

Statement of Financial Performance for the 41st Fiscal Period

From: December 1, 2025

To: May 31, 2026

大和証券オフィス投資法人

Daiwa Office Investment Corporation

Stock Code	8976
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1. Management Status and Other Performance Highlights Data

Fiscal Period		41st Period From Dec. 1, 2025 To May 31, 2026	40th Period From June 1, 2025 To Nov. 30, 2025	39th Period From Dec. 1, 2024 To May 31, 2025	38th Period From June 1, 2024 To Nov. 30, 2024	37th Period From Dec. 1, 2023 To May 31, 2024
(1) Operating Performance (Millions of yen, except per unit data or where otherwise indicated)						
Operating revenues		16,511	16,056	15,208	15,215	13,570
Rental revenues		14,911	14,758	14,256	13,993	13,562
Operating expenses		7,308	7,462	7,286	7,242	6,698
Property-related expenses		5,794	5,982	5,853	5,802	5,348
Operating income		9,203	8,593	7,921	7,973	6,871
Ordinary income		7,916	7,497	6,950	7,164	6,215
Net income		7,916	7,496	6,949	7,163	6,214
(2) Properties, etc. (as of end of period)						
Total assets		510,878	488,321	491,803	491,237	488,526
[period-on-period percentage changes]		[+4.6%]	[−0.7%]	[+0.1%]	[+0.6%]	[+1.3%]
Interest-bearing liabilities		239,250	217,950	219,450	219,400	214,400
Net assets		243,166	242,491	244,417	244,968	247,342
[period-on-period percentage changes]		[+0.3%]	[−0.8%]	[−0.2%]	[−1.0%]	[−0.1%]
Unitholders' capital, net	Note 1	231,094	231,094	234,094	235,094	238,093
(3) Distributions						
Total distribution amount		7,132	7,496	6,526	6,549	6,552
Dividend payout		90.1%	100.0%	93.9%	91.4%	105.4%
(4) Per Unit Information						
Total number of units issued (units)		934,745	934,745	943,155	946,439	478,258
Net assets per unit (yen)	Notes 2	260,142	259,419	259,148	258,831	258,587
Distribution per unit (yen)		7,630	8,020	6,920	6,920	13,700
Distribution amount from earnings per unit (yen)		7,630	8,020	6,920	6,920	13,700
Distribution amount in excess of earnings per unit (yen)		—	—	—	—	—
(5) Financial Indicators						
ROA	Notes 3 and 4	1.6%	1.5%	1.4%	1.5%	1.3%
[annual rate]		[3.2%]	[3.1%]	[2.8%]	[2.9%]	[2.6%]
ROE	Notes 4 and 5	3.3%	3.1%	2.8%	2.9%	2.5%
[annual rate]		[6.5%]	[6.1%]	[5.7%]	[5.8%]	[5.0%]
Capital ratio		47.6%	49.7%	49.7%	49.9%	50.6%
[period-on-period percentage changes]		[−2.1%]	[−0.0%]	[−0.2%]	[−0.8%]	[−0.7%]
LTV (loan to value)		46.8%	44.6%	44.6%	44.7%	43.9%
Property leasing cash flows (NOI)	Note 6	11,034	10,655	10,288	10,113	10,037
(6) Other Referential Information						
Number of investment properties		58	58	59	59	59
Number of tenants	Note 7	666	668	673	674	667
Total rentable area (m ²)		365,092.05	360,119.82	364,468.07	366,992.46	360,981.39
Occupancy rate	Note 8	99.1%	98.9%	98.1%	97.7%	97.0%
Depreciation		1,917	1,879	1,886	1,922	1,823
Capital expenditures		1,364	1,500	1,098	980	964

(Note 1) Unitholders' capital, net: Unitholders' capital – Deduction from Unitholders' Capital

(Note 2) The Investment Corporation conducted a 2-for-1 investment unit split with May 31, 2024, as the record date and June 1, 2024, as the effective date. Net income per unit is calculated based on the assumption that said investment unit split was conducted at the beginning of the 37th Fiscal Period.

(Note 3) ROA: Ordinary income ÷ [(Total assets at beginning of period + Total assets at end of period) ÷ 2] × 100

(Note 4) Figures for the 37th Fiscal Period are the annualized figures calculated based on 183 days of management.
 Figures for the 38th Fiscal Period are the annualized figures calculated based on 183 days of management.
 Figures for the 39th Fiscal Period are the annualized figures calculated based on 182 days of management.
 Figures for the 40th Fiscal Period are the annualized figures calculated based on 183 days of management.
 Figures for the 41st Fiscal Period are the annualized figures calculated based on 182 days of management.

(Note 5) ROE: Net income ÷ [(Net assets at beginning of period + Net assets at end of period) ÷ 2] × 100

(Note 6) Property leasing cash flows (NOI): Rental revenues – Property-related expenses + Depreciation

(Note 7) Number of tenants is the number of end tenants. When there is a tenant occupying multiple buildings, the concerned tenant is counted and stated for each individual building.

(Note 8) Occupancy rate: Total leased area ÷ Total rentable area

2. Developments in Asset Management in the Fiscal Period under Review

(1) Brief History of the Investment Corporation

Daiwa Office Investment Corporation (the former DA Office Investment Corporation; hereinafter referred to as “DOI”) was established on July 11, 2005, in accordance with the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951; including amendments thereto) with Daiwa Real Estate Asset Management Co., Ltd. (former name K.K. daVinci Select) (the “Asset Manager”) as the organizer. After its establishment, DOI implemented an additional issuance of investment units through a public offering (99,600 units) on October 18, 2005 and then listed on the Tokyo Stock Exchange, Inc. (TSE) Real Estate Investment Trust Section (stock code: 8976) on the following day.

Though initial assets under management were 79,573 million yen (sum total of acquisition price), subsequent activities, such as additional acquisition of properties and replacement of portfolio properties, resulted in the assets under management amounting to 487,709 million yen (excluding silent partnership equity interest) as of the last day of May 2026.

DOI strives to secure stable revenue and sustained growth of the investment assets based on a clear portfolio development policy of specializing in investment in office buildings, with a particular focus on investment in a total floor area of more than about 2,000 m² situated in downtown Tokyo, as well as through dedicated efforts to heighten tenant satisfaction levels.

(2) Investment Environment and Management Performance

(A) Investment Environment

The Japanese economy during the fiscal period under review saw real GDP growth rate (Second Preliminary Estimates) for January to March 2026 increase by 0.5% quarter on quarter, registering positive growth for the second consecutive quarter. In terms of domestic demand, in addition to private consumption such as increasing on the back of the income situation improving, housing investment and public investment also increased. Meanwhile, in terms of external demand, the drop in inbound tourism consumption served as a factor dragging down some aspects, but factors such as automobile exports picking up led to positive growth overall. These resulted in both domestic demand and external demand underpinning growth, maintaining positive growth on the whole.

In the office building leasing market in central Tokyo, the average vacancy rate fell to about the 2% range in August 2025, last observed in July 2020, and was 2.07% as of the end of May 2026 (Miki Shoji’s average vacancy rate for the five central wards of Tokyo). The tight supply-demand situation continues against the backdrop of demand among companies to improve their office environment for purposes such as securement of human resources, and rent levels are thus also on an uptrend.

On the other hand, in the office building transaction market, the appetite among domestic and overseas investors to invest in office buildings has been resilient amid the solid office market conditions. Nevertheless, future developments warrant close monitoring.

(B) Management Performance

During the fiscal period under review, in view of increasing the ordinary EPS (EPS (net income per unit) after deducting gain on sale from properties) over the medium to long term, DOI continued to work on “external growth,” which aims to boost revenue through acquisition of properties, and “internal growth,” which aims to maximize income generating from owned properties.

Concerning external growth, DOI acquired Hamamatsucho PREX (acquisition price: 7,150 million yen) and Prime Sendagaya Building (acquisition price: 19,400 million yen) in March 2026. In addition, Daiwa Azabudai (sale price: 2,240 million yen) was divested in March 2026. As for Daiwa Sarugakucho, which was decided in October 2025 to be divested over two fiscal periods (the 40th Fiscal Period (ended November 2025) and the 41st Fiscal Period (ended May 2026)), 50% quasi co-ownership interest pertaining to trust beneficiary interest in real estate was divested in May 2026. As a result, DOI's assets under management as of the end of the 41st Fiscal Period (May 31, 2026) totaled 58 properties (total acquisition price: 487,709 million yen (excluding silent partnership equity interest)) and a silent partnership equity interest (acquisition price: 3,746 million yen).

Concerning internal growth, DOI conducted proactive leasing, such as capturing needs for floor expansion within the same property through strengthening relationships with existing tenants and reinforcing collaboration with leasing brokers and property managers. Consequently, the occupancy rate as of the end of the 41st Fiscal Period (May 31, 2026) was 99.1%.

(3) Overview of Capital Procurement

(A) Procurement of Capital for Repayment of Borrowings

In the 41st Fiscal Period, DOI conducted the following borrowing activities to fund the acquisition of new properties, and to fund the repayment of borrowings.

