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## **Invincible Investment Corporation**

## **Asset Management Report**

Fiscal Period ended December 31, 2024 (July 1, 2024 to December 31, 2024)

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

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 43rd fiscal period (from July 1, 2024 to December 31, 2024) (the "Reporting Period").

In the Reporting Period, the domestic hotels achieved steady growth compared to the previous year due to stable domestic demand coupled with the recovery and growth in inbound demand. As for the Cayman hotels, there was a temporary downturn in performance due to the partial sales stoppage resulting from the large-scale renovation work at Sunshine Suites Resort, but demand remained strong.

Under such circumstances, INV implemented a global public offering for the second consecutive year to acquire 12 domestic hotels, including the full-service hotel "Art Hotel Osaka Bay Tower & Solaniwa Onsen", further expanding and enriching its hotel portfolio, which is the largest among J-REITs. Furthermore, in October 2024, Fusaki Beach Resort Hotel & Villas, one of INV's flagship hotels, won a total of six awards for "World Luxury Hotel Awards 2024", an internationally recognized award which is considered as the "Academy Awards of the hotel industry", including three "World Luxury Hotel Awards" in the hotel category, and three awards for "World Luxury Spa Awards 2024" for its SPA "Fusaki Spa". We believe that the hotel's high quality of service and diverse facilities were highly evaluated, leading to the award, and we look forward to welcoming our unitholders to this hotel.

On the financing side, we worked to manage our finances by keeping a close eye on interest rate trends, and we extended the terms of the loans and diversified repayment dates. At the same time, we raised the ratio of fixed interest rates by implementing interest rate swap transactions and borrowing at fixed interest rates as a precaution against the risk of rising interest rates.

As a result, INV announced a distribution per unit of JPY 1,982 by recording operating revenues of JPY 25,555 million, operating income of JPY 17,751 million, and net income of JPY 15,138 million in the Reporting Period. The distribution per unit ("DPU") exceeded the result for the June 2024 fiscal period and is the highest DPU since February 2010 when the corporate name changed to Invincible Investment Corporation.

The current environment will continue to require us to deal with rising costs, including interest rates, but we aim to further increase DPU by working diligently to capture demand for banquets and meetings which have recovered significantly after the COVID-19 pandemic, and inbound demand in regional areas, as well as by making asset acquisitions and strategic investments such as renovations of domestic and overseas hotels.

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, 2022 to December 31, 2022	Period from January 1, 2023 to June 30, 2023	Period from July 1, 2023 to December 31, 2023	Period from January 1, 2024 to June 30, 2024	Period from July 1, 2024 to December 31, 2024
Operating Revenues (JPY million)	11,929	15,914	18,819	21,136	25,555
Ordinary Income (JPY million)	5,075	8,914	11,033	12,901	15,138
Net Income (JPY million)	5,075	8,913	11,032	12,900	15,138
Net Assets (JPY million)	250,321	254,024	290,305	292,766	351,388
Total Assets (JPY million)	494,237	496,819	563,393	569,016	680,004
Net Assets per Unit (JPY)	41,058	41,665	43,090	43,455	45,954
Net Assets/Total Assets (%)	50.6	51.1	51.5	51.5	51. <i>7</i>
Distribution per Unit (JPY)	832	1,464	1,640	1,917	1,982
Number of Units Issued (Unit)	6,096,840	6,096,840	6,737,121	6,737,121	7,646,453

# Distribution per unit for the 43rd fiscal period (the fiscal period ended December 2024)

JPY 1,982

(Note) The forward-looking statements, forecasts and goals described in this report are based on available information, assumptions and estimates as of February 28, 2025. 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.

## Improvement of Asset Value through Renovation

INV implements renovation of guest rooms, banquet rooms and restaurants, etc. to maintain and strengthen competitiveness of hotels in order to further increase profitability of portfolio.

## ♦ Hotel MyStays Nippori

Background

- A limited service hotel within a 4-minite walk from JR Nippori Station
- Though renovated in 2011, its competitiveness has declined due to deterioration from aging and new hotels opened in the neighborhood
- The renovations are being carried out to improve customer satisfaction by updating the facilities and to meet the increased demand for multiple guests due to the increase in inbound demand

Main Work

- · Renew interior and furnishings of guest rooms and common areas
  - Replace semi-double beds with bunk beds or double beds
- Renew exterior and signage
- Make all rooms smoke-free

Renovation Period

September 2024 – February 2025

Return

Expected ROI: 24.9%

- CAPEX: JPY 419 million
- GOP Increase: JPY 104 million per year (+79.1% compared to pre-renovation)

After Renovation Guest Room (bunk bed)



Guest Room (double bed)



## Art Hotel Niigata Station

Background

- A full service hotel directly connected to JR Niigata Station with large banquet halls which are rare in the area
- The guest rooms, banquet halls, and restaurant were last renovated in 2007. Due to aging, some aspects, such as the bathrooms, have received lower evaluations from guests compared to nearby competitors
- Renovations will be done to maintain and strengthen competitiveness

Main Work

- · Renew interior and furnishings of guest rooms, banquet halls, and restaurant
- Change the layout of the restaurant (increase the seat capacity from 119 to 132)
- Make two of the existing three smoking floors smoke-free

Renovation Period

January 2025 – July 2025 (scheduled)

Return

Expected ROI: 17.0%

- CAPEX: JPY 651 million
- GOP increase: JPY 110 million per year (+20.2% compared to pre-renovation)

After

Renovation Guest Room<sup>1</sup>



Banquet Hall<sup>1</sup>



(Note 1) Rendering

## **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.

## 2024 GRESB Real Estate Assessment<sup>1</sup>

In the 2024 GRESB Real Estate Assessment, INV received a "3-Star" GRESB Rating, which is based on overall GRESB scores and its quintile position among participants, for the second consecutive year. 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 for the fourth consecutive year. We will consider preparations for acquiring evaluation by other external organizations, such as green building certification, to strengthen our ESG initiatives.

(Note 1) GRESB is an annual benchmarking assessment to measure ESG (Environmental, Social, and Governance) integration of real estate companies and funds. The GRESB Real Estate Assessment is characterized by evaluating sustainability initiatives of real estate companies, REITs, and real estate funds, rather than targeting individual real estate. The GRESB rating is a relative evaluation based on the overall score, with the highest rating being 5-star

## **Green Finance**

Executed refinance with green loan in October 2024 and January 2025 (total: JPY 12,457 million), bringing the total amount of outstanding green finance to JPY 25,956 million.

< Total amount of green fina	ance > As of Feb. 26, 2025
	(JPY million)
Green finance	25,956
Green bonds	3,500
Green loans	22,456

## External Certifications (total 22 properties)

BELS<sup>2</sup> Certification (total 19 properties) \*Funds procured by green finance are used for the properties in bold font in below tables

****	Hotel MyStays Premier Akasaka, Hotel MyStays Fukuoka Tenjin, Hotel MyStays Yokohama Kannai, Hotel MyStays Oita, Hotel MyStays Haneda, Hotel MyStays Matsuyama
***	Hotel MyStays Premier Kanazawa, Hotel MyStays Sapporo Station, Hotel MyStays Fuji Onsen Resort, Hotel MyStays Kanda, Hotel MyStays Aomori Station
***	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



#### CASBEE Certification for Buildings and Certification for CASBEE for Real Estate (total 8 properties)

CASBEE Certification for Buildings					
Rank A	Hotel MyStays Premier Akasaka				
Rank B+	Hotel MyStays Premier Kanazawa, <b>Hotel Epinard Nasu</b> , Hotel MyStays Yokohama Kannai				
Rank B-	Hotel MyStays Sapporo Station				

	Certification for CASBEE for Real Estate				
Rank A	<b>Royal Parks Momozaka</b> , Royal Parks Shinden, Royal Parks Seasir Minami-Senju				



(Note 2) 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. The evaluation result is rated on a five-star scale based on energy conservation performance (from one star "\*" to five stars "\*\*\*\*\*\*", with five stars meaning the highest energy conservation performance. Also, two stars or more represent that the building meets the existing energy conservation standard (Note 3) 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 environmental practices including use of materials and equipment that save energy or achieve smaller environmental loads. CASBEE Certification for Buildings (Existing Buildings) scores buildings based on the environmental quality and the environmental load reduction of buildings that are at least one year old after completion. Assessment results by CASBEE are indicated on a scale with the following five ranks: Rank S "\*\*\*\*, Rank B "\*\*\*, Rank B "\*\*\*, Rank B "\*\*\*\*, Rank B "\*\*\*\*, Rank B "\*\*\*, and Rank C "\*\*\*\*.

## **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.

### Overview of the Unitholder Benefit Program(Note 1)

Overview of the Official Frogram					
Applicable Hotels	<ul> <li>Sheraton Grande Tokyo Bay Hotel</li> <li>All hotels managed by MyStays (Note 2)</li> </ul>				
Eligible Unitholders	All Unitholders whose names are recorded on Invincible's Unitholders' Registry as of the relevant record dates:  *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				
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> <li>Sheraton Grande Tokyo Bay Hotel</li> <li>Reservation via phone or Email</li> <li>All MyStays hotels and Kamenoi Hotels</li> <li>Reservation via official website</li> </ul>				
Available Period	From April 1 to November 30 (eligible unitholders as of December 31)				
(Note 3)	From October 1 to May 31 (eligible unitholders as of June 30)				



















- (Note 1) The details of the unitholder benefit program described above are as planned by Invincible as of February 28, 2025, and the program may be changed or abolished even after it is 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		39th fiscal period	40th fiscal period	41st fiscal period	42nd fiscal period	43rd fiscal period	
Reporting period		Jul. 1, 2022 to Dec. 31, 2022	Jan. 1, 2023 to Jun. 30, 2023	Jul. 1, 2023 to Dec. 31, 2023	Jan. 1, 2024 to Jun. 30, 2024	Jul. 1, 2024 to Dec. 31, 2024	
	Operating revenue	(JPY thousand)	11,929,599	15,914,981	18,819,119	21,136,007	25,555,158
	(Rental revenue – real estate)	(JPY thousand)	(10,182,751)	(12,000,955)	(16,696,076)	(14,933,032)	(23,205,026)
Opera	Operating expenses	(JPY thousand)	5,672,588	5,558,241	6,230,207	6,500,276	7,803,491
Operating Results	(Property-related expenses)	(JPY thousand)	(4,606,538)	(4,488,341)	(5,096,717)	(5,107,042)	(6,325,294)
Results	Operating income (loss)	(JPY thousand)	6,257,011	10,356,739	12,588,912	14,635,731	17,751,667
3.	Ordinary income (loss)	(JPY thousand)	5,075,941	8,914,347	11,033,176	12,901,166	15,138,810
	Net income (loss)	(JPY thousand)	5,075,336	8,913,742	11,032,571	12,900,561	15,138,205
	Total assets (change from last period)	(a) (JPY thousand) (%)	494,237,781 (0.8)	496,819,930 (0.5)	563,393,061 (13.4)	569,016,514 (1.0)	680,004,964 (19.5)
As	Interest-bearing debt	(JPY thousand)	240,797,000	239,190,000	269,100,000	271,154,000	323,197,000
Assets	Net assets (change from last period)	(b) (JPY thousand) (%)	250,321,091 (1.7)	254,024,091 (1.5)	290,305,021 (14.3)	292,766,734 (0.8)	351,388,558 (20.0)
	Unitholders' capital	(JPY thousand)	235,701,512	235,701,512	270,101,249	270,101,249	326,079,727
Dividend Status	Total distributions	(c) (JPY thousand)	5,072,570	8,925,773	11,048,878	12,915,060	15,155,269
dend tus	Dividend payout ratio	(Note 1) (%)	99.9	100.1	100.1	100.1	100.1
Info	Number of investment units issued and outstanding	(d) (Units)	6,096,840	6,096,840	6,737,121	6,737,121	7,646,453
ormati	Net assets per unit	(b) / (d) (JPY)	41,058	41,665	43,090	43,455	45,954
Information per Unit	Distributions per unit (Distributions of earnings per unit) (Distributions in excess of retained earnings per unit)	(c) / (d) (JPY) (JPY) (JPY)	832 (832) (-)	1,464 (1,464) (-)	1,640 (1,640) (-)	1,917 (1,917) (-)	1,982 (1,982) (-)
-	Return on assets (annualized)	(Note 2) (%)	1.0 (2.0)	1.8 (3.6)	2.1 (4.1)	2.3 (4.6)	2.4 (4.8)
Financial Measures	Return on equity (annualized)	(Note 2) (%)	2.0 (4.1)	3.5 (7.1)	4.1 (8.0)	4.4 (8.9)	4.7 (9.3)
Measures	Capital ratio (change from last period)	(b) / (a) (Note 2) (%) (%)	50.6 (0.4)	51.1 (0.5)	51.5 (0.4)	51.5 (-0.1)	51.7 (0.2)
	NOI (Net Operating Income)	(Note 2) (JPY thousand)	10,509,695	14,523,824	17,205,671	19,634,102	23,451,825

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

Net income × 100.

(Note 2) 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)  $/ 2) \times 100$ .

Return on equity = Net income for relevant period / ((Net assets at start of relevant period + Net assets at end of relevant period) / 2)  $\times$  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. Since no dividends of preferred equity interest was recorded from the 39th to the 41st fiscal period, this change makes no difference. However, since dividends of preferred equity interest was recorded from the 42nd to the 43rd fiscal period, dividends of preferred equity interest was included in NOI due to this change.

## 2 Overview of Asset Management for the Fiscal Period Ended December 2024

#### (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). 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, 2024 ("Reporting Period"), INV implemented a global offering of new investment units for the second consecutive year and acquired 12 domestic hotels. As a result, INV's portfolio at the end of the Reporting Period comprised of 146 properties (104 hotels (Note 2) (Note 3), 41 residential properties and one retail facility) with a total acquisition price of JPY 653,066 million (Note 4). Furthermore, INV's hotel portfolio has the largest asset size (Note 5) of JPY 612,281 million (104 properties, 18,871 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 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. Further, on May 15, 2024, the SoftBank Group transferred its interest in the indirect parent company of Fortress CIM Holdings L.P. to Mubadala Capital, a wholly-owned subsidiary of Mubadala Investment Company, an Abu Dhabi sovereign wealth fund. As a result, the SoftBank Group no longer falls under the parent company and specified related corporation of CIM.
- (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) Hotel J-REIT is defined as the J-REIT whose majority part of portfolio consists of hotel assets.
- (Note 6) "The largest asset size ... among all J-REIT hotel portfolios" refers to the total acquisition price of 104 hotels owned by INV as compared 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, 2024.

#### (b) Operational Performance

The portfolio NOI (Note 1) increased by 36.3% or JPY 6,246 million compared to the same period in the previous year (the December 2023 fiscal period) to JPY 23,451 million. Of which, the hotel portfolio NOI increased by JPY 6,226 million and the residential and retail portfolio NOI increased by JPY 19 million. Compared to the December 2019 fiscal period prior to the COVID-19 pandemic, the portfolio NOI increased by 54.7% or JPY 8,287 million, of which the hotel portfolio NOI increased by JPY 9,057 million and the residential and retail portfolio NOI decreased by JPY 769 million due to asset sales.

Commentary on hotel and residential performance is as described below.

As for the domestic hotel portfolio, all hotel indices for the period under review exceeded those for the same period of the previous year due to solid domestic demand coupled with strong growth in inbound demand. The GOP (Note 2) for the Reporting Period increased by 14.3% compared to the same period in the previous year (figures exclude nine domestic hotels with fixed-rent lease agreements among the 90 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 81 domestic hotels (Note 3) recorded an occupancy rate (Note 4) of 85.6%, ADR (Note 5) of JPY 15,030, and RevPAR (Note 6) of JPY 12,863. The Cayman Hotels recorded an average occupancy rate of 52.6%, ADR of USD 438, and RevPAR of USD 231 for the Reporting Period. Although demand was robust throughout the Period, the impact of hurricanes and storms including "Hurricane Beryl", a Category 5 hurricane, as well as the impact of the partial sales stoppage resulting from the large-scale renovation work at Sunshine Suites Resort, caused ADR to increase but

occupancy rate and RevPAR to decrease compared to the same period last year.

Regarding the residential portfolio (Note 7), the occupancy rate (Note 8) of 41 residential properties remained at 96.9% at the end of the Reporting Period, with slight changes during the Reporting Period. The average occupancy rate (Note 8) increased by 0.9 points YoY to 96.9%. The NOI (Note 9) for the Reporting Period increased by 1.9% YoY.

In the Reporting Period, INV realized a rent increase for 68.8% (based on the number of contracts) of the new residential lease contracts, and the new rent increased by 2.6% compared to the previous rent across all new leases (Note 10). INV achieved a rent increase for 61.6% (based on the number of contracts) of contract renewals with an average rent increase of 1.9% compared to the previous rent across all renewal leases, while maintaining a high contract renewal rate (Note 11) of 76.5%. Combined, new lease and renewal lease rents were signed at 2.1% higher than the previous leases. The average rent per tsubo per month (Note 12) for the Reporting Period increased by 0.8% YoY to JPY 9,291.

The total appraisal value of 145 properties was JPY 767,492 million (one out of the 146 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 of such interest is not available). The portfolio has an unrealized gain of JPY 171,708 million (Note 13) and an unrealized gain ratio of 28.8% (Note 13). The total appraisal value of the 133 properties which were owned throughout the Reporting Period increased by 0.5% from JPY 657,902 million at the end of the June 2024 fiscal period to JPY 661,382 million at the end of the Reporting Period.

Key Performance Indicators of 81 Domestic Hotel Properties (Note 3)

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		December 2024 fiscal period	Year-on-year change	vs 2H 2019			
	Occupancy Rate (Note 4)	85.6%	+3.1pt	-1.9pt			
	ADR (JPY) (Note 5)	15,030	+10.0%	+34.7%			
	RevPAR (JPY) (Note 6)	12,863	+14.0%	+31.9%			
	GOP (JPY million) (Note 2)	18,562	+14.3%	+33.3%			

Key Performance Indicators of Cayman Hotels

	December 2024 fiscal period	Year-on-year change	vs 2H 2019
Occupancy Rate (Note 4)	52.6%	-12.2pt	-19.7pt
ADR (USD) (Note 5)	438	+4.0%	+33.8%
RevPAR (USD) (Note 6)	231	-15.6%	-2.6%
GOP (USD) (Note 2)	10,678,157	-26.9%	-19.6%

Key Performance Indicators of 41 Residential Properties (Note 7)

	December 2024 fiscal period	Year-on-year change
Average Occupancy Rate (Note 8)	96.9%	+0.9pt
Average Rent per Tsubo per Month (JPY) (Note 12)	9,291	+0.8%
NOI (JPY million) (Note 9)	1,140	+1.9%

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

NOI= Rental Revenues - Property Related Expenses + Depreciation Expenses + Dividend on the preferred equity interest (TMK dividend) + (Management Contract Revenue of the Cayman Hotels - Management Contract Expense)

(Note 2) "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. 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 3) Of the 90 hotels held as of the end of December 2024 (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-iriyaguchi, 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 January 2019 are calculated on the assumption INV had acquired those properties on January 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 & RESORTS CO., LTD., to fixed-rent with variable rent lease from April 25, 2023. However, in view of the continuity of disclosed data and other factors, this hotel will continue to be excluded. Hereinafter the same shall apply.
- (Note 4) "Occupancy rate" for the hotel properties is calculated in accordance with the following formula:

  Occupancy rate = total number of occupied rooms during a certain period ÷ total number of rooms available during the same period (number of rooms x number of days)

  Hereinafter the same shall apply.
- (Note 5) "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 6) "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 x 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 7) Based on the 41 residential properties owned as of the end of December 2024. 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 calculated by 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 323,197 million and the Interest-Bearing Debt ratio (Note 1) and LTV (appraisal value basis) (Note 2) were 47.0% and 42.1%, respectively, as of the end of the Reporting Period, with an average interest rate (Note 3) of 1.07%. (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 x 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 (\*)  $\times$  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 30, 2024 (the number of new investment units issued: 895,000; total issue value: JPY 55,096 million), and a third party allotment which closed on August 27, 2024 (the number of new investment units issued: 14,332; total issue value: JPY 882 million) in order to procure part of the funds for the acquisition of 12 domestic hotels described in "(d) Overview of Acquisition of Assets".

#### (ii) Debt Finance

#### (a) Borrowing of Funds

INV borrowed New Syndicate Loan (014) (total amount borrowed: JPY 15,862 million; interest rate: floating interest rate of 3-month JPY TIBOR plus 0.70000% for a duration of seven years, floating interest rate of 3-month JPY TIBOR plus 0.60000% for a duration of six years, floating interest rate of 3-month JPY TIBOR plus 0.50000% (by the interest swap agreement on October 21, 2024, it is fixed, in effect, at 1.37500%) for a duration of five years, floating interest rate of 3-month JPY TIBOR plus 0.40000% (by the interest swap agreement on October 21, 2024, it is fixed, in effect, at 1.23000%) for a duration of four years, which was arranged by Mizuho Bank, Ltd. on July 16, 2024 in order to repay a tranche of New Syndicate Loan (L) in the amount of JPY 4,943 million, a tranche of New Syndicate Loan (009) in the amount of JPY 7,958 million, a tranche of New Syndicate Loan (011) in the amount of JPY 1,965 million due on July 16, 2024 and Term Loan (W) in the amount of JPY 1,582 million due on July 20, 2024.

Moreover, INV borrowed New Syndicate Loan (015) on July 31, 2024 (total amount borrowed: JPY 56,725 million; interest rate: floating interest rate of 3-month JPY TIBOR plus 0.70000% for a duration of seven years, floating interest rate of 3-month JPY TIBOR plus 0.60000% for a duration of six years, 1.59750% for a duration of six years, floating interest rate of 3-month JPY TIBOR plus 0.50000% (by the interest swap agreement on October 21, 2024, it is fixed, in effect, at 1.37500%) for a duration of five years, floating interest rate of 1-month JPY TIBOR plus 0.20000% for a duration of one year, and floating 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 12 domestic hotels described in "(d) Overview of Acquisition of Assets" with the equity financing described in the said (i).

Furthermore, INV borrowed Term Loan (022) on October 11, 2024 (total amount borrowed: JPY 1,250 million; interest rate: floating interest rate of 1-month JPY TIBOR plus 0.65000% for a duration of 6.5 years) from Mizuho Bank, Ltd., Term Loan (023) (total amount borrowed: JPY 1,250 million; interest rate: floating interest rate of 1-month JPY TIBOR plus 0.65000% for a duration of 6.5 years) from Sumitomo Mitsui Banking Corporation, and Term Loan (024) (total amount borrowed: JPY 1,060 million; interest rate: floating interest rate of 1-month JPY TIBOR plus 0.65000% for a duration of 6.5 years) from Sumitomo Mitsui Trust Bank, Limited in order to repay New Syndicate Loan (H) in the amount of JPY 3,560 million due on October 11, 2024.

#### (b) Prepayment of Loan

INV prepaid its bridge loan of New Syndicate Loan (015) (in the amount of JPY 1,500 million; for a duration of one year) on September 30, 2024, with a portion of funds procured from the issuance of Twelfth Series Unsecured Investment Corporation Bonds as described in "(iii) Issuance of Investment Corporation Bonds" below on September 12, 2024.

#### (c) 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
Twelfth Series Unsecured Investment Corporation Bonds (with pari passu conditions among specified corporate bonds)	September 12, 2024	4,200	1.300%	September 12, 2029	Unsecured / Unguaranteed Rating: A+ (JCR)

#### (d) Overview of Acquisition of Assets

CIM decided on the acquisition of trust beneficiary interests in 12 domestic hotels as follows on July 18, 2024, and the acquisition of the assets was closed on July 31, 2024.

Property Number	Property Name	Acquisition Price (JPY million yen) (Note 1)	Appraisal Value (JPY million yen) (Note2)	Seller
D90	Art Hotel Osaka Bay Tower & Solaniwa Onsen	31,185	31,500	Ganges Tokutei Mokuteki Kaisha
D91	Hakodate Kokusai Hotel	16,830	17,000	Hakodate Tokutei Mokuteki Kaisha
D92	Art Hotel Nippori Lungwood	16,335	16,500	Nippori Tokutei Mokuteki Kaisha
D93	Hotel MyStays Kumamoto Riverside	6,831	6,900	Rishiri Tokutei Mokuteki Kaisha
D94	Art Hotel Aomori	5,672	5,730	Shiretoko Tokutei Mokuteki Kaisha
D95	Kamenoi Hotel Izukogen	5,563	5,620	Yakushima Tokutei Mokuteki Kaisha
D96	Art Hotel Oita	5,484	5,540	Shiretoko Tokutei Mokuteki Kaisha
D97	Art Hotel Kokura New Tagawa	4,672	4,720	Kawaguchiko Tokutei Mokuteki Kaisha
D98	Art Hotel Miyazaki Sky Tower	3,821	3,860	Rishiri Tokutei Mokuteki Kaisha

Property Number	Property Name	Acquisition Price (JPY million yen) (Note 1)	Appraisal Value (JPY million yen) (Note2)	Seller
D99	Art Hotel Kagoshima	3,395	3,430	Shiretoko Tokutei Mokuteki Kaisha
D100	Kamenoi Hotel Hikone	2,603	2,630	Yakushima Tokutei Mokuteki Kaisha
D101 Kamenoi Hotel Nara		2,029	2,050	Yakushima Tokutei Mokuteki Kaisha
Total		104,420	105,480	

(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, 2024.

#### (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 4,419 million from the previous period (+20.9 %) to JPY 25,555 million, resulting in a net income of JPY 15,138 million, an increase of JPY 2,237 million from the previous period (+17.3%). Unappropriated retained earnings including the retained earnings carried forward from the preceding fiscal period (JPY 8,627 million) is JPY 23,765 million. INV has decided to set the distribution per unit (excluding excess profit distribution) of JPY 1,982, which is the net income per unit (JPY 1,980) 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.

