

24th Fiscal Period Report

February 1, 2022 - July 31, 2022

Advance Residence Investment Corporation

Securities code: 3269

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

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Management's Discussion and Analysis

1 Summary of Selected Financial Data

	Fiscal Period		units	20th FP	21st FP	22nd FP	23rd FP	24th FP
				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	From: February 1, 2022 To: July 31, 2022
Operating results	Operating revenues		million yen	17,357	17,014	16,884	17,313	17,253
	(Rental revenue) a		million yen	16,851	16,718	16,884	16,871	17,253
	(Gain on real estate sales) b		million yen	506	295	—	442	—
	Operating expenses		million yen	9,062	8,500	8,659	8,603	8,941
	(Rental business expenses) c		million yen	6,707	6,630	6,791	6,715	6,995
	(Loss on real estate sales) d		million yen	511	—	—	—	—
	(Impairment loss) e		million yen	—	—	—	—	—
	Operating income		million yen	8,294	8,513	8,224	8,710	8,312
	Ordinary income f		million yen	7,321	7,549	7,294	7,813	7,488
	Net income g		million yen	7,320	7,548	7,294	7,812	7,488
Balance sheet figures	Total assets h		million yen	457,568	458,579	457,829	459,988	464,898
	Interest-bearing liabilities i		million yen	219,588	220,788	220,509	222,709	227,809
	Net assets j		million yen	231,225	230,966	230,491	230,562	230,253
	Paid-in Capital k		million yen	139,034	139,034	139,034	139,034	139,034
Per unit figures	Total dividends l		million yen	7,804	7,756	7,819	7,883	8,013
	Payout ratio l/g		%	106.6	102.7	107.2	100.9	107.0
	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	166,950	166,763	166,420	166,470	166,248
	Net income per unit Note 2		yen	5,285	5,450	5,266	5,640	5,406
	Dividend per unit l/m		yen	5,635	5,600	5,646	5,692	5,786
	Dividend from earnings per unit		yen	5,635	5,600	5,646	5,692	5,786
	Dividend in excess of earnings per unit		yen	0	0	0	0	0
	Annualized dividend yield Note 3		%	3.3	3.6	3.0	3.3	3.2
Financial indicators	Return on investment (Paid-in Capital) (g+q)/(k+i) Note 3		%	5.7	5.7	5.7	5.9	5.7
	Return on investment (market capitalization) (g+q)/(m×r+i) Note 3		%	2.9	3.2	2.8	3.1	2.8
	FFO per unit (g-b+d+e+q)/m		yen	7,310	7,261	7,314	7,390	7,504
	Annualized n Note 3		yen	14,700	14,403	14,749	14,660	15,133
	FFO multiple r/n		times	23.2	21.5	25.3	23.1	24.3
	Ratio of ordinary income to total assets f/h Note 4		%	1.6	1.6	1.6	1.7	1.6
	Annualized Note 3		%	3.2	3.3	3.2	3.4	3.3
	Equity ratio j/h		%	50.5	50.4	50.3	50.1	49.5
	Return on equity g/j Note 5		%	3.2	3.3	3.2	3.4	3.2
	Annualized Note 3		%	6.4	6.5	6.4	6.7	6.6
	Ratio of interest-bearing liabilities to total assets i/h		%	48.0	48.1	48.2	48.4	49.0
	DSCR o/p		times	14.0	14.4	14.7	16.0	16.6
	Net income before interest and depreciation o		million yen	10,897	11,125	10,868	11,390	11,059
	Interest expenses p		million yen	779	773	737	712	666
	NOI a-c+q Note 6		million yen	12,941	12,891	12,928	13,020	13,163
	Annualized NOI yield Note 3, 7		%	5.7	5.6	5.7	5.6	5.7
	Depreciation and amortization q Note 8		million yen	2,798	2,802	2,835	2,865	2,905
Reference information	Number of properties under management		—	271	271	272	272	277
	Number of leasable units		Units	21,402	21,552	21,569	21,643	21,853
	Leasable floor area at end of period Note 9		m ²	797,152.25	800,789.34	802,185.16	807,050.70	814,648.31
	Occupancy rate at end of period Note 10		%	96.3	96.0	95.9	96.9	96.6
	Unit price at end of period r		yen	341,000	310,000	373,500	338,500	367,000

- 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 182 days for the 20th FP, 184 days for the 21st FP, 181 days for the 22nd FP, 184 days for the 23rd FP, and 181 days for the 24th 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.)

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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 24th Fiscal Period (FP).

1. Internal Growth

While maintaining high occupancy rates (the average occupancy rate for the FP under review of 96.7%), Advance Residence Investment Corporation (hereafter, "ADR") promoted to raise the rent level, improve the balance of earning and expense related to its offering, raise rents at the time of contract renewal, and strengthen its property competitiveness through value enhancement works.

2. External Growth

ADR acquired a total of five properties (total acquisition price of 6.5 billion yen), consisting of two sponsor-developed properties and three properties from third parties.

3. Finance Policy

ADR promoted its efforts to strengthen the financial foundation, such as reducing the average interest rate and extending the remaining duration of its interest-bearing liabilities.

4. Sustainability

ADR purchased the FIT (Fuel-in-Transit) Non-Fossil Certificate with tracking for fiscal year 2021 in the renewable energy value trading market, having 100% of the electricity used in common areas of its properties derived from real renewable energy for fiscal year 2021 (from April 2021 to March 2022). As a result, we achieved the reduction of greenhouse gas emissions arising from the electricity in common areas of its properties.

We have 9 properties, 10 buildings, awarded the CASBEE Certification, of which 3 buildings obtained the highest "S" Rank.

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

(million yen)

Item	Previous FP Results	Initial Forecast Note 1	The 24th FP Results (ended July 31, 2022)	Difference from	
				the Previous FP	the Initial Forecast
Operating revenues	17,313	17,178	17,253	(60)	+75
Operating income	8,710	8,209	8,312	(398)	+102
Ordinary income	7,813	7,369	7,488	(324)	+119
Net income	7,812	7,368	7,488	(324)	+119
Earnings per unit	5,640 yen	5,320 yen	5,406 yen	(234) yen Note 2	+86 yen Note 2
Dividend per unit	5,692 yen	5,700 yen	5,786 yen	+94 yen	+86 yen

Notes 1. The initial forecast refers to the earnings forecast for the 24th FP disclosed in the "Brief Summary of Kessan Tanshin" for the 23rd FP, dated March 17, 2022. The same applies hereafter.

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

Earnings per unit (EPU) decreased by 234 yen from the previous FP to 5,406 yen. This was mainly due to absence of gain on sales of properties that had been recorded during the previous FP, despite an increase in NOI resulting from the property acquisition and the improved occupancy rate as well as a decrease in interest expenses.

Dividend per unit (DPU) was 5,786 yen, reflecting the reversal of the reserve for temporary difference adjustments (242 yen per unit) and dividends paid using retained earnings (137 yen per unit).

1. Internal Growth

– Maintaining High Occupancy Rate –

ITOCHU REIT Management Co., Ltd., ADR's asset management company, appropriately collaborated with property management companies in managing and operating properties. As a result, ADR managed to record an average fiscal period occupancy rate of 96.7% (up 0.8 percentage points year on year). The occupancy rate has recovered to the

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same level as in the periods before the COVID-19 pandemic.

While continuing to relax the leasing terms for single-type units in the 23 wards of Tokyo, ADR was able to raise rents for new contracts at the same level as in the past, thanks to a continued solid demand for family-type units, including in central Tokyo. As a result, the replacement rent change was an increase of 1.5% (up 2.2 percentage points from the previous FP), an improvement from the decrease in the previous FP to an increase.

– 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 8 properties during the FP under review at a cost of 1,134 million yen, including tax. Moreover, we performed value enhancement works on 49 properties at a cost of 205 million yen, excluding tax.

Of the residential units that underwent value enhancement works during the FP under review, new rental contracts had been signed for 24 units as of July 31, 2022. Those units saw increases in rent of 24.8% on average compared to the rents under the previous contracts. As such, 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 –

We recognize that recent conditions in acquiring properties in the real estate trading market continue to be harsh and the transaction prices are soaring. Even in such an environment, ADR selected and invested in properties that contribute to the improvement in the quality and profitability of its portfolio, by utilizing the sponsor pipelines and promoting the negotiation basis transactions in acquiring properties from third parties.

ADR acquired a total of five properties (total acquisition price of 6.5 billion yen), consisting of two recently constructed sponsor-developed properties and three properties from third parties, during the FP under review. Each of the properties has a high level of scarcity in the area where it locates. As such, ADR steadily achieved its external growth despite severe competition in acquiring properties.

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. During the FP under review, ADR managed to execute debt financing to the tune of 18.4 billion yen in total (at the average interest rate ^{Note 3} of 0.58% and average initial duration of 8.6 years). As a result, ADR lowered the average interest rate to 0.59% as of the end of the FP under review, from 0.61% in the previous FP. It also extended the remaining duration to 5.1 years from 5.0 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 3. 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

To contribute to realizing the decarbonized society, ADR purchased the FIT (Fuel-in-Transit) Non-Fossil Certificate with tracking for fiscal year 2021 in the renewable energy value trading market, having 100% of the electricity used in common areas of its properties derived from real renewable energy for fiscal year 2021 (from April 2021 to March 2022). As a result, we achieved the reduction of greenhouse gas emissions arising from the electricity in common

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areas of its properties. As such, we reduced approximately 99% of Scope 2 greenhouse gas emissions.

ADR has also acquired the DBJ Green Building Certification and the CASBEE Certification with respect to 23 properties, constituting 28.9% of its portfolio on the basis of total floor area, as of the end of the FP under review.

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 newly installed LED lighting in 6 properties. As of the end of the FP under review, ADR had completed installation of LED lighting in 115 properties (representing 41.5% of its portfolio).

ADR has been striving to include green lease clauses ^{Note 4} 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 approximately 63.0% of its total number of residential units.

Note 4. 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.

- Social initiatives

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

5. Merger of Asset Management Company

ADR's asset management company (hereinafter referred to as the "Asset Management Company") concluded an absorption-type merger agreement with former ITOCHU REIT Management Co., Ltd. (hereinafter referred to as "former IRM") on January 27, 2022, and the Asset Management Company conducted a merger by absorption of former IRM (hereinafter referred to as the "Merger") effective June 1, 2022. While the Merger is an absorption-type merger with the Asset Management Company as the surviving company and former IRM as the absorbed company, the Asset Management Company changed its corporate name from "AD Investment Management Co., Ltd." to "ITOCHU REIT Management Co., Ltd." after the Merger.

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 financial market volatility.

4. Sustainability

ADR will promote measures for energy-saving and reduction of greenhouse gas emissions in its properties to realize a sustainable society and further increase its unitholder value.

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 5}, in accordance with partial amendments of the "Regulations Concerning Accounting of Investment

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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 6}.

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 5. 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 × 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.

6. 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.

Fiscal Period	20th FP	21st FP	22nd FP	23rd FP	24th FP
Period-end	July 31, 2020	January 31, 2021	July 31, 2021	January 31, 2022	July 31, 2022
High	350,500 yen	342,000 yen	390,500 yen	381,000 yen	369,000 yen
Low	209,000 yen	290,000 yen	300,000 yen	318,500 yen	318,500 yen

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5 Dividend Distribution

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 temporary difference adjustments will be used in order to maintain stable payouts into the future.

Based on this policy, ADR has decided to distribute dividends of 8,013,610,000 yen. The figure was derived by retaining 362,385,561 yen from the unappropriated retained earnings of 8,040,473,933 yen for the fiscal period, plus the drawdown of reserve for temporary difference adjustments (RTA) of 335,521,628 yen. The amount of 362,385,561 yen was retained to achieve a more consistent dividend distribution.

ADR does not distribute dividends in excess of the profits as defined in Article 32, Item 2 of its Articles of Incorporation.

Fiscal Period	20th FP	21st FP	22nd FP	23rd FP	24th FP
	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	From: February 1, 2022 To: July 31, 2022
Total amount of net income	7,320,824 thousand yen	7,548,967 thousand yen	7,294,380 thousand yen	7,812,651 thousand yen	7,488,124 thousand yen
Retained earnings	31,199,226 thousand yen	30,992,194 thousand yen	30,466,864 thousand yen	30,396,095 thousand yen	29,870,610 thousand yen
Total amount of cash distribution (Distribution per unit)	7,804,475 thousand yen (5,635 yen)	7,756,000 thousand yen (5,600 yen)	7,819,710 thousand yen (5,646 yen)	7,883,420 thousand yen (5,692 yen)	8,013,610 thousand yen (5,786 yen)
Of which, total amount of dividends from earnings (Dividend from earnings per unit)	7,804,475 thousand yen (5,635 yen)	7,756,000 thousand yen (5,600 yen)	7,819,710 thousand yen (5,646 yen)	7,883,420 thousand yen (5,692 yen)	8,013,610 thousand yen (5,786 yen)
Of which, total amount of return of capital (Return of capital per unit)	— (0 yen)	— (0 yen)	— (0 yen)	— (0 yen)	— (0 yen)
Of total amount of return of capital, total amount of distribution from reserve for temporary difference adjustments (Of return of capital per unit, distribution from reserve for temporary difference adjustments per unit)	— (0 yen)	— (0 yen)	— (0 yen)	— (0 yen)	— (0 yen)
Of total amount of return of capital, total amount of distribution from distribution after reducing unitholders' capital for tax purposes (Of return of capital per unit, distribution from distribution after reducing unitholders' capital for tax purposes)	— (0 yen)	— (0 yen)	— (0 yen)	— (0 yen)	— (0 yen)

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6 Significant Subsequent Events

Disposition and its Decision

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

RESIDIA Kamiikebukuro

Type of Asset : Beneficiary interests in real estate trust
Disposition Price : 860,000 thousand yen
Disposition Date : September 1, 2022
Location : 4-12-12 Kami-ikebukuro, Toshima-ku, Tokyo
Area : Land 383.70 sq. m.; building 1,183.89 sq. m.
Structure : Eight-story RC flat-roofed building
Built : December 2001

Note: The disposition price does not include the settlement amounts of property tax, city planning tax, and tax on depreciable assets, consumption taxes, and local consumption taxes.

ADR decided to dispose of the following property pursuant to its basic asset management policy stipulated in the Articles of Incorporation, and concluded an agreement to dispose of the property.

Tokyo Student-House WAKO

Type of Asset : Beneficiary interests in real estate trust
Scheduled Disposition Price : 800,000 thousand yen
Agreement Date : August 24, 2022
Scheduled Disposition Date : September 30, 2022
Location : 1-2-9 Chuo, Wako-shi, Saitama
Area : Land 1,728.40 sq. m.; building 3,434.07 sq. m.
Structure : Five-story RC building with stainless steel roofing
Built : April 1990

Notes 1. The scheduled disposition price does not include the settlement amounts of property tax, city planning tax, and tax on depreciable assets, consumption taxes, and local consumption taxes.

2. In case that the property transaction agreement is cancelled for reasons attributable to ADR (the seller), ADR shall pay to the buyer 20% of the transaction price as a penalty for cancellation.

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Overview of the Investment Corporation

1 Status of Investments in Capital

Total number of units authorized, total number of units issued and outstanding, paid-in capital, and the number of unitholders as of July 31, 2022 are as follows.

Fiscal Period	20th FP	21st FP	22nd FP	23rd FP	24th FP
Period-end	July 31, 2020	January 31, 2021	July 31, 2021	January 31, 2022	July 31, 2022
Total number of units authorized	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Total number of units issued and outstanding	1,385,000	1,385,000	1,385,000	1,385,000	1,385,000
Paid-in capital (Note)	139,034 million yen	139,034 million yen	139,034 million yen	139,034 million yen	139,034 million yen
Number of unitholders	13,576	13,842	13,103	12,846	12,731

Note Other than paid-in capital, capital surplus of 53,220 million yen was recorded on the balance sheet as of July 31, 2022.

2 Major Unit-holders

The following are the major unitholders as of July 31, 2022.

Name	Address	Number of units held (units)	Percentage of number of units held over total number of units issued (%)
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	372,977	26.93
The Master Trust Bank of Japan, Ltd (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	217,202	15.68
The Nomura Trust & Banking Co., Ltd. (Investment Trust Account)	2-2-2 Otemachi, Chiyoda-ku, Tokyo	62,126	4.49
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	21,993	1.59
STATE STREET BANK WEST CLIENT-TREATY	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A.	18,941	1.37
SMBC Nikko Securities Inc.	3-3-1, Marunouchi, Chiyoda-ku, Tokyo	18,550	1.34
SSBTC CLIENT OMNIBUS ACCOUNT	ONE LINCOLN STREET, BOSTON MA USA 02111	17,130	1.24
JPMorgan Securities Japan Co., Ltd.	2-7-3, Marunouchi, Chiyoda-ku, Tokyo	15,535	1.12
JP MORGAN CHASE BANK	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM	14,865	1.07
Total		794,119	57.34

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.

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3 Directors and Independent Auditor

1. The executive director, supervisory directors, and independent auditor as of July 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		16,500

2. 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.

4 Matters Concerning Directors and Officers Liability Insurance Policy

As of July 31, 2022, ADR has concluded the following directors and officers liability insurance policy

Scope of insureds	Outline of the content of directors and officers liability insurance policy
All executive directors and supervisory directors	<p>(Outline of insurance incidents covered)</p> <p>The insurance policy covers any damages including compensation for damages and legal expenses to be borne by the insureds within a certain range, in the event that a claim for damages is made against the insureds arising from acts in the course of their duties as directors and officers of ADR.</p> <p>(Proportion of insurance premiums paid)</p> <p>The premiums are fully paid by ADR.</p> <p>(Measures to ensure that the appropriateness of execution of duties is not impaired)</p> <p>The insurance policy does not cover any damages to be borne by the insureds arising from criminal acts or acts committed with the knowledge that they violate laws and regulations.</p>

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5 Asset Management Company, Asset Custodian, and Administrative Agents

The following is a list of ADR's asset management company, asset custodian, and administrative agents as of July 31, 2022.

Delegation		Name
Asset management company		ITOCHU REIT 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
		ITOCHU REIT Management Co., Ltd.
	Institutional operations	ITOCHU REIT Management Co., Ltd.
	Administration of investment corporation bonds	MUFG Bank, Ltd.
		Sumitomo Mitsui Trust Bank Limited
		Mizuho Bank, Ltd.
		DBJ Securities Co., Ltd.

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Status of Assets under Management of the Investment Corporation

1 Composition of Assets of the Investment Corporation

Type of Asset	Invested area	Invested regions, etc.	23rd FP as of January 31, 2022		24th FP as of July 31, 2022	
			Total amount held (million yen) (Note 5)	Percentage of total assets (%) (Note 6)	Total amount held (million yen) (Note 5)	Percentage of total assets (%) (Note 6)
Real estate in trust (Note 1)	Tokyo 23 wards	Tokyo 23 wards	212,328	46.2	216,851	46.6
	Total of Tokyo 23 wards		212,328	46.2	216,851	46.6
	Other regions (Note 2)	Tokyo metropolitan area (Note 3)	21,396	4.7	21,250	4.6
		Government - designated cities, etc. (Note 4)	53,940	11.7	53,806	11.6
	Total of other regions		75,337	16.4	75,056	16.1
Subtotal			287,665	62.5	291,908	62.8
Real estate (Note 1)	Tokyo 23 wards	Tokyo 23 wards	95,819	20.8	96,470	20.8
	Total of Tokyo 23 wards		95,819	20.8	96,470	20.8
	Other regions (Note 2)	Tokyo metropolitan area (Note 3)	15,680	3.4	15,513	3.3
		Government - designated cities, etc. (Note 4)	32,728	7.1	33,805	7.3
	Total of other regions		48,409	10.5	49,318	10.6
Subtotal			144,229	31.4	145,789	31.4
Deposits and other assets			28,093	6.1	27,200	5.9
Total assets			459,988	100.0	464,898	100.0

Notes 1. The main use of real estate in trust and real estate is for the apartment house.

2. "Other regions" refer to the Tokyo metropolitan area and the government - designated cities, etc.

