

This is an English translation of summarized financial results prepared for reference purposes only. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.

October 14, 2021

## Financial Report for the Fiscal Period Ended August 31, 2021 (For the Reporting Period from March 1, 2021 to August 31, 2021)

### Hulic Reit, Inc. (“Investment Corporation”)

Listing: Tokyo Stock Exchange  
Securities code: 3295  
URL: <https://www.hulic-reit.co.jp>  
Representative: Kazuaki Chokki, Executive Officer

Asset management company: Hulic Reit Management Co., Ltd.  
Representative: Kazuaki Chokki, Representative Director, President and CEO  
Contact: Hiroshi Machiba, CFO, Head of Planning and Administration Division and General Manager of Finance and Planning Department  
Phone: +81-3-6222-7250

Scheduled date to file securities report: November 24, 2021  
Scheduled date to commence payment of distributions: November 15, 2021  
Preparation of supplementary material on financial report: Yes  
Holding of financial report presentation meeting: Yes (for institutional investors and analysts)

(Amounts truncated to the nearest million yen, except for the basic earnings per unit)

### 1. Summary of financial results for the fiscal period ended August 31, 2021 (March 1, 2021 - August 31, 2021)

#### (1) Operating results

(Percentages show changes from the previous fiscal period)

	Operating revenues		Operating profit		Ordinary profit		Profit	
Fiscal period ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2021	10,505	(6.0)	5,763	(7.5)	5,053	(8.4)	4,972	(8.6)
February 28, 2021	11,170	5.5	6,232	7.8	5,515	8.5	5,437	7.0

	Basic earnings per unit	Return on equity	Ordinary profit on total assets	Ordinary profit on operating revenues
Fiscal period ended	Yen	%	%	%
August 31, 2021	3,698	2.7	1.4	48.1
February 28, 2021	4,144	3.0	1.5	49.4

(Note) Basic earnings per unit is calculated by dividing profit by the day-weighted average number of investment units outstanding during the period (fiscal period ended August 31, 2021: 1,344,538 units; fiscal period ended February 28, 2021: 1,312,000 units).

**(2) Distributions**

	Distributions per unit (excluding distributions in excess of earnings)	Total distributions (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Total distributions in excess of earnings	Payout ratio	Distributions to net assets
Fiscal period ended	Yen	Millions of yen	Yen	Millions of yen	%	%
August 31, 2021	3,550	4,803	—	—	96.5	2.6
February 28, 2021	4,052	5,316	—	—	97.7	3.0

(Note) The payout ratio is calculated with the following formula and rounded down to nearest one decimal place.

Payout ratio = Total distributions (excluding distributions in excess of earnings) / Profit × 100

**(3) Financial position**

	Total assets	Net assets	Equity ratio	Net assets per unit
As of	Millions of yen	Millions of yen	%	Yen
August 31, 2021	369,358	185,529	50.2	137,124
February 28, 2021	368,400	179,212	48.6	136,594

**(4) Cash flows**

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
August 31, 2021	14,118	(8,164)	(3,836)	21,616
February 28, 2021	15,812	(8,153)	(8,107)	19,498

**2. Forecasts of performance for the fiscal period ending February 28, 2022 (September 1, 2021 - February 28, 2022) and the fiscal period ending August 31, 2022 (March 1, 2022 - August 31, 2022)**

(Percentages show changes from the previous fiscal period)

	Operating revenues		Operating profit		Ordinary profit		Profit		Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit
Fiscal period ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
February 28, 2022	10,919	3.9	6,021	4.5	5,282	4.5	5,246	5.5	3,600	—
August 31, 2022	11,196	2.5	6,198	2.9	5,459	3.4	5,411	3.1	3,700	—

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

For the fiscal period ending February 28, 2022: ¥3,643

For the fiscal period ending August 31, 2022: ¥3,758

**\* Other**

**(1) Changes in accounting policies, changes in accounting estimates, and retrospective restatement**

- |   |      |
|---|------|
| a. Changes in accounting policies due to revisions to accounting standards and other regulations: | None |
| b. Changes in accounting policies due to reasons other than a. above:                             | None |
| c. Changes in accounting estimates:   | None |
| d. Retrospective restatement:   | None |

**(2) Total number of investment units issued**

- |   |                 |
|---|-----------------|
| a. Total number of investment units issued at end of period (including treasury investment units) |                 |
| As of August 31, 2021   | 1,353,000 units |
| As of February 28, 2021   | 1,312,000 units |
| b. Number of treasury investment units at end of period   |                 |
| As of August 31, 2021   | 0 units         |
| As of February 28, 2021   | 0 units         |

(Note) Please refer to “Notes on Per Unit Information” on page 36 for the number of investment units used as the basis for calculating basic earnings per unit.

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

**\* Special notes**

Forward-looking statements presented in this financial report, including forecasts of performance, are based on information currently available to the Investment Corporation and on certain assumptions the Investment Corporation deems to be reasonable. As such, actual operating and other results may differ materially from these forecasts as a consequence of numerous factors. The above-mentioned forecasts are based on “Assumptions for forecasts of performance for the fiscal period ending February 28, 2022 (from September 1, 2021 to February 28, 2022) and the fiscal period ending August 31, 2022 (from March 1, 2022 to August 31, 2022)” (hereinafter “Assumptions for Forecasts”) on pages 10 through 14 for calculation, and our judgment as of this date. Actual operating revenues, operating profit, ordinary profit, profit, distributions per unit and distributions in excess of earnings per unit may vary due to factors such as additional acquisitions or transfers of real estate, etc., fluctuations in the real estate market or other changes in market conditions that may affect the Investment Corporation. These forecasts do not guarantee the distribution amount.

## 1. Status of Asset Management

### (1) Operating results

#### Summary of results for the reporting period

##### i) Transition of the Investment Corporation

The Investment Corporation was established on November 7, 2013, with Hulic Reit Management Co., Ltd. (hereinafter referred to as the “Asset Manager”), which is entrusted with the management of the assets of the Investment Corporation, as the organizer under the Act on Investment Trusts and Investment Corporations of Japan (hereinafter referred to as the “Investment Trust Act”). On November 25, 2013, the Investment Corporation was registered with the Director-General of the Kanto Local Finance Bureau (registration number: Director-General of the Kanto Local Finance Bureau No. 88). The Investment Corporation issued new investment units through a public offering with the payment date on February 6, 2014, which were listed on the Real Estate Investment Trust Securities (J-REIT) Market of Tokyo Stock Exchange, Inc. (Securities code: 3295) on February 7, 2014. New investment units were issued through a third-party allotment on March 7, 2014. The Investment Corporation recently carried out capital increases through its seventh public offering after its listing on April 7, 2021 and a third-party allotment on April 27, 2021. As a result, the number of investment units issued as of the end of the reporting period was 1,353,000.

The Investment Corporation primarily invests in and manages office buildings and retail facilities.

##### ii) Performance for the reporting period

During the reporting period, the Investment Corporation acquired two properties, Hulic Ueno Building and Hulic Chofu (total acquisition price: ¥7,440 million) in March 2021, and transferred two properties, Orchid Square (quasi co-ownership interest of 50%) and Shinagawa Season Terrace (total transfer price: ¥8,225 million) in the same month. As a result, the number of properties held by the Investment Corporation as of the end of the reporting period was 58, and the total acquisition price was ¥349,987 million (rounded to the nearest ¥1 million). The occupancy rate of the entire portfolio has remained at a high level of 99.2% at the end of the reporting period.

Based on the belief that consideration for the environment, society and governance leads to the maximization of medium- to long-term unitholder value, the Asset Manager formulated the “Sustainability Policy” in March 2016 and has implemented initiatives to reduce environmental impact, improve tenants’ satisfaction and contribute to local communities.

The Investment Corporation has participated in the Real Estate Assessment of Global Real Estate Sustainability Benchmark (GRESB) (Note 1) from the fiscal period ended August 31, 2016. In the GRESB Real Estate Assessment conducted in 2020, the Investment Corporation was awarded “5 Stars,” the highest GRESB Rating, for its initiatives in environmental awareness and sustainability, having received strong recognition in both the areas of “Management Component” and “Performance Component.” At the same time, the Investment Corporation also received a “Green Star” for the fourth consecutive year. In addition, the Investment Corporation has been working on obtaining external certification relating to energy conservation and environmental performance of its owned properties, and as of August 31, 2021, it has obtained external certification for a total of 32 properties, as follows. Concerning DBJ Green Building Certification (Note 2), the Investment Corporation has acquired certification for 6 properties, with Ochanomizu Sola City and Hulic Asakusabashi Building obtaining the highest ranking. As for BELS (Note 3), which is a public rating system that assesses energy-conservation performance of non-residential buildings, the Investment Corporation acquired certification for 13 properties, with HULIC & New SHIBUYA obtaining the highest ranking. Concerning the real estate evaluation certification CASBEE (Note 4), the Investment Corporation has acquired certification for 12 properties, with Hulic Kamiyacho Building, Toranomom First Garden, Hulic Higashi Nihonbashi Building and Hulic Mejiro obtaining the highest ranking. In November 2019, the Investment Corporation acquired CASBEE-Wellness Office evaluation certification (Note 5) for Hulic Toranomom Building.

- (Note 1) The “Global Real Estate Sustainability Benchmark (GRESB)” is an annual benchmark assessment used to evaluate ESG considerations in the global real estate sector. It was established in 2009 primarily by major European pension fund groups, which led the Principles for Responsible Investment.
- (Note 2) The “DBJ Green Building Certification” is a certification system created by Development Bank of Japan Inc. in April 2011 to support real estate properties with environmental and social awareness (“Green Building”). The certification system is said to evaluate and certify real estate properties in terms of their desirability for society and the economy based on a comprehensive evaluation, which includes not only environmental performance, but also responsiveness to various stakeholder needs such as consideration for emergency preparedness and the community, and to support these efforts.
- (Note 3) The “BELS” is a building energy-efficiency labeling system that was started with the aim of having third-party institutions implement accurate evaluation and labeling of energy-conservation performance in non-residential buildings in accordance with the guidelines set forth in October 2013 by the Ministry of Land, Infrastructure, Transport and Tourism in “Evaluation Guidelines for Energy-efficiency Labeling for Non-residential Buildings (2013).”
- (Note 4) “CASBEE” (Comprehensive Assessment System for Built Environment Efficiency) is a method for evaluating and rating the environmental performance of buildings. CASBEE is a system that comprehensively evaluates the quality of buildings by giving consideration not only to the environment in regard to the use of materials that have good energy conservation and small environmental loads, but also to the comfort inside the buildings and to the landscapes. Institute for Building Environment and Energy Conservation (IBEC) promotes the adoption of the system and operates the assessment and certification. The real estate evaluation certification CASBEE evaluates the environmental performance of existing buildings with one or more years of use after completion.
- (Note 5) The “CASBEE-Wellness Office evaluation certification” is a method for evaluating specifications, performance and approaches of buildings that support maintenance and enhancement of the health and comfort of building users. The system evaluates not only the direct impact on the health and comfort of workers who inhabit offices in the building but also other performance factors such as contribution to intellectual productivity improvement as well as security and safety. IBEC promotes the adoption of the system and operates the assessment and certification.

### iii) Status of financing

During the reporting period, the Investment Corporation carried out capital increases through a public offering and a third-party allotment in April 2021, for the purpose of using the proceeds to supplement cash reserves by amount of decrease arising from its allocation for a portion of the purchase price for specified assets and to finance the repayment of borrowings, and made an early repayment of ¥3,960 million in short-term borrowings in May 2021. Furthermore, it made a partial repayment of ¥1,200 million in long-term borrowings of ¥7,130 million that were due in August 2021, and the remainder was refinanced as ¥5,930 million in long-term borrowings.

As a result, as of the end of the reporting period, interest-bearing debt totaled ¥164,616 million (comprising ¥17,610 million in current portion of long-term borrowings, ¥132,006 million in long-term borrowings and ¥15,000 million in investment corporation bonds), resulting in a loan-to-value (LTV) ratio of 44.6%.

Issuer credit ratings of the Investment Corporation as of the end of the reporting period are as follows:

Credit rating agency	Contents of credit rating
Japan Credit Rating Agency, Ltd.	Long-term issuer rating: AA, Rating outlook: Stable

### iv) Overview of financial results and distributions

As a result of the above asset management, operating revenues for the reporting period were ¥10,505 million (down 6.0% compared with the previous fiscal period), operating profit was ¥5,763 million (down 7.5% compared with the previous fiscal period), ordinary profit after deducting interest expenses for borrowings, etc. was ¥5,053 million (down 8.4% compared with the previous fiscal period), and profit was ¥4,972 million (down 8.6% compared with the previous fiscal period).

Furthermore, in accordance with the distribution policy set forth in the Investment Corporation’s Articles of Incorporation, the Investment Corporation has applied special measures for the taxation system for investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation) and decided to pay distributions for the reporting period of an amount of the initially forecasted distribution of ¥4,803,150,000 and keep the amount in excess of that amount in internal

reserves for the stabilization of future distributions. Consequently, distributions per unit came to ¥3,550. The Investment Corporation plans to use internal reserves to ensure stability in distribution payments, by using it to mitigate the negative effects in cases of temporary or unexpected income decrease or cost increase.

## **Outlook for the fiscal period ending February 28, 2022**

### **i) Outlook for overall operations**

The Japanese economy going forward is expected to pick up due to the effects of various measures and the improvement of overseas economies as vaccinations become more widespread together with measures to prevent the spread of the novel coronavirus disease (COVID-19). Regarding the rental office market, the Investment Corporation will pay close attention to changes in office needs as a result of downsizing the scale of offices due to factors such as the deterioration of corporate earnings, as well as the spread of teleworking and other developments. Furthermore, in retail properties and hotels, despite expectations for consumer sentiment to pick up due to the effects of various measures such as increased vaccinations, it is necessary to ascertain the business conditions of tenants and properly respond to them.

Against this backdrop, the Investment Corporation will focus on Tokyo Commercial Properties (Note 1), aiming to maximize unitholder value over the medium to long term, and invest in Next-Generation Assets Plus (Note 2), aiming to support stable earnings over the long term. As part of these efforts to maximize unitholder value over the medium to long term, the Investment Corporation will implement efforts combining the Asset Manager's own measures to drive external and internal growth while using the support of the Hulic Group. The Investment Corporation will maintain and grow profits over the medium to long term and increase the size and value of the asset portfolio.

In terms of financing strategy, the Investment Corporation will seek to maintain the LTV ratio at an appropriate level and shift to loans with longer terms with fixed interest rates and staggered repayment dates in order to maintain a stable and healthy financial position.

(Note 1) "Tokyo Commercial Properties" are office properties and retail properties under a concept specific to the Investment Corporation that comprehensively includes properties consistent with the basic philosophy of the Investment Corporation. Specifically, office properties are those in Tokyo and cities designated by government ordinance in the surrounding areas that are usually located within a five-minute walking distance from the nearest train station, in areas where the office properties are sufficiently competitive. Retail properties are those located in Tokyo and major cities in the surrounding areas that are in principle located within a five-minute walking distance from the nearest train station or in areas with a high concentration of retail activities. Such retail properties are also highly visible and have the potential to generate demand from prospective tenants that offer products and services suitable for the characteristics of their respective retail areas.

(Note 2) "Next-Generation Assets Plus" are properties specified for investment by the Investment Corporation based on its basic philosophy. Specifically, they are lease properties for which the Investment Corporation deems that firm demand can be anticipated even in the future and stable long-term earnings can be obtained, or that it will contribute to the maximization of unitholder value over the medium to long term, and the Investment Corporation selects investment targets after carefully examining the individual properties' profitability, characteristics of the location and competitiveness of the location. The Investment Corporation classifies private nursing homes, network centers and hotels, as well as office properties and retail properties that do not fall under the category of Tokyo Commercial Properties, as Next-Generation Assets Plus.

### **ii) Significant events after the reporting period**

#### **Issuance of new investment units**

The Investment Corporation passed resolutions at a meeting of its Board of Directors held on October 14, 2021, to issue new investment units as follows for the purpose of using the proceeds for a portion of the purchase price for specified assets, etc. The details such as the issue price per unit will be determined at the Board of Directors meetings to be held going forward.

(New investment unit issuance through public offering)

Number of new investment units to be issued:	82,800 units
Payment date:	A date from October 27, 2021 to October 29, 2021

(New investment unit issuance through third-party allotment)

Number of new investment units to be issued (maximum):	4,200 units
Payment date:	November 22, 2021
Allottee:	Mizuho Securities Co., Ltd.

If the entire number of new investment units to be issued in the third-party allotment (hereinafter referred to as the “Third-Party Allotment”), or a portion thereof, is not subscribed to, this may result in the final number of new investment units issued in the Third-Party Allotment being reduced by such number of units or fewer due to forfeiture or the issuance itself not being carried out at all.

(Reference information)

(A) Acquisitions of properties

On October 14, 2021, the Investment Corporation executed a purchase and sale agreement regarding the acquisition of the beneficial interests in real estate trust below (4 properties; the total of anticipated acquisition prices: ¥33,460 million; hereinafter referred to as the “Assets Planned for Acquisition”). The anticipated acquisition price provided does not include expenses incurred on the acquisition of such Assets Planned for Acquisition (including acquisition expenses, settlement of fixed asset tax and city planning tax and consumption taxes), and is equal to the acquisition price stated on the purchase and sale agreement of beneficial interests in trust.

<Assets Planned for Acquisition>

Property name	Location	Scheduled date of acquisition	Anticipated acquisition price (Millions of yen)	Seller
Hulic Kojimachi Building	Chiyoda-ku, Tokyo	November 1, 2021	12,600	Hulic Co., Ltd.
Kichijoji Fuji Building	Musashino-shi, Tokyo	November 1, 2021	5,150	Hulic Co., Ltd.
Aristage Kyodo	Setagaya-ku, Tokyo	November 1, 2021	9,000	Hulic Co., Ltd.
Hulic Kobe Building	Kobe-shi, Hyogo	November 1, 2021	6,710	Hulic Co., Ltd.
Total	—	—	33,460	—

(B) Transfer of properties

On October 14, 2021, the Investment Corporation executed a purchase and sale agreement regarding the transfer of the real estate and beneficial interests in real estate trust below (one property; the anticipated transfer price: ¥8,200 million; hereinafter referred to as the “Asset Planned for Transfer”). The anticipated transfer price provided does not include expenses incurred on the transfer of the Asset Planned for Transfer (including transfer expenses, settlement of fixed asset tax and city planning tax and consumption taxes), and is equal to the transfer price stated on the purchase and sale agreement for beneficial interests in trust and land.

