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REIT Financial Report for the 40th Fiscal Period

January 22, 2026

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

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 Scheduled date of start of distribution payments: February 13, 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 40th Fiscal Period

40th Fiscal Period: Fiscal period ended November 2025 (from June 1, 2025 to November 30, 2025)

(1) Management Status

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

	Operating revenue		Operating income		Ordinary income		Net income	
40th Period	¥16,056 million	5.6%	¥8,593 million	8.5%	¥7,497 million	7.9%	¥7,496 million	7.9%
39th Period	¥15,208 million	(0.0%)	¥7,921 million	(0.6%)	¥6,950 million	(3.0%)	¥6,949 million	(3.0%)

	Net income per unit	Net income to unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenue
40th Period	¥7,996	3.1%	1.5%	46.7%
39th Period	¥7,348	2.8%	1.4%	45.7%

(Note) Net income per unit is calculated using the following average number of investment units during the period.
 40th Fiscal Period: 937,471 units; 39th Fiscal Period: 945,736 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
40th Period	¥8,020	¥7,496 million	¥-	¥- million	100.0%	3.1%
39th Period	¥6,920	¥6,526 million	¥-	¥- million	93.9%	2.7%

(Note) 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
 Distribution amount per unit for the 39th Fiscal Period is calculated by dividing the entire amount remaining after deducting provision of reserve for reduction entry (¥422 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 39th 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
40th Period	¥488,321 million	¥242,491 million	49.7%	¥259,419
39th Period	¥491,803 million	¥244,417 million	49.7%	¥259,148

(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
40th Period	¥12,325 million	(¥4,904 million)	(¥11,025 million)	¥33,035 million
39th Period	¥11,993 million	(¥1,159 million)	(¥7,498 million)	¥36,639 million

2. Management Status Forecasts for the 41st Fiscal Period and Management Status Forecasts for the 42nd Fiscal Period

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

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

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

	Operating revenue		Operating income		Ordinary income		Net income	
41st Period	¥15,672 million	(2.4%)	¥8,410 million	(2.1%)	¥7,173 million	(4.3%)	¥7,172 million	(4.3%)
42nd Period	¥15,131 million	(3.5%)	¥7,818 million	(7.0%)	¥6,441 million	(10.2%)	¥6,440 million	(10.2%)

	Distribution amount per unit (excluding distribution amount in excess of earnings)	Distribution amount in excess of earnings per unit
41st Period	¥7,250	¥-
42nd Period	¥7,070	¥-

(Reference) Estimated net income per unit for the 41st Fiscal Period: ¥7,672; 42nd Fiscal Period: ¥6,890

(Note) The distribution amount per unit for the 41st Fiscal Period is calculated based on the assumption that the amount after deducting the amount of provision of reserve for reduction entry (¥395 million) from unappropriated retained earnings will be distributed. Provision of reserve for reduction entry may change depending on management status.

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 (¥168 million) to unappropriated retained earnings will be distributed. Reversal of reserve for reduction entry may change depending on management status.

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):

40th Period: 934,745 units	39th Period: 943,155 units
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- (ii) Total number of own units at end of period:

40th Period: - units	39th Period: - units
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(Note) Please refer to “Notes to Per Unit Information” on page 29 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 41st Fiscal Period and 42nd 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 464,354 million yen (excluding silent partnership equity interest) as of the last day of November 2025.

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 m² 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 July to September 2025 decrease by 0.6% quarter on quarter, registering negative growth for the first time in six quarters. In addition to weak domestic demand, such as a sharp decline in housing investments, downturn in capital investments and a decrease in public investments, external demand also decreased by 0.2% due to a decrease in automobile exports to the U.S. affected by the high tariff policy by the U.S. Trump administration as well as a drop in inbound consumption. The main reason was the decline in growth rate caused by such factors.

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 2.44% as of the end of November 2025 (Miki Shoji’s average vacancy rate for the five central wards of Tokyo). Against the backdrop of strong corporate performance, demand for office relocation to expand business and secure human resources remains steady, and rent levels also continue to be on an upward trend due to a decline vacancy rate.

On the other hand, in the office building transaction market, the demand from domestic and overseas investors to invest in office buildings remains strong against the backdrop of declining vacancy rates and rising rents. 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 “silent partnership equity interest in Godo Kaisha Shinjuku Maynds Tower” (acquisition price: 3,746 million yen (49.1% of total investment amount in silent partnership)) whose main investment asset is trust beneficiary interest with co-ownership interest equivalent to one-seventh of domestic real estate (Shinjuku Maynds Tower) as the trust asset in July 2025.

In addition, as for “Daiwa Tsukishima,” which was decided to be divested over three fiscal periods (the 38th Fiscal Period (ended November 2024), the 39th Fiscal Period (ended May 2025) and the 40th Fiscal Period (ended November 2025)) in July 2024, a divestment of 30% quasi co-ownership interest pertaining to trust beneficiary interest was conducted in November 2025. As for “Daiwa Sarugakucho,” it was decided that divestment of the property would occur over two fiscal periods (the 40th Fiscal Period (ended November 2025) and the 41st Fiscal Period (ending May 2026)), and 50% quasi co-ownership interest pertaining to trust beneficiary interest was conducted in November 2025. As a result, the Investment Corporation’s assets under management as of the end of the 40th Fiscal Period (November 30, 2025) totaled 58 properties (total acquisition price: 464,354 million yen (excluding silent partnership equity interest)) and a silent partnership equity interest (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 40th Fiscal Period (November 30, 2025) was 98.9%.

C. Overview of Capital Procurement

a. Procurement of Capital for Repayment of Borrowings

In the 40th Fiscal Period, the Investment Corporation conducted the following borrowing activities to fund the repayment of borrowings.

- (i) The Investment Corporation took out a loan of 1,500 million yen from Kansai Mirai Bank, Limited on August 29, 2025, 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 totaling 5,500 million yen from Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited and The Yamaguchi Bank, Ltd. on November 28, 2025, to fund the repayment of the same amount borrowed from the same three banks due for repayment on the same day.

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 40th Fiscal Period (November 30, 2025) stood at 217,950 million yen in total (long-term loans payable: 210,450 million yen; investment corporation bonds: 7,500 million yen). The balance of the current portion of long-term loans payable stood at 22,400 million yen.

The average remaining period of interest-bearing liabilities as of the end of the 40th Fiscal Period stands at 4.1 years.

List of Borrowings in the 40th Fiscal Period

Lender	Loan amount (Millions of yen)	Drawdown date	Repayment date	Loan period (Years)
Kansai Mirai Bank, Limited	750	August 29, 2025	August 31, 2034	9.0
Kansai Mirai Bank, Limited	750	August 29, 2025	August 31, 2032	7.0
The Yamaguchi Bank, Ltd.	500	November 28, 2025	November 30, 2035	10.0
Sumitomo Mitsui Banking Corporation	1,000	November 28, 2025	May 31, 2034	8.5
Sumitomo Mitsui Banking Corporation	1,000	November 28, 2025	May 31, 2033	7.5
Sumitomo Mitsui Trust Bank, Limited	1,500	November 28, 2025	November 28, 2031	6.0
Sumitomo Mitsui Trust Bank, Limited	1,500	November 28, 2025	November 29, 2030	5.0

Balance of Borrowings from Each Financial Institution (As of November 30, 2025)

