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April 18, 2024

Financial Report for the Fiscal Period Ended February 29, 2024 (For the Reporting Period from September 1, 2023 to February 29, 2024)

Hulic Reit, Inc. (“Investment Corporation”)

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

Asset management company: Hulic Reit Management Co., Ltd.
 Representative: Kazuaki Chokki, Representative Director, President and CEO
 Contact: Hiroshi Machiba, Director, CFO, Head of Planning and Administration Division and
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Scheduled date to file securities report: May 22, 2024
 Scheduled date to commence payment of distributions: May 15, 2024
 Preparation of supplementary material on financial report: Yes
 Holding of financial report presentation meeting: Yes (for institutional investors and analysts)

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

1. Summary of financial results for the fiscal period ended February 29, 2024 (September 1, 2023 - February 29, 2024)

(1) Operating results

(Percentages show changes from the previous fiscal period)

Fiscal period ended	Operating revenues		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 29, 2024	11,323	0.9	5,960	1.3	5,160	1.2	5,160	1.9
August 31, 2023	11,222	5.1	5,882	4.6	5,099	4.3	5,063	3.6

Fiscal period ended	Basic earnings per unit	Return on equity	Ordinary profit on total assets	Ordinary profit on operating revenues
	Yen	%	%	%
February 29, 2024	3,583	2.6	1.3	45.6
August 31, 2023	3,516	2.5	1.3	45.4

(Note) Basic earnings per unit is calculated by dividing profit by the day-weighted average number of investment units outstanding during the period (fiscal period ended February 29, 2024: 1,440,000 units; fiscal period ended August 31, 2023: 1,440,000 units).

(2) Distributions

	Distributions per unit (excluding distributions in excess of earnings)	Total distributions (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Total distributions in excess of earnings	Payout ratio	Distributions to net assets
Fiscal period ended	Yen	Millions of yen	Yen	Millions of yen	%	%
February 29, 2024	3,583	5,159	–	–	99.9	2.6
August 31, 2023	3,480	5,011	–	–	98.9	2.5

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

$$\text{Payout ratio} = \text{Total distributions (excluding distributions in excess of earnings)} / \text{Profit} \times 100$$

(3) Financial position

	Total assets	Net assets	Equity ratio	Net assets per unit
As of	Millions of yen	Millions of yen	%	Yen
February 29, 2024	409,823	200,440	48.9	139,194
August 31, 2023	401,942	200,290	49.8	139,090

(4) Cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 29, 2024	16,742	(13,086)	2,988	22,578
August 31, 2023	17,369	(21,083)	(5,011)	15,932

2. Forecasts of performance for the fiscal period ending August 31, 2024 (March 1, 2024 - August 31, 2024) and February 28, 2025 (September 1, 2024 - February 28, 2025)

(Percentages show changes from the previous fiscal period)

Fiscal period ending	Operating revenues		Operating profit		Ordinary profit		Profit		Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
August 31, 2024	11,439	1.0	5,984	0.4	5,157	(0.1)	5,156	(0.1)	3,580	–
February 28, 2025	10,892	(4.8)	5,665	(5.3)	4,825	(6.4)	4,824	(6.4)	3,480	–

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

For the fiscal period ending August 31, 2024: ¥3,580

For the fiscal period ending February 28, 2025: ¥3,350

*** Other**

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

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

(2) Total number of investment units issued

- | | |
|---|-----------------|
| a. Total number of investment units issued at end of period (including treasury investment units) | |
| As of February 29, 2024 | 1,440,000 units |
| As of August 31, 2023 | 1,440,000 units |
| b. Number of treasury investment units at end of period | |
| As of February 29, 2024 | 0 units |
| As of August 31, 2023 | 0 units |

(Note) Please refer to “Notes on Per Unit Information” on page 33 for the number of investment units used as the basis for calculating basic earnings per unit.

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

*** Special notes**

Forward-looking statements presented in this financial report, including forecasts of performance, are based on information currently available to the Investment Corporation and on certain assumptions the Investment Corporation deems to be reasonable. As such, actual operating and other results may differ materially from these forecasts as a consequence of numerous factors. The above-mentioned forecasts are based on “Assumptions for forecasts of performance for the fiscal period ending August 31, 2024 (from March 1, 2024 to August 31, 2024) and the fiscal period ending February 28, 2025 (from September 1, 2024 to February 28, 2025)” (hereinafter, “Assumptions for Forecasts”) on pages 9 through 11 for calculation, and our judgment as of this date. Actual operating revenues, operating profit, ordinary profit, profit, distributions per unit and distributions in excess of earnings per unit may vary due to factors such as additional acquisitions or transfers of real estate, etc., fluctuations in the real estate market or other changes in market conditions that may affect the Investment Corporation. These forecasts do not guarantee the distribution amount.

1. Status of Asset Management

(1) Operating results

Summary of results for the reporting period

i) Transition of the Investment Corporation

The Investment Corporation was established on November 7, 2013, with Hulic Reit Management Co., Ltd. (hereinafter referred to as the “Asset Manager”), which is entrusted with the management of the assets of the Investment Corporation, as the organizer under the Act on Investment Trusts and Investment Corporations of Japan (hereinafter referred to as the “Investment Trust Act”). On November 25, 2013, the Investment Corporation was registered with the Director-General of the Kanto Local Finance Bureau (registration number: Director-General of the Kanto Local Finance Bureau No. 88). The Investment Corporation issued new investment units through a public offering with the payment date on February 6, 2014, which were listed on the Real Estate Investment Trust Securities (J-REIT) Market of Tokyo Stock Exchange, Inc. (Securities code: 3295) on February 7, 2014. New investment units were issued through a third-party allotment on March 7, 2014. The Investment Corporation recently carried out capital increases through its eighth public offering after its listing on October 27, 2021 and a third-party allotment on November 22, 2021. As a result, the number of investment units issued as of February 29, 2024 (hereinafter, the “end of the reporting period”) was 1,440,000.

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

ii) Performance for the reporting period

During the reporting period, the Investment Corporation acquired three properties, Hulic Komagome Building, Sotetsu Fresa Inn Tokyo-Roppongi (additional acquisition) and Hulic Kaminarimon Building in December 2023 (total acquisition price: ¥12,780 million), and transferred Hulic Ginza 7 Chome Building (47.5% quasi co-ownership interest) (transfer price: ¥10,935 million) in September 2023. As a result, the number of properties held by the Investment Corporation as of the end of the reporting period was 67, and the total acquisition price was ¥393,189 million (rounded to the nearest ¥1 million). The occupancy rate of the entire portfolio has remained at a high level of 99.7% as of 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 GRESB (Note 1) from the fiscal period ended August 31, 2016. In the GRESB Real Estate Assessment conducted in 2023, the Investment Corporation was awarded “5 Stars,” the highest GRESB Rating for the fourth consecutive year, for its initiatives in environmental awareness and sustainability, having received strong recognition in both the areas of “Management Component” and “Performance Component.” At the same time, the Investment Corporation also received a “Green Star” for the seventh consecutive year. In addition, the Investment Corporation’s information disclosure on its environmental consideration and sustainability initiatives was assessed as particularly impressive, and was given a rating of “A,” the highest of five possible scores, in the GRESB Public Disclosure, introduced in fiscal 2017, for the fifth consecutive year. Furthermore, the Investment Corporation has been working on obtaining external certification relating to energy conservation and environmental performance of its owned properties, and as of the end of the reporting period, it has obtained external certification for a total of 52 properties, as follows. Concerning DBJ Green Building Certification (Note 2), the Investment Corporation has acquired certification for six properties, with Ochanomizu Sola City and Hulic Asakusabashi Building obtaining the highest ranking among those properties. As for BELS (Note 3), the Investment Corporation has acquired certification for 19 properties, with HULIC & New SHIBUYA and Hulic Shimura-sakaue obtaining the highest ranking among those properties. Concerning the real estate evaluation certification CASBEE (Note 4), the Investment Corporation has acquired certification for 22 properties (Note 5), with Hulic Kamiyacho Building, Toranomom First Garden, Hulic Kandabashi Building, Hulic Kakigaracho Building, Hulic Higashi Ueno 1 Chome Building, Hulic Higashi Nihonbashi Building, Hulic Jimbocho Building, Hulic Kojimachi Building,

Hulic Kobunacho Building, Oimachi Redevelopment Building (#2)/(#1), Hulic Jingu-Mae Building and Hulic Mejiro obtaining the highest ranking among those properties. Concerning CASBEE-Wellness Office evaluation certification (Note 6), the Investment Corporation has acquired certification for Hulic Toranomom Building. Furthermore, the Investment Corporation has acquired certification for four properties, including Charm Suite Shinjukutoyama and Granda Gakugei Daigaku, from the Japan Habitat Evaluation and Certification Program (JHEP) (Note 7).

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

- (Note 1) GRESB is an annual benchmark assessment used to evaluate environmental, social and governance (ESG) considerations of real estate companies and funds, as well as the name of the organization which runs the assessment. It was established in 2009 primarily by major European pension fund groups, which led the Principles for Responsible Investment.
- (Note 2) The “DBJ Green Building Certification” is a certification system created by Development Bank of Japan Inc. in April 2011 to support real estate properties with environmental and social awareness (“Green Building”). The certification system is said to evaluate and certify real estate properties in terms of their desirability for society and the economy based on a comprehensive evaluation, which includes not only environmental performance, but also responsiveness to various stakeholder needs such as consideration for emergency preparedness and the community, and to support these efforts.
- (Note 3) The “BELS” is a building energy-efficiency labeling system that was started with the aim of having third-party institutions implement accurate evaluation and labeling of energy-conservation performance of buildings in accordance with the guidelines set forth in October 2013 by the Ministry of Land, Infrastructure, Transport and Tourism in “Evaluation Guidelines for Energy-efficiency Labeling for Non-residential Buildings (2013).”
- (Note 4) “CASBEE” (Comprehensive Assessment System for Built Environment Efficiency) is a method for evaluating and rating the environmental performance of buildings. CASBEE is a system that comprehensively evaluates the quality of buildings by giving consideration not only to the environment in regard to the use of materials that have good energy conservation and small environmental loads, but also to the comfort inside the buildings and to the landscapes. Institute for Building Environment and Energy Conservation (IBEC) promotes the adoption of the system and operates the assessment and certification. The real estate evaluation certification CASBEE evaluates the environmental performance of existing buildings with one or more years of use after completion.
- (Note 5) Oimachi Redevelopment Building (#2)/(#1) are recorded as a single building as they obtained certification as a combined building.
- (Note 6) The “CASBEE-Wellness Office evaluation certification” is a method for evaluating specifications, performance and approaches of buildings that support maintenance and enhancement of the health and comfort of building users. The system evaluates not only the direct impact on the health and comfort of workers who inhabit offices in the building but also other performance factors such as contribution to intellectual productivity improvement as well as security and safety. IBEC promotes the adoption of the system and operates the assessment and certification.
- (Note 7) The Japan Habitat Evaluation and Certification Program (JHEP) is based on the habitat evaluation procedures (HEP) developed by the U.S. Department of the Interior in the 1970s and 1980s to quantitatively evaluate habitats, focused on habitats where living creatures live. JHEP, which was developed and is managed by Ecosystem Conservation Society-Japan, evaluates and certifies initiatives that contribute to the conservation and restoration of biodiversity.

iii) Status of financing

During the reporting period, the Investment Corporation procured ¥8,000 million in total on December 1 and December 22, 2023 as short-term borrowings to cover part of the acquisition price of assets. In addition, the Investment Corporation executed long-term borrowings (including green loans) of ¥11,243 million in total on February 7 and February 29, 2024 in order to refinance long-term borrowings for which repayment was due and to make a partial early repayment of short-term borrowings.

As a result, as of the end of the reporting period, interest-bearing debt totaled ¥188,116 million (comprising ¥6,000 million in short-term borrowings, ¥24,133 million in current portion of long-term

borrowings, ¥140,983 million in long-term borrowings and ¥17,000 million in investment corporation bonds), resulting in a loan-to-value (LTV) ratio of 45.9%.

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

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

iv) Overview of financial results and distributions

As a result of the above asset management, operating revenues for the reporting period were ¥11,323 million (up 0.9% compared with the previous fiscal period), operating profit was ¥5,960 million (up 1.3% compared with the previous fiscal period), ordinary profit after deducting interest expenses for borrowings, etc. was ¥5,160 million (up 1.2% compared with the previous fiscal period), and profit was ¥5,160 million (up 1.9% 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 roughly equal to profit, with the aim of including distributions of profits in tax deductible expenses. Consequently, distributions per unit came to ¥3,583.

Outlook for the fiscal period ending August 31, 2024

i) Outlook for overall operations

Looking forward, we can expect business economic conditions in Japan to continue recovering gradually as various governmental measures are proving effective under improving employment and personal income conditions. However, we face a risk of weakening business conditions in Japan due to the downturn in overseas economies, including the impact of fiscal tightening occurring across the globe and concerns over the outlook for the Chinese economy. In addition, it will be important to pay adequate attention to the impact of the rising cost of goods, and the ending of negative interest rate policy. Regarding the rental office market amid these conditions, the Investment Corporation will continue to pay close attention to changes in office needs, such as consolidation and relocation of offices and increases in floor space in buildings. Furthermore, in retail properties and hotels, although the recovery in inbound tourism demand and other factors are expected to further increase, it is necessary to ascertain the business conditions of tenants and respond appropriately.

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 and staggered repayment dates, etc., in order to maintain a stable and healthy financial position. With respect to the interest rate options, the Investment Corporation will consider some refinancing through borrowings with fluctuating interest rates while mainly using fixed interest rates in consideration of the financial environment, impact on the current unitholders and other factors.

(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 that are sufficiently competitive that are in the Tokyo area (Tokyo and cities designated by government ordinance in the surrounding areas) and areas with economic zones comparable to the Tokyo area and in principle located "within a five-minute walking distance from the nearest train station," or "in a particular part of the area that has competitive or advantageous characteristics." Retail properties are those located in Tokyo and major cities in the surrounding areas that are in principle located within a five-minute walking distance from the nearest train station or in areas with a high concentration of retail activities. Such retail properties are also highly visible

and have the potential to generate demand from prospective tenants that offer products and services suitable for the characteristics of their respective retail areas. The investment ratio for office properties in the Tokyo area is, in principle, 90% or more of the investment amount (based on acquisition prices) for all of the office properties.

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

ii) Significant events after the reporting period

Not applicable.

(Reference information)

(A) Transfer of properties

The Investment Corporation transferred the below-mentioned real estate trust beneficiary rights (1 property; transfer price: ¥4,080 million). The transfer price provided does not include expenses incurred on the transfer of such transferred asset (including transfer expenses, settlement of fixed asset tax and city planning tax, and consumption taxes), and is equal to the transfer price stated in the purchase and sale agreement for the trust beneficiary rights.

Property name	Location	Date of transfer	Transfer price (Millions of yen)	Transferee
Hulic Higashi Nihonbashi Building	Chuo-ku, Tokyo	March 27, 2024	4,080	Not disclosed (Note)

(Note) The transferee is a business-operating company in Japan. No other transferee information is disclosed because the transferee has not given permission to disclose it.

(B) Early repayment of borrowings

The Investment Corporation decided on April 18, 2024 to make an early repayment on April 30, 2024 on the full amount and partial amount on the outstanding balances of the borrowings listed below, which will be funded by the transfer price received from the transferee in the transfer of properties stated in (A) above in addition to funds in hand.

