

(REIT) Financial Report for Fiscal Period Ended February 28, 2025

April 21, 2025

REIT Securities Issuer: Takara Leben Real Estate Investment Corporation
Securities Code: 3492
Representative Director: Tetsuo Saida, Executive Director

Stock Exchange Listing: Tokyo Stock Exchange
URL: <https://takara-reit.co.jp>

Asset Management: MIRARTH Real Estate Advisory Inc.
Representative: Tetsuo Saida, President
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Scheduled date of submission of securities report: May 29, 2025
Scheduled date of commencement of cash distribution payment: May 19, 2025
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 February 28, 2025 (September 1, 2024 to February 28, 2025)

(1) Operating Results

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

	Operating revenues		Operating income		Ordinary income		Net income	
Fiscal period ended	million yen	%	million yen	%	million yen	%	million yen	%
February 28, 2025	5,334	21.2	3,291	27.3	2,723	27.1	2,664	25.9
August 31, 2024	4,400	13.1	2,584	14.2	2,143	13.6	2,117	13.8

	Net income per unit	Return on unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenues
Fiscal period ended	yen	%	%	%
February 28, 2025	2,952	3.2	1.6	51.0
August 31, 2024	2,713	2.8	1.4	48.7

(2) Distribution

	Distributions per unit (excluding distributions in excess of earnings)	Total distributions (excluding 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
Fiscal period ended	yen	million yen	yen	million yen	yen	million yen	%	%
February 28, 2025	2,800	2,550	—	—	2,800	2,550	95.7	2.8
August 31, 2024	2,700	2,108	—	—	2,700	2,108	99.6	2.7

(Note 1) The amount of total distributions for the fiscal period ended August 31, 2024 is the amount of unappropriated retained earnings less the amount of internal reserve for the purpose of stabilizing future distributions. The amount of total distributions for the fiscal period ended February 28, 2025 is the amount of unappropriated retained earnings less the amount of internal reserve for the purpose of stabilizing future distributions and a reversal of allowance for temporary difference adjustments.

(Note 2) The distribution payout ratio for the fiscal period ended August 31, 2024 and February 28, 2025, is calculated using the following formula because the number of investment units issued and outstanding during the period has changed due to the issuance of new investment units during the period. Distribution payout ratio = Total distributions (excluding distributions in excess of earnings) / Net income × 100

(3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
Fiscal period ended	million yen	million yen	%	yen
February 28, 2025	187,329	90,232	48.2	99,067
August 31, 2024	161,256	78,746	48.8	100,850

(4) Cash Flows

	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
Fiscal period ended	million yen	million yen	million yen	million yen
February 28, 2025	4,665	(25,607)	22,699	6,123
August 31, 2024	2,622	(18,372)	15,777	4,365

2. Forecasts of Financial Results for Fiscal Periods Ending August 31, 2025 (from March 1, 2025 to August 31, 2025) and February 28, 2026 (from September 1, 2025 to February 28, 2026)

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

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Distributions per unit (including distributions in excess of earnings)
Fiscal period ending	million yen	%	million yen	%	million yen	%	million yen	%	yen	yen	yen
August 31, 2025	5,491	2.9	3,411	3.6	2,730	0.3	2,635	(1.1)	2,700	—	2,700
February 28, 2026	5,057	(7.9)	3,039	(10.9)	2,335	(14.5)	2,309	(12.3)	2,700	—	2,700

(Reference) Forecast net income per unit (fiscal period ending August 31, 2025): 2,893 yen Forecast net income per unit (fiscal period ending February 28, 2026): 2,536 yen

(Note) For the fiscal period ending August 31, 2025, it is assumed that a portion of net income is retained to stabilize future distributions. For the fiscal period ending February 28, 2026, it is assumed that 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. Due to these factors, the projected amount of distributions per unit (excluding distributions in excess of earnings) differs from the projected amount of net income per unit for both fiscal periods.

* 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 February 28, 2025: 910,820 units

Fiscal period ended August 31, 2024: 780,820 units

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

Fiscal period ended February 28, 2025: 0 units

Fiscal period ended August 31, 2024: 0 units

(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.

* Financial reports are exempt from audits by a certified public accounting or accounting firms.

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

(Notes on 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 August 31, 2025, and February 28, 2026" on page 3.

