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April 14, 2022

Financial Report for the Fiscal Period Ended February 28, 2022 (For the Reporting Period from September 1, 2021 to February 28, 2022)

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
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Scheduled date to file securities report: May 25, 2022
Scheduled date to commence payment of distributions: May 16, 2022
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)

Summary of financial results for the fiscal period ended February 28, 2022 (September 1, 2021 - February 28, 2022)

(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	%
February 28, 2022	11,006	4.8	6,150	6.7	5,434	7.5	5,345	7.5
August 31, 2021	10,505	(6.0)	5,763	(7.5)	5,053	(8.4)	4,972	(8.6)

	Basic earnings per unit	Return on equity	Ordinary profit on total assets	Ordinary profit on operating revenues
Fiscal period ended	Yen	%	%	%
February 28, 2022	3,784	2.8	1.4	49.4
August 31, 2021	3,698	2.7	1.4	48.1

(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 February 28, 2022: 1,412,480 units; fiscal period ended August 31, 2021: 1,344,538 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	%	%
February 28, 2022	3,600	5,184	—	—	96.9	2.6
August 31, 2021	3,550	4,803	—	—	96.5	2.6

(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
February 28, 2022	396,983	200,387	50.5	139,158
August 31, 2021	369,358	185,529	50.2	137,124

(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
February 28, 2022	9,262	(32,772)	21,273	19,380
August 31, 2021	14,118	(8,164)	(3,836)	21,616

2. Forecasts of performance for the fiscal period ending August 31, 2022 (March 1, 2022 - August 31, 2022) and the fiscal period ending February 28, 2023 (September 1, 2022 - February 28, 2023)

(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
August 31, 2022	11,414	3.7	6,255	1.7	5,524	1.7	5,448	1.9	3,700	—
February 28, 2023	10,460	(8.4)	5,625	(10.1)	4,883	(11.6)	4,882	(10.4)	3,480	—

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

For the fiscal period ending August 31, 2022: ¥3,783

For the fiscal period ending February 28, 2023: ¥3,390

*** 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: | Yes |
| 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 February 28, 2022 | 1,440,000 units |
| | As of August 31, 2021 | 1,353,000 units |
| b. | Number of treasury investment units at end of period | |
| | As of February 28, 2022 | 0 units |
| | As of August 31, 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 August 31, 2022 (from March 1, 2022 to August 31, 2022) and the fiscal period ending February 28, 2023 (from September 1, 2022 to February 28, 2023)” (hereinafter “Assumptions for Forecasts”) on pages 10 through 13 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 eighth public offering after its listing on October 27, 2021 and a third-party allotment on November 22, 2021. As a result, the number of investment units issued as of the end of the reporting period was 1,440,000.

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 four properties, Hulic Kojimachi Building, Kichijoji Fuji Building, Aristage Kyodo and Hulic Kobe Building (total acquisition price: ¥33,460 million) in November 2021, and transferred 50.0% trust beneficiary right quasi co-ownership interest and 50.0% partial right of land co-ownership interest of Hulic Shinjuku 3 Chome Building (total transfer price: ¥4,100 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 62, and the total acquisition price was ¥380,102 million (rounded to the nearest ¥1 million). The occupancy rate of the entire portfolio has remained at a high level of 98.4% 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 tenant 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) since the fiscal period ended August 31, 2016. In the GRESB Real Estate Assessment conducted in 2021, the Investment Corporation was awarded “5 Stars,” the highest GRESB Rating for the second consecutive year, 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 fifth 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 February 28, 2022, it has obtained external certification for a total of 42 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), the Investment Corporation acquired certification for 16 properties, with HULIC & New SHIBUYA and Hulic Shimura-sakaue obtaining the highest ranking. Concerning the real estate evaluation certification CASBEE (Note 4), the Investment Corporation has acquired certification for 16 properties, with Hulic Kamiyacho Building, Toranomom First Garden, Hulic Kandabashi Building, Hulic Kakigaracho Building, Hulic Higashi Nihonbashi Building, Hulic Kojimachi Building and Hulic Mejiro obtaining the highest ranking. Concerning CASBEE-Wellness Office evaluation certification (Note 5), the Investment Corporation acquired certification for Hulic Toranomom Building. Furthermore, the Investment Corporation acquired certification for 3 properties, including Charm Suite Shinjukutoyama, from the Japan Habitat Evaluation and Certification Program (JHEP) (Note 6).

In addition, having recognized the importance of disclosing climate-related financial information, the Asset Manager expressed its supports for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in July 2021 and has joined the TCFD Consortium, which is an organization in Japan for companies that support the recommendations. Based on the four items (governance, strategy, risk management, and metrics and targets) of the TCFD recommendations, the Asset Manager analyzes the business risks and opportunities brought about in response to climate change and has been disclosing information concerning its initiatives since April 2022.

- (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 of 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.
- (Note 6) The Japan Habitat Evaluation and Certification Program (JHEP) is based on the habitat evaluation procedures (HEP) developed by the U.S. Department of the Interior in the 1970s and 1980s to quantitatively evaluate habitats, focused on habitats where living creatures live. JHEP, which was developed and is managed by Ecosystem Conservation Society-Japan, evaluates and certifies initiatives that contribute to the conservation and restoration of biodiversity. Granda Gakugei Daigaku, which was acquired on March 31, 2022, received JHEP certification.

iii) Status of financing

During the reporting period, the Investment Corporation carried out a capital increase through a public offering on October 27, 2021 and executed borrowings comprised of short-term borrowings of ¥9,592 million and long-term borrowings of ¥6,300 million on November 1, 2021, in order to allocate for a portion of the purchase price for specified assets, etc., On November 22, 2021, the Investment Corporation carried out a capital increase by third-party allotment and executed a repayment of short-term borrowings of ¥692 million. Furthermore, on February 28, 2022, the Investment Corporation repaid ¥3,400 million in short-term borrowings as an early repayment and refinanced ¥8,550 million in long-term borrowings that was due for repayment and ¥3,500 million in short-term borrowings that was not yet due for repayment as long-term borrowings.

As a result, as of the end of the reporting period, interest-bearing debt totaled ¥176,416 million (comprised of ¥2,000 million in short-term borrowings, ¥19,365 million in current portion of long-term borrowings, ¥140,051 million in long-term borrowings and ¥15,000 million in investment corporation bonds), resulting in a loan-to-value (LTV) ratio of 44.4%.

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 ¥11,006 million (up 4.8% compared with the previous fiscal period), operating profit was ¥6,150 million (up 6.7% compared with the previous fiscal period), ordinary profit after deducting interest expenses for borrowings, etc., was ¥5,434 million (up 7.5% compared with the previous fiscal period), and profit was ¥5,345 million (up 7.5% 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 ¥5,184,000,000 and keep the amount in excess of that amount in internal reserves for the stabilization of future distributions. Consequently, distributions per unit came to ¥3,600. 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 August 31, 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 amid the normalization in economic and social activities as every effort is being made to implement measures for the novel coronavirus disease (COVID-19). However, given the sense of uncertainty due to the situation in Ukraine and other factors, the Investment Corporation must pay sufficient attention to downward risks due to rising raw material prices, fluctuations in financial markets, supply constraints, etc. Regarding the rental office market amid this outlook, 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 spending 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 respond appropriately.

Against this backdrop, the Investment Corporation will focus on (Note 1) Tokyo Commercial Properties (Note 2), aiming to maximize unitholder value over the medium to long term, and invest in Next-Generation Assets Plus (Note 3), 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) In view of the current real estate market conditions, etc., the Asset Manager revised parts of its management guidelines, which are internal regulations on April 14, 2022, and entered into an agreement to change the Sponsor Support Agreement. Please see from (Note 2) to (Note 4) below for summary, etc., of the amended scope of investment.

(Note 2) "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 that are sufficiently competitive that are in the Tokyo area (Tokyo and cities designated by government ordinance in the surrounding areas) and areas with economic zones comparable to the Tokyo area and in principle located "within a five-minute walking distance from the nearest train station," or "in a particular part of the area that has competitive or

advantageous characteristics.” 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. The investment ratio for office properties in the Tokyo area is, in principle, 90% or more of the investment amount (based on acquisition prices) for all of the office properties.

(Note 3) “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. Aside from the areas of “private nursing homes,” “network centers,” and “hotels,” the Investment Corporation positions properties other than office properties, retail properties, private nursing homes, network centers and hotels, that it determines can expect robust demand well into the future, will bring in stable revenue over the long term, and can contribute to maximizing unitholder value over the medium to long term as “Next-Generation Assets Plus.”

(Note 4) With respect to the recent revisions to parts of the management guidelines, the Investment Corporation agreed that, according to the preferential negotiation rights stipulated in the Sponsor Support Agreement for the expanded scope of investment, first preference shall be given to Hulic Private Reit, Inc., which is the same as before, and second preference shall be given to the Investment Corporation. The second preference of the Investment Corporation is the preferential negotiation rights of assets for “office properties” located in areas other than Tokyo’s 23 wards that are counted as Tokyo Commercial Properties, and for “private nursing homes” other than private nursing homes with anticipated monthly fees in the high end and “others” that fall under the Next-Generation Assets Plus category.

ii) Significant events after the reporting period

Not applicable.

(Reference information)

(A) Acquisitions of properties

The Investment Corporation acquired the below-mentioned beneficial interest in real estate trust (1 property; acquisition price: ¥2,200 million). The acquisition price provided does not include expenses incurred on the acquisition of such asset acquired (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 interest in trust.

Property name	Location	Date of acquisition	Acquisition price (Millions of yen)	Seller
Granda Gakugei Daigaku	Meguro-ku, Tokyo	March 31, 2022	2,200	Hulic Co., Ltd.

(B) Transfer of properties

The Investment Corporation transferred the below-mentioned real estate and beneficial interest in real estate trust (1 property; transfer price: ¥4,100 million). The transfer price provided does not include expenses incurred on the transfer of such transferred asset (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 of beneficial interest in trust and land.

Property name	Location	Date of transfer	Trust beneficiary right quasi co-ownership interest and partial right of land co-ownership interest transferred	Transfer price (Millions of yen)	Transferee
Hulic Shinjuku 3 Chome Building (Note 1)	Shinjuku-ku, Tokyo	March 1, 2022	50.0%	4,100 (Note 2)	Hulic Co., Ltd.

(Note 1) This is referred to as 50.0% trust beneficiary right quasi co-ownership interest and 50.0% partial right of land co-ownership interest held even after the transfer as of November 1, 2021.