Lender	Borrowing amount (Millions of yen)	Interest rate	Drawdown date	Repayment date	Repayment method	Remarks
Mizuho Bank, Ltd.	2,300 (Note 1)	Base rate of interest (JBA one-month Japanese Yen TIBOR) +0.20%	December 1, 2023	November 29, 2024	Lump-sum repayment	Unsecured and unguaranteed
Mizuho Bank, Ltd.	3,700 (Note 2)	Base rate of interest (JBA one-month Japanese Yen TIBOR) +0.20%	December 22, 2023	December 20, 2024	Lump-sum repayment	Unsecured and unguaranteed

(Note 1) The amount stated is the outstanding balance after a previous partial early repayment of borrowings was made as reported in the release “Notice concerning Partial Early Repayment of Borrowings” dated February 22, 2024. The stated borrowing amount will be repaid in full by this early repayment.

(Note 2) Of the above-stated borrowing amount, ¥1,200 million will be repaid, and the outstanding balance after this early repayment will be ¥2,500 million.

iii) Operating results (earnings) forecasts

The Investment Corporation's forecasts for the fiscal period ending August 31, 2024 (from March 1, 2024 to August 31, 2024) and the fiscal period ending February 28, 2025 (from September 1, 2024 to February 28, 2025) are as follows:

	Fiscal period ending August 31, 2024	Fiscal period ending February 28, 2025
Operating revenues	¥11,439 million	¥10,892 million
Operating profit	¥5,984 million	¥5,665 million
Ordinary profit	¥5,157 million	¥4,825 million
Profit	¥5,156 million	¥4,824 million
Distributions per unit (excluding distributions in excess of earnings)	¥3,580	¥3,480
Distributions in excess of earnings per unit	¥-	¥-

Information on assumptions for the above forecasts of operating results is as shown in “Assumptions for forecasts of performance for the fiscal period ending August 31, 2024 (from March 1, 2024 to August 31, 2024) and the fiscal period ending February 28, 2025 (from September 1, 2024 to February 28, 2025)” on pages 9 through 11.

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

Assumptions for forecasts of performance for the fiscal period ending August 31, 2024 (from March 1, 2024 to August 31, 2024) and the fiscal period ending February 28, 2025 (from September 1, 2024 to February 28, 2025)

Item	Assumptions
Accounting period	<ul style="list-style-type: none"> • Fiscal period ending August 31, 2024: 184 days from March 1, 2024 to August 31, 2024 • Fiscal period ending February 28, 2025: 181 days from September 1, 2024 to February 28, 2025
Portfolio	<ul style="list-style-type: none"> • We have based our assumptions on 66 properties we hold as of the date of this report (hereinafter referred to as the “Assets Held” in the “Assumptions” column). • In our forecasts of performance, we have assumed that there will be no changes in the composition of our portfolio (no acquisitions of new properties, no transfers of Assets Held, etc.) through February 28, 2025 (the end of the 22nd fiscal period). • However, there may in actuality be changes in the portfolio due to the acquisition or disposition of properties.
Operating revenues	<ul style="list-style-type: none"> • Real estate leasing business revenues from Assets Held have been calculated in consideration of trends of the lease market, status of negotiations with tenants and other factors, and taking into account a certain degree of impact from tenants moving in and out, on the basis of lease agreements effective as of the date of this report. Average monthly occupancy rates during period are assumed to be 99.6% and 99.2% for the periods ending August 31, 2024 and February 28, 2025, respectively, although such rates may vary if there is unexpected moving in or out of tenants. • The projected amount for the gain on transfer relating to the asset transferred in March 2024 (excluding expenses relating to the transfer) is recognized for the fiscal period ending August 31, 2024 (the 21st fiscal period). • Operating revenues assume no delinquencies or non-payment of rent by tenants.

Item	Assumptions
Operating expenses	<ul style="list-style-type: none"> • Of the expenses related to leasing business, the principal component of operating expenses, expenses other than depreciation and amortization expenses for the Assets Held excluding assets acquired in the fiscal period ended February 29, 2024 (the 20th fiscal period) have been calculated in such a way as to reflect variable factors in the expenses on the basis of past performance figures. In addition, such expenses other than depreciation and amortization expenses for the assets acquired in the fiscal period ended February 29, 2024 (the 20th fiscal period) have been calculated in such a way as to reflect variable factors in the expenses based on information received from the transferors of each asset and other factors, and also based on past performance figures. • We have calculated depreciation and amortization expenses using the straight-line method, including ancillary expenses, and assumed that we will incur depreciation and amortization expenses of ¥1,376 million for the fiscal period ending August 31, 2024 (the 21st fiscal period) and ¥1,380 million for the fiscal period ending February 28, 2025 (the 22nd fiscal period). • In general, fixed asset tax, city planning tax, etc. for the assets we acquire or transfer are settled at the time of acquisition or transfer between the transferor and the transferee based on their respective periods of ownership in relation to the relevant tax year. With respect to the acquired assets, any of these taxes allocated to the transferee are not recognized in expenses at the time of acquisition because they are treated as a part of the acquisition cost for accounting purposes in the Investment Corporation. Fixed asset tax, city planning tax, etc. are assumed at ¥1,014 million for the fiscal period ending August 31, 2024 (the 21st fiscal period) and ¥1,014 million for the fiscal period ending February 28, 2025 (the 22nd fiscal period). • Repair expenses for buildings are recognized for each fiscal period in amounts assumed as necessary based on the repair plan formulated by the Asset Manager for each property. However, actual repair expenses for each fiscal period may differ substantially from our forecasts, mainly for the following reasons: (i) we may incur expenses for urgent repairs to properties for reasons including damage to buildings resulting from factors that are difficult to foresee, (ii) generally, there is a substantial difference in such expenses incurred between each fiscal period, and (iii) such expenses are not incurred on a regular basis. We expect to post ¥158 million in the fiscal period ending August 31, 2024 (the 21st fiscal period) and ¥133 million in the fiscal period ending February 28, 2025 (the 22nd fiscal period). • Operating expenses other than those related to leasing business (asset management fee, asset custody fee, administrative service fees, etc.) are assumed at ¥1,371 million for the fiscal period ending August 31, 2024 (the 21st fiscal period) and ¥1,209 million for the fiscal period ending February 28, 2025 (the 22nd fiscal period). These expenses have been calculated based on past performance figures and upon considering variable factors.
Non-operating expenses	<ul style="list-style-type: none"> • Taking into account interest rate trends, the latest performance figures and other factors, we expect to record interest expenses and other borrowing-related expenses of ¥812 million in the fiscal period ending August 31, 2024 (the 21st fiscal period) and ¥830 million in the fiscal period ending February 28, 2025 (the 22nd fiscal period). • We expect to record amortization of investment corporation bond issuance costs (amortized by the straight-line method over period until redemption) and amortization of investment unit issuance costs (amortized by the straight-line method over a three-year period) relating to issuance of investment corporation bonds and new investment units, etc. of ¥15 million in the fiscal period ending August 31, 2024 (the 21st fiscal period) and ¥9 million in the fiscal period ending February 28, 2025 (the 22nd fiscal period).

Item	Assumptions
Interest-bearing debt	<ul style="list-style-type: none"> • The balance of interest-bearing debt of the Investment Corporation as of the date of this report is ¥188,116 million (comprising ¥6,000 million in short-term borrowings, ¥24,133 million in current portion of long-term borrowings, ¥140,983 million in long-term borrowings and ¥17,000 million in investment corporation bonds). • For the amount of ¥6,000 million still outstanding as of the date of this report in short-term borrowings executed on December 1, 2023 and December 22, 2023 as funds for acquisition of properties, we assume that we would make an early repayment of ¥3,500 million on April 30, 2024 and refinance the remaining ¥2,500 million by the due date. • For ¥11,834 million in current portion of long-term borrowings, for which repayment is due by August 31, 2024 (the end of the 21st fiscal period) and ¥12,299 million in current portion of long-term borrowings, for which repayment is due by February 28, 2025 (the end of the 22nd fiscal period), we assume the refinancing of the entire amounts at the time of the due date. • As a result of the above, we assume that the balance of interest-bearing debt as of each of August 31, 2024 (as of the end of the 21st fiscal period), and February 28, 2025 (as of the end of the 22nd fiscal period), will be ¥184,616 million. We estimate LTV ratio (assumed) of approximately 45% as of August 31, 2024 (as of the end of the 21st fiscal period). • The above LTV ratio (assumed) was obtained by the following formula: $\text{LTV (assumed)} = \frac{\text{Interest-bearing debt at end of period (assumed amount)}}{\text{Total assets at end of period (projected amount)}} \times 100$
Issuance of investment units	<ul style="list-style-type: none"> • We have assumed 1,440,000 total investment units have been issued as of the date of this report, and that there will be no issuance of additional investment units until the end of the fiscal period ending February 28, 2025 (as of the end of the 22nd fiscal period).
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> • We have calculated distributions per unit (excluding distributions in excess of earnings) in accordance with the cash distribution policy prescribed in the Investment Corporation's Articles of Incorporation. • Actual distributions per unit (excluding distributions in excess of earnings) may fluctuate due to various factors including changes in the asset portfolio, fluctuations in rent revenues associated with changes in tenants, or unforeseen needs for repairs. • For the period ending February 28, 2025 (the 22nd fiscal period), a reversal of ¥186 million in internal reserves is expected. The actual amounts of the reversal of internal reserves may change.
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> • We currently have no plans to pay cash distributions in excess of earnings (regarding distributions in excess of earnings per unit).
Others	<ul style="list-style-type: none"> • We have assumed that no revisions that impact these forecasts will be made to laws and regulations, tax systems, accounting standards, securities listing regulations and the rules of The Investment Trusts Association, Japan, or others. • We have assumed that no significant unforeseeable changes will occur in general economic trends or conditions in the real estate market, and that no unforeseeable state of affairs outside the control of the Investment Corporation such as an event in the geopolitical sphere, etc. will occur.

2. Unaudited Financial Information

(1) Balance Sheets (unaudited)

(Unit: thousands of yen)

	Previous fiscal period (As of August 31, 2023)	Reporting period (As of February 29, 2024)
Assets		
Current assets		
Cash and deposits	7,585,746	14,603,757
Cash and deposits in trust	8,347,095	7,974,672
Operating accounts receivable	14,589	16,340
Prepaid expenses	51,871	43,705
Consumption taxes refund receivable	208,306	–
Other	76	4,732
Total current assets	16,207,684	22,643,209
Noncurrent assets		
Property, plant and equipment		
Buildings	708,639	714,841
Accumulated depreciation	(87,508)	(97,611)
Buildings, net	621,131	617,229
Tools, furniture and fixtures	1,831	1,831
Accumulated depreciation	(333)	(487)
Tools, furniture and fixtures, net	1,497	1,343
Land	589,293	589,293
Buildings in trust	81,428,388	83,884,109
Accumulated depreciation	(15,461,626)	(16,663,377)
Buildings in trust, net	65,966,762	67,220,732
Structures in trust	451,450	462,757
Accumulated depreciation	(224,627)	(239,984)
Structures in trust, net	226,823	222,772
Machinery and equipment in trust	559,072	564,736
Accumulated depreciation	(323,063)	(346,313)
Machinery and equipment in trust, net	236,009	218,422
Tools, furniture and fixtures in trust	127,680	137,425
Accumulated depreciation	(70,166)	(78,966)
Tools, furniture and fixtures in trust, net	57,513	58,459
Land in trust	310,673,598	310,955,656
Construction in progress in trust	4,400	4,400
Total property, plant and equipment	378,377,030	379,888,310
Intangible assets		
Leasehold interests in land	2,345,873	2,345,873
Land leasehold interests in trust	3,514,716	3,509,413
Other	4,086	3,106
Total intangible assets	5,864,676	5,858,394
Investments and other assets		
Leasehold and guarantee deposits	360,076	360,076
Long-term prepaid expenses	1,051,783	1,010,945
Total investments and other assets	1,411,859	1,371,021
Total noncurrent assets	385,653,566	387,117,726
Deferred assets		
Investment unit issuance costs	17,186	7,518
Investment corporation bond issuance costs	63,762	55,119
Total deferred assets	80,949	62,637
Total assets	401,942,200	409,823,573

(Unit: thousands of yen)

	Previous fiscal period (As of August 31, 2023)	Reporting period (As of February 29, 2024)
Liabilities		
Current liabilities		
Operating accounts payable	833,258	552,294
Short-term borrowings	–	6,000,000
Current portion of long-term borrowings	21,077,000	24,133,000
Accounts payable - other	1,288,923	1,319,337
Accrued expenses	19,011	13,607
Income taxes payable	35,406	605
Accrued consumption taxes	116,219	198,184
Advances received	1,837,464	1,835,046
Deposits received	51,896	4,278
Total current liabilities	25,259,180	34,056,353
Noncurrent liabilities		
Investment corporation bonds	17,000,000	17,000,000
Long-term borrowings	142,039,000	140,983,000
Leasehold and guarantee deposits received	146,612	146,612
Leasehold and guarantee deposits received in trust	16,919,434	16,909,752
Asset retirement obligations	287,021	287,709
Total noncurrent liabilities	176,392,068	175,327,075
Total liabilities	201,651,248	209,383,428
Net assets		
Unitholders' equity		
Unitholders' capital	194,754,822	194,754,822
Deduction from unitholders' capital		
Allowance for temporary difference adjustments	*2 (3,936)	*2 (3,936)
Total deduction from unitholders' capital	(3,936)	(3,936)
Unitholders' capital, net	194,750,886	194,750,886
Surplus		
Unappropriated retained earnings	5,540,065	5,689,258
Total surplus	5,540,065	5,689,258
Total unitholders' equity	200,290,951	200,440,144
Total net assets	*3 200,290,951	*3 200,440,144
Total liabilities and net assets	401,942,200	409,823,573

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

(Unit: thousands of yen)

	Previous fiscal period (From March 1, 2023 to August 31, 2023)	Reporting period (From September 1, 2023 to February 29, 2024)
Operating revenues		
Leasing business revenue	*1, *3 10,196,893	*1, *3 10,184,612
Other leasing business revenues	*1 659,601	*1 771,040
Gain on sale of real estate properties	*2, *3 365,989	*2, *3 368,254
Total operating revenues	11,222,483	11,323,907
Operating expenses		
Expenses related to leasing business	*1 3,990,685	*1 3,981,553
Asset management fees	1,078,722	1,095,934
Asset custody fees	15,011	15,043
Administrative service fees	47,934	47,994
Remuneration for directors (and other officers)	7,500	9,000
Other operating expenses	199,957	213,808
Total operating expenses	5,339,811	5,363,334
Operating profit	5,882,672	5,960,572
Non-operating income		
Interest income	84	108
Gain on forfeiture of unclaimed distributions	239	273
Interest on tax refund	–	488
Subsidy income	–	4,500
Total non-operating income	323	5,370
Non-operating expenses		
Interest expenses	511,763	537,443
Interest expenses on investment corporation bonds	52,074	51,866
Borrowing related expenses	201,529	197,323
Amortization of investment unit issuance costs	9,668	9,668
Amortization of investment corporation bond issuance costs	8,738	8,643
Total non-operating expenses	783,773	804,944
Ordinary profit	5,099,223	5,160,998
Profit before income taxes	5,099,223	5,160,998
Income taxes - current	35,419	605
Total income taxes	35,419	605
Profit	5,063,803	5,160,393
Retained earnings brought forward	476,261	528,865
Unappropriated retained earnings	5,540,065	5,689,258

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

Previous fiscal period (From March 1, 2023 to August 31, 2023)

