

## SUMMARY OF FINANCIAL RESULTS (REIT) For the Fiscal Period Ended April 30, 2021

June 15, 2021

Name of REIT Issuer:	Invesco Office J-REIT, Inc.	Stock exchange listing:	TSE
Securities code:	3298	URL	<a href="http://www.invesco-reit.co.jp/">http://www.invesco-reit.co.jp/</a>
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Name of asset manager:	Invesco Global Real Estate Asia Pacific, Inc.		
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Scheduled date to file securities report:	July 30, 2021	Scheduled date to commence distribution payments:	July 21, 2021
Supplementary materials for financial results:	Yes		
Holding of financial results briefing session:	No		

(Values are rounded down to the nearest million yen)

### 1. Financial results for the fiscal period ended April 30, 2021 (November 1, 2020 to April 30, 2021)

#### (1) Operating results

(Percentages indicate change from the previous period)

Period ended	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 30, 2021	8,755	(1.2)	4,185	1.4	3,700	1.5	3,698	1.5
October 31, 2020	8,865	2.4	4,127	0.1	3,646	0.3	3,645	0.3

Period ended	Net income per unit	Return on unitholders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
	Yen	%	%	%
April 30, 2021	416	3.3	1.5	42.3
October 31, 2020	409	3.2	1.4	41.1

(Note 1) Net income per unit for the period is calculated by dividing the net income by the day-weighted average number of investment units.

(Note 2) Return on unitholders' equity was calculated using the following formula and rounded to one decimal place.

$$\text{Return on unitholders' equity} = \text{Net income} / [(\text{total net assets at the beginning of the period} + \text{total net assets at the end of the period}) / 2] \times 100.$$

(Note 3) The ratio of ordinary income to total assets was calculated using the following formula and rounded to one decimal place.

$$\text{The ratio of ordinary income to total assets} = \text{Ordinary income} / [(\text{total assets in the beginning of the period} + \text{total assets in the end of the period}) / 2] \times 100.$$

(Note 4) Percentages for operating revenues, operating income, ordinary income and net income indicate period-on-period changes.

#### (2) Distributions

Period ended	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	Distributions per unit (including distributions in excess of earnings)	Total distributions (including distributions in excess of earnings)	Payout ratio	Ratio of distributions to net assets
	Yen	Millions of yen	Yen	Millions of yen	Yen	Millions of yen	%	%
April 30, 2021	420	3,697	-	-	420	3,697	100.0	3.3
October 31, 2020	410	3,648	-	-	410	3,648	100.2	3.2

(Note 1) The ratio of distributions to net assets was calculated using the following formula and rounded to one decimal place.

$$\text{Distributions per unit (excluding distributions in excess of earnings)} / [(\text{Net assets per unit at the beginning of period} + \text{Net assets per unit at the end of period}) / 2] \times 100.$$

(Note 2) Due to the acquisition and retirement of own investment units during the Fiscal Period ended April 30, 2021, the payout ratio was calculated using the following formula and rounded to one decimal place.

$$\text{Payout ratio} = \text{Total distributions (excluding distributions in excess of earnings)} \div \text{Net income} \times 100.$$

#### (3) Financial position

Period ended	Total assets	Net assets	Ratio of unitholders' equity to total assets	Net asset per unit
	Millions of yen	Millions of yen	%	Yen
April 30, 2021	252,078	112,805	44.8	12,814
October 31, 2020	255,926	114,148	44.6	12,826

## (4) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the fiscal period
Period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
April 30, 2021	8,267	(649)	(7,327)	10,622
October 31, 2020	5,129	(312)	(3,818)	10,332

2. Earnings forecast for the fiscal period ending October 31, 2021 (May 1, 2021 to October 31, 2021) and April 30, 2022 (November 1, 2021 to April 30, 2022)

(Percentages indicate change from the previous period)

Period ending	Operating revenues		Operating income		Ordinary income		Net income		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
October 31, 2021	8,767	0.1	3,711	(11.3)	3,236	(12.5)	3,236	(12.5)	367	-
April 30, 2022	8,479	(3.3)	3,823	3.0	3,348	3.5	3,348	3.5	381	-

(Reference) Forecasted net income per unit = Forecasted net income / Number of total investment units forecasted for the end of the period

Forecasted net income per unit for the fiscal period ending October 31, 2021 : 367 yen

Forecasted net income per unit for the fiscal period ending April 30, 2022 : 380 yen

The number of total investment units forecasted for the end of the period is assumed to be 8,802,650 units which are issued and outstanding as of today, and it is estimated that there will be no additional issue or acquisition and retirement of investment units until April 30, 2022.

## \* Other

## (1) Changes in accounting policies, accounting estimates or restatements

- (a) Changes in accounting policies due to revisions to accounting standards and/or other regulations: None
- (b) Changes in accounting policies due to other reasons: None
- (c) Changes in accounting estimates: None
- (d) Restatements: None

## (2) Number of investment units issued and outstanding

(i) Number of investment units issued and outstanding at the end of the period (including own investment units):

	As of April 30, 2021	As of October 31, 2020
Number of investment units issued and outstanding at the end of the period (including own investment units):	8,802,650 units	8,899,256 units
Number of own investment units at the end of the period:	Nil units	Nil units

(ii) Number of own investment units at the end of the period:

(Note) Please refer to "Notes to Per Unit Information" on page 31 for the number of investment units used as the basis for calculating net income per unit.

\* Summary of financial results is not inside the scope of audit procedure by certified public accountants or audit corporations.

## \* Other matters of special consideration

The forward-looking statements in this material are based on information currently available to us and certain assumptions that we believe to be reasonable. Actual operating performance may differ substantially from the forward-looking statements due to various factors. Furthermore, the forward-looking statements shall not be deemed as a guarantee or a commitment of the amount of future distributions. Please refer to "Assumptions for the forecast of investment management performance for the fiscal period ending October 31, 2021 (from May 1, 2021 to October 31, 2021) and April 30, 2022 (from November 1, 2021 to April 30, 2022)" on page 12 to page 13 for assumptions relating to the forward-looking statements.

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## I. Operating conditions

### A. Operating results

#### 1. Summary of operating results for the fiscal period under review

##### a) Historical background of the Investment Corporation

The Investment Corporation was established on February 27, 2014 by Invesco Global Real Estate Asia Pacific, Inc. as the organizer under the Act on Investment Trusts and Investment Corporations of Japan (hereinafter referred to as the “Investment Trust Act”). The Investment Corporation was listed on the Real Estate Investment Trust Securities Market of the Tokyo Stock Exchange (Securities code: 3298) on June 5, 2014.

The Investment Corporation is managed by Invesco Global Real Estate Asia Pacific, Inc. (hereinafter referred to as the “Asset Management Company”). The Asset Management Company belongs to the Invesco Group, one of the world’s leading independent asset management companies. The Investment Corporation aims to provide investors with opportunities to invest in office buildings in Japan with a strong focus on large-scale office buildings (Note 1) located in Japan’s major metropolitan areas (Note 2). These assets are selected by experienced investment management specialists belonging to the Asset Management Company with the view to maximize investor value.

(Note 1) “Large-scale office buildings” refers to real estate related assets (real estate related assets which are defined in Article 28, Paragraph 1 of the Investment Corporation’s Articles of Incorporation (hereinafter referred to as the “Articles of Incorporation”)) are buildings or mortgage-backed securities for which the underlying assets are buildings which have scale that meets the following standards and therefore regarded as “large-scale” and are used primarily as office space.

Tokyo Metropolitan Area: Total floor area of 10,000 m<sup>2</sup> or greater with a standard exclusive floor area on one floor covering at least 600 m<sup>2</sup>.

Other regions: Total floor area of 7,000 m<sup>2</sup> or greater with a standard exclusive floor area on one floor covering at least 400 m<sup>2</sup>.

(Note 2) The Investment Corporation defines “major metropolitan areas” as the Tokyo Metropolitan Area (Tokyo, Yokohama-shi, Kawasaki-shi, Saitama-shi, and Chiba-shi), Osaka-shi, Nagoya-shi and Fukuoka-shi; and sets this as its focused investment target area.

##### b) Investment environment and business performance

During the fiscal period under review, as the future perspective of COVID-19 pandemic remains uncertain and the declaration of state of emergency for twice, the corporate investment and personal consumption which were recovering in the end of last year turned to minus again and remained harsh.

With regards to the domestic leasing market for the office sector, the corporate activities were restricted and the decision making of corporations for future activity policy has been delayed. As a result, the total volume of cancellation of office spaces or reduction of leased office floor area surpassed the volume of tenants moving in the new spaces or expansion of tenants’ existing space. The vacancy rate continued to increase and the rent level was slightly adjusted to downward.

In real estate transaction market, there were some investors who had concerns over the rental market and acted carefully. However, the investment demand pursuing yields mainly derived from overseas monetary easing policy has continued to be aggressive, centering on the sector which has high tolerance of the economy fluctuation, and the transaction price remained at high level.

Under such circumstances, the Investment Corporation disposed IBF Planning Building through consideration of the following factors; (1) IBF Planning Building is a middle-sized office building with quasi-single tenant (gross floor area of 2,190.49sqm and leased to two tenants as of October 31, 2020), which does not fall into the main investment target of the Investment Corporation; (2) the major tenant of IBF Planning Building was planning to leave in October 2021 and through the disposition, the Investment Corporation aims to mitigate the risk of income loss in the future; (3) by allocating part of the proceeds from the disposition to repay the borrowings, the interest payable was expected to be reduced. Taking the above factors into consideration and examining the risks of continuing to hold or dispose, the Asset Management Company determined that the disposition contributes to the improvement of the quality of the Investment Corporation’s portfolio, strengthens the Investment Corporation’s financial base, and enhances the unitholders’ value.

The fiscal period under review ended with the ownership of real estate trust beneficiary interests relating to the nineteen (18) properties (total acquisition price: 225,871 million yen) that have a total leasable area of 296,647.98 sqm.

Regarding property management, the occupancy rate of the entire portfolio was 97.0% as at the end of the fiscal period under review through the steady leasing of vacant space in the assets of the Investment Corporation. Along with improvement in occupancy rates, the Investment Corporation aimed to improve the earnings of the entire portfolio by seeking to identify opportunities to increase rent, where appropriate, on lease renewals.

c) Overview of financing activities

The fundamental policy of the Investment Corporation is to conduct stable and sound financial management to secure stable income over the medium to long term together with steady growth in asset value. Financing activities in the fiscal period under review were as follows.

The Investment Corporation borrowed 8,100 million yen on November 30, 2020 to repay the existing short-term loan of 500 million yen and the existing long-term loan of 7,600 million yen which came due on November 30, 2020. The Investment Corporation also borrowed 6,300 million yen on April 30, 2021 to repay the existing long-term loan of 6,300 million yen which came due on April 30, 2021.

In addition, the Investment Corporation prepaid 2,120 million yen on January 29, 2021, which is part of the existing long-term loan of 6,980 million yen becoming due on May 31, 2021, by using the part of the proceeds from the disposition of "IBF Planning Building" as described in "b) Investment environment and business performance".

As a result, the outstanding amount of interest-bearing debt as at the end of the fiscal period under review totaled 124,160 million yen; 106,760 million yen for long-term borrowings (including borrowings which will be repaid within one (1) year for 30,910 million yen) and 17,400 million yen for investment corporation bonds (including investment corporation bonds which will be repaid within one (1) year for 1,800 million yen). The ratio of total interest-bearing debt (the total amount of borrowings, investment corporation bonds and short-term investment corporation bonds) to total assets (i.e., the loan-to-value or "LTV") was at 49.3% at the end of the fiscal period under review.

(Credit rating)

As at the date of this document, credit ratings of the Investment Corporation are as follows.

Rating agency	Rating	Rating outlook
Japan Credit Rating Agency, Ltd. (JCR)	Long-term Issuer Rating: AA-	Stable
	Bonds: AA- (Note)	-

(Note) Mentioned herein is the rating for the 1st series Unsecured Investment Corporation Bonds, the 2nd series Unsecured Investment Corporation Bonds, the 3rd series Unsecured Investment Corporation Bonds, the 4th series Unsecured Investment Corporation Bonds, the 5th series Unsecured Investment Corporation Bonds and the 6th series Unsecured Investment Corporation Bonds.

(Shelf registration statement regarding investment corporation bonds)

The Investment Corporation filed a shelf registration statement regarding investment corporation bonds (excluding short-term investment corporation bonds) on February 26, 2021. The details of the statement are as follows.

Amount to be issued	50,000 million yen
Planned period of issuance	From March 8, 2021 to March 7, 2023
Use of proceeds	Acquisition of specific assets (as defined under Article 2, Paragraph 1 of the Investment Trust Act), debt repayment, redemption of investment corporation bonds (including short-term investment corporation bonds), refund of tenant security deposit, payment of repairs and maintenance expenses, working capital, etc.

(Reference)

The Investment Corporation executed borrowings for the purpose of refinancing the existing long-term loan of 17,410 million yen which came due on May 31, 2021. For further details, please refer to “2. Outlook for the next fiscal period / b) Significant events after the balance sheet date / (Reference)” below.

d) Overview of financial results and cash distribution

As a result of the above, operating revenue amounted to 8,755 million yen, operating income amounted to 4,185 million yen, ordinary income amounted to 3,700 million yen, and net income amounted to 3,698 million yen for the fiscal period under review.

Concerning cash distribution, pursuant to the cash distribution policies provided in the Articles of Incorporation of the Investment Corporation, the intention is to have the maximum amount of cash distribution of earnings included in deductible expenses by application of Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, as amended; the “Act on Special Measures Concerning Taxation”). Accordingly, the decision was made to distribute 3,697,113,000 yen, which is almost the entire amount of the earnings provided in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations after deduction of reversal of allowance for temporary difference adjustment (those provided in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations) but excluding the portion where cash distribution of earnings per unit becomes a fractional amount of less than 1 yen, as cash distribution of earnings. As a result of the above, cash distribution per unit declared for the fiscal period under review was 420 yen.

Considering various factors such as the level of investment unit price, status of cash in hand, financial circumstances and market environment of the Investment Corporation, the Investment Corporation acquired its own investment units for the purpose of improving capital efficiency and returning profit to unitholders by entering into to a discretionary transaction contract with a securities company and entrusting the market purchase of its own investment units at Tokyo Stock Exchange. The Investment Corporation retired all of the acquired investment units. The number of acquired and retired investment units was 96,606 (1.09% of issued and outstanding investment units before acquiring and retiring investment units). The acquisition price totaled 1,399,997,270 yen and DPU increased by 5 yen (rounded down to 1 yen) due to the acquisition and retirement.

