The Main Newly Acquired Assets

JMF-Bldg. Hiroo 01 (Minato-ku, Tokyo)

Mixed-use

Acquisition of an urban mixed-use property in Hiroo, a luxury residential area

This property is located in Hiroo, an upscale residential district in Tokyo. Just four minutes' walk from HIroo Station on the Tokyo Metro Hibiya Line, it offers excellent transportation access.

It consists of commercial space covering two basement levels and three above-ground floors, tenanted mainly by a drugstore and service-type businesses, together with residential space characterized by a luxurious entrance hall and internal corridors on the fourth through eleventh floors. This mixed-use property has the potential to deliver reliable rental income.

Location	1-11 Minamiazabu 5-chome, Minato-ku, Tokyo
Acquisition date	Oct. 29, 2021
Acquisition price/ Appraisal value	10,000mn yen/10,200mn yen
Asset class	Mixed-use (Retail, Residence)
Land/Total floor area	1,411.99m²/5,237.81m²
Number of tenants	36

▼ACCESS MAP

JMF-Residence Gakugeidaigaku (Setagaya-ku, Tokyo)

Other

Acquisition of a designer rental apartment building near Gakugeidaigaku Station

This property is in an excellent location 10 minutes' walk from Gakugeidaigaku Station on the Tokyu Toyoko Line, with a full range of lifestyle facilities and parks within easy walking distance in an area that combines urban convenience with leafy tranquility.

The newly constructed five-story building contains forty-one 1DK apartment units with living areas positioned for optimal light. The building is ideal for remote working and offers features that are unusual among competing properties. It matches the rental needs of single urban workers and DINKs (double-income, no kids).

Location	142-1 Nozawa 3-chome, Setagaya-ku, Tokyo
Acquisition date	March 18, 2022*
Acquisition price/ Appraisal value	1,505mn yen/1,650mn yen
Asset class	Residence
Land/Total floor area	543.43m²/1,427.31m² (scheduled)

▼ACCESS MAP

* The scheduled acquisition date was as of September 30, 2021, but since the building is still under construction, the acquisition date is subject to change depending on the progress of the construction.

Japan Metropolitan Fund Investment Corporation

https://www.jmf-reit.com/english/index.html Tokyo Building 7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan

JMF

JAPAN METROPOLITAN FUND

39th

Fiscal Period Ended August 31, 2021

SEMI-ANNUAL REPORT

March 1, 2021 – August 31, 2021

Securities code 8953

Think bold today for a brighter tomorrow.

MC-UBS GROUP

Japan Metropolitan Fund Investment Corporation

Tokyo Building 7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan

JMF

JAPAN METROPOLITAN FUND

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13 About the Asset Management Company (Mitsubishi Corp.-UBS Realty Inc.)

Support metropolitan life (live, work and consume) in Japan from the perspective of real estate

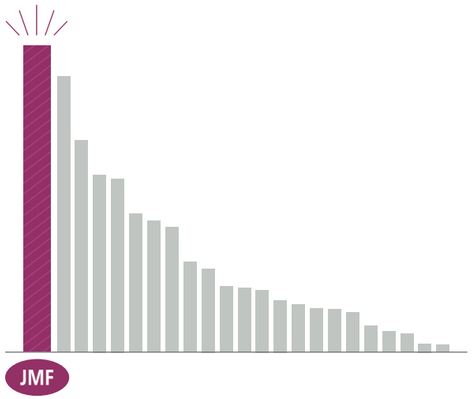
01

Largest scale of assets among diversified REITs

One of the largest diversified J-REIT

The Japan Metropolitan Fund Investment Corporation (JMF) was established on March 1, 2021 as one of the largest diversified J-REIT to support metropolitan life (live, work and consume) in Japan from the perspective of real estate through investing in such properties.

The largest asset size in diversified J-REITs



02

Enhanced stability and growth acceleration

Pursuing a portfolio that can respond to environmental changes

JMF aims to stabilize its portfolio by expanding its investment universe and investing in “locations where people gather” with social needs over the medium- to long term and also aims to achieve sustainable growth in response to environmental changes by building its own unique acquisition scheme.

Expanding our investment universe targeted toward urbanization and diversification

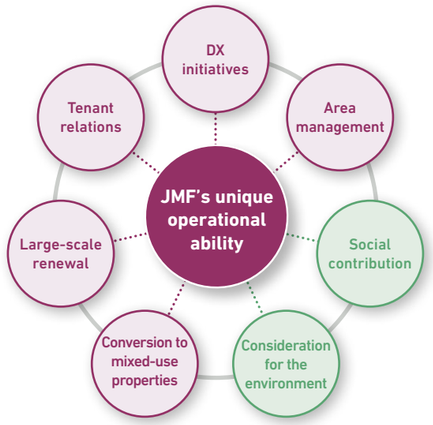
Retail Properties	●Facing high street ●Urban retail ●Residential Station	
Mixed-use Properties	●Office×Retail ●Office×Residence ●Residence×Retail	●Complex for three or more uses
Offices	●Urban ●Commuter-town	
Other	●Rental houses in urban areas ●Hotels in urban areas ●New categories	

03

Internal growth beyond the framework of asset type

Management professional

In addition to renovating existing properties, JMF also rebuilds or modifies the use of properties in response to environmental changes, and coordinates between properties in the same area. In addition, JMF is constructing a database that integrates and enables visualization of a wealth of information, and more. As a frontrunner in the J-REIT industry, JMF will also actively address ESG.



Shuichi Namba
Executive Director
Japan Metropolitan Fund Investment Corporation

I would like to take this opportunity to express my sincere gratitude to all investors for their ongoing support.

Japan Metropolitan Fund Investment Corporation recently closed its 39th fiscal period (ended August 31, 2021). We attribute our success in this period to the support of our investors, for which we are sincerely grateful.

Going forward, we will continue our efforts to meet the expectations of unitholders through growth in unit value. We look forward to your continuing support.

Asset Management Company: President & CEO Message

Katsuji Okamoto
President & CEO
Mitsubishi Corp.–UBS Realty Inc.

Despite the impact of the COVID-19 pandemic, distribution per unit reached the predicted level. This reflects the steady implementation of growth initiatives since the merger, the application of advanced management capabilities, and the utilization of reserves.

Established through a merger on March 1, 2021, JMF is one of the largest diversified REITs among J-REITs. Its mission is to support metropolitan life (live, work and consume) in Japan from the perspective of real estate.

In the short to medium term, JMF will pursue a growth policy focused on the further promotion of urbanization and optimization through strategic asset replacement. In the medium to long term, JMF will pursue external growth through public offerings, M&A, and other means, while also targeting further improvement in profitability through portfolio renewal and redevelopment, and conversion to mixed-use properties. Ultimately, we aim to create a virtuous cycle in which individual properties that form part of the infrastructure for metropolitan life interact with each other, leading to improvements in both area values and property values.

In the fiscal period ended August 31, 2021, Japan experienced multiple state of emergency declarations due to the COVID-19 pandemic. Despite this, JMF made progress with the strategic replacement of its asset portfolio, which forms the core of its short- and medium-term growth strategies, at a faster pace than was projected. In addition to the acquisition of JMF-Bldg. Ichigaya 01 and G-Bldg. Shinsaibashi 05, JMF also completed the sale of the suburban retail properties AEON Mall Yamato (50% quasi-co-ownership of trust beneficiary rights), AEON Takatsuki, and Ito-Yokado Yotsukaido. In September and October 2021, following the end of the fiscal period under review, JMF also made the decision to acquire JMF-Bldg. Hiroo 01, JMF-Residence Gakugeidaigaku, and JMF-Bldg. Funabashi 01.

As one of our new growth initiatives during the fiscal period under review, we became the first public REIT to acquire investment units in a private REIT specializing in residential property. In addition, in September 2021, we invested in a fund formed for mezzanine loan obligations backed by a residential property located in Tokyo.

Despite continuing concerns about the impact of COVID-19, trends in our business operations were firm. Commercial tenancy sales remained at around 85% of the levels in the same months in 2019, and we were also able to negotiate a total of 26 rent increases with existing tenants of office properties.

There were also pleasing results from our financing activities. We issued an 8.5 billion yen green bond, the largest amount among10-year bonds issued by J-REITs. This not only strengthened our ESG activities, but also expanded our investor base. In addition, during the fiscal period under review, we refinanced approximately 40 billion yen* of debt while also reducing borrowing costs.

Through these activities, our operating results for the fiscal period ended August 31, 2021 included operating revenues of 40,360 million yen, operating income of 15,560 million yen, and net income of 13,549 million yen. While these results were lower than our previous forecasts, the NOI yield after depreciation was 1.3% higher than predicted. In addition, by using the reserve for temporary difference adjustments and the reserve for reduction entry, we were able to provide a distribution of 2,286 yen per unit, which was in line with the forecast.

I will conclude by looking at the current situation. In 2021, JMF received a five-star rating from GRESB, and we will continue to pursue ESG initiatives as a frontrunner in the J-REIT industry. In addition, we will maintain our focus on initiatives that match JMF's unique capabilities in the post-COVID world, including strategic leasing, DX initiatives, and conversion to mixed-use properties through tenant replacement. We look forward to your continued support as we work to meet the expectations of unit holders through these activities.

* In addition to borrowings in the fiscal year ended August 31, 2021, this also includes long-term debt that was used to fund the redemption of investment corporation bonds.

Highlights

01	**Executed asset replacement at a pace faster than expected**	• Have good prospects of acquiring about half of asset replacement target of more than 200 billion yen only six months after the merger • Established a new scheme of acquisition (investing in private REIT, mezzanine loan bonds)
02	**Managing the portfolio for the post-COVID-19 era**	• Steady progress in attracting tenants for leasing-enhanced properties which we expected for down time period by leasing activities • Deepen JMF's unique approaches, such as the utilization of DX and conversion to mixed-use properties
03	**Executed debt financing on favorable conditions on the back of creditworthiness**	• Issued largest amount of green bonds among 10-year J-REIT bonds, realizing diversification of financing methods and expansion of investor base • Reduction of borrowing costs

Investment performance/Forecasts for Operating Results

	Aug. 2020 (37th) fiscal period	Feb. 2021 (38th) fiscal period	Aug. 2021 (39th) fiscal period	Feb. 2022 (40th) fiscal period (Forecast)
Operating Revenue	30.8 bn yen	30.5 bn yen	**40.3 bn yen**	**37.8 bn yen**
Operating Income	13.8 bn yen	13.5 bn yen	**15.5 bn yen**	**16.1 bn yen**
Net Income	12.1 bn yen	11.8 bn yen	**13.5 bn yen**	**14.1 bn yen**
Distribution per Unit	4,500 yen	4,500 yen	**2,286 yen***1	**2,250 yen**

Portfolio

No. of properties	**126 properties**
Asset size	**1,173.7 bn yen**
Occupancy rate	**99.1 %**
Unrealized gain	**161.0 bn yen**
NOI yield	**4.6 %**
NOI yield after depreciation	**3.6 %**

Financial Indicators

Total interest-bearing debt	**538.6 bn yen**
Avg. interest rate	**0.61 %**
Credit ratings	Japan Credit Rating Agency **AA (Stable)**
LTV	**43.6 %**

ESG Indicators

GRESB rating	**5 stars***2
Environmental certification acquisition rate	**74.0 %***3

Equity-related

Market capitalization	**747.1 bn yen**
NAV per unit	**109,900 yen**

The values and indices used here were current as of August 31, 2021.
*1 Each investment unit was split into two investment units with an effective date of March 1, 2021.
*2 The GRESB rating is as of October 15, 2021.
*3 The percentage of properties that have acquired environmental certifications is based on total floor area.

Progress of Asset Replacement

Following the merger, the asset replacement strategy was accelerated, resulting in the acquisition of five properties and the disposal of three

Acquisition

Acquisition of three additional new properties following the immediate post-merger acquisition of JMF-Bldg. Ichigaya 01 and G-Bldg. Shinsaibashi 05

Total acquisition price: 16.5 bn yen / 3 properties

- Steady acquisition of mixed-use properties
- Acquisition of property solely for residential use
- Acquisition through arm's-length transactions, backed by high creditworthiness

Mixed-use

JMF-Bldg. Hiroo 01
(Minato-ku, Tokyo)

Acquisition price	10,000mn yen
NOI yield after depreciation	2.8%

Mixed-use

JMF-Bldg. Funabashi 01
(Funabashi-shi, Chiba)

Acquisition price (Scheduled)	5,000mn yen
NOI yield after depreciation	3.6%

Other

JMF-Residence Gakugeidaigaku
(Setagaya-ku, Tokyo)

Acquisition price (Scheduled)	1,505mn yen
NOI yield after depreciation	3.1%

Disposition

In addition to AEON MALL Yamato and AEON Takatsuki, which were sold immediately after the merger, one property was sold.

Total selling price: 10.3 bn yen / 1 property

- Further disposition of suburban retail property in progress
- Disposed of property with unrealized losses for more than the appraised value
- Allocated loss on sales of properties from gain of completed sales of properties during the period

Suburban retail

Ito-Yokado Yotsukaido
(Yotsukaido-shi, Chiba)

Disposition price	10,350mn yen
NOI yield after depreciation	2.5%

Asset replacement progressed steadily exceeding expectations, and negotiations for the next acquisition and disposition are fully in progress

Asset replacement announced after the merger

Acquisition
- 5 properties
- Total acquisition price: 46.4 bn yen
- Average NOI yield (after depreciation): 3.6%

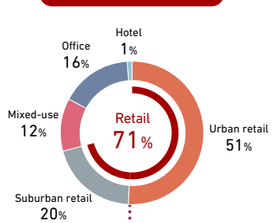
Disposition
- 3 properties
- Total disposition price: 29.9 bn yen
- Gain on sales: 340 mn yen

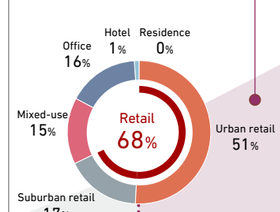
Asset replacement planned in the next six months or so[*1]

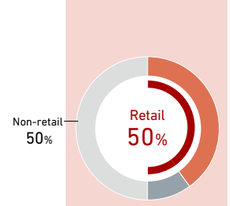
Acquisition
- Property with preferential negotiation rights:
- Total approx. 45.0 bn yen
- Aim for early acquisition

Disposition
- In promising negotiations with potential buyers based on letter of intent received
- 3 properties
- Total approx. 20.0 bn yen

Portfolio mix[*2]







Approx. 90.0 bn yen

Have good prospects of **acquiring about half** of asset replacement target only **six months** after the merger

Asset replacement
Over 200.0 bn yen

After 3-5 years

Mar. 2021
As of the merger

Oct. 2021
After asset replacement announced at the financial results announcement

After asset replacement planned in the next six months or so

Estimate
(Merger announcement)

*1 Acquisition or disposition by JMF is not guaranteed.
*2 Portfolios are shown on the basis of acquisition prices.

Currently constructing various acquisition schemes in anticipation of external growth after asset replacement

1 Investment in private REITs

Acquisition of asset exposure with high profitability

Appraisal NOI yields are approximately 5%, relatively high compared to acquisitions from the trading market

Further promote external growth

With regard to properties developed by the sponsors of private REITs, possibility of joint acquisition of large-scale properties that private REITs would have difficulty acquiring on its own and properties outside the investment area for private REITs

Acquisition of investment units of Nisshin Private Residential Reit, Inc. (NSPR)

Acquisition of 1,889 million yen in investment units of a private residential REIT whose main sponsor is NISSHIN GROUP HOLDINGS Company, Limited, a condominium developer

Acquisition date	May 7, 2021	July 1, 2021
Investment amount	337mn yen	1,551mn yen

Photos of some assets

Kawasaki Sakuramoto WEST

N-stage Matsudo

2 Mezzanine loan bond investment

Diversification of investment approaches that make effective use of cash reserves

Make effective use of ample cash reserves to invest in new investment approaches for the present and future

Excellent underlying assets

Limit underlying assets of mezzanine loan bond investment to high-quality assets that meet JMF's investment criteria

Investment in mezzanine funds established by the Mitsubishi Corporation Group

Invested in a fund established by Diamond Realty Management Inc., a private real estate fund management company in the Mitsubishi Corporation Group, for mezzanine loan bonds, backed by a residential property located in Tokyo

Investment date	September 29, 2021
Investment amount	780mn yen

3 Positive Impact Investing

Considering positive impact investment that takes ESG aspects into account

Portfolio Status

JMF invests in carefully selected assets, especially in the three major metropolitan areas of Tokyo, Osaka, and Nagoya, as well as other government-designated cities. Target properties include retail properties, offices, residential houses, hotels, and mixed-use properties that combine these categories.

Urban retail properties

Retail properties located on main streets in major business areas, urban retail properties with the potential for conversion to other purposes or mixed-use, and supermarkets and other retail properties near rail stations in densely-populated areas

GYRE

mozo wonder city

Mixed-use properties

Properties located in urban areas and used for multiple purposes, such as retail properties, offices, hotels, or residences

KAWASAKI Le FRONT

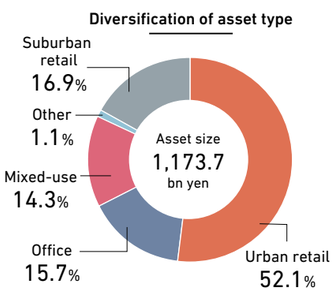
Twin 21

Suburban retail properties

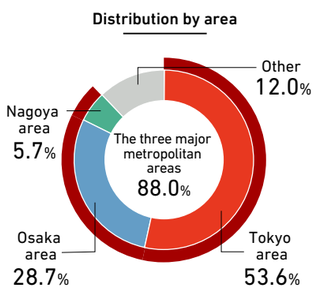
Suburban retail properties classified as non-urban

AEON MALL Musashi Murayama

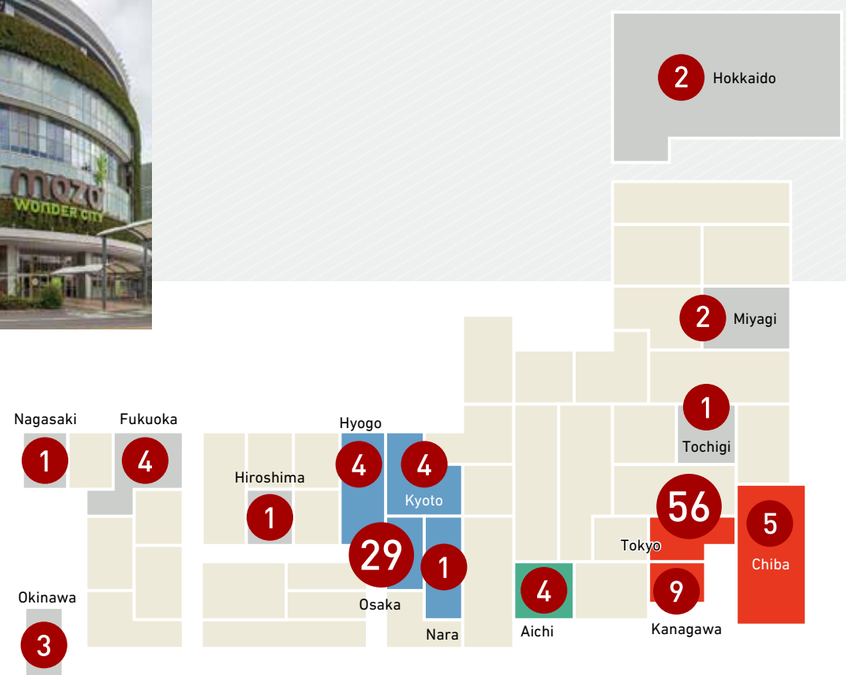
Diversification of asset type



Distribution by area



*As of August 31, 2021



Office

Office buildings located in and around major business areas

JMF-Bldg. Yokohama Bashamichi 01

Other

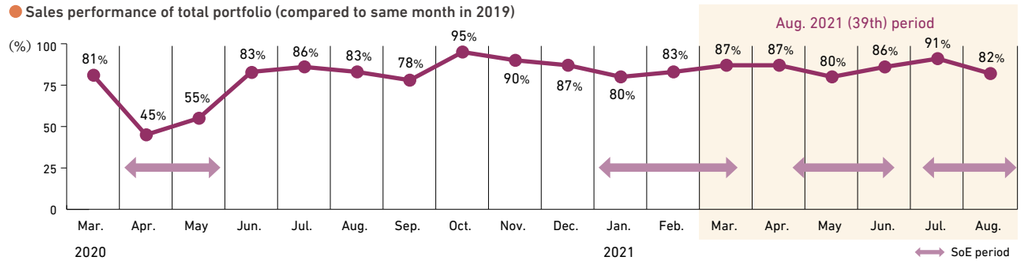
Hotels in urban areas and rental housing, etc., near rail stations in densely populated areas

Dormy Inn Hakata Gion

Steady Internal Growth

Initiatives targeting retail properties

Even under the State of Emergency (SoE), sales were generally maintained at around 85% of the level before the outbreak of COVID-19



Strategic leasing in anticipation of a post-COVID environment

01 Capture leasing market supply and demand and adopt flexible contract structures

Pop-up Store

G-Bldg. Jingumae 09
(Shibuya-ku, Tokyo)

Capturing the need for pop-up outlets by capitalizing on a location along a fashion-oriented street

Outdoor brand's Fall/Winter media exhibition

Limited store selling apparel brand produced by popular model

02 Aggressively promote mixed-use

Shift to Mixed-use

G-Bldg. Tenjin Nishi-dori 01
(Fukuoka-shi, Fukuoka)

Attracted shared office space after restaurant tenants moved out, and converting an old commercial building into a mixed-use building

To be upgraded to a suitable appearance for mixed-use building

03 Strengthen leasing capabilities

Utilizing behavioral characteristics analysis

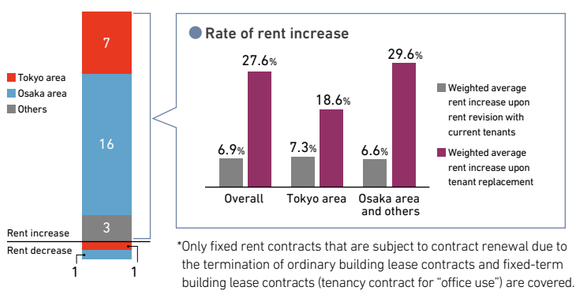
La Porte Aoyama
(Shibuya-ku, Tokyo)

Leasing based on analyses of foot traffic and behavior patterns within areas

Successfully attracted the first French bakery and cafe to re-launch in Japan

Initiatives targeting offices

Continued rent increase, steady management of small- and mid-sized offices, and increase in rents for large-sized offices



*Only fixed rent contracts that are subject to contract renewal due to the termination of ordinary building lease contracts and fixed-term building lease contracts (tenancy contract for "office use") are covered.

Other initiatives

Hoshino Resorts Group to be the new operator of Hotel Vista Premio Tokyo

OMO3 東京赤坂 by 星野リゾート

A new tenant has been found for Hotel Vista Premio Tokyo* (Minato-ku, Tokyo). Starting from January 2022, the hotel will be known as "OMO3 Tokyo Akasaka by Hoshino Resorts".

* JMF changed the name of the property to "OMO3 Tokyo Akasaka" from "Hotel Vista Premio Tokyo" on October 13, 2021.

Progress on DX Strategy

Utilize digital technology and innovate asset management

Improve the real value of owned assets

With the development of e-commerce and work from home, the "real value" of visiting retail properties or offices is becoming more and more important

Boost real value with digital technology

E-commerce	Retail properties available at any time by purchasing from e-commerce sites linked to its inventory
Property app	Improve convenience through the provision of settlement functions and gain user loyalty through points services

Multifaceted data utilization

Increasing complexity of property operations due to increasing related information as more mixed use of areas and property units

Create and integrate data from various information gathered on owned assets, and link them together

Customer data platform	Consolidate diverse data, such as EC site data, application data, sales data, location data, and visitor data
Area management concept	Mutually send commercial, office, and hotel users of JMF properties in the same area

Asset management examples

Leasing

- Target by using customer data platform
- Propose business types that match customer trends to tenants

Revenue increase

- Increase revenue-based rent through e-commerce sites
- Gain advertising revenue associated with digital information

Facility management

- Improve the efficiency of electricity and other energy use by using weather and property data
- Optimize security and cleaning areas based on visitor behavior data

Execute and expand DX measures horizontally, starting from mozo wonder city, and reflect them in the customer data platform as needed

mozo wonder city

Renewal of sales management system

Information on the number of customers in terms of sales can be obtained immediately online, which used to be obtained via PM companies

Introduction of the property point app

Membership and point systems and cashless settlement functions are all integrated into the app

Introduction of EC platform

Developed a unique system to sell the in-store inventory of retail properties on the EC site, and to link and deliver it by in-house logistics

EC site order → In-store inventory sales → Delivery by in-house logistics → Receipt

Available 24/7, all year round / Increased sales and sales opportunities / No burden on store staff / Various options

Unify systems at 10 properties, and consolidated into customer data platform

Already installed in Kyoto Family, KAWASAKI Le FRONT and Abiko Shopping Plaza, and plan to install in 1 property in 2022

Plan to install in KAWASAKI Le FRONT in FY2021

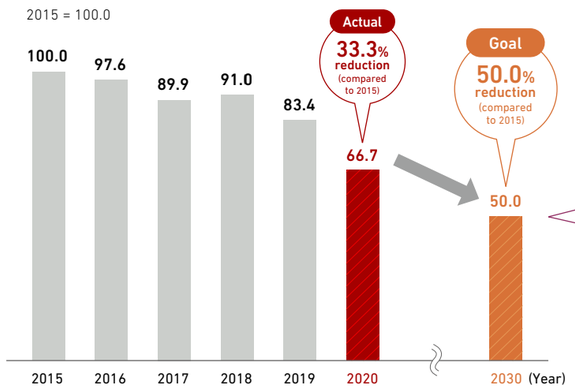
ESG Initiatives

Establish new medium- to long-term KPIs

ESG Materiality	Target	KPI
Response to climate change	Reduction in CO_2 emission	• Reduce CO_2 emissions per unit by 50% by 2030 (compared with 2015 level) • Aim to achieve carbon neutrality by 2050
Response to sustainability certifications	Improve acquisition rate of environmental certifications	Acquiring certifications for over 75% of the total portfolio (total floor area base)
	Improving sustainability activities through participation in external evaluation institutions	• GRESB Acquiring "5 stars" • CDP Acquiring more than "B"
Building resilience	Implementing disaster prevention measures	• Preparing emergency supplies at 100% of the properties where such supplies can be kept • Developing an emergency communication network that covers 100% of properties • Collecting engineering reports (ERs) regularly for 100% of properties
Energy efficiency	Improvement in energy consumption	Reduction in electric consumption per unit by 20% compared with 2015 (Target year: 2030)
	Introduction of renewable energy use	Renewable energy ratio of electricity used in business activities to 20% (Target year: 2030)
Ensuring the health, well-being, and convenience of people (tenants)	Improvement in tenant employee space	Improving communication space and break room at the time of renewal
	Visualization of health and comfort	Considering acquisition of wellness certification

50% reduction in CO_2 emissions by 2030, leading to the achievement of carbon neutrality by 2050

● **Track record of CO_2 emissions** (per unit basis*1)



*1 CO_2 emissions per unit of production are calculated by dividing CO_2 emissions by the total floor area (after taking into account the status of operations).
*2 Includes properties planning to introduce renewable energy.
*3 Partial use of renewable energy.

