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40th Fiscal Period Financial Report (REIT)

May 21, 2026

REIT Issuer:	Daiwa Securities Living Investment Corporation	Stock Exchange Listing:	Tokyo Stock Exchange
Securities Code:	8986	URL:	https://www.daiwa-securities-living.co.jp/en
Representative:	Hidenobu Shirota, Executive Director		
Asset Manager:	Daiwa Real Estate Asset Management Co., Ltd.		
Representative:	Yoshiki Nishigaki, President and Representative Director		
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Scheduled date of submission of semiannual securities report: June 22, 2026
Scheduled date of commencement of distribution payment: June 16, 2026
Preparation of supplementary financial results briefing materials: Yes
Holding of financial results briefing session: Yes (for analysts and institutional investors)

(Amounts are rounded down to the nearest million yen)

1. Status of Operations and Assets for the 40th Fiscal Period (from October 1, 2025, to March 31, 2026)

(1) Management Status (% figures indicate the percentage of increase (decrease) over the previous fiscal period)

	Operating revenue		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
40th Fiscal Period:	14,993	2.3	8,044	3.5	6,866	3.9	6,866	3.9
39th Fiscal Period:	14,662	(3.5)	7,774	(5.3)	6,607	(8.4)	6,607	(8.4)

	Earnings per unit	Return on equity (ROE)	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
	Yen	%	%	%
40th Fiscal Period:	2,877	3.7	1.7	45.8
39th Fiscal Period:	2,758	3.5	1.6	45.1

(2) Status of Distributions

	Distribution per unit (excluding distribution in excess of earnings)	Total distributions (excluding distribution in excess of earnings)	Distribution in excess of earnings per unit	Total distributions in excess of earnings	Payout ratio	Ratio of distributions to net assets
	Yen	Million yen	Yen	Million yen	%	%
40th Fiscal Period:	2,630	6,275	–	–	91.4	3.3
39th Fiscal Period:	2,700	6,442	–	–	97.5	3.4

(Note 1) The source of funds for payment of distributions for the 39th fiscal period is the amount of unappropriated retained earnings after deducting reserve for tax purpose reduction entry of ¥660 million and adding reversal of reserve for temporary difference adjustments of ¥495 million, and thus it differs from profit.

(Note 2) The source of funds for payment of distributions for the 40th fiscal period is the amount of unappropriated retained earnings after deducting reserve for tax purpose reduction entry of ¥578 million and reserve for dividends of ¥91 million and adding reversal of reserve for temporary difference adjustments of ¥79 million, and thus it differs from profit.

(Note 3) Payout ratio for the 39th fiscal period is calculated by the following formula since the cancellation of treasury investment units was implemented.
Payout ratio = Total distributions / Profit × 100

(3) Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per unit
	Million yen	Million yen	%	Yen
40th Fiscal Period:	401,018	188,344	47.0	78,935
39th Fiscal Period:	400,132	187,575	46.9	78,613

(4) Status of Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the fiscal period
	Million yen	Million yen	Million yen	Million yen
40th Fiscal Period:	28,509	(16,710)	(6,442)	18,181
39th Fiscal Period:	14,812	(8,200)	(8,570)	12,825

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2. Earnings Forecast for the 41st Fiscal Period (from April 1, 2026, to September 30, 2026) and the 42nd Fiscal Period (from October 1, 2026, to March 31, 2027)

(% figures indicate the percentage of increase (decrease) over the previous fiscal period)

	Operating revenue		Operating profit		Ordinary profit		Profit		Distribution per unit (excluding distributions in excess of earnings)	Distribution in excess of earnings per unit
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen
41st Fiscal Period	14,208	(5.2)	7,426	(7.7)	5,904	(14.0)	5,904	(14.0)	2,510	–
42nd Fiscal Period	12,884	(9.3)	6,255	(15.8)	4,565	(22.7)	4,564	(22.7)	2,410	–

(Reference) Expected earnings per unit (41st fiscal period): ¥2,474; Expected earnings per unit (42nd fiscal period): ¥1,913

(Note) The source of funds for payment of distributions for the 41st fiscal period is the amount of unappropriated retained earnings after adding reversal of reserve for temporary difference adjustments of ¥84 million, and thus it differs from the amount of profit. The source of funds for payment of distributions for the 42nd fiscal period is the amount of unappropriated retained earnings after adding reversal of reserve for temporary difference adjustments of ¥1,185 million, and thus it differs from the amount of profit. For the details of the earnings forecast above, please refer to "1. Management Status, (4) Earnings Outlook" later in this document.

* Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatement

① Changes in accounting policies accompanying amendments to accounting standards	No
② Changes in accounting policies other than ①	No
③ Changes in accounting estimates	No
④ Retrospective restatement	No

(2) Total Number of Investment Units Issued and Outstanding

① Total number of investment units issued and outstanding (including treasury investment units) at the end of the fiscal period

40th Fiscal Period	2,386,042 units	39th Fiscal Period	2,386,042 units

② Total number of treasury investment units at the end of the fiscal period

40th Fiscal Period	0 units	39th Fiscal Period	0 units

(Note) For the number of investment units used as the base for calculating earnings per unit, please refer to "Notes on Per Unit Information" on page 31.

* Financial reports are exempt from the audit by a certified public accountant or an auditing firm.

* Special note

The earnings outlook and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by Daiwa Securities Living Investment Corporation (hereinafter the "Investment Corporation"). Consequently, actual results may differ materially depending on a number of factors.
In addition, the forecast is not intended as a guarantee of the amount of distributions. Regarding assumptions for earnings forecast and matters to consider when using the earnings forecast, please refer to "1. Management Status, (4) Earnings Outlook" on page 12.

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1. Management Status

(1) Management Status

① Overview of the Fiscal Period under Review

(a) Profile of the Investment Corporation

The Investment Corporation was established on October 7, 2005, based on the provisions of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended), and listed as a "housing-specific REIT" on the Tokyo Stock Exchange Real Estate Investment Trust market (stock code: 8986) on June 22, 2006. The Investment Corporation merged with Prospect Reit Investment Corporation in an absorption-type merger on July 1, 2010, and since then it has been seeking to steadily enhance distributions primarily by improving the quality of its portfolio through the replacement of properties (acquiring new properties and disposing of existing properties), strengthening overall operations by improving occupancy rates and other factors, and reducing costs by decreasing expenses for interest-bearing debt and other items. Furthermore, as a result of an absorption-type merger (hereinafter the "Merger") whereby the Investment Corporation is the surviving corporation and Nippon Healthcare Investment Corporation (hereinafter "NHI") is the absorbed corporation on April 1, 2020, upon which the trade name was changed from "Japan Rental Housing Investments Inc." to "Daiwa Securities Living Investment Corporation" and healthcare facilities were added to the portfolio, the Investment Corporation is now managed as a "REIT that comprehensively provides comfortable living spaces that 'support life and lifestyle of everyone' suited to each life stage."

The properties under management at the end of March 2026 consisted of 238 properties with a total acquisition price of ¥394,202 million and a total rentable floor area of 718,139.23 square meters.

(b) Investment Environment

During the fiscal period under review, the Japanese economy saw a real GDP growth rate of 1.3% (annualized, quarter on quarter) in the October-December 2025 quarter, showing positive growth for the first time in two quarters. Increases in consumer spending, capital investment, and housing investment, which are components of private demand, as well as increased government expenditure are seen as background factors. Furthermore, the real GDP growth rate (annualized, quarter on quarter) in the January-March 2026 quarter is expected to be 2.0%, as positive growth is forecast for the second consecutive quarter. However, there are many downside risk factors, particularly in overseas economies, such as rising crude oil prices due to growing tensions in the Middle East and downside risks to external demand, especially from the U.S. and China, requiring close attention.

Rental residential properties owned by listed residential REITs maintained stable occupancy rates. Furthermore, given that inflation is rising in Japan as well, rent increases are becoming commonplace in various areas, including urban areas.

Meanwhile, in the real estate investment market, with investor interest in the stable cash flows of rental residential properties staying robust even amid ongoing global interest hikes due to inflation and monetary tightening, competition for property acquisition by domestic and foreign investors continues to be severe. Furthermore, for healthcare facilities, social demand for private nursing homes and other facilities for the elderly is increasing year by year as the proportion of the elderly in the total population increases.

(c) Management Performance

To enhance investment unit value, the focus was placed on a. Replacement of assets; b. Continuing to strengthen overall operations; c. Strengthening of financing; and d. Sustainability initiatives.

a. Replacement of assets

In the fiscal period under review, the Investment Corporation acquired the 8 rental housing properties (total acquisition price: 14,227 million yen) indicated below.

These properties contributed to the revenues of the Investment Corporation in the fiscal period under review and are expected to make a contribution toward expanding revenues in the next fiscal period onward.

Also, the Investment Corporation disposed of 13 properties (total disposition price: ¥21,212 million) after comprehensively considering the future profitability potential, property size, location, and such.

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<Acquired assets>

Property name	Property type	Acquisition date	Acquisition price (thousand yen) (Note)
Gran Casa Kamata West	Rental housing	October 27, 2025	1,000,000
Gran Casa Yokohama Ishikawacho		December 1, 2025	4,337,000
Gran Casa Kawasaki Ikuta			1,080,000
Gran Casa Hirosedori		December 19, 2025	1,585,000
Gran Casa Ichibancho			965,000
Gran Casa Yokohama Isogo		January 30, 2026	2,120,000
Gran Casa Kinshicho II			1,700,000
Gran Casa Sumiyoshi II		March 31, 2026	1,440,000
Total			14,227,000

(Note) Acquisition price does not include acquisition expenses, adjustments to property tax and city planning tax, and consumption tax and local consumption tax.

<Disposed assets>

Property name	Property type	Disposition date	Disposition price (thousand yen) (Note 1)
Stagea Kogane	Rental housing	October 1, 2025	568,000
willDo Takabata			494,000
Stellato City Sakurayama		October 23, 2025	890,000
Gran Casa Sendai Itsutsubashi		December 10, 2025	2,750,000
Forest Hill Sendai-Aoba		December 19, 2025	2,930,000
Senior Forest Yokohama-Tsuzuki	Healthcare facilities	November 4, 2025	13,580,000 (Note 2)
Sunny Life Chofu			
Charm Premier Kamakurayama			
As Heim Tsunashima			
Library Shin-Shibamata			
Ishinkan Kamiooka			
Sunny Life Kamakura Tamanawa			
Alpha Living Takamatsu Konyamachi			
Total			21,212,000

(Note 1) Disposition price does not include disposition expenses, adjustments to property tax and city planning tax, and consumption tax and local consumption tax.
(Note 2) This disposition was a disposal transaction based on a single purchase and sale agreement with the same counterparty.

b. Continuing to strengthen overall operations

i. Strategy for managing rental housing

Daiwa Real Estate Asset Management Co., Ltd., the asset management company of the Investment Corporation (hereinafter the "Asset Manager"), used the Daily Occupancy Forecasting System and continued focus on a range of existing initiatives and other measures. As a result, the average occupancy rate during the period stood at 96.9% (97.4% in the previous fiscal period). In addition, as a result of continuing to focus on also increasing the rent at the time of replacement (Note), an increase in rent from the previous rent was achieved for 1,385 out of 1,428 contracts (the total number of new contracts) in the fiscal period under review. The percentage of contracts with higher rent (based on the number of contracts) was 97.0%. The percentage of change in rent at tenant turnover (based on rent) rose by 13.2% (an increase of 10.7% in the previous fiscal period), continuing an upward trend and contributing to higher revenues as in the previous fiscal period.

As for expenses related to leasing business, the Asset Manager focused on the optimization of repair expenses and expenses for work to restore properties to their original state.

(Note) The rent at the time of replacement is calculated by excluding properties for which the previous rent is unknown due to newly acquired properties and the cancellation of the sublease contract and rooms for rent whose use is other than as a residence.

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(Existing initiatives)

- Utilizing the "Daily Occupancy Forecasting System" (an IT system independently self-developed by the Asset Manager that predicts occupancy rates at the end of every month on a daily basis; introduced in October 2011) to understand dynamic information regarding individual vacancies, and shorten the cycle for identifying individual vacancies, conducting onsite inspections, investigating causes, taking action, and verifying effects. With the commencement of the operation of the IT system that was upgraded to a new version in May 2015, a mechanism that is able to ascertain various types of information including occupancy rates on the Internet almost in real time has been set in place.
- Fully enforcing the "Three-week Rule" (a rule to fully restore properties to their original state within three weeks of tenants vacating; introduced in October 2010) to minimize opportunity losses.
- "Downtime 60 Days" (a policy to conclude a new contract within 60 days of tenants vacating; introduced in October 2012).
- "Action 30 Days" (focused response to achieve the best rent at the earliest in the first 30 days after beginning to seek tenants; focused response to vacancies of 30 days after beginning to seek tenants, which was introduced in October 2013, has been changed to a more aggressive initiative based on the "Management Policy by Property" newly introduced in April 2016) to further improve occupancy rates and profitability by shortening vacancy periods.
- Taking stronger action on "Key Focus Properties" (introduced in April 2011) and "Long-term Vacancies" (vacancies over 60 days; introduced in October 2010).
- "High-Cost Construction Approval Committee" (a committee conducting a detailed, systematic examination of the content and amount of construction work for ¥1 million or more when orders are placed; introduced in April 2012) to optimize expenses for high-priced construction work.
- "Formulation of Standard Specifications for Work to Restore Properties to their Original State" (setting unique construction specifications for work to restore properties to their original state after tenants vacate, regarding it as a recommercialization measure; introduced in April 2012) to build better rooms and improve management of expenses and construction schedules.
- "Management to Increase the Number of Properties with Full Occupancy" (further improving occupancy rates through the management of the number of properties with full occupancy; introduced in April 2014).
- "Management Policy by Property" (a policy of managing properties by drafting a basic policy for each property based on an analysis of past contract data (rent, downtime, comparison with the previous rent, key money, etc.) of each property and focusing on increasing revenue by simultaneously raising rents and shortening the downtime for each room newly contracted after cancellation through implementation in conjunction with "Action 30 Days," one of the existing initiatives above; introduced in April 2016).

ii. Strategy for managing healthcare facilities

In order for healthcare facilities to earn stable revenue and serve to maintain and enhance unitholder value, the Asset Manager monitors operators as it regards the creditworthiness, operational capabilities, etc. of the operators operating the facilities as important factors in realizing stable occupancy. In the fiscal period under review, interviews and such were conducted by visiting facilities and in the form of meetings with facility managers and head office staff using an online conferencing system. In addition, there are no changes to the terms and conditions of contracts, such as mid-term cancellation of lease agreements with operators, rent reduction/exemption and postponement of payment as of the end of the fiscal period under review.

