



Invincible Investment Corporation  
**December 2023 Fiscal Period Results**  
(July 1, 2023 to December 31, 2023)

TSE Code : 8963

February 26, 2024

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<p><b>Results of December 2023 Fiscal Period (FP)</b></p>	<ul style="list-style-type: none"> <li>■ Sales and profits increased significantly this period due to a recovery in hotel performance and external growth. Operating revenue increased by 18.2% compared to the previous fiscal period (“previous period”), and exceeded the level achieved during the same period in 2019 by 13.3%, excluding gain on sales of properties</li> <li>■ Net income increased by 23.8% compared to the previous period to JPY 11,032 million. Distribution per unit (“DPU”) improved to JPY 1,640, or 95.1% of the same period in 2019</li> <li>■ DPU increased by JPY 199 or 13.8% compared to the forecast announced at the time of the public offering on July 19, 2023</li> <li>■ The total appraisal value of the 127 properties held at the beginning of the December 2023 FP was JPY 570,791 million, an increase of JPY 9,828 million (or a 1.8% increase) from the end of the June 2023 appraisal</li> <li>■ In the 2023 GRESB Real Estate Assessment, INV received a “3-Star” GRESB Rating</li> </ul>
<p><b>Summary of Properties Acquired in August 2023</b></p>	<ul style="list-style-type: none"> <li>■ Acquired six domestic hotels for a total acquisition price of JPY 57.2 billion at a simulated 6.0% NOI yield</li> <li>■ Expanded investments centered on resort-type hotels in Japan, further growing the largest hotel portfolio among J-REITs to JPY 507.8 billion</li> <li>■ Aiming to capture domestic and overseas resort demand that is expected to increase as the Covid-19 pandemic diminishes</li> <li>■ Potential sponsor pipeline has more than 60 hotels with 6,800 rooms operated by MyStays Hotel Management (“MHM”), which are owned by sponsor-related entities</li> </ul>
<p><b>Domestic Portfolio</b></p>	<ul style="list-style-type: none"> <li>■ Comparing the KPIs of the 75 domestic hotels owned by INV between this period and the same period in 2019, ADR was 19.2% higher than in the same period in 2019. Although the Occupancy rate is still 5.7 points lower, RevPAR achieved JPY 10,462, which is 11.5% higher than in the December 2019 FP</li> <li>■ GOP of 75 domestic hotels this period increased by 34.7% from the previous period or by 9.0% from the same period in 2019 as a result of the steady recovery of non-room revenues such as weddings and banquets to 2019 levels despite various cost increases</li> <li>■ The strategy to maximize GOPPAR (GOP per the number of rooms available for sale) by the major tenant, MHM, has continued to be successful. The GOP margin of the 73 domestic properties managed by MHM (“73 MHM properties”) increased from 37.4% the previous period to 40.7% this period</li> <li>■ NOI of 41 residential properties for this period was JPY 1,120 million, up 0.2% from the same period in 2022. The initiative to increase rent, taking advantage of the population returning to urban centers, was successful</li> </ul>

<b>Cayman Hotel Portfolio</b>	<ul style="list-style-type: none"> <li>■ RevPAR for the two Cayman hotels for this period was USD 273, 15.3% higher than USD 237 in the same period in 2019 due to a significant increase in ADR</li> <li>■ USD based Management Contract Revenue this period increased by 10.8% compared to the same period in 2022, and increased by 10.0% over the same period in 2019<sup>1</sup></li> <li>■ Average Occupancy rate for this period was 64.8%, 7.5 points lower than the same period in 2019. Going forward, a further recovery in air traffic to the Cayman Islands, which was reduced due to the Covid-19 pandemic, is expected to increase Occupancy to 2019 levels, leading to an increase in revenues</li> </ul>
<b>Financial Condition</b>	<ul style="list-style-type: none"> <li>■ Executed bank loans (including refinancing) of JPY 141.5 billion in total this period and JPY 33.7 billion in January 2024</li> <li>■ Diversified financing sources through INV's first issuance of JPY 3.5 billion in total of green bonds in September and December 2023, and JPY 6.0 billion of investment corporation bonds for retail investors in February 2024</li> <li>■ Increased average duration of outstanding interest-bearing debt from 0.9 years (as of June 30, 2023) to 2.9 years (as of February 26, 2024) and diversified maturity dates</li> <li>■ Executed interest rate swap transactions to hedge the risk of rising interest rates, resulting in an increase in the fixed interest rate ratio from 21% (as of June 30, 2023) to 50% (as of February 26, 2024)</li> </ul>
<b>Forecasts for June 2024 Fiscal Period (FP) and December 2024 Fiscal Period (FP)</b>	<ul style="list-style-type: none"> <li>■ Forecasts remain unchanged from those announced on December 19, 2023, with DPU expected to be JPY 1,767 for the June 2024 FP and JPY 1,739 for the December 2024 FP. Forecasted annual DPU of JPY 3,506 for 2024 is 3.7% higher than that of JPY 3,381 for 2019</li> <li>■ The forecast factors in a rebound in domestic demand following the end of the “National Travel Discount Campaign” program. Overall inbound demand continues to steadily recover despite a slow recovery in Chinese travelers</li> <li>■ The portfolio of 41 residential properties and one commercial property is expected to maintain stable returns</li> <li>■ The impact of the 2024 Noto Peninsula Earthquake is negligible</li> </ul>

# II. Summary of December 2023 FP Results and 2024 Forecasts

## II-1. Financial Highlights for December 2023 FP

- Increase in revenues and income due to the contribution from the six hotels acquired on August 1, 2023 and the recovery in hotel business performance of the existing hotels this period, despite the decrease in the management contract revenue of the two Cayman from the previous period due to seasonal factors  
Operating revenue increased by 18% to JPY 18,819 million and DPU was 12% higher than the previous period reaching JPY 1,640
- Compared to the forecast for this fiscal period announced on December 19, 2023, operating revenue showed a slight increase and DPU increased by 3%

	June 2023 FP	December 2023 FP	Variance	
			Amount	(%)
Operating revenue	15,914	18,819	2,904	18.2%
Real estate rental revenues	12,000	16,696	4,695	39.1%
Hotel Rents (Variable rent)	4,615	7,441	2,826	61.2%
Hotel Rents (Fixed rent)	5,498	7,469	1,971	35.9%
Residential Rents	1,392	1,388	-3	-0.2%
Management contract revenue	3,914	2,123	-1,790	-45.8%
TMK Dividend amount	-	-	-	-
Gain on sale of properties	-	-	-	-
Operating expenses	5,558	6,230	671	12.1%
Real estate rental expenses	4,488	5,096	608	13.6%
Taxes and other public charges	596	754	158	26.5%
Depreciation expenses	3,311	3,776	465	14.1%
Management contract expenses	649	734	85	13.2%
Depreciation expenses	435	441	6	1.4%
NOI	14,523	17,205	2,681	18.5%
NOI after depreciation	10,777	12,987	2,210	20.5%
Operating income	10,356	12,588	2,232	21.6%
Non-operating income	182	0	-181	-99.8%
Non-operating expenses	1,624	1,556	-68	-4.2%
Ordinary income	8,914	11,033	2,118	23.8%
Net income	8,913	11,032	2,118	23.8%
Distribution per Unit (JPY)	1,464	1,640	176	12.0%
Operating Days	181	184	-	-

### Major Causes for Variance

(JPY million)

#### Operating revenue

- ✓ Increase in revenue from six hotels newly acquired: +2,104
- ✓ Increase/decrease in revenue from existing portfolio: +2,590 (of which, hotel: +2,609 / residential: -18)
- ✓ Decrease in management contract revenue: -1,790  
→50% decrease in USD basis and 45.8% decrease in JPY basis (FX rate in Dec 2023 FP was USD 1 = JPY 145.4, an 8.4% depreciation of the yen from the previous period)

#### Operating expenses

- ✓ Increase in expenses for six hotels newly acquired: +457 (of which, increase in depreciation expenses: +447)
- ✓ Increase in expenses for existing portfolio: +150 (of which, increase in depreciation expenses: +18)
- ✓ Increase in management contract expenses (overseas hotels): +85

#### Non-operating income

- ✓ Decrease in foreign exchange gain: -178

#### Non-operating expenses

- ✓ Increase in loan-related costs: +81
- ✓ Increase in interest expenses: +95
- ✓ Increase in interest expenses on investment corporation bonds: +29
- ✓ Increase in foreign exchange losses: +76
- ✓ Decrease in derivative losses: -507
- ✓ Increase in investment unit issuance costs: +152

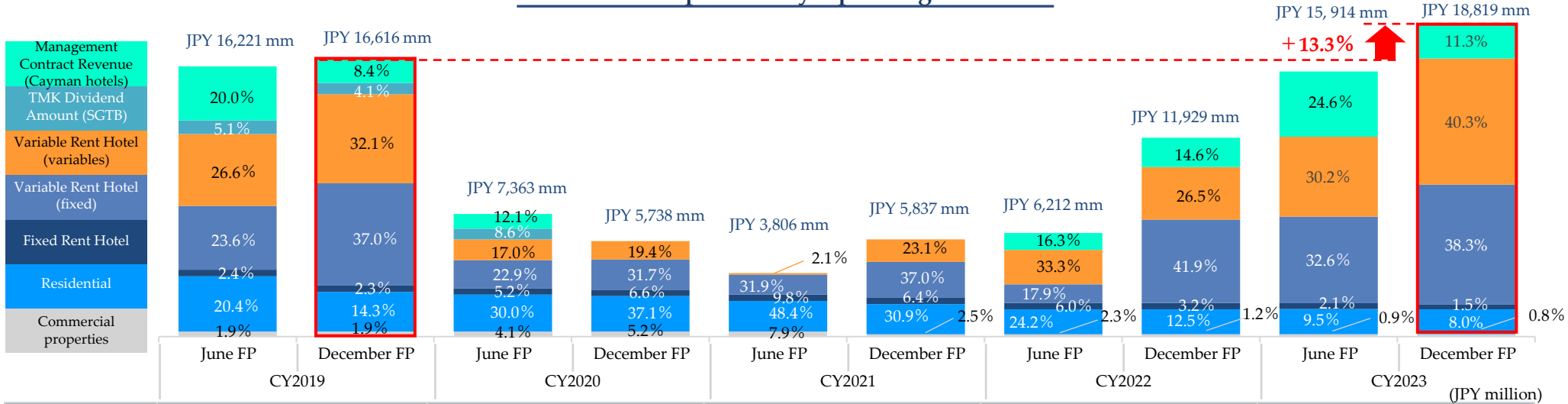
#### Distribution per Unit (JPY)

- ✓ Increase from the previous period: +176

## II -2. Operating Revenue Composition

- Operating revenue increased by 18.2% from the previous period due to a significant increase in both variable and fixed rents for domestic variable-rent hotels driven by the recovery of the performance and external growth
- In addition, operating revenue increased 13.3% from the December 2019 FP exceeding the pre-pandemic period level, despite a decrease in revenue from the disposition of residential and commercial properties

### Portfolio Composition by Operating Revenue<sup>1</sup>



	CY2019		CY2020		CY2021		CY2022		CY2023	
	June FP	December FP	June FP	December FP	June FP	December FP	June FP	December FP	June FP	December FP
Management Contract Revenue <sup>2</sup> (Cayman hotels)	3,240	1,397	890	0	0	0	1,013	1,746	3,914	2,123
TMK Dividend Amount (SGTB)	827	673	634	0	0	0	0	0	0	0
Variable Rent Hotel (variables)	4,307	5,332	1,255	1,113	79	1,350	2,068	3,167	4,807	7,576
Variable Rent Hotel (fixed)	3,834	6,144	1,689	1,818	1,212	2,162	1,112	4,997	5,194	7,198
Fixed Rent Hotel	388	386	381	376	374	371	373	384	341	281
Residential	3,316	2,374	2,211	2,130	1,840	1,805	1,502	1,491	1,516	1,497
Commercial properties	306	307	301	300	299	147	141	141	141	141
<b>Total</b>	<b>16,221</b>	<b>16,616</b>	<b>7,363</b>	<b>5,738</b>	<b>3,806</b>	<b>5,837</b>	<b>6,212</b>	<b>11,929</b>	<b>15,914</b>	<b>18,819</b>

(Note 1) Based on the properties owned by INV during each fiscal period respectively. The gain on sale is excluded  
(Note 2) The figure for June 2019 FP includes the amount of TK dividends INV received for the fiscal period before INV owned Cayman hotels directly

## II-3. Summary of June 2024 FP Forecast

- For the June 2024 FP, operating revenue is expected to increase by 26.9% to JPY 20,199 million and DPU is expected to increase by 20.7% to JPY 1,767 from the same period last year, reflecting a further recovery of hotel earnings driven by inbound tourism and the impact of Covid-19 being completely removed
- Further upside is expected depending on the recovery of demand created by the increase in Chinese tourists visiting Japan during and after Chinese New Year when the timetables of airline flights switch to the summer schedule
- TMK dividend amount (Sheraton), which will be recorded for the first time in eight fiscal periods, is expected to be JPY 404 million higher than in the same period in 2019 due to the inclusion of special factors

	June 2023 FP	June 2024 FP	Variance	
			Amount	(%)
Operating revenue	15,914	20,199	4,284	26.9%
Real estate rental revenues	12,000	14,603	2,602	21.7%
Hotel Rents (Variable rent)	4,615	6,982	2,367	51.3%
Hotel Rents (Fixed rent)	5,498	5,853	355	6.5%
Residential Rents	1,392	1,409	17	1.2%
Management contract revenue	3,914	4,363	449	11.5%
TMK Dividend amount	-	1,231	1,231	-
Gain on sale of properties	-	-	-	-
Operating expenses	5,558	6,481	923	16.6%
Real estate rental expenses	4,488	5,082	594	13.2%
Taxes and other public charges	596	649	53	8.9%
Depreciation expenses	3,311	3,856	545	16.5%
Management contract expenses	649	731	82	12.6%
Depreciation expenses	435	459	24	5.6%
NOI	14,523	18,701	4,177	28.8%
NOI after depreciation	10,777	14,385	3,607	33.5%
Operating income	10,356	13,717	3,360	32.5%
Non-operating income	182	-	-182	-100.0%
Non-operating expenses	1,624	1,830	205	12.7%
Ordinary income	8,914	11,887	2,972	33.3%
Net income	8,913	11,886	2,972	33.4%
Distribution per Unit (JPY)	1,464	1,767	303	20.7%
Operating Days	181	182	-	-

### Major Causes for Variance (June 2024 FP vs June 2023 FP)

(JPY million)

#### Operating revenue

- ✓ Increase in existing hotel rents (variable rent and fixed rent): +1,334
- ✓ Increase in rents from six hotels newly acquired (variable rent and fixed rent in total): +1,388
- ✓ Increase in residential rents: +17
- ✓ Increase in management contract revenue: +449  
→ 10.8% increase in USD basis and 11.5% increase in JPY basis  
(estimated with FX rate for June 2024 FP of USD 1=JPY 135.0, a 0.7% depreciation of the yen from the same period last year)

#### Operating expenses/Non-operating expenses

- ✓ Increase in real estate rental expenses : +594  
→ of which, increase from six hotels newly acquired : +583
- ✓ Increase in management contract expenses : +82  
→ Increase in insurance premiums, etc : +58, depreciation expenses: +24
- ✓ Increase in non-operating expenses : +205  
→ Increase in interest expenses : +546, Interest expenses on investment corporation bonds: +70, loan-related costs: +26, decrease in derivative losses: -444

#### Non-operating income

- ✓ Decrease in non-operating income: -182  
→ Decrease in foreign exchange gain: -178



## II-4. Summary of December 2024 FP Forecast

- For the December 2024 FP, operating revenue is expected to increase by 7.6% to JPY 20,255 million and DPU is expected to increase by 6.0% to JPY 1,739 from the same period last year, reflecting the rent increase from the existing hotels and the full-period contribution from newly acquired hotels on August 1, 2023, as well as rent increase from the residential portfolio
- TMK dividend amount (Sheraton) is expected to reach JPY 679 million, its approximate stabilized level, which is about 1% (JPY 6 million) higher than the same period in 2019

	December 2023 FP	December 2024 FP	Variance	
			Amount	(%)
Operating revenue	18,819	20,255	1,436	7.6%
Real estate rental revenues	16,696	17,617	921	5.5%
Hotel Rents (Variable rent)	7,441	8,241	800	10.8%
Hotel Rents (Fixed rent)	7,469	7,623	153	2.1%
Residential Rents	1,388	1,413	24	1.7%
Management contract revenue	2,123	1,958	-164	-7.8%
TMK Dividend amount	-	679	679	-
Gain on sale of properties	-	-	-	-
Operating expenses	6,230	6,745	515	8.3%
Real estate rental expenses	5,096	5,292	195	3.8%
Taxes and other public charges	754	841	87	11.6%
Depreciation expenses	3,776	3,891	115	3.1%
Management contract expenses	734	788	53	7.3%
Depreciation expenses	441	481	39	9.0%
NOI	17,205	18,547	1,341	7.8%
NOI after depreciation	12,987	14,174	1,186	9.1%
Operating income	12,588	13,509	921	7.3%
Non-operating income	0	-	0	-100.0%
Non-operating expenses	1,556	1,810	254	16.3%
Ordinary income	11,033	11,699	666	6.0%
Net income	11,032	11,698	666	6.0%
Distribution per Unit (JPY)	1,640	1,739	99	6.0%
Operating Days	184	184	-	-

### Major Causes for Variance (December 2024 FP vs December 2023 FP)

(JPY million)

#### Operating revenue

- ✓ Increase in existing hotel rents (variable rent and fixed rent in total) : +558
- ✓ Increase in rents (variable rent and fixed rent in total) from full-period contribution from six hotels newly acquired on August 1, 2023: +395
- ✓ Increase in residential rents: +24
- ✓ Decrease in management contract revenue due to the large-scale renovation at Sunshine Suites, etc.: -164  
→ 0.6% decrease in USD basis and 7.8% decrease in JPY basis (estimated with FX rate for December 2024 FP of USD 1 = JPY 135.0, a 7.2% appreciation of the yen from the same period last year)
- ✓ Increase in TMK dividend amount: +679

#### Operating expenses/Non-operating expenses

- ✓ Increase in real estate rental expenses : +195  
→ of which, increase from six hotels newly acquired : +147
- ✓ Increase in management contract expenses : +53  
→ Increase in insurance premiums, etc.: +13, depreciation expenses: +39
- ✓ Increase in non-operating expenses : +254  
→ Increase in interest expenses : +462, interest expenses on investment corporation bonds: +51, decrease in loan-related costs: -44, foreign exchange losses: -76, increase in derivative losses: +9, decrease in investment unit issuance costs: -152



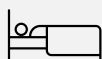
## II-5. Impact from the 2024 Noto Peninsula Earthquake

Overall impact of the earthquake throughout 2024 is expected to be negligible

- No material damage occurred at INV's six hotels located in the affected areas, though the earthquake caused some damage to facilities and equipment
- Cancellations from general travelers were observed just after the earthquake but demand from disaster recovery work has been generated by media, communication companies, insurers and other construction related workers. Slow down of demand for the banquet business was observed in addition to the cancellations caused by the earthquake
- Recovery of tourism demand is expected from the "Hokuriku Support Discount" program and the extension of the Hokuriku Shinkansen Line

### Impact from the earthquake

#### Accommodation



- Temporary decrease in demand caused by the cancellations from general travelers
- Increase in demand from media, communication companies, insurers and other construction related workers

#### Banquet



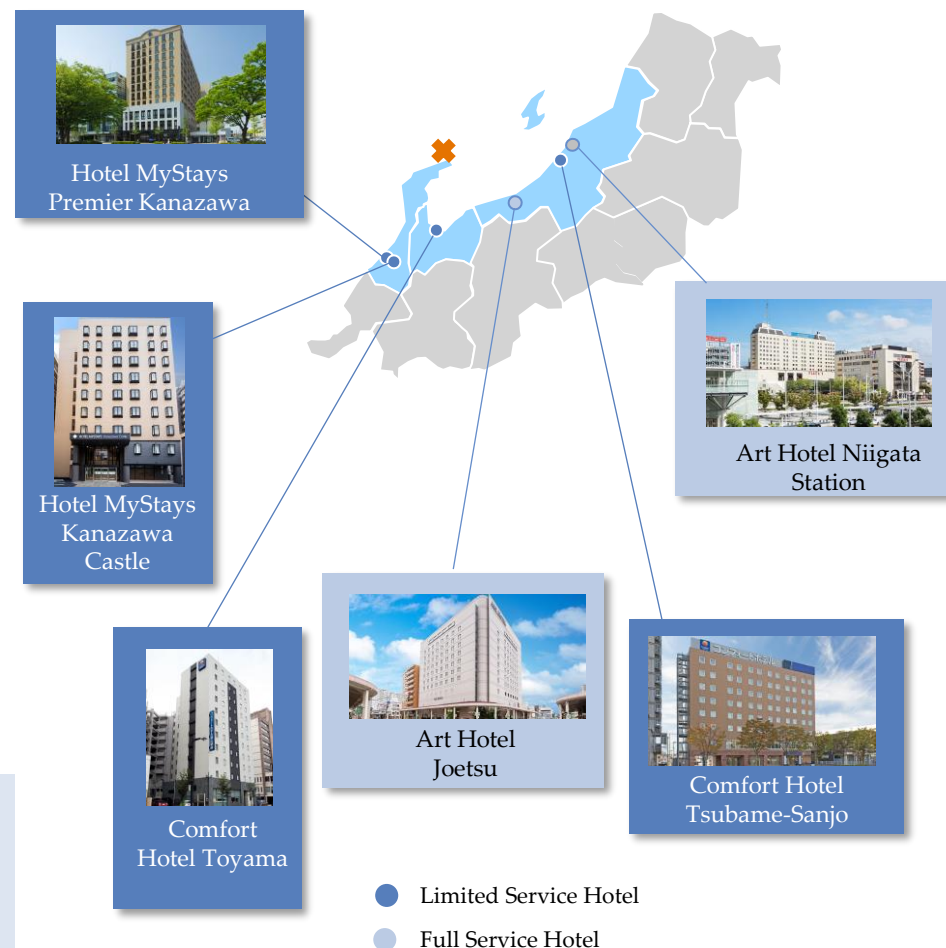
- Temporary decrease in demand due to the voluntary restraint from organizing new events/parties in addition to the cancellations caused by the earthquake

#### Facilities



- Some increase in maintenance cost, CAPEX and depreciation expenses due to damage to the facilities and equipment is expected

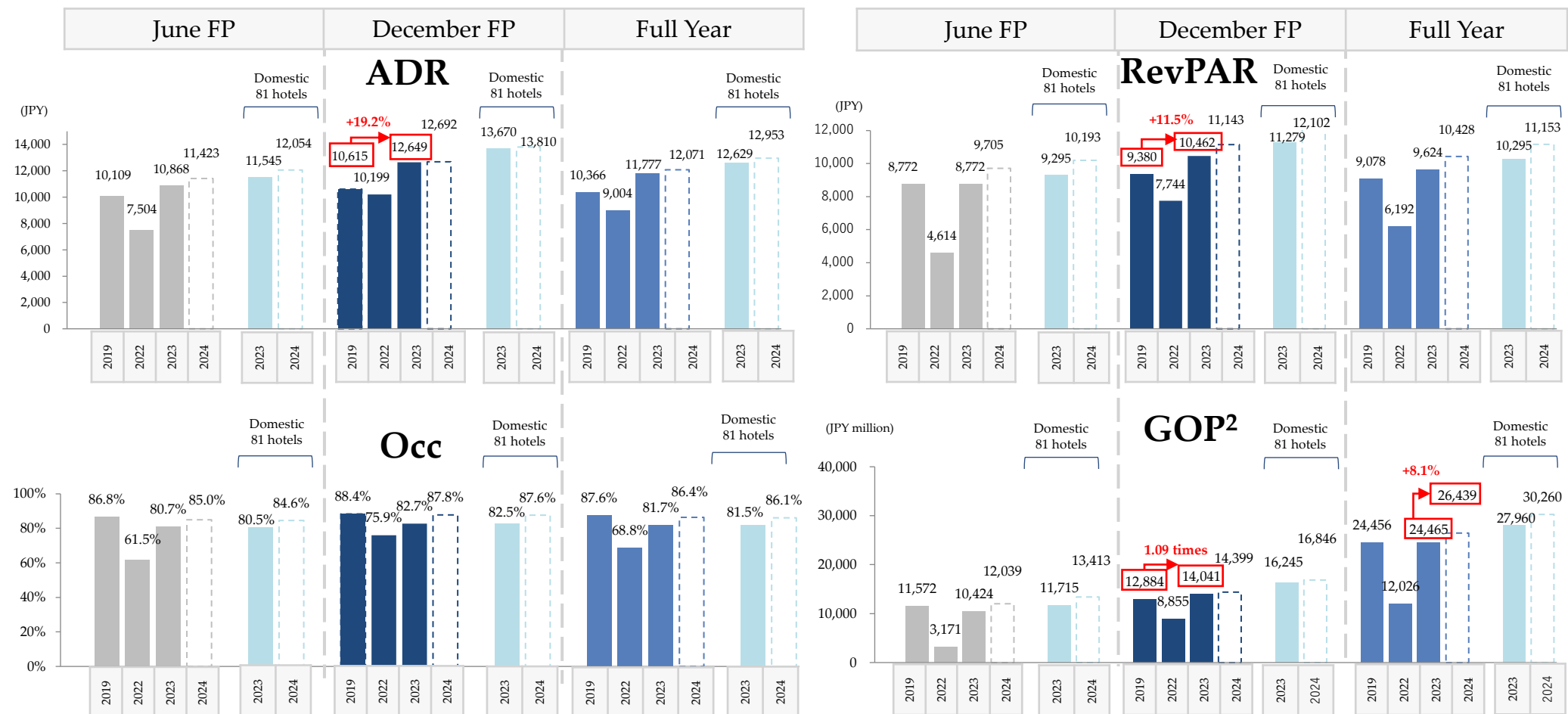
- Expect almost no impact from the earthquake on the operation of INV's hotels located in the affected areas
- Expect recovery in tourism demand from the "Hokuriku Support Discount" program which subsidizes up to 50% of travel costs and extension of the Hokuriku Shinkansen Line



# II-6. Domestic Hotel KPIs (Past Performance and Forecasts for 2024)

- Comparing the KPIs of the 75 domestic hotels owned by INV between this period and the same period in 2019, ADR was 19.2% higher than in the same period in 2019. Although the Occupancy rate is still below the December 2019 FP, RevPAR achieved JPY 10,462, 11.5% higher than the December 2019 FP while GOP increased 1.09 times compared to the same period in 2019
- 2023 full year Occupancy is still 5.9 points lower than that of 2019, however all other KPIs all exceeded the 2019 full year level
- No impact from Covid-19 is expected in 2024, and annual GOP is expected to increase by approximately 8% in 2024 compared to 2023

Domestic 75 hotels<sup>1</sup> (excluding those described as “Domestic 81 hotels”)



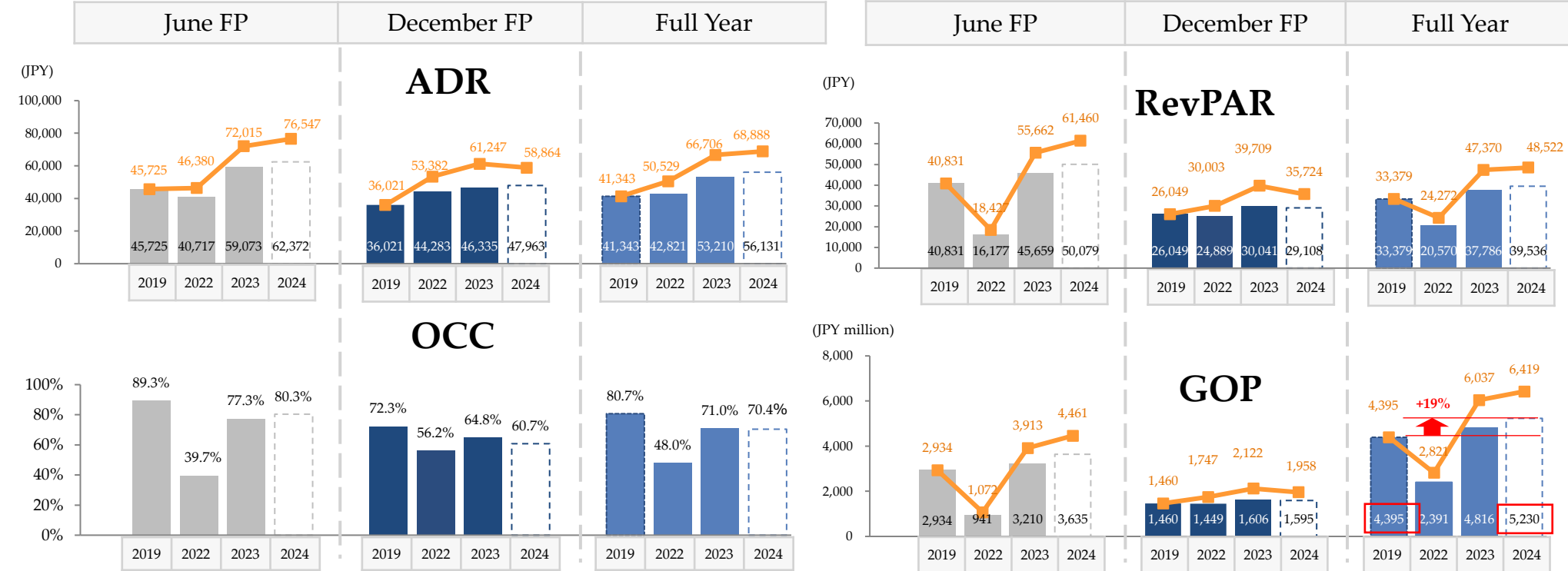
(Note 1) Simulated KPI based on 75 hotels; of the 84 domestic hotels (including Sheraton Grande Tokyo Bay Hotel, the underlying asset of preferred equity interest held by INV) owned at the beginning of the December 2023 FP, nine hotels with fixed-rent lease agreements are excluded, assuming all properties were owned since the beginning of 2019. The performance for the pre-acquisition period, which is based on actual results provided by sellers with certain adjustments assuming INV owned them, are subject to change caused by the adjustments based on differences in accounting treatments, since it is difficult to adjust them due to the timing even if the figures are based on actual performance. In calculating the GOP, added the 49% of GOP for Sheraton Grande Tokyo Bay Hotel, which means INV's pro rata portion of the amount of JV TMK's preferred equity owned by INV. The rent paid for APA Hotel Yokohama-Kannai, is regarded as GOP of the hotel. Furthermore, among the nine hotels excluded, the contract with the major tenant TOKYU HOTELS CO., LTD. for "Takamatsu Tokyu REI Hotel" has been modified to "fixed-rent plus variable rent" since April 25, 2023. However, from the viewpoint of the continuity of data, it is treated as a hotel with fixed rent and continues to be excluded. The same shall apply hereinafter. Domestic 81 hotels; the above 75 hotels plus the six hotels acquired in August 2023.

(Note 2) The GOP for the period from June 2020 FP to December 2022 FP includes the employment adjustment subsidies received by the operator, and there is a slight discrepancy with the previous disclosure since the amount was not finalized. There is no change in the variable rent for each fiscal period due to the confirmation of the amount received

II-7. Cayman Hotel KPIs (Past Performance and Forecasts for 2024)

- KPIs other than occupancy exceeded the December 2019 FP this period
- 2024 full year GOP (US dollar based) is expected to be 19% higher than 2019 and is expected to increase 8.6% over the previous year. In 2024, we will maximize the overall rates and increase GOP by reducing group bookings during peak periods (January-April) and increasing the unit price of transient bookings

Cayman 2 hotels<sup>1</sup>



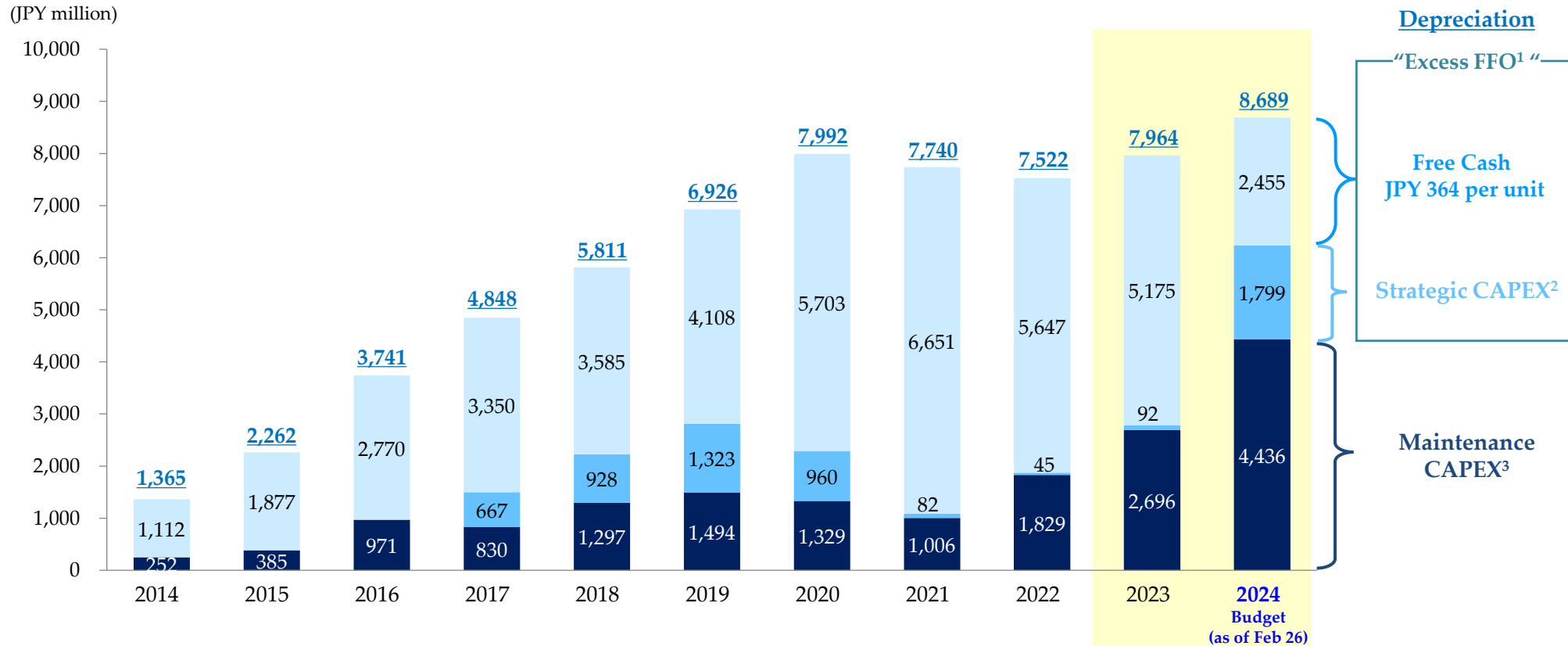
< About ADR, RevPAR and GOP >  
Bar chart = converted into yen using the exchange rate of USD 1 to JPY 110 to eliminate the influence of exchange rate fluctuations  
Line chart (—■—) = converted into yen using the weighted average exchange rate (exchange rates for 2024 are forecast) for each fiscal period. These figures are different from accounting figures

	June FP				December FP				Full Year			
	2019	2022	2023	2024	2019	2022	2023	2024	2019	2022	2023	2024
The weighted average exchange rate (JPY)	110.0	125.3	134.1	135.0	110.0	132.6	145.4	135.0	110.0	129.8	137.9	135.0

(Note 1) Simulated KPI based on 2 Cayman hotels owned as of December 31, 2023, assuming INV owned both properties directly since the beginning of 2019

## II-8. Capital Expenditures and Depreciation

- In 2023, CAPEX of JPY 2,788 million, equivalent to 35% of depreciation, was made mainly for facility renewal projects which had not been implemented due to the Covid-19 pandemic
- In 2024, value adding projects such as renovation work at Sunshine Suites Resort (budget: JPY 1,323 million), room expansion and renovation work at Flexstay Inn Iidabashi (budget: JPY 465 million) are planned proactively in order to achieve a further increase of GOP. Return on capital of 21.4% is expected from the room expansion and renovation work at Flexstay Inn Iidabashi
- In 2024, JPY 6,234 million of CAPEX, equivalent to approximately 70% of the depreciation is planned, including the air conditioner renewal project for the entire APA Hotel Yokohama-Kannai (budget: approximately JPY 355 million) that was shifted from the previous year



Asset Size <sup>4</sup> (JPY million)	117,927	173,815	266,619	353,695	448,362	497,979	502,717	494,766	491,416	548,646	548,646
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(Note 1) Excess FFO is defined as the amount of depreciation minus maintenance CAPEX. The same shall apply hereafter

(Note 2) Strategic capital investment for renovation including guest rooms, banquet rooms, restaurant and others in order to improve the competitiveness / profitability of the hotels

(Note 3) Capital investment which is required to maintain proper values of properties and capital investment for fixtures and furnishings that are necessary for operating hotels

(Note 4) Based on the acquisition price as of the end of the relevant year. After 2017, includes the amount of preferred equity interest contribution by INV to the JV TMK that holds Sheraton Grande Tokyo Bay Hotel (SGTB). The acquisition price of overseas hotels (i) is the amount of TK investment to the SPC which held the leasehold of properties for "2018" and (ii) is the book value of the hotels as of May 9, 2019 for "2019" onward, which are converted into JPY amount via the forward exchange rate of USD 1=JPY 110.45 based on the foreign exchange forward implemented in connection with the original TK investment in the Cayman SPC (contract thereof was entered into on July 26, 2018 and implemented on September 26, 2018)

# III. Summary of Properties Acquired in August 2023

## III-1. Summary of Properties Acquired

- Acquired six domestic hotels for a total acquisition price of JPY 57.2 billion at a simulated 6.0% NOI yield
- Fusaki Beach Resort Hotel & Villas, which accounts for approximately 70% of the acquisition price, is one of the leading resort hotels in Japan, boasting 398 rooms, a site area of 10.8 hectares, fronted by a 1km-long beach. The hotel is the largest flagship property in INV's portfolio in terms of asset size (based on acquisition price)

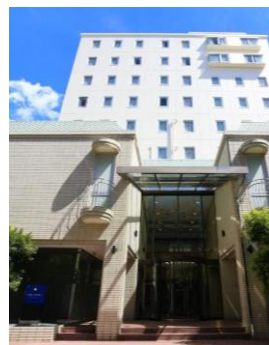
Property Name	Location	Type	No. of Rooms	Acquisition Price <sup>1</sup> (JPY million)	Appraisal Value <sup>2</sup> (JPY million)	2023 NOI <sup>3</sup> (Before Depreciation) (Simulated) (JPY million)	2023 NOI Yield <sup>3</sup> (Before Depreciation) (Simulated)
<b>MHM Managed Hotels</b>							
Fusaki Beach Resort Hotel & Villas	Ishigaki-shi, Okinawa	Resort	398	40,293	40,700	2,303	5.7%
Tateshina Grand Hotel Takinoyu	Chino-shi, Nagano	Resort	160	8,365	8,450	581	6.9%
Hotel MyStays Okayama	Okayama-shi, Okayama	Limited Service	145	2,613	2,640	136	5.2%
Hotel MyStays Aomori Station	Aomori-shi, Aomori	Limited Service	132	2,445	2,470	172	7.1%
Hotel MyStays Soga	Chiba-shi, Chiba	Limited Service	112	2,039	2,060	121	6.0%
Tazawako Lake Resort & Onsen	Semboku-shi, Akita	Resort	80	1,475	1,490	114	7.7%
<b>Total / Average</b>			<b>1,027</b>	<b>57,230</b>	<b>57,810</b>	<b>3,429</b>	<b>6.0%<sup>4</sup></b>



Fusaki Beach Resort Hotel & Villas



Tateshina Grand Hotel  
Takinoyu



Hotel MyStays Okayama



Hotel MyStays  
Aomori Station



Hotel MyStays Soga



Tazawako Lake  
Resort & Onsen

(Note 1) Acquisition Price shows purchase price set forth in the purchase and sale agreement and does not include adjustments for property taxes, city planning taxes, or national or local consumption taxes

