

## Financial Report for the Fiscal Period Ended November 30, 2021 (June 1, 2021 – November 30, 2021)

### Activia Properties Inc.

Listing: Tokyo Stock Exchange  
 Securities code: 3279  
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 Scheduled date to start distribution payments: February 14, 2022  
 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, 2021 (June 1, 2021 – November 30, 2021)

#### (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, 2021	15,646	6.3	8,758	8.1	7,781	7.3	7,753	6.9
Fiscal period ended May 31, 2021	14,715	(2.4)	8,101	(1.5)	7,250	(1.5)	7,249	(1.5)

	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, 2021	9,754	2.9	1.4	49.7
Fiscal period ended May 31, 2021	9,400	2.8	1.4	49.3

(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, 2021 and 794,871 units for the fiscal period ended November 30, 2021).

## (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, 2021	9,360	7,700	0	0	9,360	7,700
Fiscal period ended May 31, 2021	9,386	7,238	15	11	9,401	7,250

	Payout ratio	Distribution ratio to unitholders' equity
	%	%
Fiscal period ended November 30, 2021	99.3	2.8
Fiscal period ended May 31, 2021	99.8	2.8

(Note 1) Because new investment units were issued during the fiscal period ended November 30, 2021, the payout ratio for that period is obtained by the following formula with figures rounded to the first decimal place: Payout ratio = total distributions (excluding excess of earnings) / profit × 100

(Note 2) The ¥15 in cash distributions in excess of earnings per unit for the fiscal period ended May 31, 2021 comprises ¥15 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, 2021	566,257	278,716	49.2	338,760
As of May 31, 2021	525,379	255,581	48.6	331,397

(Reference) Unitholders' equity

As of November 30, 2021: ¥278,716 million

As of May 31, 2021: ¥255,581 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, 2021	21,002	(49,887)	31,061	20,057
Fiscal period ended May 31, 2021	8,745	(566)	(7,847)	17,881

## 2. Forecasts of results for the fiscal period from December 1, 2021 to May 31, 2022 and the fiscal period from June 1, 2022 to November 30, 2022

(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, 2022	15,271	(2.4)	8,614	(1.6)	7,673	(1.4)	7,672	(1.0)	9,325	–
Fiscal period ending November 30, 2022	15,520	1.6	8,558	(0.7)	7,579	(1.2)	7,578	(1.2)	9,210	–

(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, 2022: ¥9,325  
for the fiscal period ending November 30, 2022: ¥9,210

### \* 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: Yes
- 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, 2021	822,754 units
As of May 31, 2021	771,224 units
- b. Number of treasury units at end of period

As of November 30, 2021	– units
As of May 31, 2021	– units

(Note) Please refer to “Per Unit Information” on page 34 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 21st Fiscal Period from December 1, 2021 to May 31, 2022 and the 22nd Fiscal Period from June 1, 2022 to November 30, 2022” on pages 10 through 11 for information on assumptions for the forecasts.

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

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## 1. Asset Management Status

### (1) Asset Management Status

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

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

Activia Properties Inc. (hereinafter referred to as the “Investment Corporation”) was established on September 7, 2011, with unitholders’ capital of ¥200 million (400 units) and 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 September 7, 2021, the Investment Corporation carried out its seventh publicly offered capital increase after the listing, and on September 28, 2021, it carried out a third-party allotment.

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

In the fiscal period under review, which ended on November 30, 2021, the Investment Corporation acquired three “Tokyo Office Properties,” through publicly offered capital increase, etc., which are categorized as its focused investment properties. The Investment Corporation also took steps to reshuffle its asset portfolio which involved transferring Tokyu Plaza Akasaka (50% co-ownership interest) and acquiring one “Tokyo Office Property” on October 29, 2021. Consequently, the Investment Corporation held 47 properties (with the total acquisition price of ¥548,035 million) at the end of the fiscal period under review.

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

In the Japanese economy in the fiscal period under review, weakness continued to be seen in the trend of recovery despite the difficult environment, which was caused by COVID-19, softening steadily.

With respect to the environment surrounding retail properties, a trend of recovery has been seen in consumer sentiment, such as signs of recovery in contact service consumption due to the complete lifting of state of emergency, etc.

In the rental office market, there is a continuing trend of office consolidations and relocations to smaller offices due to COVID-19 leading to the adoption of telework and trend of cost reduction. Meanwhile, the average vacancy rate in the five central wards of Tokyo (Chiyoda-ku, Minato-ku, Chuo-ku, Shibuya-ku and Shinjuku-ku) as of November 30, 2021, according to data published by Miki Shoji Co., Ltd., was 6.35%, an increase of 0.45 percentage points from the period ended May 31, 2021. Rent levels have dropped for 16 consecutive months starting in August 2020. The average rent per *tsubo* (about 3.3 square meters) in the five central wards of Tokyo as of November 30, 2021, was ¥20,686. Even in major cities outside Tokyo, vacancy rates are trending upward and rent levels have fallen moderately or remain unchanged.

The J-REIT market was firm due to expectation that economic activity will normalize due to the lifting of the state of emergency. However, prices declined toward November 30, 2021 due to an increasing sense of caution because of new COVID-19 variants.

##### (C) Investment Performance

The Investment Corporation acquired three properties, namely Meguro Tokyu Building, Q plaza Shinjuku-3chome and A-PLACE Shibuya Nampeidai (Note 1) (with the total acquisition price of ¥43,500 million) on September 10, 2021, by publicly offered capital increase in accordance with the

basic asset management policy set forth in the Articles of Incorporation. On October 29, 2021, the Investment Corporation also transferred Tokyu Plaza Akasaka (50% co-ownership interest) (with the transfer price of ¥11,800 million) and acquired A-PLACE Tamachi East (Note 2) (with the acquisition price of ¥6,800 million) on the same day.

Consequently, total assets held by the Investment Corporation at the end of the fiscal period under review were 47 properties (with the total acquisition price of ¥548,035 million) with the total leasable area of 429,067.46 m<sup>2</sup> (129,791 *tsubo*).

(Note 1) Although the name of “A-PLACE Shibuya Nampeidai” as of the date of this financial report is “Nikko Shibuya Nampeidai Building,” it will be changed as of September 1, 2022.

(Note 2) Although the name of “A-PLACE Tamachi East” as of the date of this financial report is “Tamachi East Building,” it will be changed as of November 1, 2022.

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

	June 30, 2021	July 31, 2021	August 31, 2021	September 30, 2021	October 31, 2021	November 30, 2021
Urban Retail Properties	97.7%	97.3%	97.2%	97.3%	97.4%	97.5%
Tokyo Office Properties	96.7%	97.1%	96.8%	97.2%	96.9%	96.7%
Activia Account Properties	99.2%	99.2%	99.2%	99.2%	99.2%	98.2%
Total	98.0%	98.0%	97.9%	98.0%	97.9%	97.5%

(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. In July 2019, as material issues that the Investment Corporation needs to address, we released quantitative targets encompassing a wider range of performance benchmarks from an environmental standpoint, and also clearly stated practical management policy to such ends. In addition, we are striving daily to achieve our basic objective of cutting unit energy consumption, etc. by an annual average of 1% over the medium to long term. Sustainability Department was established as of April 1, 2021 to expand the functionality of the Sustainability Promotion System of TLC REIT Management Inc., our Asset Manager. The Sustainability Department succeeds the ESG-related missions from the Environmental Engineering Department, and we will further promote our sustainability program. As works to reduce environmental load for the fiscal period under review, the lighting was upgraded to LED lighting at common areas of icot Omori, some common areas of A-PLACE Yoyogi, A-PLACE Ikebukuro, A-PLACE Shinagawa, A-PLACE Ebisu Higashi and Ebisu Prime Square Tower, some private areas of Shiodome Building and Ebisu Prime Square. In addition, water-saving toilet bowls were used to promote effective utilization of water resources in the renovation of toilets of A-PLACE Shinagawa, and energy-saving performance was improved by using highly efficient outdoor air conditioning units in the replacement of air conditioning units of Luogo Shiodome.

Moreover, we continue to engage in annual initiatives geared to acquiring green building certifications, and during the fiscal period under review, we have acquired the BELS certifications for Umeda Gate Tower (two stars) and OSAKI WIZTOWER (two stars). As such, a total of 29 of our properties have acquired green building certification, which amounted to 65.4% of our holdings calculated on the basis of gross floor area (as of November 30, 2021).

Furthermore, an umbrella sharing service has been newly introduced at Luogo Shiodome, A-PLACE Shinagawa Higashi, A-PLACE Gotanda, A-PLACE Aoyama, A-PLACE Yoyogi, A-PLACE Shibuya Konnoh, TLC Ebisu Building and Ebisu Prime Square. At the same time, Tokyu Plaza Omotesando

Harajuku has started a project aiming for self-sufficiency resource circulation within the facilities in which raw garbage generated from restaurants within the facilities is turned into compost and then used for cultivation of strawberries in the field at the roof garden, and the restaurants offer a menu using cultivated strawberries. 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, in order to cover a part of the acquisition costs for beneficial interests in real estate trust to the above three properties and related costs, the Investment Corporation additionally issued investment units (49,030 units) through a public offering on September 7, 2021, issued new investment units (2,500 units) by a third-party allotment on September 28, 2021, and borrowed funds of ¥16,200 million on September 10, 2021. The Investment Corporation also refinanced a total of ¥13,750 million largely in order to cover repayment of borrowings and investment corporation bonds that had come due. In addition, the Investment Corporation issued green bonds (unsecured investment corporation bonds) of ¥3,900 million on November 16, 2021, and used the funds to cover repayment of short-term borrowings. As a result, as of the end of the fiscal period under review, the balance of interest-bearing debt was ¥260,350 million (borrowings of ¥233,650 million and investment corporation bonds of ¥26,700 million). The ratio of interest-bearing debt to total assets (LTV = Balance of interest-bearing debt / Total assets x 100) was 46.0% as of the end of the fiscal period under review. The long-term debt ratio and the ratio of fixed-interest debt to total interest-bearing debt were 100% and 96.6%, 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 ¥15,646 million, ¥8,758 million, and ¥7,781 million, respectively, for the fiscal period under review, and profit was ¥7,753 million.

As for distributions for the fiscal period under review, internal reserve of ¥53,379,899 was provided for stabilization of future distributions in view of ¥250,323,186 of gain on sale of real estate properties arising, and the decision was made with respect to paying distributions of profit of ¥7,700,977,440, which is the entire amount of the unappropriated retained earnings less the amount equivalent to the internal reserve and the reversal of allowance for temporary difference adjustments (refers to stipulations of Article 2, Paragraph 2, Item 30 of the Regulations on Accountings of Investment Corporations). Consequently, distributions per investment unit resulted in ¥9,360.