As a result of the above, the average occupancy rate of healthcare facilities during the period was 99.9%.

c. Strengthening of financing

In the fiscal period under review, the Investment Corporation conducted the following borrowing of funds to fund the repayment of borrowings and redemption of investment corporation bonds.

* On November 28, 2025, the Investment Corporation refinanced ¥1,000 million of bank borrowings from existing transaction banks as funds for repayment of the same amount for long-term borrowings due on the same day.
* On January 27, 2026, the Investment Corporation borrowed ¥4,000 million from existing transaction banks as funds for redemption of the same amount of Daiwa Securities Living Investment Corporation's 1st series of unsecured investment corporation bonds, which matured on January 28, 2026.
* On January 30, 2026, the Investment Corporation refinanced a total of ¥2,591 million of bank borrowings from existing transaction banks as funds for repayment of the same amount for long-term borrowings due on the same day.
* On February 6, 2026, the Investment Corporation borrowed ¥6,000 million from existing transaction banks as funds for redemption of the same amount of Daiwa Securities Living Investment Corporation's 2nd series of unsecured investment corporation bonds, which matured on February 9, 2026.
* On March 23, 2026, the Investment Corporation refinanced a total of ¥4,509 million of bank borrowings from existing transaction banks as funds for repayment of the same amount for long-term borrowings due on the same day.

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As a result of the above, the Investment Corporation achieved extension of borrowing periods, in addition to diversification of due dates. Furthermore, the ratio of interest-bearing debt to total assets at the end of the fiscal period under review came to 51.1%, the ratio of long-term interest-bearing debt (excluding interest-bearing debt to be repaid within a year) came to 85.2%, and the ratio of fixed interest rates came to 51.7% on a contract basis.

d. Sustainability initiatives

Based on the recognition that the emphasis on environmental, social and corporate governance practices (collectively called "ESG") in asset management contributes to the improvement of corporate value over the medium to long term, the Investment Corporation has promoted sustainability initiatives based on the sustainability policy established by the Asset Manager.

As for its environmental initiatives, the Investment Corporation is promoting the reduction of environmental impact through the introduction of LED lighting and air-conditioning equipment with high energy-saving performance, the installation of water-saving equipment, etc. It also continuously measures energy consumption of the entire portfolio to understand the achievement rate of its target.

Furthermore, the Investment Corporation has been involved in Eco Action 21, an environmental management system (EMS) developed by the Ministry of the Environment since 2024. In 2025, 7 properties underwent reviews, including on-site inspections, and were deemed "compliant with the guidelines" based on the overall assessment. Going forward, the Investment Corporation intends to continue complying with environment-related laws and regulations and monitor data as well as achieving further improvements through continuous implementation of the PDCA cycle.

Regarding social initiatives, the Investment Corporation is making efforts to improve tenant satisfaction and contribute to the sustainable development of local communities by building good relationships with external stakeholders related to its real estate held to collaborate with them. In order to further promote the supply of excellent healthcare facilities in Japan, as of March 31, 2026, the Investment Corporation borrowed through social loans (¥10,920 million) and issued social bonds (¥2,000 million) based on the Social Finance Framework formulated in May 2021.

As part of our governance initiatives, the Asset Manager ensures the prevention of conflicts of interest, the management of risks, and compliance with laws and regulations. It has also introduced an asset management fee system linked to the results of management, emphasizing the linkage with unitholder interests.

The Investment Corporation has been continuously participating in the GRESB Real Estate Assessment since 2018 and received the "Green Star" assessment given to participants with excellent scores in the "Management Component" assessing policies and organizational structures for ESG promotion and the "Performance Component" assessing environmental performance and initiatives with tenants in properties owned in the 2025 GRESB Real Estate Assessment for four consecutive years. It also received a one star rating in the GRESB Real Estate Assessment, which assigns a rating out of five stars based on where the participant's overall score ranks globally. Furthermore, in recognition of the Investment Corporation's excellent disclosure related to environmental consideration and sustainability initiatives, it received the highest "A" rank for four consecutive years in the five-level rating in the 2025 GRESB disclosure assessment, the GRESB disclosure assessment being an assessment that measures levels of ESG disclosure. As of March 31, 2026, among the properties owned by the Investment Corporation, a total of 26 properties have obtained environmental certification (Note), and the ratio of certification is 24.2% (based on the total area of the entire portfolio).

(Note) Environmental certifications which the properties owned by the Investment Corporation have acquired include CASBEE for Real Estate Certification and BELS Certification.

(d) Summary of Results and Distributions

As a result of the management initiatives described above, the Investment Corporation recorded operating revenue of ¥14,993 million, operating profit of ¥8,044 million, ordinary profit of ¥6,866 million and profit of ¥6,866 million in the fiscal period under review.

As for distributions, the Investment Corporation will distribute an amount derived by deducting reserve for tax purpose reduction entry (¥578 million) and reserve for dividends (¥91 million) upon the application of the special provisions for taxation in the case of replacement by purchase of specified assets (Article 65-7 of the Act on Special Measures Concerning Taxation) for part of the gain on sale of real estate properties from unappropriated retained earnings of ¥6,866 million, then adding reversal of reserve for temporary difference adjustments (¥79 million) to unappropriated retained earnings according to the existing policy.

As a result, total distributions came to ¥6,275 million in the fiscal period under review, and the distribution per unit was ¥2,630 (down ¥70 from the previous fiscal period).

(Note) With respect to distributions, based on the plan that the maximum amount of distribution of earnings shall be included in deductible expenses upon the application of Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, including amendments thereto; hereinafter the "Special Taxation Measures Act"), the full amount of unappropriated retained earnings except for fractions of less than one (1) yen of cash distribution per investment unit will be distributed.

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② Outlook for the Next Fiscal Period

(a) Future Management Policy

The Investment Corporation will seek to achieve further growth through investment in rental housing and healthcare facilities as a "REIT that comprehensively provides comfortable living spaces suited to each life stage," and thereby pursue maximization of unitholder value from securement of revenues and stabilization/enhancement of distribution of the Investment Corporation.

a. External growth through acquisition of new properties

As the Asset Manager is entrusted with the asset management business by five listed and private investment corporations, including the Investment Corporation, and real estate funds other than the form of investment corporation, and as the Asset Manager remains an independent asset management company that does not belong to any particular group of real estate firms, developers, or the like, in relation to its real estate business, property information can be obtained from a number of sources, including real estate private funds, asset management companies of real estate investment corporations, financial institutions, real estate firms, real estate agents, business corporations, investors, and Daiwa Securities Group Inc. and its group companies. The Asset Manager will work to acquire new properties in a flexible manner by carefully selecting from the abundant property information obtained. The Asset Manager will also consider investment in development projects using a bridge fund and other means.

In addition, the Asset Manager has been carrying out an investment strategy focused on the healthcare sector (hospitals and nursing care facilities) since 2001, and since 2008 it has concluded an advisory agreement with AIP Healthcare Japan GK, engaged in investment specializing in private nursing homes and other facilities for the elderly. Based on this agreement, the Asset Manager receives advice on information provision, management and operation of healthcare facilities that are the investment assets of the Investment Corporation, collaboration with operators, etc.

The Asset Manager will seek to acquire new properties through use of various methods by carefully selecting properties from the following three perspectives.

1) Properties for which an arm's length transaction is planned on rational grounds and properties with few competing bidders
2) Undervalued properties (with the high probability that the Investment Corporation could improve revenues after acquisition in terms of rent, occupancy rates, leasing-related expenses, etc.)
3) Properties not for sale (properties that are not brought on the market for sale)

When investing in rental housing, regionally diversified investment will be made in order to secure stable cash flows by mitigating risks associated with changes in local economies and rental markets, and with earthquakes, etc. The investment territory for rental housing will include the national capital region, ordinance-designated cities, prefectural capitals and other similar cities, and commuting areas around thereof, and diversified investment will be made throughout Japan by region. Diversified investment will also be made with different categories of rental housing in order to secure stable cash flows by mitigating risks associated with changes in the rental markets for each category of rental housing. The categories of rental housing for investments will be the studio type (Note 1) and the family type (Note 2). When investing in rental housing, comprehensive judgement will be made on a case-by-case basis based on an examination of investment value, whereby a full investigation is conducted in respect of expected earnings, site area and housing environment, construction and equipment specifications, earthquake-resisting capacity, related rights, building management conditions, environment and geology, etc. of the relevant rental housing.

When investing in healthcare facilities, investment will be made mainly in healthcare facilities located in the three major metropolitan areas consisting of the greater Tokyo area (Note 3), the Chukyo area (Note 4) and the Kinki area (Note 5), where concentration of the entire population and the elderly population can be expected, to secure medium- to long-term stable management, as well as in healthcare facilities located throughout Japan to diversify the risk of the portfolio. When investing in healthcare facilities, investment decisions will be made on a case-by-case basis based on comprehensive examination of (i) general factors including economic factors (such as economic and financial condition, and trends in financial and real estate markets), social factors (such as trends in the elderly population and the number of those who are certified for being eligible of long-term care) and administrative factors (such as nursing and medical insurance systems and regulations on healthcare facilities supply), (ii) local factors such as surrounding environment of the location area of the property (such as transportation accessibility, vicinity to retail and public facilities, and quality as a living environment), and (iii) factors for the individual property such as specifications of the building, the operator that is the lessee, facility occupancy status and rent-paying capacity.

(Note 1) "Studio type" refers to residences in the 1R, 1K, 1DK, and 1LDK layouts.
(Note 2) "Family type" refers to residences in the 2K, 2DK, 2LDK, and above layouts.
(Note 3) "Greater Tokyo area" refers to Tokyo, Kanagawa, Chiba and Saitama prefectures.
(Note 4) "Chukyo area" refers to Aichi, Mie and Gifu prefectures.
(Note 5) "Kinki area" refers to Osaka, Kyoto, Hyogo, Nara and Shiga prefectures.

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b. Continuing to strengthen overall operations

i. Strategy for managing rental housing

For rental housing, the Asset Manager will continue to focus on maximizing rental income for each property by optimizing the downtime and rent based on a range of existing initiatives including the Management Policy by Property and by using the Daily Occupancy Forecasting System. In addition, the Asset Manager also pursues an increase in rent at tenant turnover and increases in rent at contract renewals by setting fine-tuned rent conditions in light of the stable rental housing market in major metropolitan areas. With regard to leasing-related expenses, the Asset Manager will continue to work to reduce repair expenses and expenses for work to restore properties to their original state, to reduce utilities expenses by introducing LED lighting and other measures, and will control expenses according to the building ages and competitiveness.

ii. Strategy for managing healthcare facilities

In order for healthcare facilities to earn stable revenue and serve to maintain and enhance unitholder value, the Asset Manager continues to monitor operators as it regards the creditworthiness, operational capabilities, etc. of the operators operating the facilities as important factors in realizing stable occupancy. In addition, in order to avoid a decline in revenue due to prolonged vacancy periods resulting from the termination of lease agreements with operators, the Investment Corporation concluded an agreement on the backup of operations with the respective operators of its assets (excluding some of them). We will continue to take a certain level of measures against infectious diseases and monitor the situation by visiting facilities and conducting interviews and such in the form of meetings with facility managers using an online conferencing system.

c. Financial strategy

In terms of debt financing, the Investment Corporation will seek to further extend borrowing periods, diversify due dates and fix floating interest rates, and seek stable financing by continuing to work to maintain a solid bank formation. The Investment Corporation will continue considering the issuance of investment corporation bonds, while identifying trends in the financing environment and conditions such as the effect of reducing interest rates. Concerning the level of interest-bearing debt, the Investment Corporation will manage with the upper limit set at 60% in principle to take heed of securing financing capacity. The Investment Corporation will also consider equity financing, taking into comprehensive account the acquisition of new properties, the total assets LTV, the impact on distributions and the financial market environment, etc.

d. Distributions strategy

The Investment Corporation has been distributing profit after adding ¥67 million, which is a portion of the reserve for temporary difference adjustments, from the 23rd fiscal period ended September 30, 2017, as well as ¥11 million from the 30th fiscal period ended March 31, 2021.

To stabilize the level of distributions over the long term, the Investment Corporation may additionally reverse internal reserves and add them to the above amount for distributions (Note).

(Note) This policy may be changed by a resolution, etc. at a meeting of the Investment Corporation's Board of Directors and does not guarantee the method and amount, etc. of the reversal of reserve in the future.

(2) Investment Risk

Disclosure is omitted because there are no material changes from the statement in the most recent semiannual securities report (submitted on December 22, 2025. Subsequent corrections are included).

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(3) Significant Events after the Closing of Accounts

① Acquisition of assets

The Investment Corporation acquired assets for which a purchase and sale agreement was concluded on March 23, 2026, as described below.

