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REIT Financial Report for the 41st Fiscal Period

July 17, 2026

Name of REIT Issuer: Daiwa Office Investment Corporation — Stock Exchange Listing: TSE
Stock Code No.: 8976 — URL: https://www.daiwa-office.co.jp/en

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Scheduled date of submission of periodic securities report (*yuka shoken hokokusho*): August 20, 2026
Scheduled date of start of distribution payments: August 14, 2026

Preparing presentation material: Yes
Holding financial brief meeting: Yes (for institutional investors and analysts)

[Amounts are rounded down to the nearest million yen, except for per unit figures]

1. Status of Management and Assets for the 41st Fiscal Period

41st Fiscal Period: Fiscal period ended May 2026 (from December 1, 2025 to May 31, 2026)

(1) Management Status

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

	Operating revenue		Operating income		Ordinary income		Net income	
41st Period	¥16,511 million	2.8%	¥9,203 million	7.1%	¥7,916 million	5.6%	¥7,916 million	5.6%
40th Period	¥16,056 million	5.6%	¥8,593 million	8.5%	¥7,497 million	7.9%	¥7,496 million	7.9%

	Net income per unit	Net income to unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenue
41st Period	¥8,468	3.3%	1.6%	47.9%
40th Period	¥7,996	3.1%	1.5%	46.7%

(Note) Net income per unit is calculated using the following average number of investment units during the period.
41st Fiscal Period: 934,745 units; 40th Fiscal Period: 937,471 units

(2) Distributions

	Distribution amount per unit (excluding distribution amount in excess of earnings)	Total distribution amount (excluding distribution amount in excess of earnings)	Distribution amount in excess of earnings per unit	Total distribution amount in excess of earnings	Dividend payout	Distribution amount to net assets
41st Period	¥7,630	¥7,132 million	¥–	¥– million	90.1%	2.9%
40th Period	¥8,020	¥7,496 million	¥–	¥– million	100.0%	3.1%

(Note) Distribution amount per unit for the 41st Fiscal Period is calculated by dividing the entire amount remaining after deducting provision of reserve for reduction entry (¥784 million) from unappropriated retained earnings by the total number of investment units issued and outstanding. The main difference between distribution amount per unit and net income per unit is due to the calculation.
Dividend payout for the 40th Fiscal Period has been calculated using the following formula, as the acquisition and cancellation of own investment units occurred during the period, rounded to one decimal place.
Dividend payout = Total distribution amount (excluding distribution amount in excess of earnings) ÷ Net income x 100

(3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
41st Period	¥510,878 million	¥243,166 million	47.6%	¥260,142
40th Period	¥488,321 million	¥242,491 million	49.7%	¥259,419

(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
41st Period	¥12,171 million	(¥28,269 million)	¥13,802 million	¥30,740 million
40th Period	¥12,325 million	(¥4,904 million)	(¥11,025 million)	¥33,035 million

2. Management Status Forecasts for the 42nd Fiscal Period and Management Status Forecasts for the 43rd Fiscal Period

42nd Fiscal Period: Fiscal period ending November 2026 (from June 1, 2026 to November 30, 2026)
43rd Fiscal Period: Fiscal period ending May 2027 (from December 1, 2026 to May 31, 2027)

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

	Operating revenue		Operating income		Ordinary income		Net income	
42nd Period	¥15,779 million	(4.4%)	¥8,204 million	(10.9%)	¥6,516 million	(17.7%)	¥6,515 million	(17.7%)
43rd Period	¥15,746 million	(0.2%)	¥8,383 million	2.2%	¥6,544 million	0.4%	¥6,543 million	0.4%

	Distribution amount per unit (excluding distribution amount in excess of earnings)	Distribution amount in excess of earnings per unit
42nd Period	¥7,170	¥–
43rd Period	¥1,800	¥–

(Reference) Estimated net income per unit for the 42nd Fiscal Period: ¥6,970; 43rd Fiscal Period: ¥1,750

(Note 1) The distribution amount per unit for the 42nd Fiscal Period is calculated based on the assumption that the amount after adding the amount of reversal of reserve for reduction entry (¥187 million) to unappropriated retained earnings will be distributed. Reversal of reserve for reduction entry may change depending on management status.
The distribution amount per unit for the 43rd Fiscal Period is calculated based on the assumption that the amount after adding the amount of reversal of reserve for reduction entry (¥187 million) to unappropriated retained earnings will be distributed. Reversal of reserve for reduction entry may change depending on management status.

(Note 2) The Investment Corporation plans to conduct a 4-for-1 investment unit split with November 30, 2026, as the record date and December 1, 2026, as the effective date. For the 43rd Fiscal Period, the total number of investment units issued and outstanding is assumed to be 3,738,980 units, which is the number after the investment unit split.

3. Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates and Retrospective Restatement

(i) Changes in accounting policies due to amended accounting standards, etc.: None
(ii) Changes in accounting policies other than (i): None
(iii) Changes in accounting estimates: None
(iv) Retrospective restatement: None

(2) Total Number of Investment Units Issued and Outstanding

(i) Total number of investment units issued and outstanding at end of period (including own units):

41st Period:	934,745 units	40th Period:	934,745 units

(ii) Total number of own units at end of period:

41st Period:	- units	40th Period:	- units

(Note) Please refer to "Notes to Per Unit Information" on page 28 for the number of investment units used as the basis for calculating the net income per unit.

* This financial report (*kessan tanshin*) is exempt from the audit by a certified public accountant or an auditing company.

* Special note

The forecast figures are forward-looking statements based on information currently available to Daiwa Office Investment Corporation and involve uncertainties. Accordingly, the actual operating revenue, operating income, ordinary income, net income, distribution amount per unit and distribution amount in excess of earnings per unit may vary due to changes in the status. Moreover, the forecasts set forth herein should not be construed as a guarantee of distribution amounts. For details on the assumptions underlying the forecast figures above, please refer to "Assumptions for the Management Status Forecasts for the 42nd Fiscal Period and 43rd Fiscal Period" on page 9.

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1. Management Status

1.1. Management Status

1.1.1. Overview of the Fiscal Period Under Review

A. Brief History of the Investment Corporation

The Investment Corporation 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, the Investment Corporation 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.

The Investment Corporation 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 m^2 situated in downtown Tokyo, as well as through dedicated efforts to heighten tenant satisfaction levels.

B. 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, the Investment Corporation 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, the Investment Corporation 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, the Investment Corporation'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, the Investment Corporation 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%.

C. Overview of Capital Procurement

a. Procurement of Capital for Repayment of Borrowings

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

(i) The Investment Corporation 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) The Investment Corporation 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) The Investment Corporation 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) The Investment Corporation 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.

The Investment Corporation 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.

List of Borrowings in the 41st Fiscal Period

Lender	Loan amount (Millions of yen)	Drawdown date	Repayment date	Loan period (Years)
Sumitomo Mitsui Trust Bank, Limited	1,000	February 27, 2026	February 27, 2032	6.0
Sumitomo Mitsui Trust Bank, Limited	2,000	February 27, 2026	February 28, 2031	5.0
Sumitomo Mitsui Trust Bank, Limited	2,000	February 27, 2026	February 28, 2030	4.0
Sumitomo Mitsui Banking Corporation	2,000	March 27, 2026	February 28, 2034	7.9
Sumitomo Mitsui Banking Corporation	1,500	March 27, 2026	August 31, 2033	7.4
Sumitomo Mitsui Banking Corporation	1,500	March 27, 2026	February 28, 2033	6.9
Mizuho Bank, Ltd.	2,000	March 31, 2026	February 28, 2034	7.9
The Norinchukin Bank	1,000	March 31, 2026	February 28, 2034	7.9
Mizuho Bank, Ltd.	1,000	March 31, 2026	August 31, 2033	7.4
The Gunma Bank, Ltd.	1,000	March 31, 2026	March 31, 2033	7.0
SBI Shinsei Bank, Limited	1,500	March 31, 2026	February 28, 2033	6.9
Mizuho Bank, Ltd.	1,000	March 31, 2026	February 28, 2033	6.9
Aozora Bank, Ltd.	1,000	March 31, 2026	February 28, 2033	6.9
Resona Bank, Limited	1,500	March 31, 2026	August 31, 2032	6.4
Aozora Bank, Ltd.	1,000	March 31, 2026	August 31, 2032	6.4
Sumitomo Mitsui Trust Bank, Limited	1,000	March 31, 2026	March 31, 2032	6.0
MUFG Bank, Ltd.	2,000	March 31, 2026	August 29, 2031	5.4
Sumitomo Mitsui Banking Corporation	5,500	March 31, 2026	March 31, 2027	1.0
SBI Shinsei Bank, Limited	1,000	May 29, 2026	May 31, 2033	7.0
The Musashino Bank, Ltd.	500	May 29, 2026	May 30, 2031	5.0
The Hyakugo Bank, Ltd.	1,000	May 29, 2026	November 29, 2030	4.5
The Norinchukin Bank	2,000	May 29, 2026	May 31, 2030	4.0
SBI Shinsei Bank, Limited	1,000	May 29, 2026	May 31, 2029	3.0

Balance of Borrowings from Each Financial Institution (As of May 31, 2026)

Lender	End of the 41st Fiscal Period (Millions of yen)	Share (%) (Note)
Sumitomo Mitsui Banking Corporation	56,100	24.21
Sumitomo Mitsui Trust Bank, Limited	27,950	12.06
Development Bank of Japan Inc.	21,750	9.39
Mizuho Bank, Ltd.	21,400	9.23
MUFG Bank, Ltd.	21,000	9.06
SBI Shinsei Bank, Limited	17,450	7.53
Resona Bank, Limited	14,000	6.04
Mizuho Trust & Banking Co., Ltd.	9,500	4.10
The Bank of Fukuoka, Ltd.	6,500	2.80
Kansai Mirai Bank, Limited	5,000	2.16
The Norinchukin Bank	4,000	1.73
The Nishi-Nippon City Bank, Ltd.	3,000	1.29
The 77 Bank, Ltd.	3,000	1.29
Mitsubishi UFJ Trust and Banking Corporation (Trust Account)	3,000	1.29
Aozora Bank, Ltd.	3,000	1.29
The Gunma Bank, Ltd.	2,500	1.08
The Musashino Bank, Ltd.	2,000	0.86
Tokio Marine & Nichido Fire Insurance Co., Ltd.	2,000	0.86
The Yamaguchi Bank, Ltd.	2,000	0.86
Nippon Life Insurance Company	1,300	0.56
The Hyakugo Bank, Ltd.	1,000	0.43
The Yamanashi Chuo Bank, Ltd.	1,000	0.43
Momiji Bank, Ltd.	1,000	0.43
The Yamagata Bank, Ltd.	1,000	0.43
Daishi Hokuetsu Bank, Ltd.	1,000	0.43
Taiyo Life Insurance Company	300	0.13
Total	231,750	100.00

(Note) Share is rounded to two decimal places.

c. Rating Information
(As of May 31, 2026)

Credit rating agency	Rating	Outlook
Rating and Investment Information, Inc. (R&I)	AA-	Stable
Japan Credit Rating Agency, Ltd. (JCR)	AA	Stable

d. Shelf Registration
The Investment Corporation filed a shelf registration statement for investment corporation bonds on May 31, 2024, as described below. The total issuable amount as of the date of this document is 96,200 million yen.

Investment corporation bonds (excluding short-term investment corporation bonds)	
Planned issue amount	100,000 million yen
Planned issue period	From June 10, 2024 to June 9, 2026
Use of funds	Funds for acquisition of specified assets, repayment of borrowings, redemption of investment corporation bonds (including short-term investment corporation bonds), refund of leasehold and security deposits, payment of repairs, and funds for working capital, etc.

D. Sustainability Initiatives

The Investment Corporation recognizes that emphasizing ESG in asset management would contribute to the enhancement of corporate value over the medium to long term. With this in mind, the Investment Corporation takes into account the changes in various sustainability issues and the ever diversifying needs of stakeholders as it pursues sustainability initiatives in an organized manner.

