

Translation of Japanese Original**FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED JANUARY 31, 2016(REIT)****(August 1, 2015 to January 31, 2016)**

March 14, 2016

Kenedix Residential Investment Corporation is listed on the Tokyo Stock Exchange with the securities code number 3278.

(URL <http://www.kdr-reit.com/english>)

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Planned submission of semiannual securities report: April 28, 2016

Planned start of distribution payments: April 18, 2016

Preparing presentation material: Yes

Hold a financial brief meeting: Yes (for analysts and institutional investors)

(Amounts are rounded down to the nearest ¥million)

1. PERFORMANCE FOR THE FISCAL PERIOD ENDED JANUARY 31, 2016 (EIGHTH FISCAL PERIOD)**(1) Business Results**

(Percentages show period-on-period changes)

	Operating Revenues (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income (Millions of Yen)	
The eighth fiscal period ended January 31, 2016	5,226	% (-1.4)	2,717	% (-3.4)	2,185	% (-5.2)	2,184	% (-3.1)
The seventh fiscal period ended July 31, 2015	5,302	% (25.0)	2,814	% (26.8)	2,305	% (32.5)	2,254	% (29.6)

	Net Income per Unit	Return on Unitholders' Equity	[Reference] (annualized)	Ordinary Income to Total Assets	[Reference] (annualized)	Ordinary Income to Operating Revenues
The eighth fiscal period ended January 31, 2016	6,257 Yen	% 2.7	% 5.3	% 1.4	% 2.7	% 41.8
The seventh fiscal period ended July 31, 2015	6,485 Yen	% 3.2	% 6.4	% 1.6	% 3.2	% 43.5

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(2) Distribution

	Distributions per Unit Excluding Excess of Earnings (Yen)	Total Distribution (Millions of Yen)	Distributions in Excess of Earnings per Unit (Yen)	Total Distributions in Excess of Earnings (Millions of Yen)	Payout Ratio	Distribution Ratio to Unitholders' Equity
The eighth fiscal period ended January 31, 2016	6,231	2,175	0	0	% 99.6	% 2.6
The seventh fiscal period ended July 31, 2015	6,247	2,180	0	0	% 96.7	% 2.8

- Note 1 Payout ratio is calculated as follows since new investment units were issued through public offering and the number of investment units issued and outstanding was changed during the seventh fiscal period (rounded off to the first decimal place):

$$\text{Payout ratio} = \frac{\text{Total Distributions (excluding distribution in excess of earnings)}}{\text{Net Income}} \times 100$$
- Note 2 Of the 124 million yen in gain on sale of real estate property, the full amount after taxation, about 73 million yen, will be allocated to internal reserves so that the total distributions for the seventh fiscal period are the amounts after considering the allocation, differing from the amount of net income.
- Note 3 9 million yen in gain on sale of real estate property will be allocated to internal reserves so that the total distributions for the eighth fiscal period are the amounts after considering the allocation, differing from the amount of net income.

(3) Financial Position

	Total Assets (Millions of Yen)	Unitholders' Equity (Millions of Yen)	Unitholders' Equity to Total Assets	Unitholders' Equity per Share of Common Stock (Yen)
As of January 31, 2016	160,064	82,389	% 51.5	236,012
As of July 31, 2015	158,655	82,383	% 51.9	235,996

(4) Cash Flow Position

	Cash Flow from Operating Activities (Millions of Yen)	Cash Flow from Investing Activities (Millions of Yen)	Cash Flow from Financing Activities (Millions of Yen)	Cash and Cash Equivalents at the End of the Period (Millions of Yen)
The eighth fiscal period ended January 31, 2016	7,769	-7,545	-882	8,066
The seventh fiscal period ended July 31, 2015	4,329	-25,210	23,555	8,724

2. FORECAST OF RESULTS FOR THE FISCAL PERIOD ENDING JULY 31, 2016 (February 1, 2016 to July 31, 2016)

(Percentages show period-on-period changes)

	Operating Revenues (Millions of Yen) (%)	Operating Income (Millions of Yen) (%)	Ordinary Income (Millions of Yen) (%)	Net Income (Millions of Yen) (%)	Distribution per Unit Excluding Excess of Earnings (Yen)	Distribution in Excess of Earnings per Unit (Yen)
The ninth fiscal period ending July 31, 2016	5,313 (1.7)	2,690 (-1.0)	2,154 (-1.4)	2,153 (-1.4)	6,170	0

(Reference) Estimated net income per unit for the fiscal period ending July 31, 2016: ¥6,170

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3. OTHER

(1) Changes in Accounting Policies/Changes in Accounting Estimate/Retrospective Restatement

(a) Changes concerning accounting policy accompanying amendments to accounting standards: No

(b) Changes other than (a): No

(c) Changes in accounting estimate: No

(d) Retrospective restatement: No

(2) Number of Investment Unit Issued and Outstanding (including treasury units)

(a) Number of investment units issued and outstanding at the end of the period (including treasury units)

As of July 31, 2015: 349,089 units As of January 31, 2016: 349,089 units

(b) Number of treasury units at the end of the period

As of July 31, 2015: 0 units As of January 31, 2016: 0 units

[Provisional Translation Only]

English translation of the original Japanese document is provided solely for information purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.

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1. Financial Statements**(1) Balance Sheets**

	(in thousands of yen)	
	Seventh Fiscal Period (As of July 31, 2015)	Eighth Fiscal Period (As of January 31, 2016)
Assets		
Current assets		
Cash and deposits	5,058,517	4,448,588
Cash and deposits in trust	3,666,427	3,618,286
Operating accounts receivable	18,522	25,022
Prepaid expenses	4,000	3,343
Deferred tax assets	195	-
Consumption taxes receivable	35,168	-
Other	1,756	2,215
Total current assets	<u>8,784,588</u>	<u>8,097,456</u>
Noncurrent assets		
Property, plant and equipment		
Land	1,798,041	1,798,041
Buildings in trust	61,497,744	63,158,108
Accumulated depreciation	-2,945,300	-3,668,726
Buildings in trust, net	<u>58,552,444</u>	<u>59,489,381</u>
Structures in trust	384,396	393,840
Accumulated depreciation	-50,866	-61,776
Structures in trust, net	<u>333,529</u>	<u>332,063</u>
Machinery and equipment in trust	1,234,055	1,241,311
Accumulated depreciation	-90,545	-114,953
Machinery and equipment in trust, net	<u>1,143,510</u>	<u>1,126,358</u>
Tools, furniture and fixtures in trust	53,369	125,547
Accumulated depreciation	-1,694	-4,331
Tools, furniture and fixtures in trust, net	<u>51,675</u>	<u>121,215</u>
Land in trust	<u>86,993,349</u>	<u>88,038,597</u>
Total property, plant and equipment, net	<u>148,872,550</u>	<u>150,905,658</u>
Investments and other assets		
Investment securities	132,897	132,897
Lease and guarantee deposits	10,950	10,950
Long-term prepaid expenses	668,909	787,229
Total investments and other assets	<u>812,758</u>	<u>931,077</u>
Total noncurrent assets	<u>149,685,308</u>	<u>151,836,735</u>
Deferred assets		
Deferred organization costs	13,597	8,296
Investment unit issuance costs	171,999	122,138
Total deferred assets	<u>185,596</u>	<u>130,435</u>
Total assets	<u>158,655,493</u>	<u>160,064,627</u>

(in thousands of yen)

	Seventh Fiscal Period (As of July 31, 2015)	Eighth Fiscal Period (As of January 31, 2016)
Liabilities		
Current liabilities		
Operating accounts payable	301,810	408,685
Short-term loans payable	3,200,000	-
Current portion of long-term loans payable	9,000,000	12,000,000
Accounts payable-other	192,209	189,155
Accrued expenses	14,495	20,333
Income taxes payable	42,141	605
Accrued consumption taxes	-	87,311
Advances received	707,793	698,353
Deposits received	56,019	55,597
Total current liabilities	13,514,469	13,460,042
Noncurrent liabilities		
Long-term loans payable	61,300,000	62,800,000
Tenant leasehold and security deposits in trust	1,457,261	1,415,065
Total noncurrent liabilities	62,757,261	64,215,065
Total liabilities	76,271,730	77,675,108
Net assets		
Unitholders' equity		
Unitholders' capital	80,132,379	80,132,379
Surplus		
Unappropriated retained earnings (undisposed loss)	2,254,662	2,258,172
Total surplus	2,254,662	2,258,172
Total unitholders' equity	82,387,041	82,390,551
Valuation and translation adjustments		
Deferred gains or losses on hedges	-3,278	-1,032
Total valuation and translation adjustments	-3,278	-1,032
Total net assets	*1 82,383,762	*1 82,389,519
Total liabilities and net assets	158,655,493	160,064,627

(2) Statements of Income and Retained Earnings

(in thousands of yen)

	Seventh Fiscal Period		Eighth Fiscal Period	
	February 1, 2015 to		August 1, 2015 to	
	July 31, 2015		January 31, 2016	
Operating revenues				
Rent revenue-real estate	*1	4,735,880	*1	4,796,385
Other lease business revenue	*1	434,129	*1	411,751
Gain on sale of real estate property	*2	124,110	*2	9,284
Dividends income		8,333		9,211
Total operating revenues		5,302,453		5,226,632
Operating expenses				
Expenses related to rent business	*1	1,952,263	*1	1,936,375
Asset management fees		318,705		355,326
Asset custody fees		9,175		10,932
Administrative service fees		32,723		37,737
Directors' compensation		4,500		4,500
Other operating expenses		171,066		164,677
Total operating expenses		2,488,434		2,509,550
Operating income		2,814,018		2,717,082
Non-operating income				
Interest income		210		255
Dividends and redemption-prescription		-		1,246
Interest on refund		115		15
Total non-operating income		325		1,517
Non-operating expenses				
Interest expenses		335,705		370,333
Derivatives-related expenses		7,496		3,391
Borrowing expenses		105,653		104,644
Amortization of deferred organization costs		5,214		5,300
Amortization of investment unit issuance costs		54,333		49,860
Total non-operating expenses		508,403		533,531
Ordinary income		2,305,941		2,185,069
Income before income taxes		2,305,941		2,185,069
Income taxes				
Current		51,577		605
Deferred		-178		195
Total income taxes		51,399		800
Net income		2,254,542		2,184,268
Retained earnings brought forward		120		73,903
Unappropriated retained earnings (undisposed loss)		2,254,662		2,258,172

(3) Statements of Changes in Net Assets

Seventh Fiscal Period February 1, 2015 to July 31, 2015

(in thousands of yen)

	Unitholders' equity				Valuation and translation adjustments		Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	Deferred gains and losses on hedges	Total valuation and translation adjustments	
		Unappropriated retained earnings (undisposed loss)	Total surplus				
Balance at the beginning of current period	57,121,702	1,739,608	1,739,608	58,861,310	-8,589	-8,589	58,852,721
Changes of items during the period							
Issuance of investment units	23,010,676			23,010,676			23,010,676
Dividends from surplus		-1,739,488	-1,739,488	-1,739,488			-1,739,488
Net income		2,254,542	2,254,542	2,254,542			2,254,542
Net changes of items other than unitholders' equity					5,310	5,310	5,310
Total changes of items during the period	23,010,676	515,054	515,054	23,525,731	5,310	5,310	23,531,041
Balance at the end of current period	80,132,379	2,254,662	2,254,662	32,387,041	-3,278	-3,278	32,383,762

Eighth Fiscal Period August 1, 2015 to January 31, 2016

(in thousands of yen)

	Unitholders' equity				Valuation and translation adjustments		Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	Deferred gains and losses on hedges	Total valuation and translation adjustments	
		Unappropriated retained earnings (undisposed loss)	Total surplus				
Balance at the beginning of current period	80,132,379	2,254,662	2,254,662	32,387,041	-3,278	-3,278	32,383,762
Changes of items during the period							
Dividends from surplus		-2,180,758	-2,180,758	-2,180,758			-2,180,758
Net income		2,184,268	2,184,268	2,184,268			2,184,268
Net changes of items other than unitholders' equity					2,246	2,246	2,246
Total changes of items during the period	-	3,509	3,509	3,509	2,246	2,246	5,756
Balance at the end of current period	80,132,379	2,258,172	2,258,172	82,390,551	-1,032	-1,032	82,389,519

