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## REIT Financial Report for the 30th Fiscal Period

January 20, 2021

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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 30th Fiscal Period

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

#### (1) Management

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

	Operating revenue		Operating income		Ordinary income		Net income	
30th Period	¥14,849 million	4.0%	¥7,715 million	5.5%	¥7,125 million	6.5%	¥7,124 million	6.5%
29th Period	¥14,272 million	1.3%	¥7,312 million	2.8%	¥6,688 million	3.5%	¥6,687 million	3.5%

  

	Net income per unit	Net income to unitholders' equity	Ordinary income to total assets	Ordinary income to operating revenue
30th Period	¥14,484	2.8%	1.5%	48.0%
29th Period	¥13,595	2.6%	1.4%	46.9%

#### (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
30th Period	¥13,817	¥6,796 million	¥-	¥- million	95.4%	2.7%
29th Period	¥13,595	¥6,687 million	¥-	¥- million	100.0%	2.6%

(Note) Distribution amount per unit for the 30th Fiscal Period is calculated by dividing the amount obtained by deducting provision of reserve for reduction entry (¥328 million) from unappropriated retained earnings by the total number of investment units issued and outstanding. The main difference between distribution amount per unit and net income per unit is due to the calculation.

#### (3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
30th Period	¥488,570 million	¥255,511 million	52.3%	¥519,462
29th Period	¥487,212 million	¥255,127 million	52.4%	¥518,681

#### (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
30th Period	¥11,497 million	(¥4,279 million)	(¥6,717 million)	¥31,850 million
29th Period	¥12,819 million	(¥6,388 million)	(¥6,461 million)	¥31,349 million

## 2. Management Status Forecasts for the 31st Fiscal Period and 32nd Fiscal Period

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

32nd Fiscal Period: Fiscal period ending November 2021 (from June 1, 2021 to November 30, 2021)

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

	Operating revenue		Operating income		Ordinary income		Net income	
31st Period	¥14,805 million	(0.3%)	¥8,184 million	6.1%	¥7,595 million	6.6%	¥7,593 million	6.6%
32nd Period	¥13,874 million	(6.3%)	¥7,332 million	(10.4%)	¥6,741 million	(11.2%)	¥6,739 million	(11.2%)

  

	Distribution amount per unit (excluding distribution amount in excess of earnings)	Distribution amount in excess of earnings per unit
31st Period	¥13,900	¥-
32nd Period	¥13,900	¥-

(Reference) Estimated net income per unit for the 31st Fiscal Period: ¥15,437; 32nd Fiscal Period: ¥13,700

(Note) Distribution amount per unit for the 31st Fiscal Period is calculated based on the assumption that the amount remaining after deducting provision of reserve for reduction entry (¥756 million) from unappropriated retained earnings will be distributed. Provision of reserve for reduction entry may change depending on the management status. Distribution amount per unit for the 32nd Fiscal Period is calculated based on the assumption that the amount after adding reversal of reserve for reduction entry (¥98 million) to unappropriated retained earnings will be distributed. Reversal of reserve for reduction entry may change depending on the management status.

## 3. Other

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

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

### (2) Total Number of Investment Units Issued and Outstanding

- |                                                                                                          |                     |               |                                   |
|----------------------------------------------------------------------------------------------------------|---------------------|---------------|-----------------------------------|
| (i) Total number of investment units issued and outstanding at end of period (including treasury units): |                     |               |                                   |
|                                                                                                          | 30th Fiscal Period: | 491,877 units | 29th Fiscal Period: 491,877 units |
| (ii) Total number of treasury units at end of period:                                                    |                     |               |                                   |
|                                                                                                          | 30th Fiscal Period: | – units       | 29th Fiscal Period: – units       |

(Note) Please refer to “Notes to Per Unit Information” on page 25 for the number of investment units used as the basis for calculating the net income per unit.

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

### \* Special note

The forecast figures are forward-looking statements based on information currently available to Daiwa Office Investment Corporation and involve uncertainties. Accordingly, the actual operating revenue, operating income, ordinary income, net income, distribution amount per unit and distribution amount in excess of earnings per unit may vary due to changes in the status. 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 31st Fiscal Period and 32nd Fiscal Period” on page 7.

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## 1. Management Status

### 1.1. Management Status

#### 1.1.1. Overview of the Fiscal Period Under Review

##### A. Brief History of the Investment Corporation

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

Though initial assets under management were 79,573 million yen (sum total of acquisition price), subsequent activities, such as additional acquisition of properties and replacement of portfolio properties, resulted in the assets under management amounting to 464,878 million yen as of the last day of November 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 m<sup>2</sup> situated in downtown Tokyo, as well as through dedicated efforts to heighten tenant satisfaction levels.

##### B. Investment Environment and Management Performance

###### a. Investment Environment

The Japanese economy during the fiscal period under review saw real GDP growth rate (Second Preliminary Estimates) for July to September 2020 at an annual rate of +22.9%, a substantial rate of growth on the rebound of the previous period when it had declined due to the impact of COVID-19, 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 had continued to be on an improving trend since June 2013, but office consolidations and relocations to smaller offices due to future economic uncertainties stemming from the spread of COVID-19 and other reasons have led to contract cancellations and such, resulting in the vacancy rate rising to 4.33% at the end of November 2020. Office rent had continued to rise, albeit slightly, with the trend of improvement in the vacancy rate, but showed a downward trend after peaking in July 2020.

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, and there has been no material impact of COVID-19. Nevertheless, future developments warrant close monitoring.

###### 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 “Nihonbashi-Bakurocho 1-Chome Development Site (land)” (acquisition price: 3,775 million yen) in November 2020 as the development site of the Investment Corporation’s first development project. In addition, the Investment Corporation divested “Daiwa Shimbashi 510” (sale price: 2,530 million yen) in November 2020. As a result, the Investment Corporation’s assets under management as of the end of the 30th Fiscal Period (November 30, 2020) totaled 60 properties, the sum total of acquisition prices of which amounted to 464,878 million yen.

Concerning internal growth, the Investment Corporation conducted proactive leasing, such as capturing needs for floor expansion within the same property through strengthening relationships with existing tenants and reinforcing collaboration with leasing brokers and property managers. Consequently, the occupancy rate as of the end of the 30th Fiscal Period (November 30, 2020) was 98.9%.

## C. Overview of Capital Procurement

## a. Procurement of Capital for Repayment of Borrowings

In the 30th Fiscal Period, the Investment Corporation made the following borrowings and issuance of investment corporation bonds to fund the repayment of borrowings.

- (i) The Investment Corporation took out loans of 7,600 million yen in total from Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Kansai Mirai Bank, Ltd. and The Musashino Bank, Ltd. on August 31, 2020, to fund the repayment of the same amount borrowed from the same banks that was due for repayment on the same day.
- (ii) The Investment Corporation issued the seventh series of unsecured investment corporation bonds of 1,500 million yen and eighth series of unsecured investment corporation bonds of 2,400 million yen on September 11, 2020, as green bonds to be issued in accordance with a green finance framework to fund part of the repayment of short-term loans of 5,000 million yen in total due for repayment on January 29, 2021.
- (iii) The Investment Corporation took out loans of 9,000 million yen in total from Sumitomo Mitsui Banking Corporation, Development Bank of Japan Inc., Shinsei Bank, Ltd., Mizuho Trust and Banking Co., Ltd. and The Higashi-Nippon Bank, Ltd. on November 30, 2020, to fund the repayment of the same amount borrowed from the same banks that was due for repayment on the same day.

On September 30, 2020, the Investment Corporation conducted early repayment of short-term loans for 3,900 million yen out of 5,000 million yen in total borrowed from Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Mizuho Bank, Ltd. and Sumitomo Mitsui Trust Bank, Ltd.

The Investment Corporation concluded interest-rate swap agreements in the 30th Fiscal Period for 22,100 million yen of loans with floating interest rates. Converting the interest payable to fixed rates, these are for the purpose of hedging against future interest rate fluctuation risks.

## b. Status of Interest-Bearing Liabilities at End of the Fiscal Period under Review

As a result of the above, the balance of interest-bearing liabilities outstanding as of the end of the 30th Fiscal Period (November 30, 2020) stood at 204,450 million yen in total (short-term loans payable: 3,600 million yen; long-term loans payable: 191,850 million yen; investment corporation bonds: 9,000 million yen). The balance of the current portion of long-term loans payable stood at 24,200 million yen.

The average remaining period of interest-bearing liabilities as of the end of the 30th Fiscal Period stands at 4.0 years.

## List of Borrowings in the 30th Fiscal Period

Lender	Loan amount (Millions of yen)	Drawdown date	Repayment date	Loan period (Years)
Kansai Mirai Bank, Ltd.	2,000	2020/8/31	2030/8/30	10.0
The Musashino Bank, Ltd.	1,000	2020/8/31	2030/8/30	10.0
Sumitomo Mitsui Banking Corporation	1,600	2020/8/31	2027/8/31	7.0
MUFG Bank, Ltd.	1,500	2020/8/31	2027/8/31	7.0
MUFG Bank, Ltd.	1,500	2020/8/31	2021/8/31	1.0
Sumitomo Mitsui Banking Corporation	2,000	2020/11/30	2028/11/30	8.0
Shinsei Bank, Ltd.	2,000	2020/11/30	2028/11/30	8.0
Development Bank of Japan Inc.	1,000	2020/11/30	2028/11/30	8.0
Mizuho Trust and Banking Co., Ltd.	3,000	2020/11/30	2027/5/31	6.5
The Higashi-Nippon Bank, Ltd.	1,000	2020/11/30	2021/2/26	0.2

## Details of the Seventh and Eighth Series of Unsecured Investment Corporation Bonds

Name of investment corporation bonds	Total issue amount (Millions of yen)	Issue date	Redemption date	Interest rate (%)
Seventh Series of Unsecured Investment Corporation Bonds	1,500	2020/9/11	2025/9/11	0.310
Eighth Series of Unsecured Investment Corporation Bonds	2,400	2020/9/11	2030/9/11	0.600

## Balance of Borrowings from Each Financial Institution (As of November 30, 2020)

Lender	End of the 30th Fiscal Period (Millions of yen)	Share (%) (Note)
Sumitomo Mitsui Banking Corporation	39,900	20.41
Sumitomo Mitsui Trust Bank, Ltd.	23,700	12.13
Development Bank of Japan Inc.	21,750	11.13
MUFG Bank, Ltd.	20,700	10.59
Mizuho Bank, Ltd.	19,600	10.03
Shinsei Bank, Ltd.	14,000	7.16
Resona Bank, Ltd.	12,500	6.40
Mizuho Trust and Banking Co., Ltd.	9,500	4.86
The Bank of Fukuoka, Ltd.	6,500	3.33
Kansai Mirai Bank, Ltd.	5,000	2.56
The Nishi-Nippon City Bank Ltd.	3,000	1.53
The 77 Bank, Ltd.	3,000	1.53
The Norinchukin Bank	3,000	1.53
The Gunma Bank, Ltd.	2,500	1.28
The Musashino Bank, Ltd.	2,000	1.02
Tokio Marine & Nichido Fire Insurance Co., Ltd.	2,000	1.02
The Yamaguchi Bank, Ltd.	2,000	1.02
Nippon Life Insurance Company	1,300	0.67
The Higashi-Nippon Bank, Ltd.	1,000	0.51
The Hyakugo Bank, Ltd.	1,000	0.51
The Yamanashi Chuo Bank, Ltd.	1,000	0.51
Taiyo Life Insurance Company	300	0.15
Fukoku Mutual Life Insurance Company	200	0.10
Total	195,450	100.00

(Note) Share is rounded to two decimal places.

