

Sustainability Initiatives



Materialities
https://jmf-reit_sustainability.disclosure.site/en/



Most Important Materialities and KPIs

Materialities	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 basis)
	Improving sustainability activities through participation in external evaluation institutions	<ul style="list-style-type: none">GRESB Real Estate Assessment: Acquiring “5 stars”CDP Climate Change Program: 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

Sustainability Topics

SOCIAL

Introduction of inclusive playground equipment to provide a new place to relax and refresh

In March 2024, “Water Plaza” in Higashi-Totsuka Aurora City reopened after renovation. JMF introduced inclusive playground equipment for the first time at a retail property in Yokohama that allows everyone to play together regardless of disability. Playground equipment for health purposes and benches have been newly installed, and the space has been transformed into a place where visitors and local residents can relax and feel a connection to.



GOVERNANCE

Welcoming a new supervisory director

JMF is operated by a Board of Directors meeting consisting of one executive director and two supervisory directors, who fully discuss the status of legal compliance and the internal control system. A new director was elected at the 15th General Meeting of Unitholders held in November 2023.



Yoko Shirasu
Supervisory Director
Masahiko Nishida
Executive Director
Osamu Ito
Supervisory Director

Corporation Profile



Masahiko Nishida
Japan Metropolitan Fund Investment Corporation
Executive Director



Corporate Name	Japan Metropolitan Fund Investment Corporation (JMF)
Security Code	8953
Executive Director	Masahiko Nishida
Fund Listing	March 12, 2002
Closing Month	Six months ending in February and August of each year (Distribution payment months: May and November)
Website	https://www.jmf-reit.com/english/index.html



(Japanese only)

Asset Management Company Profile



Keita Araki
Executive Officer & Head of Metropolitan Division KJR Management

In charge of asset management at JMF

Corporate Name	KJR Management (KJRM)
Established	November 2000
Capital Fund	500 million yen
Shareholder Composition	76KK (subsidiary of KKR & Co. Inc.)
President & CEO	Naoki Suzuki
Executive Officer & Head of Metropolitan Division	Keita Araki
Employees (Full-time)*	166 (excluding part-time directors, temporary staff, and employees seconded from outside JMF)
WEB	https://www.kjrm.co.jp/english/index.html

*As of March 31, 2024

44th

Fiscal Period Ended
February 29, 2024

SEMI-ANNUAL REPORT

September 1, 2023 – February 29, 2024

JMF
JAPAN METROPOLITAN FUND

Japan Metropolitan Fund
Investment Corporation

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

Securities code 8953

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

1 One of the largest diversified J-REIT Asset size 1.2 tn yen	2 Focus on inflation-resistant urban retail properties No. of properties 133	3 Stable occupancy rate since listing Occupancy rate 99.3%	4 Strong financial base Credit rating (JCR) AA
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Investment Performance/Forecasts for Operating Results

	Feb. 2023 (42nd) fiscal period Results	Aug. 2023 (43rd) fiscal period Results	Feb. 2024 (44th) fiscal period Results	Aug. 2024 (45th) fiscal period Forecast
Operating Revenue	41.3 bn yen	41.4 bn yen	40.8 bn yen	40.4 bn yen
Operating Income	17.8 bn yen	18.0 bn yen	18.0 bn yen	17.4 bn yen
Net Income	15.9 bn yen	16.0 bn yen	16.0 bn yen	15.2 bn yen

Distribution per Unit

Result
2,313 yen

Result
2,261 yen

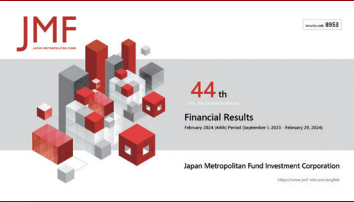
Result
2,270 yen

Forecast
2,250 yen

Feb. 2024 (44th) Fiscal Period Financial Results Highlights



Financial Results Highlights Video
<https://www.jmf-reit.com/english/index.html>



Retail GYRE



Mixed-use JMF-Bldg. Hiroo 01



Office JMF-Bldg. Yokohama Bashamichi 01



Residence JMF-Residence Machida



Other OMO3 Tokyo Akasaka

Strategy

Transitioned from the “asset replacement phase,” that has continued since the merger in 2021, to the “growth phase,” focusing on enhancing our medium- to long-term distribution per unit (DPU) and net asset value (NAV) per unit, in which JMF manages upside potential with inflation in mind. Aiming for higher unitholder value over the medium to long term.

Financial Results

DPU was 2,270 yen (vs 43rd fiscal period +0.4%) due to the contribution of higher revenue-based rent, etc., from high-performing retail properties and hotels.
NAV per unit increased by 3.1% to 115,100 yen this fiscal period, following growth of 2.1% in the previous fiscal period, on the back of steady rent increases for each type of property use.

Topics

Overall portfolio rents increased by 1.7 billion yen (over 5%) in three years. Of this amount, ensured growth of about 880 million yen (approx. 4.3%) in fixed rents of retail properties (41st vs 46th fiscal period).
Office rents grew by about 4.3% due to tenant replacements and eliminating rent gaps (41st vs 44th fiscal period).
Announced the acquisition of six residential properties, etc. (13 billion yen). As the ratio of residential properties increased, rents increased by approximately 1.25 billion yen (39th vs 46th fiscal period).

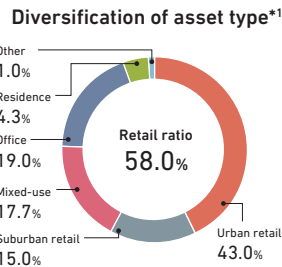
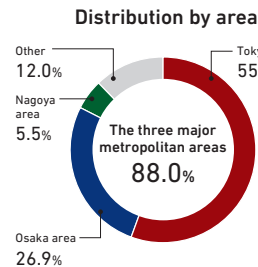
Assets

Asset size
1,210.0 bn yen

No. of properties
133

Appraisal value
1,344.5 bn yen

NOI yield
4.4%



Debt

Total interest-bearing debt
550.1 bn yen

LTV
44.1%

Avg. interest rate
0.59%

Credit rating
(Japan Credit Rating Agency: JCR)
AA (Stable)

Equity

Market capitalization
617.1 bn yen

NAV per unit
115,100 yen*2

Reserve balance
6.1 bn yen

Sustain-ability

GRESB Real Estate Assessment
5 stars (Highest rank)

CDP Climate Change Program
A-

MSCI ESG Rating*3
BBB

Renewable energy introduction ratio
16.2% (Portfolio ratio)

Green building certified properties
79.2% (Total floor area basis)

Female employee ratio (excluding executives and temporary staff)
34.5%

The values and indices used here were current as of February 29, 2024.

*1 Diversification of asset type includes the acquisition price of the announced properties planned to be acquired and the private REIT investment units, as well as the ownership of silent partnership interests related to Nagoya Lucent Tower.

*2 (Net assets + Unrealized profits/losses – Total distribution) / Total units outstanding

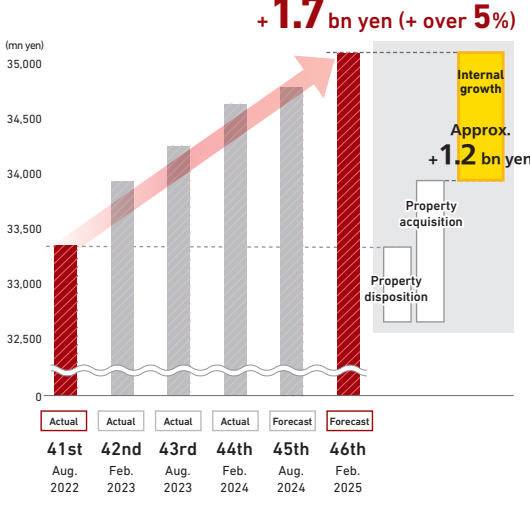
*3 The inclusion of JMF in any MSCI index, and the use of MSCI logos, trademarks, service marks, or index names in this document, do not constitute a sponsorship, endorsement, or promotion of JMF by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

Internal Growth Measures

Rapid growth of rents throughout the portfolio (top line), taking advantage of the benefits of inflation and the rent gap

Overall portfolio rents

From the 41st to the 46th fiscal period



G-Bldg. Midosuji 02 (Osaka-shi, Osaka)

With value in the Midosuji area increasing, JMF increased fixed rents on current contracts and introduced revenue-based rents. Further rent increase at the time of contract renewal.

Fixed rent growth rate
+87.1%

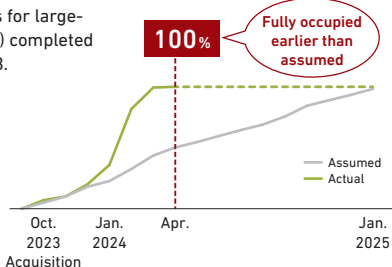
Revenue-based rents

Appraisal Value
44th 31.5 bn yen
(+15.3 bn yen vs end of previous fiscal period)

Appraisal value almost doubled

JMF-Residence Machida (Machida-shi, Tokyo)

Early lease-up at a level over appraisal rents for large-scale rental residential properties (181 units) completed in August 2023 and acquired in October 2023.



External Growth Measures

After August 2023 (43rd fiscal period) financial results announcement
Acquired six residential properties, etc. for 13 billion yen, increasing the ratio of residential properties in the portfolio

Main acquired properties



JMF-Residence Meiekiminami (Nagoya-shi, Aichi)
Acquisition price: 2,290 mn yen
Acquisition date: Dec. 2023



JMF-Residence Kuramae Torigoe (Taito-ku, Tokyo)
Acquisition price: 1,960 mn yen
Acquisition date: Apr. 2024

Progress of 200 billion yen in asset replacement

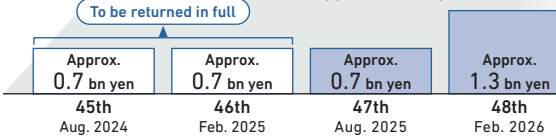
Announced price totals from the merger in 2021 through to April 2024

Acquisition 146.0 bn yen
Disposition 96.7 bn yen
Total gain or loss on sales Approx. 12.5 bn yen

Proactive return of gain on sales and expectation of additional gain on sales in the future

Future gain on sales contributions

+ Additional gain on sales through disposition of approx. 100 bn yen in the future



I. ASSET MANAGEMENT REPORT

Outline of asset management operation

1. Operating results and financial position

Fiscal period			40th	41st	42nd	43rd	44th
As of /for the six months ended			February 28, 2022	August 31, 2022	February 28, 2023	August 31, 2023	February 29, 2024
Operating revenues	(Millions of yen)		40,598	41,112	41,332	41,405	40,879
(Rental revenues)	(Millions of yen)		(37,812)	(39,006)	(39,674)	(39,020)	(39,039)
Operating expenses	(Millions of yen)		21,790	23,417	23,445	23,350	22,852
(Rental expenses)	(Millions of yen)		(16,995)	(18,245)	(18,761)	(18,499)	(18,049)
Operating income	(Millions of yen)		18,808	17,694	17,887	18,054	18,026
Ordinary income	(Millions of yen)		16,924	15,723	15,965	16,052	16,016
Net income	(a)	(Millions of yen)	16,924	15,722	15,964	16,051	16,016
Net assets	(b)	(Millions of yen)	624,859	624,776	625,221	625,077	625,358
(Period-on-period change)		(%)	(+0.2)	(-0.0)	(+0.1)	(-0.0)	(+0.0)
Total assets	(c)	(Millions of yen)	1,247,439	1,248,964	1,249,604	1,249,926	1,248,078
(Period-on-period change)		(%)	(+0.9)	(+0.1)	(+0.1)	(+0.0)	(-0.1)
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)	89,404	89,393	89,456	89,436	89,476
Total distributions	(e)	(Millions of yen)	15,963	15,816	16,165	15,802	15,865
Distribution per unit	(e)/(d)	(Yen)	2,284	2,263	2,313	2,261	2,270
(Profit distribution per unit)		(Yen)	(2,284)	(2,263)	(2,313)	(2,261)	(2,270)
(Distribution per unit in excess of profit)		(Yen)	(-)	(-)	(-)	(-)	(-)
Ratio of ordinary income to total assets	Note 2	(%)	1.4 (2.7)	1.3 (2.5)	1.3 (2.6)	1.3 (2.5)	1.3 (2.6)
Return on unitholders' equity	Note 2	(%)	2.7 (5.5)	2.5 (5.0)	2.6 (5.2)	2.6 (5.1)	2.6 (5.1)
Ratio of net assets to total assets	(b)/(c)	(%)	50.1	50.0	50.0	50.0	50.1
(Period-on-period change)			(-0.4)	(-0.1)	(+0.0)	(-0.0)	(+0.1)
Payout ratio	(e)/(a)	(%)	94.3	100.6	101.3	98.5	99.1
Additional information:							
Rental net operating income (NOI)	Note 2	(Millions of yen)	26,840	26,736	26,720	26,303	26,655
Net profit margin	Notes 2 and 3	(%)	41.7	38.2	38.6	38.8	39.2
Debt service coverage ratio	Notes 2 and 3	(Multiple)	15.4	14.7	15.1	14.7	14.5
Funds from operation (FFO) per unit	Notes 2 and 3	(Yen)	2,985	2,974	2,995	2,904	2,980
FFO multiples	Notes 2 and 3	(Multiple)	15.5	18.7	16.9	17.0	14.7
Distributable income per unit after adjustment for taxes on property and equipment	Note 4	(Yen)	2,276	2,261	2,312	2,257	2,267
FFO per unit after adjustment for taxes on property and equipment	Notes 3 and 4	(Yen)	2,977	2,973	2,994	2,901	2,978

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 181,184,181,184 and 182 days for the 40th, 41st, 42nd, 43rd and 44th 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 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 44th 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 February 29, 2024, as in the previous fiscal year, JMF promoted asset replacement, one of growth strategies after the Merger, and acquired two properties and disposed of two properties (including partial disposition). JMF also acquired the additional investment units of a private residential REIT and the silent partnership interests.

As a result, the total assets managed by JMF at the end of the 44th fiscal period (fiscal period ended on February 29, 2024) amounted to 1,210.0 billion yen (the total acquisition price for 133 properties). The total acquisition price including investment securities such as the silent partnership interests related to Nagoya Lucent Tower and residences, the investment units of Nisshin Private Residential Reit, Inc., and the investment units of Hoosiers Private REIT Investment Corporation is 1,229.3 billion yen.

(2) Investment environment and results

i. Investment environment

(Macroeconomic trends)

During this fiscal period, the Japanese economy as a whole continued to show signs of a gradual recovery amid a sense of transition from deflation to inflation, with expansion in corporate capital investment and recovering trends in personal consumption associated with wage increases. The quarter-on-quarter gross domestic product (GDP) growth rate was revised upward to +0.1% (+0.4% annualized) in the October to December 2023 quarter (secondary preliminary figures announced on March 11, 2024), while the consumer price index for February 2024, announced on March 22, 2024, was up 2.8% year on year.

In capital markets, the Nikkei Stock Average maintained upward momentum from early 2023, but experienced ups and downs from July onwards, affected by factors such as domestic and overseas interest rate trends and geopolitical risks in Ukraine, the Middle East, etc. Subsequently, it turned upward again after anticipation grew that the easing environment would continue in Japan even after an end to negative interest rates and exceeded the all-time high recorded during the period of the economic bubble for the first time in 34 years. The index stood at 39,166 yen at the end of February 2024, the end of the current period. In the J-REIT market, the Tokyo Stock Exchange REIT Index remained soft throughout the fiscal period due to concern over

developments in domestic monetary policy and stood at 1,698 points at the end of February 2024, the end of this fiscal period. On the other hand, a sense of uncertainty over domestic monetary policy eased following the country's end of negative interest rates in March, and as a result, there was a time when the index turned upward.

(Real estate trading market)

Although the amount of investment by overseas investors trended downward amid concerns over monetary policies in Japan and abroad, the acquisition environment continues to be severe, with investment appetite remaining strong, especially among domestic investors.

(Real estate leasing market)

In retail properties, sales continued to increase as domestic consumption and demand from inbound tourism recovered, and 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 two new properties (JMF-Residence Machida, JMF-Residence Meiekinami), silent partnership interests whose trust assets are trust beneficiary rights in residences and the disposition of two properties (AEON MALL Tsurumi Ryokuchi (25% quasi-co-ownership interest), Round1 Sannomiya Station) in this fiscal period as part of its portfolio property replacement strategy. In addition, JMF acquired the additional investment units of Nisshin Private Residential Reit, Inc., a private residential REIT.

As a result, the assets managed by JMF at the end of the fiscal period totaled 133 properties with a total value of 1,210.0 billion yen on an acquisition price basis and 1,344.5 billion yen on an appraisal value basis. The total leasable area was 2,537,183.65m² with the total number of tenants standing at 2,371, and the occupancy rate of the overall portfolio was 99.3%.

Primarily as a result of internal growth and decrease in cap rate for some existing properties compared to the end of the previous fiscal year, etc., the unrealized losses/gains ^(Note1) of the overall portfolio at the end of the fiscal period increased by 23.6 billion yen from the end of the previous fiscal period to 194.9 billion yen. Also, NAV per unit ^(Note2) at the fiscal period increased by 3,500 yen from the previous fiscal period to 115,100 yen.

Note1: "Unrealized losses/gains" is the difference between the appraisal value or researched value and book value of the individual property.

Note2: "NAV per unit" is calculated as (Net assets + Unrealized gains/losses - Total distributions) / investment units issued. (Amounts of less than one hundred yen are rounded down)

(3) Funding

To fund the repayment of 21.1 billion yen in existing loans that became due for repayment in the period, JMF borrowed 20.6 billion yen and repaid 500 million yen by cash on hand. JMF issued the 6th JMF Green Bond (6th Unsecured Investment Corporation Bond) in the amount of 3.5 billion yen to partially fund the acquisition of JMF-Residence Machida. In December 2023, JMF secured long-term borrowings of 4.0 billion yen to partially fund the redemption of the Investment Corporation Bond of 7.5 billion yen.

