

(REIT) Financial Report for Fiscal Period Ended July 31, 2022

September 13, 2022

REIT Securities Issuer: Star Asia Investment Corporation (SAR) Stock Exchange Listing: Tokyo Stock Exchange
 Securities Code: 3468 URL: <http://starasia-reit.com/en/>
 Representative: Atsushi Kato, Executive Director

Asset Management Company: Star Asia Investment Management Co., Ltd.
 Representative: Atsushi Kato, President and CEO
 Contact: Akiko Kanno, Director and CFO
 TEL: 03-5425-1340

Scheduled date of commencement of cash distribution payment: October 17, 2022

Scheduled date of submission of securities report: October 28, 2022

Preparation of supplementary financial results briefing materials: Yes

Holding of financial results briefing session: Yes

(Amounts are rounded down to the nearest million yen)

1. Status of Management and Assets for Fiscal Period Ended July 31, 2022 (from February 1, 2022 to July 31, 2022)

(1) Management Status (% figures are the rate of period-on-period increase (decrease))

Fiscal period	Operating revenue		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Ended Jul. 2022	6,088	2.2	3,047	(1.3)	2,560	1.7	2,559	1.7
Ended Jan. 2022	5,960	7.2	3,087	8.8	2,517	4.6	2,516	4.6

Fiscal period	Net income per unit	Ratio of net income to equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenue
	yen	%	%	%
Ended Jul. 2022	1,430	2.7	1.3	42.1
Ended Jan. 2022	1,414	2.7	1.4	42.2

(2) Status of Cash Distribution

Fiscal period	Cash distribution per unit (not including cash distribution in excess of earnings)	Total cash distribution (not including cash distribution in excess of earnings)	Cash distribution in excess of earnings per unit	Total cash distribution in excess of earnings	Cash distribution payout ratio	Ratio of cash distribution to net assets
	yen	million yen	yen	million yen	%	%
Ended Jul. 2022	1,476	2,641	-	-	103.2	2.8
Ended Jan. 2022	1,478	2,644	-	-	105.1	2.8

(Note 1) Total cash distribution differs from net income due to the reversal of reserve for temporary difference adjustment and other factors.

(Note 2) For the fiscal period ended Jan. 2022, cash distribution payout ratio is calculated by the following formula due to changes in the number of investment units during the period following issuance of new investment units during the period:

$$\text{Total cash distribution (not including cash distribution in excess of earnings)} \div \text{Net income} \times 100$$

(3) Financial Position

Fiscal period	Total assets	Net assets	Equity ratio	Net assets per unit
	million yen	million yen	%	yen
Ended Jul. 2022	193,488	95,803	49.5	53,539
Ended Jan. 2022	193,316	95,753	49.5	53,511

(4) Status of Cash Flows

Fiscal period	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 period
	million yen	million yen	million yen	million yen
Ended Jul. 2022	3,566	(306)	(2,645)	12,340
Ended Jan. 2022	3,130	(13,178)	11,067	11,725

2. Management Status Forecast for Fiscal Period Ending January 31, 2023 (from August 1, 2022 to January 31, 2023) and Fiscal Period Ending July 31, 2023 (from February 1, 2023 to July 31, 2023)

(% figures are the rate of period-on-period increase (decrease))

Fiscal period	Operating revenue		Operating income		Ordinary income		Net income		Cash distribution per unit (not including cash distribution in excess of earnings)	Cash distribution in excess of earnings per unit
	million yen	%	million yen	%	million yen	%	million yen	%	yen	yen
Ending Jan. 2023	6,387	4.9	3,263	7.1	2,686	4.9	2,686	4.9	1,476	-
Ending Jul. 2023	6,523	2.1	3,302	1.2	2,766	3.0	2,766	3.0	1,485	-

(Reference) Forecast net income per unit (Expected net income ÷ expected total number of investment units issued and outstanding at end of period)

Fiscal period ending January 31, 2023:

Expected total number of investment units issued and outstanding at end of period 1,921,689 units

Forecast net income per unit 1,397 yen

Fiscal period ending July 31, 2023:

Expected total number of investment units issued and outstanding at end of period 1,921,689 units

Forecast net income per unit 1,439 yen

(Note 1) Cash distribution per unit calculated using the expected total number of investment units issued and outstanding at end of period above (total number of investment units issued and outstanding as of the date of this report of 1,921,689 units).

(Note 2) Cash distribution per unit (not including cash distribution in excess of earnings) differs from the forecast net income per unit as it is assumed that the amount of reversal of reserve for temporary difference adjustment, etc. will continuously be allocated to distributions.

* Others

(1) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatement

① Changes in accounting policies accompanying amendments to accounting standards, etc.: No

② Changes in accounting policies other than ① : No

③ Changes in accounting estimates : No

④ Retrospective restatement : No

(2) Total Number of Investment Units Issued and Outstanding

① Total number of investment units issued and outstanding (including own investment units) at end of period

Fiscal period ended Jul. 31, 2022	1,789,389 units	Fiscal period ended Jan. 31, 2022	1,789,389 units
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② Number of own investment units at end of period

Fiscal period ended Jul. 31, 2022	0 units	Fiscal period ended Jan. 31, 2022	0 units
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(Note) For the number of investment units serving as the basis for calculation of net income per unit, please see "Notes on Per Unit Information" on page 22.

* Financial reports are exempt from audits by a certified public accounting or accounting firms.

* Special Note

The management status outlook and other forward-looking statements contained in this document are based on information that are currently available and certain assumptions that are deemed reasonable by SAR. Accordingly, the actual management status, etc. may differ materially due to various factors. In addition, the forecast figures are the current figures calculated under the assumptions described in "Assumptions Underlying Operating Results Forecasts for Fiscal Period Ending January 31, 2023 and Fiscal Period Ending July 31, 2023" on pages 3-4. Accordingly, the actual operating revenue, operating income, ordinary income, net income, cash distribution per unit (not including cash distribution in excess of earnings) and cash distribution in excess of earnings per unit may vary due to acquisition/disposition of real estate, etc., trends of the real estate market, etc., fluctuations in interest rates, or other changes in the circumstances surrounding SAR, etc. in the future. In addition, the forecast is not a guarantee of the amount of cash distribution.

Assumptions Underlying Operating Results Forecasts for
Fiscal Period Ending January 31, 2023, and Fiscal Period Ending July 31, 2023

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> ➤ Fiscal period ending January 31, 2023: August 1, 2022 – January 31, 2023 (184 days) ➤ Fiscal period ending July 31, 2023: February 1, 2023 – July 31, 2023 (181 days)
Assets under management	<ul style="list-style-type: none"> ➤ It is assumed that, with regard to the assets held by SAR as of the date of this report (63 real estate trust beneficiary interests, and 2 mezzanine loan debts (collectively, “Currently Held Assets,” with those in the form of real estate trust beneficiary interests being referred to as “Currently Held Assets (Real Estate),” and those in the form of mezzanine loan debt being referred to as “Currently Held Assets (Mezzanine)”), there will be no change in assets under management (new property acquisitions, sales of the existing properties, etc.) through to the end of the fiscal period ending July 31, 2023. ➤ However, in reality assets under management may change.
Operating revenues	<ul style="list-style-type: none"> ➤ Rent revenues from Currently Held Assets (Real Estate) are calculated based on the details stated in the lease agreements effective as of the date of this report, taking into consideration factors such as market movements. It is also assumed that there will be no arrears or non-payment of rent by tenants. ➤ Interest revenues or dividend revenues from Currently Held Assets (Mezzanine) are calculated based on outlines which define the contents of Currently Held Assets (Mezzanine) and loan agreements or trust agreements that are effective as of the date of this report. It is also assumed that no interest payments or dividend payments will be unpaid.
Operating expenses	<ul style="list-style-type: none"> ➤ Among expenses related to rent business which are the main operating expenses, expenses other than depreciation are calculated on the basis of historical performance data, by reflecting variable expense factors. ➤ Fixed property taxes, city planning taxes, and other public charges are expected to be 457 million yen in the fiscal period ending January 31, 2023, and to be 490 million yen in the fiscal period ending July 31, 2023. For the real estate trust beneficiary interest in the three properties acquired in August 2022 (the “Assets Acquired in the 14th Fiscal Period”), such taxes, etc. are settled with the seller on a pro-rata basis based on the number of days of ownership at the time of acquisition of the properties. However, SAR will include such settled amount in the acquisition cost, and thus SAR will not record these taxes as expenses in the fiscal period ending January 31, 2023. It is planned that fixed property taxes, city planning taxes and other public charges for the Assets Acquired in the 14th Fiscal Period will be recorded as expenses beginning from the fiscal period ending July 31, 2023. ➤ For expenditures for repair and maintenance of buildings, based on the repair and maintenance plan prepared by Star Asia Investment Management Co., Ltd, the asset manager of SAR (the “Asset Manager”), 209 million yen is expected for the fiscal period ending January 31, 2023, and 218 million yen is expected for the fiscal period ending July 31, 2023. However, the actual expenditures for repair and maintenance for the fiscal periods could differ significantly from the estimated amounts, as urgent expenditures due to damage to buildings may arise due to unexpected factors, and because such expenditure amounts generally tend to vary significantly from year to year, and do not arise regularly. ➤ Depreciation is calculated using the straight-line method including for ancillary costs and is expected to be 734 million yen for the fiscal period ending January 31, 2023, and 749 million yen for the fiscal period ending July 31, 2023. ➤ Operating expenses other than rent business related expenses are expected to be 585 million yen in the fiscal period ending January 31, 2023, and 579 million yen in the fiscal period ending July 31, 2023.
NOI (Net Operating Income)	<ul style="list-style-type: none"> ➤ Total NOI of the entire portfolio is expected to be 4,559 million yen for the fiscal period ending January 31, 2023, and 4,607 million yen for the fiscal period ending July 31, 2023. ➤ NOI is calculated by using the following calculation method. NOI = rent revenue – rent expenses (excluding depreciation)
Non-operating expenses	<ul style="list-style-type: none"> ➤ As issuance cost of new investment units, non-operating expenses are expected to be 13 million yen for the fiscal period ending January 31, 2023 and 13 million yen for the fiscal period ending July 31, 2023. ➤ The sum of interest expenses and other financing-related expenses is expected to be 558 million yen in the fiscal period ending January 31, 2023, and 517 million yen in the period ending July 31, 2023. ➤ The sum of interest expenses on investment corporation bonds and other expenses on investment corporation bond issuance is expected to be 4 million yen in the fiscal period ending January 31, 2023, and 4 million yen in the period ending July 31, 2023.

Item	Assumptions
Debt financing and investment corporation bonds	<ul style="list-style-type: none"> ➤ The total amount of interest-bearing liabilities is assumed to be 96,840 million yen as of the end of the fiscal period ending January 31, 2023, and 96,840 million yen as of the end of the fiscal period ending July 31, 2023. ➤ As of the date of this report, SAR has outstanding debt of 95,840 million yen and outstanding investment corporation bonds of 1,000 million yen. ➤ It is assumed that those with repayment dates falling in the fiscal period ending January 31, 2023, and the fiscal period ending July 31, 2023 will be fully refinanced and that there will be no change to the existing outstanding debt and outstanding investment corporation bonds through to the end of the fiscal period ending July 31, 2023.
Investment units	<ul style="list-style-type: none"> ➤ It is assumed that the total number of investment units issued and outstanding will be 1,921,689 units, the number as of the date of this report, and that there will be no change in the number due to issuance of new investment units, etc. through to the end of the fiscal period ending July 31, 2023.
Cash distributions per unit (not including cash distribution in excess of earnings)	<ul style="list-style-type: none"> ➤ SAR calculates its distribution per unit (excluding distributions in excess of earnings) pursuant to its cash distributions policy as set forth in its Articles of Incorporation. ➤ As for the reserve for temporary difference adjustment, SAR plans to continuously reverse 1% or more of the initial reserve in each fiscal period and use it mainly to mitigate any negative impact on distributions caused by temporary decrease in income or incurred expenses and to avoid the occurrence of corporate and other tax expenses as a result of any differences between tax and accounting. ➤ As to cash distribution for the fiscal period ending January 31, 2023, it is assumed that a total of 2,836 million yen (1,476 yen per unit) will be distributed, which is the total of the estimated net income for the fiscal period of 2,686 million yen, the expected reversal amount from the temporary difference adjustment reserve of 88 million yen and a portion of profit carried forward from the previous period of 61 million yen. As to cash distribution for the fiscal period ending July 31, 2023, it is assumed that a total of 2,853 million yen (1,485 yen per unit) will be distributed, which is the maximum integral multiple of the expected total number of investment units issued and outstanding at end of period, of the total of the estimated net income for the fiscal period of 2,766 million yen and the expected reversal amount from the temporary difference adjustment reserve of 88 million yen. ➤ The distribution per unit may change due to various factors including changes to the assets under management, changes to rent revenues given movements etc. of tenants, or the occurrence of unexpected repairs.
Cash distributions in excess of earnings per unit	<ul style="list-style-type: none"> ➤ SAR has no plans to make distributions in excess of earnings as of the date of this report.
Others	<ul style="list-style-type: none"> ➤ SAR assumes that no amendments affecting the above forecast numbers will be made to relevant laws and regulations, tax policies, accounting standards, listing rules, rules of investment trusts associations, etc. ➤ SAR assumes that there will be no unforeseen material change in general economic conditions or real estate market conditions, etc.