## c. Rating Information (As of November 30, 2020)

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

## d. Shelf Registration

The Investment Corporation filed a shelf registration statement pertaining to investment corporation bonds on August 7, 2019, as below. The total issuable amount as of the date of this document is 93.1 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 30th Fiscal Period of 14,849 million yen in operating revenue, 7,715 million yen in operating income, 7,125 million yen in ordinary income and 7,124 million yen in net income.

Concerning distributions, it is planned that the amount equivalent to distributions from earnings would be included in the amount of tax-deductible expenses based on application of special provisions for taxation of corporation tax (Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957; including amendments thereto) (the "Special Taxation Measures Act"). Accordingly, retaining 328,482,467 yen from application of "Special Provisions for Taxation in Cases of Repurchase of Specified Assets" (Article 65-7 of the Special Taxation Measures Act) as reserve for reduction entry, the Investment Corporation decided to distribute the entire amount remaining after deducting provision of reserve for reduction entry from 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 13,817 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 prolongation of the COVID-19 pandemic, careful attention is required.

In the Tokyo office building leasing market, with office consolidations and relocations to smaller offices triggered by COVID-19 leading to the vacancy rate rising and rent dropping moderately mainly in central Tokyo, future developments warrant close monitoring.

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. However, changes in economic developments with the spread of COVID-19 and other factors may impact future developments in the transaction market.

#### 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 is rising partly due to the impact of prolongation of COVID-19. However, given that there is strong demand from head office functions being inclined to be located in central Tokyo and such, the market for prime locations in central Tokyo 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 m<sup>2</sup> 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 30th Fiscal Period, the Investment Corporation acquired "Nihonbashi-Bakurocho 1-Chome Development Site (land)" located in Tokyo. The acquisition is the Investment Corporation's first development project, and is positioned as a project that can be expected to achieve rejuvenation of the portfolio and also improvement in medium- to long-term profitability. The Investment Corporation will continue to strive to acquire properties in line with the investment strategy described above, while carefully discerning potential opportunities to consider such development projects.

##### 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

The Investment Corporation divested trust beneficiary interest in real estate on December 23, 2020, as follows.

## Summary of Asset Divested

Asset name	Daiwa Kyobashi
Type of asset	Trust beneficiary interest in domestic real estate
Sale price	4,200 million yen (excluding settlement amounts of fixed property tax and city planning tax, and consumption tax, etc.)
Date of conclusion of sales agreement	December 23, 2020
Date of delivery	December 23, 2020
Purchaser	Not disclosed (Note)

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

## D. Outlook for Management Status

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)). For the assumptions underlying the management status forecasts, please refer to the “Assumptions for the Management Status Forecasts for the 31st Fiscal Period and 32nd Fiscal Period” on page 7.

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

Operating revenue	14,805 million yen
Operating income	8,184 million yen
Ordinary income	7,595 million yen
Net income	7,593 million yen
Distribution amount per unit	13,900 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 31st Fiscal Period and 32nd Fiscal Period” will remain unchanged, the Investment Corporation forecasts the following management status for the 32nd Fiscal Period (fiscal period ending November 2021 (from June 1, 2021 to November 30, 2021)).

32nd Fiscal Period (fiscal period ending November 2021 (from June 1, 2021 to November 30, 2021))

Operating revenue	13,874 million yen
Operating income	7,332 million yen
Ordinary income	6,741 million yen
Net income	6,739 million yen
Distribution amount per unit	13,900 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 31st Fiscal Period and 32nd Fiscal Period

Item	Assumptions
Assets under management	<ul style="list-style-type: none"> <li>• 31st Fiscal Period: Assets under management are assumed to be the 60 properties owned as of November 30, 2020, minus “Daiwa Kyobashi” divested in December 2020, to total 59 properties.</li> <li>• 32nd Fiscal Period: Assets under management are assumed to be the properties mentioned above.</li> <li>• The actual number of properties may vary due to changes in the assets under management other than above.</li> </ul>
Operating revenue	<ul style="list-style-type: none"> <li>• Rent revenue from existing properties is calculated based on historical data and taking into account variable factors.</li> <li>• 1,036 million yen in gain on sale of real estate from the divestment of “Daiwa Kyobashi” is expected in the 31st Fiscal Period.</li> <li>• Other than the above, rent revenue is calculated by taking into account a certain degree of decrease due to the impact of the spread of COVID-19.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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 8,571 million yen in the 31st Fiscal Period and 8,722 million yen in the 32nd Fiscal Period.</li> <li>• Consignment expenses are expected to be 983 million yen in the 31st Fiscal Period and 997 million yen in the 32nd Fiscal Period.</li> <li>• Taxes and dues (fixed property tax, city planning tax, etc.) are expected to be 1,157 million yen in the 31st Fiscal Period and 1,154 million yen in the 32nd Fiscal Period.</li> <li>• 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.</li> <li>• Depreciation is expected to be 1,817 million yen in the 31st Fiscal Period and 1,811 million yen in the 32nd Fiscal Period.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>• Non-operating expenses in the 31st Fiscal Period are expected to be 588 million yen, of which the interest expenses, interest expenses on investment corporation bonds, and borrowing related expenses are expected to be 582 million yen.</li> <li>• Non-operating expenses in the 32nd Fiscal Period are expected to be 590 million yen, of which the interest expenses, interest expenses on investment corporation bonds, and borrowing related expenses are expected to be 584 million yen.</li> </ul>
Interest-bearing liabilities	<ul style="list-style-type: none"> <li>• The total amount of interest-bearing liabilities is assumed to be 204,450 million yen at the end of the 31st Fiscal Period and 204,450 million yen at the end of the 32nd Fiscal Period.</li> <li>• In the 31st Fiscal Period, it is assumed that the entire amount of borrowings due for repayment on January 29, 2021 (1,100 million yen), February 26, 2021 (2,000 million yen), March 31, 2021 (12,300 million yen), and May 31, 2021 (3,400 million yen), is refinanced.</li> <li>• In the 32nd Fiscal Period, it is assumed that the entire amount of borrowings due for repayment on August 31, 2021 (2,500 million yen), and November 30, 2021 (6,500 million yen), is refinanced.</li> </ul>
Total number of investment units issued and outstanding	<ul style="list-style-type: none"> <li>• The total number of investment units issued and outstanding is assumed to be 491,877 units as of November 30, 2020.</li> <li>• It is assumed that there are no changes to the number of investment units other than stated above until the end of the 32nd Fiscal Period through the issuance of new investment units, etc.</li> </ul>

Item	Assumptions
Distribution amount per unit	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Part of the capital gain from the divestment of “Daiwa Kyobashi” that is expected to arise in the 31st Fiscal Period is assumed to be retained as internal reserves with the application of the system of “Special Provisions for Taxation in Cases of Repurchase of Specified Assets.” As such, the assumption is that the amount remaining after deducting provision of reserve for reduction entry (756 million yen) from unappropriated retained earnings will be distributed. Provision of reserve for reduction entry may change depending on the management status.</li> <li>• The distribution amount per unit for the 32nd Fiscal Period is based on the assumption that part (98 million yen) of the reserve for reduction entry retained as internal reserves will be reversed and distributed. Reversal of reserve for reduction entry may change depending on the management status.</li> <li>• 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.</li> </ul>
Distribution amount in excess of earnings per unit	<ul style="list-style-type: none"> <li>• At present, there is no plan to make any distribution in excess of earnings (distribution amount in excess of earnings per unit).</li> </ul>
Other	<ul style="list-style-type: none"> <li>• 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.</li> <li>• It is assumed that there will be no major unforeseen changes in general economic trends, real estate market conditions, etc.</li> </ul>

#### 1.2. Investment Risks

Disclosure is omitted because there are no significant changes from the “Part I: Fund Information; Section 1: Fund Status; 3. Investment Risks” set out in the most recent periodic securities report (*yuka shoken hokokusho*) (submitted on August 20, 2020).

## 2. Financial Statements

## 2.1. Balance Sheets

(Unit: Thousands of yen)

	29th Fiscal Period [As of May 31, 2020]	30th Fiscal Period [As of Nov. 30, 2020]
<b>Assets</b>		
Current assets		
Cash and deposits	27,688,243	28,137,822
Cash and deposits in trust	3,661,457	3,712,586
Operating accounts receivable	265,445	367,681
Prepaid expenses	351,399	334,706
Other	66,852	70,120
Total current assets	32,033,400	32,622,918
Noncurrent assets		
Property, plant and equipment		
Buildings	3,277,321	3,287,710
Accumulated depreciation	(2,463,751)	(2,535,980)
Buildings, net	813,570	751,730
Structures	14,344	14,344
Accumulated depreciation	(7,475)	(7,915)
Structures, net	6,869	6,428
Tools, furniture and fixtures	20,207	20,207
Accumulated depreciation	(13,159)	(14,149)
Tools, furniture and fixtures, net	7,047	6,057
Land	12,302,226	12,302,226
Construction in progress	3,829	4,555
Buildings in trust	108,511,177	108,924,859
Accumulated depreciation	(25,945,795)	(27,454,212)
Buildings in trust, net	*1, *2 82,565,382	*1, *2 81,470,647
Structures in trust	770,720	772,607
Accumulated depreciation	(200,083)	(210,939)
Structures in trust, net	*2 570,636	*2 561,668
Machinery and equipment in trust	884,623	893,239
Accumulated depreciation	(490,777)	(509,450)
Machinery and equipment in trust, net	393,845	383,788
Tools, furniture and fixtures in trust	297,798	315,131
Accumulated depreciation	(176,636)	(191,804)
Tools, furniture and fixtures in trust, net	121,161	123,326
Land in trust	*2 354,391,051	*2 356,251,046
Construction in progress in trust	29,061	33,446
Total property, plant and equipment	451,204,683	451,894,923
Intangible assets		
Right of trademark	161	107
Leasehold rights	2,398,275	2,398,275
Leasehold rights in trust	306,884	306,884
Other	13,003	9,627
Total intangible assets	2,718,325	2,714,895

(Unit: Thousands of yen)

	29th Fiscal Period [As of May 31, 2020]	30th Fiscal Period [As of Nov. 30, 2020]
Investments and other assets		
Leasehold and guarantee deposits in trust	113,684	113,684
Long-term prepaid expenses	1,046,864	1,051,039
Deferred tax assets	-	16,150
Other	63,913	97,517
Total investments and other assets	1,224,462	1,278,392
Total noncurrent assets	455,147,471	455,888,210
Deferred assets		
Investment corporation bonds issuance costs	31,997	59,395
Total deferred assets	31,997	59,395
Total assets	487,212,868	488,570,524
Liabilities		
Current liabilities		
Operating accounts payable	929,601	1,673,045
Short-term loans payable	5,000,000	3,600,000
Current portion of long-term loans payable	33,300,000	24,200,000
Accounts payable – other	646,330	672,515
Income taxes payable	996	723
Accrued consumption taxes	393,369	312,827
Advances received	2,341,174	2,453,412
Other	576,816	608,779
Total current liabilities	43,188,288	33,521,303
Noncurrent liabilities		
Investment corporation bonds	5,100,000	9,000,000
Long-term loans payable	161,050,000	167,650,000
Tenant leasehold and security deposits	20,463,036	20,495,726
Tenant leasehold and security deposits in trust	1,928,889	1,954,549
Deferred tax liabilities	8,220	-
Derivatives liabilities	162,509	257,802
Other	184,620	179,599
Total noncurrent liabilities	188,897,276	199,537,677
Total liabilities	232,085,565	233,058,980
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)	6,687,380	7,124,746
Total surplus	7,397,590	7,834,956
Total unitholders' equity	255,273,826	255,711,192
Valuation and translation adjustments		
Deferred gains or losses on hedges	(146,523)	(199,648)
Total valuation and translation adjustments	(146,523)	(199,648)
Total net assets	*3 255,127,303	*3 255,511,543
Total liabilities and net assets	487,212,868	488,570,524

