

I . Fiscal Period Report

26th Fiscal Period Report

February 1, 2023 - July 31, 2023

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	22nd FP	23rd FP	24th FP	25th FP	26th FP
			From: February 1, 2021 To: July 31, 2021	From: August 1, 2021 To: January 31, 2022	From: February 1, 2022 To: July 31, 2022	From: August 1, 2022 To: January 31, 2023	From: February 1, 2023 To: July 31, 2023
Operating results	Operating revenues	million yen	16,884	17,313	17,253	17,868	18,523
	(Rental revenue) a	million yen	16,884	16,871	17,253	17,357	17,683
	(Gain on real estate sales) b	million yen	—	442	—	511	840
	Operating expenses	million yen	8,659	8,603	8,941	8,917	9,723
	(Rental business expenses) c	million yen	6,791	6,715	6,995	7,007	7,732
	(Loss on real estate sales) d	million yen	—	—	—	—	—
	(Impairment loss) e	million yen	—	—	—	—	—
	Operating income	million yen	8,224	8,710	8,312	8,950	8,800
	Ordinary income f	million yen	7,294	7,813	7,488	8,074	7,939
	Net income g	million yen	7,294	7,812	7,488	8,074	7,939
Balance sheet figures	Total assets h	million yen	457,829	459,988	464,898	469,629	471,288
	Interest-bearing liabilities i	million yen	220,509	222,709	227,809	231,309	233,309
	Net assets j	million yen	230,491	230,562	230,253	231,357	230,784
	Paid-in Capital k	million yen	139,034	139,034	139,034	139,034	139,034
Per unit figures	Total dividends l	million yen	7,819	7,883	8,013	8,088	8,102
	Payout ratio l/g	%	107.2	100.9	107.0	100.2	102.1
	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	166,420	166,470	166,248	167,044	166,631
	Net income per unit Note 2	yen	5,266	5,640	5,406	5,829	5,732
	Dividend per unit l/m	yen	5,646	5,692	5,786	5,840	5,850
	Dividend from earnings per unit	yen	5,646	5,692	5,786	5,840	5,850
	Dividend in excess of earnings per unit	yen	0	0	0	0	0
	Annualized dividend yield Note 3	%	3.0	3.3	3.2	3.6	3.4
	Return on investment (Paid-in Capital) (g+q)/(k+i) Note 3	%	5.7	5.9	5.7	5.9	6.1
Financial indicators	Return on investment (market capitalization) (g+q)/(mxr+i) Note 3	%	2.8	3.1	2.8	3.3	3.2
	FFO per unit (g-b+d+e+q)/m	yen	7,314	7,390	7,504	7,596	7,558
	Annualized n Note 3	yen	14,749	14,660	15,133	15,069	15,242
	FFO multiple r/n	times	25.3	23.1	24.3	21.1	22.7
	Ratio of ordinary income to total assets f/h Note 4	%	1.6	1.7	1.6	1.7	1.7
	Annualized Note 3	%	3.2	3.4	3.3	3.4	3.4
	Equity ratio j/h	%	50.3	50.1	49.5	49.3	49.0
	Return on equity g/j Note 5	%	3.2	3.4	3.2	3.5	3.4
	Annualized Note 3	%	6.4	6.7	6.6	6.9	6.9
	Ratio of interest-bearing liabilities to total assets i/h	%	48.2	48.4	49.0	49.3	49.5
	DSCR o/p	times	14.7	16.0	16.6	17.1	18.0
	Net income before interest and depreciation o	million yen	10,868	11,390	11,059	11,716	11,976
	Interest expenses p	million yen	737	712	666	683	667
	NOI a-c+q Note 6	million yen	12,928	13,020	13,163	13,307	13,319
	Annualized NOI yield Note 3, 7	%	5.7	5.6	5.7	5.6	5.7
	Depreciation and amortization q Note 8	million yen	2,835	2,865	2,905	2,958	3,369
	Number of properties under management	—	272	272	277	277	277
Reference information	Number of leasable units	Units	21,569	21,643	21,853	22,021	21,994
	Leasable floor area at end of period Note 9	m ²	802,185.16	807,050.70	814,648.31	824,479.81	825,254.29
	Occupancy rate at end of period Note 10	%	95.9	96.9	96.6	96.7	96.4
	Unit price at end of period r	yen	373,500	338,500	367,000	317,500	346,500

- Notes 1. Amounts are rounded down to the nearest specified unit. Percentage figures are rounded to the first decimal place. The same applies hereafter.
2. The net income per unit is calculated by dividing net income by the daily weighted average number of units issued and outstanding.
3. The annualized figures are calculated using 181 days for the 22nd FP, 184 days for the 23rd FP, 181 days for the 24th FP, 184 days for the 25th FP, and 181 days for the 26th FP.
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.

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7. Annualized NOI yield = Total annualized NOI ÷ Total property acquisition price
(The annualized NOI yield is calculated by taking into account the actual number of days of operation for each property.)
8. Depreciation and amortization include amortization of intangible assets in addition to depreciation of property, plant and equipment.
9. "Leasable floor area at end of period" refers to the leasable floor area for each building as stated on the lease agreement or indicated on its official floor plan. The leasable floor area of land such as parking lots is not included.
10. "Occupancy rate at end of period" is calculated by using the formula: "Leased floor area" ÷ "Leasable floor area" × 100.

2 Investment Environment and Operating Performance

With the aim of realizing a stable distribution of earnings over the long term, we carried out the following initiatives during the 26th Fiscal Period (FP).

1. Internal Growth

While maintaining high occupancy rates (the average occupancy rate for the FP under review was 96.5%), Advance Residence Investment Corporation (hereafter, "ADR") increased the rent level, improved the balance of earnings and expenses related to its offering, raised rents at the time of contract renewal, and strengthened its property competitiveness through renovation.

2. External Growth

ADR acquired one property from a third party (acquisition price of 1.9 billion yen) and disposed of two properties (total acquisition price of 1.6 billion yen) ^{Note 1}.

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 achieved 100% offset of Scope 2 GHG emissions for FY2022 by deeming to have used renewable energy through purchasing non-fossil certificates and the like for electricity and heat energy consumption in common areas of its owned properties in FY2022.

Note 1. ADR disposed of its 49% quasi-co-ownership interest in RESIDIA Azabudai on July 3, 2023. Therefore, RESIDIA Azabudai is counted as one property both in the number of properties disposed of and the number of properties owned during the period. In calculating the total acquisition price of all properties sold, ADR used the amount obtained by multiplying the acquisition price of RESIDIA Azabudai by the percentage of quasi-co-ownership interest (49%) disposed of.

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

(million yen)

Item	Previous FP Results	Initial Forecast Note 2	The 26th FP Results (ended July 31, 2023)	Difference from	
				the Previous FP	the Initial Forecast
Operating revenues	17,868	17,644	18,523	+655	+879
Operating income	8,950	7,879	8,800	(150)	+920
Ordinary income	8,074	6,994	7,939	(134)	+945
Net income	8,074	6,994	7,939	(134)	+945
Earnings per unit	5,829 yen	5,049 yen	5,732 yen	(97 yen) ^{Note 3}	+683 yen ^{Note 3}
Dividend per unit	5,840 yen	5,770 yen	5,850 yen	+10 yen	+80 yen

Notes 2. The initial forecast refers to earnings forecast for the 26th FP disclosed in the "Brief Summary of Kessan Tanshin" for the 25th FP, dated March 16, 2023. The same applies hereafter.

3. The numbers less than one are discarded in EPU figures.

The earnings per unit (EPU) decreased by 97 yen from the previous FP to 5,732 yen, primarily due to the increased depreciation and amortization associated with revised useful lives ^{Note 4}, although NOI increased due in part to increased rent levels and decreased interest expenses.

The dividend per unit (DPU) was 5,850 yen, reflecting the reversal of the reserve for temporary difference adjustments (548 yen per unit) and dividends paid using retained earnings (175 yen per unit) after ADR had retained part of the gain on sales of properties generated during the FP under review (606 yen per unit).

Note 4. Commencing in the 26th FP, ADR revised the useful lives of its owned properties, which were in accordance with applicable tax laws, to economically useful lives that better reflect actual conditions.

1. Internal Growth

ITOCHU REIT Management Co., Ltd., ADR's asset management company, collaborated appropriately with property management companies to manage and operate properties. As a result, ADR managed to record an average fiscal period occupancy rate of 96.5% (down by 0.2 percentage points year-on-year).

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– Change in Replacement Rent of Single Units Turning Positive –

The change in the replacement rent for single units in Tokyo's 23 wards had remained negative during and after the fiscal period ended January 2021 (the 21st FP) because of the COVID-19 pandemic but turned positive to 1.5% for the FP under review because of the gradual normalization of social and economic activities from the easing of restrictions on movement and the increase in the influx of new residents in Tokyo's 23 wards. As for family type units in areas, including the Tokyo central area, new rents remain at a high level because of strong demand. Consequently, the change in the replacement rent increased by 4.0% (up by 1.5 percentage points from the previous FP).

– Strengthening the Competitiveness of Our Properties Through Renovation –

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

We conducted large-scale repairs on 10 properties during the FP under review at a cost of 979 million yen, including taxes. Moreover, we renovated 100 properties at the cost of 406 million yen, excluding taxes.

Of the residential units that underwent renovation during the FP under review, 66 signed new rental contracts as of July 31, 2023. These units saw increases in rent of 19.5% on average compared with the rents under previous contracts. Our renovation work effectively contributed to internal growth. In the future, ADR will endeavor to further enhance the competitive advantages of its properties through such measures.

2. External Growth

– Steadily Acquiring Properties –

We recognize that conditions for acquiring properties in the real estate trading market continue to be harsh, and transaction prices remain at high levels. 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 pipe lines and promoting the negotiation basis transactions in acquiring properties from third parties.

ADR acquired RESIDIA Tamatsukuri through negotiations with a third party (acquisition price of 1.9 billion yen) during the FP under review. This property is completely composed of 2LDK-type units, which are rare in the market, and expected to be in strong demand by families. ADR disposed of two properties, namely, RESIDIA Azabudai (49% quasi-co-ownership interest) and RESIDIA Sakae, for a sale price of 2.5 billion yen in total and recorded a gain in property sales of 0.8 billion yen in total.

This gain in property sales will be used to realize a stable distribution of earnings.

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, extend remaining durations, fix interest rates, and diversify maturities while considering the financial environment. During the FP under review, ADR executed debt financing to the tune of 12.7 billion yen in total (at an average interest rate ^{Note 5} of 0.72% and an average initial duration of 6.5 years). Consequently, the average interest rate at the end of the FP under review was 0.57%, which is the same as that in the previous FP. In addition, the average remaining duration changed from 5.0 years to 4.8 years.

ADR's issuer credit ratings as of the end of the FP under review are as follows.

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

Note 5. The "average interest rate" is the weighted-average interest rate on loans and bonds as of their respective borrowing or issuance date and as of the end of the FP under review. If the interest rates on the debts have been converted to fixed interest rates using swap agreements in order to hedge the risk of interest rate volatility, the average interest rate is calculated based on the interest rates reflecting the effects of such swap agreements.

4. Sustainability

– Sustainability Measures –

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

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- Environmental initiatives

By purchasing FIT non-fossil certificates with tracking in the non-fossil fuel value trading market, electricity consumed in common areas of properties owned by ADR was effectively fully derived from renewable energy sources for FY2022, as it was in FY2021. In addition, by purchasing green power certificates from a certificate issuer organization for the first time, the heat energy consumption derived from zone heating and cooling in common areas of the Pacific Royal Court Minato Mirai Ocean Tower owned by ADR was effectively derived from renewable energy sources for FY2022. Consequently, ADR achieved 100% offset of Scope 2 GHG emissions for its owned properties for FY2022.

ADR also acquired the DBJ Green Building Certification, CASBEE Certification, and BELS with respect to 24 properties, constituting 28.7% of its portfolio based on total floor area, as of the end of the FP under review.

As part of their energy-saving measures, ADR has introduced LED lighting in common areas of their properties. During the FP under review, ADR installed LED lighting in six properties. At the end of the FP under review, ADR had completed the installation of LED lighting in 128 properties (representing 46.2% of its portfolio).

ADR has been striving to include green lease clauses ^{Note 6} in its lease agreements, and as of the end of the FP under review, ADR has introduced such clauses in approximately 66.6% of its lease agreements.

Note 6. Green lease clauses are provisions included in lease agreements with tenants and are designed to reduce environmental footprints through energy-saving and other measures concerning real estate.

- Social initiatives

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

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.

However, we expect rents to decline due to age-related degradation in exclusively owned areas as owned properties become older ^{Note 7}. ADR will endeavor to maintain and improve its competitiveness by renovating with the intention of increasing rent on a scheduled basis.

Note 7. The average building age is 16.7 years as of July 31, 2023. The average building age is the weighted average of the building ages of the owned properties based on their acquisition prices.

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 tenants and geographic diversification in mind when undertaking investment and, accordingly, will not be susceptible to temporary market trends.

ADR approved a public offering, etc., on September 12, 2023 (hereinafter referred to as the “public offering, etc.”), and decided to use proceeds from the public offering, etc., to acquire 11 properties, including its sponsor-group-developed properties located in Tokyo's 23 wards. As its ratio of interest-bearing liabilities falls after the public offering, etc., its acquisition capacity, up to 50% LTV (total assets basis), will increase from approx. 4.6 billion at the end of the FP under review. Therefore, ADR will endeavor to further expand its portfolio by leveraging such acquisition capacity. The management policies for ordinary LTV are up to 53% LTV (total assets basis) and up to 50% LTV (appraisal value basis).

3. Finance Policy

ADR will procure funds considering fixed interest rates, while keeping a close eye on interest rate trends and striving for stable funding costs and diversified borrowing maturities. In doing so, we will endeavor to establish strong financial foundations that can weather future financial market volatility.

4. Sustainability

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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 in every FP within 50 years ^{Note 8}, in accordance with partial amendments of the “Regulations Concerning Accounting of Investment Corporations” and the Investment Trusts Association of Japan’s “Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations.”

Moreover, in principle, ADR is to maintain a DPU of at least 5,000 yen. To such ends, ADR is to additionally draw down the reserve if the total amount of DPU and the fixed drawdown amount of the RTA for the given FP do not reach 5,000 yen ^{Note 9}.

Furthermore, when temporary gains or losses arise owing to gains or losses in property sales, renovations, changes in useful lives, and other reasons, ADR will stabilize distributions by retaining or drawing down gains on sales while also drawing down the RTA.

Notes 8. 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.

9. 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	Public 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	22nd FP	23rd FP	24th FP	25th FP	26th FP
Period-end	July 31, 2021	January 31, 2022	July 31, 2022	January 31, 2023	July 31, 2023
High	390,500 yen	381,000 yen	369,000 yen	370,000 yen	361,500 yen
Low	300,000 yen	318,500 yen	318,500 yen	317,500 yen	307,000 yen

5 Dividend Distribution

In accordance with the distribution policy set forth in Article 32, Item 1 of ADR’s Articles of Incorporation, ADR distributes the amount in excess of 90% of the 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 8,102,250,000 yen. The figure was derived by retaining 1,280,733,614 yen from the unappropriated retained earnings of 8,623,124,867 yen for the fiscal period, plus the drawdown of reserve for temporary difference adjustments (RTA) of 759,858,747 yen. The amount of 1,280,733,614 yen was retained to achieve a more consistent dividend distribution.

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

Fiscal Period	22nd FP	23rd FP	24th FP	25th FP	26th FP
	From: February 1, 2021 To: July 31, 2021	From: August 1, 2021 To: January 31, 2022	From: February 1, 2022 To: July 31, 2022	From: August 1, 2022 To: January 31, 2023	From: February 1, 2023 To: July 31, 2023
Total amount of net income	7,294,380 thousand yen	7,812,651 thousand yen	7,488,124 thousand yen	8,074,243 thousand yen	7,939,373 thousand yen
Retained earnings	30,466,864 thousand yen	30,396,095 thousand yen	29,870,610 thousand yen	29,856,453 thousand yen	29,693,576 thousand yen
Total amount of cash distribution (Distribution per unit)	7,819,710 thousand yen (5,646 yen)	7,883,420 thousand yen (5,692 yen)	8,013,610 thousand yen (5,786 yen)	8,088,400 thousand yen (5,840 yen)	8,102,250 thousand yen (5,850 yen)
Of which, total amount of dividends from earnings (Dividend from earnings per unit)	7,819,710 thousand yen (5,646 yen)	7,883,420 thousand yen (5,692 yen)	8,013,610 thousand yen (5,786 yen)	8,088,400 thousand yen (5,840 yen)	8,102,250 thousand yen (5,850 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 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)

6 Significant Subsequent Events

1. Asset Acquisition Decision

ADR has decided to acquire the following assets in accordance with its basic asset management policies set forth in its Articles of Incorporation and other rules and has executed agreements accordingly:

(1) RESIDIA Shirokane Takanawa II

Type of Asset: Real estate beneficiary interests in trust

Estimated acquisition price: 1,009,000 thousand yen

Date of contract: September 12, 2023

Scheduled acquisition date: September 29, 2023

Location: 5-6-11 Mita, Minato-ku, Tokyo

Area size: 224.13 m² (land); 1,104.28 m² (building)

Structure: Flat-roofed reinforced concrete structure, 10 stories

Constructed: August 2015

(2) RESIDIA Meguro IV

Type of Asset: Real estate beneficiary interests in trust

Estimated acquisition price: 1,853,000 thousand yen

Date of contract: September 12, 2023

Scheduled acquisition date: September 29, 2023

Location: 2-10-18 Meguro, Meguro-ku, Tokyo

Area size: 789.08 m² (land) ^{Note 3}; 1,632.92 m² (building)

Structure: Flat-roofed reinforced concrete structure, 10 stories

Constructed: January 2016

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(3) RESIDIA Bunkyo Koishikawa II ^{Note 4}

Type of Asset: Real estate beneficiary interests in trust
Estimated acquisition price: 1,772,000 thousand yen
Date of contract: September 12, 2023
Scheduled acquisition date: September 29, 2023
Location: 3-26-3 Koishikawa, Bunkyo-ku, Tokyo
Area size: 344.14 m² (land); 1,799.11 m² (building)
Structure: Flat-roofed reinforced concrete structure, 15 stories
Constructed: September 2016

(5) Share Place Shimokitazawa

Type of Asset: Real estate beneficiary interests in trust
Estimated acquisition price: 694,000 thousand yen
Date of contract: September 12, 2023
Scheduled acquisition date: September 29, 2023
Location: 1-42-3 Kitazawa, Setagaya-ku, Tokyo
Area size: 500.54 m² (land) ^{Note 5, 6}; 735.38 m² (building)
Structure: Flat-roofed steel-reinforced concrete structure (SRC), 4 stories
Constructed: September 2021

(7) RESIDIA Kyusandai-mae ^{Note 4}

Type of Asset: Real estate beneficiary interests in trust
Estimated acquisition price: 806,542 thousand yen
Date of contract: September 12, 2023
Scheduled acquisition date: September 29, 2023
Location: 1-20-18 Matsukadai, Higashi-ku, Fukuoka, Fukuoka
Area size: 1,709.95 m² (land); 2,004.88 m² (building)
Structure: Flat-roofed reinforced concrete structure, 4 stories
Constructed: January 2022