(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	194,754,822	(3,936)	(3,936)	194,750,886	5,487,461	5,487,461	200,238,347	200,238,347
Changes during the period								
Dividends of surplus	–	–	–	–	(5,011,200)	(5,011,200)	(5,011,200)	(5,011,200)
Profit	–	–	–	–	5,063,803	5,063,803	5,063,803	5,063,803
Total changes during the period	–	–	–	–	52,603	52,603	52,603	52,603
Balance at the end of the period	*1 194,754,822	(3,936)	(3,936)	194,750,886	5,540,065	5,540,065	200,290,951	200,290,951

Reporting period (From September 1, 2023 to February 29, 2024)

(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	194,754,822	(3,936)	(3,936)	194,750,886	5,540,065	5,540,065	200,290,951	200,290,951
Changes during the period								
Dividends of surplus	–	–	–	–	(5,011,200)	(5,011,200)	(5,011,200)	(5,011,200)
Profit	–	–	–	–	5,160,393	5,160,393	5,160,393	5,160,393
Total changes during the period	–	–	–	–	149,193	149,193	149,193	149,193
Balance at the end of the period	*1 194,754,822	(3,936)	(3,936)	194,750,886	5,689,258	5,689,258	200,440,144	200,440,144

(4) Statements of Cash Distributions (unaudited)

Fiscal period Item	Previous fiscal period (From March 1, 2023 to August 31, 2023)	Reporting period (From September 1, 2023 to February 29, 2024)
I Unappropriated retained earnings	¥5,540,065,865	¥5,689,258,985
II Distribution amount (Distributions per unit)	¥5,011,200,000 (¥3,480)	¥5,159,520,000 (¥3,583)
III Retained earnings carried forward	¥528,865,865	¥529,738,985
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 ¥5,011,200,000 and retain earnings in excess of distributions in internal reserves.</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 of earnings per unit of ¥3,583, which is within the range of profit and the maximum value of the integer multiple of the total number of investment units issued of 1,440,000 units.</p> <p>In addition, the Investment Corporation shall not distribute cash in an amount in excess of earnings prescribed in Article 35, Paragraph 2 of the Investment Corporation's Articles of Incorporation.</p>

(5) Statements of Cash Flows (unaudited)

(Unit: thousands of yen)

	Previous fiscal period (From March 1, 2023 to August 31, 2023)	Reporting period (From September 1, 2023 to February 29, 2024)
Cash flows from operating activities		
Profit before income taxes	5,099,223	5,160,998
Depreciation and amortization	1,365,523	1,389,877
Amortization of investment unit issuance costs	9,668	9,668
Amortization of investment corporation bond issuance costs	8,738	8,643
Interest income	(84)	(108)
Interest expenses	563,837	589,310
Decrease (increase) in operating accounts receivable	1,079	(1,751)
Decrease (increase) in consumption taxes refund receivable	(208,306)	208,306
Decrease (increase) in prepaid expenses	(9,511)	8,165
Increase (decrease) in operating accounts payable	544,889	(517,486)
Increase (decrease) in accounts payable - other	91,794	30,655
Increase (decrease) in accrued consumption taxes	(159,004)	81,965
Increase (decrease) in advances received	50,296	(2,417)
Increase (decrease) in deposits received	51,804	(47,617)
Decrease (increase) in long-term prepaid expenses	(9,574)	40,837
Decrease in property, plant and equipment in trust due to sales	10,524,977	10,520,864
Other, net	8,251	(110,123)
Subtotal	17,933,603	17,369,786
Interest received	84	108
Interest paid	(563,424)	(591,607)
Income taxes (paid) refund	(605)	(35,406)
Net cash provided by (used in) operating activities	17,369,659	16,742,880
Cash flows from investing activities		
Purchase of property, plant and equipment	(10,697)	(6,201)
Purchase of property, plant and equipment in trust	(22,035,922)	(13,172,326)
Refund of leasehold and guarantee deposits received in trust	(523,083)	(335,398)
Proceeds from leasehold and guarantee deposits received in trust	1,486,312	427,803
Net cash provided by (used in) investing activities	(21,083,389)	(13,086,123)
Cash flows from financing activities		
Proceeds from short-term borrowings	3,000,000	8,000,000
Repayments of short-term borrowings	(3,000,000)	(2,000,000)
Proceeds from long-term borrowings	13,010,000	11,243,000
Repayments of long-term borrowings	(13,010,000)	(9,243,000)
Distributions paid	(5,011,733)	(5,011,168)
Net cash provided by (used in) financing activities	(5,011,733)	2,988,831
Net increase (decrease) in cash and cash equivalents	(8,725,463)	6,645,588
Cash and cash equivalents at beginning of period	24,658,305	15,932,841
Cash and cash equivalents at end of period	*1 15,932,841	*1 22,578,430

(6) Notes on Going Concern Assumption (unaudited)

Not applicable.

(7) Notes on Significant Accounting Policies (unaudited)

1. Method of depreciation and amortization of noncurrent assets	<p>(1) Property, plant and equipment (including assets in trust) The straight-line method is used. The estimated useful lives of property, plant and equipment are listed below.</p> <table border="0"><tr><td>Buildings</td><td>3 to 64 years</td></tr><tr><td>Structures</td><td>4 to 20 years</td></tr><tr><td>Machinery and equipment</td><td>3 to 10 years</td></tr><tr><td>Tools, furniture and fixtures</td><td>3 to 15 years</td></tr></table> <p>(2) Intangible assets The straight-line method is used. Internal use software is amortized over the estimated useful life (5 years).</p> <p>(3) Long-term prepaid expenses The straight-line method is used.</p>	Buildings	3 to 64 years	Structures	4 to 20 years	Machinery and equipment	3 to 10 years	Tools, furniture and fixtures	3 to 15 years
Buildings	3 to 64 years								
Structures	4 to 20 years								
Machinery and equipment	3 to 10 years								
Tools, furniture and fixtures	3 to 15 years								
2. Accounting method for deferred assets	<p>(1) Investment corporation bond issuance costs Amortized by the straight-line method over period until redemption.</p> <p>(2) Investment unit issuance costs Amortized by the straight-line method over a three-year period.</p>								
3. Recognition of revenue and expenses	<p>(1) Recognition of revenue The content of principal performance obligations regarding revenue from contracts with customers and the normal timing when those obligations are satisfied (normal timing when revenue is recognized) is described below.</p> <p>(i) Sales of real estate properties For sales of real estate properties, revenue is recorded at the timing that control of the real estate property is acquired by the purchaser, which is the customer, through fulfillment of the delivery obligations specified in the contract for the sale of the real estate property.</p> <p>(ii) Revenue from utilities charges For revenue from utilities charges, revenue is recorded commensurately to the supply of electricity, water, etc. to the lessee, which is the customer, based on the lease agreement of the real estate properties, and details of related agreements. Among the revenue from utilities charges, the revenue from a transaction in which the Investment Corporation is considered to be an agent shall be recognized as the net amount calculated by deducting the amount paid to a third party from the amount received as fee income for the electricity, gas, etc. supplied by that third party.</p> <p>(2) Fixed asset tax and related taxes For fixed asset tax, city planning tax, depreciable asset tax, etc. for real estate properties held, the amount of tax levied corresponding to the relevant accounting period is recorded as expenses related to leasing business.</p> <p>The amount equivalent to fixed asset tax and related taxes for the fiscal year that includes the date on which we paid settlement money to the transferor for acquisition of real estate, etc. is not recorded as expenses related to leasing business but included in the acquisition costs for the related properties. The amount equivalent to fixed asset tax included in acquisition costs for properties was ¥62,467 thousand for the previous fiscal period, and ¥3,660 thousand for the reporting period.</p>								

<p>4. Method of hedge accounting</p>	<p>(1) Method of hedge accounting Deferred hedge accounting is used for interest rate swaps. For interest rate swaps that satisfy requirements for special treatments, however, special treatment is used.</p> <p>(2) Hedging instruments and hedged items Hedging instruments: Interest rate swaps Hedged items: Interest on borrowings</p> <p>(3) Hedging policy The Investment Corporation conducts derivative transactions for the purpose of hedging risks provided for in the Articles of Incorporation of the Investment Corporation pursuant to the basic policy of risk management.</p> <p>(4) Method of assessing hedge effectiveness The assessment of hedge effectiveness is omitted since the interest rate swaps satisfy the requirements for special treatment.</p>
<p>5. Scope of cash and cash equivalents in the statements of cash flows</p>	<p>Cash and cash equivalents in the statement of cash flows are composed of cash on hand, cash in trust, demand deposits, deposits in trust, and short-term investments that are readily convertible, bear little risk in price fluctuations, and mature within 3 months of the date of acquisition.</p>
<p>6. Other information for preparation of financial statements</p>	<p>(1) Accounting method for beneficial interests in trust in real estate With regard to beneficial interests in trust in real estate, all assets and liabilities within assets in trust as well as all revenue and expense items associated with assets in trust are accounted for under the respective account items of the balance sheet and statements of income and retained earnings. Of the assets in trust accounted for under the respective account items, the following significant items are separately indicated on the balance sheet:</p> <ul style="list-style-type: none"> i) Cash and deposits in trust ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; and construction in progress in trust iii) Land leasehold interests in trust iv) Leasehold and guarantee deposits received in trust <p>(2) Accounting method for consumption taxes unqualified for deduction for tax purposes Consumption taxes unqualified for deduction for tax purposes for acquisition of assets are included in acquisition cost for each asset.</p>

Additional information

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

Previous fiscal period (From March 1, 2023 to August 31, 2023)

Not applicable.

Reporting period (From September 1, 2023 to February 29, 2024)

Not applicable.

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

1. Commitment line contracts

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

	Previous fiscal period (As of August 31, 2023)	Reporting period (As of February 29, 2024)
Total amount of commitment line contracts	¥13,500,000 thousand	¥13,500,000 thousand
Balance of borrowings outstanding	–	–
Difference	¥13,500,000 thousand	¥13,500,000 thousand

*2. Allowance for temporary difference adjustments

Previous fiscal period (As of August 31, 2023)

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

(Unit: thousands of yen)

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

2. Specific method for reversal

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

Reporting period (As of February 29, 2024)

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

(Unit: thousands of yen)

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

2. Specific method for reversal

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

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

	Previous fiscal period (As of August 31, 2023)	Reporting period (As of February 29, 2024)
	¥50,000 thousand	¥50,000 thousand

Notes to Statements of Income and Retained Earnings (unaudited)

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

	(Unit: thousands of yen)	
	Previous fiscal period (From March 1, 2023 to August 31, 2023)	Reporting period (From September 1, 2023 to February 29, 2024)
A. Real estate leasing business revenues		
Leasing business revenue		
Rent	9,194,295	9,153,601
Land rent	265,029	265,029
Common service fees	737,567	765,981
Total	10,196,893	10,184,612
Other leasing business revenues		
Revenue from utilities charges	465,642	501,051
Other revenue	193,958	269,989
Total	659,601	771,040
Total real estate leasing business revenues	10,856,494	10,955,653
B. Expenses related to real estate leasing business		
Expenses related to leasing business		
Property management fees	652,524	667,584
Utilities expenses	623,284	585,810
Taxes and public dues	969,315	898,207
Insurance expenses	14,110	13,890
Repair expenses	103,500	174,194
Depreciation and amortization	1,364,543	1,388,897
Other expenses related to leasing business	263,406	252,968
Total expenses related to real estate leasing business	3,990,685	3,981,553
C. Income (loss) from real estate leasing business (A – B)	6,865,808	6,974,100

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

Previous fiscal period (From March 1, 2023 to August 31, 2023)

Hulic Ginza 7 Chome Building (47.5% trust beneficiary right quasi co-ownership interest)		(Unit: thousands of yen)
Proceeds from sale of real estate properties		10,935,000
Cost of sale of real estate properties		10,524,977
Other expenses for the sale		44,032
Gain on sale of real estate properties		365,989

Reporting period (From September 1, 2023 to February 29, 2024)

Hulic Ginza 7 Chome Building (47.5% trust beneficiary right quasi co-ownership interest)		(Unit: thousands of yen)
Proceeds from sale of real estate properties		10,935,000
Cost of sale of real estate properties		10,520,864
Other expenses for the sale		45,881
Gain on sale of real estate properties		368,254

*3. Transactions with major corporate unitholders

	(Unit: thousands of yen)	
	Previous fiscal period (From March 1, 2023 to August 31, 2023)	Reporting period (From September 1, 2023 to February 29, 2024)
From operating transactions		
Leasing business revenue	795,933	796,533
Gain on sale of real estate properties	365,989	368,254

Notes to Statements of Changes in Net Assets (unaudited)

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

	Previous fiscal period (From March 1, 2023 to August 31, 2023)	Reporting period (From September 1, 2023 to February 29, 2024)
Total number of authorized investment units at end of period	20,000,000 units	20,000,000 units
Total number of investment units issued at end of period	1,440,000 units	1,440,000 units

Notes to Statements of Cash Flows (unaudited)

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

(Unit: thousands of yen)

	Previous fiscal period (From March 1, 2023 to August 31, 2023)	Reporting period (From September 1, 2023 to February 29, 2024)
Cash and deposits	7,585,746	14,603,757
Cash and deposits in trust	8,347,095	7,974,672
Total cash and cash equivalent	15,932,841	22,578,430

Notes on Financial Instruments (unaudited)

1. Matters regarding status of financial instruments

(1) Policy for handling financial instruments

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

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

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

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

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

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

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

Since a number of variables are factored into the measurement of fair values of financial instruments, such fair value may vary if different assumptions are used. The contract amounts related to derivatives mentioned in “Notes on Derivative Transactions” below should not be considered indicative of the market risk associated with the derivative transactions.

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

Balance sheet carrying amount, fair value, and the difference between the two values as of August 31, 2023 are shown below. Note that as “cash and deposits” and “cash and deposits in trust” are settled in cash in a short period of time, the fair value is considered approximate to the book value, and accordingly, notes on fair value for those items are omitted. Moreover, notes on fair value for “leasehold and guarantee deposits received” and “leasehold and guarantee deposits received in trust” are omitted due to immateriality.

(Unit: thousands of yen)

	Balance sheet carrying amount	Fair value	Difference
(1) Current portion of long-term borrowings	21,077,000	21,144,841	67,841
(2) Investment corporation bonds	17,000,000	16,983,700	(16,300)
(3) Long-term borrowings	142,039,000	138,122,572	(3,916,427)
Total liabilities	180,116,000	176,251,113	(3,864,886)
Derivative transactions	–	–	–

Balance sheet carrying amount, fair value, and the difference between the two values as of February 29, 2024 are shown below. Note that as “cash and deposits,” “cash and deposits in trust” and “short-term borrowings” are settled in cash in a short period of time, the fair value is considered approximate to the book value, and accordingly, notes on fair value for those items are omitted. Moreover, notes on fair value for “leasehold and guarantee deposits received” and “leasehold and guarantee deposits received in trust” are omitted due to immateriality.

(Unit: thousands of yen)

	Balance sheet carrying amount	Fair value	Difference
(1) Current portion of long-term borrowings	24,133,000	24,176,772	43,772
(2) Investment corporation bonds	17,000,000	16,900,600	(99,400)
(3) Long-term borrowings	140,983,000	136,998,142	(3,984,857)
Total liabilities	182,116,000	178,075,514	(4,040,485)
Derivative transactions	–	–	–

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

Liabilities

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

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

(2) Investment corporation bonds

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

Derivative transactions

Please refer to “Notes on Derivative Transactions” below.

