



Spotlight on Acquired Asset

Karuizawa Commongrounds (Land with leasehold interest) (Karuizawa-machi, Kitasaku-gun, Nagano)

Mixed-use



Highly relevant SDGs



Through JMF's first Positive Impact Real Estate Investment, we are taking part in a project to build a local community

JMF is actively engaged in ESG (Environment, Society, Governance) initiatives with the aim of realizing a sustainable society.

Karuizawa has become a new promising urban area due to the increase in residents and the diversification of visitors driven by lifestyle changes during the COVID-19 pandemic. In February 2023, JMF pledged its support for a project to create a sustainable local community being led by Culture Convenience Club Co., Ltd. As JMF's first "Positive Impact Real Estate Investment*," we acquired the "Karuizawa Commongrounds" as a land with leasehold interest for the project facilities.

Through the project, JMF aims both to acquire steady income as the land owner and to contribute to the creation of a sustainable local community.

*"Positive Impact Real Estate Investment" refers to initiatives in line with the concept of the "the Principles for Positive Impact Finance" advocated by the United Nations Environment Programme Financial Initiative and the "Positive Impact Real Estate Investment Framework" based thereon.



Location	1689-2, Aza-Toriiharawaki, Oaza-Nagakura, Karuizawa-machi, Kitasaku-gun, Nagano, etc.
Acquisition date	Feb. 15, 2023
Acquisition price/ Appraisal value*	499 mn yen/ 534 mn yen
Asset class	Mixed-use
Land	11,315.43m ²

▼ Access Map



*The appraisal value is as of August 31, 2023



Energy sharing

Solar panels will be installed on the roof of the bookstore building and renewable energy will be used to power the facilities. The facility will also share energy with the adjacent residential areas.



Workplace

Shared offices and coworking spaces will be installed on the second floor of the bookstore building.



Local community hub

A bookstore, cafe, and other facilities function as a community hub, promoting community interactions.



Learning environment

International school offers diverse educational opportunities.

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

43rd

Fiscal Period Ended
August 31, 2023

SEMI-ANNUAL REPORT

March 1, 2023 – August 31, 2023

Securities code 8953



Japan Metropolitan Fund
Investment Corporation

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

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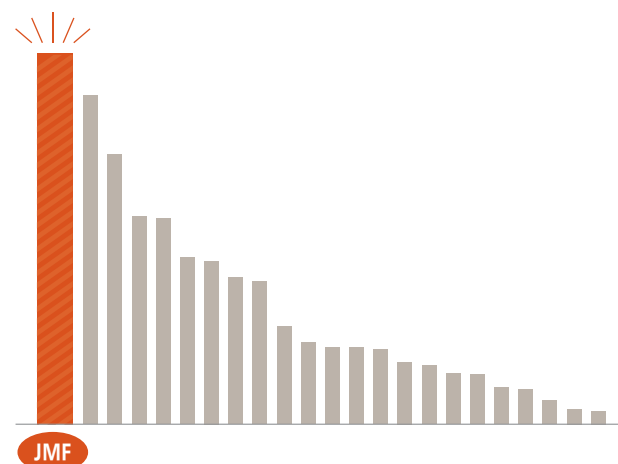


Largest scale of assets among diversified REITs

01 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-REIT

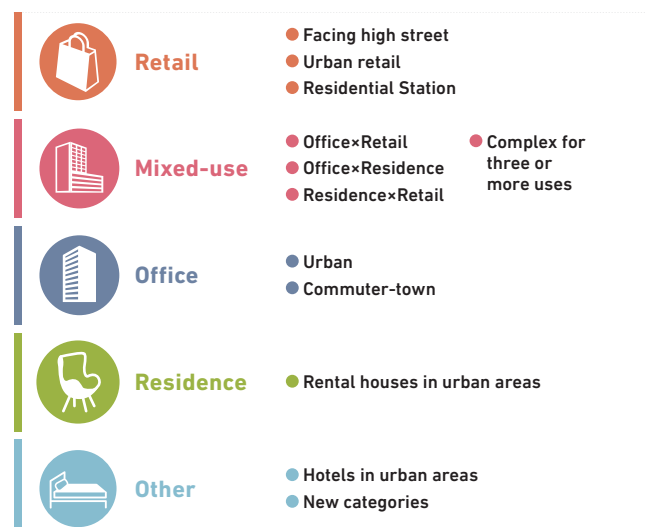


Enhanced stability and growth acceleration

02 Pursuing a portfolio that can respond to environmental changes

JMF aims to stabilize its portfolio by investing in “locations where people gather” with social needs over the medium to long term, and accelerate growth by implementing flexible acquisition strategies in response to environmental changes.

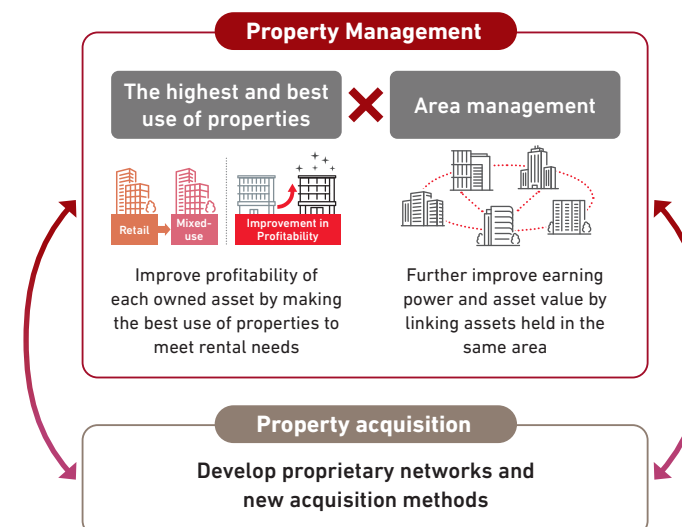
Investments targeted toward urbanization and diversification



Maximizing profitability and asset value

03 Management professionals

Our aim is to improve profitability of owned assets and maximize asset value by leveraging our acquisition and management capabilities to build a portfolio that spans a variety of uses and heightens mutual use among assets held in the same area, while responding flexibly to environmental changes.



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 43rd fiscal period (ended August 31, 2023). 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 trust and expectations of unitholders through growth in unit value. We look forward to your continuing support.

Masahiko Nishida

Masahiko Nishida
Executive Director
Japan Metropolitan Fund Investment Corporation

01

Distribution per unit of 2,261 yen for the fiscal period ended August 31, 2023 (43rd)

- Increase in rent and improvement in the balance of utility cost led to a result which was 11 yen higher than the announced forecast of 2,250 yen

02

Steady progress in asset replacement, moving forward with further growth phase

- Since the announcement of financial results for the period ended February 28, 2023, announced acquisition of four properties worth a total of 6.3 billion yen and disposed of two properties worth 9.1 billion yen, and making progress in asset replacement
- Plan to transition from our current “asset replacement phase” to our “further growth phase” in which we manage upside potential with inflation in mind

03

Portfolio occupancy rate stable at a high level of 99.2%

- Revenue-based rent rose in step with a recovery in retail sales, and earnings also benefited from fixed rent increases implemented during tenant replacement and renewals
- Significant progress made in the reduction of vacancies in large-scale properties through lease-up

04

Build a strong financial base and continue proactive efforts to tackle ESG issues

- Continue flexible financing methods in response to changes in the market environment
- Regarding ESG, acquired the highest rating of five stars in the GRESB rating. Regarding new greenhouse gas (GHG) emission reduction targets, acquired SBTi certification and continue measures to achieve medium- to long-term targets for our ESG initiatives

No. of properties

132 properties

Asset size

1,214.3 bn yen

Occupancy rate

99.2 %

NOI yield

4.3 %

NOI yield after depreciation

3.4 %

Market capitalization

683.5 bn yen

Unrealized loss/gain

171.3 bn yen

NAV per unit

111,600 yen*1

Credit ratings

Japan Credit Rating Agency

AA (Stable)

Avg. interest rate

0.58 %

Total interest-bearing debt

550.6 bn yen

LTV

44.1 %

GRESB rating

5 stars*2

Environmental certification acquisition rate

78.0 %*3

The values and indices used here were current as of August 31, 2023. The same applies below, unless otherwise stated.

*1 (Net assets + unrealized losses/gains – total distributions) ÷ number of investment units issued

*2 The GRESB rating is as of October 2, 2023.

*3 The percentage of properties that have acquired environmental certifications is based on total floor area.

Investment Performance/Forecasts for Operating Results

	Aug. 2022 (41st) fiscal period Results	Feb. 2023 (42nd) fiscal period Results	Aug. 2023 (43rd) fiscal period Results	Feb. 2024 (44th) fiscal period Forecast
Operating Revenue	41.1 bn yen	41.3 bn yen	41.4 bn yen	40.7 bn yen
Operating Income	17.6 bn yen	17.8 bn yen	18.0 bn yen	17.7 bn yen
Net Income	15.7 bn yen	15.9 bn yen	16.0 bn yen	15.7 bn yen
Distribution per Unit	2,263 yen	2,313 yen	2,261 yen	2,270 yen

Message from the Asset Management Company

Our post-merger growth strategy for Japan Metropolitan Fund Investment Corporation (JMF) has made steady progress in its 200.0 billion yen asset replacement plan. In the period ended August 31, 2023 (the 43rd fiscal period), we announced the acquisition and disposal of multiple properties.

An analysis of the operating status of existing properties shows that there was an increase in revenue-based rent from the recovery in retail facilities and hotel sales, making a large contribution to earnings. Leasing of vacancies in large-scale properties is on track to reach a suitable level, and the occupancy rate has remained at a high level as in the previous period.

Going forward, while continuing our asset replacement, we will transition to the further growth phase and conduct management focused on increasing our medium- to long-term DPU (distribution per unit) and NAV (net asset value). We look forward to your continued support as we work to grow unit value.



Keita Araki

Executive Officer &
Head of Metropolitan Division
KJR Management

JMF Introductory Video and Financial Results Highlights Video (Japanese only)



Five-minute video introducing JMF

Video outlining the characteristics and management strategies of JMF.



43rd fiscal period financial results highlights video

Financial highlights of the 43rd fiscal period explained based on the financial results presentation materials.





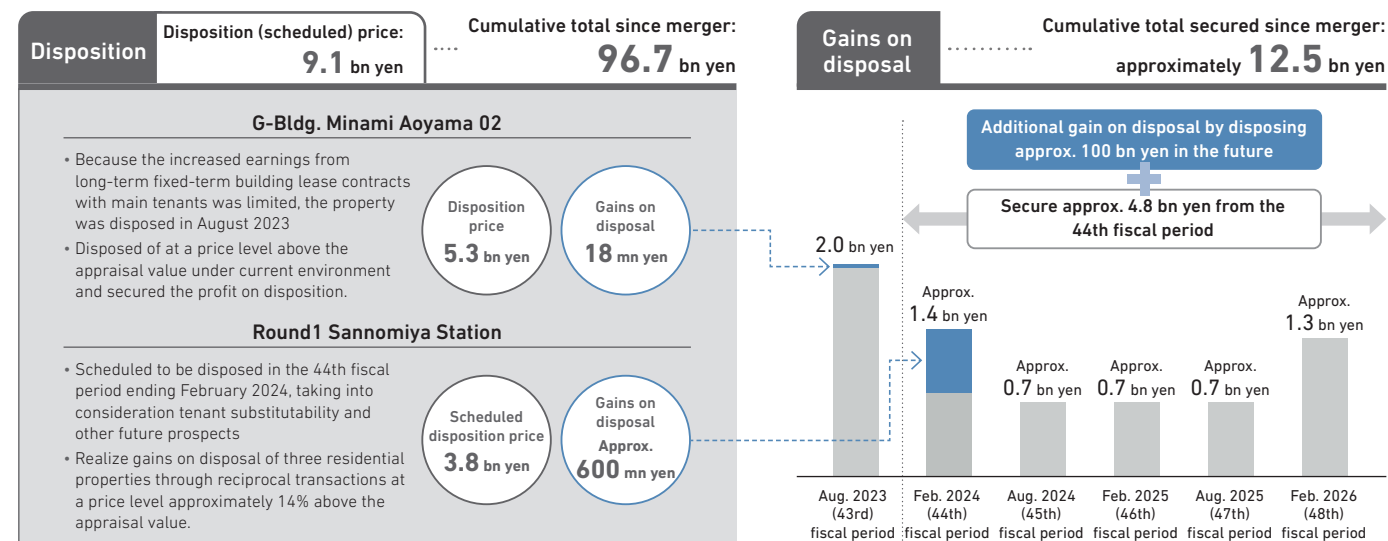
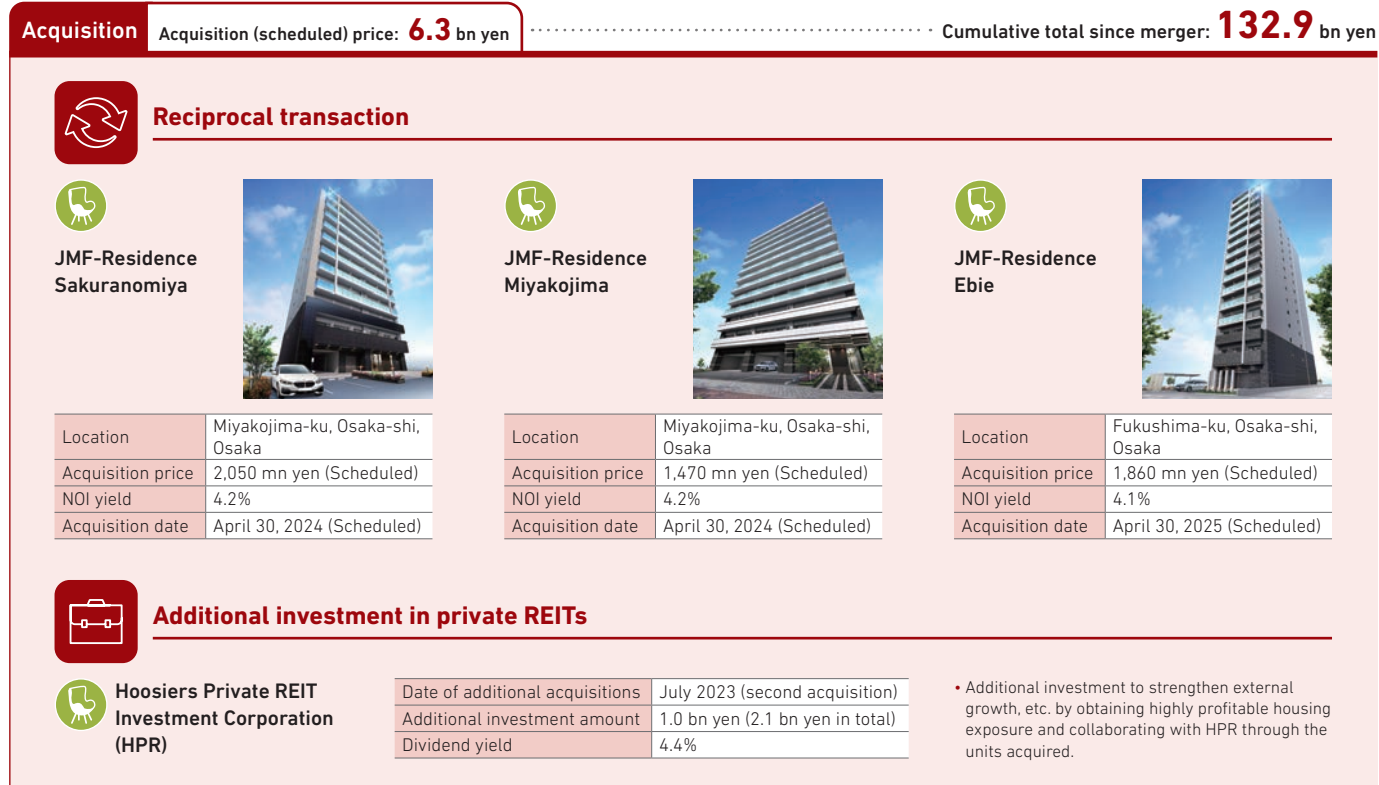
Progress in Asset Replacement and Strategy Moving Forward

As a diversified J-REIT following the merger in March 2021, JMF has been working to shift away from a retail-based portfolio and create a more diversified use of asset types. To achieve this, we plan to replace assets totalling 200.0 billion yen over a period of 3-5 years.

As of the announcement of financial results for the 43rd period ended August 31, 2023, asset replacement has been steadily progressing and we will transition to a further growth phase.

Progress in Asset Replacement

Properties acquired and disposed of since the announcement of financial results for the period ended February 28, 2023



Strategy Moving Forward

Shifting focus from "stability" to "further growth," capturing changes in the external environment

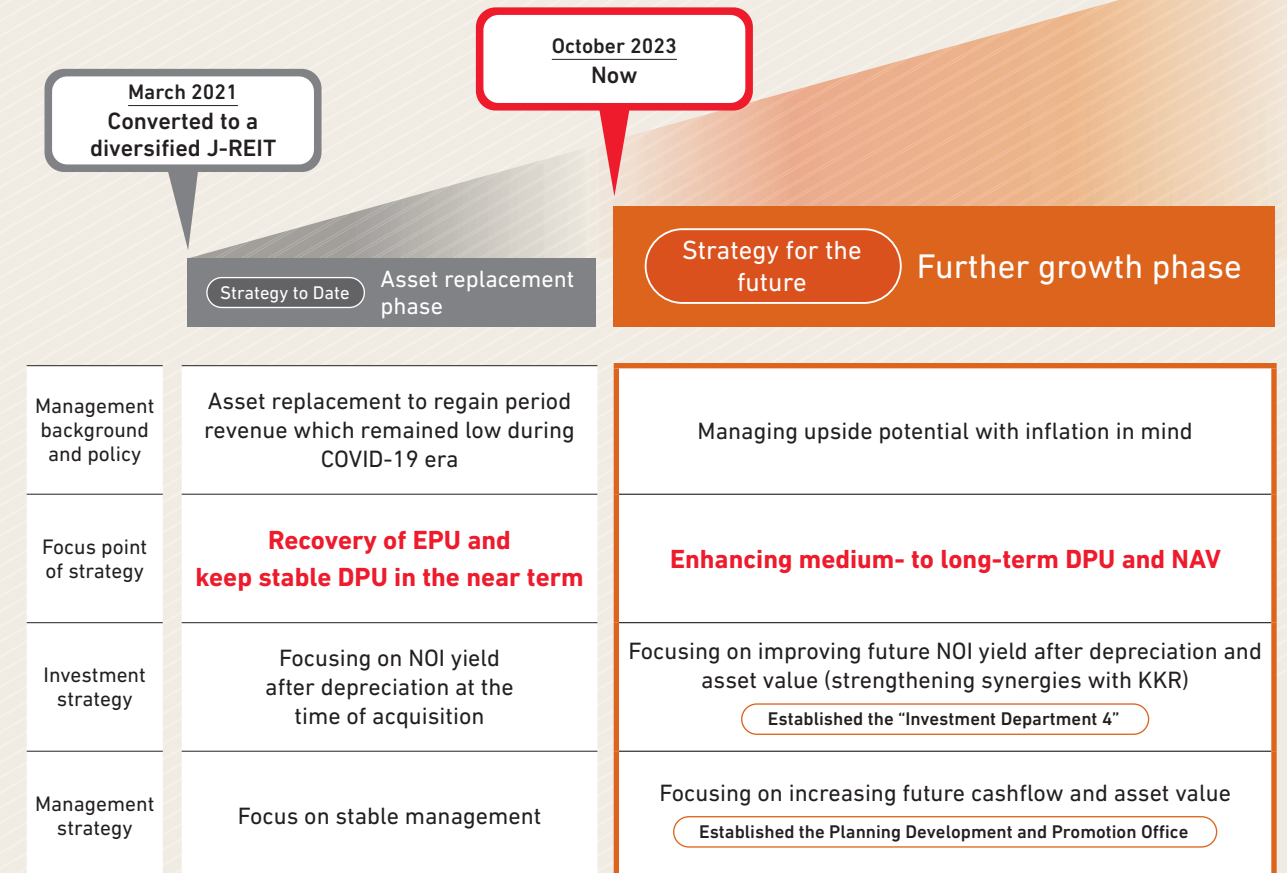
Capturing the changes in the external environment, JMF is shifting from the "asset replacement phase" strategy that we have pursued to date focused on stability to the "further growth phase" strategy in which we will conduct upside management.

In our investment strategies, with an awareness of the inflationary phase, we will prioritize investment in undervalued properties and properties with expected upside. At the same time, we will further strengthen synergies with our sponsor KKR.

In our management strategies, we will proactively conduct initiatives to increase our future rental income and aim to increase the value of our properties.

To implement the above investment and management strategies, we strengthened the organizational structure of the asset management company. Following the establishment of the Investment Division in January 2023, we also established "Investment Department 4" responsible for strengthening synergies with KKR. Additionally, in October 2023, we formed the "Planning Development and Promotion Office" to pursue value-up in the management departments.

By further increasing DPU and NAV in the medium to long term in the growth phase, we hope to connect to further growth in unit value.



Terminology

- EPU: Earnings Per Unit
- NAV: Net Asset Value
- DPU: Distributions Per Unit
- NOI: Net Operating Income

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.

Mixed-use

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



Office

Office buildings located in and around major business areas



Residence

Rental housing near rail stations in densely populated areas



Urban retail

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



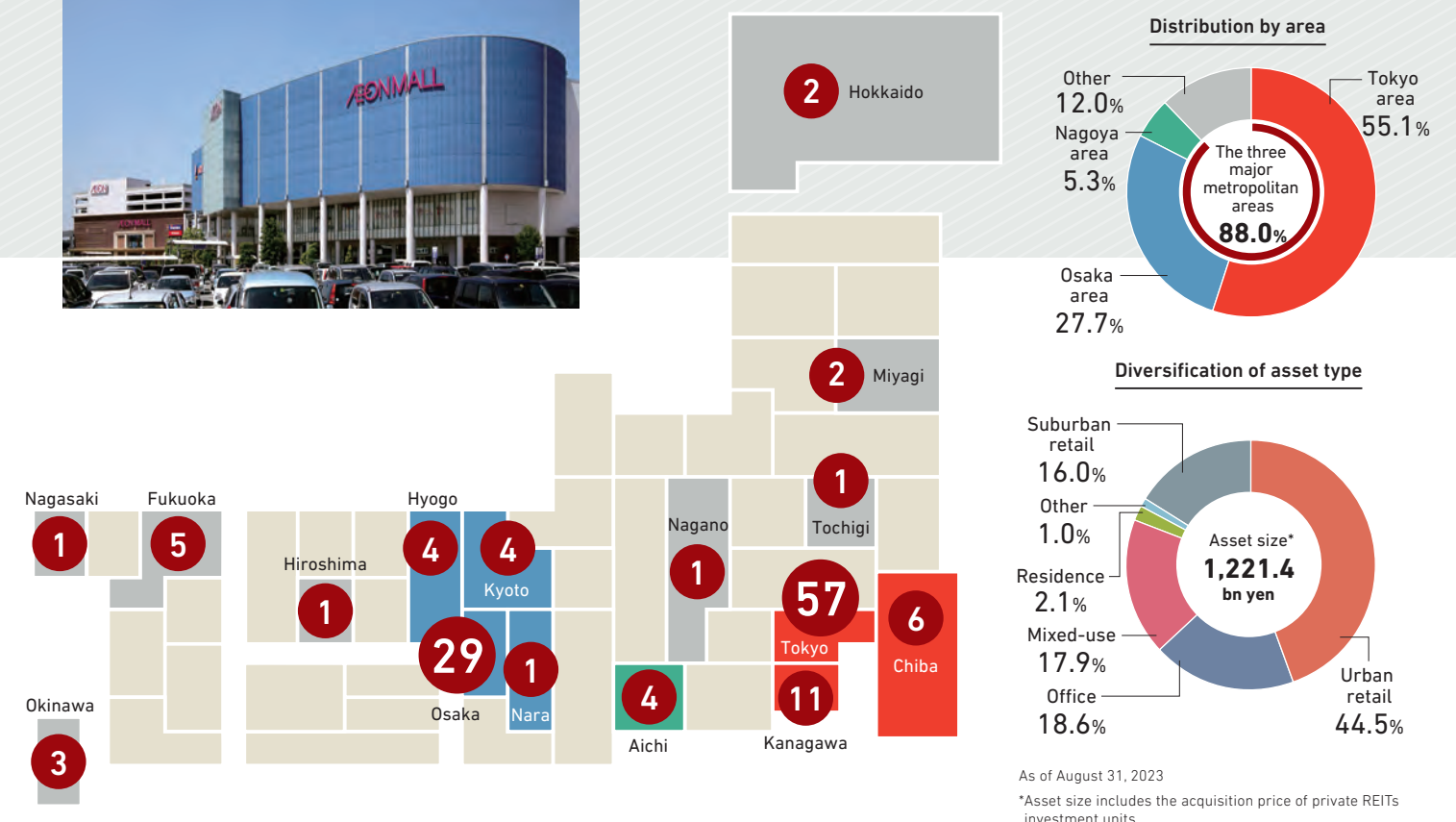
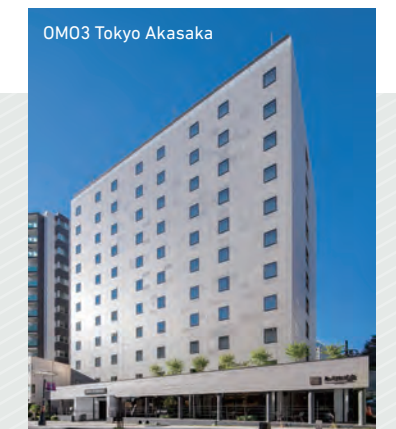
Suburban retail

Suburban retail properties classified as non-urban

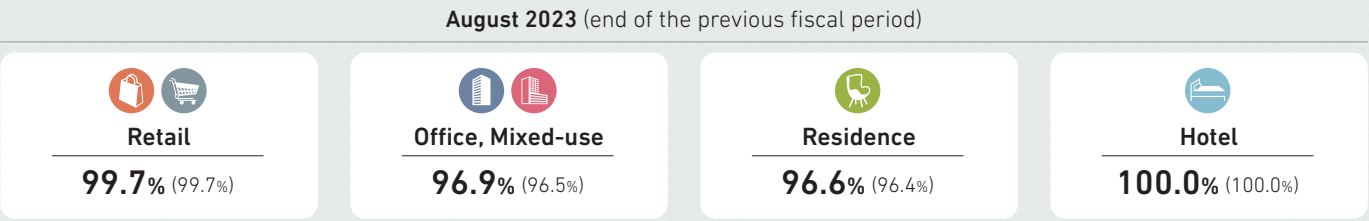


Other

Hotels in urban areas, new categories, etc.



