Invincible Investment Corporation

Financial Summary for the June 2026 Fiscal Period

(from January 1, 2026 to June 30, 2026)

August 25, 2026

Name	:	Invincible Investment Corporation ("INV")
Representative	:	Naoki Fukuda, Executive Director
Stock Listing	:	Tokyo Stock Exchange
Securities Code	:	8963
URL	:	https://www.invincible-inv.co.jp/en/
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Start date for dividend distribution	:	September 25, 2026

This English language notice is a translation of the Japanese-language notice released on August 25, 2026 and was prepared solely for the convenience of, and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

(Figures are rounded down to the nearest JPY million)

1. Financial Results for the Fiscal Period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Operating Results

(Percentages indicate percentage change from the preceding period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	JPY million	%	JPY million	%	JPY million	%	JPY million	%
Fiscal period ended June 30, 2026	26,789	(6.3)	17,564	(9.0)	14,730	(11.7)	14,729	(11.7)
Fiscal period ended December 31, 2025	28,591	13.9	19,309	14.0	16,689	16.2	16,688	16.2

	Net Income per Unit	Net Income / Unitholders' Equity	Ordinary Income / Total Assets	Ordinary Income / Operating Revenues
	JPY	%	%	%
Fiscal period ended June 30, 2026	1,926	4.2	2.1	55.0
Fiscal period ended December 31, 2025	2,182	4.7	2.4	58.4

(2) Distributions

	Distribution (Excluding excess profit distribution)		Excess Profit Distribution		Dividend Payout Ratio	Distribution / Net Assets
	Per Unit	Total	Per Unit	Total		
	JPY	JPY million	JPY	JPY million	%	%
Fiscal period ended June 30, 2026	1,930	14,757	-	-	100.2	4.2
Fiscal period ended December 31, 2025	2,186	16,715	-	-	100.2	4.7

(Note 1) Dividend Payout Ratio is calculated in accordance with the following formula and is rounded to the nearest one decimal place:
Dividend Payout Ratio = Distribution Amount (Excluding excess profit distribution) ÷ Net Income × 100

(Note 2) Distribution / Net Assets is calculated based on the figures excluding excess profit distribution.

(3) Financial Position

	Total Assets	Net Assets	Net Assets / Total	Net Assets per Unit
	JPY million	JPY million	%	JPY
Fiscal period ended June 30, 2026	708,154	352,854	49.8	46,146
Fiscal period ended December 31, 2025	709,095	354,587	50.0	46,372

(Note) Net Assets per Unit is calculated based on the number of investment units issued and outstanding at the end of each fiscal period.

(4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investment Activities	Cash Flows from Financing Activities	Closing Balance of Cash and Cash Equivalents
	JPY million	JPY million	JPY million	JPY million
Fiscal period ended June 30, 2026	24,415	(1,655)	(16,860)	45,299
Fiscal period ended December 31, 2025	19,864	(38,459)	15,190	39,400

2. Forecasts for the Fiscal Period ending December 31, 2026 (from July 1, 2026 to December 31, 2026) and the Fiscal Period ending June 30, 2027 (from January 1, 2027 to June 30, 2027)

(Percentages indicate percentage change from the preceding period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Distribution per Unit (excluding excess profit distribution)	Excess Profit Distribution per Unit
	JPY million	%	JPY million	%	JPY million	%	JPY million	%	JPY	JPY
Fiscal period ending December 31, 2026	28,045	4.7	18,382	4.7	14,988	1.8	14,988	1.8	2,186	-
Fiscal period ending June 30, 2027	27,935	(0.4)	18,417	0.2	14,873	(0.8)	14,873	(0.8)	1,949	-

(Reference) Estimated net income per unit for the fiscal periods ending December 31, 2026 and the fiscal periods ending June 30, 2027 are JPY 1,960 and JPY 1,945, respectively.

※Others

(1) Changes in Accounting Policies, Accounting Estimates or Restatements

(a) Changes in Accounting Policies due to Revisions to Accounting Standards and Other Regulations	None
(b) Changes in Accounting Policies due to Other Reasons	None
(c) Changes in Accounting Estimates	None
(d) Restatements	None

(2) Number of Investment Units Issued and Outstanding

(a) Number of Units Issued and Outstanding as of the End of the Fiscal Period (Including Treasury Units)	June 30, 2026	7,646,453	December 31, 2025	7,646,453
(b) Number of Treasury Units as of the End of the Fiscal Period	June 30, 2026	0	December 31, 2025	0

(Note) Please refer to "Notes Related to Per Unit Information" regarding the number of investment units which is the basis for the calculation of net income per unit.

- Financial Summary report is not subject to audit procedure by certified public accountants or audit corporations.
- Special Consideration

  The forward-looking statements contained in this financial summary report are based on the information currently available to us and certain assumptions which we believe are reasonable. Actual operating performance may differ significantly due to factors we cannot predict as of the date of this document, including gains or losses from the disposition of properties, repayment of borrowings, decreases in rents and changes in operating conditions. Unless otherwise specified herein, amounts less than JPY 1 are rounded down, and ratios are rounded to the nearest one decimal place.

1. Operating Conditions

(1) Operating Conditions

a Overview of the Fiscal Period Ended June 30, 2026

(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 June 30, 2026 ("Reporting Period"), INV received a partial redemption of the preferred equity interest issued by Kingdom Special Purpose Company, which owns the trust beneficiary interest of the Sheraton Grande Tokyo Bay Hotel as an underlying asset, in the amount of JPY 3,185 million on March 27, 2026. As a result, INV's portfolio at the end of the Reporting Period comprised of 156 properties (114 hotels (Note 2) (Note 3), 41 residential properties and one retail facility) with a total acquisition price of JPY 684,165 million (Note 4) as there was no acquisition nor disposition of assets during the Reporting Period. INV's hotel portfolio has the largest asset size (Note 5) of JPY 643,380 million (114 properties, 19,816 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) with continuous acquisition of assets through sponsor support.

(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*) refers to 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 TK operator of 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. Furthermore, as a result of the partial redemption of the preferred equity interest on March 27, 2026, INV's investment amount in the preferred equity interest issued by Kingdom Special Purpose

Company was reduced from the initial investment amount of JPY 17,845 million (178,458 units of preferred equity interest) to JPY 14,660 million (146,608 units of preferred equity interest). 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 The Sunshine Hotel & Suites (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 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. Sunshine Suites Resort changed its name to "The Sunshine Hotel & Suites" on December 10, 2025. 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 114 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 June 30, 2026.

(b) Operational Performance

The portfolio NOI (Note 1) increased by 6.4% or JPY 1,461 million compared to the same period in the previous year (the June 2025 fiscal period) to JPY 24,378 million. Of which, the hotel portfolio NOI increased by JPY 1,442 million and the residential and retail portfolio NOI increased by JPY 19 million.

Commentary on hotel and residential performance is as described below.

The domestic hotel portfolio performance remained solid, supported by steady domestic demand and inbound demand from South Korea, Taiwan, the United States, and other markets. Some hotels, particularly in the Kansai area, experienced weaker performance due to the reactionary decline in demand following the Expo 2025 Osaka in the previous year and the decrease in visitors from China resulting from the deterioration of Japan-China relations, while the worsening situation in the Middle East had a negligible impact on operating performance. Among the 112 domestic hotels owned by INV at the beginning of the Reporting Period (including Sheraton Grande Tokyo Bay Hotel, the underlying asset of the preferred equity interest of TMK owned by INV), gross revenue of the 101 domestic hotels (Note 2) operated by the major tenant for the Reporting Period increased by 3.0% compared to the same period in the previous year, and recorded an occupancy rate (Note 3) of 84.6%, ADR (Note 4) of JPY 13,849, and RevPAR (Note 5) of JPY 11,722.

The Cayman Hotels recorded an average occupancy rate of 72.0%, ADR of USD 669, and RevPAR of USD 481 for the Reporting Period. The Westin Grand Cayman Seven Mile Beach Resort & Spa continued to perform well, supported by steady demand from North America. At The Sunshine Hotel & Suites, restaurant renovation work took longer than planned, but occupancy, ADR, and RevPAR significantly exceeded year-ago levels, when the hotel's results were depressed by sales stoppages tied to its large-scale renovation. As a result, the Cayman Hotels achieved year-on-year increases in occupancy rate, RevPAR, gross revenues, and GOP.

Regarding the residential portfolio (Note 7), the occupancy rate (Note 8) of 41 residential properties increased

by 1.1 points to 97.6% at the end of the Reporting Period from 96.5% at the end of the previous period. The average occupancy rate (Note 8) increased by 0.1 points YoY to 97.3%, driven by strong rental demand. The NOI (Note 9) for the Reporting Period increased by 1.8% YoY.

In the Reporting Period, INV realized a rent increase for 72.8% (based on the number of contracts) of the new residential lease contracts, and the new rent increased by 3.5% compared to the previous rent across all new leases (Note 10). INV achieved a rent increase for 63.4% (based on the number of contracts) of contract renewals with an average rent increase of 1.8% compared to the previous rent across all renewal leases, while maintaining a high contract renewal rate (Note 11) of 81.2%. Combined, new lease and renewal lease rents were signed at 2.3% higher than the previous leases. The average rent per tsubo per month (Note 12) for the Reporting Period increased by 1.2% YoY to JPY 9,419.

The total appraisal value of 155 properties (one out of the 156 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) increased 2.1% from JPY 831,061 million at the end of the December 2025 fiscal period to JPY 848,295 million. The portfolio has an unrealized gain of JPY 220,421 million (Note 13) and an unrealized gain ratio of 35.1% (Note 13).

Key Performance Indicators of 101 Domestic Hotel Properties (Note 2)

	June 2026 fiscal period	Year-on-year change
Occupancy Rate (Note 3)	84.6%	+0.8pt
ADR (JPY) (Note 4)	13,849	+0.7%
RevPAR (JPY) (Note 5)	11,722	+1.6%
Gross Revenue (JPY million)	53,559	+3.0%
Room Revenue (JPY million)	35,503	+1.7%
Non-Room Revenue (JPY million)	18,056	+5.6%
GOP (JPY million) (Note 6)	18,016	+0.4%

Key Performance Indicators of Cayman Hotels

	June 2026 fiscal period	Year-on-year change
Occupancy Rate (Note 3)	72.0%	+10.2pt
ADR (USD) (Note 4)	669	-1.0%
RevPAR (USD) (Note 5)	481	+15.5%
Gross Revenue (USD thousand)	70,295	+14.7%
Room Revenue (USD thousand)	41,389	+15.7%
Non-Room Revenue (USD thousand)	28,906	+13.3%
GOP (USD thousand) (Note 6)	32,685	+18.8%

Key Performance Indicators of 41 Residential Properties (Note 7)

	June 2026 fiscal period	Year-on-year change
Average Occupancy Rate (Note 8)	97.3%	+0.1pt
Average Rent per Tsubo per Month (JPY) (Note 12)	9,419	+1.2%
NOI (JPY million) (Note 9)	1,166	+1.8%

(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) Of the 112 domestic hotel properties (including Sheraton Grande Tokyo Bay Hotel, the underlying asset of preferred equity interest held by INV) held as of the beginning of the June 2026 fiscal period, this refers to 101 hotels operated by Iconia Hospitality K.K. (MyStays Hotel Management changed its company name to Iconia Hospitality K.K. on July 1, 2025. Hereinafter "ICN") and its subsidiary. In addition, the figures for the properties acquired after January 2025 are calculated on the assumption INV had acquired those properties on January 1, 2025, using the actual figures provided by the sellers of such properties for the period before the acquisition. Hereinafter the same shall apply.

(Note 3) "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 4) "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 5) "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 6) "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 7) Based on the 41 residential properties owned as of the end of June 2026. 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 totaled JPY 348,654 million as of the end of the Reporting Period, with an Interest-Bearing Debt Ratio (Note 1) of 49.2%, LTV on an appraisal value basis (Note 2) of 41.9%, and an average interest rate (Note 3) of 1.46%.

(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 loan) / total assets x 100
Short-term consumption tax loan is a loan which is to be repaid before maturity date with refund of consumption taxes and regional consumption taxes on an acquisition of a property.

(Note 2) LTV (appraisal value basis) uses the calculation formula below:
LTV = total outstanding interest-bearing debt (excluding short-term consumption tax loan) / total appraisal value (*) x 100
(*) Since the appraisal value for Sheraton Grande Tokyo Bay Hotel (preferred equity interest) is not available, the acquisition price of the preferred equity interest (JPY 14,660 million) is deemed as the appraisal value of Sheraton Grande Tokyo Bay Hotel (preferred equity interest). For the appraisal value of the Cayman Hotels, 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, and executed on September 26, 2018.

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

(i) Borrowing of Funds

INV borrowed New Syndicate Loan (020) (total amount borrowed: JPY 10,505 million; interest rate: floating interest rate of 1-month JPY TIBOR plus 0.40000% for a duration of four years, floating interest rate of 1-month JPY TIBOR plus 0.30000% (by the interest swap agreement on March 12, 2026, it is fixed, in effect, at 2.15260%) for a duration of three years, floating interest rate of 1-month JPY TIBOR plus 0.30000% (by the interest swap agreement on July 14, 2026, it is fixed, in effect, at 2.12245%) for a duration of three years), which was arranged by Mizuho Bank, Ltd. on March 16, 2026 in order to repay New Syndicate Loan (007) in the amount of JPY 9,267 million and New Syndicate Loan (013) in the amount of JPY 1,238 million due on March 14, 2026.

Moreover, INV borrowed Term Loan (028) (amount borrowed: JPY 1,700 million; interest rate: floating interest rate of 1-month JPY TIBOR plus 0.25000% (by the interest swap agreement on July 14, 2026, it is fixed, in effect, at 2.14490%) for a duration of three years from Mizuho Bank, Ltd., Term Loan (029) (amount borrowed: JPY 1,650 million; interest rate: floating interest rate of 1-month JPY TIBOR plus 0.25000% (by the interest swap agreement on July 14, 2026, it is fixed, in effect, at 2.14490%) for a duration of three years from MUFG Bank, Ltd., Term Loan (030) (amount borrowed: JPY 1,650 million; interest rate: floating interest rate of 1-month JPY TIBOR plus 0.25000% (by the interest swap agreement on July 14, 2026, it is fixed, in effect, at 2.14490%) for a duration of three years from Sumitomo Mitsui Banking Corporation, Term Loan (031) (amount borrowed: JPY 1,000 million; interest rate: floating interest rate of 1-month JPY TIBOR plus 0.25000% (by the interest swap agreement on July 14, 2026, it is fixed, in effect, at 2.14490%) for a duration of three years from Development Bank of Japan, Inc. on June 19, 2026 and Term Loan (032) (amount borrowed: JPY 500 million; interest rate: floating interest rate of 1-month JPY TIBOR plus 0.25000% (by the interest swap agreement on July 14, 2026, it is fixed, in effect, at 2.14490%) for a duration of three years from MUFG Bank, Ltd. on June 29, 2026 in order to replenish cash on hand that decreased due to the redemption of the 7th series unsecured corporate bonds in the amount of JPY 5,000 million on May 25, 2026 and to repay Term Loan (013) in the amount of JPY 1,000 million due on June 19, 2026 and Term Loan (014) in the amount of JPY 500 million due on June 27, 2026.