2. Outlook for the next fiscal period

a) Future management policy and other issues

It is expected that the Japanese economy will continue to be uncertain due to the domestic situation of vaccination for COVID-19 and the recovery of the international demand.

In the leasing market for the office sector, we need to be prepared for the bipolarization of office demand; the recovery of corporate sector and increase in demand due to the business expansion, as well as the structural changes of office usage, etc. We also need to be cautious of the risk arising from the intense new supply in the uncertain recovery of demand.

As for the real estate transaction market, the acquisition race resulted from the aggressive investment demand and the continuous high level in transaction price is to be remained. However, we need to pay attention to the risk of downward adjustment to the real estate price due to the profitability, if the expected yield will not increase due to the deterioration of leasing market.

In view of the market environment described above, the Investment Corporation recognizes that it is crucial to pursue external growth through the acquisition of properties that will help enhance the portfolio’s quality and profitability. This will be achieved by making maximum use of the investment expertise the Asset Management Company has accumulated since 1999 in Japan and the close relationships it has built with various market players as an independent asset manager. The Investment Corporation also needs to quickly achieve regional and tenant diversification in relation to the managed assets to secure stable earnings across its entire portfolio. Furthermore, the Investment Corporation considers it necessary to pursue internal growth through improvement in the profitability of managed properties, as rents in the office lease market are currently trending upward.

Based on the recognition of the issues described above, the Investment Corporation has been aiming to provide stable profit and to enhance the portfolio quality by investing mainly in large-scale office buildings in metropolitan areas such as the Tokyo area and steadily operating them, and it has been conducting its asset management for the purpose of improving both DPU amount and investors' value. However, as the current real estate investment market is fiercely competitive, and it is necessary to sustainably secure and increase opportunities to acquire assets in order to maximize investor value through external growth, the Investment Corporation has determined to broaden the type of investable assets which it may invest, into the assets other than office building subject to certain limitations. By broadening the type of investable assets and assessing appropriate investment timing to make rigorously selected investments in various assets, the Investment Corporation aims to realize sustainable external growth. As a result of expanding the size of the portfolio, further diversification of both asset and tenants is expected. Portfolio sustainability is also expected to be improved by combining assets having different cash flow characteristics.

(1) Investment policy / External growth strategy

Japan's economic activities are extremely concentrated in major urban areas, which serve as the base for business and consumption. Office buildings located in major urban areas offer a wealth of investment opportunities and relatively high rental demand can be expected. In addition, due to the concentration of economic activity, demand for office buildings as the site for economic activity and essential infrastructure is also likely to increase. Given the potential for growth driven by the scale of economic activity and population in these districts, office buildings located in major urban areas are likely to remain attractive investment targets.

Rents of office buildings in the Tokyo Metropolitan Area and other major urban areas show an upward trend, especially large office buildings. Rents in these areas can expect to rise ahead of other rents in a recovery phase, which may offer upside revenue potential through increased rents and higher occupancy rates. In addition, such office buildings are generally occupied by blue-chip companies with strong lease payment capacity. Depending on the equipment specifications, these office buildings can promise stable rents that are relatively high compared to other office buildings. Furthermore, relatively strong tenant demand can be expected in the areas in which such office buildings are located, and it may also be possible to maintain high occupancy rates through tenant diversification and flexibility when setting rents.

From this perspective, the Investment Corporation will continue to place its focus on large-scale office buildings (investment ratio of 70% or more) located in major metropolitan areas as its investment targets.

At the same time, in the current fiercely competitive real estate investment market, the Investment Corporation believes it is necessary to sustain and expand opportunities for acquiring assets. Therefore, the Investment Corporation plans to invest in assets other than large-scale office buildings, such as middle-scale offices, retail facilities, residential properties, hotels, logistics and others. The investment ratio of these assets is to be limited to less than 30% of the total portfolio. The Investment Corporation expects this investment policy to lead to an increase in opportunities to acquire assets that contribute to improving the quality and profitability of the portfolio, and continuous external growth. Furthermore, it is expected that the diversification of both assets and tenants and the profitability of the portfolio improve by combining the assets with different types of profit characteristics.

Also, the Investment Corporation may selectively invest in Real Estate-Related Loan Assets within the range of no more than 5% of total assets. However, in case of investing in Real Estate-Related Loan Assets, such investments are limited to the case where the principal and interests of Real Estate Related Loan and Other Monetary Claims (as defined in the amended Articles of Incorporation) are subject to low risk of default, and the properties which are pledged to such loans meet the investment standards of the Investment Corporation.

(2) Management policy / Internal growth strategy

The Investment Corporation will endeavor to (i) maintain and improve tenant satisfaction through meticulous property management services, (ii) maintain and improve rental income and occupancy rates, (iii) perform appropriate management and repairs, and (iv) promote rationalization and efficiency of management costs.

In its tenant leasing activities, the Investment Corporation will set appropriate rent conditions based upon its assessment and understanding of market trends and consideration of real estate characteristics for each managed asset. It will also fully utilize property management companies (hereinafter referred to as the “PM Companies”) to select high-quality tenants. Through leasing activities with consideration of tenant diversification, the Investment Corporation promotes early lease up and maintains and improves the occupancy rate and secures the stable income of not only each individual property but also the portfolio as a whole.

Since existing tenants are important clients, the Investment Corporation will make regular contact with them through the PM Companies to quickly identify tenant trends. Such trends include tenants that are considering increasing or decreasing leased space and tenants who are dissatisfied or are considering termination. At such time, the Investment Corporation will take appropriate and swift action.

The Investment Corporation will prepare a repair and maintenance plan along with a capital expenditure plan as part of the annual management review for each managed asset. The Investment Corporation will systematically carry out necessary repairs, maintenance and capital expenditures to improve the market competitiveness of the managed assets and to improve tenant satisfaction.

(3) Financing strategy

In line with the fundamental policy of conducting steady and sound financial management to ensure stable income over the medium-to-long term and to support continuous growth in asset value, the Investment Corporation, paying careful attention to financial market trends, raises funds as follows.

Decisions on equity financing will be made on a comprehensive basis taking into account such matters as (i) the timing of new real property-related asset acquisitions, (ii) the specific LTV on each asset, (iii) the repayment schedules, (iv) the terms of the interest-bearing debt, and (v) the market environment. This will all be viewed while giving consideration to the possible dilution of the interests of existing investors and any resulting decrease in the trading price of investment units.

In debt financing, the Investment Corporation aims to keep LTV levels within the range of 40% to 50% to maintain stable leverage control. However, there may be times when those LTV levels are temporary exceeded. The Investment Corporation will seek stable financial management through repayment dates, diversification of lenders and the use of long-term fixed debt. At the same time, the Investment Corporation will consider borrowing costs. In regard to lenders, the Investment Corporation will build a stable bank foundation centered on leading Japanese financial institutions.

Furthermore, for the purpose of improving capital efficiency and returning profit to unitholders, as a part of financial and capital policy, the Investment Corporation will examine acquisition and retirement of its own investment units. In such examination, improving investors’ value in mid- to long-term will be prioritized and the decision whether to conduct such acquisition will be based on prudent assessment of the investment unit price, cash in hand, financial situation, and market environment.

b) Significant events after the balance sheet date

Not Applicable.

(Reference)

(1) Tender Offer by Starwood Capital Group

The Investment Corporation resolved, at the meeting of the Board of Directors held on May 6, 2021, to oppose the tender offer for all of the issued and outstanding investment units of the Investment Corporation by Starwood Capital Group (hereinafter referred to as the "Tender Offer").

(2) Request for purchase of the investment units of the Investment Corporation to counter against the tender offer

Pursuant to Item (4), Paragraph 6, Article 166, and Item (5), Paragraph 5 Article 167 of the Financial Instruments and Exchange Act, as well as Article 31-2 of the Order for Enforcement of the said act, the Investment Corporation resolved, at the Board of Directors meeting held on May 6, 2021, to request Invesco Investments (Bermuda) Ltd., which is a subsidiary of Invesco Ltd., which is the parent company of the Asset Management Company to purchase the investment units of the Investment Corporation in order to counter against the Tender Offer.

According to the amendment of substantial unitholding report on the investment units of the Investment Corporation filed with the Director-General of the Kanto Local Finance Bureau on May 17, 2021, the number of investment units of the Investment Corporation owned by Invesco Investments (Bermuda) Ltd. and its ownership ratio as of May 13, 2021 was 621,051 and 7.06%. In addition, the Investment Corporation was notified on May 20, 2021, in the proposal letter containing the proposal of intention to conduct a tender offer for all of the issued and outstanding investment units of the Investment Corporation, which the Investment Corporation received from IRE (Cayman) Limited (together with its related parties, hereinafter referred to as the "Invesco Real Estate") that Invesco Investments (Bermuda) Ltd., Invesco Real Estate and its affiliates cease all purchases outside of such tender offer from the date of public announcement of the proposal of the tender offer until the expiration or termination thereof.

(3)Refinancing

The Investment Corporation executed borrowings as stated below for the purpose of refinancing the existing long-term loan of 17,410 million yen which came due on May 31, 2021.

(Unit: Millions of yen)

Classification	Lender	Date of borrowing	Borrowing amount	Interest rate (Note 1)	Maturity date	Purpose of borrowing	Security
Short-term	Sumitomo Mitsui Banking Corporation	May 31, 2021	2,227	Base rate plus 0.20% (Note 2)	May 31, 2022	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,184				
	MUFG Bank, Ltd.		696				
	Resona Bank, Limited		696				
	Mizuho Bank, Ltd.		348				
	Shinsei Bank, Limited		209				
Long-term	Sumitomo Mitsui Banking Corporation	May 31, 2021	1,275	Base rate plus 0.30% (Note 3) (Note 4)	November 29, 2024	(Note 6)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.		1,250				
	Sumitomo Mitsui Trust Bank, Limited		700				
	Resona Bank, Limited		700				
	Shinsei Bank, Limited		500				
	The Bank of Fukuoka, Ltd.		500				
	MUFG Bank, Ltd.		350				
	Sumitomo Mitsui Banking Corporation		1,275	Base rate plus 0.45% (Note 3) (Note 5)	May 29, 2026		
	Aozora Bank, Ltd.		1,500				
	Mizuho Bank, Ltd.		1,250				
	Sumitomo Mitsui Trust Bank, Limited		700				
	Resona Bank, Limited		700				
	Shinsei Bank, Limited		500				
	The Bank of Fukuoka, Ltd.		500				
MUFG Bank, Ltd.	350						
Total			17,410	-	-	-	-

(Note 1) Financing commissions to be paid to the lenders are not included in the "Interest rate".

(Note 2) The "Base rate" applicable to the period for the calculation of the interest payable on an interest payment date is the one-month Japanese yen Tokyo Interbank Offered Rate (TIBOR) published by the Japanese Bankers Association ("JBA") TIBOR Administration as of the date two business days prior to the most recent interest payment date of each interest payment date (for the first interest period, two business days prior to the borrowing date). The base rate will be revised on every payment date. However, if there is no base rate that corresponds to an interest calculation period, the base rate corresponding to the period as calculated by the formula set forth in the loan agreements will apply.

(Note 3) The "Base rate" applicable to the period for the calculation of the interest payable on an interest payment date is the three-month Japanese yen Tokyo Interbank Offered Rate (TIBOR) published by the JBA TIBOR Administration as of the date two business days prior to the most recent interest payment date of each interest payment date (for the first interest period, two business days prior to the borrowing date).

(Note 4) The interest rate of the borrowing mentioned above is floating. For the purpose of avoiding the interest-rate risk, the Investment Corporation concluded an interest rate swap agreement and the interest rate are effectively fixed at 0.3553%.

(Note 5) The interest rate of the borrowing mentioned above is floating. For the purpose of avoiding the interest-rate risk, the Investment Corporation concluded an interest rate swap agreement and the interest rate are effectively fixed at 0.5207%.

(Note 6) "Purpose of borrowing" is to refinance the existing long-term loan of 17,410 million yen which came due on May 31, 2021.

c) Investment management performance outlook

The forecast for the fiscal period ending October 31, 2021 (from May 1, 2021 to October 31, 2021) and April 30, 2022 (from November 1, 2021 to April 30, 2022) are as follows. The figures below are calculated as at the date hereof based on the assumptions set forth in “Assumptions for the forecast of investment management performance for the fiscal period ending October 31, 2021 (from May 1, 2021 to October 31, 2021) and April 30, 2022 (from November 1, 2021 to April 30, 2022)” below.

The forecast for the fiscal period ending October 31, 2021 (from May 1, 2021 to October 31, 2021) (Fifteenth fiscal period):

Operating revenues	8,767 million yen
Operating income	3,711 million yen
Ordinary income	3,236 million yen
Net income	3,236 million yen
Distributions per unit	367 yen
Distributions in excess of earnings per unit	- yen

The forecast for the fiscal period ending April 30, 2022 (from November 1, 2021 to April 30, 2022) (Sixteenth fiscal period):

Operating revenues	8,479 million yen
Operating income	3,823 million yen
Ordinary income	3,348 million yen
Net income	3,348 million yen
Distributions per unit	381 yen
Distributions in excess of earnings per unit	- yen

(Note) The forecast above was calculated based on estimations as at the date hereof. Accordingly, actual operating revenues, operating income, ordinary income, net income, distributions per unit and distributions in excess of earnings per unit may differ from the forecasted figures. In addition, the forecast above does not guarantee the amount of the distributions.

