

**(REIT) Financial Report for Fiscal Period Ended August 31, 2022****October 18, 2022**

REIT Securities Issuer: Takara Leben Real Estate Investment Corporation  
 Securities Code: 3492  
 Representative: Tetsuo Saida, Executive Director  
 Stock Exchange Listing: Tokyo Stock Exchange  
 URL: <https://takara-reit.co.jp/>  
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Scheduled date of submission of securities report: November 29, 2022  
 Scheduled date of commencement of cash distribution payment: November 17, 2022  
 Preparation of supplementary financial results briefing materials: Yes  
 Holding of financial results briefing session: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

## 1. Financial Results for Fiscal Period Ended August 31, 2022 (March 1, 2022 to August 31, 2022)

## (1) Operating Results (% figures are the rate of period-on-period increase (decrease))

Fiscal period	Operating revenues		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal period ended August 31, 2022	3,545	(12.0)	2,020	(3.5)	1,727	(4.4)	1,726	(4.1)
Fiscal period ended February 28, 2022	4,030	31.6	2,093	13.5	1,806	11.4	1,801	15.2

Fiscal period	Net income per unit	Return on unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenues
	yen	%	%	%
Fiscal period ended August 31, 2022	3,002	2.9	1.4	48.7
Fiscal period ended February 28, 2022	3,132	3.4	1.7	44.8

## (2) Distribution

Fiscal period	Distributions per unit (not including distributions in excess of earnings)	Total distributions (not including distributions in excess of earnings)	Distributions in excess of earnings per unit	Total distributions in excess of earnings	Distributions per unit (including distributions in excess of earnings)	Total distributions (including distributions in excess of earnings)	Distribution payout ratio	Ratio of distribution to net assets
	yen	million yen	yen	million yen	yen	million yen		
Fiscal period ended August 31, 2022	3,008	1,729	-	-	3,008	1,729	100.2	2.9
Fiscal period ended February 28, 2022	3,120	1,794	-	-	3,120	1,794	99.6	3.1

(Note) The amount of total distributions for the fiscal periods ended February 28, 2022, and August 31, 2022, is the amount of unappropriated retained earnings less the amount of retained earnings for stabilization of future distributions and the amount of reversal of allowance for temporary difference adjustments.

## (3) Financial Position

Fiscal period	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
	million yen	million yen	%	yen
Fiscal period ended August 31, 2022	122,302	59,255	48.4	103,052
Fiscal period ended February 28, 2022	121,319	59,320	48.9	103,166

#### (4) Cash Flows

Fiscal period	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Fiscal period ended August 31, 2022	3,412	(6,366)	(961)	3,444
Fiscal period ended February 28, 2022	8,241	(28,741)	24,401	7,360

#### 2. Forecasts of Financial Results for Fiscal Periods Ending February 28, 2023

(from September 1, 2022 to February 28, 2023) and August 31, 2023 (from March 1, 2023 to August 31, 2023)

(% figures are the rate of period-on-period increase (decrease))

Fiscal period	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (not including distributions in excess of earnings)	Distributions in excess of earnings per unit	Distributions per unit (including distributions in excess of earnings)
	million yen	%	million yen	%	million yen	%	million yen	%	yen	yen	yen
Fiscal period ending February 28, 2023	3,495	(1.4)	1,955	(3.2)	1,610	(6.8)	1,610	(6.8)	2,710	-	2,710
Fiscal period ending August 31, 2023	3,478	(0.5)	1,948	(0.3)	1,600	(0.6)	1,599	(0.6)	2,554	-	2,554

(Reference) Forecasted net income per unit (fiscal period ending February 28, 2023): 2,521 yen

Forecasted net income per unit (fiscal period ending August 31, 2023): 2,505 yen

(Note) For the fiscal periods ending February 28, 2023, and August 31, 2023, the amount obtained by adding a portion of the retained earnings carried forward from the previous fiscal period to net income is distributed as a profit distribution. Therefore, the projected amount of net income per unit for the fiscal period (not including distributions in excess of earnings) differs from the projected amount of net income per unit.

#### \*Other

(1) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

- 1) Changes in accounting policies accompanying amendments to accounting standards, etc.: No
- 2) Changes in accounting policies other than 1): No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(2) Total number of investment units issued and outstanding

1) Total number of investment units issued and outstanding (including treasury units) at the end of the period

Fiscal period ended August 31, 2022 : 575,000 units

Fiscal period ended February 28, 2022 : 575,000 units

2) Number of treasury units at the end of the period

Fiscal period ended August 31, 2022 : 0 units

Fiscal period ended February 28, 2022 : 0 units

(Note) For the number of investment units serving as the basis for calculation of net income per unit, please see "Per Unit Information" on page 31.

(3) Rounding processing

Unless otherwise specified in this document, numerical values such as monetary amounts are rounded down to the nearest unit and % figures are rounded off to the first decimal place.

\* Presentation of Status of Implementation of Audit Procedures at the time of disclosure of these financial results, audit procedures for financial statements pursuant to the Financial Instruments and Exchange Act have not been completed.

\* Explanation of Appropriate Use of Forecasts of Financial Results, and Other Matters of Special Note

(Notes to forward-looking statements)

This document contains forecasts and other forward-looking statements based on the information currently available and on certain assumptions judged as rational by Takara Leben Real Estate Investment Corporation (hereinafter referred to as the "Investment Corporation"), and the actual operating results and so on may differ significantly from that anticipated by the Investment Corporation due to various factors. Moreover, the forecasts are not intended to guarantee any amount of distribution and distribution in excess of earnings. For notes regarding assumptions underlying these forecasts, please refer to "Assumptions for the Forecasts of Financial Results for the Fiscal Periods Ending February 28, 2023, and August 31, 2023" on page 9.

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## 1. Operating Results

### (1) Operating Results

#### 1) Overview of the Fiscal Period Under Review

##### a. Key Events of the Investment Corporation

The Investment Corporation was established in accordance with the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended; hereinafter, the “Investment Trust Act”) on September 11, 2017, with Takara PAG Real Estate Advisory Ltd. (formerly PAG Real Estate Advisory Ltd.; hereinafter, the “Asset Management Company”) as founding planner, and completed its registration with the Kanto Local Finance Bureau on October 11, 2017 (registration number: Director of Kanto Local Finance Bureau No. 129). Subsequently, on July 27, 2018, the Investment Corporation was listed on the Tokyo Stock Exchange, Inc. (hereinafter, the “Tokyo Stock Exchange”) Real Estate Investment Trust Securities Market (Securities Code: 3492). After two subsequent capital increases through public offering, the total number of investment units issued and outstanding was 575,000 units as of the end of the period under review (August 31, 2022) and unitholders’ capital was 57,382 million yen.

##### b. Investment Environment and Performance

###### Investment Environment:

During the period under review, the Japanese economy showed signs of resuming activity due to progress in vaccination against COVID-19. However, the economic environment has been unpredictable amid the spread of a highly infectious mutated strain of the virus. In the real estate trading market, appetites remained strong for investment in high-quality, income-generating real estate among various market participants, including publicly listed and privately placed REITs, domestic and overseas private funds, real estate agents, and general business corporations, and transaction prices remained high. The real estate leasing market generally trended strongly, with the exception of certain asset types. For office space, vacancy rates trended upward in the key office space markets of Tokyo, Nagoya, and Osaka with increased corporate needs for cost-cutting due to COVID-19 and other factors, and depending on the state of economic activity, we believe that the demand for office space will need to be monitored closely. As for residential properties, COVID-19 had limited impact, and the market remained stable. In retail facilities, lifestyle-oriented retail facilities trended strongly. The outlook for hotels remains uncertain over the immediate term due to concerns over greater spread of COVID-19. However, we expect a gradual recovery to be triggered by economic measures such as the government’s announcement of future national travel support.

###### Investment Performance:

Amid the aforementioned environment, while keeping the impact of COVID-19 on assets held by the Investment Corporation to limited levels, based on the four investment strategies of “steady expansion of asset size,” “improvement of portfolio quality and stability,” “realization of solid internal growth,” and “implementation of financial strategies and other measures,” the Investment Corporation sold 63% quasi-co-ownership interest in Chuo Bakumomachi Building on March 1, 2022, and acquired three residential properties, TLR Residence Kawasaki Daishi on April 11, 2022, and TLR Residence Honmachi WEST and TLR Residence Takaida on June 1, 2022, proactively reorganizing its portfolio.

As a result of these investment activities, operating revenues were 3,545 million yen, ordinary income was 1,727 million yen, and net income was 1,726 million for the fiscal period under review. Distributions per unit were 3,008 yen, 78 yen higher than the forecast of 2,930 yen per unit for the fiscal period ended August 31, 2022, announced in “Financial Report for Fiscal Period Ending February 28, 2022” issued on April 13, 2022.

##### c. Overview of Funds Procurement

The Investment Corporation borrowed 975 million yen (repayment date: May 31, 2023) from Sumitomo Mitsui Banking Corporation on June 1, 2022, to fund the acquisition of TLR Residence Takaida. On July 29, 2022, it refinanced 5,000 million yen (repayment date: July 30, 2022) borrowed on July 30, 2018, and 4,950 million yen (repayment date: July 29, 2022) borrowed on July 30, 2020, from a syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation with new borrowings of 5,060 million yen (repayment date: July 30, 2027) and 4,890 million yen (repayment date: July 31, 2028). As a result, the balance of borrowings as of the end of the fiscal period under review (August 31, 2022) was 58,275 million yen, and the ratio of interest-bearing debt to total assets (“LTV”) was 47.6%.

Note that as of the date of this document’s issuance, the Investment Corporation has earned an “A-/Stable” issuer credit rating from Rating and Investment Information, Inc. (R&I). As of June 6, 2022, its long-term issuer credit rating from Japan Credit Rating Agency, Ltd. (JCR) has been upgraded from “A-/Positive” to “A/Stable.”

#### d. Overview of Performance and Dividends

As a result of the aforementioned investment activities, the Investment Corporation recorded operating revenues of 3,545 million yen, ordinary income of 1,727 million yen, and net income of 1,726 million yen for the fiscal period under review.

Dividend amount shall exceed the amount equivalent to 90% of the amount of dividends available to the Investment Corporation as stipulated in Article 36, Paragraph 1 (1) of the Articles of Incorporation and Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. In accordance with this policy, the Investment Corporation decided to reserve 152 million yen internally in order to stabilize future distributions, and to distribute as a profit distribution the entire amount of 1,729 million yen after deducting reversal of retained earnings and the reserve for temporary difference adjustment (which is defined in Article 2, Paragraph 2, Item 30 of the Regulation on Accounting at Investment Corporations) from unappropriated retained earnings at the end of the fiscal period under review. In addition, in consideration of the impact of the discrepancy in excess of income tax (as defined in Article 2, Paragraph 2, Item 30(a) of the Regulation on Accounting at Investment Corporations of Japan) on dividends, the Investment Corporation will distribute excess earnings in accordance with Article 36(1)(ii) of the Rules as an amount equivalent to the discrepancy in excess income tax as determined by the Investment Corporation. However, in the fiscal period under review, no distribution in excess of earnings was made due to internal reserves. As a result of the above, distributions for the fiscal period under review totaled 1,729 million yen, with distributions per unit of 3,008 yen (distributions per unit of 3,008 yen and distributions in excess of earnings per unit of 0 yen).

### 2) Forecast for the Next Fiscal Period

#### a. Future Investment Policy

In the pursuit of “external growth,” as well as “stable investment and internal growth,” the Investment Corporation’s basic policy is to target achieving external growth through asset acquisitions leveraging PAG Investment Management Limited’s (“PAG”) information collection capabilities and investment decisions and expertise capable of adapting flexibly to the market environment, and leveraging the stable property supply from the MIRARTH HOLDINGS Group (refers to MIRARTH HOLDINGS, Inc. (the trade name was changed from Takara Leben Co., Ltd. in conjunction with the transition to a holding company structure on October 1, 2022), its subsidiaries and affiliates; the same shall apply hereinafter), an entity with high development capabilities. This basic policy also includes targeting stable investment and internal growth by combining the MIRARTH HOLDINGS Group’s value chain with PAG’s asset management expertise in the Japanese real estate market, as well as the unique networks and investment expertise cultivated for individual asset classes of Kyoritsu Maintenance Co., Ltd. and Yamada Holdings Co., Ltd.

Furthermore, based on the four investment strategies of “steady expansion of asset size,” “improvement of portfolio quality and stability,” “realization of solid internal growth,” and “implementation of financial strategies and other measures,” the Investment Corporation will take the measures of “expanding asset size through stronger property acquisition,” “active investment and stable management leveraging comprehensive REIT strengths,” “solid portfolio management amid the COVID-19 pandemic,” and “expanding financing methods and acquiring external evaluations with a focus on medium- to long-term strategies” in order to improve unitholder value.

The impact of the spread of COVID-19 will continue to be monitored closely, and a certain degree of impact is also expected on the Investment Corporation’s operating results.

#### (i) External Growth Strategy

The Investment Corporation aims to grow its property acquisition opportunities and achieve external growth by leveraging the dual axis of the MIRARTH HOLDINGS Group’s development capabilities and PAG’s sourcing capabilities, both of which are backed by extensive track records, as well as by utilizing the Asset Management Company’s unique network. Aiming to create a well-balanced portfolio, we will acquire mainly development properties from the MIRARTH HOLDINGS Group and acquire carefully selected properties from PAG in areas and scales undeveloped by the MIRARTH HOLDINGS Group. In addition, we will consider asset replacement, etc. in consideration of improving our portfolio quality.

#### (ii) Internal Growth Strategy

The Investment Corporation will conduct stable investment in real estate by receiving and utilizing expertise on real estate management suited to various asset classes from the sponsors. We will also explore a number of other actions on an ongoing basis, including switching management companies to reduce costs and improve management standards, as well as switching to LEDs and switching power contracts at properties held to reduce costs.

(iii) Financial Strategy

The Investment Corporation's basic policy is to build a stable and sound financial base for the purpose of securing stable earnings over the medium to long term and achieving sustainable growth in the property portfolio. In order to realize this basic policy, the Investment Corporation shall procure and manage funds in accordance with the following policies.

(a) Fund Procurement (Equity Financing)

We may flexibly issue additional investment units for the purpose of property acquisitions, repair of properties, payment of management expenses of the Investment Corporation including repayment of borrowings or other activities and are mindful of the potential of dilution of our investment units in considering economic conditions and other factors.

(b) Fund Procurement (Debt Financing)

The Investment Corporation may borrow funds or issue investment corporation bonds (including short-term investment corporation bonds) contributing to the steady growth of investment assets and efficient and stable management of the Investment Corporation's assets for the purpose of asset acquisition, payment of repair expenses or distributions, funding required for the Investment Corporation's management, or repayment of debts (including refund of leasehold and security deposits, repayment of borrowings, and redemption of investment corporation bonds).

With regard to lenders, the Investment Corporation will establish a stable bank formation that focuses on procurement from major financial institutions, and will consider various borrowing methods including commitment lines, and give consideration to the fixed and floating ratio and diversification of repayment deadlines.

(c) LTV

LTV (Note) shall be in principle no higher than 60%, with attention paid to securing sufficient funds.

(Note) LTV (%) = (a / b) × 100 (%)

a = Balance of interest-bearing debt at end of period

b = Total assets at end of period

b. Operating Results Forecast

The Investment Corporation's operating results for the period ending February 28, 2023, and the period ending August 31, 2023, is forecast as follows. For notes regarding assumptions underlying these forecasts, please refer to "Assumptions for the Forecasts of Financial Results for the Fiscal Periods Ending February 28, 2023, and August 31, 2023" on page 9.

	Operating revenues	Operating income	Ordinary income	Net income	Distributions per unit (not including distributions in excess of earnings per unit)	Distributions in excess of earnings per unit	Distributions per unit (including distributions in excess of earnings)
Fiscal period ending February 28, 2023 (10th FP)	3,495 million yen	1,955 million yen	1,610 million yen	1,610 million yen	2,710 yen	— yen	2,710 yen
Fiscal period ending August 31, 2023 (11th FP)	3,478 million yen	1,948 million yen	1,600 million yen	1,599 million yen	2,554 yen	— yen	2,554 yen

(Note) The above forecast figures are calculated based on certain assumptions, and actual operating revenues, operating income, ordinary income, net income, distributions per unit and distributions in excess of earnings per unit may vary due to future acquisitions or sales of real estate, etc., changes in the real estate market, etc., fluctuations in interest rates, changes in other circumstances surrounding the Investment Corporation and other factors, and this forecast is not a guarantee of the figures provided.

### 3) Significant Subsequent Events

#### a. Issuance of new investment units

Pursuant to resolutions made at the Board of Directors' meetings held on August 15, 2022, and August 23, 2022, regarding the issuance of new investment units, the Investment Corporation issued 63,600 new investment units through primary offering, for which payment of 6,418,957,200 yen was completed on September 1, 2022. As a result, unitholders' capital was 63,801,091,700 yen and the total number of investment units issued and outstanding was 638,600 units as of September 1, 2022.