(Note 2) As of June 1, 2023

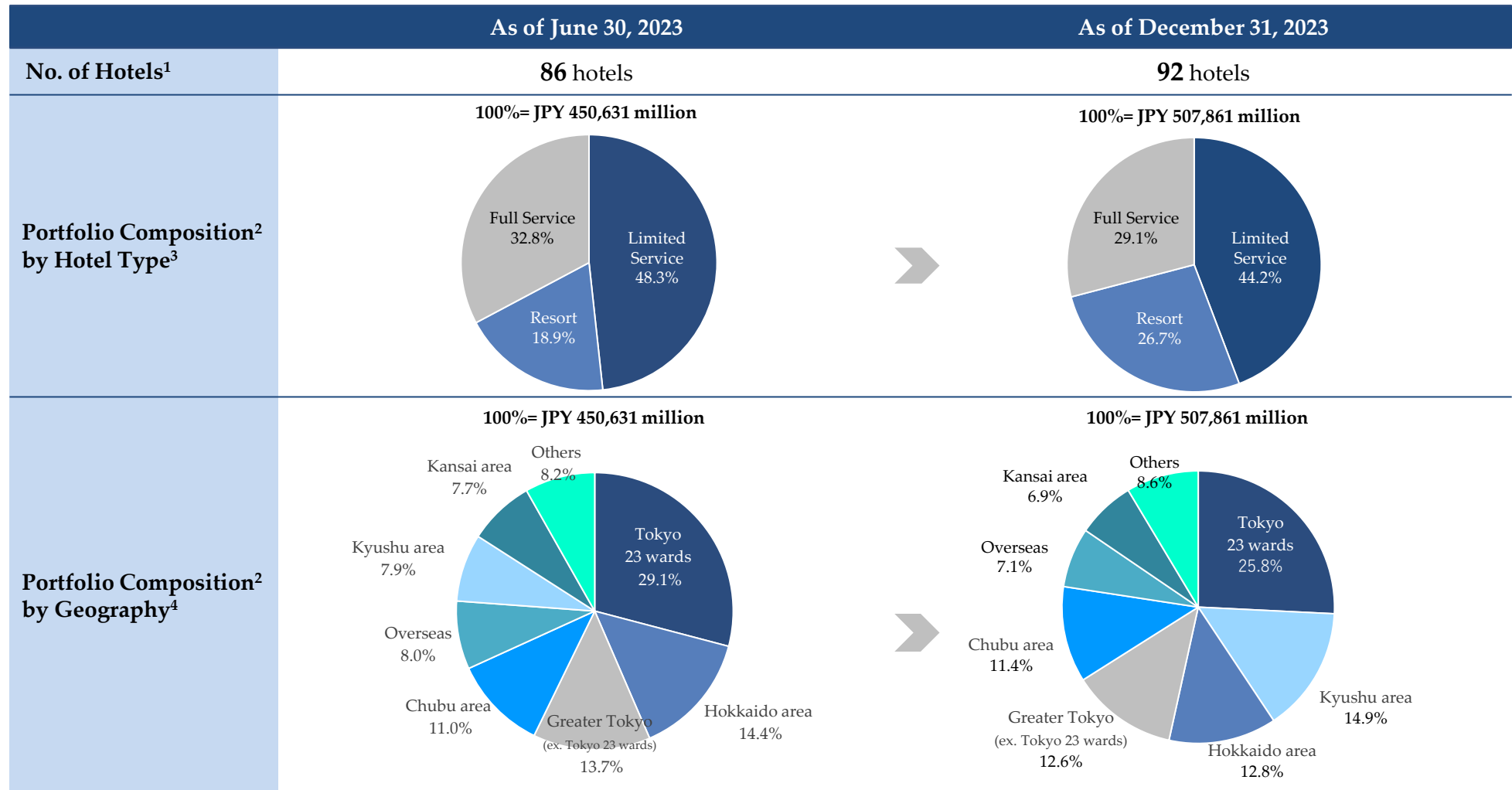
(Note 3) Calculated by combining the actual monthly performance from Jan. to May 2023 and anticipated monthly performance from Jun. to Dec. 2023 estimated by INV when the acquisition was decided. Pre-acquisition performance is based on actual results provided by sellers and adjusted to reflect trust fees and insurance premiums assuming the properties had been held by INV

(Note 4) The average is a weighted average for NOI Yield



## III-2. Change in Hotel Portfolio

- INV's hotel portfolio, which is the largest among J-REITs, reached JPY 507.8 billion in size by expanding investments in domestic resort hotels
- Aiming to capture domestic and overseas resort demand that is expected to increase as the Covid-19 pandemic diminishes



(Note 1) The amount of preferred equity interest contribution by INV to the JV TMK is counted according to the number of properties of underlying assets

(Note 2) Based on acquisition price and acquisition price of SGTB interest in INV's portfolio is calculated by applying the amount of preferred equity interest contribution by INV to the JV TMK. The acquisition price of overseas hotels is the book value of the hotels as of May 9, 2019 when INV acquired the leaseholds of the properties, etc. related to the overseas hotels as dividend in kind in line with the termination of the SPC contract, which were converted into a JPY amount via the forward exchange rate of USD 1=JPY 110.45. The amount of preferred equity interest contribution by INV to the JV TMK is based on the property type or location of the underlying asset

(Note 3) Full service hotels are, in general, hotels that have both restaurant facilities providing breakfast, lunch and dinner (including meals provided by reservation) and meeting facilities that can be used for banquet services. We categorize all hotels other than full service hotels as limited service hotels (except for limited service hotels that are classified as resort hotels, as described below). Resort hotels are hotels located in areas where a substantial number of guests stay for sightseeing or recreational purposes and includes both full service hotels and limited service hotels. With respect to a hotel that falls within the definition of both a full service hotel and a resort hotel, we categorize the hotel as a full service hotel if it has substantial demand for meeting room, banquet service, wedding service or food and beverage service (including demand from non-staying guests) and as a resort hotel in all other cases. With respect to a hotel that falls within the definition of both a limited service hotel and a resort hotel, we categorize the hotel as a resort hotel

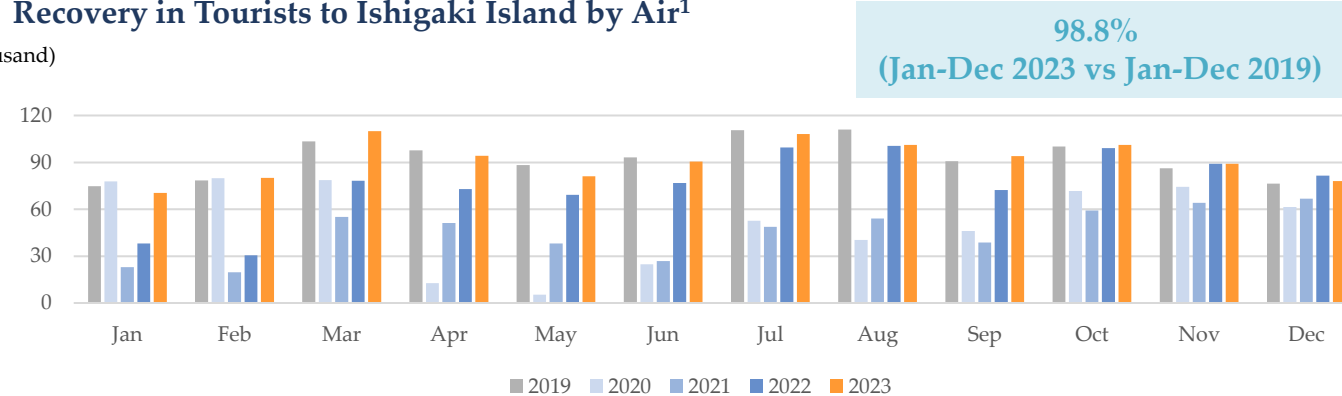
(Note 4) Defined as follows: Greater Tokyo (ex. Tokyo 23 wards) is Tokyo (ex. Tokyo 23 Wards), Kanagawa, Chiba and Saitama. Kansai area is Osaka, Hyogo, Kyoto, Shiga, Wakayama and Nara. Chubu area is Aichi, Gifu, Mie, Shizuoka, Nagano, Yamanashi, Niigata, Toyama, Ishikawa and Fukui. Kyushu area is Fukuoka, Kumamoto, Kagoshima, Nagasaki, Oita, Miyazaki, Saga and Okinawa

### III-3. Actual KPI of the Properties Acquired in August 2023: Fusaki Beach Resort Hotel & Villas

- The number of tourists to Ishigaki Island by air achieved almost the same level of that of 2019 although international flights could not be resumed due to a shortage of airport security screeners
- Despite the typhoon that caused a temporary decline in occupancy rate in August 2023, Fusaki Beach Resort Hotel & Villas still produced JPY 2.36 billion of GOP in 2023 which was only 0.3% below the stabilized appraisal GOP in year four
- For domestic demand, implemented room control during the peak season to keep high occupancy rate. In 2024, aim to acquire repeat customers and fans of the hotel by proposing new ways of enjoying stays at the hotel during the low season when occupancy rate declines. For inbound demand, strive to capture demand through sales activities from inbound agents in Taiwan and Hong Kong considering the resumption of the international flights

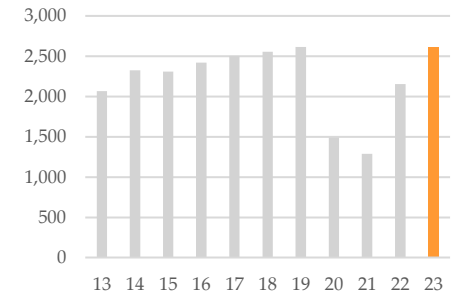
#### Recovery in Tourists to Ishigaki Island by Air<sup>1</sup>

(thousand)



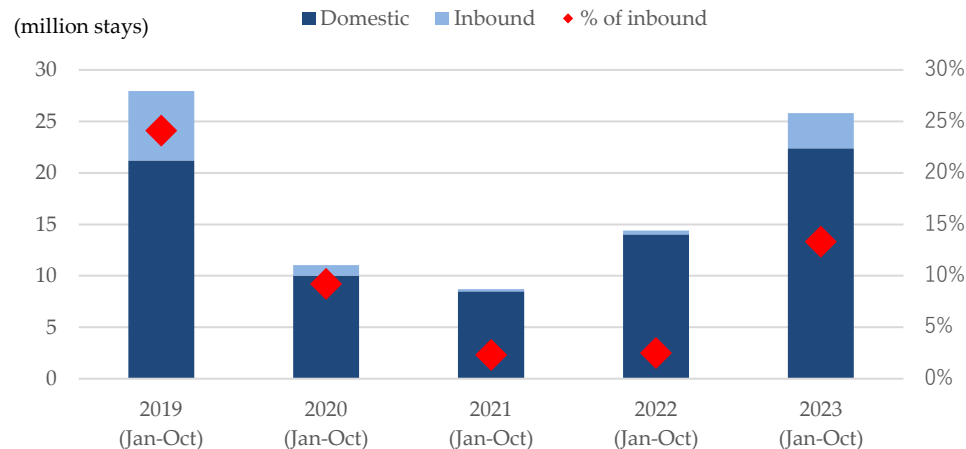
■ The Number of Passengers using New Ishigaki Airport<sup>2</sup>

(thousand)



#### Number of Overnight Stays in Okinawa<sup>3</sup>

(million stays)



#### Actual KPI of Fusaki Beach Resort Hotel & Villas<sup>4</sup>

	2023 Actual	Year 4 (stabilized base from appraisal)	Difference
OCC	75.2%	82.0%	-6.8pt
ADR (JPY)	41,952	41,500	+1.1%
RevPAR (JPY)	31,561	34,030	-7.3%
GOP (JPY million)	2,363	2,371	-0.3%

(Note 1) Source: Ishigaki City Tourism Culture Division

(Note 2) Prepared by Asset Manager based on MLIT's Airport Management Situation Report

(Note 3) Prepared by Asset Manager based on MLIT's Overnight Travel Statistics Survey

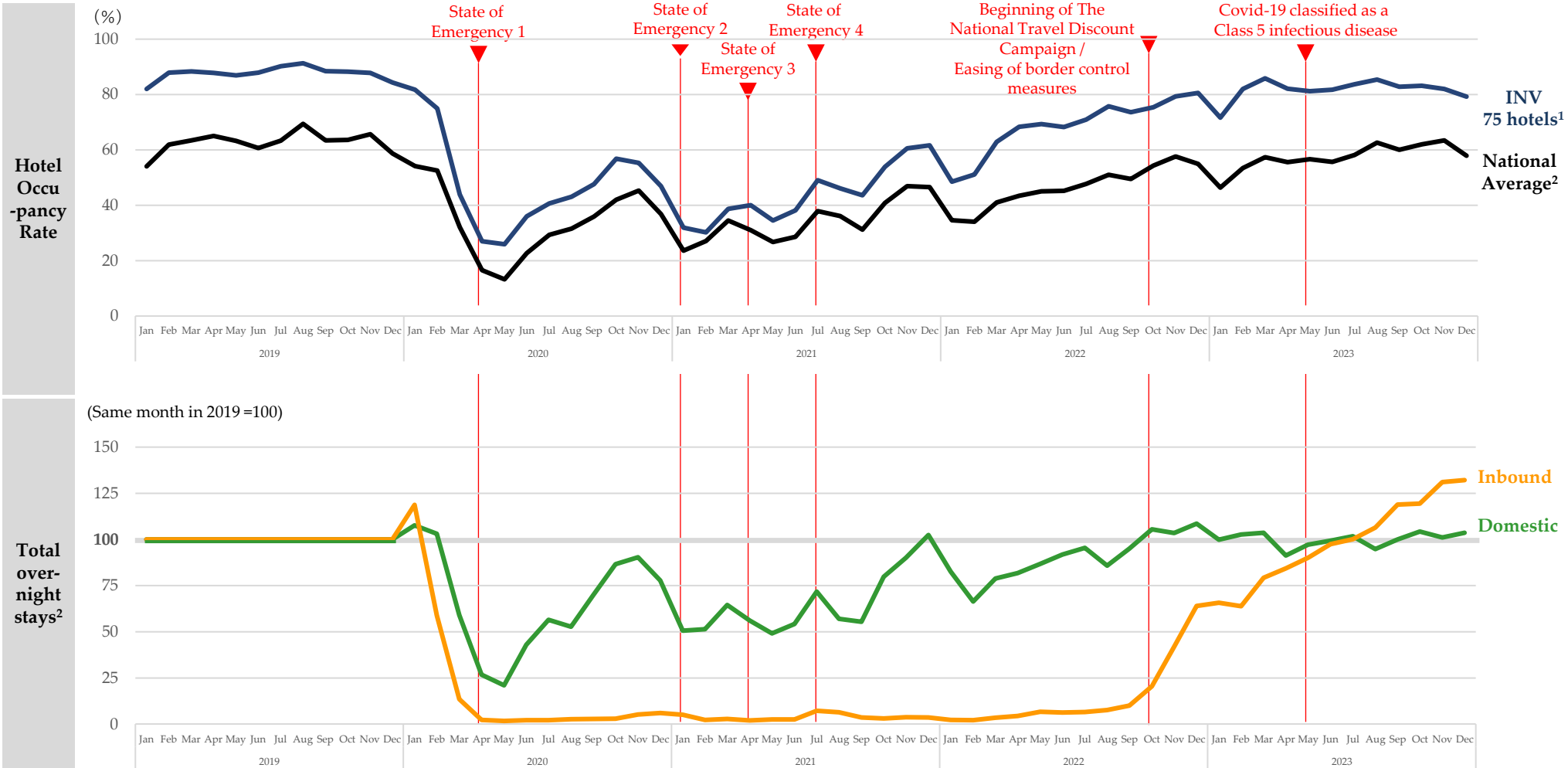
(Note 4) The performance for the pre-acquisition period is based on actual results provided by sellers with certain adjustments assuming INV owned them



# IV. Status of Hotel Operations and Market

## IV-1. Situation in Japan and Changes in INV's Hotel Occupancy Rate

- The occupancy rate of INV's domestic 75 hotels continues to outperform the national average
- The number of Japanese total overnight stays in 2023 reached almost the same level as in 2019 and exceeded the same month in 2019 from October
- The number of inbound total overnight stays, stagnant during the pandemic period, showed significant development achieving 132% of the December 2019 level in December 2023 after the easing of border control measures, driven by the yen depreciation and other factors



(Note 1) Simulated KPI based on 75 hotel properties; of the 84 domestic hotel properties (including Sheraton Grande Tokyo Bay Hotel, the underlying asset of preferred equity interest held by INV) owned as of the beginning of the December 2023 fiscal period, 9 hotels with fixed-rent lease agreements are excluded, assuming all properties were owned since the beginning of 2021. The performance for the pre-acquisition period, which is based on actual results provided by sellers with certain adjustments assuming INV owned them, are subject to change caused by the adjustments based on differences in accounting treatments, since it is difficult to adjust them due to the timing even if the figures are based on actual performance

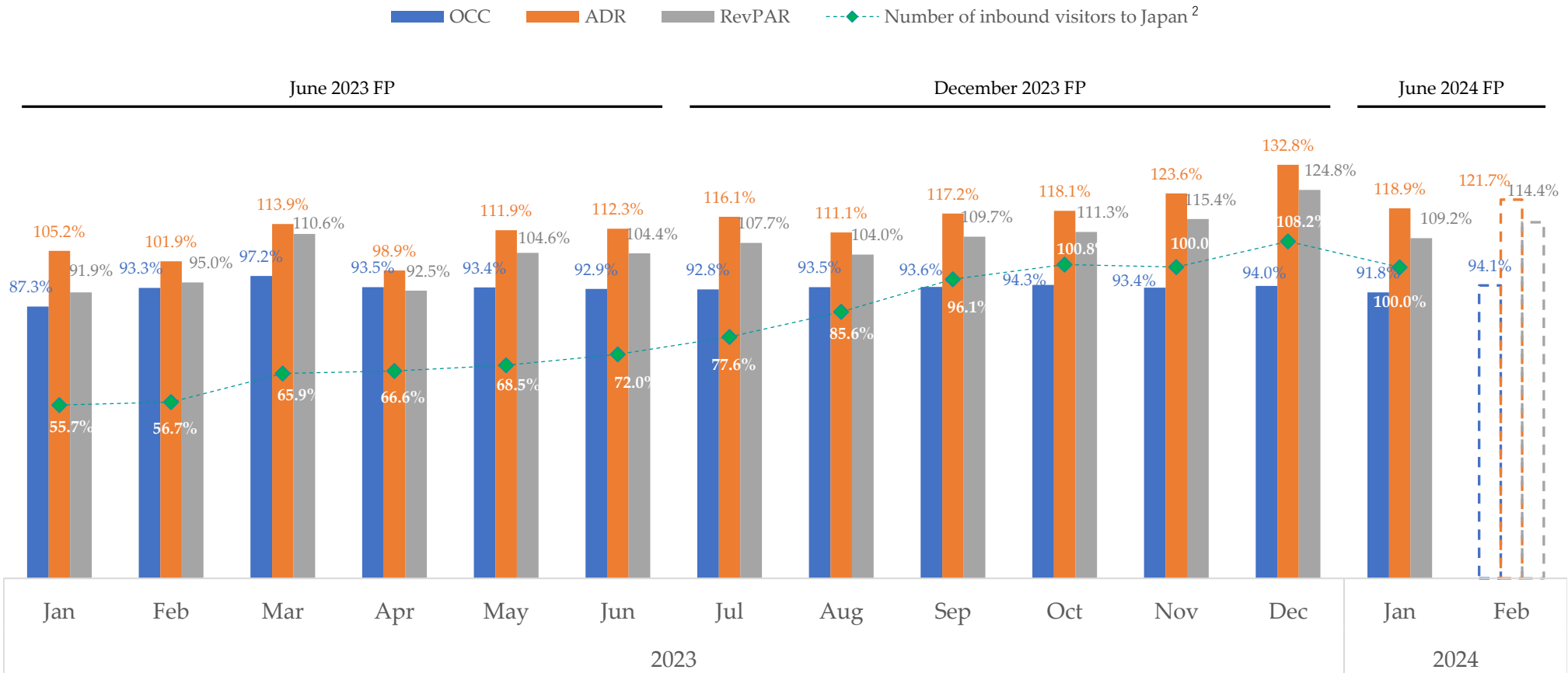
(Note 2) Source: Source: MLIT The figures for December 2023 are the first preliminary figures and January 2023 – November 2023 are the second preliminary figures which may change in the future.

## IV-2. Recovery Trends in KPIs for INV's 75 Domestic Hotels

- Occupancy rate for each month during the December 2023 FP remained near the 93% level compared to the same month in 2019, a result similar to the end of the June 2023 FP
- On the other hand, ADR in this Period showed steady growth compared to the same month in 2019, driven by the recovery of inbound tourism, and reached 132.8% in December 2023 compared to the same month in 2019
- The number of inbound visitors in the 4Q (October – December) 2023 exceeded the same period in 2019 by 3.0 % and was generally at the same level in January 2024 compared to the same month in 2019

### Recovery Trends in KPIs from January 2023 to February 2024: 75 Hotels in Japan<sup>1</sup>

Percentages represent KPIs as a percent of 2019 KPIs of the same month (100% = 2019)



(Note 1) Calculated based on 75 hotel properties; of the 84 domestic hotel properties (including Sheraton Grande Tokyo Bay Hotel, the underlying asset of preferred equity interest held by INV) owned at the beginning of the December 2023 FP, nine hotels with fixed-rent lease agreements are excluded, assuming all properties were owned since the beginning of 2019. The performance for the pre-acquisition period is based on actual results provided by sellers with certain adjustments assuming INV owned them

(Note 2) Source: "Statistics of the Inbound Visitors to Japan", Japan National Tourism Organization (JNTO)

- Acquiring diverse client demand through proactive sales proposals and different types of plans through enhancement of the proposal capabilities in line with the expansion of the MHM chain, and following-up on the increased business activities of companies in the post Covid-19 period
- Increased number of sales staff focused on inbound travel from China and Taiwan. For other Asian countries, proactively worked to capture inbound demands through various activities such as sales follow-up to agents

## Initiatives implemented in the December 2023 FP

### Initiatives in the post Covid-19 period

- Conducted joint intensive sales activities by corporate sales team at the company headquarter and local sales teams in eight areas of Japan to strongly promote a return to hotel banquets to stimulate the rapid recovery of the banquet bookings.
- Observed steady growth of the meetings organized with banquets despite the slow pace. Sales from meetings and banquets in the December 2023 FP were 108% and 90% compared to the same period in 2019, respectively. Sales from banquets in the June 2024 FP are forecasted to be 102% of the December 2023 FP as this trend is expected to continue in 2024.
- Delivery and take away service offered at 15 hotels owned by INV account for 5.3% of restaurant sales at those hotels, showing the existence of stable demand. As such, the service will be continued.

(target: INV's 18 hotels)

	Sales from meetings (JPY thousand)	Sales from banquets (JPY thousand)
Dec 2019 FP	455,994	1,214,682
Dec 2023 FP	492,978	1,096,530
Jun 2024 FP (forecast)	479,169	1,119,058

### Initiatives for expansion and enhancement of client base

- Enhanced sales capability to local agents by increasing number of inbound sales personnel in charge of China and Taiwan. In addition, captured inbound demand mainly in Asia through implementing sales follow-up to agents dealing with Korea, Indonesia and Vietnam.
- Review of the strategy to obtain group customers: restart the activities suspended during Covid-19 such as face to face sales activities to domestic operators, overseas business trips to meet international agents and participation in trade fairs in and outside of Japan, etc.

### Sales expansion through proactive proposal-based marketing

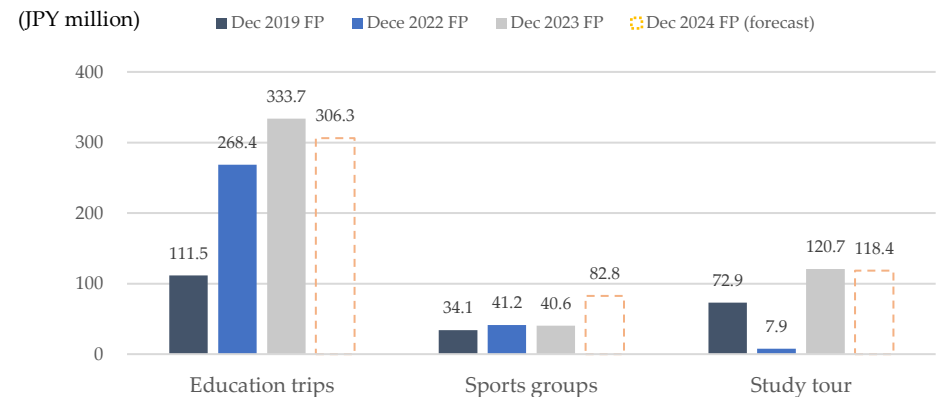
- Demand in accommodation for corporate interns which usually peaks in February and August is becoming a year-round demand and strong booking trends continue to be observed driven by the favorable hiring sentiment.

	Demand for accommodations for interns	Demand for accommodations for mid-career hires
Dec 2023 FP	JPY 20,171 thousand 9 hotels	JPY 50,439 thousand 15 hotels
Booking in 2024 (as of 25 Jan 2024)	JPY 5,994 thousand 6 hotels	JPY 37,856 thousand 6 hotels

For the mid-career hires, annual bookings until December 2024 are confirmed at MS Kameido. Continue to aggressively market proposals to companies to capture demand.

- Acquired new accommodation contracts from five airlines at five INV hotels with the recovery of domestic and international flight operations. For existing contracts, succeeded unit price increase at the timing of contract extension.
- “Study Tour1” orders from overseas in 2023 are approximately 194.2% of 2019 due to enhanced proposal capabilities at MHM. Orders received for 2024 are 1.6 times higher than the 2019 annual level (as of February 9, 2024).

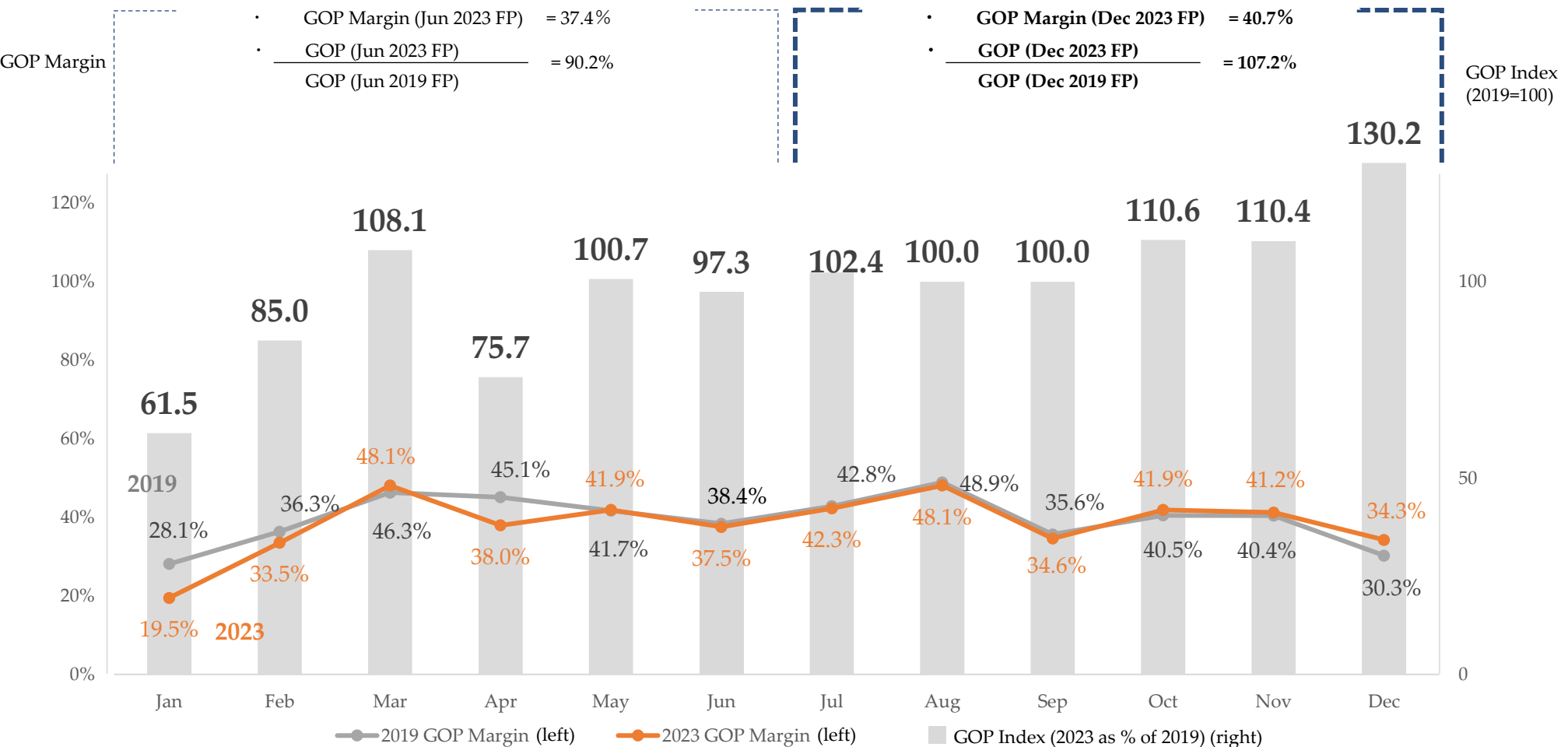
### Changes in sales of various plans at 73 INV-owned hotels (examples)



(Note 1) Tours for students and teachers from overseas to learn about Japanese culture and environment

# IV-4. Change in GOP for 73 Hotels Managed by MHM

- GOP margin<sup>1</sup> of domestic 73 hotels managed by MHM increased to 40.7% this period from 37.4% in the previous period through continued strategies to maximize GOPPAR (GOP Per Available Room)
- The GOP and GOP margin in and after October 2023 recovered almost to 2019 levels while absorbing cost increases
- In an effort to minimize the impact of cost increases for utilities, food, and other expenses, MHM meticulously sets prices for each hotel based on aspects of daily demand forecast such as the number of guests per room, unit price per guest, cost of goods, and other factors



(Note 1) GOP / total sales; hereinafter the same

## IV-5. MHM: Future Outlook and Strategy

- Overall inbound demand for 2023 is almost at 2019 levels and the 4Q has exceeded 2019 levels. Most non-Chinese inbound is at or above 2019 levels. Demand is expected to increase based on the weak yen, improvement in transportation infrastructure, and the holding of international events. Overall inbound demand from China is expected to get close to the 2019 level by the time flights switch to the summer schedule, boosted by Chinese New Year travel. In 2024, more recovery is expected to be seen in FIT than in group travel
- Domestic business demand is expected to see a steady increase in business travel demand due to an increase in face-to-face business meetings and events, while the impact on new work styles is seen to be spreading
- Domestic leisure demand is expected to further increase due to the resumption of events and the resumption/extension of travel discount campaigns in some prefectures
- No major issues have occurred in hiring staff. MHM plans to continue hiring graduates from “Narita Hospitality Academy”

	Assumption of Domestic Demand		Assumption of Inbound Demand	
	Leisure	Business	Leisure	Business
<b>Outlook for June 2024 FP</b>	<ul style="list-style-type: none"> <li>✓ The demand is expected to further increase due to the resumption of events and the resumption/extension of travel discount campaigns in some prefectures. Strong demand can be expected at the same level as in 2023</li> </ul>	<ul style="list-style-type: none"> <li>✓ Continuing increase in face-to-face business meetings and events is anticipated despite the spread of new ways of working. Demand for business trips is expected to steadily increase</li> </ul>	<ul style="list-style-type: none"> <li>✓ Demand is expected to increase due to the weak yen, development of tourist sites, improvement in transportation infrastructure, and international events. However, airport ground crew shortages may limit an increase in flights</li> <li>✓ Overall inbound demand from China is expected to get close to the 2019 level by the time flights switch to the summer schedule, boosted by Chinese New Year travel</li> </ul>	<ul style="list-style-type: none"> <li>✓ Since face-to-face is still appreciated despite the spread of new ways of working and new technology, an increase in international business meetings and events are anticipated</li> <li>✓ The volume of business travel is expected to remain 80-90% of the 2019 level due to the further spread of remote work in some industries</li> </ul>
<b>Outlook for December 2024 FP Onwards</b>	<ul style="list-style-type: none"> <li>✓ Same as the June 2024 FP</li> </ul>	<ul style="list-style-type: none"> <li>✓ Further growth of demand is expected</li> </ul>	<ul style="list-style-type: none"> <li>✓ The recovery of demand from Chinese group travel is expected to recover between summer and National Day of China due to delays in visa issuance, insufficient supply of flights, and changes in appetite for travel</li> </ul>	<ul style="list-style-type: none"> <li>✓ Same as the June 2024 FP</li> </ul>

### Future Strategy

- For domestic demand, MHM plans the use of new channels on top of existing OTAs and a loyalty program where the members of Accordia Golf’s loyalty program can use their points and vice versa. MHM is also considering such initiatives to capture demand from diverse segments as accommodation plans cooperating with local tourist sites and gourmet fairs at MHM’s full service hotels
- For inbound, MHM has increased the number of hotels using GDS<sup>1</sup> (Global Distribution System), a new sales channel introduced in October 2022, from 51 (as of June 30, 2023) to 59 hotels (as of February 9, 2024) and plans to further increase the number. In addition, it plans to enrich multilingual digital content
- In terms of securing staff, one of MHMs strong points is the recruitment of new graduates, which continued even during the Covid-19 pandemic period. The number of total hires including new graduate in 2023 was 707<sup>2</sup>, 1.24 times that in 2022. MHM also hired 60 from “Narita Hospitality Academy”, opened in June 2023. MHM plans to continue recruit in 2024

(Note 1) Refers to a dedicated platform that can only be accessed by suppliers, such as airlines, hotels, cruises, and car rentals, who receive reservations, and travel agencies that place reservations  
(Note 2) Total of hires of permanent employees and contract employees

- Continuous corporate sales activities have led to a 1.9 times increase in MICE and banquet sales from the same period last year and a 7.7% increase over the same period in 2019
- New sponsorship with a Rugby League One team “Urayasu D-Rocks” to further strengthen relationships with local companies and related organizations
- Plan to further increase revenues by adjusting room rates in anticipation of an increase in the number of visitors to Fantasy Springs that will be opened in 2024 at Tokyo DisneySea

## Initiatives to Maximize Revenue

### Capture demand for MICE and banquets

- Sales from MICE and banquets were 1.9 times higher in the December 2023 FP compared to the same period last year and 7.7% higher than that of the same period in 2019, while Covid-19 was reclassified as a category 5 infection and demand was gradually returning to normal.
- With strong on-hand bookings (number of confirmed reservations) from January to June 2024, sales from MICE and banquets are expected to be +59.8% over the same period in 2023.
- Although delivery service was terminated along with the shrinking demand, inquiries from group customers led to five orders (JPY 1.4 million in total) in this period.

	Sales from MICE/banquets (JPY million)
Dec 2019 FP	577.8
Dec 2022 FP	322.0
Dec 2023 FP	622.0

7.7% increase

### Weddings

- Continue to hold the Grand Wedding Fair three times a year for couples who have already signed a contract, in an attempt to upsell. The number of participants exceeded that of 2019 by 10-20%. In addition, bridal fairs are organized every weekend for couples who are considering a wedding venue.
- Started to provide a plan where couples can join in an effort for SDGs through wedding. Through this new way of wedding combined with SDGs, plan to differentiate with competitors and enhance up-selling of cuisine.

### Various accommodation packages and promotion (future initiatives)

- Strengthening development and sales of hotel’s travel products through continuous enhancement of relationships with major transport-related agents such as JAL, ANA and JR Tokai. In addition, focus on developing and marketing Tokyo Disney Resort related products that are differentiated from competing official hotels by highlighting the hotel’s unique benefits (discount for parking, upgrading, enabling room designation, etc.).
- Resumed operation of Galleria Café in January 2024. Expand services to capture demand by increasing guest convenience such as increasing the capacity at the Garden Pool by expanding the Main Garden Area and extending summer pool hours for 2-4 weeks.

### Operating Costs

- Hotel operating costs this period increased 11.8% from the same period in 2019 to approximately JPY 5.7 billion, mainly due to increase in labor cost, etc.
- Despite general price pressures, such as increases in consumables, equipment, staffing, electricity and gas rates, as well as the impact of the yen’s depreciation, the hotel continues to increase personnel to improve service capabilities in line with higher occupancy rate driven by the recovery of inbound demand. The hotel will appropriately monitor and manage expenditures and inventory related to procurement of consumables and food items.

## Initiatives to Capture New Demand

### Capture new demand with enhanced relationship with local companies and related organizations

- Started a three-year contract with the Chiba Lotte Marines to provide catering services for the VIP rooms at ZOZO Marine Stadium. Intend to expand capacity of the openair catering venues in 2024.

	# of games	Number of sales	Sales (JPY thousand)
Dec 2023 FP	43	6,318	33,650

- New sponsorship with a rugby team “Urayasu D-Rocks” based in Urayasu city and promoted sales to local guests
- Started to provide a plan “English Table Manners” for school excursions where students can learn table manners in English as the demand is increasing. In addition, with the SDGs program already proposed, aim to capture further demand for school excursions.

### Flight simulator and cabin mockup facility “SKY Experience”

- The “flight simulator” and lodging package plan launched in August 2022, achieved JPY 2.9 million of sales (57 rooms) in the Dec 2023 FP

### Renewal of indoor playground facility “Wizkids”

- On December 23, 2022, the kid’s area “Treasures Island” on the second floor of the OASIS building was renewed and a new kid’s area was opened. This facility, based on the concept of a place where children, who are “masters = wiz” of play, can spend a relaxing time “together = with kids”, was used by 32,787 people (16.7% increase from the previous fiscal period, sales of JPY 26 million, of which 35.3% were visitors) in the December 2023 FP, securing a stable demand. In December 2023, a new “reading area” was opened.