<Asset Planned for Transfer>

Property name	Location	Scheduled date of transfer	Trust beneficiary right quasi co-ownership interest and partial right of land co-ownership interest scheduled to be transferred	Anticipated transfer price (Millions of yen)	Transferee
Hulic Shinjuku 3 Chome Building	Shinjuku-ku, Tokyo	November 1, 2021	50.0%	4,100	Hulic Co., Ltd.
		March 1, 2022	50.0%	4,100	
Total	—	—	—	8,200	—

(C) Borrowing of funds

In order to cover part of the acquisition price, etc. for the Assets Planned for Acquisition above in (A), the Investment Corporation decided to execute the following borrowings on October 14, 2021.

Lender	Planned borrowing amount (Millions of yen)	Expected interest rate	Scheduled borrowing date	Scheduled repayment date	Repayment method	Remarks
Syndicate of lenders arranged by Mizuho Bank, Ltd. (Note 1)	2,000	Base rate of interest (JBA one-month Japanese Yen TIBOR) +0.30%	November 1, 2021	October 31, 2022	Lump-sum repayment	Unsecured and unguaranteed
Syndicate of lenders arranged by Mizuho Bank, Ltd. (Note 2)	2,000	Base rate of interest (JBA one-month Japanese Yen TIBOR) +0.30%	November 1, 2021	October 31, 2022	Lump-sum repayment	Unsecured and unguaranteed
Syndicate of lenders arranged by Mizuho Bank, Ltd. (Note 3)	1,500	Base rate of interest (JBA one-month Japanese Yen TIBOR) +0.30%	November 1, 2021	October 31, 2022	Lump-sum repayment	Unsecured and unguaranteed
Syndicate of lenders arranged by Mizuho Bank, Ltd. (Note 4)	1,500	To be determined (Note 7)	November 1, 2021	August 31, 2028	Lump-sum repayment	Unsecured and unguaranteed
Syndicate of lenders arranged by Mizuho Bank, Ltd. (Note 5)	3,300	To be determined (Note 7)	November 1, 2021	August 31, 2029	Lump-sum repayment	Unsecured and unguaranteed
Syndicate of lenders arranged by Mizuho Bank, Ltd. (Note 6)	1,500	To be determined (Note 7)	November 1, 2021	February 28, 2030	Lump-sum repayment	Unsecured and unguaranteed
Total	11,800	—	—	—	—	—

(Note 1) The syndicate of lenders consists of Mizuho Bank, Ltd.

(Note 2) The syndicate of lenders consists of Sumitomo Mitsui Trust Bank, Limited.

(Note 3) The syndicate of lenders consists of The Norinchukin Bank, Resona Bank, Limited, Shinsei Bank, Limited and Aozora Bank, Ltd.



(Note 4) The syndicate of lenders consists of Mitsui Sumitomo Insurance Company, Limited and The Bank of Fukuoka, Ltd.

(Note 5) The syndicate of lenders consists of Resona Bank, Limited, Shinkin Central Bank, Shinsei Bank, Limited, The 77 Bank, Ltd. and The Higo Bank, Ltd.

(Note 6) The syndicate of lenders consists of Development Bank of Japan Inc. and Aozora Bank, Ltd.

(Note 7) The planned borrowings will carry a fixed interest rate, and the interest rate is to be determined.

### iii) Operating results (earnings) forecasts

The Investment Corporation's forecasts for the fiscal period ending February 28, 2022 (from September 1, 2021 to February 28, 2022) and the fiscal period ending August 31, 2022 (from March 1, 2022 to August 31, 2022) are as follows:

	Fiscal period ending February 28, 2022	Fiscal period ending August 31, 2022
Operating revenues	¥10,919 million	¥11,196 million
Operating profit	¥6,021 million	¥6,198 million
Ordinary profit	¥5,282 million	¥5,459 million
Profit	¥5,246 million	¥5,411 million
Distributions per unit (excluding distributions in excess of earnings)	¥3,600	¥3,700
Distributions in excess of earnings per unit	¥—	¥—

Information on assumptions for the above forecasts of operating results is as shown in "Assumptions for forecasts of performance for the fiscal period ending February 28, 2022 (from September 1, 2021 to February 28, 2022) and the fiscal period ending August 31, 2022 (from March 1, 2022 to August 31, 2022)" on pages 10 through 14.

(Note) The above-mentioned forecasts are based on certain calculation assumptions and our judgment based on information currently available to the Investment Corporation. Actual operating revenues, operating profit, ordinary profit, profit, distributions per unit and distributions in excess of earnings per unit may vary in response to factors such as additional acquisitions or transfers of real estate, etc., fluctuations in the real estate market or other changes in market conditions that may affect the Investment Corporation. These forecasts do not guarantee the distribution amount.

**Assumptions for forecasts of performance for  
the fiscal period ending February 28, 2022 (from September 1, 2021 to February 28, 2022) and  
the fiscal period ending August 31, 2022 (from March 1, 2022 to August 31, 2022)**

Item	Assumptions
Accounting period	<ul style="list-style-type: none"> <li>Fiscal period ending February 28, 2022: 181 days from September 1, 2021 to February 28, 2022</li> <li>Fiscal period ending August 31, 2022: 184 days from March 1, 2022 to August 31, 2022</li> </ul>
Portfolio	<ul style="list-style-type: none"> <li>We have based our assumptions on a total of 62 properties consisting of 58 properties we hold as of the date of this report (hereinafter referred to as the “Assets Held” in this table of assumptions) in addition to the Assets Planned for Acquisition. Furthermore, concerning the Asset Planned for Transfer, we have assumed that 50.0% of the quasi co-ownership interest and 50.0% of the partial right of land co-ownership interest will be transferred on both November 1, 2021 and March 1, 2022, and have assumed that there will be no changes in the composition of our portfolio (no acquisitions of new properties, no transfers of Assets Held, etc.) excluding these properties until August 31, 2022 (the end of the 17th fiscal period).</li> <li>There may be changes in the portfolio, however, caused by buying or selling of properties.</li> </ul>
Operating revenues	<ul style="list-style-type: none"> <li>Real estate leasing business revenues from Assets Held have been calculated in consideration of trends of the lease market, status of negotiations with tenants and other factors, and taking into account a certain degree of impact from tenants moving in and out, on the basis of lease agreements effective as of the date of this report. Real estate leasing business revenues from Assets Planned for Acquisition have been calculated in consideration of trends of the lease market and other factors on the basis of information provided primarily by the transferors of each asset and lease agreements to be effective as of the scheduled date of acquisition of the assets. Average monthly occupancy rates during period are assumed to be 98.5% for both the periods ending February 28, 2022 and August 31, 2022, although such rates may vary if there is unexpected moving in or out of tenants.</li> <li>Projected amount for a gain on transfer relating to the Asset Planned for Transfer (after deducting expenses relating to the transfer) is recognized for the fiscal period ending February 28, 2022 (the 16th fiscal period) and the fiscal period ending August 31, 2022 (the 17th fiscal period).</li> <li>Operating revenues assume no delinquencies or non-payment of rent by tenants.</li> </ul>

Item	Assumptions
Operating expenses	<ul style="list-style-type: none"> <li>• Of the expenses related to leasing business, the principal component of operating expenses, expenses other than depreciation and amortization expenses for the Assets Held excluding Hulic Ueno Building and Hulic Chofu, which were acquired in the fiscal period ended August 31, 2021 (the 15th fiscal period; hereinafter referred to as the “Assets Acquired in the 15th Fiscal Period”), have been calculated in such a way as to reflect variable factors in the expenses on the basis of past performance figures. In addition, such expenses other than depreciation and amortization expenses for the Assets Acquired in the 15th Fiscal Period and Assets Planned for Acquisition have been calculated in such a way as to reflect variable factors in the expenses based on information received from the transferors of each asset and others, and also based on past performance figures.</li> <li>• We have calculated depreciation and amortization expenses using the straight-line method, including ancillary expenses, and assumed that we will incur depreciation and amortization expenses of ¥1,286 million for the fiscal period ending February 28, 2022 (the 16th fiscal period) and ¥1,304 million for the fiscal period ending August 31, 2022 (the 17th fiscal period).</li> <li>• In general, fixed asset tax, city planning tax, etc. for the assets we acquire or transfer are settled at the time of acquisition or transfer between the transferor and the transferee based on their respective periods of ownership in relation to the relevant tax year. With respect to the acquired assets, any of these taxes allocated to the transferee are not recognized in expenses at the time of acquisition because they are treated as a part of the acquisition cost for accounting purposes in the Investment Corporation. The total amount of fixed asset tax, city planning tax, etc. that will be included in the acquisition cost for the Assets Planned for Acquisition is assumed to be ¥22 million. In addition, the fixed asset tax, city planning tax, etc. for the Assets Planned for Acquisition will not be recognized in expenses in the fiscal period ending February 28, 2022 (the 16th fiscal period) and will instead be recognized in expenses from the fiscal period ending August 31, 2022 (the 17th fiscal period). Fixed asset tax, city planning tax, etc. are assumed at ¥837 million for the fiscal period ending February 28, 2022 (the 16th fiscal period) and ¥956 million for the fiscal period ending August 31, 2022 (the 17th fiscal period).</li> <li>• Repair expenses for buildings are recognized for each fiscal period in amounts assumed as necessary based on the repair plan formulated by the Asset Manager for each property. However, actual repair expenses for each fiscal period may differ substantially from our forecasts, mainly for the following reasons: (i) we may incur expenses for urgent repairs to properties for reasons including damage to buildings resulting from factors that are difficult to foresee, (ii) generally, there is a substantial difference in such expenses incurred between each fiscal period, and (iii) such expenses are not incurred on a regular basis. We expect to post ¥196 million in the fiscal period ending February 28, 2022 (the 16th fiscal period) and ¥105 million in the fiscal period ending August 31, 2022 (the 17th fiscal period).</li> <li>• Operating expenses other than those related to leasing business (asset management fee, asset custody fee, administrative service fees, etc.) are assumed at ¥1,357 million for the fiscal period ending February 28, 2022 (the 16th fiscal period) and ¥1,433 million for the fiscal period ending August 31, 2022 (the 17th fiscal period). These expenses have been calculated based on past performance figures and upon considering variable factors.</li> </ul>

Item	Assumptions
Non-operating expenses	<ul style="list-style-type: none"> <li>• Taking into account the interest rate trends, latest performance figures and other factors, we expect to record interest expenses and other borrowing-related expenses of ¥716 million in the fiscal period ending February 28, 2022 (the 16th fiscal period) and ¥715 million in the fiscal period ending August 31, 2022 (the 17th fiscal period).</li> <li>• We expect to record amortization of investment corporation bond issuance costs (amortized by the straight-line method over period until redemption) and amortization of investment unit issuance costs (amortized by the straight-line method over a three-year period) relating to issuance of investment corporation bonds and new investment units, etc. of ¥22 million in the fiscal period ending February 28, 2022 (the 16th fiscal period) and ¥22 million in the fiscal period ending August 31, 2022 (the 17th fiscal period).</li> </ul>

Interest-bearing debt	<ul style="list-style-type: none"> <li>• The balance of interest-bearing debt of the Investment Corporation as of the date of this report is ¥164,616 million (comprising ¥17,610 million in current portion of long-term borrowings, ¥132,006 million in long-term borrowings and ¥15,000 million in investment corporation bonds).</li> <li>• For ¥8,550 million in current portion of long-term borrowings, for which repayment is due by February 28, 2022 (the end of the 16th fiscal period) and ¥9,060 million in current portion of long-term borrowings, for which repayment is due by August 31, 2022 (the end of the 17th fiscal period), we assume the refinancing of the entire amounts at the time of the due date.</li> <li>• In order to cover part of the acquisition cost for the Assets Planned for Acquisition, we assume that we will borrow funds consisting of ¥5,500 million in short-term borrowings and ¥6,300 million in long-term borrowings (hereinafter collectively referred to as the “New Borrowings”). For details on New Borrowings, please refer to the “Notice concerning the Borrowings of Funds” released today.</li> <li>• In addition to the New Borrowings, we assume that if the proceeds from the issuance of new investment units through a public offering (hereinafter referred to as the “Public Offering”) resolved at a meeting of the Board of Directors held today, a portion of the transfer price of the Asset Planned for Transfer and New Borrowings are insufficient to cover the acquisition cost for Assets Planned for Acquisition, we will borrow funds in the form of short-term borrowings (hereinafter referred to as the “Bridge Loan”) to cover the amount of the shortfall. The amount of the Bridge Loan will be determined prior to executing the loan in consideration of the proceeds from the Public Offering and the amount of cash reserves used. The details regarding the Bridge Loan have not been determined as of today and will be announced once they are determined.</li> <li>• In addition, we assume that repayment of the Bridge Loan will be made by February 28, 2022 (the end of the 16th fiscal period) using proceeds from the issuance of new investment units through third-party allotment (hereinafter referred to as the “Third-Party Allotment”) resolved on the same day as the Public Offering, the transfer price (¥4,100 million) of the Asset Planned for Transfer on March 1, 2022 and/or cash reserves as the funds. However, if there is a remaining balance, such as due to the proceeds from the Public Offering and/or Third-Party Allotment being less than anticipated, we plan to refinance the loan prior to the repayment date. For details on the Public Offering and the Third-Party Allotment, please refer to the “Notice concerning the Issuance of New Investment Units and Secondary Offering of Investment Units” released today.</li> <li>• As a result of the above, we assume that the balance of interest-bearing debt as of each of February 28, 2022 (as of the end of the 16th fiscal period), and August 31, 2022 (as of the end of the 17th fiscal period), will be ¥176,416 million. We estimate LTV ratio (assumed) of approximately 45% as of February 28, 2022 (as of the end of the 16th fiscal period). However, the balance of interest-bearing debt and LTV ratio (assumed) may vary according to the final issue value of new investment units and the number of new investment units to be issued by the Public Offering and the Third-Party Allotment, and the amount of cash reserves used.</li> <li>• The above LTV ratio (assumed) was obtained by the following formula:  <math display="block">\text{LTV (assumed)} = \frac{\text{Interest-bearing debt at end of period (assumed amount)}}{\text{Total assets at end of period (projected amount)}} \times 100</math> <p>Total assets at end of period (assumed): Amount obtained by adding the total of the anticipated acquisition prices of the Assets Planned for Acquisition (¥33,460 million) to and subtracting the anticipated book value at the transfer date of 50.0% of the quasi co-ownership interest and 50.0% of the partial right of land co-ownership interest of the Asset Planned for Transfer (¥3,401 million) and the cash reserves allocated to the repayment of the Bridge Loan (¥3,380 million) from the sum of the</p> </li> </ul>
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Item	Assumptions
	total assets as stated on the balance sheet dated August 31, 2021 (as of the end of the 15th fiscal period) (¥369,358 million)
Issuance of investment units	<ul style="list-style-type: none"> <li>We have assumed that, in addition to the 1,353,000 total investment units issued as of the date of this report, a total of 87,000 units to be newly issued, which comprises 82,800 units through the Public Offering and the maximum number of 4,200 units through the Third-Party Allotment, will all be issued. Other than the above, we have assumed there will be no issuance of additional investment units until the end of the fiscal period ending August 31, 2022, (as of the end of the 17th fiscal period).</li> </ul>
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> <li>We have calculated distributions per unit (excluding distributions in excess of earnings) in accordance with the cash distribution policy prescribed in the Investment Corporation's Articles of Incorporation.</li> <li>Actual distributions per unit (excluding distributions in excess of earnings) may fluctuate due to various factors including changes in the asset portfolio, fluctuations in rent revenues associated with changes in tenants, or unforeseen needs for repairs.</li> <li>On the assumption of satisfaction of the conduit-related requirements under tax law for the portion of the gain on transfer expected from the transfer of the Asset Planned for Transfer, ¥62 million and ¥83 million will be kept in internal reserves for the period ending February 28, 2022 (16th fiscal period) and the period ending August 31, 2022 (17th fiscal period), respectively. The actual amount of internal reserves may change. Moreover, the Investment Corporation plans to use internal reserves to ensure stability in distribution payments, by using it to mitigate the negative effects in cases of temporary or unexpected income decrease or cost occurrence.</li> </ul>
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> <li>We currently have no plans to pay cash distributions in excess of earnings (regarding distributions in excess of earnings per unit).</li> </ul>
Others	<ul style="list-style-type: none"> <li>It is assumed that the adverse effects due to the spread of COVID-19 (including variants) will not exceed our expectations. Accordingly, adverse effects on operations due to of COVID-19 beyond current forecasts are not considered.</li> <li>We have assumed that no revisions that impact these forecasts will be made to laws and regulations, tax systems, accounting standards, securities listing regulations and the rules of The Investment Trusts Association, Japan, or others.</li> <li>We have assumed that no significant unforeseeable changes will occur in general economic trends or conditions in the real estate market.</li> </ul>

## 2. Unaudited Financial Information

### (1) Balance Sheets (unaudited)

(Unit: thousands of yen)