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Date	Type of issue	Total number of investment units issued		Unitholders'	Reference		
	71	Increase	Total	Increase	Total		
July 31, 2023	Public offering	609,792	6,706,632	32,761,684,992	268,463,197,161	(Note 1)	
August 28, 2023	Third-party allotment	30,489	6,737,121	1,638,052,014	270,101,249,175	(Note 2)	
July 30, 2024	Public offering	895,000	7,632,121	55,096,200,000	325,197,449,175	(Note 3)	
August 27, 2024	Third-party allotment	14,332	7,646,453	882,277,920	326,079,727,095	(Note 4)	

- (Note 1) 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 2) 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.
- (Note 3) New investment units were issued in a public offering at a price of JPY 63,602 per unit (JPY 61,560 after deducting the underwriters' discount) to raise a part of the funds for the acquisition of new properties.
- (Note 4) New investment units were issued in a third-party allotment at a price of JPY 61,560 per unit for the purpose of raising a part of the funds for the acquisition of specified assets or repairs and capital expenditures to maintain and enhance the asset value of properties in the portfolio.

## 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	39th fiscal	40th fiscal	41st fiscal	42nd fiscal	43rd fiscal
	period	period	period	period	period
Closing month	December	June	December	June	December
	2022	2023	2023	2024	2024
Highest	52,500	59,600	65,200	73,100	69,800
Lowest	36,250	48,250	53,800	58,700	57,600

## 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 1,982 and does not make distributions in excess of profits.

Period	39th fiscal period	40th fiscal period	41st fiscal period	42nd fiscal period	43rd fiscal period
Calculated Period	Jul. 1, 2022 to Dec. 31, 2022	Jan. 1, 2023 to Jun. 30, 2023	Jul. 1, 2023 to Dec. 31, 2023	Jan. 1, 2024 to Jun. 30, 2024	Jul. 1, 2024 to Dec. 31, 2024
Unappropriated retained earnings (JPY thousand)	13,742,562	17,583,734	19,690,532	21,542,214	23,765,358
Reserved profit (JPY thousand)	8,669,991	8,657,960	8,641,653	8,627,153	8,610,089
Total cash distribution (JPY thousand)	5,072,570	8,925,773	11,048,878	12,915,060	15,155,269
(Distribution per unit) (JPY)	(832)	(1,464)	(1,640)	(1,917)	(1,982)
Total profit distribution (JPY thousand)	5,072,570	8,925,773	11,048,878	12,915,060	15,155,269
(Profit distribution per unit) (JPY)	(832)	(1,464)	(1,640)	(1,917)	(1,982)
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, 2025

The Japanese economy has been gradually recovering and is expected to continue to grow steadily, mainly driven by domestic demand. Against the backdrop of strong corporate earnings, consideration of high prices, and a serious labor shortage, personal consumption is expected to recover moderately due to a recovery in real wages and an easing of household saving habits as a high rate of wage increases is expected in the labor negotiations (Shunto). Furthermore, the increase in the inflation rate in Japan is expected to slow down as upward pressure on import prices has been settling down. Corporate capital investment is also expected to continue to expand with digitalization, decarbonization, and enhancement of supply chain resilience, as well as actions to address labor shortages. In addition to the recovery in domestic demand, the economy is expected to benefit from the continued growth in inbound demand. On the other hand, there are various uncertainties such as the direction of U.S. trade policy under the second Trump administration, concerns about the rekindling of trade friction between the United States and China, and the increase in geopolitical risks. Concerns about an economic slowdown may grow if negative factors such as a decline in exports along with a slowdown in overseas economies emerge.

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

In the rental housing market, the trend of population outflow from urban areas caused by the impact of the COVID-19 pandemic has turned to a trend of population inflow again, and demand in rental apartments has been increasing with the tightening of supply in condominiums due to high land prices and the increase in construction costs. These factors are 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	JPY 45,238 million (Note 2)	
2015	three residential properties (Note 2)	J1 1 45,236 Hillion (Note 2)	
2016	11 hotels and	JPY 92,804 million	
2010	two residential properties	J1 1 92,804 HHHIOH	
2017	six hotels and	IDV 00 006 million (Note 2)	
2017	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	
2024	12 hotels	JPY 104,420 million	
	132 properties	JPY 652,278 million	
Total	(of which 101 are hotels and 31 are	(of which hotels: JPY 600,640 million;	
	residential properties)	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 102 domestic hotels (Note 1) owned by INV as of the end of the Reporting Period, 94 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 91 hotels of the 94 hotels, MHM and subsidiaries of MHM have implemented sophisticated revenue management initiatives seeking to maximize revenue through effectively capturing accommodation demand. As a result, INV can directly enjoy the hotel revenue upside through this variable rent scheme.

During the COVID-19 pandemic and post COVID-19 periods, the MHM Group has taken steps to reduce hotel operating expenses and recover revenues by reviewing its operational strategy. INV will continue to strive to minimize the impact of rising costs such as labor costs, 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).

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: Stable)) 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.

In addition to the acquisition of environmental certifications for its properties, INV issued green bonds in total amount of JPY 3,500 million and executed refinancing with green loans in total amount of JPY 22,456 million as of the date of this document 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, 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 executes various initiatives such as the establishment of a DEI (Diversity, Equity and Inclusion) policy to nourish an inclusive organizational culture and to establish an inclusive value chain, as well as the introduction of a "Qualification Acquisition Support Program" to cover a certain amount of expenses required to acquire and maintain qualifications for employees to develop and maintain competitive human resources and support employees skill and productivity improvement. Furthermore, INV conducts an employee satisfaction survey once every three years with the aim of improving its working environment, and provides a full subsidy for a comprehensive medical checkup without age restrictions.

As a result of other sustainability promotion activities, INV received a "3-Star" rating for the second consecutive year in the 2024 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 for the fourth consecutive year.

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 decided to execute new borrowings (New Syndicate Loan (016)) on December 25, 2024 and borrowed on January 16, 2025 in order to repay New Syndicate Loan (P) in the amount of JPY 4,491 million, a tranche of New Syndicate Loan (L) in the amount of JPY 4,943 million and a tranche of New Syndicate Loan (M) in the amount of JPY 5,796 million due on January 6, 2025.

(i) New Syndicate Loan (016)

Lender	Borrowing Date	Borrowing Amount (JPY million)	Interest Rate (annual rate)	Maturity Date	Borrowing Method
The Nomura Trust and Banking Co., Ltd.	January 16, 2025	100	Floating interest rate (Note 1)	March 14, 2030	Unsecured/ non guarantee
Development Bank of Japan, Inc.	January 16, 2025	300	Floating interest rate (Note 2)	March 14, 2031	Unsecured/ non guarantee
MUFG Bank, Ltd.	January 16, 2025	2,590.8	Fixed interest rate 1.65398%	March 14, 2031	Unsecured/ non guarantee
Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Sumitomo Mitsui Banking Corporation The Kiyo Bank, Ltd. The Yamaguchi Bank, Ltd. Aozora Bank, Ltd. SBI Shinsei Bank, Limited	January 16, 2025	3,342.2	Floating interest rate (Note 3)	March 14, 2031	Unsecured/ non guarantee
【Green loan】 Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Sumitomo Mitsui Banking Corporation The Yamaguchi Bank Ltd. Aozora Bank, Ltd. SBI Shinsei Bank, Limited	January 16, 2025	8,897	Floating interest rate (Note 3)	March 14, 2031	Unsecured/ non guarantee
Total		15,230			

<sup>(</sup>Note 1) 1-month JPY TIBOR (Base Rate) + spread (0.50000%).

<sup>(</sup>Note 2) 3-month JPY TIBOR (Base Rate) + spread (0.60000%).

<sup>(</sup>Note 3) 1-month JPY TIBOR (Base Rate) + spread (0.60000%).

## Overview of the Investment Corporation

## 1 Overview of Investment

Pry Domin d	39th fiscal	40th fiscal	41st fiscal	42nd fiscal	43rd fiscal
By Period	period	period	period	period	period
Results Dates	As of Dec. 31,	As of Jun. 30,	As of Dec. 31,	As of Jun. 30,	As of Dec. 31,
Results Dates	2022	2023	2023	2024	2024
Number of issuable					
investment units	10,000,000	10,000,000	10,000,000	10,000,000	20,000,000
(Unit)					
Number of investment units					
issued and	6,096,840	6,096,840	6,737,121	6,737,121	7,646,453
outstanding (Unit)					
Unitholders' capital	225 501	225 501	270 101	270 101	227.020
(JPY million)	235,701	235,701	270,101	270,101	326,079
Number of total	27.005	25 820	26 611	21 (50	24,000
unitholders	27,005	25,829	26,611	31,658	34,999

## 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)	1,417,170	18.53
Custody Bank of Japan, Ltd. (trust account)	1,395,081	18.24
The Nomura Trust and Banking Co., Ltd. (investment trust account)	401,578	5.25
STATE STREET BANK AND TRUST COMPANY 505001	182,246	2.38
THE NOMURA TRUST AND BANKING CO., LTD. AS THE TRUSTEE OF REPURCHASE AG FUND 2024-09 (LIMITED OT FINANC IN RESALE RSTRCT)	149,852	1.95
GOLDMAN SACHS INTERNATIONAL	143,933	1.88
FJODF GP INV HOLDINGS LLC	115,931	1.51
STATE STREET BANKWEST CLIENT - TREATY 505234	112,772	1.47
STATE STREET BANK AND TRUST COMPANY 505103	109,958	1.43
STATE STREET BANK AND TRUST COMPANY 505325	108,983	1.42
Total	4,137,504	54.11

(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.

			Directors' remuneration	
Position	Name	Concurrent responsibilities	for operating period	
			(JPY thousand)	
		President and CEO,		
Executive Director	Naoki Fukuda	Consonant Investment		
Executive Director	Naoki Fukuda	Management Co., Ltd.	-	
		(current position)		
		Attorney,		
	Yoshihiro Tamura	Shiba-Daimon Law Office		
		Statutory Auditor,	2,400	
		BEQONE PARTNERS, Inc.		
Supervisory Director		(current position)		
		Certified Public Accountant,		
		Avantia GP	2 400	
	Marika Nagasawa	Marika Nagasawa Accounting	2,400	
		Firm		
	Ernst & Young			
Auditor	ShinNihon LLC	-	40,200	
	(Note 1)			

- (Note 1) The auditor's remuneration includes JPY 1,200 thousand for auditing English financial statements and JPY 21,300 thousand for the preparation of a comfort letter. In addition, non-audit remuneration to a person belonging to the same network as the accounting auditor is JPY 7,854 thousand.
- (Note 2) 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	(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.  (Burden ratio of insurance premium)  INV bears the insurance premiums except those for the special contract of unitholder derivative suits.  (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.

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

- (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

Composition of INV's Assets

<u> </u>	<u>omposition</u>	of INV's Assets					
		ose Geographic area	Fiscal period end	led June 30, 2024	Fiscal period ended December 31, 2024		
Type of			(as of June	2024)	(as of December 31, 2024)		
asset	Purpose		Amount held	Percentage of	Amount held	Percentage of	
asset		(Note 1)	(JPY million)	total assets	(JPY million)	total assets	
			(Note 2)	(%)	(Note 2)	(%)	
		Greater Tokyo	1	0.0	1	0.0	
		Area (Note 3)					
Real	Hotels	Major regional	-	-	-	_	
estate	Tioteis	cities					
		Overseas (Note 4)	32,496	5.7	32,248	4.7	
		Subtotal	32,498	5.7	32,249	4.7	
	Total real	estate	32,498	5.7	32,249	4.7	
		Greater Tokyo area	28,164	4.9	28,007	4.1	
	Residences	Major regional cities	5,733	1.0	5,670	0.8	
		Subtotal	33,897	6.0	33,677	5.0	
D 1	Offices /Commercial Facilities	Greater Tokyo area	-	-	_	_	
Real estate in trust		Major regional cities	1,575	0.3	1,558	0.2	
trust	raciities	Subtotal	1,575	0.3	1,558	0.2	
		Greater Tokyo area	167,379	29.4	183,595	27.0	
	Hotels	Major regional cities	257,890	45.3	344,702	50.7	
		Subtotal	425,269	74.7	528,297	77.7	
	Total real estate in trust		460,742	81.0	563,533	82.9	
Preferred equity interest (Note 5)		17,856	3.1	17,856	2.6		
Deposits and other assets		57,919	10.2	66,364	9.8		
	Total assets	(Nata 6)	569,016	100.0	680,004	100.0	
	Total assets (Note 6)		(493,241)	(86.7)	(595,783)	(87.6)	

- (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 (m2) (Note 2)	Leased area (m2)	Occupancy rate (%) (Note 3)	Ratio of rental revenue (%) (Note 4)	Main use
D84	Fusaki Beach Resort Hotel & Villas	39,544	23,573.57	23,573.57	100.0	6.6	Hotel
D90	Art Hotel Osaka Bay Tower & Solaniwa Onsen	30,545	44,759.49	44,759.49	100.0	5.4	Hotel
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	27,221	21,528.23	21,528.23	100.0	-	Hotel
D43	Hotel MyStays Gotanda Station	26,078	10,137.88	10,137.88	100.0	2.7	Hotel
D60	Hotel MyStays Premier Akasaka	19,922	8,620.69	8,620.69	100.0	3.4	Hotel
D44	Hotel Epinard Nasu	17,700	37,702.33	37,702.33	100.0	5.2	Hotel
D91	Hakodate Kokusai Hotel	16,874	34,511.60	34,511.60	100.0	3.4	Hotel
D92	Art Hotel Nippori Lungwood	16,399	10,984.28	10,984.28	100.0	1.5	Hotel
D61	D61 Hotel MyStays Premier Sapporo Park		21,670.64	21,670.64	100.0	2.3	Hotel
D64	D64 Hotel MyStays Sapporo Aspen		15,313.17	15,313.17	100.0	2.1	Hotel
	Total		228,801.88	228,801.88	100.0	34.0	

- (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 (m²) (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	1,400	1,070
A28	Growth Maison Gotanda	2-26-6 Nishi-Gotanda, Shinagawa- ku, Tokyo	Trust beneficiary interest	1,051.50	1,210	809
A29	Growth Maison Kameido	6-58-16 Kameido, Koto-ku, Tokyo	Trust beneficiary interest	1,367.96	1,400	917
A30	Emerald House	3-27-18 Itabashi, Itabashi-ku, Tokyo	Trust beneficiary interest	2,152.31	1,590	1,306
A32	Suncrest Shakujii-Koen	3-15-35 Takanodai, Nerima-ku, Tokyo	Trust beneficiary interest (Note 4)	3,029.16	1,370	1,038
A33	Growth Maison Shin- Yokohama	3-16-2 Shin-Yokohama, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficiary interest (Note 4)	1,858.44	1,390	912
A34	Belle Face Ueno- Okachimachi	1-27-10 Higashi-Ueno, Taito-ku, Tokyo	Trust beneficiary interest (Note 4)	1,351.11	1,250	883
A35	Grand Rire Kameido	3-39-12 Kameido, Koto-ku, Tokyo	Trust beneficiary interest (Note 4)	1,562.26	1,170	746
A37	Growth Maison Yoga	1-15-15 Okamoto, Setagaya-ku, Tokyo	Trust beneficiary interest (Note 4)	1,015.34	918	705
A38	Route Tachikawa	3-7-6 Nishikicho, Tachikawa-shi, Tokyo	Trust beneficiary interest	1,368.57	772	688
A39	Shibuya-Honmachi Mansion	2-35-2 Honmachi, Shibuya-ku, Tokyo	Trust beneficiary interest (Note 4)	1,167.50	788	718
A40	City Heights Kinuta	4-13-15 Kinuta, Setagaya-ku, Tokyo	Trust beneficiary interest	1,235.93	674	657
A41	Acseeds Tower Kawaguchi- Namiki	2-5-13 Namiki, Kawaguchi-shi, Saitama	Trust beneficiary interest (Note 4)	1,210.74	877	475
A43	College Square Machida	3-4-4 Nakamachi, Machida-shi, Tokyo	Trust beneficiary interest (Note 4)	1,047.75	551	545
A44	Belair Meguro	1-2-15 Meguro, Meguro-ku, Tokyo	Trust beneficiary interest (Note 4)	557.05	710	539
A45	Wacore Tsunashima I	2-7-47 Tarumachi, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficiary interest (Note 4)	907.46	603	555

	Name of property	Location (Note 1)	Type of asset	Leasable area (m²) (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	696	488
A47	Growth Maison Kaijin	5-29-51 Kaijin, Funabashi-shi, Chiba	Trust beneficiary interest (Note 4)	2,040.27	612	511
A48	College Square Machiya	7-3-1 Arakawa, Arakawa-ku, Tokyo	Trust beneficiary interest (Note 4)	871.35	660	435
A59	Towa City Coop Shinotsuka II	5-49-7 Higashi-Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interest	1,627.13	1,400	787
A61	Bichsel Musashiseki	1-22-7 Sekimachi-Kita, Nerima-ku, Tokyo	Trust beneficiary interest	1,220.24	866	576
A63	Towa City Coop Sengencho	4-338-2 Sengencho, Nishi-ku, Yokohama-shi, Kanagawa	Trust beneficiary interest	3,426.36	1,560	988
A64	Royal Park Omachi	2-11-10 Omachi, Aoba-ku, Sendai- shi, Miyagi	Trust beneficiary interest	1,929.59	716	366
A65	Lexington Square Haginomachi	1-15-18 Haginomachi, Miyagino- ku, Sendai-shi, Miyagi	Trust beneficiary interest	1,528.58	464	248
A66	Visconti Kakuozan	ozan 2-44 Otanacho, Chikusa-ku, Nagoya-shi, Aichi		705.75	298	224
A72	Lexington Square Honjo Azumabashi	4-20-6 Higashi-Komagata, Sumida- ku, Tokyo	Trust beneficiary interest	784.74	812	406
A73	AMS TOWER Minami 6- Jo	2-5-15 Minami 6-Jo Nishi, Chuo-ku, Sapporo-shi, Hokkaido	Trust beneficiary interest	4,460.56	1,360	848
A84	Revest Heian	2-13-17 Heian, Kita-ku, Nagoya-shi, Aichi	Trust beneficiary interest	1,554.03	877	464
A87	Excellente Kagurazaka	128-1 Yamabukicho, Shinjuku-ku, Tokyo, and other one parcel	Trust beneficiary interest	701.92	878	476
A90	Queen's Court Fukuzumi	1-3-10 Fukuzumi, Koto-ku, Tokyo	Trust beneficiary interest	765.18	838	394
A92	Belair Oimachi	5-14-17 Higashi-Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest	530.60	679	371
A93	Siete Minami-Tsukaguchi	3-18-29 Minami-Tsukaguchimachi, Amagasaki-shi, Hyogo	Trust beneficiary interest	1,020.86	585	327
A94	Prime Life Sannomiya Isogami Koen	4-3-23 Isogamidori, Chuo-ku, Kobe-shi, Hyogo	Trust beneficiary interest	789.12	581	320
A96	Century Park Shinkawa 1- bankan	4-1-2 Shinkawacho, Minato-ku, Nagoya-shi, Aichi	Trust beneficiary interest	1,477.62	551	278
A97	West Avenue	1-5-17 Nishi, Kunitachi-shi, Tokyo	Trust beneficiary interest	794.80	433	299
A99	Prime Life Mikage	2-25-11 Mikage Tsukamachi, Higashinada-ku, Kobe-shi, Hyogo	Trust beneficiary interest	761.18	440	252
A101	Lieto Court Mukojima	5-45-10 Mukojima, Sumida-ku, Tokyo	Trust beneficiary interest	2,940.20	2,340	1,549

	Name of property	Location (Note 1)	Type of asset	Leasable area (m²) (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	1,492
A103	Royal Parks Momozaka	5-38 Fudegasakicho, Tennouji-ku, Osaka-shi, Osaka	Trust beneficiary interest	8,776.26	3,160	2,337
A104	Royal Parks Shinden	3-35-20 Shinden, Adachi-ku, Tokyo	Trust beneficiary interest	15,797.29	6,080	4,331
A106	Royal Parks Seasir Minami-Senju	3-41-7 Minami-Senju, Arakawa-ku, Tokyo	Trust beneficiary interest	6,496.86	3,290	2,325
		Subtotal		86,518.75	49,089	33,677
B18	AEON TOWN Sukagawa	105 Furukawa, Sukagawa-shi, Fukushima	Trust beneficiary interest	18,440.58	2,380	1,558
		Subtotal		18,440.58	2,380	1,558
D01	Hotel MyStays Kanda	1-2-2 Iwamotocho, Chiyoda-ku, Tokyo	Trust beneficiary interest	2,585.72	5,200	2,714
D02	Hotel MyStays Asakusa	1-21-11 Honjo, Sumida-ku, Tokyo	Trust beneficiary interest	3,327.38	4,730	2,417
D03	Hotel MyStays Kyoto- Shijo	52 Kasabokocho, Higashiiru, Aburanokoji, Shijyodori, Shimogyo-ku, Kyoto-shi, Kyoto	Trust beneficiary interest	7,145.53	8,630	5,286
D04	MyStays Shin-Urayasu Conference Center	2-1-4 Akemi, Urayasu-shi, Chiba	Trust beneficiary interest	6,232.30	8,850	4,306
D05	Hotel MyStays Maihama	3-5-1 Tekkodori, Urayasu-shi, Chiba	Trust beneficiary interest	2,456.36	8,580	4,363
D06	Hotel MyStays Premier Dojima	2-4-1 Sonezakishinchi, Kita-ku, Osaka-shi, Osaka	Trust beneficiary interest	9,445.32	6,990	3,650
D07	Hotel MyStays Nagoya- Sakae	2-23-22 Higashi-Sakura, Naka-ku, Nagoya-shi, Aichi	Trust beneficiary interest	9,064.71	5,650	2,503
D08	Hotel MyStays Sakaisuji- Honmachi	1-4-8 Awaji-machi, Chuo-ku, Osaka-shi, Osaka	Trust beneficiary interest	4,188.83	3,420	2,166
D09	Hotel MyStays Yokohama	4-81 Sueyoshicho, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficiary interest	7,379.43	4,510	2,029
D10	Hotel MyStays Nippori	5-43-7 Higashi-Nippori, Arakawa- ku, Tokyo	Trust beneficiary interest	1,719.29	2,690	1,700
D11	Hotel MyStays Fukuoka- Tenjin-Minami	3-14-20 Haruyoshi, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficiary interest	3,412.71	6,370	1,346
D12	Flexstay Inn Iidabashi	3-26 Shin-Ogawamachi, Shinjuku- ku, Tokyo	Trust beneficiary interest	2,953.38	3,760	1,619
D13	Hotel MyStays Ueno Inaricho	1-5-7 Matsugaya, Taito-ku, Tokyo	Trust beneficiary interest	1,150.76	2,260	1,140
D14	Flexstay Inn Shinagawa	1-22-19 Kita-Shinagawa, Shinagawa-ku, Tokyo	Trust beneficiary interest	1,134.52	2,060	1,154
D15	Flexstay Inn Tokiwadai	1-52-5 Tokiwadai, Itabashi-ku, Tokyo	Trust beneficiary interest	2,539.75	2,200	1,172

	Name of property	Location (Note 1)	Type of asset	Leasable area (m²) (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	2,290	1,057
D17	Hotel MyStays Otemae	1-3-2 Tokuicho, Chuo-ku, Osaka- shi, Osaka	Trust beneficiary interest	4,956.66	2,730	1,078
D18	Hotel MyStays Kiyosumi Shirakawa	1-12-16 Tokiwa, Koto-ku, Tokyo	Trust beneficiary interest	2,673.64	1,390	809
D19	Flexstay Inn Nakanobu P1	4-27-12 Futaba, Shinagawa-ku, Tokyo	Trust beneficiary interest	770.56	891	537
D20	Flexstay Inn Nakanobu P2	4-27-8 Futaba, Shinagawa-ku, Tokyo	Trust beneficiary interest	391.49	429	276
D21	APA Hotel Yokohama-Kannai	3-37-2 Sumiyoshicho, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficiary interest	6,462.48	10,000	7,332
D22	Hotel MyStays Hakodate-Goryokaku	26-17 Honcho, Hakodate-shi, Hokkaido	Trust beneficiary interest Trust	7,830.62	4,160	2,585
D23	Flexstay Inn Shirogane	n Shirogane 5-10-15 Shirokane, Minato-ku, Tokyo		1,754.06	2,530	2,044
D24	Hotel MyStays Haneda	5-1-13 Haneda, Ota-ku, Tokyo	Trust beneficiary interest	5,400.16	8,820	6,765
D25	Hotel MyStays Kameido P1	6-32-1 Kameido, Koto-ku, Tokyo	Trust beneficiary interest	4,338.47	8,090	5,132
D26	Hotel MyStays Ueno Iriyaguchi	5-5-13 Higashi-Ueno, Taito-ku, Tokyo	Trust beneficiary interest	2,247.92	4,290	3,495
D27	Hotel MyStays Kameido P2	6-7-8 Kameido, Koto-ku, Tokyo	Trust beneficiary interest	2,793.99	5,410	3,375
D28	Hotel MyStays Shimizu	1-23 Masagocho, Shimizu-ku, Shizuoka-shi, Shizuoka	Trust beneficiary interest	3,559.81	2,580	1,912
D29	Super Hotel Shinbashi/ Karasumoriguchi	5-16-4 Shinbashi, Minato-ku, Tokyo	Trust beneficiary interest	1,403.89	1,930	1,542
D30	Flexstay Inn Higashi-Jujo	2-10-2 Nakajujo, Kita-ku, Tokyo	Trust beneficiary interest	1,714.53	1,440	1,242
D31	Hotel MyStays Utsunomiya	2-4-1 Higashi-Shukugo, Utsunomiya-shi, Tochigi	Trust beneficiary interest	11,733.23	2,170	1,173
D32	Flexstay Inn Kawasaki- Kaizuka	1-13-2 Kaizuka, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficiary interest	1,190.57	1,210	836
D33	Comfort Hotel Toyama	1-3-2 Takara-machi, Toyama-shi, Toyama	Trust beneficiary interest	3,305.64	1,200	838
D34	Flexstay Inn Kawasaki- Ogawacho	15-9 Ogawacho, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficiary interest	725.60	952	837
D35	Flexstay Inn Ekoda	8-6 Sakaecho, Nerima-ku, Tokyo	Trust beneficiary interest	3,932.93	4,880	4,644
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	2-21-9 Akebonocho, Tachikawa-shi, Tokyo	Trust beneficiary interest	1,832.97	1,240	1,021
D37	Super Hotel JR Ueno- iriyaguchi	7-9-14 Ueno, Taito-ku, Tokyo	Trust beneficiary interest	1,279.16	1,240	1,020