Lender	End of the 40th Fiscal Period (Millions of yen)	Share (%) (Note)
Sumitomo Mitsui Banking Corporation	45,600	21.67
Sumitomo Mitsui Trust Bank, Limited	26,950	12.81
Development Bank of Japan Inc.	21,750	10.33
Mizuho Bank, Ltd.	19,400	9.22
MUFG Bank, Ltd.	19,000	9.03
SBI Shinsei Bank, Limited	15,950	7.58
Resona Bank, Limited	12,500	5.94
Mizuho Trust & Banking Co., Ltd.	9,500	4.51
The Bank of Fukuoka, Ltd.	6,500	3.09
Kansai Mirai Bank, Limited	5,000	2.38
The Nishi-Nippon City Bank Ltd.	3,000	1.43
The 77 Bank, Ltd.	3,000	1.43
The Norinchukin Bank	3,000	1.43
Mitsubishi UFJ Trust and Banking Corporation (Trust account)	3,000	1.43
The Gunma Bank, Ltd.	2,500	1.19
The Musashino Bank, Ltd.	2,000	0.95
Tokio Marine & Nichido Fire Insurance Co., Ltd.	2,000	0.95
The Yamaguchi Bank, Ltd.	2,000	0.95
Nippon Life Insurance Company	1,300	0.62
The Hyakugo Bank, Ltd.	1,000	0.48
The Yamanashi Chuo Bank, Ltd.	1,000	0.48
Momiji Bank, Ltd.	1,000	0.48
The Yamagata Bank, Ltd.	1,000	0.48
Daishi Hokuetsu Bank, Ltd.	1,000	0.48
Aozora Bank, Ltd	1,000	0.48
Taiyo Life Insurance Company	300	0.14
Fukoku Mutual Life Insurance Company	200	0.10
Total	210,450	100.00

(Note) Share is rounded to two decimal places.

c. Rating Information

(As of November 30, 2025)

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 believe that contributing to a decarbonized society is a social mission. Based on the TCFD recommendations, the Investment Corporation identify and analyze 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 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 CO₂ 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.

As initiatives for society, efforts are being made to heighten tenant satisfaction levels and contribute to the sustained development of local communities by coordinating and working together with the outside parties involved in the portfolio properties when holding local events, etc. by forming favorable relationships with them. Initiatives are also taken to support pediatric medical care through the installation of donation vending machines at portfolio properties, donations to non-profit organizations and other organizations engaged in child abuse prevention activities, and to support people with disabilities through art displayed at the management companies.

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 November 30, 2025, the total number of properties owned by the Investment Corporation that have obtained environmental certification (Note 2) is 35 properties and the percentage of such properties within the entire portfolio (based on total floor area of the portfolio properties) is 67.0%.

(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 40th Fiscal Period of 16,056 million yen in operating revenue, 8,593 million yen in operating income, 7,497 million yen in ordinary income and 7,496 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”). Accordingly, the Investment Corporation decided to distribute the entire amount of unappropriated retained earnings (excluding fractions of the distribution amount per unit that are less than 1 yen), and declared a distribution amount per unit of 8,020 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, including distribution of rice coupons. On the other hand, attention should continue to be paid to downside risks of overseas economies, such as the trend of the U.S.-China conflict and the impact of President Trump's government policies, while the impact of the fluctuations in crude oil prices, exchange rates and interest rates in the financial market, as well as the real estate recession in China and prolonged monetary tightening in the U.S., situations in the Middle East and Ukraine, fluctuations in the financial and capital markets and other factors should be monitored.

In the central Tokyo office building leasing market, demand for office relocation to expand business and secure human resources remains steady against the backdrop of strong corporate performance. Rent levels also continue to be on an upward trend due to a declining vacancy rate. However, the impact of the U.S. trade policies and fluctuations in the financial and capital markets on office demand from companies warrant close monitoring.

In the office building transaction market, the appetite among domestic and overseas investors to invest in office buildings is expected to remain against the backdrop of declining vacancy rates and rising rents. However, we will need to monitor how the market develops alongside changes in the socioeconomic situation as well as domestic and overseas fiscal policies.

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 company 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 m² or more based on various external growth strategies, while maintaining a balance with the asset acquisition environment and financing situation. In principle, considerations will focus on Tokyo as the investment target area, but 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 40th Fiscal Period, the Investment Corporation acquired "silent partnership equity interest in Godo Kaisha Shinjuku Maynds Tower" (acquisition price: 3,746 million yen (49.1% of total investment amount in silent partnership)) whose main investment asset is trust beneficiary interest with co-ownership interest equivalent to one-seventh of domestic real estate (Shinjuku Maynds Tower) as the trust asset. We believe 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

Not applicable.

(Reference Information)

Divestment of assets

The Investment Corporation concluded a sale agreement for the following trust beneficiary interest in real estate on October 10, 2025.

Overview of Asset to Be Divested

Asset name	Daiwa Sarugakucho	
Type of asset	Trust beneficiary interest in domestic real estate	
(Scheduled) sale price	5,100 million yen (excluding settlement of fixed property tax, city planning tax, consumption tax, etc.)	
	(1) 2,550 million yen (50% quasi co-ownership interest)	(2) 2,550 million yen (50% quasi co-ownership interest)
Date of conclusion of sale agreement	October 10, 2025	
(Scheduled) delivery date (Note 1)	(1) November 28, 2025	(2) May 29, 2026
Purchaser (Note 2)	Not disclosed	

(Note 1) (1) was divested as of November 28, 2025.

(Note 2) The purchaser is a domestic corporation, but since consent for disclosure has not been obtained from the purchaser, it is not disclosed.

D. Outlook for Management Status

The Investment Corporation forecasts the following management status for the 41st Fiscal Period (fiscal period ending May 2026 (from December 1, 2025 to May 31, 2026)). For the assumptions underlying the management status forecasts, please refer to the “Assumptions for the Management Status Forecasts for the 41st Fiscal Period and 42nd Fiscal Period” on page 9.

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

Operating revenue	15,672 million yen
Operating income	8,410 million yen
Ordinary income	7,173 million yen
Net income	7,172 million yen
Distribution amount per unit	7,250 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 41st Fiscal Period and 42nd Fiscal Period” will remain unchanged, 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)).

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

Operating revenue	15,131 million yen
Operating income	7,818 million yen
Ordinary income	6,441 million yen
Net income	6,440 million yen
Distribution amount per unit	7,070 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 41st Fiscal Period and 42nd Fiscal Period

Item	Assumptions
Assets under management	<ul style="list-style-type: none"> • 41st Fiscal Period: As for the 58 properties owned as of November 30, 2025, the divestment of remaining quasi co-ownership interest (50%) in Daiwa Sarugakucho (divestment completion scheduled for May 29, 2026) is assumed and will reduce the number of properties owned to 57. • 42nd 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	<ul style="list-style-type: none"> • Rent revenue from existing properties is calculated based on historical data and taking into account variable factors. • Gain on sale of real estate properties from the divestment of quasi co-ownership interest (50%) in Daiwa Sarugakucho and dividend income are expected to be 852 million yen and 97 million yen, respectively in the 41st Fiscal Period. • Dividend income is expected to be 66 million yen in the 42nd Fiscal Period.
Operating expenses	<ul style="list-style-type: none"> • 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 on sale from real estate properties and dividend income) after deducting expenses related to rent business (including depreciation) is expected to be 8,939 million yen in the 41st Fiscal Period and 9,215 million yen in the 42nd Fiscal Period. • Consignment expenses are expected to be 1,054 million yen in the 41st Fiscal Period and 1,002 million yen in the 42nd Fiscal Period. • Taxes and dues (fixed property tax, city planning tax, etc.) are expected to be 1,294 million yen in the 41st Fiscal Period and 1,291 million yen in the 42nd 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 1,894 million yen in the 41st Fiscal Period and 1,920 million yen in the 42nd Fiscal Period.
Non-operating expenses	<ul style="list-style-type: none"> • Non-operating expenses in the 41st Fiscal Period are expected to be 1,237million yen, of which the interest expenses, interest expenses on investment corporation bonds, and borrowing related expenses are expected to be 1,228 million yen. • Non-operating expenses in the 42nd Fiscal Period are expected to be 1,377 million yen, of which the interest expenses, interest expenses on investment corporation bonds, and borrowing related expenses are expected to be 1,368 million yen.
Interest-bearing liabilities	<ul style="list-style-type: none"> • The total amount of interest-bearing liabilities is assumed to be 217,950 million yen at the end of the 41st Fiscal Period and 217,950 million yen at the end of the 42nd Fiscal Period. • For the 41st Fiscal Period, it is assumed that the entire amount of borrowings due for repayment on February 27, 2026 (5,000 million yen), March 31, 2026 (3,000 million yen), and May 29, 2026 (5,700 million yen), will be refinanced. • 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.
Total number of investment units issued and outstanding	<ul style="list-style-type: none"> • The total number of investment units issued and outstanding is assumed to be 934,745 units as of November 30, 2025. • It is assumed that there are no changes to the number of investment units other than stated above until the end of the 42nd Fiscal Period through the issuance of new investment units, etc.