	Previous fiscal period (As of February 28, 2021)	Reporting period (As of August 31, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	11,543,492	13,731,679
Cash and deposits in trust	7,955,014	7,884,776
Operating accounts receivable	134,166	33,720
Prepaid expenses	47,759	64,503
Other	–	490
Total current assets	19,680,432	21,715,170
Noncurrent assets		
Property, plant and equipment		
Buildings	684,766	693,561
Accumulated depreciation	(39,574)	(48,713)
Buildings, net	645,191	644,848
Land	1,849,447	1,849,447
Buildings in trust	74,080,029	73,044,514
Accumulated depreciation	(10,085,773)	(11,020,320)
Buildings in trust, net	63,994,255	62,024,194
Structures in trust	414,041	398,940
Accumulated depreciation	(154,034)	(164,788)
Structures in trust, net	260,007	234,151
Machinery and equipment in trust	376,019	518,673
Accumulated depreciation	(200,498)	(221,400)
Machinery and equipment in trust, net	175,520	297,272
Tools, furniture and fixtures in trust	90,095	96,918
Accumulated depreciation	(34,286)	(41,052)
Tools, furniture and fixtures in trust, net	55,808	55,865
Land in trust	269,041,070	273,732,093
Construction in progress in trust	–	26,678
Total property, plant and equipment	336,021,301	338,864,551
Intangible assets		
Leasehold interests in land	2,343,025	2,345,873
Land leasehold interests in trust	8,779,682	4,966,941
Other	8,985	8,005
Total intangible assets	11,131,693	7,320,821
Investments and other assets		
Leasehold and guarantee deposits	419,955	360,076
Long-term prepaid expenses	1,032,215	977,534
Deferred tax assets	–	8,107
Total investments and other assets	1,452,171	1,345,717
Total noncurrent assets	348,605,166	347,531,090
Deferred assets		
Investment unit issuance costs	27,470	31,793
Investment corporation bond issuance costs	87,658	80,497
Total deferred assets	115,128	112,290
Total assets	368,400,728	369,358,551

(Unit: thousands of yen)

	Previous fiscal period (As of February 28, 2021)	Reporting period (As of August 31, 2021)
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	610,323	810,266
Short-term borrowings	3,960,000	—
Current portion of long-term borrowings	15,680,000	17,610,000
Accounts payable - other	1,481,175	1,275,525
Accrued expenses	25,560	23,410
Income taxes payable	77,671	89,620
Accrued consumption taxes	446,953	373,811
Advances received	1,653,922	1,734,073
Deposits received	5,578	1,194
Total current liabilities	23,941,186	21,917,903
Noncurrent liabilities		
Investment corporation bonds	15,000,000	15,000,000
Long-term borrowings	135,136,000	132,006,000
Leasehold and guarantee deposits received	131,075	166,073
Leasehold and guarantee deposits received in trust	14,696,271	14,454,321
Asset retirement obligations	283,601	284,282
Total noncurrent liabilities	165,246,948	161,910,677
Total liabilities	189,188,135	183,828,580
<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	173,778,746	180,440,016
Deduction from unitholders' capital		
Allowance for temporary difference adjustments	*2 (3,936)	*2 (3,936)
Total deduction from unitholders' capital	(3,936)	(3,936)
Unitholders' capital, net	173,774,810	180,436,080
Surplus		
Unappropriated retained earnings	5,437,782	5,093,890
Total surplus	5,437,782	5,093,890
Total unitholders' equity	179,212,592	185,529,970
Total net assets	*3 179,212,592	*3 185,529,970
Total liabilities and net assets	368,400,728	369,358,551



## (2) Statements of Income and Retained Earnings (unaudited)

(Unit: thousands of yen)

	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Reporting period (From March 1, 2021 to August 31, 2021)
Operating revenues		
Leasing business revenue	*1, *3 9,737,884	*1, *3 9,533,196
Other leasing business revenues	*1 487,374	*1 452,926
Gain on sale of real estate properties	*2, *3 945,510	*2, *3 519,046
Total operating revenues	11,170,769	10,505,170
Operating expenses		
Expenses related to leasing business	*1 3,421,533	*1 3,434,025
Asset management fees	1,256,800	1,072,007
Asset custody fees	15,549	15,499
Administrative service fees	49,329	49,227
Remuneration for directors (and other officers)	6,000	6,000
Other operating expenses	189,303	165,019
Total operating expenses	4,938,515	4,741,779
Operating profit	6,232,254	5,763,390
Non-operating income		
Interest income	91	97
Gain on forfeiture of unclaimed distributions	243	248
Total non-operating income	335	345
Non-operating expenses		
Interest expenses	479,149	463,651
Interest expenses on investment corporation bonds	47,252	48,742
Borrowing related expenses	168,386	172,079
Amortization of investment unit issuance costs	16,153	18,241
Amortization of investment corporation bond issuance costs	6,293	7,161
Total non-operating expenses	717,235	709,875
Ordinary profit	5,515,354	5,053,860
Profit before income taxes	5,515,354	5,053,860
Income taxes - current	77,685	89,635
Income taxes - deferred	26	(8,107)
Total income taxes	77,712	81,528
Profit	5,437,642	4,972,332
Retained earnings brought forward	140	121,558
Unappropriated retained earnings	5,437,782	5,093,890

### (3) Statements of Changes in Net Assets (unaudited)

Previous fiscal period (From September 1, 2020 to February 28, 2021)

(Unit: thousands of yen)

	Unitholders' equity							Total net assets
	Unitholders' capital				Surplus		Total unitholders' equity	
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital, net	Unappropriated retained earnings	Total surplus		
		Allowance for temporary difference adjustments	Total deduction from unitholders' capital					
Balance at the beginning of the period	173,778,746	(1,312)	(1,312)	173,777,434	5,082,828	5,082,828	178,860,262	178,860,262
Changes during the period								
Dividends of surplus	—	—	—	—	(5,082,688)	(5,082,688)	(5,082,688)	(5,082,688)
Distributions in excess of earnings from allowance for temporary difference adjustments	—	(2,624)	(2,624)	(2,624)	—	—	(2,624)	(2,624)
Profit	—	—	—	—	5,437,642	5,437,642	5,437,642	5,437,642
Total changes during the period	—	(2,624)	(2,624)	(2,624)	354,954	354,954	352,330	352,330
Balance at the end of the period	*1 173,778,746	(3,936)	(3,936)	173,774,810	5,437,782	5,437,782	179,212,592	179,212,592

Reporting period (From March 1, 2021 to August 31, 2021)

(Unit: thousands of yen)

(Unit: thousands of yen)

	Unitholders' equity							Total net assets
	Unitholders' capital				Surplus		Total unitholders' equity	
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital, net	Unappropriated retained earnings	Total surplus		
		Allowance for temporary difference adjustments	Total deduction from unitholders' capital					
Balance at the beginning of the period	173,778,746	(3,936)	(3,936)	173,774,810	5,437,782	5,437,782	179,212,592	179,212,592
Changes during the period								
Issuance of new investment units	6,661,270	—	—	6,661,270	—	—	6,661,270	6,661,270
Dividends of surplus	—	—	—	—	(5,316,224)	(5,316,224)	(5,316,224)	(5,316,224)
Profit	—	—	—	—	4,972,332	4,972,332	4,972,332	4,972,332
Total changes during the period	6,661,270	—	—	6,661,270	(343,891)	(343,891)	6,317,378	6,317,378
Balance at the end of the period	*1 180,440,016	(3,936)	(3,936)	180,436,080	5,093,890	5,093,890	185,529,970	185,529,970

**(4) Statements of Cash Distributions (unaudited)**

<div>Fiscal period</div> <div>Item</div>	<div>Previous fiscal period</div> <div>(From September 1, 2020 to February 28, 2021)</div>	<div>Reporting period</div> <div>(From March 1, 2021 to August 31, 2021)</div>
I Unappropriated retained earnings	¥5,437,782,898	¥5,093,890,902
II Distribution amount (Distributions per unit)	¥5,316,224,000 (¥4,052)	¥4,803,150,000 (¥3,550)
III Retained earnings carried forward	¥121,558,898	¥290,740,902
Method of calculating distribution amount	<p>Pursuant to the distribution policy prescribed in Article 35, Paragraph 1 of the Investment Corporation's Articles of Incorporation, the distribution amount shall be in excess of an amount equivalent to 90% of earnings available for distributions as defined in Article 67-15 of the Act on Special Measures Concerning Taxation, but not in excess of the amount of earnings. Based on this policy, the Investment Corporation decided to pay distributions for the previous fiscal period of an amount of the initially forecasted distribution of ¥5,316,224,000 and keep the amount in excess of that amount in internal reserves for the stabilization of future distributions.</p> <p>In addition, the Investment Corporation shall not distribute cash in an amount in excess of earnings prescribed in Article 35, Paragraph 2 of the Investment Corporation's Articles of Incorporation.</p>	<p>Pursuant to the distribution policy prescribed in Article 35, Paragraph 1 of the Investment Corporation's Articles of Incorporation, the distribution amount shall be in excess of an amount equivalent to 90% of earnings available for distributions as defined in Article 67-15 of the Act on Special Measures Concerning Taxation, but not in excess of the amount of earnings. Based on this policy, the Investment Corporation decided to pay distributions for the reporting period of an amount of the initially forecasted distribution of ¥4,803,150,000 and keep the amount in excess of that amount in internal reserves for the stabilization of future distributions.</p> <p>In addition, the Investment Corporation shall not distribute cash in an amount in excess of earnings prescribed in Article 35, Paragraph 2 of the Investment Corporation's Articles of Incorporation.</p>

## (5) Statements of Cash Flows (unaudited)

(Unit: thousands of yen)

	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Reporting period (From March 1, 2021 to August 31, 2021)
Cash flows from operating activities		
Profit before income taxes	5,515,354	5,053,860
Depreciation and amortization	1,240,171	1,234,765
Amortization of investment unit issuance costs	16,153	18,241
Amortization of investment corporation bond issuance costs	6,293	7,161
Interest income	(91)	(97)
Interest expenses	526,401	512,393
Decrease (increase) in operating accounts receivable	36,847	100,446
Decrease (increase) in prepaid expenses	(4,054)	(16,744)
Increase (decrease) in operating accounts payable	(272,262)	200,538
Increase (decrease) in accounts payable - other	192,479	(206,990)
Increase (decrease) in accrued consumption taxes	218,573	(73,141)
Increase (decrease) in advances received	(59,086)	80,150
Increase (decrease) in deposits received	5,215	(4,383)
Decrease (increase) in long-term prepaid expenses	(168,040)	54,681
Decrease in property, plant and equipment in trust due to sales	9,097,779	3,824,952
Decrease in intangible assets in trust due to sales	—	3,830,214
Other, net	(1,703)	97,383
Subtotal	16,350,033	14,713,432
Interest received	91	97
Interest paid	(536,596)	(517,460)
Income taxes (paid) refund	(1,140)	(77,671)
Net cash provided by (used in) operating activities	15,812,388	14,118,397
Cash flows from investing activities		
Purchase of property, plant and equipment	(32,270)	(7,724)
Purchase of property, plant and equipment in trust	(8,264,963)	(7,888,876)
Purchase of intangible assets	(9,797)	(91,565)
Purchase of intangible assets in trust	—	(28,783)
Payments of leasehold and guarantee deposits	(59,879)	—
Proceeds from refund of leasehold and guarantee deposits	226	59,879
Refund of leasehold and guarantee deposits received	(12,440)	(45,150)
Proceeds from leasehold and guarantee deposits received	12,440	80,148
Refund of leasehold and guarantee deposits received in trust	(174,856)	(655,262)
Proceeds from leasehold and guarantee deposits received in trust	388,366	413,311
Net cash provided by (used in) investing activities	(8,153,175)	(8,164,021)
Cash flows from financing activities		
Repayments of short-term borrowings	(15,000,000)	(3,960,000)
Proceeds from long-term borrowings	17,550,000	5,930,000
Repayments of long-term borrowings	(8,550,000)	(7,130,000)
Proceeds from issuance of investment corporation bonds	2,976,361	—
Proceeds from issuance of investment units	—	6,638,705
Distributions paid	(5,084,273)	(5,315,130)
Net cash provided by (used in) financing activities	(8,107,911)	(3,836,425)
Net increase (decrease) in cash and cash equivalents	(448,699)	2,117,949
Cash and cash equivalents at beginning of period	19,947,205	19,498,506
Cash and cash equivalents at end of period	*1 19,498,506	*1 21,616,456

**(6) Notes on Going Concern Assumption (unaudited)**

Not applicable.

**(7) Notes on Significant Accounting Policies (unaudited)**

1. Method of depreciation and amortization of noncurrent assets	<p>(1) Property, plant and equipment (including assets in trust) The straight-line method is used. The estimated useful lives of property, plant and equipment are listed below.</p> <table> <tr> <td>Buildings</td><td>3 to 64 years</td></tr> <tr> <td>Structures</td><td>4 to 20 years</td></tr> <tr> <td>Machinery and equipment</td><td>3 to 10 years</td></tr> <tr> <td>Tools, furniture and fixtures</td><td>3 to 15 years</td></tr> </table> <p>(2) Intangible assets The straight-line method is used. Internal use software is amortized over the estimated useful life (5 years).</p> <p>(3) Long-term prepaid expenses The straight-line method is used.</p>	Buildings	3 to 64 years	Structures	4 to 20 years	Machinery and equipment	3 to 10 years	Tools, furniture and fixtures	3 to 15 years
Buildings	3 to 64 years								
Structures	4 to 20 years								
Machinery and equipment	3 to 10 years								
Tools, furniture and fixtures	3 to 15 years								
2. Accounting method for deferred assets	<p>(1) Investment corporation bond issuance costs Amortized by the straight-line method over period until redemption.</p> <p>(2) Investment unit issuance costs Amortized by the straight-line method over a three-year period.</p>								
3. Recognition of revenue and expenses	<p>Fixed asset tax and related taxes For fixed asset tax, city planning tax, depreciable asset tax, etc. for real estate properties held, the amount of tax levied corresponding to the relevant accounting period is recorded as expenses related to leasing business.</p> <p>The amount equivalent to fixed asset tax and related taxes for the fiscal year that includes the date on which we paid settlement money to the transferor for acquisition of real estate, etc. is not recorded as expenses related to leasing business but included in the acquisition costs for the related properties. The amount equivalent to fixed asset tax included in acquisition costs for properties was ¥5,563 thousand for the previous fiscal period, and ¥26,162 thousand for the reporting period.</p>								
4. Method of hedge accounting	<p>(1) Method of hedge accounting Deferred hedge accounting is used for interest rate swaps. For interest rate swaps that satisfy requirements for special treatments, however, special treatment is used.</p> <p>(2) Hedging instruments and hedged items Hedging instruments: Interest rate swaps Hedged items: Interest on borrowings</p> <p>(3) Hedging policy The Investment Corporation conducts derivative transactions for the purpose of hedging risks provided for in the Articles of Incorporation of the Investment Corporation pursuant to the basic policy of risk management.</p> <p>(4) Method of assessing hedge effectiveness The assessment of hedge effectiveness is omitted since the interest rate swaps satisfy the requirements for special treatment.</p>								

5. Scope of cash and cash equivalents in the statements of cash flows	Cash and cash equivalents in the statement of cash flows are composed of cash on hand, cash in trust, demand deposits, deposits in trust, and short-term investments that are readily convertible, bear little risk in price fluctuations, and mature within 3 months of the date of acquisition.
6. Other information for preparation of financial statements	<p>(1) Accounting method for beneficial interests in trust in real estate</p> <p>With regard to beneficial interests in trust in real estate, all assets and liabilities within assets in trust as well as all revenue and expense items associated with assets in trust are accounted for under the respective account items of the balance sheet and statements of income and retained earnings.</p> <p>Of the assets in trust accounted for under the respective account items, the following significant items are separately indicated on the balance sheet:</p> <ul style="list-style-type: none"> <li>i) Cash and deposits in trust</li> <li>ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; and construction in progress in trust</li> <li>iii) Land leasehold interests in trust</li> <li>iv) Leasehold and guarantee deposits received in trust</li> </ul> <p>(2) Accounting method for consumption taxes</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 acquisition of assets are included in acquisition cost for each asset.</p>

#### New accounting standards not yet applied

- “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, issued by the Accounting Standards Board of Japan on March 31, 2020)
- “Guidance on Accounting Standard for Revenue Recognition” (ASBJ Guidance No. 30, issued by the Accounting Standards Board of Japan on March 26, 2021)
- “Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19, issued by the Accounting Standards Board of Japan on March 31, 2020)

#### (1) Overview

The International Accounting Standards Board (IASB) and US Financial Accounting Standards Board (FASB) jointly developed comprehensive revenue recognition standards and issued “Revenue from Contracts with Customers” in May 2014 (IASB’s IFRS 15 and FASB’s Topic 606). Considering that IFRS 15 shall apply to fiscal years beginning on or after January 1, 2018, and Topic 606 shall apply to fiscal years beginning after December 15, 2017, the ASBJ developed a comprehensive accounting standard on revenue recognition and thus issued the accounting standard together with the implementation guidance.

The ASBJ established the accounting standard on revenue recognition by following the basic policies in developing it. The basic policies were: firstly, incorporating the core principle of IFRS 15 as the starting point from the perspective of facilitating comparability among financial statements, which is one of the benefits of ensuring consistency with IFRS 15; secondly, adding alternative treatments, but to the extent not impairing comparability, where consideration should be given to the practice having been used in Japan.

#### (2) Scheduled date of application

The ASBJ statement and guidances will be applied at the beginning of the fiscal period ending February 28, 2022.

(3) Effects of application of the accounting standard, etc.

The impact of the application of the Accounting Standard for Revenue Recognition and the above guidance on the financial statements is currently under evaluation.

- “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, issued by the Accounting Standards Board of Japan on July 4, 2019)
- “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, issued by the Accounting Standards Board of Japan on July 4, 2019)
- “Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, issued by the Accounting Standards Board of Japan on June 17, 2021)
- “Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19, issued by the Accounting Standards Board of Japan on March 31, 2020)

(1) Overview

IASB and FASB both stipulate detailed guidance on fair value measurement as IFRS 13 “Fair Value Measurement” (IFRS) and Topic 820 “Fair Value Measurement” (FASB), respectively. To enhance the comparability with these international accounting standards, ASBJ has issued the above Accounting Standard for Fair Value Measurement and Guidance on Accounting Standard for Fair Value Measurement after thorough deliberation on the relevant guidance and disclosure requirements in the standard for fair value mainly of financial instruments.

The ASBJ’s basic policy for the development of the accounting standard for fair value measurement is generally to incorporate all the provisions of IFRS 13 from the perspective of increasing comparability of financial statements among companies in Japan and overseas by using the unified measurement method, and to establish other treatments of individual items to the extent that consideration is given to practices that have been conducted to date in Japan and comparability among financial statements is not impaired largely.