As initiatives for the environment, the Investment Corporation recognizes climate change issues as an important issue, and believes that contributing to a decarbonized society is a social mission. Based on the TCFD recommendations, the Investment Corporation identifies and analyzes the risks and opportunities related to climate change, and is working to reduce environmental load while understanding the social needs and expectations for the Asset Manager through active dialogue with external stakeholders. Numerical targets have been set to reduce GHG emissions (Scope 1+2) by 42% by 2030 (base year: 2023, SBT certification), reduce GHG emissions (Scope 3) by 25% by 2030 (base year: 2023, SBT certification), reduce CO_2 emissions to net zero by 2050, and maintain the level of water consumption intensity. Efforts are being made to reduce the environmental load of the portfolio by installing/adopting highly energy-efficient LED lighting, the use of rainwater and reclaimed water and replacement with high-performance water-saving equipment for saving water, as well as other effective utilization of limited resources. In addition, continuing to be certified and registered with Eco-Action 21 (an environmental management system formulated by the Ministry of the Environment), operational and management systems for reducing environmental load are being strengthened.

As initiatives for society, emphasis is being placed on constructive dialogue with a wide range of stakeholders, including tenants, local communities, business partners and investors. At portfolio properties, efforts are being made to heighten tenant satisfaction levels and contribute to local communities through holding local events, putting disaster prevention systems in place in preparation for disasters, making installations that would contribute to greater convenience for residents, etc. For investors, efforts are being made to actively disclose information and fulfill accountability through IR activities, and enhance dialogue through one-on-one meetings with domestic and overseas institutional investors, briefing sessions, etc. In addition, the Asset Manager is promoting initiatives for respecting human rights based on its human rights policy, and working to strengthen the organizational foundation to support sustainable value creation through measures for human resources development, such as various training and support for obtaining qualifications intended for officers' and employees' professional development.

As initiatives for corporate governance, the Asset Manager ensures thorough prevention of conflicts of interest, risk management and legal compliance, and adopts an asset management fee system that focuses on linking with unitholder interests and is linked to management results.

As a third-party evaluation regarding ESG, the Investment Corporation has continued to participate in GRESB Real Estate Assessment since 2011, earning the rating of Green Star, which is awarded to participants excelling in both the "Management Component" (assessment of which includes the ESG promotion policy and organizational structure) and the "Performance Component" (assessment of which includes the portfolio properties' environmental performance and initiatives with tenants), for 14 consecutive years in 2025. Furthermore, in the GRESB Rating, which assigns a rating out of five stars based on where the participant's overall score ranks globally, the Investment Corporation earned the "4 Star." Also, in the 2025 GRESB Public Disclosure assessment, which measures the comprehensiveness of ESG information disclosure, the Investment Corporation was assessed as providing outstanding information disclosure relating to environmental and sustainability initiatives, receiving the highest rating of "A" on the five-tiered evaluation scale for five consecutive years. Also, the Investment Corporation acquired SBT Certification (Note 1) by SBTi for greenhouse gas emission reduction targets in July 2025. In addition, as of May 31, 2026, the total number of properties owned by the Investment Corporation that have obtained environmental certification (Note 2) is 37 properties and the percentage of such properties within the entire portfolio (based on total floor area of the portfolio properties) is 70.6%.

(Note 1) SBT (Science-Based Targets) are GHG emissions reduction targets set by companies that are aligned with the levels required by the Paris Agreement, which aims to limit the global temperature increase to 1.5°C, well below the 2°C limit relative to the pre-industrial level. SBT certification is certified by the SBTi, an international initiative established on May 13, 2021, by four organizations: UNGC (the United Nations Global Compact), CDP, WRI (the World Resources Institute), and WWF (the World Wide Fund for Nature). SBT certifies that the SBT set by companies is based on scientific evidence.

(Note 2) The environmental certifications which the properties owned by the Investment Corporation have acquired include CASBEE for Real Estate Certification, DBJ Green Building Certification and BELS Certification.

E. Overview of Financial Performance and Distributions

As a result of the management described above, the Investment Corporation 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, the Investment Corporation 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.

1.1.2. Outlook for the Next Fiscal Period

A. 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.

B. 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 the Investment Corporation 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, the Investment Corporation 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

The Investment Corporation will invest in office buildings that have a total floor area of about 2,000 m^2 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 the Investment Corporation 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, the Investment Corporation 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, the Investment Corporation acquired Hamamatsucho PREX and Prime Sendagaya Building located in Tokyo. The Investment Corporation 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

The Investment Corporation 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.

C. Significant Subsequent Events

a. Acquisition of Own Investment Units

At its board of directors' meeting held on July 17, 2026, the Investment Corporation 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 42nd Fiscal Period (fiscal period ending November 2026).

(i) 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., the Investment Corporation 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.

(ii) 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 amount of investment units	1,500,000,000 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. Investment Unit Split

At its board of directors' meeting held on July 17, 2026, the Investment Corporation resolved to split investment units as described below.

(i) Purpose of the split

The purpose is to establish an environment facilitating investment by investors and to further expand the investor base and increase the liquidity of investment units by lowering the amount of investment per investment unit.

(ii) Method of the split

With November 30, 2026, as the record date, the Investment Corporation will conduct a 4-for-1 split of the Investment Corporation's investment units held by unitholders listed or recorded in the final unitholder registry as of the same day.

(iii) Number of investment units to increase by the split, etc.

- Total number of the Investment Corporation's investment units issued and outstanding before the split: 934,745 units (Note)
- Total number of investment units to increase by the split: 2,804,235 units (Note)
- Total number of the Investment Corporation's investment units issued and outstanding after the split: 3,738,980 units (Note)
- Total number of investment units authorized by the Investment Corporation after the split: 16,000,000 units

(Note) Stated and calculated based on the total number of the Investment Corporation's investment units issued and outstanding as of July 17, 2026 (934,745 units), but as announced in "Notice Concerning Determination of Acquisition of Own Investment Units" dated the same day, the Investment Corporation has decided to acquire own investment units with July 21, 2026, to November 12, 2026, as the acquisition period and all of the acquired own investment units are scheduled to be cancelled during the 42nd Fiscal (fiscal period ending November 2026) Period. As such, the figures above may change depending on the total number of investment units cancelled. The details such as the actual total number of investment units to increase by the investment unit split will be announced later once the total number of investment units to be cancelled is finalized.

(iv) Schedule of the split

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

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

(v) Impact on the per unit information

Per unit information for the fiscal period under review when assuming that the investment unit split was conducted at the beginning of the fiscal period under review is as follows.

- Net assets per unit: 65,035 yen
- Net income per unit: 2,117 yen

D. Outlook for Management Status

The Investment Corporation forecasts the following management status for the 42nd Fiscal Period (fiscal period ending November 2026 (from June 1, 2026 to November 30, 2026)). For the assumptions underlying the management status forecasts, please refer to the "Assumptions for the Management Status Forecasts for the 42nd Fiscal Period and 43rd Fiscal Period" on page 9.

42nd Fiscal Period (fiscal period ending November 2026 (from June 1, 2026 to November 30, 2026))

Operating revenue	15,779 million yen
Operating income	8,204 million yen
Ordinary income	6,516 million yen
Net income	6,515 million yen
Distribution amount per unit	7,170 yen
Distribution amount in excess of earnings per unit	– yen

In addition, on the basis that the "Assumptions for the Management Status Forecasts for the 42nd Fiscal Period and 43rd Fiscal Period" will remain unchanged, the Investment Corporation forecasts the following management status for the 43rd Fiscal Period (fiscal period ending May 2027 (from December 1, 2026 to May 31, 2027)).

43rd Fiscal Period (fiscal period ending May 2027 (from December 1, 2026 to May 31, 2027))

Operating revenue	15,746 million yen
Operating income	8,383 million yen
Ordinary income	6,544 million yen
Net income	6,543 million yen
Distribution amount per unit	1,800 yen
Distribution amount in excess of earnings per unit	– yen

(Note) The forecast figures above are the current forecasts calculated based on certain assumptions. Accordingly, the actual operating revenue, operating income, ordinary income, net income, distribution amount per unit and distribution amount in excess of earnings per unit may vary due to changes in the status. Moreover, the forecasts set forth herein should not be construed as a guarantee of distribution amounts.

Assumptions for the Management Status Forecasts for the 42nd Fiscal Period and 43rd Fiscal Period

Item	Assumptions
Assets under management	• 42nd Fiscal Period: Assets under management are assumed to be the 58 properties owned as of May 31, 2026. • 43rd Fiscal Period: Assets under management are assumed to be the properties mentioned above. • Other than the above, a silent partnership equity interest is assumed to be held. • The actual number of properties may vary due to changes in the assets under management other than above.
Operating revenue	• Rent revenue from existing properties is calculated based on historical data and taking into account variable factors. • It is assumed that there will be no gain or loss on sale of real estate properties. • Dividend income is expected to be 66 million yen in the 42nd Fiscal Period. • Dividend income is expected to be 62 million yen in the 43rd Fiscal Period.
Operating expenses	• Expenses related to rent business, which constitute a major component of operating expenses, are calculated based on historical data and taking into account variable factors. • Repair expenses for buildings are recorded as expenses in the amount expected to be necessary in the respective fiscal periods based on the medium- to long-term repair plan established by the Asset Manager. • Operating income from property leasing (excluding gain or loss on sale from real estate properties and dividend income) after deducting expenses related to rent business (including depreciation) is expected to be 9,649 million yen in the 42nd Fiscal Period and 9,825 million yen in the 43rd Fiscal Period. • Consignment expenses are expected to be 1,055 million yen in the 42nd Fiscal Period and 1,028 million yen in the 43rd Fiscal Period. • Taxes and dues (fixed property tax, city planning tax, etc.) are expected to be 1,286 million yen in the 42nd Fiscal Period and 1,284 million yen in the 43rd Fiscal Period. • While, in general, fixed property tax, city planning tax, etc. in the transaction of real estate, etc. are calculated on a pro rata basis and reimbursed at the time of acquisition with the current owner, but for the Investment Corporation, the amount equivalent to the reimbursement is included in the cost of acquisition and thus it is not recognized as expenses in the period of acquisition of properties. As such, fixed property tax, city planning tax, etc. for properties acquired will be recorded as expenses starting from the fiscal year following the acquisition year. • Depreciation is expected to be 1,956 million yen in the 42nd Fiscal Period and 1,954 million yen in the 43rd Fiscal Period.
Non-operating expenses	• Non-operating expenses in the 42nd Fiscal Period are expected to be 1,687 million yen, of which the interest expenses, interest expenses on investment corporation bonds, and borrowing related expenses are expected to be 1,679 million yen. • Non-operating expenses in the 43rd Fiscal Period are expected to be 1,839 million yen, of which the interest expenses, interest expenses on investment corporation bonds, and borrowing related expenses are expected to be 1,830 million yen.
Interest-bearing liabilities	• The total amount of interest-bearing liabilities is assumed to be 239,250 million yen at the end of the 42nd Fiscal Period and 239,250 million yen at the end of the 43rd Fiscal Period. • For the 42nd Fiscal Period, it is assumed that the entire amount of borrowings due for repayment on August 31, 2026 (6,500 million yen), October 30, 2026 (1,000 million yen), and November 30, 2026 (1,200 million yen), will be refinanced. • For the 43rd Fiscal Period, it is assumed that the entire amount of borrowings due for repayment on February 26, 2027 (1,000 million yen), March 31, 2027 (7,500 million yen), and May 31, 2027 (8,500 million yen), will be refinanced.
Total number of investment units issued and outstanding	• For the 42nd Fiscal Period, the total number of investment units issued and outstanding is assumed to be 934,745 units as of May 31, 2026. • For the 43rd Fiscal Period, the total number of investment units issued and outstanding is assumed to be 3,738,980 units, which is the number stated above, plus the number to be increased (2,804,235 units) through the investment unit split resolved at the Investment Corporation's board of directors' meeting held on July 17, 2026. For details, please refer to "Notice Concerning Investment Unit Split and Partial Amendment of Articles of Incorporation" announced on the same day. • It is assumed that there are no changes to the number of investment units other than stated above until the end of the 43rd Fiscal Period through the issuance of new investment units, etc.