(Note 2) The transfer price is the price stated on the purchase and sale agreement of beneficial interest in trust and land entered into on October 14, 2021.

(C) Borrowing of funds

In order to cover the acquisition price stated above in (A), the Investment Corporation executed the following borrowings.

Lender	Borrowing amount (Millions of yen)	Interest rate	Borrowing date	Repayment date	Repayment method	Remarks
Resona Bank, Limited	1,200	0.51986%	March 31, 2022	August 31, 2027	Lump-sum repayment	Unsecured and unguaranteed
Nippon Life Insurance Company	1,000	0.52000%	March 31, 2022	February 28, 2030		
Total	2,200	—	—	—	—	—

iii) Operating results (earnings) forecasts

The Investment Corporation's forecasts for the fiscal period ending August 31, 2022 (from March 1, 2022 to August 31, 2022) and the fiscal period ending February 28, 2023 (from September 1, 2022 to February 28, 2023) are as follows:

	Fiscal period ending August 31, 2022	Fiscal period ending February 28, 2023
Operating revenues	¥11,414 million	¥10,460 million
Operating profit	¥6,255 million	¥5,625 million
Ordinary profit	¥5,524 million	¥4,883 million
Profit	¥5,448 million	¥4,882 million
Distributions per unit (excluding distributions in excess of earnings)	¥3,700	¥3,480
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 August 31, 2022 (from March 1, 2022 to

August 31, 2022) and the fiscal period ending February 28, 2023 (from September 1, 2022 to February 28, 2023)” on pages 10 through 13.

(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 August 31, 2022 (from March 1, 2022 to August 31, 2022) and
the fiscal period ending February 28, 2023 (from September 1, 2022 to February 28, 2023)**

Item	Assumptions
Accounting period	<ul style="list-style-type: none"> Fiscal period ending August 31, 2022: 184 days from March 1, 2022 to August 31, 2022 Fiscal period ending February 28, 2023: 181 days from September 1, 2022 to February 28, 2023
Portfolio	<ul style="list-style-type: none"> We have based our assumptions on 62 properties we hold as of the date of this report (hereinafter referred to as the “Assets Held” in this table of assumptions). In our forecasts of performance, we 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.) until February 28, 2023 (the end of the 18th fiscal period). There may be changes in the portfolio, however, caused by buying or selling of properties.
Operating revenues	<ul style="list-style-type: none"> 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. Average monthly occupancy rates during period are assumed to be 98.5% and 98.1% for the periods ending August 31, 2022 and February 28, 2023, respectively, although such rates may vary if there is unexpected moving in or out of tenants. Projected amount for a gain on transfer relating to asset transfer (excluding expenses relating to the transfer) is recognized for the fiscal period ending August 31, 2022 (the 17th fiscal period). Operating revenues assume no delinquencies or non-payment of rent by tenants.

Item	Assumptions
Operating expenses	<ul style="list-style-type: none"> • 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 assets acquired in the fiscal period ended February 28, 2022 (the 16th fiscal period) and March 2022 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 fiscal period ended February 28, 2022 (the 16th fiscal period) and March 2022 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. • 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 ¥1,313 million for the fiscal period ending August 31, 2022 (the 17th fiscal period) and ¥1,324 million for the fiscal period ending February 28, 2023 (the 18th fiscal period). • 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. Fixed asset tax, city planning tax, etc., are assumed at ¥934 million for the fiscal period ending August 31, 2022 (the 17th fiscal period) and ¥934 million for the fiscal period ending February 28, 2023 (the 18th fiscal period). • 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 ¥177 million in the fiscal period ending August 31, 2022 (the 17th fiscal period) and ¥113 million in the fiscal period ending February 28, 2023 (the 18th fiscal period). • Operating expenses other than those related to leasing business (asset management fee, asset custody fee, administrative service fees, etc.) are assumed at ¥1,452 million for the fiscal period ending August 31, 2022 (the 17th fiscal period) and ¥1,210 million for the fiscal period ending February 28, 2023 (the 18th fiscal period). These expenses have been calculated based on past performance figures and upon considering variable factors.
Non-operating expenses	<ul style="list-style-type: none"> • 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 ¥708 million in the fiscal period ending August 31, 2022 (the 17th fiscal period) and ¥724 million in the fiscal period ending February 28, 2023 (the 18th fiscal period). • 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 ¥21 million in the fiscal period ending August 31, 2022 (the 17th fiscal period) and ¥16 million in the fiscal period ending February 28, 2023 (the 18th fiscal period).

Item	Assumptions
Interest-bearing debt	<ul style="list-style-type: none"> The balance of interest-bearing debt of the Investment Corporation as of the date of this report is ¥178,616 million (comprised of ¥2,000 million in short-term borrowings, ¥19,365 million in current portion of long-term borrowings, ¥142,251 million in long-term borrowings and ¥15,000 million in investment corporation bonds). For ¥2,000 million in short-term borrowings executed on November 1, 2021 as funds for acquisition of properties, we plan to refinance the entire amount during the period ending August 31, 2022 (17th fiscal period). For ¥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) and ¥10,305 million in current portion of long-term borrowings, for which repayment is due by February 28, 2023 (the end of the 18th fiscal period), we assume the refinancing of the entire amounts at the time of the due date. As a result of the above, we assume that the balance of interest-bearing debt as of each of August 31, 2022 (as of the end of the 17th fiscal period), and February 28, 2023 (as of the end of the 18th fiscal period), will be ¥178,616 million. We estimate LTV ratio (assumed) of approximately 45% as of August 31, 2022 (as of the end of the 17th fiscal period). The above LTV ratio (assumed) was obtained by the following formula: $\text{LTV (assumed)} = \frac{\text{Interest-bearing debt at end of period (assumed amount)}}{\text{Total assets at end of period (projected amount)}} \times 100$ <p>Total assets at end of period (assumed): Amount obtained by adding the acquisition prices of the assets acquired in March 2022 (¥2,200 million) to the sum of the total assets as stated on the balance sheet dated February 28, 2022 (as of the end of the 16th fiscal period) (¥396,983 million)</p>
Issuance of investment units	<ul style="list-style-type: none"> We have assumed 1,440,000 total investment units have been issued as of the date of this report, and that there will be no issuance of additional investment units until the end of the fiscal period ending February 28, 2023 (as of the end of the 18th fiscal period).
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> 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. 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. For the period ending August 31, 2022 (17th fiscal period), 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 assets to be transferred, ¥120 million is expected to be kept in internal reserves. For the period ending February 28, 2023 (18th fiscal period), a reversal of ¥128 million in internal reserves is expected in order to mitigate the impact of the decrease in revenue associated with the expected temporary drop in occupancy rate. The actual amounts of the accumulation and reversal 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.
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> We currently have no plans to pay cash distributions in excess of earnings (regarding distributions in excess of earnings per unit).

Item	Assumptions
Others	<ul style="list-style-type: none"> • 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. • We have assumed that further escalation of Russia’s military invasion of Ukraine, as well the resulting sharp increase in prices and further tightening of the supply and demand balance around the world for resources, energy, etc., rising prices for other goods and other factors will not have a significant negative impact on the Japanese economy. We have also assumed that expectations of an increase in interest rates by the central banks in the U.S. and Europe and further weakening of the yen will not have a negative impact on the financial markets in Japan. • 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. • We have assumed that no significant unforeseeable changes will occur in general economic trends or conditions in the real estate market.

2. Unaudited Financial Information

(1) Balance Sheets (unaudited)

(Unit: thousands of yen)

	Previous fiscal period (As of August 31, 2021)	Reporting period (As of February 28, 2022)
Assets		
Current assets		
Cash and deposits	13,731,679	11,713,016
Cash and deposits in trust	7,884,776	7,666,991
Operating accounts receivable	33,720	28,996
Prepaid expenses	64,503	43,345
Consumption taxes receivable	–	243,473
Other	490	42,864
Total current assets	21,715,170	19,738,687
Noncurrent assets		
Property, plant and equipment		
Buildings	693,561	697,432
Accumulated depreciation	(48,713)	(58,223)
Buildings, net	644,848	639,209
Land	1,849,447	1,219,370
Buildings in trust	73,044,514	77,781,804
Accumulated depreciation	(11,020,320)	(12,225,629)
Buildings in trust, net	62,024,194	65,556,174
Structures in trust	398,940	422,548
Accumulated depreciation	(164,788)	(179,181)
Structures in trust, net	234,151	243,366
Machinery and equipment in trust	518,673	530,317
Accumulated depreciation	(221,400)	(248,284)
Machinery and equipment in trust, net	297,272	282,032
Tools, furniture and fixtures in trust	96,918	101,302
Accumulated depreciation	(41,052)	(48,125)
Tools, furniture and fixtures in trust, net	55,865	53,177
Land in trust	273,732,093	301,037,449
Construction in progress in trust	26,678	54,667
Total property, plant and equipment	338,864,551	369,085,448
Intangible assets		
Leasehold interests in land	2,345,873	2,345,873
Land leasehold interests in trust	4,966,941	4,246,131
Other	8,005	7,026
Total intangible assets	7,320,821	6,599,031
Investments and other assets		
Leasehold and guarantee deposits	360,076	360,076
Long-term prepaid expenses	977,534	1,067,374
Deferred tax assets	8,107	7,985
Total investments and other assets	1,345,717	1,435,435
Total noncurrent assets	347,531,090	377,119,915
Deferred assets		
Investment unit issuance costs	31,793	51,560
Investment corporation bond issuance costs	80,497	73,453
Total deferred assets	112,290	125,013
Total assets	369,358,551	396,983,617

(Unit: thousands of yen)

	Previous fiscal period (As of August 31, 2021)	Reporting period (As of February 28, 2022)
Liabilities		
Current liabilities		
Operating accounts payable	810,266	454,480
Short-term borrowings	—	2,000,000
Current portion of long-term borrowings	17,610,000	19,365,000
Accounts payable - other	1,275,525	1,334,852
Accrued expenses	23,410	20,274
Income taxes payable	89,620	88,286
Accrued consumption taxes	373,811	131,460
Advances received	1,734,073	1,796,550
Deposits received	1,194	15,719
Total current liabilities	21,917,903	25,206,625
Noncurrent liabilities		
Investment corporation bonds	15,000,000	15,000,000
Long-term borrowings	132,006,000	140,051,000
Leasehold and guarantee deposits received	166,073	146,652
Leasehold and guarantee deposits received in trust	14,454,321	15,906,806
Asset retirement obligations	284,282	284,964
Total noncurrent liabilities	161,910,677	171,389,423
Total liabilities	183,828,580	196,596,048
Net assets		
Unitholders' equity		
Unitholders' capital	180,440,016	194,754,822
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	180,436,080	194,750,886
Surplus		
Unappropriated retained earnings	5,093,890	5,636,682
Total surplus	5,093,890	5,636,682
Total unitholders' equity	185,529,970	200,387,568
Total net assets	*3 185,529,970	*3 200,387,568
Total liabilities and net assets	369,358,551	396,983,617