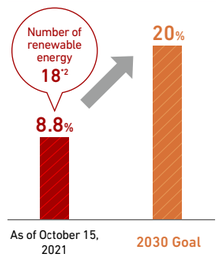
Actions to reduce CO_2 emissions

1. Introduction of energy-saving equipment such as LED lighting and energy-saving air-conditioning equipment
2. Switching to electricity procured from renewable energy

GYRE*3

MARINE & WALK YOKOHAMA

Percentage of renewable energy consumption



The website explains SDGs that are closely related to the MC-UBS Group's ESG materiality.
https://jmf-reit_sustainability.disclosure.site/en/

ENVIRONMENT

Sustainability evaluation: Acquired certification for nine additional properties in the fiscal period under review

JMF believes that it is important to obtain objective evaluation and certification for sustainability activities. In order to respond to the demands of investors, tenants, and various global stakeholders, we have acquired a wide range of certifications, including building performance evaluations.

Of the newly certified properties, four have received the highest rating ("S rank") in the CASBEE building evaluation certification system.

CASBEE for Building Certificates

S rank	★★★★★	19 Buildings
A rank	★★★★	6 Buildings
B+ rank	★★★	2 Buildings
Total		27 Buildings

CASBEE for Wellness Office

B+ rank	★★★	1 Building

DBJ Green Building Certification

★★★★★	1 Building
★★★★	11 Buildings
★★★	7 Buildings
★★	3 Buildings
★	4 Buildings
Total	26 Buildings

BELS Evaluation

★★★★	1 Building
★★★	2 Buildings
★★	3 Buildings
Total	6 Buildings

Tokyo low-carbon small and medium-sized model building

5 Buildings

*As of August 31, 2021

SOCIAL

Award for Excellence in the 12th EST Transportation Environment Awards

JMF received an award for excellence in the 12th EST* Transportation Environment Awards in recognition of initiatives to update the image of scheduled bus services and improve usability through network development as part of a project to promote use of Oyama City's O-Bus community bus service, with the participation of the Oyama Yuen Harvest Walk (Oyama-shi, Tochigi).

The project was praised for its role in increasing bus use and revitalizing an inner city area through systematic and strategic initiatives to promote the use of the O-Bus service in ways that align with Oyama City's concepts. These efforts are also expected to reduce CO_2 emissions as people switch from private cars to bus use.

* EST: Environmentally Sustainable Transport

GOVERNANCE

Governance system and the holding of General Meeting of Unitholders and Board of Directors

JMF is operated by a committee consisting of one executive director and two supervisory directors.

Certain matters concerning JMF are decided at the General Meeting of Unitholders (convened at a certain time once every two years), which comprises the unitholders.

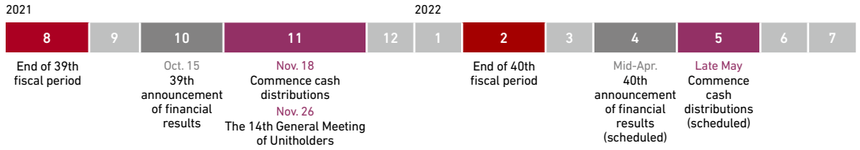
In addition, the Board of Directors meeting is held during the fiscal period as indicated below to fully discuss the status of legal compliance and the internal control system.

Executive Director	Supervisory Director	Supervisory Director
Shuichi Namba	Masahiko Nishida	Masaharu Usuki

Ordinary General Meeting of Unitholders	Nov. 26, 2021
Number of board meetings/ attendance rate (Mar. 1, 2021 – Aug. 31, 2021)	13 times/100%

Unitholder Information

IR schedule

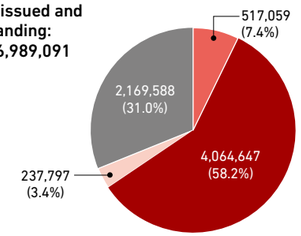


*Videos of financial results presentations are available on our website. https://www.jmf-reit.com/english/ir/account.html

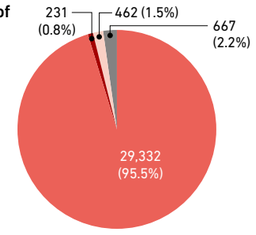
Unitholders' attribute

(As of August 31, 2021)

Units issued and outstanding: total 6,989,091



Total number of unitholders: 30,692



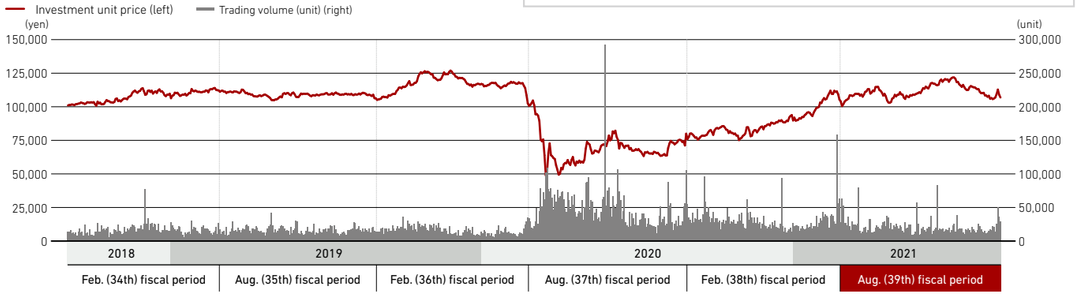
Retail investors/Others | Financial Institutions (including financial instrument service operators) | Other Corporations | Overseas Investors

Changes in investment unit prices

(September 1, 2018 – August 31, 2021)

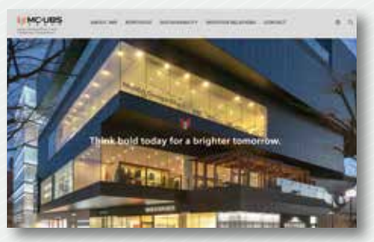
Market capitalization 747,133 million yen (as of August 31, 2021)

Fiscal period ended August 31, 2021	Highest during the period	121,800 yen	(July 6, July 7, 2021)
	Lowest during the period	100,500 yen	(Mar. 2, 2021)
	Closing price at the end of the period	106,900 yen	(Aug. 31, 2021)



*1 Tokyo Stock Exchange closing price basis
*2 As we split each investment unit into two investment units with an effective date of March 1, 2021, figures prior to February 24, 2021, the last day of trading at the pre-split price, have been revised.
Source: Bloomberg

You can view the latest information about JMF from your PC or smartphone.



JMF provides individual investors with easy-to-understand explanations of JMF policies, features, and concepts. In addition, you can access detailed information on the website from QR codes* at various places in this Semi-Annual Report.

*The word "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.

https://www.jmf-reit.com/english/

About the Asset Management Company (Mitsubishi Corp.-UBS Realty Inc.)

Mitsubishi Corp.-UBS Realty Inc. (MCUBS) achieves stable asset management by utilizing a wealth of know-how and real estate management capabilities.

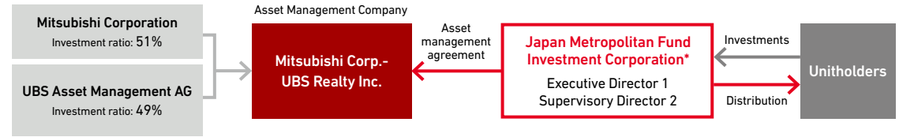
A professional group of real estate managers who have both the ability to identify properties and develop them

MCUBS, to which JMF entrusts the management of its assets, is a joint venture between Mitsubishi Corporation and UBS AG, a European financial group. MCUBS has established a system that enables proactive and sustainable real estate management by recruiting specialists with extensive careers and a wide range of qualifications in real estate management, as well as experience in planning, design, and tenant leasing.

Utilizing world-class real estate management and financial expertise

Mitsubishi Corporation, one of Japan's leading general trading companies, has extensive client networks, extensive knowledge of the Japanese real estate market, and a wide range of fund management achievements. The UBS Group, one of the world's leading financial groups, has real estate management achievements and cutting-edge financial expertise in the U.S., the U.K., Australia and other countries. Combining the strengths of both companies, we utilize a variety of investment methods in accordance with market conditions to realize asset management that gives investors peace of mind.

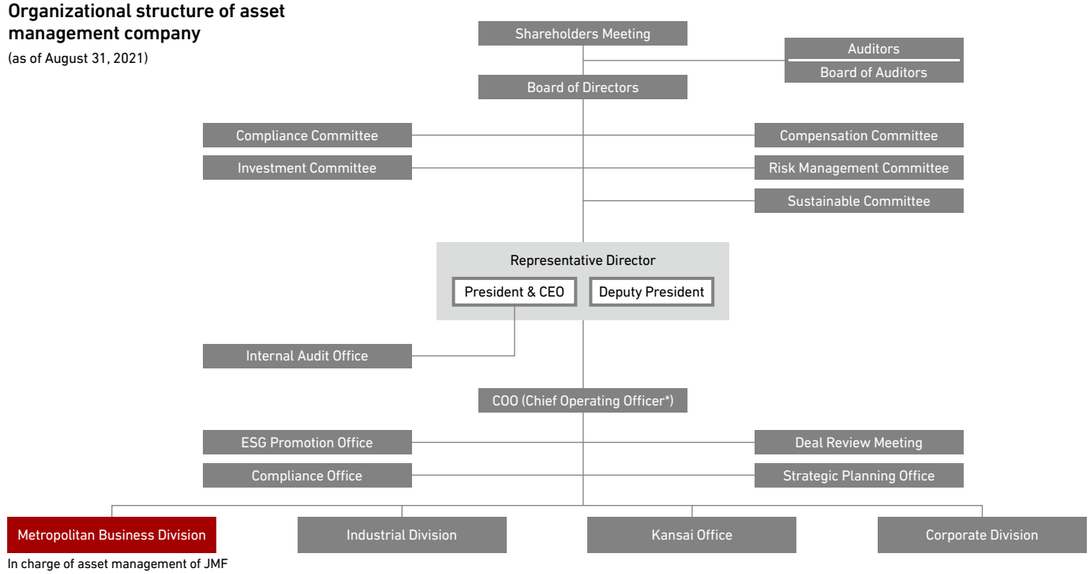
Structure of investment corporations



*There are no employees as JMF is prohibited from hiring employees pursuant to the provisions of the Investment Trust Law.

Organizational structure of asset management company

(as of August 31, 2021)



In charge of asset management of JMF

*The Chief Operating Officer (COO) concurrently serves as the Director responsible for compliance.

I. ASSET MANAGEMENT REPORT

Outline of asset management operation

1. Operating results and financial position

Fiscal period			35th	36th	37th	38th	39th
As of /for the six months ended			August 31, 2019	February 29, 2020	August 31, 2020	February 28, 2021	August 31, 2021
Operating revenues	Note 1	(Millions of yen)	35,432	32,007	30,848	30,518	40,360
(Rental revenues)	Note 1	(Millions of yen)	(30,857)	(29,985)	(29,061)	(29,392)	(38,022)
Operating expenses	Note 1	(Millions of yen)	20,712	17,444	17,020	17,013	24,800
(Rental expenses)	Note 1	(Millions of yen)	(16,505)	(14,318)	(13,691)	(13,842)	(17,239)
Operating income		(Millions of yen)	14,719	14,563	13,828	13,505	15,560
Ordinary income		(Millions of yen)	12,815	12,801	12,116	11,897	13,549
Net income	(a)	(Millions of yen)	12,814	12,800	12,116	11,896	13,549
Net assets	(b)	(Millions of yen)	433,994	435,298	433,725	433,967	623,671
(Period-on-period change)		(%)	(+0.3)	(+0.3)	(-0.4)	(+0.1)	(+43.7)
Total assets	(c)	(Millions of yen)	900,799	899,888	903,461	903,221	1,235,720
(Period-on-period change)		(%)	(+0.4)	(-0.1)	(+0.4)	(-0.0)	(+36.8)
Unitholders' capital		(Millions of yen)	411,878	411,878	411,878	411,878	411,878
(Period-on-period change)		(%)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Number of investment units issued and outstanding	(d)	(Units)	2,618,017	2,618,017	2,602,483	2,602,483	6,989,091
Net asset value per unit	(b)/(d) Note 3	(Yen)	165,772	166,270	166,658	83,375	89,234
Total distributions	(e)	(Millions of yen)	11,597	11,781	11,711	11,711	15,977
Distribution per unit	(e)/(d)	(Yen)	4,430	4,500	4,500	4,500	2,286
(Profit distribution per unit)		(Yen)	(4,430)	(4,500)	(4,500)	(4,500)	(2,286)
(Distribution per unit in excess of profit)		(Yen)	(-)	(-)	(-)	(-)	(-)
Ratio of ordinary income to total assets	Note 4	(%)	1.4 (2.8)	1.4 (2.9)	1.3 (2.7)	1.3 (2.7)	1.3 (2.5)
Return on unitholders' equity	Note 4	(%)	3.0 (5.9)	2.9 (5.9)	2.8 (5.5)	2.7 (5.5)	2.6 (5.1)
Ratio of net assets to total assets	(b)/(c)	(%)	48.2	48.4	48.0	48.0	50.5
(Period-on-period change)			(0.0)	(+0.2)	(-0.4)	(0.0)	(+2.5)
Payout ratio	(e)/(a)	(%)	90.5	92.0	96.9	98.4	118.0
Additional information:							
Rental net operating income (NOI)	Note 4	(Millions of yen)	19,910	21,044	20,807	20,950	26,944
Net profit margin	Notes 4 and 5	(%)	36.2	40.0	39.3	39.0	33.6
Debt service coverage ratio	Notes 4 and 5	(Multiple)	13.3	14.3	14.0	14.6	12.8
Funds from operation (FFO) per unit	Notes 4 and 5	(Yen)	5,661	6,170	6,057	6,213	2,769
FFO multiples	Notes 4 and 5	(Multiple)	18.9	16.5	13.3	16.8	19.5
Distributable income per unit after adjustment for taxes on property and equipment	Note 6	(Yen)	4,900	4,901	4,653	4,609	2,280
FFO per unit after adjustment for taxes on property and equipment	Notes 5 and 6	(Yen)	5,654	6,170	6,043	6,200	2,764

Note 1 Consumption taxes are not included.

Note 2 Figures less than the unit indicated in each column have been rounded down for amounts and rounded for ratio unless otherwise indicated.

Note 3 JMF executed a two-for-one unit split (the "Unit Split") on March 1, 2021 as the effective date. 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 September 1, 2020.

Note 4 Figures are calculated using the formulas below. Percentages in parentheses are annualized using 184,182,184,181 and 184 days for the 35th, 36th, 37th, 38th and 39th fiscal period, respectively. FFO multiples are unaudited.

Ratio of ordinary income to total assets	Ordinary income/Average total assets Average total assets = (Total assets at beginning of period + Total assets at end of period) ÷ 2
Return on unitholders' equity	Net income/Average net assets Average net assets = (Net assets at beginning of period + Net assets at end of period) ÷ 2
Rental net operating income (NOI)	(Rental revenues – Rental expenses) + Depreciation
Net profit margin	Net income/Operating revenues
Debt service coverage ratio	Net income before interest expenses, amortization of bonds issuance costs and depreciation/Interest expenses
Funds from operation (FFO) per unit	(Net income + Loss on sales of property – Gain on sales of property + Depreciation + Other depreciation related property)/Number of units issued and outstanding
FFO multiples	Market price per unit at end of period/Annualized FFO per unit

Note 5 Net income used for calculation of "Net profit margin", "Debt service coverage ratio" and "FFO multiples" does not include deferred income taxes.
Note 6 The figures indicate pro forma distributable income per unit and pro forma FFO per unit assuming that taxes on property and equipment were not capitalized but charged to income in the periods in which were incurred. These figures are unaudited.

2. Outline of asset management operation for the 39th fiscal period

(1) Principal activities

Japan Metropolitan Fund Investment Corporation ("JMF") was established under the Law Concerning Investment Trusts and Investment Corporations of Japan (Law No. 198 of 1951; as amended) 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.

After that, 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.

During the fiscal period ended on August 31, 2021, two properties were acquired and three properties were sold as part of the portfolio asset replacement measures, one of growth strategies after the Merger, as well as acquisition of investment units of a private residential REIT.

As a result, the total assets managed by JMF as at the end of the 39th fiscal period (fiscal period ended on August 31, 2021) amounted to 1,173.7 billion yen (the total acquisition price for 126 properties).

(2) Investment environment and results

i. Investment environment

(Macroeconomic trends)

During this fiscal period, the Japanese economy showed signs of recovery due to private demand such as housing investment and capital investment, even under the environment affected by the COVID-19 pandemic, while the quarter-on-quarter gross domestic product (GDP) growth rate standing at -1.0% (-3.9% annualized) in the January to March 2021 quarter, with 0.5% (1.9% annualized) in the April to June 2021 quarter (secondary preliminary figures announced on September 8, 2021). However, as a fourth state of emergency was declared again in July 2021, the outlook is likely to remain uncertain.

In capital markets, the Nikkei Stock Average had been fluctuating since the beginning of the fiscal year. However, in late August 2021, there were some signs of recovery due to progress in vaccination of the COVID-19 pandemic and expectations for economic measures, and the price stood at 28,089 yen as of the end of August 2021. In the J-REIT market, the Tokyo Stock Exchange REIT Index has been rising steadily since the beginning of the year, reaching 2,142 points as of August 31, 2021, the end of this fiscal period.

(Real estate trading market)

Under low interest rate environments across the world, Japan's real estate continues to be 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)

In retail properties, some of the restaurants or apparel tenants moved out by the declaration and extension of a state of emergency. On the other hand, demand for the necessities of life, such as daily necessities, and new consumer demand from remote work have also been generated, and demand

from pop-up tenants has also been growing.

In offices, the introduction of remote work by companies and cost reductions in some large-scale offices in some regions resulted in a continuing upward trend in vacancy rates due to cancellations of relatively large lots, and rents also continued to fall. Amid this, small-and medium-sized offices are supported by steady demand, indicating that the vacancy rate is on a gradual upward trend and improving trend.

ii. Results

In this environment, JMF completed the acquisition of two new properties (JMF-Bldg. Ichigaya 01, G-Bldg. Shinsaibashi 05) and the disposition of three properties (a 50% quasi-co-ownership of trust beneficiary right to the AEON MALL Yamato, AEON Takatsuki, Ito-Yokado Yotsukaido) in this fiscal period as part of its portfolio property replacement strategy. In addition, as one of the measures to grow through new initiatives, JMF acquired the investment units of Nisshin Private Residential Reit, Inc., a private residential REIT.

As a result, the total assets managed by JMF at the end of the fiscal period totaled 126 properties with a total value of 1,173.7 billion yen on an acquisition price basis and 1,280.8 billion yen on an appraisal value basis. The total leasable area was 2,506,060.21㎡ with the total number of tenants standing at 1,435, and the occupancy rate of the overall portfolio was 99.1%.

Primarily as a result of acquisition of new properties with unrealized gains, depreciation of existing properties compared to the end of the previous fiscal period, and increase in cap rates at some properties, the unrealized losses/gains (Note) of the overall portfolio at the end of the fiscal period decreased by 1.5 billion yen from the end of the previous fiscal period to 161 billion yen.

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

(3) Funding

JMF took on the same amount of a long term borrowing to fund the repayment of existing long-term borrowing totaling 38.25 billion yen that became due in the current fiscal year. JMF also took on the same amount of long-term borrowing to fund the redemption of 1.5 billion of investment corporation bonds that matured in May 2021. In June 2021, JMF issued the 1st JMF Green Bond (1st Unsecured Investment Corporation Bond) (Note 3) 8.5 billion yen and prepaid the same amount of borrowings against the backdrop of further strengthening of sustainability activities and expansion of financing methods through expansion of the investor base for investment corporation bonds.

As a result, JMF's interest-bearing borrowings outstanding at the end of the fiscal period amounted to 538.6 billion yen, consisting of long-term borrowings of 479.1 billion yen (Note 1) and investment corporation bonds of 59.5 billion yen (Note 2) (including Green Bonds (Note 3)).

Consequently, the ratio of long-term borrowings (Note 4), ratio of fixed interest rates (Note 5), and LTV (Note 6) were 100.0%, 94.4% and 43.6%, respectively, as at the end of the fiscal period.

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

Note 2: Investment corporation bonds include bonds that mature within a year.

Note 3: 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 4: The ratio of long-term borrowings is calculated by dividing the total of long-term borrowings, investment corporation bonds by the interest-bearing borrowings.

Note 5: 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) and investment corporation bonds by the interest-bearing borrowings.

Note 6: LTV is calculated by dividing the total of interest-bearing borrowings by total assets.

(4) Results and distributions

The operating revenue for the period was 40,360 million yen, and operating income was 15,560 million yen after deducting operating expenses such as property taxes and asset management fees. Ordinary income was 13,549 million yen, and net income was 13,549 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 15,977 million yen, the sum of 770 million yen of the reversal of reserve for reduction entry of property and 1,657 million yen of the reversal of retained earnings for temporary difference adjustments and the unappropriated retained earnings at the end of the period of 13,549 million yen. As a result, distributions per unit amounted to 2,286 yen.

3. Changes in unitholders' capital

The changes in unit holders' capital and number of investment unit s issued and outstanding for last five years until August 31, 2021 were as follows:

Date	Capital transaction	Number of investment units issued and outstanding		Unitholders' capital (Millions of yen)		Note
		Increase (Decrease)	Balance	Increase (Decrease)	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	Retirement	(49,181)	2,618,017	-	411,878	Note 3
August 18, 2020	Retirement	(15,534)	2,602,483	-	411,878	Note 4
March 1, 2021	Split of investment units	2,602,483	5,204,966	-	411,878	Note 5
March 1, 2021	Allocation of investment units through 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.

Fluctuation in market price of the investment securities:

The market price of the investment securities on Tokyo Stock Exchange REIT Market fluctuated during each fiscal period as follows:

(Yen)

Fiscal period	35th	36th	37th	38th	39th
As of /for the six months ended	August 31, 2019	February 29, 2020	August 31, 2020	February 28, 2021	August 31, 2021
Highest price	228,000	253,900	210,700	225,600	123,400
Lowest price	208,200	203,700	97,700	149,200	99,300
Closing price at end of period	212,600	205,100	159,900	Note 105,300	106,900

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

4. Distributions

In accordance with the distribution policy in JMF's article of incorporation 26, Paragraph 1, Item 2, JMF makes distributions in excess of 90% of distributable profit as defined in Article 67-15, Paragraph 1 of the Special Taxation Measures Act of Japan. From the six months ended August 31, 2017, JMF has also commenced to reverse retained earnings for temporary difference adjustment, amounting to ¥31 million every fiscal period, and appropriate the reversals to distributions by applying the revision of the Ordinance on Accountings of Investment Corporations as well as the regulations of the Real Estate Investment Trusts and Real Estate Investment Corporations as stipulated by The Investment Trusts Association, Japan.

For the six months ended August 31, 2021, JMF declared a total of ¥15,977 million cash distributions consisted all of retained earnings at the end of the period amounting to ¥13,549 million after reversals of reserve for reduction entry of property amounting to ¥770 million and retained earnings for temporary difference adjustment amounting to ¥1,657 million. As a result, distribution per unit amounted to ¥2,286 for the six months ended August 31, 2021. Distribution in excess of profit prescribed in the article of incorporation 26, Paragraph 2 is not made.

Retained earnings (including reserve for dividends and reserve for reduction entry of property) shown in below table will be distributed mainly when; (a) a net of gain or loss on sales of property due to strategic replacement of investment assets in same fiscal period and loss on disposal of property due to a large-scale renewal for replacing tenants results in loss, or (b) additional income tax expenses due to differences between accounting profit and taxable profit are charged.

Fiscal period		35th	36th	37th	38th	39th
As of /for the six months ended		August 31, 2019	February 29, 2020	August 31, 2020	February 28, 2021	August 31, 2021
Net income	(Thousands of yen)	12,814,606	12,800,544	12,116,300	11,896,522	13,549,190
Retained earnings (including reserve for dividends and reserve for reduction entry of property)	(Thousands of yen)	5,860,716	6,880,184	7,285,311	7,470,660	5,042,789
Total distributions	(Thousands of yen)	11,597,815	11,781,076	11,711,173	11,711,173	15,977,062
(Distribution per unit)	(Yen)	(4,430)	(4,500)	(4,500)	(4,500)	(2,286)
Profit distributions	(Thousands of yen)	11,597,815	11,781,076	11,711,173	11,711,173	15,977,062
(Profit distribution per unit)	(Yen)	(4,430)	(4,500)	(4,500)	(4,500)	(2,286)
Unitcapital refunds	(Thousands of yen)	-	-	-	-	-
(Unitcapital refunds per unit)	(Yen)	(-)	(-)	(-)	(-)	(-)
Unitcapital refunds from retained earnings for temporary difference adjustment	(Thousands of yen)	-	-	-	-	-
(Unitcapital refund per unit from retained earnings for temporary difference adjustment)	(Yen)	(-)	(-)	(-)	(-)	(-)
Unitcapital refunds from deduction of unitcapital under tax rules	(Thousands of yen)	-	-	-	-	-
(Unitcapital refund per unit from deduction of unitcapital under tax rules)	(Yen)	(-)	(-)	(-)	(-)	(-)

5. Management policies and Issues

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. 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.

6. Subsequent events

None

Outline of JMF

1. Investment unit

Fiscal period	35th	36th	37th	38th	39th
As of	August 31, 2019	February 29, 2020	August 31, 2020	February 28, 2021	August 31, 2021
Number of investment units authorized (Units)	8,000,000	8,000,000	8,000,000	8,000,000	16,000,000
Number of investment units issued and outstanding (Units)	2,618,017	2,618,017	2,602,483	2,602,483	6,989,091
Number of unitholders (People)	17,505	16,355	22,856	22,240	30,692

2. Unitholders

Major unitholders as of August 31, 2021 were as follows:

Name	Address	Number of investment units owned (Units)	Ratio of number of investment units owned to total number of investment units issued (Note 1) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	11-3, Hamamatsu-cho 2-chome, Minato-ku, Tokyo	1,228,403	17.57
Custody Bank of Japan, Ltd. (Trust Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	1,074,878	15.37
The Nomura Trust and Banking Co., Ltd. (Investment Trust)	2-2, Otemachi 2-chome, Chiyoda-ku, Tokyo	311,755	4.46
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	213,235	3.05
SMBC Nikko Securities Inc.	3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo	172,114	2.46
STATE STREET BANK WEST CLIENT – TREATY 505234	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A.	137,172	1.96
SSBTC CLIENT OMNIBUS ACCOUNT	ONE LINCOLN STREET, BOSTON MA USA 02111	120,947	1.73
Custody Bank of Japan, Ltd. (Trust Account 7)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	118,309	1.69
JP MORGAN CHASE BANK 385781	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM	87,598	1.25
Japan Securities Finance Co., Ltd.	2-10, Nihonbashi-Kayabacho 1-chome, Chuo-ku, Tokyo	76,218	1.09
Total		3,540,629	50.65

Note 1 Ratio of number of investment units owned to total number of investment units issued is calculated by rounding down to the second decimal place.

3. Officers

(1) Directors and independent auditor

(Thousands of yen)

Post	Name	Major additional post	Compensation or fees for the six months ended August 31, 2021 (Note2)
Executive Director	Shuichi Namba	Attorney-at-law of Momo-o, Matsuo & Namba	2,527
Supervisory Director	Masahiko Nishida	President of Marks group Co., Ltd. Certified public accountant / Tax accountant	1,627
	Masaharu Usuki	Professor at Graduate School of Economics of Nagoya City University	1,627
Independent auditor	PricewaterhouseCoopers Aarata LLC	-	30,500

Note 1 There is no investment unit of JMF held by the Executive Director nor the Supervisory Directors in their own name or that of others. Although Supervisory Directors may have additional posts in other companies than those listed above, there is no conflict of interests between those companies including listed above and JMF.