As a result, JMF's interest-bearing borrowings outstanding at the end of the fiscal period amounted to 550.1 billion yen, consisting of short-term borrowings of 500 million yen, long-term borrowings of

492.1 billion yen ^(Note 1) and investment corporation bonds of 57.5 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 99.9%, 96.4% 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 40,879 million yen, and operating income was 18,026 million yen after deducting operating expenses such as property taxes and asset management fees. Ordinary income was 16,016 million yen, and net income was 16,016 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 15,865 million yen, calculated by adding 371 million yen of the reversal of retained earnings for temporary difference adjustments to, and deducting 522 million yen of the provision of reserve for reduction entry of property from, the unappropriated retained earnings at the end of the period of 16,016 million yen. As a result, distributions per unit amounted to 2,270 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 February 29, 2024 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	40th	41st	42nd	43rd	44th
As of /for the six months ended	February 28, 2022	August 31, 2022	February 28, 2023	August 31, 2023	February 29, 2024
Highest price	112,600	112,500	112,500	103,300	103,800
Lowest price	87,000	90,400	96,600	91,000	87,700
Closing price at end of period	93,100	110,600	102,300	97,800	88,300

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 February 29, 2024, JMF declared a total of ¥15,865 million cash distributions consisted of all of retained earnings at the end of the period amounting to ¥16,016 million after reversal of retained earnings for temporary difference adjustment amounting to ¥371 million and provision of reserve for reduction entry of property amounting to ¥522 million. As a result, distribution per unit amounted to ¥2,270 for the six months ended February 29, 2024. 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	40th	41st	42nd	43rd	44th
As of /for the six months ended	February 28, 2022	August 31, 2022	February 28, 2023	August 31, 2023	February 29, 2024
Net income (Thousands of yen)	16,924,222	15,722,673	15,964,846	16,051,855	16,016,218
Retained earnings (including reserve for dividends and reserve for reduction entry of property) (Thousands of yen)	6,003,928	5,910,288	5,709,367	5,958,888	6,109,871
Total distributions (Thousands of yen)	15,963,083	15,816,312	16,165,767	15,802,334	15,865,236
(Distribution per unit) (Yen)	(2,284)	(2,263)	(2,313)	(2,261)	(2,270)
Profit distributions (Thousands of yen)	15,963,083	15,816,312	16,165,767	15,802,334	15,865,236
(Profit distribution per unit) (Yen)	(2,284)	(2,263)	(2,313)	(2,261)	(2,270)
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 rates and currency fluctuations caused by domestic and foreign monetary policies, especially the pace of rate hikes in Japan and rate cut trends in the U.S. In the retail sector, demand is expected to continue recovering 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

Acquisition of JMF's Investment Units

The Board of Directors of JMF, at its meeting held on April 17, 2024, resolved to acquire its own investment units based on the Article 80-2 of the Act on Investment Trusts and Investment Corporations of Japan ("Investment Trust Act") applied pursuant to the Article 80-5, Paragraph 2 of the Investment Trust Act . All the acquired investment units will be cancelled during the fiscal period ending August 31, 2024.

(1) Reason for the Acquisition

The acquisition of own investment units was resolved with the intention that improving capital efficiency and returning profits to unitholders will contribute to increasing unitholder value over the medium to long term, upon comprehensive consideration of the market price of the investment unit, the condition of funds on hand or financial position and market condition., etc.

(2) Outline of the Acquisition

Total number of JMF's investment units to be acquired:	15,000 units (maximum)
Total amount of the acquisition:	¥1,000,000 thousand (maximum)
Period of the acquisition:	From April 18, 2024 to May 20, 2024
Method:	Purchase at Tokyo Stock Exchange Market based on a discretionary transaction contract with a securities company

(3) Result of the Acquisition

Based on the above resolution of the acquisition, JMF completed the acquisition as follows.

Total number of investment units repurchased:	10,582 units
Total amount of the acquisition:	¥999,917 thousand
Period of the acquisition:	From April 18, 2024 to May 16, 2024
Method:	Purchase at Tokyo Stock Exchange Market based on a discretionary transaction contract with a securities company

(Additional information)

a. Acquisition of properties

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

<Trust beneficial interest and Real property >

Property name	Use	Location	Acquisition amount (Scheduled)	Acquisition date (Scheduled)
JMF-Residence Setagaya Mishuku (Trust beneficial interest)	Residence	Setagaya-ku, Tokyo	¥3,050 million	March 1, 2024
JMF-Residence Shin-itabashi (Trust beneficial interest)	Residence	Itabashi-ku, Tokyo	¥1,420 million	March 1, 2024
JMF-Residence Kuramae 2-chome (Trust beneficial interest)	Residence	Taito-ku, Tokyo	¥3,070 million	April 1, 2024
JMF-Residence Kuramae Torigoe (Trust beneficial interest)	Residence	Taito-ku, Tokyo	¥1,960 million	April 1, 2024
JMF-Residence Asakusabashi 3-chome (Trust beneficial interest)	Residence	Taito-ku, Tokyo	¥4,320 million	April 26, 2024
JMF-Residence Sakuranomiya (Trust beneficial interest)	Residence	Miyakojima-ku, Osaka-shi, Osaka	¥2,050 million	April 30, 2024
JMF-Residence Miyakojima (Trust beneficial interest)	Residence	Miyakojima-ku, Osaka-shi, Osaka	¥1,470 million	April 30, 2024
JMF-Residence Tenjimbashisuji 6-chome (Trust beneficial interest)	Residence	Kita-ku, Osaka-shi, Osaka	¥1,527 million	May 29, 2024
JMF-Residence Ebie (Trust beneficial interest) (Note 1)	Residence	Fukushima-ku, Osaka-shi, Osaka	¥1,860 million	April 30, 2025
(tentative name) JMF-Bldg. Okinawa Kokusai-dori 01 (70% of quasi-co-ownership) (Real property) (Note 2)	Mixed-use	Naha-shi, Okinawa	¥2,470 million	February 13, 2026

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 February 29, 2024 is ¥2,050 million.

Note 2 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 in principle. The appraisal value of the property by an independent appraiser as of May 1, 2024 is ¥2,723 million (corresponding to 70% of quasi-co-ownership).

<Silent partnership interests>

Asset name	Underlying assets	Investment price	Equity interests acquisition date
Godo Kaisha Sapphire 1 silent partnership interests	Trust beneficiary rights in residential properties such as ADVANCE Esaka Rasurer, etc.	¥542 million	March 27, 2024
Godo Kaisha Sapphire 2 silent partnership interests	Trust beneficiary rights in residential properties such as ADVANCE Kyoto Detendu, etc.	¥313 million	March 27, 2024

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 Gains on sales of property of approximately ¥684 million and ¥699 million will be recognized in profit as operating revenues for the six months ending August 31, 2024 and February 28, 2025, respectively.

Outline of JMF

1. Investment unit

Fiscal period	40th	41st	42nd	43rd	44th
As of	February 28, 2022	August 31, 2022	February 28, 2023	August 31, 2023	February 29, 2024
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)	31,233	30,074	29,521	29,794	29,793

2. Unitholders

Major unitholders as of February 29, 2024 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	1,484,630	21.24
The Master Trust Bank of Japan, Ltd. (Trust Account)	11-3, Hamamatsu-cho 2-chome, Minato-ku, Tokyo	1,131,955	16.19
The Nomura Trust and Banking Co., Ltd. (Investment Trust)	2-2, Otemachi 2-chome, Chiyoda-ku, Tokyo	361,367	5.17
SMBC Nikko Securities Inc.	3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo	162,941	2.33
STATE STREET BANK WEST CLIENT – TREATY 505234	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A.	161,756	2.31
THE NOMURA TRUST AND BANKING CO., LTD. AS THE TRUSTEE OF REPURCHASE AGREEMENT MOTHER FUND	2-2-2 OTEMACHI, CHIYODA – KU, TOKYO, JAPAN	122,931	1.75
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	9-2, Otemachi 1-chome, Chiyoda-ku, Tokyo	113,253	1.62
JP MORGAN CHASE BANK 385771	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM	89,792	1.28
STICHTING PENSIOENFONDS ZORG EN WELZIJN	UTRECHTSEWEG 91 ZEIST NL 3702 AA	85,846	1.22
Japan Securities Finance Co., Ltd.	2-10, Nihonbashi-Kayabacho 1-chome, Chuo-ku, Tokyo	82,734	1.18
Total		3,797,205	54.33

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 February 29, 2024 (Note2)
Executive Director	Masahiko Nishida	President of Marks group Co., Ltd. Certified public accountant / Tax accountant	2,527
Supervisory Director	Osamu Ito	Partner of United Fuso Law Office, Attorney	3,255
	Yoko Shirasu	Professor at Department of Economics, Aoyama Gakuin University	
Independent auditor	PricewaterhouseCoopers Japan 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 September 2023.

Note 3 The Executive Director and Supervisory Director were appointed by the 15th General Meeting of Unitholders held on November 30, 2023. Masaharu Usuki retired supervisory director on November 30, 2023 due to the expiration of his term of office.

Note 4 On December 1, 2023, PricewaterhouseCoopers Aarata LLC, the independent auditor of JMF, merged with PricewaterhouseCoopers Kyoto and changed its name to PricewaterhouseCoopers Japan LLC.

(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)</p> <p>The agreement covers compensation for damages and court costs, etc. incurred by the insured as an officer of JMF to a certain extent.</p> <p>(Percentage of insurance premiums to be paid)</p> <p>JMF pays all of the insurance premiums.</p> <p>(Measures to ensure that the appropriateness of the execution of duties)</p> <p>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 August 31, 2023		As of February 29, 2024	
			Total of net book value (Note 1) (Millions of yen)	Composition ratio (%)	Total of net book value (Note 1) (Millions of yen)	Composition ratio (%)
	Real property	Retail facilities	Tokyo metropolitan area	13,479	1.1	13,466
Osaka and Nagoya metropolitan areas			4,924	0.4	4,921	0.4
Other areas			4,413	0.4	4,407	0.4
Sub-total			22,817	1.8	22,795	1.8
Residence		Tokyo metropolitan area	-	-	4,215	0.3
		Sub-total	-	-	4,215	0.3
Mixed-use		Tokyo metropolitan area	5,286	0.4	5,275	0.4
		Other areas	519	0.0	519	0.0
		Sub-total	5,806	0.5	5,795	0.5
Total of real property		28,623	2.3	32,806	2.6	
Trust beneficial interest in real property	Retail facilities (Note 2)	Tokyo metropolitan area	294,499	23.6	294,711	23.6
		Osaka and Nagoya metropolitan areas	281,229	22.5	271,590	21.8
		Other areas	69,878	5.6	69,594	5.6
		Sub-total	645,607	51.7	635,896	51.0
	Office Building	Tokyo metropolitan area	201,492	16.1	201,572	16.2
		Osaka and Nagoya metropolitan areas	20,698	1.7	20,678	1.7
		Other areas	6,838	0.5	6,825	0.5
		Sub-total	229,029	18.3	229,076	18.4
	Residence	Tokyo metropolitan area	12,128	1.0	12,098	1.0
		Osaka and Nagoya metropolitan areas	2,999	0.2	5,338	0.4
		Other areas	3,461	0.3	3,444	0.3
		Sub-total	18,589	1.5	20,881	1.7
	Hotel	Tokyo metropolitan area	7,894	0.6	7,873	0.6
		Other areas	4,416	0.4	4,400	0.4
		Sub-total	12,310	1.0	12,274	1.0
	Mixed-use	Tokyo metropolitan area	117,947	9.4	117,862	9.4
		Osaka and Nagoya metropolitan areas	95,895	7.7	95,734	7.7
		Other areas	5,036	0.4	5,029	0.4
		Sub-total	218,879	17.5	218,627	17.5
	Total of trust beneficial interest in real property		1,124,417	90.0	1,116,756	89.5
Sub-total		1,153,040	92.2	1,149,563	92.1	
Investment securities (Note 2)		16,905	1.4	19,734	1.6	
Bank deposits and other assets		79,980	6.4	78,780	6.3	
Total assets		1,249,926	100.0	1,248,078	100.0	

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

Note 2 Investment securities are Equity Interests in Silent Partnership managed by R40 Godo Kaisha (40% of its equity interest), investment units of Nisshin Private Residential Reit, Inc.(25.2% of total issued investment units), equity interest of DREAM Mezzanine Debt Separate3 Investment Limited Partnership (49.4% of its equity interest), investment units of Hoosiers Private REIT Investment Corporation (35.0% of total issued investment units) and Equity Interests in Silent Partnership managed by Godo Kaisha Rapport1, Godo Kaisha Rapport2 and Godo Kaisha Rapport3 (28.6% of these equity interests).

2. Major property

The principal properties (top ten properties in net book value) as of February 29, 2024 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)	60,166	84,964.88	82,107.09	96.6	6.3	Mixed-use
mozo wonder city (Note 5) (trust beneficial interest)	48,474	86,370.52	86,169.16	99.8	8.6	Retail facilities
JMF-Bldg. Akasaka 02 (Note 4) (trust beneficial interest)	43,876	12,202.96	12,202.96	100.0	1.8	Office Building
Higashi-Totsuka Aurora City (trust beneficial interest)	43,277	109,355.90	109,355.90	100.0	3.2	Retail facilities
KAWASAKI Le FRONT (trust beneficial interest)	34,497	49,224.14	49,224.14	100.0	4.9	Mixed-use
Nara Family (Note 5) (trust beneficial interest)	32,661	83,297.41	83,011.62	99.7	4.6	Retail facilities
G-Bldg. Shinsaibashi 03 (trust beneficial interest)	30,229	5,319.30	5,319.30	100.0	(Note 6)	Retail facilities
AEON MALL Tsudanuma (trust beneficial interest)	29,070	101,210.44	101,210.44	100.0	2.0	Retail facilities
JMF-Bldg. Yokohama Bashamichi 01 (Note 4) (trust beneficial interest)	24,003	25,151.58	25,151.58	100.0	1.8	Office Building
JMF-Bldg. Kawasaki 01 (Note 4) (trust beneficial interest)	23,815	24,485.71	19,430.37	79.4	1.4	Office Building
Total	370,073	581,582.84	573,182.56	98.6	-	

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 February 29, 2024 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	13,300	9,167
10003	Ito-Yokado Yabashira	15-8, Higurashi 1-chome, Matsudo-shi, Chiba, etc.	Trust beneficial interest	21,308.78	1,860	1,204
10004	JMF-Bldg. Daikanyama 02	35-17, Ebisu-Nishi 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	612.29	1,620	1,181
10005	GYRE	10-1, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,865.04	32,800	21,723
10006	Ito-Yokado Tsunashima	8-1, Tsunashima-Nishi 2-chome, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	16,549.50	5,130	4,331
10007	Bic Camera Tachikawa	12-2, Akebonocho 2-chome, Tachikawa-shi, Tokyo, etc.	Trust beneficial interest	20,983.43	22,300	13,217
10008	AEON Itabashi Shopping Center	6-1, Tokumaru 2-chome, Itabashi-ku, Tokyo	Trust beneficial interest	72,748.34	12,800	10,255
10009	JMF-Bldg. Kita Aoyama 01	14-8, Kita-Aoyama 3-chome, Minato-ku, Tokyo	Trust beneficial interest	492.69	1,570	915
10011	SEIYU Hibarigaoka	9-8, Sumiyoshicho 3-chome, Nishi-Tokyo-shi, Tokyo	Trust beneficial interest	19,070.88	8,670	4,433
10012	JMF-Bldg. Jiyugaoka 01	9-17, Jiyugaoka 2-chome, Meguro-ku, Tokyo, etc.	Trust beneficial interest	2,043.68	5,210	2,654
10013	Cheers Ginza	9-5, Ginza 5-chome, Chuo-ku, Tokyo	Trust beneficial interest	1,686.58	4,390	3,830
10014	Higashi-Totsuka Aurora City	537-1, Shinanocho, Totsuka-ku, Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	109,355.90	43,400	43,277
10016	G-Bldg. Jingumae 06	28-3, Jingumae 6-chome, Shibuya-ku, Tokyo	Real property	670.42	2,950	2,320
10017	G-Bldg. Jingumae 01	21-5, Jingumae 4-chome, Shibuya-ku, Tokyo	Real property	555.75	4,640	3,372
10020	AEON MALL Musashi Murayama	1-3, Enoki 1-chome, Musashimurayama-shi, Tokyo	Trust beneficial interest	137,466.97	31,800	23,595
10021	La Porte Aoyama (Note 5)	51-8, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,158.53	10,800	9,045
10023	JMF-Bldg. Jingumae 01	30-12, Jingumae 3-chome, Shibuya-ku, Tokyo	Real property	1,676.87	3,980	5,275
10024	G-Bldg. Minami-Ikebukuro 01 (Note 5)	19-5, Minami Ikebukuro 1-chome, Toshima-ku, Tokyo	Trust beneficial interest	5,066.06	10,600	5,931
10025	Makuhari Plaza	7701, Makuharicho 2-chome, Hanamigawa-ku, Chiba-shi, Chiba	Trust beneficial interest	24,505.37	6,930	5,202
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	3,290	2,208
10028	Round1 Stadium Itabashi	16-13, Aioicho, Itabashi-ku, Tokyo	Trust beneficial interest	14,828.74	3,090	2,131
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	8,600	5,748
10031	Round1 Yokohama Station West	8-16, Minamisaikai 2-chome, Nishi-ku Yokohama-shi, Kanagawa	Trust beneficial interest	6,560.09	5,430	3,670
10032	G-Bldg. Sangenjaya 01	15-4, Taishido 2-chome, Setagaya-ku, Tokyo	Trust beneficial interest	3,471.52	6,660	3,590