(4) Distributions

	Seventh Fiscal Period (From February 1, 2015 to July 31, 2015)	Eighth Fiscal Period (From August 1, 2015 to January 31, 2016)
I. Retained earnings at the end of period	¥2,254,662,743	¥2,258,172,370
II. Total distributions	¥2,180,758,983	¥2,175,173,559
Distributions per unit	¥6,247	¥6,231
III. Retained earnings brought forward to the next period	¥73,903,760	¥82,998,811
Method of calculating distribution amount	<p>In accordance with the policy described in Article 38-1 of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Special Taxation Measures Law, and shall not exceed its accounting profits as the maximum amount. Following this policy, of the ¥124,110,143 in gain on sale of real estate property, net of tax, reported as unappropriated retained earnings will be allocated to internal reserves, and of the remaining amount, the Investment Corporation has decided that it shall distribute ¥2,180,758,983 which is the maximum integral multiple of 349,089 units issued and outstanding as the distribution of earnings.</p> <p>Procedures for the distribution of amounts exceeding distributable income are outlined in Article 38-2 of the Investment Corporation's Articles of Incorporation. In the seventh fiscal period, the Investment Corporation has decided not to distribute cash in excess of distributable profit.</p>	<p>In accordance with the policy described in Article 38-1 of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Special Taxation Measures Law, and shall not exceed its accounting profits as the maximum amount. Following this policy, internal reserves as of the end of the seventh fiscal period and the ¥9,284,400 in gain on sale of real estate property, reported as unappropriated retained earnings will be allocated to internal reserves, and of the remaining amount, the Investment Corporation has decided that it shall distribute ¥2,175,173,559 which is the maximum integral multiple of 349,089 units issued and outstanding as the distribution of earnings.</p> <p>Procedures for the distribution of amounts exceeding distributable income are outlined in Article 38-2 of the Investment Corporation's Articles of Incorporation. In the eighth fiscal period, the Investment Corporation has decided not to distribute cash in excess of distributable profit.</p>

(5) Statements of Cash Flows

	(in thousands of yen)	
	Seventh Fiscal Period	Eighth Fiscal Period
	February 1, 2015 to	August 1, 2015 to
	July 31, 2015	January 31, 2016
Net cash provided by (used in) operating activities		
Income before income taxes	2,305,941	2,185,069
Depreciation and amortization	827,083	852,368
Amortization of deferred organization costs	5,214	5,300
Amortization of investment unit issuance costs	54,333	49,860
Interest income	-210	-255
Interest expenses	335,705	370,333
Derivatives-related expenses	7,496	3,391
Decrease (increase) in operating accounts receivable	26,132	-6,499
Decrease (increase) in consumption taxes refund receivable	21,261	35,168
Decrease (increase) in prepaid expenses	7,249	657
Increase (decrease) in operating accounts payable	-47,989	86,839
Increase (decrease) in accounts payable-other	54,614	-2,750
Increase (decrease) in accrued consumption taxes	-	87,311
Increase (decrease) in advances received	126,538	-9,440
Decrease (increase) in long-term prepaid expenses	-59,136	-118,319
Decrease in property and equipment in trust due to sale	989,335	4,637,001
Other, net	13,295	-382
Subtotal	4,666,865	8,175,653
Interest income received	210	255
Interest expenses paid	-337,369	-364,494
Income taxes paid	-697	-42,141
Net cash provided by (used in) operating activities	4,329,009	7,769,272
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment in trust	-25,985,200	-7,502,838
Purchase of investment securities	-133,807	-
Proceeds from investment securities	726,542	-
Repayments of tenant leasehold and security deposits in trust	-161,160	-192,927
Proceeds from tenant leasehold and security deposits in trust	343,195	150,731
Net cash provided by (used in) investing activities	-25,210,430	-7,545,034
Net cash provided by (used in) financing activities		
Decrease in short-term loans payable	-	-3,200,000
Increase in long-term loans payable	8,900,000	10,000,000
Decrease in long-term loans payable	-6,500,000	-5,500,000
Proceeds from issuance of investment units	22,895,146	-
Dividends paid	-1,739,275	-2,182,308
Net cash provided by (used in) financing activities	23,555,870	-882,308
Net increase (decrease) in cash and cash equivalents	2,674,449	-658,070
Cash and cash equivalents at the beginning of period	6,050,495	8,724,944
Cash and cash equivalents at the end of period	*1 8,724,944	*1 8,066,874

(6) Notes to the Going Concern

Not applicable

(7) Important Accounting Standards

1. Evaluation standards and evaluation method of assets	<p>Securities</p> <p>Other securities</p> <p>Those with no fair value</p> <p>Cost method through moving-average method</p> <p>Concerning anonymous association equity interests, the method of incorporating the amount equivalent to equity interests corresponding to net amount of gain or loss from anonymous association is adopted.</p>
2. Depreciation of fixed assets	<p>(1) Property, plant and equipment (includes trust assets)</p> <p>The straight-line method is applied.</p> <p>Useful lives of the assets ranging are as follows:</p> <p>Buildings: 3 to 65 years</p> <p>Structures: 3 to 45 years</p> <p>Machinery and equipment: 8 to 30 years</p> <p>Tools, furniture and fixtures: 10 to 30 years</p> <p>(2) Long-term prepaid expenses</p> <p>The straight-line method is applied.</p>
3. Accounting policies for deferred assets	<p>(1) Deferred organization costs</p> <p>Deferred organization costs are amortized over a period of 5 years under the straight-line method.</p> <p>(2) Unit issuance costs</p> <p>Unit issuance costs are amortized over a period of 3 years under the straight-line method.</p>
4. Accounting standards for revenues and expenses	<p>Property-related taxes including property taxes, city planning taxes and depreciable property taxes are imposed on properties on a calendar year basis. These taxes are generally charged to operating expenses for the period, for the portion of such taxes corresponding to said period. Under Japanese tax regulations, the seller of the property is liable for these taxes on the property from the date of disposal to the end of the calendar year in which the property is disposed. The seller, however, is reimbursed by the purchaser for these accrued property-related tax liabilities.</p> <p>When the Investment Corporation purchases properties, it typically allocates the portion of the property-related taxes related to the period following the purchase date of each property through the end of the calendar year. The amounts of those allocated portions of the property-related taxes are capitalized as part of the acquisition costs of the related properties. Capitalized property-related taxes amounted to ¥87,363 thousand and ¥4,237 thousand as of July 31, 2015 and January 31, 2016, respectively.</p>
5. Accounting for hedges	<p>(1) Hedge accounting method</p> <p>The deferred hedge method is applied. However, the special treatment is applied for the interest-rate swap agreements that meet the criteria.</p> <p>(2) Hedging instruments and risks hedged</p> <p>Hedge instruments</p> <p>The Investment Corporation enters into interest-rate swap transactions.</p> <p>The Investment Corporation enters into interest-rate cap transactions.</p> <p>Risks hedged</p> <p>Interest rates on debt.</p> <p>(3) Hedging policy</p> <p>The Investment Corporation enters into derivative transactions based on its risk management policies with the objective of hedging risks in accordance with its Articles of Incorporation.</p> <p>(4) Method of evaluating the effectiveness of hedging</p> <p>As for the method of assessment of the effectiveness of the hedge in the period from the inception of the hedge to the time of judgment of its effectiveness, the cumulative changes in cash flow of the hedged items and hedging instruments are compared and a judgment is made based on changed amount, etc. However, an assessment of the effectiveness of hedging activities is omitted in the case of interest rate swaps that meet the requirements for special treatment. Furthermore, assessment of the effectiveness of hedging activities is omitted in the case of interest rate caps that do not meet the requirements for special treatment as the important conditions regarding hedged items and hedging instruments are the same and are clearly expected to have the effect of limiting the impact of interest rate volatility within a certain range on an ongoing basis.</p>
6. The scope of cash and cash equivalents on statements of cash flows	<p>Cash and cash equivalents consist of cash on hand, deposits placed with banks and short-term investments which are highly liquid, readily convertible to cash and with insignificant risk of market value fluctuation, with maturities of three months or less from the date of purchase.</p>

<p>7. Other significant accounting policies utilized in the preparation of financial statements</p>	<p>(1) Accounting method for trust beneficiary interests in real estate and other assets The assets and liabilities as well as revenues and expenses of financial assets held in the form of trust beneficiary interests in real estate and other assets are recorded in full in the Investment Corporation's balance sheets and statements of income. Important line items included in accounting for financial assets and liabilities in the Investment Corporation's balance sheet are as follows:</p> <ol style="list-style-type: none"> 1. Cash and deposits in trust 2. Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust 3. Tenant leasehold and security deposits in trust <p>(2) Accounting method for consumption tax Consumption taxes are separately recorded. Non-deductible consumption taxes applicable to the acquisition of assets are included in the cost of acquisition for each asset.</p>
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(8) Notes to the Financial Statements

(Notes to the Balance Sheets)

* 1. Minimum unitholders' equity pursuant to Article 67-4 of the Law Concerning Investment Trusts and Investment Corporations Law

(in thousands of yen)	
As of July 31, 2015	As of January 31, 2016
50,000	50,000

(Notes to the Statements of Income and Retained Earnings)

* 1. Breakdown of real estate rental business profit and loss

(in thousands of yen)		
	From February 1, 2015 to July 31, 2015	From August 1, 2015 to January 31, 2016
A. Rental and other operating revenues:		
Rental revenues	4,417,740	4,492,515
Rental revenues from limited proprietary rights of land	66,790	43,749
Common area charges	251,349	260,119
Subtotal	4,735,880	4,796,385
Others:		
Parking space rental revenues	175,098	177,491
Miscellaneous	259,030	234,260
Subtotal	434,129	411,751
Total rental and other operating revenues	5,170,009	5,208,136
B. Property-related expenses:		
Property management fees and facility management fees	368,881	350,097
Utilities	99,443	97,311
Taxes	261,545	255,544
Repairs and maintenance	182,979	203,469
Insurance	8,324	7,963
Trust fees	38,691	39,331
Depreciation	827,083	852,368
Others	165,312	130,289
Total property-related expenses	1,952,263	1,936,375
C. Net operating income (A-B)	3,217,746	3,271,761

*2. Gain and Loss on sale of real estate property

Seventh Fiscal Period (From February 1, 2015 to July 31, 2015)

(in thousands of yen)	
Nichii Home Tama Plaza (Land with leasehold interest)	
Revenue from sale of the investment property	1,120,000
Costs of the investment property	989,335
Other sales expenses	6,554
Gain on sale of real estate property	124,110

Eighth Fiscal Period (From August 1, 2015 to January 31, 2016)

(in thousands of yen)	
KDX Yoyogi Residence	
Revenue from sale of the investment property	1,340,000
Costs of the investment property	1,328,749
Other sales expenses	7,945
Gain on sale of real estate property	3,304

KDX Residence Tenjin-higashi I	
Revenue from sale of the investment property	381,000
Costs of the investment property	377,076
Other sales expenses	2,482
Gain on sale of real estate property	1,440
KDX Residence Shirokane III	
Revenue from sale of the investment property	2,952,000
Costs of the investment property	2,931,175
Other sales expenses	16,285
Gain on sale of real estate property	4,539

(Notes to the Statements of Changes in Net Assets)

* 1. Total number of authorized investment units and total number of investment units issued and outstanding are as follows:

	From February 1, 2015 to July 31, 2015	From August 1, 2015 to January 31, 2016
Total number of authorized investment units	5,000,000 units	5,000,000 units
Total number of investment units issued and outstanding	349,089 units	349,089 units

(Notes to the Statements of Cash Flow)

* 1. Reconciliation of balance sheet items to cash and cash equivalents at end of period in the cash flows statements

(in thousands of yen)

	As of July 31, 2015	As of January 31, 2016
Cash and deposits	5,058,517	4,448,588
Cash and deposits in trust	3,666,427	3,618,286
Cash and cash equivalents	8,724,944	8,066,874

(Notes to the Lease Transactions)

Operating lease transactions (Lessor)

Unearned lease payments

(in thousands of yen)

	As of July 31, 2015	As of January 31, 2016
Due in 1 year	692,766	640,615
Due after 1 year	5,193,660	4,540,138
Total	5,886,426	5,180,753

(Notes to the Financial Instruments)

(A) Overview

(1) Policy for financial instruments

The Investment Corporation procures funds for asset acquisitions, repairs, payment of distributions, repayment of loans, etc. through loans from financial institutions, issuance of investment units and other means. With regard to the procurement of interest-bearing debts, the Investment Corporation ensures that it can effectively combine stable long-term funds with flexible short-term funds. Management of surplus funds is undertaken through various bank deposits focusing on safety, liquidity and effectiveness. The Investment Corporation uses derivatives for the purpose of hedging its exposure to changes in interest rates and other risks and does not enter into derivative transactions for speculative or trading purposes.