Note 2 Compensation for Directors indicates actual payments, and the independent auditor's fees consist of estimated audit fees on an accrual basis and ￥5,500 thousand of fees for English financial statement audit and issuance of a comfort letter with respect to issuance of investment corporation bonds in June 2021.

(2) Policy for dismissal or refusal of reappointment of independent auditor

If necessary, the Board of Directors shall dismiss the independent auditor in accordance with the Act on Investment Trusts and Investment Corporation of Japan. The Board of Directors shall also decide reappointment of the independent auditor considering audit quality, fees or other various factors.

4. Name of asset manager and other administrator

Classification	Name
Asset manager	Mitsubishi Corp. - UBS Realty Inc.
Custodian	Mitsubishi UFJ Trust and Banking Corporation
Agency for unit investment securities transference and special account administrator	Mitsubishi UFJ Trust and Banking Corporation
General administrator (regarding book keeping)	Mitsubishi UFJ Trust and Banking Corporation
General administrator (regarding investment corporation bonds)	MUFG Bank, Ltd. Mizuho Bank, Ltd.
General administrator (regarding income and other taxes)	PwC Tax Japan

Condition of investment assets

1. Composition of assets

Classification of Assets	Region		As of February 28, 2021		As of August 31, 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	Retail facilities	Tokyo metropolitan area	18,864	2.1	13,522	1.1
		Osaka and Nagoya metropolitan areas	6,892	0.7	6,886	0.5
		Other areas	4,448	0.5	4,440	0.4
		Sub-total	30,205	3.3	24,848	2.0
	Mixed-use	Tokyo metropolitan area	-	-	5,336	0.4
		Sub-total	-	-	5,336	0.4
	Total of real property		-	-	30,185	2.4
Trust beneficial interest in real property	Retail facilities	Tokyo metropolitan area	399,927	44.3	342,152	27.7
		Osaka and Nagoya metropolitan areas	317,414	35.1	312,009	25.2
		Other areas	77,204	8.6	76,580	6.2
		Sub-total	794,546	88.0	730,742	59.1
	Office Building	Tokyo metropolitan area	-	-	157,109	12.7
		Osaka and Nagoya metropolitan areas	-	-	20,986	1.7
		Other areas	-	-	6,795	0.6
		Sub-total	-	-	184,892	15.0
	Hotel	Tokyo metropolitan area	-	-	7,979	0.6
		Other areas	-	-	4,425	0.4
		Sub-total	-	-	12,404	1.0
	Mixed-use	Tokyo metropolitan area	-	-	86,315	7.0
		Other areas	-	-	75,275	6.1
		Sub-total	-	-	161,591	13.1
	Total of trust beneficial interest in real property		-	-	1,089,630	88.2
Sub-total			824,751	91.3	1,119,816	90.6
Investment securities (Note 2)			-	-	10,611	0.9
Bank deposits and other assets			78,469	8.7	105,292	8.5
Total assets			903,221	100.0	1,235,720	100.0

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 Investment securities are equity interest of Tokumei Kumiai agreement managed by R40 Godo Kaisha (40% of its equity interest) and investment units of Nisshin Private Residential Reit, Inc.(10.3% of total issued investment units).

2. Major property

The principal properties (top ten properties in net book value) as of August 31, 2021 were as follows:

Name of property		Net book value (Millions of yen)	Leasable area (Note 1) (m²)	Leased area (Note 2) (m²)	Occupancy ratio (Note 3) (%)	Ratio of rent revenue to total rent revenues (Note 3) (%)	Major use
Twin 21 (Note 6)	(trust beneficial interest)	60,065	82,304.82	79,634.87	96.8	6.2	Mixed-use
mozo wonder city (Note 4)	(trust beneficial interest)	50,622	86,526.78	86,315.97	99.8	7.9	Retail facilities
Higashi-Totsuka Aurora City	(trust beneficial interest)	43,704	109,355.90	109,355.90	100.0	3.3	Retail facilities
KAWASAKI Le FRONT	(trust beneficial interest)	34,427	49,223.07	48,799.70	99.1	4.8	Mixed-use
Nara Family (Note 4)	(trust beneficial interest)	33,839	82,927.88	82,183.69	99.1	4.6	Retail facilities
G-Bldg. Shinsaibashi 03	(trust beneficial interest)	30,228	5,319.29	5,319.29	100.0	Note 5	Retail facilities
AEON MALL Tsudanuma	(trust beneficial interest)	28,242	101,210.44	101,210.44	100.0	1.9	Retail facilities
AEON MALL Musashi Murayama	(trust beneficial interest)	24,222	137,466.97	137,466.97	100.0	2.4	Retail facilities
JMF-Bldg. Yokohama Bashamichi 01 (Note 6)	(trust beneficial interest)	23,920	25,140.94	25,140.94	100.0	1.8	Office Building
JMF-Bldg. Kawasaki 01 (Note 6)	(trust beneficial interest)	23,678	24,485.71	23,420.12	95.6	1.9	Office Building
Total		352,951	703,961.80	698,847.89	99.3	-	

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.

Note 6 "Leasable area" and "Occupancy ratio" for the property which is leased in the form of a pass-through master lease is presented on an end-tenant basis.

3. Details of property

The retail facilities, office buildings, hotels and complex facilities as of August 31, 2021 were as follows:

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
10001	Abiko Shopping Plaza	11-1, Abiko 4-chome, Abiko-shi, Chiba	Trust beneficial interest	41,293.90	12,900	9,448
10002	G-Bldg. Minami Aoyama 02	8-5, Minami Aoyama 5-chome, Minato-ku, Tokyo	Trust beneficial interest	1,529.15	5,190	5,175
10003	Ito-Yokado Yabashira	15-8, Higurashi 1-chome, Matsudo-shi, Chiba, etc.	Trust beneficial interest	21,308.78	1,880	1,245
10004	G-Bldg. Daikanyama 01	35-17, Ebisu-Nishi 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	599.79	1,580	1,190
10005	GYRE	10-1, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,824.67	28,300	21,887
10006	Ito-Yokado Tsunashima	8-1, Tsunashima-Nishi 2-chome, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	16,549.50	5,160	4,440
10007	Bic Camera Tachikawa	12-2, Akebonocho 2-chome, Tachikawa-shi, Tokyo, etc.	Trust beneficial interest	20,983.43	22,700	13,334
10008	AEON Itabashi Shopping Center	6-1, Tokumaru 2-chome, Itabashi-ku, Tokyo	Trust beneficial interest	72,748.34	13,700	10,391
10009	G-Bldg. Kita Aoyama 01	14-8, Kita-Aoyama 3-chome, Minato-ku, Tokyo	Trust beneficial interest	492.69	1,690	914
10011	SEIYU Hibarigaoka	9-8, Sumiyoshicho 3-chome, Nishi-Tokyo-shi, Tokyo	Trust beneficial interest	19,070.88	8,270	4,463
10012	JMF-Bldg. Jiyugaoka 01 (Note 8)	9-17, Jiyugaoka 2-chome, Meguro-ku, Tokyo, etc.	Trust beneficial interest	2,043.68	5,080	2,723
10013	Cheers Ginza	9-5, Ginza 5-chome, Chuo-ku, Tokyo	Trust beneficial interest	1,686.58	4,400	3,864
10014	Higashi-Totsuka Aurora City	537-1, Shinanocho, Totsuka-ku, Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	109,355.90	43,400	43,704
10016	G-Bldg. Jingumae 06	28-3, Jingumae 6-chome, Shibuya-ku, Tokyo	Real property	670.42	2,960	2,336
10017	G-Bldg. Jingumae 01	21-5, Jingumae 4-chome, Shibuya-ku, Tokyo	Real property	555.75	4,610	3,372
10018	G-Bldg. Jingumae 02	9-9, Jingumae 4-chome, Shibuya-ku, Tokyo	Trust beneficial interest	426.29	1,720	2,259
10019	G-Bldg. Minami Aoyama 01	4-48, Minami Aoyama 5-chome, Minato-ku, Tokyo, etc.	Trust beneficial interest	1,592.90	9,440	10,008
10020	AEON MALL Musashi Murayama	1-3, Enoki 1-chome, Musashimurayama-shi, Tokyo	Trust beneficial interest	137,466.97	31,200	24,222
10021	La Porte Aoyama (Note 5)	51-8, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,158.53	10,900	9,175
10022	G-Bldg. Shinjuku 01	1-8, Shinjuku 4-chome, Shinjuku-ku, Tokyo	Trust beneficial interest	1,082.64	7,810	6,493
10023	JMF-Bldg. Jingumae 01 (Note 8)	30-12, Jingumae 3-chome, Shibuya-ku, Tokyo	Real property	1,676.87	4,000	5,336
10024	G-Bldg. Minami-Ikebukuro 01 (Note 5)	19-5, Minami Ikebukuro 1-chome, Toshima-ku, Tokyo	Trust beneficial interest	5,066.06	8,440	5,925
10025	Makuhari Plaza	7701, Makuharicho 2-chome, Hanamigawa-ku, Chiba-shi, Chiba	Trust beneficial interest	24,505.37	6,830	5,352
10026	Urban Terrace Jingumae	47-6, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,719.19	5,250	2,672
10027	Round1 Machida	13-14, Morino 1-chome, Machida-shi, Tokyo	Trust beneficial interest	6,801.89	3,390	2,266
10028	Round1 Stadium Itabashi	16-13, Aioicho, Itabashi-ku, Tokyo	Trust beneficial interest	14,828.74	3,380	2,117
10029	Arkangel Daikanyama (Land with leasehold interest)	111-14, Aobadai 1-chome, Meguro-ku, Tokyo, etc.	Trust beneficial interest	904.04	1,630	1,012

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
10030	G-Bldg. Omotesando 01	1-9, Jingumae 6-chome, Shibuya-ku, Tokyo	Real property	1,508.03	8,610	5,782
10031	Round1 Yokohama Station West	8-16, Minamisaiwai 2-chome, Nishi-ku Yokohama-shi, Kanagawa	Trust beneficial interest	6,560.09	5,500	3,716
10032	G-Bldg. Sangenjaya 01	15-4, Taishido 2-chome, Setagaya-ku, Tokyo	Trust beneficial interest	3,471.52	6,440	3,643
10033	G-Bldg. Ginza 01	5-1, Ginza 6-chome, Chuo-ku, Tokyo	Trust beneficial interest	1,610.54	9,000	5,530
10034	Summit Store Nakano Minamidai	26-2, Minamidai 5-chome, Nakano-ku, Tokyo	Trust beneficial interest	3,536.50	3,830	3,006
10035	Colline Bajikouen	4-18, Kamiyoga 2-chome, Setagaya-ku, Tokyo	Trust beneficial interest	5,368.02	4,260	3,199
10036	KAWASAKI Le FRONT	1-11, Nissincho, Kawasaki-ku, Kawasaki-shi, Kanagawa, etc.	Trust beneficial interest	49,223.07	41,200	34,427
10037	JMF-Bldg. Shibuya 01 (Note 8)	20-13, Jinnan 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,630.03	4,920	3,087
10038	G-Bldg. Omotesando 02	25-15, Jingumae 4-chome, Shibuya-ku, Tokyo, etc.	Trust beneficial interest	5,555.65	22,650	17,766
10039	G-Bldg. Kichijoji 01	12-12, Kichijoji Honcho 2-chome, Musashino-shi, Tokyo	Trust beneficial interest	1,718.21	4,040	3,531
10040	CUTE CUBE HARAJUKU	7-1, Jingumae 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,428.55	10,400	8,470
10041	G-Bldg. Ueno 01	9-14, Ueno 4-chome, Taito-ku, Tokyo	Trust beneficial interest	1,471.80	3,870	3,422
10042	JMF-Bldg. Takadanobaba 01 (Note 8)	13-2, Takadanobaba 2-chome, Shinjuku-ku, Tokyo	Trust beneficial interest	3,569.20	7,330	6,035
10043	G-Bldg. Akihabara 01	11-11, Sotokanda 1-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	2,701.99	7,780	5,082
10044	G-Bldg. Akihabara 02	113, Kanda Matsunaga-cho, Chiyoda-ku, Tokyo, etc.	Trust beneficial interest	1,037.33	2,970	2,473
10045	G-Bldg. Kichijoji 02	3-13, Kichijoji Minamicho 2-chome, Musashino-shi, Tokyo	Trust beneficial interest	8,838.79	17,000	15,092
10046	JMF-Bldg. Ginza Chuo-Dori 01 (Note 8)	6-16, Ginza 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	3,141.07	13,400	12,978
10047	MARINE & WALK YOKOHAMA	3-1, Shinko 1-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	8,347.70	10,800	10,782
10048	G-Bldg. Jingumae 07	26-4 Jingumae 4-chome, Shibuya-ku, Tokyo	Real property	373.12	2,130	2,030
10049	G-Bldg. Minami Aoyama 03 (Note 5)	2-12, Minami Aoyama 5-chome, Minato-ku, Tokyo, etc.	Trust beneficial interest	1,373.46	12,200	12,293
10050	JMF-Bldg. Jingumae 02 (Note 8)	25-5 Jingumae 3-chome, Shibuya-ku, Tokyo	Trust beneficial interest	802.40	2,430	2,634
10051	Round1 Stadium Kawasaki Daishi	5-1, Tonomachi 1-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	13,559.17	2,920	2,395
10052	m-city Kashiwa	10 Oyamadai 1-chome, kashiwa-shi, Chiba, etc.	Trust beneficial interest	20,437.36	6,000	5,734
10053	G-Bldg. Jingumae 09	25-28 Jingumae 4-chome, Shibuya-ku, Tokyo, etc.	Trust beneficial interest	1,127.06	7,340	7,086
10054	Machinoma Omori	1-38, Omorinishi 3-chome, Ota-ku, Tokyo	Trust beneficial interest	8,981.14	9,510	9,117
10055	JMF-Bldg. Daikanyama 01 (Note 8)	20-20, Daikanyamacho, Shibuya-ku, Tokyo	Trust beneficial interest	2,151.31	3,970	3,258
10056	AEON MALL Tsudanuma	23-1, Tsudanuma 1-chome, Narashino-shi, Chiba	Trust beneficial interest	101,210.44	28,500	28,242
10057	JMF-Bldg. Yokohama Bashamichi 01 (Notes 5 and 8)	50-1, Honmachi 6-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	25,140.94	24,200	23,920
10058	JMF-Bldg. Kawasaki 01 (Notes 5 and 8)	1-14 Nisshin-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	24,485.71	23,700	23,678
10059	JMF-Bldg. Shibuya 02 (Notes 5 and 8)	31-15, Sakuragaokacho, Shibuya-ku, Tokyo	Trust beneficial interest	6,379.66	19,200	19,588

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
10060	JMF-Bldg. Shibuya 03 (Notes 5 and 8)	11-1 Dogenzaka 2-chome, Shibuya-ku, Tokyo	Trust beneficial interest	5,048.36	17,100	16,981
10061	JMF-Bldg. Toyocho 01 (Notes 5 and 8)	11-38 Toyo 4-chome, Koto-ku, Tokyo	Trust beneficial interest	12,487.73	11,300	11,278
10062	OMO3 Tokyo Akasaka (Notes 5 and 8)	3-2, Akasaka 4-chome, Minato-ku, Tokyo	Trust beneficial interest	4,236.46	8,010	7,979
10063	JMF-Bldg. Nihombashi Hamacho 01 (Notes 5 and 8)	12-4, Nihombashi Hamacho 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	6,123.81	10,400	10,378
10064	JMF-Bldg. Toyocho 02 (Notes 5 and 8)	6-35, Shinsuna 1-chome, Koto-ku, Tokyo	Trust beneficial interest	11,973.99	8,680	9,575
10065	JMF-Bldg. Sasazuka 01 (Notes 5 and 8)	1-6 Sasazuka 2-chome, Shibuya-ku, Tokyo	Trust beneficial interest	8,240.30	9,230	9,111
10066	JMF-Bldg. Ueno 01 (Notes 5 and 8)	24-8, Higashiueno 5-chome, Taito-ku, Tokyo	Trust beneficial interest	6,858.16	8,690	8,666
10067	JMF-Bldg. Yokohama 01 (Notes 5 and 8)	5-1 Sakae-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	12,714.76	8,320	8,247
10068	JMF-Bldg. Akasaka 01 (Notes 5 and 8)	11-28, Akasaka 1-chome, Minato-ku, Tokyo	Trust beneficial interest	2,544.21	4,480	4,483
10069	JMF-Bldg. Kanda01 (Notes 5 and 8)	1-15, Iwamotocho 2-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	3,149.39	4,250	4,268
10070	JMF-Bldg. Edogawabashi 01 (Notes 5 and 8)	44-10, Sekiguchi 1-chome, Bunkyo-ku, Tokyo	Trust beneficial interest	3,434.93	3,750	3,738
10071	JMF-Bldg. Higashi Nihombashi 01 (Notes 5 and 8)	8-3 Higashi-Nihombashi 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	3,254.77	3,230	3,191
10072	JMF-Bldg. Ichigaya 01 (Note 6)	2-1 Kudankita 4-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	10,372.26	22,100	21,170
20002	Kyoto Family	1-1, Ikejiricho, Yamanouchi, Ukyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	19,639.09	5,550	5,814
20003	Kawaramachi OPA	385, Komeyacho, Shijo-agaru, Kawaramachi-dori, Nakagyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	18,848.20	14,900	17,874
20004	AEON MALL Tsurumi Ryokuchi	17-1, Tsurumi 4-chome, Tsurumi-ku, Osaka-shi, Osaka	Trust beneficial interest	138,538.63	26,700	22,734
20005	AEON MALL Itami	1-1, Fujinoki 1-chome, Itami-shi, Hyogo	Trust beneficial interest	157,904.26	18,800	18,185
20006	Ario Otori	199-12, Otori Minami-cho 3-cho, Nishi-ku, Sakai-shi, Osaka, etc.	Trust beneficial interest	95,135.36	14,100	13,718
20007	AEON MALL Kobe Kita	1-1, Kouzudai 8-chome, Kita-ku, Kobe-shi, Hyogo	Trust beneficial interest	128,050.62	12,110	8,262
20008	LIFE Kishibe (Land with leasehold interest)	2205-15, Hara-cho 4-chome, Suita-shi, Osaka, etc.	Real property	5,516.61	1,950	1,942
20009	LIFE Shimodera (Land with leasehold interest)	5-23, Shimodera 2-chome, Naniwa-ku, Osaka-shi, Osaka, etc.	Real property	4,344.18	2,090	1,717
20010	LIFE Taiheiji (Land with leasehold interest)	43-6, Taiheiji 2-chome, Higashi Osaka-shi, Osaka	Real property	3,898.01	1,190	1,304
20011	G-Bldg. Shinsaibashi 01	5-3, Sinsaibashi-suji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	966.52	3,210	1,585
20012	Round1 Stadium Sennichimae (Land with leasehold interest)	1, Namba 1-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	1,711.63	11,900	8,091
20013	G-Bldg. Shinsaibashi 02	3-24, Shinsaibashi-suji 1-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	948.72	8,190	4,244
20014	Izumisano Shofudai (Land with leasehold interest)	1138-1, Shofudai 1-chome, Izumisano-shi, Osaka	Trust beneficial interest	44,009.52	2,640	2,657
20015	Round1 Stadium Sakai Chuo Kanjyo	241, Ishihara-cho 2-cho, Higashi-ku Sakai-shi, Osaka	Trust beneficial interest	17,521.46	2,520	1,568
20016	pivo Izumi Chuo	1-2, Ibukino 5-chome, Izumi-shi, Osaka, etc.	Trust beneficial interest	21,182.94	6,960	5,171
20017	KAMISHIN PLAZA	6-12, Osumi 1-chome, Higashiyodogawa-ku, Osaka-shi, Osaka	Trust beneficial interest	12,013.46	5,110	4,365

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
20018	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	2,746
20019	G-Bldg. Shinsaibashi 03	2-14, Shinsaibashi-suji 1-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	5,319.29	36,300	30,228
20020	Round1 Stadium Takatsuki	6-4, Zushi 3-chome, Takatsuki-shi, Osaka	Trust beneficial interest	19,767.64	2,990	1,922
20021	m-city Toyonaka	2-18, Hinode-cho, 2-chome, Toyonaka-shi, Osaka	Trust beneficial interest	33,301.93	6,540	5,163
20022	EDION Kyobashi (Land with leasehold interest)	53-1, Gamo 1-chome, Joto-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	4,307.16	5,980	5,756
20023	JMF-Bldg. Abeno 01 (Note 8)	4-7, Abenosuji 1-chome, Abeno-ku, Osaka-shi, Osaka	Trust beneficial interest	4,757.35	5,430	4,509
20024	G-Bldg. Umeda 01	15-22, Chayamachi, Kita-ku, Osaka-shi, Osaka	Trust beneficial interest	3,529.51	10,100	9,730
20025	G-Bldg. Shinsaibashi 04	10-5, Minamisenba 3-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	1,610.63	3,170	3,307
20026	JMF-Bldg. Kyoto Kawaramachi 01 (Note 8)	235, Yamazakicho 2-chome, Sanjo-sagaru, Kawaramachi-dori, Nakagyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	2,407.32	2,420	2,170
20027	G-Bldg. Midosuji 01	10-25, Minamisenba 3-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	2,446.00	9,280	10,602
20028	G-Bldg. Kobe Sannomiya 01	1-15 Kitanagasa-dori 3-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	3,750.38	3,290	3,085
20029	Round1 Sannomiya Station	1-17 Onoe-dori 6-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	10,054.52	3,310	3,180
20030	G-Bldg. Midosuji 02	8-18 Shinsaibashisuji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	1,428.28	16,200	15,538
20031	Twin 21 (Note 5)	1-61 Shiromi 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	82,304.82	59,800	60,065
20032	JMF-Bldg. Kitahama 01 (Notes 5 and 8)	6-7 Doshomachi 1-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	10,189.49	11,600	11,456
20033	JMF-Bldg. Osaka Fukushima 01 (Notes 5 and 8)	15-26, Fukushima 7-chome, Fukushima-ku, Osaka-shi, Osaka	Trust beneficial interest	9,952.00	8,730	8,530
20034	JMF-Bldg. Higobashi 01 (Notes 5 and 8)	5-16 Edobori 1-chome, Nishi-ku, Osaka-shi, Osaka	Trust beneficial interest	4,655.57	4,340	4,321
20035	Konami Sports Club Kyobashi (Note 5)	8-17 Higashinoda-machi 1-chome, Miyakojima-ku, Osaka-shi, Osaka	Trust beneficial interest	9,586.26	3,080	3,405
20036	JMF-Bldg. Imabashi 01 (Notes 5 and 8)	3-16 Imabashi 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	4,277.63	2,630	2,595
20037	JMF-Bldg. Nishi Hommachi 01 (Notes 5 and 8)	6-1 Awaza 1-chome, Nishi-ku, Osaka-shi, Osaka	Trust beneficial interest	3,846.91	2,630	2,613
20038	G-Bldg. Shinsaibashi 05	8-5 Shinsaibashi-suji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	999.29	13,400	9,111
30001	AEON Yagoto	2-1, Ishizaka, Kojimachi-aza, Showa-ku, Nagoya-shi, Aichi	Trust beneficial interest	63,702.48	3,630	3,082
30002	mozo wonder city (Note 6)	40-1, Futakatacho, Nishi-ku, Nagoya-shi, Aichi, etc.	Trust beneficial interest	86,526.78	64,200	50,622
30003	G-Bldg. Nagoya Sakae 01	27-24, Sakae 3-chome, Naka-ku, Nagoya-shi, Aichi	Real property	794.02	1,340	1,920
30004	Valor Kachigawa (Land with leasehold interest)	1-1 Onocho 2-chome, Kasugai-shi, Aichi	Trust beneficial interest	20,509.10	6,490	6,411
90001	Nara Family (Note 6)	4-1, Saidaiji-higashimachi 2-chome, Nara-shi, Nara	Trust beneficial interest	82,927.88	38,300	33,839
90002	AEON MALL Sapporo Naebo	1-1, Higashinaebo 2jo 3-chome, Higashi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	74,625.52	8,860	6,060
90003	AEON Naha Shopping Center	10-2, Kanagusuku 5-chome, Naha-shi, Okinawa	Trust beneficial interest	79,090.48	10,800	9,351

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
90004	Oyama Yuen Harvest Walk (Note 5)	1475-52, Aza-kaido-nishi, Oaza-Kizawa, Oyama-shi, Tochigi, etc.	Trust beneficial interest	59,535.09	9,980	7,910
90005	AEON MALL Sapporo Hassamu	1-1, Hassamu 8jo 12-chome, Nishi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	102,162.16	19,600	14,329
90006	MrMax Nagasaki	26-1, Iwami machi, Nagasaki-shi, Nagasaki, etc.	Trust beneficial interest	12,115.09	3,270	2,365
90007	Kaden sumairu kan YAMADA Fukuoka Shime Honten	2-1, Minamizato 5-chome, Shime-machi, Kasuya-gun, Fukuoka	Trust beneficial interest	(Note 7)	5,580	3,501
90008	Round1 Hiroshima	3-11, Tatemachi, Naka-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	9,890.63	4,150	2,747
90009	DFS T GALLERIA OKINAWA	1-1, Omoromachi 4-chome, Naha-shi, Okinawa	Trust beneficial interest	42,088.14	17,300	14,651
90010	G-Bldg. Sendai Ichibancho 01	5-12, Ichibancho 3-chome, Aoba-ku, Sendai-shi, Miyagi	Real property	2,387.17	4,570	4,440
90011	G-Bldg. Naha-shintoshin 01	5-33, Omoromachi 2-chome, Naha-shi, Okinawa	Trust beneficial interest	(Note 7)	6,730	5,523
90012	G-Bldg. Tenjin Nishi-dori 01 (Note 5)	8-22, Tenjin 2-chome, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	2,667.42	4,800	4,935
90013	G-Bldg. Tenjin Nishi-dori 02	12-64, Daimyo 1-chome,Chuo-ku,Fukuoka-shi, Fukuoka	Trust beneficial interest	1,496.56	5,540	5,203
90014	JMF-Bldg. Sendai 01 (Notes 5 and 8)	10-3 Chuo 4-chome, Aoba-ku, Sendai-shi, Miyagi	Trust beneficial interest	13,059.12	6,800	6,795
90015	Dormy Inn Hakata Gion (Note 5)	1-12 Reisen-machi, Hakata-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	5,554.91	4,430	4,425
Total				2,506,060.21	1,280,820	1,119,816

Note 1 JMF uses property number for investment properties. The property numbers were changed on April 16, 2021 due to the merger on March 1, 2021.

Note 2 "Location" means the residence indication or the location indicated in the land registry book.

Note 3 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 4 "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, Tanizawa Sōgō Appraisal Co., Ltd. and JLL Morii Valuation & Advisory K.K.) 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 5 "Leasable area" for a pass-through master leased property are presented on an end-tenant basis.

Note 6 "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 7 "Leasable area" of the property is not disclosed because the consent from the tenant has not been obtained.

