

## Financial Report for the Fiscal Period Ended November 30, 2020 (June 1, 2020 – November 30, 2020)

### Activia Properties Inc.

Listing: Tokyo Stock Exchange  
 Securities code: 3279  
 URL: <https://www.activia-reit.co.jp/en/>  
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 Scheduled date to start distribution payments: February 12, 2021  
 Supplementary material on financial report: Yes  
 Financial report presentation meeting: Yes (for institutional investors and analysts)

(Amounts truncated to the nearest million yen)

### 1. Summary of financial results for the fiscal period ended November 30, 2020 (June 1, 2020 – November 30, 2020)

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

	Operating revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended November 30, 2020	15,073	0.6	8,228	0.3	7,363	0.4	7,363	0.4
Fiscal period ended May 31, 2020	14,984	(3.6)	8,206	(5.5)	7,333	(6.2)	7,332	(6.2)

	Basic earnings per unit	Return on unitholders' equity (ROE)	Ordinary profit to total assets	Ordinary profit to operating revenue
	Yen	%	%	%
Fiscal period ended November 30, 2020	9,547	2.9	1.4	48.9
Fiscal period ended May 31, 2020	9,507	2.9	1.4	48.9

(Note) Basic earnings per unit is calculated by dividing profit by the day-weighted average number of investment units for the period (771,224 units for the fiscal period ended May 31, 2020 and for the fiscal period ended November 30, 2020).

## (2) Cash distributions

	Cash distributions per unit (excluding excess of earnings)	Total distributions (excluding excess of earnings)	Cash distributions in excess of earnings per unit	Total distributions in excess of earnings	Cash distributions per unit (including excess of earnings)	Total distributions (including excess of earnings)
	Yen	Millions of yen	Yen	Millions of yen	Yen	Millions of yen
Fiscal period ended November 30, 2020	9,514	7,337	33	25	9,547	7,362
Fiscal period ended May 31, 2020	9,504	7,329	4	3	9,508	7,332

	Payout ratio	Distribution ratio to unitholders' equity
	%	%
Fiscal period ended November 30, 2020	99.7	2.9
Fiscal period ended May 31, 2020	100.0	2.9

(Note 1) The ¥33 in cash distributions in excess of earnings per unit for the fiscal period ended November 30, 2020 comprises ¥33 in allowance for temporary difference adjustments. There are no distributions on reduction of unitholders' capital for tax purposes.

(Note 2) The ¥4 in cash distributions in excess of earnings per unit for the fiscal period ended May 31, 2020 comprises ¥4 in allowance for temporary difference adjustments. There are no distributions on reduction of unitholders' capital for tax purposes.

## (3) Financial position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
	Millions of yen	Millions of yen	%	Yen
As of November 30, 2020	525,378	255,705	48.7	331,558
As of May 31, 2020	525,686	255,700	48.6	331,551

(Reference) Unitholders' equity

As of November 30, 2020: ¥255,705 million

As of May 31, 2020: ¥255,700 million

## (4) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended November 30, 2020	8,874	(713)	(7,366)	17,551
Fiscal period ended May 31, 2020	29,648	(31,151)	2,074	16,756

## 2. Forecasts of results for the fiscal period from December 1, 2020 to May 31, 2021 and the fiscal period from June 1, 2021 to November 30, 2021

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

	Operating revenue		Operating profit		Ordinary profit		Profit		Cash distributions per unit (excluding excess of earnings)	Cash distributions in excess of earnings per unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Fiscal period ending May 31, 2021	14,927	(1.0)	8,132	(1.2)	7,158	(2.8)	7,157	(2.8)	9,280	0
Fiscal period ending November 30, 2021	15,262	2.2	8,183	0.6	7,173	0.2	7,172	0.2	9,300	0

(Reference) Forecasted profit per unit (forecasted profit / total projected number of investment units issued at end of period)  
for the fiscal period ending May 31, 2021: ¥9,280  
for the fiscal period ending November 30, 2021: ¥9,300

### \* Other

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

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

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

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

As of November 30, 2020	771,224 units
As of May 31, 2020	771,224 units
- b. Number of treasury units at end of period

As of November 30, 2020	– units
As of May 31, 2020	– units

(Note) Please refer to “Per Unit Information” on page 35 for the number of investment units used as the basis for calculating basic earnings per unit.

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

### \* Other special items

Forward-looking statements presented in this financial report including forecasts of results are based on information currently available to us and on certain assumptions we deem to be reasonable. As such, actual operating and other results may differ materially due to a number of factors. Furthermore, these forecasts are in no way a guarantee of any distribution amount. Please refer to “Assumptions for Forecasts of Investment Performance for the 19th Fiscal Period from December 1, 2020 to May 31, 2021 and the 20th Fiscal Period from June 1, 2021 to November 30, 2021” on pages 11 through 12 for information on assumptions for the forecasts.

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

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## 1. Asset Management Status

### (1) Asset Management Status

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

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

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

After that, the Investment Corporation was listed on the real estate investment trust securities market of Tokyo Stock Exchange, Inc. (Securities code 3279) on June 13, 2012. On December 19, 2018, the Investment Corporation carried out a publicly offered capital increase for the sixth consecutive year, and on January 7, 2019, it carried out a third-party allotment.

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

The Investment Corporation has continued to carefully select investment assets with a focus on location and quality since having concluded its IPO, and consequently held 44 properties (with the total acquisition price of ¥509,185 million) at the end of the fiscal period under review.

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

The Japanese economy in the fiscal period under review showed trends of recovery in personal consumption, exports and production in spite of the prevailing difficult environment caused by the sharp economic decline due to COVID-19. However, the outlook is currently uncertain due to the numbers of new infections of COVID-19 being at record levels, among other factors.

The environment surrounding retail properties has shown a continuing trend of recovery, in spite of ongoing difficulties concerning consumer sentiment, according to the Monthly Consumer Confidence Survey released by the Economic and Social Research Institute, Cabinet Office, Government of Japan. Moreover, measures taken by respective nations restricting travel and immigration amid proliferation of COVID-19 have continued to affect demand related to inbound tourism. For instance, the number of overseas visitor arrivals to Japan decreased by 97.7% year on year in November 2020, according to the Japan National Tourism Organization.

In the rental office market, both occupancy rates and rents have held to high levels particularly in the five central wards of Tokyo (Chiyoda-ku, Minato-ku, Chuo-ku, Shibuya-ku and Shinjuku-ku). Nevertheless, we now are seeing a trend of office consolidations and relocations to smaller offices due to the stagnant economic activity caused by COVID-19. Meanwhile, the average vacancy rate in the five central wards of Tokyo as of November 30, 2020, according to data published by Miki Shoji Co., Ltd., was 4.33% an increase of 2.69 percentage points from the period ended May 31, 2020. Rent levels also weakened, ending a run of 80 consecutive months of increasing average rent, which had been continuing since January 2014. The average rent per *tsubo* (about 3.3 square meters) in the five central wards of Tokyo as of November 30, 2020, was ¥22,223. In addition, occupancy rates and average rents in major cities outside Tokyo followed trends that were generally similar to the five central wards of Tokyo.

Despite a prevailing uncertainty concerning the economic outlook due to the effect of COVID-19, the J-REIT market is proceeding with a firm base as actual financial results are steadily disclosed by REIT companies while uncertainties that had been excessively taken into account in previous periods are receding.

(C) Investment Performance

The Investment Corporation has continued to maintain and improve its portfolio in accordance with the basic asset management policy set forth in the Articles of Incorporation. Consequently, total assets held by the Investment Corporation at the end of the fiscal period under review were 44 properties (with the total acquisition price of ¥509,185 million) with the total leasable area of 425,490.09 m<sup>2</sup> (128,708 *tsubo*).

The trend of monthly average occupancy rate (Note) during the fiscal period under review is as follows:

	June 30, 2020	July 31, 2020	August 31, 2020	September 30, 2020	October 31, 2020	November 30, 2020
Urban Retail Properties	99.3%	99.2%	99.2%	98.9%	98.6%	98.9%
Tokyo Office Properties	99.7%	99.3%	99.3%	99.0%	97.3%	97.8%
Activia Account Properties	99.9%	100.0%	100.0%	100.0%	98.5%	99.6%
Total	99.7%	99.6%	99.6%	99.4%	98.2%	98.9%

(Note) Figures for occupancy rates are rounded to the nearest tenth.

(D) Initiatives Regarding Sustainability

In order to build a portfolio consisting of “real estate capable of sustaining customer demand” with the aim of maximizing medium- and long-term unitholder value, the Investment Corporation has been promoting various initiatives with its sights set on lowering environmental loads and contributing to our nearby surroundings and local communities, thereby extending beyond considerations such as location, use, size and qualities. Based on such initiatives, the Investment Corporation’s asset management company TLC REIT Management Inc. established the “Sustainability Policy,” clearly stating our approach in contributing to sustainable development of society. In July 2019, as material issues that the Investment Corporation needs to address, we released quantitative targets encompassing a wider range of performance benchmarks from an environmental standpoint, and also clearly stated practical management policy to such ends. This involves daily effort to achieve our basic objective of cutting unit energy consumption, etc. by an annual average of 1% over the medium to long term. Initiatives carried out in the fiscal period under review include upgrading to LED lighting at some common areas of Ebisu Prime Square, icot Tama Center and Commercial Mall Hakata, and some private areas at A-FLAG KOTTO DORI, TLC Ebisu Building, A-PLACE Shinagawa, A-PLACE Shibuya Konnoh, A-PLACE Shinagawa Higashi and Ebisu Prime Square. At A-PLACE Bashamichi, we replaced a compressor for air conditioning, adopting parts with special energy-saving performance, and at Osaka Nakanoshima Building, we continued to replace toilets with those that use water-saving equipment, which was an ongoing project from the previous fiscal period.

Moreover, we continue to engage in annual initiatives geared to acquiring green building certifications. During the fiscal period under review, we have acquired the CASBEE (Comprehensive Assessment System for Built Environment Efficiency) for Real Estate certification for Ebisu Prime Square (A class). We have also acquired the BELS certifications for Kyoto Karasuma Parking Building (five stars). As such, a total of 28 of our properties have acquired green building certification, which amounted to 65.8% of our holdings calculated on the basis of gross floor area (as of November 30, 2020).

Furthermore, at Tokyu Plaza Omotesando Harajuku and DECKS Tokyo Beach, we created opportunities for our customers to become familiar with environmental conservation activities by distributing free musical instrument creation kits called “Bird Call” that use wood from forest trimmings. In addition, as a measure to stop the spread of COVID-19 at 15 office buildings, we ensured that our tenants used the facilities safely by applying coatings that inactivate viruses to

communal surfaces (chiefly door knobs, handrails, doors, and elevator interiors).

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

#### (E) Overview of Financing

In the fiscal period under review, the Investment Corporation diversified repayment dates on debt, extended the average maturity, and diversified means of financing. Also, with the aims of further promoting its sustainability initiatives and expanding its range of investors by fueling demand from new investors who are interested in ESG investment, the Investment Corporation issued green bonds (unsecured investment corporation bonds) of ¥4,500 million on October 21, 2020, and used the funds to cover repayment of short-term borrowings. The Investment Corporation also borrowed ¥1,518 million largely in order to cover repayment of borrowings that had come due, and worked to otherwise maintain a stable financial base through ongoing moves that have included diversifying repayment dates. As a result, as of the end of the fiscal period under review, the balance of interest-bearing debt was ¥244,368 million (borrowings of ¥222,868 million and investment corporation bonds of ¥21,500 million). The ratio of interest-bearing debt to total assets (LTV = Balance of interest-bearing debt / Total assets x 100) was 46.5% as of the end of the fiscal period under review. The long-term debt ratio and the ratio of fixed-interest debt to total interest-bearing debt were 97.3% and 89.9%, respectively.

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

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

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

As a result of the above-mentioned investments, operating revenue, operating profit, and ordinary profit were ¥15,073 million, ¥8,228 million, and ¥7,363 million, respectively, for the fiscal period under review, and profit was ¥7,363 million.

In accordance with the distribution policy set forth by the Investment Corporation (Article 35 of the Articles of Incorporation), the decision was made with respect to paying distributions of profits of ¥7,337,425,136, which is the entire amount of the net profit defined in Article 136, Paragraph 1 of the Investment Trust Act, with such amount excluding a fraction of less than ¥1 of distributions per investment unit, with the aim that as greatest as possible distributions of profits would be included in tax deductible expenses under Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, including subsequent revisions; hereinafter referred to as the "Special Taxation Measures Act"). In addition, distributions in excess of earnings shall be made in an amount decided by the Investment Corporation and equivalent to a deduction in net assets (refers to stipulations of Article 2, Paragraph 2, Item 30 (b) of the Regulations on Accountings of Investment Corporations), taking into account effects of the deduction in net assets on distribution amounts. During the fiscal period under review, the Investment Corporation has accordingly decided to distribute ¥25,450,392 as distributions related to allowance for temporary difference adjustments, calculated to exclude a fraction of less than ¥1 of distributions in excess of earnings per investment unit from the amount equivalent to ¥25,499,775, which is calculated by deducting ¥3,084,896 of temporary difference adjustments (refers to stipulations of Article 2, Paragraph 2, Item 30 of the Regulations on Accountings of Investment Corporations) from deferred losses on hedges of ¥28,584,671, in the current fiscal period. Consequently, distributions per investment unit resulted in ¥9,547.

## ii) Outlook for the Next Fiscal Period

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

In the Japanese economy going forward, although we face prevailing difficulties from COVID-19, we believe that there will be steady improvement in regard to both the stemming of the spread of infection and economic activities. Nevertheless, it is important to continue watching the trends of infection in both Japan and abroad.

