

Translation of Japanese Original

FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED October 31, 2022 (REIT)

(May 1, 2022, to October 31, 2022)

December 14, 2022

Kenedix Office Investment Corporation is listed on the Tokyo Stock Exchange with the securities code number 8972.

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1. PERFORMANCE FOR THE FISCAL PERIOD ENDED October 31, 2022 (May 1, 2022, to October 31, 2022)

(1) Business Results

(Amounts are rounded down to the nearest one million yen.)

(% indications are increase-decrease rate of period-over-period.)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the six months ended								
October 31, 2022	16,266	2.4	7,379	(0.6)	6,452	(0.7)	6,451	(0.7)
April 30, 2022	15,891	5.7	7,427	8.3	6,497	9.9	6,496	9.9

	Net Income per Unit	Return on Unitholders' Equity	Ordinary Income to Total Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
For the six months ended				
October 31, 2022	7,566	2.8	1.4	39.7
April 30, 2022	7,580	2.8	1.4	40.9

Note: The Investment Corporation implemented a two-for-one split of investment units with October 31, 2022, as the record date of the split and November 1, 2022, as the effective date. Net income per unit is calculated based on the assumption that the split of the investment units was implemented at the beginning of the fiscal period ended April 30, 2022.

(2) Distribution

	Distributions per Unit (Excluding Excess of Earnings)	Total Distributions (Excluding Excess of Earnings)	Distributions in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
	Yen	Millions of Yen	Yen	Millions of Yen	%	%
For the six months ended						
October 31, 2022	14,488	6,146	—	—	95.3	2.7
April 30, 2022	14,000	5,999	—	—	92.3	2.6

Note 1: Distributions per unit for the fiscal period ended October 31, 2022, are calculated by dividing the amount remaining after deducting the provision of reserve for reduction entry (304 million yen) from unappropriated retained earnings by the total number of investment units issued and outstanding. The main difference between distributions per unit and net income per unit is due to this calculation.

Note 2: Distributions per unit for the fiscal period ended April 30, 2022, are calculated by dividing the amount remaining after deducting the provision of reserve for reduction entry (497 million yen) from unappropriated retained earnings by the total number of investment units issued and outstanding. The main difference between distributions per unit and net income per unit is due to this calculation.

(3) Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Unit
	Millions of Yen	Millions of Yen	%	Yen
For the six months ended				
October 31, 2022	473,013	229,562	48.5	270,573
April 30, 2022	464,802	231,763	49.9	270,429

Note: The Investment Corporation implemented a two-for-one split of investment units with October 31, 2022, as the record date of the split and November 1, 2022, as the effective date. Net assets per unit is calculated based on the assumption that the split of the investment units was implemented at the beginning of the fiscal period ended April 30, 2022.

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(4) Cash Flow Situations

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Period End
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
For the six months ended				
October 31, 2022	10,496	(13,525)	791	30,917
April 30, 2022	10,403	(6,596)	400	33,156

2. FORECAST OF RESULTS FOR THE FISCAL PERIODS ENDING April 30, 2023 (November 1, 2022, to April 30, 2023) and October 31, 2023 (May 1, 2023, to October 31, 2023)

(% indications are increase-decrease rate of period-over-period.)

	Operating Revenues (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income (Millions of Yen)		Distributions per Unit (Excluding Excess of Earnings)	Distributions in Excess of Earnings per Unit
		%		%		%		%	Yen	Yen
For the six months ending										
April 30, 2023	16,232	(0.2)	6,887	(6.7)	5,983	(7.3)	5,982	(7.3)	7,250	—
October 31, 2023	16,631	2.5	6,820	(1.0)	5,896	(1.5)	5,895	(1.5)	7,250	—

(Reference) Estimated net income per unit for the fiscal period ending April 30, 2023: 7,051 yen

Forecasted total number of investment units issued and outstanding as of April 30, 2023: 848,430 units

Forecasted average number of investment units during the fiscal period ending April 30, 2023: 848,430 units

Estimated net income per unit for the fiscal period ending October 31, 2023: 6,948 yen

Forecasted total number of investment units issued and outstanding as of October 31, 2023: 848,430 units

Forecasted average number of investment units during the fiscal period ending October 31, 2023: 848,430 units

Note 1: Distributions per unit for the fiscal period ending April 30, 2023, are calculated by dividing the amount obtained by adding the reversal of reserve for reduction entry (168 million yen) to net income by the total number of investment units issued and outstanding.

Note 2: Distributions per unit for the fiscal period ending October 31, 2023, are calculated by dividing the amount obtained by adding the reversal of reserve for reduction entry (255 million yen) to net income by the total number of investment units issued and outstanding.

*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) Total Number of Investment Units Issued and Outstanding

(a) Total number of investment units issued and outstanding at period end (including own investment units)

As of October 31, 2022: 424,215 units

As of April 30, 2022: 428,510 units

(b) Number of own investment units at period end

As of October 31, 2022: 0 units

As of April 30, 2022: 0 units

Note: Please refer to page 26, "Notes on Information per Unit" for the number of investment units as the base of the calculation of net income per unit.

* The financial report is not subject to audit by certified public accountants or audit corporations.

* Special Consideration

Readers are advised that the outlook on management conditions and other forward-looking statements contained herein are based on information currently available to the Investment Corporation and certain assumptions that the Investment Corporation considers to be reasonable. Actual management conditions, etc. may differ materially from these forecasts due to various factors.

In addition, the forecast figures are calculated as of the date of this document under the assumptions indicated in "Preconditions and Assumptions for the Thirty-Sixth Fiscal Period Ending April 30, 2023, and for the Thirty-Seventh Fiscal Period Ending October 31, 2023" on page 8, and the actual operating revenues, operating income, ordinary income, net income, distributions per unit and distributions in excess of earnings per unit may differ from forecasts due to the change in the situation. Accordingly, the Investment Corporation does not guarantee payment of the forecast distributions.

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1. Operating Conditions

(1) Operating Conditions

① Operating conditions for the fiscal period under review

A. The Investment Corporation

Kenedix Office Investment Corporation (“the Investment Corporation”) was established on May 6, 2005, in accordance with the Act on Investment Trusts and Investment Corporations (Act No. 198 of the year 1951, including amendments thereafter) (“Investment Trust Act”). On July 21, 2005, the Investment Corporation was listed on the Real Estate Investment Trust Market of the Tokyo Stock Exchange, Inc. (“the Tokyo Stock Exchange”) with a total of 75,400 investment units issued and outstanding (Securities Code: 8972). Subsequently, the Investment Corporation raised funds through public offerings and such as well as acquired and cancelled own investment units (4,295 units) during the fiscal period under review (fiscal period ended October 31, 2022). As a result, as of the end of the fiscal period under review (October 31, 2022), the number of investment units issued and outstanding totaled 424,215 units. The Investment Corporation entrusts Kenedix Real Estate Fund Management, Inc. (“the Asset Management Company”) with its asset management and strives to maximize unitholder profits by securing stable earnings and sustainable growth of investment assets. To this end, the Investment Corporation adopts the basic policy of conducting flexible and dynamic investment that seeks to respond to the environment and market trends, endeavors to ensure a timely response to opportunities, and form a portfolio.

B. Investment Environment and Management Performance

(a) Investment Environment

During the fiscal period under review (fiscal period ended October 31, 2022), the Japanese economy saw a negative growth rate of real GDP, but was pushed down by the significant increase in service imports, and continued to be on a moderate recovery trend partially due to the increase in capital investments and exports. On the other hand, stagnation of personal consumption impacted by price hikes was seen, but since infection control measures are also being implemented without imposing restrictions on activities despite the deterioration of the infection status of COVID-19, the impact on the pace of recovery in consumption is believed to be limited.

In terms of the office leasing market, both the average vacancy rate and average rent (including for newly built office buildings) in Tokyo’s five central wards remained generally flat according to the data announced by Miki Shoji Co., Ltd. The slight increase in vacancy rate was mostly attributable to the fact that multiple newly built large-scale office buildings were completed with vacancies. At mid-sized office buildings, vacancies have started to dissipate as the pace of lease cancellations has slowed down and movements of tenants centering on Japanese companies have also become active.

	April 2022	October 2022	Change
Average Vacancy Rate	6.38%	6.44%	+0.06%
Average Rent	20,328 yen	20,114 yen	(214 yen)

Even in other major cities across Japan, the rise in average vacancy rate slowed down and both average vacancy rate and average rent remained generally flat except in some cities.

In the office building transaction market, the amount of sales information of prime mid-sized office buildings remains small, and investors are concentrating on limited sales projects. Therefore, cap rates remain at continuously low levels. Due to the preceding rise in interest rates, some overseas investors started to take a wait-and-see attitude, and projects that are advantageous to domestic investors were also seen. However, as the investment appetite of domestic and overseas investors is generally strong and property transactions by real estate companies and other domestic and overseas investors as well as listed real estate investment corporations (J-REITs) have continued to be conducted, no significant change has been seen in the willingness to invest in office buildings.

(b) Management Performance

The Investment Corporation acquired two office buildings (Edobashi Building: Acquisition price 9,600 million yen, Shionogi Kobe Building: Acquisition price 3,450 million yen) and sold an office building (KDX Kiba Building: Acquisition price 1,580 million yen, Sale price 1,650 million yen) during the fiscal period under review.

The overview of the portfolio at the end of the fiscal period under review (excluding the TK interest (Note 1)) is as follows.

	End of Previous Fiscal Period	End of Fiscal Period Under Review	Change
Number of Properties	97	98	+1
Total Acquisition Price (Millions of yen)	445,606	457,076	+11,470
Number of End Tenants for Office Buildings (Note 2) (Note 3)	1,167	1,189	+22

Percentage by Use (Acquisition Price Basis)

	End of Previous Fiscal Period	End of Fiscal Period Under Review	Change
Office Buildings	99.4%	99.4%	+0.0%
Others	0.6%	0.6%	(0.0%)

Occupancy Rate of Office Buildings

	End of Previous Fiscal Period	End of Fiscal Period Under Review	Change
Entire Office Building	98.3%	97.8%	(0.5%)
Tokyo's Five Central Wards	97.9%	98.7%	+0.8%
Other Tokyo Metropolitan Areas	98.8%	97.1%	(1.7%)
Regional Areas	98.3%	97.4%	(0.9%)

Note 1: The initial investment amount for the TK interest is 1,107 million yen.

Note 2: When a tenant is leasing more than one property, it is counted as one tenant and the number of tenants is indicated accordingly.

Note 3: The number of end tenants for the entire portfolio is 1,190 as of the end of the fiscal period under review.

C. Capital Financing

(a) Status of Investment Corporation Bonds

The Investment Corporation issued the Fourteenth Series Unsecured Investment Corporation Bonds (ranking pari passu among specified investment corporation bonds) ("the Fourteenth Series Unsecured Investment Corporation Bonds") (total issue amount: 1,000 million yen, term: 5.0 years) on July 11, 2022, and allocated the proceeds to the redemption fund for the Eighth Series Unsecured Investment Corporation Bonds (ranking pari passu among specified investment corporation bonds) that matured on July 19, 2022. As a result, the balance of investment corporation bonds as of the fiscal period under review (October 31, 2022) is 13,000 million yen.

(b) Status of Borrowings

During the fiscal period under review, the Investment Corporation undertook borrowings of 16,150 million yen for repayment of borrowings of the same amount that matured during the fiscal period, 8,100 million yen for early repayment made on August 31, 2022, and 500 million yen for early repayment made on October 31, 2022. Furthermore, the Investment Corporation newly borrowed 9,800 million yen upon the acquisition of Edobashi Building.

The balance of borrowings at the end of the fiscal period under review is as follows.

Total borrowings	201,950 million yen
Short-term borrowings (Note 1)	300 million yen
Long-term borrowings (Note 1)	201,650 million yen
Investment corporation bonds	13,000 million yen
Balance of interest-bearing debt	214,950 million yen

Furthermore, interest rates for 112,550 million yen of long-term borrowings with floating interest rates have been practically fixed by utilizing interest rate swaps in order to hedge risk of rise in interest rates. As a result, the balance of long-term borrowings with fixed interest rates including 84,100 million yen of long-term borrowings with fixed interest rates was 196,650 million yen at the end of the fiscal period under review.

Long-term debt ratio (Note 2)	99.9%
Long-term fixed interest debt ratio (Note 3)	97.5%
Average remaining term of interest-bearing debt (Note 4)	4.0 years
Average interest rate of interest-bearing debt (Note 4)	0.82%
Interest-bearing debt ratio (Note 5)	45.4%

Note 1: Short-term borrowings refer to borrowings with a period of less than or equal to one year from the drawdown date to the repayment date.

However, the borrowings whose period until repayment date have surpassed one year because the repayment date one year from the drawdown date is not a business day and for which the repayment date has been moved to the following business day are included in short-term borrowings. Long-term borrowings refer to borrowings with a period of more than one year from the drawdown date to the repayment date. The same applies below.

Note 2: Long-term debt ratio = (Balance of long-term borrowings + Balance of investment corporation bonds) / (Total borrowings + Balance of investment corporation bonds) × 100

Long-term debt ratio is rounded to the first decimal place.

Note 3: Long-term fixed interest debt ratio = (Balance of long-term fixed interest rate borrowings + Balance of investment corporation bonds) / (Total borrowings + Balance of investment corporation bonds) × 100

The balance of long-term fixed interest rate borrowings includes long-term borrowings with floating interest rates effectively fixed by utilizing interest-rate swap agreements. Long-term fixed interest debt ratio is rounded to the first decimal place.

Note 4: Average remaining terms and average interest rates are the weighted average of the period-end remaining terms and interest rates including annual upfront fees based on the balance of interest-bearing debt. Average remaining terms are rounded to the first decimal place and average interest rates are rounded to the second decimal place, respectively.

Note 5: Interest-bearing debt ratio = Balance of interest-bearing debt at the end of fiscal period / Total assets at the end of fiscal period ×100
Interest-bearing debt ratio is rounded to the first decimal place.

(c) Status of Credit Rating

The status of the credit ratings as of the end of fiscal period under review (October 31, 2022) is as follows:

Credit Rating Agency	Details of the Ratings	
Japan Credit Rating Agency, Ltd. (JCR)	Long-term Issuer Rating	AA (Outlook: Stable)
	Ratings on Bonds Preliminary Rating of Shelf Registration	AA

(d) Status of Shelf Registration

The Investment Corporation filed a shelf registration statement for investment corporation bonds (excluding short-term investment corporation bonds) on November 30, 2020. Details are as follows.

Planned Issue Amount	100,000 million yen
Planned Issuance Period	December 8, 2020, to December 7, 2022
Use of Funds	Acquisition funds for specified assets described in Article 2-1 of Investment Trust Act, repayment of borrowings, redemption of investment corporation bonds (including short-term investment corporation bonds), refund of lease and guarantee deposits, funds to pay for repairs and maintenance, working capital, etc.

The Thirteenth Series Unsecured Investment Corporation Bonds of 2,000 million yen were issued on July 28, 2021, and the Fourteenth Series Unsecured Investment Corporation Bonds of 1,000 million yen on July 11, 2022, based on the above shelf registration statement.

The Investment Corporation filed a shelf registration statement for investment corporation bonds whose planned issuance period is from December 8, 2022, to December 7, 2024 (excluding short-term investment corporation bonds) on November 30, 2022.

D. Operating Results and Cash Distribution

As a result of the aforementioned management performance, the Investment Corporation reported operating revenues of 16,266 million yen, operating income of 7,379 million yen, ordinary income of 6,452 million yen and net income of 6,451 million yen for the fiscal period under review (fiscal period ended October 31, 2022).

Concerning the cash distributions for the fiscal period under review, special taxation measures for investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of the year 1957, including amendments thereafter; “the Special Taxation Measures Act”)) are applied based on the cash distribution policies stipulated in the Articles of Incorporation. In addition, the Investment Corporation decided to apply the “Special Provisions for Taxation in Cases of Repurchase of Specified Assets” (Article 65-7 of the Special Taxation Measures Act) in the fiscal period under review and internally reserve part of the unappropriated retained earnings as reserve for reduction entry. Following this policy, the Investment Corporation distributed 6,146,026,920 yen, which is part of the amount remaining after deducting 304 million yen within the scope of application of the provisions of both Article 67-15 and Article 65-7 of the Special Taxation Measures Act as provision of reserve for reduction entry from unappropriated retained earnings. As a result, distribution per unit is 14,488 yen.

