

This is an English language summary of the original Japanese Asset Management Report available on our Website. However, no assurance or warranties are given with respect to the accuracy or completeness of this English language summary. The Japanese original shall prevail in the case of any discrepancies between this summary and the Japanese original.

Invincible Investment Corporation

Asset Management Report

Fiscal Period ended December 31, 2023 (July 1, 2023 to December 31, 2023)

Content

Greetings from Naoki Fukuda, Executive Director of Invincible Investment Corporation and President & CEO of Consonant Investment Management Co., Ltd.

Summary of Financial Results

Overview of the Asset Acquired

ESG Initiatives

Unitholder Benefit Program

- I. Asset Management Report
- II. Balance Sheet
- III. Statement of Income and Retained Earnings
- IV. Statement of Changes in Net Assets
- V. Notes to Financial Statements
- VI. Statement of Cash Distribution
- VII. Statement of Cash Flows (Reference Information)

Domestic Portfolio Map (As of February 29, 2024)

Financial Conditions

Overview of Unitholders/Investment Units

Information for Unitholders

Greetings from Naoki Fukuda, Executive Director of Invincible Investment Corporation and President & CEO of Consonant Investment Management Co., Ltd.

We would like to express our deepest sympathies to all those affected by the 2024 Noto Peninsula Earthquake. We pray for the safety of everyone in the affected areas and for the speedy restoration of peace and tranquility in the lives of those affected.

We would like to take this opportunity to express our sincere gratitude to all unitholders of Invincible Investment Corporation ("INV") for your continued support.

We hereby provide you with a report on INV's asset management and financial results for the 41st fiscal period (from July 1, 2023 to December 31, 2023) (the "Reporting Period").

In the Reporting Period, the performance of the hotels showed significant recovery along with the recovery of the inbound demand driven by the depreciation of Japanese yen, coupled with robust domestic leisure demand, as the more than three year impact from the Covid-19 pandemic has ended. ADR continued to significantly exceed the 2019 level at INV's hotels in Japan and Cayman Islands, as the hotel operator focused its strategy on ADR. The increase in ADR helped to absorb cost increases including labor costs and utilities charges. As such, GOP increased compared to the same period in 2019 despite a slightly lower occupancy rate at each hotel owned by INV compared to before the Covid-19 pandemic.

Under such circumstances, INV implemented a global public offering for the first time in four years to acquire six domestic hotels including Fusaki Beach Resort Hotel & Villas. As a result, INV's hotel portfolio further expanded assets under management and maintains the largest hotel portfolio among J-REITs, with a hotel portfolio exceeding JPY 500 billion. The recent acquisition further enhanced the portfolio in terms of the quality of its properties and diversification of areas and hotel types.

On the financing side we issued our first green bond. INV's financial base has been further stabilized by the lengthening of borrowing periods, diversification of maturity dates, and a significant improvement in the ratio of fixed interest rate debt.

Furthermore, INV continued its efforts to promote sustainability initiatives and obtained three stars in the 2023 GRESB Real Estate Assessment.

Overall, INV announced a distribution per unit of JPY 1,640 by recording operating revenues of JPY 18,819 million, operating income of JPY 12,588 million, and net income of JPY 11,032 million in the Reporting Period. The distribution per unit is still below the December 2019 fiscal period (JPY 1,725) but has recovered to a level close to that period.

In February 2024, after the end of the Reporting Period, we issued our first retail bond which enhanced the diversification of our financing methods. In the coming periods, we aim to proactively take initiatives such as the further acquisition of properties and value-add work to improve revenues of properties already acquired. Now that we overcame the Covid-19 pandemic, we will continue to work diligently to further enhance the value of INV in all aspects, including internal growth, external growth, financing strategy, and sustainability in order to meet our unitholders' expectations.

Your continued support is highly appreciated.

Naoki Fukuda

Executive Director, Invincible Investment Corporation

President & CEO, Consonant Investment Management Co., Ltd.

Summary of Financial Results

	Period from July 1, 2021 to December 31, 2021	Period from January 1, 2022 to June 30, 2022	Period from July 1, 2022 to December 31, 2022	Period from January 1, 2023 to June 30, 2023	Period from July 1, 2023 to December 31, 2023
Operating Revenues (JPY million)	8,406	7,680	11,929	15,914	18,819
Ordinary Income (JPY million)	1,014	1,015	5,075	8,914	11,033
Net Income (JPY million)	1,014	1,015	5,075	8,913	11,032
Net Assets (JPY million)	246,130	246,211	250,321	254,024	290,305
Total Assets (JPY million)	494,819	490,118	494,237	496,819	563,393
Net Assets per Unit (JPY)	40,370	40,383	41,058	41,665	43,090
Net Assets/Total Assets (%)	49.7	50.2	50.6	51.1	51.5
Distribution per Unit (JPY)	166	166	832	1,464	1,640
Number of Units Issued (Unit)	6,096,840	6,096,840	6,096,840	6,096,840	6,737,121

Distribution per unit for the 41st fiscal period
(the fiscal period ended December 2023)

JPY 1,640

(Note) The forward-looking statements, forecasts and goals described in this report are based on available information, assumptions and estimates as of February 29, 2024. These assumptions and estimates are unavoidably uncertain, and could be affected by various risks and factors beyond INV's control. Thus, no guarantee can be made regarding the realization of such future forecasts and targets, and actual results may vary significantly.

■ ESG Initiatives

INV recognizes the importance of environmental, social, and governance (ESG) considerations in real estate investment management from the viewpoint of sustainability such as economic and social development and contributing to global environmental conservation, and regard improvement of sustainability as an important management issue and implement initiatives to contribute to make our society sustainable.

Initiatives for the Environment

2023 GRESB Real Estate Assessment¹

In the 2023 GRESB Real Estate Assessment, INV received a “3-Star” GRESB Rating, which is based on overall GRESB scores and its quintile position among participants, and represents a rating upgrade from the “2-Star” GRESB Rating received in 2022. INV was also awarded a “Green Star” designation by achieving high performance in both the “Management Component” that evaluates policies and organizational structure for ESG (Environmental, Social, and Governance) promotion, and the “Performance Component” that assesses environmental performance and tenant engagement of properties owned. Further, INV was highly evaluated for its ESG information disclosure efforts and received an “A Level” the highest level for GRESB Public Disclosure, which assesses the breadth of ESG disclosure. We will consider preparations for acquiring evaluation by other external organizations, such as green building certification, to strengthen our ESG initiatives

GRESB Rating
“3-Star”



GRESB Public Disclosure
“A Level”, the highest level



(Note 1) GRESB is an annual benchmarking program to evaluate ESG considerations of property companies and real estate funds. The GRESB Real Estate Assessment is distinguished by its comprehensive evaluation of initiatives for sustainability of property companies, REITs and real estate funds, not of individual properties. GRESB rating is a relative evaluation based on comprehensive scores and the highest being "5-stars".

Green Finance

■ Green Finance Framework

INV has established the Green Finance Framework in August 2023 to procure funds necessary to realize a sustainable environment and society through Green Bonds and Green Loans. It acquired “Green1 (F)”, the highest rating on JCR’s Green Finance Framework Evaluation



■ Total Amount of Green Finance

INV issued green bonds (total JPY 3.5 billion) for the first time in September and December 2023 based on the Green Finance Framework and implemented first refinancing with green loan in January 2024.

Name of Investment Corporation Bonds/ Lenders	Issue Date/ Borrowing Date	Term	Amount (JPY million)
9th series unsecured corporate bonds (Green bond)	Sep 21, 2023	5 years	1,700
10th series unsecured corporate bonds (Green bond)	Dec 14, 2023	5 years	1,800
Mizuho Bank, MUFG Bank., Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Development Bank of Japan, San ju San Bank, The Nomura Trust and Banking (Green loan)	Jan 16, 2024	6 years	8,970

External Certifications

■ BELS¹ Certification (January 2024)





Newly acquired BELS (Building-Housing Energy-efficiency Labeling System) Certification for four of INV's hotels due to high energy conservation performance. Hotel MyStays Haneda and Hotel MyStays Matsuyama were rated five stars “★★★★★”, and Hotel MyStays Kanda and Hotel MyStays Aomori Station were rated four stars “★★★★”, bringing the number of hotels with BELS Certification to 19.



(Note 1) BELS is a third-party certification system that evaluates and certifies the energy-saving performance of a building that the operators are required to make

efforts to display under the Act on Improving Energy Consumption Performance for Architectural Structures. Houses and buildings are evaluated based on the value of BEI (Building Energy Index) derived from the primary energy consumption based on the government-designated energy consumption performance standard of architectural structures.

<Hotels that newly acquired the certification>

★★★★★	 Hotel MyStays Haneda	 Hotel MyStays Matsuyama
★★★★	 Hotel MyStays Kanda	 Hotel MyStays Aomori Station

<Hotels that already acquired the certification in the previous periods>

★★★★★	Hotel MyStays Premier Akasaka, Hotel MyStays Fukuoka Tenjin, Hotel MyStays Yokohama Kannai, Hotel MyStays Oita
★★★★	Hotel MyStays Premier Kanazawa, Hotel MyStays Sapporo Station, Hotel MyStays Fuji Onsen Resort
★★★	MyStays Shin-Urayasu Conference Center, Hotel MyStays Sakaisuji-Honmachi, Hotel Epinard Nasu
★★	Hotel MyStays Kyoto-Shijo, Hotel MyStays Fukuoka-Tenjin-Minami, Hotel MyStays Hakodate-Goryokaku, Hotel MyStays Hamamatsucho, Hotel MyStays Midosuji Honmachi

E Initiatives for Environment

■ Energy-saving construction using Ministry of the Environment subsidy (SHIFT Project)

Hotel Nord Otaru and Hotel MyStays Sapporo Aspen received a subsidy of JPY 25 million in total (about one-third of the total investment) from the Ministry of the Environment's "Project for the Promotion of Leading Decarbonization Initiatives in Factories and Business Sites (SHIFT Project*)" to replace a gas-fired absorption chiller/heater that was due for renewal with an air-cooled heat pump chiller. The hotels aim to reduce CO2 emissions and energy costs through reduction of fuel consumption by improvement of energy efficiency and reduction of energy power consumption by removing cooling water pumps and cooling towers.

* Projects that support initiatives that serve as role models for decarbonization (setting reduction targets, formulating reduction plans, and implementing facility upgrades, electrification, fuel conversion, and operational improvements) at factories and business sites to achieve Japan's 2030 GHG reduction targets and achieve carbon neutrality in 2050.



S Initiatives for Society

■ Promotion of diversity in human resources (Initiative by INV’s main hotel operator)

• Opening of “Narita Hospitality Academy”

Opened “Narita Hospitality Academy” on June 1, 2023, in Narita city, Chiba prefecture, which is a post-arrival training facility specializing in hospitality internships for foreign technical interns. The training contributes to the development of hospitality personnel by providing a general Japanese language program as well as the spirit and culture of Japanese hospitality, in the aim to make them acquire the knowledge and specialized skills as hotel staff. In 2023, total 60 interns from Vietnam and Philippines participated in the training. In 2024, interns from Nepal, Vietnam and Myanmar are expected to complete the training and start to work at MHM managed hotels.



■ Collaboration with local community

• Hotel MyStays Matsuyama

Organized an event for two days where students from Kawahara college, a college in Matsuyama city, work as restaurant staff at “Setouchi Bar La Terrazza” located on the 1st floor. The college’s desire to nurture the next generation and the hotel’s wish for students to make the most of their academic experience as part of the internship program in harmony with each other.



■ Energy-saving construction using Ministry of the Environment subsidy (SHIFT Project)

• Hotel MyStays Gotanda Station:

Started to serve original course menu from November 2023 at “Trattoria VICINO”, a restaurant located on the 2nd floor. The menu uses vegetables cultivated around Tokyo called “Edo-Tokyo vegetables” and fresh fish from Tokyo bay to promote “local production for local consumption” which contributes to reduce environment burden created from logistics etc. and to revitalize the local community.



■ Unitholder Benefit Program

INV has introduced the unitholder benefit program to improve the satisfaction of its unitholders and expand the unitholder base. Eligible unitholders can stay at Sheraton Grande Tokyo Bay Hotel and all MyStays group hotels at special discount rates. INV decided to expand the available period by two months (from six months to eight months) for stay from the December 2022 Fiscal Period and onwards.

*Detailed information is sent to eligible unitholders along with this report.

Overview of the Unitholder Benefit Program^(Note 1)

Applicable Hotels	<ul style="list-style-type: none"> ■ Sheraton Grande Tokyo Bay Hotel ■ All hotels managed by MyStays ^(Note 2)
Eligible Unitholders	<p>All Unitholders whose names are recorded on Invincible's Unitholders' Registry as of the relevant record dates:</p> <p>*INV decided to remove the eligibility requirement of "holding 10 or more units" to enable all INV unitholders to utilize the Unitholder Benefit Program from the June 2020 Fiscal Period and onwards</p>
Record Date	The last day of every fiscal period (June 30 and December 31 of each year)
Program Details	Stay with unitholder special discount rates at the above applicable hotels
Hotel Reservation	<ul style="list-style-type: none"> ■ Sheraton Grande Tokyo Bay Hotel Reservation via phone or Email ■ All MyStays hotels and Kamenoi Hotels Reservation via official website or phone
Available Period ^(Note 3)	<p>From April 1 to November 30 (eligible unitholders as of December 31)</p> <p>From October 1 to May 31 (eligible unitholders as of June 30)</p>

Sheraton Grande Tokyo Bay Hotel



Hotel Epinard Nasu



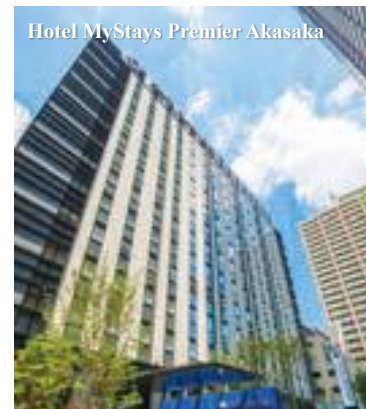
Fusaki Beach Resort Hotel & Villas



Hotel MyStays Premier Kanazawa



Hotel MyStays Premier Akasaka



(Note 1) The details of the unitholder benefit program described above are as planned by Invincible as of February 29, 2024, and the program may be changed or abolished even after it has been introduced.

(Note 2) Refers to all hotels under MyStays brand managed by MHM, and hotels shown on the MyStays Hotel Group's official website (<https://www.mystays.com/en-us/>) will be applicable.

(Note 3) Available Period represents a period during which you can lodge by using the unitholder benefit program. To enjoy the unitholder benefit program, you actually need to lodge during the availability period.

I. Asset Management Report

Overview of Asset Management

1 Trends in Investment Corporation's Operating Results

By Period		37th fiscal period	38th fiscal period	39th fiscal period	40th fiscal period	41st fiscal period	
Reporting period		Jul. 1, 2021 to Dec. 31, 2021	Jan. 1, 2022 to Jun. 30, 2022	Jul. 1, 2022 to Dec. 31, 2022	Jan. 1, 2023 to Jun. 30, 2023	Jul. 1, 2023 to Dec. 31, 2023	
Operating Results	Operating revenue	(JPY thousand)	8,406,334	7,680,227	11,929,599	15,914,981	18,819,119
	(Rental revenue – real estate)	(JPY thousand)	(5,837,847)	(5,198,229)	(10,182,751)	(12,000,955)	(16,696,076)
	Operating expenses	(JPY thousand)	6,113,994	5,565,846	5,672,588	5,558,241	6,230,207
	(Property-related expenses)	(JPY thousand)	(4,777,042)	(4,498,723)	(4,606,538)	(4,488,341)	(5,096,717)
	Operating income (loss)	(JPY thousand)	2,292,339	2,114,380	6,257,011	10,356,739	12,588,912
	Ordinary income (loss)	(JPY thousand)	1,014,799	1,015,760	5,075,941	8,914,347	11,033,176
	Net income (loss)	(JPY thousand)	1,014,194	1,015,155	5,075,336	8,913,742	11,032,571
Assets	Total assets (change from last period)	(a) (JPY thousand) (%)	494,819,805 (-0.6)	490,118,752 (-1.0)	494,237,781 (0.8)	496,819,930 (0.5)	563,393,061 (13.4)
	Interest-bearing debt	(JPY thousand)	244,945,000	241,372,000	240,797,000	239,190,000	269,100,000
	Net assets (change from last period)	(b) (JPY thousand) (%)	246,130,354 (0.4)	246,211,129 (0.0)	250,321,091 (1.7)	254,024,091 (1.5)	290,305,021 (14.3)
	Unitholders' capital	(JPY thousand)	235,701,512	235,701,512	235,701,512	235,701,512	270,101,249
Dividend Status	Total distributions	(c) (JPY thousand)	1,012,075	1,012,075	5,072,570	8,925,773	11,048,878
	Dividend payout ratio	(Note 1) (%)	99.8	99.7	99.9	100.1	100.1
Information per Unit	Number of investment units issued and outstanding	(d) (Units)	6,096,840	6,096,840	6,096,840	6,096,840	6,737,121
	Net assets per unit	(b) / (d) (Note 2) (JPY)	40,370	40,383	41,058	41,665	43,090
	Distributions per unit (Distributions of earnings per unit)	(c) / (d) (JPY) (JPY)	166 (166)	166 (166)	832 (832)	1,464 (1,464)	1,640 (1,640)
	(Distributions in excess of retained earnings per unit)	(JPY)	(-)	(-)	(-)	(-)	(-)
Financial Measures	Return on assets (annualized)	(Note 3) (%)	0.2 (0.4)	0.2 (0.4)	1.0 (2.0)	1.8 (3.6)	2.1 (4.1)
	Return on equity (annualized)	(Note 3) (%)	0.4 (0.8)	0.4 (0.8)	2.0 (4.1)	3.5 (7.1)	4.1 (8.0)
	Capital ratio (change from last period)	(b) / (a) (Note 3) (%) (%)	49.7 (0.5)	50.2 (0.5)	50.6 (0.4)	51.1 (0.5)	51.5 (0.4)
	NOI (Net Operating Income)	(Note 3) (JPY thousand)	4,201,550	4,936,210	10,509,695	14,523,824	17,205,671

(Note 1) Dividend payout ratio is calculated in accordance with the following formula and rounded to one decimal place:

$$\text{Dividend payout ratio} = \text{Distribution amount (Excluding distributions in excess of retained earnings)} / \text{Net income} \times 100$$

(Note 2) Net assets per unit are rounded to the nearest unit.

(Note 3) Figures above are calculated as below, and ratios are rounded to one decimal place. Figures annualized

according to the number of days are also shown.

Return on assets = Ordinary income for relevant period / ((Total assets at start of relevant period + Total assets at end of relevant period) / 2) x 100.

Return on equity = Net income for relevant period / ((Net assets at start of relevant period + Net assets at end of relevant period) / 2) x 100.

Capital ratio = Net assets at end of relevant period / Total assets at end of relevant period x 100.

NOI = Rental revenue – Property-related expenses + Management contract revenue - Management contract expenses + Dividends of preferred equity interest + Depreciation expense for relevant period

The dividends of preferred equity interest has been included in the formula calculating NOI from the 41st fiscal period. This change makes no difference since no dividends of preferred equity interest was recorded from the 37th to the 41st fiscal period.

2 Overview of Asset Management for the Fiscal Period Ended June 2023

(a) Main Trends of INV

INV was established in January 2002 in accordance with the Investment Trust and Investment Corporation Act (Act No. 198 of 1951, as amended; the “Investment Trust Act”). In May 2004, INV was listed on the Osaka Securities Exchange (application for delisting was made in August 2007), and in August 2006 was listed on the Real Estate Investment and Trust Securities Section of the Tokyo Stock Exchange (Ticker Code: 8963). After the absorption-type merger with LCP Investment Corporation (“LCP”) was implemented on February 1, 2010, INV issued new investment units through a third-party allotment on July 29, 2011 and refinanced its debt. Calliope Godo Kaisha (“Calliope”), an affiliate of the Fortress Investment Group LLC (“FIG” and together with Calliope and other affiliates of FIG, collectively the “Fortress Group”) was the main allottee, and the sponsor changed to the Fortress Group.

Ever since the commencement of sponsorship from the Fortress Group (Note 1), INV has been focusing its efforts on improving the profitability of its portfolio and establishing a revenue base in order to secure stable distributions, and has strengthened the lender formation through new borrowings and the refinancing of existing bank borrowings, thereby creating a financial base for external growth. With this platform as a base, in June 2014, Consonant Investment Management Co., Ltd., the asset manager to which INV entrusts the management of its assets (“CIM”) revised the Investment Guidelines for INV, positioned hotels as a core asset class alongside residential properties with a view towards expanding investments in the hotel sector in which demand is forecasted to rise going forward, and has expanded its portfolio.

In the Fiscal Period ended December 31, 2023 (the “Reporting Period”), INV implemented a global offering of new investment units for the first time in four years and acquired six domestic hotels including the flagship “Fusaki Beach Resort Hotel & Villas”, or the largest property in INV’s portfolio. INV’s portfolio at the end of the Reporting Period comprised of 134 properties (92 hotels (Note 2) (Note 3), 41 residential properties and one retail facility) with a total acquisition price of JPY 548,646 million (Note 4). Furthermore, INV’s hotel portfolio has the largest asset size (Note 5) of JPY 507,861 million (92 properties, 16,624 rooms) among all J-REITs (real estate investment corporations which are listed on the Tokyo Stock Exchange Real Estate Investment Trust Securities Market, hereinafter the same shall apply) hotel portfolios including Hotel J-REITs (Note 6).’

(Note 1) Calliope transferred 80.0% of issued shares of CIM to Fortress CIM Holdings L.P., a subsidiary of SoftBank Group and 20.0% to SoftBank Group Corp. (“SoftBank Group”) on March 29, 2018, but the SoftBank Group transferred its issued shares of CIM to Fortress CIM Holdings L.P. on May 23, 2023. As of the date of this document, SoftBank Group indirectly owns 100% of issued shares of CIM through Fortress CIM Holdings L.P. The SoftBank Group announced that it has entered into a definitive agreement to transfer its interest in the indirect parent company of Fortress CIM Holdings L.P. to Mubadala Capital and others during the first quarter of 2024.

(Note 2) The preferred equity interest held by INV is counted as one property. Such preferred equity interest issued by a special purpose company (*tokutei mokuteki kaisha*, “TMK”) refers to 178,458 units of the preferred equity interest issued by Kingdom Special Purpose Company (equivalent to 49.0% of the outstanding preferred equity interest), which owns the trust beneficiary interest of the Sheraton

Grande Tokyo Bay Hotel as an underlying asset. The property is classified as a hotel, based on the use of Sheraton Grande Tokyo Bay Hotel, the underlying asset of the preferred equity interest, and INV's investment amount of the preferred equity interest is used as the acquisition price of the preferred equity interest, unless otherwise stated. The "underlying asset" refers to the real estate or the real estate related assets owned by a operator of an anonymous association (*tokumei kumiai*, "TK") interest or a TMK relating to the preferred equity interest which INV owns, thus the real estate or the real estate related assets which will be the revenue source of INV. Hereinafter the same shall apply.

(Note 3) From September 28, 2018 (Cayman Island local time; September 29, 2018 in Japan local time), INV owned 100% of the TK interest in Seven Mile Resort Holdings Ltd. (the "Cayman SPC"), a Cayman Islands special purpose company that holds leasehold interests in Westin Grand Cayman Seven Mile Beach Resort & Spa and Sunshine Suites Resort (collectively, the "Cayman Hotels") and ancillary assets as underlying assets. However, INV implemented the investment structure change (the "Structure Change" in some cases hereinafter) regarding the Cayman Hotels on May 9, 2019 (Cayman Island local time; May 10, 2019 in Japan local time) and has directly held the Leasehold Interests, etc. of the Cayman Hotels thereafter. Both of the TK interest and the Cayman Hotels are counted as two properties before and after the Structure Change. In addition, the "Leasehold Interests, etc." means leasehold interests (rights equivalent to long-term real estate leases on land and buildings under the British Cayman laws) and furniture, fixtures, equipment, ornaments, kitchen instrument, and other assets required for hotel operations. Hereinafter the same shall apply.

(Note 4) Due to the Structure Change, the book value of the leasehold interests of the Cayman Hotels recorded by the Cayman SPC as of May 9, 2019 (Cayman Island local time; May 10, 2019 in Japan local time), when INV succeeded the leasehold interests of the Cayman Hotels from the Cayman SPC via distribution in kind in connection with the termination of TK agreement, is deemed as the acquisition price of the Cayman Hotels. The book value is converted into JPY amount via exchange rate of USD 1=JPY 110.45 based on the foreign exchange forward contracts executed on July 26, 2018 and implemented on September 26, 2018 in connection with the investment in the TK interest by INV. Hereinafter the same shall apply.

(Note 5) "The largest asset size ... among all J-REIT hotel portfolios" refers to the total acquisition price of 92 hotels owned by INV with the total acquisition price of hotels (including inns and other accommodation facilities) owned by listed investment corporations other than INV as of December 31, 2023.

(Note 6) Hotel J-REIT refers to four J-REITs that invest in hotels and hotel related facility defined by The Association for Real Estate Securitization (ARES) as of December 31, 2023.

(b) Operational Environment and Performance

The portfolio NOI (Note 1) increased by 63.7% or JPY 6,695 million compared to the same period in the previous year (the December 2022 fiscal period) to JPY 17,205 million. Of which, the hotel portfolio NOI increased by JPY 6,692 million and the residential and retail portfolio NOI increased by JPY 3 million. Compared to the December 2019 fiscal period prior to the COVID-19 pandemic, the portfolio NOI increased by 13.5% or JPY 2,041 million, of which the hotel portfolio NOI increased by JPY 2,830 million and the residential and retail portfolio NOI decreased by JPY 789 million due to asset sales.

Commentary on hotel and residential performance is as described below.

Domestic hotel portfolio continued to recover from the COVID-19 pandemic. Even with the gradual end of the "National Travel Discount Campaign" program, the government's travel subsidy program, there has been no decline in demand due to a reaction from the elimination of the program. Coupled with the strong inbound demand with the help of the weak yen, each performance metric of the domestic hotel portfolio increased significantly over the same period of the previous year's results. While occupancy rates (Note 2) were slightly below the 2019 levels, ADR (Note 3) and RevPAR (Note 4) were above the 2019 levels. The GOP (Note 5) for the Reporting Period of the 75 domestic hotels (Note 6) owned by INV increased by 58.6% compared to the same period in the previous year (figures exclude nine domestic hotels with fixed-rent lease agreements among the 84 domestic hotels owned by INV as of the end of the Reporting Period, including

Sheraton Grande Tokyo Bay Hotel, the underlying asset of the preferred equity interest of TMK owned by INV). The 75 domestic hotels recorded an occupancy rate of 82.7%, ADR of JPY 12,649, and RevPAR of JPY 10,462. Compared to the June 2019 fiscal period prior to the COVID-19 pandemic, the GOP increased by 9.0%, the occupancy rate decreased by 5.7pt, ADR increased by 19.2%, and RevPAR increased by 11.5%.

The Cayman Hotels recorded an average occupancy rate of 64.8%, ADR of USD 421, and RevPAR of USD 273 for the Reporting Period and the figures significantly exceeded the same period in the previous year. Compared to the June 2019 fiscal period prior to the COVID-19 pandemic, the occupancy rate decreased by 7.5pt, ADR increased by 28.6%, and RevPAR increased by 15.3%. Occupancy rate has not returned to 2019 levels as the number of commercial flights between the Cayman Islands and the U.S. have not recovered to 2019 levels, but ADR has grown significantly due to high demand and RevPAR has remained above 2019 levels.

Regarding the residential portfolio (Note 7), the occupancy rate (Note 8) of 41 residential properties remained unchanged from 95.9% at the end of the previous fiscal period to 95.9% at the end of the Reporting Period. The average occupancy rate (Note 8) decreased by 0.3 points YoY to 96.0%. The NOI (Note 9) for the Reporting Period increased by 0.2% YoY.

In the Reporting Period, INV realized a rent increase for 55.9% (based on the number of contracts) of the new residential lease contracts, and the new rent increased by 1.3% compared to the previous rent across all new leases (Note 10). INV achieved a rent increase for 46.8% (based on the number of contracts) of contract renewals with an average rent increase of 1.3% compared to the previous rent across all renewal leases, while maintaining a high contract renewal rate (Note 11) of 75.1%. Combined, new lease and renewal lease rents were signed at 1.3% higher than the previous leases. The average rent per tsubo per month (Note 12) for the Reporting Period increased by 0.5% YoY to JPY 9,214.

The total appraisal value of 133 properties was JPY 629,041 million (one out of the 134 properties owned by INV at the end of the Reporting Period is excluded from the appraisal calculation: Sheraton Grande Tokyo Bay Hotel (preferred equity interest) for which the appraisal value is not available). The portfolio has an unrealized gain of JPY 133,259 million (Note 13) and an unrealized gain ratio of 26.9% (Note 13). The total appraisal value of 127 properties which were owned throughout the Reporting Period increased by 1.8% from JPY 560,963 million at the end of the June 2023 fiscal period to JPY 570,791 million at the end of the Reporting Period.

