

23rd Fiscal Period Report

August 1, 2021 - January 31, 2022

Advance Residence Investment Corporation

Securities code: 3269

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

Management's Discussion and Analysis

1 Summary of Selected Financial Data

	Fiscal Period		units	19th FP	20th FP	21st FP	22nd FP	23rd FP	
				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	From: August 1, 2021 To: January 31, 2022	
Operating results	Operating revenues		million yen	17,175	17,357	17,014	16,884	17,313	
	(Rental revenue)	a	million yen	16,533	16,851	16,718	16,884	16,871	
	(Gain on real estate sales)	b	million yen	642	506	295	–	442	
	Operating expenses		million yen	8,211	9,062	8,500	8,659	8,603	
	(Rental business expenses)	c	million yen	6,439	6,707	6,630	6,791	6,715	
	(Loss on real estate sales)	d	million yen	–	511	–	–	–	
	(Impairment loss)	e	million yen	–	–	–	–	–	
	Operating income		million yen	8,964	8,294	8,513	8,224	8,710	
	Ordinary income	f	million yen	7,945	7,321	7,549	7,294	7,813	
Net income	g	million yen	7,945	7,320	7,548	7,294	7,812		
Balance sheet figures	Total assets	h	million yen	457,863	457,568	458,579	457,829	459,988	
	Interest-bearing liabilities	i	million yen	219,418	219,588	220,788	220,509	222,709	
	Net assets	j	million yen	231,698	231,225	230,966	230,491	230,562	
	Paid-in Capital	k	million yen	139,034	139,034	139,034	139,034	139,034	
Per unit figures	Total dividends	l	million yen	7,783	7,804	7,756	7,819	7,883	
	Payout ratio	l/g	%	98.0	106.6	102.7	107.2	100.9	
	Total number of units issued and outstanding	m	Units	1,385,000	1,385,000	1,385,000	1,385,000	1,385,000	
	Net assets per unit	j/m	yen	167,291	166,950	166,763	166,420	166,470	
	Net income per unit		Note 2 yen	5,782	5,285	5,450	5,266	5,640	
	Dividend per unit	l/m	yen	5,620	5,635	5,600	5,646	5,692	
	Dividend from earnings per unit		yen	5,620	5,635	5,600	5,646	5,692	
	Dividend in excess of earnings per unit		yen	0	0	0	0	0	
	Annualized dividend yield		Note 3 %	3.3	3.3	3.6	3.0	3.3	
Financial indicators	Return on investment (Paid-in Capital)	(g+q)/(k+i)	Note 3 %	5.9	5.7	5.7	5.7	5.9	
	Return on investment (market capitalization)	(g+q)/(mx+i)	Note 3 %	3.1	2.9	3.2	2.8	3.1	
	FFO per unit	(g-b+d+e+q)/m		yen	7,267	7,310	7,261	7,314	7,390
	Annualized	n	Note 3 yen	14,417	14,700	14,403	14,749	14,660	
	FFO per unit	r/n		times	23.7	23.2	21.5	25.3	23.1
	Ratio of ordinary income to total assets	f/h	Note 4 %	1.7	1.6	1.6	1.6	1.7	
	Annualized		Note 3 %	3.5	3.2	3.3	3.2	3.4	
	Equity ratio	j/h		%	50.6	50.5	50.4	50.3	50.1
	Return on equity	g/j	Note 5 %	3.5	3.2	3.3	3.2	3.4	
	Annualized		Note 3 %	7.0	6.4	6.5	6.4	6.7	
	Ratio of interest-bearing liabilities to total assets	i/h		%	47.9	48.0	48.1	48.2	48.4
	DSCR	o/p		times	13.9	14.0	14.4	14.7	16.0
	Net income before interest and depreciation	o		million yen	11,536	10,897	11,125	10,868	11,390
	Interest expenses	p		million yen	827	779	773	737	712
	NOI	a-c+q	Note 6 million yen	12,856	12,941	12,891	12,928	13,020	
	Annualized NOI yield		Note 3, 7 %	5.7	5.7	5.6	5.7	5.6	
	Depreciation and amortization	q	Note 8 million yen	2,763	2,798	2,802	2,835	2,865	
	Reference information	Number of properties under management		–	269	271	271	272	272
		Number of leasable units		Units	21,399	21,402	21,552	21,569	21,643
		Leasable floor area at end of period		Note 9 m ²	798,959.22	797,152.25	800,789.34	802,185.16	807,050.70
Occupancy rate at end of period			Note 10 %	97.0	96.3	96.0	95.9	96.9	
Unit price at end of period		r		yen	341,500	341,000	310,000	373,500	338,500

- Notes
1. Amounts are rounded down to the nearest specified unit. Percentage figures are rounded to the first decimal place. The same applies hereafter.
 2. The net income per unit is calculated by dividing net income by the daily weighted average number of units issued and outstanding.
 3. The annualized figures are calculated using the number of days of period of 184 days for the 19th FP, 182 days for the 20th FP, 184 days for the 21st FP, 181 days for the 22nd FP, and 184 days for the 23rd FP, respectively.
 4. Ratio of ordinary income to total assets = Ordinary income ÷ ((Total assets at beginning of period + Total assets at end of period) ÷ 2) × 100
 5. Return on equity = Net income ÷ ((Net assets at beginning of period + Net assets at end of period) ÷ 2) × 100
 6. In the calculation of NOI, the depreciation and amortization is limited to what is included in rental business expenses.
 7. 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.)
 8. Depreciation and amortization include amortization of intangible assets in addition to depreciation of property, plant and equipment.
 9. "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.
 10. "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 23rd Fiscal Period (FP).

1. Internal Growth
Although the move-out rate had continued to rise until the previous FP due to the COVID-19 pandemic, move-outs during the FP under review were somewhat stable. Under these circumstances, ADR took steps to maintain and improve the occupancy rate by relaxing leasing terms such as rents.
2. External Growth
ADR acquired two properties from third parties (total acquisition price of 3.7 billion yen) and disposed of two properties (total acquisition price of 0.6 billion 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
As a result of its continued initiatives concerning sustainability, ADR was selected as a “Sector Leader” in the Asian residential sector category under the GRESB Real Estate Assessment for FY2021, as was the case in the previous year.

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

Item	Previous FP Results	Initial Forecast Note 1	The 23rd FP Results (January 31, 2022)	(million yen)	
				Difference from the Previous FP	Difference from the Initial Forecast
Operating revenues	16,884	17,212	17,313	+429	+101
Operating income	8,224	8,577	8,710	+485	+132
Ordinary income	7,294	7,676	7,813	+518	+136
Net income	7,294	7,675	7,812	+518	+136
Earnings Per Unit	5,266 yen	5,542 yen	5,640 yen	+374 yen ^{Note 2}	+98 yen ^{Note 2}
Dividend Per Unit	5,646 yen	5,600 yen	5,692 yen	+46 yen	+92 yen

Notes 1. The initial forecast refers to the earnings forecast for the 23rd FP disclosed in the “Brief Summary of Kessan Tanshin” for the 22nd FP, dated September 16, 2021. The same applies hereafter.

2. The numbers less than one are discarded in the EPU figures.

Earnings per unit (EPU) increased by 374 yen from the previous FP to 5,640 yen. This was due to recording of gain on sales of properties, as well as an increase in NOI resulting from the property acquisition and the improved occupancy rate.

Dividend per unit (DPU) was 5,692 yen, reflecting the reversal of the reserve for temporary difference adjustments (242 yen per unit) and dividends paid using retained earnings (128 yen per unit), after ADR having retained gain on sales of properties generated during the FP under review (319 yen per unit).

1. Internal Growth

– Improving Occupancy Rate by Easing Relaxing Terms –

The population inflow into Tokyo has continued to decline due to decreased demand from company employee transfers. This led to the slack demand-and-supply balance mainly for single-type units in the 23 wards of Tokyo. ADR, therefore, relaxed its leasing terms to improve the occupancy rate. As a result, ADR managed to record an average fiscal period occupancy rate of 96.2% (up 0.3 percentage points year on year).

Meanwhile, ADR was able to raise rents for new contracts at a higher level than in the corresponding period of the previous year, thanks to a solid demand for family-type units, including in central Tokyo. However, combined with the relaxation of leasing terms mainly for single-type units in the 23 wards of Tokyo explained above, the final replacement rent change was a decrease of 0.6%, down 1.9% from the previous FP, which was the first decrease in seven years since the FP ended January 31, 2015.

– 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 11 properties during the FP under review at a cost of 947 million yen, including tax. Moreover, we performed value enhancement works on 34 properties at a cost of 142 million yen, excluding tax.

Of the residential units that underwent value enhancement works, new rental contracts had been signed for 16 units as of January 31, 2022. Those units saw increases in rent of 28.1% on 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 two properties, RESIDIA Kunitachi II ^{Note 3} and RESIDIA Nishi-tenma ^{Note 3}, at a total acquisition price of 3.7 billion yen during the FP under review. RESIDIA Kunitachi II centers on relatively spacious single-type units (1K type; approx. 29 sq. m.), and was acquired at an amount of 90.3% of the appraisal value with NOI yield ^{Note 4} of 4.8%. RESIDIA Nishi-tenma centers on family-type units (2LDK type; approx. 58 sq. m.), and was acquired at an amount of 95.5% of the appraisal value with NOI yield ^{Note 4} of 5.0%. ADR aims for further increase of the property value by conducting value enhancement works on its individual apartment units in the future. In addition, ADR disposed of two properties at a total sales price of 1.0 billion yen and recorded gain on sales of properties of 0.4 billion yen in total. This gain on sales of properties will be utilized to realize a stable distribution of earnings.

Note 3. As of December 1, 2021, the name of two properties was changed from Etoile Endou and Rivage Nishi-tenma, respectively. The same applies hereafter.

Note 4. The NOI yield is calculated by dividing the annual NOI stated in the appraisal report by the acquisition price. In addition, the NOI of RESIDIA Nishi-tenma is calculated using the figures on the assumption that value enhancement works are conducted on the individual apartment units.

3. Finance Policy

– Lowering the Average Interest Rates and Extending Remaining Durations –

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 conditions of our financing during the FP under review, and ADR managed to execute debt financing to the tune of 19.2 billion yen in total (at the average interest rate ^{Note 5} of 0.41% and average initial duration of 8.2 years). As a result, ADR lowered the average interest rate to 0.61% as of the end of the FP under review, from 0.66% in the previous FP. It also extended the remaining duration to 5.0 years from 4.9 years, further enhancing its financial foundation.

ADR's issuer credit ratings as of the end of the FP under review 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 5. The "average interest rate" is the weighted-average interest rate on loans and bonds as of their respective borrowing or issuance date and as of the end of the FP under review. 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 its energy-saving measures, ADR has been introducing LED lighting in the common areas of its properties. During the FP under review, ADR installed LED lighting in 11 properties. As of the end of the FP under review, ADR had completed installation of LED lighting in 109 properties (representing 40.2% of its portfolio). In addition, ADR has been installing electrical current measurement meters to measure electricity consumption of individual apartment units as a whole. During the FP under review, ADR newly installed the meters in 44 properties. As of the end of the FP under review, ADR had completed installation of the meters in 52 properties (representing 19.1% of its portfolio).

ADR has been striving to include green lease clauses ^{Note 6} 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 62.2% of its total number of residential units.

ADR has also acquired DBJ Green Building Certification with respect to 23 properties, constituting 29.9% of its portfolio on the basis of total floor area, as of the end of the FP.

Note 6. 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 conducts educational activities for energy-saving by utilizing the digital signage installed in the common areas of its properties.

The asset management company conducted several activities, including an energy-saving challenge in the homes of officers and employees, online walking event, and SDGs educational activities, thereby raising the awareness of sustainability of the whole company.

As a result of these initiatives, ADR was selected as a “Sector Leader” in the Asian residential sector category under the GRESB Real Estate Assessment for the year 2021, as was the case in the previous year. In addition, ADR works on initiatives for inclusion into the MSCI Japan ESG Select Leaders Index, and its ESG rating improved to “A” from “BBB” in the previous FP. Furthermore, for the purpose of expanding the base of investors who are interested in ESG investment, ADR issued two green bonds for the amount of 2.6 billion yen.

5. Merger of Asset Management Company

AD Investment Management Co., Ltd. (hereinafter referred to as “ADIM”), ADR’s asset management company, concluded an absorption-type merger agreement with ITOCHU REIT Management Co., Ltd. (hereinafter referred to as “IRM”) on January 27, 2022. Based on the agreement, ADIM will conduct a merger by absorption of IRM (hereinafter referred to as the “Merger”) effective June 1, 2022. While the Merger is an absorption-type merger with ADIM as the surviving company and IRM as the absorbed company, the corporate name of ADIM after the Merger will be changed to “ITOCHU REIT Management Co., Ltd.”