Item	Assumptions
Distribution amount per unit	<ul style="list-style-type: none"> • 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 41st Fiscal Period, it is assumed that part of the gain on sale of quasi co-ownership interest (50%) in “Daiwa Sarugakucho” which is expected to occur during the period will be retained as internal reserves with the application of the system of “Special Provisions for Taxation in Cases of Replacement of Specified Assets” and that the amount after deducting provision of reserve for reduction entry (395 million yen) from unappropriated retained earnings will be distributed. Provision of reserve for reduction entry may change depending on management status. In addition, operating income (loss) from property leasing and related expenses for the replacement asset assumed to be acquired are not included in the forecast figures, and if the acquisition of the replacement asset has not been decided by the time of announcement of financial results, the entire amount of gain on sale will be allocated to distributions. • 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. Furthermore, operating income (loss) from property leasing and related expenses for the replacement asset assumed to be acquired as described above are not included in the forecast figures. • 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	<ul style="list-style-type: none"> • At present, there is no plan to make any distribution in excess of earnings (distribution amount in excess of earnings per unit).
Other	<ul style="list-style-type: none"> • It is assumed that there are no changes to laws and ordinances, the tax system, accounting standards, the rules of Tokyo Stock Exchange, Inc. and the regulations of The Investment Trusts Association, 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 August 20, 2025).

2. Financial Statements

2.1. Balance Sheets

(Unit: Thousands of yen)

	39th Fiscal Period [As of May 31, 2025]		40th Fiscal Period [As of November 30, 2025]	
Assets				
Current assets				
Cash and deposits	32,706,917		28,975,304	
Cash and deposits in trust	3,932,923		4,060,680	
Operating accounts receivable	98,876		105,061	
Income taxes receivable	190		7,591	
Prepaid expenses	435,221		450,794	
Other	98,541		85,572	
Total current assets	37,272,671		33,685,003	
Noncurrent assets				
Property, plant and equipment				
Buildings	3,662,328		3,666,006	
Accumulated depreciation	(3,067,647)		(3,107,447)	
Buildings, net	594,681		558,558	
Structures	14,344		14,344	
Accumulated depreciation	(11,787)		(12,142)	
Structures, net	2,557		2,201	
Tools, furniture and fixtures	23,002		23,492	
Accumulated depreciation	(21,219)		(21,458)	
Tools, furniture and fixtures, net	1,782		2,033	
Land	12,302,226		12,302,226	
Construction in progress	705		557	
Buildings in trust	118,135,683		117,937,330	
Accumulated depreciation	(39,460,451)		(40,219,116)	
Buildings in trust, net	*1, *2	78,675,231	*1, *2	77,718,214
Structures in trust	826,791		809,589	
Accumulated depreciation	(288,098)		(291,295)	
Structures in trust, net	*2	538,692	*2	518,293
Machinery and equipment in trust	1,358,173		1,463,560	
Accumulated depreciation	(749,297)		(803,668)	
Machinery and equipment in trust, net	608,875		659,892	
Tools, furniture and fixtures in trust	550,542		582,399	
Accumulated depreciation	(342,509)		(362,173)	
Tools, furniture and fixtures in trust, net	208,032		220,225	
Land in trust	*2	356,550,775	*2	353,794,001
Construction in progress in trust	37,588		49,547	
Total property, plant and equipment	449,521,148		445,825,752	
Intangible assets				
Leasehold rights	2,398,275		2,398,275	
Leasehold rights in trust	306,884		306,884	
Other	12,938		10,701	
Total intangible assets	2,718,098		2,715,862	

(Unit: Thousands of yen)

	39th Fiscal Period [As of May 31, 2025]	40th Fiscal Period [As of November 30, 2025]
Investments and other assets		
Investment securities	-	3,765,163
Leasehold and guarantee deposits in trust	113,684	113,684
Long-term prepaid expenses	1,339,200	1,218,628
Derivatives	672,262	831,427
Other	123,157	127,183
Total investments and other assets	2,248,305	6,056,086
Total noncurrent assets	454,487,553	454,597,701
Deferred assets		
Investment corporation bonds issuance costs	43,650	39,219
Total deferred assets	43,650	39,219
Total assets	491,803,875	488,321,924
Liabilities		
Current liabilities		
Operating accounts payable	1,188,561	1,338,194
Current portion of investment corporation bonds	1,500,000	-
Current portion of long-term loans payable	20,700,000	22,400,000
Accounts payable – other	610,380	696,032
Income taxes payable	687	707
Accrued consumption taxes	641,748	361,581
Advances received	2,419,129	2,451,769
Other	805,677	664,063
Total current liabilities	27,866,184	27,912,348
Noncurrent liabilities		
Investment corporation bonds	7,500,000	7,500,000
Long-term loans payable	189,750,000	188,050,000
Tenant leasehold and security deposits	20,033,446	20,069,382
Tenant leasehold and security deposits in trust	2,003,010	2,015,027
Deferred tax liabilities	233,776	283,743
Total noncurrent liabilities	219,520,234	217,918,153
Total liabilities	247,386,418	245,830,502
Net Assets		
Unitholders' equity		
Unitholders' capital	251,551,759	251,551,759
Deduction from unitholders' capital	*4 (17,457,533)	*4 (20,457,273)
Unitholders' capital, net	234,094,225	231,094,485
Surplus		
Voluntary retained earnings		
Reserve for reduction entry	2,883,163	3,306,059
Total voluntary retained earnings	2,883,163	3,306,059
Unappropriated retained earnings (undisposed loss)	6,949,528	7,496,795
Total surplus	9,832,691	10,802,855
Total unitholders' equity	243,926,917	241,897,340
Valuation and translation adjustments		
Deferred gains or losses on hedges	490,539	594,081
Total valuation and translation adjustments	490,539	594,081
Total net assets	*5 244,417,457	*5 242,491,422
Total liabilities and net assets	491,803,875	488,321,924

2.2. Statements of Income

(Unit: Thousands of yen)

	39th Fiscal Period [From: Dec. 1, 2024 To: May 31, 2025]		40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]	
Operating revenue				
Rent revenue – real estate	*1	14,256,117	*1	14,758,113
Other lease business revenue	*1	24,219	*1	39,321
Gain on sale of real estate properties	*2	928,121	*2	1,225,786
Dividend income		-		33,292
Total operating revenue		15,208,458		16,056,513
Operating expenses				
Expenses related to rent business	*1	5,853,434	*1	5,982,630
Asset management fees		1,187,157		1,238,292
Asset custody fees		24,504		24,400
Administrative service fees		73,901		73,771
Trust fees		18,596		19,176
Directors' compensation		7,200		7,200
Other operating expenses		122,018		117,475
Total operating expenses		7,286,812		7,462,947
Operating income		7,921,645		8,593,566
Non-operating income				
Interest income		3,168		7,854
Reversal of distribution payable		681		457
Insurance income		28,564		14,924
Miscellaneous income		144		0
Total non-operating income		32,559		23,237
Non-operating expenses				
Interest expenses		801,030		914,299
Interest expenses on investment corporation bonds		34,417		33,818
Borrowing expenses		156,070		157,999
Other		12,276		12,943
Total non-operating expenses		1,003,794		1,119,061
Ordinary income		6,950,410		7,497,742
Income before income taxes		6,950,410		7,497,742
Income taxes – current		881		950
Income taxes-deferred		-		(3)
Total income taxes		881		946
Net income		6,949,528		7,496,795
Retained earnings brought forward		-		-
Unappropriated retained earnings (undisposed loss)		6,949,528		7,496,795