(9) RESIDIA Sangenjaya III

Type of Asset: Real estate beneficiary interests in trust
Estimated acquisition price: 2,016,000 thousand yen
Date of contract: September 12, 2023
Scheduled acquisition date: April 18, 2024
Location: 2-19-7 Sangenjaya, Setagaya-ku, Tokyo
Area size: 341.41 m² (land) ^{Note 8}; 1,811.48 m² (building)
Structure: Flat-roofed reinforced concrete structure, 10 stories and 1 basement story
Constructed: May 2017

(11) Tokyo Student-House Musashi-Kosugi

Type of Asset: Real estate beneficiary interests in trust
Estimated acquisition price: 5,835,000 thousand yen
Date of contract: September 12, 2023
Scheduled acquisition date: April 18, 2024
Location: 399-1 Ichinotsubo, Nakahara-ku, Kawasaki, Kanagawa
Area size: 3,419.11 m² (land); 6,845.00 m² (building)
Structure: Flat-roofed reinforced concrete structure, 7 stories
Constructed: January 2017

(4) RESIDIA Shinagawa Seaside ^{Note 4}

Type of Asset: Real estate beneficiary interests in trust
Estimated acquisition price: 3,315,000 thousand yen
Date of contract: September 12, 2023
Scheduled acquisition date: September 29, 2023
Location: 4-3-1 Higashishinagawa, Shinagawa-ku, Tokyo
Area size: 904.30 m² (land); 3,604.99 m² (building)
Structure: Flat-roofed reinforced concrete structure, 11 stories
Constructed: March 2018

(6) RESIDIA Kyudai Gakkentoshi

Type of Asset: Real estate beneficiary interests in trust
Estimated acquisition price: 1,048,000 thousand yen
Date of contract: September 12, 2023
Scheduled acquisition date: September 29, 2023
Location: 1-11-28 Saito, Nishi-ku, Fukuoka, Fukuoka
Area size: 1,423.59 m² (land); 2,164.50 m² (building)
Structure: Flat-roofed reinforced concrete structure, 5 stories
Constructed: March 2020

(8) RESIDIA Ochanomizu III

Type of Asset: Real estate beneficiary interests in trust
Estimated acquisition price: 1,279,000 thousand yen
Date of contract: September 12, 2023
Scheduled acquisition date: April 18, 2024
Location: 2-5-6 Sotokanda, Chiyoda-ku, Tokyo
Area size: 358.12 m² (land) ^{Note 7}; 1,301.32 m² (building)
Structure: Flat-roofed reinforced concrete structure, 10 stories
Constructed: November 2016

(10) RESIDIA Sendagi

Type of Asset: Real estate beneficiary interests in trust
Estimated acquisition price: 2,912,000 thousand yen
Date of contract: September 12, 2023
Scheduled acquisition date: April 18, 2024
Location: 3-7-9 Yanaka, Taito-ku, Tokyo
Area size: 1,086.80 m² (land); 2,745.30 m² (building)
Structure: Flat-roofed reinforced concrete structure, 6 stories
Constructed: October 2017

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- Notes 1. None of the estimated acquisition prices includes any settlement amount equivalent to a fixed property tax, city planning tax, depreciable asset tax, and/or national and local consumption taxes.
2. If the transaction contract of this property is terminated due to any reason attributable to ADR (the purchaser), ADR will pay the seller 20% of the purchase price as a penalty for such termination in each case.
 3. Includes the portion where a building must be constructed with a set-back (approx. 28.50 m²).
 4. Because the name of the property planned to be acquired will change after the acquisition by ADR, this document uses the new name. On the date of the document they are referred to as "CREVIA RXE Koishikawa," "CREVIA RXE Shinagawa Seaside," "Uni Terrace Matsukadai" and "CREVIA WILL Musashi-Kosugi," respectively. The same applies hereafter.
 5. Does not include the land area equivalent to its co-ownership interest of the private road.
 6. Includes the portion where a building must be constructed with a set-back (approx. 8.23 m²).
 7. Includes a private road (approx. 98.51 m²).
 8. Includes the portion where a building must be constructed with a set-back (approx. 8.20 m²).

2. Asset Disposition

ADR has disposed of the following assets in accordance with its basic asset management policies set forth in its Articles of Incorporation and other rules:

RESIDIA Azabudai (51% quasi-co-ownership interest)
Type of Asset: Real estate beneficiary interests in trust
Disposition price: 1,676,880 thousand yen
Disposition date: Aug. 1, 2023
Location: 3-4-9 Azabudai, Minato-ku, Tokyo
Area size: 378.20 m² (land); 2,176.51 m² (building)
Structure: Flat-roofed reinforced concrete structure, 14 stories
Constructed: February 2006

Note ADR disposed of its 49% quasi-co-ownership beneficiary interest in trusts in RESIDIA Azabudai on July 3, 2023, and disposed of its remaining 51% quasi-co-ownership interest on August 1, 2023. The disposition price does not include any settlement amount equivalent to a fixed property tax, city planning tax and depreciable asset tax, and national and local consumption taxes.

3. Issuance of New Investment Units Decision

ADR approved the issuance of new investment units at its Board of Directors meeting held on September 12, 2023, for the purposes of acquisition of real estate, etc. (specified assets), and repayment of loans. An offer price per unit and related matters will be determined at its Board of Directors meeting to be held later.

[Issuance of new units through public offering]

New units issued: 45,600
Base date for distribution: Augst. 1, 2023

[Issuance of new units through third-party allotment]

New units issued: 2,400 or less
Base date for distribution: Augst. 1, 2023
Allottee: Mizuho Securities Co., Ltd.

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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, 2023 are as follows.

Fiscal Period	22nd FP	23rd FP	24th FP	25th FP	26th FP
Period-end	July 31, 2021	January 31, 2022	July 31, 2022	January 31, 2023	July 31, 2023
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	13,103	12,846	12,731	12,738	12,492

Note Other than paid-in capital, capital surplus of 53,220 million yen was recorded on the balance sheet as of July 31, 2023.

2 Major Unit-holders

The following are the major unitholders as of July 31, 2023.

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	387,515	27.97
The Master Trust Bank of Japan, Ltd (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	213,319	15.40
The Nomura Trust & Banking Co., Ltd. (Investment Trust Account)	2-2-2 Otemachi, Chiyoda-ku, Tokyo	65,097	4.70
SMBC Nikko Securities Inc.	3-3-1, Marunouchi, Chiyoda-ku, Tokyo	38,031	2.74
ITOCHU Corporation	2-5-1 Kita-Aoyama, Minato-ku, Tokyo	34,800	2.51
STICHTING PENSIOEN FONDS ZORG EN WELZIJN	UTRECHTSEWEG 91 ZEIST NL 3702 AA	33,023	2.38
STATE STREET BANK WEST CLIENT - TREATY	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A.	20,201	1.45
SSBTC CLIENT OMNIBUS ACCOUNT	ONE LINCOLN STREET, BOSTON MA USA 02111	18,703	1.35
STATE STREET BANK AND TRUST COMPANY	P.O. BOX 351 BOSTON MASSACHUSETTS 02101 U.S.A.	17,400	1.25
Custody Bank of Japan, Ltd. (Money trust taxable account)	1-8-12 Harumi, Chuo-ku, Tokyo	14,780	1.06
Total		842,869	60.85

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, 2023, 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

Note The remunerations paid to Deloitte Touche Tohmatsu LLC include 1,500 thousand yen, which is remuneration for services other than those prescribed in Article 2, paragraph 1 of the Certified Public Accountant Act. The remuneration paid to persons belonging to the same network as Deloitte Touche Tohmatsu LLC for services other than those prescribed in Article 2, paragraph 1, of the Certified Public Accountant Act was 5,407 thousand yen.

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, 2023, 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, 2023.

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.	25th FP as of January 31, 2023		26th FP as of July 31, 2023	
			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	215,596	45.9	214,255	45.5
	Total of Tokyo 23 wards		215,596	45.9	214,255	45.5
	Other regions (Note 2)	Tokyo metropolitan area (Note 3)	20,502	4.4	20,325	4.3
		Government - designated cities, etc. (Note 4)	58,041	12.4	57,566	12.2
	Total of other regions		78,544	16.7	77,892	16.5
Subtotal			294,141	62.6	292,148	62.0
Real estate (Note 1)	Tokyo 23 wards	Tokyo 23 wards	96,455	20.5	96,689	20.5
	Total of Tokyo 23 wards		96,455	20.5	96,689	20.5
	Other regions (Note 2)	Tokyo metropolitan area (Note 3)	15,335	3.3	15,231	3.2
		Government - designated cities, etc. (Note 4)	34,386	7.3	35,402	7.5
	Total of other regions		49,721	10.6	50,633	10.7
Subtotal			146,176	31.1	147,323	31.3
Deposits and other assets			29,311	6.2	31,816	6.8
Total assets			469,629	100.0	471,288	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, 2023.

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	14,554	21,019.77	19,792.03	94.2	3.2	Apartment house
Pacific Royal Court Minatomirai Ocean Tower	10,136	26,082.53	26,082.53	100.0	3.1	Apartment house
Park Tower Shibaura Bayward Urban Wing	8,859	13,490.67	12,801.86	94.9	2.0	Apartment house
RESIDIA TOWER Kamiikebukuro	7,206	31,250.61	30,302.18	97.0	4.5	Apartment house
RESIDIA Nishi-Azabu	6,343	7,078.64	6,763.08	95.5	1.3	Apartment house
RESIDIA TOWER Azabujuban	5,956	7,207.18	6,854.22	95.1	1.2	Apartment house
RESIDIA Mejiro	5,766	13,083.40	13,006.09	99.4	1.5	Apartment house
RESIDIA Yutenji	5,072	5,423.36	5,197.92	95.8	0.9	Apartment house
RESIDIA Nihonbashi-Bakurocho	5,019	8,502.12	8,269.68	97.3	1.2	Apartment house
RESIDIA Shin-Okachimachi II	4,587	5,392.13	5,367.01	99.5	0.9	Apartment house
Total	73,503	138,530.41	134,436.60	—	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, 2023.

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	2,356	4,430
T-002	RESIDIA Nakameguro	Meguro-ku, Tokyo	Beneficiary interests in trust	1,359	2,860
T-003	RESIDIA Setagaya-Tsurumaki	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,119	1,510
T-004	RESIDIA Ikejirihashi	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,088	1,850
T-005	RESIDIA Kudanshita	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,956	3,120
T-006	RESIDIA Hatagaya	Shibuya-ku, Tokyo	Beneficiary interests in trust	1,086	1,600
T-007	RESIDIA Sakurajosui	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,009	1,640
T-008	RESIDIA Kita-Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	2,375	2,870
T-009	RESIDIA Shinjuku-East III	Shinjuku-ku, Tokyo	Beneficiary interests in trust	682	1,210
T-010	Leopalace Udagawacho Mansion	Shibuya-ku, Tokyo	Beneficiary interests in trust	578	831
T-011	RESIDIA Shinjuku-East II	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,338	2,440
T-012	RESIDIA Shinjuku-East	Shinjuku-ku, Tokyo	Beneficiary interests in trust	897	1,510
T-013	RESIDIA Kanda-Iwamotocho	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,412	2,580
T-014	RESIDIA Azabujuban II	Minato-ku, Tokyo	Beneficiary interests in trust	868	1,300
T-015	RESIDIA Ebisu	Shibuya-ku, Tokyo	Beneficiary interests in trust	537	858
T-016	RESIDIA Meguro	Shinagawa-ku, Tokyo	Beneficiary interests in trust	709	858
T-017	RESIDIA Hiroo II	Shibuya-ku, Tokyo	Real estate	1,518	2,580
T-018	Pianetta Shiodome	Minato-ku, Tokyo	Beneficiary interests in trust	1,700	2,620
T-019	RESIDIA Komazawadaigaku	Setagaya-ku, Tokyo	Beneficiary interests in trust	310	445
T-022	RESIDIA Oimachi	Shinagawa-ku, Tokyo	Real estate	878	1,310
T-023	RESIDIA Ebisu II	Shibuya-ku, Tokyo	Real estate	2,236	3,390
T-024	RESIDIA Kamiochiai	Shinjuku-ku, Tokyo	Real estate	1,096	1,790
T-025	RESIDIA Higashi-Shinagawa	Shinagawa-ku, Tokyo	Real estate	1,827	2,670
T-026	RESIDIA Meguro II	Meguro-ku, Tokyo	Real estate	1,161	1,620
T-027	RESIDIA Toranomon	Minato-ku, Tokyo	Real estate	1,257	2,060

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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-028	RESIDIA Shin-Ochanomizu	Chiyoda-ku, Tokyo	Real estate	1,124	1,900
T-029	RESIDIA Kagurazaka	Shinjuku-ku, Tokyo	Real estate	828	1,280
T-030	RESIDIA Oimachi II	Shinagawa-ku, Tokyo	Real estate	949	1,590
T-031	RESIDIA Jiyugaoka	Meguro-ku, Tokyo	Beneficiary interests in trust	970	1,630
T-032	RESIDIA Suidobashi	Chiyoda-ku, Tokyo	Real estate	2,140	3,640
T-033	RESIDIA TOWER Nogizaka	Minato-ku, Tokyo	Real estate	3,437	5,230
T-034	RESIDIA Akasaka	Minato-ku, Tokyo	Real estate	1,094	1,800
T-035	RESIDIA Nishi-Azabu	Minato-ku, Tokyo	Beneficiary interests in trust	6,343	9,810
T-036	RESIDIA Daikanyama	Shibuya-ku, Tokyo	Beneficiary interests in trust	1,942	2,670
T-037	RESIDIA Ichigaya	Shinjuku-ku, Tokyo	Beneficiary interests in trust	2,325	3,900
T-038	RESIDIA Roppongi-Hinokichokoen	Minato-ku, Tokyo	Beneficiary interests in trust	3,477	5,860
T-039	RESIDIA TOWER Meguro-Fudomae	Shinagawa-ku, Tokyo	Real estate	14,554	23,600
T-040	RESIDIA Sangenjaya	Setagaya-ku, Tokyo	Real estate	2,484	4,250
T-041	RESIDIA Kanda-Higashi	Chiyoda-ku, Tokyo	Real estate	1,465	2,640
T-042	RESIDIA Higashi-Azabu	Minato-ku, Tokyo	Real estate	1,368	1,900
T-043	RESIDIA Ebisu-Minami	Shibuya-ku, Tokyo	Real estate	1,882	2,620
T-044	RESIDIA TOWER Azabujuban	Minato-ku, Tokyo	Real estate	5,956	10,400
T-045	RESIDIA Shibuya	Shibuya-ku, Tokyo	Real estate	1,184	1,920
T-046	RESIDIA Nakanobu	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,801	2,980
T-047	RESIDIA Azabudai Note 2	Minato-ku, Tokyo	Beneficiary interests in trust	768	1,676
T-048	RESIDIA Shibadaimon II	Minato-ku, Tokyo	Beneficiary interests in trust	1,624	2,320
T-049	RESIDIA Kanda	Chiyoda-ku, Tokyo	Real estate	1,129	1,820
T-050	RESIDIA Sangenjaya II	Setagaya-ku, Tokyo	Real estate	1,248	2,040
T-051	RESIDIA Nishi-Shinjuku II	Shinjuku-ku, Tokyo	Real estate	1,635	2,730
T-052	RESIDIA Hiroo-Minami	Shibuya-ku, Tokyo	Real estate	842	1,400
T-053	RESIDIA Mejiro-Otomeyama	Shinjuku-ku, Tokyo	Beneficiary interests in trust	932	1,520
T-054	RESIDIA Shibaura	Minato-ku, Tokyo	Beneficiary interests in trust	4,155	7,330
T-055	RESIDIA Gotenyama	Shinagawa-ku, Tokyo	Real estate	854	1,180

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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-056	RESIDIA Yutenji	Meguro-ku, Tokyo	Beneficiary interests in trust	5,072	7,460
T-057	Park Tower Shibaura Bayward Urban Wing	Minato-ku, Tokyo	Beneficiary interests in trust	8,859	15,700
T-058	RESIDIA Kamimeguro	Meguro-ku, Tokyo	Beneficiary interests in trust	822	1,450
T-059	RESIDIA Kita-Shinjuku	Shinjuku-ku, Tokyo	Real estate	1,304	2,210
T-060	RESIDIA Komazawa	Setagaya-ku, Tokyo	Beneficiary interests in trust	771	1,540
T-061	RESIDIA Shibaura KAIGAN	Minato-ku, Tokyo	Beneficiary interests in trust	2,206	3,490
T-062	RESIDIA Ichigaya-Yakuoji	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,867	2,980
T-063	RESIDIA Yoga	Setagaya-ku, Tokyo	Real estate	1,472	2,200
T-064	RESIDIA TOWER Nakameguro	Meguro-ku, Tokyo	Real estate	3,386	5,860
T-065	RESIDIA Sasazuka II	Shibuya-ku, Tokyo	Beneficiary interests in trust	3,521	5,790
T-066	RESIDIA Meguro III	Meguro-ku, Tokyo	Beneficiary interests in trust	917	1,810
T-067	RESIDIA Jiyugaoka II	Setagaya-ku, Tokyo	Beneficiary interests in trust	756	1,090
T-068	RESIDIA Kudanshita II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,173	2,380
T-069	RESIDIA Omori II	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,517	2,710
T-070	RESIDIA Shirokane-Takanawa	Minato-ku, Tokyo	Beneficiary interests in trust	1,406	2,370
T-071	RESIDIA Nakaochiai	Shinjuku-ku, Tokyo	Beneficiary interests in trust	3,681	5,440
T-072	RESIDIA Nakameguro II	Meguro-ku, Tokyo	Beneficiary interests in trust	1,141	2,030
T-073	Artis Court Minamiaoyama	Minato-ku, Tokyo	Beneficiary interests in trust	1,710	2,250
T-074	RESIDIA Yotsuya Sanchoe	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,992	3,240
T-075	RESIDIA Takanawa Katsurazaka	Minato-ku, Tokyo	Beneficiary interests in trust	918	1,360
T-076	RESIDIA Ebisu III	Shibuya-ku, Tokyo	Real estate	637	960
T-077	RESIDIA Shinjukugyoen	Shinjuku-ku, Tokyo	Beneficiary interests in trust	700	1,140
T-078	RESIDIA Minami Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	1,154	1,850
T-079	Chester Court Ochanomizu	Chiyoda-ku, Tokyo	Beneficiary interests in trust	3,139	4,890
T-080	RESIDIA Kanda-Iwamotocho II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,265	2,160
T-081	RESIDIA Shinagawa	Shinagawa-ku, Tokyo	Beneficiary interests in trust	963	1,600
T-082	RESIDIA Yoyogi II	Shibuya-ku, Tokyo	Real estate	882	1,170
T-083	RESIDIA Nakanobu II	Shinagawa-ku, Tokyo	Beneficiary interests in trust	909	1,320