3 Management Policies and Challenges Going Forward

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

1. Internal Growth

Keeping a close eye on trends of the rental housing market, ADR will prioritize the maintenance and improvement of the occupancy ratio through measures such as the relaxation of leasing terms. 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.

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

In light of sustainability initiatives, ADR installs electrical current measurement meters that gauge electricity consumption of individual apartment units, thereby promoting measures for energy-saving and reduction of greenhouse gas emissions in its properties.

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 ^(Note 7), 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 ^(Note 8).

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 7. 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.

8. 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 26, 2019	Follow-on offering	33,000	1,383,000	10,696	138,386	1
October 21, 2019	Third-party allotment	2,000	1,385,000	648	139,034	2

Notes 1. 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.
 2. 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	19th FP	20th FP	21st FP	22nd FP	23rd FP
Period-end	January 31, 2020	July 31, 2020	January 31, 2021	July 31, 2021	January 31, 2022
High	367,000 yen	350,500 yen	342,000 yen	390,500 yen	381,000 yen
Low	331,000 yen	209,000 yen	290,000 yen	300,000 yen	318,500 yen

Overview of the Investment Corporation

1 Major Unit-holders

The following are the major unit-holders as of January 31, 2022.

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	311,360	22.48
The Master Trust Bank of Japan, Ltd (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	200,809	14.49
The Nomura Trust & Banking Co., Ltd. (Investment Trust Account)	2-2-2 Otemachi, Chiyoda-ku, Tokyo	61,788	4.46
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	39,092	2.82
ITOCHU Corporation	2-5-1 Kita-Aoyama, Minato-ku, Tokyo	34,800	2.51
Mizuho Securities Co., Ltd.	1-5-1, Otemachi, Chiyoda-ku, Tokyo	22,124	1.59
STATE STREET BANK WEST CLIENT-TREATY	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A.	19,301	1.39
SSBTC CLIENT OMNIBUS ACCOUNT	ONE LINCOLN STREET, BOSTON MA USA 02111	17,316	1.25
STATE STREET BANK AND TRUST COMPANY	P.O. BOX 351 BOSTON, MASSACHUSETTS 02101 U.S.A	17,022	1.22
JP MORGAN CHASE BANK	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM	16,906	1.22
Total		740,518	53.46

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 January 31, 2022, 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		19,000 ^(Note)

Note: The compensation paid to the independent auditor includes compensation (2,500,000 yen) for services other than those prescribed in Article 2, paragraph 1 of the Certified Public Accountants Act.

- 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 January 31, 2022.

	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 January 31, 2022.

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) (*)	22nd (Feb. 1, 2021 to July 31, 2021)				23rd (Aug. 1, 2021 to Jan. 1, 2022)			
						Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousands of 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 (thousands of yen) Note 4	Percentage of total rent revenue (%)
T-001	RESIDIA Shimazuyama	Shinagawa-ku, Tokyo	Beneficiary interests in trust	2,389	4,100	1	96.0	92,803	0.5	1	96.6	92,012	0.5
T-002	RESIDIA Nakameguro	Meguro-ku, Tokyo	Beneficiary interests in trust	1,376	2,610	1	100.0	47,287	0.3	1	100.0	47,256	0.3
T-003	RESIDIA Setagaya-Tsurumaki	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,127	1,410	1	100.0	38,993	0.2	1	96.8	39,242	0.2
T-004	RESIDIA Ikejirihashi	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,105	1,680	1	97.8	37,654	0.2	1	97.2	36,893	0.2
T-005	RESIDIA Kudanshita	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,999	2,950	1	98.9	74,634	0.4	1	97.9	75,317	0.4
T-006	RESIDIA Hatagaya	Shibuya-ku, Tokyo	Beneficiary interests in trust	1,031	1,480	1	96.3	31,016	0.2	1	100.0	32,332	0.2
T-007	RESIDIA Sakurajosui	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,025	1,500	1	94.5	34,014	0.2	1	100.0	34,105	0.2
T-008	RESIDIA Kita-Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	2,420	3,090	1	100.0	76,079	0.5	1	100.0	76,075	0.5
T-009	RESIDIA Shinjuku-East III	Shinjuku-ku, Tokyo	Beneficiary interests in trust	691	1,100	1	95.0	26,123	0.2	1	100.0	24,936	0.1
T-010	Leopalace Udagawacho Mansion	Shibuya-ku, Tokyo	Beneficiary interests in trust	583	789	1	100.0	17,948	0.1	1	100.0	17,358	0.1
T-011	RESIDIA Shinjuku-East II	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,350	2,180	1	95.8	48,048	0.3	1	96.4	48,275	0.3
T-012	RESIDIA Shinjuku-East	Shinjuku-ku, Tokyo	Beneficiary interests in trust	912	1,390	1	91.9	31,448	0.2	1	91.7	31,496	0.2
T-013	RESIDIA Kanda-Iwamotocho	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,339	2,410	1	95.4	60,092	0.4	1	97.7	59,542	0.4
T-014	RESIDIA Azabujuban II	Minato-ku, Tokyo	Beneficiary interests in trust	881	1,240	1	91.7	28,776	0.2	1	97.5	28,279	0.2
T-015	RESIDIA Ebisu	Shibuya-ku, Tokyo	Beneficiary interests in trust	548	817	1	89.7	19,959	0.1	1	88.9	19,603	0.1
T-016	RESIDIA Meguro	Shinagawa-ku, Tokyo	Beneficiary interests in trust	719	820	1	96.0	21,255	0.1	1	100.0	20,686	0.1
T-017	RESIDIA Hiroo II	Shibuya-ku, Tokyo	Real estate	1,455	2,370	1	95.3	55,412	0.3	1	95.3	55,470	0.3
T-018	Pianetta Shiodome	Minato-ku, Tokyo	Beneficiary interests in trust	1,725	2,530	1	93.4	64,019	0.4	1	97.4	64,726	0.4
T-019	RESIDIA Komazawadaigaku	Setagaya-ku, Tokyo	Beneficiary interests in trust	316	429	1	86.8	11,418	0.1	1	95.1	10,278	0.1
T-022	RESIDIA Oimachi	Shinagawa-ku, Tokyo	Real estate	830	1,230	1	95.7	32,746	0.2	1	95.8	32,176	0.2
T-023	RESIDIA Ebisu II	Shibuya-ku, Tokyo	Real estate	2,258	3,220	1	95.2	70,838	0.4	1	97.7	73,546	0.4
T-024	RESIDIA Kamiochiai	Shinjuku-ku, Tokyo	Real estate	1,111	1,720	1	95.2	43,176	0.3	1	95.1	42,235	0.3
T-025	RESIDIA Higashi-Shinagawa	Shinagawa-ku, Tokyo	Real estate	1,850	2,610	1	97.5	67,167	0.4	1	98.4	66,299	0.4
T-026	RESIDIA Meguro II	Meguro-ku, Tokyo	Real estate	1,119	1,520	1	94.8	35,378	0.2	1	89.6	35,587	0.2
T-027	RESIDIA Toranomon	Minato-ku, Tokyo	Real estate	1,271	1,990	1	96.8	44,569	0.3	1	96.8	42,979	0.3
T-028	RESIDIA Shin-Ochanomizu	Chiyoda-ku, Tokyo	Real estate	1,066	1,800	1	93.8	41,800	0.2	1	100.0	41,000	0.2
T-029	RESIDIA Kagurazaka	Shinjuku-ku, Tokyo	Real estate	837	1,270	1	100.0	31,851	0.2	1	98.2	31,652	0.2
T-030	RESIDIA Oimachi II	Shinagawa-ku, Tokyo	Real estate	960	1,520	1	85.0	33,856	0.2	1	100.0	34,795	0.2
T-031	RESIDIA Jiyugaoka	Meguro-ku, Tokyo	Beneficiary interests in trust	990	1,510	1	97.3	34,996	0.2	1	100.0	37,579	0.2
T-032	RESIDIA Suidobashi	Chiyoda-ku, Tokyo	Real estate	2,172	3,360	1	91.8	79,492	0.5	1	98.6	76,842	0.5
T-033	RESIDIA TOWER Nogizaka	Minato-ku, Tokyo	Real estate	3,476	4,960	1	95.8	112,300	0.7	1	93.9	112,233	0.7
T-034	RESIDIA Akasaka	Minato-ku, Tokyo	Real estate	1,109	1,670	1	98.3	38,167	0.2	1	97.6	43,016	0.3
T-035	RESIDIA Nishi-Azabu	Minato-ku, Tokyo	Beneficiary interests in trust	6,406	9,680	1	95.9	216,425	1.3	1	92.8	216,257	1.3
T-036	RESIDIA Daikanyama	Shibuya-ku, Tokyo	Beneficiary interests in trust	1,977	2,570	1	95.7	57,926	0.3	1	95.7	60,679	0.4
T-037	RESIDIA Ichigaya	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,348	3,650	1	96.8	82,218	0.5	1	97.5	80,824	0.5
T-038	RESIDIA Roppongi-Hinokichikoen	Minato-ku, Tokyo	Beneficiary interests in trust	3,523	5,510	1	91.1	130,053	0.8	1	95.3	130,951	0.8
T-039	RESIDIA TOWER Meguro-Fudomae	Shinagawa-ku, Tokyo	Real estate	14,337	21,800	1	97.2	547,010	3.2	1	96.6	548,739	3.3
T-040	RESIDIA Sangerjaya	Setagaya-ku, Tokyo	Real estate	2,522	3,960	1	97.4	91,504	0.5	1	99.1	91,607	0.5
T-041	RESIDIA Kanda-Higashi	Chiyoda-ku, Tokyo	Real estate	1,493	2,510	1	92.2	60,502	0.4	1	97.7	60,209	0.4
T-042	RESIDIA Higashi-Azabu	Minato-ku, Tokyo	Real estate	1,320	1,750	1	94.2	41,046	0.2	1	96.8	41,725	0.2
T-043	RESIDIA Ebisu-Minami	Shibuya-ku, Tokyo	Real estate	1,898	2,570	1	93.1	61,376	0.4	1	100.0	57,950	0.3
T-044	RESIDIA TOWER Azabujuban	Minato-ku, Tokyo	Real estate	6,028	9,280	1	95.2	203,906	1.2	1	95.1	213,087	1.3
T-045	RESIDIA Shibuya	Shibuya-ku, Tokyo	Real estate	1,193	1,880	1	90.7	41,654	0.2	1	95.4	38,718	0.2
T-046	RESIDIA Nakanobu	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,706	2,770	1	93.7	63,844	0.4	1	93.7	64,293	0.4
T-047	RESIDIA Azabudai	Minato-ku, Tokyo	Beneficiary interests in trust	1,518	2,160	1	95.1	49,625	0.3	1	94.3	49,777	0.3
T-048	RESIDIA Shibadaimon II	Minato-ku, Tokyo	Beneficiary interests in trust	1,640	2,200	1	97.9	51,671	0.3	1	95.9	54,514	0.3
T-049	RESIDIA Kanda	Chiyoda-ku, Tokyo	Real estate	1,062	1,710	1	83.1	40,272	0.2	1	94.8	38,987	0.2
T-050	RESIDIA Sangerjaya II	Setagaya-ku, Tokyo	Real estate	1,188	1,790	1	85.1	40,518	0.2	1	100.0	41,867	0.2
T-051	RESIDIA Nishi-Shinjuku II	Shinjuku-ku, Tokyo	Real estate	1,655	2,560	1	97.5	57,722	0.3	1	91.3	58,291	0.3
T-052	RESIDIA Hiroo-Minami	Shibuya-ku, Tokyo	Real estate	848	1,320	1	96.2	28,698	0.2	1	92.5	29,793	0.2