[Overview of the facility ]

Area	Total 538.13㎡ (Maximum capacity including adults and children: 120 people)
Recommended age	1-12 years old
Fee	Children (1-12 years old) 1-hour ¥900 3-hour ¥2,000 Adult (13 years old and over) 1-hour ¥600 3-hour ¥1,400



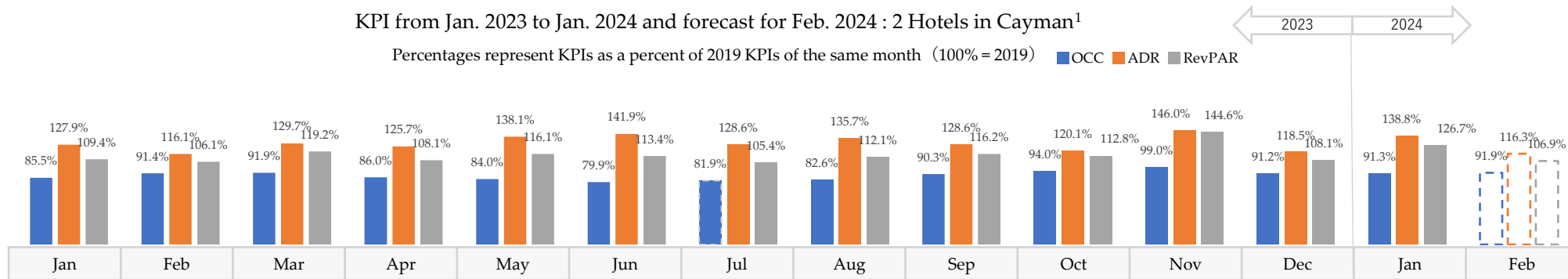


# IV-7. Update of the Status of the Cayman Islands

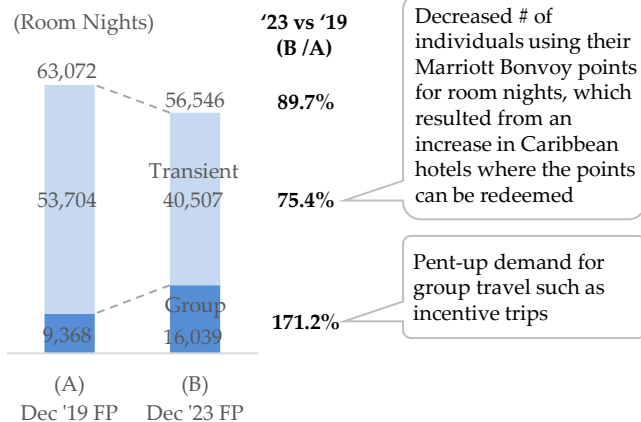
- Lodging demand remained strong in the Cayman Islands through the December 2023 FP, with ADR and RevPAR of the 2 hotels in Cayman exceeding the 2019 level every month
- While group room nights for the December 2023 FP was 171.2% of 2019 level due to pent-up demand for group travel such as incentive trips, average occupancy rate for this period was 64.8%, 7.5 points lower than the same period in 2019. In November, the number of flight arrivals and occupancy rate recovered to 93% and 99% of 2019 level respectively. Further recovery in the number of flights to the Cayman Islands, which decreased during the Covid-19 pandemic period, is needed in order for occupancy rate to stabilize at 2019 level.
- For the December 2023 FP, USD based Management Contract Revenue was \$14.6 million, up 10.0% from the same period in 2019. For the full year of 2023, it was \$43.7 million, up 9.6% from 2019 or up 101.4% from 2022
- With the expectation of an increase in visitors to the Cayman Islands aided by an increase in flights, the Westin expansion plans are still under consideration to pursue further upside. The Caymanian Central Planning Authority ("CPA") has granted conditional approval for the building, but neighboring businesses have filed objections to the CPA. The Westin plans to work with the CPA to address the objections and continue to implement the conditions for the building permit

KPI from Jan. 2023 to Jan. 2024 and forecast for Feb. 2024 : 2 Hotels in Cayman<sup>1</sup>

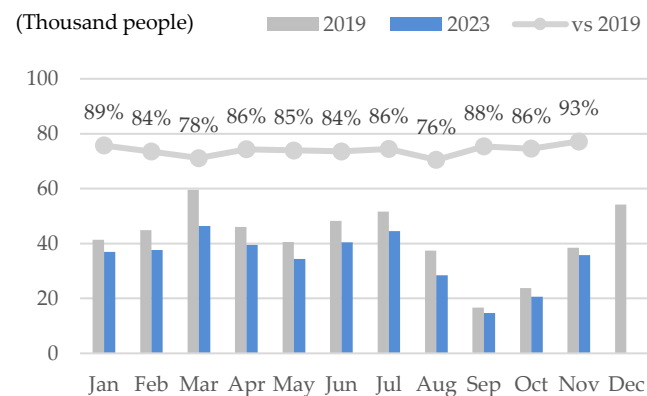
Percentages represent KPIs as a percent of 2019 KPIs of the same month (100% = 2019) ■ OCC ■ ADR ■ RevPAR



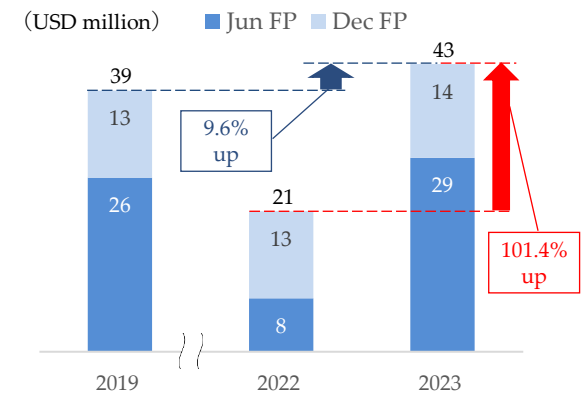
Room Nights of 2 hotels in Cayman



Flight Arrivals<sup>2</sup>



Cayman Hotels' Management Contract Revenue



(Note 1) ADR and RevPAR are calculated based on USD amount  
 (Note 2) Prepared by Asset Manager based on Cayman Islands Department of Tourism



- 10 airlines operate international flights to the Cayman Islands as of February 13. Cayman Airlines increased direct flights from Los Angeles (LAX) from once a week to twice a week from November 2023
- As the shortage of pilots in the U.S. makes it difficult to increase flights, there are moves to alleviate the shortage such as the increase in the number of pilot schools

Airlines Serving the Cayman Islands<sup>1</sup>

Airline	Major Destinations
Air Canada	Toronto (Canada)
American Airlines	Boston, Charlotte, Chicago, Dallas, Detroit, Miami, Philadelphia
British Airways	London (United Kingdom); Nassau (Bahamas)
Cayman Airways	Denver, Miami, New York, Tampa, Los Angeles; Havana (Cuba); La Ceiba (Honduras); Roatan (Honduras); Kingston (Jamaica); Montego Bay (Jamaica)
Delta Airlines	Atlanta, Detroit, Minneapolis
JetBlue Airways	New York, Boston, Fort Lauderdale
Southwest	Fort Lauderdale, Houston, Baltimore
United Airlines	Houston, Newark, Washington D.C., Chicago
WestJet	Toronto (Canada)
Caribbean Airlines	Kingston (Jamaica)

An Example of an Increase in Flights to the Cayman Islands

◇ Until November 7, 2023

Flight	From	To	Frequency
KX480	Grand Cayman	Los Angeles	Saturday
KX481	Los Angeles	Grand Cayman	Sunday



◇ On and after November 8, 2023

Flight	From	To	Frequency
KX480	Grand Cayman	Los Angeles	<u>Wednesday</u> & Saturday
KX481	Los Angeles	Grand Cayman	<u>Thursday</u> & Sunday

Moves to Alleviate the Pilot Shortage in the U.S.<sup>2</sup>

More Candidates for Pilots

- Higher pilot compensation attracts more candidates to the career. As of the end of 2023, there were a total of 280,582 student pilot certificates up by 60,000 from 2020

Pilot Schools Expansion

- ATP, the largest private flight-school chain in the U.S., opened 28 new locations over the past two years, resulting in over 80 centers
- In 2022, University of Oklahoma announced a plan to more than double its student pilot enrollment by expansion of training facilities such as airplanes

Investment by Airlines

- United Airlines has invested USD 100 million in expansion of its training center, which is planned to be completed in 2024
- Delta Airlines opened its pilot school in August 2023

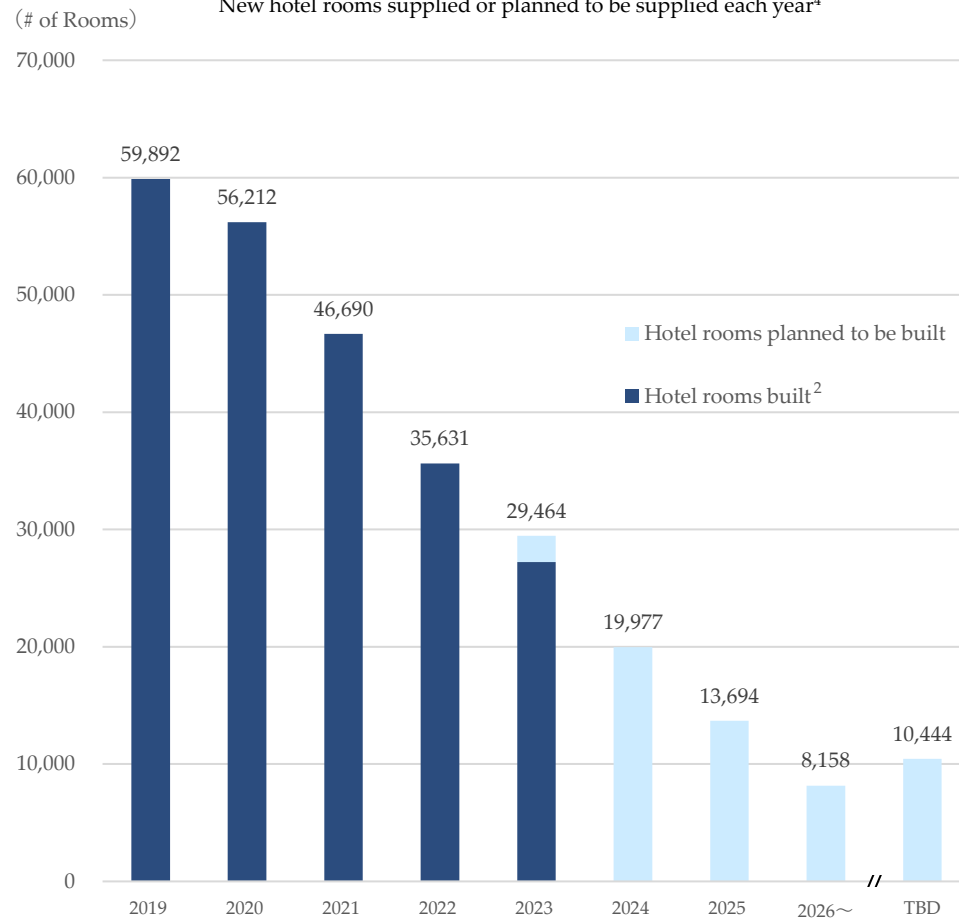
(Note 1) Prepared by Asset Manager based on Cayman Islands Department of Tourism  
(Note 2) Forbes, The University of Oklahoma, Delta Airlines, Halldale Group

# IV-9. Status of New Hotel Development in Japan

- According to a semiannual survey<sup>1</sup> by “Monthly Hotel Restaurant” magazine, actual/planned new supply for each year continues to decline
- However, the number of rooms for new hotel development rebounded in Dec 2023 for the first time since Dec 2019

## The Number of Planned New Hotel Room Supply<sup>2,3</sup>

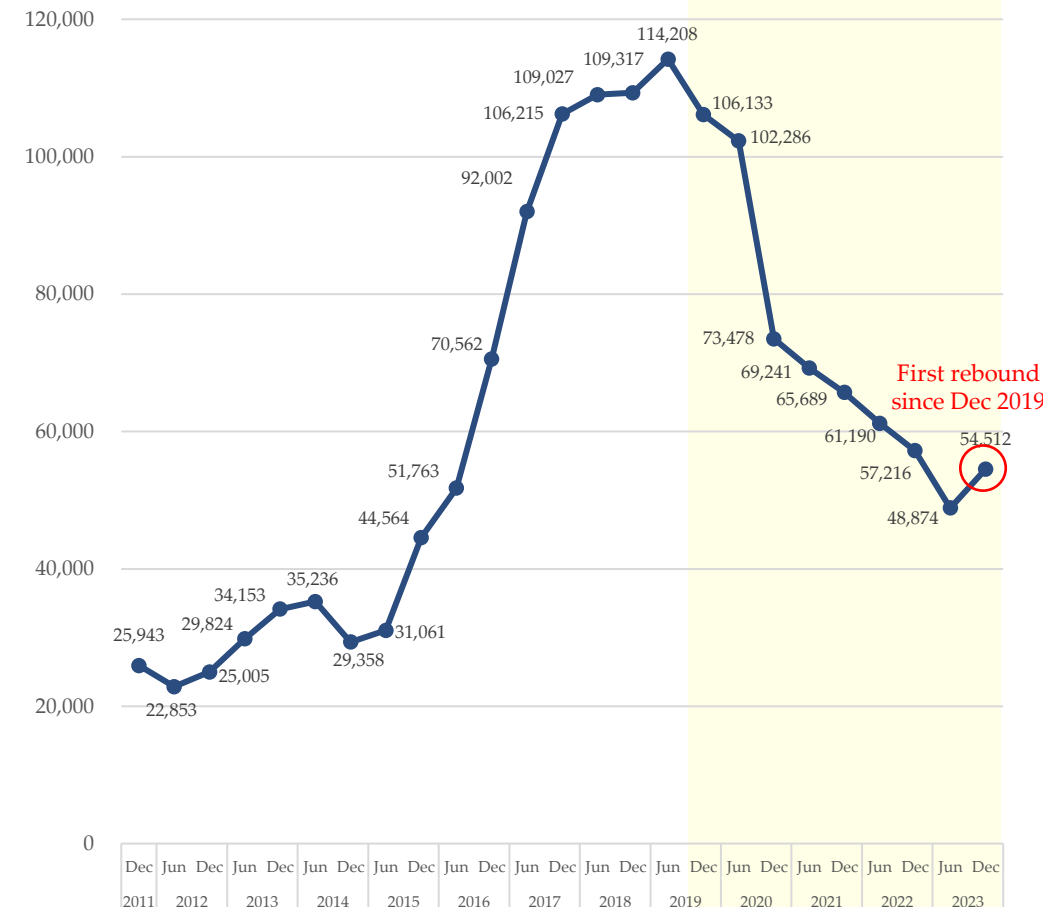
New hotel rooms supplied or planned to be supplied each year<sup>4</sup>



Source: Prepared by Asset Manager based on HOTERES survey and official website of each hotel company

## The Change in the Number of Rooms for New Hotel Development<sup>3</sup>

(# of Rooms)



Source: Prepared by Asset Manager based on HOTERES

(Note 1) Published twice a year in June and December

(Note 2) Based on available information as of December 1, 2023. Newly built hotels with more than 40 rooms are included

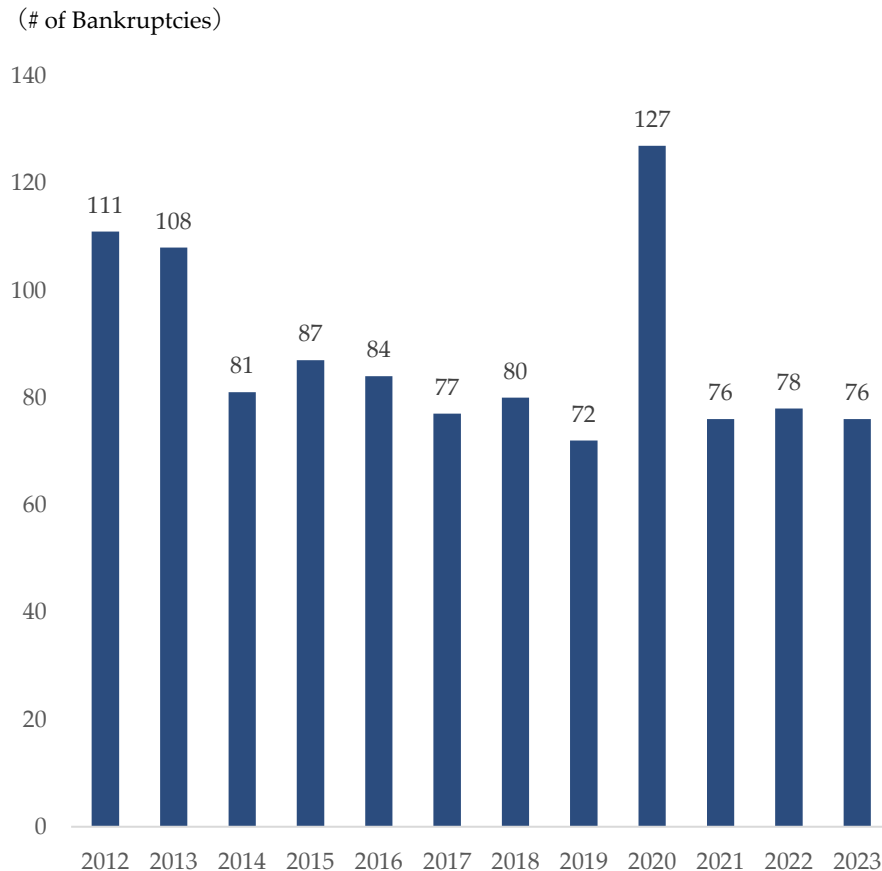
(Note 3) Based on the plans confirmed as of each survey by HOTERES

(Note 4) Hotel rooms planned to be built shown above is based on the plans of surveyed hotel developers as of December 1, 2023. Accordingly, actual new supply may differ materially from the figures shown above

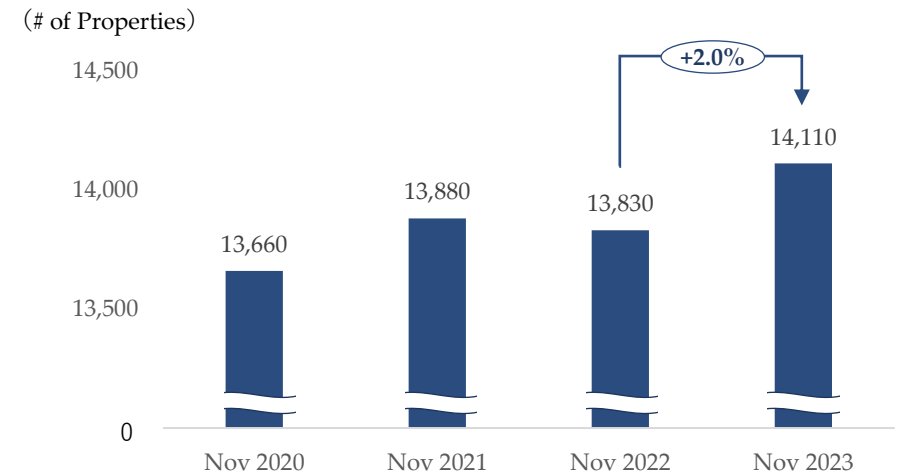
## IV-10. Status of Hotel Stock in Japan

- Amid recovery trends in the overall hotel market, the number of bankruptcies in the hotel industry in 2023 decreased slightly from the previous year
- The number of hotels in Japan increased by 2.0% from November 2022 to November 2023; the City category saw a first decrease after almost three years of consecutive approximately 10% YoY growth

Number of bankruptcies<sup>1</sup> of inn and hotel operators



Change in number of hotels<sup>2</sup>



	Nov 2020		Nov 2021		Nov 2022		Nov 2023	
		YoY		YoY		YoY		YoY
Resort	3,400	+19.7%	3,320	-2.4%	3,200	-3.6%	3,260	1.9%
Business	8,720	+4.9%	8,820	+1.1%	8,720	-1.1%	8,960	2.8%
City	1,540	+10.0%	1,740	+13.0%	1,910	+9.8%	1,890	-1.0%

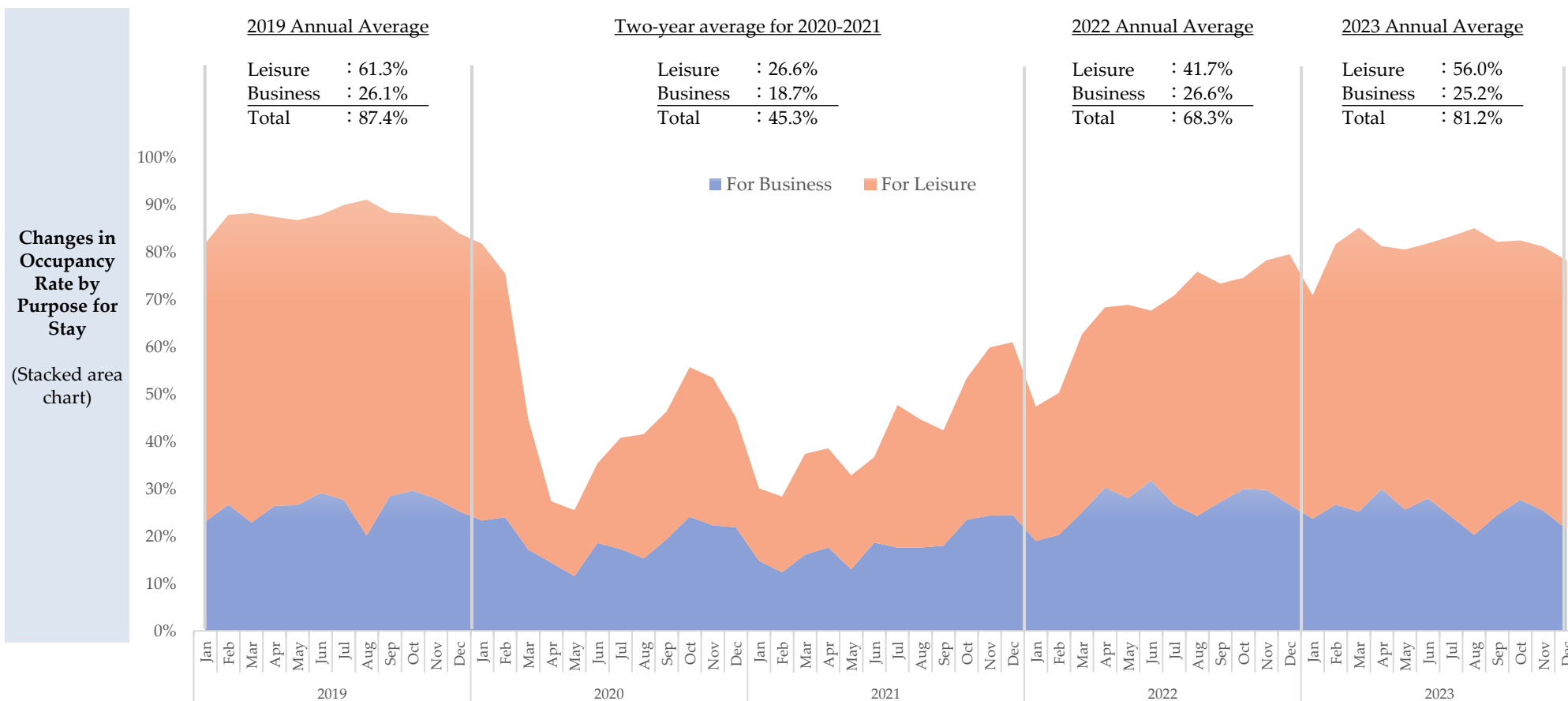
(Note 1) Prepared by Asset Manager based on data from Teikoku Databank. The number of bankruptcies refers only to bankruptcies resulting from legal liquidation procedures (corporate reorganization, civil rehabilitation, bankruptcy, and special liquidation)

(Note 2) Prepared by Asset Manager based on data from MLIT

# IV-11. Trial Calculation: Business vs. Leisure Demand

- Based on the assumptions of this trial calculation, business demand of 73 hotels managed by MHM in 2023 was almost equal to that in 2019
- Leisure demand in 2023 increased by 14 points from the previous year due to the recovery in inbound tourism demand

## Breakdown of Business / Leisure Demand at 73 Hotels managed by MHM<sup>1</sup>



### Premises :

Assumed the number of rooms sold on the days before Saturday, Sunday, and national holiday is leisure demand. As for other days, assumed the number of rooms sold is leisure demand if DOR\* is larger than 2.0, and if DOR is equal or less than 2.0, assumed the number of rooms sold multiplied by [DOR - 1.0] is leisure demand, while the remaining is assumed to be business demand (based on the assumption that all the rooms are used either by one person or two persons)

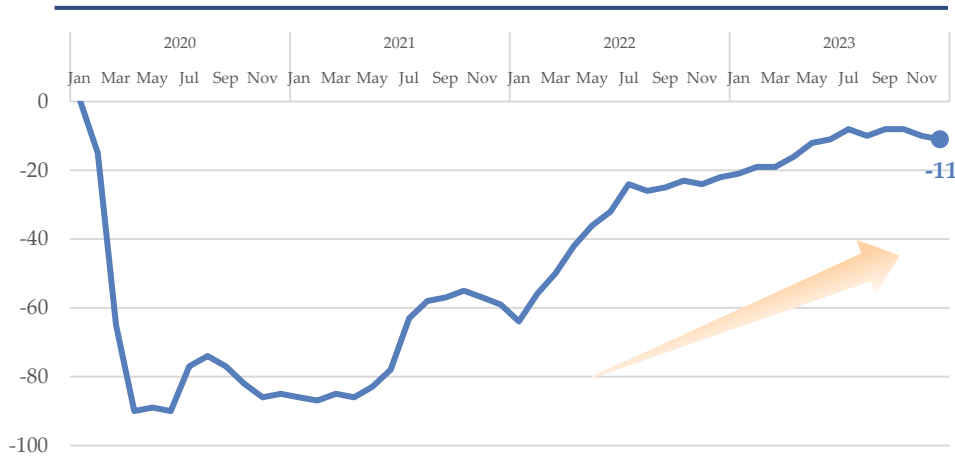
\*Abbreviation of "Double Occupancy Ratio". It is calculated by dividing the number of guests stayed by the number of rooms sold, i.e., an average number of guests per room sold (The same is applied for other pages)

# IV-12. Status of Overseas Travel

- According to the United Nations World Tourism Organization (UNWTO), the number of international tourists in December 2023 recovered to 89% of the same month in 2019
- By region, international airline seat volume has recovered to 106% of November 2019 levels in the Americas and 98% in Europe, although Asia-Pacific's has been slow to return
- The U.S. Hotel RevPAR Index continued to be above 2019 for many weeks due to high ADR

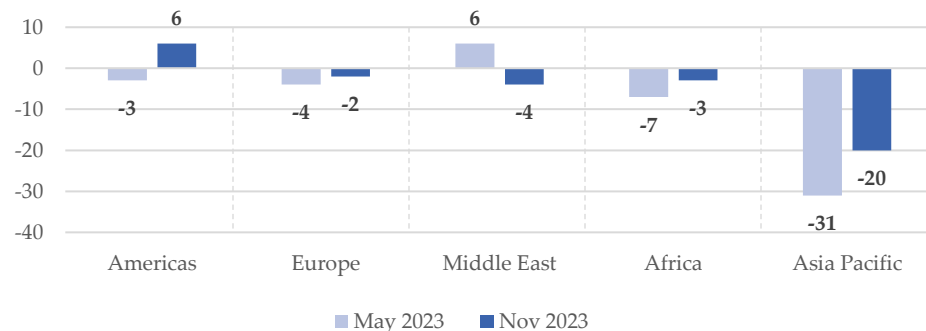
## International Tourist Arrivals (UNWTO) (Jan 2020-Dec 2023)

### International Tourist Arrivals (Global) Index<sup>1</sup> (FY2019=100)



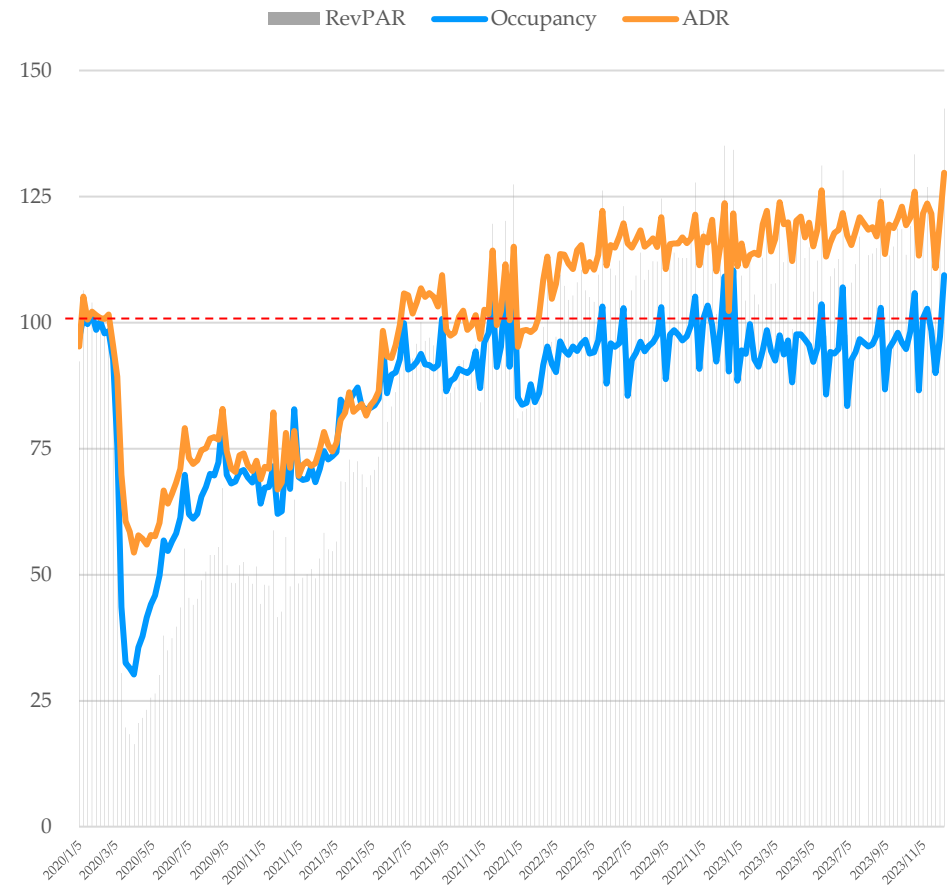
### Number of seats on international flights by region<sup>1</sup> (FY2019=100)

(May 2023 vs. Nov 2023)



## Hotel KPIs in the U.S. (Jan 2020-Dec 2023)

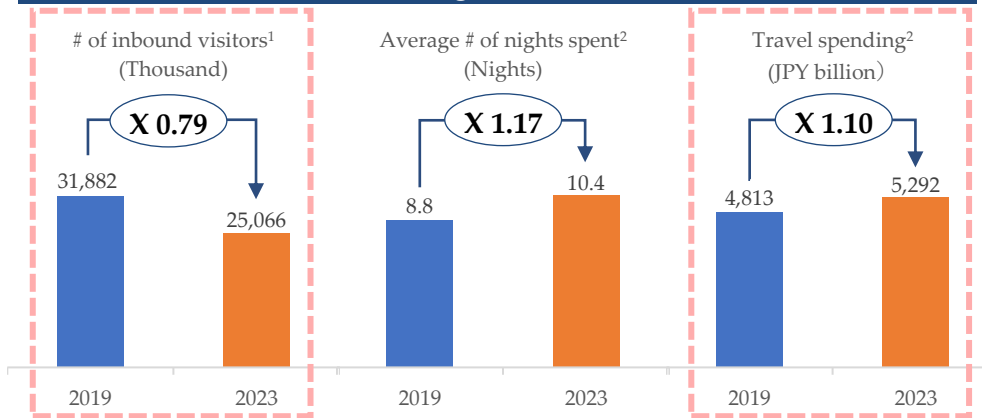
### The U.S. weekly KPIs Index<sup>2</sup> (indexed to 2019)



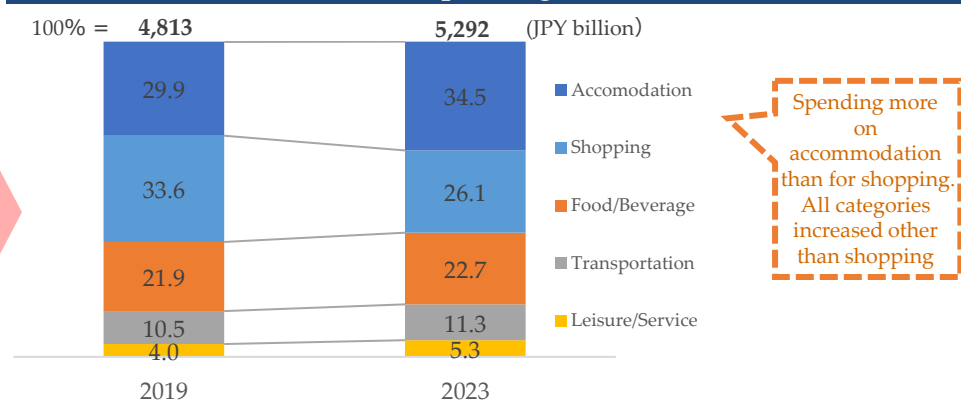
# IV-13. Inbound Market (1)

- The number of inbound visitors in 2023 was 0.79 times that in 2019. The number of visitors from China, where the government banned group travel to Japan until the middle of August 2023, is only 0.25 times that in 2019, while the number of visitors from countries other than China almost recovered to the 2019 level. The number of inbound visitors in the 4Q (October – December) 2023 exceeded the same period in 2019 by 3.0 % and was generally at the same level in January 2024 compared to the same month in 2019
- The average number of nights spent has lengthened to 1.17 times, and travel spending has reached 1.10 times of the 2019 level
- For the breakdown of travel spending, the share of shopping expenditures, which accounted for the largest share (33.6%) in 2019, decreased to 26.1% in 2023, while accommodation expenditures increased from 29.9% in 2019 to 34.5% in 2023, becoming the largest item, a positive impact to further increase ADR is expected

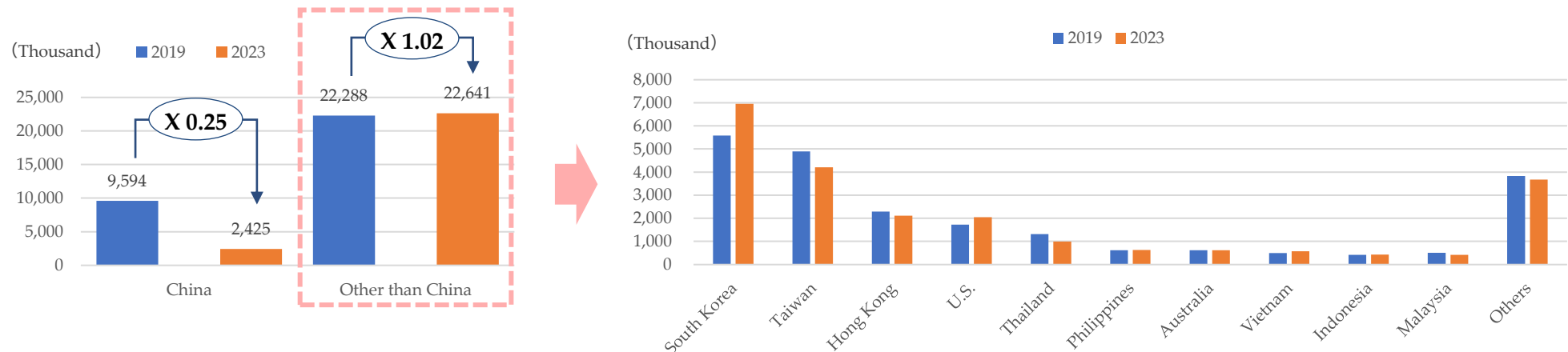
## Qualitative Changes of Inbound Visitors



## Breakdown of Travel Spending of Inbound Visitors<sup>2</sup>



## Breakdown: # of inbound visitors<sup>1</sup>



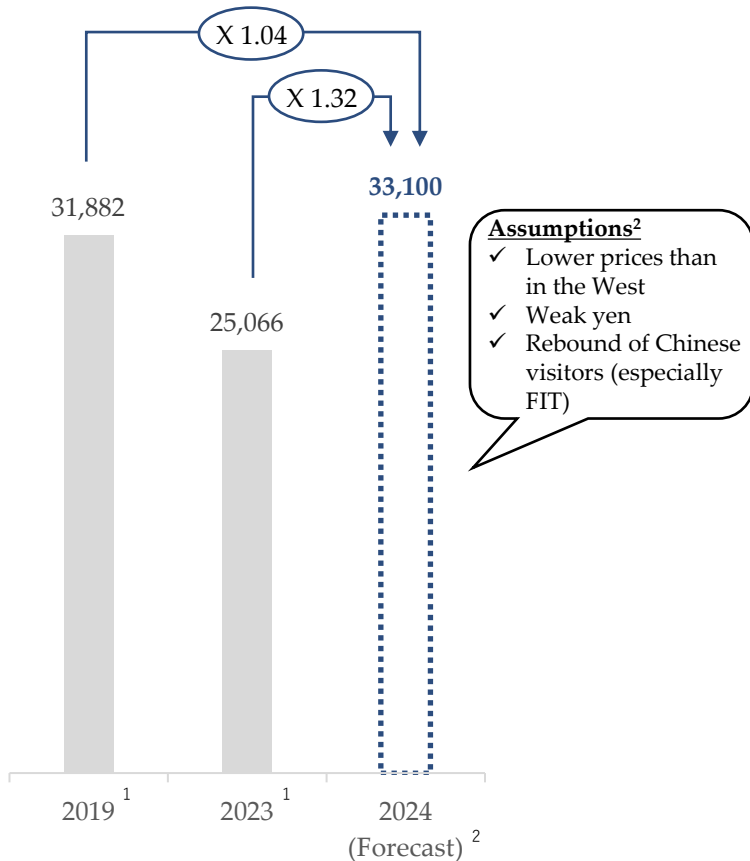
(Note 1) Source: Japan National Tourism Organization (JNTO)

(Note 2) Prepared by Asset Manager based on Japan Tourism Agency "Consumption Trend Survey for Foreigners Visiting Japan"

## IV-13. Inbound Market (2)

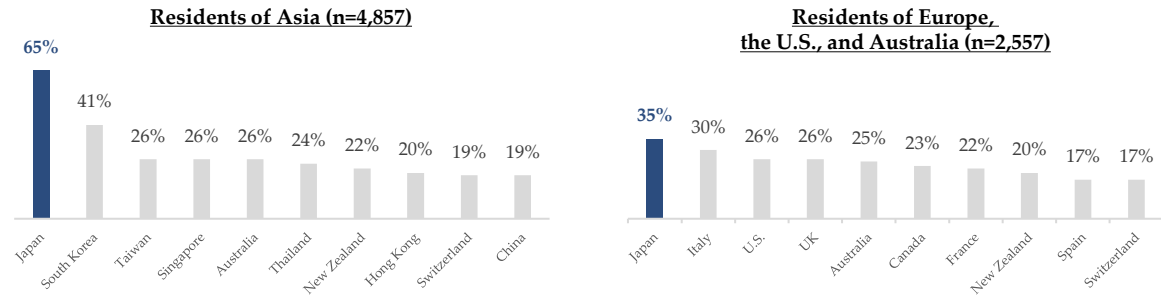
- According to a forecast by JTB, the number of inbound visitors in 2024 is expected to exceed the 2019 level. A survey conducted by Development Bank of Japan and Japan Travel Bureau Foundation in July 2023 shows that Japan is the most popular destination for the next overseas travel among both residents of Asia and those of Europe, the U.S., and Australia
- The number of visitors per 1,000 population from China and Southeast Asian countries is far behind Hong Kong, Taiwan, and South Korea as of 2019, and the number of visitors is expected to increase significantly in the future as per capita national income increases

Changes in # of Inbound Visitors (Thousand)

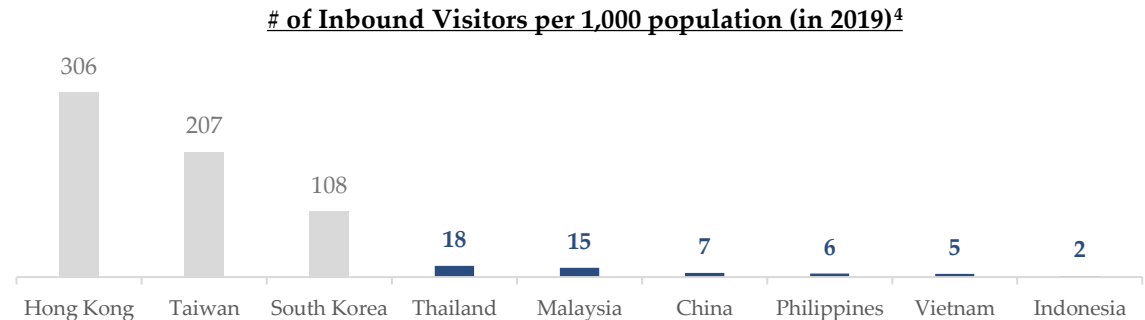


Survey of Demand for Travel Abroad among Foreigners (Conducted in July 2023)<sup>3</sup>

Q : Which countries/regions do you want to visit for the next overseas travel? (Top 10)



Potentiality of Inbound Visitors from Asia by Population



(Note 1) Source: Japan National Tourism Organization (JNTO)