3. Financial Statements

(1) Balance Sheet

(Unit: thousand yen)

	12th fiscal period (As of January 31, 2022)	13th fiscal period (As of July 31, 2022)
Assets		
Current assets		
Cash and deposits	3,774,975	4,265,178
Cash and deposits in trust	7,950,192	8,075,474
Operating accounts receivable	88,581	137,598
Prepaid expenses	200,093	196,009
Consumption taxes receivable	155,777	-
Other	14,763	9,011
Total current assets	12,184,385	12,683,272
Non-current assets		
Property, plant and equipment		
Tools, furniture and fixtures	114	114
Accumulated depreciation	(71)	(100)
Tools, furniture and fixtures, net	42	14
Buildings in trust	53,053,772	53,471,574
Accumulated depreciation	(4,755,763)	(5,441,732)
Buildings in trust, net	48,298,008	48,029,841
Structures in trust	20,635	21,640
Accumulated depreciation	(5,115)	(5,856)
Structures in trust, net	15,520	15,784
Machinery and equipment in trust	99,519	119,343
Accumulated depreciation	(23,762)	(28,905)
Machinery and equipment in trust, net	75,756	90,437
Tools, furniture and fixtures in trust	67,545	100,966
Accumulated depreciation	(24,969)	(30,688)
Tools, furniture and fixtures in trust, net	42,576	70,278
Land in trust	127,283,507	127,283,507
Total property, plant and equipment	175,715,413	175,489,864
Intangible assets		
Leasehold rights in trust	4,082,300	4,082,300
Total intangible assets	4,082,300	4,082,300
Investments and other assets		
Investment securities	922,220	800,000
Long-term prepaid expenses	351,116	337,433
Lease and guarantee deposits	10,379	10,359
Other	3,317	45,353
Total investments and other assets	1,287,033	1,193,146
Total non-current assets	181,084,747	180,765,311
Deferred assets		
Investment corporation bond issuance costs	13,603	12,583
Investment unit issuance expenses	34,219	27,375
Total deferred assets	47,823	39,959
Total assets	193,316,956	193,488,543

(Unit: thousand yen)

	12th fiscal period (As of January 31, 2022)	13th fiscal period (As of July 31, 2022)
Liabilities		
Current liabilities		
Operating accounts payable	789,397	662,398
Current portion of long-term borrowings	15,350,000	16,390,000
Accounts payable - other	500,649	495,977
Accrued expenses	49,478	59,099
Income taxes payable	605	605
Accrued consumption taxes	46,037	234,089
Advances received	915,355	974,728
Other	30,771	36,804
Total current liabilities	17,682,295	18,853,703
Non-current liabilities		
Investment corporation bonds	1,000,000	1,000,000
Long-term borrowings	73,290,000	72,250,000
Leasehold and guarantee deposits	5,074	5,187
Leasehold and guarantee deposits in trust	5,476,752	5,559,508
Other	109,745	16,759
Total non-current liabilities	79,881,571	78,831,455
Total liabilities	97,563,867	97,685,158
Net assets		
Unitholders' equity		
Unitholders' capital	59,115,701	59,115,701
Surplus		
Unitholders' capital surplus	25,132,218	25,132,218
Voluntary reserve		
Reserve for temporary difference adjustment	*2 8,802,324	*2 8,713,411
Total voluntary reserve	8,802,324	8,713,411
Unappropriated retained earnings (undisposed loss)	2,809,755	2,813,756
Total surplus	36,744,298	36,659,386
Total unitholders' equity	95,859,999	95,775,087
Valuation and translation adjustments		
Deferred gains or losses on hedges	(106,910)	28,297
Total valuation and translation adjustments	(106,910)	28,297
Total net assets	*1 95,753,089	*1 95,803,384
Total liabilities and net assets	193,316,956	193,488,543

(2) Statement of Income

(Unit: thousand yen)

	12th fiscal period From: August 1, 2021 To: January 31, 2022	13th fiscal period From: February 1, 2022 To: July 31, 2022
Operating revenue		
Rental revenue	*1 5,467,061	*1 5,611,196
Other lease business revenue	*1 423,937	*1 449,218
Other revenue	69,418	28,525
Total operating revenue	5,960,418	6,088,939
Operating expenses		
Expenses related to rent business	*1 2,311,905	*1 2,494,593
Asset management fee	392,495	392,584
Asset custody and administrative service fees	42,732	38,428
Directors' compensations	2,400	2,400
Other operating expenses	122,935	113,213
Total operating expenses	2,872,468	3,041,220
Operating income	3,087,950	3,047,719
Non-operating income		
Interest income	48	55
Reversal of unpaid distribution	1,326	1,470
Interest on refund	106	262
Gain on donation of non-current assets	-	516
Total non-operating income	1,481	2,305
Non-operating expenses		
Interest expenses	337,121	338,087
Interest expenses on investment corporation bonds	2,473	3,500
Borrowing related expenses	224,543	140,164
Amortization of investment corporation bond issuance costs	850	1,020
Amortization of investment unit issuance expenses	6,843	6,843
Total non-operating expenses	571,833	489,615
Ordinary income	2,517,598	2,560,409
Income before income taxes	2,517,598	2,560,409
Income taxes - current	605	605
Total income taxes	605	605
Net income	2,516,993	2,559,804
Retained earnings brought forward	292,762	253,951
Unappropriated retained earnings (undisposed loss)	2,809,755	2,813,756

(3) Statement of Unitholders' Equity

12th fiscal period (from August 1, 2021 to January 31, 2022)

(Unit: thousand yen)

	Unitholders' equity						
	Unitholders' capital	Surplus					Total unitholders' equity
		Capital surplus	Voluntary reserve		Unappropriated retained earnings (undisposed loss)	Total surplus	
Reserve for temporary difference adjustment	Total voluntary reserve						
Balance at beginning of the period	52,745,966	25,132,218	8,891,236	8,891,236	2,651,806	36,675,261	89,421,227
Changes of items during the period							
Issuance of new investment units	6,369,735						6,369,735
Dividends from surplus					(2,447,956)	(2,447,956)	(2,447,956)
Reversal of reserve for temporary difference adjustment			(88,912)	(88,912)	88,912	-	-
Net income					2,516,993	2,516,993	2,516,993
Net changes of items other than unitholders' equity							
Total changes of items during the period	6,369,735	-	(88,912)	(88,912)	157,949	69,037	6,438,772
Balance at end of the period	*1 59,115,701	25,132,218	8,802,324	8,802,324	2,809,755	36,744,298	95,859,999

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of the period	(241,749)	(241,749)	89,179,478
Changes of items during the period			
Issuance of new investment units			6,369,735
Dividends from surplus			(2,447,956)
Reversal of reserve for temporary difference adjustment			-
Net income			2,516,993
Net changes of items other than unitholders' equity	134,838	134,838	134,838
Total changes of items during the period	134,838	134,838	6,573,610
Balance at end of the period	(106,910)	(106,910)	95,753,089

13th fiscal period (from February 1, 2022 to July 31, 2022)

(Unit: thousand yen)

	Unitholders' equity						
	Unitholders' capital	Surplus					Total unitholders' equity
		Capital surplus	Voluntary reserve		Unappropriated retained earnings (undisposed loss)	Total surplus	
			Reserve for temporary difference adjustment	Total voluntary reserve			
Balance at beginning of the period	59,115,701	25,132,218	8,802,324	8,802,324	2,809,755	36,744,298	95,859,999
Changes of items during the period							
Dividends from surplus					(2,644,716)	(2,644,716)	(2,644,716)
Reversal of reserve for temporary difference adjustment			(88,912)	(88,912)	88,912	-	-
Net income					2,559,804	2,559,804	2,559,804
Net changes of items other than unitholders' equity							
Total changes of items during the period	-	-	(88,912)	(88,912)	4,000	(84,912)	(84,912)
Balance at end of the period	*1 59,115,701	25,132,218	8,713,411	8,713,411	2,813,756	36,659,386	95,775,087

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of the period	(106,910)	(106,910)	95,753,089
Changes of items during the period			
Dividends from surplus			(2,644,716)
Reversal of reserve for temporary difference adjustment			-
Net income			2,559,804
Net changes of items other than unitholders' equity	135,208	135,208	135,208
Total changes of items during the period	135,208	135,208	50,295
Balance at end of the period	28,297	28,297	95,803,384

(4) Statement of Cash Distributions

(Unit: yen)

	12th fiscal period From: August 1, 2021 To: January 31, 2022	13th fiscal period From: February 1, 2022 To: July 31, 2022
I. Unappropriated retained earnings	2,809,755,972	2,813,756,107
II. Reversal of voluntary reserve		
Reversal of reserve for temporary difference adjustment *1	88,912,365	88,912,365
III. Cash distribution	2,644,716,942	2,641,138,164
[Cash distribution per unit]	(1,478)	(1,476)
Cash distribution of earnings	2,644,716,942	2,641,138,164
[Cash distribution of earnings per unit]	(1,478)	(1,476)
IV. Retained earnings carried forward	253,951,395	261,530,308

Method of calculation of amount of cash distributions

12th fiscal period (from August 1, 2021 to January 31, 2022):

Pursuant to the cash distribution policy provided in Article 35, Paragraph 1 of SAR's Articles of Incorporation, SAR shall distribute in excess of the amount equivalent to 90% of the amount of distributable earnings of SAR as defined in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. In accordance with such policy, concerning cash distribution of earnings (not including cash distribution in excess of earnings), the decision was made to distribute 2,644,716,942 yen, which is equivalent to the amount obtained by adding part of retained earnings brought forward of 38,810,690 yen and the reversal of reserve for temporary difference adjustment of 88,912,365 yen to net income.

13th fiscal period (from February 1, 2022 to July 31, 2022):

Pursuant to the cash distribution policy provided in Article 35, Paragraph 1 of SAR's Articles of Incorporation, SAR shall distribute in excess of the amount equivalent to 90% of the amount of distributable earnings of SAR as defined in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. In accordance with such policy, concerning cash distribution of earnings (not including cash distribution in excess of earnings), the decision was made to distribute 2,641,138,164 yen, which is equivalent to the sum of the amount remaining after reserving 7,578,913 yen from net income and the amount of reversal of reserve for temporary difference adjustment of 88,912,365 yen.

(5) Statement of Cash Flows

(Unit: thousand yen)

	12th fiscal period From: August 1, 2021 To: January 31, 2022	13th fiscal period From: February 1, 2022 To: July 31, 2022
Cash flows from operating activities		
Income before income taxes	2,517,598	2,560,409
Depreciation	682,245	697,599
Amortization of investment corporation bond issuance costs	850	1,020
Amortization of investment unit issuance expenses	6,843	6,843
Interest income	(48)	(55)
Interest expenses	339,595	341,587
Decrease (increase) in operating accounts receivable	7,605	(49,016)
Decrease (increase) in consumption taxes receivable	(72,280)	155,777
Increase (decrease) in accrued consumption taxes	(25,824)	188,051
Decrease (increase) in prepaid expenses	(23,008)	4,084
Decrease (increase) in long-term prepaid expenses	(90,606)	13,682
Increase (decrease) in operating accounts payable	143,883	(96,424)
Increase (decrease) in accounts payable - other	7,276	4,636
Increase (decrease) in advances received	1,732	59,372
Other, net	(28,806)	8,685
Subtotal	3,467,056	3,896,255
Interest income received	48	55
Interest expenses paid	(331,705)	(331,966)
Income taxes paid	(5,381)	2,645
Net cash provided by (used in) operating activities	3,130,019	3,566,990
Cash flows from investing activities		
Purchase of property, plant and equipment in trust	(13,552,890)	(511,417)
Repayments of leasehold and guarantee deposits	(1,068)	(103)
Proceeds from leasehold and guarantee deposits	-	216
Repayments of leasehold and guarantee deposits in trust	(181,994)	(170,274)
Proceeds from leasehold and guarantee deposits in trust	441,001	253,030
Proceeds from collection of lease and guarantee deposits	80	20
Purchase of investment securities	(400,000)	-
Proceeds from redemption of investment securities	216,472	122,220
Proceeds from collection of long-term loans receivable	300,000	-
Net cash provided by (used in) investing activities	(13,178,398)	(306,308)
Cash flows from financing activities		
Proceeds from short-term borrowings	-	500,000
Repayments of short-term borrowings	(2,150,000)	(500,000)
Proceeds from long-term borrowings	22,050,000	9,750,000
Repayments of long-term borrowings	(13,700,000)	(9,750,000)
Proceeds from issuance of investment corporation bonds	985,545	-
Proceeds from issuance of investment units	6,328,671	-
Dividends paid	(2,446,756)	(2,645,197)
Net cash provided by (used in) financing activities	11,067,460	(2,645,197)
Net increase (decrease) in cash and cash equivalents	1,019,080	615,484
Cash and cash equivalents at beginning of period	10,706,087	11,725,168
Cash and cash equivalents at end of period	* 1 11,725,168	* 1 12,340,653

- (6) Notes on the Going Concern Assumption
Not applicable.

