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## **Hulic Reit, Inc.**

### **Asset Management Report**

Fiscal period ended August 31, 2021 (March 1, 2021 to August 31, 2021)

#### **I. To Our Unitholders**

Firstly, I would like to convey my sincere appreciation to you, our unitholders, for your continued support of Hulic Reit, Inc.

As I was appointed as Executive Officer of Hulic Reit, Inc. (“Investment Corporation”) at its General Meeting of Unitholders held on May 25, 2021 and assumed office on June 1, 2021, I would like to take this opportunity to once again offer my greetings.

The Investment Corporation was listed on the Real Estate Investment Trust Securities Market (J-REIT Market) of the Tokyo Stock Exchange in February 2014, and we have steadily built a track record since then. We have now successfully completed our 15th fiscal period (fiscal period ended August 31, 2021). This was made possible entirely thanks to the strong support of our unitholders, and for this I would like to express my heartfelt gratitude.

I am pleased to report here an overview of our asset management and our operating results for the 15th fiscal period (fiscal period ended August 31, 2021).

The Investment Corporation recorded operating revenues of ¥10.5 billion, operating profit of ¥5.7 billion and profit of ¥4.9 billion, and distributions per unit came to ¥3,550 for the reporting period. In April 2021, we carried out a capital increase through our seventh public offering since listing, and while conducting asset replacement through the acquisition of Hulic Ueno Building and Hulic Chofu and the transfer of Shinagawa Season Terrace and Orchid Square (the second transfer of quasi co-ownership interest of 50%), we have lowered our LTV (ratio of interest-bearing debt to total assets) from 46.1% as of the end of the 14th fiscal period (February 28, 2021) to 44.6%. As a result, the number of properties held by the Investment Corporation as of the end of the reporting period was 58 at an asset size (total acquisition price) of ¥350.0 billion (rounded to the nearest ¥100 million). In addition, based on our asset replacement centered on earnings stability in the portfolio and our stable management through steady control of the LTV ratio, both of which have been promoted during the COVID-19 pandemic, Japan Credit Rating Agency, Ltd. increased its long-term issuer rating for the Investment Corporation from AA- (rating outlook: Positive) to AA (rating outlook: Stable) in May 2021.

Now having entered our 16th fiscal period (fiscal period ending February 28, 2022), in October 2021, we carried out a capital increase through public offering for the second consecutive period, and while continuing to conduct asset replacement to ensure a stability oriented portfolio and looking ahead to the post-COVID-19 period, we have grown to an asset size of ¥376.8 billion (rounded to the nearest ¥100 million) consisting of 61 properties through external growth in response to changes in the external environment, including the acquisition of properties for which future growth can be expected.

For our initiatives related to ESG (Environment, Society, Governance), Hulic Reit Management Co., Ltd., which is entrusted with the management of the assets of the Investment Corporation, having recognized the importance of disclosing climate-related financial information, expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in July 2021 and has started discussions regarding initiatives for business risks and opportunities brought about by climate change.

We will work to maximize unitholder value by maintaining and growing profits over the medium- to long-term and increasing the size and value of our portfolio through the support of the Hulic Group.

We ask for the continued support of our unitholders.

Hulic Reit, Inc.  
Kazuaki Chokki, Executive Officer

(Reference)

**Composition of Unitholders**

(As of the end of the 15th fiscal period (fiscal period ended August 31, 2021))

| Category  | Individuals | Financial institutions | Securities firms | Other corporations | Foreign individuals | Total     |
|---|-------------|------------------------|------------------|--------------------|---------------------|-----------|
| Number of Unitholders by Type (persons)               | 8,055       | 153                    | 21               | 228                | 244                 | 8,701     |
| Percentage (Note) (%)                                 | 92.6        | 1.8                    | 0.2              | 2.6                | 2.8                 | 100.0     |
| Number of Investment Units by Unitholder Type (units) | 56,188      | 849,891                | 52,194           | 166,858            | 227,869             | 1,353,000 |
| Percentage (Note) (%)                                 | 4.2         | 62.8                   | 3.9              | 12.3               | 16.8                | 100.0     |

(Note) Percentages shown are rounded to one decimal place.

## II. Asset Investment Report

### 1. Summary of asset management

#### (1) Changes in investment performance, etc. of the Investment Corporation

| Fiscal period  | Unit               | 11th fiscal period<br>(From March 1,<br>2019<br>to August 31, 2019) | 12th fiscal period<br>(From September 1,<br>2019<br>to February 29,<br>2020) | 13th fiscal period<br>(From March 1,<br>2020<br>to August 31, 2020) | 14th fiscal period<br>(From September 1,<br>2020<br>to February 28,<br>2021) | 15th fiscal period<br>(From March 1,<br>2021<br>to August 31, 2021) |
|--|--------------------|---|--|---|--|---|
| Operating revenues   | Millions<br>of yen | 9,137   | 9,642  | 10,591  | 11,170   | 10,505  |
| [Of the above, real estate leasing<br>business revenues]             | Millions<br>of yen | [9,137]   | [9,642]  | [10,060]  | [10,225]   | [9,986]   |
| Operating expenses   | Millions<br>of yen | 4,153   | 4,373  | 4,809   | 4,938  | 4,741   |
| [Of the above, expenses related<br>to real estate leasing business]  | Millions<br>of yen | [3,099]   | [3,278]  | [3,515]   | [3,421]  | [3,434]   |
| Operating profit   | Millions<br>of yen | 4,983   | 5,268  | 5,782   | 6,232  | 5,763   |
| Ordinary profit  | Millions<br>of yen | 4,362   | 4,634  | 5,083   | 5,515  | 5,053   |
| Profit   | Millions<br>of yen | 4,361   | 4,633  | 5,082   | 5,437  | 4,972   |
| Total assets   | Millions<br>of yen | 330,710   | 349,732  | 370,487   | 368,400  | 369,358   |
| [Change from the previous fiscal<br>period]                          | %                  | [+2.5]  | [+5.8]   | [+5.9]  | [(0.6)]  | [+0.3]  |
| Net assets   | Millions<br>of yen | 167,165   | 178,412  | 178,860   | 179,212  | 185,529   |
| [Change from the previous fiscal<br>period]                          | %                  | [(0.0)]   | [+6.7]   | [+0.3]  | [+0.2]   | [+3.5]  |
| Unitholders' capital   | Millions<br>of yen | 162,803   | 173,778  | 173,778   | 173,778  | 180,440   |
| Total number of<br>investment units issued                           | Units              | 1,251,000   | 1,312,000  | 1,312,000   | 1,312,000  | 1,353,000   |
| Net assets per unit  | Yen                | 133,625   | 135,984  | 136,326   | 136,594  | 137,124   |
| Total distributions  | Millions<br>of yen | 4,362   | 4,633  | 5,085   | 5,316  | 4,803   |
| Payout ratio (Note 2)  | %                  | 100.0   | 99.9   | 100.0   | 97.7   | 96.5  |
| Basic earnings per unit (Note 3)                                     | Yen                | 3,486   | 3,554  | 3,873   | 4,144  | 3,698   |
| Distributions per unit   | Yen                | 3,487   | 3,532  | 3,876   | 4,052  | 3,550   |
| [Of the above, distributions of<br>earnings per unit]                | Yen                | [3,487]   | [3,531]  | [3,874]   | [4,052]  | [3,550]   |
| [Of the above, distributions in<br>excess of earnings per unit]      | Yen                | [-]   | [1]  | [2]   | [-]  | [-]   |
| Equity ratio<br>[Change from the previous (Note 4)<br>fiscal period] | %                  | 50.5<br>[(1.3)]   | 51.0<br>[+0.5]   | 48.3<br>[(2.7)]   | 48.6<br>[+0.3]   | 50.2<br>[+1.6]  |
| Return on equity (Note 5)<br>[Annualized]                            | %                  | 2.6<br>[5.2]  | 2.7<br>[5.4]   | 2.8<br>[5.6]  | 3.0<br>[6.1]   | 2.7<br>[5.4]  |
| [Other reference information]  |                    |   |  |   |  |   |
| Number of properties   | Properties         | 51  | 55   | 58  | 58   | 58  |
| Total leasable area  | m <sup>2</sup>     | 292,664.40  | 309,712.83   | 322,981.97  | 322,330.61   | 325,888.86  |
| Occupancy rate at end of period                                      | %                  | 100.0   | 99.5   | 99.8  | 99.6   | 99.2  |

(Note 1) The amount does not include consumption tax and local consumption tax.

(Note 2) Payout ratio is calculated with the following formula and rounded down to one decimal place.

Payout ratio = total distributions (excluding distributions in excess of earnings) / profit × 100

(Note 3) Basic earnings per unit is calculated by dividing profit by the average number of investment units for the period.

Average number of investment units is 1,251,000 units for the 11th fiscal period, 1,303,374 units for the 12th fiscal period, 1,312,000 units for the 13th fiscal period, 1,312,000 units for the 14th fiscal period, and 1,344,538 units for the 15th fiscal period.

(Note 4) Equity ratio is calculated with the following formula:

Equity ratio = net assets at end of period / total assets at end of period × 100

(Note 5) Return on equity is calculated with the following formula:

Return on equity (profit to net assets ratio) = profit / [(net assets at beginning of period + net assets at end of period) / 2] × 100

The value in brackets of return on equity is the value calculated with number of business days (11th fiscal period: 184 days; 12th fiscal period: 182 days; 13th fiscal period: 184 days; 14th fiscal period: 181 days; 15th fiscal period: 184 days) converted into annual values.

## **(2) Transition of the Investment Corporation for the fiscal period under review**

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

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

### **i) Investment environment and investment performance**

Investment environment: During the reporting period, the Japanese economy has been picking up amid the ongoing difficult circumstances due to the adverse impact of COVID-19. However, the pace of recovery has decreased recently. In the rental office market, the vacancy rate has continued to rise due to the aforementioned impact of COVID-19. Conditions for retail properties and hotels remain difficult due to the impact of the redeclaration of a state of emergency.

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

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

The Investment Corporation has participated in the Real Estate Assessment of Global Real Estate Sustainability Benchmark (GRESB) (Note 1) from the fiscal period ended August 31, 2016. In the GRESB Real Estate Assessment conducted in 2020, the Investment Corporation was awarded “5 Stars,” the highest GRESB Rating, for its initiatives in environmental awareness and sustainability, having received strong recognition in both the areas of “Management Component” and “Performance Component.” At the same time, the Investment Corporation also received a “Green Star” for the fourth consecutive year. In addition, the Investment Corporation has been working on obtaining external certification relating to energy conservation and environmental performance for properties under ownership, and as of August 31, 2021, external certifications for a total of 32 properties have been obtained. The Investment Corporation has acquired DBJ Green Building Certification (Note 2) for six properties, with Ochanomizu Sola City and Hulic

Asakusabashi Building obtaining the highest ranking. As for BELS (Note 3), which is a public rating system that assesses energy-conservation performance of non-residential buildings, the Investment Corporation acquired certification for 13 properties, with HULIC & New SHIBUYA obtaining the highest ranking. Concerning the real estate evaluation certification CASBEE (Note 4), the Investment Corporation has acquired certification for 12 properties, with HULIC Kamiyacho Building, Toranomom First Garden, HULIC Higashi Nihonbashi Building and HULIC Mejiro obtaining the highest ranking. In November 2019, the Investment Corporation acquired CASBEE-Wellness Office evaluation certification (Note 5) for HULIC Toranomom Building.

(Note 1) The “Global Real Estate Sustainability Benchmark (GRESB)” is an annual benchmark assessment used to evaluate ESG considerations in the global real estate sector. It was established in 2009 primarily by major European pension fund groups, which led the Principles for Responsible Investment.

(Note 2) The “DBJ Green Building Certification” is a certification system created by Development Bank of Japan Inc. in April 2011 to support real estate properties with environmental and social awareness (“Green Building”). The certification system is said to evaluate and certify real estate properties in terms of their desirability for society and the economy based on a comprehensive evaluation, which includes not only environmental performance, but also responsiveness to various stakeholder needs such as consideration for emergency preparedness and the community, and to support these efforts.

(Note 3) The “BELS” is a building energy-efficiency labeling system that was started with the aim of having third-party institutions implement accurate evaluation and labeling of energy-conservation performance in non-residential buildings in accordance with the guidelines set forth in October 2013 by the Ministry of Land, Infrastructure, Transport and Tourism in “Evaluation Guidelines for Energy-efficiency Labeling for Non-residential Buildings (2013).”

(Note 4) “CASBEE” (Comprehensive Assessment System for Built Environment Efficiency) is a method for evaluating and rating the environmental performance of buildings. CASBEE is a system that comprehensively evaluates the quality of buildings by giving consideration not only to the environment in regard to the use of materials that have good energy conservation and small environmental loads, but also to the comfort inside the buildings and to the landscapes. Institute for Building Environment and Energy Conservation (IBEC) promotes the adoption of the system and operates the assessment and certification. The real estate evaluation certification CASBEE evaluates the environmental performance of existing buildings with one or more years of use after completion.

(Note 5) The “CASBEE-Wellness Office evaluation certification” is a method for evaluating specifications, performance and approaches of buildings that support maintenance and enhancement of the health and comfort of building users. The system evaluates not only the direct impact on the health and comfort of workers who inhabit offices in the building but also other performance factors such as contribution to intellectual productivity improvement as well as security and safety. IBEC promotes the adoption of the system and operates the assessment and certification.

## ii) Status of financing

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

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

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

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

## iii) Overview of financial results and distributions

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

for borrowings, etc. was ¥5,053 million (down 8.4% compared with the previous fiscal period), and profit was ¥4,972 million (down 8.6% compared with the previous fiscal period).

Furthermore, in accordance with the distribution policy set forth in the Investment Corporation's Articles of Incorporation, the Investment Corporation has applied special measures for the taxation system for investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation) and decided to pay distributions for the reporting period of an amount of the initially forecasted distribution of ¥4,803,150,000 and keep the amount in excess of that amount in internal reserves for the stabilization of future distributions. Consequently, distributions per unit came to ¥3,550. The Investment Corporation plans to use internal reserves to ensure stability in distribution payments, by using it to mitigate the negative effects in cases of temporary or unexpected income decrease or cost increase.

### (3) Status of capital increase, etc.

Capital increase, etc. from the establishment of the Investment Corporation to the end of the reporting period are as follows.

| Date               | Event  | Total number of investment units issued (Units) |           | Total unitholders' capital (Millions of yen) |         | Remarks   |
|--------------------|--|---|-----------|--|---------|-----------|
|                    |  | Change  | Balance   | Change                                       | Balance |           |
| November 7, 2013   | Incorporation through private placement        | 2,000   | 2,000     | 200  | 200     | (Note 1)  |
| February 6, 2014   | Capital increase through public offering       | 617,500   | 619,500   | 64,355                                       | 64,555  | (Note 2)  |
| March 7, 2014      | Capital increase through third-party allotment | 32,500  | 652,000   | 3,387  | 67,943  | (Note 3)  |
| November 6, 2014   | Capital increase through public offering       | 122,860   | 774,860   | 17,785                                       | 85,728  | (Note 4)  |
| November 21, 2014  | Capital increase through third-party allotment | 6,140   | 781,000   | 888  | 86,617  | (Note 5)  |
| March 29, 2016     | Capital increase through public offering       | 167,600   | 948,600   | 29,444                                       | 116,061 | (Note 6)  |
| April 13, 2016     | Capital increase through third-party allotment | 8,400   | 957,000   | 1,475  | 117,537 | (Note 7)  |
| October 3, 2016    | Capital increase through public offering       | 83,800  | 1,040,800 | 13,821                                       | 131,358 | (Note 8)  |
| October 26, 2016   | Capital increase through third-party allotment | 4,200   | 1,045,000 | 692  | 132,051 | (Note 9)  |
| October 31, 2017   | Capital increase through public offering       | 61,800  | 1,106,800 | 9,190  | 141,241 | (Note 10) |
| November 20, 2017  | Capital increase through third-party allotment | 3,200   | 1,110,000 | 475  | 141,717 | (Note 11) |
| October 31, 2018   | Capital increase through public offering       | 134,200   | 1,244,200 | 20,068                                       | 161,786 | (Note 12) |
| November 19, 2018  | Capital increase through third-party allotment | 6,800   | 1,251,000 | 1,016  | 162,803 | (Note 13) |
| September 26, 2019 | Capital increase through public offering       | 58,000  | 1,309,000 | 10,435                                       | 173,238 | (Note 14) |
| October 11, 2019   | Capital increase through third-party allotment | 3,000   | 1,312,000 | 539  | 173,778 | (Note 15) |
| April 7, 2021      | Capital increase through public offering       | 39,000  | 1,351,000 | 6,336  | 180,115 | (Note 16) |
| April 27, 2021     | Capital increase through third-party allotment | 2,000   | 1,353,000 | 324  | 180,440 | (Note 17) |

(Note 1) At the incorporation of the Investment Corporation, investment units were issued with an issue value per unit of ¥100,000.

(Note 2) New investment units were issued through public offering with an issue price per unit of ¥108,000 (issue value: ¥104,220) in order to raise funds for the acquisition of new properties, etc.

(Note 3) New investment units were issued through a private placement allocated to Mizuho Securities Co., Ltd. with an issue value per unit of ¥104,220.

(Note 4) New investment units were issued through public offering with an issue price per unit of ¥150,150 (issue value: ¥144,760) in order to raise funds for the acquisition of new properties, etc.

(Note 5) New investment units were issued through a private placement allocated to Mizuho Securities Co., Ltd. with an issue value per unit of ¥144,760.

(Note 6) New investment units were issued through public offering with an issue price per unit of ¥181,837 (issue value: ¥175,682) in order to raise funds for the acquisition of new properties, etc.

(Note 7) New investment units were issued through a private placement allocated to Mizuho Securities Co., Ltd. with an issue value per unit of ¥175,682.

(Note 8) New investment units were issued through public offering with an issue price per unit of ¥170,625 (issue value: ¥164,937) in order to raise funds for the acquisition of new properties, etc.

- (Note 9) New investment units were issued through a private placement allocated to Mizuho Securities Co., Ltd. with an issue value per unit of ¥164,937.
- (Note 10) 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 11) 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 12) 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 13) 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 14) 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 15) 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 16) 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 17) 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 18) 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.