Key Performance Indicators of 75 Domestic Hotel Properties (Note 6)

	December 2023 fiscal period	Year-on-year change	vs 2H 2019
Occupancy Rate (Note 2)	82.7%	+6.8pt	-5.7pt
ADR (JPY) (Note 3)	12,649	+24.0%	+19.2%
RevPAR (JPY) (Note 4)	10,462	+35.1%	+11.5%
GOP (JPY million) (Note 5)	14,041	+58.6%	+9.0%

Key Performance Indicators of Cayman Hotels

	December 2023 fiscal period	Year-on-year change	vs 2H 2019
Occupancy Rate (Note 2)	64.8%	+8.6pt	-7.5pt
ADR (USD) (Note 3)	421	+4.6%	+28.6%
RevPAR (USD) (Note 4)	273	+20.7%	+15.3%
GOP (USD) (Note 5)	14,600,431	+10.8%	+10.0%

Key Performance Indicators of 41 Residential Properties (Note 7)

	December 2023 fiscal period	Year-on-year change
Occupancy Rate (Note 8)	96.0%	-0.3pt
Average Rent per Tsubo per Month (JPY) (Note 12)	9,214	+0.5%
NOI (JPY million) (Note 9)	1,120	+0.2%

- (Note 1) “NOI” for the hotel properties is calculated in accordance with the following formula:

$$\text{NOI} = \text{Rental Revenues} - \text{Property Related Expenses} + \text{Depreciation Expenses} + \text{Dividend on the preferred equity interest (TMK dividend)} + (\text{Management Contract Revenue of the Cayman Hotels} - \text{Management Contract Expense})$$
- (Note 2) “Occupancy rate” for the hotel properties is calculated in accordance with the following formula:

$$\text{Occupancy rate} = \frac{\text{total number of occupied rooms during a certain period}}{\text{total number of rooms available during the same period (number of rooms} \times \text{number of days)}}$$

 Hereinafter the same shall apply.
- (Note 3) “ADR” means average daily rate, and is calculated by dividing total room sales (excluding service fees) for a certain period by the total number of days per room for which each room was occupied during the same period. Hereinafter the same shall apply.
- (Note 4) “RevPAR” means revenues per available room per day, and is calculated by dividing total room sales for a certain period by total number of rooms available (number of rooms \times number of days) during the same period, and is the same as the figure obtained by multiplying ADR by occupancy rates. Hereinafter the same shall apply.
- (Note 5) “GOP” means the gross operating profit, and is the amount remaining after deducting costs of hotel operations (the personnel, utility and advertising expenses and other expenses) and the management services fee to operators (if any) from the hotel’s revenues. GOP for each fiscal period from the one ended June 2020 to the one ended December 2022 includes the amount of employment adjustment subsidies received by the hotel operators for the respective fiscal periods. In addition, GOP for the Sheraton Grande Tokyo Bay Hotel has been multiplied by 49%, or INV’s ownership ratio of the preferred equity interest. Hereinafter the same shall apply.
- (Note 6) Of the domestic 84 hotels held as of the beginning of December 2023 (including the Sheraton Grande Tokyo Bay Hotel, the underlying asset of the preferred equity interest of TMK owned by INV), the following nine hotels with fixed-rent lease agreements etc. are excluded: Super Hotel Shinbashi/Karasumoriguchi, Comfort Hotel Toyama, Super Hotel Tokyo-JR Tachikawa Kitaguchi, Super Hotel JR Ueno-iriaguchi, Comfort Hotel Kurosaki, Comfort Hotel Maebashi, Comfort Hotel Tsubame-Sanjo, Comfort Hotel Kitami and Takamatsu Tokyu REI Hotel. In addition, the figures for the properties acquired after July 2019 are calculated on the assumption INV had acquired those properties on July 1, 2019, using the actual figures provided by the sellers of such properties for the period before the acquisition. “D48 Takamatsu Tokyu REI Hotel” changed its contract with its major tenant, Tokyu Hotels Corporation, to fixed-rent with variable rent lease from April 25, 2023. However, in view of the continuity of disclosed data, this hotel will continue to be excluded. Hereinafter the same shall apply.
- (Note 7) Based on the 41 residential properties owned as of the end of December 2023. Hereinafter the same shall apply.
- (Note 8) “Occupancy Rate” and “Average Occupancy Rate” for the portfolio or the residential properties are calculated by dividing the sum of total leased area by the sum of total leasable area at the end of each month during the relevant period. Hereinafter the same shall apply.
- (Note 9) For the comparison of NOI for the residential properties, one-off insurance-related revenues and expenses are excluded. Hereinafter the same shall apply.
- (Note 10) Increase or decrease in the sum of monthly rents on new or renewal contracts, or the total of both, compared with the sum of previous rents. Hereinafter the same shall apply.

- (Note 11) Renewal rate is the number of renewed contracts during the relevant period divided by the number of contracts due up for renewal during the relevant period.
- (Note 12) "Average Rent per Tsubo per Month" is calculated by dividing the total rental revenue (including common area charges) for each month by the sum of total leased area (tsubo) at the end of each month during the relevant period.
- (Note 13) The unrealized gain is calculated using the following formula: the appraisal value as of the end of the Reporting Period – book value as of the end of the Reporting Period.
The unrealized gain ratio is calculated using the following formula: the unrealized gain / book value as of the end of the Reporting Period.

(c) Overview of Fund Raising

As a result of the measures described below, INV's interest-bearing debt outstanding balance was JPY 269,100 million and the Interest-Bearing Debt ratio (Note 1) and LTV (appraisal value basis) (Note 2) were 47.2% and 42.2% respectively, as of the end of the Reporting Period, with an average interest rate (Note 3) of 0.63%.

(Note 1) Interest-Bearing Debt ratio uses the calculation formula below:

Interest-Bearing Debt ratio = total outstanding interest-bearing debt (excluding short-term consumption tax loans) / total assets × 100

(Note 2) LTV (appraisal value basis) uses the calculation formula below:

LTV = total outstanding interest-bearing debt (excluding short-term consumption tax loans) / total appraisal value (*) × 100

(*) Since appraisal value for Sheraton Grande Tokyo Bay Hotel (preferred equity interest) is not available, the acquisition price of the preferred equity interest (JPY 17,845 million) is deemed as appraisal value of Sheraton Grande Tokyo Bay Hotel (preferred equity interest). The appraisal value of the Cayman Hotels is converted into JPY amount via exchange rate of USD 1=JPY 110.45 based on the foreign exchange forward contracts concluded on July 26, 2018 and executed on September 26, 2018.

(Note 3) The average interest rate (annual rate) is the weighted average based on the outstanding balance of borrowings and rounded to two decimal places.

(i) Equity Financing

INV implemented a global public offering which closed on July 31, 2023 (the number of new investment units issued: 609,792; total issue value: JPY 32,761 million) and a third party allotment which closed on August 28, 2023 (the number of new investment units issued: 30,489; total issue value: JPY 1,638 million) in order to procure part of the funds for the acquisition of six domestic hotels described in "(d) Overview of Acquisition of Assets".

(ii) Debt Financing

a. Borrowing of Funds

INV borrowed New Syndicate Loan (009) on July 14, 2023 and July 19, 2023 (total amount borrowed: JPY 59,343 million; interest rate: variable interest rate of 3-month JPY TIBOR plus 0.50000% for a duration of five years, variable interest rate of 3-month JPY TIBOR plus 0.30000% (by the interest swap agreement on December 22, 2023, it is fixed, in effect, at 0.69100%) for a duration of three years, variable interest rate of 1-month JPY TIBOR plus 0.30000% for a duration of three years, variable interest rate of 1-month JPY TIBOR plus 0.20000% for a duration of one year, variable interest rate of 3-month JPY TIBOR plus 0.50000% for a duration of five years, variable interest rate of 3-month JPY TIBOR plus 0.30000% (by the interest swap agreement on December 22, 2023, it is fixed, in effect, at 0.69600%) for a duration of three years, variable interest rate of 1-month JPY TIBOR plus 0.30000% for a duration of three years and variable interest rate of 1-month JPY TIBOR plus 0.20000% for a duration of one year), which was arranged by Mizuho Bank, Ltd. in order to repay New Syndicate Loan (I) in the amount of JPY 9,659 million due on July 14, 2023 and New Syndicate Loan (003) in the amount of JPY 49,684 million due on July 19, 2023.

INV borrowed New Syndicate Loan (010) on August 1, 2023 (total amount borrowed: JPY 29,856 million; interest rate: variable interest rate of 3-month JPY TIBOR plus 0.50000% (by the interest swap agreement on December 22, 2023, it is fixed, in effect, at 1.06900%) for a duration of five years, variable interest rate of 3-month JPY TIBOR plus 0.30000% (by the interest swap agreement on December 22, 2023, it is fixed, in effect, at 0.69100%) for a duration of three years and variable interest rate of 1-month JPY TIBOR plus 0.20000% for a duration of one year), which was arranged by Mizuho Bank, Ltd. in order to pay a portion of the acquisition price and related expenses for the acquisition of the six domestic hotels described in “(d) Overview of Acquisition of Assets” with the equity financing described in the said (i).

Moreover, INV borrowed Term Loan (016) on September 14, 2023 (total amount borrowed: JPY 3,000 million; interest rate: variable interest rate of 3-month JPY TIBOR plus 0.40000% (by the interest swap agreement on December 22, 2023, it is fixed, in effect, at 0.87900%) for a duration of four years), which was arranged by Sumitomo Mitsui Banking Corporation in order to repay Term Loan (006) in the amount of JPY 3,000 million due on September 14, 2023.

Furthermore, INV borrowed New Syndicate Loan (011) on September 26, 2023 and October 13, 2023 (total amount borrowed: JPY 43,165 million; interest rate: variable interest rate of 3-month JPY TIBOR plus 0.50000% for a duration of five years variable interest rate of 3-month JPY TIBOR plus 0.40000% (by the interest swap agreement on December 22, 2023, it is fixed, in effect, at 0.89400%) for a duration of four years, variable interest rate of 3-month JPY TIBOR plus 0.30000% (by the interest swap agreement on December 22, 2023, it is fixed, in effect, at 0.69100%) for a duration of three years, variable interest rate of 1-month JPY TIBOR plus 0.20000% for a duration of one year, variable interest rate of 3-month JPY TIBOR plus 0.50000% for a duration of five years and variable interest rate of 3-month JPY TIBOR plus 0.40000% (by the interest swap agreement on December 22, 2023, it is fixed, in effect, at 0.87900%) for a duration of four years), which was arranged by Mizuho Bank, Ltd. and Term Loan (017) on September 26, 2023 (total amount borrowed: JPY 1,900 million; interest rate: variable interest rate of 3-month JPY TIBOR plus 0.50000% (by the interest swap agreement on December 22, 2023, it is fixed, in effect, at 1.05400%) for a duration of five years), which was arranged by The Tokyo Star Bank, Limited in order to repay New Syndicate Loan (J) in the amount of JPY 13,119 million, New Syndicate Loan (004) in the amount of JPY 28,571 million and Term Loan (007) in the amount of JPY 1,256 million due on September 26, 2023 and New Syndicate Loan (H) in the amount of JPY 3,565 million due on October 13, 2023.

In addition, INV borrowed Term Loan (018) on November 29, 2023 (total amount borrowed: JPY 4,321 million; interest rate: variable interest rate of 3-month JPY TIBOR plus 0.60000% for a duration of six years), which was arranged by Mizuho Bank, Ltd. in order to repay Term Loan (009) in the amount of JPY 4,321 million due on November 29, 2023.

Additionally, a portion of INV's existing loans (New Syndicate Loan (007)) from Sumitomo Mitsui Trust Bank, Limited of JPY 1,746 million was transferred to The Chiba Bank, Ltd. in the amount of JPY 981 million on September 29, 2023.

b. Issuance of Investment Corporation Bonds

INV issued investment corporation bonds as follows for the purpose of raising a portion of funds for repayment of existing borrowings while at the same time lengthening the average maturity period of its debt and further diversifying repayment dates for interest-bearing debt.

Bond Series	Issue Date	Issue Amount (JPY million)	Interest Rate (annual rate)	Redemption Date	Abstract
Ninth Series Unsecured Investment Corporation Bonds (with pari passu conditions among specified corporate bonds) (green bonds)	September 21, 2023	1,700	1.200%	September 21, 2028	Unsecured / Unguaranteed Rating: A (JCR)
Tenth Series Unsecured Investment Corporation Bonds (with pari passu conditions among specified corporate bonds) (green bonds)	December 14, 2023	1,800	1.297%	December 14, 2028	Unsecured / Unguaranteed Rating: A (JCR)

(d) Overview of Acquisition of Assets

CIM decided on the acquisition of trust beneficiary interests in six domestic hotels as follows on July 19, 2023, and acquisition of the assets was closed on August 1, 2023.

Property Number	Property Name	Acquisition Price (JPY million) (Note 1)	Appraisal Value (JPY million) (Note 2)	Seller
D84	Fusaki Beach Resort Hotel & Villas	40,293	40,700	Sheffield Asset Tokutei Mokuteki Kaisha
D85	Tateshina Grand Hotel Takinoyu	8,365	8,450	Heijo Tokutei Mokuteki Kaisha
D86	Hotel MyStays Okayama	2,613	2,640	Nippori Tokutei Mokuteki Kaisha
D87	Hotel MyStays Aomori Station	2,445	2,470	Shiretoko Tokutei Mokuteki Kaisha
D88	Hotel MyStays Soga	2,039	2,060	Nippori Tokutei Mokuteki Kaisha
D89	Tazawako Lake Resort & Onsen	1,475	1,490	Heijo Tokutei Mokuteki Kaisha
Total		57,230	57,810	-

(Note 1) Acquisition Price does not include adjustments for property taxes, city planning taxes, or national or local consumption taxes. Hereinafter the same shall apply.

(Note 2) Appraisal Value is based on appraisal value stated in the appraisal report by the Japan Real Estate Institute, JLL Morii Valuation & Advisory K.K., The Tanizawa Sōgō Appraisal Co., Ltd. or Daiwa Real Estate Appraisal Co., Ltd. on the valuation date of June 1, 2023.

(e) Overview of Results of Operations and Distributions

As a result of the operations mentioned above, operating revenues for the Reporting Period increased by JPY 2,904 million from the previous period (+18.2%) to JPY 18,819 million, resulting in a net income of JPY 11,032 million, an increase of JPY 2,118 million from the previous period (+23.8%). Unappropriated retained earnings including the retained earnings carried forward from the preceding fiscal period (JPY 8,657 million) is JPY 19,690 million. INV has decided to set the distribution per unit (excluding excess profit distribution) of JPY 1,640, which is the net income per unit (JPY 1,637) plus the reversal of retained earnings (JPY 3 per unit).

3 Changes in Total Number of Investment Units Issued and Outstanding

Changes in the number of investment units issued and outstanding and unitholders' capital for the past five years up to the end of the Reporting Period are as follows.

Date	Type of issue	Total number of investment units issued		Unitholders' capital (JPY)		Reference
		Increase	Total	Increase	Total	
July 18, 2019	Public offering	409,524	6,076,364	23,317,887,036	234,410,427,350	(Note 1)
August 15, 2019	Third-party allotment	20,476	6,096,840	1,165,882,964	235,576,310,314	(Note 2)
August 22, 2019	Reversal of allowance for temporary differences adjustment	-	6,096,840	125,201,855	235,701,512,169	(Note 3)
July 31, 2023	Public offering	609,792	6,706,632	32,761,684,992	268,463,197,161	(Note 4)
August 28, 2023	Third-party allotment	30,489	6,737,121	1,638,052,014	270,101,249,175	(Note 5)

(Note 1) New investment units were issued in a public offering at a price of JPY 58,898 per unit (JPY 56,939 after deducting the underwriters' discount) to raise a part of the funds for the acquisition of new properties.

(Note 2) New investment units were issued in a third-party allotment at a price of JPY 56,939 per unit for the purpose of raising a part of the funds for the acquisition of specified assets.

(Note 3) INV decided at the Board of Directors' Meeting held on August 22, 2019, the reversal of allowance for temporary difference adjustments for incorporation into unitholders' capital.

(Note 4) New investment units were issued in a public offering at a price of JPY 55,566 per unit (JPY 53,726 after deducting the underwriters' discount) to raise a part of the funds for the acquisition of new properties.

(Note 5) New investment units were issued in a third-party allotment at a price of JPY 53,726 per unit for the purpose of raising a part of the funds for the acquisition of specified assets.

Trends in Trading Prices of Investment Securities

The highest and lowest prices (trading prices) in the Real Estate Investment and Trust Securities Section of the Tokyo Securities Exchange on which the investment securities of INV are listed are as follows.

Real Estate Investment and Trust Securities Section, Tokyo Securities Exchange

(Unit: JPY)

Period	37th fiscal period	38th fiscal period	39th fiscal period	40th fiscal period	41st fiscal period
Closing month	December 2021	June 2022	December 2022	June 2023	December 2023
Highest	45,800	45,800	52,500	59,600	65,200
Lowest	34,450	34,000	36,250	48,250	53,800

4 Distribution Performance

With respect to distribution of earnings for the Reporting Period, INV decided that distribution per unit (excluding excess profit distribution) is JPY 1,464 without reversing retained earnings.

Period	37th fiscal period	38th fiscal period	39th fiscal period	40th fiscal period	41st fiscal period
Calculated Period	Jul. 1, 2021 to Dec. 31, 2021	Jan. 1, 2022 to Jun. 30, 2022	Jul. 1, 2022 to Dec. 31, 2022	Jan. 1, 2023 to Jun. 30, 2023	Jul. 1, 2023 to Dec. 31, 2023
Unappropriated retained earnings (JPY thousand)	9,676,221	9,679,301	13,742,562	17,583,734	19,690,532
Reserved profit (JPY thousand)	8,664,146	8,667,226	8,669,991	8,657,960	8,641,653
Total cash distribution (JPY thousand)	1,012,075	1,012,075	5,072,570	8,925,773	11,048,878
(Distribution per unit) (JPY)	(166)	(166)	(832)	(1,464)	(1,640)
Total profit distribution (JPY thousand)	1,012,075	1,012,075	5,072,570	8,925,773	11,048,878
(Profit distribution per unit) (JPY)	(166)	(166)	(832)	(1,464)	(1,640)
Total refund of investment (JPY thousand)	-	-	-	-	-
(Refund of investment per unit) (JPY)	-	-	-	-	-
Total distribution from the allowance for temporary differences adjustment out of total refund of investment (JPY thousand)	-	-	-	-	-
(Distribution from the allowance for temporary differences adjustment per unit out of refund of investment per unit) (JPY)	-	-	-	-	-
Total distribution from unitholders' equity under the tax laws out of the total refund of investment (JPY thousand)	-	-	-	-	-
Distribution from unitholders' equity under the tax laws out of refund of investment per unit (JPY)	-	-	-	-	-

5 Future operational policy and issues to be addressed

Outlook for the Fiscal Period Ending June 30, 2024

The Japanese economy is expected to continue its gradual recovery led by domestic demand. However, there are notable downside factors to the economy. In particular, high prices may restrain the growth of personal consumption, and the rate of wage increases in the spring labor struggle (Shunto) will be a factor that will determine the sustainability of the economic recovery in the future. Other factors, such as the slowdown of overseas economies and supply constraints due to labor shortages, are also expected to affect the tempo of economic recovery.

In the hotel market, demand in both the domestic/inbound and leisure/business segments is expected to remain stable.

In the rental housing market, the population outflow trend from central areas caused by the impact of the COVID-19 infection has recently turned into a population inflow trend again, which is expected to lead to higher occupancy rates and higher unit rents in the future.

(a) Future operational policy and issues to be addressed

Since July 2011, INV has focused on improving the profitability of its portfolio and strengthening its financial base in order to enhance unitholder value with the Fortress Group as its sponsor. In addition to access to Fortress' global real estate expertise, INV will actively promote efforts to acquire new demand under the environment of "Post-Corona" and flexibly respond to changes in the external environment while emphasizing customer safety and security. Going forward, INV will continue to implement various strategies for further growth and financial stability, including the following measures.

- Further external growth utilizing sponsor support
- Asset recycling: property acquisitions using the proceeds from sales
- Internal growth at hotels through reducing costs, stimulating existing demand and creating new demand by collaborating with hotel operators
- Further internal growth at residential properties
- Response to the risk of rising interest rates

Details of the future growth strategy are as follows.

(i) External growth strategy

New Property Acquisitions

As its basic strategy, INV had moved forward with the acquisition of new properties focusing on hotels, where continued growth in portfolio revenues would be anticipated, and residential properties, especially where rental growth could be achieved, to build a portfolio with a good balance between growth and stability.

In regard to hotels, INV will take into consideration demands of business and leisure customers in nearby areas, and leasing contract types when making investment decisions, with the aim of acquiring properties where growth and stability of GOP and rental revenue are forecasted to increase.

In regard to residential properties, INV will analyze occupancy rates, rental market trends, the presence of competing properties among other factors, and consider acquiring properties with strong competitiveness, in which it believes it can achieve increases in rent.

Properties Acquired from affiliates of the Fortress Group (as of the date of this document)

Year	Properties acquired	Total acquisition price
2012	24 residential properties (Note 1)	JPY 14,043 million (Note 1)
2014	20 hotels	JPY 45,373 million
2015	14 hotels and three residential properties (Note 2)	JPY 45,238 million (Note 2)
2016	11 hotels and two residential properties	JPY 92,804 million
2017	six hotels and two residential properties (Note 3)	JPY 90,006 million (Note 3)
2018	12 hotels (Note 4)	JPY 104,280 million (Note 4)
2019	18 hotels	JPY 82,646 million
2020	Two hotels	JPY 16,236 million
2023	Six hotels	JPY 57,230 million
Total	120 properties (of which 89 are hotels and 31 are residential properties)	JPY 547,858 million (of which hotels: JPY 496,220 million; residential: JPY 51,638 million)

(Note 1) Of the properties acquired from affiliates of the Fortress Group, 15 residential properties have been sold.

(Note 2) Of the properties acquired from affiliates of the Fortress Group, one residential property has been sold.

(Note 3) Of the properties acquired from affiliates of the Fortress Group, one residential property has been sold. Sheraton Grande Tokyo Bay Hotel was acquired through a special purpose company, of which INV owns the preferred equity interest, and is counted as one property and INV's investment amount of the preferred equity interest is counted as the acquisition price of the preferred equity interest.

(Note 4) The Cayman Hotels acquired by the Cayman SPC, of which INV owned the TK interest, are counted as two properties and INV's investment amount of the TK interest is used as the acquisition price of the TK interest. After the Structure Change, INV currently has direct ownership of the Leasehold of the Cayman Hotels.

Property Sales

INV considers the possibility of portfolio optimization upon consideration of the portfolio sector composition, geographic distribution, and competitiveness of each property as appropriate.

(ii) Strategy for internal growth (Hotels)

Of the 90 domestic hotels (Note 1) owned by INV as of the end of the Reporting Period, 82 hotels use a variable rent scheme. In the variable rent scheme, in principle, INV receives all of the gross operating profit (GOP) after deducting payment of management fees for the hotel operator as rents. For 79 hotels of the 82 hotels, MHM and subsidiaries of MHM have implemented sophisticated revenue management initiatives seeking to maximize revenue through effectively taking in accommodation demand. As a result, INV can directly enjoy the hotel revenue upside through this variable rent scheme.

In response to the reduction in hotel demand, the MHM Group has taken steps to reduce hotel operating expenses and recover revenues by reviewing its operational strategy. During the recovery phase of hotel demand in the future, INV will strive to minimize the impact of rising costs such as utility costs and foodstuffs by means of a thorough review of staffing and work shifts, continuous efforts to reduce fixed costs, and strategies to maximize GOPPAR (GOP per the number of rooms available for sale).

The MHM Group vigorously worked to stimulate demand from domestic customers by providing corporate customers with diverse options including a new lineup of meeting options highlighting strict measures to

reduce the spread of COVID-19 and various options including educational tours and employee training while grasping changes in customer demand under the “Post-Corona” environment. In addition, the MHM Group is focusing on creating demand, including continuation of delivery and take-out services and the development of new menus through directly managed restaurants in the hotel.

For hotels, renovation of rooms and replacement of fixtures and fittings are indispensable to maintain and increase revenues and operate stably in a planned manner.

(Note 1) Including Sheraton Grande Tokyo Bay Hotel (the preferred equity interest).

(Residential properties and others)

INV will continue to strengthen its collaborative ties with property managers and brokers to further boost occupancy rates and earning capabilities of its properties. With respect to INV’s residential properties, INV will focus on increasing the occupancy rates and rents for both new lease contracts and lease renewals for all its properties as well as formulating net leasing cost reduction policies in order to continue maximizing profits. Further, the implementation of appropriate maintenance and repair plans is of the utmost importance in maintaining and enhancing the competitiveness and market value of the properties as well as ensuring high tenant satisfaction. Therefore, INV will continue to monitor current strategic plans with flexible implementation as it sees fit.

(iii) Financial strategy

INV will continue to extend the average interest-bearing debt repayment periods, diversify the loan maturity dates and diversify financing measures while paying attention to fund procurement costs, as well as maintaining an appropriate fixed interest rate ratio to mitigate the risk of rising interest rates.

In addition, INV will seek to improve the credit rating (the long-term issuer rating “A” (Outlook: Positive)) obtained from Japan Credit Rating Agency, Ltd. (JCR) by proceeding with these measures.

(iv) Compliance risk management

While the executive director of INV concurrently serves as the representative director at CIM, two supervisory directors (an external attorney and an external certified public account) oversee the execution of the executive director’s duties via the Board of Directors of INV.

CIM has a compliance officer who is responsible for compliance with laws, regulations and other relevant matters as well as overall management of transactions with sponsor related parties. Moreover, it has in place a compliance committee which, chaired by such compliance officer, is in charge of deliberating on compliance with laws, regulations and other relevant matters as well as transactions with sponsor related parties. Compliance committee meetings are attended by an outside expert (an attorney) who, sitting in as a compliance committee member, conducts rigorous deliberations on the existence of conflicts of interest in transactions with sponsor related parties as well as strict examinations with respect to INV’s compliance with laws and regulations. No resolution will be adopted unless the outside expert agrees.

When INV conducts certain transactions such as asset acquisition from sponsor related parties, prior approvals by the Board of Directors of INV are required to ensure an objectivity in deliberation regarding conflicts of interests. In such agenda, only two supervisory directors (a lawyer and a certified public accountant) will participate in the vote, and the executive director who concurrently serves as the representative director of CIM will not participate in the vote as he is a special interested party.

INV intends to continually take steps to strengthen its compliance structure.

(v) Initiatives for Sustainability

INV and CIM recognize the importance of environmental, social, and governance (ESG) considerations in real estate investment management from the viewpoint of sustainability such as economic and social development and contributing to global environmental conservation, and regard improvement of sustainability as an important management issue. INV and CIM believe that the incorporation of ESG considerations into the real estate investment management business, which is our primary business, is essential to maximizing unitholder value over the medium to long term and contributes to maximizing INV’s investment returns.

Thus, INV and CIM have established a “Sustainability Policy” to set basic policies for sustainability and put them into practice in our daily operations.

Under this policy, CIM has formulated the “Energy Conservation Policy”, the “Greenhouse Gas Emissions Reduction Policy”, the “Water Saving Policy” and the “Waste Management Policy” which stipulate efforts to reduce environmental impact as initiatives for environment. In addition, CIM has established the “Sustainable Procurement Policy” in order to promote initiatives for ESG throughout the value chain of INV’s real estate portfolio and concluded the “Green Lease” contract with tenants to collaborate with tenants on measures related to the environmental consideration of real estate, such as proactive introductions of energy-saving equipment such as LED lighting.

Furthermore, as of the date of this document, INV acquired CASBEE Certification for Buildings (Existing Buildings) for two hotels, and Certification for CASBEE for Real Estate for two residential properties. CASBEE is a method that comprehensively assesses the quality of a building, and evaluates features such as interior comfort and scenic aesthetics, in consideration of environment practices including use of materials and equipment that save energy or achieve smaller environmental loads. Also, as of the date of this document, 19 hotels owned by INV acquired the certification of Building-Housing Energy-efficiency Labeling System (“BELS”). In particular, Hotel MyStays Premier Akasaka, Hotel MyStays Fukuoka Tenjin, Hotel MyStays Yokohama Kannai Hotel MyStays Oita, Hotel MyStays Haneda and Hotel MyStays Matsuyama have been rated five stars “★★★★★” due to high energy conservation performance.

Following the acquisition of environmental certifications for its properties, INV issued green bonds in September 2023 and December 2023 to further promote its sustainability initiatives and to strengthen its fund-raising base by expanding the investor base interested in ESG investment.

As initiatives for society, CIM is working on various measures for tenants and CIM’s officers and employees. CIM conducts the “Tenant Satisfaction Survey” for residents of INV’s residential properties to collect opinions and requests of residents and utilize them for asset management, and provides sustainability-focused training for all officers and employees at least once a year to help officers and employees acquire knowledge and raise awareness of sustainability considerations in line with business practices. Moreover, as initiatives for CIM’s employees, CIM conducts an employee satisfaction survey once every three years with the aim of improving its working environment, and gives full subsidy for a comprehensive medical checkup without age restrictions. As a result of other sustainability promotion activities, INV received a “3-Star” rating in the 2023 GRESB Real Estate Assessment, an international benchmark assessment that measures ESG integration of real estate companies and funds, on a five-level rating scale, and an “A level” in the GRESB Public Disclosure assessment, the highest rating.

INV will continue to recognize its social responsibility to the environment and local communities as a J-REIT with hotels and residences as our core assets, and will proactively implement ESG-friendly investment management and sustainability initiatives that take advantage of asset characteristics and carry out social contribution activities.

6 Significant Subsequent Events

Not applicable. Reference information is stated below.

(Reference Information)

(a) Debt Financing

INV has decided to execute new borrowings (New Syndicate Loan (012) and Term Loan (019)) on January 12, 2024 and borrowed on January 16, 2024 and January 24, 2024 in order to repay one of the tranches of New Syndicate Loan (M) in the amount of JPY 5,796 million, one of the tranches of New Syndicate Loan (L) in the amount of JPY 4,805 million, New Syndicate Loan (N) in the amount of JPY 3,544 million and New Syndicate Loan (006) in the amount of JPY 10,408 million due on January 16, 2024 and Term Loan (010) in the amount of JPY 1,550 million, Term Loan (011) in the amount of JPY 1,700 million and Term Loan (012) in the amount of JPY 6,800 million due on January 24, 2024.

(i) New Syndicate Loan (012)

Lender	Borrowing Date	Borrowing Amount (JPY million)	Interest Rate (annual rate)	Maturity Date	Borrowing Method
Resona Bank, Limited	January 16, 2024	1,200	Variable interest rate (Note 1)	March 16, 2025	Unsecured/non guarantee
SBI Shinsei Bank, Limited	January 16, 2024	369	Variable interest rate (Note 2)	March 14, 2027	Unsecured/non guarantee
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Aozora Bank, Ltd. The Nomura Trust and Banking Co., Ltd.	January 16, 2024	5,308	Variable interest rate (Note 3)	March 14, 2028	Unsecured/non guarantee
MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	January 24, 2024	5,025	Variable interest rate (Note 3)	March 14, 2028	Unsecured/non guarantee
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc. The Nomura Trust and Banking Co., Ltd.	January 16, 2024	5,406	Variable interest rate (Note 4)	March 14, 2029	Unsecured/non guarantee
MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	January 24, 2024	5,025	Variable interest rate (Note 4)	March 14, 2029	Unsecured/non guarantee
(green loan) Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc. San ju San Bank, Ltd. The Nomura Trust and Banking Co., Ltd.	January 16, 2024	8,970	Variable interest rate (Note 5)	March 14, 2030	Unsecured/non guarantee
Total		31,303			

(Note 1) 1-month JPY TIBOR (Base Rate) + spread (0.20000%)

(Note 2) 3-month JPY TIBOR (Base Rate) + spread (0.30000%)

(Note 3) 3-month JPY TIBOR (Base Rate) + spread (0.40000%)

(Note 4) 3-month JPY TIBOR (Base Rate) + spread (0.50000%)

(Note 5) 3-month JPY TIBOR (Base Rate) + spread (0.60000%)

(ii) Term Loan (019)

Lender	Borrowing Date	Outstanding Balance (JPY million)	Interest Rate (annual rate)	Maturity Date	Borrowing Method
The Tokyo Star Bank, Limited	January 16, 2024	2,440	Variable interest rate (Note 1)	March 14, 2029	Unsecured/non guarantee

(Note 1) 3-month JPY TIBOR (Base Rate) + spread (0.50000%)

(b) Issuance of Investment Corporation Bonds

INV issued investment corporation bonds to individual investors as follows for the purpose of raising a portion of funds for repayment of existing borrowings while at the same time lengthening the average maturity period of its debt and further diversifying repayment dates for interest-bearing debt.

Bond Series	Issue Date	Issue Amount (JPY million)	Interest Rate (annual rate)	Redemption Date	Abstract
Eleventh Series Unsecured Investment Corporation Bonds (with pari passu conditions among investment corporate bonds)	February 9, 2024	6,000	1.470%	February 9, 2029	Unsecured / Unguaranteed Rating: A (JCR)

Overview of the Investment Corporation

1 Overview of Investment

By Period	37th fiscal period	38th fiscal period	39th fiscal period	40th fiscal period	41st fiscal period
Results Dates	As of Dec. 31, 2021	As of Jun. 30, 2022	As of Dec. 31, 2022	As of Jun. 30, 2023	As of Dec. 31, 2023
Number of issuable investment units (Unit)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Number of investment units issued and outstanding (Unit)	6,096,840	6,096,840	6,096,840	6,096,840	6,737,121
Unitholders' capital (JPY million)	235,701	235,701	235,701	235,701	270,101
Number of total unitholders	31,238	30,005	27,005	25,829	26,611

2 Notes regarding Unitholders

Major unitholders at the end of the Reporting Period are as below.