2.3. Statements of Unitholders' Equity

39th Fiscal Period [From: December 1, 2024 To: May 31, 2025]

(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	(16,457,533)	235,094,225	2,268,733	2,268,733	7,163,787	9,432,520
Changes of items during the period							
Provision of reserve for reduction entry				614,429	614,429	(614,429)	-
Dividends from surplus						(6,549,357)	(6,549,357)
Net income						6,949,528	6,949,528
Acquisition of own investment units							
Cancellation of own investment units		(999,999)	(999,999)				
Net changes of items other than unitholders' equity							
Total changes of items during the period	-	(999,999)	(999,999)	614,429	614,429	(214,258)	400,170
Balance at end 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

	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	-	244,526,746	441,753	441,753	244,968,500
Changes of items during the period					
Provision of reserve for reduction entry		-			-
Dividends from surplus		(6,549,357)			(6,549,357)
Net income		6,949,528			6,949,528
Acquisition of own investment units	(999,999)	(999,999)			(999,999)
Cancellation of own investment units	999,999	-			-
Net changes of items other than unitholders' equity			48,785	48,785	48,785
Total changes of items during the period	-	(599,828)	48,785	48,785	(551,042)
Balance at end of current fiscal period	-	243,926,917	490,539	490,539	244,417,457

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

(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	(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

2.4. Statements of Cash Distributions

Item	39th Fiscal Period [From: Dec. 1, 2024 To: May 31, 2025]	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]
	Amount (Yen)	Amount (Yen)
I. Unappropriated retained earnings	6,949,528,787	7,496,795,760
II. Distribution amount [Distribution amount per unit]	6,526,632,600 (6,920)	7,496,654,900 (8,020)
III. Voluntary retained earnings Provision of reserve for reduction entry	422,896,187	–
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 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 6,526,632,600 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 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.

2.5. Statements of Cash Flows

(Unit: Thousands of yen)

	39th Fiscal Period [From: Dec. 1, 2024 To: May 31, 2025]	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]
Cash flows from operating activities		
Income before income taxes	6,950,410	7,497,742
Depreciation	1,888,521	1,882,442
Amortization of investment corporation bonds issuance costs	4,939	4,431
Interest income	(3,168)	(7,854)
Interest expenses	835,447	948,118
(Increase) decrease in operating accounts receivable	11,728	(6,184)
(Increase) decrease in income taxes receivable	-	(7,401)
(Increase) decrease in consumption taxes receivable	131,361	-
(Increase) decrease in prepaid expenses	(7,868)	(15,573)
Increase (decrease) in operating accounts payable	344,502	(191,274)
Increase (decrease) in accounts payable – other	(55,459)	85,652
Increase (decrease) in accrued consumption taxes	531,612	(280,167)
Increase (decrease) in advances received	104,677	32,640
(Increase) decrease in long-term prepaid expenses	33,751	120,572
Decrease from sale of property, plant and equipment in trust	1,860,052	3,329,848
Other	195,259	(131,449)
Subtotal	12,825,769	13,261,543
Interest income received	3,168	7,854
Interest expenses paid	(834,617)	(943,099)
Income taxes paid	(1,240)	(929)
Net cash provided by (used in) operating activities	11,993,080	12,325,369
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,973)	(14,368)
Purchase of property, plant and equipment in trust	(1,163,782)	(1,172,111)
Purchase of intangible assets	-	(315)
Purchase of investment securities	-	(3,765,163)
Proceeds from tenant security deposits	779,732	605,823
Proceeds from tenant security deposits in trust	19,440	28,642
Repayments of tenant security deposits	(781,821)	(569,887)
Repayments of tenant security deposits in trust	(10,493)	(16,625)
Net cash provided by (used in) investing activities	(1,159,897)	(4,904,006)
Cash flows from financing activities		
Proceeds from long-term loans payable	16,050,000	7,000,000
Repayments of long-term loans payable	(16,000,000)	(7,000,000)
Redemption of investment corporation bonds	-	(1,500,000)
Purchase of own investment units	(999,999)	(2,999,740)
Dividends paid	(6,548,970)	(6,525,479)
Net cash provided by (used in) financing activities	(7,498,970)	(11,025,219)
Net increase (decrease) in cash and cash equivalents	3,334,212	(3,603,856)
Cash and cash equivalents at beginning of period	33,305,628	36,639,841
Cash and cash equivalents at end of period	*1 36,639,841	*1 33,035,984

2.6. Notes to the Going Concern
Not applicable.

2.7. Notes to Significant Accounting Policies

1. Evaluation criteria and method for assets	<p>Securities</p> <p>Other securities</p> <p>Shares without market price, etc. Moving-average cost method is adopted.</p> <p>Silent partnership equity interest</p> <p>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.</p>								
2. Accumulated depreciation method for noncurrent assets	<p>(1) Property, plant and equipment (including trust assets)</p> <p>The straight-line method is adopted.</p> <p>The useful life of primary property, plant and equipment is as follows:</p> <table data-bbox="662 622 1125 763"> <tr> <td>Buildings</td> <td>5~64 years</td> </tr> <tr> <td>Structures</td> <td>10~56 years</td> </tr> <tr> <td>Machinery and equipment</td> <td>10~23 years</td> </tr> <tr> <td>Tools, furniture and fixtures</td> <td>3~15 years</td> </tr> </table> <p>(2) Intangible assets</p> <p>The straight-line method is adopted.</p> <p>(3) Long-term prepaid expenses</p> <p>The straight-line method is adopted.</p>	Buildings	5~64 years	Structures	10~56 years	Machinery and equipment	10~23 years	Tools, furniture and fixtures	3~15 years
Buildings	5~64 years								
Structures	10~56 years								
Machinery and equipment	10~23 years								
Tools, furniture and fixtures	3~15 years								
3. Accounting policies for deferred assets	<p>Investment corporation bonds issuance costs</p> <p>Amortized using the straight-line method over the period up to redemption.</p>								
4. Accounting standards for recording revenues and expenses	<p>(1) Accounting for fixed property tax, etc.</p> <p>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.</p> <p>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.</p> <p>(2) Accounting Standard for Revenue</p> <p>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:</p> <p>(i) Sale of real estate properties</p> <p>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.</p> <p>(ii) Utilities income</p> <p>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.</p>								

<p>5. Hedge accounting approach</p>	<p>(1) Hedge accounting approach Deferral hedge accounting is adopted. Special accounting is adopted for interest rate swaps that meet the requirements for special accounting.</p> <p>(2) Hedging instruments and hedged items Hedging instruments: Interest rate swap transaction Hedged items: Interest on loans</p> <p>(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.</p> <p>(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.</p>
<p>6. Scope of funds in the statements of cash flows</p>	<p>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.</p>
<p>7. Other significant matters forming basis for preparation of financial statements</p>	<p>(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.</p> <ul style="list-style-type: none"> (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 <p>(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.</p>

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.

	39th Fiscal Period [As of May 31, 2025]	40th Fiscal Period [As of November 30, 2025]
Buildings in trust	77,363 thousand yen	77,363 thousand yen

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

	39th Fiscal Period [As of May 31, 2025]	40th Fiscal Period [As of November 30, 2025]
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 current period.