② Outlook for next fiscal period

A. External Growth Strategy

(a) Investment Criteria

The Investment Corporation continues to invest mainly in mid-sized office buildings in the Tokyo Metropolitan Area under the policy of capturing the trend and investing timely in a flexible and dynamic manner.

Distribution Target by Property Type

Office Buildings	Of office buildings, rental office buildings of which the main use under the Building Standard Act is office and for which the total floor area of the entire building stated in the certificate of all registered matters (“total floor area”) fulfills the following criteria (“mid-sized office building”).	80-100%
	<ul style="list-style-type: none"> • Tokyo 23 wards Total floor area: 13,000 m² or less • Outside Tokyo 23 wards Total floor area: 20,000 m² or less 	
Central Urban Retail Properties	Of office buildings, those that do not fall under the category of mid-sized office buildings	0-20%
Others	Central urban retail properties with high tenant substitutability located in districts with a high degree of bustle	
	Land with leasehold (limited proprietary right of land) or buildings with floor area of which use under the Building Standards Act is not subject to investment in accordance with the Investment Corporation’s investment policy	

Distribution Target by Area

The Investment Corporation mainly invests in real estate, etc. located in the Tokyo Metropolitan area (Tokyo and its three neighboring prefectures: Kanagawa, Saitama and Chiba), which is the largest economic area and the most densely populated region in Japan. We also make some diversified investments in real estate in rural economic zones (major urban areas such as government-designated cities) to minimize risks seen when concentrating on a certain region, such as fluctuations in the local economy and real estate market, population fluctuation and natural disasters such as earthquakes and typhoons.

(b) Use of Sponsor Support

Moreover, when acquiring assets, the Investment Corporation will aim for the sound and stable growth of the portfolio by securing continuous opportunities for acquiring properties and flexible acquisition methods in utilizing the networks of the Asset Management Company and the support line of the Kenedix Group (Note) centering on Kenedix, Inc., a parent company of the Asset Management Company, Sumitomo Mitsui Finance and Leasing Co., Ltd. and SMFL MIRAI Partners Co., Ltd. through building multiple pipelines. Furthermore, based on the premise that the Investment Corporation can obtain opportunities for property acquisitions in the future, the Investment Corporation may invest in TK interest, etc., with the Kenedix Group and others on a conjoint basis. In addition, the Investment Corporation seeks to diversify acquisition methods (direct acquisition, equity investment and co-acquisition with the Kenedix Group, mutual transaction with a view of asset reshuffle, etc.) to secure tactful acquisition of properties such as investments in warehousing-related TK, etc., in cooperation with the Kenedix Group with consideration to the timing of funding or the consistency of the investment principles.

Note: Kenedix Group refers to the company group consisting of Kenedix, Inc. and its subsidiaries, related companies, etc. The same applies below.

B. Internal Growth Strategy

Taking into consideration economic and real estate market trends, the Investment Corporation adopts “a tenant-oriented approach which will lead to revenue” for its leasing activities with aims of ensuring a timely and flexible response as well as optimizing tenant satisfaction. Accordingly, the Investment Corporation seeks to aim to maintain/increase cash flow by offering office environments with high tenant satisfaction. In addition, careful attention will be paid to the impact that the prolonged COVID-19 issue will have on the Japanese economy and office building leasing market in formulating the management strategy.

Based on the aim to become “the mid-sized office building of choice,” the Asset Management Company undertakes asset management activities as follows:

- Take measures to maintain and raise competitiveness of properties
- Tailor leasing management according to the market environment
- Apply careful control of management and operating costs by taking advantage of portfolio size
- Ensure appropriate response to relevant laws and regulations
- Develop a proactive response to environmental issues

C. Financial Strategy

The Investment Corporation continuously strives to improve the terms and conditions of existing borrowings, and aims for stable financial management by taking the following measures, etc.

- Reduce refinance risks by diversifying maturities of interest-bearing debts
- Have the procurement ratio of long-term fixed interest borrowings above a certain level
- Control the interest-bearing debt ratio (Note) in a conservative manner (the Investment Corporation will aim to keep the interest-bearing debt ratio to total assets (LTV) at less than 45% level as a rule. However, it will also remain open to the option of increasing LTV to the upper 40% level in the event of debt financing conducted for the purpose of acquiring competitive properties or otherwise.)

Moreover, the Investment Corporation will undertake stable fund procurement based on existing favorable relations with financial institutions, especially major banks, aiming for more robust financial management. In addition, the Investment Corporation aspires to pay attention to the share of each bank and consider as appropriate the introduction of transactions with new banks based on comparison with the conditions with currently transacting banks.

Note: Interest-bearing debt ratio = Balance of interest-bearing debt at the end of fiscal period / Total assets at the end of fiscal period×100

D. Important Subsequent Events after the Closing Date

(a) Split of Investment Units

The Investment Corporation implemented a two for one split of the investment units with October 31, 2022, as the record date and November 1, 2022, as the effective date.

- Purpose of Split

The Investment Corporation aims to create an environment that makes it easier for investors to invest as well as further expand the investor base and improve the liquidity of investment units by lowering the per-investment unit price.

- Method of Split

With October 31, 2022, as the record date, the Investment Corporation implemented a two-for-one split of its investment units held by unitholders stated or recorded in the final unitholder registry on that day.

- Number of Investment Units Increased Due to the Split, Etc.

(1) Total number of investment units issued and outstanding before the split	: 424,215 units
(2) Total number of investment units increased due to the split	: 424,215 units
(3) Total number of investment units issued and outstanding after the split	: 848,430 units
(4) Total number of authorized investment units after the split	: 4,000,000 units

(Reference Information)

(a) Borrowings

The Investment Corporation executes a line-of-credit loan master agreement for securing flexible and stable financing methods and making its financial base more robust for when acquiring assets and repaying borrowings (including redemptions of investment corporation bonds).

Maximum Amount	5,000 million yen
Contract Date	November 25, 2022
Contract Period	November 30, 2022, to November 30, 2023
Contract Type	Bilateral type line of credit loan agreement (uncommitted)
Counterparty	Mizuho Bank, Ltd.
Collateral	Unsecured, unguaranteed

(2) Risk Factors

There are no significant changes to the “Investment Risks” as described in the latest Securities Report submitted on July 26, 2022, and the disclosures are omitted.

(3) Outlook

Forecasts for the thirty-sixth fiscal period (November 1, 2022, to April 30, 2023) and for the thirty-seventh fiscal period (May 1, 2023, to October 31, 2023) are presented as follows.

Thirty-sixth fiscal period (November 1, 2022, to April 30, 2023)

Operating Revenues	16,232 million yen
Operating Income	6,887 million yen
Ordinary Income	5,983 million yen
Net Income	5,982 million yen
Distributions per Unit	7,250 yen
Excess of Earnings	- yen

Thirty-seventh fiscal period (May 1, 2023, to October 31, 2023)

Operating Revenues	16,631 million yen
Operating Income	6,820 million yen
Ordinary Income	5,896 million yen
Net Income	5,895 million yen
Distributions per Unit	7,250 yen
Excess of Earnings	- yen

For preconditions and assumptions of the outlook, please refer to the following “Preconditions and Assumptions for the Thirty-Sixth Fiscal Period Ending April 30, 2023, and for the Thirty-Seventh Fiscal Period Ending October 31, 2023.”

Note: Forecast figures above are calculated based on certain assumptions. Readers are advised that actual net income and distributions per unit may differ significantly from forecasts due to a variety of reasons. Accordingly, the Investment Corporation does not guarantee payment of the forecast distributions per unit.

Preconditions and Assumptions for the Thirty-Sixth Fiscal Period Ending April 30, 2023,
and for the Thirty-Seventh Fiscal Period Ending October 31, 2023

Item	Preconditions and Assumptions
Calculation Period	<ul style="list-style-type: none"> ● The thirty-sixth fiscal period ending April 30, 2023: November 1, 2022, to April 30, 2023 (181 days) ● The thirty-seventh fiscal period ending October 31, 2023: May 1, 2023, to October 31, 2023 (184 days)
Property Portfolio	<ul style="list-style-type: none"> ● It is assumed that the Investment Corporation owns 98 properties that are composed of real estate and trust beneficiary interest in real estate as of the date of this document. It is assumed that there will be no sale of assets in the property portfolio by the end of the thirty-seventh fiscal period ending October 31, 2023. ● The Investment Corporation also holds the TK equity other than above. It assumes the refund of the TK equity will not occur by the end of the thirty-seventh fiscal period ending October 31, 2023. ● The actual results may fluctuate due to changes in the property portfolio.
Operating Revenues	<ul style="list-style-type: none"> ● Rental revenues are estimated based on valid leasing agreements as of December 14, 2022, and by considering variable factors, such as seasonal factors against the backdrop of historical performance, as well as the recent real estate market conditions, in addition to the difference in number of operating days due to transfers in existing investment assets described in Property Portfolio . ● Dividends received of 38 million yen for the thirty-sixth fiscal period ending April 30, 2023, and 58 million yen for the thirty-seventh fiscal period ending October 31, 2023, have been assumed with regard to the TK equity stated in the above “Property Portfolio.” ● Forecasts are based on the assumption that there will be no rent in arrears or non-payments from tenants.
Operating Expenses	<ul style="list-style-type: none"> ● Expenses related to rental business other than depreciation are based on the historic expenses, adjusted to reflect expense variables including seasonal factors. ● An amount of 1,514 million yen for the thirty-sixth fiscal period ending April 30, 2023, and 1,504 million yen for the thirty-seventh fiscal period ending October 31, 2023, has been assumed for property and facility management fees (property management and building maintenance fees, etc.). ● An amount of 1,394 million yen for the thirty-sixth fiscal period ending April 30, 2023, and 1,481 million yen for the thirty-seventh fiscal period ending October 31, 2023, have been assumed for taxes and public dues (property tax and city-planning tax, etc.). Only part of taxes and public dues (15 million yen) will be recognized as expenses in the thirty-sixth fiscal period ending April 30, 2023, for the reasons that property tax and city-planning tax, etc. are settled with the former owner and such settled amount will be included in the calculation of acquisition costs regarding the properties acquired or to be acquired after January 1, 2022. The aggregate amount of the property tax and city-planning tax, etc. will be recognized as expenses in the thirty-seventh fiscal period ending October 31, 2023, onwards, and such amount is estimated at 46 million yen per fiscal period. ● An amount of 2,636 million yen for the thirty-sixth fiscal period ending April 30, 2023, and 2,627 million yen for the thirty-seventh fiscal period ending October 31, 2023, has been assumed for depreciation expense. ● An amount of 419 million yen for the thirty-sixth fiscal period ending April 30, 2023, and 373 million yen for the thirty-sixth fiscal period ending October 31, 2023, has been assumed for repairs, maintenance and renovation expenses. Repairs, maintenance and renovation expenses are estimated based on the amounts budgeted by the Asset Management Company for each property and considered essential for the period. Actual repairs, maintenance and renovation expenses for the fiscal period may, however, differ significantly from estimated amounts due to unforeseen circumstances or emergencies. ● In general, property tax and city planning tax are allocated to the seller and buyer on a pro rata basis at the time of acquisition settlement. In the case of the Investment Corporation, an amount equivalent to the portion allocated to the purchaser is included in the acquisition cost of the property.
Non-Operating Expenses	<ul style="list-style-type: none"> ● Interest payable (including financing related expenses, etc.) of 893 million yen for the thirty-sixth fiscal period ending April 30, 2023, and 913 million yen for the thirty-seventh fiscal period ending October 31, 2023, is assumed.
Extraordinary Profit/Loss	<ul style="list-style-type: none"> ● Extraordinary profit/loss is not assumed.
Borrowings and Investment Corporation Bonds	<ul style="list-style-type: none"> ● The balance of the borrowings and the investment corporation bonds as of December 14, 2022, is 201,950 million yen and 13,000 million yen, respectively. ● Of the borrowings as of December 14, 2022, a total of 4,800 million yen in borrowings is due for repayment during the thirty-sixth fiscal period ending April 30, 2023, and a total of 9,800 million yen in borrowings is due for repayment during the thirty-seventh fiscal period ending October 31, 2023. However, it is assumed that all borrowings will be refinanced. ● Of the investment corporation bonds as of December 14, 2022, it is assumed that no investment corporation bonds will mature by the end of the thirty-seventh fiscal period ending October 31, 2023.
Total Number of Investment Units Issued	<ul style="list-style-type: none"> ● The total number of investment units issued and outstanding after the investment unit split implemented on November 1, 2022, with October 31, 2022, as the record date of the split is assumed to be 848,430 units.

Item	Preconditions and Assumptions
and Outstanding	<ul style="list-style-type: none"> ● It is assumed that there will be no change until the end of the thirty-seventh fiscal period ending October 31, 2023, other than the above.
Distributions per Unit	<ul style="list-style-type: none"> ● Distributions per unit are calculated in accordance with the Cash Distribution Policies outlined in the Investment Corporation's Articles of Incorporation. ● It is assumed that the amount obtained by adding 168 million yen of reversal of reserve for reduction entry to net income will be distributed in the thirty-sixth fiscal period ending April 30, 2023, and the amount obtained by adding 255 million yen of reversal of reserve for reduction entry to net income will be distributed in the thirty-seventh fiscal period ending October 31, 2023, but the amount of reversal of reserve for reduction entry may change due to the management conditions, etc. ● Actual distributions per unit may differ significantly from forecast figures due to a variety of reasons including transfers in investment assets, rental revenues impacted by tenant turnover or incidence of major unforeseen renovation expense.
Distributions in Excess of Earnings per Unit	<ul style="list-style-type: none"> ● The Investment Corporation does not currently anticipate distributions in excess of earnings.
Other	<ul style="list-style-type: none"> ● Forecasts are based on the assumption that any revisions to regulatory requirements, taxation, accounting standards, public listing regulations or requirements of the Investment Trusts Association, Japan will not impact forecast figures. ● Forecasts are based on the assumption that there will be no major unforeseen changes to economic trends and in real estate and other markets.

