



Financial Statements

**Activia Properties Inc.
16-3 Dogenzaka 1-chome,
Shibuya-ku, Tokyo**

Independent Auditor's Report

The Board of Directors
Activia Properties Inc.

We have audited the accompanying financial statements of Activia Properties Inc., which comprise the balance sheets as at November 30, 2012, May 31, 2013, November 30, 2013, May 31, 2014, November 30, 2014 and May 31, 2015 and the statements of operations, changes in unitholders' equity, cash distributions and cash flows for the fiscal periods then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. The purpose of an audit of the financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Activia Properties Inc. as at November 30, 2012, May 31, 2013, November 30, 2013, May 31, 2014, November 30, 2014 and May 31, 2015, and their financial performance and cash flows for the fiscal periods then ended in conformity with accounting principles generally accepted in Japan.

Ernst & Young ShinNihon LLC

August 25, 2015
Tokyo, Japan

Financial Statements

(1) Balance Sheets

(Unit: Thousands of yen)

	As of November 30, 2012	As of May 31, 2013	As of November 30, 2013	As of May 31, 2014	As of November 30, 2014	As of May 31, 2015
Assets						
Current assets						
Cash and deposits	5,586,163	4,707,652	5,016,162	7,702,411	8,585,158	9,743,232
Cash and deposits in trust	1,048,439	1,052,109	1,147,579	1,471,491	1,540,009	3,007,251
Operating accounts receivable	156,242	178,217	200,590	304,241	316,083	353,933
Prepaid expenses	110,647	223,261	151,720	273,265	170,163	288,392
Deferred tax assets	26	16	16	22	11	17
Consumption taxes receivable	1,446,329	–	–	541,917	–	359,151
Other	–	–	126	353	–	1,546
Total current assets	8,347,848	6,161,257	6,516,196	10,293,704	10,611,426	13,753,525
Noncurrent assets						
Property, plant and equipment						
Buildings in trust	30,445,044	33,521,802	34,180,684	48,593,214	52,319,762	61,617,753
Accumulated depreciation	(428,592)	(891,456)	(1,382,563)	(2,013,828)	(2,734,761)	(3,573,458)
Buildings in trust, net	30,016,451	32,630,345	32,798,121	46,579,386	49,585,001	58,044,295
Structures in trust	323,045	352,430	360,792	395,537	403,342	548,652
Accumulated depreciation	(8,823)	(18,096)	(28,285)	(39,436)	(49,339)	(62,644)
Structures in trust, net	314,222	334,334	332,506	356,100	354,002	486,007
Machinery and equipment in trust	576,121	617,991	622,914	1,091,124	1,142,718	1,205,731
Accumulated depreciation	(13,921)	(28,449)	(43,752)	(67,624)	(93,321)	(121,137)
Machinery and equipment in trust, net	562,200	589,542	579,161	1,023,499	1,049,397	1,084,594
Tools, furniture and fixtures in trust	4,286	8,049	23,882	36,977	61,618	65,463
Accumulated depreciation	(189)	(699)	(1,943)	(4,417)	(8,702)	(15,743)
Tools, furniture and fixtures in trust, net	4,096	7,350	21,939	32,560	52,916	49,720
Land in trust	136,258,287	144,250,646	146,717,786	179,363,166	186,823,468	219,073,983
Construction in progress in trust	–	3,224	5,200	5,200	5,200	9,174
Total property, plant and equipment	167,155,259	177,815,442	180,454,715	227,359,913	237,869,985	278,747,775
Intangible assets						
Leasehold rights in trust	4,265,157	4,487,617	4,562,599	4,562,599	4,562,628	4,562,628
Other	2,331	2,072	1,814	3,550	3,089	2,628
Total intangible assets	4,267,489	4,489,689	4,564,414	4,566,150	4,565,717	4,565,256
Investments and other assets						
Long-term prepaid expenses	286,230	361,340	296,095	356,026	329,135	341,930
Securities deposited	9,930	9,942	9,955	9,967	9,979	9,992
Other	–	–	–	–	–	3,794
Total investments and other assets	296,160	371,283	306,051	365,994	339,115	355,717
Total noncurrent assets	171,718,909	182,676,416	185,325,181	232,292,058	242,774,818	283,668,749
Deferred assets						
Investment corporation bond issuance costs	–	–	–	23,404	21,024	44,372
Total deferred assets	–	–	–	23,404	21,024	44,372
Total assets	180,066,757	188,837,673	191,841,377	242,609,167	253,407,269	297,466,647

(Unit: Thousands of yen)

	As of November 30, 2012	As of May 31, 2013	As of November 30, 2013	As of May 31, 2014	As of November 30, 2014	As of May 31, 2015
Liabilities						
Current liabilities						
Operating accounts payable	287,850	340,229	330,353	431,447	582,927	687,543
Short-term loans payable	17,000,000	—	3,000,000	3,000,000	—	—
Current portion of long-term loans payable	—	4,000,000	10,000,000	12,000,000	18,000,000	19,000,000
Accounts payable-other	304,544	49,078	46,700	64,636	42,874	112,013
Accrued expenses	424,963	220,466	245,470	315,924	375,920	402,760
Income taxes payable	834	495	538	674	383	258
Accrued consumption taxes	—	33,490	173,647	—	116,971	—
Advances received	102,941	116,320	103,875	111,860	105,716	217,484
Deposits received	21,873	2,235	4,772	11,350	2,129	9,647
Other	21	—	—	1	—	433
Total current liabilities	18,143,029	4,762,316	13,905,358	15,935,895	19,226,923	20,430,142
Noncurrent liabilities						
Investment corporation bonds	—	—	—	4,000,000	4,000,000	8,000,000
Long-term loans payable	60,000,000	81,000,000	75,000,000	81,800,000	88,800,000	100,100,000
Tenant leasehold and security deposits in trust	7,688,827	8,223,028	8,375,764	10,820,768	11,294,108	13,583,386
Other	41	31	50	31	12	2
Total noncurrent liabilities	67,688,868	89,223,059	83,375,815	96,620,799	104,094,121	121,683,388
Total liabilities	85,831,897	93,985,376	97,281,173	112,556,695	123,321,044	142,113,530
Net assets						
Unitholders' equity						
Unitholders' capital	91,373,833	91,373,833	91,373,833	126,054,921	126,054,921	150,770,610
Surplus						
Unappropriated retained earnings (undisposed loss)	2,861,026	3,478,463	3,186,370	3,997,550	4,031,303	4,582,505
Total surplus	2,861,026	3,478,463	3,186,370	3,997,550	4,031,303	4,582,505
Total unitholders' equity	94,234,859	94,852,296	94,560,203	130,052,471	130,086,225	155,353,116
Total net assets	*2	*2	*2	*2	*2	*2
	94,234,859	94,852,296	94,560,203	130,052,471	130,086,225	155,353,116
Total liabilities and net assets	180,066,757	188,837,673	191,841,377	242,609,167	253,407,269	297,466,647

(2) Statements of Operations

(Unit: Thousands of yen)

	Fiscal periods					
	(From June 1, 2012 to November 30, 2012)	(From December 1, 2012 to May 31, 2013)	(From June 1, 2013 to November 30, 2013)	(From December 1, 2013 to May 31, 2014)	(From June 1, 2014 to November 30, 2014)	(From December 1, 2014 to May 31, 2015)
Operating revenue						
Rent revenue-real estate	*1, *3 4,889,315	*1, *3 5,453,936	*1, *3 5,712,126	*1, *3 7,237,545	*1, *3 7,544,941	*1, *3 8,501,606
Other lease business revenue	*1, *3 305,296	*1, *3 349,567	*1, *3 412,776	*1, *3 541,200	*1, *3 630,009	*1, *3 619,027
Total operating revenue	5,194,612	5,803,503	6,124,902	7,778,746	8,174,951	9,120,633
Operating expenses						
Expenses related to rent business	*1, *3 1,278,245	*1, *3 1,435,773	*1, *3 1,975,285	*1, *3 2,632,911	*1, *3 2,937,675	*1, *3 3,210,806
Loss on sales of real estate properties	—	—	—	*2 7,099	—	—
Asset management fees	380,548	442,330	436,004	483,899	567,459	615,641
Asset custody fees	4,360	5,144	5,374	6,562	7,089	7,981
Administrative service fees	4,476	15,564	13,446	11,856	14,062	14,611
Directors' compensation	3,300	3,300	3,300	3,300	3,300	3,300
Other operating expenses	25,650	49,765	49,339	52,584	51,359	68,984
Total operating expenses	1,696,580	1,951,879	2,482,749	3,198,214	3,580,945	3,921,326
Operating income	3,498,031	3,851,624	3,642,152	4,580,531	4,594,005	5,199,306
Non-operating income						
Interest income	128	237	189	394	442	550
Interest on securities	1,410	2,003	1,848	1,744	1,787	3,083
Interest on refund	—	3,407	—	—	1,889	—
Insurance income	—	—	2,522	63	1,472	161
Total non-operating income	1,539	5,648	4,560	2,203	5,593	3,794
Non-operating expenses						
Interest expenses	287,063	313,535	330,975	386,485	413,995	449,096
Interest expenses on investment corporation bonds	—	—	—	1,458	7,416	9,615
Amortization of investment corporation bond issuance costs	—	—	—	793	2,380	3,012
Investment unit issuance expenses	129,644	—	48,310	106,174	49,228	56,205
Other offering costs associated with the issuance of investment units	86,181	—	—	—	—	—
Borrowing related expenses	69,524	64,401	79,700	88,739	93,976	101,181
Other	4,000	—	500	520	593	500
Total non-operating expenses	576,413	377,936	459,486	584,173	567,590	619,611
Ordinary income	2,923,157	3,479,336	3,187,226	3,998,562	4,032,008	4,583,489
Income before income taxes	2,923,157	3,479,336	3,187,226	3,998,562	4,032,008	4,583,489
Income taxes-current	1,139	948	949	1,105	833	992
Income taxes-deferred	(26)	9	(0)	(5)	11	(6)
Total income taxes	1,113	957	949	1,099	845	985
Net income	2,922,043	3,478,378	3,186,276	3,997,462	4,031,162	4,582,504
Retained earnings (deficit) brought forward	(61,017)	85	93	88	141	1
Unappropriated retained earnings (undisposed loss)	2,861,026	3,478,463	3,186,370	3,997,550	4,031,303	4,582,505

(3) Statements of Changes in Unitholders' Equity

2nd fiscal period (From June 1, 2012 to November 30, 2012)

(Unit: Thousands of yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of current period	200,000	(61,017)	(61,017)	138,982	138,982
Changes of items during the period					
Issuance of new investment units	91,173,833			91,173,833	91,173,833
Net income		2,922,043	2,922,043	2,922,043	2,922,043
Total changes of items during the period	91,173,833	2,922,043	2,922,043	94,095,877	94,095,877
Balance at the end of current period	*1 91,373,833	2,861,026	2,861,026	94,234,859	94,234,859

3rd fiscal period (From December 1, 2012 to May 31, 2013)

(Unit: Thousands of yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of current period	91,373,833	2,861,026	2,861,026	94,234,859	94,234,859
Changes of items during the period					
Dividends from surplus		(2,860,941)	(2,860,941)	(2,860,941)	(2,860,941)
Net income		3,478,378	3,478,378	3,478,378	3,478,378
Total changes of items during the period	—	617,436	617,436	617,436	617,436
Balance at the end of current period	*1 91,373,833	3,478,463	3,478,463	94,852,296	94,852,296

4th fiscal period (From June 1, 2013 to November 30, 2013)

(Unit: Thousands of yen)

(Unit: Thousands of yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of current period	91,373,833	3,478,463	3,478,463	94,852,296	94,852,296
Changes of items during the period					
Dividends from surplus		(3,478,369)	(3,478,369)	(3,478,369)	(3,478,369)
Net income		3,186,276	3,186,276	3,186,276	3,186,276
Total changes of items during the period	—	(292,093)	(292,093)	(292,093)	(292,093)
Balance at the end of current period	*1 91,373,833	3,186,370	3,186,370	94,560,203	94,560,203

5th fiscal period (From December 1, 2013 to May 31, 2014)

(Unit: Thousands of yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of current period	91,373,833	3,186,370	3,186,370	94,560,203	94,560,203
Changes of items during the period					
Issuance of new investment units	34,681,088			34,681,088	34,681,088
Dividends from surplus		(3,186,282)	(3,186,282)	(3,186,282)	(3,186,282)
Net income		3,997,462	3,997,462	3,997,462	3,997,462
Total changes of items during the period	34,681,088	811,180	811,180	35,492,268	35,492,268
Balance at the end of current period	*1 126,054,921	3,997,550	3,997,550	130,052,471	130,052,471

6th fiscal period (From June 1, 2014 to November 30, 2014)

(Unit: Thousands of yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of current period	126,054,921	3,997,550	3,997,550	130,052,471	130,052,471
Changes of items during the period					
Dividends from surplus		(3,997,409)	(3,997,409)	(3,997,409)	(3,997,409)
Net income		4,031,162	4,031,162	4,031,162	4,031,162
Total changes of items during the period	—	33,753	33,753	33,753	33,753
Balance at the end of current period	*1 126,054,921	4,031,303	4,031,303	130,086,225	130,086,225

7th fiscal period (From December 1, 2014 to May 31, 2015)

(Unit: Thousands of yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of current period	126,054,921	4,031,303	4,031,303	130,086,225	130,086,225
Changes of items during the period					
Issuance of new investment units	24,715,689			24,715,689	24,715,689
Dividends from surplus		(4,031,302)	(4,031,302)	(4,031,302)	(4,031,302)
Net income		4,582,504	4,582,504	4,582,504	4,582,504
Total changes of items during the period	24,715,689	551,201	551,201	25,266,891	25,266,891
Balance at the end of current period	*1 150,770,610	4,582,505	4,582,505	155,353,116	155,353,116