(2) Scheduled date of application

The ASBJ statements and guidances will be applied at the beginning of the fiscal period ending February 28, 2022.

(3) Effects of application of the accounting standards, etc.

The impact of the application of the Accounting Standard for Fair Value Measurement and the other standard and guidance above on the financial statements is currently under evaluation.

Additional information

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

Previous fiscal period (From September 1, 2020 to February 28, 2021)

Not applicable.

Reporting period (From March 1, 2021 to August 31, 2021)

Not applicable.

**(8) Notes to Financial Information (unaudited)****Notes to Balance Sheet (unaudited)**

## 1. Commitment line contracts

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

	Previous fiscal period (As of February 28, 2021)	Reporting period (As of August 31, 2021)
Total amount of commitment line contracts	¥13,000,000 thousand	¥13,000,000 thousand
Balance of borrowings outstanding	—	—
Difference	¥13,000,000 thousand	¥13,000,000 thousand

## \*2. Allowance for temporary difference adjustments

Previous fiscal period (As of February 28, 2021)

## 1. Reason for provision and reversal, related assets, etc., and amount provided

(Unit: thousands of yen)

Related assets, etc.	Reason	Initial amount	Balance at the beginning of the period	Amount of provision for the period	Amount of reversal for the period	Balance at the end of the period	Reason for reversal
Buildings in trust	Discrepancies in tax and accounting treatment in connection with the recognition of expenses related to asset retirement obligations	3,936	1,312	2,624	—	3,936	—

## 2. Specific method for reversal

At the time of retirement of the asset, etc., the amount to be treated will be reversed.

Reporting period (As of August 31, 2021)

## 1. Reason for provision and reversal, related assets, etc., and amount provided

(Unit: thousands of yen)

Related assets, etc.	Reason	Initial amount	Balance at the beginning of the period	Amount of provision for the period	Amount of reversal for the period	Balance at the end of the period	Reason for reversal
Buildings in trust	Discrepancies in tax and accounting treatment in connection with the recognition of expenses related to asset retirement obligations	3,936	3,936	—	—	3,936	—



## 2. Specific method for reversal

At the time of retirement of the asset, etc., the amount to be treated will be reversed.

### \*3. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

	Previous fiscal period (As of February 28, 2021)	Reporting period (As of August 31, 2021)
	¥50,000 thousand	¥50,000 thousand

### Notes to Statements of Income and Retained Earnings (unaudited)

#### \*1. Components of income (loss) from real estate leasing business

	(Unit: thousands of yen)	
	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Reporting period (From March 1, 2021 to August 31, 2021)
<b>A Real estate leasing business revenues</b>		
Leasing business revenue		
Rent	8,674,457	8,547,167
Land rent	265,026	265,032
Common service fees	798,399	720,997
Total	9,737,884	9,533,196
Other leasing business revenues		
Revenue from utilities charges	329,166	280,955
Other revenue	158,208	171,971
Total	487,374	452,926
Total real estate leasing business revenues	10,225,259	9,986,123
<b>B Expenses related to real estate leasing business</b>		
Expenses related to leasing business		
Property management fees	598,690	587,405
Utilities expenses	307,590	299,219
Taxes and public dues	776,573	832,603
Insurance expenses	10,589	13,661
Repair expenses	126,776	108,163
Depreciation and amortization	1,239,359	1,233,785
Other expenses related to leasing business	361,953	359,186
Total expenses related to real estate leasing business	3,421,533	3,434,025
<b>C Income (loss) from real estate leasing business (A – B)</b>	6,803,725	6,552,097

\*2. Components of gain (loss) on sales of real estate properties

Previous fiscal period (From September 1, 2020 to February 28, 2021)

Hulic Nihonbashi Honcho 1 Chome Building	(Unit: thousands of yen)
Proceeds from sales of real estate properties	4,450,000
Cost of sales of real estate properties	4,003,602
Other expenses for the sales	29,700
Gain on sales of real estate properties	416,696
Hulic Omori Building	(Unit: thousands of yen)
Proceeds from sales of real estate properties	3,705,000
Cost of sales of real estate properties	3,357,842
Other expenses for the sales	16,333
Gain on sales of real estate properties	330,823
Orchid Square (quasi co-ownership interest of 50%)	(Unit: thousands of yen)
Proceeds from sales of real estate properties	1,945,000
Cost of sales of real estate properties	1,736,334
Other expenses for the sales	10,676
Gain on sales of real estate properties	197,989

Reporting period (From March 1, 2021 to August 31, 2021)

Orchid Square (quasi co-ownership interest of 50%)	(Unit: thousands of yen)
Proceeds from sales of real estate properties	1,945,000
Cost of sales of real estate properties	1,735,046
Other expenses for the sales	5,965
Gain on sales of real estate properties	203,987
Shinagawa Season Terrace	(Unit: thousands of yen)
Proceeds from sales of real estate properties	6,280,000
Cost of sales of real estate properties	5,920,121
Other expenses for the sales	44,820
Gain on sales of real estate properties	315,058

\*3. Transactions with major corporate unitholders

	(Unit: thousands of yen)	
	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Reporting period (From March 1, 2021 to August 31, 2021)
From operating transactions		
Leasing business revenue	807,819	795,933
Gain on sales of real estate properties	528,813	203,987

**Notes to Statements of Changes in Net Assets (unaudited)**

\*1. Total number of authorized investment units and total number of investment units issued

	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Reporting period (From March 1, 2021 to August 31, 2021)
Total number of authorized investment units at end of period	20,000,000 units	20,000,000 units
Total number of investment units issued at end of period	1,312,000 units	1,353,000 units

**Notes to Statements of Cash Flows (unaudited)**

\*1. Reconciliation between cash and cash equivalents at end of period and relevant amount on the balance sheets

	(Unit: thousands of yen)	
	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Reporting period (From March 1, 2021 to August 31, 2021)
Cash and deposits	11,543,492	13,731,679
Cash and deposits in trust	7,955,014	7,884,776
Total cash and cash equivalent	19,498,506	21,616,456

**Notes on Financial Instruments (unaudited)**

1. Matters regarding status of financial instruments

(1) Policy for handling financial instruments

The Investment Corporation procures funds for acquisition of assets, repairs and repayment of debt primarily through borrowings from financial institutions, issuance of investment corporation bonds and issuance of investment units. In procuring interest-bearing debt, the Investment Corporation takes into account a balance between flexibility in procurement of funds and financial stability.

Furthermore, the Investment Corporation conducts derivative transactions only for the purpose of hedging fluctuation risk of interest rates for borrowings and does not conduct any speculative transactions.

(2) Description of financial instruments and associated risks, and risk management structure

Deposits are used for investment of our surplus funds. These deposits are exposed to credit risk such as bankruptcy of the depository financial institutions. Deposits are carried out with safety and redeemability taken into consideration and are limited to those with short-term deposit periods.

Borrowings and investment corporation bonds are mainly for the purpose of acquiring properties and refinancing of existing borrowings. Of these, borrowings with floating interest rates are exposed

to interest rate fluctuation risk. To avoid this fluctuation risk, the Investment Corporation uses derivative transactions (interest rate swaps) as hedging instruments, which, in effect, converts fluctuating interest rates into fixed interest rates.

For the method of hedge accounting, hedging instruments and hedged items, hedging policy and the method of assessing hedge effectiveness, please refer to “4. Method of hedge accounting” in “Notes on Significant Accounting Policies” above.

(3) Supplemental explanation on matters regarding fair values, etc. of financial instruments

The fair values of financial instruments are based on market prices, if available. If there is no available market price for certain financial instruments, such fair value is based on the value rationally measured. Since a number of variables are factored into the measurement of fair value, such fair value may vary if different assumptions are used. The contract amounts related to derivatives mentioned in “Notes on Derivative Transactions” below should not be considered indicative of the market risk associated with the derivative transactions.

2. Matters regarding fair value, etc. of financial instruments

Balance sheet carrying amount, fair value, and the difference between the two values as of February 28, 2021 are shown below.

(Unit: thousands of yen)

	Balance sheet carrying amount	Fair value	Difference
(1) Cash and deposits	11,543,492	11,543,492	—
(2) Cash and deposits in trust	7,955,014	7,955,014	—
Total assets	19,498,506	19,498,506	—
(1) Short-term borrowings	3,960,000	3,960,000	—
(2) Current portion of long-term borrowings	15,680,000	15,738,813	58,813
(3) Investment corporation bonds	15,000,000	15,020,700	20,700
(4) Long-term borrowings	135,136,000	131,758,829	(3,377,170)
Total liabilities	169,776,000	166,478,342	(3,297,657)
Derivative transactions	—	—	—

Balance sheet carrying amount, fair value, and the difference between the two values as of August 31, 2021 are shown below.

(Unit: thousands of yen)

	Balance sheet carrying amount	Fair value	Difference
(1) Cash and deposits	13,731,679	13,731,679	—
(2) Cash and deposits in trust	7,884,776	7,884,776	—
Total assets	21,616,456	21,616,456	—
(1) Short-term borrowings	—	—	—
(2) Current portion of long-term borrowings	17,610,000	17,692,757	82,757
(3) Investment corporation bonds	15,000,000	15,016,200	16,200
(4) Long-term borrowings	132,006,000	129,361,619	(2,644,380)
Total liabilities	164,616,000	162,070,576	(2,545,423)
Derivative transactions	—	—	—

(Note 1) Measurement of fair values of financial instruments and matters regarding derivative transactions

#### Assets

##### (1) Cash and deposits, and (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 equivalent to the amount of the book value, as they are settled in a short time.

#### Liabilities

##### (1) Short-term borrowings

The book value is used as the fair value of these liabilities, given that the fair value is almost equivalent to the amount of the book value, as they are settled in a short time and carry floating interest rates.

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

Since long-term borrowings that carry floating interest rates are reviewed on a short-term interval to reflect market interest rates, and the Investment Corporation's credit standing did not change significantly after the execution of loans, their fair value is considered approximate to the book value. Therefore, the book value is used as the fair value of these liabilities (however, for long-term borrowings with floating interest rates to which special treatment for interest rate swaps is applied (please refer to "Notes on Derivative Transactions" below), the fair value is calculated by discounting the sum of principal and interest, which are treated in combination with such interest rate swap, at a reasonable rate estimated for a similar new loan that is made corresponding to the remaining period). The fair value of long-term borrowings carrying fixed interest rates is calculated by discounting the sum of principal and interest at a reasonable rate estimated for a similar new loan that is made corresponding to the remaining period.

##### (3) Investment corporation bonds

Fair value has been calculated on the basis of reference quotations of sales-purchase transactions and other such data, as provided by financial institutions and other such entities.

#### Derivative transactions

Please refer to "Notes on Derivative Transactions" below.

(Note 2) Redemption of monetary claims scheduled to be due after the balance sheet date

Previous fiscal period (As of February 28, 2021)

(Unit: thousands of yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Cash and deposits	11,543,492	—	—	—	—	—
Cash and deposits in trust	7,955,014	—	—	—	—	—
Total	19,498,506	—	—	—	—	—

Reporting period (As of August 31, 2021)

(Unit: thousands of yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Cash and deposits	13,731,679	—	—	—	—	—
Cash and deposits in trust	7,884,776	—	—	—	—	—
Total	21,616,456	—	—	—	—	—

(Note 3) Redemption of investment corporation bonds, long-term borrowings and other interest-bearing debt scheduled to be due after the balance sheet date

Previous fiscal period (As of February 28, 2021)

(Unit: thousands of yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Short-term borrowings	3,960,000	—	—	—	—	—
Investment corporation bonds	—	—	—	—	5,000,000	10,000,000
Long-term borrowings	15,680,000	18,705,000	21,123,000	24,133,000	19,770,000	51,405,000
Total	19,640,000	18,705,000	21,123,000	24,133,000	24,770,000	61,405,000

Reporting period (As of August 31, 2021)

(Unit: thousands of yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Short-term borrowings	—	—	—	—	—	—
Investment corporation bonds	—	—	—	2,000,000	3,000,000	10,000,000
Long-term borrowings	17,610,000	22,185,000	21,077,000	22,069,000	20,070,000	46,605,000
Total	17,610,000	22,185,000	21,077,000	24,069,000	23,070,000	56,605,000

**Notes on Derivative Transactions (unaudited)**

1. Derivative transactions not applying hedge accounting

Not applicable for the previous fiscal period (as of February 28, 2021) and the reporting period (as of August 31, 2021).

2. Derivative transactions applying hedge accounting

Previous fiscal period (As of February 28, 2021)

The contracted amount or principal amount equivalent or the like set forth in the contract as of the balance sheet date for each hedge accounting method is as follows:

(Unit: thousands of yen)

Hedge accounting method	Type of derivative transaction	Major hedged item	Contracted amount		Fair value	Measurement method for fair value
				Portion due after 1 year		
Special treatment of interest rate swaps	Interest rate swap transaction Payment: fixed interest rate / Receipt: floating interest rate	Long-term borrowings	94,133,000	79,453,000	*	—

\* Interest rate swap transactions to which special treatment is applied are accounted for as an integral part of long-term borrowings, a hedged item. Thus, their fair values are included in the fair value of long-term borrowings (please refer to the preceding “Notes on Financial Instruments, 2. Matters regarding fair value, etc. of financial instruments, (Note 1) Measurement of fair values of financial instruments and matters regarding derivative transactions, Liabilities (2) Current portion of long-term borrowings, and (4) Long-term borrowings”).

#### Reporting period (As of August 31, 2021)

The contracted amount or principal amount equivalent or the like set forth in the contract as of the balance sheet date for each hedge accounting method is as follows:

(Unit: thousands of yen)

Hedge accounting method	Type of derivative transaction	Major hedged item	Contracted amount		Fair value	Measurement method for fair value
				Portion due after 1 year		
Special treatment of interest rate swaps	Interest rate swap transaction Payment: fixed interest rate / Receipt: floating interest rate	Long-term borrowings	87,003,000	76,097,000	*	—

\* Interest rate swap transactions to which special treatment is applied are accounted for as an integral part of long-term borrowings, a hedged item. Thus, their fair values are included in the fair value of long-term borrowings (please refer to the preceding “Notes on Financial Instruments, 2. Matters regarding fair value, etc. of financial instruments, (Note 1) Measurement of fair values of financial instruments and matters regarding derivative transactions, Liabilities (2) Current portion of long-term borrowings, and (4) Long-term borrowings”).

#### Notes on Tax Effect Accounting (unaudited)

##### 1. Breakdown of significant components of deferred tax assets and deferred tax liabilities

(Unit: thousands of yen)

	Previous fiscal period (As of February 28, 2021)	Reporting period (As of August 31, 2021)
Deferred tax assets		
Accrued enterprise tax excluded from expenses	7,014	8,107
Excess depreciation	533	747
Asset retirement obligations	88,687	88,687
Total deferred tax assets	96,235	97,542
Valuation allowance	(96,235)	(89,435)
Net deferred tax assets	—	8,107

##### 2. Reconciliation of significant differences between the statutory tax rate and the effective tax rate

(Unit: %)

	Previous fiscal period (As of February 28, 2021)	Reporting period (As of August 31, 2021)
Statutory tax rate	34.59	34.59
(Adjustments)		
Distributions paid included in expenses	(33.34)	(32.87)
Others	0.16	(0.11)
Effective tax rate	1.41	1.61

## Notes on Related Party Transactions (unaudited)

### 1. Parent company and major corporate unitholders

Previous fiscal period (From September 1, 2020 to February 28, 2021)

Type	Name	Location	Share capital or investments in capital (Thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship		Description of transaction	Amount of transaction (Thousands of yen)	Account item	Balance at end of period (Thousands of yen)
						Inter-locking officers, etc.	Business relationship				
Major corporate unitholder	Hulic Co., Ltd.	7-3, Nihonbashi Odenma-cho, Chuo-ku, Tokyo	62,718,573	Real estate business	Directly held by related party 10.95%	None	Leasing and management of real estate	Purchase of beneficial interests in real estate trust	8,100,000	—	—
								Transfer of beneficial interests in real estate trust	5,650,000	—	—
								Keeping of leasehold and guarantee deposits received in trust	491,421	Leasehold and guarantee deposits received in trust	12,147,277
								Repayment of leasehold and guarantee deposits received in trust	477,853		
								Earning of rent revenue, etc.	807,819	Advances received	141,504

(Note 1) In the amounts in the above table, consumption taxes are not included in amount of transaction but are included in balance at end of period.

(Note 2) Transaction terms are determined based on current market prices.

Reporting period (From March 1, 2021 to August 31, 2021)

Type	Name	Location	Share capital or investments in capital (Thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship		Description of transaction	Amount of transaction (Thousands of yen)	Account item	Balance at end of period (Thousands of yen)
						Inter-locking officers, etc.	Business relationship				
Major corporate unitholder	Hulic Co., Ltd.	7-3, Nihonbashi Odenma-cho, Chuo-ku, Tokyo	62,718,573	Real estate business	Directly held by related party 10.62%	None	Leasing and management of real estate	Purchase of beneficial interests in real estate trust	7,440,000	—	—
								Transfer of beneficial interests in real estate trust	1,945,000	—	—
								Keeping of leasehold and guarantee deposits received in trust	419,412	Leasehold and guarantee deposits received in trust	12,320,448
								Repayment of leasehold and guarantee deposits received in trust	246,241		
								Earning of rent revenue, etc.	795,933	Advances received	141,504



(Note 1) In the amounts in the above table, consumption taxes are not included in amount of transaction but are included in balance at end of period.

(Note 2) Transaction terms are determined based on current market prices.

## 2. Subsidiaries and affiliates

Not applicable for the previous fiscal period (from September 1, 2020 to February 28, 2021) and the reporting period (from March 1, 2021 to August 31, 2021).