<Issuance of New Investment Units through Public Offering (Primary Offering)>

- Number of new units issued 63,600 units
- Issue price (offer price) 104,685 yen per unit
- Total issue price (total offer price) 6,657,966,000 yen
- Issue amount (paid-in amount) 100,927 yen per unit
- Total issue price (total paid-in amount) 6,418,957,200 yen
- Payment date September 1, 2022
- Purpose of funds raised Allocation to acquisition of new domestic real estate trust beneficiary interests per "c. Acquisition of Assets," below, and allocation to a portion of associated costs.

#### b. Borrowing of Funds

In order to allocate funds to acquisition of new domestic real estate trust beneficiary interest per "c. Acquisition of Assets," below, and to a portion of their associated expenses, as well as for repayment of existing borrowings, the Investment Company conducted the following borrowings on September 2, 2022.

Category (Note 1)	Lender	Amount borrowed (million yen)	Interest rate (Note 3)	Drawdown date	Repayment date (Note 4)	Repayment method	Notes
Long-term loans payable	A syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation (Note 2)	5,780	0.85940%	September 2, 2022	February 26, 2027	Lump-sum repayment on maturity	Unguaranteed/unsecured

(Note 1) "Long-term loans payable" refers to loans with a maturity of more than one year from the drawdown date to the repayment date.

(Note 2) The "syndicate of lenders" is composed of Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Shinsei Bank, Ltd., Sumitomo Mitsui Trust Bank, Ltd., Aozora Bank, Ltd., Daishi Hokuetsu Bank, Ltd., The Asahi Shinkin Bank, Aichi Bank, Ltd., The Chiba Bank, Ltd., The Bank of Fukuoka, Ltd., and The Yamagata Bank, Ltd.

(Note 3) The first interest payment date shall be November 30, 2022, and subsequent interest payment dates shall be the last day of every third month thereafter and the principal repayment date. However, if the payment date is not a bank business day, this shall fall on the next business day, and if the next business day falls in the next month, this shall fall on the previous business day.

(Note 4) After the borrowing commences and up to the repayment date, all or part of the borrowings may be repaid in advance upon prior written notice, provided that certain conditions are met. If the repayment date is not a bank business day, the repayment date shall become the business day immediately following the repayment date, and if the following business day is in the next month, this shall become the previous business day.

c. Acquisition of Assets

The Investment Corporation acquired the following domestic real estate trust beneficiary interests on September 2, 2022.

Category	Property number (Note 1)	Property name	Location	Acquisition price (million yen) (Note 2)	Seller
Residence	R-23	LUXENA KITASENJU	Adachi Ward, Tokyo	1,540	Takara Leben Co., Ltd.
	R-24	La Vita Higashi Ueno	Taito Ward, Tokyo	1,280	
	R-25	LUXENA JOSHIN	Nagoya City, Aichi	620	
	R-26	LUXENA UMEKOJI-KYOTONISHI	Kyoto City, Kyoto	725	
	R-27	LUXENA KIYOMIZU-GOJO	Kyoto City, Kyoto	515	
	R-28	La Vita Nijo Gekko	Kyoto City, Kyoto	515	
	R-29	La Vita Toji	Kyoto City, Kyoto	465	
	R-30	Pleiades Namba east	Osaka City, Osaka	675	
Retail and Other	C-13	Kaden Sumairu Kan×YAMADA web.com Nara	Nara City, Nara	4,850	Undisclosed (Note 3)
Total			-	11,185	

(Note 1) The code “R” represents residential properties and “C” represents retail and other properties.

(Note 2) “Acquisition price” refers to the purchase price (not including consumption tax, local consumption tax, and miscellaneous expenses required in acquisition) stated in the real estate trust beneficiary interests purchase agreement for each investment asset, rounded down to the nearest million yen.

(Note 3) For Kaden Sumairu Kan×YAMADA web.com Nara, though the seller is a domestic limited liability company, this information is undisclosed as the seller has not provided consent for disclosure.

(Reference Data)

The Investment Corporation disposed the following real estate trust beneficiary interest after the date of the fiscal period end.

Transfer of Assets

Category	Property number (Note 1)	Property name	Location	Disposition date	Disposition price (Note 2)	Type of asset	Buyer
Hotel	H-02	Hotel Sunshine Utsunomiya	Utsunomiya City, Tochigi	September 20, 2022	2,200 million yen	Trust beneficiary interest	Ichigo Hotel REIT Investment Corporation
Retail and Other	C-02	Co-op Sapporo Syunko	Asahikawa City, Hokkaido	October 7, 2022	1,110 million yen	Trust beneficiary interest	Kenedix Retail REIT Corporation

(Note 1) The code “H” represents hotel properties and “C” represents retail and other properties.

(Note 2) “Transfer price” refers to the purchase price (not including consumption tax, local consumption tax, and miscellaneous expenses required in transfer) stated in the real estate trust beneficiary interests purchase agreement.

(2) Investment Risk

Disclosure is omitted as there are no significant changes from “Investment Risk” as provided in the Securities Registration Statement (submitted on August 15, 2022).



Assumptions for the Forecasts of Financial Results for the Fiscal Periods Ending February 28, 2023, and August 31, 2023

Item	Assumptions																														
Calculation period	<ul style="list-style-type: none"> <li>Fiscal period ending February 28, 2023 (10th Period: from September 1, 2022 to February 28, 2023) (181 days)</li> <li>Fiscal period ending August 31, 2023 (11th Period: from March 1, 2023 to August 31, 2023) (184 days)</li> </ul>																														
Property portfolio	<ul style="list-style-type: none"> <li>It is assumed that there will be no changes (acquisition of new assets, disposal of property portfolio, etc.) to the total of 55 properties as of the date of this document (hereinafter, "Owned Assets") by the end of the fiscal period ending August 31, 2023 (11th Period).</li> <li>The actual property portfolio may vary due to the acquisition of new properties or the disposal of Owned Assets, etc.</li> </ul>																														
Operating revenues	<ul style="list-style-type: none"> <li>Operating revenues from Owned Assets are based on the expected occupancy rate and the expected rent fluctuations, in turn based on the assumptions of tenant fluctuation and rent level, the contents of lease agreement that are effective as of the date of this document.</li> <li>Forecasts are based on the assumption that there will be no delay in payment of rent or non-payments by the tenant.</li> <li>Leasing business revenues have been calculated with consideration of impact from the spread of COVID-19.</li> </ul>																														
Operating expenses	<ul style="list-style-type: none"> <li>The main operating expenses are as follows: <table border="0" style="margin-left: 40px;"> <thead> <tr> <th></th> <th align="center">Fiscal period ending February 28, 2023 (10th FP)</th> <th align="center">Fiscal period ending August 31, 2023 (11th FP)</th> </tr> </thead> <tbody> <tr> <td>Property-related expenses total</td> <td align="right">1,164 million yen</td> <td align="right">1,139 million yen</td> </tr> <tr> <td>    Subcontract expenses</td> <td align="right">259 million yen</td> <td align="right">215 million yen</td> </tr> <tr> <td>    (Of which, maintenance expenses)</td> <td align="right">205 million yen</td> <td align="right">161 million yen</td> </tr> <tr> <td>    (Of which, property management fees)</td> <td align="right">53 million yen</td> <td align="right">54 million yen</td> </tr> <tr> <td>    Repair expenses</td> <td align="right">65 million yen</td> <td align="right">55 million yen</td> </tr> <tr> <td>    Taxes and dues</td> <td align="right">226 million yen</td> <td align="right">252 million yen</td> </tr> <tr> <td>    Depreciation</td> <td align="right">475 million yen</td> <td align="right">483 million yen</td> </tr> <tr> <td>Non-property-related expenses total</td> <td align="right">375 million yen</td> <td align="right">389 million yen</td> </tr> <tr> <td>    Asset management fees</td> <td align="right">166 million yen</td> <td align="right">171 million yen</td> </tr> </tbody> </table> </li> <li>Property-related expenses constituting major operating expenses other than depreciation are calculated based on historical data and these costs reflect expected fluctuations.</li> <li>Depreciation expenses are calculated using the straight-line depreciation method, including certain ancillary expenses.</li> <li>In accounting for property tax, city planning tax, etc. ("property tax, etc.") on Owned Assets, of the tax amount assessed and determined, the amount corresponding to the concerned calculation period is expensed as expenses related to rent business. In general, upon acquisition of real estate, etc., property taxes, etc. are calculated on a pro-rata basis for the period with the previous owner and settled at the time of acquisition. The amount equivalent to this settlement is included in the acquisition cost and is not recorded as an expense.</li> <li>As for repair expenses, the amount assumed as necessary for each property is based on the repair plan of the Asset Management Company for each fiscal period. However, the repair expenses may be substantially different from the expected amount during the operating period due to certain unexpected factors, including the fact that amounts generally differ greatly from period to period, and those amounts are not incurred on a regular basis.</li> </ul>		Fiscal period ending February 28, 2023 (10th FP)	Fiscal period ending August 31, 2023 (11th FP)	Property-related expenses total	1,164 million yen	1,139 million yen	Subcontract expenses	259 million yen	215 million yen	(Of which, maintenance expenses)	205 million yen	161 million yen	(Of which, property management fees)	53 million yen	54 million yen	Repair expenses	65 million yen	55 million yen	Taxes and dues	226 million yen	252 million yen	Depreciation	475 million yen	483 million yen	Non-property-related expenses total	375 million yen	389 million yen	Asset management fees	166 million yen	171 million yen
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Non-property-related expenses total	375 million yen	389 million yen																													
Asset management fees	166 million yen	171 million yen																													
Non-operating expenses	<ul style="list-style-type: none"> <li>The costs to issue and list the new investment units will be amortized on a monthly basis over three years from the time they are incurred and are expected to be 8 million yen and 8 million yen for the fiscal periods ending February 28, 2023 (10th Period) and August 31, 2023 (11th Period), respectively.</li> <li>For interest expenses and other borrowing-related costs, 335 million yen and 339 million yen are expected for the fiscal periods ending February 28, 2023 (10th Period) and August 31, 2023 (11th Period), respectively.</li> </ul>																														

Item	Assumptions
Interest-bearing debt	<ul style="list-style-type: none"> <li>• It is assumed that the total amount of interest-bearing debt will be 63,080 million yen as of the end of each of the fiscal periods ending February 28, 2023 (10th Period) and August 31, 2023 (11th Period), respectively.</li> <li>• The LTV ratio is expected to be around 47.2% as of the end of each of the fiscal periods ending February 28, 2023 (10th Period) and August 31, 2023 (11th Period).</li> <li>• The LTV ratio is calculated using the following formula: LTV ratio = (Total amount of interest-bearing debt as of the end of the fiscal period / Total assets as of the end of the fiscal period) × 100</li> </ul>
Investment units	<ul style="list-style-type: none"> <li>• It is assumed that there will be no change in the number of investment units issued and outstanding as of the date of this document (638,600) due to no issuance of new investment units by the end of the fiscal period ending August 31, 2023 (11th Period).</li> </ul>
Distributions per unit (excluding excess of earnings per unit)	<ul style="list-style-type: none"> <li>• Distributions per unit (not including distributions in excess of earnings) are calculated based on the cash distribution policy stipulated in the Investment Corporation's Articles of Incorporation.</li> <li>• For both of the fiscal periods ending February 28, 2023 (10th Period) and August 31, 2023 (11th Period), it is assumed that the amount obtained by adding a portion of the reserve carry-forwarded in addition to the net benefit will be distributed as a benefit allotment.</li> <li>• Actual distributions per unit (not including distributions in excess of earnings) may fluctuate due to various factors including changes in rental revenues, changes in investment assets and tenants, and unexpected repairs and other factors.</li> </ul>
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> <li>• Distribution in excess of earnings is not scheduled at this point.</li> </ul>
Other	<ul style="list-style-type: none"> <li>• It is assumed that there will be no change in laws and regulations, the taxation system, accounting standards, the Securities Listing Regulations of the Tokyo Stock Exchange, or the rules of the Investment Trust Association, Japan, etc. that could affect the above forecasts.</li> <li>• It is assumed that there will be no unexpected significant change in general economic trends, real estate market conditions, etc.</li> </ul>

## 2. Financial Statements

### (1) Balance Sheet

(Unit: thousand yen)

	8th Fiscal Period (As of February 28, 2022)	9th Fiscal Period (As of August 31, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	7,587,926	3,619,842
Cash and deposits in trust	2,570,032	2,577,890
Operating accounts receivable	91,074	93,166
Prepaid expenses	340,073	402,779
Consumption taxes receivable	99,075	-
Other	13,890	4,363
<b>Total current assets</b>	<b>10,702,072</b>	<b>6,698,042</b>
Non-current assets		
Property, plant and equipment		
Buildings	4,035,541	4,037,705
Accumulated depreciation	(202,130)	(250,594)
<b>Buildings, net</b>	<b>3,833,411</b>	<b>3,787,111</b>
Structures	28,587	28,587
Accumulated depreciation	(781)	(1,021)
<b>Structures, net</b>	<b>27,806</b>	<b>27,566</b>
Machinery and equipment	47,540	47,540
Accumulated depreciation	(5,942)	(7,131)
<b>Machinery and equipment, net</b>	<b>41,598</b>	<b>40,409</b>
Tools, furniture and fixtures	32,371	33,092
Accumulated depreciation	(5,081)	(7,728)
<b>Tools, furniture and fixtures, net</b>	<b>27,289</b>	<b>25,363</b>
Land	6,280,425	6,280,425
Buildings in trust	26,777,053	28,553,907
Accumulated depreciation	(1,705,859)	(2,066,020)
<b>Buildings in trust, net</b>	<b>25,071,194</b>	<b>26,487,887</b>
Structures in trust	135,527	147,154
Accumulated depreciation	(5,318)	(6,836)
<b>Structures in trust, net</b>	<b>130,209</b>	<b>140,318</b>
Machinery and equipment in trust	-	9,793
Accumulated depreciation	-	(274)
<b>Machinery and equipment in trust, net</b>	<b>-</b>	<b>9,519</b>
Tools, furniture and fixtures in trust	59,085	85,117
Accumulated depreciation	(10,381)	(15,226)
<b>Tools, furniture and fixtures in trust, net</b>	<b>48,704</b>	<b>69,891</b>
Land in trust	74,244,525	77,753,189
Construction in progress in trust	362	8,851
<b>Total property, plant and equipment</b>	<b>109,705,526</b>	<b>114,630,532</b>
Intangible assets		
Software	1,925	2,362
<b>Total intangible assets</b>	<b>1,925</b>	<b>2,362</b>
Investments and other assets		
Long-term prepaid expenses	866,666	940,826
Leasehold and security deposits	11,000	11,000
Other	10	10
<b>Total investments and other assets</b>	<b>877,676</b>	<b>951,836</b>
<b>Total non-current assets</b>	<b>110,585,127</b>	<b>115,584,731</b>
Deferred assets		
Investment unit issuance costs	31,898	20,211
<b>Total deferred assets</b>	<b>31,898</b>	<b>20,211</b>
<b>Total assets</b>	<b>121,319,099</b>	<b>122,302,985</b>

(Unit: thousand yen)

	8th Fiscal Period (As of February 28, 2022)	9th Fiscal Period (As of August 31, 2022)
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	339,756	310,387
Short-term loans payable	-	975,000
Current portion of long-term loans payable	9,950,000	6,000,000
Current portion of tenant leasehold and security deposits in trust	62,103	62,103
Accounts payable – other	220,030	238,190
Accrued expenses	15,585	21,443
Income taxes payable	599	598
Accrued consumption taxes	-	131,364
Advances received	23,628	8,499
Derivative liabilities	2,041	-
Other	10,922	7,156
Total current liabilities	10,624,667	7,754,743
Non-current liabilities		
Long-term loans payable	47,350,000	51,300,000
Tenant leasehold and security deposits	205,625	198,676
Tenant leasehold and security deposits in trust	3,729,323	3,672,238
Asset retirement obligations	88,970	89,310
Other	-	32,757
Total non-current liabilities	51,373,919	55,292,983
Total liabilities	61,998,586	63,047,726
<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	57,382,134	57,382,134
Deduction from unitholders' capital		
Allowance for temporary difference adjustments	*1 (11,086)	*1 (10,218)
Total deduction from unitholders' capital	(11,086)	(10,218)
Unitholders' capital, net	57,371,047	57,371,916
Surplus		
Unappropriated retained earnings (undisposed loss)	1,951,506	1,883,342
Total surplus	1,951,506	1,883,342
Total unitholders' equity	59,322,554	59,255,258
Valuation and translation adjustments		
Deferred gains or losses on hedges	(2,041)	-
Total valuation and translation adjustments	(2,041)	-
Total net assets	*2 59,320,513	*2 59,255,258
Total liabilities and net assets	121,319,099	122,302,985

## (2) Statements of Income

(Unit: thousand yen)