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) (*1)	22nd (Feb. 1, 2021 to July 31, 2021)				23rd (Aug. 1, 2021 to Jan. 1, 2022)			
						Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousands of 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 (thousands of yen) Note 4	Percentage of total rent revenue (%)
T-053	RESIDIA Mejiro-Otomeyama	Shinjuku-ku, Tokyo	Beneficiary interests in trust	946	1,370	1	96.3	34,191	0.2	1	100.0	34,251	0.2
T-054	RESIDIA Shibaura	Minato-ku, Tokyo	Beneficiary interests in trust	4,230	6,920	1	95.6	185,360	1.1	1	97.5	187,902	1.1
T-055	RESIDIA Gotenyama	Shinagawa-ku, Tokyo	Real estate	863	1,130	1	100.0	29,681	0.2	1	100.0	31,367	0.2
T-056	RESIDIA Yutenji	Meguro-ku, Tokyo	Beneficiary interests in trust	4,979	6,850	1	96.7	157,686	0.9	1	98.2	155,425	0.9
T-057	Park Tower Shibaura Bayward Urban Wing	Minato-ku, Tokyo	Beneficiary interests in trust	8,984	14,300	1	94.0	327,702	1.9	1	95.8	335,837	2.0
T-058	RESIDIA Kamimeguro	Meguro-ku, Tokyo	Beneficiary interests in trust	825	1,330	1	93.4	31,751	0.2	1	100.0	34,789	0.2
T-059	RESIDIA Kita-Shinjuku	Shinjuku-ku, Tokyo	Real estate	1,324	1,990	1	100.0	46,999	0.3	1	100.0	49,427	0.3
T-060	RESIDIA Komazawa	Setagaya-ku, Tokyo	Beneficiary interests in trust	789	1,420	1	100.0	28,095	0.2	1	100.0	28,095	0.2
T-061	RESIDIA Shibaura KAIGAN	Minato-ku, Tokyo	Beneficiary interests in trust	2,239	3,370	1	97.7	87,728	0.5	1	98.9	88,127	0.5
T-062	RESIDIA Ichigaya-Yakuoji	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,902	2,910	1	95.6	66,252	0.4	1	98.2	64,582	0.4
T-063	RESIDIA Yoga	Setagaya-ku, Tokyo	Real estate	1,491	2,080	1	94.8	50,095	0.3	1	98.7	50,259	0.3
T-064	RESIDIA TOWER Nakameguro	Meguro-ku, Tokyo	Real estate	3,433	5,470	1	96.7	123,641	0.7	1	96.8	126,784	0.8
T-065	RESIDIA Sasazuka II	Shibuya-ku, Tokyo	Beneficiary interests in trust	3,574	5,340	1	96.1	124,921	0.7	1	98.5	119,443	0.7
T-066	RESIDIA Meguro III	Meguro-ku, Tokyo	Beneficiary interests in trust	929	1,690	1	91.7	32,875	0.2	1	93.4	33,074	0.2
T-067	RESIDIA Jiyugaoka II	Setagaya-ku, Tokyo	Beneficiary interests in trust	762	1,100	1	100.0	27,269	0.2	1	100.0	27,142	0.2
T-068	RESIDIA Kudanshita II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,188	2,060	1	93.9	44,735	0.3	1	97.8	45,120	0.3
T-069	RESIDIA Omori II	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,542	2,560	1	95.8	57,377	0.3	1	98.0	56,619	0.3
T-070	RESIDIA Shirokane-Takanawa	Minato-ku, Tokyo	Beneficiary interests in trust	1,423	2,340	1	89.8	47,652	0.3	1	100.0	51,478	0.3
T-071	RESIDIA Nakaochiai	Shinjuku-ku, Tokyo	Beneficiary interests in trust	3,712	5,200	1	97.7	120,663	0.7	1	94.3	117,461	0.7
T-072	RESIDIA Nakameguro	Meguro-ku, Tokyo	Beneficiary interests in trust	1,147	1,800	1	94.1	37,358	0.2	1	96.0	32,812	0.2
T-073	Artis Court Minamiaoyama	Minato-ku, Tokyo	Beneficiary interests in trust	1,710	2,130	1	85.1	53,074	0.3	1	85.2	53,233	0.3
T-074	RESIDIA Yotsuya Sanchoime	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,019	3,060	1	96.8	81,304	0.5	1	98.4	81,366	0.5
T-075	RESIDIA Takanawa Katsurazaka	Minato-ku, Tokyo	Beneficiary interests in trust	924	1,290	1	100.0	30,310	0.2	1	100.0	30,810	0.2
T-076	RESIDIA Ebisu III	Shibuya-ku, Tokyo	Real estate	644	915	1	95.9	21,351	0.1	1	100.0	20,764	0.1
T-077	RESIDIA Shinjukugyoen	Shinjuku-ku, Tokyo	Beneficiary interests in trust	704	1,090	1	97.5	28,267	0.2	1	100.0	25,577	0.2
T-078	RESIDIA Minami Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,168	1,760	1	91.6	37,707	0.2	1	93.8	38,268	0.2
T-079	Chester Court Ochanomizu	Chiyoda-ku, Tokyo	Beneficiary interests in trust	3,149	4,520	1	95.6	108,215	0.6	1	92.9	106,258	0.6
T-080	RESIDIA Kanda-Iwamotocho II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,276	1,960	1	94.2	43,306	0.3	1	96.0	44,701	0.3
T-081	RESIDIA Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	974	1,470	1	94.9	32,955	0.2	1	100.0	32,106	0.2
T-082	RESIDIA Yoyogi II	Shibuya-ku, Tokyo	Real estate	888	1,090	1	95.1	23,446	0.1	1	100.0	24,174	0.1
T-083	RESIDIA Nakanobu II	Shinagawa-ku, Tokyo	Beneficiary interests in trust	919	1,250	1	93.7	26,788	0.2	1	85.3	26,517	0.2
T-084	RESIDIA Ochanomizu II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	824	1,180	1	97.3	26,605	0.2	1	100.0	25,933	0.2
T-085	RESIDIA Mishuku	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,163	1,530	1	100.0	34,379	0.2	1	95.8	32,616	0.2
T-086	RESIDIA Ichigaya II	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,979	2,440	1	92.0	53,648	0.3	1	96.7	54,317	0.3
T-087	RESIDIA Ichigaya-Sadohara	Shinjuku-ku, Tokyo	Beneficiary interests in trust	4,234	5,060	1	89.9	142,664	0.8	1	89.5	135,401	0.8
T-088	RESIDIA Nishi-Koyama	Meguro-ku, Tokyo	Beneficiary interests in trust	1,712	2,330	1	100.0	48,528	0.3	1	91.3	49,064	0.3
T-089	RESIDIA Minami-Shinagawa II	Shinagawa-ku, Tokyo	Real estate	2,205	2,810	1	99.0	60,420	0.4	1	100.0	63,241	0.4
T-090	RESIDIA Kagurazaka II	Shinjuku-ku, Tokyo	Real estate	1,150	1,540	1	91.4	28,018	0.2	1	97.1	29,820	0.2
T-091	RESIDIA Otemachi-Kita	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,565	1,920	1	97.7	43,930	0.3	1	98.1	44,076	0.3
T-092	RESIDIA Mitsukoshimae	Chuo-ku, Tokyo	Beneficiary interests in trust	1,554	3,200	1	94.6	66,793	0.4	1	94.4	64,548	0.4
T-093	RESIDIA Kamata	Ota-ku, Tokyo	Beneficiary interests in trust	2,040	4,210	1	95.5	106,778	0.6	1	97.9	97,626	0.6
T-094	RESIDIA Ikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	1,398	2,160	1	98.6	52,247	0.3	1	97.5	52,910	0.3
T-095	RESIDIA Bunkyo-Hongo	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,503	2,720	1	95.8	58,838	0.3	1	100.0	59,861	0.4
T-096	RESIDIA Asakusabashi	Taito-ku, Tokyo	Beneficiary interests in trust	886	1,710	1	87.5	40,103	0.2	1	95.5	40,157	0.2
T-097	Maison Eclairée Ekoda	Nerima-ku, Tokyo	Beneficiary interests in trust	871	1,160	1	89.4	36,205	0.2	1	95.3	35,720	0.2
T-098	RESIDIA Ueno-Okachimachi	Taito-ku, Tokyo	Beneficiary interests in trust	2,723	4,440	1	96.3	99,871	0.6	1	95.7	101,379	0.6
T-099	RESIDIA Bunkyo-Hongo II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,545	2,380	1	96.7	51,794	0.3	1	100.0	51,662	0.3
T-100	RESIDIA Ryogoku	Sumida-ku, Tokyo	Beneficiary interests in trust	812	1,450	1	93.3	34,173	0.2	1	100.0	33,998	0.2
T-101	RESIDIA Nihonbashi-Ningyocho II	Chuo-ku, Tokyo	Beneficiary interests in trust	2,835	4,610	1	97.6	109,698	0.6	1	99.4	103,413	0.6
T-102	RESIDIA Omori-Higashi	Ota-ku, Tokyo	Beneficiary interests in trust	1,743	2,380	1	93.7	56,539	0.3	1	98.9	58,154	0.3
T-103	RESIDIA Kinshicho	Sumida-ku, Tokyo	Beneficiary interests in trust	3,870	5,520	1	92.6	122,491	0.7	1	99.1	122,914	0.7
T-104	RESIDIA Negishi	Taito-ku, Tokyo	Beneficiary interests in trust	774	1,090	1	100.0	28,975	0.2	1	100.0	28,371	0.2
T-105	RESIDIA Shinkawa	Chuo-ku, Tokyo	Beneficiary interests in trust	1,766	2,950	1	91.9	65,245	0.4	1	90.5	64,444	0.4
T-106	RESIDIA Kamiiebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	509	823	1	100.0	22,325	0.1	1	97.9	21,970	0.1

