Japan Metropolitan Fund Investment Corporation

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To all concerned parties:

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Notice Concerning Revised Forecasts for Operating Results and Distributions (Upward Revision) for the August 2025 (47th) Fiscal Period

Japan Metropolitan Fund Investment Corporation ("JMF") has revised forecasts for the operating results and distributions for the fiscal period ending August 2025 fiscal period (47th fiscal period: March 1, 2025 to August 31, 2025) announced on October 21, 2024 in the "Japan Metropolitan Fund Investment Corporation Summary of Financial Results for the Six Months Ended August 31, 2024". Details are as follows.

1. Revised Forecasts for Operating Results for August 2025 (47th) Fiscal Period (March 1, 2025 to August 31, 2025)

	Operating revenues (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Distributions per unit (yen) (excluding distributions in excess of profit)	Distributions in excess of profit per unit (yen)
Previous forecast (A)	45,851	21,366	18,895	18,894	2,700	—
Revised forecast (B)	46,495	21,945	19,341	19,340	2,760	—
Change (B – A)	+644	+579	+446	+446	+60	—
Rate of change ((B – A) / A)	+1.4%	+2.7%	+2.4%	+2.4%	+2.2%	—

(Note 1) The previous forecast (A) assumes that the number of investment units issued at the end of period is 7,192,809 units.
(Note 2) The revised forecast (B) assumes that the number of investment units issued at the end of period is 7,192,809 units.
(Note 3) Distributions in the previous forecasts for the August 2025 (47th) fiscal period are assumed to consist of retained earnings at the end of the period amounting to 18,894 million yen, and after all of retained earnings for reversals of reserve for reduction entry of property amounting to 89 million yen and reversals of reserve for dividends amounting to 436 million yen and for dividends amounting to a total of 19,420 million yen (distributions per unit 2,700 yen).
(Note 4) Distributions in the revised forecasts for the August 2025 (47th) fiscal period are assumed to consist of retained earnings at the end of the period amounting to 19,340 million yen, and after all of retained earnings for reversals of reserve for reduction entry of property amounting to 89 million yen and reversals of reserve for dividends amounting to 426 million yen and for dividends amounting to a total of 19,852 million yen (distributions per unit 2,760 yen).
(Note 5) Forecasts may be revised if results are expected to deviate from the above forecasts beyond a certain level.
(Note 6) Figures of less than one unit are truncated and percentages are rounded to the first decimal place.

2. Reasons for Revision

JMF has revised upward its forecasts of distributions per unit, taking into consideration the current asset management status and other factors regarding forecasts for the operating results and distributions for the fiscal period ending August 2025 (47th fiscal period) (March 1, 2025 to August 31, 2025) announced on October 21, 2024 in the "Japan Metropolitan Fund Investment Corporation Summary of Financial Results for the Six Months Ended August 31, 2024".

The main reason for the revised forecast is an increase in rent and other operating revenues of the existing portfolio (internal growth). Specifically, this is due to the elimination of vacant office space, an increase in fixed rents due to contract renewals in the retail, an increase in revenue-based rents in the retail and hotel, and the impact of reduced electricity costs.

For details, please refer to the "Supplemental Material Concerning Today's Press Release" dated today.

3. Assumptions Underlying the Forecast of Operation for August 2025 (47th) Fiscal Period

Item	Assumption
Accounting period	・ August 2025 (47th) Fiscal Period (March 1,2025 to August 31, 2025) (184 days)
Assets owned	・ We assume that 146 properties, six interests in silent partnership *(tokumei kumiai)*, and two kinds of investment units of domestic real estate investment corporations as of today, plus acquisition and disposition under below will be under management. February 2025 (46th) Fiscal Period (September 1, 2024 to February 28, 2025) (181 days) <Disposition> AEON MALL Sapporo Naebo (a 20% quasi-co-ownership of trust beneficiary right in real estate), Ito-Yokado Tsunashima (a 60% quasi-co-ownership of trust beneficiary right in real estate) August 2025 (47th) Fiscal Period (March 1,2025 to August 31, 2025) (184 days) <Acquisition> CROSS MUKOGAOKA, JMF-Residence Ebie <Disposition> AEON MALL Sapporo Naebo (a 20% quasi-co-ownership of trust beneficiary right in real estate), Ito-Yokado Tsunashima (a 40% quasi-co-ownership of trust beneficiary right in real estate) ・ Except the changes described above, we assume that no other (anticipated) changes (the acquisitions of new properties and dispositions of current portfolio properties, etc., excluding reconstruction of current properties) will occur prior to the end of the August 2025 (47th) fiscal period. ・ The actual number may vary according to the acquisitions of new properties and dispositions of current properties in the portfolio, etc.
Issue of units	・ The number of investment units outstanding stands at 7,192,809 units as of today and it is assumed that there will not be any additional issuance of new investment units or repurchase and cancellation of own investment units by the end of the August 2025 (47th) fiscal period.
Interest-bearing debt	・ Interest-bearing debt, including refinancing of loans concluded on January 24, 2025, stands at 600,645 million yen, the breakdown of which is short-term debts of 26,400 million yen and long-term debts (including Green Loans) of 530,745 million yen and investment corporation bonds (including Green Bonds) of 43,500 million yen. ・ Excluding the announced refinancing above, interest-bearing debt that will come due by the end of the August 2025 (47th) fiscal period amounts to 8,100 million yen in short-term borrowings and 35,875 million yen in long-term borrowings, but it is assumed that the entire amount will be procured through borrowings as the source of funds for repayment.
Operating revenues	・ With respect to gain on sales of property, we assume that gain on sales of property of 2,572 million yen in the disposition of AEON MALL Sapporo Naebo (a 20% quasi-co-ownership of trust beneficiary right in real estate) and Ito-Yokado Tsunashima (a 40% quasi-co-ownership of trust beneficiary right in real estate) will be recorded. ・ Rent and other operating revenues are calculated based on lease contracts in effect as of today. ・ Rent levels and estimated rents for the portions of properties that are vacant are calculated

