

## Financial Report for the Fiscal Period Ended November 30, 2024 (June 1, 2024 – November 30, 2024)

### Activia Properties Inc.

Listing: Tokyo Stock Exchange  
 Securities code: 3279  
 URL: <https://www.activia-reit.co.jp/en/>  
 Representative: Nobuhide Kashiwagi, Executive Director  
 Investment management company: TLC REIT Management Inc.  
 Representative: Akira Kubo, President & CEO  
 Contact: Manabu Kamikawara, General Manager of Strategy Department,  
 Activia Management Division  
 TEL: +81-3-6455-3377  
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 Scheduled date to start distribution payments: February 18, 2025  
 Supplementary material on financial report: Yes  
 Financial report presentation meeting: Yes (for institutional investors and analysts)

(Amounts truncated to the nearest million yen)

### 1. Summary of financial results for the fiscal period ended November 30, 2024 (June 1, 2024 – November 30, 2024)

#### (1) Operating results (Percentages show changes from the corresponding amounts for the previous period.)

	Operating revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended November 30, 2024	15,708	(1.3)	7,802	(7.2)	6,746	(9.0)	6,745	(9.0)
Fiscal period ended May 31, 2024	15,910	(8.3)	8,411	(12.3)	7,417	(14.0)	7,416	(14.0)

	Basic earnings per unit	Return on unitholders' equity (ROE)	Ordinary profit to total assets	Ordinary profit to operating revenue
	Yen	%	%	%
Fiscal period ended November 30, 2024	8,516	2.5	1.2	42.9
Fiscal period ended May 31, 2024	9,283	2.7	1.3	46.6

(Note) Basic earnings per unit is calculated by dividing profit by the day-weighted average number of investment units for the period (798,941 units for the fiscal period ended May 31, 2024 and 792,106 units for the fiscal period ended November 30, 2024).

## (2) Cash distributions

	Cash distributions per unit (excluding excess of earnings)	Total distributions (excluding excess of earnings)	Cash distributions in excess of earnings per unit	Total distributions in excess of earnings	Cash distributions per unit (including excess of earnings)	Total distributions (including excess of earnings)
	Yen	Millions of yen	Yen	Millions of yen	Yen	Millions of yen
Fiscal period ended November 30, 2024	9,300	7,366	—	—	9,300	7,366
Fiscal period ended May 31, 2024	9,365	7,418	—	—	9,365	7,418

	Payout ratio	Distribution ratio to unitholders' equity
	%	%
Fiscal period ended November 30, 2024	109.2	2.7
Fiscal period ended May 31, 2024	100.0	2.8

(Note 1) The difference between total distributions and profit was due to the reversal of reserve for tax purpose reduction entry (fiscal period ended November 30, 2024 ¥620 million).

(Note 2) Because treasury investment units were canceled during the fiscal period ended May 31, 2024, the payout ratio for the period is obtained by the following formula with figures rounded to the first decimal place: Payout ratio = total distributions (excluding excess of earnings) / profit × 100

## (3) Financial position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
	Millions of yen	Millions of yen	%	Yen
As of November 30, 2024	560,210	267,784	47.8	338,066
As of May 31, 2024	561,792	268,462	47.8	338,922

## (4) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended November 30, 2024	8,690	(1,532)	(8,620)	21,381
Fiscal period ended May 31, 2024	12,942	(1,723)	(13,922)	22,844

## 2. Forecasts of results for the fiscal period from December 1, 2024 to May 31, 2025 and the fiscal period from June 1, 2025 to November 30, 2025

(Percentages show changes from the corresponding amounts for the previous period.)

	Operating revenue		Operating profit		Ordinary profit		Profit		Cash distributions per unit (excluding excess of earnings)	Cash distributions in excess of earnings per unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Fiscal period ending May 31, 2025	15,709	0.0	7,876	0.9	6,750	0.1	6,749	0.1	8,700	—
Fiscal period ending November 30, 2025	16,123	2.6	8,156	3.6	6,957	3.1	6,956	3.1	8,782	—

(Reference) Forecasted basic earnings per unit (forecasted profit / total projected number of investment units issued at end of period)

for the fiscal period ending May 31, 2025: ¥8,521

for the fiscal period ending November 30, 2025: ¥8,782

### \* Other

#### (1) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

- Changes in accounting policies due to revisions to accounting standards and other regulations: None
- Changes in accounting policies due to other reasons: None
- Changes in accounting estimates: None
- Restatement of prior period financial statements: None

#### (2) Total number of units issued

- Total number of units issued at end of period (including treasury investment units)
 

As of November 30, 2024	792,106 units
As of May 31, 2024	792,106 units
- Number of treasury investment units at end of period
 

As of November 30, 2024	— units
As of May 31, 2024	— units

(Note) Please refer to “Per Unit Information” on pages 31 and 32 for the number of investment units used as the basis for calculating basic earnings per unit.

### \* Financial reports are exempt from audit conducted by certified public accountants or an audit corporation.

### \* Other special items

Forward-looking statements presented in this financial report including forecasts of results are based on information currently available to us and on certain assumptions we deem to be reasonable. As such, actual operating and other results may differ materially due to a number of factors. Furthermore, these forecasts are in no way a guarantee of any distribution amount. Please refer to “Assumptions for Forecasts of Investment Performance for the Fiscal Period Ending May 31, 2025 (27th Fiscal Period) and the Fiscal Period Ending November 30, 2025 (28th Fiscal Period)” on pages 10 through 11 for information on assumptions for the forecasts.

This English version is a translation of the original Japanese document and is only for reference purposes. In the case where any differences occur between the English version and the original Japanese version, the Japanese version will prevail.

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## 1. Asset Management Status

### (1) Asset Management Status

#### i) Summary of Results for the Current Fiscal Period

##### (A) Transition of Investment Corporation

Activia Properties Inc. (hereinafter referred to as the “Investment Corporation”) was established on September 7, 2011, with unitholders’ capital of ¥200 million (400 units), and with TLC Township Inc. acting as organizer in accordance with the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including subsequent revisions; hereinafter referred to as the “Investment Trust Act”). The Investment Corporation completed its registration in the Kanto Local Finance Bureau on September 20, 2011 (Director-General of the Kanto Local Finance Bureau No. 73). Note that on April 1, 2017, an absorption-type merger took place with what is now TLC REIT Management Inc. (hereinafter referred to as the “Asset Manager”) as the surviving company and TLC Activia Investment Management Inc. (its trade name was changed from TLC Township Inc. on April 1, 2012) as the absorbed company.

After that, the Investment Corporation was listed on the real estate investment trust securities market of Tokyo Stock Exchange, Inc. (Securities code 3279) on June 13, 2012. On September 7, 2021, the Investment Corporation carried out its seventh publicly offered capital increase after the listing, and on September 28, 2021, it carried out a third-party allotment.

“Activia” of “Activia Properties,” the name of the Investment Corporation, has been coined from the words “activate” and “ia,” a suffix meaning “place.” By investing in and managing real estate appropriate to its name, the Investment Corporation seeks to become an entity capable of broadly energizing society. The Investment Corporation will also select real estate capable of sustaining customer demand as a location for both corporate activities and urban recreation in popular areas, with the aim of maximizing the medium- and long-term value of unitholders, supported by its proactive management (management to improve the circumstances by taking initiatives and acting for the future).

##### (B) Investment Environment in the Fiscal Period Under Review

The Japanese economy showed a gradual recovery during the fiscal period under review with improvements in the employment and income environments, despite continued stalling consumer spending in some areas.

In the environment for retail properties, an improved willingness of tenants to open stores emerged mainly on account of an increase in inbound foreign tourists. According to the 2024 Q3 edition of “Japan Retail Market View” published by CBRE, vacancy rates declined from the previous fiscal period in many areas. In the Shibuya area, which showed a particularly large decline, store openings by overseas sports brand stores contributed to the reduction in vacancies.

In the rental office market, the vacancy rate declined mainly as a result of the reduction in vacancies in new large buildings that had been completed in the previous year. Meanwhile, the average vacancy rate in the five central wards of Tokyo (Chiyoda-ku, Minato-ku, Chuo-ku, Shibuya-ku and Shinjuku-ku) as of November 30, 2024, according to data published by Miki Shoji Co., Ltd., was 4.16%, a decrease of 1.32 percentage points from May 31, 2024. Of these, the vacancy rate in Shibuya-ku remained at a low level compared to the other areas at 3.03%. The average rent per *tsubo* (about 3.3 square meters) in the five central wards of Tokyo as of November 30, 2024, was ¥20,243.

In the J-REIT market, although the REIT index dropped briefly in August following a surge in the value of the yen against a backdrop of concerns about an economic recession and a decline in long-term interest rates in the U.S., the Tokyo Stock Exchange REIT index recovered to the level very close to 1,800 points at the end of August as a result of abatement of concerns about an economic slowdown in the U.S. However, since then, the Tokyo Stock Exchange REIT index has remained on a declining trend amid continued concerns over a rise in long-term rates in Japan and the U.S.

##### (C) Investment Performance

The Investment Corporation acquired Silent Partnership Interests in Godo Kaisha Kyoto Investment (with the acquisition price of ¥300 million) on October 28, 2024, in accordance with the basic asset management policy set forth in the Articles of Incorporation.

Consequently, total assets held by the Investment Corporation at the end of the fiscal period under review were 45 properties (with the total acquisition price of ¥541,800 million) with the total leasable area of 443,846.30 m<sup>2</sup> (134,261 *tsubo*).

#### (D) Initiatives Regarding Sustainability

In order to build a portfolio consisting of “real estate capable of sustaining customer demand” with the aim of maximizing medium- and long-term unitholder value, the Investment Corporation has been promoting various initiatives with its sights set on lowering environmental loads and contributing to our nearby surroundings and local communities, thereby extending beyond considerations such as location, use, size and qualities. In July 2019, as material issues that the Investment Corporation needs to address, we released quantitative targets encompassing a wider range of performance benchmarks from an environmental standpoint, and also clearly stated practical management policy to such ends. In addition, we are striving daily to achieve our basic objective of cutting unit energy consumption, etc. by an annual average of 1% over the medium to long term.

In terms of work to reduce environmental impacts during the fiscal period under review, the lighting was upgraded to LED lighting at Meguro Tokyu Building. The use of environmentally friendly products that conform to the Green Procurement Standards of TLC REIT Management Inc., the Asset Manager, is expected to reduce energy consumption by 66%. In addition, at A-PLACE Bashamichi, we repaired toilets. This will likely save water by reducing the amount of water used by 75%.

Moreover, we continue to engage in acquiring green building certifications every fiscal period. During the fiscal period under review, we have acquired the CASBEE (Comprehensive Assessment System for Built Environment Efficiency) for Real Estate certification for Meguro Tokyu Building (S class). We have also acquired the BELS certifications for A-PLACE Tamachi East (three stars). As such, a total of 36 of our properties have acquired green building certification, which amounted to 76.8% of our holdings calculated on the basis of gross floor area (as of November 30, 2024).

Moreover, on the rooftop of Kasumigaseki Tokyu Building, “Sweet Potato Greening System” for outdoor air conditioning units was introduced. This system grows sweet potatoes on frames placed between outdoor air conditioning units, and improves air conditioning efficiency by preventing reabsorption of heat emitted from the outdoor units, providing shade, and leveraging transpiration to lower the temperature around the outdoor units. As the sweet potatoes, by-products, were harvested at an event attended by employees of tenants, we believe that we could contribute to wellness of tenant companies through the facilitation of communication and refreshment.

The Investment Corporation will contribute to achieving a sustainable society by engaging in such initiatives geared to the environment and society.

#### (E) Overview of Financing

During the fiscal period under review, the Investment Corporation borrowed ¥16,000 million largely in order to cover repayment of borrowings that had come due, as well as redemption of investment corporation bonds that had come due, and worked to otherwise maintain a stable financial base through ongoing moves that have included diversifying repayment dates. As a result, as of the end of the fiscal period under review, the balance of interest-bearing debt was ¥264,850 million (borrowings of ¥242,150 million and investment corporation bonds of ¥22,700 million). The ratio of interest-bearing debt to total assets (LTV = Balance of interest-bearing debt / Total assets x 100) was 47.3% as of the end of the fiscal period under review. The long-term debt ratio and the ratio of fixed-interest debt to total interest-bearing debt were 100.0% and 92.4%, respectively.

The credit rating the Investment Corporation has obtained as of the end of the fiscal period under review is as follows. This investment unit does not have a credit rating provided or made available for inspection by a credit rating agency or one scheduled to be provided or made available for inspection by a credit rating agency at the Investment Corporation’s request.

Credit Rating Agency	Rating	Forecast
Japan Credit Rating Agency (JCR)	Long-term issuer rating: AA	Stable

#### (F) Overview of Financial Results and Distributions in the Fiscal Period Under Review

As a result of the above-mentioned investments, operating revenue, operating profit, and ordinary profit were ¥15,708 million, ¥7,802 million, and ¥6,746 million, respectively, for the fiscal period under review, and profit was ¥6,745 million.

As for distributions for the fiscal period under review, the decision has been made to pay distributions of profit of ¥7,366,585,800, which is the entire amount of the unappropriated retained earnings plus reversal of reserve for tax purpose reduction entry after deducting the internal reserve for the stabilization of future distributions. Consequently, distributions per investment unit resulted in ¥9,300.

## ii) Outlook for the Next Fiscal Period

### (A) Investment Environment for the Next Fiscal Period

The Japanese economy is expected to experience growth in excess of the potential growth rate due to a gradually strengthening positive cycle mechanism from income to spending against a backdrop of moderate growth in the overseas economy. On the other hand, close attention must be paid to the risk of significant fluctuations in financial and exchange markets due to the pace of the overseas economic slowdown and speculation over policy management of central banks in various countries in this situation, and to the risk of volatility due to geopolitical factors involving Ukraine, the Middle East, etc.

In the environment for retail properties, the trend of rising rent income for the most commercially valuable and bustling areas amid high appetite of tenants for opening stores both in Japan and overseas, despite signs, in some areas, of concerns over an economic recession in China and the U.S. and progress in the appreciation of the yen. In the rental office market, although new supply in 2025 is expected to exceed the level in previous years, the recent demand for office space has been strong, and we believe that the vacancy rate will remain on a declining trend. As for the J-REIT market, although there is a continuing trend of falling prices due to caution over expected interest rate hikes by the Bank of Japan, with relatively high distribution yields and a sense that stocks are undervalued, we believe the J-REIT market can be expected to perform solidly.

Amid this environment, the Investment Corporation will fulfill its social responsibility through further promoting sustainability initiatives, etc., and work to continuously enhance unitholder value through EPU growth by identifying opportunities for market recovery and improvement in order to promote initiatives for internal growth while also realizing external growth measures.

### (B) Investment Policy and Developments to Be Addressed in the Next Fiscal Period

#### a. Basic Policy

The Investment Corporation's basic policies are to invest in assets, with targeted investments in Urban Retail and Tokyo Office properties; utilize the Tokyu Fudosan Holdings Group's value chain based on the comprehensive support system; and a governance structure that maximizes unitholder value.

#### b. External Growth Strategy

The Investment Corporation will invest in Urban Retail and Tokyo Office properties as a main target. It will make its investment decisions carefully, concentrating on selecting properties in excellent locations, including surrounding areas, and thoroughly considering individual factors such as use, size, specifications and other qualities of properties, and credibility and name recognition of tenants, in order to construct a competitive portfolio in the medium to long term.

To acquire these competitive assets on an ongoing basis, the Investment Corporation will work to maintain and improve the quality of its portfolio by rigorously selecting investment assets based on the information it receives under its sponsor support agreement with Tokyu Land Corporation regarding the Investment Corporation and its support agreement with group companies in the Tokyu Fudosan Holdings Group. It will also acquire properties through the exclusive know-how and information-gathering network of the Asset Manager.

