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REIT Financial Report for the 29th Fiscal Period

July 17, 2020

Name of REIT Issuer:	Daiwa Office Investment Corporation	Stock Exchange Listing: TSE
Stock Code No.:	8976	URL: http://www.daiwa-office.co.jp
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Scheduled date of submission of periodic securities report (<i>yuka shoken hokokusho</i>):	August 20, 2020
Scheduled date of start of distribution payments:	August 14, 2020

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 29th Fiscal Period

29th Fiscal Period: Fiscal period ended May 2020 (from December 1, 2019 to May 31, 2020)

(1) Management

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

	Operating revenue		Operating income		Ordinary income		Net income	
29th Period	¥14,272 million	1.3%	¥7,312 million	2.8%	¥6,688 million	3.5%	¥6,687 million	3.5%
28th Period	¥14,094 million	1.9%	¥7,114 million	1.9%	¥6,463 million	2.3%	¥6,462 million	2.3%

	Net income per unit	Net income to unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenue
29th Period	¥13,595	2.6%	1.4%	46.9%
28th Period	¥13,139	2.5%	1.3%	45.9%

(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
29th Period	¥13,595	¥6,687 million	¥0	¥- million	100.0%	2.6%
28th Period	¥13,139	¥6,462 million	¥0	¥- million	100.0%	2.5%

(3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
29th Period	¥487,212 million	¥255,127 million	52.4%	¥518,681
28th Period	¥486,030 million	¥254,892 million	52.4%	¥518,203

(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
29th Period	¥12,819 million	(¥6,388 million)	(¥6,461 million)	¥31,349 million
28th Period	¥7,243 million	¥196 million	(¥6,202 million)	¥31,380 million

This translation of the original Japanese financial report (*kessan tanshin*) is provided solely for information purposes. Should there be any discrepancy between this translation and the Japanese original, the latter shall prevail.

2. Management Status Forecasts for the 30th Fiscal Period and 31st Fiscal Period

30th Fiscal Period: Fiscal period ending November 2020 (from June 1, 2020 to November 30, 2020)

31st Fiscal Period: Fiscal period ending May 2021 (from December 1, 2020 to May 31, 2021)

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

	Operating revenue		Operating income		Ordinary income		Net income	
30th Period	¥14,421 million	1.0%	¥7,363 million	0.7%	¥6,740 million	0.8%	¥6,738 million	0.8%
31st Period	¥14,040 million	(2.6%)	¥7,350 million	(0.2%)	¥6,740 million	0.0%	¥6,738 million	0.0%

	Distribution amount per unit (excluding distribution amount in excess of earnings)	Distribution amount in excess of earnings per unit
30th Period	¥13,700	¥0
31st Period	¥13,700	¥0

(Reference) Estimated net income per unit for the 30th Fiscal Period: ¥13,700; 31st Fiscal Period: ¥13,700

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 treasury units):
 29th Fiscal Period: 491,877 units 28th Fiscal Period: 491,877 units
- (ii) Total number of treasury units at end of period:
 29th Fiscal Period: – units 28th Fiscal Period: – units

(Note) Please refer to “Notes to Per Unit Information” on page 24 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 and distribution amount per unit may vary due to changes in the status. In addition, the forecast is not a guarantee of the distribution amount. For details on the assumptions underlying the forecast figures above, please refer to “Assumptions for the Management Status Forecasts for the 30th Fiscal Period and 31st Fiscal Period” on page 8.

○ Table of Contents	
1. Management Status	4
1.1. Management Status.....	4
1.1.1. Overview of the Fiscal Period under Review	4
1.1.2. Outlook for the Next Fiscal Period.....	6
1.2. Investment Risks.....	8
2. Financial Statements	9
2.1. Balance Sheets	9
2.2. Statements of Income.....	11
2.3. Statements of Unitholders' Equity.....	12
2.4. Statements of Cash Distributions.....	14
2.5. Statements of Cash Flows.....	15
2.6. Notes to the Going Concern.....	16
2.7. Notes to Significant Accounting Policies	16
2.8. Notes to Financial Statements.....	17
2.9. Increase (Decrease) in Number of Investment Units Issued and Outstanding.....	25
3. Reference Information.....	26
3.1. Investment Status.....	26
3.2. Investment Real Estate Properties (As of May 31, 2020).....	27
3.2.1. Price and Investment Ratio of Investment Real Estate Properties	27
3.2.2. Summary of Building and Leasing of Investment Real Estate	29
3.2.3. Capital Expenditures for Assets under Management	31
3.2.4. Summary of Estimated Price at End of Period (As of May 31, 2020).....	33
3.2.5. Status of Income (Loss), etc. of Individual Properties	35

1. Management Status

1.1. Management Status

1.1.1. Overview of the Fiscal Period under Review

A. Brief History of the Investment Corporation

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 463,183 million yen as of the last day of May 2020.

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 January to March 2020 at an annual rate of -2.2%, showing negative growth for the second consecutive quarter under the ongoing quantitative/qualitative monetary easing policy of the Bank of Japan.

In the office building leasing market in central Tokyo, the vacancy rate took a turn after peaking in June 2013, dropping to 1.64% at the end of May 2020. Led by improvement in the vacancy rate for existing large buildings, the overall vacancy rate that includes small- to medium-sized buildings also continues to be on an improving trend. The drop in the vacancy rate has led to an increase in office rent in some areas, and the market as a whole continues to see increase in rent albeit slight. Although there has been no material impact of COVID-19, future development should be watched carefully.

For the office building transaction market, a strong appetite for property acquisitions continued among real estate companies, funds (including J-REITs) and overseas investors with the continuing proactive lending attitude by financial institutions.

b. Management Performance

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 “Daiwa Nakano-Sakaue” (acquisition price: 2,750 million yen) in December 2019; and acquired “Nihonbashi Central Square” (acquisition price: 3,521 million yen) and divested “Daiwa Jimbocho” (sale price: 4,000 million yen) in May 2020. As a result, the Investment Corporation’s assets under management as of the end of the 29th Fiscal Period (May 31, 2020) totaled 60 properties, the sum total of acquisition prices of which amounted to 463,183 million yen.

Concerning internal growth, while the office leasing market remained strong, 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 29th Fiscal Period (May 31, 2020) was 99.5%.

C. Overview of Capital Procurement

a. Capital for Repayment of Borrowings

In the 29th Fiscal Period, the Investment Corporation made the following borrowings to fund the repayment of borrowings.

- (i) The Investment Corporation took out loans of 5,000 million yen in total from Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Ltd., MUFG Bank, Ltd. and Mizuho Bank, Ltd. on January 31, 2020, to fund the repayment of 5,000 million yen in total borrowed from the same banks for the same amount that was due for repayment on the same day.
- (ii) The Investment Corporation took out loans of 5,500 million yen in total from Resona Bank, Ltd., Sumitomo Mitsui Trust Bank, Ltd., The Norinchukin Bank and The 77 Bank, Ltd. on February 28, 2020, to fund the repayment of 5,500 million yen in total borrowed from Resona Bank, Ltd., Sumitomo Mitsui Trust Bank, Ltd. and Aozora Bank, Ltd. that was due for repayment on the same day.

(iii) The Investment Corporation took out loans of 6,000 million yen in total from Sumitomo Mitsui Trust Bank, Ltd. and MUFG Bank, Ltd. on May 29, 2020, to fund the repayment of 6,000 million yen in total borrowed from the same banks for the same amount that was 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 29th Fiscal Period (May 31, 2020) stood at 204,450 million yen in total (short-term loans payable: 5,000 million yen, long-term loans payable: 194,350 million yen; investment corporation bonds: 5,100 million yen). The balance of the current portion of long-term loans payable stood at 33,300 million yen.

The average remaining period of interest-bearing liabilities as of the end of the 29th Fiscal Period stands at 3.8 years.

List of Borrowings in the 29th Fiscal Period

Lender	Loan amount (Millions of yen)	Drawdown date	Repayment date	Loan period
Sumitomo Mitsui Banking Corporation	2,000	2020/1/31	2021/1/29	1.0 year
Sumitomo Mitsui Trust Bank, Ltd.	1,000	2020/1/31	2021/1/29	1.0 year
MUFG Bank, Ltd.	1,000	2020/1/31	2021/1/29	1.0 year
Mizuho Bank, Ltd.	1,000	2020/1/31	2021/1/29	1.0 year
Resona Bank, Ltd.	2,000	2020/2/28	2029/2/28	9.0 years
Sumitomo Mitsui Trust Bank, Ltd.	1,500	2020/2/28	2025/2/28	5.0 years
The Norinchukin Bank	1,000	2020/2/28	2028/2/29	8.0 years
The 77 Bank, Ltd.	1,000	2020/2/28	2027/2/26	7.0 years
Sumitomo Mitsui Trust Bank, Ltd.	3,000	2020/5/29	2027/5/31	7.0 years
MUFG Bank, Ltd.	2,000	2020/5/29	2027/5/31	7.0 years
Sumitomo Mitsui Trust Bank, Ltd.	1,000	2020/5/29	2025/5/30	5.0 years

Balance of Borrowings from Each Financial Institution (as of May 31, 2020)

Lender	End of the 29th Fiscal Period (Millions of yen)	Share (%) (Note)
Sumitomo Mitsui Banking Corporation	41,400	20.77
Sumitomo Mitsui Trust Bank, Ltd.	24,500	12.29
Development Bank of Japan Inc.	21,750	10.91
MUFG Bank, Ltd.	21,500	10.79
Mizuho Bank, Ltd.	20,400	10.23
Shinsei Bank, Ltd.	14,000	7.02
Resona Bank, Ltd.	12,500	6.27
Mizuho Trust and Banking Co., Ltd.	9,500	4.77
The Bank of Fukuoka, Ltd.	6,500	3.26
Kansai Mirai Bank, Ltd.	5,000	2.51
The Nishi-Nippon City Bank Ltd.	3,000	1.50
The 77 Bank, Ltd.	3,000	1.50
The Norinchukin Bank	3,000	1.50
The Gunma Bank, Ltd.	2,500	1.25
The Musashino Bank, Ltd.	2,000	1.00
Tokio Marine & Nichido Fire Insurance Co., Ltd.	2,000	1.00
The Yamaguchi Bank, Ltd.	2,000	1.00
Nippon Life Insurance Company	1,300	0.65
The Higashi-Nippon Bank, Ltd.	1,000	0.50
The Hyakugo Bank, Ltd.	1,000	0.50
The Yamanashi Chuo Bank, Ltd.	1,000	0.50
Taiyo Life Insurance Company	300	0.15
Fukoku Mutual Life Insurance Company	200	0.10
Total	199,350	100.00

(Note) Share is rounded to two decimal places.

c. Rating Information (as of May 31, 2020)

Credit rating agency	Rating	Outlook
R&I	AA-	Stable
Japan Credit Rating Agency	AA	Stable

d. Shelf Registration

The Investment Corporation filed a shelf registration statement pertaining to investment corporation bonds on August 7, 2019, as below. The total issuable amount as of the date of this document is 97.0 billion yen.

Investment corporation bonds (excluding short-term investment corporation bonds)	
Planned issue amount	100,000 million yen
Planned issue period	From August 15, 2019 to August 14, 2021
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. Overview of Financial Performance and Distributions

As a result of the management described above, the Investment Corporation posted financial performance for the 29th Fiscal Period of 14,272 million yen in operating revenue, 7,312 million yen in operating income, 6,688 million yen in ordinary income and 6,687million 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 almost 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 13,595 yen.

1.1.2. Outlook for the Next Fiscal Period

A. Investment Environment

It was expected that the Japanese economy going forward would continue to expand backed by solid trends in personal spending against the backdrop of a favorable employment environment and improved income environment while the monetary easing policy implemented by the Bank of Japan continued. However, it is more likely that the economy will remain sluggish, falling below the potential growth rate. In addition, since the Japanese economy may slow down due to the U.S-China trade friction and the COVID-19 pandemic, careful attention is required.

In the Tokyo office building leasing market, the vacancy rate has continued to drop and rent has continued to rise moderately mainly in central Tokyo. Although there has been no material impact of COVID-19, future development should be carefully watched.

In the office building transaction market, backed by the favorable financing environment, among other factors, the property acquisition appetite among overseas investors, real estate companies and funds (including J-REITs) is thought to remain strong.

B. Future Management Policy and Tasks

a. Strategy for Managing Existing Properties

As to macro trends for the office market, the office market is expected to weaken temporarily over the short term, mainly in Tokyo, since the vacancy rate may start rising partly due to the impact of COVID-19. However, the market for prime locations in central Tokyo, which attract solid demand, is believed to remain stable over the medium to long term. Going forward, needs for offices are likely to vary for companies in line with the diversification of work styles and place. Therefore, 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 its 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 Asset Manager and Sponsor Group and utilizing the Group's extensive network of clients, partners, etc.

Furthermore, in the 29th Fiscal Period, the Investment Corporation acquired "Daiwa Nakano-Sakaue" located in Tokyo; and acquired "Nihonbashi Central Square" through mutual transactions with divestment of "Daiwa Jimbocho." The Investment Corporation believes acquisition of the property will contribute to further stabilization and enhancement of the portfolio. The Investment Corporation will continue to strive to acquire properties in line with the investment strategy described above.

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.

