

Financial Report for the Fiscal Period Ended May 31, 2015 (December 1, 2014 - May 31, 2015)

Activia Properties Inc.

Listing: Tokyo Stock Exchange

Securities code: 3279

URL: <http://www.activia-reit.co.jp/en/>

Representative: Nariaki Hosoi, Executive Director

Investment management company: TLC Activia Investment Management Inc.

Representative: Michie Kawai, President & CEO

Contact: Hiroshi Kimoto, Executive Officer of Fund Management Department

TEL: +81-3-6415-3120

Scheduled date to file Securities Report: August 26, 2015

Scheduled date to start distribution payments: August 12, 2015

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 May 31, 2015 (December 1, 2014 – May 31, 2015)

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

	Operating revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended May 31, 2015	9,120	11.6	5,199	13.2	4,583	13.7	4,582	13.7
Fiscal period ended November 30, 2014	8,174	5.1	4,594	0.3	4,032	0.8	4,031	0.8

	Net income per unit	Return on unitholders' equity (ROE)	Ordinary income to total assets	Ordinary income to operating revenue
	Yen	%	%	%
Fiscal period ended May 31, 2015	16,688	3.2	1.7	50.3
Fiscal period ended November 30, 2014	16,056	3.1	1.6	49.3

(Note) Net income per unit is calculated by dividing net income by the day-weighted average number of investment units for the period (251,062 units and 274,595 units for the fiscal period ended November 30, 2014, and the fiscal period ended May 31, 2015, respectively).

(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	Payout ratio	Distribution ratio to unitholders' equity
	Yen	Millions of yen	Yen	Millions of yen	%	%
Fiscal period ended May 31, 2015	16,535	4,582	0	0	100.0	3.1
Fiscal period ended November 30, 2014	16,057	4,031	0	0	100.0	3.1

(Note) Because new investment units were issued during the fiscal period ended May 31, 2015, 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) / net income × 100

(3) Financial position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
	Millions of yen	Millions of yen	%	Yen
As of May 31, 2015	297,466	155,353	52.2	560,574
As of November 30, 2014	253,407	130,086	51.3	518,143

(Reference) Unitholders' equity

As of May 31, 2015: ¥155,353 million

As of November 30, 2014: ¥130,086 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 May 31, 2015	5,223	(39,335)	36,737	12,750
Fiscal period ended November 30, 2014	5,767	(10,743)	5,927	10,125

2. Forecasts of results for the fiscal period from June 1, 2015 to November 30, 2015

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

	Operating revenue		Operating income		Ordinary income		Net income		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 November 30, 2015	9,633	5.6	5,399	3.8	4,766	4.0	4,765	4.0	17,195	0

(Reference) Forecasted net income per unit (forecasted net income / total projected number of investment units issued at end of period)

For the fiscal period ending November 30, 2015: ¥17,195

*** Other**

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

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

(2) Total number of units issued

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

As of May 31, 2015	277,132 units
As of November 30, 2014	251,062 units
- b. Number of treasury units at end of period

As of May 31, 2015	– units
As of November 30, 2014	– units

(Note) Please refer to “Per Unit Information” on page 37 for the number of investment units used as the basis for calculating net income per unit.

*** Status of audit procedures**

As of the time of this financial report, audit procedures for the financial statements pursuant to the Financial Instruments and Exchange Act of Japan are incomplete.

*** Appropriate use of forecasts of results and other special items**

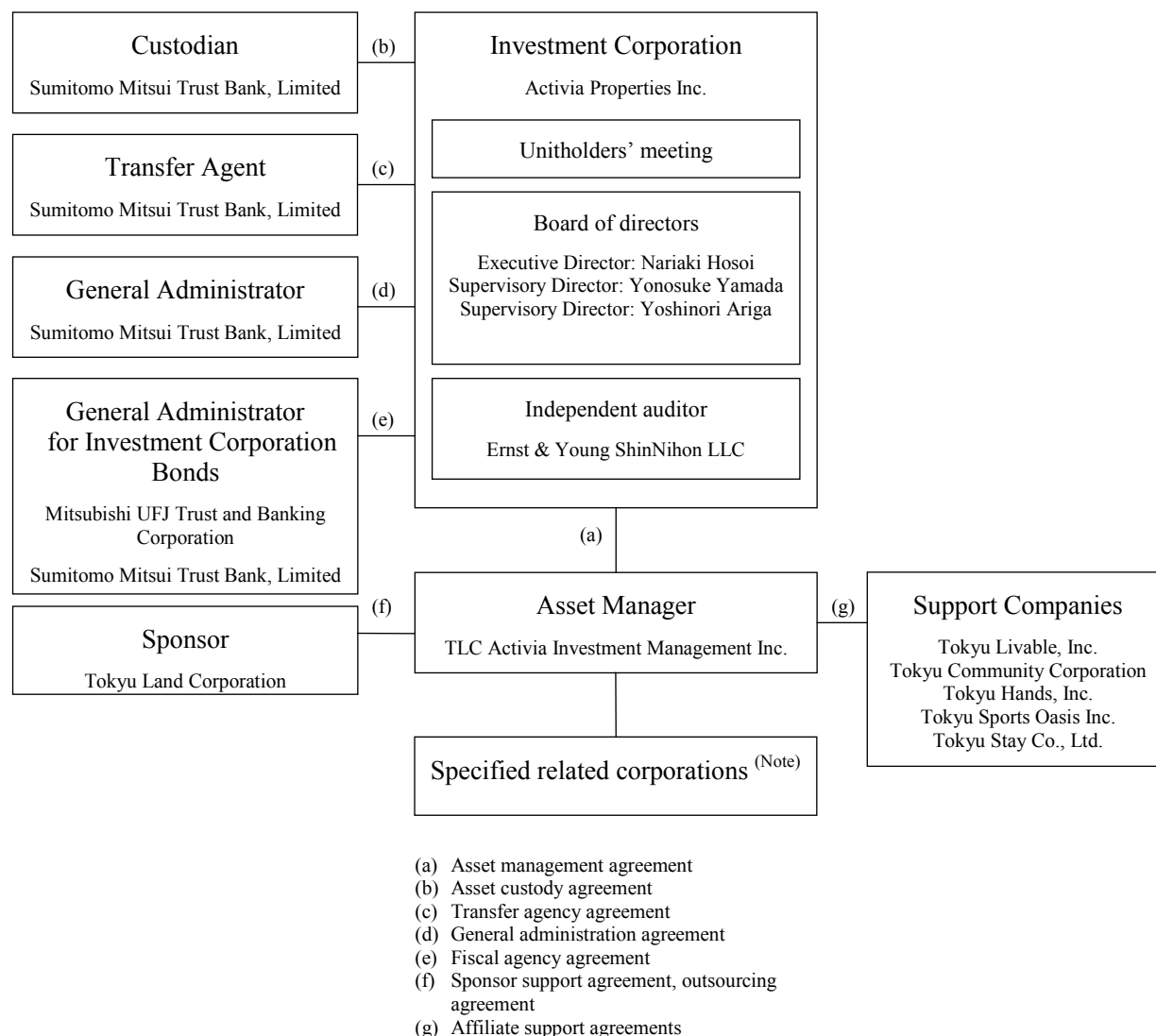
Forward-looking statements presented in this financial report including forecasts of results are based on information currently available to us and on certain assumptions we deem to be reasonable. As such, actual operating and other results may differ materially due to a number of factors. Furthermore, these forecasts are in no way a guarantee of any distribution amount. Please refer to “Assumptions for Forecasts of Investment Performance for the 8th Fiscal Period from June 1, 2015 to November 30, 2015 and the 9th Fiscal Period from December 1, 2015 to May 31, 2016” on pages 15 and 16 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.

1. The Investment Corporation and Related Corporations

The “Management structure of the Investment Corporation” in the latest Securities Report (filed on February 26, 2015; prepared in Japanese only) has been changed as follows:

i) The Management Structure of the Investment Corporation



(Note) Tokyu Land Corporation, Tokyu Fudosan Holdings Corporation, Tokyu Land SC Management Corporation and Tokyu Community Corporation are specified related corporations.

ii) Names of the Investment Corporation and Related Corporations of the Investment Corporation, Their Operational Roles and the Contents of Their Related Business Operations

Role	Business name	Operation
Investment corporation	Activia Properties Inc.	Our basic policy is to maximize unitholder value by achieving stable profits and steady growth in assets under management in the medium to long term through continuous investments in properties.
Asset manager (Re Article 198 of the Investment Trust Act)	TLC Activia Investment Management Inc.	The following operations are related to the management of the assets of the Investment Corporation, and are commissioned by the Investment Corporation: a. operations related to the management of the assets under management of the Investment Corporation b. operations related to the financing of the Investment Corporation c. reporting the status of assets under management and other matters to the Investment Corporation, and reporting and filing this information for the Investment Corporation d. developing management plans for the assets under management e. other operations commissioned by the Investment Corporation as needed f. operations that are incidental or related to the items above
Custodian (Re Article 208 of the Investment Trust Act)	Sumitomo Mitsui Trust Bank, Limited	The following operations are related to the custody of the assets of the Investment Corporation, and are commissioned by the Investment Corporation: a. custody of assets b. cash management c. operations that are incidental or related to the items above
Transfer agent	Sumitomo Mitsui Trust Bank, Limited	The following general administration work is commissioned by the Investment Corporation: a. affairs related to the preparation and maintenance of the register of unitholders b. affairs related to the issuance of investment units c. affairs related to the calculation and payment of distributions to unitholders d. affairs related to unitholders' requests for exercising rights and the receipt of other requests from unitholders e. operations that are incidental or related to the items above

Role	Business name	Operation
General administrator (delegated management agency, agency engaged in accounting-related work)	Sumitomo Mitsui Trust Bank, Limited	The following general administration work is commissioned by the Investment Corporation: a. affairs related to accounting b. affairs related to the preparation of accounting books c. affairs related to tax payment d. affairs related to the management of the organization e. operations that are incidental or related to the items above
General administrator for investment corporation bonds	Mitsubishi UFJ Trust and Banking Corporation	The following work for the first unsecured investment corporation bonds is commissioned by the Investment Corporation: a. issuance agency affairs b. payment agency affairs c. affairs related to the register of investment corporation bonds d. affairs related to receipt of requests from holders of investment corporation bonds regarding exercise of rights and other proposals from holders of investment corporation bonds e. operations that are incidental or related to the items above
General administrator for investment corporation bonds	Sumitomo Mitsui Trust Bank, Limited	The following work for the second and third unsecured investment corporation bonds is commissioned by the Investment Corporation: a. issuance agency affairs b. payment agency affairs c. affairs related to the register of investment corporation bonds d. affairs related to receipt of requests from holders of investment corporation bonds regarding exercise of rights and other proposals from holders of investment corporation bonds e. operations that are incidental or related to the items above
Specified related corporation (parent company of the Asset Manager) Sponsor	Tokyu Land Corporation	Since Tokyu Land Corporation has 100% ownership (parent company) of the Asset Manager, it is deemed a specified related corporation. Tokyu Land Corporation and the Investment Corporation have entered into a transfer contract for the beneficiary rights of some of the assets held by the Investment Corporation, a master lease and property management agreement for some of the assets, an incidental agreement for the assets held, and a sponsor support agreement.
Specified related corporation (parent company of the Asset Manager)	Tokyu Fudosan Holdings Corporation	Since Tokyu Fudosan Holdings Corporation is the parent company of Tokyu Land Corporation, which is the parent company of the Asset Manager, it is deemed a specified related corporation.