2. Financial Statements

(1) Balance Sheets

(Thousands of Yen)

	Thirty-Fourth Fiscal Period (As of April 30, 2022)	Thirty-Fifth Fiscal Period (As of October 31, 2022)
Assets		
Current assets		
Cash and deposits	23,037,269	20,376,036
Cash and deposits in trust	11,593,317	11,745,529
Accounts receivable-trade	279,727	396,242
Prepaid expenses	71,220	112,649
Other	10,146	13,240
Total current assets	34,991,680	32,643,699
Noncurrent assets		
Property, plant and equipment		
Buildings	18,127,176	19,208,618
Accumulated depreciation	(7,449,568)	(7,768,708)
Buildings, net	10,677,608	11,439,910
Structures	44,224	44,224
Accumulated depreciation	(21,468)	(22,699)
Structures, net	22,755	21,524
Machinery and equipment	456,232	464,676
Accumulated depreciation	(322,911)	(336,018)
Machinery and equipment, net	133,320	128,658
Tools, furniture and fixtures	104,554	106,355
Accumulated depreciation	(79,754)	(83,487)
Tools, furniture and fixtures, net	24,800	22,868
Land	27,520,902	30,128,905
Buildings in trust	130,362,510 *2	130,699,106 *2
Accumulated depreciation	(40,770,613)	(42,535,054)
Buildings in trust, net	89,591,896	88,164,051
Structures in trust	429,795	429,675
Accumulated depreciation	(225,247)	(235,561)
Structures in trust, net	204,547	194,114
Machinery and equipment in trust	2,075,571	2,123,432
Accumulated depreciation	(981,465)	(1,038,762)
Machinery and equipment in trust, net	1,094,106	1,084,669
Tools, furniture and fixtures in trust	739,174	748,177
Accumulated depreciation	(434,922)	(458,579)
Tools, furniture and fixtures in trust, net	304,251	289,597
Land in trust	296,760,716	305,091,543
Construction in progress in trust	800	-
Total property, plant and equipment	426,335,705	436,565,845
Intangible assets		
Land leasehold	285,257	285,257
Land leasehold in trust	346,103	345,329
Other	76	57
Total intangible assets	631,437	630,644
Investments and other assets		
Investment securities	1,136,860	1,138,413
Lease and guarantee deposits	10,000	10,000
Lease and guarantee deposits in trust	122,889	122,889
Long-term prepaid expenses	1,043,985	1,034,645
Other	478,443	813,924

(Thousands of Yen)

	Thirty-Fourth Fiscal Period (As of April 30, 2022)	Thirty-Fifth Fiscal Period (As of October 31, 2022)
Total investments and other assets	2,792,179	3,119,872
Total noncurrent assets	429,759,322	440,316,362
Deferred assets		
Investment corporation bond issuance costs	51,154	53,346
Total deferred assets	51,154	53,346
Total assets	464,802,158	473,013,408
Liabilities		
Current Liabilities		
Accounts payable	1,759,501	1,737,357
Short-term loans payable	8,600,000	300,000
Current portion of investment corporation bonds	1,000,000	—
Current portion of long-term loans payable	13,450,000	14,300,000
Accounts payable-other	579,319	559,553
Accrued expenses	88,892	101,839
Income taxes payable	794	831
Accrued consumption taxes	218,882	308,775
Advances received	2,845,568	2,774,028
Deposits received	7,335	4,987
Total current liabilities	28,550,295	20,087,373
Noncurrent liabilities		
Investment corporation bonds	12,000,000	13,000,000
Long-term loans payable	170,100,000	187,350,000
Tenant leasehold and security deposits	2,155,044	2,284,874
Tenant leasehold and security deposits in trust	20,222,559	20,728,309
Other	10,448	537
Total noncurrent liabilities	204,488,052	223,363,720
Total liabilities	233,038,347	243,451,094
Net assets		
Unitholders' equity		
Unitholders' capital	220,970,508	220,970,508
Deduction from unitholders' capital	-	(2,999,551) *4
Unitholders' capital, net	220,970,508	217,970,957
Surplus		
Voluntary reserve		
Reserve for reduction entry	3,828,434	4,326,003
Total voluntary reserve	3,828,434	4,326,003
Unappropriated retained earnings (undisposed loss)	6,496,709	6,451,096
Total surplus	10,325,143	10,777,100
Total unitholders' equity	231,295,652	228,748,057
Valuation and translation adjustments		
Deferred gains or losses on hedges	468,158	814,256
Total valuation and translation adjustments	468,158	814,256
Total net assets	231,763,810 *1	229,562,314 *1
Total liabilities and net assets	464,802,158	473,013,408

(2) Statements of Income

	(Thousands of Yen)	
	Thirty-Fourth Fiscal Period November 1, 2021, to April 30, 2022	Thirty-Fifth Fiscal Period May 1, 2022, to October 31, 2022
Operating revenues		
Rental revenues	13,336,478 *1	13,841,688 *1
Other rental revenues	1,741,811 *1	2,119,236 *1
Gain on sales of real estate, etc.	770,595 *2	240,982 *2
Dividends income	42,214	64,462
Total operating revenue	<u>15,891,099</u>	<u>16,266,370</u>
Operating expenses		
Property related expenses	7,309,872 *1	7,707,795 *1
Asset management fees	962,007	976,930
Directors' compensation	6,300	6,300
Asset custody fees	23,658	23,870
Administrative service fees	58,946	59,530
Audit fees	12,800	12,800
Other operating expenses	89,824	99,583
Total operating expenses	<u>8,463,409</u>	<u>8,886,810</u>
Operating income	<u>7,427,689</u>	<u>7,379,560</u>
Non-operating income		
Interest income	48	45
Dividends and redemption-prescription	322	383
Interest on refund	75	525
Total non-operating income	<u>446</u>	<u>954</u>
Non-operating expenses		
Interest expenses	722,665	732,865
Interest expenses on investment corporation bonds	34,951	35,987
Borrowing related expenses	149,392	139,175
Amortization of investment corporation bond issuance costs	7,348	7,659
Other	15,831	12,386
Total non-operating expenses	<u>930,189</u>	<u>928,074</u>
Ordinary income	<u>6,497,947</u>	<u>6,452,439</u>
Income before income taxes	<u>6,497,947</u>	<u>6,452,439</u>
Income taxes-current	1,240	1,349
Income taxes-deferred	(2)	(6)
Total income taxes	<u>1,237</u>	<u>1,343</u>
Net income	<u>6,496,709</u>	<u>6,451,096</u>
Unappropriated retained earnings (undisposed loss)	<u>6,496,709</u>	<u>6,451,096</u>

(3) Statements of Unitholders' Equity

Thirty-Fourth Fiscal Period (November 1, 2021, to April 30, 2022)

(Thousands of Yen)

	Unitholders' equity					
	Unitholders' capital	Surplus				Total unitholders' equity
		Unitholders' capital	Voluntary reserve		Unappropriated retained earnings (undisposed loss)	
	Reserve for reduction entry		Total voluntary reserve			
Balance at the beginning of current period	220,970,508	3,917,542	3,917,542	5,910,032	9,827,574	230,798,082
Changes during the period						
Reversal of reserve for reduction entry		(89,107)	(89,107)	89,107	-	-
Distribution from surplus				(5,999,140)	(5,999,140)	(5,999,140)
Net income				6,496,709	6,496,709	6,496,709
Items other than unitholders' equity, net						
Total changes during the period	—	(89,107)	(89,107)	586,676	497,569	497,569
Balance at the end of current period	* 220,970,508	3,828,434	3,828,434	6,496,709	10,325,143	231,295,652

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at the beginning of current period	(253,223)	(253,223)	230,544,859
Changes during the period			
Reversal of reserve for reduction entry			-
Distribution from surplus			(5,999,140)
Net income			6,496,709
Items other than unitholders' equity, net	721,382	721,382	721,382
Total changes during the period	721,382	721,382	1,218,951
Balance at the end of current period	468,158	468,158	231,763,810

Thirty-Fifth Fiscal Period (May 1, 2022, to October 31, 2022)

(Thousands of Yen)

	Unitholders' equity						
	Unitholders' capital			Surplus			
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital, net	Voluntary reserve		Unappropriated retained earnings (undisposed loss)	Total surplus
				Reserve for reduction entry	Total voluntary reserve		
Balance at the beginning of current period	220,970,508	-	220,970,508	3,828,434	3,828,434	6,496,709	10,325,143
Changes during the period							
Provision of reserve for reduction entry				497,569	497,569	(497,569)	-
Distribution from surplus						(5,999,140)	(5,999,140)
Net income						6,451,096	6,451,096
Acquisition of own investment units							
Cancellation of own investment units		(2,999,551)	(2,999,551)				
Items other than unitholders' equity, net							
Total changes during the period	-	(2,999,551)	(2,999,551)	497,569	497,569	(45,612)	451,956
Balance at the end of current period	※ 220,970,508	(2,999,551)	217,970,957	4,326,003	4,326,003	6,451,096	10,777,100

	Unitholders' equity		Valuation and translation adjustments		Total net assets
	Own investment units	Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at the beginning of current period	-	231,295,652	468,158	468,158	231,763,810
Changes during the period					
Provision of reserve for reduction entry		-			-
Distribution from surplus		(5,999,140)			(5,999,140)
Net income		6,451,096			6,451,096
Acquisition of own investment units	(2,999,551)	(2,999,551)			(2,999,551)
Cancellation of own investment units	2,999,551	-			-
Items other than unitholders' equity, net			346,097	346,097	346,097
Total changes during the period	-	(2,547,594)	346,097	346,097	(2,201,496)
Balance at the end of current period	-	228,748,057	814,256	814,256	229,562,314

(4) Basis for Calculating Cash Distribution

(Unit: Yen)

	Thirty-Fourth Fiscal Period November 1, 2021, to April 30, 2022	Thirty-Fifth Fiscal Period May 1, 2022, to October 31, 2022
I. Unappropriated retained earnings at the end of fiscal period under review	6,496,709,393	6,451,096,681
II. Total distribution amount	5,999,140,000	6,146,026,920
(Distributions per unit)	(14,000)	(14,488)
III. Voluntary reserve (provision)		
Provision of reserve for reduction entry	497,569,393	304,852,318
IV. Retained earnings brought forward to the next period	-	217,443
Method of calculating the distribution amount	<p>In accordance with the policy stipulated in Article 35 (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 Act and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation has decided to distribute 5,999,140,000 yen, which is the amount remaining after deducting the provision of reserve for reduction entry stipulated in Article 64 of the Special Taxation Measures Act from unappropriated retained earnings, as profit distribution.</p> <p>In addition, the Investment Corporation decided not to distribute cash in excess of distributable profit, stipulated in Article 35 (2) of its Articles of Incorporation.</p>	<p>In accordance with the policy stipulated in Article 35 (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 Act and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation has decided to distribute 6,146,026,920 yen, which is part of the amount remaining after deducting the provision of reserve for reduction entry stipulated in Article 65-7 of the Special Taxation Measures Act from unappropriated retained earnings, as profit distribution.</p> <p>In addition, the Investment Corporation decided not to distribute cash in excess of distributable profit, stipulated in Article 35 (2) of its Articles of Incorporation.</p>

(5) Statements of Cash Flows

(Thousands of Yen)

	Thirty-Fourth Fiscal Period November 1, 2021, to April 30, 2022	Thirty-Fifth Fiscal Period May 1, 2022, to October 31, 2022
Net cash provided by (used in) operating activities		
Income before income taxes	6,497,947	6,452,439
Depreciation	2,588,401	2,631,665
Amortization of long-term prepaid expenses	113,771	117,004
Interest income	(48)	(45)
Interest expenses	757,616	768,853
Amortization of investment corporation bond issuance expenses	7,348	7,659
Decrease (increase) in accounts receivable-trade	6,382	(116,515)
Decrease (increase) in prepaid expenses	38,563	(41,429)
Increase (decrease) in accounts payable	(32,507)	205,756
Increase (decrease) in accounts payable-other	113,911	(19,922)
Increase (decrease) in accrued consumption taxes	(49,257)	89,892
Increase (decrease) in advances received	244,082	(71,540)
Increase (decrease) in deposits received	4,590	(2,211)
Changes in property, plant and equipment held in trust from sale	943,131	1,350,357
Decrease (increase) in long-term prepaid expenses	(54,719)	(107,663)
Other	(18,460)	(11,589)
Subtotal	11,160,754	11,252,712
Interest income received	48	45
Interest expenses paid	(756,682)	(755,906)
Income taxes paid	(784)	(801)
Net cash provided by (used in) operating activities	10,403,336	10,496,050
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(45,527)	(3,668,262)
Purchase of property, plant and equipment in trust	(7,322,312)	(11,021,726)
Payments of tenant leasehold and security deposits	(64,187)	(30,007)
Proceeds from tenant leasehold and security deposits	100,541	172,628
Payments of tenant leasehold and security deposits in trust	(675,174)	(551,922)
Proceeds from tenant leasehold and security deposits in trust	1,124,969	1,302,971
Payments of restricted bank deposits in trust	(271,464)	(31,536)
Proceeds from restricted bank deposits in trust	557,038	302,201
Net cash provided by (used in) investment activities	(6,596,116)	(13,525,653)
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	6,800,000	7,800,000
Repayment of short-term loans payable	(8,800,000)	(16,100,000)
Proceeds from long-term loans payable	18,300,000	26,750,000
Repayment of long-term loans payable	(9,900,000)	(8,650,000)
Proceeds of investment corporation bond issuance	-	990,148
Redemption of investment corporation bonds	-	(1,000,000)
Purchase of own investment units	-	(3,000,300)
Dividends paid	(5,999,077)	(5,998,599)
Net cash provided by (used in) financing activities	400,922	791,248
Net increase (decrease) in cash and cash equivalents	4,208,142	(2,238,355)
Cash and cash equivalents at the beginning of period	28,948,207	33,156,349
Cash and cash equivalents at the end of period	33,156,349 *	30,917,994 *

(6) Notes on Going Concern

Not applicable

(7) Important Accounting Standards

1. Evaluation standards and evaluation method of assets	<p>Securities</p> <p>Other securities</p> <p>Share with no market price, etc.</p> <p>Cost method through moving-average method</p> <p>Concerning silent partnership (<i>tokumei kumiai</i>) (TK) interests, the method of incorporating the amount of equity equivalent to the portion that corresponds to the net gain or loss of TK is added.</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: 2 to 49 years</p> <p>Structures: 2 to 45 years</p> <p>Machinery and equipment: 3 to 17 years</p> <p>Tools, furniture and fixtures: 3 to 20 years</p> <p>(2) Intangible assets (includes trust assets)</p> <p>The straight-line method is applied.</p> <p>Land leasehold: Fixed term land leasehold is amortized over a contractual period of 48 years and 9 months under the straight-line method.</p> <p>(3) Long-term prepaid expenses</p> <p>The straight-line method is applied.</p>
3. Accounting policies for deferred assets	<p>(1) Investment unit issuance costs</p> <p>Unit issuance costs are amortized over a period of 3 years.</p> <p>(2) Investment corporation bond issuance costs</p> <p>Bond issuance costs are amortized by applying the straight-line method for the entire redemption period.</p>
4. Accounting standards for revenues and expenses	<p>(1) Accounting method for property tax, etc.</p> <p>Property-related taxes including property taxes and city planning taxes, etc. are imposed on properties on a calendar-year basis. These taxes are generally charged to rental expenses for said fiscal period for the portion of such taxes corresponding to said period.</p> <p>In connection with the acquisition of real estate or trust beneficiary interests in real estate during the fiscal period under review, the Investment Corporation included its pro rata property portion for the year in the acquisition cost of each property and not as rental expenses. The amount of property tax, etc. included in the acquisition cost of real estate, etc. was 28,605 thousand yen in the thirty-fourth fiscal period and 28,034 thousand yen in the thirty-fifth fiscal period.</p> <p>(2) Standard for recording revenue</p> <p>The main content of the performance obligation regarding the revenue from contracts with the customers of the Investment Corporation and the normal point of time when satisfying the said performance obligation (normal point of time when recognizing revenue) are as follows.</p> <p>1. Sale of real estate, etc.</p> <p>For the revenue from sale of real estate, etc., revenue is recorded when the buyer who is a customer gains control of the real estate by performing the obligation of handover stipulated in the contract for real estate sales.</p> <p>2. Utility charge reimbursement</p> <p>For utility charge reimbursement, revenue is recorded in accordance with the supply of electricity, tap water, etc. to the lessee who is a customer based on the lease agreement of real estate, etc. and the content of agreement incidental to it.</p> <p>Of the utility charge reimbursement, for those that are determined to fall under the category of an agent by the Investment Corporation, the net amount obtained by deducting the amount paid to other related parties supplying electricity, gas, etc. from the amount received as the fee of electricity, gas, etc. is recognized as revenue.</p>

5. Accounting for hedges	<p>(1) Hedge accounting method The deferred hedge method is applied for interest-rate swap transactions. However, the special treatment is applied for the interest rate swaps that meet the requirements for special treatment.</p> <p>(2) Hedging instruments and risks hedged Hedge instruments The Investment Corporation enters into interest-rate swap transactions.</p> <p>Risks hedged Interest rates on debt.</p> <p>(3) Hedging policy 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 During the period from the commencement of hedging to the point at which effectiveness is assessed, the Investment Corporation compares the cumulative total of market changes in the targeted objects of hedging or cash flow changes with the cumulative total of market changes in the hedging instruments or cash flow changes. The Investment Corporation then makes a decision based on the changes and other factors of the two. However, concerning the interest-rate swaps that meet the requirements for special treatment, the evaluation of effectiveness is omitted.</p>
6. The scope of cash and cash equivalents on statements of cash flows	For the purpose of cash flow statements, cash and cash equivalents consist of cash on hand, deposits received that can be withdrawn on demand, and short-term investments with original maturities of 3 months or less, that are readily convertible to known amounts of cash and present insignificant risk of a change in value.
7. Other accounting policies utilized in the preparation of financial statements	<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 and construction in progress in trust 3. Land leasehold in trust 4. Lease and guarantee deposits in trust 5. Tenant leasehold and security deposits in trust <p>(2) Accounting method for non-deductible consumption tax Non-deductible consumption taxes applicable to the acquisition of assets are included in the cost of acquisition for each asset.</p>

(8) Notes on Financial Statements

(Notes on Balance Sheets)

*1. Minimum unitholders' equity pursuant to Article 67, paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Thousands of Yen)

	Thirty-Fourth Fiscal Period (as of April 30, 2022)	Thirty-Fifth Fiscal Period (as of October 31, 2022)
	50,000	50,000

*2. The amount of advanced depreciation of property, plant and equipment acquired by government subsidy, etc.