Assumptions for the forecast of investment management performance  
for the fiscal period ending October 31, 2021 (from May 1, 2021 to October 31, 2021) and  
April 30, 2022 (from November 1, 2021 to April 30, 2022)

Items	Assumptions
Calculation period	<ul style="list-style-type: none"> <li>- Fiscal Period Ending October 31, 2021 (Fifteenth fiscal period) (from May 1, 2021 to October 31, 2021) (184 days)</li> <li>- Fiscal Period Ending April 30, 2022 (Sixteenth fiscal period) (from November 1, 2021 to April 30, 2022) (181 days)</li> </ul>
Assets managed	<ul style="list-style-type: none"> <li>- Based on the assumption of eighteen properties (hereinafter, the “owned assets”) and there will be no change to the number of assets until the end of the fiscal period ending April 30, 2022 (Sixteenth fiscal period).</li> <li>- However, there is the possibility of fluctuations depending on changes in managed assets.</li> </ul>
Operating revenues	<ul style="list-style-type: none"> <li>- Based on the operating revenues from owned assets. The revenues from the leasing business for the owned assets are calculated, considering the lease agreements that are effective as at the date of this document, tenant circumstances, market circumstances, etc., and based on the assumption that no tenants will fail to pay or default on rents.</li> <li>- In addition, due to the impact from the COVID-19 pandemic, it is expected that the rental revenues for the fiscal period ending October 31, 2021 (Fifteenth fiscal period) and the fiscal period ending April 30, 2022 (Sixteenth fiscal period) are likely to decrease. Therefore, such forecast is taken into account when calculating the estimated investment performance.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>- Among the expenses for the leasing business, which is a major operating expense, the expenses other than the depreciation expenses are calculated reflecting variable factors of expenses based on the past actual figures for owned assets.</li> <li>- The depreciation expenses are calculated including any incidental expenses, etc. according to the straight-line method. The estimates are 1,028 million yen for the fiscal period ending October 31, 2021 (Fifteenth fiscal period) and 1,054 million yen for the fiscal period ending April 30, 2022 (Sixteenth fiscal period).</li> <li>- The estimated fixed asset tax and city planning tax are estimated to be 724 million yen for the fiscal period ending October 31, 2021 (Fifteenth fiscal period) and 716 million yen for the fiscal period ending April 30, 2022 (Sixteenth fiscal period).</li> <li>- In terms of repair costs, the asset management company records the estimated cost amounts for each property as expenses. However, an increase in repair costs or additional repair costs may arise due to unpredictable causes, and thus the actual costs may differ substantially from the estimated costs.</li> <li>- In addition, the expenses related to measures taken in response to the tender offer for the investment units of the Investment Corporation is taken into account for calculation to a certain extent. Such expenses may increase or additional expenses may be incurred, as it is difficult to determine expected time of completion of the series of measures taken in response to such tender offer or other related factors.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>- The estimated interest expenses and other loan-related costs are estimated to be 473 million yen for the fiscal period ending October 31, 2021 (Fifteenth fiscal period) and 473 million yen for the fiscal period ending April 30, 2022 (Sixteenth fiscal period).</li> </ul>
Loans	<ul style="list-style-type: none"> <li>- The Investment Corporation has a balance of borrowings amounting to 124,160 million yen as at the date of this document and the amount will not change until the end of the fiscal period ending April 30, 2022 (Sixteenth fiscal period).</li> <li>- LTV is estimated at approximately 49.4 % as at the end of the fiscal period ending October 31, 2021 (Fifteenth fiscal period) and 49.3% as at the end of the fiscal period ending April 30, 2022 (Sixteenth fiscal period). The LTV ratio is calculated according to the following formula:  <math display="block">\text{LTV} = \frac{\text{total amount of interest-bearing debt (as at the end of the fiscal period ending October 31, 2021 (Fifteenth fiscal period) or the end of the fiscal period ending April 30, 2022 (Sixteenth fiscal period))}}{\text{total amount of assets (as at the end of the fiscal period ending October 31, 2021 (Fifteenth fiscal period) or the end of the fiscal period ending April 30, 2022 (Sixteenth fiscal period))}} \times 100</math> </li> </ul>

Items	Assumptions
Investment units	- Based on the assumption of 8,802,650 units which are issued as of today, and it is estimated that there will be no additional issue or acquisition and retirement of investment units until April 30, 2022 (Sixteenth fiscal period).
Distributions per unit (excluding distributions in excess of earnings)	<ul style="list-style-type: none"> <li>- The distributions per unit (excluding distributions in excess of earnings) are calculated based on the monetary distribution policy provided for under the Articles of Incorporation of the Investment Corporation.</li> <li>- The distributions per unit may change due to various reasons, including a change in managed assets, a change in rent revenues arising from a change in tenants or unexpected repairs.</li> <li>- It is estimated that the Investment Corporation continues the derivative transactions (interest rate swaps) during the fiscal period ending October 31, 2021 (Fifteenth fiscal period) or the end of the fiscal period ending April 30, 2022 (Sixteenth fiscal period), and deferred losses on hedges among the deductions from net assets (those provided in Article 2, Paragraph 2, Item 30 (b) of the Ordinance on Accountings of Investment Corporations) are estimated to be 40 million yen for each fiscal period, almost the same amount corresponding to that for the fiscal period ended April 30, 2021 (Fourteenth fiscal period). The calculation assumes that there is no impact from the changes in the deductions from net assets to distribution per unit (excluding in excess of earnings).</li> </ul>
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> <li>- As described above, it is estimated that there are no changes in the amount of deferred losses on hedges as deduction from net assets in the fiscal period ending October 31, 2021 (Fifteenth fiscal period) or the end of the fiscal period ending April 30, 2022 (Sixteenth fiscal period), and distributions in excess of earning related to the allowance for temporary difference adjustment are not scheduled at present.</li> <li>- Distributions in excess of earnings by decreasing unitholders' capital on taxation are not scheduled at present.</li> </ul>
Other	<ul style="list-style-type: none"> <li>- Based on the assumption that there will be no revisions to laws, regulations, the tax system, accounting standards, listing rules, rules of the Investment Trusts Association, Japan, etc. that will affect the estimated figures described above.</li> <li>- Based on the assumption that there will be no unexpected material changes in general economic trends, real estate market circumstances, etc.</li> </ul>

**B. Investment risks**

Disclosure is omitted since there are no significant changes from the investment risks described in the most recent Securities Report (submitted on January 27, 2021).

II. Financial statements

A. Balance sheets

	Previous fiscal period as of October 31, 2020	Current fiscal period as of April 30, 2021
(Unit: Thousands of yen)		
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and bank deposits	5,373,873	6,366,489
Entrusted cash and entrusted bank deposits	17,576,325	16,657,123
Accounts receivables - operating	449,233	391,274
Income taxes receivables	11	-
Short-term prepaid expenses	370,662	366,816
Derivative assets	9,525	2,976
Other current assets	1,542	1,542
<b>Total current assets</b>	<b>23,781,174</b>	<b>23,786,223</b>
<b>Non-current assets:</b>		
<b>Property and equipment</b>		
Entrusted buildings	53,353,771	53,520,069
Accumulated depreciation	(9,005,790)	(9,942,886)
Entrusted buildings, net	44,347,980	43,577,183
Entrusted building improvements	355,286	357,537
Accumulated depreciation	(207,077)	(220,013)
Entrusted building improvements, net	148,208	137,523
Entrusted machineries	67,099	88,670
Accumulated depreciation	(20,230)	(24,038)
Entrusted machineries, net	46,868	64,632
Entrusted furniture and equipment	251,872	260,088
Accumulated depreciation	(121,218)	(141,176)
Entrusted furniture and equipment, net	130,654	118,911
Entrusted land	186,097,202	183,002,432
Entrusted construction in progress	24,844	31,889
<b>Total property and equipment</b>	<b>230,795,758</b>	<b>226,932,572</b>
<b>Intangible assets:</b>		
Other intangible assets	569	341
<b>Total intangible assets</b>	<b>569</b>	<b>341</b>
<b>Investment and other assets:</b>		
Security deposits and guarantee deposits	10,088	10,088
Long-term prepaid expenses	405,741	404,416
Deferred tax assets	22,016	18,864
Others	844,528	870,094
<b>Total investment and other assets</b>	<b>1,282,375</b>	<b>1,303,464</b>
<b>Total non-current assets</b>	<b>232,078,703</b>	<b>228,236,378</b>
<b>Deferred assets:</b>		
Investment corporation bonds issuance expenses	66,499	55,947
<b>Total deferred assets</b>	<b>66,499</b>	<b>55,947</b>
<b>TOTAL ASSETS</b>	<b>255,926,377</b>	<b>252,078,550</b>

	Previous fiscal period as of October 31, 2020	Current fiscal period as of April 30, 2021
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable - operating	789,054	637,857
Short-term borrowings	500,000	-
Current portion of investment corporation bonds	-	1,800,000
Current portion of long-term borrowings	33,430,000	30,910,000
Accounts payable - other	656,546	661,565
Accrued expenses	63,868	64,498
Income taxes payable	605	1,774
Consumption tax payable	235,810	201,457
Rent received in advance	1,022,001	1,011,801
Derivative liabilities	2,555	11,164
Other current liabilities	32,254	70,282
<b>Total current liabilities</b>	<b>36,732,696</b>	<b>35,370,402</b>
<b>Non-current liabilities:</b>		
Investment corporation bonds	17,400,000	15,600,000
Long-term borrowings	74,950,000	75,850,000
Entrusted tenant leasehold and security deposits	12,617,926	12,400,637
Derivative liabilities	76,952	51,564
<b>Total non-current liabilities</b>	<b>105,044,879</b>	<b>103,902,201</b>
<b>TOTAL LIABILITIES</b>	<b>141,777,575</b>	<b>139,272,604</b>
<b>NET ASSETS</b>		
<b>Unitholders' equity:</b>		
Unitholders' capital	111,347,459	111,347,459
Deduction from unitholders' capital		
Allowance for temporary difference adjustment	*2 (64,100)	*2 (47,966)
Other deduction from unitholders' capital	*3 (799,984)	*3 (2,199,981)
Total deduction from unitholders' capital	(864,084)	(2,247,948)
Unitholders' capital, net	110,483,374	109,099,511
Surplus:		
Retained earnings	3,713,392	3,747,388
Total surplus	3,713,392	3,747,388
<b>Total Unitholders' equity</b>	<b>114,196,767</b>	<b>112,846,900</b>
<b>Valuation and translation adjustments:</b>		
Deferred gains or losses on hedges	(47,966)	(40,954)
<b>Total valuation and translation adjustments</b>	<b>(47,966)</b>	<b>(40,954)</b>
<b>TOTAL NET ASSETS</b>	<b>*1 114,148,801</b>	<b>*1 112,805,946</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>255,926,377</b>	<b>252,078,550</b>

B. Statements of income

	(Unit: Thousands of yen)	
	Previous fiscal period from May 1, 2020 to October 31, 2020	Current fiscal period from November 1, 2020 to April 30, 2021
<b>Operating revenues</b>		
Rental revenues	* <sub>1</sub> 8,075,468	* <sub>1</sub> 7,947,254
Other rental revenues	* <sub>1</sub> 790,420	* <sub>1</sub> 670,238
Gain on sales of real estate properties	-	* <sub>2</sub> 137,601
<b>Total operating revenues</b>	<b>8,865,889</b>	<b>8,755,093</b>
<b>Operating expenses</b>		
Property-related expenses	* <sub>1</sub> 3,895,400	* <sub>1</sub> 3,685,595
Asset management fees	754,511	757,007
General administration and custodian fees	19,345	21,766
Compensation for directors	3,600	3,600
Other operating expenses	65,498	101,144
<b>Total operating expenses</b>	<b>4,738,355</b>	<b>4,569,113</b>
<b>Operating income</b>	<b>4,127,533</b>	<b>4,185,980</b>
<b>Non-operating revenues</b>		
Interest income	76	79
Refund of unpaid distributions	1,124	910
Other non-operating revenues	63	-
<b>Total non-operating revenues</b>	<b>1,265</b>	<b>989</b>
<b>Non-operating expenses</b>		
Interest expense	264,936	254,448
Interest expense on investment corporation bonds	37,431	41,395
Amortization of investment corporation bonds issuance costs	9,395	10,551
Financing costs	168,871	165,816
Other non-operating expenses	1,615	14,214
<b>Total non-operating expenses</b>	<b>482,250</b>	<b>486,425</b>
<b>Ordinary income</b>	<b>3,646,548</b>	<b>3,700,544</b>
<b>Net income before income taxes</b>	<b>3,646,548</b>	<b>3,700,544</b>
Current income taxes	605	1,786
Deferred tax expenses	-	(66)
<b>Total income taxes</b>	<b>605</b>	<b>1,719</b>
<b>Net income</b>	<b>3,645,943</b>	<b>3,698,824</b>
<b>Retained earnings at the beginning of the period</b>	<b>67,449</b>	<b>48,563</b>
<b>Retained earnings at the end of the period</b>	<b>3,713,392</b>	<b>3,747,388</b>

C. Statements of changes in net assets  
 Previous fiscal period: from May 1, 2020 to October 31, 2020

(Unit: Thousands of yen)

	Unitholders' equity							
	Unitholders' capital				Surplus			Total unitholders' equity
	Unitholders' capital	Deduction from unitholders' capital			Unitholders' capital, net	Retained earnings	Total surplus	
		Allowance for temporary difference adjustment	Other deduction from unitholders' capital	Total deduction from unitholders' capital				
Balance at the beginning of the period	111,347,459	(122,030)	(799,984)	(922,015)	110,425,444	3,765,175	3,765,175	114,190,620
Changes during the period:								
Cash distribution declared	-	-	-	-	-	(3,639,795)	(3,639,795)	(3,639,795)
Reversal of allowance for temporary difference	-	57,930	-	57,930	57,930	(57,930)	(57,930)	-
Net income	-	-	-	-	-	3,645,943	3,645,943	3,645,943
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-
Total changes during the period	-	57,930	-	57,930	57,930	(51,783)	(51,783)	6,147
Balance at the end of the period	*1 111,347,459	(64,100)	(799,984)	(864,084)	110,483,374	3,713,392	3,713,392	114,196,767

	Valuation and translation adjustments		Total net assets
	Deferred income on hedges	Total valuation and translation adjustments	
Balance at the beginning of the period	(64,100)	(64,100)	114,126,519
Changes during the period:			
Cash distribution declared	-	-	(3,639,795)
Reversal of allowance for temporary difference	-	-	-
Net income	-	-	3,645,943
Net changes of items other than unitholders' equity	16,133	16,133	16,133
Total changes during the period	16,133	16,133	22,281
Balance at the end of the period	(47,966)	(47,966)	114,148,801

Current fiscal period: from November 1, 2020 to April 30, 2021

(Unit: Thousands of yen)

	Unitholders' equity								
	Unitholders' capital				Unitholders' capital, net	Surplus		Own investment units	Total unitholders' equity
	Unitholders' capital	Deduction from unitholders' capital				Retained earnings	Total surplus		
		Allowance for temporary difference adjustment	Other deduction from unitholders' capital	Total deduction from unitholders' capital					
Balance at the beginning of the period	111,347,459	(64,100)	(799,984)	(864,084)	110,483,374	3,713,392	3,713,392	-	114,196,767
Changes during the period:									
Cash distribution declared	-	-	-	-	-	(3,648,694)	(3,648,694)	-	(3,648,694)
Reversal of allowance for temporary difference	-	16,133	-	16,133	16,133	(16,133)	(16,133)	-	-
Net income	-	-	-	-	-	3,698,824	3,698,824	-	3,698,824
Acquisition of own investment units	-	-	-	-	-	-	-	(1,399,997)	(1,399,997)
Retirement of own investment units	-	-	(1,399,997)	(1,399,997)	(1,399,997)	-	-	1,399,997	-
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	-
Total changes during the period	-	16,133	(1,399,997)	(1,383,863)	(1,383,863)	33,995	33,995	-	(1,349,867)
Balance at the end of the period	*1 111,347,459	(47,966)	(2,199,981)	(2,247,948)	109,099,511	3,747,388	3,747,388	-	112,846,900