Assumptions for the Forecasts of Financial Results for the Fiscal Periods Ending August 31, 2025 and February 28, 2026

Item	Assumptions																																
Calculation period	<ul style="list-style-type: none">Fiscal period ending August 31, 2025 (15th fiscal period: from March 1, 2025 to August 31, 2025) (184 days)Fiscal period ending February 28, 2026 (16th fiscal period: from September 1, 2025 to February 28, 2026) (181 days)																																
Property portfolio	<ul style="list-style-type: none">The Investment Corporate owns 80 properties as of the date of this document (hereinafter, “Owned Assets”). It is assumed that of the Owned Assets, the Investment Corporation will transfer a property (R-18 Winbell Chorus SeisekiSakuragaoka) on April 24, 2025 and will continue to own all the other properties.The actual property portfolio may vary due to the acquisition of new properties or the disposal of other Owned Assets, etc.																																
Operating revenues	<ul style="list-style-type: none">Operating revenues from Owned Assets are based on the expected occupancy rate and the expected rent fluctuations that are in turn based on the assumptions of tenant fluctuation and rent level listed in lease agreements that are effective as of the date of this document.Forecasts are based on the assumption that there will be no delay in payment of rent or non-payments by the tenant.																																
Operating expenses	<ul style="list-style-type: none">The main operating expenses are as follows:<table><tr><td></td><td>Fiscal period ending August 31, 2025 (15th FP)</td><td>Fiscal period ending February 28, 2026 (16th FP)</td></tr><tr><td>Expenses related to leasing business total</td><td>1,613 million yen</td><td>1,618 million yen</td></tr><tr><td>Subcontract expenses</td><td>307 million yen</td><td>298 million yen</td></tr><tr><td>(Of which, maintenance expenses)</td><td>228 million yen</td><td>218 million yen</td></tr><tr><td>(Of which, property management fees)</td><td>79 million yen</td><td>79 million yen</td></tr><tr><td>Repair expenses</td><td>46 million yen</td><td>46 million yen</td></tr><tr><td>Taxes and dues</td><td>352 million yen</td><td>351 million yen</td></tr><tr><td>Depreciation</td><td>723 million yen</td><td>730 million yen</td></tr><tr><td>Those other than expenses related to leasing business total</td><td>466 million yen</td><td>399 million yen</td></tr><tr><td>Asset management fee</td><td>291 million yen</td><td>232 million yen</td></tr></table>Expenses related to leasing business constituting major operating expenses other than depreciation are calculated based on historical data and these costs reflect expected fluctuations.Depreciation is calculated by the straight-line method, including certain ancillary expenses.Fixed property tax, city planning tax, etc. associated with Owned Assets are accounted for as expenses related to the lending business by posting the amounts corresponding to the relevant calculation period from the amount of tax determined to be due. 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.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.				Fiscal period ending August 31, 2025 (15th FP)	Fiscal period ending February 28, 2026 (16th FP)	Expenses related to leasing business total	1,613 million yen	1,618 million yen	Subcontract expenses	307 million yen	298 million yen	(Of which, maintenance expenses)	228 million yen	218 million yen	(Of which, property management fees)	79 million yen	79 million yen	Repair expenses	46 million yen	46 million yen	Taxes and dues	352 million yen	351 million yen	Depreciation	723 million yen	730 million yen	Those other than expenses related to leasing business total	466 million yen	399 million yen	Asset management fee	291 million yen	232 million yen
	Fiscal period ending August 31, 2025 (15th FP)	Fiscal period ending February 28, 2026 (16th FP)																															
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Asset management fee	291 million yen	232 million yen																															
Non-operating expenses	<ul style="list-style-type: none">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 18 million yen and 14 million yen for the fiscal periods ending August 31, 2025 (15th Period) and February 28, 2026 (16th Period), respectively.For interest expenses and other borrowing-related expenses, 662 million yen and 689 million yen are expected for the fiscal periods ending August 31, 2025 (15th Period) and February 28, 2026 (16th Period), respectively.																																
Interest-bearing debt	<ul style="list-style-type: none">It is assumed that the total amount of interest-bearing debt will be 91,220 million yen as of the end of each of the fiscal periods ending August 31, 2025 (15th Period) and February 28, 2026 (16th Period), respectively.The LTV ratio is expected to be around 48.7% as of the end of each of the fiscal periods ending August 31, 2025 (15th Period) and February 28, 2026 (16th Period).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																																

Item	Assumptions
Investment units	<ul style="list-style-type: none"> 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 (910,820) due to the issuance of new investment units and other factors by the end of the fiscal period ending February 28, 2026 (16th Period).
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> Distributions per unit (excluding distributions in excess of earnings) are calculated based on the cash distribution policy stipulated in the Investment Corporation's Articles of Incorporation. For the fiscal period ending August 31, 2025 (15th Period), it is assumed that a portion of net income is retained to stabilize future distributions. For the fiscal period ending February 28, 2026 (16th Period), it is assumed that 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. Actual distributions per unit (excluding distributions in excess of earnings) may fluctuate due to various factors including changes in rental revenue, changes in investment assets and tenants, and unexpected repairs and other factors.
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> Distribution in excess of earnings is not scheduled at this point.
Other	<ul style="list-style-type: none"> 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. It is assumed that there will be no unexpected significant change in general economic trends, real estate market conditions, etc.