Name	Number of units held	% of total number of investment units issued and outstanding
The Master Trust Bank of Japan, Ltd. (trust account)	1,354,762	20.10
Custody BANK of Japan, Ltd. (trust account)	1,166,019	17.30
The Nomura Trust and Banking Co., Ltd. (investment trust account)	362,795	5.38
SSBTC CLIENT OMNIBUS ACCOUNT	181,677	2.69
DEUTSCHE BANK AG, SINGAPORE A/C CLIENTS (TREATY) 4600601	145,871	2.16
GOLDMAN SACHS INTERNATIONAL	124,638	1.85
JP MORGAN CHASE BANK 385632	116,867	1.73
FJODF GP INV HOLDINGS LLC	115,931	1.72
STATE STREET BANK WEST CLIENT - TREATY 505234	109,408	1.62
STATE STREET BANK AND TRUST COMPANY 505103	103,954	1.54
Total	3,781,922	56.13

(Note 1) Percentages are rounded down to two decimal places.

3 Notes regarding Directors

Directors at the end of the Reporting Period are listed below.

Position	Name	Concurrent responsibilities	Directors' remuneration for operating period (JPY thousand)
Executive Director	Naoki Fukuda	President and CEO, Consonant Investment Management Co., Ltd. (current position)	-
Supervisory Director	Yoshihiro Tamura	Attorney, Shiba-Daimon Law Office Statutory Auditor, BEQONE PARTNERS, Inc. (current position)	2,400
	Hiroyuki Fujimoto (Note 1)	Certified Public Accountant, CPA Fujimoto Office Outside Auditor, BRYCEN Co., Ltd. (current position) Outside Director, the Audit & Supervisory Committee Member, NEO MARKETING INC. (current position)	2,400
	Marika Nagasawa (Note 1)	Certified Public Accountant, Avantia GP Marika Nagasawa Accounting Firm	400
Auditor	Ernst & Young ShinNihon LLC (Note 2)	-	41,900

(Note 1) As of December 21, 2023, Takushi Fujimoto, a former supervisory director, resigned the position of supervisory director and Marika Nagasawa assumed the position.

(Note 2) The auditor's remuneration includes 1,200 thousand yen for auditing English financial statements and 23,000 thousand yen for non-audit remuneration. In addition, non-audit remuneration to a person belonging to the same network as the accounting auditor is 7,742 thousand yen.

(Note 3) Executive and supervisory directors do not hold INV's units either in their names or in the names of third parties. In addition, while they may be directors of organizations not listed above, those organizations as well as those listed above have no conflicts of interest with INV.

Determination policy for dismissal or non-reappointment of Auditor

The auditing agreement with the auditor is renewed every accounting period. Dismissals are made in accordance with the Investment Trust Act, and in addition, non-reappointments are considered by the board of directors of INV by comprehensively taking into account the auditing quality, auditor remuneration, and other various circumstances.

Notes regarding indemnification agreement between Directors and INV

Not applicable.

4 Notes regarding Directors Liability Insurance

Directors Liability Insurance concluded by INV is as below.

Insured Person	Overview of the Insurance Contract
All Executive Directors and Supervisory Directors	<p>(Outline of insured event covered by insurance) Damages and dispute costs incurred by the insured due to a claim for damages caused by the insured's actions as a director's duties will be covered.</p> <p>(Burden ratio of insurance premium) INV bears the insurance premiums except those for the special contract of unitholder derivative suits.</p> <p>(Measures to ensure that duties are executed properly) By excluding criminal acts such as bribery and damages of directors who intentionally commit illegal acts from compensation, measures are taken so that duties of directors are executed properly.</p>

5 Asset Management Company, Asset Custody Companies, and General Administrative Agents

The asset management company, asset custody companies, and general administrative agents at the end of the Reporting Period are as below.

Delegation category	Name
Asset management company	Consonant Investment Management Co., Ltd.
Asset custody company	Sumitomo Mitsui Trust Bank, Limited
General administrative agent (administration of unitholders' registry, etc.)	Sumitomo Mitsui Trust Bank, Limited
General administrative agent (institutional operations (Note 1))	Consonant Investment Management Co., Ltd.
General administrative agent (accounting operations, etc.)	Sumitomo Mitsui Trust Bank, Limited
Special account management company	Mitsubishi UFJ Trust and Banking Corporation Limited (Note 2) / Sumitomo Mitsui Trust Bank, Limited (Note 3)
General administrative agent (Fiscal agent pertaining to investment corporation bonds, etc.)	Mizuho Bank, Ltd.

(Note 1) (i) Tasks related to the running of general unitholders' meetings for INV (excluding tasks related to the mailing of general unitholders' meetings and the receipt and counting of voting forms), (ii) tasks related to the running of the meetings of the Board of Directors of INV, and (iii) or tasks incidental or related to that mentioned in (i) or (ii) are delegated.

(Note 2) Conducts administrative tasks related to the creation, maintenance, and disposition of transfer savings account registers for special accounts of unitholders of the INV before the merger (former Tokyo Growth REIT Investment Inc.) as well as tasks related to other transfer savings account registers.

(Note 3) Conducts administrative tasks related to the creation, maintenance, and disposition of transfer savings account registers for special accounts of unitholders of the former LCP as well as tasks related to other transfer savings account registers.

Status of Investment Corporation's Assets under Management

1 Composition of INV's Assets

Type of asset	Purpose	Geographic area (Note 1)	Fiscal period ended June 30, 2023 (as of June 30, 2023)		Fiscal period ended December 31, 2023 (as of December 31, 2023)	
			Amount held (JPY million) (Note 2)	Percentage of total assets (%)	Amount held (JPY million) (Note 2)	Percentage of total assets (%)
Real estate	Hotels	Greater Tokyo Area (Note 3)	2	0.0	2	0.0
		Major regional cities	-	-	-	-
		Overseas (Note 4)	33,168	6.7	32,814	5.8
		Subtotal	33,170	6.7	32,817	5.8
Total real estate			33,170	6.7	32,817	5.8
Real estate in trust	Residences	Greater Tokyo area	28,383	5.7	28,301	5.0
		Major regional cities	5,827	1.2	5,784	1.0
		Subtotal	34,210	6.9	34,086	6.1
	Offices /Commercial Facilities	Greater Tokyo area	—	—	—	—
		Major regional cities	1,588	0.3	1,592	0.3
		Subtotal	1,588	0.3	1,592	0.3
	Hotels	Greater Tokyo area	166,285	33.5	167,674	29.8
		Major regional cities	205,243	41.3	259,612	46.1
		Subtotal	371,528	74.8	427,286	75.8
	Total real estate in trust			407,327	82.0	462,965
Preferred equity interest (Note 5)			17,856	3.6	17,856	3.2
Deposits and other assets			38,465	7.7	49,754	8.8
Total assets (Note 6)			496,819 (440,498)	100.0 (88.7)	563,393 (495,782)	100.0 (88.0)

(Note 1) "Greater Tokyo area" refers to Tokyo, Kanagawa, Chiba and Saitama.

(Note 2) "Amount held" is from the balance sheet as of the end of the Reporting Period (book value after depreciation for real estate, leasehold and real estate in trust). The amounts held for hotels are calculated by including book value of accompanying FF&E, in principle.

(Note 3) While Hotel MyStays Haneda is held as trust beneficiary interests, part of accompanying FF&E is held in kind, which falls under this category.

(Note 4) The Leasehold of the Cayman Hotels falls under the category of "Real estate" for "Overseas." The leasehold interests are the rights equivalent to long-term real estate leasehold rights for buildings and land under the laws of the Cayman Islands (Term: 99 years; annual lease payment: USD 1 or KYD 1). INV implemented an investment structure change regarding "Westin Grand Cayman Seven Mile Beach Resort & Spa" and "Sunshine Suites Resort" on May 9, 2019 (Cayman Island local time), a change from making investments based on the TK agreement to directly owning the Leasehold of the Cayman Hotels, which are the underlying assets of the TK interest.

(Note 5) Preferred equity interest issued by Kingdom Special Purpose Company, with the Sheraton Grande Tokyo Bay Hotel as an underlying asset (asset in trust of trust beneficiary interest acquired by Kingdom Special Purpose Company, which is the real estate that serves as the main source of revenue for Kingdom Special Purpose Company).

(Note 6) The figures indicated in parenthesis under “Total assets” show the amounts related to owned real estate (excluding the amount of preferred equity securities owned).

2 Major Properties

The overview of INV's major properties (top 10 properties by book value) (Note 1) at the end of the Reporting Period is as below.

	Name of property	Book value (JPY million)	Leasable area (m ²) (Note 2)	Leased area (m ²)	Occupancy rate (%) (Note 3)	Ratio of rental revenue (%) (Note 4)	Main use
D84	Fusaki Beach Resort Hotel & Villas	40,122	23,573.57	23,573.57	100.0	7.5	Hotel
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	27,593	21,528.23	21,528.23	100.0	-	Hotel
D43	Hotel MyStays Gotanda Station	26,095	10,137.88	10,137.88	100.0	3.3	Hotel
D60	Hotel MyStays Premier Akasaka	20,031	8,620.69	8,620.69	100.0	3.3	Hotel
D44	Hotel Epinard Nasu	18,057	37,702.33	37,702.33	100.0	6.4	Hotel
D61	Hotel MyStays Premier Sapporo Park	15,760	21,670.64	21,670.64	100.0	2.8	Hotel
D64	Hotel MyStays Sapporo Aspen	15,128	15,313.17	15,313.17	100.0	2.6	Hotel
D50	Hotel MyStays Shin Osaka Conference Center	12,756	13,026.99	13,026.99	100.0	1.7	Hotel
D47	Hotel MyStays Premier Kanazawa	12,146	13,121.00	13,121.00	100.0	1.5	Hotel
D82	Hotel MyStays Premier Narita	9,727	36,519.70	36,519.70	100.0	1.7	Hotel
	Total	197,420	201,214.20	201,214.20	100.0	30.7	

(Note 1) Securities described in “6 Asset Portfolio of Securities” later in this document are excluded.

(Note 2) Leasable area of Westin Grand Cayman Seven Mile Beach Resort & Spa indicates the area subject to management contract.

(Note 3) “Occupancy rate” is calculated by dividing the leased area by leasable area, and rounded to one decimal place.

(Note 4) “Ratio of rental revenue” are rounded to one decimal place.

3 Asset Portfolio of Real Estate, etc.

The portfolio of the properties (real estate and trust beneficiary interest in real estate) held by INV at the end of the Reporting Period is as below.

Name of property		Location (Note 1)	Type of asset	Leasable area (m ²) (Note 2)	Appraisal value as of the end of the Reporting Period (JPY million) (Note 3)	Book value (JPY million)
A26	Nisshin Palacestage Daitabashi	1-31-2 Izumi, Suginami-ku, Tokyo	Trust beneficiary interest (Note 4)	1,771.13	1,320	1,082
A28	Growth Maison Gotanda	2-26-6 Nishi-Gotanda, Shinagawa- ku, Tokyo	Trust beneficiary interest	1,051.50	1,150	810
A29	Growth Maison Kameido	6-58-16 Kameido, Koto-ku, Tokyo	Trust beneficiary interest	1,367.96	1,310	921
A30	Emerald House	3-27-18 Itabashi, Itabashi-ku, Tokyo	Trust beneficiary interest	2,152.31	1,510	1,299
A32	Suncrest Shakujii-Koen	3-15-35 Takanodai, Nerima-ku, Tokyo	Trust beneficiary interest (Note 4)	3,029.16	1,290	1,045
A33	Growth Maison Shin- Yokohama	3-16-2 Shin-Yokohama, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficiary interest (Note 4)	1,858.44	1,330	919
A34	Belle Face Ueno- Okachimachi	1-27-10 Higashi-Ueno, Taito-ku, Tokyo	Trust beneficiary interest (Note 4)	1,351.11	1,190	893
A35	Grand Rire Kameido	3-39-12 Kameido, Koto-ku, Tokyo	Trust beneficiary interest (Note 4)	1,562.26	1,120	757
A37	Growth Maison Yoga	1-15-15 Okamoto, Setagaya-ku, Tokyo	Trust beneficiary interest (Note 4)	1,015.34	869	707
A38	Route Tachikawa	3-7-6 Nishikicho, Tachikawa-shi, Tokyo	Trust beneficiary interest	1,368.57	733	692
A39	Shibuya-Honmachi Mansion	2-35-2 Honmachi, Shibuya-ku, Tokyo	Trust beneficiary interest (Note 4)	1,167.50	743	713
A40	City Heights Kinuta	4-13-15 Kinuta, Setagaya-ku, Tokyo	Trust beneficiary interest	1,235.93	639	657
A41	Acseeds Tower Kawaguchi- Namiki	2-5-13 Namiki, Kawaguchi-shi, Saitama	Trust beneficiary interest (Note 4)	1,210.74	832	485
A43	College Square Machida	3-4-4 Nakamachi, Machida-shi, Tokyo	Trust beneficiary interest (Note 4)	1,047.75	537	549
A44	Belair Meguro	1-2-15 Meguro, Meguro-ku, Tokyo	Trust beneficiary interest (Note 4)	557.05	667	544
A45	Wacore Tsunashima I	2-7-47 Tarumachi, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficiary interest (Note 4)	907.46	575	553

Name of property		Location (Note 1)	Type of asset	Leasable area (m ²) (Note 2)	Appraisal value as of the end of the Reporting Period (JPY million) (Note 3)	Book value (JPY million)
A46	Foros Nakamurabashi	1-6-6 Kouyama, Nerima-ku, Tokyo	Trust beneficiary interest (Note 4)	815.77	652	488
A47	Growth Maison Kaijin	5-29-51 Kaijin, Funabashi-shi, Chiba	Trust beneficiary interest (Note 4)	2,040.27	580	512
A48	College Square Machiya	7-3-1 Arakawa, Arakawa-ku, Tokyo	Trust beneficiary interest (Note 4)	871.35	630	443
A59	Towa City Coop Shinotsuka II	5-49-7 Higashi-Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest	1,627.13	1,390	779
A61	Bichsel Musashiseki	1-22-7 Sekimachi-Kita, Nerima-ku, Tokyo	Trust beneficiary interest	1,220.24	865	577
A63	Towa City Coop Sengencho	4-338-2 Sengencho, Nishi-ku, Yokohama-shi, Kanagawa	Trust beneficiary interest	3,426.36	1,560	995
A64	Royal Park Omachi	2-11-10 Omachi, Aoba-ku, Sendai- shi, Miyagi	Trust beneficiary interest	1,929.59	715	374
A65	Lexington Square Haginomachi	1-15-18 Haginomachi, Miyagino- ku, Sendai-shi, Miyagi	Trust beneficiary interest	1,528.58	464	252
A66	Visconti Kakuozan	2-44 Otanacho, Chikusa-ku, Nagoya-shi, Aichi	Trust beneficiary interest	705.75	305	225
A72	Lexington Square Honjo Azumabashi	4-20-6 Higashi-Komagata, Sumida- ku, Tokyo	Trust beneficiary interest	784.74	786	399
A73	AMS TOWER Minami 6- Jo	2-5-15 Minami 6-Jo Nishi, Chuo-ku, Sapporo-shi, Hokkaido	Trust beneficiary interest	4,460.56	1,310	854
A84	Revest Heian	2-13-17 Heian, Kita-ku, Nagoya-shi, Aichi	Trust beneficiary interest	1,554.03	878	477
A87	Excellente Kagurazaka	128-1 Yamabukicho, Shinjuku-ku, Tokyo, and other one parcel	Trust beneficiary interest	701.92	878	482
A90	Queen's Court Fukuzumi	1-3-10 Fukuzumi, Koto-ku, Tokyo	Trust beneficiary interest	765.18	820	400
A92	Belair Oimachi	5-14-17 Higashi-Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest	530.60	681	376
A93	Siete Minami-Tsukaguchi	3-18-29 Minami-Tsukaguchimachi, Amagasaki-shi, Hyogo	Trust beneficiary interest	1,020.86	581	324
A94	Prime Life Sannomiya Isogami Koen	4-3-23 Isogamidori, Chuo-ku, Kobe-shi, Hyogo	Trust beneficiary interest	789.12	579	320
A96	Century Park Shinkawa 1- bankan	4-1-2 Shinkawacho, Minato-ku, Nagoya-shi, Aichi	Trust beneficiary interest	1,477.62	551	284
A97	West Avenue	1-5-17 Nishi, Kunitachi-shi, Tokyo	Trust beneficiary interest	794.80	430	302
A99	Prime Life Mikage	2-25-11 Mikage Tsukamachi, Higashinada-ku, Kobe-shi, Hyogo	Trust beneficiary interest	761.18	439	253
A101	Lieto Court Mukojima	5-45-10 Mukojima, Sumida-ku, Tokyo	Trust beneficiary interest	2,940.20	2,310	1,569

Name of property		Location (Note 1)	Type of asset	Leasable area (m ²) (Note 2)	Appraisal value as of the end of the Reporting Period (JPY million) (Note 3)	Book value (JPY million)
A102	Lieto Court Nishi-Ojima	2-41-14 Ojima, Koto-ku, Tokyo	Trust beneficiary interest	2,048.28	2,240	1,514
A103	Royal Parks Momozaka	5-38 Fudegasakicho, Tennouji-ku, Osaka-shi, Osaka	Trust beneficiary interest	8,776.26	3,290	2,417
A104	Royal Parks Shinden	3-35-20 Shinden, Adachi-ku, Tokyo	Trust beneficiary interest	15,797.29	6,200	4,432
A106	Royal Parks Seasir Minami-Senju	3-41-7 Minami-Senju, Arakawa-ku, Tokyo	Trust beneficiary interest	6,496.86	3,280	2,392
Subtotal				86,518.75	48,229	34,086
B18	AEON TOWN Sukagawa	105 Furukawa, Sukagawa-shi, Fukushima	Trust beneficiary interest	18,440.58	2,380	1,592
Subtotal				18,440.58	2,380	1,592
D01	Hotel MyStays Kanda	1-2-2 Iwamotocho, Chiyoda-ku, Tokyo	Trust beneficiary interest	2,585.72	5,060	2,758
D02	Hotel MyStays Asakusa	1-21-11 Honjo, Sumida-ku, Tokyo	Trust beneficiary interest	3,327.38	4,480	2,436
D03	Hotel MyStays Kyoto- Shijo	52 Kasabokocho, Higashiiru, Aburanokoji, Shijodori, Shimogyo-ku, Kyoto-shi, Kyoto	Trust beneficiary interest	7,145.53	8,300	5,387
D04	MyStays Shin-Urayasu Conference Center	2-1-4 Akemi, Urayasu-shi, Chiba	Trust beneficiary interest	6,232.30	7,610	4,310
D05	Hotel MyStays Maihama	3-5-1 Tekkodori, Urayasu-shi, Chiba	Trust beneficiary interest	2,456.36	7,540	4,433
D06	Hotel MyStays Premier Dojima	2-4-1 Sonezakishinchi, Kita-ku, Osaka-shi, Osaka	Trust beneficiary interest	9,445.32	6,610	3,609
D07	Hotel MyStays Nagoya- Sakae	2-23-22 Higashi-Sakura, Naka-ku, Nagoya-shi, Aichi	Trust beneficiary interest	9,064.71	5,620	2,473
D08	Hotel MyStays Sakaisuji- Honmachi	1-4-8 Awaji-machi, Chuo-ku, Osaka-shi, Osaka	Trust beneficiary interest	4,188.83	3,340	2,200
D09	Hotel MyStays Yokohama	4-81 Sueyoshicho, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficiary interest	7,379.43	4,190	2,060
D10	Hotel MyStays Nippori	5-43-7 Higashi-Nippori, Arakawa- ku, Tokyo	Trust beneficiary interest	1,719.29	2,570	1,719
D11	Hotel MyStays Fukuoka- Tenjin-Minami	3-14-20 Haruyoshi, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficiary interest	3,412.71	5,820	1,367
D12	Flexstay Inn Iidabashi	3-26 Shin-Ogawamachi, Shinjuku- ku, Tokyo	Trust beneficiary interest	2,953.38	2,110	1,299
D13	Hotel MyStays Ueno Inaricho	1-5-7 Matsugaya, Taito-ku, Tokyo	Trust beneficiary interest	1,150.76	2,050	1,159
D14	Flexstay Inn Shinagawa	1-22-19 Kita-Shinagawa, Shinagawa-ku, Tokyo	Trust beneficiary interest	1,134.52	2,060	1,159
D15	Flexstay Inn Tokiwadai	1-52-5 Tokiwadai, Itabashi-ku, Tokyo	Trust beneficiary interest	2,539.75	2,190	1,171

Name of property		Location (Note 1)	Type of asset	Leasable area (m ²) (Note 2)	Appraisal value as of the end of the Reporting Period (JPY million) (Note 3)	Book value (JPY million)
D16	Flexstay Inn Sugamo	3-6-16 Sugamo, Toshima-ku, Tokyo	Trust beneficiary interest	2,089.86	2,220	1,060
D17	Hotel MyStays Otemae	1-3-2 Tokuicho, Chuo-ku, Osaka-shi, Osaka	Trust beneficiary interest	4,956.66	2,570	1,093
D18	Hotel MyStays Kiyosumi Shirakawa	1-12-16 Tokiwa, Koto-ku, Tokyo	Trust beneficiary interest	2,673.64	1,540	819
D19	Flexstay Inn Nakanobu P1	4-27-12 Futaba, Shinagawa-ku, Tokyo	Trust beneficiary interest	770.56	844	543
D20	Flexstay Inn Nakanobu P2	4-27-8 Futaba, Shinagawa-ku, Tokyo	Trust beneficiary interest	391.49	406	275
D21	APA Hotel Yokohama-Kannai	3-37-2 Sumiyoshicho, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficiary interest	6,462.48	10,000	7,107
D22	Hotel MyStays Hakodate-Goryokaku	26-17 Honcho, Hakodate-shi, Hokkaido	Trust beneficiary interest	7,830.62	4,000	2,612
D23	Flexstay Inn Shirogane	5-10-15 Shirokane, Minato-ku, Tokyo	Trust beneficiary interest	1,754.06	2,430	2,046
D24	Hotel MyStays Haneda	5-1-13 Haneda, Ota-ku, Tokyo	Trust beneficiary interest	5,400.16	8,470	6,853
D25	Hotel MyStays Kameido P1	6-32-1 Kameido, Koto-ku, Tokyo	Trust beneficiary interest	4,338.47	7,730	5,171
D26	Hotel MyStays Ueno Iriyaguchi	5-5-13 Higashi-Ueno, Taito-ku, Tokyo	Trust beneficiary interest	2,247.92	3,980	3,538
D27	Hotel MyStays Kameido P2	6-7-8 Kameido, Koto-ku, Tokyo	Trust beneficiary interest	2,793.99	5,180	3,412
D28	Hotel MyStays Shimizu	1-23 Masagocho, Shimizu-ku, Shizuoka-shi, Shizuoka	Trust beneficiary interest	3,559.81	2,510	1,959
D29	Super Hotel Shinbashi/Karasumoriguchi	5-16-4 Shinbashi, Minato-ku, Tokyo	Trust beneficiary interest	1,403.89	1,880	1,552
D30	Flexstay Inn Higashi-Jujo	2-10-2 Nakajujo, Kita-ku, Tokyo	Trust beneficiary interest	1,714.53	1,390	1,245
D31	Hotel MyStays Utsunomiya	2-4-1 Higashi-Shukugo, Utsunomiya-shi, Tochigi	Trust beneficiary interest	11,733.23	2,100	1,180
D32	Flexstay Inn Kawasaki-Kaizuka	1-13-2 Kaizuka, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficiary interest	1,190.57	1,160	849
D33	Comfort Hotel Toyama	1-3-2 Takara-machi, Toyama-shi, Toyama	Trust beneficiary interest	3,305.64	1,180	856
D34	Flexstay Inn Kawasaki-Ogawacho	15-9 Ogawacho, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficiary interest	725.60	913	843
D35	Flexstay Inn Ekoda	8-6 Sakaecho, Nerima-ku, Tokyo	Trust beneficiary interest	3,932.93	4,690	4,679
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	2-21-9 Akebonocho, Tachikawa-shi, Tokyo	Trust beneficiary interest	1,832.97	1,240	1,038
D37	Super Hotel JR Ueno-iriyauchi	7-9-14 Ueno, Taito-ku, Tokyo	Trust beneficiary interest	1,279.16	1,200	1,032

Name of property		Location (Note 1)	Type of asset	Leasable area (m ²) (Note 2)	Appraisal value as of the end of the Reporting Period (JPY million) (Note 3)	Book value (JPY million)
D38	Hotel MyStays Shinsaibashi	1-9-30 Nishi-Shinsaibashi, Chuo-ku, Osaka-shi, Osaka	Trust beneficiary interest	1,942.01	2,080	2,903
D39	Comfort Hotel Kurosaki	3-13-13 Kurosaki, Yahatanishi-ku, Kitakyusyu-shi, Fukuoka	Trust beneficiary interest	3,207.60	1,200	971
D40	Comfort Hotel Maebashi	2-18-14 Omotecho, Maebashi-shi, Gunma	Trust beneficiary interest	3,653.96	1,100	901
D41	Comfort Hotel Tsubame-Sanjo	2-115 Sugoro, Sanjo-shi, Niigata	Trust beneficiary interest	3,098.07	1,060	870
D42	Comfort Hotel Kitami	3-4 Ohdori-Nishi, Kitami-shi, Hokkaido	Trust beneficiary interest	3,009.50	883	715
D43	Hotel MyStays Gotanda Station (Note 5)	2-6-8 Nishi-Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest	10,137.88	24,500	26,095
D44	Hotel Epinard Nasu (Note 6)	1-10 Kaidoue (and 59 other land parcels), Oaza-Takakuhei, Nasu-machi, Nasu-gun, Tochigi	Trust beneficiary interest	37,702.33	23,400	18,057
D45	Hotel MyStays Fukuoka Tenjin	3-5-7 Tenjin, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficiary interest	5,083.06	8,360	7,565
D46	Hotel MyStays Hamamatsucho	1-18-14 Hamamatsucho, Minato-ku, Tokyo	Trust beneficiary interest	1,951.90	6,300	7,690
D47	Hotel MyStays Premier Kanazawa	2-13-5 Hirooka, Kanazawa-shi, Ishikawa	Trust beneficiary interest	13,121.00	12,700	12,146
D48	Takamatsu Tokyu REI Hotel	9-9 Hyogomachi, Takamatsu-shi, Kagawa	Trust beneficiary interest	7,148.17	1,720	2,083
D49	Hotel MyStays Premier Hamamatsucho	1-8-5 Hamamatsucho, Minato-ku, Tokyo	Trust beneficiary interest	6,151.93	10,100	7,882
D50	Hotel MyStays Shin Osaka Conference Center	6-2-19 Nishinakashima, Yodogawa-ku, Osaka-shi, Osaka	Trust beneficiary interest	13,026.99	13,400	12,756
D51	Hotel MyStays Premier Omori	6-19-3 Minami Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest	11,849.61	10,300	9,697
D52	Kamenoi Hotel Beppu	5-17 Chucho, Beppu-shi, Oita	Trust beneficiary interest	19,422.08	9,810	7,527
D53	Hotel MyStays Sapporo Station	4-15 Kita Hachijyo Nishi, Kita-ku, Sapporo-shi, Hokkaido	Trust beneficiary interest	7,267.88	8,820	7,336
D54	Hotel MyStays Yokohama Kannai	5-65, Onoe-cho, Naka-ku, Yokohama-shi, Kanagawa and 3 other lots	Trust beneficiary interest	4,501.18	5,710	4,996
D55	Art Hotel Joetsu	5-1-11, Hon-cho Joetsu-shi, Niigata	Trust beneficiary interest	7,563.60	2,660	2,544
D56	Art Hotel Hirosaki City	1-1-2, 1-6, 1-7, 2-1, Omachi, Hirosaki-shi, Aomori	Trust beneficiary interest	14,806.73	2,500	2,561
D57	Hotel MyStays Oita	1-32, Niagemachi Oita-shi, Oita	Trust beneficiary interest	3,216.01	1,680	1,402
D58	Hotel MyStays Gotanda	2-5-4, Higashigotanda Shinagawa-ku, Tokyo	Trust beneficiary interest	1,839.77	4,310	4,028
D59	Hotel MyStays Tachikawa	1-8-14, Nishiki-cho Tachikawa-shi, Tokyo	Trust beneficiary interest	3,844.64	3,420	3,158

Name of property		Location (Note 1)	Type of asset	Leasable area (m ²) (Note 2)	Appraisal value as of the end of the Reporting Period (JPY million) (Note 3)	Book value (JPY million)
D60	Hotel MyStays Premier Akasaka	2-17-54, Akasaka Minato-ku, Tokyo	Trust beneficiary interest	8,620.69	23,400	20,031
D61	Hotel MyStays Premier Sapporo Park	2-2-10, Minamikujo Nishi, Chuo-ku, Sapporo-shi, Hokkaido	Trust beneficiary interest	21,670.64	16,300	15,760
D62	Hotel MyStays Ueno East	5-5-6, Higashi Ueno, Taito-ku, Tokyo	Trust beneficiary interest	4,396.02	5,460	5,096
D63	Hotel MyStays Midosuji Honmachi	3-2-10, Honmachi, Chuo-ku, Osaka-shi, Osaka	Trust beneficiary interest	3,429.43	3,130	4,718
D64	Hotel MyStays Sapporo Aspen	5-1 Nishi 4-chome, Kita 8-jo, Kita-ku, Sapporo-shi, Hokkaido, and seven other lots	Trust beneficiary interest	15,313.17	15,400	15,128
D65	Art Hotel Ishigakijima	554-2 Nishimaji Okawa, Ishigaki -shi, Okinawa, and four other lots	Trust beneficiary interest	17,247.54	9,670	9,374
D66	Hotel MyStays Fuji Onsen Resort	2654 Arakura Deguchi, Fujiyoshida-shi, Yamanashi, and 15 other lots	Trust beneficiary interest	5,498.49	10,700	8,456
D67	Hotel Sonia Otaru	1-4-20 Ironai, Otaru-shi, Hokkaido	Trust beneficiary interest	6,509.41	6,420	5,440
D68	Hotel MyStays Kanazawa Castle	10-17 Konohana-machi, Kanazawa-shi, Ishikawa	Trust beneficiary interest	5,931.84	5,750	5,568
D69	Art Hotel Niigata Station	1-1 Sasaguchi, Chuo-ku, Niigata-shi, Niigata	Trust beneficiary interest	10,403.01	5,780	5,137
D70	Hotel MyStays Nagoya Nishiki	3-8-21 Nishiki, Naka-ku, Nagoya-shi, Aichi	Trust beneficiary interest	6,077.99	5,240	5,006
D71	Hotel Nord Otaru	1-4-16 Ironai, Otaru-shi, Hokkaido	Trust beneficiary interest	6,047.43	4,380	4,145
D72	Hotel MyStays Kagoshima Tenmonkan	2-7 Yamanokuchi-cho, Kagoshima-shi, Kagoshima	Trust beneficiary interest	7,659.55	3,550	3,290
D73	Art Hotel Asahikawa	6-29-2 7-jo-dori, Asahikawa-shi, Hokkaido	Trust beneficiary interest	25,131.84	3,340	2,817
D74	Hotel MyStays Matsuyama	1-10-10 Otemachi, Matsuyama-shi, Ehime	Trust beneficiary interest	8,274.37	3,210	2,792
D75	Hotel MyStays Sapporo Susukino	1-6 Nishi 5-Chome, Minami 7-jo, Chuo-ku, Sapporo-shi, Hokkaido, and one other lot	Trust beneficiary interest	2,853.26	2,980	2,944
D76	Hotel MyStays Sapporo Nakajima Park	1-20 Nishi 1-chome, Minami 14-jo, Chuo-ku, Sapporo-shi, Hokkaido	Trust beneficiary interest	5,473.41	2,010	1,999
D77	Hotel MyStays Sapporo Nakajima Park Annex	4-3 Nishi 1-chome, Minami 11-jo, Chuo-ku, Sapporo-shi, Hokkaido	Trust beneficiary interest	1,775.21	1,580	1,560
D78	Flexstay Inn Sakuragicho	2-72-2 Hanasaki-cho, Naka-ku, Yokohama-shi, Kanagawa, and four other lots	Trust beneficiary interest	1,308.61	1,490	1,378
D79	MyCUBE by MYSTAYS Asakusa Kuramae	2-6-7 Kuramae, Taito-ku, Tokyo	Trust beneficiary interest	2,156.70	1,270	1,253
D80	Hotel MyStays Kagoshima Tenmonkan Annex	1-20 Gofuku-machi, Kagoshima-shi, Kagoshima	Trust beneficiary interest	2,047.70	1,240	1,135
D81	Hotel MyStays Nayoro	11 Minami 5-chome, Nishi 3-jo, Nayoro-shi, Hokkaido, and one other lot	Trust beneficiary interest	1,985.27	972	840

Name of property		Location (Note 1)	Type of asset	Leasable area (m ²) (Note 2)	Appraisal value as of the end of the Reporting Period (JPY million) (Note 3)	Book value (JPY million)
D82	Hotel MyStays Premier Narita	40 Yokomine Oyama, Narita-shi, Chiba, and 14 other lots	Trust beneficiary interest	36,519.70	10,500	9,727
D83	Art Hotel Morioka	3-3-18 Odori, Morioka-shi, Iwate	Trust beneficiary interest	16,727.08	5,520	5,204
D84	Fusaki Beach Resort Hotel & Villas	1625-6 Arakawa Fusaki, Ishigaki-shi, Okinawa, and sixty other lots	Trust beneficiary interest	23,573.57	40,900	40,122
D85	Tateshina Grand Hotel Takinoyu	4035-187 Minamiyama Kuridaira yori Mimuro Oogaya made, Kitayama, Chino-shi, Nagano, and sixteen other lots	Trust beneficiary interest	20,577.41	8,600	8,472
D86	Hotel MyStays Okayama	9-16, Honmachi, Kita-ku, Okayama-shi, Okayama	Trust beneficiary interest	3,023.27	2,680	2,674
D87	Hotel MyStays Aomori Station	1-8-6 Shinmachi, Aomori-shi, Aomori	Trust beneficiary interest	3,963.86	2,470	2,420
D88	Hotel MyStays Soga	2-7-13 Minamicho, Chuo Ward, Chiba-shi, Chiba	Trust beneficiary interest	3,398.18	2,110	2,060
D89	Tazawako Lake Resort & Onsen	82-117 Shimotakano, Tazawako Obonai, Senboku-shi, Akita, and forty-one other lots	Trust beneficiary interest	7,289.75	1,490	1,511
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	30620 Seven Mile Beach Road, Grand Cayman, Cayman Islands	The Leasehold	21,528.23	67,199 (USD 473,800 thousand) (Note 7)	27,593
D201	Sunshine Suites Resort	1465 Esterley Tibbetts Highway, Grand Cayman, Cayman Islands	The Leasehold	6,723.11	10,495 (USD 74,000 thousand) (Note 7)	5,221
Subtotal				633,805.87	578,432	460,103
Total				738,765.20	629,041	495,782

(Note 1) "Location" is, in principle, based on the indicated address (jyukyohyoji), except that if the jyukyohyoji system has not been implemented for such property, the location is based on the land number (chiban).

