

# **22<sup>nd</sup>**

# **Fiscal Period Report**

February 1, 2021 - July 31, 2021

*Advance Residence Investment Corporation*

1-105 Kanda-Jinbocho, Chiyoda-ku, Tokyo

# Management's Discussion and Analysis

## 1 Summary of Selected Financial Data

	Fiscal Period			units	18th FP From: February 1, 2019 To: July 31, 2019	19th FP From: August 1, 2019 To: January 31, 2020	20th FP From: February 1, 2020 To: July 31, 2020	21st FP From: August 1, 2020 To: January 31, 2021	22nd FP From: February 1, 2021 To: July 31, 2021
Operating results	Operating revenues			million yen	16,465	17,175	17,357	17,014	16,884
	(Rental revenue)	a		million yen	16,465	16,533	16,851	16,718	16,884
	(Gain on real estate sales)	b		million yen	—	642	506	295	—
	Operating expenses			million yen	8,263	8,211	9,062	8,500	8,659
	(Rental business expenses)	c		million yen	6,519	6,439	6,707	6,630	6,791
	(Loss on real estate sales)	d		million yen	—	—	511	—	—
	(Impairment loss)	e		million yen	—	—	—	—	—
	Operating income			million yen	8,202	8,964	8,294	8,513	8,224
	Ordinary income	f		million yen	7,094	7,945	7,321	7,549	7,294
	Net income	g		million yen	7,094	7,945	7,320	7,548	7,294
Balance sheet figures	Total assets	h		million yen	451,589	457,863	457,568	458,579	457,829
	Interest-bearing liabilities	i		million yen	225,318	219,418	219,588	220,788	220,509
	Net assets	j		million yen	219,837	231,698	231,225	230,966	230,491
	Paid-in Capital	k		million yen	127,690	139,034	139,034	139,034	139,034
Per unit figures	Total dividends	l		million yen	7,430	7,783	7,804	7,756	7,819
	Payout ratio	l/g		%	104.7	98.0	106.6	102.7	107.2
	Total number of units issued and outstanding	m		Units	1,350,000	1,385,000	1,385,000	1,385,000	1,385,000
	Net assets per unit	j/m		yen	162,842	167,291	166,950	166,763	166,420
	Net income per unit		Note 2	yen	5,254	5,782	5,285	5,450	5,266
	Dividend per unit	l/m		yen	5,504	5,620	5,635	5,600	5,646
	Dividend from earnings per unit			yen	5,504	5,620	5,635	5,600	5,646
	Dividend in excess of earnings per unit			yen	0	0	0	0	0
	Annualized dividend yield		Note 3	%	3.3	3.3	3.3	3.6	3.0
	Return on investment (Paid-in Capital)	(g+q)/(k+i)	Note 3	%	5.6	5.9	5.7	5.7	5.7
Financial indicators	Return on investment (market capitalization)	(g+q)/(m×r+i)	Note 3	%	2.9	3.1	2.9	3.2	2.8
	FFO per unit	(g-b+d+e+q)/m		yen	7,277	7,267	7,310	7,261	7,314
	Annualized	n	Note 3	yen	14,676	14,417	14,700	14,403	14,749
	FFO per unit	r/n		times	23.0	23.7	23.2	21.5	25.3
	Ratio of ordinary income to total assets	f/h	Note 4	%	1.6	1.7	1.6	1.6	1.6
	Annualized		Note 3	%	3.2	3.5	3.2	3.3	3.2
	Equity ratio	j/h		%	48.7	50.6	50.5	50.4	50.3
	Return on equity	g/j	Note 5	%	3.2	3.5	3.2	3.3	3.2
	Annualized		Note 3	%	6.5	7.0	6.4	6.5	6.4
	Ratio of interest-bearing liabilities to total assets	i/h		%	49.9	47.9	48.0	48.1	48.2
	DSCR	o/p		times	12.0	13.9	14.0	14.4	14.7
	Net income before interest and depreciation	o		million yen	10,721	11,536	10,897	11,125	10,868
	Interest expenses	p		million yen	896	827	779	773	737
	NOI	a-c+q	Note 6	million yen	12,676	12,856	12,941	12,891	12,928
	Annualized NOI yield		Note 3, 7	%	5.7	5.7	5.7	5.6	5.7
	Depreciation and amortization	q	Note 8	million yen	2,730	2,763	2,798	2,802	2,835
Reference information	Number of properties under management			—	265	269	271	271	272
	Number of leasable units			Units	21,322	21,399	21,402	21,552	21,569
	Leasable floor area at end of period		Note 9	m <sup>2</sup>	791,672.97	798,959.22	797,152.25	800,789.34	802,185.16
	Occupancy rate at end of period		Note 10	%	97.0	97.0	96.3	96.0	95.9
	Unit price at end of period	r		yen	337,500	341,500	341,000	310,000	373,500

- Notes
- Figures for Operating results do not include consumption tax. Amounts are rounded down to the nearest specified unit. Percentage figures are rounded to the first decimal place. The same applies hereafter.
  - The net income per unit is calculated by dividing net income by the daily weighted average number of units issued and outstanding.
  - The annualized figures are calculated using periods of 181 days for the 18th FP, 184 days for the 19th FP, 182 days for the 20th FP, 184 days for the 21st FP, and 181 days for the 22nd FP.
  - Ratio of ordinary income to total assets = Ordinary income ÷ {(Total assets at beginning of period + Total assets at end of period) ÷ 2} × 100
  - Return on equity = Net income ÷ {(Net assets at beginning of period + Net assets at end of period) ÷ 2} × 100
  - In the calculation of NOI, the depreciation and amortization is limited to what is included in rental business expenses.
  - Annualized NOI yield = Total annualized NOI ÷ Total property acquisition price  
(The annualized NOI yield is calculated by taking into account the actual number of days of operation for each property.)
  - Depreciation and amortization include amortization of intangible assets in addition to depreciation of property, plant and equipment.
  - "Leasable floor area at end of period" refers to the leasable floor area for each building as stated on the lease agreement or indicated on its official floor plan. The leasable floor area of land such as parking lots is not included.
  - "Occupancy rate at end of period" is calculated by using the formula: "Leased floor area" ÷ "Leasable floor area" × 100.

## 2 Investment Environment and Operating Performance

With the aim of realizing a stable distribution of earnings over the long term, we carried out the following initiatives during the 21st Fiscal Period (FP).

1. Internal Growth  
Given that the COVID-19 pandemic prompted an increase in move-outs, particularly for small, single-occupant residential units in central Tokyo, ADR took steps to curb the decline in occupancy rates by easing leasing terms such as rents mainly for such residential units.
2. External Growth  
ADR acquired one property from a third party (at the acquisition price of 600 million yen).
3. Finance Policy  
ADR simultaneously extended its average remaining duration of interest-bearing liabilities while reducing its average interest rate amid the low interest rate environment to strengthen its financial foundation.
4. Sustainability  
ADR restructured its Sustainability Committee into a two-component structure comprising the Sustainability Promotion Committee and Sustainability Practical Committee to further enhance the effectiveness of its sustainability efforts. In addition, ADR renovated the common areas of RESIDIA Kamata and RESIDIA Nakano-Fujimidai to raise tenant satisfaction.

By executing these initiatives, we were able to attain the following FP results.

(million yen)

Item	Previous FP Results	Initial Forecast <sup>Note 1</sup>	The 22nd FP Results (July 2021)		
				Difference from the Previous FP	Difference from the Initial Forecast
Operating revenues	17,014	16,907	16,884	(130)	(23)
Operating income	8,513	8,168	8,224	(288)	+56
Ordinary income	7,549	7,230	7,294	(254)	+64
Net income	7,548	7,230	7,294	(254)	+64
Earnings Per Unit	5,450 yen	5,220 yen	5,266 yen	-184 yen <sup>Note 2</sup>	+46 yen <sup>Note 2</sup>
Dividend Per Unit	5,600 yen	5,600 yen	5,646 yen	+46 yen	+46 yen

Notes 1. The initial forecast refers to the earnings forecast for the 22nd FP disclosed in the "Brief Summary of Kessan Tanshin" for the 21st Fiscal Period, dated March 17, 2021. The same applies hereafter.  
2. The numbers less than one are discarded in the EPU figures.

Earnings per unit (EPU) decreased by 184 yen from the previous FP to 5,266 yen, reflecting factors such as an increase in NOI through the maintenance of the occupancy rates, lower interest expenses, and no gains from sales.

Dividend per unit (DPU) was 5,646 yen, reflecting the reversal of the reserve for temporary difference adjustments (242 yen per unit) and dividends paid using retained earnings (137 yen per unit).

## 1. Internal Growth

### – Curbing Downturn in Occupancy Rates by Easing up on Leasing Terms –

During the FP under review, ADR's occupancy rate reached 97.0% in the busy period of March, mainly on the back of the demand from company employee transfers. ADR, however, struggled to offset the increasing number of move-outs in April and May, which led to a greater decline in the occupancy rate than other years. ADR, therefore, tried to recover the occupancy rate in June and July by relaxing leasing terms mainly for single-occupant residential units in central Tokyo. As a result, ADR managed to record the average fiscal period occupancy rate of 95.9% (down 0.7 percentage points year on year).

Meanwhile, ADR was able to raise rents for new contracts to the same level as other years thanks to a solid demand for family-type residential units including in central Tokyo. Combined with the relaxation of lease terms explained above, the final replacement rent increase was 1.3%, up 0.1 percentage points from the previous FP.

### – Strengthening Competitiveness of Our Properties by Carrying out Value Enhancement Works –

ADR conducts large-scale repairs of its properties on a scheduled basis in order to maintain functionality and to freshen up their appearance. In addition, for individual units in properties that have recently had large-scale repairs, ADR carries out value enhancement work to maintain and enhance competitiveness in the leasing market. These entail equipment upgrades and floor plan changes and are implemented at the time when tenants are being replaced.

We conducted large-scale repairs on three properties during the FP under review at a cost of 175 million yen, excluding tax. Moreover, we performed value enhancement works on 37 properties at a cost of 168 million yen, excluding tax.

Of the residential units that underwent value enhancement works, new rental contracts had been signed for 13 units as of July 31, 2021. Those units saw increases in rent of approximately 27.7% on an average compared to the rents under the previous contracts. As such, despite the COVID-19 pandemic, our value enhancement works effectively contributed to internal growth, as was the case during the previous fiscal periods. Going forward, ADR will endeavor to further enhance the competitive advantages of its properties through such measures.

## 2. External Growth

### – Steadily Acquiring Properties –

ADR acquired RESIDIA Kyoto-Mibu <sup>Note 3</sup> during the FP under review at the acquisition price of 600 million yen. RESIDIA Kyoto-Mibu is a compact residential rental property in Kyoto. All its units are approximately 30 sq. m. and have one bedroom. It is a good property with excellent traffic access and nearby facilities useful for daily living.

Note 3. The name of the property was changed from Novel Saiin on September 1, 2021. The same applies hereafter.

## 3. Finance

### – Lowering the Average Interest Rate and Extending Initial Duration –

ADR's principal finance policy is to lower the interest rates of interest-bearing liabilities, to extend remaining durations, to fix interest rates and to diversify maturities. Despite the COVID-19 pandemic, we didn't see any changes in the lending attitude of financial institutions to ADR during the FP under review, and ADR managed to execute debt financing to the tune of 14.7 billion yen in total (at the average interest rate <sup>Note 4</sup> of 0.34% and average initial duration of 8.2 years). As a result, ADR lowered the average interest rate to 0.66% as of the end of the FP under review, from 0.69% in the previous FP. It also extended the remaining duration to 4.9 years from 4.8 years, further enhancing its financial foundation.

ADR's credit ratings as of the end of the FP under review (July 31, 2021) are as follows.

Credit rating agency	Coverage	Rating
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating	AA (Outlook: Stable)
Rating and Investment Information, Inc. (R&I)	Issuer rating	AA- (Outlook: Stable)

Note 4. The "average interest rate" is the weighted-average interest rate on loans and bonds as of their respective borrowing or issuance date, as of the end of the FP under review (July 31, 2021). If the interest rates on the debts have been converted to fixed interest rates using swap agreements in order to hedge the risk of interest rate volatility, the fixed rates are used in calculating the average.

#### 4. Sustainability

##### – Sustainability Measures –

ADR works together with the asset management company to realize a sustainable society and to increase its unit-holder value. To that end, we engage in the following ESG (environmental, social and governance) initiatives.

- Environmental initiatives

As part of energy-saving measures, ADR has been converting lighting in the common areas of its properties into LED lighting. During the FP under review, ADR installed LED lighting in three properties. As of the end of the FP under review (July 31, 2021), ADR had completed installation of LED lighting in 98 properties (representing 36.0% of its portfolio). In addition, ADR has been striving to include green lease clauses <sup>Note 5</sup> in its lease agreements, and as of the end of the FP under review, ADR has introduced such clauses in its lease agreements pertaining to 59.9% of its residential units out of the total number of rental units.

ADR has also acquired DBJ Green Building Certification with respect to 23 properties, constituting 30.1% of its portfolio on the basis of total floor area, as of the end of the FP.

Note 5. Green lease clauses are provisions included in lease agreements with tenants and are designed to reduce environmental footprints through energy-saving and other measures concerning real estate. The same applies hereafter.

- Social initiatives

ADR renovated the common areas of RESIDIA Kamata and RESIDIA Nakano-Fujimidai to create a lobby to raise tenant satisfaction.

Furthermore, the asset management company held SDGs promotion events from June to July 2021 for the Environment Month in June to raise the awareness of the whole company. The events included an energy-saving challenge in the homes of officers and employees, online walking event, and SDGs education activities.

- Governance initiatives

ADR has created a two-component system: one is the Sustainability Promotion Committee chaired by the Representative Director, comprising all full-time directors, Division heads, and the head of the Compliance and Risk Management Department, and the other is the Sustainability Practice Committee, comprising persons in charge of practical operations in each Division. The system has strengthened ADR's governance structure and will help ADR continue increasing its corporate value while solving social problems.

### 3 Management Policies and Challenges Going Forward

By diligently implementing the strategies outlined below, ADR aims to achieve solid EPU growth.

1. Internal Growth

In the rental housing market, ADR will prioritize the maintenance of the occupancy ratio through measures such as the relaxation of leasing terms if the number of move-outs each month is increasing year on year. Meanwhile, we will keep raising rents associated with residential units that hold promise in that regard.

And for value-enhancement works, we strive to maintain and improve the competitive strengths of our properties by identifying changing needs through tenant satisfaction surveys and other such means, and reflecting those results in such work.

2. External Growth

ADR aims to acquire properties that will contribute to improving the quality and profitability of its portfolio. This will involve acquiring sponsor properties and utilizing information gained through sourcing initiatives of the asset management company. In addition, ADR will keep tenant and geographic diversification in mind in undertaking investment, and accordingly will not be susceptible to temporary market trends.

Since we are seeing many redevelopments actively taking place in central Tokyo, ADR is likely to receive proposals from developers for property replacements involving ADR's properties located in proximity of those redevelopment site. Amid the booming property market, we will positively consider selling such properties if the terms are favorable.

3. Finance Policy

With respect to its finance policy, ADR will continue procuring funds mainly through long-term and fixed-rate debts while keeping a close eye on interest rate trends and striving for lower funding costs and diversified maturities. In so doing, we will endeavor to establish financial foundations that can weather future market volatility.

4. Sustainability

As a sustainability initiative, ADR installs a master meter that gauges electricity consumption in order to understand energy consumption in individual apartment units. ADR will use the obtained data to promote energy-saving measures and reduce greenhouse gas emissions in its properties. In addition, ADR promotes measures to tackle climate change by installing water stops and flooding monitoring sensors to prevent water damage.

5. Dividend Payout Policy

In accordance with its basic policy of realizing a stable distribution of earnings over the long term, ADR will fundamentally pay out distributions of nearly the entire amount of earnings for the current FP. Meanwhile, ADR will continue to draw down the reserves for temporary difference adjustments (RTA), which is based on retained earnings derived from profit from negative goodwill. It will draw down the RTA in equal amounts or more every FP within 50 years <sup>(Note 6)</sup>, in accordance with partial amendments of the "Regulations Concerning Accounting of Investment Corporations" and the Investment Trusts Association of Japan's "Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations."

Moreover, in principle, ADR is to maintain a DPU of at least 5,000 yen. To such ends, ADR is to additionally draw down the reserve if the total amount of DPU and the fixed drawdown amount of the RTA for the given FP do not reach 5,000 yen <sup>(Note 7)</sup>.

Furthermore, when temporary gains or losses arise due to gains or losses on sales of properties, ADR will stabilize distributions by additionally drawing down the RTA while also retaining or drawing down gain on sales.

Notes 6. The RTA drawdown amount per FP is calculated by dividing by 100, the outstanding amount of the RTA that has been transferred from the reserve for dividends as of the end of the FP ended January 31, 2017 (50 year x 2 FPs = 100 periods). As of the date of this document, the RTA drawdown amount per FP is approximately 335 million yen. However, ADR may increase the amount of the drawdown indicated above in order to stabilize dividend levels.

7. This does not constitute a guarantee of actual amount of dividend payment. The actual amount of dividend payment will need to be decided ultimately by ADR's Board of Directors.

## 4 Equity Finances

The following are changes in paid-in capital and total number of units issued and outstanding over the last 5 years.

Date	Remarks	Total number of units issued and outstanding		Paid-in Capital (million yen)		Notes
		Increase	Balance	Increase	Balance	
September 23, 2016	Follow-on offering	47,500	1,347,500	12,115	127,052	1
October 19, 2016	Third-party allotment	2,500	1,350,000	637	127,690	2
September 26, 2019	Follow-on offering	33,000	1,383,000	10,696	138,386	3
October 21, 2019	Third-party allotment	2,000	1,385,000	648	139,034	4

Notes 1. ADR issued new units through public offering at an offer price of 263,445 yen (paid-in amount: 255,068 yen) per unit to procure funds for new property acquisitions and for other purposes.  
2. ADR issued new units by way of third-party allotment with Mizuho Securities Co., Ltd. as the allottee at paid-in amount of 255,068 yen per unit to procure funds for new property acquisitions and for other purposes.  
3. ADR issued new units through public offering at an offer price of 334,425 yen (paid-in amount: 324,135 yen) per unit to procure funds for new property acquisitions and for other purposes.  
4. ADR issued new units by way of third-party allotment with Mizuho Securities Co., Ltd. as the allottee at paid-in amount of 324,135 yen per unit to procure funds for new property acquisitions and for other purposes.

### Market Price of Units

The following are the highs and lows of ADR's unit closing prices on the Tokyo Stock Exchange.

FP	18th FP	19th FP	20th FP	21st FP	22nd FP
Period-end	July 31, 2019	January 31, 2020	July 31, 2020	January 31, 2021	July 31, 2021
High	349,500 yen	367,000 yen	350,500 yen	342,000 yen	390,500 yen
Low	304,000 yen	331,000 yen	209,000 yen	290,000 yen	300,000 yen

# Overview of the Investment Corporation

## 1 Major Unit-holders

The following are the major unit-holders as of July 31, 2021.