Item	Assumptions
Distribution amount per unit	• The distribution amount per unit is calculated based on the cash distribution policy as set out in the articles of incorporation of the Investment Corporation. • For the 42nd Fiscal Period, it is assumed that part of the reserve for reduction entry retained as internal reserves (168 million yen) will be reversed and distributed. Reversal of reserve for reduction entry may change depending on management status. • For the 43rd Fiscal Period, it is assumed that part of the reserve for reduction entry retained as internal reserves (187 million yen) will be reversed and distributed. Reversal of reserve for reduction entry may change depending on management status. • The distribution amount per unit may vary depending on a variety of factors, such as changes in the assets under management, changes in the rent revenue due to tenant changes and other causes, and incurrence of unforeseen repairs.
Distribution amount in excess of earnings per unit	• At present, there is no plan to make any distribution in excess of earnings (distribution amount in excess of earnings per unit).
Other	• It is assumed that there are no changes to laws and ordinances, the tax system, accounting standards, the rules of Tokyo Stock Exchange, Inc., the rules of Investment Management Association of Japan, etc. that will affect the abovementioned forecast figures. • It is assumed that there will be no major unforeseen changes in general economic trends, real estate market conditions, etc.

1.2 Investment Risks

Disclosure is omitted because there are no significant changes from the “Part I: Fund Information; Section 1: Fund Status; 3. Investment Risks” set out in the most recent periodic securities report (*yuka shoken hokokusho*) (submitted on February 16, 2026).

2. Financial Statements

2.1. Balance Sheets

(Unit: Thousands of yen)

	40th Fiscal Period [As of November 30, 2025]		41st Fiscal Period [As of May 31, 2026]	
Assets				
Current assets				
Cash and deposits		28,975,304		26,583,593
Cash and deposits in trust		4,060,680		4,157,187
Operating accounts receivable		105,061		179,820
Income taxes receivable		7,591		19,919
Consumption taxes receivable		-		277,875
Prepaid expenses		450,794		467,057
Other		85,572		138,855
Total current assets		33,685,003		31,824,309
Noncurrent assets				
Property, plant and equipment				
Buildings		3,666,006		3,676,375
Accumulated depreciation		(3,107,447)		(3,147,112)
Buildings, net		558,558		529,262
Structures		14,344		14,344
Accumulated depreciation		(12,142)		(12,363)
Structures, net		2,201		1,981
Tools, furniture and fixtures		23,492		27,752
Accumulated depreciation		(21,458)		(21,893)
Tools, furniture and fixtures, net		2,033		5,859
Land		12,302,226		12,302,226
Construction in progress		557		620
Buildings in trust		117,937,330		121,672,445
Accumulated depreciation		(40,219,116)		(41,390,961)
Buildings in trust, net	*1, *2	77,718,214	*1, *2	80,281,483
Structures in trust		809,589		817,198
Accumulated depreciation		(291,295)		(300,285)
Structures in trust, net	*2	518,293	*2	516,912
Machinery and equipment in trust		1,463,560		1,461,913
Accumulated depreciation		(803,668)		(845,332)
Machinery and equipment in trust, net		659,892		616,581
Tools, furniture and fixtures in trust		582,399		697,962
Accumulated depreciation		(362,173)		(385,450)
Tools, furniture and fixtures in trust, net		220,225		312,511
Land in trust	*2	353,794,001	*2	375,315,746
Construction in progress in trust		49,547		41,597
Total property, plant and equipment		445,825,752		469,924,782
Intangible assets				
Leasehold rights		2,398,275		2,398,275
Leasehold rights in trust		306,884		306,884
Other		10,701		8,150
Total intangible assets		2,715,862		2,713,310

(Unit: Thousands of yen)

	40th Fiscal Period [As of November 30, 2025]	41st Fiscal Period [As of May 31, 2026]
Investments and other assets		
Investment securities	3,765,163	3,726,788
Leasehold and guarantee deposits in trust	113,684	113,684
Long-term prepaid expenses	1,218,628	1,234,494
Derivatives	831,427	1,174,488
Other	127,183	131,360
Total investments and other assets	6,056,086	6,380,817
Total noncurrent assets	454,597,701	479,018,910
Deferred assets		
Investment corporation bonds issuance costs	39,219	35,496
Total deferred assets	39,219	35,496
Total assets	488,321,924	510,878,716
Liabilities		
Current liabilities		
Operating accounts payable	1,338,194	1,042,861
Short-term loans payable	-	5,500,000
Current portion of long-term loans payable	22,400,000	20,200,000
Accounts payable – other	696,032	704,453
Income taxes payable	707	666
Accrued consumption taxes	361,581	162,702
Advances received	2,451,769	2,553,245
Other	664,063	591,819
Total current liabilities	27,912,348	30,755,748
Noncurrent liabilities		
Investment corporation bonds	7,500,000	7,500,000
Long-term loans payable	188,050,000	206,050,000
Tenant leasehold and security deposits	20,069,382	20,862,998
Tenant leasehold and security deposits in trust	2,015,027	2,115,670
Deferred tax liabilities	283,743	406,203
Derivative liabilities	-	16,621
Other	-	4,747
Total noncurrent liabilities	217,918,153	236,956,241
Total liabilities	245,830,502	267,711,989
Net Assets		
Unitholders' equity		
Unitholders' capital	251,551,759	251,551,759
Deduction from unitholders' capital	*4 (20,457,273)	*4 (20,457,273)
Unitholders' capital, net	231,094,485	231,094,485
Surplus		
Voluntary retained earnings		
Reserve for reduction entry	3,306,059	3,306,059
Total voluntary retained earnings	3,306,059	3,306,059
Unappropriated retained earnings (undisposed loss)	7,496,795	7,916,323
Total surplus	10,802,855	11,222,382
Total unitholders' equity	241,897,340	242,316,868
Valuation and translation adjustments		
Deferred gains or losses on hedges	594,081	849,858
Total valuation and translation adjustments	594,081	849,858
Total net assets	*5 242,491,422	*5 243,166,727
Total liabilities and net assets	488,321,924	510,878,716

2.2. Statements of Income

(Unit: Thousands of yen)

	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]		41st Fiscal Period [From: Dec. 1, 2025 To: May 31, 2026]	
Operating revenue				
Rent revenue – real estate	*1	14,758,113	*1	14,911,595
Other lease business revenue	*1	39,321	*1	14,645
Gain on sale of real estate properties	*2	1,225,786	*2	1,492,745
Dividend income		33,292		92,941
Total operating revenue		16,056,513		16,511,927
Operating expenses				
Expenses related to rent business	*1	5,982,630	*1	5,794,624
Asset management fees		1,238,292		1,265,923
Asset custody fees		24,400		24,695
Administrative service fees		73,771		74,516
Trust fees		19,176		19,677
Directors' compensation		7,200		7,200
Other operating expenses		117,475		121,745
Total operating expenses		7,462,947		7,308,381
Operating income		8,593,566		9,203,546
Non-operating income				
Interest income		7,854		8,540
Reversal of distribution payable		457		349
Insurance income		14,924		26,979
Miscellaneous income		0		2
Total non-operating income		23,237		35,870
Non-operating expenses				
Interest expenses		914,299		1,120,310
Interest expenses on investment corporation bonds		33,818		32,194
Borrowing expenses		157,999		161,188
Other		12,943		8,724
Total non-operating expenses		1,119,061		1,322,417
Ordinary income		7,497,742		7,916,999
Income before income taxes		7,497,742		7,916,999
Income taxes – current		950		810
Income taxes-deferred		(3)		6
Total income taxes		946		816
Net income		7,496,795		7,916,182
Retained earnings brought forward		-		140
Unappropriated retained earnings (undisposed loss)		7,496,795		7,916,323

2.3. Statements of Unitholders' Equity

40th Fiscal Period [From: June 1, 2025 To: November 30, 2025]

(Unit: Thousands of yen)

	Unitholders' equity						
	Unitholders' capital			Surplus			
				Voluntary retained earnings			
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital, net	Reserve for reduction entry	Total voluntary retained earnings	Unappropriated retained earnings (undisposed loss)	Total surplus
Balance at beginning of current fiscal period	251,551,759	(17,457,533)	234,094,225	2,883,163	2,883,163	6,949,528	9,832,691
Changes of items during the period							
Provision of reserve for reduction entry				422,896	422,896	(422,896)	-
Dividends from surplus						(6,526,632)	(6,526,632)
Net income						7,496,795	7,496,795
Acquisition of own investment units							
Cancellation of own investment units		(2,999,740)	(2,999,740)				
Net changes of items other than unitholders' equity							
Total changes of items during the period	-	(2,999,740)	(2,999,740)	422,896	422,896	547,266	970,163
Balance at end of current fiscal period	251,551,759	(20,457,273)	231,094,485	3,306,059	3,306,059	7,496,795	10,802,855

	Unitholders' equity		Valuation and translation adjustments		Total net assets
	Own investment units	Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current fiscal period	-	243,926,917	490,539	490,539	244,417,457
Changes of items during the period					
Provision of reserve for reduction entry		-			-
Dividends from surplus		(6,526,632)			(6,526,632)
Net income		7,496,795			7,496,795
Acquisition of own investment units	(2,999,740)	(2,999,740)			(2,999,740)
Cancellation of own investment units	2,999,740	-			-
Net changes of items other than unitholders' equity			103,542	103,542	103,542
Total changes of items during the period	-	(2,029,576)	103,542	103,542	(1,926,034)
Balance at end of current fiscal period	-	241,897,340	594,081	594,081	242,491,422

41st Fiscal Period [From: December 1, 2025 To: May 31, 2026]

(Unit: Thousands of yen)

	Unitholders' equity						
	Unitholders' capital			Surplus			
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital, net	Voluntary retained earnings		Unappropriated retained earnings (undisposed loss)	Total surplus
				Reserve for reduction entry	Total voluntary retained earnings		
Balance at beginning of current fiscal period	251,551,759	(20,457,273)	231,094,485	3,306,059	3,306,059	7,496,795	10,802,855
Changes of items during the period							
Dividends from surplus						(7,496,654)	(7,496,654)
Net income						7,916,182	7,916,182
Net changes of items other than unitholders' equity							
Total changes of items during the period	-	-	-	-	-	419,527	419,527
Balance at end of current fiscal period	251,551,759	(20,457,273)	231,094,485	3,306,059	3,306,059	7,916,323	11,222,382

	Unitholders' equity	Valuation and translation adjustments		Total net assets
	Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current fiscal period	241,897,340	594,081	594,081	242,491,422
Changes of items during the period				
Dividends from surplus	(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	255,777
Total changes of items during the period	419,527	255,777	255,777	675,304
Balance at end of current fiscal period	242,316,868	849,858	849,858	243,166,727

2.4. Statements of Cash Distributions

Item	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]	41st Fiscal Period [From: Dec. 1, 2025 To: May 31, 2026]
	Amount (Yen)	Amount (Yen)
I. Unappropriated retained earnings	7,496,795,760	7,916,323,391
II. Distribution amount	7,496,654,900	7,132,104,350
[Distribution amount per unit]	[8,020]	[7,630]
III. Voluntary retained earnings		
Provision of reserve for reduction entry	–	784,219,041
IV. Retained earnings carried forward	140,860	–
Method for calculating distribution amount	Pursuant to the policy that "the Investment Corporation shall distribute an amount in excess of the amount equivalent to 90% of its distributable earnings as defined in Article 67-15 of the Act on Special Measures Concerning Taxation" but no more than the amount of earnings as specified in Article 32, Item 1 of the Investment Corporation's articles of incorporation, the Investment Corporation decided the distributions from earnings that it shall pay out shall be the maximum value of the integral multiple of the total number of investment units issued and outstanding (934,745 units) not exceeding the unappropriated retained earnings. Accordingly, the Investment Corporation declared a distribution amount of 7,496,654,900 yen. Furthermore, the Investment Corporation shall not distribute cash in excess of earnings as stipulated in Article 32, Item 2 of its articles of incorporation.	Pursuant to the policy that "the Investment Corporation shall distribute an amount in excess of the amount equivalent to 90% of its distributable earnings as defined in Article 67-15 of the Act on Special Measures Concerning Taxation" but no more than the amount of earnings as specified in Article 32, Item 1 of the Investment Corporation's articles of incorporation, the Investment Corporation decided the distributions from earnings that it shall pay out shall be the amount remaining after deducting provision of reserve for reduction entry defined in Article 65-7 of the Act on Special Measures Concerning Taxation from unappropriated retained earnings. Accordingly, the Investment Corporation declared a distribution amount of 7,132,104,350 yen. Furthermore, the Investment Corporation shall not distribute cash in excess of earnings as stipulated in Article 32, Item 2 of its articles of incorporation.