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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-084	RESIDIA Ochanomizu II	Chiyoda-ku, Tokyo	Beneficiary interests in trust	816	1,290
T-085	RESIDIA Mishuku	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,151	1,650
T-086	RESIDIA Ichigaya II	Shinjuku-ku, Tokyo	Beneficiary interests in trust	1,967	2,590
T-087	RESIDIA Ichigaya-Sadohara	Shinjuku-ku, Tokyo	Beneficiary interests in trust	4,209	5,570
T-088	RESIDIA Nishi-Koyama	Meguro-ku, Tokyo	Beneficiary interests in trust	1,695	2,550
T-089	RESIDIA Minami-Shinagawa II	Shinagawa-ku, Tokyo	Real estate	2,182	3,070
T-090	RESIDIA Kagurazaka II	Shinjuku-ku, Tokyo	Real estate	1,142	1,680
T-091	RESIDIA Otemachi-Kita	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,554	1,960
T-092	RESIDIA Mitsukoshimae	Chuo-ku, Tokyo	Beneficiary interests in trust	1,532	3,470
T-093	RESIDIA Kamata	Ota-ku, Tokyo	Beneficiary interests in trust	1,986	4,480
T-094	RESIDIA Ikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	1,385	2,340
T-095	RESIDIA Bunkyo-Hongo	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,597	3,010
T-096	RESIDIA Asakusabashi	Taito-ku, Tokyo	Beneficiary interests in trust	935	1,910
T-097	Maison Eclairée Ekoda	Nerima-ku, Tokyo	Beneficiary interests in trust	858	1,170
T-098	RESIDIA Ueno-Okachimachi	Taito-ku, Tokyo	Beneficiary interests in trust	2,771	5,000
T-099	RESIDIA Bunkyo-Hongo II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,528	2,590
T-100	RESIDIA Ryogoku	Sumida-ku, Tokyo	Beneficiary interests in trust	867	1,650
T-101	RESIDIA Nihonbashi-Ningyocho II	Chuo-ku, Tokyo	Beneficiary interests in trust	2,800	5,090
T-102	RESIDIA Omori-Higashi	Ota-ku, Tokyo	Beneficiary interests in trust	1,709	2,570
T-103	RESIDIA Kinshicho	Sumida-ku, Tokyo	Beneficiary interests in trust	3,818	5,910
T-104	RESIDIA Negishi	Taito-ku, Tokyo	Beneficiary interests in trust	798	1,160
T-105	RESIDIA Shinkawa	Chuo-ku, Tokyo	Beneficiary interests in trust	1,764	3,080
T-107	RESIDIA Shin-nakano	Nakano-ku, Tokyo	Beneficiary interests in trust	328	651
T-108	RESIDIA Bunkyo-Yushima II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	904	1,500
T-109	RESIDIA Tsukiji	Chuo-ku, Tokyo	Real estate	1,293	2,530
T-110	RESIDIA Sasazuka	Suginami-ku, Tokyo	Beneficiary interests in trust	1,726	2,440
T-111	RESIDIA Tamagawa	Ota-ku, Tokyo	Beneficiary interests in trust	1,086	1,940
T-112	RESIDIA Korakuen	Bunkyo-ku, Tokyo	Beneficiary interests in trust	551	919

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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-113	RESIDIA Ginza-Higashi	Chuo-ku, Tokyo	Beneficiary interests in trust	1,805	3,220
T-114	RESIDIA Oji	Kita-ku, Tokyo	Beneficiary interests in trust	726	1,180
T-115	RESIDIA Mejiro II	Toshima-ku, Tokyo	Real estate	998	1,450
T-116	RESIDIA Tsukishima	Chuo-ku, Tokyo	Real estate	1,020	1,600
T-117	RESIDIA Kamata II	Ota-ku, Tokyo	Real estate	1,313	2,050
T-118	RESIDIA Tsukishima II	Chuo-ku, Tokyo	Beneficiary interests in trust	2,317	3,630
T-119	RESIDIA Kinshicho II	Sumida-ku, Tokyo	Real estate	2,139	3,610
T-120	RESIDIA Bunkyo-Otowa	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,911	5,410
T-121	RESIDIA Bunkyo-Sengoku	Bunkyo-ku, Tokyo	Beneficiary interests in trust	620	1,180
T-122	RESIDIA Bunkyo-Yushima	Bunkyo-ku, Tokyo	Beneficiary interests in trust	942	1,780
T-123	RESIDIA Ikegami	Ota-ku, Tokyo	Beneficiary interests in trust	344	538
T-124	RESIDIA Nihonbashi-Ningyocho	Chuo-ku, Tokyo	Beneficiary interests in trust	500	1,050
T-125	RESIDIA Bunkyo-Sengoku II	Bunkyo-ku, Tokyo	Real estate	1,360	2,150
T-126	RESIDIA Iriya	Taito-ku, Tokyo	Beneficiary interests in trust	803	1,330
T-127	RESIDIA Nihonbashi-Hamacho	Chuo-ku, Tokyo	Real estate	1,211	1,910
T-128	RESIDIA Shin-Okachimachi	Taito-ku, Tokyo	Real estate	1,700	2,750
T-129	RESIDIA Chidoricho	Ota-ku, Tokyo	Real estate	1,149	1,670
T-130	RESIDIA Shinkawa II	Chuo-ku, Tokyo	Beneficiary interests in trust	1,219	2,260
T-131	RESIDIA Mejiro	Toshima-ku, Tokyo	Beneficiary interests in trust	5,766	10,300
T-132	RESIDIA Kasai	Edogawa-ku, Tokyo	Beneficiary interests in trust	601	894
T-133	RESIDIA Nihonbashi-Bakurocho	Chuo-ku, Tokyo	Real estate	5,019	9,040
T-134	RESIDIA Suginami-Honancho	Suginami-ku, Tokyo	Beneficiary interests in trust	3,495	7,380
T-135	RESIDIA Shin-Itabashi	Itabashi-ku, Tokyo	Beneficiary interests in trust	791	1,510
T-136	RESIDIA Kiba	Koto-ku, Tokyo	Beneficiary interests in trust	1,746	3,650
T-137	RESIDIA Bunkyo-Yushima III	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,027	1,940
T-138	RESIDIA Honkomagome Bunkyo-	Bunkyo-ku, Tokyo	Real estate	2,140	3,600
T-139	RESIDIA Tsukishima III	Chuo-ku, Tokyo	Beneficiary interests in trust	2,309	4,420
T-140	RESIDIA Minami-senju	Arakawa-ku, Tokyo	Beneficiary interests in trust	2,102	4,360

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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-141	RESIDIA Ogikubo	Suginami-ku, Tokyo	Real estate	1,727	3,060
T-142	RESIDIA Monzennakacho	Koto-ku, Tokyo	Beneficiary interests in trust	968	1,680
T-143	RESIDIA Ochanomizu	Bunkyo-ku, Tokyo	Beneficiary interests in trust	1,996	3,660
T-144	RESIDIA Omori	Ota-ku, Tokyo	Beneficiary interests in trust	1,126	1,880
T-145	RESIDIA Nakamurabashi	Nerima-ku, Tokyo	Beneficiary interests in trust	964	1,470
T-146	RESIDIA Kachidoki	Chuo-ku, Tokyo	Beneficiary interests in trust	1,660	3,210
T-147	RESIDIA Bunkyo-Otowa II	Bunkyo-ku, Tokyo	Beneficiary interests in trust	2,176	3,790
T-148	RESIDIA Kinshicho III	Koto-ku, Tokyo	Beneficiary interests in trust	665	1,020
T-149	RESIDIA Kamata III	Ota-ku, Tokyo	Beneficiary interests in trust	881	1,440
T-150	RESIDIA TOWER Kamiikebukuro	Toshima-ku, Tokyo	Beneficiary interests in trust	7,206	14,100
T-151	RESIDIA Takashimadaira	Itabashi-ku, Tokyo	Real estate	497	688
T-152	RESIDIA Shimura-Sakaue	Itabashi-ku, Tokyo	Real estate	585	803
T-153	RESIDIA Shimura-Sakaue II	Itabashi-ku, Tokyo	Beneficiary interests in trust	1,091	1,590
T-154	RESIDIA Shimura-Sakaue III	Itabashi-ku, Tokyo	Real estate	466	589
T-155	RESIDIA Ikebukuro West	Itabashi-ku, Tokyo	Beneficiary interests in trust	1,046	1,670
T-156	RESIDIA Ojima	Koto-ku, Tokyo	Beneficiary interests in trust	1,201	1,850
T-157	RESIDIA Machiya	Arakawa-ku, Tokyo	Beneficiary interests in trust	1,136	1,690
T-158	RESIDIA Ueno-Ikenohata	Taito-ku, Tokyo	Beneficiary interests in trust	1,790	2,440
T-159	RESIDIA Nerima	Nerima-ku, Tokyo	Beneficiary interests in trust	490	763
T-160	RESIDIA Higashi-Nihonbashi	Chuo-ku, Tokyo	Beneficiary interests in trust	382	596
T-161	RESIDIA Nakano	Nakano-ku, Tokyo	Real estate	672	1,030
T-162	RESIDIA Ogikubo II	Suginami-ku, Tokyo	Real estate	467	655
T-163	RESIDIA Minamiyukigaya	Ota-ku, Tokyo	Beneficiary interests in trust	1,308	1,780
T-164	RESIDIA Akihabara	Taito-ku, Tokyo	Beneficiary interests in trust	955	1,500
T-165	RESIDIA Asakusa-Azumabashi	Sumida-ku, Tokyo	Beneficiary interests in trust	848	1,440
T-166	RESIDIA Omori III	Ota-ku, Tokyo	Beneficiary interests in trust	1,370	2,080
T-167	RESIDIA Nihonbashi-Bakurocho II	Chuo-ku, Tokyo	Beneficiary interests in trust	1,953	3,080
T-168	RESIDIA Nihonbashi-Bakurocho III	Chuo-ku, Tokyo	Beneficiary interests in trust	1,799	2,860

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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	1,638	2,490
T-170	RESIDIA Shin-Okachimachi II	Taito-ku, Tokyo	Beneficiary interests in trust	4,587	7,060
T-171	RESIDIA Kameido	Koto-ku, Tokyo	Beneficiary interests in trust	2,977	4,170
T-172	RESIDIA Koenji	Suginami-ku, Tokyo	Beneficiary interests in trust	1,374	2,030
T-173	RESIDIA Kamata V	Ota-ku, Tokyo	Real estate	2,302	2,930
T-174	RESIDIA Kamata IV	Ota-ku, Tokyo	Real estate	3,300	4,300
T-175	RESIDIA Ikegami II	Ota-ku, Tokyo	Beneficiary interests in trust	1,091	1,540
T-176	RESIDIA Sasazuka III	Suginami-ku, Tokyo	Real estate	1,404	1,920
T-177	RESIDIA Nakano-Fujimidai	Nakano-ku, Tokyo	Beneficiary interests in trust	1,798	2,150
T-178	RESIDIA Bunkyo-Koishikawa	Bunkyo-ku, Tokyo	Real estate	748	890
T-179	RESIDIA Kanda-Awajicho	Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,533	1,840
T-180	RESIDIA Ogikubo III	Suginami-ku, Tokyo	Beneficiary interests in trust	2,461	2,850
T-181	RESIDIA Setagaya-Wakabayashi	Setagaya-ku, Tokyo	Beneficiary interests in trust	1,197	1,350
S-002	Chester House Kawaguchi	Kawaguchi-shi, Saitama	Beneficiary interests in trust	664	850
S-004	RESIDIA Higashi-Matsudo	Matsudo-shi, Chiba	Beneficiary interests in trust	935	1,440
S-005	RESIDIA Shin-Yokohama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,644	2,540
S-007	RESIDIA Chofu	Chofu-shi, Tokyo	Beneficiary interests in trust	1,002	1,380
S-012	RESIDIA Kokubunji	Kokubunji-shi, Tokyo	Beneficiary interests in trust	457	774
S-014	RESIDIA Yokohama-Kannai	Yokohama-shi, Kanagawa	Beneficiary interests in trust	1,449	2,030
S-015	RESIDIA Okurayama	Yokohama-shi, Kanagawa	Beneficiary interests in trust	666	1,020
S-016	RESIDIA Musashikosugi	Kawasaki-shi, Kanagawa	Real estate	1,419	2,290
S-017	RESIDIA Funabashi I RESIDIA Funabashi II	Funabashi-shi, Chiba	Beneficiary interests in trust	2,397	3,770
S-019	RESIDIA Kichijoji	Musashino-shi, Tokyo	Beneficiary interests in trust	1,394	2,100
S-020	Pacific Royal Court Minatomirai Ocean Tower	Yokohama-shi, Kanagawa	Real estate and leasehold rights to real estate	10,136	16,500
S-022	BRANCHEILE Kohoku II	Yokohama-shi, Kanagawa	Real estate	1,579	2,310
S-023	College Court Tanashi	Nishi-Tokyo-shi, Tokyo	Beneficiary interests in trust	702	1,340
S-024	RESIDIA Urayasu	Urayasu-shi, Chiba	Beneficiary interests in trust	1,921	3,340

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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-025	RESIDIA Minami-Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	813	1,260
S-026	RESIDIA Urayasu II	Urayasu-shi, Chiba	Beneficiary interests in trust	792	1,260
S-027	RESIDIA Gyotoku	Ichikawa-shi, Chiba	Beneficiary interests in trust	741	1,160
S-028	RESIDIA Kawasaki	Kawasaki-shi, Kanagawa	Beneficiary interests in trust	1,494	2,520
S-029	Cocofump Hiyoshi	Yokohama-shi, Kanagawa	Beneficiary interests in trust	889	1,200
S-030	RESIDIA Sagamihara	Sagamihara-shi, Kanagawa	Beneficiary interests in trust	1,048	1,460
S-031	RESIDIA Yokohama-Bashamichi	Yokohama-shi, Kanagawa	Beneficiary interests in trust	725	1,180
S-032	RESIDIA Hon-Atsugi	Atsugi-shi, Kanagawa	Real estate	596	796
S-033	RESIDIA Funabashi III	Funabashi-shi, Chiba	Real estate	643	816
S-034	RESIDIA Funabashi IV	Funabashi-shi, Chiba	Beneficiary interests in trust	586	656
S-035	RESIDIA Kunitachi II	Kunitachi-shi, Tokyo	Real estate	856	921
R-002	RESIDIA Imadegawa	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,386	1,900
R-004	RESIDIA Higashizakura	Nagoya-shi, Aichi	Beneficiary interests in trust	937	1,440
R-008	RESIDIA Kobe Port Island	Kobe-shi, Hyogo	Beneficiary interests in trust	3,152	5,200
R-010	RESIDIA Hakata	Fukuoka-shi, Fukuoka	Real estate	1,164	1,710
R-011	RESIDIA Tenjinbashi	Osaka-shi, Osaka	Beneficiary interests in trust	757	1,200
R-012	RESIDIA Sannomiya-Higashi	Kobe-shi, Hyogo	Real estate	1,862	3,430
R-013	KC21 Building	Sendai-shi, Miyagi	Real estate	814	1,020
R-014	RESIDIA Utsubokoen	Osaka-shi, Osaka	Real estate	972	1,700
R-015	RESIDIA Kyoto-ekimae	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,761	3,050
R-016	RESIDIA Takaoka	Nagoya-shi, Aichi	Real estate	2,009	3,460
R-017	RESIDIA Hibino	Nagoya-shi, Aichi	Beneficiary interests in trust	1,017	1,650
R-019	RESIDIA Tenjin-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	838	1,300
R-020	RESIDIA Hakataeki-Minami	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	287	422
R-021	RESIDIA Hisaya-Oodori II	Nagoya-shi, Aichi	Real estate	552	886
R-024	RESIDIA Minami-Ichijo	Sapporo-shi, Hokkaido	Real estate	1,605	2,380
R-025	RESIDIA Odori-Nishi	Sapporo-shi, Hokkaido	Real estate	1,374	1,720
R-026	RESIDIA Kita-Sanjo	Sapporo-shi, Hokkaido	Real estate	1,035	1,600

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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-027	RESIDIA Shirakabe-Higashi	Nagoya-shi, Aichi	Real estate	696	995
R-029	RESIDIA Uzumasa	Kyoto-shi, Kyoto	Real estate	670	872
R-030	RESIDIA Izumi	Nagoya-shi, Aichi	Real estate	3,088	4,600
R-031	RESIDIA Maruyama Kita-Gojo	Sapporo-shi, Hokkaido	Real estate	890	1,340
R-032	RESIDIA Tokugawa	Nagoya-shi, Aichi	Real estate	677	973
R-034	RESIDIA Odori-Koen	Sapporo-shi, Hokkaido	Real estate	1,723	3,170
R-035	RESIDIA Tanimachi	Osaka-shi, Osaka	Real estate	1,005	1,820
R-036	RESIDIA Hisaya-Oodori	Nagoya-shi, Aichi	Beneficiary interests in trust	598	975
R-037	RESIDIA Sendai-Miyamachi	Sendai-shi, Miyagi	Beneficiary interests in trust	458	824
R-038	RESIDIA Hirose-dori	Sendai-shi, Miyagi	Beneficiary interests in trust	431	765
R-039	RESIDIA Edobori	Osaka-shi, Osaka	Real estate	1,287	2,250
R-040	RESIDIA Kyomachibori	Osaka-shi, Osaka	Real estate	925	1,680
R-041	RESIDIA Esaka	Suita-shi, Osaka	Beneficiary interests in trust	945	1,500
R-042	RESIDIA Nishijin	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	2,043	3,390
R-043	RESIDIA Tsurumai	Nagoya-shi, Aichi	Beneficiary interests in trust	1,058	1,720
R-044	RESIDIA Kobe-Isogami	Kobe-shi, Hyogo	Beneficiary interests in trust	2,364	4,070
R-045	RESIDIA Kita-Nijyo-East	Sapporo-shi, Hokkaido	Beneficiary interests in trust	929	1,260
R-046	RESIDIA Shinsaibashi West	Osaka-shi, Osaka	Beneficiary interests in trust	1,762	2,790
R-047	RESIDIA Marunouchi	Nagoya-shi, Aichi	Beneficiary interests in trust	870	1,240
R-048	RESIDIA Sapporo-Ekimae	Sapporo-shi, Hokkaido	Beneficiary interests in trust	1,457	2,390
R-049	RESIDIA Goshō-Higashi	Kyoto-shi, Kyoto	Beneficiary interests in trust	1,126	1,950
R-050	RESIDIA Rakuoku	Kyoto-shi, Kyoto	Beneficiary interests in trust	803	1,300
R-051	RESIDIA Miyakojima I & II	Osaka-shi, Osaka	Real estate	3,320	6,140
R-052	RESIDIA TOWER Sendai	Sendai-shi, Miyagi	Beneficiary interests in trust	1,643	2,210
R-053	RESIDIA Higashizakura II	Nagoya-shi, Aichi	Beneficiary interests in trust	2,771	4,010
R-054	RESIDIA Tsutsujigaoka	Sendai-shi, Miyagi	Beneficiary interests in trust	1,742	3,020
R-055	RESIDIA Kobe-Motomachi	Kobe-shi, Hyogo	Beneficiary interests in trust	973	1,660
R-056	RESIDIA Sendai-Honcho	Sendai-shi, Miyagi	Beneficiary interests in trust	1,006	1,910