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T-107	RESIDIA Shin-nakano	Nakano-ku, Tokyo	Beneficiary interests in trust	337	600	1	86.6	15,793	0.1	1	96.6	15,481	0.1
T-108	RESIDIA Bunkyo-Yushima II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	925	1,410	1	97.5	35,715	0.2	1	96.9	35,011	0.2
T-109	RESIDIA Tsukiji	Chuo-ku, Tokyo	Real estate	1,315	2,320	1	95.4	54,182	0.3	1	98.5	51,158	0.3
T-110	RESIDIA Sasazuka	Suginami-ku, Tokyo	Beneficiary interests in trust	1,748	2,330	1	92.5	64,076	0.4	1	94.4	61,579	0.4
T-111	RESIDIA Tamagawa	Ota-ku, Tokyo	Beneficiary interests in trust	1,111	1,870	1	97.0	47,849	0.3	1	95.0	46,979	0.3
T-112	RESIDIA Korakuen	Bunkyo-ku, Tokyo	Beneficiary interests in trust	563	879	1	100.0	21,954	0.1	1	97.2	21,664	0.1
T-113	RESIDIA Ginza-Higashi	Chuo-ku, Tokyo	Beneficiary interests in trust	1,838	3,060	1	92.5	66,698	0.4	1	95.6	68,376	0.4
T-114	RESIDIA Oji	Kita-ku, Tokyo	Beneficiary interests in trust	747	1,140	1	100.0	33,717	0.2	1	100.0	33,734	0.2
T-115	RESIDIA Mejiro II	Toshima-ku, Tokyo	Real estate	942	1,320	1	96.5	37,686	0.2	1	98.6	36,875	0.2
T-116	RESIDIA Tsukishima	Chuo-ku, Tokyo	Real estate	975	1,490	1	92.0	37,560	0.2	1	94.8	37,462	0.2
T-117	RESIDIA Kamata II	Ota-ku, Tokyo	Real estate	1,233	1,940	1	94.1	47,559	0.3	1	98.8	48,219	0.3
T-118	RESIDIA Tsukishima II	Chuo-ku, Tokyo	Beneficiary interests in trust	2,252	3,380	1	98.3	84,591	0.5	1	95.8	84,823	0.5
T-119	RESIDIA Kinshicho II	Sumida-ku, Tokyo	Real estate	2,164	3,200	1	91.8	78,057	0.5	1	96.2	77,801	0.5
T-120	RESIDIA Bunkyo-Otowa	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,965	4,840	1	92.0	119,232	0.7	1	97.6	122,010	0.7
T-121	RESIDIA Bunkyo-Sengoku	Bunkyo-ku, Tokyo	Beneficiary interests in trust	633	1,090	1	88.1	25,736	0.2	1	93.7	26,102	0.2
T-122	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	Beneficiary interests in trust	962	1,620	1	93.1	38,113	0.2	1	91.4	38,558	0.2
T-123	RESIDIA Ikegami	Ota-ku, Tokyo	Beneficiary interests in trust	351	502	1	93.7	13,239	0.1	1	100.0	13,982	0.1
T-124	RESIDIA Nihonbashi-Ningyocho	Chuo-ku, Tokyo	Beneficiary interests in trust	505	969	1	92.5	21,046	0.1	1	92.5	21,257	0.1
T-125	RESIDIA Bunkyo-Sengoku II	Bunkyo-ku, Tokyo	Real estate	1,372	2,040	1	95.1	49,395	0.3	1	100.0	48,038	0.3
T-126	RESIDIA Iriya	Taito-ku, Tokyo	Beneficiary interests in trust	824	1,280	1	96.7	37,410	0.2	1	96.0	38,569	0.2
T-127	RESIDIA Nihonbashi-Hamacho	Chuo-ku, Tokyo	Real estate	1,222	1,860	1	84.5	44,514	0.3	1	95.6	42,811	0.3
T-128	RESIDIA Shin-Okachimachi	Taito-ku, Tokyo	Real estate	1,719	2,480	1	92.1	60,775	0.4	1	98.3	58,602	0.3
T-129	RESIDIA Chidoricho	Ota-ku, Tokyo	Real estate	1,165	1,650	1	94.8	41,864	0.2	1	100.0	42,037	0.2
T-130	RESIDIA Shinkawa II	Chuo-ku, Tokyo	Beneficiary interests in trust	1,236	2,030	1	96.4	46,230	0.3	1	93.6	47,740	0.3
T-131	RESIDIA Mejiro	Toshima-ku, Tokyo	Beneficiary interests in trust	5,863	9,400	1	94.1	239,351	1.4	1	97.1	247,391	1.5
T-132	RESIDIA Kasai	Edogawa-ku, Tokyo	Beneficiary interests in trust	618	847	1	100.0	28,969	0.2	1	100.0	27,322	0.2
T-133	RESIDIA Nihonbashi-Bakurocho	Chuo-ku, Tokyo	Real estate	4,906	8,440	1	96.7	202,539	1.2	1	95.7	203,680	1.2
T-134	RESIDIA Suginami-Honancho	Suginami-ku, Tokyo	Beneficiary interests in trust	3,485	6,520	1	93.8	156,018	0.9	1	97.2	151,816	0.9
T-135	RESIDIA Shin-Itabashi	Itabashi-ku, Tokyo	Beneficiary interests in trust	809	1,390	1	100.0	29,739	0.2	1	100.0	29,739	0.2
T-136	RESIDIA Kiba	Koto-ku, Tokyo	Beneficiary interests in trust	1,785	3,470	1	96.1	81,394	0.5	1	99.4	80,521	0.5
T-137	RESIDIA Bunkyo-Yushima III	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,045	1,820	1	100.0	44,673	0.3	1	96.9	40,036	0.2
T-138	RESIDIA Bunkyo-Honkomagome	Bunkyo-ku, Tokyo	Real estate	2,182	3,490	1	97.8	83,188	0.5	1	97.8	84,410	0.5
T-139	RESIDIA Tsukishima III	Chuo-ku, Tokyo	Beneficiary interests in trust	2,356	4,310	1	94.1	93,496	0.6	1	98.0	93,304	0.6
T-140	RESIDIA Minami-senju	Arakawa-ku, Tokyo	Beneficiary interests in trust	2,198	4,120	1	94.4	168,738	1.0	1	95.0	169,842	1.0
T-141	RESIDIA Ogikubo	Suginami-ku, Tokyo	Real estate	1,743	2,780	1	94.7	66,433	0.4	1	98.1	64,161	0.4
T-142	RESIDIA Monzennakacho	Koto-ku, Tokyo	Beneficiary interests in trust	990	1,610	1	95.6	36,715	0.2	1	100.0	37,000	0.2
T-143	RESIDIA Ochanomizu	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,943	3,430	1	96.7	77,689	0.5	1	96.7	78,381	0.5
T-144	RESIDIA Omori	Ota-ku, Tokyo	Beneficiary interests in trust	1,148	1,770	1	98.7	42,339	0.3	1	98.7	39,657	0.2
T-145	RESIDIA Nakamurahashi	Nerima-ku, Tokyo	Beneficiary interests in trust	986	1,440	1	98.7	39,811	0.2	1	98.7	39,211	0.2
T-146	RESIDIA Kachidoki	Chuo-ku, Tokyo	Beneficiary interests in trust	1,686	2,940	1	98.5	67,883	0.4	1	93.8	65,192	0.4
T-147	RESIDIA Bunkyo-Otowa II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,211	3,520	1	94.4	86,863	0.5	1	94.9	79,519	0.5
T-148	RESIDIA Kinshicho III	Koto-ku, Tokyo	Beneficiary interests in trust	615	930	1	100.0	25,478	0.2	1	100.0	25,414	0.2
T-149	RESIDIA Kamata III	Ota-ku, Tokyo	Beneficiary interests in trust	897	1,410	1	93.6	34,423	0.2	1	90.3	33,559	0.2
T-150	RESIDIA TOWER Kamiikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	7,529	13,500	1	96.9	755,830	4.5	1	97.3	762,095	4.5
T-151	RESIDIA Takashimadaira	Itabashi-ku, Tokyo	Real estate	506	682	1	100.0	16,192	0.1	1	100.0	16,191	0.1
T-152	RESIDIA Shimura-Sakaue	Itabashi-ku, Tokyo	Real estate	592	792	1	100.0	18,084	0.1	1	100.0	18,084	0.1
T-153	RESIDIA Shimura-Sakaue II	Itabashi-ku, Tokyo	Beneficiary interests in trust	1,100	1,570	1	100.0	36,294	0.2	1	100.0	36,298	0.2
T-154	RESIDIA Shimura-Sakaue III	Itabashi-ku, Tokyo	Real estate	473	572	1	100.0	13,608	0.1	1	100.0	13,608	0.1
T-155	RESIDIA Ikebukuro West	Itabashi-ku, Tokyo	Beneficiary interests in trust	1,066	1,570	1	100.0	44,261	0.3	1	96.3	44,837	0.3
T-156	RESIDIA Ojima	Koto-ku, Tokyo	Beneficiary interests in trust	1,225	1,820	1	91.0	44,952	0.3	1	98.9	43,441	0.3
T-157	RESIDIA Machiya	Arakawa-ku, Tokyo	Beneficiary interests in trust	1,149	1,600	1	100.0	46,840	0.3	1	93.7	45,931	0.3
T-158	RESIDIA Ueno-Ikenohata	Taito-ku, Tokyo	Beneficiary interests in trust	1,794	2,400	1	91.5	54,483	0.3	1	94.4	56,447	0.3
T-159	RESIDIA Nerima	Nerima-ku, Tokyo	Beneficiary interests in trust	496	731	1	100.0	18,060	0.1	1	100.0	18,060	0.1
T-160	RESIDIA Higashi-Nihonbashi	Chuo-ku, Tokyo	Beneficiary interests in trust	386	573	1	92.5	13,955	0.1	1	88.9	14,486	0.1

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) (*1)	22nd (Feb. 1, 2021 to July 31, 2021)				23rd (Aug. 1, 2021 to Jan. 1, 2022)			
						Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousands of 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 (thousands of yen) Note 4	Percentage of total rent revenue (%)
T-161	RESIDIA Nakano	Nakano-ku, Tokyo	Real estate	681	953	1	94.9	22,163	0.1	1	100.0	22,694	0.1
T-162	RESIDIA Ogikubo II	Suginami-ku, Tokyo	Real estate	474	621	1	100.0	13,620	0.1	1	100.0	13,620	0.1
T-163	RESIDIA Minamiyukigaya	Ota-ku, Tokyo	Beneficiary interests in trust	1,322	1,710	1	98.6	45,036	0.3	1	100.0	43,390	0.3
T-164	RESIDIA Akihabara	Taito-ku, Tokyo	Beneficiary interests in trust	965	1,450	1	91.5	32,928	0.2	1	100.0	35,289	0.2
T-165	RESIDIA Asakusa-Azumabashi	Sumida-ku, Tokyo	Beneficiary interests in trust	860	1,350	1	96.6	31,874	0.2	1	96.7	32,602	0.2
T-166	RESIDIA Omori III	Ota-ku, Tokyo	Beneficiary interests in trust	1,385	1,950	1	93.7	43,332	0.3	1	98.7	42,611	0.3
T-167	RESIDIA Nihonbashi-Bakurocho II	Chuo-ku, Tokyo	Beneficiary interests in trust	1,969	2,960	1	94.2	59,635	0.4	1	96.9	61,449	0.4
T-168	RESIDIA Nihonbashi-Bakurocho III	Chuo-ku, Tokyo	Beneficiary interests in trust	1,821	2,700	1	93.6	63,949	0.4	1	100.0	64,268	0.4
T-169	RESIDIA Bunkyo-Hongo III	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,655	2,320	1	95.9	50,282	0.3	1	100.0	50,732	0.3
T-170	RESIDIA Shin-Okachimachi II	Taito-ku, Tokyo	Beneficiary interests in trust	4,642	6,420	1	95.1	138,506	0.8	1	98.7	142,411	0.8
T-171	RESIDIA Kameido	Koto-ku, Tokyo	Beneficiary interests in trust	3,007	3,950	1	98.6	86,791	0.5	1	97.8	87,614	0.5
T-172	RESIDIA Koenji	Suginami-ku, Tokyo	Beneficiary interests in trust	1,389	1,860	1	93.3	41,329	0.2	1	100.0	39,942	0.2
T-173	RESIDIA Kamata V	Ota-ku, Tokyo	Real estate	2,327	2,870	1	95.0	66,525	0.4	1	95.8	63,559	0.4
T-174	RESIDIA Kamata IV	Ota-ku, Tokyo	Real estate	3,333	4,220	1	96.4	87,872	0.5	1	98.2	90,829	0.5
T-175	RESIDIA Ikegami II	Ota-ku, Tokyo	Beneficiary interests in trust	1,103	1,420	1	98.0	30,873	0.2	1	100.0	31,843	0.2
T-176	RESIDIA Sasazuka III	Suginami-ku, Tokyo	Real estate	1,417	1,760	1	91.1	35,906	0.2	1	93.3	37,876	0.2
T-177	RESIDIA Nakano-Fujimidai	Nakano-ku, Tokyo	Beneficiary interests in trust	1,805	2,000	1	96.9	45,587	0.3	1	91.8	42,944	0.3
S-002	Chester House Kawaguchi	Kawaguchi-shi, Saitama	Beneficiary interests in trust	672	786	1	100.0	29,453	0.2	1	97.4	29,493	0.2
S-004	RESIDIA Higashi-Matsudo	Matsudo-shi, Chiba	Beneficiary interests in trust	952	1,330	1	92.8	45,231	0.3	1	100.0	45,542	0.3
S-005	RESIDIA Shin-Yokohama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,680	2,340	1	96.9	69,911	0.4	1	100.0	68,960	0.4
S-007	RESIDIA Chofu	Chofu-shi, Tokyo	Beneficiary interests in trust	1,020	1,430	1	100.0	35,841	0.2	1	98.5	36,440	0.2
S-011	Tokyo Student-House WAKO	Wako-shi, Saitama	Beneficiary interests in trust	624	800	1	100.0	26,186	0.2	1	100.0	26,182	0.2
S-012	RESIDIA Kokubunji	Kokubunji-shi, Tokyo	Beneficiary interests in trust	469	733	1	97.0	21,883	0.1	1	91.1	18,456	0.1
S-014	RESIDIA Yokohama-Kannai	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,489	2,000	1	95.2	53,635	0.3	1	93.1	50,315	0.3
S-015	RESIDIA Okurayama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	679	983	1	100.0	26,685	0.2	1	100.0	26,974	0.2
S-016	RESIDIA Musashikosugi	Kawasaki-shi, Kanagawa	Real estate	1,437	2,220	1	99.0	59,228	0.4	1	98.0	58,103	0.3
S-017	RESIDIA Funabashi I RESIDIA Funabashi II	Funabashi-shi, Chiba	Beneficiary interests in trust	2,431	3,620	1	98.4	106,212	0.6	1	96.3	101,050	0.6
S-019	RESIDIA Kichijoji	Musashino-shi, Tokyo	Beneficiary interests in trust	1,403	1,950	1	93.5	49,749	0.3	1	98.0	50,242	0.3
S-020	Pacific Royal Court Minatomirai Ocean Tower	Yokohama-shi, Kanagawa	Real estate and leasehold rights to real estate	10,507	17,300	1	100.0	566,199	3.4	1	100.0	566,170	3.4
S-022	Life & Senior House Kohoku II	Yokohama-shi, Kanagawa	Real estate	1,612	2,260	1	100.0	70,752	0.4	1	100.0	71,004	0.4
S-023	College Court Tanashi	Nishi-Tokyo-shi, Tokyo	Beneficiary interests in trust	721	1,260	1	100.0	32,760	0.2	1	100.0	32,760	0.2
S-024	RESIDIA Urayasu	Urayasu-shi, Chiba	Beneficiary interests in trust	1,966	3,240	1	98.3	83,833	0.5	1	98.3	83,551	0.5
S-025	RESIDIA Minami-Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	836	1,210	1	92.9	35,904	0.2	1	98.8	34,390	0.2
S-026	RESIDIA Urayasu	Urayasu-shi, Chiba	Beneficiary interests in trust	813	1,230	1	93.2	32,754	0.2	1	98.6	31,864	0.2
S-027	RESIDIA Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	760	1,130	1	96.0	37,180	0.2	1	100.0	33,191	0.2
S-028	RESIDIA Kawasaki	Kawasaki-shi, Kanagawa	Beneficiary interests in trust	1,530	2,440	1	90.8	63,045	0.4	1	96.1	61,558	0.4
S-029	Cocofump Hiyoshi	Yokohama-shi, Kanagawa	Beneficiary interests in trust	922	1,200	1	100.0	45,000	0.3	1	100.0	45,000	0.3
S-030	RESIDIA Sagami-hara	Sagami-hara-shi, Kanagawa	Beneficiary interests in trust	1,084	1,440	1	100.0	43,112	0.3	1	100.0	43,121	0.3
S-031	RESIDIA Yokohama-Bashamichi	Yokohama-shi, Kanagawa	Beneficiary interests in trust	742	1,070	1	100.0	34,225	0.2	1	100.0	35,219	0.2
S-032	RESIDIA Hon-Atsugi	Atsugi-shi, Kanagawa	Real estate	609	790	1	98.1	26,229	0.2	1	92.5	22,907	0.1
S-033	RESIDIA Funabashi III	Funabashi-shi, Chiba	Real estate	652	776	1	100.0	20,127	0.1	1	100.0	20,127	0.1
S-034	RESIDIA Funabashi IV	Funabashi-shi, Chiba	Beneficiary interests in trust	595	656	1	93.0	19,116	0.1	1	100.0	17,762	0.1
S-035	RESIDIA Kunitachi II	Kunitachi-shi, Tokyo	Real estate	861	881	-	-	-	-	1	100.0	13,541	0.1
R-002	RESIDIA Imadegawa	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,436	1,800	1	100.0	60,754	0.4	1	100.0	60,787	0.4
R-004	RESIDIA Higashizakura	Nagoya-shi, Aichi	Beneficiary interests in trust	937	1,430	1	95.7	44,838	0.3	1	95.6	44,315	0.3
R-008	RESIDIA Kobe Port Island	Kobe-shi, Hyogo	Beneficiary interests in trust	3,222	5,020	1	100.0	126,161	0.7	1	100.0	127,402	0.8
R-010	RESIDIA Hakata	Fukuoka-shi, Fukuoka	Real estate	1,193	1,690	1	94.6	53,429	0.3	1	96.3	51,291	0.3
R-011	RESIDIA Tenjinbashi	Osaka-shi, Osaka	Beneficiary interests in trust	783	1,250	1	89.8	34,758	0.2	1	98.8	35,432	0.2
R-012	RESIDIA Sannomiya-Higashi	Kobe-shi, Hyogo	Real estate	1,919	3,260	1	97.9	89,840	0.5	1	99.0	90,279	0.5
R-013	KC21 Building	Sendai-shi, Miyagi	Real estate	824	1,010	1	96.4	37,706	0.2	1	98.1	36,459	0.2
R-014	RESIDIA Utsuboko	Osaka-shi, Osaka	Real estate	995	1,650	1	92.3	45,572	0.3	1	97.0	45,499	0.3
R-015	RESIDIA Kyoto-ekimae	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,799	2,900	1	94.3	82,714	0.5	1	96.1	81,039	0.5
R-016	RESIDIA Takaoka	Nagoya-shi, Aichi	Real estate	2,043	3,500	1	96.7	96,258	0.6	1	94.2	94,802	0.6
R-017	RESIDIA Hibino	Nagoya-shi, Aichi	Beneficiary interests in trust	1,050	1,570	1	97.5	66,584	0.4	1	95.8	66,273	0.4