Note 8 The names of these properties have changed as follows:

New name	Old name	Date of name changes
JMF-Bldg. Jiyugaoka 01	G-Bldg. Jiyugaoka 01	April 16, 2021
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. Yokohama Bashamichi 01	Yokohama i-land Tower	
JMF-Bldg. Kawasaki 01	Cube Kawasaki	
JMF-Bldg. Shibuya 02	Shibuya Sakuragaoka Square	
JMF-Bldg. Shibuya 03	G-Square Shibuya Dogenzaka	
JMF-Bldg. Toyocho 01	USC Bldg.	
JMF-Bldg. Nihombashi Hamacho 01	TOYOTA MOBILITY SERVICE Bldg.	
JMF-Bldg. Toyocho 02	East Square Tokyo	
JMF-Bldg. Sasazuka 01	Sasazuka Center Bldg.	
JMF-Bldg. Ueno 01	Sumitomo Fudosan Ueno Bldg. No.6	
JMF-Bldg. Yokohama 01	Yokohama Creation Square	
JMF-Bldg. Akasaka 01	M-City Akasaka 1-chome Bldg.	
JMF-Bldg. Kanda 01	Yoshiyasu Kanda Bldg.	
JMF-Bldg. Edogawabashi 01	M-City Edogawabashi Bldg.	
JMF-Bldg. Higashi Nihombashi 01	Higashi-Nihombashi Green Bldg.	
JMF-Bldg. Abeno 01	G-Bldg. Abeno 01	
JMF-Bldg. Kyoto Kawaramachi 01	G-Bldg. Kyoto Kawaramachi 01	
JMF-Bldg. Kitahama 01	Kitahama MID Bldg.	
JMF-Bldg. Osaka Fukushima 01	Osaka YM Bldg.	
JMF-Bldg. Higobashi 01	Higobashi MID Bldg.	
JMF-Bldg. Imabashi 01	MID Imabashi Bldg.	
JMF-Bldg. Nishi Hommachi 01	MID Nishihommachi Bldg.	
JMF-Bldg. Sendai 01	Sendai Capital Tower	
OMO3 Tokyo Akasaka	Hotel Vista Premio Tokyo	October 13, 2021

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

No.	Name of property	For the six months ended February 28, 2021				For the six months ended August 31, 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) (%)
10001	Abiko Shopping Plaza	55	99.9	616	2.1	53	99.8	608	1.6
10002	G-Bldg. Minami Aoyama 02	4	100.0	88	0.3	4	100.0	95	0.3
10003	Ito-Yokado Yabashira	1	100.0	78	0.3	1	100.0	78	0.2
10004	G-Bldg. Daikanyama 01	1	100.0	39	0.1	1	100.0	39	0.1
10005	GYRE	15	100.0	589	2.0	15	100.0	596	1.6
10006	Ito-Yokado Tsunashima	1	100.0	168	0.6	1	100.0	168	0.4
10007	Bic Camera Tachikawa	2	100.0	628	2.1	2	100.0	627	1.7
10008	AEON Itabashi Shopping Center	1	100.0	676	2.3	1	100.0	705	1.9
10009	G-Bldg. Kita Aoyama 01	2	100.0	34	0.1	2	100.0	34	0.1
10010	AEON MALL Yamato (Note 3)	1	100.0	426	1.4	-	-	45	0.1
10011	SEIYU Hibarigaoka	1	100.0	249	0.8	1	100.0	249	0.7
10012	JMF-Bldg. Jiyugaoka 01	4	100.0	76	0.3	4	100.0	98	0.3
10013	Cheers Ginza	7	69.1	75	0.3	8	79.4	90	0.2
10014	Higashi-Totsuka Aurora City	5	100.0	1,258	4.3	5	100.0	1,259	3.3
10015	Ito-Yokado Yotsukaido (Note 4)	2	100.0	298	1.0	-	-	266	0.7
10016	G-Bldg. Jingumae 06	4	100.0	53	0.2	4	100.0	53	0.1
10017	G-Bldg. Jingumae 01	2	100.0	82	0.3	2	100.0	82	0.2
10018	G-Bldg. Jingumae 02	3	100.0	32	0.1	3	100.0	32	0.1
10019	G-Bldg. Minami Aoyama 01	3	100.0	168	0.6	3	100.0	168	0.4
10020	AEON MALL Musashi Murayama	1	100.0	919	3.1	1	100.0	920	2.4
10021	La Porte Aoyama (Note 5)	23	96.2	233	0.8	24	100.0	245	0.6
10022	G-Bldg. Shinjuku 01	1	100.0	166	0.6	1	100.0	169	0.4
10023	JMF-Bldg. Jingumae 01	8	100.0	82	0.3	8	100.0	82	0.2
10024	G-Bldg. Minami-Ikebukuro 01 (Note 5)	8	100.0	249	0.8	8	100.0	247	0.7
10025	Makuhari Plaza	5	100.0	208	0.7	5	100.0	211	0.6
10026	Urban Terrace Jingumae	2	100.0	103	0.3	2	100.0	103	0.3
10027	Round1 Machida	1	100.0	90	0.3	1	100.0	90	0.2
10028	Round1 Stadium Itabashi	1	100.0	95	0.3	1	100.0	95	0.3

No.	Name of property	For the six months ended February 28, 2021				For the six months ended August 31, 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) (%)
10029	Arkangel Daikanyama (Land with leasehold interest)	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
10030	G-Bldg. Omotesando 01	1	100.0	135	0.5	1	100.0	131	0.3
10031	Round1 Yokohama Station West	1	100.0	114	0.4	1	100.0	114	0.3
10032	G-Bldg. Sangenjaya 01	3	100.0	172	0.6	3	100.0	171	0.5
10033	G-Bldg. Ginza 01	6	100.0	183	0.6	6	100.0	199	0.5
10034	Summit Store Nakano Minamidai	1	100.0	84	0.3	1	100.0	84	0.2
10035	Colline Bajikouen	10	100.0	139	0.5	9	90.2	125	0.3
10036	KAWASAKI Le FRONT	67	100.0	1,809	6.2	66	99.1	1,820	4.8
10037	JMF-Bldg. Shibuya 01	2	100.0	64	0.2	2	100.0	74	0.2
10038	G-Bldg. Omotesando 02	6	100.0	380	1.3	6	100.0	382	1.0
10039	G-Bldg. Kichijoji 01	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
10040	CUTE CUBE HARAJUKU	9	86.1	195	0.7	10	100.0	187	0.5
10041	G-Bldg. Ueno 01	1	100.0	76	0.3	1	100.0	76	0.2
10042	JMF-Bldg. Takadanobaba 01	13	100.0	162	0.6	14	100.0	163	0.4
10043	G-Bldg. Akihabara 01	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
10044	G-Bldg. Akihabara 02	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
10045	G-Bldg. Kichijoji 02	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
10046	JMF-Bldg. Ginza Chuo-Dori 01	8	86.3	231	0.8	10	100.0	199	0.5
10047	MARINE & WALK YOKOHAMA	24	95.2	409	1.4	26	100.0	379	1.0
10048	G-Bldg. Jingumae 07	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
10049	G-Bldg. Minami Aoyama 03 (Note 5)	6	87.3	147	0.5	6	87.3	158	0.4
10050	JMF-Bldg. Jingumae 02	3	100.0	53	0.2	3	100.0	53	0.1
10051	Round1 Stadium Kawasaki Daishi	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
10052	m-city Kashiwa	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
10053	G-Bldg. Jingumae 09	7	100.0	97	0.3	6	90.2	106	0.3
10054	Machinoma Omori	33	93.7	362	1.2	35	100.0	365	1.0
10055	JMF-Bldg. Daikanyama 01	5	47.0	58	0.2	6	61.3	47	0.1
10056	AEON MALL Tsudanuma	-	-	-	-	1	100.0	726	1.9
10057	JMF-Bldg. Yokohama Bashamichi 01 (Note 5)	-	-	-	-	7	100.0	688	1.8

No.	Name of property	For the six months ended February 28, 2021				For the six months ended August 31, 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) (%)
10058	JMF-Bldg. Kawasaki 01 (Note 5)	-	-	-	-	11	95.6	729	1.9
10059	JMF-Bldg. Shibuya 02 (Note 5)	-	-	-	-	3	89.9	345	0.9
10060	JMF-Bldg. Shibuya 03 (Note 5)	-	-	-	-	8	61.4	289	0.8
10061	JMF-Bldg. Toyocho 01 (Note 5)	-	-	-	-	10	100.0	344	0.9
10062	OMO3 Tokyo Akasaka (Note 5)	-	-	-	-	2	100.0	(Note 6)	(Note 6)
10063	JMF-Bldg. Nihombashi Hamacho 01 (Note 5)	-	-	-	-	1	100.0	(Note 6)	(Note 6)
10064	JMF-Bldg. Toyocho 02 (Note 5)	-	-	-	-	15	74.3	335	0.9
10065	JMF-Bldg. Sasazuka 01 (Note 5)	-	-	-	-	12	100.0	283	0.7
10066	JMF-Bldg. Ueno 01 (Note 5)	-	-	-	-	7	100.0	(Note 6)	(Note 6)
10067	JMF-Bldg. Yokohama 01 (Note 5)	-	-	-	-	47	94.5	366	1.0
10068	JMF-Bldg. Akasaka 01 (Note 5)	-	-	-	-	10	88.7	99	0.3
10069	JMF-Bldg. Kanda01 (Note 5)	-	-	-	-	8	100.0	114	0.3
10070	JMF-Bldg. Edogawabashi 01 (Note 5)	-	-	-	-	4	86.1	43	0.1
10071	JMF-Bldg. Higashi Nihombashi 01 (Note 5)	-	-	-	-	9	100.0	93	0.2
10072	JMF-Bldg. Ichigaya 01 (Notes 7 and 10)	-	-	-	-	27	81.3	298	0.8
20001	AEON Takatsuki (Note 8)	1	100.0	400	1.4	-	-	18	0.0
20002	Kyoto Family	62	99.9	550	1.9	62	98.6	542	1.4
20003	Kawaramachi OPA	1	100.0	335	1.1	1	100.0	335	0.9
20004	AEON MALL Tsurumi Ryokuchi	1	100.0	891	3.0	1	100.0	891	2.3
20005	AEON MALL Itami	1	100.0	585	2.0	1	100.0	585	1.5
20006	Ario Otori	1	100.0	549	1.9	1	100.0	549	1.4
20007	AEON MALL Kobe Kita	1	100.0	400	1.4	1	100.0	410	1.1
20008	LIFE Kishibe (Land with leasehold interest)	1	100.0	68	0.2	1	100.0	68	0.2
20009	LIFE Shimodera (Land with leasehold interest)	1	100.0	56	0.2	1	100.0	56	0.2
20010	LIFE Taiheiji (Land with leasehold interest)	1	100.0	48	0.2	1	100.0	48	0.1
20011	G-Bldg. Shinsaibashi 01	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
20012	Round1 Stadium Sennichimae (Land with leasehold interest)	1	100.0	240	0.8	1	100.0	240	0.6
20013	G-Bldg. Shinsaibashi 02	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
20014	Izumisano Shofudai (Land with leasehold interest)	2	100.0	(Note 6)	(Note 6)	2	100.0	(Note 6)	(Note 6)

No.	Name of property	For the six months ended February 28, 2021				For the six months ended August 31, 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) (%)
20015	Round1 Stadium Sakai Chuo Kanjyo	1	100.0	82	0.3	1	100.0	82	0.2
20016	pivo Izumi Chuo	17	100.0	(Note 6)	(Note 6)	17	100.0	(Note 6)	(Note 6)
20017	KAMISHIN PLAZA	38	99.3	289	1.0	39	100.0	289	0.8
20018	Round1 Kyoto Kawaramachi	1	100.0	104	0.4	1	100.0	104	0.3
20019	G-Bldg. Shinsaibashi 03	4	100.0	(Note 6)	(Note 6)	4	100.0	(Note 6)	(Note 6)
20020	Round1 Stadium Takatsuki	1	100.0	91	0.3	1	100.0	91	0.2
20021	m-city Toyonaka	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
20022	EDION Kyobashi (Land with leasehold interest)	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
20023	JMF-Bldg. Abeno 01	10	100.0	150	0.5	10	100.0	157	0.4
20024	G-Bldg. Umeda 01	11	90.2	241	0.8	12	100.0	208	0.5
20025	G-Bldg. Shinsaibashi 04	5	100.0	80	0.3	5	100.0	81	0.2
20026	JMF-Bldg. Kyoto Kawaramachi 01	4	100.0	47	0.2	4	100.0	57	0.2
20027	G-Bldg. Midosuji 01	1	24.4	(Note 6)	(Note 6)	1	24.4	(Note 6)	(Note 6)
20028	G-Bldg. Kobe Sannomiya 01	5	100.0	(Note 6)	(Note 6)	5	100.0	(Note 6)	(Note 6)
20029	Round1 Sannomiya Station	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
20030	G-Bldg. Midosuji 02	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
20031	Twin 21 (Note 5)	-	-	-	-	106	96.8	2,354	6.2
20032	JMF-Bldg. Kitahama 01 (Note 5)	-	-	-	-	10	100.0	339	0.9
20033	JMF-Bldg. Osaka Fukushima 01 (Note 5)	-	-	-	-	25	90.8	250	0.7
20034	JMF-Bldg. Higobashi 01 (Note 5)	-	-	-	-	12	100.0	135	0.4
20035	Konami Sports Club Kyobashi (Note 5)	-	-	-	-	1	100.0	(Note 6)	(Note 6)
20036	JMF-Bldg. Imabashi 01 (Note 5)	-	-	-	-	19	93.9	103	0.3
20037	JMF-Bldg. Nishi Hommachi 01 (Note 5)	-	-	-	-	18	91.5	123	0.3
20038	G-Bldg. Shinsaibashi 05 (Note 9)	-	-	-	-	1	100.0	(Note 6)	(Note 6)
30001	AEON Yagoto	1	100.0	124	0.4	1	100.0	127	0.3
30002	mozo wonder city (Note 10)	212	99.0	3,101	10.5	217	99.8	3,016	7.9
30003	G-Bldg. Nagoya Sakae 01	1	24.8	(Note 6)	(Note 6)	1	24.8	(Note 6)	(Note 6)
30004	Valor Kachigawa (Land with leasehold interest)	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
90001	Nara Family (Note 10)	111	98.9	1,810	6.2	109	99.1	1,744	4.6

No.	Name of property	For the six months ended February 28, 2021				For the six months ended August 31, 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) (%)
90002	AEON MALL Sapporo Naebo	1	100.0	367	1.2	1	100.0	375	1.0
90003	AEON Naha Shopping Center	1	100.0	369	1.3	1	100.0	377	1.0
90004	Oyama Yuen Harvest Walk (Note 5)	67	99.2	761	2.6	68	99.4	768	2.0
90005	AEON MALL Sapporo Hassamu	1	100.0	570	1.9	1	100.0	583	1.5
90006	MrMax Nagasaki	2	100.0	(Note 6)	(Note 6)	2	100.0	(Note 6)	(Note 6)
90007	Kaden sumairu kan YAMADA Fukuoka Shime Honten	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
90008	Round1 Hiroshima	1	100.0	119	0.4	1	100.0	119	0.3
90009	DFS T GALLERIA OKINAWA	1	100.0	497	1.7	1	100.0	518	1.4
90010	G-Bldg. Sendai Ichibancho 01	1	100.0	100	0.3	1	100.0	96	0.3
90011	G-Bldg. Naha-shintoshin 01	2	100.0	(Note 6)	(Note 6)	2	100.0	(Note 6)	(Note 6)
90012	G-Bldg. Tenjin Nishi-dori 01 (Note 5)	7	88.8	111	0.4	7	88.9	108	0.3
90013	G-Bldg. Tenjin Nishi-dori 02	1	100.0	(Note 6)	(Note 6)	1	100.0	(Note 6)	(Note 6)
90014	JMF-Bldg. Sendai 01 (Note 5)	-	-	-	-	83	95.9	291	0.8
90015	Dormy Inn Hakata Gion (Note 5)	-	-	-	-	2	100.0	(Note 6)	(Note 6)
Total		968	99.6	29,392	100.0	1,435	99.1	38,022	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 JMF sold 50% quasi-co-ownership interest of the property on December 21, 2020 and remaining 50% on March 30, 2021.

Note 4 JMF sold the property on August 12, 2021.

Note 5 "Number of tenants" and "Occupancy ratio" for a pass-through master leased property are presented on an end-tenant basis.

Note 6 Rent revenue of the property is not disclosed because the consent from the tenant has not been obtained.

Note 7 JMF acquired the property on April 30, 2021.

Note 8 JMF sold the property on March 10, 2021.

Note 9 JMF acquired the property on April 30, 2021.

Note 10 "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.

4. Details of investment securities

The details of investment securities as of August 31, 2021 were as follows:

(Thousand of yen)

Description of securities	Classification of assets	Quantity	Acquisition cost		Fair value		Unrealized gains (or losses)	Remarks
			Per unit (Yen)	Amount	Per unit (Yen)	Amount		
Equity interest of Tokumei Kumiai agreement managed by R40 Godo Kaisha	Investment in Tokumei Kumiai agreement	-	-	8,651,999	-	8,651,999	-	Notes 1 and 2
Investment units of Nisshin Private Residential Reit, Inc.	Investment securities	1,680	1,127,924	1,894,913	1,166,665	1,959,997	65,083	Note 3
Total	—	-	-	10,546,913	-	10,611,996	-	-

Note 1 The investment asset is trust beneficiary interest for the 33.9% co-ownership interest (and 29.5% right of site) of the sectional ownership of Nagoya Lucent Tower.

Note 2 "Fair value" of the investment in Tokumei Kumiai agreement represents carrying amounts.

Note 3 The underlying assets are mainly trust beneficiary interests of Kawasaki Sakuramoto WEST and N-stage Matsudo, etc.

5. Details of specified transaction

The details of specified transaction as of August 31, 2021 were as follows:

(Millions of yen)

Classification	Transaction	Notional amounts		Fair value (Note 1)
			Over 1 year	
Over-the-counter	Interest rate swaps (Floating-rate to fixed-rate interest)	118,000	83,800	(1,154)
Total		118,000	83,800	(1,154)

Note 1 The fair value is measured at the amount calculated by the counter party to the interest rate swaps contracts based on the prevailing market interest rates and other assumptions.

Note 2 The interest rate swaps for which JMF had applied the special treatment provided under the Accounting Standard Board of Japan Statement No.10, "Accounting Standard for Financial Instruments" revised on March 10, 2008, are not required to be measured in the balance sheets.

6. Other assets

Real property and trust beneficial interests in real property are included in the above table "3. Details of property" and "4. Details of investment securities". There were no other significant specified assets as of August 31, 2021.

Capital expenditures for property

1. Schedule of capital expenditures

The current significant plan for capital expenditures on property maintenance is set out below. The amounts of estimated cost shown in the below table are including expenses that 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 August 31, 2021	Total of advanced payment
For the six months ending February 28, 2022 (the 40th fiscal period from September 1, 2021 to February 28, 2022)						
AEON MALL Tsudanuma	Narashino-shi, Chiba	Installment of fire shutter equipment	October, 2021 to February, 2022	261	-	-
JMF-Bldg. Toyocho 02	Koto-ku, Tokyo	Construction of PAC at energy building	November, 2021 to February, 2022	102	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of hoisting equipment for elevator	September, 2021 to February, 2022	101	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of central monitoring equipment	October, 2021 to February, 2022	88	-	-
mozo wonder city	Nishi-ku, Nagoya-shi, Aichi	Installation of digital signages	August, 2021 to September, 2021	79	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system	September, 2021 to February, 2022	75	-	-
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of AHU	April, 2021 to December, 2021	73	-	-
JMF-Bldg. Nihombashi Hamacho 01	Chuo-ku, Tokyo	Renewal of air conditioning system	November, 2021 to February, 2022	66	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system at standard floor	September, 2021 to February, 2022	65	-	-
Abiko Shopping Plaza	Abiko-shi, Chiba	Refresh construction	October, 2021	63	3	5
GYRE	Shibuya-ku, Tokyo	Repair of outer wall	September, 2021 to February, 2022	61	-	-
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Exchange of storage battery charger	February, 2022	52	-	-
AEON MALL Itami	Itami-shi, Hyogo	Renewal of disaster prevention equipment	October, 2021	50	-	-

(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 August 31, 2021	Total of advanced payment
For the six months ending August 31, 2022 (the 41st fiscal period from March 1, 2022 to August 31, 2022)						
mozo wonder city	Nishi-ku, Nagoya-shi, Aichi	Renewal construction	February, 2022 to July, 2022	540	4	11
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of PAC air conditioner	April, 2022 to May, 2022	122	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of hoisting equipment for elevator	December, 2021 to August, 2022	118	-	-
JMF-Bldg. Toyocho 01	Koto-ku, Tokyo	Repair of outer wall	January, 2022 to July, 2022	115	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system	April, 2022 to August, 2022	113	-	-
JMF-Bldg. Toyocho 02	Koto-ku, Tokyo	Renewal of drain	February, 2022 to August, 2022	95	-	-
AEON MALL Tsurumi Ryokuchi	Tsurumi-ku, Osaka-shi, Osaka	Renewal of package air conditioner	March, 2022	91	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system at standard floor	March, 2022 to August, 2022	84	-	-
JMF-Bldg. Nihombashi Hamacho 01	Chuo-ku, Tokyo	Renewal of air conditioning system	May, 2022 to June, 2022	80	-	-
AEON MALL Tsudanuma	Narashino-shi, Chiba	Renewal of automatic fire information alarm facilities	April, 2022 to August, 2022	68	-	-
AEON MALL Itami	Itami-shi, Hyogo	Renewal of guide light	April, 2022 to July, 2022	66	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of escalator (5th / 7th plan)	April, 2022 to July, 2022	63	-	-
JMF-Bldg. Yokohama Bashamichi 01	Naka-ku, Yokohama-shi, Kanagawa	LED lighting equipment at common area	April, 2022 to August, 2022	63	-	-
Bic Camera Tachikawa	Tachikawa-shi, Tokyo	Renewal of escalator at main building (1st period / 4 periods)	July, 2022	62	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of central monitoring equipment	March, 2022 to August, 2022	61	-	-
AEON MALL Itami	Itami-shi, Hyogo	Renewal of disaster prevention equipment	April, 2022 to May, 2022	58	-	-
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of AHU	September, 2021 to April, 2022	58	-	-
G-Bldg. Midosuji 01	Chuo-ku, Osaka-shi, Osaka	Conversion construction to office are	November, 2021 to August, 2022	56	-	-
Higashi-Totsuka Aurora City	Totsuka-ku, Yokohama-shi, Kanagawa	Renewal of PMAC at Seibu-building	April, 2022 to June, 2022	51	-	-
Kawaramachi OPA	Nakagyo-ku, Kyoto-shi, Kyoto	Repair of outer wall (1st period / 3 periods)	April, 2022 to June, 2022	50	-	-

2. Capital expenditures for the six months ended August 31, 2021

Maintenance expenditures on property for the six months ended August 31, 2021 amounted to ¥3,670 million, consisting of ¥2,785 million of capital expenditures stated as below and ¥884 million of repair and maintenance expenses charged to income.

(Millions of yen)

Name of property	Location	Purpose	Term for construction or maintenance	Capital expenditures
JMF-Bldg. Toyocho 02	Koto-ku, Tokyo	Renewal of UPS equipment	February, 2020 to June, 2021	357
G-Bldg. Midosuji 01	Chuo-ku, Osaka-shi, Osaka	Installment of common area	April, 2021 to August, 2021	174
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of hoisting equipment for elevator	December, 2020 to July, 2021	132
Investment Corporation		Developed of "mozo plus" / "Le FRONT plus"	January, 2021 to August, 2021	105
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system	April, 2021 to August, 2021	99
AEON MALL Tsurumi Ryokuchi	Tsurumi-ku, Osaka-shi, Osaka	Renewal of package air conditioner	April, 2021 to June, 2021	91
AEON MALL Itami	Itami-shi, Hyogo	Renewal of disaster prevention equipment	July, 2021 to August, 2021	90
JMF-Bldg. Yokohama Bashamichi 01	Naka-ku, Yokohama-shi, Kanagawa	LED lighting equipment at common area at high building	May, 2021 to August, 2021	79
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Exchange of storage battery charger	July, 2021 to August, 2021	50
Other	-	-	-	1,603
Total				2,785

3. Reserved funds for long-term maintenance plan

JMF generally reserves funds to appropriate for future expenditures on large-scale maintenance based on a long-term maintenance plan, except for when depreciation for each fiscal period exceeds the following two items:

Item A:

Scheduled amounts to be reserved as funds for the long-term maintenance plan in each fiscal period

Item B:

Maintenance expenditures scheduled in the long-term maintenance plan in each fiscal period

There were no reserved funds for the last five fiscal periods.

Condition of expenses and liabilities

1. Details of asset management expenses

(Thousands of yen)

Item	38th fiscal period For the six months ended February 28, 2021	39th fiscal period For the six months ended August 31, 2021
Asset management fees (Note 1)	2,677,495	4,449,593
Custodian fees	29,970	30,530
General administration fees	129,518	132,113
Compensation for Directors	5,940	5,782
Other operating expenses (Note 2)	327,383	1,175,836
Total	3,170,307	5,793,856

Note 1 Asset management fees for the six months ended August 31, 2021 include merger fees amounting to ¥1,000,000 thousand. In addition to the above asset management fees, JMF paid the asset manager acquisition fees which were charged to income as costs of sale of property amounting to ¥51,600 thousand and ¥117,325 thousand for the six months ended February 28, 2021 and August 31, 2021, respectively, and those fees which were capitalized as property costs amounting to ¥239,480 thousand for the six months ended August 31, 2021.

Note 2 Other operating expenses include merger expenses amounting to ¥74,764 thousand and ¥356,711 thousand for the six months ended February 28, 2021 and August 31, 2021, respectively, and amortization of goodwill amounting to ¥401,230 thousand for the six months ended August 31, 2021.

Condition of investment transactions

1. Transactions of property and asset-backed securities

(Millions of yen)

Name of real property, etc.	Acquisition		Disposition			
	Date of acquisition	Acquisition cost (Note 1)	Date of disposition	Disposition amount (Note 1)	Net book value	Gain (loss) on disposition
JMF-Bldg. Ichigaya 01	April 30, 2021	20,935	-	-	-	-
G-Bldg. Shinsaibashi 05	April 30, 2021	9,000	-	-	-	-
AEON Takatsuki (Note 2)	-	-	March 10, 2021	10,954	9,715	990
AEON MALL Yamato (50% of quasi-co-ownership) (Note 3)	-	-	March 30, 2021	8,600	7,400	1,116
Ito-Yokado Yotsukaido (Note 4)	-	-	August 12, 2021	10,350	12,080	(1,767)
Total		29,935		29,904	29,196	340

Note 1 The acquisition cost or disposition amount indicates contracted amount of the property in the purchase agreement excluding related expenses (brokerage fee, taxes, etc.).

Note 2 Gain on disposition of AEON Takatsuki reflects other sales expenses amounting to ¥249 million.

Note 3 Gain on disposition of AEON MALL Yamato reflects other sales expenses amounting to ¥82 million.

Note 4 Loss on disposition of Ito-Yokado Yotsukaido reflects other sales expenses amounting to ¥36 million.

2. Transactions of other assets

(Millions of yen)

Classification of assets	Purchase		Sale		Balance as of August 31, 2021	
	Quantity	Amount (Note 1)	Quantity	Amount (Note 1)	Quantity	Amount (Note 2)
Investment Securities	1,680	1,889	-	-	1,680	1,959
Total	1,680	1,889	-	-	1,680	1,959

Note 1 The purchase or sale amounts do not include related expenses (brokerage fee, etc.).

Note 2 The amount of balance as of August 31, 2021 represents carrying amounts in the balance sheets.