3. "Tokyo metropolitan area" in this table refers to Tokyo Metropolis, excluding the Tokyo 23 wards, and three prefectures consisting of Kanagawa, Saitama, and Chiba Prefectures.

4. "Government - designated cities, etc." refer to the government - designated cities and similar cities located in the regions other than the Tokyo metropolitan area.

5. "Total amount held" is based on the book value (for real estate, etc., the total amount of book value after depreciation and amortization) as of the balance sheet date, rounded down to the nearest million yen.

6. "Percentage of total assets" is the percentage of the book value of the real estate, etc. of the total assets, rounded to the first decimal place.

7. As monetary figures are rounded down and percentage figures are rounded, the sum of individual figures does not necessarily equal to the "total" presented in the above table. The same applies hereafter unless otherwise specified.

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2 Major Assets Held

The following summarizes the major assets held by ADR (the top 10 properties in terms of the book value at the end of the period) as of July 31, 2022.

Name of real estate	Book value (million yen)	Leasable floor area (m ²)	Leased floor area (m ²)	Occupancy rate (%)	Percentage of total rent revenue (%) Note	Main use
RESIDIA TOWER Meguro-Fudomae	14,360	21,019.77	20,314.74	96.6	3.2	Apartment house
Pacific Royal Court Minatomirai Ocean Tower	10,362	26,082.53	26,082.53	100.0	3.2	Apartment house
Park Tower Shibaura Bayward Urban Wing	8,944	13,490.67	13,139.22	97.4	2.0	Apartment house
RESIDIA TOWER Kamiikebukuro	7,421	31,250.61	30,471.11	97.5	4.5	Apartment house
RESIDIA Nishi-Azabu	6,391	7,078.64	6,689.34	94.5	1.3	Apartment house
RESIDIA TOWER Azabujuban	6,002	7,207.18	6,914.66	95.9	1.2	Apartment house
RESIDIA Mejiro	5,840	13,083.40	12,599.66	96.3	1.5	Apartment house
RESIDIA Yutenji	5,092	5,423.36	5,313.02	98.0	0.9	Apartment house
RESIDIA Nihonbashi-Bakurocho	4,965	8,502.12	8,096.90	95.2	1.2	Apartment house
RESIDIA Shin-Okachimachi II	4,626	5,392.13	5,180.23	96.1	0.8	Apartment house
Total	74,007	138,530.41	134,801.41	—	19.9	—

Note "Percentage of total rent revenue" is the percentage of the real estate rental revenue of each property divided by the total amount of the rent revenue of all properties.

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3 Real Estate Portfolio

The following lists the real estate held by ADR as of July 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) Note 1
T-001	RESIDIA Shimazuyama	Shinagawa-ku, Tokyo	Beneficiary interests in trust	2,376	4,200
T-002	RESIDIA Nakameguro	Meguro-ku, Tokyo	Beneficiary interests in trust	1,376	2,690
T-003	RESIDIA Setagaya-Tsurumaki	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,121	1,440
T-004	RESIDIA Ikejiriohashi	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,098	1,730
T-005	RESIDIA Kudanshita	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,986	3,000
T-006	RESIDIA Hatagaya	Shibuya-ku, Tokyo	Beneficiary interests in trust	1,027	1,510
T-007	RESIDIA Sakurajosui	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,020	1,550
T-008	RESIDIA Kita-Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	2,408	3,080
T-009	RESIDIA Shinjuku-East III	Shinjuku-ku, Tokyo	Beneficiary interests in trust	688	1,120
T-010	Leopalace Udagawacho Mansion	Shibuya-ku, Tokyo	Beneficiary interests in trust	581	808
T-011	RESIDIA Shinjuku-East II	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,343	2,240
T-012	RESIDIA Shinjuku-East	Shinjuku-ku, Tokyo	Beneficiary interests in trust	912	1,440
T-013	RESIDIA Kanda-Iwamotocho	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,331	2,460
T-014	RESIDIA Azabujuban II	Minato-ku, Tokyo	Beneficiary interests in trust	873	1,270
T-015	RESIDIA Ebisu	Shibuya-ku, Tokyo	Beneficiary interests in trust	549	839
T-016	RESIDIA Meguro	Shinagawa-ku, Tokyo	Beneficiary interests in trust	717	836
T-017	RESIDIA Hiroo II	Shibuya-ku, Tokyo	Real estate	1,447	2,440
T-018	Pianetta Shiodome	Minato-ku, Tokyo	Beneficiary interests in trust	1,715	2,590
T-019	RESIDIA Komazawadaigaku	Setagaya-ku, Tokyo	Beneficiary interests in trust	314	436
T-022	RESIDIA Oimachi	Shinagawa-ku, Tokyo	Real estate	825	1,260
T-023	RESIDIA Ebisu II	Shibuya-ku, Tokyo	Real estate	2,251	3,310
T-024	RESIDIA Kamiochiai	Shinjuku-ku, Tokyo	Real estate	1,105	1,750
T-025	RESIDIA Higashi-Shinagawa	Shinagawa-ku, Tokyo	Real estate	1,843	2,630
T-026	RESIDIA Meguro II	Meguro-ku, Tokyo	Real estate	1,116	1,560
T-027	RESIDIA Toranomom	Minato-ku, Tokyo	Real estate	1,265	2,010
T-028	RESIDIA Shin-Ochanomizu	Chiyoda-ku, Tokyo	Real estate	1,062	1,850
T-029	RESIDIA Kagurazaka	Shinjuku-ku, Tokyo	Real estate	833	1,290
T-030	RESIDIA Oimachi II	Shinagawa-ku, Tokyo	Real estate	956	1,560
T-031	RESIDIA Jiyugaoka	Meguro-ku, Tokyo	Beneficiary interests in trust	983	1,540
T-032	RESIDIA Suidobashi	Chiyoda-ku, Tokyo	Real estate	2,160	3,440
T-033	RESIDIA TOWER Nogizaka	Minato-ku, Tokyo	Real estate	3,464	5,100
T-034	RESIDIA Akasaka	Minato-ku, Tokyo	Real estate	1,103	1,690

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Property no.	Name of real estate	Location	Type of ownership	Book value at end of period (million yen)	Appraisal value at end of period (million yen) Note 1
T-035	RESIDIA Nishi-Azabu	Minato-ku, Tokyo	Beneficiary interests in trust	6,391	9,910
T-036	RESIDIA Daikanyama	Shibuya-ku, Tokyo	Beneficiary interests in trust	1,966	2,640
T-037	RESIDIA Ichigaya	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,336	3,760
T-038	RESIDIA Roppongi-Hinokichokoen	Minato-ku, Tokyo	Beneficiary interests in trust	3,523	5,690
T-039	RESIDIA TOWER Meguro-Fudomae	Shinagawa-ku, Tokyo	Real estate	14,360	22,500
T-040	RESIDIA Sangenjaya	Setagaya-ku, Tokyo	Real estate	2,506	4,090
T-041	RESIDIA Kanda-Higashi	Chiyoda-ku, Tokyo	Real estate	1,483	2,590
T-042	RESIDIA Higashi-Azabu	Minato-ku, Tokyo	Real estate	1,314	1,790
T-043	RESIDIA Ebisu-Minami	Shibuya-ku, Tokyo	Real estate	1,893	2,640
T-044	RESIDIA TOWER Azabujuban	Minato-ku, Tokyo	Real estate	6,002	9,710
T-045	RESIDIA Shibuya	Shibuya-ku, Tokyo	Real estate	1,190	1,920
T-046	RESIDIA Nakanobu	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,729	2,820
T-047	RESIDIA Azabudai	Minato-ku, Tokyo	Beneficiary interests in trust	1,513	2,200
T-048	RESIDIA Shibadaimon II	Minato-ku, Tokyo	Beneficiary interests in trust	1,634	2,260
T-049	RESIDIA Kanda	Chiyoda-ku, Tokyo	Real estate	1,094	1,760
T-050	RESIDIA Sangenjaya II	Setagaya-ku, Tokyo	Real estate	1,254	1,880
T-051	RESIDIA Nishi-Shinjuku II	Shinjuku-ku, Tokyo	Real estate	1,648	2,620
T-052	RESIDIA Hiroo-Minami	Shibuya-ku, Tokyo	Real estate	845	1,360
T-053	RESIDIA Mejiro-Otomeyama	Shinjuku-ku, Tokyo	Beneficiary interests in trust	941	1,400
T-054	RESIDIA Shibaura	Minato-ku, Tokyo	Beneficiary interests in trust	4,201	7,130
T-055	RESIDIA Gotenyama	Shinagawa-ku, Tokyo	Real estate	859	1,140
T-056	RESIDIA Yutenji	Meguro-ku, Tokyo	Beneficiary interests in trust	5,092	7,220
T-057	Park Tower Shibaura Bayward Urban Wing	Minato-ku, Tokyo	Beneficiary interests in trust	8,944	14,700
T-058	RESIDIA Kamimeguro	Meguro-ku, Tokyo	Beneficiary interests in trust	825	1,390
T-059	RESIDIA Kita-Shinjuku	Shinjuku-ku, Tokyo	Real estate	1,317	2,060
T-060	RESIDIA Komazawa	Setagaya-ku, Tokyo	Beneficiary interests in trust	783	1,460
T-061	RESIDIA Shibaura KAIGAN	Minato-ku, Tokyo	Beneficiary interests in trust	2,228	3,440
T-062	RESIDIA Ichigaya-Yakuoji	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,891	2,950
T-063	RESIDIA Yoga	Setagaya-ku, Tokyo	Real estate	1,484	2,140
T-064	RESIDIA TOWER Nakameguro	Meguro-ku, Tokyo	Real estate	3,416	5,670
T-065	RESIDIA Sasazuka II	Shibuya-ku, Tokyo	Beneficiary interests in trust	3,556	5,470
T-066	RESIDIA Meguro III	Meguro-ku, Tokyo	Beneficiary interests in trust	925	1,710
T-067	RESIDIA Jiyugaoka II	Setagaya-ku, Tokyo	Beneficiary interests in trust	760	1,070
T-068	RESIDIA Kudanshita II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,183	2,240
T-069	RESIDIA Omori II	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,535	2,570

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Property no.	Name of real estate	Location	Type of ownership	Book value at end of period (million yen)	Appraisal value at end of period (million yen) Note 1
T-070	RESIDIA Shirokane-Takanawa	Minato-ku, Tokyo	Beneficiary interests in trust	1,417	2,270
T-071	RESIDIA Nakaochiai	Shinjuku-ku, Tokyo	Beneficiary interests in trust	3,703	5,340
T-072	RESIDIA Nakameguro II	Meguro-ku, Tokyo	Beneficiary interests in trust	1,142	1,910
T-073	Artis Court Minamiaoyama	Minato-ku, Tokyo	Beneficiary interests in trust	1,713	2,190
T-074	RESIDIA Yotsuya Sanchoe	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,011	3,130
T-075	RESIDIA Takanawa Katsurazaka	Minato-ku, Tokyo	Beneficiary interests in trust	922	1,320
T-076	RESIDIA Ebisu III	Shibuya-ku, Tokyo	Real estate	642	938
T-077	RESIDIA Shinjukugyoen	Shinjuku-ku, Tokyo	Beneficiary interests in trust	702	1,120
T-078	RESIDIA Minami Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,164	1,790
T-079	Chester Court Ochanomizu	Chiyoda-ku, Tokyo	Beneficiary interests in trust	3,145	4,610
T-080	RESIDIA Kanda-Iwamotocho II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,272	2,010
T-081	RESIDIA Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	970	1,510
T-082	RESIDIA Yoyogi II	Shibuya-ku, Tokyo	Real estate	886	1,100
T-083	RESIDIA Nakanobu II	Shinagawa-ku, Tokyo	Beneficiary interests in trust	916	1,250
T-084	RESIDIA Ochanomizu II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	822	1,210
T-085	RESIDIA Mishuku	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,159	1,560
T-086	RESIDIA Ichigaya II	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,973	2,450
T-087	RESIDIA Ichigaya-Sadohara	Shinjuku-ku, Tokyo	Beneficiary interests in trust	4,224	5,250
T-088	RESIDIA Nishi-Koyama	Meguro-ku, Tokyo	Beneficiary interests in trust	1,706	2,420
T-089	RESIDIA Minami-Shinagawa II	Shinagawa-ku, Tokyo	Real estate	2,198	2,880
T-090	RESIDIA Kagurazaka II	Shinjuku-ku, Tokyo	Real estate	1,148	1,570
T-091	RESIDIA Otemachi-Kita	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,561	1,960
T-092	RESIDIA Mitsukoshimae	Chuo-ku, Tokyo	Beneficiary interests in trust	1,546	3,250
T-093	RESIDIA Kamata	Ota-ku, Tokyo	Beneficiary interests in trust	2,019	4,280
T-094	RESIDIA Ikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	1,392	2,240
T-095	RESIDIA Bunkyo-Hongo	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,496	2,790
T-096	RESIDIA Asakusabashi	Taito-ku, Tokyo	Beneficiary interests in trust	879	1,750
T-097	Maison Eclairée Ekoda	Nerima-ku, Tokyo	Beneficiary interests in trust	866	1,170
T-098	RESIDIA Ueno-Okachimachi	Taito-ku, Tokyo	Beneficiary interests in trust	2,805	4,710
T-099	RESIDIA Bunkyo-Hongo II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,536	2,450
T-100	RESIDIA Ryogoku	Sumida-ku, Tokyo	Beneficiary interests in trust	807	1,500
T-101	RESIDIA Nihonbashi-Ningyocho II	Chuo-ku, Tokyo	Beneficiary interests in trust	2,820	4,750

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Property no.	Name of real estate	Location	Type of ownership	Book value at end of period (million yen)	Appraisal value at end of period (million yen) Note 1
T-102	RESIDIA Omori-Higashi	Ota-ku, Tokyo	Beneficiary interests in trust	1,732	2,440
T-103	RESIDIA Kinshicho	Sumida-ku, Tokyo	Beneficiary interests in trust	3,852	5,660
T-104	RESIDIA Negishi	Taito-ku, Tokyo	Beneficiary interests in trust	768	1,130
T-105	RESIDIA Shinkawa	Chuo-ku, Tokyo	Beneficiary interests in trust	1,764	2,980
T-106	RESIDIA Kamiikebukuro (Note 2)	Toshima-ku, Tokyo	Beneficiary interests in trust	505	860
T-107	RESIDIA Shin-nakano	Nakano-ku, Tokyo	Beneficiary interests in trust	334	627
T-108	RESIDIA Bunkyo-Yushima II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	918	1,430
T-109	RESIDIA Tsukiji	Chuo-ku, Tokyo	Real estate	1,306	2,400
T-110	RESIDIA Sasazuka	Suginami-ku, Tokyo	Beneficiary interests in trust	1,753	2,390
T-111	RESIDIA Tamagawa	Ota-ku, Tokyo	Beneficiary interests in trust	1,103	1,920
T-112	RESIDIA Korakuen	Bunkyo-ku, Tokyo	Beneficiary interests in trust	560	902
T-113	RESIDIA Ginza-Higashi	Chuo-ku, Tokyo	Beneficiary interests in trust	1,832	3,150
T-114	RESIDIA Oji	Kita-ku, Tokyo	Beneficiary interests in trust	740	1,160
T-115	RESIDIA Mejiro II	Toshima-ku, Tokyo	Real estate	938	1,350
T-116	RESIDIA Tsukishima	Chuo-ku, Tokyo	Real estate	970	1,490
T-117	RESIDIA Kamata II	Ota-ku, Tokyo	Real estate	1,266	1,910
T-118	RESIDIA Tsukishima II	Chuo-ku, Tokyo	Beneficiary interests in trust	2,255	3,480
T-119	RESIDIA Kinshicho II	Sumida-ku, Tokyo	Real estate	2,156	3,340
T-120	RESIDIA Bunkyo-Otowa	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,947	5,090
T-121	RESIDIA Bunkyo-Sengoku	Bunkyo-ku, Tokyo	Beneficiary interests in trust	628	1,110
T-122	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	Beneficiary interests in trust	958	1,660
T-123	RESIDIA Ikegami	Ota-ku, Tokyo	Beneficiary interests in trust	348	517
T-124	RESIDIA Nihonbashi-Ningyocho	Chuo-ku, Tokyo	Beneficiary interests in trust	505	999
T-125	RESIDIA Bunkyo-Sengoku II	Bunkyo-ku, Tokyo	Real estate	1,364	2,100
T-126	RESIDIA Iriya	Taito-ku, Tokyo	Beneficiary interests in trust	818	1,310
T-127	RESIDIA Nihonbashi-Hamacho	Chuo-ku, Tokyo	Real estate	1,217	1,930
T-128	RESIDIA Shin-Okachimachi	Taito-ku, Tokyo	Real estate	1,712	2,550
T-129	RESIDIA Chidoricho	Ota-ku, Tokyo	Real estate	1,160	1,690
T-130	RESIDIA Shinkawa II	Chuo-ku, Tokyo	Beneficiary interests in trust	1,233	2,110
T-131	RESIDIA Mejiro	Toshima-ku, Tokyo	Beneficiary interests in trust	5,840	9,650
T-132	RESIDIA Kasai	Edogawa-ku, Tokyo	Beneficiary interests in trust	612	882
T-133	RESIDIA Nihonbashi-Bakurocho	Chuo-ku, Tokyo	Real estate	4,965	8,680
T-134	RESIDIA Suginami-Honancho	Suginami-ku, Tokyo	Beneficiary interests in trust	3,541	6,930
T-135	RESIDIA Shin-Itabashi	Itabashi-ku, Tokyo	Beneficiary interests in trust	804	1,430

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Property no.	Name of real estate	Location	Type of ownership	Book value at end of period (million yen)	Appraisal value at end of period (million yen) Note 1
T-136	RESIDIA Kiba	Koto-ku, Tokyo	Beneficiary interests in trust	1,772	3,560
T-137	RESIDIA Bunkyo-Yushima III	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,040	1,850
T-138	RESIDIA Bunkyo- Honkomagome	Bunkyo-ku, Tokyo	Real estate	2,169	3,600
T-139	RESIDIA Tsukishima III	Chuo-ku, Tokyo	Beneficiary interests in trust	2,341	4,400
T-140	RESIDIA Minami-senju	Arakawa-ku, Tokyo	Beneficiary interests in trust	2,168	4,190
T-141	RESIDIA Ogikubo	Suginami-ku, Tokyo	Real estate	1,737	2,870
T-142	RESIDIA Monzennakacho	Koto-ku, Tokyo	Beneficiary interests in trust	982	1,610
T-143	RESIDIA Ochanomizu	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,931	3,470
T-144	RESIDIA Omori	Ota-ku, Tokyo	Beneficiary interests in trust	1,142	1,800
T-145	RESIDIA Nakamurabashi	Nerima-ku, Tokyo	Beneficiary interests in trust	979	1,450
T-146	RESIDIA Kachidoki	Chuo-ku, Tokyo	Beneficiary interests in trust	1,679	3,010
T-147	RESIDIA Bunkyo-Otowa II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,198	3,630
T-148	RESIDIA Kinshicho III	Koto-ku, Tokyo	Beneficiary interests in trust	611	944
T-149	RESIDIA Kamata III	Ota-ku, Tokyo	Beneficiary interests in trust	892	1,450
T-150	RESIDIA TOWER Kamiikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	7,421	13,600
T-151	RESIDIA Takashimadaira	Itabashi-ku, Tokyo	Real estate	504	698
T-152	RESIDIA Shimura-Sakaue	Itabashi-ku, Tokyo	Real estate	590	810
T-153	RESIDIA Shimura-Sakaue II	Itabashi-ku, Tokyo	Beneficiary interests in trust	1,099	1,600
T-154	RESIDIA Shimura-Sakaue III	Itabashi-ku, Tokyo	Real estate	471	585
T-155	RESIDIA Ikebukuro West	Itabashi-ku, Tokyo	Beneficiary interests in trust	1,058	1,630
T-156	RESIDIA Ojima	Koto-ku, Tokyo	Beneficiary interests in trust	1,219	1,860
T-157	RESIDIA Machiya	Arakawa-ku, Tokyo	Beneficiary interests in trust	1,145	1,640
T-158	RESIDIA Ueno-Ikenohata	Taito-ku, Tokyo	Beneficiary interests in trust	1,791	2,440
T-159	RESIDIA Nerima	Nerima-ku, Tokyo	Beneficiary interests in trust	495	751
T-160	RESIDIA Higashi-Nihonbashi	Chuo-ku, Tokyo	Beneficiary interests in trust	385	586
T-161	RESIDIA Nakano	Nakano-ku, Tokyo	Real estate	678	978
T-162	RESIDIA Ogikubo II	Suginami-ku, Tokyo	Real estate	472	637
T-163	RESIDIA Minamiyukigaya	Ota-ku, Tokyo	Beneficiary interests in trust	1,317	1,740
T-164	RESIDIA Akihabara	Taito-ku, Tokyo	Beneficiary interests in trust	961	1,490
T-165	RESIDIA Asakusa-Azumabashi	Sumida-ku, Tokyo	Beneficiary interests in trust	855	1,390
T-166	RESIDIA Omori III	Ota-ku, Tokyo	Beneficiary interests in trust	1,381	1,980
T-167	RESIDIA Nihonbashi-Bakurocho II	Chuo-ku, Tokyo	Beneficiary interests in trust	1,963	3,020
T-168	RESIDIA Nihonbashi-Bakurocho III	Chuo-ku, Tokyo	Beneficiary interests in trust	1,815	2,770