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	4,380	3,173
10036	KAWASAKI Le FRONT	1-11, Nissincho, Kawasaki-ku, Kawasaki-shi, Kanagawa, etc.	Trust beneficial interest	49,224.14	41,300	34,497
10037	JMF-Bldg. Shibuya 01	20-13, Jinnan1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,630.03	4,970	3,031
10038	G-Bldg. Omotesando 02	25-15, Jingumae 4-chome, Shibuya-ku, Tokyo, etc.	Trust beneficial interest	5,555.65	21,750	17,721
10039	G-Bldg. Kichijoji 01	12-12, Kichijoji Honcho 2-chome, Musashino-shi, Tokyo	Trust beneficial interest	1,718.21	4,030	3,515
10040	CUTE CUBE HARAJUKU	7-1, Jingumae 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,428.55	9,170	8,423
10041	G-Bldg. Ueno 01	9-14, Ueno 4-chome, Taito-ku, Tokyo	Trust beneficial interest	1,471.80	3,990	3,415
10042	JMF-Bldg. Takadanobaba 01	13-2, Takadanobaba 2-chome, Shinjuku-ku, Tokyo	Trust beneficial interest	3,569.20	7,670	5,972
10043	G-Bldg. Akihabara 01	11-11, Sotokanda 1-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	2,701.99	8,080	5,090
10044	G-Bldg. Akihabara 02	113, Kanda Matsunaga-cho, Chiyoda-ku, Tokyo, etc.	Trust beneficial interest	1,037.33	2,310	2,450
10045	G-Bldg. Kichijoji 02	3-13, Kichijoji Minamicho 2-chome, Musashino-shi, Tokyo	Trust beneficial interest	8,838.79	16,000	14,957
10046	JMF-Bldg. Ginza Chuo-Dori 01	6-16, Ginza 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	3,141.07	13,550	12,926
10047	MARINE & WALK YOKOHAMA	3-1, Shinko 1-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	8,347.69	11,500	10,452
10048	G-Bldg. Jingumae 07	26-4 Jingumae 4-chome, Shibuya-ku, Tokyo	Real property	373.12	2,640	2,025
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	12,256
10050	JMF-Bldg. Jingumae 02	25-5 Jingumae 3-chome, Shibuya-ku, Tokyo	Trust beneficial interest	802.40	2,170	2,594
10051	Round1 Stadium Kawasaki Daishi	5-1, Tonomachi 1-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	13,559.17	2,900	2,347
10052	m-city Kashiwa	10 Oyamadai 1-chome, kashiwa-shi, Chiba, etc.	Trust beneficial interest	20,437.36	5,980	5,669
10053	JMF-Bldg. Jingumae 03	25-28 Jingumae 4-chome, Shibuya-ku, Tokyo, etc.	Trust beneficial interest	1,127.08	7,280	7,084
10054	Machinoma Omori	1-38, Omorinishi 3-chome, Ota-ku, Tokyo	Trust beneficial interest	9,107.13	9,770	8,855
10055	JMF-Bldg. Daikanyama 01	20-20, Daikanyamacho, Shibuya-ku, Tokyo	Trust beneficial interest	2,151.32	3,920	3,262
10056	AEON MALL Tsudanuma	23-1 Tsudanuma 1-chome, Narashino-shi, Chiba	Trust beneficial interest	101,210.44	28,600	29,070
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	24,003
10058	JMF-Bldg. Kawasaki 01 (Note 5)	1-14 Nishin-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	24,485.71	23,700	23,815
10059	JMF-Bldg. Shibuya 02 (Note 5)	31-15, Sakuragaokacho, Shibuya-ku, Tokyo	Trust beneficial interest	6,379.66	19,100	19,496
10060	JMF-Bldg. Shibuya 03 (Note 5)	11-1 Dogenzaka 2-chome, Shibuya-ku, Tokyo	Trust beneficial interest	5,043.52	17,200	16,915
10061	JMF-Bldg. Toyokocho 01 (Note 5)	11-38 Toyo 4-chome, Koto-ku, Tokyo	Trust beneficial interest	12,487.75	10,400	11,391
10062	OMO3 Tokyo Akasaka (Note 5)	3-2, Akasaka 4-chome, Minato-ku, Tokyo	Trust beneficial interest	4,236.46	8,060	7,873
10063	JMF-Bldg. Nihombashi Hamacho 01 (Note 5)	12-4, Nihombashi Hamacho 2-chome, Chuo-ku, Tokyo	Trust beneficial interest	6,123.81	10,800	10,508

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. Toyochō 02 (Note 5)	6-35, Shinsuna 1-chome, Koto-ku, Tokyo	Trust beneficial interest	11,733.12	7,900	9,776
10065	JMF-Bldg. Sasazuka 01 (Note 5)	1-6 Sasazuka 2-chome, Shibuya-ku, Tokyo	Trust beneficial interest	8,258.44	9,200	9,088
10066	JMF-Bldg. Ueno 01 (Note 5)	24-8, Higashiueno 5-chome, Taitō-ku, Tokyo	Trust beneficial interest	6,858.16	8,700	8,575
10067	JMF-Bldg. Yokohama 01 (Note 5)	5-1 Sakae-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	12,722.51	8,990	8,195
10068	JMF-Bldg. Akasaka 01 (Note 5)	11-28, Akasaka 1-chome, Minato-ku, Tokyo	Trust beneficial interest	2,544.21	4,510	4,514
10069	JMF-Bldg. Kanda01 (Note 5)	1-15, Iwamotocho 2-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	3,145.67	4,470	4,329
10070	JMF-Bldg. Edogawabashi 01 (Note 5)	44-10, Sekiguchi 1-chome, Bunkyo-ku, Tokyo	Trust beneficial interest	3,434.93	3,530	3,797
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	3,289
10072	JMF-Bldg. Ichigaya 01 (Note 6)	2-1 Kudankita 4-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	10,372.27	22,100	21,325
10073	JMF-Bldg. Hiroo 01 (Note 6)	1-11 Minamiazabu 5-chome, Minato-ku, Tokyo	Trust beneficial interest	4,212.41	10,400	10,076
10074	JMF-Bldg. Funabashi 01	44-35 Honcho 4-chome, Funabashi-shi, Chiba	Trust beneficial interest	2,865.76	5,420	5,119
10075	JMF-Bldg. Akasaka 02 (Note 5)	3-5 Akasaka 2-chome, Minato-ku, Tokyo	Trust beneficial interest	12,202.96	44,800	43,876
10076	JMF-Residence Gakugeidaigaku (Note 5)	9-13 Nozawa 3-chome, Setagaya-ku, Tokyo	Trust beneficial interest	1,052.13	1,810	1,561
10077	JMF-Residence Kita-Shinagawa (Note 5)	24-7, Kita-shinagawa 2-chome, Shinagawa-ku, Tokyo	Trust beneficial interest	1,487.13	2,300	1,915
10078	JMF-Residence Ikebukuro 1-chome (Note 5)	16-15, Ikebukuro 1-chome, Toshima-ku, Tokyo	Trust beneficial interest	1,357.18	1,830	1,699
10079	JMF-Bldg. Nakano 01	19-2, Nakano 2-chome, Nakano-ku, Tokyo	Trust beneficial interest	3,023.17	4,200	4,047
10080	JMF-Residence Fujisawa (Note 5)	1-28, Kawana 1-chome, Fujisawa-shi, Kanagawa	Trust beneficial interest	1,711.13	1,320	1,299
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	3,322
10082	JMF-Residence Akabane Shimo (Note 5)	4-13, Shimo 1-chome, Kita-ku, Tokyo	Trust beneficial interest	2,740.30	2,430	2,299
10083	JMF-Residence Machida (Note 5)	21-24, Haramachida 2-chome, Machida-shi, Tokyo	Real property	4,693.77	4,290	4,215
20002	Kyoto Family	1-1, Ikejiricho, Yamanouchi, Ukyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	19,735.47	5,590	5,721
20003	Kawaramachi OPA	385, Komeyacho, Shijo-agaru, Kawaramachi-dori, Nakagyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	18,848.20	14,000	17,790
20004	AEON MALL Tsurumi Ryokuchi	17-1, Tsurumi 4-chome, Tsurumi-ku, Osaka-shi, Osaka	Trust beneficial interest	138,538.63	19,200	16,485
20005	AEON MALL Itami	1-1, Fujinoki 1-chome, Itami-shi, Hyogo	Trust beneficial interest	157,904.26	17,300	18,360
20006	Ario Otori	199-12, Otori Minami-cho 3-cho, Nishi-ku, Sakai- shi, Osaka, etc.	Trust beneficial interest	95,135.36	14,300	12,712
20007	AEON MALL Kobe Kita	1-1, Kouzudai 8-chome, Kita-ku, Kobe-shi, Hyogo	Trust beneficial interest	128,050.62	11,830	7,704
20009	LIFE Shimodera (Land with leasehold interest)	5-23, Shimodera 2-chome, Naniwa-ku, Osaka-shi, Osaka, etc.	Real property	4,344.18	2,070	1,717
20010	LIFE Taiheiji (Land with leasehold interest)	43-6, Taiheiji 2-chome, Higashi Osaka-shi, Osaka	Real property	3,898.01	1,100	1,304
20011	G-Bldg. Shinsaibashi 01	5-3, Sinsaibashi-suji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	966.52	3,590	1,606

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)
20012	Round1 Stadium Sennichimae (Land with leasehold interest)	1, Namba 1-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	1,711.63	12,900	8,091
20013	G-Bldg. Shinsaibashi 02	3-24, Shinsaibashi-suji 1-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	948.72	8,080	4,206
20014	Izumisano Shofudai (Land with leasehold interest)	1138-1, Shofudai 1-chome, Izumisano-shi, Osaka	Trust beneficial interest	44,009.52	2,500	2,657
20015	Round1 Stadium Sakai Chuo Kanjyo	241, Ishihara-cho 2-cho, Higashi-ku Sakai-shi, Osaka	Trust beneficial interest	17,521.46	2,280	1,516
20016	pivo Izumi Chuo	1-2, Ibukino 5-chome, Izumi-shi, Osaka, etc.	Trust beneficial interest	21,182.94	6,240	4,970
20017	KAMISHIN PLAZA	6-12, Osumi 1-chome, Higashiyodogawa-ku, Osaka-shi, Osaka	Trust beneficial interest	12,651.05	5,230	4,382
20018	Round1 Kyoto Kawaramachi	585, Uraderacho, Shijo-agaru yori Rokkaku-sagaru made, Teramachi-dori, Nakagyo-ku, Kyoto-shi, Kyoto, etc.	Trust beneficial interest	8,821.66	3,660	2,691
20019	G-Bldg. Shinsaibashi 03	2-14, Shinsaibashi-suji 1-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	5,319.30	31,100	30,229
20021	m-city Toyonaka	2-18, Hinode-cho, 2-chome, Toyonaka-shi, Osaka	Trust beneficial interest	33,301.93	6,530	4,992
20022	EDION Kyobashi (Land with leasehold interest)	53-1, Gamo 1-chome, Joto-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	4,307.16	5,990	5,756
20023	JMF-Bldg. Abeno 01	4-7, Abenosuji 1-chome, Abeno-ku, Osaka-shi, Osaka	Trust beneficial interest	4,757.35	5,390	4,586
20024	JMF-Bldg. Umeda 01	15-22, Chayamachi, Kita-ku, Osaka-shi, Osaka	Trust beneficial interest	3,529.51	10,200	9,703
20025	G-Bldg. Shinsaibashi 04	10-5, Minamisenba 3-chome, Chuo-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	1,610.63	3,010	3,296
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	2,440	2,143
20027	JMF-Bldg. Midosuji 01	10-25, Minamisenba 3-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	2,393.40	9,260	10,616
20028	G-Bldg. Kobe Sannomiya 01	1-15, Kitanagasa-dori 3-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	3,750.38	3,040	3,114
20030	G-Bldg. Midosuji 02	8-18 Shinsaibashisuji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	1,428.28	31,500	15,505
20031	Twin 21 (Note 5)	1-61 Shiromi 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	84,964.88	65,400	60,166
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	11,227
20033	JMF-Bldg. Osaka Fukushima 01 (Note 5)	15-26, Fukushima 7-chome, Fukushima-ku, Osaka-shi, Osaka	Trust beneficial interest	10,078.72	9,840	8,517
20034	JMF-Bldg. Higobashi 01 (Note 5)	5-16 Edobori 1-chome, Nishi-ku, Osaka-shi, Osaka	Trust beneficial interest	4,655.57	5,310	4,269
20035	Konami Sports Club Kyobashi	8-17 Higashinoda-machi 1-chome, Miyakojima-ku, Osaka-shi, Osaka	Trust beneficial interest	9,586.26	3,010	3,350
20036	JMF-Bldg. Imabashi 01 (Note 5)	3-16 Imabashi 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	4,277.63	2,810	2,565
20037	JMF-Bldg. Nishi Hommachi 01 (Note 5)	6-1 Awaza 1-chome, Nishi-ku, Osaka-shi, Osaka	Trust beneficial interest	3,849.06	2,990	2,616
20038	G-Bldg. Shinsaibashi 05	8-5 Shinsaibashi-suji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	999.29	13,500	9,099
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	1,452
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	1,530
30001	AEON Yagoto	2-1, Ishizaka, Kojimachi-aza, Showa-ku, Nagoya-shi, Aichi	Trust beneficial interest	63,810.69	3,600	3,002
30002	mozo wonder city (Note 6)	40-1, Futakatacho, Nishi-ku, Nagoya-shi, Aichi, etc.	Trust beneficial interest	86,370.52	64,200	48,474

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	1,898
30004	Valor Kachigawa (Land with leasehold interest)	1-1 Onocho 2-chome, Kasugai-shi, Aichi	Trust beneficial interest	20,509.10	3,250	3,205
30005	JMF-Residence Meiekininami (Note 5)	3-16, Meiekininami 3-chome, Nakamura-ku, Nagoya-shi, Aichi	Trust beneficial interest	3,828.20	2,420	2,355
90001	Nara Family (Note 6)	4-1, Saidaiji-higashimachi 2-chome, Nara-shi, Nara	Trust beneficial interest	83,297.41	36,700	32,661
90002	AEON MALL Sapporo Naebo	1-1, Higashinaebo 2jo 3-chome, Higashi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	74,625.52	9,260	5,801
90003	AEON Naha Shopping Center	10-2, Kanagusuku 5-chome, Naha-shi, Okinawa	Trust beneficial interest	79,090.48	10,700	9,178
90004	Oyama Yuen Harvest Walk (Note 5)	1475-52, Aza-kaido-nishi, Oaza-Kizawa, Oyama-shi, Tochigi, etc.	Trust beneficial interest	60,171.65	9,680	7,189
90005	AEON MALL Sapporo Hassamu	1-1, Hassamu 8jo 12-chome, Nishi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	102,162.16	24,800	13,717
90006	MrMax Nagasaki	26-1, Iwami machi, Nagasaki-shi, Nagasaki, etc.	Trust beneficial interest	12,115.09	3,220	2,375
90007	Tecc LIFE SELECT Fukuoka Shime Honten	2-1, Minamizato 5-chome, Shime-machi, Kasuya-gun, Fukuoka	Trust beneficial interest	(Note 7)	6,830	4,043
90008	Round1 Hiroshima	3-11, Tatemachi, Naka-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	9,890.63	4,150	2,653
90009	DFS T GALLERIA OKINAWA	1-1, Omoromachi 4-chome, Naha-shi, Okinawa	Trust beneficial interest	41,845.28	18,100	14,025
90010	G-Bldg. Sendai Ichibancho 01	5-12, Ichibancho 3-chome, Aoba-ku, Sendai-shi, Miyagi	Real property	2,387.17	4,410	4,407
90011	G-Bldg. Naha-shintoshin 01	5-33, Omoromachi 2-chome, Naha-shi, Okinawa	Trust beneficial interest	(Note 7)	6,670	5,432
90012	JMF-Bldg. Tenjin Nishi-dori 01 (Note 5)	8-22, Tenjin 2-chome, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	2,658.19	4,640	5,029
90013	G-Bldg. Tenjin Nishi-dori 02	12-64, Daimyo 1-chome, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	1,496.56	5,610	5,177
90014	JMF-Bldg. Sendai 01 (Note 5)	10-3 Chuo 4-chome, Aoba-ku, Sendai-shi, Miyagi	Trust beneficial interest	13,079.19	7,530	6,825
90015	Dormy Inn Hakata Gion (Note 5)	1-12 Reisen-machi, Hakata-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	5,554.91	4,390	4,400
90016	JMF-Residence Chihaya (Note 5)	4-25 Chihaya 5-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	10,331.46	4,090	3,444
90017	Karuizawa Commongrounds (Land with leasehold interest)	1689-2, Aza-Toriiharawaki, Oaza-Nagakura, Karuizawa-machi, Kitasaku-gun, Nagano, etc.	Real property	11,315.43	535	519
Total				2,537,183.65	1,344,515	1,149,563

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 Morii Valuation & Advisory K.K.) in accordance with the methods and standard of assets valuation as stipulated in the Articles of Incorporation of JMF as well as the regulations as stipulated by The Investment Trusts Association, Japan.

Note 5 "Leasable area" for a pass-through master leased property are presented on an end-tenant basis.