- (i) DOI took out a loan of 5,000 million yen from Sumitomo Mitsui Trust Bank, Limited on February 27, 2026, to fund the repayment of the same amount borrowed from the same bank due for repayment on the same day.
- (ii) DOI took out a loan of 5,000 million yen from Sumitomo Mitsui Banking Corporation on March 27, 2026, to fund the acquisition of Hamamatsucho PREX, acquired on the same day, and such.
- (iii) DOI took out loans totaling 19,500 million yen from Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited, Mizuho Bank, Ltd., MUFG Bank, Ltd., SBI Shinsei Bank, Limited, Resona Bank, Limited, The Norinchukin Bank, Aozora Bank, Ltd. and The Gunma Bank, Ltd. on March 31, 2026, and allocated them as described below.
 - Funds for the repayment of borrowings totaling 3,000 million yen of loans from Mizuho Bank, Ltd. and The Gunma Bank, Ltd. due for repayment on the same day.
 - Funds for the acquisition of Prime Sendagaya Building, acquired on the same day.
- (iv) DOI took loans totaling 5,500 million yen from SBI Shinsei Bank, Limited, The Norinchukin Bank, The Musashino Bank, Ltd. and The Hyakugo Bank, Ltd. on May 29, 2026, to fund the repayment of the same amount of loans borrowed from the same banks due for repayment on the same day.

DOI concluded interest rate swap agreements in the 41st Fiscal Period for 14,000 million yen of loans with floating interest rates. Converting the interest payable to fixed rates, these are for the purpose of hedging against future interest rate rise risks.

(B) Status of Interest-Bearing Liabilities at End of the Fiscal Period Under Review

As a result of the above, the balance of interest-bearing liabilities outstanding as of the end of the 41st Fiscal Period (May 31, 2026) stood at 239,250 million yen in total (short-term loans payable: 5,500 million yen; long-term loans payable: 226,250 million yen; investment corporation bonds: 7,500 million yen). The balance of the current portion of long-term loans payable stood at 20,200 million yen.

The average remaining period of interest-bearing liabilities as of the end of the 41st Fiscal Period stood at 4.0 years.

(4) Capital Expenditures during the 41st Fiscal Period

The following summarizes the primary construction work that constitutes capital expenditures implemented during the 41st Fiscal Period for existing portfolio properties. Capital expenditures for the 41st Fiscal Period amounted to 1,364 million yen and, when combined with the 298 million yen in repair expenses charged to the 41st Fiscal Period expenses, totaled 1,662 million yen in construction work implemented.

Name of real estate properties (Location)	Purpose	Period	Construction amount paid (Millions of yen)
Daiwa Ogikubo Tower (Suginami-ku, Tokyo)	Upgrading of elevators	From: Dec. 2025 To: Apr. 2026	171
Daiwa Higashi-Ikebukuro (Toshima-ku, Tokyo)	Upgrading of air-conditioning equipment	From: Dec. 2025 To: Dec. 2025	162
Daiwa River Gate (Chuo-ku, Tokyo)	Repair of rooftop outdoor air handling unit	From: Dec. 2025 To: Jan. 2026	134
Other			894
Total			1,364

(5) Overview of Financial Performance and Distributions

As a result of the management described above, DOI posted financial performance for the 41st Fiscal Period of 16,511 million yen in operating revenue, 9,203 million yen in operating income, 7,916 million yen in ordinary income and 7,916 million yen in net income.

Concerning distributions, it is planned that the amount equivalent to distributions from earnings would be included in the amount of tax-deductible expenses based on application of special provisions for taxation of corporation tax (Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957; including amendments thereto) (the “Special Taxation Measures Act”)) and accordingly, DOI decided to retain 784,219,041 yen as reserve for reduction entry with the application of “Special Provisions for Taxation in Cases of Replacement of Specified Assets” (Article 65-7 of the Special Taxation Measures Act) and to distribute the entire amount remaining after deducting provision of reserve for reduction entry from unappropriated retained earnings, and declared a distribution amount per unit of 7,630 yen.

3. Outlook for the Next Fiscal Period

(1) Investment Environment

The Japanese economy going forward is expected to see a moderate recovery, supported by movements such as improvement in income conditions resulting from wage and bonus increases and measures against rising prices taken by the government. On the other hand, attention should continue to be paid to downside risks to overseas economies, such as geopolitical risks like U.S. trade policy developments, China's economic slowdown and the situations in the Middle East and Ukraine, not to mention crude oil price, exchange rate, interest rate and other financial market fluctuations.

In the central Tokyo office building leasing market, the tight supply-demand situation continues against the backdrop of demand among companies to improve their office environment for purposes such as securement of human resources, and rent levels are thus also on an uptrend. On the other hand, the impact of fluctuations in the financial and capital markets, developments in the situation in the Middle East, price rises continuing and other factors on future office demand from companies warrants attention.

In the office building transaction market, the appetite among domestic and overseas investors to invest in office buildings is expected to be resilient amid the solid office market conditions. On the other hand, the impact of changes in the socioeconomic situation as well as domestic and overseas fiscal policies, including domestic interest rate trends, on future market developments warrants attention.

(2) Future Management Policy and Tasks

(A) Strategy for Managing Existing Properties

As to macro trends for the office market, although demand for office relocation continues to expand against the backdrop of strong corporate performance and competition for human resources, companies are becoming increasingly selective about office space for the improvement of location and building grade. Although DOI has been steadily acquiring solid new demand mainly from small and medium-sized companies, it is striving to maintain and raise occupancy rates and raise rents by assessing the market environment in each area. Given that office needs are likely to change by companies as work-style and workplace diversify, DOI considers that maintaining/improving competitiveness of buildings to qualify as prime offices that can increase the productivity of employees and accommodate needs of the times and environment will be the future issue, and is determined to continue carrying out operational management under the following policy.

(i) Maintain and raise occupancy rates

Concerning existing tenants, strive to reduce cancellation risks by improving the quality of buildings, equipment and management system. In addition, concerning new tenants, strive to maintain and raise occupancy rates through the provision of highly satisfactory services from gaining deeper understanding of tenant needs through proactive involvement in the market.

(ii) Maintain and raise profitability

Aim to secure stable revenue over the medium to long term through further strengthening good relationships with existing tenants, as well as proactively tapping the needs of new tenants by discerning the market environment.

(iii) Control operational management costs

Strive to control operational management costs based on maintaining office environments with high tenant satisfaction levels by implementing efficient operational management and reviewing systematic construction work through optimal leveraging of economies of scale achieved from proactively realizing external growth.

(B) Strategy for New Property Investments

DOI will invest in office buildings that have a total floor area of about 2,000 m² or more based on various external growth strategies, while maintaining a balance with the asset acquisition environment and financing situation. In principle, considerations will focus on Tokyo as the investment target area, but DOI will also consider investing in competitive properties in cities other than Tokyo from a viewpoint of territorially-distributed investments.

As pipeline support, in addition to expanding the Asset Manager's own information-sourcing channels, DOI will continue to search for properties that meet its investment criteria by proactively gathering real estate transaction market information through greater collaboration with the Sponsor Group and utilizing the Group's extensive network of clients, partners, etc.

In the 41st Fiscal Period, DOI acquired Hamamatsucho PREX and Prime Sendagaya Building located in Tokyo. DOI believes that the acquisition will contribute to further diversification and enhancement of the portfolio, and will continue to strive to acquire properties in accordance with the above investment strategy.

(C) Financial Strategy

DOI will conduct disciplined financial management of the following basic content.

- (i) Control leverage by keeping the ratio of interest-bearing liabilities to total assets (LTV) within the range of 40% to 50% at maximum, taking into consideration also the LTV, etc. based on appraisal value, as a principle.
- (ii) Diversify repayment deadlines, targeting 30.0 billion yen as the maximum amount of interest-bearing liabilities that shall become due during any single fiscal period as a principle.
- (iii) Aim to have long-term loans account for at least 70% of balance of loans as a principle.
- (iv) Achieve diversification of lenders, which shall mainly be Japanese financial institutions.
- (v) Pursuant to its fund management rules, maintain stability in its financial standing by managing necessary funds, such as the amount equivalent to distributions paid, separately from working capital.

(D) Scheduled Capital Expenditures

The following are the principal capital expenditures arising from renovation construction work, etc. currently planned for existing portfolio properties. Please note that the expected construction amount includes portions that are expensed as a separate account item of accounting costs.