(Thousands of Yen)

	Thirty-Fourth Fiscal Period (as of April 30, 2022)	Thirty-Fifth Fiscal Period (as of October 31, 2022)
Buildings in trust	26,230	26,230

3. Commitment line agreement

The Investment Corporation has concluded a commitment line agreement with bank of account, etc. (Thousands of Yen)

	Thirty-Fourth Fiscal Period (as of April 30, 2022)	Thirty-Fifth Fiscal Period (as of October 31, 2022)
Maximum amount	9,000,000	9,000,000
Drawn credit facility	-	-
Balance	9,000,000	9,000,000

*4. Status of cancellation of own investment units

	Thirty-Fourth Fiscal Period (as of April 30, 2022)	Thirty-Fifth Fiscal Period (as of October 31, 2022)
Total number of units cancelled	-	4,295 units
Total amount of cancellation	-	2,999,551 thousand yen

(Notes on Statements of Income)

*1. Breakdown of real estate rental business profit and loss (Thousands of Yen)

	Thirty-Fourth Fiscal Period (November 1, 2021, to April 30, 2022)	Thirty-Fifth Fiscal Period (May 1, 2021, to October 31, 2022)
A. Rental and other operating revenues		
Rental revenues		
Leasing income	11,829,399	12,335,332
Common area charges	1,507,079	1,506,356
Subtotal	13,336,478	13,841,688
Other rental revenues		
Parking space rental revenues	486,655	507,846
Utility charge reimbursement	1,027,409	1,268,984
Miscellaneous	227,746	342,405
Subtotal	1,741,811	2,119,236
Total rental and other operating revenues	15,078,289	15,960,925
B. Rental and other operating expenses		
Property-related expenses		
Property management fees and facility management fees	1,450,957	1,482,699
Utilities	1,115,245	1,445,057
Taxes	1,341,445	1,369,695
Repairs and maintenance costs	406,830	398,775
Insurance	19,585	20,280
Trust fees	29,867	30,194
Others	357,542	329,428
Depreciation	2,588,398	2,631,665
Total rental and other operating expenses	7,309,872	7,707,795
C. Rental operating profit (A – B)	7,768,417	8,253,129

*2. Gain and loss on sale of real estate, etc.

Thirty-Fourth Fiscal Period (November 1, 2021, to April 30, 2022)

(Thousands of Yen)

KDX Toranomom 1Chome Building (partial sale due to expropriation)	
Revenue from sale of real estate, etc.	1,731,347 (Note)
Cost of real estate, etc. sold	943,131
Other sales expenses	17,620
Gain on sale of real estate, etc.	770,595

Note: Revenue from sale of real estate, etc. includes 29,150 thousand yen of compensation for property transfer.

Thirty-Fifth Fiscal Period (May 1, 2022, to October 31, 2022)

(Thousands of Yen)

KDX Kiba Building	
Revenue from sale of real estate, etc.	1,650,000
Cost of real estate, etc. sold	1,350,357
Other sales expenses	58,659
Gain on sale of real estate, etc.	240,982

(Notes on Statements of Changes in Unitholders' Equity)

* Total number of authorized investment units and total number of investment units issued and outstanding

	Thirty-Fourth Fiscal Period November 1, 2021, to April 30, 2022	Thirty-Fifth Fiscal Period May 1, 2022, to October 31, 2022
Total number of authorized investment units	2,000,000 units	2,000,000 units
Total number of investment units issued and outstanding	428,510 units	424,215 units

(Notes on Statements of Cash Flow)

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

(Thousands of Yen)

	Thirty-Fourth Fiscal Period November 1, 2021, to April 30, 2022	Thirty-Fifth Fiscal Period May 1, 2022, to October 31, 2022
Cash and deposits	23,037,269	20,376,036
Cash and deposits in trust	11,593,317	11,745,529
Restricted bank deposits held in trust (Note)	(1,474,236)	(1,203,571)
Cash and cash equivalents	33,156,349	30,917,994

Note: Restricted bank deposits held in trust are retained for repayment of tenant leasehold and security deposits held in trust.

(Notes on Lease Transactions)

Operating lease transactions

(Lessor)

(Thousands of Yen)

	Thirty--Fourth Fiscal Period (as of April 30, 2022)	Thirty- Fifth Fiscal Period (as of October 31, 2022)
Unearned lease payments		
Due within one year	3,198,073	3,478,791
Due after one year	8,224,029	7,628,983
Total	11,422,103	11,107,775

(Notes on Financial Instruments)

1. Items with Regard to the Current Status of Financial Instruments

(1) Action Policy with Regard to Financial Instruments

The Investment Corporation procures essential funds for acquiring properties and undertaking the repayment of loans primarily through bank loans and the issuance of investment corporation bonds and new investment units. The Investment Corporation makes use of derivative instruments primarily as a risk hedge against interest rate fluctuations and to lessen interest payments. In addition, it is company policy to not conduct speculative derivative transactions. Management of surplus funds is undertaken in a prudent manner that considers fully such factors as safety, liquidity, interest rate conditions and cash flows.

(2) Financial Instruments and Respective Risks

Investment securities are TK interests, which are subject to credit risk of the issuer and risk of fluctuation of value of real estate, etc.

Loans and investment corporation bonds are used primarily for procuring funds necessary for the acquisition of properties and have a repayment date of a maximum of about eight years and one month following the closing date. Although a certain portion of said liabilities are subject to risk of interest rate fluctuation, the Investment Corporation utilizes derivative instruments in order to hedge against such risks.

Derivative instruments are interest rate swaps. The Investment Corporation hedges against risk of fluctuation in interest rates by fixing its interest payments for funds procured on a floating-interest-rate basis. With regard to hedge accounting methods, hedging instruments and hedged items, hedge policy, and the method of evaluation of hedge effectiveness, please refer to “5. Accounting for hedges” in “(7) Important Accounting Standards.”

(3) Risk Management Structure with Regard to Financial Instruments

A. Management of Market Risk (Risk Associated with Fluctuations in Interest Rates and Others)

The Investment Corporation uses interest rate swap transactions to minimize risks associated with interest payment rate fluctuations on funds procured. The Investment Corporation will periodically grasp the value of real estate, etc. and financial condition, etc. of the issuer with regard to investment securities.

B. Management of Liquidity Risk (Risk of Defaulting on Payments by the Due Date) Associated with Funds Procurement

Although loans and other liabilities are subject to liquidity risks, the Investment Corporation reduces such risks by spreading out payment due dates and by using diversified fund procurement methods. Liquidity risk is also managed by such means as regularly checking the balance of cash reserves.

(4) Supplemental Explanation of Items with Regard to Fair Value of Financial Instruments

Because the factors incorporated into the calculation of fair value of financial instruments are subject to change, differing assumptions are adopted which may alter fair value. Moreover, the contract amounts, etc. of derivative transactions in “2. Items with Regard to Fair Value of Financial Instruments” do not indicate the market risk of derivative transactions.

2. Items with Regard to Fair Value of Financial Instruments

The book value per the balance sheet, fair values, as well as their difference are as follows. Moreover, because “Cash and deposits,” “Cash and deposits in trust” and “Short-term loans payable” are settled with cash in the short term, the fair value can be considered as equivalent to the book value. Therefore, the notes for them have been omitted.

Thirty-Fourth Fiscal Period (as of April 30, 2022)

(Thousands of Yen)

	Book Value	Fair Value	Difference
(1) Current portion of investment corporation bonds	1,000,000	999,800	(200)
(2) Current portion of long-term loans payable	13,450,000	13,482,518	32,518
(3) Investment corporation bonds	12,000,000	12,025,400	25,400
(4) Long-term loans payable	170,100,000	169,880,655	(219,344)
Total	196,550,000	196,388,374	(161,625)
Derivative transaction	468,158	468,158	-

Thirty-Fifth Fiscal Period (as of October 31, 2022)

(Thousands of Yen)

	Book Value	Fair Value	Difference
(1) Current portion of investment corporation bonds	-	-	-
(2) Current portion of long-term loans payable	14,300,000	14,338,060	38,060
(3) Investment corporation bonds	13,000,000	12,971,800	(28,200)
(4) Long-term loans payable	187,350,000	186,596,720	(753,279)
Total	214,650,000	213,906,580	(743,419)
Derivative transaction	814,256	814,256	-

* Net claims and liabilities arisen from derivative transactions are shown in the net amount and items that will be liabilities in net when totaled are indicated using parenthesis.

Note 1: Items with regard to the calculation method of financial instrument fair value, investment securities and derivative transactions.

Liabilities

(1) Current portion of investment corporation bonds and (3) investment corporation bonds

The fair value of investment corporation bonds is based on market price. The fair value of those for which no market price is available is based on the quoted price obtained from counterparty financial institutions, etc.

(2) Current portion of long-term loans payable and (4) long-term loans payable

The fair value of long-term borrowings is calculated based on the present value that discounts the total amount of principal and interest by using the estimated interest rate in the event that the Investment Corporation conducts new borrowings of the same type. Among long-term borrowings with floating interest rates, said borrowings, which are subject to special treatment of interest rate swaps, are calculated by discounting the total amount of principal and interest, which is handled together with applicable interest rate swaps, by the rationally estimated interest rate in the case that the same type of borrowings is undertaken.

Derivative Transactions

Please refer to the following "Notes on Derivative Transactions."

Note 2: Redemption schedule of investment corporation bonds and repayment schedule of loans after the closing date

Thirty-Fourth Fiscal Period (as of April 30, 2022)

(Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Investment corporation bonds	1,000,000	2,000,000	4,000,000	-	2,000,000	4,000,000
Long-term loans payable	13,450,000	19,700,000	20,850,000	26,400,000	35,100,000	68,050,000
Total	14,450,000	21,700,000	24,850,000	26,400,000	37,100,000	72,050,000

Thirty-Fifth Fiscal Period (as of October 31, 2022)

(Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Investment corporation bonds	-	4,000,000	2,000,000	2,000,000	3,000,000	2,000,000
Long-term loans payable	14,300,000	25,600,000	29,950,000	30,800,000	38,500,000	62,500,000
Total	14,300,000	29,600,000	31,950,000	32,800,000	41,500,000	64,500,000

(Notes on Derivative Transactions)

1. Items that do not apply hedge accounting

Thirty-Fourth Fiscal Period (as of April 30, 2022) and Thirty-Fifth Fiscal Period (as of October 31, 2022): Not applicable

2. Items that apply hedge accounting

Thirty-Fourth Fiscal Period (as of April 30, 2022)

(Thousands of Yen)

Hedge accounting method	Type of derivative transactions	Main target of risk hedge	Contracted amount		Fair value	Calculation method for applicable fair value
				More than 1 yr.		
Principle method	Interest rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	72,650,000	71,650,000	468,158	Based on the quoted price obtained from counterparty financial institutions.
Special treatment of interest rate swaps	Interest rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	37,250,000	30,100,000	*	-
Total			109,900,000	101,750,000	468,158	-

* Special treatment of interest-rate swaps is reported at the fair value of applicable long-term loans payable. This is because such swaps are handled together with hedged long-term loans payable.

Thirty-Fifth Fiscal Period (as of October 31, 2022)

(Thousands of Yen)

Hedge accounting method	Type of derivative transactions	Main target of risk hedge	Contracted amount		Fair value	Calculation method for applicable fair value
				More than 1 yr.		
Principle method	Interest rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	82,450,000	79,950,000	814,256	Based on the quoted price obtained from counterparty financial institutions.
Special treatment of interest rate swaps	Interest rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	30,100,000	27,100,000	*	-
Total			112,550,000	107,050,000	814,256	-

* Special treatment of interest rate swaps is reported at the fair value of applicable long-term loans payable. This is because such swaps are handled together with hedged long-term loans payable.

(Notes on Revenue Recognition)

1. Information on the Breakdown of Revenue from Contracts with Customers

Thirty-Fourth Fiscal Period (November 1, 2021, to April 30, 2022)

	Revenue from contracts with customers *1	Net sales to external customers
Revenue from sale of real estate, etc.	1,731,347 thousand yen	*2 770,595 thousand yen
Utility charge reimbursement	1,027,409 thousand yen	1,027,409 thousand yen
Other	- thousand yen	14,093,094 thousand yen
Total	2,758,756 thousand yen	15,891,099 thousand yen

*1 The rental revenues, etc. subject to the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13) and the sale of real estate, etc. subject to the “Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies” (Accounting System Committee Report No. 15 of the Japanese Institute of Certified Public Accountants) are not included in the above amount as they are not applied to the Revenue Recognition Accounting Standard. Moreover, the main revenue from contracts with customers are revenue from sale of real estate, etc. and utility charge reimbursement.

*2 Revenue from sale of real estate, etc. is recorded as gain and loss on sale of real estate, etc. in the statement of income. Therefore, the amount calculated by deducting the cost of real estate, etc. sold and other sales expenses from the revenue from sale of real estate, etc. is indicated.

Thirty-Fifth Fiscal Period (May 1, 2022, to October 31, 2022)

	Revenue from contracts with customers *1	Net sales to external customers
Revenue from sale of real estate, etc.	1,650,000 thousand yen	*2 240,982 thousand yen
Utility charge reimbursement	1,268,984 thousand yen	1,268,984 thousand yen
Other	- thousand yen	14,756,403 thousand yen
Total	2,918,984 thousand yen	16,266,370 thousand yen

*1 The rental revenues, etc. subject to the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13) and the sale of real estate, etc. subject to the “Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies” (Accounting System Committee Report No. 15 of the Japanese Institute of Certified Public Accountants) are not included in the above amount as they are not applied to the Revenue Recognition Accounting Standard. Moreover, the main revenue from contracts with customers are revenue from sale of real estate, etc. and utility charge reimbursement.

*2 Revenue from sale of real estate, etc. is recorded as gain and loss on sale of real estate, etc. in the statement of income. Therefore, the amount calculated by deducting the cost of real estate, etc. sold and other sales expenses from the revenue from sale of real estate, etc. is indicated.

2. Information Utilized as the Base for Understanding Revenue from Contracts with Customers

The information is as described in the notes on important accounting standards for the thirty-fourth fiscal period (November 1, 2021, to April 30, 2022) and the thirty-fifth fiscal period (May 1, 2022, to October 31, 2022).

3. Information on Relationship of Fulfillment of Performance Obligations Based on Contracts with Customers with Cashflow Generated from Said Contracts and Amount and Period of Revenue Expected to Be Recognized in the Next Calculation Period or Thereafter from Contracts with Customers Existing at the End of the Current Calculation Period

(1) Balance of contract assets and contract liabilities, etc.

	Thirty-Fourth Fiscal Period (November 1, 2021, to April 30, 2022)	Thirty-Fifth Fiscal Period (May 1, 2022, to October 31, 2022)
Claims generated from contracts with customers (balance at beginning of fiscal year)	246,452 thousand yen	247,784 thousand yen
Claims generated from contracts with customers (balance at end of fiscal year)	247,784 thousand yen	324,473 thousand yen
Contract assets (balance at beginning of fiscal year)	- thousand yen	- thousand yen
Contract assets (balance at end of fiscal year)	- thousand yen	- thousand yen
Contract liabilities (balance at beginning of fiscal year)	- thousand yen	- thousand yen
Contract liabilities (balance at end of fiscal year)	- thousand yen	- thousand yen

(2) Transaction value allocated to remaining performance obligations

Not applicable for the thirty-fourth fiscal period (November 1, 2021, to April 30, 2022) and the thirty-fifth fiscal period (May 1, 2022, to October 31, 2022).