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Property no.	Name of real estate	Location	Type of ownership	Book value at end of period (million yen)	Appraisal value at end of period (million yen) Note 1
T-169	RESIDIA Bunkyo-Hongo III	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,649	2,390
T-170	RESIDIA Shin-Okachimachi II	Taito-ku, Tokyo	Beneficiary interests in trust	4,626	6,610
T-171	RESIDIA Kameido	Koto-ku, Tokyo	Beneficiary interests in trust	2,998	4,060
T-172	RESIDIA Koenji	Suginami-ku, Tokyo	Beneficiary interests in trust	1,384	1,910
T-173	RESIDIA Kamata V	Ota-ku, Tokyo	Real estate	2,320	2,900
T-174	RESIDIA Kamata IV	Ota-ku, Tokyo	Real estate	3,323	4,280
T-175	RESIDIA Ikegami II	Ota-ku, Tokyo	Beneficiary interests in trust	1,099	1,460
T-176	RESIDIA Sasazuka III	Suginami-ku, Tokyo	Real estate	1,413	1,800
T-177	RESIDIA Nakano-Fujimidai	Nakano-ku, Tokyo	Beneficiary interests in trust	1,800	2,060
T-178	RESIDIA Bunkyo-Koishikawa	Bunkyo-ku, Tokyo	Real estate	748	862
T-179	RESIDIA Kanda-Awajicho	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,541	1,730
T-180	RESIDIA Ogikubo III	Suginami-ku, Tokyo	Beneficiary interests in trust	2,475	2,700
T-181	RESIDIA Setagaya-Wakabayashi	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,169	1,290
S-002	Chester House Kawaguchi	Kawaguchi-shi, Saitama	Beneficiary interests in trust	667	801
S-004	RESIDIA Higashi-Matsudo	Matsudo-shi, Chiba	Beneficiary interests in trust	943	1,370
S-005	RESIDIA Shin-Yokohama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,670	2,400
S-007	RESIDIA Chofu	Chofu-shi, Tokyo	Beneficiary interests in trust	1,015	1,450
S-011	Tokyo Student-House WAKO (Note 3)	Wako-shi, Saitama	Beneficiary interests in trust	617	800
S-012	RESIDIA Kokubunji	Kokubunji-shi, Tokyo	Beneficiary interests in trust	465	754
S-014	RESIDIA Yokohama-Kannai	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,477	2,020
S-015	RESIDIA Okurayama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	674	1,000
S-016	RESIDIA Musashikosugi	Kawasaki-shi, Kanagawa	Real estate	1,432	2,240
S-017	RESIDIA Funabashi I RESIDIA Funabashi II	Funabashi-shi, Chiba	Beneficiary interests in trust	2,417	3,710
S-019	RESIDIA Kichijoji	Musashino-shi, Tokyo	Beneficiary interests in trust	1,405	2,010
S-020	Pacific Royal Court Minatomirai Ocean Tower	Yokohama-shi, Kanagawa	Real estate and leasehold rights to real estate	10,362	17,200
S-022	BRANCHEILE Kohoku II (Note 4)	Yokohama-shi, Kanagawa	Real estate	1,599	2,310
S-023	College Court Tanashi	Nishi-Tokyo-shi, Tokyo	Beneficiary interests in trust	715	1,280
S-024	RESIDIA Urayasu	Urayasu-shi, Chiba	Beneficiary interests in trust	1,952	3,310
S-025	RESIDIA Minami-Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	829	1,240
S-026	RESIDIA Urayasu II	Urayasu-shi, Chiba	Beneficiary interests in trust	807	1,260
S-027	RESIDIA Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	754	1,160
S-028	RESIDIA Kawasaki	Kawasaki-shi, Kanagawa	Beneficiary interests in trust	1,520	2,500

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Property no.	Name of real estate	Location	Type of ownership	Book value at end of period (million yen)	Appraisal value at end of period (million yen) Note 1
S-029	Cocofump Hiyoshi	Yokohama-shi, Kanagawa	Beneficiary interests in trust	913	1,230
S-030	RESIDIA Sagamihara	Sagamihara-shi, Kanagawa	Beneficiary interests in trust	1,072	1,470
S-031	RESIDIA Yokohama-Bashamichi	Yokohama-shi, Kanagawa	Beneficiary interests in trust	737	1,150
S-032	RESIDIA Hon-Atsugi	Atsugi-shi, Kanagawa	Real estate	605	807
S-033	RESIDIA Funabashi III	Funabashi-shi, Chiba	Real estate	649	795
S-034	RESIDIA Funabashi IV	Funabashi-shi, Chiba	Beneficiary interests in trust	593	672
S-035	RESIDIA Kunitachi II	Kunitachi-shi, Tokyo	Real estate	863	901
R-002	RESIDIA Imadegawa	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,420	1,830
R-004	RESIDIA Higashizakura	Nagoya-shi, Aichi	Beneficiary interests in trust	934	1,430
R-008	RESIDIA Kobe Port Island	Kobe-shi, Hyogo	Beneficiary interests in trust	3,208	5,130
R-010	RESIDIA Hakata	Fukuoka-shi, Fukuoka	Real estate	1,185	1,690
R-011	RESIDIA Tenjinbashi	Osaka-shi, Osaka	Beneficiary interests in trust	775	1,280
R-012	RESIDIA Sannomiya-Higashi	Kobe-shi, Hyogo	Real estate	1,901	3,340
R-013	KC21 Building	Sendai-shi, Miyagi	Real estate	817	1,020
R-014	RESIDIA Utsubokoen	Osaka-shi, Osaka	Real estate	987	1,690
R-015	RESIDIA Kyoto-ekimae	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,786	2,970
R-016	RESIDIA Takaoka	Nagoya-shi, Aichi	Real estate	2,031	3,490
R-017	RESIDIA Hibino	Nagoya-shi, Aichi	Beneficiary interests in trust	1,038	1,580
R-019	RESIDIA Tenjin-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	857	1,280
R-020	RESIDIA Hakataeki-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	288	416
R-021	RESIDIA Hisaya-Oodori II	Nagoya-shi, Aichi	Real estate	563	872
R-024	RESIDIA Minami-Ichijo	Sapporo-shi, Hokkaido	Real estate	1,590	2,330
R-025	RESIDIA Odori-Nishi	Sapporo-shi, Hokkaido	Real estate	1,264	1,690
R-026	RESIDIA Kita-Sanjo	Sapporo-shi, Hokkaido	Real estate	1,051	1,570
R-027	RESIDIA Shirakabe-Higashi	Nagoya-shi, Aichi	Real estate	707	973
R-029	RESIDIA Uzumasa	Kyoto-shi, Kyoto	Real estate	684	847
R-030	RESIDIA Izumi	Nagoya-shi, Aichi	Real estate	3,127	4,520
R-031	RESIDIA Maruyama Kita-Gojo	Sapporo-shi, Hokkaido	Real estate	898	1,320
R-032	RESIDIA Tokugawa	Nagoya-shi, Aichi	Real estate	685	967
R-034	RESIDIA Odori-Koen	Sapporo-shi, Hokkaido	Real estate	1,748	3,100
R-035	RESIDIA Tanimachi	Osaka-shi, Osaka	Real estate	1,022	1,780
R-036	RESIDIA Hisaya-Oodori	Nagoya-shi, Aichi	Beneficiary interests in trust	606	971
R-037	RESIDIA Sendai-Miyamachi	Sendai-shi, Miyagi	Beneficiary interests in trust	469	806
R-038	RESIDIA Hirose-dori	Sendai-shi, Miyagi	Beneficiary interests in trust	441	748
R-039	RESIDIA Edobori	Osaka-shi, Osaka	Real estate	1,311	2,130
R-040	RESIDIA Kyomachibori	Osaka-shi, Osaka	Real estate	940	1,590
R-041	RESIDIA Esaka	Suita-shi, Osaka	Beneficiary interests in trust	962	1,440

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Property no.	Name of real estate	Location	Type of ownership	Book value at end of period (million yen)	Appraisal value at end of period (million yen) Note 1
R-042	RESIDIA Nishijin	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	2,086	3,340
R-043	RESIDIA Tsurumai	Nagoya-shi, Aichi	Beneficiary interests in trust	1,075	1,720
R-044	RESIDIA Kobe-Isogami	Kobe-shi, Hyogo	Beneficiary interests in trust	2,417	3,970
R-045	RESIDIA Kita-Nijyo-East	Sapporo-shi, Hokkaido	Beneficiary interests in trust	940	1,250
R-046	RESIDIA Shinsaibashi West	Osaka-shi, Osaka	Beneficiary interests in trust	1,785	2,730
R-047	RESIDIA Marunouchi	Nagoya-shi, Aichi	Beneficiary interests in trust	884	1,240
R-048	RESIDIA Sapporo-Ekimae	Sapporo-shi, Hokkaido	Beneficiary interests in trust	1,313	2,200
R-049	RESIDIA Goshō-Higashi	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,139	1,850
R-050	RESIDIA Rakuho	Kyoto-shi, Kyoto	Beneficiary interests in trust	815	1,220
R-051	RESIDIA Miyakojima I & II	Osaka-shi, Osaka	Real estate	3,334	5,980
R-052	RESIDIA TOWER Sendai	Sendai-shi, Miyagi	Beneficiary interests in trust	1,656	2,260
R-053	RESIDIA Higashizakura II	Nagoya-shi, Aichi	Beneficiary interests in trust	2,794	3,940
R-054	RESIDIA Tsutsujigaoka	Sendai-shi, Miyagi	Beneficiary interests in trust	1,778	2,860
R-055	RESIDIA Kobe-Motomachi	Kobe-shi, Hyogo	Beneficiary interests in trust	989	1,570
R-056	RESIDIA Sendai-Honcho	Sendai-shi, Miyagi	Beneficiary interests in trust	1,026	1,820
R-057	RESIDIA Sendai-Haranomachi	Sendai-shi, Miyagi	Beneficiary interests in trust	527	962
R-058	RESIDIA Minami-Ichijo East	Sapporo-shi, Hokkaido	Beneficiary interests in trust	968	1,540
R-059	RESIDIA Shin-Osaka	Osaka-shi, Osaka	Beneficiary interests in trust	2,641	4,090
R-060	RESIDIA Okayama-Ekimae	Okayama-shi, Okayama	Beneficiary interests in trust	771	1,130
R-061	RESIDIA Kyoto Okazaki	Kyoto-shi, Kyoto	Beneficiary interests in trust	228	349
R-062	RESIDIA Sendai-Ichibancho	Sendai-shi, Miyagi	Beneficiary interests in trust	1,152	1,500
R-063	RESIDIA Kita-Nijyo-East II	Sapporo-shi, Hokkaido	Beneficiary interests in trust	508	786
R-064	RESIDIA Takamiya	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	474	653
R-065	RESIDIA Soen	Sapporo-shi, Hokkaido	Beneficiary interests in trust	359	580
R-066	RESIDIA Tenjin	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,084	1,550
R-067	RESIDIA Yakuin-Oodori	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,094	1,560
R-068	RESIDIA Hakata II	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,314	1,950
R-069	RESIDIA Kego	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	789	1,270
R-070	RESIDIA Shirakabe	Nagoya-shi, Aichi	Beneficiary interests in trust	895	1,200
R-071	RESIDIA Sakae	Nagoya-shi, Aichi	Real estate	900	952
R-072	RESIDIA Senri-Fujishirodai	Suita-shi, Osaka	Beneficiary interests in trust	1,491	1,820
R-073	RESIDIA Senri-Banpakukoen	Suita-shi, Osaka	Beneficiary interests in trust	2,170	2,480

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Property no.	Name of real estate	Location	Type of ownership	Book value at end of period (million yen)	Appraisal value at end of period (million yen) Note 1
R-074	RESIDIA Sapporo-eki North	Sapporo, Hokkaido	Real estate	788	709
R-075	RESIDIA Hijiyama-Koen	Hiroshima-shi, Hiroshima	Beneficiary interests in trust	679	839
R-076	RESIDIA Kita-Nijyo-East III	Sapporo, Hokkaido	Beneficiary interests in trust	428	443
R-077	RESIDIA Shin-Osaka II	Osaka-shi, Osaka	Real estate	688	729
R-078	RESIDIA Tsutsujigaoka-Koen	Sendai-shi, Miyagi	Beneficiary interests in trust	758	805
R-079	RESIDIA Sendai-Kamisugi	Sendai-shi, Miyagi	Real estate	1,485	1,760
R-080	RESIDIA Shirokitakoen-dori	Osaka-shi, Osaka	Beneficiary interests in trust	1,307	1,390
R-081	RESIDIA Kyoto-Mibu	Kyoto, Kyoto	Beneficiary interests in trust	664	683
R-082	RESIDIA Nishi-tenma	Osaka-shi, Osaka	Real estate	3,170	3,150
R-083	RESIDIA Hakata-Higashi (Note 5)	Fukuoka-shi, Fukuoka	Real estate	918	930
Total				437,697	672,995

- Notes 1. "Appraisal value at end of period" is the appraisal value or survey-based value, pursuant to ADR's Articles of Incorporation and the "Regulations Concerning Accounting of Investment Corporations" issued by the Cabinet Office, provided by a real estate appraiser as of July 31, 2022.
2. ADR concluded an agreement to dispose of the beneficiary interests in RESIDIA Kamiikebukuro on August 23, 2022, and conducted the disposition on September 1, 2022. The appraisal value at end of period is presented at the disposition price.
3. ADR concluded an agreement to dispose of the beneficiary interests in Tokyo Student-House WAKO on August 24, 2022, and the disposition was scheduled on September 30, 2022. The appraisal value at end of period is presented at the scheduled disposition price.
4. Regarding S-022 BRANCHEILE Kohoku II, the name of the property was changed from Life & Senior House Kohoku II to BRANCHEILE Kohoku II on October 1, 2022. In this document, the new name of the property is presented regardless of the actual name as of the balance sheet date. The same applies hereafter.
5. Regarding R-083 RESIDIA Hakata-Higashi, the name of the property was changed from Belle Face Hakata-Higashi to RESIDIA Hakata-Higashi on September 1, 2022. In this document, the new name of the property is presented regardless of the actual name as of the balance sheet date. The same applies hereafter.

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The following is the status of the rental business for the assets held by ADR as of July 31, 2022.

Property no.	Name of real estate	23rd (Aug. 1, 2021 to Jan. 31, 2022)				24th (Feb. 1, 2022 to Jul. 31, 2022)			
		Total number of tenants at end of period (tenants) Note 1	Occupancy rate at end of period (%) Note 2	Rental revenue during the period (thousands of yen) Note 3	Percentage of total rent revenue (%)	Total number of tenants at end of period (tenants) Note 1	Occupancy rate at end of period (%) Note 2	Rental revenue during the period (thousands of yen) Note 3	Percentage of total rent revenue (%)
T-001	RESIDIA Shimazuyama	1	96.6	92,012	0.5	1	92.5	91,862	0.5
T-002	RESIDIA Nakameguro	1	100.0	47,256	0.3	1	100.0	47,256	0.3
T-003	RESIDIA Setagaya-Tsurumaki	1	96.8	39,242	0.2	1	92.8	38,521	0.2
T-004	RESIDIA Ikejirihashi	1	97.2	36,893	0.2	1	95.6	38,244	0.2
T-005	RESIDIA Kudanshita	1	97.9	75,317	0.4	1	98.9	77,432	0.4
T-006	RESIDIA Hatagaya	1	100.0	32,332	0.2	1	97.4	33,068	0.2
T-007	RESIDIA Sakurajosui	1	100.0	34,105	0.2	1	96.3	33,956	0.2
T-008	RESIDIA Kita-Shinagawa	1	100.0	76,075	0.5	1	100.0	76,075	0.4
T-009	RESIDIA Shinjuku-East III	1	100.0	24,936	0.1	1	97.5	26,087	0.2
T-010	Leopalace Udagawacho Mansion	1	100.0	17,358	0.1	1	100.0	16,209	0.1
T-011	RESIDIA Shinjuku-East II	1	96.4	48,275	0.3	1	95.4	48,411	0.3
T-012	RESIDIA Shinjuku-East	1	91.7	31,496	0.2	1	98.0	32,967	0.2
T-013	RESIDIA Kanda-Iwamotocho	1	97.7	59,542	0.4	1	97.2	59,946	0.3
T-014	RESIDIA Azabujuban II	1	97.5	28,279	0.2	1	97.1	31,132	0.2
T-015	RESIDIA Ebisu	1	88.9	19,603	0.1	1	100.0	21,069	0.1
T-016	RESIDIA Meguro	1	100.0	20,686	0.1	1	96.0	20,970	0.1
T-017	RESIDIA Hiroo II	1	95.3	55,470	0.3	1	98.9	57,279	0.3
T-018	Pianetta Shiodome	1	97.4	64,726	0.4	1	97.3	64,215	0.4
T-019	RESIDIA Komazawadaigaku	1	95.1	10,278	0.1	1	88.3	11,294	0.1
T-022	RESIDIA Oimachi	1	95.8	32,176	0.2	1	95.8	33,217	0.2
T-023	RESIDIA Ebisu II	1	97.7	73,546	0.4	1	96.2	74,565	0.4
T-024	RESIDIA Kamiochiai	1	95.1	42,235	0.3	1	100.0	43,899	0.3
T-025	RESIDIA Higashi-Shinagawa	1	98.4	66,299	0.4	1	97.5	68,306	0.4
T-026	RESIDIA Meguro II	1	89.6	35,587	0.2	1	97.6	38,336	0.2
T-027	RESIDIA Toranomon	1	96.8	42,979	0.3	1	96.8	44,092	0.3
T-028	RESIDIA Shin-Ochanomizu	1	100.0	41,000	0.2	1	100.0	41,435	0.2
T-029	RESIDIA Kagurazaka	1	98.2	31,652	0.2	1	98.1	31,178	0.2
T-030	RESIDIA Oimachi II	1	100.0	34,795	0.2	1	100.0	35,759	0.2
T-031	RESIDIA Jiyugaoka	1	100.0	37,579	0.2	1	100.0	37,209	0.2
T-032	RESIDIA Suidobashi	1	98.6	76,842	0.5	1	100.0	79,677	0.5
T-033	RESIDIA TOWER Nogizaka	1	93.9	112,233	0.7	1	96.8	112,240	0.7
T-034	RESIDIA Akasaka	1	97.6	43,016	0.3	1	92.4	41,080	0.2
T-035	RESIDIA Nishi-Azabu	1	92.8	216,257	1.3	1	94.5	221,531	1.3
T-036	RESIDIA Daikanyama	1	95.7	60,679	0.4	1	98.5	61,818	0.4
T-037	RESIDIA Ichigaya	1	97.5	80,824	0.5	1	96.8	82,505	0.5
T-038	RESIDIA Roppongi-Hinokichokoen	1	95.3	130,951	0.8	1	93.5	134,945	0.8
T-039	RESIDIA TOWER Meguro-Fudomae	1	96.6	548,739	3.3	1	96.6	554,037	3.2
T-040	RESIDIA Sangenjaya	1	99.1	91,607	0.5	1	97.3	93,964	0.5
T-041	RESIDIA Kanda-Higashi	1	97.7	60,209	0.4	1	96.3	61,725	0.4