#### c. Internal Growth Strategy

The Investment Corporation will operate, manage, and refurbish its portfolio to maintain and improve the competitiveness of its facilities through a comprehensive understanding of the features of its overall portfolio and its individual assets under management, based on the unique expertise of its Asset Manager. The Investment Corporation will also seek to manage its portfolio in a stable manner and strengthen its earnings by establishing appropriate operational and management systems tailored to the specific characteristics of the assets it has invested in, and through regular and non-regular inspections by the property management company that has considerable experience in the operation and management of real estate.

The Investment Corporation will also maintain and improve the value of its assets through its expertise in internal growth through operating and managing properties. It will maximize the competitiveness of its assets through the ongoing assistance of Tokyu Land Corporation and other support companies, which, through their face-to-face business with consumers, have rich information regarding consumer needs and developments in industries such as retail and services.



With respect to the property management business for the assets under management, leasing support has been provided from Tokyu Land Corporation, Tokyu Land SC Management Corporation or Tokyu Community Corp.

#### d. Financial Strategy

Having a sound financial strategy in an effort to conservatively control LTV as well as make stable long-term borrowings and diversify maturities (diversifying repayment dates), the Investment Corporation will endeavor to build a stable financial base with a solid bank formation based on good relationships with major financial institutions. In addition, with the aim of diversifying means of raising funds, the Investment Corporation will issue investment corporation bonds while paying close attention to trends in financial markets. Concerning the issuance of new investment units, moreover, the Investment Corporation will prudently and flexibly carry out such issuance while paying appropriate attention to various environmental factors with the aim of achieving long-term and stable growth.

#### (C) Significant Subsequent Events

TLC REIT Management Inc., the Asset Manager to which the Investment Corporation entrusts asset management, has amended portions of its internal regulations Operational Guidelines effective as of January 17, 2025. Changes include newly adding logistics facilities to the investment targets.

##### < Reference Information >

The Investment Corporation decided on January 17, 2025, to acquire the following silent partnership interest, and will acquire them on April 3, 2025.

Asset name	Scheduled acquisition price (Millions of yen)	Source	Subject real estate
Godo Kaisha CA-1 No.B Silent Partnership Interest	1,000	Godo Kaisha CA-1	COERU Shibuya Koen Dori COERU Higashi Shinjuku B Tower, Lamza Tower

#### (D) Outlook of Investment Performance

For the fiscal period ending May 31, 2025 (27th fiscal period) and the fiscal period ending November 30, 2025 (28th fiscal period), investment performance is estimated as follows. For the assumptions used for the estimation of investment performance, please refer to “Assumptions for Forecasts of Investment Performance for the Fiscal Period Ending May 31, 2025 (27th Fiscal Period) and the Fiscal Period Ending November 30, 2025 (28th Fiscal Period)” on pages 10 through 11.

	Fiscal period ending May 31, 2025	Fiscal period ending November 30, 2025
Operating revenue	¥15,709 million	¥16,123 million
Operating profit	¥7,876 million	¥8,156 million
Ordinary profit	¥6,750 million	¥6,957 million
Profit	¥6,749 million	¥6,956 million
Cash distributions per unit	¥8,700	¥8,782
Cash distributions in excess of earnings per unit	¥—	¥—

(Note) The above estimation is determined based on certain assumptions at the time of preparing the financial statements. Due to changes in the circumstances surrounding the Investment Corporation including acquisition or disposition of properties, the trend of real estate market, etc. in the future, actual operating revenue, operating profit, ordinary profit, profit and cash distributions per unit may change. Furthermore, this estimation does not guarantee the amount of distributions.

**Assumptions for Forecasts of Investment Performance for the Fiscal Period Ending May 31, 2025 (27th Fiscal Period) and the Fiscal Period Ending November 30, 2025 (28th Fiscal Period)**

Item	Assumptions
Period	<ul style="list-style-type: none"> <li>27th fiscal period (December 1, 2024 to May 31, 2025) (182 days)</li> <li>28th fiscal period (June 1, 2025 to November 30, 2025) (183 days)</li> </ul>
Investment portfolio	<ul style="list-style-type: none"> <li>Our forecasts of investment performance assume that the Investment Corporation holds 45 properties at present (the “Assets Currently Held”).</li> <li>Our forecasts, however, may change due to any changes to the composition of our investment portfolio.</li> </ul>
Operating revenue	<ul style="list-style-type: none"> <li>We have calculated our real estate leasing business revenues from the Assets Currently Held taking into account the relevant lease agreements effective as of today, market trends, etc.</li> <li>Operating revenue is based on our assumption that there will be no delinquencies or non-payment of rents by tenants.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>Expenses related to leasing business (other than depreciation), which are our principal operating expenses, were calculated based on the historical information and upon considering variable factors.</li> <li>In general, property tax and city planning tax of properties acquired are settled at the time of acquisition between the former owner (seller) and the purchaser based on their respective periods of ownership in relation to the relevant tax year. However, any of these taxes allocated to the purchaser are not expensed at the time of acquisition because they are treated as a part of the acquisition cost for accounting purposes. For property tax and city planning tax, ¥1,501 million and ¥1,555 million for the Assets Currently Held will be expensed in the fiscal period ending May 31, 2025 (27th fiscal period) and in the fiscal period ending November 30, 2025 (28th fiscal period), respectively.</li> <li>Repair and maintenance expenses of buildings are estimated at the amount required for each of the fiscal periods based on the medium- and long-term repair and maintenance plans formed by the Asset Manager. However, the actual repair and maintenance expenses for the fiscal periods may significantly differ from the estimates since (i) an unforeseeable event may cause serious damage to a building requiring emergent repair expenditure, (ii) in general, amounts vary according to the fiscal period, and (iii) certain types of repair and maintenance expenses are not required in every fiscal period.</li> <li>We calculate depreciation expenses (including incidental expenses) by the straight-line method, assuming ¥1,575 million and ¥1,605 million for the 27th fiscal period ending May 31, 2025 and the 28th fiscal period ending November 30, 2025, respectively.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>We expect interest expense and other borrowing-related expenses of ¥1,126 million for the fiscal period ending May 31, 2025 (27th fiscal period) and ¥1,199 million for the fiscal period ending November 30, 2025 (28th fiscal period).</li> </ul>

Item	Assumptions
Interest-bearing debt	<ul style="list-style-type: none"> <li>As of today, the Investment Corporation has a balance of interest-bearing debt of ¥264,850 million (borrowings of ¥242,150 million and investment corporation bonds of ¥22,700 million).</li> <li>We assume that there will be refinancing of all interest-bearing debt of ¥19,180 million (long-term borrowings of ¥17,180 million and investment corporation bonds of ¥2,000 million) due by the end of the fiscal period ending May 31, 2025 (27th fiscal period).</li> <li>We assume that there will be refinancing of all interest-bearing debt of ¥19,700 million (long-term borrowings of ¥19,700 million) due by the end of the fiscal period ending November 30, 2025 (28th fiscal period).</li> <li>We assume the LTV ratios as of May 31, 2025 and November 30, 2025 are both to be approximately 47%.</li> <li>The LTV ratio is obtained by the following formula:  <math display="block">\text{LTV} = \text{Balance of interest-bearing debt} / \text{Total assets} \times 100</math> </li> </ul>
Units	<ul style="list-style-type: none"> <li>The number is based on our assumption of total of 792,106 units issued as of today. We assume that there will be no changes in number of investment units before the end of the 28th fiscal period (November 30, 2025).</li> <li>The cash distributions per unit for the 27th fiscal period ending May 31, 2025 and the 28th fiscal period ending November 30, 2025 have been calculated in accordance with the total projected number of investment units issued as of the end of each of the fiscal periods which is 792,106 units.</li> </ul>
Cash distributions per unit	<ul style="list-style-type: none"> <li>Cash distributions (cash distributions per unit) are calculated based on the cash distribution policy stipulated in our Articles of Incorporation.</li> <li>In the fiscal period ending May 31, 2025 (27th fiscal period), we assume a reversal of ¥141 million from the reserve for tax purpose reduction entry for use in distributions.</li> <li>The cash distributions per unit may change due to various factors, including changes to the composition of our investment portfolio, changes in rental revenues accompanying changes in tenants, and unexpected maintenance and repairs.</li> </ul>
Cash distributions in excess of earnings per unit	<ul style="list-style-type: none"> <li>Among cash distributions in excess of earnings, we currently do not anticipate distributions deemed as distributions on reduction of unitholders' capital for tax purposes.</li> </ul>
Other	<ul style="list-style-type: none"> <li>We assume that there will be no amendments in legislation, taxation, accounting standards, listing regulations or regulations of the Investment Trusts Association of Japan that affect the above forecasts.</li> <li>We assume that there will be no material changes in general economic conditions or real estate markets.</li> </ul>

## 2. Financial Statements

### (1) Balance Sheet

(Unit: Thousands of yen)

	As of May 31, 2024	As of November 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	18,331,673	16,841,625
Cash and deposits in trust	4,512,977	4,540,113
Operating accounts receivable	880,497	791,542
Prepaid expenses	630,450	433,820
Income taxes refund receivable	17	59
Other	31,037	5,751
Total current assets	24,386,653	22,612,911
Non-current assets		
Property, plant and equipment		
Buildings in trust	96,039,480	97,309,404
Accumulated depreciation	(23,180,132)	(24,628,454)
Buildings in trust, net	72,859,348	72,680,949
Structures in trust	822,649	836,591
Accumulated depreciation	(360,731)	(381,356)
Structures in trust, net	461,918	455,235
Machinery and equipment in trust	1,620,723	1,660,113
Accumulated depreciation	(662,878)	(711,966)
Machinery and equipment in trust, net	957,845	948,147
Tools, furniture and fixtures in trust	440,756	496,728
Accumulated depreciation	(261,768)	(284,267)
Tools, furniture and fixtures in trust, net	178,987	212,460
Land in trust	452,419,828	452,419,828
Construction in progress in trust	26,175	17,058
Total property, plant and equipment	526,904,103	526,733,680
Intangible assets		
Land leasehold interests in trust	9,055,086	9,055,086
Other	3,405	2,937
Total intangible assets	9,058,492	9,058,023
Investments and other assets		
Investment securities	—	307,643
Long-term prepaid expenses	1,305,093	1,373,802
Derivatives	6,253	438
Deferred tax assets	—	13
Other	39,222	39,222
Total investments and other assets	1,350,569	1,721,120
Total non-current assets	537,313,166	537,512,824
Deferred assets		
Investment corporation bond issuance costs	92,973	84,586
Total deferred assets	92,973	84,586
Total assets	561,792,793	560,210,322

(Unit: Thousands of yen)

	As of May 31, 2024	As of November 30, 2024
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	1,802,338	1,899,710
Current portion of investment corporation bonds	7,000,000	2,000,000
Current portion of long-term borrowings	29,180,000	36,880,000
Accounts payable - other	35,800	7,830
Accrued expenses	1,018,399	1,008,104
Income taxes payable	605	691
Accrued consumption taxes	378,175	242,545
Advances received	387,905	401,785
Deposits received	729	1,582
Other	214	—
Total current liabilities	39,804,169	42,442,250
Non-current liabilities		
Investment corporation bonds	20,700,000	20,700,000
Long-term borrowings	208,970,000	205,270,000
Leasehold and guarantee deposits received in trust	23,855,778	24,013,496
Other	113	80
Total non-current liabilities	253,525,891	249,983,577
Total liabilities	293,330,060	292,425,828
<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	270,963,556	270,963,556
Deduction from unitholders' capital		
Other deduction from unitholders' capital	*3 (11,999,491)	*3 (11,999,491)
Total deduction from unitholders' capital	(11,999,491)	(11,999,491)
Unitholders' capital, net	258,964,065	258,964,065
Surplus		
Voluntary retained earnings		
Reserve for tax purpose reduction entry	1,703,957	1,703,957
Total voluntary retained earnings	1,703,957	1,703,957
Unappropriated retained earnings (undisposed loss)	7,788,454	7,116,032
Total surplus	9,492,412	8,819,990
Total unitholders' equity	268,456,478	267,784,056
Valuation and translation adjustments		
Deferred gains or losses on hedges	6,253	438
Total valuation and translation adjustments	6,253	438
Total net assets	*2 268,462,732	*2 267,784,494
Total liabilities and net assets	561,792,793	560,210,322

## (2) Statement of Income

(Unit: Thousands of yen)

	Previous fiscal period (From December 1, 2023 to May 31, 2024)		Current fiscal period (From June 1, 2024 to November 30, 2024)	
Operating revenue				
Leasing business revenue	*1, *3	14,395,428	*1, *3	14,411,840
Other leasing business revenue	*1, *3	1,024,822	*1, *3	1,296,513
Gain on sale of real estate properties	*2	490,311		–
Total operating revenue		15,910,563		15,708,353
Operating expenses				
Expenses related to leasing business	*1	6,160,081	*1	6,658,736
Asset management fees		1,166,207		1,107,177
Asset custody fees		15,931		15,797
Administrative service fees		39,977		39,904
Remuneration for directors (and other officers)		3,600		3,600
Bad debts expenses		391		–
Other operating expenses		112,728		80,254
Total operating expenses		7,498,918		7,905,470
Operating profit		8,411,645		7,802,883
Non-operating income				
Interest income		114		1,725
Reversal of distributions payable		486		674
Miscellaneous income		–		1,571
Total non-operating income		601		3,971
Non-operating expenses				
Interest expenses		692,184		766,441
Interest expenses on investment corporation bonds		75,261		70,926
Amortization of investment corporation bond issuance costs		10,103		8,386
Financing fees		213,387		214,037
Other		3,889		530
Total non-operating expenses		994,827		1,060,321
Ordinary profit		7,417,419		6,746,532
Profit before income taxes		7,417,419		6,746,532
Income taxes - current		605		895
Income taxes - deferred		–		(13)
Total income taxes		605		881
Profit		7,416,814		6,745,650
Retained earnings brought forward		371,640		370,382
Unappropriated retained earnings (undisposed loss)		7,788,454		7,116,032

### (3) Statement of Unitholders' Equity

Previous fiscal period (From December 1, 2023 to May 31, 2024)

(Unit: Thousands of yen)

	Unitholders' equity					
	Unitholders' capital, net				Surplus	
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital	Voluntary retained earnings	
		Other deduction from unitholders' capital	Total deduction from unitholders' capital		Reserve for tax purpose reduction entry	Total voluntary retained earnings
Balance at beginning of period	270,963,556	(5,999,640)	(5,999,640)	264,963,916	841,591	841,591
Changes during period						
Provision of reserve for tax purpose reduction entry					862,366	862,366
Dividends of surplus						
Profit						
Purchase of treasury investment units						
Cancellation of treasury investment units		(5,999,850)	(5,999,850)	(5,999,850)		
Net changes in items other than unitholders' equity						
Total changes during period	—	(5,999,850)	(5,999,850)	(5,999,850)	862,366	862,366
Balance at end of period	<sup>*1</sup> 270,963,556	(11,999,491)	(11,999,491)	258,964,065	1,703,957	1,703,957

(Unit: Thousands of yen)

	Unitholders' equity				Valuation and translation adjustments		Total net assets
	Surplus		Treasury investment units	Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Unappropriated retained earnings (undisposed loss)	Total surplus					
Balance at beginning of period	8,994,370	9,835,961	—	274,799,878	3,595	3,595	274,803,473
Changes during period							
Provision of reserve for tax purpose reduction entry	(862,366)	—		—			—
Dividends of surplus	(7,760,363)	(7,760,363)		(7,760,363)			(7,760,363)
Profit	7,416,814	7,416,814		7,416,814			7,416,814
Purchase of treasury investment units			(5,999,850)	(5,999,850)			(5,999,850)
Cancellation of treasury investment units			5,999,850	—			—
Net changes in items other than unitholders' equity					2,658	2,658	2,658
Total changes during period	(1,205,915)	(343,549)	—	(6,343,399)	2,658	2,658	(6,340,741)
Balance at end of period	7,788,454	9,492,412	—	268,456,478	6,253	6,253	268,462,732

Current fiscal period (From June 1, 2024 to November 30, 2024)

(Unit: Thousands of yen)