Pursue internal growth through original initiatives backed by JMF’s unique management capabilities



Urban retail

Mixed-use

Office


Residence

Increase in rents due to tenant replacements, etc.

Twin 21

(Chuo-ku, Osaka-shi, Osaka)

Increase in fixed rents due to tenant replacements, etc., and improvement in appraisal values



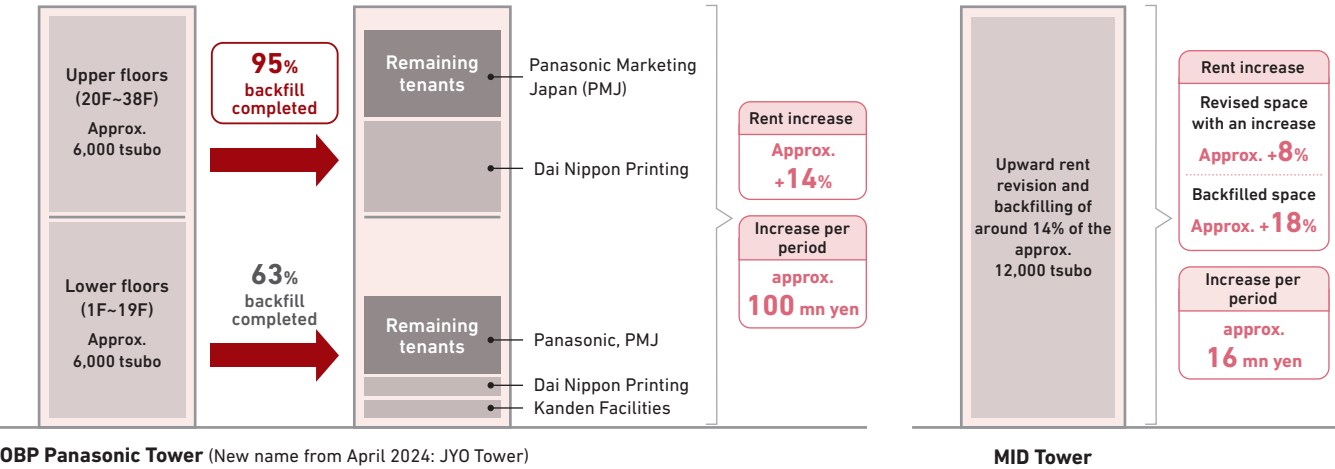
OBP Panasonic Tower

MID Tower

- Tenant of OBP Panasonic Tower to vacate approximately 6,000 tsubo of the upper floors by the end of March 2024 and approximately the same amount of the lower floors by the end of September 2025
- Already backfilled 95% of the upper floors and 63% of the lower floors with higher rents
- Also implemented lease contract renewals and backfilled vacant spaces at MID Tower with higher rents
- Series of initiatives improved the appraisal value and also eliminated unrealized losses

Appraisal value: 64.8 bn yen

(+11% YoY)



*The illustration does not correspond to the actual floors that tenants occupy.

Reduction of Vacancies Through Lease-up

G-Bldg. Shinsaibashi 03

(Chuo-ku, Osaka-shi, Osaka)

Completed backfill of areas vacated during the COVID-19 pandemic; 100% occupancy rate


Bldg. A

- After UNIQLO closed to integrate with a neighboring store, the space operated as a pop-up space until July 2023
- Signed a new lease with UNIQLO in September 2023, and the store opened as UNIQLO SHINSAIBASHI in November 2023



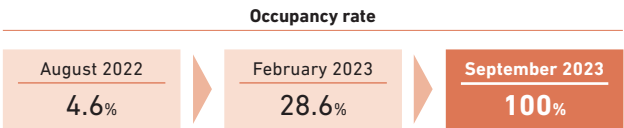
*The image is a conceptual rendering

Bldg. B



- Signed a long-term lease in January 2023
- ALLU, a pre-owned luxury goods trader, is scheduled to open the ALLU Shinsaibashi ANNEX Store in December 2023

*The image is a conceptual rendering



JMF-Residence Ikebukuro 1-chome

(Toshima-ku, Tokyo)

Leased-up the newly constructed property at a faster pace than expected



Renewal

G-Bldg. Minami Ikebukuro 01

(Toshima-ku, Tokyo)

Launched a refurbishment plan to maximize profits from an old property

- Although the building is around 50 years old and deteriorating, a large-scale refurbishment is planned due to the high potential of the location, which is only about a 3-minute walk from Ikebukuro Station, and its expected improvements in profitability moving forward
- The refurbishment is slated for completion in the fiscal period ending February 28, 2025



Image of common area after refurbishment

Most Important ESG Materialities and KPIs







ESG Materiality	Target	KPI
Response to climate change	Reduction in GHG emissions	<ul style="list-style-type: none">Reduce total Scope 1+2 emissions by 42% by 2030 (compared with 2020 levels)Aim to achieve net zero total GHG emissions throughout the value chain 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	<ul style="list-style-type: none">GRESB Acquiring "5 stars"CDP Acquiring "A-" (leadership level)
Building resilience	Implementing disaster prevention measures	<ul style="list-style-type: none">Preparing emergency supplies at 100% of the properties where such supplies can be keptDeveloping an emergency communication network that covers 100% of propertiesCollecting engineering reports (ERs) regularly for 100% of properties
Energy efficiency	Introduction of renewable energy use	Renewable energy ratio of electricity used in business activities to 50% (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

Acquisition of Science Based Targets Initiatives (SBTi) Certification

JMF obtained SBTi certification in June 2023 for its new absolute GHG emissions reduction target set in February 2023 as science-based targets.



External Evaluation & Percentage of Initiatives for ESG

GRESB Real Estate Assessment  5 stars (Highest Rank)	CDP Climate Change Program  B	MSCI ESG Rating  BBB
Environmental certification acquisition rate  78.0% (total floor area base)	Ratio of renewable energy introduction  15.7% (percentage of portfolio)	Percentage of female employees in the asset management company  35.4% (excluding officers and temporary employees)

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



ENVIRONMENT

Reduce CO₂ emissions and electricity costs through the installation of a solar power system

One year has passed since Oyama Yuen Harvest Walk (Oyama-shi, Tochigi) started supplying electricity to the facility using solar panels installed on the roof of the facility.

In FY2022, annual electricity purchases from the solar power system was 833,000 kilowatts, or about 7.6% of the facility's total. This resulted in reduced annual CO₂ emissions of 376t-CO₂, which was more than initially expected. We also reduced our annual electricity bill by about 7.65 million yen, thereby reducing both CO₂ emissions and electricity costs.

Rooftop solar panels



ENVIRONMENT & SOCIAL

Holding Food Drives in Partnership with Industry and Academia

JMF is engaged in food drive activities in partnership with industry and academia to donate leftover food items from home and work to individuals and welfare groups and facilities in need.

In a food drive project held at the shopping center Nara Family (Nara-shi, Nara) in partnership with local high school students and Foodbank Nara, around 205kg of food was collected from 97 donors.

Food drive activities have also been underway since October 2020 with regional groups at the Abiko Shopping Plaza (Abiko-shi, Chiba). The sixth food drive held in February 2023 was attended by elementary school students from the area, succeeding in the most donations ever of around 294kg of food over two days from 174 donors.



Nara Family visitors and pamphlet

GOVERNANCE

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

JMF is operated by a Board of Directors meeting 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.

General Meeting of Unitholders (Scheduled meeting date)	Nov. 30, 2023
Number of board meetings/attendance rate (Mar. 1, 2023 – Aug. 31, 2023)	12 times/100%

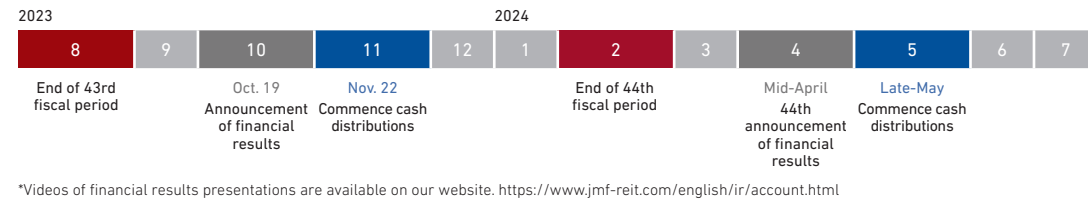


Supervisory Director Masaharu Usuki Executive Director Masahiko Nishida Supervisory Director Osamu Ito



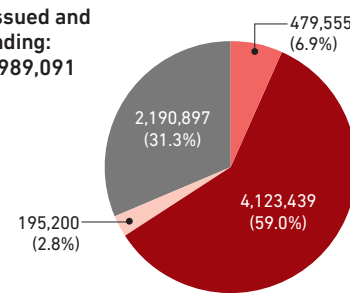
Unitholder Information

IR schedule

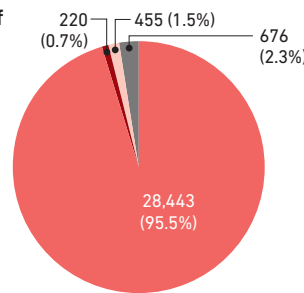


Unitholders' attribute (As of August 31, 2023)

Units issued and outstanding:
total 6,989,091



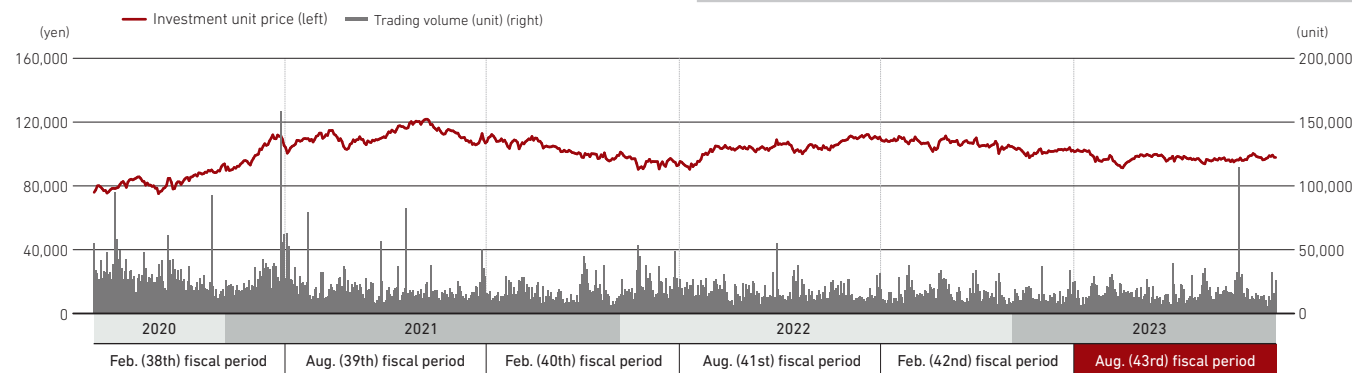
Total number of unitholders:
29,794



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

Changes in investment unit prices

(September 1, 2020 - August 31, 2023)

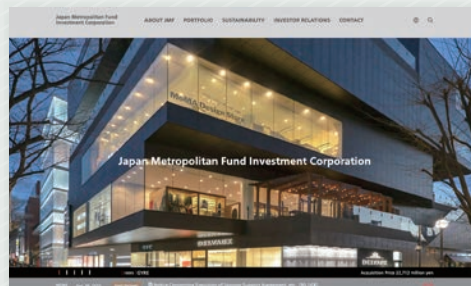


*1 Tokyo Stock Exchange closing price basis

*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

A professional real estate asset management company which has the ability to both discern property acquisition and develop them

KJR Management, JMF's asset management company, was established in 2000 and is entrusted with managing the assets of two investment corporations: JMF and Industrial & Infrastructure Fund Investment Corporation.

The balance of assets under management for the two investment corporations has expanded to approximately 1.5 trillion yen, which is one of the biggest in the J-REIT asset management industry.

The asset management company 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.

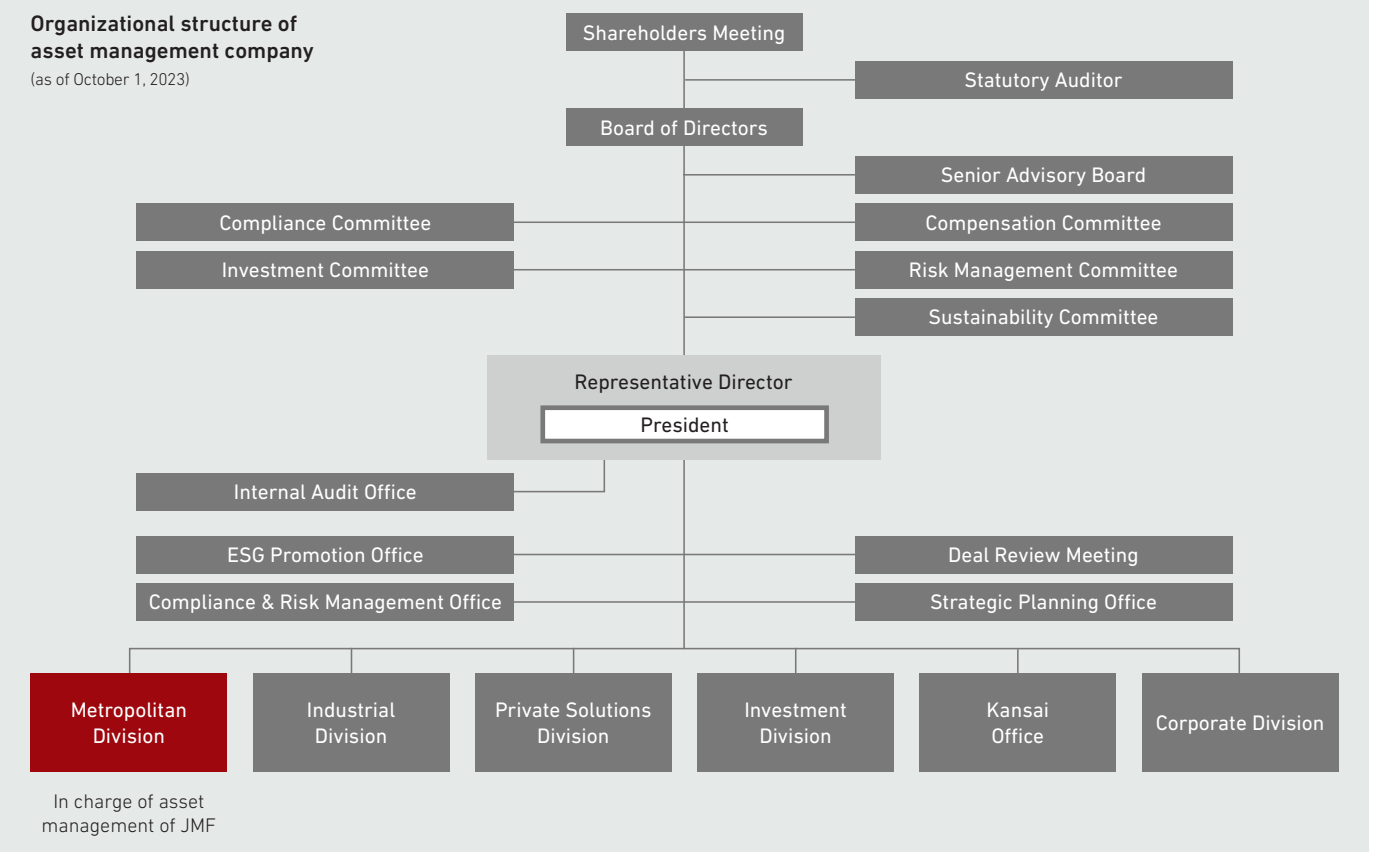
Introducing our sponsor KKR

KKR is a leading global investment firm that boasts USD519.0 bn of assets under management. With over 45 years of investment experience, the firm invests in a wide range of assets, including private equity, credit, and real estate. KKR's investment strategy has included real estate for over 40 years.

The firm has an on-the-ground presence in Japan with an office in Tokyo since 2006. By leveraging KKR's strengths in addition to its investment capabilities developed over many years as an asset management company, we aim to provide asset management services that will allow unitholders to invest with peace of mind, utilizing various investment methods in line with market conditions.



Organizational structure of asset management company (as of October 1, 2023)



I. ASSET MANAGEMENT REPORT

Outline of asset management operation

1. Operating results and financial position

Fiscal period			39th	40th	41st	42nd	43rd
As of /for the six months ended			August 31, 2021	February 28, 2022	August 31, 2022	February 28, 2023	August 31, 2023
Operating revenues	(Millions of yen)		40,360	40,598	41,112	41,332	41,405
(Rental revenues)	(Millions of yen)		(38,022)	(37,812)	(39,006)	(39,674)	(39,020)
Operating expenses	(Millions of yen)		24,800	21,790	23,417	23,445	23,350
(Rental expenses)	(Millions of yen)		(17,239)	(16,995)	(18,245)	(18,761)	(18,499)
Operating income	(Millions of yen)		15,560	18,808	17,694	17,887	18,054
Ordinary income	(Millions of yen)		13,549	16,924	15,723	15,965	16,052
Net income	(a)	(Millions of yen)	13,549	16,924	15,722	15,964	16,051
Net assets	(b)	(Millions of yen)	623,671	624,859	624,776	625,221	625,077
(Period-on-period change)		(%)	(+43.7)	(+0.2)	(-0.0)	(+0.1)	(-0.0)
Total assets	(c)	(Millions of yen)	1,235,720	1,247,439	1,248,964	1,249,604	1,249,926
(Period-on-period change)		(%)	(+36.8)	(+0.9)	(+0.1)	(+0.1)	(+0.0)
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)	6,989,091	6,989,091	6,989,091	6,989,091	6,989,091
Net asset value per unit	(b)/(d)	(Yen)	89,234	89,404	89,393	89,456	89,436
Total distributions	(e)	(Millions of yen)	15,977	15,963	15,816	16,165	15,802
Distribution per unit	(e)/(d)	(Yen)	2,286	2,284	2,263	2,313	2,261
(Profit distribution per unit)		(Yen)	(2,286)	(2,284)	(2,263)	(2,313)	(2,261)
(Distribution per unit in excess of profit)		(Yen)	(-)	(-)	(-)	(-)	(-)
Ratio of ordinary income to total assets	Note 2	(%)	1.3 (2.5)	1.4 (2.7)	1.3 (2.5)	1.3 (2.6)	1.3 (2.5)
Return on unitholders' equity	Note 2	(%)	2.6 (5.1)	2.7 (5.5)	2.5 (5.0)	2.6 (5.2)	2.6 (5.1)
Ratio of net assets to total assets	(b)/(c)	(%)	50.5	50.1	50.0	50.0	50.0
(Period-on-period change)			(+2.5)	(-0.4)	(-0.1)	(+0.0)	(-0.0)
Payout ratio	(e)/(a)	(%)	118.0	94.3	100.6	101.3	98.5
Additional information:							
Rental net operating income (NOI)	Note 2	(Millions of yen)	26,944	26,840	26,736	26,720	26,303
Net profit margin	Notes 2 and 3	(%)	33.6	41.7	38.2	38.6	38.8
Debt service coverage ratio	Notes 2 and 3	(Multiple)	12.8	15.4	14.7	15.1	14.7
Funds from operation (FFO) per unit	Notes 2, 3 and 4	(Yen)	2,833	2,985	2,974	2,995	2,904
FFO multiples	Notes 2, 3 and 4	(Multiple)	19.0	15.5	18.7	16.9	17.0
Distributable income per unit after adjustment for taxes on property and equipment	Note 5	(Yen)	2,280	2,276	2,261	2,312	2,257
FFO per unit after adjustment for taxes on property and equipment	Notes 3, 4 and 5	(Yen)	2,828	2,977	2,973	2,994	2,901

Note 1 Figures less than the unit indicated in each column have been rounded down for amounts and rounded for ratio unless otherwise indicated.

Note 2 Figures are calculated using the formulas below. Percentages in parentheses are annualized using 184,181,184,181 and 184 days for the 39th, 40th, 41st, 42nd and 43rd 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 or gain on sales of property + Depreciation + Other depreciation related property + Amortization of goodwill + Amortization of deferred assets ± Extraordinary losses or gains)/Number of units issued and outstanding
FFO multiples	Market price per unit at end of period/Annualized FFO per unit

Note 3 Net income used for calculation of "Net profit margin", "Debt service coverage ratio" and "FFO multiples" does not include deferred income taxes.

Note 4 From the 40th fiscal period, JMF has changed the calculation method of FFO to "Net income \pm Loss or gain on sales of property + Depreciation + Other depreciation related property + Amortization of goodwill + Amortization of deferred assets \pm Extraordinary losses or gain". FFO per unit from the 38th fiscal period to the 42nd fiscal period listed in the table above are calculated by new method.

Note 5 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 43rd 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 on 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, 2023, as in the previous fiscal year, JMF promoted asset replacement, one of growth strategies after the Merger, and acquired eight properties (including additional acquisition) and disposed of three properties. JMF also acquired the additional investment units of a private residential REIT.

As a result, the total assets managed by JMF as at the end of the 43rd fiscal period (fiscal period ended on August 31, 2023) amounted to 1,214.3 billion yen (the total acquisition price for 132 properties). The total acquisition price including investment securities such as the silent partnership interests related to Nagoya Lucent Tower, the investment units of Nisshin Private Residential Reit, Inc., and the investment units of Hoosiers Private REIT Investment Corporation is 1,230.8 billion yen.

(2) Investment environment and results

i. Investment environment

(Macroeconomic trends)

During this fiscal period, the Japanese economy as a whole showed signs of a gradual recovery with strong external demand, while personal consumption and capital investment were weak due to the weak yen and high resource prices. The quarter-on-quarter gross domestic product (GDP) growth rate was +1.2% (+4.8% annualized) in the April to June 2023 quarter (secondary preliminary figures announced on September 8, 2023).

In capital markets, the Nikkei Stock Average reached its highest level since March 1990 on July 3, 2023, but fell due to concerns about rising interest rates caused by monetary tightening in the U.S. and the Bank of Japan's decision at the Monetary Policy Meeting in late July to conduct long- and short-term interest rate operations (yield curve control) with greater flexibility. It stood at 32,619 yen at the end of August 2023, the end of the current period. On the other hand, in the J-REIT market, the Tokyo Stock Exchange REIT Index started at 1,841 points on March 1, 2023, the beginning of this fiscal period, but fell sharply in late March as investors became increasingly risk-averse following the failures of some U.S. banks. Since then, however, the index has been on a recovery trend and remained firm at 1,892 points as of the end of August 2023, the end of this fiscal period.

(Real estate trading market)

With the ongoing weak yen and low interest rate environment in Japan despite the impact of domestic and foreign monetary policies, the acquisition environment continues to be severe, with investment appetite remaining strong among domestic and overseas investors.

(Real estate leasing market)

In retail properties, sales continued to recover due to the demand from inbound tourism that has continued to increase since the fall of 2022 and a recovery in the flow of people in Japan following the reclassification of the COVID-19 category to a “Class 5 Infectious Disease” under the Infectious Diseases Control Law in May 2023. Strong demand was also seen in the leasing market.

In offices, vacancy rates temporarily trended upward due to new office supply and the emergence secondary vacancies, but demand has remained firm with signs of economic recovery and increased relocation needs to improve building specifications and locations.

ii. Results

In this environment, JMF completed the acquisition of seven new properties (JMF-Residence Kita-Shinagawa, JMF-Residence Osaka Fukushima, JMF-Residence Ikebukuro 1-chome, JMF-Residence Fujisawa, JMF-Bldg. Nakano 01, JMF-Residence Shin-Yokohama, JMF-Residence Akabane Shimo), the additional acquisition of one existing property (Tecc LIFE SELECT Fukuoka Shime Honten) and the disposition of three properties (Round1 Stadium Takatsuki, LIFE Kishibe (Land with leasehold interest), G-Bldg. Minami Aoyama 02) in this fiscal period as part of its portfolio property replacement strategy. In addition, JMF acquired the additional investment units of Hoosiers Private REIT Investment Corporation, a private residential REIT, as a measure to achieve growth through new initiatives.

As a result, the assets managed by JMF at the end of the fiscal period totaled 132 properties with a total value of 1,214.3 billion yen on an acquisition price basis and 1,324.3 billion yen on an appraisal value basis. The total leasable area was 2,537,744.84 m² with the total number of tenants standing at 2,177, and the occupancy rate of the overall portfolio was 99.2%.

Primarily as a result of decrease in cap rate for some existing properties compared to the end of the previous fiscal year and internal growth, etc., the unrealized losses/gains ^(Note) of the overall portfolio at the end of the fiscal period decreased by 15.7 billion yen from the end of the previous fiscal period to 171.3 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

To fund the repayment of existing borrowings, JMF borrowed the same amount as those borrowings, a total of 29.1 billion yen, consisting of 28.1 billion yen in borrowings that came due in the current fiscal year and 1.0 billion yen in prepayments. In addition, JMF took on short term borrowings of 1.0 billion yen to partially fund the acquisition of JMF-Residence Fujisawa. In addition, in March 2023, JMF issued the 5th JMF Green Bond (5th Unsecured Investment Corporation Bond) in the amount of 4.0 billion yen and took on long term borrowings of 3.0 billion yen in May 2023 to partially fund the redemption of the 1st JRF Green Bond (12th Unsecured Investment Corporation Bond).

As a result, JMF’s interest-bearing borrowings outstanding at the end of the fiscal period amounted to 550.6 billion yen, consisting of short-term borrowings of 2.0 billion yen, long-term borrowings of 487.1 billion yen ^(Note 1) and investment corporation bonds of 61.5 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 99.6%, 95.7% and 44.1%, 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 41,405 million yen, and operating income was 18,054 million yen after deducting operating expenses such as property taxes and asset management fees. Ordinary income was 16,052 million yen, and net income was 16,051 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 (Law No. 26 of 1957; as amended).

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 more than 31 million yen reversal amount onto the dividend.

