49th Fiscal Period Financial Report (REIT)

July 16, 2026

REIT Issuer:	HEIWA REAL ESTATE REIT, Inc.	Stock Exchange Listing: TSE
Securities Code:	8966	URL: https://www.heiwa-re.co.jp/en/
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Scheduled date of submission of periodic securities report (yuka shoken hokokusho): August 28, 2026
Scheduled date of commencement of distribution payments: August 17, 2026
Supplementary materials: Attached
IR Conference: Yes (for institutional investors and analysts)

[Amounts are rounded down to the nearest million yen]

1. Status of Management and Assets for the 49th Fiscal Period

49th Fiscal Period (49th FP): Fiscal period ended May 2026 (from December 1, 2025 to May 31, 2026)

(1) Management Status [% figures show the period-on-period increase (decrease)]

	Operating revenue		Operating profit		Ordinary profit		Profit	
49th FP	¥11,525 million	7.7%	¥6,627 million	10.7%	¥5,678 million	9.0%	¥5,677 million	9.0%
48th FP	¥10,704 million	5.4%	¥5,985 million	7.7%	¥5,207 million	6.7%	¥5,206 million	6.7%

	Profit per unit	Ratio of profit to unitholders' equity	Ratio of ordinary profit to total assets	Ratio of ordinary profit to operating revenue
49th FP	¥4,536	4.2%	2.0%	49.3%
48th FP	¥4,162	4.0%	1.9%	48.6%

(2) Distributions

	Distribution per unit (excluding distribution in excess of earnings)	Total distributions (excluding distribution in excess of earnings)	Distributions in excess of earnings per unit	Total distributions in excess of earnings	Payout ratio (Note 1)	Ratio of distributions to net assets (Note 2)
49th FP	¥3,990	¥4,993 million	¥–	¥–	88.0%	3.7%
48th FP	¥3,950	¥4,943 million	¥–	¥–	94.9%	3.8%

(Note 1) Payout ratio shows figures that have been calculated using the following formula:
Total distributions (excluding total distributions in excess of earnings) ÷ Profit × 100

(Note 2) Ratio of distributions to net assets shows figures that have been calculated using the following formula:
Total distributions (excluding total distributions in excess of earnings) ÷ [(Net assets at beginning of period + Net assets at end of period) ÷ 2] × 100

(Note 3) The amount of total distributions (¥4,943 million) for the 48th fiscal period is calculated as follows and therefore differs from the amount of profit. The reversal of reserve for temporary difference adjustments of ¥250 million (¥200 per unit) is added to the amount calculated by deducting the internal reserve of ¥513 million, which includes a ¥67 million transfer of reserve for tax purpose reduction entry, from profit.

(Note 4) The amount of total distributions (¥4,993 million) for the 49th fiscal period is calculated as follows and therefore differs from the amount of profit. The reversal of reserve for temporary difference adjustments of ¥250 million (¥200 per unit) is added to the amount calculated by deducting the internal reserve of ¥934 million, which includes a ¥380 million transfer of reserve for temporary difference adjustments and a ¥216 million transfer of reserve for tax purpose reduction entry, from profit.

(3) Financial Position

	Total assets	Net assets	Ratio of unitholders' equity to total assets	Net assets per unit
49th FP	¥285,667 million	¥134,650 million	47.1%	¥107,588
48th FP	¥272,935 million	¥133,158 million	48.8%	¥106,396

(4) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
49th FP	¥10,136 million	(¥13,432 million)	¥5,366 million	¥20,131 million
48th FP	¥9,062 million	(¥13,034 million)	¥4,564 million	¥18,061 million

2. Management Status Forecasts for the 50th and 51st Fiscal Periods

50th Fiscal Period (50th FP): Fiscal period ending November 2026 (from June 1, 2026 to November 30, 2026)
51st Fiscal Period (51st FP): Fiscal period ending May 2027 (from December 1, 2026 to May 31, 2027)

[% figures show the period-on-period increase (decrease)]

	Operating revenue		Operating profit		Ordinary profit		Profit		Distribution per unit (excluding distribution in excess of earnings) (Note)	Distributions in excess of earnings per unit
50th FP	¥9,558 million	(17.1)%	¥4,600 million	(30.6)%	¥3,481 million	(38.7)%	¥3,480 million	(38.7)%	¥4,030	¥–
51st FP	¥9,764 million	2.2%	¥4,734 million	2.9%	¥3,497 million	0.5%	¥3,496 million	0.5%	¥4,040	¥–

(Reference) Estimated profit per unit: 50th fiscal period: ¥2,590 51st fiscal period: ¥2,602

(Note) Funds for the payment of distributions for the 50th fiscal period include the additions of the planned amount of the reversal of reserve for temporary difference adjustments and a portion of retained earnings brought forward. Funds for the payment of distributions for the 51st fiscal period include the additions of the planned amount of the reversal of reserve for temporary difference adjustments and a portion of retained earnings brought forward. Therefore, the amounts of such funds are not equal to that of profit.

*** Other**

(1) Changes in Accounting Policies, Changes in Accounting Estimates, Restatements

(i) Changes in accounting policies accompanying amendments to accounting standards, etc.:	No
(ii) Changes in accounting policies other than (i):	No
(iii) Changes in accounting estimates:	No
(iv) Restatement:	No

(2) Total Number of Investment Units Issued and Outstanding

(i) Total number of investment units issued and outstanding at end of period (including treasury investment units):	49th FP	1,251,533 units	48th FP	1,251,533 units
(ii) Number of treasury investment units at end of period:	49th FP	– units	48th FP	– units

(Note) For the number of investment units on which the calculation of profit per unit is based, see "Note on per-unit information" on page 35 of the Japanese version of the "49th Fiscal Period Financial Report (REIT)" for the fiscal period ended May 2026.

* This financial report is not subject to audits by certified public accountants or an audit company.

* Special note
The management status outlook and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by the REIT. Accordingly, actual management status and other results may vary materially due to various factors. This forecast is not a guarantee of actual distributions paid. See the "Management status forecast assumptions for 50th fiscal period (from June 1, 2026 to November 30, 2026) and 51st fiscal period (from December 1, 2026 to May 31, 2027)" on page 10 for notes on assumptions used in management status forecasts and on the use of management status forecasts.

1. Management Status

(1) Management Status

a. General situation during the 49th fiscal period

The REIT is striving based on its Basic Philosophy of “Steady Growth of Assets Under Management” and “Stable Medium- to Long-Term Profits,” as well as “cooperation with and use of the Heiwa Real Estate Group” (collectively referring to Heiwa Real Estate Co., Ltd. (“Heiwa Real Estate”) and the subsidiaries of Heiwa Real Estate; the same hereinafter) to manage its assets with the purpose of maximizing unitholders’ value. Following is a summary of the REIT’s asset management during the 49th fiscal period.

(i) Brief background of the REIT

Investment units in the REIT have been listed on the Real Estate Investment Trust Section (J-REIT Section) of the Tokyo Stock Exchange (“TSE”) since March 8, 2005 (Securities Code: 8966). Between then and the start of the current fiscal period, the REIT executed a capital increase through public offering and issuance of new investment units through private placement on several occasions, an investment unit split and investment unit issuance through a merger with Japan Single-residence REIT Inc. on October 1, 2010 (the “Merger”), a cancellation of treasury investment units in September 2020. The REIT executed an issuance of new investment units every June for five consecutive years, beginning in 2021. As a result, total investment units issued and outstanding were 1,251,533 and unitholders’ capital was ¥115,314 million as of the end of the 49th fiscal period (May 31, 2026).

(ii) Operating environment

During the current fiscal period, the Japanese economy remained on a gradual recovery path with corporate performance showing resiliency against a backdrop of capital investment and wage increases. On the other hand, overseas, geopolitical risks are factors of uncertainty against the backdrop of U.S. trade policies and the situation in the Middle East, and it will be necessary to continue to pay attention to monetary policy developments inside and outside Japan, as well as exchange rate trends.
In this environment, there was a phase in January 2026 where the TSE REIT index rose to 2,067.93 points, up from 2,023.80 points at the end of the previous fiscal period (November 30, 2025), against a backdrop of factors that include robust performance of Japanese equities. However, it subsequently began to trend downward against a backdrop of rising long-term interest rates in Japan and the situation in the Middle East, and was at 1,809.65 points at the end of the current fiscal period (May 31, 2026).

(a) Office building leasing market
According to the latest office building market data from Miki Shoji Co., Ltd., the average office building vacancy rate in the five central wards of Tokyo (Chiyoda, Chuo, Minato, Shinjuku and Shibuya) fell to 2.07% at the end of the current fiscal period (May 31, 2026) from 2.44% at the end of the previous fiscal period (November 30, 2025), due to progress in agreements for floor space expansions, office expansion, and new branch offices within buildings. In addition, the average rent rose for 28 consecutive months from February 2024, increasing from ¥21,308/tsubo at the end of the previous fiscal period, to ¥22,845/tsubo at the end of the current fiscal period.
Vacancy rates have remained low as relocations and floor space expansions have progressed for expansion, upgrades, and better locations. For the portfolio assets, the REIT also aims to maintain high occupancy rates and achieve rent increases aligned with favorable market conditions.

(b) Residential leasing market
According to At Home Co., Ltd., in May 2026, the average condominium contract rent in areas of major cities across Japan increased year-on-year across all floor-area categories in 11 areas, including the metropolitan area (Tokyo 23 Wards, metropolis of Tokyo (excluding Tokyo 23 Wards), Kanagawa Prefecture, Saitama Prefecture, and Chiba Prefecture) as well as Sapporo City, Nagoya City, Kyoto City, Osaka City, Hiroshima City, and Fukuoka City. In addition, the average contract rent for family-oriented condominiums rose year-on-year for nine consecutive months in all 13 areas, including Sendai City and Kobe City. The average contract rent for singles-oriented condominiums reached the highest levels in Tokyo 23 Wards for 24 consecutive months and in Osaka City for 22 consecutive months since January 2015. Furthermore, according to the Survey Report on the Statistics of Construction Starts published in May 2026, during the fiscal period from December 2025 to May 2026, the number of new housing starts (rental housing) decreased year-on-year for four consecutive months until March, but from April onwards, it increased year-on-year for two consecutive months. The residential market in the metropolitan area continues to experience strong rental demand. As a result, rents continue to rise for all residential unit types, including single, compact, and family units, and the market environment is progressing favorably. Additionally, in major cities outside of the metropolitan area, strong demand continues as rental demand remains stable, and occupancy rates are expected to remain at a high level. Backed by this strong rental demand, the REIT aims to expand the properties targeted for value enhancement, as well as steadily implement upward revisions of rent to further improve profitability.