(2) Types of financial instruments and related risk

Bank deposits are for managing the Investment Corporation's surplus funds and are exposed to credit risk such as the bankruptcy of financial institutions at which funds are deposited. Investment securities represent equity investments in an anonymous association and are exposed to credit risk of the issuer and interest rate fluctuation risk. Borrowings, which are made primarily for the purpose of procuring funds for the acquisition of real estate and trust beneficiary interests in real estate and have a repayment date of a maximum of 9 years and 7 months as of January 31, 2016, the end of the eighth fiscal period, are exposed to liquidity risk where alternative funds may not be procured by the repayment date. Also, borrowings with floating interest rates are exposed to interest rate fluctuation risk. Derivatives are used for the purpose of hedging interest rate fluctuation risk for a certain portion of the borrowings.

(3) Risk management for financial instruments

a. Credit risk

While bank deposits are exposed to credit risk such as the bankruptcy of financial institutions at which funds are deposited, such risk is monitored by deposits in non-interest bearing ordinary savings accounts or with financial institutions with credit ratings above a certain level. Investment securities represent equity investments in an anonymous association and are exposed to credit risk of the issuer and interest rate fluctuation risk. To manage this credit risk, the Investment Corporation regularly evaluates the results of operations and the financial condition of the issuer, etc. In utilizing derivatives, the Investment Corporation aims to mitigate counterparty risk such as by transacting with financial institutions with favorable ratings.

b. Market risk

While borrowings with floating rates are exposed to interest rate volatility risk, such risk is monitored by adjusting the rate of the balance of borrowings with floating rates against the total borrowings according to the financial environment, interest rate forecasts by continuous monitoring, etc. and by using derivatives, etc. A risk management policy is established with regard to the execution and management of derivatives and such transactions are conducted based on this policy.

c. Liquidity risk

Though borrowings are subject to liquidity risk, the Investment Corporation reduces such risk by spreading out payment due dates and by diversifying financial institutions. Liquidity risk is also managed by such means as regularly checking the balance of cash reserves.

(4) Supplementary explanation of the estimated fair value of financial instruments

The fair value of financial instruments is based on their quoted market price, if available. When there is no quoted market price available, fair value is reasonably estimated. Since various assumptions and factors are reflected in estimating the fair value, different assumptions and factors could result in a different fair value.

(B). Estimated Fair Value of Financial Instruments

The carrying value of financial instruments on the balance sheet and estimated fair value are shown in the following table.

As of July 31, 2015

	(in thousands of yen)		
	Carrying amount	Estimated fair value	Difference
(1) Cash and deposits	5,058,517	5,058,517	-
(2) Cash and deposits in trust	3,666,427	3,666,427	-
Total	8,724,944	8,724,944	-
(1) Short-term loans payable	3,200,000	3,200,000	-
(2) Current portion of long-term loans payable	9,000,000	9,000,000	-
(3) Long-term loans payable	61,300,000	60,738,782	-561,217
Total	73,500,000	72,938,782	-561,217
Derivative transactions	1,756	1,756	-

As of January 31, 2016

	(in thousands of yen)		
	Carrying amount	Estimated fair value	Difference
(1) Cash and deposits	4,448,588	4,448,588	-
(2) Cash and deposits in trust	3,618,286	3,618,286	-
Total	8,066,874	8,066,874	-
(1) Short-term loans payable	-	-	-
(2) Current portion of long-term loans payable	12,000,000	11,995,816	-4,183
(3) Long-term loans payable	62,800,000	63,113,900	313,900
Total	74,800,000	75,109,716	309,716
Derivative transactions	611	611	-

Note 1: Methods to determine the estimated fair value of financial instruments and matters related to derivative transactions

Assets

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

Since these items are settled in a short period of time, their carrying amount approximates fair value.

Liabilities

(1) Short-term loans payable

Since these items are settled in a short period of time with floating interest rates, their carrying amount approximates fair value.

(2) Current portion of long-term loans payable and (3) Long-term loans payable

Among these items, the fair value of loans payable with fixed interest rates is calculated based on the present value, which is the total amount of principal and interest discounted by the estimated interest rate to be applied in the event that the Investment Corporation conducts new borrowings of the same type. As for the fair value of loans payable with floating interest rates, it is based on the carrying amount since market interest rates are reflected in the short term and the fair value is believed to approximate the carrying amount as the credit standing of the Investment Corporation has not changed significantly since the loans were made. (However, the fair value of long-term loans payable subject to the special treatment for interest-rate swaps is based on the present value of the total of principal and interest, accounted for together with the applicable interest-rate swaps, discounted by the estimated interest rate to be applied in the event that the Investment Corporation conducts new borrowings of the same type.)

Derivative transactions

Please refer to "Notes to the Derivative Transactions".

Note 2: Financial instruments whose fair values are recognized to be extremely difficult to grasp

(in thousands of yen)

Classification	As of July 31, 2015	As of January 31, 2016
Investment securities *	132,897	132,897

*Fair values of investment securities are not subject to disclosure of fair value as they have no market value and their fair values are recognized to be extremely difficult to grasp.

Note 3: Redemption schedule for financial assets with maturities

As of July 31, 2015

(in thousands of yen)

	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Cash and deposits	5,058,517	-	-	-	-	-
Cash and deposits in trust	3,666,427	-	-	-	-	-
Total	8,724,944	-	-	-	-	-

As of January 31, 2016

(in thousands of yen)

	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Cash and deposits	4,448,588	-	-	-	-	-
Cash and deposits in trust	3,618,286	-	-	-	-	-
Total	8,066,874	-	-	-	-	-

Note 4: Redemption schedule for loans payable

As of July 31, 2015

(in thousands of yen)

	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Short-term loans payable	3,200,000	-	-	-	-	-
Long-term loans payable	9,000,000	8,500,000	11,000,000	11,000,000	1,500,000	29,300,000
Total	12,200,000	8,500,000	11,000,000	11,000,000	1,500,000	29,300,000

As of January 31, 2016

(in thousands of yen)

	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Short-term loans payable	-	-	-	-	-	-
Long-term loans payable	12,000,000	11,000,000	11,000,000	1,500,000	3,600,000	35,700,000
Total	12,000,000	11,000,000	11,000,000	1,500,000	3,600,000	35,700,000

(Notes to the Derivative Transactions)

(1) Transactions not subject to hedge accounting

As of July 31, 2015 and as of January 31, 2016: Not applicable

(2) Transactions subject to hedge accounting

As of July 31, 2015

Hedge accounting method	Type of derivative transactions	Hedged items	Contract amount (in thousands of yen)		Fair value (in thousands of yen)	Calculation method for applicable fair value
				Maturing after 1 year		
Accounting method, in principle	Interest rate cap transaction:	Long-term loans payable	3,500,000	-	1,756	Based on the amount provided by counterparty financial institutions
Special treatment of interest-rate swaps	Interest rate swap transaction: Receive/floating and pay/fixed	Long-term loans payable	56,800,000	56,800,000	*	-
		Total	60,300,000	56,800,000	1,756	

*Interest rate swaps for which the special treatment is applied are accounted for together with the underlying hedged item. As a result, their fair value is included in the fair value of the hedged long-term debt.

As of January 31, 2016

Hedge accounting method	Type of derivative transactions	Hedged items	Contract amount (in thousands of yen)		Fair value (in thousands of yen)	Calculation method for applicable fair value
				Maturing after 1 year		
Accounting method, in principle	Interest rate cap transaction:	Long-term loans payable	3,500,000	-	611	Based on the amount provided by counterparty financial institutions
Special treatment of interest-rate swaps	Interest rate swap transaction: Receive/floating and pay/fixed	Long-term loans payable	65,800,000	57,300,000	*	-
Total			69,300,000	57,300,000	611	

*Interest rate swaps for which the special treat

ment is applied are accounted for together with the underlying hedged item. As a result, their fair value is included in the fair value of the hedged long-term debt.

(Notes to the Tax-Effect Accounting)

The significant components of deferred tax assets and liabilities:

(in thousands of yen)

	As of July 31, 2015	As of January 31, 2016
Deferred tax assets:		
Enterprise tax payable	4,025	-
Deferred gains or losses on hedges	1,059	333
Subtotal deferred tax assets	5,084	333
Valuation allowance	-4,889	-333
Total deferred tax assets	195	-

The significant differences between the statutory tax rate and the effective tax rate:

	From February 1, 2015 to July 31, 2015	From August 1, 2015 to January 31, 2016
Statutory tax rate	37.11%	32.31%
Deductible cash distributions	-35.10	-32.13
Others	0.22	-0.14
Effective tax rate	2.23%	0.04%

(Notes to the Related-Party Transactions)

1. Parent Company, major corporate unitholders and other

Seventh Fiscal Period (February 1, 2015 to July 31, 2015) and Eighth Fiscal Period (August 1, 2015 to January 31, 2016): Not applicable

2. Affiliated companies and other

Seventh Fiscal Period (February 1, 2015 to July 31, 2015) and Eighth Fiscal Period (August 1, 2015 to January 31, 2016): Not applicable

3. Fellow subsidiary companies and other

Seventh Fiscal Period (February 1, 2015 to July 31, 2015) and Eighth Fiscal Period (August 1, 2015 to January 31, 2016): Not applicable

4. Directors, major individual unitholders and other

Seventh Fiscal Period (February 1, 2015 to July 31, 2015) and Eighth Fiscal Period (August 1, 2015 to January 31, 2016): Not applicable

(Notes to the Investment and Rental Properties)

The Investment Corporation owns real estate for rental purposes in the Tokyo Metropolitan Area and other regional areas for the purpose of generating rental revenues. The book value and fair value concerning the above real estate for rental purposes are as follows.

(in thousands of yen)

		From February 1, 2015 to July 31, 2015	From August 1, 2015 to January 31, 2016
Book value	Balance at the beginning of period	124,680,482	148,872,550
	Changes during the period	24,192,067	2,033,108
	Balance at the end of period	148,872,550	150,905,658
Fair value at the end of period		163,849,000	169,702,000

Note 1: Book value excludes accumulated depreciation from acquisition costs.

Note 2: Among changes in the amount of real estate for rental purposes that occurred during the seventh fiscal period, principal increase was the acquisition of real estate trust beneficiary interests in 12 properties totaling ¥25,861,908 thousand, the principal decrease was the disposition of real estate trust beneficiary interests in 1 property totaling ¥989,335 thousand and depreciation of ¥827,083 thousand, during the eighth fiscal period, principal increase was the acquisition of real estate trust beneficiary interests in 5 properties totaling ¥7,355,020 thousand, the principal decrease was the disposition of real estate trust beneficiary interests in 3 property totaling ¥4,637,001 thousand and depreciation of ¥852,368 thousand.

Note 3: The fair value is the appraisal value or the survey value determined by outside appraisers.

Income and loss for real estate rental business in the fiscal periods ended July 31, 2015 and January 31, 2016 for real estate for rental purposes is listed in "Notes to the Statements of Income and Retained Earnings".

(Notes to the Segment Information)

Segment information for the periods from February 1, 2015 to July 31, 2015 and from August 1, 2015 to January 31, 2016 is as follows:

(A) Segment information

Disclosure is omitted because the real estate leasing business is the Investment Corporation's sole business and it has no reportable segment subject to disclosure.

(B) Related information

(1) Information about each product and service

Disclosure is omitted because net sales to external customers for a single product/service category account for over 90% of the operating revenue on the statement of income and retained earnings.

(2) Information about each geographic area

(a) Net sales

Disclosure is omitted because net sales to external customers in Japan account for over 90% of the operating revenue on the statement of income and retained earnings.

(b) Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information about each major customer

Disclosure is omitted because net sales to a single external customer account for less than 10% of the operating revenue on the statement of income and retained earnings.

(Notes to Per Unit Information)

	From February 1, 2015 to July 31, 2015	From August 1, 2015 to January 31, 2016
Net asset value per unit	¥235,996	¥236,012
Net income per unit	¥6,485	¥6,257

Note 1: The weighted average number of units outstanding of 347,610 and 349,089 were used for the computation of the amount of net income per unit for the periods ended July 31, 2015 and January 31, 2016, respectively. Net income per unit after adjusting for residual units is not included because there were no residual investment units.