	Unitholders' equity					
	Unitholders' capital, net				Surplus	
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital	Voluntary retained earnings	
		Other deduction from unitholders' capital	Total deduction from unitholders' capital		Reserve for tax purpose reduction entry	Total voluntary retained earnings
Balance at beginning of period	270,963,556	(11,999,491)	(11,999,491)	258,964,065	1,703,957	1,703,957
Changes during period						
Dividends of surplus						
Profit						
Net changes in items other than unitholders' equity						
Total changes during period	—	—	—	—	—	—
Balance at end of period	<sup>*1</sup> 270,963,556	(11,999,491)	(11,999,491)	258,964,065	1,703,957	1,703,957

(Unit: Thousands of yen)

	Unitholders' equity				Valuation and translation adjustments		Total net assets
	Surplus		Treasury investment units	Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Unappropriated retained earnings (undisposed loss)	Total surplus					
Balance at beginning of period	7,788,454	9,492,412	—	268,456,478	6,253	6,253	268,462,732
Changes during period							
Dividends of surplus	(7,418,072)	(7,418,072)		(7,418,072)			(7,418,072)
Profit	6,745,650	6,745,650		6,745,650			6,745,650
Net changes in items other than unitholders' equity					(5,815)	(5,815)	(5,815)
Total changes during period	(672,422)	(672,422)	—	(672,422)	(5,815)	(5,815)	(678,237)
Balance at end of period	7,116,032	8,819,990	—	267,784,056	438	438	267,784,494



(4) Statement of Cash Distributions

	Previous fiscal period (From December 1, 2023 to May 31, 2024)	Current fiscal period (From June 1, 2024 to November 30, 2024)
	Amount	Amount
I Unappropriated retained earnings	¥7,788,454,738	¥7,116,032,658
II Reversal of voluntary retained earnings	¥-	¥620,935,190
Reversal of reserve for tax purpose reduction entry	¥-	¥620,935,190
III Distributions	¥7,418,072,690	¥7,366,585,800
[Cash distributions per unit]	[¥9,365]	[¥9,300]
Of which, distributions of profits	¥7,418,072,690	¥7,366,585,800
[Of which, distributions of profits per unit]	[¥9,365]	[¥9,300]
IV Earnings carried forward	¥370,382,048	¥370,382,048

Calculation method for distributions	Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of the Investment Corporation, distributions shall be limited to the amount of net profit in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. In consideration of this policy, for the current fiscal period, the decision has been made to pay distributions of profit of ¥7,418,072,690, which is the entire amount of the unappropriated retained earnings after deducting the internal reserve for the stabilization of future distributions.	Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of the Investment Corporation, distributions shall be limited to the amount of net profit in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. In consideration of this policy, for the current fiscal period, the decision has been made to pay distributions of profit of ¥7,366,585,800, which is the entire amount of the unappropriated retained earnings plus reversal of reserve for tax purpose reduction entry after deducting the internal reserve for the stabilization of future distributions.
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## (5) Statement of Cash Flows

(Unit: Thousands of yen)

	Previous fiscal period (From December 1, 2023 to May 31, 2024)	Current fiscal period (From June 1, 2024 to November 30, 2024)
Cash flows from operating activities		
Profit before income taxes	7,417,419	6,746,532
Depreciation	1,525,283	1,563,138
Loss on retirement of non-current assets	17,329	6,078
Amortization of investment corporation bond issuance costs	10,103	8,386
Interest income and interest on securities	(114)	(1,725)
Interest expenses	767,446	837,368
Financing fees	213,387	214,037
Decrease (increase) in operating accounts receivable	8,829	88,955
Increase (decrease) in accrued consumption taxes	(300,700)	(135,630)
Decrease (increase) in prepaid expenses	(233,101)	200,050
Decrease in property, plant and equipment in trust due to sale	4,384,264	–
Increase (decrease) in operating accounts payable	(118,779)	82,396
Increase (decrease) in accounts payable - other	27,500	(27,500)
Increase (decrease) in accrued expenses	(27,481)	(59,755)
Increase (decrease) in advances received	18,571	13,879
Decrease (increase) in long-term prepaid expenses	4,465	(89,887)
Other, net	(21,531)	25,217
Subtotal	13,692,894	9,471,541
Interest received	114	1,725
Interest paid	(749,958)	(782,048)
Income taxes paid	(607)	(851)
Net cash provided by (used in) operating activities	12,942,442	8,690,368
Cash flows from investing activities		
Purchase of property, plant and equipment in trust	(1,832,911)	(1,383,348)
Purchase of investment securities	–	(306,696)
Purchase of intangible assets	(1,501)	–
Refund of leasehold and guarantee deposits received in trust	(729,219)	(422,148)
Proceeds from leasehold and guarantee deposits received in trust	839,775	579,865
Net cash provided by (used in) investing activities	(1,723,856)	(1,532,327)
Cash flows from financing activities		
Proceeds from long-term borrowings	17,362,858	15,836,200
Repayments of long-term borrowings	(17,500,000)	(12,000,000)
Redemption of investment corporation bonds	–	(5,000,000)
Purchase of treasury investment units	(5,999,850)	–
Distributions paid	(7,760,490)	(7,417,868)
Other, net	(24,824)	(39,284)
Net cash provided by (used in) financing activities	(13,922,307)	(8,620,952)
Net increase (decrease) in cash and cash equivalents	(2,703,722)	(1,462,911)
Cash and cash equivalents at beginning of period	25,548,373	22,844,650
Cash and cash equivalents at end of period	*1 22,844,650	*1 21,381,738

(6) Notes on Assumption of Going Concern

Not applicable.

(7) Notes on Important Accounting Policies

1. Standard and method for valuation of assets	Available-for-sale securities Securities without market value Stated at cost using the moving average method. Silent partnership interests are stated using the method where the amount equivalent to the equity interest of the net amount of profit and loss of silent partner is taken.
2. Method of depreciation of non-current assets	(1) Property, plant and equipment (including trust assets) The straight-line method is used. The useful lives of major property, plant and equipment are listed below. Buildings 2 to 70 years Structures 2 to 66 years Machinery and equipment 2 to 39 years Tools, furniture and fixtures 2 to 15 years (2) Intangible assets Internal use software is amortized by the straight-line method over the expected useful life (5 years). (3) Long-term prepaid expenses The straight-line method is used.
3. Accounting method for deferred assets	(1) Investment unit issuance expenses The full amount is recorded as expenses when incurred. (2) Investment corporation bond issuance costs Amortized by the straight-line method over the period until maturity.

4. Accounting for income and expenses	<p>(1) Accounting for income</p> <p>Details of major performance obligations and typical timing of satisfying the performance obligations (timing when revenue is recognized) with regard to the Investment Corporation's revenue from contracts with customers are as follows.</p> <p>i) Sale of real estate properties</p> <p>For sale of real estate properties, revenue is recorded at the time when the buyer, a customer, obtains control of the real estate property, etc., by fulfilling the delivery obligation set forth in the agreement for the sale of the real estate property.</p> <p>ii) Utilities income</p> <p>For utilities income, revenue is recorded according to supply of electricity, water, etc. to the tenant, a customer, based on the contract for lease of the real estate property, etc. and any accompanying agreement. Of utilities income, for such income for which the Investment Corporation is considered to be an agent, the net amount of the amount received as charges for electricity, gas, etc. supplied by other parties less the amount paid to the other parties is recognized as revenue.</p> <p>(2) Property-related taxes</p> <p>For property tax, city planning tax, depreciable asset tax for real properties held, the amount of tax levied corresponding to the calculation period is recorded as expenses related to leasing business.</p> <p>The settlement money for property tax that is paid to the disposing entity for acquisition of real properties (so-called "amount equivalent to property tax") is not recorded as expenses related to leasing business but included in the acquisition costs for the related properties. There is no amount equivalent to property tax included in acquisition cost for properties for the current fiscal period.</p>
5. Method of hedge accounting	<p>(1) Method of hedge accounting</p> <p>Deferred hedge accounting is applied. For interest rate swaps that satisfy the requirements for special treatment, special treatment is applied.</p> <p>(2) Hedging instruments and hedged items</p> <p>Hedging instruments: Interest rate swaps transactions</p> <p>Hedged items: Long-term borrowings</p> <p>(3) Hedging policy</p> <p>Based on the management policy of financial market risks, the Investment Corporation makes interest rate swaps for the purpose to hedge risks set forth in the Articles of Incorporation of the Investment Corporation.</p> <p>(4) Method of assessing hedge effectiveness</p> <p>The Investment Corporation assesses hedge effectiveness by comparing the cumulative total changes in the cash flows of the hedged items with those of the hedging instruments, and then verifying the ratio of the changes in both amounts. However, hedge effectiveness is deemed to have been ensured with respect to interest rate swaps that satisfy the requirements for special treatment.</p>
6. Scope of cash (cash and cash equivalents) in the statement of cash flows	<p>Cash and cash equivalents include cash on hand, cash in trust, demand deposits, deposits in trust, and highly liquid short-term investments that are readily convertible, bear little risk in price fluctuations, and mature within three months of the date of acquisition.</p>

7. Other matters related to the preparation of financial statements	<p>(1) Accounting method for beneficial interests in trust with real estate, etc. as trust asset</p> <p>With regard to beneficial interests in trust with real estate, etc. in holding as trust asset, all assets and liabilities as well as all revenue and expense items associated with all trust assets are accounted for under the respective account items of the balance sheet and statement of income.</p> <p>Of the trust assets accounted for under the respective account items, the following items with significance are separately indicated on the balance sheet.</p> <p>i) Cash and deposits in trust</p> <p>ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; construction in progress in trust; and land leasehold interests in trust</p> <p>iii) Leasehold and guarantee deposits received in trust</p> <p>(2) Accounting method for consumption tax and local consumption tax</p> <p>Consumption taxes unqualified for deduction for tax purposes for non-current assets, etc. are included in acquisition cost for each asset.</p>
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(8) Notes to Financial Statements

**Notes to Balance Sheet**

1. Commitment Line Contracts

The Investment Corporation has the commitment line contracts with three of the banks with which it does business.

	As of May 31, 2024	As of November 30, 2024
Total amount specified in the commitment line contracts	¥21,000,000 thousand	¥21,000,000 thousand
Loan balance	¥— thousand	¥— thousand
Net balance	¥21,000,000 thousand	¥21,000,000 thousand

\*2. Minimum Net Assets Stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

	As of May 31, 2024	As of November 30, 2024
	¥50,000 thousand	¥50,000 thousand

\*3. Status of Cancellation of Treasury Investment Units

	As of May 31, 2024	As of November 30, 2024
Total number of units canceled	15,340 units	— units
Total amount of cancellation	¥5,999,850 thousand	¥— thousand

## Notes to Statement of Income

### \*1. Breakdown of Profit (Loss) from Real Estate Leasing Business

(Unit: Thousands of yen)				
	Previous fiscal period (From December 1, 2023 to May 31, 2024)		Current fiscal period (From June 1, 2024 to November 30, 2024)	
A. Real estate leasing business revenues				
Leasing business revenue				
Rent	13,291,901		13,365,136	
Common service fees	628,449		599,515	
Parking lot fees	330,039		288,009	
Other rent revenue	145,038	14,395,428	159,178	14,411,840
Other leasing business revenue		1,024,822		1,296,513
Total real estate leasing business revenues		15,420,251		15,708,353
B. Real estate leasing business expenses				
Expenses related to leasing business				
Management operation expenses	1,343,273		1,334,008	
Utilities expenses	1,075,809		1,313,936	
Tax and public dues	1,375,190		1,498,277	
Insurance	14,057		18,476	
Repair and maintenance expenses	452,832		536,873	
Depreciation	1,524,793		1,562,950	
Loss on retirement of non-current assets	17,329		6,078	
Other expenses related to leasing business	356,794	6,160,081	388,133	6,658,736
Total real estate leasing business expenses		6,160,081		6,658,736
C. Profit (loss) from real estate leasing business (A – B)		9,260,169		9,049,617

\*2. Breakdown of Gain (Loss) on Sale of Real Estate Properties

Previous fiscal period (From December 1, 2023 to May 31, 2024)

(Unit: Thousands of yen)

A-FLAG KOTTO DORI

Income from sale of real estate properties	5,000,000	
Costs of sale of real estate properties	4,384,264	
Other costs of sale	125,424	
Gain on sale of real estate properties		490,311

Current fiscal period (From June 1, 2024 to November 30, 2024)

Not applicable.

\*3. Transactions with Major Unitholders

(Unit: Thousands of yen)

	Previous fiscal period (From December 1, 2023 to May 31, 2024)	Current fiscal period (From June 1, 2024 to November 30, 2024)
Operating transactions		
Operating revenue	2,462,185	2,454,940

Notes to Statement of Unitholders' Equity

	Previous fiscal period (From December 1, 2023 to May 31, 2024)	Current fiscal period (From June 1, 2024 to November 30, 2024)
*1. Total number of authorized investment units and total number of investment units issued		
Total number of authorized investment units	4,000,000 units	4,000,000 units
Total number of investment units issued	792,106 units	792,106 units

Notes to Statement of Cash Flows

\*1. Reconciliation between Cash and Cash Equivalents at End of Period and the Amount on the Balance Sheet

	Previous fiscal period (From December 1, 2023 to May 31, 2024)	Current fiscal period (From June 1, 2024 to November 30, 2024)
Cash and deposits	¥18,331,673 thousand	¥16,841,625 thousand
Cash and deposits in trust	¥4,512,977 thousand	¥4,540,113 thousand
Cash and cash equivalents	¥22,844,650 thousand	¥21,381,738 thousand

Notes on Financial Instruments

1. Matters Regarding Financial Instruments

(1) Policy for Financial Instruments

The Investment Corporation raises funds by borrowing, issuing investment corporation bonds, or issuing investment units for the purpose of acquiring real estate-related assets and repaying interest-bearing debt.

When raising funds, the Investment Corporation aims to sustain stable financing capability for a long time at low cost by enhancing its capital adequacy and maintaining conservative interest-bearing debt, looking

for attributes such as extended borrowing periods for interest-bearing debt, fixed interest rates, and diversified due dates to ensure financial stability and avoid the risk of interest-rate hikes.

We also invest temporary excess funds in deposits in general, taking safety and liquidity, etc. into account and carefully considering the interest-rate environment and our cash management.

We may carry out derivatives transactions for the purpose of hedging the interest-rate risk of borrowings and other risks, but do not engage in speculative transactions.

## (2) Content and Risks of Financial Instruments and Risk Management System

As the excess funds of the Investment Corporation are invested in deposits, they are exposed to credit risks such as the insolvency of the financial institutions in which the excess funds are deposited. However, we deposit excess funds carefully by limiting the period of deposits to the short term, taking safety and liquidity, etc. into account and carefully considering the financial environment and our cash management.

Borrowings and investment corporation bonds are mainly for the purpose of acquiring real estate and refinancing of existing borrowings. Leasehold and guarantee deposits received are deposits provided by tenants. Borrowings, investment corporation bonds, leasehold and guarantee deposits received are exposed to liquidity risks at the time of repayment, redemption or refund. However, these risks are managed through management of liquidity in hand by preparing a monthly funding plan, efforts to reduce liquidity risk on borrowings and investment corporation bonds by diversifying repayment periods, etc., and other means.

Floating-rate borrowings are also exposed to the risk of fluctuations in interest rates. However, these risks are managed through derivative transactions (interest rate swaps) as hedging instruments in certain floating-rate borrowings.

Investment securities are investments in a silent partnership, and although they are exposed to the credit risk of the issuer, the risk of fluctuations in the prices of real estate, etc., and the risk of fluctuations in interest rates, the financial status, etc. of the issuer is regularly ascertained.

## (3) Supplemental Remarks on Fair Values of Financial Instruments

As certain assumptions are made in calculating the fair value of financial instruments, if different assumptions are used, these values could vary. Furthermore, the contract amounts related to derivative transactions, etc. stated in “Notes on Derivative Transactions” on pages 26 and 27 should not be considered indicative of the market risk associated with derivative transactions.

## 2. Matters Regarding Fair Values of Financial Instruments

Carrying amounts, fair values, and the differences between the two values as of May 31, 2024, are as shown below. Notes on “cash and deposits” and “cash and deposits in trust” are omitted, because they are settled in cash and in a short time and therefore the fair value approximates the book value. A note on “leasehold and guarantee deposits received in trust” is omitted because it is immaterial.