In the rental office market, we expect vacancy rates to rise and rent levels to fall to some extent within a certain area. However, we believe that property in prime locations will continue to be resilient. With respect to the environment surrounding retail properties, although we are seeing continuing signs of recovery in consumer sentiment, we expect the difficult conditions caused by the decrease in numbers of overseas visitor arrivals to Japan among factors will continue. Although we expect the J-REIT market will continue to be affected by COVID-19, looking overseas, if anti-virus measures, such as the beginning of vaccinations, continue to make steady progress, we believe the J-REIT market will soon reflect new optimism for a resumption in economic activities. Furthermore, amidst the adoption of accommodative monetary policies in Japan and abroad and the continuing state of low interest rates, we expect continued long-term inflow of funds into J-REIT due to its stable earnings and relatively high returns, etc.

Amid this environment, the Investment Corporation will fulfill its social responsibility in preventing the spread of infections, etc. while minimizing the impact of the COVID-19 pandemic through its abundant management expertise, and pursue internal growth utilizing the strength of its portfolio with rigorously selected investment assets, aiming to return to the path of improving unitholder value.

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

#### a. Basic Policy

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

#### b. External Growth Strategy

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

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

#### c. Internal Growth Strategy

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

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



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

d. Financial Strategy

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

(C) Significant Subsequent Events

Not applicable.

(D) Outlook of Investment Performance

For the fiscal period ending May 31, 2021 (19th fiscal period: December 1, 2020 to May 31, 2021), investment performance is estimated as follows. For the assumptions used for the estimation of investment performance, please refer to “Assumptions for Forecasts of Investment Performance for the 19th Fiscal Period from December 1, 2020 to May 31, 2021 and the 20th Fiscal Period from June 1, 2021 to November 30, 2021” on pages 11 through 12.

Operating revenue	¥14,927 million
Operating profit	¥8,132 million
Ordinary profit	¥7,158 million
Profit	¥7,157 million
Cash distributions per unit	¥9,280
Cash distributions in excess of earnings per unit	¥-

If it is assumed that there are no changes in “Assumptions for Forecasts of Investment Performance for the 19th Fiscal Period from December 1, 2020 to May 31, 2021 and the 20th Fiscal Period from June 1, 2021 to November 30, 2021” on pages 11 through 12, the outlook of investment performance for the fiscal period ending November 30, 2021 (20th fiscal period: June 1, 2021 to November 30, 2021) is estimated as follows.

Operating revenue	¥15,262 million
Operating profit	¥8,183 million
Ordinary profit	¥7,173 million
Profit	¥7,172 million
Cash distributions per unit	¥9,300
Cash distributions in excess of earnings per unit	¥-

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

**Assumptions for Forecasts of Investment Performance for the 19th Fiscal Period from December 1, 2020 to May 31, 2021 and the 20th Fiscal Period from June 1, 2021 to November 30, 2021**

Item	Assumptions
Period	<ul style="list-style-type: none"> <li>• 19th fiscal period (December 1, 2020 to May 31, 2021) (182 days)</li> <li>• 20th fiscal period (June 1, 2021 to November 30, 2021) (183 days)</li> </ul>
Investment portfolio	<ul style="list-style-type: none"> <li>• Our forecasts of investment performance assume that the Investment Corporation holds 44 properties as of today (the “Assets Currently Held”).</li> <li>• Our forecasts, however, may change due to any changes to the composition of our investment portfolio.</li> </ul>
Operating revenue	<ul style="list-style-type: none"> <li>• We have calculated our real estate leasing business revenues from the Assets Currently Held taking into account the relevant lease agreements effective as of today, market trends, etc.</li> <li>• Operating revenue is based on our assumption that there will be no delinquencies or non-payment of rents by tenants.</li> <li>• In addition to the above, a certain amount of the expected lower leasing business revenue, etc. due to the impact of the COVID-19 pandemic has been factored into the calculations.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>• Expenses related to leasing business (other than depreciation), which are our principal operating expenses, were calculated based on the historical information and upon considering variable factors.</li> <li>• In general, property tax and city planning tax of properties acquired are settled at the time of acquisition between the former owner (seller) and the purchaser based on their respective periods of ownership in relation to the relevant tax year. However, any of these taxes allocated to the purchaser are not expensed at the time of acquisition because they are treated as a part of the acquisition cost for accounting purposes. For property tax and city planning tax, ¥1,269 million and ¥1,430 million for the Assets Currently Held will be expensed in the fiscal period ending May 31, 2021 (19th fiscal period) and in the fiscal period ending November 30, 2021 (20th fiscal period), respectively.</li> <li>• Repair and maintenance expenses of buildings are estimated at the amount required for each of the fiscal periods based on the medium- and long-term repair and maintenance plans formed by the Asset Manager. However, the actual repair and maintenance expenses for the fiscal periods may significantly differ from the estimates since (i) an unforeseeable event may cause serious damage to a building requiring emergent repair expenditure, (ii) in general, amounts vary according to the fiscal period, and (iii) certain types of repair and maintenance expenses are not required in every fiscal period.</li> <li>• We calculate depreciation expenses (including incidental expenses) by the straight-line method, assuming ¥1,353 million and ¥1,368 million for the 19th fiscal period ending May 31, 2021 and the 20th fiscal period ending November 30, 2021, respectively.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>• We expect interest expense and other borrowing-related expenses of ¥974 million in the fiscal period ending May 31, 2021 (19th fiscal period) and ¥1,009 million for the fiscal period ending November 30, 2021 (20th fiscal period).</li> </ul>

Item	Assumptions
Interest-bearing debt	<ul style="list-style-type: none"> <li>• As of today, the Investment Corporation has a balance of interest-bearing debt of ¥244,368 million (borrowings of ¥222,868 million and investment corporation bonds of ¥21,500 million). <ul style="list-style-type: none"> <li>• We assume that there will be refinancing of all interest-bearing debt due by the end of the fiscal period ending May 31, 2021 (19th fiscal period) and the fiscal period ending November 30, 2021 (20th fiscal period) (19th fiscal period: short-term borrowings of ¥5,000 million and long-term borrowings of ¥12,500 million; 20th fiscal period: short-term borrowings of ¥1,518 million and long-term borrowings of ¥13,750 million).</li> </ul> </li> <li>• We assume the LTV ratios as of May 31, 2021 and November 30, 2021 are both to be approximately mid-46%.</li> <li>• The LTV ratio is obtained by the following formula:  <math display="block">\text{LTV} = \text{Balance of interest-bearing debt} / \text{Total assets} \times 100</math> </li> </ul>
Units	<ul style="list-style-type: none"> <li>• The number is based on our assumption of total of 771,224 units issued as of today. We assume that there will be no additional issuance of new investment units before the end of the 20th fiscal period (November 30, 2021).</li> <li>• The cash distributions per unit for the 19th fiscal period ending May 31, 2021 and the 20th fiscal period ending November 30, 2021 have been calculated in accordance with the total projected number of investment units issued as of the end of each of the fiscal periods which is 771,224 units.</li> </ul>
Cash distributions per unit	<ul style="list-style-type: none"> <li>• Cash distributions (cash distributions per unit) are calculated based on the cash distribution policy stipulated in our Articles of Incorporation.</li> <li>• The cash distributions per unit may change due to various factors, including changes to the composition of our investment portfolio, changes in rental revenues accompanying changes in tenants, and unexpected maintenance and repairs.</li> <li>• Deferred losses on hedges, which arise from interest rate swaps and are counted as a deduction in net assets, are calculated assuming no fluctuation.</li> </ul>
Cash distributions in excess of earnings per unit	<ul style="list-style-type: none"> <li>• As stated above, deferred losses on hedges, which are counted as a deduction in net assets, are calculated assuming no fluctuation. Accordingly, we do not anticipate distributions in excess of earnings (allowance for temporary difference adjustments) for the 19th fiscal period ending May 31, 2021 or the 20th fiscal period ending November 30, 2021.</li> <li>• Among cash distributions in excess of earnings, we currently do not anticipate distributions deemed as distributions on reduction of unitholders' capital for tax purposes.</li> </ul>
Other	<ul style="list-style-type: none"> <li>• We assume that there will be no amendments in legislation, taxation, accounting standards, listing regulations or regulations of the Investment Trusts Association of Japan that affect the above forecasts.</li> <li>• We assume that there will be no material changes in general economic conditions or real estate markets.</li> </ul>

## 2. Financial Statements

### (1) Balance Sheet

(Unit: Thousands of yen)

	As of May 31, 2020	As of November 30, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	13,486,961	14,125,013
Cash and deposits in trust	3,269,588	3,426,066
Operating accounts receivable	679,207	645,887
Prepaid expenses	571,533	349,034
Other	16,508	5,694
Total current assets	18,023,799	18,551,695
Non-current assets		
Property, plant and equipment		
Buildings in trust	84,702,637	85,235,526
Accumulated depreciation	(13,975,701)	(15,209,363)
Buildings in trust, net	70,726,935	70,026,162
Structures in trust	734,704	741,007
Accumulated depreciation	(215,485)	(233,660)
Structures in trust, net	519,218	507,346
Machinery and equipment in trust	1,367,743	1,397,285
Accumulated depreciation	(387,964)	(425,855)
Machinery and equipment in trust, net	979,779	971,430
Tools, furniture and fixtures in trust	263,247	282,268
Accumulated depreciation	(143,002)	(161,686)
Tools, furniture and fixtures in trust, net	120,245	120,582
Land in trust	424,862,322	424,862,322
Construction in progress in trust	8,478	34,458
Total property, plant and equipment	497,216,979	496,522,302
Intangible assets		
Land leasehold interests in trust	9,055,086	9,055,086
Other	1,186	932
Total intangible assets	9,056,272	9,056,018
Investments and other assets		
Long-term prepaid expenses	1,261,641	1,102,057
Deferred tax assets	10	16
Other	38,322	38,322
Total investments and other assets	1,299,975	1,140,397
Total non-current assets	507,573,227	506,718,718
Deferred assets		
Investment corporation bond issuance costs	89,447	108,108
Total deferred assets	89,447	108,108
Total assets	525,686,474	525,378,522

(Unit: Thousands of yen)

	As of May 31, 2020		As of November 30, 2020	
<b>Liabilities</b>				
Current liabilities				
Operating accounts payable		1,005,767		1,033,314
Short-term borrowings		10,998,000		6,518,000
Current portion of long-term borrowings		12,500,000		26,250,000
Accounts payable - other		149,224		86,271
Accrued expenses		952,182		945,284
Income taxes payable		817		941
Accrued consumption taxes		330,044		318,300
Advances received		849,827		538,488
Deposits received		4,156		575
Other		32,904		—
Total current liabilities		26,822,925		35,691,175
Non-current liabilities				
Investment corporation bonds		17,000,000		21,500,000
Long-term borrowings		203,850,000		190,100,000
Leasehold and guarantee deposits received in trust		22,309,458		22,353,035
Derivatives liabilities		3,443		28,584
Total non-current liabilities		243,162,902		233,981,620
Total liabilities		269,985,827		269,672,796
<b>Net assets</b>				
Unitholders' equity				
Unitholders' capital		248,370,846		248,370,846
Deduction from unitholders' capital				
Allowance for temporary difference adjustments	*3	—	*3	(3,084)
Total deduction from unitholders' capital		—		(3,084)
Unitholders' capital, net		248,370,846		248,367,761
Surplus				
Unappropriated retained earnings (undisposed loss)		7,333,243		7,366,549
Total surplus		7,333,243		7,366,549
Total unitholders' equity		255,704,090		255,734,310
Valuation and translation adjustments				
Deferred gains or losses on hedges		(3,443)		(28,584)
Total valuation and translation adjustments		(3,443)		(28,584)
Total net assets	*2	255,700,646	*2	255,705,726
Total liabilities and net assets		525,686,474		525,378,522

## (2) Statement of Income

(Unit: Thousands of yen)

	Previous fiscal period (From December 1, 2019 to May 31, 2020)		Current fiscal period (From June 1, 2020 to November 30, 2020)	
<b>Operating revenue</b>				
Leasing business revenue	*1	13,903,877	*1, *3	14,009,287
Other leasing business revenue	*1	936,713	*1, *3	1,037,494
Gain on sales of real estate properties	*2	143,798	*2	26,732
<b>Total operating revenue</b>		<b>14,984,389</b>		<b>15,073,515</b>
<b>Operating expenses</b>				
Expenses related to leasing business	*1	5,470,679	*1	5,588,521
Asset management fee		1,104,664		1,120,034
Asset custody fee		15,029		14,905
Administrative service fees		36,852		37,280
Remuneration for directors (and other officers)		3,300		3,300
Other operating expenses		147,558		81,227
<b>Total operating expenses</b>		<b>6,778,084</b>		<b>6,845,268</b>
<b>Operating profit</b>		<b>8,206,304</b>		<b>8,228,246</b>
<b>Non-operating income</b>				
Interest income		72		78
Reversal of distributions payable		698		1,158
Insurance claim income		9,535		7,334
Other		381		-
<b>Total non-operating income</b>		<b>10,687</b>		<b>8,570</b>
<b>Non-operating expenses</b>				
Interest expenses		642,507		634,346
Interest expenses on investment corporation bonds		45,976		46,159
Amortization of investment corporation bond issuance costs		9,205		7,684
Borrowing related expenses		185,307		184,162
Other		500		500
<b>Total non-operating expenses</b>		<b>883,497</b>		<b>872,851</b>
<b>Ordinary profit</b>		<b>7,333,494</b>		<b>7,363,965</b>
<b>Profit before income taxes</b>		<b>7,333,494</b>		<b>7,363,965</b>
Income taxes - current		828		953
Income taxes - deferred		(5)		(5)
<b>Total income taxes</b>		<b>823</b>		<b>947</b>
<b>Profit</b>		<b>7,332,671</b>		<b>7,363,018</b>
Retained earnings brought forward		572		3,530
<b>Unappropriated retained earnings (undisposed loss)</b>		<b>7,333,243</b>		<b>7,366,549</b>