2.5. Statements of Cash Flows

(Unit: Thousands of yen)

	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]	41st Fiscal Period [From: Dec. 1, 2025 To: May 31, 2026]
Cash flows from operating activities		
Income before income taxes	7,497,742	7,916,999
Depreciation	1,882,442	1,920,360
Amortization of investment corporation bonds issuance costs	4,431	3,722
Interest income	(7,854)	(8,540)
Interest expenses	948,118	1,152,504
(Increase) decrease in operating accounts receivable	(6,184)	(74,759)
(Increase) decrease in income taxes receivable	(7,401)	(12,328)
(Increase) decrease in consumption taxes receivable	-	(277,875)
(Increase) decrease in prepaid expenses	(15,573)	(16,263)
Increase (decrease) in operating accounts payable	(191,274)	(25,659)
Increase (decrease) in accounts payable – other	85,652	(35,046)
Increase (decrease) in accrued consumption taxes	(280,167)	(198,879)
Increase (decrease) in advances received	32,640	101,476
(Increase) decrease in long-term prepaid expenses	120,572	(15,866)
Decrease from sale of property, plant and equipment in trust	3,329,848	2,961,071
Other	(131,449)	(80,195)
Subtotal	13,261,543	13,310,721
Interest income received	7,854	8,540
Interest expenses paid	(943,099)	(1,146,689)
Income taxes paid	(929)	(852)
Net cash provided by (used in) operating activities	12,325,369	12,171,720
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,368)	(13,025)
Purchase of property, plant and equipment in trust	(1,172,111)	(29,194,166)
Purchase of intangible assets	(315)	-
Purchase of investment securities	(3,765,163)	-
Proceeds from withdrawal of investment securities	-	38,375
Proceeds from tenant security deposits	605,823	641,514
Proceeds from tenant security deposits in trust	28,642	717,691
Repayments of tenant security deposits	(569,887)	(460,199)
Repayments of tenant security deposits in trust	(16,625)	-
Net cash provided by (used in) investing activities	(4,904,006)	(28,269,810)
Cash flows from financing activities		
Proceeds from short-term loans payable	-	5,500,000
Proceeds from long-term loans payable	7,000,000	29,500,000
Repayments of long-term loans payable	(7,000,000)	(13,700,000)
Redemption of investment corporation bonds	(1,500,000)	-
Purchase of own investment units	(2,999,740)	-
Dividends paid	(6,525,479)	(7,497,113)
Net cash provided by (used in) financing activities	(11,025,219)	13,802,886
Net increase (decrease) in cash and cash equivalents	(3,603,856)	(2,295,203)
Cash and cash equivalents at beginning of period	36,639,841	33,035,984
Cash and cash equivalents at end of period	*1 33,035,984	*1 30,740,781

2.6. Notes to the Going Concern
Not applicable.

2.7. Notes to Significant Accounting Policies

1. Evaluation criteria and method for assets	Securities Other securities Shares without market price, etc. Moving-average cost method is adopted. Silent partnership equity interest A method to take in the amount equivalent to ownership interest in silent partnership on a net basis is adopted for silent partnership equity interest.
2. Accumulated depreciation method for noncurrent assets	(1) Property, plant and equipment (including trust assets) The straight-line method is adopted. The useful life of primary property, plant and equipment is as follows: Buildings 2~64 years Structures 10~56 years Machinery and equipment 10~23 years Tools, furniture and fixtures 3~15 years (2) Intangible assets The straight-line method is adopted. (3) Long-term prepaid expenses The straight-line method is adopted.
3. Accounting policies for deferred assets	Investment corporation bonds issuance costs Amortized using the straight-line method over the period up to redemption.
4. Accounting standards for recording revenues and expenses	(1) Accounting for fixed property tax, etc. Concerning fixed property tax, city planning tax, depreciated asset tax, etc. for owned real estate or trust beneficiary interest in real estate, of the tax amount that has been broken down into installments, the method of accounting for the amount corresponding to the concerned fiscal period as expenses related to rent business is adopted. Concerning the amount equivalent to fixed property tax, etc. for the initial fiscal year that shall be borne by the Investment Corporation in correlation with acquisitions of real estate or trust beneficiary interest that have real estate as assets in trust, the amount is not expensed but is rather included in the cost of acquisition of the concerned real estate property. The amount equivalent to fixed property tax, etc. that was included in the cost of acquisition of real estate, etc. is nil in the 40th Fiscal Period and 43,057 thousand yen in the 41st Fiscal Period. (2) Accounting standard for revenue The content of main performance obligations related to revenue from contracts with customers of the Investment Corporation and the normal timing for satisfying such performance obligations (the normal timing for recognizing revenue) are as follows: (i) Sale of real estate properties The Investment Corporation recognizes revenue from the sale of real estate properties when the purchaser, as the customer, obtains control of the real estate property by fulfilling the delivery obligations stipulated in the contract for the sale of real estate property. (ii) Utilities income The Investment Corporation recognizes utilities income based on the supply of electricity, water, etc. to the lessee as the customer, in accordance with the terms of the real estate lease contract and related agreements. Of utilities income, in the case that the Investment Corporation determines it is an agent for utilities income, the utilities income is recognized as income at the net amount received as charges for electricity, gas, etc. supplied by other parties less the amount paid to such other parties.

5. Hedge accounting approach	(1) Hedge accounting approach Deferral hedge accounting is adopted. Special accounting is adopted for interest rate swaps that meet the requirements for special accounting. (2) Hedging instruments and hedged items Hedging instruments: Interest rate swap transaction Hedged items: Interest on loans (3) Hedging policy The Investment Corporation conducts derivative transactions to hedge risks stipulated in the Investment Corporation's articles of incorporation in accordance with the Investment Corporation's risk management policy. (4) Method for assessing the effectiveness of hedging The effectiveness of hedging is assessed 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. Interest rate swaps that meet the requirements for special accounting are omitted from assessment of the effectiveness.
6. Scope of funds in the statements of cash flows	The funds (cash and cash equivalents) in the statements of cash flows consist of cash on hand and cash in trust; deposits that can be withdrawn at any time and deposits in trust; and short-term investments with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.
7. Other significant matters forming basis for preparation of financial statements	(1) Accounting method for trust beneficiary interest in real estate, etc. Concerning owned trust beneficiary interest that have real estate properties as assets in trust, all accounts of assets and liabilities within assets in trust as well as all accounts of revenues and expenses incurred from the assets in trust are recorded in the relevant account item of the balance sheets and statements of income. The following material items of the assets in trust recorded in the relevant account item are separately listed on the balance sheets. (i) Cash and deposits in trust (ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; and construction in progress in trust (iii) Leasehold rights in trust (iv) Leasehold and guarantee deposits in trust (v) Tenant leasehold and security deposits in trust (2) Accounting method for consumption taxes The consumption taxes relating to noncurrent assets, etc. that are not tax-deductible are amortized in equal installments over 5 years.

2.8. Notes to Financial Statements

(Omission of Disclosure)

Concerning notes to lease transactions, securities, retirement benefits, tax-effect accounting and asset retirement obligations, disclosure is omitted because there is no substantial need for such disclosure in the financial report (*kessan tanshin*).

[Notes to Balance Sheets]

*1. Advanced depreciation amount for property, plant and equipment acquired by government subsidies, etc.

	40th Fiscal Period [As of November 30, 2025]	41st Fiscal Period [As of May 31, 2026]
Buildings in trust	77,363 thousand yen	77,363 thousand yen

*2. Advanced depreciation amount for property, plant and equipment acquired through exchange

	40th Fiscal Period [As of November 30, 2025]	41st Fiscal Period [As of May 31, 2026]
Buildings in trust	182,563 thousand yen	182,563 thousand yen
Structures in trust	283 thousand yen	283 thousand yen
Land in trust	887,074 thousand yen	887,074 thousand yen
Total	1,069,921 thousand yen	1,069,921 thousand yen

3. Agreement on the establishment of commitment line

The Investment Corporation has concluded an agreement with a correspondent bank concerning the establishment of commitment line.

There was no balance of borrowings based on the agreement as of the end of the 41st Fiscal Period.

	40th Fiscal Period [As of November 30, 2025]	41st Fiscal Period [As of May 31, 2026]
Total amount of commitment line	3,000,000 thousand yen	3,000,000 thousand yen
Balance of borrowings	– thousand yen	– thousand yen
Difference	3,000,000 thousand yen	3,000,000 thousand yen

*4. Status of cancellation of own investment units

	40th Fiscal Period [As of November 30, 2025]	41st Fiscal Period [As of May 31, 2026]
Total number of units cancelled	41,382 units	41,382 units
Total amount cancelled	20,457,273 thousand yen	20,457,273 thousand yen

(Note) There was no cancellation during the 41st Fiscal Period.

*5. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

40th Fiscal Period [As of November 30, 2025]	41st Fiscal Period [As of May 31, 2026]
50,000 thousand yen	50,000 thousand yen

[Notes to Statements of Income]

*1. Breakdown of operating income (loss) from property leasing

(Unit: Thousands of yen)

	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]	41st Fiscal Period [From: Dec. 1, 2025 To: May 31, 2026]
A. Property leasing revenue		
Rent revenue – real estate	14,758,113	14,911,595
Other lease business revenue	39,321	14,645
Total property leasing revenue	14,797,434	14,926,240
B. Property leasing expenses		
Consignment expenses	1,071,455	1,102,483
Utilities expenses	1,203,012	1,067,171
Taxes and dues	1,311,186	1,294,234
Non-life insurance expenses	30,406	36,529
Repair expenses	408,409	298,109
Depreciation	1,879,890	1,917,809
Other lease business expenses	78,268	78,285
Total property leasing expenses	5,982,630	5,794,624
C. Operating income (loss) from property leasing [A – B]	8,814,804	9,131,616

*2. Breakdown of gain on sale of real estate properties (Unit: Thousands of yen)

40th Fiscal Period [From: June 1, 2025 To: November 30, 2025]

Daiwa Tsukishima (30% quasi co-ownership interest)		
Proceeds from sale of real estate properties	2,940,000	
Cost of sale of real estate properties	1,843,417	
Other sale costs	714,233	
Gain on sale of real estate properties		382,348

Daiwa Sarugakucho (50% quasi co-ownership interest)		
Proceeds from sale of real estate properties	2,550,000	
Cost of sale of real estate properties	1,486,430	
Other sale costs	220,131	
Gain on sale of real estate properties		843,437

41st Fiscal Period [From: December 1, 2025 To: May 31, 2026]

Daiwa Azabudai		
Proceeds from sale of real estate properties	2,240,000	
Cost of sale of real estate properties	1,481,431	
Other sale costs	123,738	
Gain on sale of real estate properties		634,830

Daiwa Sarugakucho (50% quasi co-ownership interest)		
Proceeds from sale of real estate properties	2,550,000	
Cost of sale of real estate properties	1,479,640	
Other sale costs	212,444	
Gain on sale of real estate properties		857,915

[Notes to Statements of Unitholders' Equity]

	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]	41st Fiscal Period [From: Dec. 1, 2025 To: May 31, 2026]
Total number of investment units authorized and total number of investment units issued and outstanding		
Total number of investment units authorized	4,000,000 units	4,000,000 units
Total number of investment units issued and outstanding	934,745 units	934,745 units

[Notes to Statements of Cash Flows]

*1. Reconciliation of balance sheet items to cash and cash equivalents at end of period in the statements of cash flows

(Unit: Thousands of yen)

	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]	41st Fiscal Period [From: Dec. 1, 2025 To: May 31, 2026]
Cash and deposits	28,975,304	26,583,593
Cash and deposits in trust	4,060,680	4,157,187
Cash and cash equivalents	33,035,984	30,740,781

[Notes to Financial Instruments]

(1) Matters Concerning Status of Financial Instruments

① Policy for financial instruments

The Investment Corporation raises funds through bank borrowings, issuance of investment corporation bonds and issuance of new investment units, etc. for the acquisition and repair of investment properties, the payments of dividends and the reimbursement of bank borrowings. As for debt finance, the Investment Corporation focuses on lengthening maturities, fixing interest rates, dispersing maturity dates and utilizing commitment line in order to secure financial stability and avoid future fluctuation risk of interest rates.

The Investment Corporation manages surplus funds through deposits and safe and highly liquid money claims and securities (in principle, deposits).

Derivative transactions are limited to hedge operations which hedge against interest rate fluctuation risks attributable to liabilities of the Investment Corporation.