In addition, with respect to the additional tax burden arising from the discrepancy between accounting treatment and tax treatment, JMF will reduce the accrual of income taxes by making distributions through the reversal of voluntary reserves (reserves for adjustment of temporary differences, etc. or reserves for dividends) and distributions in excess of earnings (distributions equivalent to the increase in allowance for adjustment of temporary differences, etc.).

In accordance with this distribution policy, it was decided to distribute, as a distribution of profit, a total of 16,051 million yen, calculated by adding 255 million yen of the reversal of retained earnings for temporary difference adjustments to, and deducting 505 million yen of the provision of reserve for reduction entry of property from, the unappropriated retained earnings at the end of the period of 15,802 million yen. As a result, distributions per unit amounted to 2,261 yen.

3. Changes in unitholders' capital

The changes in unit holders' capital and number of investment units issued and outstanding for last five years until August 31, 2023 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	
August 18, 2020	Retirement	(15,534)	2,602,483	-	411,878	Note 1
March 1, 2021	Split of investment units	2,602,483	5,204,966	-	411,878	Note 2
March 1, 2021	Allocation of investment units through merger	1,784,125	6,989,091	-	411,878	Note 3

Note 1 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 2 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 3 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	39th	40th	41st	42nd	43rd
As of /for the six months ended	August 31, 2021	February 28, 2022	August 31, 2022	February 28, 2023	August 31, 2023
Highest price	123,400	112,600	112,500	112,500	103,300
Lowest price	99,300	87,000	90,400	96,600	91,000
Closing price at end of period	106,900	93,100	110,600	102,300	97,800

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, equal to or more than ¥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, 2023, JMF declared a total of ¥15,802 million cash distributions consisted of all of retained earnings at the end of the period amounting to ¥16,051 million after reversal of retained earnings for temporary difference adjustment amounting to ¥255 million and provision of reserve for reduction entry of property amounting to ¥505 million. As a result, distribution per unit amounted to ¥2,261 for the six months ended August 31, 2023. 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	39th	40th	41st	42nd	43rd
As of /for the six months ended	August 31, 2021	February 28, 2022	August 31, 2022	February 28, 2023	August 31, 2023
Net income (Thousands of yen)	13,549,190	16,924,222	15,722,673	15,964,846	16,051,855
Retained earnings (including reserve for dividends and reserve for reduction entry of property) (Thousands of yen)	5,042,789	6,003,928	5,910,288	5,709,367	5,958,888
Total distributions (Thousands of yen)	15,977,062	15,963,083	15,816,312	16,165,767	15,802,334
(Distribution per unit) (Yen)	(2,286)	(2,284)	(2,263)	(2,313)	(2,261)
Profit distributions (Thousands of yen)	15,977,062	15,963,083	15,816,312	16,165,767	15,802,334
(Profit distribution per unit) (Yen)	(2,286)	(2,284)	(2,263)	(2,313)	(2,261)
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, the economic fundamentals and corporate performance should continue to be closely monitored amid concerns over interest rate and currency fluctuations caused by domestic and foreign monetary policies. In the retail sector, demand is expected to recover gradually due to the recovery in inbound tourism as well as domestic consumption. In the office sector, demand is expected to continue, with continued moves to upgrade buildings and improve locations.

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

Disposition of properties

JMF disposed of the following property on September 29, 2023.

Property name:	AEON MALL Tsurumi Ryokuchi (25% of quasi-co-ownership in trust beneficiary interest)
Use:	Retail facilities
Disposition amount:	¥6,400 million
Completion date of contract:	April 14, 2023
Disposition date:	September 29, 2023
Purchaser:	Asset Finance Osaka Tsurumi Godo Kaisha

Note:

Gains on sales of property of approximately ¥837 million will be recognized in profit as operating revenues for the six months ending February 29, 2024.

(Additional information)

a. Acquisition of properties

JMF has acquired or plans to acquire the following properties after the end of the current fiscal period.

Property name	Use	Location	Acquisition amount (Scheduled)	Acquisition date (Scheduled)
JMF-Residence Machida (Real property)	Residence	Machida-shi, Tokyo	¥4,059 million	October 2, 2023
JMF-Residence Asakusabashi 3-chome (Trust beneficial interest) (Note 1)	Residence	Taito-ku, Tokyo	¥4,320 million	April 30, 2024
JMF-Residence Sakuranomiya (Trust beneficial interest) (Note 2)	Residence	Miyakojima-ku, Osaka-shi, Osaka	¥2,050 million	April 30, 2024
JMF-Residence Miyakojima (Trust beneficial interest) (Note 3)	Residence	Miyakojima-ku, Osaka-shi, Osaka	¥1,470 million	April 30, 2024
JMF-Residence Tenjimbashisuji 6-chome (Trust beneficial interest) (Note 4)	Residence	Kita-ku, Osaka-shi, Osaka	¥1,527 million	May 31, 2024
JMF-Residence Ebie (Trust beneficial interest) (Note 5)	Residence	Fukushima-ku, Osaka-shi, Osaka	¥1,860 million	April 30, 2025

Note 1 The purchase agreement of the property is considered to be a forward commitment, etc. which is defined as a postdated sales and purchase agreement which provides for the delivery and settlement to take place one month or more from the effective date of the agreement or any other related agreements under the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators (the "Forward Commitment, etc.") by an investment corporation. If JMF cannot meet its forward commitment, 20% of the expected purchase price shall be paid as a penalty for breach of contract. The appraisal value of the property by an independent appraiser as of August 31, 2023 is ¥4,530 million.

Note 2 The purchase agreement of the property is considered to be the Forward Commitment, etc. If JMF cannot meet its forward commitment, 20% of the expected purchase price shall be paid as a penalty for breach of contract. The appraisal value of the property by an independent appraiser as of July 1, 2023 is ¥2,270 million.

Note 3 The purchase agreement of the property is considered to be the Forward Commitment, etc. If JMF cannot meet its forward commitment, 20% of the expected purchase price shall be paid as a penalty for breach of contract. The appraisal value of the property by an independent appraiser as of July 1, 2023 is ¥1,620 million.

Note 4 The purchase agreement of the property is considered to be the Forward Commitment, etc. If JMF cannot meet its forward commitment, 20% of the expected purchase price shall be paid as a penalty for breach of contract. The appraisal value of the property by an independent appraiser as of August 31, 2023 is ¥1,670 million.

Note 5 The purchase agreement of the property is considered to be the Forward Commitment, etc. If JMF cannot meet its forward commitment, 20% of the expected purchase price shall be paid as a penalty for breach of contract. The appraisal value of the property by an independent appraiser as of July 1, 2023 is ¥2,050 million.

b. Disposition of property

JMF entered into a sale agreement for the following property on July 29, 2022.

Property name	Use	Disposition amount (Scheduled)	Completion date of contract	Disposition date (Scheduled)	Purchaser
AEON MALL Sapporo Naebo (Trust beneficial interest)	Retail facilities	¥9,300 million	July 29, 2022	20% of quasi-co-ownership in trust beneficiary interest August 30, 2024	Aeon Hokkaido Corporation
				20% of quasi-co-ownership in trust beneficiary interest February 28, 2025	
				20% of quasi-co-ownership in trust beneficiary interest August 29, 2025	
				40% of quasi-co-ownership in trust beneficiary interest February 27, 2026	

Note The disposition of the property will have no impact on operating results for the six months ending February 29, 2024. Gains on sales of property of approximately ¥679 million will be recognized in profit as operating revenues for the six months ending August 31, 2024.

JMF entered into a sale agreement for the following property on July 26, 2023.

Property name:	Round1 Sannomiya Station (Trust beneficial interest) ⁽ⁱ⁾
Use:	Retail facilities
Disposition amount (Scheduled):	¥3,800 million
Completion date of contract:	July 26, 2023
Disposition date (Scheduled):	February 29, 2024
Purchaser:	Not disclosed ⁽ⁱⁱ⁾

Notes:

- (i) Gains on sales of property of approximately ¥628 million will be recognized in profit as operating revenues for the six months ending February 29, 2024.
- (ii) Name of the purchaser is not disclosed because the consent from the purchaser has not been obtained.

Outline of JMF

1. Investment unit

Fiscal period	39th	40th	41st	42nd	43rd
As of	August 31, 2021	February 28, 2022	August 31, 2022	February 28, 2023	August 31, 2023
Number of investment units authorized (Units)	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Number of investment units issued and outstanding (Units)	6,989,091	6,989,091	6,989,091	6,989,091	6,989,091
Number of unitholders (People)	30,692	31,233	30,074	29,521	29,794

2. Unitholders

Major unitholders as of August 31, 2023 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) (%)
Custody Bank of Japan, Ltd. (Trust Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	1,437,089	20.56
The Master Trust Bank of Japan, Ltd. (Trust Account)	11-3, Hamamatsu-cho 2-chome, Minato-ku, Tokyo	1,114,345	15.94
The Nomura Trust and Banking Co., Ltd. (Investment Trust)	2-2, Otemachi 2-chome, Chiyoda-ku, Tokyo	338,960	4.84
SMBC Nikko Securities Inc.	3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo	204,063	2.91
STATE STREET BANK WEST CLIENT – TREATY 505234	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A.	157,418	2.25
SSBTC CLIENT OMNIBUS ACCOUNT	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS	107,951	1.54
Japan Securities Finance Co., Ltd.	2-10, Nihonbashi-Kayabacho 1-chome, Chuo-ku, Tokyo	107,412	1.53
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	9-2, Otemachi 1-chome, Chiyoda-ku, Tokyo	91,628	1.31
JP MORGAN CHASE BANK 385781	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM	85,772	1.22
STATE STREET BANK AND TRUST COMPANY 505103	P.O. BOX 351 BOSTON MASSACHUSETTS 02101 U.S.A.	85,356	1.22
Total		3,729,994	53.36

Note 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, 2023 (Note2)
Executive Director	Masahiko Nishida	President of Marks group Co., Ltd. Certified public accountant / Tax accountant	2,527
Supervisory Director	Masaharu Usuki	Independent External Director of Sanyo Special Steel Co., Ltd.	1,627
	Osamu Ito	Partner of United Fuso Law Office, Attorney	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 March 2023.

(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.

(3) Matters concerning compensation agreement between directors, etc. and investment corporation

None

4. Directors and officers liability insurance agreement

Outline of the Directors and officers liability insurance agreement entered into by JMF is as follows:

Scope of the insureds	Outline of agreement
All Executive Directors and Supervisory Directors	<p>(Outline of insured event to be covered) The agreement covers compensation for damages and court costs, etc. incurred by the insured as an officer of JMF to a certain extent. (Percentage of insurance premiums to be paid) JMF pays all of the insurance premiums. (Measures to ensure that the appropriateness of the execution of duties) The agreement does not cover damages incurred by the insured due to criminal act or acts executed with knowledge that they violate laws and regulations.</p>

5. Name of asset manager and other administrator

Classification	Name
Asset manager	KJR Management
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, 2023		As of August 31, 2023	
			Total of net book value (Note 1)	Composition ratio	Total of net book value (Note 1)	Composition ratio
			(Millions of yen)	(%)	(Millions of yen)	(%)
Real property	Retail facilities	Tokyo metropolitan area	13,492	1.1	13,479	1.1
		Osaka and Nagoya metropolitan areas	6,871	0.5	4,924	0.4
		Other areas	4,419	0.4	4,413	0.4
		Sub-total	24,784	2.0	22,817	1.8
	Mixed-use	Tokyo metropolitan area	5,295	0.4	5,286	0.4
		Other areas	516	0.0	519	0.0
		Sub-total	5,812	0.5	5,806	0.5
	Total of real property		30,596	2.4	28,623	2.3
Trust beneficial interest in real property	Retail facilities (Note 2)	Tokyo metropolitan area	300,986	24.1	294,499	23.6
		Osaka and Nagoya metropolitan areas	284,352	22.8	281,229	22.5
		Other areas	69,718	5.6	69,878	5.6
		Sub-total	655,057	52.4	645,607	51.7
	Office Building	Tokyo metropolitan area	201,566	16.1	201,492	16.1
		Osaka and Nagoya metropolitan areas	20,750	1.7	20,698	1.7
		Other areas	6,853	0.5	6,838	0.5
		Sub-total	229,170	18.3	229,029	18.3
	Residence	Tokyo metropolitan area	1,570	0.1	12,128	1.0
		Osaka and Nagoya metropolitan areas	1,469	0.1	2,999	0.2
		Other areas	3,418	0.3	3,461	0.3
		Sub-total	6,458	0.5	18,589	1.5
	Hotel	Tokyo metropolitan area	7,916	0.6	7,894	0.6
		Other areas	4,380	0.4	4,416	0.4
		Sub-total	12,297	1.0	12,310	1.0
	Mixed-use (Note 2)	Tokyo metropolitan area	113,058	9.0	117,947	9.4
		Osaka and Nagoya metropolitan areas	95,804	7.7	95,895	7.7
		Other areas	5,033	0.4	5,036	0.4
		Sub-total	213,896	17.1	218,879	17.5
	Total of trust beneficial interest in real property		1,116,880	89.4	1,124,417	90.0
Sub-total		1,147,477	91.8	1,153,040	92.2	
Investment securities (Note 3)		15,833	1.3	16,905	1.4	
Bank deposits and other assets		86,293	6.9	79,980	6.4	
Total assets		1,249,604	100.0	1,249,926	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 Use of JMF-Bldg. Kita Aoyama 01 are changed to mixed-use from retail facilities.

Note 3 Investment securities are equity interest of Tokumei Kumiai agreement managed by R40 Godo Kaisha (40% of its equity interest), investment units of Nisshin Private Residential Reit, Inc.(22.2% of total issued investment units), equity interest of DREAM Mezzanine Debt Separate3 Investment Limited Partnership (49.4% of its equity interest) and investment units of Hoosiers Private REIT Investment Corporation (35.0% of total issued investment units)

2. Major property

The principal properties (top ten properties in net book value) as of August 31, 2023 were as follows:

Name of property	Net book value (Millions of yen)	Leasable area (Note 1) (m ²)	Leased area (Note 2) (m ²)	Occupancy ratio (Note 3) (%)	Ratio of rent revenue to total rent revenues (Note 3) (%)	Major use
Twin 21 (Note 4) (trust beneficial interest)	60,332	84,964.88	83,988.10	98.9	6.3	Mixed-use
mozo wonder city (Note 5) (trust beneficial interest)	48,965	86,327.49	86,203.86	99.9	8.7	Retail facilities
JMF-Bldg. Akasaka 02 (Note 4) (trust beneficial interest)	43,904	12,202.96	12,202.96	100.0	1.5	Office Building
Higashi-Totsuka Aurora City (trust beneficial interest)	43,237	109,355.90	109,355.90	100.0	3.2	Retail facilities
KAWASAKI Le FRONT (trust beneficial interest)	34,551	49,224.14	49,224.14	100.0	5.1	Mixed-use
Nara Family (Note 5) (trust beneficial interest)	32,823	83,278.28	83,100.29	99.8	4.7	Retail facilities
G-Bldg. Shinsaibashi 03 (trust beneficial interest)	30,197	5,319.30	688.17	12.9	(Note 6)	Retail facilities
AEON MALL Tsudanuma (trust beneficial interest)	28,870	101,210.44	101,210.44	100.0	1.9	Retail facilities
JMF-Bldg. Yokohama Bashamichi 01 (Note 4) (trust beneficial interest)	23,935	25,151.58	25,151.58	100.0	1.8	Office Building
JMF-Bldg. Kawasaki 01 (Note 4) (trust beneficial interest)	23,773	24,485.71	17,311.52	70.7	1.7	Office Building
Total	370,591	581,520.68	568,436.96	97.8	-	

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

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

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

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

Note 5 "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 6 "Ratio of rent revenue to total rent revenues" of the property is not disclosed because the consent from the tenant has not been obtained.

3. Details of property

Retail properties, office buildings, residences, hotels and mixed-use properties as of August 31, 2023 were as follows:

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m ²)	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	41,453.36	12,900	9,247
10003	Ito-Yokado Yabashira	15-8, Higurashi 1-chome, Matsudo-shi, Chiba, etc.	Trust beneficial interest	21,308.78	1,860	1,215
10004	JMF-Bldg. Daikanyama 02	35-17, Ebisu-Nishi 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	612.29	1,620	1,185
10005	GYRE	10-1, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,824.68	32,000	21,696
10006	Ito-Yokado Tsunashima	8-1, Tsunashima-Nishi 2-chome, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	16,549.50	5,130	4,352
10007	Bic Camera Tachikawa	12-2, Akebonocho 2-chome, Tachikawa-shi, Tokyo, etc.	Trust beneficial interest	20,983.43	22,300	13,204
10008	AEON Itabashi Shopping Center	6-1, Tokumaru 2-chome, Itabashi-ku, Tokyo	Trust beneficial interest	72,748.34	12,800	10,254
10009	JMF-Bldg. Kita Aoyama 01 (Note 9)	14-8, Kita-Aoyama 3-chome, Minato-ku, Tokyo	Trust beneficial interest	492.69	1,570	913
10011	SEIYU Hibarigaoka	9-8, Sumiyoshicho 3-chome, Nishi-Tokyo-shi, Tokyo	Trust beneficial interest	19,070.88	8,680	4,354
10012	JMF-Bldg. Jiyugaoka 01	9-17, Jiyugaoka 2-chome, Meguro-ku, Tokyo, etc.	Trust beneficial interest	2,043.68	5,210	2,666
10013	Cheers Ginza	9-5, Ginza 5-chome, Chuo-ku, Tokyo	Trust beneficial interest	1,686.58	4,370	3,835
10014	Higashi-Totsuka Aurora City	537-1, Shinanocho, Totsuka-ku, Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	109,355.90	43,400	43,237
10016	G-Bldg. Jingumae 06	28-3, Jingumae 6-chome, Shibuya-ku, Tokyo	Real property	670.42	2,950	2,323
10017	G-Bldg. Jingumae 01	21-5, Jingumae 4-chome, Shibuya-ku, Tokyo	Real property	555.75	4,640	3,375
10020	AEON MALL Musashi Murayama	1-3, Enoki 1-chome, Musashimurayama-shi, Tokyo	Trust beneficial interest	137,466.97	31,100	23,500
10021	La Porte Aoyama (Note 5)	51-8, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,158.53	10,800	9,060
10023	JMF-Bldg. Jingumae 01	30-12, Jingumae 3-chome, Shibuya-ku, Tokyo	Real property	1,676.87	3,980	5,286
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	5,887
10025	Makuhari Plaza	7701, Makuharicho 2-chome, Hanamigawa-ku, Chiba-shi, Chiba	Trust beneficial interest	24,505.37	6,850	5,180
10026	Urban Terrace Jingumae	47-6, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,719.19	5,210	2,656
10027	Round1 Machida	13-14, Morino 1-chome, Machida-shi, Tokyo	Trust beneficial interest	6,801.89	3,300	2,218
10028	Round1 Stadium Itabashi	16-13, Aioicho, Itabashi-ku, Tokyo	Trust beneficial interest	14,828.74	3,100	2,103
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
10030	G-Bldg. Omotesando 01	1-9, Jingumae 6-chome, Shibuya-ku, Tokyo	Real property	1,508.03	8,610	5,755
10031	Round1 Yokohama Station West	8-16, Minamisaikai 2-chome, Nishi-ku Yokohama-shi, Kanagawa	Trust beneficial interest	6,560.09	5,440	3,665
10032	G-Bldg. Sangenjaya 01	15-4, Taishido 2-chome, Setagaya-ku, Tokyo	Trust beneficial interest	3,471.52	6,620	3,604

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m ²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
10035	Colline Bajikouen	4-18, Kamiyoga 2-chome, Setagaya-ku, Tokyo	Trust beneficial interest	5,356.54	4,320	3,170
10036	KAWASAKI Le FRONT	1-11, Nissincho, Kawasaki-ku, Kawasaki-shi, Kanagawa, etc.	Trust beneficial interest	49,224.14	41,300	34,551
10037	JMF-Bldg. Shibuya 01	20-13, Jinnan 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,630.03	4,970	3,042
10038	G-Bldg. Omotesando 02	25-15, Jingumae 4-chome, Shibuya-ku, Tokyo, etc.	Trust beneficial interest	5,555.65	21,750	17,728
10039	G-Bldg. Kichijoji 01	12-12, Kichijoji Honcho 2-chome, Musashino-shi, Tokyo	Trust beneficial interest	1,718.21	4,030	3,509
10040	CUTE CUBE HARAJUKU	7-1, Jingumae 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,428.55	9,170	8,433
10041	G-Bldg. Ueno 01	9-14, Ueno 4-chome, Taito-ku, Tokyo	Trust beneficial interest	1,471.80	3,890	3,421
10042	JMF-Bldg. Takadanobaba 01	13-2, Takadanobaba 2-chome, Shinjuku-ku, Tokyo	Trust beneficial interest	3,569.20	7,670	5,987
10043	G-Bldg. Akihabara 01	11-11, Sotokanda 1-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	2,701.99	8,100	5,102
10044	G-Bldg. Akihabara 02	113, Kanda Matsunaga-cho, Chiyoda-ku, Tokyo, etc.	Trust beneficial interest	1,037.33	2,310	2,455
10045	G-Bldg. Kichijoji 02	3-13, Kichijoji Minamicho 2-chome, Musashino-shi, Tokyo	Trust beneficial interest	8,838.79	17,000	14,984
10046	JMF-Bldg. Ginza Chuo-Dori 01	6-16, Ginza 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	3,141.07	13,400	12,938
10047	MARINE & WALK YOKOHAMA	3-1, Shinko 1-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	8,347.69	11,300	10,504
10048	G-Bldg. Jingumae 07	26-4 Jingumae 4-chome, Shibuya-ku, Tokyo	Real property	373.12	2,120	2,026
10049	G-Bldg. Minami Aoyama 03 (Note 5)	2-12, Minami Aoyama 5-chome, Minato-ku, Tokyo, etc.	Trust beneficial interest	1,373.46	11,600	12,262
10050	JMF-Bldg. Jingumae 02	25-5 Jingumae 3-chome, Shibuya-ku, Tokyo	Trust beneficial interest	802.40	2,200	2,612
10051	Round1 Stadium Kawasaki Daishi	5-1, Tonomachi 1-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	13,559.17	2,930	2,352
10052	m-city Kashiwa	10 Oyamadai 1-chome, Kashiwa-shi, Chiba, etc.	Trust beneficial interest	20,437.36	6,010	5,678
10053	JMF-Bldg. Jingumae 03	25-28 Jingumae 4-chome, Shibuya-ku, Tokyo, etc.	Trust beneficial interest	1,127.08	7,280	7,086
10054	Machinoma Omori	1-38, Omorinishi 3-chome, Ota-ku, Tokyo	Trust beneficial interest	9,107.13	9,600	8,903
10055	JMF-Bldg. Daikanyama 01	20-20, Daikanyamacho, Shibuya-ku, Tokyo	Trust beneficial interest	2,151.32	3,950	3,274
10056	AEON MALL Tsudanuma	23-1 Tsudanuma 1-chome, Narashino-shi, Chiba	Trust beneficial interest	101,210.44	28,900	28,870
10057	JMF-Bldg. Yokohama Bashamichi 01 (Note 5)	50-1, Honmachi 6-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	25,151.58	24,500	23,935
10058	JMF-Bldg. Kawasaki 01 (Note 5)	1-14 Nishin-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	24,485.71	23,700	23,773
10059	JMF-Bldg. Shibuya 02 (Note 5)	31-15, Sakuragaokacho, Shibuya-ku, Tokyo	Trust beneficial interest	6,379.66	18,700	19,519
10060	JMF-Bldg. Shibuya 03 (Note 5)	11-1 Dogenzaka 2-chome, Shibuya-ku, Tokyo	Trust beneficial interest	5,044.76	17,200	16,928
10061	JMF-Bldg. Toyokocho 01 (Note 5)	11-38 Toyo 4-chome, Koto-ku, Tokyo	Trust beneficial interest	12,487.75	10,400	11,393
10062	OMO3 Tokyo Akasaka (Note 5)	3-2, Akasaka 4-chome, Minato-ku, Tokyo	Trust beneficial interest	4,236.46	8,030	7,894
10063	JMF-Bldg. Nihombashi Hamacho 01 (Note 5)	12-4, Nihombashi Hamacho 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	6,123.81	10,600	10,482