Role	Business name	Operation
<p>Specified related corporation (of the interested parties, etc. of the Asset Manager, a corporation that carries out, or has carried out, transactions (lending and borrowing transactions) in Article 29-3, Paragraph 3, item (iv) of the Order for Enforcement of the Financial Instruments and Exchange Act)</p>	<p>Tokyu Land SC Management Corporation</p>	<p>Tokyu Land SC Management Corporation carried out transactions with a trustee of beneficiary interests of real estate, etc. in trust that are assets held by the Investment Corporation consisting of lending and borrowing of real estate, etc. that are assets held in trust during the three years up to the end of the previous fiscal period (the fiscal period ended November 30, 2014). The average amount for one fiscal period for the total of the amount the said trustee paid as consideration and the amount received for the relevant transactions, or the average amount for one fiscal period for the total amount expected to be received by the said trustee from Tokyu Land SC Management Corporation as consideration for the relevant transactions during the three years from the first date of the fiscal period under review (the fiscal period ended May 31, 2015), is equivalent to at least 20% of the Investment Corporation's total operating revenue in the previous fiscal period.</p> <p>Tokyu Land SC Management Corporation and the Investment Corporation have entered into a master lease and property management agreement for some of the assets held by the Investment Corporation.</p>
<p>Specified related corporation (of the interested parties, etc. of the Asset Manager, a corporation that carries out, or has carried out, transactions (lending and borrowing transactions) in Article 29-3, Paragraph 3, item (iv) of the Order for Enforcement of the Financial Instruments and Exchange Act)</p>	<p>Tokyu Community Corporation</p>	<p>As of June 1, 2015, Tokyu Community Corporation became the property management company and master lease company for 11 properties held by the Investment Corporation (beneficiary interests of real estate, etc. in trust), and started transactions with a trustee of the said 11 properties consisting of lending and borrowing of real estate, etc. that are assets held in trust. The ratio of the average amount for one fiscal period for the total of the amount expected to be received by the trustee of the Investment Corporation from Tokyu Community Corporation for the transactions of lending and borrowing of beneficiary interests of real estate, etc. in trust carried out with the Investment Corporation during the next three years, is expected to be at least 20% of the Investment Corporation's total operating revenue in the previous fiscal period.</p> <p>Tokyu Community Corporation and the Investment Corporation have entered into a master lease and property management agreement for some of the assets held by the Investment Corporation.</p>

Role	Business name	Operation
Support companies	Tokyu Livable, Inc. Tokyu Community Corporation Tokyu Hands, Inc. Tokyu Sports Oasis Inc. Tokyu Stay Co., Ltd.	Provide support. Please refer to “Part I: Information on Fund/ 1. Status of Fund/ 2. Investment Policy/ (1) Investment Policy/ (iv) Growth Strategy/ (d) Tokyu Fudosan Holdings Group’s Comprehensive Support Structure” in the Securities Report (filed on February 26, 2015; prepared in Japanese only). On April 1, 2015, Tokyu Relocation Corporation changed its trade name to Tokyu Stay Co., Ltd.

2. Asset Management Policies and Status

(1) Asset Management Policies

As there have been no significant changes in policies described in “Investment Policy,” “Investment Properties” and “Distribution Policy” in the latest Securities Report (filed on February 26, 2015; prepared in Japanese only), the disclosure is omitted.

(2) 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. (currently TLC Activia Investment Management Inc.) as the organizer under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including subsequent revisions), and completed its registration in the Kanto Local Finance Bureau on September 20, 2011 (Director-General of the Kanto Local Finance Bureau No. 73).

After that, the Investment Corporation was listed on the real estate investment trust securities market of Tokyo Stock Exchange, Inc. (Securities code 3279) on June 13, 2012. On December 17, 2014, the Investment Corporation carried out a publicly offered capital increase for the second consecutive year, and on January 8, 2015, 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 investors, 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 May 31, 2015, the Investment Corporation acquired three properties including the Shiodome Building (acquisition of 15% co-ownership interest), which is categorized as its focused investment properties, “Tokyo Office Properties,” by publicly offered capital increase. Consequently, the Investment Corporation held 30 properties (with the total acquisition price of ¥282,628 million) at the end of the fiscal period under review.

(B) Investment Environment in the Fiscal Period under Review

In the fiscal period under review, the Japanese economy continued to follow a path of moderate recovery. This reflected firm personal consumption amid an upturn in consumer sentiment resulting from additional monetary easing by the Bank of Japan and the postponement of a planned consumption tax hike, as well as an increase in corporate earnings. Amid this environment, the outlook for the economy is also positive, with further moderate recovery expected due partly to the impact from a fall in the crude oil price and the effects of various policies.

The environment surrounding retail properties saw an upturn in consumer sentiment, which cooled temporarily due to the consumption tax hike implemented in April 2014, due to improvements in the employment environment and others. This was reflected in the Monthly Consumer Confidence Survey released by the Economic and Social Research Institute, Cabinet Office, Government of Japan, in which the consumer confidence index rose for four consecutive months from December 2014. Moreover, the amount of tourism consumption by overseas visitors to Japan from January to March 2015 hit a record high and increased by 64.4% year on year, according to the Consumption Trend Survey for Foreigners Visiting Japan released in April by the Japan Tourism Agency of the Ministry of Land, Infrastructure, Transport and Tourism. In addition, the number of overseas visitors to Japan in April 2015 also hit a record high, and the contribution from foreigners to hotel occupancy rates and consumption is increasing. In the rental office market, data published by Miki Shoji Co., Ltd. showed that the average vacancy rate of five central Tokyo wards (Chiyoda-ku, Minato-ku, Chuo-ku, Shibuya-ku and Shinjuku-ku) fell for 21 consecutive months up to March 2015. Although the rate showed a slight rise to 5.34% in April, it hovered in the lower range of 5% from January. Rent levels continued to show a moderate recovery, as demonstrated by the average rent rising for 16 consecutive months. In addition, this trend of recovery in market conditions is showing signs of spreading to

major cities outside Tokyo. In the J-REIT market, the Tokyo Stock Exchange REIT Index is showing firmness due to the Bank of Japan's maintenance of its monetary easing policy and expectations of an improvement in real estate market conditions, although there was a temporary drop reflecting caution regarding a deterioration in supply and demand due to a rise in long-term interest rates in Japan and publicly offered capital increases. Amid this situation, there were active property acquisitions through publicly offered capital increases reflecting continued favorable financing environment and heightened investment intention. As a result, the number of properties acquired and property acquisition costs, which had temporarily declined in 2014 due to intensification of acquisition competition in the real estate transaction market, began to increase again following the start of 2015.

(C) Investment Performance

The Investment Corporation acquired beneficiary rights of real estate in trust to 3 properties consisting of Osaka Nakanoshima Building (additional acquisition of the remaining 50% co-ownership interest) (with the acquisition price of ¥5,850 million) acquired on December 19, 2014, and Shiodome Building (acquisition of 15% co-ownership interest) (with the acquisition price of ¥30,300 million) and Market Square Sagamihara (with the acquisition price of ¥4,820 million) acquired on January 9, 2015, as trust assets by publicly offered capital increase in accordance with the basic asset management policy set forth in the Articles of Incorporation.

Consequently, total assets held by the Investment Corporation at the end of the fiscal period under review were 30 properties (with the total acquisition price of ¥282,628 million) with the total leasable area of 312,777 m² (94,615 *tsubo*).

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

	December 31, 2014	January 31, 2015	February 28, 2015	March 31, 2015	April 30, 2015	May 31, 2015
Urban Retail Properties	100.0%	99.9%	99.9%	99.9%	99.9%	99.8%
Tokyo Office Properties	100.0%	99.1%	99.1%	99.6%	99.6%	99.6%
Other Properties	99.7%	99.7%	99.7%	100.0%	99.9%	99.7%
Total	99.9%	99.7%	99.7%	99.9%	99.8%	99.7%

The average rents (Note 1) at the end of the previous fiscal period and the fiscal period under review are as follows:

	Urban Retail Properties	Urban Retail Properties (including revenue-based rents) (Note 2)	Tokyo Office Properties	Other Properties
As of November 30, 2014	¥20,537/ <i>tsubo</i>	¥20,683/ <i>tsubo</i>	¥19,230/ <i>tsubo</i>	¥7,605/ <i>tsubo</i>
As of May 31, 2015	¥20,391/ <i>tsubo</i>	¥20,833/ <i>tsubo</i>	¥22,242/ <i>tsubo</i>	¥7,798/ <i>tsubo</i>
Difference [ratio]	¥(146) [(0.7)%]	¥150 [0.7%]	¥3,012 [15.7%]	¥193 [2.5%]

(Note 1) Limited to rent for rooms including common service fees, but excluding usage fees for warehouses, signboards, parking lots, etc., and also excluding revenue-based rents, regardless of free rents and rent holidays as of November 30, 2014 and May 31, 2015.

(Note 2) Figures are not those at the end of the periods but the averages during the relevant periods.

(D) Overview of Financing

In the fiscal period under review, in order to cover the acquisition costs for beneficiary interests of real estate in trust to the above three properties and related costs, the Investment Corporation additionally issued investment units (24,050 units) through a public offering on December 17, 2014, issued new investment units (2,020 units) by a third-party allotment on January 8, 2015, and borrowed funds of ¥16,300 million. In addition, the Investment Corporation refinanced borrowings of ¥6,000 million on March 31, 2015. Also, in order to diversify repayment dates, extend the average maturity and diversify means of financing, the Investment Corporation issued investment corporation bonds of ¥4,000 million on April 21, 2015, and used the funds to cover repayment of short-term loans payable. As a result, as of the end of the fiscal period under review, unitholders' capital amounted to ¥150,770 million, the total number of investment units issued came to 277,132 units and the balance of interest-bearing debt was ¥127,100 million (borrowings of ¥119,100 million and investment corporation bonds of ¥8,000 million). The ratio of interest-bearing debt to total assets (LTV = Balance of interest-bearing debt / Total assets x 100) was 42.7% as of the end of the fiscal period under review. The ratio of long-term debt and fixed-interest debt to total interest-bearing debt were 100.0% and 85.1%, 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

(E) Overview of Financial Results and Distributions in the Fiscal Period under Review

As a result of the above-mentioned investments, operating revenue, operating income, and ordinary income were ¥9,120 million, ¥5,199 million, and ¥4,583 million, respectively, for the fiscal period under review, and net income was ¥4,582 million.

In accordance with the distribution policy set forth by the Investment Corporation (Article 35 of the Articles of Incorporation), it was decided that the all amount of unappropriated retained earnings would be distributed except a fraction of less than ¥1 of distributions per investment unit, with the aim that as greatest as possible distributions of profits would be included in tax deductible expenses under Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, including subsequent revisions; hereinafter referred to as the "Special Taxation Measures Act"). Consequently, distributions per investment unit resulted in ¥16,535.

ii) Outlook for the Next Fiscal Period

(A) Investment Environment for the Next Fiscal Period

In the Japanese economy going forward, we expect personal consumption to head toward recovery amid continuing improvements in the employment and income situations. In addition, although evaluations by companies of their business performances are roughly unchanged, corporate earnings are also showing signs of improvement. As a result, we expect the economy to continue recovering moderately. Even so, it is necessary to take heed of downside risks to which the Japanese economy is exposed, such as the impact of U.S. financial policies, a weakening of the economic recovery in Europe due to a resurgence of the debt problem in Greece and economic instability in resource-rich countries due to the fall in the price of crude oil.

In the rental office market, the supply and demand balance in Tokyo is continuing to tighten amid improving corporate earnings and we expect rents to continue to increase. In addition, major provincial cities are also expected to see falls in vacancy rates and accompanying full-blown rent rises. With respect to retail properties, retail sales are expected to increase, particularly at retail facilities in central Tokyo reflecting expansion in inbound demand due mainly to an upturn in consumer sentiment and ongoing yen depreciation. In the J-REIT market, we expect continued brisk activity in terms of transactions reflecting a strong financing environment. The Investment Corporation aims to keep adding to its overall assets and working to control LTV while making careful investment decisions that help to improve investor value by drawing on its own channels and its sponsor's pipeline.

(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 investor 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, quality, specifications, and 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 and will seek to expand the size of its assets by carefully selecting investment assets based on the information it receives under its sponsor support agreement with Tokyu Land 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 management company.

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 management company. 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 Corporation.

d. Financial Strategy

Having the sound financial strategy in an effort to conservatively control LTV as well as make stable long-term loans and diversify maturities (diversifying repayment dates), the Investment Corporation will endeavor to build stable financial base with solid bank formation. 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. The Investment Corporation will also continue to flexibly issue new investment units while paying appropriate attention to dilution of investment units with the aim of achieving long-term and stable growth.

(C) Significant Subsequent Events

Not applicable

< Reference Information >

a. Transfer of Properties

The Investment Corporation transferred property listed below in accordance with the basic asset management policy set forth in the Articles of Incorporation.