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Property no.	Name of real estate	23rd (Aug. 1, 2021 to Jan. 31, 2022)				24th (Feb. 1, 2022 to Jul. 31, 2022)			
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T-042	RESIDIA Higashi-Azabu	1	96.8	41,725	0.2	1	100.0	45,549	0.3
T-043	RESIDIA Ebisu-Minami	1	100.0	57,950	0.3	1	100.0	62,582	0.4
T-044	RESIDIA TOWER Azabujuban	1	95.1	213,087	1.3	1	95.9	214,604	1.2
T-045	RESIDIA Shibuya	1	95.4	38,718	0.2	1	98.0	42,101	0.2
T-046	RESIDIA Nakanobu	1	93.7	64,293	0.4	1	92.3	63,610	0.4
T-047	RESIDIA Azabudai	1	94.3	49,777	0.3	1	97.4	50,507	0.3
T-048	RESIDIA Shibadaimon II	1	95.9	54,514	0.3	1	97.9	54,714	0.3
T-049	RESIDIA Kanda	1	94.8	38,987	0.2	1	91.0	40,719	0.2
T-050	RESIDIA Sangenjaya II	1	100.0	41,867	0.2	1	91.4	41,846	0.2
T-051	RESIDIA Nishi-Shinjuku II	1	91.3	58,291	0.3	1	92.3	59,900	0.3
T-052	RESIDIA Hiroo-Minami	1	92.5	29,793	0.2	1	96.2	29,333	0.2
T-053	RESIDIA Mejiro-Otomeyama	1	100.0	34,251	0.2	1	100.0	35,362	0.2
T-054	RESIDIA Shibaura	1	97.5	187,902	1.1	1	96.0	193,214	1.1
T-055	RESIDIA Gotenyama	1	100.0	31,367	0.2	1	93.8	30,957	0.2
T-056	RESIDIA Yutenji	1	98.2	155,425	0.9	1	98.0	159,732	0.9
T-057	Park Tower Shibaura Bayward Urban Wing	1	95.8	335,837	2.0	1	97.4	343,188	2.0
T-058	RESIDIA Kamimeguro	1	100.0	34,789	0.2	1	87.3	34,537	0.2
T-059	RESIDIA Kita-Shinjuku	1	100.0	49,427	0.3	1	100.0	50,209	0.3
T-060	RESIDIA Komazawa	1	100.0	28,095	0.2	1	100.0	28,095	0.2
T-061	RESIDIA Shibaura KAIGAN	1	98.9	88,127	0.5	1	97.7	89,029	0.5
T-062	RESIDIA Ichigaya-Yakuoji	1	98.2	64,582	0.4	1	93.7	64,133	0.4
T-063	RESIDIA Yoga	1	98.7	50,259	0.3	1	92.7	49,548	0.3
T-064	RESIDIA TOWER Nakameguro	1	96.8	126,784	0.8	1	96.5	129,621	0.8
T-065	RESIDIA Sasazuka II	1	98.5	119,443	0.7	1	98.0	126,183	0.7
T-066	RESIDIA Meguro III	1	93.4	33,074	0.2	1	100.0	34,954	0.2
T-067	RESIDIA Jiyugaoka II	1	100.0	27,142	0.2	1	95.0	27,183	0.2
T-068	RESIDIA Kudanshita II	1	97.8	45,120	0.3	1	96.0	47,945	0.3
T-069	RESIDIA Omori II	1	98.0	56,619	0.3	1	96.1	56,991	0.3
T-070	RESIDIA Shirokane-Takanawa	1	100.0	51,478	0.3	1	94.6	51,543	0.3
T-071	RESIDIA Nakaochiai	1	94.3	117,461	0.7	1	96.0	117,390	0.7
T-072	RESIDIA Nakameguro II	1	96.0	32,812	0.2	1	90.1	35,482	0.2
T-073	Artis Court Minamiaoyama	1	85.2	53,233	0.3	1	100.0	55,744	0.3
T-074	RESIDIA Yotsuya Sanhome	1	98.4	81,366	0.5	1	96.2	82,975	0.5
T-075	RESIDIA Takanawa Katsurazaka	1	100.0	30,810	0.2	1	93.4	30,306	0.2
T-076	RESIDIA Ebisu III	1	100.0	20,764	0.1	1	96.5	21,670	0.1
T-077	RESIDIA Shinjukugyoen	1	100.0	25,577	0.2	1	92.5	25,589	0.1
T-078	RESIDIA Minami Shinagawa	1	93.8	38,268	0.2	1	100.0	37,449	0.2
T-079	Chester Court Ochanomizu	1	92.9	106,258	0.6	1	97.2	106,008	0.6
T-080	RESIDIA Kanda-Iwamotocho II	1	96.0	44,701	0.3	1	94.0	43,808	0.3
T-081	RESIDIA Shinagawa	1	100.0	32,106	0.2	1	93.0	32,812	0.2
T-082	RESIDIA Yoyogi II	1	100.0	24,174	0.1	1	96.5	24,734	0.1
T-083	RESIDIA Nakanobu II	1	85.3	26,517	0.2	1	91.8	26,782	0.2

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Property no.	Name of real estate	23rd (Aug. 1, 2021 to Jan. 31, 2022)				24th (Feb. 1, 2022 to Jul. 31, 2022)			
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T-084	RESIDIA Ochanomizu II	1	100.0	25,933	0.2	1	100.0	25,167	0.1
T-085	RESIDIA Mishuku	1	95.8	32,616	0.2	1	100.0	34,123	0.2
T-086	RESIDIA Ichigaya II	1	96.7	54,317	0.3	1	89.4	55,129	0.3
T-087	RESIDIA Ichigaya-Sadohara	1	89.5	135,401	0.8	1	97.2	142,236	0.8
T-088	RESIDIA Nishi-Koyama	1	91.3	49,064	0.3	1	93.8	49,397	0.3
T-089	RESIDIA Minami-Shinagawa II	1	100.0	63,241	0.4	1	98.0	59,721	0.3
T-090	RESIDIA Kagurazaka II	1	97.1	29,820	0.2	1	97.1	30,244	0.2
T-091	RESIDIA Otemachi-Kita	1	98.1	44,076	0.3	1	90.9	40,935	0.2
T-092	RESIDIA Mitsukoshimae	1	94.4	64,548	0.4	1	97.6	68,378	0.4
T-093	RESIDIA Kamata	1	97.9	97,626	0.6	1	95.3	101,327	0.6
T-094	RESIDIA Ikebukuro	1	97.5	52,910	0.3	1	95.8	52,784	0.3
T-095	RESIDIA Bunkyo-Hongo	1	100.0	59,861	0.4	1	92.6	59,606	0.3
T-096	RESIDIA Asakusabashi	1	95.5	40,157	0.2	1	90.5	41,785	0.2
T-097	Maison Eclairée Ekoda	1	95.3	35,720	0.2	1	94.7	35,882	0.2
T-098	RESIDIA Ueno-Okachimachi	1	95.7	101,379	0.6	1	95.3	101,100	0.6
T-099	RESIDIA Bunkyo-Hongo II	1	100.0	51,662	0.3	1	90.1	52,100	0.3
T-100	RESIDIA Ryogoku	1	100.0	33,998	0.2	1	96.3	34,011	0.2
T-101	RESIDIA Nihonbashi-Ningyocho II	1	99.4	103,413	0.6	1	97.0	101,064	0.6
T-102	RESIDIA Omori-Higashi	1	98.9	58,154	0.3	1	97.9	57,948	0.3
T-103	RESIDIA Kinshicho	1	99.1	122,914	0.7	1	95.3	123,282	0.7
T-104	RESIDIA Negishi	1	100.0	28,371	0.2	1	96.3	30,347	0.2
T-105	RESIDIA Shinkawa	1	90.5	64,444	0.4	1	94.2	65,324	0.4
T-106	RESIDIA Kamiikebukuro (Note 4)	1	97.9	21,970	0.1	1	97.9	22,818	0.1
T-107	RESIDIA Shin-Nakano	1	96.6	15,481	0.1	1	96.6	16,453	0.1
T-108	RESIDIA Bunkyo-Yushima II	1	96.9	35,011	0.2	1	91.0	35,590	0.2
T-109	RESIDIA Tsukiji	1	98.5	51,158	0.3	1	100.0	53,824	0.3
T-110	RESIDIA Sasazuka	1	94.4	61,579	0.4	1	91.0	64,962	0.4
T-111	RESIDIA Tamagawa	1	95.0	46,979	0.3	1	97.0	48,217	0.3
T-112	RESIDIA Korakuen	1	97.2	21,664	0.1	1	96.7	20,711	0.1
T-113	RESIDIA Ginza-Higashi	1	95.6	68,376	0.4	1	98.1	70,368	0.4
T-114	RESIDIA Oji	1	100.0	33,734	0.2	1	100.0	33,723	0.2
T-115	RESIDIA Mejiro II	1	98.6	36,875	0.2	1	92.0	36,227	0.2
T-116	RESIDIA Tsukishima	1	94.8	37,462	0.2	1	94.8	38,164	0.2
T-117	RESIDIA Kamata II	1	98.8	48,219	0.3	1	98.8	45,976	0.3
T-118	RESIDIA Tsukishima II	1	95.8	84,823	0.5	1	95.3	82,818	0.5
T-119	RESIDIA Kinshicho II	1	96.2	77,801	0.5	1	95.1	77,270	0.4
T-120	RESIDIA Bunkyo-Otowa	1	97.6	122,010	0.7	1	96.2	127,065	0.7
T-121	RESIDIA Bunkyo-Sengoku	1	93.7	26,102	0.2	1	94.3	27,091	0.2
T-122	RESIDIA Bunkyo-Yushima	1	91.4	38,558	0.2	1	94.7	38,905	0.2
T-123	RESIDIA Ikegami	1	100.0	13,982	0.1	1	100.0	14,229	0.1
T-124	RESIDIA Nihonbashi-Ningyocho	1	92.5	21,257	0.1	1	80.9	20,488	0.1
T-125	RESIDIA Bunkyo-Sengoku II	1	100.0	48,038	0.3	1	95.8	50,334	0.3

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T-126	RESIDIA Iriya	1	96.0	38,569	0.2	1	96.7	38,345	0.2
T-127	RESIDIA Nihonbashi-Hamacho	1	95.6	42,811	0.3	1	97.7	45,651	0.3
T-128	RESIDIA Shin-Okachimachi	1	98.3	58,602	0.3	1	95.1	60,438	0.4
T-129	RESIDIA Chidoricho	1	100.0	42,037	0.2	1	93.3	42,917	0.2
T-130	RESIDIA Shinkawa II	1	93.6	47,740	0.3	1	94.3	48,288	0.3
T-131	RESIDIA Mejiro	1	97.1	247,391	1.5	1	96.3	254,215	1.5
T-132	RESIDIA Kasai	1	100.0	27,322	0.2	1	96.7	27,509	0.2
T-133	RESIDIA Nihonbashi-Bakurocho	1	95.7	203,680	1.2	1	95.2	208,675	1.2
T-134	RESIDIA Suginami-Honancho	1	97.2	151,816	0.9	1	96.7	154,514	0.9
T-135	RESIDIA Shin-Itabashi	1	100.0	29,739	0.2	1	100.0	29,739	0.2
T-136	RESIDIA Kiba	1	99.4	80,521	0.5	1	98.7	83,014	0.5
T-137	RESIDIA Bunkyo-Yushima III	1	96.9	40,036	0.2	1	100.0	40,093	0.2
T-138	RESIDIA Bunkyo-Honkomagome	1	97.8	84,410	0.5	1	94.6	84,436	0.5
T-139	RESIDIA Tsukushima III	1	98.0	93,304	0.6	1	92.8	94,673	0.5
T-140	RESIDIA Minami-senju	1	95.0	169,842	1.0	1	97.1	176,343	1.0
T-141	RESIDIA Ogikubo	1	98.1	64,161	0.4	1	98.8	65,431	0.4
T-142	RESIDIA Monzennakacho	1	100.0	37,000	0.2	1	98.5	36,762	0.2
T-143	RESIDIA Ochanomizu	1	96.7	78,381	0.5	1	97.2	76,468	0.4
T-144	RESIDIA Omori	1	98.7	39,657	0.2	1	100.0	42,211	0.2
T-145	RESIDIA Nakamurabashi	1	98.7	39,211	0.2	1	97.2	36,865	0.2
T-146	RESIDIA Kachidoki	1	93.8	65,192	0.4	1	94.1	66,269	0.4
T-147	RESIDIA Bunkyo-Otowa II	1	94.9	79,519	0.5	1	95.6	82,170	0.5
T-148	RESIDIA Kinshicho III	1	100.0	25,414	0.2	1	100.0	25,416	0.1
T-149	RESIDIA Kamata III	1	90.3	33,559	0.2	1	95.0	33,931	0.2
T-150	RESIDIA TOWER Kamiikebukuro	1	97.3	762,095	4.5	1	97.5	777,318	4.5
T-151	RESIDIA Takashimadaira	1	100.0	16,191	0.1	1	100.0	16,191	0.1
T-152	RESIDIA Shimura-Sakaue	1	100.0	18,084	0.1	1	100.0	18,084	0.1
T-153	RESIDIA Shimura-Sakaue II	1	100.0	36,298	0.2	1	100.0	36,294	0.2
T-154	RESIDIA Shimura-Sakaue III	1	100.0	13,608	0.1	1	100.0	13,608	0.1
T-155	RESIDIA Ikebukuro West	1	96.3	44,837	0.3	1	95.8	45,378	0.3
T-156	RESIDIA Ojima	1	98.9	43,441	0.3	1	95.4	45,418	0.3
T-157	RESIDIA Machiya	1	93.7	45,931	0.3	1	100.0	47,655	0.3
T-158	RESIDIA Ueno-Ikenohata	1	94.4	56,447	0.3	1	93.2	57,707	0.3
T-159	RESIDIA Nerima	1	100.0	18,060	0.1	1	100.0	18,060	0.1
T-160	RESIDIA Higashi-Nihonbashi	1	88.9	14,486	0.1	1	96.2	14,828	0.1
T-161	RESIDIA Nakano	1	100.0	22,694	0.1	1	100.0	22,435	0.1
T-162	RESIDIA Ogikubo II	1	100.0	13,620	0.1	1	100.0	13,620	0.1
T-163	RESIDIA Minamiyukigaya	1	100.0	43,390	0.3	1	93.4	43,976	0.3
T-164	RESIDIA Akihabara	1	100.0	35,289	0.2	1	92.4	35,216	0.2
T-165	RESIDIA Asakusa-Azumabashi	1	96.7	32,602	0.2	1	100.0	32,953	0.2
T-166	RESIDIA Omori III	1	98.7	42,611	0.3	1	91.3	41,857	0.2

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T-167	RESIDIA Nihonbashi-Bakurocho II	1	96.9	61,449	0.4	1	91.9	61,620	0.4
T-168	RESIDIA Nihonbashi-Bakurocho III	1	100.0	64,268	0.4	1	87.6	65,226	0.4
T-169	RESIDIA Bunkyo-Hongo III	1	100.0	50,732	0.3	1	92.9	50,260	0.3
T-170	RESIDIA Shin-Okachimachi II	1	98.7	142,411	0.8	1	96.1	142,633	0.8
T-171	RESIDIA Kameido	1	97.8	87,614	0.5	1	97.1	87,973	0.5
T-172	RESIDIA Koenji	1	100.0	39,942	0.2	1	98.5	41,104	0.2
T-173	RESIDIA Kamata V	1	95.8	63,559	0.4	1	94.1	64,235	0.4
T-174	RESIDIA Kamata IV	1	98.2	90,829	0.5	1	98.8	99,475	0.6
T-175	RESIDIA Ikegami II	1	100.0	31,843	0.2	1	96.0	31,338	0.2
T-176	RESIDIA Sasazuka III	1	93.3	37,876	0.2	1	94.4	38,145	0.2
T-177	RESIDIA Nakano-Fujimidai	1	91.8	42,944	0.3	1	95.9	46,374	0.3
T-178	RESIDIA Bunkyo-Koishikawa	—	—	—	—	1	100.0	17,444	0.1
T-179	RESIDIA Kanda-Awajicho	—	—	—	—	1	100.0	21,853	0.1
T-180	RESIDIA Ogikubo III	—	—	—	—	1	100.0	35,335	0.2
T-181	RESIDIA Setagaya-Wakabayashi	—	—	—	—	1	85.7	17,418	0.1
S-002	Chester House Kawaguchi	1	97.4	29,493	0.2	1	100.0	29,795	0.2
S-004	RESIDIA Higashi-Matsudo	1	100.0	45,542	0.3	1	100.0	45,188	0.3
S-005	RESIDIA Shin-Yokohama	1	100.0	68,960	0.4	1	91.6	67,396	0.4
S-007	RESIDIA Chofu	1	98.5	36,440	0.2	1	97.5	36,759	0.2
S-011	Tokyo Student-House WAKO (Note 5)	1	100.0	26,182	0.2	1	100.0	24,436	0.1
S-012	RESIDIA Kokubunji	1	91.1	18,456	0.1	1	94.1	20,184	0.1
S-014	RESIDIA Yokohama-Kannai	1	93.1	50,315	0.3	1	89.8	51,610	0.3
S-015	RESIDIA Okurayama	1	100.0	26,974	0.2	1	100.0	26,831	0.2
S-016	RESIDIA Musashikosugi	1	98.0	58,103	0.3	1	100.0	59,319	0.3
S-017	RESIDIA Funabashi I RESIDIA Funabashi II	1	96.3	101,050	0.6	1	98.4	105,528	0.6
S-019	RESIDIA Kichijoji	1	98.0	50,242	0.3	1	95.5	51,845	0.3
S-020	Pacific Royal Court Minatomirai Ocean Tower	1	100.0	566,170	3.4	1	100.0	558,246	3.2
S-022	BRANCHEILE Kohoku II	1	100.0	71,004	0.4	1	100.0	70,704	0.4
S-023	College Court Tanashi	1	100.0	32,760	0.2	1	100.0	32,760	0.2
S-024	RESIDIA Urayasu	1	98.3	83,551	0.5	1	97.2	86,931	0.5
S-025	RESIDIA Minami-Gyotoku	1	98.8	34,390	0.2	1	97.6	35,220	0.2
S-026	RESIDIA Urayasu II	1	98.6	31,864	0.2	1	95.9	32,753	0.2
S-027	RESIDIA Gyotoku	1	100.0	33,191	0.2	1	96.0	34,239	0.2
S-028	RESIDIA Kawasaki	1	96.1	61,558	0.4	1	89.8	61,422	0.4
S-029	Cocofump Hiyoshi	1	100.0	45,000	0.3	1	100.0	45,000	0.3
S-030	RESIDIA Sagamihara	1	100.0	43,121	0.3	1	100.0	43,112	0.2
S-031	RESIDIA Yokohama-Bashamichi	1	100.0	35,219	0.2	1	100.0	37,503	0.2
S-032	RESIDIA Hon-Atsugi	1	92.5	22,907	0.1	1	96.2	24,820	0.1
S-033	RESIDIA Funabashi III	1	100.0	20,127	0.1	1	100.0	20,332	0.1
S-034	RESIDIA Funabashi IV	1	100.0	17,762	0.1	1	97.7	18,641	0.1