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

	From February 1, 2015 to July 31, 2015	From August 1, 2015 to January 31, 2016
Net income (in thousands of yen)	2,254,542	2,184,268
Net income not available to ordinary unitholders (in thousands of yen)	-	-
Net income available to ordinary unitholders (in thousands of yen)	2,254,542	2,184,268
Weighted average number of units during the period (units)	347,610	349,089

(Notes to Important Subsequent Events)

Not applicable

[Reference]

Earnings Performance for the Individual Properties for the 8th Fiscal Period (August 1, 2015 to January 31, 2016) : 184 days As of January 31, 2016

Location		Tokyo Metropolitan Area													
Property No.		T-1	T-3	T-4	T-5	T-6	T-7	T-9	T-10	T-11	T-12	T-13	T-15	T-16	T-17
Property Name		KDX Daikanyama Residence	KDX Odemma Residence	KDX Iwamotocho Residence	KDX Bunkyo Sengoku Residence	KDX Azumabashi Residence	KDX Shimura Sakaue Residence	Cosmo Heim Motosumiyoshi (Land with leasehold interest)	KDX Musashi Nakahara Residence	KDX Chiba Chuo Residence	KDX Kawaguchi Saiwai-cho Residence	KDX Residence Shirokane	KDX Residence Shirokane II	KDX Residence Minami-aoyama	KDX Residence Minami-azabu
Acquisition Date		May 1, 2012	May 1, 2012	May 1, 2012	May 1, 2012	May 1, 2012	May 1, 2012	April 26, 2012	May 1, 2012	May 1, 2012	May 1, 2012	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013
Price Information	Acquisition price (In millions of yen)	4,700	1,775	822	1,488	650	2,830	1,750	637	1,480	1,150	3,000	2,800	2,230	2,080
	Percentage of total portfolio	3.2%	1.2%	0.6%	1.0%	0.4%	1.9%	1.2%	0.4%	1.0%	0.8%	2.0%	1.9%	1.5%	1.4%
	Net book value (In millions of yen)	4,766	1,764	819	1,493	643	2,791	1,798	643	1,432	1,154	3,042	2,836	2,255	2,101
	Appraisal value at the end of period (In millions of yen)	5,530	2,000	951	1,750	832	3,230	1,770	707	1,630	1,410	3,340	3,170	2,370	2,430
	Percentage of total appraisal value	3.3%	1.2%	0.6%	1.0%	0.5%	1.9%	1.0%	0.4%	1.0%	0.8%	2.0%	1.9%	1.4%	1.4%
Lease Information	Number of leasable residential units	86	54	36	77	41	85	-	35	106	61	50	85	20	62
	Leasable floor area (㎡)	5,338.99	2,353.23	1,131.24	2,054.10	1,054.83	6,117.48	3,040.11	2,123.46	3,546.91	2,491.66	3,617.32	2,889.66	1,680.79	2,785.42
	Leased floor area (㎡)	5,305.20	2,310.78	1,068.25	2,054.10	1,031.09	5,764.36	3,040.11	2,123.46	3,505.31	2,419.96	3,572.26	2,835.76	1,592.70	2,751.80
	Occupancy ratio														
	As of January 31, 2016	99.4%	98.2%	94.4%	100.0%	97.7%	94.2%	-	100.0%	98.8%	97.1%	98.8%	98.1%	94.8%	98.8%
	As of July 31, 2015	96.6%	96.4%	100.0%	97.7%	100.0%	97.5%	-	100.0%	91.9%	98.2%	100.0%	97.8%	97.7%	96.0%
	As of January 31, 2015	90.6%	96.4%	100.0%	98.7%	95.5%	97.6%	-	97.2%	88.9%	81.2%	97.3%	97.5%	90.9%	95.2%
	As of July 31, 2014	98.2%	92.2%	96.4%	99.0%	100.0%	96.4%	-	100.0%	90.6%	91.7%	96.1%	96.0%	92.9%	90.2%
As of January 31, 2014	94.1%	96.4%	100.0%	91.2%	97.7%	97.8%	-	91.3%	94.6%	98.2%	97.1%	98.9%	95.8%	91.1%	
As of July 31, 2013	95.5%	96.3%	97.2%	93.3%	95.4%	95.2%	-	100.0%	96.9%	96.6%	-	-	-	-	
As of January 31, 2013	96.8%	96.2%	100.0%	97.7%	93.1%	93.1%	-	88.5%	96.7%	95.2%	-	-	-	-	
As of July 31, 2012	94.0%	90.7%	100.0%	91.2%	95.5%	96.5%	-	97.2%	96.9%	90.1%	-	-	-	-	
Income and Retained Earnings Information for the 8th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	Rental and other operating revenues (In thousands of yen)	157,782	57,431	26,772	49,745	25,277	101,911	43,749	25,179	59,486	47,813	110,893	89,798	64,517	69,312
	Rental revenues	142,350	53,968	25,685	45,918	23,797	91,623	43,749	24,100	55,771	43,694	93,110	84,230	62,499	64,487
	Other operating revenues	15,432	3,462	1,087	3,827	1,479	10,287	-	1,079	3,715	4,119	17,782	5,568	2,018	4,824
	Property-related expenses (In thousands of yen)	30,265	9,336	6,203	10,085	6,144	17,741	1,132	5,961	17,567	10,186	31,757	15,975	10,276	15,995
	Property management fees	9,457	4,059	2,187	3,786	2,436	6,564	-	2,469	5,726	2,582	6,546	5,717	3,790	6,881
	Taxes	8,755	2,825	1,247	2,441	1,269	5,609	1,126	1,587	3,851	2,774	7,513	4,456	3,287	3,735
	Utilities	6,249	539	329	590	284	1,287	-	428	1,031	788	13,976	1,607	1,881	610
	Repairs and maintenance	2,421	899	1,402	1,728	1,426	2,512	-	771	3,490	2,109	2,386	1,861	417	2,985
	Insurance	171	63	30	56	32	153	-	48	101	66	125	92	47	83
	Trust fees and other expenses	3,208	950	1,005	1,482	696	1,614	6	656	3,364	1,863	1,207	2,240	851	1,699
NOI (= -) (In thousands of yen)	127,517	48,094	20,569	39,659	19,132	84,169	42,617	19,217	41,919	37,627	79,136	73,823	54,240	53,316	
Depreciation (In thousands of yen)	15,598	10,526	5,210	6,497	4,883	21,304	-	3,490	17,160	7,220	7,589	6,635	3,213	6,745	
Rental operating income (= -) (In thousands of yen)	111,919	37,567	15,358	33,162	14,248	62,865	42,617	15,727	24,759	30,406	71,547	67,188	51,026	46,571	
Capital expenditures (In thousands of yen)	2,610	132	-	835	173	930	-	2,008	2,609	317	-	-	193	1,780	
NCF (= -) (In thousands of yen)	124,906	47,961	20,569	38,824	18,958	83,239	42,617	17,208	39,310	37,309	79,136	73,823	54,047	51,535	
Reference	Expense ratio (= /)	19.2%	16.3%	23.2%	20.3%	24.3%	17.4%	2.6%	23.7%	29.5%	21.3%	28.6%	17.8%	15.9%	23.1%
	Property tax for the year 2015 (In thousands of yen)	17,511	5,650	2,495	4,883	2,538	11,220	2,255	3,175	7,687	5,554	15,027	8,913	6,575	7,470
	Assets pledged as collateral	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[Reference]

Earnings Performance for the Individual Properties for the 8th Fiscal Period (August 1, 2015 to January 31, 2016) : 184 days As of January 31, 2016

Location		Tokyo Metropolitan Area														
Property No.		T-18	T-19	T-20	T-21	T-22	T-23	T-24	T-25	T-26	T-27	T-28	T-29	T-30	T-31	
Property Name		KDX Residence Shiba Koen	KDX Residence Azabu East	KDX Residence Takanawa	KDX Residence Nishihara	KDX Residence Daikanyama II	KDX Residence Sendagaya	KDX Residence Nihombashi Suiengu	KDX Residence Nihombashi Hakozaki	KDX Residence Higashi-shinjuku	KDX Residence Yotsuya	KDX Residence Nishi-shinjuku	KDX Residence Kagurazaka	KDX Residence Futako Tamagawa	KDX Residence Komazawa Koen	
Acquisition Date		August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	
Price Information	Acquisition price (In millions of yen)	1,781	1,560	770	1,450	730	650	3,240	1,147	3,270	2,260	1,000	720	1,250	920	
	Percentage of total portfolio	1.2%	1.1%	0.5%	1.0%	0.5%	0.4%	2.2%	0.8%	2.2%	1.5%	0.7%	0.5%	0.8%	0.6%	
	Net book value (In millions of yen)	1,798	1,576	779	1,466	743	656	3,269	1,159	3,295	2,286	1,011	727	1,270	929	
	Appraisal value at the end of period (In millions of yen)	2,090	1,840	935	1,780	894	758	3,660	1,260	3,760	2,460	1,180	826	1,390	1,030	
	Percentage of total appraisal value	1.2%	1.1%	0.6%	1.0%	0.5%	0.4%	2.2%	0.7%	2.2%	1.4%	0.7%	0.5%	0.8%	0.6%	
Lease Information	Number of leasable residential units	64	76	27	39	17	16	79	60	179	42	54	34	38	32	
	Leasable floor area (㎡)	2,507.52	1,849.00	1,034.27	2,310.08	985.10	748.96	5,534.86	1,537.38	4,358.43	3,101.16	1,345.92	890.93	2,339.62	1,020.18	
	Leased floor area (㎡)	2,371.50	1,806.98	1,034.27	2,163.52	985.10	748.96	5,534.86	1,513.21	4,268.51	2,906.38	1,345.92	890.93	2,339.62	1,020.18	
	Occupancy ratio															
	As of January 31, 2016	94.6%	97.7%	100.0%	93.7%	100.0%	100.0%	100.0%	100.0%	98.4%	97.9%	93.7%	100.0%	100.0%	100.0%	100.0%
	As of July 31, 2015	93.7%	97.7%	97.4%	97.5%	100.0%	87.6%	100.0%	97.1%	98.0%	100.0%	98.5%	97.2%	92.1%	97.8%	
	As of January 31, 2015	93.3%	100.0%	100.0%	97.9%	100.0%	100.0%	100.0%	91.4%	99.0%	93.9%	98.2%	94.3%	100.0%	100.0%	
	As of July 31, 2014	94.0%	94.3%	91.0%	97.6%	90.9%	100.0%	100.0%	95.3%	97.9%	89.1%	96.8%	100.0%	100.0%	100.0%	
	As of January 31, 2014	100.0%	94.3%	100.0%	94.8%	100.0%	100.0%	100.0%	91.8%	95.9%	93.9%	95.2%	94.4%	97.0%	97.8%	
As of July 31, 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of January 31, 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of July 31, 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Income and Retained Earnings Information for the 8th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	
	Rental and other operating revenues (In thousands of yen)	59,653	52,900	27,028	48,502	28,178	22,125	93,800	38,978	107,798	75,369	34,650	24,183	41,133	28,447	
	Rental revenues	56,942	49,499	25,334	44,152	23,253	19,892	90,600	37,215	101,494	67,997	33,372	23,078	37,515	26,870	
	Other operating revenues	2,711	3,400	1,694	4,350	4,924	2,233	3,200	1,762	6,303	7,372	1,278	1,105	3,618	1,576	
	Property-related expenses (In thousands of yen)	10,629	11,817	5,956	10,370	5,312	4,296	11,670	7,117	21,499	19,433	8,476	5,133	10,037	6,758	
	Property management fees	3,975	4,369	2,366	3,832	2,160	1,847	1,607	2,660	8,251	7,900	3,385	1,985	3,701	2,107	
	Taxes	2,901	2,483	1,469	3,020	1,628	1,136	4,979	1,726	5,532	4,905	1,705	1,022	2,094	1,247	
	Utilities	647	522	381	832	210	322	1,108	457	1,606	1,172	371	292	459	393	
	Repairs and maintenance	1,560	2,085	648	1,543	817	188	2,488	1,313	3,365	2,664	2,460	976	2,626	2,294	
	Insurance	65	59	28	69	28	26	145	43	126	139	37	25	60	28	
	Trust fees and other expenses	1,479	2,296	1,061	1,071	468	774	1,340	916	2,617	2,651	516	830	1,093	687	
	NOI (= -) (In thousands of yen)	49,024	41,082	21,072	38,132	22,865	17,829	82,129	31,860	86,298	55,935	26,174	19,050	31,095	21,688	
	Depreciation (In thousands of yen)	5,757	6,030	2,744	5,643	977	2,800	17,602	6,459	11,544	9,094	3,806	3,293	5,225	4,580	
Rental operating income (= -) (In thousands of yen)	43,266	35,052	18,327	32,488	21,887	15,029	64,527	25,400	74,754	46,841	22,367	15,756	25,870	17,108		
Capital expenditures (In thousands of yen)	265	2,356	-	931	334	-	6,207	551	278	752	-	-	1,548	882		
NCF (= -) (In thousands of yen)	48,758	38,726	21,072	37,200	22,530	17,829	75,922	31,309	86,020	55,183	26,174	19,050	29,547	20,806		
Reference	Expense ratio (= /)	17.8%	22.3%	22.0%	21.4%	18.9%	19.4%	12.4%	18.3%	19.9%	25.8%	24.5%	21.2%	24.4%	23.8%	
	Property tax for the year 2015 (In thousands of yen)	5,802	4,967	2,938	6,040	3,256	2,273	9,958	3,452	11,064	9,810	3,411	2,045	4,190	2,494	
	Assets pledged as collateral	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