	8th Fiscal Period (from September 1, 2021 to February 28, 2022)	9th Fiscal Period (from March 1, 2022 to August 31, 2022)
<b>Operating revenues</b>		
Leasing business revenue	*1 3,155,564	*1 3,163,845
Other leasing business revenue	*1 154,224	*1 133,435
Gain on sales of real estate properties	*2 720,791	*2 248,108
<b>Total operating revenue</b>	<b>4,030,579</b>	<b>3,545,389</b>
<b>Operating expenses</b>		
Expenses related to leasing business	*1 1,049,365	*1 1,122,990
Loss on sales of real estate properties	*3 555,207	-
Asset management fees	168,286	199,266
Asset custody and administrative service fees	25,419	23,642
Directors' compensations	2,400	2,400
Taxes and dues	81,478	109,941
Other operating expenses	55,244	66,876
<b>Total operating expenses</b>	<b>1,937,401</b>	<b>1,525,116</b>
<b>Operating income</b>	<b>2,093,178</b>	<b>2,020,272</b>
<b>Non-operating income</b>		
Interest income	36	41
Reversal of distributions payable	207	832
Refund of property taxes	794	-
Interest on tax refund	736	122
Income from insurance claims	1,111	2,327
Other	-	952
<b>Total non-operating income</b>	<b>2,885</b>	<b>4,275</b>
<b>Non-operating expenses</b>		
Interest expenses	177,228	184,114
Borrowing related expenses	100,168	101,437
Amortization of investment unit issuance costs	11,687	11,687
<b>Total non-operating expenses</b>	<b>289,084</b>	<b>297,239</b>
<b>Ordinary income</b>	<b>1,806,980</b>	<b>1,727,309</b>
Income before income taxes	1,806,980	1,727,309
Income taxes – current	605	605
Income taxes – deferred	4,924	-
<b>Total income taxes</b>	<b>5,529</b>	<b>605</b>
<b>Net income</b>	<b>1,801,451</b>	<b>1,726,704</b>
Retained earnings brought forward	150,055	156,638
Unappropriated retained earnings (undisposed loss)	1,951,506	1,883,342

## (3) Statement of Changes in Net Assets

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

(Unit: thousand yen)

	Unitholders' equity						
	Unitholders' capital				Surplus		Total unitholders' equity
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus	
Allowance for temporary difference adjustments		Total deduction from unitholders' capital					
Balance at beginning of period	45,189,272	(21,279)	(21,279)	45,167,992	1,619,897	1,619,897	46,787,890
Changes during the period							
Issuance of new investment units	12,192,862			12,192,862			12,192,862
Dividends of surplus					(1,459,650)	(1,459,650)	(1,459,650)
Reversal of allowance for temporary difference adjustments		10,192	10,192	10,192	(10,192)	(10,192)	-
Net income					1,801,451	1,801,451	1,801,451
Net changes of items other than unitholders' equity							
Total changes during the period	12,192,862	10,192	10,192	12,203,055	331,608	331,608	12,534,663
Balance at end of period	*1 57,382,134	(11,086)	(11,086)	57,371,047	1,951,506	1,951,506	59,322,554

(Unit: thousand yen)

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(2,909)	(2,909)	46,784,980
Changes during the period			
Issuance of new investment units			12,192,862
Dividends of surplus			(1,459,650)
Reversal of allowance for temporary difference adjustments			-
Net income			1,801,451
Net changes of items other than unitholders' equity	868	868	868
Total changes during the period	868	868	12,535,532
Balance at end of period	(2,041)	(2,041)	59,320,513

9th Fiscal Period (from March 1, 2022 to August 31, 2022)

(Unit: thousand yen)

	Unitholders' equity						
	Unitholders' capital				Surplus		Total unitholders' equity
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus	
		Allowance for temporary difference adjustments	Total deduction from unitholders' capital				
Balance at beginning of period	57,382,134	(11,086)	(11,086)	57,371,047	1,951,506	1,951,506	
Changes during the period							
Dividends of surplus					(1,794,000)	(1,794,000)	(1,794,000)
Reversal of allowance for temporary difference adjustments		868	868	868	(868)	(868)	-
Net income					1,726,704	1,726,704	1,726,704
Net changes of items other than unitholders' equity							
Total changes during the period	-	868	868	868	(68,163)	(68,163)	(67,295)
Balance at end of period	*1 57,382,134	(10,218)	(10,218)	57,371,916	1,883,342	1,883,342	59,255,258

(Unit: thousand yen)

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(2,041)	(2,041)	59,320,513
Changes during the period			
Dividends of surplus			(1,794,000)
Reversal of allowance for temporary difference adjustments			-
Net income			1,726,704
Net changes of items other than unitholders' equity	2,041	2,041	2,041
Total changes during the period	2,041	2,041	(65,254)
Balance at end of period	-	-	59,255,258

## (4) Statements of Cash Distributions

(Unit: yen)

Category	8th Fiscal Period (from September 1, 2021 to February 28, 2022)	9th Fiscal Period (from March 1, 2022 to August 31, 2022)
I. Unappropriated retained earnings	1,951,506,436	1,883,342,630
II. Distributions in excess of earnings	-	-
Distributions in excess of earnings from allowance for temporary difference adjustments	-	-
III. Reversal of distributions in excess of earnings in previous periods	868,421	1,681,368
Reversal of allowance for temporary difference adjustments	868,421	1,681,368
IV. Distributions	1,794,000,000	1,729,600,000
[Distributions per unit]	(3,120)	(3,008)
Distributions of earnings	1,794,000,000	1,729,600,000
[Distributions of earnings per unit]	(3,120)	(3,008)
Distributions in excess of earnings from allowance for temporary difference adjustments	-	-
[Distributions in excess of earnings from allowance for temporary difference adjustments per unit]	(-)	(-)
V. Retained earnings carried forward	156,638,015	152,061,262
Method of calculation of amount of cash distributions	<p>Pursuant to the cash distribution policy defined in Article 36, Paragraph 1, Item 1 of the Articles of Incorporation of the Investment Corporation, it shall distribute in excess of the amount equivalent to 90% of the amount of distributable income of the Investment Corporation as defined in Article 67-15, Item 1 of the Act on Special Measures Concerning Taxation. In accordance with this policy, the Investment Corporation decided profit distribution (excluding the amount in excess of earnings) as 1,794,000,000 yen for the period.</p> <p>The amount of this profit distribution is the entire amount after deducting 156,638,015 yen as internal reserve for the purpose of stabilizing future distributions and the reversal of the allowance for temporary difference adjustments (as defined in Article 2, Paragraph 2, Item 30 of the Regulation on Accounting at Investment Corporation of Japan) from unappropriated retained earnings. In addition, in consideration of the impact of the temporary difference between accounting and income tax (as defined in Article 2, Paragraph 2, Item 30 (a) of the Regulation on Accounting at Investment Corporation of Japan) on dividends, the Investment Corporation will distribute the amount in excess of earnings which is equivalent to such a temporary difference in accordance with Article 36, Paragraph 1, Item 2 of the Articles of Incorporation. However, no such distribution was made due to internal reserve.</p>	<p>Pursuant to the cash distribution policy defined in Article 36, Paragraph 1, Item 1 of the Articles of Incorporation of the Investment Corporation, it shall distribute in excess of the amount equivalent to 90% of the amount of distributable income of the Investment Corporation as defined in Article 67-15, Item 1 of the Act on Special Measures Concerning Taxation. In accordance with this policy, the Investment Corporation decided profit distribution (excluding the amount in excess of earnings) as 1,729,600,000 yen for the period.</p> <p>The amount of this profit distribution is the entire amount after deducting 152,061,262 yen as internal reserve for the purpose of stabilizing future distributions and the reversal of the allowance for temporary difference adjustments (as defined in Article 2, Paragraph 2, Item 30 of the Regulation on Accounting at Investment Corporation of Japan) from unappropriated retained earnings. In addition, in consideration of the impact of the temporary difference between accounting and income tax (as defined in Article 2, Paragraph 2, Item 30 (a) of the Regulation on Accounting at Investment Corporation of Japan) on dividends, the Investment Corporation will distribute the amount in excess of earnings which is equivalent to such a temporary difference in accordance with Article 36, Paragraph 1, Item 2 of the Articles of Incorporation. However, no such distribution was made due to internal reserve.</p>



## (5) Statements of Cash Flows

(Unit: thousand yen)

	8th Fiscal Period (from September 1, 2021 to February 28, 2022)	9th Fiscal Period (from March 1, 2022 to August 31, 2022)
<b>Cash flows from operating activities</b>		
Income before income taxes	1,806,980	1,727,309
Depreciation	437,070	437,981
Amortization of investment unit issuance costs	11,687	11,687
Borrowing related expenses	92,730	93,409
Interest income	(36)	(41)
Interest expenses	177,228	184,114
Decrease (increase) in operating accounts receivable	13,276	(6,392)
Decrease (increase) in consumption taxes receivable	130,096	99,075
Increase (decrease) in accrued consumption taxes	-	131,364
Decrease (increase) in prepaid expenses	(94,855)	(45,730)
Decrease (increase) in long-term prepaid expenses	(347,959)	(47,666)
Increase (decrease) in operating accounts payable	(32,708)	60,048
Increase (decrease) in accounts payable - other	18,341	26,054
Increase (decrease) in advances received	3,136	(15,128)
Decrease in disposal of property, plant and equipment in trust due to sale	6,270,270	930,789
Other	(4,779)	4,482
Subtotal	8,480,479	3,591,357
Interest income received	36	41
Interest expenses paid	(178,564)	(178,256)
Income taxes paid	(60,195)	(605)
Net cash provided by (used in) operating activities	8,241,756	3,412,537
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(37,730)	(2,898)
Purchase of property, plant and equipment in trust	(28,862,664)	(6,364,931)
Purchase of intangible assets	-	(1,096)
Proceeds from refund of leasehold and security deposits	80	-
Proceeds from tenant leasehold and security deposits	88	8,414
Proceeds from tenant leasehold and security deposits in trust	224,807	11,651
Repayments of tenant leasehold and security deposits in trust	(66,197)	(17,542)
Net cash provided by (used in) investing activities	(28,741,616)	(6,366,403)
<b>Cash flows from financing activities</b>		
Proceeds from short-term loans payable	-	974,800
Proceeds from long-term loans payable	13,690,102	9,814,340
Repayments of long-term loans payable	-	(9,950,000)
Proceeds from issuance of investment units	12,171,458	-
Payment of investment unit issuance costs	-	(8,913)
Distributions paid	(1,459,784)	(1,791,762)
Net cash provided by (used in) financing activities	24,401,776	(961,535)
Net increase (decrease) in cash and cash equivalents	3,901,916	(3,915,402)
Cash and cash equivalents at beginning of period	3,458,106	7,360,022
Cash and cash equivalents at end of period	*1 7,360,022	*1 3,444,620

(6) Going Concern Assumption

Not applicable.

(7) Summary of Significant Accounting Policies

1. Method of Depreciation of Non-Current Assets	<p>(1) Property, plant and equipment (including property, plant and equipment in trust) Depreciation of property, plant and equipment is calculated by the straight-line method over the estimated useful lives as follows:</p> <table border="0"><tr><td>Buildings</td><td>5 to 66 years</td></tr><tr><td>Structures</td><td>10 to 65 years</td></tr><tr><td>Machinery and equipment</td><td>10 to 20 years</td></tr><tr><td>Tools, furniture and fixtures</td><td>2 to 15 years</td></tr></table> <p>(2) Intangible assets Intangible assets are amortized by the straight-line method over the estimated useful lives as follows:</p> <table border="0"><tr><td>Software</td><td>5 years</td></tr></table> <p>(3) Long-term prepaid expenses Long-term prepaid expenses are amortized by the straight-line method.</p>	Buildings	5 to 66 years	Structures	10 to 65 years	Machinery and equipment	10 to 20 years	Tools, furniture and fixtures	2 to 15 years	Software	5 years
Buildings	5 to 66 years										
Structures	10 to 65 years										
Machinery and equipment	10 to 20 years										
Tools, furniture and fixtures	2 to 15 years										
Software	5 years										
2. Accounting for Deferred Assets	<p>Amortization of investment unit issuance costs Investment unit issuance costs are amortized by the straight-line method over three years.</p>										
3. Standards for Revenue and Expense Recognition	<p>1) Standards regarding revenue recognition The details of main performance obligations concerning revenue from contracts with the Investment Corporation's customers and the general timing to satisfy performance obligations (general timing to recognize revenue) are as follows:</p> <p>(1) Sales of real estate properties The Investment Corporation recognizes revenue from sales of real estate properties when buyers, as the customers, obtain control of the real estate properties upon fulfilling its delivery obligations specified in the purchase and sales agreements. On the statement of income, an amount after deducting the "cost of sales of real estate properties" and "other sales expenses" from "revenue on sales of real estate properties" is presented as "gain on sales of real estate properties" or "loss on sales of real estate properties."</p> <p>(2) Utilities reimbursement revenue The Investment Corporation recognizes utilities reimbursement revenue in accordance with the supply of electricity, water, etc. to lessees, as the customers, based on the terms of the lease agreements and the supplementary agreements for the real estate properties.</p> <p>2) Accounting for property tax, etc. Property-related taxes, such as property taxes, city planning taxes and depreciable asset taxes are expensed on an accrual basis. When the Investment Corporation acquires the property, the property-related taxes reimbursed to the seller for the amount related to the period from the acquisition date to the end of the calendar year in which such acquisition occurs is capitalized as acquisition costs. The amount of property-related taxes included in the acquisition cost of real estate was 33,611 thousand yen for the fiscal period ended February 28, 2022 (the 8th period) and 11,724 thousand yen for the fiscal period ended August 31, 2022 (the 9th period).</p>										
4. Method of Hedge Accounting	<p>(1) Method of hedge accounting Deferral hedge accounting is adopted.</p> <p>(2) Hedging instruments and hedged items Hedging instrument: Interest rate swaps Hedged items: Interest on loans</p> <p>(3) Hedging policy The Investment Corporation conducts derivative transactions for the purpose of hedging the risks provided in its Articles of Incorporation pursuant to rules and regulations.</p> <p>(4) Method for assessing hedge effectiveness Hedge effectiveness is determined by comparing the changes in cumulative cash flows of both the hedged item and the hedging instrument.</p>										

5. Scope of Cash and Cash Equivalents on the Statement of Cash Flows	Cash and cash equivalents on the statement of cash flows include cash on hand, entrusted cash, demand deposits, entrusted bank deposits, and short-term investments with a maturity of three months or less from the date of acquisition that are readily convertible to cash that are subject to an insignificant risk of changes in value.
6. Other Matters Serving as the Basis for Preparation of Financial Statements	<p>(1) Accounting policy for trust beneficiary interests in real estate The Investment Corporation accounts for trust beneficiary interests by recognizing all assets and liabilities with respect to the assets in trust as assets and liabilities on the balance sheet and recognizing all income derived from and expenses related to the assets in trust on the statement of income. The following material items of the trust assets recognized in the relevant account item are separately listed on the balance sheet.</p> <ol style="list-style-type: none"> <li>1) Cash and deposits in trust</li> <li>2) Buildings in trust, Structures in trust, Machinery and equipment in trust, Tools, furniture and fixtures in trust, Land in trust, and Construction in progress in trust 3) Current portion of tenant leasehold and security deposits in trust, and Tenant leasehold and security deposits in trust</li> </ol> <p>(2) Accounting for consumption taxes All amounts in the accompanying financial statements exclude consumption taxes. In general, non-deductible consumption taxes are recognized as an expense in the fiscal year in which they are incurred. However, non-deductible consumption taxes related to non-current assets are recorded as long-term prepaid expenses and are amortized equally over 5 years.</p>

(Additional Information)

[Provision and Reversal of Allowance for Temporary Difference Adjustments]

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

1. Details of Allowance for Temporary Difference Adjustments

(Unit: thousand yen)

Item	Reasons for reversal	Changes in allowance for temporary difference adjustments
Deferred gains or losses on hedges	Changes in fair value of derivative transactions	(868)
Total		(868)

2. Reversal of Allowance for Temporary Difference Adjustments

(1) Deferred gains or losses on hedges

The allowance will be reversed corresponding to future change in values of the hedging derivatives.

9th Fiscal Period (from March 1, 2022 to August 31, 2022)

1. Details of Allowance for Temporary Difference Adjustments

(Unit: thousand yen)

Item	Reasons for reversal	Changes in allowance for temporary difference adjustments
Deferred gains or losses on hedges	Termination of derivative transactions	(1,681)
Total		(1,681)

2. Reversal of Allowance for Temporary Difference Adjustments

(1) Deferred gains or losses on hedges

The balance will be reversed due to termination of hedging derivative transactions.