Property name	Asset type	Property type	Location	Acquisition price (thousand yen) (Note 1)	Appraisal value (thousand yen) (Note 2)	Acquisition date	Counterparty
Gran Casa Ueno Matsugaya	Trust beneficiary interests	Rental housing	Taito-ku, Tokyo	1,268,000	1,290,000	May 1, 2026	(Note 4)
SOL TERRACE HONJONISHI CLAREST	Real estate	Rental housing	Osaka-shi, Osaka	941,000	1,010,000	May 1, 2026	(Note 4)
Gran Casa Hikifune II (Note 3)	Trust beneficiary interests	Rental housing	Sumida-ku, Tokyo	3,115,000	3,320,000	May 1, 2026	(Note 4)
Gran Casa Kawaguchi Aokicho Koen	Real Estate	Rental housing	Kawaguchi-shi, Saitama	1,780,000	1,850,000	May 1, 2026	(Note 4)
Total	–	–	–	7,104,000	7,470,000	–	–

(Note 1) Acquisition price does not include acquisition expenses, adjustments to property tax and city planning tax, and consumption tax and local consumption tax.
(Note 2) The date of the appraisal value is March 1, 2026.
(Note 3) The property name was changed from Alpha Court Hikifune 2 to Gran Casa Hikifune II on May 1, 2026. The same applies hereinafter.
(Note 4) The counterparty is Daiwa Securities Realty Co., Ltd.

② Disposition of assets

The Investment Corporation disposed of assets for which purchase and sale agreements were concluded on March 23 and April 21, 2026, as described below.

Property name	Asset type	Property type	Location	Disposition price (thousand yen) (Note 1)	Appraisal value (thousand yen) (Note 2)	Disposition date	Counterparty
Joy Oyamadai	Real estate	Rental housing	Setagaya-ku, Tokyo	745,000	745,000	April 3, 2026	(Note 3)
Libest Higashi Nakayama	Real estate	Rental housing	Funabashi-shi, Chiba	2,160,358	1,960,000	April 28, 2026	(Note 3)
willDo Kanayama masaki	Real estate	Rental housing	Nagoya-shi, Aichi	1,227,000	565,000	May 15, 2026	(Note 3)
willDo Kurokawa	Real estate	Rental housing	Nagoya-shi, Aichi		646,000		
Total	–	–	–	4,132,358	3,916,000	–	–

(Note 1) Disposition price does not include disposition expenses, adjustments to property tax and city planning tax, and consumption tax and local consumption tax.
(Note 2) The date of the appraisal value is September 30, 2025.
(Note 3) The counterparties are 3 domestic corporations whose names have not been disclosed because their consent has not been obtained.

③ Borrowing of funds

The Investment Corporation borrowed funds on May 1, 2026. The funds will be used for part of the funds for the acquisition of the assets described in "① Acquisition of Assets" above and their incidental expenses.

English Translation
The following is an English translation of the original Japanese document and is being provided for informational purposes only.

Summary of borrowings

<Term Loan 26E>

Lender	MUFG Bank, Ltd., and The Bank of Fukuoka, Ltd.
Borrowing amount	¥1,000,000,000
Interest rate	1-month JBA Japanese Yen TIBOR + 0.3783%
Borrowing date	May 1, 2026
Due date	September 30, 2030
Interest payment date	The interest payment date is the last day of each month (however, if the applicable date is not a business day, it shall be the following business day, and if the following business day falls in the next month, it shall be the immediately preceding business day).
Method of repayment	Lump-sum repayment on the due date
Collateral	Unsecured

<Term Loan 26F>

Lender	MUFG Bank, Ltd., SBI Shinsei Bank, Limited, Aozora Bank, Ltd. and The 77 Bank, Ltd.
Borrowing amount	¥3,500,000,000
Interest rate	1-month JBA Japanese Yen TIBOR + 0.4783%
Borrowing date	May 1, 2026
Due date	March 31, 2033
Interest payment date	The interest payment date is the last day of each month (however, if the applicable date is not a business day, it shall be the following business day, and if the following business day falls in the next month, it shall be the immediately preceding business day).
Method of repayment	Lump-sum repayment on the due date
Collateral	Unsecured

<Individual Loan>

Lender	Mizuho Bank, Ltd.
Borrowing amount	¥1,000,000,000
Interest rate	1-month JBA Japanese Yen TIBOR + 0.4783%
Borrowing date	May 1, 2026
Due date	March 31, 2033
Interest payment date	The interest payment date is the last day of each month (however, if the applicable date is not a business day, it shall be the following business day, and if the following business day falls in the next month, it shall be the immediately preceding business day).
Method of repayment	Lump-sum repayment on the due date
Collateral	Unsecured

English Translation
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(4) Earnings Outlook

The earnings outlook for the 41st fiscal period (from April 1, 2026, to September 30, 2026) and the 42nd fiscal period (from October 1, 2026, to March 31, 2027) is as follows. For the preconditions for this earnings outlook, please refer to "Preconditions for Earnings Forecast for the 41st Fiscal Period (from April 1, 2026, to September 30, 2026) and the 42nd Fiscal Period (from October 1, 2026, to March 31, 2027)" below.

(% figures indicate the percentage of increase (decrease) over the previous fiscal period)

	Operating revenue		Operating profit		Ordinary profit		Profit		Distribution per unit (excluding distribution in excess of earnings)	Total distributions in excess of earnings per unit
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen
41st period	14,208	(5.2)	7,426	(7.7)	5,904	(14.0)	5,904	(14.0)	2,510	–
42nd period	12,884	(9.3)	6,255	(15.8)	4,565	(22.7)	4,564	(22.7)	2,410	–

(Reference) Expected earnings per unit (41st fiscal period): ¥2,474; Expected earnings per unit (42nd fiscal period): ¥1,913

(Note) The source of funds for payment of distributions for the 41st fiscal period is the amount of unappropriated retained earnings after adding reversal of reserve for temporary difference adjustments of ¥84 million, and thus it differs from the amount of profit. The source of funds for payment of distributions for the 42nd fiscal period is the amount of unappropriated retained earnings after adding reversal of reserve for temporary difference adjustments of ¥1,185 million, and thus it differs from the amount of profit.

English Translation
The following is an English translation of the original Japanese document and is being provided for informational purposes only.

<Preconditions for Earnings Forecast for the 41st Fiscal Period (from April 1, 2026, to September 30, 2026) and the 42nd Fiscal Period (from October 1, 2026, to March 31, 2027)>

Item	Preconditions
Dates	* 41st fiscal period: from April 1, 2026, to September 30, 2026 (183 days) * 42nd fiscal period: from October 1, 2026, to March 31, 2027 (182 days)
Portfolio assets	* The Investment Corporation assumes that from the real estate and real estate trust beneficiary interests it owns as of March 31, 2026, of 238 properties, there will be the following changes in the portfolio assets: <Acquired assets> Acquisition date: May 1, 2026 ① Gran Casa Ueno Matsugaya ② SOL TERRACE HONJONISHI CLAREST ③ Gran Casa Hikfune II ④ Gran Casa Kawaguchi Aokicho Koen <Disposed assets> Disposition date: April 3, 2026 ① Joy Oyamadai Disposition date: April 28, 2026 ② Libest Higashi Nakayama Disposition date: May 15, 2026 ③ willDo Kanayama masaki ④ willDo Kurokawa * In light of the above assumptions, the portfolio assets as of the end of the 41st fiscal period and the end of the 42nd fiscal period will be 238 properties. However, it has not been determined as of the date of this document, property acquisition and disposition are anticipated in the 41st fiscal period. In practice, assets under management are likely to change due to acquisitions or sales of other properties.
Operating revenue	* Operating revenue is calculated under the above assumptions for portfolio assets. * Gain on sale of real estate properties of ¥1,497 million is expected for the 41st fiscal period. No posting of gain on sale of real estate properties is expected for the 42nd fiscal period.
Operating expenses	* Operating expenses are calculated under the above assumptions for portfolio assets. * No posting of loss on sale of real estate properties is expected for the 41st and 42nd fiscal periods. * Of the expenses related to leasing business, which are major operating expenses, expenses other than depreciation are calculated based on past results as well as materials provided by the previous owners, etc. of the assets to be acquired and by reflecting fluctuation factors of the expenses. * Management fee is assumed to be ¥556 million for the 41st fiscal period and ¥552 million for the 42nd fiscal period. * For the expenditures for repair of buildings, the amount required in the relevant fiscal period is estimated, and is assumed to be ¥604 million for the 41st fiscal period and ¥579 million for the 42nd fiscal period. Please note, however, the actual repair expenses could differ significantly from the estimated amount due to unexpected repair expenses possibly arising and other factors. * Taxes are assumed to be ¥767 million for the 41st fiscal period and ¥765 million for the 42nd fiscal period. In general, property tax, city planning tax, etc. upon transactions of real estate, etc. are calculated on a pro rata basis and reimbursed at the time of acquisition with the current owner, but the property tax, city planning tax, etc. for the fiscal year of acquisition borne by the Investment Corporation are included in the cost of acquisition and thus not recognized as expenses. * Depreciation is calculated using the straight-line method, including incidental expenses and additional future capital expenditure, and is assumed to be ¥2,572 million for the 41st fiscal period and ¥2,570 million for the 42nd fiscal period.

English Translation
The following is an English translation of the original Japanese document and is being provided for informational purposes only.

Item	Preconditions
Non-operating expenses	* Non-operating expenses are assumed to be ¥1,543 million for the 41st fiscal period and ¥1,703 million for the 42nd fiscal period and consist of the following: (1) Interest expenses and interest expenses on investment corporation bonds of ¥1,335 million for the 41st fiscal period and ¥1,484 million for the 42nd fiscal period (2) Borrowing-related expenses of ¥200 million for the 41st fiscal period and ¥211 million for the 42nd fiscal period (3) No posting of investment unit issuance expenses is expected for the 41st and 42nd fiscal periods (4) Amortization of investment corporation bond issuance costs of ¥4 million for the 41st fiscal period and ¥4 million for the 42nd fiscal period (5) Other expenses of ¥2 million for the 41st fiscal period and ¥2 million for the 42nd fiscal period
Interest-bearing debt	* The Investment Corporation has outstanding borrowings of ¥198,137 million and outstanding amount of investment corporation bonds issued of ¥12,100 million as of today. * Of the ¥6,902 million in total amount of borrowings due for repayment during the 41st fiscal period and ¥2,500 million in investment corporation bonds due for redemption during the 41st fiscal period, the entire amount is assumed to be refinanced. * Of the ¥20,863 million in total amount of borrowings due for repayment during the 42nd fiscal period, the entire amount is assumed to be refinanced. * As a result of the above, the total amount of outstanding borrowings and outstanding amount of investment corporation bonds issued is assumed to be ¥210,237 million at the end of September 2026 and the end of March 2027. * Interest-bearing debt ratio is expected to be 51.7% at the end of September 2026 and the end of March 2027. * The interest-bearing debt ratio in the forecast is calculated using the following formula. Interest-bearing debt ratio = (Total interest-bearing debt / Total assets) x 100
Total number of investment units issued and outstanding	* The total number of investment units issued and outstanding is 2,386,042 units as of today. * Afterward, it is assumed there will be no change to this through to the end of the 42nd fiscal period.
Distribution per unit	* Distribution per unit is based on the assumption that distribution will comply with the monetary distribution policy stipulated in the Articles of Incorporation. * A total of ¥5,988 million (distribution per unit of ¥2,510), which is the amount obtained by adding the planned reversal of reserve for temporary difference adjustment of ¥84 million (¥35 per unit) to unappropriated retained earnings of ¥5,904 million (¥2,474 per unit), is assumed to be distributed for the 41st fiscal period. * A total of ¥5,750 million (distribution per unit of ¥2,410), which is the amount obtained by adding the planned reversal of reserve for temporary difference adjustment of ¥1,185 million (¥496 per unit) to unappropriated retained earnings of ¥4,564 million (¥1,913 per unit), is assumed to be distributed for the 42nd fiscal period. * Distribution per unit may change due to various factors including change of rental revenue alongside transfer of assets under management, change in tenants, etc. and unforeseen repairs. * Earnings per unit and distribution per unit for each business period are calculated using the expected total number of investment units issued and outstanding at the end of each period based on the above total number of investment units issued and outstanding.
Distribution in excess of earnings per unit	* At present, the Investment Corporation does not plan to make cash distribution in excess of earnings.
Other	* The forecast is based on the assumption that no revisions impacting the forecast figures above will be made to laws and regulations, the tax system, accounting standards, the listing rules, or the rules of the Investment Management Association of Japan, etc. * It is also assumed there will be no unexpected material change in general economic trends, the real estate market conditions, etc.