### (3) Statement of Unitholders' Equity

Previous fiscal period (From December 1, 2019 to May 31, 2020)

(Unit: Thousands of yen)

	Unitholders' equity						
	Unitholders' capital				Surplus		Total unitholders' equity
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus	
Allowance for temporary difference adjustments		Total deduction from unitholders' capital					
Balance at beginning of period	248,370,846	(10,797)	(10,797)	248,360,049	7,829,267	7,829,267	256,189,316
Changes during period							
Dividends of surplus					(7,817,897)	(7,817,897)	(7,817,897)
Reversal of allowance for temporary difference adjustments		10,797	10,797	10,797	(10,797)	(10,797)	–
Profit					7,332,671	7,332,671	7,332,671
Net changes in items other than unitholders' equity							
Total changes during period	–	10,797	10,797	10,797	(496,023)	(496,023)	(485,226)
Balance at end of period	248,370,846 <sup>*1</sup>	–	–	248,370,846	7,333,243	7,333,243	255,704,090

(Unit: Thousands of yen)

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	8,954	8,954	256,198,271
Changes during period			
Dividends of surplus			(7,817,897)
Reversal of allowance for temporary difference adjustments			–
Profit			7,332,671
Net changes in items other than unitholders' equity	(12,398)	(12,398)	(12,398)
Total changes during period	(12,398)	(12,398)	(497,625)
Balance at end of period	(3,443)	(3,443)	255,700,646



Current fiscal period (From June 1, 2020 to November 30, 2020)

(Unit: Thousands of yen)

	Unitholders' equity						
	Unitholders' capital				Surplus		Total unitholders' equity
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus	
Allowance for temporary difference adjustments		Total deduction from unitholders' capital					
Balance at beginning of period	248,370,846	–	–	248,370,846	7,333,243	7,333,243	255,704,090
Changes during period							
Dividends of surplus					(7,329,712)	(7,329,712)	(7,329,712)
Distributions in excess of earnings from allowance for temporary difference adjustments		(3,084)	(3,084)	(3,084)			(3,084)
Profit					7,363,018	7,363,018	7,363,018
Net changes in items other than unitholders' equity							
Total changes during period	–	(3,084)	(3,084)	(3,084)	33,305	33,305	30,220
Balance at end of period	248,370,846	(3,084)	(3,084)	248,367,761	7,366,549	7,366,549	255,734,310

(Unit: Thousands of yen)

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(3,443)	(3,443)	255,700,646
Changes during period			
Dividends of surplus			(7,329,712)
Distributions in excess of earnings from allowance for temporary difference adjustments			(3,084)
Profit			7,363,018
Net changes in items other than unitholders' equity	(25,141)	(25,141)	(25,141)
Total changes during period	(25,141)	(25,141)	5,079
Balance at end of period	(28,584)	(28,584)	255,705,726

## (4) Statement of Cash Distributions

	Previous fiscal period (From December 1, 2019 to May 31, 2020)	Current fiscal period (From June 1, 2020 to November 30, 2020)
	Amount	Amount
I Unappropriated retained earnings	¥7,333,243,684	¥7,366,549,137
II Additional amount of cash distributions in excess of earnings	¥3,084,896	¥25,450,392
Of which, allowance for temporary difference adjustments	¥3,084,896	¥25,450,392
III Distributions	¥7,332,797,792	¥7,362,875,528
[Cash distributions per unit]	[¥9,508]	[¥9,547]
Of which, distributions of profits	¥7,329,712,896	¥7,337,425,136
[Of which, distributions of profits per unit]	[¥9,504]	[¥9,514]
Of which, allowance for temporary difference adjustments	¥3,084,896	¥25,450,392
[Of which, cash distributions in excess of earnings per unit (Related to allowance for temporary difference adjustments)]	[¥4]	[¥33]
IV Earnings carried forward	¥3,530,788	¥29,124,001

<p>Calculation method for distributions</p>	<p>Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of the Investment Corporation, distributions shall be limited to the amount of net profit in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. In consideration of this policy, we will pay distributions of profits of ¥7,329,712,896, which is the amount of the net profit defined in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations, except a fraction of less than ¥1 of distributions per investment unit. Based on the policy on distribution of cash exceeding net profit set forth in Article 35, Paragraph 2 of the Articles of Incorporation of the Investment Corporation, distributions in excess of earnings shall be made in an amount decided by the Investment Corporation and equivalent to a deduction in net assets (refers to stipulations of Article 2, Paragraph 2, Item 30 (b) of the Regulations on Accountings of Investment Corporations), taking into account effects of the deduction in net assets on distribution amounts. During the fiscal period under review, the Investment Corporation has accordingly decided to distribute ¥3,084,896 as distributions related to allowance for temporary difference adjustments (refers to stipulations of Article 2, Paragraph 2, Item 30 of the Regulations on Accountings of Investment Corporations), calculated to exclude a fraction of less than ¥1 of distributions in excess of earnings per investment unit from the amount equivalent to deferred losses on hedges of ¥3,443,618. As a result, distributions are to amount to ¥7,332,797,792 for the fiscal period under review.</p>	<p>Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of the Investment Corporation, distributions shall be limited to the amount of net profit in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. In consideration of this policy, we will pay distributions of profits of ¥7,337,425,136, which is the amount of the net profit defined in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations, except a fraction of less than ¥1 of distributions per investment unit. Based on the policy on distribution of cash exceeding net profit set forth in Article 35, Paragraph 2 of the Articles of Incorporation of the Investment Corporation, distributions in excess of earnings shall be made in an amount decided by the Investment Corporation and equivalent to a deduction in net assets (refers to stipulations of Article 2, Paragraph 2, Item 30 (b) of the Regulations on Accountings of Investment Corporations), taking into account effects of the deduction in net assets on distribution amounts. During the fiscal period under review, the Investment Corporation has accordingly decided to distribute ¥25,450,392 as distributions related to allowance for temporary difference adjustments, calculated to exclude a fraction of less than ¥1 of distributions in excess of earnings per investment unit from the amount equivalent to ¥25,499,775, which is calculated by deducting ¥3,084,896 of temporary difference adjustments (refers to stipulations of Article 2, Paragraph 2, Item 30 of the Regulations on Accountings of Investment Corporations) from deferred losses on hedges of ¥28,584,671, in the current fiscal period. As a result, distributions are to amount to ¥7,362,875,528 for the fiscal period under review.</p>
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## (5) Statement of Cash Flows

(Unit: Thousands of yen)

	Previous fiscal period (From December 1, 2019 to May 31, 2020)	Current fiscal period (From June 1, 2020 to November 30, 2020)
<b>Cash flows from operating activities</b>		
Profit before income taxes	7,333,494	7,363,965
Depreciation	1,334,606	1,335,856
Loss on retirement of non-current assets	–	9,230
Amortization of investment corporation bond issuance costs	9,205	7,684
Interest income and interest on securities	(72)	(78)
Interest expenses	688,484	680,505
Borrowing related expenses	185,307	184,162
Decrease (increase) in operating accounts receivable	125,267	33,319
Increase (decrease) in accrued consumption taxes	(49,018)	(11,743)
Decrease (increase) in prepaid expenses	(209,406)	206,899
Decrease in property, plant and equipment in trust due to sale	20,787,757	–
Increase (decrease) in operating accounts payable	(156,233)	68,498
Increase (decrease) in accrued expenses	(11,313)	(852)
Increase (decrease) in advances received	268,249	(311,338)
Decrease (increase) in long-term prepaid expenses	8,590	16,948
Other, net	25,212	(27,019)
Subtotal	30,340,130	9,556,036
Interest received	72	78
Interest paid	(691,442)	(680,318)
Income taxes paid	(616)	(829)
Net cash provided by (used in) operating activities	29,648,143	8,874,966
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment in trust	(31,917,697)	(757,118)
Refund of leasehold and guarantee deposits received in trust	(1,012,287)	(640,820)
Proceeds from leasehold and guarantee deposits received in trust	1,778,321	684,397
Net cash provided by (used in) investing activities	(31,151,663)	(713,542)
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	31,992,459	1,517,316
Repayments of short-term borrowings	(26,000,000)	(5,998,000)
Proceeds from long-term borrowings	17,219,286	–
Repayments of long-term borrowings	(7,300,000)	–
Proceeds from issuance of investment corporation bonds	–	4,474,498
Redemption of investment corporation bonds	(6,000,000)	–
Distributions paid	(7,813,803)	(7,328,580)
Other, net	(23,326)	(32,130)
Net cash provided by (used in) financing activities	2,074,615	(7,366,894)
Net increase (decrease) in cash and cash equivalents	571,095	794,529
Cash and cash equivalents at beginning of period	16,185,454	16,756,549
Cash and cash equivalents at end of period	*1 16,756,549	*1 17,551,079

(6) Notes on Assumption of Going Concern

Not applicable.

(7) Notes on Important Accounting Policies

1. Method of depreciation of non-current 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 border="0"><tr><td>Buildings</td><td>2 to 70 years</td></tr><tr><td>Structures</td><td>2 to 66 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 66 years	Machinery and equipment	2 to 33 years	Tools, furniture and fixtures	2 to 15 years
Buildings	2 to 70 years								
Structures	2 to 66 years								
Machinery and equipment	2 to 33 years								
Tools, furniture and fixtures	2 to 15 years								
2. Accounting method for deferred assets	<p>(1) Investment unit issuance expenses The full amount is recorded as expenses when incurred.</p> <p>(2) Investment corporation bond issuance costs Amortized by the straight-line method over the period until maturity.</p>								
3. Accounting for income and expenses	<p>Property-related taxes</p> <p>For property tax, city planning tax, depreciable asset tax for real properties held, the amount of tax levied corresponding to the calculation period is recorded as expenses related to leasing business.</p> <p>The settlement money for property tax that is paid to the disposing entity for acquisition of real properties (so-called “amount equivalent to property tax”) is not recorded as expenses related to leasing business but included in the acquisition costs for the related properties. There is no amount equivalent to property tax included in acquisition cost for properties for the current fiscal period.</p>								
4. Method of hedge accounting	<p>(1) Method of hedge accounting Deferred hedge accounting is applied. For interest rate swaps that satisfy the requirements for special treatment, special treatment is applied.</p> <p>(2) Hedging instruments and hedged items Hedging instruments: Interest rate swaps transactions Hedged items: Long-term borrowings</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 comparing the cumulative total changes in the cash flows of the hedged items with those of the hedging instruments, and then verifying the ratio of the changes in both amounts. However, hedge effectiveness is deemed to have been ensured with respect to interest rate swaps that satisfy the requirements for special treatment.</p>								

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

*Additional information*

**Notes on Provision and Reversal of Allowance for Temporary Difference Adjustments**

Previous fiscal period (From December 1, 2019 to May 31, 2020)

1. Reason for Provision, Related Assets, etc. and Amount of Provision

(Unit: Thousands of yen)

Related assets, etc.	Reason for provision	Allowance for temporary difference adjustments
Deferred gains or losses on hedges	Recognition of loss on valuation of interest rate swaps	3,084

2. Specific Method of Reversal

Deferred gains or losses on hedges

The reversal is to accord with changes in fair value of derivative transactions that are the hedging instruments.

Current fiscal period (From June 1, 2020 to November 30, 2020)

1. Reason for Provision, Related Assets, etc. and Amount of Provision

(Unit: Thousands of yen)

Related assets, etc.	Reason for provision	Allowance for temporary difference adjustments
Deferred gains or losses on hedges	Recognition of loss on valuation of interest rate swaps	25,450

2. Specific Method of Reversal  
Deferred gains or losses on hedges

The reversal is to accord with changes in fair value of derivative transactions that are the hedging instruments.

(8) Notes to Financial Statements

**Notes to Balance Sheet**

1. Commitment Line Contracts

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

	As of May 31, 2020	As of November 30, 2020
Total amount specified in the commitment line contracts	¥21,000,000 thousand	¥21,000,000 thousand
Loan balance	¥1,998,000 thousand	-
Net balance	¥19,002,000 thousand	¥21,000,000 thousand

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

	As of May 31, 2020	As of November 30, 2020
	¥50,000 thousand	¥50,000 thousand

\*3. Allowance for Temporary Difference Adjustments

Previous fiscal period (From December 1, 2019 to May 31, 2020)

1. Reason for Provision and Reversal, Related Assets, etc. and Amount of Provision

(Unit: Thousands of yen)

Related assets, etc.	Reason for provision	Initial amount	Balance at beginning of period	Amount of provision for period	Amount of reversal for period	Balance at end of period	Reason for reversal
Deferred gains or losses on hedges	-	-	10,797	-	10,797	-	Changes in fair value of derivative transactions

2. Specific Method of Reversal  
Deferred gains or losses on hedges

The reversal is to accord with changes in fair value of derivative transactions that are the hedging instruments.

Current fiscal period (From June 1, 2020 to November 30, 2020)

1. Reason for Provision and Reversal, Related Assets, etc. and Amount of Provision

(Unit: Thousands of yen)

Related assets, etc.	Reason for provision	Initial amount	Balance at beginning of period	Amount of provision for period	Amount of reversal for period	Balance at end of period	Reason for reversal
Deferred gains or losses on hedges	Recognition of loss on valuation of interest rate swaps	3,084	—	3,084	—	3,084	—

2. Specific Method of Reversal

Deferred gains or losses on hedges

The reversal is to accord with changes in fair value of derivative transactions that are the hedging instruments.