With regard to utility charge reimbursements, as the Investment Corporation has the right to receive from customers an amount directly corresponding to the value for the lessees, or customers, of sections for which performance is complete by the end of the fiscal period, the amount it has the right to claim is recognized as revenue in accordance with Paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition. Accordingly, such is not included in the note on transaction value allocated to remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard for Revenue Recognition.

(Notes on Segment and Related Information)

1. Segment Information

Disclosure is omitted because the Investment Corporation has been engaged in the real estate leasing business as a sole business and it has no reportable segment subject to disclosure.

2. Related Information

Thirty-Fourth Fiscal Period (November 1, 2021, to April 30, 2022)

(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 revenues on the statement of income.

(2) Information about each geographic area

① Net sales

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

② 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 revenues on the statement of income.

Thirty-Fifth Fiscal Period (May 1, 2022, to October 31, 2022)

(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 revenues on the statement of income.

(2) Information about each geographic area

① Net sales

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

② 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 revenues on the statement of income.

(Notes on Tax-effect Accounting)

1. Significant components of deferred tax assets and liabilities

(Thousands of Yen)

	Thirty-Fourth Fiscal Period (as of April 30, 2022)	Thirty-Fifth Fiscal Period (as of October 31, 2022)
Deferred tax assets		
Enterprise tax payable	30	37
Amortization of land leasehold in trust	5,562	5,806
Deferred gains or losses on hedges	3,287	168
Subtotal deferred tax assets	8,879	6,012
Valuation allowance	(8,849)	(5,974)
Total deferred tax assets	30	37

2. Significant components causing difference between statutory income tax rate and the effective tax rate after tax effect accounting

(Unit: %)

	Thirty-Fourth Fiscal Period (as of April 30, 2022)	Thirty-Fifth Fiscal Period (as of October 31, 2022)
Statutory tax rate	31.46	31.46
(Adjustments)		
Deductible cash distributions	(29.05)	(29.97)
Provision amount of reserve for reduction entry	(2.41)	(1.49)
Others	0.01	0.01
Effective tax rate	0.02	0.02

(Notes on Related-party Transactions)

1. Parent company, major corporate unitholders and other

Thirty-Fourth Fiscal Period (November 1, 2021, to April 30, 2022) and Thirty-Fifth Fiscal Period (May 1, 2022, to October 31, 2022):
Not applicable

2. Affiliated companies and other

Thirty-Fourth Fiscal Period (November 1, 2021, to April 30, 2022) and Thirty-Fifth Fiscal Period (May 1, 2022, to October 31, 2022):
Not applicable

3. Fellow subsidiary companies and other

Thirty-Fourth Fiscal Period (November 1, 2021, to April 30, 2022) and Thirty-Fifth Fiscal Period (May 1, 2022, to October 31, 2022):
Not applicable

4. Directors, major individual unitholders and other

Thirty-Fourth Fiscal Period (November 1, 2021, to April 30, 2022) and Thirty-Fifth Fiscal Period (May 1, 2022, to October 31, 2022):
Not applicable

(Notes on Real Estate for Rental Purposes)

The Investment Corporation owns real estate for rental purposes mainly in the Tokyo Metropolitan Area for the purpose of generating rental revenue.

The book value per balance sheet for the fiscal period under review, changes during the period and fair value concerning the above real estate for rental purposes are as follows.

(Thousands of Yen)

	Thirty-Fourth Fiscal Period November 1, 2021, to April 30, 2022	Thirty-Fifth Fiscal Period May 1, 2022, to October 31, 2022
Book value		
Balance at the beginning of the period	422,751,947	426,967,143
Changes during the period	4,215,195	10,229,346
Balance at the end of the period	426,967,143	437,196,489
Fair value at the end of period	535,600,000	553,221,000

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

Note 2: Fair value at the end of the fiscal period is the appraisal value determined by outside appraisers.

Note 3: Among changes in the amount of real estate for rental purposes that occurred during the thirty-fourth fiscal period, the principal increase/decrease factors were the acquisition of trust beneficiary interest in real estate of 1 property totaling 6,461,511 thousand yen, partial sale of real estate pertaining to land expropriation totaling 943,131 thousand yen and depreciation amounting to 2,588,398 thousand yen. For the thirty-fifth fiscal period, the principal increase/decrease factors were the acquisitions of 1 real estate property and trust beneficiary interest in real estate of 1 property totaling 13,346,136 thousand yen, sale of trust beneficiary interest in real estate of 1 property totaling 1,350,357 thousand yen and depreciation amounting to 2,631,665 thousand yen.

Income and loss for real estate for rental purposes are listed in “Notes on the Statements of Income.”

(Notes on Information per Unit)

	Thirty-Fourth Fiscal Period November 1, 2021, to April 30, 2022	Thirty-Fifth Fiscal Period May 1, 2022, to October 31, 2022
Net Assets per unit	270,429 yen	270,573 yen
Net income per unit	7,580 yen	7,566 yen

Note 1: Net income per unit is calculated by dividing net income by the weighted average (based on number of days) number of units. Net income per unit after adjusting for diluted investment units is not included because there were no dilutive investment units.

Note 2: The Investment Corporation implemented a two-for-one split of the investment units with October 31, 2022, as the record date of the split and November 1, 2022, as the effective date. Net assets per unit and net income per unit are calculated based on the assumption that the split was implemented at the beginning of the thirty-fourth fiscal period.

Note 3: The basis of calculation for the net income per unit is as follows.

	Thirty-Fourth Fiscal Period November 1, 2021, to April 30, 2022	Thirty-Fifth Fiscal Period May 1, 2022, to October 31, 2022
Net income (Thousands of Yen)	6,496,709	6,451,096
Amount not vested in ordinary unitholders (Thousands of Yen)	-	-
Net income for ordinary investment units (Thousands of Yen)	6,496,709	6,451,096
Average number of investment units during the period (unit)	857,020	852,530

(Notes on Important Subsequent Events)

Split of Investment Units

The Investment Corporation implemented a two-for-one split of the investment units with October 31, 2022, as the record date and November 1, 2022, as the effective date.

1. Purpose of Split

The Investment Corporation aims to create an environment that makes it easier for investors to invest as well as further expand the investor base and improve the liquidity of investment units by lowering the per-investment unit price.

2. Method of Split

With October 31, 2022, as the record date, the Investment Corporation implemented a two-for-one split of its investment units held by unitholders stated or recorded in the final unitholder registry on that day.

3. Number of Investment Units Increased Due to the Split, Etc.

(1) Total number of investment units issued and outstanding before the split	: 424,215 units
(2) Total number of investment units increased due to the split	: 424,215 units
(3) Total number of investment units issued and outstanding after the split	: 848,430 units
(4) Total number of authorized investment units after the split	: 4,000,000 units

For the figures of information per unit when assuming that the investment unit split had been implemented at the beginning of the previous fiscal period, please refer to “Notes on Information per Unit.”

(Omission of Disclosure)

Disclosure of notes on the marketable securities, retirement payment, asset retirement obligations and gains and losses on equity-method, etc. is omitted since the need for disclosure of such is considered low.

(9) Changes in the Total Number of Investment Units Issued and Outstanding

Changes in the total number of investment units issued and outstanding and unitholders’ capital in the last 5 years from the fiscal period under review are summarized in the following table.

Settlement Date	Particulars	Total Number of Investment Units Issued and Outstanding (Units)		Unitholders’ Capital (Millions of Yen)		Remarks
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
May 28, 2018	Public offering	22,500	427,385	14,067	220,267	(Note 1)
June 15, 2018	Third-party allotment	1,125	428,510	703	220,970	(Note 2)
September 30, 2022	Cancellation	(4,295)	424,215	(2,999)	217,970	(Note 3)

Note 1: The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring a portion of funds for the acquisition of new properties. The offer price was 646,425 yen per unit with an issue price of 625,209 yen per unit.

Note 2: The Investment Corporation undertook an additional issue of new investment units with an issue price of 625,209 yen per unit by way of third-party allotment with the aim of procuring a portion of funds for the acquisition of new properties.

Note 3: The Investment Corporation acquired own investment units through the market purchase on the Tokyo Stock Exchange pursuant to a discretionary trading contract pertaining to the acquisition of own investment units with a securities company from June 15, 2022, to September 9, 2022. As for the acquired own investment units (4,295 units), the Investment Corporation cancelled all the acquired units on September 30, 2022, based on the resolution at its board of directors’ meeting held on September 22, 2022.

Note 4: The Investment Corporation implemented a two for one split of its investment units owned by the investors stated or recorded in the final unitholder registry as of October 31, 2022, with such date as the record date and November 1, 2022, as the effective date. As a result, the number of investment units issued and outstanding totaled 848,430 units. This has caused no change to the unitholders’ capital.

3. Reference Information

(1) Information Concerning Price of Assets in the Property Portfolio, Etc.

① Component of Assets

Asset Class	Type	Area	Thirty-Fourth Fiscal Period (as of April 30, 2022)		Thirty-Fifth Fiscal Period (as of October 31, 2022)	
			Total Amount Held (Millions of Yen) (Note 1)	Ratio (%) (Note 2)	Total Amount Held (Millions of Yen) (Note 1)	Ratio (%) (Note 2)
Real Estate	Office Buildings	Tokyo Metropolitan Area	26,949	5.8	26,807	5.7
		Other Regional Areas	11,714	2.5	15,219	3.2
	Total for Office Buildings		38,664	8.3	42,027	8.9
Total for Real Estate			38,664	8.3	42,027	8.9
Trust Beneficiary Interest in Real Estate	Office Buildings	Tokyo Metropolitan Area	314,903	67.8	322,131	68.1
		Other Regional Areas	70,425	15.2	70,064	14.8
	Total for Office Buildings		385,329	82.9	392,195	82.9
	Others	Tokyo Metropolitan Area	2,973	0.6	2,973	0.6
	Total for Others		2,973	0.6	2,973	0.6
Total of Trust Beneficiary Interests in Real Estate			388,302	83.5	395,169	83.5
Investment Securities (Note 3)			1,136	0.2	1,138	0.2
Bank Deposits and Other Assets			36,698	7.9	34,678	7.3
Total Assets			464,802	100.0	473,013	100.0

Note 1: "Total Amount Held" is the amount allocated in the balance sheets at the end of the fiscal period (figures are on a net book value basis after deducting depreciation) and truncated at less than 1 million yen.

Note 2: "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets, rounded to the first decimal place.

Note 3: Interests in a silent partnership operated by G.K. KRF 43 are indicated.

	Thirty-Fourth Fiscal Period (as of April 30, 2022)		Thirty-Fifth Fiscal Period (as of October 31, 2022)	
	Amount (Millions of Yen)	Ratio (%)	Amount (Millions of Yen)	Ratio (%)
Total Liabilities	233,038	50.1	243,451	51.5
Total Net Assets	231,763	49.9	229,562	48.5
Total Assets	464,802	100.0	473,013	100.0

② Details of Investment Assets

A. Major Components of Investment Securities

Details of investment assets held by the Investment Corporation as of October 31, 2022, are as follows.

Name	Area	Asset Class	Number of Units	Book Value (Millions of Yen)		Appraisal Value (Millions of Yen) (Note 1)		Ratio (%) (Note 2)	Appraisal profit/loss (Millions of Yen)
				Unit Price	Amount	Unit Price	Amount		
Interests in a silent partnership operated by G.K. KRF 43 (Note 3)	Domestic Area	Interests in a silent partnership	-	-	1,138	-	1,138	0.2	-
Total			-	-	1,138	-	1,138	0.2	-

Note 1: Book value is stated as the appraisal value.

Note 2: "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets, rounded to the first decimal place.

Note 3: The asset under management is the trust beneficiary interest in real estate of Shinjuku Sanei Building.

B. Property List

(a) Value of Investment Properties and the Investment Ratio

(Unit: Millions of Yen)

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the End of Thirty-Fourth Fiscal Period					Appraiser (Note 4)	Ratio (%) (Note 5)	
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)			Terminal Capitalization Rate (%)
		A-1	KDX Nihonbashi 313 Building	5,940	5,601	7,110	7,330	3.7	7,020	3.5	3.9	B	1.3
		A-3	Higashi-Kayabacho Yuraku Building	4,450	3,935	5,340	5,380	3.8	5,290	3.5	3.8	A	1.0
		A-4	KDX Hatchobori Building	3,680	3,206	3,580	3,640	4.0	3,550	3.8	4.2	B	0.8
		A-5	KDX Nakano-Sakaue Building	2,533	2,312	2,510	2,540	4.2	2,500	4.0	4.4	B	0.6
		A-6	Harajuku F.F. Building	2,450	2,349	3,880	3,880	4.2	3,880	3.9	4.2	A	0.5
		A-7	KDX Minami Aoyama Building	2,270	2,171	2,870	2,870	3.6	2,870	3.3	3.6	A	0.5
		A-8	KDX Kanda Kitaguchi Building	1,950	1,737	1,640	1,670	4.0	1,620	3.8	4.2	B	0.4
		A-13	KDX Kojimachi Building	5,950	5,421	5,530	5,520	3.3	5,540	3.0	3.3	A	1.3
		A-14	KDX Funabashi Building	2,252	2,153	3,100	3,120	4.8	3,080	4.5	4.9	A	0.5
		A-16	Toshin 24 Building	5,300	4,811	5,610	5,600	4.0	5,610	3.7	4.0	A	1.2
		A-17	KDX Ebisu Building	4,640	4,264	6,270	6,240	3.6	6,290	3.2	3.6	A	1.0
		A-19	KDX Hamamatsucho Building	3,460	3,064	3,600	3,710	3.6	3,550	3.4	3.8	B	0.8
		A-20	KDX Kayabacho Building	2,780	2,620	3,360	3,370	4.0	3,340	3.6	4.1	A	0.6
		A-21	KDX Shinbashi Building	3,728	3,656	5,670	5,670	3.3	5,670	3.0	3.3	A	0.8
		A-22	KDX Shin-Yokohama Building	2,520	2,115	2,650	2,650	4.5	2,640	4.2	4.5	A	0.6
		A-27	KDX Kajicho Building	2,350	2,251	2,320	2,380	4.0	2,290	3.8	4.2	B	0.5
		A-29	KDX Higashi-Shinjuku Building	2,950	2,863	4,080	4,160	4.1	4,040	3.9	4.3	B	0.6
		A-30	KDX Nishi-Gotanda Building	4,200	3,591	3,690	3,730	3.9	3,640	3.7	4.0	A	0.9
		A-31	KDX Monzen-Nakacho Building	1,400	1,229	1,150	1,190	4.5	1,130	4.3	4.7	B	0.3
		A-32	KDX Shiba-Daimon Building	6,090	5,770	6,380	6,370	3.8	6,380	3.5	3.8	A	1.3
		A-33	KDX Okachimachi Building	2,000	1,983	2,100	2,150	4.0	2,080	3.8	4.2	B	0.4
		A-35	KDX Hachioji Building	1,155	1,135	1,240	1,250	4.9	1,230	4.7	5.1	B	0.3
		A-37	KDX Ochanomizu Building	6,400	6,416	8,440	8,450	3.6	8,430	3.3	3.6	A	1.4
		A-38	KDX Nishi-Shinjuku Building	1,500	1,520	1,560	1,560	4.0	1,560	3.7	4.0	A	0.3
		A-41	KDX Shinjuku 286 Building	2,300	2,342	2,890	2,890	3.6	2,880	3.3	3.6	A	0.5
		A-46	Hiei Kudan-Kita Building	7,600	7,363	8,520	8,700	3.6	8,440	3.4	3.8	B	1.7
		A-48	KDX Kawasaki-Ekimaie Hon-cho Building	3,760	3,218	3,220	3,280	4.5	3,160	4.0	4.6	A	0.8
		A-51	KDX Hamacho Nakanohashi Building	2,310	2,165	2,180	2,180	4.1	2,180	3.8	4.1	A	0.5
		A-55	Shin-toshin Maruzen Building	2,110	2,023	1,720	1,720	4.0	1,710	3.6	4.1	A	0.5
		A-56	KDX Jimbocho Building	2,760	2,783	2,360	2,370	3.9	2,350	3.5	4.0	A	0.6
		A-59	KDX Iwamoto-cho Building	1,864	1,537	1,730	1,720	4.0	1,730	3.7	4.0	A	0.4
		A-60	KDX Harumi Building	10,250	8,175	8,700	8,720	3.6	8,680	3.3	3.6	A	2.2
		A-62	Koishikawa TG Building	3,080	3,022	3,400	3,400	3.9	3,400	3.6	3.9	A	0.7
		A-63	KDX Gotanda Building	2,620	2,626	3,620	3,620	4.0	3,620	3.7	4.0	A	0.6
		A-64	KDX Nihonbashi 216 Building	2,010	1,746	2,850	2,850	3.5	2,850	3.2	3.5	A	0.4
		A-66	KDX Shinjuku Building	6,800	6,896	10,500	10,500	3.2	10,500	2.9	3.2	A	1.5
		A-67	KDX Ginza 1chome Building	4,300	4,085	5,960	6,120	3.4	5,890	3.2	3.6	B	0.9
		A-71	KDX Iidabashi Building	4,670	4,741	5,800	5,940	3.9	5,740	3.7	4.1	B	1.0
		A-72	KDX Higashi-Shinagawa Building	4,590	4,566	4,880	4,930	4.0	4,860	3.8	4.2	B	1.0
		A-73	KDX Hakozaeki Building	2,710	2,605	3,600	3,640	4.2	3,580	4.0	4.4	B	0.6
		A-78	KDX Tachikawa Ekimaie Building	1,267	1,312	1,910	1,910	4.6	1,900	4.3	4.6	A	0.3
		A-83	KDX Fuchu Building	6,120	5,784	8,730	8,980	4.5	8,620	4.3	4.7	B	1.3
		A-84	KDX Kasuga Building	2,800	2,596	4,280	4,280	3.8	4,280	3.5	3.8	A	0.6