## 2.2. Statements of Income

(Unit: Thousands of yen)

	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]		30th Fiscal Period [From: June 1, 2020 To: Nov. 30, 2020]	
Operating revenue				
Rent revenue – real estate	*1	14,238,965	*1	14,482,210
Other lease business revenue	*1	18,247	*1	31,325
Gain on sales of real estate properties	*2	15,435	*2	336,387
Total operating revenue		14,272,648		14,849,922
Operating expenses				
Expenses related to rent business	*1	5,540,802	*1	5,696,598
Asset management fees		1,168,091		1,199,825
Asset custody fees		24,294		24,324
Administrative service fees		73,442		79,286
Trust fees		19,439		19,536
Directors' compensation		7,200		7,200
Other operating expenses		126,692		107,151
Total operating expenses		6,959,962		7,133,923
Operating income		7,312,685		7,715,998
Non-operating income				
Interest income		15		17
Reversal of distribution payable		630		623
Insurance income		5,267		14,706
Miscellaneous income		5,471		220
Total non-operating income		11,385		15,567
Non-operating expenses				
Interest expenses		480,295		450,182
Interest expenses on investment corporation bonds		16,751		20,796
Borrowing expenses		134,367		130,096
Other		4,354		5,319
Total non-operating expenses		635,767		606,394
Ordinary income		6,688,302		7,125,172
Income before income taxes		6,688,302		7,125,172
Income taxes – current		998		725
Income taxes – deferred		(5)		13
Total income taxes		993		738
Net income		6,687,309		7,124,433
Retained earnings brought forward		71		313
Unappropriated retained earnings (undisposed loss)		6,687,380		7,124,746

## 2.3. Statements of Unitholders' Equity

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

30th Fiscal Period [From: June 1, 2020 To: November 30, 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	6,687,380	7,397,590
Changes of items during the period							
Dividends from surplus						(6,687,067)	(6,687,067)
Net income						7,124,433	7,124,433
Net changes of items other than shareholders' equity							
Total changes of items during the period	-	-	-	-	-	437,365	437,365
Balance at end of current fiscal period	251,551,759	(3,675,523)	247,876,236	710,209	710,209	7,124,746	7,834,956

	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	255,273,826	(146,523)	(146,523)	255,127,303
Changes of items during the period				
Dividends from surplus	(6,687,067)			(6,687,067)
Net income	7,124,433			7,124,433
Net changes of items other than shareholders' equity		(53,125)	(53,125)	(53,125)
Total changes of items during the period	437,365	(53,125)	(53,125)	384,240
Balance at end of current fiscal period	255,711,192	(199,648)	(199,648)	255,511,543

## 2.4. Statements of Cash Distributions

Item	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]	30th Fiscal Period [From: June 1, 2020 To: Nov. 30, 2020]
	Amount (Yen)	Amount (Yen)
I. Unappropriated retained earnings	6,687,380,982	7,124,746,976
II. Distribution amount [Distribution amount per unit]	6,687,067,815 [13,595]	6,796,264,509 [13,817]
III. Voluntary retained earnings Provision of reserve for reduction entry	-	328,482,467
IV. Retained earnings carried forward	313,167	-
Method for calculating distribution amount	<p>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.</p>	<p>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 the amount remaining after deducting provision of reserve for reduction entry defined in Article 65-7 of the Act on Special Measures Concerning Taxation from unappropriated retained earnings. Accordingly, the Investment Corporation declared a distribution amount of 6,796,264,509 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.</p>



## 2.5. Statements of Cash Flows

(Unit: Thousands of yen)

	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]	30th Fiscal Period [From: June 1, 2020 To: Nov. 30, 2020]
Net cash provided by (used in) operating activities		
Income before income taxes	6,688,302	7,125,172
Depreciation and amortization	1,842,226	1,830,601
Amortization of investment corporation bonds issuance costs	2,855	3,818
Interest income	(15)	(17)
Interest expenses	497,046	470,979
(Increase) Decrease in operating accounts receivable	(77,667)	(102,235)
(Increase) Decrease in prepaid expenses	7,562	16,693
Increase (decrease) in operating accounts payable	110,667	388,221
Increase (decrease) in accounts payable – other	34,982	25,344
Increase (decrease) in accrued consumption taxes	71,405	(80,541)
Increase (decrease) in advances received	(13,972)	112,238
(Increase) Decrease in long-term prepaid expenses	76,590	(4,175)
Decrease from sales of property, plant and equipment in trust	3,922,534	2,103,922
Other, net	152,137	80,187
Subtotal	13,314,656	11,970,208
Interest income received	15	17
Interest expenses paid	(494,658)	(471,840)
Income taxes paid	(888)	(998)
Net cash provided by (used in) operating activities	12,819,125	11,497,387
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(9,274)	(1,719)
Purchase of property, plant and equipment in trust	(6,910,242)	(4,336,207)
Proceeds from tenant security deposits	901,069	679,772
Proceeds from tenant security deposits in trust	141,657	100,932
Repayments of tenant security deposits	(481,085)	(658,731)
Repayments of tenant security deposits in trust	(30,953)	(63,623)
Net cash provided by (used in) investing activities	(6,388,828)	(4,279,576)
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	5,000,000	2,500,000
Repayment of short-term loans payable	(5,000,000)	(3,900,000)
Proceeds from long-term loans payable	11,500,000	14,100,000
Repayment of long-term loans payable	(11,500,000)	(16,600,000)
Proceeds from issuance of investment corporation bonds	-	3,868,783
Dividends paid	(6,461,313)	(6,685,886)
Net cash provided by (used in) financing activities	(6,461,313)	(6,717,103)
Net increase (decrease) in cash and cash equivalents	(31,016)	500,707
Cash and cash equivalents at beginning of period	31,380,717	31,349,701
Cash and cash equivalents at end of period	*1 31,349,701	*1 31,850,409

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 is as follows:</p> <table border="0" data-bbox="635 376 1155 510"> <tr> <td>Buildings</td> <td>2~64 years</td> </tr> <tr> <td>Structures</td> <td>10~56 years</td> </tr> <tr> <td>Machinery and equipment</td> <td>10~23 years</td> </tr> <tr> <td>Tools, furniture and fixtures</td> <td>4~15 years</td> </tr> </table> <p>(2) Intangible assets The straight-line method is adopted.</p> <p>(3) Long-term prepaid expenses The straight-line method is adopted.</p>	Buildings	2~64 years	Structures	10~56 years	Machinery and equipment	10~23 years	Tools, furniture and fixtures	4~15 years
Buildings	2~64 years								
Structures	10~56 years								
Machinery and equipment	10~23 years								
Tools, furniture and fixtures	4~15 years								
<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 7,661 thousand yen in the 29th Fiscal Period and 1,113 thousand yen in the 30th 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> <p>(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> <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.

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

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

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

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

	29th Fiscal Period [As of May 31, 2020]	30th Fiscal Period [As of Nov. 30, 2020]
	50,000 thousand yen	50,000 thousand yen

## [Notes to Statements of Income]

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

(Unit: Thousands of yen)

	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]	30th Fiscal Period [From: June 1, 2020 To: Nov. 30, 2020]
A. Property leasing revenue		
Rent revenue – real estate	14,238,965	14,482,210
Other lease business revenue	18,247	31,325
Total property leasing revenue	14,257,212	14,513,535
B. Property leasing expenses		
Consignment expenses	998,730	1,019,499
Utilities expenses	935,302	915,742
Taxes and dues	1,134,736	1,169,520
Non-life insurance expenses	19,923	19,990
Repair expenses	538,920	670,253
Depreciation	1,838,770	1,827,171
Other lease business expenses	74,419	74,421
Total property leasing expenses	5,540,802	5,696,598
C. Operating income (loss) from property leasing [A – B]	8,716,410	8,816,936

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

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

## Daiwa Jinbocho

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

## 30th Fiscal Period [From: June 1, 2020 To: November 30, 2020]

## Daiwa Shimbashi 510

Proceeds from sales of real estate properties	2,530,000
Cost of sales of real estate properties	2,103,922
Other expenses on sales	89,690
Gain on sales of real estate properties	336,387

## [Notes to Statements of Unitholders' Equity]

	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]	30th Fiscal Period [From: June 1, 2020 To: Nov. 30, 2020]
Total number of investment units authorized and total 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)

	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]	30th Fiscal Period [From: June 1, 2020 To: Nov. 30, 2020]
Cash and deposits	27,688,243	28,137,822
Cash and deposits in trust	3,661,457	3,712,586
Cash and cash equivalents	31,349,701	31,850,409

## [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)).

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)	-

30th Fiscal Period [As of November 30, 2020]

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	28,137,822	28,137,822	-
(2) Cash and deposits in trust	3,712,586	3,712,586	-
Total assets	31,850,409	31,850,409	-
(3) Short-term loans payable	3,600,000	3,600,060	60
(4) Current portion of long-term loans payable	24,200,000	24,203,301	3,301
(5) Investment corporation bonds	9,000,000	8,974,990	(25,010)
(6) Long-term loans payable	167,650,000	167,717,967	67,967
Total liabilities	204,450,000	204,496,319	46,319
Derivative transactions (*)	(291,287)	(291,287)	-

(\*) 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)

	29th Fiscal Period [As of May 31, 2020]	30th Fiscal Period [As of Nov. 30, 2020]
Tenant leasehold and security deposits*	20,463,036	20,495,726
Tenant leasehold and security deposits in trust*	1,928,889	1,954,549
Total	22,391,925	22,450,275

(\*) 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

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	-	-	-	-	-

30th Fiscal Period [As of November 30, 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	28,137,822	-	-	-	-	-
Cash and deposits in trust	3,712,586	-	-	-	-	-
Total	31,850,409	-	-	-	-	-

(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

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

30th Fiscal Period [As of November 30, 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	3,600,000	-	-	-	-	-
Current portion of long-term loans payable	24,200,000	-	-	-	-	-
Investment corporation bonds	-	-	-	3,800,000	1,500,000	3,700,000
Long-term loans payable	-	31,600,000	26,200,000	24,300,000	20,550,000	65,000,000
Total	27,800,000	31,600,000	26,200,000	28,100,000	22,050,000	68,700,000

## [Notes to Derivative Transactions]

## (1) Transactions for which hedge accounting is not applied

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

Not applicable.

30th Fiscal Period [As of November 30, 2020]

Not applicable.

## (2) Transactions for which hedge accounting is applied

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)	-

30th Fiscal Period [As of November 30, 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	116,500,000	93,300,000	(291,287)	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	11,100,000	11,100,000	(*)	-
Total			127,600,000	104,400,000	(291,287)	-

(\*) 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.