D. Outlook for Management Status

The Investment Corporation forecasts the following management status for the 30th Fiscal Period (fiscal period ending November 2020 (from June 1, 2020 to November 30, 2020)). For the assumptions underlying the management status forecasts, please refer to the "Assumptions for the Management Status Forecasts for the 30th Fiscal Period and 31st Fiscal Period" on page 8.

30th Fiscal Period (fiscal period ending November 2020 (from June 1, 2020 to November 30, 2020))

Operating revenue	14,421 million yen
Operating income	7,363 million yen
Ordinary income	6,740 million yen
Net income	6,738 million yen
Distribution amount per unit	13,700 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 30th Fiscal Period and 31st Fiscal Period" will remain unchanged, the Investment Corporation forecasts the following management status for the 31st Fiscal Period (fiscal period ending May 2021 (from December 1, 2020 to May 31, 2021)).

31st Fiscal Period (fiscal period ending May 2021 (from December 1, 2020 to May 31, 2021))

Operating revenue	14,040 million yen
Operating income	7,350 million yen
Ordinary income	6,740 million yen
Net income	6,738 million yen
Distribution amount per unit	13,700 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 30th Fiscal Period and 31st Fiscal Period

Item	Assumptions
Assets under management	<ul style="list-style-type: none"> • 30th Fiscal Period: Assets under management are assumed to be the 60 properties owned as of May 31, 2020. • 31st Fiscal Period: Assets under management are assumed to be the properties mentioned above. • 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. • No gain or loss on sale of real estate is assumed to arise.
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 period 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) after deducting expenses related to rent business (including depreciation) is expected to be 8,770 million yen in the 30th Fiscal Period and 8,749 million yen in the 31st Fiscal Period. • Consignment expenses are expected to be 960 million yen in the 30th Fiscal Period and 970 million yen in the 31st Fiscal Period. • Taxes and dues (fixed property tax, city planning tax, etc.) are expected to be 1,165 million yen in the 30th Fiscal Period and 1,165 million yen in the 31st 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 1,833 million yen in the 30th Fiscal Period and 1,845 million yen in the 31st Fiscal Period.
Non-operating expenses	<ul style="list-style-type: none"> • Non-operating expenses in the 30th Fiscal Period are expected to be 622 million yen, of which the interest expenses, interest expenses on investment corporation bonds, and borrowing related expenses are expected to be 617 million yen. • Non-operating expenses in the 31st Fiscal Period are expected to be 610 million yen, of which the interest expenses, interest expenses on investment corporation bonds, and borrowing related expenses are expected to be 605 million yen.
Interest-bearing liabilities	<ul style="list-style-type: none"> • The total amount of interest-bearing liabilities is assumed to be 204,450 million yen at the end of the 30th Fiscal Period and 204,450 million yen at the end of the 31st Fiscal Period • In the 30th Fiscal Period, it is assumed that the entire amount of borrowings due for repayment on August 31, 2020 (7,600 million yen), and November 30, 2020 (9,000 million yen), is refinanced. • In the 31st Fiscal Period, it is assumed that the entire amount of borrowings due for repayment on January 29, 2021 (5,000 million yen), February 26, 2021 (1,000 million yen), March 31, 2021 (12,300 million yen), and May 31, 2021 (3,400 million yen), is 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 491,877 units as of May 31, 2020. • It is assumed that there are no changes to the number of investment units other than stated above until the end of the 31st Fiscal Period through the issuance of new investment units, etc.
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. • 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, listing regulations, the rules of Tokyo Stock Exchange, Inc. and 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 February 18, 2020).

2. Financial Statements

2.1. Balance Sheets

(Unit: Thousands of yen)

	28th Fiscal Period [As of Nov. 30, 2019]	29th Fiscal Period [As of May 31, 2020]
Assets		
Current assets		
Cash and deposits	27,799,432	27,688,243
Cash and deposits in trust	3,581,284	3,661,457
Operating accounts receivable	187,778	265,445
Prepaid expenses	358,962	351,399
Other	63,165	66,852
Total current assets	31,990,623	32,033,400
Noncurrent assets		
Property, plant and equipment		
Buildings	3,269,056	3,277,321
Accumulated depreciation	(2,391,317)	(2,463,751)
Buildings, net	877,739	813,570
Structures	14,344	14,344
Accumulated depreciation	(7,034)	(7,475)
Structures, net	7,310	6,869
Tools, furniture and fixtures	19,917	20,207
Accumulated depreciation	(12,119)	(13,159)
Tools, furniture and fixtures, net	7,797	7,047
Land	12,302,226	12,302,226
Construction in progress	2,846	3,829
Buildings in trust	108,065,984	108,511,177
Accumulated depreciation	(24,677,081)	(25,945,795)
Buildings in trust, net	*1, *2 83,388,902	*1, *2 82,565,382
Structures in trust	762,104	770,720
Accumulated depreciation	(189,819)	(200,083)
Structures in trust, net	*2 572,285	*2 570,636
Machinery and equipment in trust	876,713	884,623
Accumulated depreciation	(471,131)	(490,777)
Machinery and equipment in trust, net	405,582	393,845
Tools, furniture and fixtures in trust	276,211	297,798
Accumulated depreciation	(160,826)	(176,636)
Tools, furniture and fixtures in trust, net	115,385	121,161
Land in trust	*2 352,270,629	*2 354,391,051
Construction in progress in trust	55,178	29,061
Total property, plant and equipment	450,005,885	451,204,683
Intangible assets		
Right of trademark	215	161
Leasehold rights	2,398,275	2,398,275
Leasehold rights in trust	306,884	306,884
Other	16,405	13,003
Total intangible assets	2,721,781	2,718,325

(Unit: Thousands of yen)

	28th Fiscal Period [As of Nov. 30, 2019]	29th Fiscal Period [As of May 31, 2020]
Investments and other assets		
Leasehold and guarantee deposits in trust	113,684	113,684
Long-term prepaid expenses	1,123,455	1,046,864
Derivatives	19,097	—
Other	21,055	63,913
Total investments and other assets	1,277,292	1,224,462
Total noncurrent assets	454,004,959	455,147,471
Deferred assets		
Investment corporation bonds issuance costs	34,852	31,997
Total deferred assets	34,852	31,997
Total assets	486,030,435	487,212,868
Liabilities		
Current liabilities		
Operating accounts payable	701,775	929,601
Short-term loans payable	5,000,000	5,000,000
Current portion of long-term loans payable	28,100,000	33,300,000
Accounts payable – other	580,867	646,330
Income taxes payable	886	996
Accrued consumption taxes	321,963	393,369
Advances received	2,355,146	2,341,174
Other	479,916	576,816
Total current liabilities	37,540,555	43,188,288
Noncurrent liabilities		
Investment corporation bonds	5,100,000	5,100,000
Long-term loans payable	166,250,000	161,050,000
Tenant leasehold and security deposits	19,978,837	20,463,036
Tenant leasehold and security deposits in trust	1,882,398	1,928,889
Deferred tax liabilities	3,484	8,220
Derivatives liabilities	193,083	162,509
Other	189,641	184,620
Total noncurrent liabilities	193,597,445	188,897,276
Total liabilities	231,138,001	232,085,565
Net Assets		
Unitholders' equity		
Unitholders' capital	251,551,759	251,551,759
Deduction from unitholders' capital	(3,675,523)	(3,675,523)
Unitholders' capital, net	247,876,236	247,876,236
Surplus		
Voluntary retained earnings		
Reserve for reduction entry	710,209	710,209
Total voluntary retained earnings	710,209	710,209
Unappropriated retained earnings (undisposed loss)	6,462,843	6,687,380
Total surplus	7,173,052	7,397,590
Total unitholders' equity	255,049,288	255,273,826
Valuation and translation adjustments		
Deferred gains or losses on hedges	(156,854)	(146,523)
Total valuation and translation adjustments	(156,854)	(146,523)
Total net assets	*3 254,892,434	*3 255,127,303
Total liabilities and net assets	486,030,435	487,212,868

2.2. Statements of Income

(Unit: Thousands of yen)

	28th Fiscal Period [From: June 1, 2019 To: Nov. 30, 2019]		29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]	
Operating revenue				
Rent revenue – real estate	*1	13,916,051	*1	14,238,965
Other lease business revenue	*1	159,798	*1	18,247
Gain on sales of real estate properties		-	*2	15,435
Gain on exchange of real estate properties	*3	18,789		—
Total operating revenue		14,094,639		14,272,648
Operating expenses				
Expenses related to rent business	*1	5,584,803	*1	5,540,802
Asset management fees		1,145,795		1,168,091
Asset custody fees		24,249		24,294
Administrative service fees		73,635		73,442
Trust fees		18,742		19,439
Directors' compensation		7,200		7,200
Other operating expenses		126,183		126,692
Total operating expenses		6,980,610		6,959,962
Operating income		7,114,028		7,312,685
Non-operating income				
Interest income		16		15
Reversal of distribution payable		611		630
Insurance income		6,517		5,267
Miscellaneous income		1,810		5,471
Total non-operating income		8,955		11,385
Non-operating expenses				
Interest expenses		499,974		480,295
Interest expenses on investment corporation bonds		16,646		16,751
Borrowing expenses		137,997		134,367
Other		4,706		4,354
Total non-operating expenses		659,325		635,767
Ordinary income		6,463,659		6,688,302
Income before income taxes		6,463,659		6,688,302
Income taxes – current		888		998
Income taxes – deferred		(4)		(5)
Total income taxes		884		993
Net income		6,462,774		6,687,309
Retained earnings brought forward		68		71
Unappropriated retained earnings (undisposed loss)		6,462,843		6,687,380

2.3. Statements of Unitholders' Equity

28th Fiscal Period (from June 1, 2019 to November 30, 2019)

(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	(3,675,523)	247,876,236	567,422	567,422	6,320,338	6,887,760
Changes of items during the period							
Provision of reserve for reduction entry				142,786	142,786	(142,786)	—
Dividends from surplus						(6,177,483)	(6,177,483)
Net income						6,462,774	6,462,774
Net changes of items other than shareholders' equity							
Total changes of items during the period	—	—	—	142,786	142,786	142,504	285,291
Balance at end of current fiscal period	251,551,759	(3,675,523)	247,876,236	710,209	710,209	6,462,843	7,173,052

	Unitholders' equity	Valuation and translation adjustments		Total net assets
	Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current fiscal period	254,763,996	(303,827)	(303,827)	254,460,169
Changes of items during the period				
Provision of reserve for reduction entry	—			—
Dividends from surplus	(6,177,483)			(6,177,483)
Net income	6,462,774			6,462,774
Net changes of items other than shareholders' equity		146,973	146,973	146,973
Total changes of items during the period	285,291	146,973	146,973	432,265
Balance at end of current fiscal period	255,049,288	(156,854)	(156,854)	254,892,434

29th Fiscal Period (from December 1, 2019 to May 31, 2020)

(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	(3,675,523)	247,876,236	710,209	710,209	6,462,843	7,173,052
Changes of items during the period							
Dividends from surplus						(6,462,771)	(6,462,771)
Net income						6,687,309	6,687,309
Net changes of items other than shareholders' equity							
Total changes of items during the period	—	—	—	—	—	224,537	224,537
Balance at end of current fiscal period	251,551,759	(3,675,523)	247,876,236	710,209	710,209	6,687,380	7,397,590

	Unitholders' equity	Valuation and translation adjustments		Total net assets
	Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current fiscal period	255,049,288	(156,854)	(156,854)	254,892,434
Changes of items during the period				
Dividends from surplus	(6,462,771)			(6,462,771)
Net income	6,687,309			6,687,309
Net changes of items other than shareholders' equity		10,330	10,330	10,330
Total changes of items during the period	224,537	10,330	10,330	234,868
Balance at end of current fiscal period	255,273,826	(146,523)	(146,523)	255,127,303

2.4. Statements of Cash Distributions

Item	28th Fiscal Period [From: June 1, 2019 To: Nov. 30, 2019]	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]
	Amount (yen)	Amount (yen)
I. Unappropriated retained earnings	6,462,843,324	6,687,380,982
II. Distribution amount [Distribution amount per unit]	6,462,771,903 (13,139)	6,687,067,815 (13,595)
III. Retained earnings carried forward	71,421	313,167
Method for calculating distribution amount	Pursuant to the policy that “the Investment Corporation shall distribute an amount in excess of the amount equivalent to 90% of its distributable earnings as defined in Article 67-15 of the Act on Special Measures Concerning Taxation” but no more than the amount of earnings as specified in Article 32, Item 1 of the Investment Corporation’s articles of incorporation, the Investment Corporation decided the distributions from earnings that it shall pay out shall be the maximum value of the integral multiple of the total number of units issued and outstanding (491,877 units) in an amount that is not in excess of unappropriated retained earnings. Accordingly, the Investment Corporation declared a distribution amount of 6,462,771,903 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 units issued and outstanding (491,877 units) in an amount that is not in excess of unappropriated retained earnings. Accordingly, the Investment Corporation declared a distribution amount of 6,687,067,815 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)