(8) Notes to Financial Statements

[Notes to Balance Sheet]

\*1 Allowance for temporary difference adjustments

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

1. Details of Allowance for Temporary Difference Adjustments

(Unit: thousand yen)

Item	Reason for provision	Initial amount	Balance at the beginning of the period	Provision	Reversal	Balance at the end of the period	Reason for reversal
Buildings in trust	Book-tax differences on recognition of asset retirement obligations	105,723 (Note)	8,537	-	-	8,537	-
Deferred gains or losses on hedges	Valuation losses on interest rate swaps	6,625	12,742	-	(10,192)	2,549	Changes in fair value of derivative transactions
Total		112,348	21,279	-	(10,192)	11,086	-

(Note) The initial amount for buildings in trust is the total amount of temporary differences arising from related assets, which is the basis for provision and reversals.

## 2. Reversal of Allowance for Temporary Difference Adjustments

### (1) Buildings in trust

The allowance for temporary difference adjustments will be reversed corresponding to removal of related assets or the sale of the buildings.

### (2) Deferred gains or losses on hedges

The allowance will be reversed corresponding to future change in values of the hedging derivatives.

9th Fiscal Period (from March 1, 2022 to August 31, 2022)

### 1. Details of Allowance for Temporary Difference Adjustments

(Unit: thousand yen)

Item	Reason for provision	Initial amount	Balance at the beginning of the period	Provision	Reversal	Balance at the end of the period	Reason for reversal
Buildings in trust	Book-tax differences on recognition of asset retirement obligations	105,723 (Note)	8,537	-	-	8,537	-
Deferred gains or losses on hedges	Valuation losses on interest rate swaps	1,627	2,549	-	(868)	1,681	Changes in fair value of derivative transactions
Total		107,350	11,086	-	(868)	10,218	-

(Note) The initial amount for buildings in trust is the total amount of temporary differences arising from related assets, which is the basis for provision and reversals.

## 2. Reversal of Allowance for Temporary Difference Adjustments

### (1) Buildings in trust

The allowance for temporary difference adjustments will be reversed corresponding to removal of related assets or the sale of the buildings.

### (2) Deferred gains or losses on hedges

The allowance will be reversed corresponding to future change in values of the hedging derivatives.

\*2 Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Unit: thousand yen)

8th Fiscal Period (As of February 28, 2022)	9th Fiscal Period (As of August 31, 2022)
50,000	50,000

[Notes to the Statement of Income]

\*1 Breakdown of operating income from real estate leasing business

(Unit: thousand yen)

	8th Fiscal Period (from September 1, 2021 to February 28, 2022)		9th Fiscal Period (from March 1, 2022 to August 31, 2022)	
<b>A. Operating revenue from real estate leasing business</b>				
Leasing business revenue				
Rental revenue	2,860,611		2,895,637	
Common area charges	189,800		167,287	
Parking revenue	81,030		74,764	
Other rental revenue	24,121	3,155,564	26,155	3,163,845
Other leasing business revenue				
Utilities reimbursement revenue	127,609		111,741	
Other revenue	26,615	154,224	21,694	133,435
Total operating revenue from real estate leasing business		3,309,788		3,297,281
<b>B. Operating expenses from real estate leasing business</b>				
Expenses related to leasing business				
Management fees	209,743		225,506	
Utilities expenses	117,464		124,783	
Taxes and dues	178,310		231,033	
Insurance premiums	6,663		6,431	
Repair expenses	82,868		81,090	
Trust fees	13,572		13,033	
Depreciation	436,520		437,322	
Other expenses	4,223		3,788	
Total operating expenses from real estate leasing business		1,049,365		1,122,990
C. Operating income from real estate leasing business (A-B)		2,260,422		2,174,290

\*2 Breakdown of gain on sales of real estate properties

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

SAMTY Shin-Osaka Center Building		(Unit: thousand yen)
Revenue on sales of real estate properties		4,000,000
Cost of sales of real estate properties	3,408,192	
Other sales expenses	72,631	
Gain on sales of real estate properties		519,175

Chuo Bakuromachi Building (37% quasi-co-ownership interest)	(Unit: thousand yen)
Revenue on sales of real estate properties	714,690
Cost of sales of real estate properties	546,920
Other sales expenses	23,792
Gain on sales of real estate properties	143,978

Shinsaibashi Building	(Unit: thousand yen)
Revenue on sales of real estate properties	848,945
Cost of sales of real estate properties	764,298
Other sales expenses	27,009
Gain on sales of real estate properties	57,636

9th Fiscal Period (from March 1, 2022 to August 31, 2022)

Chuo Bakuromachi Building (63% quasi-co-ownership interest)	(Unit: thousand yen)
Revenue on sales of real estate properties	1,228,500
Cost of sales of real estate properties	930,789
Other sales expenses	49,601
Gain on sales of real estate properties	248,108

\*3 Breakdown of loss on sales of real estate properties

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

Nagano Central Building	(Unit: thousand yen)
Revenue on sales of real estate properties	778,162
Cost of sales of real estate properties	924,295
Other sales expenses	12,667
Loss on sales of real estate properties	158,800

Yamagata Ekimae-dori Building	(Unit: thousand yen)
Revenue on sales of real estate properties	233,743
Cost of sales of real estate properties	626,563
Other sales expenses	3,586
Loss on sales of real estate properties	396,406

9th Fiscal Period (from March 1, 2022 to August 31, 2022)

Not applicable.

[Notes to the Statement of Changes in Net Assets]

\*1 Total number of investment units authorized, and total number of investment units issued and outstanding

	8th Fiscal Period (from September 1, 2021 to February 28, 2022)	9th Fiscal Period (from March 1, 2022 to August 31, 2022)
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	575,000 units	575,000 units

[Notes to the Statement of Cash Flows]

\*1 Reconciliation between cash and cash equivalents at end of period and relevant amount on the balance sheet

	8th Fiscal Period (from September 1, 2021 to February 28, 2022)	9th Fiscal Period (from March 1, 2022 to August 31, 2022)
Cash and deposits	7,587,926 thousand yen	3,619,842 thousand yen
Cash and deposits in trust	2,570,032 thousand yen	2,577,890 thousand yen
Restricted deposits (Note)	(2,797,936 thousand yen)	(2,753,112 thousand yen)
Cash and cash equivalents	7,360,022 thousand yen	3,444,620 thousand yen

(Note) Deposits and deposits in trust are reserved for the repayment of security deposits from tenants.

[Lease Transactions]

Disclosure is omitted due to immateriality.

[Financial Instruments]

1. Our Policy on Financial Instruments

(1) Policy for financial instruments

The Investment Corporation's financing policy is to maintain a sound financial foundation by improving balance sheet stability for the purpose of producing stable profits and achieving continued growth of the Investment Corporation's unit holder value through equity and debt financing. The Investment Corporation effectively controls debt maturities by diversifying the repayment dates and maintains diversified funding sources and multiple financing options as well as an appropriate level of fixed interest rate ratio.

The Investment Corporation conducts equity financing at appropriate timing when the Investment Corporation needs funds to acquire properties, conducts repairs and other work, pays expenses to operate the Investment Corporation and repay the Investment Corporation's obligations upon considering the dilutive effect of equity finance and market conditions. The Investment Corporation will consider the market risk and liquidity risk when the Investment Corporation invests surplus funds.

The Investment Corporation invests in financial derivative transactions only to reduce the Investment Corporation's interest rate fluctuation risk and not for speculative purposes.

(2) Financial instrument risk management

The Investment Corporation takes out borrowings to acquire the properties and repay the Investment Corporation's indebtedness and is exposed to refinancing and interest rate risks. The Investment Corporation minimizes those risks by diversifying funding sources and maintaining an appropriate level of LTV through equity financing and fixed interest rate ratio.

(3) Supplementary information on fair value of financial instruments

The fair value of financial instruments is determined based on the market price. When there is no market price, the fair value of financial instruments is determined by a reasonable calculation. Because the certain assumptions are adopted in the calculation of the above value, the value may differ depending on different assumptions.



## 2. Fair Value of Financial Instruments

The carrying amount, the fair value, and the difference between them as of February 28, 2022, are as follows. The notes for “cash and deposits” and “cash and deposits in trust” are omitted as they are cash and short-term settlements, and the fair value approximates the book value. In addition, the notes for “current portion of tenant leasehold and security deposits in trust,” “tenant leasehold and security deposits” and “tenant leasehold and security deposits in trust” are omitted because they are immaterial.

(Unit: thousand yen)

	Carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	9,950,000	9,950,000	-
(2) Long-term loans payable	47,350,000	47,250,328	(99,671)
(3) Derivative transactions (*)	(2,041)	(2,041)	-

(\*) Assets and liabilities arising from derivative transactions are offset and presented in the net amount, with the balance shown in parentheses () when in a net liability position.

The carrying amount, the fair value, and the difference between them as of August 31, 2022, are as follows. The notes for “cash and deposits,” “cash and deposits in trust,” and “short-term loans payable” are omitted as they are cash and short-term settlements, and the fair value approximates the book value. In addition, the notes for “current portion of tenant leasehold and security deposits in trust,” “tenant leasehold and security deposits” and “tenant leasehold and security deposits in trust” are omitted because they are immaterial.

(Unit: thousand yen)

	Carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	6,000,000	6,000,000	-
(2) Long-term loans payable	51,300,000	51,121,687	(178,312)

(Note 1) Calculation method of fair value of financial instruments

(1) Current portion of long-term loans payable; (2) Long-term loans payable

Of long-term loans payable, those with fixed interest rates are calculated by discounting the total amount of principal and interest by the interest rate assumed to be applied if a new similar loan is taken out corresponding to the remaining period. As interest rates of long-term loans payable with floating interest rates are reflected by market interest rates periodically, their fair values are considered to be approximately equal to their book values.

(3) Derivative transactions

Please refer to “Derivative Transactions” later in this document.

(Note 2) Maturity analysis of long-term loans payable (February 28, 2022)

(Unit: thousand yen)

	Due within 1 year	Due after 1 year and within 2 years	Due after 2 years and within 3 years	Due after 3 years and within 4 years	Due after 4 years and within 5 years	Due after 5 years
Long-term loans payable	9,950,000	6,000,000	16,900,000	16,600,000	7,850,000	-
Total	9,950,000	6,000,000	16,900,000	16,600,000	7,850,000	-

Maturity analysis of long-term loans payable (August 31, 2022)

(Unit: thousand yen)

	Due within 1 year	Due after 1 year and within 2 years	Due after 2 years and within 3 years	Due after 3 years and within 4 years	Due after 4 years and within 5 years	Due after 5 years
Long-term loans payable	6,000,000	9,550,000	17,400,000	14,400,000	5,060,000	4,890,000
Total	6,000,000	9,550,000	17,400,000	14,400,000	5,060,000	4,890,000

[Securities]

8th Fiscal Period (As of February 28, 2022)

Not applicable.

9th Fiscal Period (As of August 31, 2022)

Not applicable.

[Derivative Transactions]

1. Derivative Transactions to Which Hedge Accounting Is Not Applied

8th Fiscal Period (As of February 28, 2022)

Not applicable.

9th Fiscal Period (As of August 31, 2022)

Not applicable.

2. Derivative Transactions to Which Hedge Accounting Is Applied

8th Fiscal Period (As of February 28, 2022)

The following is the contract amount, or the notional principal provided in the contract as of the date of the fiscal period end for each method of hedge accounting.

(Unit: thousand yen)

Method of hedge accounting	Derivative instruments	Hedged item	Contract amount (Note 1)		Fair value (Note 2)
				Due after 1 year	
Deferred hedge accounting	Interest rate swap floating receivable; fixed payable	Long-term loans payable	5,000,000	-	(2,041)

(Note 1) Contract amount is based on notional principal.

(Note 2) Fair value is calculated based on the price quoted by financial institutions.

9th Fiscal Period (As of August 31, 2022)

Not applicable.

[Retirement Benefits]

8th Fiscal Period (As of February 28, 2022)

Not applicable.

9th Fiscal Period (As of August 31, 2022)

Not applicable.

[Tax Effect Accounting]

1. Breakdown of Deferred Tax Assets and Deferred Tax Liabilities

(Unit: thousand yen)

	8th Fiscal Period (As of February 28, 2022)	9th Fiscal Period (As of August 31, 2022)
Deferred tax assets		
Asset retirement obligations	27,990	28,097
Deferred consumption taxes	43	34
Deferred gains or losses on hedges	642	-
Subtotal of deferred tax assets	28,675	28,131
Valuation allowance	(5,344)	(5,333)
Total deferred tax assets	23,330	22,797
Deferred tax liabilities		
Building and equipment corresponding to the asset retirement obligations	23,330	22,797
Total deferred tax liabilities	23,330	22,797
Deferred tax assets, net	-	-

2. Reconciliation of Significant Differences Between the Statutory Tax Rate and the Effective Income Tax Rate

(Unit: %)

	8th Fiscal Period (As of February 28, 2022)	9th Fiscal Period (As of August 31, 2022)
Statutory tax rate	31.46	31.46
(Adjustments)		
Deductible distributions	(31.23)	(31.50)
Other	0.08	0.08
Effective income tax rate	0.31	0.04

[Related-Party Transactions]

1. Parent Company and Major Corporate Unitholders

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

Not applicable.

9th Fiscal Period (from March 1, 2022 to August 31, 2022)

Not applicable.

## 2. Affiliated Companies

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

Not applicable.

9th Fiscal Period (from March 1, 2022 to August 31, 2022)

Not applicable.

## 3. Fellow Subsidiaries

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

Not applicable.

9th Fiscal Period (from March 1, 2022 to August 31, 2022)

Not applicable.

## 4. Directors and Major Individual Unitholders

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

Type	Name	Location	Stated capital (million yen)	Business or occupation	Percentage of voting rights (owned) (%)	Relationship	Transaction	Transaction amount (thousand yen)	Account item	Balance at end of period (thousand yen)
Director	Tetsuo Saida	-	-	Executive Director, Takara Leben Real Estate Investment Corporation and Representative Director, President, Takara PAG Real Estate Advisory Ltd.	-	Executive Director, Takara Leben Real Estate Investment Corporation and Representative Director, President, Takara PAG Real Estate Advisory Ltd.	Payment of asset management fee to the Asset Management Company	416,036	Accounts payable – other	185,115

(Note 1) The transaction amount does not include consumption tax, while the balance at the end of the period includes consumption tax.

(Note 2) The transaction amount is based on the terms and conditions provided in the Articles of Incorporation of the Investment Corporation and asset management agreement.

(Note 3) Asset management fees include the property acquisition fee of 247,750 thousand yen recorded as the book value of the acquired properties.

9th Fiscal Period (from March 1, 2022 to August 31, 2022)

Type	Name	Location	Stated capital (million yen)	Business or occupation	Percentage of voting rights (owned) (%)	Relationship	Transaction	Transaction amount (thousand yen)	Account item	Balance at end of period (thousand yen)
Director	Tetsuo Saida	-	-	Executive Director, Takara Leben Real Estate Investment Corporation and Representative Director, President, Takara PAG Real Estate Advisory Ltd.	-	Executive Director, Takara Leben Real Estate Investment Corporation and Representative Director, President, Takara PAG Real Estate Advisory Ltd.	Payment of asset management fee to the Asset Management Company	256,939	Accounts payable – other	219,192

(Note 1) The transaction amount does not include consumption tax, while the balance at the end of the period includes consumption tax.

(Note 2) The transaction amount is based on the terms and conditions provided in the Articles of Incorporation of the Investment Corporation and asset management agreement.

(Note 3) Asset management fees include the property acquisition fee of 57,672 thousand yen recorded as the book value of the acquired properties.

## [Profit or Loss of Affiliates Accounted for Under the Equity Method]

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

Not applicable.

9th Fiscal Period (from March 1, 2022 to August 31, 2022)

Not applicable.

## [Asset Retirement Obligations]

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

## 1. Asset Retirement Obligations Booked on the Balance Sheet

### (1) Overview

The Investment Corporation has recorded the asset retirement obligations to remove asbestos from Nagoya Center Plaza Building and Sendai Nikko Building and PCBs from Nagoya Center Plaza Building, which were acquired on July 30, 2018.

### (2) Measurement of the asset retirement obligations

The amount of asset retirement obligations is calculated by estimating the expected period of use based on the useful life of the properties and using the following discount rates.

	Property name	Expected period of use	Discount rate
Asbestos	Nagoya Center Plaza Building	26 years	0.748%
	Sendai Nikko Building	31 years	0.833%
PCB	Nagoya Center Plaza Building	26 years	0.748%

## 9th Fiscal Period (from March 1, 2022 to August 31, 2022)

## 1. Asset Retirement Obligations Booked on the Balance Sheet

### (1) Overview

The Investment Corporation has recorded the asset retirement obligations to remove asbestos from Nagoya Center Plaza Building and Sendai Nikko Building and PCBs from Nagoya Center Plaza Building, which were acquired on July 30, 2018.

### (2) Measurement of the asset retirement obligations

The amount of asset retirement obligations is calculated by estimating the expected period of use based on the useful life of the properties and using the following discount rates.