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R-019	RESIDIA Tenjin-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	865	1,250	1	94.6	39,450	0.2	1	98.2	38,992	0.2
R-020	RESIDIA Hakataeki-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	292	445	1	100.0	16,555	0.1	1	100.0	16,465	0.1
R-021	RESIDIA Hisaya-Oodori II	Nagoya-shi, Aichi	Real estate	567	855	1	87.8	27,077	0.2	1	100.0	25,053	0.1
R-024	RESIDIA Minami-Ichijo	Sapporo-shi, Hokkaido	Real estate	1,525	2,270	1	96.6	75,714	0.4	1	94.7	73,922	0.4
R-025	RESIDIA Odori-Nishi	Sapporo-shi, Hokkaido	Real estate	1,274	1,650	1	99.3	60,727	0.4	1	97.2	59,627	0.4
R-026	RESIDIA Kita-Sanjo	Sapporo-shi, Hokkaido	Real estate	1,060	1,530	1	92.8	48,492	0.3	1	97.6	49,635	0.3
R-027	RESIDIA Shirakabe-Higashi	Nagoya-shi, Aichi	Real estate	713	950	1	100.0	33,012	0.2	1	100.0	32,753	0.2
R-029	RESIDIA Uzumasa	Kyoto-shi, Kyoto	Real estate	691	829	1	93.7	33,902	0.2	1	95.9	33,035	0.2
R-030	RESIDIA Izumi	Nagoya-shi, Aichi	Real estate	3,144	4,420	1	89.0	141,103	0.8	1	93.9	142,227	0.8
R-031	RESIDIA Maruyama Kita-Gojo	Sapporo-shi, Hokkaido	Real estate	905	1,350	1	96.0	46,196	0.3	1	96.9	45,055	0.3
R-032	RESIDIA Tokugawa	Nagoya-shi, Aichi	Real estate	689	956	1	96.7	30,056	0.2	1	81.5	28,954	0.2
R-034	RESIDIA Odori-Koen	Sapporo-shi, Hokkaido	Real estate	1,755	2,910	1	96.4	94,593	0.6	1	96.6	91,475	0.5
R-035	RESIDIA Tanimachi	Osaka-shi, Osaka	Real estate	1,030	1,750	1	95.7	46,383	0.3	1	96.4	46,022	0.3
R-036	RESIDIA Hisaya-Oodori	Nagoya-shi, Aichi	Beneficiary interests in trust	608	955	1	87.3	27,627	0.2	1	98.3	27,692	0.2
R-037	RESIDIA Sendai-Miyamachi	Sendai-shi, Miyagi	Beneficiary interests in trust	473	806	1	100.0	25,369	0.2	1	100.0	23,138	0.1
R-038	RESIDIA Hirose-dori	Sendai-shi, Miyagi	Beneficiary interests in trust	446	721	1	100.0	21,944	0.1	1	100.0	21,951	0.1
R-039	RESIDIA Edobori	Osaka-shi, Osaka	Real estate	1,321	2,080	1	96.9	58,486	0.3	1	95.5	55,609	0.3
R-040	RESIDIA Kyomachibori	Osaka-shi, Osaka	Real estate	947	1,550	1	96.0	41,682	0.2	1	96.2	42,668	0.3
R-041	RESIDIA Esaka	Suita-shi, Osaka	Beneficiary interests in trust	965	1,410	1	97.7	37,897	0.2	1	96.5	37,502	0.2
R-042	RESIDIA Nishijin	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	2,106	3,330	1	96.0	107,576	0.6	1	93.8	106,547	0.6
R-043	RESIDIA Tsurumai	Nagoya-shi, Aichi	Beneficiary interests in trust	1,084	1,740	1	96.1	53,562	0.3	1	93.0	52,079	0.3
R-044	RESIDIA Kobe-Isogami	Kobe-shi, Hyogo	Beneficiary interests in trust	2,439	3,880	1	95.1	111,550	0.7	1	98.7	109,508	0.6
R-045	RESIDIA Kita-Niyo-East	Sapporo-shi, Hokkaido	Beneficiary interests in trust	949	1,240	1	96.7	41,483	0.2	1	100.0	42,329	0.3
R-046	RESIDIA Shinsaibashi West	Osaka-shi, Osaka	Beneficiary interests in trust	1,797	2,690	1	94.5	74,638	0.4	1	97.3	74,780	0.4
R-047	RESIDIA Marunouchi	Nagoya-shi, Aichi	Beneficiary interests in trust	892	1,300	1	94.3	39,211	0.2	1	94.3	38,919	0.2
R-048	RESIDIA Sapporo-Ekimae	Sapporo-shi, Hokkaido	Beneficiary interests in trust	1,325	2,190	1	95.8	75,293	0.4	1	94.2	75,248	0.4
R-049	RESIDIA Goshu-Higashi	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,145	1,820	1	94.8	45,830	0.3	1	98.0	48,560	0.3
R-050	RESIDIA Rakuhoku	Kyoto-shi, Kyoto	Beneficiary interests in trust	821	1,190	1	100.0	37,202	0.2	1	100.0	35,167	0.2
R-051	RESIDIA Miyakojima I & II	Osaka-shi, Osaka	Real estate	3,105	5,610	1	98.1	161,342	1.0	1	97.2	160,410	1.0
R-052	RESIDIA TOWER Sendai	Sendai-shi, Miyagi	Beneficiary interests in trust	1,661	2,220	1	94.9	71,988	0.4	1	95.8	68,092	0.4
R-053	RESIDIA Higashizakura II	Nagoya-shi, Aichi	Beneficiary interests in trust	2,812	3,850	1	94.8	117,471	0.7	1	93.3	121,959	0.7
R-054	RESIDIA Tsutsujigaoka	Sendai-shi, Miyagi	Beneficiary interests in trust	1,653	2,690	1	95.5	84,306	0.5	1	94.2	81,517	0.5
R-055	RESIDIA Kobe-Motomachi	Kobe-shi, Hyogo	Beneficiary interests in trust	997	1,540	1	97.6	43,780	0.3	1	91.1	43,416	0.3
R-056	RESIDIA Sendai-Honcho	Sendai-shi, Miyagi	Beneficiary interests in trust	1,034	1,780	1	98.8	53,787	0.3	1	95.4	52,292	0.3
R-057	RESIDIA Sendai-Haranomachi	Sendai-shi, Miyagi	Beneficiary interests in trust	529	939	1	95.6	30,450	0.2	1	95.2	29,780	0.2
R-058	RESIDIA Minami-Ichijo East	Sapporo-shi, Hokkaido	Beneficiary interests in trust	978	1,510	1	92.9	50,103	0.3	1	95.4	46,656	0.3
R-059	RESIDIA Shin-Osaka	Osaka-shi, Osaka	Beneficiary interests in trust	2,651	4,090	1	94.5	105,403	0.6	1	95.1	103,277	0.6
R-060	RESIDIA Okayama-Ekimae	Okayama-shi, Okayama	Beneficiary interests in trust	780	1,110	1	100.0	35,164	0.2	1	100.0	35,234	0.2
R-061	RESIDIA Kyoto Okazaki	Kyoto-shi, Kyoto	Beneficiary interests in trust	229	342	1	100.0	9,677	0.1	1	100.0	9,644	0.1
R-062	RESIDIA Sendai-Ichibancho	Sendai-shi, Miyagi	Beneficiary interests in trust	1,071	1,410	1	100.0	43,095	0.3	1	100.0	43,095	0.3
R-063	RESIDIA Kita-Niyo-East II	Sapporo-shi, Hokkaido	Beneficiary interests in trust	514	778	1	97.8	25,790	0.2	1	96.9	26,365	0.2
R-064	RESIDIA Takamiya	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	477	638	1	95.3	19,953	0.1	1	100.0	19,939	0.1
R-065	RESIDIA Soen	Sapporo-shi, Hokkaido	Beneficiary interests in trust	363	567	1	98.3	20,911	0.1	1	95.0	20,054	0.1
R-066	RESIDIA Tenjin	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,090	1,500	1	95.5	41,914	0.2	1	97.7	42,186	0.3
R-067	RESIDIA Yakuin-Oodori	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,099	1,520	1	96.7	42,463	0.3	1	97.8	42,861	0.3
R-068	RESIDIA Hakata II	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,322	1,910	1	95.3	52,735	0.3	1	97.2	51,996	0.3
R-069	RESIDIA Kego	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	796	1,260	1	98.7	37,333	0.2	1	100.0	36,180	0.2
R-070	RESIDIA Shirakabe	Nagoya-shi, Aichi	Beneficiary interests in trust	902	1,180	1	96.3	34,536	0.2	1	97.3	34,172	0.2
R-071	RESIDIA Sakae	Nagoya-shi, Aichi	Real estate	904	967	1	90.9	28,693	0.2	1	92.2	27,149	0.2
R-072	RESIDIA Senri-Fujishirodai	Suita-shi, Osaka	Beneficiary interests in trust	1,498	1,810	1	100.0	46,174	0.3	1	100.0	46,117	0.3
R-073	RESIDIA Senri-Banpakukoen	Suita-shi, Osaka	Beneficiary interests in trust	2,180	2,420	1	100.0	62,048	0.4	1	100.0	62,136	0.4
R-074	RESIDIA Sapporo-eki North	Sapporo, Hokkaido	Real estate	789	708	1	89.0	22,687	0.1	1	95.7	22,117	0.1
R-075	RESIDIA Hijiyama-Koen	Hiroshima-shi, Hiroshima	Beneficiary interests in trust	677	819	1	100.0	27,042	0.2	1	97.7	26,160	0.2
R-076	RESIDIA Kita-Niyo-East III	Sapporo, Hokkaido	Beneficiary interests in trust	431	441	1	92.5	15,002	0.1	1	87.5	13,802	0.1

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) (*1)	22nd (Feb. 1, 2021 to July 31, 2021)				23rd (Aug. 1, 2021 to Jan. 1, 2022)			
						Total number of tenants at end of period (tenants) Note 2	Occupancy rate at end of period (%) Note 3	Rental revenue (thousands of 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 (thousands of yen) Note 4	Percentage of total rent revenue (%)
R-077	RESIDIA Shin-Osaka II	Osaka-shi, Osaka	Real estate	690	743	1	94.1	20,429	0.1	1	97.5	19,640	0.1
R-078	RESIDIA Tsutsujigaoka-Koen	Sendai-shi, Miyagi	Beneficiary interests in trust	763	791	1	95.1	26,817	0.2	1	94.5	26,229	0.2
R-079	RESIDIA Sendai-Kamisugi	Sendai-shi, Miyagi	Real estate	1,493	1,720	1	100.0	48,029	0.3	1	94.9	45,379	0.3
R-080	RESIDIA Shirokitakoen-dori	Osaka-shi, Osaka	Beneficiary interests in trust	1,309	1,370	1	97.4	37,052	0.2	1	100.0	37,936	0.2
R-081	RESIDIA Kyoto-Mibu	Kyoto, Kyoto	Beneficiary interests in trust	668	671	1	93.3	3,246	0.0	1	97.8	19,216	0.1
R-082	RESIDIA Nishi-tenma	Osaka-shi, Osaka	Real estate	3,139	3,110	-	-	-	-	1	93.8	45,330	0.3
Total				431,895	649,820	270	95.9	16,884,005	100.0	272	96.9	16,862,511	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 January 31, 2022.
 - "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 January 31, 2022, 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.
 - RESIDIA Yoyogi and RESIDIA Nishi-Shinjuku were disposed of on October 18, 2021.