(Note 2) Leasable areas of Westin Grand Cayman Seven Mile Beach Resort & Spa and Sunshine Suites Resort indicate the areas subject to management contract.

(Note 3) "Appraisal value as of the end of the Reporting Period" is the value appraised or researched by Asset Research and Development Inc., Japan Real Estate Institute, JLL Morii Valuation & Advisory K.K., The Tanizawa Sogo Appraisal Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd. or CBRE, Inc., in accordance with the Articles of Incorporation of INV and the regulations of The Investment Trusts Association, Japan.

(Note 4) Individual trust beneficiary interests were integrated into three groups with other trust beneficiary interests when INV procured funds through debt financing backed by trust assets in July 2011. As a result of disposition of assets and detachment of trust beneficiary interest from an integrated trust account thereafter, the grouping of trust beneficiary interests at the end of the Reporting Period is as follows:

Group 1

Nisshin Palacestage Daitabashi, Growth Maison Shin-Yokohama, Belle Face Ueno-Okachimachi, Growth Maison Yoga, Shibuya-Honmachi Mansion, and Foros Nakamurabashi.

Group 2

College Square Machida, Belair Meguro, and Wacore Tsunashima I.

Group 3

Suncrest Shakujii-Koen, Grand Rire Kameido, Acseeds Tower Kawaguchi-Namiki, Growth Maison Kaijin, and College Square Machiya.

- (Note 5) "Appraisal value as of the end of the Reporting Period" indicates appraisal value calculated deeming the owned portion and the floor expansion portion as one.
- (Note 6) "Appraisal value as of the end of the Reporting Period" indicates appraisal value calculated deeming the owned portion and the adjacent land portion as one.
- (Note 7) "Appraisal value as of the end of the Reporting Period" is converted into JPY using the exchange rate of USD 1 = JPY 141.83, which is the exchange rate on the closing date of the fiscal period (December 31, 2023).

Trends for the leasing operations of the properties owned by INV are as below.

Name of property		40th fiscal period (January 1, 2023 to June 30, 2023)				41st fiscal period (July 1, 2023 to December 31, 2023)			
		Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)	Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)
A26	Nisshin Palacestage Daitabashi	1	89.9	36,719	0.3	1	93.0	35,652	0.2
A28	Growth Maison Gotanda	1	100.0	28,459	0.2	1	100.0	28,508	0.2
A29	Growth Maison Kameido	1	97.0	35,661	0.3	1	96.9	35,632	0.2
A30	Emerald House	1	100.0	47,291	0.4	1	96.9	41,123	0.2
A32	Suncrest Shakujii-Koen	1	100.0	40,518	0.3	1	100.0	40,236	0.2
A33	Growth Maison Shin-Yokohama	1	95.5	38,110	0.3	1	95.5	37,798	0.2
A34	Belle Face Ueno-Okachimachi	1	98.5	34,099	0.3	1	100.0	32,119	0.2
A35	Grand Rire Kameido	1	100.0	26,619	0.2	1	100.0	26,619	0.2
A37	Growth Maison Yoga	1	100.0	23,340	0.2	1	94.9	23,200	0.1
A38	Route Tachikawa	1	100.0	22,781	0.2	1	100.0	22,096	0.1
A39	Shibuya-Honmachi Mansion	1	100.0	21,179	0.2	1	96.7	21,375	0.1
A40	City Heights Kinuta	1	100.0	19,837	0.2	1	94.6	19,420	0.1
A41	Acseeds Tower Kawaguchi- Namiki	1	94.8	26,947	0.2	1	93.0	26,107	0.2
A43	College Square Machida	1	100.0	16,609	0.1	1	100.0	16,609	0.1
A44	Belair Meguro	1	88.1	15,366	0.1	1	96.1	15,645	0.1
A45	Wacore Tsunashima I	1	81.9	18,298	0.2	1	82.0	16,625	0.1
A46	Foros Nakamurabashi	1	100.0	19,490	0.2	1	100.0	19,489	0.1
A47	Growth Maison Kaijin	1	97.4	23,797	0.2	1	100.0	24,102	0.1

Name of property		40th fiscal period (January 1, 2023 to June 30, 2023)				41st fiscal period (July 1, 2023 to December 31, 2023)			
		Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)	Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)
A48	College Square Machiya	1	100.0	14,924	0.1	1	100.0	14,924	0.1
A59	Towa City Coop Shinotsuka II	1	97.5	37,403	0.3	1	93.7	36,589	0.2
A61	Bichsel Musashiseki	1	94.3	23,096	0.2	1	94.3	23,754	0.1
A63	Towa City Coop Sengencho	1	89.5	59,240	0.5	1	85.2	56,505	0.3
A64	Royal Park Omachi	1	93.7	26,642	0.2	1	93.9	26,712	0.2
A65	Lexington Square Haginomachi	1	89.8	18,005	0.2	1	92.4	17,477	0.1
A66	Visconti Kakuozan	1	100.0	10,303	0.1	1	77.0	9,664	0.1
A72	Lexington Square Honjo Azumabashi	1	100.0	19,166	0.2	1	93.9	18,816	0.1
A73	AMS TOWER Minami 6-Jo	1	92.9	45,417	0.4	1	94.7	46,700	0.3
A84	Revest Heian	1	100.0	16,953	0.1	1	95.2	23,957	0.1
A87	Excelente Kagurazaka	1	78.1	14,624	0.1	1	94.2	19,664	0.1
A90	Queen's Court Fukuzumi	1	95.0	13,641	0.1	1	93.1	17,037	0.1
A92	Belair Oimachi	1	90.1	12,935	0.1	1	96.1	15,564	0.1
A93	Siete Minami-Tsukaguchi	1	100.0	58,080	0.5	1	100.0	17,410	0.1
A94	Prime Life Sannomiya Isogami Koen	1	96.8	50,396	0.4	1	90.6	14,036	0.1
A96	Century Park Shinkawa 1-bankan	1	88.1	157,346	1.3	1	86.3	16,999	0.1
A97	West Avenue	1	100.0	224,161	1.9	1	100.0	13,678	0.1
A99	Prime Life Mikage	1	89.9	36,719	0.3	1	96.7	12,784	0.1
A101	Lieto Court Mukojima	1	100.0	28,459	0.2	1	100.0	58,439	0.4
A102	Lieto Court Nishi-Ojima	1	97.0	35,661	0.3	1	99.0	49,841	0.3
A103	Royal Parks Momozaka	1	100.0	47,291	0.4	1	93.2	154,475	0.9
A104	Royal Parks Shinden	1	100.0	40,518	0.3	1	100.0	224,389	1.3
A106	Royal Parks Seasir Minami-Senju	1	95.5	38,110	0.3	1	95.2	125,736	0.8
Subtotal		41	95.9	1,516,269	12.6	41	95.9	1,497,526	9.0
B18	AEON TOWN Sukagawa	1	100.0	141,287	1.2	1	100.0	141,190	0.8
Subtotal		1	100.0	141,287	1.2	1	100.0	141,190	0.8
D01	Hotel MyStays Kanda	1	100.0	105,033	0.9	1	100.0	105,281	0.6
D02	Hotel MyStays Asakusa	1	100.0	73,153	0.6	1	100.0	96,322	0.6

Name of property		40th fiscal period (January 1, 2023 to June 30, 2023)				41st fiscal period (July 1, 2023 to December 31, 2023)			
		Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)	Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)
D03	Hotel MyStays Kyoto-Shijo	1	100.0	145,361	1.2	1	100.0	167,899	1.0
D04	MyStays Shin-Urayasu Conference Center	1	100.0	192,551	1.6	1	100.0	244,704	1.5
D05	Hotel MyStays Maihama	1	100.0	185,369	1.5	1	100.0	246,837	1.5
D06	Hotel MyStays Premier Dojima	1	100.0	191,628	1.6	1	100.0	180,032	1.1
D07	Hotel MyStays Nagoya-Sakae	1	100.0	123,881	1.0	1	100.0	159,379	1.0
D08	Hotel MyStays Sakaisuji-Honmachi	1	100.0	85,256	0.7	1	100.0	77,610	0.5
D09	Hotel MyStays Yokohama	1	100.0	138,735	1.2	1	100.0	153,901	0.9
D10	Hotel MyStays Nippori	1	100.0	60,274	0.5	1	100.0	67,484	0.4
D11	Hotel MyStays Fukuoka-Tenjin-Minami	1	100.0	120,847	1.0	1	100.0	163,288	1.0
D12	Flexstay Inn Iidabashi	1	100.0	42,417	0.4	1	100.0	55,975	0.3
D13	Hotel MyStays Ueno Inaricho	1	100.0	37,005	0.3	1	100.0	45,951	0.3
D14	Flexstay Inn Shinagawa	1	100.0	42,681	0.4	1	100.0	38,565	0.2
D15	Flexstay Inn Tokiwadai	1	100.0	43,771	0.4	1	100.0	54,606	0.3
D16	Flexstay Inn Sugamo	1	100.0	31,501	0.3	1	100.0	36,875	0.2
D17	Hotel MyStays Otemae	1	100.0	65,947	0.5	1	100.0	71,254	0.4
D18	Hotel MyStays Kiyosumi Shirakawa	1	100.0	52,553	0.4	1	100.0	66,497	0.4
D19	Flexstay Inn Nakanobu P1	1	100.0	15,601	0.1	1	100.0	14,418	0.1
D20	Flexstay Inn Nakanobu P2	1	100.0	7,606	0.1	1	100.0	6,954	0.0
D21	APA Hotel Yokohama-Kannai	1	100.0	252,122	2.1	1	100.0	233,921	1.4
D22	Hotel MyStays Hakodate-Goryokaku	1	100.0	86,416	0.7	1	100.0	125,107	0.7
D23	Flexstay Inn Shirogane	1	100.0	39,530	0.3	1	100.0	43,164	0.3
D24	Hotel MyStays Haneda	1	100.0	177,272	1.5	1	100.0	178,663	1.1
D25	Hotel MyStays Kameido P1	1	100.0	145,968	1.2	1	100.0	163,538	1.0
D26	Hotel MyStays Ueno Iriyaguchi	1	100.0	72,101	0.6	1	100.0	92,224	0.6
D27	Hotel MyStays Kameido P2	1	100.0	95,077	0.8	1	100.0	106,117	0.6
D28	Hotel MyStays Shimizu	1	100.0	68,431	0.6	1	100.0	81,478	0.5

Name of property		40th fiscal period (January 1, 2023 to June 30, 2023)				41st fiscal period (July 1, 2023 to December 31, 2023)			
		Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)	Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)
D29	Super Hotel Shinbashi/Karasumoriguchi	1	100.0	39,426	0.3	1	100.0	39,426	0.2
D30	Flexstay Inn Higashi-Jujo	1	100.0	25,770	0.2	1	100.0	24,681	0.1
D31	Hotel MyStays Utsunomiya	1	100.0	74,916	0.6	1	100.0	99,990	0.6
D32	Flexstay Inn Kawasaki-Kaizuka	1	100.0	22,539	0.2	1	100.0	23,035	0.1
D33	Comfort Hotel Toyama	1	100.0	35,928	0.3	1	100.0	35,928	0.2
D34	Flexstay Inn Kawasaki-Ogawacho	1	100.0	22,538	0.2	1	100.0	18,971	0.1
D35	Flexstay Inn Ekoda	1	100.0	94,884	0.8	1	100.0	92,666	0.6
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	1	100.0	31,787	0.3	1	100.0	31,787	0.2
D37	Super Hotel JR Ueno-iriyaguchi	1	100.0	27,275	0.2	1	100.0	27,275	0.2
D38	Hotel MyStays Shinsaibashi	1	100.0	53,182	0.4	1	100.0	55,156	0.3
D39	Comfort Hotel Kurosaki	1	100.0	35,271	0.3	1	100.0	37,894	0.2
D40	Comfort Hotel Maebashi	2	100.0	44,171	0.4	2	100.0	44,171	0.3
D41	Comfort Hotel Tsubame-Sanjo	2	100.0	34,949	0.3	2	100.0	34,949	0.2
D42	Comfort Hotel Kitami	1	100.0	26,103	0.2	1	100.0	30,300	0.2
D43	Hotel MyStays Gotanda Station	1	100.0	476,400	4.0	1	100.0	547,745	3.3
D44	Hotel Epinard Nasu	1	100.0	613,049	5.1	1	100.0	1,064,067	6.4
D45	Hotel MyStays Fukuoka Tenjin	1	100.0	203,299	1.7	1	100.0	251,594	1.5
D46	Hotel MyStays Hamamatsucho	1	100.0	128,644	1.1	1	100.0	141,963	0.9
D47	Hotel MyStays Premier Kanazawa	1	100.0	195,631	1.6	1	100.0	250,639	1.5
D48	Takamatsu Tokyu REI Hotel	2	95.8	101,089	0.8	2	95.8	100,059	0.6
D49	Hotel MyStays Premier Hamamatsucho	1	100.0	267,483	2.2	1	100.0	311,193	1.9
D50	Hotel MyStays Shin Osaka Conference Center	1	100.0	256,594	2.1	1	100.0	276,624	1.7
D51	Hotel MyStays Premier Omori	1	100.0	282,439	2.4	1	100.0	354,021	2.1
D52	Kamenoi Hotel Beppu	1	100.0	396,271	3.3	1	100.0	404,812	2.4

Name of property		40th fiscal period (January 1, 2023 to June 30, 2023)				41st fiscal period (July 1, 2023 to December 31, 2023)			
		Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)	Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)
D53	Hotel MyStays Sapporo Station	1	100.0	175,489	1.5	1	100.0	266,550	1.6
D54	Hotel MyStays Yokohama Kannai	1	100.0	141,550	1.2	1	100.0	152,511	0.9
D55	Art Hotel Joetsu	1	100.0	66,070	0.6	1	100.0	75,707	0.5
D56	Art Hotel Hirosaki City	1	100.0	132,281	1.1	1	100.0	168,320	1.0
D57	Hotel MyStays Oita	1	100.0	100,911	0.8	1	100.0	70,454	0.4
D58	Hotel MyStays Gotanda	1	100.0	106,029	0.9	1	100.0	121,963	0.7
D59	Hotel MyStays Tachikawa	1	100.0	103,627	0.9	1	100.0	116,529	0.7
D60	Hotel MyStays Premier Akasaka	1	100.0	449,831	3.7	1	100.0	551,393	3.3
D61	Hotel MyStays Premier Sapporo Park	1	100.0	295,736	2.5	1	100.0	466,014	2.8
D62	Hotel MyStays Ueno East	1	100.0	115,499	1.0	1	100.0	124,986	0.7
D63	Hotel MyStays Midosuji Honmachi	1	100.0	70,672	0.6	1	100.0	68,801	0.4
D64	Hotel MyStays Sapporo Aspen	1	100.0	263,767	2.2	1	100.0	428,840	2.6
D65	Art Hotel Ishigakijima	1	100.0	243,155	2.0	1	100.0	306,281	1.8
D66	Hotel MyStays Fuji Onsen Resort	1	100.0	310,461	2.6	1	100.0	492,700	3.0
D67	Hotel Sonia Otaru	1	100.0	177,448	1.5	1	100.0	272,524	1.6
D68	Hotel MyStays Kanazawa Castle	1	100.0	89,987	0.7	1	100.0	112,164	0.7
D69	Art Hotel Niigata Station	1	100.0	174,400	1.5	1	100.0	225,183	1.3
D70	Hotel MyStays Nagoya Nishiki	1	100.0	92,665	0.8	1	100.0	132,088	0.8
D71	Hotel Nord Otaru	1	100.0	118,006	1.0	1	100.0	176,787	1.1
D72	Hotel MyStays Kagoshima Tenmonkan	2	100.0	165,150	1.4	2	100.0	133,442	0.8
D73	Art Hotel Asahikawa	1	100.0	88,990	0.7	1	100.0	259,916	1.6
D74	Hotel MyStays Matsuyama	1	100.0	90,529	0.8	1	100.0	118,838	0.7
D75	Hotel MyStays Sapporo Susukino	1	100.0	40,821	0.3	1	100.0	75,872	0.5
D76	Hotel MyStays Sapporo Nakajima Park	1	100.0	26,415	0.2	1	100.0	61,861	0.4
D77	Hotel MyStays Sapporo Nakajima Park Annex	1	100.0	19,080	0.2	1	100.0	37,568	0.2
D78	Flexstay Inn Sakuragicho	1	100.0	38,510	0.3	1	100.0	43,348	0.3
D79	MyCUBE by MYSTAYS Asakusa Kuramae	1	100.0	23,906	0.2	1	100.0	32,837	0.2
D80	Hotel MyStays Kagoshima Tenmonkan Annex	1	100.0	55,222	0.5	1	100.0	39,829	0.2

Name of property		40th fiscal period (January 1, 2023 to June 30, 2023)				41st fiscal period (July 1, 2023 to December 31, 2023)			
		Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)	Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Rental revenue (during period) (JPY thousand) (Note 3)	Ratio of rental revenue (%) (Note 2)
D81	Hotel MyStays Nayoro	1	100.0	27,256	0.2	1	100.0	31,745	0.2
D82	Hotel MyStays Premier Narita	1	100.0	237,341	2.0	1	100.0	283,896	1.7
D83	Art Hotel Morioka	1	100.0	114,824	1.0	1	100.0	127,167	0.8
D84	Fusaki Beach Resort Hotel & Villas	-	-	-	-	1	100.0	1,253,530	7.5
D85	Tateshina Grand Hotel Takinoyu	-	-	-	-	1	100.0	454,998	2.7
D86	Hotel MyStays Okayama	-	-	-	-	1	100.0	86,079	0.5
D87	Hotel MyStays Aomori Station	-	-	-	-	1	100.0	125,279	0.8
D88	Hotel MyStays Soga	-	-	-	-	1	100.0	89,340	0.5
D89	Tazawako Lake Resort & Onsen	-	-	-	-	1	100.0	94,988	0.6
Subtotal		87	99.9	10,343,397	86.2	93	100.0	15,057,360	90.2
Total		129	99.4	12,000,955	100.0	135	99.5	16,696,076	100.0

(Note 1) "Occupancy rate" is calculated by dividing the leased area by leasable area.

(Note 2) "Occupancy rate" and "Ratio of rental revenue" are rounded to one decimal place.

(Note 3) "Rental revenue (during period)" indicates leasing operation revenues during the fiscal period for each property and has been rounded down to the nearest thousand yen.

Name of property		40th fiscal period (January 1, 2023 to June 30, 2023)				41st fiscal period (July 1, 2023 to December 31, 2023)			
		Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Management contract revenue (during period) (JPY thousand) (Note 3)	Ratio of management contract revenue (%) (Note 2)	Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Management contract revenue (during period) (JPY thousand) (Note 3)	Ratio of management contract revenue (%) (Note 2)
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	1	100.0	3,481,480	88.9	1	100.0	1,865,004	87.8
D201	Sunshine Suites Resort	1	100.0	432,545	11.1	1	100.0	258,038	12.2
Total		2	100.0	3,914,026	100.0	2	100.0	2,123,042	100.0

(Note 1) "Occupancy rate" is calculated using the area subject to management contract.

(Note 2) "Occupancy rate" and "Ratio of management contract revenue" are rounded to one decimal place.

(Note 3) "Management contract revenue" is converted to JPY using the exchange rate at the time of the transaction.

4 Asset Portfolio of Facilities Generating Renewable Energy, etc.

Not applicable

5 Asset Portfolio Including Rights to Operate Public Facilities, etc.

Not applicable

6 Asset Portfolio of Securities

The portfolio of the securities held by INV at the end of the Reporting Period is as below.

Name	Type	Quantity (units)	Book value (JPY million)		Fair value (JPY million)		Valuation gain or loss (JPY million)	Notes
			Unit price	Amount	Unit price	Amount		
Preferred equity securities in Kingdom Special Purpose Company	Preferred equity securities	178,458	-	17,856	-	21,102	3,245	(Note 1) (Note 2)
Total			-	17,856	-	21,102	3,245	

(Note 1) Book value of the preferred equity securities that is classified as investment in affiliates indicates the acquisition cost.

(Note 2) INV owns 178,458 units of preferred equity securities issued by Kingdom Special Purpose Company (equivalent to 49.0% of preferred equity securities issued and outstanding after the issuance of the said preferred equity securities), with the Sheraton Grande Tokyo Bay Hotel as an underlying asset.

7 Status of Contract Amount and Fair Value of Specified Transaction

As of the end of the Reporting Period, the contract amount and fair value of the outstanding transaction under the specified transaction account of INV are as follows.

(Unit: JPY thousand)

Category	Transaction type, etc.	Contract amount (Note 1)		Fair value (Note 2)
			Amounts due after one year	
Non-market transaction	Foreign Exchange Forward, Short USD	4,397,800	989,200	-425,438
	Interest rate swap Receive floating rate/pay fixed rate	130,282,250	101,297,250	-221,054

(Note 1) The contract amount, etc. for interest rate swap are stated based on a notional principal.

(Note 2) Estimation method for fair value

Foreign Exchange Forward: Indicates fair values of option fees, etc. presented by the correspondent financial institutions.

Interest rate swap: Estimated based on the price, etc. presented by the correspondent financial institutions.

8 Status of Other Assets

Real estate and trust beneficiary interests in real estate are listed together in "3 Asset Portfolio of Real Estate, etc." above. As of the end of the Reporting Period, there are no investments in specified assets that are significant investment targets for INV outside of 3 and 6 above.

9 Assets Owned Outside of Japan or the Region

Assets owned outside of Japan or the region held by INV at the end of the Reporting Period are as below.

Country name	Amount held (JPY million) (Note 1)	Appraisal value as of the end of the Reporting Period (JPY million) (Note 2)		No. of properties (properties)
			Percentage of total assets (%)	
Japan	480,823	569,192	88.0	132
The Cayman Islands	32,814	77,694	12.0	2
Total	513,638	646,887	100.0	134

(Note 1) "Amount held" is from the balance sheet (book value after depreciation for real estate and trust beneficiary interest in real estate; and book value for preferred equity securities with real estate as underlying assets) as of the end of the Reporting Period.

(Note 2) "Appraisal value as of the end of the Reporting Period" indicates the real estate appraisal value as of the end of the Reporting Period, or the research value stated in the real estate research report and the appraisal value of investment securities. "Appraisal value as of the end of the Reporting Period" for preferred equity securities which INV holds in Japan indicates acquisition cost since their fair value is deemed extremely difficult to value. "Appraisal value as of the end of the Reporting Period" for assets which INV holds in the Cayman Islands indicates the amount converted to JPY using the exchange rate of USD 1 = JPY 141.83, which is the exchange rate on the closing date of the fiscal period (December 31, 2023).

Capital Expenditures for Properties Held by INV

1 Schedule for Capital Expenditures

The schedule for the principal capital expenditures for property maintenance construction, etc., as of the end of the Reporting Period for the real estate-related assets owned by INV is as follows.

Name of property	Location	Purpose	Scheduled time of implementation	Estimated cost (JPY thousand)			
				Total	Payment for the Reporting Period	Advance payments	
D21	APA Hotel Yokohama-Kannai	Yokohama-shi, Kanagawa	Renewal of air conditioning facility of entire building	From January 2024 To June 2024	355,000	-	-
D200	Westin Grand Cayman Seven Mile Beach Resort & SPA	Grand Cayman, Cayman Islands	Renewal of guest room furniture	From January 2024 To June 2024	70,593	-	-
D200	Westin Grand Cayman Seven Mile Beach Resort & SPA	Grand Cayman, Cayman Islands	Renewal of air conditioning facility of guest rooms	From January 2024 To June 2024	66,328	-	-
D04	MyStays Shin-Urayasu Conference Center	Urayasu-shi, Chiba	Renewal of gas heat pump facility (1F and 2F) and total heat exchangers	From January 2024 To June 2024	64,000	-	-
D53	Hotel MyStays Sapporo Station	Sapporo-shi, Hokkaido	Renewal of gas heat pump facility (two floors)	From January 2024 To June 2024	60,000	-	-

2 Capital Expenditures for the Reporting Period

The principal construction work constituting capital expenditures for the real estate assets for the Reporting Period is as follows. Capital expenditures for the Reporting Period totaled JPY 1,796,357 thousand, and together with JPY 29,932 thousand in repair costs included in this fiscal period's expenses, construction work totaling JPY 1,826,290 thousand was implemented.

Name of property	Location	Purpose	Time of implementation	Payment (JPY thousand)	
D22	Hotel MyStays Hakodate-Goryokaku	Hakodate-shi, Hokkaido	Renovation of exterior wall	From July 2023 To December 2023	85,000
D56	Art Hotel Hirosaki City	Hirosaki-shi, Aomori	Renovation of exterior wall	From July 2023 To December 2023	59,660
D83	Art Hotel Morioka	Morioka-shi, Iwate	Renovation of multi-story car parking	From July 2023 To December 2023	56,500
A38	Route Tachikawa	Tachikawa-shi, Tokyo	Renovation of exterior wall	From July 2023 To December 2023	53,642
D64	Hotel MyStays Sapporo Aspen	Sapporo-shi, Hokkaido	Renewal of air conditioning /water heating facility and energy saving facility	From July 2023 To December 2023	53,320
Other construction					1,488,234
Total					1,796,357

3 Reserved Funds for Long-Term Maintenance Plan (repair reserves)

INV has reserved funds from the cash flow of the fiscal period, as shown below, towards large-scale maintenance repairs in the medium- to long-term in accordance with the long-term maintenance plan for each property.

(Unit: JPY thousand)

Fiscal period	37th	38th	39th	40th	41st
	fiscal period	fiscal period	fiscal period	fiscal period	fiscal period
	From July 1, 2021 to December 31, 2021	From January 1, 2022 to June 30, 2022	From July 1, 2022 to December 31, 2022	From January 1, 2023 to June 30, 2023	From July 1, 2023 to December 31, 2023
Reserved funds at beginning of period	2,749,724	2,791,578	3,025,792	3,096,949	3,457,311
Amount reserved (Note 1)	645,507	737,881	968,000	1,027,418	1,152,988
Amount reversed (Note 1)	603,652	503,667	896,843	667,056	1,168,731
Amount carried over for next fiscal period	2,791,578	3,025,792	3,096,949	3,457,311	3,441,568

(Note 1) The amount reserved for the relevant fiscal period includes the reserves for acquired properties, and the amount reversed includes the reserves for sold properties.

Overview of Expenses and Liabilities

1 Statement of Operating Expenses

(JPY thousand)

Item	40th fiscal period	41st fiscal period
	January 1, 2023 to June 30, 2023	July 1, 2023 to December 31, 2023
(a) Asset management fees	300,000	300,000
(b) Asset custody fees	24,736	27,267
(c) Administrative services fees	39,162	48,537
(d) Directors' compensation	4,800	5,200
(e) Other	51,871	17,761
Total	420,570	398,767

2 Borrowing Conditions

Borrowing conditions by financial institution at the end of the Reporting Period are as below.