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m ²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
10064	JMF-Bldg. Toyocho 02 (Note 5)	6-35, Shinsuna 1-chome, Koto-ku, Tokyo	Trust beneficial interest	11,733.12	7,900	9,785
10065	JMF-Bldg. Sasazuka 01 (Note 5)	1-6 Sasazuka 2-chome, Shibuya-ku, Tokyo	Trust beneficial interest	8,258.44	9,330	9,105
10066	JMF-Bldg. Ueno 01 (Note 5)	24-8, Higashiueno 5-chome, Taito-ku, Tokyo	Trust beneficial interest	6,858.16	8,700	8,565
10067	JMF-Bldg. Yokohama 01 (Note 5)	5-1 Sakae-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	12,726.32	8,430	8,203
10068	JMF-Bldg. Akasaka 01 (Note 5)	11-28, Akasaka 1-chome, Minato-ku, Tokyo	Trust beneficial interest	2,544.21	4,530	4,505
10069	JMF-Bldg. Kanda01 (Note 5)	1-15, Iwamotocho 2-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	3,145.67	4,360	4,317
10070	JMF-Bldg. Edogawabashi 01 (Note 5)	44-10, Sekiguchi 1-chome, Bunkyo-ku, Tokyo	Trust beneficial interest	3,434.93	3,550	3,786
10071	JMF-Bldg. Higashi Nihombashi 01 (Note 5)	8-3 Higashi-Nihombashi 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	3,254.74	3,410	3,284
10072	JMF-Bldg. Ichigaya 01 (Note 6)	2-1 Kudankita 4-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	10,372.27	22,100	21,239
10073	JMF-Bldg. Hiroo 01 (Note 6)	1-11 Minamiazabu 5-chome, Minato-ku, Tokyo	Trust beneficial interest	4,212.41	10,400	10,094
10074	JMF-Bldg. Funabashi 01	44-35 Honcho 4-chome, Funabashi-shi, Chiba	Trust beneficial interest	2,865.76	5,420	5,134
10075	JMF-Bldg. Akasaka 02 (Note 5)	3-5 Akasaka 2-chome, Minato-ku, Tokyo	Trust beneficial interest	12,202.96	44,800	43,904
10076	JMF-Residence Gakugeidaigaku (Note 5)	9-13 Nozawa 3-chome, Setagayaku, Tokyo	Trust beneficial interest	1,052.13	1,800	1,566
10077	JMF-Residence Kita-Shinagawa (Note 5)	24-7, Kita-shinagawa 2-chome, Shinagawa-ku, Tokyo	Trust beneficial interest	1,487.13	2,300	1,922
10078	JMF-Residence Ikebukuro 1-chome (Note 5)	16-15, Ikebukuro 1-chome, Toshima-ku, Tokyo	Trust beneficial interest	1,357.18	1,830	1,706
10079	JMF-Bldg. Nakano 01	19-2, Nakano 2-chome, Nakano-ku, Tokyo	Trust beneficial interest	3,023.17	4,200	4,050
10080	JMF-Residence Fujisawa (Note 5)	1-28, Kawana 1-chome, Fujisawa-shi, Kanagawa	Trust beneficial interest	1,711.13	1,340	1,308
10081	JMF-Residence Shin-Yokohama (Note 5)	18-15, Shi-Yokohama 2-chome, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	3,989.11	3,380	3,326
10082	JMF-Residence Akabane Shimo (Note 5)	4-13, Shimo 1-chome, Kita-ku, Tokyo	Trust beneficial interest	2,740.30	2,430	2,298
20002	Kyoto Family	1-1, Ikejiricho, Yamanouchi, Ukyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	19,735.47	5,520	5,639
20003	Kawaramachi OPA	385, Komeyacho, Shijo-agaru, Kawaramachi-dori, Nakagyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	18,848.20	14,200	17,805
20004	AEON MALL Tsurumi Ryokuchi (Note 7)	17-1, Tsurumi 4-chome, Tsurumi-ku, Osaka-shi, Osaka	Trust beneficial interest	138,538.63	25,600	22,115
20005	AEON MALL Itami	1-1, Fujinoki 1-chome, Itami-shi, Hyogo	Trust beneficial interest	157,904.26	17,500	18,244
20006	Ario Otori	199-12, Otori Minami-cho 3-cho, Nishi-ku, Sakai- shi, Osaka, etc.	Trust beneficial interest	95,135.36	14,400	12,890
20007	AEON MALL Kobe Kita	1-1, Kouzudai 8-chome, Kita-ku, Kobe-shi, Hyogo	Trust beneficial interest	128,050.62	11,690	7,802
20009	LIFE Shimodera (Land with leasehold interest)	5-23, Shimodera 2-chome, Naniwa-ku, Osaka-shi, Osaka, etc.	Real property	4,344.18	2,050	1,717
20010	LIFE Taiheiji (Land with leasehold interest)	43-6, Taiheiji 2-chome, Higashi Osaka-shi, Osaka	Real property	3,898.01	1,110	1,304
20011	G-Bldg. Shinsaibashi 01	5-3, Sinsaibashi-suji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	966.52	3,240	1,609
20012	Round1 Stadium Sennichimae (Land with leasehold interest)	1, Namba 1-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	1,711.63	12,300	8,091

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m ²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
20013	G-Bldg. Shinsaibashi 02	3-24, Shinsaibashi-suji 1-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	948.72	8,080	4,213
20014	Izumisano Shofudai (Land with leasehold interest)	1138-1, Shofudai 1-chome, Izumisano-shi, Osaka	Trust beneficial interest	44,009.52	2,530	2,657
20015	Round1 Stadium Sakai Chuo Kanjyo	241, Ishihara-cho 2-cho, Higashi-ku Sakai-shi, Osaka	Trust beneficial interest	17,521.46	2,290	1,525
20016	pivo Izumi Chuo	1-2, Ibukino 5-chome, Izumi-shi, Osaka, etc.	Trust beneficial interest	21,182.94	6,260	5,017
20017	KAMISHIN PLAZA	6-12, Osumi 1-chome, Higashiyodogawa-ku, Osaka-shi, Osaka	Trust beneficial interest	12,551.98	5,080	4,412
20018	Round1 Kyoto Kawaramachi	585, Uradaracho, Shijo-agaru yori Rokkaku-sagaru made, Teramachi-dori, Nakagyo-ku, Kyoto-shi, Kyoto, etc.	Trust beneficial interest	8,821.66	3,730	2,696
20019	G-Bldg. Shinsaibashi 03	2-14, Shinsaibashi-suji 1-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	5,319.30	31,000	30,197
20021	m-city Toyonaka	2-18, Hinode-cho, 2-chome, Toyonaka-shi, Osaka	Trust beneficial interest	33,301.93	6,550	5,026
20022	EDION Kyobashi (Land with leasehold interest)	53-1, Gamo 1-chome, Joto-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	4,307.16	5,940	5,756
20023	JMF-Bldg. Abeno 01	4-7, Abenosuji 1-chome, Abeno-ku, Osaka-shi, Osaka	Trust beneficial interest	4,757.35	5,230	4,566
20024	JMF-Bldg. Umeda 01	15-22, Chayamachi, Kita-ku, Osaka-shi, Osaka	Trust beneficial interest	3,529.51	10,000	9,703
20025	G-Bldg. Shinsaibashi 04	10-5, Minamisenba 3-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	1,610.63	2,990	3,299
20026	JMF-Bldg. Kyoto Kawaramachi 01	235, Yamazakicho 2-chome, Sanjo-sagaru, Kawaramachi-dori, Nakagyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	2,407.32	2,420	2,144
20027	JMF-Bldg. Midosuji 01	10-25, Minamisenba 3-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	2,393.40	9,200	10,629
20028	G-Bldg. Kobe Sannomiya 01	1-15 Kitanagasa-dori 3-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	3,750.38	3,030	3,098
20029	Round1 Sannomiya Station	1-17 Onoe-dori 6-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	10,054.52	3,280	3,151
20030	G-Bldg. Midosuji 02	8-18 Shinsaibashisuji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	1,428.28	16,200	15,511
20031	Twin 21 (Note 5)	1-61 Shiromi 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	84,964.88	64,800	60,332
20032	JMF-Bldg. Kitahama 01 (Note 5)	6-7 Doshomachi 1-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	10,189.49	13,000	11,269
20033	JMF-Bldg. Osaka Fukushima 01 (Note 5)	15-26, Fukushima 7-chome, Fukushima-ku, Osaka-shi, Osaka	Trust beneficial interest	10,078.72	9,820	8,518
20034	JMF-Bldg. Higobashi 01 (Note 5)	5-16 Edobori 1-chome, Nishi-ku, Osaka-shi, Osaka	Trust beneficial interest	4,655.57	5,290	4,264
20035	Konami Sports Club Kyobashi	8-17 Higashinoda-machi 1-chome, Miyakojima-ku, Osaka-shi, Osaka	Trust beneficial interest	9,586.26	3,020	3,355
20036	JMF-Bldg. Imabashi 01 (Note 5)	3-16 Imabashi 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	4,277.63	2,720	2,571
20037	JMF-Bldg. Nishi Hommachi 01 (Note 5)	6-1 Awaza 1-chome, Nishi-ku, Osaka-shi, Osaka	Trust beneficial interest	3,849.06	2,940	2,593
20038	G-Bldg. Shinsaibashi 05	8-5 Shinsaibashi-suji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	999.29	13,500	9,101
20039	JMF-Residence Osaka Noda (Note 5)	1-20, Tamagawa 3-chome, Fukushima-ku, Osaka-shi, Osaka	Trust beneficial interest	1,989.40	1,520	1,460
20040	JMF-Residence Osaka Fukushima (Note 5)	10-5, Oyodominami 1-chome, Kita-ku, Osaka-shi, Osaka	Trust beneficial interest	2,013.84	1,750	1,538
30001	AEON Yagoto	2-1, Ishizaka, Kojimachi-aza, Showa-ku, Nagoya-shi, Aichi	Trust beneficial interest	63,702.48	3,580	3,015
30002	mozo wonder city (Note 6)	40-1, Futakatacho, Nishi-ku, Nagoya-shi, Aichi, etc.	Trust beneficial interest	86,327.49	64,200	48,965

No. (Note 1)	Name of property	Location (Note 2)	Form of ownership	Leasable area (Note 3) (m ²)	Appraisal value at end of period (Note 4) (Millions of yen)	Net book value (Millions of yen)
30003	G-Bldg. Nagoya Sakae 01	27-24, Sakae 3-chome, Naka-ku, Nagoya-shi, Aichi	Real property	794.02	1,300	1,901
30004	Valor Kachigawa (Land with leasehold interest)	1-1 Onocho 2-chome, Kasugai-shi, Aichi	Trust beneficial interest	20,509.10	3,240	3,205
90001	Nara Family (Note 6)	4-1, Saidaiji-higashimachi 2-chome, Nara-shi, Nara	Trust beneficial interest	83,278.28	36,800	32,823
90002	AEON MALL Sapporo Naebo	1-1, Higashinaebo 2jo 3-chome, Higashi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	74,625.52	9,260	5,816
90003	AEON Naha Shopping Center	10-2, Kanagusuku 5-chome, Naha-shi, Okinawa	Trust beneficial interest	79,090.48	10,600	9,147
90004	Oyama Yuen Harvest Walk (Note 5)	1475-52, Aza-kaido-nishi, Oaza-Kizawa, Oyama-shi, Tochigi, etc.	Trust beneficial interest	59,535.09	9,680	7,223
90005	AEON MALL Sapporo Hassamu	1-1, Hassamu 8jo 12-chome, Nishi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	102,162.16	23,200	13,818
90006	MrMax Nagasaki	26-1, Iwami machi, Nagasaki-shi, Nagasaki, etc.	Trust beneficial interest	12,115.09	3,170	2,360
90007	Tecc LIFE SELECT Fukuoka Shime Honten (Note 9)	2-1, Minamizato 5-chome, Shime-machi, Kasuya-gun, Fukuoka	Trust beneficial interest	(Note 8)	6,840	4,060
90008	Round1 Hiroshima	3-11, Tatemachi, Naka-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	9,890.63	4,160	2,670
90009	DFS T GALLERIA OKINAWA	1-1, Omoromachi 4-chome, Naha-shi, Okinawa	Trust beneficial interest	41,845.28	19,100	14,150
90010	G-Bldg. Sendai Ichibancho 01	5-12, Ichibancho 3-chome, Aoba-ku, Sendai-shi, Miyagi	Real property	2,387.17	4,410	4,413
90011	G-Bldg. Naha-shintoshin 01	5-33, Omoromachi 2-chome, Naha-shi, Okinawa	Trust beneficial interest	(Note 8)	6,700	5,449
90012	JMF-Bldg. Tenjin Nishi-dori 01 (Note 5)	8-22, Tenjin 2-chome, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	2,667.42	4,710	5,036
90013	G-Bldg. Tenjin Nishi-dori 02	12-64, Daimyo 1-chome, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	1,496.56	5,620	5,181
90014	JMF-Bldg. Sendai 01 (Note 5)	10-3 Chuo 4-chome, Aoba-ku, Sendai-shi, Miyagi	Trust beneficial interest	13,080.38	7,430	6,838
90015	Dormy Inn Hakata Gion (Note 5)	1-12 Reisen-machi, Hakata-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	5,554.91	4,400	4,416
90016	JMF-Residence Chihaya (Note 5)	4-25 Chihaya 5-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	10,290.99	4,020	3,461
90017	Karuizawa Commongrounds (Land with leasehold interest)	1689-2, Aza-Toriiharawaki, Oaza-Nagakura, Karuizawa-machi, Kitasaku-gun, Nagano, etc.	Real property	11,315.43	534	519
Total				2,537,744.84	1,324,384	1,153,040

Note 1 JMF uses property number for investment properties. The same applies hereinafter.

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 Mori 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 JMF sold 25% quasi-co-ownership interest of the property on September 29, 2023.

Note 8 "Leasable area" of the property is not disclosed because the consent from the tenant has not been obtained.

Note 9 The names of these properties have changed as follows:

New name	Old name	Date of name changes
JMF-Bldg. Kita Aoyama 01	G-Bldg. Kita Aoyama 01	October 19, 2023
Tecc LIFE SELECT Fukuoka Shime Honten	Kaden sumairu kan YAMADA Fukuoka Shime Honten	

Operating results of retail properties, office buildings, residences, hotels and mixed-use properties for the six months ended February 28, 2023 and August 31, 2023 were as follows:

No.	Name of property	For the six months ended February 28, 2023				For the six months ended August 31, 2023			
		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	54	100.0	658	1.7	53	99.5	634	1.6
10002	G-Bldg. Minami Aoyama 02 (Note 3)	4	100.0	92	0.2	-	-	92	0.2
10003	Ito-Yokado Yabashira	1	100.0	78	0.2	1	100.0	78	0.2
10004	JMF-Bldg. Daikanyama 02	3	100.0	32	0.1	3	100.0	41	0.1
10005	GYRE	14	96.8	646	1.6	14	100.0	686	1.8
10006	Ito-Yokado Tsunashima	1	100.0	168	0.4	1	100.0	168	0.4
10007	Bic Camera Tachikawa	2	100.0	628	1.6	2	100.0	627	1.6
10008	AEON Itabashi Shopping Center	1	100.0	698	1.8	1	100.0	716	1.8
10009	JMF-Bldg. Kita Aoyama 01	2	100.0	35	0.1	2	64.5	21	0.1
10011	SEIYU Hibarigaoka	1	100.0	249	0.6	1	100.0	249	0.6
10012	JMF-Bldg. Jiyugaoka 01	4	100.0	110	0.3	4	100.0	109	0.3
10013	Cheers Ginza	9	89.7	93	0.2	10	100.0	101	0.3
10014	Higashi-Totsuka Aurora City	5	100.0	1,262	3.2	5	100.0	1,262	3.2
10016	G-Bldg. Jingumae 06	4	100.0	55	0.1	4	100.0	54	0.1
10017	G-Bldg. Jingumae 01	2	100.0	82	0.2	2	100.0	82	0.2
10020	AEON MALL Musashi Murayama	1	100.0	917	2.3	1	100.0	920	2.4
10021	La Porte Aoyama (Note 4)	24	100.0	287	0.7	24	100.0	288	0.7
10023	JMF-Bldg. Jingumae 01	8	100.0	83	0.2	8	100.0	83	0.2
10024	G-Bldg. Minami-Ikebukuro 01 (Note 4)	8	100.0	262	0.7	8	100.0	263	0.7
10025	Makuhari Plaza	5	100.0	213	0.5	5	100.0	212	0.5
10026	Urban Terrace Jingumae	2	100.0	107	0.3	2	100.0	106	0.3
10027	Round1 Machida	1	100.0	90	0.2	1	100.0	90	0.2
10028	Round1 Stadium Itabashi	1	100.0	95	0.2	1	100.0	95	0.2
10029	Arkangel Daikanyama (Land with leasehold interest)	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
10030	G-Bldg. Omotesando 01	1	100.0	135	0.3	1	100.0	135	0.3
10031	Round1 Yokohama Station West	1	100.0	114	0.3	1	100.0	114	0.3
10032	G-Bldg. Sangenjaya 01	3	100.0	181	0.5	3	100.0	179	0.5
10033	G-Bldg. Ginza 01 (Note 6)	-	-	0	0.0	-	-	-	-

No.	Name of property	For the six months ended February 28, 2023				For the six months ended August 31, 2023			
		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) (%)
10035	Colline Bajikouen	10	100.0	138	0.3	10	100.0	138	0.4
10036	KAWASAKI Le FRONT	67	100.0	1,959	4.9	67	100.0	1,995	5.1
10037	JMF-Bldg. Shibuya 01	2	100.0	84	0.2	2	100.0	98	0.3
10038	G-Bldg. Omotesando 02	6	100.0	367	0.9	6	100.0	376	1.0
10039	G-Bldg. Kichijoji 01	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
10040	CUTE CUBE HARAJUKU	9	90.7	166	0.4	10	100.0	162	0.4
10041	G-Bldg. Ueno 01	1	100.0	76	0.2	1	100.0	76	0.2
10042	JMF-Bldg. Takadanobaba 01	13	86.7	163	0.4	14	100.0	169	0.4
10043	G-Bldg. Akihabara 01	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
10044	G-Bldg. Akihabara 02	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
10045	G-Bldg. Kichijoji 02	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
10046	JMF-Bldg. Ginza Chuo-Dori 01	10	100.0	106	0.3	10	100.0	99	0.3
10047	MARINE & WALK YOKOHAMA	26	100.0	431	1.1	26	100.0	441	1.1
10048	G-Bldg. Jingumae 07	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
10049	G-Bldg. Minami Aoyama 03 (Note 4)	6	100.0	189	0.5	5	88.0	174	0.4
10050	JMF-Bldg. Jingumae 02	3	100.0	47	0.1	3	100.0	47	0.1
10051	Round1 Stadium Kawasaki Daishi	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
10052	m-city Kashiwa	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
10053	JMF-Bldg. Jingumae 03	4	85.3	99	0.3	6	100.0	73	0.2
10054	Machinoma Omori	37	100.0	389	1.0	34	100.0	390	1.0
10055	JMF-Bldg. Daikanyama 01	8	92.5	95	0.2	9	100.0	105	0.3
10056	AEON MALL Tsudanuma	1	100.0	726	1.8	1	100.0	738	1.9
10057	JMF-Bldg. Yokohama Bashamichi 01 (Note 4)	13	100.0	690	1.7	13	100.0	694	1.8
10058	JMF-Bldg. Kawasaki 01 (Note 4)	11	90.7	729	1.8	9	70.7	661	1.7
10059	JMF-Bldg. Shibuya 02 (Note 4)	5	100.0	144	0.4	5	100.0	246	0.6
10060	JMF-Bldg. Shibuya 03 (Note 4)	10	90.1	291	0.7	11	100.0	291	0.7
10061	JMF-Bldg. Toyokocho 01 (Note 4)	9	74.2	261	0.7	13	95.1	252	0.6
10062	OMO3 Tokyo Akasaka (Note 4)	2	100.0	(Note 5)	(Note 5)	2	100.0	(Note 5)	(Note 5)
10063	JMF-Bldg. Nihombashi Hamacho 01 (Note 4)	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)

No.	Name of property	For the six months ended February 28, 2023				For the six months ended August 31, 2023			
		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) (%)
10064	JMF-Bldg. Toyochō 02 (Note 4)	16	84.4	243	0.6	18	96.7	263	0.7
10065	JMF-Bldg. Sasazuka 01 (Note 4)	12	100.0	266	0.7	12	100.0	277	0.7
10066	JMF-Bldg. Ueno 01 (Note 4)	7	100.0	(Note 5)	(Note 5)	7	100.0	(Note 5)	(Note 5)
10067	JMF-Bldg. Yokohama 01 (Note 4)	53	100.0	390	1.0	53	100.0	394	1.0
10068	JMF-Bldg. Akasaka 01 (Note 4)	10	88.7	101	0.3	10	88.7	98	0.3
10069	JMF-Bldg. Kanda01 (Note 4)	8	100.0	112	0.3	8	100.0	116	0.3
10070	JMF-Bldg. Edogawabashi 01 (Note 4)	4	86.1	94	0.2	5	100.0	94	0.2
10071	JMF-Bldg. Higashi Nihombashi 01 (Note 4)	9	100.0	92	0.2	8	89.7	79	0.2
10072	JMF-Bldg. Ichigaya 01 (Note 7)	28	98.2	466	1.2	30	99.4	460	1.2
10073	JMF-Bldg. Hiroo 01 (Note 7)	37	100.0	186	0.5	35	96.7	189	0.5
10074	JMF-Bldg. Funabashi 01	7	100.0	138	0.3	7	100.0	140	0.4
10075	JMF-Bldg. Akasaka 02 (Note 4)	8	83.7	645	1.6	12	100.0	579	1.5
10076	JMF-Residence Gakugeidaigaku (Note 4)	41	100.0	33	0.1	41	100.0	33	0.1
10077	JMF-Residence Kita-Shinagawa (Note 4)	-	-	-	-	58	93.2	44	0.1
10078	JMF-Residence Ikebukuro 1-chome (Note 4)	-	-	-	-	42	95.6	35	0.1
10079	JMF-Bldg. Nakano 01	-	-	-	-	7	100.0	91	0.2
10080	JMF-Residence Fujisawa (Note 4)	-	-	-	-	71	97.3	30	0.1
10081	JMF-Residence Shin-Yokohama (Note 4)	-	-	-	-	105	96.1	53	0.1
10082	JMF-Residence Akabane Shimo (Note 4)	-	-	-	-	55	95.0	35	0.1
20002	Kyoto Family	58	97.6	569	1.4	59	100.0	649	1.7
20003	Kawaramachi OPA	1	100.0	335	0.8	1	100.0	340	0.9
20004	AEON MALL Tsurumi Ryokuchi (Note 8)	1	100.0	891	2.2	1	100.0	864	2.2
20005	AEON MALL Itami	1	100.0	582	1.5	1	100.0	585	1.5
20006	Ario Otori	1	100.0	549	1.4	1	100.0	549	1.4
20007	AEON MALL Kobe Kita	1	100.0	401	1.0	1	100.0	414	1.1
20008	LIFE Kishibe (Land with leasehold interest) (Note 9)	1	100.0	51	0.1	-	-	-	-
20009	LIFE Shimodera (Land with leasehold interest)	1	100.0	56	0.1	1	100.0	56	0.1
20010	LIFE Taiheiji (Land with leasehold interest)	1	100.0	48	0.1	1	100.0	48	0.1
20011	G-Bldg. Shinsaibashi 01	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)

No.	Name of property	For the six months ended February 28, 2023				For the six months ended August 31, 2023			
		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) (%)
20012	Round1 Stadium Sennichimae (Land with leasehold interest)	1	100.0	240	0.6	1	100.0	240	0.6
20013	G-Bldg. Shinsaibashi 02	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
20014	Izumisano Shofudai (Land with leasehold interest)	2	100.0	(Note 5)	(Note 5)	2	100.0	(Note 5)	(Note 5)
20015	Round1 Stadium Sakai Chuo Kanjyo	1	100.0	82	0.2	1	100.0	82	0.2
20016	pivo Izumi Chuo	16	95.8	(Note 5)	(Note 5)	17	96.2	(Note 5)	(Note 5)
20017	KAMISHIN PLAZA	37	100.0	316	0.8	37	100.0	320	0.8
20018	Round1 Kyoto Kawaramachi	1	100.0	104	0.3	1	100.0	104	0.3
20019	G-Bldg. Shinsaibashi 03	4	28.6	(Note 5)	(Note 5)	3	12.9	(Note 5)	(Note 5)
20020	Round1 Stadium Takatsuki (Note 10)	1	100.0	91	0.2	-	-	16	0.0
20021	m-city Toyonaka	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
20022	EDION Kyobashi (Land with leasehold interest)	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
20023	JMF-Bldg. Abeno 01	10	100.0	159	0.4	10	100.0	157	0.4
20024	JMF-Bldg. Umeda 01	12	100.0	218	0.6	12	100.0	210	0.5
20025	G-Bldg. Shinsaibashi 04	5	100.0	82	0.2	5	100.0	80	0.2
20026	JMF-Bldg. Kyoto Kawaramachi 01	4	100.0	65	0.2	4	100.0	76	0.2
20027	JMF-Bldg. Midosuji 01	2	100.0	(Note 5)	(Note 5)	2	100.0	(Note 5)	(Note 5)
20028	G-Bldg. Kobe Sannomiya 01	5	100.0	(Note 5)	(Note 5)	5	100.0	(Note 5)	(Note 5)
20029	Round1 Sannomiya Station	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
20030	G-Bldg. Midosuji 02	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
20031	Twin 21 (Note 4)	107	98.4	2,465	6.2	110	98.9	2,459	6.3
20032	JMF-Bldg. Kitahama 01 (Note 4)	10	100.0	346	0.9	10	100.0	344	0.9
20033	JMF-Bldg. Osaka Fukushima 01 (Note 4)	25	97.9	273	0.7	25	98.6	292	0.7
20034	JMF-Bldg. Higobashi 01 (Note 4)	12	100.0	139	0.4	12	80.3	128	0.3
20035	Konami Sports Club Kyobashi	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
20036	JMF-Bldg. Imabashi 01 (Note 4)	20	100.0	115	0.3	20	100.0	114	0.3
20037	JMF-Bldg. Nishi Hommachi 01 (Note 4)	21	100.0	100	0.3	20	97.0	105	0.3
20038	G-Bldg. Shinsaibashi 05	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
20039	JMF-Residence Osaka Noda (Note 4)	64	92.3	13	0.0	65	93.1	38	0.1
20040	JMF-Residence Osaka Fukushima (Note 4)	-	-	-	-	79	94.0	39	0.1

No.	Name of property	For the six months ended February 28, 2023				For the six months ended August 31, 2023			
		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) (%)
30001	AEON Yagoto	1	100.0	124	0.3	1	100.0	127	0.3
30002	mozo wonder city (Note 7)	219	99.1	3,368	8.5	220	99.9	3,382	8.7
30003	G-Bldg. Nagoya Sakae 01	2	50.9	(Note 5)	(Note 5)	2	50.9	(Note 5)	(Note 5)
30004	Valor Kachigawa (Land with leasehold interest)	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
90001	Nara Family (Note 7)	111	99.9	1,854	4.7	110	99.8	1,818	4.7
90002	AEON MALL Sapporo Naebo	1	100.0	367	0.9	1	100.0	375	1.0
90003	AEON Naha Shopping Center	1	100.0	369	0.9	1	100.0	377	1.0
90004	Oyama Yuen Harvest Walk (Note 4)	67	99.7	834	2.1	67	99.7	770	2.0
90005	AEON MALL Sapporo Hassamu	1	100.0	570	1.4	1	100.0	583	1.5
90006	MrMax Nagasaki	2	100.0	(Note 5)	(Note 5)	2	100.0	(Note 5)	(Note 5)
90007	Tecc LIFE SELECT Fukuoka Shime Honten	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
90008	Round1 Hiroshima	1	100.0	119	0.3	1	100.0	119	0.3
90009	DFS T GALLERIA OKINAWA	1	100.0	551	1.4	1	100.0	530	1.4
90010	G-Bldg. Sendai Ichibancho 01	1	100.0	89	0.2	1	100.0	83	0.2
90011	G-Bldg. Naha-shintoshin 01	2	100.0	(Note 5)	(Note 5)	2	100.0	(Note 5)	(Note 5)
90012	JMF-Bldg. Tenjin Nishi-dori 01 (Note 4)	8	100.0	127	0.3	8	88.6	112	0.3
90013	G-Bldg. Tenjin Nishi-dori 02	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
90014	JMF-Bldg. Sendai 01 (Note 4)	81	95.2	310	0.8	82	96.0	309	0.8
90015	Dormy Inn Hakata Gion (Note 4)	2	100.0	(Note 5)	(Note 5)	2	100.0	(Note 5)	(Note 5)
90016	JMF-Residence Chihaya (Note 4)	144	96.9	110	0.3	148	98.6	116	0.3
90017	Karuizawa Commongrounds (Land with leasehold interest)	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
Total		1,747	99.2	39,672	100.0	2,177	99.2	39,017	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 the property on August 31, 2023.