	Valuation and translation adjustments		Total net assets
	Deferred income on hedges	Total valuation and translation adjustments	
Balance at the beginning of the period	(47,966)	(47,966)	114,148,801
Changes during the period:			
Cash distribution declared	-	-	(3,648,694)
Reversal of allowance for temporary difference	-	-	-
Net income	-	-	3,698,824
Acquisition of own investment units	-	-	(1,399,997)
Retirement of own investment units	-	-	-
Net changes of items other than unitholders' equity	7,012	7,012	7,012
Total changes during the period	7,012	7,012	(1,342,855)
Balance at the end of the period	(40,954)	(40,954)	112,805,946

D. Statements of cash distributions

	Previous fiscal period from May 1, 2020 to October 31, 2020	Current fiscal period from November 1, 2020 to April 30, 2021
I. Unappropriated retained earnings	3,713,392,653 yen	3,747,388,530 yen
II. Capitalization	16,133,976 yen	7,012,154 yen
Reversal of allowance for temporary difference	16,133,976 yen	7,012,154 yen
III. Distributions	3,648,694,960 yen	3,697,113,000 yen
[Distributions per unit]	[410 yen]	[420 yen]
IV. Retained earnings carried forward	48,563,717 yen	43,263,376 yen
Calculation method of distribution amount	<p>Pursuant to the cash distribution policy defined in Article 35, Paragraph 1 of the Articles of Incorporation of the Investment Corporation, it shall distribute in excess of the amount equivalent to 90% of the amount of distributable earnings of the Investment Corporation as defined in Article 67-15 of the Act on Special Measures Concerning Taxation. In accordance with such policy, concerning cash distribution of earnings (not including cash distribution in excess of earnings), the decision was made to distribute 3,648,694,960 yen, which is almost the entire amount of the earnings provided in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations after deduction of reversal of allowance for temporary difference adjustment (those provided in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations) but excluding the portion where cash distribution of earnings per unit becomes a fractional amount of less than 1 yen, as cash distribution of earnings.</p>	<p>Pursuant to the cash distribution policy defined in Article 35, Paragraph 1 of the Articles of Incorporation of the Investment Corporation, it shall distribute in excess of the amount equivalent to 90% of the amount of distributable earnings of the Investment Corporation as defined in Article 67-15 of the Act on Special Measures Concerning Taxation. In accordance with such policy, concerning cash distribution of earnings (not including cash distribution in excess of earnings), the decision was made to distribute 3,697,113,000 yen, which is almost the entire amount of the earnings provided in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations after deduction of reversal of allowance for temporary difference adjustment (those provided in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations) but excluding the portion where cash distribution of earnings per unit becomes a fractional amount of less than 1 yen, as cash distribution of earnings.</p>

E. Statements of cash flows

	(Unit: Thousands of yen)	
	Previous fiscal period from May 1, 2020 to October 31, 2020	Current fiscal period from November 1, 2020 to April 30, 2021
<b>Cash flows from operating activities:</b>		
Net income before income taxes	3,646,548	3,700,544
Depreciation expenses	1,022,956	1,028,177
Amortization of investment corporation bonds issuance costs	9,395	10,551
Financing costs	168,871	165,816
Interest income	(76)	(79)
Interest expense	302,368	295,843
(Increase) decrease in accounts receivables - operating	7,570	57,958
(Increase) decrease in income taxes receivable	(0)	11
(Increase) decrease in short-term prepaid expenses	(9,880)	(16,623)
(Increase) decrease in long-term prepaid expenses	17,455	13,389
(Increase) decrease in other current assets	4,788	(25,566)
Increase (decrease) in accounts payable - operating	215,381	(201,636)
Increase (decrease) in accounts payable - other	121,808	6,491
Increase (decrease) in consumption tax payable	(61,824)	(34,352)
Increase (decrease) in rental received in advance	(4,198)	(10,199)
Decrease in entrusted property and equipment held due to sale	-	3,534,724
Increase (decrease) in other current liabilities	(5,632)	38,023
Subtotal	5,435,532	8,563,074
Interest received	76	79
Interest expenses paid	(305,819)	(295,208)
Income taxes paid	(605)	(617)
<b>Net cash provided by (used in) operating activities</b>	<b>5,129,185</b>	<b>8,267,328</b>
<b>Cash flows from Investing activities:</b>		
Purchase of entrusted property and equipment	(312,318)	(649,048)
<b>Net cash provided by (used in) investing activities</b>	<b>(312,318)</b>	<b>(649,048)</b>
<b>Cash flows from Financing activities:</b>		
Repayments of short-term borrowings	(6,980,000)	(500,000)
Proceeds from long-term borrowings	17,580,000	14,400,000
Repayments of long-term borrowings	(13,600,000)	(16,020,000)
Payment of financing costs	(155,905)	(157,411)
Proceeds from issuance of investment corporation bonds	3,000,000	-
Payment of investment corporation bond issuance costs	(21,993)	-
Payment of own investment units acquisition	-	(1,399,997)
Distribution to unitholders	(3,640,591)	(3,650,167)
<b>Net cash provided by (used in) financing activities</b>	<b>(3,818,490)</b>	<b>(7,327,576)</b>
<b>Net change in cash and cash equivalents</b>	<b>998,375</b>	<b>290,703</b>
Cash and cash equivalents at the beginning of period	9,333,896	10,332,271
<b>Cash and cash equivalents at the end of period</b>	<b>*1 10,332,271</b>	<b>*1 10,622,975</b>

F. Notes on assumption of going concern

Not applicable.

G. Notes on significant accounting policies

1. Method of depreciation of fixed assets	<p>(1) Property and equipment The straight-line method is used. The useful lives of property and equipment are listed below.</p> <table border="0"> <tr> <td>Entrusted buildings</td> <td>6 to 46 years</td> </tr> <tr> <td>Entrusted building improvements</td> <td>7 to 20 years</td> </tr> <tr> <td>Entrusted machineries</td> <td>8 to 17 years</td> </tr> <tr> <td>Entrusted furniture and equipment</td> <td>3 to 15 years</td> </tr> </table> <p>(2) Intangible fixed assets The straight-line method is used.</p> <p>(3) Long-term prepaid expenses The straight-line method is used.</p>	Entrusted buildings	6 to 46 years	Entrusted building improvements	7 to 20 years	Entrusted machineries	8 to 17 years	Entrusted furniture and equipment	3 to 15 years
Entrusted buildings	6 to 46 years								
Entrusted building improvements	7 to 20 years								
Entrusted machineries	8 to 17 years								
Entrusted furniture and equipment	3 to 15 years								
2. Accounting method for deferred assets	<p>(1) Public offering costs: All public offering costs are expensed when incurred.</p> <p>(2) Investment corporation bonds issuance costs: Bond issuance costs are amortized by applying the straight-line method for the entire redemption period.</p>								
3. Recognition of revenue and expenses	<p>Accounting treatment of fixed asset tax and other property-related taxes: For fixed asset tax, city planning tax, depreciable asset tax, etc., the amount of tax levied on real properties held corresponds to the accounting period and is recorded as property-related expenses. The amount equivalent to the fixed asset tax to be paid by the Investment Corporation in the first year of acquisition relating to the real estate properties or trust beneficiary interests in real estate is not recorded as an expense but included in the acquisition costs for the related properties. For the previous fiscal period and the fiscal period under review, there was no fixed asset tax included in acquisition costs for properties.</p>								
4. Method of hedge accounting	<p>(1) Method of hedge accounting: Deferred hedge accounting is generally used for interest rate swaps. Special treatment is applied for interest rate swaps which satisfy the requirements for special treatment.</p> <p>(2) Hedge instruments and hedged items: Hedge instruments: Interest rate swap transactions 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 regulations that stipulate the basic policy of risk management.</p> <p>(4) Method of assessing hedge effectiveness: The effectiveness of hedging is measured by comparing the cumulative total cash flow fluctuation of the hedged items and that of the hedging instruments and verifying the ratio of differences in the amount of changes from both the hedged items and the hedging instruments. The assessment of hedge effectiveness is omitted for the interest rate swaps which satisfy the requirements for special treatment.</p>								
5. Scope of cash and cash equivalents in the statements of cash flows	<p>Cash and cash equivalents in the statements of cash flows include cash on hand, entrusted cash, demand deposits, entrusted bank deposits, and highly liquid short-term investments that are readily convertible, bear little risk in price fluctuations, and mature within three months from the date of acquisition.</p>								
6. Other significant information for preparation of financial statements	<p>(1) Accounting policy for trust beneficiary interests in real estate: With regard to trust beneficiary interests in real estate, all assets and liabilities as well as all revenue and expense items associated with all entrusted assets are accounted for under the respective account item of the balance sheet and statements of income and retained earnings. Of the entrusted assets accounted for under the respective account item, the following significant items are separately indicated on the balance sheet:</p> <ol style="list-style-type: none"> <li>i) Entrusted cash and entrusted bank deposits;</li> <li>ii) Entrusted buildings, entrusted building improvements, entrusted machineries, entrusted furniture and equipment, entrusted land and entrusted construction in progress; and</li> <li>iii) Entrusted tenant leasehold and security deposits.</li> </ol> <p>(2) Accounting policy for consumption tax: All amounts in the accompanying financial statements exclude consumption tax.</p>								

(Additional information)

### Notes to Allowance for Temporary Difference Adjustments

Previous fiscal period (from May 1, 2020 to October 31, 2020)

1. Reason, related assets and amounts

(Unit: Thousands of yen)

Related assets, etc	Reason	Allowance for temporary difference adjustment
Deferred gains or losses on hedges	Changes in the fair value of derivative transactions	(16,133)

2. Method of reversal

Deferred gains or losses on hedges:

Based on changes in the fair value of the hedging instruments, the corresponding amount is scheduled to be reversed.

Current fiscal period (from November 1, 2020 to April 30, 2021)

1. Reason, related assets and amounts

(Unit: Thousands of yen)

Related assets, etc	Reason	Allowance for temporary difference adjustment
Deferred gains or losses on hedges	Changes in the fair value of derivative transactions	(7,012)

2. Method of reversal

Deferred gains or losses on hedges:

Based on changes in the fair value of the hedging instruments, the corresponding amount is scheduled to be reversed.

#### H. Notes to financial statements

Disclosure of notes to operating lease transactions, securities, retirement benefits, transactions with related parties and asset retirement obligations are omitted in the “Notes to financial statements”, as their disclosure in this report is not material.

### Notes to Balance Sheets

\*1. Minimum net assets as provided in Article 67, paragraph 4, of the Act on Investment Trusts and Investment Corporations

(Unit: Thousands of yen)

	Previous fiscal period as of October 31, 2020	Current fiscal period as of April 30, 2021
	50,000	50,000

\*2. Allowance for temporary difference adjustment

Previous fiscal period (from May 1, 2020 to October 31, 2020)

1. Reason, related assets and amounts

(Unit: Thousands of yen)

Related assets, etc	Reason	Initial amount	Balance at the beginning of the fiscal period	Allowance during the fiscal period	Reversal during the fiscal period	Balance at the end of the fiscal period	Reason for reversal
Deferred gains or losses on hedges	Loss on interest-rate swaps recognized at the end of the fiscal period	64,100	122,030	-	57,930	64,100	Changes in the fair value of derivative transaction
Total		64,100	122,030	-	57,930	64,100	

2. Method of reversal

(a) Deferred gains or losses on hedges:

Based on changes in the fair value of the hedging instruments, the corresponding amount is scheduled to be reversed.

Current fiscal period (from November 1, 2020 to April 30, 2021)

1. Reason, related assets and amounts

(Unit: Thousands of yen)

Related assets, etc	Reason	Initial amount	Balance at the beginning of the fiscal period	Allowance during the fiscal period	Reversal during the fiscal period	Balance at the end of the fiscal period	Reason for reversal
Deferred gains or losses on hedges	Loss on interest-rate swaps recognized at the end of the fiscal period	47,966	64,100	-	16,133	47,966	Changes in the fair value of derivative transaction
Total		47,966	64,100	-	16,133	47,966	-

2. Method of reversal

(a) Deferred gains or losses on hedges:

Based on changes in the fair value of the hedging instruments, the corresponding amount is scheduled to be reversed.

\*3. Retirement of own investment units

	Previous fiscal period (October 31, 2020)	Current fiscal period (April 30, 2021)
Total number of investment units retired	7,640 units	104,246 units
Total amount of retired investment units	799,984 thousand yen	2,199,981 thousand yen

(Note) Total number of investment units retired during the fiscal period under review was 96,606 units and total amount of retired investment units was 1,399,997 thousand yen.

**Notes to Statements of Income**

\*1. Breakdown of net operating income (loss)

(Unit: Thousands of yen)

	Previous fiscal period from May 1, 2020 to October 31, 2020	Current fiscal period from November 1, 2020 to April 30, 2021
<b>A. Rental and other operating revenues:</b>		
Rental revenues		
Rental revenues	6,669,508	6,571,410
Common area service fee	1,086,056	1,041,614
Other rental revenues	319,903	334,229
Total rental revenues	8,075,468	7,947,254
Other rental-related revenues		
Other rental-related revenues	790,420	670,238
Total other rental-related revenues	790,420	670,238
Total rental and other related revenues	8,865,889	8,617,492
<b>B. Property-related expenses:</b>		
Property management fees	1,019,077	1,015,000
Utility expenses	763,604	608,514
Insurance	15,620	15,685
Repair and maintenance	275,065	221,204
Other taxes	727,114	710,027
Depreciation expenses	1,022,729	1,027,949
Other rental-related expenses	72,189	87,213
Total property-related expenses	3,895,400	3,685,595
<b>C. Net operating income (A-B)</b>	<b>4,970,488</b>	<b>4,931,897</b>

\*2. Breakdown of gain on sales of real estate properties

Previous Fiscal Period (From May 1, 2020 to October 31, 2020)

Not applicable

Current Fiscal Period (From November 1, 2020 to April 30, 2021)

(Unit: Thousands of Yen)

IBF Planning Building

Revenue from sales of real estate properties	3,750,000	
Cost of property	3,534,724	
Other related expenses	77,674	
Gain on sales of real estate properties		137,601

**Notes to Statement of Changes in Net Assets**

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

	Previous fiscal period from May 1, 2020 to October 31, 2020	Current fiscal period from November 1, 2020 to April 30, 2021
Total number of authorized investment units	80,000,000 units	80,000,000 units
Total number of investment units issued	8,899,256 units	8,802,650 units

## Notes to Statements of Cash Flows

- \*1. Reconciliation between cash and cash equivalents at end of period and relevant amount on the balance sheets  
(Units: Thousands of yen)

	Previous fiscal period from May 1, 2020 to October 31, 2020	Current fiscal period from November 1, 2020 to April 30, 2021
Cash and bank deposits	5,373,873	6,366,489
Entrusted cash and entrusted bank deposits	17,576,325	16,657,123
Entrusted bank deposits with restrictions (Note)	(12,617,926)	(12,400,637)
Cash and cash equivalents	10,332,271	10,622,975

(Note) Entrusted bank deposits with restrictions are retained for the refund of tenants' leasehold and security deposits.