② Contents and risk of financial instruments and related risk management

The Investment Corporation uses the proceeds from the financing of debts and investment corporation bonds for the acquisition of investment properties (such as trust beneficiary interest in real estate) and the reimbursement of current debts and bonds. While these debts and bonds are exposed to liquidity risk, the Investment Corporation manages the risk by maintaining the LTV ratio at low levels, dispersing maturity dates, maintaining the ratio of long-term debt to total debt at high levels, and diversifying lenders with particular focus on domestic financial institutions. Bank borrowings, etc. with floating interest rates are exposed to interest rate fluctuation risk and the risk is controlled by using derivative instruments (interest rate swap transaction) for some long-term borrowings to avoid interest rate fluctuation risk and to fix interest expense.

The effectiveness of hedging is assessed 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. Interest rate swaps that meet the requirements for special accounting are omitted from assessment of the effectiveness.

Enforcement and management of derivative transactions are carried out in accordance with the provisions established by the basic policy of risk management.

Tenant leasehold and security deposits and tenant leasehold and security deposits in trust are exposed to liquidity risk upon tenants moving out and the Investment Corporation reduces the risk by pooling funds to a certain degree.

Surplus funds by deposits are exposed to credit risk of counterparties (financial institutions and so on) and are managed by limiting the terms to short durations and establishing credit rating level of counterparties (except for checkable deposit), etc.

Investment securities are for investments in silent partnerships and are exposed to credit risk of issuers, fluctuation risk of values, etc., of real estate, etc. and interest rate. However, such risks are controlled by regularly discerning the financial status of issuers and values, etc. of real estate, etc.

③ Supplementary explanation for fair value of financial instruments

As various factors are incorporated into the calculation of fair value of financial instruments, the resulting value may differ if different assumptions are provided. Furthermore, the contractual amounts of derivative transactions do not represent the market risk involved in these derivative transactions.

(2) Matters Concerning Fair Value, etc. of Financial Instruments

The carrying amounts and fair values and their differences are as follows. As "Cash and deposits," "Cash and deposits in trust" and "Short-term loans payable" are settled with cash and within a short period of time, the fair value is approximately the same as the book value, and "Tenant leasehold and security deposits" and "Tenant leasehold and security deposits in trust" lack materiality. Thus such notes have been omitted.

40th Fiscal Period [As of November 30, 2025]

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	22,400,000	22,359,232	(40,767)
(2) Investment corporation bonds	7,500,000	7,090,780	(409,220)
(3) Long-term loans payable	188,050,000	186,432,188	(1,617,811)
Total liabilities	217,950,000	215,882,200	(2,067,799)
Derivative transactions (*)	877,841	877,841	–

41st Fiscal Period [As of May 31, 2026]

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	20,200,000	20,131,518	(68,481)
(2) Investment corporation bonds	7,500,000	6,939,870	(560,130)
(3) Long-term loans payable	206,050,000	204,125,171	(1,924,828)
Total liabilities	233,750,000	231,196,559	(2,553,440)
Derivative transactions (*)	1,256,072	1,256,072	–

(*) The value of receivables and payables arising from derivative transactions are indicated at net basis. The amount in parentheses represents the net liability position.

(Note 1) Methods to estimate fair value of financial instruments and matters concerning derivative transactions

Liabilities

(1) Current portion of long-term loans payable; (3) Long-term loans payable

As those with floating interest rates reflect market interest rates within a short period of time and the Investment Corporation's credit capability does not differ markedly from the execution, the fair value is approximately the same as the book value and thus is stated at that book value. Those with fixed interest rates, on the other hand, are based on the method of calculating by discounting the sum total amount of principal and interest (*) by the reasonably estimated interest rate in the case that the same type of borrowings is undertaken.

(*) Long-term loans payable that are subject to special accounting for interest rate swaps are based on the sum total amount of principal and interest at the rate of the applicable interest rate swaps. (Please refer to [Notes to Derivative Transactions] below.)

(2) Investment corporation bonds

The fair value of the investment corporation bonds issued by the Investment Corporation is based on the market price.

Derivative transactions

Please refer to [Notes to Derivative Transactions] below.

(Note 2) Regarding silent partnership equity interest, the treatment of Paragraph 24-16 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021) is applied, and matters stipulated in Paragraph 4 (1) of the "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19, March 31, 2020) are not specified.

The carrying amount of investments in partnership, etc. applying the treatment in this paragraph is 3,765,163 thousand yen in the 40th Fiscal Period and 3,726,788 thousand yen in the 41st Fiscal Period.

(Note 3) Amount of redemption/repayment of current portion of long-term loans payable, investment corporation bonds, and long-term loans payable scheduled to be due after the settlement of accounts

40th Fiscal Period [As of November 30, 2025]

(Unit: Thousands of yen)

	Within 1 year	Within 2 years, but over 1 year	Within 3 years, but over 2 years	Within 4 years, but over 3 years	Within 5 years, but over 4 years	Over 5 years
Current portion of long-term loans payable	22,400,000	–	–	–	–	–
Investment corporation bonds	–	–	–	2,200,000	2,400,000	2,900,000
Long-term loans payable	–	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

41st Fiscal Period [As of May 31, 2026]

(Unit: Thousands of yen)

	Within 1 year	Within 2 years, but over 1 year	Within 3 years, but over 2 years	Within 4 years, but over 3 years	Within 5 years, but over 4 years	Over 5 years
Current portion of long-term loans payable	20,200,000	–	–	–	–	–
Investment corporation bonds	–	–	–	2,200,000	2,400,000	2,900,000
Long-term loans payable	–	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

[Notes to Derivative Transactions]

(1) Transactions for which hedge accounting is not applied

40th Fiscal Period [As of November 30, 2025]

Not applicable.

41st Fiscal Period [As of May 31, 2026]

Not applicable.

(2) Transactions for which hedge accounting is applied

40th Fiscal Period [As of November 30, 2025]

About derivative transactions for which hedge accounting is applied, the contract amount, amount equivalent to the principal provided in the contract, etc. as of the settlement of accounts for each hedge accounting approach are as follows.

(Unit: Thousands of yen)

Hedge accounting approach	Type, etc. of derivative transaction	Main hedged item	Contract amount, etc.		Fair value	Method of calculation of that fair value
				Of which, over 1 year		
Principle accounting method	Interest rate swap transaction Fixed payable Floating receivable	Long-term loans payable	46,700,000	34,500,000	877,841	Based on price quoted by partner financial institution
Special accounting for interest rate swaps	Interest rate swap transaction Fixed payable Floating receivable	Long-term loans payable	28,000,000	25,000,000	(*)	–
Total			74,700,000	59,500,000	877,841	–

41st Fiscal Period [As of May 31, 2026]

About derivative transactions for which hedge accounting is applied, the contract amount, amount equivalent to the principal provided in the contract, etc. as of the settlement of accounts for each hedge accounting approach are as follows.

(Unit: Thousands of yen)

Hedge accounting approach	Type, etc. of derivative transaction	Main hedged item	Contract amount, etc.		Fair value	Method of calculation of that fair value
				Of which, over 1 year		
Principle accounting method	Interest rate swap transaction Fixed payable Floating receivable	Long-term loans payable	53,200,000	42,500,000	1,256,072	Based on price quoted by partner financial institution
Special accounting for interest rate swaps	Interest rate swap transaction Fixed payable Floating receivable	Long-term loans payable	26,000,000	20,000,000	(*)	–
Total			79,200,000	62,500,000	1,256,072	–

(*) Since the derivative financial instruments qualifying for the special accounting for interest rate swaps are accounted for as one transaction together with their hedged item, long-term loans payable, the fair value of these derivatives is included in that of related long-term loans payable. (Please refer to the aforementioned "Notes to Financial Instruments (2) Matters Concerning Fair Value, etc. of Financial Instruments (Note 1) Liabilities (1) (3).")

[Notes to Transactions with Related Parties]

(1) Transactions with related parties

① Parent company and major corporate unitholders, etc.

40th Fiscal Period [From: June 1, 2025 To: November 30, 2025]

Not applicable.

41st Fiscal Period [From: December 1, 2025 To: May 31, 2026]

Not applicable.

② Affiliated companies, etc.

40th Fiscal Period [From: June 1, 2025 To: November 30, 2025]

Not applicable.

41st Fiscal Period [From: December 1, 2025 To: May 31, 2026]

Not applicable.

③ Sister companies, etc.

40th Fiscal Period [From: June 1, 2025 To: November 30, 2025]

Not applicable.

41st Fiscal Period [From: December 1, 2025 To: May 31, 2026]

Not applicable.

④ Officers and major individual unitholders, etc.

40th Fiscal Period [From: June 1, 2025 To: November 30, 2025]

Not applicable.

41st Fiscal Period [From: December 1, 2025 To: May 31, 2026]

Not applicable.

(2) Information about parent company or any material affiliated company

40th Fiscal Period [From: June 1, 2025 To: November 30, 2025]

Parent company's information

Daiwa Securities Group Inc. (listed on Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc.)

41st Fiscal Period [From: December 1, 2025 To: May 31, 2026]

Parent company's information

Daiwa Securities Group Inc. (listed on Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc.)

[Notes to Revenue Recognition]
Breakdown information on revenue from contracts with customers
40th Fiscal Period [From: June 1, 2025 To: November 30, 2025]

(Unit: Thousands of yen)

	Revenue from contracts with customers (Note 1)	Sales to external customers
Sale of real estate properties (Note 2)	5,490,000	1,225,786
Utilities income	1,137,759	1,137,759
Other	–	13,692,968
Total	6,627,759	16,056,513

(Note 1) Rent revenue, etc. covered by the Accounting Standard for Lease Transactions (ASBJ Statement No.13) is not subject to the Accounting Standard for Revenue Recognition and is thus excluded from revenue from contracts with customers. Furthermore, major revenues generated from contracts with customers are sales of real estate properties and utility charge revenues.

(Note 2) As for the sale of real estate properties, the amount is after cost of sale of real estate properties and other sale cost are deducted from gain on sale of real estate properties, as this is recorded as gain (loss) on sale of real estate properties on statements of income in accordance with Article 48, paragraph 2 of the Regulations on Accounting of Investment Corporations (Cabinet Office Ordinance No. 47 of 2006).

41st Fiscal Period [From: December 1, 2025 To: May 31, 2026]

(Unit: Thousands of yen)

	Revenue from contracts with customers (Note 1)	Sales to external customers
Sale of real estate properties (Note 2)	4,790,000	1,492,745
Utilities income	971,562	971,562
Other	–	14,047,619
Total	5,761,562	16,511,927

(Note 1) Rent revenue, etc. covered by the Accounting Standard for Lease Transactions (ASBJ Statement No.13) is not subject to the Accounting Standard for Revenue Recognition and is thus excluded from revenue from contracts with customers. Furthermore, major revenues generated from contracts with customers are sales of real estate properties and utility charge revenues.

(Note 2) As for the sale of real estate properties, the amount is after cost of sale of real estate properties and other sale cost are deducted from gain on sale of real estate properties, as this is recorded as gain (loss) on sale of real estate properties on statements of income in accordance with Article 48, paragraph 2 of the Regulations on Accounting of Investment Corporations (Cabinet Office Ordinance No. 47 of 2006).

[Notes to Investment and Rental Properties]
The Investment Corporation has rental office buildings, etc. (including land) in Tokyo and other regions for the purpose of generating rental revenues. The carrying amount, amount of increase (decrease) during period and fair value for these investment and rental properties are as follows.

(Unit: Thousands of yen)

		40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]	41st Fiscal Period [From: Dec. 1, 2025 To: May 31, 2026]
Carrying amount			
	Balance at beginning of period	452,188,015	448,480,807
	Amount of increase (decrease) during period	(3,707,207)	24,106,917
	Balance at end of period	448,480,807	472,587,725
Fair value at end of period		598,220,000	628,000,000

(Note 1) The carrying amount is the amount after accumulated depreciation is deducted from the cost of acquisition.
(Note 2) Of the amount of increase (decrease) of investment and rental properties during the period, the amount of decrease during the 40th Fiscal Period is mainly attributable to the divestment 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). The amount of increase during the 41st Fiscal Period is mainly attributable to the acquisition of Hamamatsucho PREX and Prime Sendagaya Building (26,550 million yen), while the decrease is mainly attributable to the divestment of Daiwa Azabudai and Daiwa Sarugakucho (50% quasi co-ownership interest) (2,961 million yen) and depreciation (1,917 million yen).
(Note 3) The fair value at end of period presents the appraisal value estimated by external real estate appraisers.