## Notes to Statement of Income

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

	(Unit: Thousands of yen)			
	Previous fiscal period (From December 1, 2019 to May 31, 2020)		Current fiscal period (From June 1, 2020 to November 30, 2020)	
A. Real estate leasing business revenues				
Leasing business revenue				
Rent	12,772,803		12,889,168	
Common service fees	739,471		739,267	
Parking lot fees	290,588		285,349	
Other rent revenue	101,013	13,903,877	95,500	14,009,287
Other leasing business revenue		936,713		1,037,494
Total real estate leasing business revenues		14,840,590		15,046,782
B. Real estate leasing business expenses				
Expenses related to leasing business				
Management operation expenses	1,286,910		1,278,062	
Utilities expenses	841,809		892,089	
Tax and public dues	1,110,349		1,268,968	
Insurance	12,914		12,985	
Repair and maintenance expenses	312,576		441,806	
Depreciation	1,334,352		1,335,601	
Loss on retirement of non-current assets	–		9,230	
Other expenses related to leasing business	571,767	5,470,679	349,775	5,588,521
Total real estate leasing business expenses		5,470,679		5,588,521
C. Profit (loss) from real estate leasing business (A – B)		9,369,910		9,458,260

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

Previous fiscal period (From December 1, 2019 to May 31, 2020)

(Unit: Thousands of yen)

A-PLACE Shinbashi Ekimae

Income from sales of real estate properties	21,000,000	
Costs of sales of real estate properties	20,787,757	
Other costs of sales	68,443	
Gain on sales of real estate properties		143,798

Current fiscal period (From June 1, 2020 to November 30, 2020)

(Unit: Thousands of yen)

EDGE Shinsaibashi (structures)

Income from sales of real estate properties	29,000	
Costs of sales of real estate properties	–	
Other costs of sales	2,267	
Gain on sales of real estate properties		26,732

\*3. Transactions with Major Unitholders

(Unit: Thousands of yen)

	Previous fiscal period (From December 1, 2019 to May 31, 2020)	Current fiscal period (From June 1, 2020 to November 30, 2020)
Operating transactions		
Operating revenue	–	2,124,905

Notes to Statement of Unitholders' Equity

	Previous fiscal period (From December 1, 2019 to May 31, 2020)	Current fiscal period (From June 1, 2020 to November 30, 2020)
*1. Total number of authorized investment units and total number of investment units issued		
Total number of authorized investment units	4,000,000 units	4,000,000 units
Total number of investment units issued	771,224 units	771,224 units

Notes to Statement of Cash Flows

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

	Previous fiscal period (From December 1, 2019 to May 31, 2020)	Current fiscal period (From June 1, 2020 to November 30, 2020)
Cash and deposits	¥13,486,961 thousand	¥14,125,013 thousand
Cash and deposits in trust	¥3,269,588 thousand	¥3,426,066 thousand
Cash and cash equivalents	¥16,756,549 thousand	¥17,551,079 thousand

## Notes on Financial Instruments

### 1. Matters Regarding Financial Instruments

#### (1) Policy for Financial Instruments

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

When raising funds, the Investment Corporation aims to sustain stable financing capability for a long time at low cost by enhancing its capital adequacy and maintaining conservative interest-bearing debt, looking for attributes such as extended borrowing periods for interest-bearing debt, fixed interest rates, and diversified due dates to ensure financial stability and avoid the risk of interest-rate hikes.

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

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

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

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

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

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

#### (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 May 31, 2020, 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	13,486,961	13,486,961	—
(2) Cash and deposits in trust	3,269,588	3,269,588	—
Total assets	16,756,549	16,756,549	—
(1) Short-term borrowings	10,998,000	10,998,000	—
(2) Current portion of long-term borrowings	12,500,000	12,600,325	100,325
(3) Investment corporation bonds	17,000,000	17,278,254	278,254
(4) Long-term borrowings	203,850,000	206,045,048	2,195,048
Total liabilities	244,348,000	246,921,627	2,573,627
Derivative transactions	(3,443)	(3,443)	—

Carrying amounts, fair values, and the differences between the two values as of November 30, 2020, 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	14,125,013	14,125,013	—
(2) Cash and deposits in trust	3,426,066	3,426,066	—
Total assets	17,551,079	17,551,079	—
(1) Short-term borrowings	6,518,000	6,518,000	—
(2) Current portion of long-term borrowings	26,250,000	26,309,036	59,036
(3) Investment corporation bonds	21,500,000	21,661,272	161,272
(4) Long-term borrowings	190,100,000	192,679,568	2,579,568
Total liabilities	244,368,000	247,167,878	2,799,878
Derivative transactions	(28,584)	(28,584)	—

(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 borrowings

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 borrowings, (4) Long-term borrowings

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

(3) Investment corporation bonds

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

Derivative transactions

Please refer to “Notes on Derivative Transactions” on pages 30 and 31.

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

(Unit: Thousands of yen)

Category	As of May 31, 2020	As of November 30, 2020
Leasehold and guarantee deposits received in trust *	22,309,458	22,353,035

\* As there are no market prices for leasehold and guarantee deposits received 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 leasehold and guarantee deposits received in trust is not subject to the disclosure of fair value.

(Note 3) Expected Amounts of Redemption of Monetary Claims after the Account Closing Date (May 31, 2020)

(Unit: Thousands of yen)

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Deposits	13,486,961	-	-	-	-	-
Deposits in trust	3,269,588	-	-	-	-	-
Total	16,756,549	-	-	-	-	-

Expected Amounts of Redemption of Monetary Claims after the Account Closing Date (November 30, 2020)

(Unit: Thousands of yen)

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Deposits	14,125,013	-	-	-	-	-
Deposits in trust	3,426,066	-	-	-	-	-
Total	17,551,079	-	-	-	-	-

(Note 4) Expected Amounts of Repayment of Borrowings and Investment Corporation Bonds after the Account Closing Date (May 31, 2020)

(Unit: Thousands of yen)

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Short-term borrowings	10,998,000	-	-	-	-	-
Investment corporation bonds	-	-	1,000,000	-	7,000,000	9,000,000
Long-term borrowings	12,500,000	27,850,000	26,500,000	32,750,000	24,000,000	92,750,000
Total	23,498,000	27,850,000	27,500,000	32,750,000	31,000,000	101,750,000

Expected Amounts of Repayment of Borrowings and Investment Corporation Bonds after the Account Closing Date (November 30, 2020)

(Unit: Thousands of yen)

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Short-term borrowings	6,518,000	–	–	–	–	–
Investment corporation bonds	–	1,000,000	–	5,000,000	2,000,000	13,500,000
Long-term borrowings	26,250,000	26,100,000	29,750,000	29,500,000	26,000,000	78,750,000
Total	32,768,000	27,100,000	29,750,000	34,500,000	28,000,000	92,250,000

**Notes on Derivative Transactions**

1. Derivative Transaction to Which Hedge Accounting Is Not Applied

(As of May 31, 2020)

Not applicable.

(As of November 30, 2020)

Not applicable.

2. Derivative Transaction to Which Hedge Accounting Is Applied

(As of May 31, 2020)

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

(Unit: Thousands of yen)

Hedge accounting	Type of derivative transactions	Major hedged items	Amount of contract		Fair value	Calculation method for fair value
				Portion due after 1 year		
Deferred hedge accounting	Interest rate swaps Receive floating Pay fixed	Long-term borrowings	12,000,000	12,000,000	(3,443)	Based on prices, etc. indicated by partner financial institutions
Special treatment for interest rate swaps	Interest rate swaps Receive floating Pay fixed	Long-term borrowings	18,140,000	18,140,000	*	–

(As of November 30, 2020)

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

(Unit: Thousands of yen)

Hedge accounting	Type of derivative transactions	Major hedged items	Amount of contract		Fair value	Calculation method for fair value
				Portion due after 1 year		
Deferred hedge accounting	Interest rate swaps Receive floating Pay fixed	Long-term borrowings	12,000,000	12,000,000	(28,584)	Based on prices, etc. indicated by partner financial institutions
Special treatment for interest rate swaps	Interest rate swaps Receive floating Pay fixed	Long-term borrowings	18,140,000	18,140,000	*	—

\* Interest rate swap transactions to which special treatment is applied are accounted for as an integral part of long-term borrowings, a hedged item. Thus, their fair values are included in the fair value of long-term borrowings. (Please refer to the preceding “Notes on Financial Instruments, 2. Matters Regarding Fair Values of Financial Instruments, (Note 1) Liabilities (4)” on page 28.)

## Notes on Tax Effect Accounting

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

	As of May 31, 2020	As of November 30, 2020
Deferred tax assets		
Non-deductible amount for tax purposes of enterprise tax payable	¥10 thousand	¥16 thousand
Deferred gains or losses on hedges	—	¥8,992 thousand
Subtotal of deferred tax assets	¥10 thousand	¥9,009 thousand
Valuation allowance	—	¥(8,992) thousand
Total deferred tax assets	¥10 thousand	¥16 thousand
Net deferred tax assets	¥10 thousand	¥16 thousand

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

	As of May 31, 2020	As of November 30, 2020
Effective statutory tax rate	31.46%	31.46%
Adjustments		
Distributions paid included in deductibles	(31.46)%	(31.46)%
Other	0.01%	0.01%
Effective income tax rate after application of tax effect accounting	0.01%	0.01%

## Notes on Transactions with Related Parties

### 1. Parent Company and Major Corporate Unitholders

Previous fiscal period (From December 1, 2019 to May 31, 2020)

Not applicable.

Current fiscal period (From June 1, 2020 to November 30, 2020)

Attribute	Name	Address	Share capital or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Balance at end of period (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unitholder	Tokyu Land Corporation	21-1 Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	10.52%	None	Major unitholder, and rent and management of properties	Receipt of leasehold and guarantee deposits	9,635	Leasehold and guarantee deposits received in trust	2,384,566
								Refund of leasehold and guarantee deposits received	67,322		
								Rental revenues, etc.	2,124,905	Operating accounts receivable	103,980
										Advances received	61,221

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

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

### 2. Associates, etc.

Previous fiscal period (From December 1, 2019 to May 31, 2020)

Not applicable

Current fiscal period (From June 1, 2020 to November 30, 2020)

Not applicable

### 3. Sister companies, etc.

Previous fiscal period (From December 1, 2019 to May 31, 2020)

Not applicable

Current fiscal period (From June 1, 2020 to November 30, 2020)

Attribute	Name	Address	Share capital or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Balance at end of period (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Tokyu Land SC Management Corporation	16-3, Dogenzaka 1-chome, Shibuya-ku, Tokyo	100	Real estate management business	-	None	Rent and management of properties	Receipt of leasehold and guarantee deposits	18,195	Leasehold and guarantee deposits received in trust	6,239,918
								Refund of leasehold and guarantee deposits received	62,410		
								Rental revenues, etc.	3,939,335	Operating accounts receivable	261,364
										Advances received	45,557



Attribute	Name	Address	Share capital or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Balance at end of period (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Tokyu Community Corp.	10-1, Yoga 4-chome, Setagaya-ku, Tokyo	1,653	Real estate management business	-	None	Rent and management of properties	Receipt of leasehold and guarantee deposits	358,920	Leasehold and guarantee deposits received in trust	9,224,589
								Refund of leasehold and guarantee deposits received	437,397		
								Rental revenues, etc.	6,064,036	Operating accounts receivable	209,203
								Real estate management fee	866,295	Advances received	42,623
								Operating accounts payable	183,422		

(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.

## Notes on Investment and Rental Properties

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

(Unit: Thousands of yen)

Use		Previous fiscal period (From December 1, 2019 to May 31, 2020)	Current fiscal period (From June 1, 2020 to November 30, 2020)
Urban Retail Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	198,881,821	198,791,882
	Changes during period	(89,939)	(325,913)
	Balance at end of period	198,791,882	198,465,968
	Fair value at end of period	239,866,000	238,636,000
Tokyo Office Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	195,101,532	204,916,612
	Changes during period	9,815,079	(243,123)
	Balance at end of period	204,916,612	204,673,488
	Fair value at end of period	244,140,000	245,780,000
Activia Account Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	102,648,428	102,563,571
	Changes during period	(84,857)	(125,640)
	Balance at end of period	102,563,571	102,437,930
	Fair value at end of period	121,620,000	122,490,000
Total	Carrying amount on the balance sheet		
	Balance at beginning of period	496,631,782	506,272,066
	Changes during period	9,640,283	(694,677)
	Balance at end of period	506,272,066	505,577,388
	Fair value at end of period	605,626,000	606,906,000

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

(Note 2) The main reason for the decrease in the current fiscal period is the provision of depreciation worth ¥1,335,601 thousand.

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

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

## Per Unit Information

	Previous fiscal period (From December 1, 2019 to May 31, 2020)	Current fiscal period (From June 1, 2020 to November 30, 2020)
Net assets per unit	¥331,551	¥331,558
Basic earnings per unit	¥9,507	¥9,547

(Note 1) Basic earnings per unit is calculated by dividing profit by the day-weighted average number of investment units for the period (previous fiscal period 771,224 units; current fiscal period 771,224 units). Diluted earnings per unit is not stated, as there is no potential investment unit.

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

	Previous fiscal period (From December 1, 2019 to May 31, 2020)	Current fiscal period (From June 1, 2020 to November 30, 2020)
Profit (Thousands of yen)	7,332,671	7,363,018
Amount not attributable to common unitholders (Thousands of yen)	—	—
Profit attributable to common investment units (Thousands of yen)	7,332,671	7,363,018
Average number of investment units for the period (Units)	771,224	771,224

## Significant Subsequent Events

Not applicable.