Real estate planned to be acquired under the forward commitment (Note 5)

Property no.	Name of real estate	Location	Type of ownership	Real-estate appraisal value (million yen)
T-178	RESIDIA Bunkyo-Koishikawa(Note 6)	Bunkyo-ku, Tokyo	Real estate	830
T-179	RESIDIA Kanda-Awajicho(Note 7)	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,630
T-180	RESIDIA Ogikubo III(Note 8)	Suginami-ku, Tokyo	Beneficiary interests in trust	2,570

- Notes
- The forward commitment is defined as a postdated transaction agreement in which settlement and delivery of property will be made one or more months after conclusion of the agreement or other similar agreements.
 - On December 23, 2021, ADR concluded a real estate transaction agreement to acquire RESIDIA Bunkyo-Koishikawa. ADR acquired the said property at the acquisition price of 694 million yen on February 1, 2022. The appraisal value is as of November 1, 2021.
 - On February 24, 2022, ADR concluded an agreement to acquire the beneficiary interests in RESIDIA Kanda-Awajicho. The acquisition price shall be 1,490 million yen, and the acquisition is scheduled to be made on February 24, 2022 or on a date that will be separately agreed upon between ADR and the seller. The appraisal value is as of January 1, 2022.
 - On February 24, 2022, ADR concluded an agreement to acquire the beneficiary interests in RESIDIA Ogikubo III. The acquisition price shall be 2,388 million yen, and the acquisition is scheduled to be made on April 18, 2022 or on a date that will be separately agreed upon between ADR and the seller. The appraisal value is as of January 1, 2022.

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 TOWER Meguro-Fudomae (Shinagawa-ku, Tokyo)	Major repair work	From: January 2022 To: March 2022	95	3	3
RESIDIA Yutenji (Meguro-ku, Tokyo)	Major repair work	From: December 2021 To: June 2022	144	27	27
RESIDIA Suginami-Honancho (Suginami-ku, Tokyo)	Major repair work	From: December 2021 To: March 2022	141	63	63
RESIDIA Tsutsujigaoka (Sendai-shi, Miyagi)	Major repair work	From: December 2021 To: April 2022	136	3	3
RESIDIA Sendai-Ichibancho (Sendai-shi, Miyagi)	Major repair work	From: December 2021 To: April 2022	114	32	32

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 1,463 million yen for the entire portfolio. When combined with repairs and maintenance cost of 695 million yen, the cost of construction work totals 2,158 million yen.

(million yen)

Name of real estate(Location)	Purpose	Implementation period	Amount paid
RESIDIA Minami-Ichijo (Sapporo-shi, Hokkaido)	Major repair work	From: July 1, 2021 To: January 31, 2022	147
RESIDIA Odori-Nishi (Sapporo-shi, Hokkaido)	Major repair work	From: July 1, 2021 To: December 31, 2021	142
RESIDIA Ebisu II (Shibuya-ku, Tokyo)	Major repair work	From: May 13, 2021 To: October 30, 2021	81
Other real estate properties	Major repair work		541
Other real estate properties	Renovations		551
Total			1,463

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.

Fiscal Period	19th FP	20th FP	21st FP	22nd FP	(million yen) 23rd FP
Fiscal Period	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	From: August 1, 2021 To: January 31, 2022
Balance of reserves at beginning of period	1,822	1,972	2,130	2,233	2,147
Amount of reserves during period	976	1,035	1,369	1,402	1,106
Reversal of reserves during period	826	876	1,267	1,487	450
Amount carried forward to next period	1,972	2,130	2,233	2,147	2,804

Acquisitions and Disposals in the 23rd FP

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

Property no.	Name of real estate	Acquisition		Disposition			
		Acquisition date	Acquisition Price ^{Note} (million yen)	Disposition date	Disposition Price ^{Note} (million yen)	Book Value (million yen)	Gain (Loss) on Sales (million yen)
T-020	RESIDIA Yoyogi	–	–	October 18, 2021	504	306	197
T-021	RESIDIA Nishi-Shinjuku	–	–	October 18, 2021	586	340	245
S-035	RESIDIA Kunitachi II	October 1, 2021	795	–	–	–	–
R-082	RESIDIA Nishi-tenma	October 7, 2021	2,950	–	–	–	–
Total			3,745	–	1,090	647	442

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 23rd FP.
Not applicable.

2) Amount of Commission Fees Paid

The following are the commission fees paid to interested parties in the 23rd FP.

Category	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	1,449,221	ITOCHU Urban Community Ltd.	940,587	64.9
Other rental expenses	112,685	ITOCHU Urban Community Ltd.	76,930	68.3
Advertising expenses	2,985	ITOCHU Urban Community Ltd.	1,710	57.3
Other fees	140,772	ITOCHU Urban Community Ltd.	18,238	13.0
		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 23rd 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 January 31, 2022, 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 January 31, 2022, 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

April 21, 2022

Balance Sheets

(Thousands of yen)

	As of July 31, 2021	As of January 31, 2022
Assets		
Current assets		
Cash and deposits	14,730,396	15,034,065
Cash and deposits in trust	9,906,911	9,886,934
Operating accounts receivable	164,256	132,744
Prepaid expenses	359,025	344,569
Other	6,374	12,180
Allowance for doubtful accounts	(7,840)	(9,090)
Total current assets	25,159,123	25,401,403
Non-current assets		
Property, plant and equipment		
Buildings	79,520,767	80,953,723
Accumulated depreciation	(18,051,184)	(18,958,667)
Buildings, net	61,469,583	61,995,055
Structures	27,169	27,424
Accumulated depreciation	(12,136)	(12,945)
Structures, net	15,033	14,478
Machinery and equipment	169,543	174,432
Accumulated depreciation	(50,459)	(58,130)
Machinery and equipment, net	119,083	116,302
Tools, furniture and fixtures	528,477	564,888
Accumulated depreciation	(282,636)	(313,147)
Tools, furniture and fixtures, net	245,841	251,740
Land	78,569,071	81,846,339
Construction in progress	99,011	8,362
Buildings in trust	158,560,482	158,992,389
Accumulated depreciation	(35,219,804)	(36,982,082)
Buildings in trust, net	123,340,678	122,010,307
Structures in trust	209,200	208,485
Accumulated depreciation	(128,185)	(130,617)
Structures in trust, net	81,015	77,868
Machinery and equipment in trust	315,939	316,187
Accumulated depreciation	(152,440)	(162,113)
Machinery and equipment in trust, net	163,499	154,073
Tools, furniture and fixtures in trust	1,185,014	1,240,247
Accumulated depreciation	(771,437)	(819,351)
Tools, furniture and fixtures in trust, net	413,576	420,895
Land in trust	163,589,130	163,125,721
Construction in progress in trust	157,868	143,111
Total property, plant and equipment	428,263,394	430,164,255
Intangible assets		
Leasehold rights in trust	1,768,330	1,733,893
Other	3,389	2,870
Total intangible assets	1,771,719	1,736,763
Investments and other assets		
Long-term prepaid expenses	855,337	861,922
Guarantee deposits	597,512	603,634
Guarantee deposits in trust	1,052,602	1,053,448
Derivative assets	—	28,201
Other	1,122	1,122
Total investments and other assets	2,506,574	2,548,328
Total non-current assets	432,541,687	434,449,347
Deferred assets		
Investment unit issuance expenses	2,394	1,289
Investment corporation bond issuance costs	126,175	136,171
Total deferred assets	128,570	137,461
Total assets	457,829,380	459,988,212

	(Thousands of yen)	
	As of July 31, 2021	As of January 31, 2022
Liabilities		
Current liabilities		
Operating accounts payable	542,856	425,112
Short-term loans payable	500,000	100,000
Current portion of investment corporation bonds	–	2,000,000
Current portion of long-term loans payable	27,220,000	21,710,000
Accounts payable – other	1,475,349	1,484,713
Accrued expenses	62,800	89,135
Accrued consumption taxes	18,717	52,512
Advances received	57,545	63,864
Other	19,096	17,791
Total current liabilities	29,896,366	25,943,130
Non-current liabilities		
Investment corporation bonds	34,000,000	34,600,000
Long-term loans payable	158,789,000	164,299,000
Tenant leasehold and security deposits	1,299,292	1,304,421
Tenant leasehold and security deposits in trust	3,303,045	3,278,840
Derivatives liabilities	49,790	504
Total non-current liabilities	197,441,127	203,482,766
Total liabilities	227,337,493	229,425,896
Net assets		
Unitholders' equity		
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	*3 30,514,789	*3 30,179,267
Total voluntary retained earnings	30,514,789	30,179,267
Unappropriated retained earnings (undisposed loss)	7,771,784	8,100,248
Total surplus	91,506,853	91,499,795
Total unitholders' equity	230,541,676	230,534,618
Valuation and translation adjustments		
Deferred gain or loss on hedging instruments	(49,790)	27,697
Total valuation and translation adjustments	(49,790)	27,697
Total net assets	*1 230,491,886	*1 230,562,316
Total liabilities and net assets	457,829,380	459,988,212

Statements of Income

(Thousands of yen)

	For the six months ended July 31, 2021		For the six months ended January 31, 2022	
Operating revenues				
Rental revenue – real estate	*1	16,884,005	*1	16,871,595
Gain on sales of real estate properties		–	*2	442,130
Total operating revenue		16,884,005		17,313,726
Operating expenses				
Expenses related to the rent business	*1	6,791,213	*1	6,715,899
Asset management fees		1,247,060		1,259,681
Asset custody fees		9,862		9,869
Administrative service fees		53,495		56,676
Directors' compensation		6,300		6,300
Taxes and dues		376,229		365,579
Provision of allowance for doubtful accounts		–		1,249
Bad debt expenses		240		–
Other operating expenses		174,613		188,012
Total operating expenses		8,659,014		8,603,269
Operating income		8,224,990		8,710,456
Non-operating income				
Interest income		6,885		6,913
Reversal of distribution payable		1,187		53
Reversal of allowance for doubtful accounts		445		–
Miscellaneous income		–		2,377
Other		50		2
Total non-operating income		8,568		9,346
Non-operating expenses				
Interest expenses		620,435		589,752
Interest expense on investment corporation bonds		117,451		122,784
Amortization of investment unit issuance expenses		1,105		1,105
Amortization of investment corporation bond issuance costs		12,364		12,971
Borrowing-related expenses		186,749		177,433
Other		466		2,500
Total non-operating expenses		938,573		906,546
Ordinary income		7,294,985		7,813,256
Income before income taxes		7,294,985		7,813,256
Income taxes – current		605		605
Total income taxes		605		605
Net income		7,294,380		7,812,651
Retained earnings brought forward		477,404		287,596
Unappropriated retained earnings (undisposed loss)		7,771,784		8,100,248

Statements of Changes in Net Assets
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

For the six months ended January 31, 2022

(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	30,514,789	30,514,789	7,771,784	91,506,853	230,541,676	(49,790)	(49,790)	230,491,886
Changes in items during the period										
Reversal of reserve for temporary difference adjustments			(335,521)	(335,521)	335,521	-	-			-
Dividends from surplus					(7,819,710)	(7,819,710)	(7,819,710)			(7,819,710)
Net income					7,812,651	7,812,651	7,812,651			7,812,651
Net changes in items other than unitholders' equity in the fiscal year								77,487	77,487	77,487
Total changes in items during the period	-	-	(335,521)	(335,521)	328,463	(7,058)	(7,058)	77,487	77,487	70,429
Balance at the end of period	139,034,823	53,220,279	30,179,267	30,179,267	8,100,248	91,499,795	230,534,618	27,697	27,697	230,562,316