(Note 2) Source: JTB

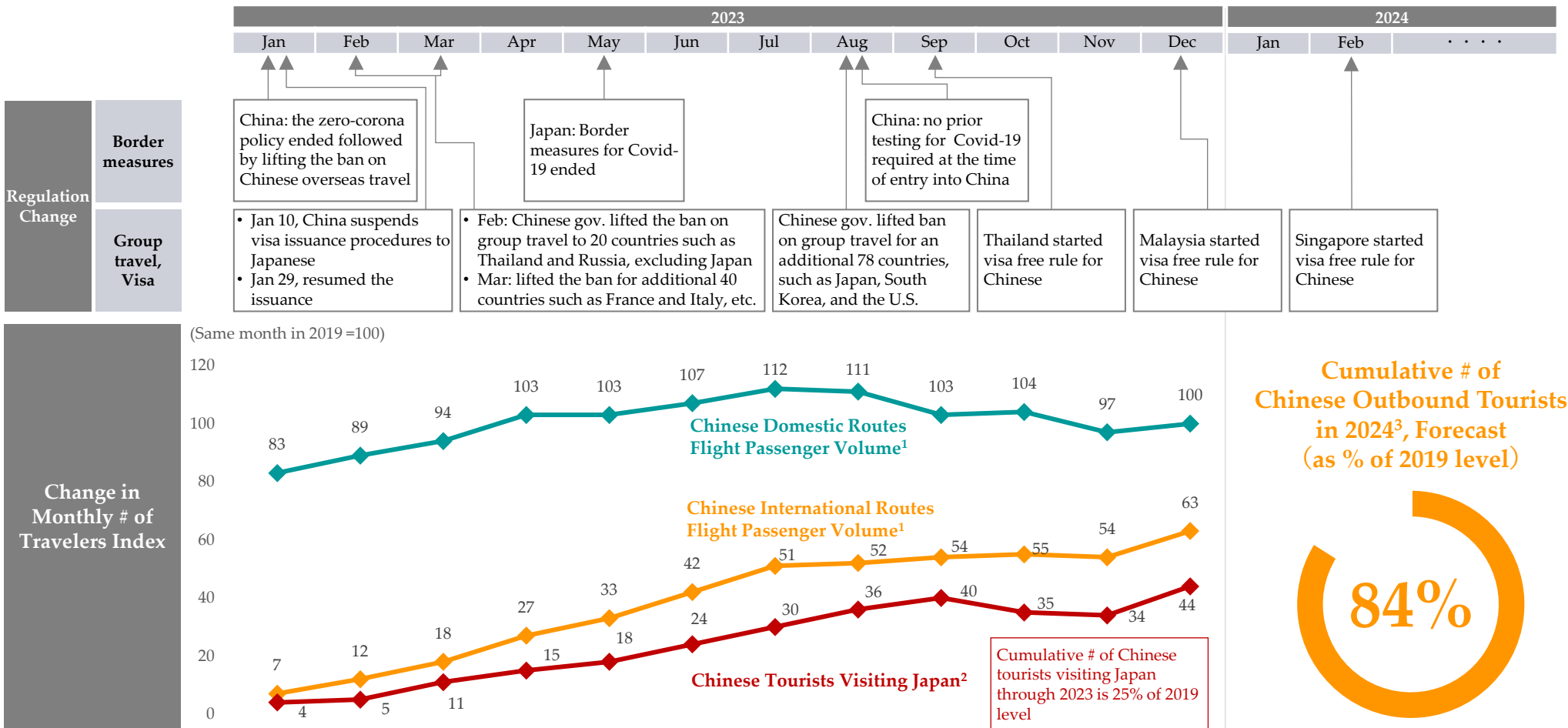
(Note 3) "DBJ and JTB: Survey on Tourist Travel to Japan from Asia, Europe, the U.S., and Australia (2023)"

(Note 4) Prepared by Asset Manager based on data from the Statistics Bureau, Ministry of Internal Affairs and Communications and Japan National Tourism Organization (JNTO)



# IV-13. Inbound Market (3): China

- In January 2023, the Chinese government ended the zero-corona policy and lifted the ban on overseas-leisure travel. Since then, the number of Chinese international passengers (proxy of # of overall Chinese outbound tourists) has steadily recovered in line with the gradual progress of deregulation and travel promotion measures such as visa waivers. The volume of December reached to 63% of the same month in 2019. However, the recovery has lagged far behind that of China's domestic passenger volume
- Although the number of Chinese tourists visiting Japan is recovering, its pace is slower than that of overall Chinese outbound tourists
- China Tourism Academy, a Chinese government think tank, announced in February 2024 that the number of overall Chinese outbound tourists in 2024 is expected to recover to 84% of the 2019 level

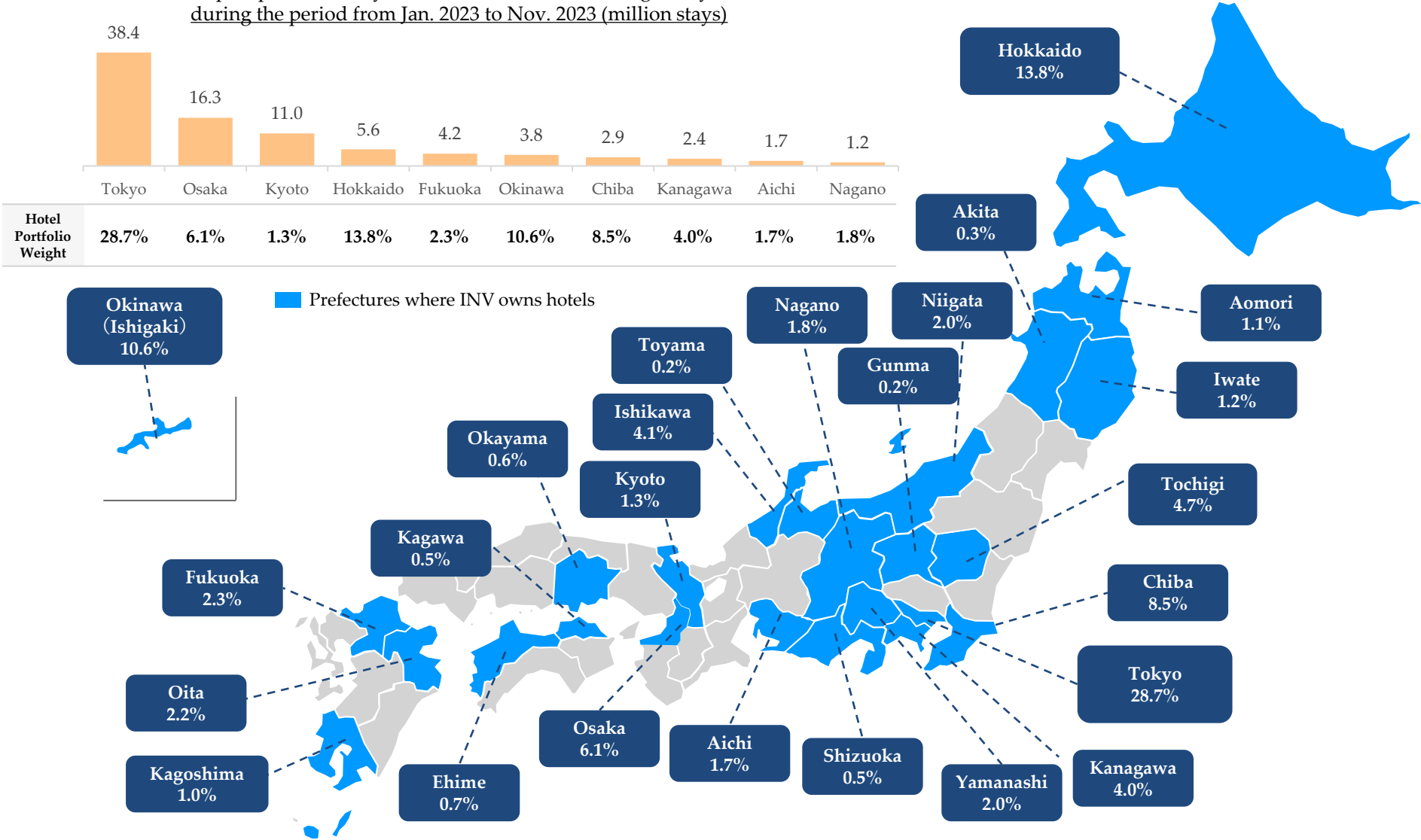


(Note1) Prepared by Asset Manager based on data from Civil Aviation Administration of China  
(Note2) Prepared by Asset Manager based on data from Japan National Tourism Organization (JNTO)  
(Note3) Source: China Tourism Academy

# IV-14. Domestic Hotel Portfolio Map (As of February 26, 2024)

78.8%<sup>1</sup> of INV's hotel portfolio are located in the top 10 prefectures by number of inbound visitors' overnight stays during the period from January 2023 to November 2023

Top 10 prefectures by # of inbound visitors' overnight stays<sup>2</sup>  
during the period from Jan. 2023 to Nov. 2023 (million stays)



(Note1) Based on acquisition price  
(Note2) Source: Japan Tourism Agency

# V. Status of Residential Operations

## V-1. Performance of Residential Properties

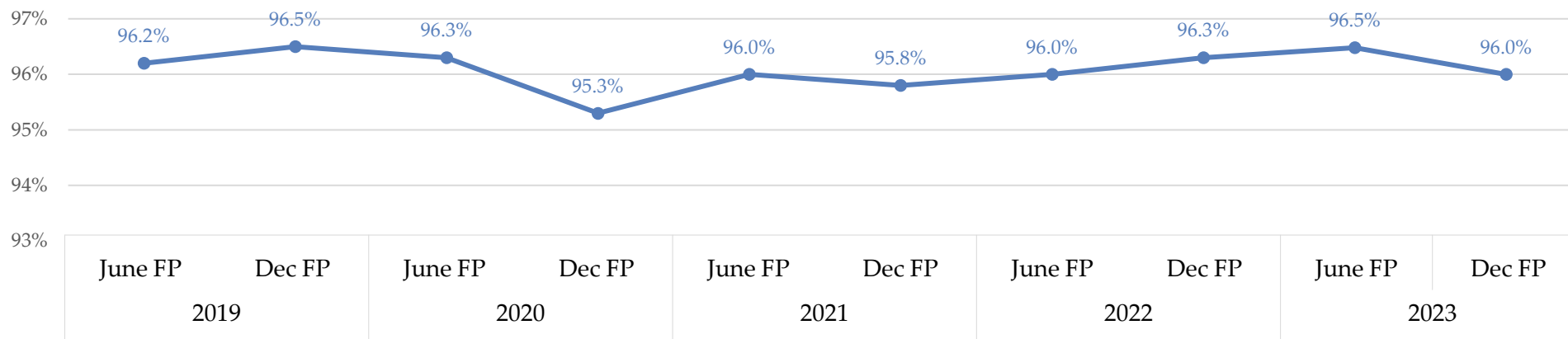
- Recorded JPY 1,120 million of NOI for 41 residential properties this period, a 0.2% increase compared to the same period last year
- The portfolio of 41 residential properties and one commercial property owned today is expected to maintain stable returns

### Residential NOI, Actual and Forecast<sup>1</sup> (Unit: JPY million)

Based on 41 Residential Properties	2019	2020	2021	2022	2023	Variance	2024	Variance
	Actual	Actual	Actual	Actual	Actual	2022 Actual vs 2023 Actual	Full Year Forecast (As of 2/26)	2023 Actual vs 2024 Forecast
	〈A〉	〈B〉	〈C〉	〈D〉	〈E〉	〈E/D-1〉	〈F〉	〈F/E-1〉
June FP	1,100	1,115	1,115	1,113	1,126	1.2%	1,127	0.1%
December FP	1,117	1,112	1,110	1,118	1,120	0.2%	1,124	0.4%
Full Year	2,217	2,228	2,225	2,231	2,246	0.7%	2,251	0.2%

### Change in Occupancy<sup>1</sup>

( January 2019 – December 2023 : Average occupancy rate as of the end of the month during each fiscal period )

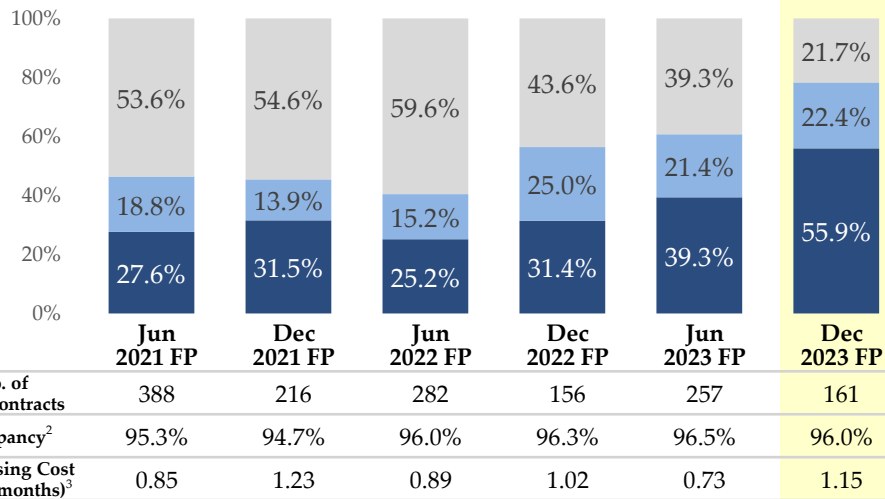


# V-2. Changes of Residential Rents

As for the December 2023 FP, the percentage of rent increases for both new and renewal contracts increased from the previous period due to the recovery trend in the rental market reflecting stronger economic activity accelerated by the reclassification of Covid-19 from Class 2 to Class 5 in May, the same category as seasonal influenza. The weighted average monthly residential rent for new contracts turned positive for the first time since the June 2021 FP

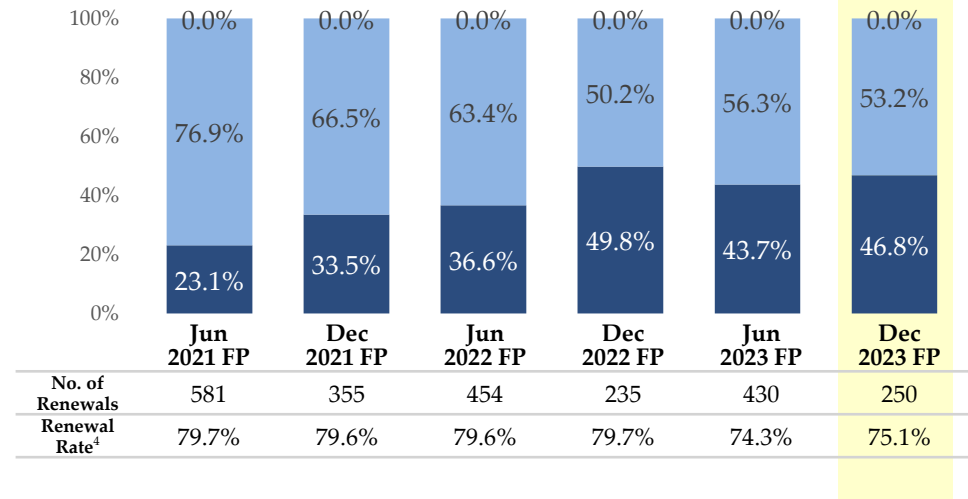
## Changes in Rent for New Contracts<sup>1</sup>

■ Increase ■ Flat ■ Decrease



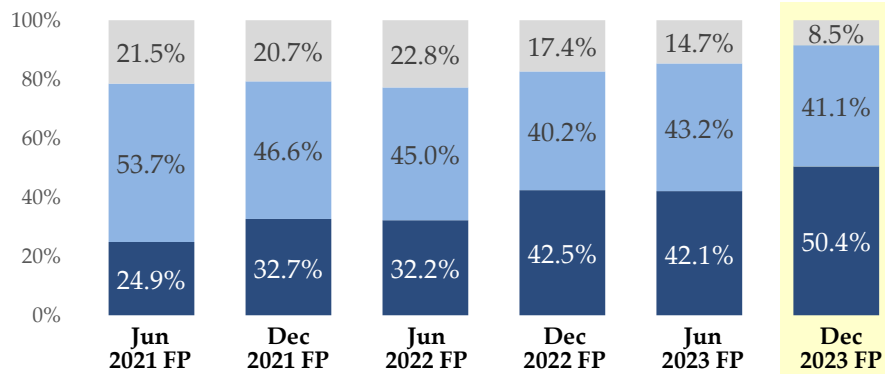
## Changes in Rent for Renewal Contracts<sup>1</sup>

■ Increase ■ Flat ■ Decrease



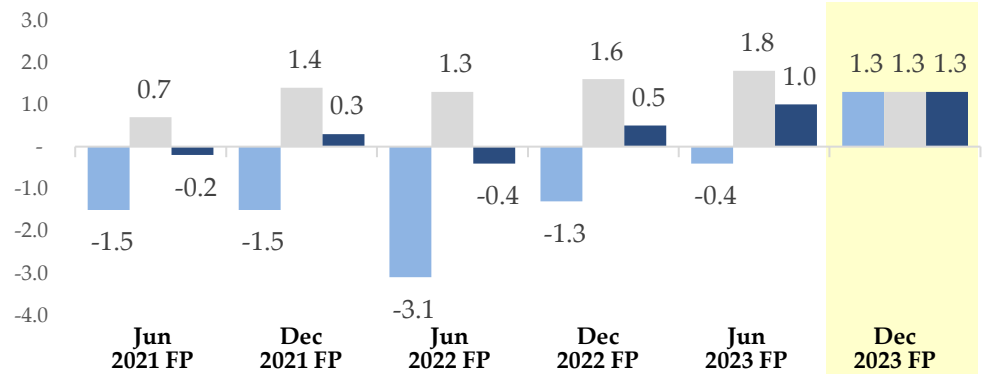
## Changes in Rent for All Contracts<sup>1</sup>

■ Increase ■ Flat ■ Decrease



## Average Rent Increase / Decrease<sup>5</sup>

■ New Lease ■ Renewal ■ Total



(Note 1) Based on the properties owned by INV for the relevant period. The properties INV acquired / disposed during the period are included only for the term when owned by INV  
 (Note 2) Occupancy is calculated by dividing the sum of total residential leased area by the sum of total residential leasable area at the end of each month of each year  
 (Note 3) Net Leasing Cost (Multiple of Monthly Rent) = Advertising Expenses (Multiple of Monthly Rent) + Free Rent (Multiple of Monthly Rent) - Key Money (Multiple of Monthly Rent)  
 (Note 4) Renewal rate is calculated by "Number of Renewals during the Period" ÷ "Number of Cases Targeted for Renewal during the Period"  
 (Note 5) Weighted average of monthly rent increase or decrease (%) of new or renewal contracts, or the total of both, compared with previous contracts of properties owned at the end of period

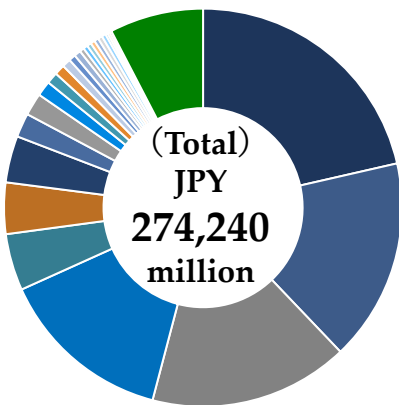
# VI. Financial Condition

- Issued INV's first green bonds of JPY 3.5 billion in total in September and December 2023
- Average duration of outstanding interest-bearing debt increased from 0.9 years (as of June 30, 2023) to 2.9 years (as of February 26, 2024) due to the lengthening of borrowing periods and diversification of maturity dates
- Executed first refinance using green loans in January 2024 and first issuance of investment corporation bonds for retail investors in February 2024. The latest ratio of fixed interest rates is 50%

## Investment Corporation Bonds (as of February 26, 2024)

Name	Issue Date	Term (years)	Issue Amount (JPY million)	Interest	Rating
2nd series unsecured corporate bonds	May 25, 2018	10	1,000	0.800%	A (JCR)
4th series unsecured corporate bonds	October 28, 2019	5	1,000	0.480%	A (JCR)
5th series unsecured corporate bonds	October 28, 2019	10	2,000	0.900%	A (JCR)
6th series unsecured corporate bonds	March 13, 2020	10	1,200	0.850%	A (JCR)
7th series unsecured corporate bonds	May 25, 2023	3	5,000	1.000%	A (JCR)
8th series unsecured corporate bonds	May 25, 2023	5	1,200	1.200%	A (JCR)
9th series unsecured corporate bonds (green bonds)	September 21, 2023	5	1,700	1.200%	A (JCR)
10th series unsecured corporate bonds (green bonds)	December 14, 2023	5	1,800	1.297%	A (JCR)
11th series unsecured corporate bonds (retail bonds)	February 9, 2024	5	6,000	1.470%	A (JCR)
Total			20,900		

## Lender Formation (as of February 26, 2024)



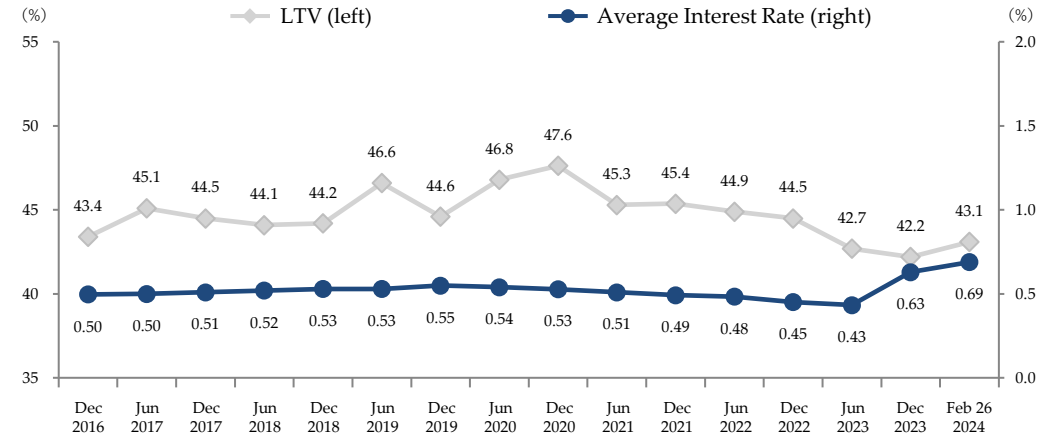
Mizuho Bank	21.4%	Citibank	0.5%
MUFG	16.5%	Fukuoka Bank	0.5%
SMBC	16.2%	Ogaki Kyoritsu Bank	0.4%
SMTB	14.2%	The Chiba Bank	0.4%
SBI Shinsei Bank	4.6%	Kiraboshi Bank	0.4%
DBJ	4.2%	Momiji Bank	0.4%
Tokyo Star Bank	3.8%	Yamaguchi Bank	0.4%
Aozora Bank	1.9%	The Chukyo Bank	0.4%
Resona Bank	1.8%	Aeon Bank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

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

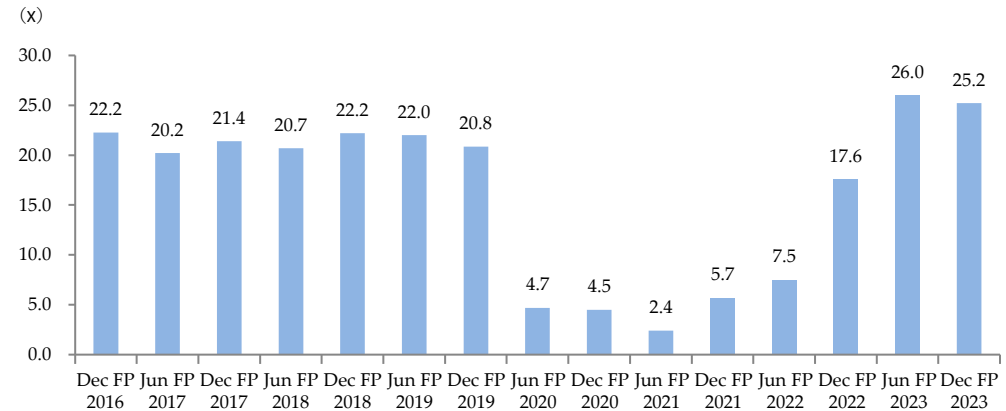
(Note 2) Calculated by the following formula: (Total loan amount outstanding at the relevant time multiplied by applicable interest rate at the relevant time for each loans) / (The loan amount outstanding at the end of each fiscal period)

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

## LTV (Appraisal Value Base)<sup>1</sup> and Weighted Average Interest Rate<sup>2</sup>



## DSCR<sup>3</sup>



- In the 2023 GRESB Real Estate Assessment, INV received a “3-Star” GRESB Rating, which represents a rating upgrade from to the “2-Star” GRESB Rating received in 2022
- Established Green Finance Framework to implement green finance and issued green bonds (total JPY 3.5 billion) for the first time. In addition, implemented first refinancing with green loan in January 2024
- Acquired BELS Certification for an additional four of INV’s hotels (January 2024), bringing the number of hotels with BELS Certification to 19 hotels

### ■ Green Finance Framework

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



### ■ Total Amount of Green Finance





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

### ■ External Certifications

#### BELS<sup>1</sup> Certification

Newly acquired BELS (Building-Housing Energy-efficiency Labeling System) Certification for four of INV’s hotels due to high energy conservation performance

< Hotels newly acquired the certification >

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

< Hotels already acquired the certification in the previous periods >

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

#### ■ CASBEE Certification for Buildings and Certification for CASBEE for Real Estate<sup>2</sup>

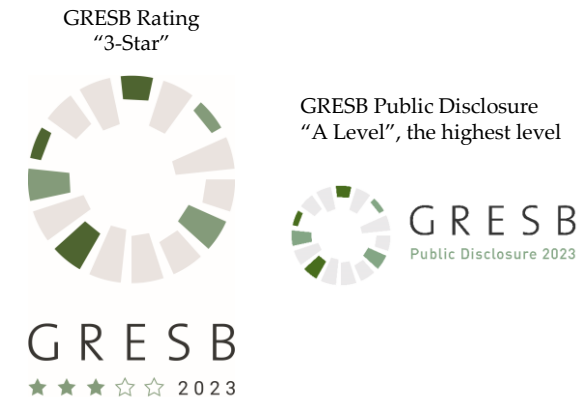
< CASBEE Certification for Buildings >

Rank A	Hotel MyStays Premier Akasaka
Rank B+	Hotel MyStays Premier Kanazawa

< Certification for CASBEE for Real Estate >

Rank A	Royal Parks Momozaka, Royal Parks Shinden
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#### ■ INV in 2023 GRESB Real Estate Assessment<sup>3</sup>



(Note 1) BELS is a third-party certification system that evaluates and certifies the energy-saving performance of a building that the operators are required to make efforts to display under the Act on Improving Energy Consumption Performance for Architectural Structures. Houses and buildings are evaluated based on the value of BEI (Building Energy Index) derived from the primary energy consumption based on the government-designated energy consumption performance standard of architectural structures. The evaluation result is rated on a five-star scale based on energy conservation performance (from one star “★” to five stars “★★★★★”), with five stars meaning the highest energy conservation performance. Also, two stars or more represent that the building meets the existing energy conservation standard

(Note 2) 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. CASBEE Certification for Buildings (Existing Buildings) scores buildings based on the environmental quality and the environmental load reduction of buildings that are at least one year old after completion. Assessment results by CASBEE are indicated on a scale with the following five ranks: Rank S “★★★★★”, Rank A “★★★★”, Rank B+ “★★★”, Rank B- “★★”, and Rank C “★”. Certification for CASBEE for Real Estate was developed with the aim of making use of the results of the environmental assessment of buildings by CASBEE in real estate evaluation. The assessment results are given one of four ranks: Rank S “★★★★★”, Rank A “★★★★”, Rank B+ “★★★”, and Rank B- “★★”

(Note 3) GRESB is an annual benchmarking assessment to measure ESG (Environmental, Social, and Governance) integration of real estate companies and funds. The GRESB Real Estate Assessment is characterized by evaluating sustainability initiatives of real estate companies, REITs, and real estate funds, rather than targeting individual real estate. The GRESB rating is a relative evaluation based on the overall score, with the highest rating being 5-star



- MHM has been leveraging subsidies provided by the Ministry of the Environment (SHIFT project) to reduce CO2 emissions and energy costs
- Since its opening in 2023, a total of 60 interns have completed training at “Narita Hospitality Academy,” which specializes in hotel-specific training for foreign technical interns. The interns finished their training and have started working at MHM managed hotels, promoting diversity in human resources

## E

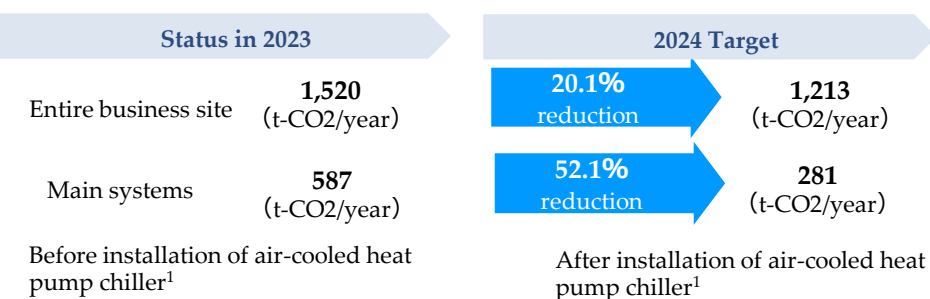
### Initiatives for Environment

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

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

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

#### ◆ CO2 Reduction Plan



(Note 1) Hotel Nord Otaru



## S

### Initiatives for Society

#### Promotion of diversity in human resources

- Opening of “Narita Hospitality Academy”

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



#### Collaboration with local community

- Hotel MyStays Matsuyama:

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



Students from Bridal and hotel course and Pâtisseries et boulangerie course of Kawahara college

#### Promotion of local ingredients (local production for local consumption)

- Hotel MyStays Gotanda Station:

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







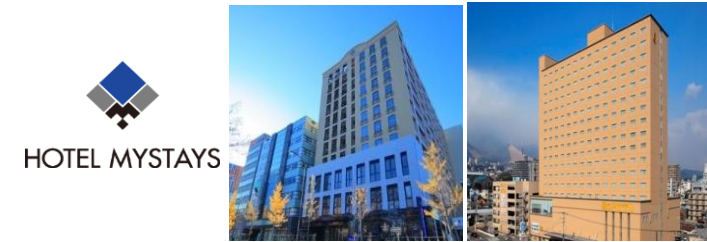
## Appendix (1)

**Invincible**  
Investment Corporation

- INV introduced the Unitholder Benefits Program<sup>1</sup> with the goal of increasing unitholders satisfaction and expanding the investor base
- Eligible unitholders can stay at a discounted rate at the Sheraton Grande Tokyo Bay Hotel and at all MyStays group hotels (including the former Kanpo no Yado hotels)
- The revenue<sup>2</sup> for the December 2023 FP for MyStays hotels from the Unitholder Benefits Program increased by approximately 1.4 times compared to the same period last year

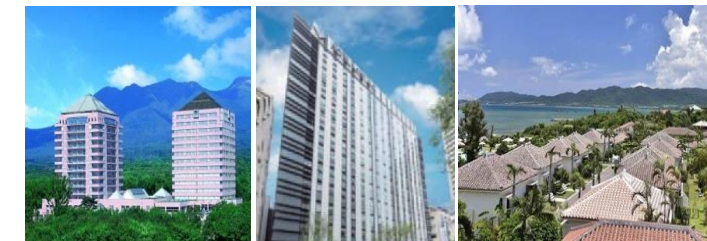
**Eligible Hotels:**  
Sheraton Grande Tokyo Bay Hotel and All hotels managed by MyStays<sup>3</sup>

Sheraton Grande Tokyo Bay Hotel



Hotel MyStays  
Premier Kanazawa

Kamenoi Hotel Beppu



Hotel Epinard Nasu

Hotel MyStays  
Premier Akasaka

Fusaki Beach Resort  
Hotel & Villas

(Note 2) Revenue for 6 months from July 1, 2023 to December 31, 2023 generated from the unit holder benefit program.

(Note 3) All hotels operated by MyStays Hotel Management Co., Ltd., which are listed on the Official Site of My Stays Hotel Group (<https://www.mystays.com/en-us/>). Hereafter the same on the page

(Note 4) For the following Kamenoi hotels, Benefit Program(2) applies (as of February 2024):

Kamenoi Hotel Beppu, Kamenoi Hotel Okunikko, Kamenoi Hotel Kusatsu Yubatake, Kamenoi Hotel Aomori Makado, Kamenoi Hotel Akita Yuze, Kamenoi Hotel Tazawako, Kamenoi Hotel Nikko Yunishigawa, Kamenoi Hotel Nachi Katsuura ( to be rebranded on April 1), Kamenoi Hotel Tsukuba-san ( to be rebranded on April 23)

(Note 5) BAR (Best Available Rate) refers to the lowest price at the time of booking

(Note 6) Available Period represents a period during which you can lodge by using the unitholder benefit program. To enjoy the unitholder benefit program, you actually need to lodge during the available period

# Inbound Market: Inbound Visitors to Japan by Country

- In April 2023, the government lifted border measures, which has triggered a remarkable increase in the number of inbound visitors thereafter. In October, the number of monthly inbound tourists exceeded the same month in 2019 for the first time since the pandemic
- In 2023, the number of Chinese travelers accounted for less than 10% of total inbound travelers while it accounted for 30% of inbound travelers in 2019. As such, the number of inbound visitors is expected to further increase due to recovery in the number of Chinese tourists

## Inbound Visitors to Japan by Country

(thousands of people)

	2014		2015		2016		2017		2018		2019		2020		2021		2022		2023	
		YoY		YoY		YoY		YoY		YoY		YoY		YoY		YoY		YoY		YoY
China	2,409	+83.3%	4,994	+107.3%	6,374	+27.6%	7,356	+15.4%	8,380	+13.9%	9,594	+14.5%	1,069	-88.9%	42	-96.0%	189	+347.5%	2,425	+1182.3%
South Korea	2,755	+12.2%	4,002	+45.3%	5,090	+27.2%	7,140	+40.3%	7,539	+5.6%	5,585	-25.9%	488	-91.3%	19	-96.1%	1,013	+5244.9%	6,959	+587.1%
Taiwan	2,830	+28.0%	3,677	+29.9%	4,168	+13.3%	4,564	+9.5%	4,757	+4.2%	4,891	+2.8%	695	-85.8%	5	-99.3%	331	+6500.9%	4,202	+1169.2%
Hong Kong	926	+24.1%	1,524	+64.6%	1,839	+20.7%	2,232	+21.3%	2,208	-1.1%	2,291	+3.8%	346	-84.9%	1	-99.6%	269	+21409.6%	2,114	+685.2%
Thailand	658	+45.0%	797	+21.2%	902	+13.2%	987	+9.5%	1,132	+14.7%	1,319	+16.5%	220	-83.3%	3	-98.7%	198	+7082.7%	996	+402.7%
Malaysia	250	+41.4%	305	+22.4%	394	+29.1%	440	+11.5%	468	+6.6%	502	+7.1%	77	-84.7%	2	-97.6%	74	+3941.5%	416	+461.0%
Indonesia	159	+16.0%	205	+29.2%	271	+32.1%	352	+30.0%	397	+12.6%	413	+4.0%	78	-81.2%	5	-93.3%	120	+2199.9%	429	+258.7%
Philippines	184	+70.0%	268	+45.7%	348	+29.6%	424	+21.9%	504	+18.8%	613	+21.7%	109	-82.2%	6	-94.8%	127	+2156.0%	622	+390.6%
Vietnam	124	+47.1%	185	+49.2%	234	+26.1%	309	+32.1%	389	+25.9%	495	+27.3%	153	-69.2%	27	-82.6%	284	+968.6%	574	+102.0%
The U.S.	892	+11.6%	1,033	+15.9%	1,243	+20.3%	1,375	+10.6%	1,526	+11.0%	1,724	+12.9%	219	-87.3%	20	-90.9%	324	+1515.4%	2,046	+532.4%
The U.K.	220	+14.7%	258	+17.5%	292	+13.1%	310	+6.2%	334	+7.6%	424	+27.0%	51	-88.0%	7	-85.7%	58	+688.3%	322	+459.2%
France	179	+15.3%	214	+20.0%	253	+18.3%	269	+6.0%	305	+13.5%	336	+10.3%	43	-87.2%	7	-83.7%	53	+651.7%	277	+425.6%
Canada	183	+19.7%	231	+26.5%	273	+18.1%	306	+11.9%	331	+8.2%	375	+13.5%	53	-85.8%	4	-93.4%	56	+1480.9%	426	+662.0%
Australia	303	+23.8%	376	+24.3%	445	+18.4%	495	+11.2%	552	+11.6%	622	+12.5%	144	-76.9%	3	-97.7%	89	+2613.6%	613	+591.6%
Others	1,343	+18.5%	1,666	+24.0%	1,914	+14.9%	2,133	+11.5%	2,369	+11.1%	2,699	+13.9%	372	-86.2%	95	-74.4%	649	+580.9%	2,645	+307.8%
Total	13,413	+29.4%	19,737	+47.1%	24,040	+21.8%	28,691	+19.3%	31,192	+8.7%	31,882	+2.2%	4,116	-87.1%	246	-94.0%	3,832	+1458.6%	25,066	+554.1%

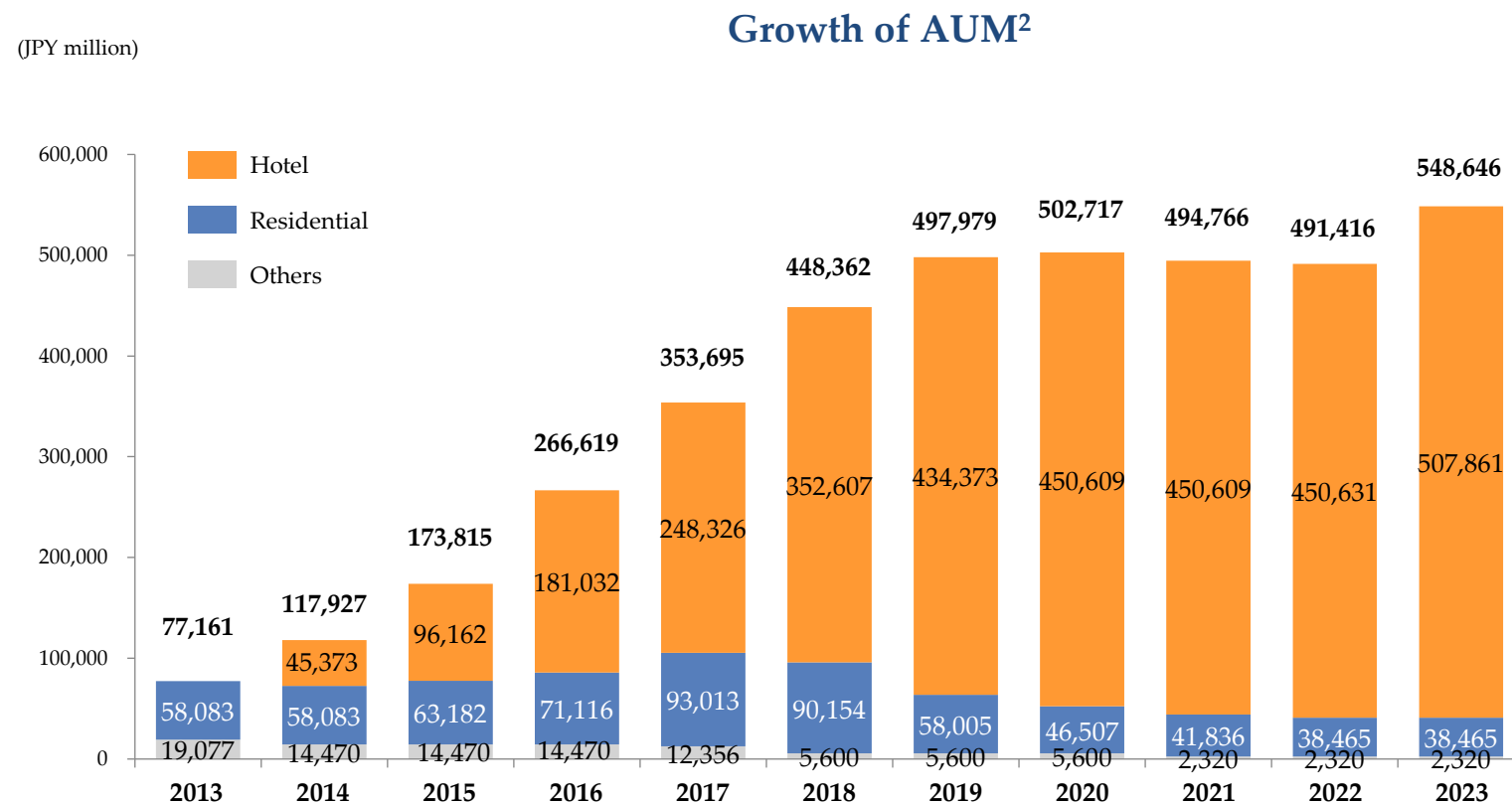
**Invincible**  
Investment Corporation

The map displays the locations of 100 facilities across Japan, categorized by color: orange for Hotels, blue for Residential facilities, and green for Commercial facilities. The facilities are labeled with codes such as D03, D06, D08, D17, D33, D41, D44, D47, D48, D52, D53, D55, D56, D57, D61, D63, D64, D66, D68, D69, D71, D72, D73, D74, D75, D76, D77, D80, D81, D83, D84, D85, D86, D87, D88, D89, D90, D91, D92, D93, D94, D95, D96, D97, D98, D99, D100, A93, A94, A99, A103, A64, A65, B18, B72, B73, B74, B75, B76, B77, B78, B79, B80, B81, B82, B83, B84, B85, B86, B87, B88, B89, B90, B91, B92, B93, B94, B95, B96, B97, B98, B99, B100. The Kansai area inset shows a detailed view of the region around Osaka and Kyoto, with labels for Kyoto Station, Osaka Station, and Kobe Station. The legend indicates that orange dots represent Hotels, blue dots represent Residential facilities, and green dots represent Commercial facilities. A red box labeled 'NEW' is placed next to several facility codes, indicating new developments.