(4) Statements of Cash Distributions

	Fiscal periods					
	(From June 1, 2012 to November 30, 2012)	(From December 1, 2012 to May 31, 2013)	(From June 1, 2013 to November 30, 2013)	(From December 1, 2013 to May 31, 2014)	(From June 1, 2014 to November 30, 2014)	(From December 1, 2014 to May 31, 2015)
	Amount	Amount	Amount	Amount	Amount	Amount
I Unappropriated retained earnings (Undisposed loss)	¥2,861,026,757	¥3,478,463,414	¥3,186,370,302	¥3,997,550,439	¥4,031,303,721	¥4,582,505,581
II Distributions	¥2,860,941,756	¥3,478,369,852	¥3,186,282,026	¥3,997,409,164	¥4,031,302,534	¥4,582,377,620
[Cash distribution per unit]	¥ [13,938]	¥ [16,946]	¥ [15,523]	¥ [15,922]	¥[16,057]	¥[16,535]
III Earnings carried forward	¥85,001	¥93,562	¥88,276	¥141,275	¥1,187	¥127,961

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 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 Special Taxation Measures Act. In consideration of this policy, we will pay distributions at the total amount of ¥2,860,941,756, which is the amount that does not exceed the unappropriated retained earnings and is the greatest value among integral multiples of 205,262, which is the total number of investment units issued; provided, however, that we will not pay the portion of amount that exceeds the profit defined in Article 35, Paragraph 2 of the Articles of Incorporation of the Investment Corporation.	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 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 Special Taxation Measures Act. In consideration of this policy, we will pay distributions at the total amount of ¥3,478,369,852, which is the amount that does not exceed the unappropriated retained earnings and is the greatest value among integral multiples of 205,262, which is the total number of investment units issued; provided, however, that we will not pay the portion of amount that exceeds the profit defined in Article 35, Paragraph 2 of the Articles of Incorporation of the Investment Corporation.	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 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 Special Taxation Measures Act. In consideration of this policy, we will pay distributions at the total amount of ¥3,186,282,026, which is the amount that does not exceed the unappropriated retained earnings and is the greatest value among integral multiples of 205,262, which is the total number of investment units issued; provided, however, that we will not pay the portion of amount that exceeds the profit defined in Article 35, Paragraph 2 of the Articles of Incorporation of the Investment Corporation.	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 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 Special Taxation Measures Act. In consideration of this policy, we will pay distributions at the total amount of ¥3,997,409,164, which is the amount that does not exceed the unappropriated retained earnings and is the greatest value among integral multiples of 251,062, which is the total number of investment units issued; provided, however, that we will not pay the portion of amount that exceeds the profit defined in Article 35, Paragraph 2 of the Articles of Incorporation of the Investment Corporation.	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 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 Special Taxation Measures Act. In consideration of this policy, we will pay distributions at the total amount of ¥4,031,302,534, which is the amount that does not exceed the unappropriated retained earnings and is the greatest value among integral multiples of 251,062, which is the total number of investment units issued; provided, however, that we will not pay the portion of amount that exceeds the profit defined in Article 35, Paragraph 2 of the Articles of Incorporation of the Investment Corporation.	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 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 Special Taxation Measures Act. In consideration of this policy, we will pay distributions at the total amount of ¥4,582,377,620, which is the amount that does not exceed the unappropriated retained earnings and is the greatest value among integral multiples of 277,132, which is the total number of investment units issued; provided, however, that we will not pay the portion of amount that exceeds the profit defined in Article 35, Paragraph 2 of the Articles of Incorporation of the Investment Corporation.
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(5) Statements of Cash Flows

(Unit: Thousands of yen)

	Fiscal periods					
	(From June 1, 2012 to November 30, 2012)	(From December 1, 2012 to May 31, 2013)	(From June 1, 2013 to November 30, 2013)	(From December 1, 2013 to May 31, 2014)	(From June 1, 2014 to November 30, 2014)	(From December 1, 2014 to May 31, 2015)
Net cash provided by (used in) operating activities						
Income before income taxes	2,923,157	3,479,336	3,187,226	3,998,562	4,032,008	4,583,489
Depreciation and amortization	452,298	488,241	518,685	739,644	763,242	887,319
Loss on retirement of noncurrent assets	5,230	2,746	555	4,426	115	—
Amortization of investment corporation bond issuance costs	—	—	—	793	2,380	3,012
Interest income and interest on securities	(1,539)	(2,241)	(2,038)	(2,139)	(2,230)	(3,633)
Interest expenses	287,063	313,535	330,975	387,944	421,411	458,712
Investment unit issuance expenses	129,644	—	48,310	106,174	49,228	56,205
Borrowing related expenses	58,603	52,838	67,489	88,739	93,976	101,181
Decrease (increase) in operating accounts receivable	(156,242)	(21,974)	(22,373)	(103,650)	(11,842)	(37,850)
Decrease (increase) in consumption taxes refund receivable	(1,446,329)	1,446,329	—	(541,917)	541,917	(359,151)
Increase (decrease) in accrued consumption taxes	—	33,490	140,157	(173,647)	116,971	(116,971)
Decrease (increase) in prepaid expenses	(19,726)	(69,997)	67,287	(108,049)	109,947	(112,469)
Decrease (increase) in advances paid	4,200	—	—	—	—	—
Decrease in sales of property, plant and equipment in trust	—	—	—	692,998	—	—
Increase (decrease) in operating accounts payable	238,935	35,856	7,060	98,507	72,950	29,815
Increase (decrease) in accrued expenses	420,735	(214,740)	(22,501)	47,221	9,030	37,420
Increase (decrease) in advances received	102,941	13,378	(12,444)	7,984	(6,144)	111,768
Decrease (increase) in long-term prepaid expenses	(13,204)	2,334	4,633	4,224	350	(357)
Other, net	21,290	(19,668)	2,429	6,335	(8,889)	6,395
Subtotal	3,007,057	5,539,465	4,315,454	5,254,154	6,184,423	5,644,887
Interest income received	1,529	2,228	2,026	2,126	2,218	3,621
Interest expenses paid	(285,382)	(303,292)	(330,722)	(329,717)	(417,839)	(423,776)
Income taxes paid	(494)	(1,286)	(907)	(970)	(1,124)	(1,117)
Net cash provided by (used in) operating activities	2,722,709	5,237,115	3,985,850	4,925,593	5,767,677	5,223,614
Net cash provided by (used in) investing activities						
Purchase of property, plant and equipment in trust	(167,259,077)	(11,403,309)	(3,182,161)	(48,323,518)	(11,215,077)	(41,620,986)
Purchase of intangible assets	(2,582)	—	—	—	—	—
Purchase of intangible assets in trust	(4,265,157)	(222,459)	(74,982)	—	(2,056)	—
Repayments of tenant leasehold and security deposits	(23,086)	(231,159)	(129,626)	(339,594)	(77,350)	(130,157)
Proceeds from tenant leasehold and security deposits	7,711,913	765,360	282,363	2,784,598	550,690	2,419,435
Other, net	—	—	—	—	—	(3,794)
Net cash provided by (used in) investing activities	(163,837,990)	(11,091,568)	(3,104,407)	(45,878,514)	(10,743,793)	(39,335,503)
Net cash provided by (used in) financing activities						
Increase in short-term loans payable	17,000,000	—	2,997,375	—	10,000,000	4,000,000
Decrease in short-term loans payable	—	(17,000,000)	—	—	(13,000,000)	(4,000,000)
Proceeds from long-term loans payable	59,578,500	24,827,100	—	12,645,800	18,939,062	18,194,908
Decrease in long-term loans payable	—	—	—	(4,000,000)	(6,000,000)	(6,000,000)
Proceeds from issuance of investment corporation bonds	—	—	—	3,978,087	—	3,975,840
Proceeds from issuance of investment units	91,044,188	—	—	34,527,660	—	24,610,255
Dividends paid	—	(2,847,488)	(3,473,778)	(3,186,247)	(3,996,503)	(4,031,023)
Other, net	—	—	(1,058)	(2,218)	(15,179)	(12,776)
Net cash provided by (used in) financing activities	167,622,688	4,979,611	(477,461)	43,963,082	5,927,379	36,737,204
Net increase (decrease) in cash and cash equivalents	6,507,407	(874,841)	403,981	3,010,160	951,264	2,625,315
Cash and cash equivalents at beginning of period	127,194	6,634,602	5,759,761	6,163,742	9,173,903	10,125,167
Cash and cash equivalents at end of period	*1 6,634,602	*1 5,759,761	*1 6,163,742	*1 9,173,903	*1 10,125,167	*1 12,750,483

Notes to financial statements

(6) Notes on Assumption of Going Concern

Not applicable

(7) Notes on Important Accounting Policies

1. Valuation basis and method for securities	Held-to-maturity bonds The amortized cost method (straight-line method) is used.								
2. Method of depreciation of noncurrent assets	<p>(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.</p> <table style="margin-left: 40px;"> <tr> <td>Buildings</td><td>2 to 70 years</td></tr> <tr> <td>Structures</td><td>2 to 60 years</td></tr> <tr> <td>Machinery and equipment</td><td>2 to 33 years</td></tr> <tr> <td>Tools, furniture and fixtures</td><td>2 to 15 years</td></tr> </table> <p>(2) Intangible assets Internal use software is amortized by the straight-line method over the expected useful life (5 years).</p> <p>(3) Long-term prepaid expenses The straight-line method is used.</p>	Buildings	2 to 70 years	Structures	2 to 60 years	Machinery and equipment	2 to 33 years	Tools, furniture and fixtures	2 to 15 years
Buildings	2 to 70 years								
Structures	2 to 60 years								
Machinery and equipment	2 to 33 years								
Tools, furniture and fixtures	2 to 15 years								
3. Accounting method for deferred assets	<p>(1) Investment unit issuance expenses The full amount is recorded as expenses at the time of expenditure.</p> <p>(2) Investment corporation bond issuance costs Amortized by the straight-line method over the period until maturity.</p>								
4. Accounting for income and expenses	<p>Property-related taxes 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 rent business.</p> <p>The settlement money for property tax that is paid to the transferor for acquisition of real properties (so-called “amount equivalent to property tax”) is not recorded as expenses related to rent business but included in the acquisition costs for the related properties. Taxes on property, plant and equipment capitalized as part of the acquisition cost of properties amounted to ¥456,323 thousand, ¥64,888 thousand, ¥4,906 thousand, ¥77,519 thousand and ¥123,880 thousand for the fiscal periods ended November 30, 2012, May 31, 2013, November 30, 2013, May 31, 2014 and May 31, 2015, respectively. For the fiscal period ended November 30, 2014, no taxes on property, plant and equipment were capitalized.</p>								
5. Method of hedge accounting	<p>(1) Method of hedge accounting For interest rate swaps, special treatment is applied since the swaps satisfy the requirements for special treatment.</p> <p>(2) Hedging instruments and hedged items Hedging instruments: Interest rate swaps transactions Hedged items: Long-term loans payable</p> <p>(3) Hedging policy 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 The Investment Corporation assesses hedge effectiveness by ensuring the fulfillment of the requirements of special treatment.</p>								

6. Scope of cash (cash and cash equivalents) in the statements of cash flows	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.
7. Other important matters related to the preparation of financial statements	<p>(1) Accounting method for trust beneficiary right with real estate, etc. as trust asset</p> <p>With regard to trust beneficiary right 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 sheets and statements of operations.</p> <p>Of the trust assets accounted for under the respective account items, the following items with significance are separately indicated on the balance sheets.</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 leasehold rights in trust</p> <p>iii) Tenant leasehold and security deposits in trust</p> <p>(2) Accounting method for consumption tax and local consumption tax</p> <p>Consumption tax and local consumption tax are accounted for by the tax-exclusion method. Consumption taxes unqualified for deduction for tax purposes for noncurrent assets, etc. are included in acquisition cost for each asset.</p>

(8) Notes to Financial Statements

Notes to Balance Sheets

1. Commitment Line Contracts

The Investment Corporation has the commitment line contracts with four of the banks (one of the banks for the fiscal periods ended November 30, 2012 and May 31, 2013).