Note 4 "Number of tenants" and "Occupancy ratio" for a pass-through master leased property are presented on an end-tenant basis.

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

Note 6 JMF sold 30% quasi-co-ownership interest of the property on December 1, 2021, 30% on March 1, 2022 and 40% on September 1, 2022.

Note 7 "Number of tenants" and "Occupancy ratio" for the properties which are leased partially in the form of a pass-through master lease are presented on an end-tenant basis.

Note 8 JMF sold 25% quasi-co-ownership interest of the property on September 29, 2023.

Note 9 JMF sold the property on March 1, 2023.

Note 10 JMF sold the property on April 4, 2023.

4. Details of investment securities

The details of investment securities as of August 31, 2023 were as follows:

(Thousand of yen)

Description of securities	Classification of assets	Quantity	Net book value		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	Equity interest of Tokumei Kumiai agreement	-	-	8,651,999	-	8,651,999	-	Notes 1 and 2
Investment units of Nisshin Private Residential Reit, Inc.	Investment securities	4,320	1,226,742	5,299,525	1,226,742	5,299,525	-	Note 3
DREAM Mezzanine Debt Separate3 Investment Limited Partnership	Equity interest of investment limited partnership	-	-	782,941	-	782,941	-	Notes 1 and 4
Investment units of Hoosiers Private REIT Investment Corporation	Investment securities	2,050	1,058,859	2,170,660	1,058,859	2,170,660	-	Note 5
Total	—	-	-	16,905,127	-	16,905,127	-	-

Note 1 The fair values of these interests represent carrying amounts.

Note 2 The investment asset is a 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 3 The underlying assets are mainly trust beneficiary interests of N-stage Akabaneshimo and N-stage Nishikawaguchi, etc. The fair value is based on net asset values, etc., provided by asset managers regardless of ownership ratio.

Note 4 The investment assets is a mezzanine loan backed by trust beneficiary interest in a residential property located in Tokyo as entrusted properties.

Note 5 The underlying assets are mainly trust beneficiary interests of DUO FLATS Akasaka and DUO FLATS Sakae, etc. The fair value is based on net asset values, etc., provided by asset managers regardless of ownership ratio.

5. Details of specified transaction

The details of specified transaction as of August 31, 2023 were as follows:

(Millions of yen)

Classification	Transaction	Contract amount, etc. (Note 1)		Fair value (Note 2)
			Over 1 year	
Over-the-counter	Interest rate swaps (Floating-rate to fixed-rate interest)	60,300	42,300	66
Total		60,300	42,300	66

Note 1 Contract amount, etc. shows notional amounts.

Note 2 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 3 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 July 4, 2019, 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, 2023.

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	Total	Estimated cost	
					Advanced payment	Total of advanced payment
					Payment for the six months ended August 31, 2023	
For the six months ending February 29, 2024 (the 44th fiscal period from September 1, 2023 to February 29, 2024)						
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of the central monitoring equipment	October, 2023 to January, 2024	230	-	-
AEON MALL Tsudanuma	Narashino-shi, Chiba	Renewal of PAC at common area	November, 2023 to December, 2023	130	-	-
DFS T GALLERIA OKINAWA	Naha-shi, Okinawa	Renewal of AHU air conditioner	November, 2023 to January, 2024	98	-	-
Kyoto Family	Ukyo-ku, Kyoto-shi, Kyoto	Renewal of air conditioning system	October, 2023 to February, 2024	92	-	-
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of PAC air conditioner	November, 2023 to January, 2024	86	-	-
AEON MALL Itami	Itami-shi, Hyogo	Construction of disaster prevention system	November, 2023 to February, 2024	76	-	-
AEON MALL Sapporo Hassamu	Nishi-ku, Sapporo-shi, Hokkaido	Renewal of EHP and GHP	October, 2023 to November, 2023	71	-	-
G-Bldg. Shinsaibashi 03	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system, disaster prevention equipment and smokeproof wall at A building	August, 2023 to September, 2023	71	-	-
JMF-Bldg. Yokohama Bashamichi 01	Naka-ku, Yokohama-shi, Kanagawa	Renewal of air conditioning system	November, 2023 to February, 2024	67	-	-
Bic Camera Tachikawa	Tachikawa-shi, Tokyo	Renewal of escalator at main building	December, 2023 to January, 2024	65	-	-
DFS T GALLERIA OKINAWA	Naha-shi, Okinawa	Renewal of refrigerator	November, 2023 to January, 2024	63	-	-
JMF-Bldg. Yokohama Bashamichi 01	Naka-ku, Yokohama-shi, Kanagawa	Renewal of central monitoring equipment	October, 2023 to February, 2024	61	-	1
AEON MALL Tsurumi Ryokuchi	Tsurumi-ku, Osaka-shi, Osaka	Renewal of guide light	October, 2023 to January, 2024	60	-	-
Oyama Yuen Harvest Walk	Oyama-shi, Tochigi	Repair of rest room	December, 2023 to February, 2024	59	-	-
AEON MALL Tsudanuma	Narashino-shi, Chiba	Coating of iron part (2nd)	July, 2023 to November, 2023	59	-	-
Kyoto Family	Ukyo-ku, Kyoto-shi, Kyoto	Enlargement construction of trance	October, 2023 to February, 2024	57	-	-
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of top light equipment at atrium (10th floor)	November, 2023 to February, 2024	56	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system at standard floor	October, 2023 to February, 2024	55	-	-
AEON MALL Tsudanuma	Narashino-shi, Chiba	Renewal of the central monitoring equipment	May, 2023 to January, 2024	55	-	-
JMF-Bldg. Nihombashi Hamacho 01	Chuo-ku, Tokyo	Renewal of air conditioning system at interior side	September, 2023 to February, 2024	52	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of central monitoring equipment	October, 2023 to February, 2024	51	-	-
Higashi-Totsuka Aurora City	Totsuka-ku, Yokohama-shi, Kanagawa	Renewal of air conditioning system at SEIBU building	December, 2023 to February, 2024	51	-	-

(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, 2023	Total of advanced payment
For the six months ending August 31, 2024 (the 45th fiscal period from March 1, 2024 to August 31, 2024)						
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of electrical substation equipment	April, 2021 to March, 2024	1,378	-	716
Bic Camera Tachikawa	Tachikawa-shi, Tokyo	Renewal of air conditioning system on rooftop west side at main building	May, 2024 to July, 2024	193	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Repair of outer wall	August, 2024	170	-	13
JMF-Bldg. Yokohama Bashamichi 01	Naka-ku, Yokohama-shi, Kanagawa	Renewal of lighting equipment at exclusive area	October, 2023 to August, 2024	140	-	-
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Repair of outer wall	April, 2024 to July, 2024	112	-	-
JMF-Bldg. Toyochō 01	Koto-ku, Tokyo	Renewal of air conditioning system at main building	November, 2023 to August, 2024	109	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of escalator	October, 2023 to June, 2024	103	-	-
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of elevator	January, 2024 to March, 2024	100	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Construction for raising floor	October, 2023 to March, 2024	99	-	-
AEON MALL Sapporo Hassamu	Nishi-ku, Sapporo-shi, Hokkaido	Repair of outer wall	May, 2024 to July, 2024	91	-	-
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of PAC air conditioner	March, 2024 to July, 2024	86	-	-
JMF-Bldg. Toyochō 02	Koto-ku, Tokyo	Renewal of elevator	July, 2024 to August, 2024	81	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of common space at standard floor	October, 2023 to March, 2024	77	-	-
Oyama Yuen Harvest Walk	Oyama-shi, Tochigi	Repair of rest room	February, 2024 to April, 2024	59	-	-
Higashi-Totsuka Aurora City	Totsuka-ku, Yokohama-shi, Kanagawa	Renewal of water receiving tank at SEIBU Building	June, 2024 to August, 2024	58	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system at standard floor	April, 2024 to August, 2024	55	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of central monitoring equipment	April, 2024 to August, 2024	52	-	-
JMF-Bldg. Akasaka 02	Minato-ku, Tokyo	Renewal of air conditioning system	May, 2024 to August, 2024	52	-	-
Higashi-Totsuka Aurora City	Totsuka-ku, Yokohama-shi, Kanagawa	Renewal of air conditioning system at SEIBU building	May, 2024 to July, 2024	51	-	-
AEON MALL Itami	Itami-shi, Hyogo	Renewal of FCU	March, 2024 to July, 2024	50	-	-

2. Capital expenditures for the six months ended August 31, 2023

Maintenance expenditures on property for the six months ended August 31, 2023 were totaling to ¥4,348 million consisting of ¥3,476 million of capital expenditures stated as below and ¥872 million of repair and maintenance expenses charged to income.

(Millions of yen)

Name of property	Location	Purpose	Term for construction or maintenance	Capital expenditures
Twin 21	Chuo-ku, Osaka-shi, Osaka	Construction for tenant leasing at M38F east area	March, 2023 to April, 2023	150
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of elevator	May, 2023 to August, 2023	113
AEON MALL Tsurumi Ryokuchi	Tsurumi-ku, Osaka-shi, Osaka	Renewal of package air conditioner	June, 2023 to August, 2023	91
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system	April, 2022 to March, 2023	86
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of PAC air conditioner	May, 2023 to August, 2023	84
AEON MALL Tsudanuma	Narashino-shi, Chiba	Renewal of common area	May, 2023 to August, 2023	81
AEON MALL Itami	Itami-shi, Hyogo	Construction of disaster prevention system	June, 2023 to August, 2023	78
G-Bldg. Shinsaibashi 03	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioner and disaster prevention equipment at A building	August, 2023	71
AEON MALL Sapporo Hassamu	Nishi-ku, Sapporo-shi, Hokkaido	Renewal of EHP and GHP	July, 2023 to August, 2023	68
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of storage battery charger	June, 2023 to August, 2023	61
Bic Camera Tachikawa	Tachikawa-shi, Tokyo	Renewal of escalator at main building	May, 2023 to July, 2023	60
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of security system	February, 2023 to August, 2023	59
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system at standard floor	April, 2023 to August, 2023	54
Dormy Inn Hakata Gion	Hakata-ku, Fukuoka-shi, Fukuoka	Repair of outer wall	June, 2022 to March, 2023	50
Other	-	-	-	2,363
Total				3,476

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	42nd fiscal period	43rd fiscal period
	For the six months ended February 28, 2023	For the six months ended August 31, 2023
Asset management fees (Note 1)	3,682,963	3,762,769
Custodian fees	33,534	34,161
General administration fees	152,116	154,647
Compensation for Directors	5,782	5,782
Other operating expenses (Note 2)	809,859	894,006
Total	4,684,256	4,851,367

Note 1 In addition to the above asset management fees, JMF paid the asset manager fees which were capitalized as property costs amounting to ¥15,592 thousand and ¥125,984 thousand for the six months ended February 28, 2023 and August 31, 2023, respectively, and those fees which were charged to income as costs of sale of property amounting to ¥21,600 thousand and ¥67,819 thousand for the six months ended February 28, 2023 and August 31, 2023, respectively

Note 2 Other operating expenses include amortization of goodwill amounting to ¥401,230 thousand for the six months ended February 28, 2023 and August 31, 2023, respectively.

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-Residence Kita-Shinagawa	March 1, 2023	1,900	-	-	-	-
JMF-Residence Ikebukuro 1-chome	March 1, 2023	1,670	-	-	-	-
JMF-Residence Osaka Fukushima	March 1, 2023	1,518	-	-	-	-
LIFE Kishibe (Land with leasehold interest) (Note 2)	-	-	March 1, 2023	2,600	1,942	638
JMF-Bldg. Nakano 01	March 24, 2023	4,000	-	-	-	-
JMF-Residence Fujisawa	March 30, 2023	1,270	-	-	-	-
Round1 Stadium Takatsuki (Note 3)	-	-	April 4, 2023	3,320	1,877	1,369
JMF-Residence Shin-Yokohama	April 27, 2023	3,190	-	-	-	-
JMF-Residence Akabane Shimo	April 27, 2023	2,200	-	-	-	-
G-Bldg. Minami Aoyama 02 (Note 4)	-	-	August 31, 2023	5,383	5,161	18
Total		15,748		11,303	8,982	2,026

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 (loss) on disposition of LIFE Kishibe (Land with leasehold interest) reflects other transfer expenses amounting to ¥18 million.

Note 3 Gain (loss) on disposition of Round1 Stadium Takatsuki reflects other transfer expenses amounting to ¥72 million.

Note 4 Gain (loss) on disposition of G-Bldg. Minami Aoyama 02 reflects other transfer expenses amounting to ¥203 million.

(Reference) In addition to the above, an expansion construction of TecC LIFE SELECT Fukuoka Shime Honten for was completed on March 27, 2023 at a total cost of ¥702 million.

2. Transactions of other assets

(Millions of yen)

Classification of assets	Purchase		Sale		Balance as of August 31, 2023	
	Quantity	Amount (Note 1)	Quantity	Amount (Note 1)	Quantity	Amount (Note 2)
Investment Securities	950	1,004	-	-	2,050	2,170
Total	950	1,004	-	-	2,050	2,170

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, 2023 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-Residence Kita-Shinagawa	March 1, 2023	1,900	2,250	Tanizawa Sōgō Appraisal Co., Ltd.	October 1, 2022
Acquisition	JMF-Residence Ikebukuro 1-chome	March 1, 2023	1,670	1,830	Daiwa Real Estate Appraisal Co., Ltd.	August 1, 2022
Acquisition	JMF-Residence Osaka Fukushima	March 1, 2023	1,518	1,690	Tanizawa Sōgō Appraisal Co., Ltd.	October 1, 2022
Disposition	LIFE Kishibe (Land with leasehold interest)	March 1, 2023	2,600	1,910	CBRE K.K.	August 31, 2022
Acquisition	JMF-Bldg. Nakano 01	March 24, 2023	4,000	4,200	Tanizawa Sōgō Appraisal Co., Ltd.	March 1, 2023
Acquisition	JMF-Residence Fujisawa	March 30, 2023	1,270	1,330	Daiwa Real Estate Appraisal Co., Ltd.	September 1, 2022
Disposition	Round1 Stadium Takatsuki (Note 2)	April 4, 2023	3,320	2,990	Tanizawa Sōgō Appraisal Co., Ltd.	August 31, 2022
Acquisition	JMF-Residence Shin-Yokohama	April 27, 2023	3,190	3,370	JLL Morii Valuation & Advisory K.K.	March 1, 2023
Acquisition	JMF-Residence Akabane Shimo	April 27, 2023	2,200	2,430	Tanizawa Sōgō Appraisal Co., Ltd.	March 1, 2023
Disposition	G-Bldg. Minami Aoyama 02	August 31, 2023	5,383	5,180	Tanizawa Sōgō Appraisal Co., Ltd.	August 1, 2023

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 Round1 Stadium Takatsuki was divided into a trust for the land and a trust for the building, and the beneficial right on each was disposed of. The disposition amount and appraisal value for the property show the total of disposition amount for the two.

(Reference) For the expansion construction of Tecc LIFE SELECT Fukuoka Shime Honten, JMF did not conduct research for the asset value as the appraisal value is not available.

(2) Investment securities

(Millions of yen)

Purchase /Sale	Description of securities	Date of purchase / sale	Classification of assets	Purchase / sale amount (Note 1)	Researched value (Note 2)
Purchase	Hoosiers Private REIT Investment Corporation	July 3, 2023	Investment securities	1,004	1,004

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 March 1, 2023 to August 31, 2023 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 transactions, description of securities, quantity, transaction prices, matters to identify assets in trust and other matters.

(3) Other transactions

None

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

(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

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

Note “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. The balance sheet, statement of income and retained earnings, statement of changes in net assets, statement of cash distributions and notes to financial statements as of or for the period ended February 28, 2023 are reference.

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 (KJR Management) 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) (Thousands of yen)	Ratio of number of investment units held to number of investment units issued and outstanding
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%
The 40th fiscal period (September 1, 2021 to February 28, 2022)	6,400	595,840	0.1%
The 41st fiscal period (March 1, 2022 to August 31, 2022)	6,400	707,840	0.1%
The 42nd fiscal period (September 1, 2022 to February 28, 2023)	6,400	654,720	0.1%
The 43rd fiscal period (March 1, 2023 to August 31, 2023)	6,400	625,920	0.1%

Note "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 JMF for the six months ended August 31, 2023 was as follows:

Approval day	Item	Summary
August 10, 2023	Appointment of general administrators regarding investment corporation bonds	With respect to issuance of Japan Metropolitan Fund Investment Corporation The 6th Unsecured Investment Corporation Bonds, or the 6th JMF Green Bonds (Special pari passu conditions among specified investment corporation bonds), the Board of Directors of JMF appointed Mizuho Securities Co., Ltd., SMBC Nikko Securities Inc. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. as underwriter, and Mizuho Bank, Ltd. as financial agency and other general administrator regarding the investment corporation bonds.



Independent Auditor's Report

To the Board of Directors of Japan Metropolitan Fund Investment Corporation

THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Japan Metropolitan Fund Investment Corporation (the Company), which comprise the balance sheet as of August 31, 2023, 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, 2023, 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.

Other Information

The other information comprises the information included in the semi-annual report, but does not include the financial statements and our auditor's report thereon. Management is responsible for the other information. In addition, those charged with governance are responsible for overseeing the Company's reporting process of the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



Responsibilities of Management and 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.

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, actions taken to eliminate threats or safeguards applied.

Convenience translation

The U.S. dollar amounts in the accompanying financial statements with respect to the six month period ended August 31, 2023 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 3 to the financial statements.

FEE-RELATED INFORMATION

In connection with our audit of the financial statements for the six month period ended August 31, 2023, the amounts of fees for the audit and the other services charged to the Company by PricewaterhouseCoopers Aarata LLC and other PwC Network firms are 27 million and 30.65 million, respectively.

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.

鶴 田 光 夫

Mitsuo Tsuruta

Designated Engagement Partner
Certified Public Accountant

太 田 英 男

Hideo Ohta

Designated Engagement Partner
Certified Public Accountant

November 27, 2023

Note: This is a copy of the Independent auditor's report and the original copy is kept separately by the Company.

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
BALANCE SHEET

As of February 28, 2023 and August 31, 2023

	As of		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
ASSETS			
Current assets:			
Cash and bank deposits (Note 14).....	¥ 45,095	¥ 37,370	\$ 255,608
Cash and bank deposits in trust (Note 14).....	19,180	20,000	136,798
Rent receivables	1,155	1,039	7,106
Advance payments to suppliers.....	405	847	5,793
Income taxes receivable.....	53	64	437
Derivatives (Note 18).....	16	-	-
Other current assets	1,306	1,603	10,964
Total current assets.....	67,213	60,926	416,730
Non-current assets:			
Property and equipment (Notes 5, 6 and 24) at cost:			
Buildings.....	2,485	2,486	17,004
Accumulated depreciation.....	(899)	(933)	(6,381)
Buildings, net.....	1,585	1,553	10,622
Building improvements.....	66	66	451
Accumulated depreciation.....	(34)	(36)	(246)
Building improvements, net.....	31	29	198
Furniture and fixtures.....	20	21	143
Accumulated depreciation.....	(16)	(17)	(116)
Furniture and fixtures, net.....	3	4	27
Land.....	28,976	27,036	184,924
Construction in progress.....	1	-	-
Buildings in trust.....	347,971	353,589	2,418,529
Accumulated depreciation.....	(125,114)	(129,794)	(887,783)
Buildings in trust, net.....	222,856	223,794	1,530,738
Building improvements in trust.....	12,294	12,401	84,822
Accumulated depreciation.....	(5,227)	(5,390)	(36,867)
Building improvements in trust, net.....	7,067	7,011	47,954
Machinery and equipment in trust.....	2,291	2,308	15,786
Accumulated depreciation.....	(1,473)	(1,530)	(10,465)
Machinery and equipment in trust, net.....	817	777	5,314
Furniture and fixtures in trust.....	5,251	5,394	36,894
Accumulated depreciation.....	(3,585)	(3,722)	(25,458)
Furniture and fixtures in trust, net.....	1,665	1,672	11,436
Land in trust.....	878,591	884,746	6,051,614
Construction in progress in trust.....	825	845	5,779
Total property and equipment.....	1,142,422	1,147,471	7,848,638
Intangible assets:			
Goodwill.....	14,444	14,043	96,053
Leasehold rights in trust (Note 24).....	4,993	5,513	37,708
Other intangible assets (Note 24).....	292	257	1,757
Other intangible assets in trust (Note 24).....	61	55	376
Total intangible assets.....	19,792	19,869	135,902
Investment and other assets:			
Investment securities (Notes 16 and 17).....	15,833	16,905	115,629
Lease deposits in trust.....	1,467	1,467	10,034
Long-term prepaid expenses.....	2,402	2,895	19,801
Derivatives (Note 18).....	317	236	1,614
Other investments.....	1	1	6
Total investment and other assets.....	20,021	21,505	147,093
Total non-current assets.....	1,182,237	1,188,846	8,131,641
Deferred assets:			
Investment corporation bond issuance costs.....	153	153	1,046
Total deferred assets.....	153	153	1,046
TOTAL ASSETS.....	¥ 1,249,604	¥ 1,249,926	\$ 8,549,425

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

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
BALANCE SHEET

As of February 28, 2023 and August 31, 2023

	As of		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable – operating.....	¥ 4,813	¥ 4,863	\$ 33,262
Short-term borrowings.....	6,200	2,000	13,679
Current portion of long-term bonds issued			
– unsecured (Note 16).....	15,500	14,500	99,179
Current portion of long-term borrowings (Note 16).....	41,300	48,200	329,685
Accounts payable – other.....	42	37	253
Accrued expenses.....	2,074	2,207	15,095
Income taxes payable.....	-	-	-
Consumption tax payable.....	776	709	4,849
Rent received in advance.....	4,456	4,546	31,094
Deposits received.....	1,495	1,540	10,533
Current portion of tenant leasehold and security deposits			
in trust (Note 5).....	68	68	465
Current portion of asset retirement obligations.....	112	112	766
Other current liabilities.....	113	110	752
Total current liabilities	76,953	78,896	539,644
Non-current liabilities:			
Long-term bonds issued – unsecured (Note 16).....	50,000	47,000	321,477
Long-term borrowings (Notes 16).....	437,645	438,945	3,002,359
Tenant leasehold and security deposits.....	1,883	1,680	11,491
Tenant leasehold and security deposits in trust (Note 5).....	57,093	57,498	393,283
Asset retirement obligations (Note 23).....	726	730	4,993
Other non-current liabilities.....	79	97	663
Total non-current liabilities	547,428	545,952	3,734,281
TOTAL LIABILITIES	624,382	624,848	4,273,926
Net Assets (Notes 8, 10 and 13):			
Unitholders' equity:			
Unitholders' capital.....	411,878	411,878	2,817,222
Surplus:.....			
Capital surplus	202,855	202,855	1,387,517
Deduction from capital surplus.....	(11,999)	(11,999)	(82,072)
Capital surplus, net.....	190,855	190,855	1,305,437
Voluntary reserve.....			
Reserve for reduction entry	1,160	1,153	7,886
Reserve for dividends	3,915	3,915	26,778
Retained earnings for temporary difference adjustment			
(Note 9).....	834	640	4,377
Total voluntary reserve	5,910	5,709	39,049
Retained earnings	15,964	16,051	109,787
Total surplus	212,730	212,616	1,454,281
Total unitholders' equity	624,608	624,494	4,271,504
Valuation and translation adjustments:			
Net unrealized holding gains (losses) on investment securities.....	279	346	2,366
Deferred gains or losses on hedges.....	334	236	1,614
Total valuation and translation adjustments	613	582	3,980
TOTAL NET ASSETS	625,221	625,077	4,275,492
TOTAL LIABILITIES AND NET ASSETS	¥ 1,249,604	¥ 1,249,926	\$ 8,549,425

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, 2023 and August 31, 2023

	For the six months ended		
	February 28,	August 31,	August 31,
	2023	2023	2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Operating revenues			
Rent and other operating revenues (Note 11).....	¥ 39,674	¥ 39,020	\$ 266,894
Gain on sales of property (Note 12).....	1,345	2,026	13,857
Dividend income.....	313	358	2,448
Total operating revenues.....	41,332	41,405	283,207
Operating expenses			
Property-related expenses (Note 11).....	18,761	18,499	126,532
Asset management fees.....	3,682	3,762	25,731
Custodian fees.....	33	34	232
General administration fees.....	152	154	1,053
Compensation for Directors.....	5	5	34
Amortization of goodwill.....	401	401	2,742
Other operating expenses.....	408	492	3,365
Total operating expenses.....	23,445	23,350	159,712
Operating income.....	17,887	18,054	123,488
Non-operating revenues			
Interest income.....	-	-	-
Compensation income.....	33	-	-
Other non-operating revenues.....	2	1	6
Total non-operating revenues.....	36	2	13
Non-operating expenses			
Interest expenses	1,354	1,394	9,534
Interest expenses on investment corporation bonds.....	188	206	1,409
Amortization of investment corporation bond issuance costs	26	25	170
Loan-related costs	351	374	2,558
Loss on retirement of non-current assets.....	33	-	-
Other non-operating expenses	3	3	20
Total non-operating expenses.....	1,958	2,004	13,707
Ordinary income.....	15,965	16,052	109,794
Income before income taxes.....	15,965	16,052	109,794
Income taxes (Note 20):			
Current	-	-	-
Total income taxes.....	-	-	-
Net income.....	15,964	16,051	109,787
Unappropriated earnings at beginning of period.....	-	-	-
Retained earnings at the end of period.....	¥ 15,964	¥ 16,051	\$ 109,787

