

## Translation

# JAPAN METROPOLITAN FUND INVESTMENT CORPORATION

## SUMMARY OF FINANCIAL RESULTS

### FOR THE SIX MONTHS ENDED FEBRUARY 28, 2021

April 16, 2021

Name of issuer:	Japan Metropolitan Fund Investment Corporation ("JMF")
Stock exchange listing:	Tokyo Stock Exchange
Securities code:	8953
Website:	<a href="https://www.jmf-reit.com/english/">https://www.jmf-reit.com/english/</a>
Representative of JMF:	Shuichi Namba, Executive Director
Name of asset manager:	Mitsubishi Corp.-UBS Realty Inc.
Representative of the asset manager:	Katsuji Okamoto, President & CEO & Representative Director
Contact:	Keita Araki, Executive Director, Head of Metropolitan Business Division Tel: (03)5293-7081
Scheduled date for filing of securities report:	May 31, 2021
Scheduled date for distributions payment:	May 24, 2021
Supplementary materials for financial results:	Otherwise prepared
Analyst meeting:	Scheduled

(Amounts of less than one million yen are rounded down)

## 1. Financial results for the six months ended February 28, 2021 (September 1, 2020 to February 28, 2021)

### (1) Operating results

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the six months ended February 28, 2021	30,518	-1.1	13,505	-2.3	11,897	-1.8	11,896	-1.8
August 31, 2020	30,848	-3.6	13,828	-5.0	12,116	-5.3	12,116	-5.3
	Net income per unit		Return on net assets		Ratio of ordinary income to total assets		Ratio of ordinary income to operating revenues	
	Yen		%		%		%	
For the six months ended February 28, 2021	2,285		2.7		1.3		39.0	
August 31, 2020	2,322		2.8		1.3		39.3	

Note: JMF executed a two-for-one unit split with March 1, 2021 as the effective date for the unit split. Net income per unit in the above table shows pro forma per unit information which has been adjusted to reflect the unit split as if it had been effective on March 1, 2020.

### (2) Distributions

	Distributions (excluding distributions in excess of profit)		Distributions in excess of profit		Payout ratio	Ratio of distributions to net assets
	Per unit	Total	Per unit	Total		
	Yen	Millions of yen	Yen	Millions of yen	%	%
For the six months ended February 28, 2021	4,500	11,711	-	-	98.4	2.7
August 31, 2020	4,500	11,711	-	-	96.9	2.7

Note 1: Total distributions for the six months ended February 28, 2021 consist of retained earnings at the end of the period after reversal of retained earnings for temporary difference adjustment amounting to ¥133 million and provision of reserve for reduction entry of property amounting to ¥318 million.

Note 2: Total distributions for the six months ended August 31, 2020 consist of retained earnings at the end of the period after reversal of retained earnings for temporary difference adjustment amounting to ¥31 million and provision of reserve for reduction entry of property amounting to ¥437 million.

### (3) Financial position

	Total assets	Net assets	Ratio of net assets to total assets	Net asset value per unit
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2021	903,221	433,967	48.0	83,375
August 31, 2020	903,461	433,725	48.0	83,329

Note: JMF executed a two-for-one unit split with March 1, 2021 as the effective date for the unit split. Net asset value per unit in the above table shows pro forma per unit information which has been adjusted to reflect the unit split as if it had been effective on March 1, 2020.

(4) Cash flows

	Net cash provided by (used in)			Cash and cash equivalents at end of period
	Operating activities	Investing activities	Financing activities	
For the six months ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2021	16,899	6,101	(11,735)	72,563
August 31, 2020	15,227	(14,632)	(6,798)	61,297

**2. Outlook for the six months ending August 31, 2021 (March 1, 2021 to August 31, 2021) and February 28, 2022 (September 1, 2021 to February 28, 2022)**

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Ordinary income		Net income	
For the six months ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2021	40,510	32.7	17,122	26.8	15,071	26.7	15,071	26.7
February 28, 2022	38,385	-5.2	16,504	-3.6	14,486	-3.9	14,485	-3.9

	Net income per unit	Distributions per unit (excluding distributions in excess of profit)	Distributions in excess of profit per unit
For the six months ending	Yen	Yen	Yen
August 31, 2021	2,156	2,286	0
February 28, 2022	2,072	2,250	0

Note: Total distributions for the six months ending August 31, 2021 consist of retained earnings after reversals of retained earnings for temporary difference adjustment amounting to ¥448 million and reserve for reduction entry of property amounting to ¥457 million. Total distributions for the six months ending February 28, 2022 consist of retained earnings after reversals of retained earnings for temporary difference adjustment amounting to ¥926 million and all of reserve for reduction entry of property amounting to ¥313 million.

**3. Others**

(1) Changes in accounting policies and accounting estimates or restatements

Changes in accounting policies due to accounting standards revision: None

Changes in accounting policies due to other reasons: None

Changes in accounting estimates: None

Restatements: None

(2) Number of investment units issued

Number of investment units issued at the end of period (including own investment units):

As of February 28, 2021 2,602,483 units

As of August 31, 2020 2,602,483 units

Number of own investment units at the end of period:

As of February 28, 2021 0 units

As of August 31, 2020 0 units

Note: For the number of investment unit as a basis of calculation of net income per unit, please refer to per unit information on page 32.

**Forward-looking Statements and Other Notes**

Forward-looking statements in this presentation are based on the information currently available and certain assumptions we believe reasonable. Actual results may differ materially from the forward-looking statements in this presentation due to various factors. In particular, the following factors could possibly have an impact on the actual results, but are not limited to them:

*(1) Decrease in rent and other operating revenues, non-payment of rent or bankruptcy of tenants due to further spread of the new coronavirus and prolonged impact*

Furthermore, those statements do not guarantee the amount of future distributions.

For further information and assumptions regarding the forward-looking statements, please refer to “1. Results of operations, (1) State of operations, B. Outlook of next period” on page 6-13.

## 1. Results of operations

### (1) State of operations

#### A. Operations during the period

##### i. Principal activities

Japan Metropolitan Fund Investment Corporation (the former Japan Retail Fund Investment Corporation; hereinafter “JMF”) effected an absorption-type merger (the “Merger”) effective March 1, 2021 with JMF as the surviving corporation and MCUBS MidCity Investment Corporation (“MMI”) as the dissolving corporation, and changed the corporation name from Japan Retail Fund Investment Corporation to Japan Metropolitan Fund Investment Corporation. For detailed information, please refer to “C. Material fact that occurred after the settlement of accounts i. Merger of JMF with MMI” below.

JMF (former Japan Retail Fund Investment Corporation (“JRF”) was established under the Law Concerning Investment Trusts and Investment Corporations of Japan (Law No. 198 of 1951; as amended) (“the Investment Act”) on September 14, 2001. It was the first investment corporation in Japan to specifically target retail real estate assets. It was listed on the Real Estate Investment Trust (“REIT”) Section of the Tokyo Stock Exchange (securities code: 8953) on March 12, 2002.

During the fiscal period ended on February 28, 2021, the 19th year after its listing, one property (a 50% quasi-co-ownership of trust beneficiary right) (sale price: 8.6 billion yen) was sold in December 2020 as part of the portfolio asset replacement measures.

As a result, the total assets managed by JMF as at the end of the 38th fiscal period (fiscal period ended on February 28, 2021) amounted to 880.4 billion yen (the total acquisition price for 102 properties).

##### ii. Investment environment and results

###### (1) Investment environment

###### (Macroeconomic trends)

During this fiscal period, the Japanese economy was robust, even under the environment affected by the COVID-19 pandemic, with the quarter-on-quarter gross domestic product (GDP) growth rate standing at 5.3% (22.9% annualized) in the July to September 2020 quarter and 2.8% (11.7% annualized) in the October to December 2020 quarter (secondary preliminary figures announced on March 9, 2021). However, as a state of emergency was declared again in January 2021, the outlook is likely to remain uncertain.

In capital markets, the Nikkei Stock Average—which fell to 16,552 yen in the previous fiscal period on March 19, 2020—showed signs of recovery, reaching the 30,000 yen level in February 2021 for the first time in 30 and a half years due to monetary easing and large-scale economic measures implemented by various countries. In the J-REIT market, the Tokyo Stock Exchange REIT Index has also continued on a recovery trend after falling to 1,145 points in the previous fiscal period on March 19, 2020. As of February 28, 2021, the end of this fiscal period, the index recovered to 1,929 points.

###### (Real estate trading market)

Under low interest rate environments across the world, Japan’s real estate is attracting much attention not only because the impact of the COVID-19 pandemic on the real estate trading market is relatively small but also because of the country’s political and economic stability, and the acquisition environment continues to be severe, with investment appetite remaining strong among domestic and overseas investors.

###### (Real estate leasing market)

There are signs of weakening in the market for retail properties, as industries such as the restaurant and entertainment industries have been affected by the second declaration of a state of

emergency. On the other hand, properties handling groceries and daily necessities in small marketing areas without relying on inbound consumption remain firm. Moves to integrate commerce and offices are also seen, with remote work space being established in some conventional retail properties.

## (2) Results

In this environment, JMF completed the disposition of one property (a 50% quasi-co-ownership of trust beneficiary right to the AEON MALL Yamato) in this fiscal period as part of its portfolio property replacement strategy.

As a result, the total assets managed by JMF at the end of the fiscal period totaled 102 properties with a total value of 880.4 billion yen on an acquisition price basis and 987.3 billion yen on an appraisal value basis. The total leasable area was 2,336,226.77 m<sup>2</sup> with the total number of tenants standing at 968, and the occupancy rate of the overall portfolio was 99.6%.

Primarily as a result of depreciation of existing properties compared to the end of the previous fiscal period, the unrealized losses/gains<sup>(Note)</sup> of the overall portfolio at the end of the fiscal period increased by 1.4 billion yen from the end of the previous fiscal period to 162.5 billion yen

Note: “Unrealized losses/gains” is the difference between the appraisal value or researched value and book value of the individual property.

## iii. Funding

In this fiscal period, JMF took on a long-term borrowing for a total of 30.55 billion yen in September and October 2020 to repay an existing short-term borrowing of 7 billion yen and long-term borrowing of 23.575 billion yen. The difference of 25 million yen was paid using JMF’s own funds.

In February 2021, JMF also took on a long-term borrowing of 4.5 billion yen to be allocated to repayment of a long-term borrowing of 4.5 billion yen.

As a result, JMF’s interest-bearing borrowings outstanding at the end of the fiscal period amounted to 411.7 billion yen, consisting of long-term borrowings of 367.2 billion yen<sup>(Note 1)</sup> and investment corporation bonds of 44.5 billion yen (including Green Bonds<sup>(Note 2)</sup>).

Consequently, the ratio of long-term borrowings<sup>(Note 3)</sup>, ratio of fixed interest rates<sup>(Note 4)</sup>, and LTV<sup>(Note 5)</sup> were 100.0%, 94.8% and 50.7%, respectively, as at the end of the fiscal period.

Note 1: Long-term borrowings include borrowings that mature within a year.

Note 2: The issuance of Green Bonds must adhere to the International Capital Market Association’s (ICMA) Green Bond Principles. Green Bonds are a type of bond instrument issued by corporations, investment funds and municipalities to finance eligible “green projects” (environmentally-friendly investment projects).

Note 3: The long-term debt ratio is calculated by dividing the total of long-term loans, investment corporation bonds, and tenant leasehold and security deposits (including those in trusts) by the total of interest-bearing debts and tenant leasehold and security deposits (including those in trusts).

Note 4: The ratio of fixed interest rates is calculated by dividing the total of fixed-rate debts (including debts, which the interest rates are fixed through interest rate swap agreements), investment corporation bonds and tenant leasehold and security deposits (including those in trusts) by the total of interest-bearing debts and tenant leasehold and security deposits (including those in trusts).

Note 5: LTV is calculated by dividing the total of interest-bearing debts and tenant leasehold and security deposits (including those in trusts) by total assets.

## iv. Results and distributions

The operating revenue for the period was 30,518 million yen, and operating income was 13,505 million yen after deducting operating expenses such as property taxes and asset management fees. Ordinary income was 11,897 million yen, and net income was 11,896 million yen.

With regard to distributions, in accordance with the distribution policy set forth in Article 26, Paragraph 1, Item 2 of the Articles of Incorporation, JMF intends to distribute in excess of 90% of distributable profit under Article 67-15, Paragraph 1 of the Special Taxation Measures Law of Japan.

From the fiscal period ended on August 31, 2017, reversal of the retained earnings for Temporary

Difference Adjustments accompanying the partial revision of the “Rules on Real Estate Investment Trust and Real Estate Investment Corporations” made by The Investment Trusts Association, Japan, was started and it was decided to add the 31 million yen reversal amount onto the dividend.

In accordance with this distribution policy, it was decided to distribute, as a distribution of profit, a total of 11,711 million yen, the amount after deducting 318 million yen of provision of reserve for reduction entry of property from the sum of 133 million yen of the reversal of retained earnings for temporary difference adjustments and the unappropriated retained earnings at the end of the period of 11,896 million yen. As a result, distributions per unit amounted to 4,500 yen.

## B. Outlook of next period

### i. Outlook of overall operation

On a short-term basis, corporate performance and the economic fundamentals should continue to be closely monitored in the current environment affected by the COVID-19 pandemic even after the removal of the state of emergency declaration, which was issued on March 21, 2021. In the retail sector, there is a concern that the decline of consumer sentiment could prevail for some time due to worsening of the economic fundamentals. In the office sector, the spread of remote work and concern over economic recession could dampen office demand.

However, on a medium- to long-term basis, new need may arise for various usages in urban areas, as people's work styles, dwelling styles and consumption patterns are changing considerably. Thus, management capabilities that cover specific properties or specific areas and are not limited to existing applications and property categories are thought to be necessary.

### ii. Earnings forecast

The following forecasts have been made regarding asset management operation in the fiscal period ending August 2021 (39th fiscal period) and the fiscal period ending February 2022 (40th fiscal period).

Please refer to the “Assumptions Underlying the Forecast of Operation for the Fiscal Period Ending August 2021 (39th Fiscal Period: March 1, 2021 to August 31, 2021)” and the Fiscal Period Ending February 2022 (40th Fiscal Period: September 1, 2021 to February 28, 2022)” on the following page for the assumptions of the forecast.

Note: The below forecasts are calculated based on current assumptions in light of currently available information and resources, and they are subject to change due to changes in the situation.

#### Fiscal Period Ending August 2021(39th Fiscal Period: March 1, 2021 to August 31, 2021)

Operating revenues	40,510 million yen
Ordinary income	15,071 million yen
Net income	15,071 million yen
Distributions per unit	2,286 yen

#### Fiscal Period Ending February 2022 (40th Fiscal Period: September 1, 2021 to February 28, 2022)

Operating revenues	38,385 million yen
Ordinary income	14,486 million yen
Net income	14,485 million yen
Distributions per unit	2,250 yen

As stated in “Assumptions Underlying the Forecast of Operation for the Fiscal Period Ending August 31, 2021 (39th Fiscal Period: March 1, 2021 to August 31, 2021) and the Fiscal Period Ending February 28, 2022 (40th Fiscal Period: September 1, 2021 to February 28, 2022)” below, JMF plans acquisition of properties and disposed properties after the closing date for the period under review.

a. Acquisition of the property

JMF plans to acquire the trust beneficiary rights after the closing date for the period under review, as shown in the table below. (For details, please refer to the "Notice Concerning Acquisition of Trust Beneficiary Right in Real Estate in Japan (JMF-Bldg. Ichigaya 01 and G-Bldg. Shinsaibashi 05)" announced on April 14, 2021.)