## ii) Outlook for the Next Fiscal Period

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

With regard to the Japanese economy, the corporate sector and the household sector are both expected to recover due to the increase of external demand and the effects of economic policies as the impact of COVID-19 gradually eases because of factors such as the spread of vaccinations. However, it is necessary to closely observe the impact of the risks of a global downturn, such as the spread of COVID-19 variants as well as the prolonging of supply constraints, which include the stagnation of logistics and supply chain issues.

With respect to the environment surrounding retail properties, it is necessary to pay attention to risks that will restrict consumption again due to the spread of COVID-19 variants despite the expectation that pent-up demand for services, etc. will actualize because of the progression of consumer activities while the spread of infection is suppressed as a result of the spread of vaccinations, etc. In the rental office market, the Investment Corporation expects that the locations and quality of properties will continue to be tested as it is expected that supply and demand will continue to see a trend of easing due to relocations to smaller offices and partial contract cancellations despite benefitting from a limited amount of new supply. While the J-REIT market is expected to continue to move in prices due to a sense of caution regarding COVID-19 variants in the short term, we expect inflow of funds into REITs due to their relatively stable earnings and attractive high return levels in the medium to long term.

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 in line with its medium- to long-term portfolio strategy, it will aim to return to the path of improving unitholder value by increasing portfolio revenue through asset replacement that leverages sponsor support.

### (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, 2022 (21st fiscal period: December 1, 2021 to May 31, 2022), 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 21st Fiscal Period from December 1, 2021 to May 31, 2022 and the 22nd Fiscal Period from June 1, 2022 to November 30, 2022” on pages 10 through 11.

Operating revenue	¥15,271 million
Operating profit	¥8,614 million
Ordinary profit	¥7,673 million
Profit	¥7,672 million
Cash distributions per unit	¥9,325
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 21st Fiscal Period from December 1, 2021 to May 31, 2022 and the 22nd Fiscal Period from June 1, 2022 to November 30, 2022” on pages 10 through 11, the outlook of investment performance for the fiscal period ending November 30, 2022 (22nd fiscal period: June 1, 2022 to November 30, 2022) is estimated as follows.

Operating revenue	¥15,520 million
Operating profit	¥8,558 million
Ordinary profit	¥7,579 million
Profit	¥7,578 million
Cash distributions per unit	¥9,210
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 21st Fiscal Period from December 1, 2021 to May 31, 2022 and the 22nd Fiscal Period from June 1, 2022 to November 30, 2022**

Item	Assumptions
Period	<ul style="list-style-type: none"> <li>• 21st fiscal period (December 1, 2021 to May 31, 2022) (182 days)</li> <li>• 22nd fiscal period (June 1, 2022 to November 30, 2022) (183 days)</li> </ul>
Investment portfolio	<ul style="list-style-type: none"> <li>• Our forecasts of investment performance assume that the Investment Corporation holds 47 properties as of today (the “Assets Currently Held”).</li> <li>• Although the transfer has not been determined at the moment, we assume that some of the assets held will be transferred at the end of the 22nd fiscal period.</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>• Although the transfer has not been determined at the moment, we assume that gain on sale of real estate properties of ¥195 million will arise by transferring some of the assets held in the 22nd fiscal period. This may change, however, depending on outcomes of the sales, transfer prices, transfer dates and other conditions.</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, ¥1,260 million and ¥1,450 million for the Assets Currently Held will be expensed in the fiscal period ending May 31, 2022 (21st fiscal period) and in the fiscal period ending November 30, 2022 (22nd 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 ¥1,377 million and ¥1,394 million for the 21st fiscal period ending May 31, 2022 and the 22nd fiscal period ending November 30, 2022, respectively.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>• We expect interest expense and other borrowing-related expenses of ¥939 million for the fiscal period ending May 31, 2022 (21st fiscal period) and ¥978 million for the fiscal period ending November 30, 2022 (22nd 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 ¥260,350 million (borrowings of ¥233,650 million and investment corporation bonds of ¥26,700 million).</li> <li>• We assume that there will be refinancing of all interest-bearing debt due by the end of the fiscal period ending May 31, 2022 (21st fiscal period) and the fiscal period ending November 30, 2022 (22nd fiscal period) (21st fiscal period: long-term borrowings of ¥14,100 million; 22nd fiscal period: long-term borrowings of ¥12,000 million and investment corporation bonds of ¥1,000 million).</li> <li>• We assume the LTV ratios as of May 31, 2022 and November 30, 2022 are both to be approximately 46%.</li> <li>• The LTV ratio is obtained by the following formula: LTV = Balance of interest-bearing debt / Total assets × 100</li> </ul>
Units	<ul style="list-style-type: none"> <li>• The number is based on our assumption of total of 822,754 units issued as of today. We assume that there will be no additional issuance of new investment units before the end of the 22nd fiscal period (November 30, 2022).</li> <li>• The cash distributions per unit for the 21st fiscal period ending May 31, 2022 and the 22nd fiscal period ending November 30, 2022 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 822,754 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 21st fiscal period ending May 31, 2022 or the 22nd fiscal period ending November 30, 2022.</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, 2021	As of November 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	14,227,970	15,986,135
Cash and deposits in trust	3,653,881	4,071,575
Operating accounts receivable	601,413	911,525
Prepaid expenses	569,141	388,238
Other	6,566	14,324
Total current assets	19,058,973	21,371,798
Non-current assets		
Property, plant and equipment		
Buildings in trust	85,760,008	87,070,366
Accumulated depreciation	(16,450,302)	(17,086,807)
Buildings in trust, net	69,309,705	69,983,558
Structures in trust	805,357	783,513
Accumulated depreciation	(252,555)	(259,824)
Structures in trust, net	552,802	523,689
Machinery and equipment in trust	1,422,969	1,464,287
Accumulated depreciation	(462,948)	(501,805)
Machinery and equipment in trust, net	960,021	962,481
Tools, furniture and fixtures in trust	302,469	290,941
Accumulated depreciation	(181,133)	(182,233)
Tools, furniture and fixtures in trust, net	121,335	108,707
Land in trust	424,862,322	462,769,582
Construction in progress in trust	163,000	35,061
Total property, plant and equipment	495,969,188	534,383,081
Intangible assets		
Land leasehold interests in trust	9,055,086	9,055,086
Other	678	423
Total intangible assets	9,055,764	9,055,510
Investments and other assets		
Long-term prepaid expenses	1,144,625	1,278,079
Deferred tax assets	2	2,765
Other	38,322	38,322
Total investments and other assets	1,182,950	1,319,167
Total non-current assets	506,207,903	544,757,758
Deferred assets		
Investment corporation bond issuance costs	112,210	127,469
Total deferred assets	112,210	127,469
<b>Total assets</b>	<b>525,379,087</b>	<b>566,257,027</b>

(Unit: Thousands of yen)

	As of May 31, 2021	As of November 30, 2021
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	1,078,246	928,758
Current portion of investment corporation bonds	–	1,000,000
Current portion of long-term borrowings	27,850,000	26,100,000
Accounts payable - other	13,719	64,640
Accrued expenses	918,728	981,085
Income taxes payable	637	31,233
Accrued consumption taxes	263,790	199,558
Advances received	695,615	784,759
Deposits received	753	74,548
Total current liabilities	30,821,491	30,164,583
Non-current liabilities		
Investment corporation bonds	22,800,000	25,700,000
Long-term borrowings	193,500,000	207,550,000
Leasehold and guarantee deposits received in trust	22,636,356	24,125,396
Derivatives liabilities	39,646	409
Total non-current liabilities	238,976,003	257,375,805
Total liabilities	269,797,494	287,540,389
<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	248,370,846	270,963,556
Deduction from unitholders' capital		
Allowance for temporary difference adjustments	*3 (28,535)	*3 (40,103)
Total deduction from unitholders' capital	(28,535)	(40,103)
Unitholders' capital, net	248,342,311	270,923,453
Surplus		
Unappropriated retained earnings (undisposed loss)	7,278,928	7,793,594
Total surplus	7,278,928	7,793,594
Total unitholders' equity	255,621,239	278,717,047
Valuation and translation adjustments		
Deferred gains or losses on hedges	(39,646)	(409)
Total valuation and translation adjustments	(39,646)	(409)
Total net assets	*2 255,581,592	*2 278,716,638
<b>Total liabilities and net assets</b>	<b>525,379,087</b>	<b>566,257,027</b>

## (2) Statement of Income

(Unit: Thousands of yen)

	Previous fiscal period (From December 1, 2020 to May 31, 2021)		Current fiscal period (From June 1, 2021 to November 30, 2021)	
<b>Operating revenue</b>				
Leasing business revenue	*1, *3	13,765,352	*1, *3	14,283,556
Other leasing business revenue	*1, *3	950,325	*1, *3	1,112,460
Gain on sale of real estate properties		–	*2	250,323
<b>Total operating revenue</b>		<b>14,715,678</b>		<b>15,646,339</b>
<b>Operating expenses</b>				
Expenses related to leasing business	*1	5,369,825	*1	5,551,549
Asset management fees		1,104,682		1,135,604
Asset custody fees		14,884		15,281
Administrative service fees		37,015		39,054
Remuneration for directors (and other officers)		3,300		3,300
Other operating expenses		84,835		143,153
<b>Total operating expenses</b>		<b>6,614,543</b>		<b>6,887,943</b>
<b>Operating profit</b>		<b>8,101,135</b>		<b>8,758,396</b>
<b>Non-operating income</b>				
Interest income		85		82
Reversal of distributions payable		1,188		1,113
Insurance claim income		–		857
<b>Total non-operating income</b>		<b>1,273</b>		<b>2,052</b>
<b>Non-operating expenses</b>				
Interest expenses		598,377		616,195
Interest expenses on investment corporation bonds		57,807		60,629
Amortization of investment corporation bond issuance costs		8,841		9,186
Investment unit issuance expenses		–		93,250
Financing fees		186,412		198,829
Other		500		500
<b>Total non-operating expenses</b>		<b>851,939</b>		<b>978,591</b>
<b>Ordinary profit</b>		<b>7,250,469</b>		<b>7,781,857</b>
<b>Profit before income taxes</b>		<b>7,250,469</b>		<b>7,781,857</b>
Income taxes - current		650		31,245
Income taxes - deferred		14		(2,763)
<b>Total income taxes</b>		<b>665</b>		<b>28,482</b>
<b>Profit</b>		<b>7,249,804</b>		<b>7,753,375</b>
Retained earnings brought forward		29,124		40,219
<b>Unappropriated retained earnings (undisposed loss)</b>		<b>7,278,928</b>		<b>7,793,594</b>