<Changes in market price of investment unit>

The highest and lowest unit prices (closing price) of the investment securities of the Investment Corporation by fiscal period on the J-REIT Market of the Tokyo Stock Exchange are as follows:

| Highest and lowest unit prices by fiscal period (Closing price) | Fiscal period | 11th fiscal period ended August 31, 2019 | 12th fiscal period ended February 29, 2020 | 13th fiscal period ended August 31, 2020 | 14th fiscal period ended February 28, 2021 | 15th fiscal period ended August 31, 2021 |
|---|---------------|--|--|--|--|--|
|   | Highest (Yen) | 194,700                                  | 209,900                                    | 185,600                                  | 180,500                                    | 193,800                                  |
|   | Lowest (Yen)  | 176,500                                  | 182,100                                    | 85,000                                   | 133,200                                    | 164,700                                  |



#### (4) Distributions, etc.

Pursuant to the distribution policy prescribed in Article 35, Paragraph 1 of 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 under review (15th fiscal period). Based on this policy, the Investment Corporation has decided to pay distributions for the reporting period of an amount of the initially forecasted distribution of ¥4,803,150,000 (distributions per unit: ¥3,550) and keep the amount in excess of that amount in internal reserves for the stabilization of future distributions. 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.

| Fiscal period  | 11th fiscal period<br>(From March 1,<br>2019<br>to August 31, 2019) | 12th fiscal period<br>(From September 1,<br>2019<br>to February 29,<br>2020) | 13th fiscal period<br>(From March 1,<br>2020<br>to August 31, 2020) | 14th fiscal period<br>(From September 1,<br>2020<br>to February 28,<br>2021) | 15th fiscal period<br>(From March 1,<br>2021<br>to August 31,<br>2021) |
|--|---|--|---|--|--|
| Total unappropriated retained earnings   | ¥4,362,498<br>thousand  | ¥4,633,369<br>thousand   | ¥5,082,828<br>thousand  | ¥5,437,782<br>thousand   | ¥5,093,890<br>thousand   |
| Accumulated earnings   | ¥261<br>thousand  | ¥697<br>thousand   | ¥140<br>thousand  | ¥121,558<br>thousand   | ¥290,740<br>thousand   |
| Total amount of cash distributions<br>(Distributions per unit)   | ¥4,362,237<br>thousand<br>(¥3,487)                                  | ¥4,633,984<br>thousand<br>(¥3,532)   | ¥5,085,312<br>thousand<br>(¥3,876)                                  | ¥5,316,224<br>thousand<br>(¥4,052)   | ¥4,803,150<br>thousand<br>(¥3,550)                                     |
| Of the above, total amount of distributions of earnings<br>(Distributions of earnings per unit)  | ¥4,362,237<br>thousand<br>(¥3,487)                                  | ¥4,632,672<br>thousand<br>(¥3,531)   | ¥5,082,688<br>thousand<br>(¥3,874)                                  | ¥5,316,224<br>thousand<br>(¥4,052)   | ¥4,803,150<br>thousand<br>(¥3,550)                                     |
| Of the above, total amount of refunds of unitholders' capital<br>(Refunds of unitholders' capital per unit)  | —<br>(—)  | ¥1,312 thousand<br>(¥1)  | ¥2,624 thousand<br>(¥2)   | —<br>(—)   | —<br>(—)   |
| Of the total amount of refunds of unitholders' capital, total amount of distributions from allowance for temporary difference adjustments<br>(Of the refunds of unitholders' capital per unit, distributions from allowance for temporary difference adjustments per unit)   | —<br>(—)  | ¥1,312 thousand<br>(¥1)  | ¥2,624 thousand<br>(¥2)   | —<br>(—)   | —<br>(—)   |
| Of the total amount of refunds of unitholders' capital, total amount of distributions from distribution on reduction of unitholders' capital for taxation purposes<br>(Of the refunds of unitholders' capital per unit, distributions from distributions on reduction of unitholders' capital for taxation purposes) | —<br>(—)  | —<br>(—)   | —<br>(—)  | —<br>(—)   | —<br>(—)   |

## **(5) Future investment policies and issues to address**

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

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

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

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

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

## **(6) Significant events after the reporting period**

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

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

(New investment unit issuance through public offering)

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

(New investment unit issuance through third-party allotment)

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

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

(Reference information)

(A) Acquisitions of properties

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

<Assets Planned for Acquisition>

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

(B) Transfer of properties

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

<Asset Planned for Transfer>

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

(C) Borrowing of funds

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

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

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

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

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

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

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

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

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

## 2. Overview of the Investment Corporation

### (1) Status of unitholders' capital

|   | 11th fiscal period<br>As of August 31,<br>2019 | 12th fiscal period<br>As of February 29,<br>2020 | 13th fiscal period<br>As of August 31,<br>2020 | 14th fiscal period<br>As of February<br>28, 2021 | 15th fiscal period<br>As of August 31,<br>2021 |
|---|--|--|--|--|--|
| Total number of authorized investment units | 20,000,000 units                               | 20,000,000 units                                 | 20,000,000 units                               | 20,000,000 units                                 | 20,000,000 units                               |
| Total number of investment units issued     | 1,251,000 units                                | 1,312,000 units                                  | 1,312,000 units                                | 1,312,000 units                                  | 1,353,000 units                                |
| Unitholders' capital                        | ¥162,803 million                               | ¥173,778 million                                 | ¥173,778 million                               | ¥173,778 million                                 | ¥180,440 million                               |
| Number of unitholders                       | 7,416  | 7,228  | 8,443  | 8,808  | 8,701  |

### (2) Matters regarding investment units

The top ten unitholders based on the percentage of investment units owned to total investment units issued as of the end of the fiscal period under review are as follows:

| Name  | Number of investment units owned (Units) | Percentage of investment units owned to total investment units issued (%) |
|---|--|---|
| Custody Bank of Japan, Ltd. (Trust account)                       | 329,015                                  | 24.31   |
| The Master Trust Bank of Japan, Ltd. (Trust account)              | 227,774                                  | 16.83   |
| Hulic Co., Ltd.   | 143,770                                  | 10.62   |
| The Nomura Trust and Banking Co., Ltd. (Investment accounts)      | 53,511                                   | 3.95  |
| Custody Bank of Japan, Ltd. (Securities investment trust account) | 27,804                                   | 2.05  |
| SSBTC CLIENT OMNIBUS ACCOUNT                                      | 20,569                                   | 1.52  |
| STATE STREET BANK WEST CLIENT - TREATY 505234                     | 20,068                                   | 1.48  |
| Custody Bank of Japan, Ltd. (Trust account 7)                     | 20,054                                   | 1.48  |
| The Shinkumi Federation Bank                                      | 19,433                                   | 1.43  |
| SMBC Nikko Securities Inc.  | 15,719                                   | 1.16  |
| Total   | 877,717                                  | 64.87   |

(Note) Percentage of investment units owned to total investment units issued is rounded down to two decimal places. The same applies hereinafter.

### (3) Matters relating to officers, etc.

#### i) Executive Officers, Supervisory Officers and Independent Auditor for the fiscal period under review are as follows:

| Title and post               | Name                        | Major concurrent post, etc.                                     | Total amount of compensation for each position during the fiscal period under review |
|------------------------------|-----------------------------|---|--|
| Executive Officer            | Eiji Tokita (Note 1)        | —   | ¥— thousand  |
|                              | Kazuaki Chokki (Note 1)     | President and CEO of Hulic Reit Management Co., Ltd. (Note 2)   | ¥— thousand  |
| Supervisory Officer (Note 3) | Kunio Shimada               | Representative Partner of Shimada, Hamba and Osajima (law firm) | ¥3,000 thousand  |
|                              | Shigeru Sugimoto (Note 4)   | —   | ¥1,500 thousand  |
|                              | Rika Nakamura (Note 4)      | Director of Sakura & Co.  | ¥1,500 thousand  |
| Independent Auditor          | Ernst & Young ShinNihon LLC | —   | ¥15,950 thousand (Note 5)  |

(Note 1) Eiji Tokita retired from his position of Executive Officer of the Investment Corporation on May 31, 2021, and Kazuaki Chokki assumed position as Executive Officer of the Investment Corporation on June 1, 2021.

(Note 2) Kazuaki Chokki assumed position as President and CEO of Hulic Reit Management Co., Ltd. on February 24, 2021.

(Note 3) Although the Supervisory Officers may be officers in corporations other than the ones indicated above, there is no conflict of interest between the Investment Corporation and such corporations, including those indicated above.

(Note 4) Shigeru Sugimoto retired from his position of Supervisory Officer of the Investment Corporation on May 31, 2021, and Rika Nakamura assumed position as Supervisory Officer of the Investment Corporation on June 1, 2021.

(Note 5) Compensation to the Independent Auditor includes compensation for auditing English financial statements and compensation for work to prepare comfort letters regarding issuance of new investment units.

#### ii) Policy regarding the dismissal or non-reappointment of the Independent Auditor

Dismissal or non-reappointment of the Independent Auditor shall be examined at the Investment Corporation's Board of Directors, pursuant to the provisions of the Investment Trust Act in the case of dismissal, or in light of a comprehensive consideration of quality of auditing, amount of compensation for auditing and various other circumstances in the case of non-reappointment.

#### (4) Matters regarding directors and officers liability insurance policy

The directors and officers liability insurance policy that the Investment Corporation entered into for the fiscal period under review is as follows.

| Scope of insureds                                  | Summary of the policy  |
|--|--|
| All of Executive Officers and Supervisory Officers | <p><u>Summary of insurance incidents covered</u><br/>The policy will cover losses, litigation expenses, etc. within a certain range incurred in cases where an insured receives a claim for damages arising from improper acts carried out by the insured as an officer of the Investment Corporation.</p> <p><u>Portion of insurance premiums borne</u><br/>The insurance policy contains a clause related to unitholder derivative suits, and the insurance premiums for this clause (10% of the total insurance premiums) are borne by Executive Officers and Supervisory Officers and the remaining insurance premiums (90% of the total insurance premiums) are borne by the Investment Corporation.</p> <p><u>Measures to ensure that the proper execution of duties is not impaired</u><br/>Losses, etc. incurred by an insured due to acts, such as criminal acts and acts committed by the insured while in full knowledge that they violate laws and regulations, are not covered by the policy.</p> |

#### (5) Asset Manager, Asset Custodian and Administrative Agents

The names of the Asset Manager, Asset Custodian, and Administrative Agents at the end of the fiscal period under review are as follows:

| Consignment classification   | Name                             |
|--|----------------------------------|
| Asset Manager  | Hulic Reit Management Co., Ltd.  |
| Asset Custodian  | Mizuho Trust & Banking Co., Ltd. |
| Administrative Agents (administration of the unitholders' registry, etc.)  | Mizuho Trust & Banking Co., Ltd. |
| Administrative Agents (accounting work, etc.)                              | Mizuho Trust & Banking Co., Ltd. |
| Administrative Agents (administration related to institutional management) | Mizuho Trust & Banking Co., Ltd. |
| Administrative Agents (administration of investment corporation bonds)     | Mizuho Bank, Ltd.                |



### 3. Status of portfolio of the Investment Corporation

#### (1) Composition of the assets of the Investment Corporation

| Type of assets            | Category                                   | Region<br>(Note 1)         | 14th fiscal period<br>(As of February 28, 2021)    |   | 15th fiscal period<br>(As of August 31, 2021)      |   |
|---------------------------|--|----------------------------|--|---|--|---|
|                           |  |                            | Total amount held<br>(Millions of yen)<br>(Note 2) | Percentage to<br>total assets (%)<br>(Note 3) | Total amount held<br>(Millions of yen)<br>(Note 2) | Percentage to<br>total assets (%)<br>(Note 3) |
| Real estate               | Tokyo<br>Commercial<br>Properties          | Six central wards of Tokyo | ¥ 4,837  | 1.3   | ¥ 4,840  | 1.3   |
|                           |  | Other wards of Tokyo       | —  | —   | —  | —   |
|                           |  | Other                      | —  | —   | —  | —   |
|                           |  | Total                      | ¥ 4,837  | 1.3   | ¥ 4,840  | 1.3   |
|                           | Next-<br>Generation<br>Assets Plus         | Six central wards of Tokyo | ¥ —  | —   | ¥ —  | —   |
|                           |  | Other wards of Tokyo       | —  | —   | —  | —   |
|                           |  | Other                      | —  | —   | —  | —   |
|                           |  | Total                      | ¥ —  | —   | ¥ —  | —   |
|                           | Total real estate                          |                            | ¥ 4,837  | 1.3   | ¥ 4,840  | 1.3   |
| Real estate<br>in trust   | Tokyo<br>Commercial<br>Properties          | Six central wards of Tokyo | ¥ 224,158  | 60.8  | ¥ 216,205  | 58.5  |
|                           |  | Other wards of Tokyo       | 41,537   | 11.3  | 45,425   | 12.3  |
|                           |  | Other                      | 4,604  | 1.2   | 4,581  | 1.2   |
|                           |  | Total                      | ¥ 270,301  | 73.4  | ¥ 266,213  | 72.1  |
|                           | Next-<br>Generation<br>Assets Plus         | Six central wards of Tokyo | ¥ 29,569   | 8.0   | ¥ 29,460   | 8.0   |
|                           |  | Other wards of Tokyo       | 22,953   | 6.2   | 22,851   | 6.2   |
|                           |  | Other                      | 19,482   | 5.3   | 22,812   | 6.2   |
|                           |  | Total                      | ¥ 72,005   | 19.5  | ¥ 75,124   | 20.3  |
|                           | Total real estate in trust                 |                            | ¥ 342,306  | 92.9  | ¥ 341,337  | 92.4  |
|                           | Total real estate and real estate in trust |                            | ¥ 347,144  | 94.2  | ¥ 346,177  | 93.7  |
| Deposits and other assets |  | ¥ 21,256                   | 5.8  | ¥ 23,181                                      | 6.3  |   |
| Total assets              |  | ¥ 368,400                  | 100.0  | ¥ 369,358                                     | 100.0  |   |

(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 ratio of each asset held to total assets, rounded to one decimal place.

## (2) Major assets held

An overview of the major assets held by the Investment Corporation as of the end of the fiscal period under review (top ten properties by book value at the end of the fiscal period) is as follows:

| Property name                            | Book value<br>(Thousands of<br>yen) | Leasable area<br>(m <sup>2</sup> )<br>(Note 1) | Leased area<br>(m <sup>2</sup> )<br>(Note 2) | Occupancy<br>rate<br>(%)<br>(Note 3) | Percentage<br>to total real<br>estate leasing<br>business<br>revenues (%)<br>(Note 4) | Primary asset<br>class |
|--|-------------------------------------|--|--|--------------------------------------|---|------------------------|
| Hulic Kamiyacho Building                 | ¥ 55,471,228                        | 32,487.06                                      | 31,919.66                                    | 98.3                                 | 14.8  | Office property        |
| Ochanomizu Sola City<br>(Note 5)         | 36,346,595                          | 13,923.42                                      | 13,885.63                                    | 99.7                                 | (Note 6)  | Office property        |
| Hulic Ginza 7 Chome<br>Building (Note 5) | 21,141,454                          | 11,405.68                                      | 11,405.68                                    | 100.0                                | 5.5   | Office property        |
| Hulic Toranomom Building                 | 17,825,138                          | 8,574.65                                       | 8,574.65                                     | 100.0                                | 4.8   | Office property        |
| Sotetsu Fresa Inn Ginza 7<br>Chome       | 11,372,295                          | 6,984.32                                       | 6,984.32                                     | 100.0                                | 2.4   | Hotel                  |
| Hulic Kudan Building (Land)              | 11,191,213                          | 3,351.07                                       | 3,351.07                                     | 100.0                                | 2.7   | Office property        |
| Oimachi Redevelopment<br>Building (#2)   | 9,458,334                           | 14,485.66                                      | 14,485.66                                    | 100.0                                | 3.1   | Retail property        |
| Toranomon First Garden<br>(Note 5)       | 8,066,062                           | 5,689.97                                       | 4,469.15                                     | 78.5                                 | 2.3   | Office property        |
| Hulic Shimura-sakaue                     | 7,371,153                           | 11,528.34                                      | 11,528.34                                    | 100.0                                | 2.5   | Retail property        |
| Hulic Tsukiji 3 Chome<br>Building        | 6,930,471                           | 4,740.31                                       | 4,740.31                                     | 100.0                                | (Note 6)  | Hotel                  |
| Total                                    | ¥185,173,947                        | 113,170.48                                     | 111,344.47                                   | 98.4                                 | —   |                        |

(Note 1) Leasable area is equivalent to gross leasable space, based on the lease agreements or floor plans of buildings of each asset held. 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 2) Leased area is equivalent to total floor area of leased space set out in the relevant lease agreements for buildings of each asset held. For the portion for which there is a Pass-through Master Lease Agreement, under which rents are directly received from end-tenants in principle, 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, under which a certain amount of rent is received regardless of fluctuations in rents for end-tenants, 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 3) Occupancy rate is calculated with the following formula, rounded to one decimal place: leased area ÷ leasable area × 100

(Note 4) Percentage to total real estate leasing business revenues shows the percentage obtained by dividing the real estate leasing business revenues of each property by the aggregate amount for all properties.

(Note 5) The leasable area, leased area and occupancy rate of Ochanomizu Sola City show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (21.7%). For Hulic Ginza 7 Chome Building, leasable area, leased area and occupancy rate show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (95.0%). For Toranomom First Garden, 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. Leased area shows amounts equivalent to the ratio of ownership interest of the partial ownership in the building held by the Investment Corporation (approximately 81.4%).

(Note 6) The Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose relevant information.