Name	Address	Number of units held (units)	Percentage of issued units (%)
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	317,718	22.93
The Master Trust Bank of Japan, Ltd (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	178,814	12.91
The Nomura Trust & Banking Co., Ltd. (Investment Trust Account)	2-2-2 Otemachi, Chiyoda-ku, Tokyo	56,684	4.09
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	41,637	3.00
ITOCHU Corporation	2-5-1 Kita-Aoyama, Minato-ku, Tokyo	34,800	2.51
STICHTING PGGM DEPOSITARY PGGM LISTED REAL ESTATE PF FUND	NOORDWEG NOORD 150,3704 JG ZEIST; NETHERLANDS	22,845	1.64
STATE STREET BANK WEST CLIENT-TREATY	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A.	18,043	1.30
SSBTC CLIENT OMNIBUS ACCOUNT	ONE LINCOLN STREET, BOSTON MA USA 02111	17,221	1.24
Mizuho Securities Co., Ltd.	1-5-1, Otemachi, Chiyoda-ku, Tokyo	17,109	1.23
JAPAN SECURITIES FINANCE CO., LTD	1-2-10 Nihonbashi-Kayabacho, Chuo-ku, Tokyo	15,708	1.13
Total		720,579	52.02

Note "Percentage of issued units" (number of units held as a percentage of total number of units issued and outstanding) is rounded down to two decimal places.

## 2 Directors and Independent Auditor

- The executive director, supervisory directors, and independent auditor as of July 31, 2021, are as follows.

Title	Name	Primary concurrent positions	Total amount of compensation during the FP (thousand yen)
Executive Director	Wataru Higuchi	Senior partner, Ootemon Law and Accounting	2,700
Supervisory Director	Yoshitsugu Oba	—	1,800
Supervisory Director	Satoru Kobayashi	President, Esperanza Law Office	1,800
Independent Auditor	Deloitte Touche Tohmatsu LLC		16,500

- Policy for dismissal or refusal of reappointment of independent auditor

The board of directors of ADR shall consider the dismissal of independent auditors pursuant to the provisions of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951; as amended), and consider refusal of reappointment by comprehensively taking into account the quality of the audit, audit compensation, and other factors.



### 3 Asset Management Company, Asset Custodian, and Administrative Agents

The following is a list of ADR's asset management company, asset custodian, and administrative agents as of July 31, 2021.

	Delegation	Name
Asset management company		AD Investment Management Co., Ltd.
Asset custodian		Sumitomo Mitsui Trust Bank Limited
Administrative agent	Management of register of unit-holders	Mizuho Trust & Banking Co., Ltd.
	Management of special accounts	Mizuho Trust & Banking Co., Ltd.
	Accounting, taxation	Sumitomo Mitsui Trust Bank Limited
		AD Investment Management Co., Ltd.
	Institutional operations	AD Investment Management Co., Ltd.
	Administration of investment corporation bonds	MUFG Bank, Ltd.
		Sumitomo Mitsui Trust Bank Limited
		Mizuho Bank, Ltd.
		DBJ Securities Co., Ltd.

# Real Estate Portfolio

The following lists the real estate held by ADR as of July 31, 2021.

Property no.	Name of real estate	Location	Type of ownership	Book value at end of period (million yen)	Appraisal value at end of period (million yen) Note 1	21st (Aug. 1, 2020 to Jan. 31, 2021)				22nd (Feb. 1, 2021 to July 31, 2021)			
						Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)
P-2	RESIDIA Shinazuyama	Shinagawa-ku, Tokyo	Beneficiary interests in trust	2,401	3,970	1	93.6	92,264	0.6	1	96.0	92,803	0.5
P-3	RESIDIA Nakameguro	Meguro-ku, Tokyo	Beneficiary interests in trust	1,384	2,510	1	100.0	47,256	0.3	1	100.0	47,287	0.3
P-4	RESIDIA Setagaya-Tsurumaki	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,134	1,370	1	96.8	37,469	0.2	1	100.0	38,993	0.2
P-7	RESIDIA Ikejiriohashi	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,111	1,620	1	87.8	37,923	0.2	1	97.8	37,654	0.2
P-9	RESIDIA Kudanshita	Chiyoda-ku, Tokyo	Beneficiary interests in trust	2,012	2,860	1	95.4	77,328	0.5	1	98.9	74,634	0.4
P-10	RESIDIA Hatagaya	Shibuya-ku, Tokyo	Beneficiary interests in trust	1,036	1,410	1	98.1	32,810	0.2	1	96.3	31,016	0.2
P-13	RESIDIA Sakurajosui	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,027	1,470	1	94.1	34,394	0.2	1	94.5	34,014	0.2
P-14	RESIDIA Kita-Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	2,434	3,090	1	100.0	76,079	0.5	1	100.0	76,079	0.5
P-16	RESIDIA Shinjuku-East III	Shinjuku-ku, Tokyo	Beneficiary interests in trust	695	1,070	1	100.0	25,638	0.2	1	95.0	26,123	0.2
P-19	Leopalace Udagawacho Mansion	Shibuya-ku, Tokyo	Beneficiary interests in trust	585	761	1	100.0	17,944	0.1	1	100.0	17,948	0.1
P-21	RESIDIA Shinjuku-East II	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,356	2,090	1	92.1	46,388	0.3	1	95.8	48,048	0.3
P-22	RESIDIA Shinjuku-East	Shinjuku-ku, Tokyo	Beneficiary interests in trust	913	1,330	1	92.1	32,011	0.2	1	91.9	31,448	0.2
P-23	RESIDIA Kanda-Iwamotocho	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,346	2,330	1	95.9	61,156	0.4	1	95.4	60,092	0.4
P-24	RESIDIA Azabujuban II	Minato-ku, Tokyo	Beneficiary interests in trust	878	1,210	1	92.1	29,940	0.2	1	91.7	28,776	0.2
P-25	RESIDIA Ebisu	Shibuya-ku, Tokyo	Beneficiary interests in trust	550	798	1	92.0	20,958	0.1	1	89.7	19,959	0.1
P-26	RESIDIA Meguro	Shinagawa-ku, Tokyo	Beneficiary interests in trust	720	800	1	100.0	20,751	0.1	1	96.0	21,255	0.1
P-29	RESIDIA Hiroo II	Shibuya-ku, Tokyo	Real estate	1,463	2,320	1	91.7	55,881	0.3	1	95.3	55,412	0.3
P-30	Pianetta Shiodome	Minato-ku, Tokyo	Beneficiary interests in trust	1,735	2,470	1	94.7	62,467	0.4	1	93.4	64,019	0.4
P-31	RESIDIA Komazawadaigaku	Setagaya-ku, Tokyo	Beneficiary interests in trust	318	419	1	95.1	11,119	0.1	1	86.8	11,418	0.1
P-32	RESIDIA Yoyogi	Shibuya-ku, Tokyo	Beneficiary interests in trust	303	410	1	92.7	10,872	0.1	1	100.0	11,269	0.1
P-33	RESIDIA Nishi-Shinjuku <sup>Notes</sup>	Shinjuku-ku, Tokyo	Beneficiary interests in trust	336	454	1	100.0	12,570	0.1	1	95.7	11,912	0.1
P-35	RESIDIA Oimachi	Shinagawa-ku, Tokyo	Real estate	836	1,200	1	94.0	33,073	0.2	1	95.7	32,746	0.2
P-36	RESIDIA Ebisu II	Shibuya-ku, Tokyo	Real estate	2,207	3,070	1	96.2	71,735	0.4	1	95.2	70,838	0.4
P-37	RESIDIA Kamiochiai	Shinjuku-ku, Tokyo	Real estate	1,079	1,640	1	91.4	41,601	0.2	1	95.2	43,176	0.3
P-38	RESIDIA Higashi-Shinagawa	Shinagawa-ku, Tokyo	Real estate	1,859	2,590	1	95.9	68,104	0.4	1	97.5	67,167	0.4
P-39	RESIDIA Meguro II	Meguro-ku, Tokyo	Real estate	1,122	1,480	1	92.6	36,957	0.2	1	94.8	35,378	0.2
P-40	RESIDIA Toranomon	Minato-ku, Tokyo	Real estate	1,231	1,940	1	100.0	43,608	0.3	1	96.8	44,569	0.3
P-41	RESIDIA Shin-Ochanomizu	Chiyoda-ku, Tokyo	Real estate	1,070	1,760	1	95.4	40,820	0.2	1	93.8	41,800	0.2
P-42	RESIDIA Kagurazaka	Shinjuku-ku, Tokyo	Real estate	840	1,260	1	92.7	30,773	0.2	1	100.0	31,851	0.2
P-43	RESIDIA Oimachi II	Shinagawa-ku, Tokyo	Real estate	963	1,480	1	97.1	35,444	0.2	1	85.0	33,856	0.2
P-45	RESIDIA Jiyugaoka	Meguro-ku, Tokyo	Beneficiary interests in trust	995	1,460	1	97.1	36,059	0.2	1	97.3	34,996	0.2
P-47	RESIDIA Suidobashi	Chiyoda-ku, Tokyo	Real estate	2,184	3,240	1	98.6	79,636	0.5	1	91.8	79,492	0.5
P-48	RESIDIA TOWER Nogizaka	Minato-ku, Tokyo	Real estate	3,488	4,950	1	96.1	104,975	0.6	1	95.8	112,300	0.7
P-49	RESIDIA Akasaka	Minato-ku, Tokyo	Real estate	1,115	1,650	1	86.5	40,444	0.2	1	98.3	38,167	0.2
P-50	RESIDIA Nishi-Azabu	Minato-ku, Tokyo	Beneficiary interests in trust	6,412	9,680	1	95.8	221,082	1.3	1	95.9	216,425	1.3
P-51	RESIDIA Daikanyama	Shibuya-ku, Tokyo	Beneficiary interests in trust	1,987	2,570	1	97.2	59,582	0.4	1	95.7	57,926	0.3
P-52	RESIDIA Ichigaya	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,358	3,650	1	93.3	79,469	0.5	1	96.8	82,218	0.5
P-53	RESIDIA Roppongi-Hinokichikoen	Minato-ku, Tokyo	Beneficiary interests in trust	3,533	5,490	1	93.3	131,705	0.8	1	91.1	130,053	0.8
P-55	RESIDIA TOWER Meguro-Fudomae	Shinagawa-ku, Tokyo	Real estate	14,409	21,200	1	97.0	537,355	3.2	1	97.2	547,010	3.2
P-56	RESIDIA Sangenjaya	Setagaya-ku, Tokyo	Real estate	2,537	3,850	1	88.5	87,257	0.5	1	97.4	91,504	0.5
P-59	RESIDIA Kanda-Higashi	Chiyoda-ku, Tokyo	Real estate	1,503	2,450	1	97.1	61,128	0.4	1	92.2	60,502	0.4
P-60	RESIDIA Higashi-Azabu	Minato-ku, Tokyo	Real estate	1,325	1,750	1	93.6	43,410	0.3	1	94.2	41,046	0.2
P-61	RESIDIA Ebisu-Minami	Shibuya-ku, Tokyo	Real estate	1,904	2,490	1	95.5	57,887	0.3	1	93.1	61,376	0.4
P-62	RESIDIA TOWER Azabujuban	Minato-ku, Tokyo	Real estate	6,042	8,990	1	93.0	206,293	1.2	1	95.2	203,906	1.2

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						Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousand yen) Note 4	Percentage of total rent revenue (%)
P-63	RESIDIA Shibuya	Shibuya-ku, Tokyo	Real estate	1,195	1,840	1	97.4	40,795	0.2	1	90.7	41,654	0.2
P-64	RESIDIA Nakanobu	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,712	2,760	1	93.9	66,004	0.4	1	93.7	63,844	0.4
P-65	RESIDIA Azabudai	Minato-ku, Tokyo	Beneficiary interests in trust	1,521	2,100	1	93.6	49,566	0.3	1	95.1	49,625	0.3
P-66	RESIDIA Shibadaimon II	Minato-ku, Tokyo	Beneficiary interests in trust	1,643	2,200	1	93.7	52,097	0.3	1	97.9	51,671	0.3
P-67	RESIDIA Kanda	Chiyoda-ku, Tokyo	Real estate	1,065	1,660	1	95.9	40,664	0.2	1	83.1	40,272	0.2
P-68	RESIDIA Sangenjaya II	Setagaya-ku, Tokyo	Real estate	1,192	1,720	1	96.9	42,362	0.3	1	85.1	40,518	0.2
P-69	RESIDIA Nishi-Shinjuku II	Shinjuku-ku, Tokyo	Real estate	1,662	2,480	1	85.1	57,204	0.3	1	97.5	57,722	0.3
P-70	RESIDIA Hiroo-Minami	Shibuya-ku, Tokyo	Real estate	851	1,260	1	92.5	27,486	0.2	1	96.2	28,698	0.2
P-72	RESIDIA Mejiro-Otomeyama	Shinjuku-ku, Tokyo	Beneficiary interests in trust	951	1,320	1	90.0	32,855	0.2	1	96.3	34,191	0.2
P-73	RESIDIA Shibaura	Minato-ku, Tokyo	Beneficiary interests in trust	4,264	7,040	1	98.1	184,095	1.1	1	95.6	185,360	1.1
P-74	RESIDIA Gotenyama	Shinagawa-ku, Tokyo	Real estate	866	1,090	1	95.0	30,579	0.2	1	100.0	29,681	0.2
P-75	RESIDIA Yutenji	Meguro-ku, Tokyo	Beneficiary interests in trust	4,963	6,650	1	95.0	157,322	0.9	1	96.7	157,686	0.9
P-76	Park Tower Shibaura Bayward Urban Wing	Minato-ku, Tokyo	Beneficiary interests in trust	9,010	13,800	1	96.2	329,810	2.0	1	94.0	327,702	1.9
P-79	RESIDIA Kamimeguro	Meguro-ku, Tokyo	Beneficiary interests in trust	833	1,300	1	79.5	31,572	0.2	1	93.4	31,751	0.2
P-84	RESIDIA Kita-Shinjuku	Shinjuku-ku, Tokyo	Real estate	1,331	1,910	1	92.3	45,735	0.3	1	100.0	46,999	0.3
P-85	RESIDIA Komazawa	Setagaya-ku, Tokyo	Beneficiary interests in trust	794	1,360	1	100.0	28,095	0.2	1	100.0	28,095	0.2
P-86	RESIDIA Shibaura KAIGAN	Minato-ku, Tokyo	Beneficiary interests in trust	2,248	3,370	1	98.6	88,356	0.5	1	97.7	87,728	0.5
P-87	RESIDIA Ichigaya-Yakuoji	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,914	2,910	1	96.4	64,895	0.4	1	95.6	66,252	0.4
P-88	RESIDIA Yoga	Setagaya-ku, Tokyo	Real estate	1,498	2,070	1	97.5	51,476	0.3	1	94.8	50,095	0.3
P-89	RESIDIA TOWER Nakameguro	Meguro-ku, Tokyo	Real estate	3,451	5,430	1	90.5	114,341	0.7	1	96.7	123,641	0.7
P-90	RESIDIA Sasazuka II	Shibuya-ku, Tokyo	Beneficiary interests in trust	3,586	5,280	1	97.1	123,792	0.7	1	96.1	124,921	0.7
P-91	RESIDIA Meguro III	Meguro-ku, Tokyo	Beneficiary interests in trust	932	1,620	1	96.7	34,726	0.2	1	91.7	32,875	0.2
P-92	RESIDIA Jiyugaoka II	Setagaya-ku, Tokyo	Beneficiary interests in trust	765	1,080	1	100.0	26,924	0.2	1	100.0	27,269	0.2
P-93	RESIDIA Kudanshita II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,194	2,010	1	98.4	44,994	0.3	1	93.9	44,735	0.3
P-94	RESIDIA Omori II	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,551	2,490	1	99.0	56,557	0.3	1	95.8	57,377	0.3
P-95	RESIDIA Shirokane-Takanawa	Minato-ku, Tokyo	Beneficiary interests in trust	1,429	2,340	1	82.2	51,440	0.3	1	89.8	47,652	0.3
P-96	RESIDIA Nakaochiai	Shinjuku-ku, Tokyo	Beneficiary interests in trust	3,720	5,010	1	94.1	117,022	0.7	1	97.7	120,663	0.7
P-97	RESIDIA Nakameguro	Meguro-ku, Tokyo	Beneficiary interests in trust	1,108	1,720	1	91.9	35,634	0.2	1	94.1	37,358	0.2
P-98	Artis Court Minamioyama	Minato-ku, Tokyo	Beneficiary interests in trust	1,709	2,130	1	91.7	56,683	0.3	1	85.1	53,074	0.3
P-99	RESIDIA Yotsuya Sanchome	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,028	3,020	1	99.2	83,220	0.5	1	96.8	81,304	0.5
P-100	RESIDIA Takanawa Katsurazaka	Minato-ku, Tokyo	Beneficiary interests in trust	928	1,290	1	95.8	30,717	0.2	1	100.0	30,310	0.2
P-101	RESIDIA Ebisu III	Shibuya-ku, Tokyo	Real estate	644	914	1	100.0	20,375	0.1	1	95.9	21,351	0.1
P-102	RESIDIA Shinjukugyoen	Shinjuku-ku, Tokyo	Beneficiary interests in trust	707	1,090	1	92.5	25,360	0.2	1	97.5	28,267	0.2
P-103	RESIDIA Minami Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,173	1,710	1	95.7	38,379	0.2	1	91.6	37,707	0.2
P-104	Chester Court Ochanomizu	Chiyoda-ku, Tokyo	Beneficiary interests in trust	3,150	4,360	1	92.3	104,965	0.6	1	95.6	108,215	0.6
P-105	RESIDIA Kanda-Iwamotocho II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,279	1,900	1	94.0	42,903	0.3	1	94.2	43,306	0.3
P-106	RESIDIA Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	978	1,430	1	91.5	32,966	0.2	1	94.9	32,955	0.2
P-107	RESIDIA Yoyogi II	Shibuya-ku, Tokyo	Real estate	888	1,080	1	85.9	23,045	0.1	1	95.1	23,446	0.1
P-108	RESIDIA Nakanobu II	Shinagawa-ku, Tokyo	Beneficiary interests in trust	922	1,220	1	97.8	27,334	0.2	1	93.7	26,788	0.2
P-109	RESIDIA Ochanomizu II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	827	1,140	1	96.8	25,608	0.2	1	97.3	26,605	0.2
P-110	RESIDIA Mishuku	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,167	1,510	1	100.0	34,038	0.2	1	100.0	34,379	0.2
P-111	RESIDIA Ichigaya II	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,984	2,350	1	90.9	54,418	0.3	1	92.0	53,648	0.3
P-112	RESIDIA Ichigaya-Sadohara	Shinjuku-ku, Tokyo	Beneficiary interests in trust	4,242	5,060	1	96.3	134,540	0.8	1	89.9	142,664	0.8
P-113	RESIDIA Nishi-Koyama	Meguro-ku, Tokyo	Beneficiary interests in trust	1,718	2,250	1	97.3	49,499	0.3	1	100.0	48,528	0.3
P-114	RESIDIA Minami-Shinagawa II	Shinagawa-ku, Tokyo	Real estate	2,212	2,720	1	97.1	59,537	0.4	1	99.0	60,420	0.4
P-115	RESIDIA Kagurazaka II	Shinjuku-ku, Tokyo	Real estate	1,153	1,500	1	97.1	30,972	0.2	1	91.4	28,018	0.2
P-116	RESIDIA Otemachi-Kita	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,568	1,910	1	81.5	38,976	0.2	1	97.7	43,930	0.3
C-1	RESIDIA Mitsukoshimae	Chuo-ku, Tokyo	Beneficiary interests in trust	1,528	3,030	1	92.9	67,618	0.4	1	94.6	66,793	0.4