Note 3 Assets other than property or asset-backed securities are mainly bank deposits and bank deposits in trust.

3. Research for specified assets value

(1) Property (Appraisal value)

(Millions of yen)

Acquisition /Disposition	Name of property	Date of acquisition /disposition	Acquisition Cost /Disposition amount (Note 1)	Appraisal value	Name of appraiser	Date of appraisal
Acquisition	JMF-Bldg. Ichigaya 01	April 30, 2021	20,935	22,100	Tanizawa Sōgō Appraisal Co., Ltd.	April 1, 2021
Acquisition	G-Bldg. Shinsaibashi 05	April 30, 2021	9,000	13,200	Tanizawa Sōgō Appraisal Co., Ltd.	April 1, 2021
Disposition	AEON Takatsuki	March 10, 2021	10,954	10,900	CBRE K.K.	August 31, 2020
Disposition	AEON MALL Yamato	March 30, 2021	8,600	8,550 (Note 2)	Japan Real Estate Institute	August 31, 2020
Disposition	Ito-Yokado Yotsukaido	August 12, 2021	10,350	9,990	CBRE K.K.	February 28, 2021

Note 1 The acquisition cost or disposition amount indicates contracted amount of the property in the purchase agreement excluding related expenses (brokerage fee, taxes, etc.).

Note 2 Appraisal value of AEON MALL Yamato is calculated by multiplying appraisal value of the property as of August 31, 2020 amounting to ¥17,100 million by 50% of co-ownership interest disposed on March 30, 2021.

(2) Investment securities

(Millions of yen)

Purchase /Sale	Description of securities	Date of purchase / sale	Classification of assets	Purchase / sale amount	Researched value (Note 2)
Purchase	Investment units of Nisshin Private Residential Reit, Inc.	May 7, 2021	Investment units of domestic real estate investment corporation	337	337
Purchase	Investment units of Nisshin Private Residential Reit, Inc.	July 1, 2021	Investment units of domestic real estate investment corporation	1,551	1,551

Note 1 The purchase or sale amounts do not include related expenses (brokerage fee, etc.).

Note 2 JMF contracted Akasaka Audit LLC to perform investigations on transactions of investment securities for the six months ended August 31, 2021 pursuant to Article 201, Paragraph 2 of the Act on Investments Trusts and Investment Corporation of Japan and received its research report.
For this purpose, investigation was performed with respect to comparative prices, type of transactions, date of transaction, investment assets in Tokumei Kumiai agreements, description of securities, transaction prices and other matters.

(3) Other transactions

None

4. Transactions with interested parties or major shareholders (Note 1)

(1) Outline of specified assets transactions

No specified asset was acquired from or disposed to interested parties or major shareholders.

(2) Amounts of fees paid and other expenses

Classification	Total amount (A)	Transactions with interested parties or major shareholders		(B) / (A)
		Name of counter party	Amount of payment (B)	
Facility management fees	¥2,353,158 thousand	Mitsubishi HC Capital Inc.	¥451 thousand	0.0%
Property management fees	¥833,850 thousand	Mitsubishi Corporation Urban Development, Inc.	¥3,166 thousand	0.4%
Other rental expenses	¥843,361 thousand	Mitsubishi Corporation Urban Development, Inc.	¥1,641 thousand	0.2%
		Mitsubishi Shoji & Sun Co., Ltd.	¥2,743 thousand	0.3%

Note 1 "Interested parties or major shareholders" means the interested parties related with the asset management company of JMF or the major shareholders of the asset management company as prescribed under Article 26, Item 27 of the Regulations for Management Reports by Investment Trusts and Investment Corporations of the Investment Trusts Association, Japan.

5. Transactions with asset manager relating to business other than asset management

None

Financial information

1. Financial position and operating results

Please refer to the accompanying financial statements.

2. Changes in depreciation method

None

3. Changes in valuation method of real property

None

Outline of overseas real estate investment corporations

1. Disclosures relating to overseas real estate investment corporations

None

2. Disclosures relating to property held by overseas real estate investment corporations

None

Other information

1. Investment units held by the asset manager

Investment units held by the asset manager (Mitsubishi Corp. - UBS Realty Inc.) were as follows:

(1) Transactions of investment units held by the asset manager

Date	Number of units increased (Units)	Number of units decreased (Units)	Number of units held (Units)
March 1, 2021	3,200	-	6,400
Accumulated number	6,400	-	6,400

Note JMF executed a two-for-one unit split effective on March 1, 2021.

(2) Number of investment units held by the asset manager

Date	Number of investment units held at end of period (Units)	Aggregated value of investment units held at end of period (Note 1) (Thousands of yen)	Ratio of number of investment units held to number of investment units issued and outstanding
The 30th fiscal period (September 1, 2016 to February 28, 2017)	3,200	723,200	0.1%
The 31st fiscal period (March 1, 2017 to August 31, 2017)	3,200	647,360	0.1%
The 32nd fiscal period (September 1, 2017 to February 28, 2018)	3,200	656,960	0.1%
The 33rd fiscal period (March 1, 2018 to August 31, 2018)	3,200	643,200	0.1%
The 34th fiscal period (September 1, 2018 to February 28, 2019)	3,200	718,080	0.1%
The 35th fiscal period (March 1, 2019 to August 31, 2019)	3,200	680,320	0.1%
The 36th fiscal period (September 1, 2019 to February 29, 2020)	3,200	656,320	0.1%
The 37th fiscal period (March 1, 2020 to August 31, 2020)	3,200	511,680	0.1%
The 38th fiscal period (September 1, 2020 to February 28, 2021)	3,200	673,920	0.1%
The 39th fiscal period (March 1, 2021 to August 31, 2021)	6,400	684,160	0.1%

Note 1 "Aggregated value of investment units held at end of period" is calculated by market price of the investment securities on Tokyo Stock Exchange REIT Market at end of each fiscal period. However, the aggregated value of investment units held at end of the 38th fiscal period is calculated by using market price at then ended multiplied by 2, because JMF implemented a split of its investment units on a two-for-one basis with March 1, 2021 as the effective date and the market price as of February 28, 2021 reflects the unit split.

2. Notice

The Board of Directors Meeting

Execution or modification of significant agreement approved by the Board of Directors of JRF for the six months ended August 31, 2021 was as follows:

Approval day	Item	Summary
May 14, 2021	Appointment of general administrators regarding investment corporation bonds	With respect to issuance of Japan Metropolitan Fund Investment Corporation The 1st Unsecured Investment Corporation Bonds, or the 1st JMF Green Bonds (Special pari passu conditions among specified investment corporation bonds), the Board of Directors of JMF appointed Mizuho Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and SMBC Nikko Securities Inc. as underwriter, and MUFG Bank, Ltd. as financial agency and other general administrator regarding the investment corporation bonds.

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Independent Auditor's Report

To the Board of Directors of Japan Metropolitan Fund Investment Corporation

Opinion

We have audited the financial statements of Japan Metropolitan Fund Investment Corporation (the Company), which comprise the balance sheet as of August 31, 2021, and the statement of income and retained earnings, statement of changes in net assets, statement of cash distributions and statement of cash flows for the six month period then ended, and notes to financial statements and supplementary schedules.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of August 31, 2021, and its financial performance and its cash flows for the six month period then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern. Those charged with governance are responsible for overseeing the Company's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statement audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the financial statements are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Convenience translation

The U.S. dollar amounts in the accompanying financial statements with respect to the six month period ended August 31, 2021 are presented solely for convenience. Our audit also included the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 6 to the financial statements.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Wataru Wada
Designated Engagement Partner
Certified Public Accountant

Hideo Ohta
Designated Engagement Partner
Certified Public Accountant

November 24, 2021

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
BALANCE SHEET
As of February 28, 2021 and August 31, 2021

	As of		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
ASSETS			
Current assets:			
Cash and bank deposits (Notes 7 and 8)	¥ 60,314	¥ 64,815	$ 589,763
Cash and bank deposits in trust (Notes 7 and 8)	12,762	18,562	168,898
Rent receivables	801	1,047	9,526
Income taxes receivable	-	45	409
Other current assets	1,067	1,286	11,701
Total current assets	74,946	85,757	780,318
Non-current assets:			
Property and equipment (Notes 8, 9, 10 and 14) at cost:			
Buildings	2,450	2,474	22,511
Accumulated depreciation	(748)	(789)	(7,179)
Buildings, net	1,701	1,684	15,323
Building improvements	66	66	600
Accumulated depreciation	(29)	(30)	(272)
Building improvements, net	37	36	327
Furniture and fixtures	21	21	191
Accumulated depreciation	(15)	(15)	(136)
Furniture and fixtures, net	6	5	45
Land	28,459	28,459	258,953
Construction in progress	3	41	373
Buildings in trust	286,754	333,918	3,038,380
Accumulated depreciation	(110,090)	(109,594)	(997,215)
Buildings in trust, net	176,664	224,324	2,041,164
Building improvements in trust	12,971	12,218	111,173
Accumulated depreciation	(5,131)	(4,728)	(43,020)
Building improvements in trust, net	7,839	7,490	68,152
Machinery and equipment in trust	2,191	2,149	19,554
Accumulated depreciation	(1,405)	(1,395)	(12,693)
Machinery and equipment in trust, net	785	753	6,851
Furniture and fixtures in trust	4,857	4,975	45,268
Accumulated depreciation	(3,082)	(3,163)	(28,780)
Furniture and fixtures in trust, net	1,774	1,811	16,478
Land in trust	602,253	849,981	7,734,131
Construction in progress in trust	40	118	1,073
Total property and equipment	819,567	1,114,706	10,142,911
Intangible assets:			
Goodwill (Note 29)	-	15,647	142,374
Leasehold rights in trust (Notes 8 and 10)	5,073	5,053	45,978
Other intangible assets (Notes 8 and 10)	71	226	2,056
Other intangible assets in trust (Notes 8 and 10)	113	96	873
Total intangible assets	5,259	21,024	191,301
Investment and other assets:			
Investment securities (Note 11)	-	10,611	96,551
Lease deposits in trust (Note 8)	1,537	1,539	14,003
Long-term prepaid expenses	1,787	1,927	17,534
Other investments	1	1	9
Total investment and other assets	3,325	14,080	128,116
Total non-current assets	828,151	1,149,812	10,462,347
Deferred assets:			
Investment corporation bond issuance costs	122	151	1,373
Total deferred assets	122	151	1,373
TOTAL ASSETS	¥ 903,221	¥ 1,235,720	$ 11,244,040

The accompanying notes are an integral part of these financial statements.

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
BALANCE SHEET
As of February 28, 2021 and August 31, 2021

	As of		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable – operating	2,075	3,828	34,831
Current portion of long-term bonds issued – unsecured (Note 13)	-	6,000	54,595
Current portion of long-term borrowings (Note 12)	51,000	52,900	481,346
Accounts payable – other	94	71	646
Accrued expenses	1,616	2,228	20,272
Income taxes payable	-	-	-
Consumption tax payable	1,096	1,157	10,527
Rent received in advance	3,069	4,420	40,218
Deposits received	2,267	1,121	10,200
Current portion of tenant leasehold and security deposits in trust (Notes 8 and 14)	695	674	6,132
Derivatives liabilities	19	37	336
Other current liabilities	140	156	1,419
Total current liabilities	62,075	72,598	660,582
Non-current liabilities:			
Long-term bonds issued – unsecured (Note 13)	44,500	53,500	486,806
Long-term borrowings (Note 12)	316,200	426,275	3,878,753
Tenant leasehold and security deposits (Notes 8 and 14)	1,788	1,785	16,242
Tenant leasehold and security deposits in trust (Notes 8 and 14)	44,050	56,876	517,525
Asset retirement obligations (Note 24)	549	783	7,124
Derivatives liabilities (Note 23)	60	109	991
Other non-current liabilities	29	121	1,101
Total non-current liabilities	407,178	539,450	4,908,553
TOTAL LIABILITIES	469,253	612,049	5,569,144
Net Assets (Note 15):			
Unitholders' equity:			
Unitholders' capital	411,878	411,878	3,747,752
Surplus:			
Capital surplus	14,986	202,855	1,845,814
Deduction from capital surplus	(11,999)	(11,999)	(109,181)
Capital surplus, net	2,986	190,855	1,736,624
Voluntary reserve			
Reserve for reduction entry	452	770	7,006
Reserve for dividends	3,915	3,915	35,623
Retained earnings for temporary difference adjustment (Note 16)	2,918	2,785	25,341
Total voluntary reserve	7,285	7,470	67,970
Retained earnings	11,896	13,549	123,284
Total surplus	22,168	211,875	1,927,888
Total unitholders' equity	434,046	623,753	5,675,641
Valuation and translation adjustments:			
Net unrealized holding gains (losses) on investment securities	-	65	591
Deferred gains or losses on hedges	(79)	(147)	(1,337)
Total valuation and translation adjustments	(79)	(82)	(746)
TOTAL NET ASSETS	433,967	623,671	5,674,895
TOTAL LIABILITIES AND NET ASSETS	903,221	1,235,720	11,244,040

The accompanying notes are an integral part of these financial statements.

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
STATEMENT OF INCOME AND RETAINED EARNINGS
For the six months ended February 28, 2021 and August 31, 2021

	For the six months ended		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Operating revenues			
Rent and other operating revenues (Note 17)	¥ 29,392	¥ 38,022	$ 345,969
Gain on sales of property (Note 18)	1,126	2,107	19,171
Dividend income	-	230	2,092
Total operating revenues	30,518	40,360	367,242
Operating expenses			
Property-related expenses (Note 17)	13,842	17,239	156,860
Loss on sales of property (Note 19)	-	1,767	16,078
Asset management fees	2,677	4,449	40,482
Custodian fees	29	30	272
General administration fees	129	132	1,201
Compensation for Directors	5	5	45
Merger expenses	74	356	3,239
Amortization of goodwill	-	401	3,648
Other operating expenses	252	417	3,794
Total operating expenses	17,013	24,800	225,659
Operating income	13,505	15,560	141,583
Non-operating revenues			
Interest income	-	-	-
Subsidy income	-	16	145
Other non-operating revenues	1	4	36
Total non-operating revenues	2	21	191
Non-operating expenses			
Interest expenses	1,127	1,492	13,575
Interest expenses on investment corporation bonds	143	174	1,583
Amortization of investment corporation bond issuance costs	20	21	191
Loan-related costs	315	339	3,084
Other non-operating expenses	4	4	36
Total non-operating expenses	1,610	2,031	18,480
Ordinary income	11,897	13,549	123,284
Income before income taxes	11,897	13,549	123,284
Income taxes (Note 20):			
Current	-	-	-
Total income taxes	-	-	-
Net income	11,896	13,549	123,284
Unappropriated earnings at beginning of period	-	-	-
Retained earnings at the end of period	¥ 11,896	¥ 13,549	$ 123,284

The accompanying notes are an integral part of these financial statements.

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
STATEMENT OF CHANGES IN NET ASSETS
For the six months ended February 28, 2021 and August 31, 2021

	Unitholders' equity										Valuation and translation adjustments			
		Surplus												
					Voluntary reserve									
	Unitholders' capital	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	Total unitholders' equity	Net unrealized holding gains (losses) on investment securities	Deferred gains (losses) on hedges	Total valuation and translation adjustments	Total net assets
	(in millions)														
Balance as of August 31, 2020	¥ 411,878	¥ 14,986	¥ (11,999)	¥ 2,986	¥ 15	¥ 3,915	¥ 2,949	¥ 6,880	¥ 12,116	¥ 21,983	¥ 433,861	¥ -	¥ (136)	¥ (136)	¥ 433,725
Changes during the period															
Provision of reserve for reduction entry of property	-	-	-	-	437	-	-	437	(437)	-	-	-	-	-	-
Reversal of retained earnings for temporary difference adjustment	-	-	-	-	-	-	(31)	(31)	31	-	-	-	-	-	-
Cash distribution declared	-	-	-	-	-	-	-	-	(11,711)	(11,711)	(11,711)	-	-	-	(11,711)
Net income	-	-	-	-	-	-	-	-	11,896	11,896	11,896	-	-	-	11,896
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	-	-	-	-	56	56	56
Total changes during the period	-	-	-	-	437	-	(31)	405	(219)	185	185	-	56	56	241
Balance as of February 28, 2021	¥ 411,878	¥ 14,986	¥ (11,999)	¥ 2,986	¥ 452	¥ 3,915	¥ 2,918	¥ 7,285	¥ 11,896	¥ 22,168	¥ 434,046	¥ -	¥ (79)	¥ (79)	¥ 433,967
Changes during the period															
Increase by merger	-	187,868	-	187,868	-	-	-	-	-	187,868	187,868	-	-	-	187,868
Provision of reserve for reduction entry of property	-	-	-	-	318	-	-	318	(318)	-	-	-	-	-	-
Reversal of retained earnings for temporary difference adjustment	-	-	-	-	-	-	(133)	(133)	133	-	-	-	-	-	-
Cash distribution declared	-	-	-	-	-	-	-	-	(11,711)	(11,711)	(11,711)	-	-	-	(11,711)
Net income	-	-	-	-	-	-	-	-	13,549	13,549	13,549	-	-	-	13,549
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	-	-	-	65	(67)	(2)	(2)
Total changes during the period	-	187,868	-	187,868	318	-	(133)	185	1,652	189,706	189,706	65	(67)	(2)	189,703
Balance as of August 31, 2021	¥ 411,878	¥ 202,855	¥ (11,999)	¥ 190,855	¥ 770	¥ 3,915	¥ 2,785	¥ 7,470	¥ 13,549	¥ 211,875	¥ 623,753	¥ 65	¥ (147)	¥ (82)	¥ 623,671

The accompanying notes are an integral part of these financial statements.

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
STATEMENT OF CHANGES IN NET ASSETS
For the six months ended February 28, 2021 and August 31, 2021

	Unitholders' equity											Valuation and translation adjustments			
		Surplus													
					Voluntary reserve										
	Unitholders' capital	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	Total unitholders' equity	Net unrealized holding gains (losses) on investment securities	Deferred gains (losses) on hedges	Total valuation and translation adjustments	Total net assets
	(in thousands of U.S. dollars (Note 6))														
Balance as of February 28, 2021	$ 3,747,752	$ 136,360	$ (109,181)	$ 27,170	$ 4,112	$ 35,623	$ 26,551	$ 66,287	$ 108,243	$ 201,710	$ 3,949,463	$ -	$ (718)	$ (718)	$ 3,948,744
Changes during the period															
Increase by merger	-	1,709,444	-	1,709,444	-	-	-	-	-	1,709,444	1,709,444	-	-	-	1,709,444
Provision of reserve for reduction entry of property	-	-	-	-	2,893	-	-	2,893	(2,893)	-	-	-	-	-	-
Reversal of retained earnings for temporary difference adjustment	-	-	-	-	-	-	(1,210)	(1,210)	1,210	-	-	-	-	-	-
Cash distribution declared	-	-	-	-	-	-	-	-	(106,560)	(106,560)	(106,560)	-	-	-	(106,560)
Net income	-	-	-	-	-	-	-	-	123,284	123,284	123,284	-	-	-	123,284
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	-	-	-	591	(609)	(18)	(18)
Total changes during the period	-	1,709,444	-	1,709,444	2,893	-	(1,210)	1,683	15,031	1,726,169	1,726,169	591	(609)	(18)	1,726,141
Balance as of August 31, 2021	$ 3,747,752	$ 1,845,814	$ (109,181)	$ 1,736,624	$ 7,006	$ 35,623	$ 25,341	$ 67,970	$ 123,284	$ 1,927,888	$ 5,675,641	$ 591	$ (1,337)	$ (746)	$ 5,674,895

The accompanying notes are an integral part of these financial statements.

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
STATEMENT OF CASH DISTRIBUTIONS
For the six months ended February 28, 2021 and August 31, 2021

	For the six months ended		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Retained earnings at the end of period	¥ 11,896	¥ 13,549	$ 123,284
Reversal of reserve for reduction entry of property	-	770	7,006
Reversal of retained earnings for temporary difference adjustment	133	1,657	15,077
Cash distribution declared	(11,711)	(15,977)	(145,377)
Provision of reserve for reduction entry of property	(318)	-	-
Retained earnings carried forward	¥ -	¥ -	$ -

Cash distributions per investment unit were ¥4,500 and ¥2,286 (US$20) for the six months ended February 28, 2021 and August 31, 2021, respectively.

For the six months ended February 28, 2021:

In accordance with the distribution policy in the Company'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 million consisted all 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. As a result, distribution per unit amounted to ¥4,500. The Company generally does not make distribution in excess of profit prescribed in the article of incorporation 26, Paragraph 2.

For the six months ended August 31, 2021:

In accordance with the distribution policy in the Company'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, 2021 amounting to ¥15,977 million (US$145,377 thousand) consisted all of retained earnings at the end of the period after reversals of reserve for reduction entry of property amounting to ¥770 million (US$7,006 thousand) and retained earnings for temporary difference adjustment amounting to ¥1,657 million (US$15,077 thousand). As a result, distribution per unit amounted to ¥2,286(US$20). The Company generally does not make distribution in excess of profit prescribed in the article of incorporation 26, Paragraph 2.

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
STATEMENT OF CASH FLOWS
For the six months ended February 28, 2021 and August 31, 2021

	For the six months ended		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Cash Flows from Operating Activities:			
Income before income taxes	¥ 11,897	¥ 13,549	$ 123,284
Adjustments to reconcile income before income taxes to net cash provided by operating activities:			
Depreciation	5,408	6,161	56,060
Amortization of goodwill	-	401	3,648
Amortization of investment corporation bond issuance costs	20	21	191
Gain on sales of property	(1,126)	(2,107)	(19,171)
Loss on sales of property	-	1,767	16,078
Loss on disposal of fixed assets	25	24	218
Interest income	-	-	-
Interest expenses	1,270	1,667	15,168
Changes in assets and liabilities:			
(Increase) decrease in rent receivables	194	10	90
(Increase) decrease in income taxes receivable	-	(37)	(336)
(Increase) decrease in long-term prepaid expenses	(57)	(140)	(1,273)
Increase (decrease) in accounts payable - operating	(346)	(600)	(5,459)
Increase (decrease) in consumption tax payable	700	(56)	(509)
Increase (decrease) in accounts payable - other	(141)	(237)	(2,156)
Increase (decrease) in accrued expenses	(30)	(320)	(2,911)
Increase (decrease) in rent received in advance	(104)	101	919
Increase (decrease) in deposits received	972	(582)	(5,295)
Other, net	(470)	(244)	(2,220)
Sub total	18,211	19,377	176,314
Interest received	-	-	-
Interest expenses paid	(1,311)	(1,680)	(15,286)
Income taxes paid	-	(20)	(181)
Net cash provided by operating activities	16,899	17,676	160,837
Cash Flows from Investing Activities:			
Purchase of property and equipment	(16)	(39)	(354)
Purchase of property and equipment in trust	(1,432)	(32,279)	(293,712)
Proceeds from sales of property and equipment in trust	8,572	29,669	269,963
Payments for sales of property and equipment in trust	(38)	(56)	(509)
Purchase of intangible assets	(1)	(131)	(1,191)
Purchase of intangible assets in trust	(20)	(5)	(45)
Payments of tenant leasehold and security deposits	(53)	(28)	(254)
Proceeds from tenant leasehold and security deposits	50	54	491
Payments of tenant leasehold and security deposits in trust	(1,371)	(3,708)	(33,739)
Proceeds from tenant leasehold and security deposits in trust	359	1,771	16,114
Payments of lease deposits	-	-	-
Payments of lease deposits in trust	(25)	-	-
Proceeds from lease deposits in trust	79	7	63
Purchase of investment securities	-	(1,893)	(17,224)
Payments for restricted bank deposits in trust	-	-	-
Net cash provided by (used in) investing activities	6,101	(6,638)	(60,400)
Cash Flows from Financing Activities:			
Repayments of short-term borrowings	(7,000)	-	-
Proceeds from long-term borrowings	35,050	39,750	361,692
Repayments of long-term borrowings	(28,075)	(46,750)	(425,386)
Proceeds from issuance of investment corporation bonds	-	8,449	76,878
Redemption of investment corporation bonds	-	(1,500)	(13,648)
Payments of merger cash distributions	-	(5,434)	(49,444)
Distribution payments	(11,710)	(11,710)	(106,551)
Net cash used in financing activities	(11,735)	(17,194)	(156,451)
Net change in cash and cash equivalents	11,266	(6,156)	(56,014)
Cash and cash equivalents at the beginning of period	61,297	72,563	660,263
Increase in cash and cash equivalents resulting from merger	-	16,457	149,745
Cash and cash equivalents at the end of period (Note 7)	¥ 72,563	¥ 82,864	$ 753,994

The accompanying notes are an integral part of these financial statements.

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
As of and for the six months ended February 28, 2021 and August 31, 2021

Note 1 — Organization

Japan Metropolitan Fund Investment Corporation (the "Company"), a real estate investment corporation, with initial capital of ¥200 million, was incorporated on September 14, 2001, under the Act on Investment Trusts and Investment Corporations of Japan (the "Investment Trust Act"). The sponsors of the Company are Mitsubishi Corporation, UBS Global Asset Management (Japan) Ltd. and Mitsubishi Corp.-UBS Realty Inc. The Company was formed to invest primarily in retail properties in Japan. On March 12, 2002, the Company raised ¥23.46 billion through an initial public offering of 52,000 investment units.

On March 13, 2002, the day after the Company was listed on the J-REIT section of the Tokyo Stock Exchange, four retail properties were acquired, and operations of the Company commenced.

The Company merged with LaSalle Japan REIT Inc on March 1, 2010, and MCUBS MidCity Investment Corporation on March 1, 2021.

The total assets managed by the Company at the end of the 39th fiscal period (August 31, 2021) amounted to ¥1,173.7 billion (US$10,679 million) (the total acquisition price of 126 properties).

Note 2 — Summary of Significant Accounting Policies

(a) Basis of Presentation

The Company maintains its accounts and records in conformity with accounting principles and practices generally accepted in Japan ("Japanese GAAP"), including provisions set forth in the Investment Trust Act, the Companies Act of Japan, the Financial Instruments and Exchange Act of Japan, and other related regulations, which are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards or accounting principles generally accepted in the United States of America.

The accompanying financial statements are a translation of the financial statements of the Company, which were prepared in accordance with Japanese GAAP and filed with the Kanto Local Finance Bureau as required by the Financial Instruments and Exchange Act of Japan. In preparing the accompanying financial statements, relevant notes have been added and certain reclassifications have been made from financial statements issued domestically in order to present them in a format that is more familiar to readers outside Japan.

The financial statements are not intended to present the financial position and the results of operations in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

The Company's fiscal period is a six-month period which ends at the end of February and August of each year.

Amounts less than ¥1 million and US$1 thousand have been rounded down. As a result, the total shown in the financial statements and notes thereto do not necessarily agree to the sum of the individual account balances.

The Company does not prepare consolidated financial statements as it has no subsidiaries.

(b) Cash and Cash Equivalents and Restricted Bank Deposits

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.

The usage of restricted bank deposits is limited to repayments of tenant leasehold and security deposits.

(c) Securities

Non-marketable securities held as available-for-sale are stated at cost determined by the moving average method. Investments in Tokumei Kumiai (silent partnership) agreements are accounted for by using the equity method of accounting.

(d) 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	2-62 years
Building improvements	2-60 years
Machinery and equipment	2-17 years
Furniture and fixtures	2-20 years

(e) Intangible Assets

Goodwill is amortized on a straight-line basis over 20 years. Other intangible assets are amortized on a straight-line basis over the period of the estimated useful lives of the assets.