	Name of property	Location (Note 1)	Type of asset	Leasable area (m²) (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	2,180	2,872
D39	Comfort Hotel Kurosaki	3-13-13 Kurosaki, Yahatanishi-ku, Kitakyusyu-shi, Fukuoka	Trust beneficiary interest	3,207.60	1,200	953
D40	Comfort Hotel Maebashi	2-18-14 Omotecho, Maebashi-shi, Gunma	Trust beneficiary interest	3,653.96	1,090	865
D41	Comfort Hotel Tsubame- Sanjo	2-115 Sugoro, Sanjo-shi, Niigata	Trust beneficiary interest	3,098.07	1,070	855
D42	Comfort Hotel Kitami	3-4 Ohdori-Nishi, Kitami-shi, Hokkaido	Trust beneficiary interest	3,009.50	884	692
D43	Hotel MyStays Gotanda Station (Note 5)	2-6-8 Nishi-Gotanda, Shinagawa- ku, Tokyo	Trust beneficiary interest	10,137.88	25,000	26,078
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	24,100	17,700
D45	Hotel MyStays Fukuoka Tenjin	3-5-7 Tenjin, Chuo-ku, Fukuoka- shi, Fukuoka	Trust beneficiary interest	5,083.06	8,860	7,477
D46	Hotel MyStays Hamamatsucho	1-18-14 Hamamatsucho, Minato- ku, Tokyo	Trust beneficiary interest	1,951.90	6,530	7,670
D47	Hotel MyStays Premier Kanazawa	2-13-5 Hirooka, Kanazawa-shi, Ishikawa	Trust beneficiary interest	13,121.00	12,500	11,938
D48	Takamatsu Tokyu REI Hotel	9-9 Hyogomachi, Takamatsu-shi, Kagawa	Trust beneficiary interest	7,148.17	1,750	2,060
D49	Hotel MyStays Premier Hamamatsucho	1-8-5 Hamamatsucho, Minato-ku, Tokyo	Trust beneficiary interest	6,151.93	11,600	7,859
D50	Hotel MyStays Shin Osaka Conference Center	6-2-19 Nishinakashima, Yodogawa- ku, Osaka-shi, Osaka	Trust beneficiary interest	13,026.99	13,500	12,709
D51	Hotel MyStays Premier Omori	6-19-3 Minami Oi, Shinagawa-ku, Tokyo	Trust beneficiary interest	11,849.61	12,400	9,631
D52	Kamenoi Hotel Beppu	5-17 Chuocho, Beppu-shi, Oita	Trust beneficiary interest	19,422.08	10,100	7,382
D53	Hotel MyStays Sapporo Station	4-15 Kita Hachijyo Nishi, Kita-ku, Sapporo-shi, Hokkaido	Trust beneficiary interest	7,267.88	9,210	7,455
D54	Hotel MyStays Yokohama Kannai	5-65, Onoe-cho, Naka-ku, Yokohama-shi, Kanagawa and 3 other lots	Trust beneficiary interest	4,501.18	5,990	4,936
D55	Art Hotel Joetsu	5-1-11, Hon-cho Joetsu-shi, Niigata	Trust beneficiary interest	7,563.60	2,820	2,668
D56	Art Hotel Hirosaki City	1-1-2, 1-6, 1-7, 2-1, Omachi, Hirosaki-shi, Aomori	Trust beneficiary interest	14,806.73	2,630	2,545
D57	Hotel MyStays Oita	1-32, Niagemachi Oita-shi, Oita	Trust beneficiary interest	3,216.01	1,750	1,363
D58	Hotel MyStays Gotanda	2-5-4, Higashigotanda Shinagawa- ku, Tokyo	Trust beneficiary interest	1,839.77	4,720	4,024
D59	Hotel MyStays Tachikawa	1-8-14, Nishiki-cho Tachikawa-shi, Tokyo	Trust beneficiary interest	3,844.64	3,420	3,135

	Name of property	Location (Note 1)	Type of asset	Leasable area (m²) (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	27,400	19,922
D61	Hotel MyStays Premier Sapporo Park	2-2-10, Minamikujo Nishi, Chuo- ku, Sapporo-shi, Hokkaido	Trust beneficiary interest	21,670.64	17,100	15,644
D62	Hotel MyStays Ueno East	5-5-6, Higashi Ueno, Taito-ku, Tokyo	Trust beneficiary interest	4,396.02	5,550	5,134
D63	Hotel MyStays Midosuji Honmachi	3-2-10, Honmachi, Chuo-ku, Osaka-shi, Osaka	Trust beneficiary interest	3,429.43	3,240	4,663
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	15,500	15,089
D65	Art Hotel Ishigakijima	554-2 Nishimaji Okawa, Ishigaki - shi, Okinawa, and four other lots	Trust beneficiary interest	17,247.54	9,570	9,294
D66	Hotel MyStays Fuji Onsen Resort	2654 Arakura Deguchi, Fujiyoshida-shi, Yamanashi, and 15 other lots	Trust beneficiary interest Trust	5,498.49	12,000	8,241
D67	Hotel Sonia Otaru	Sonia Otaru 1-4-20 Ironai, Otaru-shi, Hokkaido		6,509.41	7,290	5,348
D68	Hotel MyStays Kanazawa Castle	10-17 Konohana-machi, Kanazawa- shi, Ishikawa	Trust beneficiary interest	5,931.84	5,740	5,541
D69	Art Hotel Niigata Station	1-1 Sasaguchi, Chuo-ku, Niigata- shi, Niigata	Trust beneficiary interest	10,403.01	5,990	5,059
D70	Hotel MyStays Nagoya Nishiki	3-8-21 Nishiki, Naka-ku, Nagoya- shi, Aichi	Trust beneficiary interest	6,077.99	5,300	4,967
D71	Hotel Nord Otaru	1-4-16 Ironai, Otaru-shi, Hokkaido	Trust beneficiary interest	6,047.43	4,570	4,169
D72	Hotel MyStays Kagoshima Tenmonkan	2-7 Yamanokuchi-cho, Kagoshima- shi, Kagoshima	Trust beneficiary interest	7,659.55	3,550	3,255
D73	Art Hotel Asahikawa	6-29-2 7-jo-dori, Asahikawa-shi, Hokkaido	Trust beneficiary interest	25,131.84	3,280	2,832
D74	Hotel MyStays Matsuyama	1-10-10 Otemachi, Matsuyama-shi, Ehime	Trust beneficiary interest	8,274.37	3,230	2,779
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	2,840	2,924
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	1,890	2,231
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	1,590	1,559
D78	Flexstay Inn Sakuragicho	2-72-2 Hanasaki-cho, Naka-ku, Yokohama-shi, Kanagawa, and four other lots	Trust beneficiary interest	1,308.61	1,510	1,367
D79	MyCUBE by MYSTAYS Asakusa Kuramae	2-6-7 Kuramae, Taito-ku, Tokyo	Trust beneficiary interest	2,156.70	1,290	1,242
D80	Hotel MyStays Kagoshima Tenmonkan Annex	1-20 Gofuku-machi, Kagoshima- shi, Kagoshima	Trust beneficiary interest	2,047.70	1,190	1,131
D81	Hotel MyStays Nayoro	11 Minami 5-chome, Nishi 3-jo, Nayoro-shi, Hokkaido, and one other lot	Trust beneficiary interest	1,985.27	878	824

	Name of property	Location (Note 1)	Type of asset	Leasable area (m²) (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	10,700	9,554
D83	Art Hotel Morioka	3-3-18 Odori, Morioka-shi, Iwate	Trust beneficiary interest	16,727.08	5,380	5,109
D84	Fusaki Beach Resort Hotel & Villas	1625-6 Arakawa Fusaki, Ishigaki- shi, Okinawa, and sixty other lots	Trust beneficiary interest	23,573.57	42,000	39,544
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	8,780	8,207
D86	Hotel MyStays Okayama	9-16, Honmachi, Kita-ku, Okayama-shi, Okayama	Trust beneficiary interest	3,023.27	2,740	2,651
D87	Hotel MyStays Aomori Station	1-8-6 Shinmachi, Aomori-shi, Aomori	Trust beneficiary interest	3,963.86	2,510	2,345
D88	Hotel MyStays Soga	2-7-13 Minamicho, Chuo Ward, Chiba-shi, Chiba	Trust beneficiary interest	3,398.18	2,240	2,047
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	1,477
D90	Art Hotel Osaka Bay Tower & Solaniwa Onsen	1-2-1 Benten, Minato-ku, Osaka-shi, Osaka (Hotel) 1-2-3 Benten, Minato-ku, Osaka-shi, Osaka (Solaniwa Onsen)	Trust beneficiary interest	44,759.49	31,600	30,545
D91	Hakodate Kokusai Hotel	5-10 Otemachi, Hakodate-shi, Hokkaido	Trust beneficiary interest	34,511.60	17,100	16,874
D92	Art Hotel Nippori Lungwood	5-50-5 Higashinippori, Arakawa-ku, Tokyo	Trust beneficiary interest	10,984.28	16,500	16,399
D93	Hotel MyStays Kumamoto Riverside	4-12 Koyaima-machi Chuo-ku, Kumamoto-shi, Kumamoto	Trust beneficiary interest	6,347.65	6,900	6,876
D94	Art Hotel Aomori	2-1-26 Hon-cho, Aomori-shi, Aomori	Trust beneficiary interest	9,176.79	5,750	5,651
D95	Kamenoi Hotel Izukogen	1104-5 Futazuka, Yawatano, Ito-shi, Shizuoka, and two other lots	Trust beneficiary interest	8,891.36	5,860	5,622
D96	Art Hotel Oita	2-7-1 Miyako-machi, Oita-shi, Oita, and two other lots	Trust beneficiary interest	8,782.34	5,540	5,499
D97	Art Hotel Kokura New Tagawa	3-46 Furusemba-machi, Kokurakita- ku, Kitakyushu-shi, Fukuoka	Trust beneficiary interest	14,055.23	4,750	4,701
D98	Art Hotel Miyazaki Sky Tower	2-1-26 Takachiho-dori, Miyazaki-shi, Miyazaki	Trust beneficiary interest	8,766.25	3,870	3,810
D99	Art Hotel Kagoshima	22-1 Kamoike Shin-machi, Kagoshima-shi, Kagoshima	Trust beneficiary interest	14,854.67	3,500	3,427
D100	Kamenoi Hotel Hikone	3759 Oguro, Matsubara-cho, Hikone- shi, Shiga	Trust beneficiary interest	6,060.87	2,680	2,631
D101	Kamenoi Hotel Nara	3-9-1 Nijo-cho, Nara-shi, Nara	Trust beneficiary interest	5,041.02	2,060	2,082
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	30620 Seven Mile Beach Road, Grand Cayman, Cayman Islands	The Leasehold	21,528.23	73,205 (USD 462,800 thousand) (Note 7)	27,221

Name of property		Location (Note 1)	Type of asset	7 •		
D201	D201 Sunshine Suites Resort 1465 Esterley Tibbetts Highway, Grand Cayman, Cayman Islands		The Leasehold	6,723.11	11,294 (USD 71,400 thousand) (Note 7)	5,026
		806,037.42	716,023	560,547		
	Total				767,492	595,783

- (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 158.18, which is the exchange rate on the closing date of the fiscal period (December 31, 2024).

Tre	Trends for the leasing operations of the properties owned by INV are as below.										
			42nd fisc	-			43rd fiscal period				
		(Jan	uary 1, 2024		024)	(July		ecember 31, 2	2024)		
			Occupancy	Rental	D 6		Occupancy		D 44 6		
	Name of property	Number of	rate	revenue	Ratio of	Number of	rate	revenue	Ratio of		
	rvaine of property	tenants (at end of	(at end of period)	(during period)	rental revenue	tenants (at end of	(at end of period)	(during period)	rental revenue		
		period)	(%)	(JPY	(%)	period)	(%)	(JPY	(%)		
		(unit)	(Note 1)	thousand)	(Note 2)	(unit)	(Note 1)	thousand)	(Note 2)		
		(====)	(Note 2)	(Note 3)	(-1000-)	()	(Note 2)	(Note 3)	(-1-1-)		
A26	Nisshin Palacestage Daitabashi	1	97.0	39,262	0.3	1	94.1	39,726	0.2		
A28	Growth Maison Gotanda	1	100.0	28,880	0.2	1	100.0	28,884	0.1		
A29	Growth Maison Kameido	1	98.5	36,117	0.2	1	95.5	35,855	0.2		
A30	Emerald House	1	100.0	47,598	0.3	1	97.9	41,703	0.2		
A32	Suncrest Shakujii-Koen	1	94.4	40,175	0.3	1	100.0	40,507	0.2		
A33	Growth Maison Shin- Yokohama	1	100.0	39,624	0.3	1	98.5	39,883	0.2		
A34	Belle Face Ueno- Okachimachi	1	96.8	34,442	0.2	1	93.6	30,794	0.1		
A35	Grand Rire Kameido	1	100.0	26,619	0.2	1	100.0	26,619	0.1		
A37	Growth Maison Yoga	1	100.0	23,521	0.2	1	94.9	24,337	0.1		
A38	Route Tachikawa	1	96.6	21,643	0.1	1	100.0	22,403	0.1		
A39	Shibuya-Honmachi Mansion	1	95.8	21,324	0.1	1	94.4	20,999	0.1		
A40	City Heights Kinuta	1	100.0	19,778	0.1	1	100.0	20,541	0.1		
A41	Acseeds Tower Kawaguchi- Namiki	1	94.7	25,894	0.2	1	98.3	26,840	0.1		
A43	College Square Machida	1	100.0	16,609	0.1	1	100.0	16,609	0.1		
A44	Belair Meguro	1	100.0	16,689	0.1	1	100.0	16,817	0.1		
A45	Wacore Tsunashima I	1	91.9	18,227	0.1	1	86.1	17,687	0.1		
A46	Foros Nakamurabashi	1	94.2	20,366	0.1	1	95.1	18,825	0.1		
A47	Growth Maison Kaijin	1	100.0	23,391	0.2	1	96.7	24,104	0.1		
A48	College Square Machiya	1	100.0	14,986	0.1	1	100.0	14,970	0.1		
A59	Towa City Coop Shinotsuka II	1	97.3	36,553	0.2	1	98.8	37,120	0.2		
A61	Bichsel Musashiseki	1	95.7	23,960	0.2	1	94.3	23,302	0.1		
A63	Towa City Coop Sengencho	1	94.6	62,242	0.4	1	92.9	60,614	0.3		
A64	Royal Park Omachi	1	93.9	26,061	0.2	1	90.3	26,061	0.1		
A65	Lexington Square Haginomachi	1	92.2	17,422	0.1	1	84.3	16,961	0.1		
A66	Visconti Kakuozan	1	100.0	9,643	0.1	1	86.3	9,745	0.0		

			42nd fisc	al period			43rd fisc	al period		
		(Jan	uary 1, 2024	•	024)	(July 1, 2024 to December 31, 2024)				
			Occupancy	Rental	·	•	Occupancy	Rental		
		Number of	rate	revenue	Ratio of	Number of	rate	revenue	Ratio of	
	Name of property	tenants	(at end of	(during	rental	tenants	(at end of	(during	rental	
		(at end of	period)	period)	revenue	(at end of	period)	period)	revenue	
		period)	(%)	(JPY	(%)	period)	(%)	(JPY	(%)	
		(unit)	(Note 1)	thousand)	(Note 2)	(unit)	(Note 1)	thousand)	(Note 2)	
			(Note 2)	(Note 3)			(Note 2)	(Note 3)		
A72	Lexington Square Honjo Azumabashi	1	100.0	19,233	0.1	1	100.0	19,136	0.1	
A73	AMS TOWER Minami 6-Jo	1	91.8	46,243	0.3	1	96.4	47,706	0.2	
A84	Revest Heian	1	100.0	24,209	0.2	1	92.0	23,798	0.1	
A87	Excellente Kagurazaka	1	100.0	19,307	0.1	1	100.0	19,344	0.1	
A90	Queen's Court Fukuzumi	1	100.0	17,974	0.1	1	100.0	18,758	0.1	
A92	Belair Oimachi	1	100.0	16,071	0.1	1	88.7	15,040	0.1	
A93	Siete Minami-Tsukaguchi	1	97.5	17,226	0.1	1	95.0	17,270	0.1	
A94	Prime Life Sannomiya Isogami Koen	1	100.0	15,031	0.1	1	100.0	15,586	0.1	
A96	Century Park Shinkawa 1- bankan	1	86.4	16,805	0.1	1	86.3	16,652	0.1	
A97	West Avenue	1	92.5	13,156	0.1	1	95.0	13,336	0.1	
A99	Prime Life Mikage	1	96.6	12,911	0.1	1	96.7	12,439	0.1	
A101	Lieto Court Mukojima	1	100.0	58,831	0.4	1	100.0	58,501	0.3	
A102	Lieto Court Nishi-Ojima	1	100.0	51,099	0.3	1	100.0	51,686	0.2	
A103	Royal Parks Momozaka	1	94.5	160,851	1.1	1	95.6	161,102	0.7	
A104	Royal Parks Shinden	1	100.0	223,962	1.5	1	100.0	224,243	1.0	
A106	Royal Parks Seasir Minami-Senju	1	92.8	125,512	0.8	1	99.0	131,841	0.6	
	Subtotal	41	96.9	1,529,470	10.2	41	96.9	1,528,363	6.6	
B18	AEON TOWN Sukagawa	1	100.0	141,279	0.9	1	100.0	141,198	0.6	
	Subtotal	1	100.0	141,279	0.9	1	100.0	141,198	0.6	
D01	Hotel MyStays Kanda	1	100.0	126,759	0.8	1	100.0	153,933	0.7	
D02	Hotel MyStays Asakusa	1	100.0	114,939	0.8	1	100.0	140,449	0.6	
D03	Hotel MyStays Kyoto- Shijo	1	100.0	199,439	1.3	1	100.0	262,654	1.1	
D04	MyStays Shin-Urayasu Conference Center	1	100.0	234,535	1.6	1	100.0	267,457	1.2	
D05	Hotel MyStays Maihama	1	100.0	230,119	1.5	1	100.0	274,855	1.2	
D06	Hotel MyStays Premier Dojima	1	100.0	216,639	1.5	1	100.0	214,122	0.9	
D07	Hotel MyStays Nagoya- Sakae	1	100.0	152,357	1.0	1	100.0	181,934	0.8	
D08	Hotel MyStays Sakaisuji- Honmachi	1	100.0	97,926	0.7	1	100.0	134,781	0.6	
D09	Hotel MyStays Yokohama	1	100.0	161,066	1.1	1	100.0	178,878	0.8	

			42nd fisc	al period			43rd fisc	al period	
		(Jan	uary 1, 2024	•	024)	(July		ecember 31, 2	2024)
			Occupancy	Rental			Occupancy	Rental	
		Number of	rate	revenue	Ratio of	Number of	rate	revenue	Ratio of
	Name of property	tenants	(at end of	(during	rental	tenants	(at end of	(during	rental
		(at end of	period)	period)	revenue	(at end of	period)	period)	revenue
		period)	(%)	(JPY	(%)	period)	(%)	(JPY	(%)
		(unit)	(Note 1)	thousand)	(Note 2)	(unit)	(Note 1)	thousand)	(Note 2)
			(Note 2)	(Note 3)			(Note 2)	(Note 3)	
D10	Hotel MyStays Nippori	1	100.0	77,637	0.5	1	100.0	65,965	0.3
D11	Hotel MyStays Fukuoka- Tenjin-Minami	1	100.0	147,393	1.0	1	100.0	235,709	1.0
D12	Flexstay Inn Iidabashi	1	100.0	64,969	0.4	1	100.0	95,530	0.4
D13	Hotel MyStays Ueno Inaricho	1	100.0	59,937	0.4	1	100.0	63,905	0.3
D14	Flexstay Inn Shinagawa	1	100.0	47,661	0.3	1	100.0	51,113	0.2
D15	Flexstay Inn Tokiwadai	1	100.0	57,902	0.4	1	100.0	58,272	0.3
D16	Flexstay Inn Sugamo	1	100.0	44,409	0.3	1	100.0	46,370	0.2
D17	Hotel MyStays Otemae	1	100.0	74,349	0.5	1	100.0	101,279	0.4
D18	Hotel MyStays Kiyosumi Shirakawa	1	100.0	74,545	0.5	1	100.0	81,021	0.3
D19	Flexstay Inn Nakanobu P1	1	100.0	17,389	0.1	1	100.0	17,249	0.1
D20	Flexstay Inn Nakanobu P2	1	100.0	8,237	0.1	1	100.0	7,472	0.0
D21	APA Hotel Yokohama-Kannai	1	100.0	219,885	1.5	1	100.0	237,371	1.0
D22	Hotel MyStays Hakodate- Goryokaku	1	100.0	95,829	0.6	1	100.0	160,595	0.7
D23	Flexstay Inn Shirogane	1	100.0	48,029	0.3	1	100.0	50,390	0.2
D24	Hotel MyStays Haneda	1	100.0	198,848	1.3	1	100.0	209,777	0.9
D25	Hotel MyStays Kameido P1	1	100.0	206,003	1.4	1	100.0	220,789	1.0
D26	Hotel MyStays Ueno Iriyaguchi	1	100.0	123,440	0.8	1	100.0	135,513	0.6
D27	Hotel MyStays Kameido P2	1	100.0	130,327	0.9	1	100.0	148,864	0.6
D28	Hotel MyStays Shimizu	1	100.0	72,407	0.5	1	100.0	80,513	0.3
D29	Super Hotel Shinbashi/Karasumoriguc hi	1	100.0	39,426	0.3	1	100.0	39,426	0.2
D30	Flexstay Inn Higashi-Jujo	1	100.0	31,754	0.2	1	100.0	31,239	0.1
D31	Hotel MyStays Utsunomiya	1	100.0	101,759	0.7	1	100.0	126,874	0.5
D32	Flexstay Inn Kawasaki- Kaizuka	1	100.0	26,775	0.2	1	100.0	29,302	0.1
D33	Comfort Hotel Toyama	1	100.0	35,928	0.2	1	100.0	35,928	0.2
D34	Flexstay Inn Kawasaki- Ogawacho	1	100.0	25,848	0.2	1	100.0	23,008	0.1
D35	Flexstay Inn Ekoda	1	100.0	115,648	0.8	1	100.0	112,735	0.5

			42nd fisc	al period			43rd fiscal period				
		(Jan	uary 1, 2024	_	024)	(July 1, 2024 to December 31, 2024)					
			Occupancy	Rental	·	·	Occupancy	Rental			
		Number of	rate	revenue	Ratio of	Number of	rate	revenue	Ratio of		
	Name of property	tenants	(at end of	(during	rental	tenants	(at end of	(during	rental		
		(at end of	period)	period)	revenue	(at end of	period)	period)	revenue		
		period) (unit)	(%) (Note 1)	(JPY thousand)	(%) (Note 2)	period) (unit)	(%) (Note 1)	(JPY thousand)	(%) (Note 2)		
		(umi)	(Note 1)	(Note 3)	(Note 2)	(uiiii)	(Note 1) (Note 2)	(Note 3)	(Note 2)		
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	1	100.0	31,787	0.2	1	100.0	31,787	0.1		
	Super Hotel JR Ueno-										
D37	iriyaguchi	1	100.0	27,275	0.2	1	100.0	27,275	0.1		
D00	Hotel MyStays	4	100.0	(1.510	0.4	-1	100.0	F. ( F00	0.2		
D38	Shinsaibashi	1	100.0	61,710	0.4	1	100.0	76,788	0.3		
D39	Comfort Hotel Kurosaki	1	100.0	37,894	0.3	1	100.0	37,894	0.2		
D40	Comfort Hotel Maebashi	2	100.0	44,171	0.3	2	100.0	44,171	0.2		
D41	Comfort Hotel Tsubame- Sanjo	2	100.0	34,949	0.2	2	100.0	34,949	0.2		
D42	Comfort Hotel Kitami	1	100.0	30,300	0.2	1	100.0	30,300	0.1		
D43	Hotel MyStays Gotanda Station	1	100.0	607,460	4.1	1	100.0	635,132	2.7		
D44	Hotel Epinard Nasu	1	100.0	615,343	4.1	1	100.0	1,196,591	5.2		
D45	Hotel MyStays Fukuoka Tenjin	1	100.0	246,259	1.6	1	100.0	367,780	1.6		
D46	Hotel MyStays Hamamatsucho	1	100.0	158,461	1.1	1	100.0	167,141	0.7		
D47	Hotel MyStays Premier Kanazawa	1	100.0	295,409	2.0	1	100.0	287,096	1.2		
D48	Takamatsu Tokyu REI Hotel	2	95.8	95,236	0.6	2	95.8	106,419	0.5		
D49	Hotel MyStays Premier Hamamatsucho	1	100.0	361,375	2.4	1	100.0	370,447	1.6		
D50	Hotel MyStays Shin Osaka Conference Center	1	100.0	302,456	2.0	1	100.0	374,096	1.6		
D51	Hotel MyStays Premier Omori	1	100.0	390,656	2.6	1	100.0	421,439	1.8		
D52	Kamenoi Hotel Beppu	1	100.0	442,696	3.0	1	100.0	446,725	1.9		
D53	Hotel MyStays Sapporo Station	1	100.0	185,603	1.2	1	100.0	303,322	1.3		
D54	Hotel MyStays Yokohama Kannai	1	100.0	157,498	1.1	1	100.0	183,694	0.8		
D55	Art Hotel Joetsu	1	100.0	87,143	0.6	1	100.0	118,511	0.5		
D56	Art Hotel Hirosaki City	1	100.0	169,122	1.1	1	100.0	175,966	0.8		
D57	Hotel MyStays Oita	1	100.0	86,501	0.6	1	100.0	94,738	0.4		
D58	Hotel MyStays Gotanda	1	100.0	140,444	0.9	1	100.0	148,839	0.6		
D59	Hotel MyStays Tachikawa	1	100.0	130,033	0.9	1	100.0	148,091	0.6		
D60	Hotel MyStays Premier Akasaka	1	100.0	679,444	4.5	1	100.0	788,924	3.4		
D61	Hotel MyStays Premier Sapporo Park	1	100.0	288,072	1.9	1	100.0	543,178	2.3		