	As of November 30, 2012	As of May 31, 2013	As of November 30, 2013	As of May 31, 2014	As of November 30, 2014	As of May 31, 2015
Total amount specified in the commitment line contracts	¥10,000,000 thousand	¥10,000,000 thousand	¥10,000,000 thousand	¥10,000,000 thousand	¥12,000,000 thousand	¥12,000,000 thousand
Loan balance	—	—	—	—	—	—
Net balance	¥10,000,000 thousand	¥10,000,000 thousand	¥10,000,000 thousand	¥10,000,000 thousand	¥12,000,000 thousand	¥12,000,000 thousand

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

As of November 30, 2012	As of May 31, 2013	As of November 30, 2013	As of May 31, 2014	As of November 30, 2014	As of May 31, 2015
¥50,000 thousand	¥50,000 thousand	¥50,000 thousand	¥50,000 thousand	¥50,000 thousand	¥50,000 thousand

Notes to Statements of Operations

*1. Breakdown of Income from Real Estate Leasing Business

(Unit: Thousands of yen)

		Fiscal periods											
		(From June 1, 2012 to November 30, 2012)		(From December 1, 2012 to May 31, 2013)		(From June 1, 2013 to November 30, 2013)		(From December 1, 2013 to May 31, 2014)		(From June 1, 2014 to November 30, 2014)		(From December 1, 2014 to May 31, 2015)	
A	Real estate leasing business revenues												
	Rent revenue—real estate												
	Rent	4,449,798		4,946,608		5,197,037		6,619,646		6,945,300		7,761,778	
	Common service fees	325,961		373,661		377,139		429,060		402,113		515,023	
	Parking lot fees	77,849		93,053		98,275		142,732		146,907		162,233	
	Other rent revenue	35,705	4,889,315	40,613	5,453,936	39,673	5,712,126	46,105	7,237,545	50,619	7,544,941	62,570	8,501,606
	Other lease business revenue	305,296		349,567		412,776		541,200		630,009		619,027	
	Total real estate leasing business revenues	5,194,612		5,803,503		6,124,902		7,778,746		8,174,951		9,120,633	
B	Real estate leasing business expenses												
	Expenses related to rent business												
	Management operation expenses	343,672		411,855		425,239		638,757		693,503		825,110	
	Utilities expenses	272,691		288,930		371,251		524,265		593,991		627,789	
	Tax and public dues	—		10,265		433,411		457,189		575,707		578,744	
	Insurance	4,306		4,962		5,277		7,211		7,426		8,720	
	Repair and maintenance expenses	108,170		97,004		71,060		114,693		142,813		118,075	
	Depreciation	452,047		487,983		518,426		739,386		762,984		887,061	
	Loss on retirement of noncurrent assets	5,230		2,746		555		4,426		115		—	
	Other expenses related to rent business	92,126	1,278,245	132,024	1,435,773	150,061	1,975,285	146,980	2,632,911	161,132	2,937,675	165,304	3,210,806
	Total real estate leasing business expenses	1,278,245		1,435,773		1,975,285		2,632,911		2,937,675		3,210,806	
C	Income from real estate leasing business (A – B)	3,916,367		4,367,729		4,149,617		5,145,835		5,237,275		5,909,826	

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

(As of November 30, 2012)

Not applicable

(As of May 31, 2013)

Not applicable

(As of November 30, 2013)

Not applicable

(As of May 31, 2014)

(Unit: Thousands of yen)

Tokyo Kikai Honsha Building (Building)	
Income from sales of real estate properties	695,000
Costs of sales of real estate properties	692,998
Other costs of sales	9,101
Loss on sales of real estate properties	7,099

(As of November 30, 2014)

Not applicable

(As of May 31, 2015)

Not applicable

*3. Transactions with Major Unitholders

(Unit: Thousands of yen)

	Fiscal periods					
	(From June 1, 2012 to November 30, 2012)	(From December 1, 2012 to May 31, 2013)	(From June 1, 2013 to November 30, 2013)	(From December 1, 2013 to May 31, 2014)	(From June 1, 2014 to November 30, 2014)	(From December 1, 2014 to May 31, 2015)
Operating transactions						
Rent revenue—real estate	4,191,200	4,706,243	4,926,245	5,470,711	5,458,629	4,410,535
Other lease business revenue	273,876	315,989	351,734	393,854	437,394	383,534
Expenses related to rent business	218,363	256,607	255,524	296,465	286,118	315,421

Notes to Statements of Changes in Unitholders' Equity

*1 Total number of authorized investment units and total number of investment units issued are as follows:

	Fiscal periods					
	(From June 1, 2012 to November 30, 2012)	(From December 1, 2012 to May 31, 2013)	(From June 1, 2013 to November 30, 2013)	(From December 1, 2013 to May 31, 2014)	(From June 1, 2014 to November 30, 2014)	(From December 1, 2014 to May 31, 2015)
Total number of authorized investment units	2,000,000 units	2,000,000 units	2,000,000 units	2,000,000 units	2,000,000 units	2,000,000 units
Total number of investment units issued	205,262 units	205,262 units	205,262 units	251,062 units	251,062 units	277,132 units

Notes to Statements of Cash Flows

*1 Reconciliation between Cash and Cash Equivalents at End of Period and the Amount on the Balance Sheets

	Fiscal periods					
	(From June 1, 2012 to November 30, 2012)	(From December 1, 2012 to May 31, 2013)	(From June 1, 2013 to November 30, 2013)	(From December 1, 2013 to May 31, 2014)	(From June 1, 2014 to November 30, 2014)	(From December 1, 2014 to May 31, 2015)
Cash and deposits	¥5,586,163 thousand	¥4,707,652 thousand	¥5,016,162 thousand	¥7,702,411 thousand	¥8,585,158 thousand	¥9,743,232 thousand
Cash and deposits in trust	¥1,048,439 thousand	¥1,052,109 thousand	¥1,147,579 thousand	¥1,471,491 thousand	¥1,540,009 thousand	¥3,007,251 thousand
Cash and cash equivalents	¥6,634,602 thousand	¥5,759,761 thousand	¥6,163,742 thousand	¥9,173,903 thousand	¥10,125,167 thousand	¥12,750,483 thousand

Notes to Lease Rental Revenues

The Investment Corporation leases properties on which rental revenues are earned. As of November 30, 2012, May 31, 2013, November 30, 2013, May 31, 2014, November 30, 2014 and May 31, 2015, future lease revenues under non-cancelable operating leases are summarized as follows:

	As of November 30, 2012	As of May 31, 2013	As of November 30, 2013	As of May 31, 2014	As of November 30, 2014	As of May 31, 2015
Due within one year	¥7,924,244 thousand	¥8,155,084 thousand	¥8,404,903 thousand	¥8,917,642 thousand	¥9,378,318 thousand	¥10,339,469 thousand
Due after one year	¥57,712,852 thousand	¥54,192,670 thousand	¥50,701,479 thousand	¥52,733,613 thousand	¥49,090,973 thousand	¥50,880,545 thousand
Total	¥65,637,096 thousand	¥62,347,754 thousand	¥59,106,382 thousand	¥61,651,256 thousand	¥58,469,291 thousand	¥61,220,014 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 fund-raising 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.

The Investment Corporation also invests temporary excess funds in deposits in general, taking safety and liquidity, etc. into account and considering the interest-rate environment and its cash management.

The Investment Corporation may carry out derivatives transactions for the purpose of hedging the interest-rate risk of borrowings and other risks, but does 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, The Investment Corporation deposits excess funds carefully by limiting the period of deposits to the short term, taking safety and liquidity, etc. into account and considering the financial environment and its cash management.

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

Floating-rate loans payable 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 loans payable.

(3) Supplemental Remarks on the Fair Value of Financial Instruments

The fair value of financial instruments is based on market prices or reasonably calculated value if it has no market price. As certain assumptions are made in calculating these values, if different assumptions, etc. are used, these values could vary.

2. Matters Regarding Fair Values of Financial Instruments

Carrying amounts, fair values, and the differences between the two values as of November 30, 2012, are as shown below. Financial instruments whose fair value is considered to be extremely difficult to determine are not included in this table (please refer to (Note 2)).

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	5,586,163	5,586,163	—
(2) Cash and deposits in trust	1,048,439	1,048,439	—
Total assets	6,634,602	6,634,602	—
(1) Short-term loans payable	17,000,000	17,000,000	—
(4) Long-term loans payable	60,000,000	60,345,213	345,213
Total liabilities	77,000,000	77,345,213	345,213

Carrying amounts, fair values, and the differences between the two values as of May 31, 2013, are as shown below. Financial instruments whose fair value is considered to be extremely difficult to determine are not included in this table (please refer to (Note 2)).

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	4,707,652	4,707,652	—
(2) Cash and deposits in trust	1,052,109	1,052,109	—
Total assets	5,759,761	5,759,761	—
(2) Current portion of long-term loans payable	4,000,000	4,000,000	—
(4) Long-term loans payable	81,000,000	80,714,493	(285,506)
Total liabilities	85,000,000	84,714,493	(285,506)
Derivative transactions	—	—	—

Carrying amounts, fair values, and the differences between the two values as of November 30, 2013, are as shown below. Financial instruments whose fair value is considered to be extremely difficult to determine are not included in this table (please refer to (Note 2)).

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	5,016,162	5,016,162	—
(2) Cash and deposits in trust	1,147,579	1,147,579	—
Total assets	6,163,742	6,163,742	—
(1) Short-term loans payable	3,000,000	3,000,000	—
(2) Current portion of long-term loans payable	10,000,000	10,000,000	—
(4) Long-term loans payable	75,000,000	75,196,047	196,047
Total liabilities	88,000,000	88,196,047	196,047
Derivative transactions	—	—	—

Carrying amounts, fair values, and the differences between the two values as of May 31, 2014, are as shown below. Financial instruments whose fair value is considered to be extremely difficult to determine are not included in this table (please refer to (Note 2)).

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	7,702,411	7,702,411	—
(2) Cash and deposits in trust	1,471,491	1,471,491	—
Total assets	9,173,903	9,173,903	—
(1) Short-term loans payable	3,000,000	3,000,000	—
(2) Current portion of long-term loans payable	12,000,000	12,000,000	—
(3) Investment corporation bonds	4,000,000	4,000,000	—
(4) Long-term loans payable	81,800,000	82,215,990	415,990
Total liabilities	100,800,000	101,215,990	415,990
Derivative transactions	—	—	—

Carrying amounts, fair values, and the differences between the two values as of November 30, 2014, are as shown below. Financial instruments whose fair value is considered to be extremely difficult to determine are not included in this table (please refer to (Note 2)).

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	8,585,158	8,585,158	—
(2) Cash and deposits in trust	1,540,009	1,540,009	—
Total assets	10,125,167	10,125,167	—
(2) Current portion of long-term loans payable	18,000,000	18,027,930	27,930
(3) Investment corporation bonds	4,000,000	4,022,063	22,063
(4) Long-term loans payable	88,800,000	89,766,861	966,861
Total liabilities	110,800,000	111,816,856	1,016,856
Derivative transactions	—	—	—

Carrying amounts, fair values, and the differences between the two values as of May 31, 2015, are as shown below. Financial instruments whose fair value is considered to be extremely difficult to determine are not included in this table (please refer to (Note 2)).

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	9,743,232	9,743,232	—
(2) Cash and deposits in trust	3,007,251	3,007,251	—
Total assets	12,750,483	12,750,483	—
(2) Current portion of long-term loans payable	19,000,000	19,004,282	4,282
(3) Investment corporation bonds	8,000,000	8,005,561	5,561
(4) Long-term loans payable	100,100,000	101,047,721	947,721
Total liabilities	127,100,000	128,057,565	957,565
Derivative transactions	—	—	—

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

Assets

(1) Cash and deposits, (2) Cash and deposits in trust

The book value is used as the fair value of these assets, given that the fair value is almost the same as the book value, as it is settled in a short time.

Liabilities

(1) Short-term loans payable

The book value is used as the fair value of these liabilities, given that the fair value is almost the same as the book value, as it is settled in a short time.

(2) Current portion of long-term loans payable, (4) Long-term loans payable

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 loans payable with floating interest rates, 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 loans payable with floating interest rates 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).

(3) Investment corporation bonds

The fair value is 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.

Derivative transactions

Please refer to "Notes on Derivative Transactions."

(Note 2) Carrying Amounts of Financial Instruments Where Fair Value Is Considered to Be Extremely Difficult to Determine

(Unit: Thousands of yen)

Category	As of November 30, 2012	As of May 31, 2013	As of November 30, 2013	As of May 31, 2014	As of November 30, 2014	As of May 31, 2015
Tenant leasehold and security deposits in trust *1	7,688,827	8,223,028	8,375,764	10,820,768	11,294,108	13,583,386

*1 As there are no market prices for tenant leasehold and security deposits in trust from tenants for leasehold properties and the actual period of deposit from move-in of the tenant to move-out is difficult to determine, it is extremely difficult to reasonably estimate the cash flow. Therefore, the fair value for tenant leasehold and security deposits in trust is not subject to the disclosure of fair value.

