

For Translation Purposes Only

FINANCIAL REPORT

FOR THE THIRTY-SEVENTH FISCAL PERIOD ENDED JANUARY 31, 2025

March 17, 2025

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1. PERFORMANCE FOR THE THIRTY-SEVENTH FISCAL PERIOD ENDED JANUARY 31, 2025 (August 1, 2024 – January 31, 2025)

(1) Business Results

(Percentage change represents a period-on-period comparison)

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Thirty-Seventh Fiscal Period	11,088	(0.8)	6,769	(1.6)	6,164	(2.8)	6,163	(2.8)
Thirty-Sixth Fiscal Period	11,173	(0.0)	6,879	1.1	6,344	0.8	6,343	0.8

	Net Income per Unit	Net Income to Total Net Assets	Ordinary Income to Total Assets	Ordinary Income to Operating Revenue
	Yen	%	%	%
Thirty-Seventh Fiscal Period	3,216	3.0	1.5	55.6
Thirty-Sixth Fiscal Period	3,310	3.1	1.5	56.8

(2) Dividends

	Dividends per Unit (excluding dividends in excess of earnings)	Total Dividends (excluding dividends in excess of earnings)	Dividends in Excess of Earnings per Unit	Total Dividends in Excess of Earnings	Dividend Payout Ratio	Dividend Ratio to Net Assets
	Yen	Millions of yen	Yen	Millions of yen	%	%
Thirty-Seventh Fiscal Period	3,080	5,902	—	—	95.7	2.9
Thirty-Sixth Fiscal Period	3,310	6,343	—	—	99.9	3.1

(Note1) Dividend Payout Ratio is calculated by using the formula below and is rounded down to one decimal place.

Dividend Payout Ratio = [Total Dividends (excluding dividends in excess of earnings) ÷ Net Income] × 100

(Note2) The difference between Dividends per Unit and Net Income per Unit for the Thirty-Seventh fiscal period is due to the reserve for special account for reduction entry (261million yen) having been accumulated.

(3) Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Unit
	Millions of yen	Millions of yen	%	Yen
Thirty-Seventh Fiscal Period	413,182	205,654	49.8	107,316
Thirty-Sixth Fiscal Period	413,260	205,575	49.7	107,275

(4) Cash Flows

	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at End of the Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Thirty-Seventh Fiscal Period	9,188	(225)	(6,854)	25,211
Thirty-Sixth Fiscal Period	8,679	(780)	(6,787)	23,103

2. FORECAST OF RESULTS FOR THE THIRTY-EIGHTH FISCAL PERIOD ENDING JULY 31, 2025 (February 1, 2025 – July 31, 2025) AND THE THIRTY-NINTH FISCAL PERIOD ENDING JANUARY 31, 2026 (August 1, 2025 – January 31, 2026)

(Percentage change represents a period-on-period comparison)

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Thirty-Eighth Fiscal Period	11,220	1.2	6,767	(0.0)	6,077	(1.4)	6,076	(1.4)
Thirty-Ninth Fiscal Period	11,303	0.7	6,863	1.4	6,134	0.9	6,133	0.9

	Dividends per Unit (excluding dividends in excess of earnings)	Dividends in Excess of Earnings per Unit
	Yen	Yen
Thirty-Eighth Fiscal Period	3,090	—
Thirty-Ninth Fiscal Period	3,100	—

(Reference) Estimated net income per unit = [Estimated net income ÷ Estimated number of units issued and outstanding at the end of the period]

Thirty-Eighth fiscal period: ¥3,170

Thirty-Ninth fiscal period: ¥3,200

(Note1) Dividends per unit for the Thirty-Eighth fiscal period is calculated based on the assumption that distributions will be made in the remaining amount after deduction of reserve for reduction entry (154 million yen) from net income.

(Note2) Dividends per unit for the Thirty-Ninth fiscal period is calculated based on the assumption that distributions will be made in the remaining amount after deduction of reserve for reduction entry (191 million yen) from net income.

***OTHER**

(1) Changes in Accounting Policies, Changes in Accounting Estimates and Corrections of Errors

- (a) Changes in accounting policies in accordance with amendments to accounting standards, etc.: None
- (b) Changes in accounting policies other than (a): None
- (c) Changes in accounting estimates: None
- (d) Corrections of errors: None

(2) Number of Units Issued and Outstanding

(a) Number of units issued and outstanding at end of the period (including own units)

Thirty-Seventh fiscal period: 1,916,330 units	Thirty-Sixth fiscal period: 1,916,330 units
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(b) Number of own units at end of the period

Thirty-Seventh fiscal period: 0 units	Thirty-Sixth fiscal period: 0 units
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(Note) For the number of investment units used as the basis for calculating net income per unit, please refer to “Per unit Information” on page 35

* This financial report is not subject to audit procedures by certified public accountants or accounting firms.

*** Special note**

The forecast of results and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by Mori Hills REIT Investment Corporation (the “Company”). Accordingly, actual results, etc. may differ materially due to a variety of factors. Furthermore, these forecasts shall not be construed as a guarantee of dividends. For the assumptions underlying the forecasts of results, please refer to “Assumptions of Forecasts of Results for the Thirty-Eighth Fiscal Period Ending July 31, 2025 (February 1, 2025 – July 31, 2025) and the Thirty-Ninth Fiscal Period Ending January 31, 2026 (August 1, 2025 – January 31, 2026)” presented on pages 12 to 13.

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1. MANAGEMENT STATUS

(1) Management Status

(a) Overview of the Fiscal Period

a) Brief Background of the Investment Corporation

The Company was incorporated by Mori Building Investment Management Co., Ltd. (the Company's Asset Manager) on February 2, 2006 under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended) (the "Investment Trust Act"), and was listed on the Real Estate Investment Trust Section of Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange") on November 30, 2006 (Securities Code: 3234).

In the fiscal period under review (Thirty-Seventh fiscal period: August 1, 2024 to January 31, 2025), as of the end of the Thirty-Seventh fiscal period, the total number of investment units issued and outstanding was 1,916,330.

b) Investment Environment and Business Performance

(i) Investment Environment

In the thirty-seventh fiscal period, the Japanese economy remained strong due to strong capital investment and increased inbound tourism demand, despite the ongoing impact of price hikes and consumer spending lacking strength.

In such an economic environment, in the rental office market, vacancy rates are improving against the backdrop of steady corporate performance and a favorable employment situation, and rent levels also remained strong. As for the luxury rental housing market, occupancy rates and rent levels remained solid, driven by ongoing stable demand for quality housing in central Tokyo. In terms of the real estate trading market, the transaction amount and transaction prices remained at a high level thanks to the active portfolio asset replacement activity of J-REITs along with the contribution from large transactions with foreign companies.

(ii) Business Performance

In the thirty-seventh fiscal period, the Company strove to maintain and enhance tenant satisfaction through measures such as efficient and systematic operational management and maintenance and repair of properties in its portfolio by better understanding tenant needs. Moreover, the Company maintained and enhanced occupancy rates and rents by proactively launching leasing activities targeting new and existing tenants while foreseeing trends in rental market conditions.

The Company's real estate portfolio, as of the end of the thirty-seventh fiscal period, was comprised of 11 properties (Note 1) under management with a total leasable area of 180,393.26m². The Company has already invested 401,615 million yen (based on the acquisition price) into this portfolio. The occupancy rate at the end of the thirty-seventh fiscal period (Note 2) was 99.3%.

(Note 1) With regard to Roppongi View Tower, the Company acquired the trust beneficiary interest in 6% co-ownership interest on March 22, 2006 and the trust beneficiary interest in 40% co-ownership interest on April 13, 2006. However, the Company treats these as one property for the purpose of calculating the number of properties in the portfolio. On April 1, 2014, a split of co-owned property by the method of division in kind was conducted, resulting in the trust beneficiary interest in 6% co-ownership interest becoming trust beneficiary interest in compartmentalized ownership for 12 units and the trust beneficiary interest in 40% co-ownership interest becoming trust beneficiary interest in compartmentalized ownership for 80 units. The same applies hereafter.

With regard to ARK Mori Building, the Company made acquisitions as follows to date. However, the Company treats these as one property for the purpose of calculating the number of properties in the portfolio. The same applies hereafter.

- i) Trust beneficiary interest in compartmentalized ownership for the 13th floor portion on March 22, 2006.
- ii) 75% trust beneficiary interest quasi co-ownership interest in compartmentalized ownership for the 12th and 22nd floor portions on March 28, 2008.
- iii) The remaining 25% trust beneficiary interest quasi co-ownership interest in compartmentalized ownership for the 12th and 22nd floor portions on September 30, 2008.
- iv) 50% co-ownership interest in compartmentalized ownership for the 23rd floor portion on March 23, 2010. On March 18, 2011, the co-ownership interest was subsequently entrusted and the Company has held trust beneficiary interest therein.
- v) Trust beneficiary interest in the remaining 50% co-ownership interest in compartmentalized ownership for the 23rd floor portion and compartmentalized ownership for the 25th floor portion on March 18, 2011.
- vi) Trust beneficiary interest in compartmentalized ownership for the 4th, 15th and 24th floor portions on August 1, 2011.
- vii) Trust beneficiary interest in compartmentalized ownership for the area used as district heating and cooling on the 1st floor and below ground 1st to 4th floor portions on April 1, 2013.

With regard to Akasaka Tameike Tower, the Company made acquisitions as follows to date. However, the Company treats these as one property for the purpose of calculating the number of properties in the portfolio. The same applies hereafter.

- i) Trust beneficiary interest in office and shop areas (including parts of storage areas, parking lots, etc.) (approximately 35.5% of total exclusive floor area) on September 30, 2008.
- ii) Trust beneficiary interest in residential area (including parts of parking lots, etc.) (approximately 30.0% of total exclusive floor area) on March 18, 2011.

With regard to Roppongi Hills Mori Tower, the Company made acquisitions as follows to date. However, the Company treats these as one property for the purpose of calculating the number of properties in the portfolio. The same applies hereafter.

- i) 50% co-ownership interest in compartmentalized ownership for the 24th floor portion on March 23, 2010. On August 1, 2011, the co-ownership interest was subsequently entrusted and the Company has held trust beneficiary interest therein.
- ii) Trust beneficiary interest in compartmentalized ownership for the 23rd floor portion and the remaining 50% co-ownership interest in compartmentalized ownership for the 24th floor portion on August 1, 2011.
- iii) Trust beneficiary interest in compartmentalized ownership for the 19th and 22nd floor portions on October 1, 2013.
- iv) Trust beneficiary interest in compartmentalized ownership for the 20th floor portion on August 1, 2014.
- v) Trust beneficiary interest in compartmentalized ownership for the 28th floor portion on September 16, 2015.
- vi) Trust beneficiary interest in compartmentalized ownership for the 25th floor portion on February 1, 2016.
- vii) Trust beneficiary interest in compartmentalized ownership for the 26th, 27th and 29th floor portions on April 1, 2016.

With regard to Atago Green Hills, the Company made acquisitions as follows to date. However, the Company treats these as one property for purpose of calculating the number of properties in the portfolio. The same applies hereafter.

- i) 45% trust beneficiary interest quasi co-ownership interest in co-ownership interest in ownership and compartmentalized ownership of Atago Green Hills' 3 buildings (MORI Tower, Forest Tower and Plaza), as well as co-ownership interest in ownership of the sites and quasi co-ownership interest in leasehold rights and easement of the sites (approximately 20.0% of total exclusive floor area) on May 1, 2012.
- ii) 29% trust beneficiary interest quasi co-ownership interest in co-ownership interest in ownership and compartmentalized ownership of Atago Green Hills' 3 buildings (MORI Tower, Forest Tower and Plaza), as well as co-ownership interest in ownership of the sites and quasi co-ownership interest in leasehold rights and easement of the sites (approximately 12.9% of total exclusive floor area) on April 1, 2013.

With regard to Toranomori Hills Mori Tower, the Company made acquisitions as follows to date. However, the Company treats these as one property for the purpose of calculating the number of properties in the portfolio. The same applies hereafter.

- i) 7% quasi co-ownership interest in the trust beneficial interests in 87.95% co-ownership interest in compartmentalized ownership for the 28th to 35th floor portions (approximately 1.0% of total exclusive floor area) on August 1, 2017.
- ii) 7% quasi co-ownership interest in the trust beneficial interests in 87.95% co-ownership interest in compartmentalized ownership for the 28th to 35th floor portions (approximately 1.0% of total exclusive floor area) on March 1, 2018.
- iii) 36% quasi co-ownership interest in the trust beneficial interests in 87.95% co-ownership interest in compartmentalized ownership for the 28th to 35th floor portions (approximately 5.0% of total exclusive floor area) on September 3, 2018.
- iv) 17% quasi co-ownership interest in the trust beneficial interests in 87.95% co-ownership interest in compartmentalized ownership for the 28th to 35th floor portions (approximately 2.4% of total exclusive floor area) on September 1, 2020.
- v) 11% quasi co-ownership interest in the trust beneficial interests in 87.95% co-ownership interest in compartmentalized ownership for the 28th to 35th floor portions (approximately 1.5% of total exclusive floor area) on August 2, 2021.

With regard to Holland Hills Mori Tower, the Company made acquisitions as follows to date. However, the Company treats these as one property for the purpose of calculating the number of properties in the portfolio. The same applies hereafter.

- i) 57% quasi co-ownership interest in the trust beneficial interests in compartmentalized ownership of the 3rd-4th, part of the 5th, 14-18th and 22nd-24th floors (approximately 27.6% of total exclusive floor area) on August 1, 2017.
- ii) 15% quasi co-ownership interest in the trust beneficial interests in compartmentalized ownership of the 3rd-4th, part of the 5th, 14-18th and 22nd-24th floors (approximately 7.3% of total exclusive floor area) on March 1, 2018.
- iii) 28% quasi co-ownership interest in the trust beneficial interests in compartmentalized ownership of the 3rd-4th, part of the 5th, 14-18th and 22nd-24th floors (approximately 13.6% of total exclusive floor area) on September 3, 2018.

(Note 2) The occupancy rate at the end of the fiscal period is calculated by dividing the aggregate of the total leased area for all properties at the end of the fiscal period by the aggregate of the total leasable area for all properties at the end of the fiscal period, which is rounded off to one decimal place.

c) Overview of Fund Procurement

In the fiscal period under review, the Company took out long-term loans payable in the amount of 7,700 million yen to allocate to cash on hand, which was reduced by repayment in the amount of 500 million yen in long-term loans payable due July 31, 2024, to refinance existing long-term loans payable in the amount of 8,200 million yen, and to redeem investment corporation bonds in the amount of 2,000 million yen and used cash on hand in the amount of 1,000 million yen for repayment and issued investment corporation bonds in the amount of 2,000 million yen.

As a result, as of the end of the thirty-seventh fiscal period, a) the balance of loans payable stands at 165,822 million yen (all of these are long-term loans payable (of which, the current portion of long-term loans payable is 17,194 million yen)), b) the balance of investment corporation bonds stands at 23,600 million yen (of which, the current portion of investment corporation bonds is 7,000 million yen), and c) the balance of interest-bearing debt stands at 189,422 million yen.

With regard to the debt, in addition to the 23,600 million yen in investment corporation bonds and 14,679 million yen in long-term loans payable that have fixed interest rates, the Company utilizes interest rate swaps to in effect convert the interest rates for loans payable that have floating interest rates into fixed interest rates in order to hedge against the risk of upward fluctuations in interest rates. Such measures have been taken for 113,487 million yen of the 151,143 million yen in long-term loans payable that have such floating interest rates (the ratio of fixed rate debt against total interest-bearing debt as of the end of the thirty-seventh fiscal period is 80.1%). With respect to future debt, the Company will strive to minimize refinancing risks by diversifying repayment dates for such debt.

As of the end of the thirty-seventh fiscal period, the Company has obtained an AA long-term issuer rating (rating outlook: stable) from Japan Credit Rating Agency, Ltd.

(Note) Short-term loans payable are loans payable with a term of one year or less (from the drawdown date to the repayment date) and long-term loans payable are loans payable with a term of over one year (from the drawdown date to the repayment date). The same applies hereafter.

d) Overview of Business Results and Distributions

The asset management activities described above resulted in the Company recording in the thirty-seventh fiscal period 11,088 million yen in operating revenue, 6,769 million yen in operating income, 6,164 million yen in ordinary income and 6,163 million yen in net income.

With regard to dividends, pursuant to the terms of the distribution policy set forth in Article 37 (1) of the Company's Articles of Incorporation, the amount of dividends shall be in excess of an amount equivalent to 90% of the Company's earnings available for dividends as defined in Article 67-15 of the Special Taxation Measures Law, but not in excess of the amount of earnings as defined in Article 136, Paragraph 1 of the Investment Trust Act. In addition, in the fiscal period under review, the Company has allocated a portion of the revenue from transfer of Laforet Harajuku (Land) in November 2024 as a reserve for special account for reduction entry by applying "special provisions for taxation in cases of replacement of certain assets" (Article 65-7 of the Act on Special Measures Concerning Taxation) and "special provisions for taxation in cases of establishment of special account due to transfer of certain assets" (Article 65-8 of the Act on Special Measures Concerning Taxation). As a result, the Company decided to pay out dividends of earnings (5,902,296,400 yen), which is the maximum integral multiple of the total number of investment units issued and outstanding (1,916,330 units), out of the amount remaining after reserving the said reserve amount and retained earnings carried forward from the unappropriated retained earnings.

As a result, the Company declared dividends per unit of 3,080 yen.

(b) Outlook for the Next Fiscal Period

a) Future Management Policy

Pursuant to the Company's investment policy, the Company will seek to grow and increasingly enhance the profitability and value of assets under management by focusing on the competitiveness and the ability to create value attributable to "urban" areas (central Tokyo being the core area) and concentrating investment into "urban" areas. Specifically, the Company will seek to develop an urban portfolio centered on office buildings, residential properties, and retail and other facilities with competitive advantages in terms of quality, scale, and other specifications that can maintain a strong competitive position into the future and that are situated in "Premium Areas" ("Premium Properties" (Note)). The quintessential example is the "Hills" brand of large redevelopment properties exhibiting high creativity and added-value in a manner that has been developed and perfected over the years by the Mori Building Group.

With respect to the management of properties in the portfolio, the Company will seek to ensure stable revenue over the medium to long term and maintain and enhance the asset value of its portfolio by adopting the basic policy of enhancing tenant satisfaction and conducting rational, efficient and systematic asset management and administration.

In addition, the Company will continue to seek maximization of unitholder value by maintaining and increasing dividends continuously while retaining stability of earnings through fixed-rent master leases alongside actively pursuing external growth utilizing the property pipeline of Mori Building Group.

(Note) Premium Properties refer to properties with competitive advantages in terms of quality, scale, and other specifications that can maintain a superior competitive position into the future and that are situated in "Premium Areas" (Tokyo's five central wards (Minato Ward, Chiyoda Ward, Chuo Ward, Shinjuku Ward and Shibuya Ward) and their vicinity; the same applies hereafter), where the Mori Building Group (Mori Building Co., Ltd., Mori Building Co., Ltd.'s consolidated subsidiaries and equity-method affiliates of Mori Building Co., Ltd., that conduct business in Japan; the same applies hereafter) can fully demonstrate its brand/marketing strength and facilities management capabilities, etc.

b) Significant Subsequent Events

(i) Asset acquisitions and Lease

The Company made the resolution at its Board of Directors' meeting held on March 17, 2025, to conduct acquisitions at a portion of Toranomom Hills Mori Tower.