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

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

Operating results of retail properties, office buildings, residences, hotels and mixed-use properties for the six months ended August 31, 2023 and February 29, 2024 were as follows:

No.	Name of property	For the six months ended August 31, 2023				For the six months ended February 29, 2024			
		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	53	99.5	634	1.6	48	97.0	610	1.6
10002	G-Bldg. Minami Aoyama 02 (Note 3)	-	-	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	41	0.1	3	100.0	40	0.1
10005	GYRE	14	100.0	686	1.8	13	100.0	707	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	627	1.6	2	100.0	628	1.6
10008	AEON Itabashi Shopping Center	1	100.0	716	1.8	1	100.0	709	1.8
10009	JMF-Bldg. Kita Aoyama 01	2	64.5	21	0.1	2	64.5	18	0.0
10011	SEIYU Hibarigaoka	1	100.0	249	0.6	1	100.0	249	0.6
10012	JMF-Bldg. Jiyugaoka 01	4	100.0	109	0.3	4	100.0	108	0.3
10013	Cheers Ginza	10	100.0	101	0.3	10	100.0	111	0.3
10014	Higashi-Totsuka Aurora City	5	100.0	1,262	3.2	5	100.0	1,263	3.2
10016	G-Bldg. Jingumae 06	4	100.0	54	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	920	2.4	1	100.0	917	2.4
10021	La Porte Aoyama (Note 4)	24	100.0	288	0.7	23	97.1	286	0.7
10023	JMF-Bldg. Jingumae 01	8	100.0	83	0.2	7	86.3	88	0.2
10024	G-Bldg. Minami-Ikebukuro 01 (Note 4)	8	100.0	263	0.7	8	100.0	250	0.6
10025	Makuhari Plaza	5	100.0	212	0.5	5	100.0	213	0.5
10026	Urban Terrace Jingumae	2	100.0	106	0.3	2	100.0	107	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	179	0.5	3	100.0	178	0.5
10035	Colline Bajikouen	10	100.0	138	0.4	10	100.0	136	0.4

No.	Name of property	For the six months ended August 31, 2023				For the six months ended February 29, 2024			
		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) (%)
10036	KAWASAKI Le FRONT	67	100.0	1,995	5.1	66	100.0	1,921	4.9
10037	JMF-Bldg. Shibuya 01	2	100.0	98	0.3	2	100.0	99	0.3
10038	G-Bldg. Omotesando 02	6	100.0	376	1.0	6	100.0	374	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	10	100.0	162	0.4	10	100.0	165	0.4
10041	G-Bldg. Ueno 01	1	100.0	76	0.2	1	100.0	76	0.2
10042	JMF-Bldg. Takadanobaba 01	14	100.0	169	0.4	14	100.0	170	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	99	0.3	10	100.0	123	0.3
10047	MARINE & WALK YOKOHAMA	26	100.0	441	1.1	26	100.0	444	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)	5	88.0	174	0.4	6	100.0	148	0.4
10050	JMF-Bldg. Jingumae 02	3	100.0	47	0.1	3	100.0	46	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	6	100.0	73	0.2	6	100.0	105	0.3
10054	Machinoma Omori	34	100.0	390	1.0	34	100.0	381	1.0
10055	JMF-Bldg. Daikanyama 01	9	100.0	105	0.3	9	100.0	101	0.3
10056	AEON MALL Tsudanuma	1	100.0	738	1.9	1	100.0	767	2.0
10057	JMF-Bldg. Yokohama Bashamichi 01 (Note 4)	13	100.0	694	1.8	13	100.0	695	1.8
10058	JMF-Bldg. Kawasaki 01 (Note 4)	9	70.7	661	1.7	10	79.4	552	1.4
10059	JMF-Bldg. Shibuya 02 (Note 4)	5	100.0	246	0.6	5	100.0	363	0.9
10060	JMF-Bldg. Shibuya 03 (Note 4)	11	100.0	291	0.7	10	90.1	297	0.8
10061	JMF-Bldg. Toyokocho 01 (Note 4)	13	95.1	252	0.6	14	100.0	294	0.8
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)
10064	JMF-Bldg. Toyokocho 02 (Note 4)	18	96.7	263	0.7	18	96.7	263	0.7

No.	Name of property	For the six months ended August 31, 2023				For the six months ended February 29, 2024			
		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) (%)
10065	JMF-Bldg. Sasazuka 01 (Note 4)	12	100.0	277	0.7	12	100.0	276	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	394	1.0	52	97.5	389	1.0
10068	JMF-Bldg. Akasaka 01 (Note 4)	10	88.7	98	0.3	10	100.0	93	0.2
10069	JMF-Bldg. Kanda01 (Note 4)	8	100.0	116	0.3	8	100.0	114	0.3
10070	JMF-Bldg. Edogawabashi 01 (Note 4)	5	100.0	94	0.2	5	100.0	100	0.3
10071	JMF-Bldg. Higashi Nihombashi 01 (Note 4)	8	89.7	79	0.2	9	100.0	85	0.2
10072	JMF-Bldg. Ichigaya 01 (Note 6)	30	99.4	460	1.2	29	98.8	459	1.2
10073	JMF-Bldg. Hiroo 01 (Note 6)	35	96.7	189	0.5	37	100.0	188	0.5
10074	JMF-Bldg. Funabashi 01	7	100.0	140	0.4	7	100.0	137	0.4
10075	JMF-Bldg. Akasaka 02 (Note 4)	12	100.0	579	1.5	12	100.0	709	1.8
10076	JMF-Residence Gakugeidaigaku (Note 4)	41	100.0	33	0.1	40	97.6	33	0.1
10077	JMF-Residence Kita-Shinagawa (Note 4)	58	93.2	44	0.1	59	94.6	45	0.1
10078	JMF-Residence Ikebukuro 1-chome (Note 4)	42	95.6	35	0.1	44	100.0	40	0.1
10079	JMF-Bldg. Nakano 01	7	100.0	91	0.2	7	100.0	103	0.3
10080	JMF-Residence Fujisawa (Note 4)	71	97.3	30	0.1	70	95.9	35	0.1
10081	JMF-Residence Shin-Yokohama (Note 4)	105	96.1	53	0.1	106	96.5	79	0.2
10082	JMF-Residence Akabane Shimo (Note 4)	55	95.0	35	0.1	58	100.0	50	0.1
10083	JMF-Residence Machida (Note 4)	-	-	-	-	148	82.0	30	0.1
20002	Kyoto Family	59	100.0	649	1.7	58	99.5	580	1.5
20003	Kawaramachi OPA	1	100.0	340	0.9	1	100.0	335	0.9
20004	AEON MALL Tsurumi Ryokuchi (Note 7)	1	100.0	864	2.2	1	100.0	686	1.8
20005	AEON MALL Itami	1	100.0	585	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	414	1.1	1	100.0	403	1.0
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)
20012	Round1 Stadium Sennichimae (Land with leasehold interest)	1	100.0	240	0.6	1	100.0	240	0.6

No.	Name of property	For the six months ended August 31, 2023				For the six months ended February 29, 2024			
		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) (%)
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	17	96.2	(Note 5)	(Note 5)	17	96.2	(Note 5)	(Note 5)
20017	KAMISHIN PLAZA	37	100.0	320	0.8	30	89.8	321	0.8
20018	Round1 Kyoto Kawaramachi	1	100.0	104	0.3	1	100.0	104	0.3
20019	G-Bldg. Shinsaibashi 03	3	12.9	(Note 5)	(Note 5)	4	100.0	(Note 5)	(Note 5)
20020	Round1 Stadium Takatsuki (Note 8)	-	-	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	157	0.4	10	100.0	157	0.4
20024	JMF-Bldg. Umeda 01	12	100.0	210	0.5	12	100.0	221	0.6
20025	G-Bldg. Shinsaibashi 04	5	100.0	80	0.2	5	100.0	87	0.2
20026	JMF-Bldg. Kyoto Kawaramachi 01	4	100.0	76	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 (Note 9)	1	100.0	(Note 5)	(Note 5)	-	-	(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)	110	98.9	2,459	6.3	112	96.6	2,474	6.3
20032	JMF-Bldg. Kitahama 01 (Note 4)	10	100.0	344	0.9	10	100.0	339	0.9
20033	JMF-Bldg. Osaka Fukushima 01 (Note 4)	25	98.6	292	0.7	26	100.0	300	0.8
20034	JMF-Bldg. Higobashi 01 (Note 4)	12	80.3	128	0.3	14	100.0	112	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	114	0.3	20	100.0	115	0.3
20037	JMF-Bldg. Nishi Hommachi 01 (Note 4)	20	97.0	105	0.3	20	100.0	103	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)	65	93.1	38	0.1	70	100.0	37	0.1
20040	JMF-Residence Osaka Fukushima (Note 4)	79	94.0	39	0.1	82	97.6	39	0.1
30001	AEON Yagoto	1	100.0	127	0.3	2	100.0	125	0.3

No.	Name of property	For the six months ended August 31, 2023				For the six months ended February 29, 2024			
		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) (%)
30002	mozo wonder city (Note 6)	220	99.9	3,382	8.7	221	99.8	3,341	8.6
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)
30005	JMF-Residence Meiekiminami (Note 4)	-	-	-	-	42	85.7	19	0.1
90001	Nara Family (Note 6)	110	99.8	1,818	4.7	109	99.7	1,796	4.6
90002	AEON MALL Sapporo Naebo	1	100.0	375	1.0	1	100.0	368	0.9
90003	AEON Naha Shopping Center	1	100.0	377	1.0	1	100.0	374	1.0
90004	Oyama Yuen Harvest Walk (Note 4)	67	99.7	770	2.0	66	99.6	792	2.0
90005	AEON MALL Sapporo Hassamu	1	100.0	583	1.5	1	100.0	636	1.6
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	530	1.4	1	100.0	534	1.4
90010	G-Bldg. Sendai Ichibancho 01	1	100.0	83	0.2	1	100.0	87	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	88.6	112	0.3	9	100.0	88	0.2
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)	82	96.0	309	0.8	86	98.4	312	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)	148	98.6	116	0.3	143	94.2	112	0.3
90017	Karuizawa Commongrounds (Land with leasehold interest)	1	100.0	(Note 5)	(Note 5)	1	100.0	(Note 5)	(Note 5)
Total		2,177	99.2	39,017	100.0	2,371	99.3	39,037	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 “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 7 JMF sold 25% quasi-co-ownership interest of the property on September 29, 2023.

Note 8 JMF sold the property on April 4, 2023.

Note 9 JMF sold the property on February 29, 2024.

4. Details of investment securities

The details of investment securities as of February 29, 2024 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		
Silent Partnership interests managed by R40 Godo Kaisha	Silent Partnership interests	-	-	8,651,999	-	8,651,999	-	Notes 1 and 2
Investment units of Nisshin Private Residential Reit, Inc.	Investment securities	5,350	1,234,283	6,603,414	1,234,283	6,603,414	-	Note 3
DREAM Mezzanine Debt Separate3 Investment Limited Partnership	Equity interest of investment limited partnership	-	-	783,172	-	783,172	-	Notes 1 and 4
Investment units of Hoosiers Private REIT Investment Corporation	Investment securities	2,050	1,070,272	2,194,057	1,070,272	2,194,057	-	Note 5
Silent Partnership interests managed by Godo Kaisha Rapport1	Silent Partnership interests	-	-	360,538	-	360,538	-	Notes 1 and 6
Silent Partnership interests managed by Godo Kaisha Rapport2	Silent Partnership interests	-	-	681,017	-	681,017	-	Notes 1 and 7
Silent Partnership interests managed by Godo Kaisha Rapport3	Silent Partnership interests	-	-	460,688	-	460,688	-	Notes 1 and 8
Total	—	-	-	19,734,888	-	19,734,888	-	-

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.

Note 6 The underlying assets are mainly trust beneficiary interests of Escenario Takanawa and ASYL COURT Yukigaya-otsuka, etc.

Note 7 The underlying assets are mainly trust beneficiary interests of ASYL COURT Omorinishi and S-RESIDENCE Ryogoku avenue, etc.

Note 8 The underlying assets are mainly trust beneficiary interests of Splendide Esaka Ekimae.

5. Details of specified transaction

The details of specified transaction as of February 29, 2024 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)	53,300	40,300	141
Total		53,300	40,300	141

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 February 29, 2024.

Capital expenditures for property

1. Schedule of capital expenditures

The current significant plan for capital expenditures on property maintenance is set out below. The amounts of estimated cost shown in the below table are including expenses that will be charged to income.

(Millions of yen)						
Name of property	Location	Purpose	Scheduled term for construction or maintenance	Estimated cost		
				Total	Advanced payment	
					Payment for the six months ended February 29, 2024	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	1,375	-	712
Twin 21	Chuo-ku, Osaka-shi, Osaka	Repair of outer wall	October, 2023 to 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	132	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of escalator	November, 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	November, 2023 to March, 2024	99	-	-
AEON MALL Sapporo Hassamu	Nishi-ku, Sapporo-shi, Hokkaido	Repair of outer wall	May, 2024 to July, 2024	98	-	-
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of PAC air conditioner	March, 2024 to June, 2024	86	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of elevator	March, 2024 to August, 2024	85	-	-
DFS T GALLERIA OKINAWA	Naha-shi, Okinawa	Renewal of AHU air conditioner	March, 2024 to April, 2024	81	-	-
JMF-Bldg. Toyochō 02	Koto-ku, Tokyo	Renewal of elevator	February, 2024 to July, 2024	81	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of common space at standard floor	November, 2023 to March, 2024	77	-	-
Abiko Shopping Plaza	Abiko-shi, Chiba	Rezoning construction at 2nd floor	July, 2024	74	0	0
Oyama Yuen Harvest Walk	Oyama-shi, Tochigi	Repair of rest room	February, 2024 to April, 2024	65	-	-
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of shutter main parts	May, 2024 to July, 2024	57	-	-
GYRE	Shibuya-ku, Tokyo	Renewal of rest room at 3rd floor	March, 2024 to April, 2024	55	5	5
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	-	-
DFS T GALLERIA OKINAWA	Naha-shi, Okinawa	Renewal of refrigerator	March, 2024 to May, 2024	50	-	-

(Millions of yen)

Name of property	Location	Purpose	Scheduled term for construction or maintenance	(millions of yen)		
				Total	Estimated cost	
					Advanced payment	
					Payment for the six months ended February 29, 2024	Total of advanced payment
For the six months ending February 28, 2025 (the 46th fiscal period from September 1, 2024 to February 28, 2025)						
G-Bldg. Minami-Ikebukuro 01	Toshima-ku, Tokyo	Renewal of facility	April, 2024 to December, 2024	417	-	37
AEON MALL Tsudanuma	Narashino-shi, Chiba	Renewal of absorption chiller heater	November, 2024	209	-	
JMF-Bldg. Ueno 01	Taito-ku, Tokyo	Renewal of air conditioning system	July, 2023 to February, 2025	207	-	5
Twin 21	Chuo-ku, Osaka-shi, Osaka	Repair of outer wall	October, 2024 to February, 2025	151	-	-
AEON MALL Sapporo Hassamu	Nishi-ku, Sapporo-shi, Hokkaido	Repair of outer wall	July, 2024 to January, 2025	145	-	-
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of elevator	September, 2024	115	-	-
AEON MALL Itami	Itami-shi, Hyogo	Waterproofing construction of rooftop	October, 2024 to February, 2025	102	-	-
DFS T GALLERIA OKINAWA	Naha-shi, Okinawa	Renewal of AHU air conditioner	September, 2024 to December, 2024	97	-	-
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of PAC air conditioner	January, 2024 to January, 2025	86	-	-
m-city Toyonaka	Toyonaka-shi, Osaka	Repair of outer wall	September, 2024 to December, 2024	86	-	-
Oyama Yuen Harvest Walk	Oyama-shi, Tochigi	Repair of rest room	November, 2024 to January, 2025	81	-	-
mozo wonder city	Nishi-ku, Nagoya-shi, Aichi	Construction of exhaust fan at parking tower	July, 2024 to December, 2024	78	1	1
AEON MALL Itami	Itami-shi, Hyogo	Construction of disaster prevention system	September, 2024 to January, 2025	76	-	-
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of electrical substation equipment	January, 2024 to January, 2025	74	-	-
DFS T GALLERIA OKINAWA	Naha-shi, Okinawa	Renewal of refrigerator	September, 2024 to December, 2024	73	-	-
JMF-Bldg. Toyochō 02	Koto-ku, Tokyo	Repair of outer wall	September, 2024 to February, 2025	68	-	-
AEON MALL Tsurumi Ryokuchi	Tsurumi-ku, Osaka-shi, Osaka	Renewal of package air conditioner	September, 2024 to November, 2024	63	-	-
Nara Family	Nara-shi, Nara	Renewal construction of fire extinguisher equipment	December, 2024	61	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of escalator	June, 2024 to February, 2025	57	-	-
mozo wonder city	Nishi-ku, Nagoya-shi, Aichi	Renewal of GHP at SPORTS building	July, 2024 to December, 2024	57	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system at standard floor	November, 2024 to February, 2025	55	-	-
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of central monitoring equipment	November, 2024 to February, 2025	52	-	-
KAWASAKI Le FRONT	Kawasaki-ku, Kawasaki-shi, Kanagawa	Renewal of PAC at Yodobashi side	September, 2024	51	-	-
Higashi-Totsuka Aurora City	Totsuka-ku, Yokohama-shi, Kanagawa	Repair of outer wall	November, 2024 to January, 2025	51	-	-
Ito-Yokado Tsunashima	Kohoku-ku, Yokohama-shi, Kanagawa	Coating of cylinder slope	August, 2024 to February, 2025	51	-	-
AEON MALL Itami	Itami-shi, Hyogo	Renewal of air conditioning system	August, 2024 to January, 2025	50	-	-

2. Capital expenditures for the six months ended February 29, 2024

Maintenance expenditures on property for the six months ended February 29, 2024 were totaling to ¥5,287 million consisting of ¥4,389 million of capital expenditures stated as below and ¥898 million of repair and maintenance expenses charged to income.

(Millions of yen)

Name of property	Location	Purpose	Term for construction or maintenance	Capital expenditures
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of the central monitoring equipment	October, 2023 to December, 2023	229
AEON MALL Tsudanuma	Narashino-shi, Chiba	Renewal of PAC at common area	November, 2023 to December, 2023	137
Kyoto Family	Ukyo-ku, Kyoto-shi, Kyoto	Renewal of air conditioning system	November, 2023 to January, 2024	92
AEON MALL Musashi Murayama	Musashimurayama-shi, Tokyo	Renewal of PAC air conditioner	February, 2024	85
AEON MALL Itami	Itami-shi, Hyogo	Construction of disaster prevention system	December, 2023 to February, 2024	75
G-Bldg. Shinsaibashi 03	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system, disaster prevention equipment and smokeproof wall at A building	September, 2023 to October, 2023	70
JMF-Bldg. Yokohama Bashamichi 01	Naka-ku, Yokohama-shi, Kanagawa	Renewal of air conditioning system	February, 2024	67
AEON MALL Sapporo Hassamu	Nishi-ku, Sapporo-shi, Hokkaido	Renewal of EHP and GHP	February, 2024	67
JMF-Bldg. Yokohama Bashamichi 01	Naka-ku, Yokohama-shi, Kanagawa	Renewal of central monitoring equipment	February, 2024	63
Bic Camera Tachikawa	Tachikawa-shi, Tokyo	Renewal of escalator at main building	November, 2023 to January, 2024	57
Kyoto Family	Ukyo-ku, Kyoto-shi, Kyoto	Enlargement construction of trance	November, 2023 to February, 2024	57
Twin 21	Chuo-ku, Osaka-shi, Osaka	Renewal of air conditioning system at standard floor	December, 2023 to February, 2024	54
AEON MALL Tsudanuma	Narashino-shi, Chiba	Coating of iron part (2nd)	November, 2023 to January, 2024	53
JMF-Bldg. Nihombashi Hamacho 01	Chuo-ku, Tokyo	Renewal of air conditioning system at interior side	September, 2023 to February, 2024	52
Higashi-Totsuka Aurora City	Totsuka-ku, Yokohama-shi, Kanagawa	Renewal of air conditioning system at SEIBU building	February, 2024	51
AEON MALL Tsurumi Ryokuchi	Tsurumi-ku, Osaka-shi, Osaka	Renewal of guide light	January, 2024 to February, 2024	51
Other	-	-	-	3,122
Total				4,389

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	43rd fiscal period	44th fiscal period
	For the six months ended August 31, 2023	For the six months ended February 29, 2024
Asset management fees (Note 1)	3,762,769	3,696,365
Custodian fees	34,161	33,606
General administration fees	154,647	152,876
Compensation for Directors	5,782	5,782
Other operating expenses (Note 2)	894,006	914,981
Total	4,851,367	4,803,611

Note 1 In addition to the above asset management fees, JMF paid the asset manager fees which were capitalized as property costs amounting to ¥125,984 thousand and ¥50,792 thousand for the six months ended August 31, 2023 and February 29, 2024, respectively, and those fees which were charged to income as costs of sale of property amounting to ¥67,819 thousand and ¥61,200 thousand for the six months ended August 31, 2023 and February 29, 2024, respectively.