(7) Notes on Matters Concerning Significant Accounting Policies

1. Evaluation standards and methods of valuation of securities	Other securities: Those with market price Fair value method or market value method (Variances are directly included in net assets.)
2. Method of depreciation of non-current assets	Property, plant and equipment (including trust assets) The straight-line method is adopted. The useful life of primary property, plant and equipment is as follows: Buildings 2-69 years Structures 7-30 years Machinery and equipment 7-17 years Tools, furniture and fixtures 2-15 years
3. Accounting for deferred assets	(1) Investment unit issuance expenses Investment unit issuance expenses are amortized by the straight-line method over 3 years. (2) Investment corporation bond issuance costs Investment corporation bond issuance costs are amortized by the straight-line method over the period through redemption.
4. Standards for recording revenue and expense	(1) Accounting for fixed property tax, etc. Accounting for fixed property tax, city planning tax, depreciable asset tax, etc. ("fixed property tax, etc.") on real estate or beneficiary interest in trust for real estate held is that of the tax amount assessed and determined, and the amount corresponding to the concerned calculation period is expensed as expenses related to rent business. The amount equivalent to fixed property tax, etc. in the initial fiscal year borne by SAR upon acquisition of real estate or beneficiary interest in trust for real estate is not recorded as expenses but included in the cost of acquisition of the concerned real estate, etc. In the fiscal period under review, there was no amount equivalent to fixed property tax, etc. included in the cost of acquisition of real estate, etc. (2) Standards for recording revenue The details of main performance obligations concerning revenue generated from contracts between SAR and its customers and the ordinary time to fulfil said performance obligations (ordinary time to recognize revenue) are as follows. ① Sale of real estate For the proceeds from sale of real estate, SAR records 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. ② Utilities income SAR records 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 SAR 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.
5. Method of hedge accounting	(1) Hedge accounting approach Deferral hedge accounting is adopted. (2) Hedging instruments and hedged items Hedging instruments: Interest rate swap transaction Hedged items: Interest on loans (3) Hedging policy SAR conducts derivative transactions for the purpose of hedging the risks provided in its Articles of Incorporation pursuant to basic rules on risk management. (4) Method of assessing the effectiveness of hedging The effectiveness of hedging is assessed by comparing the cumulative change in cash flows of the hedging instruments with the cumulative change in cash flows of the hedged items and verifying the ratio of the amount of change in the two.
6. Scope of funds in the statement of cash flows (cash and cash equivalents)	The funds (cash and cash equivalents) in the statement of cash flows comprise cash on hand and cash in trust, demand deposits and deposits in trust, and short-term investments with a maturity of three months or less from the date of acquisition that are readily convertible to cash and that are subject to an insignificant risk of changes in value.
7. Other significant	(1) Accounting for beneficiary interest in trust for real estate, etc.

matters serving as the basis for preparation of financial statements	<p>Concerning beneficiary interest in trust for real estate, etc. held, all accounts of assets and liabilities within trust assets as well as all accounts of revenue and expenses from the trust assets are recognized in the relevant account item of the balance sheet and the statement of income.</p> <p>The following material items of the trust assets recognized in the relevant account item are separately listed on the balance sheet.</p> <p>① Cash and deposits in trust</p> <p>② Buildings in trust; Structures in trust; Machinery and equipment in trust; Tools, furniture and fixtures in trust; Land in trust</p> <p>③ Leasehold rights in trust</p> <p>④ Leasehold and guarantee deposits in trust</p> <p>(2) Accounting for consumption tax, etc.</p> <p>Non-deductible consumption tax on acquisition of assets is included in the acquisition cost of each asset.</p>
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(8) Notes on the Financial Statements

[Notes on the Balance Sheet]

*1 Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations
(Unit: thousand yen)

	12th fiscal period (As of January 31, 2022)	13th fiscal period (As of July 31, 2022)
	50,000	50,000

*2 Matters concerning provision and reversal of the reserve for temporary difference adjustment
12th fiscal period (As of January 31, 2022)

(Unit: thousand yen)

	Initial amount	Balance at beginning of the period	Reserve during the period	Reversal during the period	Balance at end of the period	Reasons for provision and reversal
Gain on negative goodwill (Note)	8,891,236	8,891,236	-	88,912	8,802,324	Appropriate for distribution

(Note) Gain on negative goodwill indicates the amount of provision of gain on negative goodwill recorded in the past fiscal period, and will be reversed in equal amount or more over 50 years or less every fiscal period starting from the 12th fiscal period, which is the period following the fiscal period in which the provision was made.

13th fiscal period (As of July 31, 2022)

(Unit: thousand yen)

	Initial amount	Balance at beginning of the period	Reserve during the period	Reversal during the period	Balance at end of the period	Reasons for provision and reversal
Gain on negative goodwill (Note)	8,891,236	8,802,324	-	88,912	8,713,411	Appropriate for distribution

(Note) Gain on negative goodwill indicates the amount of provision of gain on negative goodwill recorded in the past fiscal period, and will be reversed in equal amount or more over 50 years or less every fiscal period starting from the 12th fiscal period, which is the period following the fiscal period in which the provision was made.

[Notes on the Statement of Income]

*1 Breakdown of operating income (loss) from real estate leasing

(Unit: thousand yen)

	12th fiscal period From: August 1, 2021 To: January 31, 2022		13th fiscal period From: February 1, 2022 To: July 31, 2022	
A. Operating revenue from real estate leasing				
Rental revenue				
Rent revenue	4,696,720		4,829,210	
Common area maintenance revenue	534,187		544,319	
Parking revenue	199,390		201,621	
Facility use revenue	30,985		30,608	
Other rental revenue	5,778	5,467,061	5,436	5,611,196
Other lease business revenue				
Utilities reimbursement	296,154		314,831	
Other revenue	127,783	423,937	134,386	449,218
Total operating revenue from real estate leasing		5,890,999		6,060,414
B. Operating expenses from real estate leasing				
Expenses related to rent business				
Management fee	438,037		449,514	
Utilities expenses	310,409		343,623	
Taxes and dues	421,139		458,313	
Repair expenses	181,998		255,200	
Trust fee	25,603		25,175	
Insurance premium	13,010		12,855	
Depreciation	682,245		697,599	
Other expenses	239,461		252,311	
Total operating expenses from real estate leasing		2,311,905		2,494,593
C. Operating income (loss) from real estate leasing [A – B]		3,579,094		3,565,820

[Notes on the Statement of Unitholders' Equity]

*1 Total number of investment units authorized and total number of investment units issued and outstanding

	12th fiscal period From: August 1, 2021 To: January 31, 2022	13th fiscal period From: February 1, 2022 To: July 31, 2022
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	1,789,389 units	1,789,389 units

[Notes on the Statement of Cash Distributions]

12th fiscal period From: August 1, 2021 To: January 31, 2022	13th fiscal period From: February 1, 2022 To: July 31, 2022
*1 Reserve for temporary difference adjustment SAR provided 8,891,236 thousand yen as reserve for temporary difference adjustment in the 10th fiscal period. From the 11th fiscal period, SAR plans to reverse the same amount or more in each fiscal period over a period of up to 50 years. In the fiscal period under review, SAR decided to reverse 88,912 thousand yen.	*1 Reserve for temporary difference adjustment SAR provided 8,891,236 thousand yen as reserve for temporary difference adjustment in the 10th fiscal period. From the 11th fiscal period, SAR plans to reverse the same amount or more in each fiscal period over a period of up to 50 years. In the fiscal period under review, SAR decided to reverse 88,912 thousand yen.

[Notes on the Statement of Cash Flows]

*1 Reconciliation of cash and cash equivalents at end of period to the amount of balance sheet items

(Unit: thousand yen)

	12th fiscal period From: August 1, 2021 To: January 31, 2022	13th fiscal period From: February 1, 2022 To: July 31, 2022
Cash and deposits	3,774,975	4,265,178
Cash and deposits in trust	7,950,192	8,075,474
Cash and cash equivalents	11,725,168	12,340,653

[Notes on Lease Transactions]

Operating leases (as lessor)

Future minimum lease payments

(Unit: thousand yen)

	12th fiscal period As of Jan. 31, 2022	13th fiscal period As of Jul. 31, 2022
Not later than 1 year	5,584,037	5,379,733
Later than 1 year	7,200,564	7,047,465
Total	12,784,602	12,427,198

[Notes on Financial Instruments]

1. Matters concerning status of financial instruments

(1) Policy for handling financial instruments

SAR shall procure funds to allocate to acquisition of real estate related assets, repayment of interest-bearing liabilities, etc. through mainly issuance of investment units, borrowing from financial institutions, issuance of investment corporation bonds, etc. Upon procuring funds through interest-bearing liabilities, due consideration shall be given to fund procurement agility and financial stability.

(2) Description of financial instruments and associated risks, and risk management system

The funds procured through loans, which shall be for the purpose of mainly acquisition of assets, are exposed to liquidity risk until the repayment date, but the concerned risks are managed by taking such measures as lengthening the procurement periods and staggering the maturities. In addition, loans with floating interest rates are exposed to interest rate fluctuation risk, but derivative transactions (interest rate swap transactions) are utilized as hedging instruments to, in effect, convert interest rates to fixed rates in order to mitigate that risk. For the hedge accounting approach, hedging instruments, hedged items, hedging policy and method of assessing the effectiveness of hedging, please refer to "5. Method of hedge accounting" described under "Notes on Matters Concerning Significant Accounting Policies" earlier in this document.

(3) Supplementary explanation to matters concerning fair value, etc. of financial instruments

Not applicable.

2. Matters concerning fair value, etc. of financial instruments

The carrying amount and fair value and the amount of difference between them are as follows. Because “cash and deposits” and “cash and deposits in trust” are cash and settled in a short period of time and the fair values approximate the book values accordingly, notes on such are omitted.

12th fiscal period (As of January 31, 2022)

(Unit: thousand yen)

	Carrying amount	Fair value	Amount of difference
(1) Current portion of long-term borrowings	15,350,000	15,350,378	378
(2) Investment corporation bonds	1,000,000	996,200	(3,800)
(3) Long-term borrowings	73,290,000	73,302,563	12,563
Liabilities total	89,640,000	89,649,141	9,141
(4) Derivative transactions (*)	(106,910)	(106,910)	-

(*) Assets and liabilities arising from derivative transactions are offset and presented in the net amount, with the balance shown in parentheses () when in a net liability position.

13th fiscal period (As of July 31, 2022)

(Unit: thousand yen)

	Carrying amount	Fair value	Amount of difference
(1) Current portion of long-term borrowings	16,390,000	16,394,349	4,349
(2) Investment corporation bonds	1,000,000	994,500	(5,500)
(3) Long-term borrowings	72,250,000	72,241,065	(8,934)
Liabilities total	89,640,000	89,629,914	(10,085)
(4) Derivative transactions (*)	28,297	28,297	-

(*) Assets and liabilities arising from derivative transactions are offset and presented in the net amount, with the balance shown in parentheses () when in a net liability position.

(Note 1) Method of calculation of the fair value of financial instruments

(1) Current portion of long-term borrowings (3) Long-term borrowings

Of these, the fair values of those with fixed interest rates are calculated by the present value obtained by discounting the total principal and interest by the rate expected when similar funds are additionally borrowed in correspondence with the remaining term. Since those with floating interest rates are under terms and conditions that interest rates be renewed every set period of time, the fair values are approximately the same as the book value, and thus such are used.

(2) Investment corporation bonds

The reference value announced by Japan Securities Dealers Association is stated.

(4) Derivative transactions

Please refer to “Notes on Derivative Transactions” later in this document.

(Note 2) Amount of redemption/repayment of investment corporation bonds and loans to be due after the date of settlement of accounts

12th fiscal period (as of January 31, 2022)

(Unit: thousand yen)

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 3 years	Later than 3 years and not later than 4 years	Later than 4 years and not later than 5 years	Later than 5 years
Investment corporation bonds	-	-	-	-	-	1,000,000
Long-term borrowings	15,350,000	14,630,000	12,285,000	19,150,000	17,175,000	10,050,000
Total	15,350,000	14,630,000	12,285,000	19,150,000	17,175,000	11,050,000

13th fiscal period (as of July 31, 2022)

(Unit: thousand yen)

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 3 years	Later than 3 years and not later than 4 years	Later than 4 years and not later than 5 years	Later than 5 years
Investment corporation bonds	-	-	-	-	-	1,000,000
Long-term borrowings	16,390,000	13,340,000	11,085,000	17,810,000	19,965,000	10,050,000
Total	16,390,000	13,340,000	11,085,000	17,810,000	19,965,000	11,050,000

[Notes on Securities]

Other securities

12th fiscal period (as of January 31, 2022)

(Unit: thousand yen)

	Category	Carrying amount	Acquisition cost	Difference
Carrying amount greater than acquisition cost	(1) Stocks	-	-	-
	(2) Bonds			
	① Government bonds, municipal bonds, etc.	-	-	-
	② Corporate bonds	-	-	-
	③ Others	-	-	-
	(3) Others	-	-	-
	Subtotal	-	-	-
Carrying amount less than or equal to acquisition cost	(1) Stocks	-	-	-
	(2) Bonds			
	① Government bonds, municipal bonds, etc.	-	-	-
	② Corporate bonds	800,000	800,000	-
	③ Others	-	-	-
	(3) Others	122,220	122,220	-
	Subtotal	922,220	922,220	-
	Total	922,220	922,220	-

13th fiscal period (as of July 31, 2022)

(Unit: thousand yen)

	Category	Carrying amount	Acquisition cost	Difference
Carrying amount greater than acquisition cost	(1) Stocks	-	-	-
	(2) Bonds			
	① Government bonds, municipal bonds, etc.	-	-	-
	② Corporate bonds	-	-	-
	③ Others	-	-	-
	(3) Others	-	-	-
	Subtotal	-	-	-
Carrying amount less than or equal to acquisition cost	(1) Stocks	-	-	-
	(2) Bonds			
	① Government bonds, municipal bonds, etc.	-	-	-
	② Corporate bonds	800,000	800,000	-
	③ Others	-	-	-
	(3) Others	-	-	-
	Subtotal	800,000	800,000	-
	Total	800,000	800,000	-

[Notes on Derivative Transactions]

1. Derivative transactions to which hedge accounting is not applied

12th fiscal period (as of January 31, 2022)

Not applicable.

13th fiscal period (as of July 31, 2022)

Not applicable.

2. Derivative transactions to which hedge accounting is applied

12th fiscal period (as of January 31, 2022)

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

(Unit: thousand yen)

Hedge accounting approach	Type, etc. of derivative transaction	Main hedged item	Contract amount, etc. (Note 1)		Fair value (Note 2)
				Of which, due after 1 year	
Principle accounting	Interest rate swap transaction (floating receivable; fixed payable)	Long-term borrowings	72,555,000	64,405,000	(106,910)

(Note 1) Contract amount, etc. are based on notional principal.

(Note 2) Fair value is calculated based on the price quoted by lending financial institutions, etc.

13th fiscal period (as of July 31, 2022)

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

(Unit: thousand yen)

Hedge accounting approach	Type, etc. of derivative transaction	Main hedged item	Contract amount, etc. (Note 1)		Fair value (Note 2)
				Of which, due after 1 year	
Principle accounting	Interest rate swap transaction (floating receivable; fixed payable)	Long-term borrowings	64,405,000	59,715,000	28,297

(Note 1) Contract amount, etc. are based on notional principal.

(Note 2) Fair value is calculated based on the price quoted by lending financial institutions, etc.

[Notes on Retirement Benefits]

12th fiscal period (as of January 31, 2022)

Not applicable.

13th fiscal period (as of July 31, 2022)

Not applicable.