The seller Mori Building Co., Ltd. constitutes an interested party, etc. of the Company's Asset Manager, and the transaction constitutes a transaction with an interested party, etc. as defined in the Investment Trust Act. Accordingly, to comply with applicable laws and regulations and with the asset management agreement, as well as to prevent the interests of the Company from being negatively impacted with respect to the acquisition price and other terms and conditions, the Asset Manager has taken steps pursuant to the Related Parties Transaction Guidelines.

i) Overview of Acquisitions and Lease

Property name	Toranomom Hills Mori Tower
Asset to be acquired	Trust beneficiary interest (Note 1)
Anticipated acquisition price	7,820 million yen (Note 2)
Appraisal value	9,790 million yen (Note 3)
Sales agreement date	March 17, 2025
Acquisition date	July 1, 2025 (anticipated)
Seller	Mori Building Co., Ltd.
Acquisition financing	Cash on hand (anticipated)
Lessee	Mori Building Co., Ltd. (Note 4)

(Note 1) The Company plans to acquire trust beneficiary interest in 87.95% co-ownership interest in compartmentalized ownership of the 28th-35th floors and co-ownership interest in the land use rights. The Company plans to acquire an additional 10% quasi co-ownership interest of the trust beneficiary interest, and as a result it will hold 88% together with the 78% already acquired. The remaining 12% of the quasi co-ownership interest in the trust beneficiary interest is to be held by Mori Building Co., Ltd.

(Note 2) The indicated anticipated acquisition price does not include acquisition-related costs, consumption taxes and other expenses.

(Note 3) The appraisal value as of February 1, 2025 as described in the real estate appraisal report prepared by Japan Real Estate Institute.

(Note 4) Please see "ii) Details of the Asset to be Acquired and Lease" for leasing terms and conditions, and other details.

ii) Details of the Asset to be Acquired and Lease

Details of the Asset to Be Acquired		
Property name		Toranomom Hills Mori Tower
Type of specified asset		Trust beneficiary interest (87.95% of co-ownership of the 28th to 35th floors) (10% of quasi co-ownership interest)
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment period		From June 26, 2014 to July 31, 2037
Location (Residential indication)		1-23-1 Toranomom, Minato-ku, Tokyo
Use		Offices, Shops, Hotel, Residences
Area (Note 1)	Land	17,068.95 m ²
	Building	241,581.95 m ²
Structure		Steel-framed and steel-framed reinforced concrete structure with flat roof, 52 floors above ground and 5 floors below ground
Construction completion		May 2014
Designer		Nihon Sekkei, Inc.
Contractor		Obayashi Corporation
Building verification agency		The Building Center of Japan
Form of ownership	Land	Ownership (Note 2)
	Building	Compartmentalized ownership (Note 3)

Anticipated acquisition price		7,820 million yen
Acquisition date		July 1, 2025 (anticipated)
Appraisal	Appraiser	Japan Real Estate Institute
	Appraisal value	9,790 million yen (Appraisal date: February 1, 2025)
PML (Note 4)		2.3%
Collateral		None
Property manager		Mori Building Co., Ltd.
Content of lease (As of January 31, 2025)		
Lessee (Note 5)		Mori Building Co., Ltd.
Type of agreement		Regular building lease agreement
Term of agreement		From August 1, 2022 to July 31, 2027
Gross rent income (annual rent) (Note 6)		310,232,592 yen
Deposits/ Guarantees (Note 7)		258,527,163 yen
Total leasable floor area (Note 8)		2,441.82 m ²
Total leased floor area (Note 9)		2,441.82 m ²
Total number of end tenants		10 companies
Occupancy rates		99.8%
Other special consideration		Transfer of Quasi co-ownership interest to a third party requires the written approval of Mori Building Co., Ltd.

(Note 1) Area (land) is the area of the entire site, and area (building) is the total floor area of the entire building, as indicated in the real estate registry.

(Note 2) As for land, land use rights for the property are established. The site area corresponding to the quasi co-ownership interest in the trust beneficiary interest that the Company plans to acquire equivalent to the ratio of interest in the building is approximately 433.28 m² (approximately 2.5%). Also, the site area corresponding to the quasi co-ownership interest in the trust beneficiary interest that the Company plans to own equivalent to the ratio of interest in the building will be approximately 3,812.94 m² (approximately 22.3%) after this acquisition.

(Note 3) The exclusive floor area corresponding to the quasi co-ownership interest in the trust beneficiary interest that the Company plans to acquire as indicated in the real estate registry is approximately 2,442.41 m² (approximately 1.4%). Also, the exclusive floor area corresponding to the quasi co-ownership interest in the trust beneficiary interest that the Company plans to own as indicated in the real estate registry will be approximately 21,493.23 m² (approximately 12.2%) after this acquisition.

(Note 4) PML means the expected maximum loss rate due to an earthquake. Although there is no uniform definition of PML, for the purposes of this document, it is equivalent to the percentage of the expected loss amount (the expected loss amount with a return period of 475 years) with a probability of 10% exceeding the expected loss amount during the assumed planned usage period (50 years = useful life for buildings in general) to the replacement price. However, the expected loss amount evaluates the direct loss due to liquefaction of the ground and earthquake vibration. This does not include secondary losses such as losses of equipment, furniture, fixtures, etc., losses due to water after an earthquake, compensation for disaster victims, or business losses due to business interruption. PML figures are reported from Sampo Risk Management Inc. as of February 14, 2025.

(Note 5) With regard to the property, the Company will outsource building lease operations to Mori Building Co., Ltd. and shall receive a fixed amount of rent from the company, regardless of the rent amount paid by end tenants.

(Note 6) The gross rent income (annual income) represents the figure obtained by multiplying the monthly consideration for granting leasing rights described in the agreement to change the co-owned property usage agreement and property management operation agreement entirely by the 10% quasi co-ownership interest in the trust beneficiary interest rounded down below the unit and multiplying that amount by 12.

(Note 7) Deposits/Guarantees represents the figure obtained by multiplying the amount of deposits described in the agreement to change the co-owned property usage agreement and property management operation agreement entirely by the 10% quasi co-ownership interest in the trust beneficiary interest rounded down below the unit.

(Note 8) Total leasable floor area represents the figure obtained by multiplying the floor area deemed leasable to the lessee by the 10% quasi co-ownership interest in the trust beneficiary interest, rounded to the second decimal place.

(Note 9) Total leased floor area represents the figure obtained by multiplying the floor area leased to the lessee by the 10% quasi co-ownership interest in the trust beneficiary interest, rounded to the second decimal place. Total leasable floor area and total leased floor area do not include storage, parking lots, mechanical rooms, etc.

(ii) Asset transfer

The Company made the resolution at its Board of Directors' meeting held on March 17, 2025, to additionally transfer a part of Laforet Harajuku (Land).

The buyer Mori Building Co., Ltd. constitutes an interested party, etc. of the Company's Asset Manager, and the transaction constitutes a transaction with an interested party, etc. as defined in the Investment Trust Act. Accordingly, to comply with applicable laws and regulations and with the asset management agreement, as well as to prevent the interests of the Company from being negatively impacted with respect to the transfer price and other terms and conditions, the Asset Manager has taken steps pursuant to the Related Parties Transaction Guidelines.

i) Overview of Transfer

Property name	Laforet Harajuku (Land)	
Asset to be transferred	Trust beneficiary interest (Note 1) ((1): 7% quasi co-ownership interest)	Trust beneficiary interest (Note 1) ((2): 7% quasi co-ownership interest)
Book value	1,545 million yen (Note 2)	1,545 million yen (Note 2)
Transfer price	3,073 million yen (Note 3)	3,073 million yen (Note 3)
Gain (loss) on transfer	1,522 million yen (Note 4)	1,519 million yen (Note 4)
Sales agreement date	March 17, 2025	
Anticipated Transfer date	July 1, 2025	December 1, 2025
Buyer	Mori Building Co., Ltd	

(Note 1) The Company plans to transfer trust beneficiary interest in ownership of land (land of Laforet Harajuku; hereafter the "Property") to which fixed-term business-use leasehold rights are attached for the purpose of owning retail and other facilities. However, the Company will continue to hold the remaining 44% of the quasi co-ownership interest in the trust beneficiary interest.

(Note 2) Book value indicates the estimate of the book value of the property as of the anticipated transfer date based on the book value as of January 31, 2025.

(Note 3) The transfer price does not include transfer-related costs and other expenses.

(Note 4) The gain (loss) on transfer represents the amount obtained by deducting the book value and transfer-related costs from the transfer price above.

ii) Details of the Asset to be transferred

Details of the Asset to be transferred		
Property name		Laforet Harajuku (Land)
Type of specified asset		Trust beneficiary interest ((1): 7% quasi co-ownership interest (transfer on July 1, 2025) and (2): 7% quasi co-ownership interest (transfer on December 1, 2025))
Trustee		Sumitomo Mitsui Trust Bank, Ltd.
Trust establishment period		From July 1, 2022 to July 31, 2042
Location (Residential indication)		1-11-6 Jingumae, Shibuya-ku, Tokyo
Area (Note 1)		2,565.06 m ²
Form of ownership		Ownership
Book value		(1) : 1,545 million yen (2) : 1,545 million yen
Transfer price		(1) : 3,073 million yen (2) : 3,073 million yen
Gain (loss) on transfer		(1) : 1,522 million yen (2) : 1,519 million yen
Appraisal	Appraiser	Japan Real Estate Institute
	Appraisal value (Note 2)	6,146 million yen (Appraisal date: February 1, 2025)
Anticipated Transfer date		(1) : July 1, 2025 (2) : December 1, 2025
Content of lease (As of March 17, 2025)		
Lessee		Mori Building Ryutsu System Co., Ltd.
Type of agreement		Fixed-term business-use land lease agreement
Term of agreement		From September 15, 2010 to September 14, 2030 (20 years)
Gross rent income (annual rent) (Note 3)		186,984,000 yen
Deposits/ Guarantees		None
Total leasable floor area (Note 4)		359.11 m ²
Total leased floor area (Note 5)		359.11 m ²
Other special consideration		None

(Note 1) Area is the area of the entire site as indicated in the real estate registry.

(Note 2) The appraisal value represents the figure for the 14% quasi co-ownership interest in the trust beneficiary interest.

(Note 3) The gross rent income (annual rent) represents the figure obtained by multiplying the monthly rent indicated in the rent review memorandum related to the agreement for establishing the fixed-term business-use leasehold rights by the 14% quasi co-ownership interest in the trust beneficiary interest, rounding down the amount below the unit and multiplying that amount by 12.

(Note 4) The total leasable floor area represents the figure obtained by multiplying the floor area deemed leasable to the lessee by the 14% quasi co-ownership interest in the trust beneficiary interest, rounded to the second decimal place.

(Note 5) The total leased floor area represents the figure obtained by multiplying the floor area leased to the lessee by the 14% quasi co-ownership interest in the trust beneficiary interest, rounded to the second decimal place.

(Note 6) In the case either the Company or Mori Building Co., Ltd, which is the buyer, is to transfer the quasi co-ownership interest in trust beneficiary interest it holds to a third party, written approval from the other holder(s) of the quasi co-ownership interest is necessary.

(iii) Repurchase of Own Investment Units

The Company made the resolution at its Board of Directors' meeting held on March 17, 2025, to decide on matters relating to the repurchase of its own investment units under Article 80-2 of the Act on Investment Trusts and Investment Corporations, which was applied by replacing the provisions of Article 80-5, Paragraph 2 of the same Act.

The Company plans to retire all the repurchased investment units during the fiscal period ending July 31, 2025.

i) Reason for Repurchase of Own Investment Units

The Company conducted a comprehensive review of its investment unit price level, available cash on hand, financial market trends, the financial condition, and other factors. As a result, The Company has determined that increasing capital efficiency and returning profits to unitholders through the repurchase and retirement of own investment units will lead to an increase in unitholder value over the medium to long term, and has therefore decided to repurchase its own investment units.

ii) Details of the Repurchase

(1) Total number of investment units to be repurchased	30,700 units (maximum) 1.6% of the total number of issued and outstanding investment units (excluding the number of own investment units)
(2) Total amount of investment units repurchased	4,000 million yen (maximum)
(3) Repurchase method	Market purchase on the Tokyo Stock Exchange pursuant to a discretionary transaction agreement with a securities company regarding the repurchase of own investment units
(4) Repurchase period	March 18, 2025 to July 11, 2025

(Reference Information)

Funds for Refinancing

The Company made the following resolution at its Board of Directors' meeting held on March 17, 2025, regarding the loan agreement concluded for allocating to the cash on hand, which was reduced by repayment in the amount of 1,000 million yen in long-term loans payable due November 29, 2024, and for the refinancing of 7,200 million yen in long-term loans payable due March 31, 2025.

Lender (anticipated)	Borrowing amount (million yen)	Interest Rate	Scheduled drawdown date	Repayment date (Note 3)	Method of repayment	Collateral
Sumitomo Mitsui Trust Bank, Ltd.	2,400	Base Interest rate +0.180% (Note 1)	March 31, 2025	March 31, 2030	To be repaid in full on the principal repayment date	Unsecured/ Unguaranteed
The 77 Bank, Ltd.	1,000	Undecided (fixed interest rate) (Note 2)		March 31, 2032		
MUFG Bank, Ltd.	2,400	Undecided (fixed interest rate) (Note 2)		March 31, 2033		
Mizuho Bank, Ltd	2,400	Base Interest rate +0.250% (Note 1)		March 31, 2034		

(Note 1) The first payment date shall be the last day of April 2025 and subsequent payment dates shall be the last day of every month thereafter. The last payment date shall be the principal repayment date. If the date is not a business day, the next business day shall be the date and if this next business day falls into the following month, the business day prior shall be the payment date.

Base interest rate to be applied will be the 1-month JBA Japanese Yen TIBOR announced by the Japanese Bankers Association two business days prior to the last payment day (The first payment date shall be the drawdown date).

(Note 2) The first payment date shall be the last day of September 2025 and subsequent payment dates shall be the last day of March and September every year thereafter. The last payment date shall be the principal repayment date. If the date is not a business day, the next business day shall be the date and if this next business day falls into the following month, the business day prior shall be the payment date.

(Note 3) If the repayment date is not a business day, the next business day shall be the repayment date. If this next business day falls into the following month, the business day prior shall be the repayment date.

c) Outlook of Business Results

The Company expects the following business results for the thirty-eighth fiscal period (February 1, 2025 to July 31, 2025) and the thirty-ninth fiscal period (August 1, 2025 to January 31, 2026). For the assumptions underlying the forecasts of results, please refer to “Assumptions of Forecasts of Results for the Thirty-Eighth Fiscal Period Ending July 31, 2025 (February 1, 2025 – July 31, 2025) and the Thirty-Ninth Fiscal Period Ending January 31, 2026 (August 1, 2025 – January 31, 2026)” presented below.

Thirty-Eighth Fiscal Period Ending July 31, 2025 (February 1, 2025 – July 31, 2025)

Operating revenue	¥ 11,220 million
Operating income	¥ 6,767 million
Ordinary income	¥ 6,077 million
Net income	¥ 6,076 million
Dividends per unit	¥ 3,090
(excluding dividends in excess of earnings)	
Dividends in excess of earnings per unit	¥—

Thirty-Ninth Fiscal Period Ending January 31, 2026 (August 1, 2025 – January 31, 2026)

Operating revenue	¥ 11,303 million
Operating income	¥ 6,863 million
Ordinary income	¥ 6,134 million
Net income	¥ 6,133 million
Dividends per unit	¥ 3,100
(excluding dividends in excess of earnings)	
Dividends in excess of earnings per unit	¥—

(Note) The forecasted figures above are calculated as of today based on certain assumptions. Forecasts for operating revenue, operating income, ordinary income, net income, dividends per unit and dividends in excess of earnings per unit may differ from actual results due to changes in operating conditions and a variety of factors. Furthermore, these forecasts shall not be construed as a guarantee of dividends.

Assumptions of Forecasts of Results for the Thirty-Eighth Fiscal Period Ending July 31, 2025 (February 1, 2025 – July 31, 2025) and the Thirty-Ninth Fiscal Period Ending January 31, 2026 (August 1, 2025 – January 31, 2026)

Item	Assumptions
Accounting Period	Thirty-Eighth fiscal period: February 1, 2025 – July 31, 2025(181 days) Thirty-Ninth fiscal period: August 1, 2025 – January 31, 2026(184 days)
Portfolio Assets	- Regarding the 11 properties held as of the end of the fiscal period ended January 31, 2025, the Company has reflected the impact of the additional acquisition of Toranomori Hills Mori Tower (below, the “asset to be acquired”) scheduled on July 1, 2025 and the transfer of part of Laforet Harajuku (Land) scheduled on July 1 and December 1, 2025. - The actual portfolio assets may differ from this assumption due to additional changes.
Operating Revenue	- Rent revenues are estimated based on lease agreements, etc., taking into account the market environment, the trends of individual tenants and other factors. - Gain on transfer of the above portfolio assets is expected to be 1,522 million yen for the fiscal period ending July 31, 2025 and 1,519 million yen for the fiscal period ending January 31, 2026. - The Company assumes that there will be no delinquencies or non-payment of rents by tenants.
Operating Expenses	- For expenses related to properties, major operating expenses of 3,693 million yen and 3,682 million yen are expected for the fiscal periods ending July 31, 2025 and January 31, 2026, respectively. Expenses other than those below are calculated by referring to historical figures and adjusted to reflect variable factors. (i) For property taxes, city planning taxes, etc., 840 million yen (for six months) and 831 million yen (for six months) are expected for the fiscal period ending July 31, 2025 and January 31, 2026, respectively. Therefore, the property taxes, city planning taxes, etc. associated with asset to be acquired will be calculated at the time of acquisition with the seller using a prorated adjusted amount and the Company shall capitalize these amounts as part of the cost of the acquisition. No amount is expected to be recognized as operating expenses for the fiscal period ending July 31, 2025 and January 31, 2026, respectively. (ii) For building maintenance and repairs, the Company recorded the estimated required amount for the respective fiscal periods as 196 million yen for the fiscal period ending July 31, 2025 and 122 million yen for the fiscal period ending January 31, 2026. However, please note that the actual expenses for maintenance and repairs in the respective fiscal periods may differ materially from the estimated amounts due to various reasons. For example, an unforeseeable event may cause serious damage to a building and emergency repairs may be required as a consequence. Also, maintenance and repairs are expenses that are not accrued on a regular basis and the amount of variation may vary significantly from one period to the next. (iii) Depreciation and amortization, which are calculated using the straight-line method with future additional capital expenditures taken into account, are expected to be 1,073 million yen in the fiscal period ending July 31, 2025 and 1,092 million yen in the fiscal period ending January 31, 2026. (iv) For property management fees, 1,232 million yen is expected for the fiscal period ending July 31, 2025 and 1,268 million yen is expected for the fiscal period ending January 31, 2026. - For the operating expenses other than expenses related to properties (asset management fee, asset custody fee, administrative service fees, etc.), 760 million yen is expected for the fiscal period ending July 31, 2025 and 756 million yen is expected for the fiscal period ending January 31, 2026.