	39th Fiscal Period [As of May 31, 2025]	40th Fiscal Period [As of November 30, 2025]
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

	39th Fiscal Period [As of May 31, 2025]	40th Fiscal Period [As of November 30, 2025]
Total number of units cancelled	32,972 units	41,382 units
Total amount cancelled	17,457,533 thousand yen	20,457,273 thousand yen

(Note) The number of units cancelled during the 40th Fiscal Period was 8,410 units, and the total amount cancelled was 2,999,740 thousand yen.

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

	39th Fiscal Period [As of May 31, 2025]	40th Fiscal Period [As of November 30, 2025]
	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)

	39th Fiscal Period [From: Dec. 1, 2024 To: May 31, 2025]	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]
A. Property leasing revenue		
Rent revenue – real estate	14,256,117	14,758,113
Other lease business revenue	24,219	39,321
Total property leasing revenue	14,280,336	14,797,434
B. Property leasing expenses		
Consignment expenses	1,136,386	1,071,455
Utilities expenses	1,097,372	1,203,012
Taxes and dues	1,248,953	1,311,186
Non-life insurance expenses	26,921	30,406
Repair expenses	380,351	408,409
Depreciation	1,886,001	1,879,890
Other lease business expenses	77,447	78,268
Total property leasing expenses	5,853,434	5,982,630
C. Operating income (loss) from property leasing [A – B]	8,426,901	8,814,804

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

39th Fiscal Period [From: December 1, 2024 To: May 31, 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		1,860,052
Other sale costs		151,825
Gain on sale of real estate properties		928,121

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

[Notes to Statements of Unitholders' Equity]

	39th Fiscal Period [From: Dec. 1, 2024 To: May 31, 2025]	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]
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	943,155 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)

	39th Fiscal Period [From: Dec. 1, 2024 To: May 31, 2025]	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]
Cash and deposits	32,706,917	28,975,304
Cash and deposits in trust	3,932,923	4,060,680
Cash and cash equivalents	36,639,841	33,035,984

[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” and “Cash and deposits in trust” are settled 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.

39th Fiscal Period [As of May 31, 2025]

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Current portion of investment corporation bonds	1,500,000	1,497,450	(2,550)
(2) Current portion of long-term loans payable	20,700,000	20,658,752	(41,247)
(3) Investment corporation bonds	7,500,000	7,160,780	(339,220)
(4) Long-term loans payable	189,750,000	188,442,339	(1,307,660)
Total liabilities	219,450,000	217,759,322	(1,690,677)
Derivative transactions (*)	724,329	724,329	–

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

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(2) Current portion of long-term loans payable	22,400,000	22,359,232	(40,767)
(3) Investment corporation bonds	7,500,000	7,090,780	(409,220)
(4) 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	–

(*) 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 investment corporation bonds; (3) Investment corporation bonds

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

(2) Current portion of long-term loans payable; (4) 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.)

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 nil in the 39th Fiscal Period and 3,765,163,000 yen in the 40th Fiscal Period.

(Note 3) Amount of redemption of current portion of investment corporation bonds, 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

39th Fiscal Period [As of May 31, 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 investment corporation bonds	1,500,000	–	–	–	–	–
Current portion of long-term loans payable	20,700,000	–	–	–	–	–
Investment corporation bonds	–	–	–	–	2,200,000	5,300,000
Long-term loans payable	–	20,200,000	33,100,000	22,150,000	36,000,000	78,300,000
Total	22,200,000	20,200,000	33,100,000	22,150,000	38,200,000	83,600,000

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

[Notes to Derivative Transactions]

(1) Transactions for which hedge accounting is not applied
39th Fiscal Period [As of May 31, 2025]
Not applicable.

40th Fiscal Period [As of November 30, 2025]
Not applicable.

(2) Transactions for which hedge accounting is applied
39th Fiscal Period [As of May 31, 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	53,200,000	39,200,000	724,329	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	26,000,000	(*)	–
Total			81,200,000	65,200,000	724,329	–

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	—

(*) 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 “Notes to Financial Instruments (2) Matters Concerning Fair Value, etc. of Financial Instruments (Note 1) Liabilities (2) (4).”)

[Notes to Transactions with Related Parties]

(1) Transactions with related parties

① Parent company and major corporate unitholders, etc.

39th Fiscal Period [From: December 1, 2024 To: May 31, 2025]

Not applicable.

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

Not applicable.

② Affiliated companies, etc.

39th Fiscal Period [From: December 1, 2024 To: May 31, 2025]

Not applicable.

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

Not applicable.

③ Sister companies, etc.

39th Fiscal Period [From: December 1, 2024 To: May 31, 2025]

Not applicable.

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

Not applicable.

④ Officers and major individual unitholders, etc.

39th Fiscal Period [From: December 1, 2024 To: May 31, 2025]

Not applicable.

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

Not applicable.

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

39th Fiscal Period [From: December 1, 2024 To: May 31, 2025]

Parent company's information

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

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.)

[Notes to Revenue Recognition]

Breakdown information on revenue from contracts with customers

39th Fiscal Period [From: December 1, 2024 To: May 31, 2025]

(Unit: Thousands of yen)

	Revenue from contracts with customers (Note 1)	Sales to external customers
Sale of real estate properties (Note 2)	2,940,000	928,121
Utilities income	1,000,667	1,000,667
Other	–	13,279,669
Total	3,940,667	15,208,458

(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).

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).

[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)

	39th Fiscal Period [From: Dec. 1, 2024 To: May 31, 2025]	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]
Carrying amount		
Balance at beginning of period	454,835,435	452,188,015
Amount of increase (decrease) during period	(2,647,420)	(3,707,207)
Balance at end of period	452,188,015	448,480,807
Fair value at end of period	600,210,000	598,220,000

(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 39th Fiscal Period, the amount of decrease is mainly attributable to the divestment (30% quasi co-ownership interest) in Daiwa Tsukishima (1,860 million yen) and depreciation (1,886 million yen). The amount of decrease during the 40th Fiscal Period is mainly attributable to the divestment (30% quasi co-ownership interest) in Daiwa Tsukishima and divestment (50% quasi co-ownership interest) in Daiwa Sarugakucho (3,329 million yen) and depreciation (1,879 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

39th Fiscal Period [From: December 1, 2024 To: May 31, 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.

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.

[Notes to Per Unit Information]

	39th Fiscal Period [From: Dec. 1, 2024 To: May 31, 2025]	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]
Net assets per unit	259,148 yen	259,419 yen
Net income per unit	7,348 yen	7,996 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.

	39th Fiscal Period [From: Dec. 1, 2024 To: May 31, 2025]	40th Fiscal Period [From: June 1, 2025 To: Nov. 30, 2025]
Net income (Thousands of yen)	6,949,528	7,496,795
Amounts not attributable to common unitholders (Thousands of yen)	–	–
Net income attributable to common investment units (Thousands of yen)	6,949,528	7,496,795
Average number of investment units during the period (Units)	945,736	937,471

[Notes to Significant Subsequent Events]

Not applicable.

[Additional Information]

Divestment of assets

The Investment Corporation concluded a sale agreement for the following trust beneficiary interest in real estate on October 10, 2025.

Overview of Asset to Be Divested

Asset name	Daiwa Sarugakucho	
Type of asset	Trust beneficiary interest in domestic real estate	
(Scheduled) sale price	5,100 million yen (excluding settlement of fixed property tax, city planning tax, consumption tax, etc.)	
	(1) 2,550 million yen (50% quasi co-ownership interest)	(2) 2,550 million yen (50% quasi co-ownership interest)
Date of conclusion of sale agreement	October 10, 2025	
(Scheduled) delivery date (Note 1)	(1) November 28, 2025	(2) May 29, 2026
Purchaser (Note 2)	Not disclosed	

(Note 1) (1) was divested as of November 28, 2025.