(Note 2) Redemption of investment corporation bonds, long-term borrowings and other interest-bearing debt scheduled to be due after the balance sheet date

Previous fiscal period (As of August 31, 2023)

(Unit: thousands of yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Investment corporation bonds	–	2,000,000	3,000,000	3,000,000	7,000,000	2,000,000
Long-term borrowings	21,077,000	22,069,000	20,070,000	25,771,000	18,633,000	55,496,000
Total	21,077,000	24,069,000	23,070,000	28,771,000	25,633,000	57,496,000

Reporting period (As of February 29, 2024)

(Unit: thousands of yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Investment corporation bonds	–	5,000,000	1,000,000	2,000,000	7,000,000	2,000,000
Long-term borrowings	24,133,000	19,770,000	26,098,000	25,414,000	18,757,000	50,944,000
Total	24,133,000	24,770,000	27,098,000	27,414,000	25,757,000	52,944,000

Notes on Derivative Transactions (unaudited)

1. Derivative transactions not applying hedge accounting

Not applicable for the previous fiscal period (as of August 31, 2023) and the reporting period (as of February 29, 2024).

2. Derivative transactions applying hedge accounting

Previous fiscal period (As of August 31, 2023)

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

(Unit: thousands of yen)

Hedge accounting method	Type of derivative transaction	Major hedged item	Contracted amount		Fair value	Measurement method for fair value
				Portion due after 1 year		
Special treatment of interest rate swaps	Interest rate swap transaction Payment: fixed interest rate / Receipt: floating interest rate	Long-term borrowings	76,675,000	71,495,000	*	–

* Interest rate swap transactions to which special treatment is applied are accounted for as an integral part of long-term borrowings, a hedged item. Thus, their fair values are included in the fair value of long-term borrowings (please refer to the preceding “Notes on Financial Instruments, 2. Matters regarding fair value, etc. of financial instruments, (Note 1) Measurement of fair values of financial instruments and matters regarding derivative transactions, Liabilities (1) Current portion of long-term borrowings, and (3) Long-term borrowings”).

Reporting period (As of February 29, 2024)

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

(Unit: thousands of yen)

Hedge accounting method	Type of derivative transaction	Major hedged item	Contracted amount		Fair value	Measurement method for fair value
				Portion due after 1 year		
Special treatment of interest rate swaps	Interest rate swap transaction Payment: fixed interest rate / Receipt: floating interest rate	Long-term borrowings	75,675,000	67,155,000	*	–

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

Measurement of fair values of financial instruments and matters regarding derivative transactions, Liabilities (1) Current portion of long-term borrowings, and (3) Long-term borrowings”).

Notes on Tax Effect Accounting (unaudited)

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

	(Unit: thousands of yen)	
	Previous fiscal period (As of August 31, 2023)	Reporting period (As of February 29, 2024)
Deferred tax assets		
Accrued enterprise tax excluded from expenses	2,862	-
Excess depreciation	1,608	1,825
Asset retirement obligations	88,687	88,687
Total deferred tax assets	93,159	90,513
Valuation allowance	(93,159)	(90,513)
Net deferred tax assets	-	-

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

	(Unit: %)	
	Previous fiscal period (As of August 31, 2023)	Reporting period (As of February 29, 2024)
Statutory tax rate	34.59	31.46
(Adjustments)		
Distributions paid included in expenses	(33.99)	(31.43)
Others	0.09	(0.02)
Effective tax rate	0.69	0.01

Notes on Related Party Transactions (unaudited)

1. Parent company and major corporate unitholders

Previous fiscal period (From March 1, 2023 to August 31, 2023)

Type	Name	Location	Share capital or investments in capital (Thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship		Description of transaction	Amount of transaction (Thousands of yen)	Account item	Balance at end of period (Thousands of yen)
						Inter-locking officers, etc.	Business relationship				
Major corporate unitholder	Hulic Co., Ltd.	7-3, Nihonbashi Odenmachi, Chuo-ku, Tokyo	111,609,853	Real estate business	Directly held by related party 10.58%	None	Leasing and management of real estate	Purchase of real estate trust beneficiary rights	10,250,000	-	-
								Transfer of real estate trust beneficiary rights	10,935,000	-	-
								Acceptance of leasehold and guarantee deposits received in trust	1,486,312	Leasehold and guarantee deposits received in trust	14,798,559
								Repayment of leasehold and guarantee deposits received in trust	514,641		
								Earning of rent revenue, etc.	795,933	Advances received	141,504

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

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

Reporting period (From September 1, 2023 to February 29, 2024)

Type	Name	Location	Share capital or investments in capital (Thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship		Description of transaction	Amount of transaction (Thousands of yen)	Account item	Balance at end of period (Thousands of yen)
						Inter-locking officers, etc.	Business relationship				
Major corporate unitholder	Hulic Co., Ltd.	7-3, Nihonbashi Odenmachi, Chuo-ku, Tokyo	111,609,853	Real estate business	Directly held by related party 12.50%	None	Leasing and management of real estate	Purchase of real estate trust beneficiary rights	12,780,000	-	-
								Transfer of real estate trust beneficiary rights	10,935,000	-	-
								Acceptance of leasehold and guarantee deposits received in trust	427,803	Leasehold and guarantee deposits received in trust	14,788,877
								Repayment of leasehold and guarantee deposits received in trust	335,398		
								Earning of rent revenue, etc.	796,533	Advances received	141,614

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

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

2. Subsidiaries and affiliates

Not applicable for the previous fiscal period (from March 1, 2023 to August 31, 2023) and the reporting period (from September 1, 2023 to February 29, 2024).

3. Subsidiaries of parent company

Previous fiscal period (From March 1, 2023 to August 31, 2023)

Type	Name	Location	Share capital or investments in capital (Thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship		Description of transaction	Amount of transaction (Thousands of yen)	Account item	Balance at end of period (Thousands of yen)
						Inter-locking officers, etc.	Business relationship				
Company in which major unitholder (corporation) owns a majority of voting rights	Hulic Reit Management Co., Ltd.	2-3-11 Kanda Surugadai, Chiyodaku, Tokyo	200,000	Business related to management of investment corporation's assets under management	-	One	Consignment of asset management	Payment of asset management fee (Note 1)	1,159,109	Accounts payable - other	1,186,594

(Note 1) Payment of asset management fee includes the portion of compensation associated with a property acquisition factored into the book value of the individual properties (¥53,050 thousand) and the portion of compensation associated with a property transfer deducted from gain on sale of real estate properties of the individual properties (¥27,337 thousand).

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

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

Reporting period (From September 1, 2023 to February 29, 2024)

Type	Name	Location	Share capital or investments in capital (Thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship		Description of transaction	Amount of transaction (Thousands of yen)	Account item	Balance at end of period (Thousands of yen)
						Inter-locking officers, etc.	Business relationship				
Company in which major unitholder (corporation) owns a majority of voting rights	Hulic Reit Management Co., Ltd.	2-3-11 Kanda Surugadai, Chiyodaku, Tokyo	200,000	Business related to management of investment corporation's assets under management	-	One	Consignment of asset management	Payment of asset management fee (Note 1)	1,155,222	Accounts payable - other	1,205,528

(Note 1) Payment of asset management fee includes the portion of compensation associated with a property acquisition factored into the book value of the individual properties (¥31,950 thousand) and the portion of compensation associated with a property transfer deducted from gain on sale of real estate properties of the individual properties (¥27,337 thousand).

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

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

4. Officers and major individual unitholders

Previous fiscal period (From March 1, 2023 to August 31, 2023)

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

Reporting period (From September 1, 2023 to February 29, 2024)

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

Notes on Asset Retirement Obligations (unaudited)

Asset retirement obligations recorded in the balance sheet

1. Overview of asset retirement obligations

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

2. Calculation of the amount of the asset retirement obligations

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

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

	Previous fiscal period (From March 1, 2023 to August 31, 2023)	Reporting period (From September 1, 2023 to February 29, 2024)
Balance at beginning of period	286,333	287,021
Increase in connection with the acquisition of property, plant and equipment	–	–
Adjustment due to passage of time	687	688
Balance at end of period	287,021	287,709

(Unit: thousands of yen)

Notes on Investment and Rental Properties (unaudited)

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

	Previous fiscal period (From March 1, 2023 to August 31, 2023)	Reporting period (From September 1, 2023 to February 29, 2024)
Balance sheet carrying amount		
Balance at beginning of period	374,296,527	384,237,620
Changes during period	9,941,092	1,505,977
Balance at end of period	384,237,620	385,743,597
Fair value at end of period	455,832,000	458,538,000

(Unit: thousands of yen)

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

(Note 2) The main reason for the increase in the investment and rental properties during the previous fiscal period is the acquisition of real estate trust beneficiary rights of 4 properties (¥21,496,821 thousand) and the decrease is mainly due to transfer of real estate trust beneficiary rights of 1 property (¥10,524,977 thousand) and depreciation and amortization (¥1,363,856 thousand). The main reason for the increase during the reporting period is the acquisition of real estate trust beneficiary rights of 3 properties (¥12,849,330 thousand) and the decrease is mainly due to

transfer of real estate trust beneficiary rights of 1 property (¥10,520,864 thousand) and depreciation and amortization (¥1,388,208 thousand).

(Note 3) The fair value at end of period is the appraisal value provided by an independent real estate appraiser. Concerning the fair value at end of the previous fiscal period, the fair value of Hulic Ginza 7 Chome Building therein is based on the transfer price of 47.5% trust beneficiary right quasi co-ownership interest stated in the purchase and sale agreement for the trust beneficiary rights entered into on April 13, 2023. Concerning the fair value at end of the reporting period, the fair value of Hulic Higashi Nihonbashi Building therein is based on the transfer price stated in the purchase and sale agreement for the trust beneficiary rights entered into on February 26, 2024.

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

Notes on Segment and Related Information (unaudited)

Segment information

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

Related information

Previous fiscal period (From March 1, 2023 to August 31, 2023)

1. Information by product and service

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

2. Information by geographical area

(1) Operating revenues

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

(2) Property, plant and equipment

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

3. Information by major customer

(Unit: thousands of yen)

Counterparty	Operating revenues	Related segment
Mizuho Financial Group	1,334,982	Real estate leasing business
Hulic Co., Ltd.	1,161,922	Real estate leasing business

Reporting period (From September 1, 2023 to February 29, 2024)

1. Information by product and service

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

2. Information by geographical area

(1) Operating revenues

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

(2) Property, plant and equipment

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

3. Information by major customer

(Unit: thousands of yen)

Counterparty	Operating revenues	Related segment
Mizuho Financial Group	1,485,896	Real estate leasing business
Hulic Group	1,258,418	Real estate leasing business

Notes on Revenue Recognition (unaudited)

1. Information on disaggregation of revenue from contracts with customers

Previous fiscal period (From March 1, 2023 to August 31, 2023)

(Unit: thousands of yen)

	Revenue from contracts with customers (Note 1)	Sales to external customers
Sales of real estate properties	10,935,000	(Note 2) 365,989
Revenue from utilities charges	465,642	465,642
Other	—	10,390,851
Total	11,400,642	11,222,483

(Note 1) Items such as leasing business revenue, to which “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13) is applied, and transfers of real estate properties to which the Japanese Institute of Certified Public Accountants (“JICPA”) Accounting Practice Committee Report No. 15 “Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special-Purpose Companies” is applied, are outside the scope of application of the Accounting Standard for Revenue Recognition and not included in the above amounts. Note that revenue from contracts with customers is mainly proceeds from sale of real estate properties and utilities revenue.

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

Reporting period (From September 1, 2023 to February 29, 2024)

(Unit: thousands of yen)

	Revenue from contracts with customers (Note 1)	Sales to external customers
Sales of real estate properties	10,935,000	(Note 2) 368,254
Revenue from utilities charges	501,051	501,051
Other	—	10,454,601
Total	11,436,051	11,323,907

(Note 1) Items such as leasing business revenue, to which “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13) is applied, and transfers of real estate properties to which the Japanese Institute of Certified Public Accountants (“JICPA”) Accounting Practice Committee Report No. 15 “Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special-Purpose Companies” is applied, are outside the scope of application of the Accounting Standard for Revenue Recognition and not included in the above amounts. Note that revenue from contracts with customers is mainly proceeds from sale of real estate properties and utilities revenue.

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

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

Previous fiscal period (From March 1, 2023 to August 31, 2023)

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

Reporting period (From September 1, 2023 to February 29, 2024)

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

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

Previous fiscal period (From March 1, 2023 to August 31, 2023)

Transaction price allocated to remaining performance obligations

As of August 31, 2023, the total amount of the transaction price allocated to remaining performance obligations pertaining to the sale of real estate, etc. is ¥10,935,000 thousand due to real estate, etc. for which a sales agreement was concluded on April 13, 2023. The Investment Corporation expects to recognize revenue for these performance obligations due to the transfer of said real estate, etc., planned for September 1, 2023.

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

Reporting period (From September 1, 2023 to February 29, 2024)

Transaction price allocated to remaining performance obligations

As of February 29, 2024, the total amount of the transaction price allocated to remaining performance obligations pertaining to the sale of real estate, etc. is ¥4,080,000 thousand due to real estate, etc. for which a sales agreement was concluded on February 26, 2024. The Investment Corporation expects to recognize revenue for these performance obligations due to the transfer of said real estate, etc., planned for March 27, 2024.

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

Notes on Per Unit Information (unaudited)

	Previous fiscal period (From March 1, 2023 to August 31, 2023)	Reporting period (From September 1, 2023 to February 29, 2024)
Net assets per unit	¥139,090	¥139,194
Basic earnings per unit	¥3,516	¥3,583

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

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

	Previous fiscal period (From March 1, 2023 to August 31, 2023)	Reporting period (From September 1, 2023 to February 29, 2024)
Profit (Thousands of yen)	5,063,803	5,160,393
Amount not attributable to common unitholders (Thousands of yen)	–	–
Profit attributable to common investment units (Thousands of yen)	5,063,803	5,160,393
Average number of investment units for the period (Units)	1,440,000	1,440,000

Notes on Significant Subsequent Events (unaudited)

Not applicable.

Omission of Disclosure

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

(9) Changes in Total Number of Investment Units Issued

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

Date	Event	Total number of investment units issued (Units)		Total unitholders' capital (Millions of yen)		Remarks
		Change	Balance	Change	Balance	
September 26, 2019	Capital increase through public offering	58,000	1,309,000	10,435	173,238	(Note 1)
October 11, 2019	Capital increase through third-party allotment	3,000	1,312,000	539	173,778	(Note 2)
April 7, 2021	Capital increase through public offering	39,000	1,351,000	6,336	180,115	(Note 3)
April 27, 2021	Capital increase through third-party allotment	2,000	1,353,000	324	180,440	(Note 4)
October 27, 2021	Capital increase through public offering	82,800	1,435,800	13,623	194,063	(Note 5)
November 22, 2021	Capital increase through third-party allotment	4,200	1,440,000	691	194,754	(Note 6)

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

(Note 6) New investment units were issued through a private placement allocated to Mizuho Securities Co., Ltd. with an issue value per unit of ¥164,538.

(Note 7) Changes in total unitholders' capital in connection with the implementation of distributions in excess of earnings related to allowance for temporary difference adjustments have not been taken into consideration.