(c) Real estate
As for government-assessed land prices as of January 1, 2026, which were published in March 2026, the average prices for all types of land, land in residential areas, and land in commercial areas each rose for the fifth consecutive year in Japan’s three major metropolitan areas of Tokyo, Osaka and Nagoya, with each amount of increase expanding. In the Tokyo and Osaka areas, the amount of increase expanded, while in the Nagoya area, the amount of increase contracted. In addition, in regional areas, the average prices for all types of land, land in residential areas, and land in commercial areas each rose for the fifth consecutive year. Although the amount of increase contracted in the average prices for all types of land and land in residential areas, the amount of increase in commercial land prices remained the same as the prior year. Although the amount of increase contracted in Sapporo City, Sendai City, Hiroshima City, and Fukuoka City, in other areas, the amount of increase for all types of land and land in residential areas remained the same as the prior year, while it expanded in land in commercial areas.

In government ordinance-designated regional cities, which the REIT considers to be investment targets, land prices continued to increase in both residential and commercial areas.

(iii) Management performance

(a) External growth
The REIT acquired and transferred the following properties to achieve improvements in profitability and quality with respect to its portfolio.

Acquired properties

Acquisition date	Property no.	Property name	Asset type	Investment category	Acquisition price
March 2, 2026	Of-63	Nagoya Heiwa Building (quasi-co-ownership interest of 70%)	Real estate trust beneficiary right	Office	¥5,110 million
December 5, 2025	Re-115	HF OSHIAGE RESIDENCE	Real estate and land leasing rights	Residence	¥2,140 million
December 23, 2025	Re-118	HF SHIMO-AKATSUKA RESIDENCE	Real estate trust beneficiary right	Residence	¥1,600 million
December 23, 2025	Re-119	HF TOKIWADAI RESIDENCE	Real estate trust beneficiary right	Residence	¥1,980 million
December 23, 2025	Re-120	HF AYASE RESIDENCE	Real estate trust beneficiary right	Residence	¥1,250 million

Transferred properties

Transfer date	Property no.	Property name	Asset type	Investment category	Transfer price
May 29, 2026	Re-61	HF NISHI-SHINJUKU RESIDENCE WEST	Real estate trust beneficiary right	Residence	¥3,500 million
May 29, 2026	Re-62	HF NISHI-SHINJUKU RESIDENCE EAST	Real estate trust beneficiary right	Residence	¥2,050 million

As a result, portfolio assets as of the end of the current fiscal period were 136 properties (total acquisition price: ¥265,046 million), including 46 office buildings (total acquisition price of ¥137,193 million) and 90 residential buildings (total acquisition price of ¥127,853 million).

(b) Internal growth
The REIT has consistently endeavored to increase profitability by improving and maintaining its occupancy rates. During the 49th fiscal period, the REIT continued to be engaged in tenant leasing activities, working to shorten vacancy duration as well as systematic efforts to increase its investment value based on tenant needs and the characteristics of each individual property. Supported by these and other initiatives for maintaining and improving the competitiveness of its assets, the occupancy rate for total assets held by the REIT came to 97.65% at the end of the current fiscal period. The REIT was able to stabilize the occupancy rate, which had reached 97.76% at the end of the previous fiscal period, at a high level throughout the current fiscal period. The average month-end occupancy rate for the current fiscal period stood high at 97.65%.
The REIT has been advancing ESG-related initiatives with a focus on consideration for the environment and energy saving and contribution to communities.
Meanwhile, in terms of renaming managed assets, which has been a consistent focus for some time, the REIT renamed the six properties shown below during the period from the beginning of the current fiscal period to the date of this document. By renaming the properties, the REIT aims to provide reassurance to existing tenants, increase the appeal of the properties to prospective tenants and conduct leasing activities more efficiently. The new names are used in this document.

Properties renamed

Date of change	Property no.	Old name	New name
December 1, 2025	Of-61	KYOMACHIBORI SQUARE	HF KYOMACHIBORI BUILDING
March 1, 2026	Re-116	Harmony Residence Tokyo Tree Kyojima	HF HIKIFUNE RESIDENCE EAST
March 1, 2026	Re-117	Season Flats Omorikita	HF OMORI RESIDENCE
May 1, 2026	Re-118	Alpha Court Shimo-Akatsuka	HF SHIMO-AKATSUKA RESIDENCE
May 1, 2026	Re-119	Alpha Court Tokiwadai3	HF TOKIWADAI RESIDENCE
May 1, 2026	Re-120	Alpha Court Ayase2	HF AYASE RESIDENCE

(iv) Procurement of funds

During the current fiscal period, the REIT took out loans totaling ¥10,310 million to fund property acquisition, etc. Additionally, it took out loans of ¥6,862 million to fund the repayment of loans that reached their principal repayment dates during the current fiscal period (totaling ¥6,862 million).
As a result of these loans, the average borrowing period as of the end of the current fiscal period came to 7.0 years, while the average remaining period was 4.0 years, and the average borrowing interest rate was 1.43%. The total interest-bearing liabilities amount (Note) at the end of current fiscal period was ¥138,680 million (period-end interest-bearing liabilities to total assets ratio (Note): 48.55%).

(Note) Interest-bearing liabilities = short-term borrowings + current portion of investment corporation bonds + current portion of long-term borrowings + investment corporation bonds + long-term borrowings
Period-end interest-bearing liabilities to total assets ratio = Period-end amount of interest-bearing liabilities / Period-end amount of total assets × 100

A rating for the REIT as of the date of this document is presented below.

Credit rating agency	Issuer rating
Japan Credit Rating Agency, Ltd. (JCR)	Rating: AA-; Rating outlook: Stable

(v) Performance and distributions

The management described above led to 49th fiscal period results of ¥11,525 million in operating revenue, ¥6,627 million in operating profit, after deducting interest expenses on borrowings, ¥5,678 million in ordinary profit, and ¥5,677 million in profit. With respect to the distribution of monies (“distributions”) stipulated in Article 137 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951 and subsequent amendments), distributions shall be not more than the amount of unappropriated retained earnings at the end of the current fiscal period and are defined as anything in excess of 90% of the “amount of distributable earnings” stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957 and subsequent amendments) in accordance with the stipulations of Article 32, paragraph 1 of its Articles of Incorporation (“bylaws”). Based on this policy, the REIT declared total distributions of ¥4,993,616,670 for the current fiscal period, which is the amount calculated by adding the reversal of reserve for temporary difference adjustments of ¥250,306,600 (¥200 per unit) to the amount calculated by deducting the internal reserve of ¥934,340,250 from the profit of ¥5,677,650,320 for the current fiscal period. The internal reserve includes a transfer of ¥380,098,954 to the reserve for temporary difference adjustments and a transfer of ¥216,777,682 to the reserve for tax purpose reduction entry in accordance with the “special case of taxation in case of replacement of specified properties” under Article 65-7 of the Act on Special Measures Concerning Taxation. As a result, distributions per unit have come to ¥3,990.

b. Outlook for next period

Management policy and future issues

The REIT has developed and managed a high quality portfolio, primarily consisting of office and residence properties located in Tokyo 23 Wards, with the aim of maximizing unitholders' value through its Basic Philosophy of "Steady Growth of Assets under Management" and "Stable Medium- to Long-Term Profits" as well as "cooperation with and use of the Heiwa Real Estate Group." Going forward, the REIT will focus its attention on the enhancement of unitholders' return, internal growth and asset turnover strategy. In subsequent fiscal periods, the REIT will continue to adhere to the above philosophy, aiming to further maximize unitholders' value through the stable management of its portfolio and pursuing a strategy of steady growth.

(a) External growth
The REIT sought to expand its portfolio, enhance the portfolio's quality and increase profitability by selling four properties and acquiring ten new properties of good quality (including additional acquisitions) in the period from the previous fiscal period to the current fiscal period. While the REIT will continue to seek expansion in the scale of its assets in the future, it will also consider the replacement of assets, strive to enhance its medium- to long-term portfolio quality and aim to maximize unitholders' value. Although the situation with regard to the financing environment and expectations for higher property prices on the back of the economic recovery may change, competitors' appetite for the acquisition of properties is unlikely to weaken dramatically and the acquisition environment is likely to remain extremely challenging. The REIT will endeavor to promptly obtain information on excellent properties by using its pipeline with Heiwa Real Estate and building up its unique information routes as an asset management company. As a basic strategy, the REIT aims to increase opportunities for primarily acquiring properties owned and developed by Heiwa Real Estate, and additionally for acquiring properties owned and developed by other developers to expand its portfolio, contributing to stable profitability over the medium to long term.

(b) Internal growth
The REIT believes that by using the database and information network developed by the Heiwa Real Estate Group and its property management company, it can quickly detect leasing market trends and conduct precise property management, enabling it to maintain and increase occupancy rates and rent levels in assets under management. In the office building leasing market, since demand turned positive in 2022, momentum has continued to follow an increasing trend. Tenants' needs for high-quality office space are continuing to grow, and the REIT recognizes that there is an ongoing tendency for tenants to hold the view that the office strategies serve as an investment for securing human resources. Under the circumstances, to respond to the tenants' needs, the REIT will continue to exercise management based on value enhancement while seeking varied leasing ways. Meanwhile, in the residential leasing market, the residential market in the metropolitan area continues to experience strong rental demand. As a result, rents continue to rise for all residential unit types, including single, compact, and family units, and the market environment is progressing favorably. Additionally, in major cities outside of the metropolitan area, strong demand continues as rental demand remains stable, and occupancy rates are expected to remain at a high level. Backed by this strong rental demand, the REIT aims to expand the properties targeted for value enhancement, as well as steadily implement upward revisions of rent to further improve profitability.
In dealing with tenants, the REIT will continue to focus on maintaining and raising rent levels and reducing the number of departures. The REIT will also perform leasing management, including the reduction of time needed to restore properties to their original state, in a bid to shorten the period from tenant departures to the acquisition of new tenants. To make its properties more competitive, the REIT continuously and actively makes value-building investments in repairs and improvements of assets under management to maintain and enhance their medium- to long-term value, taking into account each property's asset age, facility level and other aspects.