Type	Lender	Borrowing date	Balance at beginning of Reporting Period (JPY thousand)	Balance at end of Reporting Period (JPY thousand)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Purpose	Notes
Short-term loans	Mizuho Bank, Ltd.	Jul. 19, 2022	11,643,000	-	0.295	Jul. 19, 2023	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		11,567,000	-					
	Sumitomo Mitsui Banking Corporation		9,203,000	-					
	Sumitomo Mitsui Trust Bank, Limited		4,450,000	-					
	Citibank, N.A., Tokyo Branch		5,120,000	-					
	SBI Shinsei Bank, Limited		5,513,000	-					
	Development Bank of Japan, Inc.		666,000	-					
	Resona Bank, Limited		1,335,000	-					
	The Ogaki Kyoritsu Bank, Ltd.		187,000	-					
	Sumitomo Mitsui Banking Corporation	Sep. 14, 2022	3,000,000	-	0.295	Sep. 14, 2023	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.	Sep. 26, 2022	3,287,000	-	0.295	Sep. 26, 2023	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		2,600,000	-					
	Sumitomo Mitsui Banking Corporation		3,287,000	-					
	Sumitomo Mitsui Trust Bank, Limited		1,000,000	-					
	Citibank, N.A., Tokyo Branch		667,000	-					
	SBI Shinsei Bank, Limited		833,000	-					
	Development Bank of Japan, Inc.		500,000	-					
	Resona Bank, Limited		445,000	-					
	The Nomura Trust and Banking Co., Limited		590,000	-					
	Mizuho Bank, Ltd.	Sep. 27, 2022	2,850,000	-	0.295	Sep. 26, 2023	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		2,133,000	-					
	Sumitomo Mitsui Banking Corporation		2,521,500	-					
	Sumitomo Mitsui Trust Bank, Limited		1,328,500	-					
	SBI Shinsei Bank, Limited		1,244,000	-					
	Development Bank of Japan, Inc.		500,000	-					
	Resona Bank, Limited		442,000	-					

Short-term loans	Mizuho Bank, Ltd.	Oct. 13, 2022	500,000	-	0.295	Sep. 26, 2023	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Banking Corporation		500,000	-					
	Sumitomo Mitsui Trust Bank, Limited		500,000	-					
	Citibank, N.A., Tokyo Branch		355,000	-					
	SBI Shinsei Bank, Limited		355,000	-					
	Development Bank of Japan, Inc.		1,500,000	-					
	Resona Bank, Limited		333,000	-					
	The Bank of Fukuoka, Ltd.		300,000	-					
	Citibank, N.A., Tokyo Branch	Sep. 27, 2022	1,256,000	-	0.295	Sep. 26, 2023	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.	Nov. 29, 2022	4,321,000	-	0.306	Nov. 29, 2023	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.	Jan. 16, 2023	1,656,400	1,656,400	0.315	Jan. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		2,451,800	2,451,800					
	Sumitomo Mitsui Banking Corporation		2,318,200	2,318,200					
	Sumitomo Mitsui Trust Bank, Limited		1,312,600	1,312,600					
	Citibank, N.A., Tokyo Branch		1,500,000	1,500,000					
	SBI Shinsei Bank, Limited		169,000	169,000					
	Development Bank of Japan, Inc.		300,000	300,000					
	Resona Bank, Limited		600,000	600,000					
	The Nomura Trust and Banking Co., Limited		100,000	100,000					
	MUFG Bank, Ltd.		Jan. 24, 2023	1,700,000					
	Sumitomo Mitsui Trust Bank, Limited	Jan. 24, 2023	6,800,000	6,800,000	0.315	Jan. 24, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.	Mar. 14, 2023	333,000	333,000	0.315	Mar. 14, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		148,000	148,000					
	Sumitomo Mitsui Trust Bank, Limited		254,000	254,000					
	SBI Shinsei Bank, Limited		281,000	281,000					
	Development Bank of Japan, Inc.		100,000	100,000					
	The Nomura Trust and Banking Co., Limited		700,000	700,000					
	The Shizuoka Bank, Ltd.		1,845,000	1,845,000					
	The Bank of Fukuoka, Ltd.		858,000	858,000					
	MUFG Bank, Ltd.	Mar. 16, 2023	85,000	85,000	0.315	Mar. 14, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
Sumitomo Mitsui Trust Bank, Limited	109,000	109,000							
SBI Shinsei Bank, Limited	Jun. 27, 2023	1,000,000	1,000,000	0.315	Jun. 27, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee	
SBI Shinsei Bank, Limited	Jul. 19, 2023	-	5,513,000	0.265	Jul. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee	
Resona Bank, Limited		-	1,335,000						
Mizuho Bank, Ltd.	Aug. 1, 2023	-	960,400	0.265	Aug. 1, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee	
MUFG Bank, Ltd.		-	742,000						
Sumitomo Mitsui Banking Corporation		-	728,900						
Sumitomo Mitsui Trust Bank, Limited		-	654,700						
Resona Bank, Limited		-	1,665,000						
The Bank of Fukuoka, Ltd.	Sep. 26, 2023	-	300,000	0.265	Jul. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee	
Subtotal		111,453,000	36,520,000						

Type	Lender	Borrowing date	Balance at beginning of Reporting Period	Balance at end of Reporting Period	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Purpose	Notes
			(JPY thousand)	(JPY thousand)					
Long-term loans (Note 4)	Mizuho Bank, Ltd.	Oct. 13, 2017	1,250,000	-	0.765	Oct. 13, 2023	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Trust Bank, Limited		1,065,000	-					
	Sumitomo Mitsui Banking Corporation		1,250,000	-					
	Mizuho Bank, Ltd.	Oct. 13, 2017	1,250,000	1,250,000	0.865	Oct. 11, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Trust Bank, Limited		1,060,000	1,060,000					
	Sumitomo Mitsui Banking Corporation		1,250,000	1,250,000					
	Mizuho Bank, Ltd.	Jul. 17, 2018	2,442,000	-	0.545	Jul. 14, 2023	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		2,220,000	-					
	Sumitomo Mitsui Banking Corporation		1,997,000	-					
	SBI Shinsei Bank, Limited		1,110,000	-					
	Citibank, N.A., Tokyo Branch		1,000,000	-					
	Sumitomo Mitsui Trust Bank, Limited	890,000	-						
	Mizuho Bank, Ltd.	Sep. 26, 2018	3,287,500	-	0.545	Sep. 26, 2023	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Banking Corporation		3,287,500	-					
	MUFG Bank, Ltd.		2,600,000	-					
	Sumitomo Mitsui Trust Bank, Limited		1,000,000	-					
	SBI Shinsei Bank, Limited		833,000	-					
	Citibank, N.A., Tokyo Branch		667,000	-					
	Development Bank of Japan, Inc.		500,000	-					
	Resona Bank, Limited		445,000	-					
	The Nomura Trust and Banking Co., Limited		166,000	-					
	AEON Bank, Ltd.	333,000	-						
	Aozora Bank, Ltd	Mar. 29, 2019	1,000,000	1,000,000	0.594	Mar. 29, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	The Nishi-Nippon City Bank, Ltd.		921,000	921,000					
	The Tochigi Bank, Ltd.		480,000	480,000					
	Kiraboshi Bank, Ltd.	Mar. 29, 2019	961,000	961,000	0.865	Mar. 29, 2029	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.	Jul. 16, 2019	571,400	571,400	0.499	Jan. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
MUFG Bank, Ltd.	1,464,800		1,464,800						
Sumitomo Mitsui Banking Corporation	1,331,200		1,331,200						
Sumitomo Mitsui Trust Bank, Limited	628,600		628,600						
Citibank, N.A., Tokyo Branch	1,000,000		1,000,000						
SBI Shinsei Bank, Limited	200,000		200,000						
Resona Bank, Limited	600,000		600,000						
Mizuho Bank, Ltd.	Jul. 16, 2019	1,171,400	1,171,400	0.563	Jul. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee	
MUFG Bank, Ltd.		1,464,800	1,464,800						
Sumitomo Mitsui Banking Corporation		1,331,200	1,331,200						
Sumitomo Mitsui Trust Bank, Limited		628,600	628,600						
Citibank, N.A., Tokyo Branch		1,000,000	1,000,000						
SBI Shinsei Bank, Limited		200,000	200,000						
SBI Shinsei Bank, Limited		200,000	200,000						

Type	Lender	Borrowing date	Balance at beginning of Reporting Period	Balance at end of Reporting Period	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Purpose	Notes
			(JPY thousand)	(JPY thousand)					
Long-term loans (Note 4)	Mizuho Bank, Ltd.	Jul. 16, 2019	2,171,400	2,171,400	0.615	Jan. 16, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		1,464,800	1,464,800					
	Sumitomo Mitsui Banking Corporation		1,331,200	1,331,200					
	Sumitomo Mitsui Trust Bank, Limited		628,600	628,600					
	SBI Shinsei Bank, Limited		200,000	200,000					
	Mizuho Bank, Ltd.	Jul. 16, 2019	2,170,400	2,170,400	0.765	Jul. 16, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		1,464,800	1,464,800					
	Sumitomo Mitsui Banking Corporation		1,331,200	1,331,200					
	Sumitomo Mitsui Trust Bank, Limited		628,600	628,600					
	SBI Shinsei Bank, Limited		200,000	200,000					
	Mizuho Bank, Ltd.	Jul. 19, 2019	712,000	712,000	0.525	Jan. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		986,000	986,000					
	Sumitomo Mitsui Banking Corporation		986,000	986,000					
	Sumitomo Mitsui Trust Bank, Limited		684,000	684,000					
	Citibank, N.A., Tokyo Branch		500,000	500,000					
	Development Bank of Japan, Inc.		300,000	300,000					
	AEON Bank, Ltd.		300,000	300,000					
	The Nomura Trust and Banking Co., Limited		100,000	100,000					
	Aozora Bank, Ltd.		237,000	237,000					
	Mizuho Bank, Ltd.	Jul. 19, 2019	712,000	712,000	0.580	Jul. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		986,000	986,000					
	Sumitomo Mitsui Banking Corporation		986,000	986,000					
	Sumitomo Mitsui Trust Bank, Limited		684,000	684,000					
	Citibank, N.A., Tokyo Branch		500,000	500,000					
	Development Bank of Japan, Inc.		300,000	300,000					
	AEON Bank, Ltd.		300,000	300,000					
	The Nomura Trust and Banking Co., Limited		100,000	100,000					
	Aozora Bank, Ltd.,		375,000	375,000					
Mizuho Bank, Ltd.	Jul. 19, 2019	1,212,000	1,212,000	0.615	Jan. 16, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee	
MUFG Bank, Ltd.		986,000	986,000						
Sumitomo Mitsui Banking Corporation		986,000	986,000						
Sumitomo Mitsui Trust Bank, Limited		684,000	684,000						
Development Bank of Japan, Inc.		300,000	300,000						
AEON Bank, Ltd.		300,000	300,000						
The Nomura Trust and Banking Co., Limited		100,000	100,000						
Aozora Bank, Ltd.		375,000	375,000						

Type	Lender	Borrowing date	Balance at beginning of Reporting Period	Balance at end of Reporting Period	Average interest rate (%)	Repayment date	Repayment method	Purpose	Notes
			(JPY thousand)	(JPY thousand)	(Note 1)				
Long-term loans (Note 4)	Mizuho Bank, Ltd.	Jul. 19, 2019	1,211,000	1,211,000	0.765	Jul. 16, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		986,000	986,000					
	Sumitomo Mitsui Banking Corporation		986,000	986,000					
	Sumitomo Mitsui Trust Bank, Limited		684,000	684,000					
	Development Bank of Japan, Inc.		300,000	300,000					
	AEON Bank, Ltd.		300,000	300,000					
	The Nomura Trust and Banking Co., Limited		100,000	100,000					
	Aozora Bank, Ltd.		375,000	375,000					
	Tokyo Star Bank, Limited	Jul. 22, 2019	700,000	700,000	0.765	Jul. 16, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.	Aug. 28, 2019	2,882,000	2,882,000	0.462	Jan. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	San ju San Bank, Ltd.		662,000	662,000					
	San ju San Bank, Ltd.	Oct. 15, 2019	1,700,000	1,700,000	0.486	Apr. 15, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	San ju San Bank, Ltd.	Oct. 15, 2019	1,000,000	1,000,000	0.615	Apr. 15, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee
	The Nishi-Nippon City Bank, Ltd.	Oct. 15, 2019	1,000,000	1,000,000	0.765	Oct. 15, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Trust Bank, Limited	Jan. 6, 2020	3,050,000	3,050,000	0.643	Jan. 6, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Momiji Bank, Ltd.		961,000	961,000					
	The Kiyo Bank		480,000	480,000					
	Mizuho Bank, Ltd.	Mar. 16, 2020	634,000	634,000	0.487	Mar. 16, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Resona Bank, Limited		300,000	300,000					
	Development Bank of Japan, Inc.		1,000,000	1,000,000					
	The Bank of Fukuoka, Ltd.		333,000	333,000					
	The Nomura Trust and Banking Co., Limited		333,000	333,000					
	The Shizuoka Bank, Ltd.		200,000	200,000					
	The Yamaguchi Bank, Ltd.		411,000	411,000					
	Mizuho Bank, Ltd.		Mar. 30, 2020	582,000					
	MUFG Bank, Ltd.	628,000		628,000					
	Sumitomo Mitsui Trust Bank, Limited	1,090,000		1,090,000					
	SBI Shinsei Bank, Limited	570,000		570,000					
	Resona Bank, Limited	500,000		500,000					
	The Nomura Trust and Banking Co., Limited	270,000		270,000					
Aozora Bank, Ltd.	1,000,000	1,000,000							
The Shizuoka Bank, Ltd.	270,000	270,000							
The Kagawa Bank, Ltd.	500,000	500,000							
The Yamaguchi Bank, Ltd.	550,000	550,000							
The Chukyo Bank, Ltd.	961,000	961,000							
Tokyo Star Bank, Limited	Jul. 20, 2021	1,582,000		1,582,000	0.415	Jul. 20, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
Tokyo Star Bank, Limited	Jul. 20, 2022	600,000	600,000	0.415	Jul. 20, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee	
Tokyo Star Bank, Limited	Oct. 13, 2022	1,190,000	1,190,000	0.565	Oct. 13, 2027	(Note 3)	(Note 2)	Unsecured / with no guarantee	
Sumitomo Mitsui Trust Bank, Limited	Jan. 6, 2023	1,550,000	1,550,000	0.315	Jan 24, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee	

Type	Lender	Borrowing date	Balance at beginning of Reporting Period	Balance at end of Reporting Period	Average interest rate (%)	Repayment date	Repayment method	Purpose	Notes
			(JPY thousand)	(JPY thousand)	(Note 1)				
Long-term loans (Note 4)	Mizuho Bank, Ltd.	Mar. 14, 2023	3,001,500	3,001,500	0.712	Mar. 14, 2026	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		1,326,000	1,326,000					
	Sumitomo Mitsui Trust Bank, Limited		2,293,500	2,293,500					
	Development Bank of Japan, Inc.		900,000	900,000					
	MUFG Bank, Ltd.	Mar. 16, 2023	765,000	765,000	0.707	Mar. 14, 2026	(Note 3)	(Note 2)	Unsecured / with no guarantee
	The Chiba Bank, Ltd. (Note 5)		981,000	981,000					
	Development Bank of Japan, Inc.	Jun 19, 2023	1,000,000	1,000,000	0.380	Jun 19, 2026	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.	Jun 27, 2023	500,000	500,000	0.380	Jun 27, 2026	(Note 3)	(Note 2)	Unsecured / with no guarantee
	SBI Shinsei Bank, Limited	Jul. 14, 2023	-	1,110,000	0.265	Jul. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.	Jul. 14, 2023	-	1,221,000	0.691	Jul. 16, 2026	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		-	1,110,000					
	Sumitomo Mitsui Banking Corporation		-	998,500					
	Sumitomo Mitsui Trust Bank, Limited		-	445,000					
	Mizuho Bank, Ltd.	Jul. 19, 2023	-	5,821,500	0.696	Jul. 16, 2026	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		-	5,783,500					
	Sumitomo Mitsui Banking Corporation		-	4,601,500					
	Sumitomo Mitsui Trust Bank, Limited		-	2,225,000					
	Development Bank of Japan, Inc.		-	333,000					
	The Ogaki Kyoritsu Bank, Ltd.		-	93,500					
	Mizuho Bank, Ltd.	Jul. 14, 2023	-	1,221,000	0.580	Jul. 14, 2028	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		-	1,110,000					
	Sumitomo Mitsui Banking Corporation		-	998,500					
	Sumitomo Mitsui Trust Bank, Limited		-	445,000					
	Mizuho Bank, Ltd.	Jul. 19, 2023	-	5,821,500	0.580	Jul. 14, 2028	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		-	5,783,500					
	Sumitomo Mitsui Banking Corporation		-	4,601,500					
	Sumitomo Mitsui Trust Bank, Limited		-	2,225,000					
	Development Bank of Japan, Inc.		-	333,000					
	The Ogaki Kyoritsu Bank, Ltd.		-	93,500					
	Mizuho Bank, Ltd.	Jul. 14, 2023	-	296,800	0.365	Jul. 16, 2026	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		-	227,700					
	Sumitomo Mitsui Banking Corporation		-	224,100					
Sumitomo Mitsui Trust Bank, Limited	-		203,000						
Mizuho Bank, Ltd.	Jul. 19, 2023	-	1,519,600	0.365	Jul. 16, 2026	(Note 3)	(Note 2)	Unsecured / with no guarantee	
MUFG Bank, Ltd.		-	1,165,900						
Sumitomo Mitsui Banking Corporation		-	1,147,300						
Sumitomo Mitsui Trust Bank, Limited		-	1,039,500						
Development Bank of Japan, Inc.		-	296,100						

Type	Lender	Borrowing date	Balance at beginning of Reporting Period	Balance at end of Reporting Period	Average interest rate (%)	Repayment date	Repayment method	Purpose	Notes
			(JPY thousand)	(JPY thousand)	(Note 1)				
Long-term loans (Note 4)	Mizuho Bank, Ltd.	Aug. 1, 2023	-	2,454,000	0.691%	Jul. 16, 2026	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		-	1,784,600					
	Sumitomo Mitsui Banking Corporation		-	1,784,600					
	Sumitomo Mitsui Trust Bank, Limited		-	1,586,300					
	Tokyo Star Bank, Limited		-	793,100					
	Aozora Bank, Ltd.		-	793,100					
	Mizuho Bank, Ltd.	Aug. 1, 2023	-	3,681,000	1.069	Jul. 14, 2028	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		-	2,677,000					
	Sumitomo Mitsui Banking Corporation		-	2,677,000					
	Sumitomo Mitsui Trust Bank, Limited		-	2,379,500					
	Development Bank of Japan, Inc.		-	2,974,400					
	Tokyo Star Bank, Limited		-	1,189,700					
	Aozora Bank, Ltd.		-	1,189,700					
	The Ogaki Kyoritsu Bank, Ltd.		-	806,000					
	Sumitomo Mitsui Trust Bank, Limited	Sep. 14, 2023	-	3,000,000	0.879	Jul. 16, 2027	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.	Sep. 26, 2023	-	6,947,000	0.894	Jul. 16, 2027	(Note 3)	(Note 2)	Unsecured / with no guarantee
	MUFG Bank, Ltd.		-	5,133,100					
	Sumitomo Mitsui Banking Corporation		-	6,717,200					
	Sumitomo Mitsui Trust Bank, Limited		-	2,679,950					
	Development Bank of Japan, Inc.		-	2,100,000					
	The Nomura Trust and Banking Co., Limited		-	756,000					
	Mizuho Bank, Ltd.		-	875,000					
	Sumitomo Mitsui Banking Corporation	Oct. 13, 2023	-	875,000	0.879	Jul. 16, 2027	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Trust Bank, Limited		-	745,500					
	Mizuho Bank, Ltd.		-	2,977,500					
	MUFG Bank, Ltd.	Sep. 26, 2023	-	2,199,900	0.580	Jul. 16, 2028	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Banking Corporation		-	2,878,800					
	Sumitomo Mitsui Trust Bank, Limited		-	1,148,550					
	Development Bank of Japan, Inc.		-	900,000					
	Mizuho Bank, Ltd.		-	375,000					
Sumitomo Mitsui Banking Corporation	Oct. 13, 2023	-	375,000	0.580	Jul. 16, 2028	(Note 3)	(Note 2)	Unsecured / with no guarantee	
Sumitomo Mitsui Trust Bank, Limited		-	319,500						
SBI Shinsei Bank, Limited	Sep. 26, 2023	-	3,197,000	0.691	Jul. 16, 2026	(Note 3)	(Note 2)	Unsecured / with no guarantee	
Tokyo Star Bank, Limited	Sep. 26, 2023	-	1,900,000	1.054	Jul. 14, 2028	(Note 3)	(Note 2)	Unsecured / with no guarantee	
Mizuho Bank, Ltd.	Nov. 29, 2023	-	4,321,000	0.680	Nov. 29, 2029	(Note 3)	(Note 2)	Unsecured / with no guarantee	
Subtotal			114,337,000	217,680,000					
Total			225,790,000	254,200,000					

(Note 1) Average interest rate shows the interest rate for each loan agreement as of the end of the fiscal period, rounded to three decimal places. In regards to borrowings which interest rate swap transactions are entered into for the purpose of avoiding risk from interest rate fluctuation, interest rates reflecting the interest rate swap are shown. In regards to borrowings repaid during the Reporting Period, the interest rate for each loan agreement as of the repayment date rounded to three decimal places is shown.

(Note 2) The funds raised through borrowings are mainly used to acquire trust beneficiary interests in real estate and to repay the borrowings.

(Note 3) The balance at the end of the period will be repaid in full on the repayment date.

(Note 4) Long-term loans includes current portion of long-term loans payable.

(Note 5) The existing loan transferred from Sumitomo Mitsui Trust Bank, Limited to The Chiba Bank, Ltd. on September 29, 2023.

3 Investment Corporation Bonds

Status of investment corporation bonds as of the end of the Reporting Period is as follows.

Bond Series	Issue Date	Balance at the beginning of the period (JPY thousand)	Balance at the end of the period (JPY thousand)	Interest Rate (%)	Redemption Date	Redemption method	Use of funds	Security/ Guaranty
Second Series Unsecured Investment Corporation Bonds (Note 1)	May 25, 2018	1,000,000	1,000,000	0.800	May 25, 2028	(Note 2)	(Note 3)	Unsecured / with no guarantee
Third Series Unsecured Investment Corporation Bonds (Note 1)	October 12, 2018	2,000,000	-	0.550	October 12, 2023	(Note 2)	(Note 4)	
Forth Series Unsecured Investment Corporation Bonds (Note 1)	October 28, 2019	1,000,000	1,000,000	0.480	October 28, 2024	(Note 2)	(Note 5)	
Fifth Series Unsecured Investment Corporation Bonds (Note 1)	October 28, 2019	2,000,000	2,000,000	0.900	October 26, 2029	(Note 2)	(Note 5)	
Sixth Series Unsecured Investment Corporation Bonds (Note 1)	March 13, 2020	1,200,000	1,200,000	0.850	March 13, 2030	(Note 2)	(Note 4)	
Seventh Series Unsecured Investment Corporation Bonds (Note 1)	May 25, 2023	5,000,000	5,000,000	1.000	May 25, 2026	(Note 2)	(Note 6)	
Eighth Series Unsecured Investment Corporation Bonds (Note 1)	May 25, 2023	1,200,000	1,200,000	1.200	May 25, 2028	(Note 2)	(Note 6)	
Ninth Series Unsecured Investment Corporation Bonds (Note 1)	September 21, 2023	-	1,700,000	1.200	September 21, 2028	(Note 2)	(Note 4)	
Tenth Series Unsecured Investment Corporation Bonds (Note 1)	December 14, 2023	-	1,800,000	1.297	December 14, 2028	(Note 2)	(Note 4)	
Total		13,400,000	14,900,000	-	-	-	-	

(Note 1) This is with pari passu conditions among specified corporate bonds.

(Note 2) The Investment Corporation Bonds may be purchased and cancelled at any time after the payment

- date, except for the case where the laws and regulations or the depository otherwise stipulates.
- (Note 3) The funds will be used to acquire trust beneficiary interest in real estate.
- (Note 4) The funds will be used to repay borrowings.
- (Note 5) The funds will be used in strategic capital expenditure.
- (Note 6) The funds will be used to redeem investment corporation bonds and repay borrowings.

4 Short-Term Investment Corporation Bonds

Not applicable

5 Investment Unit Options

Not applicable

Acquisitions and Sales for the Reporting Period

1 Acquisitions and Sales of Real Estate, Asset-Backed Securities, Infrastructure Assets and Infrastructure Related-Assets

Type of asset	Name of property		Acquisition		Sale			
			Acquisition date	Acquisition price (JPY million) (Note 1)	Sales date	Sales price (JPY million)	Book value (JPY million)	Gain/loss on sales (JPY million)
Trust beneficiary interest	D84	Fusaki Beach Resort Hotel & Villas	Aug. 1, 2023	40,293	–	–	–	–
Trust beneficiary interest	D85	Tateshina Grand Hotel Takinoyu	Aug. 1, 2023	8,365	–	–	–	–
Trust beneficiary interest	D86	Hotel MyStays Okayama	Aug. 1, 2023	2,613	–	–	–	–
Trust beneficiary interest	D87	Hotel MyStays Aomori Station	Aug. 1, 2023	2,445	–	–	–	–
Trust beneficiary interest	D88	Hotel MyStays Soga	Aug. 1, 2023	2,039	–	–	–	–
Trust beneficiary interest	D89	Tazawako Lake Resort & Onsen	Aug. 1, 2023	1,475	–	–	–	–
Total				57,230	–	–	–	–

(Note 1) Acquisition prices do not include adjustments for property taxes or city planning taxes, or national or local consumption taxes.

2 Acquisitions and Sales of Other Assets

Assets other than those described above were mostly bank deposits or bank deposits in trust.

3 Transaction Price Verification of Specified Assets

Real Estate Transactions

Acquisition or sale	Name of property		Category of specified asset	Transaction date	Sales price (JPY million) (Note 1)	Appraisal value (JPY million)	Appraiser	Appraisal date
Acquisition	D84	Fusaki Beach Resort Hotel & Villas	Real estate Trust beneficiary interest	Aug. 1, 2023	40,293	40,700	Japan Real Estate Institute	June 1, 2023
Acquisition	D85	Tateshina Grand Hotel Takinoyu	Real estate Trust beneficiary interest	Aug. 1, 2023	8,365	8,450	Tanizawa Sogo Appraisal Co., Ltd.	June 1, 2023
Acquisition	D86	Hotel MyStays Okayama	Real estate Trust beneficiary interest	Aug. 1, 2023	2,613	2,640	Japan Real Estate Institute	June 1, 2023
Acquisition	D87	Hotel MyStays Aomori Station	Real estate Trust beneficiary interest	Aug. 1, 2023	2,445	2,470	JLL Morii Valuation & Advisory K.K.	June 1, 2023
Acquisition	D88	Hotel MyStays Soga	Real estate Trust beneficiary interest	Aug. 1, 2023	2,039	2,060	Tanizawa Sogo Appraisal Co., Ltd.	June 1, 2023
Acquisition	D89	Tazawako Lake Resort & Onsen	Real estate Trust beneficiary interest	Aug. 1, 2023	1,475	1,490	Daiwa Real Estate Appraisal Co., Ltd.	June 1, 2023

(Note 1) Acquisition price or sales price do not include various costs (brokerage commissions, taxes and other public dues) required for acquisition of the property and is the purchase price indicated in the trust beneficiary interest purchase agreement.

(Note 2) The real estate appraisal described above is conducted by applying "Section 3: appraisals concerning prices of real estate subject to securitization" of "Real Estate Appraisal Standard."

4 Transactions with Interested Parties

(1) Transactions

Not applicable

(2) Commissions Paid

Not applicable

5 Transactions between CIM and Its Other Businesses

As CIM does not engage in any other business, such as the type I financial instruments business and the type II financial instruments business, the building lots and buildings transaction business, or the real estate specified joint enterprise, there are no applicable transactions.

Financial Condition

1 Assets, Liabilities, Principal, and Profit and Loss

Please refer to "II. Balance Sheet," "III. Statement of Income and Retained Earnings," "IV. Statement of Changes in Net Assets," "V. Notes to Financial Statements" and "VI. Statement of Cash Distribution" later in this document.

The information of previous fiscal period in Balance Sheet, Statement of Income and Retained Earnings, Statement of Changes in Net Assets, Notes to Financial Statements, and Statement of Cash Distribution is for reference only. It is not subject to audit by an auditor pursuant to the Article 130 of the Investment Trust Act for the Reporting Period.

2 Changes in the Calculation Method of Depreciation

Not applicable

3 Changes in the Evaluation Method of Real Estate and Infrastructure Assets, etc.

Not applicable

4 Beneficiary Certificates of Investment Trusts, etc. Set Up by the Company

Not applicable

Other

1 Notice

(1) General Meeting of Unitholders

INV's General Meeting of Unitholders was held on December 21, 2023.

The summary of the matters approved at the General Meeting of Unitholders are as follows.

Agenda		Summary
Proposal No. 1	Partial Amendment to Articles of Incorporation	<ol style="list-style-type: none">1. In the course of diversifying its lenders, the Investment Corporation may take out loans from Shinkin (credit unions) banks in the future. In such case, the Investment Corporation will be required to make equity investments in accordance with the Shinkin Bank Act (Act No. 238 of 1951, as amended) and therefore, equity as stipulated in the Shinkin Bank Act were to be added to the Investment Corporation's scope of asset management.2. With the consent of Consonant Investment Management Co., Ltd, the asset management company (the "Asset Manager"), the asset management fees for the period from January 2013 to December 2023 have been reduced. The Investment Corporation has further obtained the consent of the Asset Manager to reduce the amount of asset management fees for the period from January 2024 to December 2024 to an amount which is lower than the amount that would be applicable if such reduction were not made, but higher than the amount that was applied for the period from January 2023 to December 2023 so that the amount of asset management fees are appropriate considering the expansion of the Investment Corporation's asset size, profit level and other factors resulting from its internal and external growth. Accordingly, the Investment Corporation will amend the standards concerning the amount and payment of the asset management fees for the period from January 2024 to December 2024.
Proposal No. 2	Appointment of One (1) Executive Director	Naoki Fukuda was appointed.
Proposal No. 3	Appointment of One (1) Substitute Executive Director	Naoto Ichiki was appointed.
Proposal No. 4	Appointment of Two (2) Supervisory Directors	Hiroyuki Fujimoto and Marika Nagasawa were appointed.

(2) Board of Directors of Investment Corporation

Of the execution and amendment of the agreement approved by INV's Board of Directors in the Reporting Period, principal summary is as follows.