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S-035	RESIDIA Kunitachi II	1	100.0	13,541	0.1	1	100.0	21,662	0.1
R-002	RESIDIA Imadegawa	1	100.0	60,787	0.4	1	100.0	60,936	0.4
R-004	RESIDIA Higashizakura	1	95.6	44,315	0.3	1	97.7	43,877	0.3
R-008	RESIDIA Kobe Port Island	1	100.0	127,402	0.8	1	100.0	127,542	0.7
R-010	RESIDIA Hakata	1	96.3	51,291	0.3	1	98.1	55,016	0.3
R-011	RESIDIA Tenjinbashi	1	98.8	35,432	0.2	1	93.8	34,902	0.2
R-012	RESIDIA Sannomiya-Higashi	1	99.0	90,279	0.5	1	98.0	90,132	0.5
R-013	KC21 Building	1	98.1	36,459	0.2	1	97.4	37,662	0.2
R-014	RESIDIA Utsubokoen	1	97.0	45,499	0.3	1	96.1	46,928	0.3
R-015	RESIDIA Kyoto-ekimae	1	96.1	81,039	0.5	1	96.2	80,338	0.5
R-016	RESIDIA Takaoka	1	94.2	94,802	0.6	1	90.8	92,125	0.5
R-017	RESIDIA Hibino	1	95.8	66,273	0.4	1	98.5	66,499	0.4
R-019	RESIDIA Tenjin-Minami	1	98.2	38,992	0.2	1	98.2	40,124	0.2
R-020	RESIDIA Hakataeki-Minami	1	100.0	16,465	0.1	1	97.5	16,718	0.1
R-021	RESIDIA Hisaya-Oodori II	1	100.0	25,053	0.1	1	97.4	26,411	0.2
R-024	RESIDIA Minami-Ichijo	1	94.7	73,922	0.4	1	97.0	76,567	0.4
R-025	RESIDIA Odori-Nishi	1	97.2	59,627	0.4	1	97.0	60,576	0.4
R-026	RESIDIA Kita-Sanjo	1	97.6	49,635	0.3	1	98.3	50,143	0.3
R-027	RESIDIA Shirakabe-Higashi	1	100.0	32,753	0.2	1	100.0	33,210	0.2
R-029	RESIDIA Uzumasa	1	95.9	33,035	0.2	1	100.0	33,627	0.2
R-030	RESIDIA Izumi	1	93.9	142,227	0.8	1	99.3	145,397	0.8
R-031	RESIDIA Maruyama Kita-Gojo	1	96.9	45,055	0.3	1	96.9	47,165	0.3
R-032	RESIDIA Tokugawa	1	81.5	28,954	0.2	1	92.6	29,701	0.2
R-034	RESIDIA Odori-Koen	1	96.6	91,475	0.5	1	94.7	94,672	0.5
R-035	RESIDIA Tanimachi	1	96.4	46,022	0.3	1	96.5	46,741	0.3
R-036	RESIDIA Hisaya-Oodori	1	98.3	27,692	0.2	1	96.9	27,636	0.2
R-037	RESIDIA Sendai-Miyamachi	1	100.0	23,138	0.1	1	100.0	25,369	0.1
R-038	RESIDIA Hirose-dori	1	100.0	21,951	0.1	1	100.0	21,944	0.1
R-039	RESIDIA Edobori	1	95.5	55,609	0.3	1	96.2	57,851	0.3
R-040	RESIDIA Kyomachibori	1	96.2	42,668	0.3	1	96.0	42,680	0.2
R-041	RESIDIA Esaka	1	96.5	37,502	0.2	1	90.3	37,397	0.2
R-042	RESIDIA Nishijin	1	93.8	106,547	0.6	1	94.9	108,224	0.6
R-043	RESIDIA Tsurumai	1	93.0	52,079	0.3	1	95.3	52,702	0.3
R-044	RESIDIA Kobe-Isogami	1	98.7	109,508	0.6	1	96.0	111,875	0.6
R-045	RESIDIA Kita-Nijyo-East	1	100.0	42,329	0.3	1	100.0	42,968	0.2
R-046	RESIDIA Shinsaibashi West	1	97.3	74,780	0.4	1	95.8	75,533	0.4
R-047	RESIDIA Marunouchi	1	94.3	38,919	0.2	1	90.9	36,951	0.2
R-048	RESIDIA Sapporo-Ekimae	1	94.2	75,248	0.4	1	95.2	74,963	0.4
R-049	RESIDIA Goshō-Higashi	1	98.0	48,560	0.3	1	91.1	46,641	0.3
R-050	RESIDIA Rakuhoku	1	100.0	35,167	0.2	1	96.2	36,759	0.2
R-051	RESIDIA Miyakojima I & II	1	97.2	160,410	1.0	1	96.7	163,109	0.9
R-052	RESIDIA TOWER Sendai	1	95.8	68,092	0.4	1	98.7	73,755	0.4

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R-053	RESIDIA Higashizakura II	1	93.3	121,959	0.7	1	92.4	119,753	0.7
R-054	RESIDIA Tsutsujigaoka	1	94.2	81,517	0.5	1	98.4	84,079	0.5
R-055	RESIDIA Kobe-Motomachi	1	91.1	43,416	0.3	1	96.9	43,809	0.3
R-056	RESIDIA Sendai-Honcho	1	95.4	52,292	0.3	1	97.1	54,535	0.3
R-057	RESIDIA Sendai-Haranomachi	1	95.2	29,780	0.2	1	100.0	30,851	0.2
R-058	RESIDIA Minami-Ichijo East	1	95.4	46,656	0.3	1	95.9	48,669	0.3
R-059	RESIDIA Shin-Osaka	1	95.1	103,277	0.6	1	96.0	104,635	0.6
R-060	RESIDIA Okayama-Ekimae	1	100.0	35,234	0.2	1	100.0	35,274	0.2
R-061	RESIDIA Kyoto Okazaki	1	100.0	9,644	0.1	1	100.0	9,604	0.1
R-062	RESIDIA Sendai-Ichibancho	1	100.0	43,095	0.3	1	100.0	43,095	0.2
R-063	RESIDIA Kita-Nijyo-East II	1	96.9	26,365	0.2	1	95.5	26,293	0.2
R-064	RESIDIA Takamiya	1	100.0	19,939	0.1	1	96.9	20,009	0.1
R-065	RESIDIA Soen	1	95.0	20,054	0.1	1	95.0	20,652	0.1
R-066	RESIDIA Tenjin	1	97.7	42,186	0.3	1	97.7	41,888	0.2
R-067	RESIDIA Yakuin-Oodori	1	97.8	42,861	0.3	1	98.9	43,133	0.2
R-068	RESIDIA Hakata II	1	97.2	51,996	0.3	1	95.6	52,855	0.3
R-069	RESIDIA Kego	1	100.0	36,180	0.2	1	97.9	37,845	0.2
R-070	RESIDIA Shirakabe	1	97.3	34,172	0.2	1	98.0	34,877	0.2
R-071	RESIDIA Sakae	1	92.2	27,149	0.2	1	96.1	28,412	0.2
R-072	RESIDIA Senri-Fujishirodai	1	100.0	46,117	0.3	1	100.0	45,262	0.3
R-073	RESIDIA Senri-Banpakukoen	1	100.0	62,136	0.4	1	100.0	63,453	0.4
R-074	RESIDIA Sapporo-eki North	1	95.7	22,117	0.1	1	93.9	23,311	0.1
R-075	RESIDIA Hijiyama-Koen	1	97.7	26,160	0.2	1	95.4	27,008	0.2
R-076	RESIDIA Kita-Nijyo-East III	1	87.5	13,802	0.1	1	92.4	14,400	0.1
R-077	RESIDIA Shin-Osaka II	1	97.5	19,640	0.1	1	92.6	19,050	0.1
R-078	RESIDIA Tsutsujigaoka-Koen	1	94.5	26,229	0.2	1	96.5	27,676	0.2
R-079	RESIDIA Sendai-Kamisugi	1	94.9	45,379	0.3	1	98.0	48,104	0.3
R-080	RESIDIA Shirokitakoen-dori	1	100.0	37,936	0.2	1	100.0	38,773	0.2
R-081	RESIDIA Kyoto-Mibu	1	97.8	19,216	0.1	1	97.8	19,726	0.1
R-082	RESIDIA Nishi-tenma	1	93.8	45,330	0.3	1	84.0	68,659	0.4
R-083	RESIDIA Hakata-Higashi	-	-	-	-	1	95.3	3,551	0.0
Total		272	96.9	16,862,511	100.0	277	96.6	17,253,650	100.0

Notes 1. "Total number of tenants" is counted as "1" if the property is leased under a master lease agreement to a master lessee.

Because all properties held by ADR as of July 31, 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 9 master lessees.

2. "Occupancy rate" is calculated using the formula: "Leased floor area" ÷ "Leasable floor area" × 100.

3. "Rental revenue" is the rental revenue of respective real estate for the FP under review.

4. ADR concluded an agreement to dispose of the beneficiary interests in RESIDIA Kamiikebukuro on August 23, 2022, and conducted the disposition on September 1, 2022.

5. ADR concluded an agreement to dispose of the beneficiary interests in Tokyo Student-House WAKO on August 24, 2022, and the disposition was scheduled on September 30, 2022.

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4 Table of Status of Contract Amount, etc. and Fair Value of Specified Transactions

The status of the contract amount, etc. and the fair value of specified transactions at ADR as of July 31, 2022 are as follows.

Category	Type	Contract amount (Note 1)		(Thousands of yen)
			Contract amount due after one year	Fair value (Note 2, 3)
Transactions other than market transactions	Interest rate swap transactions (fixed rate payment, floating rate receipt)	56,309,000	40,999,000	(101,849)
Total		56,309,000	40,999,000	(101,849)

Notes 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 216,491 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.

5 Status of Other Assets

Real estate and beneficiary interests in trust that have real estate as the assets in trust, etc. are listed all at once in "3. Real Estate Portfolio" presented earlier in this document. Other than those listed there in the portfolio, there are no main specified assets invested by ADR as primary investment targets as of July 31, 2022.

6 Status of Holding of Assets by Country and Region

Not applicable, because there are no assets in countries or regions other than Japan.

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.

Name of real estate (Location)	Purpose	Estimated duration	(million yen)		
			Total amounts	Payment for the current period	Cumulative amount paid
RESIDIA Nakanobu (Shinagawa-ku, Tokyo)	Major repair work	From: November 2021 To: October 2022	95	29	29
RESIDIA Kanda (Chiyoda-ku, Tokyo)	Major repair work	From: November 2021 To: October 2022	74	36	36
RESIDIA Kamata II (Ota-ku, Tokyo)	Major repair work	From: November 2021 To: October 2022	95	8	8
RESIDIA Tsukishima II (Chuo-ku, Tokyo)	Major repair work	From: November 2021 To: September 2022	75	12	12
RESIDIA Nihonbashi-Bakurocho (Chuo-ku, Tokyo)	Major repair work	From: November 2021 To: November 2022	171	79	79

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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 1,694 million yen for the entire portfolio. When combined with repairs and maintenance cost of 797 million yen, the cost of construction work totals 2,490 million yen.

(million yen)

Name of real estate (Location)	Purpose	Implementation period	Amount paid
RESIDIA Miyakojima I & II (Osaka-shi, Osaka)	Major repair work	From: February 10, 2021 To: June 30, 2022	251
RESIDIA Yutenji (Meguro-ku, Tokyo)	Major repair work	From: December 24, 2021 To: June 30, 2022	152
RESIDIA Suginami- Honancho (Suginami-ku, Tokyo)	Major repair work	From: December 20, 2021 To: March 31, 2022	143
Other real estate properties	Major repair work		522
Other real estate properties	Renovations		624
Total			1,694

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

3 Cash Reserves for Value Enhancement Works and Renovations

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

(million yen)

Fiscal Period	20th FP	21st FP	22nd FP	23rd FP	24th FP
	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	From: February 1, 2022 To: July 31, 2022
Balance of reserves at beginning of period	1,972	2,130	2,233	2,147	2,804
Amount of reserves during period	1,035	1,369	1,402	1,106	1,134
Reversal of reserves during period	876	1,267	1,487	450	1,489
Amount carried forward to next period	2,130	2,233	2,147	2,804	2,450

Status of Expenses and Liabilities

1 Details of Expenses Pertaining to Asset Management, etc.

(Thousands of yen)

Item	23rd FP	24th FP
(a) Asset management fees (Note 1)	1,259,681 (Note 2)	1,278,946 (Note 3)
(b) Asset custody fees	9,869	9,920
(c) Administrative service fees	56,676	53,134
(d) Directors' compensation	6,300	6,300
(e) Other	554,842	597,966
Total	1,887,370	1,946,267

Notes 1. The asset management fees are the total amount of the management fees 1 and the management fees 2.

2. Other than the amount stated above, there were acquisition fees of 41,195 thousand yen (including consumption taxes, etc.) treated as acquisition costs of real estate properties and disposition fees of 5,450 thousand yen treated as gain on sales of real estate properties.

3. Other than the amount stated above, there were acquisition fees of 71,695 thousand yen (including consumption taxes, etc.) treated as acquisition costs of real estate properties.

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2 Status of Borrowings

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

Category		Borrowing date	Balance at the beginning of period (million yen)	Balance at the end of period (million yen)	Interest rate *1	Repayment date	Repayment method	Use	Remarks
	Lenders								
Short-term loans payable	Mizuho Bank, Ltd.	Oct. 7, 2021	100	—	—	Oct. 7, 2022	Bullet repayment	*3	Unsecured Unguaranteed
	MUFG Bank, Ltd.	May 27, 2022	—	375	0.58%	May 26, 2023		*5	
	Sumitomo Mitsui Trust Bank Limited		—	375					
	Mizuho Bank, Ltd.		—	250					
Subtotal			100	1,000					
Current portion of long-term loans payable	MUFG Bank, Ltd.	Feb. 17, 2014	1,200	—	—	Feb. 16, 2022	Bullet repayment	*5	Unsecured Unguaranteed
	Sumitomo Mitsui Trust Bank Limited		2,100	—					
	Mizuho Bank, Ltd.		2,000	—					
	Mizuho Trust & Banking Co., Ltd.		500	—					
	Kiraboshi Bank, Ltd.	Apr. 14, 2015	500	—	—	Apr. 14, 2022		*3	
	The Iyo Bank, Ltd.		700	—					
	The 77 Bank, Ltd.		500	—					
	Aozora Bank, Ltd.	Oct. 31, 2014	700	—	—	Apr. 28, 2022		*5	
	The Gunma Bank, Ltd.	May 29, 2015	1,000	—	—	May 27, 2022		*5	
	Sumitomo Mitsui Banking Corporation	Nov. 30, 2018	1,560	—	—	May 31, 2022		*5	
	Shinsei Bank, Limited	Dec. 19, 2013	1,000	—	—	Jun. 17, 2022		*3	
	MUFG Bank, Ltd.	Aug. 1, 2014	707	—	—	Jul. 29, 2022		*3	
	Sumitomo Mitsui Trust Bank Limited		393	—					
	The Nishi-Nippon City Bank, Ltd.		400	—					
	Mizuho Trust & Banking Co., Ltd.	Apr. 14, 2015	1,200	1,200	0.69% *2	Oct. 14, 2022		*3	
	Aozora Bank, Ltd.	Oct. 31, 2014	1,000	1,000	0.85% *2	Oct. 31, 2022		*5	
	Sumitomo Mitsui Banking Corporation	Nov. 15, 2013	3,550	3,550	1.37% *2	Nov. 15, 2022		*5	
	MUFG Bank, Ltd.	Jan. 30, 2015	1,000	1,000	0.89% *2	Jan. 31, 2023		*5	
	Aozora Bank, Ltd.		700	700					
	Resona Bank, Limited		1,000	1,000					
	MUFG Bank, Ltd.	Feb. 17, 2014	—	455	1.28% *2	Feb. 16, 2023		*5	
	Sumitomo Mitsui Trust Bank Limited		—	455					
	Sumitomo Mitsui Banking Corporation		—	1,120					
	Mizuho Bank, Ltd.		—	1,630					
	Sumitomo Mitsui Trust Bank Limited	Mar. 24, 2020	—	920	0.23%	Mar. 24, 2023		*5	
	Mizuho Trust & Banking Co., Ltd.	Apr. 14, 2015	—	1,200	0.75% *2	Apr. 14, 2023		*3	
	The Norinchukin Bank		—	1,500					
	The Yamaguchi Bank, Ltd.	Apr. 14, 2015	—	500	0.73% *2	Apr. 14, 2023		*3	
Subtotal			21,710	16,230					
Long-term loans payable	Sumitomo Mitsui Trust Bank Limited	Nov. 15, 2013	2,600	2,600	1.47% *2	Nov. 15, 2023	Bullet repayment	*5	Unsecured Unguaranteed
	MUFG Bank, Ltd.	Feb. 17, 2014	500	500	1.59% *2	Feb. 14, 2025		*5	
	MUFG Bank, Ltd.	Feb. 17, 2014	500	500	1.44% *2	Feb. 16, 2024		*5	
	Sumitomo Mitsui Trust Bank Limited		500	500					
	MUFG Bank, Ltd.	Feb. 17, 2014	455	—	—	Feb. 16, 2023		*5	
	Sumitomo Mitsui Trust Bank Limited		455	—					
	Sumitomo Mitsui Banking Corporation		1,120	—					
	Mizuho Bank, Ltd.		1,630	—					
	Development Bank of Japan Inc.	Sep. 30, 2014	1,500	1,500	1.02% *2	Sep. 29, 2023		*5	

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	Category	Borrowing date	Balance at the beginning of period (million yen)	Balance at the end of period (million yen)	Interest rate *1	Repayment date	Repayment method	Use	Remarks
	Lenders								
Long-term loans payable	Development Bank of Japan Inc.	Sep. 30, 2014	1,850	1,850	1.18% *2	Sep. 30, 2024	Bullet repayment	*5	Unsecured Unguaranteed
	Mizuho Trust & Banking Co., Ltd.	Mar. 19, 2015	1,200	1,200	1.05% *2	Mar. 19, 2025		*3	
	The Yamaguchi Bank, Ltd.	Apr. 14, 2015	500	500	1.00% *2	Apr. 14, 2025		*3	
	Nippon Life Insurance Company	Apr. 14, 2015	1,000	1,000	1.00% *2	Apr. 14, 2025		*3	
	Mizuho Trust & Banking Co., Ltd.	Apr. 14, 2015	1,400	1,400	0.88% *2	Apr. 12, 2024		*3	
	Mizuho Trust & Banking Co., Ltd.	Apr. 14, 2015	1,200	—	—	Apr. 14, 2023		*3	
	The Norinchukin Bank		1,500	—				*3	
	The Yamaguchi Bank, Ltd.	Apr. 14, 2015	500	—	—	Apr. 14, 2023		*3	
	Development Bank of Japan Inc.	Jun. 25, 2015	2,300	2,300	1.04% *2	Jun. 25, 2025		*5	
	Resona Bank, Limited	Aug. 31, 2015	1,000	1,000	0.73% *2	Aug. 31, 2023		*5	
	The Nishi-Nippon City Bank, Ltd.		800	800				*5	
	MUFG Bank, Ltd.	Sep. 14, 2015	400	400	0.92%	Aug. 29, 2025		*3	
	Sumitomo Mitsui Trust Bank Limited	Sep. 14, 2015	400	400	0.85% *2	Aug. 29, 2025		*3	
	MUFG Bank, Ltd.	Dec. 18, 2015	1,000	1,000	0.84% *2	Dec. 18, 2025		*5	
	The Norinchukin Bank	Dec. 18, 2015	1,000	1,000	0.61% *2	Dec. 18, 2023		*5	
	The Bank of Fukuoka, Ltd.		1,000	1,000				*5	
	MUFG Bank, Ltd.	Feb. 29, 2016	990	990	0.55%	Feb. 28, 2026		*5	
	Sumitomo Mitsui Trust Bank Limited	Feb. 29, 2016	990	990	0.66%	Jan. 31, 2027		*5	
	Mizuho Bank, Ltd.		1,080	1,080				*5	
	MUFG Bank, Ltd.	Feb. 29, 2016	2,500	2,500	0.57%	Jan. 31, 2026		*5	
	Sumitomo Mitsui Trust Bank Limited	Mar. 24, 2016	1,000	1,000	0.77% *2	Mar. 24, 2028		*3	
	MUFG Bank, Ltd.	Mar. 24, 2016	1,000	1,000	0.54%	Mar. 24, 2026		*3	
	Mizuho Bank, Ltd.	Mar. 24, 2016	900	900	0.63%	Jan. 31, 2027		*3	
	Mizuho Trust & Banking Co., Ltd.		750	750				*3	
	Resona Bank, Limited	Mar. 24, 2016	900	900	0.52%	Jan. 31, 2026		*3	
	MUFG Bank, Ltd.	Mar. 24, 2016	1,150	1,150	0.45%	Jan. 31, 2025		*3	
	Sumitomo Mitsui Trust Bank Limited	Apr. 14, 2016	500	500	0.75% *2	Mar. 24, 2028		*3	
	MUFG Bank, Ltd.	Apr. 14, 2016	500	500	0.51%	Mar. 24, 2026		*3	
	Mizuho Bank, Ltd.	Apr. 14, 2016	400	400	0.63%	Jan. 31, 2027		*3	
	The Yamaguchi Bank, Ltd.	Jul. 29, 2016	500	500	0.36%	Jul. 29, 2026		*5	
	The Bank of Fukuoka, Ltd.	Jul. 29, 2016	1,000	1,000	0.36%	Jul. 29, 2026		*5	
	The Bank of Fukuoka, Ltd.	Jul. 29, 2016	1,000	1,000	0.26%	Jul. 29, 2025		*5	
	The Iyo Bank, Ltd.	Jul. 29, 2016	300	300	0.20%	Jul. 29, 2024		*5	
	The Chugoku Bank, Ltd.	Jul. 29, 2016	500	500	0.20%	Jul. 29, 2024		*5	
	Bank of Kyoto, Ltd.	Jul. 29, 2016	500	500	0.20%	Jul. 29, 2024		*5	
	The Norinchukin Bank	Nov. 30, 2016	1,500	1,500	0.45%	Nov. 28, 2025		*5	
	The Norinchukin Bank	Nov. 30, 2016	1,000	1,000	0.38%	Nov. 29, 2024		*5	
	Taiyo Life Insurance Company	Nov. 30, 2016	1,500	1,500	0.24%	Nov. 29, 2024		*5	
	Mitsui Sumitomo Insurance Co., Ltd.	Nov. 30, 2016	1,000	1,000	0.32%	Nov. 30, 2023		*5	
	MUFG Bank, Ltd.	Jan. 31, 2017	1,250	1,250	0.41%	Jan. 29, 2027		*5	
	MUFG Bank, Ltd.	Jan. 31, 2017	1,000	1,000	0.58%	Jan. 29, 2027		*5	
	Sumitomo Mitsui Trust Bank Limited	Jan. 31, 2017	1,000	1,000	0.63%	Jan. 29, 2027		*5	
	Sumitomo Mitsui Trust Bank Limited	Jan. 31, 2017	1,250	1,250	0.61%	Jan. 29, 2027		*5	
	Resona Bank, Limited		1,000	1,000				*5	
	Resona Bank, Limited	Jan. 31, 2017	1,000	1,000	0.50%	Jan. 30, 2026		*5	
	MUFG Bank, Ltd.	Apr. 25, 2017	1,200	1,200	0.43%	Feb. 25, 2026		*6	
	Sumitomo Mitsui Trust Bank Limited	Apr. 25, 2017	1,000	1,000	0.67%	Apr. 25, 2028		*6	
	Development Bank of Japan Inc.	Apr. 25, 2017	1,400	1,400	0.56%	Apr. 23, 2027		*6	