## Notes to Financial Instruments

### 1. Qualitative information about financial instruments

#### (a) Policy for financial instruments

The Investment Corporation's basic policy is to conduct stable and sound financial management to contribute to the continuous growth of assets under management and doing so in an efficient and appropriate management. The Investment Corporation procures funds by borrowing, issuing investment corporation bonds (including short-term investment corporation bonds; same shall apply hereinafter), and issuing investment units for the purpose of acquiring assets, paying repair, maintenance and other management expenses, making distributions, and funding the Investment Corporation's operations including necessary working capital and repayments of borrowings.

Temporary surpluses and entrusted tenant leasehold and security deposits are also invested in bank deposits considering the safety of the investment and convertibility into cash.

Derivative transactions are carried out only to hedge the risk of fluctuations in interest rates associated with borrowings and other risks.

#### (b) Content and risks of financial instruments and risk management system

Proceeds from borrowings and issuing investment corporation bonds are received mainly for the purpose of acquiring real estate and trust beneficiary interests in real estate.

Proceeds from borrowings and issuing investment corporation bonds are exposed to liquidity risk on due dates. However, the Investment Corporation manages this risk mainly by appropriately managing the LTV (loan-to-value) ratio to limit the impact of higher market interest rates on the Investment Corporation's operations and endeavoring to maintain and strengthen its ability to raise capital from capital markets through capital increases. Also, management constantly monitors on-hand liquidity by preparing monthly cash flow projections and formulates fund raising plans at an early stage to maintain required capital.

Floating-rate borrowings are exposed to the risk of fluctuations in interest rates. However, the Investment Corporation manages this risk mainly by adjusting the ratio of outstanding floating-rate borrowings to total borrowing depending on the finance environment.

Furthermore, these risks are managed through derivative transactions (interest rate swaps) as hedging instruments on certain floating-rate borrowings in order to fix interest rate payments and hedge the risk of fluctuations in interest rates. The hedge effectiveness of the interest rate swaps is assessed by comparing the cumulative changes in the cash flows of the hedging instruments and the hedged items and based on the respective amount of changes; provided, however, that the assessment of hedge effectiveness is omitted for those interest rate swaps that satisfy the requirements for special treatment.

Derivative transactions are conducted and managed in accordance with the internal regulations that specify the basic policy of risk management.

The surplus funds deposited to the financial institutions are exposed to the financial institutions' credit risk. However, the risks are managed through our selection of financial institutions with certain creditworthiness and by limiting the term of the deposit to short term.

Entrusted tenant leasehold and security deposits are deposits provided by tenants under lease agreements. This is exposed to liquidity risk due to the cancellation of the lease agreement before the original term. The risks are managed by monitoring liquidity on hand.

(c) Supplementary remarks on fair value of financial instruments

The fair value of financial instruments is based on market prices or reasonably calculated value if there is no market price available. As certain assumptions are used in calculating these values, these values may vary in the event different assumptions are used.

2. Matters regarding fair value of financial instruments

Book values, fair values, and the difference between the two values are shown below. Financial instruments whose fair value cannot be reliably measured are not included in the table below (Note 2).

Previous fiscal period (as of October 31, 2020)

(Unit: Thousands of yen)

	Book value (Note1)	Fair value (Note1)	Difference
(1) Cash and bank deposits	5,373,873	5,373,873	-
(2) Entrusted cash and entrusted bank deposits	17,576,325	17,576,325	-
Total assets	22,950,198	22,950,198	-
(3) Short-term borrowings	500,000	500,000	-
(4) Current portion of investment corporation bonds	-	-	-
(5) Current portion of long-term borrowings	33,430,000	33,431,647	1,647
(6) Investment corporation bonds	17,400,000	17,348,140	(51,860)
(7) Long-term borrowings	74,950,000	75,167,351	217,351
Total liabilities	126,280,000	126,447,138	167,138
(8) Derivative transactions	(69,982)	(69,982)	-

Current fiscal period (as of April 30, 2021)

(Unit: Thousands of yen)

	Book value (Note1)	Fair value (Note1)	Difference
(1) Cash and bank deposits	6,366,489	6,366,489	-
(2) Entrusted cash and entrusted bank deposits	16,657,123	16,657,123	-
Total assets	23,023,612	23,023,612	-
(3) Short-term borrowings	-	-	-
(4) Current portion of investment corporation bonds	1,800,000	1,796,220	(3,780)
(5) Current portion of long-term borrowings	30,910,000	30,911,036	1,036
(6) Investment corporation bonds	15,600,000	15,575,090	(24,910)
(7) Long-term borrowings	75,850,000	76,107,666	257,666
Total liabilities	124,160,000	124,390,013	230,013
(8) Derivative transactions	(59,751)	(59,751)	-

(Note 1) Measurement of fair values of financial instruments:

(1) Cash and bank deposits, (2) Entrusted cash and entrusted bank deposits and (3) Short-term borrowings

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

(5) Current portion of long-term borrowings and (7) Long-term borrowings

Because the interest rates of the current portion of long-term borrowings and long-term borrowings carrying floating interest rates which are to be revised periodically, their fair value is essentially the same as the book value and

therefore the book value is used as the fair value of these liabilities. The fair value of the current portion of long-term borrowings and long-term borrowings carrying fixed interest rates are calculated by discounting the total of principal and interest at the rate assumed when a new, similar borrowings corresponding to the remaining period is made. The fair values for interest rate swaps, to which special treatment is applied, are included in the fair value of the current portion of long-term borrowings and the long-term borrowings as the hedged item.

(4) Current portion of investment corporation bonds (6) Investment corporation bonds

The fair value of investment corporation bonds is based on market prices.

(8) Derivative transactions

Please refer to “Notes to Derivative Transactions” described below.

(Note 2) Book value of financial instruments whose fair value cannot be reliably measured:

Entrusted tenant leasehold and security deposits, which are deposited by lessees of rental properties, are not subject to fair value disclosure because there are no market prices to compare. It is not possible to reasonably estimate future cash flows because, even if a lease agreement period is specified, there is the possibility of midterm cancellation, renewal or re-contract and it is impossible to estimate the real deposit term, and therefore it is considered that these fair values cannot be reliably measured.

(Unit: Thousands of yen)

	Previous fiscal period as of October 31, 2020	Current fiscal period as of April 30, 2021
Entrusted tenant leasehold and security deposits	12,617,926	12,400,637

(Note 3) Redemption schedule for monetary claims after the balance sheet date

Previous fiscal period (as of October 31, 2020)

(Unit: Thousands of yen)

	Due within one (1) year
Cash and bank deposits	5,373,873
Entrusted cash and entrusted bank deposits	17,576,325
Total	22,950,198

Current fiscal period (as of April 30, 2021)

(Unit: Thousands of yen)

	Due within one (1) year
Cash and bank deposits	6,366,489
Entrusted cash and entrusted bank deposits	16,657,123
Total	23,023,612

(Note 4) Expected amount of repayments of borrowings and investment corporation bonds after the balance sheet date

Previous fiscal period (as of October 31, 2020)

(Unit: Thousands of yen)

	Due within 1 year	Due after 1 to 2 years	Due after 2 to 3 years	Due after 3 to 4 years	Due after 4 to 5 years	Due after 5 years
Short-term borrowings	500,000	-	-	-	-	-
Investment corporation bonds	-	1,800,000	5,500,000	7,100,000	2,000,000	1,000,000
Long-term borrowings	33,430,000	36,000,000	12,000,000	16,350,000	10,600,000	-

Current fiscal period (as of April 30, 2021)

(Unit: Thousands of yen)

	Due within 1 year	Due after 1 to 2 years	Due after 2 to 3 years	Due after 3 to 4 years	Due after 4 to 5 years	Due after 5 years
Short-term borrowings	-	-	-	-	-	-
Investment corporation bonds	1,800,000	5,500,000	7,100,000	-	2,000,000	1,000,000
Long-term borrowings	30,910,000	34,500,000	13,350,000	10,150,000	14,700,000	3,150,000

## Notes to Derivative Transactions

### 1. Derivative transactions not applying hedge accounting:

Previous fiscal period (as of October 31, 2020)

Not applicable.

Current fiscal period (as of April 30, 2021)

Not applicable.

### 2. Derivative transactions applying hedge fund accounting:

The following table shows the contracted amount or principal equivalent amount as set forth in the contract as of the balance sheet date for each hedge accounting method.

Previous fiscal period (as of October 31, 2020)

(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		
Standard method	Interest rate swap transaction Payment: fixed interest rate Receipt: floating interest rate	Long-term borrowings	60,450,000	36,700,000	(69,982)	The fair value is based on the price presented by the correspondent financial institutions.
Special treatment for interest rate swaps	Interest rate swap transaction Payment: fixed interest rate Receipt: floating interest rate	Long-term borrowings	33,950,000	33,950,000	(Note)	-
Total			94,400,000	70,650,000	(69,982)	-

(Note) Fair value for interest rate swaps with this special treatment is included in the fair value of “(5) Current portion of long-term borrowings and (7) Long-term borrowings” in “Notes to Financial Instruments / 2. Matters regarding fair value of financial instruments” described above, as it is accounted for as a single unit with the hedged long-term borrowings.

Current fiscal period (as of April 30, 2021)

(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		
Standard method	Interest rate swap transaction Payment: fixed interest rate Receipt: floating interest rate	Long-term borrowings	49,250,000	23,500,000	(59,751)	The fair value is based on the price presented by the correspondent financial institutions.
Special treatment for interest rate swaps	Interest rate swap transaction Payment: fixed interest rate Receipt: floating interest rate	Long-term borrowings	48,350,000	48,350,000	(Note)	-
Total			97,600,000	71,850,000	(59,751)	-

(Note) Fair value for interest rate swaps with this special treatment is included in the fair value of “(5) Current portion of long-term borrowings and (7) Long-term borrowings” in “Notes to Financial Instruments / 2. Matters regarding fair value of financial instruments” described above, as it is accounted for as a single unit with the hedged long-term borrowings.

## Notes to Deferred Tax Accounting

### 1. Significant components of deferred tax assets and liabilities

(Unit: Thousands of yen)

	Previous fiscal period as of October 31, 2020	Current fiscal period as of April 30, 2021
Deferred tax assets:		
Accrued business office taxes, currently not deductible	-	66
Deferred gains or losses on hedges	25,013	19,734
Total deferred tax assets	25,013	19,801
Deferred tax liabilities:		
Deferred gains or losses on hedges	2,996	936
Total deferred tax liabilities	2,996	936
Net deferred tax assets (liabilities)	22,016	18,864

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

(Unit: %)

	Previous fiscal period as of October 31, 2020	Current fiscal period as of April 30, 2021
Normal effective statutory tax rate	31.46	31.46
Adjustments:		
Distributions paid included as tax deductible	(31.46)	(31.43)
Other	0.02	0.02
Effective tax rate after application of deferred tax accounting	0.02	0.05

## Notes to Investment and Rental Properties

The Investment Corporation holds large office buildings in major metropolitan areas. The book values, changes during the period, and fair values of these rental properties are as follows:

(Unit: Thousands of yen)

	Previous fiscal period from May 1, 2020 to October 31, 2020	Current fiscal period from November 1, 2020 to April 30, 2021
Book value (Note 1)		
Balance at the beginning of period	231,552,516	230,795,758
Changes during the period (Note 2)	(756,757)	(3,863,186)
Balance at the end of period	230,795,758	226,932,572
Fair value at the end of period (Note 3)	277,881,000	274,320,000

(Note 1) The book value is the acquisition cost (including incidental expenses associated with acquisition) less accumulated depreciation. Intangible fixed assets (totaling 569 thousand yen at the end of the previous fiscal period and 341 thousand yen at the end of the fiscal period under review) are not included.

(Note 2) Relating to the changes during the previous fiscal period, the increase is mainly due to capital expenditure (265,971 thousand yen) and the decrease is principally attributable to depreciation (1,022,729 thousand yen). For the fiscal period under review, the increase is mainly due to capital expenditure (699,488 thousand yen) and the decrease is principally attributable to disposition of the asset (3,534,724 thousand yen) and depreciation (1,027,949 thousand yen).

(Note 3) The fair value at the end of the period is the appraisal value provided by an independent real estate appraiser. Regarding the fair value for “IBF Planning Building” in the current fiscal period, it is based on the disposition price (3,750,000 thousand yen) in the sales and purchase agreement dated December 10, 2020.

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

## Notes to Segment Information

### 1. Segment information

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

### 2. Related information

Previous fiscal period (from May 1, 2020 to October 31, 2020)

#### (a) Information about products and services

Disclosure is omitted as operating revenues from external customers of products and services within a single segment exceeds 90% of operating revenues on the Statements of Income.

#### (b) Information about geographical area

##### i) Operating revenues

Disclosure is omitted since operating revenues from external customers in Japan exceeds 90% of operating revenues on the Statements of Income.

##### ii) Property and equipment

Disclosure is omitted since the amount of property and equipment located in Japan exceeds 90% of property and equipment on the Balance Sheets.

#### (c) Information about major customers

Disclosure is omitted as there is no external customer whose operating income accounts for 10% or more of total operating revenues on the Statements of Income.

Current fiscal period (from November 1, 2020 to April 30, 2021)

#### (a) Information about products and services

Disclosure is omitted as operating revenues from external customers of products and services within a single segment exceeds 90% of operating revenues on the Statements of Income.

#### (b) Information about geographical area

##### i) Operating revenues

Disclosure is omitted since operating revenues from external customers in Japan exceeds 90% of operating revenues on the Statements of Income.

##### ii) Property and equipment

Disclosure is omitted since the amount of property and equipment located in Japan exceeds 90% of property and equipment on the Balance Sheets.

#### (c) Information about major customers

Disclosure is omitted as there is no external customer whose operating income accounts for 10% or more of total operating revenues on the Statements of Income.

**Notes to Per Unit Information**

	Previous fiscal period from May 1, 2020 to October 31, 2020	Current fiscal period from November 1, 2020 to April 30, 2021
Net assets per unit	12,826 yen	12,814 yen
Net income per unit	409 yen	416 yen

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

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

	Previous fiscal period from May 1, 2020 to October 31, 2020	Current fiscal period from November 1, 2020 to April 30, 2021
Net income (Thousands of yen)	3,645,943	3,698,824
Amount not attributable to common unitholders (Thousands of yen)	-	-
Net income attributable to common investment units (Thousands of yen)	3,645,943	3,698,824
Average number of investment units for the period (Units)	8,899,256	8,871,501

**Notes to Significant Subsequent Events**

Not applicable.