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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-057	RESIDIA Sendai-Haranomachi	Sendai-shi, Miyagi	Beneficiary interests in trust	513	1,010
R-058	RESIDIA Minami-Ichijo East	Sapporo-shi, Hokkaido	Beneficiary interests in trust	946	1,600
R-059	RESIDIA Shin-Osaka	Osaka-shi, Osaka	Beneficiary interests in trust	2,607	4,130
R-060	RESIDIA Okayama-Ekimae	Okayama-shi, Okayama	Beneficiary interests in trust	755	1,120
R-061	RESIDIA Kyoto Okazaki	Kyoto-shi, Kyoto	Beneficiary interests in trust	226	356
R-062	RESIDIA Sendai-Ichibancho	Sendai-shi, Miyagi	Beneficiary interests in trust	1,139	1,530
R-063	RESIDIA Kita-Nijyo-East II	Sapporo-shi, Hokkaido	Beneficiary interests in trust	495	795
R-064	RESIDIA Takamiya	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	467	665
R-065	RESIDIA Soen	Sapporo-shi, Hokkaido	Beneficiary interests in trust	438	612
R-066	RESIDIA Tenjin	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,070	1,680
R-067	RESIDIA Yakuin-Oodori	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,081	1,660
R-068	RESIDIA Hakata II	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	1,297	2,100
R-069	RESIDIA Kego	Fukuoka-shi, Fukuoka	Beneficiary interests in trust	773	1,300
R-070	RESIDIA Shirakabe	Nagoya-shi, Aichi	Beneficiary interests in trust	882	1,210
R-072	RESIDIA Senri-Fujishirodai	Suita-shi, Osaka	Beneficiary interests in trust	1,474	1,870
R-073	RESIDIA Senri-Banpakukoen	Suita-shi, Osaka	Beneficiary interests in trust	2,148	2,530
R-074	RESIDIA Sapporo-eki North	Sapporo, Hokkaido	Real estate	776	708
R-075	RESIDIA Hijiyama-Koen	Hiroshima-shi, Hiroshima	Beneficiary interests in trust	671	858
R-076	RESIDIA Kita-Nijyo-East III	Sapporo, Hokkaido	Beneficiary interests in trust	424	431
R-077	RESIDIA Shin-Osaka II	Osaka-shi, Osaka	Real estate	682	750
R-078	RESIDIA Tsutsujigaoka-Koen	Sendai-shi, Miyagi	Beneficiary interests in trust	747	821
R-079	RESIDIA Sendai-Kamisugi	Sendai-shi, Miyagi	Real estate	1,467	1,850
R-080	RESIDIA Shirokitakoen-dori	Osaka-shi, Osaka	Beneficiary interests in trust	1,293	1,440
R-081	RESIDIA Kyoto-Mibu	Kyoto, Kyoto	Beneficiary interests in trust	663	684
R-082	RESIDIA Nishi-tenma	Osaka-shi, Osaka	Real estate	3,247	3,250
R-083	RESIDIA Hakata-Higashi	Fukuoka-shi, Fukuoka	Real estate	917	927
R-084	RESIDIA Kotoen	Nishinomiya-shi, Hyogo	Real estate	546	536
R-085	RESIDIA Tamatsukuri	Osaka-shi, Osaka	Real estate	2,083	2,060

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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-086	RESIDIA Kumamoto-Karashima	Kumamoto-shi, Kumamoto	Beneficiary interests in trust	4,318	4,170
合計				439,471	700,062

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 January 31, 2023.

2. On April 27, 2023, ADR entered into a beneficiary interest quasi co-ownership transfer agreement to transfer RESIDIA Azabudai, and on July 3, 2023, transferred 49% of the quasi co-ownership interest, and on August 1, 2023, transferred the remaining 51% quasi co-ownership interest. The book value at the end of the period is the figure corresponding to 51% of the quasi co-ownership interest, and the appraisal value at the end of the period is the disposition price.

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The following is the status of the rental business for the assets held by ADR as of July 31, 2023.

Property no.	Name of real estate	25th (Aug. 1, 2022 to Jan. 31, 2023)				26th (Feb. 1, 2023 to Jul. 31, 2023)			
		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	94.5	89,574	0.5	1	98.0	92,157	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	96.5	39,552	0.2	1	95.6	41,947	0.2
T-004	RESIDIA Ikejiriohashi	1	95.0	36,818	0.2	1	95.7	38,986	0.2
T-005	RESIDIA Kudanshita	1	100.0	78,122	0.5	1	96.6	78,082	0.4
T-006	RESIDIA Hatagaya	1	98.1	31,888	0.2	1	95.4	31,836	0.2
T-007	RESIDIA Sakurajosui	1	97.9	34,736	0.2	1	96.2	34,922	0.2
T-008	RESIDIA Kita-Shinagawa	1	100.0	76,080	0.4	1	100.0	76,080	0.4
T-009	RESIDIA Shinjuku-East III	1	92.5	25,604	0.1	1	100.0	25,894	0.1
T-010	Leopalace Udagawacho Mansion	1	100.0	16,185	0.1	1	100.0	16,185	0.1
T-011	RESIDIA Shinjuku-East II	1	94.7	47,751	0.3	1	88.2	48,222	0.3
T-012	RESIDIA Shinjuku-East	1	96.1	34,133	0.2	1	90.1	33,043	0.2
T-013	RESIDIA Kanda-Iwamotocho	1	95.6	60,039	0.3	1	94.4	59,616	0.3
T-014	RESIDIA Azabujuban II	1	89.6	29,853	0.2	1	94.6	28,857	0.2
T-015	RESIDIA Ebisu	1	100.0	21,214	0.1	1	100.0	20,309	0.1
T-016	RESIDIA Meguro	1	91.4	20,863	0.1	1	84.4	21,997	0.1
T-017	RESIDIA Hiroo II	1	97.7	55,009	0.3	1	97.5	56,341	0.3
T-018	Pianetta Shiodome	1	92.7	62,099	0.4	1	96.7	63,515	0.4
T-019	RESIDIA Komazawadaigaku	1	86.8	11,139	0.1	1	90.3	11,120	0.1
T-022	RESIDIA Oimachi	1	98.0	32,023	0.2	1	97.8	32,121	0.2
T-023	RESIDIA Ebisu II	1	100.0	74,549	0.4	1	98.7	74,912	0.4
T-024	RESIDIA Kamiochiai	1	97.6	43,601	0.3	1	97.5	43,248	0.2
T-025	RESIDIA Higashi-Shinagawa	1	95.0	67,038	0.4	1	99.2	68,972	0.4
T-026	RESIDIA Meguro II	1	95.9	38,307	0.2	1	100.0	38,001	0.2
T-027	RESIDIA Toranomom	1	98.4	44,399	0.3	1	96.8	43,791	0.2
T-028	RESIDIA Shin-Ochanomizu	1	100.0	41,736	0.2	1	96.9	41,244	0.2
T-029	RESIDIA Kagurazaka	1	98.1	31,733	0.2	1	100.0	32,591	0.2
T-030	RESIDIA Oimachi II	1	97.7	36,779	0.2	1	100.0	36,222	0.2
T-031	RESIDIA Jiyugaoka	1	100.0	36,750	0.2	1	94.0	37,578	0.2
T-032	RESIDIA Suidobashi	1	100.0	80,167	0.5	1	95.6	80,319	0.5
T-033	RESIDIA TOWER Nogizaka	1	97.3	115,314	0.7	1	98.8	113,533	0.6
T-034	RESIDIA Akasaka	1	100.0	41,454	0.2	1	95.5	43,745	0.2
T-035	RESIDIA Nishi-Azabu	1	97.9	230,980	1.3	1	95.5	226,760	1.3
T-036	RESIDIA Daikanyama	1	98.5	61,455	0.4	1	94.0	62,361	0.4
T-037	RESIDIA Ichigaya	1	94.6	83,734	0.5	1	94.0	82,134	0.5
T-038	RESIDIA Roppongi-Hinokichoken	1	100.0	143,845	0.8	1	96.3	140,252	0.8
T-039	RESIDIA TOWER Meguro-Fudomae	1	98.1	561,680	3.2	1	94.2	566,832	3.2
T-040	RESIDIA Sangenjaya	1	93.1	91,640	0.5	1	98.2	94,287	0.5
T-041	RESIDIA Kanda-Higashi	1	95.5	61,794	0.4	1	97.4	61,369	0.3

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Property no.	Name of real estate	25th (Aug. 1, 2022 to Jan. 31, 2023)				26th (Feb. 1, 2023 to Jul. 31, 2023)			
		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-042	RESIDIA Higashi-Azabu	1	93.9	44,115	0.3	1	93.5	42,334	0.2
T-043	RESIDIA Ebisu-Minami	1	90.6	61,239	0.4	1	95.9	61,416	0.3
T-044	RESIDIA TOWER Azabujuban	1	92.8	217,122	1.3	1	95.1	216,419	1.2
T-045	RESIDIA Shibuya	1	88.1	39,973	0.2	1	100.0	41,703	0.2
T-046	RESIDIA Nakanobu	1	92.2	64,323	0.4	1	94.0	64,791	0.4
T-047	RESIDIA Azabudai Note 4	1	97.4	49,768	0.3	1	94.3	47,130	0.3
T-048	RESIDIA Shibadaimon II	1	93.8	51,900	0.3	1	100.0	55,643	0.3
T-049	RESIDIA Kanda	1	94.2	41,318	0.2	1	93.9	41,530	0.2
T-050	RESIDIA Sangenjaya II	1	96.7	43,012	0.2	1	97.6	44,281	0.3
T-051	RESIDIA Nishi-Shinjuku II	1	100.0	56,845	0.3	1	97.2	60,920	0.3
T-052	RESIDIA Hiroo-Minami	1	92.5	29,300	0.2	1	96.2	29,283	0.2
T-053	RESIDIA Mejiro-Otomeyama	1	100.0	36,066	0.2	1	95.2	35,581	0.2
T-054	RESIDIA Shibaura	1	96.5	195,024	1.1	1	89.5	187,980	1.1
T-055	RESIDIA Gotenyama	1	85.5	28,734	0.2	1	78.4	27,199	0.2
T-056	RESIDIA Yutenji	1	97.5	160,077	0.9	1	95.8	159,825	0.9
T-057	Park Tower Shibaura Bayward Urban Wing	1	97.9	346,596	2.0	1	94.9	352,737	2.0
T-058	RESIDIA Kamimeguro	1	94.5	38,259	0.2	1	94.5	37,707	0.2
T-059	RESIDIA Kita-Shinjuku	1	96.1	47,978	0.3	1	100.0	50,735	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	90,752	0.5	1	99.3	91,512	0.5
T-062	RESIDIA Ichigaya-Yakuoji	1	96.4	62,629	0.4	1	96.4	65,329	0.4
T-063	RESIDIA Yoga	1	98.7	52,782	0.3	1	97.5	52,740	0.3
T-064	RESIDIA TOWER Nakameguro	1	95.1	129,954	0.7	1	89.2	127,222	0.7
T-065	RESIDIA Sasazuka II	1	96.9	122,551	0.7	1	100.0	128,670	0.7
T-066	RESIDIA Meguro III	1	91.1	35,400	0.2	1	100.0	36,163	0.2
T-067	RESIDIA Jiyugaoka II	1	94.7	26,876	0.2	1	100.0	26,338	0.1
T-068	RESIDIA Kudanshita II	1	97.8	48,628	0.3	1	100.0	50,220	0.3
T-069	RESIDIA Omori II	1	97.9	55,634	0.3	1	93.5	57,684	0.3
T-070	RESIDIA Shirokane-Takanawa	1	96.0	50,810	0.3	1	96.2	52,691	0.3
T-071	RESIDIA Nakaochiai	1	93.2	118,633	0.7	1	96.5	122,435	0.7
T-072	RESIDIA Nakameguro II	1	96.0	36,114	0.2	1	95.8	37,376	0.2
T-073	Artis Court Minamiaoyama	1	95.2	57,594	0.3	1	100.0	54,760	0.3
T-074	RESIDIA Yotsuya Sanchome	1	97.0	81,754	0.5	1	98.4	84,235	0.5
T-075	RESIDIA Takanawa Katsurazaka	1	93.7	30,140	0.2	1	95.8	30,231	0.2
T-076	RESIDIA Ebisu III	1	100.0	21,126	0.1	1	100.0	21,988	0.1
T-077	RESIDIA Shinjukugyoen	1	97.5	25,378	0.1	1	100.0	27,205	0.2
T-078	RESIDIA Minami Shinagawa	1	100.0	39,070	0.2	1	96.8	38,665	0.2
T-079	Chester Court Ochanomizu	1	98.0	106,430	0.6	1	97.8	109,089	0.6
T-080	RESIDIA Kanda-Iwamotocho II	1	100.0	44,007	0.3	1	95.7	43,188	0.2
T-081	RESIDIA Shinagawa	1	100.0	32,961	0.2	1	93.0	33,900	0.2
T-082	RESIDIA Yoyogi II	1	96.0	25,504	0.1	1	100.0	25,465	0.1

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T-083	RESIDIA Nakanobu II	1	95.7	26,202	0.2	1	98.0	27,170	0.2
T-084	RESIDIA Ochanomizu II	1	100.0	25,692	0.1	1	94.6	27,013	0.2
T-085	RESIDIA Mishuku	1	100.0	34,392	0.2	1	100.0	35,140	0.2
T-086	RESIDIA Ichigaya II	1	100.0	54,487	0.3	1	95.0	57,277	0.3
T-087	RESIDIA Ichigaya-Sadohara	1	86.1	138,578	0.8	1	87.4	142,210	0.8
T-088	RESIDIA Nishi-Koyama	1	98.6	49,276	0.3	1	100.0	49,210	0.3
T-089	RESIDIA Minami-Shinagawa II	1	100.0	59,016	0.3	1	100.0	60,758	0.3
T-090	RESIDIA Kagurazaka II	1	95.7	30,282	0.2	1	95.7	30,597	0.2
T-091	RESIDIA Otemachi-Kita	1	96.1	40,442	0.2	1	97.7	42,314	0.2
T-092	RESIDIA Mitsukoshimae	1	99.2	69,286	0.4	1	93.7	70,433	0.4
T-093	RESIDIA Kamata	1	97.8	99,529	0.6	1	96.9	104,193	0.6
T-094	RESIDIA Ikebukuro	1	97.0	51,304	0.3	1	96.8	51,920	0.3
T-095	RESIDIA Bunkyo-Hongo	1	98.6	58,519	0.3	1	98.6	59,778	0.3
T-096	RESIDIA Asakusabashi	1	97.8	42,276	0.2	1	91.4	41,429	0.2
T-097	Maison Eclairée Ekoda	1	97.9	35,903	0.2	1	100.0	36,457	0.2
T-098	RESIDIA Ueno-Okachimachi	1	97.1	102,548	0.6	1	95.7	103,542	0.6
T-099	RESIDIA Bunkyo-Hongo II	1	94.6	51,405	0.3	1	100.0	52,304	0.3
T-100	RESIDIA Ryogoku	1	94.8	33,363	0.2	1	94.8	33,744	0.2
T-101	RESIDIA Nihonbashi-Ningyocho II	1	99.4	103,000	0.6	1	98.3	109,346	0.6
T-102	RESIDIA Omori-Higashi	1	91.5	56,572	0.3	1	100.0	59,552	0.3
T-103	RESIDIA Kinshicho	1	97.2	123,827	0.7	1	99.5	126,557	0.7
T-104	RESIDIA Negishi	1	100.0	30,003	0.2	1	100.0	29,862	0.2
T-105	RESIDIA Shinkawa	1	98.4	67,838	0.4	1	96.0	67,306	0.4
T-107	RESIDIA Shin-Nakano	1	100.0	15,598	0.1	1	100.0	16,658	0.1
T-108	RESIDIA Bunkyo-Yushima II	1	95.4	34,575	0.2	1	98.4	36,071	0.2
T-109	RESIDIA Tsukiji	1	98.2	53,127	0.3	1	98.8	52,616	0.3
T-110	RESIDIA Sasazuka	1	92.5	63,462	0.4	1	93.1	66,724	0.4
T-111	RESIDIA Tamagawa	1	95.9	47,236	0.3	1	100.0	48,094	0.3
T-112	RESIDIA Korakuen	1	96.7	21,676	0.1	1	97.2	21,967	0.1
T-113	RESIDIA Ginza-Higashi	1	94.0	72,073	0.4	1	95.5	73,334	0.4
T-114	RESIDIA Oji	1	100.0	33,739	0.2	1	100.0	33,726	0.2
T-115	RESIDIA Mejiro II	1	94.7	35,368	0.2	1	97.8	37,499	0.2
T-116	RESIDIA Tsukishima	1	94.3	39,329	0.2	1	94.4	38,654	0.2
T-117	RESIDIA Kamata II	1	94.1	45,823	0.3	1	95.3	46,969	0.3
T-118	RESIDIA Tsukishima II	1	96.5	83,277	0.5	1	97.0	85,029	0.5
T-119	RESIDIA Kinshicho II	1	98.4	80,183	0.5	1	98.5	79,483	0.4
T-120	RESIDIA Bunkyo-Otowa	1	94.6	124,737	0.7	1	97.4	123,088	0.7
T-121	RESIDIA Bunkyo-Sengoku	1	97.1	26,774	0.2	1	100.0	26,828	0.2
T-122	RESIDIA Bunkyo-Yushima	1	98.1	39,453	0.2	1	94.4	38,460	0.2
T-123	RESIDIA Ikegami	1	100.0	14,742	0.1	1	93.7	13,301	0.1
T-124	RESIDIA Nihonbashi-Ningyocho	1	96.4	21,991	0.1	1	96.4	21,874	0.1