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	Category	Borrowing date	Balance at the beginning of period (million yen)	Balance at the end of period (million yen)	Interest rate *1	Repayment date	Repayment method	Use	Remarks
	Lenders								
Long-term loans payable	MUFG Bank, Ltd.	Apr. 28, 2017	2,500	2,500	0.52%	Feb. 26, 2027	Bullet repayment	*5	Unsecured Unguaranteed
	MUFG Bank, Ltd.	Apr. 28, 2017	1,000	1,000	0.47%	Aug. 31, 2026		*5	
	Sumitomo Mitsui Trust Bank Limited	Apr. 28, 2017	2,000	2,000	0.60%	Apr. 30, 2027		*5	
	MUFG Bank, Ltd.		2,000	2,000				*5	
	MUFG Bank, Ltd.	Apr. 28, 2017	1,700	1,700	0.54%	Oct. 30, 2026		*5	
	Development Bank of Japan Inc.	May 31, 2017	1,000	1,000	0.57%	May 31, 2027		*7	
	The Nishi-Nippon City Bank, Ltd.	Sep. 11, 2017	500	500	0.55%	Aug. 31, 2027		*6	
	The Bank of Fukuoka, Ltd.		500	500					
	The Iyo Bank, Ltd.		500	500					
	Bank of Kyoto, Ltd.		500	500					
	Shinkin Central Bank		500	500					
	The Nishi-Nippon City Bank, Ltd.	Sep. 11, 2017	500	500	0.42%	Feb. 27, 2026		*6	
	The Bank of Fukuoka, Ltd.		500	500					
	The Iyo Bank, Ltd.		500	500					
	The Chugoku Bank, Ltd.		500	500					
	Shinkin Central Bank		500	500					
	MUFG Bank, Ltd.	Sep. 11, 2017	500	500	0.51%	Aug. 31, 2027		*6	
	Sumitomo Mitsui Trust Bank Limited	Sep. 11, 2017	500	500	0.55%	Aug. 31, 2027		*6	
	Japan Post Insurance Co., Ltd.		1,000	1,000					
	Taiyo Life Insurance Company	Sep. 29, 2017	1,500	1,500	0.42%	Sep. 30, 2025		*5	
	MUFG Bank, Ltd.	Feb. 28, 2018	2,850	2,850	0.54%	Sep. 30, 2027		*5	
	The Bank of Fukuoka, Ltd.	Feb. 28, 2018	500	500	0.38%	Feb. 28, 2025		*5	
	The Bank of Fukuoka, Ltd.	Feb. 28, 2018	500	500	0.63%	Feb. 29, 2028		*5	
	MUFG Bank, Ltd.	Mar. 20, 2018	500	500	0.56%	Mar. 17, 2028		*3	
	Sumitomo Mitsui Trust Bank Limited	Mar. 20, 2018	500	500	0.61%	Mar. 17, 2028		*3	
	Mizuho Bank, Ltd.		1,000	1,000					
	The Yamaguchi Bank, Ltd.		500	500					
	Shinkin Central Bank		500	500					
	Mizuho Bank, Ltd.	Apr. 13, 2018	1,500	1,500	0.60%	Apr. 13, 2028		*5	
	MUFG Bank, Ltd.	Apr. 27, 2018	1,500	1,500	0.50%	Mar. 31, 2028		*5	
	Sumitomo Mitsui Trust Bank Limited	Apr. 27, 2018	2,100	2,100	0.38%	Apr. 30, 2025		*5	
	Sumitomo Mitsui Trust Bank Limited	Jun. 29, 2018	890	890	0.70%	Jun. 29, 2029		*5	
	MUFG Bank, Ltd.	Jul. 31, 2018	1,000	1,000	0.49%	Mar. 31, 2028		*5	
	Development Bank of Japan Inc.	Jul. 31, 2018	1,000	1,000	0.66%	Jul. 31, 2028		*5	
	The Nishi-Nippon City Bank, Ltd.		900	900					
	Mizuho Bank, Ltd.	Jul. 31, 2018	500	500	0.47%	Jul. 31, 2026		*5	
	Shinsei Bank, Limited	Jul. 31, 2018	1,000	1,000	0.47%*2	Jul. 31, 2026		*5	
	Sumitomo Mitsui Banking Corporation	Jul. 31, 2018	650	650	0.37%	Jan. 31, 2025		*5	
	Shinsei Bank, Limited	Jul. 31, 2018	1,000	1,000	0.36%*2	Jan. 31, 2025		*5	
	Nippon Life Insurance Company	Sep. 11, 2018	1,000	1,000	0.67%	Sep. 11, 2028		*6	
	The Nishi-Nippon City Bank, Ltd.	Sep. 28, 2018	500	500	0.70%	Sep. 29, 2028		*5	
	The 77 Bank, Ltd.	Sep. 28, 2018	500	500	0.70%	Sep. 29, 2028		*5	
	Sumitomo Mitsui Trust Bank Limited	Nov. 30, 2018	2,200	2,200	0.64%	Nov. 30, 2028		*5	
	MUFG Bank, Ltd.	Nov. 30, 2018	1,300	1,300	0.60%	Nov. 30, 2028		*5	
	Mizuho Bank, Ltd.	Nov. 30, 2018	1,000	1,000	0.62%	Nov. 30, 2028		*5	
	Mizuho Trust & Banking Co., Ltd.		1,000	1,000					
	Sumitomo Mitsui Banking Corporation	Nov. 30, 2018	700	700	0.30%	May 31, 2024		*5	
MUFG Bank, Ltd.	Jun. 28, 2019	1,300	1,300	0.36%	Jun. 29, 2029	*5			
Sumitomo Mitsui Trust Bank Limited	Jun. 28, 2019	800	800	0.39%	Jun. 29, 2029	*5			
The Nishi-Nippon City Bank, Ltd.	Sep. 30, 2019	500	500	0.31%	Sep. 28, 2029	*5			
Sumitomo Life Insurance Company	Oct. 31, 2019	700	700	0.55%	Oct. 29, 2032	*5			

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	Category	Borrowing date	Balance at the beginning of period (million yen)	Balance at the end of period (million yen)	Interest rate *1	Repayment date	Repayment method	Use	Remarks
	Lenders								
Long-term loans payable	Mizuho Bank, Ltd.	Nov. 29, 2019	1,200	1,200	0.39%	Nov. 30, 2029	Bullet repayment	*5	Unsecured Unguaranteed
	Shinsei Bank, Limited	Nov. 29, 2019	1,000	1,000	0.44%	Nov. 30, 2029		*5	
	The Yamaguchi Bank, Ltd.	Dec. 18, 2019	500	500	0.32%	Dec. 18, 2029		*5	
	Mizuho Bank, Ltd.	Feb. 14, 2020	1,000	1,000	0.46%	Feb. 14, 2031		*5	
	Mizuho Bank, Ltd.	Feb. 14, 2020	1,900	1,900	0.39%	Feb. 14, 2030		*5	
	Mizuho Trust & Banking Co., Ltd.	Feb. 14, 2020	2,350	2,350	0.39%	Feb. 14, 2030		*5	
	MUFG Bank, Ltd.	Mar. 24, 2020	2,000	2,000	0.41%	Mar. 22, 2030		*5	
	Sumitomo Mitsui Trust Bank Limited	Mar. 24, 2020	2,000	2,000	0.44%	Mar. 22, 2030		*5	
	Shinkin Central Bank		1,000	1,000					
	Resona Bank, Limited	Mar. 24, 2020	1,370	1,370	0.40%*2	Mar. 22, 2030		*5	
	Sumitomo Mitsui Trust Bank Limited	Mar. 24, 2020	920	—	—	Mar. 24, 2023		*5	
	The 77 Bank, Ltd.	Mar. 27, 2020	1,000	1,000	0.40%	Mar. 27, 2030		*3	
	The Yamaguchi Bank, Ltd.	Jun. 18, 2020	500	500	0.39%	Jun. 18, 2030		*5	
	Sumitomo Mitsui Trust Bank Limited	Sep. 11, 2020	500	500	0.23%	Sep. 11, 2023		*5	
	Mizuho Trust & Banking Co., Ltd.	Sep. 30, 2020	1,000	1,000	0.38%	Sep. 30, 2030		*5	
	The Norinchukin Bank	Sep. 30, 2020	1,000	1,000	0.23%	Sep. 29, 2028		*5	
	Mizuho Bank, Ltd.	Oct. 20, 2020	1,500	1,500	0.39%	Oct. 18, 2030		*6	
	Development Bank of Japan Inc.	Nov. 30, 2020	2,200	2,200	0.39%	Nov. 29, 2030		*5	
	The Chiba Bank, Ltd.	Nov. 30, 2020	1,000	1,000	0.18%	Nov. 30, 2027		*5	
	Sumitomo Mitsui Banking Corporation	Dec. 1, 2020	1,500	1,500	0.14%	Dec. 1, 2023		*3	
	Sumitomo Mitsui Banking Corporation	Dec. 25, 2020	1,200	1,200	0.14%	Dec. 25, 2023		*5	
	MUFG Bank, Ltd.	Jan. 29, 2021	600	600	0.32%	Jan. 31, 2031		*5	
	The Bank of Fukuoka, Ltd.	Jan. 29, 2021	500	500	0.40%	Jan. 31, 2031		*5	
	The Nishi-Nippon City Bank, Ltd.		400	400				*5	
	Resona Bank, Limited	Jan. 29, 2021	500	500	0.36%*2	Jan. 31, 2031		*5	
	MUFG Bank, Ltd.	Feb. 16, 2021	270	270	0.35%	Feb. 14, 2031		*5	
	Mizuho Bank, Ltd.	Feb. 16, 2021	2,900	2,900	0.44%	Feb. 14, 2031		*5	
	Mizuho Trust & Banking Co., Ltd.		1,500	1,500					
	Sumitomo Mitsui Banking Corporation	Feb. 26, 2021	2,800	2,800	0.19%	Jan. 31, 2025		*5	
	Development Bank of Japan Inc.	Mar. 24, 2021	1,150	1,150	0.49%	Mar. 24, 2031		*5	
	The Norinchukin Bank	Apr. 14, 2021	1,000	1,000	0.32%	Apr. 13, 2029		*5	
	Sumitomo Mitsui Banking Corporation	Apr. 30, 2021	800	800	0.18%	Apr. 30, 2025		*5	
	Shinsei Bank, Limited	Jun. 18, 2021	700	700	0.43%	Jun. 18, 2031		*5	
	Resona Bank, Limited	Jun. 25, 2021	919	919	0.29%*2	Jun. 25, 2031		*5	
	Aozora Bank, Ltd.	Jun. 25, 2021	1,000	1,000	0.28%	Jun. 25, 2029		*5	
	MUFG Bank, Ltd.	Jun. 30, 2021	700	700	0.38%	Mar. 31, 2031		*5	
	The Bank of Fukuoka, Ltd.	Jun. 30, 2021	500	500	0.44%	Jun. 30, 2031		*5	
	Resona Bank, Limited	Jun. 30, 2021	500	500	0.25%*2	Jan. 31, 2031		*5	
	Sumitomo Mitsui Banking Corporation	Aug. 31, 2021	1,200	1,200	0.18%	Aug. 29, 2025		*5	
	MUFG Bank, Ltd.	Oct. 29, 2021	2,000	2,000	0.37%	Mar. 31, 2031		*5	
	Sumitomo Mitsui Banking Corporation	Oct. 29, 2021	1,000	1,000	0.25%	Oct. 31, 2025		*5	
	Sumitomo Mitsui Banking Corporation	Oct. 29, 2021	500	500	0.23%	Oct. 31, 2024		*5	
	Aozora Bank, Ltd.	Nov. 26, 2021	1,800	1,800	0.49%	Nov. 26, 2031		*5	
	Development Bank of Japan Inc.	Nov. 29, 2021	2,200	2,200	0.49%	Nov. 28, 2031		*5	
	Mizuho Bank, Ltd.	Dec. 22, 2021	2,160	2,160	0.37%*2	Dec. 22, 2031		*5	
	Shinsei Bank, Limited	Jan. 31, 2022	500	500	0.57%	Jan. 30, 2032		*5	
	Sumitomo Mitsui Trust Bank Limited	Jan. 31, 2022	2,600	2,600	0.47%*2	Jan. 30, 2032		*5	
	The Iyo Bank, Ltd.	Feb. 1, 2022	—	700	0.47%*2	Jan. 30, 2032		*3	

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Category		Borrowing date	Balance at the beginning of period (million yen)	Balance at the end of period (million yen)	Interest rate *1	Repayment date	Repayment method	Use	Remarks
	Lenders								
Long-term loans payable	MUFG Bank, Ltd.	Feb. 16, 2022	—	1,300	0.49%	Feb. 16, 2032	Bullet repayment	*5	Unsecured Unguaranteed
	Sumitomo Mitsui Trust Bank Limited	Feb. 16, 2022	—	2,100	0.55%*2	Feb. 16, 2032		*5	
	Mizuho Bank, Ltd.	Feb. 16, 2022	—	2,000	0.55%*2	Feb. 16, 2032		*5	
	Mizuho Trust & Banking Co., Ltd.	Feb. 16, 2022	—	500	0.55%*2	Feb. 16, 2032		*5	
	Kiraboshi Bank, Ltd.	Apr. 14, 2022	—	500	0.79%	Apr. 14, 2032		*5	
	The 77 Bank, Ltd.		—	500					
	The Iyo Bank, Ltd.	Apr. 14, 2022	—	700	0.68%*2	Apr. 14, 2032		*5	
	Sumitomo Mitsui Trust Bank Limited	Apr. 18, 2022	—	500	0.67%*2	Apr. 16, 2032		*3	
	Shinkin Central Bank		—	1,000					
	The Chugoku Bank, Ltd.		—	1,000					
	Resona Bank, Limited	Apr. 18, 2022	—	500	0.58%*2	Oct. 18, 2030		*3	
	Mitsui Sumitomo Insurance Co., Ltd.	Apr. 18, 2022	—	500	0.50%*2	Apr. 18, 2029		*3	
	Aozora Bank, Ltd.	Apr. 28, 2022	—	700	0.65%	Oct. 31, 2030		*5	
	Sumitomo Mitsui Banking Corporation	May 31, 2022	—	1,560	0.34%	May 29, 2026		*5	
	Shinsei Bank, Limited	Jun. 17, 2022	—	1,000	0.67%	Jun. 15, 2029		*5	
	The Bank of Fukuoka, Ltd.	Jul. 6, 2022	—	900	0.74%*2	Jul. 6, 2032		*3	
	The Nishi-Nippon City Bank, Ltd.	Jul. 29, 2022	—	400	0.46%	Jul. 31, 2029		*5	
	MUFG Bank, Ltd.	Jul. 29, 2022	—	800	0.73%	Jul. 30, 2032		*5	
	MUFG Bank, Ltd.	Jul. 29, 2022	—	300	0.45%	Jul. 31, 2029		*5	
Subtotal			164,299	173,979					
Total			186,109	191,209					

*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.

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3 Status of Investment Corporation Bonds

The balances of investment corporation bonds issued by ADR as of July 31, 2022 are as follows.

Series (*1)	Issue date	Balance at the beginning of period (million yen)	Balance at the end of period (million yen)	Interest rate (%)	Redemption date	Redemption method	Use	Remarks
ADR Bond #19 (Unsecured)	Apr. 25, 2013	3,000	3,000	1.320	Apr. 25, 2023	Bullet repayment	*2	Unsecured
ADR Bond #20 (Unsecured)	Nov. 14, 2013	2,000	2,000	1.410	Nov. 14, 2025	Bullet repayment	*2	Unsecured
ADR Bond #21 (Unsecured)	Apr. 28, 2014	2,500	2,500	1.040	Apr. 26, 2024	Bullet repayment	*2	Unsecured
ADR Bond #22 (Unsecured)	Apr. 23, 2015	2,000	2,000	0.726	Apr. 23, 2025	Bullet repayment	*3	Unsecured
ADR Bond #24 (Unsecured)	Oct. 21, 2015	1,500	1,500	0.846	Oct. 21, 2025	Bullet repayment	*2	Unsecured
ADR Bond #25 (Unsecured)	Jun. 21, 2016	3,000	3,000	0.900	Jun. 20, 2031	Bullet repayment	*2	Unsecured
ADR Bond #26 (Unsecured)	Feb. 17, 2017	2,000	2,000	0.180	Aug. 17, 2022	Bullet repayment	*2	Unsecured
ADR Bond #27 (Unsecured)	Jul. 18, 2017	3,000	3,000	0.500	Jul. 16, 2027	Bullet repayment	*2	Unsecured
ADR Bond #28 (Unsecured)	Nov. 24, 2017	1,000	1,000	0.5663	Nov. 24, 2027	Bullet repayment	*2	Unsecured
ADR Bond #29 (Unsecured)	Apr. 24, 2018	1,500	1,500	0.690	Apr. 24, 2030	Bullet repayment	*2	Unsecured
ADR Bond #30 (Unsecured)	Oct. 19, 2018	2,000	2,000	0.704	Oct. 19, 2028	Bullet repayment	*2	Unsecured
ADR Bond #31 (Unsecured)	Jul. 24, 2019	5,000	5,000	0.220	Jul. 24, 2024	Bullet repayment	*2	Unsecured
ADR Bond #32 (Unsecured)	Jul. 25, 2019	3,000	3,000	0.3485	Jul. 25, 2029	Bullet repayment	*2	Unsecured
ADR Bond #33 (Unsecured)	Dec. 24, 2020	2,500	2,500	0.730	Dec. 24, 2035	Bullet repayment	*2	Unsecured
ADR Bond #34 (Unsecured)	Oct. 25, 2021	1,000	1,000	0.400	Oct. 24, 2031	Bullet repayment	*2	Unsecured
ADR Bond #35 (Unsecured)	Oct. 25, 2021	1,600	1,600	0.660	Oct. 24, 2036	Bullet repayment	*2	Unsecured
Total		36,600	36,600					

*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 Status of Short-term Investment Corporation Bonds

Not applicable.