Property name	Location	Planned acquisition price (million yen)	Planned acquisition date
JMF-Bldg. Ichigaya 01	Chiyoda-ku, Tokyo	20,935	April 30, 2021
G-Bldg. Shinsaibashi 05	Chuo-ku, Osaka-shi, Osaka	9,000	April 30, 2021

b. Disposition of the property

JMF disposed the trust beneficiary rights, as shown in the table below. (For details, please refer to the "Notice Concerning Disposition of Trust Beneficiary Right in AEON Takatsuki" announced on March 9, 2021, and the "Notice Concerning Disposition of Trust Beneficiary Right in AEON MALL Yamato" announced on December 16, 2020)

Property name	Location	Disposition price (million yen)	Disposition date
AEON Takatsuki (Trust beneficiary right in the real estate)	Takatsuki-shi, Osaka	10,954	March 10, 2021
AEON MALL Yamato (50% quasi-co-ownership interest of trust beneficiary right in the real estate)	Yamato-shi, Kanagawa	8,600	March 30, 2021

C. Material facts that occurred after the settlement of accounts

i. Merger of JMF (former Japan Retail Fund Investment Corporation ("JRF")) with MMI

JMF and MMI effected a merger of MMI (as the dissolving corporation) into JMF (as the surviving corporation), which took effect on March 1, 2021, and Japan Retail Fund Investment Corporation, the surviving corporation of the Merger, has changed its trade name to Japan Metropolitan Fund Investment Corporation as of the date.

a. Purposes of the Merger

JMF and MMI effected the Merger, determining that it would lead to increased stability and growth potential owing to increased presence in the J-REIT market realized by the expanded asset size and to the diversified purposes of use of investment target assets realized by conversion to a diversified REIT <sup>(Note)</sup>.

Note: To become a diversified REIT through the Merger, JMF resolved to amend the Articles of Incorporation at the General Meeting of Unitholders held on October 23, 2020 regarding changes to the investment policy associated with the establishment of a new investment policy and investment targets for the diversified REIT. JMF's board of directors also resolved to amend the Investment Management Guidelines on December 11, 2020 for the same purpose as described above. Moreover, the board of directors of Mitsubishi Corp.-UBS Realty Inc., JMF's asset manager (the "Asset Manager"), resolved

to amend the Asset Management Plan pertaining to JMF's asset management on December 2, 2020 for the same purpose as described above. The amendments to the Articles of Incorporation, the Investment Management Guidelines, and the Asset Management Plan became effective as of March 1, 2021.

JMF has no plans to acquire any industrial properties, which are the investment targets of Industrial & Infrastructure Fund Investment Corporation, even after the Merger. Hereinafter the same shall apply.

The new investment corporation after the Merger, as a diversified REIT with the largest asset size among J-REITs investing in real estate properties serving as a foundation of urban lives, will hold up as its vision, "Support metropolitan life (live, work and consume) in Japan from the perspective of real estate".

As its growth strategy, the new corporation will aim in the short term to further increase distributions per unit through implementing various measures to increase revenue, while seeking further promotion of investment in urban properties through strategic asset replacement and appropriate diversification of purposes of use in the portfolio. In the medium to long term, through external growth by capital increase through public offerings, as well as further increase in profitability through renewal or conversion, the new investment corporation will aim that, in the future, the various purposes of use of properties which serve as a foundation of urban life activities will create virtuous cycle where area value and asset value improve together.

b. Form of the Merger

JMF is the surviving corporation under an absorption-type merger and MMI was dissolved in the Merger.

c. Merger ratio

For the purpose of allocating at least one investment unit of JMF to all of MMI's unitholders, JMF conducted a two-for-one split of its investment units (the "Investment Unit Split"; for the details of the Investment Unit Split, please refer to "ii Split of investment units" below.) ahead of the allocation of investment units to MMI's unitholders, with February 28, 2021 as the record date and March 1, 2021 as the effective date. One investment unit of JMF per investment unit of MMI was thus distributed to MMI's unitholders.

d. Payment upon merger

In addition to the JMF investment units to be allocated and distributed as stated in paragraph c, JMF intends to pay MMI unitholders (the unitholders stated or recorded in the final unitholders' register on the day before the effective date of the Merger (hereinafter referred to as the "Unitholders Subject to Allocation")), in lieu of cash distributions for the last business period of MMI which ends the day before the effective date of the Merger, a merger consideration in the form of cash distribution based on MMI's distributable income for that same period of an amount (disregarding fractions of a yen) which is the quotient resulting from a division of the amount of MMI's distributable income on the date before the effective date of the Merger by the number of issued MMI investment units on that date. The merger consideration will be paid in May 2021.

e. Total amount of unitholders' capital, etc.

The total amount of unitholders' capital and the capital surplus of JMF added at the time of the Merger are as set forth below.

Total amount of unitholders' capital: 0 yen

Capital surplus: An amount calculated by subtracting the total amount of unitholders' capital described above from the amount of change in unitholders' capital, as determined pursuant to Paragraph 1, Article 22 of the Ordinance on Accountings of Investment Corporations (Cabinet Office Ordinance No. 47 of 2006; as amended)



f. Outline of MMI's most recent period (from July 1, 2020 to February 28, 2021)

Business	Operation of assets principally as investment in specific assets defined in the Act on Investment Trusts and Investment Corporations
Operating Revenue:	12,311 million yen
Net Income:	4,435 million yen
Total Assets:	302,160 million yen
Total Liabilities:	145,183 million yen
Total Net Assets:	156,976 million yen

ii. Investment Unit Split

JMF (former Japan Retail Fund Investment Corporation ("JRF")) implemented the Investment Unit Split, which took effect on March 1, 2021, with a record date of February 28, 2021.

a. Purpose of the Investment Unit Split

The Merger is an absorption-type merger, in which JMF is the surviving corporation, and with the merger ratio before considering the Investment Unit Split, however, 0.5 investment units of JMF would be allocated to every MMI investment unit, and a number of MMI unitholders would receive less than one investment unit of JMF. Therefore, a two-for-one investment unit split for investment units of JMF is implemented in order that at least one investment unit of JMF will be allocated to all of MMI unitholders so that MMI unitholders will be able to continue to hold JMF investment units after the Merger.

b. Method of the Investment Unit Split

Each investment unit of JMF owned by unitholders stated or recorded in the final unitholders register on February 28, 2021, the day immediately preceding the effective date of the Merger, was split into two investment units.

c. Number of investment units increased after the Investment Unit Split

1) Outstanding investment units before the Investment Unit Split:	2,602,483
2) Investment units increased by the Investment Unit Split:	2,602,483
3) Outstanding investment units after the Investment Unit Split:	5,204,966
4) Investment units distributed to investment units of MMI following JMF's merger:	1,784,125

(Note 1)

5) Total outstanding investment units after the Merger:	6,989,091
6) Issuable investment units after the Investment Unit Split and the Merger:	16,000,000 <sup>(Note 2)</sup>

(Note 1) One unit of JMF after the Investment Unit Split was distributed for each of the outstanding investment units of MMI as of February 28, 2021 (1,784,125 units) in the Merger.

(Note 2) Following the Investment Unit Split, JMF partially amended its Articles of Incorporation in accordance with a resolution of its board of directors and changed the number of issuable investment units as of the date when the Merger became effective.

iii. Disposition of the property

(1) JMF disposed the trust beneficiary rights, as shown below on March 10, 2021.

【AEON Takatsuki】

Type of asset:	Trust beneficiary right in real estate
Disposition price:	10,954 million yen
Completion date of contract:	March 9, 2021
Disposition date:	March 10, 2021
Purchaser:	Not disclosed <sup>(Note)</sup>

Impact on profit/loss: Approximately 987 million yen will be recognized as gain on sales of real estate properties for the six months ending August 31, 2021.

Note: Not disclosed as the purchaser has not agreed to the disclosure.

(2) JMF disposed the trust beneficiary rights, as shown below on March 30, 2021.

**【AEON MALL Yamato】**

Type of asset: Trust beneficiary right in real estate  
50% quasi-co-ownership interest

Disposition price: 8,600 million yen

Completion date of contract: December 17, 2020

Disposition date: March 30, 2021

Purchaser: Not disclosed <sup>(Note)</sup>

Impact on profit/loss: Approximately 1,114 million yen will be recognized as gain on sales of real estate properties for the six months ending August 31, 2021.

Note: Not disclosed as the purchaser has not agreed to the disclosure.

**(2) Investment risk**

Due to the Merger effected on March 1, 2021, JMF will add “(VII) Miscellaneous Risks (D) Risk associated with occurrence of goodwill and reversal of voluntary reserves equivalent to the amount of goodwill amortization or distributions in excess of earnings” described below to the “Investment risk” in the most recent financial report (submitted on November 25, 2020). There are no changes other than described below to “Investment risk” in the most recent financial report.

**(VII) Miscellaneous Risks**

(D) Risk associated with occurrence of goodwill and reversal of voluntary reserves equivalent to the amount of goodwill amortization or distributions in excess of earnings

Goodwill may arise from a merger effected by JMF. The goodwill will be amortized over 20 years using the straight-line method, and JMF plans to reduce the incidence of income taxes and so on by distributing the amount equivalent to such amortization through reversal of voluntary reserves (reserves for adjustment of temporary differences, etc. or reserves for dividends) or other means such as distributions in excess of earnings (distributions equivalent to the increase in reserves for adjustment of temporary differences, etc.).

However, depending on future handling pertaining to the interpretation and operation of laws, regulations, and other rules on the handling of goodwill and reserves for adjustment of temporary differences, etc., unexpected restrictions may be imposed on JMF’s activities or tax burden on JMF may be increased, adversely affecting JMF’s profits, the amount of distributions to unitholders, and so on.

Assumptions Underlying the Forecast of Operation for the Fiscal Period Ending August 31, 2021 (39th Fiscal Period: March 1, 2021 to August 31, 2021) and the Fiscal Period Ending February 28, 2022 (40th Fiscal Period: September 1, 2021 to February 28, 2022)

Item	Assumption
Accounting period	<ul style="list-style-type: none"> <li>• August 2021 (39th) Fiscal Period (March 1, 2021 to August 31, 2021) (184 days)</li> <li>• February 2022 (40th) Fiscal Period (September 1, 2021 to February 28, 2022) (181 days)</li> </ul>
Assets owned	<ul style="list-style-type: none"> <li>• We assume that 127 properties and interests in one silent partnership (<i>tokumei kumiai</i>) comprising the 125 properties and interests in one silent partnership as of the date of this release plus the two properties specified in the “Notice Concerning Acquisition of Trust Beneficiary Right in JMF-Bldg. Ichigaya 01 and G-Bldg. Shinsaibashi 05” dated April 14, 2021 will be under management.</li> <li>• Except the changes described above, we assume that no other (anticipated) changes (new property acquisitions and sales of owned properties etc., excluding reconstruction of current properties) of the acquisitions of new properties and dispositions of current portfolio properties, etc., will occur prior to the end of the February 2022 (40th) fiscal period.</li> <li>• The actual number may vary according to the acquisitions of new properties and dispositions of current portfolio properties in the portfolio, etc.</li> </ul>
Issue of units	<ul style="list-style-type: none"> <li>• We assume that the number of issued investment units of JMF will be a total of 6,989,091 units, comprising the 5,204,966 units outstanding after the investment unit split effected on March 1, 2021 with a record date of February 28, 2021 plus 1,784,125 new units issued due to the Merger.</li> <li>• Moreover, we assume that no additional investment units will be issued and no treasury investment units will be acquired or cancelled through the end of the February 2022 (40th) fiscal period.</li> </ul>
Interest-bearing debt	<ul style="list-style-type: none"> <li>• Interest-bearing debt as of today stands at 538,675 million yen, the breakdown of which is long-term debts of 486,175 million yen and investment corporation bonds (including Green Bonds) of 52,500 million yen.</li> <li>• Interest-bearing debt that will come due by the end of the February 2022 (40th) fiscal period amounts to 49,750 million yen in long-term borrowings and 1,500 million yen in investment corporation bonds, but it is assumed that the entire amount will be procured through borrowings as the source of funds for repayment.</li> </ul>
Operating revenues	<ul style="list-style-type: none"> <li>• With respect to gain on sales of property, we assume that gain on sales of property of 2,101 million yen will be recorded for the August 2021 (39th) fiscal period from the disposition of AEON MALL Yamato (50% quasi-co-ownership interest) and AEON Takatsuki.</li> <li>• Rent and other operating revenues are calculated based on the lease contracts effective as of the date of this document.</li> <li>• The rent level and estimated rents for the parts of properties that are vacant are calculated taking into account the negotiations with our tenants and other relevant factors that took place until the date of this document.</li> <li>• We assume that there will be no arrears or nonpayment of rent by our tenants until the end of the February 2022 (40th) fiscal period.</li> <li>• Considering the state of negotiations with the tenants, etc. as of today, certain risks of a potential decrease in revenues due to the impact of COVID-19 are assumed to exist.</li> </ul>

<p>Operating expense (excluding goodwill amortization)</p>	<ul style="list-style-type: none"> <li>• We assume that taxes and public charge of 3,410 million yen in the August 2021 (39th) fiscal period, and 3,380 million yen in February 2022 (40th) respectively.</li> <li>• With respect to property taxes, city planning taxes and depreciable assets taxes (“taxes on property and equipment”) on properties owned by JMF, the tax amount assessed and payable for the corresponding accounting periods has been calculated as property related expenses. However, should any need arise for settlement, such as a need to pay settlement amount for taxes on property and equipment, in relation to new property acquisitions to be made during the year in which the period falls (“amounts equivalent to taxes on property and equipment”), such amounts are taken into account in the acquisition cost of the properties and therefore are not recorded as expenses for the period. Therefore, with respect to taxes on property and equipment pertaining to the properties to be acquired in 2021 (JMF-Bldg. Ichigaya 01 and G-Bldg. Shinsaibashi 05), the tax amounts assessed and payable for the relevant accounting periods will be recorded as property-related expenses from 2022 and onwards. We have assumed that the amounts equivalent to taxes on property and equipment included in the acquisition cost of JMF-Bldg. Ichigaya 01 and G-Bldg. Shinsaibashi 05 to be equivalent to 77 million yen in total.</li> <li>• We assume that repair and maintenance will be 993 million yen for the August 2021 (39th) fiscal period, and 491 million yen for the February 2022 (40th) fiscal period. However, repair and maintenance expenses may vary substantially from the estimate since such expenses may be incurred due to unforeseeable reasons.</li> <li>• We assume that depreciation will be 6,217 million yen for the August 2021 (39th) fiscal period, and 6,250 million yen for the February 2022 (40th) fiscal period.</li> <li>• We assume that property management fees will be 815 million yen for the August 2021 (39th) fiscal period, and 915 million yen for the February 2022 (40th) fiscal period, and facility management fees will be 2,396 million yen for the August 2021 (39th) fiscal period, and 2,428 million yen for the February 2022 (40th) fiscal period.</li> <li>• We assume that we will incur losses of 44 million yen in the August 2021 (39th) fiscal period, and 23 million yen in the February 2022 (40th) fiscal period, respectively, on disposal of property related to the facility update, etc. at each property. With respect to the loss on disposal of property described above, those related to properties whose estimated useful lives are determined to be subject to review as a result of the change in the estimate from an accounting perspective will be treated as depreciation.</li> <li>• Asset management fees are based on the assumption that the ongoing asset management fee structure of JMF will not be changed.</li> <li>• We assume that included in asset management fees for the August 2021 (39th) fiscal period, merger fees of 1,000 million yen and merger-related expenses of 372 million yen will be incurred as temporary expenses related to the Merger.</li> </ul>
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Goodwill amortization	<ul style="list-style-type: none"> <li>We assume that the goodwill will arise due to the Merger, and such goodwill will be recorded as an asset and amortized over 20 years using the straight-line methods in accordance with the Accounting Standard for Business Combinations (Corporate Accounting Standard No. 21, last amended on September 13, 2013). We assume that the amount of goodwill to be recorded will be 16,081 million yen, and goodwill amortization for the August 2021 (39th) fiscal period and the February 2022 (40th) fiscal period will be 402 million yen.</li> <li>Amortization of goodwill is an item that gives rise to differences in account and tax treatment and is a factor that results in income taxes and so on. However, JMF plans to reduce the incidence of income taxes and so on by distributing amounts equivalent to such amortization through the reversal of voluntary reserves (reserves for adjustment of temporary differences, etc. are reserves for dividends) and distributions in excess of earnings (distributions equivalent to the increase in reserves for adjustment of temporary differences, etc.).</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>We assume that non-operating expenses (including interest expense, loan-related costs, interest expenses on investment corporation bonds, etc.) will be 2,050 million yen for the August 2021 (39th) fiscal period, and 2,018 million yen for the February 2022 (40th) fiscal period. We assume that for the fiscal period ending on August 2021 (39th), an amount of 22 million yen, and for the fiscal period ending on February 2022 (40th), an amount of 17 million yen will be deducted as reversal of deferred revenues from interest expenses. The amount of such deferred revenues is equal to the market value of interest-rate swaps of MMI as of February 28, 2021, which is 151 million yen.</li> </ul>
Distributions per unit	<ul style="list-style-type: none"> <li>The distributions per unit are determined in accordance with the cash distribution policy stipulated in the Articles of Incorporation of JMF.</li> <li>It is assumed that the distributions for the August 2021 (39th) fiscal period are calculated based on the assumptions that a total of 15,977 million yen (distributions per unit: 2,286 yen), consist of retained earnings at the end of the period amounting to 15,071 million yen, plus reversal of reserve for temporary difference adjustment amounting to 448 million yen and reversal of reserve for reduction entry amounting to 457 million yen.</li> <li>It is assumed that the distributions for the February 2022 (40th) fiscal period are calculated based on the assumptions that a total of 15,725 million yen (distributions per unit: 2,250 yen), consist of retained earnings at the end of the period amounting to 14,485 million yen, plus reversal of reserve for reduction entry amounting to 313 million yen in full and reversal of reserve for temporary difference adjustment amounting to 926 million yen.</li> <li>It is assumed that retained earnings for temporary difference adjustment of JMF will be reversed in at least a 50-year equal payment (31 million yen) each fiscal period starting in the 31st fiscal period ended August 2017.</li> <li>We assume that additional tax imposition that results from the inconsistencies between tax and accounting treatment would be avoided by reversing of retained earnings for temporary difference adjustments.</li> </ul>
Distributions in excess of profit per unit	<ul style="list-style-type: none"> <li>We do not plan to make distributions in excess of profits for the moment.</li> </ul>
Other	<ul style="list-style-type: none"> <li>We assume that there will be no amendment of laws, accounting standards and the tax system in Japan that will impact the aforementioned forecasts and no unforeseen, significant changes will occur in general economic trends and property market movements in Japan.</li> </ul>