(O-3) icot Kongo

Type of assets	Trust beneficiary interest
Transfer price	¥1,880 million
Book value	¥1,611 million
Difference between transfer price and book value	¥268 million
Delivery date	July 8, 2015
Location	35-1 Handa 1-chome, Osakasayama City, Osaka
Use	Retail
Land area	10,821.40 m ² (Note)
Gross floor area	17,894.95 m ²
Structure	RC/ 3 floors above ground
Month and year of completion	February 1977
Ownership	Land: Owned Building: Owned

(Note) Includes approximately 82 m² that is the part of the site used as a road in accordance with Article 42, Paragraph 1 of the Building Standards Act.

b. Acquisition of Properties

The Investment Corporation is scheduled to acquire property listed below with borrowings, etc. in accordance with the basic asset management policy set forth in the Articles of Incorporation.

(TO-13) Frontier Ebisu

Type of assets	Trust beneficiary interest
Acquisition price	¥7,072 million
Scheduled acquisition date	July 29, 2015
Location	13-11 Higashi 3-chome, Shibuya-ku, Tokyo
Use	Office and parking lots
Land area	1,273.97 m ²
Gross floor area	5,321.23 m ²
Structure	SRC/ 10 floors above and 2 floors underground
Month and year of completion	January 1992
Ownership	Land: Owned Building: Owned

(D) Outlook of Investment Performance

For the fiscal period ending November 30, 2015 (8th fiscal period: June 1, 2015 to November 30, 2015), 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 8th Fiscal Period from June 1, 2015 to November 30, 2015 and the 9th Fiscal Period from December 1, 2015 to May 31, 2016” on pages 15 and 16.

Operating revenue	¥9,633 million
Operating income	¥5,399 million
Ordinary income	¥4,766 million
Net income	¥4,765 million
Cash distributions per unit	¥17,195
Cash distributions in excess of earnings per unit	¥0

If it is assumed that there are no changes in “Assumptions for Forecasts of Investment Performance for the 8th Fiscal Period from June 1, 2015 to November 30, 2015 and the 9th Fiscal Period from December 1, 2015 to May 31, 2016,” the outlook of investment performance for the fiscal period ending May 31, 2016 (9th fiscal period: December 1, 2015 to May 31, 2016) is estimated as follows.

Operating revenue	¥9,411 million
Operating income	¥5,282 million
Ordinary income	¥4,608 million
Net income	¥4,607 million
Cash distributions per unit	¥16,625
Cash distributions in excess of earnings per unit	¥0

(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 income, ordinary income, net income 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 8th Fiscal Period from June 1, 2015 to November 30, 2015 and the 9th Fiscal Period from December 1, 2015 to May 31, 2016

Item	Assumptions
Period	<ul style="list-style-type: none"> • 8th fiscal period (June 1, 2015 to November 30, 2015) (183 days) • 9th fiscal period (December 1, 2015 to May 31, 2016) (183 days)
Investment portfolio	<ul style="list-style-type: none"> • We assume that there will be no material changes to the composition of our investment portfolio, including acquisition of properties or disposition of properties, associated with the 30 properties for which we hold the trust beneficiary interests comprising 29 properties (the “Assets Currently Held”) held as of today and Frontier Ebisu to be acquired on July 29, 2015, before the end of the 9th fiscal period (May 31, 2016). • Our forecasts, however, may change due to any changes to the composition of our investment portfolio.
Operating revenue	<ul style="list-style-type: none"> • 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. We have calculated our real estate leasing business revenues from Frontier Ebisu based on the lease agreement terms from the scheduled date of acquisition expected as of today as well as other factors. • Operating revenue is based on our assumption that there will be no delinquencies or non-payment of rents by tenants. • We expect to record approximately ¥200 million of gain on disposition of real estate properties in the fiscal period ending November 30, 2015 (8th fiscal period) from the transfer of icot Kongo.
Operating expenses	<ul style="list-style-type: none"> • Expenses related to rent business (other than depreciation), which are our principal operating expenses, were calculated based on the historical information and upon considering variable factors, for the Assets Currently Held. Expenses for Frontier Ebisu are calculated based on the information provided by the former owner (seller) and upon considering variable factors and others. • 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. The total amount of property tax and city planning tax on Frontier Ebisu that are treated as a part of the acquisition cost is assumed to be ¥11 million. For property tax and city planning tax, ¥643 million and ¥646 million for the Assets Currently Held, will be expensed in the fiscal period ending November 30, 2015 (8th fiscal period) and in the fiscal period ending May 31, 2016 (9th fiscal period), respectively. Moreover, property tax and city planning tax of Frontier Ebisu for fiscal 2015 will be expensed from the fiscal period ending November 30, 2016 (10th fiscal period). • 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 management company. 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. • We calculate depreciation expenses (including incidental expenses) by the straight-line method, assuming ¥916 million and ¥923 million for the 8th fiscal period ending November 30, 2015 and the 9th fiscal period ending May 31, 2016, respectively.

Item	Assumptions
Non-operating expenses	<ul style="list-style-type: none"> We expect interest and other borrowing-related expenses of ¥635 million and ¥676 million for the 8th fiscal period ending November 30, 2015 and the 9th fiscal period ending May 31, 2016, respectively.
Interest-bearing debt	<ul style="list-style-type: none"> As of today, we have a balance of ¥127,100 million in interest-bearing debt (borrowings of ¥119,100 million and investment corporation bonds of ¥8,000 million). It is assumed that we will borrow ¥5,000 million to acquire Frontier Ebisu on July 29, 2015, making the balance of interest-bearing debt ¥132,100 million. We assume that there will be refinancing of all borrowings coming due before the end of the 8th fiscal period (November 30, 2015) and the 9th fiscal period (May 31, 2016) (8th fiscal period: short-term loans payable of ¥5,000 million; 9th fiscal period: long-term loans payable of ¥7,000 million). We assume the LTV ratios as of November 30, 2015 and May 31, 2016 are both to be 43.7%. The LTV ratio is obtained by the following formula: $\text{LTV} = \text{Balance of interest-bearing debt} / \text{Total assets} \times 100$
Units	<ul style="list-style-type: none"> The number is based on our assumption of total of 277,132 units issued as of today. We assume that there will be no additional issuance of new investment units before the end of the 9th fiscal period (May 31, 2016). The cash distributions per unit for the 8th fiscal period ending November 30, 2015 and the 9th fiscal period ending May 31, 2016 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 are 277,132 units.
Cash distributions per unit	<ul style="list-style-type: none"> Cash distributions (cash distributions per unit) are calculated based on the cash distribution policy stipulated in our Articles of Incorporation. 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.
Cash distributions in excess of earnings per unit	<ul style="list-style-type: none"> We do not currently anticipate cash distributions in excess of our distributable profit (cash distributions in excess of earnings per unit).
Other	<ul style="list-style-type: none"> 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. We assume that there will be no material changes in general economic conditions or real estate markets.

3. Financial Statements

(1) Balance Sheet

(Unit: Thousands of yen)

	As of November 30, 2014	As of May 31, 2015
Assets		
Current assets		
Cash and deposits	8,585,158	9,743,232
Cash and deposits in trust	1,540,009	3,007,251
Operating accounts receivable	316,083	353,933
Prepaid expenses	170,163	288,392
Deferred tax assets	11	17
Consumption taxes receivable	–	359,151
Other	–	1,546
Total current assets	10,611,426	13,753,525
Non-current assets		
Property, plant and equipment		
Buildings in trust	52,319,762	61,617,753
Accumulated depreciation	(2,734,761)	(3,573,458)
Buildings in trust, net	49,585,001	58,044,295
Structures in trust	403,342	548,652
Accumulated depreciation	(49,339)	(62,644)
Structures in trust, net	354,002	486,007
Machinery and equipment in trust	1,142,718	1,205,731
Accumulated depreciation	(93,321)	(121,137)
Machinery and equipment in trust, net	1,049,397	1,084,594
Tools, furniture and fixtures in trust	61,618	65,463
Accumulated depreciation	(8,702)	(15,743)
Tools, furniture and fixtures in trust, net	52,916	49,720
Land in trust	186,823,468	219,073,983
Construction in progress in trust	5,200	9,174
Total property, plant and equipment	237,869,985	278,747,775
Intangible assets		
Leasehold rights in trust	4,562,628	4,562,628
Other	3,089	2,628
Total intangible assets	4,565,717	4,565,256
Investments and other assets		
Long-term prepaid expenses	329,135	341,930
Invest securities	9,979	9,992
Other	–	3,794
Total investments and other assets	339,115	355,717
Total non-current assets	242,774,818	283,668,749
Deferred assets		
Investment corporation bond issuance costs	21,024	44,372
Total deferred assets	21,024	44,372
Total assets	253,407,269	297,466,647

(Unit: Thousands of yen)

	As of November 30, 2014	As of May 31, 2015
Liabilities		
Current liabilities		
Operating accounts payable	582,927	687,543
Current portion of long-term loans payable	18,000,000	19,000,000
Accounts payable - other	42,874	112,013
Accrued expenses	375,920	402,760
Income taxes payable	383	258
Accrued consumption taxes	116,971	–
Advances received	105,716	217,484
Deposits received	2,129	9,647
Other	–	433
Total current liabilities	19,226,923	20,430,142
Non-current liabilities		
Investment corporation bond	4,000,000	8,000,000
Long-term loans payable	88,800,000	100,100,000
Tenant leasehold and security deposits in trust	11,294,108	13,583,386
Other	12	2
Total non-current liabilities	104,094,121	121,683,388
Total liabilities	123,321,044	142,113,530
Net assets		
Unitholders' equity		
Unitholders' capital	126,054,921	150,770,610
Surplus		
Unappropriated retained earnings (undisposed loss)	4,031,303	4,582,505
Total surplus	4,031,303	4,582,505
Total unitholders' equity	130,086,225	155,353,116
Total net assets	*2 130,086,225	*2 155,353,116
Total liabilities and net assets	253,407,269	297,466,647

(2) Statement of Income

(Unit: Thousands of yen)

	Previous fiscal period (From June 1, 2014 to November 30, 2014)	Current fiscal period (From December 1, 2014 to May 31, 2015)
Operating revenue		
Rent revenue - real estate	*1, *2 7,544,941	*1, *2 8,501,606
Other lease business revenue	*1, *2 630,009	*1, *2 619,027
Total operating revenue	8,174,951	9,120,633
Operating expenses		
Expenses related to rent business	*1, *2 2,937,675	*1, *2 3,210,806
Asset management fee	567,459	615,641
Asset custody fee	7,089	7,981
Administrative service fees	14,062	14,611
Directors' compensations	3,300	3,300
Other operating expenses	51,359	68,984
Total operating expenses	3,580,945	3,921,326
Operating income	4,594,005	5,199,306
Non-operating income		
Interest income	442	550
Interest on securities	1,787	3,083
Interest on refund	1,889	-
Insurance income	1,472	161
Total non-operating income	5,593	3,794
Non-operating expenses		
Interest expenses	413,995	449,096
Interest expenses on investment corporation bonds	7,416	9,615
Amortization of investment corporation bond issuance costs	2,380	3,012
Investment unit issuance expenses	49,228	56,205
Borrowing related expenses	93,976	101,181
Other	593	500
Total non-operating expenses	567,590	619,611
Ordinary income	4,032,008	4,583,489
Income before income taxes	4,032,008	4,583,489
Income taxes - current	833	992
Income taxes - deferred	11	(6)
Total income taxes	845	985
Net income	4,031,162	4,582,504
Retained earnings brought forward	141	1
Unappropriated retained earnings (undisposed loss)	4,031,303	4,582,505

(3) Statement of Unitholders' Equity

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

(Unit: Thousands of yen)

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

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

(Unit: Thousands of yen)

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

(4) Statement of Cash Distributions

	Previous fiscal period (From June 1, 2014 to November 30, 2014)	Current fiscal period (From December 1, 2014 to May 31, 2015)
	Amount	Amount
I Unappropriated retained earnings	¥4,031,303,721	¥4,582,505,581
II Distributions	¥4,031,302,534	¥4,582,377,620
[Cash Distributions per unit]	[¥16,057]	[¥16,535]
III Earnings carried forward	¥1,187	¥127,961