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

Not applicable.

30th Fiscal Period [From: June 1, 2020 To: November 30, 2020]

Not applicable.

(2) Affiliated companies, etc.

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

Not applicable.

30th Fiscal Period [From: June 1, 2020 To: November 30, 2020]

Not applicable.

(3) Sister companies, etc.

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

Not applicable.

30th Fiscal Period [From: June 1, 2020 To: November 30, 2020]

Not applicable.

(4) Officers and major individual unitholders, etc.

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

Not applicable.

30th Fiscal Period [From: June 1, 2020 To: November 30, 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)

	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]	30th Fiscal Period [From: June 1, 2020 To: Nov. 30, 2020]
Carrying amount		
Balance at beginning of period	452,653,020	453,876,951
Amount of increase (decrease) during period	1,223,931	685,129
Balance at end of period	453,876,951	454,562,081
Fair value at end of period	572,090,000	573,850,000

(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 29th Fiscal Period, the amount of increase is mainly attributable to 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 Jinbocho (3,922 million yen) and depreciation (1,838 million yen). For the 30th Fiscal Period, the amount of increase is mainly attributable to acquisition of Nihonbashi-Bakurocho 1-Chome Development Site (land) (3,775 million yen), and the amount of decrease is mainly attributable to divestment of Daiwa Shimbashi 510 (2,103 million yen) and depreciation (1,827 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

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

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.

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.

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.

30th Fiscal Period [From: June 1, 2020 To: November 30, 2020]

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.

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.

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]

	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]	30th Fiscal Period [From: June 1, 2020 To: Nov. 30, 2020]
Net assets per unit	518,681 yen	519,462 yen
Net income per unit	13,595 yen	14,484 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.

	29th Fiscal Period [From: Dec. 1, 2019 To: May 31, 2020]	30th Fiscal Period [From: June 1, 2020 To: Nov. 30, 2020]
Net income (Thousands of yen)	6,687,309	7,124,433
Amounts not attributable to common unitholders (Thousands of yen)	-	-
Net income attributable to common investment units (Thousands of yen)	6,687,309	7,124,433
Average number of investment units during the period (Units)	491,877	491,877

## [Notes to Significant Subsequent Events]

The Investment Corporation divested trust beneficiary interest in real estate on December 23, 2020, as follows.

## Summary of Asset Divested

Asset name	Daiwa Kyobashi
Type of asset	Trust beneficiary interest in domestic real estate
Sale price	4,200 million yen (excluding settlement amounts of fixed property tax and city planning tax, and consumption tax, etc.)
Date of conclusion of sales agreement	December 23, 2020
Date of delivery	December 23, 2020
Purchaser	Not disclosed (Note)

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

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

Since no capital increase, etc. were conducted in the 30th 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 30th Fiscal Period is as follows.

Date	Description	Total number of investment units issued and outstanding (Units)		Unitholders' capital, net (Millions of yen) (Note 1)		Notes
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
August 2, 2016	Capital increase through public offering	12,700	496,700	7,461	250,864	(Note 2)
August 31, 2016	Capital increase by way of third-party allotment	1,169	497,869	686	251,551	(Note 3)
May 31, 2018	Cancellation	(5,992)	491,877	(3,675)	247,876	(Note 4)

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

(Note 2) 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 3) 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 4) 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.

## 3. Reference Information

## 3.1. Investment Status

Type of asset	Use	Region	30th Fiscal Period (As of November 30, 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)	15,464	3.2
Trust beneficiary interest in real estate	Office	Five Central Wards of Tokyo (Note 2)	349,601	71.6
		Greater Tokyo (Note 3)	80,420	16.5
		Major Regional Cities (Note 4)	9,074	1.9
Subtotal			454,562	93.0
Deposits and other assets			34,008	7.0
Total amount of assets (Note 5)			488,570	100.0
			[454,562]	[93.0]

(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” show the portion of the applicable asset that, in effect, corresponds to the holding of real estate properties. The amount of construction in progress (including construction in progress in trust) is not included in the amount of real estate and trust beneficiary interest in real estate.

## 3.2. Investment Real Estate Properties (As of November 30, 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	12,731	17,700	3.0
	Daiwa Ginza Annex		3,050	2,733	3,960	0.7
	Daiwa Shibaura	Trust beneficiary interest in real estate	8,265	8,064	8,380	1.8
	Daiwa Minami-Aoyama		4,550	4,405	4,720	1.0
	Daiwa Sarugakucho		3,190	3,116	4,230	0.7
	Daiwa A Hamamatsucho (Note 5)		2,865	2,712	3,970	0.6
	Daiwa Jingumae		2,800	2,671	3,100	0.6
	Daiwa Shibadaimon		2,578	2,351	3,970	0.6
	Daiwa Misakicho		2,346	2,096	3,050	0.5
	Daiwa Tsukijiekimae		1,560	1,259	2,300	0.3
	Daiwa Tsukiji		1,240	1,111	1,740	0.3
	Daiwa Tsukishima		7,840	6,612	10,800	1.7
	Daiwa Nihonbashi Horidomecho		2,520	2,393	3,010	0.5
	Daiwa Azabudai		1,600	1,480	1,930	0.3
	Daiwa Kyobashi		3,460	3,133	3,450	0.7
	Daiwa Kojimachi 4-chome		2,910	2,836	2,910	0.6
	Shinjuku Maynds Tower (Note 5)		66,900	63,652	64,300	14.4
	Daiwa SHIBUYA EDGE		5,900	5,580	5,430	1.3
	Daiwa Kodemacho		2,460	2,329	2,310	0.5
	Daiwa Nishi-Shimbashi		5,000	4,645	7,360	1.1
	Daiwa Kayabacho		5,600	5,125	8,230	1.2
	Daiwa Jinbocho 3-chome		3,550	3,275	5,250	0.8
	E SPACE TOWER		24,000	23,466	36,600	5.2
	Daiwa Nihonbashi Hongokucho shinyon curumu		1,721	1,529	2,690	0.4
	Daiwa Akasaka		9,650	9,530	16,500	2.1
	Daiwa Shibuya Miyamasuzaka		9,200	10,076	15,500	2.0
	Daiwa Azabu Terrace		7,000	7,296	12,900	1.5
	Daiwa Ebisu 4-chome		14,000	13,885	18,200	3.0
	LAQUAS Higashi Shinjuku		4,135	4,182	6,440	0.9
	Daiwa Aoyama		8,450	8,345	11,300	1.8
	Shinsen Place		9,800	10,003	12,600	2.1
	Daiwa Shibuya Square		4,800	4,909	6,800	1.0
	Daiwa River Gate		16,000	15,827	22,000	3.4
	Daiwa Hatchobori ekimae		28,000	27,569	33,800	6.0
	Daiwa Hatchobori ekimae West		2,871	2,894	3,320	0.6
	Daiwa Nishi-Shinjuku	1,647	1,704	1,970	0.4	
	Kirin Nihonbashi	13,710	13,938	17,400	2.9	
	Daiwa Higashi-Nihonbashi	8,180	8,332	8,350	1.8	
	Daiwa Daikanyama	6,370	6,288	7,150	1.4	
	Daiwa Shinjuku West	2,280	2,365	3,590	0.5	
	Daiwa Kanda Mikuracho	942	988	1,250	0.2	
	Daiwa Kanda East	1,592	1,616	1,820	0.3	
	Daiwa Kandasudacho	4,200	4,232	5,700	0.9	
	Daiwa Sasazuka Tower	2,295	2,377	2,820	0.5	
	Daiwa Sasazuka	15,500	15,959	16,000	3.3	
	Daiwa Harumi	3,000	3,171	3,570	0.6	
	Daiwa Mita 2-Chome	11,200	11,233	12,600	2.4	
	Nihonbashi Central Square (Note 5)	2,635	1,587	3,990	0.6	
	Nihonbashi-Bakurocho 1-Chome Development Site (land) (Note 6)	3,521	3,622	3,800	0.8	
		3,775	3,813	4,010	0.8	
Total for Five Central Wards of Tokyo (50 Properties)			374,758	365,066	464,770	80.6

Region	Property name	Type of specified asset	Acquisition price (Millions of yen) (Note 1)	Carrying amount (Millions of yen) (Note 2)	Estimated price at end of period (Millions of yen) (Note 3)	Investment ratio (%) (Note 4)
Greater Tokyo	Daiwa Higashi-Ikebukuro	Trust beneficiary interest in real estate	2,958	2,569	4,360	0.6
	Daiwa Shinagawa North		7,710	7,024	6,290	1.7
	Daiwa Kamiooka		2,000	1,823	2,900	0.4
	Daiwa Ogikubo Tower		15,220	16,328	23,200	3.3
	Daiwa Meguro Square		5,600	5,432	7,280	1.2
	Daiwa Ogikubo		3,800	3,972	4,820	0.8
	CONCURRED Yokohama (Note 5)		38,100	37,843	41,200	8.2
	Daiwa Shinagawa Gotenyama		2,500	2,574	2,880	0.5
	Daiwa Nakano-Sakaue		2,750	2,851	2,850	0.6
Total for Greater Tokyo (9 properties)			80,638	80,420	95,780	17.3
Major Regional Cities	Daiwa Kitahama	Trust beneficiary interest in real estate	9,481	9,074	13,300	2.0
Total for Major Regional Cities (1 property)			9,481	9,074	13,300	2.0
Total (60 properties)			464,878	454,562	573,850	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 November 30, 2020.

(Note 3) "Estimated price at end of period" is the price as of November 30, 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, Shinjuku Maynds Tower, Nihonbashi Central Square and CONCURRED Yokohama, the figures are those pertaining to the Investment Corporation's ownership interest.

(Note 6) The Investment Corporation plans to develop an office building on the property, and the developed and completed building are scheduled to be delivered by November 2022.