The income (loss) for investment and rental properties are as presented in the aforementioned “Notes to Statements of Income.”

[Notes to Segment Information, Etc.]

(1) Segment Information

Segment information has been omitted because the Investment Corporation has no segment except the property leasing business.

(2) Related Information

40th Fiscal Period [From: June 1, 2025 To: November 30, 2025]

① Information about products and services

Information about products and services has been omitted because net sales to external customers for one segment are in excess of 90% of the operating revenue on statements of income.

② Information about geographical areas

A. Net sales

Information about net sales has been omitted because net sales to external customers in Japan are in excess of 90% of the operating revenue on statements of income.

B. Property, plant and equipment

Information about property, plant and equipment has been omitted because the amount of property, plant and equipment located in Japan is in excess of 90% of the amount of property, plant and equipment on balance sheets.

③ Information about major customers

Information about major customers has been omitted because each net sales figure to a single external customer accounts for less than 10% of the operating revenue on statements of income.

41st Fiscal Period [From: December 1, 2025 To: May 31, 2026]

① Information about products and services

Information about products and services has been omitted because net sales to external customers for one segment are in excess of 90% of the operating revenue on statements of income.

② Information about geographical areas

A. Net sales

Information about net sales has been omitted because net sales to external customers in Japan are in excess of 90% of the operating revenue on statements of income.

B. Property, plant and equipment

Information about property, plant and equipment has been omitted because the amount of property, plant and equipment located in Japan is in excess of 90% of the amount of property, plant and equipment on balance sheets.

③ Information about major customers

Information about major customers has been omitted because each net sales figure to a single external customer accounts for less than 10% of the operating revenue on statements of income.

[Notes to Per Unit Information]

	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]	41st Fiscal Period [From: Dec. 1, 2025 To: May 31, 2026]
Net assets per unit	259,419 yen	260,142 yen
Net income per unit	7,996 yen	8,468 yen

(Note 1) Net income per unit is calculated by dividing net income by the average number of investment units during the period. The diluted net income per unit is not stated as there are no diluted investment units.

(Note 2) The basis for calculating the net income per unit is as follows.

	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]	41st Fiscal Period [From: Dec. 1, 2025 To: May 31, 2026]
Net income (Thousands of yen)	7,496,795	7,916,182
Amounts not attributable to common unitholders (Thousands of yen)	–	–
Net income attributable to common investment units (Thousands of yen)	7,496,795	7,916,182
Average number of investment units during the period (Units)	937,471	934,745

[Notes to Significant Subsequent Events]

(1) Acquisition of Own Investment Units

At its board of directors' meeting held on July 17, 2026, the Investment Corporation 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 42nd Fiscal Period (fiscal period ending November 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., the Investment Corporation 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 amount of investment units	1,500,000,000 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

(2) Investment Unit Split

At its board of directors' meeting held on July 17, 2026, the Investment Corporation to the split investment units as described below.

① Purpose of the split

The purpose is to establish an environment facilitating investment by investors and to further expand the investor base and increase the liquidity of investment units by lowering the amount of investment per investment unit.

② Method of the split

With November 30, 2026, as the record date, the Investment Corporation will conduct a 4-for-1 split of the Investment Corporation's investment units held by unitholders listed or recorded in the final unitholder registry as of the same day.

③ Number of investment units to increase by the split, etc.

A. Total number of the Investment Corporation's investment units issued and outstanding before the split: 934,745 units (Note)
B. Total number of investment units to increase by the split: 2,804,235 units (Note)
C. Total number of the Investment Corporation's investment units issued and outstanding after the split: 3,738,980 units (Note)
D. Total number of investment units authorized by the Investment Corporation after the split: 16,000,000 units

(Note) Stated and calculated based on the total number of the Investment Corporation's investment units issued and outstanding as of July 17, 2026 (934,745 units), but as announced in "Notice Concerning Determination of Acquisition of Own Investment Units" dated the same day, the Investment Corporation has decided to acquire own investment units with July 21, 2026, to November 12, 2026, as the acquisition period and all of the acquired own investment units are scheduled to be cancelled during the 42nd Fiscal Period (fiscal period ending November 2026). As such, the figures above may change depending on the total number of investment units cancelled. The details such as the actual total number of investment units to increase by the investment unit split will be announced later once the total number of investment units to be cancelled is finalized.

④ Schedule of the split

A. Date of public notice of record date: November 13, 2026 (scheduled)
B. Record date: November 30, 2026 (Note)
C. Effective date: December 1, 2026

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

⑤ Impact on the per unit information

Per unit information for the fiscal period under review when assuming that the investment unit split was conducted at the beginning of the fiscal period under review is as follows.

A. Net assets per unit: 65,035 yen
B. Net income per unit: 2,117 yen

2.9. Increase (Decrease) in Total Number of Investment Units Issued and Outstanding

The overview of total number of investment units issued and outstanding and capital increase (decrease) in unitholders' capital, net in the most recent five years up to the end of the 41st Fiscal Period is as follows.

Date	Description	Total number of investment units issued and outstanding (units)		Unitholders' capital, net (Millions of yen) (Note 1)		Notes
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
May 31, 2022	Cancellation	(5,559)	482,529	(3,999)	241,093	(Note 2)
November 30, 2022	Cancellation	(4,271)	478,258	(2,999)	238,093	(Note 3)
June 1, 2024	Split	478,258	956,516	–	238,093	(Note 4)
November 29, 2024	Cancellation	(10,077)	946,439	(2,999)	235,094	(Note 5)
May 30, 2025	Cancellation	(3,284)	943,155	(999)	234,094	(Note 6)
November 28, 2025	Cancellation	(8,410)	934,745	(2,999)	231,094	(Note 7)

(Note 1) Unitholders' capital, net = Unitholders' capital – Deduction from unitholders' capital

(Note 2) In the period from February 25, 2022 to March 31, 2022, the Investment Corporation acquired own investment units through market purchase at the Tokyo Stock Exchange based on a discretionary transaction agreement with a securities company. The Investment Corporation cancelled all of the acquired investment units (5,559 units) on May 31, 2022, based on the resolution at its board of directors' meeting held on May 23, 2022.

(Note 3) In the period from August 25, 2022 to September 28, 2022, the Investment Corporation acquired own investment units through market purchase at the Tokyo Stock Exchange based on a discretionary transaction agreement with a securities company. The Investment Corporation cancelled all of the acquired investment units (4,271 units) on November 30, 2022, based on the resolution at its board of directors' meeting held on November 25, 2022.

(Note 4) With May 31, 2024, as the record date and June 1, 2024, as the effective date, the Investment Corporation conducted a 2-for-1 split of its investment units held by unitholders listed or recorded in the final unitholder registry as of the record date.

(Note 5) In the period from July 22, 2024 to September 3, 2024, the Investment Corporation acquired own investment units through market purchase at the Tokyo Stock Exchange based on a discretionary transaction agreement with a securities company. The Investment Corporation cancelled all of the acquired investment units (10,077 units) on November 29, 2024, based on the resolution at its board of directors' meeting held on November 22, 2024.

(Note 6) In the period from April 24, 2025 to May 16, 2025, the Investment Corporation acquired own investment units through market purchase at the Tokyo Stock Exchange based on a discretionary transaction agreement with a securities company. The Investment Corporation cancelled all of the acquired investment units (3,284 units) on May 30, 2025, based on the resolution at its board of directors' meeting held on May 22, 2025.

(Note 7) In the period from July 22, 2025 to September 10, 2025, the Investment Corporation acquired own investment units through market purchase at the Tokyo Stock Exchange based on a discretionary transaction agreement with a securities company. The Investment Corporation cancelled all of the acquired investment units (8,410 units) on November 28, 2025, based on the resolution at its board of directors' meeting held on November 20, 2025.

3. Reference Information

3.1. Investment Status

Type of asset	Use	Region	41st Fiscal Period (As of May 31, 2026)	
			Total amount owned (Millions of yen) (Note 1)	As a percentage of total assets (%) (Note 2)
Real estate	Office	Five Central Wards of Tokyo (Note 3)	15,237	3.0
Trust beneficiary interest in real estate	Office	Five Central Wards of Tokyo (Note 3)	370,232	72.5
		Greater Tokyo (Note 4)	78,480	15.4
		Major Regional Cities (Note 5)	8,637	1.7
Subtotal			472,587	92.5
Investment securities (Note 6)			3,726	0.7
Deposits and other assets			34,564	6.8
Total amount of assets (Note 7)			510,878	100.0
			(472,587)	(92.5)

(Note 1) "Total amount owned" is the carrying amount on the balance sheets (the book value after depreciation in the case of real estate and trust beneficiary interest in real estate).
(Note 2) "As a percentage of total assets" is rounded to one decimal place.
(Note 3) "Five Central Wards of Tokyo" are Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards.
(Note 4) "Greater Tokyo" is Tokyo, Kanagawa, Chiba and Saitama prefectures (excluding the Five Central Wards of Tokyo).
(Note 5) "Major Regional Cities" are the Osaka metropolitan area (Osaka, Kyoto and Hyogo prefectures), the Nagoya metropolitan area (Aichi, Mie and Gifu prefectures), and ordinance-designated cities and core cities set forth in the Local Autonomy Act.
(Note 6) "Investment securities" are silent partnership equity interests with Godo Kaisha Shinjuku Maynds Tower as the operator.
(Note 7) The figures in parentheses ( ) under "Total amount of assets" show the portion of the applicable asset that, in effect, corresponds to the holding of real estate properties. The amount of construction in progress (including construction in progress in trust) is not included in the amount of real estate and trust beneficiary interest in real estate.

3.2. Investment Assets

3.2.1. Major Investment Securities

Name	Type of asset	Quantity	Book value (Thousands of yen)		Appraisal value (Thousands of yen) (Note 1)		As a percentage of total assets (%) (Note 2)	Notes
			Unit price	Amount	Unit price	Amount		
Silent partnership equity interest in Godo Kaisha Shinjuku Maynds Tower	Silent partnership equity interest	–	–	3,726,788	–	3,726,788	0.7	(Note 3)
Total	–	–	–	3,726,788	–	3,726,788	0.7	–

(Note 1) "Appraisal value" is the book value.
(Note 2) "As a percentage of total assets" is rounded to one decimal place.
(Note 3) The managed asset is a trust beneficiary interest pertaining to a co-ownership interest equivalent to one-seventh of the entire Shinjuku Maynds Tower.