Calculation method for distributions	Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of the Investment Corporation, distributions shall be limited to the amount of profit in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. In consideration of this policy, we will pay distributions at the total amount of ¥4,031,302,534, which is the amount that does not exceed the unappropriated retained earnings and is the greatest value among integral multiples of 251,062, which is the total number of investment units issued; provided, however, that we will not pay the portion of amount that exceeds the profit defined in Article 35, Paragraph 2 of the Articles of Incorporation of the Investment Corporation.	Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of the Investment Corporation, distributions shall be limited to the amount of profit in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. In consideration of this policy, we will pay distributions at the total amount of ¥4,582,377,620, which is the amount that does not exceed the unappropriated retained earnings and is the greatest value among integral multiples of 277,132, which is the total number of investment units issued; provided, however, that we will not pay the portion of amount that exceeds the profit defined in Article 35, Paragraph 2 of the Articles of Incorporation of the Investment Corporation.
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(5) Statement of Cash Flows

(Unit: Thousands of yen)

	Previous fiscal period (From June 1, 2014 to November 30, 2014)	Current fiscal period (From December 1, 2014 to May 31, 2015)
Cash flows from operating activities		
Income before income taxes	4,032,008	4,583,489
Depreciation	763,242	887,319
Loss on retirement of non-current assets	115	–
Amortization of investment corporation bond issuance costs	2,380	3,012
Interest income and interest on securities	(2,230)	(3,633)
Interest expenses	421,411	458,712
Investment unit issuance expenses	49,228	56,205
Borrowing related expenses	93,976	101,181
Decrease (increase) in operating accounts receivable	(11,842)	(37,850)
Decrease (increase) in consumption taxes refund receivable	541,917	(359,151)
Increase (decrease) in accrued consumption taxes	116,971	(116,971)
Decrease (increase) in prepaid expenses	109,947	(112,469)
Increase (decrease) in operating accounts payable	72,950	29,815
Increase (decrease) in accrued expenses	9,030	37,420
Increase (decrease) in advances received	(6,144)	111,768
Decrease (increase) in long-term prepaid expenses	350	(357)
Other, net	(8,889)	6,395
Subtotal	6,184,423	5,644,887
Interest income received	2,218	3,621
Interest expenses paid	(417,839)	(423,776)
Income taxes paid	(1,124)	(1,117)
Net cash provided by (used in) operating activities	5,767,677	5,223,614
Cash flows from investing activities		
Purchase of property, plant and equipment in trust	(11,215,077)	(41,620,986)
Purchase of intangible assets in trust	(2,056)	–
Repayments of tenant leasehold and security deposits	(77,350)	(130,157)
Proceeds from tenant leasehold and security deposits	550,690	2,419,435
Other, net	–	(3,794)
Net cash provided by (used in) investing activities	(10,743,793)	(39,335,503)
Cash flows from financing activities		
Increase in short-term loans payable	10,000,000	4,000,000
Decrease in short-term loans payable	(13,000,000)	(4,000,000)
Proceeds from long-term loans payable	18,939,062	18,194,908
Decrease in long-term loans payable	(6,000,000)	(6,000,000)
Proceeds from issuance of investment corporation bonds	–	3,975,840
Proceeds from issuance of investment units	–	24,610,255
Dividends paid	(3,996,503)	(4,031,023)
Other, net	(15,179)	(12,776)
Net cash provided by (used in) financing activities	5,927,379	36,737,204
Net increase (decrease) in cash and cash equivalents	951,264	2,625,315
Cash and cash equivalents at beginning of period	9,173,903	10,125,167
Cash and cash equivalents at end of period	*1 10,125,167	*1 12,750,483

(6) Notes on Assumption of Going Concern

Not applicable

(7) Notes on Important Accounting Policies

1. Valuation basis and method for securities	Held-to-maturity bonds The amortized cost method (straight-line method) is used.
2. Method of depreciation of non-current assets	(1) Property, plant and equipment (including trust assets) The straight-line method is used. The useful lives of major property, plant and equipment are listed below. Buildings 2 to 70 years Structures 2 to 60 years Machinery and equipment 2 to 33 years Tools, furniture and fixtures 2 to 15 years (2) Intangible assets Internal use software is amortized by the straight-line method over the expected useful life (5 years). (3) Long-term prepaid expenses The straight-line method is used.
3. Accounting method for deferred assets	(1) Investment unit issuance expenses The full amount is recorded as expenses when incurred. (2) Investment corporation bond issuance costs Amortized by the straight-line method over the period until maturity.
4. Accounting for income and expenses	Property-related taxes For property tax, city planning tax, depreciable asset tax for real properties held, the amount of tax levied corresponding to the calculation period is recorded as expenses related to rent business. The settlement money for property tax that is paid to the transferor for acquisition of real properties (so-called “amount equivalent to property tax”) is not recorded as expenses related to rent business but included in the acquisition costs for the related properties. The amount equivalent to property tax included in acquisition cost for properties for the current fiscal period is ¥123,880 thousand.
5. Method of hedge accounting	(1) Method of hedge accounting For interest rate swaps, special treatment is applied since the swaps satisfy the requirements for special treatment. (2) Hedging instruments and hedged items Hedging instruments: Interest rate swaps transactions Hedged items: Long-term loans payable (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. (4) Method of assessing hedge effectiveness The Investment Corporation assesses hedge effectiveness is ensured based upon the fulfillment of the requirements of special treatment.
6. 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.

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

Notes to Balance Sheet

1. Commitment Line Contracts

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

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

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

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

Notes to Statement of Income

*1. Breakdown of Income (Loss) from Real Estate Leasing Business

	(Unit: Thousands of yen)			
	Previous fiscal period (From June 1, 2014 to November 30, 2014)		Current fiscal period (From December 1, 2014 to May 31, 2015)	
A. Real estate leasing business revenues				
Rent revenue – real estate				
Rent	6,945,300		7,761,778	
Common service fees	402,113		515,023	
Parking lots fees	146,907		162,233	
Other rent revenue	50,619	7,544,941	62,570	8,501,606
Other lease business revenue		630,009		619,027
Total real estate leasing business revenues		8,174,951		9,120,633
B. Real estate leasing business expenses				
Expenses related to rent business				
Management operation expenses	693,503		825,110	
Utilities expenses	593,991		627,789	
Tax and public dues	575,707		578,744	
Insurance	7,426		8,720	
Repair and maintenance expenses	142,813		118,075	
Depreciation	762,984		887,061	
Loss on retirement of non-current assets	115		–	
Other expenses related to rent business	161,132	2,937,675	165,304	3,210,806
Total real estate leasing business expenses		2,937,675		3,210,806
C. Income (loss) from real estate leasing business (A – B)		5,237,275		5,909,826

*2. Transactions with Major Unitholders

(Unit: Thousands of yen)

	Previous fiscal period (From June 1, 2014 to November 30, 2014)	Current fiscal period (From December 1, 2014 to May 31, 2015)
Operating transactions		
Rent revenue – real estate	5,458,629	4,410,535
Other lease business revenue	437,394	383,534
Expenses related to rent business	286,118	315,421

Notes to Statement of Unitholders' Equity

	Previous fiscal period (From June 1, 2014 to November 30, 2014)	Current fiscal period (From December 1, 2014 to May 31, 2015)
* Total number of authorized investment units and total number of investment units issued		
Total number of authorized investment units	2,000,000 units	2,000,000 units
Total number of investment units issued	251,062 units	277,132 units

Notes to Statement of Cash Flows

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

	As of November 30, 2014	As of May 31, 2015
Cash and deposits	¥8,585,158 thousand	¥9,743,232 thousand
Cash and deposits in trust	¥1,540,009 thousand	¥3,007,251 thousand
Cash and cash equivalents	¥10,125,167 thousand	¥12,750,483 thousand

Notes on Financial Instruments

1. Matters Regarding Financial Instruments

(1) Policy for Financial Instruments

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

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

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 bond are mainly for the purpose of acquiring real estate and refinancing of existing borrowings. Tenant leasehold and security deposits are deposits provided by tenants. Borrowings, investment corporation bond, tenant leasehold and security deposits are exposed to liquidity risks at the time of 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 loans payable and investment corporation bond by diversifying repayment periods, etc., and other means.

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

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

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

2. Matters Regarding Fair Values of Financial Instruments

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

(Unit: Thousands of yen)

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

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

(Unit: Thousands of yen)

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

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

Assets

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

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

Liabilities

- (1) Current portion of long-term loans payable, (3) Long-term loans payable

These fair values are determined by discounting the total of principal and interest at the rate assumed when a new loan is made corresponding to the remaining period. The book value is used as the fair value of those loans payable with floating interest 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 loans payable 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).

- (2) Investment corporation bond

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

Derivative transactions

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

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

(Unit: Thousands of yen)

Category	As of November 30, 2014	As of May 31, 2015
Tenant leasehold and security deposits in trust *	11,294,108	13,583,386

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

(Note 3) Expected Amounts of Redemption of Monetary Claims after the Account Closing Date (November 30, 2014)

(Unit: Thousands of yen)

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

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

(Unit: Thousands of yen)

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

(Note 4) Expected Amounts of Repayment of Loans Payable and Investment Corporation Bond after the Account Closing Date (November 30, 2014)

(Unit: Thousands of yen)

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Investment corporation bond	-	-	-	-	4,000,000	-
Long-term loans payable	18,000,000	19,000,000	24,000,000	17,000,000	13,000,000	15,800,000
Total	18,000,000	19,000,000	24,000,000	17,000,000	17,000,000	15,800,000

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

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Investment corporation bond	–	–	–	4,000,000	2,000,000	2,000,000
Long-term loans payable	19,000,000	24,000,000	20,900,000	18,500,000	18,000,000	18,700,000
Total	19,000,000	24,000,000	20,900,000	22,500,000	20,000,000	20,700,000

Notes on Derivative Transactions

1. Derivative Transaction to Which Hedge Accounting Is Not Applied

(As of November 30, 2014)

Not applicable

(As of May 31, 2015)

Not applicable

2. Derivative Transaction to Which Hedge Accounting Is Applied

(As of November 30, 2014)

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

(Unit: Thousands of yen)

Hedge accounting	Type of derivative transactions	Major hedged items	Amount of contract		Fair value	Calculation method for fair value
				Portion due after 1 year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating Pay fixed	Long-term loans payable	5,000,000	5,000,000	*	–

* Interest rate swap transactions to which special treatment is applied are accounted for as an integral part of long-term loans payable, a hedged item. Thus, their fair values are included in the fair value of long-term loans payable. (Please refer to the preceding “Notes on Financial Instruments, 2. Matters Regarding Fair Values of Financial Instruments, (Note 1) Liabilities (3)” on page 28.)

(As of May 31, 2015)

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

(Unit: Thousands of yen)

Hedge accounting	Type of derivative transactions	Major hedged items	Amount of contract		Fair value	Calculation method for fair value
				Portion due after 1 year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating Pay fixed	Long-term loans payable	5,000,000	5,000,000	*	–

* Interest rate swap transactions to which special treatment is applied are accounted for as an integral part of long-term loans payable, a hedged item. Thus, their fair values are included in the fair value of long-term loans payable. (Please refer to the preceding “Notes on Financial Instruments, 2. Matters Regarding Fair Values of Financial Instruments, (Note 1) Liabilities (3)” on page 28.)

Notes on Tax Effect Accounting

1. Components of Deferred Tax Assets and Deferred Tax Liabilities

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

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

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

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

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

Notes on Transactions with Related Parties

1. Parent Company and Major Corporate Unitholders

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

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

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

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

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

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

2. Associates, etc.

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

Not applicable

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

Not applicable

3. Sister companies, etc.

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

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

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

Attribute	Name	Address	Capital stock or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Godo Kaisha Bellflower	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	1	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary interests of real estate in trust	5,850,000	-	-
								Acceptance of tenant leasehold and security deposits	336,920	-	-
Subsidiary of major unitholder	Classer LLC	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	1	Real estate business	-	None	Subsidiary of major unitholder	Purchase of beneficiary interests of real estate in trust	30,300,000	-	-
								Acceptance of tenant leasehold and security deposits	1,130,131	-	-
Subsidiary of major unitholder	Tokyu Land SC Management Corporation	2-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	100	Real estate management business	-	None	Subsidiary of major unitholder	Delivery of tenant leasehold and security deposits	1,605,891	Tenant leasehold and security deposits in trust	4,883,960
								Receipt of tenant leasehold and security deposits	1,606,161		
								Rental revenues, etc.	3,093,984	Operating accounts receivable	87,112
										Advances received	488

Attribute	Name	Address	Capital stock or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	TLC Activia Investment Management Inc.	16-3 Dogenzaka 1-chome, Shibuya-ku, Tokyo	300	Operations related to management of the Investment Corporation's portfolio assets	-	1 interlocking officer	Asset manager	Payment of fees for asset management	820,491	Other accrued expenses	255,498

(Note 1) The amount of remuneration above is in accordance with the terms set forth in the Articles of Incorporation of the Investment Corporation.