## 3. Subsidiaries of parent company

Previous fiscal period (From September 1, 2020 to February 28, 2021)

Type	Name	Location	Share capital or investments in capital (Thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship		Description of transaction	Amount of transaction (Thousands of yen)	Account item	Balance at end of period (Thousands of yen)
						Inter-locking officers, etc.	Business relationship				
Company in which major unitholder (corporation) owns a majority of voting rights	Hulic Reit Management Co., Ltd.	2-26-9, Hatcho-bori, Chuo-ku, Tokyo	200,000	Business related to management of investment corporation's assets under management	–	One (Note 1)	Consignment of asset management	Payment of asset management fee (Note 2)	1,313,425	Accounts payable - other	1,382,480

(Note 1) Eiji Tokita, Executive Officer of the Investment Corporation, retired from his position of President and CEO of Hulic Reit Management Co., Ltd. on February 24, 2021, and Kazuaki Chokki assumed position as President and CEO on the same day.

(Note 2) Payment of asset management fee includes the portion of compensation associated with a property acquisition factored into the book value of the individual properties (¥20,250 thousand) and the portion of compensation associated with a property transfer deducted from gain on sales of real estate properties of the individual properties (¥36,375 thousand).

(Note 3) In the amounts in the above table, consumption taxes are not included in amount of transaction but are included in balance at end of period.

(Note 4) Transaction terms are determined based on current market prices.

Reporting period (From March 1, 2021 to August 31, 2021)

Type	Name	Location	Share capital or investments in capital (Thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship		Description of transaction	Amount of transaction (Thousands of yen)	Account item	Balance at end of period (Thousands of yen)
						Inter-locking officers, etc.	Business relationship				
Company in which major unitholder (corporation) owns a majority of voting rights	Hulic Reit Management Co., Ltd.	2-26-9, Hatcho-bori, Chuo-ku, Tokyo	200,000	Business related to management of investment corporation's assets under management	–	One	Consignment of asset management	Payment of asset management fee (Note 1)	1,126,870	Accounts payable - other	1,179,208

(Note 1) Payment of asset management fee includes the portion of compensation associated with a property acquisition factored into the book value of the individual properties (¥18,600 thousand) and the portion of compensation associated with a property transfer deducted from gain on sales of real estate properties of the individual properties (¥36,262 thousand).

(Note 2) In the amounts in the above table, consumption taxes are not included in amount of transaction but are included in balance at end of period.

(Note 3) Transaction terms are determined based on current market prices.

#### 4. Officers and major individual unitholders

Previous fiscal period (From September 1, 2020 to February 28, 2021)

Eiji Tokita, Executive Officer of the Investment Corporation, retired from his position of President and CEO of Hulic Reit Management Co., Ltd. on February 24, 2021, and Kazuaki Chokki assumed position as President and CEO on the same day. Therefore, the transaction amounts for transactions during the period from September 1, 2020 to February 28, 2021, which includes those carried out during Eiji Tokita's term of office as the Representative of a third party (Hulic Reit Management Co., Ltd.) are shown, and the details are as shown above in transactions with Hulic Reit Management Co., Ltd. in "3. Subsidiaries of parent company."

Reporting period (From March 1, 2021 to August 31, 2021)

Transactions carried out by Kazuaki Chokki, Executive Officer of the Investment Corporation, as the Representative of a third party (Hulic Reit Management Co., Ltd.) are as shown above in transactions with Hulic Reit Management Co., Ltd. in "3. Subsidiaries of parent company."

#### Notes on Asset Retirement Obligations (unaudited)

Asset retirement obligations recorded in the balance sheet

##### 1. Overview of asset retirement obligations

For Hulic Asakusabashi Building acquired on December 20, 2019, the Investment Corporation has restoration obligations under an agreement for establishment of a fixed-term land sublease right for business use and recorded asset retirement obligations.

##### 2. Calculation of the amount of the asset retirement obligations

The expected usable period is estimated to be the period from the acquisition of the asset to the expiry of the agreement, which is 45 years and one month, and the amount of the asset retirement obligations was calculated using the discount rate of 0.48%.

##### 3. Increase or decrease in the total amount of the asset retirement obligations

	(Unit: thousands of yen)	
	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Reporting period (From March 1, 2021 to August 31, 2021)
Balance at beginning of period	282,922	283,601
Increase in connection with the acquisition of property, plant and equipment	—	—
Adjustment due to passage of time	679	680
Balance at end of period	283,601	284,282

#### Notes on Investment and Rental Properties (unaudited)

The Investment Corporation owns rental office buildings and other properties in Tokyo and other regions for rent revenue. The balance sheet carrying amounts, changes during the period, and fair values of these rental properties are as follows:

	(Unit: thousands of yen)	
	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Reporting period (From March 1, 2021 to August 31, 2021)
Balance sheet carrying amount		
Balance at beginning of period	348,987,206	347,144,009
Changes during period	(1,843,196)	(966,642)
Balance at end of period	347,144,009	346,177,367
Fair value at end of period	405,065,000	404,758,000

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

(Note 2) The main reason for the increase in the investment and rental properties during the previous fiscal period is the acquisition of beneficial interests in real estate trust of 2 properties (¥8,149,485 thousand) and the decrease is mainly

due to transfer of beneficial interests in real estate trust of 3 properties (¥9,097,779 thousand) and depreciation and amortization (¥1,238,680 thousand). The main reason for the increase during the reporting period is the acquisition of beneficial interests in real estate trust of 2 properties (¥7,592,489 thousand) and the decrease is mainly due to transfer of beneficial interests in real estate trust of 2 properties (¥7,655,167 thousand) and depreciation and amortization (¥1,233,105 thousand).

(Note 3) The fair value at end of period is the appraisal value provided by an independent real estate appraiser. Concerning the fair value at end of the previous fiscal period, the fair value of Orchid Square therein is based on the transfer price of the 50.0% quasi co-ownership interest of property transferred on March 1, 2021, stated on the trust beneficiary right sales agreement entered into on October 14, 2020, and the fair value of Shinagawa Season Terrace therein is based on the transfer price stated on the trust beneficiary right sales agreement entered into on March 26, 2021. Concerning the fair value at end of the reporting period, the fair value of Hulic Shinjuku 3 Chome Building therein is based on the transfer price stated on the agreement for sales of beneficial interests in trust and land entered into on October 14, 2021.

The profit or loss concerning investment and rental properties is indicated under “Notes to Statements of Income and Retained Earnings” above.

## Notes on Segment and Related Information (unaudited)

### Segment information

Disclosure is omitted as the Investment Corporation is comprised of a single reportable segment engaged in the real estate leasing business.

### Related information

Previous fiscal period (From September 1, 2020 to February 28, 2021)

#### 1. Information by product and service

Disclosure is omitted as operating revenues from external customers of products and services within a single segment are more than 90% of operating revenues on the statements of income and retained earnings.

#### 2. Information by geographical area

##### (1) Operating revenues

Disclosure is omitted since operating revenues from external customers in Japan exceeded 90% of operating revenues on the statements of income and retained earnings.

##### (2) Property, plant and equipment

Disclosure is omitted since the amount of property, plant and equipment located in Japan exceeded 90% of property, plant and equipment on the balance sheet.

#### 3. Information by major customer

(Unit: thousands of yen)

Counterparty	Operating revenues	Related segment
Hulic Co., Ltd.	1,336,633	Real estate leasing business

Reporting period (From March 1, 2021 to August 31, 2021)

#### 1. Information by product and service

Disclosure is omitted as operating revenues from external customers of products and services within a single segment are more than 90% of operating revenues on the statements of income and retained earnings.

## 2. Information by geographical area

### (1) Operating revenues

Disclosure is omitted since operating revenues from external customers in Japan exceeded 90% of operating revenues on the statements of income and retained earnings.

### (2) Property, plant and equipment

Disclosure is omitted since the amount of property, plant and equipment located in Japan exceeded 90% of property, plant and equipment on the balance sheet.

## 3. Information by major customer

(Unit: thousands of yen)

Counterparty	Operating revenues	Related segment
Hulic Co., Ltd.	999,920	Real estate leasing business

## Notes on Per Unit Information (unaudited)

	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Reporting period (From March 1, 2021 to August 31, 2021)
Net assets per unit	¥136,594	¥137,124
Basic earnings per unit	¥4,144	¥3,698

(Note 1) Basic earnings per unit is calculated by dividing profit by the day-weighted average number of investment units for the period. Fully diluted earnings per unit is not presented, as there is no potential investment unit.

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

	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Reporting period (From March 1, 2021 to August 31, 2021)
Profit (Thousands of yen)	5,437,642	4,972,332
Amount not attributable to common unitholders (Thousands of yen)	—	—
Profit attributable to common investment units (Thousands of yen)	5,437,642	4,972,332
Average number of investment units for the period (Units)	1,312,000	1,344,538

## Notes on Significant Subsequent Events (unaudited)

### Issuance of new investment units

The Investment Corporation passed resolutions at a meeting of its Board of Directors held on October 14, 2021, to issue new investment units as follows for the purpose of using the proceeds for a portion of the purchase price for specified assets, etc. The details such as the issue price per unit will be determined at the Board of Directors meetings to be held going forward.

(New investment unit issuance through public offering)

Number of new investment units to be issued:	82,800 units
Payment date:	A date from October 27, 2021 to October 29, 2021

(New investment unit issuance through third-party allotment)

Number of new investment units to be issued (maximum):	4,200 units
Payment date:	November 22, 2021
Allottee:	Mizuho Securities Co., Ltd.

If the entire number of new investment units to be issued in the Third-Party Allotment, or a portion thereof, is not subscribed to, this may result in the final number of new investment units issued in the Third-Party Allotment being reduced by such number of units or fewer due to forfeiture or the issuance itself not being carried out at all.

### **Omission of Disclosure**

Disclosure is omitted for items for notes on securities, share of profit or loss of entities accounted for using the equity method, lease transactions and retirement benefits, since necessity for their disclosure in the financial results report is not deemed to be significant.

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

A summary of capital increase, etc. over the most recent five years including the reporting period is shown as below.

Date	Event	Total number of investment units issued (Units)		Total unitholders' capital (Millions of yen)		Remarks
		Change	Balance	Change	Balance	
October 3, 2016	Capital increase through public offering	83,800	1,040,800	13,821	131,358	(Note 1)
October 26, 2016	Capital increase through third-party allotment	4,200	1,045,000	692	132,051	(Note 2)
October 31, 2017	Capital increase through public offering	61,800	1,106,800	9,190	141,241	(Note 3)
November 20, 2017	Capital increase through third-party allotment	3,200	1,110,000	475	141,717	(Note 4)
October 31, 2018	Capital increase through public offering	134,200	1,244,200	20,068	161,786	(Note 5)
November 19, 2018	Capital increase through third-party allotment	6,800	1,251,000	1,016	162,803	(Note 6)
September 26, 2019	Capital increase through public offering	58,000	1,309,000	10,435	173,238	(Note 7)
October 11, 2019	Capital increase through third-party allotment	3,000	1,312,000	539	173,778	(Note 8)
April 7, 2021	Capital increase through public offering	39,000	1,351,000	6,336	180,115	(Note 9)
April 27, 2021	Capital increase through third-party allotment	2,000	1,353,000	324	180,440	(Note 10)

(Note 1) New investment units were issued through public offering with an issue price per unit of ¥170,625 (issue value: ¥164,937) in order to raise funds for the acquisition of new properties, etc.

(Note 2) New investment units were issued through a private placement allocated to Mizuho Securities Co., Ltd. with an issue value per unit of ¥164,937.

(Note 3) New investment units were issued through public offering with an issue price per unit of ¥153,757 (issue value: ¥148,710) in order to raise funds for the acquisition of new properties, etc.

(Note 4) New investment units were issued through a private placement allocated to Mizuho Securities Co., Ltd. with an issue value per unit of ¥148,710.

(Note 5) New investment units were issued through public offering with an issue price per unit of ¥154,537 (issue value: ¥149,544) in order to raise funds for the acquisition of new properties, etc.

(Note 6) New investment units were issued through a private placement allocated to Mizuho Securities Co., Ltd. with an issue value per unit of ¥149,544.

(Note 7) New investment units were issued through public offering with an issue price per unit of ¥185,932 (issue value: ¥179,924) in order to raise funds for the acquisition of new properties, etc.

(Note 8) New investment units were issued through a private placement allocated to Mizuho Securities Co., Ltd. with an issue value per unit of ¥179,924.

(Note 9) New investment units were issued through public offering with an issue price per unit of ¥167,895 (issue value: ¥162,470) in order to supplement cash reserves by amount of decrease arising from its allocation for a portion of the purchase price for new properties, etc.

(Note 10) New investment units were issued through a private placement allocated to Mizuho Securities Co., Ltd. with an issue value per unit of ¥162,470.

(Note 11) Changes in total unitholders' capital in connection with the implementation of distributions in excess of earnings related to allowance for temporary difference adjustments have not been taken into consideration.

### 3. Reference Information

#### (1) Status of Investment

Type of assets	Category	Region (Note 1)	Previous fiscal period (As of February 28, 2021)		Reporting period (As of August 31, 2021)	
			Total amount held (Millions of yen) (Note 2)	Percentage to total assets (%) (Note 3)	Total amount held (Millions of yen) (Note 2)	Percentage to total assets (%) (Note 3)
Real estate	Tokyo Commercial Properties	Six central wards of Tokyo	4,837	1.3	4,840	1.3
		Other wards of Tokyo	—	—	—	—
		Other	—	—	—	—
		Total	4,837	1.3	4,840	1.3
	Next-Generation Assets Plus	Six central wards of Tokyo	—	—	—	—
		Other wards of Tokyo	—	—	—	—
		Other	—	—	—	—
		Total	—	—	—	—
	Total real estate		4,837	1.3	4,840	1.3
Real estate in trust	Tokyo Commercial Properties	Six central wards of Tokyo	224,158	60.8	216,205	58.5
		Other wards of Tokyo	41,537	11.3	45,425	12.3
		Other	4,604	1.2	4,581	1.2
		Total	270,301	73.4	266,213	72.1
	Next-Generation Assets Plus	Six central wards of Tokyo	29,569	8.0	29,460	8.0
		Other wards of Tokyo	22,953	6.2	22,851	6.2
		Other	19,482	5.3	22,812	6.2
		Total	72,005	19.5	75,124	20.3
	Total real estate in trust		342,306	92.9	341,337	92.4
Total real estate and real estate in trust			347,144	94.2	346,177	93.7
Deposits and other assets			21,256	5.8	23,181	6.3
Total assets			368,400	100.0	369,358	100.0

	Amount (Millions of yen)	Percentage to total assets (%) (Note 3)	Amount (Millions of yen)	Percentage to total assets (%) (Note 3)
Total liabilities	189,188	51.4	183,828	49.8
Total net assets	179,212	48.6	185,529	50.2

(Note 1) *Six central wards of Tokyo* refer to Chiyoda ward (Chiyoda-ku), Chuo ward (Chuo-ku), Minato ward (Minato-ku), Shinjuku ward (Shinjuku-ku), Shibuya ward (Shibuya-ku) and Shinagawa ward (Shinagawa-ku).

(Note 2) *Total amount held* represents the balance sheet carrying amount (for real estate and real estate in trust, book value less depreciation expenses), rounded down to the nearest million yen.

(Note 3) *Percentage to total assets* represents the ratios of each asset held, total liabilities and total net assets to total assets, rounded to one decimal place.

## (2) Investment Assets

### i) Overview of investment assets

(As of August 31, 2021)

(As of August 31, 2021)								
Category		Property name	Date of construction (Note 1)	Total contracted rent (Millions of yen) (Note 2)	Leasehold/ guarantee deposits (Millions of yen) (Note 3)	Total leased area (m <sup>2</sup> ) (Note 4)	Total leasable area (m <sup>2</sup> ) (Note 5)	Occupancy rate (%) (Note 6)
Tokyo Commercial Properties	Office properties	Hulic Kamiyacho Building	April 1985	2,735	2,673	31,919.66	32,487.06	98.3
		Hulic Kudan Building (Land)	—	530	265	3,351.07	3,351.07	100.0
		Toranomon First Garden (Note 7)	August 2010	447	271	4,469.15	5,689.97	78.5
		Rapiros Roppongi (Note 8)	August 1997	645	586	6,730.52	6,730.52	100.0
		Hulic Takadanobaba Building	November 1993	314	194	5,369.71	5,369.71	100.0
		Hulic Kanda Building	September 2008	285	265	3,728.36	3,728.36	100.0
		Hulic Kandabashi Building	June 2001	164	127	2,566.95	2,566.95	100.0
		Hulic Kakigaracho Building	March 1993	191	128	2,858.48	2,858.48	100.0
		Ochanomizu Sola City (Note 9)	February 2013	(Note 22)	(Note 22)	13,885.63	13,923.42	99.7
		Hulic Higashi Ueno 1 Chome Building	July 1988	183	145	3,137.09	3,137.09	100.0
		Tokyo Nishi Ikebukuro Building (Note 10)	October 1990	111	195	1,429.74	1,429.74	100.0
		Hulic Toranomon Building	May 2015	921	654	8,574.65	8,574.65	100.0
		Hulic Shibuya 1 chome Building	August 1993	245	188	2,817.65	2,817.65	100.0
		Hulic Higashi Nihonbashi Building	November 1996	193	130	3,681.20	3,681.20	100.0
		Hulic Jimbocho Building	September 1989	78	63	1,561.38	1,561.38	100.0
		Hulic Ginza 7 Chome Building (Note 11)	September 1962	1,022	572	11,405.68	11,405.68	100.0
		Hulic Gotanda Yamate-dori Building	March 1996	174	166	2,820.41	3,296.01	85.6
		Bancho House	August 1989	(Note 22)	112	1,981.83	1,981.83	100.0
		Ebisu Minami Building	September 1992	(Note 22)	(Note 22)	1,629.09	1,629.09	100.0
		Hulic Iidabashi Building	February 1991	81	56	1,431.94	1,431.94	100.0
		Hulic Asakusabashi Building (Note 12)	February 2013	354	193	5,280.72	5,280.72	100.0
		Hulic Ebisu Building	February 1992	59	46	900.19	1,059.22	85.0
		Hulic Ryogoku Building (Note 13)	January 2010	286	203	4,569.34	4,569.34	100.0
		Hulic Asakusabashi Edo-dori (Note 14)	September 2015	270	130	3,956.73	3,956.73	100.0
		Hulic Nakano Building (Note 15)	October 1994	169	130	2,616.83	2,616.83	100.0
		Hulic Ueno Building (Note 16)	(Bank branch building) April 1986 (Parking lot) March 1986	210	190	3,031.85	3,031.85	100.0
		Subtotal		—	—	—	135,705.85	138,166.49
	Retail properties	Oimachi Redevelopment Building (#2)	September 1989	624	656	14,485.66	14,485.66	100.0
		Oimachi Redevelopment Building (#1) (Note 17)	September 1989	438	529	10,612.67	10,612.67	100.0
		Dining Square Akihabara Building	June 1993	(Note 22)	(Note 22)	2,169.41	2,169.41	100.0
		Hulic Jingu-Mae Building	September 2000	160	82	1,656.24	1,656.24	100.0
		Hulic Shinjuku 3 Chome Building	June 1983	346	208	1,351.15	1,351.15	100.0
		Yokohama Yamashitacho Building	July 1993	(Note 22)	(Note 22)	8,958.70	8,958.70	100.0
		Hulic Todoroki Building	August 1990	94	69	1,676.02	1,676.02	100.0
		HULIC &New SHIBUYA (Note 18)	April 2017	109	114	728.88	898.62	81.1
		HULIC &New SHINBASHI	April 2017	154	135	1,725.35	1,725.35	100.0
		Hulic Shimura-sakaue	(Retail property block) November 2015 (Private nursing home block) February 2016	469	354	11,528.34	11,528.34	100.0
		Hulic Mejiro	October 2018	279	187	3,805.72	3,805.72	100.0
		Subtotal		—	—	—	58,698.14	58,867.88
Total		—	—	—	194,403.99	197,034.37	98.7	