Item	Assumptions
Non-Operating Expenses	The Company expects to incur 515 million yen for the fiscal period ending July 31, 2025 and 550 million yen for the fiscal period ending January 31, 2026 in interest expenses, 64 million yen for the fiscal period ending July 31, 2025 and 72 million yen for the fiscal period ending January 31, 2026 in interest expenses on investment corporation bonds, and 98 million yen for the fiscal period ending July 31, 2025 and 92 million yen for the fiscal period ending January 31, 2026 in borrowing expenses.
Interest-Bearing Debt	- The Company's balance of interest-bearing debt as of the end of the fiscal period ended January 31, 2025 is 189,422 million yen. - The Company assumes that new loans payable in the amount of 1,000 million yen will be taken out in March 2025 to use for cash on hand reduced by repayment of loans payable in the amount of 1,000 million yen due on November 29, 2024. - The balance of loans payable outstanding as of the end of the fiscal period ended January 31, 2025, is 165,822 million yen. The Company assumes that, of that amount, the 17,194 million yen balance of loans payable due for repayment by the end of the fiscal period ending January 31, 2026 will be refinanced in the entire amount. The Company also assumes that, together with the new loans mentioned above, the balance will be 166,822 million yen at the end of the fiscal period ending January 31, 2026. - The balance of investment corporation bonds as of the end of the fiscal period ended January 31, 2025 is 23,600 million yen. The Company assumes that, of the amount the 7,000 million yen balance of investment corporation bonds due for redemption by the end of the fiscal period ending January 31, 2026 will be redeemed through issuance of investment corporation bonds of the same amount.
Issuance of Investment Units	The number of investment units issued and outstanding as of the date of this report is 1,916,330 units. The Company assumes that there will be no additional issuance of investment units until the end of the fiscal period ending January 31, 2026. Furthermore, an impact from the acquisition of own units described in "1. MANAGEMENT STATUS (1) Management Status (b) Outlook for the Next Fiscal Period b) Significant Subsequent Events" is not expected.
Dividends per Unit (excluding dividends in excess of earnings)	- Dividends per unit are calculated based on the assumption that the Company will make distributions in accordance with the distribution policy set forth in its Articles of Incorporation. - It is assumed that a part of gain on sale from the transfer of the above portfolio assets (1,522 million yen for the fiscal period ending July 31, 2025, and 1,519 million yen for the fiscal period ending January 31, 2026) will be set aside as reserve for reduction entry by applying "special provisions for taxation in cases of replacement of certain assets" (Article 65-7 of the Act on Special Measures Concerning Taxation). - Dividends per unit may vary due to various factors, including changes in the portfolio assets, changes in rent income due to tenant replacement, unexpected repairs, changes in interest rates, or additional issuance of new investment units.
Dividends in Excess of Earnings per Unit	At present, the Company has no plan to make any cash distributions in excess of earnings (dividends in excess of earnings per unit).
Other	- The Company assumes that there will be no amendments to legislation, taxation, accounting standards, listing regulations, the Investment Trusts Association's rule, etc. that would affect the above forecasts. - The Company assumes that there will be no unforeseen material changes in general economic conditions, the real estate market, etc.

2. FINANCIAL STATEMENTS

(1) Balance sheet

(Unit: thousands of yen)

	As of	
	July 31, 2024	January 31, 2025
Assets		
Current assets		
Cash and deposits	18,221,026	19,640,854
Cash and deposits in trust	4,882,461	5,570,408
Operating accounts receivable	470,908	232,658
Prepaid expenses	350,080	324,805
Derivatives	15,701	32,514
Other	68,838	167,439
Total current assets	24,009,015	25,968,680
Noncurrent assets		
Property, plant and equipment		
Buildings in trust	89,979,841	90,298,729
Accumulated depreciation	(26,327,399)	(27,333,364)
Buildings in trust, net	63,652,442	62,965,364
Structures in trust	1,009,374	1,025,480
Accumulated depreciation	(399,181)	(408,804)
Structures in trust, net	610,193	616,676
Machinery and equipment in trust	1,075,327	1,079,037
Accumulated depreciation	(521,585)	(551,004)
Machinery and equipment in trust, net	553,742	528,032
Tools, furniture and fixtures in trust	553,296	559,415
Accumulated depreciation	(290,286)	(305,779)
Tools, furniture and fixtures in trust, net	263,010	253,636
Land in trust	290,860,919	289,315,728
Construction in progress in trust	16,104	35,735
Total property, plant and equipment	355,956,413	353,715,173
Intangible assets		
Leasehold rights in trust	30,650,962	30,650,962
Other intangible assets in trust	527	418
Total intangible assets	30,651,490	30,651,381
Investments and other assets		
Lease and guarantee deposits	10,000	10,000
Long-term prepaid expenses	512,303	472,512
Deferred tax assets	15	13
Derivatives	2,057,411	2,298,796
Total investments and other assets	2,579,730	2,781,322
Total noncurrent assets	389,187,634	387,147,878
Deferred assets		
Investment corporation bonds issuance cost	64,320	66,423
Total deferred assets	64,320	66,423
Total assets	413,260,969	413,182,982

(Unit: thousands of yen)

	As of	
	July 31, 2024	January 31, 2025
Liabilities		
Current liabilities		
Operating accounts payable	295,061	393,036
Current portion of investment corporation bonds	4,000,000	7,000,000
Current portion of long-term loans payable	17,334,000	17,194,000
Accounts payable – other	12,374	14,734
Accrued expenses	792,754	807,074
Income taxes payable	906	620
Accrued consumption taxes	109,128	357,975
Advances received	1,321,741	1,306,615
Deposits received	30,044	28,523
Derivatives liabilities	19	—
Total current liabilities	23,896,032	27,102,579
Noncurrent liabilities		
Investment corporation bonds	19,600,000	16,600,000
Long-term loans payable	148,988,000	148,628,000
Lease and guarantee deposits in trust	15,201,052	15,197,625
Total noncurrent liabilities	183,789,052	180,425,625
Total liabilities	207,685,085	207,528,205
Net assets		
Unitholders' equity		
Unitholders' capital	195,718,191	195,718,191
Surplus		
Voluntary retained earnings		
Reserve for reduction entry	1,412,588	1,412,588
Total voluntary retained earnings	1,412,588	1,412,588
Unappropriated retained earnings	6,372,011	6,192,686
Total surplus	7,784,599	7,605,274
Total unitholders' equity	203,502,790	203,323,466
Valuation and translation adjustments		
Deferred gains or losses on hedges	2,073,093	2,331,311
Total valuation and translation adjustments	2,073,093	2,331,311
Total net assets	205,575,884	205,654,777
Total liabilities and net assets	413,260,969	413,182,982

(2) Statement of income and retained earnings

(Unit: thousands of yen)

	For the six months ended	
	July 31, 2024	January 31, 2025
Operating revenue		
Rent revenues	* 1, * 2 9,428,286	* 1, * 2 9,464,728
Other operating revenues	* 1 327,566	* 1 208,320
Gain on transfer of real estate properties	* 2, * 3 1,418,075	* 2, * 3 1,415,243
Total operating revenue	11,173,928	11,088,292
Operating expenses		
Expenses related to properties	* 1, * 2 3,555,428	* 1, * 2 3,573,779
Asset management fee	621,846	619,408
Directors' compensation	8,400	8,400
Asset custody fee	10,326	10,331
Administrative service fees	17,043	17,962
Other operating expenses	81,742	88,475
Total operating expenses	4,294,787	4,318,356
Operating income	6,879,141	6,769,936
Non-operating income		
Interest income	101	1,794
Gain on forfeiture of unclaimed dividends	1,227	1,113
Other	—	192
Total non-operating income	1,328	3,100
Non-operating expenses		
Interest expenses	363,334	434,724
Interest expenses on investment corporation bonds	61,035	61,823
Amortization of investment corporation bonds issuance cost	11,712	12,112
Borrowing expenses	98,394	97,414
Other	1,932	2,338
Total non-operating expenses	536,408	608,413
Ordinary income	6,344,061	6,164,623
Income before income taxes	6,344,061	6,164,623
Income taxes-current	921	894
Income taxes-deferred	11	1
Total income taxes	933	895
Net income	6,343,127	6,163,727
Retained earnings brought forward	28,883	28,958
Unappropriated retained earnings (undisposed loss)	6,372,011	6,192,686

(3) Statement of changes in net assets
For the six months ended July 31, 2024

(Unit: thousands of yen)

	Unitholders' equity					
	Unitholders' capital	Surplus				Total unitholders' equity
		Voluntary retained earnings		Unappropriated retained earnings	Total surplus	
		Reserve for reduction entry	Total voluntary retained earnings			
Balance at February 1, 2024	195,718,191	1,412,588	1,412,588	6,318,278	7,730,866	203,449,058
Change during the period						
Dividends from surplus				(6,289,395)	(6,289,395)	(6,289,395)
Net income				6,343,127	6,343,127	6,343,127
Net changes of items other than unitholders' equity						
Total changes of items during the period	—	—	—	53,732	53,732	53,732
Balance at July 31, 2024	195,718,191	1,412,588	1,412,588	6,372,011	7,784,599	203,502,790

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at February 1, 2024	1,328,991	1,328,991	204,778,050
Change during the period			
Dividends from surplus			(6,289,395)
Net income			6,343,127
Net changes of items other than unitholders' equity	744,101	744,101	744,101
Total changes of items during the period	744,101	744,101	797,834
Balance at July 31, 2024	2,073,093	2,073,093	205,575,884

For the six months ended January 31, 2025

(Unit: thousands of yen)

	Unitholders' equity					
	Unitholders' capital	Surplus				Total unitholders' equity
		Voluntary retained earnings		Unappropriated retained earnings	Total surplus	
		Reserve for reduction entry	Total voluntary retained earnings			
Balance at August 1, 2024	195,718,191	1,412,588	1,412,588	6,372,011	7,784,599	203,502,790
Change during the period						
Dividends from surplus				(6,343,052)	(6,343,052)	(6,343,052)
Net income				6,163,727	6,163,727	6,163,727
Net changes of items other than unitholders' equity						
Total changes of items during the period	—	—	—	(179,324)	(179,324)	(179,324)
Balance at January 31, 2025	195,718,191	1,412,588	1,412,588	6,192,686	7,605,274	203,323,466

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at August 1, 2024	2,073,093	2,073,093	205,575,884
Change during the period			
Dividends from surplus			(6,343,052)
Net income			6,163,727
Net changes of items other than unitholders' equity	258,217	258,217	258,217
Total changes of items during the period	258,217	258,217	78,892
Balance at January 31, 2025	2,331,311	2,331,311	205,654,777

(4) Statement of cash distributions

(Unit: yen)

	For the six months ended July 31, 2024	For the six months ended January 31, 2025
I Unappropriated retained earnings	6,372,011,201	6,192,686,345
II Amount of Dividends	6,343,052,300	5,902,296,400
Amount of dividends per unit	3,310	3,080
III Voluntary retained earnings Reserve for special account for reduction entry	—	261,431,044
IV Retained earnings carried forward	28,958,901	28,958,901
Method of calculating the amount of dividends	Pursuant to the terms of the distribution policy set forth in Article 37 (1) of the Company's Articles of Incorporation, the amount of dividends shall be in excess of an amount equivalent to 90% of the Company's earnings available for dividends as defined in Article 67-15 of the Special Taxation Measures Law, but not in excess of the amount of earnings as defined in Article 136, Paragraph 1 of the Investment Trust Act. Based on such policy, the Company decided to pay out dividends of earnings (6,343,052,300 yen), which is the maximum integral multiple of the total number of investment units issued and outstanding (1,916,330 units), out of the amount remaining after reserving retained earnings carried forward from the unappropriated retained earnings. As a result, the Company declared dividends per unit of 3,310 yen.	Pursuant to the terms of the distribution policy set forth in Article 37 (1) of the Company's Articles of Incorporation, the amount of dividends shall be in excess of an amount equivalent to 90% of the Company's earnings available for dividends as defined in Article 67-15 of the Special Taxation Measures Law, but not in excess of the amount of earnings as defined in Article 136, Paragraph 1 of the Investment Trust Act. In addition, in the fiscal period under review, the Company has allocated a portion of the revenue from transfer of Laforet Harajuku (Land) in November 2024 as a reserve for special account for reduction entry by applying “special provisions for taxation in cases of replacement of certain assets” (Article 65-7 of the Act on Special Measures Concerning Taxation) and “special provisions for taxation in cases of establishment of special account due to transfer of certain assets” (Article 65-8 of the Act on Special Measures Concerning Taxation). As a result, the Company decided to pay out dividends of earnings (5,902,296,400 yen), which is the maximum integral multiple of the total number of investment units issued and outstanding (1,916,330 units), out of the amount remaining after reserving the said reserve amount and retained earnings carried forward from the unappropriated retained earnings. As a result, the Company declared dividends per unit of 3,080 yen.

(5) Statement of cash flows

(Unit: thousands of yen)

	For the six months ended	
	July 31, 2024	January 31, 2025
Net cash provided by (used in) operating activities		
Income before income taxes	6,344,061	6,164,623
Depreciation and amortization	1,076,519	1,064,125
Amortization of investment corporation bonds issuance cost	11,712	12,112
Interest income	(101)	(1,794)
Gain on forfeiture of unclaimed dividends	(1,227)	(1,113)
Interest expenses	424,369	496,548
Decrease (increase) in operating accounts receivable	(172,074)	162,994
Increase (decrease) in operating accounts payable	(24,845)	26,912
Increase (decrease) in accounts payable – other	673	1,037
Increase (decrease) in accrued expenses	(5,488)	(2,493)
Increase (decrease) in accrued consumption taxes	(209,611)	248,846
Increase (decrease) in advances received	14,806	(15,126)
Increase (decrease) in deposits received	2,722	(1,521)
Decrease (increase) in prepaid expenses	21,002	25,275
Decrease (increase) in long-term prepaid expenses	62,492	39,790
Decrease in property, plant and equipment in trust due to sale	1,545,191	1,545,191
Other, net	(4,489)	(97,972)
Subtotal	9,085,712	9,667,437
Interest income received	101	1,794
Interest expenses paid	(404,917)	(479,734)
Income taxes paid	(1,171)	(1,180)
Net cash provided by (used in) operating activities	8,679,724	9,188,315
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment in trust	(763,399)	(291,757)
Repayments of lease and guarantee deposits in trust	(426,994)	(129,474)
Proceeds from lease and guarantee deposits in trust	409,611	195,524
Net cash provided by (used in) investing activities	(780,782)	(225,707)
Net cash provided by (used in) financing activities		
Proceeds from long-term loans payable	7,100,000	7,700,000
Repayments of long-term loans payable	(7,600,000)	(8,200,000)
Proceeds from issuance of investment corporation bonds	—	1,985,783
Redemption of investment corporation bonds	—	(2,000,000)
Cash dividends paid	(6,287,329)	(6,340,616)
Net cash provided by (used in) financing activities	(6,787,329)	(6,854,832)
Net increase (decrease) in cash and cash equivalents	1,111,612	2,107,775
Cash and cash equivalents at beginning of the period	21,991,874	23,103,487
Cash and cash equivalents at end of the period	* 1 23,103,487	* 1 25,211,263

- (6) Notes to assumption of going concern
Not applicable.

(7) Summary of significant accounting policies

(a) Property, plant and equipment (including assets in trust) and depreciation

Depreciation of property, plant and equipment of the Company is calculated principally by the straight-line method based on the following estimated useful lives determined by the Company. Significant renewals and additions are capitalized at cost. Maintenance and repairs are charged to income.

Buildings	3~68 years
Structures	3~68 years
Machinery and equipment	10~33 years
Tools, furniture and fixtures	3~15 years

(b) Intangible assets (including assets in trust)

Intangible assets are amortized by the straight-line method based on the estimated useful lives.

(c) Long-term prepaid expenses

Long-term prepaid expenses are amortized by the straight-line method based on the estimated useful lives.

(d) Investment corporation bonds issuance cost

Investment corporation bonds issuance cost is amortized using the straight-line method over the term of the bonds.

(e) Investment unit issuance cost

Investment unit issuance cost is amortized using the straight-line method over three years.

(f) Revenue recognition

The details of main performance obligations concerning revenue generated from contracts between the Company and its customers and the normal point in time to satisfy said performance obligations (normal point in time to recognize revenue) are as follows.

a) Transfer of real estate

For the proceeds from transfer of real estate, the Company recognizes revenue when the purchaser who is a customer obtains control of the relevant real estate as a result of the seller fulfilling its delivery obligations stipulated in the transaction agreement of the real estate.

b) Utilities income

The Company recognizes utilities income in accordance with the supply of electricity and water, etc. to the lessee who is a customer based on the lease agreement of real estate and details of agreements incidental to it. Of the utilities income, in the case that the Company deems itself to be an agent, the net amount obtained by deducting the amount it pays to other parties from the amount it receives as charges for electricity and gas, etc. supplied by the said other parties is recognized as revenue.

(g) Accounting for property taxes

For property tax, city planning tax and depreciable assets tax, the Company charges the amount of property taxes assessed and determined applicable to the fiscal period to expenses related to properties.

Registered owners of properties in Japan as of January 1 are responsible for paying property taxes for the calendar year based on assessments by local governments. Therefore, registered owners who sold properties to the Company were liable for property taxes for the calendar year, including the period from the date of the acquisition by the Company until the end of the year. The Company reimbursed sellers of properties for the equivalent amount of property taxes and included the amount in the acquisition cost of real estate. The amount equivalent to property taxes included in the cost of acquisition of real estate was none for the period ended July 31, 2024 and January 31, 2025, respectively.

(h) Hedge accounting approach

a) Hedge accounting approach

Deferred hedge accounting is applied for interest rate swap transactions. However, special treatment is applied for interest rate swaps when the requirements for special treatment are fulfilled.

b) Hedging instruments and hedged items

Hedging instruments:	Interest rate swap transactions
Hedged items:	Borrowing interest rates

c) Hedging policy

The Company conducts derivative transactions to hedge risks as stipulated in the Company's Articles of Incorporation in accordance with the Company's risk management policy.

d) Method for assessing the effectiveness of hedging

The Company evaluates by comparing the cumulative change in market rates of hedged items and hedging instruments or cash flow and based on the amount of change in both during the period from the start of hedging to when the effectiveness is being determined.

However, assessment of the effectiveness is omitted if the important conditions regarding hedging instruments and hedged items are identical and if it can be assumed that fluctuations of market rates or cash flow can be completely offset from when the hedge begins. Moreover, assessment of the effectiveness is omitted for interest rate swaps when the requirements for special treatment are fulfilled.

(i) Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows consist of cash on hand and deposits in trust; deposits and deposits in trust that can be withdrawn at any time; and short-term investments with a maturity of three months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.

(j) Accounting for trust beneficial interest in real estate

For trust beneficial interest in real estate owned by the Company, all accounts of assets and liabilities within the assets in trust as well as all accounts of revenue generated and expenses incurred from the assets in trust are recognized in the relevant accounts of the balance sheet and statement of income and retained earnings.

The following material items of the assets in trust recognized in the relevant accounts are separately listed on the balance sheet.

a) Cash and deposits in trust

b) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; construction in progress in trust; leasehold rights in trust; and other intangible assets in trust

c) Lease and guarantee deposits in trust

(k) Non-deductible consumption taxes

Non-deductible consumption taxes related to the acquisition of assets are treated as the acquisition cost of applicable assets.

(8) Notes to Financial Statements

(Omission of disclosure)

Note to the balance sheet, statement of unitholders' equity, securities, retirement benefits and asset retirement obligations are omitted because there is thought to be no large necessity for disclosure in this financial report.