(d) Results of Operations and Distributions

Operating revenues for the Reporting Period decreased by JPY 1,802 million (-6.3%) from the previous period to JPY 26,789 million, resulting in a net income of JPY 14,729 million, a decrease of JPY 1,959 million from the previous period (-11.7%). Unappropriated retained earnings including the retained earnings carried forward from the preceding fiscal period (JPY 8,460 million) is JPY 23,189 million. INV has decided to set the distribution per unit (excluding excess profit distribution) of JPY 1,930, which is the net income per unit (JPY 1,926) plus the reversal of retained earnings (JPY 4 per unit).

b Outlook for the Fiscal Period Ending December 31, 2026

The Japanese economy is expected to maintain moderate growth, albeit at a slower pace, supported by expanding global demand related to artificial intelligence (AI) and the Japanese government's accommodative monetary policies, despite downward pressure from higher crude oil prices resulting from developments in the Middle East. Inflation is also expected to remain on an upward trend, supported by rising wages and continued progress in passing on higher costs to prices. On the other hand, there are various uncertainties affecting the economic outlook, including geopolitical risks stemming from the conflicts

in the Middle East and Ukraine, the direction of U.S. trade and diplomatic policies, and deterioration of Japan-China relations. If negative factors such as the slowdown in overseas economies becoming apparent and the deterioration of the export environment worsen, companies may restrain capital investment, potentially creating downward pressure on the overall economy. Furthermore, the economic outlook could be subject to significant change depending on developments in foreign exchange and interest rates, the expansionary fiscal stance of the Takaichi administration, and abrupt changes in global AI-related demand.

In the hotel market, while a continued decline in inbound demand from China due to deteriorating Japan-China relations remains a concern, robust demand from other countries and regions remains strong. Furthermore, domestic travel demand may benefit from a shift from overseas travel due to the weaker yen and higher airline fuel surcharges. Consequently, demand in both leisure and business remains solid across all segments and is expected to continue performing steadily.

In the rental housing market, new supply has been significantly restrained due to the steep rise of construction costs and labor shortages. At the same time, rental demand is expected to remain strong supported by population inflows, particularly into Tokyo, as well as growing demand from foreign residents, so the supply-demand balance is expected to continue titling strongly in favor of demand. In addition, demand flowing into the rental market from potential homebuyers abandoning property purchases due to soaring housing prices is expected to continue increasing. In the Tokyo metropolitan area, the market remains solid with continued lease signings despite rising rents. However, some regional areas are experiencing sluggish rental demand and rising vacancies, so close monitoring of the supply-demand conditions remains necessary.

(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 where inbound demand becomes more sophisticated (i.e. inbound tourists seeking more experiential and higher-value travel experiences) 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

<u>New Property Acquisitions</u>

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

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

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

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

Year	Properties acquired	Total acquisition price
2012	24 residential properties (Note 1)	JPY 14,043 million (Note 1)
2014	20 hotels	JPY 45,373 million
2015	14 hotels and three residential properties (Note 2)	JPY 45,238 million (Note 2)
2016	11 hotels and two residential properties	JPY 92,804 million
2017	six hotels and two residential properties (Note 3)	JPY 90,006 million (Note 3)
2018	12 hotels (Note 4)	JPY 104,280 million (Note 4)
2019	18 hotels	JPY 82,646 million
2020	Two hotels	JPY 16,236 million
2023	Six hotels	JPY 57,230 million
2024	12 hotels	JPY 104,420 million
2025	10 hotels	JPY 34,284 million
Total	142 properties (of which 111 are hotels and 31 are residential properties)	JPY 686,562 million (of which hotels: JPY 634,924 million; residential: JPY 51,638 million)

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

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

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

(Note 4) The Cayman Hotels were acquired by the Cayman SPC, of which INV owns 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 112 domestic hotels (Note 1) owned by INV as of the end of the Reporting Period, 104 hotels use a variable rent scheme. In the variable rent scheme, in principle, INV receives all of the GOP after deducting payment of management fees for the hotel operator as rents. For 101 hotels of the 104 hotels, ICN and subsidiaries of ICN (hereinafter collectively "ICN Group") 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.

ICN is one of Japan's leading hotel operators, managing a wide range of properties across the country - including limited-service, full-service, and resort-type hotels—under numerous brands such as "Hotel MyStays", "Flexstay Inn", "Art Hotel", and "Kamenoi Hotel", among others. With a large membership base, ICN has established itself as a major player in the domestic hospitality sector. In May 2025, leveraging its scale and aiming to enhance member convenience, ICN launched a loyalty program called "GoTo Pass", which allows members to earn and redeem points at all facilities operated by the group.

This loyalty program is also expected to contribute to increased sales at hotels owned by INV and operated by ICN, thereby potentially boosting rental income for INV.

The ICN Group has reviewed its operational strategy and made efforts to reduce hotel operating expenses and improve profitability. ICN will continue to strive to minimize the impact of rising costs such as labor costs, utility costs and food supplies 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). As a part of such initiatives, ICN is gradually introducing systems tailored to the operational status of each hotel, such as automated check-in kiosks, mobile check-in systems, and a system for streamlining luggage storage at the reception desk.

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

Maintaining and enhancing financial soundness and stability is one of INV's key financial strategies. Given the current rising interest rate environment, INV is carefully managing financing costs while diversifying debt maturities and financing measures and appropriately managing borrowing terms and the fixed-interest rate ratio. As a result of these efforts, Japan Credit Rating Agency, Ltd. ("JCR") announced on May 13, 2026, that it had upgraded INV's long-term issuer rating from "A+" to "AA-" . INV will continue to diversify debt maturities and maintain an appropriate average borrowing term, average interest-bearing debt repayment periods and fixed-interest rate ratio in order to further strengthen its financial profile and mitigate the risk of rising interest rates.

(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 an asset acquisition from sponsor related parties, prior approvals by the Board of Directors of INV are required to ensure 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.

CIM established on July 1, 2025, the Internal Audit Department in order to strengthen the internal audit system and further enhance governance. INV and CIM intend 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 (GHG) Emissions Reduction Policy”, the “Water Saving Policy” and the “Waste Management Policy” which stipulate efforts to reduce environmental impact as initiatives for the 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.

In addition, CIM has established a "Policy on Addressing Climate Change-Related Issues". To support the long-term international goals set by the Paris Agreement and contribute to climate change mitigation, it is continuously advancing initiatives aimed at achieving net-zero GHG emissions by 2050. CIM has designated its CEO as the officer responsible for overseeing climate change-related issues and has established a governance structure to address the associated risks and opportunities. Results of scenario analyses regarding climate-related risks and opportunities within INV’s portfolio are disclosed on the website (https://www.invincible-inv.co.jp/sustainability/climate.html).

Regarding quantitative targets for GHG emissions, INV has set a primary goal of reducing emissions intensity by 5% by 2029 relative to the 2024 base year for Scope 1 + Scope 2 (Note 1), and a primary goal of reducing emissions intensity by 1% by 2029 relative to the 2024 base year for Scope 3 (Note 2) and the combined total of Scope 1 + Scope 2 + Scope 3. For the 2025 performance (calendar year basis), the emissions intensity figures were as follows: Scope 1 + Scope 2 (location basis) was 0.025 t-CO2eq/m² (-7.4% versus the 2024 base year); Scope 3 was 0.097 t-CO2eq/m² (-2.0% versus the 2024 base year); and the combined total of Scope 1 + Scope 2 (location basis) + Scope 3 was 0.095 t-CO2eq/m² (-3.1% versus the 2024 base year). Progress toward these targets is monitored by the Sustainability Committee, which periodically reviews initiatives aimed at achieving each environmental goal. Details regarding environmental targets and environmental performance are disclosed on the website (https://www.invincible-inv.co.jp/sustainability/environment.html).

Furthermore, as of the date of this document, INV acquired CASBEE Certification for Buildings (Existing Buildings) for five hotels, and Certification for CASBEE for Real Estate for three hotels and three 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. Moreover, INV obtained a DBJ Green Building Certification for 12 hotels, which was launched by the Development Bank of Japan Inc., for the purpose of supporting the properties which give proper care to the environment and society.

In addition to the acquisition of environmental certifications for its properties, INV issued JPY 3,500 million in green bonds and refinanced a total of JPY 68,779 million through green loans 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 third consecutive year in the 2025 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 fifth consecutive year. Furthermore, INV participated in CDP (Note 3) Climate Change Program Assessment for the first time in 2025 and obtained a "B" rating for climate change.

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.

(Note 1) Scope 1 refers to direct GHG emissions from the business entity itself; INV calculates these emissions based on properties it owns and over which it has management authority. Scope 2 refers to indirect emissions associated with the use of electricity, heat, or steam supplied by other companies; INV calculates these using both the location-based method (applying average emission factors) and the market-based method (applying emission factors based on specific electricity contracts).

(Note 2) Regarding Scope 3, calculations cover Category 13 (GHG emissions resulting from tenant activities across the hotels and retail facilities owned by INV, as well as from tenant-occupied areas in residential properties) for those properties where data could be obtained.

(Note 3) CDP is a global non-profit that runs the world's only independent environmental disclosure system for companies, capital markets, cities, states and regions to manage their environmental impact. Scores range from A to D- with eight levels, based on their performance across four key areas: Disclosure, Awareness, Management, and Leadership, reflecting the degree of ambition, goal-setting and concrete action.

c Significant Subsequent Events

Not applicable. Reference information is stated below.

(Reference Information)

(a) Debt Financing

INV decided to execute new borrowings (New Syndicate Loan (021)) on July 14, 2026, and borrowed on July 16, 2026 in order to repay a portion of New Syndicate Loan (009) in the amount of JPY 28,752.5 million, a tranche of New Syndicate Loan (010) in the amount of JPY 9,195.7 million and a tranche of New Syndicate Loan (011) in the amount of JPY 3,197 million due on July 16, 2026.

New Syndicate Loan (021)

Lenders	Borrowing Date	Outstanding Balance (JPY million)	Interest Rate (annual rate)	Maturity Date	Borrowing Method
【Green loan】 Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation SBI Shinsei Bank, Limited Development Bank of Japan, Inc.	July 16, 2026	4,002.56	Floating interest rate (Note 1)	July 16, 2029	Unsecured/ non guarantee
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Sumitomo Mitsui Banking Corporation Aozora Bank, Ltd. The Ogaki Kyoritsu Bank, Ltd.	July 16, 2026	5,997.44	Floating interest rate (Note 1)	July 16, 2029	Unsecured/ non guarantee
【Green loan】 Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation SBI Shinsei Bank, Limited	July 16, 2026	6,727.03	Floating interest rate (Note 2)	March 14, 2031	Unsecured/ non guarantee
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Sumitomo Mitsui Banking Corporation Aozora Bank, Ltd.	July 16, 2026	11,772.97	Floating interest rate (Note 2)	March 14, 2031	Unsecured/ non guarantee
【Green loan】 Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation SBI Shinsei Bank, Limited	July 16, 2026	4,598.11	Floating interest rate (Note 3)	March 16, 2031	Unsecured/ non guarantee
Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Sumitomo Mitsui Banking Corporation Aozora Bank, Ltd.	July 16, 2026	8,047.09	Floating interest rate (Note 3)	March 16, 2031	Unsecured/ non guarantee
Total Debt		41,145.2			

(Note 1) 1-month JPY TIBOR (Base Rate) + spread (0.25000%). By the interest swap agreement, it is fixed, in effect, at 2.14490%

(Note 2) 1-month JPY TIBOR (Base Rate) + spread (0.40000%)

(Note 3) 1-month JPY TIBOR (Base Rate) + spread (0.45000%)

d Operational Outlook

The forecasts of financial results for the fiscal periods ending December 31, 2026 (from July 1, 2026 to December 31, 2026) and June 30, 2027 (from January 1, 2027 to June 30, 2027) are as follows.

	December 2026 Fiscal Period (Anticipated)	June 2027 Fiscal Period (Anticipated)
Operating Revenues	JPY 28,045 million	JPY 27,935 million
Operating Income	JPY 18,382 million	JPY 18,417 million
Ordinary Income	JPY 14,988 million	JPY 14,873 million
Net Income	JPY 14,988 million	JPY 14,873 million
Total Distribution Amount (Including excess profit distribution)	JPY 16,715 million	JPY 14,902 million
Net Income per Unit	JPY 1,960	JPY 1,945
Distribution per Unit (Excluding excess profit distribution)	JPY 2,186	JPY 1,949
Excess Profit Distribution per Unit	-	-
Distribution per Unit (Including excess profit distribution)	JPY 2,186	JPY 1,949

For the assumptions underlying the operational outlook for the fiscal periods ending December 31, 2026 and June 30, 2027, please see "Assumptions Underlying the Forecast of Financial Results and Distribution for the Fiscal Periods ending December 31, 2026 and June 30, 2027" as follows.

(Cautionary Note regarding Forward Looking Statements)
Forward looking statements such as the forecasts set forth herein are based on information currently available and certain assumptions that are deemed reasonable. Actual operating performance may vary significantly due to factors not foreseen as of the date of this document, such as the occurrence of gains and losses associated with the sale of properties, repayment of borrowings and a decrease in rent received. Also, this forecast is not a guarantee of distribution amounts.

< Assumptions Underlying the Forecast of Financial Results and Distribution for the Fiscal Periods ending December 31, 2026 and June 30, 2027 >

Item	Assumptions
Fiscal period	The December 2026 Fiscal Period: from July 1, 2026 to December 31, 2026 (184 days) The June 2027 Fiscal Period: from January 1, 2027 to June 30, 2027 (181 days)
Assets under management	Properties held as of the end of the December 2026 Fiscal Period: 155 properties and preferred equity interests in one TMK Properties held as of the end of the June 2027 Fiscal Period: 155 properties and preferred equity interests in one TMK Based on the properties held as of today (155 properties and preferred equity interests in one TMK), INV assumes that there will be no change in the portfolio through the end of the fiscal period ending June 2027.
Units outstanding	As of the end of the December 2026 Fiscal Period: 7,646,453 units As of the end of the June 2027 Fiscal Period: 7,646,453 units INV assumes that there will be no change to the current 7,646,453 units issued and outstanding through the end of the fiscal period ending June 2027.
Interest-bearing liabilities	Balance as of the end of the December 2026 Fiscal Period: JPY 348,654 million (borrowing: JPY 329,554 million, investment corporation bonds: JPY 19,100 million) Balance as of the end of the June 2027 Fiscal Period: JPY 348,654 million (borrowing: JPY 329,554 million, investment corporation bonds: JPY 19,100 million) INV intends to refinance or issue investment corporation bonds of the same amount of loan and investment corporation bonds due through the end of fiscal period ending June 2027. INV assumes no other new loans, issuance of investment corporation bonds or prepayment of loans through the end of the fiscal period ending June 2027.

Operating revenues	INV expects to record operating revenues for each fiscal period as follows: With regard to domestic hotel demand, domestic demand is expected to remain stable, although the increase in demand due to the Osaka Expo in 2025 is expected to fade in the period ending December 31, 2026 for hotels in the Osaka area. As for inbound demand, while the assumption reflects the impact of the deterioration in Japan-China relations since mid-November 2025, demand is projected on the assumption that the number of foreign visitors to Japan will remain broadly in line with 2025 levels. In addition to the demand forecasts above, INV has taken into account various factors including scheduled conferences, concerts and other events in the vicinity of each hotel, and situations of competitors and price trends, etc., to forecast hotel rents for the period ending December 31, 2026 and thereafter. The reservations for the period from July to October 2026 that have already been made as of the forecast are also taken into account.

	December 2026 Fiscal Period	June 2027 Fiscal Period
・Rental revenues	JPY26,083 million	JPY 21,897 million
(of these, hotel rents)	(JPY 23,663 million)	(JPY 19,502 million)
(Fixed hotel rents)	(JPY 8,975 million)	(JPY 6,958 million)
(Variable hotel rents)	(JPY 14,687 million)	(JPY 12,544 million)
・Management contract revenue	JPY 1,587 million (USD 11,172 thousand)	JPY 5,183 million (USD 34,378 thousand)
・TMK dividend amount	JPY 374 million	JPY 855 million
Total operating revenues	JPY 28,045 million	JPY 27,935 million

INV estimates the amount of dividend income from preferred equity interests based on the performance of the underlying asset backing the cash flows and the assumed amount of expenses incurred by the TMK.