Name of real estate properties (Location)	Purpose	Scheduled implementation period	Expected construction amount (Millions of yen)		
			Total amount	Amount paid during current period	Total amount already paid
CONCURRED Yokohama (Yokohama-shi, Kanagawa)	Upgrading of air-conditioning equipment (individual PAC)	From: Jun. 2026 To: Nov. 2026	256	–	–
Daiwa Kayabacho (Chuo-ku, Tokyo)	Upgrading of air-conditioning equipment	From: Jun. 2026 To: Nov. 2026	175	–	–
Daiwa Ogikubo Tower (Suginami-ku, Tokyo)	Upgrading of elevators	From: Jun. 2026 To: Nov. 2026	172	–	–
Daiwa River Gate (Chuo-ku, Tokyo)	Repair of exterior walls	From: Jun. 2026 To: Nov. 2026	52	–	–
Daiwa Ebisu 4-chome (Shibuya-ku, Tokyo)	Repair of men's and women's restrooms	From: Jun. 2026 To: Nov. 2026	43	–	–

II. Balance Sheets

As of May 31, 2026 and November 30, 2025

(Thousands of yen)

	As of May 31, 2026	As of November 30, 2025
Assets		
Current Assets:		
Cash and cash equivalents (Note 3)	30,740,781	33,035,984
Tenant receivables	179,820	105,061
Consumption taxes receivable	277,875	–
Income taxes refund receivable	19,919	7,591
Prepaid expenses	467,057	450,794
Other current assets	138,855	85,572
Total Current Assets	31,824,309	33,685,003
Investment Properties, at cost (Notes 5 and 6):		
Land	12,302,226	12,302,226
Buildings and structures	3,690,719	3,680,351
Tools, furniture and fixtures	27,752	23,492
Construction in progress	620	557
Land in trust accounts (Note 15)	375,315,746	353,794,001
Buildings and structures in trust accounts (Notes 14 and 15)	122,489,643	118,746,919
Machinery and equipment in trust accounts	1,461,913	1,463,560
Tools, furniture and fixtures in trust accounts	697,962	582,399
Construction in progress in trust accounts	41,597	49,547
Less: accumulated depreciation	(46,103,400)	(44,817,302)
Leasehold rights	2,398,275	2,398,275
Leasehold rights in trust accounts	306,884	306,884
Total Investment Properties, net	472,629,942	448,530,913
Investments and Other Assets:		
Investment securities	3,726,788	3,765,163
Lease and guarantee deposits in trust accounts	113,684	113,684
Long-term prepaid expenses	1,234,494	1,218,628
Derivative assets (Note 4)	1,174,488	831,427
Deferred investment corporation bond issuance costs	35,496	39,219
Others	139,510	137,885
Total Investments and Other Assets	6,424,464	6,106,007
Total Assets	510,878,716	488,321,924

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

(Thousands of yen)

	As of May 31, 2026	As of November 30, 2025
Liabilities		
Current Liabilities:		
Accounts payable	1,042,861	1,338,194
Short-term debt (Note 11)	5,500,000	–
Long-term debt due within one year (Notes 4 and 11)	20,200,000	22,400,000
Accounts payable – other	704,453	696,032
Income taxes payable	666	707
Accrued consumption taxes	162,702	361,581
Rent received in advance	2,553,245	2,451,769
Other current liabilities	591,819	664,063
Total Current Liabilities	30,755,748	27,912,348
Long-Term Liabilities:		
Investment corporation bonds (Notes 4 and 11)	7,500,000	7,500,000
Long-term debt (Notes 4 and 11)	206,050,000	188,050,000
Tenant security deposits including trust accounts (Note 4)	22,978,668	22,084,409
Deferred tax liabilities (Note 16)	406,203	283,743
Derivative liabilities (Note 4)	16,621	–
Other long-term liabilities	4,747	–
Total Long-Term Liabilities	236,956,241	217,918,153
Total Liabilities	267,711,989	245,830,502
Net Assets (Notes 9 and 17)		
Unitholders' Equity:		
Unitholders' capital	251,551,759	251,551,759
Units authorized: 4,000,000 units		
Units issued and outstanding: 934,745 units as of May 31, 2026 and November 30, 2025		
Deduction from unitholders' capital	(20,457,273)	(20,457,273)
Unitholders' capital, net	231,094,485	231,094,485
Reserve for reduction entry	3,306,059	3,306,059
Retained earnings	7,916,323	7,496,795
Total Unitholders' Equity	242,316,868	241,897,340
Valuation and translation adjustments		
Deferred gains or losses on hedges	849,858	594,081
Total valuation and translation adjustments	849,858	594,081
Total Net Assets	243,166,727	242,491,422
Total Liabilities and Net Assets	510,878,716	488,321,924

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

III. Statements of Income and Retained Earnings

For the fiscal periods ended May 31, 2026 and November 30, 2025

(Thousands of yen)

	For the fiscal periods ended May 31, 2026	For the fiscal periods ended November 30, 2025
Operating Revenues (Note 7):		
Rental revenues (Note 8)	14,911,595	14,758,113
Other revenues related to property leasing (Note 8)	14,645	39,321
Gain on sale of investment properties (Note 13)	1,492,745	1,225,786
Dividend income	92,941	33,292
Total Operating Revenues	16,511,927	16,056,513
Operating Expenses:		
Property-related expenses (Note 8)	5,794,624	5,982,630
Asset management fees	1,265,923	1,238,292
Asset custody fees	24,695	24,400
Administrative service fees	74,516	73,771
Trust fees	19,677	19,176
Directors' compensation	7,200	7,200
Other operating expenses	121,745	117,475
Total Operating Expenses	7,308,381	7,462,947
Operating Income	9,203,546	8,593,566
Non-Operating Revenues:		
Interest income	8,540	7,854
Reversal of distribution payable	349	457
Insurance income	26,979	14,924
Other non-operating revenues	2	0
Total Non-Operating Revenues	35,870	23,237
Non-Operating Expenses:		
Interest expense	1,120,310	914,299
Interest expense on investment corporation bonds	32,194	33,818
Borrowing expenses	161,188	157,999
Other non-operating expenses	8,724	12,943
Total Non-Operating Expenses	1,322,417	1,119,061
Ordinary Income	7,916,999	7,497,742
Income Before Income Taxes	7,916,999	7,497,742
Income taxes – current	810	950
Income taxes – deferred	6	(3)
Total Income Taxes (Note 16)	816	946
Net Income	7,916,182	7,496,795
Retained Earnings Brought Forward	140	–
Retained Earnings at End of Period	7,916,323	7,496,795

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

IV. Statements of Changes in Net Assets

For the fiscal periods ended May 31, 2026 and November 30, 2025

(Thousands of yen)

	Number of Units (Units)	Unitholders' Equity					Treasury Investment Units	Deferred Gains or Losses on Hedges	Total Net Assets
		Unitholders' Capital	Deduction from Unitholders' Capital	Unitholders' Capital, net	Reserve for Reduction Entry	Retained Earnings			
Balance as of May 31, 2025	943,155	251,551,759	(17,457,533)	234,094,225	2,883,163	6,949,528	—	490,539	244,417,457
Cash distributions declared	—	—	—	—	—	(6,526,632)	—	—	(6,526,632)
Net income	—	—	—	—	—	7,496,795	—	—	7,496,795
Provision of reserve for reduction entry	—	—	—	—	422,896	(422,896)	—	—	—
Acquisition of treasury investment units	—	—	—	—	—	—	(2,999,740)	—	(2,999,740)
Cancellation of treasury investment units (Note 10)	(8,410)	—	(2,999,740)	(2,999,740)	—	—	2,999,740	—	—
Net changes of items other than unitholders' equity	—	—	—	—	—	—	—	103,542	103,542
Balance as of November 30, 2025	934,745	251,551,759	(20,457,273)	231,094,485	3,306,059	7,496,795	—	594,081	242,491,422
Cash distributions declared	—	—	—	—	—	(7,496,654)	—	—	(7,496,654)
Net income	—	—	—	—	—	7,916,182	—	—	7,916,182
Net changes of items other than unitholders' equity	—	—	—	—	—	—	—	255,777	255,777
Balance as of May 31, 2026	934,745	251,551,759	(20,457,273)	231,094,485	3,306,059	7,916,323	—	849,858	243,166,727

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

V. Statements of Cash Flows

For the fiscal periods ended May 31, 2026 and November 30, 2025

(Thousands of yen)

	For the fiscal periods ended May 31, 2026	For the fiscal periods ended November 30, 2025
Cash Flows from Operating Activities:		
Income before income taxes	7,916,999	7,497,742
Depreciation and amortization	1,920,360	1,882,442
Amortization of bond issuance costs	3,722	4,431
Interest expense	1,152,504	948,118
Increase in tenant receivables	(74,759)	(6,184)
Decrease in accounts payable	(60,705)	(105,621)
Increase in rent received in advance	101,476	32,640
Interest payments	(1,146,689)	(943,099)
Decrease in accrued consumption taxes	(198,879)	(280,167)
Increase in income taxes receivable	(12,328)	(7,401)
Increase in consumption taxes receivable	(277,875)	–
Decrease due to sale of investment properties in trust accounts	2,961,071	3,329,848
Other, net	(113,177)	(27,379)
Net Cash Provided by Operating Activities	12,171,720	12,325,369
Cash Flows from Investing Activities:		
Payments for purchases of investment properties including trust accounts	(29,207,191)	(1,186,480)
Payments for purchases of intangible assets	–	(315)
Payments for purchases of investment securities	–	(3,765,163)
Proceeds from repayments of investment securities	38,375	
Proceeds from tenant security deposits including trust accounts	1,359,205	634,465
Refunds of tenant security deposits including trust accounts	(460,199)	(586,513)
Net Cash Used in Investing Activities	(28,269,810)	(4,904,006)
Cash Flows from Financing Activities:		
Proceeds from short-term debt	5,500,000	–
Proceeds from long-term debt	29,500,000	7,000,000
Repayments of long-term debt	(13,700,000)	(7,000,000)
Redemption of investment corporation bonds	–	(1,500,000)
Payments for acquisition of treasury investment units	–	(2,999,740)
Distributions paid	(7,497,113)	(6,525,479)
Net Cash Provided by (Used in) Financing Activities	13,802,886	(11,025,219)
Net Change in Cash and Cash Equivalents	(2,295,203)	(3,603,856)
Cash and Cash Equivalents at Beginning of Period	33,035,984	36,639,841
Cash and Cash Equivalents at End of Period (Note 3)	30,740,781	33,035,984