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, 2023 and August 31, 2023

	Unitholders' equity											Valuation and translation adjustments			
	Surplus											Net unrealized holding gains (losses) on investment securities	Deferred gains (losses) on hedges	Total valuation and translation adjustments	Total net assets
	Unitholders' capital	Capital surplus	Deduction from capital surplus	Capital surplus, net	Voluntary reserve										
					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				
	(in millions)														
Balance as of August 31, 2022.....	¥ 411,878	¥ 202,855	¥ (11,999)	¥ 190,855	¥ 1,160	¥ 3,915	¥ 928	¥ 6,003	¥ 15,722	¥ 212,581	¥ 624,460	¥ 172	¥ 143	¥ 316	¥ 624,776
Changes during the period															
Reversal of retained earnings															
for temporary difference adjustment.....	-	-	-	-	-	-	(93)	(93)	93	-	-	-	-	-	-
Cash distribution declared.....	-	-	-	-	-	-	-	-	(15,816)	(15,816)	(15,816)	-	-	-	(15,816)
Net income.....	-	-	-	-	-	-	-	-	15,964	15,964	15,964	-	-	-	15,964
Net changes of items other than															
unitholders' equity.....	-	-	-	-	-	-	-	-	-	-	-	106	190	297	297
Total changes during the period	-	-	-	-	-	-	(93)	(93)	242	148	148	106	190	297	445
Balance as of February 28, 2023.....	¥ 411,878	¥ 202,855	¥ (11,999)	¥ 190,855	¥ 1,160	¥ 3,915	¥ 834	¥ 5,910	¥ 15,964	¥ 212,730	¥ 624,608	¥ 279	¥ 334	¥ 613	¥ 625,221
Changes during the period															
Reversal of reserve for															
reduction entry of property.....	-	-	-	-	(6)	-	-	(6)	6	-	-	-	-	-	-
Reversal of retained earnings															
for temporary difference adjustment.....	-	-	-	-	-	-	(194)	(194)	194	-	-	-	-	-	-
Cash distribution declared.....	-	-	-	-	-	-	-	-	(16,165)	(16,165)	(16,165)	-	-	-	(16,165)
Net income.....	-	-	-	-	-	-	-	-	16,051	16,051	16,051	-	-	-	16,051
Net changes of items other than															
unitholders' equity.....	-	-	-	-	-	-	-	-	-	-	-	66	(97)	(30)	(30)
Total changes during the period	-	-	-	-	(6)	-	(194)	(200)	87	(113)	(113)	66	(97)	(30)	(144)
Balance as of August 31, 2023.....	¥ 411,878	¥ 202,855	¥ (11,999)	¥ 190,855	¥ 1,153	¥ 3,915	¥ 640	¥ 5,709	¥ 16,051	¥ 212,616	¥ 624,494	¥ 346	¥ 236	¥ 582	¥ 625,077

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, 2023 and August 31, 2023

	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 3))														
Balance as of February 28, 2023.....	\$ 2,817,222	\$ 1,387,517	\$ (82,072)	\$ 1,305,437	\$ 7,934	\$ 26,778	\$ 5,704	\$ 40,424	\$ 109,192	\$ 1,455,061	\$ 4,272,284	\$ 1,908	\$ 2,284	\$ 4,192	\$ 4,276,477
<u>Changes during the period</u>															
Reversal of reserve for reduction entry of property.....	-	-	-	-	(41)	-	-	(41)	41	-	-	-	-	-	-
Reversal of retained earnings for temporary difference adjustment.....	-	-	-	-	-	-	(1,326)	(1,326)	1,326	-	-	-	-	-	-
Cash distribution declared.....	-	-	-	-	-	-	-	-	(110,567)	(110,567)	(110,567)	-	-	-	(110,567)
Net income.....	-	-	-	-	-	-	-	-	109,787	109,787	109,787	-	-	-	109,787
Net changes of items other than unitholders' equity.....	-	-	-	-	-	-	-	-	-	-	-	451	(663)	(205)	(205)
<u>Total changes during the period</u>	-	-	-	-	(41)	-	(1,326)	(1,367)	595	(772)	(772)	451	(663)	(205)	(984)
Balance as of August 31, 2023.....	\$ 2,817,222	\$ 1,387,517	\$ (82,072)	\$ 1,305,437	\$ 7,886	\$ 26,778	\$ 4,377	\$ 39,049	\$ 109,787	\$ 1,454,281	\$ 4,271,504	\$ 2,366	\$ 1,614	\$ 3,980	\$ 4,275,492

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, 2023 and August 31, 2023

	For the six months ended		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Retained earnings at the end of period.....	¥ 15,964	¥ 16,051	\$ 109,787
Reversal of reserve for reduction entry of property.....	6	-	-
Reversal of retained earnings for temporary difference adjustment.....	194	255	1,744
Cash distribution declared.....	(16,165)	(15,802)	(108,084)
Provision of reserve for reduction entry of property.....	-	(505)	(3,454)
Retained earnings carried forward.....	¥ -	¥ -	\$ -

Cash distributions per investment unit were ¥2,313 and ¥2,261 (US\$15) for the six months ended February 28, 2023 and August 31, 2023, respectively.

For the six months ended February 28, 2023:

In accordance with the distribution policy in the Company's article of incorporation 26, Paragraph 1, Item 2, which stipulates to make distributions 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, 2023 amounting to ¥16,165 million consisted of all of the retained earnings at the end of the period after reversal of retained earnings for temporary difference adjustment amounting to ¥194 million. As a result, distribution per unit amounted to ¥2,313. The Company generally does not make distributions in excess of profit prescribed in the article of incorporation 26, Paragraph 2.

For the six months ended August 31, 2023:

In accordance with the distribution policy in the Company's article of incorporation 26, Paragraph 1, Item 2, which stipulates to make distributions 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, 2023 amounting to ¥15,802 million (US\$108,084 thousand) consisted of all of the retained earnings at the end of the period after reversal of retained earnings for temporary difference adjustment amounting to ¥255 million (US\$1,744 thousand) and provision of reserve for reduction entry of property amounting to ¥505 million (US\$3,454 thousand). As a result, distribution per unit amounted to ¥2,261 (US\$15). The Company generally does not make distributions in excess of profit prescribed in the article of incorporation 26, Paragraph 2.

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

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
STATEMENT OF CASH FLOWS
For the six months ended February 28, 2023 and August 31, 2023

	For the six months ended		
	February 28,	August 31,	August 31,
	2023	2023	2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Cash Flows from Operating Activities:			
Income before income taxes.....	¥ 15,965	¥ 16,052	\$ 109,794
Adjustments to reconcile income before income taxes to net cash by operating activities:			
Depreciation.....	5,848	5,826	39,849
Amortization of goodwill.....	401	401	2,742
Amortization of investment corporation bond issuance costs.....	26	25	170
Gain on sales of property.....	(1,345)	(2,026)	(13,857)
Loss on retirement of non-current assets.....	112	68	465
Interest income.....	-	-	-
Interest expenses.....	1,542	1,600	10,943
Changes in assets and liabilities:			
(Increase) decrease in rent receivables.....	(62)	119	813
(Increase) decrease in income taxes receivable.....	(6)	(11)	(75)
(Increase) decrease in long-term prepaid expenses.....	(76)	(493)	(3,372)
Increase (decrease) in accounts payable - operating.....	(294)	303	2,072
Increase (decrease) in consumption tax payable.....	(251)	(67)	(458)
Increase (decrease) in accounts payable - other.....	8	(5)	(34)
Increase (decrease) in accrued expenses.....	(34)	37	253
Increase (decrease) in rent received in advance.....	45	90	615
Increase (decrease) in deposits received.....	(231)	196	1,340
Other, net.....	33	(261)	(1,785)
Sub total.....	21,682	21,856	149,493
Interest received.....	-	-	-
Interest expenses paid.....	(1,569)	(1,565)	(10,704)
Income taxes paid.....	-	-	-
Net cash provided by operating activities.....	20,112	20,290	138,782
Cash Flows from Investing Activities:			
Purchase of property and equipment.....	(524)	(15)	(102)
Deposit for purchase of property and equipment.....	(405)	-	-
Proceeds from sales of property and equipment.....	-	2,598	17,770
Purchase of property and equipment in trust.....	(4,161)	(20,106)	(137,523)
Deposit for purchase of property and equipment in trust.....	-	(442)	(3,023)
Proceeds from sales of property and equipment in trust.....	3,601	8,489	58,064
Payments for sales of property and equipment in trust.....	(46)	(23)	(157)
Purchase of intangible assets.....	(14)	(6)	(41)
Purchase of intangible assets in trust.....	(12)	(539)	(3,686)
Payments of tenant leasehold and security deposits.....	-	(202)	(1,381)
Proceeds from tenant leasehold and security deposits.....	28	30	205
Payments of tenant leasehold and security deposits in trust.....	(2,014)	(1,121)	(7,667)
Proceeds from tenant leasehold and security deposits in trust.....	1,381	1,343	9,186
Proceeds from lease deposits in trust.....	12	-	-
Purchase of investment securities.....	(1,441)	(1,004)	(6,867)
Payments for restricted bank deposits in trust.....	(412)	-	-
Proceeds from restricted bank deposits in trust.....	290	-	-
Net cash provided by (used in) investing activities.....	(3,719)	(11,002)	(75,253)
Cash Flows from Financing Activities:			
Proceeds from short-term borrowings.....	6,200	1,000	6,839
Repayments of short-term borrowings.....	(6,000)	(5,200)	(35,567)
Proceeds from long-term borrowings.....	20,600	32,100	219,562
Repayments of long-term borrowings.....	(22,800)	(23,900)	(163,474)
Proceeds from issuance of investment corporation bonds.....	2,977	3,974	27,181
Redemption of investment corporation bonds.....	-	(8,000)	(54,719)
Distribution payments.....	(15,816)	(16,167)	(110,581)
Net cash used in financing activities.....	(14,839)	(16,193)	(110,759)
Net change in cash and cash equivalents.....	1,553	(6,904)	(47,222)
Cash and cash equivalents at the beginning of period.....	62,087	63,640	435,294
Cash and cash equivalents at the end of period (Note 14).....	¥ 63,640	¥ 56,735	\$ 388,064

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, 2023 and August 31, 2023

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 sponsor of the Company is KKR & Co. Inc. (together with its subsidiaries, “KKR”). 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 43rd fiscal period (August 31, 2023) amounted to ¥1,214.3 billion (US\$8,305 million) (the total acquisition price of 132 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

Investment securities for which market quotations are available are stated at fair value, with net unrealized gains or losses reported in a separate component of net assets. Costs of securities sold are determined by the moving average method. Non-marketable securities held as available-for-sale are stated at cost determined by the moving average method. Investments in Tokumei Kumiai (silent partnership) and investment limited partnership 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, Buildings in trust	2-65 years
Building improvements, Building improvements in trust.....	2-60 years
Machinery and equipment in trust	2-17 years
Furniture and fixtures, Furniture and fixtures in trust	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 in the balance sheet and statement of income and retained earnings of the Company in proportion to the percentage interest that such trust beneficiary interest represents.

Certain material assets or liabilities in trust listed below are, however, presented separately in the balance sheets.

- (1) Cash and bank deposits in trust
- (2) Buildings in trust, Building improvements in trust, Machinery and equipment in trust, Furniture and fixtures in trust, Land in trust and Construction in progress in trust
- (3) Leasehold rights in trust
- (4) Other intangible assets in trust
- (5) Lease deposits in trust
- (6) Tenant leasehold and security deposits in trust

(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 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.

(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.

Taxes on property and equipment capitalized amounted to ¥1 million and ¥38 million (US\$259 thousand) for the six months ended February 28, 2023 and August 31, 2023, respectively.

(n) Revenue Recognition

The content of the performance obligations regarding revenue arising from contracts with customers of the Company and the normal point in time when satisfying such performance obligations (normal point in time when recognizing revenues) are mainly as follows:

(1) Sale of property

Revenue from sale of property is recognized when the purchaser, which is a customer, acquires control of the property by fulfilling the delivery obligations stipulated in the sale contract of the property.

(2) Common area charges

For common area charges, revenue is recognized based on the supply of electricity, water, etc., to the lessee, which is a customer, in accordance with the terms of the lease agreement of properties and accompanying agreements. Of the utilities revenue, when the Company is deemed to be an agent in the transaction, the net amount obtained by deducting the amount paid to other related parties supplying electricity, water, etc., from the amount received as the charges for electricity, water, etc., is recognized as revenue.

(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 the 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 — 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 ¥146.20 = US\$1, the effective rate of exchange prevailing at August 31, 2023. The inclusion of such U.S. dollar amounts associated with the fiscal six months ended August 31, 2023 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 4 — Significant Accounting Estimates

Impairment of Fixed Assets

(a) Amounts of items subject to the accounting estimates

	As of / For the six months ended		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Impairment loss.....	¥ -	¥ -	\$ -
Property and equipment.....	1,142,422	1,147,471	7,848,638
Intangible assets.....	5,348	5,826	39,849

(b) Information on significant accounting estimates for identified item

In accordance with the Accounting Standard for Impairment of Fixed Assets, the Company reduces 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 or 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 an impairment loss using future cash flow estimates. When an 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 the rent, the occupancy ratio, the rental expenses, the investment period of the property, the capital expenditures and the discount rate used for the 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 the operations of the Company in the following fiscal period.

Note 5 — Collateral

Certain properties and beneficiary interests in trusts (comprising of properties and cash) with an aggregate book value of ¥174,087 million and ¥173,667 million (US\$1,187,872 thousand) were pledged as collateral to secure tenant leasehold and security deposits in trust totaling ¥15,685 million and ¥15,754 million (US\$107,756 thousand) as of February 28, 2023 and August 31, 2023, respectively. The assets pledged as collateral are as follows:

	As of		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Cash and bank deposits in trust.....	¥ 635	¥ 635	\$ 4,343
Buildings in trust.....	46,924	46,537	318,310
Building improvements in trust.....	1,937	1,924	13,160
Machinery and equipment in trust.....	188	182	1,244
Furniture and fixtures in trust.....	430	420	2,872
Land in trust.....	123,961	123,961	847,886
Construction in progress in trust.....	9	5	34
Total.....	¥ 174,087	¥ 173,667	\$ 1,187,872

Certain lands and buildings included in the above table were pledged as collateral to secure a former owner's payment of retirement benefit obligations for amounts of ¥350 million and ¥350 million (US\$2,393 thousand) as of February 28, 2023 and August 31, 2023, respectively, or a co-owner's payment of tenant leasehold and security deposits for amounts of ¥133 million and ¥133 million (US\$909 thousand) as of February 28, 2023 and August 31, 2023, respectively, and revolving mortgages at a maximum ¥558 million and ¥558 million (US\$3,822 thousand) as of February 28, 2023 and August 31, 2023, respectively.

Note 6 — Reduction Entry for Property

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

	As of		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Acquired by government subsidies			
Buildings in trust.....	¥ 336	¥ 336	\$ 2,298
Building improvements in trust.....	-	-	-
Furniture and fixtures in trust.....	-	-	-
Total.....	¥ 337	¥ 337	\$ 2,305
Land in trust acquired through exchange.....	¥ 450	¥ 450	\$ 3,077

Note 7 — Credit Facilities and Commitment Lines

As of February 28, 2023 and August 31, 2023, the Company entered into credit facilities and committed lines of credit as follows:

	As of		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Credit Facilities			
Total amount of credit facilities.....	¥ 55,500	¥ 54,500	\$ 372,777
Borrowings drawn down.....	-	-	-
Unused credit facilities.....	¥ 55,500	¥ 54,500	\$ 372,777
Commitment Lines			
Total amount of committed lines of credit.....	¥ 75,000	¥ 75,000	\$ 512,995
Borrowings drawn down.....	-	-	-
Unused committed lines of credit.....	¥ 75,000	¥ 75,000	\$ 512,995

Note 8 — Investment Units Retired

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

	As of		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Accumulated amount of units retired.....	¥ 11,999	¥ 11,999	\$ 82,072

	As of	
	February 28, 2023	August 31, 2023
	(Units)	
Accumulated units retired.....	64,715	64,715

Note 9 — Retained Earnings for Temporary Difference Adjustment

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

For the six months ended February 28, 2023:

	Initial amount	Balance at beginning of the period	Provision (in millions)	Reversal	Balance at end of the period	Reason for provision or reversal
Reserve for dividends ⁽ⁱ⁾	¥ 3,138	¥ 928	¥ -	¥ (93)	¥ 834	Appropriation for dividends

For the six months ended August 31, 2023:

	Initial amount	Balance at beginning of the period	Provision (in millions)	Reversal	Balance at end of the period	Reason for provision or reversal
Reserve for dividends ⁽ⁱ⁾	¥ 3,138	¥ 834	¥ -	¥ (194)	¥ 640	Appropriation for dividends
(in thousands of U.S. dollars (Note 3))						
	\$ 21,463	\$ 5,704	\$ -	\$ (1,326)	\$ 4,377	

Note:

- (i) The retained earnings for temporary difference adjustment was transferred from reserve for dividends, which was derived from negative goodwill, by applying Article 3 of the Supplementary Provision of the Ordinance on Accountings of Investment Corporations (Cabinet Office Ordinance No. 27 of 2015) in the statements of cash distributions for the six months ended February 28, 2017 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 10 — Minimum Net Assets

The Company is required to maintain net assets of at least ¥50 million (US\$341 thousand) as required by the Investment Trust Act.

Note 11 — 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, 2023 and August 31, 2023 consist of the following:

	For the six months ended		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Rent and other operating revenues:			
Rent revenue.....	¥ 33,921	¥ 34,240	\$ 234,199
Common area charges.....	2,365	2,289	15,656
Other.....	3,387	2,490	17,031
Total rent and other operating revenues.....	¥ 39,674	¥ 39,020	\$ 266,894
Property-related expenses:			
Property management fees.....	¥ 897	¥ 873	\$ 5,971
Facility management fees.....	2,463	2,477	16,942
Utilities.....	3,008	2,864	19,589
Property-related taxes.....	3,482	3,624	24,787
Repair and maintenance.....	1,130	872	5,964
Insurance.....	71	77	526
Trust fees.....	51	54	369
Rent expense ⁽ⁱ⁾	802	804	5,499
Other.....	968	1,001	6,846
Depreciation.....	5,807	5,781	39,541
Loss on retirement of non-current assets.....	78	67	458
Total property-related expenses.....	¥ 18,761	¥ 18,499	\$ 126,532
Operating income from property leasing activities.....	¥ 20,913	¥ 20,521	\$ 140,362

Note:

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

Note 12 — Analysis of Gain on Sales of Property

Analysis of gain on sales of property for the six months ended February 28, 2023 and August 31, 2023 is as follows:

	For the six months ended		
	February 28, 2023		
	G-Bldg. Ginza 01 (40% quasi-co-ownership) (in millions)		
Sales of property.....	¥ 3,600		
Costs of sales of property.....	2,231		
Other sales expenses.....	22		
Gain on sales of property, net.....	¥ 1,345		

	For the six months ended August 31, 2023					
	LIFE Kishibe (Land with leasehold interest)	Round1 Stadium Takatsuki	G-Bldg. Minami Aoyama 02	LIFE Kishibe (Land with leasehold interest)	Round1 Stadium Takatsuki	G-Bldg. Minami Aoyama 02
	(in millions)			(in thousands of U.S. dollars (Note 3))		
Sales of property.....	¥ 2,600	¥ 3,320	¥ 5,383	\$ 17,783	\$ 22,708	\$ 36,819
Costs of sales of property.....	1,942	1,877	5,161	13,283	12,838	35,300
Other sales expenses.....	18	72	203	123	492	1,388
Gain on sales of property, net.....	¥ 638	¥ 1,369	¥ 18	\$ 4,363	\$ 9,363	\$ 123

Note 13 — Investment Units Authorized and Issued

The number of authorized investment units was 16,000,000 as of February 28, 2023 and August 31, 2023. The number of investment units issued and outstanding was 6,989,091 as of February 28, 2023 and August 31, 2023.

Note 14 — 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, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Cash and bank deposits.....	¥ 45,095	¥ 37,370	\$ 255,608
Cash and bank deposits in trust.....	19,180	20,000	136,798
Restricted bank deposits in trust ⁽ⁱ⁾	(635)	(635)	(4,343)
Cash and cash equivalents.....	¥ 63,640	¥ 56,735	\$ 388,064

Note:

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

Note 15 — 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, 2023 and August 31, 2023 (exclusive of the recovery of utility and other charges) scheduled to be received are summarized as follows:

	As of		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Due within one year.....	¥ 20,497	¥ 23,210	\$ 158,755
Due after one year.....	96,095	107,343	734,220
Total.....	¥ 116,592	¥ 130,554	\$ 892,982

(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 16 — 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 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.

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), investment limited partnership 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 and investment corporation bonds 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 estimated using valuation techniques which contain various assumptions. If other valuation models or assumptions were used, the estimated value may differ. In addition, notional amounts relating to derivatives shown in “Note 18 — Derivatives” do not, by themselves, represent the market risk exposure associated with the derivative transactions.

(b) The fair value, etc. of 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, 2023 and August 31, 2023. Information on cash and bank deposits, those in trust and short-term borrowings, is omitted because the carrying amounts approximate their fair value due to their short maturities. Also, information on tenant leasehold and security deposits, and those in trust, are omitted as immaterial.

	As of								
	February 28, 2023			August 31, 2023			August 31, 2023		
	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 3))		
Assets:									
(1) Investment securities:									
Other investment securities.....	¥ 6,398	¥ 6,398	¥ -	¥ 7,470	¥ 7,470	¥ -	\$ 51,094	\$ 51,094	\$ -
Total.....	¥ 6,398	¥ 6,398	¥ -	¥ 7,470	¥ 7,470	¥ -	\$ 51,094	\$ 51,094	\$ -
Liabilities:									
(1) Current portion of long-term bonds issued — unsecured.....	¥ 15,500	¥ 15,542	¥ (42)	¥ 14,500	¥ 14,509	¥ (9)	\$ 99,179	\$ 99,240	\$ (61)
(2) Current portion of long-term borrowings.....	41,300	41,299	-	48,200	48,273	(73)	329,685	330,184	(499)
(3) Long-term bonds issued — unsecured.....	50,000	49,684	315	47,000	46,752	247	321,477	319,781	1,689
(4) Long-term borrowings.....	437,645	428,022	9,622	438,945	430,553	8,391	3,002,359	2,944,958	57,393
Total.....	¥ 544,445	¥ 534,548	¥ 9,896	¥ 548,645	¥ 540,088	¥ 8,556	\$ 3,752,701	\$ 3,694,172	\$ 58,522
Derivative instruments*	¥ 334	¥ 334	¥ -	¥ 236	¥ 236	¥ -	\$ 1,614	\$ 1,614	\$ -

* 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) Investment securities

The fair value of investments in private placement REIT is based on net asset values, etc., provided by asset managers regardless of ownership ratio. For further information on the other investment securities, please refer to “Note 17 — Investment Securities”.

Liabilities

(1) Current portion of long-term bonds issued — unsecured and (3) 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.

Derivative instruments

Please refer to “Note 18 — 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) Equity interests in silent partnership and investment limited partnership

For equity interests in silent partnership and investment limited partnership, notes relating to the matters stipulated in Paragraph 4, item 1 of the “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (Accounting Standards Board of Japan Guidance No.19 revised on March 31, 2020) are omitted as the Investment Corporation applies the treatment stipulated in Paragraph 24-16 of the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (Accounting Standards Board of Japan Guidance No.31 issued on June 17, 2021).

The net book values of equity interests in Tokumei Kumiai (silent partnership) and investment limited partnership are ¥9,435 million and ¥9,434 million (US\$64,534 thousand) as of February 28, 2023 and August 31, 2023, respectively.

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

<i>As of February 28, 2023:</i>	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
	(in millions)					
Long-term borrowings.....	¥ 41,300	¥ 54,150	¥ 57,675	¥ 43,850	¥ 59,700	¥ 222,270
Long-term bonds issued.....	15,500	14,000	-	14,500	11,000	10,500
Total.....	¥ 56,800	¥ 68,150	¥ 57,675	¥ 58,350	¥ 70,700	¥ 232,770
<i>As of August 31, 2023:</i>	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
	(in millions)					
Long-term borrowings.....	¥ 48,200	¥ 60,325	¥ 48,550	¥ 46,850	¥ 66,150	¥ 217,070
Long-term bonds issued.....	14,500	7,000	9,500	13,000	5,000	12,500
Total.....	¥ 62,700	¥ 67,325	¥ 58,050	¥ 59,850	¥ 71,150	¥ 229,570
<i>As of August 31, 2023:</i>	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 3))					
Long-term borrowings.....	\$ 329,685	\$ 412,619	\$ 332,079	\$ 320,451	\$ 452,462	\$ 1,484,746
Long-term bonds issued.....	99,179	47,879	64,979	88,919	34,199	85,499
Total.....	\$ 428,864	\$ 460,499	\$ 397,058	\$ 409,370	\$ 486,662	\$ 1,570,246

Note 17 — Investment Securities

As of February 28, 2023

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	¥ 6,398	¥ 6,119	¥ 279
Securities of which the amount reported on the balance sheet do not exceed the acquisition cost.....	Other	-	-	-
Total.....		¥ 6,398	¥ 6,119	¥ 279

Note:

- (i) Investment interests in silent partnership amounting to ¥8,651 million and investment limited partnership amounting to ¥783 million are not included in the above information, because those are not traded in markets.

As of August 31, 2023

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	¥ 7,470	¥ 7,124	¥ 346
Securities of which the amount reported on the balance sheet do not exceed the acquisition cost.....	Other	-	-	-
Total.....		¥ 7,470	¥ 7,124	¥ 346

	Classification of securities	Carrying amounts	Acquisition cost	Difference
		(in thousands of U.S. dollars (Note 3))		
Securities of which the amount reported on the balance sheet exceed the acquisition cost.....	Other	\$ 51,094	\$ 48,727	\$ 2,366
Securities of which the amount reported on the balance sheet do not exceed the acquisition cost.....	Other	-	-	-
Total.....		\$ 51,094	\$ 48,727	\$ 2,366

Note:

- (i) Investment interests in silent partnership amounting to ¥8,651 million (US\$59,179 thousand) and investment limited partnership amounting to ¥782 million (US\$5,355 thousand) are not included in the above information, because those are not traded in markets.