2. Financial Statements

(1) Balance Sheet

(Unit: thousand yen)

	13th Fiscal Period (As of August 31, 2024)	14th Fiscal Period (As of February 28, 2025)
Assets		
Current assets		
Cash and deposits	4,723,201	6,261,791
Cash and deposits in trust	2,776,415	3,095,377
Operating accounts receivable	146,383	198,725
Prepaid expenses	264,854	300,003
Consumption taxes receivable	171,411	119,815
Other	737	—
Total current assets	8,083,003	9,975,711
Non-current assets		
Property, plant and equipment		
Building	4,137,003	4,137,003
Accumulated depreciation	(445,672)	(494,622)
Buildings, net	3,691,330	3,642,381
Structures	28,587	28,587
Accumulated depreciation	(1,982)	(2,222)
Structures, net	26,605	26,364
Machinery and equipment	47,540	47,540
Accumulated depreciation	(11,885)	(13,073)
Machinery and equipment, net	35,655	34,466
Tools, furniture and fixtures	32,423	33,027
Accumulated depreciation	(17,071)	(19,612)
Tools, furniture and fixtures, net	15,351	13,414
Land	5,617,204	5,617,204
Buildings in trust	40,850,385	47,310,370
Accumulated depreciation	(3,799,604)	(4,395,555)
Buildings in trust, net	37,050,780	42,914,815
Structures in trust	264,922	330,264
Accumulated depreciation	(15,695)	(18,977)
Structures in trust, net	249,226	311,287
Machinery and equipment in trust	113,156	101,058
Accumulated depreciation	(9,910)	(12,879)
Machinery and equipment in trust, net	103,246	88,178
Tools, furniture and fixtures in trust	165,060	202,347
Accumulated depreciation	(43,976)	(55,473)
Tools, furniture and fixtures in trust, net	121,083	146,873
Land in trust	105,765,410	123,956,045
Construction in progress in trust	11,136	264
Total property, plant and equipment	152,687,030	176,751,295
Intangible assets		
Software	1,280	1,090
Total intangible assets	1,280	1,090
Investments and other assets		
Long-term prepaid expenses	384,132	485,780
Leasehold and guarantee deposits	11,000	11,000
Other	45,372	47,065
Total investments and other assets	440,504	543,845
Total non-current assets	153,128,815	177,296,232
Deferred assets		
Investment unit issuance costs	44,941	57,577
Total deferred assets	44,941	57,577
Total assets	161,256,760	187,329,522

(Unit: thousand yen)

	13th Fiscal Period (As of August 31, 2024)	14th Fiscal Period (As of February 28, 2025)
Liabilities		
Current liabilities		
Operating accounts payable	475,940	598,257
Current portion of long-term loans payable	17,400,000	16,600,000
Current portion of tenant leasehold and security deposits in trust	62,103	62,103
Accounts payable – other	257,263	337,264
Accrued expenses	21,041	18,509
Income taxes payable	485	36,539
Advances received	18,820	11,678
Other	6,143	5,358
Total current liabilities	18,241,797	17,669,711
Non-current liabilities		
Long-term loans payable	59,620,000	74,620,000
Tenant leasehold and security deposits	188,379	188,206
Tenant leasehold and security deposits in trust	4,226,563	4,369,585
Deferred tax liabilities	150,003	171,206
Asset retirement obligations	83,786	77,813
Other	111	423
Total non-current liabilities	64,268,845	79,427,234
Total liabilities	82,510,643	97,096,946
Net assets		
Unitholders' equity		
Unitholders' capital	76,326,001	87,255,751
Deduction from unitholders' capital		
Allowance for temporary difference adjustments	*1 (7,888)	*1 (7,888)
Total deduction from unitholders' capital	(7,888)	(7,888)
Unitholders' capital, net	76,318,113	87,247,863
Surplus		
Unappropriated retained earnings (undisposed loss)	2,428,003	2,984,712
Total surplus	2,428,003	2,984,712
Total unitholders' equity	78,746,116	90,232,575
Total net assets	*2 78,746,116	*2 90,232,575
Total liabilities and net assets	161,256,760	187,329,522