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C-2	RESIDIA Kamata	Ota-ku, Tokyo	Beneficiary interests in trust	2,063	4,120	1	98.9	99,836	0.6	1	95.5	106,778	0.6
C-3	RESIDIA Ikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	1,405	2,090	1	98.6	52,802	0.3	1	98.6	52,247	0.3
C-4	RESIDIA Bunkyo-Hongo	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,509	2,590	1	98.8	58,660	0.4	1	95.8	58,838	0.3
C-5	RESIDIA Asakusabashi	Taito-ku, Tokyo	Beneficiary interests in trust	891	1,660	1	95.8	40,947	0.2	1	87.5	40,103	0.2
C-6	Maison Eclairée Ekoda	Nerima-ku, Tokyo	Beneficiary interests in trust	876	1,140	1	95.8	34,977	0.2	1	89.4	36,205	0.2
C-7	RESIDIA Ueno-Okachimachi	Taito-ku, Tokyo	Beneficiary interests in trust	2,732	4,310	1	99.3	102,866	0.6	1	96.3	99,871	0.6
C-8	RESIDIA Bunkyo-Hongo II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,521	2,270	1	96.7	50,508	0.3	1	96.7	51,794	0.3
C-9	RESIDIA Ryogoku	Sumida-ku, Tokyo	Beneficiary interests in trust	816	1,420	1	93.3	34,555	0.2	1	93.3	34,173	0.2
C-12	RESIDIA Nihonbashi-Ningyocho II	Chuo-ku, Tokyo	Beneficiary interests in trust	2,850	4,490	1	97.6	101,901	0.6	1	97.6	109,698	0.6
C-13	RESIDIA Omori-Higashi	Ota-ku, Tokyo	Beneficiary interests in trust	1,754	2,310	1	91.6	57,159	0.3	1	93.7	56,539	0.3
C-15	RESIDIA Kinshicho	Sumida-ku, Tokyo	Beneficiary interests in trust	3,885	5,340	1	98.1	122,001	0.7	1	92.6	122,491	0.7
C-16	RESIDIA Negishi	Taito-ku, Tokyo	Beneficiary interests in trust	776	1,080	1	96.3	28,323	0.2	1	100.0	28,975	0.2
C-17	RESIDIA Shinkawa	Chuo-ku, Tokyo	Beneficiary interests in trust	1,769	2,860	1	94.0	67,590	0.4	1	91.9	65,245	0.4
C-18	RESIDIA Kamiikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	514	795	1	100.0	22,025	0.1	1	100.0	22,325	0.1
C-19	RESIDIA Shin-nakano	Nakano-ku, Tokyo	Beneficiary interests in trust	340	580	1	96.7	16,036	0.1	1	86.6	15,793	0.1
C-21	RESIDIA Bunkyo-Yushima II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	930	1,380	1	100.0	37,362	0.2	1	97.5	35,715	0.2
C-22	RESIDIA Tsukiji	Chuo-ku, Tokyo	Real estate	1,323	2,240	1	95.8	50,640	0.3	1	95.4	54,182	0.3
C-23	RESIDIA Sasazuka	Suginami-ku, Tokyo	Beneficiary interests in trust	1,749	2,280	1	95.4	63,703	0.4	1	92.5	64,076	0.4
C-25	RESIDIA Tamagawa	Ota-ku, Tokyo	Beneficiary interests in trust	1,119	1,870	1	100.0	48,553	0.3	1	97.0	47,849	0.3
C-26	RESIDIA Korakuen	Bunkyo-ku, Tokyo	Beneficiary interests in trust	567	858	1	97.2	21,324	0.1	1	100.0	21,954	0.1
C-27	RESIDIA Ginza-Higashi	Chuo-ku, Tokyo	Beneficiary interests in trust	1,851	3,060	1	88.4	69,531	0.4	1	92.5	66,698	0.4
C-28	RESIDIA Oji	Kita-ku, Tokyo	Beneficiary interests in trust	754	1,110	1	100.0	33,726	0.2	1	100.0	33,717	0.2
C-29	RESIDIA Mejiro II	Toshima-ku, Tokyo	Real estate	947	1,300	1	94.7	35,663	0.2	1	96.5	37,686	0.2
C-31	RESIDIA Tsukishima	Chuo-ku, Tokyo	Real estate	980	1,440	1	100.0	38,039	0.2	1	92.0	37,560	0.2
C-32	RESIDIA Kamata II	Ota-ku, Tokyo	Real estate	1,239	1,930	1	95.0	46,922	0.3	1	94.1	47,559	0.3
C-33	RESIDIA Tsukishima II	Chuo-ku, Tokyo	Beneficiary interests in trust	2,262	3,300	1	93.1	84,594	0.5	1	98.3	84,591	0.5
C-34	RESIDIA Kinshicho II	Sumida-ku, Tokyo	Real estate	2,174	3,090	1	96.3	76,733	0.5	1	91.8	78,057	0.5
C-35	RESIDIA Bunkyo-Otowa	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,991	4,660	1	98.7	120,837	0.7	1	92.0	119,232	0.7
C-36	RESIDIA Bunkyo-Sengoku	Bunkyo-ku, Tokyo	Beneficiary interests in trust	638	1,050	1	97.1	27,329	0.2	1	88.1	25,736	0.2
C-37	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	Beneficiary interests in trust	970	1,560	1	98.1	38,984	0.2	1	93.1	38,113	0.2
C-38	RESIDIA Ikegami	Ota-ku, Tokyo	Beneficiary interests in trust	354	489	1	96.7	13,750	0.1	1	93.7	13,239	0.1
C-39	RESIDIA Nihonbashi-Ningyocho	Chuo-ku, Tokyo	Beneficiary interests in trust	510	935	1	85.6	17,788	0.1	1	92.5	21,046	0.1
C-40	RESIDIA Bunkyo-Sengoku II	Bunkyo-ku, Tokyo	Real estate	1,333	1,990	1	93.4	47,757	0.3	1	95.1	49,395	0.3
C-41	RESIDIA Iriya	Taito-ku, Tokyo	Beneficiary interests in trust	830	1,250	1	92.5	38,993	0.2	1	96.7	37,410	0.2
C-42	RESIDIA Nihonbashi-Hamacho	Chuo-ku, Tokyo	Real estate	1,225	1,810	1	100.0	44,918	0.3	1	84.5	44,514	0.3
C-43	RESIDIA Shin-Okachimachi	Taito-ku, Tokyo	Real estate	1,724	2,390	1	93.6	60,586	0.4	1	92.1	60,775	0.4
C-44	RESIDIA Chidoricho	Ota-ku, Tokyo	Real estate	1,169	1,600	1	96.7	44,155	0.3	1	94.8	41,864	0.2
C-45	RESIDIA Shinkawa II	Chuo-ku, Tokyo	Beneficiary interests in trust	1,243	1,960	1	92.1	48,013	0.3	1	96.4	46,230	0.3
C-46	RESIDIA Mejiro	Toshima-ku, Tokyo	Beneficiary interests in trust	5,901	8,850	1	96.3	240,646	1.4	1	94.1	239,351	1.4
C-47	RESIDIA Kasai	Edogawa-ku, Tokyo	Beneficiary interests in trust	623	839	1	100.0	27,183	0.2	1	100.0	28,969	0.2
C-48	RESIDIA Nihonbashi-Bakurocho	Chuo-ku, Tokyo	Real estate	4,931	8,150	1	94.7	200,731	1.2	1	96.7	202,539	1.2
C-49	RESIDIA Suginami-Honancho	Suginami-ku, Tokyo	Beneficiary interests in trust	3,445	6,290	1	92.4	150,618	0.9	1	93.8	156,018	0.9
C-50	RESIDIA Shin-Itabashi	Itabashi-ku, Tokyo	Beneficiary interests in trust	814	1,350	1	100.0	29,739	0.2	1	100.0	29,739	0.2
C-51	RESIDIA Kiba	Koto-ku, Tokyo	Beneficiary interests in trust	1,799	3,460	1	96.1	81,594	0.5	1	96.1	81,394	0.5
C-52	RESIDIA Bunkyo-Yushima III	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,051	1,760	1	100.0	39,902	0.2	1	100.0	44,673	0.3
C-53	RESIDIA Bunkyo- Honkomagome	Bunkyo-ku, Tokyo	Real estate	2,195	3,390	1	96.8	84,120	0.5	1	97.8	83,188	0.5
C-54	RESIDIA Tsukishima III	Chuo-ku, Tokyo	Beneficiary interests in trust	2,370	4,310	1	90.7	91,417	0.5	1	94.1	93,496	0.6
C-55	RESIDIA Minami-senju	Arakawa-ku, Tokyo	Beneficiary interests in trust	2,221	3,990	1	96.2	171,246	1.0	1	94.4	168,738	1.0

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C-56	RESIDIA Ogikubo	Suginami-ku, Tokyo	Real estate	1,748	2,680	1	94.4	62,926	0.4	1	94.7	66,433	0.4
C-57	RESIDIA Monzennakacho	Koto-ku, Tokyo	Beneficiary interests in trust	997	1,580	1	91.1	35,918	0.2	1	95.6	36,715	0.2
C-58	RESIDIA Ochanomizu	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,955	3,390	1	95.4	79,427	0.5	1	96.7	77,689	0.5
C-59	RESIDIA Omori	Ota-ku, Tokyo	Beneficiary interests in trust	1,101	1,710	1	98.7	42,656	0.3	1	98.7	42,339	0.3
C-60	RESIDIA Nakamurabashi	Nerima-ku, Tokyo	Beneficiary interests in trust	993	1,570	1	94.6	39,585	0.2	1	98.7	39,811	0.2
C-61	RESIDIA Kachidoki	Chuo-ku, Tokyo	Beneficiary interests in trust	1,693	2,910	1	95.2	65,451	0.4	1	98.5	67,883	0.4
C-62	RESIDIA Bunkyo-Otowa II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,220	3,610	1	96.3	83,509	0.5	1	94.4	86,863	0.5
C-63	RESIDIA Kinshicho III	Koto-ku, Tokyo	Beneficiary interests in trust	620	958	1	100.0	25,414	0.2	1	100.0	25,478	0.2
C-64	RESIDIA Kamata III	Ota-ku, Tokyo	Beneficiary interests in trust	901	1,430	1	95.0	34,207	0.2	1	93.6	34,423	0.2
C-65	RESIDIA TOWER Kamiikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	7,635	13,200	1	96.9	750,894	4.5	1	96.9	755,830	4.5
C-66	RESIDIA Takashimadaira	Itabashi-ku, Tokyo	Real estate	507	670	1	100.0	16,193	0.1	1	100.0	16,192	0.1
C-67	RESIDIA Shimura-Sakaue	Itabashi-ku, Tokyo	Real estate	595	773	1	100.0	18,084	0.1	1	100.0	18,084	0.1
C-68	RESIDIA Shimura-Sakaue II	Itabashi-ku, Tokyo	Beneficiary interests in trust	1,104	1,540	1	100.0	36,298	0.2	1	100.0	36,294	0.2
C-69	RESIDIA Shimura-Sakaue III	Itabashi-ku, Tokyo	Real estate	473	564	1	100.0	13,608	0.1	1	100.0	13,608	0.1
C-70	RESIDIA Ikebukuro West	Itabashi-ku, Tokyo	Beneficiary interests in trust	1,072	1,520	1	96.8	43,790	0.3	1	100.0	44,261	0.3
C-71	RESIDIA Ojima	Koto-ku, Tokyo	Beneficiary interests in trust	1,230	1,820	1	93.2	41,446	0.2	1	91.0	44,952	0.3
C-72	RESIDIA Machiya	Arakawa-ku, Tokyo	Beneficiary interests in trust	1,154	1,590	1	97.1	46,373	0.3	1	100.0	46,840	0.3
C-73	RESIDIA Ueno-Ikenohata	Taito-ku, Tokyo	Beneficiary interests in trust	1,796	2,390	1	92.2	57,059	0.3	1	91.5	54,483	0.3
C-74	RESIDIA Nerima	Nerima-ku, Tokyo	Beneficiary interests in trust	498	729	1	100.0	18,060	0.1	1	100.0	18,060	0.1
C-75	RESIDIA Higashi-Nihonbashi	Chuo-ku, Tokyo	Beneficiary interests in trust	388	572	1	92.7	15,500	0.1	1	92.5	13,955	0.1
C-76	RESIDIA Nakano	Nakano-ku, Tokyo	Real estate	683	952	1	92.4	23,712	0.1	1	94.9	22,163	0.1
C-77	RESIDIA Ogikubo II	Suginami-ku, Tokyo	Real estate	476	619	1	100.0	13,620	0.1	1	100.0	13,620	0.1
C-78	RESIDIA Minamiyukigaya	Ota-ku, Tokyo	Beneficiary interests in trust	1,327	1,710	1	96.5	44,897	0.3	1	98.6	45,036	0.3
C-79	RESIDIA Akihabara	Taito-ku, Tokyo	Beneficiary interests in trust	969	1,450	1	97.0	35,730	0.2	1	91.5	32,928	0.2
C-80	RESIDIA Asakusa-Azumabashi	Sumida-ku, Tokyo	Beneficiary interests in trust	864	1,300	1	98.4	32,750	0.2	1	96.6	31,874	0.2
C-81	RESIDIA Omori III	Ota-ku, Tokyo	Beneficiary interests in trust	1,390	1,950	1	98.6	42,513	0.3	1	93.7	43,332	0.3
C-82	RESIDIA Nihonbashi-Bakurocho II	Chuo-ku, Tokyo	Beneficiary interests in trust	1,976	2,860	1	95.2	59,396	0.4	1	94.2	59,635	0.4
C-83	RESIDIA Nihonbashi-Bakurocho III	Chuo-ku, Tokyo	Beneficiary interests in trust	1,826	2,690	1	93.6	62,968	0.4	1	93.6	63,949	0.4
C-84	RESIDIA Bunkyo-Hongo III	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,660	2,240	1	97.5	50,457	0.3	1	95.9	50,282	0.3
C-85	RESIDIA Shin-Okachimachi II	Taito-ku, Tokyo	Beneficiary interests in trust	4,659	6,170	1	95.4	139,038	0.8	1	95.1	138,506	0.8
C-86	RESIDIA Kameido	Koto-ku, Tokyo	Beneficiary interests in trust	3,017	3,920	1	94.9	85,702	0.5	1	98.6	86,791	0.5
C-87	RESIDIA Koenji	Suginami-ku, Tokyo	Beneficiary interests in trust	1,394	1,850	1	98.5	41,576	0.2	1	93.3	41,329	0.2
C-88	RESIDIA Kamata V	Ota-ku, Tokyo	Real estate	2,334	2,870	1	90.1	65,344	0.4	1	95.0	66,525	0.4
C-89	RESIDIA Kamata IV	Ota-ku, Tokyo	Real estate	3,344	4,100	1	89.4	87,550	0.5	1	96.4	87,872	0.5
C-90	RESIDIA Ikegami II	Ota-ku, Tokyo	Beneficiary interests in trust	1,107	1,370	1	100.0	34,834	0.2	1	98.0	30,873	0.2
C-91	RESIDIA Sasazuka III	Suginami-ku, Tokyo	Real estate	1,422	1,720	1	88.9	37,605	0.2	1	91.1	35,906	0.2
C-92	RESIDIA Nakano-Fujimidai	Nakano-ku, Tokyo	Beneficiary interests in trust	1,809	1,940	1	80.9	12,691	0.1	1	96.9	45,587	0.3
S-2	Chester House Kawaguchi	Kawaguchi-shi, Saitama	Beneficiary interests in trust	671	762	1	94.9	29,455	0.2	1	100.0	29,453	0.2
S-4	RESIDIA Higashi-Matsudo	Matsudo-shi, Chiba	Beneficiary interests in trust	960	1,350	1	100.0	43,461	0.3	1	92.8	45,231	0.3
S-5	RESIDIA Shin-Yokohama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,692	2,310	1	96.9	66,550	0.4	1	96.9	69,911	0.4
S-7	RESIDIA Chofu	Chofu-shi, Tokyo	Beneficiary interests in trust	1,027	1,370	1	95.1	35,003	0.2	1	100.0	35,841	0.2
S-11	Tokyo Student-House WAKO	Wako-shi, Saitama	Beneficiary interests in trust	629	783	1	100.0	26,182	0.2	1	100.0	26,186	0.2
S-12	RESIDIA Kokubunji	Kokubunji-shi, Tokyo	Beneficiary interests in trust	473	717	1	100.0	19,764	0.1	1	97.0	21,883	0.1
S-14	RESIDIA Yokohama-Kannai	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,500	1,970	1	91.6	52,382	0.3	1	95.2	53,635	0.3
S-15	RESIDIA Okurayama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	682	949	1	100.0	27,669	0.2	1	100.0	26,685	0.2
S-16	RESIDIA Musashikosugi	Kawasaki-shi, Kanagawa	Real estate	1,442	2,160	1	97.0	58,326	0.3	1	99.0	59,228	0.4
S-17	RESIDIA Funabashi I RESIDIA Funabashi II	Funabashi-shi, Chiba	Beneficiary interests in trust	2,443	3,620	1	98.9	100,999	0.6	1	98.4	106,212	0.6
S-19	RESIDIA Kichijoji	Musashino-shi, Tokyo	Beneficiary interests in trust	1,403	1,900	1	98.0	51,110	0.3	1	93.5	49,749	0.3