1. Breakdown of property-related revenue and expenses

*1 Breakdown of property operating income

	(Unit: thousands of yen)			
	For the six months ended			
	July 31, 2024		January 31, 2025	
A. Property operating revenue				
Rent revenues				
Rent and common area revenue	9,422,420		9,459,106	
Other rent revenue	5,865	9,428,286	5,622	9,464,728
Other operating revenues				
Parking revenue	50,625		48,484	
Utilities and other revenue	136,469		159,540	
Cancellation penalty	140,045		296	
Key money income	426	327,566	—	208,320
Total property operating revenue		9,755,852		9,673,049
B. Property operating expenses				
Expenses related to properties				
Property management fees	1,246,614		1,226,762	
Property taxes	831,631		831,321	
Utilities	129,039		152,516	
Maintenance and repairs	74,456		89,853	
Insurance premium	21,937		22,179	
Custodian fees	5,906		5,898	
Depreciation and amortization	1,076,519		1,064,125	
Rent expenses	153,491		165,090	
Other lease business expenses	15,830	3,555,428	16,031	3,573,779
Total property operating expenses		3,555,428		3,573,779
C. Property operating income [A – B]		6,200,424		6,099,270

*2 Transactions with major unitholders

(Unit: thousands of yen)

	For the six months ended	
	July 31, 2024	
	January 31, 2025	
From operating transactions		
Rent revenues	6,425,108	6,425,108
Gain on transfer of real estate properties	1,418,075	1,415,243
Expenses related to properties	284,644	268,993

*3 Breakdown of gain on transfer of real estate properties

(Unit: thousands of yen)

For the six months ended July 31, 2024

Laforet Harajuku (Land)	
Revenue from transfer of real estate properties	2,968,000
Cost of transfer of real estate properties	1,545,191
Other transfer expenses	4,732
Gain on transfer of real estate properties	1,418,075

For the six months ended January 31, 2025

Laforet Harajuku (Land)	
Revenue from transfer of real estate properties	2,968,000
Cost of transfer of real estate properties	1,545,191
Other transfer expenses	7,565
Gain on transfer of real estate properties	1,415,243

2. Cash and cash equivalents

*1 Relationship between cash and cash equivalents at end of the period in the statement of cash flows and cash and deposits stated in the balance sheet

(Unit: thousands of yen)

	For the six months ended	
	July 31, 2024	January 31, 2025
Cash and deposits	18,221,026	19,640,854
Cash and deposits in trust	4,882,461	5,570,408
Cash and cash equivalents	23,103,487	25,211,263

3. Leases

Operating lease transactions (as lessor)

Future minimum rent revenues under existing non-cancelable lease agreements

(Unit: thousands of yen)

	As of	
	July 31, 2024	January 31, 2025
Due within 1 year	4,111,608	4,095,263
Due after 1 year	4,974,953	4,161,799
Total	9,086,562	8,257,063

4. Financial instruments

(1) Policy for financial instruments

(a) Policy for holding financial instruments

The Company makes use of various financial instruments in order to invest surplus funds efficiently. In addition, concerning fund procurement, the Company adopts a policy of undertaking such fund raising primarily through the issuance of investment units, the borrowing of funds and the issuance of investment corporation bonds. The Company limits derivative transactions to those that are entered into for the purpose of hedging the risk of future fluctuations in interest rates on loans payable, and does not engage in speculative transactions.

(b) Description of financial instruments and associated risks, and risk management structure

Deposits used for investing the Company's surplus funds are exposed to credit risks, for example, the failure of the financial institutions that are holding the deposits, but the Company limits the risks by diversifying financial institutions.

Investment corporation bonds and long-term loans payable are used for fund procurement associated with the acquisition of real estate related assets or repayment of loans payable. Of these, loans payable with variable interest rates are exposed to the risk of fluctuations in interest rates, but derivative transactions are utilized as hedging instruments.

Interest rate swaps are utilized with the Company seeking to, in effect, convert fluctuating interest rates on fund procurement into fixed interest rates. For information on the method of hedge accounting approach, hedging instruments and hedged items, hedging policy and method for assessing the effectiveness of hedging, please refer to "Summary of significant accounting policies: (h) Hedge accounting approach."

Concerning derivative transactions, risks are managed pursuant to the risk management policy set forth by the Company.

(c) Supplementary explanation on matters concerning fair value of financial instruments

Certain assumptions, etc. are used in calculating the fair value of financial instruments, and there can be cases where the values may vary based on different assumptions, etc. In addition, concerning the contract amount of derivative transactions in "Derivative transactions" below the amount itself does not represent the value of the market risks associated with the derivative transactions.

(2) Fair value of financial instruments

The following are the carrying amount, fair value and the difference between them of financial instruments as of July 31, 2024. Furthermore, notes on “Cash and deposits,” “Cash and deposits in trust” are omitted as these are settled with cash and within a short period of time and thus the fair value approximates the book value. Notes on “Tenant leasehold and security deposits” are also omitted as they lack materiality.

	(Unit: thousands of yen)		
	Carrying amount	Fair value	Difference
(a) Current portion of investment corporation bonds	4,000,000	4,006,400	6,400
(b) Current portion of long-term loans payable	17,334,000	17,334,000	—
(c) Investment corporation bonds	19,600,000	19,198,910	(401,090)
(d) Long-term loans payable	148,988,000	148,672,892	(315,107)
Total	189,922,000	189,212,202	(709,797)
Derivative transactions (Note1)	2,073,093	2,073,093	—

The following are the carrying amount, fair value and the difference between them of financial instruments as of January 31, 2025. Furthermore, notes on “Cash and deposits,” “Cash and deposits in trust” are omitted as these are settled with cash and within a short period of time and thus the fair value approximates the book value. Notes on “Tenant leasehold and security deposits” are also omitted as they lack materiality.

	(Unit: thousands of yen)		
	Carrying amount	Fair value	Difference
(a) Current portion of investment corporation bonds	7,000,000	6,979,500	(20,500)
(b) Current portion of long-term loans payable	17,194,000	17,194,000	—
(c) Investment corporation bonds	16,600,000	16,114,580	(485,420)
(d) Long-term loans payable	148,628,000	148,245,315	(382,684)
Total	189,422,000	188,533,395	(888,604)
Derivative transactions (Note1)	2,331,311	2,331,311	—

(Note 1) Assets and liabilities from derivative transactions are indicated in net amounts and net liabilities are indicated in parentheses.

(Note 2) Method of calculating the fair value of financial instruments, and derivative transactions

Liabilities

(a) Current portion of investment corporation bonds; (c) Investment corporation bonds

The fair value of these is based on market prices.

(b) Current portion of long-term loans payable; (d) Long-term loans payable

Of long-term loans payable, as those with variable interest rates reflect market interest rates within a short period of time, the fair value is thought to be approximately the same as the book value and is thus stated at that book value. Meanwhile, those with fixed interest rates are based on a calculation method of discounting the sum total amount of principal and interest by the rate reasonably estimated as being applicable in the event of a similar transaction.

Derivative transactions

Please refer to “Derivative transactions” below.

(Note 3) Investment corporation bonds and long-term loans payable scheduled to be due after the balance sheet date (as of July 31, 2024)

(Unit: thousands of yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Investment corporation bonds	4,000,000	5,000,000	9,300,000	—	—	5,300,000
Long-term loans payable	17,334,000	19,104,000	18,723,000	28,943,000	32,075,000	50,143,000
Total	21,334,000	24,104,000	28,023,000	28,943,000	32,075,000	55,443,000

Investment corporation bonds and long-term loans payable scheduled to be due after the balance sheet date (as of January 31, 2025)

(Unit: thousands of yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Investment corporation bonds	7,000,000	7,300,000	2,000,000	—	2,000,000	5,300,000
Long-term loans payable	17,194,000	19,884,000	24,527,000	31,377,000	28,436,000	44,404,000
Total	24,194,000	27,184,000	26,527,000	31,377,000	30,436,000	49,704,000

5. Derivative transactions

(1) Transactions for which hedge accounting is not applied

As of July 31, 2024

Not applicable.

As of January 31, 2025

Not applicable.

(2) Transactions for which hedge accounting is applied

As of July 31, 2024

The following is the contract amount or amount equivalent to the principal provided in the contract as of the date of settlement of accounts based on each method of hedge accounting.

(Unit: thousands of yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount		Fair value	Method of calculating the fair value
				Due after 1 year		
Principle method	Interest rate swap transactions Floating receivable; Fixed payable	Long-term loans payable	116,287,000	98,953,000	2,073,093	Based on the quoted price obtained from counterparty financial institutions.

As of January 31, 2025

The following is the contract amount or amount equivalent to the principal provided in the contract as of the date of settlement of accounts based on each method of hedge accounting.

(Unit: thousands of yen)

Method of hedge accounting	Type of derivative transaction	Main hedged item	Contract amount		Fair value	Method of calculating the fair value
				Due after 1 year		
Principle method	Interest rate swap transactions Floating receivable; Fixed payable	Long-term loans payable	113,487,000	96,293,000	2,331,311	Based on the quoted price obtained from counterparty financial institutions.

6. Related party transactions

(1) Parent company and major corporate unitholders

For the six months ended July 31, 2024

Type	Name	Location	Capital stock or investments in capital (thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship with related party	Description of transaction	Amount of transaction (thousands of yen) (Note 1)	Account item	Balance at end of the period (thousands of yen)
Other related company	Mori Building Co., Ltd.	Minato-ku, Tokyo	89,500,000	Real estate business	15.0% directly held by related party	Leasing and management of real estate	Transfer of property (Note 2) (Note 6)	2,968,000	—	—
							Leasing of properties (Note 3) (Note 7)	6,425,108	Advances received	1,172,838
							Payment of property operation and management fees (Note 8)	326,425 (Note 4)	Lease and guarantee deposits in trust	10,360,591
							Deposit of lease and guarantee (Note 5) (Note 9)	—	Prepaid expenses	5,226
									Operating accounts payable	61,531
									Lease and guarantee deposits in trust	53,886

(Note 1) The amount does not include consumption taxes.

(Note 2) Part of Laforet Harajuku (Land)

(Note 3) Roppongi Hills Mori Tower, ARK Mori Building, Atago Green Hills and Toranomon Hills Mori Tower

(Note 4) The amount includes fees (41,781 thousand yen) that are not charged to expenses but recognized as assets.

(Note 5) Roppongi View Tower

[Transaction terms and conditions and related policies]

(Note 6) Transfer decisions are made in accordance with the provisions of the Related Parties Transaction Guidelines stipulated by the Company's Asset Manager and compliance regulations. Furthermore, transfers are not made at a value below the appraisal value as determined by an independent third-party real estate appraiser (including corporations).

(Note 7) The Company engages in transactions by conducting adequate procedures in line with the Related Parties Transaction Guidelines stipulated by the Company's Asset Manager and compliance regulations, after having comprehensively considered the market situation and other factors.

(Note 8) The Company decides on transactions by conducting adequate procedures in line with the Related Parties Transaction Guidelines stipulated by the Company's Asset Manager and compliance regulations, in light of the market situation, the content of services provided, overall operational capacity and other factors.

(Note 9) The Company engages in transactions by conducting adequate procedures in line with the Related Parties Transaction Guidelines stipulated by the Company's Asset Manager and compliance regulations, after having comprehensively considered the market situation and other factors.

For the six months ended January 31, 2025

Type	Name	Location	Capital stock or investments in capital (thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship with related party	Description of transaction	Amount of transaction (thousands of yen) (Note 1)	Account item	Balance at end of the period (thousands of yen)
Other related company	Mori Building Co., Ltd.	Minato-ku, Tokyo	89,500,000	Real estate business	17.9% directly held by related party	Leasing and management of real estate	Transfer of property (Note 2) (Note 6)	2,968,000	—	—
							Leasing of properties (Note 3) (Note 7)	6,425,108	Advances received	1,172,838
									Lease and guarantee deposits in trust	10,360,591
							Payment of property operation and management fees (Note 8)	281,668 (Note 4)	Prepaid expenses	6,331
									Operating accounts payable	63,655
							Deposit of lease and guarantee (Note 5) (Note 9)	—	Lease and guarantee deposits in trust	53,886

(Note 1) The amount does not include consumption taxes.

(Note 2) Part of Laforet Harajuku (Land)

(Note 3) Roppongi Hills Mori Tower, ARK Mori Building, Atago Green Hills and Toranomon Hills Mori Tower

(Note 4) The amount includes fees (12,675 thousand yen) that are not charged to expenses but recognized as assets.

(Note 5) Roppongi View Tower

[Transaction terms and conditions and related policies]

(Note 6) Transfer decisions are made in accordance with the provisions of the Related Parties Transaction Guidelines stipulated by the Company's Asset Manager and compliance regulations. Furthermore, transfers are not made at a value below the appraisal value as determined by an independent third-party real estate appraiser (including corporations).

(Note 7) The Company engages in transactions by conducting adequate procedures in line with the Related Parties Transaction Guidelines stipulated by the Company's Asset Manager and compliance regulations, after having comprehensively considered the market situation and other factors.

(Note 8) The Company decides on transactions by conducting adequate procedures in line with the Related Parties Transaction Guidelines stipulated by the Company's Asset Manager and compliance regulations, in light of the market situation, the content of services provided, overall operational capacity and other factors.

(Note 9) The Company engages in transactions by conducting adequate procedures in line with the Related Parties Transaction Guidelines stipulated by the Company's Asset Manager and compliance regulations, after having comprehensively considered the market situation and other factors.

(2) Subsidiaries and affiliates

For the six months ended July 31, 2024

Not applicable.

For the six months ended January 31, 2025

Not applicable.

(3) Subsidiaries of parent company

For the six months ended July 31, 2024

Type	Name	Location	Capital stock or investments in capital (thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship with related party	Description of transaction	Amount of transaction (thousands of yen) (Note 1)	Account item	Balance at end of the period (thousands of yen)
Subsidiary of other related company	Mori Building Investment Management Co., Ltd.	Minato-ku, Tokyo	200,000	Real estate, trust beneficiary right and other financial asset management operations	None	Outsourcing of asset management Concurrent post of directors	Payment of management fees (Note 2) (Note 3)	621,846	Accrued expenses	684,031

(Note 1) The amount does not include consumption taxes.

(Note 2) The amount of management fees is provided in the “Asset Management Contract” concluded between the Company and the Company’s Asset Manager.

[Transaction terms and conditions and related policies]

(Note 3) The Company decides on transactions in light of the market situation, the content of services provided, overall operational capacity and other factors.

For the six months ended January 31, 2025

Type	Name	Location	Capital stock or investments in capital (thousands of yen)	Description of business	Percentage of voting rights held in (by) related party	Relationship with related party	Description of transaction	Amount of transaction (thousands of yen) (Note 1)	Account item	Balance at end of the period (thousands of yen)
Subsidiary of other related company	Mori Building Investment Management Co., Ltd.	Minato-ku, Tokyo	200,000	Real estate, trust beneficiary right and other financial asset management operations	None	Outsourcing of asset management Concurrent post of directors	Payment of management fees (Note 2) (Note 3)	619,408	Accrued expenses	681,348

(Note 1) The amount does not include consumption taxes.

(Note 2) The amount of management fees is provided in the “Asset Management Contract” concluded between the Company and the Company’s Asset Manager.

[Transaction terms and conditions and related policies]

(Note 3) The Company decides on transactions in light of the market situation, the content of services provided, overall operational capacity and other factors.

(4) Directors and major individual unitholders

For the six months ended July 31, 2024

Type	Name	Location	Capital stock or investments in capital (thousands of yen)	Description of business or position	Percentage of voting rights held in (by) related party	Relationship with related party	Description of transaction	Amount of transaction (thousands of yen) (Note 1) (Note 2)	Account item	Balance at end of the period (thousands of yen) (Note 2)
Directors and their close relatives	Hideyuki Isobe	—	—	Executive Director of the Company, and President & CEO of Mori Building Investment Management Co., Ltd.	None	Executive Director of the Company, and President & CEO of Mori Building Investment Management Co., Ltd.	Payment of management fees to Mori Building Investment Management Co., Ltd. (Note 2) (Note 3)	621,846	Accrued expenses	684,031

(Note 1) The amount does not include consumption taxes.

(Note 2) The transaction was conducted with Hideyuki Isobe as third-party representative (Mori Building Investment Management Co., Ltd.) and the amount of management fees is provided in the “Asset Management Contract” concluded between the Company and the Company’s Asset Manager. Although Hideyuki Isobe retired from the position of President & CEO of Mori Building Investment Management Co., Ltd. on June 19, 2024, the transaction amount and the balance at the end of the period indicate the entire amount for the six months ended July 31, 2024, including the period after his retirement.

[Transaction terms and conditions and related policies]

(Note 3) The Company decides on transactions in light of the market situation, the content of services provided, overall operational capacity and other factors.

For the six months ended January 31, 2025

Not applicable.

7. Income taxes

(1) Breakdown of significant components of deferred tax assets and deferred tax liabilities

(Unit: thousands of yen)

	As of	
	July 31, 2024	January 31, 2025
Deferred tax assets		
Accrued enterprise tax excluded from expenses	15	13
Deferred gains or losses on hedges	6	—
Subtotal deferred tax assets	21	13
Valuation allowance	(6)	—
Total deferred tax assets	15	13
Net deferred tax assets	15	13

(2) Reconciliation of significant differences between the statutory tax rate and the effective tax rate

	As of	
	July 31, 2024	January 31, 2025
Statutory tax rate	31.46%	31.46%
[Adjustments]		
Deductible cash distributions	(31.45%)	(30.12%)
Reserve for special account for reduction entry	— %	(1.33%)
Others	0.00%	0.01%
Effective tax rate	0.01%	0.01%

8. Investment and rental properties

The Company owns real estate (primarily office buildings and residential and retail properties) available for lease in Tokyo. The following are the carrying amount, amount of increase (decrease) during the period and fair value at end of the period for these investment and rental properties.

(Unit: thousands of yen)

	For the six months ended	
	July 31, 2024	January 31, 2025
Carrying amount		
Balance at beginning of the period	388,408,660	386,607,903
Amount of increase (decrease) during the period	(1,800,756)	(2,241,348)
Balance at end of the period	386,607,903	384,366,555
Fair value at end of the period	491,325,000	488,554,000

(Note 1) The carrying amount is the acquisition cost less accumulated depreciation.

(Note 2) Of the increase (decrease) during the period ended July 31, 2024, the decrease is primarily attributable to the transfer of the property (Laforet Harajuku (Land) (1,545,191 thousand yen) and attributable to depreciation and amortization. Of the increase (decrease) during the period ended January 31, 2025, the decrease is primarily attributable to the transfer of the property (Laforet Harajuku (Land) (1,545,191 thousand yen) and attributable to depreciation and amortization.

(Note 3) The fair value at end of the period is the appraisal value by a real estate appraiser (according to the “Real Estate Appraisal Report” with the date of settlement of accounts as the appraisal date) pursuant to the method of and standards for asset valuation provided in the Company’s Articles of Incorporation and the rules provided by The Investment Trusts Association, Japan.

Income and loss for investment and rental properties is presented in “Breakdown of property-related revenue and expenses.”

9. Notes to Revenue Recognition

(1) Breakdown of information on revenue from contracts with customers

For the six months ended July 31, 2024

(Unit: thousands of yen)

	Revenue from Contracts with Customers (Note 1)	Sales to External Customers
Transfer of real estate, etc. (Note 2)	2,968,000	1,418,075
Utilities income (Note 3)	84,185	84,185
Other	—	9,671,667
Total	3,052,185	11,173,928

(Note 1) Rent revenues, etc. subject to the “Accounting Standard for Lease Transactions” (Corporate Accounting Standard No. 13) and the transfer of real estate, etc. subject to the “Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies” (Transferred Guidance, No.10 of the Accounting Standards Board of Japan) are excluded from “Revenue from contracts with customers” as such revenue is not subject to Accounting Standard for Revenue Recognition. Revenue from contracts with customers mainly represents proceeds from transfer of real estate and utilities income.