### (3) Details of assets incorporated into the portfolio, such as real estate

An overview of real estate and beneficial interests in real estate trust invested in by the Investment Corporation as of the end of the fiscal period under review is as follows:

| Category                    |                   | Property name                       | Location<br>(Note 1)                         | Asset type                                   | Book value<br>at end of<br>period<br>(Millions of<br>yen) | Assessed<br>value at end<br>of period<br>(Millions of<br>yen)<br>(Note 2) |
|-----------------------------|-------------------|-------------------------------------|--|--|---|---|
| Tokyo Commercial Properties | Office properties | Hulic Kamiyacho Building            | 4-3-13 Toranomom, Minato-ku, Tokyo           | Beneficial interests<br>in real estate trust | ¥ 55,471  | ¥ 66,300  |
|                             |                   | Hulic Kudan Building<br>(Land)      | 1-13-5 Kudankita, Chiyoda-ku, Tokyo          | Beneficial interests<br>in real estate trust | 11,191  | 13,300  |
|                             |                   | Toranomon First Garden              | 1-7-12 Toranomom, Minato-ku, Tokyo           | Beneficial interests<br>in real estate trust | 8,066   | 12,300  |
|                             |                   | Rapiros Roppongi                    | 6-1-24 Roppongi, Minato-ku, Tokyo            | Beneficial interests<br>in real estate trust | 6,690   | 10,400  |
|                             |                   | Hulic Takadanobaba Building         | 3-19-10 Takada, Toshima-ku, Tokyo            | Beneficial interests<br>in real estate trust | 3,730   | 5,130   |
|                             |                   | Hulic Kanda Building                | 1-16-5 Kandasudacho, Chiyoda-ku, Tokyo       | Beneficial interests<br>in real estate trust | 3,520   | 4,410   |
|                             |                   | Hulic Kandabashi Building           | 1-21-1 Kandinishikicho, Chiyoda-ku, Tokyo    | Beneficial interests<br>in real estate trust | 2,457   | 3,070   |
|                             |                   | Hulic Kakigaracho Building          | 1-28-5 Nihonbashikakigaracho, Chuo-ku, Tokyo | Beneficial interests<br>in real estate trust | 2,155   | 3,030   |
|                             |                   | Ochanomizu Sola City                | 4-6-1 Kanda Surugadai, Chiyoda-ku, Tokyo     | Beneficial interests<br>in real estate trust | 36,346  | 45,136  |
|                             |                   | Hulic Higashi Ueno 1 Chome Building | 1-7-15 Higashi Ueno, Taito-ku, Tokyo         | Beneficial interests<br>in real estate trust | 2,724   | 3,220   |
|                             |                   | Tokyo Nishi Ikebukuro Building      | 1-7-7 Nishi Ikebukuro, Toshima-ku, Tokyo     | Beneficial interests<br>in real estate trust | 1,587   | 2,030   |
|                             |                   | Hulic Toranomom Building            | 1-1-18 Toranomom, Minato-ku, Tokyo           | Beneficial interests<br>in real estate trust | 17,825  | 21,900  |
|                             |                   | Hulic Shibuya 1 chome Building      | 1-3-9 Shibuya, Shibuya-ku, Tokyo             | Beneficial interests<br>in real estate trust | 5,075   | 5,620   |
|                             |                   | Hulic Higashi Nihonbashi Building   | 1-1-5 Higashinihonbashi, Chuo-ku, Tokyo      | Beneficial interests<br>in real estate trust | 3,556   | 3,580   |
|                             |                   | Hulic Jimbocho Building             | 2-2-31 Kanda Jimbocho, Chiyoda-ku, Tokyo     | Beneficial interests<br>in real estate trust | 1,543   | 1,750   |
|                             |                   | Hulic Ginza 7 Chome Building        | 7-3-5 Ginza, Chuo-ku, Tokyo                  | Beneficial interests<br>in real estate trust | 21,141  | 21,660  |
|                             |                   | Hulic Gotanda Yamate-dori Building  | 1-21-8 Nishigotanda, Shinagawa-ku, Tokyo     | Real estate                                  | 3,580   | 3,520   |
|                             |                   | Bancho House                        | 29-1 Ichibancho, Chiyoda-ku, Tokyo           | Beneficial interests<br>in real estate trust | 2,750   | 3,370   |
|                             |                   | Ebisu Minami Building               | 2-12-18 Ebisuminami, Shibuya-ku, Tokyo       | Beneficial interests<br>in real estate trust | 2,432   | 2,550   |
|                             |                   | Hulic Iidabashi Building            | 2-6-6 Iidabashi, Chiyoda-ku, Tokyo           | Beneficial interests<br>in real estate trust | 1,455   | 1,490   |
|                             |                   | Hulic Asakusabashi Building         | 1-22-16 Asakusabashi, Taito-ku, Tokyo        | Beneficial interests<br>in real estate trust | 4,757   | 4,920   |
|                             |                   | Hulic Ebisu Building                | 3-15-7 Higashi, Shibuya-ku, Tokyo            | Beneficial interests<br>in real estate trust | 1,281   | 1,340   |
|                             |                   | Hulic Ryogoku Building              | 4-31-11 Ryogoku, Sumida-ku, Tokyo            | Beneficial interests<br>in real estate trust | 5,552   | 5,796   |
|                             |                   | Hulic Asakusabashi Edo-dori         | 1-30-9 Asakusabashi, Taito-ku, Tokyo         | Beneficial interests<br>in real estate trust | 5,448   | 5,697   |

| Category                    |                          | Property name                          | Location<br>(Note 1)  | Asset type  | Book value<br>at end of<br>period<br>(Millions of<br>yen) | Assessed<br>value at end<br>of period<br>(Millions of<br>yen)<br>(Note 2) |
|-----------------------------|--------------------------|--|---|---|---|---|
| Tokyo Commercial Properties | Office<br>properties     | Hulic Nakano Building                  | 4-44-18 Honcho, Nakano-ku,<br>Tokyo                         | Beneficial interests<br>in real estate trust                    | 3,209   | 3,420   |
|                             |                          | Hulic Ueno Building                    | 3-16-5 Ueno, Taito-ku, Tokyo, etc.                          | Beneficial interests<br>in real estate trust                    | 4,136   | 4,302   |
|                             | Retail<br>properties     | Oimachi Redevelopment<br>Building (#2) | 5-20-1 Higashi-Oi, Shinagawa-ku,<br>Tokyo                   | Beneficial interests<br>in real estate trust                    | 9,458   | 11,900  |
|                             |                          | Oimachi Redevelopment<br>Building (#1) | 5-18-1 Higashi-Oi, Shinagawa-ku,<br>Tokyo                   | Beneficial interests<br>in real estate trust                    | 6,282   | 7,210   |
|                             |                          | Dining Square Akihabara<br>Building    | 1-16-2 Kandasakumacho, Chiyoda-<br>ku, Tokyo                | Beneficial interests<br>in real estate trust                    | 3,201   | 3,990   |
|                             |                          | Hulic Jingu-Mae Building               | 5-17-9 Jingumae, Shibuya-ku,<br>Tokyo                       | Beneficial interests<br>in real estate trust                    | 2,644   | 3,620   |
|                             |                          | Hulic Shinjuku 3 Chome<br>Building     | 3-17-2 Shinjuku, Shinjuku-ku,<br>Tokyo                      | Beneficial interests<br>in real estate trust<br>and real estate | 6,804   | 8,130   |
|                             |                          | Yokohama Yamashitacho<br>Building      | 36-1, Yamashitacho, Naka-ku,<br>Yokohama-shi, Kanagawa      | Beneficial interests<br>in real estate trust                    | 4,581   | 4,750   |
|                             |                          | Hulic Todoroki Building                | 3-5-2 Todoroki, Setagaya-ku,<br>Tokyo                       | Beneficial interests<br>in real estate trust                    | 1,216   | 1,400   |
|                             |                          | HULIC &New SHIBUYA                     | 31-1 Udagawa-cho, Shibuya-ku,<br>Tokyo                      | Beneficial interests<br>in real estate trust                    | 3,095   | 3,395   |
|                             |                          | HULIC &New<br>SHINBASHI                | 2-11-10 Shinbashi, Minato-ku,<br>Tokyo                      | Beneficial interests<br>in real estate trust                    | 3,018   | 3,400   |
|                             |                          | Hulic Shimura-sakaue                   | 3-20-1 Maeno-cho, Itabashi-ku,<br>Tokyo, etc.               | Beneficial interests<br>in real estate trust                    | 7,371   | 7,760   |
|                             |                          | Hulic Mejiro                           | 3-4-11 Mejiro, Toshima-ku, Tokyo                            | Beneficial interests<br>in real estate trust                    | 5,691   | 5,900   |
| Next-Generation Assets Plus | Private<br>nursing homes | Aria Matsubara                         | 5-34-6 Matsubara, Setagaya-ku,<br>Tokyo                     | Beneficial interests<br>in real estate trust                    | 3,082   | 4,280   |
|                             |                          | Trust Garden Yoganomori                | 1-3-1 Yoga, Setagaya-ku, Tokyo                              | Beneficial interests<br>in real estate trust                    | 5,256   | 6,860   |
|                             |                          | Trust Garden<br>Sakurashinmachi        | 2-11-1 Tsurumaki, Setagaya-ku,<br>Tokyo                     | Beneficial interests<br>in real estate trust                    | 2,798   | 3,660   |
|                             |                          | Trust Garden Suginami<br>Miyamae       | 2-11-10 Miyamae, Suginami-ku,<br>Tokyo                      | Beneficial interests<br>in real estate trust                    | 2,697   | 3,550   |
|                             |                          | Trust Garden Tokiwamatsu               | 4-4-10 Higashi, Shibuya-ku, Tokyo                           | Beneficial interests<br>in real estate trust                    | 2,944   | 3,300   |
|                             |                          | SOMPO Care La vie Re<br>Kita-Kamakura  | 2713-2 Aza Takano, Ofuna,<br>Kamakura-shi, Kanagawa         | Beneficial interests<br>in real estate trust                    | 1,703   | 1,770   |
|                             |                          | Charm Suite<br>Shinjukutoyama          | 7-26-48 Shinjuku, Shinjuku-ku,<br>Tokyo                     | Beneficial interests<br>in real estate trust                    | 3,343   | 3,530   |
|                             |                          | Charm Suite Shakujiikoen               | 5-13-7 Takanodai, Nerima-ku,<br>Tokyo                       | Beneficial interests<br>in real estate trust                    | 3,217   | 3,280   |
|                             |                          | Hulic Chofu                            | 1-14-3 Kojimacho, Chofu-shi,<br>Tokyo                       | Beneficial interests<br>in real estate trust                    | 3,431   | 3,460   |
|                             | Network<br>centers       | Ikebukuro Network Center               | 4-30-17 Kami-Ikebukuro,<br>Toshima-ku, Tokyo                | Beneficial interests<br>in real estate trust                    | 4,454   | 5,240   |
|                             |                          | Tabata Network Center                  | 6-2-8 Tabata, Kita-ku, Tokyo                                | Beneficial interests<br>in real estate trust                    | 1,344   | 1,530   |
|                             |                          | Hiroshima Network Center               | 2-6-6 Hikari-machi, Higashi-ku,<br>Hiroshima-shi, Hiroshima | Beneficial interests<br>in real estate trust                    | 1,014   | 1,210   |
|                             |                          | Atsuta Network Center                  | 20-1 Hatano-cho, Atsuta-ku,<br>Nagoya-shi, Aichi            | Beneficial interests<br>in real estate trust                    | 962   | 1,070   |

| Category                    |                 | Property name                    | Location<br>(Note 1)                                    | Asset type                                | Book value<br>at end of<br>period<br>(Millions of<br>yen) | Assessed<br>value at end<br>of period<br>(Millions of<br>yen)<br>(Note 2) |
|-----------------------------|-----------------|----------------------------------|---|---|---|---|
| Next-Generation Assets Plus | Network centers | Nagano Network Center            | 1600-12, Oaza Tsuruga Aza Naemahira, Nagano-shi, Nagano | Beneficial interests in real estate trust | 291   | 363   |
|                             |                 | Chiba Network Center             | 1-1-1 Muzaigakuendai, Inzai-shi, Chiba                  | Beneficial interests in real estate trust | 6,864   | 7,250   |
|                             |                 | Sapporo Network Center           | 2-4-1, Kita 9 Jonishi, Kita-ku, Sapporo-shi, Hokkaido   | Beneficial interests in real estate trust | 2,493   | 2,550   |
|                             |                 | Keihanna Network Center          | 113-1, Kizu Kumomura, Kizugawa-shi, Kyoto               | Beneficial interests in real estate trust | 1,165   | 1,300   |
|                             | Hotels          | Sotetsu Fresa Inn Ginza 7 Chome  | 7-11-12 Ginza, Chuo-ku, Tokyo                           | Beneficial interests in real estate trust | 11,372  | 12,300  |
|                             |                 | Sotetsu Fresa Inn Tokyo-Roppongi | 3-10-1 Roppongi, Minato-ku, Tokyo                       | Beneficial interests in real estate trust | 4,869   | 4,970   |
|                             |                 | Hulic Tsukiji 3 Chome Building   | 3-3-1 Tsukiji, Chuo-ku, Tokyo                           | Beneficial interests in real estate trust | 6,930   | 7,290   |
|                             | Other           | Hulic Hachioji Building          | 15-3 Yokoyamacho, Hachioji-shi, Tokyo, etc.             | Beneficial interests in real estate trust | 4,884   | 5,229   |
| Total                       |                 |                                  |   |   | ¥346,177  | ¥404,688  |

(Note 1) “Location” shows the property’s street address in principle. However, in cases where the property does not yet have a street address, the building’s location as registered in the property registry has been provided (in cases of multiple buildings, only one location has been provided).

(Note 2) The figures for assessed value at end of period show the appraisal price stated on the real estate appraisal report created by the real estate appraisers of Daiwa Real Estate Appraisal Co., Ltd., Japan Real Estate Institute, CBRE K.K. and The Tanizawa Sōgō Appraisal Co., Ltd. based on the methods and standards for asset appraisal set forth in the Investment Corporation’s Articles of Incorporation and the rules set forth by The Investment Trusts Association, Japan.

The trends of the leasing business by real estate and beneficial interests in real estate trust invested in by the Investment Corporation are as follows:

| Category                    |                   | Property name                               | 14th fiscal period<br>(From September 1, 2020<br>to February 28, 2021) |  |   |   | 15th fiscal period<br>(From March 1, 2021<br>to August 31, 2021)     |  |   |   |
|-----------------------------|-------------------|---|--|--|---|---|--|--|---|---|
|                             |                   |   | Number<br>of tenants<br>at end of<br>period<br>(Tenants)<br>(Note 1)   | Occupancy<br>rate at end<br>of period<br>(%)<br>(Note 2) | Real estate<br>leasing<br>business<br>revenues<br>during the<br>period<br>(Thousands of<br>yen)<br>(Note 3)<br>(Note 4) | Percentage<br>to total real<br>estate<br>leasing<br>business<br>revenues<br>(%)<br>(Note 4) | Number<br>of tenants<br>at end of<br>period<br>(Tenants)<br>(Note 1) | Occupancy<br>rate at end<br>of period<br>(%)<br>(Note 2) | Real estate<br>leasing<br>business<br>revenues<br>during the<br>period<br>(Thousands of<br>yen)<br>(Note 3)<br>(Note 4) | Percentage<br>to total real<br>estate<br>leasing<br>business<br>revenues<br>(%)<br>(Note 4) |
| Tokyo Commercial Properties | Office properties | Hulic Kamiyacho Building                    | 1  | 100.0  | ¥1,465,341  | 14.3  | 1  | 98.3   | ¥1,477,280  | 14.8  |
|                             |                   | Hulic Kudan Building<br>(Land)              | 1  | 100.0  | 265,002   | 2.6   | 1  | 100.0  | 265,002   | 2.7   |
|                             |                   | Toranomon First Garden                      | 1  | 100.0  | 310,212   | 3.0   | 1  | 78.5   | 231,939   | 2.3   |
|                             |                   | Rapiros Roppongi                            | 1  | 100.0  | 341,741   | 3.3   | 1  | 100.0  | 340,695   | 3.4   |
|                             |                   | Hulic Takadanobaba<br>Building              | 1  | 100.0  | 174,107   | 1.7   | 1  | 100.0  | 172,747   | 1.7   |
|                             |                   | Hulic Kanda Building                        | 1  | 100.0  | 147,461   | 1.4   | 1  | 100.0  | 142,249   | 1.4   |
|                             |                   | Hulic Kandabashi Building                   | 1  | 100.0  | 88,166  | 0.9   | 1  | 100.0  | 88,071  | 0.9   |
|                             |                   | Hulic Kakigaracho Building                  | 1  | 100.0  | 105,696   | 1.0   | 1  | 100.0  | 105,021   | 1.1   |
|                             |                   | Ochanomizu Sola City                        | 1  | 99.7   | (Note 4)  | (Note 4)  | 1  | 99.7   | (Note 4)  | (Note 4)  |
|                             |                   | Hulic Higashi Ueno 1<br>Chome Building      | 1  | 100.0  | 97,850  | 1.0   | 1  | 100.0  | 101,348   | 1.0   |
|                             |                   | Tokyo Nishi Ikebukuro<br>Building           | 1  | 100.0  | 56,888  | 0.6   | 1  | 100.0  | 56,750  | 0.6   |
|                             |                   | Hulic Toranomon Building                    | 1  | 100.0  | 480,592   | 4.7   | 1  | 100.0  | 480,038   | 4.8   |
|                             |                   | Hulic Shibuya 1 chome<br>Building           | 1  | 100.0  | 133,983   | 1.3   | 1  | 100.0  | 133,525   | 1.3   |
|                             |                   | Hulic Higashi Nihonbashi<br>Building        | 1  | 93.9   | 98,708  | 1.0   | 1  | 100.0  | 98,862  | 1.0   |
|                             |                   | Hulic Jimbocho Building                     | 1  | 100.0  | 47,228  | 0.5   | 1  | 100.0  | 46,791  | 0.5   |
|                             |                   | Hulic Ginza 7 Chome<br>Building             | 1  | 100.0  | 553,945   | 5.4   | 1  | 100.0  | 552,026   | 5.5   |
|                             |                   | Shinagawa Season Terrace                    | 1  | 97.5   | (Note 4)  | (Note 4)  | —  | —  | (Note 4)  | (Note 4)  |
|                             |                   | Hulic Gotanda Yamate-dori<br>Building       | 1  | 85.4   | 113,592   | 1.1   | 1  | 85.6   | 95,680  | 1.0   |
|                             |                   | Hulic Nihonbashi Honcho<br>1 Chome Building | —  | —  | 27,557  | 0.3   | —  | —  | —   | —   |
|                             |                   | Bancho House                                | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                   | Ebisu Minami Building                       | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                   | Hulic Iidabashi Building                    | 1  | 88.5   | 41,705  | 0.4   | 1  | 100.0  | 39,721  | 0.4   |
|                             |                   | Hulic Asakusabashi Building                 | 1  | 100.0  | 234,090   | 2.3   | 1  | 100.0  | 238,751   | 2.4   |
|                             |                   | Hulic Ebisu Building                        | 1  | 100.0  | 38,072  | 0.4   | 1  | 85.0   | 33,818  | 0.3   |
|                             |                   | Hulic Ryogoku Building                      | 1  | 100.0  | 154,796   | 1.5   | 1  | 100.0  | 155,058   | 1.6   |
|                             |                   | Hulic Asakusabashi Edo-dori                 | 1  | 100.0  | 143,673   | 1.4   | 1  | 100.0  | 143,400   | 1.4   |
|                             |                   | Hulic Nakano Building                       | 1  | 100.0  | 68,298  | 0.7   | 1  | 100.0  | 90,780  | 0.9   |
|                             |                   | Hulic Ueno Building                         | —  | —  | —   | —   | 1  | 100.0  | 92,950  | 0.9   |
|                             | Retail properties | Oimachi Redevelopment<br>Building (#2)      | 1  | 100.0  | 312,000   | 3.1   | 1  | 100.0  | 312,000   | 3.1   |
|                             |                   | Oimachi Redevelopment<br>Building (#1)      | 1  | 100.0  | 218,931   | 2.1   | 1  | 100.0  | 218,931   | 2.2   |
|                             |                   | Dining Square Akihabara<br>Building         | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                   | Hulic Jingu-Mae Building                    | 1  | 93.4   | 85,912  | 0.8   | 1  | 100.0  | 82,890  | 0.8   |