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S-20	Pacific Royal Court Minatomirai Ocean Tower	Yokohama-shi, Kanagawa	Real estate and leasehold rights to real estate	10,655	16,900	1	100.0	566,209	3.4	1	100.0	566,199	3.4
S-22	Life & Senior House Kohoku II	Yokohama-shi, Kanagawa	Real estate	1,623	2,330	1	100.0	71,047	0.4	1	100.0	70,752	0.4
S-23	College Court Tanashi	Nishi-Tokyo-shi, Tokyo	Beneficiary interests in trust	724	1,230	1	100.0	32,760	0.2	1	100.0	32,760	0.2
S-24	RESIDIA Urayasu	Urayasu-shi, Chiba	Beneficiary interests in trust	1,980	3,230	1	92.0	81,160	0.5	1	98.3	83,833	0.5
S-25	RESIDIA Minami-Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	843	1,210	1	95.3	35,448	0.2	1	92.9	35,904	0.2
S-26	RESIDIA Urayasu	Urayasu-shi, Chiba	Beneficiary interests in trust	788	1,190	1	97.3	33,417	0.2	1	93.2	32,754	0.2
S-27	RESIDIA Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	767	1,140	1	98.7	33,644	0.2	1	96.0	37,180	0.2
S-28	RESIDIA Kawasaki	Kawasaki-shi, Kanagawa	Beneficiary interests in trust	1,542	2,520	1	92.7	63,368	0.4	1	90.8	63,045	0.4
S-29	Cocofump Hiyoshi	Yokohama-shi, Kanagawa	Beneficiary interests in trust	933	1,170	1	100.0	45,000	0.3	1	100.0	45,000	0.3
S-30	RESIDIA Sagami-hara	Sagami-hara-shi, Kanagawa	Beneficiary interests in trust	1,095	1,440	1	100.0	43,112	0.3	1	100.0	43,112	0.3
S-31	RESIDIA Yokohama-Bashamichi	Yokohama-shi, Kanagawa	Beneficiary interests in trust	747	1,040	1	100.0	34,948	0.2	1	100.0	34,225	0.2
S-32	RESIDIA Hon-Atsugi	Atsugi-shi, Kanagawa	Real estate	613	789	1	92.5	23,592	0.1	1	98.1	26,229	0.2
S-33	RESIDIA Funabashi III	Funabashi-shi, Chiba	Real estate	654	758	1	100.0	23,277	0.1	1	100.0	20,127	0.1
S-34	RESIDIA Funabashi IV	Funabashi-shi, Chiba	Beneficiary interests in trust	598	640	1	95.3	18,230	0.1	1	93.0	19,116	0.1
R-2	RESIDIA Imadegawa	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,452	1,760	1	100.0	60,761	0.4	1	100.0	60,754	0.4
R-4	RESIDIA Higashizakura	Nagoya-shi, Aichi	Beneficiary interests in trust	936	1,400	1	95.7	43,575	0.3	1	95.7	44,838	0.3
R-8	RESIDIA Kobe Port Island	Kobe-shi, Hyogo	Beneficiary interests in trust	3,245	4,770	1	100.0	125,679	0.8	1	100.0	126,161	0.7
R-10	RESIDIA Hakata	Fukuoka-shi, Fukuoka	Real estate	1,199	1,640	1	95.7	52,595	0.3	1	94.6	53,429	0.3
R-11	RESIDIA Tenjinbashi	Osaka-shi, Osaka	Beneficiary interests in trust	791	1,220	1	93.2	35,144	0.2	1	89.8	34,758	0.2
R-12	RESIDIA Sannomiya-Higashi	Kobe-shi, Hyogo	Real estate	1,932	3,270	1	96.0	89,717	0.5	1	97.9	89,840	0.5
R-13	KC21 Building	Sendai-shi, Miyagi	Real estate	832	1,030	1	94.2	35,555	0.2	1	96.4	37,706	0.2
R-14	RESIDIA Utsukokoen	Osaka-shi, Osaka	Real estate	998	1,650	1	91.7	46,351	0.3	1	92.3	45,572	0.3
R-15	RESIDIA Kyoto-ekimae	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,810	2,810	1	96.9	79,214	0.5	1	94.3	82,714	0.5
R-16	RESIDIA Takaoka	Nagoya-shi, Aichi	Real estate	2,055	3,560	1	94.8	93,352	0.6	1	96.7	96,258	0.6
R-17	RESIDIA Hibino	Nagoya-shi, Aichi	Beneficiary interests in trust	1,062	1,550	1	97.5	66,660	0.4	1	97.5	66,584	0.4
R-19	RESIDIA Tenjin-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	874	1,220	1	96.4	39,192	0.2	1	94.6	39,450	0.2
R-20	RESIDIA Hakataeki-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	296	435	1	97.4	16,044	0.1	1	100.0	16,555	0.1
R-21	RESIDIA Hisaya-Oodori II	Nagoya-shi, Aichi	Real estate	571	852	1	97.4	27,803	0.2	1	87.8	27,077	0.2
R-24	RESIDIA Minami-Ichijo	Sapporo-shi, Hokkaido	Real estate	1,394	2,160	1	94.3	74,452	0.4	1	96.6	75,714	0.4
R-25	RESIDIA Odori-Nishi	Sapporo-shi, Hokkaido	Real estate	1,144	1,540	1	92.8	57,789	0.3	1	99.3	60,727	0.4
R-26	RESIDIA Kita-Sanjo	Sapporo-shi, Hokkaido	Real estate	1,070	1,500	1	95.2	47,036	0.3	1	92.8	48,492	0.3
R-27	RESIDIA Shirakabe-Higashi	Nagoya-shi, Aichi	Real estate	718	930	1	100.0	32,907	0.2	1	100.0	33,012	0.2
R-29	RESIDIA Uzumasa	Kyoto-shi, Kyoto	Real estate	697	816	1	100.0	33,964	0.2	1	93.7	33,902	0.2
R-30	RESIDIA Izumi	Nagoya-shi, Aichi	Real estate	3,163	4,380	1	97.0	145,605	0.9	1	89.0	141,103	0.8
R-31	RESIDIA Maruyama Kita-Gojo	Sapporo-shi, Hokkaido	Real estate	911	1,320	1	92.9	43,346	0.3	1	96.0	46,196	0.3
R-32	RESIDIA Tokugawa	Nagoya-shi, Aichi	Real estate	694	938	1	100.0	29,477	0.2	1	96.7	30,056	0.2
R-34	RESIDIA Odori-Koen	Sapporo-shi, Hokkaido	Real estate	1,767	2,820	1	95.1	89,613	0.5	1	96.4	94,593	0.6
R-35	RESIDIA Tanimachi	Osaka-shi, Osaka	Real estate	1,039	1,740	1	94.7	45,559	0.3	1	95.7	46,383	0.3
R-36	RESIDIA Hisaya-Oodori	Nagoya-shi, Aichi	Beneficiary interests in trust	610	955	1	95.2	28,309	0.2	1	87.3	27,627	0.2
R-37	RESIDIA Sendai-Miyamachi	Sendai-shi, Miyagi	Beneficiary interests in trust	478	790	1	100.0	23,152	0.1	1	100.0	25,369	0.2
R-38	RESIDIA Hirose-dori	Sendai-shi, Miyagi	Beneficiary interests in trust	448	706	1	100.0	21,947	0.1	1	100.0	21,944	0.1
R-39	RESIDIA Edobori	Osaka-shi, Osaka	Real estate	1,332	1,960	1	98.4	58,069	0.3	1	96.9	58,486	0.3
R-40	RESIDIA Kyomachibori	Osaka-shi, Osaka	Real estate	955	1,470	1	93.3	43,261	0.3	1	96.0	41,682	0.2
R-41	RESIDIA Esaka	Suita-shi, Osaka	Beneficiary interests in trust	973	1,370	1	97.5	37,861	0.2	1	97.7	37,897	0.2
R-42	RESIDIA Nishijin	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	2,126	3,360	1	93.4	103,777	0.6	1	96.0	107,576	0.6
R-43	RESIDIA Tsurumai	Nagoya-shi, Aichi	Beneficiary interests in trust	1,094	1,720	1	93.8	54,571	0.3	1	96.1	53,562	0.3
R-44	RESIDIA Kobe-Isogami	Kobe-shi, Hyogo	Beneficiary interests in trust	2,463	3,920	1	96.4	111,618	0.7	1	95.1	111,550	0.7
R-45	RESIDIA Kita-Niijo-East	Sapporo-shi, Hokkaido	Beneficiary interests in trust	959	1,220	1	90.0	40,913	0.2	1	96.7	41,483	0.2

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R-46	RESIDIA Shinsaibashi West	Osaka-shi, Osaka	Beneficiary interests in trust	1,809	2,630	1	99.0	72,857	0.4	1	94.5	74,638	0.4
R-47	RESIDIA Marunouchi	Nagoya-shi, Aichi	Beneficiary interests in trust	900	1,270	1	97.8	39,321	0.2	1	94.3	39,211	0.2
R-48	RESIDIA Sapporo-Ekimae	Sapporo-shi, Hokkaido	Beneficiary interests in trust	1,339	2,150	1	95.1	73,290	0.4	1	95.8	75,293	0.4
R-49	RESIDIA Goshō-Higashi	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,153	1,780	1	93.1	46,267	0.3	1	94.8	45,830	0.3
R-50	RESIDIA Rakuhoku	Kyoto-shi, Kyoto	Beneficiary interests in trust	827	1,170	1	98.7	34,910	0.2	1	100.0	37,202	0.2
R-51	RESIDIA Miyakojima I & II	Osaka-shi, Osaka	Real estate	3,115	5,590	1	97.1	158,135	0.9	1	98.1	161,342	1.0
R-52	RESIDIA TOWER Sendai	Sendai-shi, Miyagi	Beneficiary interests in trust	1,669	2,170	1	92.1	65,053	0.4	1	94.9	71,988	0.4
R-53	RESIDIA Higashizakura II	Nagoya-shi, Aichi	Beneficiary interests in trust	2,833	3,760	1	93.4	115,882	0.7	1	94.8	117,471	0.7
R-54	RESIDIA Tsutsujigaoka	Sendai-shi, Miyagi	Beneficiary interests in trust	1,662	2,610	1	98.5	82,757	0.5	1	95.5	84,306	0.5
R-55	RESIDIA Kobe-Motomachi	Kobe-shi, Hyogo	Beneficiary interests in trust	1,000	1,450	1	96.6	43,070	0.3	1	97.6	43,780	0.3
R-56	RESIDIA Sendai-Honcho	Sendai-shi, Miyagi	Beneficiary interests in trust	1,043	1,730	1	98.3	52,416	0.3	1	98.8	53,787	0.3
R-57	RESIDIA Sendai-Haranomachi	Sendai-shi, Miyagi	Beneficiary interests in trust	536	920	1	94.4	29,061	0.2	1	95.6	30,450	0.2
R-58	RESIDIA Minami-Ichijo East	Sapporo-shi, Hokkaido	Beneficiary interests in trust	987	1,460	1	94.7	48,755	0.3	1	92.9	50,103	0.3
R-59	RESIDIA Shin-Osaka	Osaka-shi, Osaka	Beneficiary interests in trust	2,666	4,030	1	96.7	105,674	0.6	1	94.5	105,403	0.6
R-60	RESIDIA Okayama-Ekimae	Okayama-shi, Okayama	Beneficiary interests in trust	789	1,110	1	100.0	35,093	0.2	1	100.0	35,164	0.2
R-61	RESIDIA Kyoto Okazaki	Kyoto-shi, Kyoto	Beneficiary interests in trust	230	340	1	100.0	9,616	0.1	1	100.0	9,677	0.1
R-62	RESIDIA Sendai-Ichibancho	Sendai-shi, Miyagi	Beneficiary interests in trust	1,047	1,410	1	100.0	43,095	0.3	1	100.0	43,095	0.3
R-63	RESIDIA Kita-Niijo-East II	Sapporo-shi, Hokkaido	Beneficiary interests in trust	519	762	1	90.7	25,194	0.2	1	97.8	25,790	0.2
R-64	RESIDIA Takamiya	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	480	623	1	100.0	19,633	0.1	1	95.3	19,953	0.1
R-65	RESIDIA Soen	Sapporo-shi, Hokkaido	Beneficiary interests in trust	368	556	1	94.9	20,541	0.1	1	98.3	20,911	0.1
R-66	RESIDIA Tenjin	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,096	1,420	1	96.6	41,837	0.3	1	95.5	41,914	0.2
R-67	RESIDIA Yakuiin-Oodori	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,105	1,440	1	98.9	42,680	0.3	1	96.7	42,463	0.3
R-68	RESIDIA Hakata II	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,327	1,790	1	97.7	51,208	0.3	1	95.3	52,735	0.3
R-69	RESIDIA Kego	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	803	1,230	1	95.2	35,638	0.2	1	98.7	37,333	0.2
R-70	RESIDIA Shirakabe	Nagoya-shi, Aichi	Beneficiary interests in trust	908	1,180	1	96.3	33,325	0.2	1	96.3	34,536	0.2
R-71	RESIDIA Sakae	Nagoya-shi, Aichi	Real estate	909	959	1	92.2	27,382	0.2	1	90.9	28,693	0.2
R-72	RESIDIA Senri-Fujishirodai	Suita-shi, Osaka	Beneficiary interests in trust	1,505	1,770	1	100.0	45,939	0.3	1	100.0	46,174	0.3
R-73	RESIDIA Senri-Banpakukoen	Suita-shi, Osaka	Beneficiary interests in trust	2,191	2,420	1	100.0	62,054	0.4	1	100.0	62,048	0.4
R-74	RESIDIA Sapporo-eki North	Sapporo, Hokkaido	Real estate	794	708	1	88.5	22,860	0.1	1	89.0	22,687	0.1
R-75	RESIDIA Hijiyama-Koen	Hiroshima-shi, Hiroshima	Beneficiary interests in trust	681	795	1	95.4	25,962	0.2	1	100.0	27,042	0.2
R-76	RESIDIA Kita-Niijo-East III	Sapporo, Hokkaido	Beneficiary interests in trust	434	441	1	90.1	13,910	0.1	1	92.5	15,002	0.1
R-77	RESIDIA Shin-Osaka II	Osaka-shi, Osaka	Real estate	692	741	1	92.6	19,939	0.1	1	94.1	20,429	0.1
R-78	RESIDIA Tsutsujigaoka-Koen	Sendai-shi, Miyagi	Beneficiary interests in trust	769	788	1	100.0	27,102	0.2	1	95.1	26,817	0.2
R-79	RESIDIA Sendai-Kamisugi	Sendai-shi, Miyagi	Real estate	1,502	1,640	1	95.0	44,731	0.3	1	100.0	48,029	0.3
R-80	RESIDIA Shirokitakoen-dori	Osaka-shi, Osaka	Beneficiary interests in trust	1,314	1,350	1	98.6	13,104	0.1	1	97.4	37,052	0.2
R-81	RESIDIA Kyoto-Mibu	Kyoto, Kyoto	Beneficiary interests in trust	667	669	-	-	-	-	1	93.3	3,246	0.0
Total				430,031	633,071	271	96.0	16,692,630	100.0	272	95.9	16,884,005	100.0

- Notes
- "Appraisal value at end of period" is the appraisal value or survey-based value, pursuant to ADR's Articles of Incorporation and the "Regulations Concerning Accounting of Investment Corporations" issued by the Cabinet Office, provided by a real estate appraiser as of July 31, 2021.
  - "Total number of tenants," is counted as "1" if the property is leased under a master lease agreement to a master lessee. Because all properties held by ADR as of July 31, 2021, are leased under a master lease agreement, the "Total" for the "Total number of tenants" column indicates the total number of master lease agreements that were concluded with 10 master lessees.
  - "Occupancy rate" is calculated using the formula: "Leased floor area" ÷ "Leasable floor area" × 100.
  - "Rental revenue" is the rental revenue of respective real estate for the FP under review.
  - On August 26, 2021, ADR concluded an agreement to dispose of the beneficiary interests it held in RESIDIA Yoyogi and RESIDIA Nishi-Shinjuku. Based on this agreement, ADR is scheduled to dispose of the said beneficiary interests on October 18, 2021.

# Capital Expenditures

## 1 Planned Capital Expenditures

The following table lists the major capital expenditures for renovations currently planned for the real estate and the underlying real estate of the beneficiary interests in trust ADR owns. The estimated amount includes portions that are to be recorded as expenses for accounting purposes.

(million yen)

Name of real estate(Location)	Purpose	Estimated duration	Estimated amounts		
			Total amounts	Payment for the current period	Cumulative amount paid
RESIDIA Ebisu II (Shibuya-ku, Tokyo)	Major repair work	From: December 2020 To: September 2021	76	23	23
RESIDIA Kamiochiai (Shinjuku-ku, Tokyo)	Major repair work	From: December 2020 To: October 2021	58	22	22
RESIDIA Toranomom (Minato-ku, Tokyo)	Major repair work	From: January 2021 To: October 2021	65	24	24
RESIDIA Nakameguro (Meguro-ku, Tokyo)	Major repair work	From: January 2021 To: October 2021	58	17	17
RESIDIA Mitsukoshimae (Chuo-ku, Tokyo)	Major repair work	From: January 2021 To: October 2021	71	43	43
RESIDIA Bunkyo-Hongo II (Bunkyo-ku, Tokyo)	Major repair work	From: December 2020 To: September 2021	68	40	40
RESIDIA Bunkyo-Sengoku II (Bunkyo-ku, Tokyo)	Major repair work	From: December 2020 To: October 2021	63	21	21
RESIDIA Omori (Ota-ku, Tokyo)	Major repair work	From: December 2020 To: October 2021	71	20	20
RESIDIA Urayasu (Urayasu-shi, Chiba)	Major repair work	From: December 2020 To: October 2021	58	28	28
RESIDIA Minami-Ichijo (Sapporo-shi, Hokkaido)	Major repair work	From: December 2020 To: December 2021	136	3	3
RESIDIA Odori-Nishi (Sapporo-shi, Hokkaido)	Major repair work	From: December 2020 To: December 2021	132	3	3



## 2 Capital Expenditures for the Current Period

The following table lists the major capital expenditures for renovations ADR conducted in the current period. The total capital expenditures during the FP under review were 923 million yen for the entire portfolio. When combined with repairs and maintenance cost of 729 million yen, the cost of construction work totals 1,653 million yen.

(million yen)			
Name of real estate (Location)	Purpose	Implementation period	Amount paid
RESIDIA Sangenjaya (Setagaya-ku, Tokyo)	Major repair work	From: June 22, 2020 To: February 13, 2021	104
RESIDIA Korakuen (Bunkyo-ku, Tokyo)	Major repair work	From: April 17, 2021 To: July 31, 2021	44
Leopalace Udagawacho Mansion (Shibuya-ku, Tokyo)	Major repair work	From: April 16, 2021 To: July 31, 2021	30
Other real estate properties	Renovations		744
Total			923

Note Figures have been rounded down to the nearest million yen. Accordingly, the "Total" amounts are not necessarily equal to the sum of individual amounts.

## 3 Cash Reserves for Value Enhancement Works and Renovations

Based on medium- to long-term renovation plans for each property, ADR sets aside the following cash reserves, derived mostly from cash flows of depreciation and amortization (including earnings that are retained), to fund large-scale repair work and value enhancement works.

(million yen)					
FP	18th FP	19th FP	20th FP	21st FP	22nd FP
	From: February 1, 2019 To: July 31, 2019	From: August 1, 2019 To: January 31, 2020	From: February 1, 2020 To: July 31, 2020	From: August 1, 2020 To: January 31, 2021	From: February 1, 2021 To: July 31, 2021
Balance of reserves at beginning of period	1,705	1,822	1,972	2,130	2,233
Amount of reserves during period	939	976	1,035	1,369	1,402
Reversal of reserves during period	821	826	876	1,267	1,487
Amount carried forward to next period	1,822	1,972	2,130	2,233	2,147

# Acquisitions and Disposals in the 22nd FP

## 1 Acquisitions and Disposals of Real Estate and Asset-Backed Securities

Property no.	Name of real estate	Acquisition		Disposition			
		Acquisition date	Acquisition Price <sup>Note</sup> (million yen)	Disposition date	Disposition Price <sup>Note</sup> (million yen)	Book Value (million yen)	Gain (Loss) on Sales (million yen)
R-81	RESIDIA Kyoto-Mibu	June 29, 2021	614	—	—	—	—
Total			614	—	—	—	—

Note "Acquisition price" or "disposition price" is the purchase or sale price entered in the transaction agreements, and does not include various expenses, such as broker commission, and taxes and duties, required in the acquisition or in the disposition of the concerned real estate.