English Translation
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2. Financial Statements

(1) Balance Sheet

(Unit: thousand yen)

	39th period (September 30, 2025)	40th period (March 31, 2026)
Assets		
Current assets		
Cash and deposits	8,948,956	14,336,802
Cash and deposits in trust	3,876,838	3,844,998
Operating accounts receivable	157,757	175,131
Prepaid expenses	522,339	389,426
Other	421	529
Allowance for doubtful accounts	(7,595)	(4,315)
Total current assets	13,498,718	18,742,572
Non-current assets		
Property, plant and equipment		
Buildings	89,020,679	88,946,624
Accumulated depreciation	(28,299,560)	(28,648,962)
Buildings, net	60,721,119	60,297,661
Structures	490,024	503,074
Accumulated depreciation	(319,473)	(325,211)
Structures, net	170,550	177,862
Machinery and equipment	501,799	492,231
Accumulated depreciation	(325,058)	(319,119)
Machinery and equipment, net	176,741	173,112
Tools, furniture and fixtures	1,814,792	1,924,895
Accumulated depreciation	(1,041,761)	(1,132,434)
Tools, furniture and fixtures, net	773,031	792,460
Land	78,414,940	79,707,033
Construction in progress	4,752	76,891
Buildings in trust	116,223,859	111,106,843
Accumulated depreciation	(18,854,856)	(18,466,891)
Buildings in trust, net	97,369,002	92,639,952
Structures in trust	1,449,030	1,270,361
Accumulated depreciation	(368,851)	(341,061)
Structures in trust, net	1,080,179	929,300
Machinery and equipment in trust	147,191	142,190
Accumulated depreciation	(87,568)	(85,289)
Machinery and equipment in trust, net	59,623	56,900
Tools, furniture and fixtures in trust	866,981	906,187
Accumulated depreciation	(435,998)	(467,666)
Tools, furniture and fixtures in trust, net	430,983	438,520
Land in trust	143,075,542	142,414,652
Construction in progress in trust	9,687	2,625
Total property, plant and equipment	382,286,152	377,706,974
Intangible assets		
Leasehold interests in land	546,283	546,283
Land leasehold interests in trust	2,094,313	2,093,996
Trademark right	364	328
Software	–	11,696
Total intangible assets	2,640,961	2,652,305

English Translation
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(Unit: thousand yen)

	39th period (September 30, 2025)	40th period (March 31, 2026)
Investments and other assets		
Leasehold and guarantee deposits	27,534	27,484
Long-term prepaid expenses	1,077,602	993,025
Derivatives	328,787	673,935
Reserve for repairs	232,004	191,354
Total investments and other assets	1,665,927	1,885,799
Total non-current assets	386,593,041	382,245,078
Deferred assets		
Investment corporation bond issuance costs	41,165	30,351
Total deferred assets	41,165	30,351
Total assets	400,132,925	401,018,002
Liabilities		
Current liabilities		
Operating accounts payable	844,397	930,329
Shor-term borrowings	–	10,000,000
Current portion of investment corporation bonds	12,500,000	2,500,000
Current portion of long-term borrowings	15,002,000	17,765,000
Accounts payable - other	28,324	18,853
Accrued expenses	1,041,242	1,068,221
Income taxes payable	605	605
Accrued consumption tax	207,283	545,667
Advances received	1,197,306	1,117,536
Other	27,975	14,517
Total current liabilities	30,849,135	33,960,730
Non-current liabilities		
Investment corporation bonds	9,600,000	9,600,000
Long-term borrowings	167,635,000	164,872,000
Leasehold and guarantee deposits received	880,603	882,322
Leasehold and guarantee deposits received in trust	3,472,077	3,237,284
Asset retirement obligations	120,804	121,136
Total non-current liabilities	181,708,486	178,712,743
Total liabilities	212,557,621	212,673,474
Net assets		
Unitholders' equity		
Unitholders' capital	152,719,492	152,719,492
Surplus		
Capital surplus	20,620,242	20,620,242
Deduction from capital surplus	*3 (1,999,972)	*3 (1,999,972)
Capital surplus, net	18,620,270	18,620,270
Voluntary retained earnings		
Reserve for tax purpose reduction entry	640,707	1,301,309
Reserve for dividends	2,376,115	2,376,115
Reserve for temporary difference adjustments	*2 6,282,852	*2 5,787,015
Total voluntary retained earnings	9,299,675	9,464,440
Unappropriated retained earnings (undisposed loss)	6,607,078	6,866,389
Total surplus	34,527,024	34,951,101
Total unitholders' equity	187,246,516	187,670,593
Valuation and translation adjustments		
Deferred gains or losses on hedges	328,787	673,935
Total valuation and translation adjustments	328,787	673,935
Total net assets	*1 187,575,304	*1 188,344,528
Total liabilities and net assets	400,132,925	401,018,002

English Translation
The following is an English translation of the original Japanese document and is being provided for informational purposes only.

(2) Statement of Income

(Unit: thousand yen)

	39th period (from April 1, 2025, to September 30, 2025)	40th period (from October 1, 2025, to March 31, 2026)
Operating revenue		
Leasing business revenue	*1, *2 12,636,971	*1, *2 12,534,517
Gain on sale of real estate properties	*3 2,025,717	*3 2,459,430
Total operating revenue	14,662,689	14,993,947
Operating expenses		
Expenses related to leasing business	*1 5,317,128	*1 5,367,792
Asset management fees	1,066,800	1,087,900
Remuneration for directors (and other officers)	6,000	6,300
Asset custody fees	20,624	20,554
Administrative service fees	56,740	58,366
Audit fees	15,000	15,000
Provision of allowance for doubtful accounts	1,894	–
Bad debt expenses	–	119
Other operating expenses	403,714	393,780
Total operating expenses	6,887,901	6,949,814
Operating profit	7,774,788	8,044,132
Non-operating income		
Interest income	2,675	3,164
Miscellaneous income	35,733	96,383
Total non-operating income	38,408	99,547
Non-operating expenses		
Interest expenses	930,434	1,013,811
Interest expenses on investment corporation bonds	66,598	57,503
Borrowing related expenses	187,559	189,846
Amortization of investment corporation bond issuance costs	12,380	10,813
Other	8,538	4,709
Total non-operating expenses	1,205,512	1,276,685
Ordinary profit	6,607,683	6,866,994
Profit before income taxes	6,607,683	6,866,994
Income taxes - current	605	605
Total income taxes	605	605
Profit	6,607,078	6,866,389
Unappropriated retained earnings (undisposed loss)	6,607,078	6,866,389

English Translation
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(3) Statement of Unitholders' Equity

39th period (from April 1, 2025 to September 30, 2025)

(Unit: thousand yen)

	Unitholders' equity							
	Unitholders' capital	Surplus						
		Capital surplus			Voluntary retained earnings			
		Capital surplus	Deduction from capital surplus	Capital surplus, net	Reserve for tax purpose reduction entry	Reserve for dividends	Reserve for temporary difference adjustments	Total voluntary retained earnings
Balance at beginning of period	152,719,492	20,620,242	–	20,620,242	–	2,297,673	6,362,165	8,659,838
Changes during period								
Provision of reserve for tax purpose reduction entry					640,707			640,707
Provision of reserve for dividends						78,442		78,442
Reversal of reserve for temporary difference adjustments							(79,312)	(79,312)
Dividends of surplus								
Profit								
Acquisition of treasury investment units								
Cancelation of treasury investment units			(1,999,972)	(1,999,972)				
Net changes in items other than unitholders' equity								
Total changes during period	–	–	(1,999,972)	(1,999,972)	640,707	78,442	(79,312)	639,836
Balance at end of period	152,719,492	20,620,242	(1,999,972)	18,620,270	640,707	2,376,115	6,282,852	9,299,675

	Unitholders' equity				Valuation and translation adjustments		Total net assets
	Surplus		Treasury investment units	Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Unappropriated retained earnings (undisposed loss)	Total surplus					
Balance at beginning of period	7,210,646	36,490,727	–	189,210,220	132,490	132,490	189,342,710
Changes during period							
Provision of reserve for tax purpose reduction entry	(640,707)	–		–			–
Provision of reserve for dividends	(78,442)	–		–			–
Reversal of reserve for temporary difference adjustments	79,312	–		–			–
Dividends of surplus	(6,570,809)	(6,570,809)		(6,570,809)			(6,570,809)
Profit	6,607,078	6,607,078		6,607,078			6,607,078
Acquisition of treasury investment units			(1,999,972)	(1,999,972)			(1,999,972)
Cancelation of treasury investment units		(1,999,972)	1,999,972	–			–
Net changes in items other than unitholders' equity					196,296	196,296	196,296
Total changes during period	(603,567)	(1,963,703)	–	(1,963,703)	196,296	196,296	(1,767,406)
Balance at end of period	6,607,078	34,527,024	–	187,246,516	328,787	328,787	187,575,304

English Translation
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40th period (from October 1, 2025, to March 31, 2026)

(Unit: thousand yen)

	Unitholders' equity							
	Unitholders' capital	Surplus						
		Capital surplus			Voluntary retained earnings			
		Capital surplus	Deduction from capital surplus	Capital surplus, net	Reserve for tax purpose reduction entry	Reserve for dividends	Reserve for temporary difference adjustments	Total voluntary retained earnings
Balance at beginning of period	152,719,492	20,620,242	(1,999,972)	18,620,270	640,707	2,376,115	6,282,852	9,299,675
Changes during period								
Provision of reserve for tax purpose reduction entry					660,602			660,602
Reversal of reserve for temporary difference adjustments							(495,837)	(495,837)
Dividends of surplus								
Profit								
Net changes in items other than unitholders' equity								
Total changes during period	–	–	–	–	660,602	–	(495,837)	164,765
Balance at end of period	152,719,492	20,620,242	(1,999,972)	18,620,270	1,301,309	2,376,115	5,787,015	9,464,440

	Unitholders' equity			Valuation and translation adjustments		Total net assets
	Surplus		Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Unappropriated retained earnings (undisposed loss)	Total surplus				
Balance at beginning of period	6,607,078	34,527,024	187,246,516	328,787	328,787	187,575,304
Changes during period						
Provision of reserve for tax purpose reduction entry	(660,602)	–	–			–
Reversal of reserve for temporary difference adjustments	495,837	–	–			–
Dividends of surplus	(6,442,313)	(6,442,313)	(6,442,313)			(6,442,313)
Profit	6,866,389	6,866,389	6,866,389			6,866,389
Net changes in items other than unitholders' equity				345,148	345,148	345,148
Total changes during period	259,311	424,076	424,076	345,148	345,148	769,224
Balance at end of period	6,866,389	34,951,101	187,670,593	673,935	673,935	188,344,528

English Translation
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(4) Statement of Cash Distributions

Item	39th period (from April 1, 2025, to September 30, 2025)	40th period (from October 1, 2025, to March 31, 2026)
I. Unappropriated retained earnings	¥6,607,078,924	¥6,866,389,978
II. Reversal of voluntary retained earnings		
Reversal of reserve for temporary difference adjustments	*1 ¥495,837,048	*1 ¥79,312,567
III. Amount of distributions	¥6,442,313,400	¥6,275,290,460
[Amount of distribution per investment unit]	[¥2,700]	[¥2,630]
IV. Voluntary retained earnings		
Provision of reserve for tax purpose reduction entry	¥660,602,572	¥578,580,962
Provision of reserve for dividends	–	¥91,831,123
V. Retained earnings carried forward	–	–
Method for calculating the amount of distributions	The cash distribution policy set out in Article 15, Paragraph 1 of the Articles of Incorporation of the Investment Corporation stipulates that the amount of distributions shall exceed the amount equivalent to 90% of "earnings available for distribution" as provided for in Article 67-15 of the Special Taxation Measures Act. Based on this policy, the decision was made to distribute, as a distribution of earnings, ¥6,442,313,400, the maximum integral multiple of the 2,386,042 investment units issued and an amount not exceeding the amount obtained by subtracting ¥660,602,572 for provision of reserve for tax purpose reduction entry under Article 65-7 of the Special Taxation Measures Act from unappropriated retained earnings of ¥6,607,078,924 then adding ¥495,837,048 for reversal of reserve for temporary difference adjustments. The cash distribution in excess of earnings set out in Article 15, Paragraph 3 of the Articles of Incorporation of the Investment Corporation will not take place.	The cash distribution policy set out in Article 15, Paragraph 1 of the Articles of Incorporation of the Investment Corporation stipulates that the amount of distributions shall exceed the amount equivalent to 90% of "earnings available for distribution" as provided for in Article 67-15 of the Special Taxation Measures Act. Based on this policy, the decision was made to distribute, as a distribution of earnings, ¥6,275,290,460, the maximum integral multiple of the 2,386,042 investment units issued and an amount not exceeding the amount obtained by subtracting each of ¥578,580,962 for provision of reserve for tax purpose reduction entry under Article 65-7 of the Special Taxation Measures Act and ¥91,831,123 for provision of reserve for dividends from unappropriated retained earnings of ¥6,866,389,978, then adding reversal of reserve for temporary difference adjustments of ¥79,312,567. The cash distribution in excess of earnings set out in Article 15, Paragraph 3 of the Articles of Incorporation of the Investment Corporation will not take place.

English Translation
The following is an English translation of the original Japanese document and is being provided for informational purposes only.

(5) Statement of Cash Flows

(Unit: thousand yen)

	39th period (from April 1, 2025, to September 30, 2025)	40th period (from October 1, 2025, to March 31, 2026)
Cash flows from operating activities		
Profit before income taxes	6,607,683	6,866,994
Depreciation	2,660,198	2,607,971
Amortization of long-term prepaid expenses	157,024	159,118
Amortization of investment corporation bond issuance costs	12,380	10,813
Interest income	(2,675)	(3,164)
Interest expenses	930,434	1,013,811
Interest expenses on investment corporation bonds	66,598	57,503
Increase (decrease) in allowance for doubtful accounts	1,406	(3,279)
Decrease (increase) in operating accounts receivable	(1,103)	(17,373)
Decrease (increase) in prepaid expenses	(105,099)	135,984
Increase (decrease) in operating accounts payable	(72,806)	96,747
Increase (decrease) in accrued consumption taxes	(11,368)	338,384
Increase (decrease) in accounts payable - other	(6,372)	(14,185)
Increase (decrease) in accrued expenses	(59,805)	18,920
Increase (decrease) in advances received	6,340	(79,770)
Decrease in property, plant and equipment due to sale	2,924,560	1,365,038
Decrease in property, plant and equipment in trust due to sale	2,848,460	17,099,458
Long-term prepaid expenses paid	(143,563)	(77,611)
Other	(6,904)	10,250
Subtotal	15,805,389	29,585,612
Interest received	2,675	3,164
Interest paid	(995,100)	(1,079,097)
Income taxes paid	(605)	(605)
Net cash provided by (used in) operating activities	14,812,359	28,509,073
Cash flows from investing activities		
Purchase of property, plant and equipment	(590,132)	(3,391,762)
Purchase of property, plant and equipment in trust	(7,510,178)	(13,073,210)
Purchase of intangible assets	(105)	(12,100)
Refund of leasehold and guarantee deposits received	(97,912)	(63,208)
Proceeds from leasehold and guarantee deposits received	66,553	64,927
Refund of leasehold and guarantee deposits received in trust	(133,092)	(351,569)
Proceeds from leasehold and guarantee deposits received in trust	64,118	116,786
Net cash provided by (used in) investing activities	(8,200,750)	(16,710,137)
Cash flows from financing activities		
Redemption of investment corporation bonds	–	(10,000,000)
Proceeds from short-term borrowings	–	10,000,000
Proceeds from long-term borrowings	10,710,000	8,100,000
Repayments of long-term borrowings	(10,710,000)	(8,100,000)
Payments for acquisition of treasury units	(1,999,972)	–
Distributions paid	(6,570,438)	(6,442,928)
Net cash provided by (used in) financing activities	(8,570,411)	(6,442,928)
Net increase (decrease) in cash and cash equivalents	(1,958,801)	5,356,006
Cash and cash equivalents at beginning of period	14,784,596	12,825,794
Cash and cash equivalents at end of period	*1 12,825,794	*1 18,181,801

English Translation
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(6) Notes on the Going Concern Assumption

Not applicable.