(2) Statement of Income

(Unit: thousand yen)

	13th Fiscal Period (from March 1, 2024 to August 31, 2024)	14th Fiscal Period (from September 1, 2024 to February 28, 2025)
Operating revenues		
Leasing business revenue	*1 4,194,071	*1 4,810,777
Other leasing business revenue	*1 205,953	*1 224,358
Gain on sale of real estate	—	*2 299,819
Total operating revenue	4,400,024	5,334,955
Operating expenses		
Expenses related to leasing business	*1 1,476,152	*1 1,607,782
Asset management fees	210,385	275,178
Asset custody and administrative service fees	30,028	35,556
Directors' compensations	2,400	2,400
Taxes and dues	31,246	43,779
Other operating expenses	65,246	78,978
Total operating expenses	1,815,459	2,043,675
Operating income	2,584,565	3,291,279
Non-operating income		
Interest income	777	3,751
Reversal of distributions payable	388	274
Refund of property taxes	986	—
Interest on tax refund	2	470
Income from insurance claims	72	84
Other	0	—
Total non-operating income	2,227	4,581
Non-operating expenses		
Interest expenses	286,094	395,875
Borrowing related expenses	139,055	158,453
Amortization of investment unit issuance costs	18,484	18,292
Total non-operating expenses	443,635	572,621
Ordinary income	2,143,157	2,723,239
Income before income taxes	2,143,157	2,723,239
Income taxes - current	605	37,114
Income taxes-deferred	25,297	21,202
Total income taxes	25,902	58,316
Net income	2,117,255	2,664,922
Retained earnings brought forward	310,748	319,789
Unappropriated retained earnings (undisposed loss)	2,428,003	2,984,712

(3) Statements of Changes in Net Assets
13th Fiscal Period (from March 1, 2024 to August 31, 2024)

(Unit: thousand yen)

(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	68,299,018	(7,888)	(7,888)	68,291,129	2,157,995	2,157,995	70,449,125
Changes during the period							
Issuance of new investment units	8,026,983			8,026,983			8,026,983
Dividends of surplus					(1,847,247)	(1,847,247)	(1,847,247)
Net income					2,117,255	2,117,255	2,117,255
Total changes during the period	8,026,983	—	—	8,026,983	270,007	270,007	8,296,991
Balance at end of period	*1 76,326,001	(7,888)	(7,888)	76,318,113	2,428,003	2,428,003	78,746,116

(Unit: thousand yen)

	Total net assets
Balance at beginning of period	70,449,125
Changes during the period	
Issuance of new investment units	8,026,983
Dividends of surplus	(1,847,247)
Net income	2,117,255
Total changes during the period	8,296,991
Balance at end of period	78,746,116

14th Fiscal Period (from September 1, 2024 to February 28, 2025)

(Unit: thousand yen)

(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	76,326,001	(7,888)	(7,888)	76,318,113	2,428,003	2,428,003	78,746,116
Changes during the period							
Issuance of new investment units	10,929,750			10,929,750			10,929,750
Dividends of surplus					(2,108,214)	(2,108,214)	(2,108,214)
Net income					2,664,922	2,664,922	2,664,922
Total changes during the period	10,929,750	—	—	10,929,750	556,708	556,708	11,486,458
Balance at end of period	*1 87,255,751	(7,888)	(7,888)	87,247,863	2,984,712	2,984,712	90,232,575

(Unit: thousand yen)

	Total net assets
Balance at beginning of period	78,746,116
Changes during the period	
Issuance of new investment units	10,929,750
Dividends of surplus	(2,108,214)
Net income	2,664,922
Total changes during the period	11,486,458
Balance at end of period	90,232,575

(4) Statement of Cash Distributions

(Unit: yen)