### (3) Statement of Unitholders' Equity

Previous fiscal period (From December 1, 2020 to May 31, 2021)

(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	(3,084)	(3,084)	248,367,761	7,366,549	7,366,549	
Changes during period							
Dividends of surplus					(7,337,425)	(7,337,425)	(7,337,425)
Distributions in excess of earnings from allowance for temporary difference adjustments		(25,450)	(25,450)	(25,450)			(25,450)
Profit					7,249,804	7,249,804	7,249,804
Net changes in items other than unitholders' equity							
Total changes during period	–	(25,450)	(25,450)	(25,450)	(87,620)	(87,620)	(113,071)
Balance at end of period	*1 248,370,846	(28,535)	(28,535)	248,342,311	7,278,928	7,278,928	255,621,239

(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	(28,584)	(28,584)	255,705,726
Changes during period			
Dividends of surplus			(7,337,425)
Distributions in excess of earnings from allowance for temporary difference adjustments			(25,450)
Profit			7,249,804
Net changes in items other than unitholders' equity	(11,062)	(11,062)	(11,062)
Total changes during period	(11,062)	(11,062)	(124,133)
Balance at end of period	(39,646)	(39,646)	255,581,592

Current fiscal period (From June 1, 2021 to November 30, 2021)

(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	(28,535)	(28,535)	248,342,311	7,278,928	7,278,928	255,621,239
Changes during period							
Issuance of new investment units	22,592,710			22,592,710			22,592,710
Dividends of surplus					(7,238,708)	(7,238,708)	(7,238,708)
Distributions in excess of earnings from allowance for temporary difference adjustments		(11,568)	(11,568)	(11,568)			(11,568)
Profit					7,753,375	7,753,375	7,753,375
Net changes in items other than unitholders' equity							
Total changes during period	22,592,710	(11,568)	(11,568)	22,581,141	514,666	514,666	23,095,808
Balance at end of period	*1 270,963,556	(40,103)	(40,103)	270,923,453	7,793,594	7,793,594	278,717,047

(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	(39,646)	(39,646)	255,581,592
Changes during period			
Issuance of new investment units			22,592,710
Dividends of surplus			(7,238,708)
Distributions in excess of earnings from allowance for temporary difference adjustments			(11,568)
Profit			7,753,375
Net changes in items other than unitholders' equity	39,237	39,237	39,237
Total changes during period	39,237	39,237	23,135,045
Balance at end of period	(409)	(409)	278,716,638



## (4) Statement of Cash Distributions

	Previous fiscal period (From December 1, 2020 to May 31, 2021)	Current fiscal period (From June 1, 2021 to November 30, 2021)
	Amount	Amount
I Unappropriated retained earnings	¥7,278,928,158	¥7,793,594,694
II Additional amount of cash distributions in excess of earnings	¥11,568,360	¥-
Of which, allowance for temporary difference adjustments	¥11,568,360	¥-
III Amount incorporated into unitholders' capital	¥-	¥39,237,355
Of which, reversal of allowance for temporary difference adjustments	¥-	¥39,237,355
IV Distributions	¥7,250,276,824	¥7,700,977,440
[Cash distributions per unit]	[¥9,401]	[¥9,360]
Of which, distributions of profits	¥7,238,708,464	¥7,700,977,440
[Of which, distributions of profits per unit]	[¥9,386]	[¥9,360]
Of which, allowance for temporary difference adjustments	¥11,568,360	¥-
[Of which, cash distributions in excess of earnings per unit (Related to allowance for temporary difference adjustments)]	[¥15]	[¥-]
V Earnings carried forward	¥40,219,694	¥53,379,899

<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 ¥7,238,708,464, 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 ¥11,568,360 as distributions related to allowance for temporary difference adjustments, calculated as the amount equivalent to ¥11,111,618, which is calculated by deducting ¥28,535,288 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 ¥39,646,906. As a result, distributions are to amount to ¥7,250,276,824 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, internal reserve of ¥53,379,899 was provided for stabilization of future distributions in view of ¥250,323,186 of gain on sale of real estate properties arising, and we will pay distributions of profits of ¥7,700,977,440, which is the entire amount of the unappropriated retained earnings less the amount equivalent to the internal reserve and the reversal of allowance for temporary difference adjustments (refers to stipulations of Article 2, Paragraph 2, Item 30 of the Regulations on Accountings of Investment Corporations), 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, 2020 to May 31, 2021)	Current fiscal period (From June 1, 2021 to November 30, 2021)
<b>Cash flows from operating activities</b>		
Profit before income taxes	7,250,469	7,781,857
Depreciation	1,352,409	1,374,955
Loss on retirement of non-current assets	7,860	5,229
Amortization of investment corporation bond issuance costs	8,841	9,186
Interest income and interest on securities	(85)	(82)
Interest expenses	656,185	676,825
Investment unit issuance expenses	–	93,250
Financing fees	186,412	198,829
Decrease (increase) in operating accounts receivable	44,474	(310,112)
Increase (decrease) in accrued consumption taxes	(54,509)	(64,232)
Decrease (increase) in prepaid expenses	(205,702)	203,964
Decrease in property, plant and equipment in trust due to sale	–	11,540,850
Increase (decrease) in operating accounts payable	18,685	(50,957)
Increase (decrease) in accrued expenses	(19,264)	37,228
Increase (decrease) in advances received	157,127	89,143
Decrease (increase) in long-term prepaid expenses	15,412	1,091
Other, net	(1,979)	63,838
Subtotal	9,416,336	21,650,868
Interest received	85	82
Interest paid	(670,357)	(647,967)
Income taxes paid	(954)	(650)
Net cash provided by (used in) operating activities	8,745,109	21,002,333
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment in trust	(850,086)	(51,376,826)
Refund of leasehold and guarantee deposits received in trust	(1,191,268)	(1,190,565)
Proceeds from leasehold and guarantee deposits received in trust	1,474,589	2,679,605
Net cash provided by (used in) investing activities	(566,765)	(49,887,787)
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	–	3,898,245
Repayments of short-term borrowings	(6,518,000)	(3,900,000)
Proceeds from long-term borrowings	17,268,352	25,723,217
Repayments of long-term borrowings	(12,500,000)	(13,750,000)
Proceeds from issuance of investment corporation bonds	1,286,500	3,879,871
Proceeds from issuance of investment units	–	22,499,459
Distributions paid	(7,364,538)	(7,254,890)
Other, net	(19,887)	(34,589)
Net cash provided by (used in) financing activities	(7,847,572)	31,061,312
Net increase (decrease) in cash and cash equivalents	330,772	2,175,858
Cash and cash equivalents at beginning of period	17,551,079	17,881,851
Cash and cash equivalents at end of period	*1 17,881,851	*1 20,057,710

(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>(1) Accounting for income Details of major performance obligations and typical timing of satisfying the performance obligations (timing when revenue is recognized) with regard to the Investment Corporation's revenue from contracts with customers are as follows.</p> <p>i) Sale of real estate properties For sale of real estate properties, revenue is recorded at the time when the buyer, a customer, obtains control of the real estate property, etc., by fulfilling the delivery obligation set forth in the agreement for the sale of the real estate property.</p> <p>ii) Utilities income For utilities income, revenue is recorded according to supply of electricity, water, etc. to the tenant, a customer, based on the contract for lease of the real estate property, etc. and any accompanying agreement. Of utilities income, for such income for which the Investment Corporation is considered to be an agent, the net amount of the amount received as charges for electricity, gas, etc. supplied by other parties less the amount paid to the other parties is recognized as revenue.</p> <p>(2) Property-related taxes 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. 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. The amount equivalent to property tax included in acquisition cost for properties for the current fiscal period is ¥56,701 thousand.</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 matters related to the preparation of financial statements	<p>(1) Accounting method for beneficial interests in trust with real estate, etc. as trust asset With regard to beneficial interests in trust with real estate, etc. in holding as trust asset, all assets and liabilities as well as all revenue and expense items associated with all trust assets are accounted for under the respective account items of the balance sheet and statement of income. Of the trust assets accounted for under the respective account items, the following items with significance are separately indicated on the balance sheet.</p> <ul style="list-style-type: none"> <li>i) Cash and deposits in trust</li> <li>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</li> <li>iii) Leasehold and guarantee deposits received in trust</li> </ul> <p>(2) Accounting method for consumption tax and local consumption tax 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>

(8) Notes on Changes in Accounting Policies

1. Application of Accounting Standard for Fair Value Measurement, Etc.

The Investment Corporation has applied the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019) and relevant ASBJ regulations from the beginning of the fiscal period under review, and it has applied the new accounting policy provided for by the Accounting Standard for Fair Value Measurement, etc. prospectively in accordance with the transitional measures provided for in paragraph 19 of the Accounting Standard For Fair Value Measurement, and paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019). The impact of these changes on the financial statements is immaterial.

2. Application of Accounting Standard for Revenue Recognition, Etc.

The Investment Corporation has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and “Implementation Guidance on Accounting Standard for Revenue

Recognition” (ASBJ Guidance No. 30, March 26, 2021) from the beginning of the fiscal period under review, and it has recognized revenue at the time the control of promised goods or services is transferred to the customer at the amount expected to be received upon exchange of said goods or services. The impact of the application of the accounting standard, etc. on the financial statements is immaterial. In accordance with the transitional measures provided for in paragraph 89-3 of the Accounting Standard for Revenue Recognition, the note on “Revenue Recognition” for the previous fiscal period is not provided.

*Additional information*

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

Previous fiscal period (From December 1, 2020 to May 31, 2021)

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	11,568

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, 2021 to November 30, 2021)

1. Reason for Reversal, 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	Elimination of loss on valuation of interest rate swaps	(39,237)

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.