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

VI. Notes to Financial Statements

For the fiscal periods ended May 31, 2026 and November 30, 2025

Note 1 – Organization and Basis of Presentation

Organization

Daiwa Office Investment Corporation (the former DA Office Investment Corporation; hereinafter referred to as “DOI”) was established on July 11, 2005 as an investment corporation under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including subsequent revisions, hereinafter referred to as the “Investment Trust Act”) by the founder (the former daVinci Select; now, Daiwa Real Estate Asset Management (hereinafter referred to as the “Asset Manager”)).

DOI is an externally managed real estate fund, established as an investment corporation. The Asset Manager, as DOI’s asset management company, is engaged in acquiring, managing, leasing, and renovating office properties. Daiwa Securities Group Inc. currently owns 100% of the shares of the Asset Manager.

On October 18, 2005, DOI had raised approximately 49,498,710 thousand yen through an initial public offering of units. Those units were listed on the J-REIT section of the Tokyo Stock Exchange. DOI implemented a 2 for 1 split of its investment units with a record date of May 31, 2024 and an effective date of June 1, 2024.

As of May 31, 2026, DOI had ownership or trust beneficiary interests in 58 office properties with approximately 365,092.05 m² of rentable office space and had leased office space to 666 tenants engaged in a variety of businesses. The occupancy rate for the office properties was approximately 99.1%.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with the provisions set forth in the Investment Trust Act, the Financial Instruments and Exchange Act and their related accounting regulations, and in conformity with accounting principles generally accepted in Japan (“Japanese GAAP”), which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards or accounting principles generally accepted in the United States of America.

The accompanying financial statements have been reformatted and translated into English from the financial statements of DOI prepared in accordance with Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Financial Instruments and Exchange Act. In preparing the accompanying financial statements, relevant notes have been expanded and certain reclassifications have been made from the Japanese GAAP financial statements. Certain supplementary information included in the statutory Japanese GAAP financial statements, but not required for fair presentation, is not presented in the accompanying financial statements. Certain reclassifications have been made to the prior period’s financial statements to conform to the presentation for the current period.

DOI maintains its accounting records in Japanese yen. Amounts less than 1 thousand yen have been rounded down. As a result, the total shown in the financial statements and notes does not necessarily agree to sum of individual account balances.

DOI’s fiscal period is a six-month period ending at the end of May and November of each year.

Note 2 – Summary of Significant Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents consist of cash, demand deposits, and short-term investments which are highly liquid, readily convertible to cash and with insignificant risk of market value fluctuation, with maturities of three months or less from the date of acquisition.

(b) Investment Properties

Investment properties are recorded at cost, which includes the allocated purchase price, related costs and expenses for acquisition of the office properties and the trust beneficiary interests in trust. Investment property balances are depreciated using the straight-line method over the estimated useful lives as follows:

	As of May 31, 2026	As of November 30, 2025
Buildings and structures	2-64 years	5-64 years
Machinery and equipment	10-23 years	10-23 years
Tools, furniture and fixtures	3-15 years	3-15 years

Cost related to the renovation, construction improvement of properties is capitalized. Expenditures for repairs and maintenance which do not add to the value or prolong the useful life of property, are expensed as incurred.

(c) Investment Securities

Non-marketable available-for-sale equity securities are stated at cost determined by the moving-average method. For investments in silent partnerships, the net amount equivalent to the DOI's equity interests in silent partnerships is included in investment securities.

(d) Deferred Investment Corporation Bond Issuance Costs

Deferred investment corporation bond issuance costs are amortized on a straight-line basis over the respective terms of the bonds.

(e) Income Taxes

Deferred tax assets and liabilities are computed based on the difference between the financial statements and income tax bases of assets and liabilities using the statutory rate.

(f) Real Estate Taxes

Investment properties are subject to various taxes, such as property taxes and city planning taxes. Owners of the properties are registered by records maintained in each jurisdiction by the local government. The taxes are imposed on the registered record owner as of January 1 of each year, based on an assessment made by the local government.

When a property is purchased within the calendar year, the taxes for the corresponding calendar year are imposed on the seller. DOI pays the seller the corresponding amount of the taxes for the period from property acquisition date to December 31 of the calendar year and capitalizes these amounts as acquisition costs of the property, rather than expensing them. In subsequent calendar years, such taxes on investment properties are charged as operating expenses in each fiscal period.

The following is a summary of capitalized real estate taxes.

(Thousands of yen)

	For the fiscal period ended May 31, 2026	For the fiscal period ended November 30, 2025
Capitalized real estate taxes	43,057	–

(g) Consumption Taxes

Non-deductible consumption taxes relating to investment properties are amortized equally over five years.

(h) Hedge Accounting

DOI enters into derivative transactions for the purpose of hedging risks in the Articles of Incorporation of DOI in accordance with its general risk management policy. DOI uses interest-rate swaps as hedging instruments in order to hedge the risk of interest rate fluctuations related to borrowings. Pursuant to Japanese GAAP, DOI applies the special accounting treatment to interest-rate swaps which qualify for hedge accounting and meet specific criteria. Under the special accounting treatment, the related differentials paid or received under such swap contracts can be recognized and included in interest expense or income of the hedged assets or liabilities, and the interest-rate swaps are not required to be measured at fair value separately. The assessment of hedge effectiveness has been made each fiscal period except for interest-rate swaps which meet the special criteria.

(i) Revenue Recognition

Operating revenues consist of rental revenues including base rents and common area charges, and other operating revenues such as utility charge reimbursements, parking space rental revenues and other income.

Major contents of performance obligations relating to revenue arising from contracts with DOI's customers and general timing of satisfying such performance obligations (general timing of revenue recognition) are as follows:

(1) Sales of Investment Properties

Revenue is recognized at the time when a purchaser of the investment property as a customer obtains control over the investment property by satisfying delivery obligation as described in a contract regarding the sale of the investment property.

(2) Utility Charge Revenue

Utility charge revenue is recognized depending on the volume of supply of electricity, water and others to a tenant as a customer based on the lease agreement of the related property and contents of ancillary agreements. For utility charge revenue for which DOI is determined to be an agent, the net amount is recognized as revenue, which is calculated by deducting the amount payable to other parties from utility charges received by DOI for electricity, water and others supplied by those parties.

(j) Accounting Treatment of Trust Beneficiary Interests in Real Estate

For trust beneficiary interests in real estate, all 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 balance sheet and income statement accounts of the accompanying financial statements.

(k) Accounting Estimates

Impairment of long-lived assets

Amounts of investment properties recorded on the financial statements as of May 31, 2026 and November 30, 2025 were as follows:

(Thousands of yen)

	As of May 31, 2026	As of November 30, 2025
Tangible fixed assets	469,924,782	445,825,752
Intangible fixed assets	2,705,160	2,705,160

DOI reviews investment properties for impairment whenever events or changes in circumstances indicate the carrying amount of an asset or asset group may not be recoverable in conformity with the accounting standard for impairment of long-lived assets. The book value of investment properties has been reduced to its recoverable amount when the invested amount may not be recoverable due to decrease in profitability.

DOI's investment properties are grouped on an individual asset basis. DOI reviews the investment properties for impairment when factors such as consecutive operating losses, significant decline in the market price, deteriorated business environment and others related to investment properties indicate the carrying amount of an asset may not be recoverable.

An impairment loss is recognized if the carrying amount of an asset exceeds the sum of the undiscounted future cash flows expected from the asset. In such a case, the book value of the asset is reduced to the respective recoverable amount and the difference between the book value and recoverable amount is recorded as an impairment loss.

Future cash flows used in determining recoverable amounts are measured by comprehensive judgement on estimates based on market trends on rental revenues, occupancy rates, rental expenses and other factors as well as transaction information of similar properties.

Operating results and market prices of each investment property may be affected by trends in the property leasing market and property trading market. It is possible to have an impact on DOI's financial position and results of operations in the next fiscal period if assumptions used in estimates change.