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the End of Thirty-Fourth Fiscal Period					Appraiser (Note 4)	Ratio (%) (Note 5)	
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)			Terminal Capitalization Rate (%)
Office Buildings	Tokyo Metropolitan Area	A-85	KDX Nakameguro Building	1,880	1,856	3,580	3,610	4.1	3,560	3.9	4.3	B	0.4
		A-86	KDX Omiya Building	2,020	2,093	3,210	3,260	4.8	3,190	4.6	5.0	B	0.4
		A-87	Nihonbashi Horidomecho First	2,200	2,246	3,180	3,210	4.0	3,160	3.8	4.2	B	0.5
		A-88	KDX Shinjuku 6-chome Building	1,900	1,937	3,490	3,590	4.0	3,450	3.8	4.2	B	0.4
		A-89	KDX Takanawadai Building	5,250	5,532	7,160	7,160	3.8	7,150	3.5	3.8	A	1.1
		A-90	KDX Ikebukuro Building	3,900	3,452	5,230	5,360	3.7	5,180	3.5	3.9	B	0.9
		A-91	KDX Mita Building	3,180	3,119	4,270	4,260	3.7	4,280	3.4	3.7	A	0.7
		A-92	KDX Akihabara Building	2,600	2,452	3,300	3,310	3.6	3,280	3.3	3.6	A	0.6
		A-93	KDX Iidabashi Square	4,350	4,724	6,430	6,540	3.8	6,380	3.6	4.0	B	1.0
		A-94	KDX Musashi-Kosugi Building	12,000	10,343	19,000	19,100	3.8	18,900	3.5	3.8	A	2.6
		A-95	KDX Toyosu Grand Square	8,666	7,460	9,930	10,100	4.3	9,850	4.1	4.5	B	1.9
		A-96	KDX Takadanobaba Building	3,650	3,547	4,740	4,800	4.1	4,710	3.8	4.3	B	0.8
		A-99	KDX Ikebukuro West Building	1,934	1,972	2,610	2,680	4.0	2,580	3.8	4.2	B	0.4
		A-101	KDX Yokohama Building	7,210	7,222	9,530	9,780	4.2	9,420	4.0	4.4	B	1.6
		A-102	KDX Yokohama Nishiguchi Building	2,750	2,600	3,420	3,480	4.2	3,390	4.0	4.4	B	0.6
		A-107	KDX Ginza East Building	3,600	3,620	4,170	4,170	3.7	4,170	3.4	3.7	A	0.8
		A-108	Pentel Building	3,350	3,577	4,201	4,287	3.7	4,168	3.5	3.9	B	0.7
		A-109	KDX Hamamatsucho Center Building	3,950	3,982	4,580	4,730	3.5	4,520	3.3	3.7	B	0.9
		A-112	KDX Toranomon 1Chome Building	14,616	14,787	25,100	25,100	2.9	25,100	2.6	2.9	A	3.2
		A-113	KDX Shin-Nihonbashi Ekimae Building	3,829	3,951	4,690	4,690	3.3	4,690	3.0	3.3	A	0.8
		A-115	ARK Mori Building	4,169	4,179	5,040	5,240	3.4	4,960	3.2	3.6	B	0.9
		A-116	KDX Nishi-Shinbashi Building	8,400	8,479	9,330	9,600	3.3	9,220	3.1	3.5	B	1.8
		A-117	BR Gotanda	2,200	2,276	2,590	2,640	3.9	2,530	3.5	4.1	A	0.5
		A-119	KDX Shibuya Nanpeidai Building	3,500	3,527	3,970	4,060	3.4	3,930	3.4	3.6	B	0.8
		A-120	KDX Yoyogi Building	2,479	2,382	2,420	2,420	4.2	2,420	3.7	4.3	A	0.5
		A-121	Ginza 4chome Tower	9,800	9,325	15,900	15,900	2.9	15,900	2.6	2.9	A	2.1
		A-122	Mitsubishijuku Yokohama Building	14,720	14,491	14,800	15,000	3.8	14,700	3.3	4.0	B	3.2
		A-123	KDX Yokohama Kannai Building	9,500	9,453	10,400	10,700	3.9	10,200	3.7	4.1	B	2.1
		A-124	KDX Hamamatsucho Place	20,700	20,195	24,100	24,800	3.2	23,800	3.0	3.4	B	4.5
		A-125	KDX Chofu Building	8,700	8,996	10,300	10,400	4.3	10,200	3.9	4.4	A	1.9
		A-127	KDX Kanda Ekimae Building	3,300	3,359	3,590	3,620	3.3	3,560	3.0	3.3	A	0.7
		A-128	KDX Shinbashi Ekimae Building	16,300	16,300	21,100	21,100	2.7	21,100	2.4	2.7	A	3.6
		A-130	Edobashi Building	9,600	9,710	10,300	10,300	3.2	10,200	2.9	3.2	A	2.1
		Office Buildings	Other Regional Areas	A-12	Portus Center Building	5,570	3,688	5,070	5,140	5.4	5,040	5.2	5.6
A-42	KDX Karasuma Building			5,400	4,969	5,960	6,090	4.6	5,900	4.4	4.8	B	1.2
A-44	KDX Sendai Building			2,100	1,825	1,920	1,930	5.1	1,920	5.1	5.3	B	0.5
A-53	KDX Hakata-Minami Building			4,900	4,237	5,330	5,370	5.4	5,280	5.1	5.5	A	1.1
A-54	KDX Kitahama Building			2,220	1,984	1,770	1,770	4.8	1,770	4.3	4.9	A	0.5
A-58	KDX Nagoya Sakae Building			7,550	6,048	5,740	5,830	4.2	5,700	4.0	4.4	B	1.7
A-69	KDX Kobayashi-Doshomachi Building			2,870	1,679	2,910	2,950	7.8	2,870	4.0	11.6	A	0.6
A-70	KDX Sapporo Building			2,005	1,924	2,680	2,750	4.6	2,650	4.4	4.8	B	0.4
A-79	KDX Nagoya Ekimae Building			7,327	7,781	10,400	10,400	3.7	10,400	3.4	3.7	A	1.6
A-82	KDX Higashi Umeda Building			2,770	2,163	4,060	4,120	4.1	4,040	3.9	4.3	B	0.6
A-97	KDX Utsunomiya Building			2,350	2,169	2,690	2,680	5.3	2,690	5.1	5.5	B	0.5
A-98	KDX Hiroshima Building			1,300	1,315	1,930	1,930	5.0	1,920	4.7	5.1	A	0.3
A-100	Senri Life Science Center Building			13,000	12,060	13,800	13,900	4.3	13,700	4.1	4.5	B	2.8
A-104	KDX Minami-Honmachi Building			2,200	1,864	3,250	3,240	4.0	3,250	3.7	4.0	A	0.5
A-106	KDX Sakura-dori Building			5,900	6,602	8,600	8,710	4.4	8,550	4.2	4.6	B	1.3
A-110	KDX Shin-Osaka Building			4,550	4,446	5,560	5,710	4.0	5,490	3.8	4.2	B	1.0
A-111	KDX Nagoya Nichigin-mae Building			3,500	3,300	4,230	4,230	3.8	4,230	3.5	3.8	A	0.8
A-118	KDX Sapporo Kitaguchi Building			1,800	2,078	2,330	2,420	4.6	2,290	4.4	4.8	B	0.4

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the End of Thirty-Fourth Fiscal Period					Appraiser (Note 4)	Ratio (%) (Note 5)	
						Direct Capitalization Method		Discounted Cash Flow Method					
						Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)	Terminal Capitalization Rate (%)			
Office Buildings	Other Regional Areas	A-126	KDX Tosabori Building	5,000	5,074	5,020	5,050	3.9	4,980	3.6	3.9	A	1.1
		A-129	KDX Sendai Honcho Building (Note 6)	6,360	6,449	6,500	6,790	4.6	6,370	4.4	4.8	B	1.4
		A-131	Shionogi Kobe Building	3,450	3,617	3,620	3,750	4.3	3,560	4.0	4.4	B	0.8
Subtotal of Office Buildings (97 properties)				454,196	434,223	549,561	555,937	-	546,048	-	-	-	99.4
Others	Tokyo Metropolitan Area	D-2	Shinjuku 6chome Building (Land)	2,880	2,973	3,660	3,690	3.3	3,650	3.2	3.3	B	0.6
Subtotal of Others Properties (1 property)				2,880	2,973	3,660	3,690	-	3,650	-	-	-	0.6
Total of 98 properties				457,076	437,196	553,221	559,627	-	549,698	-	-	-	100.0

Note 1: Acquisition prices are the purchase prices for trust beneficiary interests or properties acquired by the Investment Corporation (excluding acquisition costs, property tax, city planning tax, consumption tax, etc., rounded down to the nearest million yen.).

Note 2: Figures of less than 1 million are rounded down from the amounts on the balance sheet.

Note 3: Appraisal values at the end of fiscal period are based on the asset valuation method and standards outlined in the Investment Corporation's Articles of Incorporation and regulations formulated by the Investment Trusts Association, Japan. Appraisal values are transcribed from valuation reports prepared by Japan Real Estate Institute and Daiwa Real Estate Appraisal Co., Ltd.

Note 4: Appraisals of the properties were entrusted to two appraisers: Japan Real Estate Institute and Daiwa Real Estate Appraisal Co., Ltd. In the table, the appraisers are referred to as "A" for Japan Real Estate Institute and "B" for Daiwa Real Estate Appraisal Co., Ltd.

Note 5: Figures are the acquisition price of each asset as a percentage of the total acquisition prices for the portfolio rounded down to the nearest first decimal place. The figures entered in the subtotal and total columns are those obtained by dividing the subtotal (total) of acquisition prices of properties corresponding to each subtotal and total column by the total acquisition price of the entire assets (98properties).

Note 6: The property name has been changed as follows. The same applies below.

Property No.	New Property Name	Former Property Name	Effective Date
A-129	KDX Sendai Honcho Building	Sendai Honcho Building	November 1, 2022

(b) Property Distribution

Distribution by Property Types

Type	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Office Buildings	97	454,196	99.4
Others	1	2,880	0.6
Total	98	457,076	100.0

Geographic Distribution

Area	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Tokyo Metropolitan Area	77	364,954	79.8
Other Regional Areas	21	92,122	20.2
Total	98	457,076	100.0

Property Distribution by Acquisition Price

Acquisition Price (Millions of Yen)	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Less than 1,000	-	-	-
1,000 - 2,500	29	57,777	12.6
2,500 - 5,000	39	137,279	30.0
5,000 - 7,500	15	90,617	19.8
7,500 - 10,000	8	69,816	15.3
10,000 - 12,500	2	22,250	4.9
12,500 - 15,000	3	42,336	9.3
15,000 - 17,500	1	16,300	3.6
17,500 - 20,000	-	-	-
20,000 or more	1	20,700	4.5
Total	98	457,076	100.0

Note: "Ratio" refers to the percentage of the acquisition price by each category to the acquisition price of the entire portfolio.

Figures are rounded down to the nearest first decimal place. Accordingly, the sum total of each item may be less than 100%.

(c) Overview of Investment Real Estate Properties and Trust Real Estate

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	1,047.72	Offices	8,613.09	SRC B2F9	April 1974	6.8
		A-3	Higashi-Kayabacho Yuraku Building	773.43	Offices	5,916.48	SRC B1F9	January 1987	7.0
		A-4	KDX Hatchobori Building	992.20	Offices	4,800.43	SRC · RC B1F8	June 1993	7.0
		A-5	KDX Nakano-Sakaue Building	1,235.16	Offices, Retail Shops Residence, Garage Storage	6,399.42	SRC B1F11	August 1992	5.0
		A-6	Harajuku F.F. Building	708.35	Retail Shops, Offices Parking	3,812.44	SRC F11	November 1985	4.4
		A-7	KDX Minami Aoyama Building	369.47	Offices, Retail Shops Residence	1,926.98	SRC B1F9	November 1988	6.7
		A-8	KDX Kanda Kitaguchi Building	410.18	Offices	2,393.94	SRC · RC · S B1F8	May 1993	5.4
		A-13	KDX Kojimachi Building	612.17	Offices, Retail Shops	5,323.81	SRC B2F9	May 1994	4.7
		A-14	KDX Funabashi Building	1,180.41	Offices, Retail Shops	5,970.12	SRC B1F8	April 1989	7.8
		A-16	Toshin 24 Building	1,287.16	Offices, Retail Shops Parking	8,483.17	SRC B1F8	September 1984	7.9
		A-17	KDX Ebisu Building	724.22	Offices, Retail Shops	4,394.58	SRC B1F7	January 1992	7.6
		A-19	KDX Hamamatsucho Building	504.26	Offices, Retail Shops Parking	3,592.38	S F9	September 1999	7.4
		A-20	KDX Kayabacho Building	617.17	Offices, Parking	3,804.86	SRC F8	October 1987	7.0
		A-21	KDX Shinbashi Building	536.11	Offices, Retail Shops Parking	3,960.22	SRC · S B1F8	February 1992	7.7
		A-22	KDX Shin-Yokohama Building	705.00	Offices, Retail Shops Parking	6,180.51	S B1F9	September 1990	9.3
		A-27	KDX Kajicho Building	526.43	Offices, Retail Shops	3,147.70	SRC B1F8	March 1990	6.5
		A-29	KDX Higashi-Shinjuku Building	1,340.97	Offices Storage, Parking	7,885.40	SRC B1F9	January 1990	6.8
		A-30	KDX Nishi-Gotanda Building	684.41	Offices, Parking	5,192.87	SRC B1F8	November 1992	8.0
		A-31	KDX Monzen-Nakacho Building	580.99	Offices, Retail Shops	2,668.91	SRC F8	September 1986	6.4
		A-32	KDX Shiba-Daimon Building	1,188.28	Offices	7,824.03	SRC B1F9	July 1986	7.0
		A-33	KDX Okachimachi Building	239.72	Offices	1,882.00	S F10	June 1988	7.7
		A-35	KDX Hachioji Building	460.62	Offices, Parking Retail Shops	2,821.21	SRC F9	December 1985	5.5
		A-37	KDX Ochanomizu Building	1,515.28	Offices, Storage Retail Shops, Parking Mechanical Room	7,720.08	SRC B1F7	August 1982	8.5
		A-38	KDX Nishi-Shinjuku Building	626.06	Offices, Parking	2,017.63	RC F5	October 1992	8.9
		A-41	KDX Shinjuku 286 Building	421.70	Offices, Parking	3,432.04	SRC · RC B1F9	August 1989	6.4
		A-46	Hiei Kudan-Kita Building	1,844.83	Offices, Retail Shops Office Room Parking, Storage	11,425.31	SRC · S B1F11	March 1988	5.0
		A-48	KDX Kawasaki-Ekimaie Hon-cho Building	1,968.13	Offices	7,420.87	SRC B1F9	February 1985	7.4
		A-51	KDX Hamacho Nakanohashi Building	462.29	Offices	3,280.41	SRC F9	September 1988	6.9
		A-55	Shin-toshin Maruzen Building	457.64	Offices, Retail Shops Parking	3,439.37	SRC B1F8	July 1990	6.5
		A-56	KDX Jimbocho Building	465.92	Offices	3,292.13	SRC B1F8	May 1994	6.3
		A-59	KDX Iwamoto-cho Building	266.86	Offices Residential Complex	1,618.65	S F9	March 2008	8.4
A-60	KDX Harumi Building	2,230.69	Offices, Retail Shops	12,694.32	S · SRC B1F11	February 2008	2.8		
A-62	Koishikawa TG Building	1,250.42	Offices, Clinic, Parking	5,862.02	SRC B1F8	November 1989	6.8		
A-63	KDX Gotanda Building	582.90	Offices, Garage	4,440.61	SRC B1F9	April 1988	8.1		
A-64	KDX Nihonbashi 216 Building	307.77	Offices	1,871.62	SRC F9	October 2006	6.9		
A-66	KDX Shinjuku Building	1,118.12	Offices, Retail Shops Parking	10,348.02	S · RC B4F11	May 1993	4.8		
A-67	KDX Ginza 1chome Building	678.24	Offices, Bank	4,724.62	SRC F9	November 1991	6.9		
A-71	KDX Iidabashi Building	967.38	Offices, Parking	5,422.64	SRC B1F8	March 1990	6.4		