(7) Notes on Matters Concerning Significant Accounting Policies

1. Method of depreciation of non-current assets

① Property, plant, and equipment (including trust accounts)

Depreciation of property, plant and equipment is calculated on a straight-line basis over the estimated useful lives of the assets as stated below.

Buildings	1–70 years
Structures	4–60 years
Machinery and equipment	9–24 years
Tools, furniture and fixtures	2–21 years

② Intangible assets

Depreciation of intangible assets is calculated on a straight-line basis.

③ Long-term prepaid expenses

Depreciation of long-term prepaid expenses is calculated on a straight-line basis.

2. Accounting for deferred assets

① Investment unit issuance expenses

The entire amount is expensed when incurred.

② Investment corporation bond issuance costs

Investment corporation bond issuance costs are amortized equally over the period up to the redemption of the investment corporation bonds.

3. Standards for recognition of allowances

Allowance for doubtful accounts

Allowance for doubtful accounts is provided at the amount which is considered sufficient to cover possible bad debt expenses on receivables, based on a case-by-case examination of collectability for doubtful and other specific receivables.

4. Standards for recognition of revenues and expenses

① Accounting for property tax, etc.

Properties are subject to various taxes, such as property tax, city planning tax and depreciable assets tax. The owner of properties is registered in a record maintained by the local government in each jurisdiction, and the taxes are imposed on the owner registered in the record, as of January 1, based on an assessment made by the local government.

When a property is purchased before January 1 of any given calendar year, such taxes for the previous year are imposed on the seller. The Investment Corporation pays the seller the corresponding tax amounts for the period from the property's transfer date to December 31 of the previous year as part of the purchase prices of each property and capitalizes these amounts as part of the cost of the property. The Investment Corporation expenses the taxes imposed on such properties as expenses related to leasing business every calendar year when incurred.

② Standards for recognition of revenues

The details of main obligations relevant to revenue from contracts with customers of the Investment Corporation and normal timing when such obligations are satisfied (normal timing when revenue is recognized) are as follows.

a. Sale of real estate properties

Regarding the sale of real estate properties, revenue is recognized at the time when buyers who are customers take control of the properties by fulfilling the obligation of delivery specified in the contract on the sale of properties.

b. Utilities reimbursement

For utilities reimbursement, revenue is recognized depending on the supply of electricity, water, etc. to tenants who are customers based on the content of lease agreements for real estate and incidental agreements. For the utilities reimbursement for which the Investment Corporation is deemed to be an agent, the net amount obtained by deducting the amount to be paid to another party from the amount received from tenants as charges for electricity, gas, etc., provided by said party.

English Translation
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5. Hedge accounting method

① Method of hedge accounting

In principle, the deferred hedge method is used. In cases where the interest swaps meet conditions for special treatment, special treatment is adopted.

② Hedging instruments and hedged items

Hedging instruments: Interest rate swap transactions

Hedged items: Interest on borrowings

③ Hedging policy

The Investment Corporation conducts derivative transactions to hedge risks set out in the Articles of Incorporation pursuant to the financial policy.

④ Method for assessing the effectiveness of hedging

The effectiveness of hedging is assessed by comparing the cumulative changes in cash flows of the hedged items and the cumulative changes in cash flows of the hedging instruments and examining the ratio of the amount of change in both. However, evaluation of effectiveness is omitted in the case of interest rate swaps with special treatment.

6. Scope of funds on the Statement of Cash Flows

The funds (cash and cash equivalents) on the Statement of Cash Flows consist of cash on hand, cash held in trust, deposits and deposits held in trust that can be withdrawn at any time, and short-term investments, with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of value fluctuation.

7. Other matters serving as the basis for preparing financial statements

① Accounting for trust beneficiary interests in real estate

For trust beneficiary interests in real estate, all trust assets and liabilities as well as all income generated and expenses incurred in trusts are recorded in the relevant accounts on the Balance Sheet and the Statement of Income.

The following material items of the trust accounts recorded in the relevant accounts are separately listed on the Balance Sheet.

a. Cash and deposits in trust
b. Buildings in trust; Structures in trust; Machinery and equipment in trust; Tools, furniture and fixtures in trust; Land in trust; Construction in progress in trust
c. Land leasehold interests in trust
d. Leasehold and guarantee deposits received in trust

② Accounting for consumption taxes on non-current assets and deferred assets

Non-current assets and deferred assets are tax inclusive.

(8) Notes to Financial Statements

(Notes to Balance Sheet)

*1. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

¥50,000 thousand

*2. Matters concerning provision and reversal of reserve for temporary difference adjustments

39th period (as of September 30, 2025)

(Unit: thousand yen)

	Initial amount	Balance at beginning of period	Provision during period	Reversal during period	Balance at end of period	Reason for provision/reversal
Reserve for dividends (Note 1)	6,733,122	5,259,881	–	67,331	5,192,550	Appropriation to the distribution
Part of the discrepancy between taxation and accounting in excess of earnings due to gain on bargain purchase (Note 2)	1,198,134	1,102,283	–	11,981	1,090,302	Appropriation to the distribution
Total	7,931,256	6,362,165	–	79,312	6,282,852	

(Note 1) The amount is the remaining balance of the amount subdivided into gain on bargain purchase recorded in prior fiscal years. The Investment Corporation plans to reverse an amount equivalent to the averaged amount for 50 years or more, in each fiscal period, starting with the fiscal period ended September 2017.

(Note 2) The amount is the accumulation of a portion of the discrepancy between taxation and accounting in excess of earnings due to gain on bargain purchase, and the Investment Corporation plans to reverse an amount equivalent to the averaged amount for 50 years or more, in each fiscal period, starting with the fiscal period ended March 2021.

English Translation
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40th period (as of March 31, 2026)

(Unit: thousand yen)

	Initial amount	Balance at beginning of period	Provision during period	Reversal during period	Balance at end of period	Reason for provision/reversal
Reserve for dividends (Note 1)	6,733,122	5,192,550	–	483,855	4,708,694	Appropriation to the distribution
Part of the discrepancy between taxation and accounting in excess of earnings due to gain on bargain purchase (Note 2)	1,198,134	1,090,302	–	11,981	1,078,321	Appropriation to the distribution
Total	7,931,256	6,282,852	–	495,837	5,787,015	

(Note 1) The amount is the remaining balance of the amount subdivided into gain on bargain purchase recorded in prior fiscal years. The Investment Corporation plans to reverse an amount equivalent to the averaged amount for 50 years or more, in each fiscal period, starting with the fiscal period ended September 2017.

(Note 2) The amount is the accumulation of a portion of the discrepancy between taxation and accounting in excess of earnings due to gain on bargain purchase, and the Investment Corporation plans to reverse an amount equivalent to the averaged amount for 50 years or more, in each fiscal period, starting with the fiscal period ended March 2021.

*3. Cancellation of treasury investment units

	39th fiscal period (as of September 30, 2025)	40th fiscal period (as of March 31, 2026)
Total number of canceled units	20,848 units	20,848 units
Total amount canceled	¥1,999,972 thousand	¥1,999,972 thousand

(Note) During the 40th fiscal period, there were no cancelations.

*4. Commitment line agreement

The Investment Corporation has concluded a commitment line agreement with one transaction bank.

	39th fiscal period (as of September 30, 2025)	40th fiscal period (as of March 31, 2026)
Credit line	¥1,000,000 thousand	¥1,000,000 thousand
Outstanding debt at end of period	¥– thousand	¥– thousand
Unused committed line of credit	¥1,000,000 thousand	¥1,000,000 thousand

English Translation
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(Notes to Statement of Income)

*1. Breakdown of profit (loss) on operations of rental properties

(Unit: thousand yen)

	39th period (from April 1, 2025, to September 30, 2025)	40th period (from October 1, 2025, to March 31, 2026)
A. Leasing business revenue		
Rent income	11,192,743	11,018,524
Common area charges	616,073	616,976
Parking revenue	301,430	311,025
Incidental revenue	94,911	97,748
Other leasing business revenue	431,812	490,242
Total	12,636,971	12,534,517
B. Expenses related to leasing business		
Management fees	537,525	541,281
Taxes	789,293	756,560
Utilities expenses	182,259	181,883
Repair expenses	578,318	624,166
Insurance expenses	41,006	44,954
Advertising expenses	305,489	397,032
Trust fees	30,420	31,365
Depreciation	2,660,164	2,607,531
Other expenses related to leasing business	192,651	183,016
Total	5,317,128	5,367,792
C. Net profit on operations of rental properties (A − B)	7,319,843	7,166,725

*2. Trading volume with major unitholders

(Unit: thousand yen)

	39th period (from April 1, 2025, to September 30, 2025)	40th period (from October 1, 2025, to March 31, 2026)
Trading volume through sales transactions		
Leasing business revenue	42,914	30,442

English Translation
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*3. Breakdown of gain on sale of real estate properties

39th period (from April 1, 2025, to September 30, 2025)

(Unit: thousand yen)

willDo Okayamaeki Nishiguchi	
Revenue from sale of real estate	1,444,565
Cost of sale of real estate	850,344
Other selling expenses	57,430
Gain on sale of real estate properties	536,790
willDo Okayamadaiku	
Revenue from sale of real estate	1,264,378
Cost of sale of real estate	808,460
Other selling expenses	50,885
Gain on sale of real estate properties	405,031
willDo Temmacho	
Revenue from sale of real estate	844,834
Cost of sale of real estate	505,966
Other selling expenses	34,023
Gain on sale of real estate properties	304,844
Bonheur Tokiwa	
Revenue from sale of real estate	1,002,293
Cost of sale of real estate	759,788
Other selling expenses	39,174
Gain on sale of real estate properties	203,331
Sawayaka Kaikyokan	
Revenue from sale of real estate	1,032,100
Cost of sale of real estate	760,124
Other selling expenses	18,325
Gain on sale of real estate properties	253,650
Sawayaka Hinodekan	
Revenue from sale of real estate	972,126
Cost of sale of real estate	822,019
Other selling expenses	9,602
Gain on sale of real estate properties	140,504
Silver Heights Hitsujigaoka No.3	
Revenue from sale of real estate	1,467,376
Cost of sale of real estate	1,266,316
Other selling expenses	19,495
Gain on sale of real estate properties	181,564

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40th period (from October 1, 2025, to March 31, 2026)

(Unit: thousand yen)

Stagea Kogane	
Revenue from sale of real estate	568,710
Cost of sale of real estate	444,560
Other selling expenses	21,996
Gain on sale of real estate properties	102,153
willDo Takabata	
Revenue from sale of real estate	494,670
Cost of sale of real estate	352,902
Other selling expenses	19,268
Gain on sale of real estate properties	122,499
Stellato City Sakurayama	
Revenue from sale of real estate	891,653
Cost of sale of real estate	567,575
Other selling expenses	33,611
Gain on sale of real estate properties	290,467
Gran Casa Sendai Itsutsubashi	
Revenue from sale of real estate	2,750,565
Cost of sale of real estate	1,865,505
Other selling expenses	19,407
Gain on sale of real estate properties	865,652
Forest Hill Sendai-Aoba	
Revenue from sale of real estate	2,930,433
Cost of sale of real estate	2,422,798
Other selling expenses	109,028
Gain on sale of real estate properties	398,605
Bulk transaction (Note 1) (Note 2)	
Revenue from sale of real estate	13,587,150
Cost of sale of real estate	12,811,154
Other selling expenses	95,943
Gain on sale of real estate properties	680,052

(Note 1) The bulk transaction covers the following 8 properties:
Senior Forest Yokohama-Tsuzuki
Sunny Life Chofu
Charm Premier Kamakurayama
As Heim Tsunashima
Library Shin-Shibamata
Ishinkan Kamiooka
Sunny Life Kamakura Tamanawa
Alpha Living Takamatsu Konyamachi

(Note 2) The dispositions have been concluded with the same counterparty based on a single purchase and sale agreement. A requirement for the transactions related to this disposition requested by the counterparty was to not disclose the amount for each property. The total amount is therefore indicated.

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(Notes to Statement of Unitholders' Equity)

	39th period (from April 1, 2025, to September 30, 2025)	40th period (from October 1, 2025, to March 31, 2026)
Total number of investment units authorized and total number of investment units issued and outstanding		
Total number of investment units authorized	5,000,000 units	5,000,000 units
Total number of investment units issued and outstanding	2,386,042 units	2,386,042 units

(Notes to Statement of Cash Distributions)

*1. Reserve for temporary difference adjustments

39th period (from April 1, 2025, to September 30, 2025)

By application of the transitional measures stipulated in Paragraph 3 of Supplementary Provisions of Ordinance on Accountings of Investment Corporations (Cabinet Office Ordinance No. 27 of 2015), ¥6,733,122,069 of reserve for dividends that is the remaining balance of the amount subdivided into gain on bargain purchase recorded in prior fiscal years is reserved as reserve for temporary difference adjustments on the Statement of Cash Distributions for the fiscal period ended March 2017. Starting from the fiscal period ended September 2017 (the fiscal period following the fiscal period in which the reserve was made), the Investment Corporation is required to reverse the amount equivalent to the averaged amount for 50 years of the balance at the time of provision or more (¥67,331,221 or more) in each fiscal period, and thus reversed ¥483,855,702 in the fiscal period ended September 2025.