(c) Financial strategy
The REIT is actively implementing measures in an effort to stabilize its financial foundations and achieve sustainable growth. It will consider the issuance of investment units as one of financing methods while simultaneously taking into consideration the dilution of existing unitholders' rights and the impact of investment units on traded prices, among other factors. It will allocate procured funds chiefly to expand the scale of assets through property acquisition, improve the profitability and quality of its portfolio, and/or strengthen its financial foundations through the reduction of LTV, and by doing so, seek to increase unitholders' value such as investment unit prices, distributions and NAV per unit from medium- to long-term perspectives. Concerning loans, the REIT will continue to strive to maintain its borrowing periods and diversify maturities by maintaining an appropriate loan-to-value ratio, while promoting measures to reduce risks from higher interest rates in the future and cut financial costs. It will also endeavor to further strengthen its bank formation by strengthening its relationships with financial institutions. The REIT will also issue investment corporation bonds, while keeping a close watch on the effect of reducing financial costs and trends in the financial market. As part of its unitholders' returns policy, the REIT will also consider the purchase and cancellation of treasury investment units based on comprehensive consideration of factors such as the level of the investment unit price, the situation of cash reserves, financial conditions and the market environment. By implementing these measures and initiatives on a continuous basis, the REIT will strive to build sound financial systems that are resilient to changes in the funding environment.

(d) Promotion of more timely disclosure
The REIT practices information disclosure that is accurate, fair and timely, complying with the TSE's Securities Listing Regulations and other regulations, laws, etc. relating to timely disclosure. The REIT discloses information on its decisions on the acquisition of new properties, etc. as a rule at the time of the decision by a REIT organization such as the Board of Directors, while events such as damage to assets under management resulting from incidental occurrences are disclosed at the time they are discovered. As a rule, the REIT uses the TSE's TDnet and its official website as its methods for disclosing information.

c. Significant subsequent events

A. Issuance of new investment units

A resolution to issue new investment units as follows was passed at the Board of Directors meetings held on May 18 and 21, 2026. The payment for new investment units issued through public offering was completed on June 1, 2026, and the payment for those issued through third party allotment was completed on June 23, 2026. As a result, unitholders' capital was ¥127,077 million and total investment units issued and outstanding were 1,343,533 as of the date of this document.

1. Issuance of new investment units through public offering

(1) New investment units issued:	87,700 (Note)
(2) Price of issue (offering price):	¥132,122
(3) Total price of issue (offering price):	¥11,587,099,400
(4) Paid-in amount (issue price):	¥127,853
(5) Total paid-in amount (issue price):	¥11,212,708,100
(6) Due date of payment:	June 1, 2026

(Note) 27,600 units out of the above investment units issued were sold to overseas investors in overseas markets mainly in Europe and Asia (excluding the U.S. and Canada).

2. Issuance of new investment units through third party allotment

(1) New investment units issued:	4,300
(2) Paid-in amount (issue price):	¥127,853
(3) Total paid-in amount (issue price):	¥549,767,900
(4) Assignee:	SMBC Nikko Securities Inc.
(5) Due date of payment:	June 23, 2026

B. Asset acquisitions

The REIT acquired a real estate trust beneficiary right in one property (total acquisition price: ¥9,060 million) and one real estate property (total acquisition price: ¥1,758 million) on June 3, 2026, as well as a real estate trust beneficiary right in one property (total acquisition price: ¥2,600 million) on June 5, 2026 in accordance with the basic policy, etc. set out in its bylaws.

Property no.: Of-64; Property name: HF UENO INARICHO BUILDING (Note 1)

Type of asset acquired	Real estate trust beneficiary right
Contract date	May 18, 2026
Acquisition date	June 3, 2026
Acquisition price (Note 2)	¥9,060 million
Location (residential address)	1-3-5, Matsugaya, Taito-ku, Tokyo
Use	Office, storefront, parking
Completed	October 16, 1992
Structure	Steel-framed reinforced concrete flat-roofed 8-story building with one underground story
Total floor area	8,490.44 m^2
Total rentable area	6,406.78 m^2

(Note 1) As of the date of this document, the name is Ueno East Building, but it is scheduled to be changed to HF UENO INARICHO BUILDING as of May 31, 2027. Therefore, the name after the change is used in this document.

(Note 2) The acquisition price is the sales price indicated in the trading agreement for the real estate trust beneficiary right (excluding amounts equal to consumption taxes, etc.) and does not include the amounts of settlement for the costs of acquisition, fixed property tax, city planning tax, etc.

Property no.: Of-65; Property name: HF KITA JUJO BUILDING (Note 1)

Type of asset acquired	Real estate
Contract date	May 18, 2026
Acquisition date	June 3, 2026
Acquisition price (Note 2)	¥1,758 million
Location (registration number)	3-1-1, Kita 10-jo Nishi, Kita-ku, Sapporo, Hokkaido (Note 3)
Use	Storefront, office
Completed	March 29, 2024
Structure	Reinforced concrete flat-roofed 7-story building
Total floor area	1,647.92 m^2
Total rentable area	1,327.08 m^2

(Note 1) As of the date of this document, the name is Noblesse SAPPORO, but it is scheduled to be changed to HF KITA JUJO BUILDING as of May 31, 2027. Therefore, the name after the change is used in this document.

(Note 2) The acquisition price is the sales price indicated in the trading agreement for the real estate (excluding amounts equal to consumption taxes, etc.) and does not include the amounts of settlement for the costs of acquisition, fixed property tax, city planning tax, etc.

(Note 3) Since the residential address is not indicated officially, the location of the building stated in the real estate registry is shown.

Property no.: Of-66; Property name: HF CHIBA FUJIMI BUILDING (Note 1)

Type of asset acquired	Real estate trust beneficiary right
Contract date	May 18, 2026
Acquisition date	June 5, 2026
Acquisition price (Note 2)	¥2,600 million
Location (residential address)	2-15-11, Fujimi, Chuo-ku, Chiba City, Chiba
Use	Office, parking
Completed	July 30, 1982
Structure	Steel-framed reinforced concrete and steel-framed flat-roofed 9-story building with galvanized steel sheet roofing
Total floor area	6,894.60 m^2
Total rentable area	5,010.54 m^2

(Note 1) As of the date of this document, the name is IMI Chiba Fujimi Building, but it is scheduled to be changed to HF CHIBA FUJIMI BUILDING as of May 31, 2027. Therefore, the name after the change is used in this document.

(Note 2) The acquisition price is the sales price indicated in the trading agreement for the real estate trust beneficiary right (excluding amounts equal to consumption taxes, etc.) and does not include the amounts of settlement for the costs of acquisition, fixed property tax, city planning tax, etc.

C. Loans for funding

To partially fund the acquisition of one real estate property and the real estate trust beneficiary right in one property acquired on June 3, 2026 (see “B. Asset acquisitions” above), the REIT took out loans (total loan amount of ¥4,250 million) as follows.

Term Loan 88-1 Tranche A

Lender	Loan amount	Interest rate	Borrowing date	Principal repayment date	Principal repayment method	Purpose	Summary
Sumitomo Mitsui Banking Corporation	¥2,420 million	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.285% (Note 1)	June 3, 2026	November 30, 2028 (Note 2)	Lump sum repayment on the principal repayment date	Property acquisition funding, etc.	Unsecured Non-guaranteed

Term Loan 88-1 Tranche B

Lender	Loan amount	Interest rate	Borrowing date	Principal repayment date	Principal repayment method	Purpose	Summary
Sumitomo Mitsui Banking Corporation	¥1,260 million	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.47% (Note 1)	June 3, 2026	November 28, 2031 (Note 2)	Lump sum repayment on the principal repayment date	Property acquisition funding, etc.	Unsecured Non-guaranteed

Term Loan 88-2

Lender	Loan amount	Interest rate	Borrowing date	Principal repayment date	Principal repayment method	Purpose	Summary
Resona Bank, Limited	¥570 million	Base interest rate (JBA 1-month Japanese Yen TIBOR) + 0.44% (Note 1)	June 3, 2026	November 28, 2031 (Note 2)	Lump sum repayment on the principal repayment date	Property acquisition funding, etc.	Unsecured Non-guaranteed

(Note 1) The base interest rate applicable to the calculation period for interest payable on the interest payment date shall be the one-month Japanese Yen TIBOR rates published by the JBA TIBOR Administration two business days prior to the first day of each interest calculation period. The Japanese Yen TIBOR rates published by the JBA TIBOR Administration can be confirmed on its website.

(Note 2) Or the next business day if the date shown is not a business day. If the next business day falls in the next month, the previous business day.

d. Outlook for management status

Management status is forecast to be as follows during the 50th fiscal period (from June 1, 2026 to November 30, 2026). See "Management status forecast assumptions for 50th fiscal period (from June 1, 2026 to November 30, 2026) and 51st fiscal period (from December 1, 2026 to May 31, 2027)" below for assumptions used in this forecast.

Operating revenue	¥9,558 million
Operating profit	¥4,600 million
Ordinary profit	¥3,481 million
Profit	¥3,480 million
Distributions per unit (excluding distributions in excess of earnings)	¥4,030
Distributions in excess of earnings per unit	¥–

(Note 1) Funds for the payment of distributions include the additions of the planned amount of the reversal of reserve for temporary difference adjustments and a portion of retained earnings brought forward. Therefore, the amount of such funds is not equal to that of profit.