| Category                    |                          | Property name                      | 14th fiscal period<br>(From September 1, 2020<br>to February 28, 2021) |  |   |   | 15th fiscal period<br>(From March 1, 2021<br>to August 31, 2021)     |  |   |   |
|-----------------------------|--------------------------|------------------------------------|--|--|---|---|--|--|---|---|
|                             |                          |                                    | Number<br>of tenants<br>at end of<br>period<br>(Tenants)<br>(Note 1)   | Occupancy<br>rate at end<br>of period<br>(%)<br>(Note 2) | Real estate<br>leasing<br>business<br>revenues<br>during the<br>period<br>(Thousands of<br>yen)<br>(Note 3)<br>(Note 4) | Percentage<br>to total real<br>estate<br>leasing<br>business<br>revenues<br>(%)<br>(Note 4) | Number<br>of tenants<br>at end of<br>period<br>(Tenants)<br>(Note 1) | Occupancy<br>rate at end<br>of period<br>(%)<br>(Note 2) | Real estate<br>leasing<br>business<br>revenues<br>during the<br>period<br>(Thousands of<br>yen)<br>(Note 3)<br>(Note 4) | Percentage<br>to total real<br>estate<br>leasing<br>business<br>revenues<br>(%)<br>(Note 4) |
| Tokyo Commercial Properties | Retail properties        | Hulic Shinjuku 3 Chome Building    | 2  | 100.0  | 179,625<br>(Note 5)   | 1.8<br>(Note 5)   | 2  | 100.0  | 181,728<br>(Note 5)   | 1.8<br>(Note 5)   |
|                             |                          | Yokohama Yamashitacho Building     | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                          | Orchid Square                      | 1  | 65.1   | 40,653  | 0.4   | —  | —  | —   | —   |
|                             |                          | Hulic Todoroki Building            | 1  | 100.0  | 52,498  | 0.5   | 1  | 100.0  | 52,543  | 0.5   |
|                             |                          | Hulic Omori Building               | —  | —  | 29,223  | 0.3   | —  | —  | —   | —   |
|                             |                          | HULIC &New SHIBUYA                 | 1  | 100.0  | 84,260  | 0.8   | 1  | 81.1   | 71,898  | 0.7   |
|                             |                          | HULIC &New SHINBASHI               | 1  | 100.0  | 84,715  | 0.8   | 1  | 100.0  | 84,280  | 0.8   |
|                             |                          | Hulic Shimura-sakaue               | 1  | 100.0  | 256,470   | 2.5   | 1  | 100.0  | 253,795   | 2.5   |
|                             |                          | Hulic Mejiro                       | 1  | 100.0  | 148,168   | 1.4   | 1  | 100.0  | 148,034   | 1.5   |
| Next-Generation Assets Plus | Private nursing homes    | Aria Matsubara                     | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                          | Trust Garden Yoganomori            | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                          | Trust Garden Sakurashinmachi       | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                          | Trust Garden Suginami Miyamae      | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                          | Trust Garden Tokiwamatsu           | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                          | SOMPO Care La vie Re Kita-Kamakura | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                          | Charm Suite Shinjukutoyama         | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                          | Charm Suite Shakujiikoen           | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             |                          | Hulic Chofu                        | —  | —  | —   | —   | 1  | 100.0  | 76,443  | 0.8   |
|                             |                          | Network centers                    | Ikebukuro Network Center   | 1  | 100.0   | 130,176   | 1.3  | 1  | 100.0   | 130,176   |
|                             | Tabata Network Center    |                                    | 1  | 100.0  | 43,285  | 0.4   | 1  | 100.0  | 43,285  | 0.4   |
|                             | Hiroshima Network Center |                                    | 1  | 100.0  | 42,091  | 0.4   | 1  | 100.0  | 42,091  | 0.4   |
|                             | Atsuta Network Center    |                                    | 1  | 100.0  | 35,273  | 0.3   | 1  | 100.0  | 35,273  | 0.4   |
|                             | Nagano Network Center    |                                    | 1  | 100.0  | 16,708  | 0.2   | 1  | 100.0  | 16,708  | 0.2   |
|                             | Chiba Network Center     |                                    | 1  | 100.0  | 214,687   | 2.1   | 1  | 100.0  | 214,687   | 2.1   |
|                             | Sapporo Network Center   |                                    | 1  | 100.0  | 80,358  | 0.8   | 1  | 100.0  | 80,358  | 0.8   |
|                             | Keihanna Network Center  |                                    | 1  | 100.0  | 45,166  | 0.4   | 1  | 100.0  | 45,166  | 0.5   |
|                             | Hotels                   | Sotetsu Fresa Inn Ginza 7 Chome    | 1  | 100.0  | 240,000   | 2.3   | 1  | 100.0  | 240,000   | 2.4   |
|                             |                          | Sotetsu Fresa Inn Tokyo-Roppongi   | 1  | 100.0  | 108,000   | 1.1   | 1  | 100.0  | 108,000   | 1.1   |
|                             |                          | Hulic Tsukiji 3 Chome Building     | 1  | 100.0  | (Note 4)  | (Note 4)  | 1  | 100.0  | (Note 4)  | (Note 4)  |
|                             | Other                    | Hulic Hachioji Building            | 1  | 100.0  | 113,788   | 1.1   | 1  | 100.0  | 153,997   | 1.5   |
| Total                       |                          |                                    | 59   | 99.6   | ¥10,225,259   | 100.0   | 59   | 99.2   | ¥9,986,123  | 100.0   |

(Note 1) Number of tenants is stated as 1 when a master lease agreement has been entered with a master lease company. Moreover, the number of tenants is stated as 1 for Hulic Kudan Building (Land). For Shinagawa Season Terrace, the number of tenants is stated as 1, because NTT Urban Development Corporation receives rent from each end-tenant for the entire building. For Hulic Shinjuku 3 Chome Building, the number of tenants is stated as 2, because in addition to the master lease agreement entered for the building, a part of the land is being leased to the building owner.

- (Note 2) Occupancy rate is calculated with the following formula, rounded to one decimal place: leased area ÷ leasable area × 100
- (Note 3) Real estate leasing business revenues during the period shows the sum total of the real estate leasing business revenues during the period for each real estate, etc.
- (Note 4) Real estate leasing business revenues during the period and percentage to total real estate leasing business revenues are not disclosed because the Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose the relevant information.
- (Note 5) The Investment Corporation has not obtained permission from the tenant, 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. Accordingly, the contracted rent relating to the partial right of land is excluded from the calculation of real estate leasing business revenues during the period and percentage to total real estate leasing business revenues.

#### (4) Status of outstanding contracted amount and fair value of specified transactions

The status of the contracted amount and fair value of specified transactions outstanding for the Investment Corporation as of August 31, 2021 is as follows:

| Category                   | Type  | Contracted amount<br>(Millions of yen) |   | Fair value<br>(Millions of yen)<br><br>(Note 2) |
|----------------------------|---|--|---|---|
|                            |   | (Note 1)                               | Portion due<br>after 1 year<br>(Note 1) |   |
| Off-market-<br>transaction | Interest rate swap transaction                                  |  |   |   |
|                            | Payment: fixed interest rate<br>Receipt: floating interest rate | ¥ 87,003                               | ¥ 76,097                                | ¥ —   |
| Total                      |   | ¥ 87,003                               | ¥ 76,097                                | ¥ —   |

(Note 1) Contracted amount for interest rate swap transaction is shown based on the assumed principal.

(Note 2) Of these transactions, the statement of the fair value has been omitted for those transactions that satisfy requirements of special treatment based on accounting standards for financial instruments.

#### (5) Status of other assets

Beneficial interests in real estate trust, etc. owned by the Investment Corporation are stated together in “(3) Details of assets incorporated into the portfolio, such as real estate” above.

There are no major specified assets incorporated into the portfolio that are a major investment target by the Investment Corporation other than those listed in the aforementioned “(3),” as of the end of the fiscal period under review.

#### (6) Status of asset holding by country and region

Not applicable for countries and regions other than Japan.



#### 4. Capital expenditures for properties held

##### (1) Schedule of capital expenditures

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

| Property name                       | Location            | Purpose  | Scheduled period                    | Estimated capital expenditure for work (Millions of yen) |                           |                   |
|-------------------------------------|---------------------|--|-------------------------------------|--|---------------------------|-------------------|
|                                     |                     |  |                                     | Total amount   | Payment during the period | Total amount paid |
| Hulic Kamiyacho Building            | Minato-ku, Tokyo    | Renewal work for the rooms for rent (10th floor) | From August 2021 to February 2022   | ¥ 136  | ¥ –                       | ¥ –               |
| Hulic Takadanobaba Building         | Toshima-ku, Tokyo   | Renewal work for elevator                        | From December 2021 to February 2022 | 50   | –                         | –                 |
| Oimachi Redevelopment Building (#1) | Shinagawa-ku, Tokyo | Renewal work for escalator control system        | From April 2021 to August 2022      | 93   | 25                        | 25                |
| Hulic Higashi Ueno 1 Chome Building | Taito-ku, Tokyo     | Renewal work for the rooms for rent              | From April 2022 to July 2022        | 55   | –                         | –                 |
| Hulic Toranomom Building            | Minato-ku, Tokyo    | Renewal work for the rooms for rent              | From April 2022 to July 2022        | 50   | –                         | –                 |

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

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

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

##### (3) Money accumulated for long-term repair plan

Not applicable.

## 5. Status of expenses and liabilities

### (1) Details of expenses relating to asset management, etc.

| Item  | 14th fiscal period<br>(From September 1, 2020<br>to February 28, 2021) | 15th fiscal period<br>(From March 1, 2021<br>to August 31, 2021) |
|---|--|--|
| (a) Asset management fees                           | ¥1,256,800 thousand  | ¥1,072,007 thousand  |
| (b) Asset custody fees                              | ¥15,549 thousand   | ¥15,499 thousand   |
| (c) Administrative service fees                     | ¥49,329 thousand   | ¥49,227 thousand   |
| (d) Remuneration for directors (and other officers) | ¥6,000 thousand  | ¥6,000 thousand  |
| (e) Other operating expenses                        | ¥189,303 thousand  | ¥165,019 thousand  |
| Total   | ¥1,516,982 thousand  | ¥1,307,754 thousand  |

(Note) Other than the amount stated above, asset management fees includes the portion of compensations associated with a property acquisition factored into the book value of the individual properties (the 14th fiscal period: ¥20,250 thousand; the 15th fiscal period: ¥18,600 thousand) and the portion of compensations associated with a property transfer deducted from gain on sale of real estate properties of the individual properties (the 14th fiscal period: ¥36,375 thousand; the 15th fiscal period: ¥36,262 thousand).

## (2) Status of borrowings

Status of borrowings of the Investment Corporation as of the end of the fiscal period under review is as follows:

| Category              | Lender                                       | Loan execution date | Balance at beginning of period (Millions of yen) | Balance at end of period (Millions of yen) | Average interest rate (Note 1) (Note 2) | Repayment date    | Repayment method   | Use      | Remarks                    |  |  |  |
|-----------------------|--|---------------------|--|--|---|-------------------|--------------------|----------|----------------------------|--|--|--|
| Short-term borrowings | Mizuho Bank, Ltd. (Note 4)                   | August 7, 2020      | ¥ 1,980  | ¥ –  | 0.3774%                                 | August 6, 2021    | Lump-sum repayment | (Note 3) | Unsecured and unguaranteed |  |  |  |
|                       | Sumitomo Mitsui Banking Corporation (Note 4) |                     | 1,386  | –  |   |                   |                    |          |                            |  |  |  |
|                       | MUFG Bank, Ltd. (Note 4)                     |                     | 594  | –  |   |                   |                    |          |                            |  |  |  |
|                       | Subtotal                                     |                     | ¥ 3,960  | ¥ –  |   |                   |                    |          |                            |  |  |  |
| Long-term borrowings  | Mizuho Bank, Ltd.                            | February 27, 2015   | ¥ 2,800  | ¥ –  | 0.6750%                                 | August 31, 2021   | Lump-sum repayment | (Note 3) | Unsecured and unguaranteed |  |  |  |
|                       | Sumitomo Mitsui Banking Corporation          |                     | 2,110  | –  |   |                   |                    |          |                            |  |  |  |
|                       | MUFG Bank, Ltd.                              |                     | 830  | –  |   |                   |                    |          |                            |  |  |  |
|                       | Mizuho Trust & Banking Co., Ltd.             |                     | 790  | –  |   |                   |                    |          |                            |  |  |  |
|                       | Aozora Bank, Ltd.                            |                     | 300  | –  |   |                   |                    |          |                            |  |  |  |
|                       | Shinsei Bank, Limited                        |                     | 300  | –  |   |                   |                    |          |                            |  |  |  |
|                       | Mizuho Bank, Ltd.                            | February 27, 2015   | 2,385  | 2,385                                      | 0.7730%                                 | February 28, 2022 |                    |          |                            |  |  |  |
|                       | Sumitomo Mitsui Banking Corporation          |                     | 1,710  | 1,710                                      |   |                   |                    |          |                            |  |  |  |
|                       | MUFG Bank, Ltd.                              |                     | 1,055  | 1,055                                      |   |                   |                    |          |                            |  |  |  |
|                       | Mizuho Trust & Banking Co., Ltd.             |                     | 800  | 800  |   |                   |                    |          |                            |  |  |  |
|                       | Sumitomo Mitsui Trust Bank, Limited          |                     | 1,400  | 1,400                                      |   |                   |                    |          |                            |  |  |  |
|                       | Resona Bank, Limited                         |                     | 200  | 200  |   |                   |                    |          |                            |  |  |  |
|                       | Mizuho Bank, Ltd.                            | August 31, 2017     | 150  | 150  | 0.4173%                                 | February 28, 2022 |                    |          |                            |  |  |  |
|                       | Sumitomo Mitsui Banking Corporation          |                     | 75   | 75   |   |                   |                    |          |                            |  |  |  |
|                       | MUFG Bank, Ltd.                              |                     | 75   | 75   |   |                   |                    |          |                            |  |  |  |
|                       | Mizuho Trust & Banking Co., Ltd.             |                     | 72   | 72   |   |                   |                    |          |                            |  |  |  |
|                       | Sumitomo Mitsui Trust Bank, Limited          |                     | 128  | 128  |   |                   |                    |          |                            |  |  |  |
|                       | The Norinchukin Bank                         |                     | 500  | 500  |   |                   |                    |          |                            |  |  |  |
|                       | Development Bank of Japan Inc.               | February 7, 2014    | 2,450  | 2,450                                      | 1.6100%                                 | August 7, 2022    |                    |          |                            |  |  |  |
|                       | Mizuho Bank, Ltd.                            | August 31, 2015     | 1,144  | 1,144                                      | 0.7488%                                 | August 31, 2022   |                    |          |                            |  |  |  |
|                       | MUFG Bank, Ltd.                              |                     | 710  | 710  |   |                   |                    |          |                            |  |  |  |
|                       | Mizuho Trust & Banking Co., Ltd.             |                     | 549  | 549  |   |                   |                    |          |                            |  |  |  |
|                       | Sumitomo Mitsui Trust Bank, Limited          |                     | 414  | 414  |   |                   |                    |          |                            |  |  |  |
|                       | The Norinchukin Bank                         |                     | 414  | 414  |   |                   |                    |          |                            |  |  |  |
|                       | Resona Bank, Limited                         |                     | 125  | 125  |   |                   |                    |          |                            |  |  |  |
|                       | Development Bank of Japan Inc.               | August 31, 2015     | 414  | 414  | 0.7550%                                 | August 31, 2022   |                    |          |                            |  |  |  |
|                       | Mizuho Bank, Ltd.                            | February 7, 2017    | 650  | 650  | 0.5538%                                 | August 31, 2022   |                    |          |                            |  |  |  |
|                       | Sumitomo Mitsui Banking Corporation          |                     | 500  | 500  |   |                   |                    |          |                            |  |  |  |
|                       | MUFG Bank, Ltd.                              |                     | 200  | 200  |   |                   |                    |          |                            |  |  |  |
|                       | Mizuho Trust & Banking Co., Ltd.             |                     | 450  | 450  |   |                   |                    |          |                            |  |  |  |
|                       | Sumitomo Mitsui Trust Bank, Limited          |                     | 445  | 445  |   |                   |                    |          |                            |  |  |  |
|                       | The Norinchukin Bank                         |                     | 445  | 445  |   |                   |                    |          |                            |  |  |  |
|                       | Resona Bank, Limited                         |                     | 150  | 150  |   |                   |                    |          |                            |  |  |  |
|                       | Mizuho Bank, Ltd.                            | February 29, 2016   | 1,350  | 1,350                                      | 0.4099%                                 | February 28, 2023 |                    |          |                            |  |  |  |
|                       | Sumitomo Mitsui Banking Corporation          |                     | 800  | 800  |   |                   |                    |          |                            |  |  |  |