Of the discrepancy between taxation and accounting in excess of earnings (refers to the discrepancy between taxation and accounting where the amount obtained by deducting the total amount of expenses, etc. from the total amount of revenues, etc. exceeds the amount obtained by deducting the amount of deductible expenses from the amount of gross profit) arising in the fiscal period ended September 2020, ¥1,198,134,568 is reserved as reserve for temporary difference adjustments. Starting from the fiscal period ended March 2021 (the fiscal period following the fiscal period in which the reserve was made), the Investment Corporation is required to reverse the amount equivalent to the averaged amount (¥11,981,346 or more) in each fiscal period within 50 years, and thus reversed ¥11,981,346 in the fiscal period ended September 2025.

40th period (from October 1, 2025, to March 31, 2026)

By application of the transitional measures stipulated in Paragraph 3 of Supplementary Provisions of Ordinance on Accountings of Investment Corporations (Cabinet Office Ordinance No. 27 of 2015), ¥6,733,122,069 of reserve for dividends that is the remaining balance of the amount subdivided into gain on bargain purchase recorded in prior fiscal years is reserved as reserve for temporary difference adjustments on the Statement of Cash Distributions for the fiscal period ended March 2017. Starting from the fiscal period ended September 2017 (the fiscal period following the fiscal period in which the reserve was made), the Investment Corporation is required to reverse the amount equivalent to the averaged amount for 50 years of the balance at the time of provision or more (¥67,331,221 or more) in each fiscal period, and thus reversed ¥67,331,221 in the fiscal period ended March 2026.

Of the discrepancy between taxation and accounting in excess of earnings (refers to the discrepancy between taxation and accounting where the amount obtained by deducting the total amount of expenses, etc. from the total amount of revenues, etc. exceeds the amount obtained by deducting the amount of deductible expenses from the amount of gross profit) arising in the fiscal period ended September 2020, ¥1,198,134,568 is reserved as reserve for temporary difference adjustments. Starting from the fiscal period ended March 2021 (the fiscal period following the fiscal period in which the reserve was made), the Investment Corporation is required to reverse the amount equivalent to the averaged amount (¥11,981,346 or more) in each fiscal period within 50 years, and thus reversed ¥11,981,346 in the fiscal period ended March 2026.

(Notes to Statement of Cash Flows)

*1. Reconciliation of cash and cash equivalents at the end of the fiscal period with the amount of the accounts on the Balance Sheet was as follows:

	39th period (from April 1, 2025, to September 30, 2025)	40th period (from October 1, 2025, to March 31, 2026)
Cash and deposits	¥8,948,956 thousand	¥14,336,802 thousand
Cash and deposits in trust	¥3,876,838 thousand	¥3,844,998 thousand
Cash and cash equivalents	¥12,825,794 thousand	¥18,181,801 thousand

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(Notes on Related-Party Transactions)

1. Parent company, major corporate unitholder, etc.

Not applicable for the 39th period and 40th period.

2. Subsidiary, etc.

Not applicable for the 39th period and 40th period.

3. Fellow subsidiary, etc.

39th period (from April 1, 2025, to September 30, 2025)

Type	Name	Location	Capital stock or investments in capital (thousand yen)	Description of business or occupation	Percentage of voting rights, etc. held in (by) related party (%)	Relationship with related party	Description of transaction	Amount of transaction (thousand yen) (Note 1)	Account item	Balance at the end of the period (thousand yen) (Note 1)
Subsidiary of major unitholder	Daiwa Securities Realty Co. Ltd.	Chuo-ku, Tokyo	500,000	Real estate sales, investment, leasing and brokerage, etc.	–	Seller of real estate trust beneficiary interests	Purchase of real estate trust beneficiary interests (Note 4)	6,527,000	–	–

(Note 1) Of the amounts above, the amount of transaction does not include consumption tax, etc., and the balance at the end of the period includes consumption tax, etc.
(Note 2) The terms and conditions of transactions with interested persons or other close affiliates were determined based on the internal rules on measures against conflicts of interest of the Asset Manager.
(Note 3) The terms and conditions of transactions were determined based on market conditions.
(Note 4) The amount of transaction for the purchase of real estate trust beneficiary interests stated above does not include acquisition expenses, adjustments to property tax and city planning tax, consumption tax, etc.

40th period (from October 1, 2025, to March 31, 2026)

Type	Name	Location	Capital stock or investments in capital (thousand yen)	Description of business or occupation	Percentage of voting rights, etc. held in (by) related party (%)	Relationship with related party	Description of transaction	Amount of transaction (thousand yen) (Note 1)	Account item	Balance at the end of the period (thousand yen) (Note 1)
Subsidiary of major unitholder	Daiwa Securities Realty Co. Ltd.	Chuo-ku, Tokyo	500,000	Real estate sales, investment, leasing and brokerage, etc.	–	Seller of real estate trust beneficiary interests	Purchase of real estate trust beneficiary interests (Note 4)	5,417,000	–	–

(Note 1) Of the amounts above, the amount of transaction does not include consumption tax, etc., and the balance at the end of the period includes consumption tax, etc.
(Note 2) The terms and conditions of transactions with interested persons or other close affiliates were determined based on the internal rules on measures against conflicts of interest of the Asset Manager.
(Note 3) The terms and conditions of transactions were determined based on market conditions.
(Note 4) The amount of transaction for the purchase of real estate trust beneficiary interests stated above does not include acquisition expenses, adjustments to property tax and city planning tax, consumption tax, etc.

4. Director, major individual unitholder, etc.

Not applicable for the 39th period and 40th period.

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(Notes on Rental Properties)

The Investment Corporation has rental housing and healthcare facilities in Tokyo and other areas for the purpose of earning rental revenues. The carrying amounts, net increase (decrease) during the period and fair value of such rental properties were as follows:

(Unit: thousand yen)

			39th period (from April 1, 2025, to September 30, 2025)	40th period (from October 1, 2025, to March 31, 2026)
Rental properties	Carrying amount (Note 2)	Balance at the beginning of the period	385,064,874	384,912,310
		Net increase (decrease) during the period (Note 3) (Note 4)	(152,564)	(4,644,572)
		Balance at the end of the period	384,912,310	380,267,738
	Fair value at the end of the period (Note 5)		492,249,000	491,052,358

(Note 1) For a summary of the rental properties, please refer to "3. Reference Information; (1) Information on Price of Assets under Management" later in this document.

(Note 2) The carrying amounts represent the amount after deducting the accumulated depreciation from the acquisition costs (including incidental expenses upon acquisition).

(Note 3) For the 39th fiscal period, the major increase during the period was the acquisition of real estate trust beneficiary interests in four properties (¥7,038,466 thousand) and the major decreases were the sale of four real estate properties and real estate trust beneficiary interests in three real estate properties (¥5,773,021 thousand) and depreciation (¥2,660,164 thousand).

(Note 4) For the 40th fiscal period, the major increase during the period was the acquisition of two real estate properties and real estate trust beneficiary interests in six properties (¥14,999,127 thousand) and the major decreases were the sale of three real estate properties and real estate trust beneficiary interests in 10 real estate properties (¥18,464,496 thousand) and depreciation (¥2,607,531 thousand).

(Note 5) Fair value at the end of the 39th period indicates the appraisal value or investigation value by external real-property appraisers. Furthermore, fair value at the end of the 40th period indicates the disposition price in the case of properties for which a disposition agreement has been concluded and the appraisal value or investigation value by external real-property appraisers in the case of other properties.

In addition, profit or loss on operations of rental properties was as described in "Notes to Statement of Income."

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(Notes on Segment and Related Information)

[Segment information]

Since the business of the Investment Corporation represents "real estate investment business" only, there are no reporting segments. Therefore, segment disclosures are omitted.

[Related information]

39th period (from April 1, 2025, to September 30, 2025)

1. Information about products and services

Since the proportion of operating revenue from external customers for single products and services exceeds 90% of operating revenue on the Statement of Income, product and service disclosures are omitted.

2. Information about geographical areas

(1) Net sales

Since the proportion of net sales to external customers in Japan exceeds 90% of operating revenue on the Statement of Income, geographic area on net sales disclosures are omitted.

(2) Property, plant and equipment

Since the proportion of the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the Balance Sheet, geographic area on property, plant and equipment disclosures is omitted.

3. Information about major customers

Since all of the net sales to each external customer is lower than 10% of operating revenue on the Statement of Income, major customer disclosures are omitted.

40th period (from October 1, 2025, to March 31, 2026)

1. Information about products and services

Since the proportion of net sales to external customers for single products and services exceeds 90% of operating revenue on the Statement of Income, product and service disclosures are omitted.

2. Information about geographical areas

(1) Net sales

Since the proportion of net sales to external customers in Japan exceeds 90% of operating revenue on the Statement of Income, geographic area on net sales disclosures are omitted.

(2) Property, plant and equipment

Since the proportion of the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the Balance Sheet, geographic area on property, plant and equipment disclosures is omitted.

3. Information about major customers

Since all of the net sales to each external customer is lower than 10% of operating revenue on the Statement of Income, major customer disclosures are omitted.

(Notes on Per Unit Information)

	39th period (from April 1, 2025, to September 30, 2025)	40th period (from October 1, 2025, to March 31, 2026)
Net assets per unit	¥78,613	¥78,935
Earnings per unit	¥2,758	¥2,877

Earnings per unit are calculated by dividing profit by the daily weighted average number of investment units.
Diluted earnings per unit are not stated because there were no diluted investment units.

(Note) The basis for calculating earnings per unit was as follows:

	39th period (from April 1, 2025, to September 30, 2025)	40th period (from October 1, 2025, to March 31, 2026)
Profit (thousand yen)	6,607,078	6,866,389
Amount not attributable to common unitholders (thousand yen)	–	–
Profit attributable to common investment units (thousand yen)	6,607,078	6,866,389
Average number of investment units during the period (units)	2,395,266	2,386,042

English Translation
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(Notes on Significant Subsequent Events)

1. Acquisition of assets

The Investment Corporation acquired assets for which a purchase and sale agreement was concluded on March 23, 2026, as described below.

Property name	Asset type	Property type	Location	Acquisition price (thousand yen) (Note 1)	Appraisal value (thousand yen) (Note 2)	Acquisition date	Counterparty
Gran Casa Ueno Matsugaya	Trust beneficiary interests	Rental housing	Taito-ku, Tokyo	1,268,000	1,290,000	May 1, 2026	(Note 3)
SOL TERRACE HONJONISHI CLAREST	Real estate	Rental housing	Osaka-shi, Osaka	941,000	1,010,000	May 1, 2026	(Note 3)
Gran Casa Hikifune II	Trust beneficiary interests	Rental housing	Sumida-ku, Tokyo	3,115,000	3,320,000	May 1, 2026	(Note 3)
Gran Casa Kawaguchi Aokicho Koen	Real Estate	Rental housing	Kawaguchi-shi, Saitama	1,780,000	1,850,000	May 1, 2026	(Note 3)
Total	–	–	–	7,104,000	7,470,000	–	–

(Note 1) Acquisition price does not include acquisition expenses, adjustments to property tax and city planning tax, and consumption tax and local consumption tax.
(Note 2) The date of the appraisal value is March 1, 2026.
(Note 3) The counterparty is Daiwa Securities Realty Co., Ltd.

2. Disposition of assets

The Investment Corporation disposed of assets for which purchase and sale agreements were concluded on March 23 and April 21, 2026, as described below.

Property name	Asset type	Property type	Location	Disposition price (thousand yen) (Note 1)	Appraisal value (thousand yen) (Note 2)	Disposition date	Counterparty
Joy Oyamadai	Real estate	Rental housing	Setagaya-ku, Tokyo	745,000	745,000	April 3, 2026	(Note 3)
Libest Higashi Nakayama	Real estate	Rental housing	Funabashi-shi, Chiba	2,160,358	1,960,000	April 28, 2026	(Note 3)
willDo Kanayama masaki	Real estate	Rental housing	Nagoya-shi, Aichi	1,227,000	565,000	May 15, 2026	(Note 3)
willDo Kurokawa	Real estate	Rental housing	Nagoya-shi, Aichi		646,000		
Total	–	–	–	4,132,358	3,916,000	–	–

(Note 1) Disposition price does not include disposition expenses, adjustments to property tax and city planning tax, and consumption tax and local consumption tax.
(Note 2) The date of the appraisal value is September 30, 2025.
(Note 3) The counterparties are 3 domestic corporations whose names have not been disclosed because their consent has not been obtained.

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3. Borrowing of funds

The Investment Corporation borrowed funds on May 1, 2026. The funds were used for part of the funds for the acquisition of the assets described in "① Acquisition of Assets" above and their incidental expenses.

Summary of borrowings

<Term Loan 26E>

Lender	MUFG Bank, Ltd., and The Bank of Fukuoka, Ltd.
Borrowing amount	¥1,000,000,000
Interest rate	1-month JBA Japanese Yen TIBOR + 0.3783%
Borrowing date	May 1, 2026
Due date	September 30, 2030
Interest payment date	The interest payment date is the last day of each month (however, if the applicable date is not a business day, it shall be the following business day, and if the following business day falls in the next month, it shall be the immediately preceding business day).
Method of repayment	Lump-sum repayment on the due date
Collateral	Unsecured

<Term Loan 26F>

Lender	MUFG Bank, Ltd., SBI Shinsei Bank, Ltd., Aozora Bank, Ltd. and The 77 Bank, Ltd.
Borrowing amount	¥3,500,000,000
Interest rate	1-month JBA Japanese Yen TIBOR + 0.4783%
Borrowing date	May 1, 2026
Due date	March 31, 2033
Interest payment date	The interest payment date is the last day of each month (however, if the applicable date is not a business day, it shall be the following business day, and if the following business day falls in the next month, it shall be the immediately preceding business day).
Method of repayment	Lump-sum repayment on the due date
Collateral	Unsecured

<Individual Loan>

Lender	Mizuho Bank, Ltd.
Borrowing amount	¥1,000,000,000
Interest rate	1-month JBA Japanese Yen TIBOR + 0.4783%
Borrowing date	May 1, 2026
Due date	March 31, 2033
Interest payment date	The interest payment date is the last day of each month (however, if the applicable date is not a business day, it shall be the following business day, and if the following business day falls in the next month, it shall be the immediately preceding business day).
Method of repayment	Lump-sum repayment on the due date
Collateral	Unsecured

(Omission of Disclosure)

Disclosure of notes on lease transactions, notes on financial instruments, notes on securities, notes on derivative transactions, notes on tax-effect accounting, notes on share of loss (profit) of entities accounted for using equity method, etc., notes on retirement benefits, notes on asset retirement obligations, notes on revenue recognition, and notes on accounting estimates is omitted because the need for disclosure in financial reports is considered to be immaterial.