I. Changes in numbers of issued and outstanding investment units

Changes to the total unitholders' equity, net in last five (5) years are as follows:

Date	Event	Total number of investment units issued and outstanding (Units)		Total unitholders' equity, net (Note1) (Millions of yen)		Notes
		Change	Balance	Change	Balance	
May 31, 2016	Capital increase through public offering	261,500	803,710	23,939	77,830	(Note 2)
June 29, 2016	Capital increase through third-party allotment	11,837	815,547	1,083	78,913	(Note 3)
August 10, 2017	Retirement	(7,640)	807,907	(799)	78,113	(Note 4)
March 1, 2018	Unit split	5,655,349	6,463,256	-	78,113	(Note 5)
May 1, 2018	Capital increase through public offering	2,128,200	8,591,456	27,730	105,844	(Note 6)
May 23, 2018	Capital increase through third-party allotment	51,900	8,643,356	676	106,520	(Note 7)
May 22, 2019	Capital increase through public offering	243,700	8,887,056	3,835	110,355	(Note 8)
June 14, 2019	Capital increase through third-party allotment	12,200	8,899,256	191	110,547	(Note 9)
March 10, 2021	Retirement	(96,606)	8,802,650	(1,399)	109,147	(Note 10)

(Note 1) "Unitholders' equity, net" represents the amount of the unitholders' equity after deduction of the deduction from unitholders' equity. The changes in "Total unitholders' equity, net" derived from the distributions in excess of earnings related to the allowance for temporary adjustments are not considered.

(Note 2) New investment units were issued through a public offering with an issue price per unit of 94,672 yen (issue value: 91,545 yen).

(Note 3) New investment units were issued through a third-party allotment accompanying a capital increase through a public offering with an issue price per unit of 91,545 yen.

(Note 4) Based on the discretionary transaction contract with a security company, the Investment Corporation acquired own investment units from June 13, 2017 to July 10, 2017. The Investment Corporation resolved the retirement of all the acquired own investment units (7,640 units) at a meeting of the Board of Directors of the Investment Corporation which was held on July 27, 2017 and the acquired own investment units were retired on August 10, 2017.

(Note 5) The Investment Corporation implemented an eight-for-one unit split with February 28, 2018 as the record date and March 1, 2018 as the effective date.

(Note 6) New investment units were issued through a public offering with an issue price per unit of 13,473 yen (issue value: 13,030 yen).

(Note 7) New investment units were issued through a third-party allotment accompanying a capital increase through a public offering with an issue price per unit of 13,030 yen.

(Note 8) New investment units were issued through a public offering with an issue price per unit of 16,272 yen (issue value: 15,737 yen).

(Note 9) New investment units were issued through a third-party allotment accompanying a capital increase through a public offering with an issue price per unit of 15,737 yen.

(Note 10) Based on the discretionary transaction contract with a security company, the Investment Corporation acquired own investment units from December 16, 2020 to February 19, 2021. The Investment Corporation resolved the retirement of all the acquired own investment units (96,606 units) at a meeting of the Board of Directors of the Investment Corporation which was held on February 24, 2021 and the acquired own investment units were retired on March 10, 2021.

III. Reference information

A. Status of investment

Type of assets	Region			Previous fiscal period as of October 31, 2020		Current fiscal period as of April 30, 2021	
				Total amount held (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)	Total amount held (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)
Entrusted real estate (Note 3)	Major metropolitan areas (Note 4)	Tokyo metropolitan area (Note 5)	Tokyo 23 wards	161,267	63.0	157,478	62.5
			Tokyo metropolitan area outside the 23 wards	37,437	14.6	37,497	14.9
		Other major metropolitan areas	19,991	7.8	19,880	7.9	
	Other investment target regions			12,099	4.7	12,076	4.8
Total entrusted real estate				230,795	90.2	226,932	90.0
Deposits and other assets				25,130	9.8	25,145	10.0
Total assets				255,926	100.0	252,078	100.0

(Note 1) Total amount held is based on the balance sheet carrying amount (book value less depreciation in the case of entrusted real estate).

(Note 2) Percentage to total assets is rounded to one decimal place.

(Note 3) All entrusted real estate is used primarily as offices.

(Note 4) "Major metropolitan areas" refer to Tokyo Metropolitan Area, Osaka-shi, Nagoya-shi, and Fukuoka-shi.

(Note 5) "Tokyo metropolitan area" refers to Tokyo, Yokohama-shi, Kawasaki-shi, Saitama-shi, and Chiba-shi.

	Previous fiscal period as of October 31, 2020		Current fiscal period as of April 30, 2021	
	Balance sheet carrying amount (Millions of yen)	Percentage to total assets (%) (Note)	Balance sheet carrying amount (Millions of yen)	Percentage to total assets (%) (Note)
Total liabilities	141,777	55.4	139,272	55.2
Total net assets	114,148	44.6	112,805	44.8
Total assets	255,926	100.0	252,078	100.0

(Note) "Percentage to total assets" is rounded to one decimal place.

B. Investment assets

1. Major investment in securities

Not applicable.

2. Investment properties

Not applicable.

3. Other major investment assets

The table below shows the Investment Corporation's entrusted real estate as at the end of the fiscal period under review.

a) Price and investment percentage

Region	Property name	Location	Acquisition price (Millions of yen) (Note 1)	Book value at end of period (Millions of yen)	Assessed value at end of period (Millions of yen) (Note 2)	Investment percentage (%) (Note 3)	Acquisition date
Tokyo 23 Wards	Ebisu Prime Square	Shibuya-ku, Tokyo	25,014	25,204	30,870	11.1	June 6, 2014
	CS Tower (Note 4)	Taito-ku, Tokyo	13,397	13,980	21,000	6.2	June 6, 2014
			572				January 30, 2020
	Tokyo Nissan Nishi-Gotanda Building	Shinagawa-ku, Tokyo	6,700	6,800	7,910	3.0	May 11, 2015
	Nishi-Shinjuku KF Building	Shinjuku-ku, Tokyo	6,600	6,805	8,170	2.9	June 30, 2015
	Shinagawa Seaside East Tower	Shinagawa-ku, Tokyo	25,066	24,641	28,900	11.1	June 1, 2016
	Akiba CO Building	Chiyoda-ku, Tokyo	8,078	8,237	9,920	3.6	June 1, 2016
	Sun Towers Center Building	Setagaya-ku, Tokyo	6,615	6,749	8,850	2.9	June 1, 2016
	Kinshicho Prime Tower	Koutou-ku, Tokyo	15,145	15,639	17,600	6.7	January 20, 2017
	Nishi-Shinjuku Prime Square	Shinjuku-ku, Tokyo	34,835	36,242	39,500	15.4	May 1, 2018
	Kojimachi Crystal City	Chiyoda-ku, Tokyo	6,405	6,379	7,440	2.8	May 1, 2018
Otowa Prime Building	Bunkyo-ku, Tokyo	6,830	6,798	7,280	3.0	May 22, 2019	
Tokyo Metropolitan Area Outside Tokyo 23 Wards	Queen's Square Yokohama	Yokohama-shi, Kanagawa	16,034	15,771	18,300	7.1	September 30, 2014
	ORTO Yokohama	Yokohama-shi, Kanagawa	13,000	12,504	14,300	5.8	June 1, 2015
	Techno Wave 100 (Note 5)	Yokohama-shi, Kanagawa	6,900	9,220	10,400	3.9	May 1, 2018
			1,310				May 22, 2019
500			March 31, 2020				
Other Major Metropolitan Areas	Nagoya Prime Central Tower	Nagoya-shi, Aichi	14,600	13,461	22,900	6.5	June 6, 2014
	Hakata Prime East	Fukuoka-shi, Fukuoka	4,500	4,492	5,430	2.0	June 1, 2016
	Aqua Dojima East	Osaka-shi, Osaka	1,910	1,926	2,250	0.8	March 31, 2017
Other Areas	Prime Tower Shin-Urayasu	Urayasu-shi, Chiba	11,860	12,076	13,300	5.3	May 1, 2018
Total			225,871	226,932	274,320	100.0	-

(Note 1) "Acquisition price" represents the purchase price shown on the sale and purchase agreement pertaining to each managed asset, rounded down to the nearest million yen. The purchase price does not include national and regional consumption tax and expenses incurred on the acquisition of each property.

(Note 2) "Assessed value at end of period" represents the appraisal value shown on the appraisal report of property as at the valuation date, which is equal to the last day of the fiscal period under review and rounded down to the nearest million yen. For the summary of appraisal, please refer to "d) Summary of real estate appraisal report" described below.

(Note 3) "Investment percentage" is calculated by dividing the acquisition price of each property by the total acquisition price of all managed assets and is rounded to one decimal place.

(Note 4) With regards to the "Acquisition price" and "Acquisition date" for "CS Tower", the upper row corresponds to the portion which the Investment Corporation acquired on June 6, 2014. However, as "CS Tower Annex" was disposed of on March 20, 2019, the "Acquisition price" for "CS Tower" mentioned in the upper row is calculated by deducting the acquisition price of "CS Tower Annex" calculated based on the ratio of appraised value of "CS Tower Annex" prepared by the appraiser obtained at the time of disposal of "CS Tower Annex" from the acquisition price of "CS Tower/CS Tower Annex". The lower row corresponds to the portion which the Investment Corporation acquired on January 30, 2020. For the "Book value at end of period" and "Investment percentage", the numbers described above corresponds to the total portion of such two portions related to "CS Tower". As for "Assessed value at end of period", the number described above was evaluated by totaling such two portions as entire property.

(Note 5) With regards to the “Acquisition price” and “Acquisition date” for “Techno Wave 100”, the upper row corresponds to the portion which the Investment Corporation acquired on May 1, 2018, the middle row corresponds to the portion which the Investment Corporation acquired on May 22, 2019 and the lower row corresponds to the portion which the Investment Corporation acquired on March 31, 2020. For the “Assessed value at end of period” the number described above was evaluated by totaling such three portions as entire property. As for the “Book value at end of period” and “Investment percentage”, the numbers described above corresponds to the total portion of such three portions related to “Techno Wave 100”. The same shall apply hereinafter.

b) Overview of buildings and leases

Name of property	Completion date (Note 1)	Real estate rental revenues (Millions of yen) (Note 2) (Note 3)	Percentage to total real estate rental revenues (%) (Note 3)	Total number of tenants (Note 4)	Leased area (m <sup>2</sup> ) (Note 5)	Leasable area (m <sup>2</sup> ) (Note 6)	Occupancy rate (%) (Note 7)
Ebisu Prime Square	January 1997	774	9.0	97	15,528.49	17,351.42	89.5
CS Tower (Note 8)	August 1991	623	7.2	9	19,545.29	19,545.29	100.0
Queen's Square Yokohama	June 1997	895	10.4	98	42,059.03	42,059.03	100.0
Nagoya Prime Central Tower (Note 9)	March 2009	623	7.2	51	16,541.26	17,117.10	96.6
Tokyo Nissan Nishi-Gotanda Building	April 1990	272	3.2	8	8,522.42	8,522.42	100.0
ORTO Yokohama	November 2000	521	6.0	22	21,417.86	23,593.92	90.8
Nishi-Shinjuku KF Building	January 1993	211	2.5	18	6,287.78	6,287.78	100.0
Shinagawa Seaside East Tower	August 2004	833	9.7	20	27,892.63	27,892.63	100.0
Akiba CO Building	May 2000	Not disclosed	Not disclosed	1	5,514.42	5,514.42	100.0
Sun Towers Center Building	June 1992	260	3.0	12	7,320.37	8,014.55	91.3
Hakata Prime East	April 1992	185	2.1	16	6,725.22	7,018.01	95.8
Kinshicho Prime Tower	August 1994	522	6.1	17	15,789.86	17,606.11	89.7
Aqua Dojima East	April 1993	86	1.0	19	3,059.86	3,189.68	95.9
Nishi-Shinjuku Prime Square	November 1988	920	10.7	26	22,547.99	23,607.43	95.5
Kojimachi Crystal City	September 1992	217	2.5	17	5,750.52	5,750.52	100.0
Prime Tower Shin-Urayasu	October 1990	527	6.1	59	21,998.50	22,324.68	98.5
Techno Wave 100	July 1990	726	8.4	27	36,879.10	36,879.10	100.0
IBF Planning Building (Note 10)	January 2008	Not disclosed	Not disclosed	-	-	-	-
Otowa Prime Building	April 2008	Not disclosed	Not disclosed	2	4,373.90	4,373.90	100.0
Total		8,617	100.0	519	287,754.49	296,647.98	97.0

- (Note 1) "Completion date" represents the construction date according to the register. With regards to Tokyo Nissan Nishi-Gotanda Building, date mentioned herein is the date of examined building certificate, as completion date is not stated in the register.
- (Note 2) "Real estate rental revenues" represent real estate rental revenues (real estate rental revenues from the acquisition date) during the fiscal period under review.
- (Note 3) Information is not disclosed for some properties because the tenant's authorization has not been obtained.
- (Note 4) Unless otherwise specified, "Total number of tenants" represents the number of tenants under the lease agreement indicated in the relevant lease agreement pertaining to each managed asset as at the end of the fiscal period under review. If pass-through-type master lease agreements under which rents from end tenants are received intact, in principle, (hereinafter referred to as "pass-through-type master lease agreement(s)") are concluded with respect to managed assets, "Total number of tenants" represents the total number of end tenants. "Total number of tenants" is calculated taking one tenant that leases multiple leased spaces as one tenant if the leased spaces are the same property and as multiple tenants if the leased spaces are spread across multiple properties.
- (Note 5) Unless otherwise specified, "Leased area" represents the part of the total leased area stated in the relevant lease agreement pertaining to each managed asset as at the end of the fiscal period under review, which is the area equal to the Investment Corporation's interest. If a pass-through-type contract is concluded with respect to the managed asset, "Leased area" represents the part of the total leased area according to the lease agreement with the end tenant which is the area equal to the Investment Corporation's interest, and if a fixed-type master lease agreement under which the Investment Corporation receives constant rent regardless of fluctuations in end tenant's rent, "Leased area" represents the part of the leased area according to the master lease agreement that is the area equal to the Investment Corporation's interest.
- (Note 6) Unless otherwise specified, "Leasable area" is part of the total area that is available for lease in accordance with the relevant lease agreement or architectural drawing pertaining to each managed asset as at the end of the fiscal period under review that is the area equal to the Investment Corporation's interest.
- (Note 7) "Occupancy rate" represents the ratio of leased area to leasable area pertaining to each managed asset as at the last day of the fiscal period under review unless otherwise specified, rounded to one decimal place. Total section shows the ratio of total leased area to total leasable area pertaining to each managed asset, rounded to one decimal place.
- (Note 8) The Investment Corporation acquired a portion of "CS Tower" on June 6, 2014 and it additionally acquired another portion on January 30, 2020. The numbers described above corresponds to the total portion of such two portion.