Note 2 Other operating expenses include amortization of goodwill amounting to ¥401,230 thousand for the six months ended August 31, 2023 and February 29, 2024, 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
AEON MALL Tsurumi Ryokuchi (25% quasi-co-ownership) (Note 2)	-	-	September 29, 2023	6,400	5,526	830
JMF-Residence Machida	October 2, 2023	4,059	-	-	-	-
Silent Partnership interests managed by Godo Kaisha Rapport1	December 21, 2023	360	-	-	-	-
Silent Partnership interests managed by Godo Kaisha Rapport2	December 21, 2023	680	-	-	-	-
Silent Partnership interests managed by Godo Kaisha Rapport3	December 21, 2023	460	-	-	-	-
JMF-Residence Meiekiminami	December 22, 2023	2,290	-	-	-	-
Round1 Sannomiya Station (Note 3)	-	-	February 29, 2024	3,800	3,169	603
Total		7,849		10,200	8,695	1,434

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 AEON MALL Tsurumi Ryokuchi reflects other transfer expenses amounting to ¥43 million.

Note 3 Gain (loss) on disposition of Round1 Sannomiya Station reflects other transfer expenses amounting to ¥26 million.

2. Transactions of other assets

(Millions of yen)

Classification of assets	Purchase		Sale		Balance as of February 29, 2024	
	Quantity	Amount (Note 1)	Quantity	Amount (Note 1)	Quantity	Amount (Note 2)
Investment Securities	1,030	1,263	-	-	5,350	6,603
Total	1,030	1,263	-	-	5,350	6,603

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

Note 2 The amount of balance as of February 29, 2024 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
Disposition	AEON MALL Tsurumi Ryokuchi (25% quasi-co-ownership)	September 29, 2023	6,400	6,400 (Note 2)	Japan Real Estate Institute	February 28, 2023
Acquisition	JMF-Residence Machida	October 2, 2023	4,059	4,290	Tanizawa Sōgō Appraisal Co., Ltd.	October 1, 2022
Acquisition	JMF-Residence Meiekininami	December 22, 2023	2,290	2,420	Tanizawa Sōgō Appraisal Co., Ltd.	December 1, 2023
Disposition	Round1 Sannomiya Station	February 29, 2024	3,800	3,330	Tanizawa Sōgō Appraisal Co., Ltd.	February 28, 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 The appraisal value of AEON MALL Tsurumi Ryokuchi is calculated by multiplying appraisal value of the property as of February 28, 2023 amounting to ¥25,600 million by 25% of co-ownership interest disposed on September 29, 2023.

(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	Investment units of Nisshin Private Residential Reit, Inc.	December 25, 2023 January 9, 2024	Investment securities	1,263	1,263
Purchase	Silent Partnership interests managed by Godo Kaisha Rapport1	December 21, 2023	Silent Partnership interests	360	360
Purchase	Silent Partnership interests managed by Godo Kaisha Rapport2	December 21, 2023	Silent Partnership interests	680	680
Purchase	Silent Partnership interests managed by Godo Kaisha Rapport3	December 21, 2023	Silent Partnership interests	460	460

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 September 1, 2023 to February 29, 2024 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 August 31, 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 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%
The 44th fiscal period (September 1, 2023 to February 29, 2024)	6,400	565,120	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 General Meeting for Unitholders

The 15th General Meeting of Unitholders was held on November 30, 2023 and following matters were resolved at the meeting.:

Resolution proposal	Summary
Resolution Proposal 1 - Partial amendment of the Articles of Incorporation	<p>Following amendments were resolved as proposal.</p> <ul style="list-style-type: none"> • With regard to Specified Assets to be as Primary Type of Investment, pursuant to the revision of the “Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities”, the name of the law aforesaid shall be changed to “Act on Special Measures Concerning Promotion of Utilization of Electricity from Renewable Energy Sources”, and the numbering of the cited articles shall be also adjusted to match the revised articles of the law aforesaid. • With regard to Method of and Standards for Asset Evaluation, the necessary amendments relating to the method of and standards for asset evaluation shall be made following the application of the Accounting Standards for Financial Instruments (ASBJ Statement No. 10 (revised)) (including any accounting standards and implementation guidance newly established or revised relating there to). • With regard to Value in Securities Registration Statements, Securities Reports and Asset Management Reports, the amendments shall be made in order to clarify the evaluation method when making evaluations for the purposes of recording a value in a securities registration statement, securities report, and asset management report, etc., in light of trends in other real estate investment corporations listed on the real estate investment trust securities market of the Tokyo Stock Exchange and the perspective of ensuring objectivity of the evaluation amount. • With regard to Holding of General Meeting of Unitholders and Measures for Electronic Provision, as the amendment provisions stipulated in Supplementary Provision No. 3 of the “Act on Arrangement of Relevant Acts Incidental to Partial Revision of the Companies Act” came into effect on September 1, 2022, a new provision will be established in order to stipulate the provision introducing measures for electronic provision to provide the information.
Resolution Proposal 2 - Appointment of one executive director	Masahiko Nishida was appointed as proposal.
Resolution Proposal 3 - Appointment of two supervisory directors	Osamu Ito and Yoko Shirasu were appointed as proposal.
Resolution Proposal 4 - Appointment of two alternate executive directors	Keita Araki and Takuya Machida were appointed as proposal.
Resolution Proposal 5 - Appointment of one alternate supervisory director	Masaharu Usuki was appointed as proposal.



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 February 29, 2024, 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 February 29, 2024, 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.

Emphasis of Matter

We draw attention to Note 28 to the financial statements which discloses that the company acquired its own investment units in accordance with the resolution of the acquisition. Our opinion is not modified in respect of this matter.

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 February 29, 2024 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 February 29, 2024, the amounts of fees for the audit and the other services charged to the Company by PricewaterhouseCoopers Japan LLC and other PwC Network firms are ¥27 million and ¥38.2 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

May 29, 2024

藪 谷 峰

Takashi Yabutani

Designated Engagement Partner
Certified Public Accountant

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 August 31, 2023 and February 29, 2024

	As of		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
ASSETS			
Current assets:			
Cash and bank deposits (Note 14).....	¥ 37,370	¥ 34,754	\$ 230,663
Cash and bank deposits in trust (Note 14).....	20,000	22,211	147,414
Rent receivables	1,039	993	6,590
Advance payments to suppliers.....	847	442	2,933
Income taxes receivable.....	64	75	497
Other current assets	1,603	1,658	11,004
Total current assets.....	60,926	60,134	399,110
Non-current assets:			
Property and equipment (Notes 5, 6 and 24) at cost:			
Buildings.....	2,486	3,944	26,176
Accumulated depreciation.....	(933)	(983)	(6,524)
Buildings, net.....	1,553	2,960	19,645
Building improvements.....	66	85	564
Accumulated depreciation.....	(36)	(37)	(245)
Building improvements, net.....	29	48	318
Furniture and fixtures.....	21	28	185
Accumulated depreciation.....	(17)	(17)	(112)
Furniture and fixtures, net.....	4	11	73
Land.....	27,036	29,793	197,736
Buildings in trust.....	353,589	354,032	2,349,717
Accumulated depreciation.....	(129,794)	(132,530)	(879,604)
Buildings in trust, net.....	223,794	221,502	1,470,113
Building improvements in trust.....	12,401	12,057	80,022
Accumulated depreciation.....	(5,390)	(5,386)	(35,746)
Building improvements in trust, net.....	7,011	6,670	44,268
Machinery and equipment in trust.....	2,308	2,349	15,590
Accumulated depreciation.....	(1,530)	(1,543)	(10,240)
Machinery and equipment in trust, net.....	777	806	5,349
Furniture and fixtures in trust.....	5,394	5,399	35,833
Accumulated depreciation.....	(3,722)	(3,771)	(25,028)
Furniture and fixtures in trust, net.....	1,672	1,627	10,798
Land in trust.....	884,746	879,743	5,838,873
Construction in progress in trust.....	845	907	6,019
Total property and equipment.....	1,147,471	1,144,071	7,593,223
Intangible assets:			
Goodwill.....	14,043	13,641	90,535
Leasehold rights in trust (Note 24).....	5,513	5,442	36,118
Other intangible assets (Note 24).....	257	212	1,407
Other intangible assets in trust (Note 24).....	55	48	318
Total intangible assets.....	19,869	19,345	128,393
Investment and other assets:			
Investment securities (Notes 16 and 17).....	16,905	19,734	130,974
Lease deposits in trust.....	1,467	1,503	9,975
Long-term prepaid expenses.....	2,895	2,895	19,214
Derivatives (Note 18).....	236	241	1,599
Other investments.....	1	1	6
Total investment and other assets.....	21,505	24,375	161,777
Total non-current assets.....	1,188,846	1,187,792	7,883,400
Deferred assets:			
Investment corporation bond issuance costs.....	153	151	1,002
Total deferred assets.....	153	151	1,002
TOTAL ASSETS.....	¥ 1,249,926	¥ 1,248,078	\$ 8,283,520

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

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
BALANCE SHEET

As of August 31, 2023 and February 29, 2024

	As of		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable – operating.....	¥ 4,863	¥ 4,523	\$ 30,019
Short-term borrowings.....	2,000	500	3,318
Current portion of long-term bonds issued			
– unsecured (Note 16).....	14,500	14,000	92,918
Current portion of long-term borrowings (Note 16).....	48,200	59,150	392,579
Accounts payable – other.....	37	37	245
Accrued expenses.....	2,207	2,186	14,508
Income taxes payable.....	-	-	-
Consumption tax payable.....	709	943	6,258
Rent received in advance.....	4,546	4,583	30,417
Deposits received.....	1,540	1,356	8,999
Current portion of tenant leasehold and security deposits			
in trust (Note 5).....	68	68	451
Current portion of asset retirement obligations (Note 23).....	112	-	-
Other current liabilities.....	110	76	504
Total current liabilities	78,896	87,425	580,241
Non-current liabilities:			
Long-term bonds issued – unsecured (Note 16).....	47,000	43,500	288,710
Long-term borrowings (Notes 16).....	438,945	432,995	2,873,797
Tenant leasehold and security deposits.....	1,680	1,714	11,375
Tenant leasehold and security deposits in trust (Note 5).....	57,498	56,173	372,821
Asset retirement obligations (Note 23).....	730	826	5,482
Other non-current liabilities.....	97	84	557
Total non-current liabilities	545,952	535,294	3,552,757
TOTAL LIABILITIES	624,848	622,719	4,132,999
Net Assets (Notes 8, 10 and 13):			
Unitholders' equity:			
Unitholders' capital.....	411,878	411,878	2,733,643
Surplus:.....			
Capital surplus	202,855	202,855	1,346,352
Deduction from capital surplus.....	(11,999)	(11,999)	(79,637)
Capital surplus, net.....	190,855	190,855	1,266,708
Voluntary reserve.....			
Reserve for reduction entry	1,153	1,658	11,004
Reserve for dividends	3,915	3,915	25,983
Retained earnings for temporary difference adjustment			
(Note 9).....	640	384	2,548
Total voluntary reserve.....	5,709	5,958	39,543
Retained earnings	16,051	16,016	106,298
Total surplus.....	212,616	212,830	1,412,557
Total unitholders' equity	624,494	624,708	4,146,200
Valuation and translation adjustments:			
Net unrealized holding gains (losses) on investment securities.....	346	409	2,714
Deferred gains or losses on hedges.....	236	241	1,599
Total valuation and translation adjustments	582	650	4,314
TOTAL NET ASSETS	625,077	625,358	4,150,514
TOTAL LIABILITIES AND NET ASSETS	¥ 1,249,926	¥ 1,248,078	\$ 8,283,520

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 August 31, 2023 and February 29, 2024

	For the six months ended		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Operating revenues			
Rent and other operating revenues (Note 11).....	¥ 39,020	¥ 39,039	\$ 259,102
Gain on sales of property (Note 12).....	2,026	1,434	9,517
Dividend income.....	358	405	2,687
Total operating revenues.....	41,405	40,879	271,314
Operating expenses			
Property-related expenses (Note 11).....	18,499	18,049	119,791
Asset management fees.....	3,762	3,696	24,530
Custodian fees.....	34	33	219
General administration fees.....	154	152	1,008
Compensation for Directors.....	5	5	33
Amortization of goodwill.....	401	401	2,661
Other operating expenses.....	492	513	3,404
Total operating expenses.....	23,350	22,852	151,669
Operating income.....	18,054	18,026	119,638
Non-operating revenues			
Interest income.....	-	-	-
Compensation income.....	-	-	-
Other non-operating revenues.....	1	3	19
Total non-operating revenues.....	2	3	19
Non-operating expenses			
Interest expenses	1,394	1,408	9,344
Interest expenses on investment corporation bonds.....	206	194	1,287
Amortization of investment corporation bond issuance costs	25	25	165
Loan-related costs	374	384	2,548
Loss on retirement of non-current assets.....	-	-	-
Other non-operating expenses	3	1	6
Total non-operating expenses.....	2,004	2,013	13,360
Ordinary income.....	16,052	16,016	106,298
Income before income taxes.....	16,052	16,016	106,298
Income taxes (Note 20):			
Current	-	-	-
Total income taxes.....	-	-	-
Net income.....	16,051	16,016	106,298
Unappropriated earnings at beginning of period.....	-	-	-
Retained earnings at the end of period.....	¥ 16,051	¥ 16,016	\$ 106,298

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 August 31, 2023 and February 29, 2024

	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	
	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					
(in millions)																
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	
Changes during the period																
Provision of reserve for reduction entry of property.....	-	-	-	-	505	-	-	505	(505)	-	-	-	-	-	-	
Reversal of retained earnings for temporary difference adjustment.....	-	-	-	-	-	-	(255)	(255)	255	-	-	-	-	-	-	
Cash distribution declared.....	-	-	-	-	-	-	-	-	(15,802)	(15,802)	(15,802)	-	-	-	(15,802)	
Net income.....	-	-	-	-	-	-	-	-	16,016	16,016	16,016	-	-	-	16,016	
Net changes of items other than unitholders' equity.....	-	-	-	-	-	-	-	-	-	-	-	63	4	67	67	
Total changes during the period	-	-	-	-	505	-	(255)	249	(35)	213	213	63	4	67	281	
Balance as of February 29, 2024.....	¥ 411,878	¥ 202,855	¥ (11,999)	¥ 190,855	¥ 1,658	¥ 3,915	¥ 384	¥ 5,958	¥ 16,016	¥ 212,830	¥ 624,708	¥ 409	¥ 241	¥ 650	¥ 625,358	

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 August 31, 2023 and February 29, 2024

	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
	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				
(in thousands of U.S. dollars (Note 3))															
Balance as of August 31, 2023.....	\$ 2,733,643	\$ 1,346,352	\$ (79,637)	\$ 1,266,708	\$ 7,652	\$ 25,983	\$ 4,247	\$ 37,890	\$ 106,530	\$ 1,411,136	\$ 4,144,779	\$ 2,296	\$ 1,566	\$ 3,862	\$ 4,148,649
Changes during the period															
Provision of reserve for reduction entry of property.....	-	-	-	-	3,351	-	-	3,351	(3,351)	-	-	-	-	-	-
Reversal of retained earnings for temporary difference adjustment.....	-	-	-	-	-	-	(1,692)	(1,692)	1,692	-	-	-	-	-	-
Cash distribution declared.....	-	-	-	-	-	-	-	-	(104,878)	(104,878)	(104,878)	-	-	-	(104,878)
Net income.....	-	-	-	-	-	-	-	-	106,298	106,298	106,298	-	-	-	106,298
Net changes of items other than unitholders' equity.....	-	-	-	-	-	-	-	-	-	-	-	418	26	444	444
Total changes during the period	-	-	-	-	3,351	-	(1,692)	1,652	(232)	1,413	1,413	418	26	444	1,865
Balance as of February 29, 2024.....	\$ 2,733,643	\$ 1,346,352	\$ (79,637)	\$ 1,266,708	\$ 11,004	\$ 25,983	\$ 2,548	\$ 39,543	\$ 106,298	\$ 1,412,557	\$ 4,146,200	\$ 2,714	\$ 1,599	\$ 4,314	\$ 4,150,514

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 August 31, 2023 and February 29, 2024

	For the six months ended		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Retained earnings at the end of period.....	¥ 16,051	¥ 16,016	\$ 106,298
Reversal of retained earnings for temporary difference adjustment.....	255	371	2,462
Cash distribution declared.....	(15,802)	(15,865)	(105,296)
Provision of reserve for reduction entry of property.....	(505)	(522)	(3,464)
Retained earnings carried forward.....	¥ -	¥ -	\$ -

Cash distributions per investment unit were ¥2,261 and ¥2,270 (US\$15) for the six months ended August 31, 2023 and February 29, 2024, respectively.