(Note 2) The purchaser is a domestic corporation, but since consent has not been obtained from the purchaser, it is not disclosed.

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 40th 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, 2021	Cancellation	(3,789)	488,088	(2,782)	245,093	(Note 2)
May 31, 2022	Cancellation	(5,559)	482,529	(3,999)	241,093	(Note 3)
November 30, 2022	Cancellation	(4,271)	478,258	(2,999)	238,093	(Note 4)
June 1, 2024	Split	478,258	956,516	–	238,093	(Note 5)
November 29, 2024	Cancellation	(10,077)	946,439	(2,999)	235,094	(Note 6)
May 30, 2025	Cancellation	(3,284)	943,155	(999)	234,094	(Note 7)
November 28, 2025	Cancellation	(8,410)	934,745	(2,999)	231,094	(Note 8)

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

(Note 2) In the period from February 24, 2021 to May 14, 2021, 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 (3,789 units) on May 31, 2021, based on the resolution at its board of directors' meeting held on May 26, 2021.

(Note 3) 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 4) 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 5) 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 6) 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 7) 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 8) 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	40th Fiscal Period (As of November 30, 2025)	
			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)	15,263	3.1
Trust beneficiary interest in real estate	Office	Five Central Wards of Tokyo (Note 3)	346,188	70.9
		Greater Tokyo (Note 4)	78,350	16.0
		Major Regional Cities (Note 5)	8,678	1.8
Subtotal			448,480	91.8
Investment securities (Note 6)			3,765	0.8
Deposits and other assets			36,075	7.4
Total amount of assets (Note 7)			488,321	100.0
			(448,480)	(91.8)

(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	–	–	3,765,163	–	3,765,163	0.8	(Note 3)
Total	–	–	–	3,765,163	–	3,765,163	0.8	–

(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 November 30, 2025)

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	12,535	15,100	3.0
	Daiwa Ginza Annex		3,050	2,727	3,180	0.7
	Daiwa Shibaura		8,265	7,992	9,310	1.8
	Daiwa Sarugakucho (Note 5)		1,595	1,486	2,060	0.3
	Daiwa A Hamamatsucho (Note 6)		2,865	2,600	3,850	0.6
	Daiwa Jingumae		2,800	2,605	3,290	0.6
	Daiwa Shibadaimon		2,578	2,285	4,150	0.6
	Daiwa Misakicho		2,346	2,050	3,030	0.5
	Daiwa Tsukijiekimae		1,560	1,195	2,420	0.3
	Daiwa Tsukiji		1,240	1,119	1,640	0.3
	Daiwa Nihonbashi Horidomecho		2,520	2,290	3,060	0.5
	Daiwa Azabudai		1,600	1,487	1,890	0.3
	Shinjuku Maynds Tower (Note 6)		66,900	62,102	70,700	14.4
	Daiwa Kodenmacho		2,460	2,388	2,290	0.5
	Daiwa Nishi-Shimbashi	5,000	4,371	7,620	1.1	
	Daiwa Kayabacho	5,600	4,932	8,800	1.2	
	Daiwa Jinbocho 3-chome	3,550	3,099	5,530	0.8	
	E SPACE TOWER	24,000	23,022	40,000	5.2	
	Daiwa Nihonbashi Hongokucho	1,721	1,408	2,900	0.4	
	shinyon curumu	9,650	9,261	17,600	2.1	
	Daiwa Akasaka	9,200	9,882	17,300	2.0	
	Daiwa Shibuya Miyamasuzaka	7,000	7,054	13,100	1.5	
	Daiwa Azabu Terrace	14,000	13,460	18,700	3.0	
	Daiwa Ebisu 4-chome	4,135	4,099	6,810	0.9	
	LAQUAS Higashi Shinjuku	8,450	8,137	11,700	1.8	
	Daiwa Aoyama	9,800	9,831	12,900	2.1	
	Daiwa Shibuya Shinsen	4,800	4,907	6,740	1.0	
	Daiwa Shibuya Square	16,000	15,808	23,700	3.4	
	Daiwa River Gate	28,000	27,486	36,500	6.0	
	Daiwa Hatchobori ekimae	2,871	2,941	3,470	0.6	
	Daiwa Hatchobori ekimae West	1,647	1,677	2,150	0.4	
	Daiwa Nishi-Shinjuku	13,710	14,065	17,100	3.0	
	Kirin Nihonbashi	8,180	8,175	8,380	1.8	
	Daiwa Higashi-Nihonbashi	6,370	6,073	7,560	1.4	
	Daiwa Daikanyama	2,280	2,322	3,710	0.5	
	Daiwa Shinjuku West	942	970	1,360	0.2	
	Daiwa Kanda Mikuracho	1,592	1,587	2,030	0.3	
	Daiwa Kanda East	4,200	4,261	5,940	0.9	
	Daiwa Kandasudacho	2,295	2,399	3,230	0.5	
	Daiwa Sasazuka Tower	15,500	16,069	15,300	3.3	
	Daiwa Sasazuka	3,000	3,233	3,510	0.6	
	Daiwa Harumi	11,200	10,978	12,000	2.4	
	Daiwa Mita 2-Chome	2,635	1,531	4,250	0.6	
	Nihonbashi Central Square (Note 6)	3,521	3,552	3,830	0.8	
	Daiwa Nihonbashi Bakurocho	5,733	5,614	6,990	1.2	
	Daiwa Kandabashi	1,970	2,029	2,170	0.4	
	Daiwa Akihabara	15,503	15,809	20,800	3.3	
	Daiwa Nihonbashi Bakurocho II (Note 6)	6,300	6,524	6,760	1.4	
Total for Five Central Wards of Tokyo (48 properties)			374,235	361,451	486,410	80.6

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	2,417	4,290	0.6
	Daiwa Shinagawa North		7,710	6,879	6,700	1.7
	Daiwa Kamiooka		2,000	1,671	2,950	0.4
	Daiwa Ogikubo Tower		15,220	15,402	23,300	3.3
	Daiwa Meguro Square		5,600	5,244	7,310	1.2
	Daiwa Ogikubo		3,800	3,990	5,110	0.8
	CONCURRED Yokohama (Note 6)		38,100	37,196	42,200	8.2
	Daiwa Shinagawa Gotenyama		2,500	2,627	2,880	0.5
	Daiwa Nakano-Sakaue		2,750	2,921	2,270	0.6
Total for Greater Tokyo (9 properties)			80,638	78,350	97,010	17.4
Major Regional Cities	Daiwa Kitahama	Trust beneficiary interest in real estate	9,481	8,678	14,800	2.0
Total for Major Regional Cities (1 property)			9,481	8,678	14,800	2.0
Total (58 properties)			464,354	448,480	598,220	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 November 30, 2025.

(Note 3) "Estimated price at end of period" is the price as of November 30, 2025, 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 The Investment Trusts Association, 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) The Investment Corporation divested 50% quasi co-ownership interest in Daiwa Sarugakucho on November 28, 2025, and holds 50% quasi co-ownership interest pertaining to trust beneficiary interest in real estate as of the end of the 40th Fiscal Period. As such, the figures for Daiwa Sarugakucho are those pertaining to the Investment Corporation's ownership interest as of the end of the 40th Fiscal Period. The same applies hereinafter.