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-72	KDX Higashi-Shinagawa Building	3,115.45	Offices	10,138.65	S · RC B1F5	January 1993	8.1
		A-73	KDX Hakozaki Building	971.83	Offices, Parking	6,332.48	SRC B1F10	November 1993	6.9
		A-78	KDX Tachikawa Ekimae Building	464.95	Offices	2,896.48	S B1F8	February 1990	3.5
		A-83	KDX Fuchu Building	2,400.00	Offices, Parking	16,647.00	SRC · S B1F14	March 1996	2.7
		A-84	KDX Kasuga Building	1,319.24	Offices, Retail Shops Parking	6,444.31	SRC B1F10	June 1992	6.4
		A-85	KDX Nakameguro Building	730.26	Offices	3,455.90	SRC F7	October 1985	6.9
		A-86	KDX Omiya Building	775.67	Offices, Retail Shops Parking, Residence	5,055.50	①S · SRC B1F8 ②S F3	April 1993	3.8
		A-87	Nihonbashi Horidomecho First	1,193.91	Offices, Residence Parking	7,362.25	SRC B1F10	July 1995	6.8
		A-88	KDX Shinjuku 6-chome Building	1,072.03	Offices, Retail Shops, Parking	5,907.00	SRC · RC B2F10	March 1990	5.2
		A-89	KDX Takanawadai Building	2,547.15	Offices	9,265.03	SRC B1F9	October 1985	6.5
		A-90	KDX Ikebukuro Building	472.94	Offices, Retail Shops Parking	3,848.18	S · RC B1F10	March 2009	4.7
		A-91	KDX Mita Building	548.72	Offices, Retail Shops Garage	5,007.98	S · SRC B3F11	March 1993	4.8
		A-92	KDX Akihabara Building	374.88	Retail Shops, Offices	2,979.14	SRC B1F9	December 1973	7.9
		A-93	KDX Iidabashi Square	1,341.98	Offices, Parking	6,764.37	SRC B1F8	January 1994	6.6
		A-94	KDX Musashi-Kosugi Building	3,210.09	Offices, Retail Shops	16,094.14	S B1F11	May 2013	7.0
		A-95	KDX Toyosu Grand Square	20,403.07	Offices, Retail Shops	63,419.60	S F11	April 2008	6.8
		A-96	KDX Takadanobaba Building	1,511.58	Offices, Parking	6,576.07	SRC · RC B2F7	October 1988	6.9
		A-99	KDX Ikebukuro West Building	603.21	Offices, Retail Shops, Parking	3,477.86	SRC F10	July 1988	5.7
		A-101	KDX Yokohama Building	2,499.38	Offices, Parking	15,894.75	SRC · S B1F11	March 1994	8.8
		A-102	KDX Yokohama Nishiguchi Building	1,029.45	Offices	6,556.59	SRC B1F9	October 1988	6.2
		A-107	KDX Ginza East Building	1,216.99	Offices, Parking	6,413.60	SRC B1F9	August 1991	5.6
		A-108	Pentel Building	2,502.63	Offices, Bank, Residence	18,880.89	S · SRC B3F14	November 1990	6.4
		A-109	KDX Hamamatsucho Center Building	835.83	Offices, Garage	3,981.69	SRC F7	December 1985	8.0
		A-112	KDX Toranomon 1Chome Building	1,449.82	Offices, Retail Shops Parking	11,212.05	S · SRC B1F11	October 2013	7.4
		A-113	KDX Shin-Nihonbashi Ekimae Building	531.64	Offices, Parking	4,254.07	SRC B1F10	May 1992	5.8
		A-115	ARK Mori Building	39,602.42	Offices	177,486.95	RC · SRC · S B4F37	March 1986	2.2
		A-116	KDX Nishi-Shinbashi Building	1,406.56	Offices, Garage	8,851.60	SRC B1F11	August 1992	5.2
		A-117	BR Gotanda	914.80	Offices, Parking	7,395.72	SRC · S B2F11	September 1991	7.8
		A-119	KDX Shibuya Nanpeidai Building	1,276.02	Offices	2,832.58	S F4	December 2003	7.4
		A-120	KDX Yoyogi Building	228.74	Retail Shops, Offices	1,269.06	SRC F8	August 1991	5.1
		A-121	Ginza 4chome Tower	688.52	Retail Shops, Offices, Parking	6,787.33	S B1F13	November 2008	5.9
		A-122	Mitsubishijuko Yokohama Building	10,100.58	Offices, Retail Shops	109,472.69	S · SRC B2F34	February 1994	3.5
		A-123	KDX Yokohama Kannai Building	1,687.26	Offices, Parking	15,883.21	S · SRC · RC B2F14	September 2007	1.1
A-124	KDX Hamamatsucho Place	1,917.71	Offices	12,280.77	S F10	February 2015	0.4		
A-125	KDX Chofu Building	13,265.06	Offices, Parking	31,536.86	SRC · RC B1F7	January 1995	7.2		
A-127	KDX Kanda Ekimae Building	435.14	Offices	2,543.00	S F8	February 1991	6.2		
A-128	KDX Shinbashi Ekimae Building	874.36	Offices, Clinic, Retail Shops	7,327.63	S · SRC B1F11	September 2018	4.6		
A-130	Edobashi Building	924.00	Offices	8,076.42	SRC B1F10	November 1986	6.5		
Other Regional Areas		A-12	Portus Center Building	13,936.63	Offices, Retail Shops Storage, Parking	79,827.08	SRC · S B2F25	September 1993	3.6
		A-42	KDX Karasuma Building	1,788.67	Offices	12,632.68	SRC B1F8	October 1982	1.0
		A-44	KDX Sendai Building	987.78	Offices	5,918.30	SRC B1F10	February 1984	1.3
		A-53	KDX Hakata-Minami Building	1,826.25	Offices, Retail Shops Parking	13,238.16	SRC B1F9	June 1973	0.9
		A-54	KDX Kitahama Building	751.92	Offices, Storage Parking	4,652.96	S F10	July 1994	2.3
		A-58	KDX Nagoya Sakae Building	1,192.22	Offices, Retail Shops	9,594.00	S F11	April 2009	0.3

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Other Regional Areas	A-69	KDX Kobayashi-Doshomachi Building (Note 7)	1,561.04	Offices, Garage Retail Shops	10,723.83	S · SRC B1F12	July 2009	2.7
		A-70	KDX Sapporo Building	819.44	Offices	5,503.90	SRC B1F9	October 1989	1.3
		A-79	KDX Nagoya Ekimae Building	1,354.10	Offices, Retail Shops	13,380.30	S · SRC B2F15	April 1986	3.7
		A-82	KDX Higashi Umeda Building	804.50	Offices, Retail Shops Parking	6,805.76	S · SRC B1F10	July 2009	2.2
		A-97	KDX Utsunomiya Building	1,412.00	Offices, Retail Shops Parking	7,742.18	S · SRC B1F10	February 1999	0.1
		A-98	KDX Hiroshima Building	706.78	Offices, Parking Tower	5,718.83	SRC B1F10	January 1990	1.1
		A-100	Senri Life Science Center Building	5,911.08	Offices, Retail Shops Parking	49,260.78	SRC · S B3F21	June 1992	1.1
		A-104	KDX Minami-Honmachi Building	882.96	Offices, Retail Shops Garage	7,694.03	S · RC B1F12	December 2009	2.4
		A-106	KDX Sakura-dori Building	2,420.43	Offices, Retail Shops Lounge, Storage	19,680.16	S B1F18	August 1992	3.8
		A-110	KDX Shin-Osaka Building	1,016.54	Offices, Parking Retail Shops	7,987.35	SRC B1F11	May 1992	3.3
		A-111	KDX Nagoya Nichigin-mae Building	732.14	Offices	5,862.22	S B1F10	September 2006	4.3
		A-118	KDX Sapporo Kitaguchi Building	782.69	Offices	4,639.44	SRC · RC B1F9	September 1992	1.8
		A-126	KDX Tosabori Building	993.68	Offices, Garage	8,307.73	SRC B1F10	October 1987	3.3
		A-129	KDX Sendai Honcho Building	1,995.04	Offices, Retail Shops	13,049.82	SRC B1F12	November 1984	1.0
		A-131	Shionogi Kobe Building	1,290.18	Offices	8,501.91	S · SRC B1F10	May 1992	2.0
Subtotal of Office Buildings (97 properties)				-	-	-	-	Avg. 26.5 yrs.	-
Other	Tokyo Metropolitan Area	D-2	Shinjuku 6chome Building (Land)	1,355.13	-	-	-	-	-
Subtotal of Others Properties (1 property)				-	-	-	-	-	-
Total of 98 properties				-	-	-	-	Avg. 26.5 yrs.	3.1

Note 1: Site area data is based on figures recorded in the land register (including relevant figures for land leasehold, if any). Data may not match with the actual current status. In the case of buildings with compartmentalized ownership, the figure indicates the site area of the entire land subject to site rights.

Note 2: Usage is based on data recorded in the land register. For buildings with compartmentalized ownership, the usage type of exclusively owned area is shown.

Note 3: Total floor area is based on figures recorded in the land register and does not include related structures. The total floor area for the entire building is reported for compartmentalized ownership.

Note 4: Type of structure data is based on data recorded in the land register. For buildings with compartmentalized ownership, the structure and the number of floors of the entire building that includes the compartmentalized ownership is shown. The following abbreviations are used to report data relating to structure and the number of floors:

SRC: Steel-Reinforced Concrete; RC: Reinforced Concrete; S: Steel Frame; B: Below Ground Level; F: Above Ground Level.

For example: B2F9: Two floors below ground level and nine floors above ground level.

Note 5: Completion date is the date of construction completion recorded in the land register. Average age subtotal and total data are calculated using the weighted average based on acquisition prices as of October 31, 2022, and are rounded down to the first decimal place.

Note 6: Probable Maximum Loss (PML) data is based on a survey provided by Sampo Risk Management Inc. as of October 2022.

Note 7: KDX Kobayashi Doshomachi Building includes the fixed-term land leasehold with a special agreement to transfer building.

(d) Details of the Tenants

Type	Area	No.	Property Name	Total Leasable Floor Area (m ²) (Note 1)	Total Leased Floor Area (m ²) (Note 2)	No. of Leasable Residential Units (Note 3)	No. of Leased Residential Units (Note 4)	No. of Tenants (Note 5)	Occupancy Rate (%) (Note 6)	Rental and Other Operating Revenues (Thousands of Yen) (Note 7)	Tenant Leasehold and Security Deposits (Thousands of Yen) (Note 8)	
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	5,732.83	5,732.83	-	-	16	100.0	203,263	279,304	
		A-3	Higashi-Kayabacho Yuraku Building	4,379.20	4,379.20	-	-	9	100.0	104,060	218,746	
		A-4	KDX Hatchobori Building	3,323.14	3,323.14	-	-	4	100.0	113,637	113,595	
		A-5	KDX Nakano-Sakaue Building	4,289.49	3,908.10	18	14	23	91.1	92,871	114,013	
		A-6	Harajuku F.F. Building	3,071.15	3,071.15	-	-	2	100.0	106,077	143,995	
		A-7	KDX Minami Aoyama Building	1,815.19	1,815.19	-	-	8	100.0	79,427	95,939	
		A-8	KDX Kanda Kitaguchi Building	1,918.23	1,918.23	-	-	10	100.0	52,365	76,040	
		A-13	KDX Kojimachi Building	3,719.37	3,719.37	-	-	9	100.0	126,029	224,466	
		A-14	KDX Funabashi Building	3,854.53	3,854.53	-	-	21	100.0	114,846	165,805	
		A-16	Toshin 24 Building	6,616.68	6,616.68	-	-	20	100.0	180,994	280,960	
		A-17	KDX Ebisu Building	3,072.34	3,072.34	-	-	5	100.0	154,973	271,352	
		A-19	KDX Hamamatsucho Building	2,724.35	2,724.35	-	-	9	100.0	103,111	134,922	
		A-20	KDX Kayabacho Building	3,019.94	3,019.94	-	-	7	100.0	98,501	147,935	
		A-21	KDX Shinbashi Building	2,803.96	2,803.96	-	-	9	100.0	137,652	218,725	
		A-22	KDX Shin-Yokohama Building	4,768.94	4,603.14	-	-	20	96.5	96,482	162,213	
		A-26	KDX Kiba Building	-	-	-	-	-	-	-	21,853	-
		A-27	KDX Kajicho Building	2,564.79	2,564.79	-	-	10	100.0	71,179	96,059	
		A-29	KDX Higashi-Shinjuku Building	5,859.92	5,859.92	-	-	6	100.0	145,495	129,129	
		A-30	KDX Nishi-Gotanda Building	3,883.02	3,883.02	-	-	12	100.0	115,970	155,037	
		A-31	KDX Monzen-Nakacho Building	2,008.74	2,008.74	-	-	7	100.0	47,186	48,898	
		A-32	KDX Shiba-Daimon Building	5,997.36	5,997.36	-	-	9	100.0	178,040	260,684	
		A-33	KDX Okachimachi Building	1,792.54	1,792.54	-	-	2	100.0	66,875	112,850	
		A-35	KDX Hachioji Building	2,159.05	2,159.05	-	-	10	100.0	50,778	54,947	
		A-37	KDX Ochanomizu Building	5,861.72	5,024.18	-	-	9	85.7	166,600	303,538	
		A-38	KDX Nishi-Shinjuku Building	1,593.59	1,593.59	-	-	10	100.0	51,528	83,284	
		A-41	KDX Shinjuku 286 Building	2,443.99	2,443.99	-	-	6	100.0	84,635	150,991	
		A-46	Hiei Kudan-Kita Building	6,908.96	6,222.47	-	-	13	90.1	242,375	338,343	
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	5,126.69	5,126.69	-	-	1	100.0	108,777	156,186	
		A-51	KDX Hamacho Nakanohashi Building	2,237.07	2,237.07	-	-	9	100.0	71,858	100,356	
		A-55	Shin-toshin Maruzen Building	1,912.24	1,912.24	-	-	6	100.0	55,448	76,475	
		A-56	KDX Jimbocho Building	2,323.44	2,323.44	-	-	6	100.0	75,632	89,302	
		A-59	KDX Iwamoto-cho Building	1,529.79	1,468.61	3	2	8	96.0	51,556	69,542	
		A-60	KDX Harumi Building	9,294.00	9,294.00	-	-	11	100.0	251,754	375,146	
		A-62	Koishikawa TG Building	3,934.35	3,934.35	-	-	2	100.0	126,753	155,252	
		A-63	KDX Gotanda Building	3,157.04	3,157.04	-	-	10	100.0	101,242	152,317	
		A-64	KDX Nihonbashi 216 Building	1,615.20	1,615.20	-	-	8	100.0	68,933	118,231	
		A-66	KDX Shinjuku Building	5,801.65	5,801.65	-	-	23	100.0	238,266	337,646	
		A-67	KDX Ginza 1chome Building	3,573.59	3,573.59	-	-	4	100.0	151,048	193,218	
		A-71	KDX Iidabashi Building	4,350.61	4,136.80	-	-	11	95.1	130,862	189,096	
		A-72	KDX Higashi-Shinagawa Building	7,117.94	7,117.94	-	-	6	100.0	174,644	242,858	
A-73	KDX Hakozaki Building	3,992.60	3,992.60	-	-	8	100.0	126,317	169,444			
A-78	KDX Tachikawa Ekimae Building	1,612.13	1,612.13	-	-	5	100.0	65,821	133,345			
A-83	KDX Fuchu Building	10,151.50	9,478.52	-	-	40	93.4	272,592	476,142			
A-84	KDX Kasuga Building	4,347.43	4,069.94	-	-	11	93.6	124,032	155,779			
A-85	KDX Nakameguro Building	2,726.69	2,726.69	-	-	7	100.0	111,491	174,789			
A-86	KDX Omiya Building	3,833.49	3,833.49	1	1	17	100.0	126,493	211,046			
A-87	Nihonbashi Horidomecho First	3,106.42	3,022.47	8	6	11	97.3	103,644	124,317			
A-88	KDX Shinjuku 6-chome Building	4,037.44	3,642.20	-	-	5	90.2	116,196	101,483			
A-89	KDX Takanawadai Building	6,970.54	6,970.54	-	-	7	100.0	204,052	284,068			