	42nd fiscal period						13rd fisc	al period	
		(Jan	4211d 11sc nuary 1, 2024	•	024)	(July		ar period ecember 31, 2	2024)
		()32	Occupancy	Rental	,	())	Occupancy	Rental	,
		Number of		revenue	Ratio of	Number of	rate	revenue	Ratio of
	Name of property	tenants	(at end of	(during	rental	tenants	(at end of	(during	rental
		(at end of	period)	period)	revenue	(at end of	period)	period)	revenue
		period)	(%)	(JPY	(%)	period)	(%)	(JPY	(%)
		(unit)	(Note 1)	thousand)	(Note 2)	(unit)	(Note 1)	thousand)	(Note 2)
			(Note 2)	(Note 3)			(Note 2)	(Note 3)	
D62	Hotel MyStays Ueno East	1	100.0	165,284	1.1	1	100.0	178,459	0.8
D63	Hotel MyStays Midosuji Honmachi	1	100.0	86,155	0.6	1	100.0	115,021	0.5
D64	Hotel MyStays Sapporo Aspen	1	100.0	309,665	2.1	1	100.0	498,457	2.1
D65	Art Hotel Ishigakijima	1	100.0	112,519	0.8	1	100.0	249,964	1.1
D66	Hotel MyStays Fuji Onsen Resort	1	100.0	476,973	3.2	1	100.0	542,715	2.3
D67	Hotel Sonia Otaru	1	100.0	185,540	1.2	1	100.0	284,357	1.2
D68	Hotel MyStays Kanazawa Castle	1	100.0	160,537	1.1	1	100.0	139,643	0.6
D69	Art Hotel Niigata Station	1	100.0	190,509	1.3	1	100.0	271,405	1.2
D70	Hotel MyStays Nagoya Nishiki	1	100.0	130,561	0.9	1	100.0	148,400	0.6
D71	Hotel Nord Otaru	1	100.0	114,412	0.8	1	100.0	197,200	0.8
D72	Hotel MyStays Kagoshima Tenmonkan	2	100.0	89,705	0.6	2	100.0	109,935	0.5
D73	Art Hotel Asahikawa	1	100.0	115,574	0.8	1	100.0	264,505	1.1
D74	Hotel MyStays Matsuyama	1	100.0	98,597	0.7	1	100.0	114,549	0.5
D75	Hotel MyStays Sapporo Susukino	1	100.0	42,566	0.3	1	100.0	87,182	0.4
D76	Hotel MyStays Sapporo Nakajima Park	1	100.0	29,921	0.2	1	100.0	64,055	0.3
D77	Hotel MyStays Sapporo Nakajima Park Annex	1	100.0	18,745	0.1	1	100.0	47,842	0.2
D78	Flexstay Inn Sakuragicho	1	100.0	46,724	0.3	1	100.0	54,326	0.2
D79	MyCUBE by MYSTAYS Asakusa Kuramae	1	100.0	43,153	0.3	1	100.0	55,742	0.2
D80	Hotel MyStays Kagoshima Tenmonkan Annex	1	100.0	26,101	0.2	1	100.0	28,184	0.1
D81	Hotel MyStays Nayoro	1	100.0	26,703	0.2	1	100.0	35,429	0.2
D82	Hotel MyStays Premier Narita	1	100.0	215,420	1.4	1	100.0	265,561	1.1
D83	Art Hotel Morioka	1	100.0	109,853	0.7	1	100.0	152,349	0.7
D84	Fusaki Beach Resort Hotel & Villas	1	100.0	627,322	4.2	1	100.0	1,527,152	6.6
D85	Tateshina Grand Hotel Takinoyu	1	100.0	194,891	1.3	1	100.0	482,205	2.1
D86	Hotel MyStays Okayama	1	100.0	64,595	0.4	1	100.0	87,558	0.4
D87	Hotel MyStays Aomori Station	1	100.0	85,848	0.6	1	100.0	141,455	0.6
D88	Hotel MyStays Soga	1	100.0	78,379	0.5	1	100.0	79,436	0.3
D89	Tazawako Lake Resort & Onsen	1	100.0	28,574	0.2	1	100.0	69,451	0.3
D90	Art Hotel Osaka Bay Tower & Solaniwa Onsen	-	-	-	-	1	100.0	1,257,069	5.4

			42nd fisc	al period			43rd fisc	•	
		(Jar	uary 1, 2024	to June 30, 2	024)	(July	1, 2024 to D	ecember 31, 2	2024)
			Occupancy	Rental			Occupancy	Rental	
		Number of		revenue	Ratio of	Number of	rate	revenue	Ratio of
	Name of property	tenants	(at end of	(during	rental	tenants	(at end of	(during	rental
		(at end of	period)	period)	revenue	(at end of	period)	period)	revenue
		period)	(%)	(JPY	(%)	period)	(%)	(JPY	(%)
		(unit)	(Note 1)	thousand)	(Note 2)	(unit)	(Note 1)	thousand)	(Note 2)
			(Note 2)	(Note 3)			(Note 2)	(Note 3)	
D91	Hakodate Kokusai Hotel	-	-	-	-	1	100.0	781,435	3.4
D92	Art Hotel Nippori Lungwood	-	-	-	-	1	100.0	345,425	1.5
D93	Hotel MyStays Kumamoto Riverside	-	-	-	-	1	100.0	195,698	0.8
D94	Art Hotel Aomori	-	-	-	-	1	100.0	236,774	1.0
D95	Kamenoi Hotel Izukogen	-	-	1	1	1	100.0	166,939	0.7
D96	Art Hotel Oita	-	-	1	-	1	100.0	190,339	8.0
D97	Art Hotel Kokura New Tagawa	-	-	-	-	1	100.0	181,609	0.8
D98	Art Hotel Miyazaki Sky Tower	-	-	1	1	1	100.0	115,597	0.5
D99	Art Hotel Kagoshima	-	-	1	1	1	100.0	119,613	0.5
D100	Kamenoi Hotel Hikone	-	-	-	-	1	100.0	129,221	0.6
D101	Kamenoi Hotel Nara	-	-	1	1	1	100.0	86,593	0.4
	Subtotal		100.0	13,262,282	88.8	105	100.0	21,535,464	92.8
	Total	135	99.6	14,933,032	100.0	147	99.7	23,205,026	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.

			42nd fisc	al period		43rd fiscal period			
		(January 1, 2024 to June 30, 2024)				(July 1, 2024 to December 31, 2024)			
	Name of property		Occupancy rate (at end of period) (%) (Note 1) (Note 2)	Manageme nt contract revenue (during period) (JPY thousand) (Note 3)	Ratio of managemen t contract revenue (%) (Note 2)	Number of tenants (at end of period) (unit)	Occupancy rate (at end of period) (%) (Note 1) (Note 2)	nt contract	Ratio of managemen t contract revenue (%) (Note 2)
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	1	100.0	4,234,691	88.7	1	100.0	1,568,783	94.7
D201	Sunshine Suites Resort	1	100.0	539,581	11.3	1	100.0	88,636	5.3
	Total		100.0	4,774,272	100.0	2	100.0	1,657,420	100.0

 $(Note\ 1) \quad \hbox{``Occupancy rate'' is calculated using the area subject to management contract.}$ 

(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			Book value (	JPY million)	Fair value (]	IPY million)	Valuation gain or loss	Notes
	J 1	y (units)	Unit price	Amount	Unit price	Amount	(JPY million)	
Preferred equity securities in Kingdom Special Purpose Company	Preferred equity securities	178,458	-	17,856	-	30,167	12,311	(Note 1) (Note 2)
	Total		-	17,856	-	30,167	12,311	

(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)

	T	Contra (N	Fair value	
Category	Transaction type, etc.		Amounts due after one year	(Note 2)
Non-market	Interest rate swap Receive floating rate/pay fixed rate	179,016,000	171,314,000	997,866
transaction	Foreign Exchange Forward, Short USD	5,118,108	952,248	-459,389

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

(Note 2) Estimation method for fair value

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

Foreign Exchange Forward: Indicates fair values of option fees, 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 Reporting Period (JPY million) (Note 2)  Percentage of total assets (%)		
Japan	581,391	700,838	89.2	144	
The Cayman Islands	32,248	84,499	10.8	2	
Total	613,640	785,338	100.0	146	

- (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 158.18, which is the exchange rate on the closing date of the fiscal period (December 31, 2024).

# 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.

	, 0				Estimate	ed cost (JPY th	ousand)
Na	ame of property	Location	Purpose	Scheduled time of implementation	Total	Payment for the Reporting Period	Advance payments
D201	Sunshine Suites Resort	Grand Cayman, Cayman Islands	Renovation work	From August 2024 To October 2025	4,031,149	1,392,883	322,085
D69	Art Hotel Niigata Station	Niigata-shi, Niigata	Renovation work	From January 2025 To July 2025	651,342	-	-
D10	Hotel MyStays Nippori	Arakawa-ku, Tokyo	Renovation work	From September 2024 To February 2025	419,913	179,601	-
D200	Westin Grand Cayman Seven Mile Beach Resort & SPA	Grand Cayman, Cayman Islands	Chiller update and others	From June 2025 To June 2025	354,005	-	-
D11	Hotel MyStays Fukuoka-Tenjin- Minami	Fukuoka-shi, Fukuoka	Renovation work	From March 2025 To June 2025	339,473	-	-

### 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 2,920,218 thousand, and together with JPY 30,300 thousand in repair costs included in this fiscal period's expenses, construction work totaling JPY 2,950,518 thousand was implemented.

	ame of property	Location	Purpose	Time of implementation	Payment (JPY thousand)
D12	Hotel MyStays Iidabashi	Shinjuku-ku, Tokyo	Renovation work	From May 2024 To September 2024	342,903
D53	Hotel MyStays Sapporo Station	Sapporo-shi, Hokkaido	Renewal of gas heat pump and electric heat pump facilities	From September 2024 To December 2024	167,744
D55	Art Hotel Joetsu	Joetsu-shi, Niigata	Renovation of exterior wall	From May 2024 To November 2024	147,250
D07	Hotel MyStays Nagoya-Sakae	Nagoya-shi, Aichi	Energy-saving work of hot water supply facilities	From October 2024 To November 2024	84,403
D76	Hotel MyStays Sapporo Nakajima Park	Sapporo-shi, Hokkaido	Renewal of multi-story parking lot facilities	From October 2024 To November 2024	77,463
Other	r construction	2,100,453			
		2,920,218			

# 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: IPY thousand)

				(	tt. ji i tilousuilaj
	39th	40th	41st	42nd	43rd
	fiscal period	fiscal period	fiscal period	fiscal period	fiscal period
Fiscal period	From July 1, 2022	From January 1,	From July 1, 2023	From January 1,	From July 1, 2024
	to December 31,	2023 to June 30,	to December 31,	2024 to June 30,	to December 31,
	2022	2023	2023	2024	2024
Reserved funds at	3,025,792	3,096,949	3,457,311	3,441,568	4,170,374
beginning of period	3,023,772	3,070,747	3,437,311	3,441,300	4,170,574
Amount reserved	968,000	1,027,418	1,152,988	2,481,954	4,337,201
(Note 1)	900,000	1,027,416	1,132,900	2,401,904	4,557,201
Amount reversed	896,843	667,056	1,168,731	1,753,148	3,553,879
(Note 1)	070,043	007,030	1,100,731	1,755,146	5,555,679
Amount carried over for	3,096,949	3,457,311	3,441,568	4,170,374	4,953,696
next fiscal period	3,090,949	3,437,311	3,441,300	4,170,374	4,700,070

(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.

# 1 Statement of Operating Expenses

(JPY thousand)

		(Ji i tilousuna)
Item	42nd fiscal period	43rd fiscal period
item	January 1, 2024 to June 30, 2024	July 1, 2024 to December 31, 2024
(a) Asset management fees	450,000	450,000
(b) Asset custody fees	28,235	32,940
(c) Administrative services fees	41,077	62,429
(d) Directors' compensation	4,800	4,800
(e) Other	132,787	159,373
Total	656,900	709,543

# 2 Borrowing Conditions

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

Туре	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
	SBI Shinsei Bank, Limited	Jul. 19, 2023	5,513,000	-	0.395	Jul. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no
	Resona Bank, Limited	2023	1,335,000	-		2024			guarantee
	Resona Bank, Limited The Bank of Fukuoka,	Sep. 26, 2023	1,665,000 300,000	-	0.395	Jul. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
Short-term loans	Ltd. Mizuho Bank, Ltd.		-	-	0.606	Jul 31, 2025 (Note 4)	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.	T 101	-	1,075,000					
	MUFG Bank, Ltd.	Jul 31, 2024	-	826,000		Jul 31,			Unsecured
	Sumitomo Mitsui Banking Corporation		-	813,000	0.606	2025	(Note 3)	(Note 2)	/ with no guarantee
	Sumitomo Mitsui Trust Bank, Limited		ı	711,000					
	Subtotal		8,813,000	3,425,000					
	Mizuho Bank, Ltd.		1,250,000	-					
	Sumitomo Mitsui Trust Bank, Limited	Oct. 13, 2017	1,060,000	-	1.152	Oct. 11, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Banking Corporation		1,250,000	-					
	Kiraboshi Bank, Ltd.	Mar. 29, 2019	961,000	961,000	1.206	Mar. 29, 2029	(Note 3)		Unsecured / with no guarantee
	Mizuho Bank, Ltd.		1,171,400	-					
	MUFG Bank, Ltd.		1,464,800	-					
Long-term	Sumitomo Mitsui Banking Corporation	Jul. 16,	1,331,200	-	0.540	Jul. 16,	(2.1.4.2)	(3.1 . 2)	Unsecured
loans (Note 5)	Sumitomo Mitsui Trust Bank, Limited	2019	628,600	-	0.563	2024	(Note 3)	(Note 2)	/ with no guarantee
(110100)	Citibank, N.A., Tokyo Branch		1,000,000	-					
	SBI Shinsei Bank, Limited		200,000	-					
	Mizuho Bank, Ltd.		2,171,400	2,171,400					
	MUFG Bank, Ltd.		1,464,800	1,464,800					
	Sumitomo Mitsui Banking Corporation	Jul. 16, 2019	1,331,200	1,331,200	0.956	Jan. 16, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Trust Bank, Limited		628,600	628,600		2023			0
	SBI Shinsei Bank, Limited		200,000	200,000					

Туре	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
	Mizuho Bank, Ltd.		2,170,400	2,170,400					
	MUFG Bank, Ltd.	1	1,464,800	1,464,800					
	Sumitomo Mitsui Banking Corporation	Jul. 16, 2019	1,331,200	1,331,200	1.106	Jul. 16, 2025	(Note 3)	(Note 2)	
	Sumitomo Mitsui Trust Bank, Limited	2017	628,600	628,600					guarantee
	SBI Shinsei Bank, Limited		200,000	200,000					
	Mizuho Bank, Ltd.		712,000	-					
	MUFG Bank, Ltd.	1	986,000	-					
	Sumitomo Mitsui Banking Corporation		986,000	-					
	Sumitomo Mitsui Trust Bank, Limited		684,000	-					
	Citibank, N.A., Tokyo Branch	Jul. 19, 2019	500,000	-	0.580	Jul. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no
	Development Bank of	2017	300,000	-		2024			guarantee
	Japan, Inc. AEON Bank, Ltd.	-	300,000						
	The Nomura Trust and	-	100,000	_					
	Banking Co., Limited Aozora Bank, Ltd,	_	375,000	_					
	Mizuho Bank, Ltd.		1,212,000	1,212,000					
	MUFG Bank, Ltd.	-	986,000	986,000					
	Sumitomo Mitsui	-	986,000	986,000	0.956 Jan. 16, 2025				
	Banking Corporation Sumitomo Mitsui Trust	-	684,000	684,000				(Note 2)	Unsecured
Long-term	Bank, Limited Development Bank of	Jul. 19, 2019	300,000	300,000			(Note 3)		
loans (Note 5)	Japan, Inc. AEON Bank, Ltd.	-	300,000	300,000					guarantee
(110100)	The Nomura Trust and	-	100,000	100,000					
	Banking Co., Limited Aozora Bank, Ltd.	-	375,000	375,000					
	Mizuho Bank, Ltd.		1,211,000	1,211,000					
	MUFG Bank, Ltd.	-	986,000	986,000					
	Sumitomo Mitsui	-	986,000	986,000					
	Banking Corporation Sumitomo Mitsui Trust	-	684.000	684,000					Unsecured
	Bank, Limited Development Bank of	Jul. 19, 2019	300,000	300,000	1.106	Jul. 16, 2025	(Note 3)	(Note 2)	/ with no guarantee
	Japan, Inc. AEON Bank, Ltd.	-	300,000	300,000					guarantee
	The Nomura Trust and	-	100,000	100,000					
	Banking Co., Limited Aozora Bank, Ltd.	-	375,000	375,000					
	Auzora Barik, Ltu.	Jul. 22,	373,000	373,000		Jul. 16,			Unsecured
	Tokyo Star Bank, Limited	2019	700,000	700,000	1.106	2025	(Note 3)	(Note 2)	
	San ju San Bank,Ltd.	Oct. 15, 2019	1,000,000	1,000,000	0.956	Apr. 15, 2025	(Note 3)	(Note 2)	Unsecured
	The Nishi-Nippon City Bank, Ltd.	Oct. 15, 2019	1,000,000	1,000,000	1.106	Oct. 15, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Trust Bank, Limited	I ć	3,050,000	3,050,000		I			Unsecured
	Momiji Bank,Ltd.	Jan. 6, 2020	961,000	961,000	0.643	Jan. 6, 2025		(Note 2)	
	The Kiyo Bank		480,000	480,000					Suarantee

Туре	Lender	Borrowing date	Period	Balance at end of Reporting Period (JPY thousand)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Purpose	Notes
	Mizuho Bank, Ltd.		634,000	634,000					
	Resona Bank, Limited		300,000	300,000					
	Development Bank of		1,000,000	1,000,000					
	Japan, Inc. The Bank of Fukuoka,	Mar. 16,	333,000	333,000	0.407	Mar. 16,	(NI-1-2)	(NI-1- 2)	Unsecured
	Ltd. The Nomura Trust and	2020		·	0.487	2025	(Note 3)	(Note 2)	/ with no guarantee
	Banking Co., Limited The Shizuoka Bank, Ltd.		333,000	333,000	4				
			200,000	200,000					
	The Yamaguchi Bank, Ltd.		411,000	411,000					
	Mizuho Bank, Ltd.		582,000	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	Mar. 30,	270,000	270,000	0.906	Mar. 16,	(Note 3)	(Note 2)	Unsecured / with no
	Aozora Bank, Ltd.	2020	1,000,000	1,000,000		2025	(,	,	guarantee
	The Shizuoka Bank, Ltd.	-	270,000	270,000					
	The Kagawa Bank, Ltd.	1	500,000	500,000					
	The Yamaguchi Bank,		550,000	550,000					
	Ltd. The Chukyo Bank, Ltd. (Note 6)		961,000	961,000					
	Tokyo Star Bank, Limited	Jul. 20, 2021	1,582,000	-	0.545	Jul. 20, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
Long-term	Tokyo Star Bank, Limited	Jul. 20, 2022	600,000	600,000	0.756	Jul. 20, 2025	(Note 3)	(Note 2)	Unsecured / with no guarantee Unsecured
loans (Note 5)	Tokyo Star Bank, Limited	Oct. 13, 2022	1,190,000	1,190,000	0.906	Oct. 13, 2027	(Note 3)	(Note 2)	/ with no guarantee
	Mizuho Bank, Ltd.		3,001,500	3,001,500			(Note 3)	(Note 2)	
	MUFG Bank, Ltd.	Mar 14	1,326,000	1,326,000		Mar 14			Unsecured
	Sumitomo Mitsui Trust Bank, Limited	Mar. 14, 2023	2,293,500	2,293,500	0.712	Mar. 14, 2026			/ with no guarantee
	Development Bank of Japan, Inc.		900,000	900,000					
	MUFG Bank, Ltd.	Mar. 16,	765,000	765,000	0.505	Mar. 14,	(3.1.1.0)	(3.1 + 3)	Unsecured / with no
	The Chiba Bank, Ltd.	2023	981,000	981,000	0.707	2026	(Note 3)	(Note 2)	guarantee
	Development Bank of Japan, Inc.	Jun. 19, 2023	1,000,000	1,000,000	0.905	Jun. 19, 2026	(Note 3)	(Note 2)	guarantee
	MUFG Bank, Ltd.	Jun. 27, 2023	500,000	500,000	0.905	Jun. 27, 2026	(Note 3)	(Note 2)	guarantee
	SBI Shinsei Bank, Limited	Jul. 14, 2023	1,110,000	-	0.395	Jul. 16, 2024	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.		1,221,000	1,221,000					
	MUFG Bank, Ltd.	Jul. 14,	1,110,000	1,110,000	0.604	Jul. 16,	0.1.4.0	0.1 . 0	Unseçured
	Sumitomo Mitsui Banking Corporation	2023	998,500	998,500	0.691	2026	(Note 3)	(Note 2)	/ with no guarantee
	Sumitomo Mitsui Trust Bank, Limited		445,000	445,000					
	Mizuho Bank, Ltd.		5,821,500	5,821,500					
	MUFG Bank, Ltd.	1	5,783,500	5,783,500					
	Sumitomo Mitsui	1	4,601,500	4,601,500					
	Banking Corporation Sumitomo Mitsui Trust Bank, Limited	Jul. 19, 2023	2,225,000	2,225,000	0.696	0.696 Jul. 16, 2026	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Development Bank of	1	333,000	333,000					
	Japan, Inc. The Ogaki Kyoritsu Bank, Ltd.	1	93,500	93,500					

Туре	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
	Mizuho Bank, Ltd.		1,221,000	1,221,000	, , ,				
	MUFG Bank, Ltd.	Jul. 14,	1,110,000	1,110,000		Jul. 14,			Unsecured
	Sumitomo Mitsui Banking Corporation	2023	998,500	998,500	1.395	2028	(Note 3)	(Note 2)	/ with no guarantee
	Sumitomo Mitsui Trust Bank, Limited		445,000	445,000					
	Mizuho Bank, Ltd.		5,821,500	5,821,500					
	MUFG Bank, Ltd.		5,783,500	5,783,500					
	Sumitomo Mitsui Banking Corporation	Jul. 19,	4,601,500	4,601,500		Jul. 14,			Unsecured
	Sumitomo Mitsui Trust Bank, Limited	2023	2,225,000	2,225,000	1.395	2028	(Note 3)	(Note 2)	/ with no guarantee
	Development Bank of Japan, Inc.	1	333,000	333,000					8
	The Ogaki Kyoritsu Bank, Ltd.	1	93,500	93,500	_				
	Mizuho Bank, Ltd.		296,800	296,800					
	MUFG Bank, Ltd.	Jul. 14,	227,700	227,700		Jul. 16,			Unsecured
	Sumitomo Mitsui Banking Corporation	2023	224,100	224,100	0.706	2026	(Note 3)	(Note 2)	/ with no guarantee
	Sumitomo Mitsui Trust Bank, Limited		203,000	203,000					O
	Mizuho Bank, Ltd.		1,519,600	1,519,600					
	MUFG Bank, Ltd.		1,165,900	1,165,900					
	Sumitomo Mitsui Banking Corporation	Jul. 19,	1,147,300	1,147,300	0.706	Jul. 16, 2026	(Note 3)	(Note 2)	Unsecured / with no
	Sumitomo Mitsui Trust Bank, Limited	2023	1,039,500	1,039,500		2020	, ,	,	guarantee
	Development Bank of Japan, Inc.		296,100	296,100					
Long-term	Mizuho Bank, Ltd.		2,454,000	2,454,000					
loans (Note 5)	MUFG Bank, Ltd.		1,784,600	1,784,600	0.691				
(rvote o)	Sumitomo Mitsui Banking Corporation	Aug. 1,	1,784,600	1,784,600		Jul. 16, 2026	(Note 3)	(Note 2)	Unsecured
	Sumitomo Mitsui Trust Bank, Limited	2023	1,586,300	1,586,300					/ with no guarantee
	Tokyo Star Bank, Limited		793,100	793,100					
	Aozora Bank, Ltd.		793,100	793,100					
	Mizuho Bank, Ltd.		3,681,000	3,681,000					
	MUFG Bank, Ltd.		2,677,000	2,677,000					
	Sumitomo Mitsui Banking Corporation		2,677,000	2,677,000					
	Sumitomo Mitsui Trust Bank, Limited	Aug. 1,	2,379,500	2,379,500	1.069	Jul. 14,	(Note 3)	(Nictor)	Unsecured
	Development Bank of Japan, Inc.	2023	2,974,400	2,974,400	1.069	2028	(Note 3)	(Note 2)	guarantee
	Tokyo Star Bank, Limited		1,189,700	1,189,700					
	Aozora Bank, Ltd.		1,189,700	1,189,700					
	The Ogaki Kyoritsu Bank, Ltd.		806,000	806,000					
	· ·	Sep. 14, 2023	3,000,000	3,000,000	0.879	Jul. 16, 2027	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.		6,947,000	6,947,000					
	MUFG Bank, Ltd.		5,133,100	5,133,100					
	Sumitomo Mitsui Banking Corporation	Sep. 26,	6,717,200	6,717,200	0.894	Jul. 16,			Unsecured
	Sumitomo Mitsui Trust Bank, Limited	2023	2,679,950	2,679,950		Jul. 16, 2027		(Note 2)	/ with no guarantee
	Development Bank of Japan, Inc.		2,100,000	2,100,000					
	The Nomura Trust and Banking Co., Limited		756,000	756,000					