Category		Property name	Date of construction (Note 1)	Total contracted rent (Millions of yen) (Note 2)	Leasehold/ guarantee deposits (Millions of yen) (Note 3)	Total leased area (m <sup>2</sup> ) (Note 4)	Total leasable area (m <sup>2</sup> ) (Note 5)	Occupancy rate (%) (Note 6)	
Next-Generation Assets Plus	Private nursing homes	Aria Matsubara	September 2005	(Note 22)	(Note 22)	5,454.48	5,454.48	100.0	
		Trust Garden Yoganomori	September 2005	(Note 22)	(Note 22)	5,977.75	5,977.75	100.0	
		Trust Garden Sakurashinmachi	August 2005	(Note 22)	(Note 22)	3,700.26	3,700.26	100.0	
		Trust Garden Suginami Miyamae	April 2005	(Note 22)	(Note 22)	3,975.99	3,975.99	100.0	
		Trust Garden Tokiwamatsu	January 2016	(Note 22)	(Note 22)	2,893.82	2,893.82	100.0	
		SOMPO Care La vie Re Kita-Kamakura	March 2009	(Note 22)	(Note 22)	4,912.57	4,912.57	100.0	
		Charm Suite Shinjukutoyama	June 2015	(Note 22)	(Note 22)	4,065.62	4,065.62	100.0	
		Charm Suite Shakujikocho	June 2014	(Note 22)	(Note 22)	4,241.68	4,241.68	100.0	
		Hulic Chofu	March 2017	173	144	4,357.58	4,357.58	100.0	
		Subtotal	—	—	—	39,579.75	39,579.75	100.0	
	Network centers	Ikebukuro Network Center	January 2001	271	136	12,773.04	12,773.04	100.0	
		Tabata Network Center	April 1998	90	45	3,832.73	3,832.73	100.0	
		Hiroshima Network Center	October 2001	88	44	5,208.54	5,208.54	100.0	
		Atsuta Network Center	May 1997	73	37	4,943.10	4,943.10	100.0	
		Nagano Network Center	September 1994	33	17	2,211.24	2,211.24	100.0	
		Chiba Network Center	June 1995	447	224	23,338.00	23,338.00	100.0	
		Sapporo Network Center	January 2002	167	84	9,793.57	9,793.57	100.0	
		Keihanna Network Center	May 2001	94	47	9,273.44	9,273.44	100.0	
			Subtotal	—	1,265	632	71,373.66	71,373.66	100.0
	Hotels	Sotetsu Fresa Inn Ginza 7 Chome (Note 19)	August 2016	480	480	6,984.32	6,984.32	100.0	
		Sotetsu Fresa Inn Tokyo-Roppongi (Note 20)	August 2017	216	54	2,408.45	2,408.45	100.0	
		Hulic Tsukiji 3 Chome Building	November 2018	(Note 22)	(Note 22)	4,740.31	4,740.31	100.0	
			Subtotal	—	—	—	14,133.08	14,133.08	100.0
	Others	Hulic Hachioji Building (Note 21)	(Bank branch building) February 2009 (Parking lot) November 2009	285	193	3,768.00	3,768.00	100.0	
			Subtotal	—	285	193	3,768.00	3,768.00	100.0
			Total	—	—	—	128,854.49	128,854.49	100.0
	Total of the portfolio		—	—	—	323,258.48	325,888.86	99.2	

(Note 1) *Date of construction* represents the date of construction as described in the property registry. Date of construction is omitted in case of holding of land only.

(Note 2) *Total contracted rent* is calculated by multiplying the monthly contracted rent (limited to rent for room, including common service fee and excluding consumption taxes and usage fee for warehouses, signboards and parking lots, regardless of free rent arrangements in effect as of August 31, 2021) indicated in the relevant lease agreements for buildings of each asset held in effect as of August 31, 2021 by 12 (with respect to assets held subject to multiple lease agreements, the aggregate monthly rent for all lease agreements) and rounding to the nearest million yen. For properties for which ownership is only for land, it is calculated by multiplying the monthly contracted rent (excluding consumption taxes) as indicated in the lease agreement for such land as of August 31, 2021 by 12 and rounding to the nearest million yen. When a master lease agreement has been executed for the asset held, the amounts provided are the amount for the portion corresponding to the pass-through master lease under which rents are directly received from end-tenants in principle (hereinafter referred to as the “Pass-through Master Lease Agreement”), calculated on an annual basis by multiplying the monthly rent as indicated in each sublease agreement entered into with end-tenants corresponding to that portion by 12; and the amount for the portion corresponding to the fixed-type master lease under which a certain amount of rent is received regardless of fluctuations in rents for end-tenants (hereinafter referred to as the “Fixed-type Master Lease Agreement”), calculated on an annual basis by multiplying the monthly rent as indicated by the Fixed-type Master Lease Agreement corresponding to that portion by 12. In addition, the Investment Corporation has not obtained permission from the end-tenant or other relevant party of Hulic Shinjuku 3 Chome Building to disclose information on the partial right of land additionally acquired on February 13, 2020, and accordingly is unable to calculate the total contracted rent relating to the partial right of land.

(Note 3) *Leasehold/guarantee deposits* indicates the aggregate of the recognized book values for the leasehold and/or guarantee deposit(s) of each asset held as of August 31, 2021, rounded to the nearest million yen. In addition, the Investment Corporation has not obtained permission from the end-tenant or other relevant party of Hulic Shinjuku 3 Chome Building to disclose information on the partial right of land additionally acquired on February 13, 2020, and accordingly is unable to calculate the leasehold/guarantee deposits relating to the partial right of land.

(Note 4) *Total leased area* is equivalent to total floor area or similar measurement of leased space set out in the relevant lease agreements or similar contracts for buildings of each asset held as of August 31, 2021. For the portion for which there is a Pass-through Master Lease Agreement, the actual total area leased under each sublease agreement entered into with end-tenants corresponding to that portion is provided; and for the portion for which there is a Fixed-type Master Lease Agreement, the total area corresponding to that portion is provided. For the property of which ownership is only for land, the area of the land is provided.

- (Note 5) *Total leasable area* is equivalent to the gross leasable area, based on the lease agreements or floor plans of buildings of each asset held as of August 31, 2021. With respect to properties of which ownership is only for land, leasable area is the leasable area of the land as described in the applicable land lease agreements or land plans.
- (Note 6) *Occupancy rate* shows the proportion of the total leased area to the total leasable area of each asset held as of August 31, 2021, rounded to the nearest tenth. Subtotals, totals and total of the portfolio show the proportion of the total leased area to the total of leasable area for the assets held, rounded to the nearest tenth.
- (Note 7) For Toranomom First Garden, total leasable area shows figures equivalent to the Investment Corporation's partial ownership in the building (including some of co-ownership portion). (For the co-ownership portion, the figures calculated on a pro-rata basis in accordance with the co-ownership interests owned by the Investment Corporation are listed.) On the other hand, a master lease is served on the whole building together with the exclusively owned portions owned by other unit owners, and as income and expenditure of the property is allocated according to the ratio of ownership interest of the partial ownership owned by each unit owner, the figure shown for occupancy rate is that of the entire building. Total leased area, total contracted rent and leasehold/guarantee deposits show amounts equivalent to the ratio of ownership interest of the partial ownership in the building held by the Investment Corporation (approximately 81.4%).
- (Note 8) For Rapiros Roppongi, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation's partial ownership in the building (including some of co-ownership portion). (For the co-ownership portion, the figures calculated on a pro-rata basis in accordance with the co-ownership interests owned by the Investment Corporation are listed.)
- (Note 9) For Ochanomizu Sola City, total leased area, total leasable area and occupancy rate show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (21.7%).
- (Note 10) For Tokyo Nishi Ikebukuro Building, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation's partial ownership in the building (including some of co-ownership portion).
- (Note 11) For Hulic Ginza 7 Chome Building, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (95.0%).
- (Note 12) For Hulic Asakusabashi Building, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (50.0%).
- (Note 13) For Hulic Ryogoku Building, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 14) For Hulic Asakusabashi Edo-dori, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 15) For Hulic Nakano Building, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 16) For Hulic Ueno Building, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 17) For Oimachi Redevelopment Building (#1), total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation's co-ownership interest (approximately 82.6%) in partial ownership in the building.
- (Note 18) For HULIC & New SHIBUYA, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (50.0%).
- (Note 19) For Sotetsu Fresa Inn Ginza 7 Chome, total contracted rent is made up of a fixed rent and a proportional rent that arises when annual guest room sales exceed a certain amount. Total contracted rent shows amounts calculated with monthly fixed rent specified in lease agreements multiplied by 12, with the result rounded to the nearest million yen.
- (Note 20) For Sotetsu Fresa Inn Tokyo-Roppongi, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (50.0%). Total contracted rent is made up of a fixed rent and a proportional rent that arises when annual guest room sales exceed a certain amount. Total contracted rent shows amounts calculated with monthly fixed rent specified in lease agreements multiplied by 12, with the result rounded to the nearest million yen.
- (Note 21) For Hulic Hachioji Building, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 22) The Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose the relevant information.
- (Note 23) In the above table, Total contracted rent, Leasehold/guarantee deposits, Total leased area and Occupancy rate may include data of end-tenant lease agreements for which we have received a request for cancellation or termination and end-tenant lease agreements for which rent payment was delinquent as of August 31, 2021, if the lease agreement was valid as of August 31, 2021.

## ii) Overview of appraisal report

(As of August 31, 2021)

(As of August 31, 2021)												
Category	Property name	Appraisal agency (Note 1)	Acquisition price (Millions of yen) (Note 2)	Book value at end of period (Millions of yen) (Note 3)	Appraisal value (Millions of yen) (Note 4)	Integrated price by using cost method (Millions of yen)	Return price (Millions of yen)					
							Price based on direct capitalization method	Capitalization rate (%)	Price based on DCF method	Discount rate (%)	Terminal capitalization rate (%)	
Tokyo Commercial Properties	Office properties	Hulic Kamiyacho Building	D	55,250	55,471	66,300	61,700	68,100	3.2	65,500	3.0	3.4
		Hulic Kudan Building (Land)	N	11,100	11,191	13,300	(Note 5)	13,300	3.4	13,200	3.0	3.5
		Toranomon First Garden	C	8,623	8,066	12,300	16,100	12,400	3.2	12,300	2.9	3.3
		Rapiros Roppongi	N	6,210	6,690	10,400	12,300	10,500	3.4	10,200	3.1	3.6
		Hulic Takadanobaba Building	D	3,900	3,730	5,130	4,140	5,090	3.9	5,140	3.7	4.1
		Hulic Kanda Building	T	3,780	3,520	4,410	4,780	4,630	3.8	4,320	3.9	4.0
		Hulic Kandabashi Building	D	2,500	2,457	3,070	3,170	3,110	3.6	3,050	3.4	3.8
		Hulic Kakigaracho Building	T	2,210	2,155	3,030	3,200	3,040	4.1	3,030	4.2	4.3
		Ochanomizu Sola City	N	38,149	36,346	45,136	37,107	45,570	3.1	44,702	2.8	3.2
		Hulic Higashi Ueno 1 Chome Building	N	2,678	2,724	3,220	2,740	3,270	3.8	3,160	3.6	4.0
		Tokyo Nishi Ikebukuro Building	N	1,580	1,587	2,030	1,540	2,060	4.0	1,990	3.8	4.2
		Hulic Toranomon Building	N	18,310	17,825	21,900	24,600	22,100	3.0	21,700	2.7	3.1
		Hulic Shibuya 1 chome Building	T	5,100	5,075	5,620	5,740	5,890	3.4	5,500	3.5	3.6
		Hulic Higashi Nihonbashi Building	T	3,480	3,556	3,580	4,060	3,730	4.1	3,520	4.2	4.3
		Hulic Jimbocho Building	N	1,460	1,543	1,750	1,410	1,780	3.8	1,710	3.6	4.0
		Hulic Ginza 7 Chome Building	N	21,080	21,141	21,660	25,080	22,040	3.2	21,280	3.0	3.3
		Hulic Gotanda Yamate-dori Building	D	3,450	3,580	3,520	3,160	3,810	3.6	3,400	3.4	3.8
		Bancho House	D	2,750	2,750	3,370	2,490	3,360	3.7	3,380	3.5	3.9
		Ebisu Minami Building (Note 6)	T	2,420	2,432	2,550	2,500	2,650	3.8	2,500	3.8	3.9
		Hulic Iidabashi Building	T	1,450	1,455	1,490	1,400	1,550	3.9	1,470	4.0	4.1
		Hulic Asakusabashi Building (Note 7)	T	4,750	4,757	4,920	4,300	4,860	4.9	4,950	4.9	—
		Hulic Ebisu Building	C	1,275	1,281	1,340	963	1,380	3.8	1,340	3.6	3.9
		Hulic Ryogoku Building	N	5,610	5,552	5,796	5,076	5,895	3.8	5,688	3.6	4.0
		Hulic Asakusabashi Edo-dori	N	5,420	5,448	5,697	5,355	5,823	3.9	5,562	3.6	4.0
		Hulic Nakano Building	N	3,200	3,209	3,420	2,934	3,483	3.9	3,357	3.7	4.1
		Hulic Ueno Building	N	4,100	4,136	4,302	4,293	4,383	3.6	4,221	3.4	3.8
		Subtotal	—	219,835	217,688	259,241	—	263,804	—	256,170	—	—
	Retail properties	Oimachi Redevelopment Building (#2)	T	9,456	9,458	11,900	11,700	12,100	4.0	11,800	4.1	4.2
		Oimachi Redevelopment Building (#1)	T	6,166	6,282	7,210	6,880	7,340	4.2	7,150	4.3	4.4
		Dining Square Akihabara Building	N	3,200	3,201	3,990	2,720	4,060	3.7	3,910	3.5	3.9
		Hulic Jingu-Mae Building	T	2,660	2,644	3,620	3,740	3,720	3.3	3,570	3.4	3.5
		Hulic Shinjuku 3 Chome Building	N	6,690	6,804	8,130	7,890	8,340	3.3	7,920	3.0	3.5
		Yokohama Yamashitacho Building	N	4,850	4,581	4,750	3,690	4,820	4.3	4,680	4.1	4.5
		Hulic Todoroki Building	T	1,200	1,216	1,400	1,580	1,420	4.5	1,390	4.6	4.7
		HULIC &New SHIBUYA	N	3,150	3,095	3,395	2,740	3,485	3.0	3,305	2.8	3.2
		HULIC &New SHINBASHI	N	3,100	3,018	3,400	3,200	3,460	3.6	3,340	3.4	3.8
Hulic Shimura-sakaue		N	7,556	7,371	7,760	7,840	7,910	4.5	7,610	4.3	4.8	
Hulic Mejiro		N	5,670	5,691	5,900	6,440	5,990	3.8	5,800	3.6	4.0	
Subtotal		—	53,698	53,365	61,455	58,420	62,645	—	60,475	—	—	
Total		—	273,533	271,053	320,696	—	326,449	—	316,645	—	—	

Category		Property name	Appraisal agency (Note 1)	Acquisition price (Millions of yen) (Note 2)	Book value at end of period (Millions of yen) (Note 3)	Appraisal value (Millions of yen) (Note 4)	Integrated price by using cost method (Millions of yen)	Return price (Millions of yen)				
								Price based on direct capitalization method	Capitalization rate (%)	Price based on DCF method	Discount rate (%)	Terminal capitalization rate (%)
Next-Generation Assets Plus	Private nursing homes	Aria Matsubara	N	3,244	3,082	4,280	3,810	4,310	4.4	4,250	4.0	4.6
		Trust Garden Yoganomori	N	5,390	5,256	6,860	5,610	6,900	4.7	6,810	4.3	4.9
		Trust Garden Sakurashinmachi	N	2,850	2,798	3,660	3,120	3,680	4.6	3,630	4.2	4.8
		Trust Garden Suginami Miyamae	N	2,760	2,697	3,550	2,870	3,570	4.6	3,520	4.2	4.8
		Trust Garden Tokiwamatsu	N	3,030	2,944	3,300	3,170	3,350	4.2	3,250	4.0	4.4
		SOMPO Care La vie Re Kita-Kamakura	N	1,780	1,703	1,770	1,200	1,780	5.5	1,750	5.3	5.7
		Charm Suite Shinjukutoyama	N	3,323	3,343	3,530	3,480	3,580	4.1	3,470	3.9	4.3
		Charm Suite Shakujikoen	N	3,200	3,217	3,280	3,140	3,320	4.4	3,230	4.2	4.6
		Hulic Chofu	N	3,340	3,431	3,460	3,230	3,510	4.3	3,400	4.1	4.5
		Subtotal	—	28,917	28,475	33,690	29,630	34,000	—	33,310	—	—
	Network centers	Ikebukuro Network Center	N	4,570	4,454	5,240	5,130	5,280	4.4	5,190	4.1	4.5
		Tabata Network Center	N	1,355	1,344	1,530	1,580	1,540	4.9	1,520	4.6	5.0
		Hiroshima Network Center	N	1,080	1,014	1,210	1,200	1,220	5.7	1,200	5.4	5.8
		Atsuta Network Center	N	1,015	962	1,070	1,010	1,080	5.4	1,060	5.1	5.5
		Nagano Network Center	N	305	291	363	288	364	6.9	362	6.7	7.1
		Chiba Network Center	N	7,060	6,864	7,250	4,190	7,290	5.1	7,210	4.8	5.2
		Sapporo Network Center	N	2,510	2,493	2,550	2,900	2,560	5.2	2,540	4.9	5.3
		Keihanna Network Center	N	1,250	1,165	1,300	1,180	1,300	5.5	1,290	5.2	5.6
		Subtotal	—	19,145	18,591	20,513	17,478	20,634	—	20,372	—	—
		Hotels	Sotetsu Fresa Inn Ginza 7 Chome	N	11,520	11,372	12,300	13,800	12,500	3.5	12,000	3.3
	Sotetsu Fresa Inn Tokyo-Roppongi		N	5,000	4,869	4,970	4,945	5,050	3.7	4,890	3.5	3.9
	Hulic Tsukiji 3 Chome Building		N	6,972	6,930	7,290	6,920	7,430	3.6	7,150	3.4	3.8
	Subtotal		—	23,492	23,172	24,560	25,665	24,980	—	24,040	—	—
	Others	Hulic Hachioji Building	N	4,900	4,884	5,229	4,671	5,301	4.6	5,157	4.4	4.8
		Subtotal	—	4,900	4,884	5,229	4,671	5,301	—	5,157	—	—
		Total	—	76,454	75,124	83,992	77,444	84,915	—	82,879	—	—
	Total		—	349,987	346,177	404,688	—	411,364	—	399,524	—	—

(Note 1) The letters in the appraisal agency column indicate appraisers as follows:

- D: Daiwa Real Estate Appraisal Co., Ltd.  
N: Japan Real Estate Institute  
C: CBRE K.K.  
T: The Tanizawa Sōgō Appraisal Co., Ltd.