	Property name	Expected period of use	Discount rate
Asbestos	Nagoya Center Plaza Building	26 years	0.748%
	Sendai Nikko Building	31 years	0.833%
PCB	Nagoya Center Plaza Building	26 years	0.748%

### (3) Movements of the asset retirement obligations

(Unit: thousand yen)

	8th Fiscal Period (from September 1, 2021 to February 28, 2022)	9th Fiscal Period (from March 1, 2022 to August 31, 2022)
Balance at beginning of period	88,636	88,970
Increase due to acquisition of properties	-	-
Decrease due to disposition of properties	-	-
Adjustment for passage of time	333	340
Balance at end of period	88,970	89,310

## [Segment Information]

(Segment information)

Disclosure is omitted because the Investment Corporation operates a single segment of the real estate leasing business.

(Related information)

8th Fiscal Period (from September 1, 2021 to February 28, 2022)

(1) Information by product and service

Disclosure is omitted because operating revenues from external customers in a single product and service category exceed 90% of operating revenues on the statement of income.

(2) Information by geographical area

1) Operating revenues

Disclosure is omitted because operating revenues from external customers in Japan exceed 90% of operating revenues on the statement of income.

2) Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information by major customers

Disclosure is omitted because there are no customers that account for 10% or more of total operating revenues.

9th Fiscal Period (from March 1, 2022 to August 31, 2022)

(1) Information by product and service

Disclosure is omitted because operating revenues from external customers in a single product and service category exceed 90% of operating revenues on the statement of income.

(2) Information by geographical area

1) Operating revenues

Disclosure is omitted because operating revenues from external customers in Japan exceed 90% of operating revenues on the statement of income.

2) Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information by major customers

Disclosure is omitted because there are no customers that account for 10% or more of total operating revenues.

[Investment and Rental Properties]

The Investment Corporation mainly owns office, residence, hotel, retail and other properties for the purpose of earning rental income in the four major metropolitan areas and the major regional cities. The carrying amount and fair value of the properties are as follows.

(Unit: thousand yen)

	8th Fiscal Period (from September 1, 2021 to February 28, 2022)	9th Fiscal Period (from March 1, 2022 to August 31, 2022)
Carrying amount		
Balance at beginning of period	87,439,443	109,705,526
Increase (decrease) during the period	22,266,082	4,925,006
Balance at end of period	109,705,526	114,630,532
Fair value at end of period	116,223,000	121,675,000

(Note 1) Carrying amount is the amount of the cost of acquisition, less accumulated depreciation.

(Note 2) The main increase during the fiscal period ended February 28, 2022 is attributable to acquisition of 13 properties (28,726,671 thousand yen), and the main decrease during the fiscal period ended February 28, 2022 is attributable to sale of five properties (6,270,270 thousand yen) and depreciation (436,520 thousand yen). The main increase during the fiscal period ended August 31, 2022 is attributable to acquisition of three properties (6,031,527 thousand yen), and the main decrease during the fiscal period ended August 31, 2022 is attributable to sale of one property (930,789 thousand yen) and depreciation (437,322 thousand yen).

(Note 3) Fair value at end of period is the disposition price for properties for which a disposition agreement has been executed, and the appraisal value by an independent real estate appraiser for other properties.

The income (loss) concerning investment and rental properties for the fiscal period ended February 28, 2022 (8th Period) and the fiscal period ended August 31, 2022 (9th Period) is as stated in “Notes to the Statement of Income.”

[Revenue Recognition]

Information about disaggregation of revenue from contracts with customers

Major revenues generated from contracts with customers are “revenue on sales of real estate properties” and “utilities reimbursement revenue.” As for the amounts, refer to “\*1 Breakdown of operating income from real estate leasing business,” “\*2. Breakdown of gain on sales of real estate properties,” and “\*3. Breakdown of loss on sales of real estate properties” in the “Notes to the Statement of Income” above. As for revenue from the real estate leasing business to which the Accounting Standard for Lease Transactions (ASBJ Statement No. 13) is applied, as the Standard for Revenue Recognition is not applied, they are not included in the revenues generated from contracts with customers.

[Per Unit Information]

	8th Fiscal Period (from September 1, 2021 to February 28, 2022)	9th Fiscal Period (from March 1, 2022 to August 31, 2022)
Net assets per unit	103,166 yen	103,052 yen
Net income per unit	3,132 yen	3,002 yen

(Note 1) Net income per unit is calculated by dividing net income by daily weighted average number of investment units during the period. In addition, diluted net income per unit is not stated, because there are no diluted investment units.

(Note 2) The basis for calculation of net income per unit is as follows:

	8th Fiscal Period (from September 1, 2021 to February 28, 2022)	9th Fiscal Period (from March 1, 2022 to August 31, 2022)
Net income (thousand yen)	1,801,451	1,726,704
Amount not attributable to common unitholders (thousand yen)	-	-
Net income attributable to common investment units (thousand yen)	1,801,451	1,726,704
Average number of investment units during the period (units)	575,000	575,000

[Significant Subsequent Events]

1. Issuance of new investment units

Pursuant to the resolutions made at the Board of Directors' meetings held on August 15, 2022, and August 23, 2022, regarding the issuance of new investment units, the Investment Corporation issued 63,600 new investment units through primary offering, for which payment of 6,418,957,200 yen was completed on September 1, 2022. As a result, unitholders' capital was 63,801,091,700 yen and the total number of investment units issued and outstanding was 638,600 units as of September 1, 2022.

<Issuance of New Investment Units through Public Offering (Primary Offering)>

- Number of new units issued 63,600 units
- Issue price (offer price) 104,685 yen per unit
- Total issue price (total offer price) 6,657,966,000 yen
- Issue amount (paid-in amount) 100,927 yen per unit
- Total issue price (total paid-in amount) 6,418,957,200 yen
- Payment date September 1, 2022
- Purpose of funds raised Allocation to funds for acquisition of new domestic real estate trust beneficiary interests per "3. Acquisition of Assets," below, and allocation to a portion of associated costs.

2. Borrowing of Funds

In order to allocate funds for acquisition of new domestic real estate trust beneficiary interest per "3. Acquisition of Assets," below, and to a portion of their associated expenses, as well as for repayment of existing borrowings, the Investment Company conducted the following borrowings on September 2, 2022.

Category (Note 1)	Lender	Amount borrowed (million yen)	Interest rate (Note 3)	Drawdown date	Repayment date (Note 4)	Repayment method	Notes
Long-term loans payable	A syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation (Note 2)	5,780	0.85940%	September 2, 2022	February 26, 2027	Lump-sum repayment on maturity	Unguaranteed/unsecured

(Note 1) "Long-term loans payable" refers to loans with a maturity of more than one year from the drawdown date to the repayment date.

(Note 2) The "syndicate of lenders" is composed of Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Shinsei Bank, Ltd., Sumitomo Mitsui Trust Bank, Ltd., Aozora Bank, Ltd., Daishi Hokuetsu Bank, Ltd., The Asahi Shinkin Bank, Aichi Bank, Ltd., The Chiba Bank, Ltd., The Bank of Fukuoka, Ltd., and The Yamagata Bank, Ltd.

(Note 3) The first interest payment date shall be November 30, 2022, and subsequent interest payment dates shall be the last day of every third month thereafter and the principal repayment date. However, if the payment date is not a bank business day, this shall fall on the next business day, and if the next business day falls in the next month, this shall fall on the previous business day.

(Note 4) After the borrowing commences and up to the repayment date, all or part of the borrowings may be repaid in advance upon prior written notice, provided that certain conditions are met. If the repayment date is not a bank business day, the repayment date shall become the business day immediately following the repayment date, and if the following business day is in the next month, this shall become the previous business day.



### 3. Acquisition of Assets

The Investment Corporation acquired the following domestic real estate trust beneficiary interests on September 2, 2022.

Category	Property number (Note 1)	Property name	Location	Acquisition price (million yen) (Note 2)	Seller
Residence	R-23	LUXENA KITASENJU	Adachi Ward, Tokyo	1,540	Takara Leben Co., Ltd.
	R-24	La Vita Higashi Ueno	Taito Ward, Tokyo	1,280	
	R-25	LUXENA JOSHIN	Nagoya City, Aichi	620	
	R-26	LUXENA UMEKOJI- KYOTONISHI	Kyoto City, Kyoto	725	
	R-27	LUXENA KIYOMIZU-GOJO	Kyoto City, Kyoto	515	
	R-28	La Vita Nijo Gekko	Kyoto City, Kyoto	515	
	R-29	La Vita Toji	Kyoto City, Kyoto	465	
	R-30	Pleiades Namba east	Osaka City, Osaka	675	
Retail and Other	C-13	Kaden Sumairu Kan×YAMADA web.com Nara	Nara City, Nara	4,850	Undisclosed (Note 3)
Total			-	11,185	

(Note 1) The code “R” represents residential properties and “C” represents retail and other properties.

(Note 2) “Acquisition price” refers to the purchase price (excluding consumption tax, local consumption tax, and miscellaneous expenses required in acquisition) stated in the real estate trust beneficiary interests purchase agreement for each investment asset, rounded down to the nearest million yen.

(Note 3) For Kaden Sumairu Kan×YAMADA web.com Nara, though the seller is a domestic limited liability company, this information is undisclosed as the seller has not provided consent for disclosure.

### (9) Changes in Total Number of Investment Units Issued and Outstanding

Note that the changes in unitholders’ capital and the total number of investment units issued and outstanding since establishment of the Investment Corporation until the end of the fiscal period under review are as follows.

Date	Notes	Unitholders’ capital (Note 2) (thousand yen)		Total number of investment units issued and outstanding (units)		Remarks
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
September 11, 2017 (Note 1)	Establishment through private placement	150,000	150,000	150	150	(Note 3)
April 21, 2018	Investment unit split	-	150,000	1,350	1,500	(Note 4)
July 26, 2018	Capital increase through public offering	31,841,672	31,991,672	344,000	345,500	(Note 5)
September 2, 2019	Capital increase through public offering	13,197,600	45,189,272	117,000	462,500	(Note 6)
September 1, 2021	Capital increase through public offering	12,192,862	57,382,134	112,500	575,000	(Note 7)

(Note 1) The Investment Corporation was established on September 11, 2017.

(Note 2) Changes in unitholders’ capital due to distributing in excess of earnings from allowance for temporary difference adjustment, etc. have not been taken into account.

(Note 3) New investment units were issued at an offer price of 1,000,000 yen per unit upon the establishment of the Investment Corporation.

(Note 4) The Investment Corporation has conducted a 10-for-1 unit split of its investment units held by unitholders listed or recorded in the final register of unitholders, with April 21, 2018, as the record date and effective date.

(Note 5) New investment units were issued through public offering at an issue price of 96,000 yen (paid-in amount of 92,563 yen) per unit for the purpose of acquisition of new properties, etc.

(Note 6) New investment units were issued through public offering at an issue price of 117,000 yen (paid-in amount of 112,800 yen) per unit for the purpose of acquisition of new properties, repayment of borrowings, etc.

(Note 7) New investment units were issued through public offering at an issue price of 112,417 yen (paid-in amount of 108,381 yen) per unit for the purpose of acquisition of new properties, etc.

### 3. Appendix

#### (1) Prices of Assets

##### 1) Investment Status

Type of asset	Primary use	Geographic area (Note 1)	8th Fiscal Period (As of February 28, 2022)		9th Fiscal Period (As of August 31, 2022)		
			Total amount held (million yen) (Note 2)	As a percentage of total assets (%)	Total amount held (million yen) (Note 2)	As a percentage of total assets (%)	
Real estate	Office	Four major metropolitan areas	713	0.6	712	0.6	
		Major regional cities	-	-	-	-	
	Residence	Four major metropolitan areas	2,739	2.3	2,722	2.2	
		Major regional cities	-	-	-	-	
	Hotel	Four major metropolitan areas	-	-	-	-	
		Major regional cities	2,414	2.0	2,387	2.0	
	Retail and Other	Four major metropolitan areas	504	0.4	503	0.4	
		Major regional cities	3,769	3.1	3,769	3.1	
	Subtotal			10,141	8.4	10,095	8.3
	Real estate in trust	Office	Four major metropolitan areas	42,792	35.3	41,942	34.3
Major regional cities			3,388	2.8	3,379	2.8	
Residence		Four major metropolitan areas	22,332	18.4	28,262	23.1	
		Major regional cities	1,188	1.0	1,190	1.0	
Hotel		Four major metropolitan areas	2,501	2.1	2,490	2.0	
		Major regional cities	4,440	3.7	4,401	3.6	
Retail and Other		Four major metropolitan areas	17,896	14.8	17,868	14.6	
		Major regional cities	5,022	4.1	4,999	4.1	
Subtotal			99,563	82.1	104,535	85.5	
Deposits and other assets			11,613	9.6	7,672	6.3	
Total amount of assets			121,319	100.0	122,302	100.0	

	8th Fiscal Period (As of February 28, 2022)		9th Fiscal Period (As of August 31, 2022)	
	Amount (million yen)	As a percentage of total assets (%)	Amount (million yen)	As a percentage of total assets (%)
Total amount of liabilities (Note 2)	61,998	51.1	63,047	51.6
Total amount of net assets (Note 2)	59,320	48.9	59,255	48.4

(Note 1) Japan's "four major metropolitan areas" refers to the Tokyo, Nagoya, Osaka, and Fukuoka metropolitan areas. "Tokyo metropolitan area" refers to Tokyo, Kanagawa, Chiba, and Saitama prefectures. "Osaka metropolitan area" refers to Osaka, Kyoto, and Hyogo prefectures. "Nagoya metropolitan area" refers to Aichi, Gifu, and Mie prefectures. "Fukuoka metropolitan area" refers to Fukuoka Prefecture. Japan's "major regional cities" refers to ordinance-designated cities, core cities, specially designated cities and prefectural capital cities, excluding those included in Japan's four major metropolitan areas.

"Ordinance-designated cities" refers to the cities of Sapporo, Sendai, Niigata, Shizuoka, Hamamatsu, Okayama, Hiroshima, and Kumamoto as of the date of this document. "Core cities" refers to Japanese cities that have a population of at least 200,000 persons and are designated as such by an ordinance under the Local Autonomy Act of Japan. "Specially designated cities" refers to Japanese cities that have a population of at least 200,000 people and are designated as such by an ordinance under the same act at the time of the abolishment of the system of specially designated cities as of April 1, 2015.

(Note 2) "Total amount held," "Total amount of liabilities" and "Total amount of net assets" are based on the balance sheet (for real estate and real estate in trust, the book value after depreciation) as of the end of the previous fiscal period and the fiscal period under review, respectively, rounded down to the nearest million yen.

2) Invested Assets

a. Major Investment Securities

Not applicable.

b. Investment Properties

As of the end of the fiscal period under review, the Investment Corporation holds real estate and trust beneficiary interests in real estate. Therefore, for convenience of reference, the following “c. Other Major Investment Assets” summarizes the real estate and the trust beneficiary interests in real estate.

c. Other Major Investment Assets

(a) Summary of Investment Assets

The Investment Assets held by the Investment Corporation as of the end of the fiscal period under review (trust beneficiary interests in real estate and real estate as a trust property, hereinafter collectively referred to as “investment assets”), are as follows.