Туре	Lender	Borrowing date	Balance at beginning of Reporting Period (IPY thousand)	Balance at end of Reporting Period (JPY thousand)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Purpose	Notes
	Mizuho Bank, Ltd.		875,000	875,000	(Ivote I)				
	Sumitomo Mitsui Banking Corporation	Oct. 13,	875,000	875,000	0.879	Jul. 16,	(Note 3)	(Note 2)	Unsecured / with no
	Sumitomo Mitsui Trust Bank, Limited	2023	745,500	745,500		2027	(,	,	guarantee
	Mizuho Bank, Ltd.		2,977,500	2,977,500					
	MUFG Bank, Ltd.		2,199,900	2,199,900					
	Sumitomo Mitsui Banking Corporation	Sep. 26,	2,878,800	2,878,800	1.327	Jul. 16,	(Note 3)	(Note 2)	Unsecured / with no
	Sumitomo Mitsui Trust Bank, Limited	2023	1,148,550	1,148,550		2028	,		guarantee
	Development Bank of Japan, Inc.		900,000	900,000					
	Mizuho Bank, Ltd.		375,000	375,000					
	Sumitomo Mitsui Banking Corporation	Oct. 13, 2023	375,000	375,000	1.327	Jul. 16, 2028	(Note 3)	(Note 2)	
	Sumitomo Mitsui Trust Bank, Limited	2023	319,500	319,500		2026			guarantee
	SBI Shinsei Bank, Limited	Sep. 26, 2023	3,197,000	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	1,900,000	1.054	Jul. 14, 2028	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.	Nov. 29, 2023	4,321,000	4,321,000	1.205	Nov. 29, 2029	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.		1,622,900	1,622,900					
	MUFG Bank, Ltd.		1,367,300	1,367,300					
	Sumitomo Mitsui Banking Corporation	Jan. 16,	1,292,700	1,292,700	1.265	Mar. 14, 2028	(Note 3)	(Note 2)	Unsecured / with no
	Sumitomo Mitsui Trust Bank, Limited	2024	732,100	732,100			(Note 3)	(Note 2)	guarantee
	Aozora Bank, Ltd.		237,000	237,000					
Long-term loans	The Nomura Trust and Banking Co., Limited		56,000	56,000					
(Note 5)	MUFG Bank, Ltd.	Jan. 24,	850,000	850,000	1.265	Mar. 14,	(Note 3)	(Note 2)	Unsecured / with no
	Sumitomo Mitsui Trust Bank, Limited	2024	4,175,000	4,175,000	1.203	2028	(I vote 3)	(I vote 2)	guarantee
	Mizuho Bank, Ltd.		1,622,900	1,622,900					
	MUFG Bank, Ltd.		1,367,300	1,367,300					
	Sumitomo Mitsui Banking Corporation	Jan. 16,	1,292,700	1,292,700	1.359	Mar. 14,	(NI ata 2)	(NI ata 2)	Unsecured / with no
	Sumitomo Mitsui Trust Bank, Limited	2024	732,100	732,100	1.339	2029	(Note 3)	(Note 2)	guarantee
	Development Bank of Japan, Inc.		335,000	335,000					
	The Nomura Trust and Banking Co., Limited		56,000	56,000					
	MUFG Bank, Ltd.	Jan. 24,	850,000	850,000	1 250	Mar. 14,	(Nata 2)	(NI ata 2)	Unsecured
	Sumitomo Mitsui Trust Bank, Limited	2024	4,175,000	4,175,000	1.359	2029	(Note 3)	(Note 2)	/ with no guarantee
	Mizuho Bank, Ltd.		2,576,000	2,576,000					
	MUFG Bank, Ltd.		2,168,000	2,168,000					
	Sumitomo Mitsui Banking Corporation		2,050,000	2,050,000					
	Sumitomo Mitsui Trust Bank, Limited	Jan. 16, 2024	1,161,000	1,161,000	1.205	Mar. 14, 2030	(Note 3)	(Note 2)	
	Development Bank of Japan, Inc.	2021	265,000	265,000		2000			guarantee
	San ju San Bank,Ltd.		662,000	662,000					
	The Nomura Trust and Banking Co., Limited		88,000	88,000					
	Resona Bank, Limited	Jan. 16, 2024	1,200,000	1,200,000	0.606	Mar. 16, 2025	(Note 3)	(Note 2)	guarantee
	SBI Shinsei Bank, Limited	Jan. 16, 2024	369,000	369,000	1.052	Mar. 14, 2027	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Tokyo Star Bank, Limited	Jan. 16, 2024	2,440,000	2,440,000	1.359	Mar. 14, 2029	(Note 3)	(Note 2)	Unsecured / with no guarantee

Туре	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
	Mizuho Bank, Ltd.		333,000	333,000					
	MUFG Bank, Ltd.	Mar. 14,	233,000	233,000		Mar. 14,	27. 2		Unsecured
	Sumitomo Mitsui Trust Bank, Limited	2024	363,000	363,000	1.205	2030	(Note 3)	(Note 2)	/ with no guarantee
	Development Bank of Japan, Inc.		100,000	100,000					
	The Nomura Trust and Banking Co., Limited	Mar. 14, 2024	350,000	350,000	1.359	Mar. 14, 2029	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Aozora Bank, Ltd.	Mar. 29,	500,000	500,000	1 250	Mar. 14,	(NI-1-2)	(NI-1- 2)	Unsecured
	The Tochigi Bank Ltd.	2024	901,000	901,000	1.359	2029	(Note 3)	(Note 2)	/ with no guarantee
	The Nomura Trust and Banking Co., Limited	Mar. 14, 2024	350,000	350,000	1.212	Mar. 14, 2028	(Note 3)	(Note 2)	Unsecured / with no guarantee
	SBI Shinsei Bank, Limited		281,000	281,000					T Image and and
	The Shizuoka Bank Ltd.	Mar. 14, 2024	1,000,000	1,000,000	1.052	Mar. 14, 2027	(Note 3)	(Note 2)	
	The Bank of Fukuoka, Ltd.	2024	465,000	465,000		2027			guarantee
	Aozora Bank, Ltd.	Mar. 29,	500,000	500,000		Mar. 14,			Unsecured
	The Nishi-Nippon City Bank, Ltd.	2024	500,000	500,000	1.052	2027	(Note 3)	(Note 2)	/ with no guarantee
	The Shizuoka Bank Ltd.	Mar. 14,	845,000	845,000		Mar. 14,			Unsecured
	The Bank of Fukuoka, Ltd.	2024	393,000	393,000	0.805	2026	(Note 3)	(Note 2)	/ with no guarantee
	San ju San Bank,Ltd.	Apr. 15, 2024	1,700,000	1,700,000	1.205	Mar. 14, 2030	(Note 3)	(Note 2)	Unsecured / with no guarantee
Long-term	SBI Shinsei Bank, Limited	Jun. 27, 2024	1,000,000	1,000,000	1.375	Jul. 16, 2029	(Note 3)	(Note 2)	Unsecured
loans (Note 5)	Mizuho Bank, Ltd.		-	1,131,000				(Note 2)	
	MUFG Bank, Ltd.		-	1,470,000		Jul. 16, 2031	(Note 3)		L
	Sumitomo Mitsui Banking Corporation	Jul. 16, 2024	-	1,390,000	1.305				
	Banking Corporation Sumitomo Mitsui Trust Bank, Limited	2024	-	788,000		2001			guarantee
	Development Bank of Japan, Inc.		1	300,000					
	Mizuho Bank, Ltd.		-	377,000					
	SBI Shinsei Bank, Limited		-	823,000					
	MUFG Bank, Ltd.	Jul. 16,	-	490,000		Jul. 16,			Unsecured
	Sumitomo Mitsui Banking Corporation	2024	-	463,000	1.205	2030	(Note 3)	(Note 2)	/ with no guarantee
	Aozora Bank, Ltd.		-	375,000					8
	Sumitomo Mitsui Trust Bank, Limited	1	-	263,000					
	Mizuho Bank, Ltd.		_	375,400					
	SBI Shinsei Bank, Limited		-	3,000,000					
	MUFG Bank, Ltd. Sumitomo Mitsui	T 1 16	-	490,800		T 1 16			Unsecured
		Jul. 16, 2024	-	464,200	1.375	Jul. 16, 2029	(Note 3)	(Note 2)	/ with no guarantee
	Banking Corporation Sumitomo Mitsui Trust	1	_	261,600	00				Suarantee
	Bank, Limited The Nomura Trust and	-	_	100,000					
	Banking Co., Limited SBI Shinsei Bank, Limited			3,000,000					I Incomes 4
	The Bank of Fukuoka,	Jul. 16, 2024	-		1.230	Jul. 14, 2028	(Note 3)	(Note 2)	
	Ltd.		-	300,000	Ì		]	1	guarantee

Туре	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
	Mizuho Bank, Ltd.		-	5,900,000					
	Sumitomo Mitsui Banking Corporation		-	5,400,000					
	MUFG Bank, Ltd.		1	5,067,000					
	Sumitomo Mitsui Trust Bank, Limited	Jul. 31,	-	2,700,000	4 205	Jul. 16,	01.0	(A.T. 4. A)	Unsecured
	Development Bank of Japan, Inc.	2024	-	1,500,000	1.305	2031	(Note 3)	(Note 2)	/ with no guarantee
	The Yamaguchi Bank, Ltd.		-	1,000,000					
	The Tochigi Bank Ltd.		-	1,000,000					
	The Kagawa Bank Ltd.		-	500,000					
	Mizuho Bank, Ltd.		-	5,866,000					
	Sumitomo Mitsui Banking Corporation			5,400,000					
	MUFG Bank, Ltd.		-	3,567,000					
	Sumitomo Mitsui Trust Bank, Limited	Jul. 31,		2,700,000	1.025	Jul. 16,	(NI ata 2)	(Nictor)	Unsecured
	Development Bank of Japan, Inc.	2024	-	1,500,000	1.025	2030	(Note 3)	(Note 2)	/ with no guarantee
т .	San ju San Bank, Ltd.		-	700,000					
Long-term loans	The Chiba Bank, Ltd.		-	500,000					
(Note 5)	The Kiyo Bank, Ltd.		-	500,000					
	Suruga Bank Ltd.		-	2,000,000					
	The Bank of Fukuoka, Ltd.		-	1,000,000					
	The Chukyo Bank, Ltd. (Note 6)		-	1,000,000					Unsecured
	The San-In Godo Bank, Ltd.	Jul. 31, 2024	-	1,000,000	1.375	Jul. 16, 2029	(Note 3)	(Note 2)	/ with no
	SBI Shinsei Bank, Limited		-	500,000					guarantee
	The Chiba Bank, Ltd.		-	500,000					
	The Kiyo Bank, Ltd.		-	500,000					
	MUFG Bank, Ltd.	Jul. 31, 2024	-	1,500,000	1.598	Jul. 16, 2030	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Mizuho Bank, Ltd.	Oct. 11, 2024	-	1,250,000	1.056	Mar. 14, 2031	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Banking Corporation	Oct. 11, 2024	-	1,250,000	1.056	Mar. 14, 2031	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Sumitomo Mitsui Trust Bank, Limited	Oct. 11, 2024	-	1,060,000	1.056	Mar. 14, 2031	(Note 3)	(Note 2)	Unsecured / with no guarantee
	Subtotal			295,672,000					
	Total			299,097,000					

- (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) The loans were prepaid on September 12, 2024.
- (Note 5) Long-term loans includes current portion of long-term loans payable.
- (Note 6) The Chukyo Bank, Ltd. changed its trade name to Aichi Bank, Ltd. on January 1, 2025.

### 3 Investment Corporation Bonds

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

the period period nD	emptio Redemption U	
(JPY thousand) (JPY thousand)		Jse of Security/ unds Guaranty
Investment 1,000,000 1,000,000 0.800	y 25, 028 (Note 3) (N	Iote 4)
Investment 1,000,000 1,000,000 0.480	ber 28, 024 (Note 3) (N	Tote 6)
Investment   2,000,000   2,000,000   0.900     (Note 1)   2019	ber 26, 029 (Note 3) (N	Tote 6)
Investment 1,200,000 1,200,000 0.850 Corporation Bonds (Note 1)	ch 13, 030 (Note 3) (N	Tote 5)
Investment   5,000,000   5,000,000   1.000     20.000   1.000     20.000   1.000     20.000	y 25, (Note 3) (N	Unsecured / with no
Investment	y 25, 028 (Note 3) (N	guarantee guarantee
Investment   1,700,000   1,700,000   1.200	ember 2028 (Note 3) (N	Jote 5)
Investment   1,800,000   1,800,000   1.297	ember 2028 (Note 3) (N	Jote 5)
Investment   6,000,000   6,000,000   1.470	uary 9, 029 (Note 3) (N	Jote 7)
Investment - 4,200,000   1.300	ember 2029 (Note 3) (N	Jote 7)
Total 20,900,000 24,100,000		

<sup>(</sup>Note 1) This is with pari passu conditions among specified corporate bonds.

<sup>(</sup>Note 2) This is with pari passu conditions among investment corporate bonds.

<sup>(</sup>Note 3) 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.

<sup>(</sup>Note 4) The funds will be used to acquire trust beneficiary interest in real estate.

<sup>(</sup>Note 5) The funds will be used to repay borrowings.

(Note 6) The funds will be used in strategic capital expenditure.

(Note 7) 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

IIIIus	liuc	ture Kerateu-Ass		anisition			Sale	
			Ac	equisition			Saie	
Type of asset		Name of property	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	D90	Art Hotel Osaka Bay Tower & Solaniwa Onsen	Jul. 31, 2024	31,185	-	-	-	-
Trust beneficiary interest	D91	Hakodate Kokusai Hotel	Jul. 31, 2024	16,830	-	-	-	-
Trust beneficiary interest	D92	Art Hotel Nippori Lungwood	Jul. 31, 2024	16,335	_	ſ	ſ	_
Trust beneficiary interest	D93	Hotel MyStays Kumamoto Riverside	Jul. 31, 2024	6,831	_	-	-	_
Trust beneficiary interest	D94	Art Hotel Aomori	Jul. 31, 2024	5,672	_	Г	ſ	_
Trust beneficiary interest	D95	Kamenoi Hotel Izukogen	Jul. 31, 2024	5,563	_	ſ	ſ	_
Trust beneficiary interest	D96	Art Hotel Oita	Jul. 31, 2024	5,484	_	ſ	ſ	-
Trust beneficiary interest	D97	Art Hotel Kokura New Tagawa	Jul. 31, 2024	4,672	_	I	ı	
Trust beneficiary interest	D98	Art Hotel Miyazaki Sky Tower	Jul. 31, 2024	3,821	_	ı	ı	_
Trust beneficiary interest	D99	Art Hotel Kagoshima	Jul. 31, 2024	3,395	_	I	ı	
Trust beneficiary interest	D100	Kamenoi Hotel Hikone	Jul. 31, 2024	2,603	-	_	_	_
Trust beneficiary interest	D101	Kamenoi Hotel Nara	Jul. 31, 2024	2,029	-	-	-	_
	Total			104,420	_			

(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	D90	Art Hotel Osaka Bay Tower & Solaniwa Onsen	Real estate Trust beneficiary interest	Jul. 31, 2024	31,185	31,500	Japan Real Estate Institute	June 1, 2024
Acquisition	D91	Hakodate Kokusai Hotel	Real estate Trust beneficiary interest	Jul. 31, 2024	16,830	17,000	Daiwa Real Estate Appraisal Co., Ltd.	June 1, 2024
Acquisition	D92	Art Hotel Nippori Lungwood	Real estate Trust beneficiary interest	Jul. 31, 2024	16,335	16,500	JLL Morii Valuation & Advisory K.K.	June 1, 2024
Acquisition	D93	Hotel MyStays Kumamoto Riverside	Real estate Trust beneficiary interest	Jul. 31, 2024	6,831	6,900	JLL Morii Valuation & Advisory K.K.	June 1, 2024
Acquisition	D94	Art Hotel Aomori	Real estate Trust beneficiary interest	Jul. 31, 2024	5,672	5,730	Daiwa Real Estate Appraisal Co., Ltd.	June 1, 2024
Acquisition	D95	Kamenoi Hotel Izukogen	Real estate Trust beneficiary interest	Jul. 31, 2024	5,563	5,620	Tanizawa Sogo Appraisal Co., Ltd.	June 1, 2024
Acquisition	D96	Art Hotel Oita	Real estate Trust beneficiary interest	Jul. 31, 2024	5,484	5,540	JLL Morii Valuation & Advisory K.K.	June 1, 2024
Acquisition	D97	Art Hotel Kokura New Tagawa	Real estate Trust beneficiary interest	Jul. 31, 2024	4,672	4,720	Daiwa Real Estate Appraisal Co., Ltd.	June 1, 2024
Acquisition	D98	Art Hotel Miyazaki Sky Tower	Real estate Trust beneficiary interest	Jul. 31, 2024	3,821	3,860	Japan Real Estate Institute	June 1, 2024
Acquisition	D99	Art Hotel Kagoshima	Real estate Trust beneficiary interest	Jul. 31, 2024	3,395	3,430	Tanizawa Sogo Appraisal Co., Ltd.	June 1, 2024
Acquisition	D100	Kamenoi Hotel Hikone	Real estate Trust beneficiary interest	Jul. 31, 2024	2,603	2,630	Tanizawa Sogo Appraisal Co., Ltd.	June 1, 2024
Acquisition	D101	Kamenoi Hotel Nara	Real estate Trust beneficiary interest	Jul. 31, 2024	2,029	2,050	Japan Real Estate Institute	June 1, 2024

<sup>(</sup>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

### 1 Notice

# (1) General Meeting of Unitholders

INV's General Meeting of Unitholders was held on December 19, 2024.

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

	•	
	Agenda	Summary  1. In light of the fact that the total number of investment units issued and outstanding is approaching the total number of investment units authorized to be issued, the total number of investment units authorized to be issued is to be increased in advance in case the total number of investment units issued and outstanding further increases as a result of future issuance of new investment units.  2. The minutes of general unitholders meetings and the minutes of the board of directors' meetings will be made available as electromagnetic records, and the minutes of the board of directors' meetings will be made available for electronic signatures, for the purpose of streamlining and improving administrative efficiency, and establishing a flexible management system.  3. 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 2024 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
Proposal No. 1	Partial Amendment to Articles of Incorporation	Ltd, the asset management company (the "Asset Manager"), the asset management fees for the period from January 2013 to December 2024 have been reduced. The Investment Corporation has further obtained the consent of the Asset
		specified assets, works that its asset manager conducts are not limited to those relevant to the disposition of the specified assets, but might involve those relevant to the disposition of the assets underlying the specified assets (hereinafter referred to as "Underlying Assets") and the assets invested accompanying or in conjunction with the specified assets (hereinafter referred to as "Relevant Assets"). As such, income to the Investment Corporation is generated by the disposition not only of the

		specified assets but also of the Underlying Assets or the Relevant Assets. Thus, the change is to stipulate that not only the principal amount of the investment but also the income from the disposition of the Underlying Assets or the Relevant Assets are included in the amount subject to the calculation of the disposition fees.  6. The change is to stipulate that, in the event of a merger between the Investment Corporation and another investment corporation, where its asset manager conducts services such as investigation and evaluation of the assets held by such other investment corporation, the Investment Corporation pays its asset manager a merger fee calculated based on the appraisal value of the real estate and the real estate-backed securities held by such other investment corporation.  7. In addition to the above, there will be some formal changes such as corrections of wording and clarification of references to provisions.
Proposal No. 2	Appointment of One (1) Executive Director	Naoki Fukuda was appointed.
Proposal No. 3	Appointment of Two (2) Substitute Executive Director	Naoto Ichiki and Christopher Reed were 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 18, 2024	Conclusion of the underwriting agreement related to the issuance of new investment units, etc.	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 18, 2024.
August 29, 2024	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 September 2, 2024 to October 30, 2024; 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 19, 2024	Conclusion of the amendment to the asset management entrustment contract due to the change in the standards for the amount and payment of the asset management fees to the asset management company	Board of Directors of INV approved that the content be changed to the details outlined in Proposal No. 1 of the above "(1) General Meeting of Unitholders", regarding the standards for the amount and payment of the asset management fees to the asset management company, subject to the condition that the changes described in Proposal No. 1 is approved.

(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., 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 SMBC Nikko Capital Markets Limited, Morgan Stanley & Co. International plc, 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	Fiscal period ended
	June 30, 2024	December 31, 2024
	(as of June 30, 2024)	(as of December 31, 2024)
Assets		_
Current assets:		
Cash and bank deposits	30,213,929	31,964,082
Cash and bank deposits in trust	12,346,894	13,319,608
Rental receivables	6,040,833	7,508,438
Deposits paid	2,414,240	1,956,046
Prepaid expenses	1,428,542	1,343,561
Income taxes receivable	24	533
Consumption tax receivable	-	2,426,309
Total current assets	52,444,465	58,518,580
Non-current assets:		_
Property and equipment		
Buildings at cost	19,487,456	19,535,441
Accumulated depreciation	-2,246,260	-2,465,825
Buildings, net	17,241,196	17,069,615
Buildings and accompanying facilities, at cost	5,311,876	5,364,450
Accumulated depreciation	-1,567,255	-1,721,222
Buildings and accompanying facilities, net	3,744,620	3,643,227
Structures, at cost	1,458	15,194
Accumulated depreciation	-282	-493
Structures, net	1,176	14,700
Tools, furniture and fixtures, at cost	1,495,664	1,824,351
Accumulated depreciation	-622,265	-736,959
Tools, furniture and fixtures, net	873,398	1,087,392
Construction in progress, at cost	1,055,651	2,534,073
Buildings in trust, at cost	184,336,400	216,673,380
Accumulated depreciation	-33,929,448	-36,957,039
		179,716,341
Buildings in trust, net Buildings and accompanying facilities in trust, at *3	150,406,952	1/9,/10,341
P J G	42,057,231	45,182,601
Cost	15 555 045	16 674 400
Accumulated depreciation	-15,555,045 26,502,186	-16,674,488
Buildings and accompanying facilities in trust, net		28,508,113
Structures in trust, at cost	302,742	349,920
Accumulated depreciation	-129,191	-137,792
Structures in trust, net	173,551	212,128
Tools, furniture and fixtures in trust, at cost	4,049,883	4,935,442
Accumulated depreciation	-2,413,909	-2,682,195
Tools, furniture and fixtures in trust, net	1,635,974	2,253,247
Land in trust	264,666,397	322,877,727
Construction in progress in trust	240,499	383,192
Total property and equipment, net	466,541,605	558,299,759
Intangible assets		
Leasehold rights	10,637,811	10,637,811
Leasehold rights in trust	17,357,800	29,763,513
Total intangible assets	27,995,612	40,401,325
Investment and other assets		
Investment securities	17,856,387	17,856,387
Guarantee deposits	1,390,459	1,431,014
Long-term prepaid expenses	2,007,275	2,338,693
Derivatives assets	627,676	997,866
Others _	32,667	32,667
Total investments and other assets	21,914,466	22,656,629
Total non-current assets	516,451,684	621,357,714
Deferred assets	, ,	
Investment corporation bond issuance costs	120,364	128,668
Total deferred assets	120,364	128,668
Total assets	569,016,514	680,004,964
	, ,	, , -