3. Reference Information

(1) Status of Investment

Type of assets	Category	Region (Note 1)	Previous fiscal period (As of August 31, 2023)		Reporting period (As of February 29, 2024)	
			Total amount held (Millions of yen) (Note 2)	Percentage to total assets (%) (Note 3)	Total amount held (Millions of yen) (Note 2)	Percentage to total assets (%) (Note 3)
Real estate	Tokyo Commercial Properties	Six central wards of Tokyo	3,557	0.9	3,553	0.9
		Other wards of Tokyo	–	–	–	–
		Other	–	–	–	–
		Total	3,557	0.9	3,553	0.9
	Next-Generation Assets Plus	Six central wards of Tokyo	–	–	–	–
		Other wards of Tokyo	–	–	–	–
		Other	–	–	–	–
		Total	–	–	–	–
	Total real estate		3,557	0.9	3,553	0.9
	Real estate in trust	Tokyo Commercial Properties	Six central wards of Tokyo	228,505	56.9	217,767
Other wards of Tokyo			49,818	12.4	51,481	12.6
Other			16,774	4.2	16,764	4.1
Total			295,098	73.4	286,012	69.8
Next-Generation Assets Plus		Six central wards of Tokyo	29,037	7.2	33,897	8.3
		Other wards of Tokyo	39,020	9.7	44,866	10.9
		Other	17,522	4.4	17,413	4.2
		Total	85,581	21.3	96,177	23.5
Total real estate in trust		380,679	94.7	382,189	93.3	
Total real estate and real estate in trust		384,237	95.6	385,743	94.1	
Deposits and other assets		17,704	4.4	24,079	5.9	
Total assets		401,942	100.0	409,823	100.0	

	Amount (Millions of yen)	Percentage to total assets (%) (Note 3)	Amount (Millions of yen)	Percentage to total assets (%) (Note 3)
Total liabilities	201,651	50.2	209,383	51.1
Total net assets	200,290	49.8	200,440	48.9

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

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

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

(2) Investment Assets

i) Overview of investment assets

(As of the end of the reporting period)

Category	Property name	Date of construction (Note 1)	Total contracted rent (Millions of yen) (Note 2)	Leasehold/guarantee deposits (Millions of yen) (Note 3)	Total leased area (m ²) (Note 4)	Total leasable area (m ²) (Note 5)	Occupancy rate (%) (Note 6)	
Tokyo Commercial Properties	Office properties	Hulic Kamiyacho Building	April 1985	2,691	2,605	31,919.66	32,487.06	98.3
		Hulic Kudan Building (Land)	–	530	265	3,351.07	3,351.07	100.0
		Toranomon First Garden (Note 7)	August 2010	549	380	5,689.97	5,689.97	100.0
		Rapiros Roppongi (Note 8)	August 1997	632	524	6,730.52	6,730.52	100.0
		Hulic Takadanobaba Building	November 1993	314	196	5,369.71	5,369.71	100.0
		Hulic Kanda Building	September 2008	283	238	3,728.36	3,728.36	100.0
		Hulic Kandabashi Building	June 2001	167	131	2,566.95	2,566.95	100.0
		Hulic Kakigaracho Building	March 1993	188	126	2,858.48	2,858.48	100.0
		Ochanomizu Sola City (Note 9)	February 2013	(Note 29)	(Note 29)	13,800.58	13,923.42	99.1
		Hulic Higashi Ueno 1 Chome Building	July 1988	176	138	3,137.09	3,137.09	100.0
		Tokyo Nishi Ikebukuro Building (Note 10)	October 1990	111	190	1,429.74	1,429.74	100.0
		Hulic Toranomon Building	May 2015	871	652	8,464.99	8,574.65	98.7
		Hulic Shibuya 1 chome Building	August 1993	252	204	2,817.65	2,817.65	100.0
		Hulic Higashi Nihonbashi Building	November 1996	195	131	3,681.20	3,681.20	100.0
		Hulic Jimbocho Building	September 1989	76	56	1,561.38	1,561.38	100.0
		Hulic Gotanda Yamate-dori Building	March 1996	200	147	3,276.05	3,276.05	100.0
		Bancho House	August 1989	(Note 29)	132	1,981.83	1,981.83	100.0
		Ebisu Minami Building	September 1992	(Note 29)	(Note 29)	1,629.09	1,629.09	100.0
		Hulic Iidabashi Building	February 1991	82	59	1,431.94	1,431.94	100.0
		Hulic Asakusabashi Building (Note 11)	February 2013	339	234	5,157.68	5,280.72	97.7
		Hulic Ebisu Building	February 1992	71	58	1,059.22	1,059.22	100.0
		Hulic Ryogoku Building (Note 12)	January 2010	286	203	4,569.34	4,569.34	100.0
		Hulic Asakusabashi Edo-dori (Note 13)	September 2015	272	131	3,956.73	3,956.73	100.0
		Hulic Nakano Building (Note 14)	October 1994	170	130	2,616.83	2,616.83	100.0
		Hulic Ueno Building (Note 15)	(Bank branch building) April 1986 (Parking lot) March 1986	211	190	3,031.85	3,031.85	100.0
		Hulic Kojimachi Building (Note 16)	October 2010	523	362	5,380.17	5,380.17	100.0
		Kichijoji Fuji Building (Note 17)	October 1980	(Note 29)	(Note 29)	3,958.37	3,958.37	100.0
Hulic Hachioji Building (Note 18)	(Bank branch building) February 2009 (Parking lot) November 2009	285	193	3,768.00	3,768.00	100.0		
Hulic Kobe Building (Note 19)	October 1990	387	445	4,991.30	5,126.08	97.4		
Hulic Gotanda Building (Note 20)	May 1986	308	254	4,246.19	4,246.19	100.0		
Hulic Oji Building (Note 21)	(Bank branch building) January 2020 (Parking lot) May 1972	263	164	3,695.59	3,695.59	100.0		
Hulic Kobunacho Building (Note 22)	May 1994	581	770	7,781.30	7,781.30	100.0		
Hulic Komagome Building (Note 23)	January 2012	(Note 29)	(Note 29)	1,310.40	1,310.40	100.0		
	Subtotal	–	–	–	160,949.23	162,006.95	99.3	

Category	Property name	Date of construction (Note 1)	Total contracted rent (Millions of yen) (Note 2)	Leasehold/ guarantee deposits (Millions of yen) (Note 3)	Total leased area (m ²) (Note 4)	Total leasable area (m ²) (Note 5)	Occupancy rate (%) (Note 6)	
Tokyo Commercial Properties	Retail properties	Oimachi Redevelopment Building (#2)	September 1989	624	656	14,485.66	14,485.66	100.0
		Oimachi Redevelopment Building (#1) (Note 24)	September 1989	438	529	10,612.67	10,612.67	100.0
		Dining Square Akihabara Building	June 1993	(Note 29)	(Note 29)	2,169.41	2,169.41	100.0
		Hulic Jingu-Mae Building	September 2000	162	94	1,660.60	1,660.60	100.0
		Hulic Todoroki Building	August 1990	94	69	1,676.02	1,676.02	100.0
		HULIC &New SHIBUYA (Note 25)	April 2017	127	114	898.62	898.62	100.0
		HULIC &New SHINBASHI	April 2017	152	135	1,725.35	1,725.35	100.0
		Hulic Shimura-sakaue	(Retail property block) November 2015 (Private nursing home block) February 2016	438	307	11,528.34	11,528.34	100.0
		Hulic Mejiro	October 2018	279	187	3,805.72	3,805.72	100.0
		Subtotal	–	–	–	48,562.39	48,562.39	100.0
Tokyo Commercial Properties Total		–	–	–	209,511.62	210,569.34	99.5	
Next-Generation Assets Plus	Private nursing homes	Aria Matsubara	September 2005	(Note 29)	(Note 29)	5,454.48	5,454.48	100.0
		Trust Garden Yoganomori	September 2005	(Note 29)	(Note 29)	5,977.75	5,977.75	100.0
		Trust Garden Sakurashinmachi	August 2005	(Note 29)	(Note 29)	3,700.26	3,700.26	100.0
		Trust Garden Suginami Miyamae	April 2005	(Note 29)	(Note 29)	3,975.99	3,975.99	100.0
		Trust Garden Tokiwamatsu	January 2016	(Note 29)	(Note 29)	2,893.82	2,893.82	100.0
		SOMPO Care La vie Re Kita-Kamakura	March 2009	(Note 29)	(Note 29)	4,912.57	4,912.57	100.0
		Charm Suite Shinjukutoyama	June 2015	(Note 29)	(Note 29)	4,065.62	4,065.62	100.0
		Charm Suite Shakujii-koen	June 2014	(Note 29)	(Note 29)	4,241.68	4,241.68	100.0
		Hulic Chofu	March 2017	173	144	4,357.58	4,357.58	100.0
		Aristage Kyodo (Note 26)	May 2012	(Note 29)	(Note 29)	13,279.12	13,279.12	100.0
		Granda Gakugei Daigaku	April 2013	(Note 29)	(Note 29)	2,803.79	2,803.79	100.0
		Charm Premier Den-en-Chofu	February 2018	(Note 29)	(Note 29)	1,983.71	1,983.71	100.0
	Sonare Shakujii	October 2018	(Note 29)	(Note 29)	2,295.79	2,295.79	100.0	
	Subtotal	–	–	–	59,942.16	59,942.16	100.0	
	Network centers	Ikebukuro Network Center	January 2001	271	136	12,773.04	12,773.04	100.0
		Tabata Network Center	April 1998	90	45	3,832.73	3,832.73	100.0
		Hiroshima Network Center	October 2001	88	44	5,208.54	5,208.54	100.0
		Atsuta Network Center	May 1997	73	37	4,943.10	4,943.10	100.0
		Nagano Network Center	September 1994	33	17	2,211.24	2,211.24	100.0
		Chiba Network Center	June 1995	447	224	23,338.00	23,338.00	100.0
		Sapporo Network Center	January 2002	167	84	9,793.57	9,793.57	100.0
		Keihanna Network Center	May 2001	94	47	9,273.44	9,273.44	100.0
	Subtotal	–	1,265	632	71,373.66	71,373.66	100.0	
Hotels	Sotetsu Fresa Inn Ginza 7 Chome (Note 27)	August 2016	480	480	6,984.32	6,984.32	100.0	
	Sotetsu Fresa Inn Tokyo-Roppongi (Note 28)	August 2017	432	108	4,816.89	4,816.89	100.0	
	Hulic Tsukiji 3 Chome Building	November 2018	(Note 29)	(Note 29)	4,740.31	4,740.31	100.0	
	Hulic Kaminarimon Building	July 2012	(Note 29)	(Note 29)	6,493.82	6,493.82	100.0	
	Subtotal	–	–	–	23,035.34	23,035.34	100.0	
Next-Generation Assets Plus Total		–	–	–	154,351.16	154,351.16	100.0	
Portfolio Total		–	–	–	363,862.78	364,920.50	99.7	

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

(Note 2) *Total contracted rent* is calculated by multiplying the monthly contracted rent (limited to rent for room, including common service fee and excluding consumption taxes and usage fee for warehouses, signboards and parking lots, regardless of free rent arrangements in effect as of the end of the reporting period) indicated in the relevant lease agreements for buildings of each asset held in effect as of the end of the reporting period by 12 (with respect to assets held subject to multiple lease agreements, the aggregate monthly rent for all lease agreements) and rounding to the nearest million yen. For properties for which ownership is only for land, it is calculated by multiplying the monthly contracted rent (excluding consumption taxes) as indicated in the lease agreement for such land as of the end of the reporting period by 12 and rounding to the nearest million yen. When a master lease agreement has been executed for the asset held, the amounts provided are the amount for the portion corresponding to the pass-through master lease under which rents are directly received from end-tenants in principle (hereinafter referred to as the “Pass-through Master Lease Agreement”), calculated on an annual basis by multiplying the monthly rent as indicated in each sublease agreement entered into with end-tenants corresponding to that portion by 12; and the amount for the portion corresponding to the fixed-type master lease under which a certain amount of rent is received regardless of

fluctuations in rents for end-tenants (hereinafter referred to as the “Fixed-type Master Lease Agreement”), calculated on an annual basis by multiplying the monthly rent as indicated by the Fixed-type Master Lease Agreement corresponding to that portion by 12.

- (Note 3) *Leasehold/guarantee deposits* indicates the aggregate of the recognized book values for the leasehold and/or guarantee deposit(s) of each asset held as of the end of the reporting period, rounded to the nearest million yen.
- (Note 4) *Total leased area* is equivalent to total floor area or similar measurement of leased space set out in the relevant lease agreements or similar contracts for buildings of each asset held as of the end of the reporting period. For the portion for which there is a Pass-through Master Lease Agreement, the actual total area leased under each sublease agreement entered into with end-tenants corresponding to that portion is provided; and for the portion for which there is a Fixed-type Master Lease Agreement, the total area corresponding to that portion is provided. For the property of which ownership is only for land, the area of the land is provided.
- (Note 5) *Total leasable area* is equivalent to the gross leasable area, based on the lease agreements or floor plans of buildings of each asset held as of the end of the reporting period. With respect to properties of which ownership is only for land, leasable area is the leasable area of the land as described in the applicable land lease agreements or land plans.
- (Note 6) *Occupancy rate* shows the proportion of the total leased area to the total leasable area of each asset held as of the end of the reporting period, rounded to the nearest tenth. Subtotals, totals and total of the portfolio show the proportion of the total leased area to the total of leasable area for the assets held, rounded to the nearest tenth.
- (Note 7) For Toranomom First Garden, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation’s partial ownership in the building (including some of co-ownership portion). (For the co-ownership portion, the figures calculated on a pro-rata basis in accordance with the co-ownership interests owned by the Investment Corporation are listed.)
- (Note 8) For Rapiros Roppongi, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation’s partial ownership in the building (including some of co-ownership portion). (For the co-ownership portion, the figures calculated on a pro-rata basis in accordance with the co-ownership interests owned by the Investment Corporation are listed.)
- (Note 9) For Ochanomizu Sola City, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (21.7%).
- (Note 10) For Tokyo Nishi Ikebukuro Building, total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation’s partial ownership in the building (including some of co-ownership portion).
- (Note 11) For Hulic Asakusabashi Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (50.0%).
- (Note 12) For Hulic Ryogoku Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 13) For Hulic Asakusabashi Edo-dori, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 14) For Hulic Nakano Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 15) For Hulic Ueno Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 16) For Hulic Kojimachi Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 17) For Kichijoji Fuji Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 18) For Hulic Hachioji Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 19) For Hulic Kobe Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 20) For Hulic Gotanda Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 21) For Hulic Oji Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 22) For Hulic Kobunacho Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 23) For Hulic Komagome Building, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).