English Translation
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(9) Changes in Total Number of Investment Units Issued and Outstanding

The table below shows the changes in the total number of investment units issued and outstanding and unitholders' capital in the five years up to the end of the fiscal period under review.

Date	Description	Total number of investment units issued and outstanding (units)		Unitholders' capital (thousand yen)		Notes
		Change	Total	Change	Total	
October 1, 2021	Capital increase through public offering	70,476	2,202,022	7,745,030	131,855,366	(Note 1)
October 20, 2021	Capital increase through third-party allotment	2,868	2,204,890	315,181	132,170,548	(Note 2)
October 3, 2022	Capital increase through public offering	53,333	2,258,223	5,900,336	138,070,884	(Note 3)
October 19, 2022	Capital increase through third-party allotment	2,667	2,260,890	295,055	138,365,940	(Note 4)
October 12, 2023	Capital increase through public offering	139,047	2,399,937	13,669,988	152,035,929	(Note 5)
November 8, 2023	Capital increase through third-party allotment	6,953	2,406,890	683,563	152,719,492	(Note 6)
September 30, 2025	Cancellation	(20,848)	2,386,042	–	152,719,492	(Note 7)

(Note 1) The Investment Corporation issued new investment units through public offering at an issue price of ¥113,626 (issue value of ¥109,896) per unit for the purpose of acquiring new properties.

(Note 2) The Investment Corporation issued new investment units through third-party allocation at an issue value of ¥109,896 per unit for the purpose of repaying part of borrowings and partly using to acquire specified assets in the future.

(Note 3) The Investment Corporation issued new investment units through public offering at an issue price of ¥114,387 (issue value of ¥110,632) per unit for the purpose of acquiring new properties.

(Note 4) The Investment Corporation issued new investment units through third-party allotment at an issue value of ¥110,632 per unit for the purpose of repaying part of borrowings and partly using to acquire specified assets in the future.

(Note 5) The Investment Corporation issued new investment units through public offering at an issue price of ¥101,595 (issue value of ¥98,312) per unit for the purpose of acquiring new properties.

(Note 6) The Investment Corporation issued new investment units through third-party allotment at an issue value of ¥98,312 per unit for the purpose of repaying part of borrowings and partly using to acquire specified assets in the future.

(Note 7) From May 23, 2025, to July 28, 2025, the Investment Corporation acquired treasury investment units through market purchase on the Tokyo Stock Exchange under a discretionary trading contract pertaining to the acquisition of treasury investment units with a securities company. All the acquired investment units (20,848 units) were cancelled on September 30, 2025, in accordance with a resolution at a meeting of the Investment Corporation's Board of Directors held on September 19, 2025. Furthermore, there is no change in the amount of unitholders' capital as a result of deducting funds for the acquisition of treasury investment units from capital surplus.

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3. Reference Information

(1) Information on Price of Assets under Management

① Composition of Assets of the Investment Corporation

The status of assets under management of the Investment Corporation as of the end of the fiscal period is shown in the table below. Assets under management of both real estate and the real estate in trust of real estate trust beneficiary interests (hereinafter "trust beneficiary interests") are for leasing to tenants. They are buildings — rental housing or healthcare facilities — and the sites of the buildings.

Asset type	Property type	Area classification	40th period (as of March 31, 2026)	
			Total amount held (million yen) (Note 3)	Ratio to total assets (%) (Note 4)
Real estate	Rental housing	23 wards of Tokyo	83,418	20.8
		Three major metropolitan areas (Note 1)	44,221	11.0
		Other major cities (Note 1)	14,054	3.5
	Healthcare facilities	Three major metropolitan areas (Note 2)	–	–
		Core city areas (Note 2)	–	–
		Other (Note 2)	–	–
	Subtotal		141,694	35.3
Trust beneficiary interest	Rental housing	23 wards of Tokyo	47,204	11.8
		Three major metropolitan areas (Note 1)	83,897	20.9
		Other major cities (Note 1)	12,560	3.1
	Healthcare facilities	Three major metropolitan areas (Note 2)	91,260	22.8
		Core city areas (Note 2)	3,650	0.9
		Other (Note 2)	–	–
	Subtotal		238,573	59.5
Deposits and other assets			20,750	5.2
Total assets			401,018	100.0

	40th period (as of March 31, 2026)	
	Amount (million yen)	Ratio to total assets (%) (Note 4)
Total liabilities (Note 5)	212,673	53.0
Total net assets (Note 5)	188,344	47.0
Total assets	401,018	100.0

(Note 1) In the "Area classification" column for rental housing, "Three major metropolitan areas" refers to the Kanto metropolitan area excluding the 23 wards of Tokyo, the Chukyo metropolitan area and the Kinki metropolitan area. "Other major cities" refers to Sapporo, Sendai, Niigata, Shizuoka/Hamamatsu, Okayama, Hiroshima, Kitakyushu/Fukuoka and Kumamoto metropolitan areas, and core cities with a population of 300,000 or more. These classifications apply to the "Area classification" column in the table below as well.

(Note 2) In the "Area classification" column for healthcare facilities, "Three major metropolitan areas" refers to the greater Tokyo area (Tokyo, Kanagawa, Chiba and Saitama prefectures), the Chukyo area (Aichi, Mie and Gifu prefectures) and the Kinki area (Osaka, Kyoto, Hyogo, Nara and Shiga prefectures). "Core city areas" refers to cities (outside the three major metropolitan areas) with a population of 200,000 or more. "Other" refers to cities (outside the three major metropolitan areas and the core city areas) with a population under 200,000. These classifications apply to the "Area classification" column in the table below as well.

(Note 3) The total amount held is the amount recorded on the balance sheet as of the end of the fiscal period (for real estate and trust beneficiary interest, book value after impairment and depreciation). The amount of real estate or trust beneficiary interests includes the amount of intangible assets.

(Note 4) The ratio to total assets is the ratio of the amount recorded on the balance sheet for trust beneficiary interests, real estate or deposits and other assets to total assets. (The ratio is rounded off to the first decimal place.)

(Note 5) Total liabilities and total net assets are the amount recorded on the balance sheet as of the end of the fiscal period.

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② Investment Real Estate Properties, Trust Beneficiary Interests in Real Estate, Etc.

The following is a breakdown of real estate and trust beneficiary interests in real estate held by the Investment Corporation as of the end of the fiscal period.

(a) Summary, Price and Investment Ratio of Investment Assets

Property type	Area classification	Property name	Acquisition price (million yen) (Note 1)	Investment ratio (%) (Note 2)	Carrying amount (million yen)	Appraisal value at the end of the period (million yen) (Note 3)
Rental housing	23 wards of Tokyo	willDo Kiyosumi	5,024	1.3	4,387	8,080
		Joy Oyamadai	624	0.2	674	745 (Note 4)
		willDo Otsuka	725	0.2	733	911
		Toshin Shoto Mansion	912	0.2	947	1,210
		Harmony Kamikitazawa	400	0.1	381	456
		College Square KitaIkebukuro	727	0.2	576	828
		College Square TobuNerima	892	0.2	745	986
		College Square Akatsuka	734	0.2	588	855
		College Square Waseda II	215	0.1	171	317
		College Square Myogadani	1,060	0.3	925	1,520
		College Square Shinkoiwa	724	0.2	598	800
		College Square Kiba	639	0.2	503	858
		College Square Kinshicho	490	0.1	411	602
		College Square Waseda	316	0.1	283	430
		Lexington Square ShinjukuGyoen	1,010	0.3	1,001	1,620
		Prospect NihombashiHoncho	808	0.2	733	1,380
		Maison de Ville Takanawa Gyoranzaka	1,480	0.4	1,436	2,050
		Roppongi Rise House	912	0.2	843	1,530
		TK Flats Shibuya	4,770	1.2	4,282	7,810
		Maison de Ville NakaMeguro	1,050	0.3	1,000	1,830
		Prospect KALON Minowa	1,620	0.4	1,357	2,820
		Prospect Shinonomebashi	3,040	0.8	2,611	5,070
		Prospect Monzennakacho	1,080	0.3	966	1,750
		Prospect Ogikubo	701	0.2	600	1,030
		Exceria Ikebukuro West II	852	0.2	791	1,240
		Prospect OmoriKaigan	1,480	0.4	1,369	2,390
		Gala Place Shinjuku Gyoen	2,170	0.6	2,036	4,040
		Joyce Court	3,010	0.8	2,796	4,770
		Gran Casa Asakusa	1,216	0.3	1,115	2,340
		Gran Casa Roppongi	1,480	0.4	815	1,140
		Gran Casa MinamiAoyama	3,750	1.0	2,238	2,410
		Storia Jingumae	3,160	0.8	3,171	2,960
		Gran Casa Shinjuku Gyoen	2,525	0.6	2,403	4,560
		Lietocourt Yotsuya	1,716	0.4	1,676	2,850
		Lietocourt Motoakasaka	1,095	0.3	1,076	2,020
		Gran Casa Ginza East	2,000	0.5	1,991	2,850
		Gran Casa Minowa	850	0.2	791	1,210
		Gran Casa Honkomagome	1,500	0.4	1,543	1,940
		Gran Casa Nihonbashi Hamacho	930	0.2	965	983
		Gran Casa Magome I	602	0.2	630	653
		Gran Casa OmoriKaigan	1,119	0.3	1,175	1,130
		Gran Casa Uenoikenohata	1,420	0.4	1,447	1,640
		Gran Casa Sumiyoshi	1,140	0.3	1,195	1,330
		Gran Casa Uenoiriya	1,225	0.3	1,285	1,380
		Gran Casa Monzennakacho	780	0.2	802	937
		Gran Casa Magome II	700	0.2	714	818
		Gran Casa Itabashi EAST	955	0.2	968	1,070
		Gran Casa Kuramae	1,505	0.4	1,604	1,680
		Gran Casa Kiyosumishirakawa	1,775	0.5	1,850	2,040
		Gran Casa Hikifune	2,760	0.7	2,906	3,080
		Gran Casa Oji	1,150	0.3	1,189	1,260
		Gran Casa Ryogoku East	1,120	0.3	1,182	1,260
		Gran Casa Tabata	825	0.2	883	1,010
		Gran Casa Kinshicho	850	0.2	889	903
		Gran Casa Itabashihoncho	1,230	0.3	1,278	1,390
		Gran Casa Ueno	970	0.2	1,016	1,090

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Property type	Area classification	Property name	Acquisition price (million yen) (Note 1)	Investment ratio (%) (Note 2)	Carrying amount (million yen)	Appraisal value at the end of the period (million yen) (Note 3)
Rental housing	23 wards of Tokyo	Gran Casa Ojima	2,819	0.7	3,002	3,140
		Gran Casa Edogawabashi	2,280	0.6	2,359	2,590
		Gran Casa Minowa II	1,340	0.3	1,407	1,560
		Gran Casa Yotsuya	3,500	0.9	3,624	4,070
		Gran Casa Minowa III	957	0.2	1,012	1,100
		Gran Casa Minowa IV	1,970	0.5	2,052	2,150
		Gran Casa Higashinakano	1,174	0.3	1,217	1,400
		Gran Casa Ayase	680	0.2	711	732
		Gran Casa Kinshicho II	1,700	0.4	1,769	1,780
		Gran Casa Sumiyoshi II	1,440	0.4	1,513	1,980
		Profit Link Takenotsuka	636	0.2	602	719
		Dream Heights	358	0.1	361	588
		Green Hills Asukayama	587	0.1	580	786
		Oji Heights	347	0.1	361	630
		Sakagami Royal Heights No. II	360	0.1	321	553
		Greenhills Roka	662	0.2	701	834
		Lofty Hirai	324	0.1	310	425
		The Palms Yoyogi Uehara Cosmo Terrace	1,250	0.3	1,294	1,880
		Sun Terrace Yoyogi Uehara	1,180	0.3	1,249	2,010
		Prospect NihombashiKoamicho	840	0.2	700	1,570
		Park Terrace Ebisu	2,060	0.5	1,962	3,820
		Prospect Shibuya Dogenzaka	1,590	0.4	1,532	2,980
		Prospect Glarsa Hiroo	3,560	0.9	3,012	5,900
		Prospect Hatsudai	518	0.1	478	789
		Prospect NishiSugamo	1,110	0.3	992	1,870
		Prospect Machiya	484	0.1	364	735
		Prospect KiyosumiTeien	2,630	0.7	2,378	4,960
		Prospect Morishita	1,260	0.3	1,074	2,120
		Prospect OnshiKoen	1,110	0.3	911	2,060
		BELNOS 34	1,700	0.4	1,750	2,920
		Glana Ueno	1,100	0.3	1,014	2,020
		Lietocourt Asakusabashi	1,615	0.4	1,519	2,700
		Gran Casa ShinKoiwa	1,510	0.4	1,436	1,780
		Gran Casa Ryogoku Ichibankan	1,420	0.4	1,386	1,640
		Gran Casa Ryogoku Nibankan	770	0.2	757	900
		Gran Casa Bunkyo Sengoku	1,480	0.4	1,488	1,750
		Gran Casa Minamisenju	1,159	0.3	1,234	1,450
		Gran Casa Ryogoku Verde	2,215	0.6	2,347	2,390
		Gran Casa Nippori	1,640	0.4	1,714	1,850
		Gran Casa Oji II	4,340	1.1	4,498	4,700
		Gran Casa Kamata West	1,000	0.3	1,039	1,110
	Three major metropolitan areas	willDo Yokohama Minami	233	0.1	178	313
		willDo Kanayama masaki	490	0.1	347	556
		willDo Ichioka	722	0.2	563	737
		willDo Ebie	350	0.1	283	374
		willDo ImafukuNishi	413	0.1	312	456
		VISTA Supreme	563	0.1	456	601
		willDo Tsukamoto	730	0.2	590	924
		willDo Tanimachi	1,040	0.3	886	1,230
		willDo Namba w II	486	0.1	384	531
		willDo Namba w I	690	0.2	527	714
		willDo Kachigawa	503	0.1	356	655
		willDo Hamasaki dori	2,280	0.6	1,735	2,400
		willDo Minamimorimachi	493	0.1	432	569
		willDo Minami Urawa	396	0.1	331	539
		willDo Matsuyamachi	810	0.2	677	1,110
		willDo ShinOsaka	861	0.2	669	1,210
		College Square Higashikurume	523	0.1	374	656
		willDo Sannomiya East	731	0.2	528	824
		willDo Kujo	537	0.1	504	705
		Prospect MusashiShinjo	1,050	0.3	868	1,510
		Fragrance Kawasaki	548	0.1	435	899