| Category                            | Lender                                     | Loan execution date | Balance at beginning of period (Millions of yen) | Balance at end of period (Millions of yen) | Average interest rate (Note 1) (Note 2) | Repayment date    | Repayment method   | Use      | Remarks                    |
|-------------------------------------|--|---------------------|--|--|---|-------------------|--------------------|----------|----------------------------|
| Long-term borrowings                | MUFG Bank, Ltd.                            | February 29, 2016   | 550  | 550  | 0.4099%                                 | February 28, 2023 | Lump-sum repayment | (Note 3) | Unsecured and unguaranteed |
|                                     | Mizuho Trust & Banking Co., Ltd.           |                     | 530  | 530  |   |                   |                    |          |                            |
|                                     | Sumitomo Mitsui Trust Bank, Limited        |                     | 400  | 400  |   |                   |                    |          |                            |
|                                     | The Norinchukin Bank                       |                     | 400  | 400  |   |                   |                    |          |                            |
|                                     | Resona Bank, Limited                       |                     | 243  | 243  |   |                   |                    |          |                            |
|                                     | Shinkin Central Bank                       |                     | 141  | 141  |   |                   |                    |          |                            |
|                                     | Aozora Bank, Ltd.                          |                     | 141  | 141  |   |                   |                    |          |                            |
|                                     | Mizuho Bank, Ltd.                          | February 7, 2017    | 1,500  | 1,500                                      | 0.6031%                                 | February 28, 2023 |                    |          |                            |
|                                     | Sumitomo Mitsui Banking Corporation        |                     | 1,200  | 1,200                                      |   |                   |                    |          |                            |
|                                     | MUFG Bank, Ltd.                            |                     | 300  | 300  |   |                   |                    |          |                            |
|                                     | Mizuho Trust & Banking Co., Ltd.           |                     | 450  | 450  |   |                   |                    |          |                            |
|                                     | Sumitomo Mitsui Trust Bank, Limited        |                     | 245  | 245  |   |                   |                    |          |                            |
|                                     | The Norinchukin Bank                       |                     | 245  | 245  |   |                   |                    |          |                            |
|                                     | Resona Bank, Limited                       |                     | 150  | 150  |   |                   |                    |          |                            |
|                                     | Sompo Japan Insurance Inc.                 | February 7, 2019    | 500  | 500  | 0.4100%                                 | February 28, 2023 |                    |          |                            |
|                                     | Mitsui Sumitomo Insurance Company, Limited |                     | 500  | 500  |   |                   |                    |          |                            |
|                                     | MUFG Bank, Ltd.                            | August 31, 2021     | —  | 660  | 0.2123%                                 | February 28, 2023 |                    |          |                            |
|                                     | MUFG Bank, Ltd.                            | February 8, 2021    | 1,060  | 1,060                                      | 0.2225%                                 | May 31, 2023      |                    |          |                            |
|                                     | Mizuho Bank, Ltd.                          | February 29, 2016   | 1,377  | 1,377                                      | 0.4620%                                 | August 31, 2023   |                    |          |                            |
|                                     | Sumitomo Mitsui Banking Corporation        |                     | 839  | 839  |   |                   |                    |          |                            |
|                                     | MUFG Bank, Ltd.                            |                     | 565  | 565  |   |                   |                    |          |                            |
|                                     | Mizuho Trust & Banking Co., Ltd.           |                     | 546  | 546  |   |                   |                    |          |                            |
|                                     | Sumitomo Mitsui Trust Bank, Limited        |                     | 409  | 409  |   |                   |                    |          |                            |
|                                     | Shinsei Bank, Limited                      |                     | 141  | 141  |   |                   |                    |          |                            |
|                                     | Mizuho Bank, Ltd.                          |                     | February 7, 2017                                 | 1,863                                      |   |                   |                    |          |                            |
|                                     | Sumitomo Mitsui Banking Corporation        | 1,411               |  | 1,411                                      |   |                   |                    |          |                            |
|                                     | MUFG Bank, Ltd.                            | 600                 |  | 600  |   |                   |                    |          |                            |
|                                     | Mizuho Trust & Banking Co., Ltd.           | 917                 |  | 917  |   |                   |                    |          |                            |
|                                     | Sumitomo Mitsui Trust Bank, Limited        | 500                 |  | 500  |   |                   |                    |          |                            |
|                                     | The Norinchukin Bank                       | 500                 |  | 500  |   |                   |                    |          |                            |
| Resona Bank, Limited                | 302  | 302                 |  |  |   |                   |                    |          |                            |
| Mizuho Bank, Ltd.                   | August 31, 2020                            | 200                 | 200  | 0.2665%                                    | August 31, 2023                         |                   |                    |          |                            |
| MUFG Bank, Ltd.                     |  | 350                 | 350  |  |   |                   |                    |          |                            |
| Sumitomo Mitsui Trust Bank, Limited |  | 300                 | 300  |  |   |                   |                    |          |                            |
| Mizuho Bank, Ltd.                   | February 7, 2014                           | 400                 | 400  | 1.8188%                                    | February 7, 2024                        |                   |                    |          |                            |
| Sumitomo Mitsui Banking Corporation |  | 300                 | 300  |  |   |                   |                    |          |                            |
| MUFG Bank, Ltd.                     |  | 300                 | 300  |  |   |                   |                    |          |                            |

| Category             | Lender                                     | Loan execution date | Balance at beginning of period (Millions of yen) | Balance at end of period (Millions of yen) | Average interest rate (Note 1) (Note 2) | Repayment date    | Repayment method   | Use      | Remarks                    |
|----------------------|--|---------------------|--|--|---|-------------------|--------------------|----------|----------------------------|
| Long-term borrowings | Development Bank of Japan Inc.             | February 29, 2016   | 809  | 809  | 0.5188%                                 | February 29, 2024 | Lump-sum repayment | (Note 3) | Unsecured and unguaranteed |
|                      | Nippon Life Insurance Company              |                     | 500  | 500  |   |                   |                    |          |                            |
|                      | Mizuho Bank, Ltd.                          | February 7, 2017    | 1,000  | 1,000                                      | 0.6485%                                 | February 29, 2024 |                    |          |                            |
|                      | Sumitomo Mitsui Banking Corporation        |                     | 1,977  | 1,977                                      |   |                   |                    |          |                            |
|                      | MUFG Bank, Ltd.                            |                     | 1,719  | 1,719                                      |   |                   |                    |          |                            |
|                      | Mizuho Trust & Banking Co., Ltd.           |                     | 600  | 600  |   |                   |                    |          |                            |
|                      | Sumitomo Mitsui Trust Bank, Limited        |                     | 569  | 569  |   |                   |                    |          |                            |
|                      | The Norinchukin Bank                       |                     | 569  | 569  |   |                   |                    |          |                            |
|                      | Nippon Life Insurance Company              | February 7, 2019    | 500  | 500  | 0.4600%                                 | February 29, 2024 |                    |          |                            |
|                      | Development Bank of Japan Inc.             | February 27, 2015   | 1,900  | 1,900                                      | 1.1738%                                 | August 30, 2024   |                    |          |                            |
|                      | Meiji Yasuda Life Insurance Company        | February 29, 2016   | 500  | 500  | 0.5932%                                 | August 30, 2024   |                    |          |                            |
|                      | Mizuho Bank, Ltd.                          | February 7, 2017    | 1,754  | 1,754                                      | 0.7800%                                 | August 30, 2024   |                    |          |                            |
|                      | Mizuho Bank, Ltd.                          | August 31, 2017     | 1,400  | 1,400                                      | 0.5913%                                 | August 30, 2024   |                    |          |                            |
|                      | Sumitomo Mitsui Banking Corporation        |                     | 1,048  | 1,048                                      |   |                   |                    |          |                            |
|                      | MUFG Bank, Ltd.                            |                     | 705  | 705  |   |                   |                    |          |                            |
|                      | Mizuho Trust & Banking Co., Ltd.           |                     | 622  | 622  |   |                   |                    |          |                            |
|                      | Sumitomo Mitsui Trust Bank, Limited        |                     | 610  | 610  |   |                   |                    |          |                            |
|                      | The Norinchukin Bank                       |                     | 520  | 520  |   |                   |                    |          |                            |
|                      | Resona Bank, Limited                       |                     | 215  | 215  |   |                   |                    |          |                            |
|                      | Shinkin Central Bank                       |                     | 140  | 140  |   |                   |                    |          |                            |
|                      | Shinsei Bank, Limited                      |                     | 140  | 140  |   |                   |                    |          |                            |
|                      | Mizuho Bank, Ltd.                          | February 28, 2020   | 350  | 350  | 0.2445%                                 | August 30, 2024   |                    |          |                            |
|                      | Sumitomo Mitsui Banking Corporation        |                     | 220  | 220  |   |                   |                    |          |                            |
|                      | MUFG Bank, Ltd.                            |                     | 110  | 110  |   |                   |                    |          |                            |
|                      | Mizuho Trust & Banking Co., Ltd.           |                     | 100  | 100  |   |                   |                    |          |                            |
|                      | Mitsui Sumitomo Insurance Company, Limited |                     | 500  | 500  |   |                   |                    |          |                            |
|                      | The 77 Bank, Ltd.                          |                     | 500  | 500  |   |                   |                    |          |                            |
|                      | The Nishi-Nippon City Bank, Ltd.           |                     | 500  | 500  |   |                   |                    |          |                            |
|                      | Mizuho Bank, Ltd.                          |                     | February 27, 2015                                | 250  |   |                   |                    |          |                            |
|                      | Sumitomo Mitsui Banking Corporation        | 125                 |  | 125  |   |                   |                    |          |                            |
|                      | MUFG Bank, Ltd.                            | 125                 |  | 125  |   |                   |                    |          |                            |
|                      | Mizuho Bank, Ltd.                          | February 29, 2016   | 250  | 250  | 0.7275%                                 | February 28, 2025 |                    |          |                            |
|                      | Sumitomo Mitsui Banking Corporation        |                     | 125  | 125  |   |                   |                    |          |                            |
|                      | MUFG Bank, Ltd.                            |                     | 125  | 125  |   |                   |                    |          |                            |
|                      | Development Bank of Japan Inc.             | February 7, 2017    | 969  | 969  | 0.8500%                                 | February 28, 2025 |                    |          |                            |
|                      | Mizuho Bank, Ltd.                          | August 31, 2017     | 1,725  | 1,725                                      | 0.6574%                                 | February 28, 2025 |                    |          |                            |
|                      | Sumitomo Mitsui Banking Corporation        |                     | 1,203  | 1,203                                      |   |                   |                    |          |                            |
|                      | MUFG Bank, Ltd.                            |                     | 753  | 753  |   |                   |                    |          |                            |
|                      | Mizuho Trust & Banking Co., Ltd.           |                     | 722  | 722  |   |                   |                    |          |                            |

| Category                            | Lender                                     | Loan execution date | Balance at beginning of period (Millions of yen) | Balance at end of period (Millions of yen) | Average interest rate (Note 1) (Note 2) | Repayment date    | Repayment method   | Use      | Remarks                    |
|-------------------------------------|--|---------------------|--|--|---|-------------------|--------------------|----------|----------------------------|
| Long-term borrowings                | Development Bank of Japan Inc.             | August 31, 2017     | 1,010  | 1,010                                      | 0.6574%                                 | February 28, 2025 | Lump-sum repayment | (Note 3) | Unsecured and unguaranteed |
|                                     | Sumitomo Mitsui Trust Bank, Limited        |                     | 682  | 682  |   |                   |                    |          |                            |
|                                     | The Norinchukin Bank                       |                     | 400  | 400  |   |                   |                    |          |                            |
|                                     | Resona Bank, Limited                       |                     | 215  | 215  |   |                   |                    |          |                            |
|                                     | Shinkin Central Bank                       |                     | 140  | 140  |   |                   |                    |          |                            |
|                                     | Shinsei Bank, Limited                      |                     | 140  | 140  |   |                   |                    |          |                            |
|                                     | Mizuho Bank, Ltd.                          | February 7, 2019    | 200  | 200  | 0.4133%                                 | February 28, 2025 |                    |          |                            |
|                                     | Mizuho Trust & Banking Co., Ltd.           |                     | 200  | 200  |   |                   |                    |          |                            |
|                                     | Sumitomo Mitsui Trust Bank, Limited        |                     | 200  | 200  |   |                   |                    |          |                            |
|                                     | The Norinchukin Bank                       |                     | 450  | 450  |   |                   |                    |          |                            |
|                                     | Resona Bank, Limited                       |                     | 140  | 140  |   |                   |                    |          |                            |
|                                     | Shinsei Bank, Limited                      |                     | 150  | 150  |   |                   |                    |          |                            |
|                                     | Sumitomo Mitsui Banking Corporation        | August 31, 2020     | 2,000  | 2,000                                      | 0.4145%                                 | February 28, 2025 |                    |          |                            |
|                                     | Mizuho Bank, Ltd.                          | August 31, 2017     | 1,531  | 1,531                                      | 0.7246%                                 | August 29, 2025   |                    |          |                            |
|                                     | Sumitomo Mitsui Banking Corporation        |                     | 1,267  | 1,267                                      |   |                   |                    |          |                            |
|                                     | MUFG Bank, Ltd.                            |                     | 577  | 577  |   |                   |                    |          |                            |
|                                     | Mizuho Trust & Banking Co., Ltd.           |                     | 475  | 475  |   |                   |                    |          |                            |
|                                     | Development Bank of Japan Inc.             |                     | 410  | 410  |   |                   |                    |          |                            |
|                                     | Aozora Bank, Ltd.                          |                     | 280  | 280  |   |                   |                    |          |                            |
|                                     | Meiji Yasuda Life Insurance Company        |                     | 230  | 230  |   |                   |                    |          |                            |
|                                     | Nippon Life Insurance Company              |                     | 230  | 230  |   |                   |                    |          |                            |
|                                     | Mizuho Bank, Ltd.                          | February 7, 2019    | 500  | 500  | 0.5700%                                 | August 29, 2025   |                    |          |                            |
|                                     | Development Bank of Japan Inc.             |                     | 1,200  | 1,200                                      |   |                   |                    |          |                            |
|                                     | Aozora Bank, Ltd.                          |                     | 600  | 600  |   |                   |                    |          |                            |
|                                     | Mizuho Bank, Ltd.                          | February 28, 2020   | 170  | 170  | 0.2845%                                 | August 29, 2025   |                    |          |                            |
|                                     | Sumitomo Mitsui Banking Corporation        |                     | 150  | 150  |   |                   |                    |          |                            |
|                                     | MUFG Bank, Ltd.                            |                     | 100  | 100  |   |                   |                    |          |                            |
|                                     | Mizuho Trust & Banking Co., Ltd.           |                     | 120  | 120  |   |                   |                    |          |                            |
|                                     | The Norinchukin Bank                       |                     | 780  | 780  |   |                   |                    |          |                            |
|                                     | Shinkin Central Bank                       |                     | 550  | 550  |   |                   |                    |          |                            |
|                                     | Shinsei Bank, Limited                      |                     | 390  | 390  |   |                   |                    |          |                            |
|                                     | Mitsui Sumitomo Insurance Company, Limited |                     | 210  | 210  |   |                   |                    |          |                            |
|                                     | Mizuho Bank, Ltd.                          | February 7, 2019    | 2,910  | 2,910                                      | 0.4800%                                 | February 27, 2026 |                    |          |                            |
| Sumitomo Mitsui Banking Corporation | 1,700                                      |                     | 1,700  |  |   |                   |                    |          |                            |
| MUFG Bank, Ltd.                     | 850  |                     | 850  |  |   |                   |                    |          |                            |
| Mizuho Trust & Banking Co., Ltd.    | 1,100                                      |                     | 1,100  |  |   |                   |                    |          |                            |
| Sumitomo Mitsui Trust Bank, Limited | 700  |                     | 700  |  |   |                   |                    |          |                            |
| The Norinchukin Bank                | 1,410                                      |                     | 1,410  |  |   |                   |                    |          |                            |
| Resona Bank, Limited                | 880  |                     | 880  |  |   |                   |                    |          |                            |
| Shinsei Bank, Limited               | 450  |                     | 450  |  |   |                   |                    |          |                            |
| Mizuho Bank, Ltd.                   | February 7, 2019                           | 3,420               | 3,420  | 0.5840%                                    | August 31, 2026                         |                   |                    |          |                            |
| Sumitomo Mitsui Banking Corporation |  | 2,700               | 2,700  |  |   |                   |                    |          |                            |