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T-125	RESIDIA Bunkyo-Sengoku II	1	89.9	48,669	0.3	1	91.3	47,119	0.3
T-126	RESIDIA Iriya	1	96.6	38,051	0.2	1	100.0	39,137	0.2
T-127	RESIDIA Nihonbashi-Hamacho	1	95.6	45,349	0.3	1	97.7	45,634	0.3
T-128	RESIDIA Shin-Okachimachi	1	95.9	60,290	0.3	1	97.6	61,954	0.4
T-129	RESIDIA Chidoricho	1	98.4	43,635	0.3	1	100.0	43,250	0.2
T-130	RESIDIA Shinkawa II	1	97.2	48,235	0.3	1	95.6	49,356	0.3
T-131	RESIDIA Mejiro	1	94.4	259,899	1.5	1	99.4	266,471	1.5
T-132	RESIDIA Kasai	1	96.7	27,095	0.2	1	93.7	27,164	0.2
T-133	RESIDIA Nihonbashi-Bakurocho	1	99.0	209,021	1.2	1	97.3	211,850	1.2
T-134	RESIDIA Suginami-Honancho	1	98.1	154,568	0.9	1	96.3	160,608	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	98.1	81,516	0.5	1	99.4	83,750	0.5
T-137	RESIDIA Bunkyo-Yushima III	1	100.0	40,226	0.2	1	96.9	44,801	0.3
T-138	RESIDIA Bunkyo-Honkomagome	1	97.1	85,116	0.5	1	96.8	84,795	0.5
T-139	RESIDIA Tsukishima III	1	96.0	93,477	0.5	1	97.4	97,221	0.6
T-140	RESIDIA Minami-senju	1	93.6	171,640	1.0	1	97.8	175,422	1.0
T-141	RESIDIA Ogikubo	1	95.1	63,948	0.4	1	96.0	67,012	0.4
T-142	RESIDIA Monzennakacho	1	97.0	37,160	0.2	1	98.5	38,461	0.2
T-143	RESIDIA Ochanomizu	1	97.2	81,034	0.5	1	92.8	78,743	0.4
T-144	RESIDIA Omori	1	94.7	39,655	0.2	1	100.0	43,147	0.2
T-145	RESIDIA Nakamurabashi	1	100.0	36,616	0.2	1	98.6	37,339	0.2
T-146	RESIDIA Kachidoki	1	98.1	66,646	0.4	1	95.1	68,638	0.4
T-147	RESIDIA Bunkyo-Otowa II	1	94.0	82,942	0.5	1	99.3	87,905	0.5
T-148	RESIDIA Kinshicho III	1	100.0	25,404	0.1	1	100.0	25,468	0.1
T-149	RESIDIA Kamata III	1	100.0	33,382	0.2	1	98.4	34,198	0.2
T-150	RESIDIA TOWER Kamiikebukuro	1	97.7	799,600	4.6	1	97.0	803,615	4.5
T-151	RESIDIA Takashimadaira	1	100.0	16,192	0.1	1	100.0	16,192	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	36,299	0.2	1	100.0	36,530	0.2
T-154	RESIDIA Shimura-Sakaue III	1	100.0	13,608	0.1	1	100.0	13,617	0.1
T-155	RESIDIA Ikebukuro West	1	92.4	43,191	0.2	1	97.6	45,201	0.3
T-156	RESIDIA Ojima	1	96.6	42,387	0.2	1	97.8	46,384	0.3
T-157	RESIDIA Machiya	1	96.7	47,854	0.3	1	100.0	47,449	0.3
T-158	RESIDIA Ueno-Ikenohata	1	100.0	55,705	0.3	1	95.8	57,447	0.3
T-159	RESIDIA Nerima	1	100.0	18,060	0.1	1	100.0	18,225	0.1
T-160	RESIDIA Higashi-Nihonbashi	1	100.0	15,044	0.1	1	100.0	15,406	0.1
T-161	RESIDIA Nakano	1	100.0	23,881	0.1	1	100.0	24,820	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	97.0	43,749	0.3	1	95.3	44,506	0.3
T-164	RESIDIA Akihabara	1	97.8	34,185	0.2	1	100.0	35,917	0.2
T-165	RESIDIA Asakusa-Azumabashi	1	95.0	31,812	0.2	1	98.3	33,239	0.2
T-166	RESIDIA Omori III	1	94.6	41,247	0.2	1	100.0	41,974	0.2

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T-167	RESIDIA Nihonbashi-Bakurocho II	1	96.9	60,471	0.3	1	96.9	62,525	0.4
T-168	RESIDIA Nihonbashi-Bakurocho III	1	100.0	64,514	0.4	1	98.5	68,622	0.4
T-169	RESIDIA Bunkyo-Hongo III	1	100.0	52,859	0.3	1	96.9	49,870	0.3
T-170	RESIDIA Shin-Okachimachi II	1	96.3	150,329	0.9	1	99.5	151,714	0.9
T-171	RESIDIA Kameido	1	97.8	88,482	0.5	1	98.5	88,499	0.5
T-172	RESIDIA Koenji	1	97.0	41,278	0.2	1	97.1	43,904	0.2
T-173	RESIDIA Kamata V	1	95.1	64,022	0.4	1	99.2	67,820	0.4
T-174	RESIDIA Kamata IV	1	97.7	90,618	0.5	1	100.0	94,473	0.5
T-175	RESIDIA Ikegami II	1	100.0	32,456	0.2	1	100.0	32,169	0.2
T-176	RESIDIA Sasazuka III	1	98.2	38,295	0.2	1	95.2	40,144	0.2
T-177	RESIDIA Nakano-Fujimidai	1	95.9	45,338	0.3	1	91.8	44,888	0.3
T-178	RESIDIA Bunkyo-Koishikawa	1	100.0	15,973	0.1	1	100.0	16,173	0.1
T-179	RESIDIA Kanda-Awajicho	1	97.8	38,164	0.2	1	95.7	39,877	0.2
T-180	RESIDIA Ogikubo III	1	95.7	60,889	0.4	1	97.9	61,058	0.3
T-181	RESIDIA Setagaya-Wakabayashi	1	84.0	24,732	0.1	1	78.5	26,104	0.1
S-002	Chester House Kawaguchi	1	94.9	30,645	0.2	1	100.0	30,962	0.2
S-004	RESIDIA Higashi-Matsudo	1	90.7	44,610	0.3	1	100.0	45,138	0.3
S-005	RESIDIA Shin-Yokohama	1	98.5	68,505	0.4	1	97.7	70,731	0.4
S-007	RESIDIA Chofu	1	93.1	35,146	0.2	1	95.7	34,171	0.2
S-012	RESIDIA Kokubunji	1	97.0	20,312	0.1	1	97.0	21,506	0.1
S-014	RESIDIA Yokohama-Kannai	1	98.2	52,526	0.3	1	93.8	53,433	0.3
S-015	RESIDIA Okurayama	1	100.0	27,962	0.2	1	100.0	26,885	0.2
S-016	RESIDIA Musashikosugi	1	97.7	59,066	0.3	1	96.8	59,390	0.3
S-017	RESIDIA Funabashi I RESIDIA Funabashi II	1	93.2	98,370	0.6	1	96.3	106,165	0.6
S-019	RESIDIA Kichijoji	1	93.5	51,626	0.3	1	98.0	51,666	0.3
S-020	Pacific Royal Court Minatomirai Ocean Tower	1	100.0	556,029	3.2	1	100.0	554,753	3.1
S-022	BRANCHEILE Kohoku II	1	100.0	70,764	0.4	1	100.0	70,879	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	99.4	82,974	0.5	1	96.6	86,117	0.5
S-025	RESIDIA Minami-Gyotoku	1	96.5	34,546	0.2	1	95.3	36,837	0.2
S-026	RESIDIA Urayasu II	1	100.0	33,400	0.2	1	98.6	33,054	0.2
S-027	RESIDIA Gyotoku	1	98.7	32,727	0.2	1	100.0	37,252	0.2
S-028	RESIDIA Kawasaki	1	97.5	60,411	0.3	1	96.2	63,718	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	43,112	0.2	1	100.0	43,112	0.2
S-031	RESIDIA Yokohama-Bashamichi	1	95.9	39,548	0.2	1	100.0	41,635	0.2
S-032	RESIDIA Hon-Atsugi	1	92.5	21,861	0.1	1	96.2	24,144	0.1
S-033	RESIDIA Funabashi III	1	100.0	23,473	0.1	1	100.0	19,675	0.1
S-034	RESIDIA Funabashi IV	1	97.7	18,499	0.1	1	100.0	19,356	0.1

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S-035	RESIDIA Kunitachi II	1	94.8	20,574	0.1	1	97.4	22,692	0.1
R-002	RESIDIA Imadegawa	1	100.0	61,026	0.4	1	100.0	60,910	0.3
R-004	RESIDIA Higashizakura	1	90.3	43,237	0.2	1	92.8	42,424	0.2
R-008	RESIDIA Kobe Port Island	1	100.0	128,564	0.7	1	100.0	128,771	0.7
R-010	RESIDIA Hakata	1	97.5	53,222	0.3	1	98.7	55,363	0.3
R-011	RESIDIA Tenjinbashi	1	98.8	34,410	0.2	1	94.7	35,655	0.2
R-012	RESIDIA Sannomiya-Higashi	1	97.5	91,378	0.5	1	98.0	91,806	0.5
R-013	KC21 Building	1	93.7	35,373	0.2	1	98.1	37,055	0.2
R-014	RESIDIA Utsubokoen	1	93.1	44,562	0.3	1	95.2	44,673	0.3
R-015	RESIDIA Kyoto-ekimae	1	92.9	77,189	0.4	1	98.2	82,167	0.5
R-016	RESIDIA Takaoka	1	92.1	90,794	0.5	1	93.6	91,796	0.5
R-017	RESIDIA Hibino	1	97.6	66,397	0.4	1	96.0	64,772	0.4
R-019	RESIDIA Tenjin-Minami	1	98.2	40,006	0.2	1	100.0	40,688	0.2
R-020	RESIDIA Hakataeki-Minami	1	97.4	16,377	0.1	1	100.0	16,997	0.1
R-021	RESIDIA Hisaya-Oodori II	1	100.0	26,727	0.2	1	97.8	26,862	0.2
R-024	RESIDIA Minami-Ichijo	1	96.2	77,574	0.4	1	95.9	77,958	0.4
R-025	RESIDIA Odori-Nishi	1	97.2	57,687	0.3	1	92.6	59,809	0.3
R-026	RESIDIA Kita-Sanjo	1	94.2	49,419	0.3	1	91.3	50,786	0.3
R-027	RESIDIA Shirakabe-Higashi	1	96.7	33,010	0.2	1	100.0	33,122	0.2
R-029	RESIDIA Uzumasa	1	98.1	33,481	0.2	1	93.8	33,436	0.2
R-030	RESIDIA Izumi	1	100.0	148,831	0.9	1	92.8	142,060	0.8
R-031	RESIDIA Maruyama Kita-Gojo	1	94.8	47,033	0.3	1	96.9	47,906	0.3
R-032	RESIDIA Tokugawa	1	88.5	28,137	0.2	1	84.0	28,670	0.2
R-034	RESIDIA Odori-Koen	1	98.1	96,456	0.6	1	90.5	96,992	0.5
R-035	RESIDIA Tanimachi	1	99.2	46,706	0.3	1	95.4	46,443	0.3
R-036	RESIDIA Hisaya-Oodori	1	98.6	26,844	0.2	1	95.7	27,470	0.2
R-037	RESIDIA Sendai-Miyamachi	1	100.0	23,080	0.1	1	100.0	25,357	0.1
R-038	RESIDIA Hirose-dori	1	100.0	21,947	0.1	1	100.0	21,944	0.1
R-039	RESIDIA Edobori	1	95.4	56,734	0.3	1	98.5	58,200	0.3
R-040	RESIDIA Kyomachibori	1	97.4	42,637	0.2	1	94.5	42,305	0.2
R-041	RESIDIA Esaka	1	96.5	37,905	0.2	1	98.8	38,609	0.2
R-042	RESIDIA Nishijin	1	97.2	108,183	0.6	1	96.1	109,266	0.6
R-043	RESIDIA Tsurumai	1	90.7	51,253	0.3	1	92.2	52,038	0.3
R-044	RESIDIA Kobe-Isogami	1	92.2	114,239	0.7	1	90.9	111,332	0.6
R-045	RESIDIA Kita-Nijyo-East	1	98.6	42,194	0.2	1	90.8	42,380	0.2
R-046	RESIDIA Shinsaibashi West	1	94.8	75,383	0.4	1	94.7	75,058	0.4
R-047	RESIDIA Marunouchi	1	88.7	35,952	0.2	1	94.2	35,896	0.2
R-048	RESIDIA Sapporo-Ekimae	1	93.4	73,708	0.4	1	95.7	75,406	0.4
R-049	RESIDIA Gosho-Higashi	1	93.6	45,122	0.3	1	97.2	47,405	0.3
R-050	RESIDIA Raku-hoku	1	97.3	35,305	0.2	1	97.5	37,651	0.2
R-051	RESIDIA Miyakojima I & II	1	99.5	166,648	1.0	1	99.4	169,421	1.0

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Property no.	Name of real estate	25th (Aug. 1, 2022 to Jan. 31, 2023)				26th (Feb. 1, 2023 to Jul. 31, 2023)			
		Total number of tenants at end of period (tenants) Note 1	Occupancy rate at end of period (%) Note 2	Total number of tenants at end of period (tenants) Note 1	Occupancy rate at end of period (%) Note 2	Total number of tenants at end of period (tenants) Note 1	Occupancy rate at end of period (%) Note 2	Total number of tenants at end of period (tenants) Note 1	Occupancy rate at end of period (%) Note 2
R-052	RESIDIA TOWER Sendai	1	95.9	72,517	0.4	1	95.4	72,440	0.4
R-053	RESIDIA Higashizakura II	1	90.5	116,098	0.7	1	91.1	112,564	0.6
R-054	RESIDIA Tsutsujigaoka	1	94.4	84,198	0.5	1	96.3	85,427	0.5
R-055	RESIDIA Kobe-Motomachi	1	99.0	44,575	0.3	1	93.2	44,241	0.3
R-056	RESIDIA Sendai-Honcho	1	94.6	52,995	0.3	1	95.0	53,530	0.3
R-057	RESIDIA Sendai-Haranomachi	1	97.2	30,383	0.2	1	98.8	31,289	0.2
R-058	RESIDIA Minami-Ichijo East	1	97.2	48,562	0.3	1	96.7	49,104	0.3
R-059	RESIDIA Shin-Osaka	1	97.1	104,679	0.6	1	93.9	106,528	0.6
R-060	RESIDIA Okayama-Ekimae	1	100.0	35,310	0.2	1	100.0	35,220	0.2
R-061	RESIDIA Kyoto Okazaki	1	100.0	9,642	0.1	1	100.0	9,649	0.1
R-062	RESIDIA Sendai-Ichibancho	1	100.0	43,095	0.2	1	100.0	43,095	0.2
R-063	RESIDIA Kita-Nijyo-East II	1	97.8	26,115	0.2	1	95.4	26,569	0.2
R-064	RESIDIA Takamiya	1	97.7	20,299	0.1	1	96.1	20,313	0.1
R-065	RESIDIA Soen	1	95.1	19,771	0.1	1	98.3	20,468	0.1
R-066	RESIDIA Tenjin	1	97.7	42,222	0.2	1	92.0	42,016	0.2
R-067	RESIDIA Yakui-Oodori	1	96.7	43,301	0.2	1	94.5	42,797	0.2
R-068	RESIDIA Hakata II	1	97.7	53,834	0.3	1	98.1	53,950	0.3
R-069	RESIDIA Kego	1	97.5	37,027	0.2	1	95.5	37,714	0.2
R-070	RESIDIA Shirakabe	1	94.3	34,819	0.2	1	94.3	33,600	0.2
R-072	RESIDIA Senri-Fujishirodai	1	100.0	45,116	0.3	1	100.0	45,128	0.3
R-073	RESIDIA Senri-Banpakukoen	1	100.0	69,741	0.4	1	98.5	70,228	0.4
R-074	RESIDIA Sapporo-eki North	1	100.0	23,453	0.1	1	86.8	22,636	0.1
R-075	RESIDIA Hijiyama-Koen	1	98.8	25,787	0.1	1	94.2	26,530	0.2
R-076	RESIDIA Kita-Nijyo-East III	1	95.0	14,633	0.1	1	87.6	13,839	0.1
R-077	RESIDIA Shin-Osaka II	1	100.0	19,110	0.1	1	94.1	20,016	0.1
R-078	RESIDIA Tsutsujigaoka-Koen	1	98.6	26,467	0.2	1	98.6	27,699	0.2
R-079	RESIDIA Sendai-Kamisugi	1	94.9	45,916	0.3	1	94.9	47,931	0.3
R-080	RESIDIA Shirokitakoen-dori	1	96.0	38,630	0.2	1	98.6	39,721	0.2
R-081	RESIDIA Kyoto-Mibu	1	95.6	20,841	0.1	1	100.0	20,292	0.1
R-082	RESIDIA Nishi-tenma	1	79.0	66,709	0.4	1	85.3	76,545	0.4
R-083	RESIDIA Hakata-Higashi	1	100.0	25,977	0.1	1	98.4	25,974	0.1
R-084	RESIDIA Kotoen	1	100.0	10,022	0.1	1	92.1	13,615	0.1
R-085	RESIDIA Tamatsukuri	—	—	—	—	1	100.0	50,469	0.3
R-086	RESIDIA Kumamoto-Karashima	1	95.9	62,194	0.4	1	92.2	134,407	0.8
Total		276	96.7	17,345,586	100.0	277	96.4	17,670,360	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, 2023 are leased under a master lease agreement, the "Total" for the "Total number of tenants" column indicates the total number of master lease agreements that were concluded with 10 master lessees.

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. On April 27, 2023, ADR entered into a beneficiary interest quasi co-ownership transfer agreement to transfer RESIDIA Azabudai, and on July 3, 2023, transferred 49% of the quasi co-ownership interest, and on August 1, 2023, transferred the remaining 51% quasi co-ownership interest.

5. As for RESIDIA Sakae, it was sold on April 28, 2023.

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Real estate planned to be acquired under the forward commitment (Note 6)

Property no.	Name of real estate	Location	Type of ownership	Real-estate appraisal value on Aug. 1, 2023 (million yen)
T-187	RESIDIA Ochanomizu III (Note 7)	2-5-6 Sotokanda, Chiyoda-ku, Tokyo	Beneficiary interests in trust	1,460
T-188	RESIDIA Sangenjaya III (Note 8)	2-19-7 Sangenjaya, Setagaya-ku, Tokyo	Beneficiary interests in trust	2,300
T-189	RESIDIA Sendagi (Note 9)	3-7-9 Yanaka, Taito-ku, Tokyo	Beneficiary interests in trust	3,270
S-036	Tokyo Student-House Musashi-Kosugi (Note 10)	399-1 Ichinotsubo, Nakahara-ku, Kawasaki, Kanagawa	Beneficiary interests in trust	6,320

Notes 6. The forward commitment is defined as a post-dated transaction agreement in which the settlement and delivery of property will be made one or more months after the conclusion of the agreement or other similar agreements.

- ADR has executed the beneficiary interests transfer agreement on September 12, 2023, for the purpose of acquisition of RESIDIA Ochanomizu III. ADR is scheduled to acquire the property on April 18, 2024 or any other date separately agreed with the seller for the acquisition price of 1,279 million yen.
- ADR has executed the beneficiary interests transfer agreement on September 12, 2023, for the purpose of acquisition of RESIDIA Sangenjaya III. ADR is scheduled to acquire the property on April 18, 2024 or any other date separately agreed with the seller for the acquisition price of 2,016 million yen.
- ADR has executed the beneficiary interests transfer agreement on September 12, 2023, for the purpose of acquisition of RESIDIA Sendagi. ADR is scheduled to acquire the property on April 18, 2024 or any other date separately agreed with the seller for the acquisition price of 2,912 million yen.
- ADR has executed the beneficiary interests transfer agreement on September 12, 2023, for the purpose of acquisition of Tokyo Student-House Musashi-Kosugi. ADR is scheduled to acquire the property on April 18, 2024 or any other date separately agreed with the seller for the acquisition price of 5,835 million yen.

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, 2023 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)	55,029,000	44,729,000	656,741
Total		55,029,000	44,729,000	656,741

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 76,476 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, 2023.