(9) 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, 2021	As of November 30, 2021
Total amount specified in the commitment line contracts	¥21,000,000 thousand	¥21,000,000 thousand
Loan balance	—	—
Net balance	¥21,000,000 thousand	¥21,000,000 thousand

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

	As of May 31, 2021	As of November 30, 2021
	¥50,000 thousand	¥50,000 thousand

\*3. Allowance for Temporary Difference Adjustments

Previous fiscal period (From December 1, 2020 to May 31, 2021)

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	28,535	3,084	25,450	–	28,535	–

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, 2021 to November 30, 2021)

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	40,103	28,535	11,568	–	40,103	–

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, 2020 to May 31, 2021)		Current fiscal period (From June 1, 2021 to November 30, 2021)	
A. Real estate leasing business revenues				
Leasing business revenue				
Rent	12,674,111		13,170,192	
Common service fees	712,876		706,032	
Parking lot fees	281,003		307,780	
Other rent revenue	97,361	13,765,352	99,550	14,283,556
Other leasing business revenue		950,325		1,112,460
Total real estate leasing business revenues		14,715,678		15,396,016
B. Real estate leasing business expenses				
Expenses related to leasing business				
Management operation expenses	1,325,956		1,307,867	
Utilities expenses	722,712		873,305	
Tax and public dues	1,281,248		1,374,652	
Insurance	13,031		13,324	
Repair and maintenance expenses	384,062		276,218	
Depreciation	1,352,155		1,374,701	
Loss on retirement of non-current assets	7,860		5,229	
Other expenses related to leasing business	282,797	5,369,825	326,250	5,551,549
Total real estate leasing business expenses		5,369,825		5,551,549
C. Profit (loss) from real estate leasing business (A – B)		9,345,853		9,844,466



- \*2. Breakdown of Gain (Loss) on Sale of Real Estate Properties  
 Previous fiscal period (From December 1, 2020 to May 31, 2021)  
 Not applicable.

Current fiscal period (From June 1, 2021 to November 30, 2021)

	(Unit: Thousands of yen)	
Tokyu Plaza Akasaka (50% co-ownership interest)		
Income from sale of real estate properties	11,800,000	
Costs of sale of real estate properties	11,540,850	
Other costs of sale	8,826	
Gain on sale of real estate properties	250,323	

- \*3. Transactions with Major Unitholders

	(Unit: Thousands of yen)	
	Previous fiscal period (From December 1, 2020 to May 31, 2021)	Current fiscal period (From June 1, 2021 to November 30, 2021)
Operating transactions		
Operating revenue	1,863,166	974,811

(Note) Due to the Investment Corporation's issuance of new investment units through public offering that was conducted on September 7, 2021, Tokyu Land Corporation no longer qualifies as a major unitholder. Consequently, the transaction amount stated above is for the amount until the time immediately preceding when that company ceased to qualify as a major unitholder.

### Notes to Statement of Unitholders' Equity

	Previous fiscal period (From December 1, 2020 to May 31, 2021)	Current fiscal period (From June 1, 2021 to November 30, 2021)
*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	822,754 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, 2020 to May 31, 2021)	Current fiscal period (From June 1, 2021 to November 30, 2021)
Cash and deposits	¥14,227,970 thousand	¥15,986,135 thousand
Cash and deposits in trust	¥3,653,881 thousand	¥4,071,575 thousand
Cash and cash equivalents	¥17,881,851 thousand	¥20,057,710 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

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

### 2. Matters Regarding Fair Values of Financial Instruments

Carrying amounts, fair values, and the differences between the two values as of May 31, 2021, are as shown below. Notes on “cash and deposits,” “cash and deposits in trust” and “short-term borrowings” are omitted, because they are settled in cash and in a short time and therefore the fair value approximates the book value. A note on “leasehold and guarantee deposits received in trust” is omitted because it is immaterial.

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Current portion of long-term borrowings	27,850,000	27,891,765	41,765
(2) Investment corporation bonds	22,800,000	22,975,707	175,707
(3) Long-term borrowings	193,500,000	195,464,522	1,964,522
Total liabilities	244,150,000	246,331,994	2,181,994
Derivative transactions	(39,646)	(39,646)	—

Carrying amounts, fair values, and the differences between the two values as of November 30, 2021, are as shown below. Notes on “cash and deposits,” “cash and deposits in trust” and “short-term borrowings” are omitted, because they are settled in cash and in a short time and therefore the fair value approximates the book value. A note on “leasehold and guarantee deposits received in trust” is omitted because it is immaterial.

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Current portion of investment corporation bonds	1,000,000	1,004,125	4,125
(2) Current portion of long-term borrowings	26,100,000	26,193,790	93,790
(3) Investment corporation bonds	25,700,000	26,082,115	382,115
(4) Long-term borrowings	207,550,000	209,313,703	1,763,703
Total liabilities	260,350,000	262,593,735	2,243,735
Derivative transactions	(409)	(409)	—

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

Liabilities

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

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

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

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

Derivative transactions

Please refer to “Notes on Derivative Transactions” on pages 28 and 29.

(Note 2) Expected Amounts of Repayment of Borrowings and Investment Corporation Bonds after the Account Closing Date (May 31, 2021)

(Unit: Thousands of yen)

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Investment corporation bonds	–	1,000,000	–	7,000,000	2,000,000	12,800,000
Long-term borrowings	27,850,000	26,500,000	32,750,000	24,500,000	27,500,000	82,250,000
Total	27,850,000	27,500,000	32,750,000	31,500,000	29,500,000	95,050,000

Expected Amounts of Repayment of Borrowings and Investment Corporation Bonds after the Account Closing Date (November 30, 2021)

(Unit: Thousands of yen)

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Investment corporation bonds	1,000,000	–	5,000,000	2,000,000	2,000,000	16,700,000
Long-term borrowings	26,100,000	32,250,000	29,500,000	26,500,000	24,500,000	94,800,000
Total	27,100,000	32,250,000	34,500,000	28,500,000	26,500,000	111,500,000

**Notes on Derivative Transactions**

1. Derivative Transaction to Which Hedge Accounting Is Not Applied

(As of May 31, 2021)

Not applicable.

(As of November 30, 2021)

Not applicable.

2. Derivative Transaction to Which Hedge Accounting Is Applied

(As of May 31, 2021)

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	(39,646)	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, 2021)

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	(409)	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 27.)

## Notes on Tax Effect Accounting

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

	As of May 31, 2021	As of November 30, 2021
Deferred tax assets		
Non-deductible amount for tax purposes of enterprise tax payable	¥2 thousand	¥2,765 thousand
Deferred gains or losses on hedges	¥12,472 thousand	¥141 thousand
Subtotal of deferred tax assets	¥12,475 thousand	¥2,906 thousand
Valuation allowance	¥(12,472) thousand	¥(141) thousand
Total deferred tax assets	¥2 thousand	¥2,765 thousand
Net deferred tax assets	¥2 thousand	¥2,765 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, 2021	As of November 30, 2021
Effective statutory tax rate	31.46%	34.59%
Adjustments		
Distributions paid included in deductibles	(31.46)%	(34.23)%
Other	0.01%	0.01%
Effective income tax rate after application of tax effect accounting	0.01%	0.37%

## Notes on Transactions with Related Parties

### 1. Parent Company and Major Corporate Unitholders

Previous fiscal period (From December 1, 2020 to May 31, 2021)

Attribute	Name	Address	Share capital or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Balance at end of period (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unit holder	Tokyu Land Corporation	21-1 Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	10.52%	None	Major unitholder, and rent and management of properties	Receipt of leasehold and guarantee deposits	170,771	Leasehold and guarantee deposits received in trust	2,459,904
								Refund of leasehold and guarantee deposits received	95,433		
								Rental revenues, etc.	1,863,166	Operating accounts receivable	48,685
										Advances received	196,033

Current fiscal period (From June 1, 2021 to November 30, 2021)

Attribute	Name	Address	Share capital or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Balance at end of period (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unit holder	Tokyu Land Corporation	21-1 Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	10.52%	None	Major unitholder, and rent and management of properties	Receipt of leasehold and guarantee deposits	11,581	Leasehold and guarantee deposits received in trust	2,461,043
								Refund of leasehold and guarantee deposits received	10,442		
								Rental revenues, etc.	974,811	Operating accounts receivable	84,988
										Advances received	60,619

(Note) Due to the Investment Corporation's issuance of new investment units through public offering that was conducted on September 7, 2021, Tokyu Land Corporation no longer qualifies as a related party. Consequently, the percentage of voting rights owning (owned), transaction amount and the ending balance stated above, are for the percentage and amount as of the time immediately preceding when that company ceased to qualify as a related party.

### 2. Associates, etc.

Previous fiscal period (From December 1, 2020 to May 31, 2021)

Not applicable.

Current fiscal period (From June 1, 2021 to November 30, 2021)

Not applicable.

3. Sister companies, etc.

Previous fiscal period (From December 1, 2020 to May 31, 2021)

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	16,924	Leasehold and guarantee deposits received in trust	6,195,007
								Refund of leasehold and guarantee deposits received	61,835		
								Rental revenues, etc.	3,968,534	Operating accounts receivable	186,630
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	1,066,671	Leasehold and guarantee deposits received in trust	9,445,453
								Refund of leasehold and guarantee deposits received	845,808		
								Rental revenues, etc.	5,914,339	Operating accounts receivable	204,877
								Real estate management fee	905,983	Advances received	38,366
Subsidiary of major unitholder	TLC REIT Management Inc.	21-1, Dogenzaka 1-chome, Shibuya-ku, Tokyo	200	Investment management business	-	None	Asset Manager	Payment of asset management fee	1,104,682	Operating accounts payable	194,553
										Other accrued expenses	494,734

(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.

Current fiscal period (From June 1, 2021 to November 30, 2021)

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	4,597	Leasehold and guarantee deposits received in trust	6,162,971
								Refund of leasehold and guarantee deposits received	36,633		
								Rental revenues, etc.	2,051,470	Operating accounts receivable	290,903
										Advances received	8,234
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	258,190	Leasehold and guarantee deposits received in trust	9,573,583
								Refund of leasehold and guarantee deposits received	130,060		
								Rental revenues, etc.	3,004,802	Operating accounts receivable	268,057
										Advances received	16,840
								Real estate management fee	412,899	Operating accounts payable	160,612
Subsidiary of major unitholder	TLC REIT Management Inc.	21-1, Dogenzaka 1-chome, Shibuya-ku, Tokyo	200	Investment management business	-	None	Asset Manager	Payment of asset management fee	567,802	Other accrued expenses	262,394

(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.

(Note 3) Tokyu Land Corporation no longer qualifies as a related party due to the Investment Corporation's issuance of new investment units through public offering that was conducted on September 7, 2021. In conjunction with this, Tokyu Land SC Management Corporation, Tokyu Community Corp. and TLC REIT Management Inc. are no longer related parties. Consequently, the percentage of voting rights owning (owned), transaction amount and the ending balance stated above, are for the percentage and amount as of the time immediately preceding when each company ceased to qualify as a related party.