INV receives revenue and recognizes management contract revenues from Overseas Hotels. The forecast of management contract revenues is based on the estimated performance of the underlying assets and the assumed amount of expenses incurred by the hotel management company.

Also, as for the USD based management contract revenue, a large portion is hedged through foreign exchange forward contracts. For more details, please refer to the press releases "Notice concerning Execution of Foreign Exchange Forward" dated June 18, 2025 and August 7, 2026.

The management contract revenue for the fiscal periods ending December 2026 and June 2027 is calculated as follows (i) the rate of foreign exchange reserves for the hedged portion, (ii) the exchange rate of USD 1 = JPY 145 for the non-hedged portion.

In addition, while INV is considering the expansion and renovation of the Westin Grand Cayman Seven Miles Beach & Resort, details are yet to be determined. Therefore, INV does not anticipate or incorporate any particular impact of the expansion and renovation for the purpose of this forecast through the end of the Fiscal Period ending June 2027. On the other hand, a certain level of impact due to the opening of new hotels in Grand Cayman is assumed and included in the forecast.

Rental revenues in the fiscal periods ending December 2026 and ending June 2027 are calculated based on estimates as of today. In addition, INV assumes there will be no delinquencies or non-payment of rent by tenants.

Operating expenses

INV expects to incur property related expenses and management contract expenses out of operating expenses for each fiscal period as follows:

	December 2026 Fiscal Period	June 2027 Fiscal Period
・Facility management fees	JPY 1,159 million	JPY 1,142 million
(of these, repair costs)	(JPY 241 million)	(JPY 248 million)
・Taxes and other public charges	JPY 1,139 million	JPY 874 million
・Insurance expenses	JPY 303 million	JPY 321 million
・Depreciation expenses	JPY 5,980 million	JPY 6,092 million
・Other expenses	JPY 139 million	JPY 140 million
Total property related expenses and management contract expenses	JPY 8,721 million	JPY 8,571 million

INV expects to incur other operating expenses besides the property-related expenses or management contract expenses for each fiscal period as follows:

	December 2026 Fiscal Period	June 2027 Fiscal Period
・Other operating expenses	JPY 941 million	JPY 946 million
(of these, asset management fees)	(JPY 650 million)	(JPY 650 million)

NOI

INV expects to record net operating income for each fiscal period as follows:

	December 2026 Fiscal Period	June 2027 Fiscal Period
・NOI	JPY 25,304 million	JPY 25,456 million
(of these, domestic hotel NOI)	(JPY 22,833 million)	(JPY 19,328 million)
(of these, overseas hotel NOI)	(JPY 1,214 million)	(JPY 4,902 million)
(of these, residential NOI)	(JPY 1,179 million)	(JPY 1,148 million)

NOI calculation method in the above table is as follows
NOI＝ Rental Revenues － Property Related Expenses + Depreciation Expenses + Dividends on the preferred equity interest (TMK dividend) + Management Contract Revenue－Management Contract Expense

Non-operating expenses

INV expects to incur non-operating expenses for each fiscal period as follows:

Considering the current trend of interest rates, INV calculates the interest expense of each fiscal period with the estimate of 1-month JPY TIBOR (Base Rate) to be 1.15～1.65％ and 3-month JPY TIBOR (Base Rate) to be 1.41～1.95％ for the Fiscal Periods ending December 2026 and June 2027.

	December 2026 Fiscal Period	June 2027 Fiscal Period
・Interest expense	JPY 2,782 million	JPY 2,948 million
・Finance related costs	JPY 557 million	JPY 543 million
・Interest for investment corporation bonds	JPY 119 million	JPY 117 million
・Depreciation of investment corporation bonds issuance expenses	JPY 13 million	JPY 13 million
Total non-operating expenses	JPY 3,473 million	JPY 3,623 million

Distribution per unit	The distribution per unit is calculated in accordance with the cash distribution policy as set forth in INV's Articles of Incorporation. With respect to the distribution for the fiscal period ending December 2026, INV expects to distribute an aggregate amount of JPY 16,715 million (distribution per unit: JPY 2,186) from the net income for the fiscal period ending December 2026 (JPY 14,988 million), including a JPY 1,726 million reversal of retained earnings (internal reserve) in an aim to stabilize the level of DPU so that the amount of DPU will be the same level as that of the fiscal period ended December 2025. With respect to the distribution for the fiscal period ending June 2027, INV expects to distribute an aggregate amount of JPY 14,902 million (distribution per unit: JPY 1,949) from the net income for the fiscal period ending June 2027 (JPY 14,873 million), including a JPY 29 million reversal of retained earnings (internal reserve). Distribution per unit may vary due to various factors, including changes in the assets under management, fluctuation of rent income associated with reasons such as the change of tenants and occurrences of unexpected repairs. Furthermore, a reduction in variable rent from hotels due to a decrease in Chinese tourists resulting from the deterioration of Japan-China relations since mid-November 2025, or other changes in the external environment or business conditions potentially cause INV's profit level to fall below the forecast, we plan to distribute retained earnings to maintain and stabilize the level of DPU.
Excess profit distribution per unit	INV believes maintaining the stability of cash distributions over the medium term is one of the most important factors in determining the amount of distribution for a given fiscal period. Therefore, INV has adopted a policy of making excess profit distribution, etc. in order to stabilize distributions in cases where dilution of investment units or significant expenses are to be recorded in connection with the acquisition of assets or the raising of capital, or other events leading to a temporary decrease in distribution per unit. When determining excess profit distribution, etc., INV takes into consideration the level of distribution per unit assuming such acquisition of assets, capital raising or other event would had contributed for a full fiscal period. INV may also consider making excess profit distribution, etc. for the purpose of decreasing the impact from corporate tax increase arising from different rules in tax and accounting practices, such as treatment on depreciation of fixed term land lease or asset retirement obligation. With respect to the fiscal period ending December 2026, INV plans to pay distributions through reversal of retained earnings (internal reserve) (JPY 226 per unit) as mentioned in "Distribution per unit" above, so that the DPU for the fiscal period ending December 2026 will be the same amount as the DPU for the fiscal period ended December 2025. With respect to the fiscal period ending June 2027, INV plans to pay distributions through reversal of retained earnings (internal reserve) (JPY 4 per unit) as "distributions in excess of profit, etc. from the amount of difference arising from differences in tax and accounting processing". As mentioned in the preceding section "Distribution per unit", should INV's profit level to fall below forecasts due to a decrease in Chinese tourists resulting from the deterioration of Japan-China relations, or due to other changes in the external environment or business conditions, we plan to make excess profit distributions, etc. to maintain and stabilize the level of DPU.
Other	INV assumes there will be no amendments to applicable laws and regulations, the taxation system, accounting standards and other regulations that would affect the foregoing forecasts.

(2) Investment Risk

Disclosure is omitted because there have been no material changes in the "Investment Risk" section of the latest securities report (filed on March 27, 2026).

2. Financial Statements

(1) Balance Sheet

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (as of December 31, 2025)	Fiscal period ended June 30, 2026 (as of June 30, 2026)
Assets		
Current assets:		
Cash and bank deposits	24,637,567	31,570,517
Cash and bank deposits in trust	14,762,526	13,728,677
Rental receivables	9,269,773	8,672,397
Deposits paid	2,638,068	2,659,723
Prepaid expenses	1,349,918	1,007,365
Income taxes receivable	7,924	8,425
Consumption tax receivable	999,948	-
Others	52	62
Total current assets	53,665,780	57,647,169
Non-current assets:		
Property and equipment		
Buildings at cost	20,522,689	21,228,787
Accumulated depreciation	-2,912,549	-3,147,874
Buildings, net	17,610,139	18,080,913
Buildings and accompanying facilities, at cost	6,160,169	6,209,787
Accumulated depreciation	-2,044,943	-2,172,647
Buildings and accompanying facilities, net	4,115,226	4,037,140
Structures, at cost	20,632	154,967
Accumulated depreciation	-1,299	-5,351
Structures, net	19,332	149,616
Tools, furniture and fixtures, at cost	3,727,421	3,800,998
Accumulated depreciation	-1,040,788	-1,235,233
Tools, furniture and fixtures, net	2,686,633	2,565,764
Construction in progress	1,156,140	807,101
Buildings in trust, at cost	237,104,393	238,600,812
Accumulated depreciation	-43,521,802	-47,089,210
Buildings in trust, net	193,582,591	191,511,601
Buildings and accompanying facilities in trust, at cost	*3 47,984,912	*3 49,102,349
Accumulated depreciation	-19,058,088	-20,298,940
Buildings and accompanying facilities in trust, net	28,926,824	28,803,409
Structures in trust, at cost	2,137,734	2,175,850
Accumulated depreciation	-187,633	-242,141
Structures in trust, net	1,950,101	1,933,708
Tools, furniture and fixtures in trust, at cost	6,612,546	7,076,618
Accumulated depreciation	-3,364,054	-3,786,226
Tools, furniture and fixtures in trust, net	3,248,491	3,290,391
Land in trust	337,086,806	337,086,806
Construction in progress in trust	207,262	926,696
Total property and equipment, net	590,589,550	589,193,151
Intangible assets		
Leasehold rights	10,637,811	10,637,811
Leasehold rights in trust	29,815,326	29,776,729
Total intangible assets	40,453,138	40,414,540
Investments and other assets		
Investment securities	17,856,387	14,669,498
Guarantee deposits	1,431,014	1,431,014
Long-term prepaid expenses	2,019,532	1,670,216
Derivatives assets	2,955,495	3,021,573
Other	32,667	32,667

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (as of December 31, 2025)	Fiscal period ended June 30, 2026 (as of June 30, 2026)
Total investments and other assets	24,295,097	20,824,970
Total non-current assets	655,337,786	650,432,662
Deferred assets		
Investment corporation bond issuance costs	92,187	74,936
Total deferred assets	92,187	74,936
Total assets	709,095,754	708,154,769
Liabilities		
Current liabilities:		
Accounts payable	1,136,347	1,595,462
Current portion of investment corporation bonds	5,000,000	-
Current portion of long-term loans payable	53,150,200	44,260,200
Accounts payable-other	10,935	12,472
Accrued expenses	503,315	529,462
Income taxes payable	605	605
Consumption taxes payable	-	1,460,779
Advances received	1,197,081	328,512
Deposits received	29,361	29,787
Total current liabilities	61,027,845	48,217,282
Non-current liabilities:		
Investment corporation bonds	19,100,000	19,100,000
Long-term loans payable	271,403,800	285,293,800
Tenant leasehold and security deposits in trust	1,603,121	1,448,682
Derivatives liabilities	433,342	292,493
Asset retirement obligations	940,424	948,301
Total non-current liabilities	293,480,688	307,083,278
Total liabilities	354,508,533	355,300,560
Net assets		
Unitholders' equity:		
Unitholders' capital	326,079,727	326,079,727
Surplus:		
Capital surplus	6,264,432	6,264,432
Deduction of capital surplus		
Allowance for temporary differences adjustment	*2 -6,130	*2 -6,130
Other deduction of capital surplus	-5,524,006	-5,524,006
Total deduction of capital surplus	-5,530,137	-5,530,137
Capital surplus (net)	734,294	734,294
Retained earnings	25,175,428	23,189,930
Total surplus	25,909,722	23,924,224
Total unitholders' equity	351,989,450	350,003,952
Valuation and translation adjustments:		
Deferred gains or losses on hedges	2,597,770	2,850,256
Total valuation and translation adjustments	2,597,770	2,850,256
Total net assets	*1 354,587,220	*1 352,854,208
Total liabilities and net assets	709,095,754	708,154,769

(2) Statement of Income and Retained Earnings

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)	Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)
Operating revenue		
Rental revenue—real estate	*1 26,062,113	*1 20,947,046
Management contract revenue	*2 1,870,955	*2 4,869,052
Dividend income	658,504	973,230
Total operating revenue	28,591,573	26,789,329
Operating expenses		
Property related expenses	*1 7,549,601	*1 7,473,580
Management contract expenses	*2 913,668	*2 830,258
Asset management fees	550,000	650,000
Directors' compensation	4,800	4,800
Asset custody fees	34,685	35,112
Administrative service fees	76,619	66,263
Other	152,290	165,027
Total operating expenses	9,281,665	9,225,041
Operating income	19,309,907	17,564,287
Non-operating income		
Interest income	51,753	55,035
Foreign exchange gains	105,596	110,020
Interest on tax refund	2	5,051
Other	234	1,739
Total non-operating income	157,586	171,846
Non-operating expenses		
Interest expenses	1,886,983	2,175,803
Interest expenses on investment corporation bonds	144,753	137,187
Amortization of investment corporation bond issuance costs	18,390	17,250
Loan-related costs	659,891	606,191
Derivative losses	67,873	69,448
Total non-operating expenses	2,777,891	3,005,881
Ordinary income	16,689,602	14,730,253
Extraordinary income		
Subsidy income	-	90,399
Total extraordinary income	-	90,399
Extraordinary losses		
Loss on reduction entry of non-current assets	-	90,399
Total extraordinary losses	-	90,399
Income before income taxes	16,689,602	14,730,253
Income taxes	605	605
Total income taxes	605	605
Net income	16,688,997	14,729,648
Retained earnings carried forward	8,486,431	8,460,281
Unappropriated retained earnings	25,175,428	23,189,930

(3) Statement of Changes in Net Assets

Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)

(Unit: JPY thousand)

	Unitholders' equity					
	Unitholders' capital	Surplus				
		Capital surplus				
		Capital surplus	Deduction of capital surplus			Capital surplus (net)
			Allowance for temporary differences adjustment	Other deduction of capital surplus	Total deduction of capital surplus	
Balance at the beginning of the period	326,079,727	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	326,079,727	6,264,432	(6,130)	(5,524,006)	(5,530,137)	734,294

	Unitholders' equity			Valuation and translation adjustments		Total net assets
	Surplus		Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Retained earnings (deficit)	Total surplus				
Balance at the beginning of the period	22,976,459	23,710,754	349,790,481	1,573,121	1,573,121	351,363,602
Changes during the period						
Distributions from surplus	(14,490,028)	(14,490,028)	(14,490,028)			(14,490,028)
Net income	16,688,997	16,688,997	16,688,997			16,688,997
Changes other than unitholders' equity (net)				1,024,649	1,024,649	1,024,649
Total changes during the period	2,198,968	2,198,968	2,198,968	1,024,649	1,024,649	3,223,617
Balance at the end of the period	25,175,428	25,909,722	351,989,450	2,597,770	2,597,770	354,587,220

Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(Unit: JPY thousand)

	Unitholders' equity					
	Unitholders' capital	Surplus				
		Capital surplus				
		Capital surplus	Deduction of capital surplus			Capital surplus (net)
			Allowance for temporary differences adjustment	Other deduction of capital surplus	Total deduction of capital surplus	
Balance at the beginning of the period	326,079,727	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	326,079,727	6,264,432	(6,130)	(5,524,006)	(5,530,137)	734,294

	Unitholders' equity			Valuation and translation adjustments		Total net assets
	Surplus		Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Retained earnings (deficit)	Total surplus				
Balance at the beginning of the period	25,175,428	25,909,722	351,989,450	2,597,770	2,597,770	354,587,220
Changes during the period						
Distributions from surplus	(16,715,146)	(16,715,146)	(16,715,146)			(16,715,146)
Net income	14,729,648	14,729,648	14,729,648			14,729,648
Changes other than unitholders' equity (net)				252,486	252,486	252,486
Total changes during the period	(1,985,497)	(1,985,497)	(1,985,497)	252,486	252,486	(1,733,011)
Balance at the end of the period	23,189,930	23,924,224	350,003,952	2,850,256	2,850,256	352,854,208

(4) Statement of Cash Distribution

(Unit: JPY)

	Fiscal period ended December 31, 2025 (as of December 31, 2025)	Fiscal period ended June 30, 2026 (as of June 30, 2026)
I Unappropriated retained earnings	25,175,428,184	23,189,930,271
II Distributions	16,715,146,258	14,757,654,290
(Distribution per unit)	(2,186)	(1,930)
III Retained earnings (deficit) carried forward	8,460,281,926	8,432,275,981
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 profit 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 16,715,146,258 which is a total of net income of JPY 16,688,997,082 and retained earnings carried forward of JPY 26,149,176.	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 profit 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 14,757,654,290 which is a total of net income of JPY 14,729,648,345 and retained earnings carried forward of JPY 28,005,945.