(Note 2) The above forecast figures were calculated using a fixed set of assumptions and are valid as of the time of this notice. Actual profit, distributions, etc., may vary due to changes in conditions. Forecast figures are not a guarantee of the amount of distributions.

Management status is forecast to be as follows during the 51st fiscal period (from December 1, 2026 to May 31, 2027). See "Management status forecast assumptions for 50th fiscal period (from June 1, 2026 to November 30, 2026) and 51st fiscal period (from December 1, 2026 to May 31, 2027)" below for assumptions used in this forecast.

Operating revenue	¥9,764 million
Operating profit	¥4,734 million
Ordinary profit	¥3,497 million
Profit	¥3,496 million
Distributions per unit (excluding distributions in excess of earnings)	¥4,040
Distributions in excess of earnings per unit	¥–

(Note 1) Funds for the payment of distributions include the additions of the planned amount of the reversal of reserve for temporary difference adjustments and a portion of retained earnings brought forward. Therefore, the amount of such funds is not equal to that of profit

(Note 2) The above forecast figures were calculated using a fixed set of assumptions and are valid as of the time of this notice. Actual profit, distributions, etc., may vary due to changes in conditions. Forecast figures are not a guarantee of the amount of distributions.

Management status forecast assumptions for 50th fiscal period (from June 1, 2026 to November 30, 2026) and 51st fiscal period (from December 1, 2026 to May 31, 2027)

Item	Assumptions
Management period	50th fiscal period: from June 1, 2026 to November 30, 2026 (183 days) 51st fiscal period from December 1, 2026 to May 31, 2027 (182 days)
Assets under management	• The 136 properties owned as of May 31, 2026, are based on the inclusion of the HF UENO INARICHO BUILDING and the HF KITA JUJO BUILDING, which were acquired on June 3, 2026, and the HF CHIBA FUJIMI BUILDING, which was acquired on June 5, 2026. The actual number may vary if properties are newly acquired, disposed, etc.
Total number of investment units issued and outstanding	• Assumptions are made based on 1,343,533 total investment units issued and outstanding (1,251,533 total investment units issued and outstanding as of May 31, 2026 plus 87,700 new investment units issued through public offering as decided at the Board of Directors meetings on May 18 and 21, 2026 and 4,300 new investment units issued through third party allotment associated with the secondary distribution by overallotment). • Profit and distribution per unit are calculated with the aforementioned 1,343,533 units as the total number of investment units issued and outstanding at the end of each period.
Operating revenue	• Operating revenue is calculated based on the assumption of the above assets under management. • Operating revenue is calculated taking into account such factors as cancellation notices currently received and the future market environment, using the history of acquired assets as the REIT's standard.
Operating expenses	• Operating expenses are calculated based on the assumption of the above assets under management. • Assumptions concerning major operating expenses are as follows: 50th fiscal period (from June 1, 2026 to November 30, 2026) Public charges and taxes (fixed property tax, city planning tax, etc.): ¥627 million Repair expenses: ¥348 million Management commissions: ¥972 million Depreciation: ¥1,228 million 51st fiscal period (from December 1, 2026 to May 31, 2027) Public charges and taxes (fixed property tax, city planning tax, etc.): ¥652 million Repair expenses: ¥372 million Management commissions: ¥990 million Depreciation: ¥1,249 million • Fixed property tax, city planning tax, etc. associated with properties held are accounted for as expenses related to leasing business by posting the amounts corresponding to the relevant calculation period from the amount of tax determined to be due. Although fixed property tax, city planning tax, etc., on the buying and selling of real estate properties is generally calculated on a pro-rata basis with former owners and settled at the time of acquisition, the amount equivalent to the settlement money is not expensed, as it is included in the acquisition cost. • For repair expenses, an amount deemed necessary during the period based on the maintenance and repair plans for the properties is posted. • Emergency costs may arise as a result of unforeseeable factors, and actual operating expenses may therefore vary significantly from the forecast.
Non-operating expenses	• The REIT assumes ¥1,112 million and ¥1,231 million as interest expenses (including interest expenses on investment corporation bonds) and financing fees for the fiscal period ending November 30, 2026 and the fiscal period ending May 31, 2027, respectively. In addition, the REIT assumes ¥28 million and ¥28 million as the amortization of investment corporation bond issuance costs and investment unit issuance expenses for the fiscal period ending November 30, 2026 and the fiscal period ending May 31, 2027, respectively.
Interest-bearing liabilities	• Interest-bearing liabilities as of May 31, 2026 are ¥138,680 million. • Calculated on the assumption that the REIT will have interest-bearing liabilities balances of ¥137,790 million and ¥137,790 million at the end of the fiscal period ending November 30, 2026 and the fiscal period ending May 31, 2027, respectively, taking into consideration the loans taken out and the early repayments made in June 2026. • The REIT assumes that it will refinance loans that become payable in the fiscal period ending November 30, 2026 and the fiscal period ending May 31, 2027.
Distributions per unit (excluding distributions in excess of earnings)	• Distributions per unit (excluding distributions in excess of earnings) are calculated based on the cash distribution policy stipulated in the REIT's bylaws. Assumptions on distributions for the fiscal period ending November 30, 2026 are made based on the distribution of a total of ¥5,414 million (distribution of ¥4,030 per unit), which is the amount calculated by adding the expected reversal of reserve for temporary difference adjustments and a portion of retained earnings brought forward to the expected profit of ¥3,480 million. Assumptions on distributions for the fiscal period ending May 31, 2027 are made based on the distribution of a total of ¥5,427 million (distribution of ¥4,040 per unit), which is the amount calculated by adding the expected reversal of reserve for temporary difference adjustments and a portion of retained earnings brought forward to the expected profit of ¥3,496 million. • Distributions per unit (excluding distributions in excess of earnings) may change because of various factors, including changes in leasing income attributable to changes of assets under management or changes in tenants or to unexpected maintenance and repair work.

Item	Assumptions
Distributions in excess of earnings per unit	• The REIT does not expect any distributions in excess of earnings at this time.
Other	• The REIT assumes no amendments to laws, the tax system, accounting standards, TSE rules, or The Investment Management Association of Japan rules, etc., that would affect the above forecast figures. • The REIT assumes that no major unforeseen changes will occur in the general economic trends, real estate market conditions, etc.

(2) Investment Risks

No disclosure necessary, since there have been no material changes from “Investment risks” in the most recent Securities Registration Statement (submitted on May 18, 2026; including the subsequent amendment).

2. Financial Statements

(1) Balance Sheet

(Unit: Thousands of yen)

	48th fiscal period (As of November 30, 2025)	49th fiscal period (As of May 31, 2026)
Assets		
Current assets		
Cash and deposits	14,198,705	16,001,713
Cash and deposits in trust	4,790,189	5,180,999
Operating accounts receivable	212,784	170,158
Prepaid expenses	178,805	188,616
Other	100,058	178,724
Allowance for doubtful accounts	(50)	(67)
Total current assets	19,480,492	21,720,144
Non-current assets		
Property, plant and equipment		
Buildings	26,358,560	27,517,297
Accumulated depreciation	(7,053,732)	(7,384,871)
Buildings, net	19,304,827	20,132,426
Structures	137,529	142,915
Accumulated depreciation	(66,058)	(69,463)
Structures, net	71,470	73,452
Machinery and equipment	365,525	373,818
Accumulated depreciation	(261,436)	(267,422)
Machinery and equipment, net	104,089	106,396
Tools, furniture and fixtures	518,330	565,005
Accumulated depreciation	(277,903)	(303,071)
Tools, furniture and fixtures, net	240,427	261,934
Land	46,169,225	46,171,643
Buildings in trust	53,747,187	55,598,583
Accumulated depreciation	(16,289,604)	(16,647,200)
Buildings in trust, net	37,457,583	38,951,383
Structures in trust	257,448	254,432
Accumulated depreciation	(134,885)	(133,849)
Structures in trust, net	122,562	120,582
Machinery and equipment in trust	842,127	855,535
Accumulated depreciation	(428,786)	(450,461)
Machinery and equipment in trust, net	413,340	405,073
Tools, furniture and fixtures in trust	1,631,805	1,696,318
Accumulated depreciation	(1,074,063)	(1,094,249)
Tools, furniture and fixtures in trust, net	557,742	602,069
Land in trust	132,894,678	138,901,474
Total property, plant and equipment	237,335,947	245,726,437
Intangible assets		
Leasehold interests in land	11,472,226	12,854,571
Land leasehold interests in trust	2,472,255	2,472,255
Software	40	16
Other	227	227
Total intangible assets	13,944,749	15,327,069

(Unit: Thousands of yen)

		48th fiscal period (As of November 30, 2025)		49th fiscal period (As of May 31, 2026)
Investments and other assets				
Guarantee deposits		24,589		24,619
Long-term prepaid expenses		440,835		469,729
Derivatives		1,056,974		1,790,786
Other		553,158		534,787
Total investments and other assets		2,075,556		2,819,922
Total non-current assets		253,356,253		263,873,429
Deferred assets				
Investment unit issuance expenses		71,543		49,402
Investment corporation bond issuance costs		27,550		24,077
Total deferred assets		99,093		73,479
Total assets		272,935,839		285,667,054
Liabilities				
Current liabilities				
Operating accounts payable		1,071,665		1,178,771
Current portion of long-term borrowings		15,515,000		16,608,000
Accrued expenses		1,031,217		1,141,595
Accrued consumption taxes		40,924		136,667
Advances received		1,447,830		1,551,761
Other		83,816		73,201
Total current liabilities		19,190,453		20,689,997
Non-current liabilities				
Investment corporation bonds		7,900,000		7,900,000
Long-term borrowings		104,955,200		114,172,200
Leasehold and guarantee deposits received		1,201,043		1,247,661
Leasehold and guarantee deposits received in trust		6,530,327		6,979,043
Derivative liabilities		413		27,556
Total non-current liabilities		120,586,985		130,326,460
Total liabilities		139,777,438		151,016,457
Net assets				
Unitholders' equity				
Unitholders' capital		115,314,963		115,314,963
Surplus				
Capital surplus		7,406,652		7,406,652
Deduction from unitholders' capital surplus	*3	(1,699,990)	*3	(1,699,990)
Capital surplus, net		5,706,661		5,706,661
Voluntary retained earnings				
Reserve for tax purpose reduction entry		601,488		669,175
Reserve for temporary difference adjustments	*4	1,330,930	*4	1,080,624
Total voluntary retained earnings		1,932,419		1,749,799
Unappropriated retained earnings (undisposed loss)		9,059,601		9,976,316
Total surplus		16,698,682		17,432,777
Total unitholders' equity		132,013,646		132,747,741
Valuation and translation adjustments				
Deferred gains or losses on hedges		1,144,754		1,902,855
Total valuation and translation adjustments		1,144,754		1,902,855
Total net assets	*2	133,158,401	*2	134,650,596
Total liabilities and net assets		272,935,839		285,667,054