(Note 6) For Daiwa A Hamamatsucho, Shinjuku Maynds Tower, Nihonbashi Central Square, Daiwa Nihonbashi Bakurocho II, and CONCURRED Yokohama, 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	451,747
	Daiwa Ginza Annex	SRC B3/8F	Aug. 1972	2,032.11	2,032.11	7	100.0	97,506
	Daiwa Shibaura	SRC B1/12F	Oct. 1987	9,619.67	9,505.34	55	98.8	258,061
	Daiwa Sarugakucho (Note 8, 9)	SRC 8F	June 1985	1,828.71	1,828.71	2	100.0	(Not disclosed)
	Daiwa A Hamamatsucho	SRC B2/10F	July 1993	3,663.38	3,452.15	11	94.2	135,973
	Daiwa Jingumae	RC B1/4F	Dec. 1997	2,198.61	2,198.61	4	100.0	86,840
	Daiwa Shibadaimon	SRC/RC B1/7F	Nov. 1996	2,386.48	2,386.48	7	100.0	93,828
	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	67,337
	Daiwa Tsukiji	SRC B1/7F	Jan. 1990	1,487.44	1,487.44	7	100.0	50,386
	Daiwa Tsukishima (Note 10)	S 5F	July 1996	—	—	—	—	31,487
	Daiwa Nihonbashi Horidomecho	SRC B2/7F	Apr. 1993	2,848.91	2,848.91	6	100.0	92,899
	Daiwa Azabudai	SRC B2/9F	Apr. 1984	1,697.88	1,578.68	11	92.9	52,128
	Shinjuku Maynds Tower (Note 11)	S/SRC B3/34F	Sept. 1995	22,790.70	22,787.42	45	99.9	1,451,103
	Daiwa Kodenmacho	SRC 8F	Mar. 1985	2,379.31	2,379.31	8	100.0	59,175
	Daiwa Nishi-Shimbashi	SRC B1/10F	July 1993	4,816.37	4,816.37	10	100.0	196,446
	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	118,847
	E SPACE TOWER	S/SRC B1/15F	Oct. 2002	13,960.84	13,960.84	15	100.0	851,660
	Daiwa Nihonbashi Hongokucho	S 8F	May 2010	2,143.08	2,143.08	6	100.0	77,540
	shinyon curumu	S/RC B2/11F	Jan. 2012	6,751.31	6,751.31	16	100.0	416,733
	Daiwa Akasaka	SRC B2/7F	Sept. 1990	8,752.21	8,464.88	16	96.7	373,560
	Daiwa Shibuya Miyamasuzaka (Note 12)	S B1/12F	Dec. 1988	6,328.28	6,328.28	12	100.0	342,303
	Daiwa Azabu Terrace	S/RC B1/6F	Sept. 2009	13,240.61	12,369.29	12	93.4	422,178
	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	240,243
	Daiwa Aoyama	S/RC B1/7F	Nov. 2001	4,426.10	4,426.10	7	100.0	268,261
	Daiwa Shibuya Shinsen	RC B1/9F	Sept. 2001	2,674.97	2,674.97	6	100.0	74,907
	Daiwa Shibuya Square	S/SRC B1/11F	Feb. 2004	8,566.73	8,566.73	10	100.0	459,322
	Daiwa River Gate	S/SRC/RC B2/20F	Feb. 1994	32,042.62	31,674.10	95	98.8	1,033,062
	Daiwa Hatchobori ekimae	S/SRC B1/10F	Feb. 2006	2,622.42	2,622.42	10	100.0	95,583
	Daiwa Hatchobori ekimae West	SRC B1/9F	Feb. 1996	1,748.71	1,548.16	8	88.5	45,510
Daiwa Nishi-Shinjuku	SRC/RC/S B2/11F	Aug. 1991	6,965.73	6,307.60	5	90.5	347,633	
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	184,576	

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 Daikanyama (Note 8)	S 6F	Mar. 2001	1,642.83	1,642.83	1	100.0	(Not disclosed)
	Daiwa Shinjuku West	RC 4F	Mar. 1989	1,131.93	1,131.93	8	100.0	40,689
	Daiwa Kanda Mikuracho	SRC/S B1/7F	Jan. 1991	1,719.51	1,719.51	7	100.0	55,054
	Daiwa Kanda East	S 9F	Feb. 2005	3,980.56	3,980.56	5	100.0	148,619
	Daiwa Kandasudacho	S/RC B1/10F	Aug. 1990	2,211.59	1,971.59	8	89.1	74,293
	Daiwa Sasazuka Tower	SRC/RC/S B2/18F	Feb. 1993	16,151.52	16,151.52	11	100.0	527,922
	Daiwa Sasazuka	SRC/S B1/8F	Dec. 1991	3,828.95	3,828.95	9	100.0	104,390
	Daiwa Harumi	S B1/12F	Jan. 2008	11,227.13	11,227.13	12	100.0	359,974
	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 13)	S 8F	Jan. 2010	1,837.05	1,837.05	9	100.0	93,804
	Daiwa Nihonbashi Bakurocho	S 10F	Nov. 2022	3,677.63	3,677.63	5	100.0	162,686
	Daiwa Kandabashi	S B1/10F	Aug. 2009	1,224.00	1,097.30	11	89.6	43,294
	Daiwa Akihabara	RC/SRC/S B1/12F	June 2024	9,385.73	9,385.73	9	100.0	443,241
	Daiwa Nihonbashi Bakurocho II	S/RC B1/11F	Apr. 2023	3,757.52	3,757.52	6	100.0	157,701
Total for Five Central Wards of Tokyo (49 properties)				274,649.46	271,385.69	544	98.8	11,603,085
Greater Tokyo	Daiwa Higashi-Ikebukuro	SRC/S B1/9F	June 1993	4,462.28	4,462.28	7	100.0	140,304
	Daiwa Shinagawa North	SRC B1/11F	July 1991	6,546.03	6,235.34	11	95.2	194,571
	Daiwa Kamiooka	S/SRC B3/7F	May 2011	2,630.30	2,630.30	9	100.0	96,124
	Daiwa Ogikubo Tower (Note 14)	S/SRC B2/18F	June 1993	17,778.14	17,778.14	10	100.0	709,978
	Daiwa Meguro Square	S/SRC B2/14F	July 2009	3,519.50	3,519.50	19	100.0	164,380
	Daiwa Ogikubo	SRC B1/7F	Nov. 1990	3,849.63	3,849.63	12	100.0	141,609
	CONCURRED Yokohama (Note 15)	S/SRC B1/20F	Feb. 2008	28,052.98	27,882.33	36	99.3	1,121,262
	Daiwa Shinagawa Gotenyama	SRC/S 8F	July 1992	2,396.96	2,396.96	6	100.0	81,755
	Daiwa Nakano-Sakaue	SRC B1/8F	Jan. 1995	2,716.92	2,716.92	6	100.0	77,721
Total for Greater Tokyo (9 properties)				71,952.74	71,471.40	116	99.3	2,727,707
Major Regional Cities	Daiwa Kitahama	S/SRC B1/16F	Feb. 2008	13,517.62	13,517.62	8	100.0	427,320
Total for Major Regional Cities (1 property)				13,517.62	13,517.62	8	100.0	427,320
Total (59 properties)				360,119.82	356,374.71	668	98.9	14,758,113

(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 November 30, 2025.

(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 November 30, 2025.

(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 40th 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 trust beneficiary interest in real estate held by the Investment Corporation is the quasi co-ownership interest corresponding to 50% of the entire property. Accordingly, leasable floor area and leased floor area are the floor areas corresponding to 50% of the entire building.
- (Note 10) The property was divested on November 28, 2025. The reflection in each total is conducted for the number of properties and rent revenue during current period.
- (Note 11) 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 12) 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 13) 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 14) The buildings consist of three registrations. Of these, the details of the major building are shown here.
- (Note 15) 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
Daiwa Higashi-Ikebukuro (Toshima-ku, Tokyo)	Upgrading of air-conditioning equipment	From: Dec. 2025 To: May 2026	186	–	–
Daiwa Ogikubo Tower (Suginami-ku, Tokyo)	Upgrading of elevators	From: Dec. 2025 To: May 2026	170	–	–
Daiwa River Gate (Chuo-ku, Tokyo)	Repair of rooftop outdoor air handling unit	From: Dec. 2025 To: May 2026	166	–	–
Daiwa River Gate (Chuo-ku, Tokyo)	Repair of exterior walls	From: Dec. 2025 To: May 2026	97	–	–
Kirin Nihonbashi (Chuo-ku, Tokyo)	Renovation of common area	From: Dec. 2025 To: May 2026	94	–	–

b. Capital Expenditures During the 40th Fiscal Period

The following summarizes the primary construction work that constitutes capital expenditures implemented during the 40th Fiscal Period for existing portfolio properties. Capital expenditures for the 40th Fiscal Period amounted to 1,500 million yen and, when combined with the 408 million yen in repair expenses charged to the 40th Fiscal Period expenses, totals 1,909 million yen in construction work implemented.