Note 18 — Derivatives

Information on derivative transactions undertaken by the Company as of February 28, 2023 and August 31, 2023 is as follows. Derivative transactions are carried out for hedging purposes only and are subject to hedge accounting.

As of February 28, 2023:

Method of hedge accounting	Type of derivatives	Hedged item	Notional amounts		Fair value ⁽ⁱ⁾
			Total	Over 1 year (in millions)	
Deferred hedge accounting	Interest rate swap (Floating-rate to fixed-rate interest)	Long-term borrowings	¥ 17,300	¥ 15,800	¥ 334
Special treatment for hedge accounting of interest rate swaps ⁽ⁱ⁾	Interest rate swap (Floating-rate to fixed-rate interest)	Long-term borrowings	54,000	37,500	Note (i)
Total.....			¥ 71,300	¥ 53,300	¥ 334 ⁽ⁱ⁾

As of August 31, 2023:

Method of hedge accounting	Type of derivatives	Hedged item	Notional amounts		Fair value ⁽ⁱ⁾	Notional amounts		
			Total	Over 1 year (in millions)		Total	Over 1 year	Fair value ⁽ⁱ⁾ (in thousands of U.S. dollars (Note 3))
Deferred hedge accounting	Interest rate swap (Floating-rate to fixed-rate interest)	Long-term borrowings	¥ 15,800	¥ 15,800	¥ 236	\$ 108,071	\$ 108,071	\$ 1,614
Special treatment for hedge accounting of interest rate swaps ⁽ⁱ⁾	Interest rate swap (Floating-rate to fixed-rate interest)	Long-term borrowings	44,500	26,500	Note (i)	304,377	181,258	Note (i)
Total.....			¥ 60,300	¥ 42,300	¥ 236 ⁽ⁱ⁾	\$ 412,448	\$ 289,329	\$ 1,614 ⁽ⁱ⁾

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. The fair value of those interest rate swaps is included in the fair value of the hedged long-term borrowings. Please refer to "Note 16 — Financial Instruments", (b) The fair value, etc. of financial instruments, Note (i), Liabilities, (2) and (4).
- (ii) The fair value is evaluated at the amount calculated by the counterparty of the interest rate swaps contracts.

Note 19 — Employee Retirement Benefits

Not applicable.

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, 2023	August 31, 2023
	(Rate)	
Statutory tax rate.....	31.46%	31.46%
Deductible cash distributions.....	(31.86)	(30.97)
Change in valuation allowance (for deferred tax assets).....	(0.44)	(0.82)
Amortization of goodwill.....	0.79	0.79
Provision of reserve for reduction entry of property.....	-	(0.99)
Other.....	0.05	0.53
Effective tax rate.....	0.00%	0.00%

Deferred tax assets and liabilities consist of the following:

	As of		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Deferred tax assets:			
Asset retirement obligations.....	¥ 263	¥ 265	\$ 1,812
Amortization of leasehold rights.....	194	204	1,395
Depreciation.....	19	20	136
Valuation differences on assets acquired through the merger.....	10,584	10,512	71,901
Other.....	38	38	259
Sub total.....	11,100	11,040	75,512
Total valuation allowance.....	(11,100)	(11,040)	(75,512)
<i>Total deferred tax assets.....</i>	-	-	-
Net deferred tax assets.....	¥ -	¥ -	\$ -

Note 21 — Share of Profit of Investments Accounted for Using the Equity Method

Not applicable.

Note 22 — Related-Party Transactions

For the six months ended February 28, 2023 and August 31, 2023, 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, 2023 and August 31, 2023.

(b) Fees Paid to the Asset Manager

Fees paid to the asset manager, KJR Management, 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, 2023 and August 31, 2023, the asset management fees totaled ¥3,682 million and ¥3,762 million (US\$25,731 thousand), respectively. The fees for the six months ended February 28, 2023 included ¥15 million of acquisition fees and ¥21 million of disposition fees. The fees for the six months ended August 31, 2023 included ¥125 million (US\$854 thousand) of acquisition fees and ¥67 million (US\$458 thousand) of disposition 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 ¥152 million and ¥154 million (US\$1,053 thousand) for general administration fees, and ¥30 million and ¥26 million (US\$177 thousand) for custodian fees for the six months ended February 28, 2023 and August 31, 2023, 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, 2023 were ¥66 million (US\$451 thousand) and ¥4 million (US\$27 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 23 — 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, Twin 21 and JMF-Bldg. Sendai 01.

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, 30 years and 17 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%, 0.691% and 0.640%, respectively.

Movements of asset retirement obligations for the six months ended February 28, 2023 and August 31, 2023 are as follows:

	For the six months ended		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Balance at the beginning of the period.....	¥ 837	¥ 838	\$ 5,731
Adjustment for passage of time.....	4	4	27
Derecognition due to execution of obligations.....	(2)	-	-
Balance at the end of the period.....	¥ 838	¥ 843	\$ 5,766

Note 24 — Fair Value of Investment and Rental Property

The Company has mainly retail properties, office buildings, residences, hotels and mixed-use properties as investment assets which are located mainly in three major metropolitan areas and other metropolitan areas in Japan. The following table shows the net book value and the fair value of the investment and rental properties in the aggregate for the six months ended February 28, 2023 and August 31, 2023.

	As of / For the six months ended		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Net book value⁽ⁱ⁾			
Balance at the beginning of the period.....	¥ 1,150,367	¥ 1,147,477	\$ 7,848,679
Net increase(decrease) during the period ⁽ⁱⁱ⁾	(2,890)	5,563	38,050
Balance at the end of the period.....	¥ 1,147,477	¥ 1,153,040	\$ 7,886,730
Fair value⁽ⁱⁱⁱ⁾	¥ 1,304,073	¥ 1,324,944	\$ 9,062,544

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, 2023:		Increase (decrease) in net book value (in millions)	
Acquisitions:			
JMF-Residence Osaka Noda	¥		1,473
Karuizawa Commongrounds (Land with leasehold interest)			516
Capital expenditure:			
Total of capital expenditures for the period			3,270
Disposition:			
G-Bldg. Ginza 01 (40% quasi-co-ownership)			(2,231)
For the six months ended August 31, 2023:			
		Increase (decrease) in net book value (in millions)	(in thousands of U.S. dollars (Note 3))
Acquisitions:			
JMF-Bldg. Nakano 01	¥	4,056	\$ 27,742
JMF-Residence Shin-Yokohama		3,332	22,790
JMF-Residence Akabane Shimo		2,300	15,731
JMF-Residence Kita-Shinagawa		1,928	13,187
JMF-Residence Ikebukuro 1-chome		1,713	11,716
JMF-Residence Osaka Fukushima		1,544	10,560
JMF-Residence Fujisawa		1,317	9,008
Tecc LIFE SELECT Fukuoka Shime Honten (additional acquisition)		708	4,842
Capital expenditure:			
Total of capital expenditures for the period		3,467	23,714
Dispositions:			
G-Bldg. Minami Aoyama 02		(5,161)	(35,300)
LIFE Kishibe (Land with leasehold interest)		(1,942)	(13,283)
Round1 Stadium Takatsuki		(1,877)	(12,838)

- (iii) Fair value have been determined based on appraisals or researched value by independent appraisers. For the six months ended February 28, 2023, the selling prices are used as fair value for AEON MALL Sapporo Naebo, Round1 Stadium Takatsuki, LIFE Kishibe (Land with leasehold interest) and AEON MALL Tsurumi Ryokuchi (25% quasi-co-ownership) signed disposition contract on July 29, 2022, October 19, 2022, October 21, 2022 and April 14, 2023, respectively. For the six months ended August 31, 2023, the selling prices are used as fair value for AEON MALL Sapporo Naebo, AEON MALL Tsurumi Ryokuchi (25% quasi-co-ownership) and Round1 Sannomiya Station signed disposition contract on July 29, 2022, April 14, 2023 and July 26, 2023, respectively.

For rent revenues and expenses for the six months ended February 28, 2023 and August 31, 2023, please refer to “Note 11 — Analysis of Rent and Other Operating Revenues and Property-Related Expenses”.

Note 25 — Revenue Recognition

Information on the breakdown of revenue from contracts with customers for the six months ended February 28, 2023 and August 31, 2023 is as follows:

	Revenue from contracts with customers ⁽ⁱ⁾			Sales to external customers ⁽ⁱⁱ⁾		
	For the six months ended			For the six months ended		
	February 28, 2023	August 31, 2023	August 31, 2023	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))	(in millions)		(in thousands of U.S. dollars (Note 3))
Sales of property.....	¥ 3,600	¥ 11,303	\$ 77,311	¥ 1,345	¥ 2,026	\$ 13,857
Common area charges.....	2,365	2,289	15,656	2,365	2,289	15,656
Others.....	-	-	-	37,622	37,089	253,686
Total.....	¥ 5,965	¥ 13,593	\$ 92,975	¥ 41,332	¥ 41,405	\$ 283,207

Notes:

- (i) Lease rental revenues subject to the “Accounting Standard for Lease Transactions” (Accounting Standards Board of Japan Statement No.13) and sale of property subject to the “Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies” (Accounting Practice Committee Report No. 15 of the Japanese Institute of Certified Public Accountants) are excluded from “Revenue from contracts with customers” as such revenues are not subject to Accounting Standard for Revenue Recognition. Revenue from contracts with customers mainly represents revenues from sales of property and common area charges.
- (ii) Sales of property are recorded as gain (loss) on sales of property in the statements of income and retained earnings pursuant to Article 48, Paragraph 2 of the Regulations on Accounting of Investment Corporations (Cabinet Office Order No. 47 of 2006). Accordingly, the sales to external customers shows the amount obtained by deducting the cost of sales of property and other sales expenses from sales of property. Since the gain on sales of property is recorded in operating revenues and the loss on sales of property is recorded in operating expenses, only the amount of gain on sales of property is stated in the above table.

Information to understand amounts of revenues for the current fiscal period and future fiscal periods is as follows:

(1) Balance of contract assets and contract liabilities, etc.

	For the six months ended		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Receivables generated from contracts with customers (balance at beginning of fiscal period)...	¥ 494	¥ 371	\$ 2,537
Receivables generated from contracts with customers (balance at end of fiscal period).....	371	399	2,729
Contract assets (balance at beginning of fiscal period).....	-	-	-
Contract assets (balance at end of fiscal period).....	-	-	-
Contract liabilities (balance at beginning of fiscal period).....	-	-	-
Contract liabilities (balance at end of fiscal period).....	-	-	-

(2) Transaction value allocated to remaining performance obligations

Sale of property:

For the six months ended February 28, 2023, transaction values allocated to remaining performance obligations as of February 28, 2023 were ¥9,300 million, ¥3,320 million and ¥2,600 million for properties on disposition contracts signed on July 29, 2022, December 19, 2022 and October 21, 2022, respectively. Revenue from the remaining performance obligations will be recognized when the delivery of each property was completed on March 1, 2023 for ¥2,600 million and April 4, 2023 for ¥3,320 million or is scheduled to be completed on August 30, 2024 for ¥1,860 million, February 28, 2025 for ¥1,860 million, August 29, 2025 for ¥1,860 million and February 27, 2026 for ¥3,720 million.

For the six months ended August 31, 2023, transaction values allocated to remaining performance obligations as of August 31, 2023 were ¥9,300 million (US\$63,611 thousand) and ¥3,800 million (US\$25,991 thousand) for properties on disposition contracts signed on July 29, 2023 and July 26, 2023, respectively. Revenue from the remaining performance obligations will be recognized when the delivery of each property is scheduled to be completed on February 29, 2024 for ¥3,800 million (US\$25,991 thousand), August 30, 2024 for ¥1,860 million (US\$12,722 thousand), February 28, 2025 for ¥1,860 million (US\$12,722 thousand), August 29, 2025 for ¥1,860 million (US\$12,722 thousand) and February 27, 2026 for ¥3,720 million (US\$25,444 thousand).

Common area charges:

As the Company has the right to receive from customers an amount directly corresponding to the value for the lessees, who are customers, of sections for which performance is complete by the end of the fiscal period, the amount it has the right to claim is recognized as revenue in accordance with Paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition. Accordingly, such amounts are not included in the note on transaction value allocated to remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard

for Revenue Recognition.

Note 26 — Per Unit Information

The following table shows the net asset value per unit as of February 28, 2023 and August 31, 2023 and net income per unit for the six months then ended.

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. The Company has no dilutive potential investment units.

	As of / For the six months ended		
	February 28, 2023	August 31, 2023	August 31, 2023
	(Yen)		(US\$ (Note 3))
Net asset value per unit.....	¥ 89,456	¥ 89,436	\$ 611
Net income per unit.....	¥ 2,284	¥ 2,296	\$ 15

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

	As of / For the six months ended		
	February 28, 2023	August 31, 2023	August 31, 2023
	(in millions)		(in thousands of U.S. dollars (Note 3))
Net income.....	¥ 15,964	16,051	\$ 109,787
Amounts not attributable to common unitholders.....	-	-	-
Net income attributable to common unitholders.....	¥ 15,964	16,051	\$ 109,787
Weighted average number of investment units.....	6,989,091	6,989,091	

Note 27 — Segment Information

Segment information for the six months ended February 28, 2023 and August 31, 2023 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

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

Note 28 — Subsequent Events

Disposition of properties

The Company disposed of the following property on September 29, 2023.

Property name:	AEON MALL Tsurumi Ryokuchi (25% of quasi-co-ownership in trust beneficiary interest)
Disposition amount:	¥6,400 million (US\$43,775 thousand)
Completion date of contract:	April 14, 2023
Disposition date:	September 29, 2023
Purchaser:	Asset Finance Osaka Tsurumi Godo Kaisha

Note:

Gains on sales of property of approximately ¥837 million (US\$5,725 thousand) will be recognized in profit as operating revenues for the six months ending February 29, 2024.

(Additional information)

Disposition of properties

The Company entered into a sale agreement for the following property on July 29, 2022.

Property name:	AEON MALL Sapporo Naebo (Trust beneficial interest)
Disposition amount:	¥9,300 million (US\$63,611 thousand)
Completion date of contract:	July 29, 2022
Disposition date (Scheduled):	August 30, 2024 for 20% of quasi-co-ownership in trust beneficiary interest February 28, 2025 for 20% of quasi-co-ownership in trust beneficiary interest August 29, 2025 for 20% of quasi-co-ownership in trust beneficiary interest February 27, 2026 for 40% of quasi-co-ownership in trust beneficiary interest
Purchaser:	Aeon Hokkaido Corporation

Note:

Gains on sales of property of approximately ¥3,411 million (US\$23,331 thousand) in total will be recognized in profit as operating revenues for the six months ending August 31, 2024, February 28, 2025, August 31, 2025 and February 28, 2026. The amount of the gains on sales of property is a reference figure as the difference calculated at this time by subtracting book value and disposition-related expenses from the scheduled disposition amount, and may differ from the actual gains.

The Company entered into a sale agreement for the following property on July 26, 2023.

Property name:	Round1 Sannomiya Station (Trust beneficial interest) ⁽ⁱ⁾
Disposition amount (Scheduled):	¥3,800 million (US\$25,991 thousand)
Completion date of contract:	July 26, 2023
Disposition date (Scheduled):	February 29, 2024
Purchaser:	Not disclosed ⁽ⁱⁱ⁾

Notes:

- (i) Gains on sales of property of approximately ¥628 (US\$4,295 thousand) million will be recognized in profit as operating revenues for the six months ending February 29, 2024.
- (ii) Name of the purchaser is not disclosed because the consent from the purchaser has not been obtained.

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
SUPPLEMENTARY SCHEDULES
As of and for the six months ended February 28, 2023 and August 31, 2023

1. Investment Securities

The details of investment securities as of August 31, 2023 are as follows:

Classification of assets	Description of securities	Face Value	Carrying amounts	Accrued interest	Prepaid accrued interest	Fair value	Unrealized gains (or losses)
(in millions of yen)							
Investment in Tokumei Kumiai agreement	Equity interest of Tokumei Kumiai agreement managed by R40 Godo Kaisha ⁽ⁱ⁾ (ii)	¥ -	¥ 8,651	¥ -	¥ -	¥ 8,651	¥ -
Investment securities	Investment units of Investment units of Nisshin Private Residential Reit, Inc. ⁽ⁱⁱⁱ⁾	-	5,299	-	-	5,299	-
Equity interest of investment limited partnership	Equity interest of DREAM Mezzanine Debt Separate3 Investment Limited Partnership ^{(i) (iv)}	-	782	-	-	782	-
Investment securities	Investment units of Hoosiers Private REIT Investment Corporation ^(v)	-	2,170	-	-	2,170	-
Total.....		¥ -	¥ 16,905	¥ -	¥ -	¥ 16,905	¥ -

Classification of assets	Description of securities	Face Value	Carrying amounts	Accrued interest	Prepaid accrued interest	Fair value	Unrealized gains (or losses)
(in thousands of U.S. dollars (Note 3))							
Investment in Tokumei Kumiai agreement	Equity interest of Tokumei Kumiai agreement managed by R40 Godo Kaisha ⁽ⁱ⁾ (ii)	\$ -	\$ 59,172	\$ -	\$ -	\$ 59,172	\$ -
Investment securities	Investment units of Investment units of Nisshin Private Residential Reit, Inc. ⁽ⁱⁱⁱ⁾	-	36,244	-	-	36,244	-
Equity interest of investment limited partnership	Equity interest of DREAM Mezzanine Debt Separate3 Investment Limited Partnership ^{(i) (iv)}	-	5,348	-	-	5,348	-
Investment securities	Investment units of Hoosiers Private REIT Investment Corporation ^(v)	-	14,842	-	-	14,842	-
Total.....		\$ -	\$ 115,629	\$ -	\$ -	\$ 115,629	\$ -

Notes:

(i) The fair values of these interests represent carrying amounts.

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

(iii) The underlying assets are mainly trust beneficiary interests of N-stage Akabaneshimo and N-stage Nishikawaguchi, etc. The fair value is based on net asset values, etc., provided by asset managers regardless of ownership ratio.

(iv) The investment assets is a mezzanine loan backed by trust beneficiary interest in a residential property located in Tokyo as entrusted properties.

(v) The underlying assets are mainly trust beneficiary interests of DUO FLATS Akasaka and DUO FLATS Sakae, etc. The fair value is based on net asset values, etc., provided by asset managers regardless of ownership ratio.

2. Derivatives

Information on derivative transactions undertaken by the Company as of August 31, 2023 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 (in millions)		Total	Over 1 year (in thousands of U.S. dollars (Note 3))	
Transactions other than market transactions	Interest rate swap (Floating-rate to fixed-rate interest)	¥ 60,300	¥ 42,300	¥ 66	\$ 412,448	\$ 289,329	\$ 451
Total.....		¥ 60,300	¥ 42,300	¥ 66	\$ 412,448	\$ 289,329	\$ 451

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 July 4, 2019; 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, 2023 consisted of the following:

	At cost			Ending balance	Accumulated depreciation	Depreciation for the period	Net property and equipment
	Beginning balance	Increase	Decrease				
	(in millions)						
Buildings.....	¥ 2,482	¥ 3	¥ -	¥ 2,485	¥ 899	¥ 34	¥ 1,585
Building improvements.....	66	-	-	66	34	1	31
Furniture and fixtures.....	21	-	-	20	16	-	3
Land.....	28,459	516	-	28,976	-	-	28,976
Construction in progress.....	23	1	23	1	-	-	1
Buildings in trust.....	344,708	3,564	302	347,971	125,114	5,345	222,856
Building improvements in trust.....	12,241	61	8	12,294	5,227	175	7,067
Machinery and equipment in trust.....	2,158	145	12	2,291	1,473	55	817
Furniture and fixtures in trust.....	5,181	119	49	5,251	3,585	157	1,665
Land in trust.....	879,828	861	2,098	878,591	-	-	878,591
Construction in progress in trust.....	829	60	64	825	-	-	825
Total.....	¥ 1,276,001	¥ 5,334	¥ 2,560	¥ 1,278,775	¥ 136,352	¥ 5,771	¥ 1,142,422

(ii) Schedule of Property and Equipment as of August 31, 2023 consisted of the following:

	At cost			Ending balance	Accumulated depreciation	Depreciation for the period	Net property and equipment
	Beginning balance	Increase	Decrease				
	(in millions)						
Buildings.....	¥ 2,485	¥ 1	¥ -	¥ 2,486	¥ 933	¥ 34	¥ 1,553
Building improvements.....	66	-	-	66	36	1	29
Furniture and fixtures.....	20	1	-	21	17	-	4
Land.....	28,976	3	1,942	27,036	-	-	27,036
Construction in progress.....	1	-	1	-	-	-	-
Buildings in trust.....	347,971	7,313	1,694	353,589	129,794	5,326	223,794
Building improvements in trust.....	12,294	129	22	12,401	5,390	174	7,011
Machinery and equipment in trust.....	2,291	16	-	2,308	1,530	56	777
Furniture and fixtures in trust.....	5,251	178	34	5,394	3,722	156	1,672
Land in trust.....	878,591	12,182	6,027	884,746	-	-	884,746
Construction in progress in trust.....	825	39	20	845	-	-	845
Total.....	¥ 1,278,775	¥ 19,865	¥ 9,743	¥ 1,288,897	¥ 141,425	¥ 5,749	¥ 1,147,471

	At cost			Ending balance	Accumulated depreciation	Depreciation for the period	Net property and equipment
	Beginning balance	Increase	Decrease				
	(in thousands of U.S. dollars (Note 3))						
Buildings.....	\$ 16,997	\$ 6	\$ -	\$ 17,004	\$ 6,381	\$ 232	\$ 10,622
Building improvements.....	451	-	-	451	246	6	198
Furniture and fixtures.....	136	6	-	143	116	-	27
Land.....	198,194	20	13,283	184,924	-	-	184,924
Construction in progress.....	6	-	6	-	-	-	-
Buildings in trust.....	2,380,102	50,020	11,586	2,418,529	887,783	36,429	1,530,738
Building improvements in trust.....	84,090	882	150	84,822	36,867	1,190	47,954
Machinery and equipment in trust.....	15,670	109	-	15,786	10,465	383	5,314
Furniture and fixtures in trust.....	35,916	1,217	232	36,894	25,458	1,067	11,436
Land in trust.....	6,009,514	83,324	41,224	6,051,614	-	-	6,051,614
Construction in progress in trust.....	5,642	266	136	5,779	-	-	5,779
Total.....	\$ 8,746,751	\$ 135,875	\$ 66,641	\$ 8,815,984	\$ 967,339	\$ 39,322	\$ 7,848,638

4. Schedule of Intangible Assets

(i) Schedule of Intangible Assets as of February 28, 2023 consisted of the following:

	At cost			Accumulated amortization	Amortization for the period	Net intangible assets
	Beginning balance	Increase	Decrease			
	(in millions)					
Goodwill.....	¥ 16,049	¥ -	¥ -	¥ 16,049	¥ 401	¥ 14,444
Leasehold rights.....	5,384	-	-	5,384	20	4,993
Other intangible assets.....	405	35	-	440	41	292
Other intangible assets in trust.....	459	-	-	459	16	61
Total.....	¥ 22,298	¥ 35	¥ -	¥ 22,334	¥ 478	¥ 19,792

(ii) Schedule of Intangible Assets as of August 31, 2023 consisted of the following:

	At cost			Accumulated amortization	Amortization for the period	Net intangible assets
	Beginning balance	Increase	Decrease			
	(in millions)					
Goodwill.....	¥ 16,049	¥ -	¥ -	¥ 16,049	¥ 401	¥ 14,043
Leasehold rights.....	5,384	539	-	5,924	20	5,513
Other intangible assets.....	440	8	-	449	44	257
Other intangible assets in trust.....	459	6	-	465	12	55
Total.....	¥ 22,334	¥ 554	¥ -	¥ 22,888	¥ 478	¥ 19,869

	At cost			Accumulated amortization	Amortization for the period	Net intangible assets
	Beginning balance	Increase	Decrease			
	(in thousands of U.S. dollars (Note 3))					
Goodwill.....	\$ 109,774	\$ -	\$ -	\$ 109,774	\$ 2,742	\$ 96,053
Leasehold rights.....	36,826	3,686	-	40,519	136	37,708
Other intangible assets.....	3,009	54	-	3,071	300	1,757
Other intangible assets in trust.....	3,139	41	-	3,180	82	376
Total.....	\$ 152,763	\$ 3,789	\$ -	\$ 156,552	\$ 3,269	\$ 135,902

5. Schedule of Other Specified Assets

Not applicable.

6. Investment corporation bonds

	Classification	Issuance date	Beginning balance	Decrease	Ending balance	Interest rate	Maturity date	Repayment method	Use	Remarks
	Name of bonds		(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)				
Unsecured investment corporation bonds	Japan Retail Fund Investment Corporation 7th series unsecured investment corporation bonds (Note 1)	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
	MCUBS MidCity Investment Corporation 2nd series unsecured investment corporation bonds	May 23, 2016	1,500	-	1,500	0.810	May 22, 2026	Lump sum (Note 2)	(Note 3)	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
	MCUBS MidCity Investment Corporation 4th series unsecured investment corporation bonds	May 29, 2017	2,000	-	2,000	0.670	May 28, 2027	Lump sum (Note 2)	(Note 3)	Unsecured and unguaranteed
	MCUBS MidCity Investment Corporation 5th series unsecured investment corporation bonds	May 29, 2018	2,000	-	2,000	0.590	May 29, 2028	Lump sum (Note 2)	(Note 3)	Unsecured and unguaranteed
	Sub-total		30,000	-	30,000					
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 (Note 1) (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	-	8,500	0.450	June 25, 2031	Lump sum (Note 2)	(Note 5)	Unsecured and unguaranteed
	Japan Metropolitan Fund Investment Corporation 2nd series unsecured investment corporation bonds (2nd JMF Green Bonds)	December 7, 2021	5,000	-	5,000	0.140	December 7, 2026	Lump sum (Note 2)	(Note 6)	Unsecured and unguaranteed
	Japan Metropolitan Fund Investment Corporation 3rd series unsecured investment corporation bonds (3rd JMF Green Bonds)	June 30, 2022	4,000	-	4,000	0.340	June 30, 2027	Lump sum (Note 2)	(Note 5)	Unsecured and unguaranteed
	Japan Metropolitan Fund Investment Corporation 4th series unsecured investment corporation bonds (4th JMF Green Bonds)	November 25, 2022	3,000	-	3,000	0.420	November 25, 2027	Lump sum (Note 2)	(Note 5)	Unsecured and unguaranteed
	Japan Metropolitan Fund Investment Corporation 5th series unsecured investment corporation bonds (5th JMF Green Bonds)	March 17, 2023	-	-	4,000	0.850	March 15, 2030	Lump sum (Note 2)	(Note 4)	Unsecured and unguaranteed
	Sub-total		35,500	8,000	31,500					
Total			65,500	8,000	61,500					

Note 1 The balances as of August 31, 2023 are included in current portion of long-term bonds issued – unsecured in the balance sheets.