	28th Fiscal Period [From: June 1, 2019 To: Nov. 30, 2019]	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]
Net cash provided by (used in) operating activities		
Income before income taxes	6,463,659	6,688,302
Depreciation and amortization	1,829,629	1,842,226
Gain on exchange of real estate properties	(18,789)	—
Amortization of investment corporation bonds issuance costs	2,921	2,855
Interest income	(16)	(15)
Interest expenses	516,621	497,046
(Increase) Decrease in operating accounts receivable	(13,954)	(77,667)
(Increase) Decrease in prepaid expenses	(25,913)	7,562
Increase (decrease) in operating accounts payable	(279,143)	110,667
Increase (decrease) in accounts payable – other	14,051	34,982
Increase (decrease) in accrued consumption taxes	(43,021)	71,405
Increase (decrease) in advances received	32,033	(13,972)
(Increase) Decrease in long-term prepaid expenses	(332,447)	76,590
Decrease from sales of property, plant and equipment in trust	-	3,922,534
Other, net	(387,119)	152,137
Subtotal	7,758,511	13,314,656
Interest income received	16	15
Interest expenses paid	(514,073)	(494,658)
Income taxes paid	(804)	(888)
Net cash provided by (used in) operating activities	7,243,648	12,819,125
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(1,218)	(9,274)
Purchase of property, plant and equipment in trust	(674,035)	(6,910,242)
Proceeds from tenant security deposits	1,246,821	901,069
Proceeds from tenant security deposits in trust	191,418	141,657
Repayments of tenant security deposits	(566,823)	(481,085)
Repayments of tenant security deposits in trust	(37)	(30,953)
Net cash provided by (used in) investing activities	196,124	(6,388,828)
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	-	5,000,000
Repayment of short-term loans payable	-	(5,000,000)
Proceeds from long-term loans payable	8,000,000	11,500,000
Repayment of long-term loans payable	(8,000,000)	(11,500,000)
Proceeds from issuance of investment corporation bonds	2,973,984	—
Redemption of investment corporation bonds redeemable	(3,000,000)	—
Dividends paid	(6,176,680)	(6,461,313)
Net cash provided by (used in) financing activities	(6,202,695)	(6,461,313)
Net increase (decrease) in cash and cash equivalents	1,237,077	(31,016)
Cash and cash equivalents at beginning of period	30,143,640	31,380,717
Cash and cash equivalents at end of period	*1 31,380,717	*1 31,349,701

2.6. Notes to the Going Concern
Not applicable.

2.7. Notes to Significant Accounting Policies

<p>1. Accumulated depreciation method for noncurrent assets</p>	<p>(1) Property, plant and equipment (including trust assets) The straight-line method is adopted. The useful life of primary property, plant and equipment are as follows: Buildings 2~64 years Structures 10~56 years Machinery and equipment 10~23 years Tools, furniture and fixtures 5~15 years</p> <p>(2) Intangible assets The straight-line method is adopted.</p> <p>(3) Long-term prepaid expenses The straight-line method is adopted.</p>
<p>2. Accounting policies for deferred assets</p>	<p>Investment corporation bonds issuance costs Amortized using the straight-line method over the period up to redemption.</p>
<p>3. Accounting standards for recording revenues and expenses</p>	<p>Accounting for fixed property tax, etc. Concerning fixed property tax, city planning tax, depreciated asset tax, etc. for owned real estate or trust beneficiary interest in real estate, of the tax amount that has been broken down into installments, the method of accounting for the amount corresponding to the concerned fiscal period as expenses related to rent business is adopted. Concerning the amount equivalent to fixed property tax, etc. for the initial fiscal year that shall be borne by the Investment Corporation in correlation with acquisitions of real estate or trust beneficiary interest that have real estate as assets in trust, the amount is not expensed but is rather included in the cost of acquisition of the concerned real estate property. The amount equivalent to fixed property tax, etc. that was included in the cost of acquisition of real estate properties is 53,974 thousand yen in the 28th Fiscal Period and 7,661 thousand yen in the 29th Fiscal Period.</p>
<p>4. Hedge accounting approaches</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 transactions 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>5. 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>

6. Other significant matters forming basis for preparation of financial statements	<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) Lease and guarantee deposits in trust (v) Tenant leasehold and security deposits in trust <p>(2) Accounting method for consumption taxes Consumption tax and local consumption tax are accounted for by the tax-exclusion method and consumption taxes that are not tax-deductible are expensed in the fiscal period under review. The consumption taxes relating to noncurrent assets, etc. that are not tax-deductible are amortized in equal installments over 5 years.</p>
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2.8. Notes to Financial Statements

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.

28th Fiscal Period [As of November 30, 2019]		29th Fiscal Period [As of May 31, 2020]	
Buildings in trust	32,898 thousand yen	Buildings in trust	32,898 thousand yen

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

28th Fiscal Period [As of November 30, 2019]		29th Fiscal Period [As of May 31, 2020]	
Buildings in trust	182,563 thousand yen	Buildings in trust	182,563 thousand yen
Structures in trust	283 thousand yen	Structures in trust	283 thousand yen
Land in trust	887,074 thousand yen	Land in trust	887,074 thousand yen
Total	1,069,921 thousand yen	Total	1,069,921 thousand yen

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

28th Fiscal Period [As of November 30, 2019]		29th Fiscal Period [As of May 31, 2020]	
Minimum net assets	50,000 thousand yen	Minimum net assets	50,000 thousand yen

[Notes to Statements of Income]

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

(Unit: Thousands of yen)

	28th Fiscal Period [From: June 1, 2019 To: Nov. 30, 2019]	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]
A. Property leasing revenue		
Rent revenue – real estate	13,916,051	14,238,965
Other lease business revenue	159,798	18,247
Total property leasing revenue	14,075,850	14,257,212
B. Property leasing expenses		
Consignment expenses	1,010,578	998,730
Utilities expenses	1,074,122	935,302
Taxes and dues	1,131,152	1,134,736
Non-life insurance expenses	16,479	19,923
Repair expenses	474,514	538,920
Depreciation	1,826,120	1,838,770
Other lease business expenses	51,836	74,419
Total property leasing expenses	5,584,803	5,540,802
C. Operating income (loss) from property leasing [A – B]	8,491,046	8,716,410

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

28th Fiscal Period [From: June 1, 2019 To: November 30, 2019]

Not applicable.

29th Fiscal Period [From: December 1, 2019 To: May 31, 2020]

Daiwa Jimbocho

Proceeds from sales of real estate properties	4,000,000
Cost of sales of real estate properties	3,922,534
Other expenses on sales	62,030
Gain on sales of real estate properties	15,435

*3. Breakdown of gain on exchange of real estate properties (Unit: Thousands of yen)

28th Fiscal Period [From: June 1, 2019 To: November 30, 2019]

Daiwa Osaki 3-chome Building

Divestment price of real estate properties	2,685,000
Cost of divestment of real estate properties	1,581,029
Other expenses for divestment	15,259
Advanced depreciation amount for noncurrent assets	1,069,921
Gain on exchange of real estate properties	18,789

29th Fiscal Period [From: December 1, 2019 To: May 31, 2020]

Not applicable.

[Notes to Statements of Unitholders' Equity]

	28th Fiscal Period [From: June 1, 2019 To: Nov. 30, 2019]	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]
Total number of investment units authorized and number of investment units issued and outstanding		
Total number of investment units authorized	2,000,000 units	2,000,000 units
Total number of investment units issued and outstanding	491,877 units	491,877 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)

	28th Fiscal Period [From: June 1, 2019 To: Nov. 30, 2019]	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]
Cash and deposits	27,799,432	27,688,243
Cash and deposits in trust	3,581,284	3,661,457
Cash and cash equivalents	31,380,717	31,349,701

[Notes to Financial Instruments]

(1) Matters Concerning Status of Financial Instruments

(a) 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, and dispersing maturity dates 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 risks attributable to liabilities of the Investment Corporation.

(b) 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 risk and the risk is controlled by using derivative instruments (interest rate swap transaction) for some long-term borrowings to avoid interest rate rise 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.

(c) Supplementary explanation for fair value of financial instruments

The fair value of financial instruments is based on their market price. The fair value of financial instruments with no available market price is determined by using price reasonably estimated. As various factors are incorporated into these calculations, 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. Please note that the following table does not include those for which discerning of fair value is recognized to be extremely difficult (please refer to (Note 2)).

28th Fiscal Period [As of November 30, 2019]

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	27,799,432	27,799,432	—
(2) Cash and deposits in trust	3,581,284	3,581,284	—
Total assets	31,380,717	31,380,717	—
(3) Short-term loans payable	5,000,000	5,000,000	—
(4) Current portion of long-term loans payable	28,100,000	28,107,557	7,557
(5) Investment corporation bonds	5,100,000	5,115,100	15,100
(6) Long-term loans payable	166,250,000	166,408,056	158,056
Total liabilities	204,450,000	204,630,714	180,714
Derivative transactions (*)	(228,850)	(228,850)	—

29th Fiscal Period [As of May 31, 2020]

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	27,688,243	27,688,243	—
(2) Cash and deposits in trust	3,661,457	3,661,457	—
Total assets	31,349,701	31,349,701	—
(3) Short-term loans payable	5,000,000	5,000,000	—
(4) Current portion of long-term loans payable	33,300,000	33,303,783	3,783
(5) Investment corporation bonds	5,100,000	5,057,090	(42,910)
(6) Long-term loans payable	161,050,000	161,206,148	156,148
Total liabilities	204,450,000	204,567,021	117,021
Derivative transactions (*)	(213,777)	(213,777)	—

(*) The value of receivables and payables arising from derivatives 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.

Assets

(1) Cash and deposits; (2) Cash and deposits in trust

As these are settled within a short period of time, the fair value is approximately the same as the book value and thus is stated at that book value.

Liabilities

(3) Short-term loans payable; (4) Current portion of long-term loans payable; (6) 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.

(*) For long-term loans payable that are subject to special accounting for interest rate swaps, the interest is handled together with applicable interest rate swaps. (Please refer to [Notes to Derivative Transactions] below.)

(5) Investment corporation bonds

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

Derivative transactions

Please refer to [Notes to Derivative Transactions] below.

(Note 2) Carrying amount of financial products for which it is extremely difficult to estimate fair value

(Unit: Thousands of yen)

	28h Fiscal Period [As of November 30, 2019]	29th Fiscal Period [As of May 31, 2020]
Tenant leasehold and security deposits*	19,978,837	20,463,036
Tenant leasehold and security deposits in trust*	1,882,398	1,928,889
Total	21,861,236	22,391,925

(*) Tenant leasehold and security deposits and tenant leasehold and security deposits in trust that are deposited by lessees of rental properties are not subject to disclosure of fair value because discerning of the fair value is recognized to be extremely difficult as future cash flows cannot be reasonably estimated due to there being no market price and difficulty in calculation of the actual deposit period, which is the period from tenants' move-ins to move-outs.

(Note 3) Redemption schedule for monetary claims due after the settlement of accounts.

28th Fiscal Period [As of November 30, 2019]

(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
Cash and deposits	27,799,432	—	—	—	—	—
Cash and deposits in trust	3,581,284	—	—	—	—	—
Total	31,380,717	—	—	—	—	—

29th Fiscal Period [As of May 31, 2020]

(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
Cash and deposits	27,688,243	—	—	—	—	—
Cash and deposits in trust	3,661,457	—	—	—	—	—
Total	31,349,701	—	—	—	—	—

(Note 4) Amount of repayment of short-term loans payable, current portion of long-term loans payable, investment corporation bonds, and long-term loans payable scheduled to be due after the settlement of accounts.

28th Fiscal Period [As of November 30, 2019]

(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
Short-term loans payable	5,000,000	—	—	—	—	—
Current portion of long-term loans payable	28,100,000	—	—	—	—	—
Investment corporation bonds	—	—	—	—	3,800,000	1,300,000
Long-term loans payable	—	24,200,000	31,600,000	26,200,000	24,300,000	59,950,000
Total	33,100,000	24,200,000	31,600,000	26,200,000	28,100,000	61,250,000

29th Fiscal Period [As of May 31, 2020]

(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
Short-term loans payable	5,000,000	—	—	—	—	—
Current portion of long-term loans payable	33,300,000	—	—	—	—	—
Investment corporation bonds	—	—	—	—	3,800,000	1,300,000
Long-term loans payable	—	21,500,000	30,600,000	23,700,000	27,350,000	57,900,000
Total	38,300,000	21,500,000	30,600,000	23,700,000	31,150,000	59,200,000

[Notes to Derivative Transactions]

(1) Transactions for which hedge accounting is not applied

28th Fiscal Period [As of November 30, 2019]
Not applicable.

29th Fiscal Period [As of May 31, 2020]
Not applicable.

(2) Transactions for which hedge accounting is applied

28th Fiscal Period [As of November 30, 2019]

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	129,600,000	104,500,000	(228,850)	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	3,000,000	1,000,000	(*)	—
Total			132,600,000	105,500,000	(228,850)	—

29th Fiscal Period [As of May 31, 2020]

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	118,100,000	87,800,000	(213,777)	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	3,000,000	1,000,000	(*)	—
Total			121,100,000	88,800,000	(213,777)	—

(*) 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 (4) (6)”).

[Notes to Transactions with Related Parties]

(1) Parent company and major corporate unitholders, etc.

28th Fiscal Period [From: June 1, 2019 To: November 30, 2019]
Not applicable.

29th Fiscal Period [From: December 1, 2019 To: May 31, 2020]
Not applicable.

(2) Affiliated companies, etc.

28th Fiscal Period [From: June 1, 2019 To: November 30, 2019]
Not applicable.

29th Fiscal Period [From: December 1, 2019 To: May 31, 2020]
Not applicable.

(3) Sister companies, etc.