Name of real estate properties (Location)	Purpose	Period	Construction amount paid (Millions of yen)
Daiwa Nishi-Shinjuku (Shinjuku-ku, Tokyo)	Upgrading of elevators	From: Jun. 2025 To: Nov. 2025	194
Daiwa Akasaka (Minato-ku, Tokyo)	Repair of exterior walls	From: Jun. 2025 To: Jul. 2025	172
CONCURRED Yokohama (Yokohama-shi, Kanagawa)	Upgrading of air-conditioning equipment	From: Jun. 2025 To: Nov. 2025	171
Other			962
Total			1,500

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	36th Fiscal Period [From: June 1, 2023 To: Nov. 30, 2023]	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]
Balance of reserve at beginning of current period	1,623	1,919	1,666	1,288	1,392
Amount of reserve in current period	1,336	781	1,055	965	1,441
Reversal of reserve in current period	1,041	1,035	1,433	861	712
Amount carried forward to next period	1,919	1,666	1,288	1,392	2,120

D. Summary of Estimated Price at End of Period (As of November 30, 2025)

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	15,000	3.6	15,200	3.1	3.8
Daiwa Ginza Annex	3,180	3,190	3.6	3,160	3.1	3.8
Daiwa Shibaura	9,310	9,270	3.7	9,330	3.5	3.9
Daiwa Sarugakucho (Note 2)	2,060	4,360	3.8	4,020	3.6	4.0
Daiwa A Hamamatsucho (Note 3)	3,850	3,900	3.5	3,830	3.3	3.7
Daiwa Jingumae	3,290	3,320	3.5	3,260	3.3	3.7
Daiwa Shibadaimon	4,150	4,230	3.3	4,110	3.1	3.5
Daiwa Misakicho	3,030	3,080	3.6	3,010	3.4	3.8
Daiwa Tsukijiekimae (Note 4)	2,420	2,440	3.9	2,410	3.9	4.1
Daiwa Tsukiji	1,640	1,650	3.8	1,640	3.8	4.0
Daiwa Nihonbashi Horidomecho	3,060	3,120	3.8	3,000	3.6	4.0
Daiwa Azabudai	1,890	1,930	3.8	1,850	3.6	4.0
Shinjuku Maynds Tower (Note 2)	70,700	168,000	2.8	162,000	2.6	3.0
Daiwa Kodenmacho	2,290	2,330	4.0	2,250	3.8	4.2
Daiwa Nishi-Shimbashi	7,620	7,720	3.3	7,580	3.1	3.5
Daiwa Kayabacho	8,800	8,960	3.1	8,730	2.9	3.3
Daiwa Jinbocho 3-chome	5,530	5,630	3.1	5,480	2.9	3.3
E SPACE TOWER	40,000	40,500	2.8	39,500	2.6	2.9
Daiwa Nihonbashi Hongokucho	2,900	2,920	3.7	2,890	3.5	3.9
shinyon curumu	17,600	17,900	3.0	17,400	2.8	3.2
Daiwa Akasaka	17,300	17,600	3.0	17,200	2.8	3.2
Daiwa Shibuya Miyamasuzaka	13,100	13,300	3.1	12,800	2.9	3.2
Daiwa Azabu Terrace	18,700	18,900	3.3	18,500	3.1	3.4
Daiwa Ebisu 4-chome	6,810	6,820	3.4	6,800	3.5	3.6
LAQUAS Higashi Shinjuku	11,700	12,100	3.1	11,500	2.9	3.3
Daiwa Aoyama	12,900	13,200	3.0	12,800	2.8	3.2
Daiwa Shibuya Shinsen	6,740	6,890	3.1	6,680	2.9	3.3
Daiwa Shibuya Square	23,700	23,600	3.1	23,700	2.9	3.2
Daiwa River Gate	36,500	36,800	3.4	36,200	3.2	3.5
Daiwa Hatchobori ekimae	3,470	3,550	3.3	3,440	3.1	3.5
Daiwa Hatchobori ekimae West	2,150	2,190	3.4	2,130	3.2	3.6
Daiwa Nishi-Shinjuku	17,100	17,500	3.1	16,900	2.9	3.3
Kirin Nihonbashi	8,380	8,470	3.5	8,290	3.3	3.6
Daiwa Higashi-Nihonbashi	7,560	7,690	3.6	7,500	3.4	3.8
Daiwa Daikanyama (Note 5)	3,710	3,730	3.0	3,700	3.0	3.2
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	2,030	2,020	3.6	2,030	3.6	3.8
Daiwa Kanda East	5,940	5,990	3.2	5,880	3.0	3.3
Daiwa Kandasudacho	3,230	3,190	3.5	3,240	3.5	3.7
Daiwa Sasazuka Tower	15,300	15,200	3.7	15,300	3.5	3.9
Daiwa Sasazuka	3,510	3,530	3.8	3,500	3.6	4.0
Daiwa Harumi	12,000	12,000	3.5	11,900	3.5	3.7
Daiwa Mita 2-Chome	4,250	4,300	3.5	4,200	3.3	3.6
Nihonbashi Central Square (Note 3)	3,830	4,000	3.3	3,750	3.1	3.5
Daiwa Nihonbashi Bakurocho	6,990	7,100	3.4	6,880	3.2	3.6
Daiwa Kandabashi	2,170	2,230	3.2	2,140	3.0	3.4
Daiwa Akihabara	20,800	21,200	3.3	20,400	3.1	3.5
Daiwa Nihonbashi Bakurocho II (Note 3)	6,760	6,800	3.4	6,720	3.1	3.5
Daiwa Higashi-Ikebukuro	4,290	4,310	3.9	4,280	3.7	4.1
Daiwa Shinagawa North	6,700	6,820	4.0	6,570	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	7,310	7,480	3.3	7,230	3.1	3.5
Daiwa Ogikubo	5,110	5,120	3.7	5,110	3.5	3.9
CONCURRED Yokohama (Note 3)	42,200	43,000	4.0	41,800	3.8	4.2
Daiwa Shinagawa Gotenyama	2,880	2,890	3.8	2,870	3.6	4.0
Daiwa Nakano-Sakaue	2,270	2,280	3.9	2,260	3.6	4.1
Daiwa Kitahama	14,800	15,100	3.5	14,700	3.3	3.7
Total	598,220	704,090	–	687,040	–	–

(Note 1) “Estimated price at end of period” is the price as of November 30, 2025, 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 The Investment Trusts Association, Japan.

(Note 2) For Daiwa Sarugakucho and Shinjuku Maynds Tower, 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 3) For Daiwa A Hamamatsucho, Nihonbashi Central Square, Daiwa Nihonbashi Bakurocho II, and CONCURRED Yokohama, the prices are those pertaining to the Investment Corporation’s ownership interest.

(Note 4) Discount rate for Daiwa Tsukijiekimae is the figure after the third fiscal year (3.8% for the first to the second fiscal year).

(Note 5) Discount rate for Daiwa Daikanyama is the figure for the eleventh fiscal year (3.1% up to the tenth fiscal year).

E. Status of Income (Loss), Etc. of Individual Properties

Since it is disclosed on the Investment Corporation’s website, the description has been omitted from this time.