(2) Statement of Income

(Unit: Thousands of yen)

		48th fiscal period (From June 1, 2025 to November 30, 2025)		49th fiscal period (From December 1, 2025 to May 31, 2026)
Operating revenue				
Leasing business revenue	*1	7,743,628	*1	8,140,845
Other leasing business revenue	*1	827,504	*1	884,196
Gain on sale of real estate properties	*2, *3	2,133,569	*2, *3	2,500,101
Total operating revenue		10,704,702		11,525,143
Operating expenses				
Expenses related to leasing business	*1, *3	3,623,445	*1, *3	3,782,182
Asset management fees		803,544		829,888
Asset custody fees		14,581		15,075
Administrative service fees		39,021		39,388
Remuneration for directors (and other officers)		6,651		7,200
Audit fees		12,800		13,680
Other operating expenses		219,208		209,965
Total operating expenses		4,719,252		4,897,379
Operating profit		5,985,449		6,627,763
Non-operating income				
Interest income		19,206		25,321
Reversal of distributions payable		499		869
Insurance claim income		4,191		2,616
Other		1,000		1,080
Total non-operating income		24,898		29,888
Non-operating expenses				
Interest expenses		663,864		836,692
Financing fees		72,195		75,514
Interest expenses on investment corporation bonds		30,335		30,335
Amortization of investment corporation bond issuance costs		3,472		3,472
Amortization of investment unit issuance expenses		22,141		22,141
Other		11,215		11,240
Total non-operating expenses		803,225		979,396
Ordinary profit		5,207,122		5,678,255
Profit before income taxes		5,207,122		5,678,255
Income taxes - current		605		605
Total income taxes		605		605
Profit		5,206,517		5,677,650
Retained earnings brought forward		3,853,084		4,298,666
Unappropriated retained earnings (undisposed loss)		9,059,601		9,976,316

(3) Statements of Unitholders' Equity
48th fiscal period (June 1, 2025 – November 30, 2025)

(Unit: Thousands of yen)

	Unitholders' equity				
	Unitholders' capital	Surplus			
		Capital surplus	Deduction from unitholders' capital surplus	Capital surplus, net	Voluntary retained earnings: Reserve for tax purpose reduction entry
Balance at beginning of period	108,578,318	7,406,652	(1,699,990)	5,706,661	492,732
Changes during period					
Issuance of new investment units	6,736,645				
Provision of reserve for tax purpose reduction entry					108,756
Provision of reserve for temporary difference adjustments					
Reversal of reserve for temporary difference adjustments					
Dividends of surplus					
Profit					
Net changes in items other than unitholders' equity					
Total changes during period	6,736,645	–	–	–	108,756
Balance at end of period	*1 115,314,963	7,406,652	(1,699,990)	5,706,661	601,488

	Unitholders' equity				
	Surplus				Total unitholders' equity
	Voluntary retained earnings		Unappropriated retained earnings (undisposed loss)	Total surplus	
	Reserve for temporary difference adjustments	Total voluntary retained earnings			
Balance at beginning of period	1,421,173	1,913,906	8,472,089	16,092,657	124,670,976
Changes during period					
Issuance of new investment units					6,736,645
Provision of reserve for tax purpose reduction entry		108,756	(108,756)	–	–
Provision of reserve for temporary difference adjustments	148,743	148,743	(148,743)	–	–
Reversal of reserve for temporary difference adjustments	(238,986)	(238,986)	238,986	–	–
Dividends of surplus			(4,600,492)	(4,600,492)	(4,600,492)
Profit			5,206,517	5,206,517	5,206,517
Net changes in items other than unitholders' equity					
Total changes during period	(90,242)	18,513	587,512	606,025	7,342,670
Balance at end of period	1,330,930	1,932,419	9,059,601	16,698,682	132,013,646

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	939,592	939,592	125,610,568
Changes during period			
Issuance of new investment units			6,736,645
Provision of reserve for tax purpose reduction entry			–
Provision of reserve for temporary difference adjustments			–
Reversal of reserve for temporary difference adjustments			–
Dividends of surplus			(4,600,492)
Profit			5,206,517
Net changes in items other than unitholders' equity	205,161	205,161	205,161
Total changes during period	205,161	205,161	7,547,832
Balance at end of period	1,144,754	1,144,754	133,158,401

49th fiscal period (December 1, 2025 – May 31, 2026)

(Unit: Thousands of yen)

	Unitholders' equity				
	Unitholders' capital	Surplus			
		Capital surplus	Deduction from unitholders' capital surplus	Capital surplus, net	Voluntary retained earnings
					Reserve for tax purpose reduction entry
Balance at beginning of period	115,314,963	7,406,652	(1,699,990)	5,706,661	601,488
Changes during period					
Provision of reserve for tax purpose reduction entry					67,686
Reversal of reserve for temporary difference adjustments					
Dividends of surplus					
Profit					
Net changes in items other than unitholders' equity					
Total changes during period	–	–	–	–	67,686
Balance at end of period	*1 115,314,963	7,406,652	(1,699,990)	5,706,661	669,175

	Unitholders' equity				
	Surplus				Total unitholders' equity
	Voluntary retained earnings		Unappropriated retained earnings (undisposed loss)	Total surplus	
	Reserve for temporary difference adjustments	Total voluntary retained earnings			
Balance at beginning of period	1,330,930	1,932,419	9,059,601	16,698,682	132,013,646
Changes during period					
Provision of reserve for tax purpose reduction entry		67,686	(67,686)	–	–
Reversal of reserve for temporary difference adjustments	(250,306)	(250,306)	250,306	–	–
Dividends of surplus			(4,943,555)	(4,943,555)	(4,943,555)
Profit			5,677,650	5,677,650	5,677,650
Net changes in items other than unitholders' equity					
Total changes during period	(250,306)	(182,620)	916,715	734,094	734,094
Balance at end of period	1,080,624	1,749,799	9,976,316	17,432,777	132,747,741

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	1,144,754	1,144,754	133,158,401
Changes during period			
Provision of reserve for tax purpose reduction entry			–
Reversal of reserve for temporary difference adjustments			–
Dividends of surplus			(4,943,555)
Profit			5,677,650
Net changes in items other than unitholders' equity	758,100	758,100	758,100
Total changes during period	758,100	758,100	1,492,195
Balance at end of period	1,902,855	1,902,855	134,650,596

(4) Statements of Cash Dividend Distributions

(Unit: yen)

	48th Fiscal Period (June 1, 2025 – November 30, 2025)	49th Fiscal Period (December 1, 2025 – May 31, 2026)
I. Unappropriated retained earnings	9,059,601,798	9,976,316,939
II. Reversal of voluntary retained earnings		
Reversal of reserve for temporary difference adjustments	*1 250,306,600	*1 250,306,600
III. Distributions	4,943,555,350	4,993,616,670
(Distributions per investment unit)	(3,950)	(3,990)
IV. Voluntary retained earnings		
Transfer of reserve for temporary difference adjustments	–	*1 380,098,954
Transfer of reserve for tax purpose reduction entry	67,686,429	216,777,682
V. Retained earnings brought forward	4,298,666,619	4,636,130,233
How distributions were calculated	Following the policy prescribed in Article 32, paragraph 1 of the REIT's bylaws, distributions shall be not more than the amount of unappropriated retained earnings at the end of the current fiscal period and are defined as anything in excess of 90% of the "amount of distributable earnings" stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. Based on this policy, the REIT declared total distributions of ¥4,943,555,350 for the current fiscal period, which is the amount calculated by adding the reversal of reserve for temporary difference adjustments of ¥250,306,600 (¥200 per unit) to the amount calculated by deducting the internal reserve of ¥513,268,826 from the profit of ¥5,206,517,576 for the current fiscal period. The internal reserve includes a transfer of ¥67,686,429 to the reserve for tax purpose reduction entry in accordance with the "special case of taxation in case of replacement of specified properties" under Article 65-7 of the Act on Special Measures Concerning Taxation. The REIT does not distribute monies in excess of earnings as prescribed in Article 32, paragraph 2 of its bylaws.	Following the policy prescribed in Article 32, paragraph 1 of the REIT's bylaws, distributions shall be not more than the amount of unappropriated retained earnings at the end of the current fiscal period and are defined as anything in excess of 90% of the "amount of distributable earnings" stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. Based on this policy, the REIT declared total distributions of ¥4,993,616,670 for the current fiscal period, which is the amount calculated by adding the reversal of reserve for temporary difference adjustments of ¥250,306,600 (¥200 per unit) to the amount calculated by deducting the internal reserve of ¥934,340,250 from the profit of ¥5,677,650,320 for the current fiscal period. The internal reserve includes a transfer of ¥380,098,954 to the reserve for temporary difference adjustments and a transfer of ¥216,777,682 to the reserve for tax purpose reduction entry in accordance with the "special case of taxation in case of replacement of specified properties" under Article 65-7 of the Act on Special Measures Concerning Taxation. The REIT does not distribute monies in excess of earnings as prescribed in Article 32, paragraph 2 of its bylaws.