Displicities		(Reference) Fiscal period ended June 30, 2024 (as of June 30, 2024)	Fiscal period ended December 31, 2024 (as of December 31, 2024)
Accounts payable         709,906         1,456,179           Short-term loans payable         8,813,000         3,425,000           Current portion of investment corporation bonds         1,000,000         -           Current portion of long-term loans payable         44,553,000         40,599,000           Accounts payable-other         8,691         10,023           Accrued expenses         393,151         427,817           Income taxes payable         605         605           Consumption taxes payable         10,23,206         -           Advances received         313,582         68,070           Deposits received         18,589         116,710           Total current liabilities         56,833,732         46,716,036           Non-current liabilities         19,900,000         24,100,000           Long-term loans payable         196,888,000         255,073,000           Total current liabilities         19,900,000         24,100,000           Derivatives liabilities         19,900,000         24,100,000           Total non-current liabilities         219,416,047         281,900,00           Total indoctivities         219,416,047         281,900,36           Total indocters' equity:         27,010,249         326,079,727 <td>Liabilities</td> <td></td> <td>· /</td>	Liabilities		· /
Short-term loans payable         8,813,000         3,425,000           Current portion of investment corporation bonds         1,000,000         -           Current portion of long-term loans payable         44,533,000         40,599,000           Accounts payable-other         8,691         10,023           Accrued expenses         393,151         427,817           Income taxes payable         605         605           Consumption taxes payable         1,002,206         -           Advances received         18,589         116,710           Deposits received         18,589         116,710           Deposits received         18,589         116,710           Total current liabilities         56,833,732         46,716,036           Nor-current liabilities         19,900,000         24,100,000           Long-term loans payable         196,888,000         255,073,000           Long-term loans payable         19,890,000         255,073,000           Tenant leasehold and security deposits in trust         1,497,699         1,592,780           Derivatives liabilities         393,487         675,199           Total non-current liabilities         219,416,047         281,900,86           Total iabilities         270,101,249         326,079,727 <td>Current liabilities:</td> <td></td> <td></td>	Current liabilities:		
Current portion of investment corporation bonds         1,000,000         4,059,000           Current portion of long-term loans payable         44,553,000         40,599,000           Accounts payable-other         8,691         10,023           Accrued expenses         393,151         427,817           Income taxes payable         605         605           Consumption taxes payable         1,023,206         ————————————————————————————————————	Accounts payable	709,906	1,456,179
Current portion of long-term loans payable         44,553,000         40,599,000           Accounts payable-other         8,691         10,023           Accrued expenses         393,151         427,817           Income taxes payable         605         605           Consumption taxes payable         1,023,206         —           Advances received         313,582         680,701           Deposits received         18,589         116,710           Total current liabilities         56,833,732         46,716,036           Non-current liabilities         19,900,000         24,100,000           Long-term loans payable         19,908,800         255,073,000           Long-term loans payable         19,988,000         255,073,000           Tenant leasehold and security deposits in trust         1,497,699         1,592,780           Derivatives liabilities         395,487         675,199           Total liabilities         276,249,780         328,616,405           Net assets         219,416,047         281,903,368           Total liabilities         270,101,249         326,079,272           Surplus         220,101,249         326,079,272           Surplus         2,502,406         6,264,432           Deduction of unithol		8,813,000	3,425,000
Accounts payable-other         8,691         10,023           Accrued expenses         393,151         427,817           Income taxes payable         665         6065           Consumption taxes payable         1,023,206         —           Advances received         313,582         680,701           Deposits received         18,589         116,710           Total current liabilities         56,833,732         46,716,036           Nor-current liabilities         19,900,000         24,100,000           Long-term loans payable         196,888,000         255,073,000           Tenant leasehold and security deposits in trust         1,497,699         1,592,780           Derivatives liabilities         734,860         459,389           Asset retirement obligations         395,487         675,199           Total non-current liabilities         219,416,047         281,900,368           Total liabilities         276,249,780         328,616,405           Net assets         1         270,101,249         326,079,727           Surplus         2         6,264,432         6,264,432           Deduction of unitholders' capital surplus         6,264,432         6,264,432           Deduction of capital surplus         -5,524,006         -	bonds		-
Accrued expenses         393,151         427,817           Income taxes payable         605         605           Consumption taxes payable         1,023,206         —           Advances received         313,582         668,701           Deposits received         18,589         116,710           Total current liabilities         56,833,732         46,716,036           Non-current liabilities         56,833,732         46,716,036           Investment corporation bonds         19,900,000         24,100,000           Long-term loans payable         196,888,000         255,073,000           Tenant leaschold and security deposits in trust         1,497,699         1,592,780           Derivatives liabilities         734,860         459,389           Asset retirement obligations         395,487         675,199           Total non-current liabilities         276,249,780         328,616,405           Net assets         Unitholders' capital         270,101,249         326,079,727           Surplus         6,264,432         6,264,432         6,264,432           Deduction of unitholders' capital surplus         6,264,432         6,264,432         6,264,432           Allowance for temporary differences adjustement         *2         -6,130         -5,530,137			
Income taxes payable	* *	8,691	
Consumption taxes payable         1,023,206         —           Advances received         313,582         680,701           Deposits received         18,589         116,710           Total current liabilities         56,833,732         46,716,036           Non-current liabilities:         19,900,000         24,100,000           Long-term loans payable         196,888,000         255,073,000           Tenant leasehold and security deposits in trust         1,497,699         1,592,780           Derivatives liabilities         734,860         459,389           Asset retirement obligations         395,487         675,199           Total non-current liabilities         219,416,047         281,900,368           Total liabilities         276,249,780         328,616,405           Net assets         Unitholders' equity:         270,101,249         326,079,727           Surplus:         270,101,249         36,079,727           Surplus:         6,264,432         6,264,432           Capital surplus         6,264,432         6,264,432           Deduction of unitholders' capital surplus         6,530,337         -6,130           Allowance for temporary differences are largestrangles         2,5524,006         -5,524,006           Total deduction of unitholders	-	393,151	427,817
Advances received         313,582         680,701           Deposits received         18,589         116,710           Total current liabilities         56,833,732         46,716,036           Non-current liabilities         19,900,000         24,100,000           Long-term loans payable         196,888,000         255,073,000           Tenant leasehold and security deposits in trust         1,497,699         1,592,780           Derivatives liabilities         734,860         459,389           Asset retirement obligations         395,487         675,199           Total non-current liabilities         276,249,780         328,616,405           Net assets         Unitholders' capital         270,101,249         326,079,727           Surplus         6,264,432         6,264,432         6,264,432           Deduction of unitholders' capital surplus         6,264,432         6,264,432         6,264,432           Peduction of unitholders' capital surplus         6,264,432         6,264,432         6,30         6,31           Other deduction of unitholders' capital surplus         5,530,137         5,530,137         5,530,137         5,530,137         6,530,137         6,530,137         6,530,137         6,530,137         6,530,137         6,530,137         6,530,137         6,530,137 <td>Income taxes payable</td> <td>605</td> <td>605</td>	Income taxes payable	605	605
Deposits received         18,589         116,710           Total current liabilities         56,833,732         46,716,036           Non-current liabilities:         19,900,000         24,100,000           Long-term loans payable         196,888,000         255,073,000           Tenant leasehold and security deposits in trust         1,497,699         1,592,780           Derivatives liabilities         734,860         459,389           Asset retirement obligations         395,487         675,199           Total non-current liabilities         219,416,047         281,900,38           Net assets         3276,249,780         328,616,405           Vet assets         270,101,249         326,079,727           Surplus:         29,000,000         4,624,432           Deduction of unitholders' capital surplus         5,624,032         6,644,32           Allowance for temporary differences and adjustments         2         -6,130         -5,530,137           Other deduction of capital surplus         5,530,137	Consumption taxes payable	1,023,206	_
Total current liabilities         56,833,732         46,716,036           Non-current liabilities:         19,900,000         24,100,000           Long-term loans payable         19,900,000         24,100,000           Long-term loans payable         196,888,000         255,073,000           Tenant leasehold and security deposits in trust         1,497,699         1,592,780           Derivatives liabilities         734,860         459,389           Asset retirement obligations         395,487         675,199           Total non-current liabilities         219,416,047         281,900,368           Total liabilities         276,249,780         328,616,405           Net assets         Unitholders' capital         270,101,249         326,079,727           Surplus:         Capital surplus         6,264,432         6,264,432         6,264,432           Deduction of unitholders' capital surplus         4,6130         -6,130         -6,130         -6,130           Allowance for temporary differences adjustment         *2         -6,130         -5,524,006         -5,524,006         -5,524,006         -5,530,137         -5,530,137         -5,530,137         -5,530,137         -5,530,137         -5,530,137         -5,530,137         -5,530,137         -5,530,137         -5,530,137         -5,530,	Advances received	313,582	680,701
Non-current liabilities:	Deposits received	18,589	116,710
Investment corporation bonds	Total current liabilities	56,833,732	46,716,036
Long-term loans payable         196,888,000         255,073,000           Tenant leasehold and security deposits in trust         1,497,699         1,592,780           Derivatives liabilities         734,860         459,389           Asset retirement obligations         395,487         675,199           Total non-current liabilities         219,416,047         281,900,368           Total liabilities         276,249,780         328,616,405           Net assets         Valuation of unitholders' capital         270,101,249         326,079,727           Surplus:         220,101,249         326,079,727           Surplus:         6,264,432         6,264,432           Deduction of unitholders' capital surplus         6,264,432         6,264,432           Deduction of unitholders' capital surplus         -6,130         -6,130         -6,130           Allowance for temporary differences adjustment         2-6,524,006         -5,524,006         -5,524,006           Total deduction of capital surplus         5,530,137         -5,530,137         -5,530,137           Capital surplus, net         734,294         734,294         734,294           Retained earnings         21,542,214         23,765,358           Total unitholders' equity         292,377,58         350,579,380	Non-current liabilities:		
Tenant leasehold and security deposits in trust         1,497,699         1,592,780           Derivatives liabilities         734,860         459,389           Asset retirement obligations         395,487         675,199           Total non-current liabilities         219,416,047         281,900,368           Total liabilities         276,249,780         328,616,405           Net assets         Unitholders' equity:         Unitholders' capital         270,101,249         326,079,727           Surplus:         Capital surplus         6,264,432         6,264,432         6,264,432           Deduction of unitholders' capital surplus         6,264,432         6,264,432         6,264,432           Allowance for temporary differences adjustment         2         -6,130         -6,130         -6,130           Other deduction of capital surplus         -5,530,137         -5,530,137         -5,530,137           Capital surplus, net         734,294         734,294           Retained earnings         21,542,214         23,765,358           Total unitholders' equity         292,377,758         350,579,380           Valuation and translation adjustments:         292,377,758         350,579,380           Total valuation and translation adjustments         388,975         809,	Investment corporation bonds	19,900,000	24,100,000
Derivatives liabilities         734,860         459,389           Asset retirement obligations         395,487         675,199           Total non-current liabilities         219,416,047         281,900,368           Total liabilities         276,249,780         328,616,405           Net assets         Unitholders' equity:           Unitholders' capital         270,101,249         326,079,727           Surplus:         Capital surplus         6,264,432         6,264,432         6,264,432           Deduction of unitholders' capital surplus         6,264,432         -6,130         -6,130         -6,130         -6,130         -6,130         -6,524,006         -6,524,006         -6,524,006         -6,530,137         -5,530,137         -5,530,137         -5,530,137         -5,530,137         -5,530,137         -5,530,137         -7,530,137	Long-term loans payable	196,888,000	255,073,000
Asset retirement obligations         395,487         675,199           Total non-current liabilities         219,416,047         281,900,368           Total liabilities         276,249,780         328,616,405           Net assets           Unitholders' equity:         270,101,249         326,079,727           Surplus:         270,101,249         326,079,727           Surplus:         6,264,432         6,264,432           Deduction of unitholders' capital surplus         6,264,432         6,264,432           Deduction of unitholders' capital surplus         -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         21,542,214         23,765,388           Total surplus         292,377,758         350,579,380           Valuation and translation adjustments:         292,377,758         350,579,380           Valuation and translation adjustments:         388,975         809,178           Total valuation and translation adjustments         388,975         809,178           Total net assets         *1         292,	Tenant leasehold and security deposits in trust	1,497,699	1,592,780
Total non-current liabilities         219,416,047         281,900,368           Total liabilities         276,249,780         328,616,405           Net assets         Unitholders' equity:           Unitholders' capital         270,101,249         326,079,727           Surplus:         Capital surplus         6,264,432         6,264,432           Deduction of unitholders' capital surplus         6,264,432         6,264,432           Deduction of unitholders' capital surplus         -6,130         -6,130           Allowance for temporary differences adjustment         2         -6,130         -6,130           Other deduction of capital surplus         -5,524,006         -5,524,006         -5,524,006           Total deduction of unitholders' capital surplus         -5,530,137         -5,530,137         -5,530,137           Capital surplus, net         734,294         734,294         734,294           Retained earnings         21,542,214         23,765,358           Total surplus         292,377,758         350,579,380           Valuation and translation adjustments:         388,975         809,178           Total valuation and translation adjustments         388,975         809,178           Total net assets         *1         292,766,734         351,388,558<	Derivatives liabilities	734,860	459,389
Total liabilities         276,249,780         328,616,405           Net assets         Unitholders' equity:         Total Unitholders' capital         270,101,249         326,079,727           Surplus:         270,101,249         326,079,727           Capital surplus         6,264,432         6,264,432           Deduction of unitholders' capital surplus         76,130         -6,130           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         21,542,214         23,765,358           Total surplus         22,276,509         24,499,653           Total unitholders' equity         292,377,758         350,579,380           Valuation and translation adjustments:         388,975         809,178           Total valuation and translation adjustments         388,975         809,178           Total net assets         *1         292,766,734         351,388,558	Asset retirement obligations	395,487	675,199
Net assets           Unitholders' equity:           Unitholders' capital         270,101,249         326,079,727           Surplus:	Total non-current liabilities	219,416,047	281,900,368
Unitholders' equity:       270,101,249       326,079,727         Surplus:       6,264,432       6,264,432         Capital surplus       6,264,432       6,264,432         Deduction of unitholders' capital surplus       -6,130       -6,130         Allowance for temporary differences adjustment       *2       -6,130       -5,524,006         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       21,542,214       23,765,358         Total surplus       22,276,509       24,499,653         Total unitholders' equity       292,377,758       350,579,380         Valuation and translation adjustments:       388,975       809,178         Total valuation and translation adjustments       388,975       809,178         Total net assets       *1       292,766,734       351,388,558	Total liabilities	276,249,780	328,616,405
Unitholders' capital       270,101,249       326,079,727         Surplus:       6,264,432       6,264,432         Capital surplus       6,264,432       6,264,432         Deduction of unitholders' capital surplus       -6,130       -6,130         Allowance for temporary differences adjustment       *2       -6,130       -5,524,006         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       21,542,214       23,765,358         Total surplus       22,276,509       24,499,653         Total unitholders' equity       292,377,758       350,579,380         Valuation and translation adjustments:       388,975       809,178         Total valuation and translation adjustments       388,975       809,178         Total net assets       *1       292,766,734       351,388,558	Net assets		
Surplus:         Capital surplus       6,264,432       6,264,432         Deduction of unitholders' capital surplus       4         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       21,542,214       23,765,358         Total surplus       22,276,509       24,499,653         Total unitholders' equity       292,377,758       350,579,380         Valuation and translation adjustments:       388,975       809,178         Total valuation and translation adjustments       388,975       809,178         Total net assets       *1       292,766,734       351,388,558	Unitholders' equity:		
Capital surplus       6,264,432       6,264,432         Deduction of unitholders' capital surplus       -6,130       -6,130         Allowance for temporary differences adjustment       *2       -6,130       -5,524,006         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       21,542,214       23,765,358         Total surplus       22,276,509       24,499,653         Total unitholders' equity       292,377,758       350,579,380         Valuation and translation adjustments:       292,377,758       809,178         Total valuation and translation adjustments       388,975       809,178         Total net assets       *1       292,766,734       351,388,558	Unitholders' capital	270,101,249	326,079,727
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       21,542,214       23,765,358         Total surplus       22,276,509       24,499,653         Total unitholders' equity       292,377,758       350,579,380         Valuation and translation adjustments:       388,975       809,178         Total valuation and translation adjustments       388,975       809,178         Total net assets       *1       292,766,734       351,388,558	Surplus:		
Allowance for temporary differences adjustment       *2 adjustment       -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       21,542,214       23,765,358         Total surplus       22,276,509       24,499,653         Total unitholders' equity       292,377,758       350,579,380         Valuation and translation adjustments:       388,975       809,178         Total valuation and translation adjustments       388,975       809,178         Total net assets       *1       292,766,734       351,388,558	Capital surplus	6,264,432	6,264,432
adjustment       2       -6,150       -6,150         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       21,542,214       23,765,358         Total surplus       22,276,509       24,499,653         Total unitholders' equity       292,377,758       350,579,380         Valuation and translation adjustments:       388,975       809,178         Total valuation and translation adjustments       388,975       809,178         Total net assets       *1       292,766,734       351,388,558	Deduction of unitholders' capital surplus		
Total deduction of unitholders' capital surplus       -5,530,137       -5,530,137         Capital surplus, net       734,294       734,294         Retained earnings       21,542,214       23,765,358         Total surplus       22,276,509       24,499,653         Total unitholders' equity       292,377,758       350,579,380         Valuation and translation adjustments:       388,975       809,178         Total valuation and translation adjustments       388,975       809,178         Total net assets       *1       292,766,734       351,388,558		-6,130	-6,130
surplus         Capital surplus, net       734,294       734,294         Retained earnings       21,542,214       23,765,358         Total surplus       22,276,509       24,499,653         Total unitholders' equity       292,377,758       350,579,380         Valuation and translation adjustments:       388,975       809,178         Total valuation and translation adjustments       388,975       809,178         Total net assets       *1       292,766,734       351,388,558		-5,524,006	-5,524,006
Retained earnings       21,542,214       23,765,358         Total surplus       22,276,509       24,499,653         Total unitholders' equity       292,377,758       350,579,380         Valuation and translation adjustments:       September 1       388,975       809,178         Total valuation and translation adjustments       388,975       809,178         Total net assets       *1       292,766,734       351,388,558		-5,530,137	-5,530,137
Total surplus         22,276,509         24,499,653           Total unitholders' equity         292,377,758         350,579,380           Valuation and translation adjustments:         388,975         809,178           Total valuation and translation adjustments         388,975         809,178           Total net assets         *1         292,766,734         351,388,558	Capital surplus, net	734,294	734,294
Total unitholders' equity 292,377,758 350,579,380  Valuation and translation adjustments:  Deferred gains or losses on hedges 388,975 809,178  Total valuation and translation adjustments 388,975 809,178  Total net assets *1 292,766,734 351,388,558	Retained earnings	21,542,214	23,765,358
Valuation and translation adjustments:  Deferred gains or losses on hedges 388,975 809,178  Total valuation and translation adjustments 388,975 809,178  Total net assets *1 292,766,734 351,388,558	Total surplus	22,276,509	24,499,653
Deferred gains or losses on hedges388,975809,178Total valuation and translation adjustments388,975809,178Total net assets*1292,766,734351,388,558	Total unitholders' equity	292,377,758	350,579,380
Total valuation and translation adjustments         388,975         809,178           Total net assets         *1         292,766,734         351,388,558	Valuation and translation adjustments:		
Total net assets *1 292,766,734 351,388,558	Deferred gains or losses on hedges	388,975	809,178
. , . , . , ,	Total valuation and translation adjustments	388,975	809,178
Total liabilities and net assets 569,016,514 680,004,964	Total net assets *1	292,766,734	351,388,558
	Total liabilities and net assets	569,016,514	680,004,964

# III. Statement of Income and Retained Earnings

			(Unit: JPY thousand)
		(Reference)	
		Fiscal period ended	Fiscal period ended
		June 30, 2024 (from January 1, 2024 to	December 31, 2024 (from July 1, 2024 to
		June 30, 2024 to	December 31, 2024 to
Operating revenue		J •=== 0 0, ====-,	
Rental revenue – real estate	*1	14,933,032	23,205,026
Management contract revenue	*2	4,774,272	1,657,420
Dividend income		1,428,702	692,711
Total operating revenue		21,136,007	25,555,158
Operating expenses			
Property-related expenses	*1	5,107,042	6,325,294
Management contract expenses	*2	736,333	768,653
Asset management fees		450,000	450,000
Directors' compensation		4,800	4,800
Asset custody fees		28,235	32,940
Administrative service fees		41,077	62,429
Other		132,787	159,373
Total operating expenses		6,500,276	7,803,491
Operating income		14,635,731	17,751,667
Non-operating income		, , .	
Interest income		163	3,483
Foreign exchange gains		423,972	-
Interest on tax refund		2,615	_
Miscellaneous income		891	84
Total non-operating income		427,643	3,568
Non-operating expenses			2,000
Interest expenses		893,218	1,398,268
Foreign exchange losses		=	167,864
Interest expenses on investment corporation bonds		108,923	135,371
Amortization of investment corporation bond			
issuance costs		15,608	18,029
Loan-related costs		583,615	718,621
Derivative losses		560,841	8,075
Investment unit issuance costs		-	170,193
Total non-operating expenses		2,162,208	2,616,425
Ordinary income		12,901,166	15,138,810
Extraordinary income		,,,	10,100,010
Subsidy income		24,991	_
Total extraordinary income		24,991	_
Extraordinary losses		,	
Loss on reduction entry of non-current assets		24,991	_
Total extraordinary losses		24,991	_
Income before income taxes		12,901,166	15,138,810
Income taxes		605	605
Total income taxes	_	605	605
Net income		12,900,561	15,138,205
Retained earnings brought forward			8,627,153
		8,641,653 21,542,214	
Unappropriated retained earnings		21,042,214	23,765,358

# IV. Statement of Changes in Net Assets

(Reference)

Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)

(Unit: JPY thousand)

	Unitholders' equity						
		Surplus					
			Capital surplus				
	Unitholders'		Dedu	ıction of capital su	ırplus		
	capital		Capital surplus	Allowance for temporary differences adjustment	Other deduction of capital surplus	Total deduction of capital surplus	Capital surplus (net)
Balance at the beginning of the period	270,101,249	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	270,101,249	6,264,432	-6,130	-5,524,006	-5,530,137	734,294	

	Unitholders' equity			Valuation and translation adjustments		
	Surp	olus	Total	Deferred	Total	Total
	Retained earnings (deficit)	Total surplus	unitholders' equity	gains or losses on hedges	valuation and translation adjustments	net assets
Balance at the beginning of the period	19,690,532	20,424,826	290,526,075	-221,054	-221,054	290,305,021
Changes during the period						
Distributions from surplus	-11,048,878	-11,048,878	-11,048,878			-11,048,878
Net income	12,900,561	12,900,561	12,900,561			12,900,561
Changes other than unitholders' equity (net)				610,029	610,029	610,029
Total changes during the period	1,851,682	1,851,682	1,851,682	610,029	610,029	2,461,712
Balance at the end of the period	21,542,214	22,276,509	292,377,758	388,975	388,975	292,766,734

(Unit: JPY thousand)

	Unitholders' equity						
		Surplus					
		Capital surplus					
	Unitholders'		Dedu	iction of capital su	ırplus		
	capital	Capital surplus	Allowance for temporary differences adjustment	Other deduction of capital surplus	Total deduction of capital surplus	Capital surplus (net)	
Balance at the beginning of the period	270,101,249	6,264,432	-6,130	-5,524,006	-5,530,137	734,294	
Changes during the period							
Issuance of new investment units	55,978,477						
Distributions from surplus							
Net income							
Changes other than unitholders' equity (net)							
Total changes during the period	55,978,477	_		_	_	_	
Balance at the end of the period	326,079,727	6,264,432	-6,130	-5,524,006	-5,530,137	734,294	

	Unitholders' equity			Valuation and translation adjustments		
	Sur	olus	Total	Deferred	Total	Total
	Retained earnings (deficit)	Total surplus	unitholders' equity	gains or losses on hedges	valuation and translation adjustments	net assets
Balance at the beginning of the period	21,542,214	22,276,509	292,377,758	388,975	388,975	292,766,734
Changes during the period						
Issuance of new investment units			55,978,477			55,978,477
Distributions from surplus	-12,915,060	-12,915,060	-12,915,060			-12,915,060
Net income	15,138,205	15,138,205	15,138,205			15,138,205
Changes other than unitholders' equity (net)				420,202	420,202	420,202
Total changes during the period	2,223,144	2,223,144	58,201,621	420,202	420,202	58,621,824
Balance at the end of the period	23,765,358	24,499,653	350,579,380	809,178	809,178	351,388,558

# V. Notes to Financial Statements

[Notes Concerning Significant Accounting Policies]

[Notes Concerning Signifi	cant Accounting Policies	
By Period	(Reference)	Figgal maried and ad Dagambar 21, 2024
	Fiscal period ended June 30, 2024	Fiscal period ended December 31, 2024
Item	(from January 1, 2024 to June 30, 2024)	(from July 1, 2024 to December 31, 2024)
1. Evaluation standards and		(a) Investment in affiliates
evaluation method of	Cost method through moving-average	Cost method through moving-average
assets	method is used.	method is used.
	(b) Claims generated and debt incurred	(b) Claims generated and debt incurred
	through derivative transactions	through derivative transactions
	Market value method is used.	Market value method is used.
2. Method of depreciation	(a) Property and equipment	(a) Property and equipment
of non-current assets	The straight-line method is used.	The straight-line method is used.
	The useful lives of major property,	The useful lives of major property,
	plant and equipment are as follows.	plant and equipment are as follows.
	Buildings 16-50 years	Buildings 16-50 years
	Buildings and accompanying	Buildings and accompanying
	facilities 5-29 years	facilities 6-29 years
	Structures 20 years	Structures 20 years
	Tools, furniture and fixtures	Tools, furniture and fixtures
	3-18 years	2-18 years
	Buildings in trust 5-67 years	Buildings in trust 5-67 years
	Buildings and accompanying	Buildings and accompanying
	facilities in trust	facilities in trust
	3-33 years	3-33 years
	Structures in trust 7-55 years	Structures in trust 7-55 years
	Tools, furniture and fixtures	Tools, furniture and fixtures
	in trust	in trust
	2-20 years	2-20 years
	(b) Intangible assets	(b) Intangible assets
	For fixed-term land lease for business	For fixed-term land lease for business
	purposes in Japan, the straight-line	purposes in Japan, the straight-line
	method based on the lease period is	method based on the lease period is
	used.	used.
	(c) Long-term prepaid expenses	(c) Long-term prepaid expenses
	The straight-line method is used.	The straight-line method is used.
3. Accounting treatment of	Investment corporation bond issuance	Investment corporation bond issuance
deferred assets	costs	costs
	Investment corporation bond issuance	Investment corporation bond issuance
	costs are amortized using the straight-	costs are amortized using the straight-
	line method over a period up to	line method over a period up to
	redemption of the investment	redemption of the investment
	corporation bonds.	corporation bonds.
4. Method of calculating	Allowance for doubtful accounts	Allowance for doubtful accounts
allowances	To reserve for losses on doubtful	To reserve for losses on doubtful
	accounts, allowances are provided for	accounts, allowances are provided for
	normal receivables using a rate	normal receivables using a rate
	determined based on past bad debt	determined based on past bad debt
	experiences, and specific allowances are	experiences, and specific allowances are
	provided for accounts with a possibility	provided for accounts with a possibility
	of default based on the estimated	of default based on the estimated
	amounts considered to be uncollectible	amounts considered to be uncollectible
	by considering the collectability of	by considering the collectability of
	accounts on an individual basis.	accounts on an individual basis.
5. Conversion of assets and	Receivables and payables denominated	Receivables and payables denominated
liabilities in foreign	in foreign currencies are translated into	in foreign currencies are translated into
currency into Japanese	yen at the spot exchange rate at the end	yen at the spot exchange rate at the end
yen	of the fiscal period date, and differences	of the fiscal period date, and differences
	arising from the translation are treated	arising from the translation are treated as a profit or loss.
	as a profit or loss.	

By Period	(Reference)	
By Feriod		Fiscal period ended December 31, 2024
Item		(from July 1, 2024 to December 31, 2024)
	Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)  (a) Accounting treatment of property 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.  (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,	(a) Accounting treatment of property 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 180,676 thousand.  (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,
7. Method of hedge accounting	who is the customer, as the transfer obligation will be fulfilled pursuant to the contract pertaining to the sale of real estate.  (a) Method of hedge accounting Deferred hedge accounting is used. (b) Hedging instrument and hedged item (Borrowings) Hedging instrument: interest rate swap Hedged item: interest on borrowings (Scheduled Foreign Currency Transaction) Hedging instrument: foreign exchange forward Hedged item: scheduled foreign currency transaction (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. (d) Method of evaluating hedge effectiveness Hedge effectiveness is evaluated by	(Scheduled Foreign Currency Transaction)

By Period	(Reference)	
Dy Tellou	Fiscal period ended June 30, 2024	Fiscal period ended December 31, 2024
Item	(from January 1, 2024 to June 30, 2024)	(from July 1, 2024 to December 31, 2024)
	comparing the cumulative amount of changes in cash flows of the	comparing the cumulative amount of changes in cash flows of the
	hedging instrument and the	hedging instrument and the
		I
	cumulative amount of changes in	cumulative amount of changes in cash flows of the hedged item and
	cash flows of the hedged item and verifying the difference in the	verifying the difference in the
	amounts of change of both the	amounts of change of both the
	hedged item and the hedging	hedged item and the hedging
8 Othi ifi t	instrument.	instrument.
8. Other significant matters which constitute	(1) Accounting treatment policy of trust	(1) Accounting treatment policy of trust
	beneficiary interests in real estate	beneficiary interests in real estate
the basis for preparation	As to trust beneficiary interests in	As to trust beneficiary interests in
of financial statements	real estate, all accounts of assets and liabilities within assets in trust, as	real estate, all accounts of assets and
	,	liabilities within assets in trust, as
	well as all income generated and	well as all income generated and expenses incurred from assets in
	expenses incurred from assets in trust, are recorded in the relevant	trust, are recorded in the relevant
	balance sheets and income	balance sheets and income
	statement accounts. Of such items,	statement accounts. Of such items,
	,	the following significant trust assets
	the following significant trust assets and liabilities are shown separately	and liabilities are shown separately
	on the balance sheet.	on the balance sheet.
	(a) Cash and bank deposits in trust	(a) Cash and bank deposits in trust
	(b) Buildings in trust	(b) Buildings in trust
	Buildings and accompanying	Buildings and accompanying
	facilities in trust	facilities in trust
	Structures in trust	Structures in trust
	Tools, furniture and fixtures in	Tools, furniture and fixtures in
	trust	trust
	Land in trust	Land in trust
	Construction in progress in	Construction in progress in
	trust	trust
	(c) Leasehold rights in trust	(c) Leasehold rights in trust
	(d) Tenant leasehold and security	(d) Tenant leasehold and security
	deposits in trust	deposits in trust
	(2) Accounting treatment of non-	(2) Accounting treatment of non-
	deductible consumption taxes	deductible consumption taxes
	Non-deductible consumption taxes	Non-deductible consumption taxes
	etc. regarding the acquisition of	etc. regarding the acquisition of
	assets are capitalized at amounts of	assets are capitalized at amounts of
	acquisition cost of each asset.	acquisition cost of each asset.
<u> </u>	acquisition cost of cach asset.	acquisition cost of each asset.