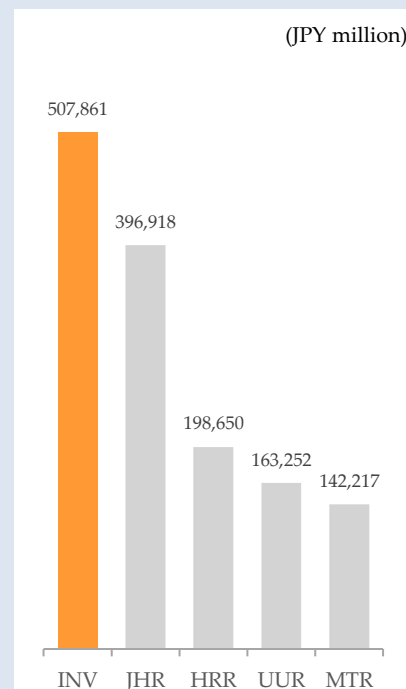


# Track Record of External Growth

- INV has built an irreplaceable diversified portfolio centered on the acquisitions of hotels
- INV has the largest hotel portfolio among J-REITs<sup>1</sup>



### Top 5 J-REITs' Hotel Portfolio<sup>1</sup>



No. of properties <sup>3</sup>	78	91	111	124	126	132	147	142	134	128	134
Hotel	0	20	37	48	54	66	84	86	86	86	92
Residential	63	63	66	68	67	64	61	54	47	41	41
Others	15	8	8	8	5	2	2	2	1	1	1

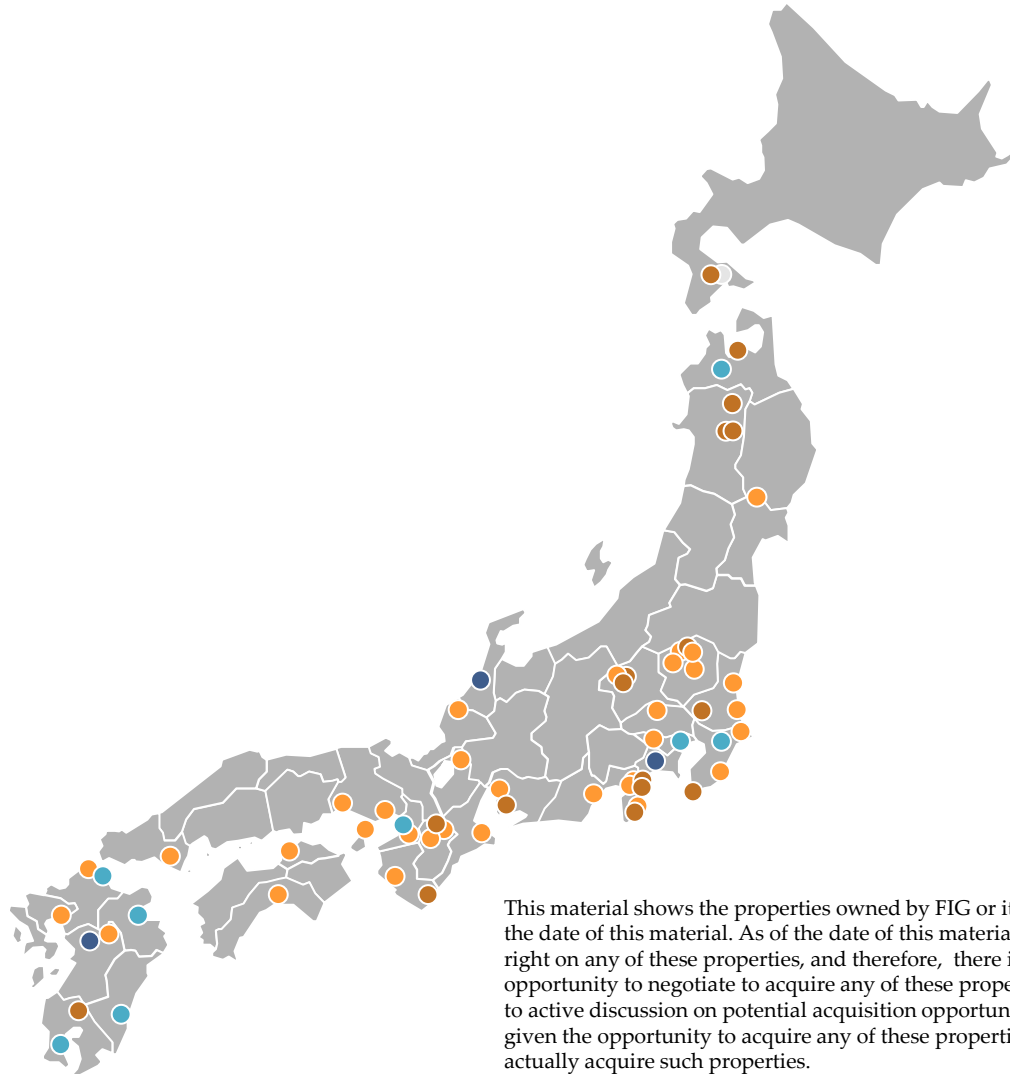
(Note 1) As of January 31, 2024

(Note 2) Based on acquisition price at the end of each fiscal period and acquisition price of SGTB interest in INV's portfolio is calculated by applying the amount of preferred equity interest contribution by INV to the JV TMK. For overseas hotels, "The Westin Grand Cayman Seven Mile Beach Resort & Spa" and "Sunshine Suites Resort", the amount of TK investment to the SPC which held the leasehold of the hotels is deemed as the acquisition price and included regarding for 2018. For 2019 onward, the book value of the hotels as of May 9, 2019, which are converted into JPY amount via the forward exchange rate of USD 1=JPY 110.45 based on the foreign exchange forward implemented in connection with the original TK investment in the Cayman SPC (contract thereof was entered into on July 26, 2018 and implemented on September 26, 2018)

(Note 3) The amount of preferred equity interest contribution by INV to the JV TMK and the amount of TK investment by INV to the SPC are counted according to the number of properties of underlying assets and included the calculation which are based on the property type of the assets

- Fortress Investment Group (“FIG”) manages an extensive nationwide hotel portfolio consisting of over 60 properties, approx. 6,800 rooms operated by MHM, in addition to the 79 MHM managed hotels owned by INV
- Consonant Investment Management, the asset manager of INV, and FIG are actively discussing potential acquisition opportunities for INV, focusing on up to 20 hotels based on the status of renovations and rebranding, stabilization of operations, and other factors

- Hotel MyStays
- Art Hotel
- Kamenoi Hotel
- Flexstay Inn
- MyStays Collection

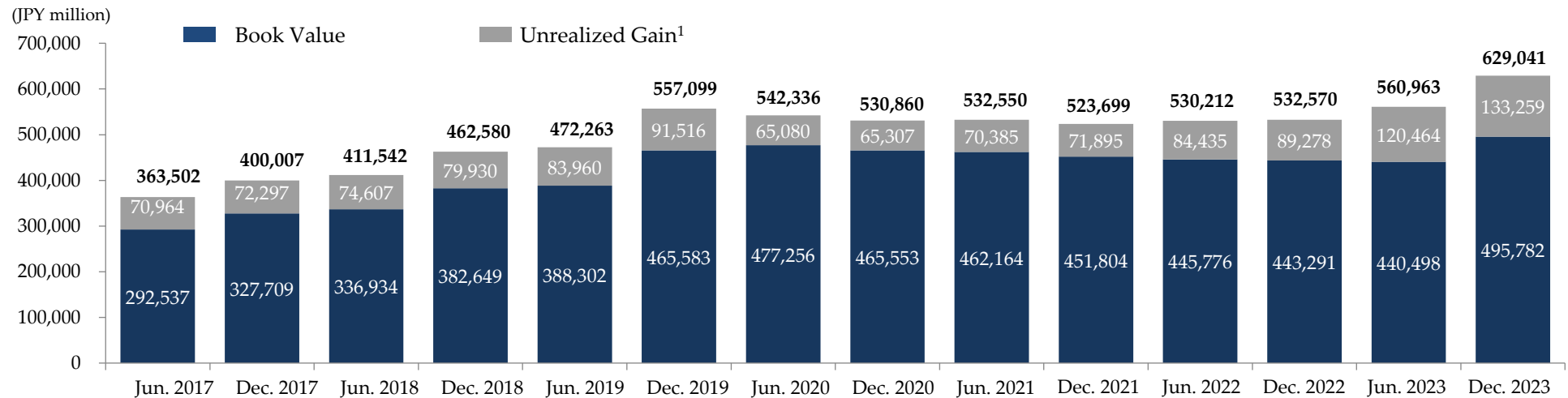


This material shows the properties owned by FIG or its affiliates and operated by MHM as of the date of this material. As of the date of this material, INV has no preferential negotiation right on any of these properties, and therefore, there is no assurance that INV will be given the opportunity to negotiate to acquire any of these properties, including the properties subject to active discussion on potential acquisition opportunities. In addition, even if INV will be given the opportunity to acquire any of these properties, there is no assurance that INV will actually acquire such properties.

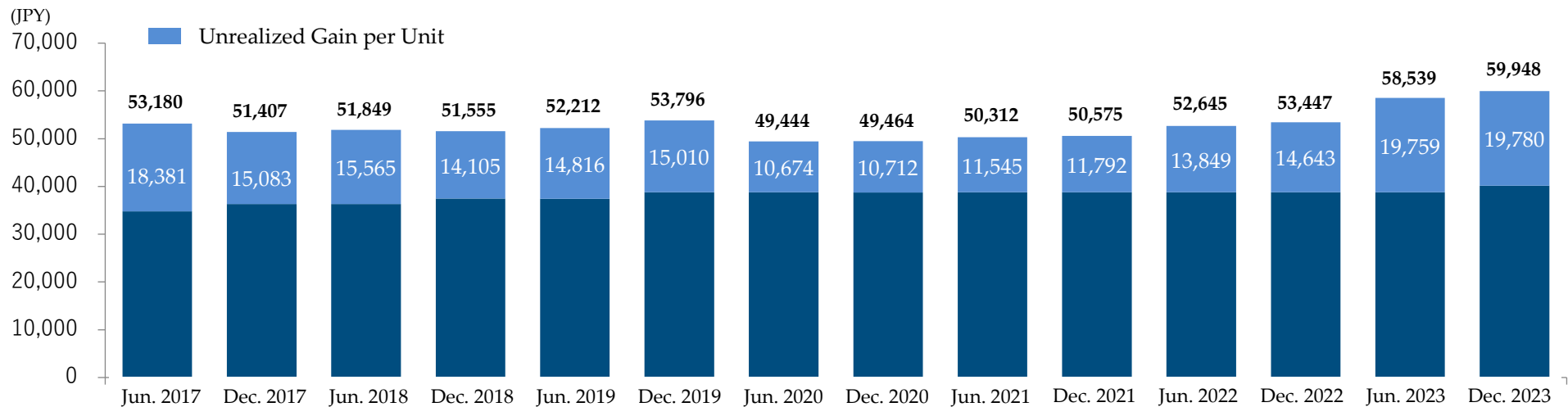


# Summary of Appraisal Value and NAV per Unit

## Trend of Appraisal Value



## Trend of NAV per Unit²



(Note 1) Unrealized Gain = End-of-period Appraisal Value - End-of-period Book Value

(Note 2) NAV per unit is calculated by the following formula: (End-of-period Amount of Net Assets - Undistributed Profit + End-of-period Appraisal Value - Tangible property (including leasehold rights in trust)) ÷ Investment Units outstanding as of the end of each fiscal period





## **Appendix (2) - Financial and Operational Data**

# Key Operational Data for Variable Rent Hotels (1)

Property		Location	# of rooms	Acquisition Month	Occupancy		ADR (¥)		RevPAR (¥)		GOP (¥ mn)		Daily Ratio		Overseas Sales Ratio	
					Jul-Dec. 2023 Actual		Jul-Dec. 2023 Actual		Jul-Dec. 2023 Actual		Jul-Dec. 2023 Actual		Jul-Dec. 2023 Actual		Jul-Dec. 2023 Actual	
						Y-o-Y (pt)		Y-o-Y		Y-o-Y		Y-o-Y		Y-o-Y (pt)		Y-o-Y (pt)
D1	MS Kanda	Chiyoda-ku, Tokyo	126	May 2014	86.7%	10.4	10,209	54.9%	8,849	76.1%	105	112.9%	97.6%	10.4	23.5%	8.1
D2	MS Asakusa	Sumida-ku, Tokyo	160	May 2014	85.4%	7.4	7,562	80.8%	6,460	98.0%	96	178.2%	74.4%	9.1	51.2%	27.5
D3	MS Kyoto-Shijo	Kyoto, Kyoto	224	Jul 2014	68.7%	4.2	11,841	60.6%	8,136	71.0%	167	141.8%	100.0%	0.0	50.6%	25.3
D4	MS Shin-Urayasu CC.	Urayasu, Chiba	175	Jul 2014	89.1%	8.7	14,228	27.1%	12,680	40.9%	244	54.0%	100.0%	0.0	31.0%	16.1
D5	MS Maihama	Urayasu, Chiba	90	Jul 2014	94.7%	4.7	24,904	39.4%	23,588	46.7%	246	58.9%	100.0%	0.0	42.9%	10.7
D6	MS Dojima	Osaka-shi, Osaka	141	Jul 2014	76.6%	-2.7	13,906	28.0%	10,647	23.6%	176	33.4%	100.0%	0.0	40.3%	19.6
D7	MS Nagoya-Sakae	Nagoya, Aichi	270	Jul 2014	81.5%	-1.7	7,978	30.6%	6,503	28.1%	159	51.3%	100.0%	0.0	19.1%	2.9
D8	MS Sakaisuji-Honmachi	Osaka, Osaka	190	Jul 2014	74.2%	-4.3	6,871	23.0%	5,101	16.3%	77	21.0%	86.4%	5.9	45.3%	23.6
D9	MS Yokohama	Yokohama, Kanagawa	194	Jul 2014	85.1%	0.6	9,942	11.9%	8,462	12.7%	153	16.3%	99.9%	-0.1	25.3%	5.2
D10	MS Nippori	Araka wa-ku, Tokyo	93	Jul 2014	86.1%	10.7	8,476	63.3%	7,300	86.5%	67	164.4%	76.6%	3.3	42.1%	12.5
D11	MS Fukuoka-Tenjin-Minami	Fukuoka, Fukuoka	177	Jul 2014	89.6%	13.6	10,154	44.8%	9,095	70.6%	163	99.0%	100.0%	4.9	35.0%	13.9
D12	FSI Iidabashi	Shinjuku-ku, Tokyo	59	Jul 2014	89.0%	0.2	10,606	65.2%	9,442	65.6%	55	103.2%	98.5%	14.1	38.2%	20.8
D13	MS Ueno-Inaricho	Taito-ku, Tokyo	72	Jul 2014	89.8%	5.1	7,857	103.2%	7,059	115.3%	45	330.9%	82.5%	42.4	54.0%	16.9
D14	FSI Shinagawa	Shinagawa-ku, Tokyo	55	Jul 2014	91.7%	-1.1	9,324	45.3%	8,552	43.6%	38	72.3%	92.5%	10.1	21.3%	1.5
D15	FSI Tokiwadai	Itabashi-ku, Tokyo	129	Jul 2014	88.1%	29.6	5,035	16.2%	4,434	74.9%	54	127.6%	26.4%	-22.8	30.0%	10.9
D16	FSI Sugamo	Toshima-ku, Tokyo	104	Jul 2014	81.2%	23.4	5,006	25.6%	4,066	76.4%	36	181.3%	39.6%	-6.8	16.7%	7.3
D17	MS Otemae	Osaka, Osaka	110	Jul 2014	75.3%	-7.2	9,366	37.0%	7,052	25.1%	71	44.2%	68.4%	-5.2	35.8%	12.5
D18	MS Kiyosumi-Shirakawa	Koto-ku, Tokyo	57	Jul 2014	79.7%	11.8	14,081	100.0%	11,227	134.7%	66	263.1%	100.0%	11.7	62.1%	32.2
D19	FSI Nakanobu P1	Shinagawa-ku, Tokyo	39	Jul 2014	80.2%	-0.3	5,831	35.0%	4,677	34.6%	14	97.1%	37.6%	-2.4	6.8%	1.0
D20	FSI Nakanobu P2	Shinagawa-ku, Tokyo	22	Jul 2014	80.2%	-4.5	5,805	43.1%	4,656	35.4%	6	157.5%	52.7%	4.4	6.4%	-1.9
D21	APA Hotel Yokohama-Kannai	Yokohama, Kanagawa	451	Feb 2015	94.9%	-	8,088	-	7,672	-	233	-	-	-	-	-
D22	MS Hakodate-Goryokaku	Hakodate, Hokkaido	208	Feb 2015	77.8%	2.5	8,252	16.7%	6,423	20.6%	116	21.0%	100.0%	0.0	9.7%	2.5
D23	FSI Shirogane	Minato-ku, Tokyo	84	Feb 2015	80.7%	6.7	6,658	55.7%	5,374	69.7%	43	125.2%	49.2%	3.0	44.4%	27.3
D24	MS Haneda	Ota-ku, Tokyo	174	Jul 2015	93.7%	14.4	12,278	25.0%	11,504	47.8%	178	68.0%	100.0%	0.0	35.3%	15.2
D25	MS Kameido P1	Koto-ku, Tokyo	265	Jul 2015	91.1%	16.5	5,958	30.9%	5,427	59.8%	163	94.5%	30.6%	-16.3	31.8%	12.2
D26	MS Ueno-Iriyaguchi	Taito-ku, Tokyo	97	Jul 2015	89.0%	14.3	10,393	92.0%	9,254	128.9%	92	286.7%	99.4%	18.2	75.7%	47.8
D27	MS Kameido P2	Koto-ku, Tokyo	175	Jul 2015	88.4%	6.8	6,234	41.9%	5,509	53.7%	106	98.5%	37.9%	-17.7	45.8%	21.2
D28	MS Shimizu	Shizuoka, Shizuoka	152	Jul 2015	83.9%	8.5	7,775	10.6%	6,520	23.0%	81	40.2%	100.0%	0.0	19.7%	8.1
D30	FSI Higashi-Fujo	Kita-ku, Tokyo	88	Jul 2015	85.4%	22.7	4,622	17.2%	3,949	59.5%	24	137.5%	54.6%	-2.1	37.1%	11.6
D31	MS Utsunomiya	Utsunomiya, Tochigi	116	Jul 2015	87.8%	0.1	9,211	-3.9%	8,085	-3.7%	99	16.6%	100.0%	0.0	15.5%	5.5
D32	FSI Kawasaki-Kaizuka	Kawasaki, Kanagawa	64	Jul 2015	78.8%	-6.6	5,665	35.2%	4,465	24.7%	23	57.0%	18.2%	-3.1	5.4%	1.8
D34	FSI Kawasaki-Ogawacho	Kawasaki, Kanagawa	62	Jul 2015	78.2%	-6.1	5,244	37.0%	4,100	27.1%	18	67.4%	53.2%	8.1	12.7%	3.3
D35	FSI Ekoda	Nerima-ku, Tokyo	210	Aug 2015	77.8%	19.2	5,486	11.7%	4,268	48.4%	92	67.0%	41.9%	-6.8	10.5%	-0.2
D38	MS Shinsaibashi	Osaka, Osaka	54	Jan 2016	84.6%	11.0	13,494	59.9%	11,418	83.9%	55	143.3%	100.0%	0.0	60.3%	16.0
D43	MS Gotanda Station	Shinagawa-ku, Tokyo	384	Mar 2016	93.2%	9.6	13,091	39.4%	12,200	55.4%	545	76.1%	100.0%	0.0	27.3%	2.4
D44	Hotel Epinard Nasu	Nasu, Tochigi	310	Mar 2016	94.2%	1.1	32,341	-1.8%	30,475	-0.6%	1,064	-7.7%	100.0%	0.0	0.3%	-0.1
D45	MS Fukuoka Tenjin	Fukuoka, Fukuoka	217	Mar 2016	87.2%	15.9	12,218	44.0%	10,658	76.0%	251	89.6%	100.0%	0.0	55.6%	28.7
D46	MS Hamamatsucho	Minato-ku, Tokyo	105	Mar 2016	94.7%	7.9	13,796	47.4%	13,071	60.8%	141	85.8%	100.0%	0.0	44.4%	16.9
D47	MSP Kanazawa	Kanazawa, Ishikawa	244	Jun 2016	76.2%	8.9	12,155	14.3%	9,262	29.4%	250	26.0%	100.0%	0.0	13.9%	4.5
D49	MSP Hamamatsucho	Minato-ku, Tokyo	120	May 2017	92.7%	11.7	23,645	67.4%	21,924	91.6%	311	109.1%	100.0%	0.0	73.1%	31.2
D50	MS Shin Osaka CC	Osaka-shi, Osaka	397	Oct 2017	74.8%	8.3	7,774	18.8%	5,814	33.6%	276	59.7%	100.0%	0.0	17.4%	2.6
D51	MSP Omori	Shinagawa-ku, Tokyo	232	Oct 2017	86.4%	2.9	15,829	91.8%	13,683	98.5%	354	164.7%	100.0%	0.0	53.9%	26.5

(Note 1) Excludes the data for nine hotels\* with fixed-rent lease as well as Sheraton Grande Tokyo Bay since they are not allowed to be disclosed. (\*D29 Super Hotel Shinbashi/ Karasumoriguchi, D33 Comfort Hotel Toyama, D36 Super Hotel Tokyo-JR Tachikawa Kitaguchi, D37 Super Hotel JR Ueno-iriyauchi, D39 Comfort Hotel Kurosaki, D40 Comfort Hotel Maebashi, D41 Comfort Hotel Tsubame-Sanjo, D42 Comfort Hotel Kitami, and D48 Takamatsu Tokyu REI Hotel). "D48 Takamatsu Tokyu REI Hotel" changed its contract with its major tenant, Tokyu Hotels Corporation, to fixed-rent with variable rent lease from April 25, 2023. However, in view of the continuity of disclosed data, this hotel will continue to be treated as a fixed-rent hotel and excluded from the list

(Note 2) Actual results for the pre-acquisition period of the properties is based on actual results provided by sellers

(Note 3) The figures for “D200 Westin Grand Cayman Seven Mile Beach Resort & Spa” and “D201 Sunshine Suites Resort” are in US dollars, and in USD in thousands for GOP

# Key Operational Data for Variable Rent Hotels (2)

Property		Location	# of rooms	Acquisition Month	Occupancy		ADR (¥)		RevPAR (¥)		GOP (¥ mn)		Daily Ratio		Overseas Sales Ratio	
					Jul-Dec. 2023 Actual		Jul-Dec. 2023 Actual		Jul-Dec. 2023 Actual		Jul-Dec. 2023 Actual		Jul-Dec. 2023 Actual		Jul-Dec. 2023 Actual	
					Y-o-Y (pt)	Y-o-Y (pt)	Y-o-Y	Y-o-Y	Y-o-Y	Y-o-Y	Y-o-Y	Y-o-Y	Y-o-Y (pt)	Y-o-Y (pt)	Y-o-Y (pt)	Y-o-Y (pt)
D52	Kamenoi Hotel Beppu	Beppu-shi, Oita	322	Oct 2017	81.9%	14.2	13,638	-0.2%	11,174	20.7%	404	29.2%	100.0%	0.0	16.8%	8.4
D53	MS Sapporo Station	Sapporo-shi, Hokkaido	242	Oct 2017	82.6%	8.3	12,884	40.8%	10,642	56.5%	266	79.7%	100.0%	0.0	27.9%	16.0
D54	MS Yokohama Kannai	Yokohama-shi, Kanagawa	165	Feb 2018	89.7%	-0.2	10,785	8.5%	9,676	8.3%	152	12.3%	100.0%	0.0	21.7%	2.3
D55	Art Hotel Joetsu	Joetsu-shi, Niigata	198	Feb 2018	72.6%	5.1	7,758	-2.0%	5,636	5.4%	77	48.8%	100.0%	0.0	7.3%	1.4
D56	Art Hotel Hirosaki City	Hirosaki-shi, Aomori	134	Feb 2018	80.3%	-4.0	14,083	18.8%	11,306	13.2%	167	43.1%	100.0%	0.0	13.5%	9.2
D57	MS Oita	Oita-shi, Oita	145	Feb 2018	83.9%	-	7,761	-	6,509	-	70	-	100.0%	-	25.9%	-
D58	MS Gotanda	Shinagawa-ku, Tokyo	110	Jun 2018	92.8%	3.0	12,018	43.6%	11,148	48.4%	121	87.3%	100.0%	0.0	25.4%	5.8
D59	MS Tachikawa	Tachikawa-shi, Tokyo	121	Jun 2018	91.6%	3.2	10,849	14.8%	9,935	18.9%	116	29.2%	100.0%	0.0	20.5%	1.3
D60	MSP Akasaka	Minato-ku, Tokyo	327	Aug 2018	90.4%	18.1	15,819	80.7%	14,300	125.9%	551	173.5%	100.0%	0.0	67.2%	34.5
D61	MSP Sapporo Park	Sapporo-shi, Hokkaido	419	Aug 2018	73.0%	10.8	15,185	36.3%	11,089	60.1%	466	102.6%	100.0%	0.0	13.1%	5.3
D62	MS Ueno East	Taito-ku, Tokyo	150	Aug 2018	90.4%	17.1	10,141	71.5%	9,165	111.7%	124	238.5%	100.0%	7.7	73.2%	38.5
D63	MS Midotsuji Honmachi	Osaka, Osaka	108	Aug 2018	73.2%	-0.8	11,327	56.5%	8,295	54.9%	68	106.7%	100.0%	0.0	49.6%	24.6
D64	Hotel MyStays Sapporo Aspen	Sapporo-shi, Hokkaido	305	Jul 2019	81.6%	4.2	16,544	54.1%	13,508	62.5%	428	96.2%	100.0%	0.0	28.8%	15.6
D65	Art Hotel Ishigakijima	Ishigaki-shi, Okinawa	245	Jul 2019	75.0%	-5.9	20,771	11.8%	15,568	3.7%	287	-11.4%	100.0%	0.0	7.2%	-1.2
D66	Hotel MyStays Fuji Onsen Resort	Fujiyoshida-shi, Yamanashi	159	Jul 2019	88.8%	11.7	27,922	41.8%	24,808	63.2%	492	92.3%	100.0%	0.0	48.7%	19.8
D67	Hotel Sonia Otaru	Otaru-shi, Hokkaido	149	Jul 2019	81.9%	8.3	20,170	15.2%	16,517	28.2%	272	42.0%	100.0%	0.0	18.9%	9.5
D68	Hotel MyStays Kanazawa Castle	Kanazawa-shi, Ishikawa	206	Jul 2019	76.8%	10.8	8,988	5.2%	6,900	22.5%	109	25.1%	100.0%	0.0	14.3%	6.5
D69	Art Hotel Niigata Station	Niigata-shi, Niigata	304	Jul 2019	82.8%	1.5	8,271	10.4%	6,849	12.5%	225	49.7%	100.0%	0.0	6.6%	-0.7
D70	Hotel MyStays Nagoya Nishiki	Nagoya-shi, Aichi	169	Jul 2019	85.7%	1.7	9,129	38.8%	7,821	41.6%	132	76.8%	100.0%	0.4	28.6%	7.2
D71	Hotel Nord Otaru	Otaru-shi, Hokkaido	98	Jul 2019	80.2%	3.4	21,667	18.4%	17,370	23.7%	176	38.3%	100.0%	0.0	22.1%	8.8
D72	Hotel MyStays Kagoshima Tenmonkan	Kagoshima-shi, Kagoshima	196	Jul 2019	81.4%	-1.7	8,839	-4.8%	7,195	-6.8%	127	-8.8%	100.0%	0.0	15.2%	3.7
D73	Art Hotel Asahikawa	Asahikawa-shi, Hokkaido	265	Jul 2019	82.4%	-2.9	13,538	25.1%	11,149	20.8%	259	101.2%	100.0%	0.0	7.2%	4.0
D74	Hotel MyStays Matsuyama	Matsuyama-shi, Ehime	162	Jul 2019	72.6%	3.9	9,760	6.8%	7,083	13.0%	118	63.8%	100.0%	0.0	16.0%	8.6
D75	Hotel MyStays Sapporo Susukino	Sapporo-shi, Hokkaido	104	Jul 2019	74.2%	16.2	10,665	42.7%	7,909	82.5%	73	175.2%	100.0%	0.0	18.2%	8.3
D76	Hotel MyStays Sapporo Nakajima Park	Sapporo-shi, Hokkaido	86	Jul 2019	63.9%	11.5	13,704	48.4%	8,760	80.8%	57	274.5%	100.0%	0.0	35.2%	11.9
D77	Hotel MyStays Sapporo Nakajima Park Annex	Sapporo-shi, Hokkaido	80	Jul 2019	63.9%	8.6	9,450	55.1%	6,042	79.2%	30	380.5%	100.0%	0.8	25.3%	-3.9
D78	Flexstay Inn Sakuragicho	Yokohama-shi, Kanagawa	70	Jul 2019	89.5%	0.5	7,268	17.3%	6,504	18.0%	43	30.9%	61.7%	-0.5	15.9%	-5.0
D79	MyCUBE by MYSTAYS Asakusa Kuramae	Taito-ku, Tokyo	161	Jul 2019	65.4%	29.8	4,582	50.8%	2,999	176.9%	32	1407.0%	76.4%	0.8	49.6%	22.5
D80	Hotel MyStays Kagoshima Tenmonkan Annex	Kagoshima-shi, Kagoshima	73	Jul 2019	90.7%	-0.1	8,101	-6.0%	7,349	-6.1%	39	-19.3%	100.0%	0.0	23.4%	6.4
D81	Hotel MyStays Nayoro	Nayoro-shi, Hokkaido	70	Jul 2019	86.7%	-1.5	8,468	5.3%	7,341	3.6%	31	-11.8%	100.0%	0.0	4.2%	0.0
D82	Hotel MyStays Premier Narita	Narita-shi, Chiba	711	Jan 2020	70.5%	4.2	8,996	4.5%	6,346	11.2%	282	30.5%	100.0%	0.0	14.9%	5.9
D83	Art Hotel Morioka	Morioka-shi, Iwate	214	Jan 2020	82.5%	2.7	10,318	17.3%	8,512	21.3%	124	55.6%	100.0%	0.0	12.6%	3.2
D84	Fusaki Beach Resort Hotel & Villas	Ishigaki-shi, Okinawa	398	Aug 2023	73.0%	-3.7	49,949	7.7%	36,471	2.5%	1,436	-5.8%	100.0%	0.0	4.5%	-0.7
D85	Tateshina Grand Hotel Takinoyu	Chino-shi, Nagano	160	Aug 2023	86.1%	0.9	28,941	-6.7%	24,928	-5.7%	423	-12.6%	100.0%	0.0	1.7%	0.2
D86	Hotel MyStays Okayama	Okayama-shi, Okayama	145	Aug 2023	89.3%	6.4	7,589	11.6%	6,776	20.2%	78	24.1%	100.0%	0.0	17.4%	4.9
D87	Hotel MyStays Aomori Station	Aomori-shi, Aomori	132	Aug 2023	82.9%	2.6	11,658	20.6%	9,660	24.5%	131	25.2%	100.0%	0.0	29.4%	21.8
D88	Hotel MyStays Soga	Chiba-shi, Chiba	112	Aug 2023	88.5%	3.0	9,458	8.4%	8,369	12.2%	79	30.6%	100.0%	0.0	13.3%	5.8
D89	Tazawako Lake Resort & Onsen	Senboku-shi, Akita	80	Aug 2023	68.3%	-2.5	16,185	0.9%	11,053	-2.7%	54	-33.7%	100.0%	0.0	8.4%	4.0
Domestic Hotels (Note 2)		-	13,395	-	81.9%	6.4	13,132	19.9%	10,756	30.0%	14,369	42.3%	96.6%	-0.4	24.5%	11.9
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	Grand Cayman	343	Sep 2018	64.7%	7.1	498	7.2%	322	20.3%	12,832	7.9%	-	-	-	-
D201	Sunshine Suites Resort	Grand Cayman	131	Sep 2018	65.2%	12.6	222	-1.1%	145	22.7%	1,767	37.5%	-	-	-	-
Overseas Hotels		-	474	-	64.8%	8.6	421	4.6%	273	20.7%	14600	10.8%	-	-	-	-

(Note 1) Excludes the data for nine hotels\* with fixed-rent lease as well as Sheraton Grande Tokyo Bay since they are not allowed to be disclosed. (\*D29 Super Hotel Shinbashi/ Karasumoriguchi, D33 Comfort Hotel Toyama, D36 Super Hotel Tokyo-JR Tachikawa Kitaguchi, D37 Super Hotel JR Ueno-iriyaguchi, D39 Comfort Hotel Kurosaki, D40 Comfort Hotel Maebashi, D41 Comfort Hotel Tsubame-Sanjo, D42 Comfort Hotel Kitami, and D48 Takamatsu Tokyu REI Hotel). "D48 Takamatsu Tokyu REI Hotel" changed its contract with its major tenant, Tokyu Hotels Corporation, to fixed-rent with variable rent lease from April 25, 2023. However, in view of the continuity of disclosed data, this hotel will continue to be treated as a fixed-rent hotel and excluded from the list

(Note 2) Actual results for the pre-acquisition period of the properties is based on actual results provided by sellers

(Note 3) The figures for “D200 Westin Grand Cayman Seven Mile Beach Resort & Spa” and “D201 Sunshine Suites Resort” are in US dollars, and in USD in thousands for GOP

Items	December 2020	June 2021	December 2021	June 2022	December 2022	June 2023	December2023
	Jul 1, 2020- Dec 31, 2020	Jan 1, 2021- Jun 30, 2021	Jul 1, 2021- Dec 31, 2021	Jan 1, 2022- Jun 30, 2022	Jul 1, 2022- Dec 31, 2022	Jan 1, 2023- Jun 30, 2023	Jul 1, 2023- Dec 31, 2023
Amount of Total Assets (JPY million)	516,490	497,899	494,819	490,118	494,237	496,819	563,393
Amount of Net Assets (JPY million)	249,641	245,113	246,130	246,211	250,321	254,024	290,305
Capital-to-Asset Ratio	48.3%	49.2%	49.7%	50.2%	50.6%	51.1%	51.5%
Total Amount of Investment (JPY million)	235,701	235,701	235,701	235,701	235,701	235,701	270,101
End-of-period total number of units issued	6,096,840	6,096,840	6,096,840	6,096,840	6,096,840	6,096,840	6,737,121
Amount of Net Assets per Unit (JPY)	40,946	40,203	40,370	40,383	41,058	41,665	43,090
Return on Asset (ROA) (annualized)	0.2%	-1.4%	0.6%	0.4%	2.1%	3.6%	4.0%
Return on Equity (ROE) (annualized)	0.5%	-2.9%	1.2%	0.8%	4.1%	7.1%	7.7%
Amount of interest-bearing debts (JPY million)	262,588	249,198	244,945	241,372	240,797	239,190	269,100
Weighted average interest rate	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.7%
Loan to Value (LTV 1)	52.6%	51.3%	50.9%	50.5%	50.5%	50.3%	49.8%
End-of-period Loan-to-Value based on Total Assets (LTV 2)	50.8%	50.0%	49.5%	49.2%	48.7%	48.1%	47.8%
Net Operating Income (NOI) (JPY million)	3,703	2,090	4,201	4,936	10,509	14,523	17,205
NOI yield (annualized)	1.5%	0.8%	2.5%	2.0%	4.2%	6.0%	6.3%
Depreciation Expenses (JPY million)	3,992	3,889	3,850	3,766	3,756	3,746	4,217
Funds From Operations (FFO) (JPY million)	2,014	290	2,296	3,312	8,831	12,660	15,250
NAV (JPY million)	301,576	306,746	308,349	320,967	325,857	356,905	403,873
NAV per Unit (JPY)	49,464	50,312	50,575	52,645	53,447	58,539	59,948
NAV ratio	0.7	0.9	0.7	0.8	1.0	1.0	1.0

(Note 1) Financial indicators calculation method in the above table are as follows

- ROA(annualized) = Ordinary Income / Weighted Average Total Assets during the period x 100/days during the period x 3
- ROE(annualized) = Net Income / Weighted Average Net Assets during the period x 100/days during the period x 365
- LTV(1) = End-of-period Interest-Bearing Debt / (End-of-period Interest-Bearing Debt + Unitholders' Capital + Unitholders' Capital Surplus)x100
- LTV(2) = End-of-period Interest-Bearing Debt / End-of-period Total Assets x 100
- NOI = Rental Revenues + TMK Dividend amount - Property-Related Expenses + Depreciation Expenses
- NOI yield (annualized) = ((Rental Revenues + TMK Dividend amount - Property-Related Expenses + Depreciation Expenses)/ days during the period x 365)/ Acquisition Price
- FFO = Net Income + Depreciation Expenses + Other Amortization – Gain on Sales of Properties + Loss from Sales of Properties
- NAV = End-of-period Amount of Net Assets – Undistributed Profit + End-of-period Appraisal Value - Tangible property (including leasehold rights in trust)
- NAV ratio = period-end unit price/ Amount of Net Assets per Unit

(Note 2) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place  
In addition, “Amount of Net Assets per Unit (¥)” and “NAV per Unit (¥)” are rounded to nearest yen

# Income Statement

Items	Jun 2023 Period Jan 1, 2023- Jun 30, 2023		Dec 2023 Period Jul 1, 2023- Dec 31, 2023		Changes	
	JPY thousand	(%)	JPY thousand	(%)	JPY thousand	(%)
Operating revenue (1)	15,914,981	100.0	18,819,119	100.0	2,904,138	18.2
Rental revenue	12,000,955		16,696,076		4,695,121	
Management contract revenue	3,914,026		2,123,042		(1,790,983)	
Operating expenses	5,558,241	34.9	6,230,207	33.1	671,965	12.1
Property related expenses (2)	4,488,341		5,096,717		608,376	
Management contract expenses (3)	649,329		734,722		85,392	
Depreciation expenses (4)	3,746,513		4,217,991		471,477	
<b>NOI (including dividend income) (1)-(2)-(3)+(4)</b>	<b>14,523,824</b>	<b>91.3</b>	<b>17,205,671</b>	<b>91.4</b>	<b>2,681,847</b>	<b>18.5</b>
Asset management fees	300,000		300,000		-	
Directors' compensation	4,800		5,200		400	
Asset custody fees	24,736		27,267		2,531	
Administrative service fees	39,162		48,537		9,375	
Other	51,871		17,761		(34,109)	
Operating income	10,356,739	65.1	12,588,912	66.9	2,232,172	-
Non-operating income	182,107	1.1	452	0.0	(181,655)	(99.8)
Interest income	100		138		37	
Foreign exchange gains	178,185		-		(178,185)	
Other	3,821		314		(3,507)	
Non-operating expenses	1,624,499	10.2	1,556,188	8.3	(68,311)	(4.2)
Interest expenses	507,601		603,172		95,571	
Foreign exchange losses	-		76,288		76,288	
Interest expenses on investment corporation bonds	33,881		63,059		29,177	
Amortization of investment corporation bond issuance costs	7,053		10,839		3,785	
Loan-related costs	538,693		620,370		81,676	
Loss on derivatives	537,269		30,078		(507,190)	
Investment unit issuance expenses	-		152,379		152,379	
Ordinary income	8,914,347	56.0	11,033,176	58.6	2,118,828	-
Income before income taxes	8,914,347	56.0	11,033,176	58.6	2,118,828	-
Income taxes	605		605		-	
Net income	8,913,742	56.0	11,032,571	58.6	2,118,828	-
Retained earnings brought forward	8,669,991		8,657,960		(12,031)	
Unappropriated retained earnings / losses at the end of the period	17,583,734		19,690,532		2,106,797	