| Category                                   | Lender                                     | Loan execution date | Balance at beginning of period (Millions of yen) | Balance at end of period (Millions of yen) | Average interest rate (Note 1) (Note 2) | Repayment date    | Repayment method   | Use      | Remarks                    |
|--|--|---------------------|--|--|---|-------------------|--------------------|----------|----------------------------|
| Long-term borrowings                       | MUFG Bank, Ltd.                            | February 7, 2019    | 1,600  | 1,600                                      | 0.5840%                                 | August 31, 2026   | Lump-sum repayment | (Note 3) | Unsecured and unguaranteed |
|  | Mizuho Trust & Banking Co., Ltd.           |                     | 1,050  | 1,050                                      |   |                   |                    |          |                            |
|  | Sumitomo Mitsui Trust Bank, Limited        |                     | 300  | 300  |   |                   |                    |          |                            |
|  | The Norinchukin Bank                       |                     | 1,000  | 1,000                                      |   |                   |                    |          |                            |
|  | Mizuho Bank, Ltd.                          | February 27, 2015   | 150  | 150  | 1.7500%                                 | February 26, 2027 |                    |          |                            |
|  | Sumitomo Mitsui Banking Corporation        |                     | 75   | 75   |   |                   |                    |          |                            |
|  | MUFG Bank, Ltd.                            |                     | 75   | 75   |   |                   |                    |          |                            |
|  | Mizuho Bank, Ltd.                          | August 30, 2019     | 1,000  | 1,000                                      | 0.4225%                                 | February 26, 2027 |                    |          |                            |
|  | Sumitomo Mitsui Banking Corporation        |                     | 960  | 960  |   |                   |                    |          |                            |
|  | The Norinchukin Bank                       |                     | 600  | 600  |   |                   |                    |          |                            |
|  | MUFG Bank, Ltd.                            |                     | 550  | 550  |   |                   |                    |          |                            |
|  | Sumitomo Mitsui Trust Bank, Limited        |                     | 500  | 500  |   |                   |                    |          |                            |
|  | Shinsei Bank, Limited                      |                     | 300  | 300  |   |                   |                    |          |                            |
|  | Mizuho Trust & Banking Co., Ltd.           |                     | 300  | 300  |   |                   |                    |          |                            |
|  | Shinkin Central Bank                       |                     | 200  | 200  |   |                   |                    |          |                            |
|  | Resona Bank, Limited                       |                     | 170  | 170  |   |                   |                    |          |                            |
|  | Mizuho Bank, Ltd.                          | February 28, 2020   | 980  | 980  | 0.3920%                                 | February 26, 2027 |                    |          |                            |
|  | Sumitomo Mitsui Banking Corporation        |                     | 400  | 400  |   |                   |                    |          |                            |
|  | MUFG Bank, Ltd.                            |                     | 340  | 340  |   |                   |                    |          |                            |
|  | Mizuho Trust & Banking Co., Ltd.           |                     | 330  | 330  |   |                   |                    |          |                            |
|  | The Norinchukin Bank                       |                     | 1,280  | 1,280                                      |   |                   |                    |          |                            |
|  | Resona Bank, Limited                       |                     | 140  | 140  |   |                   |                    |          |                            |
|  | Shinkin Central Bank                       |                     | 930  | 930  |   |                   |                    |          |                            |
|  | Shinsei Bank, Limited                      |                     | 510  | 510  |   |                   |                    |          |                            |
|  | Mitsui Sumitomo Insurance Company, Limited |                     | 290  | 290  |   |                   |                    |          |                            |
|  | Mizuho Bank, Ltd.                          | February 28, 2020   | 1,795  | 1,795                                      | 0.4430%                                 | August 31, 2027   |                    |          |                            |
|  | Sumitomo Mitsui Banking Corporation        |                     | 1,260  | 1,260                                      |   |                   |                    |          |                            |
|  | MUFG Bank, Ltd.                            |                     | 150  | 150  |   |                   |                    |          |                            |
|  | Mizuho Trust & Banking Co., Ltd.           |                     | 610  | 610  |   |                   |                    |          |                            |
|  | The Norinchukin Bank                       |                     | 1,140  | 1,140                                      |   |                   |                    |          |                            |
|  | Shinkin Central Bank                       |                     | 820  | 820  |   |                   |                    |          |                            |
|  | Shinsei Bank, Limited                      |                     | 600  | 600  |   |                   |                    |          |                            |
| MUFG Bank, Ltd.                            | February 28, 2020                          | 490                 | 490  | 0.4430%                                    | August 31, 2027                         |                   |                    |          |                            |
| Sumitomo Mitsui Banking Corporation        | August 31, 2020                            | 1,000               | 1,000  | 0.4787%                                    | August 31, 2027                         |                   |                    |          |                            |
| Sumitomo Mitsui Banking Corporation        | February 8, 2021                           | 1,950               | 1,950  | 0.4520%                                    | January 31, 2028                        |                   |                    |          |                            |
| Mitsui Sumitomo Insurance Company, Limited |  | 1,000               | 1,000  |  |   |                   |                    |          |                            |
| Mizuho Bank, Ltd.                          | August 31, 2020                            | 1,240               | 1,240  | 0.5325%                                    | February 29, 2028                       |                   |                    |          |                            |
| Mizuho Trust & Banking Co., Ltd.           |  | 290                 | 290  |  |   |                   |                    |          |                            |
| Sumitomo Mitsui Trust Bank, Limited        |  | 700                 | 700  |  |   |                   |                    |          |                            |
| The Norinchukin Bank                       |  | 400                 | 400  |  |   |                   |                    |          |                            |
| Resona Bank, Limited                       |  | 500                 | 500  |  |   |                   |                    |          |                            |
| Development Bank of Japan Inc.             | August 31, 2020                            | 1,000               | 1,000  | 0.6346%                                    | August 31, 2028                         |                   |                    |          |                            |

| Category             | Lender                              | Loan execution date | Balance at beginning of period (Millions of yen) | Balance at end of period (Millions of yen) | Average interest rate (Note 1) (Note 2) | Repayment date    | Repayment method   | Use      | Remarks                    |  |
|----------------------|-------------------------------------|---------------------|--|--|---|-------------------|--------------------|----------|----------------------------|--|
| Long-term borrowings | Aozora Bank, Ltd.                   | August 31, 2020     | 900  | 900  | 0.6346%                                 | August 31, 2028   | Lump-sum repayment | (Note 3) | Unsecured and unguaranteed |  |
|                      | Sumitomo Mitsui Banking Corporation | August 31, 2021     | —  | 1,790                                      | 0.4220%                                 | August 31, 2028   |                    |          |                            |  |
|                      | Mizuho Bank, Ltd.                   | August 31, 2020     | 1,600  | 1,600                                      | 0.6540%                                 | February 28, 2029 |                    |          |                            |  |
|                      | Mizuho Trust & Banking Co., Ltd.    |                     | 270  | 270  |   |                   |                    |          |                            |  |
|                      | Mizuho Bank, Ltd.                   | February 8, 2021    | 500  | 500  | 0.5900%                                 | February 28, 2029 |                    |          |                            |  |
|                      | Sumitomo Mitsui Trust Bank, Limited |                     | 1,660  | 1,660                                      |   |                   |                    |          |                            |  |
|                      | Resona Bank, Limited                |                     | 970  | 970  |   |                   |                    |          |                            |  |
|                      | Shinkin Central Bank                |                     | 1,000  | 1,000                                      |   |                   |                    |          |                            |  |
|                      | Shinsei Bank, Limited               |                     | 500  | 500  |   |                   |                    |          |                            |  |
|                      | The 77 Bank, Ltd.                   |                     | 500  | 500  |   |                   |                    |          |                            |  |
|                      | The Nishi-Nippon City Bank, Ltd.    |                     | 500  | 500  |   |                   |                    |          |                            |  |
|                      | The Gunma Bank, Ltd.                |                     | 500  | 500  |   |                   |                    |          |                            |  |
|                      | The Higo Bank, Ltd.                 |                     | 500  | 500  |   |                   |                    |          |                            |  |
|                      | The Norinchukin Bank                | February 8, 2021    | 1,000  | 1,000                                      | 0.6900%                                 | August 31, 2029   |                    |          |                            |  |
|                      | Development Bank of Japan Inc.      |                     | 600  | 600  |   |                   |                    |          |                            |  |
|                      | Aozora Bank, Ltd.                   |                     | 1,200  | 1,200                                      |   |                   |                    |          |                            |  |
|                      | Mizuho Bank, Ltd.                   | August 31, 2021     | —  | 1,330                                      | 0.5421%                                 | August 31, 2029   |                    |          |                            |  |
|                      | Mizuho Trust & Banking Co., Ltd.    |                     | —  | 630  |   |                   |                    |          |                            |  |
|                      | Shinsei Bank, Limited               |                     | —  | 260  |   |                   |                    |          |                            |  |
|                      | Aozora Bank, Ltd.                   |                     | —  | 260  |   |                   |                    |          |                            |  |
|                      | Mizuho Bank, Ltd.                   | February 8, 2021    | 3,060  | 3,060                                      | 0.7200%                                 | February 28, 2030 |                    |          |                            |  |
|                      | Mizuho Trust & Banking Co., Ltd.    |                     | 1,050  | 1,050                                      |   |                   |                    |          |                            |  |
|                      | Mizuho Bank, Ltd.                   | August 31, 2021     | —  | 1,000                                      | 0.6646%                                 | August 30, 2030   |                    |          |                            |  |
|                      |                                     | Subtotal            |  | ¥ 150,816                                  | ¥ 149,616                               |                   |                    |          |                            |  |
|                      |                                     | Total               |  | ¥ 154,776                                  | ¥ 149,616                               |                   |                    |          |                            |  |

(Note 1) Average interest rate shows the weighted average rate during the period or for the lender, and the amount has been rounded to four decimal places. Moreover, for borrowings hedged using interest rate swaps to avoid interest rate fluctuation risks, an interest rate that considers the effect of the interest rate swap is shown.

(Note 2) Long-term borrowings are borrowings that carry fixed interest. (Includes borrowings that have had the interest fixed by using interest rate swaps.)

(Note 3) The borrowings were funds to purchase beneficial interests in real estate trust, etc. (including ancillary expenses) and repay borrowings.

(Note 4) The Investment Corporation made early repayment of the amount on May 7, 2021.



### (3) Investment corporation bonds

Issuance of investment corporation bonds of the Investment Corporation as of the end of the fiscal period under review is as follows:

| Bond name   | Issuance date     | Balance at beginning of period (Millions of yen) | Balance at end of period (Millions of yen) | Interest rate (%) | Repayment date    | Repayment method   | Use      | Remarks            |
|---|-------------------|--|--|-------------------|-------------------|--------------------|----------|--------------------|
| First Series Unsecured Investment Corporation Bond              | August 31, 2015   | ¥ 2,000  | ¥ 2,000                                    | 0.950             | August 29, 2025   | Lump-sum repayment | (Note 1) | Unsecured (Note 2) |
| Third Series Unsecured Investment Corporation Bond              | December 13, 2016 | 1,000  | 1,000                                      | 0.490             | December 11, 2026 | Lump-sum repayment | (Note 1) | Unsecured (Note 2) |
| Fourth Series Unsecured Investment Corporation Bond             | August 30, 2018   | 7,000  | 7,000                                      | 0.770             | August 30, 2028   | Lump-sum repayment | (Note 1) | Unsecured (Note 2) |
| Fifth Series Unsecured Investment Corporation Bond              | December 11, 2019 | 2,000  | 2,000                                      | 0.570             | December 11, 2029 | Lump-sum repayment | (Note 1) | Unsecured (Note 2) |
| Sixth Series Unsecured Investment Corporation Bond (Green Bond) | October 29, 2020  | 3,000  | 3,000                                      | 0.270             | October 29, 2025  | Lump-sum repayment | (Note 1) | Unsecured (Note 2) |
| Total   |                   | ¥ 15,000   | ¥ 15,000                                   |                   |                   |                    |          |                    |

(Note 1) Specific use of the proceeds is to be allocated to repayment of borrowings, etc.

(Note 2) Corporation bond with pari passu conditions among specified investment corporations.

### (4) Short-term investment corporation bonds

Not applicable.

### (5) Investment unit options

Not applicable.

## 6. Status of trading during the period

### (1) Status of trading, etc. of real estate, etc., asset-backed securities, etc., infrastructure assets, etc., and infrastructure-related assets

| Type of assets                            | Property name            | Acquisition      |  | Transfer       |   |                                       |  |
|---|--------------------------|------------------|--|----------------|---|---------------------------------------|--|
|   |                          | Acquisition date | Acquisition value (Millions of yen) (Note 1) | Transfer date  | Transfer value (Millions of yen) (Note 1) | Book value (Millions of yen) (Note 2) | Gain (loss) on transfer (Millions of yen) (Note 3) |
| Beneficial interests in real estate trust | Hulic Ueno Building      | March 31, 2021   | ¥ 4,100                                      | —              | ¥ —                                       | ¥ —                                   | ¥ —  |
| Beneficial interests in real estate trust | Hulic Chofu              | March 31, 2021   | 3,340  | —              | —   | —                                     | —  |
| Beneficial interests in real estate trust | Orchid Square (Note 4)   | —                | —  | March 1, 2021  | 1,945                                     | 1,735                                 | 203  |
| Beneficial interests in real estate trust | Shinagawa Season Terrace | —                | —  | March 30, 2021 | 6,280                                     | 5,920                                 | 315  |
| Total                                     |                          | —                | ¥ 7,440                                      | —              | ¥ 8,225                                   | ¥ 7,655                               | ¥ 519  |

(Note 1) Acquisition value or transfer value shows the amount that does not include expenses incurred on the acquisition or transfer of the said real estate, etc., which is equivalent to the trading price stated on the sales agreements.

(Note 2) Book value shows the amount at the time of the sale.

(Note 3) Gain (loss) on transfer shows the transfer value of the property less book value and any transfer-related expenses.

(Note 4) Transfer value, book value and gain (loss) on transfer for this property show the amounts equivalent to 50% of the quasi co-ownership interest related to the transfer.

### (2) Status of trading, etc. of other assets

The main other assets outside the above-mentioned real estate, etc., asset-backed securities, etc., infrastructure assets, etc., and infrastructure-related assets, are mostly bank deposits and bank deposits within assets in trust.

### (3) Investigation of the prices, etc. of specified assets

#### i) Real estate, etc.

| Acquisition / Transfer | Type of assets                            | Property name            | Transaction date | Acquisition value / transfer value (Millions of yen) (Note 1) | Appraisal value (Millions of yen) (Note 2) | Appraisal agency                      | Valuation date   |
|------------------------|---|--------------------------|------------------|---|--|---------------------------------------|------------------|
| Acquisition            | Beneficial interests in real estate trust | Hulic Ueno Building      | March 31, 2021   | ¥ 4,100   | ¥ 4,284                                    | Japan Real Estate Institute           | February 1, 2021 |
| Acquisition            | Beneficial interests in real estate trust | Hulic Chofu              | March 31, 2021   | 3,340   | 3,430                                      | Japan Real Estate Institute           | February 1, 2021 |
| Transfer               | Beneficial interests in real estate trust | Orchid Square            | March 1, 2021    | 1,945   | 1,935 (Note 3)                             | Daiwa Real Estate Appraisal Co., Ltd. | August 31, 2020  |
| Transfer               | Beneficial interests in real estate trust | Shinagawa Season Terrace | March 30, 2021   | 6,280   | 6,225                                      | Japan Real Estate Institute           | August 31, 2020  |
| Total                  |   |                          |                  | ¥ 15,665  | ¥ 15,874                                   | —                                     | —                |

(Note 1) “Acquisition value / transfer value” shows the amount that does not include expenses incurred on the acquisition or transfer of the said real estate, etc., which is equivalent to the trading price stated on the sales agreements.

(Note 2) The real estate appraisal is conducted by applying Real Property Appraisal Standards Practical Theory Chapter 3: Appraisal of the Prices of Securitized Properties.

(Note 3) The value shows an amount calculated by multiplying the appraisal value of the overall property by the quasi co-ownership interest (50.0%) of the subject of transfer.

#### ii) Other

Not applicable.

### (4) Status of transactions with interested person, etc.

#### i) Status of transactions

| Category   | Transaction amount (Note) |                        |
|--|---------------------------|------------------------|
|  | Purchase price            | Sale price             |
| Total  | ¥7,440 million            | ¥8,225 million         |
| Breakdown of transactions with interested person, etc. |                           |                        |
| Hulic Co., Ltd.  | ¥7,440 million (100.0%)   | ¥1,945 million (23.6%) |
| Total  | ¥7,440 million (100.0%)   | ¥1,945 million (23.6%) |

(Note) Transaction amount is rounded to the nearest million yen.

## ii) Amount of service fees, etc. paid

| Category                                   | Total amount of service fees paid (A)<br>(Thousands of yen) | Transactions with interested person, etc. |  | Percentage to total amount B/A (%) |
|--|---|---|--|------------------------------------|
|  |   | Payee                                     | Payment amount (B)<br>(Thousands of yen) |                                    |
| Property management fees                   | ¥ 587,405   | Hulic Building Management Co., Ltd.       | ¥ 146,231                                | 24.9                               |
|  |   | Tokyo Fudosan Kanri Co., Ltd.             | ¥ 78,405                                 | 13.3                               |
|  |   | Heiwa Kanzai Co., Ltd.                    | ¥ 13,252                                 | 2.3                                |
| Other expenses related to leasing business | ¥ 359,186   | Hulic Building Management Co., Ltd.       | ¥ 7,660                                  | 2.1                                |
|  |   | Hulic Co., Ltd.                           | ¥ 1,513                                  | 0.4                                |
|  |   | Tokyo Fudosan Kanri Co., Ltd.             | ¥ 836                                    | 0.2                                |
|  |   | Hulic Build Co., Ltd.                     | ¥ 741                                    | 0.2                                |

(Note 1) Interested person, etc. are the interested person, etc. of the asset management company that have entered into an asset management agreement with the Investment Corporation as prescribed under Article 123 of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations of Japan and Article 26, Item 27 of the Regulations for Asset Investment Reports by Investment Trusts and Investment Corporations of the Investment Trusts Association, Japan.

(Note 2) Other than the above service fees, etc. paid, payment amounts concerning repairs, etc. ordered to interested person, etc. during the fiscal period under review are as follows:

|                                     |                  |
|-------------------------------------|------------------|
| Hulic Build Co., Ltd.               | ¥20,466 thousand |
| Tokyo Fudosan Kanri Co., Ltd.       | ¥5,201 thousand  |
| Hulic Building Management Co., Ltd. | ¥3,507 thousand  |

## (5) Transactions with Asset Manager pertaining to its business other than asset management

There are no applicable transactions because the Asset Manager of the Investment Corporation (Hulic Reit Management Co., Ltd.) does not engage in any other businesses, such as Type I Financial Instruments Business, Type II Financial Instruments Business, Real Estate Brokerage Business (excluding a real estate brokerage business directly related to the investment management business that was commissioned by the investment corporation), or Real Estate Specified Joint Enterprise.

## **7. Financial information**

### **(1) Assets, liabilities, principal, and profit and loss**

Please refer to “Balance Sheet,” “Statement of Income and Retained Earnings,” “Statement of Changes in Net Assets,” “Notes” and “Statement of Cash Distributions” below.

### **(2) Changes in the calculation method of depreciation expenses**

Not applicable.

### **(3) Changes in the evaluation method of real estate, etc., and infrastructure assets, etc.**

Not applicable.

### **(4) Beneficiary certificates of investment trusts, etc. set up by the Corporation**

Not applicable.

### **(5) Disclosure regarding corporation holding overseas real estate**

Not applicable.

### **(6) Disclosure regarding real estate owned by corporation holding overseas real estate**

Not applicable.