3.2.2. Investment Real Estate Properties (As of May 31, 2026)

A. Price and Investment Ratio of Investment Real Estate Properties

Region	Property name	Type of specified asset	Acquisition price (Millions of yen) (Note 1)	Carrying amount (Millions of yen) (Note 2)	Estimated price at end of period (Millions of yen) (Note 3)	Investment ratio (%) (Note 4)
Five Central Wards of Tokyo	Daiwa Ginza	Real estate	14,100	12,514	15,100	2.9
	Daiwa Ginza Annex		3,050	2,722	3,120	0.6
	Daiwa Shibaura	Trust beneficiary interest in real estate	8,265	7,954	9,320	1.7
	Daiwa A Hamamatsucho (Note 5)		2,865	2,592	3,990	0.6
	Daiwa Jingumae		2,800	2,597	3,320	0.6
	Daiwa Shibadaimon		2,578	2,284	4,140	0.5
	Daiwa Misakicho		2,346	2,035	2,960	0.5
	Daiwa Tsukijiekimae		1,560	1,178	2,450	0.3
	Daiwa Tsukiji		1,240	1,116	1,640	0.3
	Daiwa Nihonbashi Horidomecho		2,520	2,276	3,130	0.5
	Shinjuku Maynds Tower (Note 5)		66,900	61,956	70,700	13.7
	Daiwa Kodenmacho		2,460	2,385	2,260	0.5
	Daiwa Nishi-Shimbashi		5,000	4,362	7,620	1.0
	Daiwa Kayabacho		5,600	4,908	8,650	1.1
	Daiwa Jinbocho 3-chome		3,550	3,100	5,530	0.7
	E SPACE TOWER		24,000	22,970	40,300	4.9
	Daiwa Nihonbashi Hongokucho		1,721	1,400	2,960	0.4
	shinyon curumu		9,650	9,229	17,600	2.0
	Daiwa Akasaka		9,200	9,819	17,400	1.9
	Daiwa Shibuya Miyamasuzaka		7,000	7,028	13,100	1.4
	Daiwa Azabu Terrace		14,000	13,410	18,700	2.9
	Daiwa Ebisu 4-chome		4,135	4,093	6,810	0.8
	LAQUAS Higashi Shinjuku		8,450	8,118	12,100	1.7
	Daiwa Aoyama		9,800	9,814	13,600	2.0
	Daiwa Shibuya Shinsen		4,800	4,891	6,760	1.0
	Daiwa Shibuya Square		16,000	15,777	24,100	3.3
	Daiwa River Gate		28,000	27,606	38,300	5.7
	Daiwa Hatchobori ekimae		2,871	2,931	3,490	0.6
	Daiwa Hatchobori ekimae West		1,647	1,683	2,160	0.3
	Daiwa Nishi-Shinjuku		13,710	14,035	16,600	2.8
	Kirin Nihonbashi		8,180	8,229	10,600	1.7
	Daiwa Higashi-Nihonbashi		6,370	6,054	7,540	1.3
	Daiwa Daikanyama		2,280	2,317	3,510	0.5
	Daiwa Shinjuku West		942	1,032	1,360	0.2
	Daiwa Kanda Mikuracho		1,592	1,589	1,970	0.3
	Daiwa Kanda East		4,200	4,240	6,010	0.9
	Daiwa Kandasudacho		2,295	2,395	3,220	0.5
	Daiwa Sasazuka Tower		15,500	16,053	15,300	3.2
	Daiwa Sasazuka		3,000	3,225	3,540	0.6
	Daiwa Harumi		11,200	11,019	12,000	2.3
	Daiwa Mita 2-Chome		2,635	1,527	4,270	0.5
	Nihonbashi Central Square (Note 5)		3,521	3,544	3,990	0.7
	Daiwa Nihonbashi Bakurocho		5,733	5,586	7,040	1.2
	Daiwa Kandabashi		1,970	2,026	2,170	0.4
	Daiwa Akihabara		15,503	15,731	20,600	3.2
	Daiwa Nihonbashi Bakurocho II (Note 5)		6,300	6,503	6,910	1.3
	Hamamatsucho PREX		7,150	7,442	7,310	1.5
	Prime Sendagaya Building		19,400	20,149	20,600	4.0
Total for Five Central Wards of Tokyo (48 properties)			397,590	385,470	515,850	81.5

Region	Property name	Type of specified asset	Acquisition price (Millions of yen) (Note 1)	Carrying amount (Millions of yen) (Note 2)	Estimated price at end of period (Millions of yen) (Note 3)	Investment ratio (%) (Note 4)
Greater Tokyo	Daiwa Higashi-Ikebukuro	Trust beneficiary interest in real estate	2,958	2,554	4,290	0.6
	Daiwa Shinagawa North		7,710	6,849	6,780	1.6
	Daiwa Kamiooka		2,000	1,659	2,950	0.4
	Daiwa Ogikubo Tower		15,220	15,553	23,300	3.1
	Daiwa Meguro Square		5,600	5,232	7,390	1.1
	Daiwa Ogikubo		3,800	4,001	5,240	0.8
	CONCURRED Yokohama (Note 5)		38,100	37,098	42,200	7.8
	Daiwa Shinagawa Gotenyama		2,500	2,619	2,880	0.5
	Daiwa Nakano-Sakaue		2,750	2,910	2,320	0.6
Total for Greater Tokyo (9 properties)			80,638	78,480	97,350	16.5
Major Regional Cities	Daiwa Kitahama	Trust beneficiary interest in real estate	9,481	8,637	14,800	1.9
Total for Major Regional Cities (1 property)			9,481	8,637	14,800	1.9
Total (58 properties)			487,709	472,587	628,000	100.0

(Note 1) "Acquisition price" excludes acquisition costs, fixed property tax, city planning tax, consumption tax and local consumption tax. For Daiwa Nihonbashi Bakurocho and Daiwa Akihabara, the acquisition price of the land for the property plus the building construction costs is shown.

(Note 2) "Carrying amount" is the book value after depreciation on the balance sheets as of May 31, 2026.

(Note 3) "Estimated price at end of period" is the price as of May 31, 2026, stated in appraisal reports prepared by real estate appraisers of Tanizawa Sogo Appraisal Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd., JLL Morii Valuation & Advisory K.K. and Japan Real Estate Institute in accordance with the articles of incorporation of the Investment Corporation and the rules of Investment Management Association of Japan.

(Note 4) "Investment ratio" is the acquisition price of each property expressed as a percentage of the total amount of acquisition prices, rounded to one decimal place.

(Note 5) For the property, the figures are those pertaining to the Investment Corporation's ownership interest.

B. Summary of Building and Leasing of Investment Real Estate

Region	Property name	Structure and number of floors (Note 1)	Construction completion (Note 2)	Leasable floor area (m^2) (Note 3)	Leased floor area (m^2) (Note 4)	Total number of tenants (Note 5)	Occupancy rate (%) (Note 6)	Rent revenue during current period (Thousands of yen) (Note 7)
Five Central Wards of Tokyo	Daiwa Ginza	SRC B3/12F	July 1963	8,117.07	8,053.89	21	99.2	450,251
	Daiwa Ginza Annex	SRC B3/8F	Aug. 1972	2,032.11	2,032.11	7	100.0	96,425
	Daiwa Shibaura	SRC B1/12F	Oct. 1987	9,619.67	9,457.15	53	98.3	281,619
	Daiwa Sarugakucho (Note 8, 9)	SRC 8F	June 1985	–	–	–	–	(Not disclosed)
	Daiwa A Hamamatsucho	SRC B2/10F	July 1993	3,663.38	3,452.15	11	94.2	136,850
	Daiwa Jingumae	RC B1/4F	Dec. 1997	2,198.61	2,198.61	4	100.0	76,886
	Daiwa Shibadaimon	SRC/RC B1/7F	Nov. 1996	2,386.48	2,019.55	6	84.6	105,128
	Daiwa Misakicho (Note 8)	S 8F	July 1996	2,137.53	2,137.53	1	100.0	(Not disclosed)
	Daiwa Tsukijiekimae	SRC 10F	Jan. 1996	2,659.59	2,659.59	9	100.0	73,116
	Daiwa Tsukiji	SRC B1/7F	Jan. 1990	1,487.44	1,266.02	6	85.1	42,781
	Daiwa Nihonbashi Horidomecho	SRC B2/7F	Apr. 1993	2,848.91	2,848.91	6	100.0	93,584
	Daiwa Azabudai (Note 9)	SRC B2/9F	Apr. 1984	–	–	–	–	34,611
	Shinjuku Maynds Tower (Note 10)	S/SRC B3/34F	Sept. 1995	22,790.70	22,646.40	44	99.3	1,455,529
	Daiwa Kodenmacho	SRC 8F	Mar. 1985	2,379.31	2,379.31	8	100.0	72,257
	Daiwa Nishi-Shimbashi	SRC B1/10F	July 1993	4,816.37	4,816.37	10	100.0	197,465
	Daiwa Kayabacho (Note 8)	S/SRC B1/8F	Apr. 2010	5,899.11	5,899.11	1	100.0	(Not disclosed)
	Daiwa Jinbocho 3-chome	S 9F	Feb. 2010	2,889.34	2,889.34	8	100.0	124,175
	E SPACE TOWER	S/SRC B1/15F	Oct. 2002	13,960.84	13,960.84	15	100.0	824,182
	Daiwa Nihonbashi Hongokucho	S 8F	May 2010	2,143.08	2,143.08	6	100.0	80,805
	shinyon curumu	S/RC B2/11F	Jan. 2012	6,751.31	6,751.31	16	100.0	408,757
	Daiwa Akasaka	SRC B2/7F	Sept. 1990	8,752.21	8,752.21	16	100.0	402,753
	Daiwa Shibuya Miyamasuzaka (Note 11)	S B1/12F	Dec. 1988	6,328.28	6,328.28	11	100.0	334,042
	Daiwa Azabu Terrace	S/RC B1/6F	Sept. 2009	13,240.61	12,369.29	12	93.4	450,754
	Daiwa Ebisu 4-chome (Note 8)	SRC B1/9F	Dec. 1997	2,951.70	2,951.70	1	100.0	(Not disclosed)
	LAQUAS Higashi Shinjuku	S 10F	Aug. 2010	7,498.33	7,498.33	4	100.0	240,328
	Daiwa Aoyama	S/RC B1/7F	Nov. 2001	4,426.10	4,426.10	7	100.0	272,318
	Daiwa Shibuya Shinsen	RC B1/9F	Sept. 2001	2,674.97	2,674.97	6	100.0	109,058
	Daiwa Shibuya Square	S/SRC B1/11F	Feb. 2004	8,566.73	8,272.73	10	96.5	490,585
	Daiwa River Gate	S/SRC/RC B2/20F	Feb. 1994	32,042.62	31,748.47	96	99.0	1,077,384
	Daiwa Hatchobori ekimae	S/SRC B1/10F	Feb. 2006	2,622.42	2,622.42	9	100.0	99,105
	Daiwa Hatchobori ekimae West	SRC B1/9F	Feb. 1996	1,760.24	1,760.24	9	100.0	52,456
	Daiwa Nishi-Shinjuku	SRC/RC/S B2/11F	Aug. 1991	6,965.73	6,965.73	6	100.0	342,775
	Kirin Nihonbashi (Note 8)	S/SRC 7F	Feb. 1999	5,630.17	5,630.17	1	100.0	(Not disclosed)
	Daiwa Higashi-Nihonbashi	S 7F	Mar. 2008	5,015.88	5,015.88	5	100.0	185,852
	Daiwa Daikanyama (Note 8)	S 6F	Mar. 2001	1,642.83	1,642.83	1	100.0	(Not disclosed)

Region	Property name	Structure and number of floors (Note 1)	Construction completion (Note 2)	Leasable floor area (m^2) (Note 3)	Leased floor area (m^2) (Note 4)	Total number of tenants (Note 5)	Occupancy rate (%) (Note 6)	Rent revenue during current period (Thousands of yen) (Note 7)
Five Central Wards of Tokyo	Daiwa Shinjuku West	RC 4F	Mar. 1989	1,131.93	1,131.93	8	100.0	40,717
	Daiwa Kanda Mikuracho	SRC/S B1/7F	Jan. 1991	1,719.51	1,719.51	7	100.0	55,938
	Daiwa Kanda East	S 9F	Feb. 2005	3,980.56	3,980.56	5	100.0	148,105
	Daiwa Kandasudacho	S/RC B1/10F	Aug. 1990	2,211.59	2,211.59	9	100.0	81,645
	Daiwa Sasazuka Tower	SRC/RC/S B2/18F	Feb. 1993	16,151.52	16,151.52	11	100.0	539,688
	Daiwa Sasazuka	SRC/S B1/8F	Dec. 1991	3,829.40	3,829.40	8	100.0	105,623
	Daiwa Harumi	S B1/12F	Jan. 2008	11,227.13	11,227.13	12	100.0	349,235
	Daiwa Mita 2-Chome (Note 8)	S 8F	Mar. 2017	2,101.61	2,101.61	1	100.0	(Not disclosed)
	Nihonbashi Central Square (Note 12)	S 8F	Jan. 2010	1,837.05	1,837.05	9	100.0	91,289
	Daiwa Nihonbashi Bakurocho	S 10F	Nov. 2022	3,677.63	3,677.63	5	100.0	165,636
	Daiwa Kandabashi	S B1/10F	Aug. 2009	1,224.00	1,169.24	11	95.5	42,032
	Daiwa Akihabara	RC/SRC/S B1/12F	June 2024	9,385.73	9,385.73	9	100.0	442,464
	Daiwa Nihonbashi Bakurocho II	S/RC B1/11F	Apr. 2023	3,757.52	3,757.52	6	100.0	156,171
	Hamamatsucho PREX	S 11F	Jan. 2023	2,309.10	2,309.10	8	100.0	44,870
	Prime Sendagaya Building	S 8F	May 2009	6,177.74	6,177.74	7	100.0	114,427
Total for Five Central Wards of Tokyo (50 properties)				279,621.69	276,937.88	542	99.0	11,786,964
Greater Tokyo	Daiwa Higashi-Ikebukuro	SRC/S B1/9F	June 1993	4,462.28	4,462.28	7	100.0	144,872
	Daiwa Shinagawa North	SRC B1/11F	July 1991	6,546.03	6,546.03	12	100.0	190,037
	Daiwa Kamiooka	S/SRC B3/7F	May 2011	2,630.30	2,465.71	8	93.7	90,416
	Daiwa Ogikubo Tower (Note 13)	S/SRC B2/18F	June 1993	17,778.14	17,778.14	10	100.0	712,284
	Daiwa Meguro Square	S/SRC B2/14F	July 2009	3,519.50	3,402.65	18	96.6	161,218
	Daiwa Ogikubo	SRC B1/7F	Nov. 1990	3,849.63	3,849.63	12	100.0	141,501
	CONCURRED Yokohama (Note 14)	S/SRC B1/20F	Feb. 2008	28,052.98	28,052.98	37	100.0	1,110,272
	Daiwa Shinagawa Gotenyama	SRC/S 8F	July 1992	2,396.96	2,396.96	6	100.0	81,789
	Daiwa Nakano-Sakaue	SRC B1/8F	Jan. 1995	2,716.92	2,716.92	6	100.0	77,739
Total for Greater Tokyo (9 properties)				71,952.74	71,671.30	116	99.6	2,710,131
Major Regional Cities	Daiwa Kitahama	S/SRC B1/16F	Feb. 2008	13,517.62	13,517.62	8	100.0	414,499
Total for Major Regional Cities (1 property)				13,517.62	13,517.62	8	100.0	414,499
Total (60 properties)				365,092.05	362,126.80	666	99.1	14,911,595

(Note 1) "Structure and number of floors" are the entries in the real estate registry of the building of the applicable investment real estate property. "S" refers to steel-framed structure, "RC" refers to reinforced concrete structure, "SRC" refers to steel-framed reinforced concrete structure, "B" refers to floors below ground and "F" refers to floors above ground.