[Notes on Tax-Effect Accounting]

1. Breakdown of main causes for occurrence of deferred tax assets and deferred tax liabilities

(Unit: thousand yen)

	12th fiscal period As of January 31, 2022	13th fiscal period As of July 31, 2022
Deferred tax assets		
Valuation adjustment upon merger	1,175,788	1,148,955
Acquisition cost of securities	2,998	2,923
Deferred gains or losses on hedges	33,634	5,365
Others	-	204
Subtotal	1,212,421	1,157,448
Valuation allowance	(1,212,421)	(1,157,448)
Total	-	-
Deferred tax assets, net	-	-

2. Breakdown of major components that caused any significant differences between the statutory tax rate and the effective income tax rate after application of tax-effect accounting

(Unit: %)

	12th fiscal period As of January 31, 2022	13th fiscal period As of July 31, 2022
Statutory tax rate	31.46	31.46
[Adjustments]		
Deductible distributions payable	(30.61)	(30.61)
Reversal of excess depreciation	(0.82)	(0.77)
Others	(0.00)	(0.05)
Effective income tax rate after application of tax-effect accounting	0.02	0.02

[Notes on Share of Profit or Loss of Entities Accounted for Using Equity Method, etc.]

12th fiscal period (as of January 31, 2022)

Not applicable.

13th fiscal period (as of July 31, 2022)

Not applicable.

[Notes on Related-Party Transactions]

1. Parent company, major corporate unitholders, etc.

12th fiscal period (from August 1, 2021 to January 31, 2022)

Not applicable.

13th fiscal period (from February 1, 2022 to July 31, 2022)

Not applicable.

2. Affiliated companies, etc.

12th fiscal period (from August 1, 2021 to January 31, 2022)

Not applicable.

13th fiscal period (from February 1, 2022 to July 31, 2022)

Not applicable.

3. Fellow subsidiaries, etc.

12th fiscal period (from August 1, 2021 to January 31, 2022)

Not applicable.

13th fiscal period (from February 1, 2022 to July 31, 2022)

Not applicable.

4. Directors, major individual unitholders, etc.

12th fiscal period (from August 1, 2021 to January 31, 2022)

Type	Name of company, etc. or person	Address	Capital stock or investments in capital	Description of business or occupation	Percentage of voting rights, etc. held by (in) SAR	Description of transaction	Transaction amount (thousand yen)	Account item	Balance at end of period (thousand yen)
Director, or close relative of director	Atsushi Kato	—	—	Executive Director of SAR, and President and CEO of the Asset Manager	0.02%	Payment of asset management fee to the Asset Manager (Note 1)	472,980 (Note 2) (Note 3)	Accounts payable – others	429,545 (Note 2)

13th fiscal period (from February 1, 2022 to July 31, 2022)

Type	Name of company, etc. or person	Address	Capital stock or investments in capital	Description of business or occupation	Percentage of voting rights, etc. held by (in) SAR	Description of transaction	Transaction amount (thousand yen)	Account item	Balance at end of period (thousand yen)
Director, or close relative of director	Atsushi Kato	—	—	Executive Director of SAR, and President and CEO of the Asset Manager	0.03%	Payment of asset management fee to the Asset Manager (Note 1)	392,584 (Note 2)	Accounts payable – others	431,842 (Note 2)

(Note 1) The transaction was conducted by Atsushi Kato as President and CEO of a third party (the Asset Manager), and the transaction amount is based on the terms and conditions provided in the Articles of Incorporation of SAR.

(Note 2) Of the amounts above, the transaction amount does not include consumption tax, while the balance at the end of the period includes consumption tax.

(Note 3) The asset management fee for the 12th fiscal period includes the acquisition incentive portion included in the book value of individual real estate, etc. in the amount of 80,485 thousand yen.

[Notes on Asset Retirement Obligations]

12th fiscal period (as of January 31, 2022)

Not applicable.

13th fiscal period (as of July 31, 2022)

Not applicable.

[Notes on Investments in Rental Properties]

SAR owns rental real estate, etc. for the purpose of earning revenue from leasing. The carrying amount, amount of increase (decrease) during the period and fair value of these investments in rental properties are as follows:

(Unit: thousand yen)

	12th fiscal period From: August 1, 2021 To: January 31, 2022	13th fiscal period From: February 1, 2022 To: July 31, 2022
Carrying amount		
Balance at beginning of period	166,836,697	179,797,713
Amount of increase (decrease) during period	12,961,016	(225,548)
Balance at end of period	179,797,713	179,572,164
Fair value at end of period	193,604,000	195,794,000

(Note 1) Carrying amount is the amount of the cost of acquisition, less accumulated depreciation.

(Note 2) Of the amount of increase (decrease) in investments in rental properties during the 12th fiscal period, the amount of increase is mainly attributable to acquisition of real estate beneficiary interest in trust of seven properties (13,230,298 thousand yen) and capital expenditures (424,722 thousand yen), while the amount of decrease is mainly attributable to depreciation (682,245 thousand yen). Of the amount of increase (decrease) during the 13th fiscal period, the amount of increase is mainly attributable to capital expenditures (471,534 thousand yen), while the amount of decrease is mainly attributable to depreciation (697,599 thousand yen).

(Note 3) Fair value at the end of the period is the appraisal value by an outside real estate appraiser.

Income (loss) concerning investments in rental properties is as stated in “Notes on the Statement of Income” earlier in this document.

[Notes on Revenue Recognition]

1. Breakdown information on revenue from contracts with customers

12th fiscal period (from August 1, 2021 to January 31, 2022)

(Unit: thousand yen)

	Revenue from contracts with customers (Note)	Sales to external customers
Proceeds from sale of real estate	-	-
Utilities income	296,154	296,154
Other	-	5,664,264
Total	296,154	5,960,418

(Note) Rental revenue, etc. subject to the "Accounting Standard for Lease Transactions" (ASBJ Statement No.13) are excluded from the above amount as such revenue is not subject to the Revenue Recognition Accounting Standard. Revenue from contracts with customers mainly represents proceeds from sale of real estate and utilities income.

13th fiscal period (from February 1, 2022 to July 31, 2022)

(Unit: thousand yen)

	Revenue from contracts with customers (Note)	Sales to external customers
Proceeds from sale of real estate	-	-
Utilities income	314,831	314,831
Other	-	5,774,107
Total	314,831	6,088,939

(Note) Rental revenue, etc. subject to the "Accounting Standard for Lease Transactions" (ASBJ Statement No.13) are excluded from the above amount as such revenue is not subject to the Revenue Recognition Accounting Standard. Revenue from contracts with customers mainly represents proceeds from sale of real estate and utilities income.

2. Foundational information for understanding revenue from contracts with customers

The information is as indicated in the Notes on Matters Concerning Significant Accounting Policies.

3. Information on relationship of fulfillment of performance obligations based on contracts with customers with cashflow generated from said contracts and amount and period of revenue expected to be recognized in the next calculation period or thereafter from contracts with customers existing at the end of the current calculation period.

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

(Unit: thousand yen)

	12th fiscal period From: August 1, 2021 To: January 31, 2022	13th fiscal period From: February 1, 2022 To: July 31, 2022
Claims generated from contracts with customers (balance at beginning of fiscal period)	57,609	54,922
Claims generated from contracts with customers (balance at end of fiscal period)	54,922	73,083
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)	-	-

(2) Transaction value allocated to remaining performance obligations

Not applicable.

SAR does not include contracts whose terms are initially expected to be one year or less in the note on transaction value allocated to remaining performance obligations as an expedient in practice. Also, with regard to utilities income, as SAR has the right to receive from customers an amount directly corresponding to the value for the lessees who are customers of portions for which performance is complete by the end of the fiscal period, the amount it has the right to claim according to Paragraph 19 of the Application Guidelines of the Accounting Standard for Revenue Recognition is recognized as revenue. 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.

[Notes on Segment Information]

1. Segment information

Segment information is omitted because SAR operates a single segment, which is the real estate leasing business.

2. Related information

12th fiscal period (from August 1, 2021 to January 31, 2022)

(1) Information about products and services

Information about products and services is omitted because net sales to external customers for a single product and service category are in excess of 90% of operating revenue on the statement of income.

(2) Information about geographic areas

① Net sales

Information about net sales is omitted because net sales to external customers in Japan are in excess of 90% of operating revenue on the statement of income.

② Property, plant and equipment

Information about property, plant and equipment is omitted because the amount of property, plant and equipment located in Japan is in excess of 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information about each major customer

Information about each major customer is omitted because all net sales to a single external customer are less than 10% of the operating revenue on the statement of income.

13th fiscal period (from February 1, 2022 to July 31, 2022)

(1) Information about products and services

Information about products and services is omitted because net sales to external customers for a single product and service category are in excess of 90% of operating revenue on the statement of income.

(2) Information about geographic areas

① Net sales

Information about net sales is omitted because net sales to external customers in Japan are in excess of 90% of operating revenue on the statement of income.

② Property, plant and equipment

Information about property, plant and equipment is omitted because the amount of property, plant and equipment located in Japan is in excess of 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information about each major customer

Information about each major customer is omitted because all net sales to a single external customer are less than 10% of the operating revenue on the statement of income.

[Notes on Per Unit Information]

	12th fiscal period From: August 1, 2021 To: January 31, 2022	13th fiscal period From: February 1, 2022 To: July 31, 2022
Net assets per unit	53,511 yen	53,539 yen
Net income per unit	1,414 yen	1,430 yen

(Note 1) Net income per unit is calculated by dividing net income by the daily weighted average number of investment units. In addition, diluted net income per unit is not stated, because there are no diluted investment units.

(Note 2) The basis for calculation of net income per unit is as follows:

	12th fiscal period From: August 1, 2021 To: January 31, 2022	13th fiscal period From: February 1, 2022 To: July 31, 2022
Net income (thousand yen)	2,516,993	2,559,804
Amount not attributable to common unitholders (thousand yen)	-	-
Net income attributable to common investment units (thousand yen)	2,516,993	2,559,804
Average number of investment units during period (units)	1,779,389	1,789,389

[Notes on Significant Subsequent Events]

Issuance of new investment units

The issuance of new investment units for the purpose of acquiring real estate, etc. was resolved as follows at the Board of Directors' meetings held on August 1, 2022, and August 9, 2022, and payment was completed on August 16, 2022.

<Issuance of new investment units through primary offering>

Number of new investment units to be issued	: 132,300 units
Issue price (offer price)	: 54,795 yen per unit
Total issue price (total offer price)	: 7,249,378,500 yen
Issue amount (paid-in amount)	: 52,968 yen per unit
Total issue amount (paid-in amount)	: 7,007,666,400 yen
Payment date	: August 16, 2022

Net proceeds from the issuance of new investment units were appropriated to a portion of the acquisition funds, and real estate trust beneficiary interest in three properties was acquired on August 18, 2022 (total acquisition price: 15,154 million yen).

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

The following are the changes in unitholders' capital and total number of investment units issued and outstanding for the most recent five years.

Date	Event	Total number of investment units issued and outstanding (units)		Unitholders' capital (thousand yen)		Remarks
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
February 1, 2018	Capital increase through public offering	53,641	467,941	5,525,130	45,556,316	(Note 1)
February 27, 2018	Capital increase through third-party allotment	2,683	470,624	276,354	45,832,670	(Note 2)
September 5, 2018	Capital increase through public offering	66,857	537,481	6,584,077	52,416,747	(Note 3)
October 2, 2018	Capital increase through third-party allotment	3,343	540,824	329,218	52,745,966	(Note 4)
August 1, 2020	Investment unit split	540,824	1,081,648	-	52,745,966	(Note 5)
August 1, 2020	Merger	592,741	1,674,389	-	52,745,966	(Note 6)
August 17, 2021	Capital increase through public offering	115,000	1,789,389	6,369,735	59,115,701	(Note 7)

(Note 1) New investment units were issued through public offering at an issue price of 106,724 yen (paid-in amount of 103,002 yen) per unit for the purpose of procuring funds for acquisition of new properties.

(Note 2) New investment units were issued through third-party allotment at a paid-in amount of 103,002 yen per unit for the purpose of procuring funds for repayment of borrowings.

(Note 3) New investment units were issued through public offering at an issue price of 101,985 yen (paid-in amount of 98,480 yen) per unit for the purpose of procuring funds for acquisition of new properties.

(Note 4) New investment units were issued through third-party allotment at a paid-in amount of 98,480 yen per unit for the purpose of procuring funds for repayment of borrowings.

(Note 5) SAR has conducted an investment unit split to split one investment unit into two investment units.

(Note 6) Due to the merger dated August 1, 2020, SAR allocated and delivered 1.78 SAR investment units for every 1.0 SSR investment unit. As a result, SAR issued 592,741 new investment units.

(Note 7) New investment units were issued through public offering at an issue price of 57,330 yen (paid-in amount of 55,389 yen) per unit for the purpose of procuring funds for acquisition of new properties

3. Reference Information

(1) Investment Status

Type of asset	Primary use	Geographic area (Note 1)	12th fiscal period (As of January 31, 2022)		13th fiscal period (As of July 31, 2022)	
			Total amount held (million yen) (Note 2)	As a percentage of total assets (%) (Note 3)	Total amount held (million yen) (Note 2)	As a percentage of total assets (%) (Note 3)
Real estate in trust	Office	Greater Tokyo	52,599	27.2	52,652	27.2
		Other than Greater Tokyo	20,390	10.5	20,400	10.5
	Retail	Greater Tokyo	3,006	1.6	3,004	1.6
		Other than Greater Tokyo	15,142	7.8	15,115	7.8
	Residence	Greater Tokyo	32,317	16.7	32,255	16.7
		Other than Greater Tokyo	6,245	3.2	6,233	3.2
	Logistics facility	Greater Tokyo	29,769	15.4	29,657	15.3
	Hotel	Greater Tokyo	12,685	6.6	12,652	6.5
		Other than Greater Tokyo	7,639	4.0	7,599	3.9
	Subtotal			179,797	93.0	179,572
Investment securities			922	0.5	800	0.4
Deposits and other assets			12,597	6.5	13,116	6.8
Total amount of assets			193,316	100.0	193,488	100.0

	Amount (million yen)	As a percentage of total assets (%)	Amount (million yen)	As a percentage of total assets (%)
Total amount of liabilities (Note 4)	97,563	50.5	97,685	50.5
Total amount of net assets (Note 4)	95,753	49.5	95,803	49.5

(Note 1) "Greater Tokyo" refers to Tokyo's 23 wards, Yokohama City and Kawasaki City in the case of the office and retail asset types, and Tokyo, Kanagawa, Saitama and Chiba Prefectures in the case of other asset types (residence, logistics facility and hotel). The same shall apply hereinafter.