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 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 and provision of reserve for reduction entry of property amounting to ¥505 million. As a result, distribution per unit amounted to ¥2,261. 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 February 29, 2024:

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 29, 2024 amounting to ¥15,865 million (US\$105,296 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 ¥371 million (US\$2,462 thousand) and provision of reserve for reduction entry of property amounting to ¥522 million (US\$3,464 thousand). As a result, distribution per unit amounted to ¥2,270(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 August 31, 2023 and February 29, 2024

	For the six months ended		
	August 31,	February 29,	February 29,
	2023	2024	2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Cash Flows from Operating Activities:			
Income before income taxes.....	¥ 16,052	¥ 16,016	\$ 106,298
Adjustments to reconcile income before income taxes to net cash by operating activities:			
Depreciation.....	5,826	5,709	37,890
Amortization of goodwill.....	401	401	2,661
Amortization of investment corporation bond issuance costs.....	25	25	165
Gain on sales of property.....	(2,026)	(1,434)	(9,517)
Loss on retirement of non-current assets.....	68	161	1,068
Interest income.....	-	-	-
Interest expenses.....	1,600	1,602	10,632
Changes in assets and liabilities:			
(Increase) decrease in rent receivables.....	119	45	298
(Increase) decrease in income taxes receivable.....	(11)	(10)	(66)
(Increase) decrease in long-term prepaid expenses.....	(493)	-	-
Increase (decrease) in accounts payable - operating.....	303	(659)	(4,373)
Increase (decrease) in consumption tax payable.....	(67)	234	1,553
Increase (decrease) in accounts payable - other.....	(5)	3	19
Increase (decrease) in accrued expenses.....	37	(22)	(146)
Increase (decrease) in rent received in advance.....	90	36	238
Increase (decrease) in deposits received.....	196	(126)	(836)
Other, net.....	(261)	(110)	(730)
Sub total.....	21,856	21,871	145,158
Interest received.....	-	-	-
Interest expenses paid.....	(1,565)	(1,602)	(10,632)
Income taxes paid.....	-	-	-
Net cash provided by operating activities.....	20,290	20,268	134,519
Cash Flows from Investing Activities:			
Purchase of property and equipment.....	(15)	(3,835)	(25,452)
Proceeds from sales of property and equipment.....	2,598	-	-
Payments for sales of property and equipment.....	-	(17)	(112)
Purchase of property and equipment in trust.....	(20,106)	(6,309)	(41,872)
Deposit for purchase of property and equipment in trust.....	(442)	-	-
Proceeds from sales of property and equipment in trust.....	8,489	10,135	67,266
Payments for sales of property and equipment in trust.....	(23)	(58)	(384)
Purchase of intangible assets.....	(6)	(3)	(19)
Purchase of intangible assets in trust.....	(539)	(10)	(66)
Proceeds from sales of intangible assets in trust.....	-	65	431
Payments of tenant leasehold and security deposits.....	(202)	(22)	(146)
Proceeds from tenant leasehold and security deposits.....	30	69	457
Payments of tenant leasehold and security deposits in trust.....	(1,121)	(2,530)	(16,791)
Proceeds from tenant leasehold and security deposits in trust.....	1,343	973	6,457
Payments of lease deposits in trust.....	-	(56)	(371)
Proceeds from lease deposits in trust.....	-	20	132
Purchase of investment securities.....	(1,004)	(2,766)	(18,358)
Payments for restricted bank deposits in trust.....	-	-	-
Other expenditures.....	-	-	-
Net cash provided by (used in) investing activities.....	(11,002)	(4,346)	(28,844)
Cash Flows from Financing Activities:			
Proceeds from short-term borrowings.....	1,000	2,200	14,601
Repayments of short-term borrowings.....	(5,200)	(3,700)	(24,556)
Proceeds from long-term borrowings.....	32,100	22,400	148,669
Repayments of long-term borrowings.....	(23,900)	(17,400)	(115,484)
Proceeds from issuance of investment corporation bonds.....	3,974	3,476	23,070
Redemption of investment corporation bonds.....	(8,000)	(7,500)	(49,777)
Distribution payments.....	(16,167)	(15,804)	(104,891)
Net cash used in financing activities.....	(16,193)	(16,327)	(108,362)
Net change in cash and cash equivalents.....	(6,904)	(405)	(2,687)
Cash and cash equivalents at the beginning of period.....	63,640	56,735	376,551
Cash and cash equivalents at the end of period (Note 14).....	¥ 56,735	¥ 56,330	\$ 373,863

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 August 31, 2023 and February 29, 2024

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 44th fiscal period (February 29, 2024) amounted to ¥1,210.0 billion (US\$8,030 million) (the total acquisition price of 133 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 ¥38 million and ¥0 million (US\$0 thousand) for the six months ended August 31, 2023 and February 29, 2024, 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 ¥150.67 = US\$1, the effective rate of exchange prevailing at February 29, 2024. The inclusion of such U.S. dollar amounts associated with the fiscal six months ended February 29, 2024 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		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Impairment loss.....	¥ -	¥ -	\$ -
Property and equipment.....	1,147,471	1,144,071	7,593,223
Intangible assets.....	5,826	5,703	37,850

(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 ¥173,667 million and ¥171,650 million (US\$1,139,244 thousand) were pledged as collateral to secure tenant leasehold and security deposits in trust totaling ¥15,754 million and ¥15,322 million (US\$101,692 thousand) as of August 31, 2023 and February 29, 2024, respectively. The assets pledged as collateral are as follows:

	As of		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Cash and bank deposits in trust.....	¥ 635	¥ 635	\$ 4,214
Buildings in trust.....	46,537	44,827	297,517
Building improvements in trust.....	1,924	1,654	10,977
Machinery and equipment in trust.....	182	168	1,115
Furniture and fixtures in trust.....	420	401	2,661
Land in trust.....	123,961	123,961	822,731
Construction in progress in trust.....	5	1	6
Total.....	¥ 173,667	¥ 171,650	\$ 1,139,244

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\$2,322 thousand) as of August 31, 2023 and February 29, 2024, respectively, or a co-owner's payment of tenant leasehold and security deposits for amounts of ¥133 million and ¥133 million (US\$882 thousand) as of August 31, 2023 and February 29, 2024, respectively, and revolving mortgages at a maximum ¥558 million and ¥558 million (US\$3,703 thousand) as of August 31, 2023 and February 29, 2024, 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		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Acquired by government subsidies			
Buildings in trust.....	¥ 336	¥ 336	\$ 2,230
Building improvements in trust.....	-	-	-
Furniture and fixtures in trust.....	-	-	-
Total.....	¥ 337	¥ 337	\$ 2,236
Land in trust acquired through exchange.....	¥ 450	¥ 450	\$ 2,986

Note 7 — Credit Facilities and Commitment Lines

As of August 31, 2023 and February 29, 2024, the Company entered into credit facilities and committed lines of credit as follows:

	As of		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Credit Facilities			
Total amount of credit facilities.....	¥ 54,500	¥ 54,500	\$ 361,717
Borrowings drawn down.....	-	-	-
Unused credit facilities.....	¥ 54,500	¥ 54,500	\$ 361,717
Commitment Lines			
Total amount of committed lines of credit.....	¥ 75,000	¥ 75,000	\$ 497,776
Borrowings drawn down.....	-	-	-
Unused committed lines of credit.....	¥ 75,000	¥ 75,000	\$ 497,776

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		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Accumulated amount of units retired.....	¥ 11,999	¥ 11,999	\$ 79,637
	As of		
	August 31, 2023	February 29, 2024	
	(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 August 31, 2023:

	Initial amount	Balance at beginning of the period	Provision	Reversal	Balance at end of the period	Reason for provision or reversal
	(in millions)					
Reserve for dividends ⁽ⁱ⁾	¥ 3,138	¥ 834	¥ -	¥ (194)	¥ 640	Appropriation for dividends

For the six months ended February 29, 2024:

	Initial amount	Balance at beginning of the period	Provision	Reversal	Balance at end of the period	Reason for provision or reversal
	(in millions)					
Reserve for dividends ⁽ⁱ⁾	¥ 3,138	¥ 640	¥ -	¥ (255)	¥ 384	Appropriation for dividends
	(in thousands of U.S. dollars (Note 3))					
	\$ 20,826	\$ 4,247	\$ -	\$ (1,692)	\$ 2,548	

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\$331 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 August 31, 2023 and February 29, 2024 consist of the following:

	For the six months ended		
	August 31,	February 29,	February 29,
	2023	2024	2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Rent and other operating revenues:			
Rent revenue.....	¥ 34,240	¥ 34,620	\$ 229,773
Common area charges.....	2,289	1,969	13,068
Other.....	2,490	2,449	16,254
Total rent and other operating revenues.....	¥ 39,020	¥ 39,039	\$ 259,102
Property-related expenses:			
Property management fees.....	¥ 873	¥ 906	\$ 6,013
Facility management fees.....	2,477	2,482	16,473
Utilities.....	2,864	2,405	15,962
Property-related taxes.....	3,624	3,585	23,793
Repair and maintenance.....	872	898	5,960
Insurance.....	77	79	524
Trust fees.....	54	53	351
Rent expense ⁽ⁱ⁾	804	805	5,342
Other.....	1,001	1,006	6,676
Depreciation.....	5,781	5,664	37,592
Loss on retirement of non-current assets.....	67	161	1,068
Total property-related expenses.....	¥ 18,499	¥ 18,049	\$ 119,791
Operating income from property leasing activities.....	¥ 20,521	¥ 20,990	\$ 139,311

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 August 31, 2023 and February 29, 2024 is as follows:

For the six months endedAugust 31, 2023					
	LIFE Kishibe (Land with leasehold interest)		Round1 Stadium Takatsuki		G-Bldg. Minami Aoyama 02
	(in millions)				
Sales of property.....	¥	2,600	¥	3,320	¥ 5,383
Costs of sales of property.....		1,942		1,877	5,161
Other sales expenses.....		18		72	203
Gain on sales of property, net.....	¥	638	¥	1,369	¥ 18

For the six months ended February 29, 2024					
	AEON MALL Tsurumi Ryokuchi (25% quasi-co-ownership)		AEON MALL Round1 Sannomiya Station		
	(in millions)		(in thousands of U.S. dollars (Note 3))		
Sales of property.....	¥	6,400	¥	3,800	\$ 42,476 \$ 25,220
Costs of sales of property.....		5,526		3,169	36,676 21,032
Other sales expenses.....		43		26	285 172
Gain on sales of property, net.....	¥	830	¥	603	\$ 5,508 \$ 4,002

Note 13 — Investment Units Authorized and Issued

The number of authorized investment units was 16,000,000 as of August 31, 2023 and February 29, 2024. The number of investment units issued and outstanding was 6,989,091 as of August 31, 2023 and February 29, 2024.

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		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Cash and bank deposits.....	¥ 37,370	¥ 34,754	\$ 230,663
Cash and bank deposits in trust.....	20,000	22,211	147,414
Restricted bank deposits in trust ⁽ⁱ⁾	(635)	(635)	(4,214)
Cash and cash equivalents.....	¥ 56,735	¥ 56,330	\$ 373,863

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 August 31, 2023 and February 29, 2024 (exclusive of the recovery of utility and other charges) scheduled to be received are summarized as follows:

	As of		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Due within one year.....	¥ 23,210	¥ 25,644	\$ 170,199
Due after one year.....	107,343	150,598	999,522
Total.....	¥ 130,554	¥ 176,242	\$ 1,169,721

(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 August 31, 2023 and February 29, 2024. 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																	
	August 31, 2023			February 29, 2024			February 29, 2024											
	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.....	¥	7,470	¥	7,470	¥	-	¥	8,797	¥	8,797	¥	-	\$	58,385	\$	58,385	\$	-
Total.....	¥	7,470	¥	7,470	¥	-	¥	8,797	¥	8,797	¥	-	\$	58,385	\$	58,385	\$	-
Liabilities:																		
(1) Current portion of long-term bonds issued – unsecured.....	¥	14,500	¥	14,509	¥	(9)	¥	14,000	¥	14,015	¥	(15)	\$	92,918	\$	93,017	\$	(99)
(2) Current portion of long-term borrowings.....		48,200		48,273		(73)		59,150		59,216		(66)		392,579		393,017		(438)
(3) Long-term bonds issued – unsecured.....		47,000		46,752		247		43,500		43,102		397		288,710		286,068		2,634
(4) Long-term borrowings.....		438,945		430,553		8,391		432,995		424,464		8,530		2,873,797		2,817,176		56,613
Total.....	¥	548,645	¥	540,088	¥	8,556	¥	549,645	¥	540,798	¥	8,846	\$	3,648,005	\$	3,589,287	\$	58,711
Derivative instruments*	¥	236	¥	236	¥	-	¥	241	¥	241	¥	-	\$	1,599	\$	1,599	\$	

* 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 ¥9,434 million and ¥10,937 million (US\$72,589 thousand) as of August 31, 2023 and February 29, 2024, respectively.

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

<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 bonds issued.....	¥ 14,500	¥ 7,000	¥ 9,500	¥ 13,000	¥ 5,000	¥ 12,500
Long-term borrowings.....	48,200	60,325	48,550	46,850	66,150	217,070
Total.....	¥ 62,700	¥ 67,325	¥ 58,050	¥ 59,850	¥ 71,150	¥ 229,570

<i>As of February 29, 2024:</i>	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
	(in millions)					
Long-term bonds issued.....	¥ 14,000	¥ -	¥ 14,500	¥ 11,000	¥ 5,500	¥ 12,500
Long-term borrowings.....	59,150	60,975	46,850	59,700	59,550	205,920
Total.....	¥ 73,150	¥ 60,975	¥ 61,350	¥ 70,700	¥ 65,050	¥ 218,420

<i>As of February 29, 2024:</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 bonds issued.....	\$ 92,918	\$ -	\$ 96,236	\$ 73,007	\$ 36,503	\$ 82,962
Long-term borrowings.....	392,579	404,692	310,944	396,230	395,234	1,366,695
Total.....	\$ 485,498	\$ 404,692	\$ 407,181	\$ 469,237	\$ 431,738	\$ 1,449,658

Note 17 — Investment Securities

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

Note:

- (i) Investment interests in silent partnership amounting to ¥8,651 million and investment limited partnership amounting to ¥782 million are not included in the above information, because those are not traded in markets.

As of February 29, 2024

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	¥ 8,797	¥ 8,388	¥ 409
Securities of which the amount reported on the balance sheet do not exceed the acquisition cost.....	Other	-	-	-
Total.....		¥ 8,797	¥ 8,388	¥ 409

	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	\$ 58,385	\$ 55,671	\$ 2,714
Securities of which the amount reported on the balance sheet do not exceed the acquisition cost.....	Other	-	-	-
Total.....		\$ 58,385	\$ 55,671	\$ 2,714

Note:

- (i) Investment interests in silent partnership amounting to ¥10,154 million (US\$67,392 thousand) and investment limited partnership amounting to ¥783 million (US\$5,196 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 August 31, 2023 and February 29, 2024 is as follows. Derivative transactions are carried out for hedging purposes only and are subject to hedge accounting.

As of August 31, 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	¥ 15,800	¥ 15,800	¥ 236
Special treatment for hedge accounting of interest rate swaps	Interest rate swap (Floating-rate to fixed-rate interest)	Long-term borrowings	44,500	26,500	Note ⁽ⁱⁱ⁾
Total.....			¥ 60,300	¥ 42,300	¥ 236 ⁽ⁱⁱ⁾

As of February 29, 2024:

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	¥ 241	\$ 104,864	\$ 104,864	\$ 1,599
Special treatment for hedge accounting of interest rate swaps	Interest rate swap (Floating-rate to fixed-rate interest)	Long-term borrowings	37,500	24,500	Note ⁽ⁱⁱ⁾	248,888	162,607	Note ⁽ⁱⁱ⁾
Total.....			¥ 53,300	¥ 40,300	¥ 241 ⁽ⁱⁱ⁾	\$ 353,753	\$ 267,471	\$ 1,599 ⁽ⁱⁱ⁾

Notes:

- (i) The fair value is evaluated at the amount calculated by the counterparty of the interest rate swaps contracts.
- (ii) 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).

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	
	August 31, 2023	February 29, 2024
	(Rate)	
Statutory tax rate.....	31.46%	31.46%
Deductible cash distributions.....	(30.97)	(31.16)
Change in valuation allowance (for deferred tax assets).....	(0.82)	(0.39)
Amortization of goodwill.....	0.79	0.79
Provision of reserve for reduction entry of property.....	(0.99)	(1.03)
Other.....	0.53	0.33
Effective tax rate.....	0.00%	0.00%

Deferred tax assets and liabilities consist of the following:

	As of		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Deferred tax assets:			
Asset retirement obligations.....	¥ 265	¥ 260	\$ 1,725
Amortization of leasehold rights.....	204	205	1,360
Depreciation.....	20	20	132
Valuation differences on assets acquired through the merger.....	10,512	10,448	69,343
Other.....	38	38	252
Sub total.....	11,040	10,972	72,821
Total valuation allowance.....	(11,040)	(10,972)	(72,821)
Total deferred tax assets.....	-	-	-
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 August 31, 2023 and February 29, 2024, 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 August 31, 2023 and February 29, 2024.

(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 August 31, 2023 and February 29, 2024, the asset management fees totaled ¥3,762 million and ¥3,696 million (US\$24,530 thousand), respectively. The fees for the six months ended August 31, 2023 included ¥125 million of acquisition fees and ¥67 million of disposition fees. The fees for the six months ended February 29, 2024 included ¥50 million (US\$331 thousand) of acquisition fees and ¥61 million (US\$404 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 ¥154 million and ¥152 million (US\$1,008 thousand) for general administration fees, and ¥26 million and ¥28 million (US\$185 thousand) for custodian fees for the six months ended August 31, 2023 and February 29, 2024, 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 February 29, 2024 were ¥65 million (US\$431 thousand) and ¥4 million (US\$26 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 10 years, 24 years, 39 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 August 31, 2023 and February 29, 2024 are as follows:

	For the six months ended		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Balance at the beginning of the period.....	¥ 838	¥ 843	\$ 5,595
Increase due to acquisition of properties.....	-	(20)	(132)
Adjustment for passage of time.....	4	3	19
Balance at the end of the period.....	¥ 843	¥ 826	\$ 5,482

For the six months ended February 29, 2024, the Company has changed the estimated period of use of the buildings of DFS T GALLERIA OKINAWA as the fixed-term leasehold agreement of the property was renewed. Also, the Company has changed the estimated period of use of the buildings of JMF Jingumae 02 as additional information was available such as an engineering report of the property. The effects of these changes on operating results for the period are immaterial.

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 August 31, 2023 and February 29, 2024.

	As of / For the six months ended		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Net book value⁽ⁱ⁾			
Balance at the beginning of the period.....	¥ 1,147,477	¥ 1,153,040	\$ 7,652,751
Net increase(decrease) during the period ⁽ⁱⁱ⁾	5,563	(3,477)	(23,076)
Balance at the end of the period.....	<u>¥ 1,153,040</u>	<u>¥ 1,149,563</u>	<u>\$ 7,629,674</u>
Fair value⁽ⁱⁱⁱ⁾	¥ 1,324,944	¥ 1,344,555	\$ 8,923,840

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 August 31, 2023:

	Increase (decrease) in net book value (in millions)
Acquisitions:	
JMF-Bldg. Nakano 01	¥ 4,056
JMF-Residence Shin-Yokohama	3,332
JMF-Residence Akabane Shimo	2,300
JMF-Residence Kita-Shinagawa	1,928
JMF-Residence Ikebukuro 1-chome	1,713
JMF-Residence Osaka Fukushima	1,544
JMF-Residence Fujisawa	1,317
Tecc LIFE SELECT Fukuoka Shime Honten (additional acquisition)	708
Capital expenditure:	
Total of capital expenditures for the period.....	3,467
Dispositions:	
G-Bldg. Minami Aoyama 02	(5,161)
LIFE Kishibe (Land with leasehold interest)	(1,942)
Round1 Stadium Takatsuki	(1,877)

For the six months ended February 29, 2024:

	Increase (decrease) in net book value (in millions)	(in thousands of U.S. dollars (Note 3))
Acquisitions:		
JMF-Residence Machida	¥ 4,230	\$ 28,074
JMF-Residence Meieikiminami	2,362	15,676
Capital expenditure:		
Total of capital expenditures for the period.....	4,389	29,129
Dispositions:		
AEON MALL Tsurumi Ryokuchi (25% quasi-co-ownership).....	(5,526)	(36,676)
Round1 Sannomiya Station	(3,169)	(21,032)

- (iii) Fair value have been determined based on appraisals or researched value by independent appraisers. 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 the six months ended February 29, 2024, the selling prices are used as fair value for AEON MALL Sapporo Naebo signed disposition contract on July 29, 2022.