(5) Statement of Cash Flows

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)	Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)
Cash flows from operating activities		
Income before income taxes	16,689,602	14,730,253
Depreciation and amortization	5,672,219	5,892,939
Loss on reduction entry of non-current assets	-	90,399
Amortization of investment corporation bond issuance costs	18,390	17,250
Loan-related costs	659,891	606,191
Amortization of tenant leasehold and security deposits in trust	-691	-881
Interest income	-51,753	-55,035
Interest expenses	2,031,736	2,312,990
Foreign exchange losses (gains)	-89	-44
Loss (gain) of derivatives	67,873	69,448
Decrease (increase) in rental receivables	-1,546,793	597,376
Decrease (increase) in deposits paid	-362,289	-21,655
Decrease (increase) in receivable income taxes	-3,120	-501
Decrease (increase) in consumption taxes receivable	-999,948	999,948
Increase (decrease) in accounts payable	72,124	290,765
Increase (decrease) in consumption taxes payable	-1,409,971	1,460,779
Increase (decrease) in accrued expenses	17,946	41,412
Increase (decrease) in advances received	881,901	-868,568
Increase (decrease) in deposits received	5,179	-3,139
Others, net	84,648	530,656
Subtotal	21,826,856	26,690,585
Interest income received	51,753	55,035
Interest expenses paid	-2,013,863	-2,329,691
Income taxes paid	-605	-605
Net cash provided by operating activities	19,864,140	24,415,325
Cash flows from investing activities		
Purchases of property and equipment	-1,065,534	-615,673
Purchases of property and equipment in trust	-37,269,914	-3,756,441
Purchases of leasehold rights in trust	-129,647	-
Repayments of tenant leasehold and security deposits in trust	-27,524	-174,938
Proceeds from tenant leasehold and security deposits in trust	36,729	21,380
Proceeds from redemption of investment securities	-	3,185,000
Others	-3,224	-315,154
Net cash used in investing activities	-38,459,115	-1,655,826
Cash flows from financing activities		
Proceeds from long-term loans payable	43,237,000	17,005,000
Repayments of long-term loans payable	-13,037,000	-12,005,000
Redemption of investment corporation bonds	-	-5,000,000
Payments for loan-related costs	-520,787	-147,495
Payment of distributions of earnings	-14,489,181	-16,712,947
Net cash provided by (used in) financing activities	15,190,031	-16,860,443
Effect of exchange rate change on cash and cash equivalents	89	44
Net increase (decrease) in cash and cash equivalents	-3,404,854	5,899,100
Cash and cash equivalents at beginning of period	42,804,948	39,400,094
Cash and cash equivalents at end of period	*1 39,400,094	*1 45,299,194

(6) Notes Concerning Going Concerns Assumption

Not applicable

(7) Notes Concerning Significant Accounting Policies

(Notes Concerning Significant Accounting Policies)

1. Evaluation standards and evaluation method of assets

(a) Investment in affiliates

Cost method through moving-average method is used.

(b) Claims generated and debt incurred through derivative transactions

Market value method is used.

2. Method of depreciation of non-current assets

(a) Property and equipment (including assets in trust)

The straight-line method is used.
The useful lives of major property and equipment are as follows.

Buildings	16-50 years
Buildings and accompanying facilities	6-29 years
Structures	7-20 years
Tools, furniture and fixtures	2-18 years
Buildings in trust	5-67 years
Buildings and accompanying facilities in trust	3-33 years
Structures in trust	7-55 years
Tools, furniture and fixtures in trust	2-20 years

(b) Intangible assets

For fixed-term land lease for business purposes in Japan, the straight-line method based on the lease period is used.

(c) Long-term prepaid expenses

The straight-line method is used.

3. Accounting treatment of deferred assets

Investment corporation bond issuance costs
Investment corporation bond issuance costs are amortized using the straight-line method over a period up to redemption of the investment corporation bonds.

4. Method of calculating allowances

Allowance for doubtful accounts

To reserve for losses on doubtful accounts, allowances are provided for normal receivables using a rate determined based on past bad debt experiences, and specific allowances are provided for accounts with a possibility of default based on the estimated amounts considered to be uncollectible by considering the collectability of accounts on an individual basis.

5. Conversion of assets and liabilities in foreign currency into Japanese yen

Receivables and payables denominated in foreign currencies are translated into yen at the spot exchange rate at the end of the fiscal period date, and differences arising from the translation are treated as a profit or loss.

6. Revenue and expense recognition

(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 Reporting 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 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, who is the customer, as the transfer obligation will be fulfilled pursuant to the contract pertaining to the sale of real estate.

7. Method of hedge accounting

(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 derivative 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 comparing the cumulative amount of changes in cash flows of the hedging instrument and the cumulative amount of changes in cash flows of the hedged item and verifying the difference in the amounts of change of both the hedged item and the hedging instrument.

8. Cash and cash equivalents as stated in Statement of Cash Flows

Cash and cash equivalents as stated in the Statement of Cash Flows consist of cash on hand and cash in trust, floating deposits, deposits in trust and short-term investments that are very liquid and realizable with a maturity of three months or less when purchased and that are not subject to significant risks of changes in value.

9. Other matters which constitute the basis for preparation of financial statements

(a) Accounting treatment of trust beneficiary interests in real estate

As to trust beneficiary interests in real estate, all accounts of assets and liabilities within assets in trust, as well as all income generated and expenses incurred from assets in trust, are recorded in the relevant balance sheets and income statement accounts. Of such items, the following significant trust assets and liabilities are shown separately on the balance sheet.

(i) Cash and bank deposits in trust

(ii) Buildings in trust
Buildings and accompanying facilities in trust
Structures in trust
Tools, furniture and fixtures in trust
Land in trust
Construction in progress in trust

(iii) Leasehold rights in trust

(iv) Tenant leasehold and security deposits in trust

(b) Accounting treatment of non-deductible consumption taxes

Non-deductible consumption taxes etc. regarding the acquisition of assets are capitalized as part of acquisition cost of each asset.

(8) Notes on Material Accounting Estimates

Not applicable

(9) Notes to the Financial Statements

(Notes to the Balance Sheet)

*1. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Unit: JPY thousand)

Fiscal period ended December 31, 2025 (as of December 31, 2025)	Fiscal period ended June 30, 2026 (as of June 30, 2026)
50,000	50,000

*2. Allowance for temporary differences adjustment

Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)

1. Reasons, related assets and amounts

(Unit: JPY thousand)

Related assets, etc.	Reason	Initial amount	Balance at the beginning of the period	Allowance set aside during period	Reversal during period	Balance at the end of the period
Leasehold rights in trust	Amortization of leasehold rights in trust	-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, etc. of the relevant property.

Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

1. Reasons, related assets and amounts

(Unit: JPY thousand)

Related assets, etc.	Reason	Initial amount	Balance at the beginning of the period	Allowance set aside during period	Reversal during period	Balance at the end of the period
Leasehold rights in trust	Amortization of leasehold rights in trust	-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, etc. of the relevant property.

*3. Reduction entry of Property and equipment acquired with government subsidies, etc.

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (as of December 31, 2025)	Fiscal period ended June 30, 2026 (as of June 30, 2026)
Buildings and accompanying facilities in trust	313,283	403,682

(Notes to Statement of Income and Retained Earnings)

*1. Real estate rental revenues and expenses

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)	Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)
A. Real estate rental revenues		
Rental revenue-real estate		
Rent/common area charges (Note)	25,362,336	20,214,034
Other revenues	699,777	733,012
Total	26,062,113	20,947,046
B. Real estate rental expenses		
Property related expenses		
Maintenance costs	1,109,931	961,261
Taxes and public dues	1,093,127	855,530
Non-life insurance premium	81,386	93,651
Depreciation expenses	5,146,387	5,370,906
Other expenses	118,767	192,230
Total	7,549,601	7,473,580
C. Real estate rental income (A-B)	18,512,512	13,473,466
(Note) Of which, revenue from variable hotel rents	14,928,970	11,638,961

*2. Management contract income

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)	Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)
A. Hotel operating revenue	5,928,825	10,914,483
B. Hotel operating expenses	4,192,313	6,045,431
C. Other revenue	656	-
D. Management contract revenue (A-B) (Note)	1,870,955	4,869,052
E. Management contract expenses		
Management contract loss (A-B) (Note)	133,787	-
Facility management fees	13,211	3,154
Non-life insurance premium	175,709	184,656
Depreciation expenses	525,831	522,033
Others	65,128	120,414
Total	913,668	830,258
E. Management contract income (D-E)	957,286	4,038,794

(Note) For each property, when hotel operating revenue exceeds hotel operating expenses, the excess revenue is recorded as management contract revenue. When hotel operating expenses exceed hotel operating revenue, the excess expenses are recorded as management contract loss.

(Notes to Statement of Changes in Net Assets)

Number of issuable investment units authorized and number of investment units issued and outstanding

	Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)	Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)
Number of issuable investment units	20,000,000 units	20,000,000 units
Number of investment units issued and outstanding	7,646,453 units	7,646,453 units

(Notes to Statement of Cash Flows)

*1. Relationship between cash and cash equivalents in statement of cash flows and amounts in accompanying balance sheet is as follows:

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)	Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)
Cash and bank deposits	24,637,567	31,570,517
Cash and bank deposits in trust	14,762,526	13,728,677
Cash and cash equivalents	39,400,094	45,299,194

(Notes Related to Lease Transactions)

Operating lease transactions (as lessee)
Unexpired lease fees

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (as of December 31, 2025)	Fiscal period ended June 30, 2026 (as of June 30, 2026)
Due within one year	392,399	392,603
Due after one year	8,465,558	8,277,059
Total	8,857,957	8,669,663

Operating lease transactions (as lessor)
Unexpired lease fees

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (as of December 31, 2025)	Fiscal period ended June 30, 2026 (as of June 30, 2026)
Due within one year	13,552,877	16,224,035
Due after one year	53,429,910	75,413,614
Total	66,982,787	91,637,649

(Notes Related to Financial Instruments)

1. Status of financial instruments

(1) Policy for financial instruments

INV principally conducts its operations through investments in real estate and other specified assets to seek to ensure stable income in the medium to long term.
The policy for raising funds is principally through issuing new investment units, investment corporation bonds, etc. 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 loans are managed by the finance department of CIM by preparing and updating plans for funds, and monitoring the financial covenants set forth in loan agreements.

(3) Supplemental information regarding fair value of financial instruments

Since certain assumptions, etc. are used in estimating the fair value of financial instruments, different assumptions, etc. may result in the variance of such value.

2. Estimated fair value of financial instruments

Book value, fair value and the difference between values 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 it is not material.

Fiscal period ended December 31, 2025 (as of December 31, 2025)

(Unit: JPY thousand)

	Book Value	Fair Value	Difference
(1) Investment securities	17,856,387	33,249,457	15,393,069
Total assets	17,856,387	33,249,457	15,393,069
(2) Current portion of Investment Corporation Bonds	(5,000,000)	(4,986,000)	14,000
(3) Current portion of long-term loans payable	(53,150,200)	(53,150,200)	-
(4) Investment corporation bonds	(19,100,000)	(18,381,830)	718,170
(5) Long-term loans payable	(271,403,800)	(271,403,800)	-
Total liabilities	(348,654,000)	(347,921,830)	732,170
(6) Derivatives	2,522,153	2,522,153	-

Fiscal period ended June 30, 2026 (as of June 30, 2026)

(Unit: JPY thousand)

	Book Value	Fair Value	Difference
(1) Investment securities	14,669,498	29,763,214	15,093,715
Total assets	14,669,498	29,763,214	15,093,715
(2) Current portion of Investment Corporation Bonds	-	-	-
(3) Current portion of long-term loans payable	(44,260,200)	(44,260,200)	-
(4) Investment corporation bonds	(19,100,000)	(18,375,880)	724,120
(5) Long-term loans payable	(285,293,800)	(285,293,800)	-
Total liabilities	(348,654,000)	(347,929,880)	724,120
(6) Derivatives	2,729,079	2,729,079	-

(Note 1) Items recorded in the Liabilities Section are shown in parenthesis.
(Note 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 values 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 loan with floating interest rates reflecting changes in market rates within a short-term period are stated at their book value as their book value approximate their fair value.

(6) Derivatives

Please refer to the "Notes Related to Derivative Transactions" below.

(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

Fiscal period ended December 31, 2025 (as of December 31, 2025)

(Unit: JPY thousand)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Current portion of investment corporation bonds	5,000,000	-	-	-	-	-
Current portion of long-term loans payable	53,150,200	-	-	-	-	-
Investment corporation bonds	-	-	5,700,000	12,200,000	1,200,000	-
Long-term loans payable	-	34,133,750	67,264,050	49,573,000	67,552,000	52,881,000
Total	58,150,200	34,133,750	72,964,050	61,773,000	68,752,000	52,881,000

Fiscal period ended June 30, 2026 (as of June 30, 2026)

(Unit: JPY thousand)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Current portion of investment corporation bonds	-	-	-	-	-	-
Current portion of long-term loans payable	44,260,200	-	-	-	-	-
Investment corporation bonds	-	2,200,000	9,500,000	7,400,000	-	-
Long-term loans payable	-	41,701,750	80,042,050	72,185,000	61,919,000	29,446,000
Total	44,260,200	43,901,750	89,542,050	79,585,000	61,919,000	29,446,000

(Notes Related to Investment Securities)

Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)

Investment in subsidiaries and affiliates

(Unit: JPY thousand)

	Book Value	Fair Value	Difference
Investment in affiliates	17,856,387	33,249,457	15,393,069
Total	17,856,387	33,249,457	15,393,069

Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

Investment in subsidiaries and affiliates

(Unit: JPY thousand)

	Book Value	Fair Value	Difference
Investment in affiliates	14,669,498	29,763,214	15,093,715
Total	14,669,498	29,763,214	15,093,715

(Notes Related to Derivative Transactions)

1. Derivative transactions to which hedge accounting is not applied
Fiscal period ended December 31, 2025 (as of December 31, 2025)

About derivative transactions for which hedge accounting is not applied, the contract amount or the amount equivalent to the notional principal prescribed in the contracts as of the settlement of accounts are as follows.

(Unit: JPY thousand)

Classification	Derivative transaction type, etc.	Contract amount, etc.		Fair value (Note 1)	Valuation gains/losses
			Amount due after one year		
OTC transaction	Foreign Exchange Forward, short USD	952,248	-	-75,617	-75,617

(Note 1) Estimation method for fair value
Foreign Exchange Forward Estimated based on the price, etc. presented by the correspondent financial institutions.

Fiscal period ended June 30, 2026 (as of June 30, 2026)

About derivative transactions for which hedge accounting is not applied, the contract amount or the amount equivalent to the notional principal prescribed in the contracts as of the settlement of accounts are as follows.

(Unit: JPY thousand)

Classification	Derivative transaction type, etc.	Contract amount, etc.		Fair value (Note 1)	Valuation gains/losses
			Amount due after one year		
OTC transaction	Foreign Exchange Forward, short USD	737,336	-	-121,176	-121,176

(Note 1) Estimation method for fair value
Foreign Exchange Forward Estimated based on the price, etc. presented by the correspondent financial institutions.