## 2 Transactions with Interested Parties

### 1) Transactions

The following table details the status of transactions with interested parties in the 22nd FP.

Not applicable.

### 2) Amount of Commission Fees Paid

The following are the commission fees paid to interested parties in the 22nd FP.

Classification	Total amount of commission fees (A) (thousands of yen)	Breakdown of transaction with interested parties		Share (B)/(A)(%)
		Payee	Amount paid (B) (thousands of yen)	
Property management fees	1,524,366	ITOCHU Urban Community Ltd.	974,298	63.9
Other rental expenses	124,736	ITOCHU Urban Community Ltd.	81,924	65.7
Advertising expenses	3,057	ITOCHU Urban Community Ltd.	1,654	54.1
Other fees	135,103	ITOCHU Urban Community Ltd.	16,337	12.1
		ITOCHU Human Resources & General Affairs Services Inc.	95	0.1

Notes 1. Transactions are not listed here if the nominal counter party is an interested party but the actual counter party is clearly a third party.  
2. ITOCHU Urban Community Ltd. and ITOCHU Human Resources & General Affairs Services Inc. are interested parties of the asset management company that have signed an asset management agreement with ADR as stipulated in Article 201, Paragraph 1 of the Act on Investment Trusts and Investment Corporations and Article 123 of the Enforcement Order thereof, with which ADR engaged in transactions in the 22nd FP.

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Advance Residence Investment Corporation:

### Opinion

We have audited the financial statements of Advance Residence Investment Corporation (the "Investment Corporation"), which comprise the balance sheet as of July 31, 2021, and the statement of income, statement of changes in net assets, statement of cash distributions and statement of cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Investment Corporation as of July 31, 2021, and its financial performance and cash flows for the six months then ended in accordance with accounting principles generally accepted in Japan.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Investment Corporation in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Supervisory Director for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Investment Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Investment Corporation or to cease operations, or has no realistic alternative but to do so.

The Supervisory Director is responsible for overseeing the Executive Director's execution of duties relating to the design and operating effectiveness of the controls over the Investment Corporation's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Investment Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Investment Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Investment Corporation to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Executive Director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Executive Director with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Investment Corporation which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

山田 信之



Nobuyuki Yamada  
Designated Engagement Partner  
Certified Public Accountant

下飯坂 武志



Takeshi Shimoizaka  
Designated Engagement Partner  
Certified Public Accountant

Deloitte Touche Tohmatsu LLC

October 19, 2021

## Balance Sheets

	(Thousands of yen)	
	As of January 31, 2021	As of July 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits (Notes 8 and 10)	14,385,801	14,730,396
Cash and deposits in trust (Notes 8 and 10)	9,948,242	9,906,911
Operating accounts receivable	191,555	164,256
Prepaid expenses	337,740	359,025
Consumption taxes receivable	8,572	—
Other	6,254	6,374
Allowance for doubtful accounts	(8,310)	(7,840)
Total current assets	24,869,856	25,159,123
Non-current assets		
Property, plant and equipment (Notes 13, 17, 18, 20, 23)		
Buildings	79,223,736	79,520,767
Accumulated depreciation	(17,158,108)	(18,051,184)
Buildings, net	62,065,628	61,469,583
Structures	27,169	27,169
Accumulated depreciation	(11,284)	(12,136)
Structures, net	15,884	15,033
Machinery and equipment	139,536	169,543
Accumulated depreciation	(43,615)	(50,459)
Machinery and equipment, net	95,921	119,083
Tools, furniture and fixtures	504,661	528,477
Accumulated depreciation	(253,480)	(282,636)
Tools, furniture and fixtures, net	251,180	245,841
Land	78,569,071	78,569,071
Construction in progress	68,420	99,011
Buildings in trust	157,875,729	158,560,482
Accumulated depreciation	(33,410,141)	(35,219,804)
Buildings in trust, net	124,465,587	123,340,678
Structures in trust	207,045	209,200
Accumulated depreciation	(124,603)	(128,185)
Structures in trust, net	82,442	81,015
Machinery and equipment in trust	247,752	315,939
Accumulated depreciation	(143,727)	(152,440)
Machinery and equipment in trust, net	104,024	163,499
Tools, furniture and fixtures in trust	1,142,124	1,185,014
Accumulated depreciation	(722,450)	(771,437)
Tools, furniture and fixtures in trust, net	419,674	413,576
Land in trust	163,145,192	163,589,130
Construction in progress in trust	7,007	157,868
Total property, plant and equipment	429,290,034	428,263,394
Intangible assets (Note 23)		
Leasehold rights in trust (Note 18)	1,802,767	1,768,330
Other	3,907	3,389
Total intangible assets	1,806,674	1,771,719
Investments and other assets		
Long-term prepaid expenses	849,608	855,337
Guarantee deposits	581,138	597,512
Guarantee deposits in trust	1,038,903	1,052,602
Other	1,090	1,122
Total investments and other assets	2,470,740	2,506,574
Total non-current assets	433,567,449	432,541,687
Deferred assets		
Investment unit issuance expenses	3,499	2,394
Investment corporation bond issuance costs	138,540	126,175
Total deferred assets	142,040	128,570
<b>Total assets</b>	<b>458,579,346</b>	<b>457,829,380</b>

	(Thousands of yen)	
	As of January 31, 2021	As of July 31, 2021
Liabilities		
Current liabilities		
Operating accounts payable	475,585	542,856
Short-term loans payable (Notes 10 and 26)	500,000	500,000
Current portion of long-term loans payable (Notes 10, 12, 22 and 26)	28,978,000	27,220,000
Accounts payable – other (Note 13)	1,475,825	1,475,349
Accrued expenses	95,276	62,800
Accrued consumption taxes	–	18,717
Advances received	73,103	57,545
Other	18,815	19,096
Total current liabilities	31,616,607	29,896,366
Non-current liabilities		
Investment corporation bonds (Notes 10 and 25)	34,000,000	34,000,000
Long-term loans payable (Notes 10, 12, 22 and 26)	157,310,000	158,789,000
Tenant leasehold and security deposits	1,308,502	1,299,292
Tenant leasehold and security deposits in trust	3,340,940	3,303,045
Derivatives liabilities (Notes 10, 12 and 22)	36,457	49,790
Total non-current liabilities	195,995,900	197,441,127
Total liabilities	227,612,507	227,337,493
Net assets		
Unitholders' equity (Notes 6 and 20)		
Paid-in Capital	139,034,823	139,034,823
Surplus		
Capital surplus	53,220,279	53,220,279
Voluntary retained earnings		
Reserve for temporary difference adjustments	30,850,311	30,514,789
Total voluntary retained earnings	30,850,311	30,514,789
Unappropriated retained earnings (undisposed loss)	7,897,882	7,771,784
Total surplus	91,968,473	91,506,853
Total unitholders' equity	231,003,296	230,541,676
Valuation and translation adjustments		
Deferred gain or loss on hedging instruments	(36,457)	(49,790)
Total valuation and translation adjustments	(36,457)	(49,790)
Total net assets (Notes 4 and 19)	230,966,838	230,491,886
Total liabilities and net assets	458,579,346	457,829,380



## Statements of Income

	(Thousands of yen)	
	For the six months ended January 31, 2021	For the six months ended July 31, 2021
Operating revenue (Note 17)		
Rental revenue – real estate (Notes 5 and 9)	16,718,837	16,884,005
Gain on sales of real estate properties	295,187	–
Total operating revenue	17,014,025	16,884,005
Operating expenses		
Expenses related to the rent business (Notes 5 and 9)	6,630,053	6,791,213
Asset management fees (Note 13)	1,241,028	1,247,060
Asset custody fees	9,854	9,862
Administrative service fees	53,263	53,495
Directors' compensation	6,300	6,300
Taxes and dues	365,115	376,229
Bad debt expenses	–	240
Other operating expenses	195,102	174,613
Total operating expenses	8,500,718	8,659,014
Operating income	8,513,307	8,224,990
Non-operating income		
Interest income	5,996	6,885
Reversal of distribution payable	1,202	1,187
Reversal of allowance for doubtful accounts	94	445
Other	–	50
Total non-operating income	7,294	8,568
Non-operating expenses		
Interest expenses (Notes 10, 12 and 22)	660,501	620,435
Interest expense on investment corporation bonds	112,724	117,451
Amortization of investment unit issuance expenses	1,105	1,105
Amortization of investment corporation bond issuance costs	12,224	12,364
Borrowing -related expenses	181,859	186,749
Other	2,613	466
Total non-operating expenses	971,029	938,573
Ordinary income	7,549,572	7,294,985
Income before income taxes	7,549,572	7,294,985
Income taxes – current (Note 14)	605	605
Total income taxes	605	605
Net income (Note 19)	7,548,967	7,294,380
Retained earnings brought forward	348,915	477,404
Unappropriated retained earnings (undisposed loss)	7,897,882	7,771,784



## Statements of Changes in Net Assets

For the six months ended January 31, 2021

(Thousands of yen)

	Unitholders' equity						Valuation and translation adjustments		Total net assets	
	Paid-in Capital	Surplus				Total unitholders' equity	Deferred gain or loss on hedging instruments	Total valuation and translation adjustments		
		Capital surplus	Voluntary retained earnings		Unappropriated retained earnings (undisposed loss)					Total surplus
			Reserve for temporary difference adjustments	Total voluntary retained earnings						
Balance at the beginning of period	139,034,823	53,220,279	31,185,832	31,185,832	7,817,868	92,223,980	231,258,804	(32,855)	(32,855)	231,225,948
Changes in items during the period										
Reversal of reserve for temporary difference adjustments			(335,521)	(335,521)	335,521	—	—			—
Dividends from surplus					(7,804,475)	(7,804,475)	(7,804,475)			(7,804,475)
Net income					7,548,967	7,548,967	7,548,967			7,548,967
Net changes in items other than unitholders' equity in the fiscal year								(3,602)	(3,602)	(3,602)
Total changes in items during the period	—	—	(335,521)	(335,521)	80,013	(255,507)	(255,507)	(3,602)	(3,602)	(259,109)
Balance at the end of period	139,034,823	53,220,279	30,850,311	30,850,311	7,897,882	91,968,473	231,003,296	(36,457)	(36,457)	230,966,838

For the six months ended July 31, 2021

(Thousands of yen)

	Unitholders' equity						Valuation and translation adjustments		Total net assets	
	Paid-in Capital	Surplus				Total unitholders' equity	Deferred gain or loss on hedging instruments	Total valuation and translation adjustments		
		Capital surplus	Voluntary retained earnings		Unappropriated retained earnings (undisposed loss)					Total surplus
			Reserve for temporary difference adjustments	Total voluntary retained earnings						
Balance at the beginning of period	139,034,823	53,220,279	30,850,311	30,850,311	7,897,882	91,968,473	231,003,296	(36,457)	(36,457)	230,966,838
Changes in items during the period										
Reversal of reserve for temporary difference adjustments			(335,521)	(335,521)	335,521	—	—			—
Dividends from surplus					(7,756,000)	(7,756,000)	(7,756,000)			(7,756,000)
Net income					7,294,380	7,294,380	7,294,380			7,294,380
Net changes in items other than unitholders' equity in the fiscal year								(13,332)	(13,332)	(13,332)
Total changes in items during the period	—	—	(335,521)	(335,521)	(126,098)	(461,619)	(461,619)	(13,332)	(13,332)	(474,952)
Balance at the end of period	139,034,823	53,220,279	30,514,789	30,514,789	7,771,784	91,506,853	230,541,676	(49,790)	(49,790)	230,491,886

## Statements of Cash Distributions

	For the six months ended January 31, 2021	For the six months ended July 31, 2021
I. Unappropriated retained earnings	7,897,882,834 yen	7,771,784,811 yen
II. Reversal of reserves during period		
Reversal of reserve for temporary difference adjustments	335,521,628 yen	335,521,628 yen
III. Dividends	7,756,000,000 yen	7,819,710,000 yen
(Dividend per investment unit)	(5,600 yen)	(5,646 yen)
IV. Retained earnings carried forward	477,404,462 yen	287,596,439 yen
Dividend Policy	<p>In accordance with the distribution policy set forth in Article 32, Item 1 of ADR's Articles of Incorporation, ADR distributes in excess of 90% of the amount of ADR's profit available for dividends as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In the event of weak performance by investments, reserve for dividends will be used in order to maintain stable payouts into the future.</p> <p>Based on this policy, ADR has decided to distribute dividends of 7,756,000,000 yen. The figure was derived by retaining 477,404,462 yen from the unappropriated retained earnings of 7,897,882,834 yen for the fiscal period, plus the drawdown of reserve for temporary difference adjustments (RTA) of 335,521,628 yen. 477,404,462 yen was retained to achieve a more consistent dividend distribution.</p> <p>ADR does not distribute dividends in excess of the profits as defined in Article 32, Item 2 of its Articles of Incorporation.</p>	<p>In accordance with the distribution policy set forth in Article 32, Item 1 of ADR's Articles of Incorporation, ADR distributes in excess of 90% of the amount of ADR's profit available for dividends as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In the event of weak performance by investments, reserve for dividends will be used in order to maintain stable payouts into the future.</p> <p>Based on this policy, ADR has decided to distribute dividends of 7,819,710,000 yen. The figure was derived by retaining 287,596,439 yen from the unappropriated retained earnings of 7,771,784,811 yen for the fiscal period, plus the drawdown of reserve for temporary difference adjustments (RTA) of 335,521,628 yen. 287,596,439 yen was retained to achieve a more consistent dividend distribution.</p> <p>ADR does not distribute dividends in excess of the profits as defined in Article 32, Item 2 of its Articles of Incorporation.</p>

## Statements of Cash Flows

(Thousands of yen)

	For the six months ended January 31, 2021	For the six months ended July 31, 2021
Cash flows from operating activities		
Income before income taxes	7,549,572	7,294,985
Depreciation and amortization	2,802,867	2,835,854
Amortization of investment unit issuance expenses	1,105	1,105
Amortization of investment corporation bond issuance costs	12,224	12,364
Increase (decrease) in allowance for doubtful accounts	(94)	(469)
Interest income	(5,996)	(6,885)
Interest expenses	660,501	620,435
Interest expense on investment corporation bonds	112,724	117,451
Decrease (increase) in operating accounts receivable	31,578	27,299
Decrease (increase) in consumption taxes refund receivable	(8,572)	8,572
Decrease (increase) in prepaid expenses	124,999	(21,285)
Increase (decrease) in accrued consumption taxes	(61,381)	18,717
Increase (decrease) in operating accounts payable	159,997	(43,643)
Increase (decrease) in accounts payable – other	(43,662)	(877)
Increase (decrease) in accrued expenses	28,288	(28,007)
Increase (decrease) in advances received	18,997	(15,558)
Decrease in property, plant and equipment in trust by sales	953,840	–
Decrease (increase) in long-term prepaid expenses	19,224	(5,728)
Other	(1,188)	(388)
Subtotal	12,355,026	10,813,942
Interest income received	499	510
Interest expense paid	(764,979)	(742,355)
Income taxes paid	(556)	(606)
Cash flows from operating activities	11,589,989	10,071,489
Cash flows from investing activities		
Payments into time deposits	–	(6,000,000)
Proceeds from withdrawal of time deposits	5,000,000	1,000,000
Purchase of property, plant and equipment	(831,693)	(377,585)
Purchase of property, plant and equipment in trust	(3,837,674)	(1,285,953)
Proceeds from tenant leasehold and security deposits, net	(2,257)	(9,209)
Proceeds from tenant leasehold and security deposits in trust, net	(31,523)	(37,895)
Payments for lease and guarantee deposits	–	(10,253)
Payments for lease and guarantee deposits in trust	–	(13,699)
Cash flows from investing activities	296,851	(6,734,595)
Cash flows from financing activities		
Increase in short-term loans payable	500,000	–
Decrease in short-term loans payable	(2,000,000)	–
Proceeds from long-term loans	11,900,000	14,739,000
Repayments of long-term loans	(10,200,000)	(15,018,000)
Proceeds from issuance of investment corporation bonds	2,500,000	–
Redemption of investment corporation bonds	(1,500,000)	–
Payments of investment corporation bond issuance costs	(19,497)	–
Dividends paid	(7,803,431)	(7,754,630)
Cash flows from financing activities	(6,622,929)	(8,033,630)
Net increase (decrease) in cash and cash equivalents	5,263,911	(4,696,736)
Cash and cash equivalents at the beginning of period	18,070,132	23,334,043
Cash and cash equivalents at the end of period (Note 8)	23,334,043	18,637,307

# ***Notes to Financial Statements***

## **1 Organization**

Advance Residence Investment Corporation (ADR. Securities Code: 3269) is a listed Residential Japan Real Estate Investment Trust (J-REIT) that mainly invests in residential properties. It was established through a consolidation-type merger between the former Advance Residence Investment Corporation and Nippon Residential Investment Corporation on March 1, 2010, and was listed on the Real Estate Investment Trust (REIT) Securities Section of the Tokyo Stock Exchange (TSE) on March 2, 2010.

The merger made ADR the largest residential J-REIT in terms of asset size, enabling it to upgrade its portfolio while ensuring its financial stability. The merger also resulted in retained earnings of 43.2 billion yen (30.5 billion yen as of the end of this fiscal period) due to the profit from negative goodwill, and allowed ADR to demonstrate one of its strengths of delivering stable dividends over the long term.

ADR's asset management company, AD Investment Management Co., Ltd. (ADIM), is wholly owned by the Itochu Group and the group's key entity, Itochu Corporation, a leading Japanese trading house, is its main sponsor.

## **2 Basis of Presentation of Financial Statements**

The accompanying financial statements are an English translation of the audited financial statements of ADR filed with the appropriate local finance bureau of the Ministry of Finance, prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in accordance with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards.

In preparing these financial statements, certain reclassifications and rearrangements have been made to the financial statements issued domestically in order to present them in a form which is more familiar to readers outside of Japan. Moreover, the notes to the financial statements include certain information which might not be required under Japanese GAAP but is presented herein as supplementary information.

ADR does not prepare consolidated financial statements as it has no subsidiaries. Unless otherwise specified, amounts have been rounded down to the nearest thousand yen. As a result, the totals shown in the financial statements do not necessarily agree with the sum of the individual amounts.

ADR's six-month fiscal periods end at either the end of January or July.