Note 3 – Cash and Cash Equivalents

Cash and cash equivalents stated on the accompanying balance sheets and statements of cash flows as of May 31, 2026 and November 30, 2025 consisted of the following:

(Thousands of yen)

	As of May 31, 2026	As of November 30, 2025
Cash and deposits	26,583,593	28,975,304
Cash and deposits in trust accounts	4,157,187	4,060,680
Cash and cash equivalents	30,740,781	33,035,984

Note 4 – Financial Instruments

(a) Qualitative Information for Financial Instruments

Policy for Financial Instrument Transactions

DOI raises funds through borrowings, issuance of investment corporation bonds and issuance of investment units for acquisition and renovation of investment properties, cash distributions of dividends and repayment of bank borrowings. In financing through interest-bearing debt, DOI raises funds with longer term, fixed-rate and well-diversified maturities and utilizes commitment lines to secure stable financing capacity and avoid potential risk of rising interest rates.

Surplus funds are managed considering risk and liquidity, by investing in highly liquid monetary assets and securities (in principle, deposits).

DOI enters into derivative transactions only for the purpose of hedging interest rate risks arising from liabilities.

Nature and Extent of Risks arising from Financial Instruments and Risk Management

Proceeds from borrowings and investment corporation bonds are used mainly to acquire investment properties and repay or redeem outstanding borrowings and bonds. These borrowings and bonds are exposed to liquidity risk. Such risk is managed in ways such as maintaining the LTV ratio at low levels, diversifying maturities, keeping the ratio of long-term debt to total debt at high levels, and diversifying lenders. For the floating-rate borrowings exposed to the risk of future interest rate fluctuations, DOI uses derivative transactions (interest-rate swap) as hedging instruments, in order to avoid interest rate fluctuations and to fix the amount of interest payments for floating-rate borrowings.

DOI evaluates the effectiveness of hedges by the correlation between the change in aggregated amount of cash flow of the hedging instruments and the change in aggregated amount of cash flow of the hedged items. The assessment of hedge effectiveness is omitted for the interest-rate swaps which meet the specific criteria under the special accounting treatment.

Derivative transactions are executed and monitored in compliance with the rules and procedures set forth in the risk management policy of DOI.

Tenant security deposits including trust accounts are exposed to liquidity risk arising from refunding deposits in the event of vacating of properties by tenants. Such risk is managed by reserving some parts of the funds.

Bank deposits are used for investing DOI's surplus funds. These bank deposits are exposed to credit risks such as bankruptcy of the depository financial institutions. DOI manages credit risk by investing only in short-term deposit and setting a minimum credit rating requirement for the depository financial institutions (excluding deposits for settlement purposes).

Investment securities are composed of investments in silent partnerships and are exposed to issuer credit risk, market price fluctuation risk of real estate and interest rate risk. DOI manages these risks by regularly monitoring financial conditions of issuers and market values of real estate.

Supplemental Explanation regarding Fair Value of Financial Instruments

Since certain assumptions and factors are reflected in estimating the fair value, different assumptions and factors could result in a different value. Also, the contractual amounts of derivative transactions do not represent the market risk involved in these derivative transactions.

(b) Estimated Fair Value of Financial Instruments

The book value, fair value and difference between the two as of May 31, 2026 and November 30, 2025 were as follows. Cash and cash equivalents and short-term debt are not disclosed because the book values of these assets are deemed reasonable approximations of the fair values as they are cash or with short maturities. Disclosure of tenant security deposits and tenant security deposits in trust is also omitted because they are immaterial.

(Thousands of yen)

Liabilities	As of May 31, 2026			As of November 30, 2025		
	Book value	Fair value	Difference	Book value	Fair value	Difference
Long-term debt due within one year	20,200,000	20,131,518	(68,481)	22,400,000	22,359,232	(40,767)
Investment corporation bonds	7,500,000	6,939,870	(560,130)	7,500,000	7,090,780	(409,220)
Long-term debt	206,050,000	204,125,171	(1,924,828)	188,050,000	186,432,188	(1,617,811)
Total	233,750,000	231,196,559	(2,553,440)	217,950,000	215,882,200	(2,067,799)
Derivative transactions (*)	1,256,072	1,256,072	–	877,841	877,841	–

(*) The value of assets and liabilities arising from derivatives is shown at net value and with the amount in parenthesis indicating the net liability position.

Notes:

1. Methods to estimate fair value of financial instruments and derivative transactions

Liabilities:

(1) Investment corporation bonds

The fair value of investment corporation bonds is based on their quoted market price.

(2) Long-term debt due within one year and long-term debt

For long-term debt with floating interest rates, their fair value and book value are nearly identical and there are no significant changes in DOI's credit risk after borrowing. Therefore, for these items, their book value is assumed as their fair value. For long-term debt with fixed interest rates, their fair value is calculated based on the present value of principle and interest cash flows discounted at the current interest rate which is estimated to be applied if similar new debt is entered into. However, the fair value of certain floating-rate long-term debt that qualifies for the special treatment of interest-rate swaps is calculated based on the present value of principle and interest cash flows which are processed as a single unit with the interest-rate swap.

Derivative Transactions:

The Company applies the hedge accounting for all derivative transactions. Contractual amount and fair value were as follows:

(Thousands of yen)

Hedge accounting method	Type of derivative transaction	Hedged item	As of May 31, 2026		
			Contracted amount		Fair value (*1)
			Total	Due after one year	
Deferral hedge accounting method	Interest-rate swap Receive floating/ Pay fixed	Long-term debt	53,200,000	42,500,000	1,256,072
Special treatment for interest-rate swaps	Interest-rate swap Receive floating/ Pay fixed	Long-term debt	26,000,000	20,000,000	– (*2)
			79,200,000	62,500,000	1,256,072

(Thousands of yen)

Hedge accounting method	Type of derivative transaction	Hedged item	As of November 30, 2025		
			Contracted amount		Fair value (*1)
			Total	Due after one year	
Deferral hedge accounting method	Interest-rate swap Receive floating/ Pay fixed	Long-term debt	46,700,000	34,500,000	877,841
Special treatment for interest-rate swaps	Interest-rate swap Receive floating/ Pay fixed	Long-term debt	28,000,000	25,000,000	– (*2)
			74,700,000	59,500,000	877,841

(*1) The fair value is provided by financial institutions.

(*2) Fair values of interest-rate swaps with the special treatment are included in fair values of related long-term debt as the interest-rate swaps are processed as a single unit with the hedged long-term debt.

2. Investments in silent partnerships

Notes on investments in silent partnerships as stipulated in paragraph 4 (1) of “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (Accounting Standards Board of Japan (“ASBJ”) Guidance No. 19, revised on March 31, 2020) are not disclosed by applying the treatment stipulated in paragraph 24-16 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, revised on June 17, 2021).

The balance sheet amount of investments in silent partnerships to which the above treatment is applied is 3,726,788 thousand yen and 3,765,163 thousand yen as of May 31, 2026 and November 30, 2025, respectively.

3. Redemption schedule for investment corporation bonds and long-term debt

(Thousands of yen)

As of May 31, 2026	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	–	–	–	2,200,000	2,400,000	2,900,000
Long-term debt	20,200,000	33,100,000	23,150,000	40,000,000	34,450,000	75,350,000
Total	20,200,000	33,100,000	23,150,000	42,200,000	36,850,000	78,250,000

(Thousands of yen)

As of November 30, 2025	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	–	–	–	2,200,000	2,400,000	2,900,000
Long-term debt	22,400,000	27,600,000	27,700,000	30,550,000	31,300,000	70,900,000
Total	22,400,000	27,600,000	27,700,000	32,750,000	33,700,000	73,800,000

Note 5 – Tangible Fixed Assets of Investment Properties

Investment properties as of May 31, 2026 and November 30, 2025 consisted of the following:

(Thousands of yen)

	As of May 31, 2026			As of November 30, 2025		
	Acquisition cost	Accumulated depreciation	Book value	Acquisition cost	Accumulated depreciation	Book value
Land	12,302,226	–	12,302,226	12,302,226	–	12,302,226
Buildings and structures	3,690,719	(3,159,476)	531,243	3,680,351	(3,119,590)	560,760
Tools, furniture and fixtures	27,752	(21,893)	5,859	23,492	(21,458)	2,033
Construction in progress	620	–	620	557	–	557
Land in trust accounts	375,315,746	–	375,315,746	353,794,001	–	353,794,001
Buildings and structures in trust accounts	122,489,643	(41,691,247)	80,798,396	118,746,919	(40,510,411)	78,236,507
Machinery and equipment in trust accounts	1,461,913	(845,332)	616,581	1,463,560	(803,668)	659,892
Tools, furniture and fixtures in trust accounts	697,962	(385,450)	312,511	582,399	(362,173)	220,225
Construction in progress in trust accounts	41,597	–	41,597	49,547	–	49,547
Total	516,028,182	(46,103,400)	469,924,782	490,643,055	(44,817,302)	445,825,752

Note 6 – Fair Value of Investment and Rental Properties

The book value, net changes in the book value and the fair value of the investment and rental properties were as follows:

(Thousands of yen)

	For the fiscal period ended May 31, 2026	For the fiscal period ended November 30, 2025
Book value: (Note 1)		
Balance at beginning of period	448,480,807	452,188,015
Change during the period (Note 2)	24,106,917	(3,707,207)
Balance at end of period	472,587,725	448,480,807
Fair value (Note 3)	628,000,000	598,220,000

(Note 1) The book value represents the acquisition cost less accumulated depreciation.