2. Derivative transactions to which hedge accounting is applied
Fiscal period ended December 31, 2025 (as of December 31, 2025)

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

(Unit: JPY thousand)

Method of hedge accounting	Derivative transaction type, etc.	Primary hedged item	Contract amount, etc. (Note 1)		Fair value (Note 2)
				Amount due after one year	
Principle accounting method	Interest rate swap Receive floating rate/pay fixed rate	Borrowings	185,314,000	141,021,800	2,955,495
	Foreign Exchange Forward, short USD	Scheduled Foreign Currency Transaction	3,477,028	904,266	-357,724

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

Fiscal period ended June 30, 2026 (as of June 30, 2026)

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

(Unit: JPY thousand)

Method of hedge accounting	Derivative transaction type, etc.	Primary hedged item	Contract amount, etc. (Note 1)		Fair value (Note 2)
				Amount due after one year	
Principle accounting method	Interest rate swap Receive floating rate/pay fixed rate	Borrowings	181,297,000	143,156,800	3,018,592
	Foreign Exchange Forward, short USD	Scheduled Foreign Currency Transaction	1,028,520	-	-168,335

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

(Notes Related to Retirements Payments)

Not applicable

(Notes Related to Asset Retirement Obligations)

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 estimating the period of use, based on the remaining period until the expiration of the fixed-term land lease agreement (43 years), the useful life of the buildings containing asbestos (seven to 42 years) and by using each discount rate of 1.342%, and 0.783 to 3.369%.

3. Increase/decrease in the total amount of asset retirement obligations

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)	Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)
Balance at the beginning of the period	679,929	940,424
Increase due to the acquisition of property and equipment	253,512	-
Accretion expense	6,982	7,876
Balance at the end of the period	940,424	948,301

(Notes Related to Revenue Recognition)

1. Breakdown of revenue from contracts with customers

Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)

(Unit: JPY thousand)

	Revenue from contracts with customers (Note 1)	Net sales to external customers
Sale of real estate, etc.	-	-
Other	291,686	28,591,573
Total	291,686	28,591,573

(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. 10 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.

Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(Unit: JPY thousand)

	Revenue from contracts with customers (Note 1)	Net sales to external customers
Sale of real estate, etc.	-	-
Other	219,952	26,789,329
Total	219,952	26,789,329

(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. 10 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.

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

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: JPY thousand)

	Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)	Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)
Claims generated from contracts with customers (balance at the beginning of the period)	50,267	39,230
Claims generated from contracts with customers (balance at the end of the period)	39,230	41,697
Contract assets (balance at the beginning of the period)	-	-
Contract assets (balance at the end of the period)	-	-
Contract liabilities (balance at the beginning of the period)	-	-
Contract liabilities (balance at the end of the period)	-	-

(2) Transaction value allocated to remaining performance obligations

Not applicable

(Notes Related to Segment and Related Information)

I. Segment Information

Disclosure is omitted because the real estate investment business is INV's sole business and it has no reportable segments.

II. Related Information

Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)

1. Information about each product and service
Disclosure is omitted because net sales to external customers for a single product/service category accounted for over 90% of the operating revenue on the statement of income.

2. Information about each geographic area
(1) Net sales

(Unit: JPY thousand)

Japan	The Cayman Islands	Total
26,720,618	1,870,955	28,591,573

(Note) Net sales are based on the location of the customer and categorized by country or territory.

(2) Property and equipment
Disclosure is omitted because the amount of property and equipment located in Japan accounted for over 90% of the amount of property and equipment on the balance sheet.

3. Information about each major customer

(Unit: JPY thousand)

Name of customer	Operating revenues	Related segment
Iconia Hospitality K.K.	16,601,669	Real Estate Investment

Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

1. Information about each product and service
Disclosure is omitted because net sales to external customers for a single product/service category accounted for over 90% of the operating revenue on the statement of income.

2. Information about each geographic area
(1) Net sales

(Unit: JPY thousand)

Japan	The Cayman Islands	Total
21,920,277	4,869,052	26,789,329

(Note) Net sales are based on the location of the customer and categorized by country or territory.

(2) Property and equipment
Disclosure is omitted because the amount of property and equipment located in Japan accounted for over 90% of the amount of property and equipment on the balance sheet.

3. Information about each major customer

(Unit: JPY thousand)

Name of customer	Operating revenues	Related segment
Iconia Hospitality K.K.	14,741,679	Real Estate Investment

(Notes Related to Rental Properties)

INV owns residential properties and hotels as core assets principally in the 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, balance at the end of the period and the fair value are as follows.

(Unit: JPY thousand)

			Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)	Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)
Residences	Book value	Balance at the beginning of the period	33,695,497	33,461,385
		Change during the period	-234,111	-140,717
		Balance at the end of the period	33,461,385	33,320,668
	Fair value at the end of the period		49,418,000	49,537,000
Commercial facilities	Book value	Balance at the beginning of the period	1,541,557	1,528,520
		Change during the period	-13,037	-17,087
		Balance at the end of the period	1,528,520	1,511,432
	Fair value at the end of the period		2,150,000	2,150,000
Hotels	Book value	Balance at the beginning of the period	559,494,270	594,689,379
		Change during the period	35,195,108	-1,647,587
		Balance at the end of the period	594,689,379	593,041,792
	Fair value at the end of the period		779,493,856	796,608,326
Total	Book value	Balance at the beginning of the period	594,731,326	629,679,286
		Change during the period	34,947,959	-1,805,392
		Balance at the end of the period	629,679,286	627,873,893
	Fair value at the end of the period		831,061,856	848,295,326

(Note 1) Book value is the figure calculated by subtracting accumulated depreciation from acquisition price (including acquisition-related costs).

(Note 2) The major factors of increase in change during the previous fiscal period were acquisition of hotels and construction work related to capital expenditures, and the major factors of decrease were depreciation. The major factors of increase in change during the Reporting Period were construction work related to capital expenditures, and the major factor of decrease was depreciation.

(Note 3) The fair value as of the end of the 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., Tanizawa Sogo Appraisal Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd. and CBRE, Inc.

For information related to profits and losses from rental properties, please refer to "Notes to Statement of Income and Retained Earnings."

(Notes Related to Tax Accounting)

1. Significant components of deferred tax assets and liabilities

(Unit: JPY thousand)

	Fiscal period ended December 31, 2025 (as of December 31, 2025)	Fiscal period ended June 30, 2026 (as of June 30, 2026)
(Deferred tax assets)		
Enterprise tax payable	615	615
Buildings and other (merger)	169,509	166,320
Land (merger)	116,724	116,724
Loss carried forward (Note 1)	1,271,430	1,270,099
Asset retirement obligations	295,857	298,335
Amortization of fixed-term leasehold rights	235,581	247,724
Adjustment of acquisition prices (overseas properties)	425,983	422,769
Excess depreciation	3,490	3,490
Deposits received	3,322	5,056
Subtotal	2,522,516	2,531,136
Valuation allowance for tax loss carried forward	-1,271,430	-1,270,099
Valuation allowance for the total of deductible temporary differences, etc.	-1,251,086	-1,261,036
Subtotal	-2,522,516	-2,531,136
Total	-	-

(Note 1) The amounts of tax loss carried forward and the deferred tax assets by carry-forward period are as follows.

Fiscal period ended December 31, 2025 (as of December 31, 2025)

(Unit: JPY thousand)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years	Total
Tax loss carried forward (a)	-	-	-	-	-	1,271,430	1,271,430
Valuation allowance	-	-	-	-	-	-1,271,430	-1,271,430
Deferred tax assets	-	-	-	-	-	-	-

(a) Tax loss carried forward is multiplied by statutory tax rate.

Fiscal period ended June 30, 2026 (as of June 30, 2026)

(Unit: JPY thousand)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years	Total
Tax loss carried forward (a)	-	-	-	-	1,121,086	149,012	1,270,099
Valuation allowance	-	-	-	-	-1,121,086	-149,012	-1,270,099
Deferred tax assets	-	-	-	-	-	-	-

(a) Tax loss carried forward is multiplied by statutory tax rate.

2. Significant difference between statutory tax rate and the effective tax rate

(Unit: %)

	Fiscal period ended December 31, 2025 (as of December 31, 2025)	Fiscal period ended June 30, 2026 (as of June 30, 2026)
Statutory tax rate	31.46	31.46
Deductible cash distributions	-31.50	-31.52
Changes in valuation allowance	0.52	0.06
Others	-0.48	0.00
Effective tax rate	0.00	0.00

(Notes Related to Equity-Method Income)

Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)

Amount of investment in affiliates	JPY 17,856,387 thousand
Amount of investment when accounted for by the equity method	JPY 17,856,387 thousand
Amount of investment profit when accounted for by the equity method	JPY 658,504 thousand

Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

Amount of investment in affiliates	JPY 14,669,498 thousand
Amount of investment when accounted for by the equity method	JPY 14,669,498 thousand
Amount of investment profit when accounted for by the equity method	JPY 973,230 thousand

(Notes Related to Transactions with Related Parties)

1. Transactions with Parent Company and Major Corporate Unitholders

Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)

Classification	Name	Address	Stated capital (JPY million)	Business or occupation	Percentage of voting rights owned (%)	Relationship		Type of transaction	Transaction amount (JPY thousand) (Note 1)	Account	Balance at the end of the period (JPY thousand) (Note 1)
						Common board member	Business relation-ship				
Interested party of CIM	Nippori Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	0.1	Investment management business	-	-	Seller of trust beneficiary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	10,077,000	-	-
	Heijo Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	0.1	Investment management business	-	-	Seller of trust beneficiary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	6,534,000	-	-
	Yakushima Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	0.1	Investment management business	-	-	Seller of trust beneficiary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	5,805,000	-	-
	Baika Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	0.1	Investment management business	-	-	Seller of trust beneficiary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	8,869,000		
	Albula Tokutei Mokuteki Kaisha (Note 3)	Minato-ku, Tokyo	0.1	Investment management business	-	-	Seller of trust beneficiary interests in real estate	Purchase of trust beneficiary interests in real estate (Note 2) (Note 4)	2,999,000		
	Naqua Hotel & Resorts Management Co., Ltd. (Note 3)	Minato-ku, Tokyo	10	Hotel business	-	-	Lessee and operator of hotels	Rental revenues	1,195,932	Accounts receivable	219,869
	Island Co., Ltd. (Note 3)	Minato-ku, Tokyo	50	Hotel business	-	-	Lessee of hotels	Rental revenues	1,692,098	Accounts receivable	33,880
	Osaka Bay Tower LLC (Note 3)	Osaka-shi, Osaka	0.1	Hotel business	-	-	Lessee of hotels	Rental revenues	1,808,487	Accounts receivable	631,676
	Iconia Hospitality K.K. (Note 3)	Minato-ku, Tokyo	100	Hotel business	-	-	Lessee and operator of hotels	Rental revenues	16,373,766	Accounts receivable	7,539,035

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

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

(Note 3) Nippori Tokutei Mokuteki Kaisha, Heijo Tokutei Mokuteki Kaisha, Yakushima Tokutei Mokuteki Kaisha, Baika Tokutei Mokuteki Kaisha, Albula Tokutei Mokuteki Kaisha, Naqua Hotel & Resorts Management Co., Ltd., Island Co., Ltd., Osaka Bay Tower LLC and Iconia Hospitality K.K. 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 the parent company which indirectly holds 100% of the issued share of CIM). Accordingly, INV treats Nippori Tokutei Mokuteki Kaisha, Heijo Tokutei Mokuteki Kaisha, Yakushima Tokutei Mokuteki Kaisha, Baika Tokutei Mokuteki Kaisha, Albula Tokutei Mokuteki Kaisha, Naqua Hotel & Resorts Management Co., Ltd., Island Co., Ltd.,

Osaka Bay Tower LLC and and Iconia Hospitality K.K. 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, to 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)
D102	Irago Ocean Resort	Nippori Tokutei Mokuteki Kaisha	6,900,000
D103	Kirishima Kokusai Hotel	Heijo Tokutei Mokuteki Kaisha	6,534,000
D104	Kamenoi Hotel Toba	Yakushima Tokutei Mokuteki Kaisha	4,732,000
D105	Kamenoi Hotel Kusatsu Yubatake	Baika Tokutei Mokuteki Kaisha	4,682,000
D106	Atagawa Ocean Resort	Baika Tokutei Mokuteki Kaisha	4,187,000
D107	Hotel MyStays Atsugi	Nippori Tokutei Mokuteki Kaisha	3,177,000
D108	Kamenoi Hotel Tsukubasan	Albula Tokutei Mokuteki Kaisha	2,999,000
D109	Kamenoi Hotel Kochi	Yakushima Tokutei Mokuteki Kaisha	446,000
D110	Kamenoi Hotel Chitamihama	Yakushima Tokutei Mokuteki Kaisha	372,000
D111	Kamenoi Hotel Yanagawa	Yakushima Tokutei Mokuteki Kaisha	255,000
Total			34,284,000

Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

Classification	Name	Address	Stated capital (JPY million)	Business or occupation	Percentage of voting rights owned (%)	Relationship		Type of transaction	Transaction amount (JPY thousand) (Note 1)	Account	Balance at the end of the period (JPY thousand) (Note 1)
						Common board member	Business relation-ship				
Interested party of CIM	Naqua Hotel & Resorts Management Co., Ltd. (Note 2)	Minato-ku, Tokyo	10	Hotel business	-	-	Lessee and operator of hotels	Rental revenues	562,844	Accounts receivable	270,983
	Island Co., Ltd. (Note 2)	Minato-ku, Tokyo	50	Hotel business	-	-	Lessee of hotels	Rental revenues	845,075	Accounts receivable	420,714
	Osaka Bay Tower LLC (Note 2)	Osaka-shi, Osaka	0.1	Hotel business	-	-	Lessee of hotels	Rental revenues	921,694	Accounts receivable	330,026
	Iconia Hospitality K.K. (Note 2)	Minato-ku, Tokyo	100	Hotel business	-	-	Lessee and operator of hotels	Rental revenues	14,431,309	Accounts receivable	6,138,042

(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., Osaka Bay Tower LLC and Iconia Hospitality K.K. have no capital relationship to be disclosed with CIM. However, these tenants or tenants and operators have received an anonymous partnership investment or investment through funds that are managed by affiliates of FIG (a subsidiary of the parent company which indirectly holds 100% of the issued share of CIM). Accordingly, INV treats Naqua Hotel & Resorts Management Co., Ltd., Island Co., Ltd., Osaka Bay Tower LLC and Iconia Hospitality K.K. as the equivalent to interested parties.

2. Transactions with Affiliates

None for both the fiscal period ended December 31, 2025 and the fiscal period ended June 30, 2026.

3. Transactions with Companies under Common Control

None for both the fiscal period ended December 31, 2025 and the fiscal period ended June 30, 2026.

4. Transactions with Directors and Major Individual Unitholders

Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)

Classification	Name	Business or occupation	Ratio of voting rights (%)	Details of transaction	Transaction amount (JPY thousand) (Note 3)	Account	Balance at the end of the period (JPY thousand) (Note 3)
Directors and close relatives	Naoki Fukuda	Executive Director of INV and President & CEO of CIM	-	Payment of asset management fees to CIM (Note 1)	721,420	Accrued expenses	302,500
Same as above	Same as above	Same as above	-	Payment of administrative agency fees for organizational management to CIM (Note 2)	1,100	Accrued expenses	880

(Note 1) Naoki Fukuda served as a representative of the third party (CIM), and the fee is as set forth in the Articles of Incorporation of INV.
(Note 2) Naoki Fukuda served as a representative of the third party (CIM), and the fee is as set forth in "Administrative Agency Agreement for Organizational Management," entered into by and between INV and CIM.
(Note 3) Consumption taxes, etc. are not included in the transaction amounts, but are included in the balance at the end of the period.

Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

Classification	Name	Business or occupation	Ratio of voting rights (%)	Details of transaction	Transaction amount (JPY thousand) (Note 3)	Account	Balance at the end of the period (JPY thousand) (Note 3)
Directors and close relatives	Naoki Fukuda	Executive Director of INV and President & CEO of CIM	-	Payment of asset management fees to CIM (Note 1)	650,000	Accrued expenses	357,500
Same as above	Same as above	Same as above	-	Payment of administrative agency fees for organizational management to CIM (Note 2)	600	Accrued expenses	330

(Note 1) Naoki Fukuda served as a representative of the third party (CIM), and the fee is as set forth in the Articles of Incorporation of INV.
(Note 2) Naoki Fukuda served as a representative of the third party (CIM), and the fee is as set forth in "Administrative Agency Agreement for Organizational Management," entered into by and between INV and CIM.
(Note 3) Consumption taxes, etc. are not included in the transaction amounts, but are included in the balance at the end of the period.

(Notes Related to Parent Company or Any Material Affiliated Company)

1. Information of parent company

Not applicable

2. Summarized financial information of material affiliated company

Kingdom Special Purpose Company was the material affiliated company during the Reporting Period, and the summary of financial statements are as below:

(Unit: JPY thousand)

	Kingdom Special Purpose Company	
	From April 1, 2025 to September 30, 2025	From October 1, 2025 to March 31, 2026
Total specified assets	99,271,552	99,151,100
Total other assets	12,579,665	6,990,723
Total current liabilities	120,556	270,465
Total non-current liabilities	73,966,674	73,965,074
Total net assets	37,763,987	31,906,284
Operating revenue	2,465,985	3,244,393
Income before income taxes	1,344,841	1,987,070
Net income	1,343,887	1,986,184

(Notes Related to Per Unit Information)

	Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)	Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)
Net assets per unit	JPY 46,372	JPY 46,146
Net income per unit	JPY 2,182	JPY 1,926

Net income per unit is calculated by dividing net income for the period by the average number of investment units during the period. Diluted net income per unit is not stated as there are no diluted units.

(Note 1) The basis for calculating net income per unit is as follows.

	Fiscal period ended December 31, 2025 (from July 1, 2025 to December 31, 2025)	Fiscal period ended June 30, 2026 (from January 1, 2026 to June 30, 2026)
Net income (JPY thousand)	16,688,997	14,729,648
Amounts not attributable to common unitholders (JPY thousand)	-	-
Net income attributable to common units (JPY thousand)	16,688,997	14,729,648
Average number of investment units during the period (units)	7,646,453	7,646,453

(Notes Related to Significant Subsequent Events)

Not applicable

(10) Changes in Total Number of Investment Units Issued and Outstanding

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

Date	Type of Issue	Total Number of Investment Units Issued and Outstanding (units)		Unitholders' Capital (JPY)		Reference
		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 specified 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 specified 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.

3. Reference Information

(1) Composition of INV's Assets

Type of asset	Purpose	Geographic area (Note 1)	Fiscal period ended December 31, 2025 (as of December 31, 2025)		Fiscal period ended June 30, 2026 (as of June 30, 2026)	
			Amount held (JPY million) (Note 2)	Percentage of total assets (%)	Amount held (JPY million) (Note 2)	Percentage of total assets (%)
Real estate	Hotels	Greater Tokyo area	-	-	-	-
		Major regional Cities	-	-	-	-
		Overseas (Note 3)	34,863	4.9	35,299	5.0
		Subtotal	34,863	4.9	35,299	5.0
Total real estate			34,863	4.9	35,299	5.0
Real estate in trust	Residences	Greater Tokyo area	27,858	3.9	27,777	3.9
		Major regional cities	5,602	0.8	5,543	0.8
		Subtotal	33,461	4.7	33,320	4.7
	Offices/Commercial facilities	Greater Tokyo area	-	-	-	-
		Major regional cities	1,528	0.2	1,511	0.2
		Subtotal	1,528	0.2	1,511	0.2
	Hotels	Greater Tokyo area	186,325	26.3	185,367	26.2
		Major regional cities	373,500	52.7	372,375	52.6
		Subtotal	559,826	78.9	557,742	78.8
Total real estate in trust			594,815	83.9	592,574	83.7
Preferred equity interest (Note 4)			17,856	2.5	14,669	2.1
Deposits and other assets			61,560	8.7	65,611	9.3
Total assets (Note 5)			709,095 (629,679)	100.0 (88.8)	708,154 (627,873)	100.0 (88.7)

(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. In addition, if the accompanying FF&E is held in kind for hotels held in the form of trust beneficiary interests, the book value of the FF&E is included in the amount of trust beneficiary interests in accordance with the ownership form of the hotel, regardless of the ownership form of the FF&E.

(Note 3) 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 "The Sunshine Hotel & Suites" on May 9, 2019 (Cayman Islands local time), a change from making investments based on the TK agreement to directly owning the Leasehold of the Cayman Hotels, which were the underlying assets of the TK.

(Note 4) 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 5) The figures indicated in parenthesis under "Total assets" show the amounts related to owned real estate (excluding the amount of preferred equity interest).

	Fiscal period ended December 31, 2025 (as of December 31, 2025)		Fiscal period ended June 30, 2026 (as of June 30, 2026)	
	Amount (JPY million)	Percentage of total assets (%)	Amount (JPY million)	Percentage of total assets (%)
Total Liabilities	354,508	50.0	355,300	50.2
Total Net Assets	354,587	50.0	352,854	49.8
Total Liabilities and Net Assets	709,095	100.0	708,154	100.0

(2) Real Estate Properties, Etc.

The following summarizes the real estate assets (real estate or trust beneficiary interest comprised mainly of real estate) as well as preferred equity interest held by INV as of the end of the Reporting Period.

a Price and investment percentage

Property number (Note 1)	Name of property	Location (Note 2)	Legal form of asset	Acquisition price (JPY million) (Note 3)	Balance sheet carrying value (JPY million)	Investment percentage (%) (Note 4)	Appraisal value at the end of the period (JPY million) (Note 5)	Appraiser (Note 7)
A26	Nisshin Palacestage Daitabashi	1-31-2 Izumi, Suginami-ku, Tokyo	Trust beneficiary interests (Note 8)	1,251	1,066	0.2	1,490	A
A28	Growth Maison Gotanda	2-26-6 Nishi-Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interests	888	803	0.1	1,230	A
A29	Growth Maison Kameido	6-58-16 Kameido, Koto-ku, Tokyo	Trust beneficiary interests	1,070	912	0.2	1,450	A
A30	Emerald House	3-27-18 Itabashi, Itabashi-ku, Tokyo	Trust beneficiary interests	1,505	1,376	0.2	1,600	A
A32	Suncrest Shakujii-Koen	3-15-35 Takanodai, Nerima-ku, Tokyo	Trust beneficiary interests (Note 8)	1,088	1,022	0.2	1,410	A
A33	Growth Maison Shin-Yokohama	3-16-2 Shin-Yokohama, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficiary interests (Note 8)	1,059	909	0.2	1,460	A
A34	Belle Face Ueno-Okachimachi	1-27-10 Higashi-Ueno, Taito-ku, Tokyo	Trust beneficiary interests (Note 8)	1,023	870	0.1	1,310	A
A35	Grand Rire Kameido	3-39-12 Kameido, Koto-ku, Tokyo	Trust beneficiary interests (Note 8)	906	731	0.1	1,200	A
A37	Growth Maison Yoga	1-15-15 Okamoto, Setagaya-ku, Tokyo	Trust beneficiary interests (Note 8)	795	705	0.1	966	A
A38	Route Tachikawa	3-7-6 Nishikicho, Tachikawa-shi, Tokyo	Trust beneficiary interests	676	683	0.1	819	A
A39	Shibuya-Honmachi Mansion	2-35-2 Honmachi, Shibuya-ku, Tokyo	Trust beneficiary interests (Note 8)	651	755	0.1	862	A
A40	City Heights Kinuta	4-13-15 Kinuta, Setagaya-ku, Tokyo	Trust beneficiary interests	646	702	0.1	728	A

Property number (Note 1)	Name of property	Location (Note 2)	Legal form of asset	Acquisition price (JPY million) (Note 3)	Balance sheet carrying value (JPY million)	Investment percentage (%) (Note 4)	Appraisal value at the end of the period (JPY million) (Note 5)	Appraiser (Note 7)
A41	Acseeds Tower Kawaguchi-Namiki	2-5-13 Namiki, Kawaguchi-shi, Saitama	Trust beneficiary interests (Note 8)	620	459	0.1	913	A
A43	College Square Machida	3-4-4 Nakamachi, Machida-shi, Tokyo	Trust beneficiary interests (Note 8)	589	539	0.1	533	A
A44	Belair Meguro	1-2-15 Meguro, Meguro-ku, Tokyo	Trust beneficiary interests (Note 8)	589	531	0.1	738	A
A45	Wacore Tsunashima I	2-7-47 Tarumachi, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficiary interests (Note 8)	572	549	0.1	632	A
A46	Foros Nakamurabashi	1-6-6 Kouyama, Nerima-ku, Tokyo	Trust beneficiary interests (Note 8)	566	481	0.1	739	A
A47	Growth Maison Kaijin	5-29-51 Kaijin, Funabashi-shi, Chiba	Trust beneficiary interests (Note 8)	557	598	0.1	618	A
A48	College Square Machiya	7-3-1 Arakawa, Arakawa-ku, Tokyo	Trust beneficiary interests (Note 8)	510	423	0.1	687	A
A59	Towa City Coop Shinotsuka II	5-49-7 Higashi-Ikebukuro, Toshima-ku, Tokyo	Trust beneficiary interests	866	776	0.1	1,410	B
A61	Bichsel Musashiseki	1-22-7 Sekimachi-Kita, Nerima-ku, Tokyo	Trust beneficiary interests	577	579	0.1	851	C
A63	Towa City Coop Sengencho	4-338-2 Sengencho, Nishi-ku, Yokohama-shi, Kanagawa	Trust beneficiary interests	1,110	983	0.2	1,610	B
A64	Royal Park Omachi	2-11-10 Omachi, Aoba-ku, Sendai-shi, Miyagi	Trust beneficiary interests	415	418	0.1	612	B
A65	Lexington Square Haginomachi	1-15-18 Haginomachi, Miyagino-ku, Sendai-shi, Miyagi	Trust beneficiary interests	330	246	0.0	412	B
A66	Visconti Kakuozan	2-44 Otanacho, Chikusa-ku, Nagoya-shi, Aichi	Trust beneficiary interests	255	219	0.0	289	D
A72	Lexington Square Honjo Azumabashi	4-20-6 Higashikomagata, Sumida-ku, Tokyo	Trust beneficiary interests	511	411	0.1	844	D
A73	AMS TOWER Minami 6-Jo	2-5-15 Minami 6-Jo Nishi, Chuo-ku, Sapporo-shi, Hokkaido	Trust beneficiary interests	1,180	827	0.2	1,340	D
A84	Revest Heian	2-13-17 Heian, Kita-ku, Nagoya-shi, Aichi	Trust beneficiary interests	595	446	0.1	854	B
A87	Excellente Kagurazaka	128-1 Yamabukicho Shinjuku-ku, Tokyo, and one other parcel	Trust beneficiary interests	543	463	0.1	885	B
A90	Queen's Court Fukuzumi	1-3-10 Fukuzumi, Koto-ku, Tokyo	Trust beneficiary interests	456	384	0.1	868	B

Property number (Note 1)	Name of property	Location (Note 2)	Legal form of asset	Acquisition price (JPY million) (Note 3)	Balance sheet carrying value (JPY million)	Investment percentage (%) (Note 4)	Appraisal value at the end of the period (JPY million) (Note 5)	Appraiser (Note 7)
A92	Belair Oimachi	5-14-17 Higashi-Oi, Shinagawa-ku, Tokyo	Trust beneficiary interests	412	370	0.1	659	B
A93	Siete Minami-Tsukaguchi	3-18-29 Minami-Tsukaguchimachi, Amagasaki-shi, Hyogo	Trust beneficiary interests	374	318	0.1	579	B
A94	Prime Life Sannomiya Isogami Koen	4-3-23 Isogamidori, Chuo-ku, Kobe-shi, Hyogo	Trust beneficiary interests	373	311	0.1	576	B
A96	Century Park Shinkawa 1-bankan	4-1-2 Shinkawacho, Minato-ku, Nagoya-shi, Aichi	Trust beneficiary interests	335	270	0.0	535	B
A97	West Avenue	1-5-17 Nishi, Kunitachi-shi, Tokyo	Trust beneficiary interests	331	295	0.0	449	B
A99	Prime Life Mikage	2-25-11 Mikage Tsukamachi, Higashinada-ku, Kobe-shi, Hyogo	Trust beneficiary interests	297	243	0.0	429	B
A101	Lieto Court Mukojima	5-45-10 Mukojima, Sumida-ku, Tokyo	Trust beneficiary interests	1,683	1,528	0.2	2,430	B
A102	Lieto Court Nishi-Ojima	2-41-14 Ojima, Koto-ku, Tokyo	Trust beneficiary interests	1,634	1,467	0.2	2,270	B
A103	Royal Parks Momozaka	5-38 Fudegasakicho, Tennouji-ku, Osaka-shi, Osaka	Trust beneficiary interests	2,910	2,239	0.4	3,060	C
A104	Royal Parks Shinden	3-35-20 Shinden, Adachi-ku, Tokyo	Trust beneficiary interests	5,024	4,176	0.7	5,850	C
A106	Royal Parks Seasir Minami-Senju	3-41-7 Minami-Senju, Arakawa-ku, Tokyo	Trust beneficiary interests	2,683	2,215	0.4	3,340	B
Subtotal (41 properties)				38,465	33,320	5.6	49,537	
B18	AEON TOWN Sukagawa	105 Furukawa, Sukagawa-shi, Fukushima	Trust beneficiary interests	2,320	1,511	0.3	2,150	C
Subtotal (1 property)				2,320	1,511	0.3	2,150	
D01	Hotel MyStays Kanda	1-2-2 Iwamotocho, Chiyoda-ku, Tokyo	Trust beneficiary interests	2,851	2,658	0.4	6,230	B
D02	Hotel MyStays Asakusa	1-21-11 Honjo, Sumida-ku, Tokyo	Trust beneficiary interests	2,584	2,385	0.4	5,630	B
D03	Hotel MyStays Kyoto-Shijo	52, Kasabokocho, Higashiiru, Aburanokoji, Shijyodori, Shimogyo-ku, Kyoto-shi, Kyoto	Trust beneficiary interests	6,024	5,135	0.9	9,570	B
D04	MyStays Shin-Urayasu Conference Center	2-1-4 Akemi, Urayasu-shi, Chiba	Trust beneficiary interests	4,930	4,250	0.7	10,700	B
D05	Hotel MyStays Maihama	3-5-1 Tekkodori, Urayasu-shi, Chiba	Trust beneficiary interests	4,870	4,249	0.7	10,000	B
D06	Hotel MyStays Premier Dojima	2-4-1 Sonezakishinchi, Kita-ku, Osaka-shi, Osaka	Trust beneficiary interests	3,845	3,760	0.6	7,510	B
D07	Hotel MyStays Nagoya-Sakae	2-23-22 Higashi-Sakura, Naka-ku, Nagoya-shi, Aichi	Trust beneficiary interests	2,958	2,732	0.4	5,740	B