### 3 Significant Accounting Policies

(1) Depreciation and amortization methods of non-current assets	<p>1) Property, plant and equipment (including assets in trust) Amortized using the straight-line method. Useful lives of major categories of property, plant and equipment are as follows: Buildings: 3 to 46 years Structures: 6 to 50 years Machinery and equipment: 10 to 15 years Tools, furniture and fixtures: 2 to 20 years</p> <p>2) Intangible assets Amortized using the straight-line method. Useful lives of major categories of intangible assets are as follows: Leasehold rights in trust: 23 to 65 years</p> <p>3) Long-term prepaid expenses Amortized using the straight-line method.</p>
(2) Accounting for deferred assets	<p>1) Investment unit issuance expenses Amortized using the straight-line method (three years).</p> <p>2) Investment corporation bond issuance costs Amortized using the straight-line method over the period up to redemption of the investment corporation bonds.</p>
(3) Basis of recording allowances	<p>Allowance for doubtful accounts Estimated uncollectible amounts are recorded for possible losses arising from default on receivables based on the historical performance of general receivables and a case-by-case evaluation of the collectability of certain receivables, such as receivables with default possibility.</p>
(4) Basis of recording revenue and expenses	<p>Method of accounting for property taxes For property taxes, urban planning taxes, and depreciable asset taxes on real estate properties held, ADR records the amount of taxes imposed corresponding to the current fiscal period as an expense for the property leasing activities. Furthermore, for the pro rata portion of property taxes ADR paid to the transferor (seller) upon acquisition of real estate properties, ADR treats the amount as acquisition costs of real estate properties, instead of recording it as an expense for the property leasing activities. The amount of property taxes treated as acquisition costs of real estate properties was 978 thousand yen in the previous period and 1,345 thousand yen in the current fiscal period.</p>
(5) Method of hedge accounting	<p>1) Method of hedge accounting In principal, deferred hedge accounting is applied. Note that special treatment is applied for interest rate swaps that fulfill certain requirements.</p> <p>2) Hedging instruments and hedged items Hedging instruments: Interest rate swap transactions Hedged items: Loans payable</p> <p>3) Hedging policy ADR conducts derivative transactions to hedge risks stipulated in ADR's Articles of Incorporation in accordance with its financial policy.</p> <p>4) Method for assessing the hedge effectiveness The effectiveness of hedges is assessed by comparing the cumulative change in cash flows of both hedging instruments and corresponding hedged items, and then verifying the ratio of change for both. However, evaluation of effectiveness is omitted for interest rate swaps that satisfy the requirements for special accounting treatment.</p>
(6) Scope of funds in the statements of cash flows	<p>The funds (cash and cash equivalents) in the statements of cash flows consist of cash on hand and cash in trust; demand deposits and deposits in trust; and short-term investments that are readily convertible into cash, carry minimal risk of change in value, and are due for redemption in three months or less from the acquisition date.</p>

(7) Other significant matters that serve as a basis for the preparation of the financial statements	<p>1) Accounting for trust beneficiary interests in trust assets such as real estate properties</p> <p>For trust beneficiary interests in real estate properties, all assets and liabilities of the trust assets, as well as revenue and income earned from, and expenses incurred for the trust assets are recorded under the respective account in the balance sheets and statements of income.</p> <p>Of the accounts used to record the above trust assets, the following accounts are significant and disclosed separately on the face of the balance sheets.</p> <ul style="list-style-type: none"> <li>A. Cash and deposits in trust</li> <li>B. Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; construction in progress in trust; and leasehold rights in trust</li> <li>C. Guarantee deposits in trust</li> <li>D. Tenant leasehold and security deposits in trust</li> </ul> <p>2) Accounting for consumption taxes</p> <p>Consumption taxes and local consumption taxes are excluded from business transaction amounts. However, accounting for non-current assets and deferred assets is inclusive of consumption taxes and local consumption taxes.</p>
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## 4 Balance Sheets

- (1) Minimum net assets as stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

	As of January 31, 2021	As of July 31, 2021
	50,000	50,000

- (2) Commitment line agreements  
ADR has executed commitment line agreements with banks.

	As of January 31, 2021	As of July 31, 2021
Total commitment line of credit	20,000,000	20,000,000
Amount used	—	—
Unused balance	20,000,000	20,000,000

- (3) Provision and reversal of the reserve for temporary difference adjustments  
For the six months ended January 31, 2021

	Initial amount	Balance at the beginning of period	Funds drawn down during the 21st FP	Balance at the end of period	Reasons for setting aside and drawing down funds
Reserve for dividends (Note)	33,552,162	31,185,832	335,521	30,850,311	For dividends

Note that the reserve for dividends is the remaining amounts of gains on negative goodwill which were recorded in past fiscal periods. The outstanding amount is scheduled to be fully drawn down in equal amounts or more every fiscal period within 50 years, starting from the end of the fiscal period ended January 31, 2017 (13th FP).

For the six months ended July 31, 2021

	Initial amount	Balance at the beginning of period	Funds drawn down during the 22nd FP	Balance at the end of period	Reasons for setting aside and drawing down funds
Reserve for dividends (Note)	33,552,162	30,850,311	335,521	30,514,789	For dividends

Note that the reserve for dividends is the remaining amounts of gains on negative goodwill which were recorded in past fiscal periods. The outstanding amount is scheduled to be fully drawn down in equal amounts or more every fiscal period within 50 years, starting from the end of the fiscal period ended January 31, 2017 (13th FP).

## 5 Statements of Income

### (1) Breakdown of operating income (loss) from property leasing activities

	(Thousands of yen)	
	For the six months ended January 31, 2021	For the six months ended July 31, 2021
<b>A. Revenue from property leasing activities</b>		
Rental revenue – real estate		
Rent income	14,806,016	14,825,495
Facility charges	851,683	869,324
Parking fees	428,689	431,877
Subtotal	16,086,390	16,126,697
Other revenue related to property leasing		
Income from leasing rights	86,803	112,409
Other	545,643	644,898
Subtotal	632,447	757,307
Total revenue from property leasing activities	16,718,837	16,884,005
<b>B. Expenses from property leasing activities</b>		
Expenses related to the rent business		
Property taxes	894,870	901,249
Property management fees	1,181,136	1,252,857
Utilities	205,986	197,846
Repairs and maintenance	716,149	729,626
Property-casual insurance	25,266	24,915
Trust fees	77,115	72,004
Other rental expenses	727,179	777,378
Depreciation and amortization	2,802,349	2,835,336
Total expenses from property leasing activities	6,630,053	6,791,213
<b>C. Operating income (loss) from property leasing activities (A–B)</b>	10,088,784	10,092,792

### (2) Breakdown of gain on sales of real estate properties

For the six months ended January 31, 2021

(RESIDIA Yoyoginomori)

(Thousands of yen)

Revenue from sales of real estate property	919,000
Cost of sales of real estate property	691,590
Other sales expenses	24,871
Loss on sales of real estate property	202,538

(RESIDIA Yoyoginomori)

(Thousands of yen)

Revenue from sales of real estate property	357,000
Cost of sales of real estate property	262,249
Other sales expenses	2,100
Loss on sales of real estate property	92,649

For the six months ended July 31, 2021

Not applicable.



## 6 Statements of Changes in Net Assets

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

	As of January 31, 2021	As of July 31, 2021
Total number of units authorized	6,000,000	6,000,000
Total number of units issued and outstanding	1,385,000	1,385,000

(Units)

## 7 Statements of Cash Distributions

### (1) Reserve for temporary difference adjustments

For the six months ended January 31, 2021

The interim measures of Article 3 of the Supplementary Provisions to the Regulations Concerning Accounting of Investment Corporations (Cabinet Office Ordinance No. 27 of 2015) have been applied and in the statements of cash distributions, the reserve for dividends of 33,552,162,785 yen, which is the remaining portion of the amount subdivided into gains on negative goodwill in previous fiscal periods, has been transferred to the reserve for temporary difference adjustments. It has become necessary to draw down the reserve in equal amounts or more every fiscal period within 50 years, starting from the end of the fiscal period ended January 31, 2017 (13th FP), which was the period following the period in which the transfer to the reserve was made. As such, ADR has drawn down 335,521,628 yen of the reserve during the fiscal period ended January 31, 2021 (21st FP).

For the six months ended July 31, 2021

The interim measures of Article 3 of the Supplementary Provisions to the Regulations Concerning Accounting of Investment Corporations (Cabinet Office Ordinance No. 27 of 2015) have been applied and in the statements of cash distributions, the reserve for dividends of 33,552,162,785 yen, which is the remaining portion of the amount subdivided into gains on negative goodwill in previous fiscal periods, has been transferred to the reserve for temporary difference adjustments. ADR is required to draw down an equal amount or an amount greater than the said equal amount (335,521,628 yen or more) in each fiscal period for 50 years starting from the fiscal period ended January 31, 2017 (13th FP), which was the period following the period in which the transfer to the reserve was made. Based on this requirement, ADR drew down 335,521,628 yen during the fiscal period ended July 31, 2021 (22nd FP).

## 8 Statements of Cash Flows

Relationship between the cash and cash equivalents at the end of period in the statements of cash flows and the accounts reported in the balance sheets

	As of January 31, 2021	As of July 31, 2021
Cash and deposits	14,385,801	14,730,396
Cash and deposits in trust	9,948,242	9,906,911
Time deposits held over three months	(1,000,000)	(6,000,000)
Cash and cash equivalents	23,334,043	18,637,307

(Thousands of yen)

## 9 Leases

### (1) Operating leases (as a lessee)

Future lease receivables are as follows:

(Thousands of yen)

	As of January 31, 2021	As of July 31, 2021
Due within one year	740,664	750,624
Due after one year	10,578,727	10,345,899
Total	11,319,391	11,096,523

Note that the above information includes estimated amounts for lease payments not finalized as of the end of the reporting period.

### (2) Operating leases (as a lessor)

Future lease receivables are as follows:

(Thousands of yen)

	As of January 31, 2021	As of July 31, 2021
Due within one year	2,984,242	3,360,521
Due after one year	4,511,358	7,512,764
Total	7,495,601	10,873,285

## 10 Financial Instruments

### (1) General information on financial instruments

#### 1) Policy on financial instruments

In order to secure stable earnings and steady growth of assets under management, ADR procures funds through loans, issuance of investment corporation bonds (including short-term investment corporation bonds; the same applies below), issuance of units, and other means of financing for the purpose of purchasing real estate properties and repaying its debts.

ADR conducts derivative transactions solely for the purpose of hedging against the risk of interest rate fluctuations and other risks arising from liabilities.

In addition, ADR, in general, manages surplus funds by investing only in bank deposits, savings, negotiable certificates of deposit, and government bonds for emphasizing sound and stable portfolio management.

#### 2) Description and risks of financial instruments and risk management

Funds obtained through loans and investment corporation bonds are used primarily to finance the acquisition of real estate properties, repay existing loans, or redeem existing investment corporation bonds. ADR is exposed to liquidity risk in that it may not be able to raise funds through alternative financing sources by the repayment date or at the redemption. ADR controls the risk exposures through the preparation of a funding plan on a monthly basis and seeking and procuring funds through various sources, such as securing the level of funds in hand, spreading out the loan repayment and bond redemption dates, diversifying borrowing financial institutions, entering into commitment line agreements, and issuing investment units.

In addition, ADR is exposed to the risk arising from fluctuations in interest rates on its loans and investment corporation bonds with floating interest rates. ADR controls and limits such risk by utilizing derivative transactions (interest rate swap transactions).

ADR is also exposed to the credit risk that the financial institutions with which it has bank deposits, may default.

However, ADR limits the effects of such risk by setting certain limits on the term of deposits and the minimum credit rating for the financial institutions in which deposits are placed, and by placing deposits with various financial institutions.

3) Supplementary explanation on fair value of financial instruments

The fair value of financial instruments is based on quoted market prices. If a quoted market price is not available, a reasonable estimate of fair value is used. Certain assumptions are applied in the fair value measurements and therefore, could result in a different fair value if different assumptions are applied. Furthermore, the contractual amounts of derivative transactions presented in "Derivative Transactions" below do not represent the market risk exposure of those derivative transactions.

(2) Fair values of financial instruments

The book values in the balance sheets, fair values of financial instruments, and unrealized gain (loss) are presented below.

As of January 31, 2021

(Thousands of yen)			
	Book value	Fair value	Unrealized gain (loss)
1) Cash and deposits	14,385,801	14,385,801	–
2) Cash and deposits in trust	9,948,242	9,948,242	–
3) Short-term loans payable	500,000	500,046	46
4) Current portion of long-term loans payable	28,978,000	29,053,549	75,549
5) Investment corporation bonds	34,000,000	34,317,758	317,758
6) Long-term loans payable	157,310,000	159,839,914	2,529,914
7) Derivative transactions (Special treatment for interest rate swaps)	–	(776,081)	(776,081)
8) Derivative transactions (Basic treatment for interest rate swaps)	36,457	36,457	–

As of July 31, 2021

(Thousands of yen)			
	Book value	Fair value	Unrealized gain (loss)
1) Cash and deposits	14,730,396	14,730,396	–
2) Cash and deposits in trust	9,906,911	9,906,911	–
3) Short-term loans payable	500,000	500,030	30
4) Current portion of long-term loans payable	27,220,000	27,275,913	55,913
5) Investment corporation bonds	34,000,000	34,430,984	430,984
6) Long-term loans payable	158,789,000	161,694,740	2,905,740
7) Derivative transactions (Special treatment for interest rate swaps)	–	(549,365)	(549,365)
8) Derivative transactions (Basic treatment for interest rate swaps)	49,790	49,790	–

Notes.

1. Matters concerning the methods of determining the fair value of financial instruments

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

These instruments are stated at book values because their book values approximate fair values due to their short maturities.

5) Investment corporation bonds

The fair values of these instruments are determined using the reference value announced by the Japan Securities Dealers Association. However, if a reference value is not available, the fair value is deemed to be the present value of future cash flows of principal and interest, discounted at the assumed interest rate for similar borrowings.

3) Short-term loans payable, 4) Current portion of long-term loans payable and 6) Long-term loans payable

The fair values of these financial instruments were determined as the present value of future cash flows of principal and interest, discounted at the assumed interest rate for similar borrowings.

7) Derivative transactions (Special treatment for interest rate swaps) and 8) Derivative transactions (Basic treatment for interest rate swaps)

Please refer to "Derivative Transactions" below for details.

2. Redemption schedules of monetary claims and securities after balance sheet date

As of January 31, 2021

(Thousands of yen)

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Cash and deposits	14,385,801	–	–	–	–	–
Cash and deposits in trust	9,948,242	–	–	–	–	–
Total	24,334,043	–	–	–	–	–

As of July 31, 2021

(Thousands of yen)

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Cash and deposits	14,730,396	–	–	–	–	–
Cash and deposits in trust	9,906,911	–	–	–	–	–
Total	24,637,307	–	–	–	–	–

3. Repayment schedules of investment corporation bonds, loans payable, and other interest-bearing loans after balance sheet date

As of January 31, 2021

(Thousands of yen)

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Short-term loans payable	500,000	–	–	–	–	–
Current portion of long-term loans payable	28,978,000	–	–	–	–	–
Investment corporation bonds	–	2,000,000	3,000,000	7,500,000	5,500,000	16,000,000
Long-term loans payable	–	21,710,000	19,880,000	11,550,000	18,300,000	85,870,000
Total	29,478,000	23,710,000	22,880,000	19,050,000	23,800,000	101,870,000

As of July 31, 2021

(Thousands of yen)

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Short-term loans payable	500,000	–	–	–	–	–
Current portion of long-term loans payable	27,220,000	–	–	–	–	–
Investment corporation bonds	–	5,000,000	7,500,000	2,000,000	3,500,000	16,000,000
Long-term loans payable	–	16,230,000	16,500,000	19,850,000	18,390,000	87,819,000
Total	27,720,000	21,230,000	24,000,000	21,850,000	21,890,000	103,819,000

## 11 Securities

As of January 31, 2021

Not applicable.

As of July 31, 2021

Not applicable.

## 12 Derivative Transactions

- (1) Derivative transactions to which hedge accounting is not applied

As of January 31, 2021

Not applicable.

As of July 31, 2021

Not applicable.

- (2) Derivative transactions to which hedge accounting is applied

The contract amounts or equivalent notional principal amounts defined in the contract by the method of hedge accounting as of January 31, 2021, and July 31, 2021, are as follows:

As of January 31, 2021

(Thousands of yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount (*1)		Fair value (*2)
				Contract amount due after one year	
Special accounting treatment for interest rate swaps	Interest rate swaps (fixed rate payment, floating rate receipt)	Long-term loans payable	67,888,000	47,560,000	(776,081) (*3)
Basic accounting method	Interest rate swaps (fixed rate payment, floating rate receipt)	Long-term loans payable	3,870,000	3,870,000	(36,457)

As of July 31, 2021

(Thousands of yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount (*1)		Fair value (*2)
				Contract amount due after one year	
Special accounting treatment for interest rate swaps	Interest rate swaps (fixed rate payment, floating rate receipt)	Long-term loans payable	57,620,000	35,860,000	(549,365) (*3)
Basic accounting method	Interest rate swaps (fixed rate payment, floating rate receipt)	Long-term loans payable	5,289,000	5,289,000	(49,790)

\*1. The contract amount is based on the notional principal.

\*2. The fair value is based on the estimation made by the interest rate swap counterparty using the prevailing interest rate.

\*3. Special accounting treatment is applied to the interest rate swaps in accordance with the "Accounting Standard for Financial Instruments" and therefore, interest rate swaps are not stated at fair value in the balance sheets.

## **13 Transactions with Related Parties**

- (1) Parent company and major corporate unitholders  
For the six months ended January 31, 2021  
Not applicable.  
  
For the six months ended July 31, 2021  
Not applicable.
- (2) Affiliated companies  
For the six months ended January 31, 2021  
Not applicable.  
  
For the six months ended July 31, 2021  
Not applicable.
- (3) Fellow subsidiaries  
For the six months ended January 31, 2021  
Not applicable.  
  
For the six months ended July 31, 2021  
Not applicable.
- (4) Directors and major individual unitholders  
For the six months ended January 31, 2021  
Not applicable.  
  
For the six months ended July 31, 2021  
Not applicable.

## 14 Tax Effect Accounting

(1) The breakdown of deferred tax assets and liabilities by major item are as follows:

	(Thousands of yen)	
	As of January 31, 2021	As of July 31, 2021
Deferred tax assets		
Excess provision of allowance for doubtful accounts	2,614	2,466
Valuation difference on assets acquired through merger	9,313,462	9,232,065
Other	174,073	184,903
Deferred tax assets, subtotal	9,490,150	9,419,435
Less valuation allowance associated with total of deductible temporary differences, etc.	(9,490,150)	(9,419,435)
Less valuation allowance, subtotal	(9,490,150)	(9,419,435)
Total deferred tax assets	–	–
Net deferred tax assets	–	–

(2) Reconciliation between the statutory tax rates and the effective tax rates after the application of tax effect accounting  
(Unit: %)

	As of January 31, 2021	As of July 31, 2021
Statutory tax rate	31.46	31.46
(Adjustments)		
Increase (decrease) in valuation allowance	(1.19)	(0.97)
Deductible dividends	(30.27)	(30.49)
Other	0.01	0.01
Effective tax rate after the application of tax effect accounting	0.01	0.01

## 15 Retirement Benefits

For the six months ended January 31, 2021

Not applicable because ADR does not have retirement benefit plans.