28th Fiscal Period [From: June 1, 2019 To: November 30, 2019]
Not applicable.

29th Fiscal Period [From: December 1, 2019 To: May 31, 2020]
Not applicable.

(4) Officers and major individual unitholders, etc.

28th Fiscal Period [From: June 1, 2019 To: November 30, 2019]
Not applicable.

29th Fiscal Period [From: December 1, 2019 To: May 31, 2020]
Not applicable.

[Notes to Investment and Rental Properties]

The Investment Corporation has rental office buildings, etc. (including land) in Tokyo and other regions. The carrying amount, amount of increase (decrease) during period and fair value for these rental properties are as follows.

(Unit: Thousands of yen)

	28th Fiscal Period [From: June 1, 2019 To: Nov. 30, 2019]	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]
Carrying amount		
Balance at beginning of period	453,059,500	452,653,020
Amount of increase (decrease) during period	(406,479)	1,223,931
Balance at end of period	452,653,020	453,876,951
Fair value at end of period	562,730,000	572,090,000

(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) for rental properties during the 28th Fiscal Period, the amount of increase is mainly attributable to acquisition of Daiwa Mita 2-Chome Building (1,565 million yen) and the amount of decrease is mainly attributable to divestment of Daiwa Osaki 3-chome Building (1,581 million yen) and depreciation (1,826 million yen). For the 29th Fiscal Period, the amount of increase is mainly attributable acquisition of Daiwa Nakano-Sakaue (2,750 million yen) and Nihonbashi Central Square (3,521 million yen) and the amount of decrease is mainly attributable to divestment of Daiwa Jimbocho (3,922 million yen) and depreciation (1,838 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

28th Fiscal Period [From: June 1, 2019 To: November 30, 2019]

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 principal 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.

29th Fiscal Period [From: December 1, 2019 To: May 31, 2020]

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 principal 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]

	28th Fiscal Period [From: June 1, 2019 To: Nov. 30, 2019]	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]
Net assets per unit	518,203 yen	518,681 yen
Net income per unit	13,139 yen	13,595 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.

	28th Fiscal Period [From: June 1, 2019 To: Nov. 30, 2019]	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]
Net income (Thousands of yen)	6,462,774	6,687,309
Amounts not attributable to common unitholders (Thousands of yen)	—	—
Net income attributable to common investment units (Thousands of yen)	6,462,774	6,687,309
Average number of investment units during the period (unit)	491,877	491,877

[Notes to Significant Subsequent Events]

Not applicable.

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

Since no capital increase, etc. were conducted in the 29th Fiscal Period, there is no change to unitholders' capital, etc.

Increase (decrease) in the total number of investment units issued and outstanding and unitholders' capital, net in the most recent 5 years up to the end of the 29th Fiscal Period is as follows.

Payment date	Description	Number of investment units issued and outstanding (units)		Unitholders' capital (Millions of yen)		Notes
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
June 1, 2015	Capital increase through public offering	41,045	482,045	23,145	242,301	(Note 1)
June 24, 2015	Capital increase by way of third-party allotment	1,955	484,000	1,102	243,403	(Note 2)
August 2, 2016	Capital increase through public offering	12,700	496,700	7,461	250,864	(Note 3)
August 31, 2016	Capital increase by way of third-party allotment	1,169	497,869	686	251,551	(Note 4)
May 31, 2018	Cancellation	(5,992)	491,877	(3,675)	247,876	(Note 5)

(Note 1) The Investment Corporation issued new investment units through public offering at an issue price of 583,050 yen per unit (paid-in price: 563,914 yen) to procure funds for acquisition of properties, repayment of borrowings, etc.

(Note 2) The Investment Corporation issued new investment units by way of a third-party allotment at an issue price of 563,914 yen per unit (paid-in price: 563,914 yen) to procure funds for acquisition of properties, repayment of borrowings, etc.

(Note 3) The Investment Corporation issued new investment units through public offering at an issue price of 607,425 yen per unit (paid-in price: 587,489 yen) to procure funds for repayment of borrowings, etc.

(Note 4) The Investment Corporation issued new investment units by way of a third-party allotment at an issue price of 587,489 yen per unit (paid-in price: 587,489 yen) to procure funds for repayment of borrowings, etc.

(Note 5) In the period from March 1, 2018, to May 18, 2018, 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 own investment units (5,992 units) on May 31, 2018, based on the resolution at its Board of Directors meeting held on May 28, 2018.

This translation of the original Japanese financial report (*kessan tanshin*) is provided solely for information purposes. Should there be any discrepancy between this translation and the Japanese original, the latter shall prevail.

3. Reference Information

3.1. Investment Status

Type of asset	Use	Region	29th Fiscal Period (As of May 31, 2020)	
			Total amount owned (Millions of yen) (Note 1)	As a percentage of total assets (%)
Real estate	Office	Five Central Wards of Tokyo (Note 2)	15,527	3.2
Trust beneficiary interest in real estate	Office	Five Central Wards of Tokyo (Note 2)	348,481	71.5
		Greater Tokyo (Note 3)	80,743	16.6
		Major Regional Cities (Note 4)	9,124	1.9
Total			453,876	93.2
Deposits and other assets			33,335	6.8
Total amount of assets (Note 5)			487,212	100.0
			[453,876]	[93.2]

(Note 1) “Total amount owned” is the carrying amount (the book value after depreciation in the case of real estate and trust beneficiary interest in real estate).

(Note 2) “Five Central Wards of Tokyo” are Chiyoda, Chuo, Minato, Shinjuku and Shibuya Wards.

(Note 3) “Greater Tokyo” is Tokyo, Kanagawa, Chiba and Saitama Prefectures (excluding the Five Central Wards of Tokyo).

(Note 4) “Major Regional Cities” are the Osaka metropolitan area (Osaka, Kyoto and Hyogo Prefectures), Nagoya metropolitan area (Aichi, Mie and Gifu Prefectures), and ordinance-designated cities and core cities set forth in the Local Autonomy Act.

(Note 5) The figures in parentheses [] under “Total amount of assets” shows 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 Real Estate Properties (As of May 31, 2020)

3.2.1. 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	12,795	17,600	3.0
	Daiwa Ginza Annex		3,050	2,732	4,060	0.7
	Daiwa Shibaura	Trust beneficiary interest in real estate	8,265	7,944	8,380	1.8
	Daiwa Minami-Aoyama		4,550	4,390	4,840	1.0
	Daiwa Sarugakucho		3,190	3,131	4,230	0.7
	Daiwa A Hamamatsucho (Note 5)		2,865	2,726	3,970	0.6
	Daiwa Jingumae		2,800	2,677	3,100	0.6
	Daiwa Shibadaimon		2,578	2,358	3,970	0.6
	Daiwa Misakicho		2,346	2,106	3,040	0.5
	Daiwa Shimbashi 510		2,080	2,112	2,530	0.4
	Daiwa Tsukijiekimae		1,560	1,246	2,240	0.3
	Daiwa Tsukiji		1,240	1,119	1,740	0.3
	Daiwa Tsukishima		7,840	6,666	10,800	1.7
	Daiwa Nihonbashi Horidomecho		2,520	2,408	3,000	0.5
	Daiwa Azabudai		1,600	1,487	1,940	0.3
	Daiwa Kyobashi		3,460	3,152	3,450	0.7
	Daiwa Kojimachi 4-chome		2,910	2,850	2,910	0.6
	Shinjuku Maynds Tower (Note 5)		66,900	63,805	64,300	14.4
	Daiwa SHIBUYA EDGE		5,900	5,597	5,410	1.3
	Daiwa Kodenmacho		2,460	2,336	2,310	0.5
	Daiwa Nishi-Shimbashi		5,000	4,608	7,360	1.1
	Daiwa Kayabacho Building		5,600	5,153	8,230	1.2
	Daiwa Jimbocho 3-chome		3,550	3,295	5,250	0.8
	E SPACE TOWER		24,000	23,406	36,600	5.2
	Daiwa Nihonbashi Hongokucho		1,721	1,540	2,690	0.4
	shinyon curumu		9,650	9,558	16,500	2.1
	Daiwa Akasaka		9,200	10,126	15,500	2.0
	Daiwa Shibuya Miyamasuzaka		7,000	7,316	12,900	1.5
	Daiwa Azabu Terrace		14,000	13,883	18,200	3.0
	Daiwa Ebisu 4-chome		4,135	4,198	6,440	0.9
	LAQUAS Higashi Shinjuku		8,450	8,378	11,300	1.8
	Daiwa Aoyama		9,800	9,959	12,600	2.1
	Shinsen Place		4,800	4,915	6,790	1.0
	Daiwa Shibuya Square		16,000	15,859	22,000	3.5
	Daiwa River Gate		28,000	27,668	33,700	6.0
	Daiwa Hatchobori ekimae	2,871	2,904	3,320	0.6	
	Daiwa Hatchobori ekimae West	1,647	1,709	1,970	0.4	
	Daiwa Nishi-Shinjuku	13,710	13,958	17,200	3.0	
	Kirin Nihonbashi Building	8,180	8,354	8,350	1.8	
	Daiwa Higashi-nihonbashi	6,370	6,313	7,150	1.4	
	Daiwa Daikanyama	2,280	2,370	3,590	0.5	
	Daiwa Shinjuku West	942	989	1,250	0.2	
	Daiwa Kanda Mikura-cho Building	1,592	1,586	1,810	0.3	
	Daiwa Kanda East	4,200	4,249	5,700	0.9	
	Daiwa Kandasudacho	2,295	2,377	2,820	0.5	
	Daiwa Sasazuka Tower	15,500	16,005	16,000	3.3	
	Daiwa Sasazuka	3,000	3,180	3,560	0.6	
	Daiwa Harumi	11,200	11,266	12,600	2.4	
	Daiwa Mita 2-Chome	2,635	1,593	3,980	0.6	
	Nihonbashi Central Square (Note 5)	3,521	3,630	3,800	0.8	
Total for Five Central Wards of Tokyo (50 Properties)			373,063	364,009	462,980	80.5

Region	Property name	Type of specified asset	Acquisition price (Millions of yen) (Note 1)	Carrying amount (Millions of yen) (Note 2)	Estimated price at end of period (Millions of yen) (Note 3)	Investment ratio (%) (Note 4)
Greater Tokyo	Daiwa Higashi-Ikebukuro	Trust beneficiary interest in real estate	2,958	2,593	4,360	0.6
	Daiwa Shinagawa North		7,710	7,057	6,350	1.7
	Daiwa Kamiooka		2,000	1,841	2,900	0.4
	Daiwa Ogikubo Tower		15,220	16,449	23,200	3.3
	Daiwa Meguro Square		5,600	5,456	7,270	1.2
	Daiwa Ogikubo		3,800	3,975	4,820	0.8
	CONCURRED Yokohama (Note 5)		38,100	37,939	41,200	8.2
	Daiwa Shinagawa Gotenyama		2,500	2,575	2,860	0.5
	Daiwa Nakano-Sakaue		2,750	2,855	2,850	0.6
Total for Greater Tokyo (9 properties)			80,638	80,743	95,810	17.4
Major Regional Cities	Daiwa Kitahama	Trust beneficiary interest in real estate	9,481	9,124	13,300	2.0
Total for Major Regional Cities (1 property)			9,481	9,124	13,300	2.0
Total (60 properties)			463,183	453,876	572,090	100.0

(Note 1) "Acquisition price" is excluding acquisition costs, fixed property tax, city planning tax, consumption tax and local consumption tax.

(Note 2) "Carrying amount" is the book value after depreciation as of May 31, 2020.

(Note 3) "Estimated price at end of period" is the price as of May 31, 2020, 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) For Daiwa A Hamamatsucho Building, Shinjuku Maynds Tower, Nihonbashi Central Square and CONCURRED Yokohama, the figures are those pertaining to the Investment Corporation's ownership interest.