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

(Unit: thousands of yen)

	Previous fiscal period (From March 1, 2021 to August 31, 2021)	Reporting period (From September 1, 2021 to February 28, 2022)
Operating revenues		
Leasing business revenue	*1, *3 9,533,196	*1, *3 9,836,336
Other leasing business revenues	*1 452,926	*1 525,596
Gain on sale of real estate properties	*2, *3 519,046	*2, *3 644,333
Total operating revenues	10,505,170	11,006,267
Operating expenses		
Expenses related to leasing business	*1 3,434,025	*1 3,490,287
Asset management fees	1,072,007	1,121,174
Asset custody fees	15,499	15,522
Administrative service fees	49,227	49,200
Remuneration for directors (and other officers)	6,000	6,000
Other operating expenses	165,019	173,416
Total operating expenses	4,741,779	4,855,600
Operating profit	5,763,390	6,150,666
Non-operating income		
Interest income	97	99
Gain on forfeiture of unclaimed distributions	248	307
Total non-operating income	345	407
Non-operating expenses		
Interest expenses	463,651	467,743
Interest expenses on investment corporation bonds	48,742	48,550
Borrowing related expenses	172,079	177,692
Amortization of investment unit issuance costs	18,241	15,676
Amortization of investment corporation bond issuance costs	7,161	7,044
Total non-operating expenses	709,875	716,707
Ordinary profit	5,053,860	5,434,365
Profit before income taxes	5,053,860	5,434,365
Income taxes - current	89,635	88,301
Income taxes - deferred	(8,107)	121
Total income taxes	81,528	88,423
Profit	4,972,332	5,345,941
Retained earnings brought forward	121,558	290,740
Unappropriated retained earnings	5,093,890	5,636,682

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

Previous fiscal period (From March 1, 2021 to August 31, 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	(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

Reporting period (From September 1, 2021 to February 28, 2022)

(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	180,440,016	(3,936)	(3,936)	180,436,080	5,093,890	5,093,890	185,529,970	185,529,970
Changes during the period								
Issuance of new investment units	14,314,806	—	—	14,314,806	—	—	14,314,806	14,314,806
Dividends of surplus	—	—	—	—	(4,803,150)	(4,803,150)	(4,803,150)	(4,803,150)
Profit	—	—	—	—	5,345,941	5,345,941	5,345,941	5,345,941
Total changes during the period	14,314,806	—	—	14,314,806	542,791	542,791	14,857,597	14,857,597
Balance at the end of the period	*1 194,754,822	(3,936)	(3,936)	194,750,886	5,636,682	5,636,682	200,387,568	200,387,568

(4) Statements of Cash Distributions (unaudited)

Fiscal period Item	Previous fiscal period (From March 1, 2021 to August 31, 2021)	Reporting period (From September 1, 2021 to February 28, 2022)
I Unappropriated retained earnings	¥5,093,890,902	¥5,636,682,601
II Distribution amount (Distributions per unit)	¥4,803,150,000 (¥3,550)	¥5,184,000,000 (¥3,600)
III Retained earnings carried forward	¥290,740,902	¥452,682,601
Method of calculating distribution amount	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 ¥4,803,150,000 and keep the amount in excess of that amount in internal reserves for the stabilization of future distributions. 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.	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 ¥5,184,000,000 and keep the amount in excess of that amount in internal reserves for the stabilization of future distributions. 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.

(5) Statements of Cash Flows (unaudited)

(Unit: thousands of yen)

	Previous fiscal period (From March 1, 2021 to August 31, 2021)	Reporting period (From September 1, 2021 February 28, 2022)
Cash flows from operating activities		
Profit before income taxes	5,053,860	5,434,365
Depreciation and amortization	1,234,765	1,288,812
Amortization of investment unit issuance costs	18,241	15,676
Amortization of investment corporation bond issuance costs	7,161	7,044
Interest income	(97)	(99)
Interest expenses	512,393	516,294
Decrease (increase) in operating accounts receivable	100,446	4,723
Decrease (increase) in consumption taxes refund receivable	—	(243,473)
Decrease (increase) in prepaid expenses	(16,744)	21,158
Increase (decrease) in operating accounts payable	200,538	(338,603)
Increase (decrease) in accounts payable - other	(206,990)	61,980
Increase (decrease) in accrued consumption taxes	(73,141)	(242,351)
Increase (decrease) in advances received	80,150	62,477
Increase (decrease) in deposits received	(4,383)	14,524
Decrease (increase) in long-term prepaid expenses	54,681	(89,839)
Decrease in property, plant and equipment due to sales	—	630,076
Decrease in property, plant and equipment in trust due to sales	3,824,952	2,055,979
Decrease in intangible assets in trust due to sales	3,830,214	715,507
Other, net	97,383	(45,476)
Subtotal	14,713,432	9,868,776
Interest received	97	99
Interest paid	(517,460)	(516,662)
Income taxes (paid) refund	(77,671)	(89,620)
Net cash provided by (used in) operating activities	14,118,397	9,262,592
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,724)	(4,942)
Purchase of property, plant and equipment in trust	(7,888,876)	(34,201,029)
Purchase of intangible assets	(91,565)	—
Purchase of intangible assets in trust	(28,783)	—
Proceeds from refund of leasehold and guarantee deposits	59,879	—
Refund of leasehold and guarantee deposits received	(45,150)	(19,421)
Proceeds from leasehold and guarantee deposits received	80,148	—
Refund of leasehold and guarantee deposits received in trust	(655,262)	(521,168)
Proceeds from leasehold and guarantee deposits received in trust	413,311	1,973,653
Net cash provided by (used in) investing activities	(8,164,021)	(32,772,908)

(Unit: thousands of yen)

	Previous fiscal period (From March 1, 2021 to August 31, 2021)	Reporting period (From September 1, 2021 February 28, 2022)
Cash flows from financing activities		
Proceeds from short-term borrowings	—	9,592,000
Repayments of short-term borrowings	(3,960,000)	(7,592,000)
Proceeds from long-term borrowings	5,930,000	18,350,000
Repayments of long-term borrowings	(7,130,000)	(8,550,000)
Proceeds from issuance of investment units	6,638,705	14,279,362
Distributions paid	(5,315,130)	(4,805,495)
Net cash provided by (used in) financing activities	(3,836,425)	21,273,867
Net increase (decrease) in cash and cash equivalents	2,117,949	(2,236,448)
Cash and cash equivalents at beginning of period	19,498,506	21,616,456
Cash and cash equivalents at end of period	*1 21,616,456	*1 19,380,008

(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 border="0"> <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>(1) Recognition of revenue The content of principal performance obligations regarding revenue from contracts with customers and the normal timing when those obligations are satisfied (normal timing when revenue is recognized) is described below.</p> <p>(i) Sales of real estate properties For sales of real estate properties, revenue is recorded at the timing that control of the real estate property is acquired by the purchaser, which is the customer, through fulfillment of the delivery obligations specified in the contract for the sale of the real estate property.</p> <p>(ii) Revenue from utilities charges For revenue from utilities charges, revenue is recorded commensurately to the supply of electricity, water, etc., to the lessee, which is the customer, based on the lease agreement of the real estate properties, and details of related agreements. Among the revenue from utilities charges, the revenue from a transaction in which the Investment Corporation is considered to be an agent shall be recognized as the net amount calculated by deducting the amount paid to a third party from the amount received as fee income for the electricity, gas, etc., supplied by that third party.</p> <p>(2) 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 ¥26,162 thousand for the previous fiscal period, and ¥22,093 thousand for the reporting period.</p>								

<p>4. Method of hedge accounting</p>	<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>
<p>5. Scope of cash and cash equivalents in the statements of cash flows</p>	<p>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.</p>
<p>6. Other information for preparation of financial statements</p>	<p>(1) Accounting method for beneficial interests in trust in real estate 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. 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"> i) Cash and deposits in trust 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 iii) Land leasehold interests in trust iv) Leasehold and guarantee deposits received in trust <p>(2) Accounting method for consumption taxes unqualified for deduction for tax purposes Consumption taxes unqualified for deduction for tax purposes for acquisition of assets are included in acquisition cost for each asset.</p>

(8) Notes on Changes in Accounting Policies

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

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

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

The Investment Corporation has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and “Implementation Guidance on Accounting Standard for Revenue Recognition” (ASBJ Guidance No. 30, March 26, 2021) effective from the beginning of the reporting

period, and it has recognized revenue at the time the control of promised goods or services is transferred to the customer at the amount expected to be received upon exchange of said goods or services. The impact of the application of the accounting standard, etc., on the financial statements is immaterial. In accordance with the transitional treatment provided for in paragraph 89-3 of the Accounting Standard for Revenue Recognition, “revenue recognition related” notes are not provided for the previous fiscal period.

Additional information

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

Previous fiscal period (From March 1, 2021 to August 31, 2021)

Not applicable.

Reporting period (From September 1, 2021 to February 28, 2022)

Not applicable.

(9) 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 August 31, 2021)	Reporting period (As of February 28, 2022)
Total amount of commitment line contracts	¥13,000,000 thousand	¥13,500,000 thousand
Balance of borrowings outstanding	—	—
Difference	¥13,000,000 thousand	¥13,500,000 thousand

*2. Allowance for temporary difference adjustments

Previous fiscal 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.