# [Notes to the Balance Sheet]

(Reference) Fiscal period ended June 30, 2024 (as of June 30, 2024)	Fiscal period ended December 31, 2024 (as of December 31, 2024)
*1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations	*1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations
JPY 50,000 thousand	JPY 50,000 thousand

\*2. Allowance for temporary differences adjustment

(Reference) Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)

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.

(Reference) Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)

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.

1 0	1 1
*3. Reduction entry of property and equipment acquired	Not applicable.
with government subsidies, etc.	
(Unit: JPY thousand)	
Buildings and accompanying 24,991	
facilities in trust	

# [Notes to Statement of Income and Retained Earnings]

(Reference) Fiscal period ended Ju (from January 1, 2024 to June 3		Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)		
	nses t: JPY thousand)		nses t: JPY thousand)	
A. Real estate rental revenues		A. Real estate rental revenues		
Rental revenue – real estate		Rental revenue – real estate		
(Rent/common area charges) (Note)	14,560,812	(Rent/common area charges) (Note)	22,622,304	
(Other revenues)	372,220	(Other revenues)	582,722	
Total	14,933,032	Total	23,205,026	
B. Real estate rental expenses		B. Real estate rental expenses		
Property-related expenses		Property-related expenses		
(Maintenance costs)	435,871	(Maintenance costs)	816,183	
(Taxes and public dues)	623,898	(Taxes and public dues)	830,226	
(Insurance expenses)	24,541	(Insurance expenses)	31,466	
(Depreciation expenses)	3,889,859	(Depreciation expenses)	4,529,111	
(Other expenses)	132,870	(Other expenses)	118,307	
Total	5,107,042	2 Total 6,325		
C. Real estate rental income		C. Real estate rental income		
(A-B)	9,825,990	(A-B)	16,879,731	
(Note) Of which, revenue from variable hotel rents	7,074,645	(Note) Of which, revenue from variable hotel rents	12,525,783	
*2. Management contract revenue and (Uni	expenses t: JPY thousand)	*2. Management contract revenue and expenses (Unit: JPY thousand)		
A. Hotel operating revenue	10,383,590	A. Hotel operating revenue	5,545,434	
B. Hotel operating expenses	5,609,317	B. Hotel operating expenses	3,888,014	
C. Management contract revenue (A-B)	4,774,272	C. Management contract revenue (A-B)	1,657,420	
D. Management contract expenses		D. Management contract expenses		
Non-life insurance expenses	213,122	Non-life insurance expenses	220,994	
Depreciation expenses	451,610	Depreciation expenses	461,503	
Other	71,600	Other	86,155	
Total	736,333	Total	768,653	
E. Management contract revenue and expenses (C-D)	4,037,939	E. Management contract revenue and expenses (C-D)	888,767	

# [Notes to Statement of Changes in Net Assets]

(Reference) Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)	Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)
investment units issued and outstanding	Total number of issuable investment units and number of investment units issued and outstanding  Total number of investment units 20,000,000 units authorized
Total number of investment units issued and outstanding 6,737,121 units	Total number of investment units issued and outstanding 7,646,453 units

# [Notes Related to Tax Accounting]

(Reference) Fiscal period ended June 30, 2024 (as of June 30, 2024)			Fiscal period ended December 31, 2024 (as of December 31, 2024)						
l. Significant c abilities	component	s of deferre	ed tax asset		1. Significant components of deferred tax assets and liabilities				
(Unit: JPY thousand)					(	Unit: JPY t	housand		
Deferred tax a	Deferred tax assets)			(Deferred tax a	assets)				
•	nterprise tax payable 615		Enterprise tax payable				615		
Buildings and	uildings and other (merger) 178,783		Buildings and other (merger)		rger)		175,67		
Land (merger)	)			116,724	Land (merger)			116,72	
Loss carried fo	orward (No	ote 1)		1,277,967	Loss carried fo	orward (No	ote 1)		1,271,43
Asset retireme	ent obligati	ons		124,420	Asset retireme				212,41
Amortization (	_			198,750	Amortization	Ü			211,09
Adjustment of overseas prop	acquisitio	-		437,750	Adjustment of (overseas prop	acquisitio	_		433,81
Excess depreci				3,496	Excess deprec				3,49
Deposit				1,753	Deposit				6,80
Subtotal				2,340,262	Subtotal				2,432,06
Valuation allow carried forwar		ax loss		1,277,967	Valuation allocarried forwar		tax loss		1,271,43
Valuation allow of deductible the differences, etc.	wance for t temporary	the total	-	1,062,295	Valuation allo	Valuation allowance for the total of deductible temporary		-1,160,633	
			Subtotal (Note 2)			2 422 07			
Subtotal (Note	2)		_	2.340.262	Subtotal (INote	2)		-	Z,43Z,U0
Γotal (Note 1) The a	amounts of		ried forwa		Total (Note 1) The	amounts of		rried forwa	rd and tl
Γotal (Note 1) The a defer	amounts of	tax loss car sets by carr	ried forwa y-forward	rd and the	Total (Note 1) The a	amounts of	f tax loss car sets by carr	rried forwa	period a
Γotal (Note 1) The a defer	amounts of rred tax ass		rried forwa y-forward (Unit: JPY Due after	rd and the period are	Total (Note 1) The a	amounts of rred tax as		rried forwa y-forward (Unit: JPY Due after	rd and the period a thousan Due afte
Total (Note 1) The a defer	amounts of rred tax ass llows.	sets by carr	ried forwa y-forward (Unit: JPY Due after two to	rd and the period are thousand)	Total (Note 1) The a	amounts of rred tax ass llows.	sets by carr	rried forwa y-forward (Unit: JPY Due after two to	rd and the period a thousan  Due after three to
Total (Note 1) The a defer	amounts of rred tax ass llows.	Sets by carr	rried forwa y-forward (Unit: JPY Due after two to three	rd and the period are thousand)	Total (Note 1) The a	amounts of rred tax ass llows.	sets by carr	rried forwa y-forward (Unit: JPY Due after two to three	rd and tl period a thousan Due afte three to four
Total (Note 1) The a defer as for	amounts of rred tax ass llows.  Due within	Due after	ried forwa y-forward (Unit: JPY Due after two to	rd and the period are thousand) Due after three to	Total (Note 1) The a defer as fo	amounts of rred tax ass llows.  Due within	Due after	rried forwa y-forward (Unit: JPY Due after two to	rd and the period a thousan  Due after three to
Total (Note 1) The a defer as for	amounts of rred tax ass llows.  Due within	Due after	rried forwa y-forward (Unit: JPY Due after two to three	rd and the period are thousand)  Due after three to four years	Total (Note 1) The a defer as fo  Tax loss carried forward (a)	amounts of rred tax ass llows.  Due within	Due after	rried forwa y-forward (Unit: JPY Due after two to three	rd and tl period a thousan Due afte three to four
Total (Note 1) The a defer as for	amounts of rred tax ass llows.  Due within	Due after	rried forwa y-forward (Unit: JPY Due after two to three	rd and the period are thousand)  Due after three to four years	Total (Note 1) The a defer as fo	amounts of rred tax ass llows.  Due within	Due after	rried forwa y-forward (Unit: JPY Due after two to three	rd and tl period a thousan Due afte three to four
Total (Note 1) The a defer as for as for as loss carried forward (a)	amounts of rred tax ass llows.  Due within	Due after	rried forwa y-forward (Unit: JPY Due after two to three	rd and the period are thousand)  Due after three to four years	Total (Note 1) The a defer as fo  Tax loss carried forward (a) Valuation	amounts of rred tax ass llows.  Due within	Due after	rried forwa y-forward (Unit: JPY Due after two to three	rd and tl period a thousan Due afte three to four
Tax loss carried forward (a) Valuation allowance Deferred tax	Due within one year  Due after four to five	Due after	rried forwa y-forward (Unit: JPY Due after two to three	rd and the period are thousand)  Due after three to four years	Total (Note 1) The a defer as fo  Tax loss carried forward (a) Valuation allowance Deferred tax	Due within one year  Due after four to five	Due after	rried forwa y-forward (Unit: JPY Due after two to three	rd and tl period a thousan Due afte three to four
Tax loss carried forward (a) Valuation allowance Deferred tax assets  Tax loss carried	Due within one year  Due after four to	Due after one to two years	rried forwa y-forward (Unit: JPY Due after two to three years	rd and the period are thousand)  Due after three to four years	Total (Note 1) The a defers as for the second secon	Due within one year  Due after four to	Due after one to two years	rried forwa y-forward (Unit: JPY Due after two to three years	rd and tl period a thousan Due afte three to four
Tax loss carried forward (a) Valuation allowance Deferred tax assets  Tax loss carried forward (a) Valuation	Due within one year  Due after four to five	Due after one to two years  Due after one to two years  Due after five years	Cried forwary-forward (Unit: JPY Due after two to three years Total	rd and the period are thousand)  Due after three to four years	Total (Note 1) The a defers as for the second secon	Due within one year  Due after four to five	Due after one to two years  - Due after one to two years  - Due after five years	rried forward y-forward y-	rd and tl period a thousan Due afte three to four
Tax loss carried forward (a) Valuation allowance Deferred tax assets  Tax loss carried forward (a)	Due within one year  Due after four to five	Due after one to two years	(Unit: JPY Due after two to three years Total	rd and the period are thousand)  Due after three to four years	Total (Note 1) The a defers as for the second secon	Due within one year  Due after four to five	Due after one to two years  - Due after one for two years	rried forwa y-forward (Unit: JPY Due after two to three years - - -	rd and tl period a thousan Due afte three to four

(Reference) Fiscal period ended J (as of June 30, 2024)	Tune 30, 2024	Fiscal period ended December 31, 2024 (as of December 31, 2024)		
2. Significant difference between statuthe effective tax rate	tory tax rate and	2. Significant difference between statuthe effective tax rate	itory tax rate and	
Statutory tax rate	31.46%	Statutory tax rate	31.46%	
Deductible cash distributions	-31.44%	Deductible cash distributions	-31.49%	
Changes in valuation allowance	-0.02%	Changes in valuation allowance	0.61%	
Others	0.00%	Others	-0.57%	
Effective tax rate	0.00%	Effective tax rate	0.00%	

#### [Notes Related to Financial Instruments]

(Reference) Fiscal period ended June 30, 2024	Fiscal period ended December 31, 2024
(from January 1, 2024 to June 30, 2024)	(from July 1, 2024 to December 31, 2024)

- 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.

- (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.

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- (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.

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- (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.

(Reference) Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)

2. Estimated fair value of financial instruments.

Book value, fair value and the difference between value as of June 30, 2024 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)

-		(Unit: Jr i	nousanu
	Book Value	Fair Value	Difference
(1) Investment securities	17,856,387	24,420,215	6,563,828
Total assets	17,856,387	24,420,215	6,563,828
(2) Current portion of Investment Corporation Bonds	(1,000,000)	(997,500)	2,500
(3) Current portion of long-term loans payable	(44,553,000)	(44,553,000)	1
(4) Investment corporation bonds	(19,900,000)	(19,415,660)	484,340
(5) Long-term loans	(196,888,000)	(196,888,000)	-
Total liabilities	(262,341,000)	(261,854,160)	486,840
(6) Derivatives	(107,184)	(107,184)	-

- (\*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. Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)

2. Estimated fair value of financial instruments.

Book value, fair value and the difference between value as of December 31, 2024 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.

materiai.		(Unit: IPY	thousand)
	Book Value	Fair Value	Difference
(1) Investment securities	17,856,387	30,167,614	12,311,226
Total assets	17,856,387	30,167,614	12,311,226
(2) Current portion of Investment Corporation Bonds	-	-	-
(3) Current portion of long-term loans payable	(40,599,000)	(40,599,000)	-
(4) Investment corporation bonds	(24,100,000)	(23,594,450)	505,550
(5) Long-term loans	(255,073,000)	(255,073,000)	-
Total liabilities	(319,772,000)	(319,266,450)	505,550
(6) Derivatives	538,477	538,477	-

- (\*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.

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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. (Reference) Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024) Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)

### (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)

Derivative		Contract amount, etc.			
Classification			Amount due after	Fair value (*1)	Valuation gains/losses
			one year		
OTC transaction	Currency forward transaction short USD	758,400	-	-204,039	-204,039

(\*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)

				(Unit: JP	Y thousand)
	Derivative transaction type, etc.	Primary hedged item		Amount due after one year	Fair value (*2)
Principle	Interest rate swap Receive floating rate/pay fixed rate	Borrowings	145,001,750	126,560,750	526,904
accounting method	Foreign Exchange Forward, short USD	Scheduled Foreign Currency Transaction	5,243,108 (*3)	2,336,588	-430,048 (*3)

- (\*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, Foreign Exchange Forward: Estimated based on the price, etc. presented by the correspondent financial institutions.
- (\*3) Of which, hedge accounting is partially applied to JPY 1,114,200 thousand of the contract amount, etc. and JPY -292,119 thousand of fair value is partially deferred

#### (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)

	Derivative	Contract amount, etc.			
Classification	transaction type, etc.		Amount due after	Fair value (*1)	Valuation gains/losses
			one year		
	Currency				
OTC	forward	989,200	_	-270,700	-270,700
transaction	transaction	969,200	_	-270,700	-270,700
	short USD				

(\*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)

			Contract as	mount, etc.	
	Derivative transaction type, etc.	Primary hedged item	(*	•	Fair value (*2)
Principle	Interest rate swap Receive floating rate/pay fixed rate	Borrowings	179,016,000	171,314,000	997,866
accounting method	Foreign Exchange Forward, short USD	Scheduled Foreign Currency Transaction	4,128,908	952,248	-188,688

- (\*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, Foreign Exchange Forward: Estimated based on the price, etc. presented by the correspondent financial institutions.

(Reference) Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)

(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: IPY thousand)

		(OIIIt. JI	r tnousana)
	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	-	1
Current portion of long-term loans payable	44,553,000	-	1
Investment corporation bonds	ı	5,000,000	-
Long-term loans payable	-	25,042,000	44,260,200
Total	45,553,000	30,042,000	44,260,200

	Due after three to four years	Due after four to five years	Due after five years
Current portion of Investment Corporation Bonds	-	1	-
Current portion of long-term loans payable	-	1	-
Investment corporation bonds	2,200,000	9,500,000	3,200,000
Long-term loans payable	41,701,750	68,864,050	17,020,000
Total	43,901,750	78,364,050	20,220,000

Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)

(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: IPY thousand)

<u></u>		(Unit: JP	r tnousana
	Due within one year	Due after one to two years	Due after two to three years
Current portion of long-term loans payable	40,599,000	-	1
Investment corporation bonds	1	5,000,000	1
Long-term loans payable	1	53,150,200	34,133,750
Total	40,599,000	58,150,200	34,133,750

	Due after three to four years	Due after four to five years	Due after five years
Current portion of			
long-term loans	-	-	-
payable			
Investment corporation	5,700,000	12,200,000	1,200,000
bonds	3,700,000	12,200,000	1,200,000
Long-term loans	67,264,050	32,096,000	68,429,000
payable	07,204,030	32,070,000	00,427,000
Total	72,964,050	44,296,000	69,629,000

### [Notes Related to Asset Retirement Obligations]

### (Reference) Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)

- 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.
- 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.
- 3. Increase/decrease in the total amount of asset retirement obligations for the end of the period (Unit: JPY thousand)

Balance at the end of the period

Balance at the beginning of the period 393,202

Increase due to the acquisition of properties 
Accretion expense 2,285

# Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)

- 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.
- 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 (7 to 37 years), and by using a discount rate of 1.342% and of 0.783 to 2.330%, respectively.
- 3. Increase/decrease in the total amount of asset retirement obligations for the end of the period

	(Unit:	JPY thousand)
	Balance at the beginning of the period	395,487
	Increase due to the acquisition of properties	275,342
-	Accretion expense	4,369
	Balance at the end of the period	675,199

395,487

### [Notes Related to Rental Properties]

(Reference) Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)

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.

(Unit: JPY thousand)

	(emily 1 the desire)				
		Book value		r	
Use	Balance at the beginning of the period	Change during the period	Balance at the end of the period	Fair value at the end of the period	
Residences	34,086,080	-188,194	33,897,885	48,546,000	
Commercia 1 facilities	1,592,723	-17,055	1,575,668	2,380,000	
Hotels	460,103,406	-2,335,894	457,767,512	606,976,797	
Total	495,782,211	-2,541,143	493,241,067	657,902,797	

- (Note 1) Book value is the figure calculated by subtracting amount of accumulated depreciation from acquisition price (including acquisition-related costs).
- (Note 2) The major factor for the increase for the previous fiscal period were construction work related to capital expenditure.
- (Note 3) The major factor of the decrease was depreciation.
- (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.

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." Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)

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.

(Unit: JPY thousand)

		Book value		F-11
Use	Balance at the beginning of the period	Change during the period	Balance at the end of the period	Fair value at the end of the period
Residences	33,897,885	-220,507	33,677,378	49,089,000
Commercia 1 facilities	1,575,668	-17,055	1,558,613	2,380,000
Hotels	457,767,512	102,780,314	560,547,827	716,023,756
Total	493,241,067	102,542,751	595,783,818	767,492,756

- (Note 1) Book value is the figure calculated by subtracting amount of accumulated depreciation from acquisition price (including acquisition-related costs).
- (Note 2) The major factors for the increase for the Reporting Period was construction work related to capital expenditure and acquisition of hotels.
- (Note 3) The major factor of the decrease was depreciation.
- (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.

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."

### [Notes Related to Restriction on Asset Management]

(Reference) Fiscal period ended June 30, 2024	Fiscal period ended December 31, 2024
(from January 1, 2024 to June 30, 2024)	(from July 1, 2024 to December 31, 2024)
Not applicable.	Not applicable.

[Notes Related to Transactions with Related Parties]

Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)

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)
	Naqua Hotel & Resorts Management Co., Ltd. (Note 2)	Hotel business	-	Rental revenues	614,990	Rental receivables	265,387
Interested party of CIM	Island Co., Ltd. (Note 2)	Hotel business	-	Rental revenues	627,322	Rental receivables	265,933
	MyStays Hotel Management Co., Ltd. (Note 2)	Hotel business	-	Rental revenues	10,584,789	Rental receivables	3,952,343

- (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., Island 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 was a parent company of CIM directly/indirectly owning 100% of its issued shares until May 15, 2024 (Eastern Standard Time); a subsidiary of the parent company which indirectly holds 100% of the issued share of CIM on and after May 15, 2024 (Eastern Standard Time)). Accordingly, INV treats Naqua Hotel & Resorts Management Co., Ltd., Island 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)								
				Borrowing of short-term loan	-	Short-term									
				Repayment of short-term loan 9,130,300 loans page	loans payable	1									
				Borrowing of long-term loan	11,338,200	Long-term	38,211,300								
Asset Custody Company	Sumitomo Mitsui Trust	Banking and trust business	-	Repayment of long-term loan		loans payable	36,211,300								
Company	Bank, Limited		Trade Dadriess	Tast bashiess	rust business					11000		Finance-related fees		Prepaid expenses	152,054
				(Note 2)	211,053	Long-term prepaid expenses	320,708								
				Interest expenses (Note 2)	116,299	Accrued expenses	2,295								

- (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, 2024 (from July 1, 2024 to December 31, 2024)

### 1 Interested parties of CIM

1 Intere	ested parties o	I 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)
	Ganges Tokutei Mokuteki Kaisha (Note 3)	Investment management business	-	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	31,185,000	-	-
	Hakodate Tokutei Mokuteki Kaisha (Note 3)	Investment management business	-	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	16,830,000	-	-
	Nippori Tokutei Mokuteki Kaisha (Note 3)	Investment management business	-	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	16,335,000	-	-
	Shiretoko Tokutei Mokuteki Kaisha (Note 3)	Investment management business	-	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	14,551,000	-	-
	Rishiri Tokutei Mokuteki Kaisha (Note 3)	Investment management business	-	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	10,652,000	-	-
Interested	Yakushima Tokutei Mokuteki Kaisha (Note 3)	Investment management business	-	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	10,195,000	-	-
party of CIM	Kawaguchiko Tokutei Mokuteki Kaisha (Note 3)	Investment management business	-	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	4,672,000	-	-
	Naqua Hotel & Resorts Management Co., Ltd. (Note 3)	Hotel business	-	Rental revenues	1,196,591	Accounts receivable	163,651
	Island Co., Ltd. (Note 3)	Hotel business	-	Rental revenues	1,527,152	Accounts receivable	33,880
	Osaka Bay Tower LLC (Note 3)	Hotel business	-	Rental revenues	1,247,707	Accounts receivable	585,355
	MyStays Hotel Management Co., Ltd. (Note 3)	Hotel business	-	Rental revenues	14,428,921	Accounts receivable	5,923,325

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

<sup>(</sup>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.

<sup>(</sup>Note 3) Ganges Tokutei Mokuteki Kaisha, Hakodate Tokutei Mokuteki Kaisha, Nippori Tokutei Mokuteki Kaisha, Shiretoko Tokutei Mokuteki Kaisha, Rishiri Tokutei Mokuteki Kaisha, Yakushima Tokutei Mokuteki Kaisha, Kawaguchiko Tokutei Mokuteki Kaisha, Naqua Hotel & Resorts Management Co., Ltd., Island Co., Ltd., Osaka Bay Tower LLC 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 was a parent company of CIM directly/indirectly owning 100% of its issued shares until May 15, 2024 (Eastern Standard Time); a subsidiary of the parent company which indirectly holds 100% of the issued share of CIM on and after May 15, 2024 (Eastern Standard Time)). Accordingly, INV treats Ganges Tokutei Mokuteki Kaisha, Hakodate Tokutei Mokuteki Kaisha, Nippori Tokutei Mokuteki Kaisha, Shiretoko Tokutei Mokuteki Kaisha, Rishiri Tokutei Mokuteki Kaisha, Yakushima Tokutei Mokuteki Kaisha, Kawaguchiko Tokutei Mokuteki Kaisha, Naqua Hotel & Resorts Management Co., Ltd., Island Co., Ltd., Osaka Bay Tower LLC and 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)
D90	Art Hotel Osaka Bay Tower & Solaniwa Onsen	Ganges Tokutei Mokuteki Kaisha	31,185,000
D91	Hakodate Kokusai Hotel	Hakodate Tokutei Mokuteki Kaisha	16,830,000
D92	Art Hotel Nippori Lungwood	Nippori Tokutei Mokuteki Kaisha	16,335,000
D93	Hotel MyStays Kumamoto Riverside	Rishiri Tokutei Mokuteki Kaisha	6,831,000
D94	Art Hotel Aomori	Shiretoko Tokutei Mokuteki Kaisha	5,672,000
D95	Kamenoi Hotel Izukogen	Yakushima Tokutei Mokuteki Kaisha	5,563,000
D96	Art Hotel Oita	Shiretoko Tokutei Mokuteki Kaisha	5,484,000
D97	Art Hotel Kokura New Tagawa	Kawaguchiko Tokutei Mokuteki Kaisha	4,672,000
D98	Art Hotel Miyazaki Sky Tower	Rishiri Tokutei Mokuteki Kaisha	3,821,000
D99	Art Hotel Kagoshima	Shiretoko Tokutei Mokuteki Kaisha	3,395,000
D100	Kamenoi Hotel Hikone	Yakushima Tokutei Mokuteki Kaisha	2,603,000
D101	Kamenoi Hotel Nara	Yakushima Tokutei Mokuteki Kaisha	2,029,000
	104,420,000		

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)
				Borrowing of short-term loan	711,000	Short-term loans payable	711,000
				Borrowing of long-term loan	7,772,600	Long-term	43,611,300
Asset Custody	Sumitomo	Banking and		Repayment of long-term loan	2,372,600	loans payable	
Company	Mitsui Trust Bank, Limited	trust business	isiness Finance related fees	business Prepaid expenses		160,366	
					112,937	Long-term prepaid expenses	337,865
				Interest expenses (Note 2)	182,328	Accrued expenses	2,493

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

<sup>(</sup>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, 2024 (from January 1, 2024 to June 30, 2024)	Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)
Net assets per unit JPY 43,4	5 Net assets per unit JPY 45,954
Net income per unit JPY 1,9	4 Net income per unit JPY 1,980
Net income per unit is calculated by dividing net income for the period by the daily weighted average number investment units issued and outstanding. Diluted income per unit is not stated, as there are no dilutunits.	f for the period by the daily weighted average number of investment units issued and outstanding. Diluted net

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

(Reference) Fiscal period ended June 30 (from January 1, 2024 to June 30, 20		Fiscal period ended December 31, 20 (from July 1, 2024 to December 31, 20	
Net income for the period (JPY thousand)	12,900,561	Net income for the period (JPY thousand)	15,138,205
Amounts not attributable to common unitholders (JPY thousand)	-	Amounts not attributable to common unitholders (JPY thousand)	-
Net income attributable to common units (JPY thousand)	12,900,561	Net income attributable to common units (JPY thousand)	15,138,205
Average number of investment units during the period (units)	6,737,121	Average number of investment units during the period (units)	7,644,064

[Notes Related to Revenue Recognition]

(Reference) Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)

1. Breakdown of revenue from contracts with customers (Unit: JPY thousand)

		(Offic. Ji i tilousariu)
	Revenue from contracts with customers (Note 1)	Net sales to external customers
Sale of real estate, etc.	-	-
Other	26,509	21,136,007
Total	26,509	21,136,007

- (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.
- Information utilized as the basis for understanding revenue from contracts with customers The information is as described in "Notes Concerning Significant Accounting Policies" above.
- 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

(1) Balance of contract assets and contract liabilities, etc.