(Note 2) "Construction completion" is the entry in the real estate registry of the building of the applicable investment real estate property.

(Note 3) "Leasable floor area" represents the floor area of the building of the applicable property that is leasable, not including the leasable area of the land (including level parking space), and is the floor area indicated in the lease contract, etc. as of May 31, 2026.

(Note 4) "Leased floor area" is the sum total of the floor area that is actually leased based on lease agreements, etc. executed with end tenants as of May 31, 2026.

(Note 5) "Total 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 6) "Occupancy rate" is the figure arrived at when leased floor area is divided by leasable floor area, rounded down to one decimal place.
(Note 7) "Rent revenue during current period" is rent income, common area charges income, parking lot income and other income generated from the applicable investment real estate property (excluding other lease business revenue) during the 41st Fiscal Period, rounded down to the nearest thousand yen. Furthermore, the figures for "rent revenue during current period" are those based on "leasable floor area" and "leased floor area."
(Note 8) Not shown for such reasons as consent was not obtained from major tenants to disclose the rent revenue during current period for the properties.
(Note 9) The Investment Corporation divested Daiwa Sarugakucho on May 29, 2026, and Daiwa Azabudai on March 27, 2026. The reflection in each total is conducted for the number of properties and rent revenue during current period.
(Note 10) The real estate in trust pertaining to trust beneficiary interest held by the Investment Corporation is the quasi co-ownership interest corresponding to three-sevenths of the entire property. Accordingly, leasable floor area and leased floor area are the floor areas corresponding to three-sevenths of the entire building.
(Note 11) As the property has received compensation for the loss of rent from the redevelopment association since May 2024, the figures including the portion subject to compensation are indicated for "Leased floor area," "Total number of tenants" and "Occupancy rate." The same applies hereinafter.
(Note 12) The real estate in trust pertaining to trust beneficiary interest held by the Investment Corporation is the compartmentalized ownership building. Of the rent revenue, the Investment Corporation's ownership ratio of revenue from the master lease business (rent income, etc.) is 183,715/301,220, based on the agreement, etc. among the compartmentalized co-owners of the property. Leasable floor area and leased floor area are figures corresponding to 183,715/301,220 of the area subject to the business while total number of tenants and occupancy rate are figures for the entirety of the area subject to the business.
(Note 13) The buildings consist of three registrations. Of these, the details of the major building are shown here.
(Note 14) The trust beneficiary interest in real estate held by the Investment Corporation is the quasi co-ownership interest corresponding to 75% of the entire property. Accordingly, leasable floor area and leased floor area are the floor areas corresponding to 75% of the entire building.

C. Capital Expenditures for Assets Under Management

a. 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	Estimated construction cost (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	–	–

b. 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

c. Reserve Amount for Long-Term Repair Plans (Reserve for Repairs)

The Investment Corporation sets aside the following reserve for repairs from cash flows during the fiscal period for the payment of future major repairs.

(Unit: Millions of yen)

Fiscal period	37th Fiscal Period [From: Dec. 1, 2023 To: May 31, 2024]	38th Fiscal Period [From: June 1, 2024 To: Nov. 30, 2024]	39th Fiscal Period [From: Dec. 1, 2024 To: May 31, 2025]	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]	41st Fiscal Period [From: Dec. 1, 2025 To: May 31, 2026]
Balance of reserve at beginning of current period	1,919	1,666	1,288	1,392	2,120
Amount of reserve in current period	781	1,055	965	1,441	1,548
Reversal of reserve in current period	1,035	1,433	861	712	2,204
Amount carried forward to next period	1,666	1,288	1,392	2,120	1,465

D. Summary of Estimated Price at End of Period (As of May 31, 2026)

Property name	Estimated price at end of period (Millions of yen) (Note 1)	Summary of Appraisal Report				
		Direct capitalization method		DCF method		
		Price (Millions of yen)	Cap rate (%)	Price (Millions of yen)	Discount rate (%)	Terminal cap rate (%)
Daiwa Ginza	15,100	15,100	3.6	15,100	3.1	3.8
Daiwa Ginza Annex	3,120	3,150	3.6	3,090	3.1	3.8
Daiwa Shibaura	9,320	9,270	3.7	9,340	3.5	3.9
Daiwa A Hamamatsucho (Note 2)	3,990	4,050	3.5	3,960	3.3	3.7
Daiwa Jingumae	3,320	3,360	3.5	3,270	3.3	3.7
Daiwa Shibadaimon	4,140	4,220	3.4	4,100	3.2	3.6
Daiwa Misakicho	2,960	2,990	3.7	2,940	3.5	3.9
Daiwa Tsukijiekimae (Note 3)	2,450	2,510	3.9	2,430	3.9	4.1
Daiwa Tsukiji	1,640	1,680	3.8	1,620	3.8	4.0
Daiwa Nihonbashi Horidomecho	3,130	3,170	3.8	3,090	3.6	4.0
Shinjuku Maynds Tower (Note 4)	70,700	167,000	2.8	163,000	2.6	3.0
Daiwa Kodenmacho	2,260	2,300	4.0	2,210	3.8	4.2
Daiwa Nishi-Shimbashi	7,620	7,710	3.3	7,580	3.1	3.5
Daiwa Kayabacho	8,650	8,820	3.1	8,570	2.9	3.3
Daiwa Jinbocho 3-chome	5,530	5,640	3.1	5,480	2.9	3.3
E SPACE TOWER	40,300	40,800	2.8	39,800	2.6	2.9
Daiwa Nihonbashi Hongokucho	2,960	2,970	3.7	2,960	3.5	3.9
shinyon curumu	17,600	17,900	3.0	17,400	2.8	3.2
Daiwa Akasaka	17,400	17,700	3.0	17,300	2.8	3.2
Daiwa Shibuya Miyamasuzaka	13,100	13,300	3.1	12,800	2.9	3.2
Daiwa Azabu Terrace	18,700	18,800	3.3	18,500	3.1	3.4
Daiwa Ebisu 4-chome	6,810	6,840	3.4	6,790	3.5	3.6
LAQUAS Higashi Shinjuku	12,100	12,000	3.1	12,200	2.9	3.3
Daiwa Aoyama	13,600	13,800	3.0	13,500	2.8	3.2
Daiwa Shibuya Shinsen	6,760	6,900	3.1	6,700	2.9	3.3
Daiwa Shibuya Square	24,100	24,100	3.1	24,000	2.9	3.2
Daiwa River Gate	38,300	38,600	3.4	38,000	3.2	3.5
Daiwa Hatchobori ekimae	3,490	3,550	3.3	3,460	3.1	3.5
Daiwa Hatchobori ekimae West	2,160	2,190	3.4	2,140	3.2	3.6
Daiwa Nishi-Shinjuku	16,600	16,900	3.1	16,500	2.9	3.3
Kirin Nihonbashi	10,600	10,600	3.6	10,500	3.4	3.7
Daiwa Higashi-Nihonbashi	7,540	7,660	3.6	7,490	3.4	3.8
Daiwa Daikanyama (Note 5)	3,510	3,610	3.1	3,470	3.1	3.3
Daiwa Shinjuku West	1,360	1,370	3.6	1,350	3.4	3.8

Property name	Estimated price at end of period (Millions of yen) (Note 1)	Summary of Appraisal Report				
		Direct capitalization method		DCF method		
		Price (Millions of yen)	Cap rate (%)	Price (Millions of yen)	Discount rate (%)	Terminal cap rate (%)
Daiwa Kanda Mikuracho	1,970	2,010	3.7	1,950	3.7	3.9
Daiwa Kanda East	6,010	6,070	3.2	5,950	3.0	3.3
Daiwa Kandasudacho	3,220	3,300	3.5	3,180	3.5	3.7
Daiwa Sasazuka Tower	15,300	15,200	3.7	15,400	3.5	3.9
Daiwa Sasazuka	3,540	3,520	3.8	3,550	3.6	4.0
Daiwa Harumi	12,000	12,000	3.5	11,900	3.5	3.7
Daiwa Mita 2-Chome	4,270	4,310	3.5	4,230	3.3	3.6
Nihonbashi Central Square (Note 2)	3,990	4,180	3.3	3,910	3.1	3.5
Daiwa Nihonbashi Bakurocho	7,040	7,180	3.4	6,900	3.2	3.6
Daiwa Kandabashi	2,170	2,230	3.2	2,150	3.0	3.4
Daiwa Akihabara	20,600	21,000	3.3	20,200	3.1	3.5
Daiwa Nihonbashi Bakurocho II (Note 2)	6,910	6,970	3.4	6,840	3.1	3.5
Hamamatsucho PREX	7,310	7,410	3.4	7,270	3.1	3.5
Prime Sendagaya Building	20,600	21,200	3.3	20,300	3.1	3.5
Daiwa Higashi-Ikebukuro	4,290	4,310	3.9	4,280	3.7	4.1
Daiwa Shinagawa North	6,780	6,930	4.0	6,630	3.8	4.2
Daiwa Kamiooka	2,950	2,970	4.3	2,940	4.1	4.5
Daiwa Ogikubo Tower	23,300	23,400	3.5	23,200	3.3	3.7
Daiwa Meguro Square	7,390	7,570	3.3	7,310	3.1	3.5
Daiwa Ogikubo	5,240	5,240	3.7	5,240	3.5	3.9
CONCURRED Yokohama (Note 2)	42,200	43,000	4.0	41,900	3.8	4.2
Daiwa Shinagawa Gotenyama	2,880	2,890	3.8	2,870	3.6	4.0
Daiwa Nakano-Sakaue	2,320	2,350	3.8	2,300	3.6	4.0
Daiwa Kitahama	14,800	15,100	3.5	14,700	3.3	3.7
Total	628,000	730,900	–	715,740	–	–

(Note 1) "Estimated price at end of period" is the price as of May 31, 2026, stated in appraisal reports prepared by real estate appraisers of Tanizawa Sogo Appraisal Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd., JLL Morii Valuation & Advisory K.K. and Japan Real Estate Institute in accordance with the articles of incorporation of the Investment Corporation and the rules of Investment Management Association of Japan.

(Note 2) For the property, the prices are those pertaining to the Investment Corporation's ownership interest.

(Note 3) For the property, the discount rate is the figure after the second fiscal year (3.8% for the first fiscal year).

(Note 4) For the property, the estimated price at end of period is the price pertaining to the Investment Corporation's ownership interest, and the price indicated by the direct capitalization method and price indicated by the DCF method are the prices pertaining to the entire property.

(Note 5) For the property, the discount rate is the figure for the eleventh fiscal year (3.2% up to the tenth fiscal year).