(Note 2) "Total amount held" is the carrying amount as at the date of settlement of accounts (in the case of real estate in trust, then the depreciated book value), rounded down to the nearest million yen.

(Note 3) "As a percentage of total assets" is the carrying amount of the concerned assets expressed as a percentage of the total amount of assets, rounded to the first decimal place.

(Note 4) "Total amount of liabilities" and "Total amount of net assets" are according to total liabilities and total net assets on the balance sheet.

(2) Investment Assets

① Investment securities

Asset no.	Name of the security	Type of asset	Quantity (Units)	Book value (million yen)		Fair value (million yen)		Unrealized gain or loss (million yen)	Remarks
				Unit price	Amount	Unit price	Amount		
MEZ-06	Star Asia Mezzanine Loan Debt Investment Series 6	Specified corporate bond	—	—	400	—	400	—	(Note 1) (Note 2)
MEZ-07	Star Asia Mezzanine Loan Debt Investment Series 7	Corporate bond	—	—	400	—	400	—	(Note 1) (Note 3)
	Total	—	—	—	800	—	800	—	—

(Note 1) Because interest income etc. from mezzanine loan debt are based on floating interest rates, the fair value is approximately the same as the book value and thus stated at that book value.

(Note 2) The underlying assets are trust beneficiary interests in a trust mainly comprised of Tajimi Logistics Center.

(Note 3) The underlying assets are trust beneficiary interests in a trust mainly comprised of Relief Premium Haneda.

② Real estate

(a) Overview of real estate (acquisition price, etc.)

Use	Property no. (Note 1)	Property name	Location (Note 2)	Acquisition price (million yen) (Note 3)	Share of investment (%) (Note 4)	Real estate appraisal value, etc. (million yen) (Note 5)	Acquisition date	
Office	OFC-01	Minami-Azabu Shibuya Building	Minato Ward, Tokyo	2,973	1.7	3,070	January 14, 2016	
	OFC-03	Honmachibashi Tower	Chuo Ward, Osaka City, Osaka	6,065	3.4	7,070	January 14, 2016	
	OFC-04	Nishi-Shinjuku Matsuya Building	Shibuya Ward, Tokyo	1,763	1.0	2,650	April 20, 2016	
	OFC-06	Shibuya MK Building	Shibuya Ward, Tokyo	2,042	1.1	3,290	April 20, 2016	
	OFC-08	Asahi Building	Kanagawa Ward, Yokohama City, Kanagawa	6,320	3.5	8,280	April 20, 2016	
	OFC-09	Hakata-eki East Place	Hakata Ward, Fukuoka City, Fukuoka	2,286	1.3	3,050	April 6, 2017	
	OFC-10	Nihonbashi Hamacho Park Building	Chuo Ward, Tokyo	1,450	0.8	1,530	February 2, 2018	
	OFC-11	Amusement Media Gakuin Honkan	Shibuya Ward, Tokyo	2,580	1.4	2,790	September 6, 2018	
	OFC-12	Higashi-Kobe Center Building	Higashinada Ward, Kobe City, Hyogo	7,440	4.1	7,390	September 6, 2018	
	OFC-13	Amusement Media Gakuin Shinkan	Shibuya Ward, Tokyo	1,020	0.6	1,230	February 1, 2019	
	OFC-14	Seishin BLDG.	Shinjuku Ward, Tokyo	11,200	6.2	11,700	August 1, 2020	
	OFC-15	Urban Center Kanda Suda-cho (Note 6)	Chiyoda Ward, Tokyo	5,350	3.0	5,440	August 1, 2020	
	OFC-16	Urban Center Kanda Tsukasamachi (Note 7)	Chiyoda Ward, Tokyo	4,590	2.6	4,630	August 1, 2020	
	OFC-17	Takadanobaba Access	Shinjuku Ward, Tokyo	3,990	2.2	3,990	August 1, 2020	
	OFC-18	Azabu Amerex BLDG.	Minato Ward, Tokyo	2,780	1.5	2,910	August 1, 2020	
	OFC-19	Hiei-Kudan BLDG.	Chiyoda Ward, Tokyo	2,400	1.3	2,390	August 1, 2020	
	OFC-20	Urban Center Shin-Yokohama (Note 8)	Kohoku Ward, Yokohama City, Kanagawa	2,300	1.3	2,540	August 1, 2020	
	OFC-21	The Portal Akihabara	Chiyoda Ward, Tokyo	1,510	0.8	1,490	August 1, 2020	
	OFC-22	Urban Center Tachikawa (Note 9)	Tachikawa City, Tokyo	1,804	1.0	1,980	August 19, 2021	
	OFC-23	Urban Center Hakata	Hakata Ward, Fukuoka City, Fukuoka	2,870	1.6	3,100	August 19, 2021	
	Subtotal				72,733	40.5	80,520	—
	Retail	RTL-01	La Park Kishiwada	Kishiwada City, Osaka	5,400	3.0	5,230	August 1, 2020
		RTL-02	Suroy Mall Chikushino	Chikushino City, Fukuoka	6,550	3.6	6,320	August 1, 2020
RTL-03		Seiyu Minakuchi	Koka City, Shiga	3,320	1.8	3,330	August 1, 2020	
RTL-05		BAGUS Ikebukuro West	Toshima Ward, Tokyo	2,984	1.7	3,280	August 19, 2021	
Subtotal				18,254	10.2	18,160	—	
Residence	RSC-01	Urban Park Azabujuban	Minato Ward, Tokyo	2,045	1.1	2,740	January 14, 2016	
	RSC-02	Urban Park Daikanyama	Shibuya Ward, Tokyo	6,315	3.5	9,430	January 14, 2016	
	RSC-05	Urban Park Namba	Naniwa Ward, Osaka City, Osaka	1,490	0.8	1,530	April 20, 2016	
	RSC-06	Urban Park Gokokuji	Toshima Ward, Tokyo	1,460	0.8	1,560	February 1, 2017	
	RSC-07	Urban Park Kashiwa	Kashiwa City, Chiba	1,186	0.7	1,190	April 6, 2017	
	RSC-08	Urban Park Ryokuchi Koen	Suita City, Osaka	1,550	0.9	1,680	February 2, 2018	
	RSC-09	Urban Park Koenji	Suginami Ward, Tokyo	1,167	0.6	1,180	February 2, 2018	
	RSC-10	Urban Park Ichigao	Aoba Ward, Yokohama City, Kanagawa	1,810	1.0	2,060	March 13, 2020	

Use	Property no. (Note 1)	Property name	Location (Note 2)	Acquisition price (million yen) (Note 3)	Share of investment (%) (Note 4)	Real estate appraisal value, etc. (million yen) (Note 5)	Acquisition date
Residence	RSC-11	Urban Park Gyotoku	Ichikawa City, Chiba	1,430	0.8	1,570	March 13, 2020
	RSC-12	Shiroi Logiman	Shiroi City, Chiba	2,470	1.4	2,470	August 1, 2020
	RSC-13	Urban Park Sekime	Joto Ward, Osaka City, Osaka	2,150	1.2	2,380	August 1, 2020
	RSC-14	Urban Park Imazato	Ikuno Ward, Osaka City, Osaka	993	0.6	1,070	August 1, 2020
	RSC-15	Urban Park Yoyogi	Shibuya Ward, Tokyo	1,740	1.0	1,890	August 1, 2020
	RSC-16	Urban Park Tokiwadai Koen	Hodogaya Ward, Yokohama City, Kanagawa	3,506	2.0	3,920	October 16, 2020
	RSC-17	Urban Park Mitsuike Koen	Tsurumi Ward, Yokohama City, Kanagawa	3,160	1.8	3,520	January 8, 2021
	RSC-18	Urban Park Ryogoku	Sumida Ward, Tokyo	1,115	0.6	1,240	August 19, 2021
	RSC-19	Urban Park Mizonokuchi	Takatsu Ward, Kawasaki City, Kanagawa	2,019	1.1	2,100	August 19, 2021
	RSC-20	Urban Park Miyamaedaira	Miyamae Ward, Kawasaki City, Kanagawa	1,060	0.6	1,230	August 19, 2021
	RSC-21	Urban Park Tsurumi	Tsurumi Ward, Yokohama City, Kanagawa	1,113	0.6	1,190	August 19, 2021
	Subtotal				37,779	21.0	43,950
Logistics facility	LGC-01	Iwatsuki Logistics	Iwatsuki Ward, Saitama City, Saitama	6,942	3.9	7,670	January 14, 2016
	LGC-02	Yokohama Logistics	Kanagawa Ward, Yokohama City, Kanagawa	3,560	2.0	4,330	January 14, 2016
	LGC-03	Funabashi Logistics	Funabashi City, Chiba	7,875	4.4	8,900	January 14, 2016
	LGC-04	Baraki Logistics	Ichikawa City, Chiba	4,700	2.6	4,980	April 6, 2017
	LGC-05	Tokorozawa Logistics	Tokorozawa City, Saitama	1,300	0.7	1,550	April 6, 2017
	LGC-07	Funabashi Nishiura Logistics II	Funabashi City, Chiba	821	0.5	890	February 2, 2018
	LGC-08	Matsubushi Logistics	Kitakatsushika-gun, Saitama	2,755	1.5	3,180	February 2, 2018
	LGC-09	Funabashi Hi-Tech Park Factory I	Funabashi City, Chiba	1,710	1.0	1,710	August 1, 2020
	LGC-10	Funabashi Hi-Tech Park Factory II	Funabashi City, Chiba	702	0.4	704	August 1, 2020
	Subtotal				30,365	16.9	33,914
Hotel	HTL-01	R&B Hotel Umeda East	Kita Ward, Osaka City, Osaka	2,069	1.2	2,280	January 14, 2016
	HTL-02	Smile Hotel Namba	Naniwa Ward, Osaka City, Osaka	1,750	1.0	1,410	January 14, 2016
	HTL-03	REMBRANDT STYLE Tokyo Nishikasai	Edogawa Ward, Tokyo	3,827	2.1	3,470	April 6, 2017
	HTL-04	BEST WESTERN Yokohama	Tsurumi Ward, Yokohama City, Kanagawa	3,248	1.8	3,200	April 6, 2017
	HTL-05	The BREAKFAST HOTEL FUKUOKA TENJIN (Note 10)	Chuo Ward, Fukuoka City, Fukuoka	1,970	1.1	1,910	September 6, 2018
	HTL-06	GLANSIT AKIHABARA	Chiyoda Ward, Tokyo	2,500	1.4	2,440	September 6, 2018
	HTL-07	REMBRANDT STYLE Tokyo Nishikasai Grande	Edogawa Ward, Tokyo	3,180	1.8	3,130	September 6, 2018
	HTL-08	KOKO HOTEL Osaka Namba	Naniwa Ward, Osaka City, Osaka	2,000	1.1	1,410	September 6, 2018
Subtotal				20,544	11.4	19,250	—
Total				179,675	100.0	195,794	—

(Note 1) "Property no." is assigned to SAR's investment assets by categorizing into office (OFC), retail facility (RTL), residence (RSC), logistics facility (LGC) and hotel (HTL), and numbering in order by category. The same shall apply hereinafter.

(Note 2) "Location" is the smallest independent administrative district in which each investment asset is located.

(Note 3) "Acquisition price" indicates the sale and purchase price stated in the sale and purchase agreement for each investment asset. (Not including consumption tax and local consumption tax.) However, in the case of Minami-Azabu Shibuya Building, since the price for each investment asset among multiple assets is not set in the sale and purchase agreement, the total sale and purchase price is divided proportionally based on the ratio of the appraisal value of the properties at the time of acquisition and indicated as the acquisition price. The appraisal value indicated in the real estate appraisal report with July 31, 2020, as the appraisal date, which is the receipt price, is indicated for properties that were succeeded from SSR due to the absorption-type merger with SAR as the surviving corporation on August 1, 2020.

(Note 4) "Share of investment" is the acquisition price of the investment asset indicated as the ratio of the total of acquisition price, rounded to the first decimal place.

(Note 5) Daiwa Real Estate Appraisal Co., Ltd., Japan Real Estate Institute and The Tanizawa Sogo Appraisal co., Ltd. are entrusted with appraisals. Real estate appraisal values are the figures indicated in the real estate appraisal report with July 31, 2022, as the date of value and are rounded to the nearest million yen. For details, please refer to "(d) Summary of Real Estate Appraisal Reports, Etc.".

(Note 6) The name was changed on August 1, 2022 (former property name: NK Building). The same shall apply hereinafter.

(Note 7) The name was changed on February 1, 2022 (former property name: Tsukasamachi BLDG.). The same shall apply hereinafter.

(Note 8) The name was changed on August 1, 2022 (former property name: Shin-Yokohama Nara BLDG.). The same shall apply hereinafter.

(Note 9) The name was changed on May 1, 2022 (former property name: OHA Building). The same shall apply hereinafter.

(Note 10) The name was changed on April 1, 2022 (former property name: Hotel WBF Fukuoka Tenjin Minami). The same shall apply hereinafter.

(b) Portfolio Summary

a. By Geographic Area

Geographic area		Acquisition price (million yen)	Share (%) (Note 1)	
Greater Tokyo	5 central wards of Tokyo (Note 2)	56,248	31.3	72.3
	Other areas in Greater Tokyo	73,720	41.0	
Other than Greater Tokyo		49,707	27.7	
Total		179,675	100.0	

(Note 1) "Share" is calculated on the basis of acquisition price, rounded to the first decimal place. Accordingly, the shares may not add up to 100%. The same shall apply hereinafter in "c. By Asset Type (Use)."

(Note 2) "5 central wards of Tokyo" refers to Chiyoda, Chuo, Minato, Shinjuku and Shibuya Wards. The same shall apply hereinafter.