5 Status of Investment Unit Acquisition Rights

Not applicable.

I . Fiscal Period Report

Acquisitions and Disposals in the 24th 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-178	RESIDIA Bunkyo-Koishikawa	Feb. 1, 2022	694	—	—	—	—
T-179	RESIDIA Kanda-Awajicho	Apr. 18, 2022	1,490	—	—	—	—
T-180	RESIDIA Ogikubo III	Apr. 18, 2022	2,388	—	—	—	—
T-181	RESIDIA Setagaya-Wakabayashi	Mar. 30, 2022	1,100	—	—	—	—
R-083	RESIDIA Hakata-Higashi	Jul. 6, 2022	845	—	—	—	—
Total			6,517	—	—	—	—

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 Acquisitions and Disposals of Other Assets

Not applicable. Main assets other than real estate, etc. and asset-backed securities, etc. presented above are generally bank deposits and bank deposits within assets in trust.

3 Survey on Value, etc. of Specified Assets

1) Real Estate, etc.

Acquisition/Disposition	Type of assets	Property no.	Name of property	Acquisition/Disposition date	Acquisition price/Disposition price (*1) (million yen)	Appraisal value (million yen)	Appraisal institution	Appraisal date
Acquisition	Real estate	T-178	RESIDIA Bunkyo-Koishikawa	Feb. 1, 2022	694	830	Japan Real Estate Institute	Nov. 1, 2021
Acquisition	Beneficiary interests in trust	T-179	RESIDIA Kanda-Awajicho	Apr. 18, 2022	1,490	1,630	Japan Real Estate Institute	Jan. 1, 2022
Acquisition	Beneficiary interests in trust	T-180	RESIDIA Ogikubo III	Apr. 18, 2022	2,388	2,570	Japan Real Estate Institute	Jan. 1, 2022
Acquisition	Beneficiary interests in trust	T-181	RESIDIA Setagaya-Wakabayashi	Mar. 30, 2022	1,100	1,290	Japan Real Estate Institute	Feb. 1, 2022
Acquisition	Real estate	R-083	RESIDIA Hakata-Higashi	Jul. 6, 2022	845	929	Japan Real Estate Institute	Apr. 1, 2022

Notes 1. "Acquisition Price / 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. As the Act on Investment Trusts and Investment Corporations was amended on November 24, 2011, the survey on prices, etc. of specified assets (limited to land and buildings or rights and assets pertaining thereto, which are designated by a government ordinance) came to be no longer required in case that a real estate appraisal is conducted in advance of acquisition or disposition of the assets. Accordingly, for the assets presented above, we did not conduct the survey on prices, etc. of specified assets.

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2) Other

Of the transactions conducted by ADR for which the survey on prices, etc. is required pursuant to the provisions of Article 201 of the Act on Investment Trusts and Investment Corporations, there are no applicable transactions during the FP under review, except those presented in “1) Real Estate, etc.” above .

4 Transactions with Interested Parties

1) Transactions

The following table details the status of transactions with interested parties in the 24th FP.

Category	Purchase and sale amount, etc.	
	Purchase amount, etc.	Sale amount, etc.
Total amounts	6,517,773 thousand yen	—

Breakdown of transactions with interested parties

ITOCHU Corporation	1,490,000 thousand yen	(22.9%)	—	—
ITOCHU Property Development, Ltd.	2,388,000 thousand yen	(36.6%)	—	—

2) Amount of Commission Fees Paid

The following are the commission fees paid to interested parties in the 24th 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	1,525,126	ITOCHU Urban Community Ltd.	970,379	63.6
Other rental expenses	122,616	ITOCHU Urban Community Ltd.	82,278	67.1
Advertising expenses	2,941	ITOCHU Urban Community Ltd.	1,741	59.2
Other fees	152,375	ITOCHU Urban Community Ltd.	15,770	10.3
		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 Corporation, ITOCHU Property Development, Ltd., ITOCHU Urban Community Ltd., and ITOCHU Human Resources & General Affairs Services Inc. are the interested parties of the asset management company that have signed an asset management agreements 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 24th FP.

5 Transactions with Asset Management Company Pertaining to Concurrent Business Engaged in by Asset Management Company, etc.

Although the Asset Management Company engages in the type II financial instruments business and the investment advisory and agency business as concurrent businesses, there are no applicable transactions pertaining to such businesses. In addition, the Asset Management Company does not engage in any type I financial instruments business, real estate transaction business, or real estate specified joint venture as a concurrent business. Accordingly, there are no applicable transactions.

I . Fiscal Period Report

Accounting

1 Status of Assets, Liabilities, Principal, and Gain and Loss

Please refer to “II. Balance Sheets,” “III. Statements of Income,” “IV. Statements of Changes in Net Assets,” “V. Notes to Financial Statements,” and “VI. Statements of Cash Distributions” presented below.

2 Changes in Method of Calculation of Depreciation and Amortization

Not applicable.

3 Changes in Method of Valuation of Real Estate, etc. and Infrastructure Assets, etc.

Not applicable.

4 Status, etc. of Beneficiary Certificates of Investment Trust Established by ADR, etc.

Not applicable.

5 Disclosure Pertaining to Corporation Holding Overseas Real Estate and Real Estate, etc. Thereof

Not applicable.

Other

1 Notice

There are no major contracts entered into and relevant changes, etc. approved by the Board of Directors of ADR during the FP under review.

2 Other

Unless otherwise specified, monetary figures are rounded down and percentage figures are rounded to the nearest specified unit in this document.

II . Balance Sheets

(Thousands of yen)

	As of January 31, 2022 (Reference)	As of July 31, 2022
Assets		
Current assets		
Cash and deposits	15,034,065	13,775,732
Cash and deposits in trust	9,886,934	10,094,041
Operating accounts receivable	132,744	142,295
Prepaid expenses	344,569	378,814
Other	12,180	6,719
Allowance for doubtful accounts	(9,090)	(7,127)
Total current assets	25,401,403	24,390,477
Non-current assets		
Property, plant and equipment		
Buildings	80,953,723	82,013,337
Accumulated depreciation	(18,958,667)	(19,882,895)
Buildings, net	61,995,055	62,130,442
Structures	27,424	27,834
Accumulated depreciation	(12,945)	(13,757)
Structures, net	14,478	14,076
Machinery and equipment	174,432	181,715
Accumulated depreciation	(58,130)	(66,019)
Machinery and equipment, net	116,302	115,695
Tools, furniture and fixtures	564,888	598,898
Accumulated depreciation	(313,147)	(344,775)
Tools, furniture and fixtures, net	251,740	254,123
Land	81,846,339	83,038,151
Construction in progress	8,362	236,811
Buildings in trust	158,992,389	160,942,369
Accumulated depreciation	(36,982,082)	(38,822,908)
Buildings in trust, net	122,010,307	122,119,460
Structures in trust	208,485	209,640
Accumulated depreciation	(130,617)	(134,035)
Structures in trust, net	77,868	75,604
Machinery and equipment in trust	316,187	331,868
Accumulated depreciation	(162,113)	(171,896)
Machinery and equipment in trust, net	154,073	159,972
Tools, furniture and fixtures in trust	1,240,247	1,306,975
Accumulated depreciation	(819,351)	(871,021)
Tools, furniture and fixtures in trust, net	420,895	435,954
Land in trust	163,125,721	167,360,481
Construction in progress in trust	143,111	57,695
Total property, plant and equipment	430,164,255	435,998,469
Intangible assets		
Leasehold rights in trust	1,733,893	1,699,455
Other	2,870	2,838
Total intangible assets	1,736,763	1,702,294
Investments and other assets		
Long-term prepaid expenses	861,922	905,159
Guarantee deposits	603,634	609,755
Guarantee deposits in trust	1,053,448	1,053,448
Derivative assets	28,201	114,641
Other	1,122	1,122
Total investments and other assets	2,548,328	2,684,126
Total non-current assets	434,449,347	440,384,891
Deferred assets		
Investment unit issuance expenses	1,289	184
Investment corporation bond issuance costs	136,171	122,897
Total deferred assets	137,461	123,081
Total assets	459,988,212	464,898,449

II . Balance Sheets

(Thousands of yen)

	As of January 31, 2022 (Reference)	As of July 31, 2022
Liabilities		
Current liabilities		
Operating accounts payable	425,112	489,327
Short-term loans payable	100,000	1,000,000
Current portion of investment corporation bonds	2,000,000	5,000,000
Current portion of long-term loans payable	21,710,000	16,230,000
Accounts payable – other	1,484,713	1,508,173
Accrued expenses	89,135	69,207
Accrued consumption taxes	52,512	25,558
Advances received	63,864	79,967
Other	17,791	14,898
Total current liabilities	25,943,130	24,417,133
Non-current liabilities		
Investment corporation bonds	34,600,000	31,600,000
Long-term loans payable	164,299,000	173,979,000
Tenant leasehold and security deposits	1,304,421	1,308,371
Tenant leasehold and security deposits in trust	3,278,840	3,339,979
Derivatives liabilities	504	—
Total non-current liabilities	203,482,766	210,227,351
Total liabilities	229,425,896	234,644,485
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 30,179,267	*3 29,843,746
Total voluntary retained earnings	30,179,267	29,843,746
Unappropriated retained earnings (undisposed loss)	8,100,248	8,040,473
Total surplus	91,499,795	91,104,499
Total unitholders' equity	230,534,618	230,139,322
Valuation and translation adjustments		
Deferred gain or loss on hedging instruments	27,697	114,641
Total valuation and translation adjustments	27,697	114,641
Total net assets	*1 230,562,316	*1 230,253,964
Total liabilities and net assets	459,988,212	464,898,449

III. Statements of Income

(Thousands of yen)

	For the six months ended January 31, 2022 (Reference)		For the six months ended July 31, 2022	
Operating revenues				
Rental revenue – real estate	*1	16,871,595	*1	17,253,650
Gain on sales of real estate properties	*2	442,130		—
Total operating revenue		17,313,726		17,253,650
Operating expenses				
Expenses related to the rent business	*1	6,715,899	*1	6,995,214
Asset management fees		1,259,681		1,278,946
Asset custody fees		9,869		9,920
Administrative service fees		56,676		53,134
Directors' compensation		6,300		6,300
Taxes and dues		365,579		392,803
Provision of allowance for doubtful accounts		1,249		—
Other operating expenses		188,012		205,162
Total operating expenses		8,603,269		8,941,482
Operating income		8,710,456		8,312,167
Non-operating income				
Interest income		6,913		6,908
Reversal of distribution payable		53		2,492
Reversal of allowance for doubtful accounts		—		38
Miscellaneous income		2,377		39,002
Other		2		2,070
Total non-operating income		9,346		50,512
Non-operating expenses				
Interest expenses		589,752		541,305
Interest expense on investment corporation bonds		122,784		124,797
Amortization of investment unit issuance expenses		1,105		1,105
Amortization of investment corporation bond issuance costs		12,971		13,274
Borrowing -related expenses		177,433		193,467
Other		2,500		—
Total non-operating expenses		906,546		873,950
Ordinary income		7,813,256		7,488,729
Income before income taxes		7,813,256		7,488,729
Income taxes – current		605		605
Total income taxes		605		605
Net income		7,812,651		7,488,124
Retained earnings brought forward		287,596		552,349
Unappropriated retained earnings (undisposed loss)		8,100,248		8,040,473

IV. Statements of Changes in Net Assets

For the six months ended January 31, 2022 (Reference)

(Thousands of yen)

	Unitholders' equity						
	Paid-in Capital	Surplus					Total unitholders' equity
		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
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)
Net income					7,812,651	7,812,651	7,812,651
Net changes in items other than unitholders' equity during the period							
Total changes in items during the period	—	—	(335,521)	(335,521)	328,463	(7,058)	(7,058)
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

	Valuation and translation adjustments		Total net assets
	Deferred gain or loss on hedging instruments	Total valuation and translation adjustments	
Balance at the beginning of period	(49,790)	(49,790)	230,491,886
Changes in items during the period			
Reversal of reserve for temporary difference adjustments			—
Dividends from surplus			(7,819,710)
Net income			7,812,651
Net changes in items other than unitholders' equity during the period	77,487	77,487	77,487
Total changes in items during the period	77,487	77,487	70,429
Balance at the end of period	27,697	27,697	230,562,316

IV. Statements of Changes in Net Assets

For the six months ended July 31, 2022

(Thousands of yen)

	Unitholders' equity						
	Paid-in Capital	Surplus					Total unitholders' equity
		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	30,179,267	30,179,267	8,100,248	91,499,795	230,534,618
Changes in items during the period							
Reversal of reserve for temporary difference adjustments			(335,521)	(335,521)	335,521	—	—
Dividends from surplus					(7,883,420)	(7,883,420)	(7,883,420)
Net income					7,488,124	7,488,124	7,488,124
Net changes in items other than unitholders' equity during the period							
Total changes in items during the period	—	—	(335,521)	(335,521)	(59,774)	(395,295)	(395,295)
Balance at the end of period	139,034,823	53,220,279	29,843,746	29,843,746	8,040,473	91,104,499	230,139,322

	Valuation and translation adjustments		Total net assets
	Deferred gain or loss on hedging instruments	Total valuation and translation adjustments	
Balance at the beginning of period	27,697	27,697	230,562,316
Changes in items during the period			
Reversal of reserve for temporary difference adjustments			—
Dividends from surplus			(7,883,420)
Net income			7,488,124
Net changes in items other than unitholders' equity during the period	86,943	86,943	86,943
Total changes in items during the period	86,943	86,943	(308,351)
Balance at the end of period	114,641	114,641	230,253,964

V . Notes to Financial Statements

Significant Accounting Policies

	For the six months ended January 31, 2022 (Reference)	For the six months ended July 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:</p> <table><tr><td>Buildings</td><td>3 to 46 years</td></tr><tr><td>Structures</td><td>6 to 50 years</td></tr><tr><td>Machinery and equipment</td><td>10 to 15 years</td></tr><tr><td>Tools, furniture and fixtures</td><td>2 to 20 years</td></tr></table> <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>	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>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:</p> <table><tr><td>Buildings</td><td>3 to 46 years</td></tr><tr><td>Structures</td><td>6 to 50 years</td></tr><tr><td>Machinery and equipment</td><td>10 to 15 years</td></tr><tr><td>Tools, furniture and fixtures</td><td>2 to 20 years</td></tr></table> <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>	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
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																	
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																	
(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>	<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>	<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</p>	<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</p>																

V. Notes to Financial Statements

	For the six months ended January 31, 2022 (Reference)	For the six months ended July 31, 2022
	<p>estate properties was 3,016 thousand yen in this FP.</p> <p>2) Basis of recording revenue Major contents 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:</p> <p>Sales of real estate properties, etc. Revenue from sales of real estate properties is recorded at the time a purchaser of real estate property as a customer obtains control over the real estate property, etc. by ADR's fulfilling the delivery obligations as stipulated in the agreement regarding the sale of the real estate property.</p>	<p>estate properties was 13,246 thousand yen in this FP.</p> <p>2) Basis of recording revenue Major contents 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:</p> <p>Sales of real estate properties, etc. Revenue from sales of real estate properties is recorded at the time a purchaser of real estate property as a customer obtains control over the real estate property, etc. by ADR's fulfilling 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>	<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) 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. 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>	<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. 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>

V . Notes to Financial Statements

	For the six months ended January 31, 2022 (Reference)	For the six months ended July 31, 2022
	<p>A. Cash and deposits in trust</p> <p>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</p> <p>C. Guarantee deposits in trust</p> <p>D. Tenant leasehold and security deposits in trust</p> <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>	<p>A. Cash and deposits in trust</p> <p>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</p> <p>C. Guarantee deposits in trust</p> <p>D. Tenant leasehold and security deposits in trust</p> <p>2) Accounting for non-deductible consumption taxes Accounting for non-current assets and deferred assets is inclusive of consumption taxes and local consumption taxes.</p>

V. Notes to Financial Statements

Changes in Accounting Policies

For the six months ended January 31, 2022 (Reference)	For the six months ended July 31, 2022
<p>Application of Accounting Standard for Revenue Recognition, etc.</p> <p>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 FP under review. 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 FP under review was immaterial.</p>	
<p>Application of Accounting Standard for Fair Value Measurement, etc.</p> <p>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 FP under review. 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 FP under review was immaterial.</p>	—

Balance Sheets

As of January 31, 2022 (Reference)	As of July 31, 2022
<p>(1) Minimum net assets as stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations</p> <p style="text-align: right;">50,000 thousand yen</p>	<p>(1) Minimum net assets as stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations</p> <p style="text-align: right;">50,000 thousand yen</p>
<p>(2) Commitment line agreements ADR has executed commitment line agreements with banks.</p> <p>Total commitment line of credit 20,000,000 thousand yen</p> <p>Amount used 100,000 thousand yen</p> <p>Unused balance 19,900,000 thousand yen</p>	<p>(2) Commitment line agreements ADR has executed commitment line agreements with banks.</p> <p>Total commitment line of credit 20,000,000 thousand yen</p> <p>Amount used 1,000,000 thousand yen</p> <p>Unused balance 19,000,000 thousand yen</p>
<p>(3) Provision and reversal of the reserve for temporary difference adjustments</p> <p>Reserve for dividends (Note)</p> <p style="text-align: right;">(Thousands of yen)</p> <p>Initial amount 33,552,162</p> <p>Balance at the beginning of period 30,514,789</p> <p>Funds drawn down during the 23rd FP 335,521</p> <p>Balance at the end of period 30,179,267</p> <p>Reasons for setting aside and drawing down funds</p>	<p>(3) Provision and reversal of the reserve for temporary difference adjustments</p> <p>Reserve for dividends (Note)</p> <p style="text-align: right;">(Thousands of yen)</p> <p>Initial amount 33,552,162</p> <p>Balance at the beginning of period 30,179,267</p> <p>Funds drawn down during the 24th FP 335,521</p> <p>Balance at the end of period 29,843,746</p> <p>Reasons for setting aside and drawing down funds</p>

V . Notes to Financial Statements

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).

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).