## Omission of Disclosure

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

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

There are no capital increases, etc. for the current fiscal period. The overview of capital increases, etc. in and before the previous fiscal period is as follows:

Date	Summary	Total investments (Thousands of yen)		Total number of investment units issued (Units)		Remarks
		Change	Balance	Change	Balance	
September 7, 2011	Establishment through private placement	200,000	200,000	400	400	(Note 1)
June 12, 2012	Capital increase through public offering	90,834,705	91,034,705	204,100	204,500	(Note 2)
July 10, 2012	Capital increase through third-party allotment	339,128	91,373,833	762	205,262	(Note 3)
December 16, 2013	Capital increase through public offering	32,636,569	124,010,403	43,100	248,362	(Note 4)
January 15, 2014	Capital increase through third-party allotment	2,044,518	126,054,921	2,700	251,062	(Note 5)
December 17, 2014	Capital increase through public offering	22,800,626	148,855,547	24,050	275,112	(Note 6)
January 8, 2015	Capital increase through third-party allotment	1,915,063	150,770,610	2,020	277,132	(Note 7)
October 1, 2015	Investment unit split	–	150,770,610	277,132	554,264	(Note 8)
December 15, 2015	Capital increase through public offering	19,152,091	169,922,702	41,870	596,134	(Note 9)
January 6, 2016	Capital increase through third-party allotment	1,610,111	171,532,813	3,520	599,654	(Note 10)
December 1, 2016	Capital increase through public offering	28,583,994	200,116,808	61,040	660,694	(Note 11)
December 15, 2016	Capital increase through third-party allotment	2,116,639	202,233,447	4,520	665,214	(Note 12)
December 13, 2017	Capital increase through public offering	13,793,296	216,026,743	31,090	696,304	(Note 13)
December 26, 2017	Capital increase through third-party allotment	1,064,776	217,091,520	2,400	698,704	(Note 14)
December 19, 2018	Capital increase through public offering	29,036,462	246,127,982	67,320	766,024	(Note 15)
January 7, 2019	Capital increase through third-party allotment	2,242,864	248,370,846	5,200	771,224	(Note 16)

- (Note 1) The Investment Corporation was established with an offering price per unit of ¥500,000.
- (Note 2) New investment units were issued by public offering with an offering price per unit of ¥460,000 (paid-in amount of ¥445,050 per unit) in order to raise funds for the acquisition of new properties, etc., and then investment operations were commenced.
- (Note 3) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥445,050 per unit.
- (Note 4) New investment units were issued by public offering with an offering price per unit of ¥782,925 (paid-in amount of ¥757,229 per unit) in order to raise funds for the acquisition of new properties, etc.
- (Note 5) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥757,229 per unit.
- (Note 6) New investment units were issued by public offering with an offering price per unit of ¥979,020 (paid-in amount of ¥948,051 per unit) in order to raise funds for the acquisition of new properties.
- (Note 7) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥948,051 per unit.
- (Note 8) A two-for-one split of the investment units has been implemented, with September 30, 2015 as the record date and October 1, 2015 as the effective date.
- (Note 9) New investment units were issued by public offering with an offering price per unit of ¥472,360 (paid-in amount of ¥457,418 per unit) in order to raise funds for the acquisition of new properties, etc.
- (Note 10) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥457,418 per unit.
- (Note 11) New investment units were issued by public offering with an offering price per unit of ¥483,326 (paid-in amount of ¥468,283 per unit) in order to raise funds for the acquisition of new properties.
- (Note 12) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥468,283 per unit.
- (Note 13) New investment units were issued by public offering with an offering price per unit of ¥458,150 (paid-in amount of ¥443,657 per unit) in order to raise funds for the acquisition of new properties.
- (Note 14) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥443,657 per unit.
- (Note 15) New investment units were issued by public offering with an offering price per unit of ¥445,410 (paid-in amount of ¥431,320 per unit) in order to raise funds for the acquisition of new properties.
- (Note 16) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥431,320 per unit.
- (Note 17) The above does not take into account the changes in unitholders' capital arising from the implementation of distributions in excess of net earnings from allowance for temporary difference adjustments.

### 3. Reference Information

#### (1) Composition of Invested Assets

Type of assets	Category	Previous fiscal period (As of May 31, 2020)		Current fiscal period (As of November 30, 2020)	
		Total amount held (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)	Total amount held (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)
Real estate	By property type				
	Urban Retail Properties	–	–	–	–
	Tokyo Office Properties	–	–	–	–
	Activia Account Properties	–	–	–	–
	By location				
	The five central wards of Tokyo (Note 3)	–	–	–	–
	Wards of Tokyo other than the five central wards	–	–	–	–
	Three major metropolitan areas (Note 4)	–	–	–	–
	Other locations	–	–	–	–
	Subtotal	–	–	–	–
Real estate in trust	By property type				
	Urban Retail Properties	198,791	37.8	198,465	37.8
	Tokyo Office Properties	204,916	39.0	204,673	39.0
	Activia Account Properties	102,563	19.5	102,437	19.5
	By location				
	The five central wards of Tokyo (Note 3)	324,165	61.7	323,908	61.7
	Wards of Tokyo other than the five central wards	32,972	6.3	32,858	6.3
	Three major metropolitan areas (Note 4)	137,912	26.2	137,677	26.2
	Other locations	11,222	2.1	11,132	2.1
	Subtotal	506,272	96.3	505,577	96.2
Total real estate assets		506,272	96.3	505,577	96.2
Deposits and other assets		19,414	3.7	19,801	3.8
Total assets (Note 5)		525,686	100.0	525,378	100.0

	Amount (Millions of yen)	Percentage to total assets (%) (Note 2)	Amount (Millions of yen)	Percentage to total assets (%) (Note 2)
Total liabilities (Notes 5, 6)	269,985	51.4	269,672	51.3
Total net assets (Note 5)	255,700	48.6	255,705	48.7

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

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

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

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

(Note 5) Total assets, total liabilities and total net assets represent the amounts reported in the balance sheet as of the end of each fiscal period.

(Note 6) Total liabilities include the obligation to refund leasehold and guarantee deposits.

## (2) Investment Assets

### i) Major investment securities

Not applicable.

### ii) Investment properties

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

iii) Other investment assets

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

The following table shows property name, acquisition price, book value at the end of the fiscal period, assessed value at the end of the fiscal period, return price and investment ratio related to the assets held by the Investment Corporation as of the end of the 18th fiscal period. Figures shown in the table are as of November 30, 2020 unless otherwise provided.

a. Overview of assets held (1)

(As of November 30, 2020)

Category	Property number (Note 1)	Property name	Acquisition price  (Millions of yen) (Note 2)	Book value at end of period  (Millions of yen) (Note 3)	Assessed value at end of period  (Millions of yen) (Note 4)	Return price (Note 4)					Investment ratio  (%) (Note 5)
						Direct capitalization method		DCF method			
						Price based on direct capitalization method  (Millions of yen)	Direct capitalization rate  (%)	Price based on DCF method  (Millions of yen)	Discount rate  (%)	Terminal capitalization rate  (%)	
Urban Retail Properties	UR-1	Tokyu Plaza Omotesando Harajuku (Note 6)	45,000	44,615	62,775	63,600	2.6	61,950	2.3	2.7	8.8
	UR-2	Tokyu Plaza Akasaka (Note 6)	11,450	11,608	14,500	15,000	4.1	14,300	4.2	4.3	2.2
	UR-3	Q plaza EBISU (Note 7)	8,430	8,178	11,700	12,000	3.2	11,600	3.4/3.3	3.4	1.7
	UR-5	Kyoto Karasuma Parking Building	8,860	8,673	10,600	10,600	4.8	10,600	4.8	5.0	1.7
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	21,330	20,327	27,100	27,600	3.8	26,600	3.6	4.0	4.2
	UR-8	A-FLAG SAPPORO	4,410	4,834	7,670	7,690	5.4	7,660	5.2	5.6	0.9
	UR-9	A-FLAG SHIBUYA	6,370	6,343	7,880	7,940	3.9	7,860	3.7	4.1	1.3
	UR-10	Q plaza SHINSAIBASHI	13,350	13,395	14,600	14,500	3.6	14,600	3.4	3.8	2.6
	UR-11	A-FLAG KOTTO DORI	4,370	4,393	4,840	4,850	3.4	4,840	3.1	3.5	0.9
	UR-12	A-FLAG BIJUTSUKAN DORI	4,700	4,715	4,860	4,950	3.5	4,770	3.3	3.7	0.9
	UR-13	A-FLAG DAIKANYAMA WEST	2,280	2,434	2,400	2,420	3.9	2,370	3.7	4.1	0.4
	UR-14	A-FLAG KITA SHINSAIBASHI	4,725	4,835	4,720	4,810	3.9	4,630	3.6	4.0	0.9
	UR-15	DECKS Tokyo Beach (Note 6)	12,740	12,897	12,691	12,936	4.0	12,397	3.8	4.2	2.5
	UR-16	Tokyu Plaza Ginza (Land) (Notes 6, 8)	37,500	37,895	39,000	38,700	2.6	39,000	2.5	–	7.4
	UR-17	Q plaza HARAJUKU (Note 6)	13,200	13,317	13,300	13,440	3.0	13,080	2.7	3.1	2.6
		Subtotal	198,715	198,465	238,636	241,036	–	236,257	–	–	39.0



Category	Property number (Note 1)	Property name	Acquisition price  (Millions of yen) (Note 2)	Book value at end of period  (Millions of yen) (Note 3)	Assessed value at end of period  (Millions of yen) (Note 4)	Return price (Note 4)					Investment ratio  (%) (Note 5)
						Direct capitalization method		DCF method			
						Price based on direct capitalization method  (Millions of yen)	Direct capitalization rate  (%)	Price based on DCF method  (Millions of yen)	Discount rate  (%)	Terminal capitalization rate  (%)	
Tokyo Office Properties	TO-1	TLC Ebisu Building	7,400	7,196	12,100	12,200	3.6	12,000	3.7	3.8	1.5
	TO-2	A-PLACE Ebisu Minami	9,640	9,320	15,700	15,300	3.5	15,900	3.6	3.7	1.9
	TO-3	A-PLACE Yoyogi	4,070	3,846	4,930	5,010	3.9	4,850	3.7	4.1	0.8
	TO-4	A-PLACE Aoyama	8,790	8,548	10,300	10,300	3.9	10,300	3.7	4.1	1.7
	TO-5	Luogo Shiodome	4,540	4,237	6,390	6,450	3.5	6,370	3.3	3.7	0.9
	TO-6	TAMACHI SQUARE (Land)	2,338	2,362	2,840	2,970	3.4	2,790	3.8	3.6	0.5
	TO-7	A-PLACE Ikebukuro	3,990	3,675	5,560	5,650	3.9	5,470	3.7	4.1	0.8
	TO-8	A-PLACE Shinbashi	5,650	5,772	7,330	7,380	3.7	7,270	3.4	3.8	1.1
	TO-9	A-PLACE Gotanda	5,730	5,427	7,990	8,070	3.5	7,910	3.3	3.7	1.1
	TO-10	A-PLACE Shinagawa	3,800	3,781	6,230	6,360	3.4	6,090	3.2	3.6	0.7
	TO-11	OSAKI WIZTOWER	10,690	10,519	14,500	14,600	3.3	14,400	3.0	3.4	2.1
	TO-12	Shiodome Building (Note 6)	71,600	70,620	77,700	81,550	3.3	75,950	3.1	3.5	14.1
	TO-13	A-PLACE Ebisu Higashi	7,072	7,025	7,720	7,840	3.7	7,600	3.5	3.9	1.4
	TO-14	A-PLACE Shibuya Konnoh	4,810	4,934	5,740	5,710	3.6	5,770	3.3	3.7	0.9
	TO-15	A-PLACE Gotanda Ekimae	7,280	7,541	7,950	7,970	3.8	7,920	3.5	3.9	1.4
	TO-16	A-PLACE Shinagawa Higashi	18,800	18,817	21,600	21,900	3.8	21,300	3.6	4.0	3.7
	TO-18	Ebisu Prime Square (Note 6)	30,700	31,044	31,200	31,824	3.4	30,600	3.2	3.6	6.0
		Subtotal	206,900	204,673	245,780	251,084	-	242,490	-	-	40.6
Activia Account Properties	AA-1	Amagasaki Q's MALL (Land)	12,000	12,113	14,200	14,400	4.2	14,000	3.9	4.4	2.4
	AA-2	icot Nakamozu (Note 9)	8,500	8,008	10,600	10,900	4.8	10,500	4.7 /4.8 /4.9	5.0	1.7
	AA-4	icot Mizonokuchi	2,710	2,596	3,240	3,310	5.4	3,160	5.2	5.8	0.5
	AA-5	icot Tama Center	2,840	2,577	3,960	3,960	5.0	3,950	4.6	5.2	0.6
	AA-6	A-PLACE Kanayama	6,980	6,183	8,780	8,900	5.1	8,650	4.9	5.3	1.4
	AA-7	Osaka Nakanoshima Building	11,100	11,205	16,300	16,500	3.8	16,100	3.6	4.0	2.2
	AA-8	icot Omori	5,790	5,693	6,870	6,940	4.3	6,790	4.1	4.5	1.1
	AA-9	Market Square Sagami-hara	4,820	4,614	5,010	5,030	5.3	4,980	5.1	5.5	0.9
	AA-10	Umeda Gate Tower	19,000	19,175	21,400	21,500	3.7	21,300	3.4	3.8	3.7
	AA-11	A-PLACE Bashamichi	3,930	3,961	4,740	4,850	4.8	4,620	4.5	5.0	0.8
	AA-12	Commercial Mall Hakata	6,100	6,298	6,090	6,110	4.8	6,060	4.5	4.9	1.2
	AA-13	EDGE Shinsaibashi	19,800	20,009	21,300	21,700	3.8	20,900	3.6	4.0	3.9
		Subtotal	103,570	102,437	122,490	124,100	-	121,010	-	-	20.3
	Total	509,185	505,577	606,906	616,220	-	599,757	-	-	100.0	

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

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

(Note 3) Book value at end of period represents book value for each property less depreciation expenses as of November 30, 2020, rounding down to the nearest million yen.