For the six months ended July 31, 2021

Not applicable because ADR does not have retirement benefit plans.

## 16 Asset Retirement Obligations

For the six months ended January 31, 2021

Not applicable.

For the six months ended July 31, 2021

Not applicable.

## 17 Segment Information

(1) Segment information

Disclosure is omitted because ADR's business comprises a single reportable segment engaged in the property leasing business.

(2) Related information

For the six months ended January 31, 2021

1) Information about products and services

Disclosure is omitted because operating revenues attributable to external customers for products and services of the single segment exceed 90% of the total operating revenue reported in the statements of income.

2) Information about geographic areas

A. Operating revenues

Disclosure is omitted because operating revenues attributable to external customers in Japan exceed 90% of the total operating revenue reported in the statements of income.

B. Property, plant and equipment

Disclosure is omitted because property, plant and equipment located in Japan exceeds 90% of the total property, plant and equipment reported in the balance sheets.

3) Information about major customers

Disclosure is omitted because operating revenues attributable to a single external customer account for less than 10% of the total operating revenue reported in the statements of income.

For the six months ended July 31, 2021

1) Information about products and services

Disclosure is omitted because operating revenues attributable to external customers for products and services of the single segment exceed 90% of the total operating revenue reported in the statements of income.

2) Information about geographic areas

A. Operating revenues

Disclosure is omitted because operating revenues attributable to external customers in Japan exceed 90% of the total operating revenue reported in the statements of income.

B. Property, plant and equipment

Disclosure is omitted because property, plant and equipment located in Japan exceeds 90% of the total property, plant and equipment reported in the balance sheets.

3) Information about major customers

Disclosure is omitted because operating revenues attributable to a single external customer account for less than 10% of the total operating revenue reported in the statements of income.



## 18 Value of Rental Properties

ADR owns rental residential properties in Tokyo and other prefectures. The following are the book value, changes during the period, and fair value of these properties:

(Thousands of yen)

		For the six months ended January 31, 2021	For the six months ended July 31, 2021
Book value			
(*1)	Balance at the beginning of period	430,190,248	431,092,802
	Changes during the period (*2)	902,553	(1,061,077)
	Balance at the end of period	431,092,802	430,031,724
Fair value at the end of period (*3)		619,542,000	633,071,000

\*1. The book value is the cost of acquisition less accumulated depreciation.

\*2. The main element of increase in the previous fiscal period was the acquisition of real estate beneficiary interests in trust for two properties (3,119,684 thousand yen), and the decrease is mainly attributable to the sale of real estate beneficiary interests in trust for two properties (953,840 thousand yen). The main element of increase in the fiscal period under review was the acquisition of real estate beneficiary interests in trust for one property (668,845 thousand yen), and the decrease is mainly attributable to depreciation cost (2,835,336 thousand yen).

\*3. The fair value at the end of the current fiscal period is the appraisal or assessment value provided by an external real estate appraiser. For RESIDIA Yoyogi and RESIDIA Nishi-Shinjuku, the scheduled disposition price is stated.

Please refer to the Note 5 "Statements of Income" for details on operating income from rental property.

## 19 Per Unit Information

	For the six months ended January 31, 2021	For the six months ended July 31, 2021
Net assets per unit	166,763	166,420
Net income per unit	5,450	5,266

\*1. Net income per unit is computed by dividing net income by the day-weighted average number of units issued and outstanding for the period. Diluted net income per unit is not disclosed as there are no diluted investment units.

2. The basis for the computation of net income per unit is as follows:

	For the six months ended January 31, 2021	For the six months ended July 31, 2021
Net income (thousands of yen)	7,548,967	7,294,380
Amount not attributable to common unitholders (thousands of yen)	—	—
Net income attributable to common unit (thousands of yen)	7,548,967	7,294,380
Average number of units during the period (units)	1,385,000	1,385,000

## 20 Significant Subsequent Event

For the six months ended July 31, 2021

### 1. Disposition of Assets

ADR disposed of the following properties pursuant to its basic asset management policy stipulated in the Articles of Incorporation.

#### (1) RESIDIA Yoyogi

Type of Asset	: Beneficiary interests in real estate trust
Disposition Price	: 504 million yen
Contract Date	: August 26, 2021
Date of Disposition	: October 18, 2021
Location	: 4-34-10 Yoyogi, Shibuya-ku, Tokyo
Area	: Land 230.58 sq. m.; building 545.43 sq. m.
Structure	: Four-story RC flat-roofed building
Built	: February 2005

#### (2) RESIDIA Nishi-Shinjuku

Type of Asset	: Beneficiary interests in real estate trust
Disposition Price	: 586 million yen
Contract Date	: August 26, 2021
Date of Disposition	: October 18, 2021
Location	: 8-5-7 Nishi-shinjuku, Shinjuku-ku, Tokyo
Area	: Land 220.85 sq. m. <sup>Note 1</sup> ; building 498.65 sq. m.
Structure	: Five-story RC flat-roofed building
Built	: February 2005

Notes 1. Includes a private road (approx. 15.16 sq. m.) and a setback (approx. 1.14 sq. m.).

2. The Disposition Price does not include the settlement amounts of property tax, city planning tax, and tax on depreciable assets, consumption taxes, and local consumption taxes.

### 2. Decision to Issue Investment Corporation Bonds

ADR made a resolution to issue investment corporation bonds under the following terms and conditions based on the general resolution on ADR bond issuance adopted at the Board of Directors' meeting held on September 29, 2021.

ADR Unsecured Bond #34 (with a *pari passu* clause among specified investment corporation bonds)

Total Amount of the Bond: 1,000 million yen

Issue Price: 100 yen per par value of 100 yen

Coupon Rate: 0.400%

Collateral/Guarantee: No collateral or guarantee

Redemption Date: The entire principal shall be redeemed on October 24, 2031. The bond may be purchased and cancelled at any time on and after the following day of the issue date unless otherwise stipulated by the depository.

Coupon Payment Dates: April 25 and October 25 each year

Use of Proceeds: Repayment of long-term debt

ADR Unsecured Bond #35 (with a *pari passu* clause among specified investment corporation bonds)

Total Amount of the Bond: 1,600 million yen

Issue Price: 100 yen per par value of 100 yen

Coupon Rate: 0.660%

Collateral/Guarantee: No collateral or guarantee

Redemption Date: The entire principal shall be redeemed on October 19, 2036. The bond may be purchased and cancelled at any time on and after the following day of the issue date unless otherwise stipulated by the depository.

Coupon Payment Dates: April 25 and October 25 each year

Use of Proceeds: Repayment of long-term debt

## 21 Schedule of Securities

Not applicable.

## 22 Table of Summary of Contract Amounts and Fair Values of Derivative Transactions and Forward Foreign Exchange Contracts

(Thousands of yen)

Category	Type	Contract amount (*1)		Fair value (*2 and *3)
			Contract amount due after one year	
Transactions other than market transactions	Interest rate swaps (fixed rate payment, floating rate receipt)	62,909,000	41,149,000	(599,155)
Total		62,909,000	41,149,000	(599,155)

\*1. The contract amount is based on the notional principal.

\*2. The fair value is based on the estimation made by the interest rate swap counterparty using the prevailing interest rate.

\*3. Special accounting treatment for interest rate swaps is applied to the fair value amount of negative 549,365 thousand yen in accordance with the "Accounting Standard for Financial Instruments." Interest rate swaps are therefore not stated at fair value in the balance sheets.

## 23 Summary of Real Estate

(Thousands of yen)

Type of Asset		Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Accumulated depreciation or accumulated amortization		Book value at the end of period	Notes
Property, plant and equipment	Buildings	79,223,736	297,512	481	79,520,767	18,051,184	893,091	61,469,583	—
	Structures	27,169	-	-	27,169	12,136	851	15,033	—
	Machinery and equipment	139,536	30,006	-	169,543	50,459	6,844	119,083	—
	Tools, furniture and fixtures	504,661	23,815	-	528,477	282,636	29,155	245,841	—
	Land	78,569,071	-	-	78,569,071	-	-	78,569,071	—
	Construction in progress	68,420	99,011	68,420	99,011	-	-	99,011	—
	Buildings in trust	157,875,729	684,896	143	158,560,482	35,219,804	1,809,671	123,340,678	*1
	Structures in trust	207,045	2,155	-	209,200	128,185	3,581	81,015	—
	Machinery and equipment in trust	247,752	68,187	-	315,939	152,440	8,712	163,499	—
	Tools, furniture and fixtures in trust	1,142,124	42,889	-	1,185,014	771,437	48,991	413,576	—
	Land in trust	163,145,192	443,938	-	163,589,130	-	-	163,589,130	*1
	Construction in progress in trust	7,007	157,868	7,007	157,868	-	-	157,868	—
	Subtotal	481,157,447	1,850,282	76,051	482,931,677	54,668,283	2,800,898	428,263,394	
Intangible assets	Leasehold rights in trust	2,356,072	-	-	2,356,072	587,742	34,437	1,768,330	—
	Other	25,230	-	-	25,230	21,841	518	3,389	—
Subtotal		2,381,303	-	-	2,381,303	609,583	34,955	1,771,719	
Total		483,538,750	1,850,282	76,051	485,312,981	55,277,867	2,835,854	430,035,113	

Note 1. The increase in property, plant, and equipment for the six months ended July 31, 2021, primarily represents the acquisition of the property listed below.

RESIDIA Kyoto-Mibu

## 24 Schedule of Other Specified Assets

Not applicable.

## 25 Schedule of Investment Corporation Bonds

(Thousands of yen)

Series (*1)	Issue date	Balance at the beginning of period	Decrease during the period	Balance at the end of period	Interest rate (%)	Redemption date	Use	Collateral
ADR Bond #19 (Unsecured)	Apr. 25, 2013	3,000,000	-	3,000,000	1.320	Apr. 25, 2023	(*2)	Unsecured
ADR Bond #20 (Unsecured)	Nov. 14, 2013	2,000,000	-	2,000,000	1.410	Nov. 14, 2025	(*2)	Unsecured
ADR Bond #21 (Unsecured)	Apr. 28, 2014	2,500,000	-	2,500,000	1.040	Apr. 26, 2024	(*2)	Unsecured
ADR Bond #22 (Unsecured)	Apr. 23, 2015	2,000,000	-	2,000,000	0.726	Apr. 23, 2025	(*3)	Unsecured
ADR Bond #24 (Unsecured)	Oct. 21, 2015	1,500,000	-	1,500,000	0.846	Oct. 21, 2025	(*2)	Unsecured
ADR Bond #25 (Unsecured)	Jun. 21, 2016	3,000,000	-	3,000,000	0.900	Jun. 20, 2031	(*2)	Unsecured
ADR Bond #26 (Unsecured)	Feb. 17, 2017	2,000,000	-	2,000,000	0.180	Aug. 17, 2022	(*2)	Unsecured
ADR Bond #27 (Unsecured)	Jul. 18, 2017	3,000,000	-	3,000,000	0.500	Jul. 16, 2027	(*2)	Unsecured
ADR Bond #28 (Unsecured)	Nov. 24, 2017	1,000,000	-	1,000,000	0.5663	Nov. 24, 2027	(*2)	Unsecured
ADR Bond #29 (Unsecured)	Apr. 24, 2018	1,500,000	-	1,500,000	0.690	Apr. 24, 2030	(*2)	Unsecured
ADR Bond #30 (Unsecured)	Oct. 19, 2018	2,000,000	-	2,000,000	0.704	Oct. 19, 2028	(*2)	Unsecured
ADR Bond #31 (Unsecured)	Jul. 24, 2019	5,000,000	-	5,000,000	0.220	Jul. 24, 2024	(*2)	Unsecured
ADR Bond #32 (Unsecured)	Jul. 25, 2019	3,000,000	-	3,000,000	0.3485	Jul. 25, 2029	(*2)	Unsecured
ADR Bond #33 (Unsecured)	Dec. 24, 2020	2,500,000	-	2,500,000	0.730	Dec. 24, 2035	(*2)	Unsecured
Total	-	34,000,000	-	34,000,000	-	-	-	-

\*1. The bonds have a pari passu clause among specified investment corporation bonds.

\*2. The funds are used for repayment of the existing loans.

\*3. The funds are used for redemption of the existing investment corporation bonds.

\*4. Redemption schedules of investment corporation bonds after the balance sheet date for the next five years are as follows:

(Thousands of yen)

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years
Investment corporation bonds	-	5,000,000	7,500,000	2,000,000	3,500,000

## 26 Schedule of Loans

(Thousands of yen)

		Category	Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Interest rate *1	Repayment date	Use	Notes
		Lenders								
Short-term loans payable	Sumitomo Mitsui Trust Bank Limited		500,000	-	-	500,000	0.19%	Sep. 10, 2021	(*5)	Unsecured Unguaranteed
	Total		500,000	-	-	500,000				
	Current portion of long-term loans payable	Development Bank of Japan Inc.		1,150,000	-	1,150,000	-	-	Mar. 24, 2021	(*4)
Mizuho Bank, Ltd.		2,900,000	-	2,900,000	-	-	Feb. 16, 2021	(*5)		
Mizuho Trust & Banking Co., Ltd.		1,500,000	-	1,500,000	-					
MUFG Bank, Ltd.		270,000	-	270,000	-				-	Feb. 26, 2021
Sumitomo Mitsui Banking Corporation		2,800,000	-	2,800,000	-	-	Feb. 26, 2021	(*5)		
The Norinchukin Bank		1,000,000	-	1,000,000	-	-	Apr. 14, 2021	(*3)		
Sumitomo Mitsui Banking Corporation		800,000	-	800,000	-	-	Apr. 30, 2021	(*5)		
Aozora Bank, Ltd.		1,379,000	-	1,379,000	-	-	Jun. 25, 2021	(*5)		
Resona Bank, Limited		919,000	-	919,000	-					
Shinsei Bank, Limited		700,000	-	700,000	-	-	Jun. 18, 2021	(*3)		
MUFG Bank, Ltd.		600,000	-	600,000	-	-	Jun. 30, 2021	(*5)		
Resona Bank, Limited		500,000	-	500,000	-					
The Bank of Fukuoka, Ltd.		500,000	-	500,000	-					
Sumitomo Mitsui Banking Corporation		1,200,000	-	-	1,200,000	0.23%	Aug. 31, 2021	(*5)		
MUFG Bank, Ltd.		2,000,000	-	-	2,000,000	1.25% (*2)	Oct. 29, 2021	(*5)		
Sumitomo Mitsui Trust Bank Limited		2,600,000	-	-	2,600,000					
Sumitomo Mitsui Banking Corporation		1,500,000	-	-	1,500,000					
Development Bank of Japan Inc.		2,200,000	-	-	2,200,000	1.40%	Nov. 29, 2021	(*5)		
Aozora Bank, Ltd.		1,800,000	-	-	1,800,000	1.16% (*2)	Nov. 26, 2021	(*3)		
Mizuho Bank, Ltd.		2,160,000	-	-	2,160,000	1.63% (*2)	Dec. 22, 2021	(*5)		
Shinsei Bank, Limited		500,000	-	-	500,000	0.23%	Jan. 31, 2022	(*5)		
MUFG Bank, Ltd.		-	1,200,000	-	1,200,000	1.08% (*2)	Feb. 16, 2022	(*5)		
Sumitomo Mitsui Trust Bank Limited		-	2,100,000	-	2,100,000					
Mizuho Bank, Ltd.		-	2,000,000	-	2,000,000					
Mizuho Trust & Banking Co., Ltd.		-	500,000	-	500,000					
Kiraboshi Bank, Ltd.		-	500,000	-	500,000	0.62% (*2)	Apr. 14, 2022	(*3)		
The Iyo Bank, Ltd.		-	700,000	-	700,000					
The 77 Bank, Ltd.		-	500,000	-	500,000					
Aozora Bank, Ltd.		-	700,000	-	700,000	0.76% (*2)	Apr. 28, 2022	(*5)		
The Gunma Bank, Ltd.		-	1,000,000	-	1,000,000	0.63% (*2)	May 27, 2022	(*5)		
Sumitomo Mitsui Banking Corporation		-	1,560,000	-	1,560,000	0.25%	May 31, 2022	(*5)		
Shinsei Bank, Limited		-	1,000,000	-	1,000,000	1.32% (*2)	Jun. 17, 2022	(*3)		
MUFG Bank, Ltd.		-	707,000	-	707,000	0.82% (*2)	Jul. 29, 2022	(*3)		
Sumitomo Mitsui Trust Bank Limited		-	393,000	-	393,000					
The Nishi-Nippon City Bank, Ltd.		-	400,000	-	400,000					