Approval date	Item	Summary
July 19, 2023	Conclusion of the underwriting agreement related to the issuance of new investment units, etc.	The Board of Directors of INV approved that INV would entrust underwriters (Note 1) with the service related to the issuance of new investment units through public offering and secondary offering of investment units, which were approved at the meeting of the Board of Directors of INV held on July 19, 2023.
September 12, 2023	Comprehensive resolution on issuance of investment corporation bonds	Board of Directors passed a comprehensive resolution on issuance of investment corporation bonds with a maximum total issue amount of JPY 6.4 billion and an issuance period from September 21, 2023 to October 31, 2023; and entrustment of administrative duties concerning offering of investment corporation bonds and general administrative duties as an issuing agent, fiscal agent, paying agent, etc. to a prescribed general administrative agent.
November 27, 2023	Comprehensive resolution on issuance of investment corporation bonds	Board of Directors passed a comprehensive resolution on issuance of investment corporation bonds with a maximum total issue amount of JPY 5.0 billion and an issuance period from November 28, 2023 to December 31, 2023; and entrustment of administrative duties concerning offering of investment corporation bonds and general administrative duties as an issuing agent, fiscal agent, paying agent, etc. to a prescribed general administrative agent.

(Note 1) The underwriters for the domestic public offering are Mizuho Securities Co., Ltd., SMBC Nikko Securities Inc., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., and Nomura Securities Co., Ltd. The underwriters for the global offering mainly in the U.S., Europe and Asia are Morgan Stanley & Co. International plc, SMBC Nikko Capital Markets Limited, Mizuho International plc, and Nomura International plc.

2 Disclosure of Companies Owning Real Estate Overseas

Not applicable

3 Disclosure of Real Estate Owned by Companies Owning Real Estate Overseas

Not applicable

4 Other

Unless there are specific statements to the contrary, monetary figures are rounded down to the nearest unit and percentages are rounded off for unspecified values.

II. Balance Sheet

(Unit: JPY thousand)

	(Reference) Fiscal period ended June 30, 2023 (as of June 30, 2023)	Fiscal period ended December 31, 2023 (as of December 31, 2023)
Assets		
Current assets:		
Cash and bank deposits	18,377,030	21,956,120
Cash and bank deposits in trust	10,464,171	12,936,394
Rental receivables	5,750,301	4,834,083
Deposits paid	542,947	1,976,184
Prepaid expenses	821,117	1,143,417
Income taxes receivable	15	21
Consumption tax receivable	-	2,615,543
Other	397	12,636
Total current assets	35,955,980	45,474,401
Non-current assets:		
Property and equipment		
Buildings at cost	19,479,753	19,484,168
Accumulated depreciation	-1,807,607	-2,026,919
Buildings, net	17,672,145	17,457,249
Buildings and accompanying facilities, at cost	5,311,502	5,311,876
Accumulated depreciation	-1,260,171	-1,413,713
Buildings and accompanying facilities, net	4,051,330	3,898,162
Structures, at cost	1,458	1,458
Accumulated depreciation	-216	-249
Structures, net	1,242	1,209
Tools, furniture and fixtures, at cost	1,282,552	1,365,816
Accumulated depreciation	-474,151	-543,189
Tools, furniture and fixtures, net	808,401	822,627
Construction in progress, at cost	720,331	754,330
Buildings in trust, at cost	159,247,341	184,088,728
Accumulated depreciation	-28,861,119	-31,362,709
Buildings in trust, net	130,386,221	152,726,019
Buildings and accompanying facilities in trust, at cost	33,186,709	40,943,104
Accumulated depreciation	-13,472,710	-14,493,714
Buildings and accompanying facilities in trust, net	19,713,998	26,449,389
Structures in trust, at cost	266,849	281,528
Accumulated depreciation	-115,188	-121,916
Structures in trust, net	151,661	159,611
Tools, furniture and fixtures in trust, at cost	3,370,722	3,767,991
Accumulated depreciation	-1,995,319	-2,200,871
Tools, furniture and fixtures in trust, net	1,375,402	1,567,120
Land in trust	241,319,447	264,666,397
Construction in progress in trust	25,767	198,056
Total property and equipment, net	416,225,951	468,700,175
Intangible assets		
Leasehold rights	10,637,811	10,637,811
Leasehold rights in trust	14,380,825	17,396,611
Total intangible assets	25,018,637	28,034,422
Investment and other assets		
Investment securities	17,856,387	17,856,387
Guarantee deposits	1,372,719	1,382,359
Long-term prepaid expenses	290,589	1,825,986
Derivatives assets	9,306	7,877
Others	22,667	22,667
Total investments and other assets	19,551,670	21,095,278
Total non-current assets	460,796,259	517,829,876
Deferred assets		
Investment corporation bond issuance costs	67,690	88,783
Total deferred assets	67,690	88,783

(Unit: JPY thousand)

	(Reference) Fiscal period ended June 30, 2023 (as of June 30, 2023)	Fiscal period ended December 31, 2023 (as of December 31, 2023)
Total assets	496,819,930	563,393,061
		(Unit: JPY thousand)
	(Reference) Fiscal period ended June 30, 2023 (as of June 30, 2023)	Fiscal period ended December 31, 2023 (as of December 31, 2023)
Liabilities		
Current liabilities:		
Accounts payable	599,562	800,491
Short-term loans payable	111,453,000	36,520,000
Current portion of investment corporation bonds	2,000,000	1,000,000
Current portion of long-term loans payable	46,139,000	36,787,000
Accounts payable-other	3,514	6,321
Accrued expenses	247,903	281,210
Income taxes payable	605	605
Consumption taxes payable	422,723	-
Advances received	305,914	305,676
Deposits received	11,663	55,107
Total current liabilities	161,183,886	75,756,412
Non-current liabilities:		
Investment corporation bonds	11,400,000	13,900,000
Long-term loans payable	68,198,000	180,893,000
Tenant leasehold and security deposits in trust	1,484,328	1,491,055
Derivatives liabilities	495,525	654,369
Asset retirement obligations	34,097	393,202
Total non-current liabilities	81,611,951	197,331,627
Total liabilities	242,795,838	273,088,040
Net assets		
Unitholders' equity:		
Unitholders' capital	235,701,512	270,101,249
Surplus:		
Capital surplus	6,264,432	6,264,432
Deduction of unitholders' capital surplus		
Allowance for temporary differences adjustment	*2 -6,130	-6,130
Other deduction of capital surplus	-5,524,006	-5,524,006
Total deduction of unitholders' capital surplus	-5,530,137	-5,530,137
Capital surplus, net	734,294	734,294
Retained earnings	17,583,734	19,690,532
Total surplus	18,318,029	20,424,826
Total unitholders' equity	254,019,541	290,526,075
Valuation and translation adjustments:		
Deferred gains or losses on hedges	4,550	-221,054
Total valuation and translation adjustments	4,550	-221,054
Total net assets	*1 254,024,091	290,305,021

(Unit: JPY thousand)

	(Reference) Fiscal period ended June 30, 2023 (as of June 30, 2023)	Fiscal period ended December 31, 2023 (as of December 31, 2023)
Total liabilities and net assets	496,819,930	563,393,061

III. Statement of Income and Retained Earnings

		(Unit: JPY thousand)	
		(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
Operating revenue			
Rental revenue – real estate	*1	12,000,955	16,696,076
Management contract revenue	*2	3,914,026	2,123,042
Total operating revenue		15,914,981	18,819,119
Operating expenses			
Property-related expenses	*1	4,488,341	5,096,717
Management contract expenses	*2	649,329	734,722
Asset management fees		300,000	300,000
Directors' compensation		4,800	5,200
Asset custody fees		24,736	27,267
Administrative service fees		39,162	48,537
Other		51,871	17,761
Total operating expenses		5,558,241	6,230,207
Operating income		10,356,739	12,588,912
Non-operating income			
Interest income		100	138
Foreign exchange gains		178,185	-
Miscellaneous income		3,821	314
Total non-operating income		182,107	452
Non-operating expenses			
Interest expenses		507,601	603,172
Foreign exchange losses		-	76,288
Interest expenses on investment corporation bonds		33,881	63,059
Amortization of investment corporation bond issuance costs		7,053	10,839
Loan-related costs		538,693	620,370
Derivative losses		537,269	30,078
Investment unit issuance costs		-	152,379
Total non-operating expenses		1,624,499	1,556,188
Ordinary income		8,914,347	11,033,176
Income before income taxes		8,914,347	11,033,176
Income taxes		605	605
Total income taxes		605	605
Net income		8,913,742	11,032,571
Retained earnings brought forward		8,669,991	8,657,960
Unappropriated retained earnings		17,583,734	19,690,532

IV. Statement of Changes in Net Assets

Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)

(Unit: JPY thousand)

	Unitholders' equity					
	Unitholders' capital	Surplus				
		Capital surplus				
		Capital surplus	Deduction of capital surplus			Capital surplus (net)
Allowance for temporary differences adjustment	Other deduction of capital surplus		Total deduction of capital surplus			
Balance at the beginning of the period	235,701,512	6,264,432	-6,130	-5,524,006	-5,530,137	734,294
Changes during the period						
Distributions from surplus						
Net income						
Changes other than unitholders' equity (net)						
Total changes during the period	—	—	—	—	—	—
Balance at the end of the period	235,701,512	6,264,432	-6,130	-5,524,006	-5,530,137	734,294

	Unitholders' equity			Valuation and translation adjustments		Total net assets
	Surplus		Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Retained earnings (deficit)	Total surplus				
Balance at the beginning of the period	13,742,562	14,476,857	250,178,369	142,721	142,721	250,321,091
Changes during the period						
Distributions from surplus	-5,072,570	-5,072,570	-5,072,570			-5,072,570
Net income	8,913,742	8,913,742	8,913,742			8,913,742
Changes other than unitholders' equity (net)				(138,171)	(138,171)	(138,171)
Total changes during the period	3,841,171	3,841,171	3,841,171	(138,171)	(138,171)	3,703,000
Balance at the end of the period	17,583,734	18,318,029	254,019,541	4,550	4,550	254,024,091

Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)

(Unit: JPY thousand)

	Unitholders' equity					
	Unitholders' capital	Surplus				
		Capital surplus				
		Capital surplus	Deduction of capital surplus			Capital surplus (net)
Allowance for temporary differences adjustment	Other deduction of capital surplus		Total deduction of capital surplus			
Balance at the beginning of the period	235,701,512	6,264,432	-6,130	-5,524,006	-5,530,137	734,294
Changes during the period						
Issuance of new investment units	34,399,737					
Distributions from surplus						
Net income						
Changes other than unitholders' equity (net)						
Total changes during the period	34,399,737	-	-	-	-	-
Balance at the end of the period	270,101,249	6,264,432	-6,130	-5,524,006	-5,530,137	734,294

	Unitholders' equity			Valuation and translation adjustments		Total net assets
	Surplus		Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Retained earnings (deficit)	Total surplus				
Balance at the beginning of the period	17,583,734	18,318,029	254,019,541	4,550	4,550	254,024,091
Changes during the period						
Issuance of new investment units			34,399,737			34,399,737
Distributions from surplus	-8,925,773	-8,925,773	-8,925,773			-8,925,773
Net income	11,032,571	11,032,571	11,032,571			11,032,571
Changes other than unitholders' equity (net)				-225,605	-225,605	-225,605
Total changes during the period	2,106,797	2,106,797	36,506,534	-225,605	-225,605	36,280,929
Balance at the end of the period	19,690,532	20,424,826	290,526,075	-221,054	-221,054	290,305,021

V. Notes to Financial Statements

[Notes Concerning Significant Accounting Policies]

By Period Item	(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
1. Evaluation standards and evaluation method of assets	(a) Investment in affiliates Cost method through moving-average method is used. (b) Claims generated and debt incurred through derivative transactions Market value method is used.	(a) Investment in affiliates Cost method through moving-average method is used. (b) Claims generated and debt incurred through derivative transactions Market value method is used.
2. Method of depreciation of non-current assets	(a) Property and equipment The straight-line method is used. The useful lives of major property, plant and equipment are as follows. Buildings 16-50 years Buildings and accompanying facilities 5-29 years Structures 20 years Tools, furniture and fixtures 3-18 years Buildings in trust 5-67 years Buildings and accompanying facilities in trust 3-33 years Structures in trust 7-55 years Tools, furniture and fixtures in trust 3-20 years (b) Intangible assets For fixed-term land lease for business purposes in Japan, the straight-line method based on the lease period is used. (c) Long-term prepaid expenses The straight-line method is used.	(a) Property and equipment The straight-line method is used. The useful lives of major property, plant and equipment are as follows. Buildings 16-50 years Buildings and accompanying facilities 5-29 years Structures 20 years Tools, furniture and fixtures 3-18 years Buildings in trust 5-67 years Buildings and accompanying facilities in trust 3-33 years Structures in trust 7-55 years Tools, furniture and fixtures in trust 3-20 years (b) Intangible assets For fixed-term land lease for business purposes in Japan, the straight-line method based on the lease period is used. (c) Long-term prepaid expenses The straight-line method is used.
3. Accounting treatment of deferred assets	Investment corporation bond issuance costs Investment corporation bond issuance costs are amortized using the straight-line method over a period up to redemption of the investment corporation bonds.	Investment corporation bond issuance costs Investment corporation bond issuance costs are amortized using the straight-line method over a period up to redemption of the investment corporation bonds.
4. Method of calculating allowances	Allowance for doubtful accounts To reserve for losses on doubtful accounts, allowances are provided for normal receivables using a rate determined based on past bad debt experiences, and specific allowances are provided for accounts with a possibility of default based on the estimated amounts considered to be uncollectible by considering the collectability of accounts on an individual basis.	Allowance for doubtful accounts To reserve for losses on doubtful accounts, allowances are provided for normal receivables using a rate determined based on past bad debt experiences, and specific allowances are provided for accounts with a possibility of default based on the estimated amounts considered to be uncollectible by considering the collectability of accounts on an individual basis.
5. Conversion of assets and liabilities in foreign currency into Japanese yen	Receivables and payables denominated in foreign currencies are translated into yen at the spot exchange rate at the end of the fiscal period date, and differences arising from the translation are treated as a profit or loss.	Receivables and payables denominated in foreign currencies are translated into yen at the spot exchange rate at the end of the fiscal period date, and differences arising from the translation are treated as a profit or loss.
6. Revenue and expense	(a) Accounting treatment of property	(a) Accounting treatment of property

By Period Item	(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
recognition	<p>taxes and other taxes With respect to property taxes, city planning taxes and depreciable asset taxes, of the tax amount assessed and determined, the amount corresponding to the relevant fiscal period is accounted for as property related expenses. Of the amounts paid to the seller for acquisitions of real estate, the amount equivalent to property taxes is capitalized as part of the acquisition cost of the real estate instead of being charged as expense. The amount equivalent to property taxes that was capitalized as part of the acquisition cost of real estate during the previous fiscal period is zero.</p> <p>(b) Recognition of revenue The following is the content of principal performance obligations related to revenue from contracts with INV's customers and the normal timing for the satisfaction of such obligations (normal timing for revenue recognition). Sale of real estate, etc. For the sale of real estate, etc., revenue will be recognized at the time the control of such real estate, etc. is obtained by the purchaser, who is the customer, as the transfer obligation will be fulfilled pursuant to the contract pertaining to the sale of real estate.</p>	<p>taxes and other taxes With respect to property taxes, city planning taxes and depreciable asset taxes, of the tax amount assessed and determined, the amount corresponding to the relevant fiscal period is accounted for as property related expenses. Of the amounts paid to the seller for acquisitions of real estate, the amount equivalent to property taxes is capitalized as part of the acquisition cost of the real estate instead of being charged as expense. The amount equivalent to property taxes that was capitalized as part of the acquisition cost of real estate during the Reporting Period is JPY 59,935 thousand.</p> <p>(b) Recognition of revenue The following is the content of principal performance obligations related to revenue from contracts with INV's customers and the normal timing for the satisfaction of such obligations (normal timing for revenue recognition). Sale of real estate, etc. For the sale of real estate, etc., revenue will be recognized at the time the control of such real estate, etc. is obtained by the purchaser, who is the customer, as the transfer obligation will be fulfilled pursuant to the contract pertaining to the sale of real estate.</p>
7. Method of hedge accounting	<p>(a) Method of hedge accounting Deferred hedge accounting is used.</p> <p>(b) Hedging instrument and hedged item Hedging instrument: interest rate swap Hedged item: interest on borrowings</p> <p>(c) Hedge policy INV enters into derivatives transactions for the purpose of hedging against the risks set forth in INV's Articles of Incorporation in accordance with its risk management policy.</p> <p>(d) Method of evaluating hedge effectiveness Hedge effectiveness is evaluated by comparing the cumulative amount of changes in cash flows of the hedging instrument and the cumulative amount of changes in cash flows of the hedged item and verifying the difference in the amounts of change of both the hedged item and the hedging</p>	<p>(a) Method of hedge accounting Deferred hedge accounting is used.</p> <p>(b) Hedging instrument and hedged item Hedging instrument: interest rate swap Hedged item: interest on borrowings</p> <p>(c) Hedge policy INV enters into derivatives transactions for the purpose of hedging against the risks set forth in INV's Articles of Incorporation in accordance with its risk management policy.</p> <p>(d) Method of evaluating hedge effectiveness Hedge effectiveness is evaluated by comparing the cumulative amount of changes in cash flows of the hedging instrument and the cumulative amount of changes in cash flows of the hedged item and verifying the difference in the amounts of change of both the hedged item and the hedging</p>

By Period Item	(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
	instrument.	instrument.
8. Other significant matters which constitute the basis for preparation of financial statements	<p>(1) Accounting treatment policy of trust beneficiary interests in real estate As to trust beneficiary interests in real estate, all accounts of assets and liabilities within assets in trust, as well as all income generated and expenses incurred from assets in trust, are recorded in the relevant balance sheets and income statement accounts. Of such items, the following significant trust assets and liabilities are shown separately on the balance sheet.</p> <p>(a) Cash and bank deposits in trust (b) Buildings in trust Buildings and accompanying facilities in trust Structures in trust Tools, furniture and fixtures in trust Land in trust Construction in progress in trust (c) Leasehold rights in trust (d) Tenant leasehold and security deposits in trust</p> <p>(2) Accounting treatment of non-deductible consumption taxes Non-deductible consumption taxes etc. regarding the acquisition of assets are capitalized at amounts of acquisition cost of each asset.</p>	<p>(1) Accounting treatment policy of trust beneficiary interests in real estate As to trust beneficiary interests in real estate, all accounts of assets and liabilities within assets in trust, as well as all income generated and expenses incurred from assets in trust, are recorded in the relevant balance sheets and income statement accounts. Of such items, the following significant trust assets and liabilities are shown separately on the balance sheet.</p> <p>(a) Cash and bank deposits in trust (b) Buildings in trust Buildings and accompanying facilities in trust Structures in trust Tools, furniture and fixtures in trust Land in trust Construction in progress in trust (c) Leasehold rights in trust (d) Tenant leasehold and security deposits in trust</p> <p>(2) Accounting treatment of non-deductible consumption taxes Non-deductible consumption taxes etc. regarding the acquisition of assets are capitalized at amounts of acquisition cost of each asset.</p>

[Notes to the Balance Sheet]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)					
*1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations <p style="text-align: right;">JPY 50,000 thousand</p>	*1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations <p style="text-align: right;">JPY 50,000 thousand</p>					
*2. Allowance for temporary differences adjustment						
(Reference) Fiscal period ended ended June 30, 2023 (from January 1, 2023 to June 30, 2023)						
1. Reasons, related assets and amounts						
(Unit: JPY thousand)						
Related assets, etc.	Reason	Initial amount	Balance at the beginning of period	Allowance set aside during period	Reversal during period	Balance at the end of period
Leasehold rights in trust	Amortization of leasehold rights	-131,332	-6,130	-	-	-6,130
Total		-131,332	-6,130	-	-	-6,130
2. Method of reversal						
(1) Leasehold rights in trust						
The corresponding amount is scheduled to be reversed upon sale of the relevant properties, etc.						
Fiscal period December 31, 2023 (from July 1, 2023 to December 31, 2023)						
1. Reasons, related assets and amounts						
(Unit: JPY thousand)						
Related assets, etc.	Reason	Initial amount	Balance at the beginning of period	Allowance set aside during period	Reversal during period	Balance at the end of period
Leasehold rights in trust	Amortization of leasehold rights	-131,332	-6,130	-	-	-6,130
Total		-131,332	-6,130	-	-	-6,130
2. Method of reversal						
(1) Leasehold rights in trust						
The corresponding amount is scheduled to be reversed upon sale of the relevant properties, etc.						

[Notes to Statement of Income and Retained Earnings]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
<p>*1. Real estate rental revenues and expenses (Unit: JPY thousand)</p> <p>A. Real estate rental revenues</p> <p>Rental revenue – real estate (Rent/common area charges) (Note) 11,729,696</p> <p>(Other revenues) 271,259</p> <p>Total 12,000,955</p> <p>B. Real estate rental expenses</p> <p>Property-related expenses</p> <p>(Maintenance costs) 445,723</p> <p>(Taxes and public dues) 596,132</p> <p>(Insurance expenses) 20,475</p> <p>(Depreciation expenses) 3,311,017</p> <p>(Other expenses) 114,992</p> <p>Total 4,488,341</p> <p>C. Real estate rental income (A-B) 7,512,613</p> <p>(Note) Of which, revenue from variable hotel rents 4,615,327</p>	<p>*1. Real estate rental revenues and expenses (Unit: JPY thousand)</p> <p>A. Real estate rental revenues</p> <p>Rental revenue – real estate (Rent/common area charges) (Note) 16,536,797</p> <p>(Other revenues) 159,279</p> <p>Total 16,696,076</p> <p>B. Real estate rental expenses</p> <p>Property-related expenses</p> <p>(Maintenance costs) 438,212</p> <p>(Taxes and public dues) 754,133</p> <p>(Insurance expenses) 23,534</p> <p>(Depreciation expenses) 3,776,448</p> <p>(Other expenses) 104,388</p> <p>Total 5,096,717</p> <p>C. Real estate rental income (A-B) 11,599,359</p> <p>(Note) Of which, revenue from variable hotel rents 7,441,452</p>
<p>*2. Management contract revenue and expenses (Unit: JPY thousand)</p> <p>A. Hotel operating revenue 8,388,052</p> <p>B. Hotel operating expenses 4,474,026</p> <p>C. Management contract revenue (A-B) 3,914,026</p> <p>D. Management contract expenses</p> <p>Non-life insurance expenses 152,464</p> <p>Depreciation expenses 435,496</p> <p>Other 61,368</p> <p>Total 649,329</p> <p>E. Management contract revenue and expenses (C-D) 3,264,696</p>	<p>*2. Management contract revenue and expenses (Unit: JPY thousand)</p> <p>A. Hotel operating revenue 6,309,635</p> <p>B. Hotel operating expenses 4,186,593</p> <p>C. Management contract revenue (A-B) 2,123,042</p> <p>D. Management contract expenses</p> <p>Non-life insurance expenses 218,735</p> <p>Depreciation expenses 441,542</p> <p>Other 74,443</p> <p>Total 734,722</p> <p>E. Management contract revenue and expenses (C-D) 1,388,320</p>

[Notes to Statement of Changes in Net Assets]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
<p>Total number of issuable investment units and number of investment units issued and outstanding</p> <p>Total number of investment units 10,000,000 units authorized</p> <p>Total number of investment units issued and outstanding 6,096,840 units</p>	<p>Total number of issuable investment units and number of investment units issued and outstanding</p> <p>Total number of investment units 10,000,000 units authorized</p> <p>Total number of investment units issued and outstanding 6,737,121 units</p>

[Notes Related to Tax Accounting]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)						Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)	
1. Significant components of deferred tax assets and liabilities (Unit: JPY thousand)						1. Significant components of deferred tax assets and liabilities (Unit: JPY thousand)	
(Deferred tax assets)						(Deferred tax assets)	
Enterprise tax payable	615					Enterprise tax payable	615
Buildings and other (merger)	185,229					Buildings and other (merger)	181,991
Land (merger)	116,724					Land (merger)	116,724
Loss carried forward (Note 1)	1,288,595					Loss carried forward (Note 1)	1,277,967
Asset retirement obligations	10,727					Asset retirement obligations	123,701
Amortization of leasehold right	174,196					Amortization of leasehold right	186,540
Adjustment of acquisition prices (overseas properties)	445,643					Adjustment of acquisition prices (overseas properties)	441,696
Subtotal	2,221,732					Deposit	9,789
Valuation allowance for tax loss carried forward	-1,288,595					Subtotal	2,339,028
Valuation allowance for the total of deductible temporary differences, etc.	-933,137					Valuation allowance for tax loss carried forward	-1,277,967
Subtotal (Note 2)	-2,221,732					Valuation allowance for the total of deductible temporary differences, etc.	-1,061,060
Total	-					Subtotal (Note 2)	-2,339,028
(Note 1) The amounts of tax loss carried forward and the deferred tax assets by carry-forward period are as follows.						Total	-
	(Unit: JPY thousand)					(Note 1) The amounts of tax loss carried forward and the deferred tax assets by carry-forward period are as follows.	
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years		(Unit: JPY thousand)	
Tax loss carried forward (a)	-	-	-	-	Tax loss carried forward (a)	-	
Valuation allowance	-	-	-	-	Valuation allowance	-	
Deferred tax assets	-	-	-	-	Deferred tax assets	-	
	Due after four to five years	Due after five years	Total			Due after four to five years	
Tax loss carried forward (a)	-	1,288,595	1,288,595		Tax loss carried forward (a)	-	
Valuation allowance	-	-1,288,595	-1,288,595		Valuation allowance	-	
Deferred tax assets	-	-	-		Deferred tax assets	-	
(a) Tax loss carried forward is multiplied by statutory tax rate.						(a) Tax loss carried forward is multiplied by statutory tax rate.	
(Note 2) Valuation allowance decreased by JPY 313,369 thousand mainly due to a decrease in tax loss carried forward.						(Note 2) Valuation allowance increased by JPY 117,295 thousand mainly due to an increase in the valuation allowance for asset retirement obligations.	

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
2. Significant difference between statutory tax rate and the effective tax rate	2. Significant difference between statutory tax rate and the effective tax rate
Statutory tax rate 31.46%	Statutory tax rate 31.46%
Deductible cash distributions -31.50%	Deductible cash distributions -31.50%
Changes in valuation allowance -3.52%	Changes in valuation allowance 1.06%
Expiration of loss carried forward 3.55%	Others -1.01%
Others 0.01%	Effective tax rate 0.01%
Effective tax rate 0.01%	

[Notes Related to Financial Instruments]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
1. Status of financial instruments	1. Status of financial instruments
(1) Policy for financial instruments INV principally conducts its operations through investments in real estate and other specified assets to seek to ensure stable income in the medium to long term. The policy for raising funds is principally through issuing new investment units, investment corporation bonds, or borrowing loans. Derivative transactions are to be entered into for the purpose of hedging against the risks of future interest rate fluctuations, exchange rate fluctuations, etc. and not for speculation. Surplus funds are managed after carefully taking into account safety, liquidity, the interest rate environment and financing.	(1) Policy for financial instruments INV principally conducts its operations through investments in real estate and other specified assets to seek to ensure stable income in the medium to long term. The policy for raising funds is principally through issuing new investment units, investment corporation bonds, or borrowing loans. Derivative transactions are to be entered into for the purpose of hedging against the risks of future interest rate fluctuations, exchange rate fluctuations, etc. and not for speculation. Surplus funds are managed after carefully taking into account safety, liquidity, the interest rate environment and financing.
(2) Nature and extent of risks arising from financial instruments and risk management. The funds raised through borrowings and issuing investment corporation bonds are mainly used to acquire real estate properties or trust beneficiary interest in real estate (including related acquisition costs) and for the refinancing of existing loans. Liquidity risks relating to loan are managed by the finance department of CIM by preparing and updating plans for funds, and monitoring the covenants set forth in loan agreements.	(2) Nature and extent of risks arising from financial instruments and risk management. The funds raised through borrowings and issuing investment corporation bonds are mainly used to acquire real estate properties or trust beneficiary interest in real estate (including related acquisition costs) and for the refinancing of existing loans. Liquidity risks relating to loan are managed by the finance department of CIM by preparing and updating plans for funds, and monitoring the covenants set forth in loan agreements.
(3) Supplemental information regarding fair value, etc. for financial instruments. Since certain assumptions, etc. are used in estimating the fair value of financial instruments, different assumptions, etc. may result in the variance of such value.	(3) Supplemental information regarding fair value, etc. for financial instruments. Since certain assumptions, etc. are used in estimating the fair value of financial instruments, different assumptions, etc. may result in the variance of such value.

2. Estimated fair value of financial instruments.
Book value, fair value and the difference between value as of June 30, 2023 are as follows. "Cash and bank deposits", "Cash and bank deposits in trust" and "Short-term loans payable" are omitted because their fair values are close to their book values since they are settled in cash and in a short period of time. Moreover, "Tenant leasehold and security deposits in trust" is omitted because they are not material.

(Unit: JPY thousand)

	Book Value	Fair Value	Difference
(1) Investment securities	17,856,387	18,935,791	1,079,404
Total assets	17,856,387	18,935,791	1,079,404
(2) Current portion of Investment Corporation Bonds	(2,000,000)	(1,996,000)	4,000
(3) Current portion of long-term loans payable	(46,139,000)	(46,139,000)	-
(4) Investment corporation bonds	(11,400,000)	(11,166,860)	233,140
(5) Long-term loans	(68,198,000)	(68,198,000)	-
Total liabilities	(127,737,000)	(127,499,860)	237,140
(6) Derivatives	(486,218)	(486,218)	-

(*1) Items recorded in the Liabilities Section are shown in parenthesis.

(*2) Receivables and payables arising from derivative transactions are recorded in net amounts, and if the total net amount is a negative amount, such amount is shown in parenthesis.

(Note 1) Methods to calculate fair value of financial instruments.

(1) Investment securities

For preferred equity interest, the assets and liabilities of the investee are valued at fair value, and the equity equivalent in the obtained net asset value is deemed as the fair value of the preferred equity interest.

(2) Current portion of Investment Corporation Bonds (4) Investment corporation bonds

Fair value is calculated using a method based on market price.

(3) Current portion of long-term loans payable (5) Long-term loans payable

Long-term loans with floating interest rates reflecting changes in market rates within a short-term period are stated at their book value as their book value approximate their fair value.

2. Estimated fair value of financial instruments.
Book value, fair value and the difference between value as December 31, 2023 of are as follows. "Cash and bank deposits", "Cash and bank deposits in trust" and "Short-term loans payable" are omitted because their fair values are close to their book values since they are settled in cash and in a short period of time. Moreover, "Tenant leasehold and security deposits in trust" is omitted because they are not material.

(Unit: JPY thousand)

	Book Value	Fair Value	Difference
(1) Investment securities	17,856,387	21,102,242	3,245,855
Total assets	17,856,387	21,102,242	3,245,855
(2) Current portion of Investment Corporation Bonds	(1,000,000)	(994,700)	5,300
(3) Current portion of long-term loans payable	(36,787,000)	(36,787,000)	-
(4) Investment corporation bonds	(13,900,000)	(13,650,170)	249,830
(5) Long-term loans	(180,893,000)	(180,893,000)	-
Total liabilities	(232,580,000)	(232,324,870)	255,130
(6) Derivatives	(646,492)	(646,492)	-

(*1) Items recorded in the Liabilities Section are shown in parenthesis.

(*2) Receivables and payables arising from derivative transactions are recorded in net amounts, and if the total net amount is a negative amount, such amount is shown in parenthesis.

(Note 1) Methods to calculate fair value of financial instruments.

(1) Investment securities

For preferred equity interest, the assets and liabilities of the investee are valued at fair value, and the equity equivalent in the obtained net asset value is deemed as the fair value of the preferred equity interest.