Type	Area	No.	Property Name	Total Leasable Floor Area (m ²) (Note 1)	Total Leased Floor Area (m ²) (Note 2)	No. of Leasable Residential Units (Note 3)	No. of Leased Residential Units (Note 4)	No. of Tenants (Note 5)	Occupancy Rate (%) (Note 6)	Rental and Other Operating Revenues (Thousands of Yen) (Note 7)	Tenant Leasehold and Security Deposits (Thousands of Yen) (Note 8)	
Office Buildings	Tokyo Metropolitan Area	A-90	KDX Ikebukuro Building	3,110.74	3,110.74	-	-	8	100.0	143,074	221,731	
		A-91	KDX Mita Building	3,331.65	3,331.65	-	-	12	100.0	119,156	197,632	
		A-92	KDX Akihabara Building	2,288.65	2,288.65	-	-	7	100.0	78,049	135,359	
		A-93	KDX Iidabashi Square	4,571.92	4,571.92	-	-	9	100.0	183,506	310,449	
		A-94	KDX Musashi-Kosugi Building	12,978.57	10,598.21	-	-	11	81.7	468,784	716,887	
		A-95	KDX Toyosu Grand Square	11,797.84	11,346.90	-	-	14	96.2	311,057	456,306	
		A-96	KDX Takadanobaba Building	4,596.20	4,596.20	-	-	11	100.0	150,091	171,624	
		A-99	KDX Ikebukuro West Building	2,532.71	2,532.71	-	-	8	100.0	78,741	78,423	
		A-101	KDX Yokohama Building	10,922.27	10,922.27	-	-	26	100.0	317,671	419,671	
		A-102	KDX Yokohama Nishiguchi Building	4,983.35	4,983.35	-	-	14	100.0	126,444	176,083	
		A-107	KDX Ginza East Building	4,400.92	4,400.92	-	-	12	100.0	110,970	156,992	
		A-108	Pentel Building	4,346.66	4,346.66	5	5	10	100.0	141,150	206,008	
		A-109	KDX Hamamatsucho Center Building	3,052.76	3,052.76	-	-	8	100.0	112,907	178,697	
		A-112	KDX Toranomom 1Chome Building	8,179.00	7,974.63	-	-	2	97.5	605,190	638,050	
		A-113	KDX Shin-Nihonbashi Ekimae Building	3,279.09	3,279.09	-	-	10	100.0	127,439	219,527	
		A-115	ARK Mori Building	2,442.60	2,442.60	-	-	(Note 9)	100.0	N / A (Note 10)	N / A (Note 10)	
		A-116	KDX Nishi-Shinbashi Building	5,735.58	5,735.58	-	-	7	100.0	220,608	313,015	
		A-117	BR Gotanda	3,320.24	3,320.24	-	-	6	100.0	111,007	120,234	
		A-119	KDX Shibuya Nanpeidai Building	2,205.33	2,205.33	-	-	1	100.0	98,034	176,681	
		A-120	KDX Yoyogi Building	1,173.55	1,173.55	-	-	10	100.0	73,337	106,034	
		A-121	Ginza 4chome Tower	5,624.23	5,624.23	-	-	4	100.0	306,219	338,450	
		A-122	Mitsubishijuko Yokohama Building	13,495.34	13,236.08	-	-	21	98.1	417,588	665,714	
		A-123	KDX Yokohama Kannai Building	10,052.67	10,052.67	-	-	11	100.0	289,803	434,737	
		A-124	KDX Hamamatsucho Place	9,325.18	9,325.18	-	-	12	100.0	488,635	991,220	
		A-125	KDX Chofu Building	11,834.73	11,724.80	-	-	6	99.1	328,412	220,716	
		A-127	KDX Kanda Ekimae Building	2,175.29	2,175.29	-	-	7	100.0	77,546	85,157	
		A-128	KDX Shinbashi Ekimae Building	5,403.25	5,403.25	-	-	8	100.0	332,586	715,190	
		A-130	Edebashi Building	5,695.70	5,695.70	-	-	7	100.0	134,980	284,760	
		Other Regional Areas	A-12	Portus Center Building	11,501.01	9,463.69	-	-	30	82.3	235,914	266,538
			A-42	KDX Karasuma Building	8,730.26	8,314.95	-	-	40	95.2	229,289	305,070
	A-44		KDX Sendai Building	3,948.03	3,948.03	-	-	30	100.0	98,056	181,412	
	A-53		KDX Hakata-Minami Building	10,112.80	9,886.22	-	-	50	97.8	210,422	296,222	
	A-54		KDX Kitahama Building	4,007.96	4,007.96	-	-	14	100.0	75,589	106,374	
A-58	KDX Nagoya Sakae Building		6,923.12	6,923.12	-	-	17	100.0	213,362	281,972		
A-69	KDX Kobayashi-Doshomachi Building		7,072.26	7,072.26	-	-	8	100.0	213,228	223,146		
A-70	KDX Sapporo Building		3,779.73	3,779.73	-	-	19	100.0	106,785	149,669		
A-79	KDX Nagoya Ekimae Building		7,904.22	7,904.22	-	-	19	100.0	315,902	534,508		
A-82	KDX Higashi Umeda Building		4,994.88	4,994.88	-	-	4	100.0	158,595	149,015		
A-97	KDX Utsunomiya Building		5,278.51	5,278.51	-	-	26	100.0	132,311	149,888		
A-98	KDX Hiroshima Building		4,001.53	3,675.34	-	-	22	91.8	74,661	100,778		
A-100	Senri Life Science Center Building		17,155.65	17,155.65	-	-	63	100.0	685,096	954,233		
A-104	KDX Minami-Honmachi Building		5,280.02	5,280.02	-	-	16	100.0	118,111	166,416		
A-106	KDX Sakura-dori Building		12,314.53	12,314.53	-	-	35	100.0	355,763	521,172		
A-110	KDX Shin-Osaka Building		5,985.76	5,813.51	-	-	19	97.1	158,950	221,067		
A-111	KDX Nagoya Nichigin-mae Building		4,363.96	4,363.96	-	-	16	100.0	127,719	177,981		
A-118	KDX Sapporo Kitaguchi Building		3,319.16	3,319.16	-	-	16	100.0	82,095	111,771		
A-126	KDX Tosabori Building		5,635.38	5,635.38	-	-	12	100.0	107,267	218,317		
A-129	KDX Sendai Honcho Building	8,886.10	8,478.83	-	-	43	95.4	205,293	276,252			
A-131	Shionogi Kobe Building	5,674.72	5,404.57	-	-	19	95.2	52,542	125,073			
Subtotal of Office Buildings (98 properties)				498,660.48	487,624.68	35	28	1,263	97.8	15,892,058	22,955,798	

Type	Area	No.	Property Name	Total Leasable Floor Area (m ²) (Note 1)	Total Leased Floor Area (m ²) (Note 2)	No. of Leasable Residential Units (Note 3)	No. of Leased Residential Units (Note 4)	No. of Tenants (Note 5)	Occupancy Rate (%) (Note 6)	Rental and Other Operating Revenues (Thousands of Yen) (Note 7)	Tenant Leasehold and Security Deposits (Thousands of Yen) (Note 8)
Others	Tokyo Metropolitan Area	D-2	Shinjuku 6Chome Building (Land)	1,355.13	1,355.13	-	-	1	100.0	68,866	57,385
Subtotal of Others Properties (1 property)				1,355.13	1,355.13	-	-	1	100.0	68,866	57,385
Total of 99 properties				500,015.61	488,979.81	35	28	1,264 (Note 11)	97.8	15,960,925	23,013,183

Note 1: Total leasable floor area refers to the leasable floor area for a building (aggregate total of the leasable floor area of each building in the case of more than one building), excluding land (including land for one-story parking) identified in lease agreements or construction completion plans, etc. However, the indicated figure of rentable area for Pentel Building includes leasable area for land stated in the lease agreement. The indicated figure of leasable area for Shinjuku 6chome Building (Land) is leasable area stated in the land lease agreement.

Note 2: Total leased floor area refers to the area identified in lease agreements with end tenants or sub-lease agreements.

Note 3: The number of leasable residential units refers to the portion of the building used for residential purposes.

Note 4: The number of leased residential units refers to the number of residential units among leasable residential units for which lease agreements with end tenants or sub-lease agreements are signed.

Note 5: The number of tenants refers to the actual number of end tenants for each property.

Note 6: Occupancy rate is calculated by dividing leased floor area by total leasable floor area. Figures are rounded to the nearest first decimal place. The figures entered in the subtotal and total columns are those obtained by dividing the subtotal (total) of total leased floor area by the subtotal (total) of total leasable floor area of properties corresponding to each subtotal and total column.

Note 7: Rental and other operating revenues refer to the total amount of revenues generated during the fiscal period under review from real estate rental operations including leasing revenues, common charges and parking revenues rounded down to the nearest thousand yen.

Note 8: Tenant leasehold and security deposits refer to the total of the balances of security deposits held (including net security deposits in the case of discount) and guarantee deposits, both identified in lease agreements or sub-lease agreements, with the figure rounded down to the nearest thousand yen.

Note 9: Since we have concluded a building lease agreement and a property management agreement with Mori Building Co., Ltd., a master lessee, the total number of tenants is indicated as 1.

Note 10: Figures are not disclosed because the company that is a master lessee and a property manager has not given consent.

Note 11: The number presented does not reflect the adjustment for end-tenants who are overlapping in multiple properties.

(2) Capital Expenditures

① Planned Capital Expenditures

Major capital expenditure plans for renovation of properties held by the Investment Corporation for the thirty-sixth fiscal period (November 1, 2022, to April 30, 2023) are as follows. Planned capital expenditures may include portions classified into expenses for accounting purposes as a result.

Property Name (Location)	Purpose	Schedule	Planned Amount of Capital Expenditures (Millions of Yen)		
			Total	Paid in the Fiscal Period under Review	Total Amount Previously Paid
KDX Fuchu Building (Fuchu, Tokyo)	Upgrade of common area, etc.	November 2022 to April 2023	134	-	-
KDX Kasuga Building (Bunkyo-ku, Tokyo)	Upgrade of common area, etc.	As above	126	-	-
Portus Center Building (Sakai, Osaka)	Renovation of elevator, etc.	As above	124	-	-
Edobashi Building (Chuo-ku, Tokyo)	Upgrade of common area, etc.	As above	105	-	-
KDX Shin-Osaka Building (Osaka, Osaka)	Renovation of external wall, etc.	As above	69	-	-
KDX Nagoya Ekimae Building (Nagoya, Aichi)	Renewal of transformer equipment, etc.	As above	58	-	-
Harajuku F.F. Building (Shibuya-ku, Tokyo)	Renovation of plumbing equipment, etc.	As above	55	-	-
KDX Tosabori Building (Osaka, Osaka)	Renovation of air-conditioning equipment, etc.	As above	55	-	-
KDX Kanda Ekimae Building (Chiyoda-ku, Tokyo)	Upgrade of common area, etc.	As above	40	-	-
KDX Sapporo Kitaguchi Building (Sapporo, Hokkaido)	Renovation of mechanical parking lot, etc.	As above	30	-	-
KDX Nakameguro Building (Meguro-ku, Tokyo)	Upgrade of common area, etc.	As above	19	-	-

Note: The planned amounts of capital expenditures are rounded down to the nearest million yen.

② Capital Expenditures During the Fiscal Period under Review (Fiscal Period Ended October 31, 2022)

The Investment Corporation undertook the following major capital expenditures. In the fiscal period under review (fiscal period ended October 31, 2022), the Investment Corporation completed works across its entire portfolio totaling 866 million yen. The total construction cost amounted to 1,264 million yen including 398 million yen for repairs, maintenance and renovation expenses in the fiscal period under review.

Property Name (Location)	Purpose	Term	Amount of Capital Expenditures (Millions of Yen)
KDX Fuchu Building (Fuchu, Tokyo)	Renewal of air-conditioning system, etc.	May 2022 to October 2022	189
KDX Sakura-dori Building (Nagoya, Aichi)	Renovation of external wall, etc.	As above	72
Pentel Building (Chuo-ku, Tokyo)	Renovation of elevator, etc.	As above	45
KDX Nakano-Sakaue Building (Nakano-ku, Tokyo)	Upgrade of exclusively owned area, etc.	As above	41
KDX Nishi-Shinjuku Building (Shinjuku-ku, Tokyo)	Upgrade of common area, etc.	As above	22
Other			494
Portfolio Total			866

Note: The amounts of the capital expenditures are rounded down to the nearest million yen.

③ Reserved Amount for Long-Term Repairs, Maintenance and Renovation Plans
Not Applicable

(3) Overview of Major Tenants

① Information concerning major real estate properties

There were no major real estate properties with rental and other operating revenues exceeding 10% of total rental and other operating revenues for the fiscal period under review (fiscal period ended October 31, 2022).

② Information concerning major tenants

A. Tenant which holds more than 10% of the total leased area: Not applicable

B. Reference: Major end tenants

(As of October 31, 2022)

	Name of End Tenant	Property Name	Leased Floor Area (m ²)	Percentage of Total Leased Floor Area (Note 1)
1	Mitsubishi Heavy Industries, Ltd.	Mitsubishijuko Yokohama Building	11,267.43	2.3
2	WeWork Japan G.K.	KDX Toranomom 1Chome Building	6,347.27	1.3
3	N / A (Note 2)	KDX Kawasaki-Ekimae Hon-cho Building	5,126.69	1.0
4	JASTEC Co., Ltd.	KDX Takanawadai Building	4,892.89	1.0
5	Japan Pension Service	KDX Chofu Building	4,710.40	1.0
Subtotal			32,344.68	6.6
Total Portfolio			488,979.81	100.0

Note 1: Percentage of total leased floor area refers to the floor area leased to each end tenant as a proportion of total leased floor area. Figures are rounded to the nearest first decimal place.

Note 2: Not disclosed because the tenant has not given consent.