3.2.2. 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	8,114.93	8,067.49	25	99.4	437,057
	Daiwa Ginza Annex	SRC B3 / 8F	Aug. 1972	2,032.11	2,032.11	7	100.0	103,213
	Daiwa Shibaura	SRC B1 / 12F	Oct. 1987	9,619.67	9,427.17	52	97.9	264,107
	Daiwa Minami-Aoyama	S / SRC B2 / 5F	Sept. 1990	2,715.54	2,715.54	5	100.0	129,711
	Daiwa Sarugakuchō (Note 8)	SRC 8F	June 1985	3,657.43	3,657.43	2	100.0	(Not disclosed)
	Daiwa A Hamamatsucho	SRC B2 / 10F	July 1993	3,663.38	3,663.38	12	100.0	135,911
	Daiwa Jingumae	RC B1 / 4F	Dec. 1997	2,198.61	1,726.65	4	78.5	84,374
	Daiwa Shibadaimon	SRC / RC B1 / 7F	Nov. 1996	2,386.48	2,386.48	7	100.0	94,959
	Daiwa Misakicho (Note 8)	S 8F	July 1996	2,137.53	2,137.53	1	100.0	(Not disclosed)
	Daiwa Shimbashi 510	SRC B1 / 8F	Apr. 1974	2,595.76	2,595.76	7	100.0	76,387
	Daiwa Tsukijiekimae	SRC 10F	Jan. 1996	2,659.59	2,659.59	6	100.0	67,674
	Daiwa Tsukiji	SRC B1 / 7F	Jan. 1990	1,487.44	1,487.44	6	100.0	51,821
	Daiwa Tsukishima	S 5F	July 1996	8,425.69	8,425.69	4	100.0	281,609
	Daiwa Nihonbashi Horidomecho	SRC B2 / 7F	Apr. 1993	2,848.91	2,848.91	8	100.0	87,629
	Daiwa Azabudai	SRC B2 / 9F	Apr. 1984	1,697.88	1,697.88	11	100.0	56,734
	Daiwa Kyobashi	SRC B1 / 8F	Oct. 1974	3,265.83	3,265.83	10	100.0	103,629
	Daiwa Kojimachi 4-chome	SRC B2 / 9F	Oct. 1987	2,695.31	2,695.31	7	100.0	89,950
	Shinjuku Maynds Tower (Note 9)	S / SRC B3 / 34F	Sept. 1995	22,768.41	22,768.41	38	100.0	1,342,677
	Daiwa SHIBUYA EDGE	RC B1 / 9F	Aug. 2006	2,480.65	2,480.65	5	100.0	129,811
	Daiwa Kodonmacho	SRC 8F	Mar. 1985	2,379.31	2,379.31	8	100.0	67,408
	Daiwa Jimbocho (Note 10)	S B1 / 8F	Mar. 1997	—	—	—	—	107,937
	Daiwa Nishi-Shimbashi	SRC B1 / 10F	July 1993	4,815.84	4,815.84	11	100.0	186,509
	Daiwa Kayabacho Building (Note 8)	S / SRC B1 / 8F	Apr. 2010	5,899.11	5,899.11	1	100.0	(Not disclosed)
	Daiwa Jimbocho 3-chome	S 9F	Feb. 2010	2,889.34	2,889.34	8	100.0	122,434
	E SPACE TOWER	S / SRC B1 / 15F	Oct. 2002	13,960.87	13,960.87	12	100.0	821,943
	Daiwa Nihonbashi Hongokuchō	S 8F	May 2010	2,143.08	2,143.08	6	100.0	68,588
	shinyon curumu	S / RC B2 / 11F	Jan. 2012	6,751.31	6,751.31	16	100.0	392,335
	Daiwa Akasaka	SRC B2 / 7F	Sept. 1990	8,747.39	8,747.39	16	100.0	366,890
	Daiwa Shibuya Miyamasuzaka	S B1 / 12F	Dec. 1988	6,328.94	6,328.94	9	100.0	323,938
	Daiwa Azabu Terrace	S / RC B1 / 6F	Sept. 2009	13,234.39	13,234.39	12	100.0	476,940
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	230,466	

Daiwa Office Investment Corporation (8976) Financial Report for the 29th Fiscal Period

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 Aoyama	S / RC B1 / 7F	Nov. 2001	4,426.10	4,426.10	7	100.0	245,641
	Shinsen Place (Note 8)	RC B1 / 9F	Sept. 2001	2,811.35	2,811.35	1	100.0	(Not disclosed)
	Daiwa Shibuya Square	S / SRC B1 / 11F	Feb. 2004	8,566.73	8,566.73	13	100.0	484,264
	Daiwa River Gate	S / SRC / RC B2 / 20F	Feb. 1994	32,055.85	31,887.39	93	99.4	1,065,265
	Daiwa Hatchobori ekimae	S / SRC B1 / 10F	Feb. 2006	2,622.42	2,622.42	9	100.0	85,255
	Daiwa Hatchobori ekimae West	SRC B1 / 9F	Feb. 1996	1,734.68	1,734.68	8	100.0	50,860
	Daiwa Nishi-Shinjuku	SRC / RC / S B2 / 11F	Aug. 1991	6,967.61	6,967.61	7	100.0	357,263
	Kirin Nihonbashi Building (Note 8)	S / SRC 7F	Feb. 1999	5,630.17	5,630.17	1	100.0	(Not disclosed)
	Daiwa Higashi-nihonbashi Building	S 7F	Mar. 2008	5,015.88	5,015.88	5	100.0	175,532
	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	1,120.58	1,120.58	8	100.0	38,695
	Daiwa Kanda Mikura-cho Building	SRC / S B1 / 7F	Jan. 1991	1,719.51	1,719.51	7	100.0	52,215
	Daiwa Kanda East	S 9F	Feb. 2005	3,980.56	3,980.56	5	100.0	142,336
	Daiwa Kandasudacho	S / RC B1 / 10F	Aug. 1990	2,211.64	2,211.64	8	100.0	65,166
	Daiwa Sasazuka Tower	SRC / RC / S B2 / 18F	Feb. 1993	16,160.25	16,160.25	5	100.0	458,842
	Daiwa Sasazuka	SRC / S B1 / 8F	Dec. 1991	3,828.95	3,644.09	8	95.1	84,465
	Daiwa Harumi	S B1 / 12F	Jan. 2008	11,227.10	11,227.10	7	100.0	243,020
	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 11)	S 8F	Jan. 2010	1,837.05	1,837.05	10	100.0	4,663
Total for Five Central Wards of Tokyo (51 properties)				280,711.63	279,646.41	525	99.6	11,290,511
Greater Tokyo	Daiwa Higashi-Ikebukuro	SRC / S B1 / 9F	June 1993	4,462.28	4,462.28	9	100.0	129,302
	Daiwa Shinagawa North	SRC B1 / 11F	July 1991	6,548.17	6,548.17	11	100.0	202,002
	Daiwa Kamiooka	S / SRC B3 / 7F	May 2011	2,630.30	2,630.30	9	100.0	92,377
	Daiwa Ogikubo Tower (Note 12)	S / SRC B2 / 18F	June 1993	17,778.14	17,778.14	9	100.0	658,430
	Daiwa Meguro Square	S / SRC B2 / 14F	July 2009	3,519.50	3,519.50	16	100.0	166,673
	Daiwa Ogikubo	SRC B1 / 7F	Nov. 1990	3,849.63	3,849.63	11	100.0	128,662
	CONCURRED Yokohama (Note 13)	S / SRC B1 / 20F	Feb. 2008	28,052.98	27,618.80	36	98.4	1,048,679
	Daiwa Shinagawa Gotenyama	SRC / S 8F	July 1992	2,396.96	2,396.96	6	100.0	73,342
	Daiwa Nakano-Sakaue	SRC B1 / 8F	Jan. 1995	2,869.13	2,869.13	6	100.0	72,001
Total for Greater Tokyo (9 properties)				72,107.09	71,672.91	113	99.3	2,571,474
Major Regional Cities	Daiwa Kitahama	S / SRC B1 / 16F	Feb. 2008	13,517.62	13,517.62	7	100.0	376,980
Total for Major Regional Cities (1 property)				13,517.62	13,517.62	7	100.0	376,980
Total (61 properties)				366,336.34	364,836.94	645	99.5	14,238,965

- (Note 1) “Structure and number of floors” are the entries in the real estate registry of the building of the applicable investment real estate property. “S” refers to steel-framed structure, “RC” refers to reinforced concrete structure, “SRC” refers to steel-framed reinforced concrete structure, “B” refers to floors below ground and “F” refers to floors above ground.
- (Note 2) “Construction completion” is the entry in the real estate registry of the building of the applicable investment real estate property.
- (Note 3) “Leasable floor area” represents the floor area of the building of the applicable property that is leasable, not including the leasable area of the land (including level parking space), and is the floor area indicated in the lease contract, etc. as of May 31, 2020.
- (Note 4) “Leased floor area” is the sum total of the floor area that is actually leased based on lease agreements, etc. executed with end tenants as of May 31, 2020.
- (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 29th Fiscal Period, rounded down to the nearest thousand yen.
- (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 real estate in trust pertaining to trust beneficiary interest held by the Investment Corporation is the 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 10) The property was divested on May 21, 2020. This is reflected in the totals for the number of properties and the rent revenue during current period.
- (Note 11) 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 12) The buildings consist of three registrations. Of these, the details of the major building are shown here.
- (Note 13) The real estate in trust pertaining to trust beneficiary interest 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.

3.2.3. Capital Expenditures for Assets under Management

A. Scheduled Capital Expenditures for the 29th Fiscal Period

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

Name of real estate properties (Location)	Purpose	Scheduled implementation period	Expected construction amount (Millions of yen)		
			Total amount	Amount paid during current period	Total amount already paid
Daiwa Shibaura (Minato-ku, Tokyo)	Upgrading of air-conditioning facilities	From: Mar. 2020 To: Nov. 2020	200	-	-
E SPACE TOWER (Shibuya-ku, Tokyo)	Upgrading of air-conditioning facilities	From: Feb. 2020 To: Nov. 2020	149		
Daiwa Aoyama (Shibuya-ku, Tokyo)	Upgrading of air-conditioning facilities	From: Feb. 2020 To: Nov. 2020	86	-	-
Daiwa Akasaka (Minato-ku, Tokyo)	Renovation of exterior walls/coating of roof	From: Jan. 2020 To: Nov. 2020	79	-	-
Daiwa Nishi-Shimbashi (Minato-ku, Tokyo)	Upgrading of elevators	From: Dec. 2019 To: Oct. 2020	59	-	-
Daiwa Azabu Terrace (Minato-ku, Tokyo)	Upgrading of air-conditioning facilities	From: Jun. 2020 To: Nov. 2020	58	-	-

B. Capital Expenditures during the 29th Fiscal Period

The following summarizes the primary construction work that constitutes capital expenditures implemented during the 29th Fiscal Period. Capital expenditures for the 29th Fiscal Period amounted to 489 million yen and, when combined with the 538 million yen in repair expenses charged to the 29th Fiscal Period expenses, totals 1,028 million yen in construction work were implemented.

Name of real estate properties (Location)	Purpose	Period	Construction amount paid (Millions of yen)
Shinsen Place (Shibuya-ku, Tokyo)	Upgrading of air-conditioning facilities	From: Mar. 2020 To: May 2020	75
Daiwa Higashi-nihonbashi Building (Chuo-ku, Tokyo)	Upgrading of air-conditioning facilities	From: Sep. 2019 To: Mar. 2020	70
Daiwa Ogikubo Tower (Suginami-ku, Tokyo)	Upgrading of automatic fire alarm sensors	From: Mar. 2020 To: Apr. 2020	16
Other			327
Total			489

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	25th Fiscal Period	26th Fiscal Period	27th Fiscal Period	28th Fiscal Period	29th Fiscal Period
	[From: Dec. 1, 2017 To: May 31, 2018]	[From: June 1, 2018 To: Nov. 30, 2018]	[From: Dec. 1, 2018 To: May 31, 2019]	[From: June 1, 2019 To: Nov. 30, 2019]	[From: Dec. 1, 2019 To: May 31, 2020]
Balance of reserve at beginning of current period	1,839	1,576	1,629	2,089	2,150
Amount of reserve in current period	—	476	460	61	—
Reversal of reserve in current period	263	423	—	—	—
Amount carried forward to next period	1,576	1,629	2,089	2,150	2,150

3.2.4. Summary of Estimated Price at End of Period (As of May 31, 2020)

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	17,600	17,900	3.4	17,200	3.2	3.6
Daiwa Ginza Annex	4,060	4,120	3.4	3,990	3.2	3.6
Daiwa Shibaura	8,380	8,330	3.9	8,400	3.7	4.1
Daiwa Minami-Aoyama	4,840	4,900	3.7	4,770	3.5	3.9
Daiwa Sarugakucho	4,230	4,290	4.3	4,160	4.1	4.5
Daiwa A Hamamatsucho (Note 2)	3,970	4,070	3.6	3,930	3.4	3.8
Daiwa Jingumae	3,100	3,160	3.7	3,040	3.5	3.9
Daiwa Shibadaimon	3,970	4,030	3.5	3,950	3.3	3.7
Daiwa Misakicho	3,040	3,080	3.8	3,020	3.6	4.0
Daiwa Shimbashi 510	2,530	2,570	4.0	2,480	3.8	4.2
Daiwa Tsukijiekimae (Note 3)	2,240	2,250	4.0	2,230	4.0	4.2
Daiwa Tsukiji	1,740	1,760	3.9	1,730	3.9	4.1
Daiwa Tsukishima	10,800	10,900	4.0	10,700	3.7	4.2
Daiwa Nihonbashi Horidomecho	3,000	3,030	3.9	2,970	3.7	4.1
Daiwa Azabudai	1,940	1,970	3.9	1,900	3.7	4.1
Daiwa Kyobashi	3,450	3,490	4.1	3,400	3.9	4.3
Daiwa Kojimachi 4-chome	2,910	2,950	3.6	2,870	3.4	3.8
Shinjuku Maynds Tower (Note 4)	64,300	153,000	3.1	147,000	2.9	3.3
Daiwa SHIBUYA EDGE	5,410	5,500	3.6	5,310	3.4	3.8
Daiwa Kodenmachi	2,310	2,350	4.1	2,260	3.9	4.3
Daiwa Nishi-Shimbashi	7,360	7,490	3.4	7,300	3.2	3.6
Daiwa Kayabacho Building	8,230	8,380	3.3	8,170	3.1	3.5
Daiwa Jimbocho 3-chome	5,250	5,340	3.3	5,210	3.1	3.5
E SPACE TOWER	36,600	37,300	3.0	35,800	2.8	3.2
Daiwa Nihonbashi Hongokucho	2,690	2,700	3.9	2,680	3.7	4.1
shinyon curumu	16,500	16,800	3.1	16,300	2.9	3.3
Daiwa Akasaka	15,500	15,800	3.2	15,400	3.0	3.4
Daiwa Shibuya Miyamasuzaka	12,900	13,100	3.3	12,700	3.1	3.5
Daiwa Azabu Terrace	18,200	18,500	3.5	17,800	3.3	3.7
Daiwa Ebisu 4-chome	6,440	6,440	3.6	6,440	3.7	3.8
LAQUAS Higashi Shinjuku	11,300	11,700	3.3	11,100	3.1	3.5
Daiwa Aoyama	12,600	12,900	3.1	12,500	2.9	3.3
Shinsen Place	6,790	6,930	3.2	6,730	3.1	3.4
Daiwa Shibuya Square	22,000	22,200	3.3	21,800	3.1	3.5
Daiwa River Gate	33,700	33,800	3.7	33,600	3.4	3.8
Daiwa Hatchobori ekimae	3,320	3,410	3.4	3,280	3.2	3.6
Daiwa Hatchobori ekimae West	1,970	2,020	3.5	1,950	3.3	3.7
Daiwa Nishi-Shinjuku	17,200	17,500	3.2	17,000	3.0	3.4
Kirin Nihonbashi Building	8,350	8,480	3.8	8,210	3.5	3.9
Daiwa Higashi-nihonbashi Building	7,150	7,280	3.8	7,090	3.6	4.0
Daiwa Daikanyama (Note 5)	3,590	3,650	3.2	3,560	3.2	3.4
Daiwa Shinjuku West	1,250	1,260	3.8	1,240	3.6	4.0
Daiwa Kanda Mikura-cho Building	1,810	1,840	3.8	1,790	3.8	4.0
Daiwa Kanda East	5,700	5,800	3.4	5,590	3.2	3.6