For rent revenues and expenses for the six months ended August 31, 2023 and February 29, 2024, 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 August 31, 2023 and February 29, 2024 is as follows:

	Revenue from contracts with			Sales to external customers ⁽ⁱⁱ⁾		
	For the six months ended			For the six months ended		
	August 31, 2023	February 29, 2024	February 29, 2024	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))	(in millions)		(in thousands of U.S. dollars (Note 3))
Sales of property.....	¥ 11,303	¥ 3,800	\$ 25,220	¥ 2,026	¥ 1,434	\$ 9,517
Common area charges.....	2,289	1,969	13,068	2,289	1,969	13,068
Others.....	-	-	-	37,089	37,475	248,722
Total.....	¥ 13,593	¥ 5,769	\$ 38,288	¥ 41,405	¥ 40,879	\$ 271,314

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		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Receivables generated from contracts with customers (balance at beginning of fiscal period)...	¥ 371	¥ 399	\$ 2,648
Receivables generated from contracts with customers (balance at end of fiscal period).....	399	298	1,977
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 August 31, 2023, transaction values allocated to remaining performance obligations as of August 31, 2023 were ¥9,300 million and ¥3,800 million for properties on disposition contracts signed on July 29, 2022 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, 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 February 29, 2024, transaction values allocated to remaining performance obligations as of February 29, 2024 were ¥9,300 million (US\$61,724 thousand) for properties on disposition contracts signed on July 29, 2022. Revenue from the remaining performance obligations will be recognized when the delivery of each property is scheduled to be completed on August 30, 2024 for ¥1,860 million (US\$12,344 thousand), February 28, 2025 for ¥1,860 million (US\$12,344 thousand), August 29, 2025 for ¥1,860 million (US\$12,344 thousand) and February 27, 2026 for ¥3,720 million (US\$24,689 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 August 31, 2023 and February 29, 2024 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		
	August 31, 2023	February 29, 2024	February 29, 2024
	(Yen)		(US\$ (Note 3))
Net asset value per unit.....	¥ 89,436	¥ 89,476	\$ 593
Net income per unit.....	¥ 2,296	¥ 2,291	\$ 15

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

	As of / For the six months ended		
	August 31, 2023	February 29, 2024	February 29, 2024
	(in millions)		(in thousands of U.S. dollars (Note 3))
Net income.....	¥ 16,051	16,016	\$ 106,298
Amounts not attributable to common unitholders.....	-	-	-
Net income attributable to common unitholders.....	¥ 16,051	16,016	\$ 106,298
Weighted average number of investment units.....	6,989,091	6,989,091	

Note 27 — Segment Information

Segment information for the six months ended August 31, 2023 and February 29, 2024 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

Acquisition of JMF's Investment Units

The Board of Directors of JMF, at its meeting held on April 17, 2024, resolved to acquire its own investment units based on the Article 80-2 of the Investment Trust Act applied pursuant to the Article 80-5, Paragraph 2 of the Investment Trust Act. All the acquired investment units will be cancelled during the fiscal period ending August 31, 2024.

(1) Reason for the Acquisition

The acquisition of own investment units was resolved with the intention that improving capital efficiency and returning profits to unitholders will contribute to increasing unitholder value over the medium to long term, upon comprehensive consideration of the market price of the investment unit, the condition of funds on hand or financial position and market condition., etc.

(2) Outline of the Acquisition

Total number of JMF's investment units to be acquired:	15,000 units (maximum)
Total amount of the acquisition:	¥1,000 million (US\$6,637 thousand) (maximum)
Period of the acquisition:	From April 18, 2024 to May 20, 2024
Method:	Purchase at Tokyo Stock Exchange Market based on a discretionary transaction contract with a securities company

(3) Result of the Acquisition

Based on the above resolution of the acquisition, JMF completed the acquisition as follows.

Total number of investment units repurchased:	10,582 units
Total amount of the acquisition:	¥999 million (US\$6,630 thousand)
Period of the acquisition:	From April 18, 2024 to May 16, 2024
Method:	Purchase at Tokyo Stock Exchange Market based on a discretionary transaction contract with a securities company

(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\$61,724 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 ¥3,426 million (US\$22,738 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.

JAPAN METROPOLITAN FUND INVESTMENT CORPORATION
SUPPLEMENTARY SCHEDULES
As of and for the six months ended August 31, 2023 and February 29, 2024

1. Investment Securities

The details of investment securities as of February 29, 2024 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)							
Silent Partnership interests	Silent Partnership interests 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⁾	-	6,603	-	-	6,603	-
Equity interest of investment limited partnership	Equity interest of DREAM Mezzanine Debt Separate3 Investment Limited Partnership ^{(i) (iv)}	-	783	-	-	783	-
Investment securities	Investment units of Hoosiers Private REIT Investment Corporation ^(v)	-	2,194	-	-	2,194	-
Silent Partnership interests	Silent Partnership interests managed by Godo Kaisha Rapport1 ^{(i) (vi)}	-	360	-	-	360	-
Silent Partnership interests	Silent Partnership interests managed by Godo Kaisha Rapport2 ^{(i) (vii)}	-	681	-	-	681	-
Silent Partnership interests	Silent Partnership interests managed by Godo Kaisha Rapport3 ^{(i) (viii)}	-	460	-	-	460	-
Total.....		¥ -	¥ 19,734	¥ -	¥ -	¥ 19,734	¥ -

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))							
Silent Partnership interests	Silent Partnership interests managed by R40 Godo Kaisha ^{(i) (ii)}	\$ -	\$ 57,416	\$ -	\$ -	\$ 57,416	\$ -
Investment securities	Investment units of Investment units of Nisshin Private Residential Reit, Inc. ⁽ⁱⁱⁱ⁾	-	43,824	-	-	43,824	-
Equity interest of investment limited partnership	Equity interest of DREAM Mezzanine Debt Separate3 Investment Limited Partnership ^{(i) (iv)}	-	5,196	-	-	5,196	-
Investment securities	Investment units of Hoosiers Private REIT Investment Corporation ^(v)	-	14,561	-	-	14,561	-
Silent Partnership interests	Silent Partnership interests managed by Godo Kaisha Rapport1 ^{(i) (vi)}	-	2,389	-	-	2,389	-
Silent Partnership interests	Silent Partnership interests managed by Godo Kaisha Rapport2 ^{(i) (vii)}	-	4,519	-	-	4,519	-
Silent Partnership interests	Silent Partnership interests managed by Godo Kaisha Rapport3 ^{(i) (viii)}	-	3,053	-	-	3,053	-
Total.....		\$ -	\$ 130,974	\$ -	\$ -	\$ 130,974	\$ -

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.
- (vi) The underlying assets are mainly trust beneficiary interests of Escenario Takanawa and ASYL COURT Yukigaya-otsuka, etc.
- (vii) The underlying assets are mainly trust beneficiary interests of ASYL COURT Omorinishi and S-RESIDENCE Ryogoku avenue, etc.
- (viii) The underlying assets are mainly trust beneficiary interests of Splendide Esaka Ekimae.

2. Derivatives

Information on derivative transactions undertaken by the Company as of February 29, 2024 is as follows. Derivative transactions are carried out for hedging purposes only and are subject to hedge accounting.

Category	Type of derivatives	Notional amounts ⁽ⁱ⁾			Fair value ⁽ⁱⁱ⁾	Notional amounts ⁽ⁱ⁾			Fair value ⁽ⁱⁱ⁾				
		Total		Over 1 year		Total		Over 1 year					
		(in millions)				(in thousands of U.S. dollars (Note 3))							
Transactions other than market transactions	Interest rate swap (Floating-rate to fixed-rate interest)	¥	53,300	¥	40,300	¥	141	\$	353,753	\$	267,471	\$	935
Total.....		¥	53,300	¥	40,300	¥	141	\$	353,753	\$	267,471	\$	935

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 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

(ii) Schedule of Property and Equipment as of February 29, 2024 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.....	¥ 2,486	¥ 1,457	¥ -	¥ 3,944	¥ 983	¥ 49	¥ 2,960
Building improvements.....	66	19	-	85	37	1	48
Furniture and fixtures.....	21	7	-	28	17	-	11
Land.....	27,036	2,756	-	29,793	-	-	29,793
Buildings in trust.....	353,589	5,015	4,572	354,032	132,530	5,211	221,502
Building improvements in trust.....	12,401	113	458	12,057	5,386	166	6,670
Machinery and equipment in trust.....	2,308	101	60	2,349	1,543	56	806
Furniture and fixtures in trust.....	5,394	116	111	5,399	3,771	150	1,627
Land in trust.....	884,746	1,402	6,406	879,743	-	-	879,743
Construction in progress in trust.....	845	81	19	907	-	-	907
Total.....	¥ 1,288,897	¥ 11,074	¥ 11,629	¥ 1,288,342	¥ 144,270	¥ 5,637	¥ 1,144,071

	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.....	\$ 16,499	\$ 9,670	\$ -	\$ 26,176	\$ 6,524	\$ 325	\$ 19,645
Building improvements.....	438	126	-	564	245	6	318
Furniture and fixtures.....	139	46	-	185	112	-	73
Land.....	179,438	18,291	-	197,736	-	-	197,736
Buildings in trust.....	2,346,777	33,284	30,344	2,349,717	879,604	34,585	1,470,113
Building improvements in trust.....	82,305	749	3,039	80,022	35,746	1,101	44,268
Machinery and equipment in trust.....	15,318	670	398	15,590	10,240	371	5,349
Furniture and fixtures in trust.....	35,800	769	736	35,833	25,028	995	10,798
Land in trust.....	5,872,078	9,305	42,516	5,838,873	-	-	5,838,873
Construction in progress in trust.....	5,608	537	126	6,019	-	-	6,019
Total.....	\$ 8,554,436	\$ 73,498	\$ 77,181	\$ 8,550,753	\$ 957,523	\$ 37,412	\$ 7,593,223

4. Schedule of Intangible Assets

(i) 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	¥ 2,006	¥ 14,043
Leasehold rights.....	5,384	539	-	5,924	410	5,513
Other intangible assets.....	440	8	-	449	192	257
Other intangible assets in trust.....	459	6	-	465	410	55
Total.....	¥ 22,334	¥ 554	¥ -	¥ 22,888	¥ 3,019	¥ 19,869

(ii) Schedule of Intangible Assets as of February 29, 2024 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	¥ 2,407	¥ 13,641
Leasehold rights.....	5,924	-	78	5,845	402	5,442
Other intangible assets.....	449	-	-	449	237	212
Other intangible assets in trust.....	465	5	1	470	422	48
Total.....	¥ 22,888	¥ 5	¥ 80	¥ 22,814	¥ 3,469	¥ 19,345

	At cost			Accumulated amortization	Amortization for the period	Net intangible assets
	Beginning balance	Increase	Decrease			
	(in thousands of U.S. dollars (Note 3))					
Goodwill.....	\$ 106,517	\$ -	\$ -	\$ 106,517	\$ 15,975	\$ 90,535
Leasehold rights.....	39,317	-	517	38,793	2,668	36,118
Other intangible assets.....	2,980	-	-	2,980	1,572	1,407
Other intangible assets in trust.....	3,086	33	6	3,119	2,800	318
Total.....	\$ 151,908	\$ 33	\$ 530	\$ 151,417	\$ 23,023	\$ 128,393

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	7,500	22,500					
Green Bonds (Note 5)	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 3)	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 3)	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 3)	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 3)	Unsecured and unguaranteed
	Japan Metropolitan Fund Investment Corporation 5th series unsecured investment corporation bonds (5th JMF Green Bonds)	March 17, 2023	4,000	-	4,000	0.850	March 15, 2030	Lump sum (Note 2)	(Note 4)	Unsecured and unguaranteed
	Japan Metropolitan Fund Investment Corporation 6th series unsecured investment corporation bonds (6th JMF Green Bonds)	September 29, 2023	-	-	3,500	0.678	September 29, 2028	Lump sum (Note 2)	(Note 6)	Unsecured and unguaranteed
	Sub-total		31,500	-	35,000					
Total			61,500	7,500	57,500					

Note 1 The balances as of February 29, 2024 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 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 February 29, 2024	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years
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)	-	-	-	-	-
Japan Metropolitan Fund Investment Corporation 6th series unsecured investment corporation bonds (6th JMF Green Bonds)	-	-	-	-	3,500