Reporting period (As of February 28, 2022)

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 August 31, 2021)	Reporting period (As of February 28, 2022)
	¥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 March 1, 2021 to August 31, 2021)	Reporting period (From September 1, 2021 to February 28, 2022)
A.	Real estate leasing business revenues		
	Leasing business revenue		
	Rent	8,547,167	8,850,429
	Land rent	265,032	265,029
	Common service fees	720,997	720,877
	Total	9,533,196	9,836,336
	Other leasing business revenues		
	Revenue from utilities charges	280,955	327,354
	Other revenue	171,971	198,242
	Total	452,926	525,596
	Total real estate leasing business revenues	9,986,123	10,361,933
B	Expenses related to real estate leasing business		
	Expenses related to leasing business		
	Property management fees	587,405	625,061
	Utilities expenses	299,219	334,838
	Taxes and public dues	832,603	826,813
	Insurance expenses	13,661	14,214
	Repair expenses	108,163	170,661
	Depreciation and amortization	1,233,785	1,287,832
	Other expenses related to leasing business	359,186	230,864
	Total expenses related to real estate leasing business	3,434,025	3,490,287
C	Income (loss) from real estate leasing business (A – B)	6,552,097	6,871,646

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

Previous fiscal 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

Reporting period (From September 1, 2021 to February 28, 2022)

Hulic Shinjuku 3 Chome Building (50.0% trust beneficiary right quasi co-ownership interest and 50.0% partial right of land co-ownership interest)	(Unit: thousands of yen)
Proceeds from sales of real estate properties	4,100,000
Cost of sales of real estate properties	3,401,563
Other expenses for the sales	54,102
Gain on sales of real estate properties	644,333

*3. Transactions with major corporate unitholders

	(Unit: thousands of yen)	
	Previous fiscal period (From March 1, 2021 to August 31, 2021)	Reporting period (From September 1, 2021 to February 28, 2022)
From operating transactions		
Leasing business revenue	795,933	795,933
Gain on sales of real estate properties	203,987	644,333

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 March 1, 2021 to August 31, 2021)	Reporting Period (From September 1, 2021 to February 28, 2022)
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	1,353,000 units	1,440,000 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 March 1, 2021 to August 31, 2021)	Reporting period (From September 1, 2021 to February 28, 2022)
Cash and deposits	13,731,679	11,713,016
Cash and deposits in trust	7,884,776	7,666,991
Total cash and cash equivalent	21,616,456	19,380,008

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

Since a number of variables are factored into the measurement of fair values of financial instruments, 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 August 31, 2021 are shown below. Note that as “cash and deposits,” and “cash and deposits in trust” are settled in cash in a short period of time, the fair value is considered approximate to the book value, and accordingly, notes on fair value for those items are omitted. Moreover, notes on fair value for “leasehold and guarantee deposits received in trust” are omitted due to immateriality.

(Unit: thousands of yen)

	Balance sheet carrying amount	Fair value	Difference
(1) Current portion of long-term borrowings	17,610,000	17,692,757	82,757
(2) Investment corporation bonds	15,000,000	15,016,200	16,200
(3) 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	—	—	—

Balance sheet carrying amount, fair value, and the difference between the two values as of February 28, 2022 are shown below. Note that as “cash and deposits,” “cash and deposits in trust” and “short-term borrowings” are settled in cash in a short period of time, the fair value is considered approximate to the book value, and accordingly, notes on fair value for those items are omitted. Moreover, notes on fair value for “leasehold and guarantee deposits received in trust” are omitted due to immateriality.

(Unit: thousands of yen)

	Balance sheet carrying amount	Fair value	Difference
(1) Current portion of long-term borrowings	19,365,000	19,412,125	47,125
(2) Investment corporation bonds	15,000,000	15,074,400	74,400
(3) Long-term borrowings	140,051,000	136,120,567	(3,930,432)
Total liabilities	174,416,000	170,607,093	(3,808,906)
Derivative transactions	—	—	—

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

Liabilities

(1) Current portion of long-term borrowings, and (3) 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.

(2) 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 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 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
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

Reporting period (As of February 28, 2022)

(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
Investment corporation bonds	—	—	—	5,000,000	1,000,000	9,000,000
Long-term borrowings	19,365,000	22,253,000	24,133,000	19,770,000	20,150,000	53,745,000
Total	19,365,000	22,253,000	24,133,000	24,770,000	21,150,000	62,745,000

Notes on Derivative Transactions (unaudited)

1. Derivative transactions not applying hedge accounting

Not applicable for the previous fiscal period (as of August 31, 2021) and the reporting period (as of February 28, 2022).

2. Derivative transactions applying hedge accounting

Previous fiscal 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 (1) Current portion of long-term borrowings, and (3) Long-term borrowings”).

Reporting period (As of February 28, 2022)

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	90,373,000	82,462,000	*	—

* 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 (1) Current portion of long-term borrowings, and (3) 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 August 31, 2021)	Reporting period (As of February 28, 2022)
Deferred tax assets		
Accrued enterprise tax excluded from expenses	8,107	7,985
Excess depreciation	747	961
Asset retirement obligations	88,687	88,687
Total deferred tax assets	97,542	97,635
Valuation allowance	(89,435)	(89,649)
Net deferred tax assets	8,107	7,985

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

(Unit: %)

	Previous fiscal period (As of August 31, 2021)	Reporting period (As of February 28, 2022)
Statutory tax rate	34.59	34.59
(Adjustments)		
Distributions paid included in expenses	(32.87)	(33.00)
Others	(0.11)	0.04
Effective tax rate	1.61	1.63

Notes on Related Party Transactions (unaudited)

1. Parent company and major corporate unitholders

Previous fiscal 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.

Reporting period (From September 1, 2021 to February 28, 2022)

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	111,609,853	Real estate business	Directly held by related party 10.58%	None	Leasing and management of real estate	Purchase of beneficial interests in real estate trust	33,460,000	—	—
								Transfer of real estate and beneficial interests in real estate trust	4,100,000	—	—
								Keeping of leasehold and guarantee deposits received in trust	1,973,653	Leasehold and guarantee deposits received in trust	13,777,064
								Repayment of leasehold and guarantee deposits received in trust	517,037		
								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 March 1, 2021 to August 31, 2021) and the reporting period (from September 1, 2021 to February 28, 2022).

3. Subsidiaries of parent company

Previous fiscal 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.

Reporting period (From September 1, 2021 to February 28, 2022)

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)	1,215,074	Accounts payable - other	1,233,292

(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 (¥83,650 thousand) and the portion of compensation associated with a property transfer deducted from gain on sales of real estate properties of the individual properties (¥10,250 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 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.”

Reporting period (From September 1, 2021 to February 28, 2022)

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

	Previous fiscal period (From March 1, 2021 to August 31, 2021)	Reporting period (From September 1, 2021 to February 28, 2022)
Balance at beginning of period	283,601	284,282
Increase in connection with the acquisition of property, plant and equipment	—	—
Adjustment due to passage of time	680	682
Balance at end of period	284,282	284,964

(Unit: thousands of yen)

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:

	Previous fiscal period (From March 1, 2021 to August 31, 2021)	Reporting period (From September 1, 2021 to February 28, 2022)
Balance sheet carrying amount		
Balance at beginning of period	347,144,009	346,177,367
Changes during period	(966,642)	29,500,086
Balance at end of period	346,177,367	375,677,454
Fair value at end of period	404,758,000	439,331,000

(Unit: thousands of yen)

(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 (¥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). The main reason for the increase during the reporting period is the acquisition of beneficial interests in real estate trust of 4 properties (¥33,863,418 thousand) and the decrease is mainly due to

transfer of real estate and beneficial interests in real estate trust of 1 property (¥3,401,563 thousand) and depreciation and amortization (¥1,287,150 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 Hulic Shinjuku 3 Chome Building therein is based on the transfer price stated on the purchase and sale agreement of beneficial interest in trust and land entered into on October 14, 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 of 50.0% trust beneficiary right quasi co-ownership interest and 50.0% partial right of land co-ownership interest stated on the purchase and sale agreement of beneficial interest 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 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

Reporting period (From September 1, 2021 to February 28, 2022)

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.	1,440,267	Real estate leasing business

Notes on Revenue Recognition (unaudited)

1. Information on disaggregation of revenue from contracts with customers

Reporting period (From September 1, 2021 to February 28, 2022)

(Unit: thousands of yen)

	Revenue from contracts with customers (Note 1)	Sales to external customers
Sales of real estate properties	4,100,000	(Note 2) 644,333
Revenue from utilities charges	327,354	327,354
Other	—	10,034,579
Total	4,427,354	11,006,267

(Note 1) Items such as leasing business revenue, to which “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13) is applied, and transfers of real estate properties to which the Japanese Institute of Certified Public Accountants (“JICPA”) Accounting Practice Committee Report No. 15 “Practical Guidelines on Accounting by Transferors for Derecognition of Real Estate Securitized by means of Special-Purpose Companies” is applied, are outside the scope of application of the Accounting Standard for Revenue Recognition. Note that revenues resulting from contracts with major customers are proceeds from sales of real estate properties and revenues from utilities charges.

(Note 2) For sales of real estate properties, the revenue is recorded as gain (loss) on sales of real estate properties, and accordingly, the amount stated is calculated by deducting cost of sales of real estate properties and other expenses for the sales from the proceeds from sales of real estate properties in the statements of income.

2. Information as a basis to understand revenue from contracts with customers

Reporting Period (From September 1, 2021 to February 28, 2022)

As presented in “Notes on Significant Accounting Policies (unaudited).”

3. Information on relationship between the satisfaction of performance obligations based on contracts with customers and cash flows from the contracts and amounts of revenue expected to be recognized in the following accounting period or later from contracts with customers existing at the end of the current accounting period and the timing of the revenue recognition.

Reporting Period (From September 1, 2021 to February 28, 2022)

Transaction price allocated to remaining performance obligations

As of February 28, 2022, the total amount of the transaction price allocated to remaining performance obligations pertaining to the sale of real estate, etc. is ¥4,100,000 thousand due to real estate, etc. for which a sales agreement was concluded on October 14, 2021. The Investment Corporation expects to

recognize revenue for these performance obligations due to the transfer of said real estate, etc., which was planned for March 1, 2022.

With regard to revenue from utilities charges, for the portion for which the performance is completed by the end of the period, the Investment Corporation has the right to receive from the customer the amount of consideration corresponding directly to the value to the lessee, who is the customer, and therefore, in accordance with paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition, revenues are recognized for the amount for which the Investment Corporation holds the right to request payment. Accordingly, by applying the provisions of paragraph 80-22 (2) of the “Accounting Standard for Revenue Recognition,” utilities charges are not included in this note to transaction price allocated to remaining performance obligations.