## 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, 2020 to May 31, 2021)	Current fiscal period (From June 1, 2021 to November 30, 2021)
Urban Retail Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	198,465,968	198,195,674
	Changes during period	(270,294)	(11,896,039)
	Balance at end of period	198,195,674	186,299,634
	Fair value at end of period	232,977,000	221,314,000
Tokyo Office Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	204,673,488	204,632,303
	Changes during period	(41,185)	50,461,329
	Balance at end of period	204,632,303	255,093,632
	Fair value at end of period	246,570,000	298,380,000
Activia Account Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	102,437,930	102,196,027
	Changes during period	(241,903)	(151,126)
	Balance at end of period	102,196,027	102,044,900
	Fair value at end of period	122,380,000	123,690,000
Total	Carrying amount on the balance sheet		
	Balance at beginning of period	505,577,388	505,024,005
	Changes during period	(553,383)	38,414,162
	Balance at end of period	505,024,005	543,438,167
	Fair value at end of period	601,927,000	643,384,000

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

(Note 2) The main reason for the increase in the current fiscal period is the acquisition of four properties (A-PLACE Tamachi East, Meguro Tokyu Building, Q plaza Shinjuku-3chome and A-PLACE Shibuya Nampoedai) worth ¥50,650,190 thousand. The decrease is mainly due to the disposition of Tokyu Plaza Akasaka worth ¥11,540,850 thousand and the provision of depreciation worth ¥1,374,701 thousand.

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

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

## Notes on Revenue Recognition

Information on disaggregation of revenue from contracts with customers

Current fiscal period (From June 1, 2021 to November 30, 2021)

(Unit: Thousands of yen)

	Revenue from contracts with customers *1	Revenues from external customers
Sale of real estate properties	11,800,000	*2 250,323
Utilities income	879,402	879,402
Others	–	14,516,614
Total	12,679,402	15,646,339

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

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

## Per Unit Information

	Previous fiscal period (From December 1, 2020 to May 31, 2021)	Current fiscal period (From June 1, 2021 to November 30, 2021)
Net assets per unit	¥331,397	¥338,760
Basic earnings per unit	¥9,400	¥9,754

(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 794,871 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, 2020 to May 31, 2021)	Current fiscal period (From June 1, 2021 to November 30, 2021)
Profit (Thousands of yen)	7,249,804	7,753,375
Amount not attributable to common unitholders (Thousands of yen)	–	–
Profit attributable to common investment units (Thousands of yen)	7,249,804	7,753,375
Average number of investment units for the period (Units)	771,224	794,871

## 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.

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

The Investment Corporation carried out issuances of new investment units on September 7, 2021, and September 28, 2021 (49,030 units in a capital increase through public offering and 2,500 units in a third-party allotment), thus procuring funds of ¥22,592 million. Changes in total investments and the number of investment units issued up to the current fiscal period are 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)

Date	Summary	Total investments (Thousands of yen)		Total number of investment units issued (Units)		Remarks
		Change	Balance	Change	Balance	
September 7, 2021	Capital increase through public offering	21,496,615	269,867,461	49,030	820,254	(Note 17)
September 28, 2021	Capital increase through third-party allotment	1,096,095	270,963,556	2,500	822,754	(Note 18)

- (Note 1) The Investment Corporation was established with an offering price per unit of ¥500,000.
- (Note 2) New investment units were issued by public offering with an offering price per unit of ¥460,000 (paid-in amount of ¥445,050 per unit) in order to raise funds for the acquisition of new properties, etc., and then investment operations were commenced.
- (Note 3) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥445,050 per unit.
- (Note 4) New investment units were issued by public offering with an offering price per unit of ¥782,925 (paid-in amount of ¥757,229 per unit) in order to raise funds for the acquisition of new properties, etc.
- (Note 5) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥757,229 per unit.
- (Note 6) New investment units were issued by public offering with an offering price per unit of ¥979,020 (paid-in amount of ¥948,051 per unit) in order to raise funds for the acquisition of new properties.
- (Note 7) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥948,051 per unit.
- (Note 8) A two-for-one split of the investment units has been implemented, with September 30, 2015 as the record date and October 1, 2015 as the effective date.
- (Note 9) New investment units were issued by public offering with an offering price per unit of ¥472,360 (paid-in amount of ¥457,418 per unit) in order to raise funds for the acquisition of new properties, etc.
- (Note 10) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥457,418 per unit.
- (Note 11) New investment units were issued by public offering with an offering price per unit of ¥483,326 (paid-in amount of ¥468,283 per unit) in order to raise funds for the acquisition of new properties.
- (Note 12) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥468,283 per unit.
- (Note 13) New investment units were issued by public offering with an offering price per unit of ¥458,150 (paid-in amount of ¥443,657 per unit) in order to raise funds for the acquisition of new properties.
- (Note 14) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥443,657 per unit.
- (Note 15) New investment units were issued by public offering with an offering price per unit of ¥445,410 (paid-in amount of ¥431,320 per unit) in order to raise funds for the acquisition of new properties.
- (Note 16) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥431,320 per unit.
- (Note 17) New investment units were issued by public offering with an offering price per unit of ¥452,760 (paid-in amount of ¥438,438 per unit) in order to raise funds for the acquisition of new properties.

(Note 18) New investment units were issued through a private placement to Nomura Securities Co., Ltd. with a paid-in amount of ¥438,438 per unit.

(Note 19) 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, 2021)		Current fiscal period (As of November 30, 2021)	
		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	198,195	37.7	186,299	32.9
	Tokyo Office Properties	204,632	38.9	255,093	45.0
	Activia Account Properties	102,196	19.5	102,044	18.0
	By location				
	The five central wards of Tokyo (Note 3)	323,822	61.6	346,305	61.2
	Wards of Tokyo other than the five central wards	32,821	6.2	49,095	8.7
	Three major metropolitan areas (Note 4)	137,310	26.1	137,054	24.2
	Other locations	11,070	2.1	10,982	1.9
	Subtotal	505,024	96.1	543,438	96.0
Total real estate assets		505,024	96.1	543,438	96.0
Deposits and other assets		20,354	3.9	22,818	4.0
Total assets (Note 5)		525,379	100.0	566,257	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)	269,797	51.4	287,540	50.8
Total net assets (Note 5)	255,581	48.6	278,716	49.2

(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 beneficial interests in real estate trust

The following table shows property name, acquisition price, book value at the end of the fiscal period, assessed value at the end of the fiscal period, return price and investment ratio related to the assets held by the Investment Corporation as of the end of the 20th fiscal period. Figures shown in the table are as of November 30, 2021 unless otherwise provided.

a. Overview of assets held (1)

(As of November 30, 2021)

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	44,520	62,100	63,075	2.7	61,050	2.4	2.8	8.2
	UR-3	Q plaza EBISU (Note 7)	8,430	8,144	11,700	11,900	3.2	11,600	3.4/3.3	3.4	1.5
	UR-5	Kyoto Karasuma Parking Building	8,860	8,644	10,400	10,500	4.7	10,400	4.7	4.9	1.6
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	21,330	20,103	26,700	27,300	3.8	26,100	3.6	4.0	3.9
	UR-8	A-FLAG SAPPORO	4,410	4,708	7,670	7,690	5.4	7,660	5.2	5.6	0.8
	UR-9	A-FLAG SHIBUYA	6,370	6,353	7,910	7,970	3.9	7,890	3.7	4.1	1.2
	UR-10	Q plaza SHINSAIBASHI	13,350	13,365	14,300	14,200	3.6	14,400	3.4	3.8	2.4
	UR-11	A-FLAG KOTTO DORI	4,370	4,383	4,850	4,860	3.4	4,850	3.1	3.5	0.8
	UR-12	A-FLAG BIJUTSUKAN DORI	4,700	4,701	4,860	4,950	3.5	4,770	3.3	3.7	0.9
	UR-13	A-FLAG DAIKANYAMA WEST	2,280	2,434	2,300	2,320	3.9	2,270	3.7	4.1	0.4
	UR-14	A-FLAG KITA SHINSAIBASHI	4,725	4,832	4,670	4,750	3.9	4,590	3.6	4.0	0.9
	UR-15	DECKS Tokyo Beach (Note 6)	12,740	12,904	12,054	12,544	4.0	11,809	3.8	4.2	2.3
	UR-16	Tokyu Plaza Ginza (Land) (Notes 6, 8)	37,500	37,895	39,000	38,700	2.6	39,000	2.5	–	6.8
	UR-17	Q plaza HARAJUKU (Note 6)	13,200	13,307	12,800	12,960	3.0	12,600	2.7	3.1	2.4
	Subtotal	187,265	186,299	221,314	223,719	–	218,989	–	–	34.2	