(Note 2) For the transfer of real estate, etc., the amount obtained by subtracting the cost of transfer of real estate, etc. and other transfer expenses from the proceeds from transfer of real estate, etc. is indicated to record the amount as gain on transfer of real estate, etc. in the statement of income and retained earnings based on Article 48, Paragraph 2 of the Ordinance on Accountings of Investment Corporations (Cabinet Office Ordinance No. 47 of 2006).

(Note 3) Utilities income indicates the amount recorded as revenue in accordance with the supply of electricity and water, etc. to the lessee who is a customer based on the lease agreement of real estate and details of agreements incidental to it.

For the six months ended January 31, 2025

(Unit: thousands of yen)

	Revenue from Contracts with Customers (Note 1)	Sales to External Customers
Transfer of real estate, etc. (Note 2)	2,968,000	1,415,243
Utilities income (Note 3)	105,643	105,643
Other	—	9,567,405
Total	3,073,643	11,088,292

(Note 1) Rent revenues, etc. subject to the “Accounting Standard for Lease Transactions” (Corporate Accounting Standard No. 13) and the transfer of real estate, etc. subject to the “Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies” (Transferred Guidance, No.10 of the Accounting Standards Board of Japan) are excluded from “Revenue from contracts with customers” as such revenue is not subject to Accounting Standard for Revenue Recognition. Revenue from contracts with customers mainly represents proceeds from transfer of real estate and utilities income.

(Note 2) For the transfer of real estate, etc., the amount obtained by subtracting the cost of transfer of real estate, etc. and other transfer expenses from the proceeds from transfer of real estate, etc. is indicated to record the amount as gain on transfer of real estate, etc. in the statement of income and retained earnings based on Article 48, Paragraph 2 of the Ordinance on Accountings of Investment Corporations (Cabinet Office Ordinance No. 47 of 2006).

(Note 3) Utilities income indicates the amount recorded as revenue in accordance with the supply of electricity and water, etc. to the lessee who is a customer based on the lease agreement of real estate and details of agreements incidental to it.

(2) Information that provides a basis for understanding revenue from contracts with customers

For the six months ended July 31, 2024

As described in the notes on matters related to significant accounting policies.

For the six months ended January 31, 2025

As described in the notes on matters related to significant accounting policies.

- (3) Information on relationship of satisfaction of performance obligations based on contracts with customers with cash flow generated from said contracts and amount and period of revenue expected to be recognized in the next fiscal period or thereafter from contracts with customers existing at the end of the fiscal period

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

(Unit: thousands of yen)

	For the six months ended July 31, 2024	For the six months ended January 31, 2025
Claims generated from contracts with customers (balance at beginning of fiscal period)	245	243
Claims generated from contracts with customers (balance at end of fiscal period)	243	54
Contract assets (balance at beginning of fiscal period)	—	—
Contract assets (balance at end of fiscal period)	—	—
Contract liabilities (balance at beginning of fiscal period)	—	—
Contract liabilities (balance at end of fiscal period)	—	—

(b) Transaction value allocated to the remaining performance obligations

For the six months ended July 31, 2024

As of July 31, 2024, the total amount of the transaction price allocated to remaining performance obligations pertaining to the transfer of real estate, etc. is 2,968,000 thousand yen due to real estate, etc. for which a transfer agreement was concluded on March 15, 2024. The Company expects to recognize revenue for these performance obligations due to the transfer of trust beneficiary interest (7% quasi co-ownership interest) of the above real estate, etc., which was planned for November 29, 2024.

With regard to utilities revenue, as the Company has the right to receive from customers an amount directly corresponding to the value for the lessees, or customers, of sections for which performance is complete by the end of the fiscal period, the amount it has the right to claim is recognized as revenue in accordance with Paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition. Accordingly, such is not included in the note on transaction value allocated to remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard for Revenue Recognition.

For the six months ended January 31, 2025

Not applicable.

With regard to utilities revenue, as the Company has the right to receive from customers an amount directly corresponding to the value for the lessees, or customers, of sections for which performance is complete by the end of the fiscal period, the amount it has the right to claim is recognized as revenue in accordance with Paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition. Accordingly, such is not included in the note on transaction value allocated to remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard for Revenue Recognition.

10. Segment and related information

[Segment information]

Disclosure is omitted because the Company operates as a single segment – Real estate leasing business.

[Related information]

For the six months ended July 31, 2024

(1) Information about each product and service

Disclosure is omitted because operating revenue from external customers within a single product and service category accounts for over 90% of the operating revenue on the statement of income and retained earnings.

(2) Information about each geographical area

(a) Operating revenue

Disclosure is omitted because operating revenue from external customers in Japan accounts for over 90% of the operating revenue on the statement of income and retained earnings.

(b) Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information about each major tenant

(Unit: thousands of yen)		
Name of tenant	Operating revenue	Related segment
Mori Building Co., Ltd.	7,843,184	Real estate leasing business

For the six months ended January 31, 2025

(1) Information about each product and service

Disclosure is omitted because operating revenue from external customers within a single product and service category accounts for over 90% of the operating revenue on the statement of income and retained earnings.

(2) Information about each geographical area

(a) Operating revenue

Disclosure is omitted because operating revenue from external customers in Japan accounts for over 90% of the operating revenue on the statement of income and retained earnings.

(b) Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information about each major tenant

(Unit: thousands of yen)		
Name of tenant	Operating revenue	Related segment
Mori Building Co., Ltd.	7,840,351	Real estate leasing business

11. Per unit Information

	For the six months ended	
	July 31, 2024	January 31, 2025
Net assets per unit (yen)	107,275	107,316
Net income per unit (yen)	3,310	3,216
(Note 1) Net income per unit was calculated by dividing the net income by the daily weighted average number of investment units during the period.		
Diluted net income per unit has not been stated as there are no diluted investment units.		
(Note 2) The following is the basis for calculating net income per unit.		

	For the six months ended	
	July 31, 2024	January 31, 2025
Net income (thousands of yen)	6,343,127	6,163,727
Amounts not attributable to common unitholders (thousands of yen)	—	—
Net income attributable to common investment units (thousands of yen)	6,343,127	6,163,727
Average number of investment units during the period (units)	1,916,330	1,916,330

12. Subsequent events

(i) Asset acquisitions and Lease

The Company made the resolution at its Board of Directors' meeting held on March 17, 2025, to conduct acquisitions at a portion of Toranomom Hills Mori Tower.

The seller Mori Building Co., Ltd. constitutes an interested party, etc. of the Company's Asset Manager, and the transaction constitutes a transaction with an interested party, etc. as defined in the Investment Trust Act. Accordingly, to comply with applicable laws and regulations and with the asset management agreement, as well as to prevent the interests of the Company from being negatively impacted with respect to the acquisition price and other terms and conditions, the Asset Manager has taken steps pursuant to the Related Parties Transaction Guidelines.

i) Overview of Acquisitions and Lease

Property name	Toranomom Hills Mori Tower
Asset to be acquired	Trust beneficiary interest (Note 1)
Anticipated acquisition price	7,820 million yen (Note 2)
Appraisal value	9,790 million yen (Note 3)
Sales agreement date	March 17, 2025
Acquisition date	July 1, 2025 (anticipated)
Seller	Mori Building Co., Ltd.
Acquisition financing	Cash on hand (anticipated)
Lessee	Mori Building Co., Ltd. (Note 4)

(Note 1) The Company plans to acquire trust beneficiary interest in 87.95% co-ownership interest in compartmentalized ownership of the 28th-35th floors and co-ownership interest in the land use rights. The Company plans to acquire an additional 10% quasi co-ownership interest of the trust beneficiary interest, and as a result it will hold 88% together with the 78% already acquired. The remaining 12% of the quasi co-ownership interest in the trust beneficiary interest is to be held by Mori Building Co., Ltd.

(Note 2) The indicated anticipated acquisition price does not include acquisition-related costs, consumption taxes and other expenses.

(Note 3) The appraisal value as of February 1, 2025 as described in the real estate appraisal report prepared by Japan Real Estate Institute.

(Note 4) Please see "ii) Details of the Asset to be Acquired and Lease" for leasing terms and conditions, and other details.

ii) Details of the Asset to be Acquired and Lease

Details of the Asset to Be Acquired		
Property name		Toranomon Hills Mori Tower
Type of specified asset		Trust beneficiary interest (87.95% of co-ownership of the 28th to 35th floors) (10% of quasi co-ownership interest)
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment period		From June 26, 2014 to July 31, 2037
Location (Residential indication)		1-23-1 Toranomon, Minato-ku, Tokyo
Use		Offices, Shops, Hotel, Residences
Area (Note 1)	Land	17,068.95 m ²
	Building	241,581.95 m ²
Structure		Steel-framed and steel-framed reinforced concrete structure with flat roof, 52 floors above ground and 5 floors below ground
Construction completion		May 2014
Designer		Nihon Sekkei, Inc.
Contractor		Obayashi Corporation
Building verification agency		The Building Center of Japan
Form of ownership	Land	Ownership (Note 2)
	Building	Compartmentalized ownership (Note 3)
Anticipated acquisition price		7,820 million yen
Acquisition date		July 1, 2025 (anticipated)
Appraisal	Appraiser	Japan Real Estate Institute
	Appraisal value	9,790 million yen (Appraisal date: February 1, 2025)
PML (Note 4)		2.3%
Collateral		None
Property manager		Mori Building Co., Ltd.
Content of lease (As of January 31, 2025)		
Lessee (Note 5)		Mori Building Co., Ltd.
Type of agreement		Regular building lease agreement
Term of agreement		From August 1, 2022 to July 31, 2027
Gross rent income (annual rent) (Note 6)		310,232,592 yen
Deposits/ Guarantees (Note 7)		258,527,163 yen
Total leasable floor area (Note 8)		2,441.82 m ²
Total leased floor area (Note 9)		2,441.82 m ²
Total number of end tenants		10 companies
Occupancy rates		99.8%
Other special consideration		Transfer of Quasi co-ownership interest to a third party requires the written approval of Mori Building Co., Ltd.

(Note 1) Area (land) is the area of the entire site, and area (building) is the total floor area of the entire building, as indicated in the real estate registry.

(Note 2) As for land, land use rights for the property are established. The site area corresponding to the quasi co-ownership interest in the trust beneficiary interest that the Company plans to acquire equivalent to the ratio of interest in the building is approximately 433.28 m² (approximately 2.5%). Also, the site area corresponding to the quasi co-ownership interest in the trust beneficiary interest that the Company plans to own equivalent to the ratio of interest in the building will be approximately 3,812.94 m² (approximately 22.3%) after this acquisition.

(Note 3) The exclusive floor area corresponding to the quasi co-ownership interest in the trust beneficiary interest that the Company plans to acquire as indicated in the real estate registry is approximately 2,442.41 m²(approximately 1.4%). Also, the exclusive floor area corresponding to the quasi co-ownership interest in the trust beneficiary interest that the Company plans to own as indicated in the real estate registry will be approximately 21,493.23 m² (approximately 12.2%) after this acquisition.

- (Note 4) PML means the expected maximum loss rate due to an earthquake. Although there is no uniform definition of PML, for the purposes of this document, it is equivalent to the percentage of the expected loss amount (the expected loss amount with a return period of 475 years) with a probability of 10% exceeding the expected loss amount during the assumed planned usage period (50 years = useful life for buildings in general) to the replacement price. However, the expected loss amount evaluates the direct loss due to liquefaction of the ground and earthquake vibration. This does not include secondary losses such as losses of equipment, furniture, fixtures, etc., losses due to water after an earthquake, compensation for disaster victims, or business losses due to business interruption. PML figures are reported from Sampo Risk Management Inc. as of February 14, 2025.
- (Note 5) With regard to the property, the Company will outsource building lease operations to Mori Building Co., Ltd. and shall receive a fixed amount of rent from the company, regardless of the rent amount paid by end tenants.
- (Note 6) The gross rent income (annual income) represents the figure obtained by multiplying the monthly consideration for granting leasing rights described in the agreement to change the co-owned property usage agreement and property management operation agreement entirely by the 10% quasi co-ownership interest in the trust beneficiary interest rounded down below the unit and multiplying that amount by 12.
- (Note 7) Deposits/Guarantees represents the figure obtained by multiplying the amount of deposits described in the agreement to change the co-owned property usage agreement and property management operation agreement entirely by the 10% quasi co-ownership interest in the trust beneficiary interest rounded down below the unit.
- (Note 8) Total leasable floor area represents the figure obtained by multiplying the floor area deemed leasable to the lessee by the 10% quasi co-ownership interest in the trust beneficiary interest, rounded to the second decimal place.
- (Note 9) Total leased floor area represents the figure obtained by multiplying the floor area leased to the lessee by the 10% quasi co-ownership interest in the trust beneficiary interest, rounded to the second decimal place. Total leasable floor area and total leased floor area do not include storage, parking lots, mechanical rooms, etc.

(ii) Asset transfer

The Company made the resolution at its Board of Directors' meeting held on March 17, 2025, to additionally transfer a part of Laforet Harajuku (Land).

The buyer Mori Building Co., Ltd. constitutes an interested party, etc. of the Company's Asset Manager, and the transaction constitutes a transaction with an interested party, etc. as defined in the Investment Trust Act. Accordingly, to comply with applicable laws and regulations and with the asset management agreement, as well as to prevent the interests of the Company from being negatively impacted with respect to the transfer price and other terms and conditions, the Asset Manager has taken steps pursuant to the Related Parties Transaction Guidelines.

i) Overview of Transfer

Property name	Laforet Harajuku (Land)	
Asset to be transferred	Trust beneficiary interest (Note 1) ((1): 7% quasi co-ownership interest)	Trust beneficiary interest (Note 1) ((2): 7% quasi co-ownership interest)
Book value	1,545 million yen (Note 2)	1,545 million yen (Note 2)
Transfer price	3,073 million yen (Note 3)	3,073 million yen (Note 3)
Gain (loss) on transfer	1,522 million yen (Note 4)	1,519 million yen (Note 4)
Sales agreement date	March 17, 2025	
Anticipated Transfer date	July 1, 2025	December 1, 2025
Buyer	Mori Building Co., Ltd	

(Note 1) The Company plans to transfer trust beneficiary interest in ownership of land (land of Laforet Harajuku; hereafter the "Property") to which fixed-term business-use leasehold rights are attached for the purpose of owning retail and other facilities. However, the Company will continue to hold the remaining 44% of the quasi co-ownership interest in the trust beneficiary interest.

(Note 2) Book value indicates the estimate of the book value of the property as of the anticipated transfer date based on the book value as of January 31, 2025.

(Note 3) The transfer price does not include transfer-related costs and other expenses.

(Note 4) The gain (loss) on transfer represents the amount obtained by deducting the book value and transfer-related costs from the transfer price above.

ii) Details of the Asset to be transferred

Details of the Asset to be transferred		
Property name		Laforet Harajuku (Land)
Type of specified asset		Trust beneficiary interest ((1): 7% quasi co-ownership interest (transfer on July 1, 2025) and (2): 7% quasi co-ownership interest (transfer on December 1, 2025))
Trustee		Sumitomo Mitsui Trust Bank, Ltd.
Trust establishment period		From July 1, 2022 to July 31, 2042
Location (Residential indication)		1-11-6 Jingumae, Shibuya-ku, Tokyo
Area (Note 1)		2,565.06 m ²
Form of ownership		Ownership
Book value		(1) : 1,545 million yen (2) : 1,545 million yen
Transfer price		(1) : 3,073 million yen (2) : 3,073 million yen
Gain (loss) on transfer		(1) : 1,522 million yen (2) : 1,519 million yen
Appraisal	Appraiser	Japan Real Estate Institute
	Appraisal value (Note 2)	6,146 million yen (Appraisal date: February 1, 2025)
Anticipated Transfer date		(1) : July 1, 2025 (2) : December 1, 2025
Content of lease (As of March 17, 2025)		
Lessee		Mori Building Ryutsu System Co., Ltd.
Type of agreement		Fixed-term business-use land lease agreement
Term of agreement		From September 15, 2010 to September 14, 2030 (20 years)
Gross rent income (annual rent) (Note 3)		186,984,000 yen
Deposits/ Guarantees		None
Total leasable floor area (Note 4)		359.11 m ²
Total leased floor area (Note 5)		359.11 m ²
Other special consideration		None

(Note 1) Area is the area of the entire site as indicated in the real estate registry.

(Note 2) The appraisal value represents the figure for the 14% quasi co-ownership interest in the trust beneficiary interest.

(Note 3) The gross rent income (annual rent) represents the figure obtained by multiplying the monthly rent indicated in the rent review memorandum related to the agreement for establishing the fixed-term business-use leasehold rights by the 14% quasi co-ownership interest in the trust beneficiary interest, rounding down the amount below the unit and multiplying that amount by 12.

(Note 4) The total leasable floor area represents the figure obtained by multiplying the floor area deemed leasable to the lessee by the 14% quasi co-ownership interest in the trust beneficiary interest, rounded to the second decimal place.

(Note 5) The total leased floor area represents the figure obtained by multiplying the floor area leased to the lessee by the 14% quasi co-ownership interest in the trust beneficiary interest, rounded to the second decimal place.

(Note 6) In the case either the Company or Mori Building Co., Ltd, which is the buyer, is to transfer the quasi co-ownership interest in trust beneficiary interest it holds to a third party, written approval from the other holder(s) of the quasi co-ownership interest is necessary.

(iii) Repurchase of Own Investment Units

The Company made the resolution at its Board of Directors' meeting held on March 17, 2025, to decide on matters relating to the repurchase of its own investment units under Article 80-2 of the Act on Investment Trusts and Investment Corporations, which was applied by replacing the provisions of Article 80-5, Paragraph 2 of the same Act.

The Company plans to retire all the repurchased investment units during the fiscal period ending July 31, 2025.

i) Reason for Repurchase of Own Investment Units

The Company conducted a comprehensive review of its investment unit price level, available cash on hand, financial market trends, the financial condition, and other factors. As a result, The Company has determined that increasing capital efficiency and returning profits to unitholders through the repurchase and retirement of own investment units will lead to an increase in unitholder value over the medium to long term, and has therefore decided to repurchase its own investment units.

ii) Details of the Repurchase

(1) Total number of investment units to be repurchased	30,700 units (maximum) 1.6% of the total number of issued and outstanding investment units (excluding the number of own investment units)
(2) Total amount of investment units repurchased	4,000 million yen (maximum)
(3) Repurchase method	Market purchase on the Tokyo Stock Exchange pursuant to a discretionary transaction agreement with a securities company regarding the repurchase of own investment units
(4) Repurchase period	March 18, 2025 to July 11, 2025

(9) Changes in units issued and outstanding

There was no increase (decrease) in the number of investment units issued and outstanding and unitholders' capital in the thirty-seventh fiscal period.

The outline of changes in unitholders' capital for the previous five years was as follows:

Date	Type of issue	Number of units issued and outstanding		Unitholders' capital (Millions of yen)		Note
		Increase	Balance	Increase	Balance	
August 31, 2020	Public offering	39,400	1,914,360	5,007	195,467	(Note 2)
September 25, 2020	Third-party allotment	1,970	1,916,330	250	195,718	(Note 3)

(Note 1) Fluctuation of unitholders' capital in line with implementation of dividends in excess of earnings from allowance for temporary difference adjustments is not considered.

(Note 2) New investment units were issued at a price of 127,099 yen per unit through a public offering in order to raise funds for acquiring new real property.