Notes on Per Unit Information (unaudited)

	Previous fiscal period (From March 1, 2021 to August 31, 2021)	Reporting period (From September 1, 2021 to February 28, 2022)
Net assets per unit	¥137,124	¥139,158
Basic earnings per unit	¥3,698	¥3,784

(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 March 1, 2021 to August 31, 2021)	Reporting period (From September 1, 2021 to February 28, 2022)
Profit (Thousands of yen)	4,972,332	5,345,941
Amount not attributable to common unitholders (Thousands of yen)	—	—
Profit attributable to common investment units (Thousands of yen)	4,972,332	5,345,941
Average number of investment units for the period (Units)	1,344,538	1,412,480

Notes on Significant Subsequent Events (unaudited)

Not applicable.

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.

(10) 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 31, 2017	Capital increase through public offering	61,800	1,106,800	9,190	141,241	(Note 1)
November 20, 2017	Capital increase through third-party allotment	3,200	1,110,000	475	141,717	(Note 2)
October 31, 2018	Capital increase through public offering	134,200	1,244,200	20,068	161,786	(Note 3)
November 19, 2018	Capital increase through third-party allotment	6,800	1,251,000	1,016	162,803	(Note 4)
September 26, 2019	Capital increase through public offering	58,000	1,309,000	10,435	173,238	(Note 5)
October 11, 2019	Capital increase through third-party allotment	3,000	1,312,000	539	173,778	(Note 6)
April 7, 2021	Capital increase through public offering	39,000	1,351,000	6,336	180,115	(Note 7)
April 27, 2021	Capital increase through third-party allotment	2,000	1,353,000	324	180,440	(Note 8)
October 27, 2021	Capital increase through public offering	82,800	1,435,800	13,623	194,063	(Note 9)
November 22, 2021	Capital increase through third-party allotment	4,200	1,440,000	691	194,754	(Note 10)

(Note 1) 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 2) 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 3) 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 4) 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 5) 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 6) 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 7) 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 8) 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 9) New investment units were issued through public offering with an issue price per unit of ¥169,942 (issue value: ¥164,538) in order to raise funds for the acquisition of 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 ¥164,538.

(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 August 31, 2021)		Reporting period (As of February 28, 2022)	
			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	4,840	1.3	4,204	1.1
		Other wards of Tokyo	—	—	—	—
		Other	—	—	—	—
		Total	4,840	1.3	4,204	1.1
	Next-Generation Assets Plus	Six central wards of Tokyo	—	—	—	—
		Other wards of Tokyo	—	—	—	—
		Other	—	—	—	—
		Total	—	—	—	—
	Total real estate		4,840	1.3	4,204	1.1
Real estate in trust	Tokyo Commercial Properties	Six central wards of Tokyo	216,205	58.5	225,742	56.9
		Other wards of Tokyo	45,425	12.3	45,206	11.4
		Other	9,466	2.6	21,344	5.4
		Total	271,097	73.4	292,292	73.6
	Next-Generation Assets Plus	Six central wards of Tokyo	29,460	8.0	29,352	7.4
		Other wards of Tokyo	22,851	6.2	31,991	8.1
		Other	17,927	4.9	17,836	4.5
		Total	70,239	19.0	79,180	19.9
	Total real estate in trust		341,337	92.4	371,473	93.6
Total real estate and real estate in trust			346,177	93.7	375,677	94.6
Deposits and other assets			23,181	6.3	21,306	5.4
Total assets			369,358	100.0	396,983	100.0

	Amount (Millions of yen)	Percentage to total assets (%) (Note 3)	Amount (Millions of yen)	Percentage to total assets (%) (Note 3)
Total liabilities	183,828	49.8	196,596	49.5
Total net assets	185,529	50.2	200,387	50.5

(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.

(Note 4) The information is presented using the classification of the revised management guidelines dated April 14, 2022. This also applies to the reference information presented hereinafter.

(2) Investment Assets

i) Overview of investment assets

(As of February 28, 2022)

Category		Property name	Date of construction (Note 1)	Total contracted rent (Millions of yen) (Note 2)	Leasehold/ guarantee deposits (Millions of yen) (Note 3)	(As of February 28, 2022)		
						Total leased area (m ²) (Note 4)	Total leasable area (m ²) (Note 5)	Occupancy rate (%) (Note 6)
Tokyo Commercial Properties	Office properties	Hulic Kamiyacho Building	April 1985	2,639	2,573	30,744.95	32,487.06	94.6
		Hulic Kudan Building (Land)	—	530	265	3,351.07	3,351.07	100.0
		Toranomon First Garden (Note 7)	August 2010	447	318	4,469.15	5,689.97	78.5
		Rapiros Roppongi (Note 8)	August 1997	592	544	6,147.00	6,730.52	91.3
		Hulic Takadanobaba Building	November 1993	314	194	5,369.71	5,369.71	100.0
		Hulic Kanda Building	September 2008	268	231	3,519.37	3,728.36	94.4
		Hulic Kandabashi Building	June 2001	148	117	2,301.88	2,566.95	89.7
		Hulic Kakigaracho Building	March 1993	191	128	2,858.48	2,858.48	100.0
		Ochanomizu Sola City (Note 9)	February 2013	(Note 27)	(Note 27)	13,923.42	13,923.42	100.0
		Hulic Higashi Ueno 1 Chome Building	July 1988	184	183	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	821	563	8,028.07	8,574.65	93.6
		Hulic Shibuya 1 chome Building	August 1993	212	157	2,432.93	2,817.65	86.3
		Hulic Higashi Nihonbashi Building	November 1996	193	130	3,681.20	3,681.20	100.0
		Hulic Jimbocho Building	September 1989	80	58	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	200	147	3,276.05	3,276.05	100.0
		Bancho House	August 1989	(Note 27)	132	1,981.83	1,981.83	100.0
		Ebisu Minami Building	September 1992	(Note 27)	(Note 27)	1,629.09	1,629.09	100.0
		Hulic Idabashi 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	70	55	1,059.22	1,059.22	100.0
		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	272	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
		Hulic Kojimachi Building (Note 17)	October 2010	523	324	5,380.17	5,380.17	100.0
		Kichijoji Fuji Building (Note 18)	October 1980	(Note 27)	(Note 27)	3,958.37	3,958.37	100.0
		Hulic Hachioji Building (Note 19)	(Bank branch building) February 2009 (Parking lot) November 2009	285	193	3,768.00	3,768.00	100.0
		Hulic Kobe Building (Note 20)	October 1990	372	434	4,742.06	5,126.01	92.5
Subtotal		—	—	—	151,043.32	156,379.08	96.6	

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 ²) (Note 4)	Total leasable area (m ²) (Note 5)	Occupancy rate (%) (Note 6)	
Tokyo Commercial Properties	Retail properties	Oimachi Redevelopment Building (#2)	September 1989	624	656	14,485.66	14,485.66	100.0	
		Oimachi Redevelopment Building (#1) (Note 21)	September 1989	438	529	10,612.67	10,612.67	100.0	
		Dining Square Akihabara Building	June 1993	(Note 27)	(Note 27)	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 (Note 22)	June 1983	173	104	675.58	675.58	100.0	
		Yokohama Yamashitacho Building	July 1993	(Note 27)	(Note 27)	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 23)	April 2017	110	107	737.91	898.62	82.1	
		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	—	—	—	58,031.60	58,192.31	99.7	
	Total	—	—	—	209,074.92	214,571.39	97.4		
Next-Generation Assets Plus	Private nursing homes	Aria Matsubara	September 2005	(Note 27)	(Note 27)	5,454.48	5,454.48	100.0	
		Trust Garden Yoganomori	September 2005	(Note 27)	(Note 27)	5,977.75	5,977.75	100.0	
		Trust Garden Sakurashinmachi	August 2005	(Note 27)	(Note 27)	3,700.26	3,700.26	100.0	
		Trust Garden Suginami Miyamae	April 2005	(Note 27)	(Note 27)	3,975.99	3,975.99	100.0	
		Trust Garden Tokiwamatsu	January 2016	(Note 27)	(Note 27)	2,893.82	2,893.82	100.0	
		SOMPO Care La vie Re Kita-Kamakura	March 2009	(Note 27)	(Note 27)	4,912.57	4,912.57	100.0	
		Charm Suite Shinjukutoyama	June 2015	(Note 27)	(Note 27)	4,065.62	4,065.62	100.0	
		Charm Suite Shakujiko	June 2014	(Note 27)	(Note 27)	4,241.68	4,241.68	100.0	
		Hulic Chofu	March 2017	173	144	4,357.58	4,357.58	100.0	
		Aristage Kyodo (Note 24)	May 2012	(Note 27)	(Note 27)	13,279.12	13,279.12	100.0	
		Subtotal	—	—	—	52,858.87	52,858.87	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 25)	August 2016	480	480	6,984.32	6,984.32	100.0	
		Sotetsu Fresa Inn Tokyo-Roppongi (Note 26)	August 2017	216	54	2,408.45	2,408.45	100.0	
		Hulic Tsukiji 3 Chome Building	November 2018	(Note 27)	(Note 27)	4,740.31	4,740.31	100.0	
		Subtotal	—	—	—	14,133.08	14,133.08	100.0	
	Total		—	—	—	138,365.61	138,365.61	100.0	
	Total of the portfolio			—	—	—	347,440.53	352,937.00	98.4

(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 February 28, 2022) indicated in the relevant lease agreements for buildings of each asset held in effect as of February 28, 2022 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 February 28, 2022 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 February 28, 2022, 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 February 28, 2022. 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 February 28, 2022. 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 February 28, 2022, 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 Toranomon 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 Hulic Kojimachi 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 18) For Kichijoji Fuji 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 19) 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 20) For HULIC Kobe 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 21) 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 22) For HULIC Shinjuku 3 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 and partial right of land co-ownership interest held by the Investment Corporation (50.0%).
- (Note 23) 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 24) For Aristage Kyodo, 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 25) 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 26) 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 27) The Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose the relevant information.
- (Note 28) 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 February 28, 2022, if the lease agreement was valid as of February 28, 2022.

ii) Overview of appraisal report

(As of February 28, 2022)