Property number (Note 1)	Name of property	Location (Note 2)	Legal form of asset	Acquisition price (JPY million) (Note 3)	Balance sheet carrying value (JPY million)	Investment percentage (%) (Note 4)	Appraisal value at the end of the period (JPY million) (Note 5)	Appraiser (Note 7)
D08	Hotel MyStays Sakaisuji-Honmachi	1-4-8 Awaji-machi, Chuo-ku, Osaka-shi, Osaka	Trust beneficiary interests	2,514	2,104	0.4	4,030	B
D09	Hotel MyStays Yokohama	4-81 Sueyoshicho, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficiary interests	2,119	1,931	0.3	5,010	B
D10	Hotel MyStays Nippori	5-43-7 Higashi-Nippori, Arakawa-ku, Tokyo	Trust beneficiary interests	1,898	2,042	0.3	4,670	B
D11	Hotel MyStays Fukuoka-Tenjin-Minami	3-14-20 Haruyoshi, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficiary interests	1,570	1,704	0.2	8,320	B
D12	Hotel MyStays Iidabashi (Note 9)	3-26 Shin-Ogawamachi, Shinjuku-ku, Tokyo	Trust beneficiary interests	1,381	1,567	0.2	4,950	B
D13	Hotel MyStays Ueno Inaricho	1-5-7 Matsugaya, Taito-ku, Tokyo	Trust beneficiary interests	1,331	1,108	0.2	2,600	B
D14	Flexstay Inn Shinagawa	1-22-19 Kita-Shinagawa, Shinagawa-ku, Tokyo	Trust beneficiary interests	1,242	1,143	0.2	2,310	B
D15	Flexstay Inn Tokiwadai	1-52-5 Tokiwadai, Itabashi-ku, Tokyo	Trust beneficiary interests	1,242	1,215	0.2	2,190	B
D16	Flexstay Inn Sugamo	3-6-16 Sugamo, Toshima-ku, Tokyo	Trust beneficiary interests	1,192	1,047	0.2	2,330	B
D17	Hotel MyStays Otemae	1-3-2 Tokuicho, Chuo-ku, Osaka-shi, Osaka	Trust beneficiary interests	1,192	1,056	0.2	2,970	B
D18	Hotel MyStays Kiyosumi Shirakawa	1-12-16 Tokiwa, Koto-ku, Tokyo	Trust beneficiary interests	749	791	0.1	1,670	B
D19	Flexstay Inn Nakanobu P1	4-27-12 Futaba, Shinagawa-ku, Tokyo	Trust beneficiary interests	589	527	0.1	945	B
D20	Flexstay Inn Nakanobu P2	4-27-8 Futaba, Shinagawa-ku, Tokyo	Trust beneficiary interests	283	272	0.0	455	B
D21	APA Hotel Yokohama-Kannai	3-37-2 Sumiyoshicho, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficiary interests	8,350	7,098	1.2	9,820	B
D22	Hotel MyStays Hakodate-Goryokaku	26-17 Honcho, Hakodate-shi, Hokkaido	Trust beneficiary interests	2,792	2,469	0.4	4,050	B
D23	Flexstay Inn Shirogane	5-10-15 Shirokane, Minato-ku, Tokyo	Trust beneficiary interests	2,119	2,037	0.3	2,530	B
D24	Hotel MyStays Haneda	5-1-13 Haneda, Ota-ku, Tokyo	Trust beneficiary interests	7,801	6,641	1.1	9,300	B
D25	Hotel MyStays Kameido P1	6-32-1 Kameido, Koto-ku, Tokyo	Trust beneficiary interests	5,594	5,087	0.8	9,130	B
D26	Hotel MyStays Ueno Iriyaguchi	5-5-13 Higashi-Ueno, Taito-ku, Tokyo	Trust beneficiary interests	3,821	3,439	0.6	4,880	B
D27	Hotel MyStays Kameido P2	6-7-8 Kameido, Koto-ku, Tokyo	Trust beneficiary interests	3,742	3,311	0.5	6,160	B
D28	Hotel MyStays Shimizu	1-23 Masagocho, Shimizu-ku, Shizuoka-shi, Shizuoka	Trust beneficiary interests	2,198	1,937	0.3	2,690	B

Property number (Note 1)	Name of property	Location (Note 2)	Legal form of asset	Acquisition price (JPY million) (Note 3)	Balance sheet carrying value (JPY million)	Investment percentage (%) (Note 4)	Appraisal value at the end of the period (JPY million) (Note 5)	Appraiser (Note 7)
D29	Super Hotel Shinbashi/ Karasumoriguchi	5-16-4 Shinbashi, Minato-ku, Tokyo	Trust beneficiary interests	1,624	1,528	0.2	1,910	B
D30	Hotel MyStays Higashi-Jujo	2-10-2 Nakajujo, Kita-ku, Tokyo	Trust beneficiary interests	1,277	1,624	0.2	1,790	B
D31	Hotel MyStays Utsunomiya	2-4-1 Higashi-Shukugo, Utsunomiya-shi, Tochigi	Trust beneficiary interests	1,237	1,181	0.2	2,660	B
D32	Flexstay Inn Kawasaki-Kaizuka	1-13-2 Kaizuka, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficiary interests	980	813	0.1	1,150	B
D33	Comfort Hotel Toyama	1-3-2 Takara-machi, Toyama-shi, Toyama	Trust beneficiary interests	979	911	0.1	1,140	B
D34	Flexstay Inn Kawasaki-Ogawacho	15-9 Ogawacho, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficiary interests	906	822	0.1	1,010	B
D35	Flexstay Inn Ekoda	8-6 Sakaecho, Nerima-ku, Tokyo	Trust beneficiary interests	5,069	4,575	0.7	4,990	B
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	2-21-9 Akebonocho, Tachikawa-shi, Tokyo	Trust beneficiary interests	1,170	995	0.2	1,230	E
D37	Super Hotel JR Ueno-iriyaguchi	7-9-14 Ueno, Taito-ku, Tokyo	Trust beneficiary interests	1,130	1,001	0.2	2,420	E
D38	Hotel MyStays Shinsaibashi	1-9-30 Nishi-Shinsaibashi, Chuo-ku, Osaka-shi, Osaka	Trust beneficiary interests	3,160	2,814	0.5	2,250	B
D39	Comfort Hotel Kurosaki	3-13-13 Kurosaki, Yahatanishi-ku, Kitakyusyu-shi, Fukuoka	Trust beneficiary interests	1,148	993	0.2	1,170	E
D40	Comfort Hotel Maebashi	2-18-14 Omotecho, Maebashi-shi, Gunma	Trust beneficiary interests	1,128	815	0.2	1,060	E
D41	Comfort Hotel Tsubame-Sanjo	2-115 Sugoro, Sanjo-shi, Niigata	Trust beneficiary interests	1,010	826	0.1	1,070	E
D42	Comfort Hotel Kitami	3-4 Ohdori-Nishi, Kitami-shi, Hokkaido	Trust beneficiary interests	851	746	0.1	886	E
D43	Hotel MyStays Gotanda Station (Note 9)	2-6-8 Nishi-Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interests	26,523	25,962	3.9	24,900	C
D44	Hotel Epinard Nasu (Note 10)	1-10 Kaidoue, Oaza-Takakuhei, Nasu-machi, Nasu-gun, Tochigi (and 68 other parcels)	Trust beneficiary interests	21,002	17,519	3.1	24,100	C
D45	Hotel MyStays Fukuoka Tenjin	3-5-7 Tenjin, Chuo-ku, Fukuoka-shi, Fukuoka	Trust beneficiary interests	8,059	7,358	1.2	10,500	C
D46	Hotel MyStays Hamamatsucho	1-18-14 Hamamatsucho, Minato-ku, Tokyo	Trust beneficiary interests	7,959	7,576	1.2	6,780	C
D47	Hotel MyStays Premier Kanazawa	2-13-5 Hirooka, Kanazawa-shi, Ishikawa	Trust beneficiary interests	13,761	11,633	2.0	11,900	C
D48	JR Clement Inn Takamatsu Hyogo-machi (Note 11)	9-9 Hyogomachi, Takamatsu-shi, Kagawa	Trust beneficiary interests	2,139	2,617	0.3	3,400	E
D49	Hotel MyStays Premier Hamamatsucho	1-8-5 Hamamatsucho, Minato-ku, Tokyo	Trust beneficiary interests	8,000	8,059	1.2	13,500	B

Property number (Note 1)	Name of property	Location (Note 2)	Legal form of asset	Acquisition price (JPY million) (Note 3)	Balance sheet carrying value (JPY million)	Investment percentage (%) (Note 4)	Appraisal value at the end of the period (JPY million) (Note 5)	Appraiser (Note 7)
D50	Hotel MyStays Shin Osaka Conference Center	6-2-19 Nishinakashima, Yodogawa-ku, Osaka-shi, Osaka	Trust beneficiary interests	13,068	12,609	1.9	13,500	D
D51	Hotel MyStays Premier Omori	6-19-3 Minami Oi, Shinagawa-ku, Tokyo	Trust beneficiary interests	9,781	9,518	1.4	14,100	D
D52	Kamenoi Hotel Beppu	5-17 Chuo cho, Beppu-shi, Oita	Trust beneficiary interests	8,870	7,199	1.3	10,400	D
D53	Hotel MyStays Sapporo Station	4-15 Kita Hachijyo Nishi, Kita-ku, Sapporo-shi, Hokkaido	Trust beneficiary interests	7,880	7,623	1.2	10,000	D
D54	Hotel MyStays Yokohama Kannai	5-65, Onoe-cho, Naka-ku, Yokohama-shi, Kanagawa and 3 other lots	Trust beneficiary interests	5,326	4,849	0.8	6,580	D
D55	Art Hotel Joetsu	5-1-11, Hon-cho Joetsu-shi, Niigata	Trust beneficiary interests	2,772	2,599	0.4	2,890	D
D56	Art Hotel Hirosaki City	1-1-2, 1-1-6, 1-1-7, 1-2-1, Omachi, Hirosaki-shi, Aomori	Trust beneficiary interests	2,723	2,430	0.4	2,720	D
D57	Hotel MyStays Oita	1-32, Niagemachi Oita-shi, Oita	Trust beneficiary interests	1,604	1,320	0.2	1,760	D
D58	Hotel MyStays Gotanda	2-5-4, Higashigotanda Shinagawa-ku, Tokyo	Trust beneficiary interests	4,068	4,006	0.6	5,290	D
D59	Hotel MyStays Tachikawa	1-8-14, Nishiki-cho Tachikawa-shi, Tokyo	Trust beneficiary interests	3,257	3,113	0.5	4,130	E
D60	Hotel MyStays Premier Akasaka	2-17-54, Akasaka Minato-ku, Tokyo	Trust beneficiary interests	20,691	19,732	3.0	31,200	B
D61	Hotel MyStays Premier Sapporo Park	2-2-10, Minamikujonishi Chuo-ku, Sapporo-shi, Hokkaido	Trust beneficiary interests	16,731	15,453	2.4	17,200	D
D62	Hotel MyStays Ueno East	5-5-6, Higashi Ueno Taito-ku, Tokyo	Trust beneficiary interests	5,286	5,053	0.8	6,030	D
D63	Hotel MyStays Midosuji Honmachi	3-2-10, Honmachi, Chuo-ku, Osaka-shi, Osaka	Trust beneficiary interests	5,039	4,579	0.7	3,530	B
D64	Hotel MyStays Sapporo Aspen	5-1 Nishi 4-chome, Kita 8-jo, Kita-ku, Sapporo-shi, Hokkaido, and seven other lots	Trust beneficiary interests	15,543	14,967	2.3	16,600	D
D65	Art Hotel Ishigakijima	554-2 Nishimaji Okawa, Ishigaki-shi, Okinawa, and four other lots	Trust beneficiary interests	9,731	9,206	1.4	9,570	B
D66	Hotel MyStays Fuji Onsen Resort	2654 Arakura Deguchi, Fujiyoshida-shi, Yamanashi, and 15 other lots	Trust beneficiary interests	9,405	7,924	1.4	14,000	B
D67	Hotel Sonia Otaru	1-4-20 Ironai, Otaru-shi, Hokkaido	Trust beneficiary interests	5,930	5,207	0.9	7,530	D
D68	Hotel MyStays Kanazawa Castle	10-17 Konohana-machi, Kanazawa-shi, Ishikawa	Trust beneficiary interests	5,682	5,496	0.8	5,150	D
D69	Art Hotel Niigata Station	1-1 Sasaguchi, Chuo-ku, Niigata-shi, Niigata	Trust beneficiary interests	5,524	5,533	0.8	6,970	D
D70	Hotel MyStays Nagoya Nishiki	3-8-21 Nishiki, Naka-ku, Nagoya-shi, Aichi	Trust beneficiary interests	5,197	4,915	0.8	5,330	C

Property number (Note 1)	Name of property	Location (Note 2)	Legal form of asset	Acquisition price (JPY million) (Note 3)	Balance sheet carrying value (JPY million)	Investment percentage (%) (Note 4)	Appraisal value at the end of the period (JPY million) (Note 5)	Appraiser (Note 7)
D71	Hotel Nord Otaru	1-4-16 Ironai, Otaru-shi, Hokkaido	Trust beneficiary interests	4,296	4,069	0.6	4,630	D
D72	Hotel MyStays Kagoshima Tenmonkan	2-7 Yamanokuchi-cho, Kagoshima-shi, Kagoshima	Trust beneficiary interests	3,445	3,194	0.5	3,480	E
D73	Art Hotel Asahikawa	6-29-2 7-jo-dori, Asahikawa-shi, Hokkaido	Trust beneficiary interests	3,197	2,763	0.5	3,370	D
D74	Hotel MyStays Matsuyama	1-10-10 Otemachi, Matsuyama-shi, Ehime	Trust beneficiary interests	3,098	2,700	0.5	3,380	E
D75	Hotel MyStays Sapporo Susukino	1-6 Nishi 5-Chome, Minami 7-jo, Chuo-ku, Sapporo-shi, Hokkaido, and one other lot	Trust beneficiary interests	3,059	2,909	0.4	2,970	C
D76	Hotel MyStays Sapporo Nakajima Park	1-20 Nishi 1-chome, Minami 14-jo, Chuo-ku, Sapporo-shi, Hokkaido	Trust beneficiary interests	2,118	2,279	0.3	1,940	C
D77	Hotel MyStays Sapporo Nakajima Park Annex	4-3 Nishi 1-chome, Minami 11-jo, Chuo-ku, Sapporo-shi, Hokkaido	Trust beneficiary interests	1,584	1,518	0.2	1,600	D
D78	Flexstay Inn Sakuragicho	2-72-2 Hanasaki-cho, Naka-ku, Yokohama-shi, Kanagawa, and four other lot	Trust beneficiary interests	1,425	1,358	0.2	1,580	E
D79	MyCUBE by MYSTAYS Asakusa Kuramae	2-6-7 Kuramae, Taito-ku, Tokyo	Trust beneficiary interests	1,287	1,230	0.2	1,440	E
D80	Hotel MyStays Kagoshima Tenmonkan Annex	1-20 Gofuku-machi, Kagoshima-shi, Kagoshima	Trust beneficiary interests	1,168	1,148	0.2	1,160	E
D81	Hotel MyStays Nayoro	11 Minami 5-chome, Nishi 3-jo, Nayoro-shi, Hokkaido, and one other lot	Trust beneficiary interests	957	791	0.1	881	C
D82	Hotel MyStays Premier Narita	40 Yokomine Oyama, Narita-shi, Chiba	Trust beneficiary interests	10,593	9,305	1.5	8,860	D
D83	Art Hotel Morioka	3-3-18 Odori, Morioka-shi, Iwate	Trust beneficiary interests	5,643	4,932	0.8	4,550	C
D84	Fusaki Beach Resort Hotel & Villas	1625-6 Arakawa Fusaki, Ishigaki-shi, Okinawa, and sixty other lots	Trust beneficiary interests	40,293	38,972	5.9	42,100	B
D85	Tateshina Grand Hotel Takinoyu	4035-187 Minamiyama Kuridaira yori Mimuro Oogaya made, Kitayama, Chino-shi, Nagano, and sixteen other lots	Trust beneficiary interests	8,365	7,811	1.2	8,620	D
D86	Hotel MyStays Okayama	9-16, Honmachi, Kita-ku, Okayama-shi, Okayama	Trust beneficiary interests	2,613	2,611	0.4	2,830	B
D87	Hotel MyStays Aomori Station	1-8-6 Shinmachi, Aomori-shi, Aomori	Trust beneficiary interests	2,445	2,232	0.4	2,770	C
D88	Hotel MyStays Soga	2-7-13 Minamicho, Chuo Ward, Chiba-shi, Chiba	Trust beneficiary interests	2,039	2,018	0.3	2,310	D
D89	Tazawako Lake Resort & Onsen	82-117 Shimotakano, Tazawako Obonai, Senboku-shi, Akita, and forty-one other lots	Trust beneficiary interests	1,475	1,436	0.2	1,470	E
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 interests	31,185	30,677	4.6	32,000	B