(a) Office

Geographic area		Acquisition price (million yen)	Share (%)	
Greater Tokyo	5 central wards of Tokyo	43,648	60.0	71.9
	Other areas in Greater Tokyo	8,620	11.9	
Other than Greater Tokyo		20,465	28.1	
Total		72,733	100.0	

(b) Retail

Geographic area		Acquisition price (million yen)	Share (%)	
Greater Tokyo	5 central wards of Tokyo	-	-	16.3
	Other areas in Greater Tokyo	2,984	16.3	
Other than Greater Tokyo		15,270	83.7	
Total		18,254	100.0	

(c) Residence

Geographic area		Acquisition price (million yen)	Share (%)	
Greater Tokyo	5 central wards of Tokyo	10,100	26.7	83.6
	Other areas in Greater Tokyo	21,496	56.9	
Other than Greater Tokyo		6,183	16.4	
Total		37,779	100.0	

(d) Logistics facility

Geographic area		Acquisition price (million yen)	Share (%)	
Greater Tokyo	5 central wards of Tokyo	-	-	100.0
	Other areas in Greater Tokyo	30,365	100.0	
Other than Greater Tokyo		-	-	
Total		30,365	100.0	

(e) Hotel

Geographic area		Acquisition price (million yen)	Share (%)	
Greater Tokyo	5 central wards of Tokyo	2,500	12.2	62.1
	Other areas in Greater Tokyo	10,255	49.9	
Other than Greater Tokyo		7,789	37.9	
Total		20,544	100.0	

b. By Size

Acquisition price	Number of properties	Share (%) (Note)
10 billion yen or more	1	1.7
5 billion yen or more but less than 10 billion yen	9	15.0
1 billion yen or more but less than 5 billion yen	47	78.3
Less than 1 billion yen	3	5.0
Total	60	100.0

(Note) "Share" is calculated on the basis of number of properties.

c. By Asset Type (Use)

Use	Number of properties	Acquisition price (million yen)	Share (%)
Office	20	72,733	40.5
Retail	4	18,254	10.2
Residence	19	37,779	21.0
Logistics facility	9	30,365	16.9
Hotel	8	20,544	11.4
Total	60	179,675	100.0

(c) Status of Leasing

Property no.	Property name	Construction completion	Number of tenants (Note 1)	Operating revenue from leasing (thousand yen) (Note 2)	Security and guarantee deposits (thousand yen) (Note 3)	Leased area (m ²) (Note 4)	Leasable area (m ²) (Note 5)	Occupancy rate (%) (Note 6)
OFC-01	Minami-Azabu Shibuya Building	June 1993	6	98,919	128,093	3,263.08	3,263.08	100.0
OFC-03	Honmachibashi Tower	February 2010	6 (Note 7)	237,698	260,488	10,489.58	10,489.58	100.0
OFC-04	Nishi-Shinjuku Matsuya Building	May 1987	10	101,740	151,813	3,547.74	3,547.74	100.0
OFC-06	Shibuya MK Building	July 1993	4	76,808	127,734	1,612.88	1,612.88	100.0
OFC-08	Asahi Building	November 1994	20	229,194	247,959	8,672.01	8,672.01	100.0
OFC-09	Hakata-eki East Place	February 1986	18	114,885	105,685	4,540.80	4,632.70	98.0
OFC-10	Nihonbashi Hamacho Park Building	July 1992	3	39,904	60,116	1,433.88	1,913.44	74.9
OFC-11	Amusement Media Gakuin Honkan	November 1994	1	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	1,892.18	100.0
OFC-12	Higashi Kobe Center Building	January 1992	54	298,919	302,800	14,685.70	16,960.51	86.6
OFC-13	Amusement Media Gakuin Shinkan	January 1999	1	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	781.33	100.0
OFC-14	Seishin BLDG.	March 1989	18	252,394	325,016	5,011.60	5,616.80	89.2
OFC-15	Urban Center Kanda Suda-cho	October 1991	10	139,829	157,380	3,394.35	3,394.35	100.0
OFC-16	Urban Center Kanda Tsukasamachi	January 1988	8	81,562	150,413	3,250.68	3,250.68	100.0
OFC-17	Takadanobaba Access	January 1994	8	113,062	119,505	3,691.49	3,691.49	100.0
OFC-18	Azabu Amerex BLDG.	June 1988	7	72,995	63,815	2,240.03	2,240.03	100.0
OFC-19	Hiei-Kudan BLDG.	September 1991	9	69,073	87,887	1,982.24	2,298.86	86.2
OFC-20	Urban Center Shin-Yokohama	March 1992	17	80,736	85,407	3,654.52	4,057.89	90.1
OFC-21	The Portal Akihabara	May 2002	8	36,233	39,520	941.69	941.69	100.0
OFC-22	Urban Center Tachikawa	May 1990	3	85,029	66,650	2,211.96	3,400.47	65.0
OFC-23	Urban Center Hakata	August 2020	1	77,043	108,748	2,639.18	2,639.18	100.0
RTL-01	La Park Kishiwada	August 1994	53 (Note 10)	503,192	237,690	40,810.77 (Note 10)	41,001.03 (Note 10)	99.5
RTL-02	Suroy Mall Chikushino	June 2007	20	301,522	445,363	29,950.48	31,088.53	96.3
RTL-03	Seiyu Minakuchi	May 1999	1	Not disclosed (Note 9)	Not disclosed (Note 9)	23,814.87	23,814.87	100.0
RTL-05	BAGUS Ikebukuro West	November 1992	1	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	1,497.45	100.0
RSC-01	Urban Park Azabujuban	November 1999	38	55,865	11,371	1,793.63	1,986.76	90.3

Property no.	Property name	Construction completion	Number of tenants (Note 1)	Operating revenue from leasing (thousand yen) (Note 2)	Security and guarantee deposits (thousand yen) (Note 3)	Leased area (m ²) (Note 4)	Leasable area (m ²) (Note 5)	Occupancy rate (%) (Note 6)
RSC-02	Urban Park Daikanyama	Existing: November 1982 Newly built: May 2006	68	192,871	78,106	5,710.10	5,977.18	95.5
RSC-05	Urban Park Namba	January 2013	113	47,402	-	2,498.17	2,584.81	96.6
RSC-06	Urban Park Gokokuji	February 1990	102	48,338	4,195	1,833.00	1,964.04	93.3
RSC-07	Urban Park Kashiwa	August 1997	39	38,336	7,457	2,814.25	2,954.77	95.2
RSC-08	Urban Park Ryokuchi Koen	March 1989	60	61,575	10,975	5,508.94	5,508.94	100.0
RSC-09	Urban Park Koenji	October 1987	72	36,496	4,695	1,349.23	1,365.48	98.8
RSC-10	Urban Park Ichigao	July 1998	61	58,960	18,178	4,322.62	4,322.62	100.0
RSC-11	Urban Park Gyotoku	March 1995	40	36,546	15,276	2,611.65	2,976.36	87.7
RSC-12	Shiroi Logiman	May 1995	293	142,518	13,547	21,601.40	21,888.21	98.7
RSC-13	Urban Park Sekime	August 1989	124	85,724	9,572	7,539.86	7,693.13	98.0
RSC-14	Urban Park Imazato	December 1991	66	39,231	1,857	4,513.64	4,648.64	97.1
RSC-15	Urban Park Yoyogi	September 2017	27	42,502	7,032	1,245.17	1,286.50	96.8
RSC-16	Urban Park Tokiwadai Koen	February 1994	140	143,364	29,519	13,926.00	14,058.00	99.1
RSC-17	Urban Park Mitsuike Koen	March 1992	133	130,541	28,453	10,032.00	10,362.00	96.8
RSC-18	Urban Park Ryogoku	October 1997	32	37,011	7,800	2,304.53	2,304.53	100.0
RSC-19	Urban Park Mizonokuchi	August 1988	72	65,713	4,713	3,975.77	4,160.00	95.6
RSC-20	Urban Park Miyamaedaira	June 2021	47	32,927	1,757	1,855.71	1,957.97	94.8
RSC-21	Urban Park Tsurumi	February 1994	1	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	3,145.41	100.0
LGC-01	Iwatsuki Logistics	October 2014	3	201,296	97,014	30,190.81	30,190.81	100.0
LGC-02	Yokohama Logistics	October 1994	1	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	18,142.08	100.0
LGC-03	Funabashi Logistics	Building 1: September 1992 Building 2: August 1997	4	258,038	83,426	34,900.53	38,086.56	91.6
LGC-04	Baraki Logistics	August 2015	2	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	12,126.28	100.0
LGC-05	Tokorozawa Logistics	April 1999	1	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	5,994.75	100.0
LGC-07	Funabashi Nishiura Logistics II	Warehouse: March 1991 Factory: May 1972 Office: May 1986	1	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	6,315.87	100.0
LGC-08	Matsubushi Logistics	March 1997	1	Not disclosed (Note 9)	Not disclosed (Note 9)	19,833.47	19,833.47	100.0

Property no.	Property name	Construction completion	Number of tenants (Note 1)	Operating revenue from leasing (thousand yen) (Note 2)	Security and guarantee deposits (thousand yen) (Note 3)	Leased area (m ²) (Note 4)	Leasable area (m ²) (Note 5)	Occupancy rate (%) (Note 6)
LGC-09	Funabashi Hi-Tech Park Factory I	May 2003	1	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	8,340.98	100.0
LGC-10	Funabashi Hi-Tech Park Factory II	September 2001	1	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	4,233.92	100.0
HTL-01	R&B Hotel Umeda East	October 2000	1	65,392	73,495	3,940.93	3,940.93	100.0
HTL-02	Smile Hotel Namba	February 2008	1	17,626	-	1,711.42	1,711.42	100.0
HTL-03	REMBRANDT STYLE Tokyo Nishikasai	March 1991	1	84,600	84,600	5,293.88	5,293.88	100.0
HTL-04	BEST WESTERN Yokohama	September 1987	1	80,400	80,400	4,686.09	4,686.09	100.0
HTL-05	The BREAKFAST HOTEL FUKUOKA TENJIN	February 2017	1	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	2,281.49	100.0
HTL-06	GLANSIT AKIHABARA	September 2017	1	Not disclosed (Note 9)	Not disclosed (Note 9)	Not disclosed (Note 9)	1,089.06	100.0
HTL-07	REMBRANDT STYLE Tokyo Nishikasai Grande	February 2017	1	70,002	116,670	2,755.19	2,755.19	100.0
HTL-08	KOKO HOTEL Osaka Namba	April 2017	1	2,180	-	2,061.38	2,061.38	100.0
Total			1,838	6,060,414	5,564,695	438,489.70	450,928.28	97.2

(Note 1) "Number of tenants" is the number of tenants (excluding parking) under the lease agreement stated in the lease agreement for each investment asset as of July 31, 2022. If a single tenant is leasing multiple rental units in an investment asset, the tenant is counted as 1 tenant for the concerned investment asset. If a single tenant is leasing rental units across multiple investment assets, the tenant is counted as separate tenants and the sum total number of tenants is stated in the total column. Furthermore, in cases where a pass-through-type master lease agreement under which rent from end-tenants is received in principle ("pass-through-type master lease") has been concluded for the concerned investment asset, the total number of end-tenants is stated. In cases where a master lease agreement agreeing to the effect that the rent under the master lease agreement shall be a fixed rent ("rent-guaranteed type master lease") has been concluded for the concerned investment asset, the number of tenants is 1 and the sum total of these is stated.

(Note 2) "Operating revenue from leasing" is rental revenue, common area maintenance revenue, parking revenue and other revenue generated from real estate held during the fiscal period under review (including other lease business revenue).

(Note 3) "Security and guarantee deposits" is the sum total amount of tenant security and guarantee deposits required based on the lease agreement (including deposits based on parking, antenna, rooftop and other agreements; the amount after depreciation) for each investment asset as of July 31, 2022 (limited to those occupied as of said date). Furthermore, in cases where a pass-through-type master lease agreement has been concluded for the concerned investment asset, it is the sum total amount of tenant security and guarantee deposits under lease agreements concluded with end-tenants.

(Note 4) "Leased area" is the sum total of the leased area stated in the lease agreement for each investment asset as of July 31, 2022. Furthermore, in cases where a master lease agreement has been concluded for the concerned investment asset, it is the sum total of the leased area under lease agreements concluded with end-tenants for properties under a pass-through-type master lease, and it is the leased area under the master lease agreement for properties under a rent-guaranteed type master lease.

(Note 5) "Leasable area" is the floor area regarded as being available for leasing based on the lease agreement or building drawing, etc. of the building for each investment asset as of July 31, 2022.

(Note 6) "Occupancy rate" is the ratio of leased area to leasable area for each investment asset as of July 31, 2022, rounded to the first decimal place. In addition, in the total column, it is the ratio of the sum total of leased area to the sum total of leasable area for each investment asset, rounded to the first decimal place.

- (Note 7) Of the tenants of the property, a single company leases all 36 units of the residential portion, of which 30 units are under a rent-guaranteed type master lease agreement and 6 units are under a pass-through-type master lease agreement.
- (Note 8) In the table, “Number of tenants,” “Security and guarantee deposits,” “Leased area” and “Occupancy rate” are based on lease agreements valid as of July 31, 2022, even if there is a notice of cancellation or termination of lease agreements with end-tenants or unpaid rent.
- (Note 9) Not disclosed, because consent for disclosure has not been obtained from the tenants.
- (Note 10) The number of tenants and each area related to the installation of ATM are not included.

(d) Summary of Real Estate Appraisal Reports, Etc.