Category		Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Interest rate *1	Repayment date	Use	Notes
Lenders									
Total		28,978,000	13,260,000	15,018,000	27,220,000				
Long-term loans payable	Sumitomo Mitsui Trust Bank Limited	2,600,000	-	-	2,600,000	1.47% (*2)	Nov. 15, 2023	(*5)	Unsecured Unguaranteed
	Sumitomo Mitsui Banking Corporation	3,550,000	-	-	3,550,000	1.37% (*2)	Nov. 15, 2022	(*5)	
	Shinsei Bank, Limited	1,000,000	-	1,000,000	-	-	Jun. 17, 2022	(*3)	
	MUFG Bank, Ltd.	500,000	-	-	500,000	1.59% (*2)	Feb. 14, 2025	(*5)	
	MUFG Bank, Ltd.	500,000	-	-	500,000	1.44% (*2)	Feb. 16, 2024	(*5)	
	Sumitomo Mitsui Trust Bank Limited	500,000	-	-	500,000				
	MUFG Bank, Ltd.	455,000	-	-	455,000	1.28% (*2)	Feb. 16, 2023	(*5)	
	Sumitomo Mitsui Trust Bank Limited	455,000	-	-	455,000				
	Sumitomo Mitsui Banking Corporation	1,120,000	-	-	1,120,000				
	Mizuho Bank, Ltd.	1,630,000	-	-	1,630,000				
	MUFG Bank, Ltd.	1,200,000	-	1,200,000	-	-	Feb. 16, 2022	(*5)	
	Sumitomo Mitsui Trust Bank Limited	2,100,000	-	2,100,000	-				
	Mizuho Bank, Ltd.	2,000,000	-	2,000,000	-				
	Mizuho Trust & Banking Co., Ltd.	500,000	-	500,000	-				
	MUFG Bank, Ltd.	707,000	-	707,000	-				
	Sumitomo Mitsui Trust Bank Limited	393,000	-	393,000	-	-	Jul. 29, 2022	(*3)	
	The Nishi-Nippon City Bank, Ltd.	400,000	-	400,000	-				
	Development Bank of Japan Inc.	1,500,000	-	-	1,500,000	1.02% (*2)	Sep. 29, 2023	(*5)	
	Development Bank of Japan Inc.	1,850,000	-	-	1,850,000	1.18% (*2)	Sep. 30, 2024	(*5)	
	Aozora Bank, Ltd.	1,000,000	-	-	1,000,000	0.85% (*2)	Oct. 31, 2022	(*5)	
	Aozora Bank, Ltd.	700,000	-	700,000	-	-	Apr. 28, 2022	(*5)	
	MUFG Bank, Ltd.	1,000,000	-	-	1,000,000	0.89% (*2)	Jan. 31, 2023	(*5)	
	Aozora Bank, Ltd.	700,000	-	-	700,000				
	Resona Bank, Limited	1,000,000	-	-	1,000,000	1.05% (*2)	Mar. 19, 2025	(*3)	
	Mizuho Trust & Banking Co., Ltd.	1,200,000	-	-	1,200,000				
	The Yamaguchi Bank, Ltd.	500,000	-	-	500,000	1.00% (*2)	Apr. 14, 2025	(*3)	
	Nippon Life Insurance Company	1,000,000	-	-	1,000,000	1.00% (*2)	Apr. 14, 2025	(*3)	
	Mizuho Trust & Banking Co., Ltd.	1,400,000	-	-	1,400,000	0.88% (*2)	Apr. 12, 2024	(*3)	
	Mizuho Trust & Banking Co., Ltd.	1,200,000	-	-	1,200,000	0.75% (*2)	Apr. 14, 2023	(*3)	
	The Norinchukin Bank	1,500,000	-	-	1,500,000				
	The Yamaguchi Bank, Ltd.	500,000	-	-	500,000	0.73% (*2)	Apr. 14, 2023	(*3)	
	Mizuho Trust & Banking Co., Ltd.	1,200,000	-	-	1,200,000	0.69% (*2)	Oct. 14, 2022	(*3)	
	Kiraboshi Bank, Ltd.	500,000	-	500,000	-	-	Apr. 14, 2022	(*3)	
The Iyo Bank, Ltd.	700,000	-	700,000	-					
The 77 Bank, Ltd.	500,000	-	500,000	-					
The Gunma Bank, Ltd.	1,000,000	-	1,000,000	-	-	May 27, 2022	(*5)		
Development Bank of Japan Inc.	2,300,000	-	-	2,300,000	1.04% (*2)	Jun. 25, 2025	(*5)		
Resona Bank, Limited	1,000,000	-	-	1,000,000	0.73% (*2)	Aug. 31, 2023	(*5)		
The Nishi-Nippon City Bank, Ltd.	800,000	-	-	800,000					
MUFG Bank, Ltd.	400,000	-	-	400,000	0.92%	Aug. 29, 2025	(*3)		
Sumitomo Mitsui Trust Bank Limited	400,000	-	-	400,000	0.85% (*2)	Aug. 29, 2025	(*3)		
MUFG Bank, Ltd.	1,000,000	-	-	1,000,000	0.84% (*2)	Dec. 18, 2025	(*5)		

	Category	Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Interest rate *1	Repayment date	Use	Notes
	Lenders								
Long-term loans payable	The Norinchukin Bank	1,000,000	-	-	1,000,000	0.61% (*2)	Dec. 18, 2023	(*5)	Unsecured Unguaranteed
	The Bank of Fukuoka, Ltd.	1,000,000	-	-	1,000,000				
	MUFG Bank, Ltd.	990,000	-	-	990,000	0.55%	Feb. 28, 2026	(*5)	
	Sumitomo Mitsui Trust Bank Limited	990,000	-	-	990,000	0.66%	Jan. 31, 2027	(*5)	
	Mizuho Bank, Ltd.	1,080,000	-	-	1,080,000				
	MUFG Bank, Ltd.	2,500,000	-	-	2,500,000	0.57%	Jan. 31, 2026	(*5)	
	Sumitomo Mitsui Trust Bank Limited	1,000,000	-	-	1,000,000	0.77% (*2)	Mar. 24, 2028	(*3)	
	MUFG Bank, Ltd.	1,000,000	-	-	1,000,000	0.54%	Mar. 24, 2026	(*3)	
	Mizuho Bank, Ltd.	900,000	-	-	900,000	0.63%	Jan. 31, 2027	(*3)	
	Mizuho Trust & Banking Co., Ltd.	750,000	-	-	750,000				
	Resona Bank, Limited	900,000	-	-	900,000	0.52%	Jan. 31, 2026	(*3)	
	MUFG Bank, Ltd.	1,150,000	-	-	1,150,000	0.45%	Jan. 31, 2025	(*3)	
	Sumitomo Mitsui Trust Bank Limited	500,000	-	-	500,000	0.75% (*2)	Mar. 24, 2028	(*3)	
	MUFG Bank, Ltd.	500,000	-	-	500,000	0.51%	Mar. 24, 2026	(*3)	
	Mizuho Bank, Ltd.	400,000	-	-	400,000	0.63%	Jan. 31, 2027	(*3)	
	The Yamaguchi Bank, Ltd.	500,000	-	-	500,000	0.36%	Jul. 29, 2026	(*5)	
	The Bank of Fukuoka, Ltd.	1,000,000	-	-	1,000,000	0.36%	Jul. 29, 2026	(*5)	
	The Bank of Fukuoka, Ltd.	1,000,000	-	-	1,000,000	0.26%	Jul. 29, 2025	(*5)	
	The Iyo Bank, Ltd.	300,000	-	-	300,000	0.20%	Jul. 29, 2024	(*5)	
	The Chugoku Bank, Ltd.	500,000	-	-	500,000	0.20%	Jul. 29, 2024	(*5)	
	Bank of Kyoto, Ltd.	500,000	-	-	500,000	0.20%	Jul. 29, 2024	(*5)	
	The Norinchukin Bank	1,500,000	-	-	1,500,000	0.45%	Nov. 28, 2025	(*5)	
	The Norinchukin Bank	1,000,000	-	-	1,000,000	0.38%	Nov. 29, 2024	(*5)	
	Taiyo Life Insurance Company	1,500,000	-	-	1,500,000	0.24%	Nov. 29, 2024	(*5)	
	Mitsui Sumitomo Insurance Co., Ltd.	1,000,000	-	-	1,000,000	0.32%	Nov. 30, 2023	(*5)	
	MUFG Bank, Ltd.	1,250,000	-	-	1,250,000	0.41%	Jan. 29, 2027	(*5)	
	MUFG Bank, Ltd.	1,000,000	-	-	1,000,000	0.58%	Jan. 29, 2027	(*5)	
	Sumitomo Mitsui Trust Bank Limited	1,000,000	-	-	1,000,000	0.63%	Jan. 29, 2027	(*5)	
	Sumitomo Mitsui Trust Bank Limited	1,250,000	-	-	1,250,000	0.61%	Jan. 29, 2027	(*5)	
	Resona Bank, Limited	1,000,000	-	-	1,000,000				
	Resona Bank, Limited	1,000,000	-	-	1,000,000	0.50%	Jan. 30, 2026	(*5)	
	MUFG Bank, Ltd.	1,200,000	-	-	1,200,000	0.43%	Feb. 25, 2026	(*6)	
	Sumitomo Mitsui Trust Bank Limited	1,000,000	-	-	1,000,000	0.67%	Apr. 25, 2028	(*6)	
	Development Bank of Japan Inc.	1,400,000	-	-	1,400,000	0.56%	Apr. 23, 2027	(*6)	
	MUFG Bank, Ltd.	2,500,000	-	-	2,500,000	0.52%	Feb. 26, 2027	(*5)	
	MUFG Bank, Ltd.	1,000,000	-	-	1,000,000	0.47%	Aug. 31, 2026	(*5)	
	Sumitomo Mitsui Trust Bank Limited	2,000,000	-	-	2,000,000	0.60%	Apr. 30, 2027	(*5)	
	MUFG Bank, Ltd.	2,000,000	-	-	2,000,000				
	MUFG Bank, Ltd.	1,700,000	-	-	1,700,000	0.54%	Oct. 30, 2026	(*5)	
	Development Bank of Japan Inc.	1,000,000	-	-	1,000,000	0.57%	May 31, 2027	(*7)	
	The Nishi-Nippon City Bank, Ltd.	500,000	-	-	500,000	0.55%	Aug. 31, 2027	(*6)	
	The Bank of Fukuoka, Ltd.	500,000	-	-	500,000				
	The Iyo Bank, Ltd.	500,000	-	-	500,000				
	Bank of Kyoto, Ltd.	500,000	-	-	500,000				
	Shinkin Central Bank	500,000	-	-	500,000				



	Category	Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Interest rate *1	Repayment date	Use	Notes
	Lenders								
Long-term loans payable	The Nishi-Nippon City Bank, Ltd.	500,000	-	-	500,000	0.42%	Feb. 27, 2026	(*6)	Unsecured Unguaranteed
	The Bank of Fukuoka, Ltd.	500,000	-	-	500,000				
	The Iyo Bank, Ltd.	500,000	-	-	500,000				
	The Chugoku Bank, Ltd.	500,000	-	-	500,000				
	Shinkin Central Bank	500,000	-	-	500,000				
	MUFG Bank, Ltd.	500,000	-	-	500,000	0.51%	Aug. 31, 2027	(*6)	
	Sumitomo Mitsui Trust Bank Limited	500,000	-	-	500,000	0.55%	Aug. 31, 2027	(*6)	
	Japan Post Insurance Co., Ltd.	1,000,000	-	-	1,000,000				
	Taiyo Life Insurance Company	1,500,000	-	-	1,500,000	0.42%	Sep. 30, 2025	(*5)	
	MUFG Bank, Ltd.	2,850,000	-	-	2,850,000	0.54%	Sep. 30, 2027	(*5)	
	The Bank of Fukuoka, Ltd.	500,000	-	-	500,000	0.38%	Feb. 28, 2025	(*5)	
	The Bank of Fukuoka, Ltd.	500,000	-	-	500,000	0.63%	Feb. 29, 2028	(*5)	
	MUFG Bank, Ltd.	500,000	-	-	500,000	0.56%	Mar. 17, 2028	(*3)	
	Sumitomo Mitsui Trust Bank Limited	500,000	-	-	500,000	0.61%	Mar. 17, 2028	(*3)	
	Mizuho Bank, Ltd.	1,000,000	-	-	1,000,000				
	The Yamaguchi Bank, Ltd.	500,000	-	-	500,000				
	Shinkin Central Bank	500,000	-	-	500,000				
	Mizuho Bank, Ltd.	1,500,000	-	-	1,500,000	0.60%	Apr. 13, 2028	(*5)	
	MUFG Bank, Ltd.	1,500,000	-	-	1,500,000	0.50%	Mar. 31, 2028	(*5)	
	Sumitomo Mitsui Trust Bank Limited	2,100,000	-	-	2,100,000	0.38%	Apr. 30, 2025	(*5)	
	Sumitomo Mitsui Trust Bank Limited	890,000	-	-	890,000	0.70%	Jun. 29, 2029	(*5)	
	MUFG Bank, Ltd.	1,000,000	-	-	1,000,000	0.49%	Mar. 31, 2028	(*5)	
	Development Bank of Japan Inc.	1,000,000	-	-	1,000,000	0.66%	Jul. 31, 2028	(*5)	
	The Nishi-Nippon City Bank, Ltd.	900,000	-	-	900,000				
	Mizuho Bank, Ltd.	500,000	-	-	500,000	0.47%	Jul. 31, 2026	(*5)	
	Shinsei Bank, Limited	1,000,000	-	-	1,000,000	0.47% (*2)	Jul. 31, 2026	(*5)	
	Sumitomo Mitsui Banking Corporation	650,000	-	-	650,000	0.37%	Jan. 31, 2025	(*5)	
	Shinsei Bank, Limited	1,000,000	-	-	1,000,000	0.36% (*2)	Jan. 31, 2025	(*5)	
	Nippon Life Insurance Company	1,000,000	-	-	1,000,000	0.67%	Sep. 11, 2028	(*6)	
	The Nishi-Nippon City Bank, Ltd.	500,000	-	-	500,000	0.70%	Sep. 29, 2028	(*5)	
	The 77 Bank, Ltd.	500,000	-	-	500,000	0.70%	Sep. 29, 2028	(*5)	
	Sumitomo Mitsui Trust Bank Limited	2,200,000	-	-	2,200,000	0.64%	Nov. 30, 2028	(*5)	
	MUFG Bank, Ltd.	1,300,000	-	-	1,300,000	0.60%	Nov. 30, 2028	(*5)	
	Mizuho Bank, Ltd.	1,000,000	-	-	1,000,000	0.62%	Nov. 30, 2028	(*5)	
	Mizuho Trust & Banking Co., Ltd.	1,000,000	-	-	1,000,000				
	Sumitomo Mitsui Banking Corporation	700,000	-	-	700,000	0.30%	May 31, 2024	(*5)	
	Sumitomo Mitsui Banking Corporation	1,560,000	-	1,560,000	-	-	May 31, 2022	(*5)	
	MUFG Bank, Ltd.	1,300,000	-	-	1,300,000	0.36%	Jun. 29, 2029	(*5)	
	Sumitomo Mitsui Trust Bank Limited	800,000	-	-	800,000	0.39%	Jun. 29, 2029	(*5)	
	The Nishi-Nippon City Bank, Ltd.	500,000	-	-	500,000	0.31%	Sep. 28, 2029	(*5)	
	Sumitomo Life Insurance Company	700,000	-	-	700,000	0.55%	Oct. 29, 2032	(*5)	
	Mizuho Bank, Ltd.	1,200,000	-	-	1,200,000	0.39%	Nov. 30, 2029	(*5)	
	Shinsei Bank, Limited	1,000,000	-	-	1,000,000	0.44%	Nov. 30, 2029	(*5)	
	The Yamaguchi Bank, Ltd.	500,000	-	-	500,000	0.32%	Dec. 18, 2029	(*5)	
	Mizuho Bank, Ltd.	1,000,000	-	-	1,000,000	0.46%	Feb. 14, 2031	(*5)	
	Mizuho Bank, Ltd.	1,900,000	-	-	1,900,000	0.39%	Feb. 14, 2030	(*5)	

	Category	Balance at the beginning of period	Increase during the period	Decrease during the period	Balance at the end of period	Interest rate *1	Repayment date	Use	Notes
	Lenders								
Long-term loans payable	Mizuho Trust & Banking Co., Ltd.	2,350,000	-	-	2,350,000	0.39%	Feb. 14, 2030	(*5)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	2,000,000	-	-	2,000,000	0.41%	Mar. 22, 2030	(*5)	
	Sumitomo Mitsui Trust Bank Limited	2,000,000	-	-	2,000,000	0.44%	Mar. 22, 2030	(*5)	
	Shinkin Central Bank	1,000,000	-	-	1,000,000				
	Resona Bank, Limited	1,370,000	-	-	1,370,000	0.40% (*2)	Mar. 22, 2030	(*5)	
	Sumitomo Mitsui Trust Bank Limited	920,000	-	-	920,000	0.23%	Mar. 24, 2023	(*5)	
	The 77 Bank, Ltd.	1,000,000	-	-	1,000,000	0.40%	Mar. 27, 2030	(*3)	
	The Yamaguchi Bank, Ltd.	500,000	-	-	500,000	0.39%	Jun. 18, 2030	(*5)	
	Sumitomo Mitsui Trust Bank Limited	500,000	-	-	500,000	0.23%	Sep. 11, 2023	(*5)	
	Mizuho Trust & Banking Co., Ltd.	1,000,000	-	-	1,000,000	0.38%	Sep. 30, 2030	(*5)	
	The Norinchukin Bank	1,000,000	-	-	1,000,000	0.23%	Sep. 29, 2028	(*5)	
	Mizuho Bank, Ltd.	1,500,000	-	-	1,500,000	0.39%	Oct. 18, 2030	(*6)	
	Development Bank of Japan Inc.	2,200,000	-	-	2,200,000	0.39%	Nov. 29, 2030	(*5)	
	The Chiba Bank, Ltd.	1,000,000	-	-	1,000,000	0.18%	Nov. 30, 2027	(*5)	
	Sumitomo Mitsui Banking Corporation	1,500,000	-	-	1,500,000	0.14%	Dec. 1, 2023	(*3)	
	Sumitomo Mitsui Banking Corporation	1,200,000	-	-	1,200,000	0.14%	Dec. 25, 2023	(*5)	
	MUFG Bank, Ltd.	600,000	-	-	600,000	0.32%	Jan. 31, 2031	(*5)	
	The Bank of Fukuoka, Ltd.	500,000	-	-	500,000	0.40%	Jan. 31, 2031	(*5)	
	The Nishi-Nippon City Bank, Ltd.	400,000	-	-	400,000				
	Resona Bank, Limited	500,000	-	-	500,000	0.36% (*2)	Jan. 31, 2031	(*5)	
	MUFG Bank, Ltd.	-	270,000	-	270,000	0.35%	Feb. 14, 2031	(*5)	
	Mizuho Bank, Ltd.	-	2,900,000	-	2,900,000	0.44%	Feb. 14, 2031	(*5)	
	Mizuho Trust & Banking Co., Ltd.	-	1,500,000	-	1,500,000				
	Sumitomo Mitsui Banking Corporation	-	2,800,000	-	2,800,000	0.19%	Jan. 31, 2025	(*5)	
	Development Bank of Japan Inc.	-	1,150,000	-	1,150,000	0.49%	Mar. 24, 2031	(*5)	
	The Norinchukin Bank	-	1,000,000	-	1,000,000	0.32%	Apr. 13, 2029	(*5)	
	Sumitomo Mitsui Banking Corporation	-	800,000	-	800,000	0.18%	Apr. 30, 2025	(*5)	
	Shinsei Bank, Limited	-	700,000	-	700,000	0.43%	Jun. 18, 2031	(*5)	
	Resona Bank, Limited	-	919,000	-	919,000	0.29% (*2)	Jun. 25, 2031	(*5)	
	Aozora Bank, Ltd.	-	1,000,000	-	1,000,000	0.28%	Jun. 25, 2029	(*5)	
	MUFG Bank, Ltd.	-	700,000	-	700,000	0.38%	Mar. 31, 2031	(*5)	
	The Bank of Fukuoka, Ltd.	-	500,000	-	500,000	0.44%	Jun. 30, 2031	(*5)	
	Resona Bank, Limited	-	500,000	-	500,000	0.25% (*2)	Jan. 31, 2031	(*5)	
Total		157,310,000	14,739,000	13,260,000	158,789,000				

\*1. "Interest rate" represents the borrowing interest rate (the weighted average of the balance at the end of the fiscal period) for each loan agreement, rounded to the second decimal place.

\*2. For loans where an interest rate swap transaction is used to manage exposures to fluctuations in interest rate, the interest rate presented in the above table is fixed, reflecting the effects of interest rate swap transactions.

\*3. The funds are used for acquisition of specified assets.

\*4. The funds are used for acquisition of specified assets and repayment of the existing loans.

\*5. The funds are used for repayment of the existing loans.

\*6. The funds are used for redemption of the existing investment corporation bonds.

\*7. The funds are used for repayment of the existing loans and redemption of the existing investment corporation bonds.

\*8. The balances are rounded down to the nearest one thousand yen. Accordingly, the "Total" amounts are not necessarily equal to the sum of individual amounts.

\*9. Total amount of scheduled yearly repayments for the long-term loans for five years after the balance sheet date is as follows:

(Thousands of yen)

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years
Long-term loans payable	27,220,000	16,230,000	16,500,000	19,850,000	18,390,000