(Note 3) Expected Amounts of Repayment of Monetary Claims after the Account Closing Date (November 30, 2012)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Deposits	5,586,163	—	—	—	—	—
Deposits in trust	1,048,439	—	—	—	—	—
Total	6,634,602	—	—	—	—	—

Expected Amounts of Repayment of Monetary Claims after the Account Closing Date (May 31, 2013)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Deposits	4,707,652	—	—	—	—	—
Deposits in trust	1,052,109	—	—	—	—	—
Total	5,759,761	—	—	—	—	—

Expected Amounts of Repayment of Monetary Claims after the Account Closing Date (November 30, 2013)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Deposits	5,016,162	—	—	—	—	—
Deposits in trust	1,147,579	—	—	—	—	—
Total	6,163,742	—	—	—	—	—

Expected Amounts of Repayment of Monetary Claims after the Account Closing Date (May 31, 2014)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Deposits	7,702,411	—	—	—	—	—
Deposits in trust	1,471,491	—	—	—	—	—
Total	9,173,903	—	—	—	—	—

Expected Amounts of Repayment of Monetary Claims after the Account Closing Date (November 30, 2014)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Deposits	8,585,158	—	—	—	—	—
Deposits in trust	1,540,009	—	—	—	—	—
Total	10,125,167	—	—	—	—	—

Expected Amounts of Repayment of Monetary Claims after the Account Closing Date (May 31, 2015)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Deposits	9,743,232	—	—	—	—	—
Deposits in trust	3,007,251	—	—	—	—	—
Total	12,750,483	—	—	—	—	—

(Note 4) Expected Amounts of Repayment of Loans Payable after the Account Closing Date (November 30, 2012)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Short-term loans payable	17,000,000	–	–	–	–	–
Long-term loans payable	–	6,000,000	12,000,000	12,000,000	12,000,000	18,000,000
Total	17,000,000	6,000,000	12,000,000	12,000,000	12,000,000	18,000,000

Expected Amounts of Repayment of Loans Payable after the Account Closing Date (May 31, 2013)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Long-term loans payable	4,000,000	12,000,000	12,000,000	18,000,000	17,000,000	22,000,000
Total	4,000,000	12,000,000	12,000,000	18,000,000	17,000,000	22,000,000

Expected Amounts of Repayment of Loans Payable after the Account Closing Date (November 30, 2013)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Short-term loans payable	3,000,000	–	–	–	–	–
Long-term loans payable	10,000,000	18,000,000	12,000,000	18,000,000	17,000,000	10,000,000
Total	13,000,000	18,000,000	12,000,000	18,000,000	17,000,000	10,000,000

Expected Amounts of Repayment of Loans Payable and Investment Corporation Bonds after the Account Closing Date (May 31, 2014)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Short-term loans payable	3,000,000	–	–	–	–	–
Investment corporation bonds	–	–	–	–	4,000,000	–
Long-term loans payable	12,000,000	12,000,000	18,000,000	17,000,000	16,000,000	18,800,000
Total	15,000,000	12,000,000	18,000,000	17,000,000	20,000,000	18,800,000

Expected Amounts of Repayment of Loans Payable and Investment Corporation Bonds after the Account Closing Date (November 30, 2014)

(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	–	–	–	–	4,000,000	–
Long-term loans payable	18,000,000	19,000,000	24,000,000	17,000,000	13,000,000	15,800,000
Total	18,000,000	19,000,000	24,000,000	17,000,000	17,000,000	15,800,000

Expected Amounts of Repayment of Loans Payable and Investment Corporation Bonds after the Account Closing Date (May 31, 2015)

(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	–	–	–	4,000,000	2,000,000	2,000,000
Long-term loans payable	19,000,000	24,000,000	20,900,000	18,500,000	18,000,000	18,700,000
Total	19,000,000	24,000,000	20,900,000	22,500,000	20,000,000	20,700,000

Notes on Derivative Transactions

1. Derivative transaction to which hedge accounting is not applied

(As of November 30, 2012)

Not applicable

(As of May 31, 2013)

Not applicable

(As of November 30, 2013)

Not applicable

(As of May 31, 2014)

Not applicable

(As of November 30, 2014)

Not applicable

(As of May 31, 2015)

Not applicable

2. Derivative transaction to which hedge accounting is applied

(As of November 30, 2012)

Not applicable

(As of May 31, 2013)

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 one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating Pay fixed	Long-term loans payable	5,000,000	5,000,000	*	—

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

(As of November 30, 2013)

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 one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating Pay fixed	Long-term loans payable	5,000,000	5,000,000	*	—

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

(As of May 31, 2014)

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 one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating Pay fixed	Long-term loans payable	5,000,000	5,000,000	*	—

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

(As of November 30, 2014)

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 one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating Pay fixed	Long-term loans payable	5,000,000	5,000,000	*	—

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

(As of May 31, 2015)

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 one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating Pay fixed	Long-term loans payable	5,000,000	5,000,000	*	—

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

Notes on Deferred Tax Accounting

1. Components of Deferred Tax Assets and Deferred Tax Liabilities

	As of November 30, 2012	As of May 31, 2013	As of November 30, 2013	As of May 31, 2014	As of November 30, 2014	As of May 31, 2015
Deferred tax assets						
Non-deductible amount for tax purposes of enterprise tax payable	¥26 thousand	¥16 thousand	¥16 thousand	¥22 thousand	¥11 thousand	¥17 thousand
Total deferred tax assets	¥26 thousand	¥16 thousand	¥16 thousand	¥22 thousand	¥11 thousand	¥17 thousand
Net deferred tax assets	¥26 thousand	¥16 thousand	¥16 thousand	¥22 thousand	¥11 thousand	¥17 thousand

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

	As of November 30, 2012	As of May 31, 2013	As of November 30, 2013	As of May 31, 2014	As of November 30, 2014	As of May 31, 2015
Effective statutory tax rate	36.59%	36.59%	36.59%	36.59%	34.16%	34.15%
(Adjustments)						
Distributions paid included in deductibles	(35.81)%	(36.58)%	(36.58)%	(36.58)%	(34.15)%	(34.14)%
Other	(0.74)%	0.02%	0.02%	0.02%	0.02%	0.01%
Effective income tax rate after application of tax effect accounting	0.04%	0.03%	0.03%	0.03%	0.02%	0.02%

3. Tax Rate Change in Line with Revision to Income Taxes

The “Act for Partial Revision of the Income Tax Act, etc.” (Act No. 9 of 2015) was promulgated on March 31, 2015, and the tax rates for income taxes were revised from the fiscal period beginning on or after April 1, 2015. In conjunction with this, the effective statutory tax rate used to calculate deferred tax assets and deferred tax liabilities for the current fiscal period was changed to 32.31% from the previous tax rate of 34.15%. The impact of this change is immaterial.

Notes on Transactions with Related Parties

1. Parent Company and Major Corporate Unitholders

2nd fiscal period (From June 1, 2012 to November 30, 2012)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unitholder	Tokyu Land Corporation	21-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	10.47%	None	Major unitholder, and rent and management of properties	Purchase of beneficiary rights of real estate in trust	64,437,000	—	—
								Acceptance of tenant leasehold and security deposits	2,896,924	Tenant leasehold and security deposits in trust	6,590,205
								Delivery of tenant leasehold and security deposits	5,757,583		
								Receipt of tenant leasehold and security deposits	6,271,854		
								Repayments of tenant leasehold and security deposits	23,086		
								Rental revenues, etc.	4,465,077	Operating accounts receivable	144,544
										Advances received	102,913
								Fees for consignment for real estate management	218,314	Operating accounts payable	38,408

3rd fiscal period (From December 1, 2012 to May 31, 2013)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unit-holder	Tokyu Land Corporation	21-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	10.47%	None	Major unitholder, and rent and management of properties	Delivery of tenant leasehold and security deposits	621,227	Tenant leasehold and security deposits in trust	7,124,406
								Receipt of tenant leasehold and security deposits	765,360		
								Repayments of tenant leasehold and security deposits	231,159		
								Rental revenues, etc.	5,022,232	Operating accounts receivable	166,319
										Advances received	116,288
								Fees for consignment for real estate management	256,597	Operating accounts payable	62,858

4th fiscal period (From June 1, 2013 to November 30, 2013)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unit-holder	Tokyu Land Corporation	21-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	10.47%	None	Major unitholder, and rent and management of properties	Receipt of tenant leasehold and security deposits	155,196	Tenant leasehold and security deposits in trust	7,149,976
								Repayments of tenant leasehold and security deposits	129,626		
								Rental revenues, etc.	5,277,980	Operating accounts receivable	184,665
										Advances received	103,819
								Fees for consignment for real estate management	254,702	Operating accounts payable	50,042

5th fiscal period (From December 1, 2013 to May 31, 2014)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unit-holder	Tokyu Land Corporation	21-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	10.38%	None	Major unitholder, and rent and management of properties	Purchase of beneficiary rights of real estate in trust	17,890,000	—	—
								Sales of beneficiary interests of real estate in trust	695,000	—	—
								Acceptance of tenant leasehold and security deposits	972,323	Tenant leasehold and security deposits in trust	7,580,200
								Delivery of tenant leasehold and security deposits	612,744		
								Receipt of tenant leasehold and security deposits	740,651		
								Repayments of tenant leasehold and security deposits	129,249		
								Delivery of tenant leasehold and security deposits due to sale	181,176		
								Rental revenues, etc.	5,864,566	Operating accounts receivable	225,969
										Advances received	111,462
								Fees for consignment for real estate management	295,565	Operating accounts payable	61,614

6th fiscal period (From June 1, 2014 to November 30, 2014)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unit-holder	Tokyu Land Corporation	21-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	10.38%	None	Major unitholder, and rent and management of properties	Delivery of tenant leasehold and security deposits	430,841	Tenant leasehold and security deposits in trust	6,203,539
								Receipt of tenant leasehold and security deposits	514,425		
								Repayments of tenant leasehold and security deposits	1,891,086		
								Rental revenues, etc.	5,896,023	Operating accounts receivable	222,533
										Advances received	105,267
								Fees for consignment for real estate management	286,522	Operating accounts payable	60,189

7th fiscal period (From December 1, 2014 to May 31, 2015)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unit-holder	Tokyu Land Corporation	21-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	10.35%	None	Major unitholder, and rent and management of properties	Purchase of beneficiary rights of real estate in trust	4,820,000	—	—
								Acceptance of tenant leasehold and security deposits	322,869	Tenant leasehold and security deposits in trust	6,721,489
								Receipt of tenant leasehold and security deposits	618,522		
								Repayments of tenant leasehold and security deposits	100,572		
								Rental revenues, etc.	4,794,070	Operating accounts receivable	224,256
										Advances received	108,952
								Fees for consignment for real estate management	312,341	Operating accounts payable	105,096

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

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

2. Affiliates, etc.

2nd fiscal period (From June 1, 2012 to November 30, 2012)

Not applicable

3rd fiscal period (From December 1, 2012 to May 31, 2013)

Not applicable

4th fiscal period (From June 1, 2013 to November 30, 2013)

Not applicable

5th fiscal period (From December 1, 2013 to May 31, 2014)

Not applicable

6th fiscal period (From June 1, 2014 to November 30, 2014)

Not applicable

7th fiscal period (From December 1, 2014 to May 31, 2015)

Not applicable

3. Sister companies, etc

2nd fiscal period (From June 1, 2012 to November 30, 2012)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Cross Special Purpose Company	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	13,916	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	45,000,000	-	-
								Acceptance of tenant leasehold and security deposits	1,756,535	-	-
Subsidiary of major unitholder	Pixis Ltd.	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	3	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	20,500,000	-	-
								Acceptance of tenant leasehold and security deposits	1,200,000	-	-
Subsidiary of major unitholder	Kotoru Ltd.	11 Kanda-Jimbocho 1-chome, Chiyoda-ku, Tokyo	3	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	8,860,000	-	-
								Acceptance of tenant leasehold and security deposits	46,941	-	-
Subsidiary of major unitholder	Rouge LLC	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	1	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	8,790,000	-	-

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Classer LLC	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	1	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	4,540,000	-	-
								Acceptance of tenant leasehold and security deposits	248,564	-	-
Subsidiary of major unitholder	Happy Family Special Purpose Company	10-5 Akasaka 2-chome, Minato-ku, Tokyo	-	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	8,423,000	-	-
								Acceptance of tenant leasehold and security deposits	427,576	-	-
Subsidiary of major unitholder	KTMO Ltd.	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	3	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	2,840,000	-	-
								Acceptance of tenant leasehold and security deposits	232,200	-	-
Subsidiary of major unitholder	Villa LLC	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	0	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	6,980,000	-	-
								Acceptance of tenant leasehold and security deposits	388,900	-	-
Subsidiary of major unitholder	Tokyu Land SC Management Corporation	2-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	100	Real estate management business	-	None	Subsidiary of major unitholder	Delivery of tenant leasehold and security deposits	1,002,412	Tenant leasehold and security deposits in trust	1,002,412
								Receipt of tenant leasehold and security deposits	1,002,412		
								Rental revenues, etc.	639,740	Operating accounts receivable	11,698
										Advances received	28
Subsidiary of major unitholder	TLC Activia Investment Management Inc.	16-3 Dogenzaka 1-chome, Shibuya-ku, Tokyo	300	Operations related to management of the Investment Corporation's portfolio assets	-	One interlocking officer	Asset manager	Payment of fees for asset management	1,232,398	Other accrued expenses	399,575

3rd fiscal period (From December 1, 2012 to May 31, 2013)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Tokyu Land SC Management Corporation	2-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	100	Real estate management business	-	None	Subsidiary of major unitholder	Delivery of tenant leasehold and security deposits	96,209	Tenant leasehold and security deposits in trust	1,098,621
								Receipt of tenant leasehold and security deposits	96,209		
								Rental revenues, etc.	781,270	Operating accounts receivable	11,897
										Advances received	31
Subsidiary of major unitholder	TLC Activia Investment Management Inc.	16-3 Dogenzaka 1-chome, Shibuya-ku, Tokyo	300	Operations related to management of the Investment Corporation's portfolio assets	-	One interlocking officer	Asset manager	Payment of fees for asset management	518,630	Other accrued expenses	181,619

4th fiscal period (From June 1, 2013 to November 30, 2013)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Tokyu Land SC Management Corporation	2-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	100	Real estate management business	-	None	Subsidiary of major unitholder	Delivery of tenant leasehold and security deposits	127,166	Tenant leasehold and security deposits in trust	1,225,788
								Receipt of tenant leasehold and security deposits	127,166		
								Rental revenues, etc.	846,922	Operating accounts receivable	15,924
										Advances received	56
Subsidiary of major unitholder	TLC Activia Investment Management Inc.	16-3 Dogenzaka 1-chome, Shibuya-ku, Tokyo	300	Operations related to management of the Investment Corporation's portfolio assets	-	One interlocking officer	Asset manager	Payment of fees for asset management	457,004	Other accrued expenses	159,570