## 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 <sup>2</sup> ) (Note 3)	Leased floor area (m <sup>2</sup> ) (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	8,091.03	23	99.7	427,704
	Daiwa Ginza Annex	SRC B3 / 8F	Aug. 1972	2,032.11	1,895.42	6	93.2	100,624
	Daiwa Shibaura	SRC B1 / 12F	Oct. 1987	9,619.67	9,460.24	52	98.3	266,424
	Daiwa Minami-Aoyama	S / SRC B2 / 5F	Sept. 1990	2,715.54	2,715.54	5	100.0	133,064
	Daiwa Sarugakuchō (Note 8)	SRC 8F	June 1985	3,657.43	3,657.43	2	100.0	(Not disclosed)
	Daiwa A Hamamatsuchō	SRC B2 / 10F	July 1993	3,663.38	3,663.38	13	100.0	135,892
	Daiwa Jingumae	RC B1 / 4F	Dec. 1997	2,198.61	1,726.65	4	78.5	66,782
	Daiwa Shibadaimon	SRC / RC B1 / 7F	Nov. 1996	2,386.48	2,386.48	7	100.0	103,697
	Daiwa Misakichō (Note 8)	S 8F	July 1996	2,137.53	2,137.53	1	100.0	(Not disclosed)
	Daiwa Shimbashi 510 (Note 9)	SRC B1 / 8F	Apr. 1974	-	-	-	-	69,240
	Daiwa Tsukijiekimae	SRC 10F	Jan. 1996	2,659.59	2,659.59	6	100.0	69,900
	Daiwa Tsukiji	SRC B1 / 7F	Jan. 1990	1,487.44	1,487.44	6	100.0	51,043
	Daiwa Tsukishima	S 5F	July 1996	8,425.69	8,425.69	4	100.0	282,493
	Daiwa Nihonbashi Horidomechō	SRC B2 / 7F	Apr. 1993	2,848.91	2,848.91	7	100.0	83,561
	Daiwa Azabudai	SRC B2 / 9F	Apr. 1984	1,697.88	1,697.88	11	100.0	56,453
	Daiwa Kyobashi	SRC B1 / 8F	Oct. 1974	3,265.83	3,265.83	10	100.0	105,054
	Daiwa Kojimachi 4-chōme	SRC B2 / 9F	Oct. 1987	2,695.31	2,695.31	7	100.0	91,426
	Shinjuku Maynds Tower (Note 10)	S / SRC B3 / 34F	Sept. 1995	22,768.41	22,768.41	38	100.0	1,403,863
	Daiwa SHIBUYA EDGE	RC B1 / 9F	Aug. 2006	2,480.65	2,480.65	5	100.0	130,738
	Daiwa Kodenmachō	SRC 8F	Mar. 1985	2,379.31	2,379.31	8	100.0	67,371
	Daiwa Nishi-Shimbashi	SRC B1 / 10F	July 1993	4,815.84	4,815.84	11	100.0	188,554
	Daiwa Kayabachō (Note 8)	S / SRC B1 / 8F	Apr. 2010	5,899.11	5,899.11	1	100.0	(Not disclosed)
	Daiwa Jinbochō 3-chōme	S 9F	Feb. 2010	2,889.34	2,889.34	8	100.0	124,456
	E SPACE TOWER	S / SRC B1 / 15F	Oct. 2002	13,960.87	12,960.31	11	92.8	810,936
	Daiwa Nihonbashi Hongokuchō	S 8F	May 2010	2,143.08	2,143.08	6	100.0	75,783
	shinyon curumu	S / RC B2 / 11F	Jan. 2012	6,751.31	6,531.53	16	96.7	388,428
	Daiwa Akasaka	SRC B2 / 7F	Sept. 1990	8,747.39	8,747.39	16	100.0	368,456
	Daiwa Shibuya Miyamasuzaka	S B1 / 12F	Dec. 1988	6,328.98	6,328.98	8	100.0	334,523
	Daiwa Azabu Terrace	S / RC B1 / 6F	Sept. 2009	13,234.39	13,234.39	12	100.0	489,888
	Daiwa Ebisu 4-chōme (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	233,522
	Daiwa Aoyama	S / RC B1 / 7F	Nov. 2001	4,426.10	3,802.63	6	85.9	248,669
Shinsen Place (Note 8)	RC B1 / 9F	Sept. 2001	2,811.35	2,811.35	1	100.0	(Not disclosed)	



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Region	Property name	Structure and number of floors (Note 1)	Construction completion (Note 2)	Leasable floor area (m <sup>2</sup> ) (Note 3)	Leased floor area (m <sup>2</sup> ) (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 Shibuya Square	S / SRC B1 / 11F	Feb. 2004	8,566.73	8,566.73	12	100.0	483,125
	Daiwa River Gate	S / SRC / RC B2 / 20F	Feb. 1994	32,055.85	30,907.93	91	96.4	1,074,746
	Daiwa Hatchobori ekimae	S / SRC B1 / 10F	Feb. 2006	2,622.42	2,622.42	9	100.0	86,706
	Daiwa Hatchobori ekimae West	SRC B1 / 9F	Feb. 1996	1,734.68	1,663.21	8	95.8	50,973
	Daiwa Nishi-Shinjuku	SRC / RC / S B2 / 11F	Aug. 1991	6,967.61	6,967.61	7	100.0	389,559
	Kirin Nihonbashi (Note 8)	S / SRC 7F	Feb. 1999	5,630.17	5,630.17	1	100.0	(Not disclosed)
	Daiwa Higashi-Nihonbashi	S 7F	Mar. 2008	5,015.88	5,015.88	5	100.0	180,879
	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	38,754
	Daiwa Kanda Mikuracho	SRC / S B1 / 7F	Jan. 1991	1,719.51	1,719.51	7	100.0	53,504
	Daiwa Kanda East	S 9F	Feb. 2005	3,980.56	3,980.56	5	100.0	143,884
	Daiwa Kandasudacho	S / RC B1 / 10F	Aug. 1990	2,211.64	2,159.22	6	97.6	68,343
	Daiwa Sasazuka Tower	SRC / RC / S B2 / 18F	Feb. 1993	16,160.25	16,160.25	5	100.0	460,713
	Daiwa Sasazuka	SRC / S B1 / 8F	Dec. 1991	3,828.95	3,828.95	9	100.0	93,120
	Daiwa Harumi	S B1 / 12F	Jan. 2008	11,227.10	11,227.10	7	100.0	311,082
	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	90,722
Nihonbashi-Bakurocho 1-Chome Development Site (land) (Note 12)	-	-	-	-	-	-	-	-
Total for Five Central Wards of Tokyo (51 properties)				278,115.91	274,208.31	508	98.5	11,494,783
Greater Tokyo	Daiwa Higashi-Ikebukuro	SRC / S B1 / 9F	June 1993	4,462.28	4,462.28	9	100.0	138,758
	Daiwa Shinagawa North	SRC B1 / 11F	July 1991	6,548.17	6,548.17	11	100.0	204,093
	Daiwa Kamiooka	S / SRC B3 / 7F	May 2011	2,630.30	2,630.30	9	100.0	93,338
	Daiwa Ogikubo Tower (Note 13)	S / SRC B2 / 18F	June 1993	17,778.14	17,778.14	9	100.0	662,323
	Daiwa Meguro Square	S / SRC B2 / 14F	July 2009	3,519.50	3,519.50	16	100.0	172,076
	Daiwa Ogikubo	SRC B1 / 7F	Nov. 1990	3,849.63	3,849.63	11	100.0	130,259
	CONCURRED Yokohama (Note 14)	S / SRC B1 / 20F	Feb. 2008	28,052.98	27,968.97	36	99.7	1,033,882
	Daiwa Shinagawa Gotenyama	SRC / S 8F	July 1992	2,396.96	2,396.96	7	100.0	74,497
	Daiwa Nakano-Sakaue	SRC B1 / 8F	Jan. 1995	2,869.13	2,869.13	6	100.0	69,993
Total for Greater Tokyo (9 properties)				72,107.09	72,023.08	114	99.8	2,579,224
Major Regional Cities	Daiwa Kitahama	S / SRC B1 / 16F	Feb. 2008	13,517.62	13,517.62	7	100.0	407,807
Total for Major Regional Cities (1 property)				13,517.62	13,517.62	7	100.0	407,807
Total (61 properties)				363,740.62	359,749.01	629	98.9	14,481,814

- (Note 1) “Structure and number of floors” are the entries in the real estate registry of the building of the applicable investment real estate property. “S” refers to steel-framed structure, “RC” refers to reinforced concrete structure, “SRC” refers to steel-framed reinforced concrete structure, “B” refers to floors below ground and “F” refers to floors above ground.
- (Note 2) “Construction completion” is the entry in the real estate registry of the building of the applicable investment real estate property.
- (Note 3) “Leasable floor area” represents the floor area of the building of the applicable property that is leasable, not including the leasable area of the land (including level parking space), and is the floor area indicated in the lease contract, etc. as of November 30, 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 November 30, 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 30th Fiscal Period, rounded down to the nearest thousand yen. The rent revenue during current period for Daiwa Jinbocho, which was divested on May 21, 2020, of 395 thousand yen is not included.
- (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 property was divested on November 12, 2020. This is reflected in the totals for the number of properties and the rent revenue during current period.
- (Note 10) 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 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 Investment Corporation plans to develop an office building on the property.
- (Note 13) The buildings consist of three registrations. Of these, the details of the major building are shown here.
- (Note 14) 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

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 Sasazuka Tower (Shibuya-ku, Tokyo)	Renovation of common-use areas	From: Dec. 2020 To: May 2021	89	-	-
Daiwa Tsukishima (Chuo-ku, Tokyo)	Upgrading of air-conditioning drain	From: Dec. 2020 To: May 2021	62	-	-
Daiwa River Gate (Chuo-ku, Tokyo)	Renovation of power receiving and transforming facility	From: Dec. 2020 To: May 2021	38	-	-
Daiwa Ebisu 4-chome (Shibuya-ku, Tokyo)	Renovation of exterior walls	From: Dec. 2020 To: May 2021	35	-	-
Daiwa Shibadaimon (Minato-ku, Tokyo)	Renovation of air-conditioning facilities	From: Dec. 2020 To: May 2021	18	-	-

## B. Capital Expenditures During the 30th Fiscal Period

The following summarizes the primary construction work that constitutes capital expenditures implemented during the 30th Fiscal Period for existing portfolio properties. Capital expenditures for the 30th Fiscal Period amounted to 802 million yen and, when combined with the 670 million yen in repair expenses charged to the 30th Fiscal Period expenses, totals 1,473 million yen in construction work implemented.

Name of real estate properties (Location)	Purpose	Period	Construction amount paid (Millions of yen)
Daiwa Shibaura (Minato-ku, Tokyo)	Upgrading of air-conditioning facilities	From: June 2020 To: Nov. 2020	147
E SPACE TOWER (Shibuya-ku, Tokyo)	Upgrading of air-conditioning facilities	From: June 2020 To: Nov. 2020	108
Daiwa Aoyama (Shibuya-ku, Tokyo)	Upgrading of air-conditioning facilities	From: Feb. 2020 To: Nov. 2020	60
Other			486
Total			802

## 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	26th Fiscal Period	27th Fiscal Period	28th Fiscal Period	29th Fiscal Period	30th Fiscal Period
	[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]	[From: June 1, 2020 To: Nov. 30, 2020]
Balance of reserve at beginning of current period	1,576	1,629	2,089	2,150	2,150
Amount of reserve in current period	476	460	61	-	40
Reversal of reserve in current period	423	-	-	-	-
Amount carried forward to next period	1,629	2,089	2,150	2,150	2,190

## 3.2.4. Summary of Estimated Price at End of Period (As of November 30, 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	17,700	17,900	3.4	17,400	3.2	3.6
Daiwa Ginza Annex	3,960	4,110	3.4	3,900	3.2	3.6
Daiwa Shibaura	8,380	8,340	3.9	8,390	3.7	4.1
Daiwa Minami-Aoyama	4,720	4,780	3.8	4,660	3.6	4.0
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	3,920	3.4	3.8
Daiwa Jingumae	3,100	3,170	3.7	3,020	3.5	3.9
Daiwa Shibadaimon	3,970	4,020	3.5	3,950	3.3	3.7
Daiwa Misakicho	3,050	3,090	3.8	3,030	3.6	4.0
Daiwa Tsukijiekimae (Note 3)	2,300	2,310	4.0	2,290	4.0	4.2
Daiwa Tsukiji	1,740	1,750	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	3,010	3,030	3.9	2,990	3.7	4.1
Daiwa Azabudai	1,930	1,970	3.9	1,890	3.7	4.1
Daiwa Kyobashi	3,450	3,500	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	5,430	5,520	3.6	5,330	3.4	3.8
Daiwa Kodenmacho	2,310	2,350	4.1	2,270	3.9	4.3
Daiwa Nishi-Shimbashi	7,360	7,510	3.4	7,290	3.2	3.6
Daiwa Kayabacho	8,230	8,380	3.3	8,170	3.1	3.5
Daiwa Jinbocho 3-chome	5,250	5,370	3.3	5,200	3.1	3.5
E SPACE TOWER	36,600	37,400	3.0	35,800	2.8	3.2
Daiwa Nihonbashi Hongokucho	2,690	2,710	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	6,450	3.6	6,430	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	12,400	2.9	3.3
Shinsen Place	6,800	6,940	3.2	6,740	3.1	3.4
Daiwa Shibuya Square	22,000	22,200	3.3	21,800	3.1	3.5
Daiwa River Gate	33,800	33,900	3.7	33,600	3.4	3.8
Daiwa Hatchobori ekimae	3,320	3,420	3.4	3,280	3.2	3.6
Daiwa Hatchobori ekimae West	1,970	2,030	3.5	1,940	3.3	3.7
Daiwa Nishi-Shinjuku	17,400	17,700	3.2	17,300	3.0	3.4