(Note 3) New investment units were issued at a price of 127,099 yen per unit through a third-party allotment in order to raise funds for part of future acquisitions.

3. REFERENCE INFORMATION

(1) Investment Status

(as of January 31, 2025)

(as of January 31, 2020)					
Type of asset	Main type of use	Region		Total amount held (millions of yen) (Note 1)	Percentage of total assets (%)
Real estate in trust	Office Buildings		Tokyo's five central wards and their vicinity	365,293	88.4
			Tokyo metropolitan area	365,293	88.4
			Principal regional cities	—	—
	Residential Properties		Tokyo's five central wards and their vicinity	6,269	1.5
			Tokyo metropolitan area	6,269	1.5
			Principal regional cities	—	—
	Retail and Other Facilities		Tokyo's five central wards and their vicinity	12,803	3.1
			Tokyo metropolitan area	12,803	3.1
			Principal regional cities	—	—
	Subtotal			384,366	93.0
Deposits and other assets (Note 2)			28,816	7.0	
Total assets			413,182	100.0	

(Note 1) Total amount held is the carrying amount (book value less depreciation and amortization).

(Note 2) Deposits and other assets include deposits within the assets in trust in the amount of 5,570 million yen. Trust beneficiary interest in assets which are primarily comprised of real estate, etc., do not include deposits within the assets in trust.

(as of January 31, 2025)

	Carrying amount (millions of yen)	Percentage of total assets (%)
Total liabilities	207,528	50.2
Total net assets	205,654	49.8
Total assets	413,182	100.0

(2) Investment Assets

(a) Major Issue of Investment Securities

Not applicable.

(b) Investment Real Estate Properties

Not applicable.

(c) Major Other Investment Assets

The Company holds the following trust beneficiary interest in real estate listed in the tables in a) below as of January 31, 2025. Mori Building Co., Ltd. led the development of all of the following real estate in trust.

a) Overview of Real Estate in Trust

The following are the real estate in trust held by the Company as of January 31, 2025.

(i) Overview of Assets by Type of Use

Main type of use	Property number (Note 1)	Property name		Location	Construction date (Note 2)	Structure/ Total number of floors (Note 2)	Land area (m ²) (Note 2) (Note 3)	Gross floor area (m ²) (Note 2) (Note 3)	Form of ownership (Note 4)		Appraisal value at the end of fiscal period (millions of yen) (Note 5)	Book value (millions of yen)	Acquisition price (millions of yen)	Percentage of total portfolio acquisition price (%) (Note 6)	
									Land	Bldg.					
Office Buildings	O-0 <u>Premium</u>	Roppongi Hills Mori Tower		Roppongi, Minato-ku	Apr. 2003	S/SRC B6F/54F	57,177.66	442,150.70	C (Note 7)	CO	159,200	109,932	115,380	28.7	
	O-1 <u>Premium</u>	ARK Mori Building		Akasaka, Minato-ku	Mar. 1986	RC/SRC/S B4F/37F	39,602.42	177,486.95	C (Note 7)	CO	67,500	61,562	62,480	15.6	
	O-4 <u>Premium</u>	Koraku Mori Building		Koraku, Bunkyo-ku	Mar. 2000	SRC/S B6F/19F	6,611.58	46,154.65	L	CO	24,720	24,356	27,200	6.8	
	O-6 <u>Premium</u>	Akasaka Tameike Tower		Akasaka, Minato-ku	Sep. 2000	S/SRC/RC B2F/25F	5,694.16	46,971.43	C (Note 8)	CO	35,300	40,878	43,930	10.9	
	O-7 <u>Premium</u>	Atago Green Hills	MORI Tower (office building)	Atago, Minato-ku	Jul. 2001	S/SRC B2F/42F	13,014.36 (Note 9)	85,266.30	* (Note 10)	* (Note 11)	46,250	39,245	42,090	10.5	
			Forest Tower (residential building)	Atago, Minato-ku	Oct. 2001	S/SRC B4F/43F		60,815.71							
			Plaza (retail building)	Toranomon, Minato-ku	Jul. 2001	RC B1F/2F		2,083.60							
	O-8 <u>Premium</u>	ARK Hills South Tower		Roppongi, Minato-ku	Jul. 2013	S/SRC/RC B4F/20F	5,846.69	53,043.48	C (Note 12)	C (Note 12)	23,600	18,361	19,150	4.8	
	O-9 <u>Premium</u>	Toranomon Hills Mori Tower		Toranomon, Minato-ku	May 2014	S/SRC B5F/52F	17,068.95	241,581.95	C (Note 7)	C	76,362	54,738	56,300	14.0	
	O-10 <u>Premium</u>	Holland Hills Mori Tower		Toranomon, Minato-ku	Jan. 2005	S/SRC/RC B2F/24F	3,487.61	35,076.12	C (Note 13)	CO	22,700	16,219	16,330	4.1	
Subtotal											455,632	365,293	382,860	95.3	
Residential Properties	R-3 <u>Premium</u>	Roppongi First Plaza		Roppongi, Minato-ku	Oct. 1993	RC B1F/20F	4,357.88 (Note 14)	22,906.74 (Note 14)	C (Note 14)	CO (Note 15)	3,540	2,208	2,100	0.5	
	R-4	Roppongi View Tower		Roppongi, Minato-ku	Oct. 1993	RC B1F/20F			C (Note 14)	CO (Note 15)	3,920	4,060	4,000	1.0	
	Subtotal											7,460	6,269	6,100	1.5
Retail and Other Facilities	S-1 <u>Premium</u>	Laforet Harajuku (Land)		Jingumae, Shibuya-ku	—	—	2,565.06	—	O	—	25,462	12,803	12,655	3.2	
	Subtotal											25,462	12,803	12,655	3.2
	Total											488,554	384,366	401,615	100.0

- (Note 1) "Property number" is the number assigned to real estate in trust held by the Company classified into the following main types of use. The alphabet on the left represents the main type of use, where "O" represents an office building, "R" represents a residential property and "S" represents a retail and other facility. In addition, Premium Properties are denoted by "Premium." The same applies hereafter.
- (Note 2) "Construction date," "Structure/Total number of floors," "Land area" and "Gross floor area" are as described in the property registry. As for "Structure/Total number of floors," the following abbreviations are used.
RC: Reinforced concrete; SRC: Steel frame and reinforced concrete; S: Steel frame;
B: Number of basement floor; F: Number of floor above ground level
- (Note 3) "Land area" and "Gross floor area" indicate the area of the entire site and the total area floor of the entire building based on the description of the property registry, regardless of the form of ownership.
- (Note 4) "Form of ownership" is the type of rights, where "O" represents ownership rights, "C" represents a co-ownership interest in ownership rights, "CO" represents compartmentalized ownership of exclusive portion of a building, and "L" represents leasehold rights.
- (Note 5) "Appraisal value at the end of fiscal period" for properties except for ARK Hills South Tower is the appraisal value as of January 31, 2025 as described in the real estate appraisal report prepared by Japan Real Estate Institute. The figure for ARK Hills South Tower is the appraisal value as of January 31, 2025 as described in the real estate appraisal report prepared by DAIWA REAL ESTATE APPRAISAL CO., LTD.
- (Note 6) "Percentage of total portfolio acquisition price" is calculated as a percentage of the aggregate acquisition price of the Company's portfolio.
- (Note 7) Co-ownership interest as a portion of the land use rights.
- (Note 8) The land of Akasaka Tameike Tower is composed of the land owned by a third party (parcel number 1705-1) and the land jointly owned by the trustee and Mori Building Co., Ltd. (parcel number 1701-1). The trustee's co-ownership interest ratio of the land (parcel number 1701-1) is approximately 98.6% and the area corresponding to the co-ownership interest ratio is 3,211.94m². The same applies hereafter.
- (Note 9) "Land area" for Atago Green Hills is the area of the entire land over which land use rights for the building have been established pursuant to the rules of the Atago Green Hills Management Meeting.
- (Note 10) The land of Atago Green Hills is composed of the land owned by third parties and the land jointly owned by the trustee and Mori Building Co., Ltd. and leasehold rights and easement jointly owned by the trustee and Mori Building Co., Ltd. The land corresponding to each building is determined pursuant to the rules of the Atago Green Hills Management Meeting.
- (Note 11) The buildings of Atago Green Hills are composed of parts owned by third parties through compartmentalized ownership and other parts jointly owned by the trustee and Mori Building Co., Ltd. through direct ownership and compartmentalized ownership.
- (Note 12) The Company owns 25% co-ownership interest of the building and the site.
- (Note 13) The land of Holland Hills Mori Tower is composed of the land owned by the Tokyo Metropolitan Government (3-802-2 Shibakoen and 1-224-28 Azabudai) and the land jointly owned by the trustee and Mori Building Co., Ltd. under joint ownership (5-124-1 Toranomom and 3-803-3. Shibakoen). The trustee's co-ownership interest ratio of the land (5-124-1 Toranomom and 3-803-3. Shibakoen) is approximately 62.9% and the area corresponding to the co-ownership interest ratio is 1,910.96m². The same applies hereafter.
- (Note 14) As Roppongi First Plaza and Roppongi View Tower are on the same site and are described in the property registry as one building owned through compartmentalized ownership, the land area and the gross floor area for these properties are added together. The land corresponding to each building has been determined pursuant to its management rules and is owned in the land use rights ratio.
- (Note 15) Roppongi First Plaza and Roppongi View Tower are described in the property registry as one building owned through compartmentalized ownership. 42 residential units out of the total of 90 residential units in Roppongi First Plaza are owned through compartmentalized ownership. 92 residential units out of the total of 202 residential units in Roppongi View Tower are owned through compartmentalized ownership.

(ii) Overview of Lease Conditions (as of January 31, 2025)

Property number	Property name	Type of lease (Note 1)	Total leasable area (m ²) (Note 2)	Total leased area (m ²) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Annual contracted rent (millions of yen) (Note 5)	Security deposits (millions of yen) (Note 6)
O-0	Roppongi Hills Mori Tower	Fixed-rent master lease	43,041.54	43,041.54	100.0	1	5,702	4,752
O-1	ARK Mori Building	Fixed-rent master lease	24,588.43	24,588.43	100.0	1	2,702	2,241
O-4	Koraku Mori Building	Pass-through master lease	16,152.65	16,152.65	100.0	24	1,357	1,367
O-6	Akasaka Tameike Tower	Pass-through master lease	19,777.54	19,575.70	99.0	142	1,706	1,177
O-7	Atago Green Hills	Fixed-rent master lease	29,667.58	29,667.58	100.0	1	2,024	1,349
O-8	ARK Hills South Tower	Pass-through master lease	8,994.60	8,451.47	94.0	50	943	873
O-9	Toranomon Hills Mori Tower	Fixed-rent master lease	19,046.16	19,046.16	100.0	1	2,419	2,016
O-10	Holland Hills Mori Tower	Pass-through master lease	10,165.01	10,165.01	100.0	24	1,008	950
R-3	Roppongi First Plaza	Pass-through master lease	2,956.77	2,694.25	91.1	39	181	64
R-4	Roppongi View Tower	Pass-through master lease	4,515.25	4,339.30	96.1	88	223	53
S-1	Laforet Harajuku (Land)	Business-use fixed-term land lease	1,487.73	1,487.73	100.0	1	774	—
Total			180,393.26	179,209.82	99.3	372	19,045	14,848

(Note 1) We treat lease as a fixed-rent master lease when we grant the authority to lease the property to other co-owner and receive a fixed amount in consideration. The same applies hereafter.

(Note 2) “Total leasable area” is the area of the space deemed to be available for the end-tenants. In the case where we lease the entire space to any one tenant in the form of a fixed-rent master lease or where we grant the authority to lease the property to other co-owner and a fixed amount is paid to us in consideration of such granting, such tenant or co-owner is deemed to be the end-tenant. The same applies hereafter. “Total leased area” is equivalent to total floor area of leased space set out in the lease agreements, etc. with the end-tenants. In the case of Koraku Mori Building, Atago Green Hills, Toranomon Hills Mori Tower and Laforet Harajuku (Land), this indicates 80%, 74%, 78% and 58% of the proportionate ownership ratio, respectively, of the foregoing total leasable area and total leased area, which is rounded off to two decimal places. In the case of ARK Hills South Tower, it indicates 25% of co-ownership interest ratio of the total leasable area and total leased area of the building, which is rounded off to two decimal places. In the case of Akasaka Tameike Tower, the office and shop portions are calculated by multiplying Total leasable area and Total leased area concerning the private-use areas of sectional ownership owned by the trustee, the Asahi Shimbun Company and Mori Building Co., Ltd (all of the relevant portions under these uses) by the distribution ratio for the trust beneficiary interest owned by Mori Hills REIT Investment Corporation (ratio stated in the agreement to amend building lease agreement concluded on July 29, 2016) (65.9%), and the residential portion is calculated by multiplying Total leasable area and Total leased area concerning the private-use areas of sectional ownership owned by the trustee and the Asahi Shimbun Company (128 units) by the distribution ratio for the trust beneficiary interest owned by Mori Hills REIT Investment Corporation (ratio stated in the agreement to amend building lease agreement concluded on January 6, 2016) (67%), and is indicated by rounding off to two decimal places. The same applies hereafter. The total leasable area and total leased area do not include the area of storage space, flat parking lots and machinery, etc. The same applies hereafter.

(Note 3) “Occupancy rate” is calculated by dividing the total leased area for each property by the total leasable area of the property. The total indicates the ratio of the aggregate total leased area for all properties to the aggregate total leasable area for all properties.

(Note 4) “Number of tenants” is computed by counting the number of tenants as to the properties with fixed-rent master lease agreements and Laforet Harajuku (Land) as one. As for other properties, in the case of offices and shops, any one tenant which occupies more than one leased premise within the same property shall be counted as one, and in the case of residence, each residential unit shall be counted as one. The same applies hereafter.

- (Note 5) “Annual contracted rent” for each property is calculated by multiplying the monthly rent provided in the relevant lease agreement, etc. with the end-tenant (which shall be the monthly rent after a free rent period if a free rent period has been established at the beginning of the lease period, or the amount charged to the end-tenants during the period from January 1, 2025 to January 31, 2025 if a percentage rent is adopted) by 12. In the case of Koraku Mori Building, Atago Green Hills, Toranomom Hills Mori Tower and Laforet Harajuku (Land), this indicates 80%, 74%, 78% and 58% (i.e., the ownership ratio), respectively, of the amount so calculated. In the case of ARK Hills South Tower, it indicates the 25% co-ownership interest ratio of the annual contracted rent. In the case of Akasaka Tameike Tower, the office and shop portions are calculated by multiplying annual contracted rent from the private-use areas of sectional ownership owned by the trustee, the Asahi Shimbun Company and Mori Building Co., Ltd (all of the relevant portions under these uses) by the distribution ratio for the trust beneficiary interest owned by Mori Hills REIT Investment Corporation (65.9%), and the residential portion is calculated by multiplying annual contracted rent from the private-use areas of sectional ownership owned by the trustee and the Asahi Shimbun Company (128 units) by the distribution ratio for the trust beneficiary interest owned by Mori Hills REIT Investment Corporation (67%). The same applies hereafter.
- (Note 6) “Security Deposits” indicates the remaining amount of the security deposit set forth in the relevant lease agreement, etc. with the end-tenant. With regard to Roppongi View Tower, this indicates the amount set forth in the lease agreement with Mori Building Co., Ltd., as master lessee. In the case of Koraku Mori Building, Atago Green Hills and Toranomom Hills Mori Tower, this indicates 80%, 74% and 78% (i.e., the ownership ratio), respectively, of such remaining amount of the security deposit. In the case of ARK Hills South Tower, it indicates the 25% co-ownership interest ratio of the security deposits. In the case of Akasaka Tameike Tower, the office and shop portions are calculated by multiplying security deposits from the private-use areas of sectional ownership owned by the trustee, the Asahi Shimbun Company and Mori Building Co., Ltd (all of the relevant portions under these uses) by the distribution ratio for the trust beneficiary interest owned by Mori Hills REIT Investment Corporation (65.9%), and the residential portion is calculated by multiplying security deposits from the private-use areas of sectional ownership owned by the trustee and the Asahi Shimbun Company (128 units) by the distribution ratio for the trust beneficiary interest owned by Mori Hills REIT Investment Corporation (67%). The same applies hereafter.

(iii) Overview of Lease to Major Tenant

The following table provides certain information regarding a key tenant, which leases 10% or more of the total leased area for the properties in the Company's portfolio as of January 31, 2025 and a brief summary of the lease conditions for such tenant.

Tenant name	Business type	Property name	Annual contracted rent (millions of yen)	Security Deposits (millions of yen)	Leased Area (m ²) (Note 1)	Percentage of total leased area (%) (Note 2)	Lease expiration date	Lease renewal	Notes
Mori Building Co., Ltd.	Real estate business	Roppongi Hills Mori Tower	5,702	4,752	43,041.54	24.0	Jul. 31, 2026	Auto-renewed every 5 years	23/24 floors
							Sep. 30, 2028	Auto-renewed every 5 years	19/22 floors
							Jul. 31, 2029	Auto-renewed every 5 years	20 floor
							Sep. 30, 2025	Auto-renewed every 5 years	28 floor
							Jan. 31, 2026	Auto-renewed every 5 years	25 floor
							Mar. 31, 2026	Auto-renewed every 5 years	26/27/29 floors
		ARK Mori Building	2,702	2,241	24,588.43	13.7	Jan. 31, 2026	Auto-renewed every 5 years	13 floor
							Jan. 31, 2026	Auto-renewed every 5 years	12/22 floors
							Jan. 31, 2026	Auto-renewed every 5 years	23/25 floors
							Jan. 31, 2026	Auto-renewed every 5 years	4/15/24 floors
							Mar. 31, 2028	Auto-renewed every 5 years	1 floor/Basement 1 through 4/ The area used as district heating and cooling
		Koraku Mori Building	1,357	1,367	16,152.65	9.0	Feb. 28, 2033	Auto-renewed every 5 years	—
		Akasaka Tameike Tower	1,706	1,177	19,575.70	10.9	Mar. 31, 2026	Auto-renewed every 5 years	Office and shop areas (including parts of storage areas, parking lots, etc.)
							Mar. 31, 2026	Auto-renewed every 5 years	Residential area (including parts of parking lots, etc.)
		Atago Green Hills	2,024	1,349	29,667.58	16.6	Apr. 30, 2027	Auto-renewed every 5 years	—
		ARK Hills South Tower	943	873	8,451.47	4.7	Jul. 31, 2034	Auto-renewed every year	—
		Toranomon Hills Mori Tower	2,419	2,016	19,046.16	10.6	Jul. 31, 2027	Auto-renewed every 5 years	—
		Holland Hills Mori Tower	1,008	950	10,165.01	5.7	Jul. 31, 2032	Auto-renewed every 10 years	—
		Roppongi First Plaza	181	64	2,694.25	1.5	Feb. 28, 2033	Auto-renewed every 5 years	—
		Roppongi View Tower	223	53	4,339.30	2.4	Feb. 28, 2033	Auto-renewed every 5 years	—
Total			18,271	14,848	177,722.09	99.2			

- (Note 1) “Leased area” is equivalent to floor area of leased space set out in the lease agreement, etc. with the end-tenant. In the case of Koraku Mori Building, Atago Green Hills and Toranomon Hills Mori Tower, this indicates 80%, 74% and 78% of the proportionate ownership ratio, respectively, of the foregoing leased area, which is rounded off to two decimal places. In the case of ARK Hills South Tower, it indicates 25% of co-ownership interest ratio of the leased area of the building, which is rounded off to two decimal places. In the case of Akasaka Tameike Tower, the office and shop portions are calculated by multiplying leased area from the private-use areas of sectional ownership owned by the trustee, the Asahi Shimbun Company and Mori Building Co., Ltd (all of the relevant portions under these uses) by the distribution ratio for the trust beneficiary interest owned by Mori Hills REIT Investment Corporation (65.9%), and the residential portion is calculated by multiplying leased area from the private-use areas of sectional ownership owned by the trustee and the Asahi Shimbun Company (128 units) by the distribution ratio for the trust beneficiary interest owned by Mori Hills REIT Investment Corporation (67%), and is indicated by rounding off to two decimal places. The leased area does not include the area of storage space, flat parking lots, and machinery, etc. The same applies hereafter.
- (Note 2) “Percentage of total leased area” indicates the ratio of the total leased area of each property to the aggregate total leased area for all properties held by the Company as of January 31, 2025. The same applies hereafter.