## 8. Other

### (1) Announcements

#### i) General Meeting of Unitholders

The fifth General Meeting of Unitholders of the Investment Corporation was held on May 25, 2021.  
The outline of the matters approved at the General Meeting of Unitholders is as follows:

| Proposals   | Outline  |
|---|--|
| Proposal 1: Partial Amendment of Articles of Incorporation        | <p>The Articles of Incorporation were amended as follows as originally proposed.</p> <ul style="list-style-type: none"><li>• A new paragraph was added stating that the provisions of the deemed approval shall not be applied to the resolutions of the proposals pertaining to Article 104, Paragraph 1 (Dismissal of Executive Officers, Supervisory Officers and Accounting Auditors), Article 140 (Revision to the Articles of Incorporation) (provided that this is only applicable to the creation, revision and abolition of the provisions related to the deemed approval), Article 143, Item 3 (Dissolution), Article 205, Paragraph 2 (Consent to the Cancellation of Asset Management Agreement) or Article 206, Paragraph 1 (Cancellation of Asset Management Agreement) in the Investment Trust Act.</li></ul> |
| Proposal 2: Appointment of One (1) Executive Officer              | Kazuaki Chokki was appointed as Executive Officer as originally proposed.  |
| Proposal 3: Appointment of One (1) Substitute Executive Officer   | Hiroshi Machiba was appointed as substitute Executive Officer as originally proposed.  |
| Proposal 4: Appointment of Two (2) Supervisory Officers           | Kunio Shimada and Rika Nakamura were each appointed as Supervisory Officer as originally proposed.   |
| Proposal 5: Appointment of One (1) Substitute Supervisory Officer | Takayuki Tomioka was appointed as substitute Supervisory Officer as originally proposed.   |

## ii) Meeting of Board of Directors of the Investment Corporation

The outline of conclusions or amendments to major agreements, etc. approved at meetings of the Board of Directors of the Investment Corporation during the fiscal period under review is as follows:

| Date of Board of Directors meeting | Approved items   | Outline  |
|------------------------------------|--|--|
| March 26, 2021                     | Conclusion of new investment units underwriting agreements   | With respect to the issuance of new investment units and sale of investment units approved at the meeting of the Board of Directors held on the same day, the general administrative duties concerning the offering of new investment units were entrusted to Mizuho Securities Co., Ltd., Nomura Securities Co., Ltd., Daiwa Securities Co., Ltd., SMBC Nikko Securities Inc., etc.   |
| June 4, 2021                       | Comprehensive resolution on issuance of investment corporation bonds and associated consignment of general administrative duties | The Board of Directors made a comprehensive resolution relating to the issuance of investment corporation bonds with a total issue amount to be within ¥15,000 million and an issuance period from June 30, 2021 to December 31, 2021. The Board of Directors approved candidate companies for consignment of administrative duties relating to offering the investment corporation bonds as well as administrative duties relating to receiving requests relating to exercise of rights of investment corporation bonds and other applications from investment corporation bondholders, and operations during the term of the investment corporation bonds (including duties of the fiscal agent, issuing agent and paying agent). The Board of Directors delegated selection of the consignee for general administrative duties relating to the investment corporation bonds and decision making on the scope and the specific consignment conditions of consignment of general administrative duties, and all the necessary matters related to the consignment of administrative operations to the Executive Officer. |

## (2) Others

Unless otherwise stated, monetary amounts have been rounded down and percentage figures have been rounded off to the nearest indicated unit in this report.

The following is a summary English language translation of the original Japanese audited financial statements. However, no assurance or warranties are given with respect to the accuracy or completeness of this English translation, and it should be noted that this translation has not been audited or reviewed by our auditor. The Japanese original shall prevail in the case of any discrepancies between this summary English language translation and the Japanese original.

### III. Balance Sheet

(Unit: thousands of yen)

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



(Unit: thousands of yen)

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

#### IV. Statement of Income and Retained Earnings

(Unit: thousands of yen)

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

## V. Statement of Changes in Net Assets

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

(Unit: thousands of yen)

(Unit: thousands of yen)

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

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

(Unit: thousands of yen)

|  | 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      |

## VI. Notes

### [Notes on Significant Accounting Policies]

| Item  | Previous fiscal period (Reference)<br>(From September 1, 2020<br>to February 28, 2021)  | Reporting period<br>(From March 1, 2021<br>to August 31, 2021)  |
|---|---|---|
| 1. Method of depreciation<br>and amortization of<br>noncurrent assets | (1) Property, plant and equipment (including<br>assets in trust)<br>The straight-line method is used. The<br>estimated useful lives of property, plant and<br>equipment are listed below.<br>Buildings 3 to 64 years<br>Structures 4 to 20 years<br>Machinery and equipment 3 to 10 years<br>Tools, furniture and fixtures 3 to 15 years<br>(2) Intangible assets<br>The straight-line method is used. Internal use<br>software is amortized over the estimated<br>useful life (5 years).<br>(3) Long-term prepaid expenses<br>The straight-line method is used.  | (1) Property, plant and equipment (including<br>assets in trust)<br>The straight-line method is used. The<br>estimated useful lives of property, plant and<br>equipment are listed below.<br>Buildings 3 to 64 years<br>Structures 4 to 20 years<br>Machinery and equipment 3 to 10 years<br>Tools, furniture and fixtures 3 to 15 years<br>(2) Intangible assets<br>The straight-line method is used. Internal use<br>software is amortized over the estimated<br>useful life (5 years).<br>(3) Long-term prepaid expenses<br>The straight-line method is used.  |
| 2. Accounting method for<br>deferred assets                           | (1) Investment corporation bond issuance<br>costs<br>Amortized by the straight-line method over<br>period until redemption.<br>(2) Investment unit issuance costs<br>Amortized by the straight-line method over a<br>three-year period.   | (1) Investment corporation bond issuance<br>costs<br>Amortized by the straight-line method over<br>period until redemption.<br>(2) Investment unit issuance costs<br>Amortized by the straight-line method over a<br>three-year period.   |
| 3. Recognition of revenue<br>and expenses                             | Fixed asset tax and related taxes<br>For fixed asset tax, city planning tax,<br>depreciable asset tax, etc. for real estate<br>properties held, the amount of tax levied<br>corresponding to the relevant accounting<br>period is recorded as expenses related to<br>leasing business.<br>The amount equivalent to fixed asset tax and<br>related taxes for the fiscal year that includes<br>the date on which we paid settlement money<br>to the transferor for acquisition of real estate,<br>etc. is not recorded as expenses related to<br>leasing business but included in the<br>acquisition costs for the related properties.<br>The amount equivalent to fixed asset tax<br>included in acquisition costs for properties<br>for the period was ¥5,563 thousand.   | Fixed asset tax and related taxes<br>For fixed asset tax, city planning tax,<br>depreciable asset tax, etc. for real estate<br>properties held, the amount of tax levied<br>corresponding to the relevant accounting<br>period is recorded as expenses related to<br>leasing business.<br>The amount equivalent to fixed asset tax and<br>related taxes for the fiscal year that includes<br>the date on which we paid settlement money<br>to the transferor for acquisition of real estate,<br>etc. is not recorded as expenses related to<br>leasing business but included in the<br>acquisition costs for the related properties.<br>The amount equivalent to fixed asset tax<br>included in acquisition costs for properties<br>for the period was ¥26,162 thousand.  |
| 4. Method of hedge<br>accounting                                      | (1) Method of hedge accounting<br>Deferred hedge accounting is used for<br>interest rate swaps. For interest rate swaps<br>that satisfy requirements for special<br>treatments, however, special treatment is<br>used.<br>(2) Hedging instruments and hedged items<br>Hedging instruments: Interest rate swaps<br>Hedged items: Interest on borrowings<br>(3) Hedging policy<br>The Investment Corporation conducts<br>derivative transactions for the purpose of<br>hedging risks provided for in the Articles of<br>Incorporation of the Investment Corporation<br>pursuant to the basic policy of risk<br>management.<br>(4) Method of assessing hedge effectiveness<br>The assessment of hedge effectiveness is<br>omitted since the interest rate swaps satisfy<br>the requirements for special treatment. | (1) Method of hedge accounting<br>Deferred hedge accounting is used for<br>interest rate swaps. For interest rate swaps<br>that satisfy requirements for special<br>treatments, however, special treatment is<br>used.<br>(2) Hedging instruments and hedged items<br>Hedging instruments: Interest rate swaps<br>Hedged items: Interest on borrowings<br>(3) Hedging policy<br>The Investment Corporation conducts<br>derivative transactions for the purpose of<br>hedging risks provided for in the Articles of<br>Incorporation of the Investment Corporation<br>pursuant to the basic policy of risk<br>management.<br>(4) Method of assessing hedge effectiveness<br>The assessment of hedge effectiveness is<br>omitted since the interest rate swaps satisfy<br>the requirements for special treatment. |

| Item   | Previous fiscal period (Reference)<br>(From September 1, 2020<br>to February 28, 2021)   | Reporting period<br>(From March 1, 2021<br>to August 31, 2021)  |
|--|--|---|
| 5. Other significant information for preparation of financial statements | <p>(1) Accounting method for beneficial interests in trust in real estate</p> <p>With regard to beneficial interests in trust in real estate, all assets and liabilities within assets in trust as well as all revenue and expense items associated with assets in trust are accounted for under the respective account items of the balance sheet and statement 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"> <li>i) Cash and deposits in trust</li> <li>ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; and land in trust</li> <li>iii) Land leasehold interests in trust</li> <li>iv) Leasehold and guarantee deposits received in trust</li> </ul> <p>(2) Accounting method for consumption taxes</p> <p>Consumption tax and local consumption tax are accounted for by the tax-exclusion method. Consumption taxes unqualified for deduction for tax purposes for acquisition of assets are included in acquisition cost for each asset.</p> | <p>(1) Accounting method for beneficial interests in trust in real estate</p> <p>With regard to beneficial interests in trust in real estate, all assets and liabilities within assets in trust as well as all revenue and expense items associated with assets in trust are accounted for under the respective account items of the balance sheet and statement 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"> <li>i) Cash and deposits in trust</li> <li>ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; and construction in progress in trust</li> <li>iii) Land leasehold interests in trust</li> <li>iv) Leasehold and guarantee deposits received in trust</li> </ul> <p>(2) Accounting method for consumption taxes</p> <p>Consumption tax and local consumption tax are accounted for by the tax-exclusion method. Consumption taxes unqualified for deduction for tax purposes for acquisition of assets are included in acquisition cost for each asset.</p> |

**[Notes to Balance Sheet]**

| Previous fiscal period (Reference)<br>(As of February 28, 2021)  | Reporting period<br>(As of August 31, 2021)  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
|--|--|--------------------|--------|--|----------------|-----------------|--|-----------------|------------------------------------|-----------------|-----------------------------------|---|----------------------------------|-----------------|---------------------|---|--|----------------------|--------------------|--------|--|----------------|-----------------|--|-----------------|------------------------------------|---|-----------------------------------|---|----------------------------------|-----------------|---------------------|---|
| <p>1. Commitment line contracts</p> <p>The Investment Corporation has commitment line contracts with the banks with which it does business.</p> <p>Total amount of commitment line contracts                  ¥13,000,000 thousand</p> <p>Balance of borrowings outstanding                                  –</p>   | <p>1. Commitment line contracts</p> <p>The Investment Corporation has commitment line contracts with the banks with which it does business.</p> <p>Total amount of commitment line contracts                  ¥13,000,000 thousand</p> <p>Balance of borrowings outstanding                                  –</p> |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Difference                                  ¥13,000,000 thousand   | Difference                                  ¥13,000,000 thousand   |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| <p>*2. Allowance for temporary difference adjustments</p> <p>1. Reason for provision and reversal, related assets, etc., and amount provided</p> <table border="1"> <thead> <tr> <th>Related assets, etc.</th><th>Buildings in trust</th></tr> </thead> <tbody> <tr> <td>Reason</td><td>Discrepancies in tax and accounting treatment in connection with the recognition of expenses related to asset retirement obligations</td></tr> <tr> <td>Initial amount</td><td>¥3,936 thousand</td></tr> <tr> <td>Balance at the beginning of the period</td><td>¥1,312 thousand</td></tr> <tr> <td>Amount of provision for the period</td><td>¥2,624 thousand</td></tr> <tr> <td>Amount of reversal for the period</td><td>–</td></tr> <tr> <td>Balance at the end of the period</td><td>¥3,936 thousand</td></tr> <tr> <td>Reason for reversal</td><td>–</td></tr> </tbody> </table> | Related assets, etc.   | Buildings in trust | Reason | Discrepancies in tax and accounting treatment in connection with the recognition of expenses related to asset retirement obligations | Initial amount | ¥3,936 thousand | Balance at the beginning of the period | ¥1,312 thousand | Amount of provision for the period | ¥2,624 thousand | Amount of reversal for the period | – | Balance at the end of the period | ¥3,936 thousand | Reason for reversal | – | <p>*2. Allowance for temporary difference adjustments</p> <p>1. Reason for provision and reversal, related assets, etc., and amount provided</p> <table border="1"> <thead> <tr> <th>Related assets, etc.</th><th>Buildings in trust</th></tr> </thead> <tbody> <tr> <td>Reason</td><td>Discrepancies in tax and accounting treatment in connection with the recognition of expenses related to asset retirement obligations</td></tr> <tr> <td>Initial amount</td><td>¥3,936 thousand</td></tr> <tr> <td>Balance at the beginning of the period</td><td>¥3,936 thousand</td></tr> <tr> <td>Amount of provision for the period</td><td>–</td></tr> <tr> <td>Amount of reversal for the period</td><td>–</td></tr> <tr> <td>Balance at the end of the period</td><td>¥3,936 thousand</td></tr> <tr> <td>Reason for reversal</td><td>–</td></tr> </tbody> </table> | Related assets, etc. | Buildings in trust | Reason | Discrepancies in tax and accounting treatment in connection with the recognition of expenses related to asset retirement obligations | Initial amount | ¥3,936 thousand | Balance at the beginning of the period | ¥3,936 thousand | Amount of provision for the period | – | Amount of reversal for the period | – | Balance at the end of the period | ¥3,936 thousand | Reason for reversal | – |
| Related assets, etc.   | Buildings in trust   |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Reason   | Discrepancies in tax and accounting treatment in connection with the recognition of expenses related to asset retirement obligations   |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Initial amount   | ¥3,936 thousand  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Balance at the beginning of the period   | ¥1,312 thousand  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Amount of provision for the period   | ¥2,624 thousand  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Amount of reversal for the period  | –  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Balance at the end of the period   | ¥3,936 thousand  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Reason for reversal  | –  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Related assets, etc.   | Buildings in trust   |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Reason   | Discrepancies in tax and accounting treatment in connection with the recognition of expenses related to asset retirement obligations   |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Initial amount   | ¥3,936 thousand  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Balance at the beginning of the period   | ¥3,936 thousand  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Amount of provision for the period   | –  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Amount of reversal for the period  | –  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Balance at the end of the period   | ¥3,936 thousand  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| Reason for reversal  | –  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| <p>2. Specific method for reversal</p> <p>At the time of retirement of the asset, etc., the amount to be treated will be reversed.</p>   | <p>2. Specific method for reversal</p> <p>At the time of retirement of the asset, etc., the amount to be treated will be reversed.</p>   |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |
| <p>*3. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations</p> <p style="text-align: right;">¥50,000 thousand</p>  | <p>*3. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations</p> <p style="text-align: right;">¥50,000 thousand</p>  |                    |        |  |                |                 |  |                 |                                    |                 |                                   |   |                                  |                 |                     |   |  |                      |                    |        |  |                |                 |  |                 |                                    |   |                                   |   |                                  |                 |                     |   |

**[Notes to Statement of Income and Retained Earnings]**

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

| Previous fiscal period (Reference)<br>(From September 1, 2020<br>to February 28, 2021)   | Reporting period<br>(From March 1, 2021<br>to August 31, 2021)  |
|--|---|
| <p>*2. Components of gain (loss) on sales of real estate properties<br/>(Unit: thousands of yen)</p> <p>Hulic Nihonbashi Honcho 1 Chome Building</p> <p>Proceeds from sale of real estate properties ￥ 4,450,000</p> <p>Cost of sale of real estate properties 4,003,602</p> <p>Other expenses for the sale 29,700</p> <p>Gain on sale of real estate properties ￥ 416,696</p> <p>Hulic Omori Building</p> <p>Proceeds from sale of real estate properties ￥ 3,705,000</p> <p>Cost of sale of real estate properties 3,357,842</p> <p>Other expenses for the sale 16,333</p> <p>Gain on sale of real estate properties ￥ 330,823</p> <p>Orchid Square (quasi co-ownership interest of 50%)</p> <p>Proceeds from sale of real estate properties ￥ 1,945,000</p> <p>Cost of sale of real estate properties 1,736,334</p> <p>Other expenses for the sale 10,676</p> <p>Gain on sale of real estate properties ￥ 197,989</p> | <p>*2. Components of gain (loss) on sales of real estate properties<br/>(Unit: thousands of yen)</p> <p>Orchid Square (quasi co-ownership interest of 50%)</p> <p>Proceeds from sale of real estate properties ￥ 1,945,000</p> <p>Cost of sale of real estate properties 1,735,046</p> <p>Other expenses for the sale 5,965</p> <p>Gain on sale of real estate properties ￥ 203,987</p> <p>Shinagawa Season Terrace</p> <p>Proceeds from sale of real estate properties ￥ 6,280,000</p> <p>Cost of sale of real estate properties 5,920,121</p> <p>Other expenses for the sale 44,820</p> <p>Gain on sale of real estate properties ￥ 315,058</p> |
| <p>*3. Transactions with major corporate unitholders<br/>(Unit: thousands of yen)</p> <p>From operating transactions</p> <p>Leasing business revenue ￥ 807,819</p> <p>Gain on sale of real estate properties 528,813</p>   | <p>*3. Transactions with major corporate unitholders<br/>(Unit: thousands of yen)</p> <p>From operating transactions</p> <p>Leasing business revenue ￥ 795,933</p> <p>Gain on sale of real estate properties 203,987</p>  |

### [Notes to Statement of Changes in Net Assets]

| Item  | Previous fiscal period (Reference)<br>(From September 1, 2020<br>to February 28, 2021)   | Reporting period<br>(From March 1, 2021<br>to August 31, 2021)   |
|---|--|--|
| *1. Total number of authorized investment units and total number of investment units issued | <p>Total number of authorized investment units at end of period 20,000,000 units</p> <p>Total number of investment units issued at end of period 1,312,000 units</p> | <p>Total number of authorized investment units at end of period 20,000,000 units</p> <p>Total number of investment units issued at end of period 1,353,000 units</p> |

### [Notes on Tax Effect Accounting]

| Previous fiscal period (Reference)<br>(As of February 28, 2021)   | Reporting period<br>(As of August 31, 2021)   |
|---|---|
| <p>1. Breakdown of significant components of deferred tax assets and deferred tax liabilities<br/>(Unit: thousands of yen)</p> <p>(Deferred tax assets)</p> <p>Accrued enterprise tax excluded from expenses ￥ 7,014</p> <p>Excess depreciation 533</p> <p>Asset retirement obligations 88,687</p> <p>Total deferred tax assets 96,235</p> <p>Valuation allowance (96,235)</p> <p>Net deferred tax assets ￥ —</p> | <p>1. Breakdown of significant components of deferred tax assets and deferred tax liabilities<br/>(Unit: thousands of yen)</p> <p>(Deferred tax assets)</p> <p>Accrued enterprise tax excluded from expenses ￥ 8,107</p> <p>Excess depreciation 747</p> <p>Asset retirement obligations 88,687</p> <p>Total deferred tax assets 97,542</p> <p>Valuation allowance (89,435)</p> <p>Net deferred tax assets ￥ 8,107</p> |



| Previous fiscal period (Reference)<br>(As of February 28, 2021)  | Reporting period<br>(As of August 31, 2021)  |
|--|--|
| 2. Reconciliation of significant differences between the statutory tax rate and the effective tax rate | 2. Reconciliation of significant differences between the statutory tax rate and the effective tax rate |
| Statutory tax rate 34.59%  | Statutory tax rate 34.59%  |
| (Adjustments)  | (Adjustments)  |
| Distributions paid included in expenses (33.34)%   | Distributions paid included in expenses (32.87)%   |
| Others 0.16%   | Others (0.11)%   |
| Effective tax rate 1.41%   | Effective tax rate 1.61%   |

#### [Notes on Noncurrent Assets Used Through Leases]

| Previous fiscal period (Reference)<br>(From September 1, 2020 to February 28, 2021) | Reporting period<br>(From March 1, 2021 to August 31, 2021) |
|---|---|
| Not applicable.   | Not applicable.   |

#### [Notes on Financial Instruments]

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

##### 1. Matters regarding status of financial instruments

###### (1) Policy for handling financial instruments

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

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

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

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

Borrowings and investment corporation bonds are mainly for the purpose of acquiring properties and refinancing of existing borrowings. Of these, borrowings with floating interest rates are exposed to interest rate fluctuation risk. To avoid this fluctuation risk, the Investment Corporation uses derivative transactions (interest rate swaps) as hedging instruments, which, in effect, converts fluctuating interest rates into fixed interest rates.