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

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

4. Directors and major individual unitholders

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

Not applicable

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

Not applicable

Notes on Investment and Rental Properties

The Investment Corporation holds Urban Retail and Tokyo Office properties and other properties in Tokyo and other regions for rental revenue. The carrying amounts on the balance 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 June 1, 2014 to November 30, 2014)	Current fiscal period (From December 1, 2014 to May 31, 2015)
Urban Retail Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	130,346,361	130,110,434
	Changes during period	(235,926)	(142,172)
	Balance at end of period	130,110,434	129,968,262
	Fair value at end of period	144,270,000	148,480,000
Tokyo Office Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	55,983,058	66,849,917
	Changes during period	10,866,858	30,374,740
	Balance at end of period	66,849,917	97,224,657
	Fair value at end of period	71,050,000	104,320,000
Other Properties	Carrying amount on the balance sheet		
	Balance at beginning of period	45,595,087	45,474,053
	Changes during period	(121,033)	10,645,018
	Balance at end of period	45,474,053	56,119,072
	Fair value at end of period	49,810,000	61,330,000
Total	Carrying amount on the balance sheet		
	Balance at beginning of period	231,924,507	242,434,405
	Changes during period	10,509,897	40,877,587
	Balance at end of period	242,434,405	283,311,992
	Fair value at end of period	265,130,000	314,130,000

(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 three properties (Shiodome Building (acquisition of 15% co-ownership interest), Osaka Nakanoshima Building (additional acquisition of the remaining 50% co-ownership interest) and Market Square Sagamihara) worth ¥41,335,065 thousand. The decrease is mainly due to the provision of depreciation worth ¥887,061 thousand.

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

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

Per Unit Information

	Previous fiscal period (From June 1, 2014 to November 30, 2014)	Current fiscal period (From December 1, 2014 to May 31, 2015)
Net assets per unit	¥518,143	¥560,574
Net income per unit	¥16,056	¥16,688

(Note 1) Net income per unit is calculated by dividing net income by the day-weighted average number of investment units for the period (previous fiscal period 251,062 units; current fiscal period 274,595 units). Fully diluted net income per unit is not stated, as there is no potential investment unit.

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

	Previous fiscal period (From June 1, 2014 to November 30, 2014)	Current fiscal period (From December 1, 2014 to May 31, 2015)
Net income (Thousands of yen)	4,031,162	4,582,504
Amount not attributable to common unitholders (Thousands of yen)	—	—
Net income attributable to common investment units (Thousands of yen)	4,031,162	4,582,504
Average number of investment units for the period (Units)	251,062	274,595

Significant Subsequent Events

Not applicable

Omission of Disclosure

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

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

The Investment Corporation carried out issuances of new investment units on December 17, 2014, and January 8, 2015 (24,050 units in a capital increase through public offering and 2,020 units in a third-party allotment), thus procuring funds of ¥24,715 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)

(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, etc.

(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.

4. Changes in Directors and Corporate Auditors

(1) Changes in Directors and Corporate Auditors at the Investment Corporation

On March 31, 2015, Executive Director Haruki Sakane resigned from office, and alternate Executive Director Nariaki Hosoi assumed office as an Executive Director. As of the date of this financial report, the situation of Directors and Corporate Auditors at the Investment Corporation is as follows:

Position	Name	Brief personal history		Number of investment units owned
Executive Director	Nariaki Hosoi	Apr. 1987	General Administration Department, Tokyu Land Corporation	-
		Apr. 1987	Office Building Planning Division	
		Apr. 1988	Office Building Division	
		Jul. 1992	Urban Business Division	
		Oct. 1994	Seconded to Tokyu Research Institute, Inc.	
		Oct. 1997	Planning Department, Tokyu Land Corporation	
		Apr. 1998	Urban Business Division	
		Apr. 1999	Office Building Division	
		Jul. 2000	Manager of the Urban Business Division	
		Apr. 2010	Executive Manager of the Commercial Facilities Development Department, Commercial Facilities Division	
		Apr. 2011	Seconded to TLC Activia Investment Management Inc. Director, Managing Executive Officer, and Executive Manager of the Asset Management Department	
		Apr. 2013	Currently serves as Director, Managing Executive Officer	
		Mar. 2015	Currently serves as Executive Director of Activia Properties Inc.	
Supervisory Director	Yonosuke Yamada	Apr. 1989	Registered as an attorney (Dai-ichi Tokyo Bar Association) Nagashima & Ohno law firm (currently Nagashima, Ohno & Tsunematsu)	-
		Oct. 1989	Partner, the Yamada law firm	
		Dec. 1994	Outside Corporate Auditor, SANYO TRADING CO., LTD.	
		Jan. 1996	Currently serves as Director of Denenchofufutaba Gakuen	
		Mar. 2004	Currently serves as Corporate Auditor of Higeta Shoyu, Inc.	
		Jun. 2004	Currently serves as Outside Corporate Auditor of Mitsubishi Logistics Corporation	
		Jan. 2005	Instructor (defense in criminal cases) at the Judicial Research and Training Institute of the Supreme Court of Japan	
		May 2005	Currently serves as Managing Partner of Yamada, Goya and Suzuki law offices	
		May 2006	Currently serves as Independent Committee Member of Inabata & Co., Ltd.	
		Jun. 2006	Currently serves as Outside Corporate Auditor of Kanematsu Corporation	
		Sep. 2011	Currently serves as Supervisory Director of Activia Properties Inc.	
		Oct. 2014	Currently serves as Director of Morimura Gakuen	
		Dec. 2014	Currently serves as Outside Director of SANYO TRADING CO., LTD.	

Position	Name	Brief personal history		Number of investment units owned
Supervisory Director	Yoshinori Ariga	Oct. 1989 Mar. 1994 Oct. 1995 Sep. 2000 Sep. 2004 Sep. 2004 Jan. 2005 Sep. 2011 Jan. 2013	Chuo Shinko Audit Corporation Registered as an accountant Seconded to the Amsterdam office of PricewaterhouseCoopers ChuoAoyama Audit Corporation Currently serves at Ariga Yoshinori accounting office Sakamaki Keiji tax advisor office Registered as a tax advisor Currently serves as Supervisory Director of Activia Properties Inc. Currently serves at Ariga Yoshinori tax advisor office	–

(2) Changes in Directors and Corporate Auditors at the Asset Management Company

On March 31, 2015, Representative Director Haruki Sakane resigned from office, and Director (Part-time) Michie Kawai newly assumed office as a Representative Director on April 1, 2015. In addition, Yutaro Tanaka newly assumed office as a Director (Part-time). As of the date of this financial report, the situation of Directors and Corporate Auditors at the Asset Management Company is as follows:

Position	Name	Brief personal history		Number of investment units owned
Representative Director	Michie Kawai	Apr. 1987 Apr. 2000 Jul. 2000 Apr. 2002 Jun. 2006 Apr. 2007 Apr. 2009 Oct. 2009 Apr. 2010 Apr. 2012 Apr. 2014 Apr. 2014 Apr. 2014 Apr. 2014 Apr. 2015	General Administration Department, Tokyu Land Corporation Manager of the Duet Business Department No. 1, Office Building Division Manager of the Office Building Development Department No. 1, Urban Business Division Manager of the Office Building Development Department No. 1 Manager of Office Building Division Executive Manager of the Office Building Development Department, Office Building Division Executive Director of Tokyu Land Capital Management Inc. Executive Manager of the Asset Development Department, Asset Management Division Executive Manager of the Investment Planning Department, Office Building Division, Tokyu Land Corporation Executive Manager of the Office Building Development Department No. 1, Office Building Division Executive Manager of the Commercial Facilities Development Department, Commercial Facilities Division Executive Officer and Deputy Manager of the Urban Business Division, Urban Business Unit Director (Part-time) of Tokyu Land Capital Management Inc. Director (Part-time) of Tokyu Land SC Management Corporation Director (Part-time) of TLC Activia Investment Management Inc. Currently serves as Representative Director	–

Position	Name	Brief personal history		Number of investment units owned
Director	Nariaki Hosoi	Apr. 1987	General Administration Department, Tokyu Land Corporation	-
		Apr. 1987	Office Building Planning Division	
		Apr. 1988	Office Building Division	
		Jul. 1992	Urban Business Division	
		Oct. 1994	Seconded to Tokyu Research Institute, Inc.	
		Oct. 1997	Planning Department, Tokyu Land Corporation	
		Apr. 1998	Urban Business Division	
		Apr. 1999	Office Building Division	
		Jul. 2000	Manager of the Urban Business Division	
		Apr. 2010	Executive Manager of the Commercial Facilities Development Department, Commercial Facilities Division	
		Apr. 2011	Seconded to TLC Activia Investment Management Inc. Director, Managing Executive Officer, and Executive Manager of the Asset Management Department	
		Apr. 2013	Currently serves as Director, Managing Executive Officer	
		Mar. 2015	Currently serves as Executive Director of Activia Properties Inc.	
Director (Part-time)	Takashi Ikeuchi	Apr. 1989	General Administration Department, Tokyu Land Corporation	-
		Apr. 1989	Duet Business Division	
		Jul. 1992	Urban Business Division	
		Apr. 1995	Related Businesses Office	
		Apr. 1996	Finance Department	
		Apr. 1999	Corporate Planning Department	
		Apr. 2006	Manager of the Asset Utilization Business Division	
		Apr. 2009	Manager of the Asset Planning and Development Division	
		Apr. 2010	Manager of the Investment Management Division	
		Apr. 2011	Executive Manager of the Investment Management Department, Investment Management Division	
		Apr. 2011	Currently serves as Director of TLC Activia Investment Management Inc.	
		Apr. 2014	Executive Manager of the Investment Planning Department, Investment Management Division, Urban Business Unit, Tokyu Land Corporation	
		Apr. 2014	Currently serves as Director (Part-time) of Tokyu Land Capital Management Inc.	
		Apr. 2014	Director of TLC Comforia Investment Management Inc.	
		Apr. 2015	Currently serves as Deputy Manager of the Investment Management Division and Executive Manager of the Investment Planning Department No. 1, Urban Business Unit, Tokyu Land Corporation	
		Jun. 2015	Currently serves as Director of Shinjuku-I-Land Corporation	
Director (Part-time)	Yutaro Tanaka	Apr. 1989	General Administration Department, Tokyu Land Corporation	-
		Jul. 2001	Seconded to Tokyu Real Estate Investment Management Inc.	
		Jun. 2007	Executive Officer and Executive Manager of the Asset Development Department	
		Apr. 2009	Seconded to Tokyu Land Capital Management Inc. Group Leader of the Portfolio Management Department	
		Apr. 2014	Executive Officer and Executive Manager of the Investment Development Department	
		Apr. 2015	Currently serves as Executive Manager of the Business Strategy Department, Urban Business Unit, Tokyu Land Corporation	
		Apr. 2015	Currently serves as Director (Part-time) of TLC Activia Investment Management Inc.	
		Apr. 2015	Currently serves as Director (Part-time) of Tokyu Land Capital Management Inc.	
		Apr. 2015	Currently serves as Director (Part-time) of TLC Comforia Investment Management Inc.	