Category	Property number (Note 1)	Property name	Location	Acquisition price (million yen) (Note 2)	Percentage of total acquisition price (%) (Note 3)	Book value at period end (million yen)	Appraisal value (million yen) (Note 4)	Acquisition date
Office	O-01	NT Building	Shinagawa Ward, Tokyo	12,350	10.9	12,383	12,600	July 30, 2018
	O-02	Higashi-Ikebukuro Central Place	Toshima Ward, Tokyo	9,780	8.6	9,898	10,900	July 30, 2018
	O-03	Nagoya Center Plaza Building	Nagoya City, Aichi	4,870	4.3	5,272	5,230	July 30, 2018
	O-05	Omiya NSD Building	Saitama City, Saitama	3,493	3.1	3,535	3,960	July 30, 2018
	O-07	Hakata Gion Building	Fukuoka City, Fukuoka	2,500	2.2	2,489	2,930	July 30, 2018
	O-09	L.Biz Jimbocho Building	Chiyoda Ward, Tokyo	1,006	0.9	1,008	1,180	July 30, 2018
	O-11	L.Biz Sendai	Sendai City, Miyagi	1,680	1.5	1,637	1,670	July 30, 2018
	O-12	Sendai Nikko Building	Sendai City, Miyagi	1,740	1.5	1,742	1,800	July 30, 2018
	O-18	Akasaka Kawase Building	Minato Ward, Tokyo	690	0.6	712	751	October 31, 2019
	O-19	Yoyogi 1-chome Building	Shibuya Ward, Tokyo	1,850	1.6	1,929	2,170	April 30, 2021
	O-20	Kawagoe West Building	Kawagoe City, Saitama	2,600	2.3	2,621	2,780	September 2, 2021
	O-21	Hakata Reisenmachi Building	Fukuoka City, Fukuoka	2,700	2.4	2,803	2,720	September 2, 2021
		Subtotal		-	45,259	39.9	46,035	48,691
Residence	R-01	Amare Tokaidori	Nagoya City, Aichi	1,100	1.0	1,056	1,220	July 30, 2018
	R-02	Dormy Ukimafunado	Itabashi Ward, Tokyo	1,080	1.0	1,084	1,130	July 30, 2018
	R-03	Benefis Hakata-Minami Grand Sweet	Fukuoka City, Fukuoka	1,032	0.9	996	1,180	July 30, 2018
	R-04	LUXENA HIGASHI-KOENJI	Suginami Ward, Tokyo	1,060	0.9	1,072	1,170	July 30, 2018
	R-06	J City Hatchobori	Hiroshima City, Hiroshima	1,200	1.1	1,190	1,260	July 30, 2018
	R-07	LUXENA HEIWADAI	Nerima Ward, Tokyo	3,910	3.4	3,866	4,430	September 3, 2019
	R-08	LUXENA KACHIDOKI	Chuo Ward, Tokyo	1,120	1.0	1,102	1,320	September 3, 2019
	R-09	LUXENA HONATSUGI	Atsugi City, Kanagawa	705	0.6	715	777	March 17, 2020
	R-10	LUXENA KADOMA	Kadoma City, Osaka	2,000	1.8	2,006	2,170	April 13, 2021
	R-11	LUXENA TODAKOEN	Toda City, Saitama	910	0.8	911	978	September 2, 2021
	R-12	LUXENA TODAKOEN II	Toda City, Saitama	1,200	1.1	1,199	1,260	September 2, 2021
	R-13	LUXENA AKIHABARA	Taito Ward, Tokyo	2,300	2.0	2,307	2,460	September 2, 2021
	R-14	Fiore Residence Dejima Kaigan Dori	Sakai City, Osaka	560	0.5	566	595	September 2, 2021
	R-15	LUXENA MUSASHI-SHINJO	Kawasaki City, Kanagawa	1,900	1.7	1,902	2,020	September 2, 2021

Category	Property number (Note 1)	Property name	Location	Acquisition price (million yen) (Note 2)	Percentage of total acquisition price (%) (Note 3)	Book value at period end (million yen)	Appraisal value (million yen) (Note 4)	Acquisition date
Residence	R-16	LUXENA NAGAREYAMA OOTAKANOMORI	Nagareyama City, Chiba	2,840	2.5	2,841	3,070	September 2, 2021
	R-17	PRIME SQUARE	Funabashi City, Chiba	620	0.5	626	753	September 2, 2021
	R-18	Winbell Chorus Seiseki Sakuragaoka	Tama City, Tokyo	730	0.6	737	841	September 2, 2021
	R-19	Mare Isogo Building	Yokohama City, Kanagawa	1,900	1.7	1,971	2,170	November 25, 2021
	R-20	TLR Residence Kawasaki Daishi	Kawasaki City, Kanagawa	1,346	1.2	1,403	1,410	April 11, 2022
	R-21	TLR Residence Honmachi WEST	Osaka City, Osaka	3,479	3.1	3,625	3,490	June 1, 2022
	R-22	TLR Residence Takaيدا	Higashi Osaka City, Osaka	942	0.8	989	1,010	June 1, 2022
	Subtotal			-	31,934	28.1	32,175	34,714
Hotel	H-01	Dormy Inn Matsuyama	Matsuyama City, Ehime	2,427	2.1	2,290	2,550	July 30, 2018
	H-02	Hotel Sunshine Utsunomiya	Utsunomiya City, Tochigi	2,000	1.8	2,110	2,090	July 30, 2018
	H-03	Dormy Inn Morioka	Morioka City, Iwate	2,520	2.2	2,387	2,570	June 28, 2019
	H-04	ACCESS by LOISIR HOTEL Nagoya	Nagoya City, Aichi	2,500	2.2	2,490	2,190	September 3, 2019
	Subtotal			-	9,447	8.3	9,279	9,400
Retail and Other	C-01	Prio Daimyo II	Fukuoka City, Fukuoka	980	0.9	997	1,120	July 30, 2018
	C-02	Co-op Sapporo Syunko	Asahikawa City, Hokkaido	1,036	0.9	1,009	1,110	July 30, 2018
	C-03	TA Shonan Kugenumakaigan	Fujisawa City, Kanagawa	500	0.4	503	570	March 28, 2019
	C-05	YAMADA web.com Matsuyama Toiyacho	Matsuyama City, Ehime	4,030	3.5	3,989	4,410	September 3, 2019
	C-06	Tecc LIFE SELECT Kobe Tarumi (Land) (Note 5)	Kobe City, Hyogo	4,227 (Note 6)	3.7	4,277	4,350	September 3, 2019
	C-07	AEON Style Onomichi (Land)	Onomichi City, Hiroshima	900	0.8	929	1,040	March 1, 2021
	C-08	BIGMOTOR Sapporo Kiyota (Land)	Sapporo City, Hokkaido	1,610	1.4	1,648	1,790	May 19, 2021
	C-09	DCM Daiki Onomichi (Land)	Onomichi City, Hiroshima	1,170	1.0	1,192	1,240	April 1, 2021
	C-10	Cainz Omiya	Saitama City, Saitama	2,520	2.2	2,542	2,590	July 1, 2021
	C-11	APiTA Nagoya South Store	Nagoya City, Aichi	7,800	6.9	7,872	8,250	September 2, 2021
	C-12	(TBC) BIGMOTOR Konosu (Land)	Konosu City, Saitama	2,150	1.9	2,178	2,290	September 2, 2021
	Subtotal			-	26,923	23.7	27,140	28,760
Total			-	113,564	100.0	114,630	121,565	-

(Note 1) The code "O" represents office properties, "R" represents residential properties, "H" represents hotel properties and "C" represents retail and other properties. The same applies hereafter.

(Note 2) "Acquisition price" refers to the purchase price (excluding consumption tax, local consumption tax, and miscellaneous expenses required in acquisition) stated in the real estate trust beneficiary interests purchase agreement or real estate purchase agreement for each investment asset, rounded down to the nearest million yen. Therefore, the total acquisition price of each investment asset may not match the amount shown in the "Total" and "Subtotal" columns.

(Note 3) "Percentage of total acquisition price" is the ratio of the acquisition price of each investment asset to the total acquisition price, rounded off to the first decimal place. Therefore, the sum of the percentages of total acquisition price for each investment asset may not match the percentages shown in the "Total" and "Subtotal" columns.

(Note 4) "Appraisal value" indicates the appraisal value stated in the real estate appraisal report as of the end of the period. In addition, the term "real estate appraisal report" generically refers to real estate appraisal reports prepared by the Investment Corporation in accordance with notes on real estate appraisal evaluation based on the Investment Trusts Act, the Act on Real Estate Appraisal (Act No. 152 of 1963, as amended), and the Japanese Real Estate Appraisal Standards by entrusting the appraisal evaluation of each invested asset to a real estate appraiser or an appraisal evaluation institution based on the evaluation standards.

(Note 5) The name of this property has changed from "Kaden Sumairu Kan YAMADA Kobe Tarumi (Land)" to "Tecc LIFE SELECT Kobe Tarumi (Land)." The same applies hereafter.

(Note 6) Since a portion of the "Tecc LIFE SELECT Kobe Tarumi (Land)" land was disposed on June 24, 2020, the "Acquisition price" is the amount obtained by subtracting the price commensurate with the share of the transferred area from the purchase price stated in the contract (excluding consumption tax, local consumption tax and various costs required for acquisition) is stated.

## (b) Summary of Buildings

The buildings held by the Investment Corporation as of the end of the period are as follows:

Category	Property number	Property name	Date of construction (Note 1)	Number of tenants (Note 2)	Annual contracted rent (million yen) (Note 3)	Leasehold and security deposits (million yen) (Note 4)	Total leased area (m <sup>2</sup> ) (Note 5)	Total leasable area (m <sup>2</sup> ) (Note 6)	Occupancy rate (%) (Note 7)
Office	O-01	NT Building	March 1996	16	570	456	9,469.04 (Note 8)	9,980.19 (Note 8)	94.9
	O-02	Higashi-Ikebukuro Central Place	November 1984	7	473	394	7,793.59	7,793.59	100.0
	O-03	Nagoya Center Plaza Building	November 1978	33	336	276	9,571.13	9,571.13	100.0
	O-05	Omiya NSD Building	March 1993	11	225	157	4,006.68	4,006.68	100.0
	O-07	Hakata Gion Building	November 2007	15	158	75	3,653.70	3,653.70	100.0
	O-09	L.Biz Jimbocho Building	June 2009	1	53	17	859.82	859.82	100.0
	O-11	L.Biz Sendai	March 1993	26	110	84	3,301.20	3,368.94	98.0
	O-12	Sendai Nikko Building	March 1989	6	115	84	2,540.11	2,540.11	100.0
	O-18	Akasaka Kawase Building	April 1989	7	27	11	400.54	511.61	78.3
	O-19	Yoyogi 1-chome Building	July 2010	1	85	50	810.45	810.45	100.0
	O-20	Kawagoe West Building	September 1996	8	143	128	2,375.04	2,375.04	100.0
	O-21	Hakata Reisenmachi Building	December 2020	3	137	15	2,081.25	2,081.25	100.0
	Subtotal/Average				134	2,438	1,755	46,862.55	47,552.51
Residence	R-01	Amare Tokaidori	July 2007	83	66	7	2,593.31	2,935.38	88.3
	R-02	Dormy Ukimafunado	April 1997	2	62	49	2,462.60	2,462.60	100.0
	R-03	Benefis Hakata-Minami Grand Sweet	March 2009	66	67	2	2,747.41	2,782.51	98.7
	R-04	LUXENA HIGASHI-KOENJI	July 2008	33	59	9	1,341.44	1,405.28	95.5
	R-06	J City Hatchobori	November 2005	57	81	12	2,546.89	2,623.39	97.1
	R-07	LUXENA HEIWADAI	March 2019	103	212	55	5,226.67	5,354.76	97.6
	R-08	LUXENA KACHIDOKI	May 2019	26	61	6	1,121.26	1,121.26	100.0
	R-09	LUXENA HONATSUGI	November 1999	56	49	6	1,385.66	1,482.77	93.5
	R-10	LUXENA KADOMA	November 2020	126	130	0	4,006.59	4,034.10	99.3
	R-11	LUXENA TODAKOEN	March 2021	11	49	3	1,085.85	1,130.50	96.1
	R-12	LUXENA TODAKOEN II	March 2021	34	65	0	1,733.40	1,790.85	96.8
	R-13	LUXENA AKIHABARA	March 2021	52	95	1	1,721.84	1,896.30	90.8
	R-14	Fiore Residence Dejima Kaigan Dori	October 2007	35	37	0	1,307.40	1,380.56	94.7
	R-15	LUXENA MUSASHI-SHINJO	June 2021	14	98	14	2,312.24	2,312.24	100.0
	R-16	LUXENA NAGAREYAMA OOTAKANOMORI	August 2019	74	165	46	4,459.14	4,516.34	98.7
	R-17	PRIME SQUARE	December 2008	1	37	3	1,125.49	1,125.49	100.0
	R-18	Winbell Chorus Seiseki Sakuragaoka	May 1997	49	54	4	1,865.39	1,931.86	96.6
	R-19	Mare Isogo Building	June 1997	2	112	244	2,825.45	2,825.45	100.0

Category	Property number	Property name	Date of construction (Note 1)	Number of tenants (Note 2)	Annual contracted rent (million yen) (Note 3)	Leasehold and security deposits (million yen) (Note 4)	Total leased area (m <sup>2</sup> ) (Note 5)	Total leasable area (m <sup>2</sup> ) (Note 6)	Occupancy rate (%) (Note 7)
Residence	R-20	TLR Residence Kawasaki Daishi	February 2016	22	65	4	1,350.33	1,409.04	95.8
	R-21	TLR Residence Honmachi WEST	December 2017	116	137	-	3,528.96	3,796.16	93.0
	R-22	TLR Residence Takaida	March 2015	64	47	0	1,442.94	1,619.82	89.1
	Subtotal/Average				1,026	1,759	473	48,190.26	49,936.66
Hotel	H-01	Dormy Inn Matsuyama	October 2017	1	153	51	5,119.15	5,119.15	100.0
	H-02	Hotel Sunshine Utsunomiya	February 1991	1	128	31	5,267.16	5,267.16	100.0
	H-03	Dormy Inn Morioka	March 2019	1	149	74	5,046.83	5,046.83	100.0
	H-04	ACCESS by LOISIR HOTEL Nagoya	February 2019	1	-	-	2,478.23	2,478.23	100.0
	Subtotal/Average				4	431	157	17,911.37	17,911.37
Retail and Other	C-01	Prio Daimyo II	April 2002	6	55	40	761.01	761.01	100.0
	C-02	Co-op Sapporo Syunko	August 1994	1	83	83	7,214.92	7,214.92	100.0
	C-03	TA Shonan Kugenumakaigan	February 2017	3	31	15	626.92	626.92	100.0
	C-05	YAMADA web.com Matsuyama Toiyacho	October 2009	1	(Note 9)	(Note 9)	13,616.15	13,616.15	100.0
	C-06	Tecc LIFE SELECT Kobe Tarumi (Land)	-	1	(Note 9)	(Note 9)	17,780.00	17,780.00	100.0
	C-07	AEON Style Onomichi (Land)	-	1	(Note 9)	(Note 9)	11,883.74	11,883.74	100.0
	C-08	BIGMOTOR Sapporo Kiyota (Land)	-	1	(Note 9)	(Note 9)	15,026.00	15,026.00	100.0
	C-09	DCM Daiki Onomichi (Land)	-	1	(Note 9)	(Note 9)	7,955.81	7,955.81	100.0
	C-10	Cainz Omiya	December 1998	1	(Note 9)	(Note 9)	11,497.86	11,497.86	100.0
	C-11	APIA Nagoya South Store	July 1996	1	(Note 9)	(Note 9)	40,935.42	40,935.42	100.0
	C-12	(TBC) BIGMOTOR Konosu (Land)	-	1	(Note 9)	(Note 9)	14,252.81	14,252.81	100.0
	Subtotal/Average				18	1,604	1,546	141,550.64	141,550.64
Total/Average				1,182	6,234	3,933	254,514.82	256,951.18	99.1

(Note 1) "Date of construction" is of the main building, as described in the property registry.

(Note 2) "Number of tenants" is equal to the aggregate number of end tenants with which valid lease agreements have been entered into as of the end of the period.

(Note 3) "Annual contracted rent" is the annualized amount calculated by multiplying the annual rent or monthly rent (limited to rent for space occupied by tenants, including common service fees (if any), and excluding usage fees for warehouses, parking lots and sales-linked rents) indicated in each lease agreements for each asset under management that is valid as of the end of the period by 12 (calculated based on fixed rent specified in lease agreements). In addition, this amount does not take into account free rent or rent holidays (periods of free or reduced rent for a certain period at the start of the contract or during the contract period) but is calculated based on the amount of annual rent or monthly rent stated in lease agreements. For ACCESS by LOISIR HOTEL Nagoya, "-" is displayed as this is an agreement linked to hotel performance.

(Note 4) "Leasehold and security deposits" indicates the total leasehold and security deposits from the relevant tenants set forth in lease agreements effective as of the end of the period.

(Note 5) "Total leased area" indicates the total leased area to tenant in each property based on the lease agreements or floor plans for each building as of the end of the period, rounded down to the second decimal place. For properties with pass-through master lease agreements, the leased area is quoted from the lease agreement.

(Note 6) "Total leasable area" indicates the gross floor area of leasable space in each property, based on the lease agreements or floor plans for each building.

(Note 7) "Occupancy rate" is calculated by dividing total leased area (as of the end of the period) for each property by the total leasable area.

(Note 8) For NT Building, the figures provided are in proportion to our compartmentalized ownership.

(Note 9) Since the tenant has not provided consent to disclose the rent income, it cannot be disclosed due to unavoidable circumstances.

## (c) Individual Property Profit

The income and expenditure for individual properties in the fiscal period under review is as follows.