Item	Assumption
	taking into account negotiations with our tenants and other relevant factors that took place until the date of this document. ・ We assume that there will be no arrears or nonpayment of rent by our tenants through the end of the August 2025 (47th) fiscal period.
Operating expenses (excluding amortization of goodwill)	・ We assume property-related taxes of 3,962 million yen. With respect to property taxes, urban planning taxes and depreciable assets taxes ("taxes on property and equipment") on properties owned by JMF, the tax amount assessed and payable for the corresponding accounting periods has been calculated as property-related expenses. However, should any need arise for settlement, such as a need to pay settlement amount for taxes on property and equipment, in relation to new property acquisitions to be made during the year in which the period falls ("amounts equivalent to taxes on property and equipment"), such amounts are taken into account in the acquisition cost of the properties and therefore are not recorded as expenses for the period. Therefore, with respect to taxes on property and equipment pertaining to the properties acquired in 2025 (CROSS MUKOGAOKA and JMF-Residence Ebie), the tax amounts assessed and payable for the relevant accounting periods will be recorded as property-related expenses in 2026 and onwards. We have assumed that the amounts equivalent to taxes on property and equipment included in the acquisition costs of these properties are equivalent to 37 million yen in total. ・ We assume that repair and maintenance will be 647 million yen. However, repair and maintenance expenses may vary substantially from the estimate since such expenses may be incurred due to unforeseeable reasons. ・ We assume that depreciation will be 5,691 million yen. ・ We assume that outsourcing fees will be property management fees of 939 million yen. And facility management fees of 2,701 million yen. ・ We assume that we will incur losses of 28 million yen, on the disposal of property related to facility updates, etc. at each property. With respect to the loss on retirement of non-current assets described above, those losses related to properties whose estimated useful lives are determined to be subject to review as a result of the change in the estimate from an accounting perspective will be treated as depreciation. ・ Asset management fees are based on the assumption that the ongoing asset management fee structure of JMF will not be changed.
Goodwill amortization	・ We assume that the goodwill will be amortized over 20 years using the straight-line basis in accordance with the Accounting Standard for Business Combinations (Accounting Standards Board of Japan Statement No. 21 revised on January 16, 2019). We assume that goodwill amortization will be 401 million yen.
Non-operating expenses	・ We assume that non-operating expenses (including interest expenses, loan-related costs, interest expenses on investment corporation bonds and investment unit issuance costs amortization, etc.) will be 2,616 million yen.
Distribution per unit	・ The distributions per unit are determined in accordance with the cash distribution policy stipulated in the Articles of Incorporation of JMF. ・ It is assumed that the distributions are calculated based on the assumptions that a total of 19,852 million yen (distributions per unit: 2,760 yen), consisting of retained earnings at the end of the period amounting to 19,340 million yen, plus reversal of reserve for dividends amounting to 426 million yen to avoid additional tax imposition resulting from inconsistencies between tax and accounting treatment, in addition, reversal of reserve for

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	reduction entry of property amounting to 89 million yen as voluntary reversal. ・ We assume that additional tax imposition resulting from inconsistencies between tax and accounting treatment will be avoided by reversing of reserve for dividends.
Distributions in excess of profit per unit	・ We do not plan to make distributions in excess of profits at this time.
Other	・ We assume that there will be no amendment of laws, accounting standards and the tax system in Japan that will impact the aforementioned forecasts and no unforeseen, significant changes will occur in general economic trends and property market movements in Japan.