## 2. Financial information

### (1) Balance sheets

(Thousands of yen)

	As of	
	August 31, 2020	February 28, 2021
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and bank deposits	47,708,197	60,314,119
Cash and bank deposits in trust (Note 1)	14,102,177	12,762,382
Rent receivables	1,003,614	801,746
Income taxes receivable	89	54
Other current assets	1,077,242	1,067,990
<b>Total current assets</b>	<b>63,891,321</b>	<b>74,946,293</b>
<b>Non-current assets:</b>		
<b>Property and equipment:</b>		
Buildings	2,448,550	2,450,756
Accumulated depreciation	(705,708)	(748,757)
Buildings, net	1,742,841	1,701,998
Building improvements	66,693	66,693
Accumulated depreciation	(27,639)	(29,130)
Building improvements, net	39,053	37,563
Furniture and fixtures	21,358	21,358
Accumulated depreciation	(14,831)	(15,338)
Furniture and fixtures, net	6,526	6,019
Land	28,459,580	28,459,580
Construction in progress	3,400	3,400
Buildings in trust (Note 2)	288,883,377	286,754,520
Accumulated depreciation	(106,817,939)	(110,090,429)
Buildings in trust, net (Note 1)	182,065,437	176,664,090
Building improvements in trust	13,165,005	12,971,674
Accumulated depreciation	(5,062,461)	(5,131,933)
Building improvements in trust, net (Note 1)	8,102,544	7,839,740
Machinery and equipment in trust	2,190,574	2,191,384
Accumulated depreciation	(1,366,804)	(1,405,545)
Machinery and equipment in trust, net (Note 1)	823,770	785,839
Furniture and fixtures in trust	4,793,727	4,857,617
Accumulated depreciation	(2,975,103)	(3,082,999)
Furniture and fixtures in trust, net (Note 1)	1,818,623	1,774,618
Land in trust (Notes 1 and 2)	607,714,846	602,253,992
Construction in progress in trust (Note 1)	11,805	40,720
<b>Total property and equipment</b>	<b>830,788,430</b>	<b>819,567,564</b>
<b>Intangible assets:</b>		
Leasehold rights in trust	5,094,066	5,073,992
Other intangible assets	77,652	71,939
Other intangible assets in trust	124,279	113,299
<b>Total intangible assets</b>	<b>5,295,998</b>	<b>5,259,232</b>
<b>Investment and other assets:</b>		
Lease deposits in trust	1,611,831	1,537,127
Long-term prepaid expenses	1,730,008	1,787,012
Other investments	1,036	1,036
<b>Total investment and other assets</b>	<b>3,342,875</b>	<b>3,325,176</b>
<b>Total non-current assets</b>	<b>839,427,304</b>	<b>828,151,972</b>
<b>Deferred assets:</b>		
Investment corporation bond issuance costs	143,134	122,753
<b>Total deferred assets</b>	<b>143,134</b>	<b>122,753</b>
<b>TOTAL ASSETS</b>	<b>903,461,761</b>	<b>903,221,019</b>

(To be continued on the following page)

(Thousands of yen)

	As of	
	August 31, 2020	February 28, 2021
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities:</b>		
Accounts payable – operating	2,362,925	2,075,871
Short-term borrowings	7,000,000	-
Current portion of long-term borrowings	54,575,000	51,000,000
Accounts payable – other	235,346	94,731
Accrued expenses	1,713,758	1,616,752
Income taxes payable	605	605
Consumption tax payable	395,426	1,096,173
Rent received in advance	3,173,469	3,069,222
Deposits received	1,244,846	2,267,472
Current portion of tenant leasehold and security deposits in trust (Note 1)	789,310	695,091
Derivatives liabilities	31,494	19,243
Other current liabilities	99,325	140,573
<b>Total current liabilities</b>	<b>71,621,507</b>	<b>62,075,736</b>
<b>Non-current liabilities:</b>		
Long-term bonds issued – unsecured	44,500,000	44,500,000
Long-term borrowings	305,650,000	316,200,000
Tenant leasehold and security deposits	1,760,180	1,788,297
Tenant leasehold and security deposits in trust (Note 1)	45,533,582	44,050,694
Asset retirement obligations	546,434	549,506
Derivatives liabilities	104,763	60,454
Other non-current liabilities	20,000	29,130
<b>Total non-current liabilities</b>	<b>398,114,960</b>	<b>407,178,082</b>
<b>TOTAL LIABILITIES</b>	<b>469,736,468</b>	<b>469,253,818</b>
<b>Net Assets (Note 6)</b>		
<b>Unitholders' equity:</b>		
Unitholders' capital	411,878,082	411,878,082
Surplus:		
Capital surplus	14,986,826	14,986,826
Deduction from capital surplus (Note 4)	(11,999,843)	(11,999,843)
Capital surplus, net	2,986,982	2,986,982
Voluntary reserve		
Reserve for reduction entry of property	15,151	452,199
Reserve for dividends	3,915,072	3,915,072
Retained earnings for temporary difference adjustment (Note 5)	2,949,959	2,918,039
Total voluntary reserve	6,880,184	7,285,311
Retained earnings	12,116,300	11,896,522
Total surplus	21,983,467	22,168,816
<b>Total unitholders' equity</b>	<b>433,861,549</b>	<b>434,046,898</b>
<b>Valuation and translation adjustments:</b>		
Deferred losses on hedges	(136,257)	(79,697)
<b>Total valuation and translation adjustments</b>	<b>(136,257)</b>	<b>(79,697)</b>
<b>TOTAL NET ASSETS</b>	<b>433,725,292</b>	<b>433,967,201</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>903,461,761</b>	<b>903,221,019</b>

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

## (2) Statements of income and retained earnings

(Thousands of yen)

	For the six months ended	
	August 31, 2020	February 28, 2021
<b>Operating revenues</b>		
Rent and other operating revenues (Note 7)	29,061,155	29,392,066
Gain on sales of property (Note 8)	1,787,708	1,126,862
Total operating revenues	30,848,863	30,518,929
<b>Operating expenses</b>		
Property-related expenses (Note 7)	13,691,283	13,842,931
Asset management fees	2,720,055	2,677,495
Custodian fees	30,430	29,970
General administration fees	129,334	129,518
Compensation for Directors	5,940	5,940
Merger expenses	193,776	74,764
Other operating expenses	249,205	252,618
Total operating expenses	17,020,023	17,013,238
<b>Operating income</b>	13,828,839	13,505,690
<b>Non-operating revenues</b>		
Interest income	585	359
Other non-operating revenues	3,085	1,990
Total non-operating revenues	3,670	2,349
<b>Non-operating expenses</b>		
Interest expenses	1,202,318	1,127,543
Interest expenses on investment corporation bonds	145,310	143,023
Amortization of investment corporation bond issuance costs	20,381	20,381
Loan-related costs	328,674	315,451
Other non-operating expenses	18,919	4,513
Total non-operating expenses	1,715,604	1,610,912
<b>Ordinary income</b>	12,116,905	11,897,127
<b>Income before income taxes</b>	12,116,905	11,897,127
<b>Income taxes</b>		
Current	605	605
Total income taxes	605	605
<b>Net income</b>	12,116,300	11,896,522
<b>Unappropriated earnings at beginning of period</b>	-	-
<b>Retained earnings at the end of period</b>	12,116,300	11,896,522

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.



(3) Statements of changes in net assets

(Thousands of yen)

	Unitholders' equity										Valuation and translation adjustments				
	Surplus														
	Voluntary reserve														
	Unitholders' capital (Note 6)	Capital surplus	Deduction from capital surplus	Capital surplus, net	Reserve for reduction entry of property	Reserve for dividends	Retained earnings for temporary difference adjustment	Total voluntary reserve	Retained earnings	Total surplus	Own investment units	Total unitholders' equity	Deferred losses on hedges	Total valuation and translation adjustments	Total net assets
<b>Balance as of February 29, 2020</b>	411,878,082	14,986,826	(9,999,980)	4,986,845	15,151	2,864,222	2,981,342	5,860,716	12,800,544	23,648,106	-	435,526,188	(228,167)	(228,167)	435,298,021
<b>Changes during the period</b>															
Provision of reserve for dividends	-	-	-	-	-	1,050,850	-	1,050,850	(1,050,850)	-	-	-	-	-	-
Reversal of retained earnings for temporary difference adjustment	-	-	-	-	-	-	(31,382)	(31,382)	31,382	-	-	-	-	-	-
Cash distribution declared	-	-	-	-	-	-	-	-	(11,781,076)	(11,781,076)	-	(11,781,076)	-	-	(11,781,076)
Net income	-	-	-	-	-	-	-	-	12,116,300	12,116,300	-	12,116,300	-	-	12,116,300
Acquisition of own investment units	-	-	-	-	-	-	-	-	-	-	(1,999,863)	(1,999,863)	-	-	(1,999,863)
Retirement of own investment units	-	-	(1,999,863)	(1,999,863)	-	-	-	-	-	(1,999,863)	1,999,863	-	-	-	-
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	-	-	-	-	91,910	91,910	91,910
<b>Total changes during the period</b>	-	-	(1,999,863)	(1,999,863)	-	1,050,850	(31,382)	1,019,467	(684,243)	(1,664,639)	-	(1,664,639)	91,910	91,910	(1,572,729)
<b>Balance as of August 31, 2020</b>	411,878,082	14,986,826	(11,999,843)	2,986,982	15,151	3,915,072	2,949,959	6,880,184	12,116,300	21,983,467	-	433,861,549	(136,257)	(136,257)	433,725,292
<b>Changes during the period</b>															
Provision of reserve for reduction entry of property	-	-	-	-	437,047	-	-	437,047	(437,047)	-	-	-	-	-	-
Reversal of retained earnings for temporary difference adjustment	-	-	-	-	-	-	(31,920)	(31,920)	31,920	-	-	-	-	-	-
Cash distribution declared	-	-	-	-	-	-	-	-	(11,711,173)	(11,711,173)	-	(11,711,173)	-	-	(11,711,173)
Net income	-	-	-	-	-	-	-	-	11,896,522	11,896,522	-	11,896,522	-	-	11,896,522
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	-	-	-	-	56,560	56,560	56,560
<b>Total changes during the period</b>	-	-	-	-	437,047	-	(31,920)	405,127	(219,778)	185,348	-	185,348	56,560	56,560	241,909
<b>Balance as of February 28, 2021</b>	411,878,082	14,986,826	(11,999,843)	2,986,982	452,199	3,915,072	2,918,039	7,285,311	11,896,522	22,168,816	-	434,046,898	(79,697)	(79,697)	433,967,201

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

(4) Statements of cash distributions

		(Yen)	
		For the six months ended	
		August 31, 2020	February 28, 2021
I	Retained earnings at the end of period	12,116,300,791	11,896,522,283
II	Reversal of voluntary reserve		
	<i>Reversal of retained earnings for temporary difference adjustment (Note 9 in section (8) below)</i>	31,920,293	133,008,965
III	Cash distribution declared	11,711,173,500	11,711,173,500
	<i>(Cash distribution declared per unit)</i>	<i>(4,500)</i>	<i>(4,500)</i>
IV	Voluntary reserve		
	<i>Reserve for reduction entry of property</i>	437,047,584	318,357,748
V	Retained earnings carried forward	-	-

**For the six months ended August 31, 2020:**

In accordance with the distribution policy in the JMF's article of incorporation 26, Paragraph 1, Item 2, which stipulates to make distribution in excess of 90% of distributable profit as defined in Article 67-15, Paragraph 1 of the Special Taxation Measures Act of Japan for the fiscal period, a total of cash distributions declared for the six months ended August 31, 2020 amounting to ¥ 11,711,173,500 consisted all of retained earnings at the end of the period after reversal of retained earnings for temporary difference adjustment amounting to ¥31,920,293 and reserve for reduction entry of property amounting to ¥437,047,584. As a result, distribution per unit amounted to ¥4,500. JMF generally does not make distribution in excess of profit prescribed in the article of incorporation 26, Paragraph 2.

**For the six months ended February 28, 2021:**

In accordance with the distribution policy in the JMF's article of incorporation 26, Paragraph 1, Item 2, which stipulates to make distribution in excess of 90% of distributable profit as defined in Article 67-15, Paragraph 1 of the Special Taxation Measures Act of Japan for the fiscal period, a total of cash distributions declared for the six months ended February 28, 2021 amounting to ¥ 11,711,173,500 consisted all of retained earnings at the end of the period after reversal of retained earnings for temporary difference adjustment amounting to ¥133,008,965 and reserve for reduction entry of property amounting to ¥318,357,748. As a result, distribution per unit amounted to ¥4,500. JMF generally does not make distribution in excess of profit prescribed in the article of incorporation 26, Paragraph 2.

## (5) Statements of cash flows

(Thousands of yen)

	<b>For the six months ended</b>	
	<b>August 31, 2020</b>	<b>February 28, 2021</b>
<b>Cash Flows from Operating Activities:</b>		
Income before income taxes	12,116,905	11,897,127
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation	5,444,170	5,408,726
Amortization of investment corporation bond issuance costs	20,381	20,381
Gain on sales of property	(1,787,708)	(1,126,862)
Loss on disposal of fixed assets	41,814	25,831
Interest income	(585)	(359)
Interest expenses	1,347,629	1,270,566
Changes in assets and liabilities:		
(Increase) decrease in rent receivables	(265,835)	194,196
(Increase) decrease in income taxes receivable	44	34
(Increase) decrease in long-term prepaid expenses	(94,615)	(57,003)
Increase (decrease) in accounts payable - operating	408	(346,767)
Increase (decrease) in consumption tax payable	(30,669)	700,746
Increase (decrease) in accounts payable - other	196,074	(141,857)
Increase (decrease) in accrued expenses	(351,140)	(30,712)
Increase (decrease) in rent received in advance	(26,066)	(104,247)
Increase (decrease) in deposits received	(732,861)	972,230
Other, net	693,252	(470,564)
Sub total	16,571,197	18,211,466
Interest received	585	359
Interest expenses paid	(1,343,254)	(1,311,340)
Income taxes paid	(605)	(605)
Net cash provided by operating activities	15,227,923	16,899,881
<b>Cash Flows from Investing Activities:</b>		
Purchase of property and equipment	(5,028)	(16,927)
Purchase of property and equipment in trust (Note 11)	(20,805,360)	(1,432,143)
Proceeds from sales of property and equipment in trust	5,773,480	8,572,100
Payments for sales of property and equipment in trust	-	(38,280)
Purchase of intangible assets	(16,995)	(1,937)
Purchase of intangible assets in trust	(13,467)	(20,506)
Payments of tenant leasehold and security deposits	(45,932)	(53,162)
Proceeds from tenant leasehold and security deposits	30,114	50,244
Payments of tenant leasehold and security deposits in trust	(859,594)	(1,371,422)
Proceeds from tenant leasehold and security deposits in trust	783,871	359,324
Payments of lease deposits	-	(82)
Payments of lease deposits in trust	-	(25,214)
Proceeds from lease deposits in trust	7,500	79,375
Payments for restricted bank deposits in trust	-	(24)
Proceeds from restricted bank deposits in trust	519,256	-
Net cash provided by (used in) investing activities	(14,632,155)	6,101,344
<b>Cash Flows from Financing Activities:</b>		
Proceeds from short-term borrowings	14,000,000	-
Repayments of short-term borrowings	(7,000,000)	(7,000,000)
Proceeds from long-term borrowings	29,800,000	35,050,000
Repayments of long-term borrowings	(29,800,000)	(28,075,000)
Payments for acquisition of own investment units	(2,014,265)	-
Distribution payments	(11,784,077)	(11,710,123)
Net cash used in financing activities	(6,798,342)	(11,735,123)
<b>Net change in cash and cash equivalents</b>	<b>(6,202,574)</b>	<b>11,266,102</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>67,499,640</b>	<b>61,297,066</b>
<b>Cash and cash equivalents at the end of period (Note 10)</b>	<b>61,297,066</b>	<b>72,563,168</b>

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

(6) Note relating to going concern assumption

Not applicable.