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	7,116	11,800	12,200	3.6	11,600	3.7	3.8	1.4
	TO-2	A-PLACE Ebisu Minami	9,640	9,597	15,800	15,300	3.5	16,000	3.6	3.7	1.8
	TO-3	A-PLACE Yoyogi	4,070	3,837	5,000	5,060	3.8	4,940	3.6	4.0	0.7
	TO-4	A-PLACE Aoyama	8,790	8,511	10,700	10,700	3.9	10,700	3.7	4.1	1.6
	TO-5	Luogo Shiodome	4,540	4,435	6,350	6,470	3.5	6,300	3.3	3.7	0.8
	TO-6	TAMACHI SQUARE (Land)	2,338	2,362	2,850	2,980	3.4	2,800	3.8	3.6	0.4
	TO-7	A-PLACE Ikebukuro	3,990	3,639	5,610	5,710	3.8	5,510	3.6	4.0	0.7
	TO-8	A-PLACE Shinbashi	5,650	5,731	7,330	7,440	3.6	7,220	3.3	3.7	1.0
	TO-9	A-PLACE Gotanda	5,730	5,374	8,180	8,310	3.5	8,050	3.3	3.7	1.0
	TO-10	A-PLACE Shinagawa	3,800	3,770	6,320	6,480	3.3	6,150	3.1	3.5	0.7
	TO-11	OSAKI WIZTOWER	10,690	10,423	14,700	14,800	3.3	14,600	3.0	3.4	2.0
	TO-12	Shiodome Building (Note 6)	71,600	70,380	77,350	80,850	3.3	75,950	3.1	3.5	13.1
	TO-13	A-PLACE Ebisu Higashi	7,072	6,990	7,630	7,740	3.6	7,510	3.4	3.8	1.3
	TO-14	A-PLACE Shibuya Konnoh	4,810	4,909	5,730	5,690	3.5	5,760	3.2	3.6	0.9
	TO-15	A-PLACE Gotanda Ekimae	7,280	7,603	7,950	7,950	3.7	7,940	3.4	3.8	1.3
	TO-16	A-PLACE Shinagawa Higashi	18,800	18,761	21,600	21,900	3.8	21,300	3.6	4.0	3.4
	TO-18	Ebisu Prime Square (Note 6)	30,700	31,010	31,300	31,875	3.4	30,600	3.2	3.6	5.6
	TO-19	A-PLACE Tamachi East	6,800	6,855	7,130	7,270	3.4	6,980	3.2	3.6	1.2
	TO-20	Meguro Tokyu Building	16,300	16,391	16,800	17,100	3.2	16,500	2.9	3.3	3.0
	TO-21	Q plaza Shinjuku-3chome	18,400	18,524	19,200	19,500	3.5	18,900	3.3	3.7	3.4
	TO-22	A-PLACE Shibuya Nampeidai	8,800	8,862	9,050	9,110	3.3	8,980	3.0	3.4	1.6
		Subtotal	257,200	255,093	298,380	304,435	-	294,290	-	-	46.9
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	2.2
	AA-2	icot Nakamozu (Note 9)	8,500	8,138	10,600	10,900	4.8	10,500	4.7 /4.8 /4.9	5.0	1.6
	AA-4	icot Mizonokuchi	2,710	2,587	3,240	3,310	5.4	3,160	5.2	5.8	0.5
	AA-5	icot Tama Center	2,840	2,540	3,950	3,960	5.0	3,940	4.6	5.2	0.5
	AA-6	A-PLACE Kanayama	6,980	6,080	8,660	8,750	5.0	8,560	4.8	5.2	1.3
	AA-7	Osaka Nakanoshima Building	11,100	11,048	17,400	17,700	3.7	17,100	3.5	3.9	2.0
	AA-8	icot Omori	5,790	5,662	6,870	6,940	4.3	6,790	4.1	4.5	1.1
	AA-9	Market Square Sagamihara	4,820	4,567	5,010	5,030	5.3	4,980	5.1	5.5	0.9
	AA-10	Umeda Gate Tower	19,000	19,042	21,600	22,100	3.6	21,400	3.4	3.8	3.5
	AA-11	A-PLACE Bashamichi	3,930	4,012	4,760	4,850	4.8	4,660	4.5	5.0	0.7
	AA-12	Commercial Mall Hakata	6,100	6,274	5,900	5,910	4.8	5,880	4.5	4.9	1.1
	AA-13	EDGE Shinsaibashi	19,800	19,977	21,500	21,800	3.7	21,100	3.5	3.9	3.6
		Subtotal	103,570	102,044	123,690	125,650	-	122,070	-	-	18.9
		Total	548,035	543,438	643,384	653,804	-	635,349	-	-	100.0

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

(Note 2) Acquisition price represents trading value of beneficial interests in trust stipulated in each beneficiary interest 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, 2021, 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, 2021.
- (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, 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%, 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 second year and 3.3% in and after the third 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% in the first year, 4.8% from the second year to the sixth year and 4.9% in and after the seventh year.

b. Overview of assets held (2)

(As of November 30, 2021)

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	30	1,964	1,475	4,918.43	4,796.34	97.5
	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	6	1,207	1,407	19,653.90	19,265.71	98.0
	UR-8	A-FLAG SAPPORO	Sapporo, Hokkaido	May 23, 1980	13	690	100	21,229.16	20,392.03	96.1
	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	7	200	161	2,656.53	2,362.46	88.9
	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	78	584	450	16,119.47	15,316.03	95.0
	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	14	432	322	3,378.49	3,143.27	93.0
Subtotal				–	173	–	–	108,062.10	105,381.96	97.5

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	10	524	445	7,342.60	6,034.78	82.2
	TO-2	A-PLACE Ebisu Minami	Shibuya, Tokyo	January 31, 1995	10	833	784	7,950.49	7,950.49	100.0
	TO-3	A-PLACE Yoyogi	Shibuya, Tokyo	February 22, 2007	5	261	241	3,106.17	3,106.17	100.0
	TO-4	A-PLACE Aoyama	Minato, Tokyo	September 6, 1966	8	606	580	7,303.69	7,303.69	100.0
	TO-5	Luogo Shiodome	Minato, Tokyo	July 30, 2004	5	279	254	4,476.35	3,540.65	79.1
	TO-6	TAMACHI SQUARE (Land)	Minato, Tokyo	–	1	125	0	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	378	315	5,054.19	5,054.19	100.0
	TO-9	A-PLACE Gotanda	Shinagawa, Tokyo	February 27, 2012	11	361	324	4,028.69	3,598.67	89.3
	TO-10	A-PLACE Shinagawa	Minato, Tokyo	September 20, 1991	8	271	256	2,986.36	2,986.36	100.0
	TO-11	OSAKI WIZTOWER	Shinagawa, Tokyo	January 10, 2014	6	680	680	7,193.28	7,193.28	100.0
	TO-12	Shiodome Building (Note 8)	Minato, Tokyo	December 14, 2007	37	3,228	2,670	28,136.05	28,002.58	99.5
	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	10	398	339	4,333.64	4,333.64	100.0
	TO-16	A-PLACE Shinagawa Higashi	Minato, Tokyo	August 31, 1985 (main building) September 13, 1999 (annex)	7	1,092	996	14,658.98	13,956.02	95.2
	TO-18	Ebisu Prime Square (Note 8)	Shibuya, Tokyo	January 31, 1997	109	1,404	1,088	18,063.03	16,834.23	93.2
	TO-19	A-PLACE Tamachi East	Minato, Tokyo	April 9, 2003	23	328	313	4,288.88	4,236.16	98.8
	TO-20	Meguro Tokyu Building	Shinagawa, Tokyo	December 24, 2002	8	605	597	6,993.70	6,993.70	100.0
	TO-21	Q plaza Shinjuku-3chome	Shinjuku, Tokyo	September 24, 1992	4	827	570	4,528.01	4,528.01	100.0
	TO-22	A-PLACE Shibuya Nampeidai	Shibuya, Tokyo	July 31, 1989	13	378	343	4,373.54	4,373.54	100.0
		Subtotal			–	297	–	–	146,536.56	141,745.07
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	620	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	9	233	231	5,181.58	5,110.96	98.6
	AA-6	A-PLACE Kanayama	Nagoya, Aichi	February 10, 2009	21	542	446	9,314.90	9,314.90	100.0
	AA-7	Osaka Nakanoshima Building	Osaka, Osaka	March 5, 1984	38	1,010	714	20,226.77	20,125.63	99.5
	AA-8	icot Omori	Ota, Tokyo	March 6, 2007	8	388	357	6,209.78 (Note 10)	6,209.78 (Note 10)	100.0
	AA-9	Market Square Sagamihara	Sagamihara, Kanagawa	June 13, 2014	3	(Note 9)	(Note 9)	15,152.42	15,152.42	100.0
	AA-10	Umeda Gate Tower	Osaka, Osaka	January 15, 2010	16	849	662	13,566.95	11,593.87	85.5
	AA-11	A-PLACE Bashamichi	Yokohama, Kanagawa	May 31, 1975	36	355	250	9,710.91	9,710.91	100.0
	AA-12	Commercial Mall Hakata	Fukuoka, Fukuoka	November 3, 2005	17	304	151	9,612.88	8,624.06	89.7
	AA-13	EDGE Shinsuibashi	Osaka, Osaka	April 22, 1986	21	1,061	864	15,897.10	15,897.10	100.0
		Subtotal			–	173	–	–	174,468.80	171,335.14

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)
Total				-	643	-	-	429,067.46	418,462.17	97.5

- (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, 2021 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, 2021), 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, 2021, as indicated in the lease agreements in relation to buildings as of November 30, 2021 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, 2021, 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, 2021), 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, 2021 (limited to leasehold and guarantee deposit based on the lease agreement for leased property that was occupied by the tenant as of November 30, 2021), 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, 2021 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, 2021 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, 2021. 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, 2021, 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, 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%, 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, 2021, 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 20th fiscal period as of November 30, 2021. 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)	Replacement of substation equipment (First period)	From March 2022 to November 2022	560	—	—
Osaka Nakanoshima Building (Osaka, Osaka)	Renovation of air conditioning (Second period)	From December 2023 to May 2024	520	—	—
A-FLAG SAPPORO (Sapporo, Hokkaido)	Replacement of substation equipment (Second period)	From November 2022 to May 2023	470	—	—
Osaka Nakanoshima Building (Osaka, Osaka)	Renovation of air conditioning (First period)	From June 2023 to November 2023	400	—	—
Osaka Nakanoshima Building (Osaka, Osaka)	Renovation of air conditioning (Third period)	From June 2024 to November 2024	400	—	—
TLC Ebisu Building (Shibuya, Tokyo)	Large-scale repair work	From December 2022 to May 2023	210	—	—
Osaka Nakanoshima Building (Osaka, Osaka)	Renovation of air conditioning (Fourth period)	From December 2024 to May 2025	153	—	—
Osaka Nakanoshima Building (Osaka, Osaka)	Replacement of two emergency elevators	From July 2021 to November 2022	140	—	—
Osaka Nakanoshima Building (Osaka, Osaka)	Large-scale renovation of external wall	From June 2022 to November 2023	106	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of air conditioning equipment	From November 2022 to November 2022	85 (Note)	—	—
A-PLACE Shinagawa Higashi (Minato, Tokyo)	Overhaul of air conditioning equipment	From October 2023 to November 2023	77	—	—
A-FLAG SHIBUYA (Shibuya, Tokyo)	Renewal of escalators	From January 2022 to March 2022	74	—	—
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of spray-painted tiles for SEASIDE Building (First period)	From February 2023 to May 2023	73 (Note)	—	—
A-PLACE Bashamichi (Yokohama, Kanagawa)	Replacement of vertical pipes for supply/pumped clean water and for black water	From June 2021 to November 2022	73	—	—