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Current portion of investment corporation bonds	7,000,000	7,026,919	26,919
(2) Current portion of long-term borrowings	29,180,000	29,219,164	39,164
(3) Investment corporation bonds	20,700,000	20,085,404	(614,595)
(4) Long-term borrowings	208,970,000	206,146,029	(2,823,970)
Total liabilities	265,850,000	262,477,518	(3,372,481)
Derivative transactions	6,253	6,253	—

Carrying amounts, fair values, and the differences between the two values as of November 30, 2024, are as shown below. Silent partnership interests are not included in the following table. (Note 2) Notes on “cash and deposits” and “cash and deposits in trust” are omitted, because they are settled in cash and in a short time and therefore the fair value approximates the book value. A note on “leasehold and guarantee deposits received in trust” is omitted because it is immaterial.



(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Current portion of investment corporation bonds	2,000,000	2,008,263	8,263
(2) Current portion of long-term borrowings	36,880,000	36,914,415	34,415
(3) Investment corporation bonds	20,700,000	20,086,516	(613,483)
(4) Long-term borrowings	205,270,000	202,786,506	(2,483,493)
Total liabilities	264,850,000	261,795,701	(3,054,298)
Derivative transactions	438	438	—

## (Note 1) Measurement Methods for Fair Values of Financial Instruments

Liabilities

## (1) Current portion of investment corporation bonds, (3) Investment corporation bonds

These fair values are determined by discounting the total of principal and interest at a rate taking into account the remaining period and credit risk of the said investment corporation bonds.

## (2) Current portion of long-term borrowings, (4) Long-term borrowings

These fair values are determined by discounting the total of principal and interest at the rate assumed when a new loan is made corresponding to the remaining period. The book value is used as the fair value of those borrowings with floating interest rate, given that the fair value is almost the same as the book value, as their interest rates are reviewed on a short-term interval to reflect market interest rates (however, for long-term borrowings with floating interest rate to which special treatment for interest rate swaps is applied, the fair value is the value calculated by discounting the sum of principal and interest, which are treated in combination with the said interest rate swap, at a reasonable rate estimated for a similar new loan).

Derivative transactions

Please refer to “Notes on Derivative Transactions” on pages 26 and 27.

## (Note 2) Silent partnership interests

For silent partnership interests, the Investment Corporation has applied the treatment specified in Paragraph 24-16 of the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021), and does not provide matters set forth in Paragraph 4(1) of the “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19, March 31, 2020) in notes. For these investments, the carrying amount on the balance sheet is ¥307,643 thousand.

## (Note 3) Expected Amounts of Repayment of Borrowings and Investment Corporation Bonds after the Account Closing Date (May 31, 2024)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Investment corporation bonds	7,000,000	2,000,000	1,000,000	—	—	17,700,000
Long-term borrowings	29,180,000	36,520,000	35,000,000	29,450,000	25,210,000	82,790,000
Total	36,180,000	38,520,000	36,000,000	29,450,000	25,210,000	100,490,000

Expected Amounts of Repayment of Borrowings and Investment Corporation Bonds after the Account Closing Date (November 30, 2024)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Investment corporation bonds	2,000,000	2,000,000	1,000,000	–	4,000,000	13,700,000
Long-term borrowings	36,880,000	32,320,000	33,600,000	27,660,000	26,000,000	85,690,000
Total	38,880,000	34,320,000	34,600,000	27,660,000	30,000,000	99,390,000

## Notes on Derivative Transactions

### 1. Derivative Transaction to Which Hedge Accounting Is Not Applied

(As of May 31, 2024)

Not applicable.

(As of November 30, 2024)

Not applicable.

### 2. Derivative Transaction to Which Hedge Accounting Is Applied

(As of May 31, 2024)

The following table shows contract amount or principal amount, etc. set forth in the contract as of the account closing date by method of hedge accounting.

(Unit: Thousands of yen)

Hedge accounting	Type of derivative transactions	Major hedged items	Amount of contract		Fair value	Calculation method for fair value
				Portion due after 1 year		
Deferred hedge accounting	Interest rate swaps Receive floating Pay fixed	Long-term borrowings	12,000,000	–	6,253	Based on prices, etc. indicated by partner financial institutions
Special treatment for interest rate swaps	Interest rate swaps Receive floating Pay fixed	Long-term borrowings	13,140,000	13,140,000	*	–

(As of November 30, 2024)

The following table shows contract amount or principal amount, etc. set forth in the contract as of the account closing date by method of hedge accounting.

(Unit: Thousands of yen)

Hedge accounting	Type of derivative transactions	Major hedged items	Amount of contract		Fair value	Calculation method for fair value
				Portion due after 1 year		
Deferred hedge accounting	Interest rate swaps Receive floating Pay fixed	Long-term borrowings	6,000,000	—	438	Based on prices, etc. indicated by partner financial institutions
Special treatment for interest rate swaps	Interest rate swaps Receive floating Pay fixed	Long-term borrowings	13,140,000	13,140,000	*	—

\* Interest rate swap transactions to which special treatment is applied are accounted for as an integral part of long-term borrowings, a hedged item. Thus, their fair values are included in the fair value of long-term borrowings. (Please refer to the preceding “Notes on Financial Instruments, 2. Matters Regarding Fair Values of Financial Instruments, (Note 1) Liabilities (4)” on page 25.)

## Notes on Tax Effect Accounting

### 1. Components of Deferred Tax Assets and Deferred Tax Liabilities

	As of May 31, 2024	As of November 30, 2024
Deferred tax assets		
Non-deductible amount for tax purposes of enterprise tax payable	¥— thousand	¥13 thousand
Total deferred tax assets	¥— thousand	¥13 thousand
Net deferred tax assets	¥— thousand	¥13 thousand

### 2. Reconciliation of Significant Difference between Effective Statutory Tax Rate and Effective Income Tax Rate after Application of Tax Effect Accounting

	As of May 31, 2024	As of November 30, 2024
Effective statutory tax rate	31.46%	31.46%
Adjustments		
Distributions paid included in deductibles	(31.46)%	(34.35)%
Reversal of reserve for tax purpose reduction entry	—%	2.90%
Others	0.01%	0.00%
Effective income tax rate after application of tax effect accounting	0.01%	0.01%

## Notes on Transactions with Related Parties

### 1. Parent Company and Major Corporate Unitholders

Previous fiscal period (From December 1, 2023 to May 31, 2024)

Attribute	Name	Address	Share capital or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Balance at end of period (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unit-holder	Tokyu Land Corporation	21-1, Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	11.28%	None	Major unitholder, and rent and management of properties	Receipt of leasehold and guarantee deposits	80,390	Leasehold and guarantee deposits received in trust	3,106,970
								Refund of leasehold and guarantee deposits received	28,067		
								Rental revenues, etc.	2,462,185	Operating accounts receivable	225,028
										Advances received	61,553

(Note 1) Of the amounts above, the transaction amount does not include consumption taxes, and the balance at end of period includes consumption taxes.

(Note 2) The transaction terms are based on current market practices.

Current fiscal period (From June 1, 2024 to November 30, 2024)

Attribute	Name	Address	Share capital or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Balance at end of period (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unit-holder	Tokyu Land Corporation	21-1, Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	11.28%	None	Major unitholder, and rent and management of properties	Receipt of leasehold and guarantee deposits	17,407	Leasehold and guarantee deposits received in trust	3,078,935
								Refund of leasehold and guarantee deposits received	45,442		
								Rental revenues, etc.	2,454,940	Operating accounts receivable	168,413
										Advances received	95,787

(Note 1) Of the amounts above, the transaction amount does not include consumption taxes, and the balance at end of period includes consumption taxes.

(Note 2) The transaction terms are based on current market practices.

### 2. Associates, etc.

Previous fiscal period (From December 1, 2023 to May 31, 2024)

Not applicable.

Current fiscal period (From June 1, 2024 to November 30, 2024)

Not applicable.

### 3. Sister companies, etc.

Previous fiscal period (From December 1, 2023 to May 31, 2024)

Attribute	Name	Address	Share capital or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Balance at end of period (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Tokyu Land SC Management Corporation	16-3, Dogenzaka 1-chome, Shibuya-ku, Tokyo	100	Real estate management business	—	None	Rent and management of properties	Receipt of leasehold and guarantee deposits	231,795	Leasehold and guarantee deposits received in trust	6,609,992
								Refund of leasehold and guarantee deposits received	87,087		
								Rental revenues, etc.	4,357,380	Operating accounts receivable	272,407
										Advances received	9,689
Subsidiary of major unitholder	TLC REIT Management Inc.	21-1, Dogenzaka 1-chome, Shibuya-ku, Tokyo	200	Investment management business	—	None	Asset Manager	Payment of asset management fee	1,191,207	Other accrued expenses	525,917

(Note 1) Of the amounts above, the transaction amount does not include consumption taxes, and the balance at end of period includes consumption taxes.

(Note 2) The transaction terms are based on current market practices.

Current fiscal period (From June 1, 2024 to November 30, 2024)

Attribute	Name	Address	Share capital or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Balance at end of period (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Tokyu Land SC Management Corporation	16-3, Dogenzaka 1-chome, Shibuya-ku, Tokyo	100	Real estate management business	—	None	Rent and management of properties	Receipt of leasehold and guarantee deposits	202,823	Leasehold and guarantee deposits received in trust	6,731,085
								Refund of leasehold and guarantee deposits received	81,729		
								Rental revenues, etc.	4,464,268	Operating accounts receivable	280,978
										Advances received	4,716
Subsidiary of major unitholder	TLC REIT Management Inc.	21-1, Dogenzaka 1-chome, Shibuya-ku, Tokyo	200	Investment management business	—	None	Asset Manager	Payment of asset management fee	1,109,277	Other accrued expenses	443,313

(Note 1) Of the amounts above, the transaction amount does not include consumption taxes, and the balance at end of period includes consumption taxes.

(Note 2) The transaction terms are based on current market practices.

## Notes on Investment and Rental Properties

The Investment Corporation holds Urban Retail and Tokyo Office properties, etc. in Tokyo and other regions for rental revenue. The carrying amounts on the balance sheet, changes during the fiscal period, and fair values of investment and rental properties are as follows.

(Unit: Thousands of yen)

Use		Previous fiscal period (From December 1, 2023 to May 31, 2024)	Current fiscal period (From June 1, 2024 to November 30, 2024)
Urban Retail Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	158,347,007	153,766,661
	Changes during period	(4,580,345)	(200,582)
	Balance at end of period	153,766,661	153,566,078
	Fair value at end of period	181,571,000	181,541,000
Tokyo Office Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	280,486,010	280,215,832
	Changes during period	(270,177)	(8,209)
	Balance at end of period	280,215,832	280,207,623
	Fair value at end of period	318,240,000	317,410,000
Activia Account Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	101,739,714	101,978,881
	Changes during period	239,166	38,087
	Balance at end of period	101,978,881	102,016,969
	Fair value at end of period	128,870,000	131,520,000
Total	Carrying amount on the balance sheet		
	Balance at beginning of period	540,572,731	535,961,375
	Changes during period	(4,611,356)	(170,704)
	Balance at end of period	535,961,375	535,790,671
	Fair value at end of period	628,681,000	630,471,000

(Note 1) The carrying amount on the balance sheet is the acquisition cost less accumulated depreciation.

(Note 2) The main reason for the decrease in the current fiscal period is the provision of depreciation worth ¥1,562,950 thousand.

(Note 3) The fair value at end of period is the appraisal value provided by an outside real estate appraiser.

The profit/loss concerning investment and rental properties for the current fiscal period is indicated under “Notes to Statement of Income.”

## Notes on Revenue Recognition

### 1. Information on disaggregation of revenue from contracts with customers

Previous fiscal period (From December 1, 2023 to May 31, 2024)

(Unit: Thousands of yen)

	Revenue from contracts with customers *1	Revenues from external customers
Sale of real estate properties	5,000,000	*2 490,311
Utilities income	885,168	885,168
Others	—	14,535,083
Total	5,885,168	15,910,563

\*1 Leasing business revenue, etc. that is subject to ASBJ Statement No. 13 “Accounting Standard for Lease Transactions” and transfer of real estate properties, etc. that is subject to Japanese Institute of Certified Public Accountants Accounting Practice Committee Report No. 15 “Practical Guidelines on Accounting by Transferors for Derecognition of Real Estate Securitized by means of Special Purpose Companies” are not subject to the Accounting Standard for Revenue Recognition, and therefore are not included in the above amount. Major revenue from contracts with customers is income from sale of real estate properties and utilities income.

\*2 Since income from sale of real estate properties is recorded as gain (loss) on sale of real estate properties in the statement of income, the amount of income from sale of real estate properties less costs of sale of real estate properties and other costs of sale is shown.

Current fiscal period (From June 1, 2024 to November 30, 2024)

(Unit: Thousands of yen)

	Revenue from contracts with customers *	Revenues from external customers
Sale of real estate properties	—	—
Utilities income	1,150,887	1,150,887
Others	—	14,557,466
Total	1,150,887	15,708,353

\* Leasing business revenue, etc. that is subject to ASBJ Statement No. 13 “Accounting Standard for Lease Transactions” and transfer of real estate properties, etc. that is subject to Transferred Guidance No.10 “Practical Guidelines on Accounting by Transferors for Derecognition of Real Estate Securitized by means of Special Purpose Companies” are not subject to the Accounting Standard for Revenue Recognition, and therefore are not included in the above amount. Major revenue from contracts with customers is income from sale of real estate properties and utilities income.

## Per Unit Information

	Previous fiscal period (From December 1, 2023 to May 31, 2024)	Current fiscal period (From June 1, 2024 to November 30, 2024)
Net assets per unit	¥338,922	¥338,066
Basic earnings per unit	¥9,283	¥8,516

(Note 1) Basic earnings per unit is calculated by dividing profit by the day-weighted average number of investment units for the period (previous fiscal period 798,941 units; current fiscal period 792,106 units). Diluted earnings per unit is not stated, as there is no potential investment unit.

(Note 2) The basis for calculating basic earnings per unit is as follows:

	Previous fiscal period (From December 1, 2023 to May 31, 2024)	Current fiscal period (From June 1, 2024 to November 30, 2024)
Profit (Thousands of yen)	7,416,814	6,745,650
Amount not attributable to common unitholders (Thousands of yen)	—	—
Profit attributable to common investment units (Thousands of yen)	7,416,814	6,745,650
Average number of investment units for the period (Units)	798,941	792,106

### Significant Subsequent Events

Not applicable.

### Omission of Disclosure

As the need for disclosing notes on lease transactions, securities, retirement benefits, equity in earnings of affiliates, asset retirement obligations, and segment information in this financial report is not considered to be substantial, the disclosure of these items is omitted.