(Unit: IPY thousand)

(81	iii. ji i iilo abaila j
	Fiscal period ended June 30, 2024
Claims generated from contracts with customers (balance at the beginning of the period)	2,876
Claims generated from contracts with customers (balance at the end of the period)	3,113
Contract assets (balance at the beginning of the period)	-
Contract assets (balance at the end of the period)	1
Contract liabilities (balance at the beginning of the period)	1
Contract liabilities (balance at the end of the period)	-

(2) Transaction value allocated to remaining performance obligations Not applicable Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)

1. Breakdown of revenue from contracts with customers (Unit: JPY thousand)

		(Offic. Jr 1 tilousanu
	Revenue from contracts with customers (Note 1)	Net sales to external customers
Sale of real estate, etc.	-	-
Other	238,962	25,555,158
Total	238,962	25,555,158

- (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.
- Information utilized as the basis for understanding revenue from contracts with customers The information is as described in "Notes Concerning Significant Accounting Policies" above.
- 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

(1) Balance of contract assets and contract liabilities, etc.
(Unit: IPY thousand)

(UI	iit: JP 1 thousana)
	Fiscal period
	ended December
	31, 2024
Claims generated from contracts with customers (balance at the beginning of the period)	3,113
Claims generated from contracts with customers (balance at the end of the period)	42,289
Contract assets (balance at the beginning of the period)	1
Contract assets (balance at the end of the period)	1
Contract liabilities (balance at the beginning of the period)	1
Contract liabilities (balance at the end of the period)	1

(2) Transaction value allocated to remaining performance obligations
Not applicable

[Notes Related to Significan	nt Subsequent Events]	
(Reference) Fiscal period (from January 1, 2024		Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)
1. Issuance of new investmen INV resolved at its mee Directors held on July 18, respectively to conduct investment units and investment units. Pa investment units issued through was completed on July 30, the following terms and control the third-party allotmen overallotment will be concerned and outstanding of 7,646,453 when the payme units subscribed for the completed.	etings of the Board of 2024 and July 24, 2024 the issuance of new secondary offering of tyment for the new rough the public offering 2024, in accordance with conditions. Payment for the in connection with empleted on August 27, pital of INV will be JPY mber of investment units of INV will increase to not for 14,332 investment	Not applicable
(1) Issuance of new investment offering	nt units through public	
Number of investment units : offered	895,000 investment units	
Of which : domestic public offering	472,113 investment units	
overseas offering :	422,887 investment units	
Issue price (offer price) :	JPY 61,560 per unit	
Total issue price (total offer :	JPY 55,096,200,000	
price)		
Paid amount (issue value) :	JPY 63,602 per unit	
Total paid amount :	JPY 56,923,790,000	
(total issue value)	T 1 00 0004	
Payment date :	July 30, 2024	
(2) Issuance of new investment party allotment	nt units through third-	
Number of investment units : offered	14,332 investment units	
Amount to be paid :	JPY 61,560 per unit	
(issue value)		
Total paid amount : (total issue value)	JPY 882,277,920	
Payment date :	August 27, 2024	
Allottee :	Mizuho Securities Co.,	
	Ltd.	
2. Debt Financing In order to fund a portion of 12 hotel properties (dot beneficiary interests) acquiresolved the following deb the Board of Directors he entered into a loan agreem	mestic real estate trust ired on July 31, 2024, INV t financing at a meeting of ld on July 18, 2024, and	
New Syndicate Loan (015) Lender : Syndicate Loan (015)	dicate of lenders arranged by	
	uho Bank, Ltd.	

Outstanding balance :

JPY 56,725 million

(Reference) Fiscal period ended June 30, 2024 Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024) (from January 1, 2024 to June 30, 2024) Interest rate, etc. Base Rate (3-month JPY TIBOR) + 0.700%, 0.600%, 0.500% 1.5975% Base Rate (1-month JPY TIBOR) +0.200% Interest payment date : The last Japanese business day of March, June, September, and December before the principal maturity date, beginning with September 30, 2024, and the principal maturity date The last Japanese business day of each month before the principal maturity date, beginning with August 31, 2024, and the principal maturity date Principal repayment : Lump-sum repayment method Borrowing method Unsecured/non-guarantee Borrowing date July 31, 2024 Maturity date July 16, 2031, July 16, 2030, July 16, 2029, July 31, 2025 3. Acquisition of assets (properties) INV resolved acquisition of the following 12 hotel properties (total acquisition price: JPY 104,420 million) on July 18, 2024 and completed the acquisition on July 31, 2024. Property Number: D90 Art Hotel Osaka Bay Tower & Solaniwa Onsen : July 31, 2024 Acquisition Date Acquisition Price (Note 1) : JPY 31,185 million Location : Osaka-shi, Osaka Completion Date : June 1990 Legal Form of Asset : Trust beneficiary interest Seller : Ganges Tokutei Mokuteki Kaisha Total Floor Area (Note 2) : 44,759.49 m<sup>2</sup> : 44,759.49 m<sup>2</sup> Total Leasable Area Property Number: D91 Hakodate Kokusai Hotel Acquisition Date : July 31, 2024 Acquisition Price (Note 1) : JPY 16,830 million : Hakodate-shi, Hokkaido Completion Date : March 1972 March 1994 November 2018 Legal Form of Asset : Trust beneficiary interest Seller : Hakodate Tokutei Mokuteki

Kaisha

: 34,511.60 m<sup>2</sup>

: 34,511.60 m<sup>2</sup>

Total Floor Area

Total Leasable Area

(Reference) Fiscal period ended June 30, 2024 Fiscal period ended December 31, 2024 (from January 1, 2024 to June 30, 2024) (from July 1, 2024 to December 31, 2024)

Property Number: D92 Art Hotel Nippori Lungwood

Acquisition Date : July 31, 2024

Acquisition Price (Note 1) : JPY 16,335 million
Location : Arakawa-ku, Tokyo
Completion Date : November 1988

Legal Form of Asset : Trust beneficiary interest

Seller : Nippori Tokutei Mokuteki

Kaisha

 $\begin{tabular}{ll} Total Floor Area (Note 3) & : & 10,984.28 m^2 \\ Total Leasable Area & : & 10,984.28 m^2 \\ \end{tabular}$ 

Property Number: D93 Hotel MyStays Kumamoto

Riverside

Acquisition Date : July 31, 2024 Acquisition Price (Note 1) : JPY 6,831 million

Location : Kumamoto-shi, Kumamoto

Completion Date : November 1984

February 1995

Legal Form of Asset : Trust beneficiary interest

Seller : Rishiri Tokutei Mokuteki

Kaisha

Property Number: D94 Art Hotel Aomori Acquisition Date : July 31, 2024 Acquisition Price (Note 1) : JPY 5,672 million Location : Aomori-shi, Aomori

Completion Date : June 1996

Legal Form of Asset : Trust beneficiary interest
Seller : Shiretoko Tokutei Mokuteki

Kaisha

Total Floor Area :  $9,176.79 \text{ m}^2$ Total Leasable Area :  $9,176.79 \text{ m}^2$ 

Property Number: D95 Kamenoi Hotel Izukogen

Acquisition Date : July 31, 2024
Acquisition Price (Note 1) : JPY 5,563 million
Location : Ito-shi, Shizuoka

Completion Date : June 1988

Legal Form of Asset : Trust beneficiary interest
Seller : Yakushima Tokutei Mokuteki

Kaisha

 $\begin{tabular}{llll} Total Floor Area & : 8,891.36 m^2 \\ Total Leasable Area & : 8,891.36 m^2 \\ \end{tabular}$ 

Property Number: D96 Art Hotel Oita
Acquisition Date : July 31, 2024
Acquisition Price (Note 1) : JPY 5,484 million
Location : Oita-shi, Oita
Completion Date : November 1987

(Reference) Fiscal period ended June 30, 2024 Fiscal period ended December 31, 2024 (from January 1, 2024 to June 30, 2024) (from July 1, 2024 to December 31, 2024) : Trust beneficiary interest Legal Form of Asset Seller Shiretoko Tokutei Mokuteki Kaisha Total Floor Area : 8,782.34 m<sup>2</sup> Total Leasable Area : 8,782.34 m<sup>2</sup> Property Number: D97 Art Hotel Kokura New Tagawa Acquisition Date : July 31, 2024 Acquisition Price (Note 1) : JPY 4,672 million Location : Kitakyushu-shi, Fukuoka Completion Date : April 1973 November 1997 Legal Form of Asset Trust beneficiary interest Seller : Kawaguchiko Tokutei Mokuteki Kaisha Total Floor Area : 14.055.23 m<sup>2</sup> Total Leasable Area : 14,055.23 m<sup>2</sup> Property Number: D98 Art Hotel Miyazaki Sky Tower Acquisition Date : July 31, 2024 Acquisition Price (Note 1) : JPY 3,821 million Location : Miyazaki-shi, Miyazaki Completion Date : September 1991 Legal Form of Asset : Trust beneficiary interest Seller : Rishiri Tokutei Mokuteki Kaisha Total Floor Area : 8,766.25 m<sup>2</sup> Total Leasable Area : 8,766.25 m<sup>2</sup> Property Number: D99 Art Hotel Kagoshima Acquisition Date : July 31, 2024 Acquisition Price (Note 1) : JPY 3,395 million Location : Kagoshima-shi, Kagoshima Completion Date : September 1981 Legal Form of Asset : Trust beneficiary interest

Seller : Shiretoko Tokutei Mokuteki

Kaisha

 $\begin{tabular}{lll} Total Floor Area & : 14,854.67 m^2 \\ Total Leasable Area & : 14,854.67 m^2 \\ \end{tabular}$ 

Property Number: D100 Kamenoi Hotel Hikone
Acquisition Date : July 31, 2024

Acquisition Price (Note 1) : JPY 2,603 million

Location : Hikone-shi, Shiga

Completion Date : December 1969

Legal Form of Asset : Trust beneficiary interest
Seller : Yakushima Tokutei Mokuteki

Kaisha

 $\begin{tabular}{lll} Total Floor Area & : & 6,060.87 \ m^2 \\ Total Leasable Area & : & 6,060.87 \ m^2 \\ \end{tabular}$ 

(Reference) Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)	Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)
Property Number: D101 Kamenoi Hotel Nara Acquisition Date : July 31, 2024	
Acquisition Price (Note 1) : JPY 2,029 million	
Location : Nara-shi, Nara	
Completion Date : September 1966	
Legal Form of Asset : Trust beneficiary interest	
Seller : Yakushima Tokutei Mokuteki Kaisha	
Total Floor Area : 5,041.02 m <sup>2</sup>	
Total Leasable Area : 5,041.02 m <sup>2</sup>	
(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.	
(Note 2) "Total Floor Area" of exclusively-owned area acquired by INV on July 31, 2024. The total floor area of the entire building is 175,604.98 m <sup>2</sup> .	
(Note 3) "Total Floor Area" of exclusively-owned area acquired by INV (excluding parking area) on July 31, 2024. The total floor area of the entire building is 21,601.47 m <sup>2</sup> .	

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

(Reference) Fiscal period ended June 30, 2024	Fiscal period ended December 31, 2024
(from January 1, 2024 to June 30, 2024)	(from July 1, 2024 to December 31, 2024)
Not applicable	Not applicable

# VI. Statement of Cash Distribution

	(Reference) Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)	Fiscal period ended December 31, 2024 (from July 1, 2024 to December 31, 2024)
I. Unappropriated retained earnings	JPY 21,542,214,804	JPY 23,765,358,874
II. Distributions	JPY 12,915,060,957	JPY 15,155,269,846
(Distribution per unit)	(JPY 1,917)	(JPY 1,982)
III. Retained earnings (deficit) carried forward	JPY 8,627,153,847	JPY 8,610,089,028
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.	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 12,915,060,957 out of net income of JPY 12,900,561,195 and retained earnings carried forward of JPY 14,499,762.	Pursuant to this policy, INV determined the distribution amount to be JPY 15,155,269,846 out of net income of JPY 15,138,205,027 and retained earnings carried forward of JPY 17,064,819.

#### 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, 2024 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: <a href="https://www.invincible-inv.co.jp/en/ir/library.html">https://www.invincible-inv.co.jp/en/ir/library.html</a>

# VII. Statement of Cash Flows (Reference Information)

		(Unit: JPY thousand)
	Fiscal period ended June 30, 2024	Fiscal period ended December 31, 2024
	(from January 1, 2024 to June 30, 2024)	(from July 1, 2024 to December 31, 2024)
Cash flows from operating activities	· · · · · · · · · · · · · · · · · · ·	, , ,
Net income before taxes	12,901,166	15,138,810
Depreciation and amortization	4,341,470	4,990,615
Loss on reduction entry of non-current assets	24,991	-
Investment unit issuance costs	-	170,193
Amortization of investment corporation bond issuance	15,608	18,029
costs	,	•
Loan-related costs	583,615	718,621
*	4.0	-196
Interest income	-163	-3,483
Interest expenses	1,002,142	1,533,640
Foreign exchange losses (gains)	-142	33
Loss (gain) of derivatives	560,841	8,075
Decrease (increase) in rental receivables	-1,206,749	-1,467,605
Decrease (Increase) in deposits paid	-438,055	458,193
Decrease (increase) in receivable income taxes	-3	-508
Decrease (increase) in consumption taxes receivable	2,615,543	-2,426,309
Increase (decrease) in accounts payable	-4,478	251,458
Increase (decrease) in consumption taxes payable	1,023,206	-1,023,206
Increase (decrease) in accrued expenses	85,639	13,369
Increase (decrease) in advances received	7,905	367,118
Increase (decrease) in deposits received	-36,518	98,120
Others, net	-176,618	139,577
Subtotal	21,299,400	18,984,548
Interest income received	163	3,483
Interest expenses paid	-973,357	-1,514,581
Income taxes paid	-605	-605
Net cash provided by operating activities	20,325,601	17,472,845
Cash flows from investing activities		
Purchases of property and equipment	-434,456	-1,907,226
Purchases of property and equipment in trust	-1,818,446	-93,993,128
Purchases of leasehold rights in trust	-	-12,444,949
Repayments of tenant leasehold and security deposits	-22,016	-21,799
in trust	-22,010	-21,799
Proceeds from tenant leasehold and security deposits in	28,659	117,075
trust  Payment of topant lessabold and society denosits		
Payment of tenant leasehold and security deposits	-8,100 500,120	-40,555
Others	-500,120	-215,250
Net cash used in investing activities	-2,754,478	-108,505,833

Cash flows from financing activities		
Proceeds from short-term loans payable	-	4,925,000
Repayments of short-term loans payable	-27,707,000	-10,313,000
Proceeds from long-term loans payable	43,557,000	71,222,000
Repayments of long-term loans payable	-19,796,000	-16,991,000
Proceeds from issuance of investment corporation bonds	5,950,508	4,173,666
Redemption of investment corporation bonds	-	-1,000,000
Borrowing related expenses	-861,343	-1,156,070
Payment of distributions of earnings	-11,046,120	-12,913,644
Proceeds from issuance of investment units	-	55,808,936
Net cash provided by (used in) financing activities	-9,902,955	93,755,887
Effect of exchange rate change on cash and cash equivalents	142	-33
Net increase (decrease) in cash and cash equivalents	7,668,309	2,722,866
Cash and cash equivalents at beginning of period	34,892,514	42,560,824
Cash and cash equivalents at end of period *1	42,560,824	45,283,691

(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)

By Period	(Reference) Fiscal period ended June 30, 2024	Fiscal period
Item	(from January 1, 2024 to June 30, 2024)	ended December 31, 2024 (from July 1, 2024 to December 31, 2024)
Cash and cash equivalents as	Cash and cash equivalents as	Cash and cash equivalents as
stated in Statement of Cash Flows	stated in the Statement of Cash	stated in the Statement of Cash
	Flows consist of cash on hand and	Flows consist of cash on hand and
	cash in trust, floating deposits,	cash in trust, floating deposits,
	deposits in trust and short-term	deposits in trust and short-term
	investments that are very liquid	investments that are very liquid
	and realizable with a maturity of	and realizable with a maturity of
	three months or less when	three months or less when
	purchased and that are subject to	purchased and that are subject to
	insignificant risks of changes in	insignificant risks of changes in
	value.	value.

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

By Period Item	(Reference) Fiscal period ended June 30, 2024 (from January 1, 2024 to June 30, 2024)		Fiscal po ended Deceml (from July to December	per 31, 2024 1, 2024
*1. Relationship between cash and cash equivalents in	(As of June 30, 2024) (Unit: JPY thousand)		`	mber 31, 2024) PY thousand)
Statement of Cash Flows and amounts in accompanying	Cash and bank deposits	30,213,929	Cash and bank deposits	31,964,082
balance sheet	Cash and bank deposits in trust	12,346,894	Cash and bank deposits in trust	13,319,608
	Cash and cash equivalents	42,560,824	Cash and cash equivalents	45,283,691

"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.

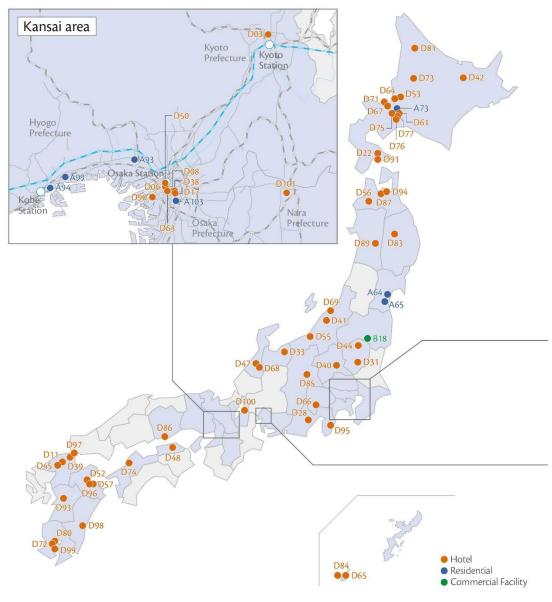
Major payment record \*Payment record regarding cash distribution

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"

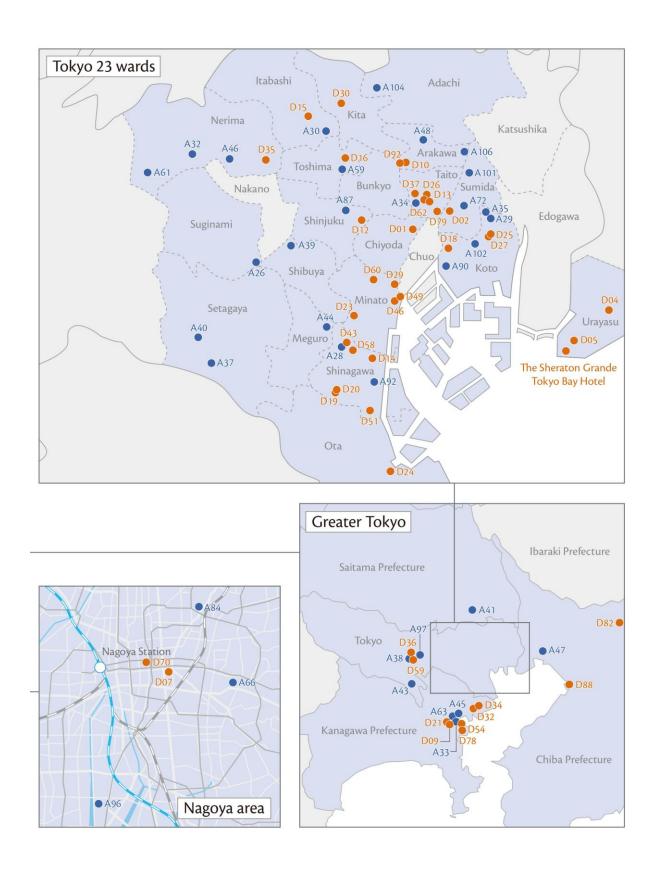
- Unitholders whose investment units are managed in brokerage accounts Each brokerage
- Unitholders who have no brokerage account Transfer Agent Department, Sumitomo Mitsui Trust Bank, Limited Toll-free Telephone Number 0120-782-031

# Domestic Portfolio Map (As of February 28, 2025)

No. of Properties (Note 1)	No. of Hotels (Note 1)	No. of Residential Properties	Others
146	104	41	1



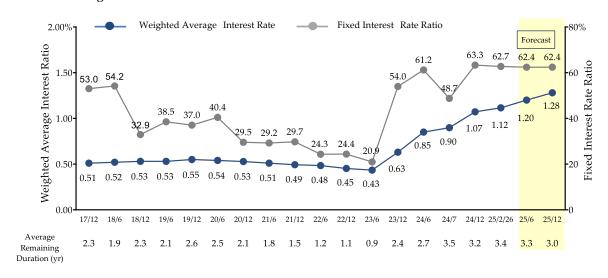
(Note 1) Includes Westin Grand Cayman Seven Mile Beach Resort & Spa and Sunshine Suites Resort & Spa. (Note 2) For properties corresponding to the number and their overview, please refer to pages 28-35.



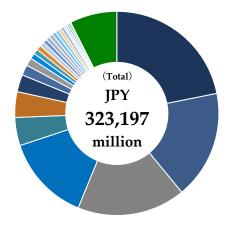
## Financial Conditions

INV borrowed JPY 56.7 billion with a weighted average loan term of 5.9 years for the acquisition of 12 hotels in July 2024, lengthening the average remaining duration of interest-bearing-debt from 2.7 years (as of the end of the previous period) to 3.4 years (as of February 26, 2025), diversifying the repayment dates. In addition, INV hedged the risk of interest rate fluctuation with interest rate swaps and borrowings with fixed interest rates. The fixed interest rate ratio of INV's overall interest-bearing debt increased from 48.7% after the borrowing for the property acquisition in July 2024 to 62.7% as of February 26, 2025.

# Weighted Average Interest Rate<sup>1</sup>, Fixed Interest Rate Ratio, and Average Remaining Duration of Interest-bearing Debt



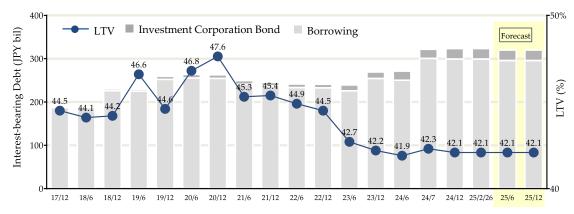
### Lender Formation (as of the end of February, 2025)



Mizuho Bank	21.9%	Suruga Bank	0.6%
MUFG	17.2%	The Chiba Bank	0.6%
SMBC	17.2%	Aichi Bank	0.6%
SMTB	13.7%	Tochigi Bank	0.6%
DBJ	4.5%	Nishi-Nippon City Bank	0.5%
SBI Shinsei Bank	4.1%	Kiyo Bank	0.5%
Tokyo StarBank	2.7%	KagawaBank	0.3%
Aozora Bank	1.7%	The San-in Godo Bank	0.3%
San ju San Bank	1.3%	Ogaki Kyoritsu Bank	0.3%
Yamaguchi Bank	0.9%	Kiraboshi Bank	0.3%
NomuraTB	0.8%	Aeon Bank	0.1%
Fukuoka Bank	0.8%		
ShizuokaBank	0.7%		
Resona Bank	0.6%	REIT Bond	7.5%

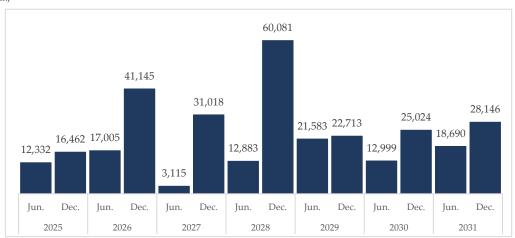
(Note 1) Calculated by the following formula: (Total loan amount outstanding at the relevant time multiplied by applicable interest rate at the relevant time for each loans) / (The loan amount outstanding at the relevant time).

### ■ LTV (based on appraisal value)(Note 2) and Interest-bearing Debt



# Maturity Ladder (as of February 26, 2025)

(JPY million)



### Rating

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

(Note 2) LTV at the end of fiscal period is 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.

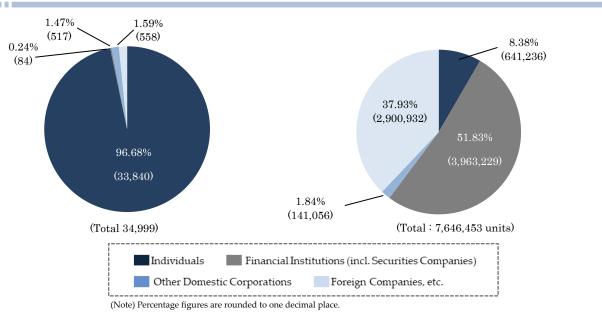
## Overview of Unitholders/Investment Units

### **Historical Unit Price**

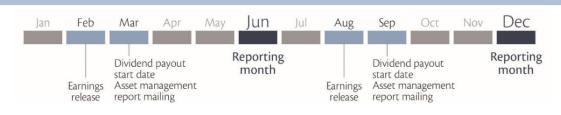


(Note) Unit prices indicate the closing price on the TSE market. TSE REIT Index has been indexed, assuming the closing price of TSE REIT Index as of January 4, 2013, as the same as the closing price of INV's unit on the same day.

### **Distribution of Unitholders**



### **Annual Schedule**



### Information for Unitholders

### For Unitholders

Investors' Registry	Sumitomo Mitsui Trust Bank, Limited	
Administrator	1-4-1, Marunouchi, Chiyoda-ku, Tokyo	
Special Account Management	<unitholders former="" growth="" investment<="" of="" p="" reit="" the="" tokyo=""></unitholders>	
Institution	Inc.>	
	Mitsubishi UFJ Trust and Banking Corporation	
	1-4-5, Marunouchi, Chiyoda-ku, Tokyo	
	<unitholders corporation="" former="" investment="" lcp="" of="" the=""></unitholders>	
	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 three years of distribution. Please note that payments cannot be made after three 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: +81-(0)3-5411-2731 (Main) Weekdays 9:00-17:00