(As of February 28, 2022)												
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) (Note 5)	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	55,514	66,300	60,900	68,200	3.2	65,500	3.0	3.4
		Hulic Kudan Building (Land)	N	11,100	11,191	13,700	(Note 6)	13,700	3.3	13,600	2.9	3.4
		Toranomon First Garden	C	8,623	8,025	12,400	16,100	12,500	3.1	12,400	2.8	3.2
		Rapiros Roppongi	N	6,210	6,675	10,700	12,300	10,900	3.3	10,500	3.0	3.5
		Hulic Takadanobaba Building	D	3,900	3,761	5,140	4,140	5,100	3.9	5,150	3.7	4.1
		Hulic Kanda Building	T	3,780	3,502	4,560	4,760	4,710	3.7	4,500	3.8	3.9
		Hulic Kandabashi Building	D	2,500	2,447	3,070	3,120	3,120	3.6	3,050	3.4	3.8
		Hulic Kakigaracho Building	T	2,210	2,146	3,110	3,180	3,100	4.0	3,110	4.1	4.2
		Ochanomizu Sola City	N	38,149	36,203	45,353	36,673	45,787	3.0	44,919	2.7	3.1
		Hulic Higashi Ueno 1 Chome Building	N	2,678	2,712	3,040	2,740	3,080	3.7	2,990	3.5	3.9
		Tokyo Nishi Ikebukuro Building	N	1,580	1,582	2,050	1,540	2,080	3.9	2,010	3.7	4.1
		Hulic Toranomon Building	N	18,310	17,771	22,000	24,500	22,200	2.9	21,700	2.6	3.0
		Hulic Shibuya 1 chome Building	T	5,100	5,066	5,820	5,700	6,050	3.3	5,720	3.4	3.5
		Hulic Higashi Nihonbashi Building	T	3,480	3,539	3,660	4,060	3,800	4.0	3,600	4.1	4.2
		Hulic Jimbocho Building	N	1,460	1,551	1,680	1,420	1,710	3.7	1,640	3.5	3.9
		Hulic Ginza 7 Chome Building	N	21,080	21,116	21,850	25,080	22,040	3.2	21,565	3.0	3.3
		Hulic Gotanda Yamate-dori Building	D	3,450	3,574	3,520	3,120	3,790	3.6	3,410	3.4	3.8
		Bancho House	D	2,750	2,759	3,390	2,430	3,370	3.7	3,400	3.5	3.9
		Ebisu Minami Building (Note 7)	T	2,420	2,433	2,610	2,500	2,710	3.7	2,560	3.7	3.8
		Hulic Iidabashi Building	T	1,450	1,452	1,530	1,400	1,590	3.8	1,510	3.9	4.0
		Hulic Asakusabashi Building (Note 8)	T	4,750	4,672	4,970	4,210	4,910	4.8	4,990	4.8	—
		Hulic Ebisu Building	C	1,275	1,283	1,340	958	1,380	3.7	1,340	3.5	3.8
		Hulic Ryogoku Building	N	5,610	5,519	5,877	5,040	5,985	3.7	5,769	3.5	3.9
		Hulic Asakusabashi Edo-dori	N	5,420	5,420	5,769	5,283	5,832	3.9	5,706	3.5	3.9
		Hulic Nakano Building	N	3,200	3,203	3,510	2,916	3,582	3.8	3,438	3.6	4.0
		Hulic Ueno Building	N	4,100	4,131	4,437	4,293	4,527	3.5	4,347	3.3	3.7
		Hulic Kojimachi Building	D	12,600	12,643	13,100	15,100	13,600	3.1	12,900	2.9	3.3
		Kichijoji Fuji Building	T	5,150	5,178	6,330	6,080	6,420	4.1	6,290	4.2	4.3
		Hulic Hachioji Building	N	4,900	4,866	5,229	4,626	5,301	4.6	5,157	4.4	4.8
		Hulic Kobe Building	D	6,710	6,746	6,930	6,640	6,990	4.2	6,900	4.0	4.4
		Subtotal		—	249,195	246,693	292,975	—	298,064	—	289,671	—

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) (Note 5)	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		Retail properties	Oimachi Redevelopment Building (#2)	T	9,456	9,423	11,900	11,700	12,100	4.0	11,800	4.1	4.2
			Oimachi Redevelopment Building (#1)	T	6,166	6,297	7,220	6,880	7,280	4.2	7,190	4.3	4.4
			Dining Square Akihabara Building	N	3,200	3,192	3,980	2,720	4,070	3.7	3,880	3.5	3.9
			Hulic Jingu-Mae Building	T	2,660	2,640	3,630	3,740	3,710	3.3	3,600	3.4	3.5
			Hulic Shinjuku 3 Chome Building	N	3,345	3,400	3,975	3,855	4,060	3.4	3,890	3.0	3.6
			Yokohama Yamashitacho Building	N	4,850	4,553	4,750	3,790	4,820	4.3	4,680	4.1	4.5
			Hulic Todoroki Building	T	1,200	1,212	1,410	1,570	1,420	4.5	1,410	4.6	4.7
			HULIC &New SHIBUYA	N	3,150	3,087	3,380	2,775	3,465	3.0	3,290	2.8	3.2
			HULIC &New SHINBASHI	N	3,100	3,005	3,310	3,260	3,360	3.6	3,250	3.4	3.8
			Hulic Shimura-sakaue	N	7,556	7,323	7,470	7,730	7,470	4.4	7,470	4.2	4.7
			Hulic Mejiro	N	5,670	5,667	6,060	6,390	6,160	3.7	5,950	3.5	3.9
			Subtotal	—	50,353	49,804	57,085	54,410	57,915	—	56,410	—	—
		Total	—	299,548	296,497	350,060	—	355,979	—	346,081	—	—	
Next-Generation Assets Plus		Private nursing homes	Aria Matsubara	N	3,244	3,065	4,380	3,790	4,410	4.3	4,340	3.9	4.5
			Trust Garden Yoganomori	N	5,390	5,234	7,010	5,830	7,050	4.6	6,960	4.2	4.8
			Trust Garden Sakurashinmachi	N	2,850	2,785	3,740	3,140	3,760	4.5	3,710	4.1	4.7
			Trust Garden Suginami Miyamae	N	2,760	2,683	3,630	2,870	3,650	4.5	3,600	4.1	4.7
			Trust Garden Tokiwamatsu	N	3,030	2,927	3,380	3,140	3,430	4.1	3,320	3.9	4.3
			SOMPO Care La vie Re Kita-Kamakura	N	1,780	1,685	1,830	1,200	1,850	5.3	1,810	5.1	5.5
			Charm Suite Shinjukutoyama	N	3,323	3,329	3,610	3,690	3,670	4.0	3,550	3.8	4.2
			Charm Suite Shakujikocho	N	3,200	3,199	3,350	3,140	3,400	4.3	3,300	4.1	4.5
			Hulic Chofu	N	3,340	3,412	3,540	3,220	3,590	4.2	3,480	4.0	4.4
			Aristage Kyodo	N	9,000	9,237	9,443	9,073	9,595	3.9	9,291	3.7	4.1
			Subtotal	—	37,917	37,559	43,913	39,093	44,405	—	43,361	—	—
		Network centers	Ikebukuro Network Center	N	4,570	4,443	5,370	5,130	5,410	4.3	5,330	4.0	4.4
			Tabata Network Center	N	1,355	1,341	1,570	1,580	1,580	4.8	1,560	4.5	4.9
			Hiroshima Network Center	N	1,080	1,009	1,220	1,200	1,220	5.7	1,210	5.4	5.8
			Atsuta Network Center	N	1,015	960	1,070	1,030	1,080	5.4	1,060	5.1	5.5
			Nagano Network Center	N	305	288	363	281	364	6.9	362	6.7	7.1
			Chiba Network Center	N	7,060	6,835	7,400	4,140	7,440	5.0	7,360	4.7	5.1
			Sapporo Network Center	N	2,510	2,485	2,560	2,510	2,570	5.2	2,550	4.9	5.3
			Keihanna Network Center	N	1,250	1,159	1,330	1,180	1,330	5.4	1,320	5.1	5.5
			Subtotal	—	19,145	18,524	20,883	17,051	20,994	—	20,752	—	—
		Hotels	Sotetsu Fresa Inn Ginza 7 Chome	N	11,520	11,345	12,100	14,000	12,400	3.5	11,800	3.3	3.7
			Sotetsu Fresa Inn Tokyo-Roppongi	N	5,000	4,849	4,950	4,980	5,050	3.7	4,845	3.5	3.9
			Hulic Tsukiji 3 Chome Building	N	6,972	6,900	7,300	6,890	7,440	3.6	7,160	3.4	3.8
Subtotal	—		23,492	23,095	24,350	25,870	24,890	—	23,805	—	—		
Total		—	80,554	79,180	89,146	82,014	90,289	—	87,918	—	—		
Total		—	380,102	375,677	439,206	—	446,268	—	433,999	—	—		

- (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 purchase and sale 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 February 28, 2022, rounded down to the nearest million yen.
- (Note 4) *Appraisal value* represents the appraisal value as of the valuation date of February 28, 2022.
- (Note 5) “Integrated price by using cost method” is presented by rounding the price corresponding to the quasi co-ownership of property held by the Investment Corporation to the nearest million yen.
- (Note 6) For Hulic Kudan Building (Land), this item was not provided due to the Investment Corporation only holding the land.
- (Note 7) Discount rate for Ebisu Minami Building was 3.6% for the 1st fiscal year to the 6th fiscal year, 3.7% for the 7th fiscal year to the 11th fiscal year. The table shows the 7th fiscal year to the 11th fiscal year (3.7%).
- (Note 8) 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 February 28, 2022, the main capital expenditures for renovation work, etc., scheduled as of February 28, 2022 (the end of the 16th 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)
Oimachi Redevelopment Building (#1)	Shinagawa-ku, Tokyo	Renewal work for escalator control system	From April 2021 to August 2022	93
Oimachi Redevelopment Building (#1)	Shinagawa-ku, Tokyo	Renovation work for external wall	From January 2021 to November 2022	92
Oimachi Redevelopment Building (#2)	Shinagawa-ku, Tokyo	Renewal work for air conditioners	From May 2022 to January 2023	79
Hulic Higashi Ueno 1 Chome Building	Taito-ku, Tokyo	Renewal work for the rooms for rent	From April 2022 to July 2022	55
Hulic Kobe Building	Kobe-shi, Hyogo	Renewal work for elevator	From December 2022 to February 2023	56

(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 ¥325,370 thousand and repair expenses were ¥170,661 thousand. In aggregate, construction work in the amount of ¥496,031 thousand was carried out during the period.

Property name	Location	Purpose	Period	Capital expenditure for work (Millions of yen)
Hulic Kamiyacho Building	Minato-ku, Tokyo	Renewal work for the rooms for rent (10th floor)	From September 2021 to February 2022	101
Hulic Takadanobaba Building	Toshima-ku, Tokyo	Renewal work for elevator	From January 2022 to February 2022	50
Other				173
Total				325

(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 February 28, 2022.