(7) Summary of significant accounting policies

**(a) Property and equipment**

Property and equipment is recorded at cost. Depreciation of property and equipment, except for land, is calculated on a straight-line basis over the estimated useful lives of the assets as stated below:

Buildings	2-50 years
Building improvements	2-60 years
Machinery and equipment	2-17 years
Furniture and fixtures	2-20 years

**(b) Other intangible assets**

Other intangible assets are amortized on a straight-line basis.

**(c) Leased assets**

Finance lease transactions that do not transfer ownership of the leased property to the lessee, are capitalized and depreciated on a straight-line basis, assuming no residual value, over the lease term.

**(d) Long-term prepaid expenses**

Long-term prepaid expenses are amortized on a straight-line basis.

**(e) Investment unit issuance costs**

Investment unit issuance costs are capitalized and amortized on a straight-line basis over three years.

**(f) Investment corporation bond issuance costs**

Investment corporation bond issuance costs are capitalized and amortized on a straight-line basis over the maturity period of the bonds issued.

**(g) Taxes on property and equipment**

Property and equipment are subject to various taxes, such as property taxes and urban planning taxes on annual basis. An owner of a property is registered in the record maintained by the local government in each jurisdiction, and such taxes are imposed on the owner registered in the record as of January 1st of each year based on the assessment made by the local government.

Under the above tax rules, a seller of a property at the time of disposal is liable for these taxes on the property from the date of disposal to the end of the calendar year in which the property is disposed. The seller, however, is reimbursed by the purchaser for these accrued tax liabilities and the amount of settlement reflects this adjustment. For the purchaser, a portion of such taxes calculated from the acquisition date to the end of the calendar year is capitalized as a cost of the property in accordance with accounting principles and practices generally accepted in Japan ("Japanese GAAP"). In subsequent calendar years, half of such taxes on property and equipment for each calendar year are charged as operating expenses in each fiscal period.

Taxes on property and equipment capitalized amounted to ¥70,374 thousand for the six months ended August 31, 2020. No taxes on property and equipment were capitalized for the six months ended February 28, 2021.

**(h) Hedge accounting**

In accordance with JMF's risk management policy and its internal rules, JMF conducts derivative transactions for the purpose of hedging risks that are prescribed in JMF's article of incorporation. JMF hedges fluctuations in interest rates of borrowings through the use of interest rate swaps as hedging instruments and deferred hedge accounting is generally used for such interest rate swaps. The hedge effectiveness of the interest rate swaps is assessed by comparing the cumulative changes in the cash flows of the hedging instruments and the hedged items.

JMF applies, however, the special treatment provided under Japanese GAAP for the interest rate swaps which qualify for hedge accounting and meet specific criteria, under which only the interest received or paid under such swap contracts is recognized and added to or reduced from any interest earned or incurred on the hedged asset or liability as appropriate, and the fair value of the interest rate swaps is not required to be evaluated separately. The assessment of hedge effectiveness is not performed when the interest rate swaps meet the specific criteria required for such special treatment.

**(i) Cash and cash equivalents**

Cash and cash equivalents consist of cash, demand deposits, and short-term investments which are highly liquid and readily convertible into cash, have a low risk of price fluctuation, and mature within three months from the date of acquisition.

**(j) Accounting treatment of trust beneficiary interests in real estate trusts**

Trust beneficiary interests in real estate trusts are commonly utilized to obtain ownership in commercial properties in Japan, through which JMF holds all of its real estate. Assets and liabilities with respect to assets in trust, as well as all income generated and expenses incurred with respect to assets in trust, are recorded in the relevant accounts for balance sheet and statement of income and retained earnings of JMF in proportion to the percentage interest that such trust beneficiary interest represents.

**(k) Consumption tax**

Consumption taxes withheld and consumption taxes paid are not included in the statements of income and retained earnings. The consumption taxes paid are generally offset against the balance of consumption taxes withheld. As such, the excess of payments over amounts withheld are included in current assets and the excess of amounts withheld over payments are included in current liabilities as the case may be.

**(New accounting standards not yet applied)**

- "Accounting Standard for Revenue Recognition" (Accounting Standards Board of Japan (ASBJ) Statement No. 29 revised on March 31, 2020)
- "Implementation Guidance on Accounting Standard for Revenue Recognition" (ASBJ Guidance No. 30 revised on March 26, 2021)
- "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19 revised on March 31, 2020)

**(1) Overview**

The International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) in the United States have jointly developed comprehensive accounting standards for revenue recognition and issued "Revenue from Contracts with Customers" (IFRS 15 in IASB and Topic 606 in FASB) in May 2014. Given the situation where IFRS 15 will be applied from fiscal years beginning on or after January 1, 2018 and that Topic 606 will be applied from fiscal years beginning after December 15, 2017, the ASBJ has developed comprehensive accounting standards for revenue recognition and issued them together with the implementation guidance. The basic policy of the ASBJ when it developed the accounting standards for revenue recognition was to specify the accounting standards, incorporating the basic principles of IFRS 15 as a starting point, from the perspective of comparability between financial statements, which is one of the benefits of maintaining compatibility with IFRS 15. The basic policy also stipulates that if there is an item to which consideration should be given, such as practices that have been conducted thus far in Japan, alternative treatments will be added to the extent to which comparability is not impaired.

**(2) Scheduled date of application**

JMF will adopt the accounting standards from the beginning of the six months ending February 28, 2022.

**(3) Impact of applying the accounting standards**

JMF is currently evaluating the effect on its financial statements by applying the "Accounting Standard for Revenue Recognition", etc.

- "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30 issued on July 4, 2019)
- "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10 revised on July 4, 2019)
- "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31 issued on July 4, 2019)
- "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19 revised on March 31, 2020)

**(1) Overview**

The IASB and FASB have established similar detailed guidance regarding fair value measurement (IFRS 13 "Fair Value Measurement" in IFRS and Accounting Standards Codification Topic 820 "Fair Value Measurement" in FASB).

The ASBJ repeatedly considered the guidance regarding fair value of financial instruments and disclosure in order to ensure the consistency of Japanese GAAP with such international accounting standards, and issued the Accounting Standard for Fair Value Measurement, etc.

As the basic policy of the ASBJ for the development of accounting standard for fair value measurement, the ASBJ basically adopted all provisions of IFRS 13 by using the unified measurement method, from the point of view of improving the comparability of financial statements among domestic and foreign companies.

In addition, considering the actual practices that have been executed in Japan, other treatments for individual items are established within the scope not to impair comparability between the financial statements.

**(2) Scheduled date of application**

JMF will adopt the accounting standards from the beginning of the six months ending February 28, 2022.

(3) Impact of applying the accounting standards

JMF is currently evaluating the effect on its financial statements by applying the "Accounting Standard for Fair Value Measurement", etc.

- "Accounting Standard for Disclosure of Accounting Estimates" (ASBJ Statement No. 31 revised on March 31, 2020)

(1) Overview

With respect to "Sources of estimation uncertainty" which are required to be disclosed under Paragraph 125 of International Accounting Standard ("IAS") 1 "Presentation of Financial Statements" ("IAS 1") issued by the IASB in 2003, the ASBJ was requested to examine disclosures of such information under Japanese GAAP as useful information for users of financial statements. Accordingly, the ASBJ has developed and published the accounting standard for disclosures of accounting estimates (the "Accounting Standard").

The basic policy of ASBJ for the development of the Accounting Standard was to provide general principles (disclosure purpose) instead of expanding individual notes, and an entity shall determine specific disclosure content in accordance with its disclosure purpose. The development of this standard is based on Paragraph 125 of IAS 1.

(2) Scheduled date of application

JMF will adopt the accounting standard from the end of the six months ending August 31, 2021.

- "Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections" (ASBJ Statement No. 24 revised on March 31, 2020)

(1) Overview

In response to the recommendation to improve note information concerning "The accounting policies and methods which have been adopted in the cases where the relevant accounting standards are not available", the ASBJ revised Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections.

To improve the note information concerning "The accounting policies and methods which have been adopted in the cases where the relevant accounting standards are not available", the provision of Financial Accounting Principles (note 1-2) will be followed to ensure consistency with actual practices when the relevant accounting standards exist.

(2) Scheduled date of application

JMF will adopt the accounting standard from the end of the six months ending August 31, 2021.

(8) Notes to financial information

**Note 1 — Collateral**

The carrying amounts of assets stated below were pledged as collateral to secure tenant leasehold and security deposits in trust totaling ¥18,427,312 thousand and ¥17,887,312 thousand as of August 31, 2020 and February 28, 2021, respectively.

	(Thousands of yen)	
	As of	
	August 31, 2020	February 28, 2021
Cash and bank deposits in trust	513,308	513,333
Buildings in trust	55,993,125	54,848,679
Building improvements in trust	2,460,590	2,420,009
Machinery and equipment in trust	179,675	167,589
Furniture and fixtures in trust	582,906	544,665
Land in trust	141,097,758	141,097,758
Construction in progress in trust	1,050	4,495
Total	200,828,414	199,596,531

Certain lands and buildings included in the above table were pledged as collateral to secure co-owner's payment of tenant leasehold and security deposits for amounts of ¥691,908 thousand and a former owner's payment of retirement benefit obligation for amounts of ¥350,000 thousand as of August 31, 2020 and February 28, 2021.

**Note 2 — Reduction entry of property**

Certain properties were acquired by government subsidies received or through exchange. The acquisition costs of such properties were reduced as follows:

	(Thousands of yen)	
	As of	
	August 31, 2020	February 28, 2021
Buildings in trust acquired by government subsidies	334,351	334,351
Land in trust acquired through exchange	450,559	450,559

**Note 3 — Credit facilities and commitment lines**

As of August 31, 2020 and February 28, 2021, JMF entered into credit facilities and committed lines of credit as follows:

	As of	
	August 31, 2020	February 28, 2021
<b>Credit facilities</b>		
Total amount of credit facilities	35,500,000	35,500,000
Borrowings drawn down	-	-
Unused credit facilities	35,500,000	35,500,000
<b>Commitment lines</b>		
Total amount of committed lines of credit	60,000,000	60,000,000
Borrowings drawn down	-	-
Unused committed lines of credit	60,000,000	60,000,000

**Note 4 — Retirement of own investment units**

JMF retired its own investment units as follows:

	As of	
	August 31, 2020	February 28, 2021
Total number of own investment units retired	64,715 units	64,715 units
Total amount of retirement (Thousands of yen)	11,999,843	11,999,843

**Note 5 — Retained earnings for temporary difference adjustment**

Movements of retained earnings for temporary difference adjustment are as follows:

**For the six months ended August 31, 2020**

(Thousands of yen)

	Initial amount	Balance at beginning of the period	Provision	Reversal	Balance at end of the period	Reason for provision or reversal
Reserve for dividends <sup>(i)</sup>	3,138,254	2,981,342	-	(31,382)	2,949,959	Appropriation for dividends

Note:

- (i) The retained earnings for temporary difference adjustment was transferred from reserve for dividends which was derived from negative goodwill and will be reversed in forthcoming periods by equal to or more than initial amount divided by 50 years.

**For the six months ended February 28, 2021**

(Thousands of yen)

	Initial amount	Balance at beginning of the period	Provision	Reversal	Balance at end of the period	Reason for provision or reversal
Reserve for dividends <sup>(i)</sup>	3,138,254	2,949,959	-	(31,920)	2,918,039	Appropriation for dividends

Note:

- (i) The retained earnings for temporary difference adjustment was transferred from reserve for dividends which was derived from negative goodwill and will be reversed in forthcoming periods by equal to or more than initial amount divided by 50 years.



**Note 6 — Net assets**

(1) Number of investment units

	As of	
	August 31, 2020	February 28, 2021
Authorized	8,000,000 units	8,000,000 units
Issued and outstanding	2,602,483 units	2,602,483 units

(2) JMF is required to maintain net assets of at least ¥50,000 thousand in accordance with the Act on Investment Trusts and Investment Corporations of Japan.

**Note 7 — Analysis of rent and other operating revenues and property-related expenses**

Rent and other operating revenues and property-related expenses for the six months ended August 31, 2020 and February 28, 2021 consist of the following:

	(Thousands of yen)	
	For the six months ended	
	August 31, 2020	February 28, 2021
Rent and other operating revenues:		
Rent and parking revenue	25,286,929	25,975,481
Common area charges	1,204,858	1,180,307
Other	2,569,366	2,236,277
Total rent and other operating revenues	29,061,155	29,392,066
Property-related expenses:		
Property management fees	601,618	740,342
Facility management fees	1,585,976	1,581,264
Utilities	1,321,744	1,220,432
Property-related taxes	2,671,292	2,659,713
Repair and maintenance	442,686	433,095
Insurance	31,729	31,010
Trust fees	48,173	47,039
Rent expense	766,627	773,032
Other	742,747	931,334
Depreciation	5,436,872	5,399,834
Loss on disposal of property	41,814	25,831
Total property-related expenses	13,691,283	13,842,931
Operating income from property leasing activities	15,369,872	15,549,134

**Note 8 — Analysis of gain on sales of property**

Analysis of gain on sales of property is as follows:

	(Thousands of yen)	
	For the six months ended	
	August 31, 2020	February 28, 2021
Sale of property	5,800,000	8,600,000
Cost of property	3,947,491	7,388,477
Other sales expenses	64,800	84,659
Gain on sales of property, net	1,787,708	1,126,862

Certain properties were acquired through exchange. Gain on exchange of the properties is reduced from the acquisition costs of such properties as follows:

	(Thousands of yen)	
	For the six months ended	
	August 31, 2020	February 28, 2021
Revenue from transfer of property	1,333,184	-
Cost of property transferred	829,722	-
Other transfer expenses	52,901	-
Reduction entry of property	450,559	-
Gain on exchange of property	-	-

**Note 9 — Provision of retained earnings for temporary difference adjustment**

JMF transferred all of remaining reserve for dividends amounting to ¥3,138,254,927 as of February 28, 2017 which was derived from negative goodwill to retained earnings for temporary difference adjustment by applying Article 3 of the Supplementary Provision of the Ordinance on Accountings of Investment Corporations (Cabinet Office Ordinance No. 27 of 2015) in the statements of cash distributions for the six months ended February 28, 2017. The retained earnings for temporary difference adjustment are required to be reversed in or after the six months ended August 31, 2017 by equal to or more than initial amount divided by 50 years (equal to or more than ¥31,382,550 for each fiscal period).

JMF reversed ¥31,920,293 and ¥133,008,965 of retained earnings for temporary difference adjustment for the six months ended August 31, 2020 and February 28, 2021, respectively.