(f) Long-term Prepaid Expenses

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

(g) Impairment of Fixed Assets

An impairment assessment is carried out on an asset or group of assets, such as fixed assets and intangible assets, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

If the asset or group of assets is deemed to be impaired, an impairment loss is recognized for the difference between the carrying amount and the recoverable amount of the asset or group of assets.

(h) 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 the Company 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 the Company in proportion to the percentage interest that such trust beneficiary interest represents.

(i) 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, which range from five to twelve years.

(j) Investment Unit Issuance Costs

Investment unit issuance costs are capitalized and amortized over three years.

(k) Income Taxes

Deferred tax assets and liabilities are computed based on the temporary differences between accounting and tax bases of assets and liabilities using the applicable statutory tax rate.

(l) Consumption Taxes

Consumption taxes withheld and consumption taxes paid are not included in the statements of income and retained earnings. 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.

(m) Taxes on Property and Equipment

Property and equipment are subject to various taxes, such as property taxes and urban planning taxes, on an 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 disposition is liable for these taxes on the property from the date of disposition 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 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.

No taxes on property and equipment were capitalized for the six months ended February 28, 2021. Taxes on property and equipment capitalized amounted to ¥77 million (US$700 thousand) for the six months ended August 31, 2021.

(n) Revenue Recognition

Revenue from the leasing of retail space includes fixed rental revenues, variable rental revenues, sales-based rental revenues, recoveries of utility charges and other miscellaneous income, which are all recognized in a pattern appropriate for each revenue stream.

(o) Hedge Accounting

In accordance with the Company's risk management policy and its internal rules, the Company conducts derivative transactions for the purpose of hedging risks that are prescribed in the Company's articles of incorporation. The Company hedges fluctuations in interest rates of borrowings through the use of interest rate swaps as hedging instruments, to which deferred hedge accounting is applied, where gains or losses on derivatives qualifying for hedge accounting are deferred as valuation and translation adjustments within net assets until maturity of the hedge transaction. The hedge effectiveness of the interest rate swaps is assessed by comparing the cumulative changes in the cash flows of the hedging instruments and those of the hedged items.

For the interest rate swaps which qualify for hedge accounting and meet specific criteria, the Company applies the special treatment provided under Japanese GAAP 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 measured separately. The assessment of hedge effectiveness is not performed when the interest rate swaps meet the specific criteria required for such special treatment.

(p) Leases

The Company capitalized all finance leases that do not transfer ownership of the leased assets to the lessee on its balance sheets and depreciates the leased assets using the straight-line method, assuming no residual value, over the lease term.

Note 3 — 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

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

(3) Impact of applying the accounting standards

The Company 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 June 17, 2021)
- "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 standards 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

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

(3) Impact of applying the accounting standards

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

Note 4 — Changes in Presentation Methods

The Company has adopted "Accounting Standard for Disclosure of Accounting Estimates" (ASBJ Statement No. 31 revised on March 31, 2020) from the beginning of the six months ended August 31, 2021 and presents a note on significant accounting estimates in the Notes to Financial Statements.

Note 5 — Significant Accounting Estimates

Impairment of Fixed Assets

(a) Amounts of items subject to the accounting estimates

Impairment loss:	Not recognized
Property and equipment:	¥1,114,706 million (US$10,142,911 thousand)
Intangible assets:	¥5,376 million (US$48,917 thousand)

(b) Information on significant accounting estimates for identified item

In accordance with the Accounting Standard for Impairment of Fixed Assets, the Company reduce the book value of fixed assets to a recoverable amount when the carrying amount is deemed to be unrecoverable due to lowered profitability.
An impairment assessment is carried out for each property as one asset group, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, such as continuous operating losses, a significant drop in the market value and significant deterioration of the business environment, etc.
If a group of assets is deemed to be impaired, the Company determines whether or not to recognize impairment loss using future cash flow estimates. When impairment loss should be recognized, the book value is reduced to the recoverable amount based on the real estate appraisal value by external appraisers, and an impairment loss is recognized for the difference between the carrying amount and the recoverable amount.
The Company estimates the future cash flow based on various assumptions, such as rent, occupancy ratio, rental expenses, investment period of the property, capital expenditures and discount rate used for calculation of the recoverable amount,

etc., which are determined by comprehensively considering the market trends and transaction cases of similar properties, etc., while referring to information from outside experts, such as assumptions used for appraisals by external appraisers.

The performance and the market value of each property may be affected by the trends in the real estate rental market and real estate transaction market. Accordingly, when changes arise to the assumptions of the estimate, they may affect the financial position and results of operation of the Company in the following fiscal period.

Note 6 — U.S. Dollar Amounts

The Company maintains its accounting records in Japanese yen. The U.S. dollar amounts included in the accompanying financial statements and notes thereto represent the arithmetical result of translating Japanese yen into U.S. dollars at the rate of ¥109.90 = US$1, the effective rate of exchange prevailing at August 31, 2021. The inclusion of such U.S. dollar amounts associated with the fiscal six months ended August 31, 2021 is solely for the convenience of readers outside of Japan. Such translations should not be construed as representations that the Japanese yen amounts represent, or have been, or could be converted into, United States dollar amounts at that or any other rate.

Note 7 — Cash and Cash Equivalents

Cash and cash equivalents shown in the statement of cash flows consist of the following balance sheet items.

	As of		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Cash and bank deposits	¥ 60,314	¥ 64,815	$ 589,763
Cash and bank deposits in trust	12,762	18,562	168,898
Restricted bank deposits in trust[(i)]	(513)	(513)	(4,667)
Cash and cash equivalents	¥ 72,563	¥ 82,864	$ 753,994

Notes:

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

Note 8 — Trust Beneficiary Interests in Real Estate Trusts

The investment properties managed by the Company consist of real properties and trust beneficiary interests in real estate trusts. For trust beneficiary interests in real estate trusts, all assets and liabilities with respect to assets in the trusts are recorded in the relevant balance sheet accounts of the Company in proportion to the percentage interest in the trusts.

The assets and liabilities owned in the real estate trusts are summarized as follows:

	As of		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Assets			
Current assets:			
Cash and bank deposits	¥ 12,762	¥ 18,562	$ 168,898
Property and equipment, at cost:			
Land	602,253	849,981	7,734,131
Buildings	286,754	333,918	3,038,380
Building improvements	12,971	12,218	111,173
Machinery and equipment	2,191	2,149	19,554
Furniture and fixtures	4,857	4,975	45,268
Construction in progress	40	118	1,073
Total property and equipment	909,069	1,203,361	10,949,599
Less: Accumulated depreciation	(119,710)	(118,881)	(1,081,719)
Net property and equipment	789,359	1,084,480	9,867,879
Other assets:			
Leasehold rights	5,073	5,053	45,978
Other intangible assets	113	96	873
Lease deposits	1,537	1,539	14,003
Liabilities			
Current liabilities:			
Current portion of tenant leasehold and security deposits	695	674	6,132
Non-current liabilities:			
Tenant leasehold and security deposits	44,050	56,876	517,525

Note 9 — Reduction Entry for Property

Acquisition costs of certain buildings, etc. were reduced by government subsidies received. The accumulated amounts of such reduction as of February 28, 2021 and August 31, 2021 were ¥334 million and ¥335 million (US$3,048 thousand), respectively.

In addition, acquisition costs of certain land acquired through exchange were also reduced in the accumulative amount of ¥450 million and ¥450 million (US$4,094 thousand) as of February 28, 2021 and August 31, 2021, respectively.

Note 10 — Fair Value of Investment and Rental Property

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 February 28, 2021 and August 31, 2021.

	As of / For the six months ended		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Net book value[(i)]			
Balance at the beginning of the period	¥ 836,003	¥ 824,751	$ 7,504,558
Net increase(decrease) during the period[(ii)]	(11,251)	295,065	2,684,849
Balance at the end of the period	¥ 824,751	¥ 1,119,816	$ 10,189,408
Fair value[(iii)]	¥ 987,434	¥ 1,280,820	$ 11,654,413

Notes:

(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):

For the six months ended February 28, 2021:	Increase (decrease) in net book value (in millions)
Capital expenditure:	
Total of capital expenditures for the period	¥ 1,532
Disposition:	
AEON MALL Yamato (50% quasi-co-ownership)	(7,388)

For the six months ended August 31, 2021:	Increase (decrease) in net book value	
	(in millions)	(in thousands of U.S. dollars (Note 6))
Acquisitions:		
25 properties, etc., succeeded from MCUBS MidCity Investment Corporation by the merger	¥ 297,210	$ 2,704,367
JMF-Bldg. Ichigaya 01	21,181	192,729
G-Bldg. Shinsaibashi 05	9,113	82,920
Capital expenditure:		
Total of capital expenditures for the period	2,618	23,821
Dispositions:		
Ito-Yokado Yotsukaido	(12,080)	(109,918)
AEON Takatsuki	(9,715)	(88,398)
AEON MALL Yamato (50% quasi-co-ownership)	(7,400)	(67,333)

(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 February 28, 2021 and August 31, 2021, please refer to “Note 17 —Analysis of Rent and Other Operating Revenues and Property-Related Expenses”.

Note 11 — Investment Securities

As of February 28, 2021

There were no securities to be disclosed.

As of August 31, 2021

Other investment securities:

	Classification of securities	Carrying amounts	Acquisition cost	Difference
		(in millions)		
Securities of which the amount reported on the balance sheet exceed the acquisition cost	Other	¥ 1,959	¥ 1,894	¥ 65
Securities of which the amount reported on the balance sheet do not exceed the acquisition cost	—	-	-	-
Total		¥ 1,959	¥ 1,894	¥ 65

	Classification of securities	Carrying amounts	Acquisition cost	Difference
		(in thousands of U.S. dollars (Note 6))		
Securities of which the amount reported on the balance sheet exceed the acquisition cost	Other	$ 17,825	$ 17,233	$ 591
Securities of which the amount reported on the balance sheet do not exceed the acquisition cost	—	-	-	-
Total		$ 17,825	$ 17,233	$ 591

Notes:

(i) The investment securities (equity interests in silent partner ship) are not included in the above information, because those are not traded in markets, and it is too difficult to estimate reasonable fair value.

Note 12 — Bank Borrowings, Credit Facilities and Commitment Lines

Bank borrowings outstanding as of February 28, 2021 and August 31, 2021 and average interest rates range for each period were as follows:

	As of / For the six months ended		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Bank borrowings at end of the period			
Long-term borrowings	¥ 367,200	¥ 479,175	$ 4,360,100
Total	¥ 367,200	¥ 479,175	$ 4,360,100
Average interest rates range for the period	From 0.2% to 2.2%	From 0.2% to 2.2%	

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

	As of		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Credit Facilities			
Total amount of credit facilities	¥ 35,500	¥ 55,500	$ 505,004
Borrowings drawn down	-	-	-
Unused credit facilities	¥ 35,500	¥ 55,500	$ 505,004
Commitment Lines			
Total amount of committed lines of credit	¥ 60,000	¥ 75,000	$ 682,438
Borrowings drawn down	-	-	-
Unused committed lines of credit	¥ 60,000	¥ 75,000	$ 682,438

Note 13 — Investment Corporation Bonds

The details of unsecured investment corporation bonds issued and outstanding as of February 28, 2021 and August 31, 2021 are as follows:

	Balance as of		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Long-term bonds—unsecured			
¥7.5 billion of 10-year bonds, issued on December 18, 2013, maturing on December 18, 2023 with a coupon of 1.108%	¥ 7,500	¥ 7,500	$ 68,243
¥8 billion of 12-year bonds, issued on June 26, 2014, maturing on June 26, 2026 with a coupon of 1.260%	8,000	8,000	72,793
¥7 billion of 10-year bonds, issued on February 5, 2015, maturing on February 5, 2025 with a coupon of 0.765%	7,000	7,000	63,694
¥1.5 billion of 10-year bonds, issued on May 23, 2016, maturing on May 22, 2026 with a coupon of 0.810%	-	1,500	13,648
¥5 billion of 5-year bonds, issued on May 19, 2017, maturing on May 19, 2022 with a coupon of 0.220%	5,000	5,000	45,495
¥2 billion of 10-year bonds, issued on May 19, 2017, maturing on May 19, 2027 with a coupon of 0.480%	2,000	2,000	18,198
¥1 billion of 5-year bonds, issued on May 29, 2017, maturing on May 27, 2022 with a coupon of 0.260%	-	1,000	9,099
¥2 billion of 10-year bonds, issued on May 29, 2017, maturing on May 28, 2027 with a coupon of 0.670%	-	2,000	18,198
¥2 billion of 10-year bonds, issued on May 29, 2018, maturing on May 29, 2028 with a coupon of 0.590%	-	2,000	18,198
¥8 billion of 5-year bonds (Green Bonds), issued on May 25, 2018, maturing on May 25, 2023 with a coupon of 0.210%	8,000	8,000	72,793
¥7 billion of 5-year bonds (Green Bonds), issued on June 25, 2019, maturing on June 25, 2024 with a coupon of 0.200%	7,000	7,000	63,694
¥8.5 billion of 10-year bonds (Green Bonds), issued on June 25, 2021, maturing on June 25, 2031 with a coupon of 0.450%	-	8,500	77,343
Total	¥ 44,500	¥ 59,500	$ 541,401

Note 14 — Collateral

Certain properties and beneficiary interests in trusts (comprising of properties and cash) with an aggregate book value of ¥199,596 million and ¥176,564 million (US$1,606,587 thousand) were pledged as collateral to secure tenant leasehold and security deposits totaling ¥17,887 million and ¥16,225 million (US$147,634 thousand) as of February 28, 2021 and August 31, 2021, respectively. The assets pledged as collateral are as follows:

	As of		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Cash and bank deposits in trust	¥ 513	¥ 513	$ 4,667
Buildings in trust	54,848	49,361	449,144
Building improvements in trust	2,420	2,058	18,726
Machinery and equipment in trust	167	143	1,301
Furniture and fixtures in trust	544	515	4,686
Land in trust	141,097	123,961	1,127,943
Construction in progress in trust	4	12	109
Total	¥ 199,596	¥ 176,564	$ 1,606,587

Certain land and buildings included in the above aggregate book value were pledged as collateral to secure co-owners' payments of tenant leasehold and security deposits for amounts of ¥691 million and ¥691 million (US$6,287 thousand) and former owner's payments of retirement benefit obligation for amounts of ¥350 million and ¥350 million (US$3,184 thousand) as of February 28, 2021 and August 31, 2021, respectively.

Note 15 — Net Assets

The Company issues only non-par value investment units in accordance with the Investment Trust Act, and the entire amount of the issue price of new investment units is allocated to unitholders' capital within net assets. The Company is required to maintain net assets of at least ¥50 million (US$454 thousand) as required by the Investment Trust Act.

The number of authorized investment units were 8,000,000 and 16,000,000 as of February 28, 2021 and August 31, 2021, respectively. The number of investment units issued and outstanding were 2,602,483 and 6,989,091 as of February 28, 2021 and August 31, 2021, respectively.

The Company purchased its own investment units and retired all of its own investment units as following table. The acquisition cost of the Company's own investment units is deducted from capital surplus in unitholders' equity.

	As of		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Accumulated amount of units retired	¥ 11,999	¥ 11,999	$ 109,181
Accumulated units retired	64,715	64,715	

Note 16 — Retained Earnings for Temporary Difference Adjustment

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

For the six months ended February 28, 2021:	Initial amount	Balance at beginning of the period	Provision	Reversal	Balance at end of the period
			(in millions)		
Reserve for dividends[(i)]	¥ 3,138	¥ 2,949	¥ -	¥ (31)	¥ 2,918

For the six months ended August 31, 2021:	Initial amount	Balance at beginning of the period	Provision	Reversal	Balance at end of the period
			(in millions)		
Reserve for dividends[(i)]	¥ 3,138	¥ 2,918	¥ -	¥ (133)	¥ 2,785
			(in thousands of U.S. dollars (Note 6))		
	$ 28,553	$ 26,551	$ -	$ (1,210)	$ 25,341

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 and appropriated for dividends in forthcoming periods by an amount equal to or more than the initial amount divided by 50 years.

Note 17 — 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 February 28, 2021 and August 31, 2021 consist of the following:

	For the six months ended		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Rent and other operating revenues:			
Rent revenue	¥ 26,295	¥ 33,669	$ 306,360
Common area charges	1,180	1,741	15,841
Other	1,916	2,611	23,757
Total rent and other operating revenues	¥ 29,392	¥ 38,022	$ 345,969
Property-related expenses:			
Property management fees	¥ 740	¥ 833	$ 7,579
Facility management fees	1,581	2,353	21,410
Utilities	1,220	1,897	17,261
Property-related taxes	2,659	3,377	30,727
Repair and maintenance	433	884	8,043
Insurance	31	31	282
Trust fees	47	55	500
Rent expense[(i)]	773	789	7,179
Other	931	843	7,670
Depreciation	5,399	6,148	55,941
Loss on disposal of property	25	24	218
Total property-related expenses	¥ 13,842	¥ 17,239	$ 156,860
Operating income from property leasing activities	¥ 15,549	¥ 20,783	$ 189,108

Note:

(i) Rent expense represents payments to the owners of the building and/or land in which the Company has leasehold rights.

(Change in presentation of revenues)

For more clarity of disclosure, parking revenue which was previously included in “Rent and parking revenue” is included in “Other” and “Rent and parking revenue” is changed to “Rent revenue”. Also, rent revenue from land with leasehold interest which was previously included in “Other” is included in “Rent revenue”. Revenues for the six months ended February 28, 2021 in the above table reflect these changes of presentation.

As a result, parking revenue amounting to ¥522 million which was previously included in “Rent and parking revenue” is reclassified to “Other” and rent revenue from land with leasehold interest amounting to ¥841 million which was previously included in “Other” is reclassified to “Rent revenue” for the six months ended February 28, 2021, respectively.

Note 18 — Analysis of Gain on Sales of Property

Analysis of gain on sales of property for the six months ended February 28, 2021 and August 31, 2021 is as follows:

	For the six months ended		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Sales of property	¥ 8,600	¥ 19,554	$ 177,925
Costs of property	7,388	17,115	155,732
Other sales expenses	84	331	3,011
Gain on sales of property, net	¥ 1,126	¥ 2,107	$ 19,171

Note 19 — Analysis of Loss on Sales of Property

Analysis of gain on sales of property for the six months ended February 28, 2021 and August 31, 2021 is as follows:

	For the six months ended		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Sales of property	¥ -	¥ 10,350	$ 94,176
Costs of property	-	12,080	109,918
Other sales expenses	-	36	327
Loss on sales of property, net	¥ -	¥ (1,767)	$ (16,078)

Note 20 — Income Taxes

The Company is subject to corporate income taxes in Japan. The Company may deduct from its taxable income the amounts distributed to its unitholders, provided the requirements are met under the Special Taxation Measures Act of Japan. Under this act, the Company must meet a number of tax requirements, including a requirement to distribute in excess of 90% of the distributable profit for the fiscal period in order to be able to deduct such amounts. If the Company does not satisfy all of the requirements, the entire taxable income of the Company will be subject to regular corporate income taxes in Japan.

The Company has a policy of making distributions in excess of 90% of its distributable profit for the fiscal period to satisfy the above requirements set forth in the Special Taxation Measures Act of Japan to achieve a deduction of distributions for income tax purposes. The Company has distributed approximately 100% of distributable profit. Hence, the Company has treated the distributions as a tax allowable deduction as defined in the Special Taxation Measures Act of Japan.

Deferred tax assets or liabilities are recognized where assets or liabilities have different accounting and tax bases. The tax rate used for the calculation of deferred tax is the rate applicable to the period in which the temporary differences are expected to be reversed. Since we would generally not expect to incur income tax payable in the future, in principle we provide for a valuation allowance in full for future deductible temporary differences that would give rise to deferred tax assets. Deferred tax liabilities are recognized except for cases where it is highly likely that the Company will not be subject to income tax in the future.

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

	For the six months ended	
	February 28, 2021	August 31, 2021
	(Rate)	
Statutory tax rate	31.46%	31.46%
Deductible cash distributions	(30.97)	(32.80)
Change in valuation allowance (for deferred tax assets)	0.33	(1.36)
Amortization of goodwill	-	0.93
Reversal of retained earnings for temporary difference adjustment	0.35	-
Reversal of retained earnings for reduction entry of property	-	1.79
Provision of reserve for reduction entry of property	(0.84)	-
Other	(0.33)	(0.01)
Effective tax rate	0.01%	0.00%

Deferred tax assets and liabilities consist of the following:

	As of		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Deferred tax assets:			
Asset retirement obligations	¥ 172	¥ 246	$ 2,238
Amortization of leasehold rights	155	165	1,501
Depreciation	17	18	163
Valuation differences on assets acquired through the merger	5,305	10,860	98,817
Deferred losses on hedges	25	46	418
Other	65	38	345
Sub total	5,741	11,374	103,494
Total valuation allowance	(5,741)	(11,374)	(103,494)
Total deferred tax assets	-	-	-
Net deferred tax assets	¥ -	¥ -	$ -

Note 21 — Leases

(a) Lease Rental Revenues

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

	As of		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Due within one year	¥ 16,926	¥ 19,519	$ 177,606
Due after one year	73,150	68,449	622,829
Total	¥ 90,077	¥ 87,969	$ 800,445

(b) Lease Commitments

As described in Note 2 (p), Finance lease transactions that do not transfer ownership of the leased assets to the lessee, are capitalized and depreciated on a straight-line basis, assuming no residual value, over the lease term. Such capitalized leased assets are furniture and fixtures.

Note 22 — Financial Instruments

(a) Qualitative information for financial instruments

(i) Policy for financial instrument transactions

The Company 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 the Company'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 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 rates are subject to fluctuations in market interest rates, the Company 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 the Company's risk management policy and internal rules, the Company uses derivative instruments for the purpose of hedging risks that are prescribed in the Company's articles of incorporation.
Investment securities are investments in Tokumei Kumiai (silent partnership) agreements or private placement REIT. Although these investments are subject to fluctuations in real estate prices or interest rates, the Company regularly monitors the values of the investments and financial position of the issuers, etc.

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 February 28, 2021 and August 31, 2021.

	As of								
	February 28, 2021			August 31, 2021			August 31, 2021		
	Carrying amounts	Fair value	Unrealized gain (loss)	Carrying amounts	Fair value	Unrealized gain (loss)	Carrying amounts	Fair value	Unrealized gain (loss)
	(in millions)						(in thousands of U.S. dollars (Note 6))		
Assets:									
(1) Cash and bank deposits	¥ 60,314	¥ 60,314	¥ -	¥ 64,815	¥ 64,815	¥ -	$ 589,763	$ 589,763	$ -
(2) Cash and bank deposits in trust	12,762	12,762	-	18,562	18,562	-	168,898	168,898	-
(3) Investment securities:									
Other investment securities	-	-	-	1,959	1,959	-	17,825	17,825	-
Total	¥ 73,076	¥ 73,076	¥ -	¥ 85,337	¥ 85,337	¥ -	$ 776,496	$ 776,496	$ -
Liabilities:									
(1) Current portion of long-term bonds issued—unsecured	¥ -	¥ -	¥ -	¥ 6,000	¥ 5,995	¥ 4	$ 54,595	$ 54,549	$ 36
(2) Current portion of long-term borrowings	51,000	51,007	(7)	52,900	52,936	(36)	481,346	481,674	(327)
(3) Current portion of tenant leasehold and security deposits in trust	695	705	(10)	674	681	(6)	6,132	6,196	(54)
(4) Long-term borrowings	316,200	316,269	(69)	426,275	427,744	(1,469)	3,878,753	3,892,120	(13,366)
(5) Long-term bonds issued—unsecured	44,500	44,909	(409)	53,500	53,987	(487)	486,806	491,237	(4,431)
(6) Tenant leasehold and security deposits	645	633	12	611	601	10	5,559	5,468	90
Total	¥ 413,041	¥ 413,525	¥ (484)	¥ 539,961	¥ 541,946	¥ (1,985)	$ 4,913,202	$ 4,931,264	$ (18,061)
Derivative instruments*	¥ (79)	¥ (79)	¥ -	¥ (147)	¥ (147)	¥ -	$ (1,337)	$ (1,337)	$ -

* Net assets and liabilities arising from derivative transactions are presented after off-setting against each other, with amounts in parentheses representing liabilities.

Notes:

(i) The methods and assumptions used to estimate fair value are as follows:

Assets

(1) Cash and cash equivalents and (2) Restricted bank deposits

The carrying amounts of cash and cash equivalents, or restricted bank deposits are deemed to approximate their fair value.

(3) Investment securities

The fair value of investments in private placement REIT is based on net asset values, etc., provided by asset managers. For further information on the other investment securities, please refer to "Note 11 —Investment Securities".

Liabilities

(1) Current portion of long-term bonds issued—unsecured and (5) Long-term bonds issued—unsecured

The fair value is the quoted price provided by pricing vendors.

(2) Current portion of long-term borrowings and (4) 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 that qualify for hedge accounting and meet special criteria, the fair value of the hedged long-term borrowings 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 that 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 and (6) Tenant leasehold and security deposits

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

Derivative instruments

Please refer to "Note 23 —Derivatives" for disclosure of the fair value of the interest rate swaps that is based on the amount calculated by the counterparty to the swap contracts.

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

	As of		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Investment securities (Investments in silent partnership)	¥ -	¥ 8,651	$ 78,717
Tenant leasehold and security deposits	1,788	1,785	16,242
Tenant leasehold and security deposits in trust	43,404	56,264	511,956
Total	¥ 45,193	¥ 66,701	$ 606,924

The investment securities (equity interests in silent partnership) are not traded in markets, and it is too difficult to estimate reasonable fair value. Tenant leasehold and security deposits 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.