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 Aoyama (Minato, Tokyo)	Installation of LED lighting	From June 2022 to November 2022	70	–	–
icot Nakamozu (Sakai, Osaka)	Replacement of substation equipment (SC Building)	From May 2023 to May 2023	70	–	–
A-PLACE Kanayama (Nagoya, Aichi)	Installation of LED lighting in private areas	From January 2022 to May 2022	66	–	–
TLC Ebisu Building (Shibuya, Tokyo)	Renovation work for mechanical parking facility	From May 2022 to May 2022	64	–	–
Ebisu Prime Square (Shibuya, Tokyo)	Replacement of air conditioning equipment (2 floors)	From June 2023 to October 2023	64 (Note)	–	–
DECKS Tokyo Beach (Minato, Tokyo)	Readjustment (merging) of compartmentalization	From August 2022 to September 2022	59 (Note)	–	–
Osaka Nakanoshima Building (Osaka, Osaka)	Repair of lavatory plumbing for 2nd to 5th floors	From May 2021 to May 2023	58	–	–
A-FLAG BIJUTSUKAN DORI (Minato, Tokyo)	Large-scale repair work	From December 2022 to May 2023	52	–	–
TLC Ebisu Building (Shibuya, Tokyo)	Renovation of entrance	From December 2022 to May 2023	50	–	–
A-PLACE Shibuya Konnoh (Shibuya, Tokyo)	Beautification of lavatory	From June 2023 to November 2023	50	–	–
TLC Ebisu Building (Shibuya, Tokyo)	Installation of set-up office	From May 2022 to May 2022	48	–	–
DECKS Tokyo Beach (Minato, Tokyo)	Replacement of automated fire alarm system	From September 2021 to March 2022	34 (Note)	–	–
Ebisu Prime Square (Shibuya, Tokyo)	Replacement of air conditioning equipment (1 floor)	From December 2022 to April 2023	32 (Note)	–	–
Shiodome Building (Minato, Tokyo)	Installation of LED lighting (Third period)	From October 2021 to February 2022	28 (Note)	–	–
Commercial Mall Hakata (Fukuoka, Fukuoka)	Replacement of air conditioning units	From December 2021 to December 2021	23	–	–
A-PLACE Ikebukuro (Toshima, Tokyo)	Installation of LED lighting	From January 2022 to May 2022	22	–	–



Name of real property (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen)		
			Total amount	Payment for the period	Total amount paid
Osaka Nakanoshima Building (Osaka, Osaka)	Repair work of substation equipment according to facility planning	From February 2022 to February 2022	21	–	–
Luogo Shiodome (Minato, Tokyo)	Replacement of security system	From December 2021 to May 2022	18	–	–
A-FLAG SAPPORO (Sapporo, Hokkaido)	Disassembly and maintenance of centrifugal chillers	From November 2021 to February 2022	17	–	–
EDGE Shinsaibashi (Osaka, Osaka)	Replacement of mechanical security and entry/exit monitoring system	From November 2021 to December 2021	17	–	–
A-PLACE Bashamichi (Yokohama, Kanagawa)	Replacement of total heat exchangers and ventilation fans for 3rd to 9th floors	From April 2022 to May 2022	16	–	–
A-FLAG SHIBUYA (Shibuya, Tokyo)	Replacement of 5th floor air conditioning units	From January 2022 to January 2022	13	–	–
DECKS Tokyo Beach (Minato, Tokyo)	Compartmentalization	From December 2021 to January 2022	13 (Note)	–	–
EDGE Shinsaibashi (Osaka, Osaka)	Replacement of heat-transfer pipe of cooling water system	From May 2022 to May 2022	13	–	–
Tokyu Plaza Omotesando Harajuku (Shibuya, Tokyo)	Renovation work for roof deck (Third period)	From May 2022 to May 2022	11 (Note)	–	–
A-PLACE Bashamichi (Yokohama, Kanagawa)	Replacement of automated fire alarm system	From February 2022 to May 2022	11	–	–

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

b. Capital expenditure during the fiscal period

For assets held by the Investment Corporation in the 20th fiscal period, construction work conducted by the Investment Corporation during the fiscal period ended November 30, 2021 that falls into capital expenditure is as follows. The capital expenditure for the fiscal period ended November 30, 2021 amounted to ¥810 million, and repair and maintenance expenses that were accounted for as expense in the fiscal period ended November 30, 2021 came to ¥260 million. On aggregate, construction work of ¥1,070 million was carried out during the fiscal period.

Name of real property (Location)	Purpose	Period	Construction cost (Millions of yen)
A-PLACE Ebisu Minami (Shibuya, Tokyo)	Large-scale repair work (First period and Second period)	From December 2020 to August 2021	298
icot Nakamozu (Sakai, Osaka)	Large-scale repair work (SC Building)	From April 2021 to October 2021	197
Luogo Shiodome (Minato, Tokyo)	Replacement of air conditioning units (Second period)	From December 2020 to November 2021	122
Shiodome Building (Minato, Tokyo)	Installation of LED lighting (Second period)	From April 2021 to August 2021	26 (Note)
A-PLACE Yoyogi (Shibuya, Tokyo)	Installation of LED lighting	From June 2021 to August 2021	20
A-PLACE Ebisu Minami (Shibuya, Tokyo)	Replacement of horizontal drainage piping of air conditioning units (Second period)	From March 2021 to August 2021	12
Kobe Kyu Kyoryuchi 25Bankan (Kobe, Hyogo)	Renovation of multilevel car park system (drive section)	From August 2021 to September 2021	10
Other			122
Total			810

(Note) The shown construction cost with regard to Shiodome Building is the amount equivalent to the ratio of the Investment Corporation's co-ownership beneficial interests in real estate trust (35%).

(C) Information concerning major tenants

a. Summary of major tenants

For assets held in the 20th 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, 2021. 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, 2021. 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	2,362.46	200	161	December 31, 2026
		TLC Ebisu Building	6,034.78	524	445	May 31, 2025
		A-PLACE Ebisu Minami	7,950.49	833	784	May 31, 2025
		A-PLACE Yoyogi	3,106.17	261	241	May 31, 2025
		A-PLACE Aoyama	7,303.69	606	580	May 31, 2025
		Luogo Shiodome	3,540.65	279	254	May 31, 2025
		A-PLACE Ikebukuro	3,409.73	(Note 5)	(Note 5)	May 31, 2025
		A-PLACE Shinbashi	5,054.19	378	315	May 31, 2025
		A-PLACE Gotanda	3,598.67	361	324	May 31, 2025
		A-PLACE Shinagawa	2,986.36	271	256	May 31, 2025
		OSAKI WIZTOWER	7,193.28	680	680	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	4,333.64	398	339	June 30, 2026
		A-PLACE Shinagawa Higashi	13,956.02	1,092	996	March 31, 2027
		Ebisu Prime Square (Note 6)	13,342.87	1,204	1,059	January 31, 2030
		A-PLACE Tamachi East	4,236.16	328	313	October 31, 2031
		A-PLACE Shibuya Nampeidai	4,373.54	378	343	September 30, 2031
		A-PLACE Kanayama	9,314.90	542	446	May 31, 2025
		Osaka Nakanoshima Building	20,125.63	1,010	714	November 30, 2024
		Umeda Gate Tower	11,593.87	849	662	April 30, 2028
		A-PLACE Bashamichi	9,710.91	355	250	October 31, 2026
		Commercial Mall Hakata	8,624.06	304	151	March 31, 2027
		Total	159,173.29	-	-	-

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	19,265.71	1,207	1,407	August 31, 2023
		A-FLAG SAPPORO	20,392.03	690	100	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)	15,316.03	584	450	January 31, 2028
		Q plaza HARAJUKU (Note 6)	3,143.27	432	322	January 31, 2029
		Q plaza Shinjuku-3chome	4,528.01	827	570	September 30, 2031
		icot Nakamozu	28,098.02	620	430	June 30, 2022
		icot Mizonokuchi	14,032.05	(Note 5)	100	June 30, 2022
		icot Tama Center	5,110.96	233	231	November 30, 2024
		icot Omori	6,209.78	388	357	December 31, 2023
		Market Square Sagamihara	15,152.42	(Note 5)	(Note 5)	January 31, 2025
		Total		170,224.36	-	-

(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, 2021 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, 2021), 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, 2021, as indicated in the sublease agreement concluded with the end-tenant as of November 30, 2021 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, 2021 (limited to leasehold and guarantee deposit based on the lease agreement for leased property that was occupied by the tenant as of November 30, 2021), 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, 2021.

End-tenants	Property name	Total leased area (m <sup>2</sup> ) (Note 1)	Lease expiration date	Form of agreement (Note 2)
Sumitomo Mitsui Trust Bank, Limited (Note 3)	Tokyu Plaza Ginza (Land) TAMACHI SQUARE (Land) Amagasaki Q's MALL (Land)	29,883.44 (Note 4)	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	July 31, 2026	Fixed-term building lease agreement
Tokyu Hotels Co., Ltd.	A-FLAG SAPPORO	18,891.39	March 31, 2027	Fixed-term building lease agreement
Plan Do See Inc.	Kobe Kyu Kyoryuchi 25Bankan	14,195.42	February 28, 2022 (Note 5)	Fixed-term building lease agreement
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	June 30, 2022 (Note 6)	Fixed-term building lease agreement
Swing Corporation	A-PLACE Shinagawa Higashi	6,488.78	April 30, 2022 March 31, 2023	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, 2021. As for 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, 2021 (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, 2021.

(Note 3) 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 4) Total leased area for Tokyu Plaza Ginza (Land), TAMACHI SQUARE (Land) and Amagasaki Q's MALL (Land) is in respect of the land.

(Note 5) As of December 10, 2021, a fixed-term building lease agreement with a lease period of March 1, 2022 to February 28, 2051 was entered into.

(Note 6) NTT Communications Corporation is scheduled to vacate upon expiration of contract on June 30, 2022.