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 (%)
Kirin Nihonbashi	8,350	8,480	3.8	8,210	3.5	3.9
Daiwa Higashi-Nihonbashi	7,150	7,300	3.8	7,080	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	1,270	3.8	1,240	3.6	4.0
Daiwa Kanda Mikuracho	1,820	1,830	3.8	1,820	3.8	4.0
Daiwa Kanda East	5,700	5,810	3.4	5,590	3.2	3.6
Daiwa Kandasudacho	2,820	2,880	3.6	2,790	3.6	3.8
Daiwa Sasazuka Tower	16,000	16,500	3.8	15,800	3.6	4.0
Daiwa Sasazuka	3,570	3,700	3.9	3,520	3.7	4.1
Daiwa Harumi	12,600	12,800	3.7	12,400	3.7	3.9
Daiwa Mita 2-Chome	3,990	4,060	3.7	3,910	3.5	3.9
Nihonbashi Central Square (Note 6)	3,800	3,880	3.5	3,710	3.3	3.7
Nihonbashi-Bakurocho 1-Chome Development Site (land) (Note 7)	4,010	-	-	-	-	-
Daiwa Higashi-Ikebukuro	4,360	4,410	4.0	4,340	3.8	4.2
Daiwa Shinagawa North	6,290	6,430	4.1	6,150	3.9	4.3
Daiwa Kamiooka	2,900	2,930	4.5	2,880	4.3	4.7
Daiwa Ogikubo Tower	23,200	23,500	3.6	23,100	3.4	3.8
Daiwa Meguro Square	7,280	7,450	3.5	7,200	3.3	3.7
Daiwa Ogikubo	4,820	4,920	3.9	4,780	3.7	4.1
CONCURRED Yokohama (Note 8)	41,200	42,400	4.2	40,700	4.0	4.4
Daiwa Shinagawa Gotenyama	2,880	2,920	3.9	2,860	3.7	4.1
Daiwa Nakano-Sakaue	2,850	2,970	4.0	2,800	3.7	4.2
Daiwa Kitahama	13,300	13,400	3.7	13,200	3.5	3.9
Total	573,850	667,350	-	646,470	-	-

(Note 1) "Estimated price at end of period" is the price as of November 30, 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 third fiscal year (3.9% up to the second 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 prices are those pertaining to the Investment Corporation's ownership interest.

(Note 7) For Nihonbashi-Bakurocho 1-Chome Development Site (land), the estimated price at end of period is the income approach price indicated by the direct capitalization method (development leasing-type).

(Note 8) For CONCURRED Yokohama, the prices are those 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 30th Fiscal Period (from June 1, 2020, to November 30, 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)	12,731	2,733	8,064	4,405	3,116
	Estimated price at end of period (Millions of yen)	17,700	3,960	8,380	4,720	4,230
Leasing information	Total number of tenants (Note 1)	23	6	52	5	2
	Leasable floor area (m <sup>2</sup> )	8,114.93	2,032.11	9,619.67	2,715.54	3,657.43
	Leased floor area (m <sup>2</sup> )	8,091.03	1,895.42	9,460.24	2,715.54	3,657.43
	Occupancy rate (%)					
	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	
End of Nov. 2020	99.7	93.2	98.3	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)	427,704	107,138	268,586	133,064	(Not disclosed)
	Rent revenue – real estate	427,704	100,624	266,424	133,064	(Not disclosed)
	Other lease business revenue	-	6,514	2,162	-	(Not disclosed)
	Total property leasing expenses (B) (Thousands of yen)	171,409	34,580	169,686	44,705	(Not disclosed)
	Consignment expenses	24,263	7,387	22,882	5,914	(Not disclosed)
	Utilities expenses	20,451	5,339	14,404	5,852	(Not disclosed)
	Taxes and dues	33,952	11,273	20,816	13,019	(Not disclosed)
	Non-life insurance expenses	515	120	462	181	(Not disclosed)
	Repair expenses	10,514	2,022	77,391	5,240	(Not disclosed)
	Depreciation (C)	65,222	8,437	33,729	14,496	(Not disclosed)
	Other lease business expenses	16,489	-	-	-	(Not disclosed)
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	256,294	72,558	98,899	88,358	(Not disclosed)
NOI (E) [(D) + (C)] (Thousands of yen)	321,517	80,995	132,629	102,855	97,510	
Capital expenditures (F) (Thousands of yen)	766	9,622	154,116	29,392	1,841	
NCF [(E) – (F)] (Thousands of yen)	320,750	71,373	(21,487)	73,462	95,669	
Reference information	Expense rate (%) [(B) ÷ (A)]	40.08	32.28	63.18	33.60	(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 (Note 4)
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	-
	Investment ratio (%)	0.6	0.6	0.6	0.5	-
	Carrying amount (Millions of yen)	2,712	2,671	2,351	2,096	-
	Estimated price at end of period (Millions of yen)	3,970	3,100	3,970	3,050	-
Leasing information	Total number of tenants (Note 1)	13	4	7	1	-
	Leasable floor area (m <sup>2</sup> )	3,663.38	2,198.61	2,386.48	2,137.53	-
	Leased floor area (m <sup>2</sup> )	3,663.38	1,726.65	2,386.48	2,137.53	-
	Occupancy rate (%)					
	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
End of Nov. 2020	100.0	78.5	100.0	100.0	-	
Income (loss) information	Number of days of asset management	183	183	183	183	164
	Total property leasing revenue (A) (Thousands of yen)	135,892	66,782	103,697	(Not disclosed)	69,240
	Rent revenue – real estate	135,892	66,782	103,697	(Not disclosed)	69,240
	Other lease business revenue	-	-	-	(Not disclosed)	-
	Total property leasing expenses (B) (Thousands of yen)	72,433	25,428	29,965	(Not disclosed)	35,441
	Consignment expenses	10,845	4,101	5,830	(Not disclosed)	10,528
	Utilities expenses	6,782	3,047	4,969	(Not disclosed)	4,586
	Taxes and dues	9,054	6,899	6,643	(Not disclosed)	10,568
	Non-life insurance expenses	215	101	145	(Not disclosed)	131
	Repair expenses	1,292	2,231	1,767	(Not disclosed)	744
	Depreciation (C)	14,842	9,040	10,609	(Not disclosed)	8,882
	Other lease business expenses	29,400	7	-	(Not disclosed)	-
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	63,459	41,354	73,731	(Not disclosed)	33,799
	NOI (E) [(D) + (C)] (Thousands of yen)	78,301	50,395	84,341	63,640	42,681
Capital expenditures (F) (Thousands of yen)	907	2,590	3,685	1,629	-	
NCF [(E) – (F)] (Thousands of yen)	77,394	47,805	80,655	62,011	42,681	
Reference information	Expense rate (%) [(B) ÷ (A)]	53.30	38.08	28.90	(Not disclosed)	51.19
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	17,944	13,791	12,941	10,742	-
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	103,380	99,700	87,656	114,585	-

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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)	1,259	1,111	6,612	2,393	1,480
	Estimated price at end of period (Millions of yen)	2,300	1,740	10,800	3,010	1,930
Leasing information	Total number of tenants (Note 1)	6	6	4	7	11
	Leasable floor area (m <sup>2</sup> )	2,659.59	1,487.44	8,425.69	2,848.91	1,697.88
	Leased floor area (m <sup>2</sup> )	2,659.59	1,487.44	8,425.69	2,848.91	1,697.88
	Occupancy rate (%)					
	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
End of Nov. 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)	69,900	51,043	282,493	83,561	57,311
	Rent revenue – real estate	69,900	51,043	282,493	83,561	56,453
	Other lease business revenue	-	-	-	-	857
	Total property leasing expenses (B) (Thousands of yen)	29,999	19,672	97,903	38,207	20,652
	Consignment expenses	4,729	5,403	12,463	8,519	3,932
	Utilities expenses	3,622	1,964	9,553	3,610	2,515
	Taxes and dues	5,272	4,102	15,096	6,999	5,068
	Non-life insurance expenses	118	75	348	157	88
	Repair expenses	2,699	94	4,715	3,443	1,300
	Depreciation (C)	13,548	8,031	55,726	15,477	7,746
	Other lease business expenses	9	-	-	-	-
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	39,901	31,370	184,590	45,354	36,659
	NOI (E) [(D) + (C)] (Thousands of yen)	53,449	39,402	240,316	60,831	44,405
Capital expenditures (F) (Thousands of yen)	26,324	-	1,322	298	1,034	
NCF [(E) – (F)] (Thousands of yen)	27,125	39,402	238,994	60,532	43,371	
Reference information	Expense rate (%) [(B) ÷ (A)]	42.92	38.54	34.66	45.72	36.03
	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)	79,450	97,348	136,680	147,575	110,990



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)	3,133	2,836	63,652	5,580	2,329
	Estimated price at end of period (Millions of yen)	3,450	2,910	64,300	5,430	2,310
Leasing information	Total number of tenants (Note 1)	10	7	38	5	8
	Leasable floor area (m <sup>2</sup> )	3,265.83	2,695.31	22,768.41	2,480.65	2,379.31
	Leased floor area (m <sup>2</sup> )	3,265.83	2,695.31	22,768.41	2,480.65	2,379.31
	Occupancy rate (%)					
	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
End of Nov. 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)	105,054	91,426	1,403,863	130,738	67,371
	Rent revenue – real estate	105,054	91,426	1,403,863	130,738	67,371
	Other lease business revenue	-	-	-	-	-
	Total property leasing expenses (B) (Thousands of yen)	44,619	44,920	550,811	39,359	23,642
	Consignment expenses	7,757	5,321	78,017	6,391	5,752
	Utilities expenses	7,038	5,499	122,664	6,217	4,378
	Taxes and dues	7,509	16,406	136,875	8,135	3,834
	Non-life insurance expenses	155	170	2,201	128	112
	Repair expenses	2,790	2,209	8,966	1,520	442
	Depreciation (C)	19,367	15,313	199,377	16,967	8,299
	Other lease business expenses	-	-	2,707	-	822
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	60,435	46,506	853,052	91,378	43,729
	NOI (E) [(D) + (C)] (Thousands of yen)	79,803	61,819	1,052,429	108,345	52,028
Capital expenditures (F) (Thousands of yen)	-	1,681	45,728	-	1,430	
NCF [(E) – (F)] (Thousands of yen)	79,803	60,137	1,006,700	108,345	50,598	
Reference information	Expense rate (%) [(B) ÷ (A)]	42.47	49.13	39.24	30.11	35.09
	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	45,350	84,051