(5) Statement of Cash Flows

(Unit: Thousands of yen)

	48th fiscal period From June 1, 2025 to November 30, 2025	49th fiscal period From December 1, 2025 to May 31, 2026
Cash flows from operating activities		
Profit before income taxes	5,207,122	5,678,255
Depreciation	1,120,060	1,165,766
Increase (decrease) in allowance for doubtful accounts	(65)	17
Amortization of investment corporation bond issuance costs	3,472	3,472
Amortization of investment unit issuance expenses	22,141	22,141
Interest income	(19,206)	(25,321)
Interest expenses	694,199	867,027
Decrease (increase) in operating accounts receivable	(28,344)	42,625
Increase (decrease) in accrued consumption taxes	(118,053)	95,742
Decrease (increase) in long-term prepaid expenses	(46,758)	(28,894)
Increase (decrease) in operating accounts payable	(57,119)	(10,193)
Increase (decrease) in accrued expenses	36,009	94,936
Increase (decrease) in advances received	87,762	103,931
Increase (decrease) in deposits received	7,988	(7,743)
Decrease in property, plant and equipment in trust due to sale	2,765,375	2,972,685
Other, net	58,365	(9,702)
Subtotal	9,732,951	10,964,747
Interest received	19,206	25,321
Interest paid	(687,512)	(851,586)
Income taxes refund (paid)	(2,444)	(1,542)
Net cash provided by (used in) operating activities	9,062,200	10,136,939
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	3,000,000	3,000,000
Payments into time deposits	(3,000,000)	(3,000,000)
Purchase of property, plant and equipment	(1,702,884)	(1,210,634)
Purchase of property, plant and equipment in trust	(10,571,448)	(11,240,017)
Purchase of intangible assets	(918,604)	(1,382,345)
Proceeds from leasehold and guarantee deposits received	127,003	104,620
Refund of leasehold and guarantee deposits received	(91,574)	(48,157)
Proceeds from leasehold and guarantee deposits received in trust	615,316	742,657
Refund of leasehold and guarantee deposits received in trust	(286,314)	(275,309)
Proceeds from payment of trust deposits corresponding to tenant leasehold and security deposits in trust	20,663	199,470
Deposits of trust deposits corresponding to tenant leasehold and security deposits in trust	(226,732)	(323,064)
Payments of guarantee deposits	–	(29)
Net cash provided by (used in) investing activities	(13,034,575)	(13,432,809)
Cash flows from financing activities		
Proceeds from long-term borrowings	14,712,000	17,172,000
Repayments of long-term borrowings	(12,229,000)	(6,862,000)
Proceeds from issuance of investment units	6,681,235	–
Distributions paid	(4,599,788)	(4,943,905)
Net cash provided by (used in) financing activities	4,564,446	5,366,094
Net increase (decrease) in cash and cash equivalents	592,072	2,070,224
Cash and cash equivalents at beginning of period	17,469,590	18,061,662
Cash and cash equivalents at end of period	*1 18,061,662	*1 20,131,887

(6) Precaution about Going Concern Assumptions

Not applicable

3. Reference Information

(1) Information on Prices for Assets Under Management, Etc.

a. Investment status

Asset type	Use	Area	48th Fiscal Period (As of November 30, 2025)		49th Fiscal Period (As of May 31, 2026)	
			Value of holding (Million yen) (Note 1)	Ratio to total assets (%) (Note 2)	Value of holding (Million yen) (Note 1)	Ratio to total assets (%) (Note 2)
Real estate (Note 3)	Office	Tokyo 23 Wards	7,539	2.8	7,555	2.6
		Metropolitan Area (Note 4)	5,095	1.9	5,124	1.8
		Other (Note 5)	5,205	1.9	5,215	1.8
	Residence	Tokyo 23 Wards	40,692	14.9	42,867	15.0
		Metropolitan Area (Note 4)	9,555	3.5	9,585	3.4
		Other (Note 5)	9,274	3.4	9,251	3.2
	Subtotal		77,362	28.3	79,600	27.9
Real estate in trust (Note 3)	Office	Tokyo 23 Wards	56,527	20.7	56,647	19.8
		Metropolitan Area (Note 4)	8,788	3.2	8,777	3.1
		Other (Note 5)	49,806	18.2	54,960	19.2
	Residence	Tokyo 23 Wards	41,934	15.4	44,206	15.5
		Metropolitan Area (Note 4)	2,485	0.9	2,494	0.9
		Other (Note 5)	14,375	5.3	14,367	5.0
	Subtotal		173,918	63.7	181,452	63.5
Real estate, etc., subtotal			251,280	92.1	261,053	91.4
Deposits and other assets			21,655	7.9	24,613	8.6
Total assets			272,935	100.0	285,667	100.0

(Note 1) "Value of holding" is based on the balance sheet amount (carrying amount after depreciation and impairment accounting in the case of real estate and real estate in trust) as of the end of the fiscal period.
(Note 2) "Ratio to total assets" represents the ratio of the value of holding by type of asset to total assets, rounded to the nearest one-tenth of one percent. The same applies hereinafter.
(Note 3) The leasehold interests in land, etc. owned in conjunction with a building, etc. is stated in the sections of "real estate" and "real estate in trust" by aggregating it with the building, etc.
(Note 4) "Metropolitan Area" refers to Tokyo (other than Tokyo 23 Wards) and Kanagawa, Saitama and Chiba prefectures.
(Note 5) "Other" refers to investment areas other than Tokyo 23 Wards and Metropolitan Area.

	48th Fiscal Period (As of November 30, 2025)		49th Fiscal Period (As of May 31, 2026)	
	Balance sheet amount (Million yen)	Ratio to total assets (%)	Balance sheet amount (Million yen)	Ratio to total assets (%)
Liabilities	139,777	51.2	151,016	52.9
Net assets	133,158	48.8	134,650	47.1

b. Investment real estate properties

(i) Overview of portfolio assets

Property no.	Property name	Address	Form of asset (Note 1)	Appraisal value (Million yen)	Balance sheet amount (Million yen) (Note 2)	Acquisition price (Million yen) (Note 3)	Percentage of investments (%) (Note 4)
Of-05	SUITENGU HEIWA BUILDING	Chuo-ku, Tokyo	Real estate trust beneficiary right	1,924	1,406	1,550	0.58
Of-06	HF MONZEN-NAKACHO BUILDING	Koto-ku, Tokyo	Real estate trust beneficiary right	3,440	2,254	2,500	0.94
Of-08	HF TAMEIKE BUILDING	Minato-ku, Tokyo	Real estate trust beneficiary right	3,530	2,849	2,700	1.02
Of-11	HF NIHONBASHI ODENMACHO BUILDING	Chuo-ku, Tokyo	Real estate trust beneficiary right	2,740	2,128	2,150	0.81
Of-12	HF HATCHOBORI BUILDING	Chuo-ku, Tokyo	Real estate	2,870	2,999	3,092	1.17
Of-17	HATCHOBORI MF BUILDING	Chuo-ku, Tokyo	Real estate	1,220	1,088	1,110	0.42
Of-18	M2 HARAJUKU	Shibuya-ku, Tokyo	Real estate trust beneficiary right	4,967	3,324	3,418	1.29
Of-20	FUNABASHI FACE BUILDING	Funabashi City, Chiba	Real estate	3,590	3,439	3,900	1.47
Of-21	ADESSO NISHIAZABU	Minato-ku, Tokyo	Real estate	579	584	640	0.24
Of-23	HF IKEBUKURO BUILDING	Toshima-ku, Tokyo	Real estate	1,660	1,294	1,314	0.50
Of-24	HF YUSHIMA BUILDING	Bunkyo-ku, Tokyo	Real estate	1,860	1,588	1,624	0.61
Of-25	KAYABACHO HEIWA Bldg.	Chuo-ku, Tokyo	Real estate trust beneficiary right	7,790	4,906	4,798	1.81
Of-27	KOBE KYUKYORYUCHI HEIWA BUILDING	Kobe City, Hyogo	Real estate trust beneficiary right	4,160	2,338	2,310	0.87
Of-29	SAKAE MINAMI HEIWA BUILDING	Nagoya City, Aichi	Real estate trust beneficiary right	2,430	1,409	1,580	0.60
Of-30	HF SAKURADORI BUILDING	Nagoya City, Aichi	Real estate trust beneficiary right	7,100	4,206	4,900	1.85
Of-32	HF SENDAI HONCHO BUILDING	Sendai City, Miyagi	Real estate trust beneficiary right	3,750	2,378	2,700	1.02
Of-33	HF UENO BUILDING	Taito-ku, Tokyo	Real estate trust beneficiary right	4,170	3,414	3,400	1.28

Property no.	Property name	Address	Form of asset (Note 1)	Appraisal value (Million yen)	Balance sheet amount (Million yen) (Note 2)	Acquisition price (Million yen) (Note 3)	Percentage of investments (%) (Note 4)
Of-35	HF KUDAN MINAMI BUILDING	Chiyoda-ku, Tokyo	Real estate trust beneficiary right	3,290	2,823	2,720	1.03
Of-36	HF KANDA OGAWAMACHI BUILDING	Chiyoda-ku, Tokyo	Real estate trust beneficiary right	4,140	3,206	3,150	1.19
Of-37	NISSO 5 BUILDING	Yokohama City, Kanagawa	Real estate trust beneficiary right	4,330	3,140	3,100	1.17
Of-38	ACROSS SHINKAWA BUILDING	Chuo-ku, Tokyo	Real estate trust beneficiary right	4,590	4,047	3,750	1.41
Of-39	SENJU MILDIX II BANKAN	Adachi-ku, Tokyo	Real estate trust beneficiary right	1,900	1,587	1,650	0.62
Of-40	ARK Mori Building	Minato-ku, Tokyo	Real estate trust beneficiary right	3,360	3,263	3,085	1.16
Of-41	Nihonbashi Horidomecho First	Chuo-ku, Tokyo	Real estate trust beneficiary right	2,460	2,134	2,140	0.81
Of-42	SOUTHERN SKY TOWER HACHIOJI	Hachioji City, Tokyo	Real estate trust beneficiary right	1,930	1,602	1,600	0.60
Of-43	HAMACHO HEIWA BUILDING	Chuo-ku, Tokyo	Real estate trust beneficiary right	3,460	3,169	3,100	1.17
Of-44	KINSHICHO SQUARE BUILDING	Sumida-ku, Tokyo	Real estate trust beneficiary right	2,780	2,980	2,840	1.07
Of-45	HF NIHONBASHI KABUTOCHO BUILDING	Chuo-ku, Tokyo	Real estate trust beneficiary right	4,160	3,771	3,580	1.35
Of-46	HF SENDAI ICHIBANCHO BUILDING	Sendai City, Miyagi	Real estate	2,590	2,720	2,501	0.94
Of-47	Osaki CN Building	Shinagawa-ku, Tokyo	Real estate trust beneficiary right	5,450	5,284	5,160	1.95
Of-48	Faret East Building	Tachikawa City, Tokyo	Real estate	1,880	1,685	1,610	0.61
Of-49	HF ESAKA BUILDING	Suita City, Osaka	Real estate trust beneficiary right	2,620	2,567	2,500	0.94