- (Note 24) For Oimachi Redevelopment Building (#1), total leased area, total leasable area, occupancy rate, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation's co-ownership interest (approximately 82.6%) in partial ownership in the building.
- (Note 25) For HULIC & New SHIBUYA, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (50.0%).
- (Note 26) For Aristage Kyodo, total leased area, total leasable area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (95.0%).
- (Note 27) For Sotetsu Fresa Inn Ginza 7 Chome, total contracted rent is made up of a fixed rent and a proportional rent that arises when annual guest room sales exceed a certain amount. Total contracted rent shows amounts calculated with monthly fixed rent specified in lease agreements multiplied by 12, with the result rounded to the nearest million yen.
- (Note 28) For Sotetsu Fresa Inn Tokyo-Roppongi, total contracted rent is made up of a fixed rent and a proportional rent that arises when annual guest room sales exceed a certain amount. Total contracted rent shows amounts calculated with monthly fixed rent specified in lease agreements multiplied by 12, with the result rounded to the nearest million yen.
- (Note 29) The Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose the relevant information.
- (Note 30) In the above table, Total contracted rent, Leasehold/guarantee deposits, Total leased area and Occupancy rate may include data of end-tenant lease agreements for which we have received a request for cancellation or termination and end-tenant lease agreements for which rent payment was delinquent as of the end of the reporting period, if the lease agreement was valid as of the end of the reporting period.

ii) Overview of appraisal report

(As of the end of the reporting period)

Category	Property name	Appraisal agency (Note 1)	Acquisition price (Millions of yen) (Note 2)	Book value at end of period (Millions of yen) (Note 3)	Appraisal value (Millions of yen) (Note 4)	Integrated price by using cost method (Millions of yen) (Note 5)	Return price (Millions of yen)				
							Price based on direct capitalization method	Capitalization rate (%)	Price based on DCF method	Discount rate (%)	Terminal capitalization rate (%)
Tokyo Commercial Properties	Hulic Kamiyacho Building	D	55,250	55,330	66,300	61,900	68,700	3.0	65,300	2.8	3.2
	Hulic Kudan Building (Land)	N	11,100	11,191	14,100	(Note 6)	14,100	3.2	14,000	2.8	3.3
	Toranomon First Garden	C	8,623	7,877	12,000	16,400	12,100	3.0	12,000	2.7	3.1
	Rapiros Roppongi	N	6,210	6,606	10,500	12,500	10,700	3.2	10,300	2.9	3.4
	Hulic Takadanobaba Building	D	3,900	3,672	4,900	4,600	4,860	3.7	4,910	3.5	3.9
	Hulic Kanda Building	T	3,780	3,444	4,510	4,900	4,640	3.6	4,450	3.7	3.8
	Hulic Kandabashi Building	D	2,500	2,413	2,970	3,130	3,030	3.4	2,950	3.2	3.6
	Hulic Kakigaracho Building	T	2,210	2,125	2,820	3,030	2,830	3.9	2,820	4.0	4.1
	Ochanomizu Sola City	N	38,149	35,673	46,655	36,456	47,306	2.9	46,004	2.7	3.0
	Hulic Higashi Ueno 1 Chome Building	N	2,678	2,732	3,120	3,030	3,140	3.6	3,100	3.4	3.7
	Tokyo Nishi Ikebukuro Building	N	1,580	1,563	2,090	1,510	2,130	3.8	2,050	3.6	4.0
	Hulic Toranomon Building	N	18,310	17,569	22,000	24,800	22,300	2.7	21,600	2.5	2.8
	Hulic Shibuya 1 chome Building	T	5,100	5,078	5,900	5,760	6,030	3.2	5,840	3.3	3.4
	Hulic Higashi Nihonbashi Building	T	3,480	3,497	3,630	3,830	3,770	3.9	3,570	4.0	4.1
	Hulic Jimbocho Building	N	1,460	1,541	1,720	1,540	1,730	3.6	1,700	3.4	3.7
	Hulic Gotanda Yamate-dori Building	D	3,450	3,553	3,480	3,400	3,770	3.4	3,360	3.2	3.6
	Bancho House	D	2,750	2,768	3,600	2,610	3,610	3.5	3,600	3.3	3.7
	Ebisu Minami Building (Note 7)	T	2,420	2,423	2,640	2,550	2,740	3.6	2,590	3.6	3.7
	Hulic Iidabashi Building	T	1,450	1,470	1,520	1,510	1,560	3.7	1,500	3.8	3.9
	Hulic Asakusabashi Building (Note 8)	T	4,750	4,325	4,800	4,540	4,740	4.7	4,820	4.7	–
	Hulic Ebisu Building	C	1,275	1,283	1,420	987	1,460	3.5	1,420	3.3	3.6
	Hulic Ryogoku Building	N	5,610	5,400	6,057	4,959	6,111	3.6	5,994	3.4	3.7
	Hulic Asakusabashi Edo-dori	N	5,420	5,309	6,075	5,175	6,093	3.7	6,048	3.3	3.6
	Hulic Nakano Building	N	3,200	3,212	3,591	2,916	3,627	3.7	3,546	3.5	3.8
	Hulic Ueno Building	N	4,100	4,118	4,590	4,662	4,644	3.4	4,536	3.2	3.5
	Hulic Kojimachi Building	D	12,600	12,544	13,600	15,300	14,200	2.9	13,400	2.7	3.1
	Kichijoji Fuji Building	T	5,150	5,155	6,430	6,450	6,520	4.0	6,390	4.1	4.2
	Hulic Hachioji Building	N	4,900	4,778	5,265	4,572	5,301	4.6	5,220	4.4	4.7
	Hulic Kobe Building	D	6,710	6,830	7,000	6,950	7,070	4.0	6,970	3.8	4.2
	Hulic Gotanda Building	T	6,162	6,176	6,350	7,160	6,480	3.8	6,300	3.9	4.0
	Hulic Oji Building (Note 9)	T	5,300	5,303	5,480	6,410	5,570	3.9	5,440	4.0	4.1
	Hulic Kobunacho Building	C	10,970	11,010	11,500	8,350	11,700	3.4	11,500	3.2	3.5
Hulic Komagome Building	N	1,930	1,942	1,998	1,926	2,016	3.6	1,971	3.4	3.7	
	Subtotal	–	252,477	247,923	298,611	–	304,578	–	295,199	–	–

Category	Property name	Appraisal agency (Note 1)	Acquisition price (Millions of yen) (Note 2)	Book value at end of period (Millions of yen) (Note 3)	Appraisal value (Millions of yen) (Note 4)	Integrated price by using cost method (Millions of yen) (Note 5)	Return price (Millions of yen)					
							Price based on direct capitalization method	Capitalization rate (%)	Price based on DCF method	Discount rate (%)	Terminal capitalization rate (%)	
Tokyo Commercial Properties	Retail properties											
	Oimachi Redevelopment Building (#2)	T	9,456	9,444	11,800	11,700	12,000	4.0	11,700	4.1	4.2	
	Oimachi Redevelopment Building (#1)	T	6,166	6,429	7,070	7,140	7,120	4.2	7,050	4.3	4.4	
	Dining Square Akihabara Building	N	3,200	3,171	4,000	2,800	4,040	3.7	3,960	3.5	3.8	
	Hulic Jingu-Mae Building (Note 10)	T	2,660	2,689	3,600	3,690	3,660	3.3	3,570	3.4	3.5	
	Hulic Todoroki Building	T	1,200	1,198	1,440	1,600	1,450	4.3	1,430	4.4	4.5	
	HULIC & New SHIBUYA	N	3,150	3,053	3,570	2,830	3,620	2.8	3,515	2.6	2.9	
	HULIC & New SHINBASHI	N	3,100	2,954	3,390	3,220	3,420	3.5	3,350	3.3	3.6	
	Hulic Shimurasakaue	N	7,556	7,127	7,350	7,570	7,440	4.3	7,250	4.1	4.5	
	Hulic Mejiro	N	5,670	5,574	6,590	6,270	6,650	3.4	6,520	3.2	3.5	
	Subtotal	-	42,158	41,642	48,810	46,820	49,400	-	48,345	-	-	
	Total	-	294,635	289,566	347,421	-	353,978	-	343,544	-	-	
Next-Generation Assets Plus	Private nursing homes											
	Aria Matsubara	N	3,244	3,077	4,660	4,170	4,680	4.1	4,640	3.8	4.2	
	Trust Garden Yoganomori	N	5,390	5,199	7,330	5,930	7,360	4.4	7,300	4.1	4.5	
	Trust Garden Sakurashinmachi	N	2,850	2,768	3,920	3,360	3,940	4.3	3,900	4.0	4.4	
	Trust Garden Suginami Miyamae	N	2,760	2,661	3,790	3,060	3,800	4.3	3,770	4.0	4.4	
	Trust Garden Tokiwamatsu	N	3,030	2,863	3,580	3,220	3,610	3.9	3,540	3.7	4.0	
	SOMPO Care La vie Re Kita-Kamakura	N	1,780	1,606	1,900	1,310	1,920	5.0	1,880	4.8	5.2	
	Charm Suite Shinjukutoyama	N	3,323	3,284	3,830	3,660	3,860	3.8	3,790	3.6	3.9	
	Charm Suite Shakujikoen	N	3,200	3,126	3,540	3,250	3,570	4.1	3,510	3.9	4.2	
	Hulic Chofu	N	3,340	3,335	3,740	3,350	3,770	4.0	3,710	3.8	4.1	
	Aristage Kyodo	N	9,000	9,060	10,070	9,975	10,165	3.7	9,975	3.5	3.8	
	Granda Gakugei Daigaku	N	2,200	2,228	2,430	2,390	2,450	3.6	2,400	3.4	3.7	
	Charm Premier Den-en-Chofu	N	2,550	2,605	2,710	2,550	2,730	3.7	2,680	3.5	3.8	
	Sonare Shakujiji	N	2,400	2,458	2,570	2,450	2,590	3.8	2,540	3.6	3.9	
		Subtotal	-	45,067	44,278	54,070	48,675	54,445	-	53,635	-	-
	Network centers											
	Ikebukuro Network Center	N	4,570	4,424	5,310	5,470	5,340	4.2	5,270	3.9	4.3	
	Tabata Network Center	N	1,355	1,329	1,550	1,680	1,560	4.7	1,540	4.4	4.8	
	Hiroshima Network Center	N	1,080	993	1,150	1,220	1,150	5.7	1,140	5.4	5.8	
	Atsuta Network Center	N	1,015	941	1,020	1,160	1,020	5.4	1,010	5.1	5.5	
Nagano Network Center	N	305	279	337	294	338	6.9	336	6.7	7.1		
Chiba Network Center	N	7,060	6,668	7,710	4,290	7,740	4.8	7,680	4.5	4.9		
Sapporo Network Center	N	2,510	2,450	2,540	2,670	2,550	5.1	2,530	4.8	5.2		
Keihanna Network Center	N	1,250	1,138	1,380	1,160	1,380	5.2	1,370	4.9	5.3		
	Subtotal	-	19,145	18,225	20,997	17,944	21,078	-	20,876	-	-	
Hotels												
Sotetsu Fresa Inn Ginza 7 Chome	N	11,520	11,237	12,300	13,800	12,400	3.5	12,100	3.3	3.6		
Sotetsu Fresa Inn Tokyo-Roppongi	N	9,950	9,730	9,980	10,100	10,100	3.7	9,860	3.5	3.8		
Hulic Tsukiji 3 Chome Building	N	6,972	6,782	7,350	6,800	7,420	3.6	7,270	3.4	3.7		
Hulic Kaminarimon Building	N	5,900	5,924	5,970	6,050	6,020	3.5	5,910	3.3	3.6		
	Subtotal	-	34,342	33,674	35,600	36,750	35,940	-	35,140	-	-	
	Total	-	98,554	96,177	110,667	103,369	111,463	-	109,651	-	-	
	Total	-	393,189	385,743	458,088	-	465,441	-	453,195	-	-	

- (Note 1) The letters in the appraisal agency column indicate appraisers as follows:
D: Daiwa Real Estate Appraisal Co., Ltd.
N: Japan Real Estate Institute
C: CBRE K.K.
T: The Tanizawa Sōgō Appraisal Co., Ltd.
- (Note 2) *Acquisition price* represents trading value stipulated in each purchase and sale agreement in relation to each asset held, rounded to the nearest million yen. The trading value does not include consumption tax, local consumption tax and expenses incurred on acquisition.
- (Note 3) *Book value at end of period* represents book value for each property less depreciation expenses as of the end of the reporting period, rounded down to the nearest million yen.
- (Note 4) *Appraisal value* represents the appraisal value as of the valuation date of the end of the reporting period.
- (Note 5) “Integrated price by using cost method” is presented by rounding the price corresponding to the quasi co-ownership of property held by the Investment Corporation to the nearest million yen.
- (Note 6) For Hulic Kudan Building (Land), this item was not provided due to the Investment Corporation only holding the land.
- (Note 7) Discount rate for Ebisu Minami Building was 3.5% for the 1st fiscal year to the 4th fiscal year, 3.6% for the 5th fiscal year and thereafter. The table shows the 5th fiscal year and thereafter (3.6%).
- (Note 8) For Hulic Asakusabashi Building, since the calculation method based on the capitalization method over a definite term (modified Inwood method) has been employed as a direct capitalization method based on the consideration that the land lease right acquired is a fixed-term land sublease right for business use, the discount rate in the capitalization method over a definite term (modified Inwood method) is shown in the Capitalization rate. In addition, because terminal capitalization rate is not applied in the DCF method, it has not been provided.
- (Note 9) Discount rate for Hulic Oji Building was 3.9% for the 1st fiscal year to the 10th fiscal year, 4.0% for the 11th fiscal year. The table shows the 11th fiscal year (4.0%).
- (Note 10) Discount rate for Hulic Jingu-Mae Building was 3.3% for the 1st fiscal year to the 4th fiscal year, 3.4% for the 5th fiscal year and thereafter. The table shows the 5th fiscal year and thereafter (3.4%).

iii) Capital expenditures for assets under management

(A) Schedule of capital expenditures

For each asset held by the Investment Corporation as of the end of the reporting period, the main capital expenditures for renovation work, etc. scheduled as of February 29, 2024 (the end of the 20th fiscal period) are as below. Estimated capital expenditure for work mentioned below includes that which is charged to expenses.

Property name	Location	Purpose	Scheduled period	Estimated capital expenditure for work (Millions of yen)
Oimachi Redevelopment Building (#2)	Shinagawa-ku, Tokyo	Renewal work for air conditioners	From November 2024 to February 2025	93
SOMPO Care La vie Re Kita-Kamakura	Kamakura-shi, Kanagawa	Renewal work for air-conditioning units in the common area	From October 2024 to November 2024	40
Hulic Todoroki Building	Setagaya-ku, Tokyo	Renewal work for high voltage power receiving equipment	From December 2024 to February 2025	35
Keihanna Network Center	Kizugawa-shi, Kyoto	Renewal work for automated fire alarm equipment	From July 2024 to August 2024	32
Tabata Network Center	Kita-ku, Tokyo	Renewal work for automated fire alarm equipment, etc.	From July 2024 to August 2024	18
Hulic Idabashi Building	Chiyoda-ku, Tokyo	Renovation work for elevator	From July 2024 to August 2024	17
Nagano Network Center	Nagano-shi, Nagano	Renewal work for automated fire alarm equipment	From April 2024 to May 2024	13

(B) Capital expenditures during the period

An overview of the construction work corresponding to capital expenditures during the reporting period is as below. Capital expenditures during the reporting period were ¥565,719 thousand and repair expenses were ¥174,194 thousand. In aggregate, construction work in the amount of ¥739,913 thousand was carried out during the period.

Property name	Location	Purpose	Period	Capital expenditure for work (Millions of yen)
Oimachi Redevelopment Building (#2)	Shinagawa-ku, Tokyo	Renewal work for air conditioners	From December 2023 to February 2024	85
Hulic Jingu-Mae Building	Shibuya-ku, Tokyo	Maintenance work for rental room	From August 2023 to October 2023	64
Aria Matsubara	Setagaya-ku, Tokyo	Renovation work for air-conditioning equipment in common area	From October 2023 to January 2024	47
Hulic Iidabashi Building	Chiyoda-ku, Tokyo	Renovation work for air-conditioning equipment in exclusively owned portions	From February 2024 to February 2024	25
Other				342
Total				565

(3) Major Investment Assets

The following is an overview of the assets held by the Investment Corporation and for which the total contracted rent makes up 10% or more of the total rental income for the entire portfolio as of the end of the reporting period.

Property name	Total contracted rent (annual) (Millions of yen) (Note 1)	Total leased area (m ²) (Note 2)	Total leasable area (m ²) (Note 3)	Occupancy rate (%) (Note 4)
Hulic Kamiyacho Building	2,691	31,919.66	32,487.06	98.3

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

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

(Note 3) *Total leasable area* shows the floor area considered leasable based on the lease agreements or floor plans of buildings of the property held as of the end of the reporting period.

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

(4) Overview of Major Tenants

Tenants for which leased area accounted for 10% or more of the total leased area as of the end of the reporting period are shown as below.