[Reference]

Earnings Performance for the Individual Properties for the 8th Fiscal Period (August 1, 2015 to January 31, 2016) : 184 days As of January 31, 2016

Location		Tokyo Metropolitan Area													
Property No.		T-32	T-33	T-34	T-35	T-36	T-37	T-38	T-39	T-40	T-41	T-42	T-43	T-44	T-45
Property Name		KDX Residence Mishuku	KDX Residence Yoga	KDX Residence Shimouma	Raffine Minami-magome	KDX Residence Yukigaya Otsuka	KDX Residence Denen Chofu	KDX Residence Tamagawa	KDX Residence Monzennakacho	KDX Residence Okachimachi	KDX Residence Moto-asakusa	KDX Residence Itabashi Honcho	KDX Residence Azusawa	KDX Residence Tobu Nerima	KDX Residence Yokohama Kannai
Acquisition Date		August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013
Price Information	Acquisition price (In millions of yen)	760	700	600	1,250	1,050	1,000	776	773	850	800	620	550	420	800
	Percentage of total portfolio	0.5%	0.5%	0.4%	0.8%	0.7%	0.7%	0.5%	0.5%	0.6%	0.5%	0.4%	0.4%	0.3%	0.5%
	Net book value (In millions of yen)	770	710	611	1,259	1,059	1,023	777	780	860	811	626	573	421	807
	Appraisal value at the end of period (In millions of yen)	855	796	679	1,650	1,210	1,160	885	896	971	913	709	619	490	940
	Percentage of total appraisal value	0.5%	0.5%	0.4%	1.0%	0.7%	0.7%	0.5%	0.5%	0.6%	0.5%	0.4%	0.4%	0.3%	0.6%
Lease Information	Number of leasable residential units	39	38	29	56	72	36	52	49	51	44	46	39	37	72
	Leasable floor area (㎡)	1,103.82	1,012.80	829.05	2,408.56	1,526.98	2,359.44	1,170.40	1,171.41	1,329.79	1,314.91	1,127.58	989.82	931.82	1,602.16
	Leased floor area (㎡)	1,051.91	1,012.80	801.88	2,408.56	1,526.98	2,293.90	1,170.40	1,171.41	1,329.79	1,294.31	1,079.90	989.82	906.41	1,582.32
	Occupancy ratio														
	As of January 31, 2016	95.3%	100.0%	96.7%	100.0%	100.0%	97.2%	100.0%	100.0%	100.0%	98.4%	95.8%	100.0%	97.3%	98.8%
	As of July 31, 2015	97.7%	100.0%	97.0%	100.0%	98.4%	97.2%	96.4%	96.2%	100.0%	92.4%	96.1%	94.1%	100.0%	97.2%
	As of January 31, 2015	100.0%	100.0%	100.0%	100.0%	100.0%	97.2%	100.0%	97.5%	100.0%	94.3%	93.9%	90.9%	97.8%	89.2%
	As of July 31, 2014	100.0%	100.0%	95.5%	100.0%	97.3%	100.0%	98.2%	95.5%	100.0%	97.5%	97.7%	90.9%	96.6%	90.9%
As of January 31, 2014	97.7%	97.5%	96.9%	100.0%	95.9%	97.2%	96.5%	84.3%	96.2%	93.3%	96.0%	96.7%	100.0%	92.3%	
As of July 31, 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of January 31, 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of July 31, 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Income and Retained Earnings Information for the 8th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	Rental and other operating revenues (In thousands of yen)	25,349	23,577	20,560	51,614	38,909	37,108	28,075	26,941	29,001	28,965	22,749	19,014	17,595	34,841
	Rental revenues	23,961	21,213	19,665	51,614	37,147	34,492	25,883	25,890	28,687	27,848	21,811	17,873	17,064	31,845
	Other operating revenues	1,388	2,363	895	-	1,761	2,616	2,191	1,050	314	1,117	938	1,141	530	2,995
	Property-related expenses (In thousands of yen)	9,071	4,875	4,433	3,196	9,619	6,414	8,780	5,088	5,061	5,868	6,652	9,656	4,117	7,860
	Property management fees	2,469	1,750	1,646	464	3,506	2,710	2,799	2,419	2,077	2,525	2,235	2,682	1,800	3,673
	Taxes	1,430	1,263	781	2,069	1,935	1,855	1,507	1,285	1,665	1,514	1,237	1,218	1,097	1,681
	Utilities	255	403	217	-	519	550	432	412	348	447	325	219	190	718
	Repairs and maintenance	3,112	690	1,093	90	1,651	511	2,421	332	259	710	1,453	4,990	394	830
	Insurance	31	26	20	52	44	50	38	31	33	39	29	29	26	51
	Trust fees and other expenses	1,772	741	674	519	1,963	736	1,579	606	677	630	1,371	515	608	904
	NOI (= -) (In thousands of yen)	16,277	18,701	16,126	48,417	29,289	30,694	19,295	21,852	23,940	23,096	16,096	9,358	13,478	26,980
Depreciation (In thousands of yen)	3,075	2,596	2,223	3,971	5,429	3,471	5,862	3,912	3,726	4,388	4,192	3,224	3,761	5,866	
Rental operating income (= -) (In thousands of yen)	13,202	16,105	13,903	44,445	23,860	27,222	13,432	17,940	20,214	18,708	11,903	6,133	9,717	21,114	
Capital expenditures (In thousands of yen)	419	124	115	-	-	1,696	111	-	752	3,679	-	17,200	-	884	
NCF (= -) (In thousands of yen)	15,857	18,577	16,011	48,417	29,289	28,998	19,183	21,852	23,188	19,417	16,096	7,841	13,478	26,096	
Reference	Expense ratio (= /)	35.8%	20.7%	21.6%	6.2%	24.7%	17.3%	31.3%	18.9%	17.5%	20.3%	29.2%	50.8%	23.4%	22.6%
	Property tax for the year 2015 (In thousands of yen)	2,861	2,527	1,562	4,139	3,870	3,711	3,015	2,571	3,330	3,028	2,474	2,436	2,194	3,362
	Assets pledged as collateral	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[Reference]

Earnings Performance for the Individual Properties for the 8th Fiscal Period (August 1, 2015 to January 31, 2016) : 184 days As of January 31, 2016

Location		Tokyo Metropolitan Area													
Property No.		T-46	T-47	T-48	T-49	T-50	T-51	T-52	T-53	T-54	T-55	T-56	T-57	T-58	T-59
Property Name		KDX Residence Miyamaedaira	KDX Residence Machida	KDX Residence Kinshicho	KDX Residence Nihombashi Hamacho	KDX Residence Nihombashi Ningyocho	KDX Residence Jiyugaoka	KDX Residence Togoshi	KDX Residence Shinagawa Seaside	KDX Residence Ojima	KDX Residence Oyama	KDX Residence Hanzomon	B-Site Akihabara	Bureau Kagurazaka	KDX Residence Sendagi
Acquisition Date		August 7, 2013	August 7, 2013	March 28, 2014	August 7, 2014	August 7, 2014	August 7, 2014	August 7, 2014	August 7, 2014	August 7, 2014	August 7, 2014	February 5, 2015	February 5, 2015	February 5, 2015	February 5, 2015
Price Information	Acquisition price (In millions of yen)	999	1,800	1,350	996	530	1,268	3,745	2,593	1,857	2,679	4,832	850	1,360	2,200
	Percentage of total portfolio	0.7%	1.2%	0.9%	0.7%	0.4%	0.9%	2.5%	1.7%	1.3%	1.8%	3.3%	0.6%	0.9%	1.5%
	Net book value (In millions of yen)	1,008	1,800	1,379	1,022	545	1,340	3,829	2,656	1,904	2,748	4,964	877	1,398	2,322
	Appraisal value at the end of period (In millions of yen)	1,090	1,950	1,540	1,140	631	1,440	4,330	3,030	2,110	3,030	5,310	901	1,460	2,310
	Percentage of total appraisal value	0.6%	1.1%	0.9%	0.7%	0.4%	0.8%	2.6%	1.8%	1.2%	1.8%	3.1%	0.5%	0.9%	1.4%
Lease Information	Number of leasable residential units	40	52	33	28	27	48	144	127	117	145	85	52	70	40
	Leasable floor area (㎡)	2,448.27	3,832.53	2,024.81	1,756.27	877.14	1,637.00	4,591.76	3,314.75	2,372.67	4,009.07	4,854.23	1,254.50	1,809.84	3,159.89
	Leased floor area (㎡)	2,333.19	3,671.71	1,959.06	1,756.27	877.14	1,499.06	4,517.56	3,314.75	2,352.30	3,749.54	4,796.21	1,254.50	1,809.84	3,159.89
	Occupancy ratio														
	As of January 31, 2016	95.3%	95.8%	96.8%	100.0%	100.0%	91.6%	98.4%	100.0%	99.1%	93.5%	98.8%	100.0%	100.0%	100.0%
	As of July 31, 2015	95.3%	100.0%	96.9%	100.0%	100.0%	87.9%	98.2%	93.4%	98.3%	91.3%	94.6%	100.0%	100.0%	100.0%
	As of January 31, 2015	90.0%	94.5%	97.3%	100.0%	90.9%	87.7%	97.0%	89.4%	100.0%	91.2%	-	-	-	-
	As of July 31, 2014	92.1%	94.0%	87.4%	-	-	-	-	-	-	-	-	-	-	-
	As of January 31, 2014	95.2%	88.7%	-	-	-	-	-	-	-	-	-	-	-	-
As of July 31, 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of January 31, 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of July 31, 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Income and Retained Earnings Information for the 8th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	Rental and other operating revenues (In thousands of yen)	36,445	59,862	42,102	29,797	18,340	37,326	119,543	85,384	61,718	87,909	121,405	23,882	39,140	66,749
	Rental revenues	33,608	54,942	36,489	29,724	18,126	35,360	111,732	80,243	59,805	79,009	112,820	23,882	39,000	59,766
	Other operating revenues	2,836	4,919	5,612	73	214	1,966	7,811	5,141	1,913	8,899	8,584	-	140	6,983
	Property-related expenses (In thousands of yen)	7,860	14,927	8,767	4,814	4,132	11,522	20,477	18,686	10,098	17,890	19,033	951	4,881	10,548
	Property management fees	2,858	4,100	2,493	1,019	1,976	2,971	6,744	5,306	4,067	4,633	6,702	55	1,348	3,594
	Taxes	2,039	3,584	2,320	1,572	980	1,870	5,563	4,669	2,787	4,861	-	-	-	-
	Utilities	574	839	588	349	260	351	674	1,048	616	1,056	1,278	-	693	3,644
	Repairs and maintenance	1,581	4,368	1,791	1,393	201	4,490	3,861	3,938	908	3,901	5,208	406	1,842	2,089
	Insurance	66	112	74	44	25	42	149	114	77	122	147	37	57	94
	Trust fees and other expenses	740	1,921	1,499	434	688	1,795	3,483	3,608	1,641	3,316	5,696	452	940	1,124
NOI (= -) (In thousands of yen)	28,584	44,935	33,335	24,983	14,208	25,803	99,066	66,697	51,619	70,018	102,371	22,930	34,258	56,201	
Depreciation (In thousands of yen)	6,210	14,829	6,859	4,079	1,898	3,796	16,764	12,688	11,039	16,543	13,768	2,454	3,611	7,613	
Rental operating income (= -) (In thousands of yen)	22,373	30,106	26,475	20,904	12,309	22,006	82,301	54,009	40,580	53,474	88,603	20,475	30,646	48,587	
Capital expenditures (In thousands of yen)	1,547	334	170	296	903	41,380	709	2,093	-	460	5,105	2,767	866	2,607	
NCF (= -) (In thousands of yen)	27,037	44,600	33,165	24,687	13,304	15,576	98,356	64,604	51,619	69,557	97,266	20,162	33,391	53,594	
Reference	Expense ratio (= /)	21.6%	24.9%	20.8%	16.2%	22.5%	30.9%	17.1%	21.9%	16.4%	20.4%	15.7%	4.0%	12.5%	15.8%
	Property tax for the year 2015 (In thousands of yen)	4,079	7,170	4,640	3,145	1,960	3,740	11,127	9,339	5,575	9,723	13,525	3,189	4,659	5,740
	Assets pledged as collateral	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[Reference]