- (Note 9) Regarding "Nagoya Prime Central Tower", the Investment Corporation holds sectional ownership as well as an interest of bylaw common elements and housing complex common elements, but the master lease agreement stipulates that the master lease company shall add together the rents for the entire office building and parking lot building (office building common areas) so that distributions can be received based exclusively on owned area percentage. Consequently, Leased Area and Leasable Area represent the part of each area of the entire building that is the area equal to the Investment Corporation's exclusively owned area percentage, and Total Number of Tenants and Occupancy Rate represent the total number of tenants and occupancy rate for the entire building.
- (Note 10) "IBF Planning Building" was disposed of on December 10, 2021.
- (Note 11) "Leased area" and "Occupancy rate" represent the leased area and occupancy rate pursuant to the lease agreement that is in effect as at the end of the fiscal period under review, and does not take into account situations where the lease agreement pertaining to an end tenant is to be cancelled, to be terminated or in the event of non-payment of rents.

c) Summary of trust beneficiary interests in real estate

Property name	Trustee	Trust maturity date
Ebisu Prime Square	Mizuho Trust & Banking Co., Ltd.	End of April, 2024
CS Tower (Note 1)	Mitsubishi UFJ Trust and Banking Corporation	End of June, 2024
		End of January, 2030
Queen's Square Yokohama	Sumitomo Mitsui Trust Bank, Limited	End of February, 2024
Nagoya Prime Central Tower	Sumitomo Mitsui Trust Bank, Limited	End of June, 2024
Tokyo Nissan Nishi-Gotanda Building	Mitsubishi UFJ Trust and Banking Corporation	End of May, 2025
ORTO Yokohama	Sumitomo Mitsui Trust Bank, Limited	End of June, 2025
Nishi-Shinjuku KF Building	Sumitomo Mitsui Trust Bank, Limited	End of June, 2025
Shinagawa Seaside East Tower	Mitsubishi UFJ Trust and Banking Corporation	End of June, 2026
Akiba CO Building	Mitsubishi UFJ Trust and Banking Corporation	End of June, 2026
Sun Towers Center Building	Mitsubishi UFJ Trust and Banking Corporation	End of June, 2026
Hakata Prime East	Mitsubishi UFJ Trust and Banking Corporation	End of June, 2026
Kinshicho Prime Tower	Mitsubishi UFJ Trust and Banking Corporation	End of January, 2027
Aqua Dojima East	Sumitomo Mitsui Trust Bank, Limited	End of March, 2027
Nishi-Shinjuku Prime Square	SMBC Trust Bank Ltd.	End of May, 2028
Kojimachi Crystal City	Mitsubishi UFJ Trust and Banking Corporation	End of May, 2028
Prime Tower Shin-Urayasu	Sumitomo Mitsui Trust Bank, Limited	End of May, 2028
Techno Wave 100 (Note 2)	Sumitomo Mitsui Trust Bank, Limited	End of May, 2028
		End of May, 2029
		End of March 2030
Otowa Prime Building	Mitsubishi UFJ Trust and Banking Corporation	End of May, 2029

(Note 1) With regards to the "Trust maturity date" for "CS Tower", the upper row corresponds to the portion which the Investment Corporation acquired on June 6, 2014 and the lower row corresponds to the portion which the Investment Corporation acquired on January 30, 2020.

(Note 2) With regards to the "Trust maturity date" for "Techno Wave 100", the upper row corresponds to the portion which the Investment Corporation acquired on May 1, 2018, the middle row corresponds to the portion which the Investment Corporation acquired on May 22, 2019 and the lower row corresponds to the portion which the Investment Corporation acquired on March 31, 2020.

d) Summary of real estate appraisal report

The Investment Corporation has obtained a real estate appraisal report for each entrusted real estate from Japan Real Estate Institute, JLL Morii Valuation & Advisory K.K., The Tanizawa Sōgō Appraisal Co., Ltd and DAIWA REAL ESTATE APPRAISAL CO., LTD. The appraisal value for each asset represents the appraisal value as at the valuation date which is equal to the end of the fiscal period under review. In addition, there is no conflict of interest between the appraisal agency and the Investment Corporation or the Asset Management Company. A summary of the real estate appraisal report for each entrusted real estate is shown as follows.

Property name	Appraisal agency	Appraisal value (Millions of yen) (Note 1)	Summary of real estate appraisal report						
			Income approach value (Millions of yen)					Integrated value (Millions of yen) (Note 1)	NOI (Millions of yen) (Note 2)
			Direct capitalization method		DCF method				
			Value (Note 1)	Capitalization rate (%)	Value (Note 1)	Discount rate (%)	Terminal capitalization rate (%)		
Ebisu Prime Square	Japan Real Estate Institute	30,870	31,654	3.2	30,086	3.0	3.4	28,420	1,074
CS Tower		21,000	21,300	4.0	20,700	3.8	4.2	13,400	927
Queen's Square Yokohama		18,300	18,600	4.2	18,000	3.9	4.5	20,600	922
Nagoya Prime Central Tower		22,900	23,100	4.1	22,600	3.8	4.3	18,000	955
Tokyo Nissan Nishi-Gotanda Building		7,910	8,000	3.7	7,820	3.4	3.9	7,880	353
Sun Towers Center Building		8,850	8,950	3.9	8,740	3.6	4.1	8,760	377
ORTO Yokohama	JLL Morii Valuation & Advisory K.K.	14,300	14,600	4.6	14,000	4.4	4.8	13,800	745
Shinagawa Seaside East Tower		28,900	29,600	3.6	28,200	3.4	3.8	30,100	1,129
Hakata Prime East		5,430	5,480	4.4	5,380	4.2	4.6	4,330	253
Aqua Dojima East		2,250	2,250	3.9	2,250	3.7	4.1	3,650	99
Nishi-Shinjuku KF Building	The Tanizawa Sōgō Appraisal Co., Ltd.	8,170	8,250	3.5	8,140	3.6	3.7	8,160	309
Akiba CO Building		9,920	10,140	3.4	9,820	3.5	3.6	13,100	354
Kinshicho Prime Tower		17,600	17,700	3.8	17,500	3.8	4.0	21,000	740
Kojimachi Crystal City		7,440	7,580	3.3	7,380	3.4	3.5	9,430	264
Prime Tower Shin-Urayasu		13,300	13,700	4.1	13,100	4.2	4.3	25,900	634
Otowa Prime Building		7,280	7,430	3.8	7,220	3.9	4.0	6,340	285
Nishi-Shinjuku Prime Square	DAIWA REAL ESTATE APPRAISAL CO., LTD.	39,500	40,500	3.5	39,100	3.3	3.7	38,600	1,506
Techno Wave 100		10,400	10,500	4.8	10,300	4.7	5.1	13,700	665
Total		274,320	279,334	-	270,336	-	-	285,170	11,591

(Note 1) Unless otherwise specified, "Appraisal value", "Value based on direct capitalization method", "Value based on DCF method" and "Integrated value" are amounts equal to the Investment Corporation's interest out of the total appraisal value described in the real estate appraisal report, rounded down to the nearest million yen.

(Note 2) "NOI" (Net Operating Income) is defined as Net Operating Income based on the direct capitalization method stated in the real estate appraisal report and the NOI above shows the amounts equal to the Investment Corporation's interest, rounded down to the nearest million yen.

e) Overview of engineering reports

The Investment Corporation engages engineering companies below to investigate the status of the building (hereinafter referred to as the “Engineering Report”) and obtains an Engineering Report from the company for each entrusted real estate. The Engineering Report provides a mere opinion of the engineering company with no guarantee provided as to the accuracy of the opinion. An overview of the Engineering Report for each entrusted real estate is shown as follows.

Property name	Date of research	Engineering company	Urgent/ Short-term repair costs (Thousands of yen) (Note 1)	Long-term repair costs (Annual average) (Thousands of yen) (Note 2)
Ebisu Prime Square	September 2019	Hai Kokusai Consultant Ltd.	42,483	95,908
CS Tower	October 2019	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	153,850	116,365
Queen’s Square Yokohama	November 2019	Nikken Sekkei Construction Management, Inc.	100,531	267,539
Nagoya Prime Central Tower	October 2019	ERI SOLUTION CO., LTD.	6,465	26,066
Tokyo Nissan Nishi-Gotanda Building	February 2020	Earth-Appraisal Co., Ltd.	152,317	85,845
ORTO Yokohama	February 2020	Earth-Appraisal Co., Ltd.	135,334	138,147
Nishi-Shinjuku KF Building	March 2020	ERI SOLUTION CO., LTD.	1,550	31,841
Shinagawa Seaside East Tower	March 2021	Hai Kokusai Consultant Ltd.	8,700	104,221
Akiba CO Building	April 2021	ERI SOLUTION CO., LTD.	850	17,933
Sun Towers Center Building	March 2021	Hai Kokusai Consultant Ltd.	17,380	45,368
Hakata Prime East	July 2020	Tokio Marine & Nichido Risk Consulting Co, Ltd.	-	21,202
Kinshicho Prime Tower	March 2021	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	-	92,191
Aqua Dojima East	February 2017	Hai Kokusai Consultant Ltd.	1,085	18,842
Nishi-Shinjuku Prime Square	November 2017	Hai Kokusai Consultant Ltd.	13,220	127,336
Kojimachi Crystal City	April 2021	ERI SOLUTION CO., LTD.	158,280	29,433
Prime Tower Shin-Urayasu	October 2017	Hai Kokusai Consultant Ltd.	8,100	138,077
Techno Wave 100 (Note 3)	October 2017	Hai Kokusai Consultant Ltd.	3,924	121,669
	November 2018		574	27,368
	January 2020		1,140	23,015
Otowa Prime Building	November 2018	Rubicon Realty Inc.	-	7,943
Total			805,784	1,536,320

(Note 1) “Urgent/Short-term repair costs” states the amount of the Investment Corporation’s costs in proportion to its equity interests for repair and replacements that are necessary immediately or within approximately one (1) year and as indicated in the report on research on the conditions of buildings, rounded down to the nearest thousand yen.

(Note 2) “Long-term repair costs” states the amount of the Investment Corporation’s costs in proportion to its equity interest in an annual average amount of the estimated costs for repair and replacements for the following twelve (12) years as indicated in the report on research on the conditions of the buildings, rounded down to the nearest thousand yen.

(Note 3) With regards to the “Date of research”, “Urgent/Short-term repair costs” and “Long-term repair costs” for “Techno Wave 100”, the upper row corresponds to the portion which the Investment Corporation acquired on May 1, 2018, the middle row corresponds to the portion which the Investment Corporation acquired on May 22, 2019 and the lower row corresponds to the portion which the Investment Corporation acquired on March 31, 2020.

f) Summary of earthquake risk analysis

The Investment Corporation engages Sompo Risk Management, Inc. to assess the probable maximum loss (“PML”) of each entrusted real estate and that of the portfolio and obtains an Engineering Report from the company. The Engineering Report provides a mere opinion of the assessment company with no guarantee provided as to the accuracy of the opinion. The PML of each entrusted real estate and that of the portfolio are shown as follows.

Property name	PML (%) (Note)
Ebisu Prime Square	2.35
CS Tower	3.17
Queen’s Square Yokohama	2.96
Nagoya Prime Central Tower	3.61
Tokyo Nissan Nishi-Gotanda Building	7.14
ORTO Yokohama	4.94
Nishi-Shinjuku KF Building	5.03
Shinagawa Seaside East Tower	4.94
Akiba CO Building	6.18
Sun Towers Center Building	0.96
Hakata Prime East	1.56
Kinshicho Prime Tower	2.79
Aqua Dojima East	7.37
Nishi-Shinjuku Prime Square	4.88
Kojimachi Crystal City	3.63
Prime Tower Shin-Urayasu	4.56
Techno Wave 100	6.80
Otowa Prime Building	4.07
Total	2.65

(Note) The “PML” means the extent of the damage that would be incurred due to the largest earthquake (a great earthquake with the likelihood of occurring once in 475 years = a great earthquake with a 10% likelihood of occurring once in 50 years) foreseen during the assumed useful life (50 years being the usual useful life of a building) as a ratio (%) of the replacement value for the foreseeable restoration costs of the damage. The figure stated in the section “Total” is the PML (portfolio PML) for the entire Investment Corporation’s entrusted real estate in the “Report on evaluation of seismic PML for portfolio” dated May 2021 by Sompo Risk Management, Inc.

g) Major real estate properties

Queen’s Square Yokohama and Nishi-Shinjuku Prime Square are the real estate and entrusted real estate held by the Investment Corporation as at the end of the fiscal period under review which correspond to major real estate (refers to buildings and facilities pertaining to land considered to be used as a single unit and whose real estate rental revenues account for 10 percent or more of total real estate rental revenues). Please refer to “b) Overview of buildings and leases” above for details of the real estate rental revenues, total number of tenants, leased area and leasable area of each managed real estate and entrusted real estate.

h) Leasing to major tenants

In relation to the real estate and entrusted real estate held by the Investment Corporation as at the end of the fiscal period under review, there are no tenants whose leased area accounts for 10 percent or more of the total leased area. (In case one tenant leases area in several different assets then the leased area is aggregated.)

i) Information concerning top 10 tenants based on leased area

The following table shows the top 10 tenants ranked based on leased area of real estate and entrusted real estate held by the Investment Corporation as at the end of the fiscal period under review.

	Name of tenant	Name of property	Leased area (m2) (Note 1)	Percentage to total leased area (%) (Note 2)
1	INTEC Inc.	Techno Wave 100	16,555.18	5.8
2	Tokyu Hotels Co., Ltd.	Queen's Square Yokohama	13,506.72	4.7
3	FUJITSU LIMITED	ORTO Yokohama	12,847.62	4.5
4	Sotetsu Hotel Development Co., Ltd.	Shinagawa Seaside East Tower	9,237.18	3.2
5	Yachiyo Engineering Co., Ltd.	CS Tower	8,893.68	3.1
6	Minatomirai Tokyu Square Corporation	Queen's Square Yokohama	6,395.39	2.2
7	Marvelous Inc.	Shinagawa Seaside East Tower	6,225.70	2.2
8	Good Smile Company, Inc.	Akiba CO Building	5,514.42	1.9
9	Tokyu Malls Development Corporation	Queen's Square Yokohama	5,512.59	1.9
10	BSD Information Technology, Ltd.	Otowa Prime Building	4,200.08	1.5
Top 10 tenants total			88,888.56	30.9

(Note 1) Unless otherwise stated, "Leased area" represents the part of the total leased area stated in the relevant lease agreement pertaining to each managed real estate and entrusted real estate as at the end of the fiscal period under review that is the part equal to the Investment Corporation's interest.