Statements of Cash Distributions

	For the six months ended July 31, 2021	For the six months ended January 31, 2022
I. Unappropriated retained earnings	7,771,784,811 yen	8,100,248,028 yen
II. Reversal of reserves during period		
Reversal of reserve for temporary difference adjustments	*1 335,521,628 yen	*1 335,521,628 yen
III. Dividends	7,819,710,000 yen	7,883,420,000 yen
(Dividend per investment unit)	(5,646 yen)	(5,692 yen)
IV. Retained earnings carried forward	287,596,439 yen	552,349,656 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 7,819,710,000 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>	<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 7,883,420,000 yen. The figure was derived by retaining 552,349,656 yen from the unappropriated retained earnings of 8,100,248,028 yen for the fiscal period, plus the drawdown of reserve for temporary difference adjustments (RTA) of 335,521,628 yen. The amount of 552,349,656 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 July 31, 2021	For the six months ended January 31, 2022
Cash flows from operating activities		
Income before income taxes	7,294,985	7,813,256
Depreciation and amortization	2,835,854	2,865,375
Amortization of investment unit issuance expenses	1,105	1,105
Amortization of investment corporation bond issuance costs	12,364	12,971
Increase (decrease) in allowance for doubtful accounts	(469)	1,249
Interest income	(6,885)	(6,913)
Interest expenses	620,435	589,752
Interest expense on investment corporation bonds	117,451	122,784
Decrease (increase) in operating accounts receivable	27,299	31,512
Decrease (increase) in consumption taxes refund receivable	8,572	–
Decrease (increase) in prepaid expenses	(21,285)	14,455
Increase (decrease) in accrued consumption taxes	18,717	33,794
Increase (decrease) in operating accounts payable	(43,643)	(37,389)
Increase (decrease) in accounts payable – other	(877)	9,765
Increase (decrease) in accrued expenses	(28,007)	25,084
Increase (decrease) in advances received	(15,558)	6,319
Decrease in property, plant and equipment in trust by sales	–	637,942
Decrease (increase) in long-term prepaid expenses	(5,728)	(6,584)
Other	(388)	(4,289)
Subtotal	10,813,942	12,110,192
Interest income received	510	412
Interest expense paid	(742,355)	(711,286)
Income taxes paid	(606)	(590)
Cash flows from operating activities	10,071,489	11,398,729
Cash flows from investing activities		
Payments into time deposits	(6,000,000)	(5,000,000)
Proceeds from withdrawal of time deposits	1,000,000	5,000,000
Purchase of property, plant and equipment	(377,585)	(4,677,319)
Purchase of property, plant and equipment in trust	(1,285,953)	(772,653)
Proceeds from tenant leasehold and security deposits, net	(9,209)	5,128
Proceeds from tenant leasehold and security deposits in trust, net	(37,895)	(24,204)
Payments for lease and guarantee deposits	(10,253)	–
Payments for lease and guarantee deposits in trust	(13,699)	(846)
Cash flows from investing activities	(6,734,595)	(5,469,894)
Cash flows from financing activities		
Increase in short-term loans payable	–	2,700,000
Decrease in short-term loans payable	–	(3,100,000)
Proceeds from long-term loans	14,739,000	13,960,000
Repayments of long-term loans	(15,018,000)	(13,960,000)
Proceeds from issuance of investment corporation bonds	–	2,600,000
Payments of investment corporation bond issuance costs	–	(22,967)
Dividends paid	(7,754,630)	(7,822,174)
Cash flows from financing activities	(8,033,630)	(5,645,141)
Net increase (decrease) in cash and cash equivalents	(4,696,736)	283,692
Cash and cash equivalents at the beginning of period	23,334,043	18,637,307
Cash and cash equivalents at the end of period (Note 9)	*1 18,637,307	*1 18,920,999

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 (30.1 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

	For the six months ended January 31, 2022
(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>1) 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 3,016 thousand yen in the current fiscal period and 1,345 thousand yen in the previous period.</p> <p>2) Basis of recording revenue The majority of performance obligations relating to revenue arising from agreements with customers of ADR and the general timing of satisfying such performance obligations (the general timing of recognizing revenue) are as follows: Sales of real estate properties, etc. Revenue from sales of real estate properties is recorded at the time a purchaser of real estate property, such as a customer, obtains control over the real estate property, etc. by ADR's fulfilling of the delivery obligations as stipulated in the agreement regarding the sale of the real estate property.</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 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"> A. Cash and deposits in trust 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 C. Guarantee deposits in trust D. Tenant leasehold and security deposits in trust <p>2) Accounting for consumption taxes 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 Changes in Accounting Policies

For the six months ended January 31, 2022

Application of Accounting Standard for Revenue Recognition, etc.

ADR has applied the “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan (ASBJ) Statement No.29, March 31, 2020; hereinafter referred to as the “Revenue Recognition Standard”), etc. from the beginning of the current fiscal period. ADR recognizes revenue at the time of transfer of control over promised goods or services to customers in an amount that ADR expects to receive in exchange for those goods or services. The effect of this change on the financial statements for the current fiscal period was immaterial.

Application of Accounting Standard for Fair Value Measurement, etc.

ADR has applied the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as the “Fair Value Measurement Standard”), etc. from the beginning of the current fiscal period. The new accounting policies as stipulated in the Fair Value Measurement Standard, etc. are applied prospectively in accordance with the transitional treatment as stipulated in paragraph 19 of the Fair Value Measurement Standard and paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019). The effect of this change on the financial statements for the current fiscal period was immaterial.

5 Balance Sheets

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

	As of July 31, 2021	As of January 31, 2022
	50,000	50,000

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

	As of July 31, 2021	As of January 31, 2022
Total commitment line of credit	20,000,000	20,000,000
Amount used	—	100,000
Unused balance	20,000,000	19,900,000

- (3) Provision and reversal of the reserve for temporary difference adjustments
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).

For the six months ended January 31, 2022

	Initial amount	Balance at the beginning of period	Funds drawn down during the 23rd FP	Balance at the end of period	Reasons for setting aside and drawing down funds
Reserve for dividends (Note)	33,552,162	30,514,789	335,521	30,179,267	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).

6 Statements of Income

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

	(Thousands of yen)	
	For the six months ended July 31, 2021	For the six months ended January 31, 2022
A. Revenue from property leasing activities		
Rental revenue – real estate		
Rent income	14,825,495	14,931,355
Facility charges	869,324	900,240
Parking fees	431,877	440,250
Subtotal	16,126,697	16,271,847
Other revenue related to property leasing		
Income from leasing rights	112,409	101,477
Other	644,898	498,270
Subtotal	757,307	599,748
Total revenue from property leasing activities	16,884,005	16,871,595
B. Expenses from property leasing activities		
Expenses related to the rent business		
Property taxes	901,249	907,901
Property management fees	1,252,857	1,205,333
Utilities	197,846	212,372
Repairs and maintenance	729,626	695,063
Property-casual insurance	24,915	25,455
Trust fees	72,004	66,163
Other rental expenses	777,378	738,753
Depreciation and amortization	2,835,336	2,864,856
Total expenses from property leasing activities	6,791,213	6,715,899
C. Operating income (loss) from property leasing activities (A–B)	10,092,792	10,155,695

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

For the six months ended July 31, 2021

Not applicable.

For the six months ended January 31, 2022

(RESIDIA Yoyogi)

(Thousands of yen)

Revenue from sales of real estate property	504,000
Cost of sales of real estate property	302,587
Other sales expenses	4,386
Gain on sales of real estate properties	197,025

(RESIDIA Nishi-Shinjuku)

(Thousands of yen)

Revenue from sales of real estate property	586,000
Cost of sales of real estate property	336,021
Other sales expenses	4,873
Gain on sales of real estate properties	245,105

7 Statements of Changes in Net Assets

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

	As of July 31, 2021	As of January 31, 2022
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)

8 Statements of Cash Distributions

(1) Reserve for temporary difference adjustments

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 for the fiscal period ended July 31, 2016 (12th FP), 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, was 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).

For the six months ended January 31, 2022

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 for the fiscal period ended July 31, 2016 (12th FP), 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, was 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 January 31, 2022 (23rd FP).

9 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 July 31, 2021	As of January 31, 2022
Cash and deposits	14,730,396	15,034,065
Cash and deposits in trust	9,906,911	9,886,934
Time deposits held over three months	(6,000,000)	(6,000,000)
Cash and cash equivalents	18,637,307	18,920,999

(Thousands of yen)

10 Leases

- (1) Operating leases (as a lessee)
Future lease payable are as follows:

(Thousands of yen)

	As of July 31, 2021	As of January 31, 2022
Due within one year	750,624	750,624
Due after one year	10,345,899	9,970,587
Total	11,096,523	10,721,211

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 July 31, 2021	As of January 31, 2022
Due within one year	3,360,521	3,084,902
Due after one year	7,512,764	6,636,746
Total	10,873,285	9,721,648

11 Financial Instruments

For the six months ended July 31, 2021

- (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 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.

Notes for “cash and deposits,” “cash and deposits in trust,” and “short-term loans payable” are omitted, as their book values approximate fair values due to their short maturities.

As of July 31, 2021

	Book value	Fair value	(Thousands of yen) Unrealized gain (loss)
1) Current portion of investment corporation bonds	–	–	–
2) Current portion of long-term loans payable	(27,220,000)	(27,275,913)	55,913
3) Investment corporation bonds	(34,000,000)	(34,430,984)	430,984
4) Long-term loans payable	(158,789,000)	(161,694,740)	2,905,740
5) Derivative transactions (Special treatment for interest rate swaps)	–	-549,365	-549,365
6) Derivative transactions (Basic treatment for interest rate swaps)	(49,790)	(49,790)	–

As of January 31, 2022

	Book value	Fair value	(Thousands of yen) Unrealized gain (loss)
1) Current portion of investment corporation bonds	(2,000,000)	(1,999,200)	-800
2) Current portion of long-term loans payable	(21,710,000)	(21,733,740)	23,740
3) Investment corporation bonds	(34,600,000)	(34,840,607)	240,607
4) Long-term loans payable	(164,299,000)	(165,896,582)	1,597,582
5) Derivative transactions (Special treatment for interest rate swaps)	–	-330,729	-330,729
6) Derivative transactions (Basic treatment for interest rate swaps)	27,697	27,697	–

Notes

1. The items posted in liabilities are stated in parentheses.

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

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

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

5) Derivative transactions (Special treatment for interest rate swaps) and 6) Derivative transactions (Basic treatment for interest rate swaps)

Please refer to “Derivative Transactions” below for details.

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

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 investment corporation bonds	–	–	–	–	–	–
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

As of January 31, 2022

(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	100,000	–	–	–	–	–
Current portion of investment corporation bonds	2,000,000	–	–	–	–	–
Current portion of long-term loans payable	21,710,000	–	–	–	–	–
Investment corporation bonds	–	3,000,000	7,500,000	5,500,000	–	18,600,000
Long-term loans payable	–	19,880,000	14,850,000	21,300,000	21,510,000	86,759,000
Total	23,810,000	22,880,000	22,350,000	26,800,000	21,510,000	105,359,000

12 Securities

As of July 31, 2021

Not applicable.

As of January 31, 2022

Not applicable.

13 Derivative Transactions

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

As of July 31, 2021

Not applicable.

As of January 31, 2022

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 July 31, 2021 and January 31, 2022 are as follows:

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)

As of January 31, 2022

(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	47,560,000	27,410,000	(330,729) (*3)
Basic accounting method	Interest rate swaps (fixed rate payment, floating rate receipt)	Long-term loans payable	10,749,000	10,749,000	27,697

*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.

14 Transactions with Related Parties

- (1) Parent company and major corporate unitholders
 - For the six months ended July 31, 2021
Not applicable.
 - For the six months ended January 31, 2022
Not applicable.
- (2) Affiliated companies
 - For the six months ended July 31, 2021
Not applicable.
 - For the six months ended January 31, 2022
Not applicable.
- (3) Fellow subsidiaries
 - For the six months ended July 31, 2021
Not applicable.
 - For the six months ended January 31, 2022
Not applicable.
- (4) Directors and major individual unitholders
 - For the six months ended July 31, 2021
Not applicable.
 - For the six months ended January 31, 2022
Not applicable.

15 Tax Effect Accounting

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

(Thousands of yen)

	As of July 31, 2021	As of January 31, 2022
Deferred tax assets		
Excess provision of allowance for doubtful accounts	2,466	2,859
Valuation difference on assets acquired through merger	9,232,065	9,112,891
Other	184,903	195,737
Deferred tax assets, subtotal	9,419,435	9,311,489
Less valuation allowance associated with total of deductible temporary differences, etc.	(9,419,435)	(9,311,489)
Less valuation allowance, subtotal	(9,419,435)	(9,311,489)
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 July 31, 2021	As of January 31, 2022
Statutory tax rate	31.46	31.46
(Adjustments)		
Increase (decrease) in valuation allowance	(0.97)	(1.38)
Deductible dividends	(30.49)	(30.08)
Other	0.01	0.01
Effective tax rate after the application of tax effect accounting	0.01	0.01

16 Retirement Benefits

For the six months ended July 31, 2021

Not applicable because ADR does not have retirement benefit plans.