Use	Property no.	Property name	Appraisal firm (Note 1)	Appraisal value (million yen) (Note 2)	Summary of appraisal reports						Appraisal NOI yield (%) (Note 4)	
					Income approach					NOI (million yen) (Note 3)		
					Direct capitalization method		DCF method					
					Indicated value (million yen)	Cap rate (%)	Indicated value (million yen)	Discount rate (%)	Terminal cap rate (%)			
Office	OFC-01	Minami-Azabu Shibuya Building	Daiwa	3,070	3,170	3.8	3,020	3.4	4.0	138	4.6	
	OFC-03	Honmachibashi Tower	Daiwa	7,070	7,080	4.1	7,070	3.9	4.3	309	5.1	
	OFC-04	Nishi-Shinjuku Matsuya Building	Daiwa	2,650	2,580	4.0	2,680	3.8	4.2	118	6.7	
	OFC-06	Shibuya MK Building	JREI	3,290	3,330	3.3	3,240	3.1	3.4	114	5.6	
	OFC-08	Asahi Building	JREI	8,280	8,360	3.4	8,190	3.2	3.5	315	5.0	
	OFC-09	Hakata-eki East Place	Daiwa	3,050	3,020	4.5	3,060	4.3	4.7	142	6.2	
	OFC-10	Nihonbashi Hamacho Park Building	Daiwa	1,530	1,530	4.3	1,530	4.1	4.5	67	4.7	
	OFC-11	Amusement Media Gakuin Honkan	Daiwa	2,790	2,850	3.5	2,760	3.3	3.7	103	4.0	
	OFC-12	Higashi Kobe Center Building	Tanizawa	7,390	7,400	4.9	7,390	5.0	5.1	411	5.5	
	OFC-13	Amusement Media Gakuin Shinkan	JREI	1,230	1,240	3.2	1,210	3.0	3.3	41	4.0	
	OFC-14	Seishin BLDG.	JREI	11,700	11,900	3.3	11,500	3.0	3.3	401	3.6	
	OFC-15	Urban Center Kanda Suda-cho	Tanizawa	5,440	5,570	3.4	5,390	3.5	3.6	200	3.7	
	OFC-16	Urban Center Kanda Tsukasamachi	Tanizawa	4,630	4,760	3.5	4,570	3.6	3.7	173	3.8	
	OFC-17	Takadanobaba Access	Tanizawa	3,990	4,180	3.6	3,910	3.7	3.8	156	3.9	
	OFC-18	Azabu Amerex BLDG.	JREI	2,910	2,910	3.4	2,900	3.1	3.4	104	3.7	
	OFC-19	Hiei-Kudan BLDG.	Tanizawa	2,390	2,540	3.5	2,330	3.6	3.7	92	3.8	
	OFC-20	Urban Center Shin-Yokohama	JREI	2,540	2,550	4.3	2,520	4.0	4.4	116	5.0	
	OFC-21	The Portal Akihabara	Tanizawa	1,490	1,540	3.6	1,470	3.7	3.8	57	3.8	
	OFC-22	Urban Center Tachikawa	Daiwa	1,980	2,000	4.4	1,970	4.2	4.6	93	5.2	
	OFC-23	Urban Center Hakata	JREI	3,100	3,140	4.0	3,050	3.8	4.2	126	4.4	
			Subtotal		80,520	81,650	-	79,760	-	-	3,276	4.5
	Retail	RTL-01	La Park Kishiwada	JREI	5,230	5,240	6.4	5,210	6.2	6.6	386	7.1
		RTL-02	Suroy Mall Chikushino	Tanizawa	6,320	6,340	5.7	6,310	5.8	5.9	372	5.7
RTL-03		Seiyu Minakuchi	JREI	3,330	3,360	6.7	3,300	6.5	7.0	246	7.4	
RTL-05		BAGUS Ikebukuro West	JREI	3,280	3,350	3.6	3,210	3.4	3.8	123	4.1	
			Subtotal		18,160	18,290	-	18,030	-	-	1,127	6.2
Residence	RSC-01	Urban Park Azabujuban	JREI	2,740	2,770	3.1	2,700	2.9	3.2	89	4.4	
	RSC-02	Urban Park Daikanyama	JREI	9,430	9,560	3.0	9,300	2.8	3.1	301	4.8	
	RSC-05	Urban Park Namba	Daiwa	1,530	1,560	4.7	1,520	4.5	4.9	75	5.1	
	RSC-06	Urban Park Gokokuji	JREI	1,560	1,570	3.6	1,540	3.4	3.7	62	4.3	
	RSC-07	Urban Park Kashiwa	Tanizawa	1,190	1,210	4.4	1,180	4.5	4.6	58	4.9	
	RSC-08	Urban Park Ryokuchi Koen	Tanizawa	1,680	1,700	4.5	1,670	4.6	4.7	87	5.6	
	RSC-09	Urban Park Koenji	Tanizawa	1,180	1,190	3.9	1,170	4.0	4.1	54	4.6	
	RSC-10	Urban Park Ichigao	JREI	2,060	2,080	3.9	2,040	3.7	4.0	86	4.8	
	RSC-11	Urban Park Gyotoku	Tanizawa	1,570	1,630	4.0	1,550	4.1	4.2	68	4.8	
	RSC-12	Shiroi Logiman	Tanizawa	2,470	2,430	5.1	2,490	5.2	5.3	141	5.7	
	RSC-13	Urban Park Sekime	Tanizawa	2,380	2,390	4.3	2,370	4.4	4.5	113	5.3	
	RSC-14	Urban Park Imazato	Tanizawa	1,070	1,080	4.5	1,070	4.6	4.7	54	5.4	
	RSC-15	Urban Park Yoyogi	JREI	1,890	1,900	3.3	1,870	3.0	3.4	63	3.6	
	RSC-16	Urban Park Tokiwadai Koen	Tanizawa	3,920	3,960	4.3	3,900	4.4	4.5	190	5.4	
	RSC-17	Urban Park Mitsuike Koen	Tanizawa	3,520	3,550	4.5	3,500	4.6	4.7	173	5.5	
	RSC-18	Urban Park Ryogoku	Tanizawa	1,240	1,250	3.9	1,240	4.0	4.1	51	4.6	
	RSC-19	Urban Park Mizonokuchi	Tanizawa	2,100	2,130	4.3	2,090	4.4	4.5	96	4.8	

Use	Property no.	Property name	Appraisal firm (Note 1)	Appraisal value (million yen) (Note 2)	Summary of appraisal reports						Appraisal NOI yield (%) (Note 4)
					Income approach					NOI (million yen) (Note 3)	
					Direct capitalization method		DCF method				
					Indicated value (million yen)	Cap rate (%)	Indicated value (million yen)	Discount rate (%)	Terminal cap rate (%)		
Residence	RSC-20	Urban Park Miyamaedaira	Daiwa	1,230	1,250	4.1	1,220	3.9	4.3	52	5.0
	RSC-21	Urban Park Tsurumi	Tanizawa	1,190	1,200	4.4	1,180	4.8	4.6	56	5.0
	Subtotal				43,950	44,410	-	43,600	-	-	1,871
Logistics facility	LGC-01	Iwatsuki Logistics	Daiwa	7,670	7,780	4.2	7,620	4.0	4.4	333	4.8
	LGC-02	Yokohama Logistics	Daiwa	4,330	4,380	4.0	4,310	3.8	4.2	205	5.8
	LGC-03	Funabashi Logistics	Daiwa	8,900	9,000	4.1	8,850	3.9	4.3	417	5.3
	LGC-04	Baraki Logistics	Tanizawa	4,980	5,100	3.6	4,930	3.5	3.8	186	3.9
	LGC-05	Tokorozawa Logistics	JREI	1,550	1,570	4.6	1,530	4.2	4.9	75	5.8
	LGC-07	Funabashi Nishiura Logistics II	Daiwa	890	890	5.4	890	5.2	5.6	57	7.0
	LGC-08	Matsubushi Logistics	JREI	3,180	3,200	4.8	3,150	4.3	5.1	158	5.7
	LGC-09	Funabashi Hi-Tech Park Factory I	JREI	1,710	1,730	6.4	1,680	6.3	6.7	111	6.5
	LGC-10	Funabashi Hi-Tech Park Factory II	JREI	704	710	6.2	698	5.4	7.0	48	6.8
	Subtotal				33,914	34,360	-	33,658	-	-	1,591
Hotel	HTL-01	R&B Hotel Umeda East	Daiwa	2,280	2,290	4.6	2,270	4.4	4.8	114	5.5
	HTL-02	Smile Hotel Namba	Daiwa	1,410	1,470	4.7	1,380	4.5	4.9	75	4.3
	HTL-03	REMBRANDT STYLE Tokyo Nishikasai	JREI	3,470	3,530	4.3	3,400	4.1	4.5	160	4.2
	HTL-04	BEST WESTERN Yokohama	JREI	3,200	3,250	4.4	3,150	4.2	4.6	147	4.5
	HTL-05	The BREAKFAST HOTEL FUKUOKA TENJIN	Tanizawa	1,910	1,960	4.4	1,890	4.4	4.6	87	4.4
	HTL-06	GLANSIT AKIHABARA	Tanizawa	2,440	2,510	3.9	2,410	3.8	4.1	98	3.9
	HTL-07	REMBRANDT STYLE Tokyo Nishikasai Grande	Tanizawa	3,130	3,160	4.0	3,120	3.9	4.2	126	4.0
	HTL-08	KOKO HOTEL Osaka Namba	Daiwa	1,410	1,450	4.5	1,390	4.1	4.5	72	3.6
Subtotal				19,250	19,620	-	19,010	-	-	879	4.3
Total				195,794	198,330	-	194,058	-	-	8,744	4.9

(Note 1) Under "Appraisal firm," "Daiwa," "JREI," and "Tanizawa" stand for Daiwa Real Estate Appraisal Co., Ltd., Japan Real Estate Institute, and The Tanizawa Sogo Appraisal co., Ltd., respectively

(Note 2) "Appraisal value" is as of July 31, 2022, as the date of value.

(Note 3) "NOI" is net operating income calculated under the direct capitalization method stated in the appraisal report, rounded to the nearest million yen.

(Note 4) "Appraisal NOI yield" is based on net operating income calculated under the direct capitalization method stated in the appraisal report and expressed as a percentage of acquisition price, rounded to the first decimal place.

(e) Information on Major Real Estate Properties

Of investment assets, there is no property that falls under the category of major real estate properties (buildings/facilities pertaining to land recognized to be used collectively, of which total rental revenue accounts for 10% or more of the sum total of total rental revenue of investment assets) as of July 31, 2022. Of investment assets, the following are top five properties in terms of total rental revenue as of July 31, 2022.

	Changes in occupancy rate (%) (Note)				
	July 31, 2020	January 31, 2021	July 31, 2021	January 31, 2022	July 31, 2022
La Park Kishiwada	-	99.0	99.0	98.7	99.5
Suroy Mall Chikushino	-	97.6	97.6	99.7	96.3
Higashi Kobe Center Building	96.3	96.2	85.1	85.3	86.6
Funabashi Logistics	91.6	91.6	91.6	91.6	91.6
Seishin BLDG.	-	100.0	100.0	100.0	89.2

(Note) "Changes in occupancy rate" is the ratio of leased area to leasable area for each investment asset as of the record date, rounded to the first decimal place.

(f) Top 10 End-Tenants in Terms of Leased Area

The following table lists the tenants ranking in the top ten tenants in terms of leased area of investment assets.

	Name of tenant	Name of property occupied	Leased area (m ²) (Note 1)	As a percentage of total leasable area (%) (Note 2)
1	Not disclosed (Note 3)	Iwatsuki Logistics	Not disclosed (Note 3)	6.6
2	Seiyu Co., Ltd.	Seiyu Minakuchi	23,814.87	5.3
3	Not disclosed (Note 3)	Funabashi Logistics	Not disclosed (Note 3)	4.8
4	Scroll360 Corporation	Matsubushi Logistics	19,833.47	4.4
5	Not disclosed (Note 3)	Yokohama Logistics	Not disclosed (Note 3)	4.0
6	Nagasakiya Co., Ltd.	La Park Kishiwada Shiroi Logiman	15,429.00	3.4
7	Rembrandt Inn	REMBRANDT STYLE Tokyo Nishikasai BEST WESTERN Yokohama REMBRANDT STYLE Tokyo Nishikasai Grande	12,735.16	2.8
8	Not disclosed (Note 3)	Funabashi Hi-Tech Park Factory I	Not disclosed (Note 3)	1.9
9	Mr Max Holdings Ltd.	Suroy Mall Chikushino	7,997.08	1.8
10	Sakoda Co., Ltd.	Suroy Mall Chikushino	Not disclosed (Note 3)	1.7
Total of the top 10 tenants			165,500.91	36.7

(Note 1) "Leased area" is the sum total of the leased area stated in the lease agreement for each investment asset as of July 31, 2022.

(Note 2) "As a percentage of total leasable area" is the area leased to the tenant expressed as a percentage of the sum total of leasable area of all investment assets, rounded to the first decimal place.

(Note 3) Not disclosed, because consent for disclosure has not been obtained from the end-tenants, etc.

(g) Capital Expenditures

a. Schedule of Capital Expenditures for the 14th fiscal period

The following are the principal capital expenditures arising from renovation construction works, etc. currently planned for the assets held by SAR as of July 31, 2022. Please note that the expected construction amounts include portions that are expensed as a separate account item of accounting costs.

