accessible to individual investors, so I was deeply moved to see that this era had finally arrived.

As individual financial assets in Japan continue to grow, the expansion of investment options, including security tokens, is something to be welcomed, and I believe it will also contribute to the development of our business. At the same time, I feel that financial literacy among individuals is becoming increasingly important.

by Jun Yoshioka, Director of ASA Advisory





J - R E I T M o n t h l y D a t a

Trends in August (August 1 - 31, 2026)

■ 9 REITs announced their earnings in August (all for the fiscal period ending June 2026).>

<Property Transactions During August 1 - 31, 2026 >

Number of REITs Acquiring Properties	Total Acquisition Amount	Number of Properties Acquired
14 REITs	127.3 billion yen	32 properties
Number of REITs Disposing of Properties	Total Disposition Amount	Number of Properties Disposed
8 REITs	61.8 billion yen	11 properties

<Property Transactions by Asset Type>

		Office	Residential	Retail	Hotel	Logistics	Other Real Estate	Equity Interests, etc.	Total
Acquisitions	Amount (JPY)	48.4 billion	9.8 billion	4.8 billion	23.7 billion	18.7 billion	21.7 billion	0 billion	127.3 billion
	Composition (%)	38%	8%	4%	19%	15%	17%	0%	100%
	Number of Properties	3	6	1	3	5	14	—	32
	Composition (%)	9%	19%	3%	9%	16%	44%	0%	100%
Dispositions	Amount (JPY)	34.5 billion	1.9 billion	0 billion	10.6 billion	1.5 billion	11.0 billion	—	61.8 billion
	Composition (%)	56%	3%	0%	17%	2%	18%	0%	100%
	Number of Properties	4	2	—	1	2	2	—	11
	Composition (%)	36%	18%	0%	9%	18%	18%	0%	100%

■ 15 REITs announced their earnings in September.>

■ 15 REITs are expected to announce their earnings in October.>

Oct 15(Thu)	3281	GLP J-REIT	
Oct 16(Fri)	2972	Sankei Real Estate Inc.	3462 Nomura Real Estate Master Fund, Inc.
Oct 19(Mon)	3295	Hulic Reit, Inc.	3488 CENTRAL REIT Investment Corporation
	3481	Mitsubishi Estate Logistics REIT Inv. Corp.	8984 Daiwa House REIT Investment Corporation
Oct 20(Tue)	3226	Mitsui Fudosan Accommodations Fund, Inc.	8968 Fukuoka REIT Corporation
	3466	LaSalle Logiport REIT	
Oct 21(Wed)	3290	One REIT, Inc.	8953 Japan Metropolitan Fund Investment Corporation
Oct 22(Thu)	8954	ORIX JREIT Inc.	
Oct 23(Fri)	3492	MIRARTH Real Estate Investment Corporation	8961 MORI TRUST REIT, Inc.

■ Last Day with Rights> 10/28 (Wed)



J - R E I T M o n t h l y T o p i c

The Gap Between Rising Funding Costs for REITs and Real Estate Investment Yields

Recently, in conversations with people at asset management companies, I have often heard that, as interest rates rise, it is becoming increasingly difficult to acquire new properties that can deliver the distribution yields expected by investors. Although financing costs are rising as we have entered a so-called “world with interest rates,” real estate yields are not increasing correspondingly. There seems to be a gap between these two.

REITs are products characterized by arbitrage between the financial market and real estate market. Broadly speaking, I believe there are two possible ways to achieve higher yields on new real estate investments: one is for property price to adjust (an increase in cap rates), and the other is for rental yields to rise (higher rents paid by tenants). In an inflationary environment, it would be positive for REITs if yields could rise without real estate prices falling, but rents are affected by tenants’ business performance and overall economic conditions. It may be favorable that investment demand for Japanese rental property is maintained while prices do not fall, resulting in the valuation of existing portfolios of REITs being maintained. However, yields on newly acquired properties in the market are not rising, which is hindering external growth.

It is, so to speak, a dilemma and we would like to watch closely how the situation develops. Of course, REITs also have internal growth. REITs capable of achieving internal growth appear resilient even in this environment.

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by Fuminori Imanishi, ASA REIT Partners