(Note 2) *Acquisition price* represents trading value stipulated in each sales agreement in relation to each asset held, rounded to the nearest million yen. The trading value does not include consumption tax, local consumption tax and expenses incurred on acquisition.

(Note 3) *Book value at end of period* represents book value for each property less depreciation expenses as of August 31, 2021, rounded down to the nearest million yen.

(Note 4) *Appraisal value* represents the appraisal value as of the valuation date of August 31, 2021.

(Note 5) For Hulic Kudan Building (Land), this item was not provided due to the Investment Corporation only holding the land.

(Note 6) Discount rate for Ebisu Minami Building was 3.6% for the 1st fiscal year, 3.7% for the 2nd fiscal year to the 7th fiscal year, and 3.8% for the 8th fiscal year to the 11th fiscal year. The table shows the 8th fiscal year to the 11th fiscal year (3.8%).

(Note 7) For Hulic Asakusabashi Building, since the calculation method based on the capitalization method over a definite term (modified Inwood method) has been employed as a direct capitalization method based on the consideration that the land lease right acquired is a fixed-term land sublease right for business use, the discount rate in the capitalization method over a definite term (modified Inwood method) is shown in the Capitalization rate. In addition, because terminal capitalization rate is not applied in the DCF method, it has not been provided.

### iii) Capital expenditures for assets under management

#### (A) Schedule of capital expenditures

For each asset held by the Investment Corporation as of August 31, 2021, the main capital expenditures for renovation work, etc. scheduled as of August 31, 2021 (the end of the 15th fiscal period) are as below. Estimated capital expenditure for work mentioned below includes parts that are charged to expenses.

Property name	Location	Purpose	Scheduled period	Estimated capital expenditure for work (Millions of yen)
Hulic Kamiyacho Building	Minato-ku, Tokyo	Renewal work for the rooms for rent (10th floor)	From August 2021 to February 2022	136
Hulic Takadanobaba Building	Toshima-ku, Tokyo	Renewal work for elevator	From December 2021 to February 2022	50
Oimachi Redevelopment Building (#1)	Shinagawa-ku, Tokyo	Renewal work for escalator control system	From April 2021 to August 2022	93
Hulic Higashi Ueno 1 Chome Building	Taito-ku, Tokyo	Renewal work for the rooms for rent	From April 2022 to July 2022	55
Hulic Toranomom Building	Minato-ku, Tokyo	Renewal work for the rooms for rent	From April 2022 to July 2022	50

#### (B) Capital expenditures during the period

An overview of the construction work corresponding to capital expenditures during the reporting period is as below. Capital expenditures during the reporting period were ¥319,298 thousand and repair expenses were ¥108,163 thousand. In aggregate, construction work in the amount of ¥427,462 thousand was carried out during the period.

Property name	Location	Purpose	Period	Capital expenditure for work (Millions of yen)
Hulic Higashi Nihonbashi Building	Chuo-ku, Tokyo	Renovation work for mechanical parking lot	From May 2021 to August 2021	120
Other				199
Total				319

### (3) Major Investment Assets

The following is an overview of the Assets Held by the Investment Corporation whose Total contracted rent makes up 10% or more of the total rental income for the entire portfolio as of August 31, 2021.

Property name	Total contracted rent (annual) (Millions of yen) (Note 1)	Total leased area (m <sup>2</sup> ) (Note 2)	Total leasable area (m <sup>2</sup> ) (Note 3)	Occupancy rate (%) (Note 4)
Hulic Kamiyacho Building	2,735	31,919.66	32,487.06	98.3

(Note 1) *Total contracted rent (annual)* is calculated by multiplying the monthly contracted rent (limited to rent for room, including common service fee and excluding consumption taxes and usage fee for warehouses, signboards and parking lots, regardless of free rent arrangements in effect as of August 31, 2021) as indicated in the relevant lease agreements for the building of the asset held in effect as of August 31, 2021 by 12 (in cases where multiple lease agreements are executed, the aggregate monthly rent for all lease agreements) and rounding to the nearest million yen. When a master lease agreement has been executed for the asset held, the amount provided is the amount for the portion corresponding to the Pass-through Master Lease Agreement, calculated on an annual basis by multiplying the monthly rent as indicated in each sublease agreement entered into with end-tenants corresponding to that portion by 12.

(Note 2) *Total leased area* shows the total floor area of leased space set out in the relevant lease agreements for the building of the property held as of August 31, 2021. For the portion for which there is a Pass-through Master Lease Agreement, the actual total area leased under each sublease agreement entered into with end-tenants corresponding to that portion is provided.

(Note 3) *Total leasable area* shows the floor area considered leasable based on the lease agreements or floor plans of buildings of the property held as of August 31, 2021.

(Note 4) *Occupancy rate* shows the proportion of the total leased area to the total leasable area for the entire building of the above-mentioned property held as of August 31, 2021, rounded to the nearest tenth.

#### (4) Overview of Major Tenants

Tenants for which leased area accounted for 10% or more of the total leased area as of August 31, 2021 are shown as below.

Tenant	Business type	Property name	Leased area (m <sup>2</sup> ) (Note 1)	Total contracted rent (Millions of yen) (Note 2)	Leasehold/ guarantee deposits (Millions of yen) (Note 3)	Expiration date (Note 4)	Renewal of agreement, etc. (Note 5)
Hulic Co., Ltd.	Real estate leasing business	Hulic Kamiyacho Building	31,919.66	2,735	2,673	February 6, 2023	Automatically renewed for 2 years unless notified in writing at least 6 months before the expiry of the agreement
		Hulic Kudan Building (Land)	3,351.07	530	265	February 6, 2063	Terminated due to the expiry of the agreement
		Toranomon First Garden (Note 6)	4,469.15	447	271	February 6, 2023	Automatically renewed for 2 years unless notified in writing at least 6 months before the expiry of the agreement
		Rapiros Roppongi (Note 7)	6,730.52	645	586		
		Hulic Takadanobaba Building	5,369.71	314	194		
		Hulic Kanda Building	3,728.36	285	265		
		Hulic Kandabashi Building	2,566.95	164	127		
		Hulic Kakigaracho Building	2,858.48	191	128		
		Hulic Higashi Ueno 1 Chome Building	3,137.09	183	145	October 15, 2021	
		Tokyo Nishi Ikebukuro Building (Note 8)	1,429.74	111	195	March 30, 2022	
		Hulic Toranomon Building	8,574.65	921	654	December 24, 2022	
		Hulic Shibuya 1 chome Building	2,817.65	245	188	March 30, 2022	
		Hulic Higashi Nihonbashi Building	3,681.20	193	130		
		Hulic Jimbocho Building	1,561.38	78	63	April 27, 2022	
		Hulic Ginza 7 Chome Building (Note 9)	11,405.68	1,022	572	March 28, 2023	
		Hulic Gotanda Yamate-dori Building	2,820.41	174	166	September 30, 2023	
		Bancho House	1,981.83	(Note 20)	112	October 31, 2021	
		Ebisu Minami Building	1,629.09	(Note 20)	(Note 20)	December 26, 2021	
		Hulic Iidabashi Building	1,431.94	81	56	June 27, 2022	
		Hulic Asakusabashi Building (Note 10)	5,280.72	354	193	December 31, 2064	Terminated due to the expiry of the agreement
		Hulic Ebisu Building	900.19	59	46	December 19, 2022	Automatically renewed for 2 years unless notified in writing at least 6 months before the expiry of the agreement
		Hulic Ryogoku Building (Note 11)	4,569.34	286	203	March 25, 2023	
		Hulic Asakusabashi Edo- dori (Note 12)	3,956.73	270	130	March 25, 2023	
		Hulic Nakano Building (Note 13)	2,616.83	169	130	October 15, 2023	
		Hulic Ueno Building (Note 14)	3,031.85	210	190	March 30, 2024	
		Oimachi Redevelopment Building (#2)	14,485.66	624	656	February 6, 2023	

Tenant	Business type	Property name	Leased area (m <sup>2</sup> ) (Note 1)	Total contracted rent (Millions of yen) (Note 2)	Leasehold/ guarantee deposits (Millions of yen) (Note 3)	Expiration date (Note 4)	Renewal of agreement, etc. (Note 5)
Hulic Co., Ltd.	Real estate leasing business	Oimachi Redevelopment Building (#1) (Note 15)	10,612.67	438	529	(Note 21)	Automatically renewed for a term agreed upon unless notified in writing at least 6 months before the expiry of the agreement
		Dining Square Akihabara Building	2,169.41	(Note 20)	(Note 20)	February 6, 2023	Automatically renewed for 2 years unless notified in writing at least 6 months before the expiry of the agreement
		Hulic Jingu-Mae Building	1,656.24	160	82	October 15, 2021	
		Hulic Shinjuku 3 Chome Building	1,351.15	346	208		
		Yokohama Yamashitacho Building	8,958.70	(Note 20)	(Note 20)	December 26, 2021	
		Hulic Todoroki Building	1,676.02	94	69	June 29, 2022	
		HULIC &New SHIBUYA (Note 16)	728.88	109	114	October 31, 2022	
		HULIC & New SHINBASHI	1,725.35	154	135	June 28, 2023	
		Hulic Shimura-sakaue	11,528.34	469	354	March 25, 2023	
		Hulic Mejiro	3,805.72	279	187	February 6, 2023	
		Aria Matsubara	5,454.48	(Note 20)	(Note 20)		
		Trust Garden Yoganomori	5,977.75	(Note 20)	(Note 20)		
		Trust Garden Sakurashinmachi	3,700.26	(Note 20)	(Note 20)		
		Trust Garden Suginami Miyamae	3,975.99	(Note 20)	(Note 20)	August 31, 2023	
		Trust Garden Tokiwamatsu	2,893.82	(Note 20)	(Note 20)	June 29, 2022	
		SOMPO Care La vie Re Kita-Kamakura	4,912.57	(Note 20)	(Note 20)	September 26, 2022	
		Charm Suite Shinjukutoyama	4,065.62	(Note 20)	(Note 20)	September 11, 2022	
		Charm Suite Shakujiikoen	4,241.68	(Note 20)	(Note 20)	March 30, 2024	
		Hulic Chofu	4,357.58	173	144	October 31, 2022	
		Sotetsu Fresa Inn Ginza 7 Chome (Note 17)	6,984.32	480	480		
		Sotetsu Fresa Inn Tokyo- Roppongi (Note 18)	2,408.45	216	54	March 25, 2023	
		Hulic Tsukiji 3 Chome Building	4,740.31	(Note 20)	(Note 20)	October 15, 2023	
		Hulic Hachioji Building (Note 19)	3,768.00	285	193		
		Total	237,999.19	16,045	12,487	—	—
SoftBank Corp.	Telecommuni- cations business	Ikebukuro Network Center	12,773.04	271	136	September 30, 2030	Terminated due to the expiry of the agreement
		Tabata Network Center	3,832.73	90	45		
		Hiroshima Network Center	5,208.54	88	44		
		Atsuta Network Center	4,943.10	73	37		
		Nagano Network Center	2,211.24	33	17	November 5, 2024	
		Chiba Network Center	23,338.00	447	224	September 30, 2030	
		Sapporo Network Center	9,793.57	167	84		
		Keihanna Network Center	9,273.44	94	47		
		Total	71,373.66	1,265	632	—	



- (Note 1) *Leased area* is equivalent to total floor area or similar measurement of leased space set out in the relevant lease agreements or similar contracts for buildings of each property as of August 31, 2021. For the portion for which there is a Pass-through Master Lease Agreement, the actual total area leased under each sublease agreement entered into with end-tenants corresponding to that portion is provided. For the portion for which there is a Fixed-type Master Lease Agreement, the total area corresponding to that portion is provided. For the property of which ownership is only for land, the area of the land is provided.
- (Note 2) *Total contracted rent* is calculated by multiplying the monthly contracted rent (limited to rent for room, including common service fee and excluding consumption taxes and usage fee for warehouses, signboards and parking lots, regardless of free rent arrangements in effect as of August 31, 2021) indicated in the relevant lease agreements for buildings of each property in effect as of August 31, 2021 by 12 (with respect to assets held subject to multiple lease agreements, the aggregate monthly rent for all lease agreements) and rounding to the nearest million yen. For properties for which ownership is only for land, it is calculated by multiplying the monthly contracted rent (excluding consumption taxes) as indicated in the lease agreement for such land as of August 31, 2021 by 12 and rounding to the nearest million yen. The amounts provided are the amount for the portion of property corresponding to a Pass-through Master Lease Agreement for which the tenant is a sublessor as a master lease company, in accordance with the lease agreement with the end-tenant in effect as of August 31, 2021, calculated on an annual basis by multiplying the monthly rent as indicated in each sublease agreement entered into with end-tenants corresponding to that portion by 12; and the amount for the portion of property corresponding to a Fixed-type Master Lease Agreement, calculated on an annual basis by multiplying the monthly rent as indicated in the master lease agreement corresponding to that portion.
- (Note 3) *Leasehold/guarantee deposits* indicates the aggregate of the recognized book values for the leasehold and/or guarantee deposit(s) of each asset held as of August 31, 2021, rounded to the nearest million yen.
- (Note 4) *Expiration date* is the date provided in the lease agreements for each asset in effect on August 31, 2021 where the tenant is the lessee, including where the tenant is a sublessor and master lease company under a sublease agreement.
- (Note 5) *Renewal of agreement, etc.* represents the content of renewal of agreement, etc. 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 6) For Toranomon First Garden, a master lease is served on the whole building together with the exclusively owned portions owned by other unit owners. Moreover, income and expenditure of the property is allocated according to the ratio of ownership interest of the partial ownership owned by each unit owner. Accordingly, leased area, total contracted rent and leasehold/guarantee deposits show amounts equivalent to the ratio of ownership interest of the partial ownership in the whole building held by the Investment Corporation (approximately 81.4%).
- (Note 7) For Rapiros Roppongi, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation's partial ownership in the building (including some of co-ownership portion). (For the co-ownership portion, the figures calculated on a pro-rata basis in accordance with the co-ownership interests owned by the Investment Corporation are listed.)
- (Note 8) For Tokyo Nishi Ikebukuro Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation's partial ownership in the building (including some of co-ownership portion).
- (Note 9) For Hulic Ginza 7 Chome Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (95.0%).
- (Note 10) For Hulic Asakusabashi Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (50.0%).
- (Note 11) For Hulic Ryogoku Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 12) For Hulic Asakusabashi Edo-dori, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 13) For Hulic Nakano Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 14) For Hulic Ueno Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 15) For Oimachi Redevelopment Building (#1), the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation's co-ownership interest (approximately 82.6%) in partial ownership in the building.
- (Note 16) For HULIC & New SHIBUYA, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (50.0%).
- (Note 17) For Sotetsu Fresa Inn Ginza 7 Chome, total contracted rent is made up of a fixed rent and a proportional rent that arises when annual guest room sales exceed a certain amount. Total contracted rent shows amounts calculated with monthly fixed rent specified in lease agreements multiplied by 12, with the result rounded to the nearest million yen.
- (Note 18) For Sotetsu Fresa Inn Tokyo-Roppongi, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (50.0%). Total contracted rent is made up of a fixed rent and a proportional rent that arises when annual guest room sales exceed a certain amount. Total contracted rent shows amounts calculated with monthly fixed rent specified in lease agreements multiplied by 12, with the result rounded to the nearest million yen.
- (Note 19) For Hulic Hachioji Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).

(Note 20) The Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose the relevant information.

(Note 21) The lease agreement for Oimachi Redevelopment Building (#1) was renewed as the lease agreement does not specify a term at the last renewal of the agreement.