5th fiscal period (From December 1, 2013 to May 31, 2014)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	SSG9 LLC	11 Kanda-Jimbocho 1-chome, Chiyoda-ku, Tokyo	0	Real estate business	—	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	21,330,000	—	—
								Acceptance of tenant leasehold and security deposits	1,333,965		
Subsidiary of major unitholder	Momo Holdings Ltd.	11 Kanda-Jimbocho 1-chome, Chiyoda-ku, Tokyo	3	Real estate business	—	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	3,800,000	—	—
								Acceptance of tenant leasehold and security deposits	188,125		
Subsidiary of major unitholder	Tokyu Land SC Management Corporation	2-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	100	Real estate management business	—	None	Subsidiary of major unitholder	Delivery of tenant leasehold and security deposits	1,829,571	Tenant leasehold and security deposits in trust	3,047,739
								Receipt of tenant leasehold and security deposits	1,851,119		
								Repayments of tenant leasehold and security deposits	29,167		
								Rental revenues, etc.	1,731,053	Operating accounts receivable	73,503
										Advances received	398
Subsidiary of major unitholder	TLC Activia Investment Management Inc.	16-3 Dogenzaka 1-chome, Shibuya-ku, Tokyo	300	Operations related to management of the Investment Corporation's portfolio assets	—	One interlocking officer	Asset manager	Payment of fees for asset management	721,049	Other accrued expenses	212,680

6th fiscal period (From June 1, 2014 to November 30, 2014)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Tokyu Land SC Management Corporation	2-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	100	Real estate management business	—	None	Subsidiary of major unitholder	Receipt of tenant leasehold and security deposits	232,384	Tenant leasehold and security deposits in trust	3,277,798
								Repayments of tenant leasehold and security deposits	2,325		
								Rental revenues, etc.	1,922,667	Operating accounts receivable	80,043
										Advances received	339
Subsidiary of major unitholder	TLC Activia Investment Management Inc.	16-3 Dogenzaka 1-chome, Shibuya-ku, Tokyo	300	Operations related to management of the Investment Corporation's portfolio assets	—	One interlocking officer	Asset manager	Payment of fees for asset management	642,289	Other accrued expenses	218,752

7th fiscal period (From December 1, 2014 to May 31, 2015)

Attribute	Name	Address	Capital stock 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	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Godo Kaisha Bellflower	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	1	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	5,850,000	-	-
								Acceptance of tenant leasehold and security deposits	336,920	-	-
Subsidiary of major unitholder	Classer LLC	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	1	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary rights of real estate in trust	30,300,000	-	-
								Acceptance of tenant leasehold and security deposits	1,130,131	-	-
Subsidiary of major unitholder	Tokyu Land SC Management Corporation	2-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	100	Real estate management business	-	None	Subsidiary of major unitholder	Delivery of tenant leasehold and security deposits	1,605,891	Tenant leasehold and security deposits in trust	4,883,960
								Receipt of tenant leasehold and security deposits	1,606,161		
								Rental revenues, etc.	3,093,984	Operating accounts receivable	87,112
										Advances received	488
Subsidiary of major unitholder	TLC Activia Investment Management Inc.	16-3 Dogenzaka 1-chome, Shibuya-ku, Tokyo	300	Operations related to management of the Investment Corporation's portfolio assets	-	One interlocking officer	Asset manager	Payment of fees for asset management	820,491	Other accrued expenses	255,498

(Note 1) The amount of Payment of fees for asset management above is in accordance with the terms set forth in the Articles of Incorporation of the Investment Corporation.

(Note 2) Of the amounts above, the transaction amount does not include consumption taxes, and the ending balance includes consumption taxes.

(Note 3) The transaction terms are based on current market practices.

4. Directors and major individual unitholders

2nd fiscal period (From June 1, 2012 to November 30, 2012)

Not applicable

3rd fiscal period (From December 1, 2012 to May 31, 2013)

Not applicable

4th fiscal period (From June 1, 2013 to November 30, 2013)

Not applicable

5th fiscal period (From December 1, 2013 to May 31, 2014)

Not applicable

6th fiscal period (From June 1, 2014 to November 30, 2014)

Not applicable

7th fiscal period (From December 1, 2014 to May 31, 2015)

Not applicable

Notes on Investment and Rental Properties

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

(Unit: Thousands of yen)

Use		Fiscal periods					
		(From June 1, 2012 to November 30, 2012)	(From December 1, 2012 to May 31, 2013)	(From June 1, 2013 to November 30, 2013)	(From December 1, 2013 to May 31, 2014)	(From June 1, 2014 to November 30, 2014)	(From December 1, 2014 to May 31, 2015)
Urban Retail Properties	Carrying amount on the balance sheets						
	Balance at beginning of period	—	94,817,681	94,776,350	97,815,993	130,346,361	130,110,434
	Changes during period	94,817,681	(41,331)	3,039,642	32,530,367	(235,926)	(142,172)
	Balance at end of period	94,817,681	94,776,350	97,815,993	130,346,361	130,110,434	129,968,262
	Fair value at end of period	99,550,000	99,650,000	103,910,000	140,110,000	144,270,000	148,480,000
Tokyo Office Properties	Carrying amount on the balance sheets						
	Balance at beginning of period	—	41,721,522	47,445,214	47,267,541	55,983,058	66,849,917
	Changes during period	41,721,522	5,723,692	(177,673)	8,715,517	10,866,858	30,374,740
	Balance at end of period	41,721,522	47,445,214	47,267,541	55,983,058	66,849,917	97,224,657
	Fair value at end of period	42,180,000	47,710,000	48,280,000	58,050,000	71,050,000	104,320,000
Other Properties	Carrying amount on the balance sheets						
	Balance at beginning of period	—	34,881,212	40,081,494	39,933,780	45,595,087	45,474,053
	Changes during period	34,881,212	5,200,281	(147,713)	5,661,307	(121,033)	10,645,018
	Balance at end of period	34,881,212	40,081,494	39,933,780	45,595,087	45,474,053	56,119,072
	Fair value at end of period	36,160,000	42,110,000	42,800,000	49,500,000	49,810,000	61,330,000
Total	Carrying amount on the balance sheets						
	Balance at beginning of period	—	171,420,417	182,303,059	185,017,315	231,924,507	242,434,405
	Changes during period	171,420,417	10,882,642	2,714,255	46,907,192	10,509,897	40,877,587
	Balance at end of period	171,420,417	182,303,059	185,017,315	231,924,507	242,434,405	283,311,992
	Fair value at end of period	177,890,000	189,470,000	194,990,000	247,660,000	265,130,000	314,130,000

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

(Note 2) The main reason for the increase in the fiscal period ended May 31, 2015 is the acquisition of 3 properties (Shiodome Building (acquisition of 15% co-ownership interest), Osaka Nakanoshima Building (additional acquisition of the remaining 50% co-ownership interest) and Market Square Sagami-hara) worth ¥41,335,065 thousand. The decrease is mainly due to the provision of depreciation worth ¥887,061 thousand.

The main reason for the increase in the fiscal period ended November 31, 2014 is the acquisition of 1 property (OSAKI WIZTOWER) worth ¥11,107,329 thousand. The decrease is mainly due to the provision of depreciation worth ¥762,984 thousand.

The main reason for the increase for the fiscal period ended May 31, 2014 is the acquisition of 6 properties (Kobe Kyu Kyoryuchi 25Bankan, Tokyu Plaza Sapporo*, Kamata Kosan Building*, Gotanda Front*, Shinagawa Place* and J-CORE Omori*) worth ¥48,229,812 thousand. The decrease is mainly due to the transfer of the building portion of Tokyo Kikai Honsha Building* and the provision of depreciation worth ¥692,998 thousand and ¥739,386 thousand, respectively.

The main reason for the increase for the fiscal period ended November 30, 2013 is the acquisition of 1 property (Hitotsugi LIP*) worth ¥3,125,128 thousand. The decrease is mainly due to provision of depreciation (¥518,426 thousand).

The main reason for the increase for the fiscal period ended May 31, 2013 is the acquisition of 2 properties (TK Shinbashi Building* and Osaka Nakanoshima Building) worth ¥11,223,650 thousand. The decrease is mainly due to provision of depreciation (¥487,983 thousand).

The main reason for the increase for the fiscal period ended November 30, 2012 is the acquisition of 18 properties (Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, Ebisu Q Plaza*, Shinbashi Place, Kyoto Karasuma Parking Building, TLC Ebisu Building, A-PLACE Ebisu Minami, Yoyogi Place*, Aoyama Plaza Building*, Luogo Shiodome, Tokyo Kikai Honsha Building*, A-PLACE Ikebukuro, COCOE Amagasaki (Land)*, icot Nakamozu, icot Kongo, icot Mizonokuchi, icot Tama Center, and Kanayama Center Place*) worth ¥171,789,737 thousand. The decrease is mainly due to the recording of depreciation (¥452,047 thousand).

* The names of these properties were changed as follows. The same shall apply hereinafter.

After the change	Before the change	Effective Date
Amagasaki Q's MALL (Land)	COCOE Amagasaki (Land)	October 9, 2013
A-PLACE Yoyogi	Yoyogi Place	November 1, 2014
A-PLACE Aoyama	Aoyama Plaza Building	November 1, 2014
A-PLACE Shinbashi	TK Shinbashi Building	November 1, 2014
A-PLACE Gotanda	Gotanda Front	November 1, 2014
A-PLACE Shinagawa	Shinagawa Place	November 1, 2014
A-PLACE Kanayama	Kanayama Center Place	November 1, 2014
icot Omori	J-CORE Omori	October 1, 2014
TAMACHI SQUARE	Tokyo Kikai Honsha Building	April 1, 2015
Q plaza EBISU	Ebisu Q Plaza	June 1, 2015
A-FLAG AKASAKA	Hitotsugi LIP	August 1, 2015
A-FLAG SAPPORO	Tokyu Plaza Sapporo	August 1, 2015
A-FLAG SHIBUYA	Kamata Kosan Building	August 1, 2015

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

The income/loss concerning investment and rental properties is indicated under “Notes to Statements of Operations.”

Segment Information

Segment Information for the fiscal periods ended November 30, 2012, May 31, 2013, November 30, 2013, May 31, 2014, November 30, 2014 and May 31, 2015 is as follows:

1. Operating Segment Information

Disclosure is omitted as the Investment Corporation is comprised of a single reportable segment engaged in the property rental business.

2. Enterprise-wide Disclosures

(1) Information about Products and Services

Disclosure is not required as revenues from external customers for the single segment is in excess of 90% of total revenues.

(2) Information about Geographic Areas

Revenues from Overseas Customers:

Disclosure is not required as revenues from external customers attributed to Japan are in excess of 90% of total revenues.

Property, plant and equipment:

Disclosure is not required as Property, plant and equipment located in Japan are in excess of 90% of total Property, plant and equipment.

3. Information about Major Customers

(Unit: Thousands of yen)

Name of Customer	Revenues for the fiscal period ended						Related Segment
	(From June 1, 2012 to November 30, 2012)	(From December 1, 2012 to May 31, 2013)	(From June 1, 2013 to November 30, 2013)	(From December 1, 2013 to May 31, 2014)	(From June 1, 2014 to November 30, 2014)	(From December 1, 2014 to May 31, 2015)	
Tokyu Land Corporation	4,465,077	5,022,232	5,277,980	5,864,566	5,896,023	4,794,070	Property rental business
Tokyu Land SC Management Corporation	639,740	781,270	846,922	1,731,053	1,922,667	3,093,984	Property rental business

Per Unit Information

	Fiscal periods					
	(From June 1, 2012 to November 30, 2012)	(From December 1, 2012 to May 31, 2013)	(From June 1, 2013 to November 30, 2013)	(From December 1, 2013 to May 31, 2014)	(From June 1, 2014 to November 30, 2014)	(From December 1, 2014 to May 31, 2015)
Net assets per unit	¥459,095	¥462,103	¥460,680	¥518,009	¥518,143	¥560,574
Net income per unit	¥15,153 [¥14,244]	¥16,946	¥15,522	¥16,194	¥16,056	¥16,688

(Note 1) Net income per unit is calculated by dividing net income by the day-weighted average number of investment units for the period (192,831 units, 205,262 units, 205,262 units, 246,842 units, 251,062 units and 274,595 units for the fiscal periods ended November 30, 2012, May 31, 2013, November 30, 2013, May 31, 2014, November 30, 2014 and May 31, 2015, respectively). For the fiscal period ended November 30, 2012, net income per unit which is calculated based on day-weighted average number of investment units (205,141 units) assuming that the fiscal period started on June 13, 2012, the actual start date of asset management, is also provided in square brackets.

Fully diluted net income per unit is not stated, as there is no potential investment unit.

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

	Fiscal periods					
	(From June 1, 2012 to November 30, 2012)	(From December 1, 2012 to May 31, 2013)	(From June 1, 2013 to November 30, 2013)	(From December 1, 2013 to May 31, 2014)	(From June 1, 2014 to November 30, 2014)	(From December 1, 2014 to May 31, 2015)
Net income (Thousands of yen)	2,922,043	3,478,378	3,186,276	3,997,462	4,031,162	4,582,504
Amount not attributable to common unitholders (Thousands of yen)	—	—	—	—	—	—
Net income attributable to common investment units (Thousands of yen)	2,922,043	3,478,378	3,186,276	3,997,462	4,031,162	4,582,504
Average number of investment units for the period (Units)	192,831	205,262	205,262	246,842	251,062	274,595

Significant Subsequent Events

Not applicable

Omission of Disclosure

As the need for disclosing notes on securities, retirement benefits, equity in earnings of affiliates, and asset retirement obligations in this financial report is not material or applicable, the disclosure of these items is omitted.