6 Status of Holding of Assets by Country and Region

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

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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) Estimated amounts		
			Total amounts	Payment for the current period	Cumulative amount paid
RESIDIA Nihonbashi-Ningyocho II (Chuo-ku, Tokyo)	Major repair work	From: January 2023 To: January 2024	110	2	2
RESIDIA Negishi (Taito-ku, Tokyo)	Major repair work	From: September 2022 To: September 2023	57	38	38
RESIDIA Ochanomizu (Bunkyo-ku, Tokyo)	Major repair work	From: September 2022 To: October 2023	93	79	79
RESIDIA Higashisakura (Higashi-ku, Nagoya, Aichi)	Major repair work	From: March 2022 To: November 2023	92	14	14
Pacific Royal Court Minatomirai Ocean Tower (Nishi-ku, Yokohama, Kanagawa)	Major repair work	From: September 2022 To: June 2024	436	89	89
RESIDIA Izumi (Higashi-ku, Nagoya, Aichi)	Major repair work	From: March 2022 To: March 2024	224	8	8

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 1,866 million yen for the entire portfolio. When combined with repairs and maintenance cost of 929 million yen, the cost of construction work totals 2,795 million yen.

Name of real estate (Location)	Purpose	Implementation period	(million yen) Amount paid	
RESIDIA TOWER Meguro- Fudomae (Shinagawa-ku, Tokyo)	Major repair work	From: September 5, 2022 To: June 30, 2023		336
RESIDIA Kanda-Iwamotocho (Chiyoda-ku, Tokyo)	Major repair work	From: February 13, 2023 To: June 30, 2023		91
RESIDIA Higashi-Azabu (Minato-ku, Tokyo)	Major repair work	From: March 9, 2023 To: July 25, 2023		68
Other real estate properties	Major repair work			419
Other real estate properties	Renovations			949
Total				1,866

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.

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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	22nd FP	23rd FP	24th FP	25th FP	26th FP
	From: February 1, 2021 To: July 31, 2021	From: August 1, 2021 To: January 31, 2022	From: February 1, 2022 To: July 31, 2022	From: August 1, 2022 To: January 31, 2023	From: February 1, 2023 To: July 31, 2023
Balance of reserves at beginning of period	2,233	2,147	2,804	2,450	2,096
Amount of reserves during period	1,402	1,106	1,134	1,120	-
Reversal of reserves during period	1,487	450	1,489	1,473	2,096
Amount carried forward to next period	2,147	2,804	2,450	2,096	-

Note ADR decided not to set aside cash reserves for long-term renovation plans from the 26th FP onward.

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Status of Expenses and Liabilities

1 Details of Expenses Pertaining to Asset Management, etc.

(Thousands of yen)

項目	25th FP	26th FP
(a) Asset management fees (Note 1)	1,297,936(Note 2)	1,296,720(Note 3)
(b) Asset custody fees	9,982	10,052
(c) Administrative service fees	53,389	53,802
(d) Directors' compensation	6,300	6,300
(e) Other	543,041	623,862
合計	Total	1,990,737

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 49,500 thousand yen (including consumption taxes) treated as acquisition costs of real estate properties, and disposition fees of 8,300 thousand yen treated as gains on sales of real estate properties.

3. Other than the amount stated above, there were acquisition fees of 21,120 thousand yen (including consumption taxes) treated as acquisition costs of real estate properties, and disposition fees of 12,655 thousand yen treated as gains on sales of real estate properties.

2 Status of Borrowings

The status of loans payables of ADR as of July 31, 2023 is as follow

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.	Apr. 24, 2023	–	2, 000	0. 16%	Apr. 24, 2024	Bullet repayment	*6	Unsecured Unguaranteed
	MUFG Bank, Ltd.	Apr. 24, 2023	–	375	0. 55%	Oct. 24, 2023		*6	
	Sumitomo Mitsui Trust Bank, Limited		–	375					
	Mizuho Bank, Ltd.		–	250					
Subtotal			–	3, 000					
Current portion of long-term loans payable	MUFG Bank, Ltd.	Feb. 17, 2014	455	–	–	Feb. 16, 2023	Bullet repayment	*5	Unsecured Unguaranteed
	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	–	–	Mar. 24, 2023		*5	
	Mizuho Trust & Banking Co., Ltd.	Apr. 14, 2015	1, 200	–	–	Apr. 14, 2023		*3	
	The Norinchukin Bank		1, 500	–	–				
	The Yamaguchi Bank, Ltd.	Apr. 14, 2015	500	–	–	Apr. 14, 2023		*3	
	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					
	Sumitomo Mitsui Trust Bank, Limited	Sep. 11, 2020	500	500	0. 19%	Sep. 11, 2023		*5	
	Development Bank of Japan Inc.	Sep. 30, 2014	1, 500	1, 500	1. 02% *2	Sep. 29, 2023		*5	
	Sumitomo Mitsui Trust Bank, Limited	Nov. 15, 2013	2, 600	2, 600	1. 47% *2	Nov. 15, 2023		*5	
	Mitsui Sumitomo Insurance Company, Limited	Nov. 30, 2016	1, 000	1, 000	0. 32%	Nov. 30, 2023		*5	
	Sumitomo Mitsui Banking Corporation	Dec. 1, 2020	1, 500	1, 500	0. 14%	Dec. 1, 2023		*3	
	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					
	Sumitomo Mitsui Banking Corporation	Dec. 25, 2020	1, 200	1, 200	0. 14%	Dec. 25, 2023		*5	
	MUFG Bank, Ltd.	Feb. 17, 2014	–	500	1. 44% *2	Feb. 16, 2024		*5	
	Sumitomo Mitsui Trust Bank, Limited		–	500					
	Mizuho Trust & Banking Co., Ltd.	Apr. 14, 2015	–	1, 400	0. 88% *2	Apr. 12, 2024		*3	
	Sumitomo Mitsui Banking Corporation	Nov. 30, 2018	–	700	0. 30%	May. 31, 2024		*5	
	The Iyo Bank, Ltd.	Jul. 29, 2016	–	300	0. 20%	Jul. 29, 2024		*5	
	The Chugoku Bank, Ltd.	Jul. 29, 2016	–	500	0. 20%	Jul. 29, 2024		*5	
	The Bank of Kyoto, Ltd.	Jul. 29, 2016	–	500	0. 20%	Jul. 29, 2024		*5	
Subtotal			19, 880	16, 500					

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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. 17, 2014	500	500	1.59% *2	Feb. 14, 2025	Bullet repayment	*5	Unsecured Unguaranteed	
	MUFG Bank, Ltd.	Feb. 17, 2014	500	—	—	Feb. 16, 2024		*5		
	Sumitomo Mitsui Trust Bank, Limited		500	—				*5		
	Development Bank of Japan Inc.	Sep. 30, 2014	1,850	1,850	1.18% *2	Sep. 30, 2024		*5		
	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	—	—	Apr. 12, 2024		*3		
	Development Bank of Japan Inc.	Jun. 25, 2015	2,300	2,300	1.04% *2	Jun. 25, 2025		*5		
	MUFG Bank, Ltd.	Sep. 14, 2015	400	400	0.92% *2	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		
	MUFG Bank, Ltd.	Feb. 29, 2016	990	990	0.55% *2	Feb. 28, 2026		*5		
	Sumitomo Mitsui Trust Bank, Limited	Feb. 29, 2016	990	990	0.66% *2	Jan. 31, 2027		*5		
	Mizuho Bank, Ltd.		1,080	1,080				*5		
	MUFG Bank, Ltd.	Feb. 29, 2016	2,500	2,500	0.57% *2	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% *2	Mar. 24, 2026		*3		
	Mizuho Bank, Ltd.	Mar. 24, 2016	900	900	0.63% *2	Jan. 31, 2027		*3		
	Mizuho Trust & Banking Co., Ltd.		750	750				*3		
	Resona Bank, Limited.	Mar. 24, 2016	900	900	0.52% *2	Jan. 31, 2026		*3		
	MUFG Bank, Ltd.	Mar. 24, 2016	1,150	1,150	0.45% *2	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% *2	Mar. 24, 2026		*3		
	Mizuho Bank, Ltd.	Apr. 14, 2016	400	400	0.63% *2	Jan. 31, 2027		*3		
	The Yamaguchi Bank, Ltd.	Jul. 29, 2016	500	500	0.36% *2	Jul. 29, 2026		*5		
	The Bank of Fukuoka, Ltd.	Jul. 29, 2016	1,000	1,000	0.36% *2	Jul. 29, 2026		*5		
	The Bank of Fukuoka, Ltd.	Jul. 29, 2016	1,000	1,000	0.26% *2	Jul. 29, 2025		*5		
	The Iyo Bank, Ltd.	Jul. 29, 2016	300	—	—	Jul. 29, 2024		*5		
	The Chugoku Bank, Ltd.	Jul. 29, 2016	500	—	—	Jul. 29, 2024		*5		
	The Bank of Kyoto, Ltd.	Jul. 29, 2016	500	—	—	Jul. 29, 2024		*5		
	The Norinchukin Bank	Nov. 30, 2016	1,500	1,500	0.45% *2	Nov. 28, 2025		*5		
	The Norinchukin Bank	Nov. 30, 2016	1,000	1,000	0.38% *2	Nov. 29, 2024		*5		
	TAIYO LIFE INSURANCE COMPANY.	Nov. 30, 2016	1,500	1,500	0.24% *2	Nov. 29, 2024		*5		
	MUFG Bank, Ltd.	Jan. 31, 2017	1,250	1,250	0.41% *2	Jan. 29, 2027		*5		
	MUFG Bank, Ltd.	Jan. 31, 2017	1,000	1,000	0.58% *2	Jan. 29, 2027		*5		
	Sumitomo Mitsui Trust Bank, Limited	Jan. 31, 2017	1,000	1,000	0.63% *2	Jan. 29, 2027		*5		
	Sumitomo Mitsui Trust Bank, Limited	Jan. 31, 2017	1,250	1,250	0.61% *2	Jan. 29, 2027		*5		
	Resona Bank, Limited.		1,000	1,000				*5		
	Resona Bank, Limited.	Jan. 31, 2017	1,000	1,000	0.50% *2	Jan. 30, 2026		*5		
	MUFG Bank, Ltd.	Apr. 25, 2017	1,200	1,200	0.43% *2	Feb. 25, 2026		*6		
	Sumitomo Mitsui Trust Bank, Limited	Apr. 25, 2017	1,000	1,000	0.67% *2	Apr. 25, 2028		*6		
	Development Bank of Japan Inc.	Apr. 25, 2017	1,400	1,400	0.56% *2	Apr. 23, 2027		*6		
	MUFG Bank, Ltd.	Apr. 28, 2017	2,500	2,500	0.52% *2	Feb. 26, 2027		*5		
	MUFG Bank, Ltd.	Apr. 28, 2017	1,000	1,000	0.47% *2	Aug. 31, 2026		*5		
	Sumitomo Mitsui Trust Bank, Limited	Apr. 28, 2017	2,000	2,000	0.60% *2	Apr. 30, 2027		*5		
	MUFG Bank, Ltd.		2,000	2,000				*5		
	MUFG Bank, Ltd.	Apr. 28, 2017	1,700	1,700	0.54% *2	Oct. 30, 2026		*5		
	Development Bank of Japan Inc.	May. 31, 2017	1,000	1,000	0.57% *2	May. 31, 2027		*7		

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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	Repay-ment method	Use	Remarks
	Lenders								
Long-term loans payable	THE NISHI-NIPPON CITY BANK, LTD.	Sep. 11, 2017	500	500	0.55%	Aug. 31, 2027	Bullet repayment	*6	Unsecured Unguaranteed
	The Bank of Fukuoka, Ltd.		500	500					
	The Iyo Bank, Ltd.		500	500					
	The 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	
	SBI 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	
	SBI 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	-	-	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			
Mizuho Bank, Ltd.	Nov. 29, 2019	1,200	1,200	0.39%	Nov. 30, 2029	*5			
SBI 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%	Mar. 22, 2030	*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										
					*2						
	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			
	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			
	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							
	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			
	SBI 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			
Long-term loans payable	Sumitomo Mitsui Banking Corporation	Oct. 29, 2021	500	500	0.23%	Oct. 31, 2024	Bullet repayment	*5	Unsecured Unguaranteed		
	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			
	SBI 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	700	0.47%*2	Jan. 30, 2032		*3			
	MUFG Bank, Ltd.	Feb. 16, 2022	1,300	1,300	0.49%	Feb. 16, 2032		*5			
	Sumitomo Mitsui Trust Bank, Limited	Feb. 16, 2022	2,100	2,100	0.55%*2	Feb. 16, 2032		*5			
	Mizuho Bank, Ltd.	Feb. 16, 2022	2,000	2,000	0.55%*2	Feb. 16, 2032		*5			
	Mizuho Trust & Banking Co., Ltd.	Feb. 16, 2022	500	500	0.55%*2	Feb. 16, 2032		*5			
	Kiraboshi Bank, Ltd.	Apr. 14, 2022	500	500	0.79%	Apr. 14, 2032		*5			
	The 77 Bank, Ltd.		500	500							
	The Iyo Bank, Ltd.	Apr. 14, 2022	700	700	0.68%*2	Apr. 14, 2032		*5			
	Sumitomo Mitsui Trust Bank, Limited	Apr. 18, 2022	500	500	0.67%*2	Apr. 16, 2032		*3			
	Shinkin Central Bank		1,000	1,000							
	The Chugoku Bank, Ltd.		1,000	1,000							
	Resona Bank, Limited.	Apr. 18, 2022	500	500	0.58%*2	Oct. 18, 2030		*3			
	Mitsui Sumitomo Insurance Company, Limited	Apr. 18, 2022	500	500	0.50%*2	Apr. 18, 2029		*3			
	Aozora Bank, Ltd.	Apr. 28, 2022	700	700	0.65%	Oct. 31, 2030		*5			
	Sumitomo Mitsui Banking Corporation	May. 31, 2022	1,560	1,560	0.34%	May. 29, 2026		*5			
	SBI Shinsei Bank, Limited	Jun. 17, 2022	1,000	1,000	0.67%	Jun. 15, 2029		*5			
	The Bank of Fukuoka, Ltd.	Jul. 6, 2022	900	900	0.74%*2	Jul. 6, 2032		*3			
	THE NISHI-NIPPON CITY BANK, LTD.	Jul. 29, 2022	400	400	0.46%	Jul. 31, 2029		*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	MUFG Bank, Ltd.	Jul. 29, 2022	800	800	0.73%	Jul. 30, 2032	Bullet repayment	*5	Unsecured Unguaranteed
	MUFG Bank, Ltd.	Jul. 29, 2022	300	300	0.45%	Jul. 31, 2029		*5	
	The Norinchukin Bank	Aug. 16, 2022	1,000	1,000	0.66%*2	Aug. 16, 2032		*6	
	The Bank of Kyoto, Ltd.	Sep. 28, 2022	500	500	0.60%	Sep. 28, 2032		*3	
	The Keiyo Bank, Ltd.	Sep. 30, 2022	1,000	1,000	0.91%*2	Sep. 30, 2032		*5	
	Mizuho Trust & Banking Co., Ltd.	Oct. 14, 2022	1,200	1,200	0.89%*2	Oct. 14, 2032		*5	
	Aozora Bank, Ltd.	Oct. 31, 2022	1,000	1,000	0.82%	Oct. 31, 2031		*5	
	The Chiba Bank, Ltd.	Oct. 31, 2022	1,000	1,000	0.68%*2	Oct. 31, 2029		*5	
	Mizuho Trust & Banking Co., Ltd.	Nov. 8, 2022	1,000	1,000	0.75%*2	Nov. 8, 2029		*3	
	Shinkin Central Bank		1,000	1,000					
	Aozora Bank, Ltd.		1,000	1,000					
	Sumitomo Mitsui Banking Corporation	Nov. 15, 2022	1,550	1,550	0.39%	Apr. 30, 2026		*5	
	Sumitomo Mitsui Banking Corporation	Nov. 15, 2022	2,000	2,000	0.42%	Nov. 13, 2026		*5	
	Resona Bank, Limited.	Jan. 31, 2023	1,000	1,000	1.08%*2	Jan. 31, 2031		*5	
	Resona Bank, Limited.	Jan. 31, 2023	1,000	1,000	0.99%*2	Jan. 31, 2030		*5	
	Aozora Bank, Ltd.	Jan. 31, 2023	700	700	1.00%	Jan. 31, 2031		*5	
	Sumitomo Mitsui Trust Bank, Limited	Feb. 1, 2023	–	1,000	0.98%*2	Jan. 31, 2033		*3	
	Sumitomo Mitsui Trust Bank, Limited	Feb. 1, 2023	–	500	0.83%*2	Jan. 31, 2031		*3	
	The Yamaguchi Bank, Ltd.	Feb. 1, 2023	–	500	0.98%*2	Jan. 31, 2033		*3	
	MUFG Bank, Ltd.	Feb. 16, 2023	–	910	1.23%	Feb. 16, 2033		*5	
	Mizuho Bank, Ltd.	Feb. 16, 2023	–	1,630	0.78%*2	Aug. 16, 2030		*5	
	Sumitomo Mitsui Banking Corporation	Feb. 16, 2023	–	1,120	0.44%	Feb. 16, 2027		*5	
	Kansai Mirai Bank, Limited	Mar. 24, 2023	–	920	0.67%	Sep. 24, 2030		*5	
	Mizuho Trust & Banking Co., Ltd.	Apr. 14, 2023	–	1,200	1.04%*2	Apr. 14, 2033		*5	
	The Norinchukin Bank	Apr. 14, 2023	–	1,500	0.88%	Oct. 14, 2031		*5	
	The Yamaguchi Bank, Ltd.	Apr. 14, 2023	–	500	0.77%	Oct. 11, 2030		*5	
Subtotal			176,829	182,209					
Total			196,709	201,709					

*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, 2023 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	—	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 #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		34,600	31,600					

*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.

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Acquisitions and Disposals in the 26th 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)
R-085	RESIDIA Tamatsukuri	Feb. 1, 2023	1,920	—	—	—	—
R-071	RESIDIA Sakae	—	—	Apr. 28, 2023	919	917	2
T-047	RESIDIA Azabudai (49 % quasi-co-ownership interest)	—	—	Jul. 3, 2023	1,611	772	839
Total			1,920	—	2,531	1,690	840

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 Asset	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	R-085	RESIDIA Tamatsukuri	Feb. 1, 2023	1,920	2,060	JLL Morii Valuation & Advisory K.K.	Jul. 11, 2022
Disposition	Real estate	R-071	RESIDIA Sakae	Apr. 28, 2023	919	951	DAIWA REAL ESTATE APPRAISAL CO., LTD.	Jan. 31, 2023
Disposition	Beneficiary interests in trust	T-047	RESIDIA Azabudai (49 % quasi-co-ownership interest) Note 3	Jul. 3, 2023	1,611	1,078	DAIWA REAL ESTATE APPRAISAL CO., LTD.	Jan. 31, 2023

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.

3. The appraisal value of RESIDIA Azabudai stated the ADR's quasi-co-ownership interest (49%) out of the total appraisal value of the property.

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.

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4 Transactions with Interested Parties

1) Transactions

The following table details the status of transactions with interested parties in the 26th FP.

Not applicable.