Region		Five Central Wards of Tokyo				
Property name		Daiwa Nishi-Shimbashi	Daiwa Kayabacho (Note 3)	Daiwa Jinbocho 3-chome	E SPACE TOWER	Daiwa Nihonbashi Hongokuchou
Acquisition date		Aug. 2010	Mar. 2011	Mar. 2011	July 2011	May 2012
Price information	Acquisition price (Millions of yen)	5,000	5,600	3,550	24,000	1,721
	Investment ratio (%)	1.1	1.2	0.8	5.2	0.4
	Carrying amount (Millions of yen)	4,645	5,125	3,275	23,466	1,529
	Estimated price at end of period (Millions of yen)	7,360	8,230	5,250	36,600	2,690
Leasing information	Total number of tenants (Note 1)	11	1	8	11	6
	Leasable floor area (m <sup>2</sup> )	4,815.84	5,899.11	2,889.34	13,960.87	2,143.08
	Leased floor area (m <sup>2</sup> )	4,815.84	5,899.11	2,889.34	12,960.31	2,143.08
	Occupancy rate (%)					
	End of Nov. 2018	100.0	100.0	100.0	93.3	100.0
	End of May 2019	100.0	100.0	88.1	89.6	100.0
	End of Nov. 2019	100.0	100.0	100.0	97.0	93.9
	End of May 2020	100.0	100.0	100.0	100.0	100.0
End of Nov. 2020	100.0	100.0	100.0	92.8	100.0	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	188,554	(Not disclosed)	124,456	810,936	75,783
	Rent revenue – real estate	188,554	(Not disclosed)	124,456	810,936	75,783
	Other lease business revenue	-	(Not disclosed)	-	-	-
	Total property leasing expenses (B) (Thousands of yen)	113,618	(Not disclosed)	46,264	267,438	24,671
	Consignment expenses	15,545	(Not disclosed)	7,351	45,130	3,528
	Utilities expenses	9,304	(Not disclosed)	6,477	38,102	2,571
	Taxes and dues	16,234	(Not disclosed)	9,934	62,308	4,558
	Non-life insurance expenses	291	(Not disclosed)	150	778	92
	Repair expenses	35,887	(Not disclosed)	2,470	52,546	532
	Depreciation (C)	36,349	(Not disclosed)	19,879	68,499	13,388
	Other lease business expenses	6	(Not disclosed)	-	72	-
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	74,936	(Not disclosed)	78,191	543,497	51,111
	NOI (E) [(D) + (C)] (Thousands of yen)	111,285	145,807	98,071	611,997	64,500
Capital expenditures (F) (Thousands of yen)	73,315	-	-	127,962	1,846	
NCF [(E) – (F)] (Thousands of yen)	37,970	145,807	98,071	484,034	62,653	
Reference information	Expense rate (%) [(B) ÷ (A)]	60.26	(Not disclosed)	37.17	32.98	32.56
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	32,184	25,607	19,828	124,572	9,096
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	178,710	125,988	82,470	574,150	50,940

Region		Five Central Wards of Tokyo				
Property name		shinyon curumu	Daiwa Akasaka	Daiwa Shibuya Miyamasuzaka	Daiwa Azabu Terrace	Daiwa Ebisu 4-chome (Note 3)
Acquisition date		Dec. 2012 and Apr. 2013	Aug. 2013	Sept. 2013	July 2014	Dec. 2014
Price information	Acquisition price (Millions of yen)	9,650	9,200	7,000	14,000	4,135
	Investment ratio (%)	2.1	2.0	1.5	3.0	0.9
	Carrying amount (Millions of yen)	9,530	10,076	7,296	13,885	4,182
	Estimated price at end of period (Millions of yen)	16,500	15,500	12,900	18,200	6,440
Leasing information	Total number of tenants (Note 1)	16	16	8	12	1
	Leasable floor area (m <sup>2</sup> )	6,751.31	8,747.39	6,328.98	13,234.39	2,951.70
	Leased floor area (m <sup>2</sup> )	6,531.53	8,747.39	6,328.98	13,234.39	2,951.70
	Occupancy rate (%)					
	End of Nov. 2018	100.0	100.0	100.0	99.6	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
End of Nov. 2020	96.7	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)	388,428	368,456	334,523	504,888	(Not disclosed)
	Rent revenue – real estate	388,428	368,456	334,523	489,888	(Not disclosed)
	Other lease business revenue	-	-	-	15,000	(Not disclosed)
	Total property leasing expenses (B) (Thousands of yen)	138,065	238,438	94,239	183,647	(Not disclosed)
	Consignment expenses	35,668	29,501	24,038	31,879	(Not disclosed)
	Utilities expenses	19,075	18,438	10,902	37,669	(Not disclosed)
	Taxes and dues	37,986	35,560	23,712	33,744	(Not disclosed)
	Non-life insurance expenses	402	517	376	730	(Not disclosed)
	Repair expenses	7,647	95,887	7,722	27,095	(Not disclosed)
	Depreciation (C)	37,284	58,533	27,463	52,429	(Not disclosed)
	Other lease business expenses	-	-	24	99	(Not disclosed)
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	250,363	130,018	240,283	321,241	(Not disclosed)
	NOI (E) [(D) + (C)] (Thousands of yen)	287,647	188,551	267,747	373,670	140,175
Capital expenditures (F) (Thousands of yen)	9,186	8,760	7,362	54,259	330	
NCF [(E) – (F)] (Thousands of yen)	278,460	179,790	260,384	319,411	139,845	
Reference information	Expense rate (%) [(B) ÷ (A)]	35.54	64.71	28.17	36.37	(Not disclosed)
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	75,935	70,972	47,365	67,167	19,410
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	166,089	327,392	457,625	491,112	98,692

Region		Five Central Wards of Tokyo				
Property name		LAQUAS Higashi Shinjuku	Daiwa Aoyama	Shinsen Place (Note 3)	Daiwa Shibuya Square	Daiwa River Gate
Acquisition date		Dec. 2014	Mar. 2015	Mar. 2015	May 2015	June 2015
Price information	Acquisition price (Millions of yen)	8,450	9,800	4,800	16,000	28,000
	Investment ratio (%)	1.8	2.1	1.0	3.4	6.0
	Carrying amount (Millions of yen)	8,345	10,003	4,909	15,827	27,569
	Estimated price at end of period (Millions of yen)	11,300	12,600	6,800	22,000	33,800
Leasing information	Total number of tenants (Note 1)	4	6	1	12	91
	Leasable floor area (m <sup>2</sup> )	7,498.33	4,426.10	2,811.35	8,566.73	32,055.85
	Leased floor area (m <sup>2</sup> )	7,498.33	3,802.63	2,811.35	8,566.73	30,907.93
	Occupancy rate (%)					
	End of Nov. 2018	100.0	91.5	100.0	100.0	99.3
	End of May 2019	100.0	100.0	100.0	100.0	99.7
	End of Nov. 2019	100.0	100.0	100.0	100.0	98.9
End of May 2020	100.0	100.0	100.0	100.0	99.4	
End of Nov. 2020	100.0	85.9	100.0	100.0	96.4	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	233,522	248,669	(Not disclosed)	483,125	1,078,020
	Rent revenue – real estate	233,522	248,669	(Not disclosed)	483,125	1,074,746
	Other lease business revenue	-	-	(Not disclosed)	-	3,273
	Total property leasing expenses (B) (Thousands of yen)	83,548	82,369	(Not disclosed)	108,042	484,709
	Consignment expenses	10,668	12,727	(Not disclosed)	21,376	82,232
	Utilities expenses	13,710	5,902	(Not disclosed)	20,818	113,230
	Taxes and dues	21,157	15,294	(Not disclosed)	29,062	104,490
	Non-life insurance expenses	358	183	(Not disclosed)	445	2,058
	Repair expenses	3,854	30,154	(Not disclosed)	2,861	47,193
	Depreciation (C)	33,586	18,106	(Not disclosed)	33,479	135,504
	Other lease business expenses	213	-	(Not disclosed)	-	-
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	149,974	166,300	(Not disclosed)	375,082	593,310
NOI (E) [(D) + (C)] (Thousands of yen)	183,560	184,406	114,295	408,561	728,814	
Capital expenditures (F) (Thousands of yen)	865	61,615	8,413	1,024	36,663	
NCF [(E) – (F)] (Thousands of yen)	182,695	122,790	105,881	407,537	692,151	
Reference information	Expense rate (%) [(B) ÷ (A)]	35.78	33.12	(Not disclosed)	22.36	44.96
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	42,068	30,570	17,223	57,616	204,542
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	162,700	175,290	178,610	234,380	2,001,250

Region		Five Central Wards of Tokyo				
Property name		Daiwa Hatchobori ekimae	Daiwa Hatchobori ekimae West	Daiwa Nishi-Shinjuku	Kirin Nihonbashi (Note 3)	Daiwa Higashi-Nihonbashi
Acquisition date		Sept. 2015	Sept. 2015	Mar. 2016	May 2016	June 2016
Price information	Acquisition price (Millions of yen)	2,871	1,647	13,710	8,180	6,370
	Investment ratio (%)	0.6	0.4	2.9	1.8	1.4
	Carrying amount (Millions of yen)	2,894	1,704	13,938	8,332	6,288
	Estimated price at end of period (Millions of yen)	3,320	1,970	17,400	8,350	7,150
Leasing information	Total number of tenants (Note 1)	9	8	7	1	5
	Leasable floor area (m <sup>2</sup> )	2,622.42	1,734.68	6,967.61	5,630.17	5,015.88
	Leased floor area (m <sup>2</sup> )	2,622.42	1,663.21	6,967.61	5,630.17	5,015.88
	Occupancy rate (%)					
	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	90.5	100.0	100.0
	End of May 2020	100.0	100.0	100.0	100.0	100.0
End of Nov. 2020	100.0	95.8	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)	86,706	50,973	389,559	(Not disclosed)	180,879
	Rent revenue – real estate	86,706	50,973	389,559	(Not disclosed)	180,879
	Other lease business revenue	-	-	-	(Not disclosed)	-
	Total property leasing expenses (B) (Thousands of yen)	34,232	43,169	98,426	(Not disclosed)	58,985
	Consignment expenses	7,134	4,874	17,900	(Not disclosed)	7,523
	Utilities expenses	5,920	2,539	15,560	(Not disclosed)	8,947
	Taxes and dues	9,300	4,266	39,298	(Not disclosed)	11,696
	Non-life insurance expenses	151	78	363	(Not disclosed)	242
	Repair expenses	1,305	26,537	4,289	(Not disclosed)	2,688
	Depreciation (C)	10,420	4,822	21,015	(Not disclosed)	27,856
	Other lease business expenses	-	50	-	(Not disclosed)	30
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	52,474	7,804	291,133	(Not disclosed)	121,894
	NOI (E) [(D) + (C)] (Thousands of yen)	62,895	12,627	312,148	160,842	149,751
Capital expenditures (F) (Thousands of yen)	445	-	678	-	2,723	
NCF [(E) – (F)] (Thousands of yen)	62,450	12,627	311,470	160,842	147,027	
Reference information	Expense rate (%) [(B) ÷ (A)]	39.48	84.69	25.27	(Not disclosed)	32.61
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	18,413	8,468	78,172	22,141	23,197
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	159,500	91,420	284,170	216,720	158,880