Category	13th Fiscal Period (from March 1, 2024 to August 31, 2024)	14th Fiscal Period (from September 1, 2024 to February 28, 2025)
I. Unappropriated retained earnings	2,428,003,702	2,984,712,522
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	—	589,901
Reversal of allowance for temporary difference adjustments	—	589,901
IV. Distributions	2,108,214,000	2,550,296,000
[Distributions per unit]	[2,700]	[2,800]
Distributions of earnings	2,108,214,000	2,550,296,000
[Distributions of earnings per unit]	[2,700]	[2,800]
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	319,789,702	433,826,621
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, the Investment Corporation shall distribute in excess of the amount equivalent to 90% of the distributable profit 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 2,108,214,000 yen for the period. The amount of this profit distribution is the entire amount after deducting 319,789,702 yen as internal reserve for the purpose of stabilizing future distributions from unappropriated retained earnings. Moreover, taking into consideration any impact on distributions made by a discrepancy between tax treatment and accounting treatment of excess earnings (meaning discrepancy prescribed in Article 2, Paragraph 2, Item 30-b of the Ordinance on Accounting of Investment Corporations), the Investment Corporation has made it a rule to distribute an amount which the Investment Corporation determines as being equivalent to the amount of discrepancy between the tax treatment and accounting treatment of excess earnings in accordance with Article 36, Paragraph 1, Item (2) of the Articles of Incorporation. During the fiscal period under review, however, the Investment Corporation did not implement distribution of excess earnings because it increased internal reserves.</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, the Investment Corporation shall distribute in excess of the amount equivalent to 90% of the distributable profit 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 to internally retain 433,826,621 yen for the purpose of stabilizing future distributions and to distribute 2,550,296,000 yen as profit distributions (excluding distributions of excess earnings). This amount is unappropriated retained earnings less the above internal reserve and a reversal of allowance for temporary difference adjustments (as defined in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations). Moreover, taking into consideration any impact on distributions made by a discrepancy between tax treatment and accounting treatment of excess earnings (meaning discrepancy prescribed in Article 2, Paragraph 2, Item 30-b of the Ordinance on Accounting of Investment Corporations), the Investment Corporation has made it a rule to distribute an amount which the Investment Corporation determines as being equivalent to the amount of discrepancy between the tax treatment and accounting treatment of excess earnings in accordance with Article 36, Paragraph 1, Item (2) of the Articles of Incorporation. During the fiscal period under review, however, the Investment Corporation did not implement distribution of excess earnings because it increased internal reserves.</p>

(5) Statement of Cash Flows

(Unit: thousand yen)

	13th Fiscal Period (from March 1, 2024 to August 31, 2024)	14th Fiscal Period (from September 1, 2024 to February 28, 2025)
Cash flows from operating activities		
Income before income taxes	2,143,157	2,723,239
Depreciation	616,244	711,154
Amortization of investment unit issuance costs	18,484	18,292
Borrowing related expenses	129,055	147,619
Interest income	(777)	(3,751)
Interest expenses	286,094	395,875
Decrease (increase) in operating accounts receivable	(24,456)	(52,341)
Decrease (increase) in consumption taxes refund receivable	(171,411)	51,596
Increase (decrease) in accrued consumption taxes	(64,343)	–
Decrease (increase) in prepaid expenses	(19,599)	3,071
Decrease (increase) in long-term prepaid expenses	(27,170)	3,813
Increase (decrease) in operating accounts payable	55,387	62,559
Increase (decrease) in accounts payable – other	19,684	80,069
Increase (decrease) in advances received	2,147	(7,141)
Decrease in property, plant and equipment in trust due to sale	–	935,894
Other	(55,955)	(8,503)
Subtotal	2,906,542	5,061,448
Interest income received	777	3,751
Interest paid	(284,112)	(398,407)
Income taxes paid	(718)	(1,060)
Net cash provided by (used in) operating activities	2,622,488	4,665,732
Cash flows from investing activities		
Purchase of property, plant and equipment	(708)	(626)
Purchase of property, plant and equipment in trust	(18,559,376)	(25,597,862)
Purchase of intangible assets	(798)	–
Proceeds from tenant leasehold and security deposits	111	52
Repayments of tenant leasehold and security deposits	(288)	(104)
Proceeds from tenant leasehold and security deposits in trust	169,745	73,781
Repayments of tenant leasehold and security deposits in trust	18,825	(83,015)
Net cash provided by (used in) investing activities	(18,372,489)	(25,607,775)
Cash flows from financing activities		
Proceeds from long-term loans payable	19,176,051	21,258,629
Repayments of long-term loans payable	(9,550,000)	(7,350,000)
Proceeds from issuance of investment units	7,997,757	10,898,820
Distributions paid	(1,846,753)	(2,107,849)
Net cash provided by (used in) financing activities	15,777,055	22,699,600
Net increase (decrease) in cash and cash equivalents	27,054	1,757,557
Cash and cash equivalents at beginning of period	4,338,630	4,365,684
Cash and cash equivalents at end of period	*1 4,365,684	*1 6,123,242