# Balance Sheet - Assets

Items	June 2023 Period (As of June 30, 2023)		December 2023 Period (As of December 31, 2023)		Changes	
	JPY thousand	(%)	JPY thousand	(%)	JPY thousand	(%)
<b>Assets</b>						
Current assets						
Cash and bank deposits	18,377,030		21,956,120		3,579,089	
Cash and bank deposits in trust	10,464,171		12,936,394		2,472,223	
Rental receivables	5,750,301		4,834,083		(916,217)	
Deposits paid	542,947		1,976,184		1,433,237	
Prepaid expenses	821,117		1,143,417		322,300	
Income taxes receivable	15		21		5	
Consumption tax receivable	-		2,615,543		2,615,543	
Others	397		12,636		12,238	
Total current assets	35,955,980	7.2	45,474,401	8.1	9,518,421	26.5
Non-current assets						
Property and equipment						
Buildings	17,672,145		17,457,249		(214,896)	
Buildings and accompanying facilities	4,051,330		3,898,162		(153,167)	
Structures	1,242		1,209		(32)	
Tools, furniture and fixtures	808,401		822,627		14,225	
Construction in progress	720,331		754,330		33,999	
Buildings in trust	130,386,221		152,726,019		22,339,797	
Buildings and accompanying facilities in trust	19,713,998		26,449,389		6,735,391	
Structures in trust	151,661		159,611		7,950	
Tools, furniture and fixtures in trust	1,375,402		1,567,120		191,717	
Land in trust	241,319,447		264,666,397		23,346,950	
Construction in progress in trust	25,767		198,056		172,288	
Total property and equipment	416,225,951	83.8	468,700,175	83.2	52,474,224	12.6
Intangible assets						
Leasehold rights	10,637,811		10,637,811		-	
Leasehold rights in trust	14,380,825		17,396,611		3,015,785	
Total intangible assets	25,018,637	5.0	28,034,422	5.0	3,015,785	12.1
Investment and other assets						
Investment securities	17,856,387		17,856,387		-	
Guarantee deposits	1,372,719		1,382,359		9,640	
Long-term prepaid expenses	290,589		1,825,986		1,535,396	
Derivatives assets	9,306		7,877		(1,429)	
Others	22,667		22,667		-	
Total investment and other assets	19,551,670	3.9	21,095,278	3.7	1,543,607	7.9
Total non-current assets	460,796,259	92.7	517,829,876	91.9	57,033,617	12.4
Deferred assets						
Investment corporation bond issuance costs	67,690		88,783		21,092	
Total deferred assets	67,690	0.0	88,783	0.0	21,092	-
<b>Total assets</b>	<b>496,819,930</b>	<b>100.0</b>	<b>563,393,061</b>	<b>100.0</b>	<b>66,573,131</b>	<b>13.4</b>

# Balance Sheet – Liabilities/Net Assets

Items	June 2023 Period (As of June 30, 2023)		December 2023 Period (As of December 31, 2023)		Changes	
	JPY thousand	(%)	JPY thousand	(%)	JPY thousand	(%)
<b>Liabilities</b>						
Current liabilities						
Accounts payable	599,562		800,491		200,929	
Short-term loans payable	111,453,000		36,520,000		(74,933,000)	
Current portion of investment corporation bonds	2,000,000		1,000,000		(1,000,000)	
Current portion of long-term loans payable	46,139,000		36,787,000		(9,352,000)	
Accounts payable-other	3,514		6,321		2,807	
Accrued expenses	247,903		281,210		33,307	
Income taxes payable	605		605		-	
Consumption taxes payable	422,723		-		(422,723)	
Advances received	305,914		305,676		(238)	
Deposits received	11,663		55,107		43,443	
Total current liabilities	161,183,886	32.4	75,756,412	13.4	(85,427,474)	(53.0)
Non-current liabilities						
Investment corporation bonds	11,400,000		13,900,000		2,500,000	
Long-term loans payable	68,198,000		180,893,000		112,695,000	
Tenant leasehold and security deposits in trust	1,484,328		1,491,055		6,726	
Derivatives liabilities	495,525		654,369		158,844	
Asset retirement obligations	34,097		393,202		359,104	
Total non-current liabilities	81,611,951	16.4	197,331,627	35.0	115,719,675	141.8
<b>Total liabilities</b>	<b>242,795,838</b>	<b>48.9</b>	<b>273,088,040</b>	<b>48.5</b>	<b>30,292,201</b>	<b>12.5</b>
<b>Net assets</b>						
Unitholders' equity						
Unitholders' capital	235,701,512	47.4	270,101,249	47.9	34,399,737	14.6
Surplus						
Capital surplus	6,264,432		6,264,432		-	
Deduction of capital surplus						
Allowance for temporary differences adjustment	(6,130)		(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	17,583,734		19,690,532		2,106,797	
Total surplus	18,318,029	3.7	20,424,826	3.6	2,106,797	11.5
Total unitholders' equity	254,019,541	51.1	290,526,075	51.6	36,506,534	14.4
Valuation and translation adjustments						
Deferred gains or losses on hedges	4,550		△221,054		(225,605)	
Total valuation and translation adjustments	4,550	0.0	△221,054	△ 0.0	(225,605)	-
<b>Total net assets</b>	<b>254,024,091</b>	<b>51.1</b>	<b>290,305,021</b>	<b>51.5</b>	<b>36,280,929</b>	<b>14.3</b>
<b>Total liabilities and net assets</b>	<b>496,819,930</b>	<b>100.0</b>	<b>563,393,061</b>	<b>100.0</b>	<b>66,573,131</b>	<b>13.4</b>



# Cash Flow Statement and Dividend Distribution

Items	Jun 2023 Period Jan 1, 2023- Jun 30, 2023 (JPY thousand)	Dec 2023 Period Jul 1, 2023- Dec 31, 2023 (JPY thousand)
<b>Cash flows from operating activities</b>		
Income (loss) before income taxes	8,914,347	11,033,176
Depreciation and amortization	3,746,513	4,217,991
Investment unit issuance costs	-	152,379
Amortization of investment corporation bond issuance costs	7,053	10,839
Loan-related costs	538,693	620,370
Interest income	(100)	(138)
Interest expenses	541,482	666,231
Foreign exchange losses (gains)	(90)	23
Loss (gain) of derivatives	537,269	30,078
Decrease (increase) in rental receivables	(905,138)	916,217
Decrease (Increase) in deposits paid	1,160,368	(1,433,237)
Decrease (increase) in receivable income taxes	(1)	(5)
Decrease (increase) in consumption taxes receivable	-	(3,038,267)
Increase (decrease) in accounts payable	13,731	(3,446)
Increase (decrease) in consumption taxes payable	51,048	-
Increase (decrease) in accrued expenses	(19,097)	8,353
Increase (decrease) in advances received	(11,435)	(238)
Increase (decrease) in deposits received	(1,827)	43,443
Others	(250,984)	193,803
<b>Subtotal</b>	<b>14,321,833</b>	<b>13,417,575</b>
Interest income received	100	138
Interest expenses paid	(538,660)	(643,780)
Income taxes paid	(605)	(605)
<b>Cash flows from operating activities</b>	<b>13,782,668</b>	<b>12,773,327</b>
<b>Cash flows from investment activities</b>		
Proceeds from withdrawal of time deposits	2,000,000	800,000
Purchases of property and equipment	(62,318)	(122,052)
Purchases of property and equipment in trust	(965,159)	(55,967,444)
Purchases of leasehold rights in trust	-	(3,055,022)
Repayments of tenant leasehold and security deposits in trust	(30,246)	(33,591)
Proceeds from tenant leasehold and security deposits in trust	28,873	40,318
Payments of tenant leasehold and security deposits	-	(9,640)
Others	(46,500)	(95,410)
<b>Cash flows from investment activities</b>	<b>924,648</b>	<b>(58,442,843)</b>
<b>Cash flows from financing activities</b>		
Proceeds from short-term loans payable	27,660,000	11,899,000
Repayments of short-term loans payable	(30,722,000)	(86,832,000)
Proceeds from long-term loans payable	12,317,000	129,686,000
Repayments of long-term loans payable	(16,062,000)	(26,343,000)
Proceeds from issuance of investment corporation bonds	6,163,101	3,470,368
Redemption of investment corporation bonds	(1,000,000)	(2,000,000)
Payments for loan-related costs	(473,134)	(2,684,150)
Payments of distributions of earnings	(5,070,967)	(8,922,722)
Proceeds from issuance of investment units	-	34,247,357
<b>Cash flows from financing activities</b>	<b>(7,188,001)</b>	<b>52,520,852</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>90</b>	<b>(23)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>7,519,406</b>	<b>6,851,312</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>20,521,796</b>	<b>28,041,202</b>
<b>Cash and cash equivalents at end of period</b>	<b>28,041,202</b>	<b>34,892,514</b>

Items	Jun 2023 Period Jan 1, 2023- Jun 30, 2023	Dec 2023 Period Jul 1, 2023- Dec 31, 2023
Unappropriated retained earnings (JPY thousand)	17,583,734	19,690,532
Distributions (JPY thousand)	8,925,773	11,048,878
Of which, distributions of earnings (JPY thousand)	8,925,773	11,048,878
Distribution per unit (JPY)	1,464	1,640
Of which, distributions of earnings per unit (JPY)	1,464	1,640
Retained earnings / losses carried forward (JPY thousand)	8,657,960	8,641,653

Property Number	A26	A28	A29	A30	A32	A33	A34	A35	A37	A38	A39	A40	A41	A43	A44	A45	A46	A47	A48
Property Name	Nishin Palacestage Daibashi	Growth Maison Gotanda	Growth Maison Kameido	Emerald House	Suncrest Shakujii-Koen	Growth Maison Shin-Yokohama	Belle Face Ueno-Okachimachi	Grand Rire Kameido	Growth Maison Yoga	Route Tachikawa	Shibuya-Honmachi Mansion	City Heights Kinuta	Acseeds Tower Kawaguchi-Namiki	College Square Machida	Belair Meguro	Wacore Tsunashima I	Foros Nakamura-bashi	Growth Maison Kaijin	College Square Machiya
number of operating days	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184
① Rental revenues	35,652	28,508	35,632	41,123	40,236	37,798	32,119	26,619	23,200	22,096	21,375	19,420	26,107	16,609	15,645	16,625	19,489	24,102	14,924
Rent, common area fees	33,132	26,916	33,454	39,346	36,690	34,585	30,895	26,619	21,191	20,445	20,598	18,205	24,980	16,609	14,888	15,902	17,641	21,720	14,706
Rental revenues (Fixed rent)																			
Rental revenues (Variable rent)																			
Other revenue	2,519	1,592	2,177	1,777	3,546	3,212	1,224	-	2,009	1,651	776	1,215	1,126	-	757	722	1,848	2,381	218
② Property related expenses	19,854	9,434	14,671	17,136	14,996	16,365	14,998	8,581	11,864	9,400	6,734	5,572	10,222	4,535	7,643	8,977	9,295	15,401	5,724
Facility management fees (a)	5,042	2,057	4,173	4,763	3,358	3,673	6,442	459	3,981	2,155	1,940	1,516	2,268	264	2,210	2,271	2,108	3,988	86
(of which, repair cost)	506	106	690	480	197	577	193	399	248	682	654	171	60	264	236	510	105	401	86
(of which, utility expenses)	1,307	287	514	794	821	521	495	-	256	239	132	146	270	-	132	373	239	898	-
Tax and other public charges (b)	1,640	1,381	1,711	2,587	3,224	2,442	1,702	1,771	1,369	1,110	1,007	1,031	1,103	1,562	942	899	975	2,016	956
Insurance expenses (c)	60	36	51	97	100	69	50	52	38	41	35	34	40	39	25	28	33	79	28
Depreciation expenses (㉞)	10,141	5,412	6,822	8,984	7,651	7,807	6,114	5,761	4,318	5,366	3,065	2,299	5,488	2,133	2,997	4,361	5,175	7,759	4,118
Other expenses (d)	2,969	546	1,912	703	661	2,372	688	536	2,155	725	686	690	1,320	536	1,468	1,417	1,003	1,557	536
③ Rental income (①-②)	15,798	19,073	20,960	23,986	25,240	21,433	17,121	18,038	11,336	12,695	14,640	13,848	15,885	12,074	8,001	7,647	10,194	8,700	9,199
④ NOI (①-②+㉞)	25,939	24,486	27,783	32,971	32,891	29,240	23,236	23,799	15,655	18,062	17,705	16,147	21,373	14,208	10,999	12,008	15,369	16,460	13,318
⑤ Capital expenditure	4,979	506	1,996	7,960	8,134	1,813	-	144	3,131	56,698	3,736	664	148	554	2,031	8,838	1,453	4,138	24,322
⑥ NCF (④-⑤)	20,960	23,980	25,786	25,010	24,757	27,427	23,236	23,655	12,523	-38,636	13,968	15,483	21,224	13,653	8,967	3,170	13,916	12,321	-11,004

Property Number	A59	A61	A63	A64	A65	A66	A72	A73	A84	A87	A90	A92	A93	A94	A96	A97	A99	A101	A102
Property Name	Towa City Coop Shin-otsuka II	Bichsel Musashiseki	Towa City Coop Sengencho	Royal Park Omachi	Lexington Square Haginomachi	Visconti Kakuzan	Lexington Square Honjo-Azumabashi	AMS TOWER Minami 6-Jo	Revest Heian	Excellente Kagurazaka	Queen's Court Fukuzumi	Belair Oimachi	Siete Minami-Tsukaguchi	Prime Life Sannomiya Isogami Koen	Century Park Shinkawa 1-bankan	West Avenue	Prime Life Mikage	Lieto Court Mukojima	Lieto Court Nishi-Ojima
number of operating days	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184
① Rental revenues	36,589	23,754	56,505	26,712	17,477	9,664	18,816	46,700	23,957	19,664	17,037	15,564	17,410	14,036	16,999	13,678	12,784	58,439	49,841
Rent, common area fees	35,515	22,656	52,817	23,000	15,846	8,831	18,377	44,617	23,079	18,768	16,508	14,719	16,413	13,077	14,404	13,167	11,246	54,415	48,948
Rental revenues (Fixed rent)																			
Rental revenues (Variable rent)																			
Other revenue	1,073	1,098	3,687	3,712	1,631	833	439	2,083	878	895	528	844	997	959	2,594	511	1,538	4,023	893
② Property related expenses	12,461	9,068	26,940	12,183	7,073	6,183	6,669	26,627	11,627	9,165	6,770	7,325	7,743	7,710	8,236	5,735	6,970	26,689	21,310
Facility management fees (a)	4,157	2,330	13,659	4,842	1,953	2,684	1,890	7,497	2,400	2,633	1,638	1,982	1,953	1,289	1,622	1,972	1,414	5,050	4,618
(of which, repair cost)	201	270	360	106	40	125	228	1,850	46	1,037	59	12	-	36	104	622	266	488	311
(of which, utility expenses)	8	342	30	1,578	596	167	318	758	226	178	99	113	221	148	227	238	123	532	522
Tax and other public charges (b)	1,442	1,222	3,056	1,607	1,176	915	828	6,570	1,414	787	753	733	989	867	847	562	782	2,482	2,184
Insurance expenses (c)	84	45	137	63	39	27	30	123	44	29	28	23	36	26	44	23	24	94	72
Depreciation expenses (㉞)	5,120	3,765	7,504	4,222	2,504	1,732	2,897	8,633	6,640	4,696	3,508	3,235	3,467	3,635	4,587	2,217	3,260	16,509	13,032
Other expenses (d)	1,656	1,704	2,582	1,446	1,398	823	1,023	3,802	1,126	1,017	841	1,350	1,296	1,891	1,135	960	1,488	2,553	1,403
③ Rental income (①-②)	24,127	14,685	29,564	14,529	10,404	3,481	12,146	20,073	12,330	10,499	10,266	8,238	9,667	6,326	8,762	7,942	5,814	31,749	28,530
④ NOI (①-②+㉞)	29,248	18,451	37,068	18,751	12,908	5,214	15,044	28,706	18,970	15,195	13,775	11,474	13,135	9,961	13,349	10,160	9,075	48,259	41,562
⑤ Capital expenditure	159	6,613	5,173	1,185	500	193	1,262	23,393	198	2,960	-	2,831	1,367	2,840	792	165	1,724	9,128	1,014
⑥ NCF (④-⑤)	29,088	11,837	31,895	17,566	12,407	5,020	13,782	5,313	18,772	12,235	13,775	8,642	11,768	7,121	12,557	9,995	7,350	39,130	40,548

(Note 1) Expenses related to hotel sales (personnel expenses, utilities expenses, advertisement expenses, etc.) (hereinafter referred to as "hotel expenses") shall be charged to expenses in the month following expiration month based on cash basis on lease contract For the property, for a month after the acquisition, there will be a period during which GOP is calculated without deducting hotel expenses. Therefore, the GOP, NOI and GOP ratios in the project period including the acquisition date are higher than in normal cases.

(Note 2) Using an exchange rate at the time of transaction regarding ①-㉞ of Cayman hotels

# Property Income (2/4)

Property Number	A103	A104	A106		B18		D01	D02	D03	D04	D05	D06	D07	D08	D09	D10	D11	D12	D13
Property Name	Royal Parks Momozaka	Royal Parks Shinden	Royal Parks Seasar Minami-Senju	subtotal	AEON TOWN Sukagawa	subtotal	Hotel MyStays Kanda	Hotel MyStays Asakusa	Hotel MyStays Kyoto-Shijo	MyStays Shin-Urayasu Conference Center	Hotel MyStays Maihama	Hotel MyStays Premier Dojima	Hotel MyStays Nagoya-Sakae	Hotel MyStays Sakaisuji-Honmachi	Hotel MyStays Yokohama	Hotel MyStays Nippori	Hotel MyStays Fukuoka-Tenjin-Minami	Flexstay Inn Iidabashi	Hotel MyStays Ueno Inaricho
number of operating days	184	184	184	-	184	-	184	184	184	184	184	184	184	184	184	184	184	184	184
① Rental revenues	154,475	224,389	125,736	1,497,526	141,190	141,190	105,281	96,322	167,899	244,704	246,837	180,032	159,379	77,610	153,901	67,484	163,288	55,975	45,951
Rent, common area fees	138,387	203,260	112,397	1,388,987	141,190	141,190	105,281	96,322	167,899	244,704	246,837	180,032	159,379	77,610	153,901	67,484	163,288	55,975	45,951
Rental revenues (Fixed rent)							36,000	37,500	101,100	82,680	75,360	119,543	68,100	44,340	41,940	29,700	28,860	26,760	21,120
Rental revenues (Variable rent)							69,281	58,822	66,799	162,024	171,477	60,488	91,279	33,270	111,961	37,784	134,428	29,215	24,831
Other revenue	16,088	21,129	13,338	108,538	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
② Property related expenses	116,257	119,638	74,836	748,638	80,645	80,645	30,052	19,663	73,348	56,555	46,686	66,826	48,050	29,514	45,422	16,086	21,450	14,819	13,662
Facility management fees (a)	55,474	28,502	23,526	225,856	56,124	56,124	-	-	-	-	-	13,960	17,163	146	-	-	-	-	-
(of which, repair cost)	1,066	1,135	500	15,435	-	-	-	-	-	-	-	5,752	-	146	-	-	-	-	-
(of which, utility expenses)	1,135	-	1,208	16,209	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax and other public charges (b)	7,622	13,913	5,717	85,916	6,760	6,760	5,127	3,721	11,123	8,238	3,480	12,577	4,025	6,976	4,203	1,843	5,694	4,612	1,501
Insurance expenses (c)	271	512	228	2,960	244	244	95	107	206	201	104	279	262	110	198	57	106	90	43
Depreciation expenses (㉞)	47,235	76,080	42,609	372,877	16,900	16,900	24,321	15,317	61,502	47,609	42,589	37,342	26,090	21,775	40,510	13,679	15,143	9,610	11,612
Other expenses (d)	5,653	629	2,755	61,027	615	615	508	517	516	505	511	2,664	508	506	510	506	505	505	505
③ Rental income (①-②)	38,218	104,751	50,899	748,887	60,544	60,544	75,228	76,659	94,550	188,148	200,151	113,205	111,329	48,095	108,479	51,398	141,838	41,156	32,288
④ NOI (①-②+㉞)	85,453	180,831	93,509	1,121,764	77,445	77,445	99,550	91,976	156,052	235,758	242,740	150,548	137,420	69,871	148,989	65,077	156,981	50,767	43,901
⑤ Capital expenditure	11,122	34,673	9,627	248,178	20,900	20,900	3,207	8,064	7,174	4,312	9,217	82,165	10,430	1,759	21,062	13,990	3,842	2,973	2,469
⑥ NCF (④-⑤)	74,330	146,158	83,881	873,586	56,545	56,545	96,343	83,912	148,878	231,446	233,522	68,383	126,990	68,111	127,927	51,086	153,139	47,794	41,431

Property Number	D14	D15	D16	D17	D18	D19	D20	D21	D22	D23	D24	D25	D26	D27	D28	D29	D30	D31	D32
Property Name	Flexstay Inn Shinagawa	Flexstay Inn Tokiwadai	Flexstay Inn Sugamo	Hotel MyStays Otemae	Hotel MyStays Kiyosumi Shirakawa	Flexstay Inn Nakano bu P1	Flexstay Inn Nakano bu P2	APA Hotel Yokohama-Kannai	Hotel MyStays Hakodate-Goryokaku	Flexstay Inn Shiogane	Hotel MyStays Haneda	Hotel MyStays Kameido P1	Hotel MyStays Ueno Iriyaguchi	Hotel MyStays Kameido P2	Hotel MyStays Shimizu	Super Hotel Shinbashi/Karasumoguchi	Flexstay Inn Higashi-Jujo	Hotel MyStays Utsunomiya	Flexstay Inn Kawasaki-Kaizuka
number of operating days	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184
① Rental revenues	38,565	54,606	36,875	71,254	66,497	14,418	6,954	233,921	125,107	43,164	178,663	163,538	92,224	106,117	81,478	39,426	24,681	99,990	23,035
Rent, common area fees	38,565	54,606	36,875	71,254	66,497	14,418	6,954	233,921	116,195	43,164	178,663	163,538	92,224	106,117	81,478	39,426	24,681	99,990	23,035
Rental revenues (Fixed rent)	19,740	24,000	22,020	28,140	16,260	8,880	4,920	212,500	60,000	30,000	108,600	88,800	60,600	62,400	43,200	39,426	22,200	43,200	18,600
Rental revenues (Variable rent)	18,825	30,606	14,855	43,114	50,237	5,538	2,034	21,421	56,195	13,164	70,063	74,738	31,624	43,717	38,278	-	2,481	56,790	4,435
Other revenue	-	-	-	-	-	-	-	-	8,912	-	-	-	-	-	-	-	-	-	-
② Property related expenses	8,924	11,563	10,931	15,612	16,040	5,754	3,401	90,216	59,101	10,875	64,372	35,884	26,465	28,279	29,497	9,208	9,408	35,374	11,531
Facility management fees (a)	-	-	-	-	-	-	-	300	2,832	-	-	-	3,001	-	-	702	-	-	1,008
(of which, repair cost)	-	-	-	-	-	-	-	300	2,832	-	-	-	-	-	-	702	-	-	-
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax and other public charges (b)	1,764	3,603	2,927	3,691	3,548	1,058	613	11,622	15,531	1,726	8,238	6,353	986	3,818	4,084	3,332	2,086	12,906	824
Insurance expenses (c)	35	76	64	117	80	22	13	292	206	52	173	164	80	102	108	48	47	323	36
Depreciation expenses (㉞)	6,618	7,374	7,431	11,294	11,905	4,167	2,270	77,494	40,023	8,589	55,553	28,958	21,988	23,951	24,900	4,717	6,868	21,729	9,254
Other expenses (d)	505	509	507	507	505	506	503	506	507	506	407	408	408	406	405	407	406	414	407
③ Rental income (①-②)	29,641	43,043	25,943	55,642	50,457	8,664	3,553	143,704	66,006	32,288	114,290	127,654	65,758	77,838	51,981	30,217	15,272	64,616	11,503
④ NOI (①-②+㉞)	36,260	50,418	33,375	66,937	62,362	12,831	5,823	221,199	106,029	40,877	169,844	156,613	87,747	101,790	76,881	34,935	22,140	86,346	20,758
⑤ Capital expenditure	3,617	4,084	4,370	3,305	4,671	6,060	1,187	25,844	89,221	6,981	359	12,021	5,540	7,655	5,821	-	3,380	46,919	4,147
⑥ NCF (④-⑤)	32,642	46,333	29,005	63,631	57,691	6,771	4,636	195,355	16,808	33,896	169,484	144,591	82,207	94,134	71,060	34,935	18,760	39,426	16,611

(Note 1) Expenses related to hotel sales (personnel expenses, utilities expenses, advertisement expenses, etc.) (hereinafter referred to as "hotel expenses") shall be charged to expenses in the month following expiration month based on cash basis on lease contract For the property, for a month after the acquisition, there will be a period during which GOP is calculated without deducting hotel expenses. Therefore, the GOP, NOI and GOP ratios in the project period including the acquisition date are higher than in normal cases.

(Note 2) Using an exchange rate at the time of transaction regarding ①-㉞ of Cayman hotels

# Property Income (3/4)

Property Number	D33	D34	D35	D36	D37	D38	D39	D40	D41	D42	D43	D44	D45	D46	D47	D48	D49	D50	D51
Property Name	Comfort Hotel Toyama	Flexstay Inn Kawasaki-Ogawacho	Flexstay Inn Ekoda	Super Hotel Tokyo-JR Tachikawa Kitaguchi	Super Hotel JR Ueno-iriyaaguchi	Hotel MyStays Shinsaibashi	Comfort Hotel Kurosaki	Comfort Hotel Maebashi	Comfort Hotel Tsubanesanjo	Comfort Hotel Kitami	Hotel MyStays Gotanda Station	Hotel Epinard Nasu	Hotel MyStays Fukuoka Tenjin	Hotel MyStays Hamamatsucho	Hotel MyStays Kanazawa	Takamatsu Tokyu REI Hotel	Hotel MyStays Premier Hamamatsucho	Hotel MyStays Shin Osaka Conference Center	Hotel MyStays Premier Omori
number of operating days	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184
① Rental revenues	35,928	18,971	92,666	31,787	27,275	55,156	37,894	44,171	34,949	30,300	547,745	1,064,067	251,594	141,963	250,639	100,059	311,193	276,624	354,021
Rent, common area fees	35,928	18,971	92,666	31,787	27,275	55,156	37,894	43,811	32,861	30,300	545,544	1,064,067	251,594	141,963	250,639	66,092	311,193	276,624	354,021
Rental revenues (Fixed rent)	35,928	15,600	61,560	31,787	27,275	48,000	37,894	43,811	32,861	30,300	288,900	579,000	112,800	82,200	219,600	39,000	107,400	205,800	142,800
Rental revenues (Variable rent)	-	3,371	31,106	-	-	7,156	-	-	-	-	256,644	485,067	138,794	59,763	31,039	27,092	203,793	70,824	211,221
Other revenue	-	-	-	-	-	-	-	360	2,088	-	2,201	-	-	-	-	-	33,966	-	-
② Property related expenses	14,195	7,210	32,545	13,146	10,163	23,573	18,950	30,113	16,053	18,357	71,290	322,010	54,983	40,825	127,698	71,572	36,739	50,389	65,621
Facility management fees (a)	338	-	-	1,391	1,070	100	710	6,216	1,164	608	8,381	9,335	-	-	-	39,932	-	184	-
(of which, repair cost)	338	-	-	1,091	770	-	110	547	738	-	-	-	-	-	-	984	-	184	-
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24,932	-	-	-
Tax and other public charges (b)	3,741	944	4,574	2,811	2,300	2,853	3,405	4,800	3,650	4,872	18,858	26,620	7,779	7,554	14,271	7,670	11,352	12,719	14,934
Insurance expenses (c)	94	24	114	53	38	54	71	88	73	68	362	1,187	152	74	371	192	235	508	413
Depreciation expenses (⑦)	9,613	5,837	27,450	8,482	6,346	20,159	14,354	18,594	10,752	12,399	43,078	284,434	46,646	32,793	112,647	23,354	24,742	36,545	49,866
Other expenses (d)	408	404	406	407	407	406	409	413	413	408	608	432	405	403	408	423	409	432	406
③ Rental income (①-②)	21,732	11,760	60,120	18,640	17,112	31,583	18,943	14,057	18,895	11,943	476,455	742,057	196,611	101,137	122,940	28,487	274,454	226,234	288,399
④ NOI (①-②+⑦)	31,346	17,597	87,570	27,122	23,458	51,743	33,298	32,652	29,648	24,342	519,534	1,026,492	243,257	133,930	235,587	51,841	299,196	262,779	338,266
⑤ Capital expenditure	-	3,300	6,079	-	-	5,303	1,180	483	1,526	965	10,611	106,097	1,528	-	9,049	2,962	7,034	45,633	25,722
⑥ NCF (④-⑤)	31,346	14,297	81,491	27,122	23,458	46,439	32,118	32,169	28,122	23,377	508,923	920,394	241,728	133,930	226,538	48,878	292,161	217,146	312,543

Property Number	D52	D53	D54	D55	D56	D57	D58	D59	D60	D61	D62	D63	D64	D65	D66	D67	D68	D69	D70
Property Name	Kamenoi Hotel Beppu	Hotel MyStays Sapporo Station	Hotel MyStays Yokohama Kannai	Art Hotel Joetsu	Art Hotel Hirosaki City	Hotel MyStays Oita	Hotel MyStays Gotanda	Hotel MyStays Tachikawa	Hotel MyStays Premier Akasaka	Hotel MyStays Premier Sapporo Park	Hotel MyStays Ueno East	Hotel MyStays Midosuji Honmachi	Hotel MyStays Sapporo Aspen	Art Hotel Ishigakijima	Hotel MyStays Fuji Onsen Resort	Hotel Sonia Otaru	Hotel MyStays Kanazawa Castle	Art Hotel Niigata Station	Hotel MyStays Nagoya Nishiki
number of operating days	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184	184
① Rental revenues	404,812	266,550	152,511	75,707	168,320	70,454	121,963	116,529	551,393	466,014	124,986	68,801	428,840	306,281	492,700	272,524	112,164	225,183	132,088
Rent, common area fees	404,812	266,550	152,511	75,707	167,067	70,454	121,963	116,529	551,393	466,014	124,986	68,801	428,840	306,277	492,700	272,480	112,164	225,183	132,088
Rental revenues (Fixed rent)	212,100	136,900	81,000	71,700	73,200	33,300	56,250	46,950	215,300	272,800	69,000	63,200	249,400	219,500	173,700	123,500	109,000	119,200	75,400
Rental revenues (Variable rent)	192,712	129,650	71,511	4,007	93,867	37,154	65,713	69,579	336,093	193,214	55,986	5,601	179,440	86,777	319,000	148,980	3,164	105,983	56,688
Other revenue	-	-	-	-	1,253	-	-	-	-	-	-	-	-	4	-	43	-	-	-
② Property related expenses	129,402	85,797	39,513	41,750	60,776	28,236	11,169	21,803	89,970	161,378	31,955	41,024	97,854	66,067	117,600	64,977	25,453	90,679	26,232
Facility management fees (a)	-	-	-	-	-	-	-	-	-	-	5,946	-	-	-	-	-	-	12,976	-
(of which, repair cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax and other public charges (b)	11,172	20,305	8,571	7,504	14,696	5,740	4,336	6,229	24,627	42,641	4,307	9,424	32,750	9,483	6,496	12,035	4,073	5,871	4,332
Insurance expenses (c)	754	282	163	236	596	122	79	144	330	721	164	115	579	616	225	244	215	517	196
Depreciation expenses (⑦)	117,065	64,796	30,373	33,599	45,069	21,963	6,349	15,022	64,609	117,608	21,129	31,081	64,115	55,553	110,474	52,293	20,758	70,898	21,300
Other expenses (d)	410	413	404	411	414	410	403	406	403	407	407	403	408	413	404	404	404	415	403
③ Rental income (①-②)	275,410	180,753	112,998	33,956	107,544	42,218	110,794	94,726	461,423	304,635	93,030	27,777	330,985	240,214	375,100	207,546	86,710	134,504	105,856
④ NOI (①-②+⑦)	392,475	245,550	143,372	67,555	152,614	64,181	117,143	109,748	526,032	422,244	114,159	58,859	395,101	295,767	485,574	259,839	107,469	205,402	127,156
⑤ Capital expenditure	10,880	23,642	911	34,710	91,224	7,790	488	20,736	1,602	34,702	14,413	-	84,669	55,803	260	11,050	4,825	23,971	1,168
⑥ NCF (④-⑤)	381,594	221,908	142,460	32,844	61,389	56,391	116,655	89,011	524,429	387,542	99,746	58,859	310,431	239,963	485,314	248,789	102,644	181,431	125,988

(Note 1) Expenses related to hotel sales (personnel expenses, utilities expenses, advertisement expenses, etc.) (hereinafter referred to as "hotel expenses") shall be charged to expenses in the month following expiration month based on cash basis on lease contract For the property, for a month after the acquisition, there will be a period during which GOP is calculated without deducting hotel expenses. Therefore, the GOP, NOI and GOP ratios in the project period including the acquisition date are higher than in normal cases.

(Note 2) Using an exchange rate at the time of transaction regarding ①-⑦ of Cayman hotels

Property Number	D71	D72	D73	D74	D75	D76	D77	D78	D79	D80	D81	D82	D83	D84	D85	D86	D87	D88
Property Name	Hotel Nord Otaru	Hotel MyStays Kagoshima Tenmonkan	Art Hotel Asahikawa	Hotel MyStays Matsuyama	Hotel MyStays Sapporo Susukino	Hotel MyStays Sapporo Nakajima Park	Hotel MyStays Sapporo Nakajima Park Annex	Flexstay Inn Sakuragicho	MyCUBE by MYSTAYS Asakusa Kuramae	Hotel MyStays Kagoshima Tenmonkan Annex	Hotel MyStays Nayoro	Hotel MyStays Premier Narita	Art Hotel Morioka	Fusaki Beach Resort Hotel & Villas	Tateshina Grand Hotel Takinoyu	Hotel MyStays Okayama	Hotel MyStays Aomori Station	Hotel MyStays Soga
number of operating days	184	184	184	184	184	184	184	184	184	184	184	184	184	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
① Rental revenues	176,787	133,442	259,916	118,838	75,872	61,861	37,568	43,348	32,837	39,829	31,745	283,896	127,167	1,253,530	454,998	86,079	125,279	89,340
Rent, common area fees	176,787	133,442	259,916	118,838	75,872	61,861	37,568	43,348	32,837	39,829	31,745	282,212	126,940	1,253,530	454,998	86,079	125,279	89,340
Rental revenues (Fixed rent)	103,400	72,359	119,700	69,400	55,800	45,900	31,600	20,300	21,300	21,200	20,200	207,300	118,700	300,400	109,600	18,800	24,300	14,300
Rental revenues (Variable rent)	73,387	61,083	140,216	49,438	20,072	15,961	5,968	23,048	11,537	18,629	11,545	74,912	8,240	953,130	345,398	67,279	100,979	75,040
Other revenue	-	-	-	-	-	-	-	-	-	-	-	1,684	226	-	-	-	-	-
② Property related expenses	44,819	34,954	93,227	47,581	18,250	27,848	15,674	8,861	9,704	9,968	18,649	151,543	107,051	256,451	124,375	12,736	32,726	13,157
Facility management fees (a)	907	-	-	-	-	-	-	-	-	-	-	-	23,400	260	3,959	-	-	-
(of which, repair cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(of which, utility expenses)	7	-	-	-	-	-	-	-	-	-	-	-	-	-	108	-	-	-
Tax and other public charges (b)	10,779	10,099	24,141	8,113	3,228	10,264	2,724	1,454	3,749	2,519	4,017	20,910	7,296	-	-	-	-	-
Insurance expenses (c)	237	231	840	286	94	209	70	49	70	78	55	1,300	542	877	528	89	99	102
Depreciation expenses (⑦)	32,484	24,215	67,835	38,771	14,523	16,969	12,477	6,952	5,480	6,964	14,171	128,922	75,430	255,019	117,150	12,353	32,332	12,761
Other expenses (d)	411	408	410	409	404	405	403	405	404	405	404	409	383	293	2,738	293	294	293
③ Rental income (①－②)	131,967	98,488	166,689	71,256	57,622	34,012	21,893	34,487	23,132	29,860	13,096	132,353	20,115	997,079	330,622	73,342	92,552	76,182
④ NOI (①－②＋⑦)	164,451	122,703	234,525	110,028	72,145	50,981	34,370	41,440	28,612	36,825	27,268	261,275	95,545	1,252,099	447,772	85,696	124,884	88,944
⑤ Capital expenditure	81,923	8,897	44,318	44,399	4,431	14,082	68,825	4,415	2,900	1,890	2,090	34,912	65,897	1,320	-	-	267	-
⑥ NCF (④－⑤)	82,527	113,805	190,206	65,629	67,714	36,899	-34,454	37,025	25,712	34,935	25,178	226,362	29,647	1,250,779	447,772	85,696	124,617	88,944

Property Number	D89		
Property Name	Tazawako Lake Resort & Onsen	subtotal	Total
	(Note 1)		
number of operating days	153	-	-
① Rental revenues	94,988	15,057,360	16,696,076
Rent, common area fees	94,988	15,006,619	16,536,797
Rental revenues (Fixed rent)	20,200	7,565,166	
Rental revenues (Variable rent)	74,788	7,441,452	
Other revenue	-	50,740	159,279
② Property related expenses	18,183	4,267,433	5,096,717
Facility management fees (a)	234	156,231	438,212
(of which, repair cost)	-	14,496	29,932
(of which, utility expenses)	-	25,047	41,257
Tax and other public charges (b)	-	661,456	754,133
Insurance expenses (c)	161	20,329	23,534
Depreciation expenses (⑦)	17,493	3,386,670	3,776,448
Other expenses (d)	294	42,745	104,388
③ Rental income (①－②)	76,804	10,789,926	11,599,359
④ NOI (①－②＋⑦)	94,297	14,176,597	15,375,807
⑤ Capital expenditure	2,472	1,439,225	1,708,304
⑥ NCF (④－⑤)	91,825	12,737,372	13,667,503

Property Number	D200	D201	
Property Name	Westin Grand Cayman Seven Mile Beach Resort & Spa	Sunshine Suites Resort	Total
	(Note 2)	(Note 2)	
number of operating days	184	184	-
① Management contract profits	1,865,004	258,038	2,123,042
Management contract profits	1,865,004	258,038	2,123,042
Other revenue	-	-	-
② Property related expenses	578,090	156,631	734,722
Facility management fees (a)	-	-	-
(of which, repair cost)	-	-	-
(of which, utility expenses)	-	-	-
Tax and other public charges (b)	-	-	-
Insurance expenses (c)	177,616	41,119	218,735
Depreciation expenses (⑦)	341,100	100,442	441,542
Other expenses (d)	59,373	15,069	74,443
③ Rental income (①－②)	1,286,913	101,406	1,388,320
④ NOI (①－②＋⑦)	1,628,014	201,849	1,829,863
⑤ Capital expenditure	66,949	21,103	88,053
⑥ NCF (④－⑤)	1,561,064	180,745	1,741,809

(Note 1) Expenses related to hotel sales (personnel expenses, utilities expenses, advertisement expenses, etc.) (hereinafter referred to as "hotel expenses") shall be charged to expenses in the month following expiration month based on cash basis on lease contract For the property, for a month after the acquisition, there will be a period during which GOP is calculated without deducting hotel expenses. Therefore, the GOP, NOI and GOP ratios in the project period including the acquisition date are higher than in normal cases.