Property number (Note 1)	Name of property	Location (Note 2)	Legal form of asset	Acquisition price (JPY million) (Note 3)	Balance sheet carrying value (JPY million)	Investment percentage (%) (Note 4)	Appraisal value at the end of the period (JPY million) (Note 5)	Appraiser (Note 7)
D91	Hakodate Kokusai Hotel	5-10 Otemachi, Hakodate-shi, Hokkaido	Trust beneficiary interests	16,830	16,608	2.5	17,100	E
D92	Art Hotel Nippori Lungwood	5-50-5 Higashinippori, Arakawa-ku, Tokyo	Trust beneficiary interests	16,335	16,227	2.4	16,500	C
D93	Hotel MyStays Kumamoto Riverside	4-12 Koyaima-machi Chuo-ku, Kumamoto-shi, Kumamoto	Trust beneficiary interests	6,831	6,736	1.0	6,900	C
D94	Art Hotel Aomori	2-1-26 Hon-cho, Aomori-shi, Aomori	Trust beneficiary interests	5,672	5,442	0.8	5,820	E
D95	Kamenoi Hotel Izukogen	1104-5 Futazuka, Yawatano, Ito-shi, Shizuoka, and two other lots	Trust beneficiary interests	5,563	5,554	0.8	5,880	D
D96	Art Hotel Oita	2-7-1 Miyako-machi, Oita-shi, Oita, and two other lots	Trust beneficiary interests	5,484	5,388	0.8	5,390	C
D97	Art Hotel Kokura New Tagawa	3-46 Furusemba-machi, Kokurakita-ku, Kitakyushu-shi, Fukuoka	Trust beneficiary interests	4,672	4,711	0.7	4,610	E
D98	Art Hotel Miyazaki Sky Tower	2-1-26 Takachiho-dori, Miyazaki-shi, Miyazaki	Trust beneficiary interests	3,821	3,659	0.6	3,880	B
D99	Art Hotel Kagoshima	22-1 Kamoike Shin-machi, Kagoshima-shi, Kagoshima	Trust beneficiary interests	3,395	3,413	0.5	3,450	D
D100	Kamenoi Hotel Hikone	3759 Oguro, Matsubara-cho, Hikone-shi, Shiga	Trust beneficiary interests	2,603	2,562	0.4	2,700	D
D101	Kamenoi Hotel Nara	3-9-1 Nijo-cho, Nara-shi, Nara	Trust beneficiary interests	2,029	2,046	0.3	2,130	B
D102	Irago Ocean Resort	1460-36, Honeyama, Hiicho, Tahara-shi, Aichi, and 13 other lots	Trust beneficiary interests	6,900	6,892	1.0	7,080	D
D103	Kirishima Kokusai Hotel	3912-1, Tonoyu, Takachiho, Makizono-cho, Kirishima-shi, Kagoshima, 45 other lots	Trust beneficiary interests	6,534	6,432	1.0	6,620	E
D104	Kamenoi Hotel Toba	1200-7, Utsubodani, Arashima-cho, Toba-shi, Mie, one other lot	Trust beneficiary interests	4,732	4,686	0.7	4,790	B
D105	Kamenoi Hotel Kusatsu Yubatake	489-1, Sensui, Kusatsu, Kusatsu-machi, Agatsuma-gun, Gunma, and nine other lots	Trust beneficiary interests	4,682	4,634	0.7	4,770	E
D106	Atagawa Ocean Resort	989-1, Atagawa, Naramoto, Higashiizu-cho, Kamo-gun, Shizuoka, and four other lots	Trust beneficiary interests	4,187	4,101	0.6	4,250	B
D107	Hotel MyStays Atsugi	1-1-8 Sakae-cho, Atsugi-shi, Kanagawa	Trust beneficiary interests	3,177	3,182	0.5	3,210	C
D108	Kamenoi Hotel Tsukubasan	1050-1, Nishizawa, Tsukuba, Tsukuba-shi, Ibaraki, and other 14 lots	Trust beneficiary interests	2,999	2,920	0.4	3,040	C
D109	Kamenoi Hotel Kochi	538, Hanabatakeyama, Kamata, Ino-cho, Agawa-gun, Kochi, and six other lots	Trust beneficiary interests	446	448	0.1	468	B
D110	Kamenoi Hotel Chitamihama	39-108, Sunahara, Okuda, Mihama-cho, Chita-gun, Aichi, and three other lots	Trust beneficiary interests	372	407	0.1	392	D
D111	Kamenoi Hotel Yanagawa	10-1, Banzen, Yashiro-machi, Yanagawa-shi, Fukuoka	Trust beneficiary interests	255	288	0.0	263	D

Property number (Note 1)	Name of property	Location (Note 2)	Legal form of asset	Acquisition price (JPY million) (Note 3)	Balance sheet carrying value (JPY million)	Investment percentage (%) (Note 4)	Appraisal value at the end of the period (JPY million) (Note 5)	Appraiser (Note 7)
D200	Westin Grand Cayman Seven Mile Beach Resort & SPA	30620 Seven Mile Beach Road, Grand Cayman, Cayman Islands	The Leasehold (Note 12)	30,061 (USD 272,171 thousand)	26,674	4.4	80,756 (USD 497,300 thousand) (Note 13)	F
D201	The Sunshine Hotel & Suites	1465 Esterley Tibbetts Highway, Grand Cayman, Cayman Islands	The Leasehold (Note 12)	5,842 (USD 52,898 thousand)	8,625	0.9	13,981 (USD (86,100 thousand) (Note 13)	F
Subtotal (113 properties)				628,719	593,041	91.9	796,608	-
Total (155 properties)				669,504	627,873	97.9	848,295	-
-	Sheraton Grande Tokyo Bay Hotel (preferred equity interest)	-	Preferred equity interest issued by special purpose company (Note 14)	14,660	14,669	2.1	- (Note 5)	
Subtotal of preferred equity interest issued by special purpose company (1 property)				14,660	14,669	2.1	-	-
Total (156 properties)				684,165	642,543	100.0	-	-

(Note 1) "Property number" indicates the use categorization of properties owned by INV, with "A" standing for residence, "B" standing for office and commercial facility, "C" standing for parking lots and "D" standing for hotel, and the number assigned for each property. The number following "A", "B", "C" and "D" is assigned based on how early the acquisition was made, except for acquisitions made at the same time a lower number is assigned to the property with a greater acquisition price.

(Note 2) "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 3) "Acquisition price" is the purchase price indicated in the real estate or trust beneficiary purchase agreement except for Sheraton Grande Tokyo Bay Hotel (preferred equity interest), Westin Grand Cayman Seven Mile Beach Resort & SPA and The Sunshine Hotel & Suites. For Sheraton Grande Tokyo Bay Hotel (preferred equity interest), "Acquisition price" indicates the amount invested by INV for the preferred equity interest, excluding investment in the specified equity interests in the Kingdom Tokutei Mokuteki Kaisha and the acquisition price of the equity interest held by the employees in a G.K., which is a master lease company. For Westin Grand Cayman Seven Mile Beach Resort & SPA and The Sunshine Hotel & Suites, the book value of the Leasehold of each of the Cayman Hotels is stated by the Cayman SPC as of May 9, 2019 (Cayman Islands local time; May 10, 2019 in Japan local time), which is the date when INV succeeded the Leasehold from the Cayman SPC as dividend in kind in line with the agreed termination of the TK agreement. The amounts in USD are converted into JPY as shown. Such price excludes consumption tax and other taxes, and has been rounded down to the nearest million yen.

(Note 4) "Investment percentage" is the ratio of the acquisition price to the aggregate acquisition price of INV's portfolio, and has been rounded to the first decimal place.

(Note 5) "Appraisal value at the end of the period" is the value appraised or determined based on research by the real estate appraiser as of the end of the fiscal period in accordance with the Articles of Incorporation of INV and the regulations of The Investment Trust Association, Japan. As to appraisal of Westin Grand Cayman Seven Mile Beach Resort & SPA and The Sunshine Hotel & Suites, the local appraiser verification method (Note 6) is adopted. The appraisal value for The Sunshine Hotel & Suites includes the unused land adjacent to the hotel. Appraisal is entrusted to those described in (Note 7) below. For Sheraton Grande Tokyo Bay Hotel (preferred equity interest), there is no appraisal value at the end of the period due to it being preferred equity interest. An appraisal value for the underlying asset as of the closing date of the Reporting Period is as follows.

Name of property	Appraisal value	Appraiser (Note 7)
Sheraton Grande Tokyo Bay Hotel	JPY 127,000 million	D

(Note 6) Under the "local appraiser verification method," a real estate appraiser licensed in Japan determines appraisal value based on the understanding and analyses of basic data and information necessary for real estate appraisal, including appraisal methods employed by local appraisers, and transaction examples and trends in local markets that are used for real estate appraisal, and by verifying the validity of decisions made in appraisal reports and appropriateness of appraisal value prepared by local appraisers. INV appoints CBRE, Inc., a professional appraiser licensed and certified in the Cayman Islands, as a local appraiser to engage in appraisal of the Underlying Asset and prepare a local appraisal report. INV then engages CBRE K.K., a company appointed as a real estate appraiser in Japan, to verify the local appraisal report and then obtains a report on verification of appraisal performed by local appraiser.

(Note 7) "Appraiser" is shown in code in the table above. The code used to represent the appraisers is as follows:

Appraiser
A: Assets Research and Development Inc.
B: Japan Real Estate Institute
C: JLL Morii Valuation & Advisory K.K.
D: The Tanizawa Sogo Appraisal Co., Ltd.
E: Daiwa Real Estate Appraisal Co., Ltd.
F: CBRE K.K.

As to the appraisal of Westin Grand Cayman Seven Mile Beach Resort & SPA and The Sunshine Hotel & Suites, the local appraiser verification method is adopted and CBRE K.K. has entrusted such appraisal to CBRE, Inc. The appraisal value for The Sunshine Hotel & Suites includes the acquisition price of the unused land adjacent to the hotel.

(Note 8) These 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. 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 9) Acquisition price includes the floor expansion portion. Appraisal value at the end of the period indicates appraisal value calculated deeming the owned portion and the floor expansion portion as one.

(Note 10) Acquisition price includes the adjacent land portion. Appraisal value at the end of the period indicates appraisal value calculated deeming the owned portion and the adjacent land portion as one.

(Note 11) The property name was changed from "Takamatsu Tokyu REI Hotel" to "JR Clement Inn Takamatsu Hyogo-machi" on April 1, 2026 along with the change of the tenant and operator. Herein after the same.

(Note 12) 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 "The Sunshine Hotel & Suites" on May 9, 2019 (Cayman Islands local time), a change from making investments based on the TK agreement to directly owning the movable assets such as leasehold and FF&E of the Cayman Hotels (the Leasehold, etc.), which were the underlying assets of the TK.

(Note 13) Appraisal value at the end of the period is converted into JPY using the exchange rate of USD 1 = JPY 162.39, which is the exchange rate on the closing date of the Reporting Period (June 30, 2026).

(Note 14) Preferred equity interest issued by special purpose company refers to units of preferred equity interest issued by Kingdom Special Purpose Company (equivalent to 49.0% of preferred equity interest issued and outstanding after the issuance of the said preferred equity interest), with the Sheraton Grande Tokyo Bay Hotel as an underlying asset, and is recorded as one property. For the preferred equity interest, the acquisition price is based on the reduced investment amount following the partial redemption completed on March 27, 2026, which reduced the investment amount from JPY 17,845 million to JPY 14,660 million.

b Capital expenditures for assets under management

(a) 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 assets is as follows.

Name of Property		Location	Purpose	Scheduled Time of Implementation	Estimated Cost (JPY thousand)		
					Total	Payment for the Reporting Period	Advance Payments
D04	MyStays Shin-Urayasu Conference Center	Urayasu-shi, Chiba	Renovation work	From May 2026 To December 2026	990,246	104,148	-
D08	Hotel MyStays Sakaisuji-Honmachi	Osaka-shi, Osaka	Renovation work	From May 2026 To December 2026	784,006	118,804	-
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	Grand Cayman, Cayman Islands	Improvement work	From August 2026 To October 2026	739,410	-	-
D07	Hotel MyStays Nagoya-Sakae	Nagoya-shi, Aichi	Renovation work	From January 2026 To August 2026	709,084	243,100	-
D02	Hotel MyStays Asakusa	Sumida-ku, Tokyo	Renovation work	From April 2026 To February 2027	471,140	146,168	-
D94	Art Hotel Aomori	Aomori-shi, Aomori	Renovation work for exterior wall	From May 2026 To November 2026	211,150	67,650	

(b) 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 4,170,069 thousand, and together with JPY 164,705 thousand in repair costs included in this fiscal period's expenses, construction work totaling JPY 4,334,774 thousand was implemented.

Name of property		Location	Purpose	Time of implementation	Payment (JPY thousand)
D201	The Sunshine Hotel & Suites	Grand Cayman, Cayman Islands	Renovation work	From August 2024 To June 2026	903,825
D103	Kirishima Kokusai Hotel	Kirishima-shi, Kagoshima	Construction of the sand bath facility and improvement work of the connecting corridor	From June 2025 To May 2026	548,197
D48	JR Clement Inn Takamatsu Hyogo-machi	Takamatsu-shi, Kagawa	Rebranding renovation	From April 2026 To June 2026	480,385
D07	Hotel MyStays Nagoya-Sakae	Nagoya-shi, Aichi	Renovation work	From January 2026 To June 2026	281,487
D103	Kirishima Kokusai Hotel	Kirishima-shi, Kagoshima	Renovation work for the heat source system	From November 2025 To January 2026	187,677
D48	JR Clement Inn Takamatsu Hyogo-machi	Takamatsu-shi, Kagawa	Upgrading work for the main hot water supply piping	From March 2026 To June 2026	105,180
D33	Comfort Hotel Toyama	Toyama-shi, Toyama	Upgrading work for the air conditioning system	From December 2025 To March 2026	94,214
A30	Emerald House	Itabashi-ku, Tokyo	Large-scale repair work	From November 2025 To February 2026	84,711
D39	Comfort Hotel Kurosaki	Kitakyusyu-shi, Fukuoka	Upgrading work for the air conditioning system	From October 2025 To February 2026	66,832
Other construction					1,417,557
Total					4,170,069

(3) Tenant Summary

a Summary of lease conditions by property

Disclosure is omitted because the information is described in the presentation material, "June 2026 Fiscal Period Results (January 1, 2026 to July 30, 2026)" separately announced on August 25, 2026.

b Occupancy trend

Disclosure is omitted because the information is described in the presentation material, "June 2026 Fiscal Period Results (January 1, 2026 to July 30, 2026)" separately announced on August 25, 2026.