(9) Changes in Total Number of Investment Units Issued

Changes in unitholders' capital, net and total number of investment units issued up to the current fiscal period are as follows:

Date	Summary	Unitholders' capital, net (Millions of yen)		Total number of investment units issued (Units)		Remarks
		Change	Balance	Change	Balance	
September 7, 2011	Establishment through private placement	200	200	400	400	(Note 1)
June 12, 2012	Capital increase through public offering	90,834	91,034	204,100	204,500	(Note 2)
July 10, 2012	Capital increase through third-party allotment	339	91,373	762	205,262	(Note 3)
December 16, 2013	Capital increase through public offering	32,636	124,010	43,100	248,362	(Note 4)
January 15, 2014	Capital increase through third-party allotment	2,044	126,054	2,700	251,062	(Note 5)
December 17, 2014	Capital increase through public offering	22,800	148,855	24,050	275,112	(Note 6)
January 8, 2015	Capital increase through third-party allotment	1,915	150,770	2,020	277,132	(Note 7)
October 1, 2015	Investment unit split	—	150,770	277,132	554,264	(Note 8)
December 15, 2015	Capital increase through public offering	19,152	169,922	41,870	596,134	(Note 9)
January 6, 2016	Capital increase through third-party allotment	1,610	171,532	3,520	599,654	(Note 10)
December 1, 2016	Capital increase through public offering	28,583	200,116	61,040	660,694	(Note 11)
December 15, 2016	Capital increase through third-party allotment	2,116	202,233	4,520	665,214	(Note 12)
December 13, 2017	Capital increase through public offering	13,793	216,026	31,090	696,304	(Note 13)
December 26, 2017	Capital increase through third-party allotment	1,064	217,091	2,400	698,704	(Note 14)
December 19, 2018	Capital increase through public offering	29,036	246,127	67,320	766,024	(Note 15)
January 7, 2019	Capital increase through third-party allotment	2,242	248,370	5,200	771,224	(Note 16)

Date	Summary	Unitholders' capital, net (Millions of yen)		Total number of investment units issued (Units)		Remarks
		Change	Balance	Change	Balance	
September 7, 2021	Capital increase through public offering	21,496	269,867	49,030	820,254	(Note 17)
September 28, 2021	Capital increase through third-party allotment	1,096	270,963	2,500	822,754	(Note 18)
May 13, 2022	Cancellation	(3,999)	266,963	(10,190)	812,564	(Note 19)
May 12, 2023	Cancellation	(1,999)	264,963	(5,118)	807,446	(Note 20)
May 10, 2024	Cancellation	(5,999)	258,964	(15,340)	792,106	(Note 21)

(Note 1) The Investment Corporation was established with an offering price per unit of ¥500,000.

(Note 2) New investment units were issued by public offering with an offering price per unit of ¥460,000 (paid-in amount of ¥445,050 per unit) in order to raise funds for the acquisition of new properties, etc., and then investment operations were commenced.

(Note 3) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥445,050 per unit.

(Note 4) New investment units were issued by public offering with an offering price per unit of ¥782,925 (paid-in amount of ¥757,229 per unit) in order to raise funds for the acquisition of new properties, etc.

(Note 5) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥757,229 per unit.

(Note 6) New investment units were issued by public offering with an offering price per unit of ¥979,020 (paid-in amount of ¥948,051 per unit) in order to raise funds for the acquisition of new properties.

(Note 7) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥948,051 per unit.

(Note 8) A two-for-one split of the investment units has been implemented, with September 30, 2015 as the record date and October 1, 2015 as the effective date.

(Note 9) New investment units were issued by public offering with an offering price per unit of ¥472,360 (paid-in amount of ¥457,418 per unit) in order to raise funds for the acquisition of new properties, etc.

(Note 10) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥457,418 per unit.

(Note 11) New investment units were issued by public offering with an offering price per unit of ¥483,326 (paid-in amount of ¥468,283 per unit) in order to raise funds for the acquisition of new properties.

(Note 12) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥468,283 per unit.

(Note 13) New investment units were issued by public offering with an offering price per unit of ¥458,150 (paid-in amount of ¥443,657 per unit) in order to raise funds for the acquisition of new properties.

(Note 14) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥443,657 per unit.

(Note 15) New investment units were issued by public offering with an offering price per unit of ¥445,410 (paid-in amount of ¥431,320 per unit) in order to raise funds for the acquisition of new properties.

- (Note 16) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥431,320 per unit.
- (Note 17) New investment units were issued by public offering with an offering price per unit of ¥452,760 (paid-in amount of ¥438,438 per unit) in order to raise funds for the acquisition of new properties.
- (Note 18) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥438,438 per unit.
- (Note 19) From February 18, 2022, to March 15, 2022, the Investment Corporation acquired its treasury investment units through market purchases on the Tokyo Stock Exchange based on a discretionary trading agreement with a securities company. All of the acquired treasury investment units (10,190 units) were canceled on May 13, 2022, in accordance with a resolution passed at a meeting of the Investment Corporation's Board of Directors held on April 27, 2022.
- (Note 20) From March 29, 2023, to April 11, 2023, the Investment Corporation acquired its treasury investment units through market purchases on the Tokyo Stock Exchange based on a discretionary trading agreement with a securities company. All of the acquired treasury investment units (5,118 units) were canceled on May 12, 2023, in accordance with a resolution passed at a meeting of the Investment Corporation's Board of Directors held on April 27, 2023.
- (Note 21) From January 18, 2024, to March 11, 2024, the Investment Corporation acquired its treasury investment units through market purchases on the Tokyo Stock Exchange based on a discretionary trading agreement with a securities company. All of the acquired treasury investment units (15,340 units) were canceled on May 10, 2024, in accordance with a resolution passed at a meeting of the Investment Corporation's Board of Directors held on April 24, 2024.
- (Note 22) The above does not take into account the changes in unitholders' capital arising from the implementation of distributions in excess of earnings from allowance for temporary difference adjustments.

### 3. Reference Information

#### (1) Composition of Invested Assets

Type of assets	Category	Previous fiscal period (As of May 31, 2024)		Current fiscal period (As of November 30, 2024)	
		Total amount held (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)	Total amount held (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)
Real estate in trust	By property type				
	Urban Retail Properties	153,766	27.4	153,566	27.4
	Tokyo Office Properties	280,215	49.9	280,207	50.0
	Activia Account Properties	101,978	18.2	102,016	18.2
	By location				
	The five central wards of Tokyo (Note 3)	329,510	58.7	329,429	58.8
	Wards of Tokyo other than the five central wards	48,550	8.6	48,589	8.7
	Three major metropolitan areas (Note 4)	145,932	26.0	145,913	26.0
	Other locations	11,967	2.1	11,857	2.1
	Subtotal	535,961	95.4	535,790	95.6
Total real estate assets		535,961	95.4	535,790	95.6
Silent partnership interests (Note 5)		—	—	307	0.1
Deposits and other assets		25,831	4.6	24,112	4.3
Total assets (Note 6)		561,792	100.0	560,210	100.0

	Amount (Millions of yen)	Percentage to total assets (%) (Note 2)	Amount (Millions of yen)	Percentage to total assets (%) (Note 2)
Total liabilities (Notes 6, 7)	293,330	52.2	292,425	52.2
Total net assets (Note 6)	268,462	47.8	267,784	47.8

(Note 1) The total amount held is based on the carrying amounts on the balance sheet as of the end of each fiscal period (for real estate and real estate in trust, book value less depreciation expenses), in accordance with the asset valuation method set forth in the Articles of Incorporation of the Investment Corporation.

(Note 2) Figures are rounded to the nearest tenth.

(Note 3) “The five central wards of Tokyo” refers to Chiyoda ward (Chiyoda-ku), Chuo ward (Chuo-ku), Minato ward (Minato-ku), Shinjuku ward (Shinjuku-ku) and Shibuya ward (Shibuya-ku) in Tokyo.

(Note 4) “Three major metropolitan areas” refers to the Tokyo area (Tokyo, Kanagawa Prefecture, Saitama Prefecture and Chiba Prefecture), the Chukyo area (Aichi Prefecture) and the Kinki area (Osaka Prefecture, Kyoto Prefecture and Hyogo Prefecture); the same shall apply hereinafter.

(Note 5) Silent partnership interests in Godo Kaisha Kyoto Investment as an operator.

(Note 6) Total assets, total liabilities and total net assets represent the amounts reported in the balance sheet as of the end of each fiscal period.

(Note 7) Total liabilities include the obligation to refund leasehold and guarantee deposits.

(2) Investment Assets

i) Major investment securities

Major investment securities held by the Investment Corporation as of the end of the fiscal period under review are as follows.

Type	Location	Number	Name of securities	Book value (Thousands of yen)	Fair value (Thousands of yen) (Note 1)	Percentage to total assets (%) (Note 2)
Silent partnership interest	Japan	—	Silent partnership interests in Godo Kaisha Kyoto Investment as an operator.	307,643	307,643	0.1

(Note 1) Fair value represents the book value.

(Note 2) Figures are rounded to the nearest tenth.

(Note 3) The asset under management is beneficial interests in real estate trust of Onyado Nono Kyoto Shichijo.

ii) Investment properties

Properties in trust held by the Investment Corporation are included in the below section “iii) Other investment assets.”

iii) Other investment assets

(A) Overview of real estate and beneficial interests in real estate trust

The following table shows property name, acquisition price, book value at the end of the fiscal period, assessed value at the end of the fiscal period, return price and investment ratio related to the assets held by the Investment Corporation as of the end of the fiscal period under review. Figures shown in the table are as of the end of the fiscal period under review unless otherwise provided.

a. Overview of assets held (1)

Category	Property number (Note 1)	Property name	Acquisition price  (Millions of yen) (Note 2)	Book value at end of period  (Millions of yen) (Note 3)	Assessed value at end of period  (Millions of yen) (Note 4)	Return price (Note 4)					Investment ratio  (%) (Note 5)
						Direct capitalization method		DCF method			
						Price based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Price based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
Urban Retail Properties	UR-1	Tokyu Plaza Omotesando “Omokado” (Note 6)	45,000	44,421	60,675	60,675	2.6	60,600	2.3	2.6	8.3
	UR-3	Q plaza EBISU (Note 7)	8,430	8,053	11,400	11,500	3.2	11,300	3.4/3.3	3.4	1.6
	UR-5	Kyoto Karasuma Parking Building	8,860	8,561	10,300	10,400	4.5	10,300	4.5	4.7	1.6
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	21,330	19,538	25,400	25,700	3.6	25,100	3.4	3.7	3.9
	UR-8	A-FLAG SAPPORO	4,410	5,646	7,470	7,410	5.1	7,490	4.9	5.3	0.8
	UR-9	A-FLAG SHIBUYA	6,370	6,381	7,910	8,020	3.8	7,860	3.6	4.0	1.2
	UR-10	Q plaza SHINSAIBASHI	13,350	13,320	14,100	14,800	3.4	13,800	3.2	3.6	2.5
	UR-12	A-FLAG BIJUTSUKAN DORI	4,700	4,737	4,300	4,400	3.2	4,190	3.0	3.4	0.9
	UR-13	A-FLAG DAIKANYAMA WEST	2,280	2,419	2,110	2,130	3.8	2,090	3.6	4.0	0.4
	UR-15	DECKS Tokyo Beach (Note 6)	12,740	12,948	10,976	11,711	4.0	10,682	3.8	4.2	2.4
	UR-17	Q plaza HARAJUKU (Note 6)	13,200	13,273	11,200	11,400	2.8	11,040	2.5	2.9	2.4
	UR-18	A-FLAG NISHI SHINSAIBASHI	14,300	14,262	15,700	15,800	3.8	15,500	3.6	3.9	2.6
	Subtotal			154,970	153,566	181,541	183,946	—	179,952	—	—

Category	Property number (Note 1)	Property name	Acquisition price  (Millions of yen) (Note 2)	Book value at end of period  (Millions of yen) (Note 3)	Assessed value at end of period  (Millions of yen) (Note 4)	Return price (Note 4)					Investment ratio  (%) (Note 5)	
						Direct capitalization method		DCF method				
						Price based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Price based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)		
Tokyo Office Properties	TO-1	TLC Ebisu Building	7,400	7,073	12,100	12,600	3.4	11,900	3.5	3.6	1.4	
	TO-2	A-PLACE Ebisu Minami	9,640	9,433	16,700	16,000	3.3	17,000	3.4	3.5	1.8	
	TO-3	A-PLACE Yoyogi	4,070	3,764	5,070	5,150	3.6	4,990	3.4	3.8	0.8	
	TO-4	A-PLACE Aoyama	8,790	8,480	11,000	11,000	3.7	11,000	3.5	3.9	1.6	
	TO-6	TAMACHI SQUARE (Land)	2,338	2,362	3,000	3,150	3.2	2,940	3.6	3.4	0.4	
	TO-7	A-PLACE Ikebukuro	3,990	3,546	5,680	5,730	3.7	5,620	3.5	3.8	0.7	
	TO-8	A-PLACE Shinbashi	5,650	5,661	7,230	7,340	3.4	7,120	3.2	3.5	1.0	
	TO-9	A-PLACE Gotanda	5,730	5,240	7,780	7,930	3.3	7,620	3.1	3.5	1.1	
	TO-10	A-PLACE Shinagawa	3,800	3,781	5,990	6,070	3.2	5,900	3.0	3.3	0.7	
	TO-11	OSAKI WIZTOWER	10,690	10,135	14,100	14,300	3.2	14,000	2.9	3.3	2.0	
	TO-12	Shiodome Building (Note 6)	71,600	69,717	73,500	78,050	3.1	71,400	2.9	3.3	13.2	
	TO-13	A-PLACE Ebisu Higashi	7,072	6,866	7,850	7,970	3.4	7,720	3.2	3.6	1.3	
	TO-14	A-PLACE Shibuya Konnoh	4,810	4,944	6,120	6,110	3.3	6,130	3.0	3.4	0.9	
	TO-15	A-PLACE Gotanda Ekimae	7,280	7,592	7,960	7,940	3.5	7,970	3.2	3.6	1.3	
	TO-16	A-PLACE Shinagawa Higashi	18,800	18,676	18,000	19,400	3.6	17,400	3.4	3.8	3.5	
	TO-18	Ebisu Prime Square (Note 6)	30,700	31,186	32,600	33,252	3.2	32,028	3.0	3.4	5.7	
	TO-19	A-PLACE Tamachi East	6,800	6,974	7,280	7,430	3.2	7,120	3.0	3.4	1.3	
	TO-20	Meguro Tokyu Building	16,300	16,498	16,300	16,300	3.1	16,300	2.8	3.1	3.0	
	TO-21	Q plaza Shinjuku-3chome	18,400	18,497	19,300	19,600	3.4	19,000	3.2	3.6	3.4	
	TO-22	A-PLACE Shibuya Nampeidai	8,800	8,985	9,150	9,230	3.1	9,070	2.8	3.2	1.6	
	TO-23	Kasumigaseki Tokyu Building	30,600	30,789	30,700	31,700	3.2	30,300	3.3	3.4	5.6	
	Subtotal			283,260	280,207	317,410	326,252	—	312,528	—	—	52.3
	Activia Account Properties	AA-1	Amagasaki Q's MALL (Land) (Note 8)	12,000	12,113	15,400	—	—	15,400	5.1	—	2.2
		AA-2	icot Nakamozu (Note 9)	8,500	7,963	12,800	13,300	4.8	12,600	4.8/4.7	5.0	1.6
AA-4		icot Mizonokuchi	2,710	2,710	4,670	4,780	5.3	4,560	5.1	5.7	0.5	
AA-5		icot Tama Center	2,840	2,487	4,210	4,230	4.6	4,190	4.2	4.8	0.5	
AA-6		A-PLACE Kanayama	6,980	5,854	8,730	8,840	4.7	8,610	4.5	4.9	1.3	
AA-7		Osaka Nakanoshima Building	11,100	11,967	18,900	19,000	3.4	18,700	3.2	3.5	2.0	
AA-8		icot Omori	5,790	5,575	7,530	7,560	3.9	7,500	3.7	4.0	1.1	
AA-9		Market Square Sagamihara	4,820	4,429	5,040	5,060	5.2	5,020	5.0	5.4	0.9	
AA-10		Umeda Gate Tower	19,000	18,773	22,000	22,300	3.4	21,800	3.2	3.6	3.5	
AA-11		A-PLACE Bashamichi	3,930	4,006	5,110	5,240	4.6	4,970	4.3	4.8	0.7	
AA-12		Commercial Mall Hakata	6,100	6,211	5,830	5,810	4.6	5,840	4.3	4.7	1.1	
AA-13		A-PLACE Shinsaibashi	19,800	19,923	21,300	21,600	3.5	20,900	3.3	3.7	3.7	
Subtotal			103,570	102,016	131,520	117,720	—	130,090	—	—	19.1	
Total			541,800	535,790	630,471	627,918	—	622,570	—	—	100.0	

(Note 1) A property number is assigned to each of assets held by the Investment Corporation, which are divided into the three categories: UR (meaning Urban Retail Properties), TO (meaning Tokyo Office Properties) and AA (meaning Activia Account Properties).