For the six months ended January 31, 2022

Not applicable because ADR does not have retirement benefit plans.

17 Asset Retirement Obligations

For the six months ended July 31, 2021

Not applicable.

For the six months ended January 31, 2022

Not applicable.

18 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 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.

For the six months ended January 31, 2022

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.

19 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 July 31, 2021	For the six months ended January 31, 2022
Book value		
(*1)		
Balance at the beginning of period	431,092,802	430,031,724
Changes during the period (*2)	(1,061,077)	1,866,424
Balance at the end of period	430,031,724	431,898,148
Fair value at the end of period (*3)	633,071,000	649,820,000

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

*2. Among the changes in the value of rental properties during the previous fiscal period, the main element of increase was the acquisition of real estate beneficiary interests in trust for one property (668,845 thousand yen), and the decrease was mainly attributable to depreciation cost (2,835,336 thousand yen). The main element of increase in the current fiscal period was the acquisition of real estate beneficiary interests in trust for two properties (4,002,017 thousand yen), and the decrease was mainly attributable to the sale of real estate beneficiary interests in trust for two properties (638,609 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 6 "Statements of Income" for details on operating income from rental property.

20 Revenue Recognition

Information on breakdown of revenue arising from agreements with customers

For the six months ended January 31, 2022

For the information on breakdown of revenue arising from agreements with customers, please refer to "(1)

Breakdown of operating income (loss) from property leasing activities" and "(2) Breakdown of gain on sales of real estate properties" in the Notes to Financial Statements (Statements of Income).

"(1) Breakdown of operating income (loss) from property leasing activities" includes revenue from the rental business, etc. for which the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13) is applied. The majority of revenue arising from agreements with customers is revenue from sales of real estate properties.

21 Per Unit Information

	For the six months ended July 31, 2021	For the six months ended January 31, 2022
Net assets per unit	166,420	166,470
Net income per unit	5,266	5,640

*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 July 31, 2021	For the six months ended January 31, 2022
Net income (thousands of yen)	7,294,380	7,812,651
Amount not attributable to common unitholders (thousands of yen)	—	—
Net income attributable to common unit (thousands of yen)	7,294,380	7,812,651
Average number of units during the period (units)	1,385,000	1,385,000

22 Significant Subsequent Event

For the six months ended January 31, 2022

Acquisition of Assets

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

(1) RESIDIA Bunkyo-Koishikawa

Type of Asset	: Real estate
Acquisition Price	: 694,716 thousand yen
Date of Acquisition	: February 1, 2022
Location	: 1-28-14 Koishikawa, Bunkyo-ku, Tokyo
Area	: Land 208.80 sq. m.; building 779.18 sq. m.
Structure	: Six-story with one basement floor RC flat-roofed building
Built	: February 2018

(2) RESIDIA Kanda-Awajicho

Type of Asset	: Beneficiary interests in real estate trust
Acquisition Price	: 1,490,000 thousand yen
Date of Acquisition	: April 18, 2022
Location	: 2-3 Kanda-Awajicho, Chiyoda-ku, Tokyo
Area	: Land 221.10 sq. m.; building 1,449.37 sq. m.
Structure	: Twelve-story RC flat-roofed building
Built	: December 2015

(3) RESIDIA Ogikubo III

Type of Asset	: Beneficiary interests in real estate trust
Acquisition Price	: 2,388,000 thousand yen
Date of Acquisition	: April 18, 2022
Location	: 1-23-17 Kamiogi, Suginami-ku, Tokyo
Area	: Land 576.14 sq. m.; building 2,665.86 sq. m.
Structure	: Eleven-story with one basement floor RC flat-roofed building
Built	: January 2016

(4) RESIDIA Setagaya-Wakabayashi

Type of Asset	: Beneficiary interests in real estate trust
Acquisition Price	: 1,100,000 thousand yen
Date of Acquisition	: March 30, 2022
Location	: 3-7-13 Wakabayashi, Setagaya-ku, Tokyo
Area	: Land 938.58 sq. m.; building 1,535.75 sq. m.
Structure	: Three-story RC flat-roofed building
Built	: March 1998

Note 1. The Acquisition Price does not include the settlement amounts of property tax, city planning tax, and tax on depreciable assets, consumption taxes, and local consumption taxes.

23 Schedule of Securities

Not applicable.

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

(Thousands of yen)

Category	Type	Contract amount		Fair value (*2 and *3)
		(*1)	Contract amount due after one year	
Transactions other than market transactions	Interest rate swaps (fixed rate payment, floating rate receipt)	58,309,000	38,159,000	(303,031)
Total		58,309,000	38,159,000	(303,031)

*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 330,729 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.

25 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		Book value at the end of period	Remarks	
					or accumulated amortization	Depreciation for the period			
Property, plant and equipment	Buildings	79,520,767	1,432,955	-	80,953,723	18,958,667	907,484	61,995,055	*1
	Structures	27,169	254	-	27,424	12,945	809	14,478	-
	Machinery and equipment	169,543	4,889	-	174,432	58,130	7,670	116,302	-
	Tools, furniture and fixtures	528,477	36,411	-	564,888	313,147	30,511	251,740	-
	Land	78,569,071	3,277,267	-	81,846,339	-	-	81,846,339	*1
	Construction in progress	99,011	8,362	99,011	8,362	-	-	8,362	-
	Buildings in trust	158,560,482	660,708	228,801	158,992,389	36,982,082	1,819,537	122,010,307	*2
	Structures in trust	209,200	504	1,219	208,485	130,617	3,507	77,868	-
	Machinery and equipment in trust	315,939	247	-	316,187	162,113	9,673	154,073	-
	Tools, furniture and fixtures in trust	1,185,014	61,384	6,152	1,240,247	819,351	51,224	420,895	-
	Land in trust	163,589,130	-	463,409	163,125,721	-	-	163,125,721	*2
	Construction in progress in trust	157,868	143,111	157,868	143,111	-	-	143,111	-
	Subtotal	482,931,677	5,626,096	956,462	487,601,311	57,437,056	2,830,419	430,164,255	
Intangible assets	Leasehold rights in trust	2,356,072	-	-	2,356,072	622,179	34,437	1,733,893	-
	Other	25,230	-	-	25,230	22,360	518	2,870	-
Subtotal	2,381,303	-	-	2,381,303	644,539	34,955	1,736,763		
Total	485,312,981	5,626,096	956,462	489,982,615	58,081,595	2,865,375	431,901,019		

*1. The increase in property, plant, and equipment for the six months ended January 31, 2022 primarily represents the acquisition of the properties listed below.

RESIDIA Kunitachi II
RESIDIA Nishi-tenma

*2. The decrease in property, plant, and equipment for the six months ended January 31, 2022 primarily represents the disposition of the properties listed below.

RESIDIA Yoyogi
RESIDIA Nishi-Shinjuku

26 Schedule of Other Specified Assets

Not applicable.

27 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
ADR Bond #34 (Unsecured)	Oct. 25, 2021	-	-	1,000,000	0.400	Oct. 24, 2031	(*2)	Unsecured
ADR Bond #35 (Unsecured)	Oct. 25, 2021	-	-	1,600,000	0.660	Oct. 24, 2036	(*2)	Unsecured
Total	-	34,000,000	-	36,600,000	-	-	-	-

*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	2,000,000	3,000,000	7,500,000	5,500,000	-

28 Schedule of Loans Payables

The status of loans payables of ADR as of January 31, 2022 is as follows.

(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	Remarks
	Lenders								
Short-term loans payable	Sumitomo Mitsui Trust Bank Limited	500,000	-	500,000	-	-	Sep. 10, 2021	(*5)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	-	1,013,000	1,013,000	-	-	Oct. 7, 2022	(*3)	Unsecured Unguaranteed
	Sumitomo Mitsui Trust Bank Limited	-	1,012,000	1,012,000	-	-			
	Mizuho Bank, Ltd.	-	675,000	575,000	100,000	0.39%			
Total		500,000	2,700,000	3,100,000	100,000				
Current portion of long-term loans payable	Sumitomo Mitsui Banking Corporation	1,200,000	-	1,200,000	-	-	Aug. 31, 2021	(*5)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	2,000,000	-	2,000,000	-	-	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	-	-			
	Aozora Bank, Ltd.	1,800,000	-	1,800,000	-	-	Nov. 26, 2021	(*3)	
	Development Bank of Japan Inc.	2,200,000	-	2,200,000	-	-	Nov. 29, 2021	(*5)	
	Mizuho Bank, Ltd.	2,160,000	-	2,160,000	-	-	Dec. 22, 2021	(*5)	
	Shinsei Bank, Limited	500,000	-	500,000	-	-	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	0.69% (*2)	Oct. 14, 2022	(*3)	
	Mizuho Trust & Banking Co., Ltd.	-	1,200,000	-	1,200,000				
	Aozora Bank, Ltd.	-	1,000,000	-	1,000,000				
	Sumitomo Mitsui Banking Corporation	-	3,550,000	-	3,550,000	1.37% (*2)	Nov. 15, 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					
Total		27,220,000	8,450,000	13,960,000	21,710,000				

	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	Remarks
	Lenders								
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	-	-	Nov. 15, 2022	(*5)	
	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	1.28% (*2)	Feb. 16, 2023	(*5)	
	MUFG Bank, Ltd.	455,000	-	-	455,000	-	-	-	
	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	-	-	-	
	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	-	-	Oct. 31, 2022	(*5)	
	MUFG Bank, Ltd.	1,000,000	-	1,000,000	-	-	-	-	
	Aozora Bank, Ltd.	700,000	-	700,000	-	-	Jan. 31, 2023	(*5)	
	Resona Bank, Limited	1,000,000	-	1,000,000	-	-	-	-	
	Mizuho Trust & Banking Co., Ltd.	1,200,000	-	-	1,200,000	1.05% (*2)	Mar. 19, 2025	(*3)	
	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	0.73% (*2)	Apr. 14, 2023	(*3)	
	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	-	-	Oct. 14, 2022	(*3)	
	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)	
	The Norinchukin Bank	1,000,000	-	-	1,000,000	0.61% (*2)	Dec. 18, 2023	(*5)	
	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	-	-	-		

	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	Remarks
	Lenders								
Long-term loans payable	Resona Bank, Limited	900,000	-	-	900,000	0.52%	Jan. 31, 2026	(*3)	Unsecured Unguaranteed
	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					
The Nishi-Nippon City Bank, Ltd.	500,000	-	-	500,000	0.42%	Feb. 27, 2026	(*6)		
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)		

	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	Remarks
	Lenders								
Long-term loans payable	Sumitomo Mitsui Trust Bank Limited	500,000	-	-	500,000	0.55%	Aug. 31, 2027	(*6)	Unsecured Unguaranteed
	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)	
	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)	
	Mizuho Trust & Banking Co., Ltd.	2,350,000	-	-	2,350,000	0.39%	Feb. 14, 2030	(*5)	
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)		

	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	Remarks
	Lenders								
Long-term loans payable	The Yamaguchi Bank, Ltd.	500,000	-	-	500,000	0.39%	Jun. 18, 2030	(*5)	Unsecured Unguaranteed
	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)	
	Sumitomo Mitsui Banking Corporation	-	1,200,000	-	1,200,000	0.18%	Aug. 29, 2025	(*5)	
	MUFG Bank, Ltd.	-	2,000,000	-	2,000,000	0.37%	Mar. 31, 2031	(*5)	
	Sumitomo Mitsui Banking Corporation	-	1,000,000	-	1,000,000	0.25%	Oct. 31, 2025	(*5)	
	Sumitomo Mitsui Banking Corporation	-	500,000	-	500,000	0.23%	Oct. 31, 2024	(*5)	
	Aozora Bank, Ltd.	-	1,800,000	-	1,800,000	0.49%	Nov. 26, 2031	(*5)	
	Development Bank of Japan Inc.	-	2,200,000	-	2,200,000	0.49%	Nov. 28, 2031	(*5)	
Mizuho Bank, Ltd.	-	2,160,000	-	2,160,000	0.37% (*2)	Dec. 22, 2031	(*5)		
Shinsei Bank, Limited	-	500,000	-	500,000	0.57%	Jan. 30, 2032	(*5)		
Sumitomo Mitsui Trust Bank Limited	-	2,600,000	-	2,600,000	0.47% (*2)	Jan. 30, 2032	(*5)		
	Total	158,789,000	13,960,000	8,450,000	164,299,000				

*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	21,710,000	19,880,000	14,850,000	21,300,000	21,510,000