(Note 2) "Percentage to total leased area" represents the percentage of each tenant's leased area to the total leased area of all managed real estate and entrusted real estate, rounded to one decimal place.

j) Capital expenditure

i) Future for capital expenditure

The following table summarizes the major capital expenditure plan associated with renovation scheduled as at the end of the fiscal period under review for real estate and entrusted real estate held by the Investment Corporation as at the date of this document. Estimated construction cost includes the amounts to be expensed for accounting purpose.

Name of property	Location	Purpose	Planned period	Estimated construction cost (Thousands of yen) (Note)		
				Total amount	Paid during the period	Total amount paid
CS Tower	Taito-ku, Tokyo	Renewal of air handling luminaire and LED lamp instalment	From May 2021 to October 2021	155,590	-	-
		Renewal of foam fire extinguishing system	From May 2021 to October 2021	44,490	-	-
Queen's Square Yokohama	Yokohama-shi, Kanagawa	Office tower Renewal of automatic air volume controller (2nd period)	From May 2021 to March 2022	12,398	-	-
		Hotel tower Renewal of automatic fire alarm system	From April 2021 to March 2022	59,770	-	-
		Hotel tower Renewal of elevators	From April 2021 to March 2022	64,185	-	-
Nagoya Prime Central Tower	Nagoya-shi, Aichi	LED lamp instalment in tenant area	From May 2021 to October 2021	30,186	-	-
Nishi-Shinjuku KF Building	Shinjuku-ku, Tokyo	Exterior wall repair work (east side)	From May 2021 to October 2021	25,300	-	-
Shinagawa Seaside East Tower	Shinagawa-ku, Tokyo	Exterior wall repair work	From May 2021 to October 2021	20,250	-	-
		Replacement of gondola equipment parts	From May 2021 to October 2021	12,519	-	-
		Replacement of high and low voltage switchboard parts in power receiving and transforming equipment	From May 2021 to October 2021	21,727	-	-
Sun Towers Center Building	Setagaya-ku, Tokyo	B2 floor Replacement of emergency power supply and storage battery	From May 2021 to October 2021	11,160	-	-
		Renewal of electricity equipment	From May 2021 to May 2021	10,150	-	-
Kinshicho Prime Tower	Koto-ku, Tokyo	Replacement of power receiving and transforming equipment	From November 2021 to April 2022	27,473	-	-
		Replacement of OA raised floor	From May 2021 to October 2021	13,473	-	-
Prime Tower Shin-Urayasu	Urayasu-shi, Chiba	Office tower Renewal of power panel and lamp panel in major 5 parts	From May 2021 to October 2021	15,000	-	-
		Whole/Parking Repair work of gas duct and emergency generator overhaul	From May 2021 to October 2021	15,518	-	-
Techno Wave 100s	Yokohama-shi, Kanagawa	Renovation work for common spaces in high-rise building	From May 2021 to October 2021	29,471	-	-

(Note) "Estimated construction cost" represents the amount equal to the Investment Corporation's interest and it is expected to be borne by the Investment Corporation.

ii) Capital expenditure incurred

The following table summarizes the major construction to real estate and entrusted real estate held as of the end of the fiscal period under review by the Investment Corporation that resulted in capital expenditures for the current period. Capital expenditures for the current period amounted to 699,488 thousand yen. The total construction costs amounted to 920,693 thousand yen; including repair and maintenance of 221,204 thousand yen that was accounted for as an expense in the current period.

Name of property	Location	Purpose	Period	Construction costs (Thousands of yen) (Note)
Ebisu Prime Square	Shibuya-ku, Tokyo	Residential tower Renewal of calorimeter	From November 2020 to March 2021	15,218
Queen's Square Yokohama	Yokohama-shi, Kanagawa	Office tower and commercial tower Renewal of emergency broadcasting system	From April 2020 to March 2021	43,921
		Office tower Renewal of automatic air volume controller (1st period)	From May 2020 to March 2021	22,473
		Hotel tower Renewal of water/hot water supply pump for bathrooms in hotel rooms	From November 2020 to February 2021	13,975
Nagoya Prime Central Tower	Nagoya-shi, Aichi	LED lamp instalment in tenant area	From November 2020 to April 2021	27,059
Orto Yokohama	Yokohama-shi, Kanagawa	Office tower, commercial tower and parking tower Renewal of electric meter	From November 2020 to November 2020	13,241
		Office tower Renewal of air conditioning system in an electronic room	From November 2020 to February 2021	24,241
Shinagawa Seaside East Tower	Shinagawa-ku, Tokyo	Renewal of security system	From November 2020 to March 2021	36,915
Kinshicho Prime Tower	Koto-ku, Tokyo	LED lamp instalment in tenant area	From November 2020 to April 2021	10,049
		Renewal of air conditioning system for tenant area	From November 2020 to April 2021	72,366
		Renewal of air conditioning system in a mechanic room	From November 2020 to April 2021	17,725
Techno Wave 100	Yokohama-shi, Kanagawa	Renovation work for common spaces in high-rise building	From November 2020 to March 2021	30,168
		Renewal of gondola equipment	From November 2020 to March 2021	66,710

(Note) "Construction costs" represents the amount equal to the Investment Corporation's interest that was actually borne by the Investment Corporation.

k) Reserved amount for long-term repairs plan

The Investment Corporation formulates long-term repair plans for each real estate and entrusted real estate and allocates a portion of its cash flows generated during the period to a reserve for repairs to meet large-scale repair projects over the medium-to-long terms. The following amount has been transferred to the reserve from period cash flows.

(Unit: Millions of yen)

	Tenth fiscal period from November 1, 2018 to April 30, 2019	Eleventh fiscal period from May 1, 2019 to October 31, 2019	Twelfth fiscal period from November 1, 2019 to April 30, 2020	Thirteenth fiscal period from May 1, 2020 to October 31, 2020	Fourteenth fiscal period from November 1, 2020 to April 30, 2021
Reserve at the beginning of the period	24	24	24	-	-
Reserve for the fiscal period under review	-	-	-	-	-
Reversal of reserve for the fiscal period under review	-	-	24	-	-
Reserve brought forward to the next period	24	24	-	-	-

(Note) After the twelfth fiscal period, the Investment Corporation no longer reserves a portion of its cash flows for long-term repairs plan.

l) Income and expenditure of individual entrusted real estate

(Unit: Millions of yen)

Property number	1		3	
Property name	Ebisu Prime Square		CS Tower	
Fiscal period	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021
Number of days	184 days	181 days	184 days	181 days
Rental revenues	713	670	588	588
Other rental revenues	88	103	48	35
(i) Total real estate rental revenues	801	774	636	623
Expenses for management and operation	66	64	44	41
Utility expenses	104	85	39	30
Insurance expenses	0	0	0	0
Repair and maintenance	36	61	14	9
Taxes and dues	67	66	41	37
Depreciation	76	77	89	91
Other property-related expenses	10	12	2	1
(ii) Total property-related expenses	363	369	233	212
(iii) Income (loss) from real estate rental business ((i)-(ii))	438	405	403	411
NOI ((iii)+Depreciation)	514	482	493	502

(Unit: Millions of yen)

Property number	4		5	
Property name	Queen's Square Yokohama		Nagoya Prime Central Tower	
Fiscal period	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021
Number of days	184 days	181 days	184 days	181 days
Rental revenues	767	787	590	597
Other rental revenues	123	107	35	26
(i) Total real estate rental revenues	891	895	625	623
Expenses for management and operation	131	132	74	72
Utility expenses	117	99	42	32
Insurance expenses	4	4	0	0
Repair and maintenance	28	47	9	4
Taxes and dues	125	124	36	36
Depreciation	166	167	134	135
Other property-related expenses	19	25	8	9
(ii) Total property-related expenses	591	599	305	291
(iii) Income (loss) from real estate rental business ((i)-(ii))	299	295	320	332
NOI ((iii)+Depreciation)	465	462	454	468

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(Unit: Millions of yen)

Property number	6		7	
Property name	Tokyo Nissan Nishi-Gotanda Building		ORTO Yokohama	
Fiscal period	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021
Number of days	184 days	181 days	184 days	181 days
Rental revenues	258	258	563	521
Other rental revenues	15	14	-	-
(i) Total real estate rental revenues	274	272	563	521
Expenses for management and operation	21	21	101	89
Utility expenses	20	14	-	-
Insurance expenses	1	1	0	0
Repair and maintenance	10	3	10	0
Taxes and dues	26	26	50	42
Depreciation	28	28	77	78
Other property-related expenses	0	0	3	0
(ii) Total property-related expenses	108	97	244	212
(iii) Income (loss) from real estate rental business ((i)-(ii))	166	175	319	308
NOI ((iii)+Depreciation)	194	204	397	386

(Unit: Millions of yen)

Property number	8		9	
Property name	Nishi-Shinjuku KF Building		Shinagawa Seaside East Tower	
Fiscal period	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021
Number of days	184 days	181 days	184 days	181 days
Rental revenues	202	199	760	757
Other rental revenues	14	12	81	76
(i) Total real estate rental revenues	217	211	842	833
Expenses for management and operation	15	16	84	84
Utility expenses	9	9	99	75
Insurance expenses	0	0	0	0
Repair and maintenance	1	0	18	10
Taxes and dues	15	16	77	76
Depreciation	16	17	109	110
Other property-related expenses	1	1	1	4
(ii) Total property-related expenses	61	61	391	362
(iii) Income (loss) from real estate rental business ((i)-(ii))	155	149	450	471
NOI ((iii)+Depreciation)	172	167	559	582

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(Unit: Millions of yen)

Property number	10		11	
Property name	Akiba CO Building		Sun Towers Center Building	
Fiscal period	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021
Number of days	184 days	181 days	184 days	181 days
Rental revenues			246	244
Other rental revenues			58	15
(i) Total real estate rental revenues			304	260
Expenses for management and operation			30	31
Utility expenses			19	16
Insurance expenses			0	0
Repair and maintenance			40	6
Taxes and dues			19	19
Depreciation			26	27
Other property-related expenses			0	0
(ii) Total property-related expenses			137	102
(iii) Income (loss) from real estate rental business ((i)-(ii))	150	164	167	157
NOI ((iii)+Depreciation)	160	175	193	184

(Note) Information is not disclosed as the tenant's authorization has not been obtained.

(Unit: Millions of yen)

Property number	13		14	
Property name	Hakata Prime East		Kinshicho Prime Tower	
Fiscal period	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021
Number of days	184 days	181 days	184 days	181 days
Rental revenues	171	173	500	487
Other rental revenues	14	11	28	34
(i) Total real estate rental revenues	185	185	529	522
Expenses for management and operation	22	20	50	50
Utility expenses	10	8	36	22
Insurance expenses	0	0	0	0
Repair and maintenance	7	3	16	5
Taxes and dues	11	11	44	42
Depreciation	23	24	52	53
Other property-related expenses	1	0	0	2
(ii) Total property-related expenses	77	68	201	177
(iii) Income (loss) from real estate rental business ((i)-(ii))	108	116	327	344
NOI ((iii)+Depreciation)	132	140	380	398

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(Unit: Millions of yen)

Property number	15		16	
Property name	Aqua Dojima East		Nishi-Shinjuku Prime Square	
Fiscal period	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021
Number of days	184 days	181 days	184 days	181 days
Rental revenues	76	76	900	883
Other rental revenues	10	9	40	37
(i) Total real estate rental revenues	86	86	941	920
Expenses for management and operation	13	14	77	74
Utility expenses	9	8	41	35
Insurance expenses	0	0	0	0
Repair and maintenance	0	2	9	6
Taxes and dues	10	10	60	58
Depreciation	6	6	63	63
Other property-related expenses	1	1	5	5
(ii) Total property-related expenses	42	42	259	244
(iii) Income (loss) from real estate rental business ((i)-(ii))	43	43	682	676
NOI ((iii)+Depreciation)	50	50	745	739

(Unit: Millions of yen)

Property number	17		18	
Property name	Kojimachi Crystal City		Prime Tower Shin-Urayasu	
Fiscal period	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021
Number of days	184 days	181 days	184 days	181 days
Rental revenues	201	202	469	469
Other rental revenues	36	15	54	57
(i) Total real estate rental revenues	238	217	523	527
Expenses for management and operation	32	32	79	79
Utility expenses	10	9	68	50
Insurance expenses	0	0	1	1
Repair and maintenance	17	1	14	27
Taxes and dues	18	18	41	41
Depreciation	8	9	34	34
Other property-related expenses	0	3	7	7
(ii) Total property-related expenses	88	74	247	241
(iii) Income (loss) from real estate rental business ((i)-(ii))	150	142	276	285
NOI ((iii)+Depreciation)	158	151	310	319

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(Unit: Millions of yen)

Property number	19		20	
Property name	Techno Wave 100		IBF Planning Building (Note 1)	
Fiscal period	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021
Number of days	184 days	181 days	184 days	39 days
Rental revenues	621	630	Not disclosed (Note 2)	Not disclosed (Note 2)
Other rental revenues	118	95		
(i) Total real estate rental revenues	739	726		
Expenses for management and operation	155	171		
Utility expenses	117	97		
Insurance expenses	1	1		
Repair and maintenance	28	20		
Taxes and dues	39	43		
Depreciation	56	58		
Other property-related expenses	8	9		
(ii) Total property-related expenses	407	403		
(iii) Income (loss) from real estate rental business ((i)-(ii))	331	322	57	7
NOI ((iii)+Depreciation)	388	381	68	11

(Note 1) "IBF Planning Building" was disposed on December 10, 2020.

(Note 2) Information is not disclosed as the tenant's authorization has not been obtained.

(Unit: Millions of yen)

Property number	21	
Property name	Otowa Prime Building	
Fiscal period	Previous fiscal period ended October 31, 2020	Current fiscal period ended April 30, 2021
Number of days	184 days	181 days
Rental revenues	Not disclosed (Note)	Not disclosed (Note)
Other rental revenues		
(i) Total real estate rental revenues		
Expenses for management and operation		
Utility expenses		
Insurance expenses		
Repair and maintenance		
Taxes and dues		
Depreciation		
Other property-related expenses		
(ii) Total property-related expenses		
(iii) Income (loss) from real estate rental business ((i)-(ii))	122	120
NOI ((iii)+Depreciation)	151	150

(Note) Information is not disclosed as the tenant's authorization has not been obtained.

m) Security  
Not applicable.