(9) Schedule of Financial Statements

Securities

1. Shares

For the fiscal period ended November 30, 2012:

Not applicable

For the fiscal period ended May 31, 2013:

Not applicable

For the fiscal period ended November 30, 2013:

Not applicable

For the fiscal period ended May 31, 2014:

Not applicable

For the fiscal period ended November 30, 2014:

Not applicable

For the fiscal period ended May 31, 2015:

Not applicable

2. Securities Other Than Shares

For the fiscal period ended November 30, 2012:

(Unit: Thousands of yen)

Type of asset	Name	Total face value	Book value	Accrued interest	Prepaid accrued interest	Market value	Valuation gain or loss	Remarks
Government bonds	Principal-stripped government bonds (5 years, Series 91)	10,000	9,930	—	—	9,973	43	Given as security deposit
Total		10,000	9,930	—	—	9,973	43	

For the fiscal period ended May 31, 2013:

(Unit: Thousands of yen)

Type of asset	Name	Total face value	Book value	Accrued interest	Prepaid accrued interest	Market value	Valuation gain or loss	Remarks
Government bonds	Principal-stripped government bonds (5 years, Series 91)	10,000	9,942	—	—	9,965	22	Given as security deposit
Total		10,000	9,942	—	—	9,965	22	

For the fiscal period ended November 30, 2013:

(Unit: Thousands of yen)

Type of asset	Name	Total face value	Book value	Accrued interest	Prepaid accrued interest	Market value	Valuation gain or loss	Remarks
Government bonds	Principal-stripped government bonds (5 years, Series 91)	10,000	9,955	—	—	9,985	30	Given as security deposit
Total		10,000	9,955	—	—	9,985	30	

For the fiscal period ended May 31, 2014:

(Unit: Thousands of yen)

Type of asset	Name	Total face value	Book value	Accrued interest	Prepaid accrued interest	Market value	Valuation gain or loss	Remarks
Government bonds	Principal-stripped government bonds (5 years, Series 91)	10,000	9,967	—	—	9,989	22	Given as security deposit
Total		10,000	9,967	—	—	9,989	22	

For the fiscal period ended November 30, 2014:

(Unit: Thousands of yen)

Type of asset	Name	Total face value	Book value	Accrued interest	Prepaid accrued interest	Market value	Valuation gain or loss	Remarks
Government bonds	Principal-stripped government bonds (5 years, Series 91)	10,000	9,979	—	—	9,999	19	Given as security deposit
Total		10,000	9,979	—	—	9,999	19	

For the fiscal period ended May 31, 2015:

(Unit: Thousands of yen)

Type of asset	Name	Total face value	Book value	Accrued interest	Prepaid accrued interest	Market value	Valuation gain or loss	Remarks
Government bonds	Principal-stripped government bonds (5 years, Series 91)	10,000	9,992	—	—	9,999	7	Given as security deposit
Total		10,000	9,992	—	—	9,999	7	

Derivative Transactions

For the fiscal period ended November 30, 2012:

Not applicable

For the fiscal period ended May 31, 2013:

(Unit: Thousands of yen)

Classification	Type of derivative transactions	Amount of contract (Note 1)		Fair value (Note 2)
			Portion due after one year	
Over-the-counter	Interest rate swaps Receive floating Pay fixed	5,000,000	5,000,000	—
Total		5,000,000	5,000,000	—

For the fiscal period ended November 30, 2013:

(Unit: Thousands of yen)

Classification	Type of derivative transactions	Amount of contract (Note 1)		Fair value (Note 2)
			Portion due after one year	
Over-the-counter	Interest rate swaps Receive floating Pay fixed	5,000,000	5,000,000	—
Total		5,000,000	5,000,000	—

For the fiscal period ended May 31, 2014:

(Unit: Thousands of yen)

Classification	Type of derivative transactions	Amount of contract (Note 1)		Fair value (Note 2)
			Portion due after one year	
Over-the-counter	Interest rate swaps Receive floating Pay fixed	5,000,000	5,000,000	—
Total		5,000,000	5,000,000	—

For the fiscal period ended November 30, 2014:

(Unit: Thousands of yen)

Classification	Type of derivative transactions	Amount of contract (Note 1)		Fair value (Note 2)
			Portion due after one year	
Over-the-counter	Interest rate swaps Receive floating Pay fixed	5,000,000	5,000,000	—
Total		5,000,000	5,000,000	—

For the fiscal period ended May 31, 2015:

(Unit: Thousands of yen)

Classification	Type of derivative transactions	Amount of contract (Note 1)		Fair value (Note 2)
			Portion due after one year	
Over-the-counter	Interest rate swaps Receive floating Pay fixed	5,000,000	5,000,000	—
Total		5,000,000	5,000,000	—

(Note 1) The amounts of contract do not represent the market risk exposure associated with the derivative instruments.

(Note 2) The interest rate swaps which qualify for hedge accounting and meet specific criteria are not measured at fair value in the balance sheets and the interest received or paid under the interest rate swap contracts is recognized on an accrual basis.

Property and Equipment

The following tables show the summary of movement in property and equipment for the fiscal periods ended November 30, 2012, May 31, 2013, November 30, 2013, May 31, 2014, November 30, 2014 and May 31, 2015, respectively.

For the fiscal period ended November 30, 2012:

(Unit: Thousands of yen)

		Beginning balance	Increase	Decrease	Ending Balance	Accumulated depreciation	Depreciation for the period	Net property, plant and equipment
Tangible Assets	Buildings in trust (Note)	—	30,446,857	1,812	30,445,044	428,592	429,045	30,016,451
	Structures in trust	—	326,983	3,938	323,045	8,823	8,890	314,222
	Machinery and equipment in trust	—	576,121	—	576,121	13,921	13,921	562,200
	Tools, furniture and fixtures in trust	—	4,286	—	4,286	189	189	4,096
	Land in trust (Note)	—	136,258,287	—	136,258,287	—	—	136,258,287
	Subtotal	—	167,612,537	5,750	167,606,786	451,527	452,047	167,155,259
Intangible Assets	Leasehold rights in trust (Note)	—	4,265,157	—	4,265,157	—	—	4,265,157
	Subtotal	—	4,265,157	—	4,265,157	—	—	4,265,157
Total		—	171,877,695	5,750	171,871,944	451,527	452,047	171,420,417

(Note) The main reason for the increase for the fiscal period ended November 30, 2012 is the acquisition of 18 properties (Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, Ebisu Q Plaza*, Shinbashi Place, Kyoto Karasuma Parking Building, TLC Ebisu Building, A-PLACE Ebisu Minami, Yoyogi Place*, Aoyama Plaza Building*, Luogo Shiodome, Tokyo Kikai Honsha Building*, A-PLACE Ikebukuro, COCOE Amagasaki (Land)*, icot Nakamoju, icot Kongo, icot Mizonokuchi, icot Tama Center, and Kanayama Center Place*).

* The names of these properties were changed. For the details, please refer to “Notes on Investment and Rental Properties”.

For the fiscal period ended May 31, 2013:

(Unit: Thousands of yen)

		Beginning balance	Increase	Decrease	Ending Balance	Accumulated depreciation	Depreciation for the period	Net property, plant and equipment
Tangible Assets	Buildings in trust (Note)	30,445,044	3,077,941	1,183	33,521,802	891,456	463,429	32,630,345
	Structures in trust	323,045	31,756	2,371	352,430	18,096	9,516	334,334
	Machinery and equipment in trust	576,121	41,869	—	617,991	28,449	14,527	589,542
	Tools, furniture and fixtures in trust	4,286	3,762	—	8,049	699	509	7,350
	Land in trust (Note)	136,258,287	7,992,358	—	144,250,646	—	—	144,250,646
	Construction in progress in trust	—	3,224	—	3,224	—	—	3,224
	Subtotal	167,606,786	11,150,913	3,555	178,754,144	938,701	487,983	177,815,442
Intangible Assets	Leasehold rights in trust	4,265,157	222,459	—	4,487,617	—	—	4,487,617
	Subtotal	4,265,157	222,459	—	4,487,617	—	—	4,487,617
Total		171,871,944	11,373,372	3,555	183,241,761	938,701	487,983	182,303,059

(Note) The main reason for the increase for the fiscal period ended May 31, 2013 is the acquisition of 2 properties (TK Shinbashi Building* and Osaka Nakanoshima Building).

* The names of these properties were changed. For the details, please refer to “Notes on Investment and Rental Properties”.

For the fiscal period ended November 30, 2013:

(Unit: Thousands of yen)

		Beginning balance	Increase	Decrease	Ending Balance	Accumulated depreciation	Depreciation for the period	Net property, plant and equipment
Tangible Assets	Buildings in trust (Note)	33,521,802	660,021	1,139	34,180,684	1,382,563	491,690	32,798,121
	Structures in trust	352,430	8,361	—	360,792	28,285	10,189	332,506
	Machinery and equipment in trust	617,991	4,922	—	622,914	43,752	15,303	579,161
	Tools, furniture and fixtures in trust	8,049	15,833	—	23,882	1,943	1,244	21,939
	Land in trust (Note)	144,250,646	2,467,140	—	146,717,786	—	—	146,717,786
	Construction in progress in trust	3,224	1,976	—	5,200	—	—	5,200
	Subtotal	178,754,144	3,158,255	1,139	181,911,260	1,456,545	518,426	180,454,715
Intangible Assets	Leasehold rights in trust	4,487,617	74,982	—	4,562,599	—	—	4,562,599
	Subtotal	4,487,617	74,982	—	4,562,599	—	—	4,562,599
Total		183,241,761	3,233,238	1,139	186,473,860	1,456,545	518,426	185,017,315

(Note) The main reason for the increase for the fiscal period ended November 30, 2013 is the acquisition of 1 property (Hitotsugi LIP*).

* The names of these properties were changed. For the details, please refer to “Notes on Investment and Rental Properties”.

For the fiscal period ended May 31, 2014:

(Unit: Thousands of yen)

		Beginning balance	Increase	Decrease	Ending Balance	Accumulated depreciation	Depreciation for the period	Net property, plant and equipment
Tangible Assets	Buildings in trust (Note 1)	34,180,684	15,175,505	762,975	48,593,214	2,013,828	700,488	46,579,386
	Structures in trust	360,792	38,635	3,890	395,537	39,436	11,422	356,100
	Machinery and equipment in trust	622,914	469,244	1,034	1,091,124	67,624	24,906	1,023,499
	Tools, furniture and fixtures in trust	23,882	13,210	115	36,977	4,417	2,535	32,560
	Land in trust (Note 1)	146,717,786	32,645,380	—	179,363,166	—	—	179,363,166
	Construction in progress in trust	5,200	—	—	5,200	—	—	5,200
	Subtotal	181,911,260	48,341,976	768,016	229,485,220	2,125,306	739,352	227,359,913
Intangible Assets	Leasehold rights in trust	4,562,599	—	—	4,562,599	—	—	4,562,599
	Other (Note 2)	2,582	2,028	—	4,610	1,060	292	3,550
	Subtotal	4,565,182	2,028	—	4,567,210	1,060	292	4,566,150
Total		186,476,443	48,344,004	768,016	234,052,430	2,126,366	739,644	231,926,064

(Note 1) The main reason for the increase for the fiscal period ended May 31, 2014 is the acquisition of 6 properties (Kobe Kyu Kyoryuchi 25Bankan, Tokyu Plaza Sapporo*, Kamata Kosan Building*, Gotanda Front*, Shinagawa Place* and J-CORE Omori*).

* The names of these properties were changed. For the details, please refer to “Notes on Investment and Rental Properties”.

(Note 2) “Other” is software (non-real estate asset).

For the fiscal period ended November 30, 2014:

(Unit: Thousands of yen)

		Beginning balance	Increase	Decrease	Ending Balance	Accumulated depreciation	Depreciation for the period	Net property, plant and equipment
Tangible Assets	Buildings in trust (Note 1)	48,593,214	3,728,381	1,833	52,319,762	2,734,761	722,766	49,585,001
	Structures in trust	395,537	7,804	—	403,342	49,339	9,903	354,002
	Machinery and equipment in trust	1,091,124	51,594	—	1,142,718	93,321	25,697	1,049,397
	Tools, furniture and fixtures in trust	36,977	24,885	244	61,618	8,702	4,414	52,916
	Land in trust (Note 1)	179,363,166	7,460,301	—	186,823,468	—	—	186,823,468
	Construction in progress in trust	5,200	—	—	5,200	—	—	5,200
	Subtotal	229,485,220	11,272,968	2,078	240,756,110	2,886,125	762,781	237,869,985
Intangible Assets	Leasehold rights in trust	4,562,599	28	—	4,562,628	—	—	4,562,628
	Other (Note 2)	4,610	—	—	4,610	1,521	461	3,089
	Subtotal	4,567,210	28	—	4,567,239	1,521	461	4,565,717
Total		234,052,430	11,272,996	2,078	245,323,349	2,887,646	763,242	242,435,703

(Note 1) The main reason for the increase in the fiscal period ended November 30, 2014 is the acquisition of 1 property (OSAKI WIZTOWER).

(Note 2) “Other” is software (non-real estate asset).

For the fiscal period ended May 31, 2015:

(Unit: Thousands of yen)

		Beginning balance	Increase	Decrease	Ending Balance	Accumulated depreciation	Depreciation for the period	Net property, plant and equipment
Tangible Assets	Buildings in trust (Note 1)	52,319,762	9,297,991	—	61,617,753	3,573,458	838,697	58,044,295
	Structures in trust	403,342	145,310	—	548,652	62,644	13,304	486,007
	Machinery and equipment in trust	1,142,718	63,012	—	1,205,731	121,137	27,815	1,084,594
	Tools, furniture and fixtures in trust	61,618	3,845	—	65,463	15,743	7,040	49,720
	Land in trust (Note 1)	186,823,468	32,250,515	—	219,073,983	—	—	219,073,983
	Construction in progress in trust	5,200	5,483	1,509	9,174	—	—	9,174
	Subtotal	240,756,110	41,766,157	1,509	282,520,759	3,772,983	886,858	278,747,775
Intangible Assets	Leasehold rights in trust	4,562,628	—	—	4,562,628	—	—	4,562,628
	Other (Note 2)	4,610	—	—	4,610	1,982	461	2,628
	Subtotal	4,567,239	—	—	4,567,239	1,982	461	4,565,256
Total		245,323,349	41,766,157	1,509	287,087,998	3,774,966	887,319	283,313,032

(Note 1) The main reason for the increase in the fiscal period ended May 31, 2015 is the acquisition of 3 properties (Shiodome Building, Osaka Nakanoshima Building and Market Square Sagamihara).