Earnings Performance for the Individual Properties for the 8th Fiscal Period (August 1, 2015 to January 31, 2016) : 184 days As of January 31, 2016

Location		Tokyo Metropolitan Area									Other Regional Areas				
Property No.		T-60	T-61	T-62	T-63	T-64	T-65	T-66	T-67	T-68	R-1	R-2	R-3	R-4	R-5
Property Name		KDX Residence Sejo	KDX Residence Akihabara	KDX Residence Iriya	KDX Residence Tachikawa	KDX Residence Tsurumi	KDX Residence Morishita Chitose	KDX Residence Akasaka	KDX Residence Kanda	KDX Residence Ebisu	KDX Toyohira Sanjo Residence	KDX Jozenji Dori Residence	KDX Izumi Residence	KDX Chihaya Residence	KDX Sakaisuji Hommachi Residence
Acquisition Date		February 5, 2015	February 5, 2015	February 5, 2015	February 5, 2015	February 5, 2015	June 1, 2015	September 30, 2015	September 30, 2015	October 30, 2015	May 1, 2012	May 1, 2012	May 1, 2012	May 1, 2012	May 1, 2012
Price Information	Acquisition price (In millions of yen)	1,400	1,250	1,062	3,026	1,050	1,100	1,150	700	2,845	582	1,015	1,120	1,080	2,910
	Percentage of total portfolio	0.9%	0.8%	0.7%	2.0%	0.7%	0.7%	0.8%	0.5%	1.9%	0.4%	0.7%	0.8%	0.7%	2.0%
	Net book value (In millions of yen)	1,439	1,290	1,099	3,129	1,106	1,140	1,220	747	3,015	575	1,005	1,107	1,065	2,862
	Appraisal value at the end of period (In millions of yen)	1,500	1,400	1,250	3,370	1,300	1,130	1,450	884	3,630	754	1,300	1,300	1,330	3,210
	Percentage of total appraisal value	0.9%	0.8%	0.7%	2.0%	0.8%	0.7%	0.9%	0.5%	2.1%	0.4%	0.8%	0.8%	0.8%	1.9%
Lease Information	Number of leasable residential units	38	32	57	174	59	65	28	30	65	63	92	40	92	160
	Leasable floor area (㎡)	2,198.56	1,929.61	1,899.29	4,314.87	3,499.84	1,614.28	1,180.71	1,031.09	2,659.66	2,868.75	3,330.15	2,798.20	2,936.40	6,385.70
	Leased floor area (㎡)	1,945.10	1,696.25	1,899.29	4,136.40	3,446.92	1,562.04	1,180.71	1,004.77	1,550.90	2,782.96	3,264.73	2,511.39	2,856.46	5,834.74
	Occupancy ratio														
	As of January 31, 2016	88.5%	87.9%	100.0%	95.9%	98.5%	96.8%	100.0%	97.4%	58.3%	97.0%	98.0%	89.8%	97.3%	91.4%
	As of July 31, 2015	89.8%	97.0%	98.6%	96.1%	98.4%	96.2%	-	-	-	92.4%	100.0%	85.0%	98.9%	97.5%
	As of January 31, 2015	-	-	-	-	-	-	-	-	-	100.0%	98.2%	100.0%	96.4%	93.2%
	As of July 31, 2014	-	-	-	-	-	-	-	-	-	98.4%	96.4%	95.0%	100.0%	92.9%
	As of January 31, 2014	-	-	-	-	-	-	-	-	-	97.3%	97.9%	97.6%	95.1%	94.0%
As of July 31, 2013	-	-	-	-	-	-	-	-	-	100.0%	100.0%	97.6%	98.9%	90.8%	
As of January 31, 2013	-	-	-	-	-	-	-	-	-	85.8%	99.1%	92.1%	100.0%	93.0%	
As of July 31, 2012	-	-	-	-	-	-	-	-	-	94.1%	96.8%	87.1%	98.9%	91.7%	
Income and Retained Earnings Information for the 8th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	124days	124days	94days	184days	184days	184days	184days	184days
	Rental and other operating revenues (In thousands of yen)	37,707	37,148	37,871	100,027	52,103	38,245	24,592	16,501	20,606	28,580	50,652	38,182	48,057	104,383
	Rental revenues	33,625	35,309	36,411	88,825	46,651	36,661	24,365	16,481	13,110	26,106	45,457	31,805	44,227	96,093
	Other operating revenues	4,082	1,839	1,460	11,202	5,452	1,584	226	20	7,496	2,474	5,194	6,376	3,830	8,290
	Property-related expenses (In thousands of yen)	8,228	7,188	7,949	13,083	7,746	6,327	2,323	2,042	234	8,074	13,364	11,288	12,378	24,494
	Property management fees	2,640	2,365	2,977	7,487	3,228	2,517	1,335	1,092	-	2,369	3,338	3,353	3,676	5,836
	Taxes	-	11	-	-	-	-	10	9	10	2,656	3,275	2,429	3,046	7,606
	Utilities	450	346	368	854	671	496	153	293	-	629	971	325	912	1,731
	Repairs and maintenance	4,073	2,846	2,664	2,253	2,501	1,727	239	47	-	1,282	3,448	3,137	3,367	4,534
	Insurance	64	52	52	136	85	45	24	21	42	66	81	69	79	198
	Trust fees and other expenses	999	1,566	1,887	2,350	1,259	1,538	560	577	182	1,070	2,249	1,971	1,295	4,587
	NOI (= -) (In thousands of yen)	29,479	29,960	29,921	86,944	44,357	31,918	22,268	14,459	20,371	20,506	37,287	26,894	35,678	79,888
	Depreciation (In thousands of yen)	4,455	6,560	6,101	21,049	6,130	5,620	3,487	3,063	7,476	5,929	10,332	9,118	10,013	23,588
Rental operating income (= -) (In thousands of yen)	25,024	23,400	23,820	65,894	38,227	26,297	18,780	11,395	12,894	14,577	26,955	17,775	25,665	56,300	
Capital expenditures (In thousands of yen)	263	-	-	-	11,523	106	467	276	404	-	612	1,343	116	7,454	
NCF (= -) (In thousands of yen)	29,215	29,960	29,921	86,944	32,834	31,811	21,800	14,182	19,967	20,506	36,675	25,550	35,562	72,434	
Reference	Expense ratio (= /)	21.8%	19.3%	21.0%	13.1%	14.9%	16.5%	9.4%	12.4%	1.1%	28.3%	26.4%	29.6%	25.8%	23.5%
	Property tax for the year 2015 (In thousands of yen)	5,459	4,190	3,832	9,808	4,986	3,808	2,893	1,721	6,615	5,313	6,551	4,859	6,092	15,214
	Assets pledged as collateral	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[Reference] **Earnings Performance for the Individual Properties for the 8th Fiscal Period (August 1, 2015 to January 31, 2016) : 184 days** **As of January 31, 2016**

Location		Other Regional Areas													
Property No.		R-6	R-7	R-8	R-9	R-10	R-11	R-12	R-13	R-14	R-15	R-16	R-17	R-18	R-19
Property Name		KDX Shimimachi Residence	KDX Takarazuka Residence	KDX Shimizu Residence	KDX Residence Odori Koen	KDX Residence Kikusui Yojo	KDX Residence Toyohira Koen	KDX Residence Kamisugi	KDX Residence Ichiban-cho	KDX Residence Kotodai	KDX Residence Izumi Chuo	KDX Residence Higashi-sakura I	KDX Residence Higashi-sakura II	KDX Residence Jingumae	KDX Residence Nishi-oji
Acquisition Date		May 1, 2012	May 1, 2012	May 1, 2012	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013
Price Information	Acquisition price (In millions of yen)	1,015	1,510	1,680	765	830	445	700	530	520	480	2,350	900	840	813
	Percentage of total portfolio	0.7%	1.0%	1.1%	0.5%	0.6%	0.3%	0.5%	0.4%	0.4%	0.3%	1.6%	0.6%	0.6%	0.5%
	Net book value (In millions of yen)	996	1,463	1,655	769	835	450	704	534	524	486	2,362	907	844	822
	Appraisal value at the end of period (In millions of yen)	1,240	1,840	2,010	857	928	512	865	647	543	593	2,680	1,030	995	891
	Percentage of total appraisal value	0.7%	1.1%	1.2%	0.5%	0.5%	0.3%	0.5%	0.4%	0.3%	1.6%	0.6%	0.6%	0.6%	0.5%
Lease Information	Number of leasable residential units	94	80	148	78	84	65	66	45	27	40	187	66	95	76
	Leasable floor area (㎡)	2,146.02	4,631.16	6,255.16	2,762.76	3,413.06	2,253.81	2,073.06	1,818.09	1,475.73	2,159.25	6,221.83	2,655.31	2,724.19	2,353.55
	Leased floor area (㎡)	1,986.21	4,498.49	6,127.14	2,656.12	3,342.31	2,115.82	1,981.20	1,768.79	1,475.73	2,046.64	5,723.08	2,456.91	2,665.43	2,256.77
	Occupancy ratio														
	As of January 31, 2016	92.6%	97.1%	98.0%	96.1%	97.9%	93.9%	95.6%	97.3%	100.0%	94.8%	92.0%	92.5%	97.8%	95.9%
	As of July 31, 2015	93.6%	94.3%	94.2%	100.0%	94.3%	97.0%	94.0%	95.3%	92.5%	92.5%	92.5%	95.5%	98.2%	98.0%
	As of January 31, 2015	98.9%	95.7%	92.1%	94.9%	91.9%	95.5%	97.0%	100.0%	100.0%	92.0%	95.2%	94.0%	96.0%	98.9%
	As of July 31, 2014	100.0%	90.0%	94.2%	96.1%	100.0%	96.9%	97.0%	91.9%	88.9%	95.0%	95.2%	97.0%	96.5%	95.0%
	As of January 31, 2014	92.6%	97.1%	95.4%	98.7%	99.0%	92.3%	92.5%	98.0%	96.4%	94.2%	97.9%	100.0%	98.2%	93.3%
As of July 31, 2013	96.8%	100.0%	93.6%	-	-	-	-	-	-	-	-	-	-	-	
As of January 31, 2013	96.8%	92.8%	99.4%	-	-	-	-	-	-	-	-	-	-	-	
As of July 31, 2012	96.8%	87.1%	96.1%	-	-	-	-	-	-	-	-	-	-	-	
Income and Retained Earnings Information for the 8th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	Rental and other operating revenues (In thousands of yen)	37,975	57,282	74,219	33,145	38,465	22,867	33,288	27,310	20,205	22,376	95,813	38,154	40,176	32,964
	Rental revenues	35,966	53,420	64,532	30,150	34,563	20,627	31,329	24,650	18,863	20,490	87,908	35,395	37,237	30,689
	Other operating revenues	2,009	3,861	9,687	2,995	3,901	2,239	1,958	2,659	1,342	1,886	7,905	2,758	2,938	2,274
	Property-related expenses (In thousands of yen)	9,226	11,452	19,412	9,298	10,068	7,925	7,752	8,117	5,683	6,370	29,875	10,544	9,621	7,912
	Property management fees	2,207	2,891	5,856	2,507	2,881	1,917	2,408	2,261	1,940	1,984	9,380	2,859	3,214	2,144
	Taxes	1,884	3,986	5,501	2,640	3,307	2,153	2,173	1,852	1,524	1,780	5,936	2,660	2,580	2,165
	Utilities	649	733	752	844	1,075	912	474	408	483	317	1,214	569	543	1,119
	Repairs and maintenance	1,813	1,501	4,392	980	1,092	1,047	949	2,243	1,114	1,491	5,998	2,222	2,353	932
	Insurance	58	105	154	72	63	55	49	43	38	47	154	69	66	60
	Trust fees and other expenses	2,613	2,234	2,756	2,252	1,646	1,839	1,696	1,308	580	748	7,191	2,162	862	1,490
	NOI (= -) (In thousands of yen)	28,749	45,829	54,806	23,847	28,397	14,941	25,535	19,192	14,522	16,006	65,938	27,609	30,555	25,051
	Depreciation (In thousands of yen)	8,955	16,471	14,177	7,829	7,492	4,375	6,185	5,007	4,432	4,496	17,659	6,963	7,298	6,335
Rental operating income (= -) (In thousands of yen)	19,793	29,358	40,629	16,017	20,905	10,565	19,349	14,185	10,090	11,510	48,279	20,646	23,256	18,715	
Capital expenditures (In thousands of yen)	2,974	-	394	473	616	519	-	-	-	-	-	-	-	-	
NCF (= -) (In thousands of yen)	25,774	45,829	54,412	23,373	27,780	14,421	25,535	19,192	14,522	16,006	65,938	27,609	30,555	25,051	
Reference	Expense ratio (= /)	24.3%	20.0%	26.2%	28.1%	26.2%	34.7%	23.3%	29.7%	28.1%	28.5%	31.2%	27.6%	23.9%	24.0%
	Property tax for the year 2015 (In thousands of yen)	3,771	7,978	10,988	5,280	6,616	4,308	4,346	3,705	3,048	3,560	11,873	5,321	5,162	4,331
	Assets pledged as collateral	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[Reference]