(Note 7) 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

20th fiscal period (From June 1, 2021 to November 30, 2021)

(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 (Notes 1, 4)	Q plaza EBISU	Kyoto Karasuma Parking Building	Kobe Kyu Kyoryuchi 25Bankan
Number of business days in the 20th fiscal period	183	150	183	183	183
a. Real estate leasing business revenues	1,074,108	437,077	273,154	(Note 2)	697,195
Leasing business revenue	924,159	379,778	242,939	(Note 2)	630,776
Other leasing business revenue	149,949	57,299	30,215	(Note 2)	66,419
b. Expenses related to leasing business	263,785	242,738	61,203	45,585	188,639
Management operation expenses	129,146	61,941	16,387	4,724	74,355
Utilities expenses	23,928	41,385	22,889	–	50,748
Tax and public dues	68,710	114,561	8,910	38,893	48,074
Insurance	254	583	101	212	897
Repair and maintenance expenses	662	15,744	1,516	469	7,484
Other expenses related to leasing business	41,083	8,521	11,397	1,286	7,080
c. NOI (a – b)	810,322	194,339	211,951	(Note 2)	508,556
d. Depreciation, etc. (Note 3)	52,070	32,245	18,298	15,894	123,366
Profit (loss) from leasing business (c – d)	758,252	162,093	193,652	(Note 2)	385,189

(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 20th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	376,070	212,505	356,064	103,117	119,711
Leasing business revenue	336,594	202,646	341,065	98,257	113,079
Other leasing business revenue	39,475	9,859	14,999	4,859	6,631
b. Expenses related to leasing business	190,924	36,415	42,840	33,187	32,238
Management operation expenses	107,932	12,109	9,743	8,447	3,797
Utilities expenses	44,193	7,378	10,957	5,628	5,192
Tax and public dues	24,295	11,380	16,837	13,851	2,120
Insurance	739	70	89	100	49
Repair and maintenance expenses	4,901	917	1,586	2,723	741
Other expenses related to leasing business	8,862	4,558	3,626	2,436	20,338
c. NOI (a – b)	185,145	176,089	313,224	69,929	87,472
d. Depreciation, etc. (Note 3)	78,709	10,264	16,293	5,236	7,199
Profit (loss) from leasing business (c – d)	106,436	165,825	296,930	64,693	80,273

(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 20th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	(Note 2)	101,663	518,484	581,063	227,645
Leasing business revenue	(Note 2)	92,168	404,795	581,063	215,277
Other leasing business revenue	(Note 2)	9,495	113,688	–	12,368
b. Expenses related to leasing business	28,027	22,810	314,853	105,506	72,414
Management operation expenses	8,224	5,415	106,757	–	19,165
Utilities expenses	385	8,039	87,732	–	11,113
Tax and public dues	14,100	6,656	54,807	105,203	36,868
Insurance	82	59	617	–	106
Repair and maintenance expenses	1,947	1,598	17,526	–	1,336
Other expenses related to leasing business	3,288	1,041	47,411	302	3,825
c. NOI (a – b)	(Note 2)	78,853	203,631	475,557	155,230
d. Depreciation, etc. (Note 3)	5,131	5,581	28,769	–	6,778
Profit (loss) from leasing business (c – d)	(Note 2)	73,271	174,861	475,557	148,452

(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 20th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	286,581	435,437	125,009	282,277	160,817
Leasing business revenue	277,307	419,182	118,858	264,643	153,255
Other leasing business revenue	9,273	16,255	6,151	17,634	7,562
b. Expenses related to leasing business	85,055	120,716	34,521	67,597	72,606
Management operation expenses	26,545	30,339	12,710	18,141	11,203
Utilities expenses	10,016	21,159	6,953	17,321	7,304
Tax and public dues	17,259	32,094	10,576	23,523	20,001
Insurance	266	339	114	249	214
Repair and maintenance expenses	17,486	30,241	1,289	2,776	28,274
Other expenses related to leasing business	13,480	6,542	2,875	5,584	5,607
c. NOI (a – b)	201,525	314,721	90,487	214,680	88,211
d. Depreciation, etc. (Note 3)	43,916	35,558	15,799	23,497	36,730
Profit (loss) from leasing business (c – d)	157,609	279,163	74,688	191,182	51,480

(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 20th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	62,502	(Note 2)	209,210	197,002	144,320
Leasing business revenue	62,502	(Note 2)	196,160	186,650	140,257
Other leasing business revenue	–	(Note 2)	13,049	10,352	4,062
b. Expenses related to leasing business	9,383	34,633	56,524	44,609	37,386
Management operation expenses	–	10,486	17,162	15,952	10,139
Utilities expenses	–	10,129	12,057	9,129	4,542
Tax and public dues	9,130	10,550	15,340	13,811	11,495
Insurance	–	113	190	153	105
Repair and maintenance expenses	–	622	5,423	2,774	8,042
Other expenses related to leasing business	252	2,730	6,350	2,787	3,060
c. NOI (a – b)	53,118	(Note 2)	152,686	152,393	106,933
d. Depreciation, etc. (Note 3)	–	20,777	23,069	26,934	9,274
Profit (loss) from leasing business (c – d)	53,118	(Note 2)	129,616	125,458	97,659

(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 20th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	347,128	1,506,834	188,122	149,943	199,364
Leasing business revenue	331,727	1,446,089	180,596	145,108	190,055
Other leasing business revenue	15,400	60,745	7,525	4,834	9,308
b. Expenses related to leasing business	95,164	325,305	37,403	34,383	54,834
Management operation expenses	58,234	106,099	12,138	13,150	16,182
Utilities expenses	10,935	59,016	7,311	5,394	10,382
Tax and public dues	23,516	123,992	13,840	9,462	18,095
Insurance	448	900	139	107	159
Repair and maintenance expenses	192	15,757	1,132	3,338	865
Other expenses related to leasing business	1,837	19,539	2,840	2,929	9,148
c. NOI (a – b)	251,963	1,181,528	150,719	115,560	144,530
d. Depreciation, etc. (Note 3)	48,275	154,748	23,497	13,247	14,620
Profit (loss) from leasing business (c – d)	203,687	1,026,780	127,222	102,313	129,909

(Unit: Thousands of yen)

Property number	TO-16	TO-18	TO-19	TO-20	TO-21
Property name	A-PLACE Shinagawa Higashi	Ebisu Prime Square (Note 1)	A-PLACE Tamachi East (Note 5)	Meguro Tokyu Building (Note 6)	Q plaza Shinjuku-3chome (Note 6)
Number of business days in the 20th fiscal period	183	183	33	82	82
a. Real estate leasing business revenues	579,770	795,498	31,404	144,719	197,433
Leasing business revenue	547,193	703,806	30,204	139,494	149,307
Other leasing business revenue	32,576	91,692	1,200	5,225	48,125
b. Expenses related to leasing business	138,675	271,554	6,144	16,796	14,637
Management operation expenses	47,189	63,955	2,753	10,473	6,141
Utilities expenses	24,672	103,456	1,253	5,742	7,189
Tax and public dues	48,026	68,535	–	–	–
Insurance	630	861	34	115	84
Repair and maintenance expenses	6,004	18,464	885	238	–
Other expenses related to leasing business	12,152	16,280	1,217	228	1,222
c. NOI (a – b)	441,094	523,944	25,260	127,922	182,795
d. Depreciation, etc. (Note 3)	31,225	45,951	2,697	7,494	2,975
Profit (loss) from leasing business (c – d)	409,869	477,992	22,563	120,428	179,820



(Unit: Thousands of yen)

Property number	TO-22	AA-1	AA-2	AA-4	AA-5
Property name	A-PLACE Shibuya Nampeidai (Note 6)	Amagasaki Q's MALL (Land)	icot Nakamozu	icot Mizonokuchi	icot Tama Center
Number of business days in the 20th fiscal period	82	183	183	183	183
a. Real estate leasing business revenues	88,050	356,784	311,044	(Note 2)	142,289
Leasing business revenue	82,990	356,784	311,014	(Note 2)	131,461
Other leasing business revenue	5,059	–	30	(Note 2)	10,828
b. Expenses related to leasing business	12,550	56,412	41,959	15,314	46,389
Management operation expenses	6,570	–	5,765	2,343	16,881
Utilities expenses	4,207	–	30	–	9,627
Tax and public dues	–	56,159	30,123	9,949	11,706
Insurance	86	–	307	133	217
Repair and maintenance expenses	975	–	4,729	2,036	6,765
Other expenses related to leasing business	710	252	1,003	851	1,190
c. NOI (a – b)	75,499	300,371	269,084	(Note 2)	95,899
d. Depreciation, etc. (Note 3)	1,983	–	35,849	8,385	18,991
Profit (loss) from leasing business (c – d)	73,516	300,371	233,234	(Note 2)	76,907

(Unit: Thousands of yen)

Property number	AA-6	AA-7	AA-8	AA-9	AA-10
Property name	A-PLACE Kanayama	Osaka Nakanoshima Building	icot Omori	Market Square Sagamihara	Umeda Gate Tower
Number of business days in the 20th fiscal period	183	183	183	183	183
a. Real estate leasing business revenues	306,264	550,967	219,431	(Note 2)	502,599
Leasing business revenue	283,139	527,233	194,454	(Note 2)	465,119
Other leasing business revenue	23,125	23,733	24,977	(Note 2)	37,480
b. Expenses related to leasing business	76,430	159,552	50,884	37,516	107,861
Management operation expenses	24,286	55,658	8,891	16,104	32,194
Utilities expenses	19,878	37,033	25,060	4,834	29,117
Tax and public dues	27,453	53,816	12,388	13,557	35,158
Insurance	343	1,023	144	180	504
Repair and maintenance expenses	1,166	4,474	2,422	1,710	5,226
Other expenses related to leasing business	3,301	7,546	1,977	1,128	5,660
c. NOI (a – b)	229,834	391,414	168,547	(Note 2)	394,737
d. Depreciation, etc. (Note 3)	52,442	92,946	18,405	23,649	67,949
Profit (loss) from leasing business (c – d)	177,392	298,467	150,141	(Note 2)	326,788

(Unit: Thousands of yen)

Property number	AA-11	AA-12	AA-13
Property name	A-PLACE Bashamichi	Commercial Mall Hakata	EDGE Shinsaibashi
Number of business days in the 20th fiscal period	183	183	183
a. Real estate leasing business revenues	203,102	192,966	570,523
Leasing business revenue	186,116	155,521	531,334
Other leasing business revenue	16,985	37,445	39,189
b. Expenses related to leasing business	66,967	68,616	192,054
Management operation expenses	19,629	21,198	41,195
Utilities expenses	18,632	23,845	47,494
Tax and public dues	16,972	12,296	60,541
Insurance	402	166	617
Repair and maintenance expenses	6,857	2,396	34,491
Other expenses related to leasing business	4,473	8,713	7,714
c. NOI (a – b)	136,134	124,350	378,469
d. Depreciation, etc. (Note 3)	33,840	16,180	23,173
Profit (loss) from leasing business (c – d)	102,293	108,169	355,295

(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.

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

(Note 4) Disposed on October 29, 2021. Therefore, figures up to the day prior to the disposition date are presented.

(Note 5) Acquired on October 29, 2021. Therefore, figures after the acquisition date are presented.

(Note 6) Acquired on September 10, 2021. Therefore, figures after the acquisition date are presented.