Position	Name	Brief personal history		Number of investment units owned
Corporate Auditor (Part-time)	Akira Yamaguchi	Apr. 1982	General Administration Department, Tokyu Land Corporation	-
		Apr. 1997	Manager of the Urban Business Division	
		Oct. 1999	Seconded to Urban Renaissance Agency	
		Apr. 2003	Manager of the Compliance Department, Tokyu Land Corporation	
		Apr. 2008	Head of the Internal Audit Office	
		Apr. 2008	Currently serves as Corporate Auditor of Tokyu Land Capital Management Inc.	
		Oct. 2009	Currently serves as Corporate Auditor of TLC Comforia Investment Management Inc.	
		Nov. 2010	Currently serves as Corporate Auditor of TLC Activia Investment Management Inc.	
		Apr. 2011	Executive Manager of the Internal Audit Department, Tokyu Land Corporation	
		Oct. 2013	Executive Manager of the Internal Audit Department	
		Oct. 2013	Executive Manager of the Internal Audit Department, Tokyu Fudosan Holdings Corporation	
		Apr. 2014	Currently serves as Executive Manager of the Internal Audit Department, Tokyu Land Corporation	
		Apr. 2014	Currently serves as Executive Manager of the Internal Audit Department, Tokyu Fudosan Holdings Corporation	
Corporate Auditor (Part-time)	Takaji Kumakura	Apr. 1973	Tokyu Land Corporation	-
		Apr. 1978	Seconded to Tokyu Resort Corporation	
		Oct. 1984	Resort Business Division, Tokyu Land Corporation	
		Apr. 1990	Overseas Business Department	
		Aug. 1995	Seconded as Vice President to Hatomohaji Dan Kawan Inc.	
		Apr. 1996	Manager of the Appraisal Planning Office, Tokyu Land Corporation	
		Dec. 1998	Manager of the Asset Utilization Business Department	
		Apr. 1999	Executive Manager of the Appraisal Department, Asset Utilization Business Division	
		Sep. 2007	Seconded as Representative Director to TLDB Partners Limited	
		Oct. 2010	Senior Advisor of the Investment Management Division, Tokyu Land Corporation	
		Oct. 2010	Senior Advisor of the Appraisal Planning Office	
		Nov. 2010	Representative Director of TLC Activia Investment Management Inc.	
		Apr. 2011	Senior Advisor of the Investment Management Division and the Business Innovation Division, Tokyu Land Corporation	
		Apr. 2011	Currently serves as Corporate Auditor of TLC Activia Investment Management Inc.	
		Jun. 2011	Full-time Corporate Auditor of Tokyu Hands, Inc.	
		Apr. 2014	Currently serves as Senior Advisor of the Urban Business Unit and the Business Innovation Division, Tokyu Land Corporation	
		Apr. 2015	Currently serves as Consultant of the Planning Policy Department, the Urban Business Unit and the Residential Business Unit, Tokyu Land Corporation	

(Note 1) Director Nariaki Hosoi serves concurrently as Executive Director of the Investment Corporation and Director of the Asset Manager. In accordance with Article 31-4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan, notification of his concurrent holding of positions was filed to the Commissioner of the Financial Services Agency on April 10, 2015.

(Note 2) In addition to the details provided above, Corporate Auditor Akira Yamaguchi is currently in office as part-time corporate auditor (part-time auditor) at the companies presented below.
TOKYU HOMES CORPORATION, Tokyu Stay Co., Ltd., Tokyu Stay Service Co., Ltd., ISHIKATSU EXTERIOR INC., EWEL, Inc., TOKYU SPORTS OASIS Inc., WELLNESS HIROSHIMA CORPORATION, Japan Home Information Exchange Center Inc., TOKYU E-LIFE DESIGN Inc., Tokyu Land SC Management Corporation, TAMBARA TOKYU RESORT CO., LTD., KATSUYAMA KOUGEN DEVELOPMENT CORPORATION, Sakura Golf Kaihatsu Co., Ltd., T&N Advisors Inc., PT. TOKYU LAND INDONESIA, Albero Grande Inc., Aiwakai Medical Corporation (auditor).

5. Reference Information

(1) Composition of Invested Assets

Type of assets	Category	Previous fiscal period (As of November 30, 2014)		Current fiscal period (As of May 31, 2015)	
		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	–	–	–	–
	Other Properties	–	–	–	–
	By location				
	5 wards of Tokyo (Note 3)	–	–	–	–
	Wards of Tokyo other than the 5 wards	–	–	–	–
	Three major metropolitan areas (Note 4)	–	–	–	–
	Other locations	–	–	–	–
	Subtotal	–	–	–	–
Real estate in trust	By property type				
	Urban Retail Properties	130,110	51.3	129,968	43.7
	Tokyo Office Properties	66,849	26.4	97,224	32.7
	Other Properties	45,474	17.9	56,119	18.9
	By location				
	5 wards of Tokyo (Note 3)	141,318	55.8	171,711	57.7
	Wards of Tokyo other than the 5 wards	26,517	10.5	26,408	8.9
	Three major metropolitan areas (Note 4)	70,223	27.7	80,749	27.1
	Other locations	4,375	1.7	4,443	1.5
	Subtotal	242,434	95.7	283,311	95.2
Total real estate assets		242,434	95.7	283,311	95.2
Deposits and other assets		10,972	4.3	14,154	4.8
Total assets (Note 5)		253,407	100.0	297,466	100.0

	Amount (Millions of yen)	Percentage to total assets (%) (Note 2)	Amount (Millions of yen)	Percentage to total assets (%) (Note 2)
Total liabilities (Note 5) (Note 6)	123,321	48.7	142,113	47.8
Total net assets (Note 5)	130,086	51.3	155,353	52.2

- (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) “5 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 tenant leasehold and security deposits.

(2) Investment Assets

i) Major investment securities

Type of assets	Name	Total face value (Thousands of yen)	Book value (Thousands of yen)	Accrued interest (Thousands of yen)	Prepaid accrued interest (Thousands of yen)	Fair value (Thousands of yen)	Valuation gain or loss (Thousands of yen)	Remark
Government bonds	Principal-only book-entry transfer government bonds (5 years, Series 91)	10,000	9,992	–	–	9,999	7	Deposited as business security deposit
Total		10,000	9,992	–	–	9,999	7	

ii) Investment properties

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

iii) Other investment assets

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

The following table shows property name, acquisition price, book value at the end of the fiscal period, assessed value at the end of the fiscal period, return price and investment ratio related to the assets held by the Investment Corporation as of the end of the 7th fiscal period. Figures shown in the table are as of May 31, 2015 unless otherwise provided.

a. Overview of assets held (1)

(As of May 31, 2015)

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	44,996	52,050	52,650	3.2	51,450	2.9	3.3	15.9
	UR-2	Tokyu Plaza Akasaka (Note 6)	11,450	11,792	13,400	13,500	4.6	13,400	4.7	4.8	4.1
	UR-3	Ebisu Q Plaza (Note 7) (Note 8)	8,430	8,378	9,620	9,660	3.9	9,600	4.1/4.0	4.1	3.0
	UR-4	Shinbashi Place	20,500	20,446	24,100	24,500	4.6	23,900	4.4	4.8	7.3
	UR-5	Kyoto Karasuma Parking Building	8,860	8,845	9,910	9,920	5.3	9,900	5.3	5.5	3.1
	UR-6	Hitotsugi LIP (Note 9)	3,000	3,118	3,360	3,400	3.9	3,310	3.7	4.1	1.1
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	21,330	21,559	23,300	23,600	4.5	23,000	4.3	4.7	7.5
	UR-8	Tokyu Plaza Sapporo (Note 9)	4,410	4,443	5,880	5,880	6.0	5,880	5.8	6.3	1.6
	UR-9	Kamata Kosan Building (Note 9)	6,370	6,387	6,860	6,920	4.4	6,840	4.2	4.6	2.3
		Subtotal		129,350	129,968	148,480	150,030	-	147,280	-	-
Tokyo Office Properties	TO-1	TLC Ebisu Building	7,400	7,324	7,980	8,200	4.2	7,880	4.3	4.4	2.6
	TO-2	A-PLACE Ebisu Minami	9,640	9,554	11,300	11,400	4.1	11,200	4.2	4.3	3.4
	TO-3	A-PLACE Yoyogi	4,070	4,015	4,080	4,170	4.4	3,980	4.2	4.6	1.4
	TO-4	A-PLACE Aoyama	8,790	8,750	8,660	8,820	4.5	8,590	4.3	4.7	3.1
	TO-5	Luogo Shiodome	4,540	4,429	5,220	5,280	4.1	5,200	3.9	4.3	1.6
	TO-6	Tamachi Square (Land) (Note 10)	2,338	2,362	2,500	2,600	4.2	2,450	4.6	4.4	0.8
	TO-7	A-PLACE Ikebukuro	3,990	3,902	4,380	4,440	4.6	4,320	4.4	4.8	1.4
	TO-8	A-PLACE Shinbashi	5,650	5,845	6,280	6,390	4.2	6,170	4.0	4.4	2.0
	TO-9	A-PLACE Gotanda	5,730	5,716	6,030	6,130	4.2	5,930	4.0	4.4	2.0
	TO-10	A-PLACE Shinagawa	3,800	3,821	4,090	4,160	4.1	4,010	3.9	4.3	1.3
	TO-11	OSAKI WIZTOWER	10,690	11,014	12,600	12,600	4.1	12,600	3.6	4.0	3.8
	TO-12	Shiodome Building (Note 6)	30,300	30,488	31,200	33,300	3.8	30,300	3.6	4.0	10.7
	Subtotal		96,938	97,224	104,320	107,490	-	102,630	-	-	34.3

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 (%)	
Other Properties	O-1	Amagasaki Q's MALL (Land)	12,000	12,113	12,600	12,600	4.8	12,500	4.4	5.0	4.2
	O-2	icot Nakamozu (Note 11)	8,500	8,376	9,820	9,980	5.4	9,750	5.3/5.4	5.6	3.0
	O-3	icot Kongo (Note 12)	1,600	1,617	1,860	1,900	6.6	1,810	6.4	7.1	0.6
	O-4	icot Mizonokuchi	2,710	2,688	3,090	3,150	5.7	3,020	5.5	6.1	1.0
	O-5	icot Tama Center	2,840	2,763	3,200	3,270	5.8	3,120	5.2	6.0	1.0
	O-6	A-PLACE Kanayama	6,980	6,738	7,480	7,540	5.4	7,420	5.2	5.6	2.5
	O-7	Osaka Nakanoshima Building	11,100	11,170	12,300	12,400	4.6	12,100	4.4	4.8	3.9
	O-8	icot Omori	5,790	5,774	6,130	6,170	4.8	6,090	4.6	5.0	2.0
	O-9	Market Square Sagamihara	4,820	4,874	4,850	4,870	5.5	4,830	5.3	5.7	1.7
		Subtotal	56,340	56,119	61,330	61,880	-	60,640	-	-	19.9
	Total	282,628	283,311	314,130	319,400	-	310,550	-	-	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 O (meaning Other properties).

(Note 2) Acquisition price represents trading value of beneficiary rights in trust stipulated in each beneficiary right 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 May 31, 2015, 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 Morii Appraisal & Investment Consulting, Inc. 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 May 31, 2015.

(Note 5) Investment ratio is calculated by dividing the acquisition price for each property by the total acquisition price (excluding consumption tax and other acquisition-related expenses). Figures are rounded to the nearest tenth.

(Note 6) As for Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, and Shiodome Building, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75%, 50% and 15%, respectively).

(Note 7) The discount rates of Ebisu Q Plaza represent 4.1% from the first year to the eighth year and 4.0% in and after the ninth year.

(Note 8) Property name of Ebisu Q Plaza was changed to Q Plaza Ebisu on June 1, 2015; the same shall apply hereinafter.

(Note 9) Property names of Hitotsugi LIP, Tokyu Plaza Sapporo and Kamata Kosan Building are scheduled to be changed to A-FLAG Akasaka, A-FLAG Sapporo and A-FLAG Shibuya, respectively, on August 1, 2015; the same shall apply hereinafter.

(Note 10) Property name of Tokyo Kikai Honsha Building (Land) was changed to Tamachi Square (Land) on April 1, 2015; the same shall apply hereinafter.

(Note 11) The discount rates of icot Nakamozu represent 5.3% from the first year to the seventh year and 5.4% in and after the eighth year.