(2) Current portion of Investment Corporation Bonds (4) Investment corporation bonds

Fair value is calculated using a method based on market price.

(3) Current portion of long-term loans payable (5) Long-term loans payable

Long-term loans with floating interest rates reflecting changes in market rates within a short-term period are stated at their book value as their book value approximate their fair value.

(6) Derivatives
(a) Derivatives transactions to which hedge accounting is not applied
As for derivative transactions for which hedge accounting is not applied, the contract amount as of the closing date and the amount equivalent to the notional principal prescribed in the contract are as follows.

(Unit: JPY thousand)

Classification	Derivative transaction type, etc.	Contract amount, etc.		Fair value (*1)	Valuation gains/losses
			Amount due after one year		
OTC transaction	Currency forward transaction short USD	5,158,490	1,872,600	-490,769	-490,769

(*1) Estimation method for fair value

Currency option:

Indicates fair values of option fees, etc. presented by the correspondent financial institutions.

(b) Derivatives transactions to which hedge accounting is applied

The contract amount as of the closing date under each hedge-accounting method and the amount equivalent to the notional principal prescribed in the contracts are as shown below.

(Unit: JPY thousand)

Method of hedge accounting	Derivative transaction type, etc.	Primary hedged item	Contract amount, etc. (*1)		Fair value (*2)
				Amount due after one year	
Principle accounting method	Interest rate swap Receive floating rate/pay fixed rate	Borrowings	36,687,000	18,441,000	4,550

(*1) The contract amount, etc. for interest rate swap are stated based on a notional principal.

(*2) Estimation method for fair value

Interest rate swap:

Estimated based on the price, etc. presented by the correspondent financial institutions.

(6) Derivatives
(a) Derivatives transactions to which hedge accounting is not applied
As for derivative transactions for which hedge accounting is not applied, the contract amount as of the closing date and the amount equivalent to the notional principal prescribed in the contract are as follows.

(Unit: JPY thousand)

Classification	Derivative transaction type, etc.	Contract amount, etc.		Fair value (*1)	Valuation gains/losses
			Amount due after one year		
OTC transaction	Currency forward transaction short USD	4,397,800	989,200	-425,438	-425,438

(*1) Estimation method for fair value

Currency option:

Indicates fair values of option fees, etc. presented by the correspondent financial institutions.

(b) Derivatives transactions to which hedge accounting is applied

The contract amount as of the closing date under each hedge-accounting method and the amount equivalent to the notional principal prescribed in the contracts are as shown below.

(Unit: JPY thousand)

Method of hedge accounting	Derivative transaction type, etc.	Primary hedged item	Contract amount, etc. (*1)		Fair value (*2)
				Amount due after one year	
Principle accounting method	Interest rate swap Receive floating rate/pay fixed rate	Borrowings	130,282,250	101,297,250	-221,054

(*1) The contract amount, etc. for interest rate swap are stated based on a notional principal.

(*2) Estimation method for fair value

Interest rate swap:

Estimated based on the price, etc. presented by the correspondent financial institutions.

(Note 2) Repayment schedule of investment corporation bonds, long-term loans payable and other interest-bearing debts after the closing date of the fiscal period

(Unit: JPY thousand)

	Due within one year	Due after one to two years	Due after two to three years
Current portion of Investment Corporation Bonds	2,000,000	-	-
Current portion of long-term loans payable	46,139,000	-	-
Investment corporation bonds	-	1,000,000	5,000,000
Long-term loans payable	-	42,243,000	23,804,000
Total	48,139,000	43,243,000	28,804,000

	Due after three to four years	Due after four to five years	Due after five years
Current portion of Investment Corporation Bonds	-	-	-
Current portion of long-term loans payable	-	-	-
Investment corporation bonds	-	2,200,000	3,200,000
Long-term loans payable	-	1,190,000	961,000
Total	-	3,390,000	4,161,000

(Note 2) Repayment schedule of investment corporation bonds, long-term loans payable and other interest-bearing debts after the closing date of the fiscal period

(Unit: JPY thousand)

	Due within one year	Due after one to two years	Due after two to three years
Current portion of Investment Corporation Bonds	1,000,000	-	-
Current portion of long-term loans payable	36,787,000	-	-
Investment corporation bonds	-	-	5,000,000
Long-term loans payable	-	39,399,000	51,912,200
Total	37,787,000	39,399,000	56,912,200

	Due after three to four years	Due after four to five years	Due after five years
Current portion of Investment Corporation Bonds	-	-	-
Current portion of long-term loans payable	-	-	-
Investment corporation bonds	-	5,700,000	3,200,000
Long-term loans payable	31,018,750	53,281,050	5,282,000
Total	31,018,750	58,981,050	8,482,000

[Notes Related to Asset Retirement Obligations]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)																
<p>1. Summary of the asset retirement obligations for the period INV has recorded asset retirement obligations in regard to its obligation to restore the land to its original condition related to the fixed-term land lease agreement of Comfort Hotel Maebashi held by INV.</p> <p>2. Calculation method for asset retirement obligations for the period The amount of the asset retirement obligations has been calculated by fixing the estimated period of use at 43 years, based on the period until the expiration of the fixed-term land lease agreement, and by using a discount rate of 1.342%.</p> <p>3. Increase/decrease in the total amount of asset retirement obligations for the end of the period (Unit: JPY thousand)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Balance at the beginning of the period</td> <td style="text-align: right;">33,872</td> </tr> <tr> <td>Increase due to the acquisition of properties</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Accretion expense</td> <td style="text-align: right;">225</td> </tr> <tr> <td>Balance at the end of the period</td> <td style="text-align: right;">34,097</td> </tr> </table>	Balance at the beginning of the period	33,872	Increase due to the acquisition of properties	-	Accretion expense	225	Balance at the end of the period	34,097	<p>1. Summary of the asset retirement obligations for the period Part of INV's assets has recorded asset retirement obligations in regard to its obligation to restore the land to its original condition related to the fixed-term land lease agreement and contractual and legal obligation to remove the asbestos.</p> <p>2. Calculation method for asset retirement obligations for the period The amount of the asset retirement obligations has been calculated by fixing the estimated period of use, based on the period until the expiration of the fixed-term land lease agreement (43 years) and the useful life of the buildings containing asbestos (15 to 31 years), and by using a discount rate of 1.342% and of 0.963 to 1.505%, respectively.</p> <p>3. Increase/decrease in the total amount of asset retirement obligations for the end of the period (Unit: JPY thousand)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Balance at the beginning of the period</td> <td style="text-align: right;">34,097</td> </tr> <tr> <td>Increase due to the acquisition of properties</td> <td style="text-align: right;">357,149</td> </tr> <tr> <td>Accretion expense</td> <td style="text-align: right;">1,955</td> </tr> <tr> <td>Balance at the end of the period</td> <td style="text-align: right;">393,202</td> </tr> </table>	Balance at the beginning of the period	34,097	Increase due to the acquisition of properties	357,149	Accretion expense	1,955	Balance at the end of the period	393,202
Balance at the beginning of the period	33,872																
Increase due to the acquisition of properties	-																
Accretion expense	225																
Balance at the end of the period	34,097																
Balance at the beginning of the period	34,097																
Increase due to the acquisition of properties	357,149																
Accretion expense	1,955																
Balance at the end of the period	393,202																

[Notes Related to Rental Properties]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)					Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)				
<p>INV owns residential properties and hotels as core assets principally in the Greater Tokyo area and major regional cities with an aim to establish a portfolio focusing on both stability and growth potential. The book value changed during the period and the fair value at the end of the period are as follows.</p> <p style="text-align: right;">(Unit: JPY thousand)</p>					<p>INV owns residential properties and hotels as core assets principally in the Greater Tokyo area and major regional cities with an aim to establish a portfolio focusing on both stability and growth potential. The book value changed during the period and the fair value at the end of the period are as follows.</p> <p style="text-align: right;">(Unit: JPY thousand)</p>				
Use	Book value			Fair value at the end of the period	Use	Book value			Fair value at the end of the period
	Balance at the beginning of the period	Change during the period	Balance at the end of the period			Balance at the beginning of the period	Change during the period	Balance at the end of the period	
Residences	34,383,500	-172,720	34,210,779	48,017,000	Residences	34,210,779	-124,698	34,086,080	48,229,000
Commercial facilities	1,605,322	-16,598	1,588,724	2,380,000	Commercial facilities	1,588,724	3,999	1,592,723	2,380,000
Hotels	407,302,979	-2,603,993	404,698,985	510,566,211	Hotels	404,698,985	55,404,420	460,103,406	578,432,474
Total	443,291,801	-2,793,312	440,498,489	560,963,211	Total	440,498,489	55,283,722	495,782,211	629,041,474
<p>(Note 1) Book value is the figure calculated by subtracting amount of accumulated depreciation from acquisition price (including acquisition-related costs).</p> <p>(Note 2) The major factor for the increase for the previous fiscal period was construction work related to capital expenditures.</p> <p>(Note 3) The major factor of the decrease was sale of residences and depreciation.</p> <p>(Note 4) The fair value at the end of the previous fiscal period is determined based on the appraisal value or survey value provided by Asset Research and Development Inc., Japan Real Estate Institute, JLL Morii Valuation & Advisory K.K., The Tanizawa Sogo Appraisal Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd. and CBRE, Inc.</p> <p>For information related to profits and losses from rental properties in the previous fiscal period, please refer to “Notes to Statement of Income and Retained Earnings.”</p>					<p>(Note 1) Book value is the figure calculated by subtracting amount of accumulated depreciation from acquisition price (including acquisition-related costs).</p> <p>(Note 2) The major factors for the increase for the Reporting Period were construction work related to capital expenditures and acquisition of hotels.</p> <p>(Note 3) The major factor of the decrease was depreciation.</p> <p>(Note 4) The fair value at the end of the Reporting Period is determined based on the appraisal value or survey value provided by Asset Research and Development Inc., Japan Real Estate Institute, JLL Morii Valuation & Advisory K.K., The Tanizawa Sogo Appraisal Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd. and CBRE, Inc.</p> <p>For information related to profits and losses from rental properties in the Reporting Period, please refer to “Notes to Statement of Income and Retained Earnings.”</p>				

[Notes Related to Restriction on Asset Management]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
Not applicable.	Not applicable.

[Notes Related to Transactions with Related Parties]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)

1 Interested parties of CIM

Classification	Name	Business or occupation	Percentage of voting rights owned (%)	Type of transaction	Transaction amount (JPY thousand) (Note 1)	Account	Balance at the end of the period (JPY thousand) (Note 1)
Interested party of CIM	Naqua Hotel & Resorts Management Co., Ltd. (Note 2)	Hotel business	-	Rental revenues	612,959	Rental receivables	261,128
	MyStays Hotel Management Co., Ltd. (Note 2)	Hotel business	-	Rental revenues	8,022,489	Rental receivables	3,227,566

(Note 1) Consumption taxes, etc., are not included in transaction amounts, but are included in the balance at the end of the period.

(Note 2) Naqua Hotel & Resorts Management Co., Ltd. and MyStays Hotel Management Co., Ltd. have no capital relationship to be disclosed with CIM. However, these tenants and operators have received an anonymous partnership investment or investment through funds that are managed by affiliates of FIG (a subsidiary of SoftBank Group Corp., which is a parent company of CIM indirectly owning 100% of its issued shares). Accordingly, INV treats Naqua Hotel & Resorts Management Co., Ltd. and MyStays Hotel Management Co., Ltd. as the equivalent to interested parties.

2 Asset Custody Company

Classification	Name	Business or occupation	Percentage of investment units owned (%)	Type of transaction	Transaction amount (JPY thousand) (Note 1)	Account	Balance at the end of the period (JPY thousand) (Note 1)
Asset Custody Company	Sumitomo Mitsui Trust Bank, Limited	Banking and trust business	-	Borrowing of short-term loan	9,092,600	Short-term loans payable	15,754,100
				Repayment of short-term loan	10,711,500		
				Borrowing of long-term loan	4,824,500	Long-term loans payable	18,229,900
				Repayment of long-term loan	3,952,600		
				Finance-related fees (Note 2)	95,780	Prepaid expenses	69,162
						Long-term prepaid expenses	49,559
Interest expenses (Note 2)	74,705	Accrued expenses	400				

(Note 1) Consumption taxes, etc., are not included in transaction amounts, but are included in the balance at the end of the period.

(Note 2) The terms and conditions have been determined based on actual market conditions.

Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)

1 Interested parties of CIM

Classification	Name	Business or occupation	Percentage of voting rights owned (%)	Type of transaction	Transaction amount (JPY thousand) (Note 1)	Account	Balance at the end of the period (JPY thousand) (Note 1)
Interested party of CIM	Sheffield Asset Tokutei Mokuteki Kaisha (Note 3)	Investment management business	-	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	40,293,000	-	-
	Heijo Tokutei Mokuteki Kaisha (Note 3)	Investment management business	-	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	9,840,000	-	-
	Nippori Tokutei Mokuteki Kaisha (Note 3)	Investment management business	-	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	4,652,000	-	-
	Shiretoko Tokutei Mokuteki Kaisha (Note 3)	Investment management business	-	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	2,445,000	-	-
	Naqua Hotel & Resorts Management Co., Ltd. (Note 3)	Hotel business	-	Rental revenues	1,064,067	Accounts receivable	174,796
	MyStays Hotel Management Co., Ltd. (Note 3)	Hotel business	-	Rental revenues	10,473,047	Accounts receivable	3,915,256

(Note 1) Consumption taxes, etc., are not included in transaction amounts, but are included in the balance at the end of the period.

(Note 2) The terms and conditions have been determined based on the Asset Manager's internal rules and manual regarding transactions with sponsor related parties.

(Note 3) Sheffield Asset Tokutei Mokuteki Kaisha, Heijo Tokutei Mokuteki Kaisha, Nippori Tokutei Mokuteki Kaisha, Shiretoko Tokutei Mokuteki Kaisha, Naqua Hotel & Resorts Management Co., Ltd. and MyStays Hotel Management Co., Ltd. have no capital relationship to be disclosed with CIM. However, these tenants and operators have received an anonymous partnership investment or investment through funds that are managed by affiliates of FIG (a subsidiary of SoftBank Group Corp., which is a parent company of CIM directly/indirectly owning 100% of its issued shares). Accordingly, INV treats Sheffield Asset Tokutei Mokuteki Kaisha, Heijo Tokutei Mokuteki Kaisha, Nippori Tokutei Mokuteki Kaisha, Shiretoko Tokutei Mokuteki Kaisha, Naqua Hotel & Resorts Management Co., Ltd. and MyStays Hotel Management Co., Ltd. as the equivalent to interested parties.

(Note 4) The purchase of trust beneficiary interests pertains to the following properties. The transaction amount is the purchase price stated in the trust beneficiary purchase agreement, in which other expenses for acquisition, property taxes, city planning taxes and consumption taxes are not included.

Property Number	Name of Property	Counterparty	Purchase Price (JPY thousand)
D84	Fusaki Beach Resort Hotel & Villas	Sheffield Asset Tokutei Mokuteki Kaisha	40,293,000
D85	Tateshina Grand Hotel Takinoyu	Heijo Tokutei Mokuteki Kaisha	8,365,000
D86	Hotel MyStays Okayama	Nippori Tokutei Mokuteki Kaisha	2,613,000
D87	Hotel MyStays Aomori Station	Shiretoko Tokutei Mokuteki Kaisha	2,445,000
D88	Hotel MyStays Soga	Nippori Tokutei Mokuteki Kaisha	2,039,000
D89	Tazawako Lake Resort & Onsen	Heijo Tokutei Mokuteki Kaisha	1,475,000
Total			57,230,000

2 Asset Custody Company

Classification	Name	Business or occupation	Percentage of investment units owned (%)	Type of transaction	Transaction amount (JPY thousand) (Note 1)	Account	Balance at the end of the period (JPY thousand) (Note 1)
Asset Custody Company	Sumitomo Mitsui Trust Bank, Limited	Banking and trust business	-	Borrowing of short-term loan	654,700	Short-term loans payable	9,130,300
				Repayment of short-term loan	7,278,500		
				Borrowing of long-term loan	15,441,800	Long-term loans payable	29,735,700
				Repayment of long-term loan	2,955,000		
				Finance-related fees (Note 2)	294,524	Prepaid expenses	121,723
						Long-term prepaid expenses	220,290
Interest expenses (Note 2)	88,063	Accrued expenses	1,504				

(Note 1) Consumption taxes, etc., are not included in transaction amounts, but are included in the balance at the end of the period.

(Note 2) The terms and conditions have been determined based on actual market conditions.

[Notes Related to Per Unit Information]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)		Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)	
Net assets per unit	JPY 41,665	Net assets per unit	JPY 43,090
Net income per unit	JPY 1,462	Net income per unit	JPY 1,639
Net income per unit is calculated by dividing net income for the period by the daily weighted average number of investment units issued and outstanding. Diluted net income per unit is not stated, as there are no diluted units.		Net income per unit is calculated by dividing net income for the period by the daily weighted average number of investment units issued and outstanding. Diluted net income per unit is not stated, as there are no diluted units.	

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

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)		Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)	
Net income for the period (JPY thousand)	8,913,742	Net income for the period (JPY thousand)	11,032,571
Amounts not attributable to common unitholders (JPY thousand)	-	Amounts not attributable to common unitholders (JPY thousand)	-
Net income attributable to common units (JPY thousand)	8,913,742	Net income attributable to common units (JPY thousand)	11,032,571
Average number of investment units during the period (units)	6,096,840	Average number of investment units during the period (units)	6,732,039

[Notes Related to Revenue Recognition]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)																																																				
<p>1. Breakdown of revenue from contracts with customers (Unit: JPY thousand)</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">Revenue from contracts with customers (Note 1)</th> <th style="text-align: center;">Net sales to external customers</th> </tr> </thead> <tbody> <tr> <td>Sale of real estate, etc.</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Other</td> <td style="text-align: center;">27,645</td> <td style="text-align: center;">15,914,981</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">27,645</td> <td style="text-align: center;">15,914,981</td> </tr> </tbody> </table> <p>(Note 1) Revenue from the leasing business subject to the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13), dividend income subject to the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10) and the sale of real estate, etc. subject to the "Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies" (Accounting System Committee Report No. 15 of the Japanese Institute of Certified Public Accountants) are not included in "Revenue from contracts with customers" as they are not covered by the Accounting Standard for Revenue Recognition. Major revenue from contracts with customers is proceeds from sale of real estate properties.</p> <p>2. Information utilized as the basis for understanding revenue from contracts with customers The information is as described in "Notes Concerning Significant Accounting Policies" above.</p> <p>3. Information on relationship of fulfillment of performance obligations based on contracts with customers with cashflow generated from said contracts as well as amount of revenue and period expected to be recognized in the next calculation period or thereafter from contracts with customers existing at the end of the previous fiscal period</p> <p>(1) Balance of contract assets and contract liabilities, etc. (Unit: JPY thousand)</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">Fiscal period ended June 30, 2023</th> </tr> </thead> <tbody> <tr> <td>Claims generated from contracts with customers (balance at the beginning of the period)</td> <td style="text-align: center;">4,231</td> </tr> <tr> <td>Claims generated from contracts with customers (balance at the end of the period)</td> <td style="text-align: center;">3,093</td> </tr> <tr> <td>Contract assets (balance at the beginning of the period)</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Contract assets (balance at the end of the period)</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Contract liabilities (balance at the beginning of the period)</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Contract liabilities (balance at the end of the period)</td> <td style="text-align: center;">-</td> </tr> </tbody> </table> <p>(2) Transaction value allocated to remaining performance obligations Not applicable</p>		Revenue from contracts with customers (Note 1)	Net sales to external customers	Sale of real estate, etc.	-	-	Other	27,645	15,914,981	Total	27,645	15,914,981		Fiscal period ended June 30, 2023	Claims generated from contracts with customers (balance at the beginning of the period)	4,231	Claims generated from contracts with customers (balance at the end of the period)	3,093	Contract assets (balance at the beginning of the period)	-	Contract assets (balance at the end of the period)	-	Contract liabilities (balance at the beginning of the period)	-	Contract liabilities (balance at the end of the period)	-	<p>1. Breakdown of revenue from contracts with customers (Unit: JPY thousand)</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">Revenue from contracts with customers (Note 1)</th> <th style="text-align: center;">Net sales to external customers</th> </tr> </thead> <tbody> <tr> <td>Sale of real estate, etc.</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Other</td> <td style="text-align: center;">28,370</td> <td style="text-align: center;">18,819,119</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">28,370</td> <td style="text-align: center;">18,819,119</td> </tr> </tbody> </table> <p>(Note 1) Revenue from the leasing business subject to the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13), dividend income subject to the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10) and the sale of real estate, etc. subject to the "Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies" (Accounting System Committee Report No. 15 of the Japanese Institute of Certified Public Accountants) are not included in "Revenue from contracts with customers" as they are not covered by the Accounting Standard for Revenue Recognition. Major revenue from contracts with customers is proceeds from sale of real estate properties.</p> <p>2. Information utilized as the basis for understanding revenue from contracts with customers The information is as described in "Notes Concerning Significant Accounting Policies" above.</p> <p>3. Information on relationship of fulfillment of performance obligations based on contracts with customers with cashflow generated from said contracts as well as amount of revenue and period expected to be recognized in the next calculation period or thereafter from contracts with customers existing at the end of the Reporting Period</p> <p>(1) Balance of contract assets and contract liabilities, etc. (Unit: JPY thousand)</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">Fiscal period ended December 31, 2023</th> </tr> </thead> <tbody> <tr> <td>Claims generated from contracts with customers (balance at the beginning of the period)</td> <td style="text-align: center;">3,093</td> </tr> <tr> <td>Claims generated from contracts with customers (balance at the end of the period)</td> <td style="text-align: center;">2,876</td> </tr> <tr> <td>Contract assets (balance at the beginning of the period)</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Contract assets (balance at the end of the period)</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Contract liabilities (balance at the beginning of the period)</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Contract liabilities (balance at the end of the period)</td> <td style="text-align: center;">-</td> </tr> </tbody> </table> <p>(2) Transaction value allocated to remaining performance obligations Not applicable</p>		Revenue from contracts with customers (Note 1)	Net sales to external customers	Sale of real estate, etc.	-	-	Other	28,370	18,819,119	Total	28,370	18,819,119		Fiscal period ended December 31, 2023	Claims generated from contracts with customers (balance at the beginning of the period)	3,093	Claims generated from contracts with customers (balance at the end of the period)	2,876	Contract assets (balance at the beginning of the period)	-	Contract assets (balance at the end of the period)	-	Contract liabilities (balance at the beginning of the period)	-	Contract liabilities (balance at the end of the period)	-
	Revenue from contracts with customers (Note 1)	Net sales to external customers																																																			
Sale of real estate, etc.	-	-																																																			
Other	27,645	15,914,981																																																			
Total	27,645	15,914,981																																																			
	Fiscal period ended June 30, 2023																																																				
Claims generated from contracts with customers (balance at the beginning of the period)	4,231																																																				
Claims generated from contracts with customers (balance at the end of the period)	3,093																																																				
Contract assets (balance at the beginning of the period)	-																																																				
Contract assets (balance at the end of the period)	-																																																				
Contract liabilities (balance at the beginning of the period)	-																																																				
Contract liabilities (balance at the end of the period)	-																																																				
	Revenue from contracts with customers (Note 1)	Net sales to external customers																																																			
Sale of real estate, etc.	-	-																																																			
Other	28,370	18,819,119																																																			
Total	28,370	18,819,119																																																			
	Fiscal period ended December 31, 2023																																																				
Claims generated from contracts with customers (balance at the beginning of the period)	3,093																																																				
Claims generated from contracts with customers (balance at the end of the period)	2,876																																																				
Contract assets (balance at the beginning of the period)	-																																																				
Contract assets (balance at the end of the period)	-																																																				
Contract liabilities (balance at the beginning of the period)	-																																																				
Contract liabilities (balance at the end of the period)	-																																																				

[Notes Related to Significant Subsequent Events]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
<p>1. Issuance of new investment units INV resolved at its meetings of the Board of Directors held on July 19, 2023 and July 25, 2023 respectively to conduct the issuance of new investment units and secondary offering of investment units. Payment for the new investment units issued through the public offering was completed on July 31, 2023, in accordance with the following terms and conditions. As a result, the unitholders' capital of INV is JPY 268,463 million and the number of investment units issued and outstanding of INV increased to 6,706,632.</p> <p>(1) Issuance of new investment units through public offering</p> <p>Number of investment units offered : 609,792 investment units</p> <p>Of which</p> <p>domestic public offering : 353,680 investment units</p> <p>overseas offering : 256,112 investment units</p> <p>Issue price (offer price) : JPY 55,566 per unit</p> <p>Total issue price (total offer price) : JPY 33,883,702,272</p> <p>Paid amount (issue value) : JPY 53,726 per unit</p> <p>Total paid amount (total issue value) : JPY 32,761,684,992</p> <p>Payment date : July 31, 2023</p> <p>(2) Secondary offering of investment units (over-allotment secondary offering)</p> <p>Number of Investment Units offered in the secondary offering : 30,489 investment units</p> <p>Offer price : JPY 55,566 per unit</p> <p>Total offer price : JPY 1,694,151,774</p> <p>Delivery date : August 1, 2023</p> <p>(3) Issuance of new investment units through third-party allotment (Note 1)</p> <p>Number of investment units offered : 30,489 investment units</p> <p>Amount to be paid (issue value) : JPY 53,726 per unit</p> <p>Total paid amount (total issue value) : JPY 1,638,052,014</p> <p>Payment date : August 28, 2023</p> <p>Allottee : Mizuho Securities Co., Ltd.</p> <p>(Note 1) In relation to the over-allotment secondary offering, the investment units will be issued for the purpose of allowing Mizuho Securities Co., Ltd. to acquire investment units required for returning the borrowed investment units. Consequently, there may be cases where there will be no application for whole or part of the</p>	Not applicable

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
<p>investment units to be issued through the third-party allotment, resulting in a commensurate shortfall in the ultimate number of investment units to be issued through the third-party allotment, due to forfeiture, or there may be cases where such issuance itself will not take place at all.</p> <p>2. Debt Financing In order to fund a portion of the acquisition price for six hotel properties (domestic real estate trust beneficiary interests) acquired on August 1, 2023, INV resolved the following debt financing at a meeting of the Board of Directors held on July 19, 2023, and entered into a loan agreement on the same day.</p> <p>New Syndicate Loan (010)</p> <p>Lender : Syndicate of lenders arranged by Mizuho Bank, Ltd.</p> <p>Outstanding balance : JPY 29,856 million</p> <p>Interest rate, etc. : Base Rate (3-month JPY TIBOR) + 0.500%, 0.300% Base Rate (1-month JPY TIBOR) + 0.200%</p> <p>Interest payment date : The last Japanese business day of March, June, September, and December before the principal maturity date, beginning with September 30, 2023, and the principal maturity date The last Japanese business day of each month before the principal maturity date, beginning with August 31, 2023, and the principal maturity date</p> <p>Principal repayment method : Lump-sum repayment</p> <p>Borrowing method : Unsecured/ non-guarantee</p> <p>Borrowing date : August 1, 2023</p> <p>Maturity date : July 14, 2028, July 16, 2026, August 1, 2024</p> <p>3. Acquisition of assets (properties) INV resolved acquisition of the following six hotel properties (total acquisition price: JPY 57,230 million) on July 19, 2023 and completed the acquisition on August 1, 2023.</p> <p>Property Number: D84 Fusaki Beach Resort Hotel & Villas</p> <p>Acquisition Date : August 1, 2023</p> <p>Acquisition Price (Note 1) : JPY 40,293 million</p> <p>Location : Ishigaki-shi, Okinawa</p>	

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
<p>Completion Date : June 1982 June 2019 March 2020</p> <p>Legal Form of Asset : Trust beneficiary interest</p> <p>Seller : Sheffield Asset Tokutei Mokuteki Kaisha</p> <p>Total Floor Area : 23,573.57 m²</p> <p>Total Leasable Area : 23,573.57 m²</p> <p>Property Number: D85 Tateshina Grand Hotel Takinoyu</p> <p>Acquisition Date : August 1, 2023</p> <p>Acquisition Price (Note 1) : JPY 8,365 million</p> <p>Location : Chino-shi, Nagano</p> <p>Completion Date : August 1966 July 1967 July 1988</p> <p>Legal Form of Asset : Trust beneficiary interest</p> <p>Seller : Heijo Tokutei Mokuteki Kaisha</p> <p>Total Floor Area : 20,577.41 m²</p> <p>Total Leasable Area : 20,577.41 m²</p> <p>Property Number: D86 Hotel MyStays Okayama</p> <p>Acquisition Date : August 1, 2023</p> <p>Acquisition Price (Note 1) : JPY 2,613 million</p> <p>Location : Okayama-shi, Okayama</p> <p>Completion Date : March 1986</p> <p>Legal Form of Asset : Trust beneficiary interest</p> <p>Seller : Nippori Tokutei Mokuteki Kaisha</p> <p>Total Floor Area : 3,023.27 m²</p> <p>Total Leasable Area : 3,023.27 m²</p> <p>Property Number: D87 Hotel MyStays Aomori Station</p> <p>Acquisition Date : August 1, 2023</p> <p>Acquisition Price (Note 1) : JPY 2,445 million</p> <p>Location : Aomori-shi, Aomori</p> <p>Completion Date : June 2007</p> <p>Legal Form of Asset : Trust beneficiary interest</p> <p>Seller : Shiretoko Tokutei Mokuteki Kaisha</p> <p>Total Floor Area : 3,963.86 m²</p> <p>Total Leasable Area : 3,963.86 m²</p> <p>Property Number: D88 Hotel MyStays Soga</p> <p>Acquisition Date : August 1, 2023</p> <p>Acquisition Price (Note 1) : JPY 2,039 million</p>	

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
Location : Chiba-shi, Chiba Completion Date : February 1994 Legal Form of Asset : Trust beneficiary interest Seller : Nippori Tokutei Mokuteki Kaisha Total Floor Area : 3,398.18 m ² Total Leasable Area : 3,398.18 m ² Property Number: D89 Tazawako Lake Resort & Onsen Acquisition Date : August 1, 2023 Acquisition Price (Note 1) : JPY 1,475 million Location : Senboku-shi, Akita Completion Date : December 1981 November 1988 Legal Form of Asset : Trust beneficiary interest Seller : Heijo Tokutei Mokuteki Kaisha Total Floor Area : 7,289.75 m ² Total Leasable Area : 7,289.75 m ² (Note 1) Acquisition price is based on the purchase price indicated in the relevant purchase agreement and does not include acquisition-related expenses, property taxes, city planning taxes or consumption taxes.	