(Note 2) “Other” is software (non-real estate asset).

Other Specified Assets

For the fiscal period ended November 30, 2012:

Not applicable

For the fiscal period ended May 31, 2013:

Not applicable

For the fiscal period ended November 30, 2013:

Not applicable

For the fiscal period ended May 31, 2014:

Not applicable

For the fiscal period ended November 30, 2014:

Not applicable

For the fiscal period ended May 31, 2015:

Not applicable

Investment Corporation Bonds

For the fiscal period ended November 30, 2012:

Not applicable

For the fiscal period ended May 31, 2013:

Not applicable

For the fiscal period ended November 30, 2013:

Not applicable

For the fiscal period ended May 31, 2014:

(Unit: Thousands of yen)

Issue	Issue Date	Beginning balance	Decrease	Ending balance	Interest Rate	Redemption Date	Use of funds	Remarks
1st unsecured bonds (with pari passu conditions among specified investment corporation bonds)	April 25, 2014	—	—	4,000,000	0.37%	April 25, 2019	Partial repayment of the long-term borrowings	Unsecured, non-guaranteed
Total	—	—	—	4,000,000	—	—	—	—

(Note) Annual redemptions of investment corporation bonds scheduled for next five years after each balance sheet date were as follows:

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years
Unsecured bonds (with pari passu conditions among specified investment corporation bonds)	—	—	—	—	4,000,000

For the fiscal period ended November 30, 2014:

(Unit: Thousands of yen)

Issue	Issue Date	Beginning balance	Decrease	Ending balance	Interest Rate	Redemption Date	Use of funds	Remarks
1st unsecured bonds (with pari passu conditions among specified investment corporation bonds)	April 25, 2014	4,000,000	—	4,000,000	0.37%	April 25, 2019	Partial repayment of the long-term borrowings	Unsecured, non-guaranteed
Total	—	4,000,000	—	4,000,000	—	—	—	—

(Note) Annual redemptions of investment corporation bonds scheduled for next five years after each balance sheet date were as follows:

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years
Unsecured bonds (with pari passu conditions among specified investment corporation bonds)	—	—	—	—	4,000,000

For the fiscal period ended May 31, 2015:

(Unit: Thousands of yen)

Issue	Issue Date	Beginning balance	Decrease	Ending balance	Interest Rate	Redemption Date	Use of funds	Remarks
1st unsecured bonds (with pari passu conditions among specified investment corporation bonds)	April 25, 2014	4,000,000	—	4,000,000	0.370%	April 25, 2019	Partial repayment of the long-term borrowings	Unsecured, non-guaranteed
2st unsecured bonds (with pari passu conditions among specified investment corporation bonds)	April 21, 2015	—	—	2,000,000	0.297%	April 21, 2020	Partial repayment of the long-term borrowings	Unsecured, non-guaranteed
3st unsecured bonds (with pari passu conditions among specified investment corporation bonds)	April 21, 2015	—	—	2,000,000	0.726%	April 21, 2025	Partial repayment of the long-term borrowings	Unsecured, non-guaranteed
Total	—	4,000,000	—	8,000,000	—	—	—	—

(Note) Annual redemptions of investment corporation bonds scheduled for next five years after each balance sheet date were as follows:

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years
Unsecured bonds (with pari passu conditions among specified investment corporation bonds)	—	—	—	4,000,000	2,000,000

Loans Payable

The following tables show the details of loans payable for the fiscal periods ended November 30, 2012, May 31, 2013, November 30, 2013, May 31, 2014, November 30, 2014 and May 31, 2015, respectively.

For the fiscal period ended November 30, 2012:

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Short-term loans payable	Sumitomo Mitsui Trust Bank, Limited	—	17,000,000	—	17,000,000	0.45195%	June 13, 2013	(Note 2)	Unsecured, non-guaranteed
	Total	—	17,000,000	—	17,000,000				
Long-term loans payable	Sumitomo Mitsui Banking Corporation	—	6,000,000	—	6,000,000	0.37695%	June 13, 2014	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	—	3,000,000	—	3,000,000	0.79955%	June 13, 2015	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	3,000,000	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	—	3,000,000	—	3,000,000				
	Mizuho Corporate Bank, Ltd. (Note 3)	—	3,000,000	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	—	3,000,000	—	3,000,000	0.86572%	June 13, 2016	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	3,000,000	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	—	3,000,000	—	3,000,000				
	Mizuho Corporate Bank, Ltd. (Note 3)	—	3,000,000	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	3,000,000	—	3,000,000	0.95315%	June 13, 2017	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	—	3,000,000	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	—	3,000,000	—	3,000,000				
	Mizuho Corporate Bank, Ltd. (Note 3)	—	3,000,000	—	3,000,000				
	Mizuho Corporate Bank, Ltd. (Note 3)	—	3,000,000	—	3,000,000	1.06309%	June 13, 2018	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	3,000,000	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	—	3,000,000	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	—	3,000,000	—	3,000,000				
	Development Bank of Japan Inc.	—	6,000,000	—	6,000,000	1.19051%	June 13, 2019	(Note 2)	Unsecured, non-guaranteed
Total		—	60,000,000	—	60,000,000				

(Note 1) Weighted average rate, rounding to the sixth decimal place.

(Note 2) Use of the borrowings is acquisition of the real estate trust beneficiary interests.

(Note 3) On July 1, 2013, Mizuho Corporate Bank, Ltd. changed its corporate name to Mizuho Bank, Ltd.

(Note 4) Annual repayments of long-term loans payable (except for current portion) scheduled for next five years after each balance sheet date were as follows:

(Unit: Thousands of yen)

	1-2 years	2-3 years	3-4 years	4-5 years
Long-term loans payable	6,000,000	12,000,000	12,000,000	12,000,000

For the fiscal period ended May 31, 2013:

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Short-term loans payable	Sumitomo Mitsui Trust Bank, Limited	17,000,000	—	17,000,000	—	0.45263%	June 13, 2013	(Note 2)	Unsecured, non-guaranteed
Total		17,000,000	—	17,000,000	—				
Long-term loans payable (Note 3)	Mitsubishi UFJ Trust and Banking Corporation	—	4,000,000	—	4,000,000	0.33776%	April 25, 2014	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	6,000,000	—	—	6,000,000	0.36989%	June 13, 2014	(Note 2)	Unsecured, non-guaranteed
	Mizuho Trust & Banking Co.,LTD.	—	2,000,000	—	2,000,000	0.30516%	March 31, 2015	(Note 4)	Unsecured, non-guaranteed
	Resona Bank, Limited.	—	1,500,000	—	1,500,000				
	The Bank of Fukuoka, Ltd.	—	1,000,000	—	1,000,000				
	The Gunma Bank, Ltd.	—	500,000	—	500,000				
	Shinkin Central Bank	—	500,000	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	—	500,000	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000	0.79955%	June 13, 2015	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	Mizuho Corporate Bank, Ltd. (Note 5)	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000	0.86572%	June 13, 2016	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mizuho Corporate Bank, Ltd. (Note 5)	3,000,000	—	—	3,000,000				
	Mizuho Trust & Banking Co.,LTD.	—	2,000,000	—	2,000,000	0.33016%	March 31, 2017	(Note 4)	Unsecured, non-guaranteed
	Resona Bank, Limited.	—	1,500,000	—	1,500,000				
	The Bank of Fukuoka, Ltd.	—	1,000,000	—	1,000,000				
	The Gunma Bank, Ltd.	—	500,000	—	500,000				
	Shinkin Central Bank	—	500,000	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	—	500,000	—	500,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000	0.95315%	June 13, 2017	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	Mizuho Corporate Bank, Ltd. (Note 5)	3,000,000	—	—	3,000,000				

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Long-term loans payable (Note 3)	Sumitomo Mitsui Trust Bank, Limited	—	5,000,000	—	5,000,000	0.68315% (Note 6)	March 31, 2018	(Note 4)	Unsecured, non-guaranteed
	Mizuho Corporate Bank, Ltd. (Note 5)	3,000,000	—	—	3,000,000	1.06309%	June 13, 2018	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	—	800,000	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	—	800,000	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Mizuho Corporate Bank, Ltd. (Note 5)	—	800,000	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	800,000	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	400,000	—	400,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	—	400,000	—	400,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	6,000,000	—	—	6,000,000	1.19051%	June 13, 2019	(Note 2)	Unsecured, non-guaranteed
Total		60,000,000	25,000,000	—	85,000,000				

(Note 1) Weighted average rate, rounding to the sixth decimal place.

(Note 2) Use of the borrowings is acquisition of the real estate trust beneficiary interests.

(Note 3) Long-term loans payable include current portion.

(Note 4) Use of the borrowings is appropriated to repayment of outstanding loans payable.

(Note 5) On July 1, 2013, Mizuho Corporate Bank, Ltd. changed its corporate name to Mizuho Bank, Ltd.

(Note 6) This long-term loans payable is hedged by interest rate swap contract. The average interest rate reflects the effectiveness of this hedging instrument.

(Note 7) Annual repayments of long-term loans payable (except for current portion) scheduled for next five years after each balance sheet date were as follows:

(Unit: Thousands of yen)

	1-2 years	2-3 years	3-4 years	4-5 years
Long-term loans payable	12,000,000	12,000,000	18,000,000	17,000,000

For the fiscal period ended November 30, 2013:

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Short-term loans payable	Mitsubishi UFJ Trust and Banking Corporation	—	3,000,000	—	3,000,000	0.29941%	August 30, 2014	(Note 2)	Unsecured, non-guaranteed
Total		—	3,000,000	—	3,000,000				
Long-term loans payable (Note 3)	Mitsubishi UFJ Trust and Banking Corporation	4,000,000	—	—	4,000,000	0.32470%	April 25, 2014	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	6,000,000	—	—	6,000,000	0.34970%	June 13, 2014	(Note 2)	Unsecured, non-guaranteed
	Mizuho Trust & Banking Co.,LTD.	2,000,000	—	—	2,000,000	0.29970%	March 31, 2015	(Note 4)	Unsecured, non-guaranteed
	Resona Bank, Limited.	1,500,000	—	—	1,500,000				
	The Bank of Fukuoka, Ltd.	1,000,000	—	—	1,000,000				
	The Gunma Bank, Ltd.	500,000	—	—	500,000				
	Shinkin Central Bank	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000	0.79955%	June 13, 2015	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000	0.86572%	June 13, 2016	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Mizuho Trust & Banking Co.,LTD.	2,000,000	—	—	2,000,000	0.32470%	March 31, 2017	(Note 4)	Unsecured, non-guaranteed
	Resona Bank, Limited.	1,500,000	—	—	1,500,000				
	The Bank of Fukuoka, Ltd.	1,000,000	—	—	1,000,000				
	The Gunma Bank, Ltd.	500,000	—	—	500,000				
	Shinkin Central Bank	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	500,000	—	—	500,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000	0.95315%	June 13, 2017	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Long-term loans payable (Note 3)	Sumitomo Mitsui Trust Bank, Limited	5,000,000	—	—	5,000,000	0.68315% (Note 5)	March 31, 2018	(Note 4)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000	1.06309%	June 13, 2018	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	400,000	—	—	400,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	400,000	—	—	400,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	6,000,000	—	—	6,000,000	1.19051%	June 13, 2019	(Note 2)	Unsecured, non-guaranteed
Total		85,000,000	—	—	85,000,000				

(Note 1) Weighted average rate, rounding to the sixth decimal place.

(Note 2) Use of the borrowings is acquisition of the real estate trust beneficiary interests.

(Note 3) Long-term loans payable include current portion.

(Note 4) Use of the borrowings is appropriated to repayment of outstanding loans payable.

(Note 5) This long-term loans payable is hedged by interest rate swap contract. The average interest rate reflects the effectiveness of this hedging instrument.

(Note 6) Annual repayments of long-term loans payable scheduled for next five years after each balance sheet date were as follows:

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years
Long-term loans payable	10,000,000	18,000,000	12,000,000	18,000,000	17,000,000

For the fiscal period ended May 31, 2014:

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Short-term loans payable	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000	0.29726%	August 30, 2014	(Note 2)	Unsecured, non-guaranteed
Total		3,000,000	—	—	3,000,000				
Long-term loans payable (Note 3)	Mitsubishi UFJ Trust and Banking Corporation	4,000,000	—	4,000,000	—	0.32249%	April 25, 2014	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	6,000,000	—	—	6,000,000	0.34726%	June 13, 2014	(Note 2)	Unsecured, non-guaranteed
	Mizuho Trust & Banking Co.,LTD.	2,000,000	—	—	2,000,000	0.29726%	March 31, 2015	(Note 4)	Unsecured, non-guaranteed
	Resona Bank, Limited.	1,500,000	—	—	1,500,000				
	The Bank of Fukuoka, Ltd.	1,000,000	—	—	1,000,000				
	The Gunma Bank, Ltd.	500,000	—	—	500,000				
	Shinkin Central Bank	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000	0.79955%	June 13, 2015	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000	0.86572%	June 13, 2016	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Mizuho Trust & Banking Co.,LTD.	2,000,000	—	—	2,000,000	0.32226%	March 31, 2017	(Note 4)	Unsecured, non-guaranteed
	Resona Bank, Limited.	1,500,000	—	—	1,500,000				
	The Bank of Fukuoka, Ltd.	1,000,000	—	—	1,000,000				
	The Gunma Bank, Ltd.	500,000	—	—	500,000				
	Shinkin Central Bank	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	500,000	—	—	500,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000	0.95315%	June 13, 2017	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Long-term loans payable (Note 3)	Sumitomo Mitsui Trust Bank, Limited	5,000,000	—	—	5,000,000	0.68315% (Note 5)	March 31, 2018	(Note 4)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000	1.06309%	June 13, 2018	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	400,000	—	—	400,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	400,000	—	—	400,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	6,000,000	—	—	6,000,000	1.19051%	June 13, 2019	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	—	160,000	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	—	160,000	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	—	160,000	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	160,000	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	80,000	—	80,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	—	80,000	—	80,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	—	1,060,000	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	—	1,060,000	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	—	1,060,000	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	1,060,000	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	530,000	—	530,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	—	530,000	—	530,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	—	1,340,000	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	—	1,340,000	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	—	1,340,000	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	1,340,000	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Long-term loans payable (Note 3)	Sumitomo Mitsui Banking Corporation	—	670,000	—	670,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	—	670,000	—	670,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
Total		85,000,000	12,800,000	4,000,000	93,800,000				

(Note 1) Weighted average rate, rounding to the sixth decimal place.