(Note 12) icot Kongo was transferred on July 8, 2015; the same shall apply hereinafter.

b. Overview of assets held (2)

(As of May 31, 2015)

Category	Property number	Property name	Location	Date of construction (Note 1)	Number of tenants (Note 2)	Contracted rent (Annual) (Millions of yen) (Note 3)	Tenant leasehold and security deposit (Millions of yen) (Note 4)	Total leasable area (m ²) (Note 5)	Total leased area (m ²) (Note 6)	Occupancy rate (%) (Note 7)
Urban Retail Properties	UR-1	Tokyu Plaza Omotesando Harajuku (Note 8)	Shibuya, Tokyo	March 14, 2012	27	2,006	1,737	4,904.55	4,904.55	100.0
	UR-2	Tokyu Plaza Akasaka (Note 8)	Chiyoda, Tokyo	September 10, 1969	97	889	379	16,620.46	16,421.27	98.8
	UR-3	Ebisu Q Plaza	Shibuya, Tokyo	August 20, 2008	4	475	475	4,024.88	4,024.88	100.0
	UR-4	Shinbashi Place	Minato, Tokyo	April 25, 2008	1	(Note 9)	(Note 9)	9,156.01	9,156.01	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-6	Hitotsugi LIP	Minato, Tokyo	February 18, 2008	8	176	153	2,280.22	2,280.22	100.0
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	Kobe, Hyogo	January 31, 2010	7	1,231	1,399	19,653.90	19,653.90	100.0
	UR-8	Tokyu Plaza Sapporo	Sapporo, Hokkaido	May 23, 1980	18	585	140	21,229.16	21,229.16	100.0
	UR-9	Kamata Kosan Building	Shibuya, Tokyo	June 29, 1988	2	393	323	3,413.80	3,413.80	100.0
		Subtotal			–	166	–	–	102,899.02	102,699.83
Tokyo Office Properties	TO-1	TLC Ebisu Building	Shibuya, Tokyo	March 5, 1993	11	479	394	7,342.60	7,342.60	100.0
	TO-2	A-PLACE Ebisu Minami	Shibuya, Tokyo	January 31, 1995	9	633	481	7,950.51	7,950.51	100.0
	TO-3	A-PLACE Yoyogi	Shibuya, Tokyo	February 22, 2007	3	223	183	3,106.17	3,106.17	100.0
	TO-4	A-PLACE Aoyama	Minato, Tokyo	September 6, 1966	8	497	471	7,303.69	7,303.69	100.0
	TO-5	Luogo Shiodome	Minato, Tokyo	July 30, 2004	6	304	252	4,476.35	4,476.35	100.0
	TO-6	Tamachi Square (Land)	Minato, Tokyo	–	1	125	–	1,287.96	1,287.96	100.0
	TO-7	A-PLACE Ikebukuro	Toshima, Tokyo	October 13, 2011	1	(Note 9)	(Note 9)	3,409.73	3,409.73	100.0
	TO-8	A-PLACE Shinbashi	Minato, Tokyo	March 4, 1999	9	342	309	5,052.14	4,987.58	98.7
	TO-9	A-PLACE Gotanda	Shinagawa, Tokyo	February 27, 2012	11	327	283	4,028.69	4,028.69	100.0
	TO-10	A-PLACE Shinagawa	Minato, Tokyo	September 20, 1991	8	203	188	2,986.36	2,986.36	100.0
	TO-11	OSAKI WIZTOWER	Shinagawa, Tokyo	January 10, 2014	5	(Note 9)	(Note 9)	7,193.28	7,193.28	100.0
	TO-12	Shiodome Building (Note 8)	Minato, Tokyo	December 14, 2007	36	1,359	1,101	12,058.31	11,846.41	98.2
	Subtotal			–	108	–	–	66,195.79	65,919.33	99.6

Category	Property number	Property name	Location	Date of construction	Number of tenants	Contracted rent (Annual)	Tenant leasehold and security deposit	Total leasable area	Total leased area	Occupancy rate
				(Note 1)	(Note 2)	(Millions of yen) (Note 3)	(Millions of yen) (Note 4)	(m ²) (Note 5)	(m ²) (Note 6)	(%) (Note 7)
Other Properties	O-1	Amagasaki Q's MALL (Land)	Amagasaki, Hyogo	–	1	683	341	27,465.44	27,465.44	100.0
	O-2	icot Nakamozu	Sakai, Osaka	June 27, 2007	2	619	430	28,098.02	28,098.02	100.0
	O-3	icot Kongo	Osakasayama, Osaka	February 8, 1977	1	(Note 9)	(Note 9)	17,884.55	17,884.55	100.0
	O-4	icot Mizonokuchi	Kawasaki, Kanagawa	July 15, 1998	1	(Note 9)	100	14,032.05	14,032.05	100.0
	O-5	icot Tama Center	Tama, Tokyo	March 7, 2006	10	230	230	5,181.58	5,181.58	100.0
	O-6	A-PLACE Kanayama	Nagoya, Aichi	February 10, 2009	21	489	385	9,314.91	9,314.91	100.0
	O-7	Osaka Nakanoshima Building	Osaka, Osaka	March 5, 1984	40	925	656	20,344.33	19,920.19	97.9
	O-8	icot Omori	Ota, Tokyo	March 6, 2007	9	380	363	6,209.79 (Note 10)	6,209.79 (Note 10)	100.0
	O-9	Market Square Sagamihara	Sagamihara, Kanagawa	June 13, 2014	3	330	323	15,152.42	15,152.42	100.0
	Subtotal				–	88	–	–	143,683.09	143,258.95
Total				–	362	–	–	312,777.90	311,878.11	99.7

- (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, 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 May 31, 2015 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 May 31, 2015), including common service fee and excluding usage fee for warehouses, signboards and parking lots, and also excluding revenue-based rents, regardless of free rents and rent holidays as of May 31, 2015, as indicated in the lease agreements in relation to buildings as of May 31, 2015 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 May 31, 2015, 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 and rent holidays as of May 31, 2015), as indicated in the relevant sublease agreement with end-tenants by 12.
- (Note 4) The tenant leasehold and security deposit is calculated as the total amount on the lease agreement for each property as of May 31, 2015 (limited to tenant leasehold and security deposit based on the lease agreement for leased property that was occupied by the tenant as of May 31, 2015), rounding to the nearest million yen. For properties with master lease agreements, the tenant leasehold and security deposit is calculated as the total amount required based on the sub-lease 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 May 31, 2015 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 May 31, 2015 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 May 31, 2015. 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 May 31, 2015, rounding to the nearest tenth. The subtotal and total are calculated by dividing aggregate leased area by aggregate leasable area, rounding to the nearest tenth.
- (Note 8) As for Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, and Shiodome Building, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75%, 50% and 15%, 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 m²) and part of a common area on the second floor (approximately 28 m²).

(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), tenant leasehold and security deposit, total leased area and occupancy rate are shown in the above table if these agreements continued as of May 31, 2015, 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 7th fiscal period as of May 31, 2015. 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
Tokyu Plaza Omotesando Harajuku (Shibuya, Tokyo)	Partial remodeling work	From July 2015 to September 2015	44 (Note)	–	–
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Repair of outer wall	From May 2015 to November 2015	37 (Note)	–	–
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Replacement work of bus duct B systems (Second period)	From April 2015 to October 2015	34 (Note)	–	–
Osaka Nakanoshima Building (Osaka, Osaka)	Exchange of sensors	From July 2015 to November 2015	31	–	–
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Replacement of packaged air conditioning units	From April 2015 to July 2015	25 (Note)	–	–
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Air conditioning work of individual packaged air conditioning units	From October 2015 to November 2015	17 (Note)	–	–
A-PLACE Aoyama (Minato, Tokyo)	Waterproofing work of the rooftop	From October 2015 to November 2015	15	–	–
Tokyu Plaza Sapporo (Sapporo, Hokkaido)	Replacement of emergency power generator panel	From November 2015 to November 2015	15	–	–
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Renovation work of modular bathrooms of guest rooms	From July 2015 to July 2015	14 (Note)	–	–
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Replacement of hotel card system	From July 2015 to August 2015	14 (Note)	–	–
Osaka Nakanoshima Building (Osaka, Osaka)	Inspection of emergency home power generator F	From July 2015 to November 2015	10	–	–

(Note) The shown construction cost with regard to Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka is the amount equivalent to the ratio of the Investment Corporation's co-ownership interests of real estate trust beneficiary (75% and 50%, respectively).

b. Capital expenditure during the fiscal period

For assets held by the Investment Corporation in the 7th fiscal period, construction work conducted by the Investment Corporation during the fiscal period ended May 31, 2015 that falls into capital expenditure is as follows. The capital expenditure for the fiscal period ended May 31, 2015 amounted to ¥429 million, and repair and maintenance expenses that were accounted for as expense in the fiscal period ended May 31, 2015 came to ¥118 million. On aggregate, construction work of ¥547 million was carried out during the fiscal period.

Name of real property (Location)	Purpose	Period	Construction cost (Millions of yen)
TLC Ebisu Building (Shibuya, Tokyo)	Replacement work of air conditioning (First period)	From October 2014 to May 2015	97
Tokyu Plaza Sapporo (Sapporo, Hokkaido)	Replacement work of modular bathrooms of new annex guest rooms	From March 2015 to April 2015	75
Osaka Nakanoshima Building (Osaka, Osaka)	Replacement work of disaster prevention control panels (First period)	From December 2014 to May 2015	49
A-PLACE Shinbashi (Minato, Tokyo)	Replacement work of air conditioning	From September 2014 to January 2015	45
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Replacement work of individual air conditioning for each shop	From September 2014 to January 2015	25 (Note)
Tokyu Plaza Sapporo (Sapporo, Hokkaido)	Replacement work of FCUs in new annex guest rooms	From March 2015 to April 2015	21
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Replacement work of bus duct B systems (First period)	From December 2014 to March 2015	18 (Note)
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Replacement work of bus duct C systems (Second period)	From November 2014 to March 2015	12 (Note)
Osaka Nakanoshima Building (Osaka, Osaka)	Exchange work of Scott connection transformers in electric pipe space on each floor	From March 2015 to March 2015	10
Other			73
Total			429

(Note) The shown construction cost with regard to Tokyu Plaza Akasaka is the amount equivalent to the ratio of the Investment Corporation's co-ownership interests of real estate trust beneficiary (50%).

(C) Information concerning major tenants

a. Summary of major tenants

For assets held in the 7th 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 May 31, 2015. In regard to forms of agreements with the tenants in the table, the agreements with Sumitomo Mitsui Trust Bank, Limited for Tamachi Square (Land) and Amagasaki Q's MALL (Land) are agreements for fixed-term business-use lease agreements, and the agreements with other tenants are ordinary lease agreements.

As for certain assets held, the Investment Corporation has entered into lease agreements (master lease agreements) with Tokyu Land Corporation, Tokyu Land SC Management Corporation and Tokyu Community 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 May 31, 2015. 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 ²) (Note 1)	Contracted rent (Annual) (Millions of yen) (Note 2)	Tenant leasehold and security deposit (Millions of yen) (Note 3)	Expiration date (Note 4)
Tokyu Land Corporation	Real Estate business	Tokyu Plaza Omotesando Harajuku (Note 5)	4,904.55	2,006	1,737	June 30, 2022
		Tokyu Plaza Akasaka (Note 5)	16,421.27	889	379	June 30, 2022
		Tokyu Plaza Sapporo	21,229.16	585	140	December 31, 2023
		TLC Ebisu Building	7,342.60	479	394	June 30, 2022
		A-PLACE Ebisu Minami	7,950.51	633	481	June 30, 2022
		A-PLACE Yoyogi	3,106.17	223	183	June 30, 2022
		A-PLACE Aoyama	7,303.69	497	471	June 30, 2022
		Luogo Shiodome	4,476.35	304	252	June 30, 2022
		A-PLACE Ikebukuro	3,409.73	(Note 6)	(Note 6)	June 30, 2022
		A-PLACE Shinbashi	4,987.58	342	309	April 30, 2023
		A-PLACE Gotanda	4,028.69	327	283	December 31, 2023
		A-PLACE Shinagawa	2,986.36	203	188	December 31, 2023
		OSAKI WIZTOWER	7,193.28	(Note 6)	(Note 6)	June 30, 2024
		A-PLACE Kanayama	9,314.91	489	385	June 30, 2022
Total		104,654.85	–	–	–	
Tokyu Land SC Management Corporation	Real Estate Management	Ebisu Q Plaza	4,024.88	475	475	June 30, 2022
		Shinbashi Place	9,156.01	(Note 6)	(Note 6)	November 30, 2024
		Kyoto Karasuma Parking Building	21,616.04	(Note 6)	(Note 6)	November 30, 2024
		Hitotsugi LIP	2,280.22	176	153	August 31, 2023
		Kobe Kyu Kyoryuchi 25Bankan	19,653.90	1,231	1,399	August 31, 2023
		Kamata Kosan Building	3,413.80	393	323	December 31, 2023
		icot Nakamozu	28,098.02	619	430	June 30, 2022
		icot Kongo	17,884.55	(Note 6)	(Note 6)	June 30, 2022
		icot Mizonokuchi	14,032.05	(Note 6)	100	June 30, 2022
		icot Tama Center	5,181.58	230	230	November 30, 2024
		icot Omori	6,209.79	380	363	December 31, 2023
		Market Square Sagamihara	15,152.42	330	323	January 31, 2025
Total		146,703.26	–	–	–	

Tenant	Business	Property name	Leased area (m ²) (Note 1)	Contracted rent (Annual) (Millions of yen) (Note 2)	Tenant leasehold and security deposit (Millions of yen) (Note 3)	Expiration date (Note 4)
Sumitomo Mitsui Trust Bank, Limited (Note 7)	Finance	Tamachi Square (Land)	1,287.96	125	–	May 31, 2074
		Amagasaki Q's MALL (Land)	27,465.44	683	341	January 31, 2042
		Total	28,753.40	808	341	–

(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 May 31, 2015 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 May 31, 2015), including common service fee and excluding usage fee for warehouses, signboards and parking lots, and also excluding revenue-based rents, regardless of free rents and rent holidays as of May 31, 2015, as indicated in the sublease agreement concluded with the end-tenant as of May 31, 2015 by 12, rounding to the nearest million yen.