[Notes Related to Provision and Reversal of Allowance for Temporary Differences Adjustment]

(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
Not applicable	Not applicable

VI. Statement of Cash Distribution

	(Reference) Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
I. Unappropriated retained earnings	JPY 17,583,734,499	JPY 19,690,532,049
II. Distributions (Distribution per unit)	JPY 8,925,773,760 (JPY 1,464)	JPY 11,048,878,440 (JPY 1,640)
III. Retained earnings (deficit) carried forward	JPY 8,657,960,739	JPY 8,641,653,609
Calculation method of distribution amount	In accordance with the distribution policy set forth in Article 17, Paragraph 1 of the Articles of Incorporation of INV, the distribution amount shall be the amount which does not exceed the amount of profits but exceeds 90% of the distributable income as defined in Article 67-15 of the Special Taxation Measures Act. However, in the event that any tax losses arise, or if no profits have been recorded for tax purposes due to tax losses carried forward, the distribution amount may be as reasonably determined by INV. Pursuant to this policy, INV determined the distribution amount to be JPY 8,925,773,760 which is a total of net income of JPY 8,913,742,601 and retained earnings carried forward of JPY 12,031,159.	In accordance with the distribution policy set forth in Article 17, Paragraph 1 of the Articles of Incorporation of INV, the distribution amount shall be the amount which does not exceed the amount of profits but exceeds 90% of the distributable income as defined in Article 67-15 of the Special Taxation Measures Act. However, in the event that any tax losses arise, or if no profits have been recorded for tax purposes due to tax losses carried forward, the distribution amount may be as reasonably determined by INV. Pursuant to this policy, INV determined the distribution amount to be JPY 11,048,878,440 which is a total of net income of JPY 11,032,571,310 and retained earnings carried forward of JPY 16,307,130.

Note

Accompanying English financial information, comprising Balance Sheet, Statement of Income and Retained Earnings, Statement of Changes in Net Assets, Notes to financial statements and Statement of Cash Distribution, have been translated from the Japanese financial statements of INV prepared in accordance with the Act on Investment Trusts and Investment Corporations of Japan. Under Article 130 of the Act on Investment Trusts and Investment Corporations of Japan, the Japanese financial statements for the six months ended December 31, 2023 have been audited by Ernst & Young ShinNihon LLC, in accordance with auditing standards generally accepted in Japan. However, English translation of the Japanese language report of independent auditors is not attached herein since the accompanying English translation of Balance Sheet, Statement of Income and Retained Earnings, Statements of Changes in Net Assets, Notes to financial statements and Statement of Cash Distribution is unaudited.

Regarding the English audited financial statements, please refer to the “Audited Financial Statements” on the website of Invincible Investment Corporation: <https://www.invincible-inv.co.jp/en/ir/library.html>

VII. Statement of Cash Flows (Reference Information)

	(Unit: JPY thousand)	
	Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
Cash flows from operating activities		
Net income before taxes	8,914,347	11,033,176
Depreciation and amortization	3,746,513	4,217,991
Investment unit issuance costs	-	152,379
Amortization of investment corporation bond issuance costs	7,053	10,839
Loan-related costs	538,693	620,370
Interest income	(100)	(138)
Interest expenses	541,482	666,231
Foreign exchange losses (gains)	(90)	23
Loss (gain) of derivatives	537,269	30,078
Decrease (increase) in rental receivables	(905,138)	916,217
Decrease (Increase) in deposits paid	1,160,368	(1,433,237)
Decrease (increase) in receivable income taxes	(1)	(5)
Decrease (increase) in consumption taxes receivable	-	(3,038,267)
Increase (decrease) in accounts payable	13,731	(3,446)
Increase (decrease) in consumption taxes payable	51,048	-
Increase (decrease) in accrued expenses	(19,097)	8,353
Increase (decrease) in advances received	(11,435)	(238)
Increase (decrease) in deposits received	(1,827)	43,443
Others, net	(250,984)	193,803
Subtotal	14,321,833	13,417,575
Interest income received	100	138
Interest expenses paid	(538,660)	(643,780)
Income taxes paid	(605)	(605)
Net cash provided by operating activities	13,782,668	12,773,327
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	2,000,000	800,000
Purchases of property and equipment	(62,318)	(122,052)
Purchases of property and equipment in trust	(965,159)	(55,967,444)
Purchases of leasehold rights in trust	-	(3,055,022)
Repayments of tenant leasehold and security deposits in trust	(30,246)	(33,591)
Proceeds from tenant leasehold and security deposits in trust	28,873	40,318
Payment of tenant leasehold and security deposits	-	(9,640)
Others	(46,500)	(95,410)
Net cash used in investing activities	924,648	(58,442,843)

Cash flows from financing activities		
Proceeds from short-term loans payable	27,660,000	11,899,000
Repayments of short-term loans payable	(30,722,000)	(86,832,000)
Proceeds from long-term loans payable	12,317,000	129,686,000
Repayments of long-term loans payable	(16,062,000)	(26,343,000)
Proceeds from issuance of investment corporation bonds	6,163,101	3,470,368
Redemption of investment corporation bonds	(1,000,000)	(2,000,000)
Borrowing related expenses	(473,134)	(2,684,150)
Payment of distributions of earnings	(5,070,967)	(8,922,722)
Proceeds from issuance of investment units	-	34,247,357
Net cash provided by (used in) financing activities	(7,188,001)	52,520,852
Effect of exchange rate change on cash and cash equivalents	90	(23)
Net increase (decrease) in cash and cash equivalents	7,519,406	6,851,312
Cash and cash equivalents at beginning of period	20,521,796	28,041,202
Cash and cash equivalents at end of period	*1 28,041,202	34,892,514

(Note) Statement of cash flows is prepared based on the Regulation on the Terminology, Forms, and Preparation Methods of Financial Statements (Ministry of Finance Order No. 59 of 1963, as amended) and attached as reference. This statement of cash flows is not subject to audit by an auditor pursuant to the Article 130 of the Investment Trust Act, and thus has not been audited by an auditor.

[Notes Concerning Significant Accounting Policies] (Reference Information)

Item \ By Period	Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
Cash and cash equivalents as stated in Statement of Cash Flows	Cash and cash equivalents as stated in the Statement of Cash Flows consist of cash on hand and cash in trust, floating deposits, deposits in trust and short-term investments that are very liquid and realizable with a maturity of three months or less when purchased and that are subject to insignificant risks of changes in value.	Cash and cash equivalents as stated in the Statement of Cash Flows consist of cash on hand and cash in trust, floating deposits, deposits in trust and short-term investments that are very liquid and realizable with a maturity of three months or less when purchased and that are subject to insignificant risks of changes in value.

[Notes to Statement of Cash Flows] (Reference Information)

Item \ By Period	Fiscal period ended June 30, 2023 (from January 1, 2023 to June 30, 2023)	Fiscal period ended December 31, 2023 (from July 1, 2023 to December 31, 2023)
*1. Relationship between cash and cash equivalents in Statement of Cash Flows and amounts in accompanying balance sheet	(As of June 30, 2023) (Unit: JPY thousand)	(As of December 31, 2023) (Unit: JPY thousand)
	Cash and bank deposits 18,377,030	Cash and bank deposits 21,956,120
	Cash and bank deposits in trust 10,464,171	Cash and bank deposits in trust 12,936,394
	Time deposits with over three months deposit period (800,000)	Cash and cash equivalents 34,892,514
	Cash and cash equivalents 28,041,202	

“My Number” is issued to all citizens and residents of Japan and is necessary for taxation purposes on investment units. Thus, it is necessary for unitholders to notify their brokerage with their “My Number.”

Usage of “My Number” in investment units-related affairs

“My Number” is recorded on the payment record and the payment record is filed with the relevant tax authority pursuant to laws and regulations.

Major payment record	*Payment record regarding cash distribution
----------------------	---

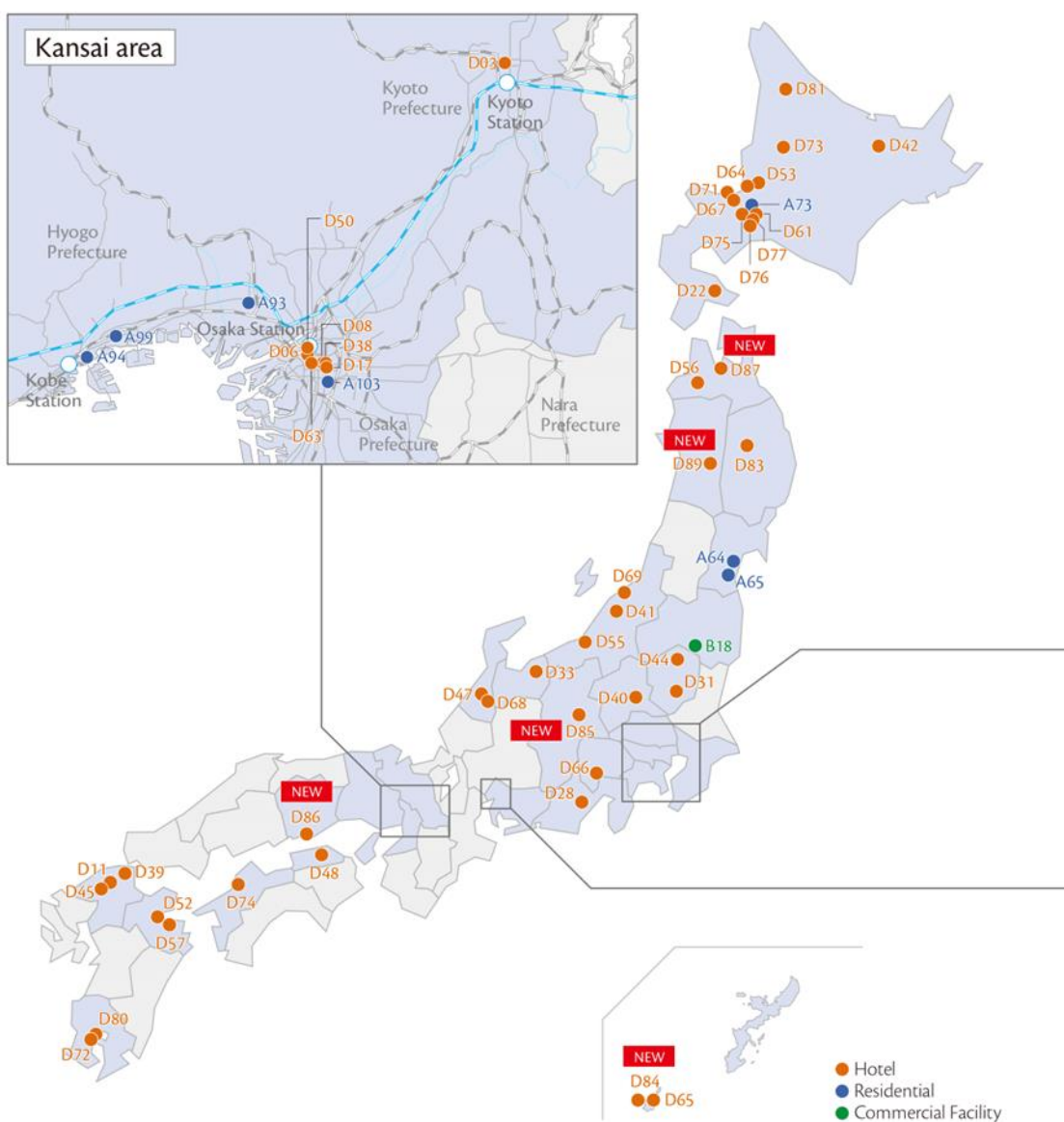
Usage of “My Number” also includes taxation-related procedures on investment units. It is necessary for unitholders to notify your “My Number” to your brokerage, etc.

Inquiries regarding notifying “My Number”

- Unitholders whose investment units are managed in brokerage accounts
Each brokerage
- Unitholders who have no brokerage account
Transfer Agent Department, Sumitomo Mitsui Trust Bank, Limited
Toll-free Telephone Number 0120-782-031

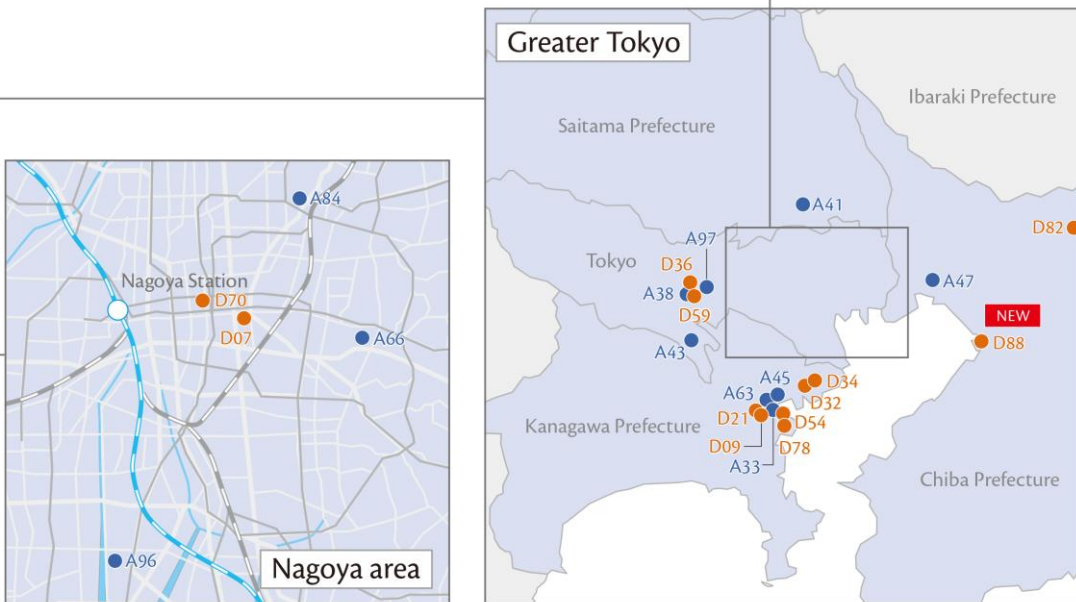
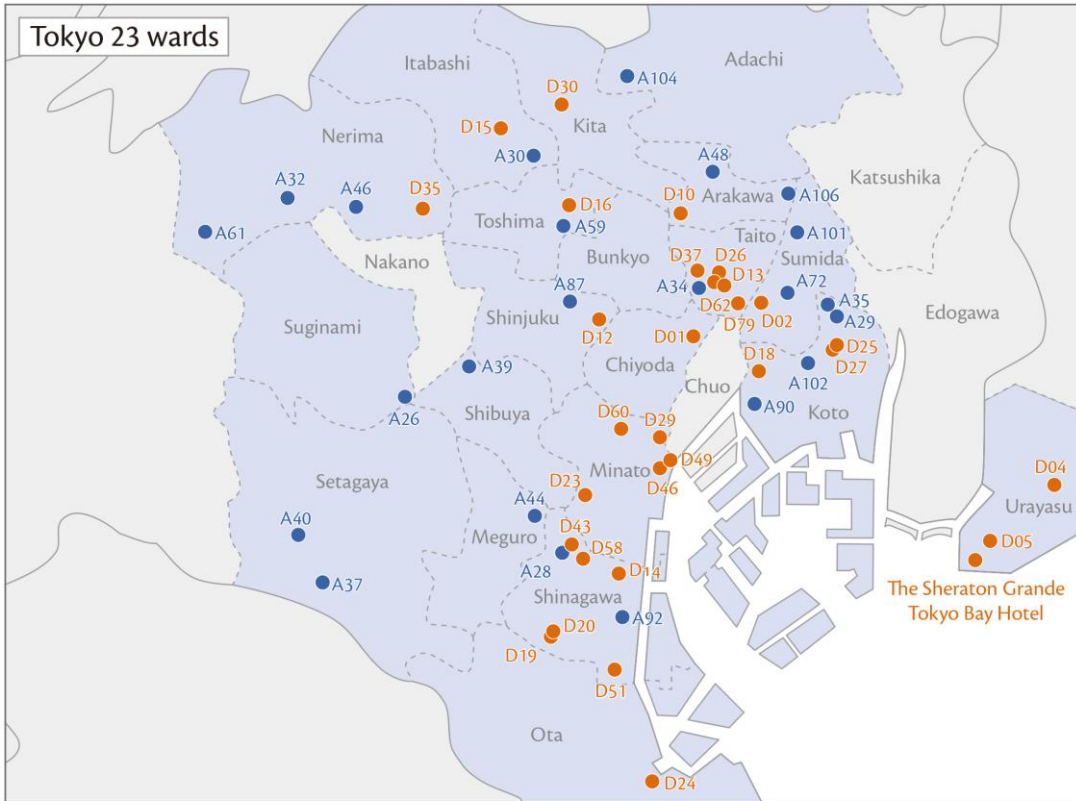
Domestic Portfolio Map (As of February 29, 2024)

No. of Properties (Note 1)	No. of Hotels (Note 1)	No. of Residential Properties	Others
134	92	41	1



(Note 1) Including Sheraton Grande Tokyo Bay Hotel, underlying assets of TMK investment.

(Note 2) For properties corresponding to the number and their overview, please refer to pages 30-36.



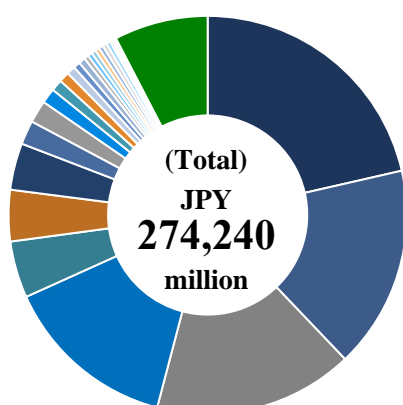
Financial Conditions

INV promoted extension of borrowing periods and diversification of maturity dates in addition to the issuance of the first green bond. Furthermore, INV significantly improved its financial stability through effort to considerably increase its ratio of fixed interest rates.

Investment Corporation Bonds (as of February 29, 2024)

Bonds name	Issued Date	Term (years)	Balance (JPY mn)	Annual Interest Rate	Rating
2nd Series Investment Corporation Bonds	May 25, 2018	10.0	1,000	0.80%	A (JCR)
4th Series Investment Corporation Bonds	Oct. 28, 2019	5.0	1,000	0.48%	A (JCR)
5th Series Investment Corporation Bonds	Oct. 28, 2019	10.0	2,000	0.90%	A (JCR)
6th Series Investment Corporation Bonds	Mar. 13, 2020	10.0	1,200	0.85%	A (JCR)
7th Series Investment Corporation Bonds	May 25, 2023	3.0	5,000	1.00%	A (JCR)
8th Series Investment Corporation Bonds	May 25, 2023	5.0	1,200	1.20%	A (JCR)
9th Series Investment Corporation Bonds (green bonds)	Sep. 21, 2023	5.0	1,700	1.20%	A (JCR)
10th Series Investment Corporation Bonds (green bonds)	Dec. 14, 2023	5.0	1,800	1.297%	A (JCR)
11th Series Investment Corporation Bonds (retail bonds)	Feb. 9, 2024	5.0	6,000	1.470%	A (JCR)
Total			20,900		

Lender Formation (as of February 29, 2024)

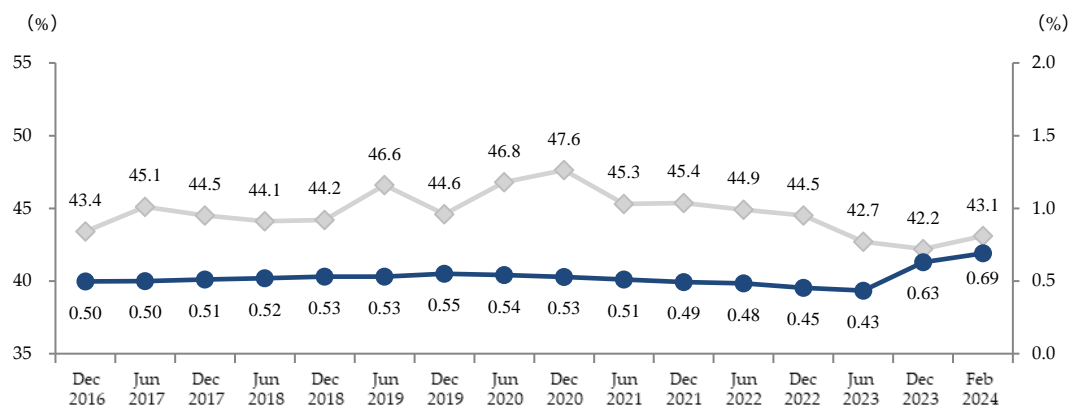


Mizuho Bank	21.4%	Citibank	0.5%
MUFG	16.5%	Fukuoka Bank	0.5%
SMBC	16.2%	Ogaki Kyoritsu Bank	0.4%
SMTB	14.2%	The Chiba Bank	0.4%
SBI Shinsei Bank	4.6%	Kiraboshi Bank	0.4%
DBJ	4.2%	Momiji Bank	0.4%
Tokyo Star Bank	3.8%	Yamaguchi Bank	0.4%
Aozora Bank	1.9%	The Chukyo Bank	0.4%
Resona Bank	1.8%	Aeon Bank	0.3%
San ju San Bank	1.2%	Kagawa Bank	0.2%
Nomura TB	0.9%	Tochigi Bank	0.2%
Shizuoka Bank	0.8%	Kiyo Bank	0.2%
Nishi-Nippon City Bank	0.7%	REIT Bond	7.6%

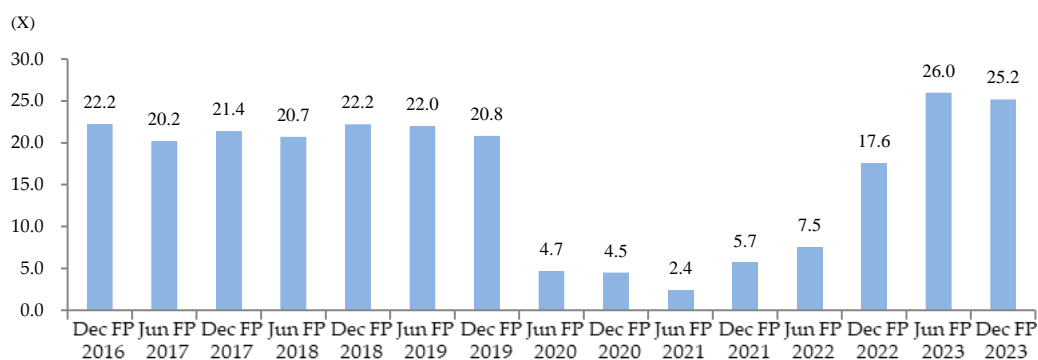
Rating (as of February 29, 2024)

Rating Agency	Rating Object	Rating	Outlook
Japan Credit Rating Agency, Ltd.	Long-term Issuer Rating	A	Stable

■ LTV (based on appraisal value)^(Note 1) and Weighted Average Interest Rate^(Note 2)



■ DSCR^(Note 3)



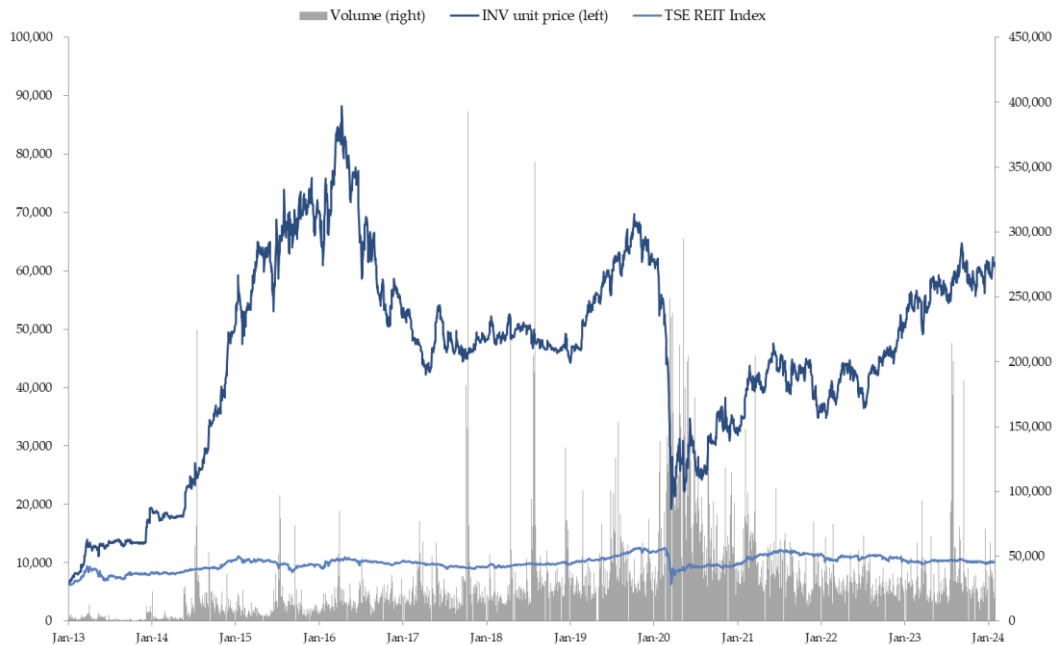
(Note 1) Calculated by the following formula: (Interest-bearing debts at the end of the relevant fiscal period, excluding short-term consumption tax loan) / (Total appraisal value as of the end of the same period). For the preferred equity interest in the TMK which holds Sheraton Grande Tokyo Bay Hotel as an underlying asset, the acquisition price (INV's investment amount) of such preferred equity interest is deemed as the appraisal value and included. For the Overseas Real Estate TK Interest the underlying assets of which are "The Westin Grand Cayman Seven Mile Beach Resort & Spa" and "Sunshine Suites Resort", the acquisition price (INV's TK investment amount) of such TK interest is deemed as the appraisal value and included regarding the calculation for "Dec. 2018". Regarding "Jun. 2019" onward, calculation is based on the appraisal value as of the end of each fiscal period. USD is converted into JPY amount via the forward exchange rate of USD 1=JPY 110.45 based on the foreign exchange forward contract entered into on July 26, 2018.

(Note 2) Calculated by the following formula: (Total loan amount outstanding at the relevant time multiplied by applicable interest rate at the relevant time for each loans) / (The loan amount outstanding at the end of each fiscal period).

(Note 3) DSCR is calculated by dividing (i) by (ii) for the relevant period; (i) operating income, as adjusted for depreciation expenses from property rental business and any loss (gain) on sales of property (ii) scheduled prepayments of loans payable, interest expenses,. Excluded the temporal increase of income due to the change of investment structure regarding overseas assets for the calculation of June 2019 fiscal period.

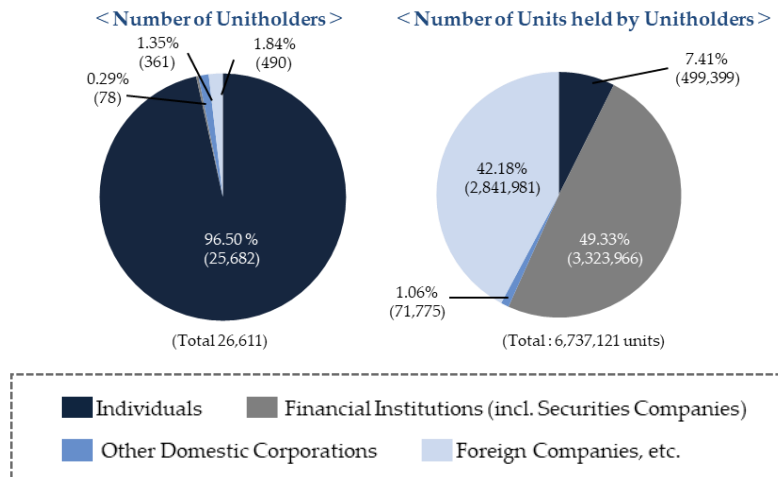
Overview of Unitholders/Investment Units

Historical Unit Price

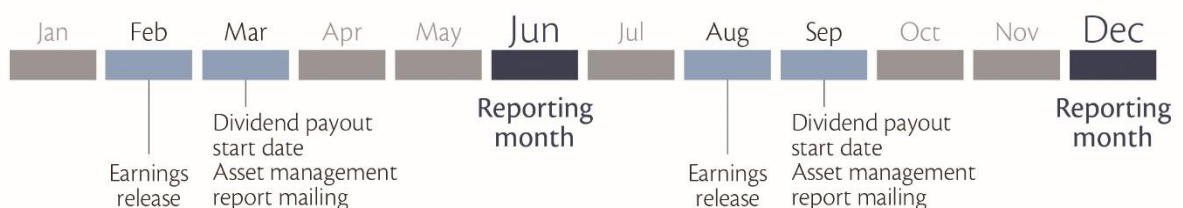


(Note) Unit prices indicate the closing price on the TSE market. TSE REIT Index has been indexed, assuming the closing price of TSE REIT Index as of January 4, 2013, as the same as the closing price of INV's unit on the same day.

Distribution of Unitholders



Annual Schedule



Information for Unitholders

For Unitholders

Investors' Registry Administrator	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo
Special Account Management Institution	<Unitholders of the former Tokyo Growth REIT Investment Inc.> Mitsubishi UFJ Trust and Banking Corporation 1-4-5, Marunouchi, Chiyoda-ku, Tokyo <Unitholders of the former LCP Investment Corporation> Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo
Correspondence	Transfer Agent Department, Sumitomo Mitsui Trust Bank, Limited 2-8-4, Izumi, Suginami-ku, Tokyo, 168-0063
(Telephone Assistance)	Toll-free Telephone Number 0120-782-031 Administrative services are available at the main and branch offices throughout Japan of Sumitomo Mitsui Trust Bank, Limited

Notification Process for Address Changes

Please notify your brokerage (financial instruments business operator) regarding changes to addresses, names, registered seals, and the like. Unitholders who have special accounts instead of brokerage accounts should contact the transfer account management institution (financial instruments business operator) below.

Unitholders of the pre-merger Investment Corporation (former Tokyo Growth REIT Investment Inc.)
Mitsubishi UFJ Trust and Banking Corporation Toll-free Number: 0120-255-100

Unitholders of the former LCP Investment Corporation
Sumitomo Mitsui Trust Bank, Limited Toll-free Number: 0120-782-031

Dividends

Unitholders may collect "dividends" by submitting the "Dividends Receipt" at your local Japan Post Bank or at the deposit teller of a post office. In the case that the collection period has past, designate a collection method on the back of the "Dividends Receipt," and either mail the receipt to the Transfer Agent Department of the Sumitomo Mitsui Trust Bank, Limited or collect from a branch teller.

(Bank Transfers)

Should you desire to specify bank transfers for future dividends, please notify your brokerage (financial instruments business operator).

(Note) Please collect dividends within 3 years of distribution. Please note that payments cannot be made after 3 years due to the rules and regulations of the Articles of Incorporation of the Investment Corporation.

■ Notification

(Notice of Dividend Payment)

The 2008 amendment of the Special Taxation Measures Law (Act No. 23 of April 30, 2008) mandated the sending to unitholders a “Notice of Dividend Payment” stating the dividend amount, amount of taxes withheld, and the like for dividends payable in and after January 2009. If you collect dividends via a “Dividends Receipt,” please view the “Notice of Dividend Payment” sent alongside it. If you have specified a wire transfer, the “Dividend Statement” delivered with the dividend payment is the “Notice of Dividend Payment.”

(Characters for Addresses and Names of Unitholders)

With the digitization of investment securities, if there are Chinese characters in your address or names that the Japan Securities Depository Center (JASDEC) has not included in the transfer system, JASDEC registers them in the Investors’ Registry by converting part or all of the characters to those that JASDEC has included in the transfer system or to katakana. Please be aware that correspondence may be addressed using characters that JASDEC has included in the transfer system. Please inquire with your brokerage regarding characters registered for your address and name.

■ Inquiries

For inquiries regarding INV: Consonant Investment Management Co., Ltd.

TEL: 03-5411-2731 (Main)

Weekdays 9:00-17:00