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 Kandasudacho	2,820	2,900	3.6	2,780	3.6	3.8
Daiwa Sasazuka Tower	16,000	16,600	3.8	15,800	3.6	4.0
Daiwa Sasazuka	3,560	3,670	3.9	3,510	3.7	4.1
Daiwa Harumi	12,600	12,800	3.7	12,300	3.7	3.9
Daiwa Mita 2-Chome	3,980	4,050	3.7	3,900	3.5	3.9
Nihonbashi Central Square (Note 6)	3,800	6,370	3.5	6,080	3.3	3.7
Daiwa Higashi-Ikebukuro	4,360	4,400	4.0	4,340	3.8	4.2
Daiwa Shinagawa North	6,350	6,420	4.1	6,280	3.9	4.3
Daiwa Kamiooka	2,900	2,910	4.4	2,890	4.2	4.6
Daiwa Ogikubo Tower	23,200	23,400	3.6	23,100	3.4	3.8
Daiwa Meguro Square	7,270	7,430	3.5	7,200	3.3	3.7
Daiwa Ogikubo	4,820	4,910	3.9	4,780	3.7	4.1
CONCURRED Yokohama (Note 7)	41,200	42,300	4.2	40,700	4.0	4.4
Daiwa Shinagawa Gotenyama	2,860	2,920	3.9	2,840	3.7	4.1
Daiwa Nakano-Sakaue	2,850	2,950	4.0	2,800	3.7	4.2
Daiwa Kitahama	13,300	13,400	3.7	13,200	3.5	3.9
Total	572,090	671,700	-	651,050	-	-

(Note 1) "Estimated price at end of period" is the price as of May 31, 2020, 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 A Hamamatsucho, the prices are those pertaining to the Investment Corporation's ownership interest.

(Note 3) Discount rate for Daiwa Tsukijiekimae is the figure after the fourth fiscal year (3.9% up to the third fiscal year).

(Note 4) For 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 5) Discount rate for Daiwa Daikanyama is the figure after the 11th fiscal year (3.3% up to the 10th fiscal year).

(Note 6) For Nihonbashi Central Square, 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 7) For CONCURRED Yokohama, Price indicates a price pertaining to the Investment Corporation's ownership interest.

3.2.5. Status of Income (Loss), etc. of Individual Properties

The following table lists the status of income (loss), etc. of each property for the 29th Fiscal Period (from December 1, 2019 to May 31, 2020). Income (loss) information is presented in accordance with “2. Financial Statements; 2.7. Notes to Significant Accounting Policies” outlined earlier.

Region		Five Central Wards of Tokyo				
Property name		Daiwa Ginza	Daiwa Ginza Annex	Daiwa Shibaura	Daiwa Minami-Aoyama	Daiwa Sarugakucho (Note 3)
Acquisition date		Oct. 2005	Oct. 2005	Oct. 2005	Oct. 2005	Oct. 2005
Price information	Acquisition price (Millions of yen)	14,100	3,050	8,265	4,550	3,190
	Investment ratio (%)	3.0	0.7	1.8	1.0	0.7
	Carrying amount (Millions of yen)	12,795	2,732	7,944	4,390	3,131
	Estimated price at end of period (Millions of yen)	17,600	4,060	8,380	4,840	4,230
Leasing information	Total number of tenants (Note 1)	25	7	52	5	2
	Leasable floor area (m ²)	8,114.93	2,032.11	9,619.67	2,715.54	3,657.43
	Leased floor area (m ²)	8,067.49	2,032.11	9,427.17	2,715.54	3,657.43
	Occupancy rate (%)					
	End of May 2018	95.0	100.0	99.1	84.8	100.0
	End of Nov. 2018	100.0	100.0	98.3	100.0	100.0
	End of May 2019	99.6	100.0	99.1	100.0	100.0
	End of Nov. 2019	99.4	100.0	99.5	100.0	100.0
End of May 2020	99.4	100.0	97.9	100.0	100.0	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	437,507	103,213	265,465	129,711	(Not disclosed)
	Rent revenue – real estate	437,057	103,213	264,107	129,711	(Not disclosed)
	Other lease business revenue	450	—	1,358	—	(Not disclosed)
	Total property leasing expenses (B) (Thousands of yen)	164,329	37,763	158,330	39,272	(Not disclosed)
	Consignment expenses	20,867	8,362	17,583	6,662	(Not disclosed)
	Utilities expenses	19,515	5,235	14,841	4,428	(Not disclosed)
	Taxes and dues	31,715	10,478	20,850	13,018	(Not disclosed)
	Non-life insurance expenses	509	118	457	180	(Not disclosed)
	Repair expenses	11,540	4,843	73,435	600	(Not disclosed)
	Depreciation (C)	65,190	8,724	31,142	14,381	(Not disclosed)
	Other lease business expenses	14,990	—	20	—	(Not disclosed)
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	273,177	65,449	107,134	90,438	(Not disclosed)
	NOI (E) [(D) + (C)] (Thousands of yen)	338,367	74,174	138,276	104,820	98,236
Capital expenditures (F) (Thousands of yen)	8,064	490	17,701	1,735	—	
NCF [(E) – (F)] (Thousands of yen)	330,302	73,684	120,575	103,085	98,236	
Reference information	Expense rate (%) [(B) ÷ (A)]	37.56	36.59	59.64	30.28	(Not disclosed)
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	67,880	22,393	41,072	25,570	14,093
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	400,440	80,790	302,630	184,613	96,757

Region		Five Central Wards of Tokyo				
Property name		Daiwa A Hamamatsucho	Daiwa Jingumae	Daiwa Shibadaimon	Daiwa Misakicho (Note 3)	Daiwa Shimbashi 510
Acquisition date		Oct. 2005	Oct. 2005	Oct. 2005	Oct. 2005	Oct. 2005
Price information	Acquisition price (Millions of yen)	2,865	2,800	2,578	2,346	2,080
	Investment ratio (%)	0.6	0.6	0.6	0.5	0.4
	Carrying amount (Millions of yen)	2,726	2,677	2,358	2,106	2,112
	Estimated price at end of period (Millions of yen)	3,970	3,100	3,970	3,040	2,530
Leasing information	Total number of tenants (Note 1)	12	4	7	1	7
	Leasable floor area (m ²)	3,663.38	2,198.61	2,386.48	2,137.53	2,595.76
	Leased floor area (m ²)	3,663.38	1,726.65	2,386.48	2,137.53	2,595.76
	Occupancy rate (%)					
	End of May 2018	100.0	100.0	100.0	100.0	100.0
	End of Nov. 2018	100.0	78.5	100.0	100.0	100.0
	End of May 2019	100.0	100.0	100.0	100.0	100.0
End of Nov. 2019	100.0	100.0	100.0	100.0	100.0	
End of May 2020	100.0	78.5	100.0	100.0	100.0	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	135,911	84,374	94,959	(Not disclosed)	76,387
	Rent revenue – real estate	135,911	84,374	94,959	(Not disclosed)	76,387
	Other lease business revenue	–	–	–	(Not disclosed)	–
	Total property leasing expenses (B) (Thousands of yen)	73,224	37,382	48,253	(Not disclosed)	30,263
	Consignment expenses	9,777	4,061	5,826	(Not disclosed)	8,040
	Utilities expenses	6,419	3,537	4,245	(Not disclosed)	3,901
	Taxes and dues	9,067	6,894	6,652	(Not disclosed)	6,157
	Non-life insurance expenses	211	100	144	(Not disclosed)	146
	Repair expenses	3,276	13,861	20,751	(Not disclosed)	3,093
	Depreciation (C)	15,072	8,919	10,632	(Not disclosed)	8,924
	Other lease business expenses	29,400	7	–	(Not disclosed)	–
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	62,686	46,991	46,706	(Not disclosed)	46,124
	NOI (E) [(D) + (C)] (Thousands of yen)	77,759	55,911	57,338	64,614	55,049
Capital expenditures (F) (Thousands of yen)	9,306	242	1,958	690	2,690	
NCF [(E) – (F)] (Thousands of yen)	68,453	55,669	55,380	63,924	52,358	
Reference information	Expense rate (%) [(B) ÷ (A)]	53.88	44.31	50.81	(Not disclosed)	39.62
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	17,944	13,791	12,941	10,742	12,224
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	103,380	99,700	87,656	114,585	89,426

Region		Five Central Wards of Tokyo				
Property name		Daiwa Tsukijiekimae	Daiwa Tsukiji	Daiwa Tsukishima	Daiwa Nihonbashi Horidomecho	Daiwa Azabudai
Acquisition date		Jan. 2006	Jan. 2006	Mar. 2006	May 2006	May 2006
Price information	Acquisition price (Millions of yen)	1,560	1,240	7,840	2,520	1,600
	Investment ratio (%)	0.3	0.3	1.7	0.5	0.3
	Carrying amount (Millions of yen)	1,246	1,119	6,666	2,408	1,487
	Estimated price at end of period (Millions of yen)	2,240	1,740	10,800	3,000	1,940
Leasing information	Total number of tenants (Note 1)	6	6	4	8	11
	Leasable floor area (m ²)	2,659.59	1,487.44	8,425.69	2,848.91	1,697.88
	Leased floor area (m ²)	2,659.59	1,487.44	8,425.69	2,848.91	1,697.88
	Occupancy rate (%)					
	End of May 2018	100.0	100.0	100.0	100.0	100.0
	End of Nov. 2018	100.0	100.0	100.0	100.0	100.0
	End of May 2019	100.0	100.0	100.0	100.0	100.0
End of Nov. 2019	100.0	100.0	100.0	100.0	100.0	
End of May 2020	100.0	100.0	100.0	100.0	100.0	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	67,674	51,821	281,609	87,629	56,734
	Rent revenue – real estate	67,674	51,821	281,609	87,629	56,734
	Other lease business revenue	–	–	–	–	–
	Total property leasing expenses (B) (Thousands of yen)	65,011	18,142	95,811	35,214	21,704
	Consignment expenses	3,866	3,810	12,245	7,191	4,033
	Utilities expenses	3,630	2,091	9,181	3,550	2,436
	Taxes and dues	5,272	4,102	14,992	7,005	5,070
	Non-life insurance expenses	117	74	347	156	88
	Repair expenses	38,638	385	3,130	1,871	1,681
	Depreciation (C)	13,468	7,678	55,914	15,439	8,395
	Other lease business expenses	18	–	–	–	–
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	2,662	33,679	185,798	52,414	35,029
	NOI (E) [(D) + (C)] (Thousands of yen)	16,131	41,357	241,712	67,853	43,424
Capital expenditures (F) (Thousands of yen)	–	6,931	2,666	2,101	400	
NCF [(E) – (F)] (Thousands of yen)	16,131	34,425	239,046	65,751	43,024	
Reference information	Expense rate (%) [(B) ÷ (A)]	96.07	35.01	34.02	40.19	38.26
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	10,504	8,138	30,192	13,828	10,109
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	120,530	97,348	102,930	147,575	108,280