(Unit: thousand yen)

Property number	O-01	O-02	O-03	O-05	O-07
Property name	NT Building	Higashi-Ikebukuro Central Place	Nagoya Center Plaza Building	Omiya NSD Building	Hakata Gion Building
(1) Operating revenue from real estate leasing	305,873	267,593	200,438	129,128	93,074
Leasing business revenue	286,106	243,152	177,740	122,889	84,824
Other leasing business revenue	19,766	24,440	22,697	6,239	8,249
(2) Operating expenses from real estate leasing business	100,144	51,494	73,859	32,002	28,797
Management fees	43,549	10,050	24,299	11,886	7,027
Utilities expenses	25,835	18,561	25,518	7,556	8,012
Taxes and dues	25,194	14,849	16,093	8,051	7,702
Insurance premiums	685	406	617	214	184
Repair expenses	4,399	7,216	6,682	3,933	5,430
Trust fees	400	375	300	300	400
Other lease business expenses	79	34	349	61	39
(3) NOI ((1) -(2))	205,728	216,098	126,578	97,125	64,277
(4) Depreciation	39,715	29,573	32,045	8,838	12,479
(5) Operating income (loss) from real estate leasing ((3)-(4))	166,013	186,524	94,533	88,287	51,797

(Unit: thousand yen)

Property number	O-09	O-11	O-12	O-18	O-19
Property name	L.Biz Jimbocho Building	L.Biz Sendai	Sendai Nikko Building	Akasaka Kawase Building	Yoyogi 1-chome Building
(1) Operating revenue from real estate leasing	26,975	68,994	66,698	20,168	42,658
Leasing business revenue	26,527	60,506	61,808	17,724	42,658
Other leasing business revenue	448	8,487	4,889	2,444	-
(2) Operating expenses from real estate leasing business	3,916	20,273	20,686	5,989	4,611
Management fees	1,780	8,784	5,564	1,503	1,101
Utilities expenses	-	5,869	6,007	863	-
Taxes and dues	1,773	5,005	7,640	1,483	2,714
Insurance premiums	30	176	136	24	50
Repair expenses	-	102	787	2,095	350
Trust fees	300	300	450	-	375
Other lease business expenses	31	35	99	17	19
(3) NOI ((1) -(2))	23,059	48,721	46,012	14,179	38,047
(4) Depreciation	2,789	9,146	5,708	1,007	3,920
(5) Operating income (loss) from real estate leasing ((3)-(4))	20,270	39,574	40,303	13,172	34,126



(Unit: thousand yen)

Property number	O-20	O-21	R-01	R-02	R-03
Property name	Kawagoe West Building	Hakata Reisenmachi Building	Amare Tokaidori	Dormy Ukimafunado	Benefis Hakata-Minami Grand Sweet
(1) Operating revenue from real estate leasing	88,524	69,633	34,876	29,306	36,232
Leasing business revenue	83,159	69,089	33,996	29,244	34,028
Other leasing business revenue	5,364	543	879	62	2,203
(2) Operating expenses from real estate leasing business	18,080	18,764	11,357	5,851	11,925
Management fees	6,354	6,575	4,625	985	5,542
Utilities expenses	5,918	2,478	328	11	286
Taxes and dues	4,195	6,082	2,154	1,678	2,610
Insurance premiums	104	103	91	69	87
Repair expenses	1,072	3,000	3,675	2,776	2,769
Trust fees	400	300	300	300	300
Other lease business expenses	35	224	181	30	328
(3) NOI ((1) -(2))	70,443	50,868	23,518	23,454	24,306
(4) Depreciation	8,370	9,758	9,249	2,992	6,756
(5) Operating income (loss) from real estate leasing ((3)-(4))	62,073	41,109	14,269	20,462	17,550

(Unit: thousand yen)

Property number	R-04	R-06	R-07	R-08	R-09
Property name	LUXENA HIGASHI-KOENJI	J City Hatchobori	LUXENA HEIWADAI	LUXENA KACHIDOKI	LUXENA HONATSUGI
(1) Operating revenue from real estate leasing	30,279	41,564	110,063	30,416	27,560
Leasing business revenue	29,547	40,666	106,236	29,824	25,549
Other leasing business revenue	732	898	3,826	592	2,010
(2) Operating expenses from real estate leasing business	7,390	12,041	21,825	6,983	6,494
Management fees	3,622	5,131	9,990	4,706	2,520
Utilities expenses	228	377	1,857	270	885
Taxes and dues	1,554	2,920	5,175	1,098	1,080
Insurance premiums	45	88	203	47	63
Repair expenses	1,607	3,170	4,033	453	1,928
Trust fees	300	300	375	375	-
Other lease business expenses	31	53	189	31	17
(3) NOI ((1) -(2))	22,889	29,523	88,238	23,433	21,065
(4) Depreciation	4,053	5,416	11,776	4,766	3,442
(5) Operating income (loss) from real estate leasing ((3)-(4))	18,836	24,106	76,461	18,666	17,623

(Unit: thousand yen)

Property number	R-10	R-11	R-12	R-13	R-14
Property name	LUXENA KADOMA	LUXENA TODAKOEN	LUXENA TODAKOEN II	LUXENA AKIHABARA	Fiore Residence Dejima Kaigan Dori
(1) Operating revenue from real estate leasing	68,233	26,059	34,434	49,489	21,069
Leasing business revenue	64,975	25,867	33,945	47,794	19,942
Other leasing business revenue	3,257	192	488	1,695	1,126
(2) Operating expenses from real estate leasing business	15,715	5,192	5,095	10,979	6,755
Management fees	6,686	2,524	2,534	6,897	2,839
Utilities expenses	2,299	348	374	412	981
Taxes and dues	5,581	1,744	1,569	2,388	1,382
Insurance premiums	171	46	73	77	60
Repair expenses	774	153	124	869	1,155
Trust fees	-	300	300	300	300
Other lease business expenses	202	75	119	34	35
(3) NOI ((1) -(2))	52,517	20,866	29,338	38,510	14,313
(4) Depreciation	16,094	5,294	6,343	6,380	3,481
(5) Operating income (loss) from real estate leasing ((3)-(4))	36,423	15,572	22,994	32,129	10,832

(Unit: thousand yen)

Property number	R-15	R-16	R-17	R-18	R-19
Property name	LUXENA MUSASHI-SHINJO	LUXENA NAGAREYAMA OOTAKANOMORI	PRIME SQUARE	Winbell Chorus Seiseki Sakuragaoka	Mare Isogo Building
(1) Operating revenue from real estate leasing	49,748	84,788	18,915	29,117	60,819
Leasing business revenue	49,196	82,397	18,915	27,888	60,683
Other leasing business revenue	552	2,390	-	1,228	136
(2) Operating expenses from real estate leasing business	9,025	15,360	2,349	8,845	7,513
Management fees	4,234	6,534	189	3,016	3,763
Utilities expenses	375	1,850	-	607	672
Taxes and dues	3,424	4,233	1,367	1,731	2,382
Insurance premiums	91	189	46	74	134
Repair expenses	563	2,159	351	3,017	239
Trust fees	300	375	375	375	300
Other lease business expenses	35	18	19	22	21
(3) NOI ((1) -(2))	40,722	69,427	16,566	20,272	53,305
(4) Depreciation	8,466	17,717	3,282	3,089	9,241
(5) Operating income (loss) from real estate leasing ((3)-(4))	32,255	51,710	13,283	17,182	44,064

(Unit: thousand yen)

Property number	R-20	R-21	R-22	H-01	H-02
Property name	TLR Residence Kawasaki Daishi	TLR Residence Honmachi WEST	TLR Residence Takaida	Dormy Inn Matsuyama	Hotel Sunshine Utsunomiya
(1) Operating revenue from real estate leasing	24,142	35,839	12,056	76,500	64,263
Leasing business revenue	23,466	35,096	11,551	76,500	64,263
Other leasing business revenue	676	742	505	-	-
(2) Operating expenses from real estate leasing business	6,955	5,081	3,130	9,396	15,364
Management fees	5,506	4,176	2,069	765	364
Utilities expenses	148	279	365	900	-
Taxes and dues	5	4	8	6,834	4,759
Insurance premiums	50	79	40	168	189
Repair expenses	915	235	419	390	9,612
Trust fees	233	150	225	300	400
Other lease business expenses	95	156	2	38	38
(3) NOI ((1) -(2))	17,187	30,758	8,926	67,103	48,898
(4) Depreciation	5,772	5,125	2,237	19,220	19,646
(5) Operating income (loss) from real estate leasing ((3)-(4))	11,415	25,632	6,688	47,883	29,252

(Unit: thousand yen)

Property number	H-03	H-04	C-01	C-02	C-03
Property name	Dormy Inn Morioka	ACCESS by LOISIR HOTEL Nagoya	Prio Daimyo II	Co-op Sapporo Syunko	TA Shonan Kugenumakaigan
(1) Operating revenue from real estate leasing	74,958	16,050	31,369	41,760	17,872
Leasing business revenue	74,958	16,050	27,988	41,760	15,820
Other leasing business revenue	-	-	3,380	-	2,052
(2) Operating expenses from real estate leasing business	8,597	6,641	6,426	4,655	3,645
Management fees	749	160	1,460	417	1,058
Utilities expenses	-	-	2,634	-	1,639
Taxes and dues	7,246	5,960	1,872	3,792	914
Insurance premiums	201	97	21	113	17
Repair expenses	383	-	-	-	-
Trust fees	-	375	400	300	-
Other lease business expenses	16	47	37	31	16
(3) NOI ((1) -(2))	66,360	9,409	24,943	37,104	14,227
(4) Depreciation	27,227	10,978	1,320	7,760	1,365
(5) Operating income (loss) from real estate leasing ((3)-(4))	39,133	(1,568)	23,622	29,344	12,861

(Unit: thousand yen)

Property number	C-05	C-06	C-07	C-08	C-09
Property name	YAMADA web.com Matsuyama Toiyacho	Tecc LIFE SELECT Kobe Tarumi (Land)	AEON Style Onomichi (Land)	BIGMOTOR Sapporo Kiyota (Land)	DCM Daiki Onomichi (Land)
(1) Operating revenue from real estate leasing	(Note)	(Note)	28,560	(Note)	(Note)
Leasing business revenue	(Note)	(Note)	28,560	(Note)	(Note)
Other lease business revenue	(Note)	(Note)	-	(Note)	(Note)
(2) Operating expenses from real estate leasing business	(Note)	(Note)	4,063	(Note)	(Note)
Management fees	(Note)	(Note)	142	(Note)	(Note)
Utilities expenses	(Note)	(Note)	-	(Note)	(Note)
Taxes and dues	(Note)	(Note)	3,905	(Note)	(Note)
Insurance premiums	(Note)	(Note)	-	(Note)	(Note)
Repair expenses	(Note)	(Note)	-	(Note)	(Note)
Trust fees	(Note)	(Note)	-	(Note)	(Note)
Other lease business expenses	(Note)	(Note)	15	(Note)	(Note)
(3) NOI ((1) -(2))	152,672	103,683	24,496	37,139	(Note)
(4) Depreciation	15,654	-	-	-	-
(5) Operating income (loss) from real estate leasing ((3)-(4))	137,017	103,683	24,496	37,139	(Note)

(Unit: thousand yen)

Property number	C-10	C-11	C-12
Property name	Cainz Omiya	APiTA Nagoya South Store	(TBC) BIGMOTOR Konosu (Land)
(1) Operating revenue from real estate leasing	(Note)	(Note)	(Note)
Leasing business revenue	(Note)	(Note)	(Note)
Other leasing business revenue	(Note)	(Note)	(Note)
(2) Operating expenses from real estate leasing business	(Note)	(Note)	(Note)
Management fees	(Note)	(Note)	(Note)
Utilities expenses	(Note)	(Note)	(Note)
Taxes and dues	(Note)	(Note)	(Note)
Insurance premiums	(Note)	(Note)	(Note)
Repair expenses	(Note)	(Note)	(Note)
Trust fees	(Note)	(Note)	(Note)
Other lease business expenses	(Note)	(Note)	(Note)
(3) NOI ((1) -(2))	65,347	208,657	48,646
(4) Depreciation	9,347	20,463	-
(5) Operating income (loss) from real estate leasing ((3)-(4))	55,999	188,194	48,646

(Note) Since the tenant has not provided consent to disclose the rent income, it cannot be disclosed due to unavoidable circumstances.

(d) Summary of Appraisal Values

The following is a summary of the real estate appraisal report for each asset under management as of the end of the fiscal period under review.

Note that the real estate appraisal reports constitute the judgment and opinion of the appraiser as of a certain point in time and do not constitute a guarantee or promise of the validity and accuracy of their contents or the possibility of transactions at the appraisal values. Note that there are no special conflicts of interest between each appraiser, the Investment Corporation, and the Asset Manager.

Category	Property number	Property name	Appraising institution	Appraisal value (million yen)	Direct capitalization method		Discounted cash flow method			Appraisal NOI (million yen) (Note 1)	Appraisal NOI yield (%) (Note 2)
					Value indicated by income approach (million yen)	Capitalization rate (%)	Value indicated by income approach (million yen)	Discount rate (%)	Terminal cap rate (%)		
Office	O-01	NT Building	Japan Real Estate Institute	12,600	12,800	3.7	12,400	3.4	3.8	506	4.1
	O-02	Higashi-Ikebukuro Central Place	Japan Real Estate Institute	10,900	11,000	3.7	10,700	3.5	3.8	415	4.2
	O-03	Nagoya Center Plaza Building	Japan Real Estate Institute	5,230	5,260	4.7	5,190	4.5	4.8	265	5.4
	O-05	Omiya NSD Building	Daiwa Real Estate Appraisal Co., Ltd.	3,960	4,030	4.6	3,930	4.4	4.8	194	5.6
	O-07	Hakata Gion Building	Daiwa Real Estate Appraisal Co., Ltd.	2,930	3,000	4.1	2,900	3.9	4.3	130	5.2
	O-09	L.Biz Jimbocho Building	Tanizawa Sōgō Appraisal Co., Ltd.	1,180	1,210	3.6	1,160	3.7	3.8	45	4.5
	O-11	L.Biz Sendai	JLL Morii Valuation & Advisory K. K.	1,670	1,700	4.7	1,640	4.5	4.9	92	5.5
	O-12	Sendai Nikko Building	Tanizawa Sōgō Appraisal Co., Ltd.	1,800	1,900	4.2	1,750	4.3	4.4	89	5.1
	O-18	Akasaka Kawase Building	Daiwa Real Estate Appraisal Co., Ltd.	751	775	3.4	741	3.2	3.6	28	4.1
	O-19	Yoyogi 1-chome Building	Tanizawa Sōgō Appraisal Co., Ltd.	2,170	2,250	3.2	2,140	3.1/3.3	3.4	74	4.0
	O-20	Kawagoe West Building	Daiwa Real Estate Appraisal Co., Ltd.	2,780	2,810	4.5	2,760	4.3	4.7	129	5.0
	O-21	Hakata Reisenmachi Building	Daiwa Real Estate Appraisal Co., Ltd.	2,720	2,810	3.8	2,680	3.6	4.0	105	3.9
	Subtotal/Average				48,691	49,545	-	47,991	-	-	2,077
Residence	R-01	Amare Tokaidori	Tanizawa Sōgō Appraisal Co., Ltd.	1,220	1,230	4.4	1,210	4.5	4.6	58	5.3
	R-02	Dormy Ukimafunado	JLL Morii Valuation & Advisory K. K.	1,130	1,150	4.4	1,110	4.2	4.6	56	5.3
	R-03	Benefis Hakata-Minami Grand Sweet	Tanizawa Sōgō Appraisal Co., Ltd.	1,180	1,200	4.3	1,170	4.4	4.5	54	5.3
	R-04	LUXENA HIGASHI-KOENJI	Tanizawa Sōgō Appraisal Co., Ltd.	1,170	1,190	3.6	1,160	3.7	3.8	44	4.2
	R-06	J City Hatchobori	Tanizawa Sōgō Appraisal Co., Ltd.	1,260	1,280	4.7	1,250	4.8	4.9	65	5.4
	R-07	LUXENA HEIWADAI	Daiwa Real Estate Appraisal Co., Ltd.	4,430	4,530	3.6	4,390	3.6	4.0	175	4.5