(Note 2) Acquisition price represents trading value of beneficial interests in trust stipulated in each beneficiary interest in trust sales agreement in relation to the assets held (excluding consumption tax and local consumption tax, and expenses such as trading commissions, rounding down to the nearest million yen).

(Note 3) Book value at end of period represents book value for each property less depreciation expenses as of the end of the fiscal period under review, rounding down to the nearest million yen.

- (Note 4) The appraisal of properties is commissioned to Japan Real Estate Institute, Daiwa Real Estate Appraisal Co., Ltd., The Tanizawa Sōgō Appraisal Co., Ltd., Japan Valuers Co., Ltd. or JLL Morii Valuation & Advisory K.K. Assessed value at end of period and return price show value described in each real estate appraisal report with the date of value estimate of the end of the fiscal period under review.
- (Note 5) Investment ratio is calculated by dividing the acquisition price for each property by the total acquisition price (excluding consumption tax and other acquisition-related expenses). Figures are rounded to the nearest tenth.
- (Note 6) As for Tokyu Plaza Omotesando “Omokado,” DECKS Tokyo Beach, Q plaza HARAJUKU, Shiodome Building and Ebisu Prime Square, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75%, 49%, 60%, 35% and 51%, respectively).
- (Note 7) The discount rates of Q plaza EBISU represent 3.4% from the first year to the second year and 3.3% in and after the third year.
- (Note 8) Regarding Amagasaki Q’s Mall (land), the real estate appraisal report prepared by the Japan Real Estate Institute states that, “...considering the temporary nature of the fixed-term business-use leasehold, the return price is estimated using the DCF method instead of the direct capitalization method of converting net income over a certain period at a capitalization rate.” Accordingly, the “price based on direct capitalization method” and the “direct capitalization rate” are not provided. Also, the report states that “...the appraised real estate is land with a fixed-term business-use leasehold, and the lease will not be renewed upon expiration. Unless a new contract is made, the land will be returned to the owner as vacant land. On the assumption that this will occur, the sales price at the end of the analysis period is estimated based on the vacant land price at the time of appraisal.” Accordingly, “terminal capitalization rate” is not provided.
- (Note 9) The discount rates of icot Nakamozu represent 4.8% from the first year to the third year and 4.7% in and after the fourth year.

b. Overview of assets held (2)

Category	Property number	Property name	Location	Date of construction (Note 1)	Number of tenants (Note 2)	Contracted rent (Annual) (Millions of yen) (Note 3)	Leasehold and guarantee deposit (Millions of yen) (Note 4)	Total leasable area (m <sup>2</sup> ) (Note 5)	Total leased area (m <sup>2</sup> ) (Note 6)	Occupancy rate (%) (Note 7)
Urban Retail Properties	UR-1	Tokyu Plaza Omotesando “Omokado” (Note 8)	Shibuya, Tokyo	March 14, 2012	23	1,919	1,407	5,154.14	5,154.14	100.0
	UR-3	Q plaza EBISU	Shibuya, Tokyo	August 20, 2008	4	484	381	4,024.88	4,024.88	100.0
	UR-5	Kyoto Karasuma Parking Building	Kyoto, Kyoto	July 24, 2006	2	(Note 9)	(Note 9)	21,616.04	21,616.04	100.0
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	Kobe, Hyogo	January 31, 2010	8	1,102	1,399	19,629.09	18,996.93	96.8
	UR-8	A-FLAG SAPPORO	Sapporo, Hokkaido	May 23, 1980	15	727	127	21,229.16	21,229.16	100.0
	UR-9	A-FLAG SHIBUYA	Shibuya, Tokyo	June 29, 1988	2	420	179	3,403.07	3,403.07	100.0
	UR-10	Q plaza SHINSAIBASHI	Osaka, Osaka	November 16, 2007	6	512	433	2,820.23	2,820.23	100.0
	UR-12	A-FLAG BIJUTSUKAN DORI	Minato, Tokyo	December 1, 1998	4	205	206	1,994.65	1,994.65	100.0
	UR-13	A-FLAG DAIKANYAMA WEST	Shibuya, Tokyo	April 21, 1992	1	(Note 9)	(Note 9)	2,579.08	2,579.08	100.0
	UR-15	DECKS Tokyo Beach (Note 8)	Minato, Tokyo	June 20, 1996	80	531	440	16,119.47	15,858.34	98.4
	UR-17	Q plaza HARAJUKU (Note 8)	Shibuya, Tokyo	March 5, 2015	15	421	368	3,378.49	3,317.14	98.2
	UR-18	A-FLAG NISHI SHINSAIBASHI	Osaka, Osaka	March 14, 2022	1	665	333	13,680.84	13,680.84	100.0
	Subtotal			—	161	—	—	115,629.14	114,674.50	99.2



Category	Property number	Property name	Location	Date of construction	Number of tenants	Contracted rent (Annual)	Leasehold and guarantee deposit	Total leasable area	Total leased area	Occupancy rate
				(Note 1)	(Note 2)	(Millions of yen) (Note 3)	(Millions of yen) (Note 4)	(m <sup>2</sup> ) (Note 5)	(m <sup>2</sup> ) (Note 6)	(%) (Note 7)
Tokyo Office Properties	TO-1	TLC Ebisu Building	Shibuya, Tokyo	March 5, 1993	12	586	476	7,342.60	7,034.50	95.8
	TO-2	A-PLACE Ebisu Minami	Shibuya, Tokyo	January 31, 1995	7	848	802	7,950.49	7,950.49	100.0
	TO-3	A-PLACE Yoyogi	Shibuya, Tokyo	February 22, 2007	5	261	241	3,106.17	3,106.17	100.0
	TO-4	A-PLACE Aoyama	Minato, Tokyo	September 6, 1966	8	581	574	7,303.69	6,917.83	94.7
	TO-6	TAMACHI SQUARE (Land)	Minato, Tokyo	—	1	125	—	1,287.96	1,287.96	100.0
	TO-7	A-PLACE Ikebukuro	Toshima, Tokyo	October 13, 2011	1	(Note 9)	(Note 9)	3,409.73	3,409.73	100.0
	TO-8	A-PLACE Shinbashi	Minato, Tokyo	March 4, 1999	13	366	300	5,054.18	5,054.18	100.0
	TO-9	A-PLACE Gotanda	Shinagawa, Tokyo	February 27, 2012	13	373	358	4,028.69	4,028.69	100.0
	TO-10	A-PLACE Shinagawa	Minato, Tokyo	September 20, 1991	8	273	262	2,986.36	2,986.36	100.0
	TO-11	OSAKI WIZTOWER	Shinagawa, Tokyo	January 10, 2014	6	686	686	7,193.28	7,193.28	100.0
	TO-12	Shiodome Building (Note 8)	Minato, Tokyo	December 14, 2007	49	2,862	2,610	28,136.05	27,658.29	98.3
	TO-13	A-PLACE Ebisu Higashi	Shibuya, Tokyo	January 10, 1992	9	362	280	4,010.69	4,010.69	100.0
	TO-14	A-PLACE Shibuya Konnoh	Shibuya, Tokyo	March 18, 1992	5	280	214	3,010.53	3,010.53	100.0
	TO-15	A-PLACE Gotanda Ekimae	Shinagawa, Tokyo	November 30, 1993	12	410	342	4,333.64	4,333.64	100.0
	TO-16	A-PLACE Shinagawa Higashi	Minato, Tokyo	August 31, 1985 (main building) September 13, 1999 (annex)	11	922	890	14,517.11	14,517.11	100.0
	TO-18	Ebisu Prime Square (Note 8)	Shibuya, Tokyo	January 31, 1997	115	1,497	1,166	18,059.66	17,259.68	95.6
	TO-19	A-PLACE Tamachi East	Minato, Tokyo	April 9, 2003	24	330	313	4,288.88	4,288.88	100.0
	TO-20	Meguro Tokyu Building	Shinagawa, Tokyo	December 24, 2002	8	626	609	6,993.70	6,993.70	100.0
	TO-21	Q plaza Shinjuku-3chome	Shinjuku, Tokyo	September 24, 1992	6	807	552	4,528.01	4,528.01	100.0
	TO-22	A-PLACE Shibuya Nampeidai	Shibuya, Tokyo	July 31, 1989	11	384	342	4,376.17	4,376.17	100.0
	TO-23	Kasumigaseki Tokyu Building	Chiyoda, Tokyo	October 20, 2010	25	1,220	713	12,023.76	12,023.76	100.0
	Subtotal			—	349	—	—	153,941.35	151,969.65	98.7

Category	Property number	Property name	Location	Date of construction (Note 1)	Number of tenants (Note 2)	Contracted rent (Annual) (Millions of yen) (Note 3)	Leasehold and guarantee deposit (Millions of yen) (Note 4)	Total leasable area (m <sup>2</sup> ) (Note 5)	Total leased area (m <sup>2</sup> ) (Note 6)	Occupancy rate (%) (Note 7)
Activia Account Properties	AA-1	Amagasaki Q's MALL (Land)	Amagasaki, Hyogo	–	1	720	341	27,465.44	27,465.44	100.0
	AA-2	icot Nakamozu	Sakai, Osaka	June 27, 2007	2	620	430	28,098.02	28,098.02	100.0
	AA-4	icot Mizonokuchi	Kawasaki, Kanagawa	July 15, 1998	1	(Note 9)	188	14,032.05	14,032.05	100.0
	AA-5	icot Tama Center	Tama, Tokyo	March 7, 2006	10	237	233	5,181.58	5,181.58	100.0
	AA-6	A-PLACE Kanayama	Nagoya, Aichi	February 10, 2009	19	544	459	9,314.90	9,314.90	100.0
	AA-7	Osaka Nakanoshima Building	Osaka, Osaka	March 5, 1984	38	1,024	842	20,091.83	19,775.08	98.4
	AA-8	icot Omori	Ota, Tokyo	March 6, 2007	8	388	357	6,209.78 (Note 10)	6,209.78 (Note 10)	100.0
	AA-9	Market Square Sagamihara	Sagamihara, Kanagawa	June 13, 2014	3	(Note 9)	(Note 9)	15,152.42	15,152.42	100.0
	AA-10	Umeda Gate Tower	Osaka, Osaka	January 15, 2010	21	1,011	802	13,513.73	13,513.73	100.0
	AA-11	A-PLACE Bashamichi	Yokohama, Kanagawa	May 31, 1975	37	346	274	9,710.91	9,710.91	100.0
	AA-12	Commercial Mall Hakata	Fukuoka, Fukuoka	November 3, 2005	17	337	164	9,612.88	9,553.03	99.4
	AA-13	A-PLACE Shinsaibashi	Osaka, Osaka	April 22, 1986	21	1,096	927	15,892.27	15,892.27	100.0
	Subtotal			–	178	–	–	174,275.81	173,899.21	99.8
	Total			–	688	–	–	443,846.30	440,543.36	99.3

(Note 1) Date of construction of the main building, as described in the property registry. For properties with several main buildings, the construction date of the oldest building is listed. The construction date is omitted in case of acquisition of land only (Land represents the part of site on which the building is established under a land lease right; the same shall apply hereinafter). However, for A-PLACE Shinbashi and A-FLAG SHIBUYA, the date of inspection confirming completion of construction written on the certificate of inspection is provided.

(Note 2) At each property, the number of tenants is equal to the aggregate number of tenants as of the end of the fiscal period under review described in the lease agreements in relation to buildings, except that for properties with master lease agreements, the total number of end-tenants is listed. For properties for which we acquire only land, the total number of tenants of the land is listed.

(Note 3) The contracted rent (annual) for each property other than properties for which we acquire only land is calculated by multiplying the aggregate anticipated monthly rent (limited to rent for rooms which were occupied by tenants as of the end of the fiscal period under review), including common service fees and excluding usage fees for warehouses, signboards and parking lots, and also excluding revenue-based rents, regardless of free rents, rent holidays and temporary reductions of rent as of the end of the fiscal period under review, as indicated in the lease agreements in relation to buildings as of the end of the fiscal period under review by 12 (for where multiple lease agreements are concluded in relation to buildings, the aggregate anticipated monthly rent for all lease agreements) (excluding consumption tax) and rounding to the nearest million yen. For properties for which we acquire only land, it is calculated as the annual contracted rent (excluding consumption tax) as indicated in the lease agreement for such land as of the end of the fiscal period under review, rounding to the nearest million yen. For properties with master lease agreements, the annual contracted rent is calculated by multiplying the aggregate anticipated monthly rent (limited to rent for rooms; including common service fees and excluding usage fees for warehouses, signboards and parking lots, and also excluding revenue-based rents, regardless of free rents, rent holidays and temporary reductions of rent as of the end of the fiscal period under review), as indicated in the relevant sublease agreement with end-tenants by 12.

(Note 4) The leasehold and guarantee deposit is calculated as the total amount required based on the lease agreement for each property as of the end of the fiscal period under review (limited to leasehold and guarantee deposit based on the lease agreement for leased property that was occupied by the tenant as of the end of the fiscal period under review), rounding to the nearest million yen. For properties with master lease agreements, the leasehold and guarantee deposit is calculated as the total amount required based on the sublease agreements with end-tenants, rounding to the nearest million yen.

(Note 5) The total leasable area represents the total of gross floor area considered to be leasable based on the lease agreements for building or floor plans as of the end of the fiscal period under review of each property other than properties of which we acquire only land, and gross land area considered to be leasable based on the lease agreement for land or land plans as of the end of the fiscal period under review of each property of which we acquire only land.

(Note 6) The total leased area is equal to the total of leased area presented in each lease agreement for properties held as of the end of the fiscal period under review. For properties with master lease agreements, counted is the total of the area of properties for which sublease agreements are concluded with end-tenants and that are actually subleased.

(Note 7) The occupancy rate is calculated by dividing total leased area for each property by the total leasable area as of the end of the fiscal period under review, rounding to the nearest tenth. The subtotal and total are calculated by dividing aggregate leased area by aggregate leasable area, rounding to the nearest tenth.

- (Note 8) As for Tokyu Plaza Omotesando “Omokado,” DECKS Tokyo Beach, Q plaza HARAJUKU, Shiodome Building and Ebisu Prime Square, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75%, 49%, 60%, 35% and 51%, respectively). However, the numbers of tenants provided are the numbers for each whole building.
- (Note 9) Since we have not obtained permission from the tenant of this property to release the information, the information is not disclosed.
- (Note 10) The calculation of total leasable area and total leased area for icot Omori includes part of an external bicycle parking lot (approximately 21 m<sup>2</sup>) and part of a common area on the second floor (approximately 28 m<sup>2</sup>).
- (Note 11) For lease agreements with end-tenants that have been asked to be terminated or canceled, or for which the rent has not been paid, number of tenants, contracted rent (annual), leasehold and guarantee deposit, total leased area and occupancy rate are shown in the above table if these agreements continued as of the end of the fiscal period under review, assuming that the lease agreements with the end-tenants remained effective; the same shall apply hereinafter.

(B) Capital expenditure for assets under management

a. Scheduled capital expenditure

The following table shows major estimated capital expenditure for renovation work, etc. that, as of the end of the fiscal period under review, the Investment Corporation plans to conduct for assets held at the end of the fiscal period under review. The estimated construction cost below includes the portion expensed for accounting purposes.