**Note 10 — Cash and cash equivalents**

Cash and cash equivalents shown in the statements of cash flows consist of the following:

(Thousands of yen)

	As of	
	August 31, 2020	February 28, 2021
Cash and bank deposits	47,708,197	60,314,119
Cash and bank deposits in trust	14,102,177	12,762,382
Restricted bank deposits in trust <sup>(i)</sup>	(513,308)	(513,333)
Cash and cash equivalents	61,297,066	72,563,168

Note:

(i) The usage of the bank deposits in trust is restricted to repayments of tenant leasehold and security deposits.

**Note 11 — Significant non-cash transactions****For the six months ended August 31, 2020**

JMF acquired certain properties through exchange on April 30, 2020. Non-cash transactions arising from the exchange consisted of the following:

(Thousands of yen)

Total amount of properties acquired through exchange	(1,666,332)
Amount of property disposed through exchange	1,333,184
Payments for purchases of property and equipment in trust	(333,148)

**For the six months ended February 28, 2021**

None

**Note 12 — Leases****(a) Lease rental revenues**

JMF leases its properties to retail tenants. Future minimum rental revenues pursuant to existing rental contracts as of August 31, 2020 and February 28, 2021 (exclusive of the recovery of utility and other charges) scheduled to be received are summarized as follows:

(Thousands of yen)

	As of	
	August 31, 2020	February 28, 2021
Due within one year	18,241,304	16,926,956
Due after one year	79,478,076	73,150,968
Total	97,719,380	90,077,925

**(b) Lease commitments**

Finance lease transactions that do not transfer ownership of the leased property to the lessee, are capitalized and depreciated on a straight-line basis, assuming no residual value, over the lease term. Such capitalized leased properties are furniture and fixtures in trust.

## Note 13 — Financial instruments

### (a) Qualitative information for financial instruments

#### (i) Policy for financial instrument transactions

JMF raises funds through borrowings, issuance of investment corporation bonds, or issuance of investment units, for the purpose of the acquisition of real estate properties, payment of expenditures on property maintenance and/or repayment of existing debt. Surplus funds are managed carefully by investing in financial instruments that meet JMF's investment policy in terms of liquidity and safety in light of the current financial market conditions. Derivative transactions are carried out only for hedging purposes and not for the speculative purposes.

#### (ii) Nature and extent of risks arising from financial instruments and risk management

The funds raised through borrowings or issuance of investment corporation bonds are mainly used to acquire real estate properties or properties in trust, and for the repayment of existing borrowings or the redemption of investment corporation bonds. Tenant leasehold and security deposits are deposits from tenants. Although borrowings with floating interest rate are subject to fluctuations in market interest rates, JMF maintains an appropriate level of liabilities ratio in order to manage its exposure to the potential rise in market interest rates. In addition, a certain portion of long-term borrowings with floating interest rates is hedged by derivatives (interest rate swaps) as hedging instruments. The hedge effectiveness of the interest rate swaps is assessed by comparing the cumulative changes in the cash flows of the hedging instruments and the hedged items. When the interest rate swaps meet specific criteria required for the special treatment provided under Japanese GAAP, the assessment of hedge effectiveness is not performed. In accordance with JMF's risk management policy and internal rules, JMF uses derivative instruments for the purpose of hedging risks that are prescribed in JMF's articles of incorporation.

Liquidity risks relating to borrowings, investment corporation bonds, and tenant leasehold and security deposits are managed by preparing monthly plans for funds, maintaining high liquidity and entering into credit facility agreements and commitment line agreements.

#### (iii) Supplemental information on fair value of financial instruments

The fair value of financial instruments is based on quoted market prices, if available. When quoted market prices are not available, fair value is estimated using valuation techniques which contain various assumptions. If other valuation models or assumptions were used, the estimated value may differ.

### (b) Quantitative information for financial instruments

The following table shows the carrying amounts, fair value and unrealized gain (loss) of financial instruments for which fair value is available as of August 31, 2020 and February 28, 2021.

	As of August 31, 2020			As of February 28, 2021		
	Carrying amounts	Fair value	Difference	Carrying amounts	Fair value	Difference
(1) Cash and bank deposits	47,708,197	47,708,197	-	60,314,119	60,314,119	-
(2) Cash and bank deposits in trust	14,102,177	14,102,177	-	12,762,382	12,762,382	-
Total assets	61,810,374	61,810,374	-	73,076,501	73,076,501	-
(1) Short-term borrowings	7,000,000	7,000,000	-	-	-	-
(2) Current portion of long-term borrowings	54,575,000	54,585,579	10,579	51,000,000	51,007,107	7,107
(3) Current portion of tenant leasehold and security deposits in trust	789,310	799,898	10,588	695,091	705,995	10,904
(4) Long-term bonds issued - unsecured	44,500,000	44,896,095	396,095	44,500,000	44,909,595	409,595
(5) Long-term borrowings	305,650,000	307,245,220	1,595,220	316,200,000	316,269,002	69,002
(6) Tenant leasehold and security deposits in trust	1,269,990	1,267,346	(2,643)	645,957	633,783	(12,174)
Total liabilities	413,784,300	415,794,139	2,009,839	413,041,048	413,525,484	484,435
Derivatives (derivatives liabilities), net	(136,257)	(136,257)	-	(79,697)	(79,697)	-

Note (i): The methods and assumptions used to estimate fair value and the matters relating to derivatives are as follows:

#### Assets

##### (1) Cash and bank deposits and (2) Cash and bank deposits in trust

The carrying amounts of cash and bank deposits and those in trust are deemed to approximate their fair value.

#### Liabilities

##### (1) Short-term borrowings

Because of their short maturities, the carrying amounts of short-term borrowings approximate their fair values.

##### (2) Current portion of long-term borrowings and (5) Long-term borrowings

Long-term borrowings with floating interest rates are stated at their carrying amounts as their carrying amounts approximate their fair values. When long-term borrowings with floating interest rates are hedged by interest rate swaps which qualify for hedge accounting and meet special criteria, the fair value of the hedged long-term borrowing is determined based on the present value of contractual cash flows in conjunction with the hedging interest rate swaps discounted at current market interest rates which would be applicable to new borrowings under the same conditions and terms. For fair value of long-term borrowings with fixed interest rates, the fair value is determined based on the present value of contractual cash flows discounted at current market interest rates which would be applicable to new borrowings under the same conditions and terms.

##### (3) Current portion of tenant leasehold and security deposits in trust and (6) Tenant leasehold and security deposits in trust

The fair value is determined based on the present value of contractual cash flows discounted at current interest rates which would be applicable to contracts with similar terms and credit risk.

##### (4) Long-term bonds issued - unsecured

The fair value is the quoted price provided by financial market information provider.

#### Derivatives

Please refer to "Note 15—Derivatives".

Note (ii): Financial instruments for which fair value is difficult to determine are as follows:

	(Thousands of yen)	
	As of	
	August 31, 2020	February 28, 2021
Tenant leasehold and security deposits	1,760,180	1,788,297
Tenant leasehold and security deposits in trust	44,263,592	43,404,737
Total	46,023,772	45,193,034

Tenant lease hold and security deposits and those in trust are not publicly traded, and it is difficult to determine their fair value based on estimated future cash flows because the repayment dates of those deposits are not certain. Therefore, these financial instruments are not included in the above quantitative information.

Note (iii): Cash flows schedule of financial assets after the balance sheet date

As of August 31, 2020	(Thousands of yen)					
	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Cash and bank deposits	47,708,197	-	-	-	-	-
Cash and bank deposits in trust	14,102,177	-	-	-	-	-
Total	61,810,374	-	-	-	-	-
As of February 28, 2021	(Thousands of yen)					
	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Cash and bank deposits	60,314,119	-	-	-	-	-
Cash and bank deposits in trust	12,762,382	-	-	-	-	-
Total	73,076,501	-	-	-	-	-

Note (iv): Cash flows schedule of interest-bearing financial liabilities after the balance sheet date

As of August 31, 2020	(Thousands of yen)					
	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Short-term borrowings	7,000,000	-	-	-	-	-
Current portion of long-term borrowings	54,575,000	-	-	-	-	-
Current portion of tenant leasehold and security deposits in trust	789,310	-	-	-	-	-
Long-term bonds issued - unsecured	-	5,000,000	8,000,000	14,500,000	7,000,000	10,000,000
Long-term borrowings	-	43,000,000	28,500,000	30,000,000	39,500,000	164,650,000
Tenant leasehold and security deposits in trust	-	658,065	168,065	68,065	68,065	307,729
Total	62,364,310	48,658,065	36,668,065	44,568,065	46,568,065	174,957,729
As of February 28, 2021	(Thousands of yen)					
	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Current portion of long-term borrowings	51,000,000	-	-	-	-	-
Current portion of tenant leasehold and security deposits in trust	695,091	-	-	-	-	-
Long-term bonds issued - unsecured	-	5,000,000	15,500,000	14,000,000	-	10,000,000
Long-term borrowings	-	37,500,000	22,000,000	37,000,000	47,500,000	172,200,000
Tenant leasehold and security deposits in trust	-	68,065	168,065	68,065	68,065	273,696
Total	51,695,091	42,568,065	37,668,065	51,068,065	47,568,065	182,473,696

## Note 14 — Securities

JMF has no securities to be disclosed as of August 31, 2020 and February 28, 2021.

## Note 15 — Derivatives

Information on derivative transactions undertaken by JMF as of August 31, 2020 and February 28, 2021 is as follows. Derivative transactions are carried out for hedging purposes and are subject to hedge accounting.

*As of August 31, 2020*

(Thousands of yen)

Method of hedge accounting	Type of derivatives	Hedged item	Notional amounts <sup>(ii)</sup>		Fair value	Valuation method
				Over 1 year		
Deferred hedge accounting	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term borrowings	36,075,000	14,000,000	(136,257)	(iii)
Special treatment for hedge accounting of interest rate swaps <sup>(i)</sup>	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term borrowings	96,500,000	84,500,000	— <sup>(i)</sup>	-
Total			132,575,000	98,500,000	<sup>(i)</sup> (136,257)	-

*As of February 28, 2021*

(Thousands of yen)

Method of hedge accounting	Type of derivatives	Hedged item	Notional amounts <sup>(ii)</sup>		Fair value	Valuation method
				Over 1 year		
Deferred hedge accounting	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term borrowings	24,000,000	9,000,000	(79,697)	(iii)
Special treatment for hedge accounting of interest rate swaps <sup>(i)</sup>	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term borrowings	91,500,000	73,500,000	— <sup>(i)</sup>	-
Total			115,500,000	82,500,000	<sup>(i)</sup> (79,697)	-

Note:

- (i) As disclosed in “(7) Summary of significant accounting policies (h) Hedge accounting”, JMF applies the special treatment provided under Japanese GAAP for the interest rate swaps which qualify for hedge accounting and meet specific criteria, under which only the interest received or paid under swap contracts, and not the fair value of the derivative, is determined separately from the hedged asset or liability. Consequently, the fair value of the interest rate swaps as the hedging instrument and the long-term borrowings as hedged item is calculated together as one and disclosed as such under Note (i) in “Note 13 Financial instruments (b) Quantitative information for financial instruments”.
- (ii) The notional amounts relating to the derivatives do not, by themselves, represent the market risk exposure associated with the derivative transactions.
- (iii) The fair value is evaluated at the amount calculated by the counterparty to the interest rate swaps contracts.

## Note 16 — Related-party transaction

There was no related-party transaction to be disclosed for the six months ended August 31, 2020 and February 28, 2021.

**Note 17 — Tax effect accounting**

Deferred tax assets and liabilities consist of the following:

(Thousands of yen)

	<b>As of</b>	
	<b>August 31, 2020</b>	<b>February 28, 2021</b>
<b>Deferred tax assets:</b>		
Asset retirement obligations	171,908	172,874
Amortization of leasehold rights	145,625	155,462
Depreciation	16,795	17,478
Valuation differences on assets acquired through merger	5,310,562	5,305,143
Deferred losses on hedges	42,866	25,072
Other	38,218	65,572
Sub total	5,725,976	5,741,604
Total valuation allowance	(5,725,976)	(5,741,604)
Total deferred tax assets	-	-
Net deferred tax assets	-	-

Reconciliation of significant differences between the normal effective statutory tax rate and the actual effective tax rate after application of tax effect accounting:

(%)

	<b>For the six months ended</b>	
	<b>August 31, 2020</b>	<b>February 28, 2021</b>
Statutory tax rate	31.46	31.46
Deductible cash distributions	(30.41)	(30.97)
Change in valuation allowance (for deferred tax assets)	0.06	0.33
Reversal of retained earnings for temporary difference adjustment	0.08	0.35
Reserve for reduction entry of property	(1.13)	(0.84)
Other	(0.05)	(0.33)
Effective tax rate	0.00	0.01

## Note 18 — Asset retirement obligations

JMF has an obligation under a fixed-term leasehold agreement to restore its leased land, which represents a portion of the land where DFST GALLERIA OKINAWA, owned by JMF, is located, upon the termination of the agreement, and contractual or legal obligations to remove asbestos contained in the buildings of KAWASAKI Le FRONT and G-Bldg. Jingumae 08. Based on the lease period per the agreement or the useful life of each building containing asbestos, the estimated period of use of the properties are estimated at 9 years, 24 years and 22 years, respectively. The asset retirement obligations for the restoration or removal of asbestos are recognized as a liability using discount rates at 0.458%, 1.584% and 0.596%, respectively.

Movements of asset retirement obligations for the six months ended August 31, 2020 and February 28, 2021 are as follows:

	(Thousands of yen)	
	For the six months ended	
	August 31, 2020	February 28, 2021
Balance at the beginning of the period	543,334	546,434
Adjustment for passage of time	3,100	3,071
Balance at the end of the period	546,434	549,506

## Note 19 — Fair value of investment and rental property

JMF has mainly retail facilities as investment assets which are located mainly in three major metropolitan areas and other metropolitan areas in Japan. The following table shows the net book value and the fair value of the investment and rental properties in the aggregate for the six months ended August 31, 2020 and February 28, 2021.

	(Thousands of yen)	
	For the six months ended	
	August 31, 2020	February 28, 2021
<b>Net book value<sup>(i)</sup></b>		
Balance at the beginning of the period	826,061,312	836,003,376
Net increase (decrease) during the period <sup>(ii)</sup>	9,942,063	(11,251,919)
Balance at the end of the period	836,003,376	824,751,456
<b>Fair value<sup>(iii)</sup></b>	997,160,000	987,434,000

Note:

(i) The net book value includes leasehold rights and other intangible assets.

(ii) Changes in the net book value are mainly due to the following transactions (except for depreciation):

	Increase (decrease) in net book value (Thousands of yen)
<b>For the six months ended August 31, 2020:</b>	
Acquisitions:	
Machinoma Omori.....	9,247,729
G-Bldg. Daikanyama 02.....	3,271,907
G-Bldg. Tenjin Nishi-dori 02.....	5,214,739
Capital expenditure:	
Renewal construction of KAWASAKI Le FRONT.....	900,805
Dispositions:	
Ito-Yokado Nishikicho (40% quasi-co-ownership).....	(3,947,491)
Arkange! Daikanyama (Land with leasehold interest) (45.04% quasi-co-ownership).....	(829,722)
<b>For the six months ended February 28, 2021:</b>	
Capital expenditure:	
Total of capital expenditures for the period.....	1,532,713
Disposition:	
AEON MALL Yamato (50% quasi-co-ownership).....	(7,388,477)

(iii) Fair value has been determined based on appraisals or researched value by independent appraisers. For AEON MALL Yamato (50% quasi-co-ownership as of February 28, 2021) signed disposition contract on December 17, 2020, and AEON Takatsuki signed disposition contract on March 9, 2021, the selling prices are used.

For rent revenues and expenses for the six months ended August 31, 2020 and February 28, 2021, please refer to “Note 7 — Analysis for rent and other operating revenues and property-related expenses”.

**Note 20 — Segment information**

Segment information for the six months ended August 31, 2020 and February 28, 2021 is as follows:

**(a) Operating segment information**

Disclosure is omitted as JMF is comprised of a single reportable segment engaged in the property rental business.

**(b) Enterprise-wide disclosures****(i) Information about products and services**

Disclosure is not required as revenues from external customers for the single segment is in excess of 90% of total revenues.

**(ii) Information about geographic areas****Revenues from overseas customers:**

Disclosure is not required as revenues from external customers attributed to Japan are in excess of 90% of total revenues.