(iv) Five Largest Tenants

The following table shows the Company’s five largest tenants by leased area for the Company’s properties as of January 31, 2025.

Name of end tenant	Property name	Leased area (m ²)	Percentage of total leased area (%)
Mori Building Co., Ltd.	Roppongi Hills Mori Tower ARK Mori Building Atago Green Hills Toranomon Hills Mori Tower	116,343.71	64.9
Mitsubishi UFJ Research and Consulting Co., Ltd.	Holland Hills Mori Tower	3,358.32	1.9
Company A	Holland Hills Mori Tower	2,975.85	1.7
Japan Worker's Credit Fund Association	Koraku Mori Building	1,851.87	1.0
SoldOut, Inc.	Koraku Mori Building	1,851.87	1.0
Total		126,381.62	70.5

(v) Overview of Lease to Interested Parties

The following table provides an overview of lease to the end-tenants who are interested parties for the properties held by the Company as of January 31, 2025.

Name of end tenant	Name of occupied property	Leased area (m ²)	Percentage of total portfolio (%)	Annual contracted rent (thousands of yen)	Lease expiration date	Lease renewal	Type of lease	Notes
Mori Building Co., Ltd.	Roppongi Hills Mori Tower	43,041.54	24.0	5,702,788	Jul. 31, 2026	Auto-renewed every 5 years	Fixed-rent master lease	23/24 floors
					Sep. 30, 2028	Auto-renewed every 5 years	Fixed-rent master lease	19/22 floors
					Jul. 31, 2029	Auto-renewed every 5 years	Fixed-rent master lease	20 floor
					Sep. 30, 2025	Auto-renewed every 5 years	Fixed-rent master lease	28 floor
					Jan. 31, 2026	Auto-renewed every 5 years	Fixed-rent master lease	25 floor
					Mar. 31, 2026	Auto-renewed every 5 years	Fixed-rent master lease	26/27/29 floors
	ARK Mori Building	24,588.43	13.7	2,702,973	Jan. 31, 2026	Auto-renewed every 5 years	Fixed-rent master lease	13 floor
					Jan. 31, 2026	Auto-renewed every 5 years	Fixed-rent master lease	12/22 floors
					Jan. 31, 2026	Auto-renewed every 5 years	Fixed-rent master lease	23/25 floors
					Jan. 31, 2026	Auto-renewed every 5 years	Fixed-rent master lease	4/15/24 floors
					Mar. 31, 2028	Auto-renewed every 5 years	Fixed-rent master lease	1 floor/Basement 1 through 4/ The area used as district heating and cooling
	Atago Green Hills	29,667.58	16.6	2,024,640	Apr. 30, 2027	Auto-renewed every 5 years	Fixed-rent master lease	—
	Toranomon Hills Mori Tower	19,046.16	10.6	2,419,814	Jul. 31, 2027	Auto-renewed every 5 years	Fixed-rent master lease	—
Mori Building Ryutsu System Co., Ltd.	Laforet Harajuku (Land)	1,487.73	0.8	774,648	Sep. 14, 2030	—	Business-use fixed-term land lease	—
Total		117,831.44	65.8	13,624,864				

(vi) Overview of Properties

The following table provides an overview of the properties for which annual contracted rent accounts for 10% or more of the total annual contracted rent for properties held by the Company as of January 31, 2025.

Property number	Property name	Annual contracted rent (millions of yen)	Percentage of annual contracted rent (%) (Note)	Total leasable area (m ²)	Total leased area (m ²)	Occupancy rate (%)	Number of tenants
O-0	Roppongi Hills Mori Tower	5,702	29.9	43,041.54	43,041.54	100.0	1
O-1	ARK Mori Building	2,702	14.2	24,588.43	24,588.43	100.0	1
O-9	Toranomon Hills Mori Tower	2,419	12.7	19,046.16	19,046.16	100.0	1
O-7	Atago Green Hills	2,024	10.6	29,667.58	29,667.58	100.0	1
Total		12,850	67.5	116,343.71	116,343.71	100.0	4

(Note) This indicates the ratio of the annual contracted rent for each property to the aggregate total annual contracted rent for all properties held by the Company as of January 31, 2025.

(vii) Overview of Matters Concerning Design, Etc.

The following table provides the designers, structural designers, contractors, building verification agencies and structural examination agencies for properties held by the Company as of January 31, 2025.

Property number	Property name	Designer	Structural designer	Contractor	Building verification agency	Structural examination agency (Note)
O-0	Roppongi Hills Mori Tower	Mori Building Co., Ltd., first class architect office, and Irie Miyake Architects & Engineers	Mori Building Co., Ltd., first class architect office, and Kozo Keikaku Engineering Inc.	Consortium of Obayashi Corporation and Kajima Corporation	Tokyo Metropolitan Government	The Building Center of Japan
O-1	ARK Mori Building	Mori Building Co., Ltd., first class architect office, and Irie Miyake Architects & Engineers	Mori Building Co., Ltd., first class architect office, and Irie Miyake Architects & Engineers	Consortium of Kajima Corporation, Toda Corporation and Fujita Engineering Co. Ltd.	Tokyo Metropolitan Government	The Building Center of Japan
O-4	Koraku Mori Building	Mori Building Co., Ltd., first class architect office, and GKK Architects & Engineers	Mori Building Co., Ltd., first class architect office, and Orimoto Structural Engineers	Consortium of Shimizu Corporation and Sato Kogyo Co., Ltd.	Tokyo Metropolitan Government	The Building Center of Japan
O-6	Akasaka Tameike Tower	Shimizu Corporation, first class architect office	Shimizu Corporation, first class architect office	Consortium of Shimizu Corporation and Takenaka Corporation	Tokyo Metropolitan Government	The Building Center of Japan
O-7	Atago Green Hills	Mori Building Co., Ltd., first class architect office, and Irie Miyake Architects & Engineers	Mori Building Co., Ltd., first class architect office, and Kozo Keikaku Engineering Inc.	(office building / retail building) Consortium of Takenaka Corporation and Kumagai Gumi Co., Ltd. (residential building) Toda Corporation	Tokyo Metropolitan Government	(office building / residential building) The Building Center of Japan (retail building) Tokyo Metropolitan Government
O-8	ARK Hills South Tower	Mori Building Co., Ltd., first class architect office and Irie Miyake Architects & Engineers	Mori Building Co., Ltd., first class architect office, Irie Miyake Architects & Engineers and Shimizu Corporation, first class architect office	Shimizu Corporation	The Building Center of Japan	The Building Center of Japan
O-9	Toranomon Hills Mori Tower	Nihon Sekkei, Inc.	Nihon Sekkei, Inc. and Obayashi Corporation first class architect office	Obayashi Corporation	The Building Center of Japan	The Building Center of Japan
O-10	Holland Hills Mori Tower	Yamashita Sekkei, Inc.	Yamashita Sekkei, Inc.	Obayashi Corporation	Tokyo Metropolitan Government	The Building Center of Japan
R-3	Roppongi First Plaza	Urban Renaissance Agency, and Irie Miyake Architects & Engineers	Urban Renaissance Agency, and Kozo Keikaku Engineering Inc.	Consortium of Shimizu Corporation and ANDO Corporation	Tokyo Metropolitan Government	The Building Center of Japan
R-4	Roppongi View Tower					

(Note) With regard to structures constructed by special structural methods, such as super high-rise structures or seismic isolated structures, a structural evaluation involving a more detailed examination than general standards must be obtained pursuant to building standards laws and regulations (performance assessment under the Building Standards Act from 2000). In addition, there are cases where it is obtained in accordance with the instructions, etc. of administrative authorities.

(viii) Overview of Engineering Reports

The Company engages an engineering firm to investigate the status of the building (including earthquake risk analysis) and obtains an engineering report from the firm for each property. The following table shows the status of properties held by the Company as of January 31, 2025. “Estimated amount of emergency repair expenses” is the emergency repair expenses estimated by the engineering firm. “Estimated amount of long-term repair expenses” is the annual average amount of repair and renovation expenses over a period of 15 years estimated by the engineering firm.

The report provides a mere opinion of the engineering firm and no guarantee is provided as to the accuracy of the opinion.

No earthquake insurance has been taken out for properties held by the Company.

Property number	Property name		Preparation date	Estimated amount of emergency repair expenses (thousands of yen)	Estimated amount of long-term repair expenses (thousands of yen) (Note 1)(Note 2) (Note 3)(Note 4) (Note 5)	PML (%) (Note 6)	Engineering firm
O-0	Roppongi Hills Mori Tower		Jan. 2021	—	81,196	2.0	Tokyo Bldg-Tech Center Co., Ltd.
O-1	ARK Mori Building		Jun. 2023	—	114,125	2.2	Tokio Marine dR Co., Ltd.
O-4	Koraku Mori Building		Feb. 2022	—	107,452	1.1	Tokio Marine dR Co., Ltd.
O-6	Akasaka Tameike Tower		Jan. 2022	—	100,101	2.3	Tokyo Bldg-Tech Center Co., Ltd.
O-7	Atago Green Hills	MORI Tower (office building)	Mar. 2023	—	208,931	2.7	Tokio Marine dR Co., Ltd.
		Forest Tower (residential building)		—	130,352	2.7	
		Plaza (retail building)		—	2,933	6.7	
O-8	ARK Hills South Tower		Jul. 2024	—	40,027	1.5	Tokio Marine dR Co., Ltd.
O-9	Toranomom Hills Mori Tower		Feb. 2021	—	13,849	2.3	Tokyo Bldg-Tech Center Co., Ltd.
O-10	Holland Hills Mori Tower		Dec. 2023	—	54,072	1.4	Tokyo Bldg-Tech Center Co., Ltd.
R-3	Roppongi First Plaza		Jan. 2022	—	9,040	2.0	Tokyo Bldg-Tech Center Co., Ltd.
R-4	Roppongi View Tower		Jan. 2022	—	13,366	2.0	Tokyo Bldg-Tech Center Co., Ltd.
S-1	Laforet Harajuku (Land) (Note 7)		—	—	—	—	—
Total				—	875,444	2.0	

(Note 1) With regard to Roppongi Hills Mori Tower, this amount is calculated by multiplying the estimated amount for the entire property by the percentage share of the costs pertaining to the portion in trust provided under the Roppongi Hills Mori Tower Management Rules.

(Note 2) With regard to ARK Mori Building, this amount is calculated by multiplying the estimated amount for the entire property by the percentage share of the costs pertaining to the portion in trust pursuant to the ARK Mori Building Management Rules.

(Note 3) With regard to Atago Green Hills, this amount is calculated by multiplying the estimated amount for the entire property in each building by the percentage share of the costs pertaining to the Company's share in the trust beneficiary interest pursuant to the Atago Green Hills Management Rules.

(Note 4) With regard to ARK Hills South Tower, this amount is calculated by multiplying the estimated amount for the entire property by the co-ownership interest ratio.

(Note 5) With regard to Toranomon Hills Mori Tower, this amount is calculated by multiplying the estimated amount for the entire real estate in trust by the quasi co-ownership ratio for the trust beneficiary interest owned the Company.

(Note 6) This indicates the figure described in the “Report on evaluation of seismic PML for portfolio” dated Feb 20, 2025 by Sompo Risk Management Inc.

(Note 7) With regard to Laforet Harajuku (Land), no investigation is implemented because the Company does not hold any buildings, etc.

(ix) Status of Capital Expenditures

i) Status of Implementation of Capital Expenditures

The following table shows the major construction work falling under the category of capital expenditures that were conducted during the thirty-seventh fiscal period. Capital expenditures during the thirty-seventh fiscal period amounted to 348 million yen for the entire portfolio and, combined with 89 million yen in maintenance and repairs and 3.0 million yen in construction management fees charged to expenses for the thirty-seventh fiscal period, construction work in a total amount of 441 million yen was implemented.

Name of real estate, etc. (Location)	Purpose	Period	Amount of capital expenditures (millions of yen)
ARK Mori Building (Minato-ku, Tokyo)	Fire alarm upgrading work	From: Aug. 2024 To: Nov. 2024	23
	Sprinkler upgrading work in exclusive area	From: Mar. 2024 To: Dec. 2024	51
	Elevator upgrading work	From: Nov. 2023 To: Jan. 2025	26
Akasaka Tameike Tower (Minato-ku, Tokyo)	Vacuum circuit breaker upgrading work for power receiving and transforming equipment	From: Oct. 2024 To: Nov. 2024	12
	LED installation of lights in exclusive area	From: Aug. 2024 To: Dec. 2024	49
	Residential unit home appliances upgrading work	From: Aug. 2024 To: Jan. 2025	11
Atago Green Hills (Minato-ku, Tokyo)	Office building wood deck upgrading work	From: Oct. 2024 To: Dec. 2024	10
	Office building window side air conditioner upgrading work	From: Oct. 2024 To: Jan. 2025	29
Other	—	—	134
Total			348

(Note) The projects shown above are those for which capital expenditure exceeds 10 million yen per project.

ii) Schedule of Capital Expenditures

The following table shows the amounts of capital expenditures conducted after the end of the thirty-seventh fiscal period and the expected amounts of capital expenditures associated with the major renovation construction work, etc. planned as of the date of this document for properties held by the Company as of January 31, 2025. A portion of the total “Expected amount of capital expenditures” detailed below may be treated as expenses for accounting purposes depending on the form of construction work.

Name of real estate, etc. (Location)	Purpose	Scheduled period	Expected amount of capital expenditures (millions of yen)		
			Total amount	Amount paid during the thirty-seventh fiscal period	Total amount already paid
Roppongi Hills Mori Tower (Minato-ku, Tokyo)	Sprinkler upgrading work in common area	From: Apr. 2024 To: Mar. 2025	84	—	—
	ITV system upgrading work	From: Apr. 2024 To: Mar. 2025	14	—	—
	Work to upgrade steam piping	From: Apr. 2024 To: Mar. 2025	16	—	—
	Work to upgrade VAV automatic control equipment in exclusive area	From: Apr. 2025 To: Mar. 2026	35	—	—
	LED installation of lights in exclusive area	From: Apr. 2025 To: Mar. 2026	191	—	—
	OA floor upgrading work in exclusive area	From: Apr. 2025 To: Mar. 2026	33	—	—
	Toilet upgrading work	From: Apr. 2025 To: Mar. 2026	320	—	—
ARK Mori Building (Minato-ku, Tokyo)	Elevator upgrading work	From: Nov. 2023 To: Feb. 2025	38	—	—
	Security system upgrading work	From: Sep. 2024 To: Feb. 2025	25	—	—
Koraku Mori Building (Bunkyo-ku, Tokyo)	Wood deck upgrading work	From: Aug. 2024 To: Feb. 2025	12	—	—
	Central monitoring and control system upgrading work	From: Jun. 2024 To: May. 2025	61	—	—
	LED installation of lights in exclusive area	From: Dec. 2024 To: Jul. 2025	28	—	—
	Window side air conditioner upgrading work	From: May. 2025 To: Jul. 2025	27	—	—
	Emergency broadcasting equipment upgrading work	From: Jul. 2025 To: Jul. 2025	12	—	—

Name of real estate, etc. (Location)	Purpose	Scheduled period	Expected amount of capital expenditures (millions of yen)		
			Total amount	Amount paid during the thirty-seventh fiscal period	Total amount already paid
Akasaka Tameike Tower (Minato-ku, Tokyo)	Central monitoring and control system upgrading work	From: Feb. 2025 To: Mar. 2025	18	—	—
	LED installation of lights in exclusive area	From: Aug. 2024 To: Nov. 2025	10	—	—
	Air balance unit upgrading work in exclusive area	From: Aug. 2024 To: Jan. 2026	18	—	—
	Residential unit home appliances upgrading work	From: Feb. 2025 To: Jan. 2026	22	—	—
	Residential range hoods replacement work	From: Feb. 2025 To: Jan. 2026	28	—	—
	Toilet upgrading work	From: Feb. 2025 To: Jan. 2026	14	—	—
Atago Green Hills (Minato-ku, Tokyo)	Residential building entrance remodeling work	From: Oct. 2024 To: Mar. 2025	30	—	—
	Office building visitor management system upgrading work	From: Feb. 2025 To: Sep. 2025	11	—	—
ARK Hills South Tower (Minato-ku, Tokyo)	Central monitoring and control system upgrading work	From: Nov. 2023 To: Jun. 2025	50	—	—
Holland Hills Mori Tower (Minato-ku, Tokyo)	Toilet upgrading work	From: Aug. 2024 To: Mar. 2025	94	—	—
Roppongi First Plaza (Minato-ku, Tokyo)	Residential unit remodeling work	From: Dec. 2024 To: Mar. 2025	49	—	—
	Elevator upgrading work	From: Oct. 2026 To: Dec. 2026	11	—	—
Roppongi View Tower (Minato-ku, Tokyo)	Residential unit remodeling work	From: Feb. 2025 To: Jul. 2025	17	—	—
	Elevator upgrading work	From: Jul. 2026 To: Sep. 2026	21	—	—

(Note) The projects shown are those for which the expected amount exceeds 10 million yen per project.

b) Overview of Trust Beneficiary Interest

(as of January 31, 2025)