(Note 2) Using an exchange rate at the time of transaction regarding ①-⑦ of Cayman hotels

# Appraisal Value (1/4)

Property Number	Property Name	Acquisition Price	As of the end of June 2023			As of the end of December 2023			Change (Note 1)		Appraiser (Note 2)
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
A26	Nisshin Palacestage Daitabashi	1,251,830	1,087,450	1,290,000	4.2%	1,082,288	1,320,000	4.1%	30,000	-0.1pt	Assets R&D
A28	Growth Maison Gotanda	888,200	815,517	1,120,000	3.9%	810,611	1,150,000	3.8%	30,000	-0.1pt	Assets R&D
A29	Growth Maison Kameido	1,070,850	926,588	1,280,000	4.0%	921,762	1,310,000	3.9%	30,000	-0.1pt	Assets R&D
A30	Emerald House	1,505,161	1,300,199	1,480,000	4.2%	1,299,175	1,510,000	4.1%	30,000	-0.1pt	Assets R&D
A32	Suncrest Shakujii-Koen	1,088,979	1,045,001	1,250,000	4.3%	1,045,484	1,290,000	4.2%	40,000	-0.1pt	Assets R&D
A33	Growth Maison Shin-Yokohama	1,059,457	925,412	1,290,000	4.3%	919,418	1,330,000	4.2%	40,000	-0.1pt	Assets R&D
A34	Belle Face Ueno-Okachimachi	1,023,074	899,134	1,160,000	3.8%	893,019	1,190,000	3.7%	30,000	-0.1pt	Assets R&D
A35	Grand Rire Kameido	906,121	762,833	1,090,000	4.2%	757,216	1,120,000	4.1%	30,000	-0.1pt	Assets R&D
A37	Growth Maison Yoga	795,986	708,397	844,000	3.9%	707,211	869,000	3.8%	25,000	-0.1pt	Assets R&D
A38	Route Tachikawa	676,951	641,649	713,000	4.3%	692,981	733,000	4.2%	20,000	-0.1pt	Assets R&D
A39	Shibuya-Honmachi Mansion	651,474	712,656	724,000	4.3%	713,327	743,000	4.2%	19,000	-0.1pt	Assets R&D
A40	City Heights Kinuta	646,337	659,586	624,000	4.3%	657,951	639,000	4.2%	15,000	-0.1pt	Assets R&D
A41	Acseeds Tower Kawaguchi-Namiki	620,893	490,868	810,000	4.8%	485,528	832,000	4.7%	22,000	-0.1pt	Assets R&D
A43	College Square Machida	589,553	550,929	526,000	5.0%	549,350	537,000	4.9%	11,000	-0.1pt	Assets R&D
A44	Belair Meguro	589,004	545,291	646,000	3.7%	544,326	667,000	3.6%	21,000	-0.1pt	Assets R&D
A45	Wacore Tsunashima I	572,914	549,065	562,000	4.5%	553,542	575,000	4.4%	13,000	-0.1pt	Assets R&D
A46	Foros Nakamurabashi	566,980	492,144	636,000	4.1%	488,422	652,000	4.0%	16,000	-0.1pt	Assets R&D
A47	Growth Maison Kaijin	557,256	516,567	561,000	4.7%	512,946	580,000	4.6%	19,000	-0.1pt	Assets R&D
A48	College Square Machiya	510,721	423,306	615,000	4.1%	443,509	630,000	4.0%	15,000	-0.1pt	Assets R&D
A59	Towa City Coop Shin-otsuka II	866,000	784,845	1,390,000	3.9%	779,884	1,390,000	3.9%	-	-	JREI
A61	Bichsel Musashiseki	577,000	574,221	868,000	3.8%	577,069	865,000	3.8%	-3,000	-	Morii
A63	Towa City Coop Sengencho	1,110,000	997,793	1,570,000	4.5%	995,461	1,560,000	4.5%	-10,000	-	JREI
A64	Royal Park Omachi	415,000	377,672	717,000	4.6%	374,634	715,000	4.6%	-2,000	-	JREI
A65	Lexington Square Haginomachi	330,000	254,030	464,000	4.7%	252,027	464,000	4.7%	-	-	JREI
A66	Visconti Kakuozan	255,000	226,762	310,000	4.3%	225,223	305,000	4.3%	-5,000	-	Tanizawa
A72	Lexington Square Honjo-Azumabashi	511,000	401,624	754,000	3.4%	399,989	786,000	3.3%	32,000	-0.1pt	Tanizawa
A73	AMS TOWER Minami 6-Jo	1,180,000	840,166	1,270,000	4.3%	854,926	1,310,000	4.2%	40,000	-0.1pt	Tanizawa
A84	Revest Heian	595,000	484,086	878,000	4.0%	477,643	878,000	4.0%	-	-	JREI
A87	Excellente Kagurazaka	543,000	484,230	865,000	3.2%	482,494	878,000	3.2%	13,000	-	JREI
A90	Queen's Court Fukuzumi	456,000	404,396	817,000	3.3%	400,888	820,000	3.3%	3,000	-	JREI
A92	Belair Oimachi	412,000	376,966	685,000	3.3%	376,562	681,000	3.3%	-4,000	-	JREI
A93	Siete Minami-Tsukaguchi	374,000	326,771	573,000	4.0%	324,671	581,000	4.0%	8,000	-	JREI
A94	Prime Life Sannomiya Isogami Koen	373,000	320,958	578,000	3.7%	320,163	579,000	3.7%	1,000	-	JREI
A96	Century Park Shinkawa 1-bankan	335,000	288,140	549,000	4.4%	284,345	551,000	4.4%	2,000	-	JREI
A97	West Avenue	331,000	304,102	429,000	4.2%	302,049	430,000	4.2%	1,000	-	JREI

(Note 1) With regard to "increase / decrease", we calculate it excluding properties acquired / sold during the period

(Note 2) The names of the appraisers in the chart are abridged. Official names are as follows: Assets R&D: Assets Research and Development Inc., JREI: Japan Real Estate Institute, Morii: JLL Morii Valuation & Advisory K.K., Tanizawa : The Tanizawa Sōgō Appraisal Co., Ltd., Daiwa : Daiwa Real Estate Appraisal Co., Ltd.

(Note 3) Includes ¥1,849 million for acquisition of additional floor as of October 31 2017

(Note 4) Includes ¥21.6 million for acquisition of adjacent land as of September 9, 2022

(Note 5) For the overseas hotels, the book values as of May 9, 2019 when INV acquired the leasehold interest of the hotels directly is deemed the acquisition price of these properties, which are calculated using an exchange rate of USD1 = ¥110.45 fixed by the foreign exchange forward contract executed on July 26, 2018 denominated in Japanese Yen. Moreover, the book value is calculated by subtracting the accumulated amount of depreciation from the total of acquisition price, acquisition cost and CAPEX. The payment in USD is converted in JPY using an exchange rate at the time of transaction.

Appraisal values for June 2023 FP and December 2023 FP are converted into JPY using the exchange rates of USD 1 = ¥ 144.99 and ¥ 141.83 respectively, which are the rates on closing date of each fiscal period

(Note 6) The amount of acquisition price, book value and appraisal value is rounded down to the nearest thousand yen. Percentages are rounded to one decimal place

# Appraisal Value (2/4)

Property Number	Property Name	Acquisition Price	As of the end of June 2023			As of the end of December 2023			Change (Note 1)		Appraiser (Note 2)
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
A99	Prime Life Mikage	297,000	254,854	439,000	4.0%	253,318	439,000	4.0%	-	-	JREI
A101	Lieto Court Mukojima	1,683,000	1,577,063	2,310,000	3.6%	1,569,682	2,310,000	3.6%	-	-	JREI
A102	Lieto Court Nishi-Ojima	1,634,000	1,526,136	2,240,000	3.4%	1,514,118	2,240,000	3.4%	-	-	JREI
A103	Royal Parks Momozaka	2,910,000	2,453,581	3,280,000	3.8%	2,417,469	3,290,000	3.8%	10,000	-	Morii
A104	Royal Parks Shinden	5,024,000	4,474,265	6,460,000	4.0%	4,432,858	6,200,000	4.0%	-260,000	-	Morii
A106	Royal Parks Seasir Minami-Senju	2,683,000	2,425,504	3,350,000	4.9%	2,392,522	3,280,000	5.0%	-70,000	0.1pt	JREI
	Subtotal of Residential	38,465,748	34,210,779	48,017,000	-	34,086,080	48,229,000	-	212,000	-	-
B18	AEON TOWN Sukagawa	2,320,000	1,588,724	2,380,000	6.1%	1,592,723	2,380,000	6.1%	-	-	Morii
	Subtotal of Offices and Commercial Facilities	2,320,000	1,588,724	2,380,000	-	1,592,723	2,380,000	-	-	-	-
D01	Hotel MyStays Kanda	2,851,000	2,779,235	4,930,000	4.2%	2,758,121	5,060,000	4.1%	130,000	-0.1pt	JREI
D02	Hotel MyStays Asakusa	2,584,000	2,443,271	4,420,000	4.4%	2,436,018	4,480,000	4.4%	60,000	-	JREI
D03	Hotel MyStays Kyoto-Shijo	6,024,460	5,441,677	8,250,000	4.5%	5,387,350	8,300,000	4.5%	50,000	-	JREI
D04	MyStays Shin-Urayasu Conference Center	4,930,200	4,353,485	7,400,000	4.8%	4,310,187	7,610,000	4.7%	210,000	-0.1pt	JREI
D05	Hotel MyStays Maishima	4,870,312	4,467,127	6,960,000	4.5%	4,433,756	7,540,000	4.4%	580,000	-0.1pt	JREI
D06	Hotel MyStays Premier Dojima	3,845,400	3,564,412	6,470,000	4.4%	3,609,235	6,610,000	4.3%	140,000	-0.1pt	JREI
D07	Hotel MyStays Nagoya-Sakae	2,958,000	2,489,578	5,570,000	5.1%	2,473,918	5,620,000	5.0%	50,000	-0.1pt	JREI
D08	Hotel MyStays Sakaisuji-Honmachi	2,514,820	2,220,538	3,250,000	4.5%	2,200,523	3,340,000	4.4%	90,000	-0.1pt	JREI
D09	Hotel MyStays Yokohama	2,119,900	2,080,000	4,000,000	5.5%	2,060,551	4,190,000	5.5%	190,000	-	JREI
D10	Hotel MyStays Nippori	1,898,540	1,719,160	2,510,000	4.5%	1,719,472	2,570,000	4.4%	60,000	-0.1pt	JREI
D11	Hotel MyStays Fukuoka-Tenjin-Minami	1,570,520	1,378,551	5,640,000	4.6%	1,367,250	5,820,000	4.5%	180,000	-0.1pt	JREI
D12	Flexstay Inn Iidabashi	1,381,660	1,306,192	2,090,000	4.3%	1,299,554	2,110,000	4.3%	20,000	-	JREI
D13	Hotel MyStays Ueno Inaricho	1,331,960	1,168,252	2,000,000	4.3%	1,159,108	2,050,000	4.2%	50,000	-0.1pt	JREI
D14	Flexstay Inn Shinagawa	1,242,500	1,162,559	1,990,000	4.4%	1,159,557	2,060,000	4.2%	70,000	-0.2pt	JREI
D15	Flexstay Inn Tokiwadai	1,242,500	1,174,745	2,130,000	4.7%	1,171,454	2,190,000	4.6%	60,000	-0.1pt	JREI
D16	Flexstay Inn Sugamo	1,192,800	1,063,701	2,200,000	4.6%	1,060,640	2,220,000	4.6%	20,000	-	JREI
D17	Hotel MyStays Otemae	1,192,800	1,101,465	2,450,000	5.0%	1,093,475	2,570,000	4.8%	120,000	-0.2pt	JREI
D18	Hotel MyStays Kiyosumi Shirakawa	749,476	827,177	1,470,000	4.7%	819,943	1,540,000	4.5%	70,000	-0.2pt	JREI
D19	Flexstay Inn Nakano bu P1	589,442	541,209	817,000	4.6%	543,102	844,000	4.4%	27,000	-0.2pt	JREI
D20	Flexstay Inn Nakano bu P2	283,290	276,812	393,000	4.6%	275,729	406,000	4.4%	13,000	-0.2pt	JREI
D21	APA Hotel Yokohama-Kannai	8,350,000	7,158,663	9,870,000	4.2%	7,107,012	10,000,000	4.2%	130,000	-	JREI
D22	Hotel MyStays Hako date-Goryokaku	2,792,000	2,563,260	3,920,000	5.2%	2,612,457	4,000,000	5.1%	80,000	-0.1pt	JREI
D23	Flexstay Inn Shirogane	2,119,000	2,048,495	2,420,000	4.4%	2,046,887	2,430,000	4.4%	10,000	-	JREI
D24	Hotel MyStays Hane da	7,801,000	6,908,354	8,390,000	4.2%	6,853,160	8,470,000	4.2%	80,000	-	JREI
D25	Hotel MyStays Kameido P1	5,594,000	5,188,343	7,550,000	4.6%	5,171,406	7,730,000	4.5%	180,000	-0.1pt	JREI
D26	Hotel MyStays Ueno Iriyaguchi	3,821,000	3,554,769	3,940,000	4.5%	3,538,321	3,980,000	4.5%	40,000	-	JREI

(Note 1) With regard to "increase / decrease", we calculate it excluding properties acquired / sold during the period

(Note 2) The names of the appraisers in the chart are abbreviated. Official names are as follows: Assets R&D: Assets Research and Development Inc., JREI: Japan Real Estate Institute, Morii: JLL Morii Valuation & Advisory K.K., Tanizawa : The Tanizawa Sōgō Appraisal Co., Ltd., Daiwa : Daiwa Real Estate Appraisal Co., Ltd.

(Note 3) Includes ¥1,849 million for acquisition of additional floor as of October 31 2017

(Note 4) Includes ¥21.6 million for acquisition of adjacent land as of September 9, 2022

(Note 5) For the overseas hotels, the book values as of May 9, 2019 when INV acquired the leasehold interest of the hotels directly is deemed the acquisition price of these properties, which are calculated using an exchange rate of USD1 = ¥110.45 fixed by the foreign exchange forward contract executed on July 26, 2018 denominated in Japanese Yen. Moreover, the book value is calculated by subtracting the accumulated amount of depreciation from the total of acquisition price, acquisition cost and CAPEX. The payment in USD is converted in JPY using an exchange rate at the time of transaction.

Appraisal values for June 2023 FP and December 2023 FP are converted into JPY using the exchange rates of USD 1 = ¥ 144.99 and ¥ 141.83 respectively, which are the rates on closing date of each fiscal period

(Note 6) The amount of acquisition price, book value and appraisal value is rounded down to the nearest thousand yen. Percentages are rounded to one decimal place



# Appraisal Value (3/4)

Property Number	Property Name	Acquisition Price	As of the end of June 2023			As of the end of December 2023			Change (Note 1)		Appraiser (Note 2)
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
D27	Hotel MyStays Kameido P2	3,742,000	3,429,271	5,060,000	4.6%	3,412,975	5,180,000	4.5%	120,000	-0.1pt	JREI
D28	Hotel MyStays Shimizu	2,198,000	1,978,469	2,480,000	5.4%	1,959,390	2,510,000	5.3%	30,000	-0.1pt	JREI
D29	Super Hotel Shinbashi/ Karasumoriguchi	1,624,000	1,557,049	1,870,000	3.6%	1,552,331	1,880,000	3.6%	10,000	-	JREI
D30	Flexstay Inn Higashi-Jujo	1,277,000	1,248,788	1,380,000	4.7%	1,245,299	1,390,000	4.7%	10,000	-	JREI
D31	Hotel MyStays Utsunomiya	1,237,000	1,155,442	2,110,000	5.3%	1,180,632	2,100,000	5.3%	-10,000	-	JREI
D32	Flexstay Inn Kawasaki-Kaizuka	980,000	854,975	1,160,000	4.8%	849,867	1,160,000	4.8%	-	-	JREI
D33	Comfort Hotel Toyama	979,000	866,195	1,170,000	5.0%	856,581	1,180,000	5.0%	10,000	-	JREI
D34	Flexstay Inn Kawasaki-Ogawacho	906,000	846,126	902,000	4.6%	843,589	913,000	4.6%	11,000	-	JREI
D35	Flexstay Inn Ekoda	5,069,000	4,701,341	4,650,000	4.7%	4,679,970	4,690,000	4.7%	40,000	-	JREI
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	1,170,000	1,046,497	1,210,000	4.3%	1,038,015	1,240,000	4.2%	30,000	-0.1pt	Daiwa
D37	Super Hotel JR Ueno-iriaguchi	1,130,000	1,039,182	1,180,000	3.9%	1,032,835	1,200,000	3.8%	20,000	-0.1pt	Daiwa
D38	Hotel MyStays Shinsaibashi	3,160,000	2,918,500	2,110,000	4.7%	2,903,644	2,080,000	4.7%	-30,000	-	JREI
D39	Comfort Hotel Kurosaki	1,148,000	984,589	1,250,000	5.1%	971,415	1,200,000	5.1%	-50,000	-	Daiwa
D40	Comfort Hotel Maebashi	1,128,000	918,988	1,140,000	4.7%	901,107	1,100,000	4.5%	-40,000	-0.2pt	Daiwa
D41	Comfort Hotel Tsubamesanjo	1,010,000	879,614	1,080,000	5.2%	870,388	1,060,000	5.1%	-20,000	-0.1pt	Daiwa
D42	Comfort Hotel Kitami	851,000	727,163	911,000	5.4%	715,729	883,000	5.3%	-28,000	-0.1pt	Daiwa
D43	Hotel MyStays Gotanda Station (Note 3)	26,523,000	26,127,481	23,900,000	4.9%	26,095,013	24,500,000	4.8%	600,000	-0.1pt	Morii
D44	Hotel Epinard Nasu (Note 4)	21,002,640	18,235,853	23,000,000	5.9%	18,057,516	23,400,000	5.8%	400,000	-0.1pt	Morii
D45	Hotel MyStays Fukuoka Tenjin	8,059,000	7,610,745	8,200,000	4.8%	7,565,628	8,360,000	4.7%	160,000	-0.1pt	Morii
D46	Hotel MyStays Hamamatsucho	7,959,000	7,723,588	6,190,000	4.6%	7,690,795	6,300,000	4.5%	110,000	-0.1pt	Morii
D47	Hotel MyStays Premier Kanazawa	13,761,000	12,250,307	12,800,000	5.3%	12,146,709	12,700,000	5.2%	-100,000	-0.1pt	Morii
D48	Takamatsu Tokyu REI Hotel	2,139,000	2,104,211	1,720,000	5.1%	2,083,820	1,720,000	5.0%	-	-0.1pt	Daiwa
D49	Hotel MyStays Premier Hamamatsucho	8,000,000	7,900,382	10,300,000	4.2%	7,882,675	10,100,000	4.2%	-200,000	-	JREI
D50	Hotel MyStays Shin Osaka Conference Center	13,068,000	12,747,600	13,100,000	4.7%	12,756,689	13,400,000	4.6%	300,000	-0.1pt	Tanizawa
D51	Hotel MyStays Premier Omori	9,781,000	9,721,201	10,000,000	4.4%	9,697,057	10,300,000	4.3%	300,000	-0.1pt	Tanizawa
D52	Kamenoi Hotel Beppu	8,870,000	7,633,379	9,050,000	6.1%	7,527,194	9,810,000	5.9%	760,000	-0.2pt	Tanizawa
D53	Hotel MyStays Sapporo Station	7,880,000	7,377,746	8,480,000	4.6%	7,336,592	8,820,000	4.4%	340,000	-0.2pt	Tanizawa
D54	Hotel MyStays Yokohama Kannai	5,326,000	5,026,204	5,500,000	4.4%	4,996,742	5,710,000	4.3%	210,000	-0.1pt	Tanizawa
D55	Art Hotel Joetsu	2,772,000	2,543,599	2,760,000	6.0%	2,544,711	2,660,000	5.8%	-100,000	-0.2pt	Tanizawa
D56	Art Hotel Hiroaki City	2,723,000	2,515,494	2,750,000	6.1%	2,561,649	2,500,000	6.0%	-250,000	-0.1pt	Tanizawa
D57	Hotel MyStays Oita	1,604,000	1,416,369	1,640,000	5.7%	1,402,195	1,680,000	5.6%	40,000	-0.1pt	Tanizawa
D58	Hotel MyStays Gotanda	4,068,000	4,034,725	4,110,000	4.2%	4,028,864	4,310,000	4.1%	200,000	-0.1pt	Tanizawa
D59	Hotel MyStays Tachikawa	3,257,000	3,152,822	3,390,000	4.3%	3,158,537	3,420,000	4.2%	30,000	-0.1pt	Daiwa
D60	Hotel MyStays Premier Akasaka	20,691,000	20,094,866	23,100,000	3.8%	20,031,859	23,400,000	3.8%	300,000	-	JREI
D61	Hotel MyStays Premier Sapporo Park	16,731,000	15,843,658	16,300,000	4.8%	15,760,752	16,300,000	4.6%	-	-0.2pt	Tanizawa

(Note 1) With regard to "increase / decrease", we calculate it excluding properties acquired / sold during the period

(Note 2) The names of the appraisers in the chart are abbreviated. Official names are as follows: Assets R&D: Assets Research and Development Inc., JREI: Japan Real Estate Institute, Morii: JLL Morii Valuation & Advisory K.K., Tanizawa : The Tanizawa Sōgō Appraisal Co., Ltd., Daiwa : Daiwa Real Estate Appraisal Co., Ltd.

(Note 3) Includes ¥1,849 million for acquisition of additional floor as of October 31 2017

(Note 4) Includes ¥21.6 million for acquisition of adjacent land as of September 9, 2022

(Note 5) For the overseas hotels, the book values as of May 9, 2019 when INV acquired the leasehold interest of the hotels directly is deemed the acquisition price of these properties, which are calculated using an exchange rate of USD1 = ¥110.45 fixed by the foreign exchange forward contract executed on July 26, 2018 denominated in Japanese Yen. Moreover, the book value is calculated by subtracting the accumulated amount of depreciation from the total of acquisition price, acquisition cost and CAPEX. The payment in USD is converted in JPY using an exchange rate at the time of transaction.

Appraisal values for June 2023 FP and December 2023 FP are converted into JPY using the exchange rates of USD 1 = ¥ 144.99 and ¥ 141.83 respectively, which are the rates on closing date of each fiscal period

(Note 6) The amount of acquisition price, book value and appraisal value is rounded down to the nearest thousand yen. Percentages are rounded to one decimal place

# Appraisal Value (4/4)

Property Number	Property Name	Acquisition Price	As of the end of June 2023			As of the end of December 2023			Change (Note 1)		Appraiser (Note 2)
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
D62	Hotel MyStays Ueno East	5,286,000	5,103,182	5,370,000	4.2%	5,096,465	5,460,000	4.1%	90,000	-0.1pt	Tanizawa
D63	Hotel MyStays Midotsuji Honmachi	5,039,000	4,749,569	3,130,000	4.2%	4,718,487	3,130,000	4.1%	-	-0.1pt	JREI
D64	Hotel MyStays Sapporo Aspen	15,543,000	15,107,575	15,400,000	4.7%	15,128,129	15,400,000	4.5%	-	-0.2pt	Tanizawa
D65	Art Hotel Ishigakijima	9,731,000	9,374,505	9,510,000	5.2%	9,374,755	9,670,000	5.1%	160,000	-0.1pt	JREI
D66	Hotel MyStays Fuji Onsen Resort	9,405,000	8,566,604	9,960,000	5.2%	8,456,390	10,700,000	5.1%	740,000	-0.1pt	JREI
D67	Hotel Sonia Otaru	5,930,000	5,481,876	6,010,000	5.2%	5,440,633	6,420,000	5.0%	410,000	-0.2pt	Tanizawa
D68	Hotel MyStays Kanazawa Castle	5,682,000	5,584,281	5,620,000	5.2%	5,568,347	5,750,000	5.1%	130,000	-0.1pt	Tanizawa
D69	Art Hotel Niigata Station	5,524,000	5,184,878	5,550,000	5.4%	5,137,951	5,780,000	5.2%	230,000	-0.2pt	Tanizawa
D70	Hotel MyStays Nagoya Nishiki	5,197,000	5,026,317	5,110,000	4.4%	5,006,185	5,240,000	4.3%	130,000	-0.1pt	Morii
D71	Hotel Nord Otaru	4,296,000	4,096,472	4,240,000	5.3%	4,145,912	4,380,000	5.1%	140,000	-0.2pt	Tanizawa
D72	Hotel MyStays Kagoshima Tenmonkan	3,445,000	3,305,976	3,490,000	5.0%	3,290,659	3,550,000	4.9%	60,000	-0.1pt	Daiwa
D73	Art Hotel Asahikawa	3,197,000	2,841,154	3,180,000	5.5%	2,817,637	3,340,000	5.3%	160,000	-0.2pt	Tanizawa
D74	Hotel MyStays Matsuyama	3,098,000	2,787,028	3,190,000	5.1%	2,792,656	3,210,000	5.0%	20,000	-0.1pt	Daiwa
D75	Hotel MyStays Sapporo Susukino	3,059,000	2,954,925	2,920,000	4.8%	2,944,833	2,980,000	4.7%	60,000	-0.1pt	Morii
D76	Hotel MyStays Sapporo Nakajima Park	2,118,000	2,002,649	1,980,000	4.9%	1,999,762	2,010,000	4.8%	30,000	-0.1pt	Morii
D77	Hotel MyStays Sapporo Nakajima Park Annex	1,584,000	1,504,509	1,560,000	4.9%	1,560,857	1,580,000	4.7%	20,000	-0.2pt	Tanizawa
D78	Flexstay Inn Sakuragicho	1,425,000	1,380,857	1,440,000	4.4%	1,378,319	1,490,000	4.3%	50,000	-0.1pt	Daiwa
D79	MyCUBE by MYSTAYS Asakusa Kuramae	1,287,000	1,255,942	1,250,000	4.2%	1,253,362	1,270,000	4.1%	20,000	-0.1pt	Daiwa
D80	Hotel MyStays Kagoshima Tenmonkan Annex	1,168,000	1,140,430	1,210,000	5.0%	1,135,355	1,240,000	4.9%	30,000	-0.1pt	Daiwa
D81	Hotel MyStays Nayoro	957,000	852,402	958,000	5.6%	840,320	972,000	5.5%	14,000	-0.1pt	Morii
D82	Hotel MyStays Premier Narita	10,593,000	9,821,554	10,400,000	4.8%	9,727,544	10,500,000	4.6%	100,000	-0.2pt	Tanizawa
D83	Art Hotel Morioka	5,643,000	5,214,472	5,420,000	5.3%	5,204,939	5,520,000	5.2%	100,000	-0.1pt	Morii
D84	Fusaki Beach Resort Hotel & Villas	40,293,000	-	-	-	40,122,791	40,900,000	5.1%	-	-	JREI
D85	Tateshina Grand Hotel Takinoyu	8,365,000	-	-	-	8,472,971	8,600,000	5.8%	-	-	Tanizawa
D86	Hotel MyStays Okayama	2,613,000	-	-	-	2,674,682	2,680,000	5.1%	-	-	JREI
D87	Hotel MyStays Aomori Station	2,445,000	-	-	-	2,420,161	2,470,000	5.7%	-	-	Morii
D88	Hotel MyStays Soga	2,039,000	-	-	-	2,060,433	2,110,000	4.7%	-	-	Tanizawa
D89	Tazawako Lake Resort & Onsen	1,475,000	-	-	-	1,511,031	1,490,000	6.1%	-	-	Daiwa
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa (Note 5)	30,061,308	27,867,892	66,086,442	8.3%	27,593,742	67,199,054	8.3%	1,112,612	-	CBRE
D201	Sunshine Suites Resort (Note 5)	5,842,674	5,300,445	10,598,769	8.8%	5,221,106	10,495,420	8.8%	-103,349	-	CBRE
	Subtotal of Hotels	490,015,203	404,698,985	510,566,211	-	460,103,406	578,432,474	-	9,616,263	-	-
	Total	530,800,951	440,498,489	560,963,211	-	495,782,211	629,041,474	-	9,828,263	-	-

(Note 1) With regard to "increase / decrease", we calculate it excluding properties acquired / sold during the period

(Note 2) The names of the appraisers in the chart are abbreviated. Official names are as follows: Assets R&D: Assets Research and Development Inc., JREI: Japan Real Estate Institute, Morii: JLL Morii Valuation & Advisory K.K., Tanizawa : The Tanizawa Sōgō Appraisal Co., Ltd., Daiwa : Daiwa Real Estate Appraisal Co., Ltd.

(Note 3) Includes ¥1,849 million for acquisition of additional floor as of October 31 2017

(Note 4) Includes ¥21.6 million for acquisition of adjacent land as of September 9, 2022

(Note 5) For the overseas hotels, the book values as of May 9, 2019 when INV acquired the leasehold interest of the hotels directly is deemed the acquisition price of these properties, which are calculated using an exchange rate of USD1 = ¥110.45 fixed by the foreign exchange forward contract executed on July 26, 2018 denominated in Japanese Yen. Moreover, the book value is calculated by subtracting the accumulated amount of depreciation from the total of acquisition price, acquisition cost and CAPEX. The payment in USD is converted in JPY using an exchange rate at the time of transaction.

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(Note 6) The amount of acquisition price, book value and appraisal value is rounded down to the nearest thousand yen. Percentages are rounded to one decimal place

# Portfolio Properties (1/4)

Property Number (Note 1)	Property Name	Address	Acquisition Date	Completion Date	Renovation Period (Hotel only)	Acquisition Price (JPY mn) (Note 2)	Investment Ratio (%) (Note 3)	Rentable Unit (Note 4)	Leasable Area (m <sup>2</sup> ) (Note 5)	Leased Area (m <sup>2</sup> ) (Note 5)	Total Number of Tenants	Occupancy Rate (%)
A26	Nisshin Palacestage Daitabashi	Suginami-ku, Tokyo	Jul 28, 2005	Dec 1992	-	1,251	0.2	98	1,771.13	1,647.94	1	93.0
A28	Growth Maison Gotanda	Shinagawa-ku, Tokyo	Jan 30, 2006	Jul 2005	-	888	0.2	48	1,051.50	1,051.50	1	100.0
A29	Growth Maison Kameido	Koto-ku, Tokyo	Mar 30, 2006	Oct 2005	-	1,070	0.2	66	1,367.96	1,325.98	1	96.9
A30	Emerald House	Itabashi-ku, Tokyo	Aug 1, 2006	Feb 1995	-	1,505	0.3	96	2,152.31	2,085.85	1	96.9
A32	Suncrest Shakujii-Koen	Nerima-ku, Tokyo	Aug 3, 2006	Mar 1990	-	1,088	0.2	29	3,029.16	3,029.16	1	100.0
A33	Growth Maison Shin-Yokohama	Yokohama, Kanagawa	Aug 3, 2006	Mar 2006	-	1,059	0.2	68	1,858.44	1,774.44	1	95.5
A34	Belle Face Ueno-Okachimachi	Taito-ku, Tokyo	Aug 1, 2006	Feb 2006	-	1,023	0.2	64	1,351.11	1,351.11	1	100.0
A35	Grand Rire Kameido	Koto-ku, Tokyo	Aug 3, 2006	Mar 2006	-	906	0.2	72	1,562.26	1,562.26	1	100.0
A37	Growth Maison Yoga	Setagaya-ku, Tokyo	Aug 3, 2006	Mar 2006	-	795	0.1	39	1,015.34	963.65	1	94.9
A38	Route Tachikawa	Tachikawa, Tokyo	Aug 3, 2006	Mar 1997	-	676	0.1	24	1,368.57	1,368.57	1	100.0
A39	Shibuya-Honmachi Mansion	Shibuya-ku, Tokyo	Aug 3, 2006	Dec 1986	-	651	0.1	25	1,167.50	1,128.40	1	96.7
A40	City Heights Kinuta	Setagaya-ku, Tokyo	Aug 3, 2006	Mar 1983	-	646	0.1	19	1,235.93	1,169.33	1	94.6
A41	Acseeds Tower Kawaguchi-Namiki	Kawaguchi, Saitama	Aug 3, 2006	Feb 2006	-	620	0.1	57	1,210.74	1,126.18	1	93.0
A43	College Square Machida	Machida, Tokyo	Aug 1, 2006	Mar 1984	-	589	0.1	62	1,047.75	1,047.75	1	100.0
A44	Belair Meguro	Meguro-ku, Tokyo	Aug 1, 2006	Oct 2005	-	589	0.1	25	557.05	535.51	1	96.1
A45	Wacore Tsunashima I	Yokohama, Kanagawa	Aug 3, 2006	Feb 1991	-	572	0.1	50	907.46	744.38	1	82.0
A46	Fotos Nakamurabashi	Nerima-ku, Tokyo	Aug 3, 2006	Sep 2001	-	566	0.1	37	815.77	815.77	1	100.0
A47	Growth Maison Kaijin	Funabashi, Chiba	Aug 1, 2006	Oct 1993	-	557	0.1	34	2,040.27	2,040.27	1	100.0
A48	College Square Machiya	Arakawa-ku, Tokyo	Aug 3, 2006	Mar 2006	-	510	0.1	43	871.35	871.35	1	100.0
A59	Towa City Coop Shin-otsuka II	Toshima-ku, Tokyo	Feb 1, 2010	May 1993	-	866	0.2	58	1,627.13	1,524.33	1	93.7
A61	Bichsel Musashiseki	Nerima-ku, Tokyo	Feb 1, 2010	Feb 1992	-	577	0.1	70	1,220.24	1,150.45	1	94.3
A63	Towa City Coop Sengencho	Yokohama, Kanagawa	Feb 1, 2010	Oct 1992	-	1,110	0.2	154	3,426.36	2,919.79	1	85.2
A64	Royal Park Omachi	Sendai, Miyagi	Feb 1, 2010	Feb 1993	-	415	0.1	51	1,929.59	1,812.45	1	93.9
A65	Lexington Square Haginomachi	Sendai, Miyagi	Feb 1, 2010	Aug 2005	-	330	0.1	39	1,528.58	1,412.12	1	92.4
A66	Visconti Kakuzan	Nagoya, Aichi	Feb 1, 2010	Sep 2003	-	255	0.0	8	705.75	543.24	1	77.0
A72	Lexington Square Horjo-Azumabashi	Sumida-ku, Tokyo	Feb 1, 2010	Oct 2006	-	511	0.1	33	784.74	736.80	1	93.9
A73	AMS TOWER Minami 6-Jo	Sapporo, Hokkaido	Feb 1, 2010	Feb 2007	-	1,180	0.2	120	4,460.56	4,222.42	1	94.7
A84	Revest Heian	Nagoya, Aichi	Sep 28, 2012	Nov 2006	-	595	0.1	40	1,554.03	1,479.03	1	95.2
A87	Excellente Kagurazaka	Shinjuku-ku, Tokyo	Sep 28, 2012	Jan 2007	-	543	0.1	33	701.92	660.88	1	94.2
A90	Queen's Court Fukuzumi	Koto-ku, Tokyo	Sep 28, 2012	Sep 2006	-	456	0.1	25	765.18	712.60	1	93.1
A92	Belair Oimachi	Shinagawa-ku, Tokyo	Sep 28, 2012	Apr 2006	-	412	0.1	26	530.60	510.10	1	96.1
A93	Siete Minami-Tsukaguchi	Amagasaki, Hyogo	Sep 28, 2012	Jan 2007	-	374	0.1	40	1,020.86	1,020.86	1	100.0
A94	Prime Life Sannomiya Isogami Koen	Kobe Hyogo	Sep 28, 2012	Nov 2006	-	373	0.1	32	789.12	715.14	1	90.6
A96	Century Park Shinkawa 1-bankan	Nagoya, Aichi	Sep 28, 2012	Sep 2001	-	335	0.1	44	1,477.62	1,275.81	1	86.3
A97	West Avenue	Kunitachi, Tokyo	Sep 28, 2012	Oct 1991	-	331	0.1	40	794.80	794.80	1	100.0
A99	Prime Life Mikage	Kobe, Hyogo	Sep 28, 2012	Jan 2007	-	297	0.1	28	761.18	736.17	1	96.7
A101	Lieto Court Mukojima	Sumida-ku, Tokyo	Jul 16, 2015	Feb 2008	-	1,683	0.3	82	2,940.20	2,940.20	1	100.0
A102	Lieto Court Nishi-Ojima	Koto-ku, Tokyo	Jul 16, 2015	Feb 2008	-	1,634	0.3	91	2,048.28	2,027.64	1	99.0
A103	Royal Parks Momozaka	Okasa, Osaka	Jan 22, 2016	Jun 2007	-	2,910	0.5	147	8,776.26	8,182.69	1	93.2
A104	Royal Parks Shinden	Adachi-ku, Tokyo	Mar 31, 2016	Jun 2007	-	5,024	0.9	248	15,797.29	15,797.29	1	100.0
A106	Royal Parks Seasir Minami-Senju	Arakawa-ku, Tokyo	Mar 14, 2017	Aug 2006	-	2,683	0.5	113	6,496.86	6,186.09	1	95.2
	Subtotal of Residential					38,465	7.0	2,478	86,518.75	83,000.30	41	95.9
B18	AEON TOWN Sukagawa	Sukagawa, Fukushima	Feb 1, 2010	Oct 2005	-	2,320	0.4	1	18,440.58	18,440.58	1	100.0
	Subtotal of Commercial Facilities					2,320	0.4	1	18,440.58	18,440.58	1	100.0

(Note 1) "Property number" refers to the asset owned by INV, classifying the residential asset as A, the office / commercial facility as B, the parking lot as C, the hotel as D according to the use of each property. The numbers with A, B, C, and D indicate the order of acquisition dates and properties with the same acquisition date are arranged in the order of acquisition price

(Note 2) "Acquisition price" indicates the purchase price stated in real estate sales contract or trust beneficiary rights transfer agreement etc. In addition, the price does not include consumption tax, etc., and it discards less than 1 million yen. Acquisition price of Sheraton Grande Tokyo Bay Hotel is calculated by applying 178,458 units of preferred equity interest contribution by INV (equivalent to 49.0% of preferred equity interest) to the JV TMK which owns the trust beneficiary interest of the Sheraton Grande Tokyo Bay Hotel as an underlying asset. For "The Westin Grand Cayman Seven Mile Beach Resort & Spa" and "Sunshine Suites Resort", the book values as of May 9, 2019 when INV acquired the leasehold interest of the hotels directly is deemed the acquisition price of these properties, which are calculated using an exchange rate of USD1 = ¥110.45 fixed by the foreign exchange forward contract executed on July 26, 2018 denominated in Japanese Yen

(Note 3) "Investment ratio" is the ratio to the total acquisition price of INV, rounded down to the second decimal place

(Note 4) "Rentable units" includes shops, offices and etc. which are counted as one unit by each compartment

(Note 5) For D200 The Westin Grand Cayman Seven Mile Beach Resort & Spa and D201 Sunshine Suites Resort, the area subject to management contract are indicated

(Note 6) Construction period for conversion (conversion of zoning) is indicated.