Region		Five Central Wards of Tokyo				
Property name		Daiwa Daikanyama (Note 3)	Daiwa Shinjuku West	Daiwa Kanda Mikuracho	Daiwa Kanda East	Daiwa Kandasudacho
Acquisition date		June 2016	July 2016	Dec. 2016	Jan. 2018	June 2018 and Nov. 2018
Price information	Acquisition price (Millions of yen)	2,280	942	1,592	4,200	2,295
	Investment ratio (%)	0.5	0.2	0.3	0.9	0.5
	Carrying amount (Millions of yen)	2,365	988	1,616	4,232	2,377
	Estimated price at end of period (Millions of yen)	3,590	1,250	1,820	5,700	2,820
Leasing information	Total number of tenants (Note 1)	1	8	7	5	6
	Leasable floor area (m <sup>2</sup> )	1,642.83	1,120.58	1,719.51	3,980.56	2,211.64
	Leased floor area (m <sup>2</sup> )	1,642.83	1,120.58	1,719.51	3,980.56	2,159.22
	Occupancy rate (%)					
	End of Nov. 2018	100.0	99.0	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
End of Nov. 2020	100.0	100.0	100.0	100.0	97.6	
Income (loss) information	Number of days of asset management	183	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	(Not disclosed)	38,754	53,504	143,884	69,334
	Rent revenue – real estate	(Not disclosed)	38,754	53,504	143,884	68,343
	Other lease business revenue	(Not disclosed)	-	-	-	990
	Total property leasing expenses (B) (Thousands of yen)	(Not disclosed)	12,292	25,737	49,098	27,227
	Consignment expenses	(Not disclosed)	3,439	5,484	11,236	8,889
	Utilities expenses	(Not disclosed)	2,469	2,403	7,908	3,220
	Taxes and dues	(Not disclosed)	3,114	3,547	10,440	4,615
	Non-life insurance expenses	(Not disclosed)	49	66	178	84
	Repair expenses	(Not disclosed)	995	9,655	847	3,556
	Depreciation (C)	(Not disclosed)	2,223	4,579	18,486	6,850
	Other lease business expenses	(Not disclosed)	-	-	-	11
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	(Not disclosed)	26,461	27,766	94,785	42,106
	NOI (E) [(D) + (C)] (Thousands of yen)	66,348	28,685	32,346	113,272	48,956
Capital expenditures (F) (Thousands of yen)	-	300	34,729	1,452	6,710	
NCF [(E) – (F)] (Thousands of yen)	66,348	28,385	(2,382)	111,819	42,246	
Reference information	Expense rate (%) [(B) ÷ (A)]	(Not disclosed)	31.72	48.10	34.12	39.27
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	11,092	6,225	7,045	20,609	9,120
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	45,044	79,330	74,026	133,611	76,730

Region		Five Central Wards of Tokyo				
Property name		Daiwa Sasazuka Tower	Daiwa Sasazuka	Daiwa Harumi	Daiwa Mita 2-Chome (Note 3)	Nihonbashi Central Square
Acquisition date		Oct. 2018	Dec. 2018	Feb. 2019	July 2019	May 2020
Price information	Acquisition price (Millions of yen)	15,500	3,000	11,200	2,635	3,521
	Investment ratio (%)	3.3	0.6	2.4	0.6	0.8
	Carrying amount (Millions of yen)	15,959	3,171	11,233	1,587	3,622
	Estimated price at end of period (Millions of yen)	16,000	3,570	12,600	3,990	3,800
Leasing information	Total number of tenants (Note 1)	5	9	7	1	10
	Leasable floor area (m <sup>2</sup> )	16,160.25	3,828.95	11,227.10	2,101.61	1,837.05
	Leased floor area (m <sup>2</sup> )	16,160.25	3,828.95	11,227.10	2,101.61	1,837.05
	Occupancy rate (%)					
	End of Nov. 2018	100.0	-	-	-	-
	End of May 2019	100.0	96.0	47.3	-	-
	End of Nov. 2019	100.0	92.7	100.0	100.0	-
	End of May 2020	100.0	95.1	100.0	100.0	100.0
End of Nov. 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)	460,713	93,120	311,082	(Not disclosed)	90,722
	Rent revenue – real estate	460,713	93,120	311,082	(Not disclosed)	90,722
	Other lease business revenue	-	-	-	(Not disclosed)	-
	Total property leasing expenses (B) (Thousands of yen)	277,626	52,430	160,749	(Not disclosed)	18,796
	Consignment expenses	65,073	14,070	31,801	(Not disclosed)	5,820
	Utilities expenses	49,920	9,104	24,934	(Not disclosed)	4,457
	Taxes and dues	55,532	8,954	27,346	(Not disclosed)	7
	Non-life insurance expenses	933	171	533	(Not disclosed)	88
	Repair expenses	44,547	7,366	20,145	(Not disclosed)	-
	Depreciation (C)	61,618	12,762	35,447	(Not disclosed)	8,414
	Other lease business expenses	-	-	20,538	(Not disclosed)	8
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	183,087	40,690	150,333	(Not disclosed)	71,925
	NOI (E) [(D) + (C)] (Thousands of yen)	244,705	53,453	185,781	79,621	80,340
Capital expenditures (F) (Thousands of yen)	15,771	3,482	2,620	-	-	
NCF [(E) – (F)] (Thousands of yen)	228,934	49,971	183,161	79,621	80,340	
Reference information	Expense rate (%) [(B) ÷ (A)]	60.26	56.30	51.67	(Not disclosed)	20.72
	Annual amount of fixed property tax, etc. for fiscal 2020 (Thousands of yen)	111,002	17,772	54,258	17,892	-
	Estimated long-term repair expenses (Thousands of yen) (Note 2)	718,270	129,490	253,020	5,360	134,280

Region		Five Central Wards of Tokyo	Greater Tokyo			
Property name		Nihonbashi-Bakurocho 1-Chome Development Site (land) (Note 5)	Daiwa Higashi-Ikebukuro	Daiwa Shinagawa North	Daiwa Kamiooka	Daiwa Ogikubo Tower
Acquisition date		Nov. 2020	Oct. 2005	July 2007	Mar. 2013	May 2014
Price information	Acquisition price (Millions of yen)	3,775	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)	3,813	2,569	7,024	1,823	16,328
	Estimated price at end of period (Millions of yen)	4,010	4,360	6,290	2,900	23,200
Leasing information	Total number of tenants (Note 1)	-	9	11	9	9
	Leasable floor area (m <sup>2</sup> )	-	4,462.28	6,548.17	2,630.30	17,778.14
	Leased floor area (m <sup>2</sup> )	-	4,462.28	6,548.17	2,630.30	17,778.14
	Occupancy rate (%)					
	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	
End of Nov. 2020	-	100.0	100.0	100.0	100.0	
Income (loss) information	Number of days of asset management	18	183	183	183	183
	Total property leasing revenue (A) (Thousands of yen)	-	138,758	205,028	93,338	662,323
	Rent revenue – real estate	-	138,758	204,093	93,338	662,323
	Other lease business revenue	-	-	935	-	-
	Total property leasing expenses (B) (Thousands of yen)	-	56,488	91,854	37,389	312,011
	Consignment expenses	-	11,029	23,705	5,774	52,438
	Utilities expenses	-	10,182	11,396	6,531	56,112
	Taxes and dues	-	8,540	18,832	6,365	44,982
	Non-life insurance expenses	-	258	395	142	1,040
	Repair expenses	-	1,532	839	452	26,248
	Depreciation (C)	-	24,945	36,685	18,122	130,809
	Other lease business expenses	-	-	-	-	380
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	-	82,270	113,174	55,949	350,311
NOI (E) [(D) + (C)] (Thousands of yen)	-	107,216	149,859	74,071	481,120	
Capital expenditures (F) (Thousands of yen)	-	466	3,584	-	9,823	
NCF [(E) – (F)] (Thousands of yen)	-	106,749	146,275	74,071	471,297	
Reference information	Expense rate (%) [(B) ÷ (A)]	-	40.71	44.80	40.06	47.11
	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)	-	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)	5,432	3,972	37,843	2,574	2,851
	Estimated price at end of period (Millions of yen)	7,280	4,820	41,200	2,880	2,850
Leasing information	Total number of tenants (Note 1)	16	11	36	7	6
	Leasable floor area (m <sup>2</sup> )	3,519.50	3,849.63	28,052.98	2,396.96	2,869.13
	Leased floor area (m <sup>2</sup> )	3,519.50	3,849.63	27,968.97	2,396.96	2,869.13
	Occupancy rate (%)					
	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	
End of Nov. 2020	100.0	100.0	99.7	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)	172,076	130,259	1,033,900	76,070	69,993
	Rent revenue – real estate	172,076	130,259	1,033,882	74,497	69,993
	Other lease business revenue	-	-	18	1,573	-
	Total property leasing expenses (B) (Thousands of yen)	58,942	43,479	348,305	24,072	33,960
	Consignment expenses	12,645	11,015	60,687	7,982	11,057
	Utilities expenses	7,969	5,580	72,710	3,323	5,593
	Taxes and dues	13,781	8,203	57,911	5,506	7,054
	Non-life insurance expenses	202	171	788	106	146
	Repair expenses	725	7,266	40,336	1,355	1,584
	Depreciation (C)	23,618	11,242	115,305	5,797	8,512
	Other lease business expenses	-	-	566	-	12
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	113,134	86,780	685,594	51,998	36,033
NOI (E) [(D) + (C)] (Thousands of yen)	136,752	98,022	800,899	57,796	44,545	
Capital expenditures (F) (Thousands of yen)	500	8,508	19,543	5,321	4,760	
NCF [(E) – (F)] (Thousands of yen)	136,252	89,514	781,356	52,474	39,785	
Reference information	Expense rate (%) [(B) ÷ (A)]	34.25	33.38	33.69	31.64	48.52
	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)	9,074
	Estimated price at end of period (Millions of yen)	13,300
Leasing information	Total number of tenants (Note 1)	7
	Leasable floor area (m <sup>2</sup> )	13,517.62
	Leased floor area (m <sup>2</sup> )	13,517.62
	Occupancy rate (%)	
	End of Nov. 2018	100.0
	End of May 2019	86.9
	End of Nov. 2019	100.0
Income (loss) information	Number of days of asset management	183
	Total property leasing revenue (A) (Thousands of yen)	407,807
	Rent revenue – real estate	407,807
	Other lease business revenue	-
	Total property leasing expenses (B) (Thousands of yen)	156,325
	Consignment expenses	27,358
	Utilities expenses	34,614
	Taxes and dues	34,528
	Non-life insurance expenses	716
	Repair expenses	2,264
	Depreciation (C)	56,748
	Other lease business expenses	96
	Operating income (loss) from property leasing (D) [(A) – (B)] (Thousands of yen)	251,482
	NOI (E) [(D) + (C)] (Thousands of yen)	308,230
Capital expenditures (F) (Thousands of yen)	7,388	
NCF [(E) – (F)] (Thousands of yen)	300,841	
Reference information	Expense rate (%) [(B) ÷ (A)]	38.33
	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 Shimbashi 510 was divested on November 12, 2020.

(Note 5) For Nihonbashi-Bakurocho 1-Chome Development Site (land), the plan is to develop an office building on the property.