**Tangible fixed assets:**

Disclosure is not required as tangible fixed assets located in Japan are in excess of 90% of total tangible fixed assets.

**(c) Information about major customers**

(Thousands of yen)

Name of customer	Revenues for the six months ended		Related segment
	August 31, 2020	February 28, 2021	
AEON Mall Co., Ltd.	3,293,945	3,222,600	Property rental business
AEON Retail Co., Ltd. <sup>(i)</sup>	2,955,534	2,891,686	Property rental business

**Note:**

(i) Although the revenues are less than 10% of total operating revenues for the six months ended August 31, 2020 and February 28, 2021, the amount is noted for comparability.

**Note 21 — Per unit information**

JMF executed a two-for-one unit split (the “Unit Split”) with March 1, 2021 as the effective date. Following table shows pro forma per unit information which has been adjusted to reflect the Unit Split as if it had been effective on March 1, 2020.

(Yen)

	For the six months ended	
	August 31, 2020	February 28, 2021
Pro forma net asset value per unit	83,329	83,375
Pro forma net income per unit	2,322	2,285

The pro forma net income per unit is calculated by dividing the net income attributable to unitholders by the adjusted weighted average number of units outstanding during the six-month period. Diluted net income per unit is not presented because there were no potentially dilutive units.

A basis of calculation of pro forma net income per unit is as follows:

(Thousands of yen)

	For the six months ended	
	August 31, 2020	February 28, 2021
Net income	12,116,300	11,896,522
Amounts not attributable to common unitholders	-	-
Net income attributable to common unitholders	12,116,300	11,896,522
Weighted-average number of investment units outstanding for the period	5,216,821 units	5,204,966 units



## Note 22 — Subsequent events

### (a) Merger between JMF and MCUBS MidCity Investment Corporation

JMF and MCUBS MidCity Investment Corporation (hereinafter referred to as “MMI” and collectively referred to as “both investment corporations” together with JMF) conducted an absorption-type merger on March 1, 2021 as effective date (hereinafter referred to as the “Merger”), whereby JMF is the surviving corporation and MMI is the dissolving corporation. Also, JMF has changed its trade name to Japan Metropolitan Fund Investment Corporation on the same date.

#### (i) Purpose of the Merger

JMF and MMI conducted the Merger in order to lead to further stability and growth potential owing to increased presence in the J-REIT Market realized by the expanded asset size and to the diversified purposes of use of investment target assets realized by conversion to a diversified REIT<sup>(Note)</sup>.

##### Note:

JMF has made amendments to the investment policy for its guidelines on the management of its assets upon the set-up, etc. of a new investment policy for the diversified REIT on the effective date of the Merger. JMF has no plan to acquire any industrial properties, which is the investment target of Industrial & Infrastructure Fund Investment Corporation, even after the Merger.

#### (ii) Merger Method

The Merger has been conducted as an absorption-type merger, whereby JMF is the surviving corporation and MMI has dissolved.

#### (iii) Merger Ratio

For the purpose of delivering one or more investment units of JMF to all unitholders of MMI, in advance of the allotment to MMI's unitholders, JMF executed a two-for-one investment unit split with February 28, 2021 as the record date and March 1, 2021 as the effective date, and one investment unit of JMF after the investment unit split was allotted and delivered to one investment unit of MMI.

#### (iv) Payment upon the Merger

Besides the allotment to JMF's investment units as mentioned in the above (iii), JMF will pay cash equivalent to cash distributions for the last business period of MMI ending the day before the Merger becomes effective, which is the amount calculated by dividing the profit attributable to the unitholders of MMI on the day before the Merger becomes effective by the investment units calculated by deducting the units held by unitholders other than those who were subject to the allotment from the total outstanding units of MMI on the day before the Merger becomes effective (to round down less than ¥1), to the unitholders of MMI who were listed or recorded on the final unitholders register the day before the Merger becomes effective during May 2021.

#### (v) Unitholders' capital, etc.

The amounts of unitholder's capital and capital surplus of JMF have increased as follows:

Unitholders' capital: ¥0

Capital surplus: Amount to be increased is calculated by deduct the increase amount in unitholders' capital above from an amount to be changed in unitholders' equity prescribed in the Article 22, Paragraph 1 of the Regulation for the Accounting of the Investment Corporation (Cabinet Office Ordinance No. 47 effective in 2006).

#### (vi) Outline of MMI for the fiscal period ended February 28, 2021 (July 1, 2020 to February 28, 2021)

Business:	To invest mainly specified asset under the Law Concerning Investment Trusts
Operating revenues:	¥12,311 million
Net income:	¥4,435 million
Total assets:	¥302,160 million
Total liabilities:	¥145,183 million
Net assets:	¥156,976 million

**(b) Unit split**

JMF executed a two-for-one unit split (the "Unit Split") with February 28, 2021 as the record date for the Unit Split and March 1, 2021 as the effective date.

*(i) Purpose of the Unit Split*

The Merger has been conducted as an absorption-type merger, whereby JMF is the surviving corporation, and the merger ratio before considering the Unit Split would be 0.5:1 (MMI: JMF). With this ratio, however, 0.5 units of JMF would be allocated to every MMI investment unit, and a number of MMI unitholders would receive less than one investment unit of JMF.

Therefore, a two-for-one unit split for investment units of JMF was implemented in order that at least one unit of JMF would be issued to all of MMI unitholders so that MMI unitholders would be able to continue to hold JMF investment units after the Merger.

*(ii) Split method*

Each unit owned by unitholders listed in the final unitholders register on February 28, 2021, the day immediately prior to the effective date of the Unit Split, was split into two units.

*(iii) Number of units increased by the Unit Split*

Outstanding investment units before the Unit Split	2,602,483 units
Investment units increased by the Unit Split	2,602,483 units
Outstanding investment units after the Unit Split	5,204,966 units
Allocation of investment units under the Merger	1,784,125 units (Note 1)
Total outstanding investment units after the Merger	6,989,091 units
Authorized investment units after the Unit Split and the Merger	16,000,000 units (Note 2)

Note 1: One investment unit of JMF after the Unit Split was allocated for each of all the outstanding investment units of MMI (1,784,125 units as of February 28, 2021) in the Merger.

Note 2: JMF has made partial amendments to the Articles of Incorporation in association with the Unit Split according to a resolution at the board of directors of JMF and the number of authorized investment units was changed on the effective date of the Merger.

Note 3: For pro forma per unit information which has been adjusted to reflect the Unit Split as if it had been effective on March 1, 2020, please refer to "Note 21—Per unit information".

**(c) Disposition of properties**

JMF disposed the following property on March 10, 2021.

<i>Property name:</i>	AEON Takatsuki (trust beneficiary interest)
<i>Disposition amount:</i>	¥10,954 million
<i>Completion date of contract:</i>	March 9, 2021
<i>Disposition date:</i>	March 10, 2021
<i>Purchaser:</i>	Not disclosed (Note)
<i>Gains on sales of property:</i>	Gains on sales of property of approximately ¥987 million will be recognized in profit as operating revenues for the six months ending August 31, 2021.

Note:

Name of the purchaser is not disclosed because the consent from the purchaser has not been obtained.

JMF disposed the following property on March 30, 2021.

<i>Property name:</i>	AEON MALL Yamato (trust beneficiary interest) (50% of quasi-co-ownership)
<i>Disposition amount:</i>	¥8,600 million
<i>Completion date of contract:</i>	December 17, 2020
<i>Disposition date:</i>	March 30, 2021
<i>Purchaser:</i>	Not disclosed (Note)
<i>Gains on sales of property:</i>	Gains on sales of property of approximately ¥1,114 million will be recognized in profit as operating revenues for the six months ending August 31, 2021.

Note:

Name of the purchaser is not disclosed because the consent from the purchaser has not been obtained.

(9) Changes in investment unit issued and outstanding

The changes in unitholders' capital and number of investment units issued and outstanding for last five years until February 28, 2021 were as follows. As of the issuance date of this material, number of outstanding investment units has increased to 6,989,091 units after the Unit Split and the Merger and there is no change in unitholders' capital.

Date	Capital transaction	Number of investment units issued and outstanding		Unitholders' capital (Millions of yen)		Note
		Increase	Balance	Increase	Balance	
March 14, 2017	Global offering	112,500	2,664,698	24,143	411,341	Note 1
March 29, 2017	Allocation of investment units to a third party	2,500	2,667,198	536	411,878	Note 2
February 9, 2018	Global offering	(49,181)	2,618,017	-	411,878	Note 3
August 18, 2020	Allocation of investment units to a third party	(15,534)	2,602,483	-	411,878	Note 4
March 1, 2021	Unit split	2,602,483	5,204,966	-	411,878	Note 5
March 1, 2021	Merger	1,784,125	6,989,091	-	411,878	Note 6

Note 1 New investment units were issued at a price of ¥221,382 per unit (subscription price of ¥214,605 per unit) through a public offering in order to raise funds for acquiring new real property.

Note 2 New investment units were issued at a price of ¥214,605 per unit through the allocation of investment units to a third party in order to raise funds for acquiring of new real property (remaining proceeds, if any, will be reserved for an acquisition of specified assets in the future).

Note 3 JMF acquired its own investment units at Tokyo Stock Exchange Market based on a discretionary transaction contract with a securities company from October 17, 2017 to January 23, 2018 and retired all of its own investment units on February 9, 2018 according to a resolution of the Board of Directors held on January 26, 2018. As the acquisition cost of its own investment units was deducted from capital surplus, there was no change in unitholders' capital.

Note 4 JMF acquired its own investment units at Tokyo Stock Exchange Market based on a discretionary transaction contract with a securities company from April 14, 2020 to June 5, 2020 and retired all of its own investment units on August 18, 2020 according to a resolution of the Board of Directors held on August 7, 2020. As the acquisition cost of its own investment units was deducted from capital surplus, there was no change in unitholders' capital.

Note 5 JMF implemented a split of its investment units on a two-for-one basis with February 28, 2021 as the record date and March 1, 2021 as the effective date for the unit split.

Note 6 JMF issued 1,784,125 of new investment units and allocated one investment unit after the unit split for each of all the outstanding investment units of MMI in the merger on March 1, 2021.

### 3. Additional information

#### (1) Composition of assets

Classification of Assets	Region	As of August 31, 2020		As of February 28, 2021	
		Total of net book value (Note 1) (Millions of yen)	Composition ratio (%)	Total of net book value (Note 1) (Millions of yen)	Composition ratio (%)
Real property	Tokyo metropolitan area	18,893	2.1	18,864	2.1
	Osaka and Nagoya metropolitan areas	6,898	0.7	6,892	0.7
	Other areas	4,455	0.5	4,448	0.5
	Sub-total	30,248	3.3	30,205	3.3
Trust beneficial interest in real property	Tokyo metropolitan area	408,822	45.3	399,927	44.3
	Osaka and Nagoya metropolitan areas	319,076	35.3	317,414	35.1
	Other areas	77,856	8.6	77,204	8.6
	Sub-total	805,755	89.2	794,546	88.0
Sub-total		836,003	92.5	824,751	91.3
Bank deposits and other assets		67,458	7.5	78,469	8.7
Total assets		903,461	100.0	903,221	100.0
Total liabilities (Note 2)		469,736	52.0	469,253	52.0
Total net assets		433,725	48.0	433,967	48.0

Note 1 Total of net book value is carrying amounts on the balance sheets (amounts of Real property and Trust beneficial interest in real property are book values net of depreciation) at the end of the fiscal period.

Note 2 Total liabilities include tenant leasehold and security deposits and those in trust.

#### (2) Outline of portfolio properties

The principal properties (top ten properties in net book value) as of February 28, 2021 were as follows:

Name of property	Net book value (Millions of yen)	Leasable area (Note 1) (m <sup>2</sup> )	Leased area (Note 2) (m <sup>2</sup> )	Occupancy ratio (Note 3) (%)	Ratio of rent revenue to total rent revenues (Note 3) (%)	Major use
mozo wonder city (Note 4) (trust beneficial interest)	51,121	86,526.78	85,701.13	99.0	10.5	Retail facilities
Higashi-Totsuka Aurora City (trust beneficial interest)	44,001	109,355.90	109,355.90	100.0	4.3	Retail facilities
KAWASAKI Le FRONT (trust beneficial interest)	34,563	49,223.07	49,223.07	100.0	6.2	Retail facilities
Nara Family (Note 4) (trust beneficial interest)	34,145	82,927.89	82,005.68	98.9	6.2	Retail facilities
G-Bldg. Shinsaibashi 03 (trust beneficial interest)	30,274	5,319.29	5,319.29	100.0	Note 5	Retail facilities
AEON MALL Musashi Murayama (trust beneficial interest)	24,389	137,466.97	137,466.97	100.0	3.1	Retail facilities
AEON MALL Tsurumi Ryokuchi (trust beneficial interest)	22,914	138,538.63	138,538.63	100.0	3.0	Retail facilities
GYRE (trust beneficial interest)	21,927	4,824.67	4,824.67	100.0	2.0	Retail facilities
AEON MALL Itami (trust beneficial interest)	18,229	157,904.26	157,904.26	100.0	2.0	Retail facilities
Kawaramachi OPA (trust beneficial interest)	17,906	18,848.20	18,848.20	100.0	1.1	Retail facilities
Total	299,473	790,935.66	789,187.80	99.8	-	

Note 1 Regardless the share of co-ownership or quasi-co-ownership, "Leasable area" means the total area of the building or land with leasehold interest of each property leasable as stores, offices, etc. indicated in the lease agreement or the plan of such property and it does not include the leasable area of warehouses and land (flat parking lots).

Note 2 Regardless the share of co-ownership or quasi-co-ownership, "Leased area" means the total leased area of the building or land with leasehold interest of each property used as stores, offices, etc. indicated in the lease agreement and it does not include the leased area of warehouses and land (flat parking lots).

Note 3 "Occupancy ratio" (percentage of leased area against the leasable area at the end of accounting period) and "Ratio of rent revenue to total rent revenues" are calculated by rounding to the nearest first decimal place.

Note 4 "Leasable area" and "Leased area" for the property which is leased partially in the form of a pass-through master lease is presented on an end-tenant basis.

Note 5 "Ratio of rent revenue to total rent revenues" of the property is not disclosed because the consent from the tenant has not been obtained.