(Note 2) Significant changes

For the fiscal period ended May 31, 2026, the major reason for the increase is acquisition of “Hamamatsucho PREX” and “Prime Sendagaya Building” (26,550 million yen). The major reason for the decrease is disposition of “Daiwa Azabudai” and “Daiwa Sarugakucho” (50% quasi co-ownership interest) (2,961 million yen) and depreciation (1,917 million yen). For the fiscal period ended November 30, 2025, the major reason for the decrease is disposition of “Daiwa Tsukishima” (30% quasi co-ownership interest) and “Daiwa Sarugakucho” (50% quasi co-ownership interest) (3,329 million yen) and depreciation (1,879 million yen).

(Note 3) The fair values as of May 31, 2026 and November 30, 2025 were determined by the sum of appraisal values provided by external real estate appraisers.

Note 7 – Revenue Recognition

Information on breakdown of revenues arising from contracts with customers for the fiscal periods ended May 31, 2026 and November 30, 2025 was as follows:

(Thousands of yen)

	For the fiscal period ended May 31, 2026	
	Revenues arising from contracts with customers (Note 1)	Sales to external customers
Sales of investment properties (Note 2)	4,790,000	1,492,745
Utility charge revenues	971,562	971,562
Other	–	14,047,619
Total	5,761,562	16,511,927

(Note 1) Rental revenues and other revenues relating to property leasing for which “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13) is applied are not included in revenues arising from contracts with customers because the Accounting Standard for Revenue Recognition is not applied to such revenues. Major revenues arising from contracts with customers are sales of investment properties and utility charge revenues.

(Note 2) Sales of investment properties are presented in the net amount by deducting the cost of selling investment properties and other expenses related to the sales from the proceeds from the sales of investment properties in order to present gain/loss on the sales of investment properties on the statements of income and retained earnings in accordance with Article 48, paragraph (2) of the “Ordinance on Accountings of Investment Corporations” (Cabinet Office Order No. 47 of 2006).

(Thousands of yen)

For the fiscal period ended November 30, 2025		
	Revenues arising from contracts with customers (Note 1)	Sales to external customers
Sales of investment properties (Note 2)	5,490,000	1,225,786
Utility charge revenues	1,137,759	1,137,759
Other	–	13,692,968
Total	6,627,759	16,056,513

(Note 1) Rental revenues and other revenues relating to property leasing for which “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13) is applied are not included in revenues arising from contracts with customers because the Accounting Standard for Revenue Recognition is not applied to such revenues. Major revenues arising from contracts with customers are sales of investment properties and utility charge revenues.

(Note 2) Sales of investment properties are presented in the net amount by deducting the cost of selling investment properties and other expenses related to the sales from the proceeds from the sales of investment properties in order to present gain/loss on the sales of investment properties on the statements of income and retained earnings in accordance with Article 48, paragraph (2) of the “Ordinance on Accountings of Investment Corporations” (Cabinet Office Order No. 47 of 2006).

Note 8 – Rental Revenues and Expenses

Rental revenues and expenses for the fiscal periods ended May 31, 2026 and November 30, 2025 were as follows:

(Thousands of yen)

	For the fiscal period ended May 31, 2026	For the fiscal period ended November 30, 2025
Revenues from property leasing:		
Rental revenues	14,911,595	14,758,113
Other revenues related to property leasing	14,645	39,321
Total revenues from property leasing	14,926,240	14,797,434
Rental expenses:		
Consignment expenses	1,102,483	1,071,455
Utilities expenses	1,067,171	1,203,012
Taxes and dues	1,294,234	1,311,186
Insurance expenses	36,529	30,406
Repair expenses	298,109	408,409
Depreciation	1,917,809	1,879,890
Other	78,285	78,268
Total rental expenses	5,794,624	5,982,630
Income from property leasing	9,131,616	8,814,804

Note 9 – Net Assets

DOI issues non-par value units in accordance with the Investment Trust Act and all of the amounts issued are designated as stated capital. DOI maintains a minimum of 50 million yen of net assets as required by the Investment Trust Act.

Note 10 – Treasury Investment Units

Cancellation of treasury investment units as of May 31, 2026 and November 30, 2025 were as follows.

(Thousands of yen)

	As of May 31, 2026	As of November 30, 2025
Total cumulative number of own investments units cancelled (units)	41,382	41,382
Total cumulative amount of cancellation	20,457,273	20,457,273

There was no treasury investment units cancelled during the fiscal period ended May 31, 2026. Total number of treasury investment units cancelled and total amount of cancellation during the fiscal period ended November 30, 2025 were 8,410 units and 2,999,740 thousand yen, respectively.

Note 11 – Short-Term Debt, Long-Term Debt and Investment Corporation Bonds

Short-term debt, long-term debt and investment corporation bonds as of May 31, 2026 and November 30, 2025 consisted of the following:

(Thousands of yen)

	As of May 31, 2026	As of November 30, 2025
1.2% unsecured short-term loans due 2027, from a bank	5,500,000	–
Total	5,500,000	–

(Thousands of yen)

	As of May 31, 2026	As of November 30, 2025
Unsecured loans due 2026 to 2035, principally from banks and insurance companies with interest rates mainly ranging from 0.3% to 2.3%	226,250,000	210,450,000
0.8% unsecured bond due 2029	2,200,000	2,200,000
0.6% unsecured bond due 2030	2,400,000	2,400,000
0.7% unsecured bond due 2031	1,300,000	1,300,000
1.5% unsecured bond due 2034	1,600,000	1,600,000
Total	239,250,000	217,950,000

(Note) The interest rates presented are daily weighted average interest rates. As for long-term debts which were hedged by interest-rate swaps for the purpose of avoiding interest rate fluctuation risk, the swapped interest rates are used to calculate daily weighted average interest rates.

The annual maturities of long-term debt and investment corporation bonds as of May 31, 2026 were as follows:

(Thousands of yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Long-term debt and investment corporation bonds	20,200,000	33,100,000	23,150,000	42,200,000	36,850,000	78,250,000

DOI maintains commitment line contracts with one financial institution. There was no borrowing execution balance as of May 31, 2026. The amounts of unused commitments on loans as of May 31, 2026 and November 30, 2025 were as follows:

(Thousands of yen)

	As of May 31, 2026	As of November 30, 2025
Total amounts of borrowing commitment lines	3,000,000	3,000,000
Borrowing execution balances	—	—
Net unused balance	3,000,000	3,000,000

Note 12 – Leases

As Lessor

The future minimum rental revenues under existing non-cancelable operating leases as of May 31, 2026 and November 30, 2025 were as follows:

(Thousands of yen)

	As of May 31, 2026	As of November 30, 2025
Due within one year	14,299,283	13,477,509
Due after one year	18,858,360	17,423,132
Total	33,157,643	30,900,642

Note 13 – Gain on Sale of Investment Properties

Gain on sale of investment properties for the fiscal period ended May 31, 2026 was as follows:

(Thousands of yen)

	For the fiscal period ended May 31, 2026
Daiwa Azabudai:	
Proceeds from sale of investment property	2,240,000
Cost of selling investment property	(1,481,431)
Other expenses related to sale	(123,738)
Gain on sale of investment property	634,830
Daiwa Sarugakucho: (50% quasi co-ownership interest)	
Proceeds from sale of investment property	2,550,000
Cost of selling investment property	(1,479,640)
Other expenses related to sale	(212,444)
Gain on sale of investment property	857,915

Gain on sale of investment properties for the fiscal period ended May 31, 2025 was as follows:

(Thousands of yen)

	For the fiscal period ended November 30, 2025
Daiwa Tsukishima: (30% quasi co-ownership interest)	
Proceeds from sale of investment property	2,940,000
Cost of selling investment property	(1,843,417)
Other expenses related to sale	(714,233)
Gain on sale of investment property	382,348
Daiwa Sarugakucho: (50% quasi co-ownership interest)	
Proceeds from sale of investment property	2,550,000
Cost of selling investment property	(1,486,430)
Other expenses related to sale	(220,131)
Gain on sale of investment property	843,437

Note 14 – Reduction of Investment Properties Purchased with Government Subsidies

Government subsidies of 77,363 thousand yen were deducted from the acquisition cost of the buildings in trust as of May 31, 2026 and November 30, 2025.

Note 15 – Reduction of Investment Properties Acquired through Exchange

The following amounts were deducted from the acquisition cost of the investment property in trust acquired through exchange as of May 31, 2026 and November 30, 2025.

(Thousands of yen)

	As of May 31, 2026	As of November 30, 2025
Buildings and structures in trust accounts	182,846	182,846
Land in trust accounts	887,074	887,074
Total	1,069,921	1,069,921

Note 16 – Income Taxes

DOI is subject to Japanese corporate income taxes on all of its taxable income. However, DOI may deduct the amount distributed to its unitholders from its taxable income when certain requirements, including a requirement to distribute in excess of 90% of distributable profit for the fiscal period, are met under the Special Taxation Measure Act of Japan. If DOI does not satisfy all of the requirements as specified in the Act, the entire taxable income of DOI will be subject to regular corporate income taxes in Japan.