Note 2 The Company 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 the debts of the Eligible Green Projects defined in the Green Bond Framework.

Note 6 The funds were appropriated to cash on hand reduced by the acquisition of a property adopting the Eligible Green Projects.

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

As of August 31, 2023	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	-	-	-
MCUBS MidCity Investment Corporation 2nd series unsecured investment corporation bonds	-	-	1,500	-	-
Japan Retail Fund Investment Corporation 11th series unsecured investment corporation bonds	-	-	-	2,000	-
MCUBS MidCity Investment Corporation 4th series unsecured investment corporation bonds	-	-	-	2,000	-
MCUBS MidCity Investment Corporation 5th series unsecured investment corporation bonds	-	-	-	-	2,000
Japan Retail Fund Investment Corporation 13th series unsecured investment corporation bonds (Note 1) (2nd JRF Green Bonds)	7,000	-	-	-	-
Japan Metropolitan Fund Investment Corporation 1st series unsecured investment corporation bonds (1st JMF Green Bonds)	-	-	-	-	-
Japan Metropolitan Fund Investment Corporation 2nd series unsecured investment corporation bonds (2nd JMF Green Bonds)	-	-	-	5,000	-
Japan Metropolitan Fund Investment Corporation 3rd series unsecured investment corporation bonds (3rd JMF Green Bonds)	-	-	-	4,000	-
Japan Metropolitan Fund Investment Corporation 4th series unsecured investment corporation bonds (4th JMF Green Bonds)	-	-	-	-	3,000
Japan Metropolitan Fund Investment Corporation 5th series unsecured investment corporation bonds (5th JMF Green Bonds)	-	-	-	-	-

7. Borrowings

	Classification	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
	Name of lender										
Short-term	MUFG Bank, Ltd.	September 30, 2022	2,000	-	2,000	-	0.2	April 7, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	October 7, 2022	1,000	-	-	1,000	0.2	October 6, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 2)	December 23, 2022	1,000	-	1,000	-	0.2	December 22, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	February 3, 2023	1,000	-	1,000	-	0.2	April 7, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 4)	February 28, 2023	1,200	-	1,200	-	0.2	April 7, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	March 30, 2023	-	1,000	-	1,000	0.2	October 6, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sub-total		6,200	1,000	5,200	2,000					
Long-term	Development Bank of Japan Inc.	October 2, 2012	1,000	-	-	1,000	1.6	October 1, 2024	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 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 7, 2013	1,000	-	-	1,000	2.2 (Note 6)	October 6, 2028	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 5)	October 7, 2013	1,500	-	-	1,500	1.5	April 5, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 5)	October 7, 2013	1,000	-	-	1,000	1.3	October 6, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 5)	October 7, 2013	2,199	-	-	2,199	1.4	October 6, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 5)	October 7, 2013	801	-	-	801	(Note 6)				
	MUFG Bank, Ltd.	October 7, 2013	2,565	-	2,565	-	1.3	April 7, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		934	-	934	-	(Note 6)				
	Development Bank of Japan Inc.	October 7, 2013	1,500	-	1,500	-	1.3	April 7, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	March 31, 2014	4,000	-	-	4,000	1.7	March 31, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 1, 2014	1,099	-	-	1,099	1.5	March 31, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		400	-	-	400	(Note 6)				
	Development Bank of Japan Inc.	October 1, 2014	3,000	-	-	3,000	1.3	October 1, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 1, 2014	1,466	-	-	1,466	1.1	October 1, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		534	-	-	534	(Note 6)				
	MUFG Bank, Ltd.	October 1, 2014	800	-	-	800	1.1	October 1, 2024	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 8)	Unsecured and unguaranteed
	JAPAN POST INSURANCE Co., Ltd.		1,000	-	-	1,000					
	MUFG Bank, Ltd. (Note 5)	February 5, 2015	2,928	-	-	2,928	0.8	February 5, 2024	Lump sum	(Note 9)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 5)		1,071	-	-	1,071	(Note 6)				
	Sumitomo Mitsui Banking Corporation	March 2, 2015	1,000	-	-	1,000	1.6 (Note 6)	March 30, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 2, 2015	7,000	-	-	7,000	1.0 (Note 6)	March 31, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 5)	March 2, 2015	6,000	-	-	6,000	0.9 (Note 6)	March 29, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 2, 2015	6,000	-	6,000	-	0.7 (Note 6)	March 31, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 31, 2015	1,000	-	1,000	-	1.4 (Note 6)	July 31, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 31, 2015	500	-	500	-	1.4 (Note 6)	July 31, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed

	Classification	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
	Name of lender										
Long-term	Development Bank of Japan Inc.	July 31, 2015	500	-	500	-	1.4	July 31, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	February 18, 2016	6,000	-	-	6,000	0.6 (Note 6)	January 30, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	February 18, 2016	1,000	-	-	1,000	0.6 (Note 6)	January 30, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	February 18, 2016	1,000	-	-	1,000	0.6 (Note 6)	January 30, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	Resona Bank, Limited (Note 5)	February 18, 2016	1,000	-	-	1,000	0.5 (Note 6)	July 31, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	February 18, 2016	1,000	-	-	1,000	0.6 (Note 6)	January 30, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 1, 2016	733	-	-	733	0.5 (Note 6)	March 31, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		267	-	-	267					
	Mizuho Bank, Ltd.	March 1, 2016	2,000	-	-	2,000	0.4 (Note 6)	March 31, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited (Note 5)	March 1, 2016	1,500	-	-	1,500	0.3 (Note 6)	March 29, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Chugoku Bank, LTD. (Note 5)	March 1, 2016	1,000	-	-	1,000	0.3 (Note 6)	March 29, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	Shinkin Central Bank (Note 5)	March 1, 2016	1,000	-	-	1,000	0.3	March 29, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Norinchukin Bank (Note 5)	March 1, 2016	1,500	-	-	1,500	0.3 (Note 6)	March 29, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD.	March 18, 2016	1,000	-	-	1,000	0.5 (Note 6)	March 31, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	March 18, 2016	1,000	-	-	1,000	0.5 (Note 6)	March 31, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	The 77 Bank, Ltd.	March 31, 2016	1,000	-	-	1,000	0.5	March 31, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 28, 2016	4,031	-	-	4,031	0.5	September 30, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,468	-	-	1,468					
	Development Bank of Japan Inc.	July 29, 2016	10,850	-	-	10,850	0.4	July 30, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Aozora Bank, Ltd. (Note 5)	July 29, 2016	2,250	-	-	2,250	0.7	July 31, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 5)		1,350	-	-	1,350					
	Mizuho Bank, Ltd. (Note 5)		600	-	-	600					
	MUFG Bank, Ltd. (Note 5)		500	-	-	500					
	The Bank of Fukuoka, Ltd.	September 21, 2016	2,000	-	-	2,000	0.5	September 30, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	Resona Bank, Limited	September 30, 2016	2,500	-	-	2,500	0.5	September 30, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	The 77 Bank, Ltd.	September 30, 2016	1,000	-	-	1,000	0.4	September 30, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Chugoku Bank, LTD.	December 21, 2016	3,000	-	-	3,000	0.7	December 30, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	Resona Bank, Limited	December 21, 2016	2,000	-	-	2,000	0.6	December 30, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 5)	January 31, 2017	1,000	-	-	1,000	0.8	January 31, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 5)		1,000	-	-	1,000					
	Sumitomo Mitsui Banking Corporation (Note 5)		500	-	-	500					
	Development Bank of Japan Inc. (Note 5)		500	-	-	500					
	MUFG Bank, Ltd. (Note 5)		1,000	-	-	1,000					
	Development Bank of Japan Inc.	March 31, 2017	2,000	-	-	2,000	0.6	January 29, 2027	Lump sum	(Note 7)	Unsecured and unguaranteed
	The Chugoku Bank, LTD.	March 31, 2017	1,000	-	-	1,000	0.6	January 29, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Shinkin Central Bank	March 31, 2017	1,000	-	-	1,000	0.6	January 29, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed

	Classification	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
	Name of lender										
Long-term	The Yamaguchi Bank, Ltd.	March 31, 2017	1,000	-	-	1,000	0.6	January 29, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	May 1, 2017	1,099	-	-	1,099	0.4	November 1, 2024	Lump sum	(Note 7)	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 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 5)	May 1, 2017	2,000	-	-	2,000	0.4	May 1, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	May 1, 2017	2,000	-	-	2,000	0.6	May 1, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Resona Bank, Limited	May 1, 2017	1,000	-	-	1,000	0.6	May 1, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited	May 1, 2017	1,000	-	-	1,000	0.6	May 1, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Toho Bank, Ltd.	May 19, 2017	2,000	-	-	2,000	0.3	May 16, 2025	Lump sum	(Note 9)	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	July 31, 2017	1,100	-	1,100	-	0.7	July 31, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd.		800	-	800	-					
	Sumitomo Mitsui Banking Corporation	July 31, 2017	1,000	-	1,000	-	0.7	July 31, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 31, 2017	2,875	-	-	2,875	0.9	July 31, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.		1,100	-	-	1,100					
	Aozora Bank, Ltd.	July 31, 2017	2,400	-	-	2,400	1.0	July 31, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.		1,000	-	-	1,000					
	Development Bank of Japan Inc.		500	-	-	500					
	The Bank of Fukuoka, Ltd.	September 14, 2017	3,000	-	-	3,000	0.4	March 31, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 29, 2017	2,000	-	-	2,000	0.5	September 30, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	October 2, 2017	1,000	-	-	1,000	0.6	September 30, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Daishi Hokuetsu Bank, Ltd.	October 2, 2017	1,500	-	-	1,500	0.3	September 30, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Ashikaga Bank, Ltd.		1,000	-	-	1,000					
	The Juroku Bank, Ltd.		500	-	-	500					
	MUFG Bank, Ltd. (Note 5)	October 6, 2017	4,764	-	-	4,764	0.5	July 31, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 5)		1,735	-	-	1,735					
	MUFG Bank, Ltd.	November 22, 2017	3,300	-	-	3,300	0.5	November 21, 2025	Lump sum	(Note 8)	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 8)	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 8)	Unsecured and unguaranteed
	The Chugoku Bank, LTD.	November 22, 2017	2,000	-	-	2,000	0.6	November 22, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Shinkin Central Bank	December 29, 2017	2,500	-	-	2,500	0.6	December 28, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	January 12, 2018	2,000	-	-	2,000	0.6	January 12, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 28, 2018	1,200	-	-	1,200	0.6	February 28, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	Aozora Bank, Ltd.	February 28, 2018	900	-	-	900	0.7	February 28, 2025	Lump sum	(Note 7)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD.		900	-	-	900					
	The Bank of Fukuoka, Ltd.		900	-	-	900					

	Classification	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
	Name of lender										
Long-term	Mizuho Bank, Ltd.	February 28, 2018	1,500	-	-	1,500	0.8	February 27, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc.		1,200	-	-	1,200					
	Sumitomo Mitsui Banking Corporation	March 30, 2018	5,500	-	-	5,500	0.4	September 30, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 30, 2018	3,000	-	-	3,000	0.4	March 31, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 30, 2018	8,500	-	-	8,500	0.8	July 31, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 31, 2018	3,400	-	-	3,400	0.9 (Note 6)	July 31, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	Aozora Bank, Ltd.	July 31, 2018	1,000	-	-	1,000		1.0	July 31, 2028	Lump sum	(Note 8)
	Mizuho Trust & Banking Co., Ltd.		500	-	-	500					
	Sumitomo Mitsui Trust Bank, Limited	July 31, 2018	2,900	-	-	2,900	0.8 (Note 6)	July 31, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	July 31, 2018	2,000	-	-	2,000		July 31, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	Resona Bank, Limited	July 31, 2018	800	-	-	800	0.8	July 31, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd.	July 31, 2018	800	-	-	800	0.7	July 31, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD.		600	-	-	600					
	The Hyakugo Bank, Ltd.		400	-	-	400					
	SBI Shinsei Bank, Limited	September 28, 2018	3,500	-	-	3,500	0.6	March 31, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited	September 28, 2018	3,000	-	-	3,000	0.6	September 30, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Juroku Bank, Ltd.	December 28, 2018	500	-	-	500	0.2	December 26, 2025	Lump sum	(Note 8)	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 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 29, 2019	7,500	-	-	7,500	0.4	March 31, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 29, 2019	5,000	-	-	5,000	0.5	March 31, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 29, 2019	7,500	-	-	7,500	0.4	September 29, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 31, 2019	2,000	-	-	2,000	0.7	July 31, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.		900	-	-	900					
	MUFG Bank, Ltd.	July 31, 2019	1,050	-	-	1,050	0.7	January 31, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Resona Bank, Limited	July 31, 2019	2,600	-	-	2,600	0.6	January 31, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.		800	-	-	800					
	Sumitomo Mitsui Trust Bank, Limited	July 31, 2019	1,000	-	-	1,000	0.5 (Note 6)	July 31, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Shinkin Central Bank	July 31, 2019	2,000	-	-	2,000					
	Resona Bank, Limited		2,000	-	-	2,000	0.5	January 31, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Nanto Bank, Ltd.	July 31, 2019	500	-	-	500	0.5	July 31, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd.		400	-	-	400					
	Sumitomo Mitsui Banking Corporation	July 31, 2019	1,950	-	-	1,950	0.4	January 31, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	September 4, 2019	3,000	-	-	3,000	0.3	September 4, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited	September 4, 2019	2,000	-	-	2,000	0.3	September 4, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 2, 2019	5,500	-	-	5,500	0.3	March 31, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	October 2, 2019	2,000	-	-	2,000	0.4	October 2, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	October 7, 2019	1,000	-	-	1,000	0.3	October 5, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed

	Classification	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
	Name of lender										
Long-term	The 77 Bank, Ltd.	October 7, 2019	1,000	-	-	1,000	0.3	October 5, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	November 21, 2019	1,700	-	-	1,700	0.8	November 21, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	November 21, 2019	1,300	-	-	1,300	0.8	November 21, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	November 21, 2019	1,300	-	-	1,300	0.7	May 21, 2029	Lump sum	(Note 7)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD.		900	-	-	900					
	The Bank of Fukuoka, Ltd.		900	-	-	900					
	Sumitomo Mitsui Trust Bank, Limited	November 21, 2019	2,000	-	-	2,000	0.4 (Note 6)	May 21, 2026	Lump sum	(Note 7)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 5)	November 21, 2019	2,000	-	-	2,000	0.3	May 21, 2024	Lump sum	(Note 7)	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 5)	November 21, 2019	500	-	-	500	0.3	November 21, 2023	Lump sum	(Note 7)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 5)		400	-	-	400					
	MUFG Bank, Ltd.	December 20, 2019	5,900	-	-	5,900	0.3	December 20, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	December 20, 2019	2,100	-	-	2,100	0.4	December 20, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	January 31, 2020	1,600	-	-	1,600	0.6 (Note 6)	January 31, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD.	January 31, 2020	1,500	-	-	1,500	0.6	July 31, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Shinkin Central Bank		1,100	-	-	1,100					
	Sumitomo Mitsui Banking Corporation	January 31, 2020	1,500	-	-	1,500	0.5 (Note 6)	January 31, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Hyakugo Bank, Ltd.	January 31, 2020	750	-	-	750	0.5	July 31, 2026	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 5)	January 31, 2020	1,100	-	-	1,100	0.3	July 31, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 5)		1,000	-	-	1,000					
	MUFG Bank, Ltd.	March 19, 2020	9,600	-	-	9,600	0.4	March 19, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 19, 2020	3,400	-	-	3,400	0.4	September 19, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 2, 2020	3,300	-	-	3,300	0.4	April 2, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 2, 2020	1,200	-	-	1,200	0.4	March 31, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 2, 2020	3,000	-	-	3,000	0.3	March 31, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Norinchukin Bank	April 7, 2020	1,500	-	-	1,500	0.4	April 5, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Joyo Bank, Ltd.	April 7, 2020	1,000	-	-	1,000	0.4	April 5, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 31, 2020	4,300	-	-	4,300	0.4	July 31, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 31, 2020	1,900	-	-	1,900	0.7	July 31, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Aozora Bank, Ltd.		1,050	-	-	1,050					
	Mizuho Trust & Banking Co., Ltd.		400	-	-	400					
	MUFG Bank, Ltd.	July 31, 2020	1,100	-	-	1,100	0.7	July 31, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 31, 2020	2,200	-	-	2,200	0.7	January 31, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.		1,000	-	-	1,000					
	Resona Bank, Limited		500	-	-	500					
	MUFG Bank, Ltd.	July 31, 2020	700	-	-	700	0.7	January 31, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	July 31, 2020	750	-	-	750	0.7	July 31, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	July 31, 2020	1,700	-	-	1,700	0.5 (Note 6)	July 31, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Minato Bank, Ltd.	July 31, 2020	800	-	-	800	0.6	January 31, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed

	Classification	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
	Name of lender										
Long-term	Sumitomo Mitsui Banking Corporation	July 31, 2020	1,700	-	-	1,700	0.4 (Note 6)	July 31, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Hiroshima Bank Ltd.	July 31, 2020	500	-	-	500	0.4	January 31, 2025	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 18, 2020	4,500	-	-	4,500	0.4	September 18, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 18, 2020	2,900	-	-	2,900	0.3	March 16, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 18, 2020	1,000	-	-	1,000	0.3	September 15, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 18, 2020	1,600	-	-	1,600	0.2	September 17, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	September 30, 2020	2,000	-	-	2,000	0.2	September 29, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 30, 2020	2,000	-	-	2,000	0.2	September 30, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 30, 2020	2,000	-	-	2,000	0.4	September 30, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	September 30, 2020	2,000	-	-	2,000	0.4	September 30, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	September 30, 2020	1,500	-	-	1,500	0.4	September 30, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Shinkin Central Bank	September 30, 2020	1,500	-	-	1,500	0.4	September 30, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	October 1, 2020	3,000	-	-	3,000	0.4	September 30, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	October 2, 2020	2,000	-	-	2,000	0.2	September 29, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 2, 2020	2,250	-	-	2,250	0.2	September 30, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	October 2, 2020	800	-	-	800	0.2	September 30, 2027	Lump sum	(Note 8)	Unsecured and unguaranteed
	Shinkin Central Bank	October 7, 2020	1,500	-	-	1,500	0.4	September 30, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 22, 2021	2,500	-	-	2,500	0.5	March 20, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 22, 2021	2,900	-	-	2,900	0.4	September 21, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 22, 2021	2,000	-	-	2,000	0.2	March 22, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 22, 2021	2,600	-	-	2,600	0.5	March 22, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 31, 2021	1,500	-	-	1,500	0.2	February 29, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 1, 2021	1,500	-	-	1,500	0.3	March 30, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 1, 2021	1,500	-	-	1,500	0.4	March 29, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	April 1, 2021	1,000	-	-	1,000	0.5	March 31, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 7, 2021	2,200	-	-	2,200	0.4	September 30, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 7, 2021	800	-	-	800	0.3	April 7, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	April 30, 2021	1,400	-	-	1,400	0.5	April 30, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 30, 2021	700	-	-	700	0.3	April 27, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 30, 2021	700	-	-	700	0.2	April 28, 2028	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 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	July 30, 2021	950	-	-	950	0.2	January 31, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed

	Classification	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
	Name of lender										
Long-term	MUFG Bank, Ltd.	July 30, 2021	2,650	-	-	2,650	0.2	January 31, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Aozora Bank, Ltd.	July 30, 2021	1,700	-	-	1,700	0.4	July 31, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	Resona Bank, Limited	July 30, 2021	1,300	-	-	1,300	0.4	July 31, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 30, 2021	900	-	-	900	0.4	July 31, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 30, 2021	900	-	-	900	0.4	July 31, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd.	July 30, 2021	550	-	-	550	0.4	July 31, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 1, 2021	3,250	-	-	3,250	0.2	March 30, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 1, 2021	3,000	-	-	3,000	0.4	September 30, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	October 1, 2021	2,250	-	-	2,250	0.2	October 2, 2028	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Norinchukin Bank	October 1, 2021	1,500	-	-	1,500	0.5	September 30, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Yamaguchi Bank, Ltd.	October 7, 2021	1,000	-	-	1,000	0.5	March 31, 2033	Lump sum	(Note 8)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD.	October 7, 2021	1,000	-	-	1,000	0.5	September 30, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 5)	December 21, 2021	2,000	-	-	2,000	0.2	December 21, 2023	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	January 31, 2022	1,500	-	-	1,500	0.6	January 30, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	January 31, 2022	1,000	-	-	1,000	0.3	January 31, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	January 31, 2022	1,000	-	-	1,000	0.3	January 31, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2022	5,500	-	-	5,500	0.5	February 28, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 28, 2022	3,000	-	-	3,000	0.5	February 27, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 5)	February 28, 2022	2,500	-	-	2,500	0.2	February 29, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 31, 2022	5,000	-	-	5,000	0.5	March 30, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	April 1, 2022	2,000	-	-	2,000	0.8	April 1, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Norinchukin Bank	May 19, 2022	2,000	-	-	2,000	0.8	May 19, 2032	Lump sum	(Note 9)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	May 19, 2022	1,500	-	-	1,500	0.7	May 19, 2031	Lump sum	(Note 9)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited	May 19, 2022	1,500	-	-	1,500	0.8	May 19, 2032	Lump sum	(Note 9)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	May 19, 2022	1,000	-	-	1,000	0.8	May 19, 2032	Lump sum	(Note 9)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited	May 20, 2022	3,500	-	-	3,500	0.8	May 19, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 29, 2022	1,500	-	-	1,500	0.7	July 30, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	July 29, 2022	3,370	-	-	3,370	0.5	July 31, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Aozora Bank, Ltd.	July 29, 2022	650	-	-	650	0.7	July 30, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	July 29, 2022	3,150	-	-	3,150	0.7	July 30, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	July 29, 2022	400	-	-	400	0.7	July 30, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 29, 2022	800	-	-	800	0.7	July 30, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed

	Classification	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
	Name of lender										
Long-term	Sumitomo Mitsui Trust Bank, Limited	September 30, 2022	100	-	-	100	0.7	September 28, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	THE SHIGA BANK, LTD.		700	-	-	700					
	The Chiba Bank, Ltd.	September 30, 2022	1,000	-	-	1,000	1.0	September 30, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Yamaguchi Bank, Ltd.	September 30, 2022	1,000	-	-	1,000	1.0	September 30, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 30, 2022	2,200	-	-	2,200	0.7	September 21, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	October 7, 2022	500	-	-	500	0.9	July 30, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	October 7, 2022	1,000	-	-	1,000	0.9	July 30, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	October 7, 2022	2,000	-	-	2,000	0.2	October 7, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	Kansai Mirai Bank, Limited	November 30, 2022	1,000	-	-	1,000	0.8	November 30, 2032	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Kiyo Bank, Ltd.	November 30, 2022	850	-	-	850	0.6	November 30, 2029	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Fukui Bank, Ltd.		850	-	-	850					
	The Keiyo Bank, Ltd.		300	-	-	300					
	Sumitomo Mitsui Banking Corporation	January 31, 2023	2,900	-	-	2,900	1.0	January 31, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 3, 2023	3,000	-	-	3,000	1.2	February 3, 2033	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2023	3,200	-	-	3,200	0.9	February 28, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 31, 2023	-	5,000	-	5,000	0.7	March 29, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 31, 2023	-	3,000	-	3,000	0.3	March 31, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	April 7, 2023	-	3,000	-	3,000	1.1	March 31, 2033	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 7, 2023	-	4,600	-	4,600	0.8	September 30, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 7, 2023	-	1,100	-	1,100	0.7	February 28, 2030	Lump sum	(Note 8)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	May 25, 2023	-	3,000	-	3,000	1.0	May 25, 2033	Lump sum	(Note 9)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	June 30, 2023	-	5,000	-	5,000	0.2	December 30, 2024	Lump sum	(Note 8)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 31, 2023	-	1,500	-	1,500	1.0	July 29, 2033	Lump sum	(Note 8)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 31, 2023	-	2,000	-	2,000	1.0	July 31, 2033	Lump sum	(Note 8)	Unsecured and unguaranteed
	Shinkin Central Bank	July 31, 2023	-	1,100	-	1,100	1.0	July 29, 2033	Lump sum	(Note 8)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd.	July 31, 2023	-	800	-	800	1.0	July 29, 2033	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	July 31, 2023	-	2,000	-	2,000	0.8	July 31, 2031	Lump sum	(Note 8)	Unsecured and unguaranteed
	Sub-total		478,945	32,100	23,900	487,145					
	Total		485,145	33,100	29,100	489,145					

Note 1 The average interest rate indicates a weighted average of interest rates, rounded to the first decimal place.

Note 2 The Company had repaid all principal of the borrowings on July 31, 2023 in advance of the due date.

Note 3 The Company had repaid all principal of the borrowings on March 31, 2023 in advance of the due date.

Note 4 The Company had repaid part of principal of the borrowings on March 31, 2023 in advance of the due date.

Note 5 The balances as of August 31, 2023 are included in the current portion of long-term borrowings in the balance sheets.

Note 6 The borrowings are hedged by interest rate swaps and the average interest rates of the borrowings are calculated by adjusting the effect of the interest rate swaps.

Note 7 The funds were appropriated to purchasing real property or trust beneficiary interests in real property and miscellaneous expenses relating to the acquisition.

Note 8 The funds were mainly appropriated to repayment of borrowings.

Note 9 The funds were appropriated to the 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 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	48,200	60,325	48,550	46,850	66,150