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	Mizuho Bank, Ltd.	October 7, 2022	1,000	-	1,000	-	0.2	October 6, 2023	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	March 30, 2023	1,000	-	1,000	-	0.2	October 6, 2023	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	October 6, 2023	-	800	800	-	0.2	January 31, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	November 21, 2023	-	500	500	-	0.2	January 31, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	November 21, 2023	-	400	400	-	0.2	January 31, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	January 31, 2024	-	500	-	500	0.2	March 29, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sub-total		2,000	2,200	3,700	500					
Long-term	Development Bank of Japan Inc. (Note 2)	October 2, 2012	1,000	-	-	1,000	1.6	October 1, 2024	Lump sum	(Note 4)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 7, 2013	1,000	-	-	1,000	2.2 (Note 3)	October 6, 2028	Lump sum	(Note 4)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 2)	October 7, 2013	1,500	-	-	1,500	1.5	April 5, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 7, 2013	1,000	-	1,000	-	1.3	October 6, 2023	Lump sum	(Note 4)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 7, 2013	2,199	-	2,199	-	1.4 (Note 3)	October 6, 2023	Lump sum	(Note 4)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		801	-	801	-					
	Development Bank of Japan Inc.	March 31, 2014	4,000	-	-	4,000	1.7	March 31, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 1, 2014	1,099	-	-	1,099	1.5 (Note 3)	March 31, 2025	Lump sum	(Note 4)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		400	-	-	400					
	Development Bank of Japan Inc.	October 1, 2014	3,000	-	-	3,000	1.3	October 1, 2025	Lump sum	(Note 4)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 2)	October 1, 2014	1,466	-	-	1,466	1.1 (Note 3)	October 1, 2024	Lump sum	(Note 4)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 2)		534	-	-	534					
	MUFG Bank, Ltd. (Note 2)	October 1, 2014	800	-	-	800	1.1	October 1, 2024	Lump sum	(Note 4)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 2)	February 2, 2015	200	-	-	200	1.0	January 31, 2025	Lump sum	(Note 5)	Unsecured and unguaranteed
	JAPAN POST INSURANCE Co., Ltd. (Note 2)		1,000	-	-	1,000					
	MUFG Bank, Ltd.	February 5, 2015	2,928	-	2,928	-	0.8 (Note 3)	February 5, 2024	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,071	-	1,071	-					
	Sumitomo Mitsui Banking Corporation	March 2, 2015	1,000	-	-	1,000	1.6 (Note 3)	March 30, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 2, 2015	7,000	-	-	7,000	1.0 (Note 3)	March 31, 2025	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 2)	March 2, 2015	6,000	-	-	6,000	0.9 (Note 3)	March 29, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	February 18, 2016	6,000	-	-	6,000	0.6 (Note 3)	January 30, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	February 18, 2016	1,000	-	-	1,000	0.6 (Note 3)	January 30, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	February 18, 2016	1,000	-	-	1,000	0.6 (Note 3)	January 30, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	Resona Bank, Limited (Note 2)	February 18, 2016	1,000	-	-	1,000	0.5 (Note 3)	July 31, 2024	Lump sum	(Note 5)	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	Mizuho Trust & Banking Co., Ltd.	February 18, 2016	1,000	-	-	1,000	0.6 (Note 3)	January 30, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 1, 2016	733	-	-	733	0.5 (Note 3)	March 31, 2026	Lump sum	(Note 4)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		267	-	-	267					
	Mizuho Bank, Ltd.	March 1, 2016	2,000	-	-	2,000	0.4 (Note 3)	March 31, 2025	Lump sum	(Note 5)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited (Note 2)	March 1, 2016	1,500	-	-	1,500	0.3 (Note 3)	March 29, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Chugoku Bank, LTD. (Note 2)	March 1, 2016	1,000	-	-	1,000	0.3 (Note 3)	March 29, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	Shinkin Central Bank (Note 2)	March 1, 2016	1,000	-	-	1,000	0.3	March 29, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Norinchukin Bank (Note 2)	March 1, 2016	1,500	-	-	1,500	0.3 (Note 3)	March 29, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD.	March 18, 2016	1,000	-	-	1,000	0.5 (Note 3)	March 31, 2025	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	March 18, 2016	1,000	-	-	1,000	0.5 (Note 3)	March 31, 2025	Lump sum	(Note 5)	Unsecured and unguaranteed
	The 77 Bank, Ltd.	March 31, 2016	1,000	-	-	1,000	0.5	March 31, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 2)	April 28, 2016	4,031	-	-	4,031	0.5	September 30, 2024	Lump sum	(Note 4)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 2)		1,468	-	-	1,468					
	Development Bank of Japan Inc.	July 29, 2016	10,850	-	-	10,850	0.4	July 30, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Aozora Bank, Ltd. (Note 2)	July 29, 2016	2,250	-	-	2,250	0.7	July 31, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 2)		1,350	-	-	1,350					
	Mizuho Bank, Ltd. (Note 2)		600	-	-	600					
	MUFG Bank, Ltd. (Note 2)		500	-	-	500					
	The Bank of Fukuoka, Ltd.	September 21, 2016	2,000	-	-	2,000	0.5	September 30, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	Resona Bank, Limited	September 30, 2016	2,500	-	-	2,500	0.5	September 30, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	The 77 Bank, Ltd.	September 30, 2016	1,000	-	-	1,000	0.4	September 30, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Chugoku Bank, LTD.	December 21, 2016	3,000	-	-	3,000	0.7	December 30, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	Resona Bank, Limited	December 21, 2016	2,000	-	-	2,000	0.6	December 30, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	January 31, 2017	1,000	-	1,000	-	0.8	January 31, 2024	Lump sum	(Note 4)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,000	-	1,000	-					
	Sumitomo Mitsui Banking Corporation		500	-	500	-					
	Development Bank of Japan Inc.		500	-	500	-					
	MUFG Bank, Ltd.		1,000	-	1,000	-					
	Development Bank of Japan Inc.	March 31, 2017	2,000	-	-	2,000	0.6	January 29, 2027	Lump sum	(Note 4)	Unsecured and unguaranteed
	The Chugoku Bank, LTD.	March 31, 2017	1,000	-	-	1,000	0.6	January 29, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Shinkin Central Bank	March 31, 2017	1,000	-	-	1,000	0.6	January 29, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Yamaguchi Bank, Ltd.	March 31, 2017	1,000	-	-	1,000	0.6	January 29, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 2)	May 1, 2017	1,099	-	-	1,099	0.4	November 1, 2024	Lump sum	(Note 4)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 2)		400	-	-	400					
	MUFG Bank, Ltd.	May 1, 2017	1,000	-	-	1,000	0.4	May 1, 2025	Lump sum	(Note 4)	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 (Note 2)	May 1, 2017	2,000	-	-	2,000	0.4	May 1, 2024	Lump sum	(Note 4)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	May 1, 2017	2,000	-	-	2,000	0.6	May 1, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Resona Bank, Limited	May 1, 2017	1,000	-	-	1,000	0.6	May 1, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited	May 1, 2017	1,000	-	-	1,000	0.6	May 1, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Toho Bank, Ltd.	May 19, 2017	2,000	-	-	2,000	0.3	May 16, 2025	Lump sum	(Note 6)	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					
	Development Bank of Japan Inc.	July 31, 2017	2,875	-	-	2,875	0.9	July 31, 2025	Lump sum	(Note 5)	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 5)	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 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 29, 2017	2,000	-	-	2,000	0.5	September 30, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	October 2, 2017	1,000	-	-	1,000	0.6	September 30, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Daishi Hokuetsu Bank, Ltd. (Note 2)	October 2, 2017	1,500	-	-	1,500	0.3	September 30, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Ashikaga Bank, Ltd. (Note 2)		1,000	-	-	1,000					
	The Juroku Bank, Ltd. (Note 2)		500	-	-	500					
	MUFG Bank, Ltd. (Note 2)	October 6, 2017	4,764	-	-	4,764	0.5	July 31, 2024	Lump sum	(Note 4)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 2)		1,735	-	-	1,735					
	MUFG Bank, Ltd.	November 22, 2017	3,300	-	-	3,300	0.5	November 21, 2025	Lump sum	(Note 5)	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 5)	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 5)	Unsecured and unguaranteed
	The Chugoku Bank, LTD.	November 22, 2017	2,000	-	-	2,000	0.6	November 22, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Shinkin Central Bank	December 29, 2017	2,500	-	-	2,500	0.6	December 28, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	January 12, 2018	2,000	-	-	2,000	0.6	January 12, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 2)	February 28, 2018	1,200	-	-	1,200	0.6	February 28, 2025	Lump sum	(Note 4)	Unsecured and unguaranteed
	Aozora Bank, Ltd. (Note 2)	February 28, 2018	900	-	-	900	0.7	February 28, 2025	Lump sum	(Note 4)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD. (Note 2)		900	-	-	900					
	The Bank of Fukuoka, Ltd. (Note 2)		900	-	-	900					
	Mizuho Bank, Ltd.	February 28, 2018	1,500	-	-	1,500	0.8	February 27, 2026	Lump sum	(Note 4)	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 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 30, 2018	3,000	-	-	3,000	0.4	March 31, 2025	Lump sum	(Note 5)	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
Long-term	Development Bank of Japan Inc.	July 30, 2018	8,500	-	-	8,500	0.8	July 31, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 31, 2018	3,400	-	-	3,400	0.9 (Note 3)	July 31, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Aozora Bank, Ltd.	July 31, 2018	1,000	-	-	1,000	1.0	July 31, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.		500	-	-	500					
	Sumitomo Mitsui Trust Bank, Limited	July 31, 2018	2,900	-	-	2,900	0.8 (Note 3)	July 31, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	July 31, 2018	2,000	-	-	2,000	0.8	July 31, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	Resona Bank, Limited	July 31, 2018	800	-	-	800	0.8	July 31, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd.	July 31, 2018	800	-	-	800	0.7	July 31, 2025	Lump sum	(Note 5)	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 5)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited	September 28, 2018	3,000	-	-	3,000	0.6	September 30, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Juroku Bank, Ltd.	December 28, 2018	500	-	-	500	0.2	December 26, 2025	Lump sum	(Note 5)	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 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 29, 2019	7,500	-	-	7,500	0.4	March 31, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 29, 2019	5,000	-	-	5,000	0.5	March 31, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 29, 2019	7,500	-	-	7,500	0.4	September 29, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 31, 2019	2,000	-	-	2,000	0.7	July 31, 2029	Lump sum	(Note 5)	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 5)	Unsecured and unguaranteed
	Resona Bank, Limited	July 31, 2019	2,600	-	-	2,600	0.6	January 31, 2028	Lump sum	(Note 5)	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 3)	July 31, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Shinkin Central Bank	July 31, 2019	2,000	-	-	2,000	0.5	January 31, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Resona Bank, Limited		2,000	-	-	2,000					
	The Nanto Bank, Ltd.	July 31, 2019	500	-	-	500	0.5	July 31, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd.		400	-	-	400					
	Sumitomo Mitsui Banking Corporation (Note 2)	July 31, 2019	1,950	-	-	1,950	0.4	January 31, 2025	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	September 4, 2019	3,000	-	-	3,000	0.3	September 4, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited	September 4, 2019	2,000	-	-	2,000	0.3	September 4, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 2, 2019	5,500	-	-	5,500	0.3	March 31, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	October 2, 2019	2,000	-	-	2,000	0.4	October 2, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	October 7, 2019	1,000	-	-	1,000	0.3	October 5, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
The 77 Bank, Ltd.	October 7, 2019	1,000	-	-	1,000	0.3	October 5, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed	

Classification		Borrowing date	Beginning balance	Increase	Decrease	Ending balance	Average interest rate	Due date	Repayment method	Use	Remarks
Name of lender			(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%) (Note 1)				
Long-term	Mizuho Bank, Ltd.	November 21, 2019	1,700	-	-	1,700	0.8	November 21, 2029	Lump sum	(Note 4)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	November 21, 2019	1,300	-	-	1,300	0.8	November 21, 2029	Lump sum	(Note 4)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	November 21, 2019	1,300	-	-	1,300	0.7	May 21, 2029	Lump sum	(Note 4)	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 3)	May 21, 2026	Lump sum	(Note 4)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 2)	November 21, 2019	2,000	-	-	2,000	0.3	May 21, 2024	Lump sum	(Note 4)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	November 21, 2019	500	-	500	-	0.3	November 21, 2023	Lump sum	(Note 4)	Unsecured and unguaranteed
	MUFG Bank, Ltd.		400	-	400	-					
	MUFG Bank, Ltd.	December 20, 2019	5,900	-	-	5,900	0.3	December 20, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	December 20, 2019	2,100	-	-	2,100	0.4	December 20, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	January 31, 2020	1,600	-	-	1,600	0.6 (Note 3)	January 31, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD.	January 31, 2020	1,500	-	-	1,500	0.6	July 31, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Shinkin Central Bank		1,100	-	-	1,100					
	Sumitomo Mitsui Banking Corporation	January 31, 2020	1,500	-	-	1,500	0.5 (Note 3)	January 31, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Hyakugo Bank, Ltd.	January 31, 2020	750	-	-	750	0.5	July 31, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 2)	January 31, 2020	1,100	-	-	1,100	0.3	July 31, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 2)		1,000	-	-	1,000					
	MUFG Bank, Ltd.	March 19, 2020	9,600	-	-	9,600	0.4	March 19, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 19, 2020	3,400	-	-	3,400	0.4	September 19, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 2, 2020	3,300	-	-	3,300	0.4	April 2, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 2, 2020	1,200	-	-	1,200	0.4	March 31, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 2, 2020	3,000	-	-	3,000	0.3	March 31, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Norinchukin Bank	April 7, 2020	1,500	-	-	1,500	0.4	April 5, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Joyo Bank, Ltd.	April 7, 2020	1,000	-	-	1,000	0.4	April 5, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 31, 2020	4,300	-	-	4,300	0.4	July 31, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 31, 2020	1,900	-	-	1,900	0.7	July 31, 2030	Lump sum	(Note 5)	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 5)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 31, 2020	2,200	-	-	2,200	0.7	January 31, 2030	Lump sum	(Note 5)	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 5)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	July 31, 2020	750	-	-	750	0.7	July 31, 2029	Lump sum	(Note 5)	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	July 31, 2020	1,700	-	-	1,700	0.5 (Note 3)	July 31, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Minato Bank, Ltd.	July 31, 2020	800	-	-	800	0.6	January 31, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	July 31, 2020	1,700	-	-	1,700	0.4 (Note 3)	July 31, 2025	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Hiroshima Bank Ltd. (Note 2)	July 31, 2020	500	-	-	500	0.4	January 31, 2025	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 18, 2020	4,500	-	-	4,500	0.4	September 18, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 18, 2020	2,900	-	-	2,900	0.3	March 16, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 18, 2020	1,000	-	-	1,000	0.3	September 15, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 18, 2020	1,600	-	-	1,600	0.2	September 17, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	September 30, 2020	2,000	-	-	2,000	0.2	September 29, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 30, 2020	2,000	-	-	2,000	0.2	September 30, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 30, 2020	2,000	-	-	2,000	0.4	September 30, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	September 30, 2020	2,000	-	-	2,000	0.4	September 30, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	September 30, 2020	1,500	-	-	1,500	0.4	September 30, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Shinkin Central Bank	September 30, 2020	1,500	-	-	1,500	0.4	September 30, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	October 1, 2020	3,000	-	-	3,000	0.4	September 30, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	October 2, 2020	2,000	-	-	2,000	0.2	September 29, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 2, 2020	2,250	-	-	2,250	0.2	September 30, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	October 2, 2020	800	-	-	800	0.2	September 30, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	Shinkin Central Bank	October 7, 2020	1,500	-	-	1,500	0.4	September 30, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 22, 2021	2,500	-	-	2,500	0.5	March 20, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 22, 2021	2,900	-	-	2,900	0.4	September 21, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 22, 2021	2,000	-	-	2,000	0.2	March 22, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 22, 2021	2,600	-	-	2,600	0.5	March 22, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 31, 2021	1,500	-	-	1,500	0.2	February 29, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 1, 2021	1,500	-	-	1,500	0.3	March 30, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 1, 2021	1,500	-	-	1,500	0.4	March 29, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	April 1, 2021	1,000	-	-	1,000	0.5	March 31, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 7, 2021	2,200	-	-	2,200	0.4	September 30, 2030	Lump sum	(Note 5)	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	April 7, 2021	800	-	-	800	0.3	April 7, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	April 30, 2021	1,400	-	-	1,400	0.5	April 30, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 30, 2021	700	-	-	700	0.3	April 27, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 30, 2021	700	-	-	700	0.2	April 28, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	July 30, 2021	950	-	-	950	0.2	January 31, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	July 30, 2021	2,650	-	-	2,650	0.2	January 31, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Aozora Bank, Ltd.	July 30, 2021	1,700	-	-	1,700	0.4	July 31, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	Resona Bank, Limited	July 30, 2021	1,300	-	-	1,300	0.4	July 31, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 30, 2021	900	-	-	900	0.4	July 31, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 30, 2021	900	-	-	900	0.4	July 31, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd.	July 30, 2021	550	-	-	550	0.4	July 31, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 1, 2021	3,250	-	-	3,250	0.2	March 30, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 1, 2021	3,000	-	-	3,000	0.4	September 30, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	October 1, 2021	2,250	-	-	2,250	0.2	October 2, 2028	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Norinchukin Bank	October 1, 2021	1,500	-	-	1,500	0.5	September 30, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Yamaguchi Bank, Ltd.	October 7, 2021	1,000	-	-	1,000	0.5	March 31, 2033	Lump sum	(Note 5)	Unsecured and unguaranteed
	THE NISHI-NIPPON CITY BANK, LTD.	October 7, 2021	1,000	-	-	1,000	0.5	September 30, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	December 21, 2021	2,000	-	2,000	-	0.2	December 21, 2023	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	January 31, 2022	1,500	-	-	1,500	0.6	January 30, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	January 31, 2022	1,000	-	-	1,000	0.3	January 31, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	January 31, 2022	1,000	-	-	1,000	0.3	January 31, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2022	5,500	-	-	5,500	0.5	February 28, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 28, 2022	3,000	-	-	3,000	0.5	February 27, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 28, 2022	2,500	-	2,500	-	0.2	February 29, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 31, 2022	5,000	-	-	5,000	0.5	March 30, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	April 1, 2022	2,000	-	-	2,000	0.8	April 1, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Norinchukin Bank	May 19, 2022	2,000	-	-	2,000	0.8	May 19, 2032	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	May 19, 2022	1,500	-	-	1,500	0.7	May 19, 2031	Lump sum	(Note 6)	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	SBI Shinsei Bank, Limited	May 19, 2022	1,500	-	-	1,500	0.8	May 19, 2032	Lump sum	(Note 6)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	May 19, 2022	1,000	-	-	1,000	0.8	May 19, 2032	Lump sum	(Note 6)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited	May 20, 2022	3,500	-	-	3,500	0.8	May 19, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 29, 2022	1,500	-	-	1,500	0.7	July 30, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	July 29, 2022	3,370	-	-	3,370	0.5	July 31, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	Aozora Bank, Ltd.	July 29, 2022	650	-	-	650	0.7	July 30, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	July 29, 2022	3,150	-	-	3,150	0.7	July 30, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	July 29, 2022	400	-	-	400	0.7	July 30, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 29, 2022	800	-	-	800	0.7	July 30, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 30, 2022	100	-	-	100	0.7	September 28, 2029	Lump sum	(Note 5)	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 5)	Unsecured and unguaranteed
	The Yamaguchi Bank, Ltd.	September 30, 2022	1,000	-	-	1,000	1.0	September 30, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 30, 2022	2,200	-	-	2,200	0.7	September 21, 2029	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	October 7, 2022	500	-	-	500	0.9	July 30, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	October 7, 2022	1,000	-	-	1,000	0.9	July 30, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 2)	October 7, 2022	2,000	-	-	2,000	0.2	October 7, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed
	Kansai Mirai Bank, Limited	November 30, 2022	1,000	-	-	1,000	0.8	November 30, 2032	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Kiyo Bank, Ltd.	November 30, 2022	850	-	-	850	0.6	November 30, 2029	Lump sum	(Note 5)	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 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 3, 2023	3,000	-	-	3,000	1.2	February 3, 2033	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2023	3,200	-	-	3,200	0.9	February 28, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 31, 2023	5,000	-	-	5,000	0.7	March 29, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 31, 2023	3,000	-	-	3,000	0.3	March 31, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	April 7, 2023	3,000	-	-	3,000	1.1	March 31, 2033	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 7, 2023	4,600	-	-	4,600	0.8	September 30, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 7, 2023	1,100	-	-	1,100	0.7	February 28, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	May 25, 2023	3,000	-	-	3,000	1.0	May 25, 2033	Lump sum	(Note 6)	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 2)	June 30, 2023	5,000	-	-	5,000	0.2	December 30, 2024	Lump sum	(Note 5)	Unsecured and unguaranteed

	Classification	Borrowing date	Beginning balance	Increase	Decrease	Ending balance	Average interest rate	Due date	Repayment method	Use	Remarks
	Name of lender		(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%) (Note 1)				
Long-term	Mizuho Bank, Ltd.	July 31, 2023	1,500	-	-	1,500	1.0	July 29, 2033	Lump sum	(Note 5)	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 31, 2023	2,000	-	-	2,000	1.0	July 31, 2033	Lump sum	(Note 5)	Unsecured and unguaranteed
	Shinkin Central Bank	July 31, 2023	1,100	-	-	1,100	1.0	July 29, 2033	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Senshu Ikeda Bank, Ltd.	July 31, 2023	800	-	-	800	1.0	July 29, 2033	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	July 31, 2023	2,000	-	-	2,000	0.8	July 31, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 6, 2023	-	3,200	-	3,200	1.0	September 30, 2030	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	October 6, 2023	-	2,000	-	2,000	1.4	October 6, 2033	Lump sum	(Note 5)	Unsecured and unguaranteed
	SBI Shinsei Bank, Limited	December 18, 2023	-	2,000	-	2,000	1.2	December 19, 2033	Lump sum	(Note 6)	Unsecured and unguaranteed
	The Chiba Bank, Ltd.	December 18, 2023	-	1,000	-	1,000	1.2	December 19, 2033	Lump sum	(Note 6)	Unsecured and unguaranteed
	Asahi Shinkin Bank	December 18, 2023	-	1,000	-	1,000	1.2	December 19, 2033	Lump sum	(Note 6)	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	December 21, 2023	-	2,000	-	2,000	0.2	November 28, 2025	Lump sum	(Note 5)	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	January 31, 2024	-	1,500	-	1,500	1.3	January 31, 2034	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	January 31, 2024	-	1,400	-	1,400	1.3	January 31, 2034	Lump sum	(Note 5)	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 5, 2024	-	3,000	-	3,000	0.6	January 29, 2027	Lump sum	(Note 5)	Unsecured and unguaranteed
	THE SHIGA BANK, LTD.	February 5, 2024	-	1,560	-	1,560	1.0	January 31, 2031	Lump sum	(Note 5)	Unsecured and unguaranteed
	The Minato Bank, Ltd.		-	920	-	920					
	The Gunma Bank, Ltd.		-	760	-	760					
	The Akita Bank, Ltd.		-	380	-	380					
	The Keiyo Bank, Ltd.		-	380	-	380					
	MUFG Bank, Ltd.	February 29, 2024	-	1,300	-	1,300	0.2	February 27, 2026	Lump sum	(Note 5)	Unsecured and unguaranteed
	Sub-total		487,145	22,400	17,400	492,145					
	Total		489,145	24,600	21,100	492,645					

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

Note 2 The balances as of February 29, 2024 are included in the current portion of long-term borrowings in the balance sheets.

Note 3 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 4 The funds were appropriated to purchasing real property or trust beneficiary interests in real property and miscellaneous expenses relating to the acquisition.

Note 5 The funds were mainly appropriated to repayment of borrowings.

Note 6 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	59,150	60,975	46,850	59,700	59,550