The retail facilities as of February 28, 2021 were as follows:

Name of property	Location (Note 1)	Form of ownership	Leasable area (Note 2) (m <sup>2</sup> )	Appraisal value at end of period (Note 3) (Millions of yen)	Net book value (Millions of yen)
G-Bldg. Minami Aoyama 02	8-5, Minami Aoyama 5-chome, Minato-ku, Tokyo	Trust beneficial interest	1,529.15	5,590	5,180
G-Bldg. Daikanyama 01	35-17, Ebisu-Nishi 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	599.79	1,620	1,193
GYRE	10-1, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,824.67	28,200	21,927
Bic Camera Tachikawa	12-2, Akebonocho 2-chome, Tachikawa-shi, Tokyo, etc.	Trust beneficial interest	20,983.43	22,600	13,366
G-Bldg. Kita Aoyama 01	14-8, Kita-Aoyama 3-chome, Minato-ku, Tokyo	Trust beneficial interest	492.69	1,690	917
JMF-Bldg. Jiyugaoka 01 (Note 7)	9-17, Jiyugaoka 2-chome, Meguro-ku, Tokyo, etc.	Trust beneficial interest	2,043.68	5,070	2,739
Cheers Ginza	9-5, Ginza 5-chome, Chuo-ku, Tokyo	Trust beneficial interest	1,686.58	4,500	3,876
G-Bldg. Jingumae 06	28-3, Jingumae 6-chome, Shibuya-ku, Tokyo	Real property	670.42	2,960	2,318
G-Bldg. Jingumae 01	21-5, Jingumae 4-chome, Shibuya-ku, Tokyo	Real property	555.75	4,610	3,373
G-Bldg. Jingumae 02	9-9, Jingumae 4-chome, Shibuya-ku, Tokyo	Trust beneficial interest	426.29	1,720	2,263
G-Bldg. Minami Aoyama 01	4-48, Minami Aoyama 5-chome, Minato-ku, Tokyo, etc.	Trust beneficial interest	1,592.90	9,440	10,020
La Porte Aoyama (Note 4)	51-8, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,158.53	11,000	9,195
G-Bldg. Shinjuku 01	1-8, Shinjuku 4-chome, Shinjuku-ku, Tokyo	Trust beneficial interest	1,082.64	8,930	6,502
JMF-Bldg. Jingumae 01 (Note 7)	30-12, Jingumae 3-chome, Shibuya-ku, Tokyo	Real property	1,676.87	3,990	5,350
G-Bldg. Minami-Ikebukuro 01 (Note 4)	19-5, Minami Ikebukuro 1-chome, Toshima-ku, Tokyo	Trust beneficial interest	5,066.06	8,720	5,939
Urban Terrace Jingumae	47-6, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,719.19	5,250	2,677
Arkangel Daikanyama (Land with leasehold interest)	111-14, Aobadai 1-chome, Meguro-ku, Tokyo, etc.	Trust beneficial interest	904.04	1,630	1,012
G-Bldg. Omotesando 01	1-9, Jingumae 6-chome, Shibuya-ku, Tokyo	Real property	1,508.03	8,620	5,790
Round1 Yokohama Station West	8-16, Minamisaikai 2-chome, Nishi-ku Yokohama-shi, Kanagawa	Trust beneficial interest	6,560.09	5,490	3,731
G-Bldg. Sangenjaya 01	15-4, Taishido 2-chome, Setagaya-ku, Tokyo	Trust beneficial interest	3,471.52	6,440	3,646
G-Bldg. Ginza 01	5-1, Ginza 6-chome, Chuo-ku, Tokyo	Trust beneficial interest	1,610.54	10,500	5,535
KAWASAKI Le FRONT	1-11, Nissincho, Kawasaki-ku, Kawasaki-shi, Kanagawa, etc.	Trust beneficial interest	49,223.07	40,900	34,563
JMF-Bldg. Shibuya 01 (Note 7)	20-13, Jinnan 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,630.03	4,910	3,100
G-Bldg. Omotesando 02	25-15, Jingumae 4-chome, Shibuya-ku, Tokyo, etc.	Trust beneficial interest	5,555.65	22,950	17,777
G-Bldg. Kichijoji 01	12-12, Kichijoji Honcho 2-chome, Musashino-shi, Tokyo	Trust beneficial interest	1,718.21	4,040	3,533
CUTE CUBE HARAJUKU	7-1, Jingumae 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,428.55	10,400	8,481

Name of property	Location (Note 1)	Form of ownership	Leasable area (Note 2) (m <sup>2</sup> )	Appraisal value at end of period (Note 3) (Millions of yen)	Net book value (Millions of yen)
G-Bldg. Ueno 01	9-14, Ueno 4-chome, Taito-ku, Tokyo	Trust beneficial interest	1,471.80	3,840	3,428
JMF-Bldg. Takadanobaba 01 (Note 7)	13-2, Takadanobaba 2-chome, Shinjuku-ku, Tokyo	Trust beneficial interest	3,569.20	7,340	6,053
G-Bldg. Akihabara 01	11-11, Sotokanda 1-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	2,701.99	7,750	5,085
G-Bldg. Akihabara 02	113, Kanda Matsunaga-cho, Chiyoda-ku, Tokyo, etc.	Trust beneficial interest	1,037.33	2,970	2,478
G-Bldg. Kichijoji 02	3-13, Kichijoji Minamicho 2-chome, Musashino-shi, Tokyo	Trust beneficial interest	8,838.79	17,100	15,119
JMF-Bldg. Ginza Chuo-dori 01 (Note 7)	6-16, Ginza 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	3,141.07	13,700	12,992
MARINE & WALK YOKOHAMA	3-1, Shinko 1-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	8,347.70	11,000	10,861
G-Bldg. Jingumae 07	26-4 Jingumae 4-chome, Shibuya-ku, Tokyo	Real property	373.12	2,130	2,031
G-Bldg. Minami Aoyama 03 (Note 4)	2-12, Minami Aoyama 5-chome, Minato-ku, Tokyo, etc.	Trust beneficial interest	1,373.46	12,200	12,300
JMF-Bldg. Jingumae 02 (Note 7)	25-5 Jingumae 3-chome, Shibuya-ku, Tokyo	Trust beneficial interest	802.40	2,610	2,640
Round1 Stadium Kawasaki Daishi	5-1, Tonomachi 1-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	13,559.17	2,920	2,408
G-Bldg. Jingumae 09	25-28 Jingumae 4-chome, Shibuya-ku, Tokyo, etc.	Trust beneficial interest	1,127.06	7,340	7,079
Machinoma Omori	1-38, Omorinishi 3-chome, Ota-ku, Tokyo	Trust beneficial interest	8,981.14	9,470	9,166
JMF-Bldg. Daikanyama 01 (Note 7)	20-20, Daikanyamacho, Shibuya-ku, Tokyo	Trust beneficial interest	2,151.31	3,970	3,265
Abiko Shopping Plaza	11-1, Abiko 4-chome, Abiko-shi, Chiba	Trust beneficial interest	41,293.90	12,900	9,503
Ito-Yokado Yabashira	15-8, Higurashi 1-chome, Matsudo-shi, Chiba, etc.	Trust beneficial interest	21,308.78	1,880	1,240
Ito-Yokado Tsunashima	8-1, Tsunashima-Nishi 2-chome, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	16,549.50	5,140	4,461
AEON Itabashi Shopping Center	6-1, Tokumaru 2-chome, Itabashi-ku, Tokyo	Trust beneficial interest	72,748.34	13,700	10,431
AEON MALL Yamato	2-6, Shimotsuruma 1-chome, Yamato-shi, Kanagawa	Trust beneficial interest	85,226.68	8,550	7,407
SEIYU Hibarigaoka	9-8, Sumiyoshicho 3-chome, Nishi-Tokyo-shi, Tokyo	Trust beneficial interest	19,070.88	8,270	4,505
Higashi-Totsuka Aurora City	537-1, Shinanochi, Totsuka-ku, Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	109,355.90	43,300	44,001
Ito-Yokado Yotsukaido	5, Chuo, Yotsukaido-shi, Chiba	Trust beneficial interest	59,762.30	9,990	12,150
AEON MALL Musashi Murayama	1-3, Enoki 1-chome, Musashimurayama-shi, Tokyo	Trust beneficial interest	137,466.97	30,900	24,389
Makuhari Plaza	7701, Makuharicho 2-chome, Hanamigawa-ku, Chiba-shi, Chiba	Trust beneficial interest	24,505.37	6,830	5,397
Round1 Machida	13-14, Morino 1-chome, Machida-shi, Tokyo	Trust beneficial interest	6,801.89	3,390	2,280
Round1 Stadium Itabashi	16-13, Aioicho, Itabashi-ku, Tokyo	Trust beneficial interest	14,828.74	3,380	2,129

Name of property	Location (Note 1)	Form of ownership	Leasable area (Note 2) (m <sup>2</sup> )	Appraisal value at end of period (Note 3) (Millions of yen)	Net book value (Millions of yen)
Summit Store Nakano Minamidai	26-2, Minamidai 5-chome, Nakano-ku, Tokyo	Trust beneficial interest	3,536.50	3,820	3,014
Colline Bajikouen	4-18, Kamiyoga 2-chome, Setagaya-ku, Tokyo	Trust beneficial interest	5,368.02	4,260	3,200
m-city Kashiwa	10 Oyamadai 1-chome, Kashiwa-shi, Chiba, etc.	Trust beneficial interest	20,437.36	5,980	5,749
Kawaramachi OPA	385, Komeyacho, Shijo-agaru, Kawaramachi-dori, Nakagyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	18,848.20	14,900	17,906
G-Bldg. Shinsaibashi 01	5-3, Sinsaibashi-suji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	966.52	3,180	1,587
Round1 Stadium Sennichimae (Land with leasehold interest)	1, Namba 1-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	1,711.63	12,200	8,091
G-Bldg. Shinsaibashi 02	3-24, Shinsaibashi-suji 1-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	948.72	8,170	4,253
Round1 Kyoto Kawaramachi	585, Uraderacho, Shijo-agaru yori Rokkaku-sagaru made, Teramachi-dori, Nakagyo-ku, Kyoto-shi, Kyoto, etc.	Trust beneficial interest	8,821.66	3,860	2,759
G-Bldg. Shinsaibashi 03	2-14, Shinsaibashi-suji 1-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	5,319.29	40,800	30,274
G-Bldg. Nagoya Sakae 01	27-24, Sakae 3-chome, Naka-ku, Nagoya-shi, Aichi	Real property	794.02	1,340	1,926
EDION Kyobashi (Land with leasehold interest)	53-1, Gamo 1-chome, Joto-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	4,307.16	5,990	5,756
JMF-Bldg. Abeno 01 (Note 7)	4-7, Abenosuji 1-chome, Abeno-ku, Osaka-shi, Osaka	Trust beneficial interest	4,757.35	5,330	4,496
G-Bldg. Umeda 01	15-22, Chayamachi, Kita-ku, Osaka-shi, Osaka	Trust beneficial interest	3,529.51	10,800	9,740
G-Bldg. Shinsaibashi 04	10-5, Minamisenba 3-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	1,610.63	3,230	3,308
JMF-Bldg. Kyoto Kawaramachi 01 (Note 7)	235, Yamazakicho 2-chome, Sanjo-sagaru, Kawaramachi-dori, Nakagyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	2,407.32	2,450	2,176
G-Bldg. Midosuji 01	10-25, Minamisenba 3-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	2,446.00	9,480	10,437
Round1 Sannomiya Station	1-17 Onoe-dori 6-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	10,054.52	3,320	3,187
G-Bldg. Kobe Sannomiya 01	1-15 Kitanagasa-dori 3-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	3,750.38	3,290	3,074
G-Bldg. Midosuji 02	8-18 Shinsaibashisui 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	1,428.28	16,200	15,543
Nara Family (Note 5)	4-1, Saidaiji-higashimachi 2-chome, Nara-shi, Nara	Trust beneficial interest	82,927.89	38,400	34,145
AEON Takatsuki	47-2, Haginoshio 3-chome, Takatsuki-shi, Osaka	Trust beneficial interest	77,267.23	10,900	9,726
AEON Yagoto	2-1, Ishizaka, Kojimachi-aza, Showa-ku, Nagoya-shi, Aichi	Trust beneficial interest	63,702.48	3,630	3,111
Kyoto Family	1-1, Ikejiricho, Yamanouchi, Ukyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	19,639.09	5,550	5,894
AEON MALL Tsurumi Ryokuchi	17-1, Tsurumi 4-chome, Tsurumi-ku, Osaka-shi, Osaka	Trust beneficial interest	138,538.63	26,700	22,914
AEON MALL Itami	1-1, Fujinoki 1-chome, Itami-shi, Hyogo	Trust beneficial interest	157,904.26	18,600	18,229
Ario Otori	199-12, Otori Minami-cho 3-cho, Nishi-ku, Sakai-shi, Osaka, etc.	Trust beneficial interest	95,135.36	14,300	13,894
AEON MALL Kobe Kita	1-1, Kouzudai 8-chome, Kita-ku, Kobe-shi, Hyogo	Trust beneficial interest	128,050.62	12,110	8,396

Name of property	Location  (Note 1)	Form of ownership	Leasable area  (Note 2) (m <sup>2</sup> )	Appraisal value at end of period  (Note 3) (Millions of yen)	Net book value  (Millions of yen)
LIFE Kishibe (Land with leasehold interest)	2205-15, Hara-cho 4-chome, Suita-shi, Osaka, etc.	Real property	5,516.61	1,970	1,942
LIFE Shimodera (Land with leasehold interest)	5-23, Shimodera 2-chome, Naniwa-ku, Osaka-shi, Osaka, etc.	Real property	4,344.18	2,120	1,717
LIFE Taiheiji (Land with leasehold interest)	43-6, Taiheiji 2-chome, Higashi Osaka-shi, Osaka	Real property	3,898.01	1,210	1,304
Izumisano Shofudai (Land with leasehold interest)	1138-1, Shofudai 1-chome, Izumisano-shi, Osaka	Trust beneficial interest	44,009.52	2,670	2,657
mozo wonder city (Note 5)	40-1, Futakatacho, Nishi-ku, Nagoya-shi, Aichi, etc.	Trust beneficial interest	86,526.78	64,200	51,121
Round1 Stadium Sakai Chuo Kanjyo	241, Ishihara-cho 2-cho, Higashi-ku Sakai-shi, Osaka	Trust beneficial interest	17,521.46	2,520	1,580
pivo Izumi Chuo	1-2, Ibukino 5-chome, Izumi-shi, Osaka, etc.	Trust beneficial interest	21,182.94	6,960	5,222
KAMISHIN PLAZA	6-12, Osumi 1-chome, Higashiyodogawa-ku, Osaka-shi, Osaka	Trust beneficial interest	12,005.68	5,060	4,382
Round1 Stadium Takatsuki	6-4, Zushi 3-chome, Takatsuki-shi, Osaka	Trust beneficial interest	19,767.64	2,990	1,935
m-city Toyonaka	2-18, Hinode-cho, 2-chome, Toyonaka-shi, Osaka	Trust beneficial interest	33,301.93	6,530	5,197
Valor Kachigawa (Land with leasehold interest)	1-1 Onocho 2-chome, Kasugai-shi, Aichi	Trust beneficial interest	20,509.10	6,490	6,411
Round1 Hiroshima	3-11, Tatemachi, Naka-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	9,890.63	4,140	2,767
DFS T GALLERIA OKINAWA	1-1, Omoromachi 4-chome, Naha-shi, Okinawa	Trust beneficial interest	42,088.14	17,300	14,742
G-Bldg. Sendai Ichibancho 01	5-12, Ichibancho 3-chome, Aoba-ku, Sendai-shi, Miyagi	Real property	2,387.17	4,770	4,448
G-Bldg. Naha-shintoshin 01	5-33, Omoromachi 2-chome, Naha-shi, Okinawa	Trust beneficial interest	(Note 6)	6,740	5,546
G-Bldg. Tenjin Nishi-dori 01 (Note 4)	8-22, Tenjin 2-chome, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	2,667.42	4,720	4,945
AEON MALL Sapporo Naebo	1-1, Higashinaebo 2jo 3-chome, Higashi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	74,625.52	8,860	6,105
AEON Naha Shopping Center	10-2, Kanagusuku 5-chome, Naha-shi, Okinawa	Trust beneficial interest	79,090.48	10,900	9,406
Oyama Yuen Harvest Walk (Note 4)	1475-52, Aza-kaido-nishi, Oaza-Kizawa, Oyama-shi, Tochigi, etc.	Trust beneficial interest	59,535.09	9,970	8,086
AEON MALL Sapporo Hassamu	1-1, Hassamu 8jo 12-chome, Nishi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	102,162.16	19,700	14,488
MrMax Nagasaki	26-1, Iwami machi, Nagasaki-shi, Nagasaki, etc.	Trust beneficial interest	12,115.09	3,270	2,375
Kaden sumairu kan YAMADA Fukuoka Shime Honten	2-1, Minamizato 5-chome, Shime-machi, Kasuya-gun, Fukuoka	Trust beneficial interest	(Note 6)	5,580	3,533
G-Bldg. Tenjin Nishi-dori 02	12-64, Daimyo 1-chome, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	1,496.56	5,530	5,208
Total			2,336,226.77	987,330	824,751

Note 1 “Location” means the residence indication or the location indicated in the land registry book

Note 2 Regardless the share of co-ownership or quasi-co-ownership, “Leasable area” means the total area of the building or land with leasehold interest of each property leasable as stores, offices, etc. indicated in the lease agreement or the plan of such property and it does not include the leasable area of warehouses and land (flat parking lots).

Note 3 “Appraisal value at end of period” shows the value appraised or researched by the real estate appraiser (CBRE K.K., Daiwa Real Estate Appraisal Co., Ltd., Japan Real Estate Institute and Tanizawa Sōgō Appraisal Co., Ltd.) in accordance with the methods and standard of assets valuation as stipulated in the Articles of Incorporation of JMF as well as the regulations as stipulated by The Investment Trusts Association, Japan.

Note 4 “Leasable area” for a pass-through master leased property are presented on an end-tenant basis.

Note 5 “Leasable area” for the property which is leased partially in the form of a pass-through master lease is presented on an end-tenant basis.