V. Notes to Financial Statements

Statements of Income

For the six months ended January 31, 2022 (Reference)		For the six months ended July 31, 2022	
(1) Breakdown of operating income (loss) from property leasing activities		(1) Breakdown of operating income (loss) from property leasing activities	
	(Thousands of yen)		(Thousands of yen)
A. Revenue from property leasing activities		A. Revenue from property leasing activities	
Rental revenue – real estate		Rental revenue – real estate	
Rent income	14,931,355	Rent income	15,126,269
Facility charges	900,240	Facility charges	939,202
Parking fees	440,250	Parking fees	450,288
Subtotal	16,271,847	Subtotal	16,515,760
Other revenue related to property leasing		Other revenue related to property leasing	
Income from leasing rights	101,477	Income from leasing rights	118,764
Other	498,270	Other	619,125
Subtotal	599,748	Subtotal	737,889
Total revenue from property leasing activities	16,871,595	Total revenue from property leasing activities	17,253,650
B. Expenses from property leasing activities		B. Expenses from property leasing activities	
Expenses related to the rent business		Expenses related to the rent business	
Property taxes	907,901	Property taxes	915,823
Property management fees	1,205,333	Property management fees	1,260,873
Utilities	212,372	Utilities	246,833
Repairs and maintenance	695,063	Repairs and maintenance	797,018
Property-casual insurance	25,455	Property-casual insurance	25,208
Trust fees	66,163	Trust fees	74,945
Other rental expenses	738,753	Other rental expenses	769,658
Depreciation and amortization	2,864,856	Depreciation and amortization	2,904,852
Total expenses from property leasing activities	6,715,899	Total expenses from property leasing activities	6,995,214
C. Operating income (loss) from property leasing activities (A–B)	10,155,695	C. Operating income (loss) from property leasing activities (A–B)	10,258,435
(2) Breakdown of gain on sales of real estate properties			
	(Thousands of yen)		
(RESIDIA Yoyogi)			
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)			
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		

V. Notes to Financial Statements

Statements of Changes in Net Assets

For the six months ended January 31, 2022 (Reference)		For the six months ended July 31, 2022	
Total number of units authorized and total number of units issued and outstanding		Total number of units authorized and total number of units issued and outstanding	
Total number of units authorized	6,000,000	Total number of units authorized	6,000,000
Total number of units issued and outstanding	1,385,000	Total number of units issued and outstanding	1,385,000

Tax Effect Accounting

As of January 31, 2022 (Reference)		As of July 31, 2022	
(1) The breakdown of deferred tax assets and liabilities by major item are as follows:		(1) The breakdown of deferred tax assets and liabilities by major item are as follows:	
(Thousands of yen)		(Thousands of yen)	
(Deferred tax assets)		(Deferred tax assets)	
Excess provision of allowance for doubtful accounts	2,859	Excess provision of allowance for doubtful accounts	2,242
Valuation difference on assets acquired through merger	9,112,891	Valuation difference on assets acquired through merger	9,032,387
Other	195,737	Other	206,607
Subtotal	9,311,489	Subtotal	9,241,236
Less valuation allowance associated with total of deductible temporary differences, etc.	(9,311,489)	Less valuation allowance associated with total of deductible temporary differences, etc.	(9,241,236)
Subtotal	(9,311,489)	Subtotal	(9,241,236)
Total deferred tax assets	—	Total deferred tax assets	—
Net 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		(2) Reconciliation between the statutory tax rates and the effective tax rates after the application of tax effect accounting	
(Unit: %)		(Unit: %)	
Statutory tax rate	31.46	Statutory tax rate	31.46
(Adjustments)		(Adjustments)	
Increase (decrease) in valuation allowance	(1.38)	Increase (decrease) in valuation allowance	(0.94)
Deductible dividends	(30.08)	Deductible dividends	(30.52)
Other	0.01	Other	0.01
Effective tax rate after the application of tax effect accounting	0.01	Effective tax rate after the application of tax effect accounting	0.01

Financial Instruments

For the six months ended January 31, 2022 (Reference)

(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

V. Notes to Financial Statements

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

Certain assumptions are applied in measurement of the fair value of financial instruments. Therefore, the fair value could vary 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, and unrealized gain (loss) of financial instruments as of January 31, 2022 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.

	Book value (Thousands of yen)	Fair value (Thousands of yen)	Unrealized gain (loss) (Thousands of yen)
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 accounting treatment for interest rate swaps) *2	—	-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. 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.

3. 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)

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

Not applicable.

(2) Derivative transactions to which hedge accounting is applied

The contract amounts or equivalent notional principal amounts defined in the contract by the method of hedge accounting as of January 31, 2022 are as follows:

V. Notes to Financial Statements

Method of hedge accounting	Type of derivative transaction	Main hedged item	(Thousands of yen)		Fair value (*2)
			Contract amount (*1)	Contract amount due after one year	
Special accounting treatment for interest rate swaps	Interest rate swap transactions (fixed rate payment, floating rate receipt)	Long-term loans payable	47,560,000	27,410,000	(330,729) (*3)
Basic accounting method	Interest rate swap transactions (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.

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

	(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

For the six months ended July 31, 2022

(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

V. Notes to Financial Statements

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

Certain assumptions are applied in measurement of the fair value of financial instruments and therefore, it 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, and unrealized gain (loss) of financial instruments as of July 31, 2022 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.

	Book value (Thousands of yen)	Fair value (Thousands of yen)	Unrealized gain (loss) (Thousands of yen)
1) Current portion of investment corporation bonds	(5,000,000)	(5,030,780)	30,780
2) Current portion of long-term loans payable	(16,230,000)	(16,251,981)	21,981
3) Investment corporation bonds	(31,600,000)	(31,687,378)	87,378
4) Long-term loans payable	(173,979,000)	(175,989,878)	2,010,878
5) Derivative transactions (Special accounting treatment for interest rate swaps) *2	—	-216,491	-216,491
6) Derivative transactions (Basic treatment for interest rate swaps)	114,641	114,641	—

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

2. 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.

3. 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)

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

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, 2022 are as follows:

Method of hedge accounting	Type of derivative transaction	Main hedged item	(Thousands of yen)		Fair value (*2)
			Contract amount (*1)	Contract amount due after one year	
Special accounting treatment for interest rate swaps	Interest rate swap transactions (fixed rate payment, floating rate receipt)	Long-term loans payable	35,860,000	20,550,000	(216,491) (*3)
Basic accounting method	Interest rate swap transactions (fixed rate payment, floating rate receipt)	Long-term loans payable	20,449,000	20,449,000	114,641

*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

V. Notes to Financial Statements

Standard for Financial Instruments” and therefore, interest rate swaps are not stated at fair value in the balance sheets.

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

(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	1,000,000	—	—	—	—	—
Current portion of investment corporation bonds	5,000,000	—	—	—	—	—
Current portion of long-term loans payable	16,230,000	—	—	—	—	—
Investment corporation bonds	—	7,500,000	2,000,000	3,500,000	3,000,000	15,600,000
Long-term loans payable	—	16,500,000	20,350,000	22,150,000	21,220,000	93,759,000
Total	22,230,000	24,000,000	22,350,000	25,650,000	24,220,000	109,359,000

Value of Rental Properties

For the six months ended January 31, 2022 (Reference)

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)

Book value (*1)			Fair value at the end of period (*3)
Balance at the beginning of period	Changes during the period (*2)	Balance at the end of period	
430,031,724	1,866,424	431,898,148	649,820,000

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

*2. The main element of increase in the previous fiscal period was the acquisition of two real estate 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.

Please refer to the above-mentioned “Statements of Income” for details on operating income from rental property for the six months ended January 31, 2022.

For the six months ended July 31, 2022

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)

Book value (*1)			Fair value at the end of period (*3)
Balance at the beginning of period	Changes during the period (*2)	Balance at the end of period	
431,898,148	5,799,776	437,697,925	672,995,000

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

*2. The main element of increase in the fiscal period under review was the acquisition of two real estate properties (1,668,459 thousand yen) and real estate beneficiary interests in trust for three properties (5,185,214 thousand yen), and the decrease was mainly attributable to depreciation cost (2,904,852 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. The fair values of RESIDIA Kamiikebukuro and Tokyo Student-House WAKO at the end of period are stated at the (scheduled) disposition price.

Please refer to the above-mentioned “Statements of Income” for details on operating income from rental property for the six months ended July 31, 2022.

V. Notes to Financial Statements

Revenue Recognition

For the six months ended January 31, 2022 (Reference)

Information on breakdown of revenue arising from agreements with customers

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. Major revenue arising from agreements with customers is revenue from sales of real estate properties.

For the six months ended July 31, 2022

Information on breakdown of revenue arising from agreements with customers

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” 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. Major revenue arising from agreements with customers is revenue from sales of real estate properties.

Transactions with Related Parties

For the six months ended January 31, 2022 (Reference)

Attribute	Name of company	Contents of business or occupation	Unit holding ratio (*1)	Transaction contents	Transaction amount (thousands of yen)	Account	Balance at the end of period (thousands of yen)
Interested party	ITOCHU Urban Community Ltd.	Real estate rental business	—	Building management fees, etc. (*2)	940,587	Operating accounts payable	87,586 (*3)
Asset custodian	Sumitomo Mitsui Trust Bank Limited	Banking and trust business	—	Borrowing of funds (Repayment) (*4)	3,612,000 (4,112,000)	Short-term loans payable	—
						Current portion of long-term loans payable	2,493,000
						Long-term loans payable	24,705,000

Transaction terms and policy on determination of transaction terms

*1. The unit holding ratio is rounded down to two decimal place.

*2. Transaction terms are determined through price negotiations based on actual market conditions.

*3. Consumption taxes are included.

*4 Regarding the borrowing of funds, interest rates are reasonably determined considering market interest rates.

V. Notes to Financial Statements

For the six months ended July 31, 2022

Attribute	Name of company	Contents of business or occupation	Unit holding ratio (*1)	Transaction contents	Transaction amount (thousands of yen)	Account	Balance at the end of period (thousands of yen)
Interested party	ITOCHU Corporation	General trading company	Direct 2.51% Indirect 0.11%	Acquisition of real estate (*2)	1,519,332 (*3 and *4)	—	—
Interested party	ITOCHU Property Development, Ltd.	Development of real estate	Indirect 0.00%	Acquisition of real estate (*2)	2,445,129 (*4 and *5)	—	—
Interested party	ITOCHU Urban Community Ltd.	Real estate rental business	—	Building management fees, etc. (*6)	970,379	Operating accounts payable	83,399 (*4)
Asset custodian	Sumitomo Mitsui Trust Bank Limited	Banking and trust business	—	Borrowing of funds (Repayment) (*7)	2,975,000 (2,493,000)	Short-term loans payable	375,000
						Current portion of long-term loans payable	1,375,000
						Long-term loans payable	25,930,000

Transaction terms and policy on determination of transaction terms

*1. The unit holding ratio is rounded down to two decimal place.

*2. Purchase of real estate is determined through negotiations by reference to prevailing transactions in the neighborhood and the appraisal value by a real estate appraiser.

*3. The transaction amount for purchase of the real estate includes the settlement money of property tax, etc. of 3,257 thousand yen.

*4. Consumption taxes are included.

*5. The transaction amount for purchase of the real estate includes the settlement money of property tax, etc. of 4,593 thousand yen.

*6. Transaction terms are determined through price negotiations based on actual market conditions.

*7 Regarding the borrowing of funds, interest rates are reasonably determined considering market interest rates.

Per Unit Information

For the six months ended January 31, 2022 (Reference)		For the six months ended July 31, 2022	
Net assets per unit	166,470 yen	Net assets per unit	166,248 yen
Net income per unit	5,640 yen	Net income per unit	5,406 yen
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.		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.	

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

	For the six months ended January 31, 2022 (Reference)	For the six months ended July 31, 2022
Net income (thousands of yen)	7,812,651	7,488,124
Amount not attributable to common unitholders (thousands of yen)	—	—
Net income attributable to common unit (thousands of yen)	7,812,651	7,488,124
Average number of units during the period (units)	1,385,000	1,385,000

V. Notes to Financial Statements

Significant Subsequent Event

Disposition and its Decision

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

RESIDIA Kamiikebukuro

Type of Asset	: Beneficiary interests in real estate trust
Disposition Price	: 860,000 thousand yen
Disposition Date	: September 1, 2022
Location	: 4-12-12 Kami-ikebukuro, Toshima-ku, Tokyo
Area	: Land 383.70 sq. m.; building 1,183.89 sq. m.
Structure	: Eight-story RC flat-roofed building
Built	: December 2001

Note: The disposition price does not include the settlement amounts of property tax, city planning tax, and tax on depreciable assets, consumption taxes, and local consumption taxes.

ADR decided to dispose of the following property pursuant to its basic asset management policy stipulated in the Articles of Incorporation, and concluded an agreement to dispose of the property.

Tokyo Student-House WAKO

Type of Asset	: Beneficiary interests in real estate trust
Scheduled Disposition Price	: 800,000 thousand yen
Agreement Date	: August 24, 2022
Scheduled Disposition Date	: September 30, 2022
Location	: 1-2-9 Chuo, Wako-shi, Saitama
Area	: Land 1,728.40 sq. m.; building 3,434.07 sq. m.
Structure	: Five-story RC building with stainless steel roofing
Built	: April 1990

Notes 1. The scheduled disposition price does not include the settlement amounts of property tax, city planning tax, and tax on depreciable assets, consumption taxes, and local consumption taxes.

2. In case that the property transaction agreement is cancelled for reasons attributable to ADR (the seller), ADR shall pay to the buyer 20% of the transaction price as a penalty for cancellation.

VI. Statements of Cash Distributions

(yen)

	For the six months ended January 31, 2022 (Reference)	For the six months ended July 31, 2022
I. Unappropriated retained earnings	8,100,248,028	8,040,473,933
II. Reversal of reserves during period		
Reversal of reserve for temporary difference adjustments	*1 335,521,628	*1 335,521,628
III. Dividends	7,883,420,000	8,013,610,000
(Dividend per investment unit)	(5,692)	(5,786)
IV. Retained earnings carried forward	552,349,656	362,385,561
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 7,883,420,000 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>	<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 8,013,610,000 yen. The figure was derived by retaining 362,385,561 yen from the unappropriated retained earnings of 8,040,473,933 yen for the fiscal period, plus the drawdown of reserve for temporary difference adjustments (RTA) of 335,521,628 yen. The amount of 362,385,561 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 Distributions

(1) Reserve for temporary difference adjustments

For the six months ended January 31, 2022 (Reference)

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).

VI. Statements of Cash Distributions

For the six months ended July 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 July 31, 2022 (24th FP).

VII. Independent Auditor's Report

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

September 14, 2022

To the Board of Directors of
Advance Residence Investment Corporation:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:

Masashi Tsurumi

Designated Engagement Partner,
Certified Public Accountant:

Takeshi Shimoizaka

Opinion

Pursuant to Article 130 of the Act on Investment Trusts and Investment Corporations, we have audited the financial statements of Advance Residence Investment Corporation (the "Investment Corporation"), namely, the balance sheet as of July 31, 2022, the statement of income and statement of changes in net assets for the 24th fiscal period from February 1, 2022 to July 31, 2022, and the related notes, and asset investment report and statement of cash distributions for the six months ended July 31, 2022, as well as the annexed detailed statements (with regard to the asset investment report and the annexed detailed statements thereof, limited to the part related to accounting). (Hereafter referred to as "financial statements.") The part related to accounting that was the subject of the audit opinion on the asset investment report and its annexed detailed statements is the portion of the matters stated in the asset investment report and its annexed detailed statements that is based on the records in the accounting books.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Investment Corporation as of July 31, 2022, and its financial performance 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.

Other Information

Management is responsible for the other information. The Supervisory Director is responsible for overseeing the Executive Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the asset investment report and its annexed detailed statements other than the part related to accounting covered by the audit opinion.

VII. Independent Auditor's Report

(TRANSLATION)

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Supervisory Director for the Financial Statements

Management's responsibility is to prepare and present its financial statements in accordance with accounting principles generally accepted in Japan. This includes developing and operating internal controls that management deems necessary to prepare and properly present financial statements, etc., free from material misstatement 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.

The Supervisory Director is responsible for overseeing the Executive Directors' 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. 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.
- 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.

VII. Independent Auditor's Report

(TRANSLATION)

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 it 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.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Act on Investment Trusts and Investment Corporations of Japan for the convenience of the reader. "The annexed detailed statements" referred to in the "Opinion" section of this English translation are not included in the attached financial documents. In addition, the other information in "the annexed detailed statements" referred to in the "Other Information" section of this English translation is not translated.

VIII. Statements of Cash Flows

(Reference Information)

(Thousands of yen)

	For the six months ended January 31, 2022	For the six months ended July 31, 2022
Cash flows from operating activities		
Income before income taxes	7,813,256	7,488,729
Depreciation and amortization	2,865,375	2,905,379
Amortization of investment unit issuance expenses	1,105	1,105
Amortization of investment corporation bond issuance costs	12,971	13,274
Increase (decrease) in allowance for doubtful accounts	1,249	(1,963)
Interest income	(6,913)	(6,908)
Interest expenses	589,752	541,305
Interest expense on investment corporation bonds	122,784	124,797
Decrease (increase) in operating accounts receivable	31,512	(9,551)
Decrease (increase) in prepaid expenses	14,455	(34,245)
Increase (decrease) in accrued consumption taxes	33,794	(26,954)
Increase (decrease) in operating accounts payable	(37,389)	(5,330)
Increase (decrease) in accounts payable – other	9,765	23,459
Increase (decrease) in accrued expenses	25,084	(25,292)
Increase (decrease) in advances received	6,319	16,102
Decrease in property, plant and equipment in trust by sales	637,942	—
Decrease (increase) in long-term prepaid expenses	(6,584)	(43,237)
Other	(4,289)	3,042
Subtotal	12,110,192	10,963,713
Interest income received	412	1,167
Interest expense paid	(711,286)	(660,739)
Income taxes paid	(590)	(720)
Cash flows from operating activities	11,398,729	10,303,421
Cash flows from investing activities		
Payments into time deposits	(5,000,000)	(6,000,000)
Proceeds from withdrawal of time deposits	5,000,000	6,000,000
Purchase of property, plant and equipment	(4,677,319)	(2,478,948)
Purchase of property, plant and equipment in trust	(772,653)	(6,158,001)
Proceeds from tenant leasehold and security deposits, net	5,128	3,950
Proceeds from tenant leasehold and security deposits in trust, net	(24,204)	61,138
Payments for lease and guarantee deposits in trust	(846)	—
Cash flows from investing activities	(5,469,894)	(8,571,861)
Cash flows from financing activities		
Increase in short-term loans payable	2,700,000	1,000,000
Decrease in short-term loans payable	(3,100,000)	(100,000)
Proceeds from long-term loans	13,960,000	17,460,000
Repayments of long-term loans	(13,960,000)	(13,260,000)
Proceeds from issuance of investment corporation bonds	2,600,000	—
Payments of investment corporation bond issuance costs	(22,967)	—
Dividends paid	(7,822,174)	(7,882,786)
Cash flows from financing activities	(5,645,141)	(2,782,786)
Net increase (decrease) in cash and cash equivalents	283,692	(1,051,225)
Cash and cash equivalents at the beginning of period	18,637,307	18,920,999
Cash and cash equivalents at the end of period	*1 18,920,999	*1 17,869,773

*1. ADR has prepared the Statements of Cash Flows pursuant to the Regulation on Terminology, Forms, and Preparation Methods of Financial Statements (Ministry of Finance Order No. 59 of November 27, 1963) and attached it as reference information. This Statement of Cash Flows is not subject to the accounting auditors' audit stipulated in the provisions of Article 130 of the Act on Investment Trusts and Investment Corporations and has therefore not been audited by accounting auditors.

VIII. Statements of Cash Flows

(Reference Information)

Significant Accounting Policies

	For the six months ended January 31, 2022	For the six months ended July 31, 2022
Scope of funds in the statements of cash flows	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.	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.

Statements of Cash Flows

For the six months ended January 31, 2022	For the six months ended July 31, 2022																
<p>*1 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</p> <p>(Thousands of yen)</p> <table> <tr> <td>Cash and deposits</td><td>15,034,065</td></tr> <tr> <td>Cash and deposits in trust</td><td>9,886,934</td></tr> <tr> <td>Time deposits held over three months</td><td>(6,000,000)</td></tr> <tr> <td>Cash and cash equivalents</td><td><u>18,920,999</u></td></tr> </table>	Cash and deposits	15,034,065	Cash and deposits in trust	9,886,934	Time deposits held over three months	(6,000,000)	Cash and cash equivalents	<u>18,920,999</u>	<p>*1 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</p> <p>(Thousands of yen)</p> <table> <tr> <td>Cash and deposits</td><td>13,775,732</td></tr> <tr> <td>Cash and deposits in trust</td><td>10,094,041</td></tr> <tr> <td>Time deposits held over three months</td><td>(6,000,000)</td></tr> <tr> <td>Cash and cash equivalents</td><td><u>17,869,773</u></td></tr> </table>	Cash and deposits	13,775,732	Cash and deposits in trust	10,094,041	Time deposits held over three months	(6,000,000)	Cash and cash equivalents	<u>17,869,773</u>
Cash and deposits	15,034,065																
Cash and deposits in trust	9,886,934																
Time deposits held over three months	(6,000,000)																
Cash and cash equivalents	<u>18,920,999</u>																
Cash and deposits	13,775,732																
Cash and deposits in trust	10,094,041																
Time deposits held over three months	(6,000,000)																
Cash and cash equivalents	<u>17,869,773</u>																