Category	Property number	Property name	Appraising institution	Appraisal value (million yen)	Direct capitalization method		Discounted cash flow method			Appraisal NOI (million yen) (Note 1)	Appraisal NOI yield (%) (Note 2)	
					Value indicated by income approach (million yen)	Capitalization rate (%)	Value indicated by income approach (million yen)	Discount rate (%)	Terminal cap rate (%)			
Residence	R-08	LUXENA KACHIDOKI	Chuo Real Estate Appraisal Co., Ltd.	1,320	1,330	3.5	1,310	3.3	3.7	47	4.2	
	R-09	LUXENA HONATSUGI	Daiwa Real Estate Appraisal Co., Ltd.	777	785	4.6	773	4.4	4.8	38	5.5	
	R-10	LUXENA KADOMA	Tanizawa Sōgō Appraisal Co., Ltd.	2,170	2,170	4.3	2,170	4.4	4.5	95	4.8	
	R-11	LUXENA TODAKOEN	Daiwa Real Estate Appraisal Co., Ltd.	978	1,000	4.0	968	3.8	4.2	40	4.5	
	R-12	LUXENA TODAKOEN II	Daiwa Real Estate Appraisal Co., Ltd.	1,260	1,280	4.0	1,250	3.8	4.2	52	4.4	
	R-13	LUXENA AKIHABARA	Tanizawa Sōgō Appraisal Co., Ltd.	2,460	2,540	3.2	2,420	3.3	3.4	82	3.6	
	R-14	Fiore Residence Dejima Kaigan Dori	Daiwa Real Estate Appraisal Co., Ltd.	595	601	4.6	593	4.4	4.8	30	5.5	
	R-15	LUXENA MUSASHI-SHINJO	Tanizawa Sōgō Appraisal Co., Ltd.	2,020	2,090	3.9	1,990	4.0	4.1	82	4.4	
	R-16	LUXENA NAGAREYA MA OOTAKANO MORI	Tanizawa Sōgō Appraisal Co., Ltd.	3,070	3,150	4.1	3,040	4.2	4.3	131	4.6	
	R-17	PRIME SQUARE	Chuo Real Estate Appraisal Co., Ltd.	753	764	4.2	748	4.0	4.4	33	5.4	
	R-18	Winbell Chorus Seiseki Sakuragaoka	Japan Real Estate Institute	841	845	4.2	837	4.0	4.3	40	5.5	
	R-19	Mare Isogo Building	Japan Real Estate Institute	2,170	2,190	4.5	2,140	4.3	4.6	103	5.5	
	R-20	TLR Residence Kawasaki Daishi	Daiwa Real Estate Appraisal Co., Ltd.	1,410	1,440	3.9	1,390	3.7	4.1	57	4.3	
	R-21	TLR Residence Honmachi WEST	Japan Valuers Co., Ltd.	3,490	3,510	3.5	3,460	3.2	3.6	126	3.6	
	R-22	TLR Residence Takaida	JLL Morii Valuation & Advisory K. K.	1,010	1,030	4.1	983	3.9	4.3	44	4.8	
	Subtotal/Average				34,714	35,305	-	34,362	-	-	1,463	4.6
	Hotel	H-01	Dormy Inn Matsuyama	Chuo Real Estate Appraisal Co., Ltd.	2,550	2,570	5.0	2,540	4.8	5.2	132	5.5
		H-02	Hotel Sunshine Utsunomiya	Daiwa Real Estate Appraisal Co., Ltd.	2,090	2,080	5.1	2,090	4.9	5.3	117	5.9
		H-03	Dormy Inn Morioka	Chuo Real Estate Appraisal Co., Ltd.	2,570	2,590	4.9	2,560	4.7	5.1	130	5.2
		H-04	ACCESS by LOISIR HOTEL Nagoya	Daiwa Real Estate Appraisal Co., Ltd.	2,190	2,290	4.2	2,140	4.0	4.4	106	4.3
		Subtotal/Average				9,400	9,530	-	9,330	-	-	486

Category	Property number	Property name	Appraising institution	Appraisal value (million yen)	Direct capitalization method		Discounted cash flow method			Appraisal NOI (million yen) (Note 1)	Appraisal NOI yield (%) (Note 2)	
					Value indicated by income approach (million yen)	Capitalization rate (%)	Value indicated by income approach (million yen)	Discount rate (%)	Terminal cap rate (%)			
Retail and Other	C-01	Prio Daimyo II	Daiwa Real Estate Appraisal Co., Ltd.	1,120	1,140	4.1	1,110	3.9	4.3	48	4.9	
	C-02	Co-op Sapporo Syunko	Chuo Real Estate Appraisal Co., Ltd.	1,110	1,100	6.2	1,110	6.0	6.4	72	7.0	
	C-03	TA Shonan Kugenumakaigan	Daiwa Real Estate Appraisal Co., Ltd.	570	578	4.7	566	4.5	4.9	27	5.5	
	C-05	YAMADA web.com Matsuyama Toiyacho	Japan Real Estate Institute	4,410	4,450	6.8	4,370	6.5	7.0	300	7.5	
	C-06	Tecc LIFE SELECT Kobe Tarumi (Land)	Japan Real Estate Institute	4,350	4,380	4.8	4,310	4.1	-	207	4.9	
	C-07	AEON Style Onomichi (Land)	Japan Real Estate Institute	1,040	1,050	4.7	1,030	4.5	4.8	49	5.4	
	C-08	BIGMOTOR Sapporo Kiyota (Land)	JLL Morii Valuation & Advisory K. K.	1,790	(Note 3)	(Note 3)	1,790	4.3	-	73 (Note 4)	4.6	
	C-09	DCM Daiki Onomichi (Land)	Japan Real Estate Institute	1,240	1,240	5.3	1,230	4.5	5.8	65	5.6	
	C-10	Cainz Omiya	Daiwa Real Estate Appraisal Co., Ltd.	2,590	2,610	4.4	2,580	4.2	4.6	125	5.0	
	C-11	APiTA Nagoya South Store	Daiwa Real Estate Appraisal Co., Ltd.	8,250	8,280	4.6	8,230	4.4	4.8	402	5.2	
	C-12	(TBC) BIGMOTOR Konosu (Land)	JLL Morii Valuation & Advisory K. K.	2,290	(Note 3)	(Note 3)	2,290	4.3	-	98 (Note 4)	4.6	
	Subtotal/Average				28,760	(Note 3)	-	28,616	-	-	1,470	5.5
	Total/Average				121,565	(Note 3)	-	120,299	-	-	5,497	4.8

(Note 1) "Appraisal NOI" is the net operating income (NOI) based on the direct capitalization method as stated in the real estate appraisal report.

(Note 2) "Appraisal NOI yield" is the figure obtained by dividing the appraisal NOI by the acquisition price. The appraisal NOI yield is calculated by the Asset Management Company and is not the figure stated in the real estate appraisal report.

(Note 3) This information is omitted as the DCF method is the only method applied to BIGMOTOR Sapporo Kiyota (Land) and (TBC) BIGMOTOR Konosu (Land).

(Note 4) For BIGMOTOR Sapporo Kiyota (Land) and (TBC) BIGMOTOR Konosu (Land), net operating income (NOI) based on the DCF method is presented as it is the only method applied to these properties.

(e) Engineering, Environmental and Seismic Reviews

With respect to each property under management, the Investment Corporation has obtained an engineering report regarding building inspections, compliance with related laws and regulations, repair cost assessments and environmental assessments. Information provided in engineering reports are solely the opinions of the respective reporting entities, and the Investment Corporation does not guarantee the validity and accuracy of their contents. Note that there are no special conflicts of interest between the following surveyors, the Investment Corporation, and the Asset Management Company.

In addition, the expected loss ratios due to earthquakes, or PML values, for the buildings associated with each managed asset is as follows. These PML values are based on seismic reviews prepared by Tokio Marine dR Co., Ltd. As of the date of this document, no earthquake insurance has been provided. The contents of the seismic reviews are solely the opinions of the reporting entity, and the Investment Corporation does not guarantee the validity and accuracy of their contents.

Category	Property number	Property name	Surveyor	Survey date	Emergency repair expenses (thousand yen) (Note 1)	Short-term repair expenses (thousand yen) (Note 1)	Long-term repair expenses (annual average) (thousand yen) (Note 2)	Replacement cost (million yen) (Note 3)	PML (%) (Note 4)
Office	O-01	NT Building	Tokio Marine dR Co., Ltd.	May 2021	-	-	50,655	4,855	1.2
	O-02	Higashi-Ikebukuro Central Place	Tokio Marine dR Co., Ltd.	May 2021	-	-	19,390	2,882	2.9
	O-03	Nagoya Center Plaza Building	Daiwa Real Estate Appraisal Co., Ltd.	April 2021	-	-	29,346	4,376	2.2
	O-05	Omiya NSD Building	Daiwa Real Estate Appraisal Co., Ltd.	April 2021	-	-	15,991	1,518	4.8
	O-07	Hakata Gion Building	Daiwa Real Estate Appraisal Co., Ltd.	May 2021	-	-	9,576	1,309	2.3
	O-09	L.Biz Jimbocho Building	Tokio Marine dR Co., Ltd.	October 2021	-	-	2,586	248	7.2
	O-11	L.Biz Sendai	Tokio Marine dR Co., Ltd.	October 2021	150 (Note 5)	-	19,181	1,404	2.3
	O-12	Sendai Nikko Building	Tokio Marine dR Co., Ltd.	October 2021	-	-	13,331	1,093	2.0
	O-18	Akasaka Kawase Building	Daiwa Real Estate Appraisal Co., Ltd.	September 2019	-	-	2,821	173	9.8
	O-19	Yoyogi 1-chome Building	Tokio Marine dR Co., Ltd.	December 2020	-	-	4,697	365	3.8
	O-20	Kawagoe West Building	Daiwa Real Estate Appraisal Co., Ltd.	May 2021	-	-	6,659	752	5.8
	O-21	Hakata Reisenmachi Building	Daiwa Real Estate Appraisal Co., Ltd.	June 2021	-	-	2,768	746	2.4
Residence	R-01	Amare Tokaidori	Tokio Marine dR Co., Ltd.	November 2021	-	-	6,320	754	6.7
	R-02	Dormy Ukimafunado	Tokio Marine dR Co., Ltd.	October 2021	-	-	9,446	565	6.9
	R-03	Benefis Hakata-Minami Grand Sweet	Tokio Marine dR Co., Ltd.	November 2021	-	-	3,849	706	2.5
	R-04	LUXENA HIGASHI-KOENJI	Tokio Marine dR Co., Ltd.	October 2021	-	-	2,571	368	4.6
	R-06	J City Hatchobori	Tokio Marine dR Co., Ltd.	June 2022	-	-	6,238	738	3.0
	R-07	LUXENA HEIWADAI	Daiwa Real Estate Appraisal Co., Ltd.	June 2019	-	-	4,398	1,471	3.6
	R-08	LUXENA KACHIDOKI	Tokio Marine dR Co., Ltd.	June 2019	-	-	719	346	4.2
	R-09	LUXENA HONATSUGI	Daiwa Real Estate Appraisal Co., Ltd.	February 2020	-	-	4,333	448	12.7
	R-10	LUXENA KADOMA	Daiwa Real Estate Appraisal Co., Ltd.	March 2021	-	-	3,192	1,212	8.5
	R-11	LUXENA TODAKOEN	Daiwa Real Estate Appraisal Co., Ltd.	May 2021	-	-	963	337	5.9
	R-12	LUXENA TODAKOEN II	Daiwa Real Estate Appraisal Co., Ltd.	April 2021	-	-	1,427	527	6.7
	R-13	LUXENA AKIHABARA	Daiwa Real Estate Appraisal Co., Ltd.	June 2021	-	-	1,243	559	3.9
	R-14	Fiore Residence Dejima Kaigan Dori	Daiwa Real Estate Appraisal Co., Ltd.	May 2021	-	-	4,370	434	10.6
	R-15	LUXENA MUSASHI-SHINJO	Daiwa Real Estate Appraisal Co., Ltd.	June 2021	-	-	1,676	660	6.6
	R-16	LUXENA NAGAREYAMA OOTAKANOMORI	Tokio Marine dR Co., Ltd.	June 2021	-	-	3,067	1,361	3.8
	R-17	PRIME SQUARE	Tokio Marine dR Co., Ltd.	June 2021	-	-	2,383	331	4.1
	R-18	Winbell Chorus Seiseki Sakuragaoka	Daiwa Real Estate Appraisal Co., Ltd.	May 2021	-	-	6,792	536	3.9



Category	Property number	Property name	Surveyor	Survey date	Emergency repair expenses (thousand yen) (Note 1)	Short-term repair expenses (thousand yen) (Note 1)	Long-term repair expenses (annual average) (thousand yen) (Note 2)	Replacement cost (million yen) (Note 3)	PML (%) (Note 4)
Residence	R-19	Mare Isogo Building	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	August 2021	-	-	11,988	940	5.3
	R-20	TLR Residence Kawasaki Daishi	Daiwa Real Estate Appraisal Co., Ltd.	March 2022	-	-	2,810	472	8.6
	R-21	TLR Residence Honmachi WEST	Tokio Marine dR Co., Ltd.	April 2022	-	-	4,772	1,184	8.2
	R-22	TLR Residence Takaida	Daiwa Real Estate Appraisal Co., Ltd.	April 2022	-	-	3,812	603	10.1
Hotel	H-01	Dormy Inn Matsuyama	Tokio Marine dR Co., Ltd.	June 2022	-	-	2,281	1,395	2.8
	H-02	Hotel Sunshine Utsunomiya	Daiwa Real Estate Appraisal Co., Ltd.	March 2018	-	-	11,637	1,480	1.4
	H-03	Dormy Inn Morioka	Tokio Marine dR Co., Ltd.	May 2019	-	-	665	1,453	5.5
	H-04	ACCESS by LOISIR HOTEL Nagoya	Daiwa Real Estate Appraisal Co., Ltd.	June 2019	-	-	142	700	4.2
Retail and Other	C-01	Prio Daimyo II	Daiwa Real Estate Appraisal Co., Ltd.	April 2022	-	-	1,951	166	4.4
	C-02	Co-op Sapporo Syunko	Tokio Marine dR Co., Ltd.	February 2018	-	-	6,186	882	0.9
	C-03	TA Shonan Kugenmakaigan	Daiwa Real Estate Appraisal Co., Ltd.	April 2022	-	-	499	125	14.5
	C-05	YAMADA web.com Matsuyama Toiyacho	Daiwa Real Estate Appraisal Co., Ltd.	June 2019	-	-	6,865	1,649	2.6
	C-06	Tecc LIFE SELECT Kobe Tarumi (Land)	-	-	-	-	-	-	-
	C-07	AEON Style Onomichi (Land)	-	-	-	-	-	-	-
	C-08	BIGMOTOR Sapporo Kiyota (Land)	-	-	-	-	-	-	-
	C-09	DCM Daiki Onomichi (Land)	-	-	-	-	-	-	-
	C-10	Cainz Omiya	Daiwa Real Estate Appraisal Co., Ltd.	April 2021	-	-	17,589	1,472	3.0
	C-11	APiTA Nagoya South Store	Daiwa Real Estate Appraisal Co., Ltd.	January 2021	-	-	42,763	4,335	4.2
	C-12	(TBC) BIGMOTOR Konosu (Land)	-	-	-	-	-	-	-

(Note 1) "Emergency repair expenses" and "short-term repair expenses" are the total of the expenses required in the engineering report as the urgently required expenses and the repair renewal expenses required within approximately one year.

(Note 2) "Long-term repair costs" is based on the engineering report and indicates repair costs per year (excluding emergency repair costs and short-term repair costs) projected for the next 11 or 12 years.

(Note 3) "Replacement cost" is based on the engineering report, and total cost price when newly constructed according to the same design and specifications at the time of the report preparation is rounded down to the nearest million yen.

(Note 4) PML of portfolio is 1.7%. This is the PML value for the entire portfolio based on the "Earthquake Risk Evaluation Report: Portfolio Evaluation (43 Properties)" dated June 2022 by Tokio Marine D.R. Co., Ltd.

(Note 5) Repairs have already been completed.

(2) Capital Expenditures for Investment Assets

1) Scheduled Capital Expenditures

As for the assets held by the Investment Corporation as of the end of the fiscal period under review, the major planned amount of capital expenditure accompanying renovation work, etc. for the period ending February 28, 2023 is as follows. In addition, the following planned amount of construction may be partially booked as repair expenses.

Property name	Location	Purpose	Schedule	Planned Construction Amount (thousand yen)		
				Total	Amount paid during period	Total spending
APiTA Nagoya South Store	Nagoya City, Aichi	Automatic fire alarm system renewal work	From: September 2022 To: February 2023	34,000	-	-
Hakata Gion Building	Fukuoka City, Fukuoka	Air-conditioning equipment renewal work	From: September 2022 To: February 2023	32,077	-	-
NT Building	Shinagawa Ward, Tokyo	Upgrading of chilled water generator	From: September 2022 To: February 2023	32,000	-	-
NT Building	Shinagawa Ward, Tokyo	OA floor repair work	From: September 2022 To: February 2023	30,000	-	-
NT Building	Shinagawa Ward, Tokyo	Lighting equipment renewal work	From: September 2022 To: February 2023	23,000	-	-

2) Capital Expenditures During the Period

The major construction work, etc. corresponding to capital expenditure in the fiscal period under review for the property portfolio as of the end of the period are as follows. The construction corresponding to the capital expenditure of the assets managed as a whole in the period under review was 261,590 thousand yen, with a combined total of 342,681 thousand yen of work when adding 81,090 thousand yen of repair expenses charged to expenses in the fiscal period under review.

Property name	Location	Purpose	Scheduled period	Amount (thousand yen)
Nagoya Center Plaza Building	Nagoya City, Aichi	EHP air-conditioning equipment renewal work	From: March 2022 To: August 2022	97,272
Higashi-Ikebukuro Central Place	Toshima Ward, Tokyo	Air-conditioning equipment renewal work	From: April 2022 To: July 2022	27,017
Hakata Gion Building	Fukuoka City, Fukuoka	LED equipment repair work	From: May 2022 To: May 2022	13,830
Higashi-Ikebukuro Central Place	Toshima Ward, Tokyo	Renovation of north exterior walls	From: March 2022 To: June 2022	11,332
Other			From: March 2022 To: August 2022	112,138
Total				261,590

3) Reserves for Long-term Repair Plans

Not applicable.