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

As of February 28, 2021:	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
			(in millions)			
Cash and bank deposits	¥ 60,314	¥ -	¥ -	¥ -	¥ -	¥ -
Cash and bank deposits in trust	12,762	-	-	-	-	-
Total	¥ 73,076	¥ -	¥ -	¥ -	¥ -	¥ -

As of August 31, 2021:	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
			(in millions)			
Cash and cash equivalents	¥ 64,815	¥ -	¥ -	¥ -	¥ -	¥ -
Cash and bank deposits in trust	18,562	-	-	-	-	-
Total	¥ 83,377	¥ -	¥ -	¥ -	¥ -	¥ -

As of August 31, 2021:	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
			(in thousands of U.S. dollars (Note 6))			
Cash and cash equivalents	$ 589,763	$ -	$ -	$ -	$ -	$ -
Cash and bank deposits in trust	168,898	-	-	-	-	-
Total	$ 758,662	$ -	$ -	$ -	$ -	$ -

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

As of February 28, 2021:	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
			(in millions)			
Current portion of long-term borrowings	¥ 51,000	¥ -	¥ -	¥ -	¥ -	¥ -
Current portion of tenant leasehold and security deposits	695	-	-	-	-	-
Long-term borrowings	-	37,500	22,000	37,000	47,500	172,200
Long-term bonds issued	-	5,000	15,500	14,000	-	10,000
Tenant leasehold and security deposits	-	68	168	68	68	273
Total	¥ 51,695	¥ 42,568	¥ 37,668	¥ 51,068	¥ 47,568	¥ 182,473

As of August 31, 2021:	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
			(in millions)			
Current portion of long-term bonds issued	¥ 6,000	¥ -	¥ -	¥ -	¥ -	¥ -
Current portion of long-term borrowings	52,900	-	-	-	-	-
Current portion of tenant leasehold and security deposits	674	-	-	-	-	-
Long-term borrowings	-	46,700	43,700	53,325	48,550	234,000
Long-term bonds issued	-	8,000	14,500	7,000	9,500	14,500
Tenant leasehold and security deposits	-	168	68	68	68	239
Total	¥ 59,574	¥ 54,868	¥ 58,268	¥ 60,393	¥ 58,118	¥ 248,739

As of August 31, 2021:	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
			(in thousands of U.S. dollars (Note 6))			
Current portion of long-term bonds issued	$ 54,595	$ -	$ -	$ -	$ -	$ -
Current portion of long-term borrowings	481,346	-	-	-	-	-
Current portion of tenant leasehold and security deposits	6,132	-	-	-	-	-
Long-term borrowings	-	424,931	397,634	485,213	441,765	2,129,208
Long-term bonds issued	-	72,793	131,938	63,694	86,442	131,938
Tenant leasehold and security deposits	-	1,528	618	618	618	2,174
Total	$ 542,074	$ 499,253	$ 530,191	$ 549,526	$ 528,826	$ 2,263,321

Note 23 — Derivatives

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

As of February 28, 2021:

Method of hedge accounting	Type of derivatives	Hedged item	Notional amounts[ii] Total	Notional amounts[ii] Over 1 year	Fair value[iii]
			(in millions)		
Deferred hedge accounting	Interest rate swap (Floating-rate to fixed-rate interest)	Long-term borrowings	¥ 24,000	¥ 9,000	¥ (79)
Special treatment for hedge accounting of interest rate swaps[i]	Interest rate swap (Floating-rate to fixed-rate interest)	Long-term borrowings	91,500	73,500	(1,207)
Total			¥ 115,500	¥ 82,500	¥ (1,287)

As of August 31, 2021:

Method of hedge accounting	Type of derivatives	Hedged item	Notional amounts[ii] Total	Notional amounts[ii] Over 1 year	Fair value[iii]	Notional amounts[ii] Total	Notional amounts[ii] Over 1 year	Fair value[iii]
			(in millions)			(in thousands of U.S. dollars (Note 6))		
Deferred hedge accounting	Interest rate swap (Floating-rate to fixed-rate interest)	Long-term borrowings	¥ 33,500	¥ 17,300	¥ (147)	$ 304,822	$ 157,415	$ (1,337)
Special treatment for hedge accounting of interest rate swaps[i]	Interest rate swap (Floating-rate to fixed-rate interest)	Long-term borrowings	84,500	66,500	(1,006)	768,880	605,095	(9,153)
Total			¥ 118,000	¥ 83,800	¥ (1,154)	$ 1,073,703	$ 762,511	$ (10,500)

Notes:
(i) The interest rate swaps for which the Company applies the special treatment provided under the Accounting Standard Board of Japan Statement No.10, "Accounting Standard for Financial Instruments" revised on March 10, 2008, are not required to be separately recorded in the Company's balance sheets.
(ii) The notional amounts relating to derivatives do not, by themselves, represent the market risk exposure associated with the derivative transactions.
(iii) The fair value is determined at the amount with reference to the calculation performed by the counterparty to the interest rate swaps contracts, based on the prevailing market interest rates and other assumptions.

Note 24 — Asset Retirement Obligations

The Company has an obligation under a fixed-term leasehold agreement to restore its leased land, which represents a portion of the land where DFS T GALLERIA OKINAWA, owned by the Company, is located, upon the termination of the agreement, and contractual or legal obligations to remove asbestos contained in the buildings of KAWASAKI Le FRONT, JMF Jingumae 02 and Twin 21.
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, 22 years and 30 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%, 0.596% and 0.691%, respectively.

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

	For the six months ended February 28, 2021	For the six months ended August 31, 2021	For the six months ended August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Balance at the beginning of the period	¥ 546	¥ 549	$ 4,995
Increase due to acquisition of properties	-	230	2,092
Adjustment for passage of time	3	3	27
Balance at the end of the period	¥ 549	¥ 783	$ 7,124

Note 25 — Related-Party Transactions

For the six months ended February 28, 2021 and August 31, 2021, there were no applicable transactions with related parties as defined under the Financial Instruments and Exchanges Act.

Transactions with related parties as defined under the Investment Trust Act[(i)] are as below. Consumption taxes are excluded from the amounts of transactions, but included in the amounts of balances.

(a) Real Estate Acquisition

There was no acquisition of property from related parties for the six months ended February 28, 2021 and August 31, 2021.

(b) Fees Paid to the Asset Manager

Fees paid to the asset manager, Mitsubishi Corp.-UBS Realty Inc., are comprised as follows:

i. Asset management fees I, calculated at 0.45% of the Company's total assets
ii. Asset management fees II, calculated at 5.65% of cash distribution declared for last fiscal period
iii. Acquisition fees, calculated at 0.8% of the purchase price of the property acquired
iv. Disposition fees, calculated at 0.6% of the disposition amount of the property disposed
v. Merger fees, calculated at maximum 0.2% of the total specified assets succeeded by merger

For the six months ended February 28, 2021 and August 31, 2021, the asset management fees totaled ¥2,677 million and ¥4,449 million (US$40,482 thousand), respectively. The fees for the six months ended February 28, 2021 included ¥51 million of disposition fees. The fees for the six months ended August 31, 2021 included ¥239 million (US$2,174 thousand) of acquisition fees, ¥117 million (US$1,064 thousand) of disposition fees and ¥1,000 million (US$9,099 thousand) of merger fees.

Acquisition fees are capitalized as part of the acquisition cost of the properties.

(c)Transactions with the Custodian and General Administrator

Fees paid to the custodian and general administrator, Mitsubishi UFJ Trust and Banking Corporation, were ¥129 million and ¥132 million (US$1,201 thousand) for general administration fees, and ¥24 million and ¥29 million (US$263 thousand) for custodian fees for the six months ended February 28, 2021 and August 31, 2021, respectively. These fees have been decided based on standard terms commensurate with arm's length transactions.

The ending balances of accrued general administration fees and accounts payable for custodian fees as of August 31, 2021 were ¥57 million (US$518 thousand) and ¥4 million (US$36 thousand), respectively.

Note:

(i) Under the Investment Trust Act, the definition of a "related party" includes the asset management company and its interested parties (parent and subsidiary corporations, specified individual shareholders, and major shareholders of the asset management company defined as interested parties under Article 201 of the Investment Trust Act and Article 123 of the Order for Enforcement of the Investment Trust Act), as well as the asset custody company, in addition to controlling unitholders, major unitholders, subsidiary corporations, subsidiary companies of controlling unitholders, and officers and their close relatives.

Note 26 — Per Unit Information

The Company 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 September 1, 2020.

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

	As of / For the six months ended		
	February 28, 2021	August 31, 2021	August 31, 2021
	(Yen)		(US$ (Note 6))
Pro forma net asset value per unit	¥ 83,375	¥ 89,234	$ 811
Pro forma net income per unit	¥ 2,285	¥ 1,938	$ 17

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

	As of / For the six months ended		
	February 28, 2021	August 31, 2021	August 31, 2021
	(in millions)		(in thousands of U.S. dollars (Note 6))
Net income	¥ 11,896	13,549	$ 123
Amounts not attributable to common unitholders	-	-	-
Net income attributable to common unitholders	¥ 11,896	13,549	$ 123
Weighted average number of investment units	5,204,966	6,989,091	

Note 27 — Segment Information

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

(a) Operating Segment Information

Disclosure is omitted as the Company 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 are 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.

(iii) Information about Major Customers

For the six months ended February 28, 2021:

Name of Customer	Revenues (in millions)	Relating Segment
AEON Mall Co., Ltd.	¥ 3,222	Property rental business
AEON Retail Co., Ltd. [(i)]	2,891	Property rental business

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

For the six months ended August 31, 2021:

Disclosure is not required as there are no customers for which revenues are in excess of 10% of total revenues.

Note 28— Significant Non-cash Transactions

The following table shows assets acquired and liabilities assumed by the Company through the merger with MCUBS MidCity Investment Corporation. Capital surplus was increased by ¥187,868 million (US$1,709,444 thousand) by the merger.

	Amounts acquired or assumed	
	(in millions)	(in thousands of U.S. dollars (Note 6))
Current assets	¥ 16,721	$ 152,147
Non-current assets	305,872	2,783,184
Total assets	¥ 322,594	$ 2,935,341
Current liabilities	¥ 29,102	$ 264,804
Non-current liabilities	121,672	1,107,115
Total liabilities	¥ 150,774	$ 1,371,919

Note 29— Business Combination

1. Outline of Business Combination

(1) Name and Business of the Acquiree

Name: MCUBS MidCity Investment Corporation (hereinafter referred to as "MMI")
Business: To invest mainly specified asset under the Law Concerning Investment Trusts

(2) Primary Reason for Business Combination

The Company and MMI entered into the merger agreement on August 28, 2020, 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.

(3) Date of Business Combination

March 1, 2021

(4) Type of the Business Combination

The business combination was an absorption-type merger with the Company as the surviving corporation and MMI was dissolved.

(5) Name of the Combined Entity after the Business Combination

Japan Metropolitan Fund Investment Corporation (the Company has changed its trade name from to Japan Retail Fund Investment Corporation on March 1, 2021)

(6) Basis for Identifying the Acquirer

The Company was identified as the acquirer in accordance with the accounting standard for business combinations, comprehensively considering the relative voting rights of the unitholders as a group in the combined entity after the business combination, the composition of the governing body of the combined entity and other factors.

2. Reporting Period of the Acquiree Included in the Financial Statements of the Combined Entity

From March 1, 2021 to August 31, 2021

3. Acquisition Cost of the Acquiree and Breakdown by Type of Consideration

Consideration Transferred:

Aggregate market value of the investment units of the Company issued on the date of the business combination
¥187,868 million (US$1,709,444 thousand)

Total of acquisition cost
¥187,868 million (US$1,709,444 thousand)

4. Merger ratio, calculation of the merger ratio and number of investment units issued

(1) The Merger Ratio

The Company allocated it's one investment unit to one investment unit of MMI. The Company executed a two-for-one unit split with February 28, 2021 as the record date for the unit split and March 1, 2021 as the effective date.

(2) Calculation of the Merger Ratio

In order to support the fairness of the calculation of the merger ratio for the merger, the Company appointed Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and MMI appointed SMBC Nikko Securities Inc., respectively, as their financial advisors to perform financial analyses regarding the merger ratio.
As a result of discussions and negotiations over an extended period comprehensively taking into consideration such factors as the financial performance and state of the assets and liabilities of each of the Company and MMI, their future business prospects, the merits of the Merger and the results of the financial analyses performed by their respective financial advisors, the Company and MMI determined that the above merger ratios are fair.

(3) Units Issued for the Merger

1,784,125 units

5. Details of Major Acquisition-Related Costs

Merger fees: ¥1,000 million (US$9,099 thousand)

6. Goodwill Resulting from the Merger

(1) Amount of Goodwill

¥16,049 million (US$146,032 thousand)

(2) Reason Why the Merger Resulted in Goodwill

The goodwill occurred because the acquisition cost amounting to ¥187,868 million (US$1,709,444 thousand) exceeded the net assets value at the date of business combination amounting to ¥171,819 million (US$1,563,412 thousand).

(3) Amortization method and amortization period

Goodwill is amortized by the straight-line method over 20 years.

7. Assets Acquired and Liabilities Assumed at the Date of Business Combination

	Amounts acquired or assumed	
	(in millions)	(in thousands of U.S. dollars (Note 6))
Current assets	¥ 16,721	$ 152,147
Non-current assets	305,872	2,783,184
Total assets	¥ 322,594	$ 2,935,341
Current liabilities	¥ 29,102	$ 264,804
Non-current liabilities	121,672	1,107,115
Total liabilities	¥ 150,774	$ 1,371,919

8. Estimated Effect of the Business Combination on the Statement of Income, Provided That the Business Combination Was Completed at the Beginning of the Current Reporting Period

No impact because the business combination date was the beginning of the current reporting period.

Note 30— Subsequent Events

Not applicable.

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION

SUPPLEMENTARY SCHEDULES

As of and for the six months ended February 28, 2021 and August 31, 2021

1. Investment Securities

The details of investment securities as of August 31, 2021 are as follows:

Description of securities	Classification of assets	Quantity	Acquisition cost		Fair value		Unrealized gains (or losses)
			Per unit	Amount	Per unit	Amount	
			(yen)	(in millions of yen)	(yen)	(in millions of yen)	
Equity interest of Tokumei Kumiai agreement managed by R40 Godo Kaisha[(i)(ii)]	Investment in Tokumei Kumiai agreement	-	¥ -	¥ 8,651	¥ -	¥ 8,651	¥ -
Investment units of Investment units of Nisshin Private Residential Reit, Inc.[(iii)]	Investment securities	1,680	1,127,924	1,894	1,166,665	1,959	65
Total		-	-	¥ 10,547	-	¥ 10,611	¥ -

Description of securities	Classification of assets	Quantity	Acquisition cost		Fair value		Unrealized gains (or losses)
			Per unit	Amount	Per unit	Amount	
			(U.S. dollars (Note 6))	(in thousands of U.S. dollars (Note 6))	(U.S. dollars (Note 6))	(in thousands of U.S. dollars (Note 6))	
Equity interest of Tokumei Kumiai agreement managed by R40 Godo Kaisha[(i)(ii)]	Investment in Tokumei Kumiai agreement	-	$ -	$ 78,717	$ -	$ 78,717	$ -
Investment units of Investment units of Nisshin Private Residential Reit, Inc.[(iii)]	Investment securities	1,680	10,263	17,233	10,615	17,825	591
Total		-	-	$ 95,969	-	$ 96,551	$ -

Notes:

(i) The investment asset is trust beneficiary interest for the 33.9% co-ownership interest (and 29.5% right of site) of the sectional ownership of Nagoya Lucent Tower.

(ii) "Fair value" of the investment in Tokumei Kumiai agreement represents carrying amounts.

(ii) The underlying assets are mainly trust beneficiary interests of Kawasaki Sakuramoto WEST and N-stage Matsudo, etc.

2. Derivatives

Information on derivative transactions undertaken by the Company as of August 31, 2021 is as follows. Derivative transactions are carried out for hedging purposes only and are subject to hedge accounting.

Category	Type of derivatives	Notional amounts[(i)]		Fair value[(ii)]	Notional amounts[(i)]		Fair value[(ii)]
		Total	Over 1 year		Total	Over 1 year	
		(in millions)			(in thousands of U.S. dollars (Note 6))		
Transactions other than market transactions	Interest rate swap (Floating-rate to fixed-rate interest)	¥ 118,000	¥ 83,800	¥ (1,154)	$ 1,073,703	$ 762,511	$ (10,500)
Total		¥ 118,000	¥ 83,800	¥ (1,154)	$ 1,073,703	$ 762,511	$ (10,500)

Notes:

(i) The contract amount of interest rate swap transactions is based on the notional principals.

(ii) The fair value is based on the estimation made by the interest rate swap counterparty using the prevailing interest rate.

(iii) Special accounting treatment is applied to the interest-rate swaps in accordance with the "Accounting Standard for Financial Instruments" (issued by the Accounting Standards Board of Japan(ASBJ) on March 10, 2008;ASBJ Statement No.10) and therefore interest rate swaps are not stated at fair value in the balance sheet.

3. Schedule of Property and Equipment

(i) Schedule of Property and Equipment as of February 28, 2021 consisted of the following:

	At cost						
	Beginning balance	Increase	Decrease	Ending balance	Accumulated depreciation	Depreciation for the period	Net property and equipment
	(in millions)						
Land	¥ 28,459	¥ -	¥ -	¥ 28,459	¥ -	¥ -	¥ 28,459
Buildings	2,448	2	-	2,450	748	43	1,701
Building improvements	66	-	-	66	29	1	37
Furniture and fixtures	21	-	-	21	15	-	6
Construction in progress	3	-	-	3	-	-	3
Land in trust	607,714	-	5,460	602,253	-	-	602,253
Buildings in trust	288,883	1,341	3,470	286,754	110,090	4,922	176,664
Building improvements in trust	13,165	42	236	12,971	5,131	192	7,839
Machinery and equipment in trust	2,190	20	19	2,191	1,405	54	785
Furniture and fixtures in trust	4,793	117	53	4,857	3,082	144	1,774
Construction in progress in trust	11	30	1	40	-	-	40
Total	¥ 947,758	¥ 1,554	¥ 9,241	¥ 940,071	¥ 120,504	¥ 5,359	¥ 819,567

(ii) Schedule of Property and Equipment as of August 31, 2021 consisted of the following:

	At cost						
	Beginning balance	Increase	Decrease	Ending balance	Accumulated depreciation	Depreciation for the period	Net property and equipment
	(in millions)						
Land	¥ 28,459	¥ -	¥ -	¥ 28,459	¥ -	¥ -	¥ 28,459
Buildings	2,450	24	-	2,474	789	41	1,684
Building improvements	66	-	-	66	30	1	36
Furniture and fixtures	21	-	-	21	15	-	5
Construction in progress	3	37	-	41	-	-	41
Land in trust	602,253	270,324	22,597	849,981	-	-	849,981
Buildings in trust	286,754	59,493	12,329	333,918	109,594	5,671	224,324
Building improvements in trust	12,971	260	1,012	12,218	4,728	186	7,490
Machinery and equipment in trust	2,191	38	80	2,149	1,395	53	753
Furniture and fixtures in trust	4,857	209	92	4,975	3,163	153	1,811
Construction in progress in trust	40	78	-	118	-	-	118
Total	¥ 940,071	¥ 330,466	¥ 36,113	¥ 1,234,424	¥ 119,718	¥ 6,108	¥ 1,114,706

	At cost						
	Beginning balance	Increase	Decrease	Ending balance	Accumulated depreciation	Depreciation for the period	Net property and equipment
	(in thousands of U.S. dollars (Note 6))						
Land	$ 258,953	$ -	$ -	$ 258,953	$ -	$ -	$ 258,953
Buildings	22,292	218	-	22,511	7,179	373	15,323
Building improvements	600	-	-	600	272	9	327
Furniture and fixtures	191	-	-	191	136	-	45
Construction in progress	27	336	-	373	-	-	373
Land in trust	5,480,009	2,459,727	205,614	7,734,131	-	-	7,734,131
Buildings in trust	2,609,226	541,337	112,183	3,038,380	997,215	51,601	2,041,164
Building improvements in trust	118,025	2,365	9,208	111,173	43,020	1,692	68,152
Machinery and equipment in trust	19,936	345	727	19,554	12,693	482	6,851
Furniture and fixtures in trust	44,194	1,901	837	45,268	28,780	1,392	16,478
Construction in progress in trust	363	709	-	1,073	-	-	1,073
Total	$ 8,553,876	$ 3,006,969	$ 328,598	$ 11,232,247	$ 1,089,335	$ 55,577	$ 10,142,911

4. Schedule of Intangible Assets

(i) Schedule of Intangible Assets as of February 28, 2021 consisted of the following:

	At cost						
	Beginning balance	Increase	Decrease	Ending balance	Accumulated amortization	Amortization for the period	Net intangible assets
				(in millions)			
Leasehold rights	¥ 5,384	¥ -	¥ -	¥ 5,384	¥ 310	¥ 20	¥ 5,073
Other intangible assets	91	3	2	91	19	8	71
Other intangible assets in trust	432	8	-	441	327	19	113
Total	¥ 5,907	¥ 11	¥ 2	¥ 5,916	¥ 657	¥ 48	¥ 5,259

(ii) Schedule of Intangible Assets as of August 31, 2021 consisted of the following:

	At cost						
	Beginning balance	Increase	Decrease	Ending balance	Accumulated amortization	Amortization for the period	Net intangible assets
				(in millions)			
Goodwill	¥ -	¥ 16,049	¥ -	¥ 16,049	¥ 401	¥ 401	¥ 15,647
Leasehold rights	5,384	-	-	5,384	330	20	5,053
Other intangible assets	91	166	-	258	32	12	226
Other intangible assets in trust	441	3	4	440	343	20	96
Total	¥ 5,916	¥ 16,219	¥ 4	¥ 22,132	¥ 1,107	¥ 454	¥ 21,024

	At cost						
	Beginning balance	Increase	Decrease	Ending balance	Accumulated amortization	Amortization for the period	Net intangible assets
				(in thousands of U.S. dollars (Note 6))			
Goodwill	$ -	$ 146,032	$ -	$ 146,032	$ 3,648	$ 3,648	$ 142,374
Leasehold rights	48,989	-	-	48,989	3,002	181	45,978
Other intangible assets	828	1,510	-	2,347	291	109	2,056
Other intangible assets in trust	4,012	27	36	4,003	3,121	181	873
Total	$ 53,830	$ 147,579	$ 36	$ 201,383	$ 10,072	$ 4,131	$ 191,301

5. Investment corporation bonds

Classification	Name of bonds	Issuance date	Beginning balance (Millions of yen)	Decrease (Millions of yen)	Ending balance (Millions of yen)	Interest rate (%)	Maturity date	Repayment method	Use	Remarks
Unsecured investment corporation bonds	Japan Retail Fund Investment Corporation 7th series unsecured investment corporation bonds	December 18, 2013	7,500	-	7,500	1.108	December 18, 2023	Lump sum (Note 2)	(Note 3)	Unsecured and unguaranteed
	Japan Retail Fund Investment Corporation 8th series unsecured investment corporation bonds	June 26, 2014	8,000	-	8,000	1.260	June 26, 2026	Lump sum (Note 2)	(Note 3)	Unsecured and unguaranteed
	Japan Retail Fund Investment Corporation 9th series unsecured investment corporation bonds	February 5, 2015	7,000	-	7,000	0.765	February 5, 2025	Lump sum (Note 2)	(Note 4)	Unsecured and unguaranteed
	MUCBS MidCity Investment Corporation 1st series unsecured investment corporation bonds	May 23, 2016	-	1,500	-	0.340	May 21, 2021	Lump sum (Note 2)	(Note 3)	Unsecured and unguaranteed
	MUCBS MidCity Investment Corporation 2nd series unsecured investment corporation bonds	May 23, 2016	-	-	1,500	0.810	May 22, 2026	Lump sum (Note 2)	(Note 3)	Unsecured and unguaranteed
	Japan Retail Fund Investment Corporation 10th series unsecured investment corporation bonds (Note 1)	May 19, 2017	5,000	-	5,000	0.220	May 19, 2022	Lump sum (Note 2)	(Note 4)	Unsecured and unguaranteed
	Japan Retail Fund Investment Corporation 11th series unsecured investment corporation bonds	May 19, 2017	2,000	-	2,000	0.480	May 19, 2027	Lump sum (Note 2)	(Note 4)	Unsecured and unguaranteed
	MUCBS MidCity Investment Corporation 3rd series unsecured investment corporation bonds (Note 1)	May 29, 2017	-	-	1,000	0.260	May 27, 2022	Lump sum (Note 2)	(Note 3)	Unsecured and unguaranteed
	MUCBS MidCity Investment Corporation 4th series unsecured investment corporation bonds	May 29, 2017	-	-	2,000	0.670	May 28, 2027	Lump sum (Note 2)	(Note 3)	Unsecured and unguaranteed
	MUCBS MidCity Investment Corporation 5th series unsecured investment corporation bonds	May 29, 2018	-	-	2,000	0.590	May 29, 2028	Lump sum (Note 2)	(Note 3)	Unsecured and unguaranteed
	Sub-total		29,500	1,500	36,000					
Green Bonds	Japan Retail Fund Investment Corporation 12th series unsecured investment corporation bonds (1st JRF Green Bonds)	May 25, 2018	8,000	-	8,000	0.210	May 25, 2023	Lump sum (Note 2)	(Note 5)	Unsecured and unguaranteed
	Japan Retail Fund Investment Corporation 13th series unsecured investment corporation bonds (2nd JRF Green Bonds)	June 25, 2019	7,000	-	7,000	0.200	June 25, 2024	Lump sum (Note 2)	(Note 5)	Unsecured and unguaranteed
	Japan Metropolitan Fund Investment Corporation 1st series unsecured investment corporation bonds (1st JMF Green Bonds)	June 25, 2021	-	-	8,500	0.450	June 25, 2031	Lump sum (Note 2)	(Note 5)	Unsecured and unguaranteed
	Sub-total		15,000	-	23,500					
Total			44,500	1,500	59,500					

Note 1 The balances as of August 31, 2021 are included in current portion of long-term bonds issued – unsecured in the balance sheets.

Note 2 JMF may repurchase bonds at any time on or after the next day of issuance except for the case that transferring term is otherwise limited.

Note 3 The funds were appropriated to repayment of borrowings or working capital.

Note 4 The funds were appropriated to redemption of investment corporation bonds.

Note 5 The funds were appropriated to repayment of borrowings. Repayments are made to satisfy criteria for debts of the Eligible Green Projects defined in the Green Bond Framework.

The following is the maturity schedule for each year within five years after the balance sheet date.