Note 6 “Leasable area” of the property is not disclosed because the consent from the tenant has not been obtained.



Note 7 The names of these properties have changed on April 16, 2021 as follows:

New name	Old name
JMF-Bldg. Jiyugaoka 01	G-Bldg. Jiyugaoka 01
JMF-Bldg. Jingumae 01	G-Bldg. Jingumae 03
JMF-Bldg. Shibuya 01	G-Bldg. Shibuya 01
JMF-Bldg. Takadanobaba 01	G-Bldg. Takadanobaba 01
JMF-Bldg. Ginza Chuo-dori 01	G-Bldg. Ginza Chuo-dori 01
JMF-Bldg. Jingumae 02	G-Bldg. Jingumae 08
JMF-Bldg. Daikanyama 01	G-Bldg. Daikanyama 02
JMF-Bldg. Abeno 01	G-Bldg. Abeno 01
JMF-Bldg. Kyoto Kawaramachi 01	G-Bldg. Kyoto Kawaramachi 01

Operating results of each property for the six months ended August 31, 2020 and February 28, 2021 were as follows:

Name of property	For the six months ended August 31, 2020				For the six months ended February 28, 2021			
	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)
G-Bldg. Minami Aoyama 02	4	100.0	86	0.3	4	100.0	88	0.3
G-Bldg. Daikanyama 01	1	100.0	39	0.1	1	100.0	39	0.1
GYRE	15	100.0	530	1.8	15	100.0	589	2.0
Bic Camera Tachikawa	2	100.0	622	2.1	2	100.0	628	2.1
G-Bldg. Kita Aoyama 01	2	100.0	34	0.1	2	100.0	34	0.1
JMF-Bldg. Jiyugaoka 01	2	59.7	141	0.5	4	100.0	76	0.3
Cheers Ginza	9	89.7	89	0.3	7	69.1	75	0.3
G-Bldg. Jingumae 06	4	100.0	53	0.2	4	100.0	53	0.2
G-Bldg. Jingumae 01	2	100.0	83	0.3	2	100.0	82	0.3
G-Bldg. Jingumae 02	3	100.0	32	0.1	3	100.0	32	0.1
G-Bldg. Minami Aoyama 01	3	100.0	165	0.6	3	100.0	168	0.6
La Porte Aoyama (Note 3)	21	87.0	295	1.0	23	96.2	233	0.8
G-Bldg. Shinjuku 01	1	100.0	217	0.7	1	100.0	166	0.6
JMF-Bldg. Jingumae 01	8	100.0	76	0.3	8	100.0	82	0.3
G-Bldg. Minami-Ikebukuro 01 (Note 3)	8	100.0	245	0.8	8	100.0	249	0.8
Urban Terrace Jingumae	2	100.0	91	0.3	2	100.0	103	0.3
Arkangel Daikanyama (Land with leasehold interest) (Note 4)	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
G-Bldg. Omotesando 01	1	100.0	128	0.4	1	100.0	135	0.5
Round1 Yokohama Station West	1	100.0	111	0.4	1	100.0	114	0.4
G-Bldg. Sangenjaya 01	3	100.0	164	0.6	3	100.0	172	0.6
G-Bldg. Ginza 01	6	100.0	167	0.6	6	100.0	183	0.6
KAWASAKI Le FRONT	66	99.8	1,628	5.6	67	100.0	1,809	6.2
JMF-Bldg. Shibuya 01	2	100.0	72	0.2	2	100.0	64	0.2
G-Bldg. Omotesando 02	6	100.0	372	1.3	6	100.0	380	1.3
G-Bldg. Kichijoji 01	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
CUTE CUBE HARAJUKU	10	100.0	191	0.7	9	86.1	195	0.7
G-Bldg. Ueno 01	1	100.0	66	0.2	1	100.0	76	0.3
JMF-Bldg. Takadanobaba 01	13	100.0	164	0.6	13	100.0	162	0.6
G-Bldg. Akihabara 01	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
G-Bldg. Akihabara 02	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
G-Bldg. Kichijoji 02	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
JMF-Bldg. Ginza Chuo-dori 01	9	100.0	210	0.7	8	86.3	231	0.8
MARINE & WALK YOKOHAMA	24	95.6	376	1.3	24	95.2	409	1.4
G-Bldg. Jingumae 07	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
G-Bldg. Minami Aoyama 03 (Note 3)	5	74.7	141	0.5	6	87.3	147	0.5

Name of property	For the six months ended August 31, 2020				For the six months ended February 28, 2021			
	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)
JMF-Bldg. Jingumae 02	3	100.0	53	0.2	3	100.0	53	0.2
Round1 Stadium Kawasaki Daishi	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
G-Bldg. Jingumae 09	5	85.3	119	0.4	7	100.0	97	0.3
Machinoma Omori (Note 6)	37	99.0	390	1.3	33	93.7	362	1.2
JMF-Bldg. Daikanyama 01 (Note 7)	8	80.0	69	0.2	5	47.0	58	0.2
Abiko Shopping Plaza	58	100.0	601	2.1	55	99.9	616	2.1
Ito-Yokado Yabashira	1	100.0	78	0.3	1	100.0	78	0.3
Ito-Yokado Tsunashima	1	100.0	167	0.6	1	100.0	168	0.6
AEON Itabashi Shopping Center	1	100.0	689	2.4	1	100.0	676	2.3
AEON MALL Yamato (Note 8)	1	100.0	530	1.8	1	100.0	426	1.4
SEIYU Hibarigaoka	1	100.0	249	0.9	1	100.0	249	0.8
Higashi-Totsuka Aurora City	5	100.0	1,238	4.3	5	100.0	1,258	4.3
Ito-Yokado Yotsukaido	2	100.0	303	1.0	2	100.0	298	1.0
AEON MALL Musashi Murayama	1	100.0	920	3.2	1	100.0	919	3.1
Makuhari Plaza	5	100.0	207	0.7	5	100.0	208	0.7
Round1 Machida	1	100.0	87	0.3	1	100.0	90	0.3
Round1 Stadium Itabashi	1	100.0	92	0.3	1	100.0	95	0.3
Summit Store Nakano Minamidai	1	100.0	84	0.3	1	100.0	84	0.3
Colline Bajikouen	10	100.0	135	0.5	10	100.0	139	0.5
m-city Kashiwa	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
Kawaramachi OPA	1	100.0	332	1.1	1	100.0	335	1.1
G-Bldg. Shinsaibashi 01	0	0.0	105	0.4	1	100.0	(Note 5)	(Note 5)
Round1 Stadium Sennichimae (Land with leasehold interest)	1	100.0	240	0.8	1	100.0	240	0.8
G-Bldg. Shinsaibashi 02	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
Round1 Kyoto Kawaramachi	1	100.0	102	0.4	1	100.0	104	0.4
G-Bldg. Shinsaibashi 03	4	100.0	(Note 5)	(Note 5)	4	100.0	(Note 5)	(Note 5)
G-Bldg. Nagoya Sakae 01	1	24.8	(Note 5)	(Note 5)	1	24.8	(Note 5)	(Note 5)
EDION Kyobashi (Land with leasehold interest)	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
JMF-Bldg. Abeno 01	10	100.0	150	0.5	10	100.0	150	0.5
G-Bldg. Umeda 01	12	100.0	212	0.7	11	90.2	241	0.8
G-Bldg. Shinsaibashi 04	5	100.0	80	0.3	5	100.0	80	0.3
JMF-Bldg. Kyoto Kawaramachi 01	4	100.0	54	0.2	4	100.0	47	0.2
G-Bldg. Midosuji 01	2	100.0	(Note 5)	(Note 5)	1	24.4	(Note 5)	(Note 5)
Round1 Sannomiya Station	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
G-Bldg. Kobe Sannomiya 01	5	100.0	(Note 5)	(Note 5)	5	100.0	(Note 5)	(Note 5)
G-Bldg. Midosuji 02	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)

Name of property	For the six months ended August 31, 2020				For the six months ended February 28, 2021			
	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rent and other operating revenues (Millions of yen)	Ratio of rent revenue to total rent revenues (Note 2) (%)
Nara Family (Note 9)	114	99.3	1,717	5.9	111	98.9	1,810	6.2
AEON Takatsuki	1	100.0	413	1.4	1	100.0	400	1.4
AEON Yagoto	1	100.0	127	0.4	1	100.0	124	0.4
Kyoto Family	62	99.5	551	1.9	62	99.9	550	1.9
AEON MALL Tsurumi Ryokuchi	1	100.0	880	3.0	1	100.0	891	3.0
AEON MALL Itami	1	100.0	576	2.0	1	100.0	585	2.0
Ario Otori	1	100.0	546	1.9	1	100.0	549	1.9
AEON MALL Kobe Kita	1	100.0	403	1.4	1	100.0	400	1.4
LIFE Kishibe (Land with leasehold interest)	1	100.0	68	0.2	1	100.0	68	0.2
LIFE Shimodera (Land with leasehold interest)	1	100.0	56	0.2	1	100.0	56	0.2
LIFE Taiheiji (Land with leasehold interest)	1	100.0	48	0.2	1	100.0	48	0.2
Izumisano Shofudai (Land with leasehold interest)	2	100.0	(Note 5)	(Note 5)	2	100.0	(Note 5)	(Note 5)
mozo wonder city (Note 9)	219	100.0	2,699	9.3	212	99.0	3,101	10.5
Round1 Stadium Sakai Chuo Kanjyo	1	100.0	81	0.3	1	100.0	82	0.3
pivo Izumi Chuo	17	100.0	(Note 5)	(Note 5)	17	100.0	(Note 5)	(Note 5)
KAMISHIN PLAZA	38	99.3	380	1.3	38	99.3	289	1.0
Round1 Stadium Takatsuki	1	100.0	89	0.3	1	100.0	91	0.3
m-city Toyonaka	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
Valor Kachigawa (Land with leasehold interest)	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
Round1 Hiroshima	1	100.0	118	0.4	1	100.0	119	0.4
DFS T GALLERIA OKINAWA	1	100.0	359	1.2	1	100.0	497	1.7
G-Bldg. Sendai Ichibancho 01	1	100.0	89	0.3	1	100.0	100	0.3
G-Bldg. Naha-shintoshin 01	2	100.0	(Note 5)	(Note 5)	2	100.0	(Note 5)	(Note 5)
G-Bldg. Tenjin Nishi-dori 01 (Note 3)	7	88.8	113	0.4	7	88.8	111	0.4
AEON MALL Sapporo Naebo	1	100.0	374	1.3	1	100.0	367	1.2
AEON Naha Shopping Center	1	100.0	370	1.3	1	100.0	369	1.3
Oyama Yuen Harvest Walk (Note 3)	66	98.9	755	2.6	67	99.2	761	2.6
AEON MALL Sapporo Hassamu	1	100.0	581	2.0	1	100.0	570	1.9
MrMax Nagasaki	2	100.0	(Note 5)	(Note 5)	2	100.0	(Note 5)	(Note 5)
Kaden sumairu kan YAMADA Fukuoka Shime Honten	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
G-Bldg. Tenjin Nishi-dori 02 (Note 10)	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
Total	984	99.7	29,061	100.0	968	99.6	29,392	100.0

Note 1 “Number of tenants” is based upon the numbers of the lease agreements of the building or land with leasehold interest of each such property used as stores, offices, etc.

Note 2 “Occupancy ratio” (percentage of leased area against the leasable area at the end of accounting period) and “Ratio of rent revenue to total rent revenues” are calculated by rounding to the nearest first decimal place.

Note 3 “Number of tenants” and “Occupancy ratio” for a pass-through master leased property are presented on an end-tenant basis.

Note 4 JMF sold 45.04% quasi-co-ownership interest of the property on April 30, 2020.

Note 5 Rent revenue of the property is not disclosed because the consent from the tenant has not been obtained.

Note 6 JMF acquired the property on March 2, 2020.

Note 7 JMF acquired the property on April 30, 2020.

Note 8 JMF sold 50% quasi-co-ownership interest of the property on December 21, 2020.

Note 9 "Number of tenants" and "Occupancy ratio" for the properties which are leased partially in the form of a pass-through master lease are presented on an end-tenant basis.

Note 10 JMF acquired the property on August 31, 2020.

(3) Capital expenditures for property

1. Schedule of capital expenditures

The significant plan for capital expenditures on property maintenance as of February 28, 2021 was as below. The amounts of estimated cost shown in the below table are including expenses which will be charged to income.

(Millions of yen)

Name of property	Location	Purpose	Scheduled term for construction or maintenance	Estimated cost		
				Total	Advanced payment	
					Payment for the six months ended February 28, 2021	Total of advanced payment
For the six months ending August 31, 2021 (the 39th fiscal period from March 1, 2021 to August 31, 2021)						
East Square Tokyo (Note)	Koto-ku, Tokyo	Renewal of UPS equipment	April, 2020 to August, 2021	392	-	-
Twin 21 (Note)	Chuo-ku, Osaka-shi, Osaka	Renewal of hoisting equipment for elevator	April, 2021 to July, 2021	130	-	-
Twin 21 (Note)	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system	April, 2021 to May, 2021	109	-	-
Other capital expenditures		Developed of "mozo plus" / "Le FRONT plus"	January, 2021 to June, 2021	100	-	-
AEON MALL Tsurumi Ryokuchi	Tsurumi-ku, Osaka-shi, Osaka	Renewal of package air conditioner	January, 2021 to June, 2021	91	-	-
AEON MALL Itami	Itami-shi, Hyogo	Renewal of disaster prevention equipment	July, 2021	90	-	-
Yokohama i-land Tower (Note)	Naka-ku, Yokohama-shi, Kanagawa	LED lighting equipment at common area	April, 2020 to August, 2021	89	-	-
Twin 21 (Note)	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system at standard floor	April, 2021 to August, 2021	63	-	-
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Exchange of storage battery charger	June, 2021 to July, 2021	52	-	-
Bic Camera Tachikawa	Tachikawa-shi, Tokyo	Repair of outer wall at annex	March, 2021	51	0	0
AEON MALL Itami	Itami-shi, Hyogo	Renewal of FCU	May, 2021	50	-	-
For the six months ending February 28, 2022 (the 40th fiscal period from September 1, 2021 to February 28, 2022)						
AEON MALL Tsudanuma (Note)	Narashino-shi, Chiba	Renewal construction of fire extinguisher equipment at parking	September, 2021 to February, 2022	377	-	-
Twin 21 (Note)	Chuo-ku, Osaka-shi, Osaka	Renewal of the central monitoring equipment	September, 2021 to February, 2022	145	-	-
Twin 21 (Note)	Chuo-ku, Osaka-shi, Osaka	Renewal of hoisting equipment for elevator	September, 2021 to December, 2021	106	-	-
mozo wonder city	Nishi-ku, Nagoya-shi, Aichi	Installation of digital signages	June, 2021 to September, 2021	96	-	-
AEON MALL Itami	Itami-shi, Hyogo	Renewal of disaster prevention equipment	October, 2021	89	-	-
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of AHU	April, 2021 to December, 2021	73	-	-
Twin 21 (Note)	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system	September, 2021 to December, 2021	67	-	-
Abiko Shopping Plaza	Abiko-shi, Chiba	Repair of eating and drinking area on the first floor	August, 2021 to October, 2021	63	2	2
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Exchange of storage battery charger	January, 2022 to February, 2022	52	-	-
Higashi-Totsuka Aurora City	Totsuka-ku, Yokohama-shi, Kanagawa	Renewal of P-MAC	November, 2021 to January, 2022	51	-	-

Note: These properties are succeeded from MCUBS MidCity Investment Corporation by the merger.

2. Capital expenditures for the six months ended February 28, 2021

Maintenance expenditures on property for the six months ended February 28, 2021 were totaling to ¥1,968 million consisting of ¥1,535 million of capital expenditures stated as below and ¥433 million of repair and maintenance expenses charged to income.

(Millions of yen)

Name of property	Location	Purpose	Term for construction or maintenance	Capital expenditures
AEON MALL Tsurumi Ryokuchi	Tsurumi-ku, Osaka-shi, Osaka	Renewal construction	December, 2020 to February, 2021	96
AEON MALL Itami	Itami-shi, Hyogo	Renewal of cubicle	December, 2020 to February, 2021	90
Other	-	-	-	1,348
Total				1,535