# Portfolio Properties (2/4)

Property Number (Note 1)	Property Name	Address	Acquisition Date	Completion Date	Renovation Period (Hotel only)	Acquisition Price (JPY mn) (Note 2)	Investment Ratio (%) (Note 3)	Rentable Unit (Note 4)	Leasable Area (m <sup>2</sup> ) (Note 5)	Leased Area (m <sup>2</sup> ) (Note 5)	Total Number of Tenants	Occupancy Rate (%)
D01	Hotel MyStays Kanda	Chiyoda-ku, Tokyo	May 23, 2014	Dec 2005	May-Aug 2016	2,851	0.5	126	2,585.72	2,585.72	1	100.0
D02	Hotel MyStays Asakusa	Sumida-ku, Tokyo	May 23, 2014	Jan 1990	2012 Nov-2012 Dec	2,584	0.5	161	3,327.38	3,327.38	1	100.0
D03	Hotel MyStays Kyoto-Shijo	Kyoto, Kyoto	Jul 17, 2014	Jan 2008	May-Jul 2018	6,024	1.1	224	7,241.51	7,241.51	1	100.0
D04	MyStays Shin-Urayasu Conference Center	Urayasu, Chiba	Jul 17, 2014	Mar 2009	Feb-Mar, May 2018	4,930	0.9	175	6,232.30	6,232.30	1	100.0
D05	Hotel MyStays Maihama	Urayasu, Chiba	Jul 17, 2014	Jun 2005	Jan-Apr, May-Jun 2018	4,870	0.9	90	2,456.36	2,456.36	1	100.0
D06	Hotel MyStays Premier Dojima	Osaka, Osaka	Jul 17, 2014	Aug 1990	2018 Jan-2018 Mar, 2018	3,845	0.7	153	9,445.32	9,445.32	1	100.0
D07	Hotel MyStays Nagoya-Sakae	Nagoya, Aichi	Jul 17, 2014	Nov 1979	Apr-Jun 2013	2,958	0.5	279	9,064.71	9,064.71	1	100.0
D08	Hotel MyStays Sakaisuji-Honmachi	Osaka, Osaka	Jul 17, 2014	Jul 2008	-	2,514	0.5	191	4,188.83	4,188.83	1	100.0
D09	Hotel MyStays Yokohama	Yokohama, Kanagawa	Jul 17, 2014	Oct 1974	Jun-Nov 2006, May-Jul	2,119	0.4	194	7,379.43	7,379.43	1	100.0
D10	Hotel MyStays Nippori	Arakawa-ku, Tokyo	Jul 17, 2014	Apr 1987	Feb-Mar 2011	1,898	0.3	93	1,719.29	1,719.29	1	100.0
D11	Hotel MyStays Fukuoka-Tenjin-Minami	Fukuoka, Fukuoka	Jul 17, 2014	Feb 2008	-	1,570	0.3	178	3,412.71	3,412.71	1	100.0
D12	Flexstay Inn Iidabashi	Shinjuku-ku, Tokyo	Jul 17, 2014	Dec 1990	-	1,381	0.3	62	2,953.38	2,953.38	1	100.0
D13	Hotel MyStays Ueno Inaricho	Taito-ku, Tokyo	Jul 17, 2014	Dec 1986	Nov-Dec 2012	1,331	0.2	72	1,150.76	1,150.76	1	100.0
D14	Flexstay Inn Shinagawa	Shinagawa-ku, Tokyo	Jul 17, 2014	Oct 1986	2011 Nov-2011 Dec	1,242	0.2	55	1,134.52	1,134.52	1	100.0
D15	Flexstay Inn Tokiwadai	Itabashi-ku, Tokyo	Jul 17, 2014	Dec 1989	Mar 2013	1,242	0.2	130	2,539.75	2,539.75	1	100.0
D16	Flexstay Inn Sugamo	Toshima-ku, Tokyo	Jul 17, 2014	Jan 1992	Mar 2013	1,192	0.2	105	2,089.86	2,089.86	1	100.0
D17	Hotel MyStays Otemae	Osaka, Osaka	Jul 17, 2014	Dec 1986	Dec 2012-Jan 2013	1,192	0.2	112	4,956.66	4,956.66	1	100.0
D18	Hotel MyStays Kiyosumi Shirakawa	Koto-ku, Tokyo	Jul 17, 2014	May 1992	Jun-Sep 2019	749	0.1	58	2,673.64	2,673.64	1	100.0
D19	Flexstay Inn Nakano bu P1	Shinagawa-ku, Tokyo	Jul 17, 2014	Sep 1986	-	589	0.1	39	770.56	770.56	1	100.0
D20	Flexstay Inn Nakano bu P2	Shinagawa-ku, Tokyo	Jul 17, 2014	Mar 1989	-	283	0.1	22	391.49	391.49	1	100.0
D21	APA Hotel Yokohama-Kannai	Yokohama, Kanagawa	Feb 6, 2015	Apr 2005	Sep-Dec 2017	8,350	1.5	452	6,568.51	6,568.51	1	100.0
D22	Hotel MyStays Hako date-Goryokaku	Hako date, Hokkaido	Feb 6, 2015	Feb 2008	Feb-Apr 2018	2,792	0.5	211	7,961.26	7,961.26	1	100.0
D23	Flexstay Inn Shirogane	Minato-ku, Tokyo	Feb 6, 2015	Dec 1984	Mar 2013	2,119	0.4	84	1,754.06	1,754.06	1	100.0
D24	Hotel MyStays Haneda	Ota-ku, Tokyo	Jul 16, 2015	Apr 2001	Nov 2013-Aug 2014	7,801	1.4	174	5,400.16	5,400.16	1	100.0
D25	Hotel MyStays Kameido P1	Koto-ku, Tokyo	Jul 16, 2015	Mar 1991	Jan-Mar 2012	5,594	1.0	266	4,349.67	4,349.67	1	100.0
D26	Hotel MyStays Ueno Iriyaguchi	Taito-ku, Tokyo	Jul 16, 2015	Nov 1985	Jan-Mar 2014	3,821	0.7	97	2,247.92	2,247.92	1	100.0
D27	Hotel MyStays Kameido P2	Koto-ku, Tokyo	Jul 16, 2015	Mar 1991	Jan-Mar 2013	3,742	0.7	177	2,793.99	2,793.99	1	100.0
D28	Hotel MyStays Shimizu	Shizuoka, Shizuoka	Jul 16, 2015	Jan 2007	Feb-Mar 2019	2,198	0.4	152	3,559.81	3,559.81	1	100.0
D29	Super Hotel Shinbashi/ Karasumoriguchi	Minato-ku, Tokyo	Jul 16, 2015	Feb 2008	Oct-Dec 2018	1,624	0.3	74	1,403.89	1,403.89	1	100.0
D30	Flexstay Inn Higashi-Jujo	Kita-ku, Tokyo	Jul 16, 2015	Jun 1986	Mar 2013	1,277	0.2	89	1,714.53	1,714.53	1	100.0
D31	Hotel MyStays Utsunomiya	Utsunomiya, Tochigi	Jul 16, 2015	Jan 1990	Nov 2013-Jan 2014	1,237	0.2	125	11,733.23	11,733.23	1	100.0
D32	Flexstay Inn Kawasaki-Kaizuka	Kawasaki, Kanagawa	Jul 16, 2015	Apr 1990	Jan-Mar 2014	980	0.2	64	1,190.57	1,190.57	1	100.0
D33	Comfort Hotel Toyama	Toyama, Toyama	Jul 16, 2015	Mar 2007	-	979	0.2	150	3,305.64	3,305.64	1	100.0
D34	Flexstay Inn Kawasaki-Ogawacho	Kawasaki, Kanagawa	Jul 16, 2015	Apr 1989	Feb-Mar 2014	906	0.2	62	725.60	725.60	1	100.0
D35	Flexstay Inn Ekoda	Nerima-ku, Tokyo	Aug 28, 2015	Jan 1989	Jan-Mar 2013	5,069	0.9	210	3,932.93	3,932.93	1	100.0
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	Tachikawa, Tokyo	Aug 28, 2015	Nov 2007	Mar 2018	1,170	0.2	96	1,832.97	1,832.97	1	100.0
D37	Super Hotel JR Ueno-iriaguchi	Taito-ku, Tokyo	Aug 28, 2015	Mar 2006	-	1,130	0.2	69	1,279.16	1,279.16	1	100.0
D38	Hotel MyStays Shinsabashi	Osaka, Osaka	Jan 22, 2016	Sep 1984	Jan-Mar 2015	3,160	0.6	57	1,942.01	1,942.01	1	100.0
D39	Comfort Hotel Kurosaki	Kitakyusyu, Fukuoka	Jan 22, 2016	Feb 2009	-	1,148	0.2	151	3,207.60	3,207.60	1	100.0
D40	Comfort Hotel Maebashi	Maebashi, Gunma	Jan 22, 2016	Mar 2009	-	1,128	0.2	154	3,660.96	3,660.96	2	100.0
D41	Comfort Hotel Tsuamesanjo	Sanjyo, Niigata	Jan 22, 2016	Jun 2007	-	1,010	0.2	133	3,099.90	3,099.90	2	100.0
D42	Comfort Hotel Kitami	Kitami, Hokkaido	Jan 22, 2016	Mar 2008	-	851	0.2	127	3,009.50	3,009.50	1	100.0
D43	Hotel MyStays Gotanda Station	Shinagawa-ku, Tokyo	Mar 31, 2016	Mar 1974, Aug 1984	Mar-Nov 2015, Jun-Oct 2017	26,523	4.8	386	10,137.88	10,137.88	1	100.0

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(Note 6) Construction period for conversion (conversion of zoning) is indicated.

# Portfolio Properties (3/4)

Property Number (Note 1)	Property Name	Address	Acquisition Date	Completion Date	Renovation Period (Hotel only)	Acquisition Price (JPY mn) (Note 2)	Investment Ratio (%) (Note 3)	Rentable Unit (Note 4)	Leasable Area (m <sup>2</sup> ) (Note 5)	Leased Area (m <sup>2</sup> ) (Note 5)	Total Number of Tenants	Occupancy Rate (%)
D44	Hotel Epinard Nasu	Nasu-gun, Tochigi	Mar 31, 2016	Feb 1992, Jun 1995	Apr-Jun 2014, Jan-Apr 2015, Jan-Jul 2017, Jan-Feb 2020	21,002	3.8	310	37,702.33	37,702.33	1	100.0
D45	Hotel MyStays Fukuoka Tenjin	Fukuoka, Fukuoka	Mar 31, 2016	Aug 2008	Jan-May 2020	8,059	1.5	218	5,083.06	5,083.06	1	100.0
D46	Hotel MyStays Hamamatsucho	Minato-ku, Tokyo	Mar 31, 2016	Oct 2008	Jan-Mar 2020	7,959	1.5	105	1,951.90	1,951.90	1	100.0
D47	Hotel MyStays Premier Kanazawa	Kanazawa, Ishikawa	Jun 15, 2016	Oct 2014	-	13,761	2.5	262	13,121.00	13,121.00	1	100.0
D48	Takamatsu Tokyu REI Hotel	Takamatsu, Kagawa	Jun 15, 2016	Apr 1982	Jan 2016, Dec 2016, Dec 2017-Jan 2018, Dec 2018	2,139	0.4	193	7,148.17	6,847.11	2	95.8
D49	Hotel MyStays Premier Hamamatsucho	Minato-ku, Tokyo	May 29, 2017	Jun 1994	Aug-Nov 2016	8,000	1.5	134	6,151.93	6,151.93	1	100.0
D50	Hotel MyStays Shin Osaka Conference Center	Osaka, Osaka	Oct 13, 2017	Jun 1974	Nov 2015-Mar 2016	13,068	2.4	397	13,026.99	13,026.99	1	100.0
D51	Hotel MyStays Premier Omori	Shinagawa-ku, Tokyo	Oct 13, 2017	Feb 1995	Aug -Nov 2016	9,781	1.8	256	11,849.61	11,849.61	1	100.0
D52	Kamenoi Hotel Beppu	Beppu, Oita	Oct 13, 2017	May 1997	May-Jul 2015	8,870	1.6	323	19,422.08	19,422.08	1	100.0
D53	Hotel MyStays Sapporo Station	Sapporo, Hokkaido	Oct 13, 2017	Oct 2007	Oct-Dec 2019, Mar-May 2020	7,880	1.4	243	7,267.88	7,267.88	1	100.0
D54	Hotel MyStays Yokohama Kannai	Yokohama, Kanagawa	Feb 7, 2018	Aug 2016	-	5,326	1.0	166	4,501.18	4,501.18	1	100.0
D55	Art Hotel Joetsu	Joetsu, Niigata	Feb 7, 2018	Nov 1993	-	2,772	0.5	198	7,563.60	7,563.60	1	100.0
D56	Art Hotel Hirosaki City	Hirosaki, Aomori	Feb 7, 2018	Aug 1989	Mar 2008	2,723	0.5	158	14,826.30	14,826.30	1	100.0
D57	Hotel MyStays Oita	Oita, Oita	Feb 7, 2018	Jul 2007	-	1,604	0.3	145	3,254.69	3,254.69	1	100.0
D58	Hotel MyStays Gotanda	Shinagawa-ku, Tokyo	Jun 27, 2018	Jun 1988	Aug 2016	4,068	0.7	110	1,839.77	1,839.77	1	100.0
D59	Hotel MyStays Tachikawa	Tachikawa-shi, Tokyo	Jun 27, 2018	May 1991	Apr-Jun 2016	3,257	0.6	123	3,844.64	3,844.64	1	100.0
D60	Hotel MyStays Premier Akasaka	Minato-ku, Tokyo	Aug 2, 2018	Jun 2016	-	20,691	3.8	328	8,620.69	8,620.69	1	100.0
D61	Hotel MyStays Premier Sapporo Park	Sapporo-shi, Hokkaido	Aug 2, 2018	Mar 1998	Nov 2017-Apr 2018	16,731	3.0	419	21,670.64	21,670.64	1	100.0
D62	Hotel MyStays Ueno East	Taito-ku, Tokyo	Aug 2, 2018	Sep 1991	Dec 2015-May 2016	5,286	1.0	150	4,396.02	4,396.02	1	100.0
D63	Hotel MyStays Midosuji Honmachi	Osaka-shi, Osaka	Aug 2, 2018	Oct 2017	-	5,039	0.9	109	3,429.43	3,429.43	1	100.0
D64	Hotel MyStays Sapporo Aspen	Sapporo, Hokkaido	Jul 19, 2019	Dec 1995	Mar-Jun 2017	15,543	2.8	307	15,313.17	15,313.17	1	100.0
D65	Art Hotel Ishigakijima	Ishigaki, Okinawa	Jul 19, 2019	Jan 1984	Oct 2016-May 2017	9,731	1.8	245	17,247.54	17,247.54	1	100.0
D66	Hotel MyStays Fuji Onsen Resort	Fujiyoshida, Yamanashi	Jul 19, 2019	Nov 2016	-	9,405	1.7	159	5,498.49	5,498.49	1	100.0
D67	Hotel Sonia Otaru	Otaru, Hokkaido	Jul 19, 2019	Apr 1992, Mar 1998, Nov 2018	Oct 2016-May 2017	5,930	1.1	149	6,509.41	6,509.41	1	100.0
D68	Hotel MyStays Kanazawa Castle	Kanazawa, Ishikawa	Jul 19, 2019	Jun 1982, Feb 1991, Jan 1997	Nov 2015-Mar 2016	5,682	1.0	208	5,931.84	5,931.84	1	100.0
D69	Art Hotel Niigata Station	Niigata, Niigata	Jul 19, 2019	Apr 1985	May-Aug 2007	5,524	1.0	304	10,403.01	10,403.01	1	100.0
D70	Hotel MyStays Nagoya Nishiki	Nagoya, Aichi	Jul 19, 2019	Mar 1974	May 2017-Jul 2018	5,197	0.9	172	6,077.99	6,077.99	1	100.0
D71	Hotel Nord Otaru	Otaru, Hokkaido	Jul 19, 2019	Mar 1996	Nov 2016-Apr 2017	4,296	0.8	98	6,047.43	6,047.43	1	100.0
D72	Hotel MyStays Kagoshima Tenmonkan	Kagoshima, Kagoshima	Jul 19, 2019	Sep 1990	Jan-Apr 2018	3,445	0.6	197	7,659.55	7,659.55	2	100.0
D73	Art Hotel Asahikawa	Asahikawa, Hokkaido	Jul 19, 2019	Oct 1987	Dec 2017-Jan 2018	3,197	0.6	266	25,131.84	25,131.84	1	100.0
D74	Hotel MyStays Matsuyama	Matsuyama, Ehime	Jul 19, 2019	Jul 2000	May-Jul 2018	3,098	0.6	163	8,274.37	8,274.37	1	100.0
D75	Hotel MyStays Sapporo Susukino	Sapporo, Hokkaido	Jul 19, 2019	May 1981	Apr-Jul 2018	3,059	0.6	105	2,853.26	2,853.26	1	100.0
D76	Hotel MyStays Sapporo Nakajima Park	Sapporo, Hokkaido	Jul 19, 2019	Feb 1991	Jan-May 2016	2,118	0.4	86	5,473.41	5,473.41	1	100.0
D77	Hotel MyStays Sapporo Nakajima Park Annex	Sapporo, Hokkaido	Jul 19, 2019	Sep 1991	Mar-Jun 2017	1,584	0.3	80	1,775.21	1,775.21	1	100.0
D78	Flexstay Inn Sakuragicho	Yokohama, Kanagawa	Jul 19, 2019	Nov 1991	Jul-Sep 2016	1,425	0.3	70	1,308.61	1,308.61	1	100.0
D79	MyCUBE by MYSTAYS Asakusa Kuramae	Taito-ku, Tokyo	Jul 19, 2019	Sep 1991	Nov 2015-May 2016 (Note 7)	1,287	0.2	162	2,156.70	2,156.70	1	100.0

(Note 1) "Property number" refers to the asset owned by INV, classifying the residential asset as A, the office / commercial facility as B, the parking lot as C, the hotel as D according to the use of each property. The numbers with A, B, C, and D indicate the order of acquisition dates and properties with the same acquisition date are arranged in the order of acquisition price

(Note 2) "Acquisition price" indicates the purchase price stated in real estate sales contract or trust beneficiary rights transfer agreement etc. In addition, the price does not include consumption tax, etc., and it discards less than 1 million yen. Acquisition price of Sheraton Grande Tokyo Bay Hotel is calculated by applying 178,458 units of preferred equity interest contribution by INV (equivalent to 49.0% of preferred equity interest) to the JV TMK which owns the trust beneficiary interest of the Sheraton Grande Tokyo Bay Hotel as an underlying asset. For "The Westin Grand Cayman Seven Mile Beach Resort & Spa" and "Sunshine Suites Resort", the book values as of May 9, 2019 when INV acquired the leasehold interest of the hotels directly is deemed the acquisition price of these properties, which are calculated using an exchange rate of USD1 = ¥110.45 fixed by the foreign exchange forward contract executed on July 26, 2018 denominated in Japanese Yen

(Note 3) "Investment ratio" is the ratio to the total acquisition price of INV, rounded down to the second decimal place

(Note 4) "Rentable units" includes shops, offices and etc. which are counted as one unit by each compartment

(Note 5) For D200 The Westin Grand Cayman Seven Mile Beach Resort & Spa and D201 Sunshine Suites Resort, the area subject to management contract are indicated

(Note 6) Construction period for conversion (conversion of zoning) is indicated.

Property Number (Note 1)	Property Name	Address	Acquisition Date	Completion Date	Renovation Period (Hotel only)	Acquisition Price (JPY mn) (Note 2)	Investment Ratio (%) (Note 3)	Rentable Unit (Note 4)	Leasable Area (m <sup>2</sup> ) (Note 5)	Leased Area (m <sup>2</sup> ) (Note 5)	Total Number of Tenants	Occupancy Rate (%)
D80	Hotel MyStays Kagoshima Tenmonkan Annex	Kagoshima, Kagoshima	Jul 19, 2019	Feb 1985	Feb-Apr 2018	1,168	0.2	74	2,047.70	2,047.70	1	100.0
D81	Hotel MyStays Nayoro	Nayoro, Hokkaido	Jul 19, 2019	Nov 2014	-	957	0.2	70	1,985.27	1,985.27	1	100.0
D82	Hotel MyStays Premier Narita	Narita, Chiba	Jan 6, 2020	May 1985	Aug 2017-Jan 2018	10,593	1.9	713	36,519.70	36,519.70	1	100.0
D83	Art Hotel Morioka	Morioka, Iwate	Jan 6, 2020	Mar 1981	Dec 2018-Apr 2019	5,643	1.0	217	16,727.08	16,727.08	1	100.0
D84	Fusaki Beach Resort Hotel & Villas	Ishigaki-shi, Okinawa	Aug 1, 2023	Jun 1982, Jun 2019, Mar 2020	Apr 2005, Mar 2006, May 2015, Apr 2018, Dec 2018, Jun 2019, Mar 2020, Jul 2020, Feb 2023	40,293	7.3	398	23,573.57	23,573.57	1	100.0
D85	Tateshina Grand Hotel Takinoyu	Chino-shi, Nagano	Aug 1, 2023	Aug 1966, Jul 1967, Jul 1988	Jan-Apr 2020, Jan-May 2022	8,365	1.5	160	20,577.41	20,577.41	1	100.0
D86	Hotel MyStays Okayama	Okayama-shi, Okayama	Aug 1, 2023	Mar 1986	Aug-Oct 2021	2,613	0.5	145	3,023.27	3,023.27	1	100.0
D87	Hotel MyStays Aomori Station	Aomori-shi, Aomori	Aug 1, 2023	Jun 2007	May-Dec 2019	2,445	0.4	133	3,963.86	3,963.86	1	100.0
D88	Hotel MyStays Soga	Chiba-shi, Chiba	Aug 1, 2023	Feb 1994	Nov 2021-Feb 2022	2,039	0.4	112	3,398.18	3,398.18	1	100.0
D89	Tazawako Lake Resort & Onsen	Senboku-shi, Akita	Aug 1, 2023	Dec 1981, Nov 1988	Oct-Nov 2018	1,475	0.3	80	7,289.75	7,289.75	1	100.0
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	Grand Cayman	May 9, 2019	1994	May 2016-Oct 2017	30,061	5.5	346	21,528.23	21,528.23	1	100.0
D201	Sunshine Suites Resort	Grand Cayman	May 9, 2019	1999	Oct 2016	5,842	1.1	131	6,723.11	6,723.11	1	100.0
-	Sheraton Grande Tokyo Bay Hotel (preferred equity interest)	Urayasu-shi, Chiba	Oct 13, 2017	Mar 1988	Sep 2014-Jul 2015, Sep-Nov 2021	17,845	3.3	-	-	-	-	-
Subtotal of Hotels						507,861	92.6	15,776	634,216.80	633,915.74	95	100.0
Total						548,646	100.0	18,255	739,176.13	735,356.62	137	99.5

(Note 1) "Property number" refers to the asset owned by INV, classifying the residential asset as A, the office / commercial facility as B, the parking lot as C, the hotel as D according to the use of each property. The numbers with A, B, C, and D indicate the order of acquisition dates and properties with the same acquisition date are arranged in the order of acquisition price

(Note 2) "Acquisition price" indicates the purchase price stated in real estate sales contract or trust beneficiary rights transfer agreement etc. In addition, the price does not include consumption tax, etc., and it discards less than 1 million yen. Acquisition price of Sheraton Grande Tokyo Bay Hotel is calculated by applying 178,458 units of preferred equity interest contribution by INV (equivalent to 49.0% of preferred equity interest) to the JV TMK which owns the trust beneficiary interest of the Sheraton Grande Tokyo Bay Hotel as an underlying asset. For "The Westin Grand Cayman Seven Mile Beach Resort & Spa" and "Sunshine Suites Resort", the book values as of May 9, 2019 when INV acquired the leasehold interest of the hotels directly is deemed the acquisition price of these properties, which are calculated using an exchange rate of USD1 = ¥110.45 fixed by the foreign exchange forward contract executed on July 26, 2018 denominated in Japanese Yen

(Note 3) "Investment ratio" is the ratio to the total acquisition price of INV, rounded down to the second decimal place

(Note 4) "Rentable units" includes shops, offices and etc. which are counted as one unit by each compartment

(Note 5) For D200 The Westin Grand Cayman Seven Mile Beach Resort & Spa and D201 Sunshine Suites Resort, the area subject to management contract are indicated

(Note 6) Construction period for conversion (conversion of zoning) is indicated.



## Borrowings

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
New Syndicate Loan (H)	Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited	3,560	Floating interest rate	JPY 1 month TIBOR +0.80000%	October 13, 2017	October 11, 2024
New Syndicate Loan (K)	Aozora Bank, Ltd. The Nishi-Nippon City Bank, Ltd. The Tochigi Bank, Ltd.	2,401	Fixed interest rate (swap)	0.59400% <sup>1</sup>	March 29, 2019	March 29, 2024
	Kiraboshi Bank, Ltd.	961	Floating interest rate	JPY 1 month TIBOR +0.80000%	March 29, 2019	March 29, 2029
New Syndicate Loan (M)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Citibank, N.A., Tokyo Branch SBI Shinsei Bank, Limited	5,796	Fixed interest rate (swap)	0.56310% <sup>1</sup>	July 16, 2019	July 16, 2024
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation	5,796	Floating interest rate	JPY 1 month TIBOR +0.55000%	July 16, 2019	January 16, 2025
	Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited	5,795	Floating interest rate	JPY 1 month TIBOR +0.70000%	July 16, 2019	July 16, 2025
New Syndicate Loan (L)	Mizuho Bank, Ltd., MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited, Citibank, N.A., Tokyo Branch, Development Bank of Japan Inc., Aozora Bank, Ltd., The Nomura Trust and Banking Co., Ltd. AEON Bank, Ltd.,	4,943	Fixed interest rate (swap)	0.57984% <sup>1</sup>	July 19, 2019	July 16, 2024
	Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Development Bank of Japan Inc.,	4,943	Floating interest rate	JPY 1 month TIBOR +0.55000%	July 19, 2019	January 16, 2025
	AEON Bank, Ltd., Aozora Bank, Ltd., The Nomura Trust and Banking Co., Ltd.	4,942	Floating interest rate	JPY 1 month TIBOR +0.70000%	July 19, 2019	July 16, 2025

(Note 1) These are borrowings with floating interest rates, but the interest rates are fixed through interest rate swap agreements. The interest rates in consideration of swaps are stated

(Note 2) Borrowing amount is rounded down to indicated unit



# Borrowings and Investment Corporation Bonds (2/7) \*As of February 26, 2024

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
Term Loan (L)	Tokyo Star Bank, Limited	700	Floating interest rate	JPY 1 month TIBOR +0.70000%	July 22, 2019	July 16, 2025
New Syndicate Loan (O)	The San ju San Bank, Ltd.	1,700	Fixed interest rate (swap)	0.48590% <sup>1</sup>	October 15, 2019	April 15, 2024
		1,000	Floating interest rate	JPY 1 month TIBOR +0.55000%	October 15, 2019	April 15, 2025
	The Nishi-Nippon City Bank, Ltd.	1,000	Floating interest rate	JPY 1 month TIBOR +0.70000%	October 15, 2019	October 15, 2025
New Syndicate Loan (P)	Sumitomo Mitsui Trust Bank, Limited Momiji Bank, Ltd. The Kiyo Bank	4,491	Fixed interest rate (swap)	0.64291% <sup>1</sup>	January 6, 2020	January 6, 2025
New Syndicate Loan (Q)	Mizuho Bank, Ltd. Development Bank of Japan Inc. Resona Bank, Limited The Nomura Trust and Banking Co., Ltd. The Shizuoka Bank, Ltd. The Bank of Fukuoka, Ltd. The Yamaguchi Bank, Ltd.	3,211	Fixed interest rate (swap)	0.48700% <sup>1</sup>	March 16, 2020	March 16, 2025
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited Resona Bank, Limited Aozora Bank, Ltd. The Nomura Trust and Banking Co., Ltd. The Shizuoka Bank, Ltd. The Yamaguchi Bank, Ltd. The Chukyo Bank, Ltd. The Kagawa Bank, Ltd.	6,921	Floating interest rate	JPY 1 month TIBOR +0.50000%	March 30, 2020	March 16, 2025
Term Loan (W)	The Tokyo Star Bank, Limited	1,582	Floating interest rate	JPY 1 month TIBOR +0.35000%	July 20, 2021	July 20, 2024
Term Loan (005)	The Tokyo Star Bank, Limited	600	Floating interest rate	JPY 1 month TIBOR +0.35000%	July 20, 2022	July 20, 2025
Term Loan (008)	The Tokyo Star Bank, Limited	1,190	Floating interest rate	JPY 1 month TIBOR +0.50000%	October 13, 2022	October 13, 2027

(Note 1) These are borrowings with floating interest rates, but the interest rates are fixed through interest rate swap agreements. The interest rates in consideration of swaps are stated

(Note 2) Borrowing amount is rounded down to indicated unit

# Borrowings and Investment Corporation Bonds (3/7) \*As of February 26, 2024

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
New Syndicate Loan (007)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited Development Bank of Japan, Inc. The Nomura Trust and Banking Co., Ltd. The Shizuoka Bank, Ltd. The Bank of Fukuoka, Ltd.	4,519	Floating interest rate	JPY 1M TIBOR +0.25000%	March 14, 2023	March 14, 2024
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc.	7,521	Fixed interest rate (swap)	0.71200%1	March 14, 2023	March 14, 2026
	MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	194	Floating interest rate	JPY 1M TIBOR +0.25000%	March 16, 2023	March 14, 2024
	MUFG Bank, Ltd. The Chiba Bank, Ltd.	1,746	Floating interest rate	JPY 3M TIBOR +0.35000%	March 16, 2023	March 14, 2026
Term Loan (013)	Development Bank of Japan, Inc.	1,000	Floating interest rate	JPY 3M TIBOR +0.30000%	June 19, 2023	June 19, 2026
Term Loan (014)	MUFG Bank, Ltd.	500	Floating interest rate	JPY 3M TIBOR +0.30000%	June 27, 2023	June 27, 2026
Term Loan (015)	SBI Shinsei Bank, Limited	1,000	Floating interest rate	JPY 1M TIBOR +0.25000%	June 27, 2023	June 27, 2024
New Syndicate Loan (009)	SBI Shinsei Bank, Limited	1,110	Floating interest rate	JPY 1M TIBOR +0.20000%	July 14, 2023	July 16, 2024
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited	951	Floating interest rate	JPY 1M TIBOR +0.30000%	July 14, 2023	July 16, 2026
		3,774	Fixed interest rate (swap)	0.69100%1	July 14, 2023	July 16, 2026
		3,774	Floating interest rate	JPY 3M TIBOR +0.50000%	July 14, 2023	July 14, 2028
	SBI Shinsei Bank, Limited Resona Bank, Limited	6,848	Floating interest rate	JPY 1M TIBOR +0.20000%	July 19, 2023	July 16, 2024
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc.	5,168	Floating interest rate	JPY 1M TIBOR +0.30000%	July 19, 2023	July 16, 2026

(Note 1) These are borrowings with floating interest rates, but the interest rates are fixed through interest rate swap agreements. The interest rates in consideration of swaps are stated

(Note 2) Borrowing amount is rounded down to indicated unit

# Borrowings and Investment Corporation Bonds (4/7) \*As of February 26, 2024

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
New Syndicate Loan (009)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc. The Ogaki Kyoritsu Bank, Ltd.	18,858	Fixed interest rate (swap)	0.69600%1	July 19, 2023	July 16, 2026
		18,858	Floating interest rate	JPY 3M TIBOR +0.50000%	July 19, 2023	July 14, 2028
New Syndicate Loan (010)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited	3,086	Floating interest rate	JPY 1M TIBOR +0.20000%	August 1, 2023	August 1, 2024
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited The Tokyo Star Bank, Limited Aozora Bank, Ltd.	9,195	Fixed interest rate (swap)	0.69100%1	August 1, 2023	July 16, 2026
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan Inc. The Tokyo Star Bank, Limited Aozora Bank, Ltd. The Ogaki Kyoritsu Bank, Ltd.	17,574	Fixed interest rate (swap)	1.06900%1	August 1, 2023	July 14, 2028
Term Loan (016)●	Sumitomo Mitsui Banking Corporation	3,000	Fixed interest rate (swap)	0.87900%1	September 14, 2023	July 16, 2027
New Syndicate Loan (011)	Resona Bank, Limited The Bank of Fukuoka, Ltd.	1,965	Floating interest rate	JPY 1M TIBOR +0.20000%	September 26, 2023	July 16, 2024
	SBI Shinsei Bank, Limited	3,197	Fixed interest rate (swap)	0.69100%1	September 26, 2023	July 16, 2026
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc. The Nomura Trust and Banking Co., Ltd.	24,333	Fixed interest rate (swap)	0.89400%1	September 26, 2023	July 16, 2027

(Note 1) These are borrowings with floating interest rates, but the interest rates are fixed through interest rate swap agreements. The interest rates in consideration of swaps are stated

(Note 2) Borrowing amount is rounded down to indicated unit

# Borrowings and Investment Corporation Bonds (5/7) \*As of February 26, 2024

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
New Syndicate Loan (011)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc.	10,104	Floating interest rate	JPY 3M TIBOR +0.50000%	September 26, 2023	July 16, 2028
	Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited	2,495	Fixed interest rate (swap)	0.87900%1	October 13, 2023	July 16, 2027
		1,069	Floating interest rate	JPY 3M TIBOR +0.50000%	October 13, 2023	July 16, 2028
Term Loan (017)	The Tokyo Star Bank, Limited.	1,900	Fixed interest rate (swap)	1.05400%1	September 26, 2023	July 14, 2028
Term Loan (018)	Mizuho Bank, Ltd.	4,321	Floating interest rate	JPY 3M TIBOR +0.60000%	November 29, 2023	November 29, 2029
New Syndicate Loan (012) (green loan)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc. San ju San Bank, Ltd. The Nomura Trust and Banking Co., Ltd.	8,970	Floating interest rate	JPY 3M TIBOR +0.60000%	January 16, 2024	March 14, 2030
New Syndicate Loan (012)	Resona Bank, Limited	1,200	Floating interest rate	JPY 1M TIBOR +0.20000%	January 16, 2024	March 16, 2025
	SBI Shinsei Bank, Limited	369	Floating interest rate	JPY 3M TIBOR +0.30000%	January 16, 2024	March 14, 2027
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Aozora Bank, Ltd. The Nomura Trust and Banking Co., Ltd.	5,308	Floating interest rate	JPY 3M TIBOR +0.40000%	January 16, 2024	March 14, 2028

(Note 1) These are borrowings with floating interest rates, but the interest rates are fixed through interest rate swap agreements. The interest rates in consideration of swaps are stated

(Note 2) Borrowing amount is rounded down to indicated unit

# Borrowings and Investment Corporation Bonds (6/7) \*As of February 26, 2024

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
New Syndicate Loan (012)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc. The Nomura Trust and Banking Co., Ltd.	5,406	Floating interest rate	JPY 3M TIBOR +0.50000%	January 16, 2024	March 14, 2029
	MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	5,025	Floating interest rate	JPY 3M TIBOR +0.40000%	January 24, 2024	March 14, 2028
		5,025	Floating interest rate	JPY 3M TIBOR +0.50000%	January 24, 2024	March 14, 2029
Term Loan (019)	The Tokyo Star Bank, Limited	2,440	Floating interest rate	JPY 3M TIBOR +0.50000%	January 16, 2024	March 14, 2029
Subtotal of Short Term Debt		17,612				
Subtotal of Long Term Debt		235,728				
Total Debt		253,340				

(Note 1) These are borrowings with floating interest rates, but the interest rates are fixed through interest rate swap agreements. The interest rates in consideration of swaps are stated

(Note 2) Borrowing amount is rounded down to indicated unit

## Investment Corporation Bonds

Name	Issue Date	Issue Amount (JPY million)	Interest	Term	Redemption Date	Rating
2nd series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	May 25, 2018	1,000	0.800% p.a.	10 years	May 25, 2028	A (JCR)
4th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	October 28, 2019	1,000	0.480% p.a.	5 years	October 28, 2024	A (JCR)
5th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	October 28, 2019	2,000	0.900% p.a.	10 years	October 26, 2029	A (JCR)
6th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	March 13, 2020	1,200	0.850% p.a.	10 years	March 13, 2030	A (JCR)
7th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	May 25, 2023	5,000	1.000% p.a.	3 years	May 25, 2026	A (JCR)
8th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	May 25, 2023	1,200	1.200% p.a.	5 years	May 25, 2028	A (JCR)
9th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds) (green bonds)	September 21, 2023	1,700	1.200% p.a.	5 years	September 21, 2028	A (JCR)
10th series unsecured corporate bonds (with pari passu conditions among investment corporate bonds) (green bonds)	December 14, 2023	1,800	1.297% p.a.	5 years	December 14, 2028	A (JCR)
11th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	February 9, 2024	6,000	1.470% p.a.	5 years	February 9, 2029	A (JCR)
Total		11,400				

As of June 30, 2023

As of December 31, 2023

## Major Unitholders (TOP 10)

	Name	Number of units held	(%)
1	The Master Trust Bank of Japan, Ltd. (trust account)	1,263,502	20.72
2	Custody BANK of Japan, Ltd. (trust account)	1,003,175	16.45
3	The Nomura Trust and Banking Co., Ltd. (investment trust account)	310,170	5.08
4	DEUTSCHE BANK AG, SINGAPORE A/C CLIENTS (TREATY) 4600601	194,859	3.19
5	SSBTC CLIENT OMNIBUS ACCOUNT	148,513	2.43
6	GOLDMAN SACHS INTERNATIONAL	130,768	2.14
7	FJODF GP INV HOLDINGS LLC	115,931	1.90
8	STATE STREET BANK WEST CLIENT - TREATY 505234	96,538	1.58
9	STATE STREET BANK AND TRUST COMPANY 505103	94,427	1.54
10	STICHTING PENSIOENFONDS ZORG EN WELZIJN	90,867	1.49
	<b>Total</b>	<b>3,448,750</b>	<b>56.56</b>

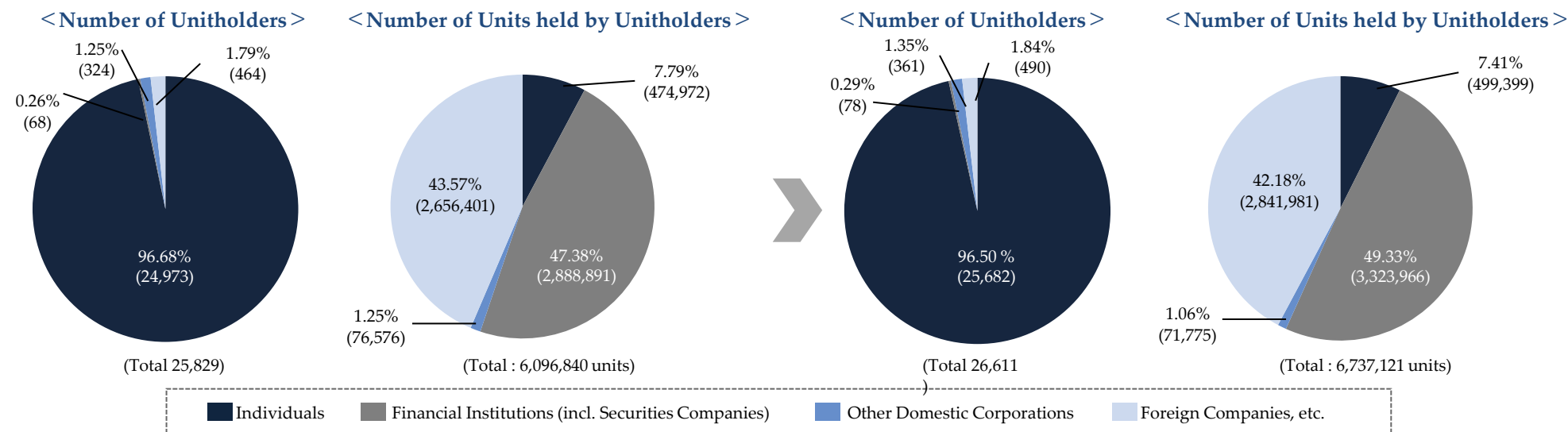
	Name	Number of units held	(%)
1	The Master Trust Bank of Japan, Ltd. (trust account)	1,354,762	20.10
2	Custody BANK of Japan, Ltd. (trust account)	1,166,019	17.30
3	The Nomura Trust and Banking Co., Ltd. (investment trust account)	362,795	5.38
4	SSBTC CLIENT OMNIBUS ACCOUNT	181,677	2.69
5	DEUTSCHE BANK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

\*Percentages are rounded down to the second decimal place

Issued investment units: 6,096,840

Issued investment units: 6,737,121

## Unitholders Composition



\*Percentages are rounded down to second decimal place



# Unit Price Information



Source: TSE and Bloomberg

(Note 1) It shows the change in the price from January 4, 2013 until January 31, 2024

(Note 2) TSE REIT Index has been indexed, assuming the closing price of TSE REIT Index as of January 4, 2013 was the same as the closing price of INV unit on the same day

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