Name of real property (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen)		
			Total amount	Payment for the period	Total amount paid
A-FLAG SAPPORO (Sapporo, Hokkaido)	Repair of parking equipment No. 2 and No. 3	From July 2025 to November 2025	324	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Replacement of air conditioning equipment (Phase I)	From June 2026 to November 2026	312	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Replacement of air conditioning equipment (Phase II)	From December 2026 to May 2027	312	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Replacement of air conditioning equipment (Phase III)	From June 2027 to November 2027	312	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Replacement of air conditioning equipment (Phase IV)	From December 2027 to May 2028	312	—	—
Osaka Nakanoshima Building (Osaka, Osaka)	Renovation of air conditioning (Fourth period)	From December 2024 to February 2025	224	—	4
Meguro Tokyu Building (Shinagawa, Tokyo)	Renewal of air conditioning/LED lighting Phase II	From October 2024 to December 2024	184	—	—
Osaka Nakanoshima Building (Osaka, Osaka)	Large-scale renovation of external wall	From December 2027 to May 2028	146	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Renewal of controls for elevators No. 1 to No. 5 Phase I	From June 2025 to November 2025	141	—	—
Umeda Gate Tower (Osaka, Osaka)	Renovation of external wall	From December 2025 to May 2028	139	—	—
Kobe Kyu Kyoryuchi 25Bankan (Kobe, Hyogo)	Replacement of air conditioning units (EHP) and ventilation fans (9th, 10th floor and 17th floor Zone A)	From January 2026 to April 2026	130	—	—
A-PLACE Bashamichi (Yokohama, Kanagawa)	Replacement of air conditioning equipment (Phase I)	From June 2025 to November 2025	130	—	—
A-PLACE Bashamichi (Yokohama, Kanagawa)	Replacement of air conditioning equipment (Phase II)	From December 2025 to May 2026	130	—	—

Name of real property (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen)		
			Total amount	Payment for the period	Total amount paid
A-FLAG SAPPORO (Sapporo, Hokkaido)	Replacement of central monitoring panel	From March 2025 to November 2025	121	—	—
Meguro Tokyu Building (Shinagawa, Tokyo)	Large-scale repair work	From December 2025 to May 2026	120	—	—
Ebisu Prime Square (Shibuya, Tokyo)	Replacement of air conditioning units (3 floors)	From June 2027 to November 2027	109 (Note)	—	—
A-PLACE Shinagawa (Minato, Tokyo)	Large-scale repair work	From June 2026 to November 2026	104	—	—
Kobe Kyu Kyoryuchi 25Bankan (Kobe, Hyogo)	Replacement of air conditioning units (EHP) and ventilation fans (2nd basement, 1st basement, 3rd, 16th floor and 17th floor Zone D)	From June 2026 to August 2026	102	—	—
A-PLACE Shibuya Konnoh (Shibuya, Tokyo)	Large-scale repair work	From June 2026 to November 2026	100	—	—
A-PLACE Bashamichi (Yokohama, Kanagawa)	Replacement of air conditioning equipment (Phase III)	From August 2026 to November 2026	100	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of outdoor air conditioning units and air conditioning units	From December 2028 to January 2029	95 (Note)	—	—
Kobe Kyu Kyoryuchi 25Bankan (Kobe, Hyogo)	Replacement of air conditioning units (EHP) and ventilation fans (12th, 13th floor and 17th floor Zone E)	From June 2025 to July 2025	92	—	—
Kobe Kyu Kyoryuchi 25Bankan (Kobe, Hyogo)	Replacement of air conditioning units (EHP) and ventilation fans (10th, 11th floor and 17th floor Zone C)	From January 2025 to February 2025	91	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Renewal of controls for elevators No. 1 to No. 5 Phase II	From December 2025 to March 2026	89	—	—
A-PLACE Yoyogi (Shibuya, Tokyo)	Replacement of air conditioning equipment (Phase I)	From December 2025 to May 2026	84	—	—
A-PLACE Yoyogi (Shibuya, Tokyo)	Replacement of air conditioning equipment (Phase III)	From December 2026 to May 2027	83	—	—
A-PLACE Yoyogi (Shibuya, Tokyo)	Replacement of air conditioning equipment (Phase II)	From June 2026 to November 2026	82	—	—

Name of real property (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen)		
			Total amount	Payment for the period	Total amount paid
A-PLACE Ebisu Minami (Shibuya, Tokyo)	Renewal of elevator controls	From June 2026 to November 2026	81	—	—
A-PLACE Aoyama (Minato, Tokyo)	Large-scale repair work	From January 2025 to May 2025	80	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Replacement of disaster prevention monitoring panel (related to automatic fire alarm)	From June 2026 to November 2026	77	—	—
A-PLACE Yoyogi (Shibuya, Tokyo)	Large-scale repair work	From June 2026 to November 2026	74	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Renewal for 30th anniversary	From December 2025 to May 2026	73 (Note)	—	—
Shiodome Building (Minato, Tokyo)	Replacement of central monitoring equipment Phase III/VII	From June 2026 to February 2027	73 (Note)	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of fan coil units (Phase II)	From January 2025 to May 2025	72 (Note)	—	—
Ebisu Prime Square (Shibuya, Tokyo)	Replacement of air conditioning equipment (2 floors)	From December 2025 to May 2026	72 (Note)	—	—
Ebisu Prime Square (Shibuya, Tokyo)	Replacement of air conditioning equipment (2 floors)	From June 2026 to November 2026	72 (Note)	—	—
Ebisu Prime Square (Shibuya, Tokyo)	Replacement of air conditioning equipment (2 floors)	From December 2026 to May 2027	72 (Note)	—	—
Ebisu Prime Square (Shibuya, Tokyo)	Replacement of air conditioning equipment (2 floors)	From June 2025 to November 2025	70 (Note)	—	—
Ebisu Prime Square (Shibuya, Tokyo)	Replacement of air conditioning equipment (2 floors)	From February 2025 to May 2025	67 (Note)	—	—
Shiodome Building (Minato, Tokyo)	Replacement of central monitoring equipment Phase II	From July 2025 to February 2026	66 (Note)	—	—
A-PLACE Aoyama (Minato, Tokyo)	Renewal of elevator controls	From October 2024 to December 2024	65	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of outdoor air conditioning units and air conditioning units	From December 2029 to January 2030	65 (Note)	—	—
A-FLAG SAPPORO (Sapporo, Hokkaido)	Repair of parking equipment No. 1 and No. 4	From June 2026 to November 2026	61	—	—

Name of real property (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen)		
			Total amount	Payment for the period	Total amount paid
TLC Ebisu Building (Shibuya, Tokyo)	Renewal of lavatory (28th period, 3 floors)	From June 2025 to November 2025	60	—	—
TLC Ebisu Building (Shibuya, Tokyo)	Renewal of lavatory (29th period, 3 floors)	From December 2025 to May 2026	60	—	—
TLC Ebisu Building (Shibuya, Tokyo)	Renewal of lavatory (30th period, 3 floors)	From June 2026 to November 2026	60	—	—
Shiodome Building (Minato, Tokyo)	Replacement of central monitoring equipment Phase I	From June 2024 to February 2025	60 (Note)	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of outdoor air conditioning units and air conditioning units	From December 2027 to January 2028	60 (Note)	—	—
A-FLAG SAPPORO (Sapporo, Hokkaido)	Replacement of packaged air conditioner (EHP- 1, 2 and 3)	From June 2025 to November 2025	55	—	—
A-PLACE Ebisu Higashi (Shibuya, Tokyo)	Renewal of elevator controls	From June 2025 to August 2025	53	—	—
A-PLACE Aoyama (Minato, Tokyo)	Renovation of lavatory (Phase II)	From January 2025 to May 2025	52	—	—
A-PLACE Gotanda Ekimae (Shinagawa, Tokyo)	Replacement of elevators	From December 2027 to May 2028	52	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of fan coil units (Phase IV) (2nd payment)	From October 2026 to March 2027	50 (Note)	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of fan coil units (Phase VI) (1st payment)	From January 2030 to May 2030	49 (Note)	—	—
A-FLAG SHIBUYA (Shibuya, Tokyo)	Replacement of air conditioning units (1st basement and 1st floor)	From December 2024 to May 2025	41	—	—
A-FLAG SHIBUYA (Shibuya, Tokyo)	Replacement of air conditioning units (2nd and 3rd floors)	From December 2025 to May 2026	41	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of outdoor air conditioning units and air conditioning units	From December 2026 to January 2027	38 (Note)	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of mechanical security	From November 2024 to February 2025	31 (Note)	—	—

Name of real property (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen)		
			Total amount	Payment for the period	Total amount paid
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of outdoor air conditioning units and air conditioning units	From November 2025 to December 2025	31 (Note)	—	—
Osaka Nakanoshima Building (Osaka, Osaka)	Installation of LED lighting in private areas (3 floors)	From December 2024 to May 2025	30	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Installation of LED lighting (2 floors)	From June 2025 to November 2025	28	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Installation of LED lighting (2 floors)	From December 2025 to May 2026	28	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Installation of LED lighting (2 floors)	From June 2026 to November 2026	28	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Installation of LED lighting (2 floors)	From December 2026 to May 2027	28	—	—
A-PLACE Shinsaibashi (Osaka, Osaka)	Installation of LED lighting (2 floors)	From June 2027 to November 2027	28	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of fan coil units (Phase V)	From May 2027 to July 2027	24 (Note)	—	—
A-FLAG SHIBUYA (Shibuya, Tokyo)	Replacement of air conditioning units (4th floor)	From June 2025 to November 2025	21	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of fan coil units (Phase III)	From January 2026 to February 2026	19 (Note)	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of fan coil units (Phase VI) (2nd payment)	From June 2030 to July 2030	15 (Note)	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of fan coil units (Phase IV) (1st payment)	From September 2026 to November 2026	9 (Note)	—	—

(Note) The shown estimated construction cost with regard to DECKS Tokyo Beach, Ebisu Prime Square and Shiodome Building is the amount equivalent to the ratio of the Investment Corporation's co-ownership beneficial interests in real estate trust (49%, 51% and 35%, respectively).



b. Capital expenditure during the fiscal period

For assets held by the Investment Corporation at the end of the fiscal period under review, construction work conducted by the Investment Corporation during the fiscal period under review that falls into capital expenditure is as follows. The capital expenditure for the fiscal period under review amounted to ¥1,408 million, and repair and maintenance expenses that were accounted for as expense in the fiscal period under review came to ¥536 million. On aggregate, construction work of ¥1,945 million was carried out during the fiscal period under review.

Name of real property (Location)	Purpose	Period	Construction cost (Millions of yen)
Osaka Nakanoshima Building (Osaka, Osaka)	Renovation of air conditioning (Phase 3 construction)	From June 2024 to November 2024	408
Meguro Tokyu Building (Shinagawa, Tokyo)	Renewal of air conditioning/LED lighting Phase I	From April 2024 to June 2024	175
A-PLACE Shibuya Nampeidai (Shibuya, Tokyo)	Renovation of air conditioning equipment in north building	From June 2024 to November 2024	118
Kobe Kyu Kyoryuchi 25Bankan (Kobe, Hyogo)	Replacement of EHP and ventilation fans (8th, 9th floor and 17th floor Zone B)	From June 2024 to November 2024	77
Ebisu Prime Square (Shibuya, Tokyo)	Replacement of air conditioning units (2 floors)	From June 2024 to November 2024	63 (Note)
A-PLACE Aoyama (Minato, Tokyo)	Renovation of lavatory (Phase I)	From June 2024 to September 2024	39
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of fan coil units (Phase I)	From June 2024 to November 2024	35 (Note)
A-PLACE Shibuya Konnoh (Shibuya, Tokyo)	Replacement of elevators	From May 2024 to July 2024	34
Others			456
Total			1,408

(Note) The shown estimated construction cost with regard to DECKS Tokyo Beach and Ebisu Prime Square is the amount equivalent to the ratio of the Investment Corporation's co-ownership beneficial interests in real estate trust (49% and 51%, respectively).

(C) Information concerning major tenants

a. Summary of major tenants

For assets held at the end of the fiscal period under review, the table below shows tenants whose leased area accounts for 10% or more of the total leased area in the entire portfolio (major tenants) based on the data as of the end of the fiscal period under review. The forms of agreements with the tenants in the table are ordinary lease agreements.

As for certain assets held, the Investment Corporation has entered into lease agreements (master lease agreements) with Tokyu Community Corp. and Tokyu Land SC Management Corporation with the objective of allowing them to be master lease companies and sublease the leased assets to end-tenants. The table below shows information on the major tenants with master lease agreements based on the data as of the end of the fiscal period under review. Rents received by the Investment Corporation from the master lease companies are equal to the rents received by these companies from sublessees (end-tenants) (pass-through master lease), and such rents are not guaranteed.

Tenant	Business	Property name	Leased area (m <sup>2</sup> ) (Note 1)	Contracted rent (Annual) (Millions of yen) (Note 2)	Leasehold and guarantee deposit (Millions of yen) (Note 3)	Expiration date (Note 4)
Tokyu Community Corp.	Real Estate Management	TLC Ebisu Building	7,034.50	586	476	May 31, 2025
		A-PLACE Ebisu Minami	7,950.49	848	802	May 31, 2025
		A-PLACE Yoyogi	3,106.17	261	241	May 31, 2025
		A-PLACE Aoyama	6,917.83	581	574	May 31, 2025
		A-PLACE Ikebukuro	3,409.73	(Note 5)	(Note 5)	May 31, 2025
		A-PLACE Shinbashi	5,054.18	366	300	May 31, 2025
		A-PLACE Gotanda	4,028.69	373	358	May 31, 2025
		A-PLACE Shinagawa	2,986.36	273	262	May 31, 2025
		OSAKI WIZTOWER	7,193.28	686	686	May 31, 2025
		A-PLACE Ebisu Higashi	4,010.69	362	280	May 31, 2025
		A-PLACE Shibuya Konnoh	3,010.53	280	214	September 30, 2025
		A-PLACE Gotanda Ekimae	4,333.64	410	342	June 30, 2026
		A-PLACE Shinagawa Higashi	14,517.11	922	890	March 31, 2027
		Ebisu Prime Square (Note 6)	14,224.67	1,297	1,139	January 31, 2030
		A-PLACE Tamachi East	4,288.88	330	313	October 31, 2031
		A-PLACE Shibuya Nampeidai	4,376.17	384	342	September 30, 2031
		A-PLACE Kanayama	9,314.90	544	459	May 31, 2025
		Osaka Nakanoshima Building	19,775.08	1,024	842	November 30, 2026
		Umeda Gate Tower	13,513.73	1,011	802	April 30, 2028
		A-PLACE Bashamichi	9,710.91	346	274	October 31, 2026
		Commercial Mall Hakata	9,553.03	337	164	March 31, 2027
		A-PLACE Shinsaibashi	15,892.27	1,096	927	December 31, 2031
		Total	174,202.84	—	—	—

Tenant	Business	Property name	Leased area (m <sup>2</sup> ) (Note 1)	Contracted rent (Annual) (Millions of yen) (Note 2)	Leasehold and guarantee deposit (Millions of yen) (Note 3)	Expiration date (Note 4)
Tokyu Land SC Management Corporation	Real Estate Management	Q plaza EBISU	4,024.88	484	381	June 30, 2026
		Kyoto Karasuma Parking Building	21,616.04	(Note 5)	(Note 5)	November 30, 2026
		Kobe Kyu Kyoryuchi 25Bankan	18,996.93	1,102	1,399	August 31, 2025
		A-FLAG SAPPORO	21,229.16	727	127	December 31, 2025
		A-FLAG SHIBUYA	3,403.07	420	179	December 31, 2025
		Q plaza SHINSAIBASHI	2,820.23	512	433	December 31, 2025
		A-FLAG BIJUTSUKAN DORI	1,994.65	205	206	December 31, 2026
		A-FLAG DAIKANYAMA WEST	2,579.08	(Note 5)	(Note 5)	December 31, 2026
		DECKS Tokyo Beach (Note 6)	15,858.34	531	440	January 31, 2028
		Q plaza HARAJUKU (Note 6)	3,317.14	421	368	January 31, 2029
		Q plaza Shinjuku-3chome	4,528.01	807	552	September 30, 2031
		icot Nakamozi	28,098.02	620	430	June 30, 2026
		icot Mizonokuchi	14,032.05	(Note 5)	188	June 30, 2026
		icot Tama Center	5,181.58	237	233	November 30, 2026
		icot Omori	6,209.78	388	357	December 31, 2025
		Market Square Sagami-hara	15,152.42	(Note 5)	(Note 5)	January 31, 2025
		Total	169,041.38	—	—	—

(Note 1) The leased area is the leased area to end-tenants in respect to the leased area provided in the master lease agreement as of the end of the fiscal period under review where the tenant is the master lease company and sublessor, rounding to the nearest hundredth.