Main type of use	Property number	Property name	Trustee	Trust establishment date	Trust maturity date	Notes
Office buildings	O-0 Premium	Roppongi Hills Mori Tower	Sumitomo Mitsui Trust Bank, Ltd.	Aug. 1, 2011	Jul. 31, 2026	Trust beneficiary interest in compartmentalized ownership for 23rd and 24th floor portions
			Sumitomo Mitsui Trust Bank, Ltd.	Oct. 1, 2013	Sep. 30, 2028	Trust beneficiary interest in compartmentalized ownership for 19th and 22nd floor portions
			Sumitomo Mitsui Trust Bank, Ltd.	Aug. 1, 2014	Jul. 31, 2029	Trust beneficiary interest in compartmentalized ownership for 20th floor portion
			Sumitomo Mitsui Trust Bank, Ltd.	Sep. 16, 2015	Sep. 15, 2030	Trust beneficiary interest in compartmentalized ownership for 28th floor portion
			Sumitomo Mitsui Trust Bank, Ltd.	Feb. 1, 2016	Jan. 31, 2031	Trust beneficiary interest in compartmentalized ownership for 25th floor portion
			Mitsubishi UFJ Trust and Banking Corporation	Apr. 1, 2016	Mar. 31, 2036	Trust beneficiary interest in compartmentalized ownership for 26th, 27th and 29th floor portions
	O-1 Premium	ARK Mori Building	Mizuho Trust & Banking Co., Ltd.	Mar. 22, 2006	Mar. 31, 2026	Trust beneficiary interest in compartmentalized ownership for 13th floor portion
			Mizuho Trust & Banking Co., Ltd.	Mar. 28, 2008	Mar. 31, 2026	Trust beneficiary interest in compartmentalized ownership for 12th and 22nd floor portions
			Mizuho Trust & Banking Co., Ltd.	Mar. 18, 2011	Mar. 31, 2026	Trust beneficiary interest in compartmentalized ownership for 23rd and 25th floor portions
			Sumitomo Mitsui Trust Bank, Ltd.	Aug. 1, 2011	Jul. 31, 2026	Trust beneficiary interest in compartmentalized ownership for 4th, 15th and 24th floor portions
			Sumitomo Mitsui Trust Bank, Ltd.	Apr. 1, 2013	Mar. 31, 2028	Trust beneficiary interest in compartmentalized ownership for the area used as district heating and cooling on the 1st floor and the 1st through 4th floor below ground portions
	O-4 Premium	Koraku Mori Building	Sumitomo Mitsui Trust Bank, Ltd.	Mar. 4, 2003	Feb. 28, 2033	Trust beneficiary interest representing 80% interest in the assets in trust;
						Trust beneficiary interest representing the remaining 20% interest in the assets in trust is held by Mori Building Co., Ltd.
	O-6 Premium	Akasaka Tameike Tower	Sumitomo Mitsui Trust Bank, Ltd.	Sep. 30, 2008	Mar. 31, 2026	Trust beneficiary interest in office and shop areas (including parts of storage areas, parking lots, etc.)
			Sumitomo Mitsui Trust Bank, Ltd.	Mar. 18, 2011	Mar. 31, 2026	Trust beneficiary interest in residential area (including parts of parking lots, etc.)
	O-7 Premium	Atago Green Hills	Mitsubishi UFJ Trust and Banking Corporation	May 1, 2012	Apr. 30, 2027	Trust beneficiary interest representing 74% interest in the assets in trust;
						Trust beneficiary interest representing the remaining 26% interest in the assets in trust is held by Mori Building Co., Ltd.
	O-8 Premium	ARK Hills South Tower	Mitsubishi UFJ Trust and Banking Corporation	Aug. 1, 2014	Jul. 31, 2034	Trust beneficiary interest in the 25% co-ownership

Main type of use	Property number	Property name	Trustee	Trust establishment date	Trust maturity date	Notes
Office buildings	O-9	Toranomon Hills Mori Tower	Mitsubishi UFJ Trust and Banking Corporation	Jun. 26, 2014	Jul. 31, 2037	Trust beneficiary interest representing 78% interest in the assets in trust; Trust beneficiary interest representing the remaining 22% interest in the assets in trust is held by Mori Building Co., Ltd.
	Premium					
	O-10	Holland Hills Mori Tower	Sumitomo Mitsui Trust Bank, Ltd.	Aug. 1, 2017	Jul. 31, 2032	Trust beneficiary interest in compartmentalized ownership for 3rd-4th, part of the 5th, 14-18th and 22nd-24th floor portions
	Premium					
Residential properties	R-3	Roppongi First Plaza	Sumitomo Mitsui Trust Bank, Ltd.	Mar. 4, 2003	Feb. 28, 2033	—
	Premium					
	R-4	Roppongi View Tower	Sumitomo Mitsui Trust Bank, Ltd.	Mar. 4, 2003	Feb. 28, 2033	Trust beneficiary interest in compartmentalized ownership for 80 units in Roppongi View Tower
			Sumitomo Mitsui Trust Bank, Ltd.	Mar. 22, 2006	Feb. 28, 2033	Trust beneficiary interest in compartmentalized ownership for 12 units in Roppongi View Tower
Retail and Other Facilities	S-1	Laforet Harajuku (Land)	Sumitomo Mitsui Trust Bank, Ltd.	Jul. 1, 2022	Jul. 31, 2042	Trust beneficiary interest representing 58% interest in the assets in trust; Trust beneficiary interest representing the remaining 42% interest in the assets in trust is held by Mori Building Co., Ltd
	Premium					

c) Status of Portfolio

(i) Investment Ratio by Property Quality

(as of January 31, 2025)

Quality category (Note)	Number of properties	Acquisition price (millions of yen)	Percentage of total portfolio acquisition price (%)
Premium Properties	10	397,615	99.0
Other Properties	1	4,000	1.0
Total	11	401,615	100.0

(Note) For the Premium Properties in the quality category, please refer to “2. Investment Policy; (1) Investment Policy; (B) Management Strategy; (a) Key Strategy; a. Development of Urban Portfolio with Premium Properties at the Core; i. Investments that Focus on Premium Properties” in the most recent securities report (submitted on October 30, 2024).

(ii) Investment Ratio by Main Type of Use

(as of January 31, 2025)

Main type of use	Number of properties	Acquisition price (millions of yen)	Percentage of total portfolio acquisition price (%)
Office buildings	8	382,860	95.3
Residential properties	2	6,100	1.5
Retail Facility	1	12,655	3.2
Total	11	401,615	100.0

(iii) Investment Ratio by Region

(as of January 31, 2025)

Region		Number of properties	Acquisition price (millions of yen)	Percentage of total portfolio acquisition price (%)
Tokyo metropolitan area	Tokyo's five central wards and their vicinity	11	401,615	100.0
	Minato Ward	9	361,760	90.1
	Bunkyo Ward	1	27,200	6.8
	Shibuya Ward	1	12,655	3.2
	Tokyo, Kanagawa, Chiba and Saitama Prefectures	11	401,615	100.0
Principal regional cities	Cities designated by Cabinet Order and their equivalent principal cities in Japan other than those located in Tokyo metropolitan area	—	—	—
Total		11	401,615	100.0

(iv) Investment Ratio by Property Age

(as of January 31, 2025)

Property age	Number of properties	Acquisition price (millions of yen)	Percentage of total portfolio acquisition price (%)
Less than 10 years	—	—	—
Equal to or more than 10 years but less than 15 years	2	75,450	19.4
Equal to or more than 15 years	8	313,510	80.6
Total	10	388,960	100.0

(Note) In aggregate calculation, Atago Green Hills is deemed to have been constructed on July 30, 2001, and Laforet Harajuku (Land) falls outside the calculations. The same applies to “(v) Investment Ratio by Property Size” below. The average age of the properties in the Company’s portfolio, calculated as the weighted average of the building age based on the acquisition price is 23.2 years which is rounded off to the nearest decimal place.

(v) Investment Ratio by Property Size

(as of January 31, 2025)

Property Size (Note)	Number of properties	Acquisition price (millions of yen)	Percentage of total portfolio acquisition price (%)
Equal to or more than 30,000m ²	8	382,860	98.4
Equal to or more than 10,000m ² but less than 30,000m ²	2	6,100	1.6
Less than 10,000m ²	—	—	—
Total	10	388,960	100.0

(Note) “Property Size” is based on the total floor area of the entire building, regardless of the form of ownership. With regard to Roppongi First Plaza and Roppongi View Tower, the total floor area for each property is deemed to be 22,906.74 m² and calculated as a separate building.

d) Status of Income and Expenditures

(Unit: thousands of yen)

Property number	O-0			O-1		
Property name	Roppongi Hills Mori Tower			ARK Mori Building		
Period	Thirty-sixth fiscal period ended July 2024	Thirty-seventh fiscal period ended January 2025	Difference	Thirty-sixth fiscal period ended July 2024	Thirty-seventh fiscal period ended January 2025	Difference
Operation days	182 days	184 days	2 days	182 days	184 days	2 days
Occupancy rate	100.0%	100.0%	0.0PT	100.0%	100.0%	0.0PT
Number of tenants	1	1	0	1	1	0
Rent revenues	2,851,394	2,851,394	—	1,351,486	1,351,486	—
Other operating revenues	—	—	—	—	—	—
Total property operating revenue	2,851,394	2,851,394	—	1,351,486	1,351,486	—
Property management fees	426,426	426,426	—	202,169	202,169	—
Property taxes (Note 1)	294,811	300,786	5,975	94,544	96,421	1,877
Utilities	—	—	—	—	—	—
Maintenance and repairs	—	—	—	355	—	(355)
Insurance premium	5,401	5,460	59	2,280	2,305	25
Depreciation and amortization (1)	288,305	275,006	(13,299)	84,762	87,371	2,609
Other expenses (Note 2)	376	374	(1)	2,786	2,787	1
Total property operating expenses	1,015,321	1,008,055	(7,265)	386,897	391,054	4,157
Property operating income (2)	1,836,073	1,843,338	7,265	964,589	960,431	(4,157)
NOI (3) ((1)+(2))	2,124,378	2,118,345	(6,033)	1,049,351	1,047,803	(1,548)
Capex (4)	312,638	—	(312,638)	73,235	102,345	29,109
NCF (3)-(4)	1,811,740	2,118,345	306,605	976,115	945,457	(30,658)

(Note 1) For property tax, city planning tax and depreciable assets tax, the Company charges the amount of property taxes assessed and determined applicable to the fiscal period to property operating expenses. Registered owners of properties in Japan as of January 1 are responsible for paying property taxes for the calendar year based on assessments by local governments. Therefore, registered owners who sold properties to the Company were liable for property taxes and city planning taxes for the calendar year, including the period from the date of the acquisition by the Company until the end of the year. The Company reimbursed sellers of properties for the equivalent amount of property taxes and included the amount in the acquisition cost of real estate.

(Note 2) “Other expenses” denotes the sum of custodian fees, rent expenses, and other lease business expenses (residential property management costs, and other property-related miscellaneous expenses) in aggregate.

(Note 3) Partially transferred on July 1, 2024 and November 29, 2024.

(Unit: thousands of yen)

Property number		O-4			O-6		
Property name		Koraku Mori Building			Akasaka Tameike Tower		
Period		Thirty-sixth fiscal period ended July 2024	Thirty-seventh fiscal period ended January 2025	Difference	Thirty-sixth fiscal period ended July 2024	Thirty-seventh fiscal period ended January 2025	Difference
Operation days		182 days	184 days	2 days	182 days	184 days	2 days
Occupancy rate		98.5%	100.0%	1.5PT	95.8%	99.0%	3.2PT
Number of tenants		23	24	1	138	142	4
	Rent revenues	656,054	669,040	12,985	805,652	828,679	23,026
	Other operating revenues	74,730	81,493	6,762	71,179	74,259	3,080
Total property operating revenue		730,785	750,533	19,748	876,832	902,938	26,106
	Property management fees	90,044	81,429	(8,615)	189,953	193,786	3,833
	Property taxes (Note 1)	32,235	29,742	(2,492)	45,968	44,860	(1,108)
	Utilities	56,800	67,141	10,340	33,139	36,144	3,005
	Maintenance and repairs	13,715	5,606	(8,109)	41,063	53,767	12,703
	Insurance premium	1,853	1,873	20	2,610	2,640	29
	Depreciation and amortization (1)	101,627	103,482	1,854	138,713	136,517	(2,195)
	Other expenses (Note 2)	87,130	96,846	9,715	10,826	11,111	284
Total property operating expenses		383,407	386,122	2,714	462,275	478,828	16,553
Property operating income (2)		347,377	364,411	17,033	414,556	424,109	9,553
NOI (3) ((1)+(2))		449,005	467,893	18,888	553,269	560,627	7,357
Capex (4)		190,353	10,271	(180,082)	38,601	112,989	74,387
NCF (3)-(4)		258,651	457,622	198,970	514,668	447,638	(67,029)

(Unit: thousands of yen)

Property number		O-7			O-8		
Property name		Atago Green Hills			ARK Hills South Tower		
Period		Thirty-sixth fiscal period ended July 2024	Thirty-seventh fiscal period ended January 2025	Difference	Thirty-sixth fiscal period ended July 2024	Thirty-seventh fiscal period ended January 2025	Difference
Operation days		182 days	184 days	2 days	182 days	184 days	2 days
Occupancy rate		100.0%	100.0%	0.0PT	97.6%	94.0%	(3.6PT)
Number of tenants		1	1	0	52	50	(2)
	Rent revenues	1,012,320	1,012,320	—	440,368	442,952	2,584
	Other operating revenues	—	—	—	163,401	29,033	(134,368)
Total property operating revenue		1,012,320	1,012,320	—	603,769	471,986	(131,783)
	Property management fees	2,664	2,664	—	48,861	53,216	4,354
	Property taxes (Note 1)	69,834	69,853	19	40,264	40,611	346
	Utilities	—	—	—	32,861	39,702	6,841
	Maintenance and repairs	—	—	—	3,137	10,696	7,558
	Insurance premium	4,012	4,056	44	1,235	1,249	13
	Depreciation and amortization (1)	186,219	187,493	1,273	45,507	45,630	123
	Other expenses (Note 2)	67,497	69,096	1,598	1,144	1,086	(57)
Total property operating expenses		330,228	333,163	2,935	173,012	192,193	19,181
Property operating income (2)		682,091	679,156	(2,935)	430,757	279,792	(150,965)
NOI (3) ((1)+(2))		868,311	866,649	(1,662)	476,264	325,422	(150,841)
Capex (4)		67,834	67,629	(205)	8,810	2,626	(6,183)
NCF (3)-(4)		800,476	799,019	(1,456)	467,454	322,795	(144,658)

(Unit: thousands of yen)

Property number		O-9			O-10		
Property name		Toranomom Hills Mori Tower			Holland Hills Mori Tower		
Period		Thirty-sixth fiscal period ended July 2024	Thirty-seventh fiscal period ended January 2025	Difference	Thirty-sixth fiscal period ended July 2024	Thirty-seventh fiscal period ended January 2025	Difference
Operation days		182 days	184 days	2 days	182 days	184 days	2 days
Occupancy rate		100.0%	100.0%	0.0PT	100.0%	100.0%	0.0PT
Number of tenants		1	1	0	24	24	0
	Rent revenues	1,209,907	1,209,907	—	431,822	480,118	48,296
	Other operating revenues	—	—	—	18,255	23,534	5,279
Total property operating revenue		1,209,907	1,209,907	—	450,077	503,653	53,575
	Property management fees	132,386	135,835	3,448	124,162	100,567	(23,595)
	Property taxes (Note 1)	108,526	111,309	2,783	38,710	38,962	251
	Utilities	—	—	—	4,027	6,887	2,859
	Maintenance and repairs	—	—	—	7,802	4,790	(3,012)
	Insurance premium	2,541	2,568	27	1,299	1,313	14
	Depreciation and amortization (1)	151,848	152,007	158	48,990	49,337	347
	Other expenses (Note 2)	108	109	1	209	208	(0)
Total property operating expenses		395,411	401,831	6,419	225,202	202,067	(23,135)
Property operating income (2)		814,495	808,076	(6,419)	224,875	301,586	76,711
NOI (3) ((1)+(2))		966,344	960,083	(6,261)	273,865	350,923	77,058
Capex (4)		11,427	10,995	(431)	75,951	16,412	(59,539)
NCF (3)-(4)		954,916	949,087	(5,829)	197,913	334,511	136,597

(Unit: thousands of yen)

Property number		R-3			R-4		
Property name		Roppongi First Plaza			Roppongi View Tower		
Period		Thirty-sixth fiscal period ended July 2024	Thirty-seventh fiscal period ended January 2025	Difference	Thirty-sixth fiscal period ended July 2024	Thirty-seventh fiscal period ended January 2025	Difference
Operation days		182 days	184 days	2 days	182 days	184 days	2 days
Occupancy rate		91.1%	91.1%	0.0PT	99.3%	96.1%	(3.2PT)
Number of tenants		39	39	0	91	88	(3)
	Rent revenues	87,278	87,067	(210)	108,976	113,273	4,297
	Other operating revenues	—	—	—	—	—	—
Total property operating revenue		87,278	87,067	(210)	108,976	113,273	4,297
	Property management fees	14,275	16,090	1,815	15,669	14,574	(1,095)
	Property taxes (Note 1)	9,509	9,802	293	14,486	14,930	444
	Utilities	1,125	1,414	289	1,085	1,226	140
	Maintenance and repairs	3,021	13,257	10,235	5,359	1,734	(3,625)
	Insurance premium	287	290	3	414	419	4
	Depreciation and amortization (1)	12,543	11,369	(1,174)	18,001	15,910	(2,091)
	Other expenses (Note 2)	3,994	4,059	64	1,072	1,269	196
Total property operating expenses		44,758	56,285	11,527	56,090	50,064	(6,026)
Property operating income (2)		42,520	30,782	(11,737)	52,885	63,209	10,323
NOI (3) ((1)+(2))		55,063	42,151	(12,911)	70,887	79,119	8,232
Capex (4)		13,808	17,862	4,053	22,883	7,834	(15,049)
NCF (3)-(4)		41,254	24,289	(16,965)	48,003	71,285	23,281

(Unit: thousands of yen)

Property number		S-1			Portfolio total		
Property name		Laforet Harajuku (Land)					
Period		Thirty-sixth fiscal period ended July 2024 (Note 3)	Thirty-seventh fiscal period ended January 2025 (Note 3)	Difference	Thirty-sixth fiscal period ended July 2024 (Note 3)	Thirty-seventh fiscal period ended January 2025 (Note 3)	Difference
Operation days		182 days	184 days	2 days	182 days	184 days	2 days
Occupancy rate		100.0%	100.0%	0.0PT	99.1%	99.3%	0.2PT
Number of tenants		1	1	0	372	372	0
	Rent revenues	473,025	418,488	(54,537)	9,428,286	9,464,728	36,442
	Other operating revenues	—	—	—	327,566	208,320	(119,245)
Total property operating revenue		473,025	418,488	(54,537)	9,755,852	9,673,049	(82,803)
	Property management fees	—	—	—	1,246,614	1,226,762	(19,852)
	Property taxes (Note 1)	82,740	74,039	(8,700)	831,631	831,321	(309)
	Utilities	—	—	—	129,039	152,516	23,476
	Maintenance and repairs	—	—	—	74,456	89,853	15,396
	Insurance premium	—	—	—	21,937	22,179	241
	Depreciation and amortization (1)	—	—	—	1,076,519	1,064,125	(12,393)
	Other expenses (Note 2)	82	71	(10)	175,228	187,020	11,792
Total property operating expenses		82,822	74,111	(8,711)	3,555,428	3,573,779	18,351
Property operating income (2)		390,202	344,376	(45,825)	6,200,424	6,099,270	(101,154)
NOI (3) ((1)+(2))		390,202	344,376	(45,825)	7,276,944	7,163,395	(113,548)
Capex (4)		—	—	—	815,546	348,966	(466,580)
NCF (3)-(4)		390,202	344,376	(45,825)	6,461,397	6,814,429	353,031

Disclaimer:

This report is a translation of the Japanese language Financial Release (*Kessan-Tanshin*) dated March 17, 2025 of Mori Hills REIT Investment Corporation (the Company) prepared under the timely-disclosure requirements of the Tokyo Stock Exchange.

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The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in Japan ("Japanese GAAP"), including provisions set forth in the Act on Investment Trusts and Investment Corporations and the Financial Instruments and Exchange Act of Japan as well as related regulations, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards. The accompanying financial statements are a translation of the financial statements of the Company, which were prepared in accordance with Japanese GAAP.

Certain provisions of this document contain forward-looking statements and information. We base these statements on our beliefs as well as our assumptions based solely on certain limited information currently available to us. Because these statements reflect our current views concerning future events, these statements involve known and unknown risks, uncertainties and assumptions.

These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements, including without limitation: the general economy, market conditions, financial markets including the performance of the real estate market, interest rate fluctuations, competition with our properties, and the impact of changing regulations or taxation.

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