(Note 3) The tenant leasehold and security deposit is calculated as the total amount on the sublease agreement with the end-tenant as of May 31, 2015 (limited to tenant leasehold and security deposit based on the lease agreement for leased property that was occupied by the tenant as of May 31, 2015), 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.

(Note 5) As for Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, leased area, contracted rent (annual) and tenant leasehold and security deposit are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75% and 50%, respectively).

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

(Note 7) Tenant is the trustee of the building on the land; Tokyu Land Corporation is the trust beneficiary under such trust.

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 May 31, 2015.

End-tenants	Property name	Total leased area (m ²) (Note 1)	Lease expiration date	Form of agreement (Note 2)
Tokyu Hotels Co., Ltd.	Tokyu Plaza Akasaka Tokyu Plaza Sapporo	30,182.69	March 31, 2016 (Note 3)	Fixed-term building lease agreement
Sumitomo Mitsui Trust Bank, Limited (Note 4)	Tamachi Square (Land) Amagasaki Q's MALL (Land)	28,753.40 (Note 5)	May 31, 2074 January 31, 2042	Ordinary leasehold land agreement Fixed-term business-use lease agreement
Kohnan Shoji Co., Ltd.	icot Nakamozu	26,529.03	July 11, 2027	Fixed-term building lease agreement
Paraca Inc.	Kyoto Karasuma Parking Building	21,224.14	–	–
Daiei, Inc.	icot Kongo	–	–	–
Plan·Do·See Inc.	Kobe Kyu Kyoryuchi 25Bankan	14,195.42	–	–
Room's-Taishodo	icot Mizonokuchi	14,032.05	July 24, 2018	Ordinary building lease agreement
K'S HOLDINGS CORPORATION	Market Square Sagamihara	11,863.92	June 30, 2034	Fixed-term building lease agreement
Yamada-Denki Co., Ltd.	Shinbashi Place	9,156.01	–	–
The Bank of Tokyo- Mitsubishi UFJ, 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 May 31, 2015. As for Tokyu Plaza Akasaka, the figure is based on the amount in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (50%).

(Note 2) The form of agreement is equal to the form of agreement described in the lease agreement with the end-tenants as of May 31, 2015.

(Note 3) On June 16, 2015, an agreement was entered into setting the lease term from April 1, 2016 to October 31, 2021.

(Note 4) Tenant is the trustee of the building on the land; Tokyu Land Corporation is the trust beneficiary under such trust.

(Note 5) Total leased area for Tamachi Square (Land) and Amagasaki Q's MALL (Land) is in respect of the land.

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

(D) Overview of lease and profit and loss

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

(Unit: Thousands of yen)

Property number	UR-1	UR-2	UR-3	UR-4	UR-5
Property name	Tokyu Plaza Omotesando Harajuku (Note 1)	Tokyu Plaza Akasaka (Note 1)	Ebisu Q Plaza	Shinbashi Place	Kyoto Karasuma Parking Building
Number of business days in the 7th fiscal period	182	182	182	182	182
a. Real estate leasing business revenues	1,107,421	590,359	268,477	(Note 2)	(Note 2)
Rent revenue–real estate	1,054,618	479,045	237,540	(Note 2)	(Note 2)
Other lease business revenue	52,803	111,313	30,936	(Note 2)	(Note 2)
b. Expenses related to rent business	250,923	274,542	65,433	45,209	36,083
Management operation expenses	90,713	79,771	16,666	12,300	3,589
Utilities expenses	33,120	92,196	29,955	–	–
Tax and public dues	48,679	65,690	8,650	31,884	30,124
Insurance	395	610	121	264	229
Repair and maintenance expenses	1,349	31,226	1,325	–	1,339
Other expenses related to rent business	76,664	5,047	8,713	760	800
c. NOI (a – b)	856,497	315,817	203,044	(Note 2)	(Note 2)
d. Depreciation	48,332	32,870	18,499	32,734	15,776
Income (loss) from rent business (c – d)	808,165	282,946	184,545	(Note 2)	(Note 2)

(Unit: Thousands of yen)

Property number	UR-6	UR-7	UR-8	UR-9
Property name	Hitotsugi LIP	Kobe Kyu Kyoryuchi 25Bankan	Tokyu Plaza Sapporo	Kamata Kosan Building
Number of business days in the 7th fiscal period	182	182	182	182
a. Real estate leasing business revenues	107,970	765,424	431,838	207,567
Rent revenue–real estate	89,592	697,075	351,167	197,027
Other lease business revenue	18,378	68,348	80,671	10,539
b. Expenses related to rent business	37,236	206,489	240,016	37,707
Management operation expenses	9,065	85,401	105,738	12,146
Utilities expenses	17,683	63,254	82,287	10,018
Tax and public dues	7,194	49,798	26,268	10,285
Insurance	56	859	735	92
Repair and maintenance expenses	1,830	225	14,883	3,213
Other expenses related to rent business	1,405	6,950	10,102	1,950
c. NOI (a – b)	70,734	558,935	191,822	169,859
d. Depreciation	8,324	120,416	41,415	7,594
Income (loss) from rent business (c – d)	62,409	438,518	150,407	162,265

(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 7th fiscal period	182	182	182	182	182
a. Real estate leasing business revenues	275,682	338,144	117,491	248,547	168,635
Rent revenue—real estate	250,627	323,291	110,662	232,076	156,765
Other lease business revenue	25,054	14,853	6,829	16,471	11,870
b. Expenses related to rent business	81,466	85,295	33,446	74,362	52,648
Management operation expenses	23,001	27,960	12,560	28,756	11,725
Utilities expenses	24,847	22,750	8,591	19,856	13,382
Tax and public dues	17,524	30,293	9,874	20,300	18,145
Insurance	275	331	118	252	215
Repair and maintenance expenses	5,464	1,054	608	1,186	5,753
Other expenses related to rent business	10,352	2,905	1,693	4,009	3,425
c. NOI (a – b)	194,215	252,848	84,045	174,185	115,986
d. Depreciation	41,045	30,398	15,670	22,954	27,484
Income (loss) from rent business (c – d)	153,169	222,450	68,374	151,231	88,502

(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 7th fiscal period	182	182	182	182	182
a. Real estate leasing business revenues	62,502	(Note 2)	190,702	178,516	109,150
Rent revenue—real estate	62,502	(Note 2)	177,548	166,608	102,735
Other lease business revenue	–	(Note 2)	13,153	11,908	6,414
b. Expenses related to rent business	8,192	32,113	57,073	28,509	21,346
Management operation expenses	–	10,349	16,113	12,603	8,947
Utilities expenses	–	9,606	13,666	12,896	7,004
Tax and public dues	7,939	10,733	15,211	69	39
Insurance	–	114	182	161	108
Repair and maintenance expenses	–	632	7,547	464	3,506
Other expenses related to rent business	252	677	4,352	2,314	1,740
c. NOI (a – b)	54,309	(Note 2)	133,629	150,006	87,804
d. Depreciation	–	20,682	26,970	26,892	9,307
Income (loss) from rent business (c – d)	54,309	(Note 2)	106,658	123,114	78,496

(Unit: Thousands of yen)

Property number	TO-11	TO-12
Property name	OSAKI WIZTOWER	Shiodome Building (Note 1) (Note 3)
Number of business days in the 7th fiscal period	182	143
a. Real estate leasing business revenues	(Note 2)	540,466
Rent revenue—real estate	(Note 2)	513,853
Other lease business revenue	(Note 2)	26,612
b. Expenses related to rent business	95,976	78,434
Management operation expenses	94,576	34,379
Utilities expenses	92	35,053
Tax and public dues	3	94
Insurance	411	744
Repair and maintenance expenses	242	2,086
Other expenses related to rent business	650	6,075
c. NOI (a – b)	(Note 2)	462,031
d. Depreciation	47,937	65,416
Income (loss) from rent business (c – d)	(Note 2)	396,614

(Unit: Thousands of yen)

Property number	O-1	O-2	O-3	O-4	O-5
Property name	Amagasaki Q's MALL (Land)	icot Nakamozu	icot Kongo	icot Mizonokuchi	icot Tama Center
Number of business days in the 7th fiscal period	182	182	182	182	182
a. Real estate leasing business revenues	341,533	310,640	(Note 2)	(Note 2)	144,447
Rent revenue—real estate	341,533	310,610	(Note 2)	(Note 2)	130,654
Other lease business revenue	—	30	(Note 2)	(Note 2)	13,793
b. Expenses related to rent business	41,168	40,141	17,244	13,458	49,473
Management operation expenses	—	5,633	2,347	2,267	19,128
Utilities expenses	—	30	—	—	16,364
Tax and public dues	40,907	31,633	13,713	9,865	11,958
Insurance	—	327	249	140	203
Repair and maintenance expenses	—	1,750	674	164	510
Other expenses related to rent business	260	768	260	1,020	1,308
c. NOI (a – b)	300,364	270,498	(Note 2)	(Note 2)	94,974
d. Depreciation	—	34,532	17,498	8,515	18,667
Income (loss) from rent business (c – d)	300,364	235,966	(Note 2)	(Note 2)	76,306

(Unit: Thousands of yen)

Property number	O-6	O-7	O-8	O-9
Property name	A-PLACE Kanayama	Osaka Nakanoshima Building (Note 4)	icot Omori	Market Square Sagamihara (Note 3)
Number of business days in the 7th fiscal period	182	182	182	143
a. Real estate leasing business revenues	281,622	490,349	232,517	135,647
Rent revenue—real estate	258,259	464,256	196,774	130,703
Other lease business revenue	23,362	26,092	35,743	4,943
b. Expenses related to rent business	78,167	156,273	65,448	19,860
Management operation expenses	23,916	53,220	8,934	13,297
Utilities expenses	25,235	45,805	38,422	5,664
Tax and public dues	24,932	23,800	13,123	—
Insurance	333	859	144	179
Repair and maintenance expenses	430	27,089	3,516	—
Other expenses related to rent business	3,318	5,497	1,305	719
c. NOI (a – b)	203,454	334,075	167,069	115,786
d. Depreciation	52,245	57,931	17,271	19,677
Income (loss) from rent business (c – d)	151,209	276,144	149,798	96,108

(Note 1) As for Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka and Shiodome Building, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75%, 50% and 15%, 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) Shiodome Building and Market Square Sagamihara were acquired on January 9, 2015. Therefore, figures after the acquisition date are presented.

(Note 4) For Osaka Nakanoshima Building, we made an additional acquisition of 50% of trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) on December 19, 2014. Therefore, figures after the additional acquisition date are added.