Earnings Performance for the Individual Properties for the 8th Fiscal Period (August 1, 2015 to January 31, 2016) : 184 days As of January 31, 2016

Location		Other Regional Areas													
Property No.		R-20	R-21	R-22	R-23	R-24	R-25	R-26	R-27	R-28	R-29	R-30	R-32	R-33	R-34
Property Name		KDX Residence Saini	KDX Residence Namba	KDX Residence Namba-minami	KDX Residence Shin-Osaka	KDX Residence Ibaraki I-II	KDX Residence Toyonaka-minami	KDX Residence Moriguchi	KDX Residence Sannomiya	Ashiya Royal Homes	KDX Residence Funairi Saiwai-cho	KDX Residence Tenjin-higashi II	KDX Residence Nishi Koen	KDX Residence Hirao Josui-machi	Melody Heim Gotenjima
Acquisition Date		August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2013	August 7, 2014
Price Information	Acquisition price (In millions of yen)	440	1,410	1,350	510	1,275	740	551	1,080	1,360	588	680	763	760	400
	Percentage of total portfolio	0.3%	1.0%	0.9%	0.3%	0.9%	0.5%	0.4%	0.7%	0.9%	0.4%	0.5%	0.5%	0.5%	0.3%
	Net book value (In millions of yen)	445	1,424	1,359	512	1,285	737	553	1,089	1,427	590	685	770	769	413
	Appraisal value at the end of period (In millions of yen)	485	1,570	1,540	574	1,382	819	626	1,290	1,650	641	824	836	853	495
	Percentage of total appraisal value	0.3%	0.9%	0.9%	0.3%	0.8%	0.5%	0.4%	0.8%	1.0%	0.4%	0.5%	0.5%	0.5%	0.3%
Lease Information	Number of leasable residential units	49	118	131	43	61	70	28	86	21	64	63	36	24	36
	Leasable floor area (㎡)	1,094.81	3,387.30	3,813.31	1,321.04	4,701.87	2,024.50	1,942.78	2,292.72	3,999.01	1,889.53	2,602.53	2,522.16	2,098.68	2,297.24
	Leased floor area (㎡)	1,048.23	3,387.30	3,730.82	1,321.04	4,622.60	1,963.80	1,942.78	2,113.35	3,999.01	1,860.55	2,561.22	2,241.10	1,929.61	2,176.42
	Occupancy ratio														
	As of January 31, 2016	95.7%	100.0%	97.8%	100.0%	98.3%	97.0%	100.0%	92.2%	100.0%	98.5%	98.4%	88.9%	91.9%	94.7%
	As of July 31, 2015	91.8%	96.2%	96.5%	97.7%	95.1%	100.0%	89.6%	97.8%	96.1%	98.4%	92.1%	97.3%	92.5%	94.9%
	As of January 31, 2015	94.2%	96.2%	95.5%	95.4%	95.1%	95.4%	100.0%	98.9%	93.0%	96.9%	98.4%	100.0%	91.0%	97.3%
	As of July 31, 2014	98.1%	99.2%	97.8%	97.7%	95.1%	97.1%	100.0%	100.0%	88.7%	96.8%	98.4%	94.9%	95.3%	-
	As of January 31, 2014	95.8%	96.2%	97.2%	93.2%	96.7%	98.5%	96.2%	94.4%	90.7%	95.3%	98.4%	91.3%	96.2%	-
As of July 31, 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of January 31, 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of July 31, 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Income and Retained Earnings Information for the 8th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	Rental and other operating revenues (In thousands of yen)	17,760	58,544	54,443	22,221	53,967	29,711	22,941	39,722	66,282	27,120	28,694	29,572	27,823	20,804
	Rental revenues	16,093	54,057	52,093	20,742	47,645	28,502	20,590	37,096	58,297	24,859	26,764	26,101	24,340	17,957
	Other operating revenues	1,667	4,486	2,349	1,478	6,321	1,209	2,350	2,626	7,984	2,260	1,930	3,470	3,483	2,847
	Property-related expenses (In thousands of yen)	5,471	11,910	14,392	4,817	13,421	6,151	6,762	8,122	20,483	5,544	7,314	7,495	6,784	6,281
	Property management fees	1,443	3,665	4,412	1,397	3,525	1,888	1,926	2,277	7,954	1,665	1,919	2,031	1,937	1,492
	Taxes	967	3,217	3,223	1,319	4,527	1,797	1,682	2,598	4,678	1,796	1,940	2,271	2,046	1,360
	Utilities	870	1,710	772	462	1,523	469	1,027	634	1,499	341	551	554	465	1,040
	Repairs and maintenance	1,198	1,036	2,966	570	2,160	826	883	1,630	3,669	992	1,321	1,899	1,076	1,741
	Insurance	30	79	92	31	123	50	56	61	118	45	65	60	50	47
	Trust fees and other expenses	961	2,200	2,925	1,035	1,560	1,118	1,186	919	2,563	703	1,516	678	1,208	598
	NOI (= -) (In thousands of yen)	12,289	46,634	40,050	17,404	40,546	23,559	16,178	31,599	45,799	21,575	21,379	22,076	21,039	14,523
	Depreciation (In thousands of yen)	3,848	9,915	11,750	5,191	6,931	8,148	5,418	7,695	4,579	5,367	6,190	6,345	4,749	2,617
Rental operating income (= -) (In thousands of yen)	8,440	36,718	28,300	12,212	33,614	15,411	10,759	23,904	41,220	16,207	15,189	15,730	16,289	11,905	
Capital expenditures (In thousands of yen)	-	384	1,044	106	350	1,518	-	611	9,974	-	265	1,169	638	141	
NCF (= -) (In thousands of yen)	12,289	46,249	39,006	17,297	40,195	22,041	16,178	30,988	35,825	21,575	21,114	20,907	20,400	14,381	
Reference	Expense ratio (= /)	30.8%	20.3%	26.4%	21.7%	24.9%	20.7%	29.5%	20.4%	30.9%	20.4%	25.5%	25.3%	24.4%	30.2%
	Property tax for the year 2015 (In thousands of yen)	1,935	6,435	6,448	2,639	9,060	3,595	3,368	5,198	9,357	3,593	3,880	4,543	4,092	2,720
	Assets pledged as collateral	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[Reference]

Earnings Performance for the Individual Properties for the 8th Fiscal Period (August 1, 2015 to January 31, 2016) : 184 days

As of January 31, 2016

Location		Other Regional Areas						Total of 105 Properties	
Property No.	R-35	R-36	R-37	R-38	R-39	R-40	R-41		
Property Name		Leopalace Flat Shin-sakae	KDX Residence Konan Yamate	KDX Residence Hommachibashi	KDX Residence Minami-kusatsu	KDX Residence Ohori Harbor View Tower	KDX Residence Minami-sanjo	Serenite Kita-kyuhoji	
Acquisition Date		November 28, 2014	November 14, 2014	December 18, 2014	February 5, 2015	February 5, 2015	September 30, 2015	October 27, 2015	
Price Information	Acquisition price (In millions of yen)	3,500	973	3,201	1,974	4,606	915	1,290	148,184
	Percentage of total portfolio	2.4%	0.7%	2.2%	1.3%	3.1%	0.6%	0.9%	100.0%
	Net book value (In millions of yen)	3,710	1,000	3,305	2,079	4,824	993	1,349	150,905
	Appraisal value at the end of period (In millions of yen)	4,020	1,100	3,440	2,260	4,980	1,450	1,400	169,702
	Percentage of total appraisal value	2.4%	0.6%	2.0%	1.3%	2.9%	0.9%	0.8%	100.0%
Lease Information	Number of leasable residential units	274	55	134	170	212	114	85	7,243
	Leasable floor area (㎡)	11,589.95	1,923.22	6,511.88	5,735.96	11,855.63	5,269.39	2,277.14	289,350.62
	Leased floor area (㎡)	11,589.95	1,893.35	6,247.15	5,735.96	10,440.09	5,116.44	1,234.20	277,904.76
	Occupancy ratio								
	As of January 31, 2016	100.0%	98.4%	95.9%	100.0%	88.1%	97.1%	54.2%	96.0%
	As of July 31, 2015	100.0%	98.4%	95.8%	93.9%	93.2%	-	-	96.2%
	As of January 31, 2015	100.0%	96.9%	90.2%	-	-	-	-	95.7%
	As of July 31, 2014	-	-	-	-	-	-	-	95.7%
	As of January 31, 2014	-	-	-	-	-	-	-	95.9%
	As of July 31, 2013	-	-	-	-	-	-	-	96.2%
As of January 31, 2013	-	-	-	-	-	-	-	95.1%	
As of July 31, 2012	-	-	-	-	-	-	-	94.0%	
Income and Retained Earnings Information for the 8th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	124days	97days	180days
	Rental and other operating revenues (In thousands of yen)	121,557	34,129	111,264	96,638	174,952	36,787	9,329	5,139,515
	Rental revenues	119,525	32,644	102,888	80,263	147,369	32,642	8,721	4,731,875
	Other operating revenues	2,031	1,484	8,376	16,374	27,583	4,144	607	407,639
	Property-related expenses (In thousands of yen)	15,010	7,888	20,496	18,407	22,661	5,252	2,456	1,067,547
	Property management fees	3,646	1,769	4,083	5,398	9,993	2,385	1,073	345,552
	Taxes	9,302	1,998	8,283	-	-	9	10	249,364
	Utilities	-	356	2,511	4,274	2,744	608	174	96,303
	Repairs and maintenance	764	1,874	2,634	2,062	6,652	1,039	-	201,231
	Insurance	286	53	204	169	350	90	30	7,799
	Trust fees and other expenses	1,012	1,835	2,778	6,502	2,920	1,118	1,168	167,296
	NOI (= -) (In thousands of yen)	106,546	26,240	90,768	78,231	152,291	31,534	6,872	4,071,967
Depreciation (In thousands of yen)	33,041	4,900	21,903	17,947	42,241	9,289	6,770	844,948	
Rental operating income (= -) (In thousands of yen)	73,504	21,340	68,865	60,283	110,049	22,244	102	3,227,019	
Capital expenditures (In thousands of yen)	612	-	3,869	8,052	1,116	276	-	167,610	
NCF (= -) (In thousands of yen)	105,933	26,240	86,898	70,178	151,174	31,258	6,872	3,904,357	
Reference	Expense ratio (= /)	12.3%	23.1%	18.4%	19.0%	13.0%	14.3%	26.3%	20.8%
	Property tax for the year 2015 (In thousands of yen)	18,604	3,997	16,566	10,972	27,243	6,785	1,054	615,105
	Assets pledged as collateral	-	-	-	-	-	-	-	-