(Note 22) In the above table, *Total contracted rent*, *Leasehold/guarantee deposits* and *Leased area* may include data of end-tenant lease agreements for which we have received a request for cancellation or termination and end-tenant lease agreements for which rent payment was delinquent as of August 31, 2021, if the lease agreement was valid as of August 31, 2021.

## (5) Top End-Tenants in Terms of Leased Area

The following table shows the top ten end-tenants in terms of leased area in the entire portfolio as of August 31, 2021. The information stated for the portion for which there is a Fixed-type Master Lease Agreement, reflects the details on the Fixed-type Master Lease Agreement corresponding to that portion, while the information stated for the portion for which there is a Pass-through Master Lease Agreement, reflects the details on each lease agreement executed with the end tenants.

End-tenant	Property name	Leased area (m <sup>2</sup> ) (Note 1)	Area ratio (%) (Note 2)	Expiration date (Note 3)	Form of agreement (Note 4)
SoftBank Corp.	Ikebukuro Network Center Tabata Network Center Hiroshima Network Center Atsuta Network Center Nagano Network Center Chiba Network Center Sapporo Network Center Keihanna Network Center	71,373.66	22.1	September 30, 2030 September 30, 2030 September 30, 2030 September 30, 2030 November 5, 2024 September 30, 2030 September 30, 2030 September 30, 2030	Fixed-term building lease agreement
Hulic Co., Ltd.	Hulic Kudan Building (Land)  Oimachi Redevelopment Building (#2)  Oimachi Redevelopment Building (#1)	28,449.40	8.8	February 6, 2063  February 6, 2023  (Note 6)	Fixed-term business-use land lease agreement  Ordinary building lease agreement  Ordinary building lease agreement
Trust Garden Co., Ltd.	Trust Garden Yoganomori Trust Garden Sakurashinmachi Trust Garden Suginami Miyamae Trust Garden Tokiwamatsu	16,547.82	5.1	January 24, 2028 January 24, 2028 January 24, 2028 February 29, 2036	Ordinary building lease agreement
Charm Care Corporation Co., Ltd.	Charm Suite Shinjukutoyama Charm Suite Shakujiikoen Hulic Chofu	11,809.15	3.7	October 31, 2045 October 31, 2044 July 20, 2047	Ordinary building lease agreement
Sotetsu Hotel Development Co., Ltd.	Sotetsu Fresa Inn Ginza 7 Chome (Note 5) Sotetsu Fresa Inn Tokyo- Roppongi (Note 5)	9,392.77	2.9	September 30, 2046  October 9, 2047	Fixed-term building lease agreement
(Note 7)	Hulic Ginza 7 Chome Building	9,107.44	2.8	(Note 7)	(Note 7)
Barneys Japan	Yokohama Yamashitacho Building	8,958.70	2.8	(Note 7)	(Note 7)
Mizuho Bank, Ltd.	Hulic Ryogoku Building Hulic Asakusabashi Edo-dori Hulic Nakano Building Hulic Ueno Building Hulic Hachioji Building	8,801.27	2.7	(Note 7)	Ordinary building lease agreement
Benesse Style Care Co., Ltd.	Aria Matsubara	5,454.48	1.7	September 30, 2030	Ordinary building lease agreement
Sompo Care Inc.	SOMPO Care La vie Re Kita- Kamakura	4,912.57	1.5	March 31, 2029	Ordinary building lease agreement

(Note 1) *Leased area* is equivalent to total floor area, or similar measurement of leased space set out in the lease agreements or similar contracts with end-tenants as of August 31, 2021. The pertinent items are as follows.

- The land area is provided for Hulic Kudan Building (Land).
- For the portion for which there is a Fixed-type Master Lease Agreement, the leasable area to end-tenants is provided.
- For Oimachi Redevelopment Building (#1), the figure equivalent to the Investment Corporation's co-ownership interest (approximately 82.6%) in partial ownership in the building is shown.
- For Sotetsu Fresa Inn Tokyo-Roppongi, the figures are equivalent to the quasi co-ownership interest of property held by the Investment Corporation (50.0%).
- For Hulic Ginza 7 Chome Building, the figures are equivalent to the quasi co-ownership interest of property held by the Investment Corporation (95.0%).

- For Hulic Ryogoku Building, Hulic Asakusabashi Edo-dori, Hulic Nakano Building, Hulic Ueno Building and Hulic Hachioji Building, the figures are equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).

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

(Note 3) *Expiration date* is the expiration date shown on the lease agreement with the end tenant as lessee that is in effect as of August 31, 2021.

(Note 4) *Form of agreement* is the form of agreement described in the lease agreement with the end-tenants as of August 31, 2021.

(Note 5) Sotetsu Fresa Inn Ginza 7 Chome and Sotetsu Fresa Inn Tokyo-Roppongi are sub-leased by Sotetsu Hotel Development Co., Ltd. to a hotel operator.

(Note 6) The lease agreement for Oimachi Redevelopment Building (#1) was renewed as the lease agreement does not specify a term at the last renewal of the agreement.

(Note 7) The Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose the relevant information.

## (6) Overview and Income/Loss of Leasing Businesses

Reporting period (From March 1, 2021 to August 31, 2021)

(Unit: thousands of yen)

Property name	Hulic Kamiyacho Building	Hulic Kudan Building (Land)	Toranomon First Garden	Rapiros Roppongi	Hulic Takadano-baba Building	Hulic Kanda Building	Hulic Kandabashi Building
Days under management	184	184	184	184	184	184	184
Leasing business revenues	1,477,280	265,002	231,939	340,695	172,747	142,249	88,071
Leasing business revenue	1,369,790	265,002	217,690	323,458	156,884	131,806	82,190
Other leasing business revenues	107,490	—	14,249	17,236	15,862	10,442	5,881
Expenses related to leasing business	332,714	35,228	124,930	148,728	60,619	71,762	31,303
Taxes and public dues	75,329	33,359	38,474	45,241	13,087	4,077	9,551
Utilities expenses	47,174	—	7,885	16,437	8,865	6,178	4,054
Insurance expenses	1,261	37	282	727	261	131	110
Repair expenses	24,361	—	—	74	1,458	3,979	187
Property management fees	102,299	1,325	3,661	6,512	14,872	7,492	5,796
Other expenses related to leasing business	5,543	506	33,930	61,355	1,455	30,794	1,034
Depreciation and amortization	76,746	—	40,697	18,379	20,617	19,109	10,567
Income (loss) from leasing business	1,144,565	229,773	107,009	191,966	112,127	70,487	56,768
NOI	1,221,312	229,773	147,706	210,346	132,745	89,596	67,335

(Unit: thousands of yen)

Property name	Hulic Kakigaracho Building	Ochanomizu Sola City	Hulic Higashi Ueno 1 Chome Building	Tokyo Nishi Ikebukuro Building	Hulic Toranomon Building	Hulic Shibuya 1 chome Building	Hulic Higashi Nihonbashi Building
Days under management	184	184	184	184	184	184	184
Leasing business revenues	105,021	(Note 2)	101,348	56,750	480,038	133,525	98,862
Leasing business revenue	95,375	(Note 2)	91,600	56,030	460,560	122,548	89,308
Other leasing business revenues	9,646	(Note 2)	9,747	720	19,478	10,976	9,554
Expenses related to leasing business	37,740	(Note 2)	37,911	20,540	175,351	39,344	43,126
Taxes and public dues	9,613	(Note 2)	7,697	2,386	61,580	9,430	8,577
Utilities expenses	5,031	(Note 2)	4,444	—	15,671	6,125	6,350
Insurance expenses	126	(Note 2)	130	123	358	142	139
Repair expenses	1,958	(Note 2)	636	—	1,653	1,477	6,486
Property management fees	11,049	(Note 2)	10,321	9,787	41,113	7,779	6,714
Other expenses related to leasing business	1,184	(Note 2)	1,840	3,522	1,344	1,476	2,526
Depreciation and amortization	8,776	(Note 2)	12,839	4,719	53,629	12,912	12,330
Income (loss) from leasing business	67,281	(Note 2)	63,436	36,210	304,687	94,180	55,736
NOI	76,058	735,929	76,276	40,929	358,317	107,092	68,067

(Unit: thousands of yen)

Property name	Hulic Jimbocho Building	Hulic Ginza 7 Chome Building	Shinagawa Season Terrace (Note 1)	Hulic Gotanda Yamate-dori Building	Bancho House	Ebisu Minami Building	Hulic Iidabashi Building
Days under management	184	184	29	184	184	184	184
Leasing business revenues	46,791	552,026	(Note 2)	95,680	(Note 2)	(Note 2)	39,721
Leasing business revenue	39,167	526,040	(Note 2)	84,599	(Note 2)	(Note 2)	36,023
Other leasing business revenues	7,623	25,986	(Note 2)	11,081	(Note 2)	(Note 2)	3,698
Expenses related to leasing business	16,458	175,105	(Note 2)	165,684	(Note 2)	(Note 2)	14,724
Taxes and public dues	3,390	78,496	(Note 2)	5,813	(Note 2)	(Note 2)	3,740
Utilities expenses	1,976	26,167	(Note 2)	5,347	(Note 2)	(Note 2)	2,637
Insurance expenses	63	813	(Note 2)	160	(Note 2)	(Note 2)	65
Repair expenses	822	3,358	(Note 2)	20,483	(Note 2)	(Note 2)	150
Property management fees	4,006	38,680	(Note 2)	6,073	(Note 2)	(Note 2)	3,986
Other expenses related to leasing business	1,475	2,285	(Note 2)	118,667	(Note 2)	(Note 2)	1,500
Depreciation and amortization	4,724	25,303	(Note 2)	9,138	(Note 2)	(Note 2)	2,642
Income (loss) from leasing business	30,333	376,921	(Note 2)	(70,003)	(Note 2)	(Note 2)	24,996
NOI	35,057	402,224	15,573	(60,864)	52,491	45,149	27,639

(Unit: thousands of yen)

Property name	Hulic Asakusa-bashi Building	Hulic Ebisu Building	Hulic Ryogoku Building	Hulic Asakusa-bashi Edo-dori	Hulic Nakano Building	Hulic Ueno Building	Oimachi Redevelopment Building (#2)
Days under management	184	184	184	184	184	154	184
Leasing business revenues	238,751	33,818	155,058	143,400	90,780	92,950	312,000
Leasing business revenue	229,138	32,372	143,065	135,688	81,825	88,474	312,000
Other leasing business revenues	9,613	1,446	11,993	7,712	8,954	4,475	—
Expenses related to leasing business	172,581	9,662	69,686	54,853	30,385	16,705	74,009
Taxes and public dues	12,801	2,703	9,641	8,390	6,497	—	32,329
Utilities expenses	15,787	1,602	9,937	5,733	4,681	2,097	—
Insurance expenses	426	37	220	193	145	122	436
Repair expenses	653	518	3,895	2,031	513	—	—
Property management fees	39,348	2,848	11,921	9,558	9,632	7,301	6,240
Other expenses related to leasing business	13,542	636	707	1,000	1,599	2,098	504
Depreciation and amortization	90,020	1,315	33,361	27,944	7,315	5,086	34,499
Income (loss) from leasing business	66,170	24,156	85,372	88,547	60,394	76,244	237,990
NOI	156,190	25,471	118,734	116,492	67,709	81,331	272,490

(Unit: thousands of yen)

Property name	Oimachi Redevelop- ment Building (#1)	Dining Square Akihabara Building	Hulic Jingu- Mae Building	Hulic Shinjuku 3 Chome Building	Yokohama Yamashitacho Building	Hulic Todoroki Building	HULIC &New SHIBUYA
Days under management	184	184	184	184	184	184	184
Leasing business revenues	218,931	(Note 2)	82,890	181,728	(Note 2)	52,543	71,898
Leasing business revenue	218,931	(Note 2)	77,642	172,828	(Note 2)	47,159	58,086
Other leasing business revenues	—	(Note 2)	5,248	8,900	(Note 2)	5,383	13,811
Expenses related to leasing business	68,553	(Note 2)	20,279	36,536	(Note 2)	19,997	20,259
Taxes and public dues	34,639	(Note 2)	6,217	14,688	(Note 2)	4,187	3,841
Utilities expenses	—	(Note 2)	3,977	3,446	(Note 2)	4,486	2,711
Insurance expenses	1,746	(Note 2)	59	57	(Note 2)	73	50
Repair expenses	—	(Note 2)	649	3,051	(Note 2)	92	185
Property management fees	4,378	(Note 2)	3,137	5,599	(Note 2)	4,553	2,918
Other expenses related to leasing business	7,971	(Note 2)	1,188	6,952	(Note 2)	1,058	1,876
Depreciation and amortization	19,817	(Note 2)	5,051	2,739	(Note 2)	5,547	8,674
Income (loss) from leasing business	150,378	(Note 2)	62,610	145,191	(Note 2)	32,545	51,638
NOI	170,195	64,418	67,662	147,931	118,362	38,092	60,312

(Unit: thousands of yen)

Property name	HULIC &New SHINBASH I	Hulic Shimura- sakaue	Hulic Mejiro	Aria Matsubara	Trust Garden Yogano- mori	Trust Garden Sakurashin- machi	Trust Garden Suginami Miyamae
Days under management	184	184	184	184	184	184	184
Leasing business revenues	84,280	253,795	148,034	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Leasing business revenue	78,535	234,553	140,815	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Other leasing business revenues	5,745	19,242	7,219	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Expenses related to leasing business	29,487	128,256	51,606	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Taxes and public dues	5,114	21,518	10,233	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Utilities expenses	3,368	21,618	5,478	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Insurance expenses	91	335	178	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Repair expenses	1,020	552	932	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Property management fees	5,925	31,549	10,677	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Other expenses related to leasing business	1,013	875	729	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Depreciation and amortization	12,953	51,806	23,377	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Income (loss) from leasing business	54,793	125,539	96,427	(Note 2)	(Note 2)	(Note 2)	(Note 2)
NOI	67,746	177,346	119,805	97,035	160,240	84,812	81,416

(Unit: thousands of yen)

Property name	Trust Garden Tokiwamatsu	SOMPO Care La vie Re Kita-Kamakura	Charm Suite Shinjuku-toyama	Charm Suite Shakujii-koen	Hulic Chofu	Ikebukuro Network Center	Tabata Network Center
Days under management	184	184	184	184	154	184	184
Leasing business revenues	(Note 2)	(Note 2)	(Note 2)	(Note 2)	76,443	130,176	43,285
Leasing business revenue	(Note 2)	(Note 2)	(Note 2)	(Note 2)	72,437	130,176	43,285
Other leasing business revenues	(Note 2)	(Note 2)	(Note 2)	(Note 2)	4,006	–	–
Expenses related to leasing business	(Note 2)	(Note 2)	(Note 2)	(Note 2)	26,393	27,956	9,752
Taxes and public dues	(Note 2)	(Note 2)	(Note 2)	(Note 2)	–	15,636	4,707
Utilities expenses	(Note 2)	(Note 2)	(Note 2)	(Note 2)	4,631	–	–
Insurance expenses	(Note 2)	(Note 2)	(Note 2)	(Note 2)	95	200	63
Repair expenses	(Note 2)	(Note 2)	(Note 2)	(Note 2)	–	–	800
Property management fees	(Note 2)	(Note 2)	(Note 2)	(Note 2)	1,829	960	723
Other expenses related to leasing business	(Note 2)	(Note 2)	(Note 2)	(Note 2)	610	504	504
Depreciation and amortization	(Note 2)	(Note 2)	(Note 2)	(Note 2)	19,227	10,655	2,954
Income (loss) from leasing business	(Note 2)	(Note 2)	(Note 2)	(Note 2)	50,049	102,219	33,532
NOI	71,512	47,045	73,483	74,381	69,277	112,875	36,486

(Unit: thousands of yen)

Property name	Hiroshima Network Center	Atsuta Network Center	Nagano Network Center	Chiba Network Center	Sapporo Network Center	Keihanna Network Center	Sotetsu Fresa Inn Ginza 7 Chome
Days under management	184	184	184	184	184	184	184
Leasing business revenues	42,091	35,273	16,708	214,687	80,358	45,166	240,000
Leasing business revenue	42,091	35,273	16,708	214,687	80,358	45,166	240,000
Other leasing business revenues	–	–	–	–	–	–	–
Expenses related to leasing business	12,843	11,273	6,101	82,734	23,313	16,803	56,383
Taxes and public dues	5,636	4,694	2,286	30,590	13,002	8,496	25,330
Utilities expenses	–	–	–	–	–	–	–
Insurance expenses	89	76	47	571	221	131	257
Repair expenses	54	316	–	1,100	–	27	–
Property management fees	1,320	960	840	1,810	780	1,200	2,400
Other expenses related to leasing business	504	504	504	504	504	504	604
Depreciation and amortization	5,239	4,721	2,422	48,157	8,805	6,443	27,790
Income (loss) from leasing business	29,247	24,000	10,607	131,953	57,044	28,362	183,616
NOI	34,486	28,721	13,029	180,111	65,849	34,806	211,407



(Unit: thousands of yen)

Property name	Sotetsu Fresa Inn Tokyo-Roppongi	Hulic Tsukiji 3 Chome Building	Hulic Hachioji Building
Days under management	184	184	184
Leasing business revenues	108,000	(Note 2)	153,997
Leasing business revenue	108,000	(Note 2)	142,312
Other leasing business revenues	0	(Note 2)	11,685
Expenses related to leasing business	32,999	(Note 2)	48,623
Taxes and public dues	11,309	(Note 2)	6,693
Utilities expenses	–	(Note 2)	8,502
Insurance expenses	109	(Note 2)	171
Repair expenses	–	(Note 2)	1,072
Property management fees	1,080	(Note 2)	8,246
Other expenses related to leasing business	261	(Note 2)	969
Depreciation and amortization	20,240	(Note 2)	22,967
Income (loss) from leasing business	75,000	(Note 2)	105,373
NOI	95,240	(Note 2)	128,341

(Note 1) The Investment Corporation transferred Shinagawa Season Terrace on March 30, 2021.

(Note 2) The Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose the relevant information.

(Note 3) NOI is calculated by using the following formula.

NOI = Leasing business revenues - Expenses related to leasing business + Depreciation and amortization