(Note 2) Under master lease contracts concluded with tenants, for properties of which the master lease rent payable by the tenant equals to the rent payable by the end-tenant to the tenant, the contracted rent (annual) for each property is calculated by multiplying the aggregate anticipated monthly rent (limited to rent for rooms which were occupied by tenants as of the end of the fiscal period under review), including common service fees and excluding usage fees for warehouses, signboards and parking lots, and also excluding revenue-based rents, regardless of free rents, rent holidays and temporary reductions of rent as of the end of the fiscal period under review, as indicated in the sublease agreement concluded with the end-tenant as of the end of the fiscal period under review by 12, rounding to the nearest million yen.

(Note 3) The leasehold and guarantee deposit is calculated as the total amount required based on the sublease agreement with the end-tenant as of the end of the fiscal period under review (limited to leasehold and guarantee deposit based on the lease agreement for leased property that was occupied by the tenant as of the end of the fiscal period under review), rounding to the nearest million yen, where the tenant is the master lease company and sublessor.

(Note 4) The expiration date is the date provided in the lease agreement where the tenant is the lessee, including where the tenant is a sublessor and master lease company under a sublease agreement. Concerning the method of renewing the master lease agreement entered into with the above-mentioned major tenant who is the master lease company, assuming that the lessor or lessee has not expressed in writing their intention to refuse renewal at a time that is at least three full months before the expiry of the lease agreement, the agreement shall be renewed for a further two years under the same conditions, and the same will apply thereafter.

(Note 5) Since we have not obtained permission from the tenant of this property to release the information, the information is not disclosed.

(Note 6) As for Ebisu Prime Square, DECKS Tokyo Beach and Q plaza HARAJUKU, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (51%, 49% and 60%, respectively).

b. End-tenants in the top 10 in terms of total leased area

For assets held by the Investment Corporation, the following table shows end-tenants ranked in the top 10 in terms of total leased area in the entire portfolio as of the end of the fiscal period under review.

End-tenants	Property name	Total leased area (m <sup>2</sup> ) (Note 1)	Lease expiration date	Form of agreement (Note 2)
Sumitomo Mitsui Trust Bank, Limited (Note 3)	TAMACHI SQUARE (Land) Amagasaki Q's MALL (Land)	28,753.40 (Note 4)	May 31, 2074 January 31, 2042	Ordinary leasehold land agreement Fixed-term business-use lease agreement
Kohnan Shoji Co., Ltd.	icot Nakamozu	26,529.03	July 11, 2047	Fixed-term building lease agreement
Times24 Co., Ltd.	Kyoto Karasuma Parking Building	21,224.14	—	Fixed-term building lease agreement
Tokyu Hotels Co., Ltd.	A-FLAG SAPPORO	18,891.39	March 31, 2027	Fixed-term building lease agreement
Plan Do See Inc.	Kobe Kyu Kyoryuchi 25Bankan	14,582.67	February 28, 2051	Fixed-term building lease agreement
EDION Corporation	icot Mizonokuchi	14,032.05	July 24, 2043	Fixed-term building lease agreement
Tokyu Resorts & Stays Co., Ltd.	A-FLAG NISHI SHINSAIBASHI	13,680.84	October 31, 2037	Fixed-term building lease agreement
K'S HOLDINGS CORPORATION	Market Square Sagamihara	11,863.92	June 30, 2034	Fixed-term building lease agreement
MUFG Bank, Ltd.	icot Nakamozu icot Tama Center A-PLACE Kanayama	5,609.11	—	—
CA Sega Joypolis Ltd.	DECKS Tokyo Beach	4,911.63	July 31, 2036	Fixed-term building lease agreement

(Note 1) The total leased area is equal to the total leased area in each property under the lease agreement with the end-tenant as of the end of the fiscal period under review. As for DECKS Tokyo Beach, the figure is based on the amount in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) as of the end of the fiscal period under review (49%).

(Note 2) The form of agreement is equal to the form of agreement described in the lease agreement with the end-tenants as of the end of the fiscal period under review.

(Note 3) Tenant is the trustee of the building on the land; Tokyu Land Corporation is the trust beneficiary under such trust.

(Note 4) Total leased area for TAMACHI SQUARE (Land) and Amagasaki Q's MALL (Land) is in respect of the land.

(Note 5) Since we have not obtained permission from the tenant of the properties to release the information, the information missing from this table is not disclosed.

## (D) Overview of lease and profit and loss

26th fiscal period (From June 1, 2024 to November 30, 2024)

(Unit: Thousands of yen)

Property number	UR-1	UR-3	UR-5	UR-7	UR-8
Property name	Tokyu Plaza Omotesando “Omokado” (Note 1)	Q plaza EBISU	Kyoto Karasuma Parking Building	Kobe Kyu Kyoryuchi 25Bankan	A-FLAG SAPPORO
Number of business days in the 26th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	1,050,874	279,316	(Note 2)	559,873	489,623
Leasing business revenue	1,006,453	242,444	(Note 2)	489,315	401,914
Other leasing business revenue	44,421	36,872	(Note 2)	70,557	87,709
b. Expenses related to leasing business	276,568	75,427	55,641	226,476	229,858
Management operation expenses	98,552	16,365	3,619	62,434	93,150
Utilities expenses	41,135	33,096	—	66,814	87,147
Tax and public dues	87,312	10,134	49,779	53,696	32,848
Insurance	360	137	281	1,261	1,151
Repair and maintenance expenses	4,072	1,226	864	39,304	6,528
Other expenses related to leasing business	45,135	14,468	1,095	2,964	9,032
c. NOI (a – b)	774,305	203,888	(Note 2)	333,396	259,765
d. Depreciation, etc. (Note 3)	60,356	19,220	16,668	133,273	118,373
Profit (loss) from leasing business (c – d)	713,949	184,667	(Note 2)	200,122	141,391

(Unit: Thousands of yen)

Property number	UR-9	UR-10	UR-12	UR-13	UR-15
Property name	A-FLAG SHIBUYA	Q plaza SHINSAIBASHI	A-FLAG BIJUTSUKAN DORI	A-FLAG DAIKANYAMA WEST	DECKS Tokyo Beach (Note 1)
Number of business days in the 26th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	229,259	279,277	105,235	(Note 2)	618,996
Leasing business revenue	209,911	257,130	93,995	(Note 2)	465,897
Other leasing business revenue	19,347	22,146	11,239	(Note 2)	153,098
b. Expenses related to leasing business	46,977	54,851	42,964	35,319	383,916
Management operation expenses	13,969	9,816	3,657	7,856	105,570
Utilities expenses	14,505	19,440	10,190	427	126,701
Tax and public dues	13,721	21,135	2,052	16,910	63,191
Insurance	97	124	66	125	848
Repair and maintenance expenses	2,248	1,040	2,850	2,869	24,433
Other expenses related to leasing business	2,436	3,294	24,146	7,131	63,170
c. NOI (a – b)	182,281	224,425	62,270	(Note 2)	235,079
d. Depreciation, etc. (Note 3)	12,614	15,195	7,662	5,863	31,024
Profit (loss) from leasing business (c – d)	169,667	209,230	54,608	(Note 2)	204,055

(Unit: Thousands of yen)

Property number	UR-17	UR-18	TO-1	TO-2	TO-3
Property name	Q plaza HARAJUKU (Note 1)	A-FLAG NISHI SHINSAIBASHI	TLC Ebisu Building	A-PLACE Ebisu Minami	A-PLACE Yoyogi
Number of business days in the 26th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	229,905	332,550	335,003	449,853	142,534
Leasing business revenue	211,120	332,550	316,194	428,184	134,238
Other leasing business revenue	18,785	–	18,808	21,668	8,296
b. Expenses related to leasing business	96,635	29,853	81,755	119,176	44,695
Management operation expenses	19,196	–	25,235	40,492	10,499
Utilities expenses	18,492	–	20,131	29,417	13,311
Tax and public dues	46,889	26,972	18,184	36,015	12,256
Insurance	149	545	357	450	149
Repair and maintenance expenses	6,255	–	4,089	7,327	5,550
Other expenses related to leasing business	5,651	2,335	13,756	5,473	2,927
c. NOI (a – b)	133,270	302,696	253,247	330,677	97,839
d. Depreciation, etc. (Note 3)	7,041	45,141	47,967	37,189	14,060
Profit (loss) from leasing business (c – d)	126,229	257,555	205,280	293,487	83,779

(Unit: Thousands of yen)

Property number	TO-4	TO-6	TO-7	TO-8	TO-9
Property name	A-PLACE Aoyama	TAMACHI SQUARE (Land)	A-PLACE Ikebukuro	A-PLACE Shinbashi	A-PLACE Gotanda
Number of business days in the 26th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	279,512	62,502	(Note 2)	206,594	200,751
Leasing business revenue	261,686	62,502	(Note 2)	192,076	187,956
Other leasing business revenue	17,825	–	(Note 2)	14,517	12,794
b. Expenses related to leasing business	85,589	11,863	55,601	71,201	52,639
Management operation expenses	18,248	–	10,963	17,200	14,681
Utilities expenses	21,324	–	16,510	15,281	15,225
Tax and public dues	28,410	11,607	12,019	17,281	15,396
Insurance	331	–	149	294	211
Repair and maintenance expenses	10,957	–	11,022	7,914	3,059
Other expenses related to leasing business	6,316	256	4,936	13,228	4,065
c. NOI (a – b)	193,922	50,638	(Note 2)	135,393	148,111
d. Depreciation, etc. (Note 3)	26,855	–	22,556	24,169	27,682
Profit (loss) from leasing business (c – d)	167,067	50,638	(Note 2)	111,223	120,428

(Unit: Thousands of yen)

Property number	TO-10	TO-11	TO-12	TO-13	TO-14
Property name	A-PLACE Shinagawa	OSAKI WIZTOWER	Shiodome Building (Note 1)	A-PLACE Ebisu Higashi	A-PLACE Shibuya Konnoh
Number of business days in the 26th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	133,588	358,348	1,391,624	188,622	137,743
Leasing business revenue	127,587	344,367	1,310,440	178,080	132,936
Other leasing business revenue	6,001	13,981	81,184	10,541	4,806
b. Expenses related to leasing business	47,341	158,275	430,969	45,332	41,629
Management operation expenses	10,137	115,132	104,739	12,506	15,862
Utilities expenses	6,903	12,718	120,390	10,983	6,405
Tax and public dues	13,274	27,208	140,745	15,938	10,665
Insurance	145	578	879	208	141
Repair and maintenance expenses	11,865	–	36,504	2,865	4,695
Other expenses related to leasing business	5,013	2,636	27,710	2,829	3,858
c. NOI (a – b)	86,247	200,073	960,655	143,289	96,113
d. Depreciation, etc. (Note 3)	11,598	47,226	161,559	23,860	16,510
Profit (loss) from leasing business (c – d)	74,649	152,846	799,095	119,429	79,602

(Unit: Thousands of yen)

Property number	TO-15	TO-16	TO-18	TO-19	TO-20
Property name	A-PLACE Gotanda Ekimae	A-PLACE Shinagawa Higashi	Ebisu Prime Square (Note 1)	A-PLACE Tamachi East	Meguro Tokyu Building
Number of business days in the 26th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	208,584	412,564	833,050	176,608	320,607
Leasing business revenue	197,043	355,540	723,108	167,676	302,340
Other leasing business revenue	11,540	57,023	109,942	8,932	18,266
b. Expenses related to leasing business	79,184	170,567	331,156	57,568	125,198
Management operation expenses	15,161	43,857	65,975	14,033	27,539
Utilities expenses	14,034	51,430	126,177	10,496	18,332
Tax and public dues	21,243	55,791	73,475	16,096	19,447
Insurance	226	852	1,107	254	347
Repair and maintenance expenses	15,956	14,877	47,259	14,829	55,024
Other expenses related to leasing business	12,562	3,757	17,160	1,857	4,506
c. NOI (a – b)	129,399	241,996	501,894	119,040	195,408
d. Depreciation, etc. (Note 3)	16,702	34,013	55,525	14,506	24,439
Profit (loss) from leasing business (c – d)	112,697	207,982	446,369	104,533	170,969

(Unit: Thousands of yen)

Property number	TO-21	TO-22	TO-23	AA-1	AA-2
Property name	Q plaza Shinjuku-3chome	A-PLACE Shibuya Nampoedai	Kasumigaseki Tokyu Building	Amagasaki Q's MALL (Land)	icot Nakamozu
Number of business days in the 26th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	459,527	210,222	656,677	364,278	311,080
Leasing business revenue	369,562	198,249	611,346	364,278	311,050
Other leasing business revenue	89,965	11,972	45,330	–	30
b. Expenses related to leasing business	104,322	84,976	184,897	63,910	45,527
Management operation expenses	21,543	15,008	47,490	–	5,732
Utilities expenses	25,549	18,085	42,914	–	30
Tax and public dues	54,372	23,899	68,343	63,653	34,472
Insurance	259	258	766	–	409
Repair and maintenance expenses	144	24,997	13,290	–	3,908
Other expenses related to leasing business	2,453	2,727	12,092	256	973
c. NOI (a – b)	355,204	125,246	471,779	300,368	265,553
d. Depreciation, etc. (Note 3)	5,809	5,445	34,206	–	38,734
Profit (loss) from leasing business (c – d)	349,395	119,800	437,572	300,368	226,818

(Unit: Thousands of yen)

Property number	AA-4	AA-5	AA-6	AA-7	AA-8
Property name	icot Mizonokuchi	icot Tama Center	A-PLACE Kanayama	Osaka Nakanoshima Building	icot Omori
Number of business days in the 26th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	(Note 2)	145,686	302,685	549,575	239,383
Leasing business revenue	(Note 2)	135,017	279,668	526,416	202,800
Other leasing business revenue	(Note 2)	10,668	23,016	23,158	36,582
b. Expenses related to leasing business	14,154	46,474	117,062	263,650	63,147
Management operation expenses	2,979	18,133	26,669	62,745	8,547
Utilities expenses	–	14,632	30,261	51,851	33,313
Tax and public dues	10,223	11,691	31,241	61,178	13,823
Insurance	177	275	453	1,325	183
Repair and maintenance expenses	–	620	16,105	77,839	5,202
Other expenses related to leasing business	774	1,120	12,330	8,711	2,076
c. NOI (a – b)	(Note 2)	99,211	185,622	285,924	176,235
d. Depreciation, etc. (Note 3)	10,204	20,587	56,566	120,841	19,272
Profit (loss) from leasing business (c – d)	(Note 2)	78,624	129,055	165,082	156,963

(Unit: Thousands of yen)

Property number	AA-9	AA-10	AA-11	AA-12	AA-13
Property name	Market Square Sagamihara	Umeda Gate Tower	A-PLACE Bashamichi	Commercial Mall Hakata	A-PLACE Shinsaibashi
Number of business days in the 26th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	(Note 2)	556,050	201,850	229,352	596,836
Leasing business revenue	(Note 2)	517,450	181,536	177,943	554,083
Other leasing business revenue	(Note 2)	38,599	20,313	51,408	42,752
b. Expenses related to leasing business	42,370	128,063	100,675	79,247	186,986
Management operation expenses	16,202	33,278	19,894	21,303	38,019
Utilities expenses	8,743	38,530	28,669	29,850	64,475
Tax and public dues	13,921	38,360	19,122	11,266	73,001
Insurance	231	692	522	235	849
Repair and maintenance expenses	1,236	7,701	29,822	9,220	1,290
Other expenses related to leasing business	2,035	9,499	2,643	7,371	9,351
c. NOI (a – b)	(Note 2)	427,987	101,174	150,105	409,849
d. Depreciation, etc. (Note 3)	22,235	71,394	49,178	16,846	18,843
Profit (loss) from leasing business (c – d)	(Note 2)	356,592	51,995	133,258	391,006

(Note 1) As for Tokyu Plaza Omotesando “Omokado,” DECKS Tokyo Beach, Q plaza HARAJUKU, Shiodome Building and Ebisu Prime Square, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75%, 49%, 60%, 35% and 51%, respectively).

(Note 2) Since we have not obtained permission from the tenant of this property to release the information, the information is not disclosed.

(Note 3) “Depreciation, etc.” includes loss on retirement of non-current assets.