As of August 31, 2021	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years
Japan Retail Fund Investment Corporation 7th series unsecured investment corporation bonds	-	-	7,500	-	-
Japan Retail Fund Investment Corporation 8th series unsecured investment corporation bonds	-	-	-	-	8,000
Japan Retail Fund Investment Corporation 9th series unsecured investment corporation bonds	-	-	-	7,000	-
MUCBS MidCity Investment Corporation 2nd series unsecured investment corporation bonds	-	-	-	-	1,500
Japan Retail Fund Investment Corporation 10th series unsecured investment corporation bonds	5,000	-	-	-	-
Japan Retail Fund Investment Corporation 11th series unsecured investment corporation bonds	-	-	-	-	-
MUCBS MidCity Investment Corporation 3rd series unsecured investment corporation bonds	1,000	-	-	-	-
MUCBS MidCity Investment Corporation 4th series unsecured investment corporation bonds	-	-	-	-	-
MUCBS MidCity Investment Corporation 5th series unsecured investment corporation bonds	-	-	-	-	-
Japan Retail Fund Investment Corporation 12th series unsecured investment corporation bonds (1st JRF Green Bonds)	-	8,000	-	-	-
Japan Retail Fund Investment Corporation 13th series unsecured investment corporation bonds (2nd JRF Green Bonds)	-	-	7,000	-	-
Japan Metropolitan Fund Investment Corporation 1st series unsecured investment corporation bonds (1st JMF Green Bonds)	-	-	-	-	-

6. Borrowings

Classification	Name of lender	Borrowing date	Beginning balance (Millions of yen)	Increase (Millions of yen)	Decrease (Millions of yen)	Ending balance (Millions of yen)	Average interest rate (%) (Note 1)	Due date	Repayment method	Use	Remarks
Long-term	MUFG Bank, Ltd. (Note 2)	September 22, 2011	3,665	-	-	3,665	1.0 (Note 5)	September 22, 2021	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 2)		1,335	-	-	1,335					
	MUFG Bank, Ltd.	September 22, 2011	7,330	-	7,330	-	0.9 (Note 5)	March 22, 2021	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		2,670	-	2,670	-					
	MUFG Bank, Ltd. (Note 2)	May 22, 2012	4,030	-	-	4,030	1.0 (Note 5)	May 20, 2022	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 2)		1,470	-	-	1,470					
	Shinsei Bank, Limited (Note 2)	May 22, 2012	3,500	-	-	3,500	1.1 (Note 5)	May 20, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	October 2, 2012	1,000	-	-	1,000	1.6	October 1, 2024	Lump sum	(Note 6)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 2, 2012	1,000	-	-	1,000	1.2	October 2, 2022	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 2)	February 28, 2013	5,000	-	-	5,000	1.2 (Note 5)	February 28, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 2)	March 29, 2013	5,000	-	-	5,000	1.2 (Note 5)	March 31, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	September 30, 2013	3,000	-	-	3,000	1.3	April 7, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 7, 2013	1,000	-	-	1,000	2.2 (Note 5)	October 6, 2028	Lump sum	(Note 6)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	October 7, 2013	1,500	-	-	1,500	1.5	April 5, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 7, 2013	1,000	-	-	1,000	1.3	October 6, 2023	Lump sum	(Note 6)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 7, 2013	2,199	-	-	2,199	1.4 (Note 5)	October 6, 2023	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		801	-	-	801					
	MUFG Bank, Ltd.	October 7, 2013	2,565	-	-	2,565	1.3 (Note 5)	April 7, 2023	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		934	-	-	934					
	Development Bank of Japan Inc.	October 7, 2013	1,500	-	-	1,500	1.3	April 7, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	October 7, 2013	1,500	-	-	1,500	1.2 (Note 5)	October 7, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	October 7, 2013	1,000	-	-	1,000	1.2 (Note 5)	October 7, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	October 7, 2013	2,000	-	-	2,000	1.2 (Note 5)	October 7, 2022	Lump sum	(Note 6)	Unsecured and unguaranteed
	The Yamaguchi Bank, Ltd. (Note 2)	October 7, 2013	1,000	-	-	1,000	1.0	October 7, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD. (Note 2)	October 7, 2013	1,000	-	-	1,000	1.0 (Note 5)	October 7, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 7, 2013	2,199	-	2,199	-	0.9 (Note 5)	April 7, 2021	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		801	-	801	-					
	Development Bank of Japan Inc.	March 31, 2014	4,000	-	-	4,000	1.7	March 31, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 1, 2014	1,099	-	-	1,099	1.5 (Note 5)	March 31, 2025	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		400	-	-	400					
	Aozora Bank, Ltd. (Note 3)	July 31, 2014	-	1,200	1,200	-	1.5	July 31, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 3)		-	600	600	-					
	Development Bank of Japan Inc.	October 1, 2014	3,000	-	-	3,000	1.3	October 1, 2025	Lump sum	(Note 6)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 1, 2014	1,466	-	-	1,466	1.1 (Note 5)	October 1, 2024	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		534	-	-	534					

Classification	Name of lender	Borrowing date	Beginning balance (Millions of yen)	Increase (Millions of yen)	Decrease (Millions of yen)	Ending balance (Millions of yen)	Average interest rate (%) (Note 1)	Due date	Repayment method	Use	Remarks
Long-term	MUFG Bank, Ltd.	October 1, 2014	800	-	-	800	1.1	October 1, 2024	Lump sum	(Note 6)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 1, 2014	2,199	-	-	2,199	0.8 (Note 5)	September 30, 2022	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		801	-	-	801					
	THE NISHI-NIPPON CITY BANK, LTD.	October 1, 2014	1,000	-	-	1,000	0.8 (Note 5)	September 30, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Yamaguchi Bank, Ltd.	October 1, 2014	1,000	-	-	1,000	0.8	September 30, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 2)	October 1, 2014	2,000	-	-	2,000	0.7 (Note 5)	April 1, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 2)	October 1, 2014	2,565	-	-	2,565	0.7 (Note 5)	October 1, 2021	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 2)		934	-	-	934					
	The Norinchukin Bank (Note 2)	October 1, 2014	1,500	-	-	1,500	0.6 (Note 5)	October 1, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	October 1, 2014	3,000	-	3,000	-	0.6 (Note 5)	April 1, 2021	Lump sum	(Note 6)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	October 1, 2014	1,000	-	1,000	-	0.6 (Note 5)	April 1, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	February 2, 2015	200	-	-	200	1.0	January 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	JAPAN POST INSURANCE Co., Ltd.		1,000	-	-	1,000					
	MUFG Bank, Ltd.	February 5, 2015	2,928	-	-	2,928	0.8 (Note 5)	February 5, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,071	-	-	1,071					
	MUFG Bank, Ltd.	February 5, 2015	2,928	-	-	2,928	0.7 (Note 5)	February 3, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,071	-	-	1,071					
	Sumitomo Mitsui Banking Corporation	March 2, 2015	1,000	-	-	1,000	1.6 (Note 5)	March 30, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 2, 2015	7,000	-	-	7,000	1.0 (Note 5)	March 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 2, 2015	6,000	-	-	6,000	0.9 (Note 5)	March 29, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 2, 2015	6,000	-	-	6,000	0.7 (Note 5)	March 31, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Resona Bank, Limited (Note 3)	July 31, 2015	-	1,300	1,300	-	1.0 (Note 5)	July 31, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 3)		-	1,050	1,050	-					
	Sumitomo Mitsui Banking Corporation (Note 3)		-	950	950	-					
	Mizuho Bank, Ltd. (Note 3)		-	800	800	-					
	The Senshu Ikeda Bank, Ltd. (Note 3)		-	400	400	-					
	Mizuho Bank, Ltd. (Note 3)	July 31, 2015	-	1,000	-	1,000	1.4 (Note 5)	July 31, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Aozora Bank, Ltd. (Notes 2 and 3)	July 31, 2015	-	650	-	650	1.2 (Note 5)	July 31, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Notes 2 and 3)		-	650	-	650					
	Mizuho Bank, Ltd. (Notes 2 and 3)		-	500	-	500					
	Mizuho Trust & Banking Co., Ltd. (Notes 2 and 3)		-	400	-	400					
	Development Bank of Japan Inc. (Notes 2 and 3)	July 31, 2015	-	800	-	800	1.2	July 31, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 3)	July 31, 2015	-	500	-	500	1.4 (Note 5)	July 31, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 3)	July 31, 2015	-	500	-	500	1.4	July 31, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	February 18, 2016	6,000	-	-	6,000	0.6 (Note 5)	January 30, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	February 18, 2016	1,000	-	-	1,000	0.6 (Note 5)	January 30, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	February 18, 2016	1,000	-	-	1,000	0.6 (Note 5)	January 30, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Beginning balance (Millions of yen)	Increase (Millions of yen)	Decrease (Millions of yen)	Ending balance (Millions of yen)	Average interest rate (%) (Note 1)	Due date	Repayment method	Use	Remarks
Long-term	Resona Bank, Limited	February 18, 2016	1,000	-	-	1,000	0.5 (Note 5)	July 31, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	February 18, 2016	1,000	-	-	1,000	0.6 (Note 5)	January 30, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 1, 2016	733	-	-	733	0.5 (Note 5)	March 31, 2026	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		267	-	-	267					
	Mizuho Bank, Ltd.	March 1, 2016	2,000	-	-	2,000	0.4 (Note 5)	March 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinsei Bank, Limited	March 1, 2016	1,500	-	-	1,500	0.3 (Note 5)	March 29, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Chugoku Bank, LTD.	March 1, 2016	1,000	-	-	1,000	0.3 (Note 5)	March 29, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinkin Central Bank	March 1, 2016	1,000	-	-	1,000	0.3	March 29, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Norinchukin Bank	March 1, 2016	1,500	-	-	1,500	0.3 (Note 5)	March 29, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD.	March 18, 2016	1,000	-	-	1,000	0.5 (Note 5)	March 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	March 18, 2016	1,000	-	-	1,000	0.5 (Note 5)	March 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	The 77 Bank, Ltd.	March 31, 2016	1,000	-	-	1,000	0.5	March 31, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 28, 2016	4,031	-	-	4,031	0.5	September 30, 2024	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,468	-	-	1,468					
	Mizuho Bank, Ltd. (Note 3)	April 28, 2016	-	1,400	1,400	-	0.5 (Note 5)	April 30, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 3)		-	700	700	-					
	Sumitomo Mitsui Trust Bank, Limited (Note 3)		-	700	700	-					
	Development Bank of Japan Inc.	July 29, 2016	10,850	-	-	10,850	0.4	July 30, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 3)	July 29, 2016	-	1,600	1,600	-	0.5	July 31, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed
	Aozora Bank, Ltd. (Note 3)		-	500	500	-					
	Development Bank of Japan Inc. (Note 3)		-	400	400	-					
	The Senshu Ikeda Bank, Ltd. (Note 3)		-	150	150	-					
	Aozora Bank, Ltd. (Note 3)	July 29, 2016	-	2,250	-	2,250	0.7	July 31, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 3)		-	1,350	-	1,350					
	Mizuho Bank, Ltd. (Note 3)		-	600	-	600					
	MUFG Bank, Ltd. (Note 3)		-	500	-	500					
	The Bank of Fukuoka, Ltd.	September 21, 2016	2,000	-	-	2,000	0.5	September 30, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	Resona Bank, Limited	September 30, 2016	2,500	-	-	2,500	0.5	September 30, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	The 77 Bank, Ltd.	September 30, 2016	1,000	-	-	1,000	0.4	September 30, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Chugoku Bank, LTD.	December 21, 2016	3,000	-	-	3,000	0.7	December 30, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	Resona Bank, Limited	December 21, 2016	2,000	-	-	2,000	0.6	December 30, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Notes 2 and 3)	January 31, 2017	-	1,000	-	1,000	0.6	January 31, 2022	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Notes 2 and 3)		-	1,000	-	1,000					
	Sumitomo Mitsui Banking Corporation (Notes 2 and 3)		-	500	-	500					
	Development Bank of Japan Inc. (Notes 2 and 3)		-	500	-	500					
	MUFG Bank, Ltd. (Notes 2 and 3)		-	1,000	-	1,000					

Classification	Name of lender	Borrowing date	Beginning balance (Millions of yen)	Increase (Millions of yen)	Decrease (Millions of yen)	Ending balance (Millions of yen)	Average interest rate (%) (Note 1)	Due date	Repayment method	Use	Remarks
Long-term	Mizuho Bank, Ltd. (Note 3)	January 31, 2017	-	1,000	-	1,000	0.8	January 31, 2024	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 3)		-	1,000	-	1,000					
	Sumitomo Mitsui Banking Corporation (Note 3)		-	500	-	500					
	Development Bank of Japan Inc. (Note 3)		-	500	-	500					
	MUFG Bank, Ltd. (Note 3)		-	1,000	-	1,000					
	Development Bank of Japan Inc.	March 31, 2017	2,000	-	-	2,000	0.6	January 29, 2027	Lump sum	(Note 6)	Unsecured and unguaranteed
	The Chugoku Bank, LTD.	March 31, 2017	1,000	-	-	1,000	0.6	January 29, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinkin Central Bank	March 31, 2017	1,000	-	-	1,000	0.6	January 29, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Yamaguchi Bank, Ltd.	March 31, 2017	1,000	-	-	1,000	0.6	January 29, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	May 1, 2017	1,099	-	-	1,099	0.4	November 1, 2024	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		400	-	-	400					
	MUFG Bank, Ltd.	May 1, 2017	1,000	-	-	1,000	0.4	May 1, 2025	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	May 1, 2017	2,000	-	-	2,000	0.4	May 1, 2024	Lump sum	(Note 6)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	May 1, 2017	2,000	-	-	2,000	0.6	May 1, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Resona Bank, Limited	May 1, 2017	1,000	-	-	1,000	0.6	May 1, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinsei Bank, Limited	May 1, 2017	1,000	-	-	1,000	0.6	May 1, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Toho Bank, Ltd.	May 19, 2017	2,000	-	-	2,000	0.3	May 16, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Juroku Bank, Ltd.		1,800	-	-	1,800					
	The Hyakugo Bank, Ltd.		1,350	-	-	1,350					
	Taiyo Life Insurance Company		1,000	-	-	1,000					
	Daishi Hokuetsu Bank, Ltd.		950	-	-	950					
	The Akita Bank, Ltd.		450	-	-	450					
	The Iyo Bank, Ltd.		450	-	-	450					
	Shinkin Central Bank (Note 3)	July 31, 2017	-	1,100	-	1,100	0.7	July 31, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd. (Note 3)		-	800	-	800					
	Sumitomo Mitsui Banking Corporation (Note 3)	July 31, 2017	-	1,000	-	1,000	0.7	July 31, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 3)	July 31, 2017	-	2,875	-	2,875	0.9	July 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 3)		-	1,100	-	1,100					
	Aozora Bank, Ltd. (Note 3)	July 31, 2017	-	2,400	-	2,400	1.0	July 31, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 3)		-	1,000	-	1,000					
	Development Bank of Japan Inc. (Note 3)		-	500	-	500					
	Sumitomo Mitsui Trust Bank, Limited (Notes 2 and 3)	July 31, 2017	-	1,900	-	1,900	0.5	July 29, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	Tokio Marine & Nichido Fire Insurance Co., Ltd. (Notes 2 and 3)		-	500	-	500					
	Nippon Life Insurance Company (Notes 2 and 3)		-	500	-	500					
	The Bank of Fukuoka, Ltd.	September 14, 2017	3,000	-	-	3,000	0.4	March 31, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 29, 2017	2,000	-	-	2,000	0.5	September 30, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	October 2, 2017	1,000	-	-	1,000	0.6	September 30, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Daishi Hokuetsu Bank, Ltd.	October 2, 2017	1,500	-	-	1,500	0.3	September 30, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Ashikaga Bank, Ltd.		1,000	-	-	1,000					
	The Juroku Bank, Ltd.		500	-	-	500					

Classification	Name of lender	Borrowing date	Beginning balance (Millions of yen)	Increase (Millions of yen)	Decrease (Millions of yen)	Ending balance (Millions of yen)	Average interest rate (%) (Note 1)	Due date	Repayment method	Use	Remarks
Long-term	MUFG Bank, Ltd.	October 6, 2017	4,764	-	-	4,764	0.5	July 31, 2024	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,735	-	-	1,735					
	MUFG Bank, Ltd.	November 22, 2017	3,300	-	-	3,300	0.5	November 21, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,200	-	-	1,200					
	MUFG Bank, Ltd.	November 22, 2017	3,300	-	-	3,300	0.5	May 22, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,200	-	-	1,200					
	The Joyo Bank, Ltd.	November 22, 2017	1,000	-	-	1,000	0.6	November 22, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Chugoku Bank, LTD.	November 22, 2017	2,000	-	-	2,000	0.6	November 22, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinkin Central Bank	December 29, 2017	2,500	-	-	2,500	0.6	December 28, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	January 12, 2018	2,000	-	-	2,000	0.6	January 12, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	February 28, 2018	-	1,200	-	1,200	0.4	February 28, 2023	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 3)		-	1,200	-	1,200					
	MUFG Bank, Ltd. (Note 3)	February 28, 2018	-	1,200	-	1,200	0.6	February 28, 2025	Lump sum	(Note 6)	Unsecured and unguaranteed
	Aozora Bank, Ltd. (Note 3)	February 28, 2018	-	900	-	900	0.7	February 28, 2025	Lump sum	(Note 6)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD. (Note 3)		-	900	-	900					
	The Bank of Fukuoka, Ltd. (Note 3)		-	900	-	900					
	Mizuho Bank, Ltd. (Note 3)	February 28, 2018	-	1,500	-	1,500	0.8	February 27, 2026	Lump sum	(Note 6)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 3)		-	1,200	-	1,200					
	Sumitomo Mitsui Banking Corporation	March 30, 2018	5,500	-	-	5,500	0.4	September 30, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 30, 2018	3,000	-	-	3,000	0.4	March 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 30, 2018	8,500	-	-	8,500	0.8	July 31, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 3)	July 31, 2018	-	3,400	-	3,400	0.9 (Note 5)	July 31, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Aozora Bank, Ltd. (Note 3)	July 31, 2018	-	1,000	-	1,000	1.0	July 31, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd. (Note 3)		-	500	-	500					
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	July 31, 2018	-	2,900	-	2,900	0.8 (Note 5)	July 31, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 3)	July 31, 2018	-	2,000	-	2,000	0.8	July 31, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	Resona Bank, Limited (Note 3)	July 31, 2018	-	800	-	800	0.8	July 31, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd. (Note 3)	July 31, 2018	-	800	-	800	0.7	July 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD. (Note 3)		-	600	-	600					
	The Hyakugo Bank, Ltd. (Note 3)		-	400	-	400					
	Sumitomo Mitsui Banking Corporation (Note 3)	July 31, 2018	-	2,900	-	2,900	0.3	January 31, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinsei Bank, Limited	September 28, 2018	3,500	-	-	3,500	0.6	March 31, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinsei Bank, Limited	September 28, 2018	3,000	-	-	3,000	0.6	September 30, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Juroku Bank, Ltd.	December 28, 2018	500	-	-	500	0.2	December 26, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Tochigi Bank, Ltd.		500	-	-	500					
	The Yamaguchi Bank, Ltd.	December 28, 2018	500	-	-	500	0.5	December 28, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	February 28, 2019	2,000	-	2,000	-	0.3	August 31, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Beginning balance (Millions of yen)	Increase (Millions of yen)	Decrease (Millions of yen)	Ending balance (Millions of yen)	Average interest rate (%) (Note 1)	Due date	Repayment method	Use	Remarks
Long-term	MUFG Bank, Ltd.	March 29, 2019	7,500	-	-	7,500	0.4	March 31, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 29, 2019	5,000	-	-	5,000	0.5	March 31, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 29, 2019	7,500	-	-	7,500	0.4	September 29, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 29, 2019	2,500	-	2,500	-	0.2	March 31, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	June 21, 2019	5,000	-	5,000	-	0.2	June 21, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 2)	June 21, 2019	2,000	-	-	2,000	0.3	December 21, 2021	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 3)	July 31, 2019	-	2,000	-	2,000	0.7	July 31, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 3)		-	900	-	900					
	MUFG Bank, Ltd. (Note 3)	July 31, 2019	-	1,050	-	1,050	0.7	January 31, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	Resona Bank, Limited (Note 3)	July 31, 2019	-	2,600	-	2,600	0.6	January 31, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 3)		-	800	-	800					
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	July 31, 2019	-	1,000	-	1,000	0.5 (Note 5)	July 31, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinkin Central Bank (Note 3)	July 31, 2019	-	2,000	-	2,000	0.5	January 31, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Resona Bank, Limited (Note 3)		-	2,000	-	2,000					
	The Nanto Bank,Ltd. (Note 3)	July 31, 2019	-	500	-	500	0.5	July 31, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd. (Note 3)		-	400	-	400					
	Sumitomo Mitsui Banking Corporation (Note 3)	July 31, 2019	-	1,950	-	1,950	0.4	January 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 2)	August 30, 2019	5,500	-	-	5,500	0.3	February 28, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	September 4, 2019	3,000	-	-	3,000	0.3	September 4, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinsei Bank, Limited	September 4, 2019	2,000	-	-	2,000	0.3	September 4, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 2, 2019	5,500	-	-	5,500	0.3	March 31, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	October 2, 2019	2,000	-	-	2,000	0.4	October 2, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	October 7, 2019	1,000	-	-	1,000	0.3	October 5, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	The 77 Bank, Ltd.	October 7, 2019	1,000	-	-	1,000	0.3	October 5, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 3)	November 21, 2019	-	1,700	-	1,700	0.8	November 21, 2029	Lump sum	(Note 6)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 3)	November 21, 2019	-	1,300	-	1,300	0.8	November 21, 2029	Lump sum	(Note 6)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 3)	November 21, 2019	-	1,300	-	1,300	0.7	May 21, 2029	Lump sum	(Note 6)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD. (Note 3)		-	900	-	900					
	The Bank of Fukuoka, Ltd. (Note 3)		-	900	-	900					
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	November 21, 2019	-	2,000	-	2,000	0.4 (Note 5)	May 21, 2026	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 3)	November 21, 2019	-	2,000	-	2,000	0.3	May 21, 2024	Lump sum	(Note 6)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 3)	November 21, 2019	-	500	-	500	0.3	November 21, 2023	Lump sum	(Note 6)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 3)		-	400	-	400					
	MUFG Bank, Ltd.	December 20, 2019	5,900	-	-	5,900	0.3	December 20, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Beginning balance (Millions of yen)	Increase (Millions of yen)	Decrease (Millions of yen)	Ending balance (Millions of yen)	Average interest rate (%) (Note 1)	Due date	Repayment method	Use	Remarks
Long-term	Sumitomo Mitsui Trust Bank, Limited	December 20, 2019	2,100	-	-	2,100	0.4	December 20, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	January 31, 2020	-	1,600	-	1,600	0.6 (Note 5)	January 31, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD. (Note 3)	January 31, 2020	-	1,500	-	1,500	0.6	July 31, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinkin Central Bank (Note 3)		-	1,100	-	1,100					
	Sumitomo Mitsui Banking Corporation (Note 3)	January 31, 2020	-	1,500	-	1,500	0.5 (Note 5)	January 31, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Hyakugo Bank, Ltd. (Note 3)	January 31, 2020	-	750	-	750	0.5	July 31, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 3)	January 31, 2020	-	1,100	-	1,100	0.3	July 31, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 3)		-	1,000	-	1,000					
	MUFG Bank, Ltd.	March 19, 2020	9,600	-	-	9,600	0.4	March 19, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 19, 2020	3,400	-	-	3,400	0.4	September 19, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 2, 2020	3,300	-	-	3,300	0.4	April 2, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 2, 2020	1,200	-	-	1,200	0.4	March 31, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 2, 2020	3,000	-	-	3,000	0.3	March 31, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Norinchukin Bank	April 7, 2020	1,500	-	-	1,500	0.4	April 5, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Joyo Bank, Ltd.	April 7, 2020	1,000	-	-	1,000	0.4	April 5, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 2)	April 30, 2020	2,500	-	-	2,500	0.2	April 28, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 31, 2020	4,300	-	-	4,300	0.4	July 31, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 3)	July 31, 2020	-	1,900	-	1,900	0.7	July 31, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Aozora Bank, Ltd. (Note 3)		-	1,050	-	1,050					
	Mizuho Trust & Banking Co., Ltd. (Note 3)		-	400	-	400					
	MUFG Bank, Ltd. (Note 3)	July 31, 2020	-	1,100	-	1,100	0.7	July 31, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 3)	July 31, 2020	-	2,200	-	2,200	0.7	January 31, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 3)		-	1,000	-	1,000					
	Resona Bank, Limited (Note 3)		-	500	-	500					
	MUFG Bank, Ltd. (Note 3)	July 31, 2020	-	700	-	700	0.7	January 31, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd. (Note 3)	July 31, 2020	-	750	-	750	0.7	July 31, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	July 31, 2020	-	1,700	-	1,700	0.5 (Note 5)	July 31, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Minato Bank, Ltd. (Note 3)	July 31, 2020	-	800	-	800	0.6	January 31, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 3)	July 31, 2020	-	1,700	-	1,700	0.4 (Note 5)	July 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Hiroshima Bank Ltd. (Note 3)	July 31, 2020	-	500	-	500	0.4	January 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 18, 2020	4,500	-	-	4,500	0.4	September 18, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 18, 2020	2,900	-	-	2,900	0.3	March 16, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 18, 2020	1,000	-	-	1,000	0.3	September 15, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed

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Long-term	Sumitomo Mitsui Trust Bank, Limited	September 18, 2020	1,600	-	-	1,600	0.2	September 17, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	September 30, 2020	2,000	-	-	2,000	0.2	September 29, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 30, 2020	2,000	-	-	2,000	0.2	September 30, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 30, 2020	2,000	-	-	2,000	0.4	September 30, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	September 30, 2020	2,000	-	-	2,000	0.4	September 30, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	September 30, 2020	1,500	-	-	1,500	0.4	September 30, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinkin Central Bank	September 30, 2020	1,500	-	-	1,500	0.4	September 30, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	October 1, 2020	3,000	-	-	3,000	0.4	September 30, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	October 2, 2020	2,000	-	-	2,000	0.2	September 29, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 2, 2020	2,250	-	-	2,250	0.2	September 30, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	October 2, 2020	800	-	-	800	0.2	September 30, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	Shinkin Central Bank	October 7, 2020	1,500	-	-	1,500	0.4	September 30, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Notes 3 and 4)	January 29, 2021	-	1,000	1,000	-	0.2	January 31, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Notes 3 and 4)		-	900	900	-					
	MUFG Bank, Ltd. (Notes 3 and 4)		-	600	600	-					
	MUFG Bank, Ltd. (Note 4)	February 26, 2021	4,500	-	4,500	-	0.2	February 28, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 22, 2021	-	2,500	-	2,500	0.5	March 20, 2031	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 22, 2021	-	2,900	-	2,900	0.4	September 21, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 22, 2021	-	2,000	-	2,000	0.2	March 22, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 22, 2021	-	2,600	-	2,600	0.5	March 22, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 31, 2021	-	1,000	-	1,000	0.2	September 30, 2022	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 31, 2021	-	1,500	-	1,500	0.2	February 29, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 1, 2021	-	1,500	-	1,500	0.3	March 30, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 1, 2021	-	1,500	-	1,500	0.4	March 29, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	April 1, 2021	-	1,000	-	1,000	0.5	March 31, 2031	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 7, 2021	-	2,200	-	2,200	0.4	September 30, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 7, 2021	-	800	-	800	0.3	April 7, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	April 30, 2021	-	1,400	-	1,400	0.5	April 30, 2031	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 30, 2021	-	700	-	700	0.3	April 27, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Beginning balance (Millions of yen)	Increase (Millions of yen)	Decrease (Millions of yen)	Ending balance (Millions of yen)	Average interest rate (%) (Note 1)	Due date	Repayment method	Use	Remarks
Long-term	Sumitomo Mitsui Trust Bank, Limited	April 30, 2021	-	700	-	700	0.2	April 28, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 4)	May 21, 2021	-	1,500	1,500	-	0.2	November 30, 2022	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	June 21, 2021	-	5,000	-	5,000	0.2	June 30, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	July 30, 2021	-	950	-	950	0.2	January 31, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	July 30, 2021	-	2,650	-	2,650	0.2	January 31, 2030	Lump sum	(Note 7)	Unsecured and unguaranteed
	Aozora Bank, Ltd.	July 30, 2021	-	1,700	-	1,700	0.4	July 31, 2031	Lump sum	(Note 7)	Unsecured and unguaranteed
	Resona Bank, Limited	July 30, 2021	-	1,300	-	1,300	0.4	July 31, 2031	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 30, 2021	-	900	-	900	0.4	July 31, 2031	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 30, 2021	-	900	-	900	0.4	July 31, 2031	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd.	July 30, 2021	-	550	-	550	0.4	July 31, 2031	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	August 31, 2021	-	2,000	-	2,000	0.2	February 28, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sub-total		367,200	158,725	46,750	479,175					
Total			367,200	158,725	46,750	479,175					

Note 1 The average interest rate indicates a weighted average of interest rates, rounded to the first decimal place.
Note 2 The balances as of August 31, 2021 are included in current portion of long-term borrowings in the balance sheets.
Note 3 The borrowings are assumed through the merger with MMI on March 1, 2021.
Note 4 JMF had repaid all principal of the borrowings on June 30, 2021 in advance of the due date.
Note 5 The borrowings are hedged by interest rate swaps and the average interest rates of the borrowings are calculated adjusting the effect of the interest rate swaps.
Note 6 The funds were appropriated to purchasing real property or trust beneficiary interests in real property and miscellaneous expenses relating to the acquisition.
Note 7 The funds were mainly appropriated to repayment of borrowings.
Note 8 The funds were appropriated to redemption of corporate bonds.

The following is the maturity schedule for each year within five years of the balance sheet date.

Due within 1 year	Due within 1 year	Due after 1 to 2 years	Due after 2 to 3 years	Due after 3 to 4 years	Due after 4 to 5 years
Long-term borrowings	52,900	46,700	43,700	53,325	48,550