Region		Five Central Wards of Tokyo				
Property name		Daiwa Kyobashi	Daiwa Kojimachi 4-chome	Shinjuku Maynds Tower	Daiwa SHIBUYA EDGE	Daiwa Kodenmacho
Acquisition date		July 2006	Oct. 2006	July 2007 and Nov. 2007	July 2007	Aug. 2007
Price information	Acquisition price (Millions of yen)	3,460	2,910	66,900	5,900	2,460
	Investment ratio (%)	0.7	0.6	14.4	1.3	0.5
	Carrying amount (Millions of yen)	3,152	2,850	63,805	5,597	2,336
	Estimated price at end of period (Millions of yen)	3,450	2,910	64,300	5,410	2,310
Leasing information	Total number of tenants (Note 1)	10	7	38	5	8
	Leasable floor area (m ²)	3,265.83	2,695.31	22,768.41	2,480.65	2,379.31
	Leased floor area (m ²)	3,265.83	2,695.31	22,768.41	2,480.65	2,379.31
	Occupancy rate (%)					
	End of May 2018	100.0	100.0	99.8	100.0	100.0
	End of Nov. 2018	100.0	100.0	99.9	100.0	100.0
	End of May 2019	100.0	100.0	99.3	100.0	100.0
End of Nov. 2019	100.0	100.0	95.1	100.0	100.0	
End of May 2020	100.0	100.0	100.0	100.0	100.0	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	103,629	89,950	1,344,859	129,811	67,408
	Rent revenue – real estate	103,629	89,950	1,342,677	129,811	67,408
	Other lease business revenue	–	–	2,181	–	–
	Total property leasing expenses (B) (Thousands of yen)	42,712	42,758	586,452	37,472	24,682
	Consignment expenses	6,072	5,961	87,835	5,878	5,091
	Utilities expenses	6,960	4,782	125,255	5,878	4,263
	Taxes and dues	7,536	16,419	135,652	7,983	3,841
	Non-life insurance expenses	153	169	2,166	127	111
	Repair expenses	2,289	201	32,353	674	890
	Depreciation (C)	19,698	15,223	200,721	16,930	9,661
	Other lease business expenses	–	–	2,466	–	822
Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	60,916	47,191	758,407	92,338	42,726	
NOI (E) [(D) + (C)] (Thousands of yen)	80,615	62,415	959,128	109,268	52,387	
Capital expenditures (F) (Thousands of yen)	2,942	2,568	21,749	1,305	1,118	
NCF [(E) – (F)] (Thousands of yen)	77,672	59,846	937,379	107,963	51,268	
Reference information	Expense rate (%) [(B) ÷ (A)]	41.22	47.54	43.61	28.87	36.62
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	14,916	32,559	270,974	16,262	7,668
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	116,200	142,915	5,834,950	62,460	84,051

Region		Five Central Wards of Tokyo				
Property name		Daiwa Jimbocho (Note 4)	Daiwa Nishi-Shimbashi	Daiwa Kayabacho Building (Note 3)	Daiwa Jimbocho 3-chome	E-SPACE TOWER
Acquisition date		Mar. 2010	Aug. 2010	Mar. 2011	Mar. 2011	July 2011
Price information	Acquisition price (Millions of yen)	—	5,000	5,600	3,550	24,000
	Investment ratio (%)	—	1.1	1.2	0.8	5.2
	Carrying amount (Millions of yen)	—	4,608	5,153	3,295	23,406
	Estimated price at end of period (Millions of yen)	—	7,360	8,230	5,250	36,600
Leasing information	Total number of tenants (Note 1)	—	11	1	8	12
	Leasable floor area (m ²)	—	4,815.84	5,899.11	2,889.34	13,960.87
	Leased floor area (m ²)	—	4,815.84	5,899.11	2,889.34	13,960.87
	Occupancy rate (%)					
	End of May 2018	100.0	100.0	100.0	100.0	100.0
	End of Nov. 2018	100.0	100.0	100.0	100.0	93.3
	End of May 2019	100.0	100.0	100.0	88.1	89.6
End of Nov. 2019	100.0	100.0	100.0	100.0	97.0	
End of May 2020	—	100.0	100.0	100.0	100.0	
Income (loss) information	Number of days of asset management	172	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	107,937	186,509	(Not disclosed)	122,434	821,943
	Rent revenue – real estate	107,937	186,509	(Not disclosed)	122,434	821,943
	Other lease business revenue	—	—	(Not disclosed)	—	—
	Total property leasing expenses (B) (Thousands of yen)	53,826	78,112	(Not disclosed)	43,033	226,330
	Consignment expenses	6,921	16,587	(Not disclosed)	7,490	48,995
	Utilities expenses	4,457	8,028	(Not disclosed)	5,566	33,627
	Taxes and dues	20,706	16,246	(Not disclosed)	9,940	62,367
	Non-life insurance expenses	151	290	(Not disclosed)	150	775
	Repair expenses	340	1,394	(Not disclosed)	15	4,645
	Depreciation (C)	21,211	35,566	(Not disclosed)	19,871	75,415
	Other lease business expenses	36	—	(Not disclosed)	—	504
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	54,111	108,397	(Not disclosed)	79,401	595,612
	NOI (E) [(D) + (C)] (Thousands of yen)	75,322	143,964	150,387	99,272	671,028
Capital expenditures (F) (Thousands of yen)	—	586	1,288	537	10,913	
NCF [(E) – (F)] (Thousands of yen)	75,322	143,377	149,098	98,734	660,114	
Reference information	Expense rate (%) [(B) ÷ (A)]	49.87	41.88	(Not disclosed)	35.15	27.54
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	—	32,184	25,607	19,828	124,572
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	—	187,580	125,988	82,470	574,150

Region		Five Central Wards of Tokyo				
Property name		Daiwa Nihonbashi Hongokucho	shinyon curumu	Daiwa Akasaka	Daiwa Shibuya Miyamasuzaka	Daiwa Azabu Terrace
Acquisition date		May 2012	Dec. 2012 and Apr. 2013	Aug. 2013	Sept. 2013	July 2014
Price information	Acquisition price (Millions of yen)	1,721	9,650	9,200	7,000	14,000
	Investment ratio (%)	0.4	2.1	2.0	1.5	3.0
	Carrying amount (Millions of yen)	1,540	9,558	10,126	7,316	13,883
	Estimated price at end of period (Millions of yen)	2,690	16,500	15,500	12,900	18,200
Leasing information	Total number of tenants (Note 1)	6	16	16	9	12
	Leasable floor area (m ²)	2,143.08	6,751.31	8,747.39	6,328.94	13,234.39
	Leased floor area (m ²)	2,143.08	6,751.31	8,747.39	6,328.94	13,234.39
	Occupancy rate (%)					
	End of May 2018	100.0	99.5	100.0	100.0	99.6
	End of Nov. 2018	100.0	100.0	100.0	100.0	99.6
	End of May 2019	100.0	100.0	100.0	100.0	100.0
End of Nov. 2019	93.9	100.0	100.0	100.0	100.0	
End of May 2020	100.0	100.0	100.0	100.0	100.0	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	68,588	392,335	366,890	323,938	476,940
	Rent revenue – real estate	68,588	392,335	366,890	323,938	476,940
	Other lease business revenue	–	–	–	–	–
	Total property leasing expenses (B) (Thousands of yen)	27,862	115,769	151,014	84,099	166,272
	Consignment expenses	7,101	23,260	27,578	18,412	33,266
	Utilities expenses	2,465	16,818	19,371	11,350	44,620
	Taxes and dues	4,556	37,272	35,764	22,650	33,777
	Non-life insurance expenses	91	401	515	373	727
	Repair expenses	313	997	8,451	3,921	1,751
	Depreciation (C)	13,335	36,993	59,062	27,354	52,047
Other lease business expenses	–	25	270	36	82	
Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	40,725	276,565	215,876	239,838	310,667	
NOI (E) [(D) + (C)] (Thousands of yen)	54,060	313,558	274,938	267,193	362,714	
Capital expenditures (F) (Thousands of yen)	–	2,787	1,949	4,064	5,084	
NCF [(E) – (F)] (Thousands of yen)	54,060	310,771	272,989	263,128	357,630	
Reference information	Expense rate (%) [(B) ÷ (A)]	40.62	29.51	41.16	25.96	34.86
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	9,096	75,935	70,972	47,365	67,167
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	50,940	166,089	327,392	457,625	491,112

Region		Five Central Wards of Tokyo				
Property name		Daiwa Ebisu 4-chome (Note 3)	LAQUAS Higashi Shinjuku	Daiwa Aoyama	Shinsen Place (Note 3)	Daiwa Shibuya Square
Acquisition date		Dec. 2014	Dec. 2014	Mar. 2015	Mar. 2015	May 2015
Price information	Acquisition price (Millions of yen)	4,135	8,450	9,800	4,800	16,000
	Investment ratio (%)	0.9	1.8	2.1	1.0	3.5
	Carrying amount (Millions of yen)	4,198	8,378	9,959	4,915	15,859
	Estimated price at end of period (Millions of yen)	6,440	11,300	12,600	6,790	22,000
Leasing information	Total number of tenants (Note 1)	1	4	7	1	13
	Leasable floor area (m ²)	2,951.70	7,498.33	4,426.10	2,811.35	8,566.73
	Leased floor area (m ²)	2,951.70	7,498.33	4,426.10	2,811.35	8,566.73
	Occupancy rate (%)					
	End of May 2018	100.0	100.0	100.0	100.0	100.0
	End of Nov. 2018	100.0	100.0	91.5	100.0	100.0
	End of May 2019	100.0	100.0	100.0	100.0	100.0
	End of Nov. 2019	100.0	100.0	100.0	100.0	100.0
End of May 2020	100.0	100.0	100.0	100.0	100.0	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	(Not disclosed)	230,466	245,641	(Not disclosed)	493,908
	Rent revenue – real estate	(Not disclosed)	230,466	245,641	(Not disclosed)	484,264
	Other lease business revenue	(Not disclosed)	—	—	(Not disclosed)	9,644
	Total property leasing expenses (B) (Thousands of yen)	(Not disclosed)	79,389	64,709	(Not disclosed)	97,871
	Consignment expenses	(Not disclosed)	10,903	18,649	(Not disclosed)	15,418
	Utilities expenses	(Not disclosed)	11,764	6,904	(Not disclosed)	18,951
	Taxes and dues	(Not disclosed)	21,166	14,324	(Not disclosed)	29,104
	Non-life insurance expenses	(Not disclosed)	354	181	(Not disclosed)	439
	Repair expenses	(Not disclosed)	1,600	6,917	(Not disclosed)	498
	Depreciation (C)	(Not disclosed)	33,442	17,731	(Not disclosed)	33,459
	Other lease business expenses	(Not disclosed)	158	—	(Not disclosed)	—
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	(Not disclosed)	151,076	180,932	(Not disclosed)	396,036
NOI (E) [(D) + (C)] (Thousands of yen)	134,353	184,519	198,664	113,198	429,496	
Capital expenditures (F) (Thousands of yen)	—	2,511	564	76,038	3,497	
NCF [(E) – (F)] (Thousands of yen)	134,353	182,007	198,099	37,159	425,999	
Reference information	Expense rate (%) [(B) ÷ (A)]	(Not disclosed)	34.45	26.34	(Not disclosed)	19.82
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	19,410	42,068	30,570	17,223	57,616
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	98,692	162,700	175,290	178,610	234,380

Region		Five Central Wards of Tokyo				
Property name		Daiwa River Gate	Daiwa Hatchobori ekimae	Daiwa Hatchobori ekimae West	Daiwa Nishi-Shinjuku	Kirin Nihonbashi Building (Note 3)
Acquisition date		June 2015	Sept. 2015	Sept. 2015	Mar. 2016	May 2016
Price information	Acquisition price (Millions of yen)	28,000	2,871	1,647	13,710	8,180
	Investment ratio (%)	6.0	0.6	0.4	3.0	1.8
	Carrying amount (Millions of yen)	27,668	2,904	1,709	13,958	8,354
	Estimated price at end of period (Millions of yen)	33,700	3,320	1,970	17,200	8,350
Leasing information	Total number of tenants (Note 1)	93	9	8	7	1
	Leasable floor area (m ²)	32,055.85	2,622.42	1,734.68	6,967.61	5,630.17
	Leased floor area (m ²)	31,887.39	2,622.42	1,734.68	6,967.61	5,630.17
	Occupancy rate (%)					
	End of May 2018	99.4	100.0	100.0	100.0	100.0
	End of Nov. 2018	99.3	100.0	100.0	100.0	100.0
	End of May 2019	99.7	100.0	100.0	100.0	100.0
	End of Nov. 2019	98.9	100.0	100.0	90.5	100.0
End of May 2020	99.4	100.0	100.0	100.0	100.0	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	1,069,728	85,255	50,860	357,263	(Not disclosed)
	Rent revenue – real estate	1,065,265	85,255	50,860	357,263	(Not disclosed)
	Other lease business revenue	4,463	–	–	–	(Not disclosed)
	Total property leasing expenses (B) (Thousands of yen)	513,868	33,433	16,958	109,577	(Not disclosed)
	Consignment expenses	87,528	7,686	4,695	32,603	(Not disclosed)
	Utilities expenses	114,110	5,573	2,739	15,331	(Not disclosed)
	Taxes and dues	104,874	9,316	4,260	39,399	(Not disclosed)
	Non-life insurance expenses	2,050	149	77	358	(Not disclosed)
	Repair expenses	71,210	323	321	1,167	(Not disclosed)
	Depreciation (C)	133,972	10,383	4,865	20,717	(Not disclosed)
	Other lease business expenses	120	–	–	–	(Not disclosed)
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	555,860	51,822	33,901	247,685	(Not disclosed)
NOI (E) [(D) + (C)] (Thousands of yen)	689,833	62,205	38,766	268,403	156,720	
Capital expenditures (F) (Thousands of yen)	39,822	268	1,299	6,339	4,633	
NCF [(E) – (F)] (Thousands of yen)	650,010	61,937	37,466	262,063	152,086	
Reference information	Expense rate (%) [(B) ÷ (A)]	48.04	39.22	33.34	30.67	(Not disclosed)
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	204,542	18,413	8,468	78,172	22,141
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	1,970,900	159,500	91,420	284,170	216,720