2) Amount of Commission Fees Paid

The following are the commission fees paid to interested parties in the 26th FP.

Category	Total amount of commission fees (A) (thousands of yen)	Breakdown of transactions with interested parties		Share (B)/(A) (%)
		Payee	Amount paid (B) (thousands of yen)	
Property management fees	1,540,280	ITOCHU Urban Community Ltd.	977,254	63.4
Other rental expenses	146,102	ITOCHU Urban Community Ltd.	101,127	69.2
Advertising expenses	18,479	ITOCHU Urban Community Ltd.	1,362	7.4
Other fees	153,280	ITOCHU Urban Community Ltd.	19,855	13.0
		ITOCHU Human Resources & General Affairs Services Inc.	91	0.1

Notes 1. Transactions are not listed here if the nominal counterparty is an interested party but the actual counterparty is clearly a third party.

2. ITOCHU Urban Community Ltd., and ITOCHU Human Resources & General Affairs Services Inc. are the interested parties of the asset management company that have signed 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 26th 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.

Information on the previous FP in the Balance Sheets, Statements of Income, Statements of Changes in Net Assets, Notes to Financial Statements, and Statements of Cash Distributions has been prepared as a reference, and is not subject to the independent auditor’s audit stipulated in the provisions of Article 130 of the Act on Investment Trusts and Investment Corporations in the FP under review.

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, 2023 (Reference)	As of July 31, 2023
Assets		
Current assets		
Cash and deposits	14,716,443	17,666,099
Cash and deposits in trust	10,123,253	10,015,087
Operating accounts receivable	148,816	144,545
Prepaid expenses	354,776	496,823
Other	6,849	7,393
Allowance for doubtful accounts	(2,115)	(48)
Total current assets	25,348,022	28,329,900
Non-current assets		
Property, plant and equipment		
Buildings	82,900,268	82,176,589
Accumulated depreciation	(20,824,617)	(20,589,388)
Buildings, net	62,075,650	61,587,200
Structures	28,252	460,153
Accumulated depreciation	(14,545)	(264,986)
Structures, net	13,707	195,166
Machinery and equipment	454,167	1,994,689
Accumulated depreciation	(77,122)	(1,034,863)
Machinery and equipment, net	377,045	959,826
Tools, furniture and fixtures	632,222	666,440
Accumulated depreciation	(377,917)	(411,186)
Tools, furniture and fixtures, net	254,305	255,253
Land	83,404,629	84,227,464
Construction in progress	58,682	98,329
Buildings in trust	163,049,980	161,580,260
Accumulated depreciation	(40,412,495)	(41,699,931)
Buildings in trust, net	122,637,485	119,880,329
Structures in trust	210,673	862,619
Accumulated depreciation	(136,405)	(406,823)
Structures in trust, net	74,267	455,795
Machinery and equipment in trust	340,072	1,936,402
Accumulated depreciation	(182,352)	(900,841)
Machinery and equipment in trust, net	157,719	1,035,560
Tools, furniture and fixtures in trust	1,379,083	1,291,318
Accumulated depreciation	(922,155)	(837,470)
Tools, furniture and fixtures in trust, net	456,927	453,848
Land in trust	169,133,790	168,540,412
Construction in progress in trust	15,807	151,886
Total property, plant and equipment	438,660,019	437,841,073
Intangible assets		
Leasehold rights in trust	1,665,018	1,630,581
Other	1,833	1,315
Total intangible assets	1,666,852	1,631,896
Investments and other assets		
Long-term prepaid expenses	1,016,518	976,417
Guarantee deposits	615,876	621,997
Guarantee deposits in trust	1,053,448	1,053,448
Derivative assets	1,157,100	733,218
Other	1,164	1,074
Total investments and other assets	3,844,108	3,386,155
Total non-current assets	444,170,980	442,859,126
Deferred assets		
Investment corporation bond issuance costs	110,648	99,090
Total deferred assets	110,648	99,090
Total assets	469,629,651	471,288,116

II . Balance Sheets

(Thousands of yen)

	As of January 31, 2023 (Reference)	As of July 31, 2023
Liabilities		
Current liabilities		
Operating accounts payable	531,055	735,042
Short-term loans payable	—	3,000,000
Current portion of investment corporation bonds	3,000,000	7,500,000
Current portion of long-term loans payable	19,880,000	16,500,000
Accounts payable – other	1,524,436	1,603,668
Accrued expenses	88,853	50,064
Accrued consumption taxes	86,352	77,921
Advances received	81,752	74,585
Other	14,383	13,918
Total current liabilities	25,206,834	29,555,201
Non-current liabilities		
Investment corporation bonds	31,600,000	24,100,000
Long-term loans payable	176,829,000	182,209,000
Tenant leasehold and security deposits	1,307,408	1,319,288
Tenant leasehold and security deposits in trust	3,329,352	3,320,477
Total non-current liabilities	213,065,760	210,948,765
Total liabilities	238,272,595	240,503,967
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 29,508,224	*3 29,172,703
Total voluntary retained earnings	29,508,224	29,172,703
Unappropriated retained earnings (undisposed loss)	8,436,629	8,623,124
Total surplus	91,165,133	91,016,107
Total unitholders' equity	230,199,956	230,050,930
Valuation and translation adjustments		
Deferred gain or loss on hedging instruments	1,157,100	733,218
Total valuation and translation adjustments	1,157,100	733,218
Total net assets	*1 231,357,056	*1 230,784,148
Total liabilities and net assets	469,629,651	471,288,116

III. Statements of Income

(Thousands of yen)

	For the six months ended January 31, 2023 (Reference)		For the six months ended July 31, 2023	
Operating revenues				
Rental revenue – real estate	*1	17,357,150	*1	17,683,277
Gain on sales of real estate properties	*2	511,350	*2	840,532
Total operating revenue		17,868,501		18,523,810
Operating expenses				
Expenses related to the rent business	*1	7,007,288	*1	7,732,805
Asset management fees		1,297,936		1,296,720
Asset custody fees		9,982		10,052
Administrative service fees		53,389		53,802
Directors' compensation		6,300		6,300
Taxes and dues		369,789		397,166
Bad debt expenses		108		157
Other operating expenses		173,143		226,538
Total operating expenses		8,917,939		9,723,543
Operating income		8,950,561		8,800,266
Non-operating income				
Interest income		6,884		6,880
Compensation received		—		1,822
Reversal of distribution payable		1,203		1,168
Reversal of allowance for doubtful accounts		3,342		324
Other		188		503
Total non-operating income		11,618		10,698
Non-operating expenses				
Interest expenses		558,810		554,783
Interest expense on investment corporation bonds		124,476		112,364
Amortization of investment unit issuance expenses		184		—
Amortization of investment corporation bond issuance costs		12,248		11,558
Borrowing -related expenses		186,216		192,279
Other		5,395		—
Total non-operating expenses		887,331		870,986
Ordinary income		8,074,848		7,939,978
Income before income taxes		8,074,848		7,939,978
Income taxes – current		605		605
Total income taxes		605		605
Net income		8,074,243		7,939,373
Retained earnings brought forward		362,385		683,750
Unappropriated retained earnings (undisposed loss)		8,436,629		8,623,124

IV. Statements of Changes in Net Assets

For the six months ended January 31, 2023 (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	29,843,746	29,843,746	8,040,473	91,104,499	230,139,322
Changes in items during the period							
Reversal of reserve for temporary difference adjustments			(335,521)	(335,521)	335,521	—	—
Dividends from surplus					(8,013,610)	(8,013,610)	(8,013,610)
Net income					8,074,243	8,074,243	8,074,243
Net changes in items other than unitholders' equity during the period							
Total changes in items during the period	—	—	(335,521)	(335,521)	396,155	60,633	60,633
Balance at the end of period	139,034,823	53,220,279	29,508,224	29,508,224	8,436,629	91,165,133	230,199,956

	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	114,641	114,641	230,253,964
Changes in items during the period			
Reversal of reserve for temporary difference adjustments			—
Dividends from surplus			(8,013,610)
Net income			8,074,243
Net changes in items other than unitholders' equity during the period	1,042,458	1,042,458	1,042,458
Total changes in items during the period	1,042,458	1,042,458	1,103,092
Balance at the end of period	1,157,100	1,157,100	231,357,056

IV. Statements of Changes in Net Assets

For the six months ended July 31, 2023

(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	29,508,224	29,508,224	8,436,629	91,165,133	230,199,956
Changes in items during the period							
Reversal of reserve for temporary difference adjustments			(335,521)	(335,521)	335,521	—	—
Dividends from surplus					(8,088,400)	(8,088,400)	(8,088,400)
Net income					7,939,373	7,939,373	7,939,373
Net changes in items other than unitholders' equity during the period							
Total changes in items during the period	—	—	(335,521)	(335,521)	186,495	(149,026)	(149,026)
Balance at the end of period	139,034,823	53,220,279	29,172,703	29,172,703	8,623,124	91,016,107	230,050,930

	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	1,157,100	1,157,100	231,357,056
Changes in items during the period			
Reversal of reserve for temporary difference adjustments			—
Dividends from surplus			(8,088,400)
Net income			7,939,373
Net changes in items other than unitholders' equity during the period	(423,882)	(423,882)	(423,882)
Total changes in items during the period	(423,882)	(423,882)	(572,908)
Balance at the end of period	733,218	733,218	230,784,148

V. Notes to Financial Statements

Significant Accounting Policies

	For the six months ended January 31, 2023 (Reference)	For the six months ended July 31, 2023																
(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>1 to 71 years</td></tr><tr><td>Structures</td><td>1 to 50 years</td></tr><tr><td>Machinery and equipment</td><td>2 to 29 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	1 to 71 years	Structures	1 to 50 years	Machinery and equipment	2 to 29 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	1 to 71 years																	
Structures	1 to 50 years																	
Machinery and equipment	2 to 29 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 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</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</p>																

V. Notes to Financial Statements

	For the six months ended January 31, 2023 (Reference)	For the six months ended July 31, 2023
	<p>estate properties instead of recording it as an expense for the property leasing activities. The amount of property taxes treated as acquisition costs of real estate properties was 4,287 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: 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 instead of recording it as an expense for the property leasing activities. The amount of property taxes treated as acquisition costs of real estate properties was 6,901 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: 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</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</p>

V . Notes to Financial Statements

	For the six months ended January 31, 2023 (Reference)	For the six months ended July 31, 2023
	<p>statements of income.</p> <p>Of the accounts used to record the above trust assets, the following accounts are significant and disclosed separately on the face of the balance sheets.</p> <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</p> <p>Accounting for non-current assets and deferred assets is inclusive of consumption taxes and local consumption taxes.</p>	<p>statements of income.</p> <p>Of the accounts used to record the above trust assets, the following accounts are significant and disclosed separately on the face of the balance sheets.</p> <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</p> <p>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 Estimate

For the six months ended January 31, 2023 (Reference)	For the six months ended July 31, 2023
—	<p>(Changes in Accounting Estimate)</p> <p>(Changes in useful lives of property, plant and equipment)</p> <p>ADR decided on the policy of renovating exclusively owned areas on a scheduled basis and reviewed its long-term renovation plans to maintain and improve the profitability of its owned properties as the properties become older over time. In such efforts, it examined the estimated economic useful lives of property, plant, and equipment and found that for some there was a divergence between the conventional useful life and estimated economic useful life. Therefore, it reviewed and revised the useful lives for the period and beyond.</p> <p>Consequently, compared to the previous method, depreciation and amortization increased by 350 million yen while operating income, ordinary income, and income before income taxes decreased by the same amount for the period.</p>

Balance Sheets

As of January 31, 2023 (Reference)	As of July 31, 2023																				
<p>(1) Minimum net assets as stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations</p> <p>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>50,000 thousand yen</p>																				
<p>(2) ADR has executed commitment line agreements with banks.</p> <table> <tr> <td>Total commitment line of credit</td><td>20,000,000 thousand yen</td></tr> <tr> <td>Amount used</td><td>—</td></tr> <tr> <td>Unused balance</td><td>20,000,000 thousand yen</td></tr> </table>	Total commitment line of credit	20,000,000 thousand yen	Amount used	—	Unused balance	20,000,000 thousand yen	<p>(2) ADR has executed commitment line agreements with banks.</p> <table> <tr> <td>Total commitment line of credit</td><td>20,000,000 thousand yen</td></tr> <tr> <td>Amount used</td><td>1,000,000 thousand yen</td></tr> <tr> <td>Unused balance</td><td>19,000,000 thousand yen</td></tr> </table>	Total commitment line of credit	20,000,000 thousand yen	Amount used	1,000,000 thousand yen	Unused balance	19,000,000 thousand yen								
Total commitment line of credit	20,000,000 thousand yen																				
Amount used	—																				
Unused balance	20,000,000 thousand yen																				
Total commitment line of credit	20,000,000 thousand yen																				
Amount used	1,000,000 thousand yen																				
Unused balance	19,000,000 thousand yen																				
<p>(3) Provision and reversal of the reserve for temporary difference adjustments</p> <p>Reserve for dividends (Note)</p> <table> <tr> <td></td><td>(Thousands of yen)</td></tr> <tr> <td>Initial amount</td><td>33,552,162</td></tr> <tr> <td>Balance at the beginning of period</td><td>29,843,746</td></tr> <tr> <td>Funds drawn down during the 25th FP</td><td>335,521</td></tr> <tr> <td>Balance at the end of period</td><td>29,508,224</td></tr> </table> <p>Reasons for setting aside and drawing down funds</p> <p>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).</p>		(Thousands of yen)	Initial amount	33,552,162	Balance at the beginning of period	29,843,746	Funds drawn down during the 25th FP	335,521	Balance at the end of period	29,508,224	<p>(3) Provision and reversal of the reserve for temporary difference adjustments</p> <p>Reserve for dividends (Note)</p> <table> <tr> <td></td><td>(Thousands of yen)</td></tr> <tr> <td>Initial amount</td><td>33,552,162</td></tr> <tr> <td>Balance at the beginning of period</td><td>29,508,224</td></tr> <tr> <td>Funds drawn down during the 26th FP</td><td>335,521</td></tr> <tr> <td>Balance at the end of period</td><td>29,172,703</td></tr> </table> <p>Reasons for setting aside and drawing down funds</p> <p>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).</p>		(Thousands of yen)	Initial amount	33,552,162	Balance at the beginning of period	29,508,224	Funds drawn down during the 26th FP	335,521	Balance at the end of period	29,172,703
	(Thousands of yen)																				
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Funds drawn down during the 26th FP	335,521																				
Balance at the end of period	29,172,703																				

V. Notes to Financial Statements

Statements of Income

For the six months ended January 31, 2023 (Reference)		For the six months ended July 31, 2023	
(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	15,239,894	Rent income	15,388,285
Facility charges	969,111	Facility charges	992,862
Parking fees	470,250	Parking fees	472,202
Subtotal	16,679,256	Subtotal	16,853,350
Other revenue related to property leasing		Other revenue related to property leasing	
Income from leasing rights	113,273	Income from leasing rights	138,308
Other	564,620	Other	691,618
Subtotal	677,894	Subtotal	829,927
Total revenue from property leasing activities	17,357,150	Total revenue from property leasing activities	17,683,277
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	921,552	Property taxes	935,190
Property management fees	1,244,935	Property management fees	1,318,167
Utilities	294,096	Utilities	331,090
Repairs and maintenance	775,988	Repairs and maintenance	929,854
Property-casual insurance	24,377	Property-casual insurance	23,638
Trust fees	64,323	Trust fees	73,944
Other rental expenses	724,051	Other rental expenses	751,947
Depreciation and amortization	2,957,963	Depreciation and amortization	3,368,972
Total expenses from property leasing activities	7,007,288	Total expenses from property leasing activities	7,732,805
C. Operating income (loss) from property leasing activities (A–B)	10,349,862	C. Operating income (loss) from property leasing activities (A–B)	9,950,472
(2) Breakdown of gain on sales of real estate properties		(2) Breakdown of gain on sales of real estate properties	
	(Thousands of yen)		(Thousands of yen)
(RESIDIA Kamiikebukuro)		(RESIDIA Azabudai (49 % quasi-co-ownership interest))	
Revenue from sales of real estate property	860,000	Revenue from sales of real estate property	1,611,120
Cost of sales of real estate property	503,709	Cost of sales of real estate property	738,055
Other sales expenses	22,269	Other sales expenses	34,694
Gain on sales of real estate properties	334,021	Gain on sales of real estate properties	838,370
(Tokyo Student-House WAKO)		(RESIDIA Sakae)	
Revenue from sales of real estate property	800,000	Revenue from sales of real estate property	919,975
Cost of sales of real estate property	615,627	Cost of sales of real estate property	893,018
Other sales expenses	7,043	Other sales expenses	24,794
Gain on sales of real estate properties	177,329	Gain on sales of real estate properties	2,162

V. Notes to Financial Statements

Statements of Changes in Net Assets

For the six months ended January 31, 2023 (Reference)		For the six months ended July 31, 2023	
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, 2023 (Reference)		As of July 31, 2023	
(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	665	Excess provision of allowance for doubtful accounts	15
Valuation difference on assets acquired through merger	8,938,114	Valuation difference on assets acquired through merger, etc.	8,851,422
Other	217,442	Other	228,242
Subtotal	9,156,222	Subtotal	9,079,680
Less valuation allowance associated with total of deductible temporary differences, etc.	(9,156,222)	Less valuation allowance associated with total of deductible temporary differences, etc.	(9,079,680)
Subtotal	(9,156,222)	Subtotal	(9,079,680)
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	(1.05)	Increase (decrease) in valuation allowance	(0.96)
Deductible dividends	(30.41)	Deductible dividends	(29.75)
Other	0.01	Other	(0.74)
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, 2023 (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

V. Notes to Financial Statements

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.

Meanwhile, 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 with 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, 2023 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	(3,000,000)	(3,007,030)	7,030
2) Current portion of long-term loans payable	(19,880,000)	(19,902,484)	22,484
3) Investment corporation bonds	(31,600,000)	(31,059,450)	(540,549)
4) Long-term loans payable	(176,829,000)	(176,806,809)	(22,190)
5) Derivative transactions (Special accounting treatment for interest rate swaps) *2	—	(69,241)	(69,241)
6) Derivative transactions (Basic treatment for interest rate swaps)	1,157,100	1,157,100	—

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, 2023 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	27,410,000	12,650,000	(69,241) (*3)
Basic accounting method	Interest rate swap transactions (fixed rate payment, floating rate receipt)	Long-term loans payable	29,649,000	29,649,000	1,157,100

*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	—	—	—	—	—	—
Current portion of investment corporation bonds	3,000,000	—	—	—	—	—
Current portion of long-term loans payable	19,880,000	—	—	—	—	—
Investment corporation bonds	—	7,500,000	5,500,000	—	4,000,000	14,600,000
Long-term loans payable	—	14,850,000	21,300,000	26,620,000	17,250,000	96,809,000
Total	22,880,000	22,350,000	26,800,000	26,620,000	21,250,000	111,409,000

For the six months ended July 31, 2023

(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.