DOI has made distribution in excess of 90% of its distributable profit for each fiscal period in order to be able to deduct such amount from taxable income.

The following table summarizes the significant difference between the statutory tax rate and DOI's effective tax rate for financial statement purposes.

(%)

	For the fiscal period ended May 31, 2026	For the fiscal period ended November 30, 2025
Statutory tax rate	31.46	31.46
Deductible cash distributions	(28.34)	(31.46)
Provision of reserve for reduction entry	(3.12)	–
Others	0.01	0.01
Effective tax rate	0.01	0.01

The significant components of deferred tax assets and liabilities as of May 31, 2026 and November 30, 2025 were as follows:

(Thousands of yen)

	As of May 31, 2026	As of November 30, 2025
Deferred tax assets:		
Accrued enterprise tax	10	16
Deferred losses on hedges	5,375	
Total deferred tax assets	5,385	16
Deferred tax liabilities:		
Deferred gains on hedges	411,589	283,760
Total deferred tax liabilities	411,589	283,760
Net deferred tax liabilities	(406,203)	(283,743)

Note 17 – Per Unit Information

Information about earnings per unit for the fiscal periods ended May 31, 2026 and November 30, 2025, and net assets per unit as of May 31, 2026 and November 30, 2025 were as follows:

(Yen)

	For the fiscal period ended May 31, 2026	For the fiscal period ended November 30, 2025
Earnings per Unit:		
Net income per unit	8,468	7,996
Weighted average number of units outstanding (units)	934,745	937,471

(Yen)

	As of May 31, 2026	As of November 30, 2025
Net Assets per Unit	260,142	259,419

The computation of earnings per unit is based on the weighted average number of units outstanding during the period. The computation of net assets per unit is based on the number of units outstanding at each period end as stated on the balance sheets.

The diluted net income per unit is not stated as there are no diluted investment units.

There is no amount that is not available to ordinary unitholders.

Note 18 – Distribution Information

DOI's Articles of Incorporation stipulate that DOI is required to make cash distribution in excess of 90% of distributable profit as defined in the Special Taxation Measure Act of Japan for each fiscal period. For the fiscal period ended May 31, 2026, DOI has determined to pay out as earnings distributions, a total amount of dividends of 7,132,104,350 yen after deducting the amount of provision of reserve for reduction entry as stipulated in Article 65-7 of the Special Taxation Measure Act of Japan from unappropriated retained earnings, and for the fiscal period ended November 30, 2025, 7,496,654,900 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (934,745 units) not in excess of unappropriated retained earnings. Furthermore, DOI does not pay out dividends that exceed accounting profits as outlined in Article 32-2 of DOI's Articles of Incorporation.

(Yen)

	For the fiscal period ended May 31, 2026	For the fiscal period ended November 30, 2025
I Unappropriated retained earnings	7,916,323,391	7,496,795,760
II Cash distributions declared	7,132,104,350	7,496,654,900
III Voluntary reserves	784,219,041	–
Provision of reserve for reduction entry		
IV Retained earnings brought forward	–	140,860

Cash distributions are declared by the board of directors after the end of each period. Such distributions are payable to unitholders of record at the end of each period. Information of cash distributions per unit and the board of directors meeting dates when the distributions were proposed and approved were as follows:

(Yen)

	For the fiscal period ended May 31, 2026	For the fiscal period ended November 30, 2025
Cash distributions per unit	7,630	8,020
Board of directors meeting dates	July 17, 2026	January 22, 2026

Note 19 – Related-Party Transactions

(a) Transactions with related-parties

(1) Parent Company and Major Corporation Unitholders

For the fiscal period from December 1, 2025 to May 31, 2026

“Not applicable”

For the fiscal period from June 1, 2025 to November 30, 2025

“Not applicable”

(2) Affiliated Companies

For the fiscal period from December 1, 2025 to May 31, 2026

“Not applicable”

For the fiscal period from June 1, 2025 to November 30, 2025

“Not applicable”

(3) Sister Companies

For the fiscal period from December 1, 2025 to May 31, 2026

“Not applicable”

For the fiscal period from June 1, 2025 to November 30, 2025

“Not applicable”

(4) Directors and Major Individual Unitholders

For the fiscal period from December 1, 2025 to May 31, 2026

“Not applicable”

For the fiscal period from June 1, 2025 to November 30, 2025

“Not applicable”

(b) Information regarding Parent Company or significant Affiliated Companies

DOI became a consolidated subsidiary of Daiwa Securities Group Inc., which is listed in Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. during the fiscal period ended May 31, 2021.

Note 20 – Segment Information

For the fiscal periods ended May 31, 2026 and November 30, 2025

Segment Information

Segment information has been omitted as DOI has only one segment, which is property leasing business.

Related Information

Information about Products and Services

Disclosure of this information has been omitted as operating revenues to external customers for a single product/service category account for more than 90% of the operating revenues on the statements of income and retained earnings.

Information about Geographic Areas

(1) Operating revenues

Disclosure of this information has been omitted as domestic operating revenues account for more than 90% of total operating revenues.

(2) Investment properties

Disclosure of this information has been omitted as domestic investment properties account for more than 90% of the book value of the total investment properties.

Information about Major Tenants

Disclosure of this information has been omitted as there is no tenant that accounts for 10% or more of the operating revenues recorded in the statements of income and retained earnings.

Note 21 – Significant Subsequent Events

(a) Acquisition of Own Investment Units

At the meeting of the board of directors held on July 17, 2026, DOI resolved the matters regarding the acquisition of own investment units as described below based on the provisions of Article 80-2 of the Act on Investment Trusts and Investment Corporations which is applied by replacing the terms and phrases pursuant to the provisions of Article 80-5, paragraph 2 of the said Act. All own investment units to be acquired are scheduled to be cancelled during the fiscal period ending November 30, 2026.

(1) Reason for acquisition of own investment units

As a result of comprehensive consideration of the level of investment unit prices, the status of cash on hand, financial conditions, market environment, etc., DOI has determined that the improvement of capital efficiency through the acquisition and cancellation of its own investment units and the return to unitholders will contribute to the enhancement of unitholders' value over the medium to long term.

(2) Summary of matters concerning acquisition of own investment units

Total number of investment units that can be acquired	7,000 units (upper limit)
Total acquisition price of investment units	1,500,000 thousand yen (upper limit)
Acquisition period	From July 21, 2026 to November 12, 2026
Acquisition method	Market purchase on the Tokyo Stock Exchange based on discretionary transaction agreement for the acquisition of own investment units with a securities company

(b) Split of Investment Units

At the meeting of the board of directors held on July 17, 2026, DOI resolved on the split of investment units (the “Split”) as described below.

(1) Purpose of the Split

The Split will be conducted to establish a better environment where investors can invest with ease as well as to further widen the spectrum of investors and increase the liquidity of the investment units by decreasing the unit price of the investment units.

(2) Method of the Split

As of the record date of November 30, 2026, DOI will implement a 4 for 1 split of its investment units held by unitholders stated or recorded on the unitholders’ registry at the closing of that date.

(3) Increase in number of investment units through the Split

i) Total number of investment units issued and outstanding before the Split:	934,745 units
ii) Increase in number of investment units through the Split:	2,804,235 units
iii) Total number of investment units issued and outstanding after the Split:	3,738,980 units
iv) Total number of investment units authorized after the Split:	16,000,000 units

(Note) The above figures have been calculated and presented based on the total number of investment units issued and outstanding of 934,745 units as of July 17, 2026. However, as announced in the “Notice Concerning Determination of Acquisition of Own Investment Units” dated July 17, 2026, DOI has resolved to acquire its own investment units during the period from July 21, 2026 to November 12, 2026. Since all investment units acquired are scheduled to be cancelled during the fiscal period ending November 30, 2026, the above figures may change depending on the total number of investment units ultimately cancelled. The actual total number of investment units to be increased as a result of the investment unit split and other related information will be announced after the total number of investment units to be cancelled has been finalized.

(4) Schedule of the Split

i) Date of public notice of record date:	November 13, 2026 (scheduled)
ii) Record date:	November 30, 2026 (Note)
iii) Effective date:	December 1, 2026

(Note) The last trading date with rights at the Tokyo Stock Exchange is scheduled to be November 26, 2026.

(5) Effect on per unit information

Per unit information for the fiscal period ended May 31, 2026 assuming the Split has been executed as of December 1, 2025 will be as follows:

i) Net assets per unit:	65,035 yen
ii) Net income per unit:	2,117 yen

VII. Independent Auditor's Report

Independent Auditor's Report

To the Board of Directors of
Daiwa Office Investment Corporation:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Daiwa Office Investment Corporation ("the Investment Corporation"), which comprise the balance sheets as at May 31, 2026 and November 30, 2025, the statements of income and retained earnings, statements of changes in net assets, statements of cash flows for each of the six months periods then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Investment Corporation as at May 31, 2026 and November 30, 2025, and its financial performance and its cash flows for each of the six months periods 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 Investment Corporation in accordance with the ethical requirements in Japan (including those that are relevant to our audit of the financial statements of public interest entities), 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 21 to the financial statements, which states acquisition of own investment units and split of investment units. Our opinion is not modified in respect of these matters.