Region		Five Central Wards of Tokyo				
Property name		Daiwa Higashi-nihonbashi Building	Daiwa Daikanyama (Note 3)	Daiwa Shinjuku West	Daiwa Kanda Mikura-cho Building	Daiwa Kanda East
Acquisition date		June 2016	June 2016	July 2016	Dec. 2016	Jan. 2018
Price information	Acquisition price (Millions of yen)	6,370	2,280	942	1,592	4,200
	Investment ratio (%)	1.4	0.5	0.2	0.3	0.9
	Carrying amount (Millions of yen)	6,313	2,370	989	1,586	4,249
	Estimated price at end of period (Millions of yen)	7,150	3,590	1,250	1,810	5,700
Leasing information	Total number of tenants (Note 1)	5	1	8	7	5
	Leasable floor area (m ²)	5,015.88	1,642.83	1,120.58	1,719.51	3,980.56
	Leased floor area (m ²)	5,015.88	1,642.83	1,120.58	1,719.51	3,980.56
	Occupancy rate (%)					
	End of May 2018	100.0	100.0	100.0	100.0	91.8
	End of Nov. 2018	100.0	100.0	99.0	100.0	100.0
	End of May 2019	100.0	100.0	100.0	100.0	100.0
End of Nov. 2019	100.0	100.0	100.0	100.0	100.0	
End of May 2020	100.0	100.0	100.0	100.0	100.0	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	175,532	(Not disclosed)	38,695	52,215	142,336
	Rent revenue – real estate	175,532	(Not disclosed)	38,695	52,215	142,336
	Other lease business revenue	–	(Not disclosed)	–	–	–
	Total property leasing expenses (B) (Thousands of yen)	117,654	(Not disclosed)	11,557	15,517	50,199
	Consignment expenses	10,983	(Not disclosed)	3,459	4,999	11,825
	Utilities expenses	9,472	(Not disclosed)	2,497	2,430	9,066
	Taxes and dues	11,725	(Not disclosed)	3,116	3,545	10,464
	Non-life insurance expenses	240	(Not disclosed)	49	65	177
	Repair expenses	58,646	(Not disclosed)	569	153	233
	Depreciation (C)	26,585	(Not disclosed)	1,865	4,322	18,431
	Other lease business expenses	–	(Not disclosed)	–	–	–
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	57,878	(Not disclosed)	27,137	36,697	92,136
NOI (E) [(D) + (C)] (Thousands of yen)	84,463	59,204	29,002	41,020	110,567	
Capital expenditures (F) (Thousands of yen)	72,731	425	13,939	2,068	216	
NCF [(E) – (F)] (Thousands of yen)	11,732	58,779	15,062	38,952	110,351	
Reference information	Expense rate (%) [(B) ÷ (A)]	67.03	(Not disclosed)	29.87	29.72	35.27
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	23,197	11,092	6,225	7,045	20,609
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	158,880	45,044	79,330	74,026	133,611

Region		Five Central Wards of Tokyo				
Property name		Daiwa Kandasudacho	Daiwa Sasazuka Tower	Daiwa Sasazuka	Daiwa Harumi	Daiwa Mita 2-Chome (Note 3)
Acquisition date		June 2018 and Nov. 2018	Oct. 2018	Dec. 2018	Feb. 2019	July 2019
Price information	Acquisition price (Millions of yen)	2,295	15,500	3,000	11,200	2,635
	Investment ratio (%)	0.5	3.3	0.6	2.4	0.6
	Carrying amount (Millions of yen)	2,377	16,005	3,180	11,266	1,593
	Estimated price at end of period (Millions of yen)	2,820	16,000	3,560	12,600	3,980
Leasing information	Total number of tenants (Note 1)	8	5	8	7	1
	Leasable floor area (m ²)	2,211.64	16,160.25	3,828.95	11,227.10	2,101.61
	Leased floor area (m ²)	2,211.64	16,160.25	3,644.09	11,227.10	2,101.61
	Occupancy rate (%)					
	End of May 2018	—	—	—	—	—
	End of Nov. 2018	100.0	100.0	—	—	—
	End of May 2019	100.0	100.0	96.0	47.3	—
End of Nov. 2019	100.0	100.0	92.7	100.0	100.0	
End of May 2020	100.0	100.0	95.1	100.0	100.0	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	65,166	458,842	84,465	243,020	(Not disclosed)
	Rent revenue – real estate	65,166	458,842	84,465	243,020	(Not disclosed)
	Other lease business revenue	—	—	—	—	(Not disclosed)
	Total property leasing expenses (B) (Thousands of yen)	27,541	228,980	41,762	116,293	(Not disclosed)
	Consignment expenses	8,476	50,082	10,751	30,283	(Not disclosed)
	Utilities expenses	2,690	54,978	8,066	26,415	(Not disclosed)
	Taxes and dues	4,620	55,288	8,856	212	(Not disclosed)
	Non-life insurance expenses	83	928	170	531	(Not disclosed)
	Repair expenses	4,759	6,014	1,272	3,195	(Not disclosed)
	Depreciation (C)	6,889	61,687	12,645	35,116	(Not disclosed)
	Other lease business expenses	21	—	—	20,538	(Not disclosed)
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	37,625	229,862	42,703	126,726	(Not disclosed)
NOI (E) [(D) + (C)] (Thousands of yen)	44,515	291,549	55,348	161,843	55,964	
Capital expenditures (F) (Thousands of yen)	13,058	35,006	5,321	6,137	—	
NCF [(E) – (F)] (Thousands of yen)	31,457	256,542	50,027	155,705	55,964	
Reference information	Expense rate (%) [(B) ÷ (A)]	42.26	49.90	49.44	47.85	(Not disclosed)
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	9,120	111,002	17,772	54,258	17,892
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	76,730	718,270	129,490	253,020	5,360

Region		Five Central Wards of Tokyo	Greater Tokyo			
Property name		Nihonbashi Central Square	Daiwa Higashi-Ikebukuro	Daiwa Shinagawa North	Daiwa Kamiooka	Daiwa Ogikubo Tower
Acquisition date		May 2020	Oct. 2005	July 2007	Mar. 2013	May 2014
Price information	Acquisition price (Millions of yen)	3,521	2,958	7,710	2,000	15,220
	Investment ratio (%)	0.8	0.6	1.7	0.4	3.3
	Carrying amount (Millions of yen)	3,630	2,593	7,057	1,841	16,449
	Estimated price at end of period (Millions of yen)	3,800	4,360	6,350	2,900	23,200
Leasing information	Total number of tenants (Note 1)	10	9	11	9	9
	Leasable floor area (m ²)	1,837.05	4,462.28	6,548.17	2,630.30	17,778.14
	Leased floor area (m ²)	1,837.05	4,462.28	6,548.17	2,630.30	17,778.14
	Occupancy rate (%)					
	End of May 2018	—	100.0	100.0	100.0	100.0
	End of Nov. 2018	—	100.0	100.0	100.0	100.0
	End of May 2019	—	100.0	100.0	100.0	99.6
End of Nov. 2019	—	100.0	100.0	100.0	100.0	
End of May 2020	100.0	100.0	100.0	100.0	100.0	
Income (loss) information	Number of days of asset management	11	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	4,663	129,302	202,002	92,377	658,430
	Rent revenue – real estate	4,663	129,302	202,002	92,377	658,430
	Other lease business revenue	—	—	—	—	—
	Total property leasing expenses (B) (Thousands of yen)	1,751	55,517	87,546	37,210	298,743
	Consignment expenses	327	10,927	17,979	5,856	51,082
	Utilities expenses	12	9,394	11,029	6,625	67,098
	Taxes and dues	—	8,598	18,968	6,399	45,088
	Non-life insurance expenses	8	252	390	142	1,036
	Repair expenses	—	1,649	2,610	102	3,999
	Depreciation (C)	1,402	24,694	36,568	18,084	129,607
	Other lease business expenses	—	—	—	—	830
Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	2,912	73,785	114,455	55,167	359,687	
NOI (E) [(D) + (C)] (Thousands of yen)	4,314	98,479	151,024	73,251	489,295	
Capital expenditures (F) (Thousands of yen)	—	9,395	6,692	1,654	32,912	
NCF [(E) – (F)] (Thousands of yen)	4,314	89,084	144,331	71,596	456,382	
Reference information	Expense rate (%) [(B) ÷ (A)]	37.55	42.94	43.34	40.28	45.37
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	—	17,005	36,998	12,723	89,079
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	134,280	294,300	441,710	63,700	575,795

Region		Greater Tokyo				
Property name		Daiwa Meguro Square	Daiwa Ogikubo	CONCURRED Yokohama	Daiwa Shinagawa Gotenyama	Daiwa Nakano-Sakaue
Acquisition date		May 2015	July 2016	Jan. 2018	Sept. 2018	Dec. 2019
Price information	Acquisition price (Millions of yen)	5,600	3,800	38,100	2,500	2,750
	Investment ratio (%)	1.2	0.8	8.2	0.5	0.6
	Carrying amount (Millions of yen)	5,456	3,975	37,939	2,575	2,855
	Estimated price at end of period (Millions of yen)	7,270	4,820	41,200	2,860	2,850
Leasing information	Total number of tenants (Note 1)	16	11	36	6	6
	Leasable floor area (m ²)	3,519.50	3,849.63	28,052.98	2,396.96	2,869.13
	Leased floor area (m ²)	3,519.50	3,849.63	27,618.80	2,396.96	2,869.13
	Occupancy rate (%)					
	End of May 2018	100.0	100.0	93.2	—	—
	End of Nov. 2018	100.0	100.0	99.3	58.6	—
	End of May 2019	100.0	100.0	98.7	100.0	—
End of Nov. 2019	100.0	100.0	100.0	100.0	—	
End of May 2020	100.0	100.0	98.4	100.0	100.0	
Income (loss) information	Number of days of asset management	183	183	183	183	171
	Total property leasing revenue (A) (Thousands of yen)	166,673	128,662	1,048,829	73,342	72,001
	Rent revenue – real estate	166,673	128,662	1,048,679	73,342	72,001
	Other lease business revenue	—	—	150	—	—
	Total property leasing expenses (B) (Thousands of yen)	56,107	55,958	368,155	46,227	22,845
	Consignment expenses	9,808	9,551	59,140	6,419	8,664
	Utilities expenses	8,241	6,099	78,861	3,539	5,240
	Taxes and dues	13,827	8,205	57,684	5,514	10
	Non-life insurance expenses	200	170	788	105	136
	Repair expenses	682	20,244	56,466	24,873	360
	Depreciation (C)	23,346	11,686	114,596	5,776	8,421
	Other lease business expenses	—	—	616	—	11
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	110,566	72,704	680,674	27,115	49,155
	NOI (E) [(D) + (C)] (Thousands of yen)	133,913	84,390	795,270	32,891	57,577
Capital expenditures (F) (Thousands of yen)	7,855	7,277	21,345	1,483	1,218	
NCF [(E) – (F)] (Thousands of yen)	126,057	77,112	773,924	31,407	56,359	
Reference information	Expense rate (%) [(B) ÷ (A)]	33.66	43.49	35.10	63.03	31.73
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	27,270	16,327	154,432	10,960	13,874
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	122,800	161,340	718,980	102,564	193,251

Region		Major Regional Cities
Property name		Daiwa Kitahama
Acquisition date		Aug. 2014
Price information	Acquisition price (Millions of yen)	9,481
	Investment ratio (%)	2.0
	Carrying amount (Millions of yen)	9,124
	Estimated price at end of period (Millions of yen)	13,300
Leasing information	Total number of tenants (Note 1)	7
	Leasable floor area (m ²)	13,517.62
	Leased floor area (m ²)	13,517.62
	Occupancy rate (%)	
	End of May 2018	100.0
	End of Nov. 2018	100.0
	End of May 2019	86.9
End of Nov. 2019	100.0	
End of May 2020	100.0	
Income (loss) information	Number of days of asset management	183
	Total property leasing revenue (A) (Thousands of yen)	376,980
	Rent revenue – real estate	376,980
	Other lease business revenue	–
	Total property leasing expenses (B) (Thousands of yen)	156,739
	Consignment expenses	32,027
	Utilities expenses	31,035
	Taxes and dues	34,109
	Non-life insurance expenses	712
	Repair expenses	2,060
	Depreciation (C)	56,498
	Other lease business expenses	296
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	220,240
NOI (E) [(D) + (C)] (Thousands of yen)	276,738	
Capital expenditures (F) (Thousands of yen)	4,141	
NCF [(E) – (F)] (Thousands of yen)	272,597	
Reference information	Expense rate (%) [(B) ÷ (A)]	41.58
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	69,048
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	275,080

(Note 1) 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 2) Estimated long-term repair expenses are the total amount of repair expenses and renewal expenses estimated to arise over the 12-year period from the first year to the twelfth year as stated in the building investigation diagnosis report.

(Note 3) Not disclosed for such reasons as consent was not obtained from major tenants to disclose the rent revenue, etc. for the property.

(Note 4) Daiwa Jimbocho was divested on May 21, 2020.