Total : Cost-weighted average operating period (days)

[Reference]

Earnings Performance for the Individual Properties for the 8th Fiscal Period (August 1, 2015 to January 31, 2016) : 184 days

As of January 31, 2016

Location		Tokyo Metropolitan Area		Other Regional Areas	Total 3 sold of Properties	Total of 108 Properties
Property No.	T-2	T-14	R-31			
Property Name	KDX Yoyogi Residence	KDX Residence Shirokane III	KDX Residence Tenjin-higashi I			
Acquisition Date		May 1, 2012	August 7, 2013	August 7, 2013		
Price Information	Acquisition price (In millions of yen)	1,320	2,900	370	4,590	152,774
	Percentage of total portfolio	28.8%	63.2%	8.1%	100.0%	-
	Revenue from sale of the investment property (¥ Millions)	1,340	2,952	381	4,673	-
	Costs of the investment property (¥ Millions)	1,328	2,931	377	4,637	-
	Gain / Loss on sale of real estate (¥ Millions)	3	4	1	9	-
Lease Information	Number of leasable residential units	-	-	-	-	-
	Leasable floor area (m ²)	-	-	-	-	-
	Leased floor area (m ²)	-	-	-	-	-
	Occupancy ratio					
	As of January 31, 2016	-	-	-	-	-
	As of July 31, 2015	95.5%	94.4%	97.6%	-	-
	As of January 31, 2015	100.0%	93.8%	81.0%	-	-
	As of July 31, 2014	97.6%	95.2%	92.9%	-	-
	As of January 31, 2014	98.5%	95.4%	92.9%	-	-
As of July 31, 2013	95.6%	-	-	-	-	
As of January 31, 2013	97.0%	-	-	-	-	
As of July 31, 2012	95.7%	-	-	-	-	
Income and Retained Earnings Information for the 8th Fiscal Period	Operating periods	60days	90days	60days	79days	177days
	Rental and other operating revenues (In thousands of yen)	14,815	47,742	6,063	68,621	5,208,136
	Rental revenues	14,121	45,215	5,172	64,509	4,796,385
	Other operating revenues	694	2,527	890	4,112	411,751
	Property-related expenses (In thousands of yen)	3,188	11,411	1,860	16,459	1,084,007
	Property management fees	849	3,303	391	4,544	350,097
	Taxes	1,130	4,447	602	6,180	255,544
	Utilities	316	564	127	1,008	97,311
	Repairs and maintenance	547	1,250	440	2,238	203,469
	Insurance	34	104	24	163	7,963
	Trust fees and other expenses	309	1,740	274	2,324	169,620
	NOI (= -) (In thousands of yen)	11,627	36,331	4,203	52,161	4,124,129
	Depreciation (In thousands of yen)	1,723	4,519	1,176	7,419	852,368
Rental operating income (= -) (In thousands of yen)	9,903	31,812	3,026	44,742	3,271,761	
Capital expenditures (In thousands of yen)	244	-	-	244	167,854	
NCF (= -) (In thousands of yen)	11,382	36,331	4,203	51,917	3,956,274	
Reference	Expense ratio (= /)	21.5%	23.9%	30.7%	24.0%	20.8%
	Property tax for the year 2015 (In thousands of yen)	4,608	13,584	2,455	20,648	635,753
	Assets pledged as collateral	-	-	-	-	-

Total : Cost-weighted average operating period (days)

T-2 KDX Yoyogi Residence was sold on September 30, 2015.
T-14 KDX Residence Shirokane III was sold on October 30, 2015.
R-31 KDX Residence Tenjin-higashi I was sold on September 30, 2015.

(Reference) Borrowings

Borrowings on a financial institution basis as of January 31, 2016 are as follows:

(in thousands of yen)

Classification	Lender	Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Average interest rate (%) (Note3) (Note4)	Payment due date (Note7)	Use	Remarks
Short-Term Payable	Aozora Bank, Ltd.	1,600,000	-	1,600,000	-	0.480%	August 31, 2015	(Note6)	Unsecured/ Unguaranteed
	Resona Bank, Ltd.	1,600,000	-	1,600,000	-	0.480%	August 31, 2015		
	Sub Total	3,200,000	-	3,200,000	-				
Current Portion of Long-Term Payable	Sumitomo Mitsui Banking Corporation	1,750,000	-	1,750,000	-	0.580%	August 31, 2015	(Note6)	Unsecured/ Unguaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,500,000	-	1,500,000	-				
	Aozora Bank, Ltd.	500,000	-	500,000	-				
	Resona Bank, Ltd.	500,000	-	500,000	-				
	Sumitomo Mitsui Trust Bank, Limited	500,000	-	500,000	-				
	Mizuho Trust & Banking Co., Ltd.	500,000	-	500,000	-				
	Mizuho Bank, Ltd.	250,000	-	250,000	-				
	Sumitomo Mitsui Banking Corporation	2,500,000	-	-	2,500,000	1.042%	April 30, 2016		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000,000	-	-	1,000,000				
	Sumitomo Mitsui Banking Corporation (Note2)	3,000,000	-	-	3,000,000	0.787%	August 31, 2016		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Note2)	2,000,000	-	-	2,000,000				
	Aozora Bank, Ltd. (Note2)	1,000,000	-	-	1,000,000				
	Sumitomo Mitsui Trust Bank, Limited (Note2)	1,000,000	-	-	1,000,000				
	Resona Bank, Ltd. (Note2)	500,000	-	-	500,000				
	Mizuho Trust & Banking Co., Ltd. (Note2)	500,000	-	-	500,000				
	Mizuho Bank, Ltd. (Note2)	500,000	-	-	500,000				
	Sub Total	17,500,000	-	5,500,000	12,000,000				
Long-Term Payable	Sumitomo Mitsui Banking Corporation	4,000,000	-	-	4,000,000	0.910%	August 31, 2017	(Note6)	Unsecured/ Unguaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,500,000	-	-	2,500,000				
	Aozora Bank, Ltd.	1,500,000	-	-	1,500,000				
	Resona Bank, Ltd.	1,000,000	-	-	1,000,000				
	Sumitomo Mitsui Trust Bank, Limited	1,000,000	-	-	1,000,000				
	Mizuho Trust & Banking Co., Ltd.	500,000	-	-	500,000				
	Mizuho Bank, Ltd.	500,000	-	-	500,000				
	Sumitomo Mitsui Banking Corporation	3,250,000	-	-	3,250,000	1.052%	August 31, 2018		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000,000	-	-	2,000,000				
	Aozora Bank, Ltd.	1,000,000	-	-	1,000,000				
	Resona Bank, Ltd.	500,000	-	-	500,000				
	Sumitomo Mitsui Trust Bank, Limited	500,000	-	-	500,000				
	Mizuho Trust & Banking Co., Ltd.	500,000	-	-	500,000				
	Mizuho Bank, Ltd.	250,000	-	-	250,000				
	Development Bank of Japan Inc. (Note5)	3,000,000	-	-	3,000,000	1.088%	August 31, 2018		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000,000	-	-	1,000,000	1.109%	January 31, 2021		
	Sumitomo Mitsui Banking Corporation	1,000,000	-	-	1,000,000	1.221%	July 31, 2021		
	Aozora Bank, Ltd.	1,350,000	-	-	1,350,000	1.183%	March 31, 2021		
	Sumitomo Mitsui Banking Corporation	2,000,000	-	-	2,000,000	1.267%	April 30, 2022		
	Aozora Bank, Ltd.	1,500,000	-	-	1,500,000	1.267%	April 30, 2022		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000,000	-	-	1,000,000	1.267%	April 30, 2022		
	Resona Bank, Ltd.	1,000,000	-	-	1,000,000	1.267%	April 30, 2022		
	Sumitomo Mitsui Banking Corporation	1,100,000	-	-	1,100,000	0.916%	August 7, 2021		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,100,000	-	-	1,100,000				
	Mizuho Bank, Ltd.	600,000	-	-	600,000				
	Aozora Bank, Ltd.	350,000	-	-	350,000				
	Resona Bank, Ltd.	300,000	-	-	300,000				
	Mizuho Trust & Banking Co., Ltd.	300,000	-	-	300,000				
	Development Bank of Japan Inc. (Note5)	1,000,000	-	-	1,000,000				
	Sumitomo Mitsui Banking Corporation	400,000	-	-	400,000	1.254%	August 7, 2023		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	400,000	-	-	400,000				
	Mizuho Bank, Ltd.	300,000	-	-	300,000				
	Resona Bank, Ltd.	200,000	-	-	200,000				
	Mizuho Trust & Banking Co., Ltd.	200,000	-	-	200,000				
	Aozora Bank, Ltd.	150,000	-	-	150,000				
	Development Bank of Japan Inc. (Note5)	500,000	-	-	500,000				
	Sumitomo Mitsui Banking Corporation	600,000	-	-	600,000	0.945%	August 31, 2021		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	600,000	-	-	600,000	0.945%	August 31, 2021		
	Aozora Bank, Ltd.	500,000	-	-	500,000	0.945%	August 31, 2021		
	Mizuho Bank, Ltd.	950,000	-	-	950,000	1.083%	November 30, 2022		
Sumitomo Mitsui Banking Corporation	2,000,000	-	-	2,000,000	0.804%	November 30, 2020			
Mitsubishi UFJ Trust and Banking Corporation	1,500,000	-	-	1,500,000	0.689%	November 30, 2019			
Sumitomo Mitsui Banking Corporation	1,200,000	-	-	1,200,000	0.875%	January 31, 2022			
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,200,000	-	-	1,200,000	1.105%	January 31, 2024			
Aozora Bank, Ltd.	2,000,000	-	-	2,000,000	0.875%	April 30, 2022			
Resona Bank, Ltd.	1,500,000	-	-	1,500,000	0.987%	April 30, 2023			
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000,000	-	-	2,000,000	1.100%	April 30, 2024			
Sumitomo Mitsui Banking Corporation	1,000,000	-	-	1,000,000	1.265%	April 30, 2025			

Classification	Lender	Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Average interest rate (%) (Note3) (Note4)	Payment due date (Note7)	Use	Remarks
Long-Term Payable	Aozora Bank, Ltd.	-	300,000	-	300,000	0.678%	August 31, 2020	(Note6)	Unsecured/ Unguaranteed
	Resona Bank, Ltd.	-	1,100,000	-	1,100,000	0.923%	August 31, 2022		
	Mizuho Trust & Banking Co., Ltd.	-	700,000	-	700,000	0.923%	August 31, 2022		
	Sumitomo Mitsui Trust Bank, Limited	-	950,000	-	950,000	1.047%	August 31, 2023		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	-	1,700,000	-	1,700,000	1.169%	August 31, 2024		
	Mizuho Bank, Ltd.	-	950,000	-	950,000	1.169%	August 31, 2024		
	Sumitomo Mitsui Banking Corporation	-	2,000,000	-	2,000,000	1.345%	August 31, 2025		
	Development Bank of Japan Inc. (Note5)	-	1,000,000	-	1,000,000	1.193%	August 31, 2024		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	-	300,000	-	300,000	0.624%	October 27, 2020		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	-	1,000,000	-	1,000,000	1.156%	April 27, 2025		
	Sub Total	52,800,000	10,000,000	-	62,800,000				
Total	73,500,000	10,000,000	8,700,000	74,800,000					

Note 1: Annual repayments of long-term loans payable (except for current portion of long-term loans payable) scheduled after the balance sheet date are as follows:

(in thousands of yen)

	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
Long-term loans payable	11,000,000	11,000,000	1,500,000	3,600,000	35,700,000

Note 2: Borrowings listed in the current portion of long-term payable were listed in long-term payable in the previous fiscal period.

Note 3: All debts except for the following Note5 are borrowing at a floating rate.

Note 4: Average interest rates are the weighted average during the period and figures are rounded to the nearest third decimal place. Also, with regard to borrowings for which interest rate swap transactions and interest rate cap transactions were implemented in order to hedge the interest rate volatility risk, the weighted average interest rates taking into consideration the effects of the interest rate swaps and interest rate caps are indicated.

Note 5: Borrowings at a fixed rate.

Note 6: All debts were used as the funds for acquiring real estate properties or trust beneficiary interest in real estate (additional expenses are included) and repayment of debts.

Note 7: All the repayment methods of debt financing are lump-sum repayments on the due date.