Tenant	Business type	Property name	Leased area (m ²) (Note 1)	Total contracted rent (Millions of yen) (Note 2)	Leasehold/guarantee deposits (Millions of yen) (Note 3)	Expiration date (Note 4)	Renewal of agreement, etc. (Note 5)
Hulic Co., Ltd.	Real estate leasing business	Hulic Kamiyacho Building	31,919.66	2,691	2,605	February 6, 2025	Automatically renewed for 2 years unless notified in writing at least 6 months before the expiry of the agreement
		Hulic Kudan Building (Land)	3,351.07	530	265	February 6, 2063	Terminated due to the expiry of the agreement
		Toranomon First Garden (Note 6)	5,689.97	549	380	February 6, 2025	Automatically renewed for 2 years unless notified in writing at least 6 months before the expiry of the agreement
		Rapiros Roppongi (Note 7)	6,730.52	632	524		
		Hulic Takadanobaba Building	5,369.71	314	196		
		Hulic Kanda Building	3,728.36	283	238		
		Hulic Kandabashi Building	2,566.95	167	131		
		Hulic Kakigaracho Building	2,858.48	188	126		
		Hulic Higashi Ueno 1 Chome Building	3,137.09	176	138		
		Tokyo Nishi Ikebukuro Building (Note 8)	1,429.74	111	190	March 30, 2026	Automatically renewed for 2 years unless notified in writing at least 6 months before the expiry of the agreement
		Hulic Toranomon Building	8,464.99	871	652	December 24, 2024	
		Hulic Shibuya 1 chome Building	2,817.65	252	204	March 30, 2026	
		Hulic Higashi Nihonbashi Building	3,681.20	195	131		
		Hulic Jimbocho Building	1,561.38	76	56	April 27, 2024	
		Hulic Gotanda Yamate-dori Building	3,276.05	200	147	September 30, 2025	
		Bancho House	1,981.83	(Note 27)	132	October 31, 2025	
		Ebisu Minami Building	1,629.09	(Note 27)	(Note 27)	December 26, 2025	
		Hulic Idabashi Building	1,431.94	82	59	June 27, 2024	
		Hulic Asakusabashi Building (Note 9)	5,157.68	339	234	December 31, 2064	
		Hulic Ebisu Building	1,059.22	71	58	December 19, 2024	Automatically renewed for 2 years unless notified in writing at least 6 months before the expiry of the agreement
		Hulic Ryogoku Building (Note 10)	4,569.34	286	203	March 25, 2025	
		Hulic Asakusabashi Edo-dori (Note 11)	3,956.73	272	131	March 25, 2025	
		Hulic Nakano Building (Note 12)	2,616.83	170	130	October 15, 2025	
		Hulic Ueno Building (Note 13)	3,031.85	211	190	March 30, 2026	
		Hulic Kojimachi Building (Note 14)	5,380.17	523	362	October 31, 2024	
		Kichijoji Fuji Building (Note 15)	3,958.37	(Note 27)	(Note 27)	October 31, 2024	
Hulic Hachioji Building (Note 16)	3,768.00	285	193	October 15, 2025			
Hulic Kobe Building (Note 17)	4,991.30	387	445	October 31, 2024			
Hulic Gotanda Building (Note 18)	4,246.19	308	254	October 27, 2025			
Hulic Oji Building (Note 19)	3,695.59	263	164	February 28, 2026			

Tenant	Business type	Property name	Leased area (m ²) (Note 1)	Total contracted rent (Millions of yen) (Note 2)	Leasehold/guarantee deposits (Millions of yen) (Note 3)	Expiration date (Note 4)	Renewal of agreement, etc. (Note 5)	
Hulic Co., Ltd.	Real estate leasing business	Hulic Kobunacho Building (Note 20)	7,781.30	581	770	July 2, 2026	Automatically renewed for 2 years unless notified in writing at least 6 months before the expiry of the agreement	
		Hulic Komagome Building (Note 21)	1,310.40	(Note 27)	(Note 27)	November 30, 2026		
		Oimachi Redevelopment Building (#2)	14,485.66	624	656	February 6, 2025		
		Oimachi Redevelopment Building (#1) (Note 22)	10,612.67	438	529	(Note 28)	Automatically renewed for a term agreed upon unless notified in writing at least 6 months before the expiry of the agreement	
		Dining Square Akihabara Building	2,169.41	(Note 27)	(Note 27)	February 6, 2025	Automatically renewed for 2 years unless notified in writing at least 6 months before the expiry of the agreement	
		Hulic Jingu-Mae Building	1,660.60	162	94			
		Hulic Todoroki Building	1,676.02	94	69	December 26, 2025		
		HULIC & New SHIBUYA (Note 23)	898.62	127	114	June 29, 2024		
		HULIC & New SHINBASHI	1,725.35	152	135	October 31, 2024		
		Hulic Shimura-sakaue	11,528.34	438	307	June 28, 2025		
		Hulic Mejiro	3,805.72	279	187	March 25, 2025		
		Aria Matsubara	5,454.48	(Note 27)	(Note 27)	February 6, 2025		
		Trust Garden Yoganomori	5,977.75	(Note 27)	(Note 27)			
		Trust Garden Sakurashinmachi	3,700.26	(Note 27)	(Note 27)			
		Trust Garden Suginami Miyamae	3,975.99	(Note 27)	(Note 27)	August 31, 2025		
		Trust Garden Tokiwamatsu	2,893.82	(Note 27)	(Note 27)			
		SOMPO Care La vie Re Kita-Kamakura	4,912.57	(Note 27)	(Note 27)	June 29, 2024		
		Charm Suite Shinjukutoyama	4,065.62	(Note 27)	(Note 27)	September 26, 2024		
		Charm Suite Shakujii-koen	4,241.68	(Note 27)	(Note 27)	September 11, 2024		
		Hulic Chofu	4,357.58	173	144	March 30, 2026		
		Aristage Kyodo (Note 24)	13,279.12	(Note 27)	(Note 27)	October 31, 2024		
		Granda Gakugei Daigaku	2,803.79	(Note 27)	(Note 27)	March 30, 2025		
		Charm Premier Den-en-Chofu	1,983.71	(Note 27)	(Note 27)	March 29, 2026		
		Sonare Shakujii	2,295.79	(Note 27)	(Note 27)	March 29, 2026		
		Sotetsu Fresa Inn Ginza 7 Chome (Note 25)	6,984.32	480	480	October 31, 2024		
		Sotetsu Fresa Inn Tokyo-Roppongi (Note 26)	4,816.89	432	108	November 30, 2026		
		Hulic Tsukiji 3 Chome Building	4,740.31	(Note 27)	(Note 27)	March 25, 2025		
Hulic Kaminarimon Building	6,493.82	(Note 27)	(Note 27)	December 21, 2026				
Business Total	278,688.54	18,066	14,935	–	–			
SoftBank Corp.	Telecommunications business	Ikebukuro Network Center	12,773.04	271	136	September 30, 2030		Terminated due to the expiry of the agreement
		Tabata Network Center	3,832.73	90	45			
		Hiroshima Network Center	5,208.54	88	44			
		Atsuta Network Center	4,943.10	73	37	November 5, 2024		
		Nagano Network Center	2,211.24	33	17			
		Chiba Network Center	23,338.00	447	224	September 30, 2030		
		Sapporo Network Center	9,793.57	167	84			
		Keihanna Network Center	9,273.44	94	47			
Business Total	71,373.66	1,265	632	–	–			

- (Note 1) *Leased area* is equivalent to total floor area or similar measurement of leased space set out in the relevant lease agreements or similar contracts for buildings of each property as of the end of the reporting period. For the portion for which there is a Pass-through Master Lease Agreement, the actual total area leased under each sublease agreement entered into with end-tenants corresponding to that portion is provided. For the portion for which there is a Fixed-type Master Lease Agreement, the total area corresponding to that portion is provided. For the property of which ownership is only for land, the area of the land is provided.
- (Note 2) *Total contracted rent* is calculated by multiplying the monthly contracted rent (limited to rent for room, including common service fee and excluding consumption taxes and usage fee for warehouses, signboards and parking lots, regardless of free rent arrangements in effect as of the end of the reporting period) indicated in the relevant lease agreements for buildings of each property in effect as of the end of the reporting period by 12 (with respect to assets held subject to multiple lease agreements, the aggregate monthly rent for all lease agreements) and rounding to the nearest million yen. For properties for which ownership is only for land, it is calculated by multiplying the monthly contracted rent (excluding consumption taxes) as indicated in the lease agreement for such land as of the end of the reporting period by 12 and rounding to the nearest million yen. The amounts provided are the amount for the portion of property corresponding to a Pass-through Master Lease Agreement for which the tenant is a sublessor as a master lease company, in accordance with the lease agreement with the end-tenant in effect as of the end of the reporting period, calculated on an annual basis by multiplying the monthly rent as indicated in each sublease agreement entered into with end-tenants corresponding to that portion by 12; and the amount for the portion of property corresponding to a Fixed-type Master Lease Agreement, calculated on an annual basis by multiplying the monthly rent as indicated in the master lease agreement corresponding to that portion.
- (Note 3) *Leasehold/guarantee deposits* indicates the aggregate of the recognized book values for the leasehold and/or guarantee deposit(s) of each asset held as of the end of the reporting period, rounded to the nearest million yen.
- (Note 4) *Expiration date* is the date provided in the lease agreements for each asset in effect as of the end of the reporting period where the tenant is the lessee, including where the tenant is a sublessor and master lease company under a sublease agreement.
- (Note 5) *Renewal of agreement, etc.* represents the content of renewal of agreement, etc., provided in the lease agreement where the tenant is the lessee, including where the tenant is a sublessor and master lease company under a sublease agreement.
- (Note 6) For Toranomon First Garden, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation's partial ownership in the building (including some of co-ownership portion). (For the co-ownership portion, the figures calculated on a pro-rata basis in accordance with the co-ownership interests owned by the Investment Corporation are listed.)
- (Note 7) For Rapiros Roppongi, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation's partial ownership in the building (including some of co-ownership portion). (For the co-ownership portion, the figures calculated on a pro-rata basis in accordance with the co-ownership interests owned by the Investment Corporation are listed.)
- (Note 8) For Tokyo Nishi Ikebukuro Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation's partial ownership in the building (including some of co-ownership portion).
- (Note 9) For Hulic Asakusabashi Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (50.0%).
- (Note 10) For Hulic Ryogoku Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 11) For Hulic Asakusabashi Edo-dori, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 12) For Hulic Nakano Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 13) For Hulic Ueno Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 14) For Hulic Kojimachi Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 15) For Kichijoji Fuji Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 16) For Hulic Hachioji Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 17) For Hulic Kobe Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 18) For Hulic Gotanda Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 19) For Hulic Oji Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 20) For Hulic Kobunacho Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- (Note 21) For Hulic Komagome Building, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).

- (Note 22) For Oimachi Redevelopment Building (#1), the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the Investment Corporation's co-ownership interest (approximately 82.6%) in partial ownership in the building.
- (Note 23) For HULIC & New SHIBUYA, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (50.0%).
- (Note 24) For Aristage Kyodo, the leased area, total contracted rent and leasehold/guarantee deposits show figures equivalent to the quasi co-ownership interest of property held by the Investment Corporation (95.0%).
- (Note 25) For Sotetsu Fresa Inn Ginza 7 Chome, total contracted rent is made up of a fixed rent and a proportional rent that arises when annual guest room sales exceed a certain amount. Total contracted rent shows amounts calculated with monthly fixed rent specified in lease agreements multiplied by 12, with the result rounded to the nearest million yen.
- (Note 26) For Sotetsu Fresa Inn Tokyo-Roppongi, total contracted rent is made up of a fixed rent and a proportional rent that arises when annual guest room sales exceed a certain amount. Total contracted rent shows amounts calculated with monthly fixed rent specified in lease agreements multiplied by 12, with the result rounded to the nearest million yen.
- (Note 27) The Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose the relevant information.
- (Note 28) The lease agreement for Oimachi Redevelopment Building (#1) was renewed as the lease agreement does not specify a term at the last renewal of the agreement.
- (Note 29) In the above table, Total contracted rent, Leasehold/guarantee deposits and Leased area may include data of end-tenant lease agreements for which we have received a request for cancellation or termination and end-tenant lease agreements for which rent payment was delinquent as of the end of the reporting period, if the lease agreement was valid as of the end of the reporting period.

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

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

End-tenant	Property name	Leased area (m ²) (Note 1)	Area ratio (%) (Note 2)	Expiration date (Note 3)	Form of agreement (Note 4)
SoftBank Corp.	Ikebukuro Network Center Tabata Network Center Hiroshima Network Center Atsuta Network Center Nagano Network Center Chiba Network Center Sapporo Network Center Keihanna Network Center	71,373.66	19.6	September 30, 2030 September 30, 2030 September 30, 2030 September 30, 2030 November 5, 2024 September 30, 2030 September 30, 2030 September 30, 2030	Fixed-term building lease agreement
Hulic Co., Ltd.	Hulic Kudan Building (Land) Oimachi Redevelopment Building (#2) Oimachi Redevelopment Building (#1)	28,449.40	7.8	February 6, 2063 February 6, 2025 (Note 6)	Fixed-term business-use land lease agreement Ordinary building lease agreement Ordinary building lease agreement
Mizuho Bank, Ltd.	Hulic Ryogoku Building Hulic Asakusabashi Edo-dori Hulic Nakano Building Hulic Ueno Building Hulic Kojimachi Building Kichijoji Fuji Building Hulic Hachioji Building Hulic Kobe Building Hulic Gotanda Building Hulic Oji Building Hulic Kobunacho Building Hulic Komagome Building	25,940.97	7.1	(Note 7)	Ordinary building lease agreement
HIMEDIC, Inc.	Trust Garden Yoganomori Trust Garden Sakurashinmachi Trust Garden Suginami Miyamae Trust Garden Tokiwamatsu	16,547.82	4.5	January 24, 2028 January 24, 2028 January 24, 2028 February 29, 2036	Ordinary building lease agreement
Charm Care Corporation Co., Ltd.	Charm Suite Shinjukutoyama Charm Suite Shakujikoan Hulic Chofu Charm Premier Den-en-Chofu	13,792.86	3.8	October 31, 2045 October 31, 2044 July 20, 2047 March 31, 2048	Ordinary building lease agreement
Keio Corporation	Aristage Kyodo	13,279.12	3.6	May 7, 2042	Ordinary building lease agreement
Sotetsu Hotel Development Co., Ltd.	Sotetsu Fresa Inn Ginza 7 Chome (Note 5) Sotetsu Fresa Inn Tokyo-Roppongi (Note 5)	11,801.21	3.2	September 30, 2046 October 9, 2047	Fixed-term building lease agreement
Benesse Style Care Co., Ltd.	Aria Matsubara Granda Gakugei Daigaku	8,258.27	2.3	September 30, 2030 April 30, 2043	Ordinary building lease agreement
Hulic Hotel Management Co., Ltd.	Hulic Kaminarimon Building	5,620.93	1.5	July 1, 2032	Ordinary building lease agreement

End-tenant	Property name	Leased area (m ²) (Note 1)	Area ratio (%) (Note 2)	Expiration date (Note 3)	Form of agreement (Note 4)
Mizuho Securities Co., Ltd.	Ochanomizu Sola City	5,522.25	1.5	(Note 7)	Fixed-term building lease agreement
	Hulic Ueno Building				Ordinary building lease agreement
	Hulic Hachioji Building				Ordinary building lease agreement
	Hulic Kobe Building				Ordinary building lease agreement

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

- The land area is provided for Hulic Kudan Building (Land).
- For the portion for which there is a Fixed-type Master Lease Agreement, the leasable area to end-tenants is provided.
- For Oimachi Redevelopment Building (#1), the figure equivalent to the Investment Corporation's co-ownership interest (approximately 82.6%) in partial ownership in the building is shown.
- For Hulic Ryogoku Building, Hulic Asakusabashi Edo-dori, Hulic Nakano Building, Hulic Ueno Building, Hulic Kojimachi Building, Kichijoji Fuji Building, Hulic Hachioji Building, Hulic Kobe Building, Hulic Gotanda Building, Hulic Oji Building, Hulic Kobunacho Building and Hulic Komagome Building, the figures are equivalent to the quasi co-ownership interest of property held by the Investment Corporation (90.0%).
- For Aristage Kyodo, the figures are equivalent to the quasi co-ownership interest of property held by the Investment Corporation (95.0%).
- For Ochanomizu Sola City, the figures are equivalent to the quasi co-ownership interest of property held by the Investment Corporation (21.7%).