Property name	Total contracted rent (annual) (Millions of yen) (Note 1)	Total leased area (m ²) (Note 2)	Total leasable area (m ²) (Note 3)	Occupancy rate (%) (Note 4)
Hulic Kamiyacho Building	2,639	30,744.95	32,487.06	94.6

(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 February 28, 2022) as indicated in the relevant lease agreements for the building of the asset held in effect as of February 28, 2022 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 February 28, 2022. 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 February 28, 2022.

(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 February 28, 2022, 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 February 28, 2022 are shown as below.

Tenant	Business type	Property name	Leased area (m ²) (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	30,744.95	2,639	2,573	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	318	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)	6,147.00	592	544		
		Hulic Takadanobaba Building	5,369.71	314	194		
		Hulic Kanda Building	3,519.37	268	231		
		Hulic Kandabashi Building	2,301.88	148	117		
		Hulic Kakigaracho Building	2,858.48	191	128		
		Hulic Higashi Ueno 1 Chome Building	3,137.09	184	183	October 15, 2023	
		Tokyo Nishi Ikebukuro Building (Note 8)	1,429.74	111	195	March 30, 2024	
		Hulic Toranomon Building	8,028.07	821	563	December 24, 2022	
		Hulic Shibuya 1 chome Building	2,432.93	212	157	March 30, 2024	
		Hulic Higashi Nihonbashi Building	3,681.20	193	130		
		Hulic Jimbocho Building	1,561.38	80	58	April 27, 2022	
		Hulic Ginza 7 Chome Building (Note 9)	11,405.68	1,022	572	March 28, 2023	
		Hulic Gotanda Yamate-dori Building	3,276.05	200	147	September 30, 2023	
		Bancho House	1,981.83	(Note 25)	132	October 31, 2023	
		Ebisu Minami Building	1,629.09	(Note 25)	(Note 25)	December 26, 2023	
		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	1,059.22	70	55	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	272	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	
		Hulic Kojimachi Building (Note 15)	5,380.17	523	324	October 31, 2024	
		Kichijoji Fuji Building (Note 16)	3,958.37	(Note 25)	(Note 25)	October 31, 2024	
		Hulic Hachioji Building (Note 17)	3,768.00	285	193	October 15, 2023	
		Hulic Kobe Building (Note 18)	4,742.06	372	434	October 31, 2024	

Tenant	Business type	Property name	Leased area (m ²) (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 (#2)	14,485.66	624	656	February 6, 2023	Automatically renewed for a term agreed upon unless notified in writing at least 6 months before the expiry of the agreement
		Oimachi Redevelopment Building (#1) (Note 19)	10,612.67	438	529	(Note 26)	
		Dining Square Akihabara Building	2,169.41	(Note 25)	(Note 25)	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		
		Hulic Shinjuku 3 Chome Building (Note 20)	675.58	173	104	October 15, 2023	
		Yokohama Yamashitacho Building	8,958.70	(Note 25)	(Note 25)		
		Hulic Todoroki Building	1,676.02	94	69	December 26, 2023	
		HULIC &New SHIBUYA (Note 21)	737.91	110	107	June 29, 2022	
		HULIC & New SHINBASHI	1,725.35	154	135	October 31, 2022	
		Hulic Shimura-sakaue	11,528.34	469	354	June 28, 2023	
		Hulic Mejiro	3,805.72	279	187	March 25, 2023	
		Aria Matsubara	5,454.48	(Note 25)	(Note 25)	February 6, 2023	
		Trust Garden Yoganomori	5,977.75	(Note 25)	(Note 25)		
		Trust Garden Sakurashinmachi	3,700.26	(Note 25)	(Note 25)		
		Trust Garden Suginami Miyamae	3,975.99	(Note 25)	(Note 25)		
		Trust Garden Tokiwamatsu	2,893.82	(Note 25)	(Note 25)	August 31, 2023	
		SOMPO Care La vie Re Kita-Kamakura	4,912.57	(Note 25)	(Note 25)	June 29, 2022	
		Charm Suite Shinjukutoyama	4,065.62	(Note 25)	(Note 25)	September 26, 2022	
		Charm Suite Shakujiko	4,241.68	(Note 25)	(Note 25)	September 11, 2022	
		Hulic Chofu	4,357.58	173	144	March 30, 2024	
		Aristage Kyodo (Note 22)	13,279.12	(Note 25)	(Note 25)	October 31, 2024	
		Sotetsu Fresa Inn Ginza 7 Chome (Note 23)	6,984.32	480	480	October 31, 2022	
		Sotetsu Fresa Inn Tokyo- Roppongi (Note 24)	2,408.45	216	54		
		Hulic Tsukiji 3 Chome Building	4,740.31	(Note 25)	(Note 25)	March 25, 2023	
		Total	262,143.45	9,501	13,490	—	—
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 February 28, 2022. 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 February 28, 2022) indicated in the relevant lease agreements for buildings of each property in effect as of February 28, 2022 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 February 28, 2022 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 February 28, 2022, 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 February 28, 2022, rounded to the nearest million yen.
- (Note 4) *Expiration date* is the date provided in the lease agreements for each asset in effect on February 28, 2022 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 Toranomom 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 Hulic Kojimachi 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 16) For Kichijoji Fuji 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 17) 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 18) For Hulic Kobe 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 19) 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 20) For Hulic Shinjuku 3 Chome Building, leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property and partial right of land co-ownership interest held by the Investment Corporation (50.0%).
- (Note 21) 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 22) For Aristage Kyodo, 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 23) 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 24) 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 25) The Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose the relevant information.
- (Note 26) 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 27) 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 February 28, 2022, if the lease agreement was valid as of February 28, 2022.

(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 February 28, 2022. 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 ²) (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	20.5	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	8.2	February 6, 2063 February 6, 2023 (Note 6)	Fixed-term business-use land lease agreement Ordinary building lease agreement Ordinary building lease agreement
Mizuho Bank, Ltd.	Hulic Ryogoku Building Hulic Asakusabashi Edo-dori Hulic Nakano Building Hulic Ueno Building Hulic Kojimachi Building Kichijoji Fuji Building Hulic Hachioji Building Hulic Kobe Building	17,551.71	5.1	(Note 7)	Ordinary building lease agreement
Trust Garden Co., Ltd.	Trust Garden Yoganomori Trust Garden Sakurashinmachi Trust Garden Suginami Miyamae Trust Garden Tokiwamatsu	16,547.82	4.8	January 24, 2028 January 24, 2028 January 24, 2028 February 29, 2036	Ordinary building lease agreement
Keio Corporation	Aristage Kyodo	13,279.12	3.8	May 7, 2042	Ordinary building lease agreement
Charm Care Corporation Co., Ltd.	Charm Suite Shinjuku Toyama Charm Suite Shakuji-koen Hulic Chofu	11,809.15	3.4	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	2.7	September 30, 2046 October 9, 2047	Fixed-term building lease agreement
(Note 7)	Hulic Ginza 7 Chome Building	9,107.44	2.6	(Note 7)	(Note 7)
Barneys Japan	Yokohama Yamashitacho Building	8,958.70	2.6	(Note 7)	(Note 7)
Mizuho Securities Co., Ltd.	Ochanomizu Sola City Hulic Ueno Building Hulic Hachioji Building Hulic Kobe Building	5,522.25	1.6	(Note 7)	(Note 7)

(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 February 28, 2022. 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 Hulic Ryogoku Building, Hulic Asakusabashi Edo-dori, Hulic Nakano Building, Hulic Ueno Building, Hulic Kojimachi Building, Kichijoji Fuji Building, Hulic Hachioji Building and Hulic Kobe Building, the figures are equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- For Aristage Kyodo, the figures are equivalent to the quasi co-ownership interest of property held by the Investment Corporation (95.0%).
- 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%).

(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 February 28, 2022.

(Note 4) *Form of agreement* is the form of agreement described in the lease agreement with the end-tenants as of February 28, 2022.

(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 September 1, 2021 to February 28, 2022)

(Unit: thousands of yen)

Property name	Hulic Kamiyacho Building	Hulic Kudan Building (Land)	Toranomon First Garden	Rapiros Roppongi	Hulic Takadanoba Building	Hulic Kanda Building	Hulic Kandabashi Building
Days under management	181	181	181	181	181	181	181
Leasing business revenues	1,381,485	265,002	208,869	328,034	173,959	137,649	85,534
Leasing business revenue	1,290,522	265,002	196,302	307,535	156,884	127,607	79,383
Other leasing business revenues	90,963	—	12,566	20,499	17,075	10,042	6,150
Expenses related to leasing business	365,494	35,227	117,688	145,271	62,508	68,097	37,197
Taxes and public dues	75,329	33,359	38,473	45,237	13,087	4,077	9,551
Utilities expenses	51,005	—	8,117	18,344	10,054	6,850	4,676
Insurance expenses	1,241	36	277	737	257	129	109
Repair expenses	51,896	—	551	751	1,434	4,212	5,067
Property management fees	100,880	1,325	3,501	6,173	14,888	7,543	5,797
Other expenses related to leasing business	6,485	506	26,068	55,610	1,341	26,109	1,290
Depreciation and amortization	78,656	—	40,697	18,416	21,444	19,174	10,706
Income (loss) from leasing business	1,015,990	229,774	91,180	182,763	111,451	69,552	48,336
NOI	1,094,647	229,774	131,878	201,179	132,895	88,726	59,042

(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	181	181	181	181	181	181	181
Leasing business revenues	106,034	(Note 2)	99,144	56,750	465,316	121,832	108,894
Leasing business revenue	95,375	(Note 2)	89,923	56,030	410,949	98,095	97,560
Other leasing business revenues	10,658	(Note 2)	9,220	720	54,366	23,736	11,333
Expenses related to leasing business	36,745	(Note 2)	43,308	20,538	175,791	45,470	45,013
Taxes and public dues	9,613	(Note 2)	7,697	2,386	61,580	9,430	8,577
Utilities expenses	5,748	(Note 2)	4,510	—	17,089	6,099	8,783
Insurance expenses	124	(Note 2)	128	121	352	140	136
Repair expenses	288	(Note 2)	869	—	1,503	3,088	2,588
Property management fees	11,019	(Note 2)	10,366	9,787	40,270	7,399	6,620
Other expenses related to leasing business	1,174	(Note 2)	6,867	3,523	1,289	6,068	930
Depreciation and amortization	8,776	(Note 2)	12,869	4,719	53,705	13,243	17,376
Income (loss) from leasing business	69,288	(Note 2)	55,836	36,212	289,524	76,362	63,881
NOI	78,065	712,683	68,705	40,931	343,230	89,605	81,257