(Note 4) The appraisal of properties is commissioned to Japan Real Estate Institute, Daiwa Real Estate Appraisal Co., Ltd., The Tanizawa Sōgō Appraisal Co., Ltd., Japan Valuers Co., Ltd. or JLL Morii Valuation & Advisory K.K. Assessed value at end of period and return price show value described in each real estate appraisal report with the date of value estimate of November 30, 2020.

- (Note 5) Investment ratio is calculated by dividing the acquisition price for each property by the total acquisition price (excluding consumption tax and other acquisition-related expenses). Figures are rounded to the nearest tenth.
- (Note 6) As for Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, DECKS Tokyo Beach, Tokyu Plaza Ginza (Land), Q plaza HARAJUKU, Shiodome Building, and Ebisu Prime Square, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75%, 50%, 49%, 30%, 60%, 35% and 51%, respectively).
- (Note 7) The discount rates of Q plaza EBISU represent 3.4% from the first year to the third year and 3.3% in and after the fourth year.
- (Note 8) The price based on direct capitalization method stated for Tokyu Plaza Ginza (Land) has been calculated by means of the fixed term capitalization method.
- (Note 9) The discount rates of icot Nakamozu represent 4.7% from the first year to the second year, 4.8% from the third year to the seventh year and 4.9% in and after the eighth year.

b. Overview of assets held (2)

(As of November 30, 2020)

Category	Property number	Property name	Location	Date of construction (Note 1)	Number of tenants (Note 2)	Contracted rent (Annual) (Millions of yen) (Note 3)	Leasehold and guarantee deposit (Millions of yen) (Note 4)	Total leasable area (m <sup>2</sup> ) (Note 5)	Total leased area (m <sup>2</sup> ) (Note 6)	Occupancy rate (%) (Note 7)	
Urban Retail Properties	UR-1	Tokyu Plaza Omotesando Harajuku (Note 8)	Shibuya, Tokyo	March 14, 2012	33	2,022	1,675	4,918.43	4,851.90	98.6	
	UR-2	Tokyu Plaza Akasaka (Note 8)	Chiyoda, Tokyo	September 10, 1969	90	916	365	16,609.75	16,131.57	97.1	
	UR-3	Q plaza EBISU	Shibuya, Tokyo	August 20, 2008	4	485	475	4,024.88	4,024.88	100.0	
	UR-5	Kyoto Karasuma Parking Building	Kyoto, Kyoto	July 24, 2006	2	(Note 9)	(Note 9)	21,616.04	21,616.04	100.0	
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	Kobe, Hyogo	January 31, 2010	7	1,246	1,431	19,653.90	19,653.90	100.0	
	UR-8	A-FLAG SAPPORO	Sapporo, Hokkaido	May 23, 1980	15	611	116	21,229.16	20,874.09	98.3	
	UR-9	A-FLAG SHIBUYA	Shibuya, Tokyo	June 29, 1988	2	420	179	3,403.07	3,403.07	100.0	
	UR-10	Q plaza SHINSAIBASHI	Osaka, Osaka	November 16, 2007	6	673	433	2,820.23	2,820.23	100.0	
	UR-11	A-FLAG KOTTO DORI	Minato, Tokyo	January 22, 1992	8	242	193	2,656.53	2,656.53	100.0	
	UR-12	A-FLAG BIJUTSUKAN DORI	Minato, Tokyo	December 1, 1998	4	239	241	1,994.65	1,994.65	100.0	
	UR-13	A-FLAG DAIKANYAMA WEST	Shibuya, Tokyo	April 21, 1992	1	(Note 9)	(Note 9)	2,579.08	2,579.08	100.0	
	UR-14	A-FLAG KITA SHINSAIBASHI	Osaka, Osaka	March 25, 2008	5	186	129	2,538.13	2,538.13	100.0	
	UR-15	DECKS Tokyo Beach (Note 8)	Minato, Tokyo	June 20, 1996	77	617	461	16,125.56	15,604.04	96.8	
	UR-16	Tokyu Plaza Ginza (Land) (Note 8)	Chuo, Tokyo	–	1	1,162	572	1,130.04	1,130.04	100.0	
	UR-17	Q plaza HARAJUKU (Note 8)	Shibuya, Tokyo	March 5, 2015	16	455	337	3,378.49	3,378.49	100.0	
		Subtotal			–	271	–	–	124,677.94	123,256.64	98.9

Category	Property number	Property name	Location	Date of construction	Number of tenants	Contracted rent (Annual)	Leasehold and guarantee deposit	Total leasable area	Total leased area	Occupancy rate
				(Note 1)	(Note 2)	(Millions of yen) (Note 3)	(Millions of yen) (Note 4)	(m <sup>2</sup> ) (Note 5)	(m <sup>2</sup> ) (Note 6)	(%) (Note 7)
Tokyo Office Properties	TO-1	TLC Ebisu Building	Shibuya, Tokyo	March 5, 1993	11	601	518	7,342.60	6,841.16	93.2
	TO-2	A-PLACE Ebisu Minami	Shibuya, Tokyo	January 31, 1995	9	711	583	7,950.49	7,339.15	92.3
	TO-3	A-PLACE Yoyogi	Shibuya, Tokyo	February 22, 2007	3	253	223	3,106.17	3,106.17	100.0
	TO-4	A-PLACE Aoyama	Minato, Tokyo	September 6, 1966	8	585	552	7,303.69	7,303.69	100.0
	TO-5	Luogo Shiodome	Minato, Tokyo	July 30, 2004	7	348	310	4,476.35	4,476.35	100.0
	TO-6	TAMACHI SQUARE (Land)	Minato, Tokyo	–	1	125	–	1,287.96	1,287.96	100.0
	TO-7	A-PLACE Ikebukuro	Toshima, Tokyo	October 13, 2011	1	(Note 9)	(Note 9)	3,409.73	3,409.73	100.0
	TO-8	A-PLACE Shinbashi	Minato, Tokyo	March 4, 1999	10	376	315	5,054.19	5,054.19	100.0
	TO-9	A-PLACE Gotanda	Shinagawa, Tokyo	February 27, 2012	11	379	348	4,028.69	4,028.69	100.0
	TO-10	A-PLACE Shinagawa	Minato, Tokyo	September 20, 1991	8	262	247	2,986.36	2,986.36	100.0
	TO-11	OSAKI WIZTOWER	Shinagawa, Tokyo	January 10, 2014	5	668	668	7,193.28	7,193.28	100.0
	TO-12	Shiodome Building (Note 8)	Minato, Tokyo	December 14, 2007	38	3,230	2,669	28,136.05	28,062.68	99.7
	TO-13	A-PLACE Ebisu Higashi	Shibuya, Tokyo	January 10, 1992	7	354	266	4,010.69	4,010.69	100.0
	TO-14	A-PLACE Shibuya Konnoh	Shibuya, Tokyo	March 18, 1992	4	285	225	3,010.53	3,010.53	100.0
	TO-15	A-PLACE Gotanda Ekimae	Shinagawa, Tokyo	November 30, 1993	11	344	280	4,328.32	3,833.31	88.6
	TO-16	A-PLACE Shinagawa Higashi	Minato, Tokyo	August 31, 1985 (main building) September 13, 1999 (annex)	8	1,072	976	14,658.98	14,658.98	100.0
	TO-18	Ebisu Prime Square (Note 8)	Shibuya, Tokyo	January 31, 1997	102	1,437	1,085	18,063.02	17,013.63	94.2
		Subtotal			–	244	–	–	126,347.10	123,616.55
Activia Account Properties	AA-1	Amagasaki Q's MALL (Land)	Amagasaki, Hyogo	–	1	714	341	27,465.44	27,465.44	100.0
	AA-2	icot Nakamozu	Sakai, Osaka	June 27, 2007	2	619	430	28,098.02	28,098.02	100.0
	AA-4	icot Mizonokuchi	Kawasaki, Kanagawa	July 15, 1998	1	(Note 9)	100	14,032.05	14,032.05	100.0
	AA-5	icot Tama Center	Tama, Tokyo	March 7, 2006	10	240	237	5,181.58	5,181.58	100.0
	AA-6	A-PLACE Kanayama	Nagoya, Aichi	February 10, 2009	21	535	434	9,314.90	9,314.90	100.0
	AA-7	Osaka Nakanoshima Building	Osaka, Osaka	March 5, 1984	39	999	709	20,226.77	20,226.77	100.0
	AA-8	icot Omori	Ota, Tokyo	March 6, 2007	8	388	359	6,209.79 (Note 10)	6,210.79 (Note 10)	100.0
	AA-9	Market Square Sagami-hara	Sagami-hara, Kanagawa	June 13, 2014	3	(Note 9)	(Note 9)	15,152.42	15,152.42	100.0
	AA-10	Umeda Gate Tower	Osaka, Osaka	January 15, 2010	17	939	691	13,562.63	13,562.63	100.0
	AA-11	A-PLACE Bashamichi	Yokohama, Kanagawa	May 31, 1975	36	349	238	9,710.91	9,710.91	100.0
	AA-12	Commercial Mall Hakata	Fukuoka, Fukuoka	November 3, 2005	18	324	152	9,612.88	8,909.04	92.7
	AA-13	EDGE Shinsaibashi	Osaka, Osaka	April 22, 1986	22	941	729	15,897.66	15,897.66	100.0
		Subtotal			–	178	–	–	174,465.05	173,761.21
	Total			–	693	–	–	425,490.09	420,634.40	98.9

- (Note 1) Date of construction of the main building, as described in the property registry. For properties with several main buildings, the construction date of the oldest building is listed. The construction date is omitted in case of acquisition of land only (Land represents the part of site on which the building is established under a land lease right; the same shall apply hereinafter). However, for A-PLACE Shinbashi and A-FLAG SHIBUYA, the date of inspection confirming completion of construction written on the certificate of inspection is provided.
- (Note 2) At each property, the number of tenants is equal to the aggregate number of tenants as of November 30, 2020 described in the lease agreements in relation to buildings, except that for properties with master lease agreements, the total number of end-tenants is listed. For properties for which we acquire only land, the total number of tenants of the land is listed.
- (Note 3) The contracted rent (annual) for each property other than properties for which we acquire only land is calculated by multiplying the aggregate anticipated monthly rent (limited to rent for rooms which were occupied by tenants as of November 30, 2020), including common service fee and excluding usage fee for warehouses, signboards and parking lots, and also excluding revenue-based rents, regardless of free rents, rent holidays and temporary reductions of rent as of November 30, 2020, as indicated in the lease agreements in relation to buildings as of November 30, 2020 by 12 (for where multiple lease agreements are concluded in relation to buildings, the aggregate anticipated monthly rent for all lease agreements) (excluding consumption tax) and rounding to the nearest million yen. For properties for which we acquire only land, it is calculated as the annual contracted rent (excluding consumption tax) as indicated in the lease agreement for such land as of November 30, 2020, rounding to the nearest million yen. For properties with master lease agreements, the annual contracted rent is calculated by multiplying the aggregate anticipated monthly rent (limited to rent for rooms; including common service fees and excluding usage fees for warehouses, signboards and parking lots, and also excluding revenue-based rents, regardless of free rents, rent holidays and temporary reductions of rent as of November 30, 2020), as indicated in the relevant sublease agreement with end-tenants by 12.
- (Note 4) The leasehold and guarantee deposit is calculated as the total amount on the lease agreement for each property as of November 30, 2020 (limited to leasehold and guarantee deposit based on the lease agreement for leased property that was occupied by the tenant as of November 30, 2020), rounding to the nearest million yen. For properties with master lease agreements, the leasehold and guarantee deposit is calculated as the total amount required based on the sublease agreements with end-tenants, rounding to the nearest million yen.
- (Note 5) The total leasable area represents the total of gross floor area considered to be leasable based on the lease agreements for building or floor plans as of November 30, 2020 of each property other than properties of which we acquire only land, and gross land area considered to be leasable based on the lease agreement for land or land plans as of November 30, 2020 of each property of which we acquire only land.
- (Note 6) The total leased area is equal to the total of leased area presented in each lease agreement for properties held as of November 30, 2020. For properties with master lease agreements, counted is the total of the area of properties for which sublease agreements are concluded with end-tenants and that are actually subleased.
- (Note 7) The occupancy rate is calculated by dividing total leased area for each property by the total leasable area as of November 30, 2020, rounding to the nearest tenth. The subtotal and total are calculated by dividing aggregate leased area by aggregate leasable area, rounding to the nearest tenth.
- (Note 8) As for Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, DECKS Tokyo Beach, Tokyu Plaza Ginza (Land), Q plaza HARAJUKU, Shiodome Building, and Ebisu Prime Square, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75%, 50%, 49%, 30%, 60%, 35% and 51%, respectively). However, the numbers of tenants provided are the numbers for each whole building.
- (Note 9) Since we have not obtained permission from the tenant of this property to release the information, the information is not disclosed.
- (Note 10) The calculation of total leasable area and total leased area for icot Omori includes part of an external bicycle parking lot (approximately 21 m<sup>2</sup>) and part of a common area on the second floor (approximately 28 m<sup>2</sup>).
- (Note 11) For lease agreements with end-tenants that have been asked to be terminated or cancelled, or for which the rent has not been paid, number of tenants, contracted rent (annual), leasehold and guarantee deposit, total leased area and occupancy rate are shown in the above table if these agreements continued as of November 30, 2020, assuming that the lease agreements with the end-tenants remained effective; the same shall apply hereinafter.