Meanwhile, 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 with which deposits are placed, and by placing deposits with various financial

V. Notes to Financial Statements

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 July 31, 2023 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	(7,500,000)	(7,512,410)	12,410
2) Current portion of long-term loans payable	(16,500,000)	(16,516,428)	16,428
3) Investment corporation bonds	(24,100,000)	(23,665,375)	(434,624)
4) Long-term loans payable	(182,209,000)	(182,784,800)	575,800
5) Derivative transactions (Special accounting treatment for interest rate swaps) *2	—	(76,476)	(76,476)
6) Derivative transactions (Basic treatment for interest rate swaps)	733,218	733,218	—

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, 2023 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	20,550,000	10,250,000	(76,476) (*3)
Basic accounting method	Interest rate swap transactions (fixed rate payment, floating rate receipt)	Long-term loans payable	34,479,000	34,479,000	733,218

*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	3,000,000	—	—	—	—	—
Current portion of investment corporation bonds	7,500,000	—	—	—	—	—
Current portion of long-term loans payable	16,500,000	—	—	—	—	—
Investment corporation bonds	—	2,000,000	3,500,000	3,000,000	1,000,000	14,600,000
Long-term loans payable	—	20,350,000	23,700,000	24,340,000	20,250,000	93,569,000
Total	27,000,000	22,350,000	27,200,000	27,340,000	21,250,000	108,169,000

Value of Rental Properties

For the six months ended January 31, 2023 (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:

Book value (*1)			(Thousands of yen)
Balance at the beginning of period	Changes during the period (*2)	Balance at the end of period	Fair value at the end of period (*3)
437,697,925	2,627,112	440,325,038	697,659,000

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

*2. The increase during the period was mainly attributable to the acquisition of one real estate property (545,748 thousand yen) and real estate beneficiary interests in trust for one property (4,360,375 thousand yen), and the decrease was mainly attributable to the sale of real estate beneficiary interests in trust for two properties (1,119,336 thousand yen).

*3. The fair value at the end of 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, 2023.

For the six months ended July 31, 2023

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:

Book value (*1)			(Thousands of yen)
Balance at the beginning of period	Changes during the period (*2)	Balance at the end of period	Fair value at the end of period (*3)
440,325,038	(853,383)	439,471,655	700,062,880

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

*2. The increase during the period was mainly attributable to the acquisition of one real estate property (2,087,421 thousand yen), and the decrease was mainly attributable to the sale of one real estate property (893,018 thousand yen) and the real estate beneficiary interests in trust for one property (738,055 thousand yen).

*3. The fair value at the end of period is the appraisal or assessment value provided by an external real estate appraiser. For RESIDIA Azabudai, the fair value is the disposition price of its 51 % quasi-co-ownership interest.

Please refer to the above-mentioned “Statements of Income” for details on operating income from rental property for the six months ended July 31, 2023.

V. Notes to Financial Statements

Revenue Recognition

For the six months ended January 31, 2023 (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” 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, 2023

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.

Transactions with Related Parties

For the six months ended January 31, 2023 (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 Property Development, Ltd.	Development of real estate	Indirect 0.00%	Disposition of real estate (*2)	801,002 (*3)	—	—
Interested party	ITOCHU Urban Community Ltd.	Real estate rental business	—	Building management fees, etc. (*5)	938,908	Operating accounts payable	82,711 (*4)
Asset custodian	Sumitomo Mitsui Trust Bank Limited	Banking and trust business	—	Borrowing of funds (Repayment) (*6)	— (375,000)	Short-term loans payable	—
						Current portion of long-term loans payable	4,475,000
						Long-term loans payable	22,830,000

Transaction terms and policy on determination of transaction terms

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

*2. The disposition of real estate is determined through negotiations referring to prevailing transactions in the neighborhood and the appraisal value of a real estate appraiser.

*3. The transaction amount for disposition of the real estate includes the settlement money of property tax, etc. of 1,002 thousand yen.

*4. Consumption taxes are included.

*5. The transaction terms are determined through price negotiations based on actual market conditions.

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

V. Notes to Financial Statements

For the six months ended July 31, 2023

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. (*3)	977,254	Operating accounts payable	92,167 (*2)
Asset custodian	Sumitomo Mitsui Trust Bank Limited	Banking and trust business	—	Borrowing of funds (Repayment) (*4)	1,875,000 (1,375,000)	Short-term loans payable	375,000
						Current portion of long-term loans payable	3,600,000
						Long-term loans payable	23,830,000

Transaction terms and policy on determination of transaction terms

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

*2. Consumption taxes are included.

*3. The transaction terms are determined through price negotiations based on actual market conditions.

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

Per Unit Information

For the six months ended January 31, 2023 (Reference)		For the six months ended July 31, 2023	
Net assets per unit	167,044 yen	Net assets per unit	166,631 yen
Net income per unit	5,829 yen	Net income per unit	5,732 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.		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.		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, 2023 (Reference)	For the six months ended July 31, 2023
Net income (thousands of yen)	8,074,243	7,939,373
Amount not attributable to common unitholders (thousands of yen)	—	—
Net income attributable to common unit (thousands of yen)	8,074,243	7,939,373
Average number of units during the period (units)	1,385,000	1,385,000

V. Notes to Financial Statements

Significant Subsequent Event

1. Asset Acquisition Decision

ADR has decided to acquire the following assets in accordance with its basic asset management policies set forth in its Articles of Incorporation and other rules and has executed agreements accordingly:

<p>(1) RESIDIA Shirokane Takanawa II Type of Asset: Real estate beneficiary interests in trust Estimated acquisition price: 1,009,000 thousand yen Date of contract: September 12, 2023 Scheduled acquisition date: September 29, 2023 Location: 5-6-11 Mita, Minato-ku, Tokyo Area size: 224.13 m² (land); 1,104.28 m² (building) Structure: Flat-roofed reinforced concrete structure, 10 stories Constructed: August 2015</p>	<p>(2) RESIDIA Meguro IV Type of Asset: Real estate beneficiary interests in trust Estimated acquisition price: 1,853,000 thousand yen Date of contract: September 12, 2023 Scheduled acquisition date: September 29, 2023 Location: 2-10-18 Meguro, Meguro-ku, Tokyo Area size: 789.08 m² (land)^{Note 3}; 1,632.92 m² (building) Structure: Flat-roofed reinforced concrete structure, 10 stories Constructed: January 2016</p>
<p>(3) RESIDIA Bunkyo Koishikawa II Type of Asset: Real estate beneficiary interests in trust Estimated acquisition price: 1,772,000 thousand yen Date of contract: September 12, 2023 Scheduled acquisition date: September 29, 2023 Location: 3-26-3 Koishikawa, Bunkyo-ku, Tokyo Area size: 344.14 m² (land); 1,799.11 m² (building) Structure: Flat-roofed reinforced concrete structure, 15 stories Constructed: September 2016</p>	<p>(4) RESIDIA Shinagawa Seaside Type of Asset: Real estate beneficiary interests in trust Estimated acquisition price: 3,315,000 thousand yen Date of contract: September 12, 2023 Scheduled acquisition date: September 29, 2023 Location: 4-3-1 Higashishinagawa, Shinagawa-ku, Tokyo Area size: 904.30 m² (land); 3,604.99 m² (building) Structure: Flat-roofed reinforced concrete structure, 11 stories Constructed: March 2018</p>
<p>(5) Share Place Shimokitazawa Type of Asset: Real estate beneficiary interests in trust Estimated acquisition price: 694,000 thousand yen Date of contract: September 12, 2023 Scheduled acquisition date: September 29, 2023 Location: 1-42-3 Kitazawa, Setagaya-ku, Tokyo Area size: 500.54 m² (land)^{Note 4, 5}; 735.38 m² (building) Structure: Flat-roofed steel-reinforced concrete structure (SRC), 4 stories Constructed: September 2021</p>	<p>(6) RESIDIA Kyudai Gakkentoshi Type of Asset: Real estate beneficiary interests in trust Estimated acquisition price: 1,048,000 thousand yen Date of contract: September 12, 2023 Scheduled acquisition date: September 29, 2023 Location: 1-11-28 Saito, Nishi-ku, Fukuoka, Fukuoka Area size: 1,423.59 m² (land); 2,164.50 m² (building) Structure: Flat-roofed reinforced concrete structure, 5 stories Constructed: March 2020</p>
<p>(7) RESIDIA Kyusandai-mae Type of Asset: Real estate beneficiary interests in trust Estimated acquisition price: 806,542 thousand yen Date of contract: September 12, 2023 Scheduled acquisition date: September 29, 2023 Location: 1-20-18 Matsukadai, Higashi-ku, Fukuoka, Fukuoka Area size: 1,709.95 m² (land); 2,004.88 m² (building) Structure: Flat-roofed reinforced concrete structure, 4 stories Constructed: January 2022</p>	<p>(8) RESIDIA Ochanomizu III Type of Asset: Real estate beneficiary interests in trust Estimated acquisition price: 1,279,000 thousand yen Date of contract: September 12, 2023 Scheduled acquisition date: May 18, 2024 Location: 2-5-6 Sotokanda, Chiyoda-ku, Tokyo Area size: 358.12 m² (land)^{Note 6}; 1,301.32 m² (building) Structure: Flat-roofed reinforced concrete structure, 10 stories Constructed: November 2016</p>
<p>(9) RESIDIA Sangenjaya III Type of Asset: Real estate beneficiary interests in trust Estimated acquisition price: 2,016,000 thousand yen Date of contract: September 12, 2023 Scheduled acquisition date: April 18, 2024 Location: 2-19-7 Sangenjaya, Setagaya-ku, Tokyo Area size: 341.41 m² (land)^{Note 7}; 1,811.48 m² (building) Structure: Flat-roofed reinforced concrete structure, 10 stories and 1 basement story Constructed: May 2017</p>	<p>(10) RESIDIA Sendagi Type of Asset: Real estate beneficiary interests in trust Estimated acquisition price: 2,912,000 thousand yen Date of contract: September 12, 2023 Scheduled acquisition date: April 18, 2024 Location: 3-7-9 Yanaka, Taito-ku, Tokyo Area size: 1,086.80 m² (land); 2,745.30 m² (building) Structure: Flat-roofed reinforced concrete structure, 6 stories Constructed: October 2017</p>

V. Notes to Financial Statements

(11) Tokyo Student-House Musashi-Kosugi
Type of Asset: Real estate beneficiary interests in trust
Estimated acquisition price: 5,835,000 thousand yen
Date of contract: September 12, 2023
Scheduled acquisition date: April 18, 2024
Location: 399-1 Ichinotsubo, Nakahara-ku, Kawasaki,
Kanagawa
Area size: 3,419.11 m² (land); 6,845.00 m² (building)
Structure: Flat-roofed reinforced concrete structure, 7
stories
Constructed: January 2017

- Notes 1. None of the estimated acquisition prices includes any settlement amount equivalent to a fixed property tax, city planning tax, depreciable asset tax, and/or national and local consumption taxes.
2. If the transaction contract of this property is terminated due to any reason attributable to ADR (the purchaser), ADR will pay the seller 20% of the purchase price as a penalty for such termination in each case.
 3. Includes the portion where a building must be constructed with a set-back (approx. 28.50 m²).
 4. Does not include the land area equivalent to its co-ownership interest of the private road.
 5. Includes the portion where a building must be constructed with a set-back (approx. 8.23 m²).
 6. Includes a private road (approx. 98.51 m²).
 7. Includes the portion where a building must be constructed with a set-back (approx. 8.20 m²).

2. Asset Disposition

ADR has disposed of the following assets in accordance with its basic asset management policies set forth in its Articles of Incorporation and other rules:

RESIDIA Azabudai (51% quasi-co-ownership interest)
Type of Asset: Real estate beneficiary interests in trust
Disposition price: 1,676,880 thousand yen
Disposition date: Aug. 1, 2023
Location: 3-4-9 Azabudai, Minato-ku, Tokyo
Area size: 378.20 m² (land); 2,176.51 m² (building)
Structure: Flat-roofed reinforced concrete structure, 14 stories
Constructed: February 2006

Note ADR disposed of its 49% quasi-co-ownership beneficiary interest in trusts in RESIDIA Azabudai on July 3, 2023, and disposed of its remaining 51% quasi-co-ownership interest on August 1, 2023. The disposition price does not include any settlement amount equivalent to a fixed property tax, city planning tax and depreciable asset tax, and national and local consumption taxes.

3. Issuance of New Investment Units Decision

ADR approved the issuance of new investment units at its Board of Directors meeting held on September 12, 2023 for the purposes of acquisition of real estate, etc. (specified assets), and repayment of loans. An offer price per unit and related matters will be determined at its Board of Directors meeting to be held later.

[Issuance of new units through public offering]

New units issued: 45,600
Base date for distribution: Aug. 1, 2023

[Issuance of new units through third-party allotment]

New units issued: 2,400 or less
Base date for distribution: Aug. 1, 2023
Allottee: Mizuho Securities Co., Ltd.

VI. Statements of Cash Distributions

(yen)

	For the six months ended January 31, 2023 (Reference)	For the six months ended July 31, 2023
I. Unappropriated retained earnings	8,436,629,287	8,623,124,867
II. Reversal of reserves during period		
Reversal of reserve for temporary difference adjustments	*1 335,521,628	*1 759,858,747
III. Dividends	8,088,400,000	8,102,250,000
(Dividend per investment unit)	(5,840)	(5,850)
IV. Retained earnings carried forward	683,750,915	1,280,733,614
Dividend Policy	<p>In accordance with the distribution policy set forth in Article 32, Item 1 of ADR's Articles of Incorporation, ADR distributes the amount in excess of 90% of the 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 8,088,400,000 yen. The figure was derived by retaining 683,750,915 yen from the unappropriated retained earnings of 8,436,629,287 yen for the fiscal period, plus the drawdown of reserve for temporary difference adjustments (RTA) of 335,521,628 yen. The amount of 683,750,915 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 the amount in excess of 90% of the 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 8,102,250,000 yen. The figure was derived by retaining 1,280,733,614 yen from the unappropriated retained earnings of 8,623,124,867 yen for the fiscal period, plus the drawdown of reserve for temporary difference adjustments (RTA) of 759,858,747 yen. The amount of 1,280,733,614 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, 2023 (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, 2023 (25th FP).

VI. Statements of Cash Distributions

For the six months ended July 31, 2023

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 759,858,747 yen during the fiscal period ended July 31, 2023 (26th FP).

VII. Independent Auditor's Report

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

September 12, 2023

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:

Masaaki Kawakami

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, 2023, the statement of income and statement of changes in net assets for the 26th fiscal period from February 1, 2023 to July 31, 2023, and the related notes, and fiscal period report and statement of cash distributions for the six months ended July 31, 2023, as well as the annexed detailed statements (with regard to the fiscal period 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 fiscal period report and its annexed detailed statements is the portion of the matters stated in the fiscal period 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, 2023, 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 fiscal period report and its annexed detailed statements other than the part related to accounting covered by the audit opinion.

VII. Independent Auditor's Report

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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.

Fee-related Information

Fees paid or payable to our firm and to other firms within the same network as our firm for the audit and non-audit services charged to the Investment Corporation are disclosed in 3 Directors and Independent Auditor included in "Overview of the Investment Corporation" of the fiscal period report.

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, 2023	For the six months ended July 31, 2023
Cash flows from operating activities		
Income before income taxes	8,074,848	7,939,978
Depreciation and amortization	2,958,473	3,369,491
Amortization of investment unit issuance expenses	184	—
Amortization of investment corporation bond issuance costs	12,248	11,558
Increase (decrease) in allowance for doubtful accounts	(5,011)	(2,067)
Interest income	(6,884)	(6,880)
Interest expenses	558,810	554,783
Interest expense on investment corporation bonds	124,476	112,364
Decrease (increase) in operating accounts receivable	(6,520)	4,270
Decrease (increase) in prepaid expenses	24,038	(142,047)
Increase (decrease) in accrued consumption taxes	60,793	(8,430)
Increase (decrease) in operating accounts payable	90,141	(24,626)
Increase (decrease) in accounts payable – other	16,263	79,232
Increase (decrease) in accrued expenses	26,703	(27,469)
Increase (decrease) in advances received	1,785	(7,167)
Decrease in property, plant and equipment by sales	—	893,018
Decrease in property, plant and equipment in trust by sales	1,119,483	738,055
Decrease (increase) in long-term prepaid expenses	(111,358)	40,101
Other	(738)	(704)
Subtotal	12,937,738	13,523,461
Interest income received	505	991
Interest expense paid	(690,344)	(678,467)
Income taxes paid	(503)	(679)
Cash flows from operating activities	12,247,395	12,845,306
Cash flows from investing activities		
Payments into time deposits	(5,000,000)	(8,000,000)
Proceeds from withdrawal of time deposits	5,000,000	6,000,000
Purchase of property, plant and equipment	(1,389,427)	(2,990,135)
Purchase of property, plant and equipment in trust	(5,363,542)	(928,891)
Proceeds from tenant leasehold and security deposits, net	(963)	11,880
Proceeds from tenant leasehold and security deposits in trust, net	(10,627)	(8,874)
Cash flows from investing activities	(6,764,561)	(5,916,021)
Cash flows from financing activities		
Increase in short-term loans payable	1,000,000	3,000,000
Decrease in short-term loans payable	(2,000,000)	—
Proceeds from long-term loans	14,950,000	9,780,000
Repayments of long-term loans	(8,450,000)	(7,780,000)
Redemption of investment corporation bonds	(2,000,000)	(3,000,000)
Dividends paid	(8,012,911)	(8,087,793)
Cash flows from financing activities	(4,512,911)	(6,087,793)
Net increase (decrease) in cash and cash equivalents	969,922	841,490
Cash and cash equivalents at the beginning of period	17,869,773	18,839,696
Cash and cash equivalents at the end of period	*1 18,839,696	*1 19,681,186

*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 independent auditor's audit stipulated in the provisions of Article 130 of the Act on Investment Trusts and Investment Corporations and has therefore not been audited by an independent auditor.

VIII. Statements of Cash Flows

(Reference Information)

Significant Accounting Policies

	For the six months ended January 31, 2023	For the six months ended July 31, 2023
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, 2023	For the six months ended July 31, 2023																
<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>14,716,443</td></tr> <tr> <td>Cash and deposits in trust</td><td>10,123,253</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>18,839,696</u></td></tr> </table>	Cash and deposits	14,716,443	Cash and deposits in trust	10,123,253	Time deposits held over three months	(6,000,000)	Cash and cash equivalents	<u>18,839,696</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>17,666,099</td></tr> <tr> <td>Cash and deposits in trust</td><td>10,015,087</td></tr> <tr> <td>Time deposits held over three months</td><td>(8,000,000)</td></tr> <tr> <td>Cash and cash equivalents</td><td><u>19,681,186</u></td></tr> </table>	Cash and deposits	17,666,099	Cash and deposits in trust	10,015,087	Time deposits held over three months	(8,000,000)	Cash and cash equivalents	<u>19,681,186</u>
Cash and deposits	14,716,443																
Cash and deposits in trust	10,123,253																
Time deposits held over three months	(6,000,000)																
Cash and cash equivalents	<u>18,839,696</u>																
Cash and deposits	17,666,099																
Cash and deposits in trust	10,015,087																
Time deposits held over three months	(8,000,000)																
Cash and cash equivalents	<u>19,681,186</u>																