(Unit: thousands of yen)

Property name	Hulic Jimbocho Building	Hulic Ginza 7 Chome Building	Hulic Gotanda Yamate-dori Building	Bancho House	Ebisu Minami Building	Hulic Iidabashi Building	Hulic Asakusa-bashi Building
Days under management	181	181	181	181	181	181	181
Leasing business revenues	46,295	556,040	92,253	(Note 2)	(Note 2)	44,848	252,465
Leasing business revenue	38,707	526,040	79,669	(Note 2)	(Note 2)	40,375	241,314
Other leasing business revenues	7,588	30,000	12,583	(Note 2)	(Note 2)	4,473	11,150
Expenses related to leasing business	15,958	184,197	63,435	(Note 2)	(Note 2)	14,914	178,297
Taxes and public dues	3,390	78,496	5,810	(Note 2)	(Note 2)	3,740	12,809
Utilities expenses	2,518	29,792	6,837	(Note 2)	(Note 2)	3,185	14,273
Insurance expenses	62	799	158	(Note 2)	(Note 2)	64	419
Repair expenses	441	8,875	13,107	(Note 2)	(Note 2)	424	1,210
Property management fees	3,999	38,759	6,004	(Note 2)	(Note 2)	4,059	45,943
Other expenses related to leasing business	691	2,165	22,009	(Note 2)	(Note 2)	796	13,501
Depreciation and amortization	4,855	25,309	9,509	(Note 2)	(Note 2)	2,642	90,138
Income (loss) from leasing business	30,337	371,843	28,818	(Note 2)	(Note 2)	29,934	74,168
NOI	35,192	397,152	38,328	58,849	45,631	32,577	164,306

(Unit: thousands of yen)

Property name	Hulic Ebisu Building	Hulic Ryogoku Building	Hulic Asakusa-bashi Edo-dori	Hulic Nakano Building	Hulic Ueno Building	Hulic Kojimachi Building	Kichijoji Fuji Building
Days under management	181	181	181	181	181	120	120
Leasing business revenues	34,129	156,207	144,638	94,786	116,757	182,138	(Note 2)
Leasing business revenue	32,351	143,065	136,804	84,365	105,488	174,461	(Note 2)
Other leasing business revenues	1,777	13,142	7,833	10,421	11,269	7,676	(Note 2)
Expenses related to leasing business	11,067	66,619	53,320	29,579	25,222	41,813	(Note 2)
Taxes and public dues	2,703	9,641	8,390	6,497	—	—	(Note 2)
Utilities expenses	1,858	9,057	5,196	4,731	7,499	7,047	(Note 2)
Insurance expenses	36	216	190	142	143	187	(Note 2)
Repair expenses	669	1,637	1,334	459	1,156	300	(Note 2)
Property management fees	2,884	11,875	9,433	9,487	8,722	14,794	(Note 2)
Other expenses related to leasing business	1,583	754	780	899	2,614	973	(Note 2)
Depreciation and amortization	1,330	33,436	27,995	7,360	5,086	18,509	(Note 2)
Income (loss) from leasing business	23,061	89,587	91,317	65,206	91,535	140,325	(Note 2)
NOI	24,392	123,024	119,312	72,566	96,621	158,834	98,814

(Unit: thousands of yen)

Property name	Hulic Hachioji Building	Hulic Kobe Building	Oimachi Redevelopment Building (#2)	Oimachi Redevelopment Building (#1)	Dining Square Akihabara Building	Hulic Jingu-Mae Building	Hulic Shinjuku 3 Chome Building (Note 1)
Days under management	181	120	181	181	181	181	181
Leasing business revenues	155,297	129,467	312,000	218,931	(Note 2)	84,299	119,962
Leasing business revenue	142,312	120,378	312,000	218,931	(Note 2)	79,681	115,218
Other leasing business revenues	12,985	9,089	–	–	(Note 2)	4,617	4,743
Expenses related to leasing business	48,542	32,896	74,419	71,935	(Note 2)	20,691	22,604
Taxes and public dues	6,693	–	32,328	34,690	(Note 2)	6,216	9,788
Utilities expenses	8,445	6,225	–	–	(Note 2)	4,116	2,433
Insurance expenses	167	151	428	1,791	(Note 2)	58	55
Repair expenses	1,053	6,621	–	3,079	(Note 2)	1,610	197
Property management fees	8,244	14,074	6,240	4,378	(Note 2)	3,189	3,700
Other expenses related to leasing business	936	1,630	505	7,918	(Note 2)	384	4,602
Depreciation and amortization	23,001	4,194	34,917	20,077	(Note 2)	5,114	1,826
Income (loss) from leasing business	106,754	96,571	237,580	146,995	(Note 2)	63,608	97,358
NOI	129,755	100,765	272,497	167,072	78,077	68,722	99,184

(Unit: thousands of yen)

Property name	Yokohama Yamashitacho Building	Hulic Todoroki Building	HULIC & New SHIBUYA	HULIC & New SHINBASH I	Hulic Shimura-sakaue	Hulic Mejiro	Aria Matsubara
Days under management	181	181	181	181	181	181	181
Leasing business revenues	(Note 2)	52,485	63,208	84,023	256,234	149,112	(Note 2)
Leasing business revenue	(Note 2)	47,159	51,196	77,067	234,550	140,861	(Note 2)
Other leasing business revenues	(Note 2)	5,326	12,012	6,956	21,684	8,250	(Note 2)
Expenses related to leasing business	(Note 2)	21,067	24,845	30,720	130,348	52,544	(Note 2)
Taxes and public dues	(Note 2)	4,187	3,841	5,114	21,517	10,233	(Note 2)
Utilities expenses	(Note 2)	4,269	3,507	4,167	20,791	6,432	(Note 2)
Insurance expenses	(Note 2)	72	49	90	334	175	(Note 2)
Repair expenses	(Note 2)	1,242	3,952	1,477	2,277	768	(Note 2)
Property management fees	(Note 2)	4,572	2,873	5,890	31,568	10,749	(Note 2)
Other expenses related to leasing business	(Note 2)	1,170	1,926	1,027	2,002	807	(Note 2)
Depreciation and amortization	(Note 2)	5,553	8,693	12,953	51,857	23,377	(Note 2)
Income (loss) from leasing business	(Note 2)	31,418	38,363	53,303	125,886	96,568	(Note 2)
NOI	117,317	36,971	47,057	66,256	177,743	119,945	95,616

(Unit: thousands of yen)

Property name	Trust Garden Yogano- mori	Trust Garden Sakurashin- machi	Trust Garden Suginami Miyamae	Trust Garden Tokiwa- matsu	SOMPO Care La vie Re Kita- Kamakura	Charm Suite Shinjuku- toyama	Charm Suite Shakujii- koen
Days under management	181	181	181	181	181	181	181
Leasing business revenues	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Leasing business revenue	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Other leasing business revenues	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Expenses related to leasing business	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Taxes and public dues	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Utilities expenses	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Insurance expenses	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Repair expenses	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Property management fees	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Other expenses related to leasing business	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Depreciation and amortization	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Income (loss) from leasing business	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
NOI	158,258	84,188	78,898	71,934	51,043	72,985	74,338

(Unit: thousands of yen)

Property name	Hulic Chofu	Aristage Kyodo	Ikebukuro Network Center	Tabata Network Center	Hiroshima Network Center	Atsuta Network Center	Nagano Network Center
Days under management	181	120	181	181	181	181	181
Leasing business revenues	94,133	(Note 2)	130,176	43,285	42,091	35,273	16,708
Leasing business revenue	86,368	(Note 2)	130,176	43,285	42,091	35,273	16,708
Other leasing business revenues	7,765	(Note 2)	—	—	—	—	—
Expenses related to leasing business	29,818	(Note 2)	27,953	8,949	12,787	11,217	6,382
Taxes and public dues	—	(Note 2)	15,635	4,707	5,635	4,690	2,285
Utilities expenses	7,430	(Note 2)	—	—	—	—	—
Insurance expenses	112	(Note 2)	197	62	87	74	46
Repair expenses	232	(Note 2)	—	—	—	84	283
Property management fees	2,194	(Note 2)	960	720	1,320	960	840
Other expenses related to leasing business	621	(Note 2)	505	505	504	504	504
Depreciation and amortization	19,227	(Note 2)	10,655	2,954	5,239	4,902	2,422
Income (loss) from leasing business	64,315	(Note 2)	102,222	34,335	29,303	24,056	10,326
NOI	83,542	139,760	112,877	37,290	34,543	28,958	12,748

(Unit: thousands of yen)

Property name	Chiba Network Center	Sapporo Network Center	Keihanna Network Center	Sotetsu Fresa Inn Ginza 7 Chome	Sotetsu Fresa Inn Tokyo- Roppongi	Hulic Tsukiji 3 Chome Building
Days under management	181	181	181	181	181	181
Leasing business revenues	214,687	80,358	45,166	240,000	108,000	(Note 2)
Leasing business revenue	214,687	80,358	45,166	240,000	108,000	(Note 2)
Other leasing business revenues	—	—	—	—	—	(Note 2)
Expenses related to leasing business	82,508	24,274	16,773	56,396	32,999	(Note 2)
Taxes and public dues	30,590	13,001	8,496	25,330	11,309	(Note 2)
Utilities expenses	—	—	—	—	—	(Note 2)
Insurance expenses	563	218	129	254	107	(Note 2)
Repair expenses	613	950	—	—	—	(Note 2)
Property management fees	1,800	793	1,200	2,400	1,080	(Note 2)
Other expenses related to leasing business	584	504	504	605	263	(Note 2)
Depreciation and amortization	48,357	8,805	6,443	27,807	20,240	(Note 2)
Income (loss) from leasing business	132,179	56,084	28,392	183,603	75,000	(Note 2)
NOI	180,537	64,889	34,836	211,410	95,240	(Note 2)

(Note 1) The Investment Corporation transferred 50.0% trust beneficiary right quasi co-ownership interest and 50.0% partial right of land co-ownership interest of Hulic Shinjuku 3 Chome Building on November 1, 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.

$$\text{NOI} = \text{Leasing business revenues} - \text{Expenses related to leasing business} + \text{Depreciation and amortization}$$