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Rental housing	Three major metropolitan areas	Prospect ChuoRinkan	524	0.1	402	760
		Prospect Nakanoshima	734	0.2	616	1,080
		Prospect Toyonaka Hattori	366	0.1	277	459
		Prospect Shimogamo	281	0.1	243	318
		Prospect Kawaramachi Gojo	583	0.1	483	758
		Gransys Esaka	1,260	0.3	1,104	1,960
		Serenite Koshien	2,550	0.6	2,212	3,410
		Pregio Miyakojima	1,610	0.4	1,402	2,180
		Serenite ShinOsaka Nibankan	3,510	0.9	3,090	4,510
		Gran Casa UmedaKita	2,050	0.5	1,851	2,740
		Serenite Honmachi Grande	4,286	1.1	3,748	6,830
		Gransys Tenmabashi	4,050	1.0	3,778	6,040
		DayGran Tsurumi	1,030	0.3	978	1,410
		Sakura Hills Riverside WEST	1,920	0.5	1,710	2,470
		Sakura Hills Riverside EAST	1,030	0.3	926	1,330
		Sakura Hills Meieki NORTH	750	0.2	696	943
		Runai Nippombashi anhelo	1,400	0.4	1,290	2,020
		HS Umeda EAST	2,151	0.5	1,986	3,010
		Serenite Umeda EST	1,057	0.3	970	1,500
		Serenite Yuhigaoka EST	811	0.2	750	1,110
		Serenite Umeda Reflet	1,148	0.3	1,143	1,470
		Gran Casa Urayasu	886	0.2	900	942
		Gran Casa Chiyoda	959	0.2	959	952
		Gran Casa Nambamotomachi	5,820	1.5	6,001	6,520
		Gran Casa Ryokuchi-koen	2,600	0.7	2,628	2,870
		Gran Casa Shin-Osaka SOUTH	4,310	1.1	4,478	4,820
		Serenite Nippombashi Prier	2,606	0.7	2,640	2,960
		Gran Casa Tennoji EAST	846	0.2	887	878
		Serenite Namba Plie	2,739	0.7	2,799	2,930
		L-Place Esaka II	2,820	0.7	2,903	2,940
		PREGIO Namba	4,280	1.1	4,543	4,460
		Serenite Hommachi Higashi Lien	3,670	0.9	3,796	3,760
		Gran Casa Kyotoekimae	1,510	0.4	1,630	1,650
		Gran Casa Gyotoku	2,572	0.7	2,657	2,660
		Gran Casa Yamato	2,136	0.5	2,217	2,140
		Gran Casa Ichikawa Konodai	1,911	0.5	1,984	1,990
		Gran Casa Saitamashintoshin	3,210	0.8	3,405	3,240
		Serenite Nihonbashi Miracle	1,157	0.3	1,214	1,170
		Gran Casa Kawaguchi Namiki	919	0.2	966	952
		Gran Casa Takaida	3,200	0.8	3,476	3,220
		Gran Casa Yokohama Ishikawacho	4,337	1.1	4,552	4,440
		Gran Casa Yokohama Isogo	2,120	0.5	2,237	2,240
		Sereno Omiya	1,554	0.4	1,656	2,300
		Suzuran-kan	441	0.1	399	704
		Libest NishiChiba	2,152	0.5	1,794	3,060
		willDo NishiAkashi	635	0.2	527	919
		Libest Higashi Nakayama	1,371	0.3	1,127	1,960 (Note 5)
		La Vita Nippombashi	1,860	0.5	1,483	2,520
		willDo Kurokawa	677	0.2	470	639
		Deim Hashimoto	748	0.2	832	1,290
		Prospect Kawasaki	1,520	0.4	1,267	2,770
		Prospect UrawaTokiwa	717	0.2	660	1,190
		Crown Heim NishiTanabe	405	0.1	401	641
		The Residence Honmoku Yokohama Bayside	5,550	1.4	4,730	8,780
		Lietocourt Marunouchi	3,756	1.0	3,459	5,180
		Gran Casa Kamimaezu	2,050	0.5	1,757	2,760
		Sakura Hills Fujimi	2,750	0.7	2,569	3,180
		Gran Casa Kitaurawa	2,490	0.6	2,452	2,700
		Gran Casa Fujisawa	1,000	0.3	1,041	1,160
		Gran Casa Mizonokuchi	2,241	0.6	2,321	2,470
		Gran Casa Kawasaki Ikuta	1,080	0.3	1,172	1,100

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Rental housing	Other major cities	Satella Kita 34jo	1,133	0.3	918	1,350
		willDo Nakasu	2,460	0.6	2,101	3,270
		Sky Hills N15	712	0.2	719	1,010
		Alpha Tower Sapporo Minami4jo	1,185	0.3	1,045	1,740
		Renaissance 21 Hakata	1,500	0.4	1,341	2,230
		Cresidence Sapporo Minami4jo	1,140	0.3	998	1,520
		Granpark Tenjin	4,698	1.2	4,330	7,790
		Gran Casa NagayamaKoen Dori	1,002	0.3	1,032	1,190
		Gran Casa Minami11jo	830	0.2	784	1,060
		Gran Casa Watanabe dori	668	0.2	723	734
		Gran Casa Minami6jo	1,610	0.4	1,736	1,700
		Gran Casa Sendai Bansui Dori	1,251	0.3	1,322	1,290
		Gran Casa Hirosedori	1,585	0.4	1,663	1,810
		Gran Casa Ichibancho	965	0.2	1,018	1,040
		Gran Casa Urasando	1,510	0.4	1,411	2,010
		Gran Casa Kita3jo	1,265	0.3	1,241	1,880
		Chijikoukanmae Tower Residence	4,530	1.1	4,225	5,710
	Rental housing subtotal (total of 196 properties)		299,710	76.0	285,357	391,015
Healthcare facilities	Three major metropolitan areas	Charm Suite Ryokuchi Koen	3,030	0.8	2,807	3,160
		Sompo Care LAVIERE Sagamihara Chuo	1,780	0.5	1,624	1,840
		Sawayaka Heart Life Nishikyogoku	1,130	0.3	1,028	1,300
		Sompo Care LAVIERE Kinugasayama Koen	2,000	0.5	1,783	2,140
		Super Court JR Nara-Ekimae	1,710	0.4	1,530	1,710
		La'nassica Arakogawa	1,400	0.4	1,241	1,490
		Sompo no ie Nishitanabeekimae	737	0.2	688	737
		Irise Komae Bettei	1,319	0.3	1,302	1,410
		AIP Kachidoki-Ekimae	8,150	2.1	8,170	9,240
		PLAISANT GRAND MINAMI YUKIGAYA	3,380	0.9	3,403	3,510
		Aira no mori Higashi-Ofuna	2,271	0.6	2,263	2,610
		Aira no mori Shakujiikoen	2,070	0.5	2,068	2,320
		Aira no mori Edogawa-Shinozaki	1,499	0.4	1,500	1,580
		Good Time Living Center-Minami, Platesia Center-Minami	11,150	2.8	11,246	11,800
		Good Time Living Chibaminato-Kaigandori・Platesia Chibaminato	4,516	1.1	4,813	4,170
		Good Time Living Yokohama-Tsuzuki	4,064	1.0	4,150	4,070
		Good Time Living Senri-Hinatagaoka	2,800	0.7	2,787	2,970
		Good Time Living Nakamozu	2,180	0.6	2,161	2,390
		Good Time Living Kourigaoka	2,120	0.5	2,197	2,370
		Good Time Living Kameido	1,860	0.5	1,874	2,580
		Good Time Living Mikage	1,820	0.5	1,936	2,480
		Good Time Living Amagasaki-Shintoshin	1,585	0.4	1,665	1,720
		Good Time Living Minami Senri	1,430	0.4	1,535	1,590
		Good Time Living Kobe-Tarumi	1,370	0.3	1,470	1,370
		Good Time Living Chibaminato-Ekimaedori	1,320	0.3	1,403	1,280
		Good Time Living Senboku-Izumigaoka	980	0.2	1,061	1,090
		Good Time Living Ikeda-Midorigaoka	920	0.2	952	795
		Good Time Living Nagatsuta-Minamidai	850	0.2	853	801
		Good Time Living Saitama-Hasuda	659	0.2	666	681
		Good Time Living Nagareyama-Ichibankan	610	0.2	635	612
		Good Time Living Nagareyama-Nibankan	563	0.1	610	655
		Good Time Living Amagasaki-Ekimae	320	0.1	399	357
		Good Time Living Osaka-Bay	4,700	1.2	4,894	4,720
		Sunny Life Hiyoshi	2,060	0.5	2,073	2,110
		Sunny Life Shibaura	6,280	1.6	6,474	6,180
		Library Nerima Yahara	3,146	0.8	3,264	3,200
		Library Shimura-sakaue	2,630	0.7	2,717	2,770

English Translation
The following is an English translation of the original Japanese document and is being provided for informational purposes only.

Property type	Area classification	Property name	Acquisition price (million yen) (Note 1)	Investment ratio (%) (Note 2)	Carrying amount (million yen)	Appraisal value at the end of the period (million yen) (Note 3)
Healthcare facilities	Core city areas	Sompo Care LAVIERE Hiroshima Hikarigaoka	1,210	0.3	1,085	1,250
		Sawayaka Meisuikan	813	0.2	700	883
		Alpha Living Okayama Nishigawa Ryokudokoen	789	0.2	723	687
		Alpha Living Takamatsu Ekimae	642	0.2	588	600
		Alpha Living Takamatsu Hyakkenmachi	628	0.2	552	577
	Healthcare facilities subtotal (total of 42 properties)		94,492	24.0	94,910	99,805
Total (total of 238 properties)			394,202	100.0	380,267	490,820

(Note 1) Acquisition price does not include acquisition expenses, adjustments to property tax and city planning tax, and consumption tax and local consumption tax.
(Note 2) The investment ratio is the ratio of the acquisition price of the real estate or trust beneficiary interest in real estate to the total acquisition price of real estate or trust beneficiary interest in real estate. (The ratio is rounded off to the first decimal place.)
(Note 3) "Appraisal value at the end of the period" is the appraisal value or investigation value with the end of the fiscal period as the date of value.
(Note 4) The property was disposed of on April 3, 2026, and the appraisal value as of September 30, 2025, is indicated.
(Note 5) The property was disposed of on April 28, 2026, and the appraisal value as of September 30, 2025, is indicated.

(2) Status of Capital Expenditure

① Capital Expenditure Plan

The major capital expenditure items in association with planned repair work on properties under management as of the end of the fiscal period are as below. The amount of payment includes the amount allocated to expenses in accounting procedures.

Property name (Location)	Purpose	Period	Amount of payment (million yen)		
			Total cost	Amount paid in the fiscal period under review	Total amount paid
Lietocourt Marunouchi (Nagoya-shi, Aichi)	Exterior wall renovation work, etc.	From April 2026 to September 2026	136	–	2
BELNOS34 (Katsushika-ku, Tokyo)	Equipment replacement in common areas, etc.	From April 2026 to September 2026	49	–	–
Prospect NihombashiHoncho (Chuo-ku, Tokyo)	Exterior wall renovation work, etc.	From April 2026 to September 2026	42	–	1
Good Time Living Saitama-Hasuda (Hasuda-shi, Saitama)	Equipment replacement in common areas, etc.	From April 2026 to September 2026	40	–	–
Chijikoukanmae Tower Residence (Sapporo-shi, Hokkaido)	Equipment replacement in common areas, etc.	From April 2026 to September 2026	37	–	–

② Capital Expenditure during the Period under Review

Construction work that falls under capital expenditures made by the Investment Corporation during the 40th period for portfolio properties are as follows. Capital expenditures during the 40th period amounted to ¥1,428 million; combined with repair expenses of ¥624 million allocated to expenses for the 40th period, construction of ¥2,052 million was conducted.

Property name (Location)	Description of works (purpose)	Period	Amount of payment (million yen)
Sakura Hills Fujimi (Nagoya-shi, Aichi)	Exterior wall renovation work, etc.	From October 2025 to March 2026	130
The Residence Honmoku Yokohama Bayside (Yokohama-shi Kanagawa)	Interior renovation work, etc.	From October 2025 to March 2026	98
Good Time Living Mikage (Kobe-shi, Hyogo)	Air-conditioning repair work, etc.	From October 2025 to March 2026	96
Good Time Living Amagasaki-Shintoshin (Amagasaki-shi, Hyogo)	Air-conditioning repair work, etc.	From October 2025 to March 2026	61
Good Time Living Osaka-Bay (Osaka-shi, Osaka)	Air-conditioning replacement work, etc.	From October 2025 to March 2026	58
Other properties	Common area renovation work, etc.	From October 2025 to March 2026	983
Total			1,428