(Note 2) Use of the borrowings is acquisition of the real estate trust beneficiary interests.

(Note 3) Long-term loans payable include current portion.

(Note 4) Use of the borrowings is appropriated to repayment of outstanding loans payable.

(Note 5) This long-term loans payable is hedged by interest rate swap contract. The average interest rate reflects the effectiveness of this hedging instrument.

(Note 6) Annual repayments of long-term loans payable scheduled for next five years after each balance sheet date were as follows:

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years
Long-term loans payable	12,000,000	12,000,000	18,000,000	17,000,000	16,000,000

For the fiscal period ended November 30, 2014:

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Short-term loans payable	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	3,000,000	—	0.29636%	August 30, 2014	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	—	2,500,000	2,500,000	—	0.40482%	July 9, 2014	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	—	2,500,000	2,500,000	—				
	Mizuho Bank, Ltd.	—	2,500,000	2,500,000	—				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	2,500,000	2,500,000	—				
Total		3,000,000	10,000,000	13,000,000	—				
Long-term loans payable (Note 3)	Sumitomo Mitsui Banking Corporation	6,000,000	—	6,000,000	—	0.34636%	June 13, 2014	(Note 2)	Unsecured, non-guaranteed
	Mizuho Trust & Banking Co., LTD.	2,000,000	—	—	2,000,000	0.29532%	March 31, 2015	(Note 4)	Unsecured, non-guaranteed
	Resona Bank, Limited.	1,500,000	—	—	1,500,000				
	The Bank of Fukuoka, Ltd.	1,000,000	—	—	1,000,000				
	The Gunma Bank, Ltd.	500,000	—	—	500,000				
	Shinkin Central Bank	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000	0.79955%	June 13, 2015	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	—	1,400,000	—	1,400,000	0.29504%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	—	1,400,000	—	1,400,000	0.29504%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	—	1,400,000	—	1,400,000	0.29504%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	1,400,000	—	1,400,000	0.29504%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	700,000	—	700,000	0.29504%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	—	700,000	—	700,000	0.29504%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000	0.86572%	June 13, 2016	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Banking Corporation	—	6,000,000	—	6,000,000	0.31524%	December 13, 2016	(Note 4)	Unsecured, non-guaranteed

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Long-term loans payable (Note 3)	Mizuho Trust & Banking Co.,LTD.	2,000,000	—	—	2,000,000	0.32032%	March 31, 2017	(Note 4)	Unsecured, non-guaranteed
	Resona Bank, Limited.	1,500,000	—	—	1,500,000				
	The Bank of Fukuoka, Ltd.	1,000,000	—	—	1,000,000				
	The Gunma Bank, Ltd.	500,000	—	—	500,000				
	Shinkin Central Bank	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	500,000	—	—	500,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000	0.95315%	June 13, 2017	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	5,000,000	—	—	5,000,000	0.68315% (Note 5)	March 31, 2018	(Note 4)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000	1.06309%	June 13, 2018	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	400,000	—	—	400,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	400,000	—	—	400,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	6,000,000	—	—	6,000,000	1.19051%	June 13, 2019	(Note 2)	Unsecured, non-guaranteed
	Mizuho Trust & Banking Co.,LTD.	—	1,500,000	—	1,500,000	0.51000%	August 29, 2019	(Note 4)	Unsecured, non-guaranteed
	Shinkin Central Bank	—	1,500,000	—	1,500,000				
	Sumitomo Mitsui Trust Bank, Limited	160,000	—	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	160,000	—	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	160,000	—	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	160,000	—	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Long-term loans payable (Note 3)	Sumitomo Mitsui Banking Corporation	80,000	—	—	80,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	80,000	—	—	80,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	—	600,000	—	600,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	—	600,000	—	600,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	—	600,000	—	600,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	600,000	—	600,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	300,000	—	300,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	—	300,000	—	300,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	1,060,000	—	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	1,060,000	—	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	1,060,000	—	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,060,000	—	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	530,000	—	—	530,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	530,000	—	—	530,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	1,340,000	—	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	1,340,000	—	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	1,340,000	—	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,340,000	—	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	670,000	—	—	670,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	670,000	—	—	670,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
Total		93,800,000	19,000,000	6,000,000	106,800,000				

(Note 1) Weighted average rate, rounding to the sixth decimal place.

(Note 2) Use of the borrowings is acquisition of the real estate trust beneficiary interests.

(Note 3) Long-term loans payable include current portion.

(Note 4) Use of the borrowings is appropriated to repayment of outstanding loans payable.

(Note 5) This long-term loans payable is hedged by interest rate swap contract. The average interest rate reflects the effectiveness of this hedging instrument.

(Note 6) Annual repayments of long-term loans payable scheduled for next five years after each balance sheet date were as follows:

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years
Long-term loans payable	18,000,000	19,000,000	24,000,000	17,000,000	13,000,000

For the fiscal period ended May 31, 2015:

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Short-term loans payable	Sumitomo Mitsui Trust Bank, Limited	—	4,000,000	4,000,000	—	0.26838%	April 30, 2015	(Note 2)	Unsecured, non-guaranteed
	Total	—	4,000,000	4,000,000	—				
Long-term loans payable (Note 3)	Mizuho Trust & Banking Co., LTD.	2,000,000	—	2,000,000	—	0.28118%	March 31, 2015	(Note 4)	Unsecured, non-guaranteed
	Resona Bank, Limited.	1,500,000	—	1,500,000	—				
	The Bank of Fukuoka, Ltd.	1,000,000	—	1,000,000	—				
	The Gunma Bank, Ltd.	500,000	—	500,000	—				
	Shinkin Central Bank	500,000	—	500,000	—				
	Sumitomo Mitsui Trust Bank, Limited	500,000	—	500,000	—				
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000	0.79955%	June 13, 2015	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	1,400,000	—	—	1,400,000	0.28078%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	1,400,000	—	—	1,400,000	0.28078%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	1,400,000	—	—	1,400,000	0.28078%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,400,000	—	—	1,400,000	0.28078%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	700,000	—	—	700,000	0.28078%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	700,000	—	—	700,000	0.28078%	January 9, 2016	(Note 4)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000	0.86572%	June 13, 2016	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Banking Corporation	6,000,000	—	—	6,000,000	0.30078%	December 13, 2016	(Note 4)	Unsecured, non-guaranteed

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Long-term loans payable (Note 3)	Mizuho Trust & Banking Co., LTD.	2,000,000	—	—	2,000,000	0.30578%	March 31, 2017	(Note 4)	Unsecured, non-guaranteed
	Resona Bank, Limited.	1,500,000	—	—	1,500,000				
	The Bank of Fukuoka, Ltd.	1,000,000	—	—	1,000,000				
	The Gunma Bank, Ltd.	500,000	—	—	500,000				
	Shinkin Central Bank	500,000	—	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	500,000	—	—	500,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000	0.95315%	June 13, 2017	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	—	780,000	—	780,000	0.49815%	January 9, 2018	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	—	780,000	—	780,000	0.49815%	January 9, 2018	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	—	780,000	—	780,000	0.49815%	January 9, 2018	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	780,000	—	780,000	0.49815%	January 9, 2018	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	390,000	—	390,000	0.49815%	January 9, 2018	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	—	390,000	—	390,000	0.49815%	January 9, 2018	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	5,000,000	—	—	5,000,000	0.68315% (Note 5)	March 31, 2018	(Note 4)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	3,000,000	—	—	3,000,000	1.06309%	June 13, 2018	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	3,000,000	—	—	3,000,000				
	Mitsubishi UFJ Trust and Banking Corporation	3,000,000	—	—	3,000,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000,000	—	—	3,000,000				
	Sumitomo Mitsui Trust Bank, Limited	—	500,000	—	500,000	0.52304%	January 9, 2019	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	—	500,000	—	500,000	0.52304%	January 9, 2019	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	—	500,000	—	500,000	0.52304%	January 9, 2019	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	500,000	—	500,000	0.52304%	January 9, 2019	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	250,000	—	250,000	0.52304%	January 9, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	—	250,000	—	250,000	0.52304%	January 9, 2019	(Note 2)	Unsecured, non-guaranteed

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Long-term loans payable (Note 3)	Sumitomo Mitsui Trust Bank, Limited	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	800,000	—	—	800,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	400,000	—	—	400,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	400,000	—	—	400,000	0.91941%	April 19, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	6,000,000	—	—	6,000,000	1.19051%	June 13, 2019	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	—	340,000	—	340,000	0.54352%	July 9, 2019	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	—	340,000	—	340,000	0.54352%	July 9, 2019	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	—	340,000	—	340,000	0.54352%	July 9, 2019	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	340,000	—	340,000	0.54352%	July 9, 2019	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	170,000	—	170,000	0.54352%	July 9, 2019	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	—	170,000	—	170,000	0.54352%	July 9, 2019	(Note 2)	Unsecured, non-guaranteed
	Mizuho Trust & Banking Co., LTD.	1,500,000	—	—	1,500,000	0.51000%	August 29, 2019	(Note 4)	Unsecured, non-guaranteed
	Shinkin Central Bank	1,500,000	—	—	1,500,000				
	Sumitomo Mitsui Trust Bank, Limited	160,000	—	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	160,000	—	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	160,000	—	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	160,000	—	—	160,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	80,000	—	—	80,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	80,000	—	—	80,000	0.93846%	January 10, 2020	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	600,000	—	—	600,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	600,000	—	—	600,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	600,000	—	—	600,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	600,000	—	—	600,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	300,000	—	—	300,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	300,000	—	—	300,000	0.72546%	January 10, 2020	(Note 4)	Unsecured, non-guaranteed

(Unit: Thousands of yen)

	Category	Beginning balance	Increase	Decrease	Ending balance	Average interest rate (Note 1)	Maturity date	Use of funds	Remarks
	Lender								
Long-term loans payable (Note 3)	Resona Bank, Limited.	—	1,500,000	—	1,500,000	0.52500%	March 31, 2020	(Note 4)	Unsecured, non-guaranteed
	The Bank of Fukuoka, Ltd.	—	1,000,000	—	1,000,000				
	The Gunma Bank, Ltd.	—	500,000	—	500,000				
	The Norinchukin Bank	—	500,000	—	500,000				
	Sumitomo Mitsui Trust Bank, Limited	1,060,000	—	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	1,060,000	—	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	1,060,000	—	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,060,000	—	—	1,060,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	530,000	—	—	530,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	530,000	—	—	530,000	1.07980%	December 19, 2020	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	1,340,000	—	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	1,340,000	—	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	1,340,000	—	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,340,000	—	—	1,340,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	670,000	—	—	670,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	670,000	—	—	670,000	1.07856%	January 10, 2021	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	—	840,000	—	840,000	0.73690%	January 9, 2022	(Note 2)	Unsecured, non-guaranteed
	Mitsubishi UFJ Trust and Banking Corporation	—	840,000	—	840,000	0.73690%	January 9, 2022	(Note 2)	Unsecured, non-guaranteed
	Mizuho Bank, Ltd.	—	840,000	—	840,000	0.73690%	January 9, 2022	(Note 2)	Unsecured, non-guaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	840,000	—	840,000	0.73690%	January 9, 2022	(Note 2)	Unsecured, non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	420,000	—	420,000	0.73690%	January 9, 2022	(Note 2)	Unsecured, non-guaranteed
	Development Bank of Japan Inc.	—	420,000	—	420,000	0.73690%	January 9, 2022	(Note 2)	Unsecured, non-guaranteed
	Mizuho Trust & Banking Co., LTD.	—	2,000,000	—	2,000,000	0.68500%	March 31, 2022	(Note 4)	Unsecured, non-guaranteed
	Shinkin Central Bank	—	500,000	—	500,000				
Total		106,800,000	18,300,000	6,000,000	119,100,000				

(Note 1) Weighted average rate, rounding to the sixth decimal place.

(Note 2) Use of the borrowings is acquisition of the real estate trust beneficiary interests.

(Note 3) Long-term loans payable include current portion.

(Note 4) Use of the borrowings is appropriated to repayment of outstanding loans payable.

(Note 5) This long-term loans payable is hedged by interest rate swap contract. The average interest rate reflects the effectiveness of this hedging instrument.

(Note 6) Annual repayments of long-term loans payable scheduled for next five years after each balance sheet date were as follows:

(Unit: Thousands of yen)

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years
Long-term loans payable	19,000,000	24,000,000	20,900,000	18,500,000	18,000,000