Property no.		Property name	Address	Form of asset (Note 1)	Appraisal value (Million yen)	Balance sheet amount (Million yen) (Note 2)	Acquisition price (Million yen) (Note 3)	Percentage of investments (%) (Note 4)
	Of-50	Shinsaibashi FRONT Building	Osaka City, Osaka	Real estate trust beneficiary right	8,440	7,519	7,300	2.75
	Of-51	SAKAE CENTER BUILDING	Nagoya City, Aichi	Real estate trust beneficiary right	4,280	4,012	4,000	1.51
	Of-52	IWAMOTOCHO TWIN BUILDING	Chiyoda-ku, Tokyo	Real estate trust beneficiary right	4,050	3,625	3,380	1.28
	Of-53	IWAMOTOCHO TWIN SAKAE BUILDING	Chiyoda-ku, Tokyo	Real estate trust beneficiary right	581	467	400	0.15
	Of-54	HF NAGOYA NISHIKI BUILDING	Nagoya City, Aichi	Real estate	2,550	2,494	2,100	0.79
	Of-55	Kitahama 1-Chome Heiwa Building	Osaka City, Osaka	Real estate trust beneficiary right	4,810	4,438	4,500	1.70
	Of-56	Heiwa Real Estate Kitahama Building	Osaka City, Osaka	Real estate trust beneficiary right	1,830	1,640	1,650	0.62
	Of-57	HF YOKOHAMA YAMASHITA BUILDING	Yokohama City, Kanagawa	Real estate trust beneficiary right	4,040	4,034	3,800	1.43
	Of-58	HF ESAKA EKIMAE BUILDING	Suita City, Osaka	Real estate trust beneficiary right	5,860	5,187	5,001	1.89
	Of-59	HF KITA NIJO BUILDING	Sapporo City, Hokkaido	Real estate trust beneficiary right	1,640	1,598	1,535	0.58
	Of-60	Park East Sapporo	Sapporo City, Hokkaido	Real estate trust beneficiary right	5,326	4,169	4,140	1.56
	Of-61	HF KYOMACHIBORI BUILDING	Osaka City, Osaka	Real estate trust beneficiary right	3,710	3,408	3,385	1.28
	Of-62	LUCID SQUARE SEMBA	Osaka City, Osaka	Real estate trust beneficiary right	5,210	4,907	4,720	1.78
	Of-63	Nagoya Heiwa Building	Nagoya City, Aichi	Real estate trust beneficiary right	5,453	5,178	5,110	1.93
Office subtotal					**164,500**	**138,280**	**137,193**	**51.76**
	Re-05	HF MEGURO RESIDENCE	Meguro-ku, Tokyo	Real estate trust beneficiary right	891	606	660	0.25

Property no.	Property name	Address	Form of asset (Note 1)	Appraisal value (Million yen)	Balance sheet amount (Million yen) (Note 2)	Acquisition price (Million yen) (Note 3)	Percentage of investments (%) (Note 4)
Re-09	HF KASAI RESIDENCE	Edogawa-ku, Tokyo	Real estate trust beneficiary right	1,102	562	650	0.25
Re-11	HF WAKABAYASHI-KOEN RESIDENCE	Setagaya-ku, Tokyo	Real estate trust beneficiary right	6,426	3,134	3,610	1.36
Re-12	HF HIMONYA RESIDENCE	Meguro-ku, Tokyo	Real estate trust beneficiary right	2,153	1,380	1,560	0.59
Re-14	HF MINAMIAZABU RESIDENCE	Minato-ku, Tokyo	Real estate trust beneficiary right	1,700	1,273	1,370	0.52
Re-16	HF GAKUGEIDAIGAKU RESIDENCE	Meguro-ku, Tokyo	Real estate trust beneficiary right	1,390	905	1,000	0.38
Re-17	HF HIGASHIKANDA RESIDENCE	Chiyoda-ku, Tokyo	Real estate trust beneficiary right	1,790	834	1,100	0.42
Re-18	HF HIGASHINIHONBASHI RESIDENCE	Chuo-ku, Tokyo	Real estate trust beneficiary right	2,160	915	1,210	0.46
Re-19	HF NERIMA RESIDENCE	Nerima-ku, Tokyo	Real estate trust beneficiary right	1,080	539	690	0.26
Re-20	HF SHIROKANETAKANAWA RESIDENCE	Minato-ku, Tokyo	Real estate	7,260	3,524	4,030	1.52
Re-21	HF MEIDAIMAE RESIDENCE	Setagaya-ku, Tokyo	Real estate	1,290	975	1,070	0.40
Re-22	HF NIHONBASHI RESIDENCE	Chuo-ku, Tokyo	Real estate trust beneficiary right	1,360	1,054	1,130	0.43
Re-23	HF KAMISHAKUJII RESIDENCE	Nerima-ku, Tokyo	Real estate	1,190	836	950	0.36
Re-24	HF KINSHICHO RESIDENCE	Sumida-ku, Tokyo	Real estate	1,540	1,045	1,100	0.42
Re-25	HF GINZA RESIDENCE EAST	Chuo-ku, Tokyo	Real estate	7,330	5,388	5,940	2.24
Re-26	HF SHIN-YOKOHAMA RESIDENCE	Yokohama City, Kanagawa	Real estate	3,250	2,894	3,350	1.26
Re-30	HF MAGOME RESIDENCE	Ota-ku, Tokyo	Real estate	1,840	1,440	1,630	0.61
Re-31	HF GAKUGEIDAIGAKU RESIDENCE II	Meguro-ku, Tokyo	Real estate trust beneficiary right	1,600	1,575	1,650	0.62
Re-33	HF KAMEIDO RESIDENCE	Koto-ku, Tokyo	Real estate	1,450	968	1,050	0.40
Re-34	HF TANASHI RESIDENCE	Nishitokyo City, Tokyo	Real estate	1,010	797	911	0.34

Property no.		Property name	Address	Form of asset (Note 1)	Appraisal value (Million yen)	Balance sheet amount (Million yen) (Note 2)	Acquisition price (Million yen) (Note 3)	Percentage of investments (%) (Note 4)
	Re-38	La Residence de Shirokanedai	Minato-ku, Tokyo	Real estate trust beneficiary right	1,210	727	730	0.28
	Re-39	HF GINZA RESIDENCE EAST II	Chuo-ku, Tokyo	Real estate trust beneficiary right	2,050	1,286	1,460	0.55
	Re-40	HF HATCHOBORI RESIDENCE II	Chuo-ku, Tokyo	Real estate trust beneficiary right	2,540	1,705	1,890	0.71
	Re-42	HF GINZA RESIDENCE	Chuo-ku, Tokyo	Real estate trust beneficiary right	1,390	790	944	0.36
	Re-43	HF KOMAZAWA-KOEN RESIDENCE TOWER	Setagaya-ku, Tokyo	Real estate trust beneficiary right	8,570	6,282	6,520	2.46
	Re-47	HF MARUNOUCHI RESIDENCE	Nagoya City, Aichi	Real estate trust beneficiary right	699	466	624	0.24
	Re-48	HF HIRAO RESIDENCE	Fukuoka City, Fukuoka	Real estate trust beneficiary right	2,400	1,432	1,780	0.67
	Re-49	HF KAWARAMACHI NIJO RESIDENCE	Kyoto City, Kyoto	Real estate trust beneficiary right	655	462	534	0.20
	Re-53	HF SHIJO KAWARAMACHI RESIDENCE	Kyoto City, Kyoto	Real estate trust beneficiary right	2,730	1,621	1,820	0.69
	Re-54	La Residence de Sendagi	Bunkyo-ku, Tokyo	Real estate trust beneficiary right	1,070	744	820	0.31
	Re-55	HF SENDAGI RESIDENCE	Bunkyo-ku, Tokyo	Real estate trust beneficiary right	1,200	775	870	0.33
	Re-56	HF KOMAZAWA-KOEN RESIDENCE	Setagaya-ku, Tokyo	Real estate trust beneficiary right	806	576	615	0.23
	Re-57	HF MUSASHI KOYAMA RESIDENCE	Shinagawa-ku, Tokyo	Real estate trust beneficiary right	1,300	786	842	0.32
	Re-58	HF KOKUBUNJI RESIDENCE	Kokubunji City, Tokyo	Real estate trust beneficiary right	1,220	792	839	0.32
	Re-59	HF HISAYAODORI RESIDENCE	Nagoya City, Aichi	Real estate trust beneficiary right	1,290	997	1,080	0.41