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

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

(Note 4) *Form of agreement* is the form of agreement described in the lease agreement with the end-tenants as of the end of the reporting period.

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

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

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

(6) Overview and Income/Loss of Leasing Businesses

Reporting period (From September 1, 2023 to February 29, 2024)

(Unit: thousands of yen)

Property name	Hulic Kamiyacho Building	Hulic Kudan Building (Land)	Toranomon First Garden	Rapiros Roppongi	Hulic Takanobaba Building	Hulic Kanda Building	Hulic Kandabashi Building
Days under management	182	182	182	182	182	182	182
Leasing business revenues	1,373,687	265,002	272,922	299,163	173,275	153,393	81,120
Leasing business revenue	1,237,128	265,002	251,711	279,929	157,056	141,426	71,020
Other leasing business revenues	136,559	–	21,210	19,234	16,218	11,967	10,099
Expenses related to leasing business	425,566	40,721	134,867	155,359	74,812	73,636	39,619
Taxes and public dues	86,151	38,153	43,212	50,313	13,892	4,094	10,500
Utilities expenses	126,333	–	13,587	17,585	12,388	9,888	6,643
Insurance expenses	1,167	36	264	811	241	119	100
Repair expenses	20,512	–	5,275	1,214	8,949	2,874	2,069
Property management fees	99,623	1,325	4,471	5,705	14,589	7,751	5,587
Other expenses related to leasing business	6,483	1,206	26,816	61,191	2,182	30,608	3,695
Depreciation and amortization	85,294	–	41,239	18,537	22,568	18,300	11,022
Income (loss) from leasing business	948,121	224,280	138,054	143,803	98,462	79,757	41,501
NOI	1,033,415	224,280	179,294	162,341	121,031	98,057	52,523

(Unit: thousands of yen)

Property name	Hulic Kakigaracho Building	Ochanomizu Sola City	Hulic Higashi Ueno 1 Chome Building	Tokyo Nishi Ikebukuro Building	Hulic Toranomom Building	Hulic Shibuya 1 chome Building	Hulic Higashi Nihonbashi Building
Days under management	182	182	182	182	182	182	182
Leasing business revenues	102,861	(Note 1)	96,933	56,273	452,636	133,695	96,355
Leasing business revenue	89,859	(Note 1)	86,323	55,553	427,137	125,698	86,315
Other leasing business revenues	13,002	(Note 1)	10,609	720	25,498	7,996	10,039
Expenses related to leasing business	45,270	(Note 1)	47,736	20,753	194,132	43,697	53,767
Taxes and public dues	10,214	(Note 1)	8,319	2,498	68,968	10,337	9,728
Utilities expenses	7,995	(Note 1)	7,423	–	22,844	7,432	11,175
Insurance expenses	114	(Note 1)	115	128	324	130	124
Repair expenses	4,529	(Note 1)	3,918	–	5,859	1,430	4,365
Property management fees	10,959	(Note 1)	10,362	9,777	40,540	7,654	6,979
Other expenses related to leasing business	2,067	(Note 1)	1,957	3,628	1,608	1,392	3,602
Depreciation and amortization	9,388	(Note 1)	15,639	4,719	53,986	15,320	17,791
Income (loss) from leasing business	57,591	(Note 1)	49,196	35,520	258,504	89,997	42,587
NOI	66,980	674,091	64,836	40,240	312,491	105,318	60,378

(Unit: thousands of yen)

Property name	Hulic Jimbocho Building	Hulic Gotanda Yamate-dori Building	Bancho House	Ebisu Minami Building	Hulic Idabashi Building	Hulic Asakusabashi Building	Hulic Ebisu Building
Days under management	182	182	182	182	182	182	182
Leasing business revenues	46,012	119,264	(Note 1)	(Note 1)	43,424	282,086	35,214
Leasing business revenue	38,100	101,084	(Note 1)	(Note 1)	36,945	260,498	32,784
Other leasing business revenues	7,912	18,180	(Note 1)	(Note 1)	6,479	21,588	2,429
Expenses related to leasing business	18,259	63,197	(Note 1)	(Note 1)	20,176	219,173	11,967
Taxes and public dues	3,593	5,992	(Note 1)	(Note 1)	4,059	12,643	2,973
Utilities expenses	2,643	15,570	(Note 1)	(Note 1)	6,368	33,402	2,427
Insurance expenses	56	147	(Note 1)	(Note 1)	60	395	33
Repair expenses	2,219	1,665	(Note 1)	(Note 1)	1,929	6,400	1,342
Property management fees	3,987	5,829	(Note 1)	(Note 1)	3,986	59,907	2,880
Other expenses related to leasing business	608	23,736	(Note 1)	(Note 1)	862	15,441	800
Depreciation and amortization	5,150	10,256	(Note 1)	(Note 1)	2,909	90,981	1,509
Income (loss) from leasing business	27,753	56,067	(Note 1)	(Note 1)	23,248	62,913	23,247
NOI	32,903	66,324	61,579	44,072	26,157	153,894	24,756

(Unit: thousands of yen)

Property name	Hulic Ryogoku Building	Hulic Asakusabashi Edo-dori	Hulic Nakano Building	Hulic Ueno Building	Hulic Kojimachi Building	Kichijoji Fuji Building	Hulic Hachioji Building
Days under management	182	182	182	182	182	182	182
Leasing business revenues	164,314	149,663	99,786	125,637	279,922	(Note 1)	161,106
Leasing business revenue	143,065	136,716	85,097	105,860	261,692	(Note 1)	142,312
Other leasing business revenues	21,249	12,946	14,688	19,777	18,230	(Note 1)	18,794
Expenses related to leasing business	83,542	59,613	36,958	44,248	100,440	(Note 1)	55,459
Taxes and public dues	9,984	8,567	6,894	11,445	28,595	(Note 1)	6,675
Utilities expenses	21,190	11,168	9,795	15,593	14,054	(Note 1)	16,206
Insurance expenses	201	176	134	132	253	(Note 1)	152
Repair expenses	5,686	1,234	1,157	646	846	(Note 1)	180
Property management fees	11,933	9,458	9,497	8,692	22,133	(Note 1)	8,244
Other expenses related to leasing business	759	1,006	726	2,433	6,210	(Note 1)	760
Depreciation and amortization	33,786	28,000	8,752	5,304	28,347	(Note 1)	23,240
Income (loss) from leasing business	80,772	90,049	62,828	81,389	179,481	(Note 1)	105,647
NOI	114,559	118,050	71,580	86,694	207,829	135,552	128,887

(Unit: thousands of yen)

Property name	Hulic Kobe Building	Hulic Gotanda Building	Hulic Oji Building	Hulic Kobunacho Building	Hulic Komagome Building	Oimachi Redevelopment Building (#2)	Oimachi Redevelopment Building (#1)
Days under management	182	182	182	182	91	182	182
Leasing business revenues	210,479	166,402	150,014	321,748	(Note 1)	312,000	218,931
Leasing business revenue	193,359	153,762	131,678	290,996	(Note 1)	312,000	218,931
Other leasing business revenues	17,119	12,640	18,335	30,752	(Note 1)	–	–
Expenses related to leasing business	64,043	44,319	47,767	87,883	(Note 1)	81,056	84,103
Taxes and public dues	15,585	13,472	–	–	(Note 1)	35,027	37,931
Utilities expenses	11,532	10,288	14,410	21,881	(Note 1)	–	–
Insurance expenses	199	173	155	531	(Note 1)	354	1,814
Repair expenses	5,222	2,437	515	6,791	(Note 1)	–	4,604
Property management fees	21,289	8,714	10,454	32,089	(Note 1)	6,240	4,378
Other expenses related to leasing business	876	794	509	1,505	(Note 1)	1,305	8,726
Depreciation and amortization	9,336	8,437	21,721	25,083	(Note 1)	38,130	26,647
Income (loss) from leasing business	146,435	122,082	102,247	233,865	(Note 1)	230,943	134,827
NOI	155,772	130,520	123,968	258,948	20,506	269,073	161,475

(Unit: thousands of yen)

Property name	Dining Square Akihabara Building	Hulic Jingu-Mae Building	Hulic Todoroki Building	HULIC &New SHIBUYA	HULIC &New SHINBASHI	Hulic Shimurasakaue	Hulic Mejiro
Days under management	182	182	182	182	182	182	182
Leasing business revenues	(Note 1)	155,722	56,631	71,876	84,309	245,075	150,033
Leasing business revenue	(Note 1)	55,259	47,159	63,563	75,963	219,171	140,057
Other leasing business revenues	(Note 1)	100,462	9,471	8,312	8,345	25,903	9,976
Expenses related to leasing business	(Note 1)	37,506	25,417	25,297	34,143	134,334	54,311
Taxes and public dues	(Note 1)	7,069	4,474	4,269	5,414	22,539	10,412
Utilities expenses	(Note 1)	4,303	8,839	7,055	7,411	22,993	7,416
Insurance expenses	(Note 1)	53	66	45	84	309	162
Repair expenses	(Note 1)	16,385	703	1,086	1,176	3,278	1,511
Property management fees	(Note 1)	3,249	4,540	3,054	5,865	30,802	10,678
Other expenses related to leasing business	(Note 1)	1,191	1,152	1,083	1,229	2,210	752
Depreciation and amortization	(Note 1)	5,253	5,640	8,703	12,961	52,200	23,377
Income (loss) from leasing business	(Note 1)	118,215	31,213	46,578	50,166	110,740	95,721
NOI	78,949	123,468	36,854	55,282	63,128	162,941	119,099

(Unit: thousands of yen)

Property name	Aria Matsubara	Trust Garden Yoganomori	Trust Garden Sakurashin-machi	Trust Garden Suginami Miyamae	Trust Garden Tokiwamatsu	SOMPO Care La vie Re Kita-Kamakura	Charm Suite Shinjuku-toyama
Days under management	182	182	182	182	182	182	182
Leasing business revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Leasing business revenue	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Other leasing business revenues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Expenses related to leasing business	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Taxes and public dues	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Utilities expenses	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Insurance expenses	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Repair expenses	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Property management fees	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Other expenses related to leasing business	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Depreciation and amortization	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
Income (loss) from leasing business	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
NOI	95,817	161,401	84,141	71,468	70,905	50,269	73,479

(Unit: thousands of yen)

Property name	Charm Suite Shakujiko	Hulic Chofu	Aristage Kyodo	Granda Gakugei Daigaku	Charm Premier Den-en-Chofu	Sonare Shakujii	Ikebukuro Network Center
Days under management	182	182	182	182	182	182	182
Leasing business revenues	(Note 1)	94,141	(Note 1)	(Note 1)	(Note 1)	(Note 1)	130,176
Leasing business revenue	(Note 1)	86,368	(Note 1)	(Note 1)	(Note 1)	(Note 1)	130,176
Other leasing business revenues	(Note 1)	7,773	(Note 1)	(Note 1)	(Note 1)	(Note 1)	–
Expenses related to leasing business	(Note 1)	36,808	(Note 1)	(Note 1)	(Note 1)	(Note 1)	30,576
Taxes and public dues	(Note 1)	6,854	(Note 1)	(Note 1)	(Note 1)	(Note 1)	16,494
Utilities expenses	(Note 1)	6,988	(Note 1)	(Note 1)	(Note 1)	(Note 1)	–
Insurance expenses	(Note 1)	102	(Note 1)	(Note 1)	(Note 1)	(Note 1)	173
Repair expenses	(Note 1)	925	(Note 1)	(Note 1)	(Note 1)	(Note 1)	950
Property management fees	(Note 1)	2,162	(Note 1)	(Note 1)	(Note 1)	(Note 1)	960
Other expenses related to leasing business	(Note 1)	526	(Note 1)	(Note 1)	(Note 1)	(Note 1)	1,305
Depreciation and amortization	(Note 1)	19,248	(Note 1)	(Note 1)	(Note 1)	(Note 1)	10,693
Income (loss) from leasing business	(Note 1)	57,332	(Note 1)	(Note 1)	(Note 1)	(Note 1)	99,599
NOI	74,504	76,581	187,374	43,771	53,835	52,595	110,293

(Unit: thousands of yen)

Property name	Tabata Network Center	Hiroshima Network Center	Atsuta Network Center	Nagano Network Center	Chiba Network Center	Sapporo Network Center	Keihanna Network Center
Days under management	182	182	182	182	182	182	182
Leasing business revenues	43,285	42,091	35,273	16,708	214,687	80,358	45,166
Leasing business revenue	43,285	42,091	35,273	16,708	214,687	80,358	45,166
Other leasing business revenues	–	–	–	–	–	–	–
Expenses related to leasing business	10,344	14,453	12,570	7,199	83,173	24,044	16,853
Taxes and public dues	5,030	5,978	4,739	2,267	30,563	13,783	8,492
Utilities expenses	–	–	–	–	–	–	–
Insurance expenses	54	78	65	41	529	204	113
Repair expenses	280	280	570	323	779	145	99
Property management fees	720	1,320	962	840	1,800	780	1,200
Other expenses related to leasing business	1,305	1,304	1,304	1,304	504	504	504
Depreciation and amortization	2,954	5,492	4,929	2,422	48,997	8,627	6,443
Income (loss) from leasing business	32,940	27,637	22,702	9,509	131,514	56,314	28,312
NOI	35,895	33,129	27,632	11,931	180,511	64,941	34,756

(Unit: thousands of yen)

Property name	Sotetsu Fresa Inn Ginza 7 Chome	Sotetsu Fresa Inn Tokyo-Roppongi (Note 2)	Hulic Tsukiji 3 Chome Building	Hulic Kaminarimon Building
Days under management	182	182	182	70
Leasing business revenues	240,000	162,000	(Note 1)	(Note 1)
Leasing business revenue	240,000	162,000	(Note 1)	(Note 1)
Other leasing business revenues	–	–	(Note 1)	(Note 1)
Expenses related to leasing business	59,011	43,756	(Note 1)	(Note 1)
Taxes and public dues	27,757	12,246	(Note 1)	(Note 1)
Utilities expenses	–	–	(Note 1)	(Note 1)
Insurance expenses	241	161	(Note 1)	(Note 1)
Repair expenses	–	–	(Note 1)	(Note 1)
Property management fees	2,400	1,620	(Note 1)	(Note 1)
Other expenses related to leasing business	605	391	(Note 1)	(Note 1)
Depreciation and amortization	28,007	29,336	(Note 1)	(Note 1)
Income (loss) from leasing business	180,988	118,243	(Note 1)	(Note 1)
NOI	208,995	147,579	(Note 1)	47,764

(Note 1) The Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose the relevant information.

(Note 2) The Investment Corporation has acquired an additional 50.0% quasi co-ownership interest of Sotetsu Fresa Inn Tokyo-Roppongi on December 1, 2023, and the figures count the additionally acquired portion (91 days under management).

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

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