## (B) Capital expenditure for assets under management

## a. Scheduled capital expenditure

The following table shows major estimated capital expenditure for renovation work, etc. that the Investment Corporation plans to conduct for assets held in the 18th fiscal period as of November 30, 2020. The estimated construction cost below includes the portion expensed for accounting purposes.

Name of real property (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen)		
			Total amount	Payment for the period	Total amount paid
A-FLAG SAPPORO (Sapporo, Hokkaido)	Repair of substation equipment (First period)	From March 2022 to November 2022	560	1	4
A-FLAG SAPPORO (Sapporo, Hokkaido)	Repair of substation equipment (Second period)	From November 2022 to May 2023	470	1	4
A-PLACE Ebisu Minami (Shibuya, Tokyo)	Large-scale repair work (First period and Second period)	From January 2021 to November 2021	320	–	–
icot Nakamozu (Sakai, Osaka)	Large-scale repair work (SC Building)	From March 2021 to November 2021	300	–	–
Luogo Shiodome (Minato, Tokyo)	Replacement of air conditioning units (First period)	From December 2020 to May 2021	150	–	–
Luogo Shiodome (Minato, Tokyo)	Replacement of air conditioning units (Second period)	From December 2020 to November 2021	148	–	–
Osaka Nakanoshima Building (Osaka, Osaka)	Replacement of two emergency elevators	From April 2022 to November 2022	142	–	–
A-PLACE Bashamichi (Yokohama, Kanagawa)	Large-scale repair work	From June 2020 to February 2021	96	–	–
A-PLACE Gotanda Ekimae (Shinagawa, Tokyo)	Large-scale repair work	From July 2020 to March 2021	79	–	–
DECKS Tokyo Beach (Minato, Tokyo)	Renovation of 3rd floor Seaside Deck	From January 2021 to May 2021	71 (Note)	–	–
A-PLACE Aoyama (Minato, Tokyo)	Installation of LED lighting	From July 2022 to November 2022	66	–	–
A-FLAG SHIBUYA (Shibuya, Tokyo)	Renewal of escalators	From December 2021 to January 2022	64	–	–
TLC Ebisu Building (Shibuya, Tokyo)	Renovation work for mechanical parking facility	From February 2022 to May 2022	62	–	–
Shiodome Building (Minato, Tokyo)	Installation of LED lighting (First period)	From October 2020 to February 2021	26 (Note)	–	–

Name of real property (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen)		
			Total amount	Payment for the period	Total amount paid
A-PLACE Ebisu Minami (Shibuya, Tokyo)	Replacement of horizontal drainage piping of air conditioning units (First period and Second period)	From January 2021 to May 2021	24	–	–
A-FLAG SAPPORO (Sapporo, Hokkaido)	Overhaul of mechanical parking facility system No. 3	From March 2021 to April 2021	23	–	–
Osaka Nakanoshima Building (Osaka, Osaka)	Repair work of substation equipment according to facility planning	From October 2020 to February 2021	16	–	–
Ebisu Prime Square (Shibuya, Tokyo)	Replacement of residential tower's calorimeter	From November 2020 to March 2021	15 (Note)	–	–
A-FLAG SHIBUYA (Shibuya, Tokyo)	Renewal of elevator controls	From January 2021 to January 2021	13	–	–
A-FLAG SHIBUYA (Shibuya, Tokyo)	Replacement of drainage piping of air conditioning equipment	From May 2021 to May 2021	13	–	–
A-PLACE Ebisu Higashi (Shibuya, Tokyo)	Installation of LED lighting	From March 2021 to April 2021	12	–	–
A-PLACE Gotanda Ekimae (Shinagawa, Tokyo)	Replacement of toilet and plumbing equipment for restrooms on 4th and 8th floors	From February 2021 to May 2021	12	–	–
Tokyu Plaza Omotesando Harajuku (Shibuya, Tokyo)	Renovation work for roof deck (Second period)	From March 2021 to March 2021	11 (Note)	–	–
A-PLACE Aoyama (Minato, Tokyo)	Replacement of substation equipment and vacuum circuit breaker	From February 2021 to February 2021	10	–	–

(Note) The shown estimated construction cost with regard to Tokyu Plaza Omotesando Harajuku, DECKS Tokyo Beach, Shiodome Building and Ebisu Prime Square is the amount equivalent to the ratio of the Investment Corporation's co-ownership interests of real estate trust beneficiary (75%, 49%, 35% and 51%, respectively).

b. Capital expenditure during the fiscal period

For assets held by the Investment Corporation in the 18th fiscal period, construction work conducted by the Investment Corporation during the fiscal period ended November 30, 2020 that falls into capital expenditure is as follows. The capital expenditure for the fiscal period ended November 30, 2020 amounted to ¥650 million, and repair and maintenance expenses that were accounted for as expense in the fiscal period ended November 30, 2020 came to ¥441 million. On aggregate, construction work of ¥1,091 million was carried out during the fiscal period.

Name of real property (Location)	Purpose	Period	Construction cost (Millions of yen)
Osaka Nakanoshima Building (Osaka, Osaka)	Replacement of elevators (elevators No. 1 and 2)	From June 2020 to August 2020	86
Luogo Shiodome (Minato, Tokyo)	Large-scale repair work	From December 2019 to July 2020	80
TLC Ebisu Building (Shibuya, Tokyo)	Installation of LED lighting	From August 2020 to November 2020	43
A-PLACE Shinagawa Higashi (Minato, Tokyo)	Installation of LED lighting (First period)	From October 2020 to November 2020	28
EDGE Shinsaibashi (Osaka, Osaka)	Maintenance of mechanical parking equipment (vertical rotary equipment) Replacement, etc. of chain guide rails	From December 2019 to June 2020	28
TLC Ebisu Building (Shibuya, Tokyo)	Renewal of automatic security system	From October 2020 to November 2020	26
Osaka Nakanoshima Building (Osaka, Osaka)	Repair of lavatory plumbing for 6th and 7th floors	From June 2020 to October 2020	18
Osaka Nakanoshima Building (Osaka, Osaka)	Repair of lavatory plumbing for 8th and 9th floors	From June 2020 to October 2020	18
A-FLAG SHIBUYA (Shibuya, Tokyo)	Replacement of sprinkler pump and fire extinguishing pump panel	From November 2020 to November 2020	13
A-FLAG DAIKANYAMA WEST (Shibuya, Tokyo)	Work to change to electronic locks in the building	From November 2020 to November 2020	12
Osaka Nakanoshima Building (Osaka, Osaka)	Replacement of disaster prevention pump	From August 2020 to November 2020	12
A-PLACE Shinagawa Higashi (Minato, Tokyo)	Replacement of halon fire extinguishing system	From June 2020 to September 2020	11
A-FLAG DAIKANYAMA WEST (Shibuya, Tokyo)	Replacement of halon container valves	From October 2020 to November 2020	10
A-PLACE Bashamichi (Yokohama, Kanagawa)	Replacement of compressor for air conditioning (common areas on 6th, 8th and 9th floors)	From June 2020 to June 2020	10



Name of real property (Location)	Purpose	Period	Construction cost (Millions of yen)
Other			246
Total			650

(C) Information concerning major tenants

a. Summary of major tenants

For assets held in the 18th fiscal period, the table below shows tenants whose leased area accounts for 10% or more of the total leased area in the entire portfolio (major tenants) based on the data as of November 30, 2020. The forms of agreements with the tenants in the table are ordinary lease agreements.

As for certain assets held, the Investment Corporation has entered into lease agreements (master lease agreements) with Tokyu Community Corp. and Tokyu Land SC Management Corporation with the objective of allowing them to be master lease companies and sublease the leased assets to end-tenants. The table below shows information on the major tenants with master lease agreements based on the data as of November 30, 2020. Rents received by the Investment Corporation from the master lease companies are equal to the rents received by these companies from sublessees (end-tenants) (pass-through master lease), and such rents are not guaranteed.

Tenant	Business	Property name	Leased area (m <sup>2</sup> ) (Note 1)	Contracted rent (Annual) (Millions of yen) (Note 2)	Leasehold and guarantee deposit (Millions of yen) (Note 3)	Expiration date (Note 4)
Tokyu Community Corp.	Real Estate Management	A-FLAG KOTTO DORI	2,656.53	242	193	December 31, 2026
		TLC Ebisu Building	6,841.16	601	518	May 31, 2025
		A-PLACE Ebisu Minami	7,339.15	711	583	May 31, 2025
		A-PLACE Yoyogi	3,106.17	253	233	May 31, 2025
		A-PLACE Aoyama	7,303.69	585	552	May 31, 2025
		Luogo Shiodome	4,476.35	348	310	May 31, 2025
		A-PLACE Ikebukuro	3,409.73	(Note 5)	(Note 5)	May 31, 2025
		A-PLACE Shinbashi	5,054.19	376	315	May 31, 2025
		A-PLACE Gotanda	4,028.69	379	348	May 31, 2025
		A-PLACE Shinagawa	2,986.36	262	247	May 31, 2025
		OSAKI WIZTOWER	7,193.28	668	668	May 31, 2025
		A-PLACE Ebisu Higashi	4,010.69	354	266	May 31, 2025
		A-PLACE Shibuya Konnoh	3,010.53	285	225	September 30, 2025
		A-PLACE Gotanda Ekimae	3,833.31	344	280	June 30, 2026
		A-PLACE Shinagawa Higashi	14,658.98	1,072	976	March 31, 2027
		Ebisu Prime Square	13,591.70	1,241	1,053	January 31, 2030
		A-PLACE Kanayama	9,314.90	535	434	May 31, 2025
		Osaka Nakanoshima Building	20,226.77	999	709	November 30, 2024
		Umeda Gate Tower	13,562.63	939	691	April 30, 2028
		A-PLACE Bashamichi	9,710.91	349	238	October 31, 2026
		Commercial Mall Hakata	8,909.04	324	152	March 31, 2027
		Total	155,224.76	-	-	-

Tenant	Business	Property name	Leased area (m <sup>2</sup> ) (Note 1)	Contracted rent (Annual) (Millions of yen) (Note 2)	Leasehold and guarantee deposit (Millions of yen) (Note 3)	Expiration date (Note 4)
Tokyu Land SC Management Corporation	Real Estate Management	Q plaza EBISU	4,024.88	485	475	June 30, 2022
		Kyoto Karasuma Parking Building	21,616.04	(Note 5)	(Note 5)	November 30, 2024
		Kobe Kyu Kyoryuchi 25Bankan	19,653.90	1,246	1,431	August 31, 2023
		A-FLAG SAPPORO	20,874.09	611	116	December 31, 2023
		A-FLAG SHIBUYA	3,403.07	420	179	December 31, 2023
		Q plaza SHINSAIBASHI	2,820.23	673	433	December 31, 2025
		A-FLAG BIJUTSUKAN DORI	1,994.65	239	241	December 31, 2026
		A-FLAG DAIKANYAMA WEST	2,579.08	(Note 5)	(Note 5)	December 31, 2026
		A-FLAG KITA SHINSAIBASHI	2,538.13	186	129	June 30, 2027
		DECKS Tokyo Beach (Note 6)	15,604.04	617	461	January 31, 2028
		Q plaza HARAJUKU (Note 6)	3,378.49	455	337	January 31, 2029
		icot Nakamozu	28,098.02	619	430	June 30, 2022
		icot Mizonokuchi	14,032.05	(Note 5)	100	June 30, 2022
		icot Tama Center	5,181.58	240	237	November 30, 2024
		icot Omori	6,209.79	388	359	December 31, 2023
		Market Square Sagamihara	15,152.42	(Note 5)	(Note 5)	January 31, 2025
			Total	167,160.46	-	-

(Note 1) The leased area is the leased area to end-tenants in respect to the leased area provided in the master lease agreement as of November 30, 2020 where the tenant is the master lease company and sublessor, rounding to the nearest hundredth.

(Note 2) Under master lease contracts concluded with tenants, for properties of which the master lease rent payable by the tenant equals to the rent payable by the end-tenant to the tenant, the contracted rent (annual) for each property is calculated by multiplying the monthly rent (limited to rooms which were occupied by tenants as of November 30, 2020), including common service fee and excluding usage fee for warehouses, signboards and parking lots, and also excluding revenue-based rents, regardless of free rents, rent holidays and temporary reductions of rent as of November 30, 2020, as indicated in the sublease agreement concluded with the end-tenant as of November 30, 2020 by 12, rounding to the nearest million yen.

(Note 3) The leasehold and guarantee deposit is calculated as the total amount on the sublease agreement with the end-tenant as of November 30, 2020 (limited to leasehold and guarantee deposit based on the lease agreement for leased property that was occupied by the tenant as of November 30, 2020), rounding to the nearest million yen, where the tenant is the master lease company and sublessor.

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

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

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

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

For assets held by the Investment Corporation, the following table shows end-tenants ranked in the top 10 in terms of total leased area in the entire portfolio as of November 30, 2020.