Property no.		Property name	Address	Form of asset (Note 1)	Appraisal value (Million yen)	Balance sheet amount (Million yen) (Note 2)	Acquisition price (Million yen) (Note 3)	Percentage of investments (%) (Note 4)
	Re-60	HF KARASUMA KURAMAGUCHI RESIDENCE	Kyoto City, Kyoto	Real estate trust beneficiary right	777	498	572	0.22
	Re-65	HF KITA-YOBANCHO RESIDENCE	Sendai City, Miyagi	Real estate trust beneficiary right	1,100	722	809	0.31
	Re-66	HF ATAGOBASHI RESIDENCE	Sendai City, Miyagi	Real estate trust beneficiary right	874	588	684	0.26
	Re-68	HF ASAKUSABASHI RESIDENCE	Taito-ku, Tokyo	Real estate trust beneficiary right	1,180	717	771	0.29
	Re-69	HF ICHIBANCHO RESIDENCE	Sendai City, Miyagi	Real estate trust beneficiary right	1,180	715	834	0.31
	Re-70	HF HIGASHI-NAKANO RESIDENCE	Nakano-ku, Tokyo	Real estate trust beneficiary right	1,300	890	942	0.36
	Re-72	HF WASEDA RESIDENCE	Shinjuku-ku, Tokyo	Real estate trust beneficiary right	3,020	1,964	2,090	0.79
	Re-73	HF WASEDA RESIDENCE II	Shinjuku-ku, Tokyo	Real estate trust beneficiary right	1,190	834	872	0.33
	Re-74	HF WAKAMATSUKAWADA RESIDENCE	Shinjuku-ku, Tokyo	Real estate trust beneficiary right	1,880	1,144	1,158	0.44
	Re-75	HF Sendai Residence EAST	Sendai City, Miyagi	Real estate trust beneficiary right	2,050	1,461	1,638	0.62
	Re-76	HF NISHI-KOEN RESIDENCE	Sendai City, Miyagi	Real estate trust beneficiary right	1,410	1,200	1,310	0.49
	Re-77	HF BANSUI-DORI RESIDENCE	Sendai City, Miyagi	Real estate trust beneficiary right	912	727	790	0.30
	Re-78	HF KANNAI RESIDENCE	Yokohama City, Kanagawa	Real estate trust beneficiary right	2,440	1,701	1,800	0.68
	Re-79	HF MEIEKI-KITA RESIDENCE	Nagoya City, Aichi	Real estate trust beneficiary right	2,290	2,074	2,160	0.81
	Re-80	HF HIGASHI-SAPPORO RESIDENCE	Sapporo City, Hokkaido	Real estate trust beneficiary right	1,980	1,397	1,560	0.59

Property no.		Property name	Address	Form of asset (Note 1)	Appraisal value (Million yen)	Balance sheet amount (Million yen) (Note 2)	Acquisition price (Million yen) (Note 3)	Percentage of investments (%) (Note 4)
	Re-81	HF HAKATA-HIGASHI RESIDENCE	Fukuoka City, Fukuoka	Real estate	1,050	885	880	0.33
	Re-82	HF SENDAI ITSUTSUBASHI RESIDENCE	Sendai City, Miyagi	Real estate	961	862	850	0.32
	Re-83	HF TABATA RESIDENCE	Kita-ku, Tokyo	Real estate	1,540	1,018	1,100	0.42
	Re-84	HF RYOGOKU RESIDENCE	Sumida-ku, Tokyo	Real estate	1,800	1,313	1,400	0.53
	Re-85	HF HACHIOJI RESIDENCE	Hachioji City, Tokyo	Real estate	1,310	1,200	1,120	0.42
	Re-86	HF MITA RESIDENCE II	Minato-ku, Tokyo	Real estate	1,680	1,247	1,210	0.46
	Re-87	HF MONZENNAKACHO RESIDENCE	Koto-ku, Tokyo	Real estate	1,400	938	945	0.36
	Re-88	HF MINAMI-SUNAMACHI RESIDENCE	Koto-ku, Tokyo	Real estate	1,180	942	900	0.34
	Re-89	HF SENDAI NAGAMACHI RESIDENCE	Sendai City, Miyagi	Real estate	1,090	1,025	1,030	0.39
	Re-90	HF SHOKOJI AKABANE RESIDENCE	Kita-ku, Tokyo	Real estate	1,320	1,137	1,150	0.43
	Re-91	HF SENDAI HONCHO RESIDENCE	Sendai City, Miyagi	Real estate	1,200	1,059	1,070	0.40
	Re-92	HF OHORI RESIDENCE BAYSIDE	Fukuoka City, Fukuoka	Real estate	1,330	1,165	1,150	0.43
	Re-93	HF HAKATA HIGASHI RESIDENCE II	Fukuoka City, Fukuoka	Real estate	1,510	1,346	1,198	0.45
	Re-94	HF FUKUOKA RESIDENCE EAST	Fukuoka City, Fukuoka	Real estate	1,540	1,323	1,180	0.45
	Re-95	HF SHOKOJI AKABANE RESIDENCE II	Kita-ku, Tokyo	Real estate	2,040	1,713	1,690	0.64
	Re-96	HF Yahiro Residence	Sumida-ku, Tokyo	Real estate	1,600	1,236	1,220	0.46
	Re-97	HF SETAGAYAKAMIMACHI RESIDENCE	Setagaya-ku, Tokyo	Real estate	844	713	700	0.26
	Re-98	HF SOKA RESIDENCE	Soka City, Saitama	Real estate	1,570	1,350	1,300	0.49
	Re-99	HF UENO IRIYA RESIDENCE	Taito-ku, Tokyo	Real estate	1,110	940	900	0.34
	Re-100	HF TSUJIDO RESIDENCE	Fujisawa City, Kanagawa	Real estate	2,160	2,007	1,870	0.71
	Re-101	HF KAWAGUCHIEKIMAE RESIDENCE	Kawaguchi City, Saitama	Real estate	1,720	1,334	1,260	0.48
	Re-102	HF HIGASHIOGU RESIDENCE	Arakawa-ku, Tokyo	Real estate	1,620	1,230	1,210	0.46
	Re-103	HF IMAIKE-MINAMI RESIDENCE	Nagoya City, Aichi	Real estate	929	924	860	0.32
	Re-104	HF FUSHIMI RESIDENCE	Nagoya City, Aichi	Real estate	640	657	610	0.23
	Re-105	HF NAKANO-SAKAUE RESIDENCE	Nakano-ku, Tokyo	Real estate	1,320	1,090	1,050	0.40
	Re-106	HF UENO RESIDENCE EAST	Taito-ku, Tokyo	Real estate	2,910	2,604	2,500	0.94

Property no.		Property name	Address	Form of asset (Note 1)	Appraisal value (Million yen)	Balance sheet amount (Million yen) (Note 2)	Acquisition price (Million yen) (Note 3)	Percentage of investments (%) (Note 4)
	Re-107	HF OMORIMACHI RESIDENCE	Ota-ku, Tokyo	Real estate	1,340	1,265	1,200	0.45
	Re-108	HF KITASENJU RESIDENCE	Adachi-ku, Tokyo	Real estate	3,290	2,671	2,510	0.95
	Re-109	HF HIKIFUNE RESIDENCE	Sumida-ku, Tokyo	Real estate trust beneficiary right	1,690	1,404	1,380	0.52
	Re-110	HF MEGURO GYONINZAKA RESIDENCE	Meguro-ku, Tokyo	Real estate trust beneficiary right	6,330	5,640	5,300	2.00
	Re-111	HF NISHI-SUGAMO RESIDENCE	Kita-ku, Tokyo	Real estate	1,270	1,074	1,040	0.39
	Re-112	HF NISHI-SUGAMO RESIDENCE II	Kita-ku, Tokyo	Real estate	1,080	909	880	0.33
	Re-113	HF TOBU-NERIMA RESIDENCE	Itabashi-ku, Tokyo	Real estate	1,240	1,093	1,050	0.40
	Re-114	HF RYOGOKU RESIDENCE EAST	Sumida-ku, Tokyo	Real estate	1,070	913	880	0.33
	Re-115	HF OSHIAGE RESIDENCE	Sumida-ku, Tokyo	Real estate	2,850	2,269	2,140	0.81
	Re-116	HF HIKIFUNE RESIDENCE EAST	Sumida-ku, Tokyo	Real estate	1,190	1,005	970	0.37
	Re-117	HF OMORI RESIDENCE	Ota-ku, Tokyo	Real estate	1,610	1,356	1,300	0.49
	Re-118	HF SHIMO-AKATSUKA RESIDENCE	Nerima-ku, Tokyo	Real estate trust beneficiary right	1,920	1,708	1,600	0.60
	Re-119	HF TOKIWADAI RESIDENCE	Itabashi-ku, Tokyo	Real estate trust beneficiary right	2,470	2,107	1,980	0.75
	Re-120	HF AYASE RESIDENCE	Katsushika-ku, Tokyo	Real estate trust beneficiary right	1,540	1,336	1,250	0.47
Residence subtotal					**166,789**	**122,772**	**127,853**	**48.24**
Total					**331,289**	**261,053**	**265,046**	**100.00**

(Note 1) The “Form of asset” column shows the REIT’s form of ownership of the asset. The form is shown as “Real estate trust beneficiary right” if the REIT is listed as a beneficiary and as “Real estate” if the REIT is listed as the owner in the real estate registry.

(Note 2) The “Balance sheet amount” column shows the acquisition price (including expenses for acquisition and subsequent capital expenditures) as of the end of the 49th fiscal period (May 31, 2026), after deducting the accumulated depreciation.

(Note 3) The “Acquisition price” column shows the trading value indicated in the real estate trading agreement or real estate trust beneficiary right trading agreement of each asset (excluding amounts equal to consumption taxes, etc. and other dues and expenses for the permission to transfer the leasehold interest in land and other fees paid to the leaseholder (land owner); The same applies hereinafter). However, for properties acquired as a result of the Merger (from Re-38 La Residence de Shirokanedai through Re-73 HF WASEDA RESIDENCE II), the column shows the appraisal value as of October 1, 2010, the day the Merger took effect.

(Note 4) The “Percentage of investments” column shows the percentage of each property’s acquisition price to total acquisition price of all acquired assets, rounded to the nearest one-hundredth of one percent.