Other Information

The other information comprises the information included in the Statement of Financial Performance, but does not include the financial statements and our auditor's report thereon. Management is responsible for the preparation and presentation of the other information. Supervisory directors are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for 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 Supervisory Directors 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 is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Investment Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Investment Corporation or to cease operations, or has no realistic alternative but to do so.

Supervisory directors are responsible for overseeing the executive director's performance of his duties including the design, implementation and maintenance of the Investment Corporation'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 our 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 objective of the audit is not to express an opinion on the effectiveness of the Investment Corporation'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 Investment Corporation'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 Investment Corporation to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements are in accordance with accounting standards 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 executive director regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide executive director with a statement that we have complied with relevant ethical requirements regarding independence, and 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.

Fee-related Information

Fees paid or payable to our firm and to other firms within the same network as our firm for audit provided to the Investment Corporation for the current period are 16,800 thousand yen, and there are no paid or payable non-audit services fees.

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

We do not have any interest in the Investment Corporation which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

/S/ Rumiko Kutsuwada
Designated Engagement Partner
Certified Public Accountant

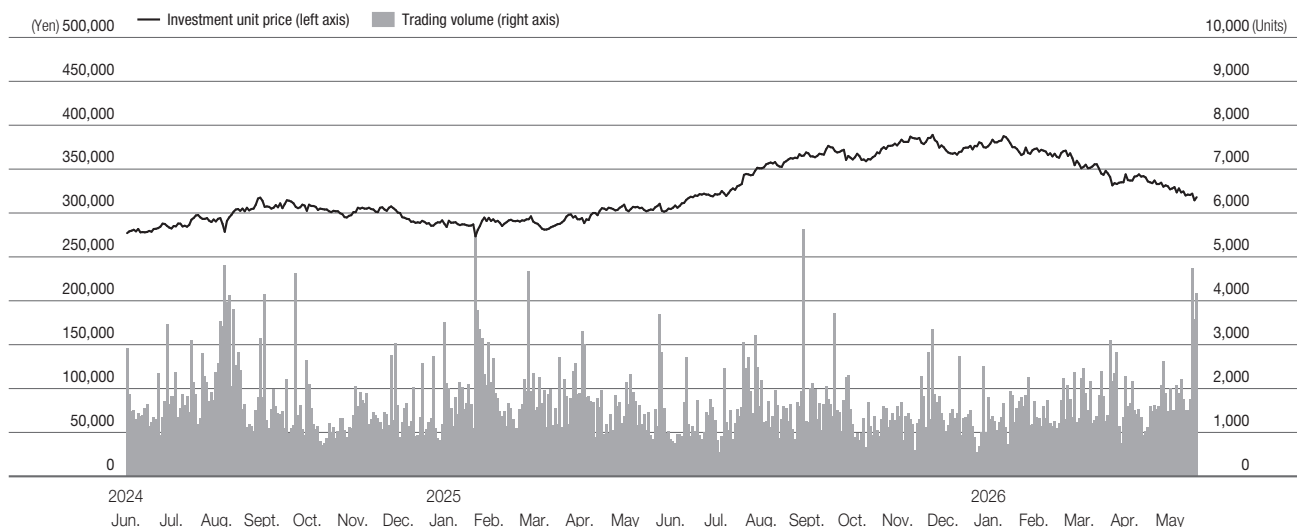
/S/ Keita Watanabe
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Tokyo Office, Japan
August 20, 2026

Notes to the Reader of Independent Auditor's Report:

This is a copy of the Independent Auditor's Report and the original copies are kept separately by the Company and KPMG AZSA LLC.

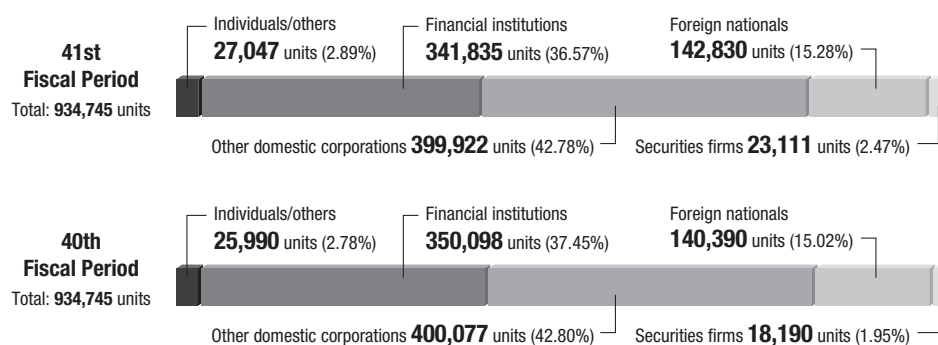
History of Investment Unit Price



(Note) A 2-for-1 split of investment units took place on June 1, 2024. This graph is based on the number of investment units after the split.

Overview of Investment Units and Unitholders (As of May 31, 2026)

■ No. of Investment Units by Investor Type



■ No. of Unitholders by Investor Type

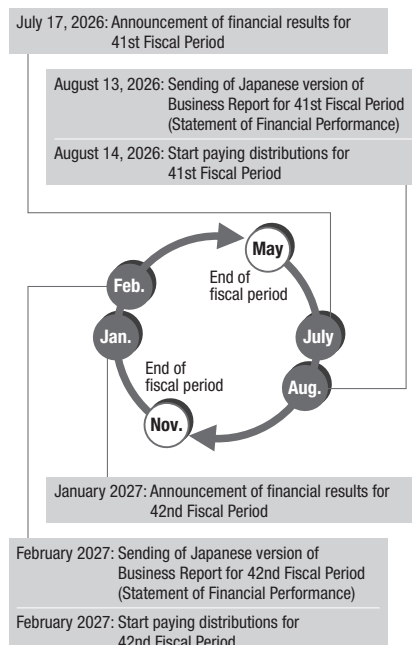
Individuals/others	5,044 (91.08%)
Financial institutions	95 (1.72%)
Other domestic corporations	116 (2.09%)
Foreign nationals	266 (4.80%)
Securities firms	17 (0.31%)
Total	5,538

Top Ten Unitholders (As of May 31, 2026)

Name of Unitholder	Number of Units Owned (Units)	Percentage Share (%)
1. Daiwa Investment Management Inc.	257,810	27.58
2. Custody Bank of Japan, Ltd. (Trust Account)	136,974	14.65
3. Daiwa Securities Group Inc.	134,642	14.40
4. The Master Trust Bank of Japan, Ltd. (Trust Account)	106,782	11.42
5. The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	30,774	3.29
6. STICHTING PENSIOEN FONDS ZORG EN WELZIJN	17,556	1.88
7. NOMURA BANK (LUXEMBOURG) S.A. - CLIENT ACCOUNT	9,900	1.06
8. STATE STREET BANK AND TRUST COMPANY 505001	8,328	0.89
9. Meiji Yasuda Life Insurance Company	7,662	0.82
10. JP MORGAN CHASE BANK 385781	7,545	0.81

(Note) The percentage share figures are rounded to the second decimal place.

IR Calendar



Investor Memo

End of fiscal period	May 31 and November 30 of each year
General Meeting of Unitholders	Held at least once every two years
Date for finalizing unitholders with voting rights for the General Meeting of Unitholders	Date prescribed in Article 15 of the Articles of Incorporation
Reference date for finalizing payment of distributions	May 31 and November 30 of each year (distributions are paid within three months of the record date of distribution payment)
Listed financial instruments exchange	Tokyo Stock Exchange (stock code: 8976)
Newspaper in which notice is posted	Nihon Keizai Shimbun
Manager of unitholder registry, etc.	Sumitomo Mitsui Trust Bank, Limited, 1-4-1 Marunouchi, Chiyoda-ku, Tokyo 100-8233
Office handling administrative affairs	Stock Transfer Agency Business Planning Department of Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo 100-8233; Phone: 0120-782-031 (toll-free in Japan)
Service counter	Head Office and all branches of the Sumitomo Mitsui Trust Bank nationwide

Provision of Information on the Website

Daiwa Office Investment Corporation conducts information distribution on its website as an important tool for IR activities. For DOI's management status, please refer to the Presentation Material, Speech Presentation and Q&A in Earnings Announcement on the website. In addition, DOI also provides an e-mail delivery service, "IR Mail Delivery Service," which informs subscribers of updates to website content such as news release announcements free of charge via e-mail. The website will be continually enhanced and enriched so that the current situation and future strategies of DOI are clearly communicated.

Daiwa Office Investment Corporation

<https://www.daiwa-office.co.jp/en/>

Important information is distributed via e-mail. Please access and follow the simple steps if you wish to receive our IR mail delivery service.



大和証券オフィス投資法人

Daiwa Office Investment Corporation