End-tenants	Property name	Total leased area (m <sup>2</sup> ) (Note 1)	Lease expiration date	Form of agreement (Note 2)
Tokyu Hotels Co., Ltd.	Tokyu Plaza Akasaka A-FLAG SAPPORO	30,182.69	October 31, 2021 (Note 3)	Fixed-term building lease agreement
Sumitomo Mitsui Trust Bank, Limited (Note 4)	Tokyu Plaza Ginza (Land) TAMACHI SQUARE (Land) Amagasaki Q's MALL (Land)	29,883.44 (Note 5)	January 9, 2089 May 31, 2074 January 31, 2042	General fixed-term leasehold land agreement Ordinary leasehold land agreement Fixed-term business-use lease agreement
Kohnan Shoji Co., Ltd.	icot Nakamozu	26,529.03	July 11, 2027	Fixed-term building lease agreement
Times24 Co., Ltd.	Kyoto Karasuma Parking Building	21,224.14	–	Fixed-term building lease agreement
Plan'Do'See Inc.	Kobe Kyu Kyoryuchi 25Bankan	14,195.42	–	–
Room's-Taishodo	icot Mizonokuchi	14,032.05	July 24, 2023	Fixed-term building lease agreement
K'S HOLDINGS CORPORATION	Market Square Sagamihara	11,863.92	June 30, 2034	Fixed-term building lease agreement
NTT Communications Corporation	Shiodome Building	10,336.62	–	–
Swing Corporation	A-PLACE Shinagawa Higashi	6,488.78	April 30, 2022	Ordinary building lease agreement
MUFG Bank, Ltd.	icot Nakamozu icot Tama Center A-PLACE Kanayama	5,609.11	–	–

(Note 1) The total leased area is equal to the total leased area in each property under the lease agreement with the end-tenant as of November 30, 2020. As for Tokyu Plaza Akasaka, Tokyu Plaza Ginza (Land) and Shiodome Building, the figure is based on the amount in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) as of November 30, 2020 (50%, 30% and 35%, respectively).

(Note 2) The form of agreement is equal to the form of agreement described in the lease agreement with the end-tenants as of November 30, 2020.

(Note 3) As of March 31, 2020, a fixed-term building lease agreement with a lease period of November 1, 2021 to March 31, 2027 was entered into for A-FLAG SAPPORO.

(Note 4) Tenant is the trustee of the building on the land; SPADE HOUSE Limited Liability Company is the trust beneficiary under such trust of Tokyu Plaza Ginza (Land); Tokyu Land Corporation is the trust beneficiary under such trust of TAMACHI SQUARE (Land) and Amagasaki Q's MALL (Land).

(Note 5) Total leased area for Tokyu Plaza Ginza (Land), TAMACHI SQUARE (Land) and Amagasaki Q's MALL (Land) is in respect of the land.

(Note 6) Since we have not obtained permission from the tenant of the properties to release the information, the information missing from this table is not disclosed.

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

18th fiscal period (From June 1, 2020 to November 30, 2020)

(Unit: Thousands of yen)

Property number	UR-1	UR-2	UR-3	UR-5	UR-7
Property name	Tokyu Plaza Omotesando Harajuku (Note 1)	Tokyu Plaza Akasaka (Note 1)	Q plaza EBISU	Kyoto Karasuma Parking Building	Kobe Kyu Kyoryuchi 25Bankan
Number of business days in the 18th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	1,129,516	576,102	217,835	(Note 2)	637,580
Leasing business revenue	1,038,462	498,424	185,261	(Note 2)	581,994
Other leasing business revenue	91,054	77,677	32,573	(Note 2)	55,586
b. Expenses related to leasing business	232,304	227,857	63,438	57,386	194,636
Management operation expenses	83,921	80,301	15,887	4,407	75,022
Utilities expenses	23,957	49,037	23,898	–	48,364
Tax and public dues	68,731	69,400	8,990	39,111	48,868
Insurance	254	565	101	212	897
Repair and maintenance expenses	6,408	20,640	4,201	12,863	16,682
Other expenses related to leasing business	49,029	7,912	10,359	791	4,801
c. NOI (a – b)	897,212	348,244	154,397	(Note 2)	442,944
d. Depreciation	52,110	38,809	18,301	15,810	122,707
Profit (loss) from leasing business (c – d)	845,101	309,435	136,095	(Note 2)	320,237

(Unit: Thousands of yen)

Property number	UR-8	UR-9	UR-10	UR-11	UR-12
Property name	A-FLAG SAPPORO	A-FLAG SHIBUYA	Q plaza SHINSAIBASHI	A-FLAG KOTTO DORI	A-FLAG BIJUTSUKAN DORI
Number of business days in the 18th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	525,989	197,208	320,271	119,825	111,955
Leasing business revenue	479,855	189,536	303,566	114,566	106,389
Other leasing business revenue	46,133	7,672	16,705	5,258	5,565
b. Expenses related to leasing business	204,027	42,443	50,551	38,134	33,738
Management operation expenses	107,740	12,232	9,615	10,182	3,658
Utilities expenses	40,533	6,866	14,029	5,964	5,306
Tax and public dues	25,525	11,594	16,943	13,887	2,170
Insurance	739	70	89	100	49
Repair and maintenance expenses	9,626	8,954	4,212	4,530	3,098
Other expenses related to leasing business	19,861	2,724	5,661	3,468	19,455
c. NOI (a – b)	321,961	154,764	269,719	81,691	78,216
d. Depreciation	76,905	8,523	16,942	5,161	7,199
Profit (loss) from leasing business (c – d)	245,056	146,240	252,777	76,529	71,017

(Unit: Thousands of yen)

Property number	UR-13	UR-14	UR-15	UR-16	UR-17
Property name	A-FLAG DAIKANYAMA WEST	A-FLAG KITA SHINSAIBASHI	DECKS Tokyo Beach (Note 1)	Tokyu Plaza Ginza (Land) (Note 1)	Q plaza HARAJUKU (Note 1)
Number of business days in the 18th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	(Note 2)	91,767	488,457	581,063	215,842
Leasing business revenue	(Note 2)	82,586	374,799	581,063	196,027
Other leasing business revenue	(Note 2)	9,180	113,658	–	19,815
b. Expenses related to leasing business	36,858	26,727	323,637	105,508	71,839
Management operation expenses	12,234	5,614	105,453	–	19,675
Utilities expenses	300	9,136	96,224	–	11,443
Tax and public dues	14,412	6,672	55,456	105,203	36,921
Insurance	82	59	617	–	106
Repair and maintenance expenses	6,751	4,065	18,281	–	–
Other expenses related to leasing business	3,077	1,178	47,603	305	3,692
c. NOI (a – b)	(Note 2)	65,039	164,819	475,555	144,003
d. Depreciation	4,028	5,281	28,020	–	6,673
Profit (loss) from leasing business (c – d)	(Note 2)	59,758	136,799	475,555	137,329

(Unit: Thousands of yen)

Property number	TO-1	TO-2	TO-3	TO-4	TO-5
Property name	TLC Ebisu Building	A-PLACE Ebisu Minami	A-PLACE Yoyogi	A-PLACE Aoyama	Luogo Shiodome
Number of business days in the 18th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	330,268	385,349	138,138	316,925	189,542
Leasing business revenue	317,921	370,047	130,446	301,947	178,060
Other leasing business revenue	12,346	15,301	7,691	14,977	11,482
b. Expenses related to leasing business	70,541	135,121	51,131	67,557	50,794
Management operation expenses	25,404	32,549	10,826	20,895	12,889
Utilities expenses	11,880	19,680	8,834	16,181	10,321
Tax and public dues	17,075	32,074	10,597	23,434	20,049
Insurance	266	339	114	249	214
Repair and maintenance expenses	2,329	41,967	18,278	2,070	3,681
Other expenses related to leasing business	13,585	8,510	2,478	4,726	3,638
c. NOI (a – b)	259,727	250,228	87,007	249,367	138,748
d. Depreciation	41,884	31,184	15,437	23,037	27,662
Profit (loss) from leasing business (c – d)	217,843	219,043	71,569	226,330	111,086

(Unit: Thousands of yen)

Property number	TO-6	TO-7	TO-8	TO-9	TO-10
Property name	TAMACHI SQUARE (Land)	A-PLACE Ikebukuro	A-PLACE Shinbashi	A-PLACE Gotanda	A-PLACE Shinagawa
Number of business days in the 18th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	62,502	(Note 2)	207,710	201,633	138,928
Leasing business revenue	62,502	(Note 2)	195,439	191,389	134,076
Other leasing business revenue	–	(Note 2)	12,270	10,244	4,851
b. Expenses related to leasing business	9,385	37,715	55,591	42,279	32,855
Management operation expenses	–	9,913	16,873	13,907	10,887
Utilities expenses	–	9,938	12,218	9,197	5,276
Tax and public dues	9,130	10,589	15,397	13,889	11,653
Insurance	–	113	190	153	105
Repair and maintenance expenses	–	3,699	4,903	1,883	2,055
Other expenses related to leasing business	255	3,461	6,008	3,249	2,877
c. NOI (a – b)	53,116	(Note 2)	152,118	159,354	106,073
d. Depreciation	–	20,685	23,046	26,867	9,367
Profit (loss) from leasing business (c – d)	53,116	(Note 2)	129,071	132,486	96,705

(Unit: Thousands of yen)

Property number	TO-11	TO-12	TO-13	TO-14	TO-15
Property name	OSAKI WIZTOWER	Shiodome Building (Note 1)	A-PLACE Ebisu Higashi	A-PLACE Shibuya Konnoh	A-PLACE Gotanda Ekimae
Number of business days in the 18th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	351,079	1,546,847	187,280	131,090	197,272
Leasing business revenue	335,046	1,473,046	179,321	126,379	188,267
Other leasing business revenue	16,032	73,801	7,958	4,710	9,004
b. Expenses related to leasing business	94,923	350,189	40,186	35,571	53,432
Management operation expenses	57,851	106,389	12,633	15,596	14,582
Utilities expenses	11,195	68,613	7,936	5,349	9,647
Tax and public dues	23,617	124,084	13,814	9,466	18,054
Insurance	448	900	139	107	159
Repair and maintenance expenses	–	28,693	492	2,419	3,802
Other expenses related to leasing business	1,811	21,507	5,168	2,632	7,185
c. NOI (a – b)	256,156	1,196,658	147,093	95,518	143,840
d. Depreciation	48,275	152,275	23,678	13,181	13,238
Profit (loss) from leasing business (c – d)	207,880	1,044,382	123,415	82,337	130,601

(Unit: Thousands of yen)

Property number	TO-16	TO-18	AA-1	AA-2	AA-4
Property name	A-PLACE Shinagawa Higashi	Ebisu Prime Square (Note 1)	Amagasaki Q's MALL (Land)	icot Nakamozu	icot Mizonokuchi
Number of business days in the 18th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	562,809	824,740	356,784	310,454	(Note 2)
Leasing business revenue	531,946	730,725	356,784	310,424	(Note 2)
Other leasing business revenue	30,863	94,015	–	30	(Note 2)
b. Expenses related to leasing business	142,237	223,341	56,415	43,475	14,231
Management operation expenses	51,616	63,107	–	5,797	2,297
Utilities expenses	25,894	109,858	–	30	–
Tax and public dues	48,144	1	56,159	30,269	10,072
Insurance	630	861	–	307	133
Repair and maintenance expenses	11,239	35,567	–	5,704	900
Other expenses related to leasing business	4,710	13,946	255	1,366	828
c. NOI (a – b)	420,572	601,399	300,369	266,979	(Note 2)
d. Depreciation	29,820	43,405	–	34,759	8,345
Profit (loss) from leasing business (c – d)	390,752	557,994	300,369	232,219	(Note 2)

(Unit: Thousands of yen)

Property number	AA-5	AA-6	AA-7	AA-8	AA-9
Property name	icot Tama Center	A-PLACE Kanayama	Osaka Nakanoshima Building	icot Omori	Market Square Sagamihara
Number of business days in the 18th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	139,825	303,438	551,115	208,340	(Note 2)
Leasing business revenue	131,811	279,586	526,775	183,685	(Note 2)
Other leasing business revenue	8,014	23,851	24,339	24,655	(Note 2)
b. Expenses related to leasing business	45,010	82,903	217,569	58,244	41,311
Management operation expenses	16,151	23,966	55,108	9,335	16,263
Utilities expenses	9,337	23,109	37,668	24,012	4,522
Tax and public dues	11,720	27,552	55,738	12,471	13,633
Insurance	217	343	1,023	144	180
Repair and maintenance expenses	6,713	2,944	59,825	11,021	5,440
Other expenses related to leasing business	870	4,987	8,205	1,259	1,271
c. NOI (a – b)	94,815	220,534	333,545	150,096	(Note 2)
d. Depreciation	19,202	52,329	90,077	18,374	23,626
Profit (loss) from leasing business (c – d)	75,613	168,205	243,467	131,721	(Note 2)

(Unit: Thousands of yen)

Property number	AA-10	AA-11	AA-12	AA-13
Property name	Umeda Gate Tower	A-PLACE Bashamichi	Commercial Mall Hakata	EDGE Shinsaibashi
Number of business days in the 18th fiscal period	183	183	183	183
a. Real estate leasing business revenues	469,802	199,022	209,912	507,808
Leasing business revenue	434,566	181,283	169,508	468,150
Other leasing business revenue	35,235	17,738	40,404	39,658
b. Expenses related to leasing business	149,288	77,505	73,906	191,111
Management operation expenses	46,489	20,367	21,589	38,823
Utilities expenses	28,233	19,201	23,556	45,330
Tax and public dues	35,380	17,116	12,554	61,335
Insurance	504	402	166	617
Repair and maintenance expenses	33,212	6,641	8,049	17,955
Other expenses related to leasing business	5,469	13,776	7,990	27,047
c. NOI (a – b)	320,514	121,516	136,006	316,697
d. Depreciation	67,884	32,341	15,749	23,385
Profit (loss) from leasing business (c – d)	252,629	89,175	120,256	293,311

(Note 1) As for Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, DECKS Tokyo Beach, Tokyu Plaza Ginza (Land), Q plaza HARAJUKU, Shiodome Building and Ebisu Prime Square, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75%, 50%, 49%, 30%, 60%, 35% and 51%, respectively).

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