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

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

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

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

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

(Unit: thousands of yen)

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

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

### Assets

#### (1) Cash and deposits and (2) Cash and deposits in trust

The book value is used as the fair value of these assets, given that the fair value is almost equivalent to the amount of the book value, as they are settled in a short time.

### Liabilities

#### (1) Short-term borrowings

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

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

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

#### (3) Investment corporation bonds

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

### Derivative transactions

#### (1) Derivative transactions not applying hedge accounting

Not applicable.

#### (2) Derivative transactions applying hedge accounting

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<br>Payment: fixed interest rate<br>Receipt: floating interest rate | Long-term borrowings | ¥ 94,133,000      | ¥ 79,453,000             | *          | –                                 |

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

Measurement of fair values of financial instruments and matters regarding derivative transactions, Liabilities (2) Current portion of long-term borrowings, and (4) Long-term borrowings”).

(Note 2) Redemption of monetary claims scheduled to be due after the balance sheet date (as of February 28, 2021)

(Unit: thousands of yen)

|                            | Due within<br>1 year | Due after<br>1 year, but<br>within 2 years | Due after<br>2 years, but<br>within 3 years | Due after<br>3 years, but<br>within 4 years | Due after<br>4 years, but<br>within 5 years | Due after<br>5 years |
|----------------------------|----------------------|--|---|---|---|----------------------|
| Cash and deposits          | ¥ 11,543,492         | ¥ –  | ¥ –   | ¥ –   | ¥ –   | ¥ –                  |
| Cash and deposits in trust | 7,955,014            | –  | –   | –   | –   | –                    |
| Total                      | ¥ 19,498,506         | ¥ –  | ¥ –   | ¥ –   | ¥ –   | ¥ –                  |

(Note 3) Redemption of investment corporation bonds, long-term borrowings and other interest-bearing debt scheduled to be due after the balance sheet date (as of February 28, 2021)

(Unit: thousands of yen)

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

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

# 1. Matters regarding status of financial instruments

## (1) Policy for handling financial instruments

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

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

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

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

Borrowings and investment corporation bonds are mainly for the purpose of acquiring properties and refinancing of existing borrowings. Of these, borrowings with floating interest rates are exposed to interest rate fluctuation risk. To avoid this fluctuation risk, the Investment Corporation uses derivative transactions (interest rate swaps) as hedging instruments, which, in effect, converts fluctuating interest rates into fixed interest rates.

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

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

The fair values of financial instruments are based on market prices, if available. If there is no available market price for certain financial instruments, such fair value is based on the value rationally measured. Since a number of variables are factored into the measurement of fair value, such fair value may vary if different assumptions are used. The contract amounts related to derivatives mentioned in “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 as shown below.

(Unit: thousands of yen)

|   | Balance sheet carrying amount | Fair value    | Difference    |
|---|-------------------------------|---------------|---------------|
| (1) Cash and deposits                       | ¥ 13,731,679                  | ¥ 13,731,679  | ¥ –           |
| (2) Cash and deposits in trust              | 7,884,776                     | 7,884,776     | –             |
| Total assets                                | ¥ 21,616,456                  | ¥ 21,616,456  | ¥ –           |
| (1) 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                     | ¥ –                           | ¥ –           | ¥ –           |

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

### Assets

#### (1) Cash and deposits and (2) Cash and deposits in trust

The book value is used as the fair value of these assets, given that the fair value is almost equivalent to the amount of the book value, as they are settled in a short time.

### Liabilities

#### (1) 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 "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

#### (1) Derivative transactions not applying hedge accounting

Not applicable.

#### (2) Derivative transactions applying hedge accounting

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<br>Payment: fixed interest rate<br>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").

(Note 2) Redemption of monetary claims scheduled to be due after the balance sheet date (as of August 31, 2021)

(Unit: thousands of yen)

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

(Note 3) Redemption of investment corporation bonds, long-term borrowings and other interest-bearing debt scheduled to be due after the balance sheet date (as of August 31, 2021)

(Unit: thousands of yen)

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

## [Notes on Asset Retirement Obligations]

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

Asset retirement obligations recorded in the balance sheet

### 1. Overview of asset retirement obligations

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

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

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

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

| (Unit: thousands of yen)   |           |
|--|-----------|
| Balance at beginning of period   | ¥ 282,922 |
| Increase in connection with the acquisition of property, plant and equipment | —         |
| Adjustment due to passage of time  | 679       |
| Balance at end of period   | ¥ 283,601 |

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

Asset retirement obligations recorded in the balance sheet

### 1. Overview of asset retirement obligations

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

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

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

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

| (Unit: thousands of yen)   |           |
|--|-----------|
| Balance at beginning of period   | ¥ 283,601 |
| Increase in connection with the acquisition of property, plant and equipment | —         |
| Adjustment due to passage of time  | 680       |
| Balance at end of period   | ¥ 284,282 |

## [Notes on Investment and Rental Properties]

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

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

(Unit: thousands of yen)

| Balance sheet carrying amount  |                       |                          | Fair value at end of period |
|--------------------------------|-----------------------|--------------------------|-----------------------------|
| Balance at beginning of period | Changes during period | Balance at end of period |                             |
| ¥ 348,987,206                  | ¥ (1,843,196)         | ¥ 347,144,009            | ¥ 405,065,000               |

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

(Note 2) The main reason for the increase in the investment and rental properties during the period is the acquisition of beneficial interests in real estate trust of 2 properties (¥8,149,485 thousand). The decrease is mainly due to transfer of beneficial interests in real estate trust of 3 properties (¥9,097,779 thousand) and depreciation and amortization (¥1,238,680 thousand).

(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 the end of the period, the fair value of Orchid Square therein is based on the transfer price of the 50.0% quasi co-ownership interest of property transferred on March 1, 2021, stated on the trust beneficiary right sales agreement entered into on October 14, 2020, and the fair value of Shinagawa Season Terrace therein is based on the transfer price stated on the trust beneficiary right sales agreement entered into on March 26, 2021.

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

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

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

(Unit: thousands of yen)

| Balance sheet carrying amount  |                       |                          | Fair value at end of period |
|--------------------------------|-----------------------|--------------------------|-----------------------------|
| Balance at beginning of period | Changes during period | Balance at end of period |                             |
| ¥ 347,144,009                  | ¥ (966,642)           | ¥ 346,177,367            | ¥ 404,758,000               |

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

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

(Note 3) The fair value at end of period is the appraisal value provided by an independent real estate appraiser. Concerning the fair value at end of the period, the fair value of Hulic Shinjuku 3 Chome Building therein is based on the transfer price stated on the agreement for sales of beneficial interests in trust and land entered into on October 14, 2021.

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

## [Notes on Restriction on Asset Investment]

| Previous fiscal period (Reference)<br>(From September 1, 2020<br>to February 28, 2021) | Reporting period<br>(From March 1, 2021<br>to August 31, 2021) |
|--|--|
| Not applicable.  | Not applicable.  |

# **[Notes on Related Party Transactions]**

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

| Type                       | Name                             | Description of business | Percentage of voting rights owning | Description of transaction (Note 1)                             | Amount of transaction (Thousands of yen) (Note 2) | Account item                                       | Balance at end of period (Thousands of yen) (Note 2) |
|----------------------------|----------------------------------|-------------------------|------------------------------------|---|---|--|--|
| Major corporate unitholder | Hulic Co., Ltd.                  | Real estate business    | 10.95%                             | Purchase of beneficial interests in real estate trust           | ¥ 8,100,000                                       | —  | ¥ —  |
|                            |                                  |                         |                                    | Transfer of beneficial interests in real estate trust           | ¥ 5,650,000                                       | —  | ¥ —  |
|                            |                                  |                         |                                    | Keeping of leasehold and guarantee deposits received in trust   | ¥ 491,421   | Leasehold and guarantee deposits received in trust | ¥12,147,277  |
|                            |                                  |                         |                                    | Repayment of leasehold and guarantee deposits received in trust | ¥ 477,853   |  |  |
|                            |                                  |                         |                                    | Earning of rent revenue, etc.                                   | ¥ 807,819   | Advances received                                  | ¥ 141,504  |
| Asset custodian            | Mizuho Trust & Banking Co., Ltd. | Banking business        | —                                  | Borrowing of long-term borrowings                               | ¥ 1,050,000                                       | Current portion of long-term borrowings            | ¥ 1,662,000  |
|                            |                                  |                         |                                    | Repayment of long-term borrowings                               | ¥ 1,050,000                                       | Long-term borrowings                               | ¥11,281,000  |
|                            |                                  |                         |                                    | Interest expenses   | ¥ 33,721  | Accrued expenses                                   | ¥ 556  |
|                            |                                  |                         |                                    | Borrowing related expenses                                      | ¥ 14,269  | Long-term prepaid expenses                         | ¥ 77,615   |

(Note 1) Transaction terms are determined based on the current market prices.

(Note 2) Consumption taxes are not included in amount of transaction but are included in balance at end of period.



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

| Type                       | Name                             | Description of business | Percentage of voting rights owning | Description of transaction (Note 1)                             | Amount of transaction (Thousands of yen) (Note 2) | Account item                                       | Balance at end of period (Thousands of yen) (Note 2) |
|----------------------------|----------------------------------|-------------------------|------------------------------------|---|---|--|--|
| Major corporate unitholder | Hulic Co., Ltd.                  | Real estate business    | 10.62%                             | 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  |
| Asset custodian            | Mizuho Trust & Banking Co., Ltd. | Banking business        | —                                  | Borrowing of long-term borrowings                               | ¥ 630,000   | Current portion of long-term borrowings            | ¥ 1,871,000  |
|                            |                                  |                         |                                    | Repayment of long-term borrowings                               | ¥ 790,000   | Long-term borrowings                               | ¥10,912,000  |
|                            |                                  |                         |                                    | Interest expenses   | ¥ 33,920  | Accrued expenses                                   | ¥ 189  |
|                            |                                  |                         |                                    | Borrowing related expenses                                      | ¥ 7,566   | Long-term prepaid expenses                         | ¥ 75,399   |

(Note 1) Transaction terms are determined based on the current market prices.

(Note 2) Consumption taxes are not included in amount of transaction but are included in balance at end of period.

### [Notes on Per Unit Information]

| Previous fiscal period (Reference)<br>(From September 1, 2020 to February 28, 2021)   |           | Reporting period<br>(From March 1, 2021 to August 31, 2021)   |           |
|---|-----------|---|-----------|
| Net assets per unit   | ¥ 136,594 | Net assets per unit   | ¥ 137,124 |
| Basic earnings per unit   | ¥ 4,144   | Basic earnings per unit   | ¥ 3,698   |
| Basic earnings per unit is calculated by dividing profit by the day-weighted average number of investment units for the period. |           | 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.                                     |           | Fully diluted earnings per unit is not presented, as there is no potential investment unit.                                     |           |

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

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

## [Notes on Significant Events After the Reporting Period]

| Previous fiscal period (Reference)<br>(From September 1, 2020<br>to February 28, 2021)  | Reporting period<br>(From March 1, 2021<br>to August 31, 2021)  |
|---|---|
| <p>Issuance of new investment units</p> <p>The Investment Corporation passed resolutions at meetings of its Board of Directors held on March 26, 2021 and April 1, 2021, to issue new investment units as follows for the purpose of using the proceeds to supplement cash reserves by amount of decrease arising from its allocation for a portion of the purchase price for specified assets, and finance the repayment of borrowings. The payment for a public offering was completed on April 7, 2021.</p> <p>(New investment unit issuance through public offering)</p> <p>Number of new investment units to be issued: 39,000 units</p> <p>Issue price (offer price): ¥167,895 per unit</p> <p>Total amount of issue price (offer price): ¥6,547,905,000</p> <p>Amount paid in (issue value): ¥162,470 per unit</p> <p>Total amount paid in (issue value): ¥6,336,330,000</p> <p>Payment date: April 7, 2021</p> <p>Distribution calculation date: March 1, 2021</p> <p>(New investment unit issuance through third-party allotment)</p> <p>Number of new investment units to be issued: 2,000 units (maximum)</p> <p>Amount paid in (issue value): ¥162,470 per unit</p> <p>Total amount paid in (issue value): ¥324,940,000 (maximum)</p> <p>Payment date: April 27, 2021</p> <p>Distribution calculation date: March 1, 2021</p> <p>Allottee: Mizuho Securities Co., Ltd.</p> <p>If the entire number of new investment units to be issued in the third-party allotment, or a portion thereof, is not subscribed to, this may result in the final number of new investment units issued in the third-party allotment being reduced by such number of units or fewer due to forfeiture or the issuance itself not being carried out at all.</p> | <p>Issuance of new investment units</p> <p>The Investment Corporation passed resolutions at a meeting of its Board of Directors held on October 14, 2021, to issue new investment units as follows for the purpose of using the proceeds for a portion of the purchase price for specified assets, etc. The details such as the issue price per unit will be determined at the Board of Directors meetings to be held going forward.</p> <p>(New investment unit issuance through public offering)</p> <p>Number of new investment units to be issued: 82,800 units</p> <p>A date from October 27, 2021 to October 29, 2021</p> <p>Payment date:</p> <p>(New investment unit issuance through third-party allotment)</p> <p>Number of new investment units to be issued (maximum): 4,200 units</p> <p>Payment date: November 22, 2021</p> <p>Allottee: Mizuho Securities Co., Ltd.</p> <p>If the entire number of new investment units to be issued in the third-party allotment, or a portion thereof, is not subscribed to, this may result in the final number of new investment units issued in the third-party allotment being reduced by such number of units or fewer due to forfeiture or the issuance itself not being carried out at all.</p> |

## [Notes on Provision and Reversal of Allowance for Temporary Difference Adjustments]

| Previous fiscal period (Reference)<br>(From September 1, 2020<br>to February 28, 2021) | Reporting period<br>(From March 1, 2021<br>to August 31, 2021) |
|--|--|
| Not applicable.  | Not applicable.  |

## VII. Statement of Cash Distributions

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

## VIII. Statement of Cash Flows (Reference information)

(Unit: thousands of yen)

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

(Note) This Statement of Cash Flows is not audited by the independent auditor as it is not subject to an audit of the independent auditor, pursuant to Article 130 of the Act on Investment Trusts and Investment Corporations.

**[Notes on Significant Accounting Policies] (Reference information)**

| Item  | Previous fiscal period (Reference)<br>(From September 1, 2020<br>to February 28, 2021)  | Reporting period<br>(From March 1, 2021<br>to August 31, 2021)  |
|---|---|---|
| Scope of cash and cash equivalents in the statement of cash flows | Cash and cash equivalents in the statement of cash flows are composed of cash on hand, cash in trust, demand deposits, deposits in trust, and short-term investments that are readily convertible, bear little risk in price fluctuations, and mature within 3 months of the date of acquisition. | 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. |

**[Notes to Statement of Cash Flows] (Reference information)**

| Previous fiscal period (Reference)<br>(From September 1, 2020<br>to February 28, 2021)  |                      | Reporting period<br>(From March 1, 2021<br>to August 31, 2021)  |                      |
|---|----------------------|---|----------------------|
| *1. Reconciliation between cash and cash equivalents at end of period and relevant amount on the balance sheet<br>(As of February 28, 2021) |                      | *1. Reconciliation between cash and cash equivalents at end of period and relevant amount on the balance sheet<br>(As of August 31, 2021) |                      |
| Cash and deposits   | ¥11,543,492 thousand | Cash and deposits   | ¥13,731,679 thousand |
| Cash and deposits in trust  | ¥7,955,014 thousand  | Cash and deposits in trust  | ¥7,884,776 thousand  |
| Total cash and cash equivalent  | ¥19,498,506 thousand | Total cash and cash equivalent  | ¥21,616,456 thousand |