Name of real estate, etc. (Location)	Purpose	Scheduled period	Estimated construction costs (thousand yen)		
			Total amount	Amount of payment during period	Total amount already paid
Higashi Kobe Center Building (Kobe City, Hyogo)	Mechanical parking renovation work	From: Aug. 2022 To: Jan. 2023	40,228	—	—
Minami-Azabu Shibuya Building (Minato Ward, Tokyo)	Elevator renewal work	From: Sep. 2022 To: Nov. 2023	37,230	—	—
Seishin BLDG. (Shinjuku Ward, Tokyo)	Common area renewal work	From: Sep. 2022 To: Oct. 2022	33,760	—	—
Hakata-eki East Place (Fukuoka City, Fukuoka)	Air-conditioning equipment renewal work	From: Sep. 2022 To: Oct. 2022	27,270	—	—
Urban Park Tokiwadai Koen (Yokohama City, Kanagawa)	Elevator renewal work	From: Sep. 2022 To: Sep. 2022	23,028	—	—
Asahi Building (Yokohama City, Kanagawa)	Air-conditioning equipment renewal work	From: Oct. 2022 To: Nov. 2022	22,540	—	—
REMBRANDT STYLE Tokyo Nishikasai (Edogawa Ward, Tokyo)	Mechanical parking renovation work	From: Sep. 2022 To: Jan. 2023	16,733	—	—
Urban Center Shin-Yokohama (Yokohama City, Kanagawa)	Common area renewal work	From: Dec. 2022 To: Jan. 2023	15,385	—	—
La Park Kishiwada (Kishiwada City, Osaka)	Common area renovation work	From: Nov. 2022 To: Jan. 2023	15,210	—	—
The Portal Akihabara (Chiyoda Ward, Tokyo)	Air-conditioning equipment renewal work	From: Oct. 2022 To: Dec. 2022	13,770	—	—
La Park Kishiwada (Kishiwada City, Osaka)	Exterior wall renovation work, etc.	From: Nov. 2022 To: Jan. 2023	13,695	—	—
Azabu Amerex BLDG. (Minato Ward, Tokyo)	Switching to LED lighting at common area and exclusive area	From: Jan. 2023 To: Jan. 2023	13,360	—	—
BEST WESTERN Yokohama (Yokohama City, Kanagawa)	Air-conditioning equipment renewal work	From: Sep. 2022 To: Jan. 2023	13,066	—	—
Hiei-Kudan BLDG. (Chiyoda Ward, Tokyo)	Switching to LED lighting at exclusive area	From: Jan. 2023 To: Jan. 2023	12,340	—	—
Urban Center Tachikawa (Tachikawa City, Tokyo)	Switching to LED lighting at common area and exclusive area	From: Jan. 2023 To: Jan. 2023	11,320	—	—
Urban Center Kanda Tsukasamachi (Chiyoda Ward, Tokyo)	Mechanical parking renovation work	From: Jan. 2023 To: Jan. 2023	10,810	—	—
Matsubushi Logistics (Kitakatsushika-gun, Saitama)	Switching to LED lighting inside warehouse	From: Sep. 2022 To: Jan. 2023	10,707	—	—
Higashi Kobe Center Building (Kobe City, Hyogo)	Common area renewal work	From: Oct. 2022 To: Jan. 2023	10,195		

b. Capital Expenditures during the 13th fiscal period

The following summarizes the primary construction works that constitute capital expenditures implemented for the assets held by SAR as of July 31, 2022, during the 13th fiscal period. Capital expenditures for the 13th fiscal period amounted to 471,534 thousand yen and, when combined with the 255,200 thousand yen in repair expenses charged to the same period, it totals 726,735 thousand yen in construction works implemented.

Name of real estate, etc. (Location)	Purpose	Period	Construction costs (thousand yen)
Takadanobaba Access (Shinjuku Ward, Tokyo)	Renewal work of air-conditioning system of outdoor-air processing unit	From: Apr. 2022 To: May 2022	36,489
Higashi Kobe Center Building (Kobe City, Hyogo)	Entrance and exit system renewal work	From: Jun. 2022 To: Jul. 2022	27,391
Urban Center Shin-Yokohama (Yokohama City, Kanagawa)	Air-conditioning system renewal work (8F and 11F)	From: Feb. 2022 To: Mar. 2022	26,808
Seishin BLDG. (Shinjuku Ward, Tokyo)	Common area renewal work (2F, 5F and 8F)	From: Jun. 2022 To: Jul. 2022	23,042
Hakata-eki East Place (Fukuoka City, Fukuoka)	Air-conditioning system renewal work (5F and 6F)	From: Apr. 2022 To: Apr. 2022	22,462
Hakata-eki East Place (Fukuoka City, Fukuoka)	Air-conditioning system renewal work (4F and 8F)	From: Jul. 2022 To: Jul. 2022	21,670
La Park Kishiwada (Kishiwada City, Osaka)	Renovation work of exterior wall on east side (Phase 1)	From: Jul. 2022 To: Jul. 2022	21,512
Urban Center Kanda Suda-cho (Chiyoda Ward, Tokyo)	Phase 2 renewal work	From: Feb. 2022 To: Feb. 2022	20,678
Urban Park Mitsuike Koen (Yokohama City, Kanagawa)	Elevator renewal work	From: Jul. 2022 To: Jul. 2022	20,081
Others	—	—	251,396
Total			471,534

(h) Individual Property Income Statements

(Unit: thousand yen)

Property no.	OFC-01	OFC-03	OFC-04	OFC-06	OFC-08
Property name	Minami-Azabu Shibuya Building	Honmachibashi Tower	Nishi-Shinjuku Matsuya Building	Shibuya MK Building	Asahi Building
① Total operating revenue from real estate leasing	98,919	237,698	101,740	76,808	229,194
Rental revenue	90,068	209,238	93,535	72,525	211,318
Other lease business revenue	8,850	28,459	8,204	4,282	17,875
② Total operating expenses from real estate leasing	28,957	69,825	35,154	17,545	55,598
Management fee	6,002	13,860	6,699	4,726	14,778
Trust fee	400	400	400	350	400
Utilities expenses	6,080	23,844	7,573	3,194	21,144
Insurance premium	148	457	164	57	479
Repair expenses	1,280	3,130	1,615	1,435	2,153
Property taxes	4,498	19,807	3,445	4,418	15,952
Others	10,546	8,324	15,255	3,363	689
③ NOI (① - ②)	69,961	167,872	66,585	59,263	173,595
④ Depreciation	12,655	45,504	10,534	3,761	29,378
⑤ Operating income (loss) from real estate leasing (③ - ④)	57,306	122,368	56,051	55,502	144,217
⑥ Capital expenditures	1,239	-	2,691	5,835	6,527
⑦ NCF (③ - ⑥)	68,722	167,872	63,894	53,428	167,067
Book value at end of the period	2,953,564	5,641,870	1,810,344	2,091,197	6,276,434

Property no.	OFC-09	OFC-10	OFC-11	OFC-12	OFC-13
Property name	Hakata-eki East Place	Nihonbashi Hamacho Park Building	Amusement Media Gakuin Honkan	Higashi Kobe Center Building	Amusement Media Gakuin Shinkan
① Total operating revenue from real estate leasing	114,885	39,904	Not disclosed (Note)	298,919	Not disclosed (Note)
Rental revenue	104,408	39,904		272,990	
Other lease business revenue	10,477	-		25,929	
② Total operating expenses from real estate leasing	28,629	12,809		116,561	
Management fee	8,252	678		24,797	
Trust fee	400	400		400	
Utilities expenses	7,368	87		32,435	
Insurance premium	216	172		939	
Repair expenses	3,987	472		5,554	
Property taxes	7,321	4,371		29,029	
Others	1,083	6,627		23,404	
③ NOI (① - ②)	86,256	27,094	50,875	182,358	19,292
④ Depreciation	10,447	2,921	4,221	39,117	1,676
⑤ Operating income (loss) from real estate leasing (③ - ④)	75,808	24,173	46,653	143,240	17,615
⑥ Capital expenditures	65,182	2,464	-	37,585	-
⑦ NCF (③ - ⑥)	21,073	24,630	50,875	144,772	19,292
Book value at end of the period	2,400,125	1,446,988	2,579,773	7,657,714	1,035,530

(Note) Not disclosed because consent for disclosure has not been obtained from the tenants.

(Unit: thousand yen)

Property no.	OFC-14	OFC-15	OFC-16	OFC-17	OFC-18
Property name	Seishin BLDG.	Urban Center Kanda Suda-cho	Urban Center Kanda Tsukasamachi	Takadanobaba Access	Azabu Amerex BLDG.
① Total operating revenue from real estate leasing	252,394	139,829	81,562	113,062	72,995
Rental revenue	235,569	131,858	76,259	102,526	69,623
Other lease business revenue	16,824	7,970	5,302	10,535	3,372
② Total operating expenses from real estate leasing	65,468	40,183	41,149	36,199	23,361
Management fee	19,854	11,770	10,494	13,398	7,181
Trust fee	350	350	400	400	375
Utilities expenses	12,403	5,896	5,319	8,715	3,099
Insurance premium	283	208	200	219	103
Repair expenses	10,233	10,715	5,939	3,506	2,777
Property taxes	21,497	10,915	7,575	9,266	7,818
Others	846	327	11,218	692	2,005
③ NOI (①－②)	186,925	99,645	40,413	76,862	49,634
④ Depreciation	14,964	8,846	12,425	9,675	3,817
⑤ Operating income (loss) from real estate leasing (③－④)	171,961	90,799	27,987	67,186	45,817
⑥ Capital expenditures	38,507	1,564	28,101	46,898	-
⑦ NCF (③－⑥)	148,417	98,081	12,311	29,964	49,634
Book value at end of the period	11,277,041	5,344,479	4,735,916	4,006,586	2,785,209

Property no.	OFC-19	OFC-20	OFC-21	OFC-22	OFC-23
Property name	Hiei-Kudan BLDG.	Urban Center Shin-Yokohama	The Portal Akihabara	Urban Center Tachikawa	Urban Center Hakata
① Total operating revenue from real estate leasing	69,073	80,736	36,233	85,029	77,043
Rental revenue	69,073	71,906	33,248	37,923	77,043
Other lease business revenue	-	8,830	2,984	47,106	-
② Total operating expenses from real estate leasing	21,621	32,241	8,109	69,303	12,612
Management fee	3,480	9,003	2,974	4,824	5,140
Trust fee	500	350	400	400	400
Utilities expenses	39	6,501	1,179	4,498	-
Insurance premium	186	190	39	139	119
Repair expenses	974	7,733	120	45,530	486
Property taxes	6,844	7,779	1,578	4,551	6,314
Others	9,596	683	1,817	9,358	150
③ NOI (①－②)	47,452	48,494	28,123	15,725	64,431
④ Depreciation	3,909	12,585	3,472	4,790	15,274
⑤ Operating income (loss) from real estate leasing (③－④)	43,542	35,909	24,650	10,935	49,157
⑥ Capital expenditures	-	53,970	-	20,825	1,161
⑦ NCF (③－⑥)	47,452	(5,476)	28,123	(5,099)	63,269
Book value at end of the period	2,390,829	2,422,649	1,496,108	1,830,430	2,870,005

(Unit: thousand yen)

Property no.	RTL-01	RTL-02	RTL-03	RTL-05	RSC-01
Property name	La Park Kishiwada	Suroy Mall Chikushino	Seiyu Minakuchi	BAGUS Ikebukuro West	Urban Park Azabujuban
① Total operating revenue from real estate leasing	503,192	301,522	Not disclosed (Note)	Not disclosed (Note)	55,865
Rental revenue	414,452	274,833			54,276
Other lease business revenue	88,739	26,688			1,589
② Total operating expenses from real estate leasing	310,372	68,906			10,968
Management fee	123,548	24,525			2,107
Trust fee	1,850	350			350
Utilities expenses	114,371	5,985			776
Insurance premium	1,164	612			72
Repair expenses	16,616	1,440			2,633
Property taxes	43,998	19,799			2,937
Others	8,823	16,192			2,090
③ NOI (①－②)	192,820	232,615			128,596
④ Depreciation	26,235	23,485	26,441	2,304	5,172
⑤ Operating income (loss) from real estate leasing (③－④)	166,584	209,129	102,155	57,122	39,725
⑥ Capital expenditures	48,682	-	-	-	189
⑦ NCF (③－⑥)	144,138	232,615	128,596	59,426	44,708
Book value at end of the period	5,417,634	6,450,531	3,247,477	3,004,160	2,067,927

Property no.	RSC-02	RSC-05	RSC-06	RSC-7	RSC-8
Property name	Urban Park Daikanyama	Urban Park Namba	Urban Park Gokokuji	Urban Park Kashiwa	Urban Park Ryokuchi Koen
① Total operating revenue from real estate leasing	192,871	47,402	48,338	38,336	61,575
Rental revenue	184,843	45,725	46,442	36,905	56,794
Other lease business revenue	8,027	1,676	1,896	1,430	4,780
② Total operating expenses from real estate leasing	37,581	18,680	21,098	9,206	17,665
Management fee	9,650	2,512	4,364	2,092	2,604
Trust fee	350	350	400	350	350
Utilities expenses	4,058	369	2,560	567	2,470
Insurance premium	247	84	66	109	162
Repair expenses	2,812	4,966	4,733	1,459	2,871
Property taxes	11,777	2,841	1,914	2,955	3,585
Others	8,685	7,557	7,059	1,671	5,619
③ NOI (①－②)	155,289	28,721	27,240	29,130	43,910
④ Depreciation	12,631	7,693	5,775	7,598	8,271
⑤ Operating income (loss) from real estate leasing (③－④)	142,657	21,027	21,465	21,531	35,638
⑥ Capital expenditures	1,093	5,511	10,770	305	2,686
⑦ NCF (③－⑥)	154,195	23,209	16,469	28,824	41,224
Book value at end of the period	6,347,559	1,481,961	1,500,696	1,223,545	1,584,487

(Note) Not disclosed because consent for disclosure has not been obtained from the tenants.

(Unit: thousand yen)

Property no.	RSC-09	RSC-10	RSC-11	RSC-12	RSC-13
Property name	Urban Park Koenji	Urban Park Ichigao	Urban Park Gyotoku	Shiroi Logiman	Urban Park Sekime
① Total operating revenue from real estate leasing	36,496	58,960	36,546	142,518	85,724
Rental revenue	33,871	57,290	34,908	134,952	83,088
Other lease business revenue	2,624	1,670	1,638	7,566	2,636
② Total operating expenses from real estate leasing	11,322	14,015	9,958	60,200	33,393
Management fee	2,334	4,361	2,633	6,078	10,118
Trust fee	400	400	400	750	375
Utilities expenses	1,645	1,578	1,179	43	2,402
Insurance premium	50	145	95	815	281
Repair expenses	3,370	2,633	2,562	10,544	12,315
Property taxes	1,041	3,963	2,170	13,921	5,291
Others	2,481	933	915	28,048	2,609
③ NOI (①－②)	25,173	44,945	26,588	82,318	52,331
④ Depreciation	2,883	5,469	4,359	19,241	12,557
⑤ Operating income (loss) from real estate leasing (③－④)	22,290	39,475	22,228	63,076	39,773
⑥ Capital expenditures	3,478	598	762	761	12,957
⑦ NCF (③－⑥)	21,695	44,346	25,825	81,556	39,373
Book value at end of the period	1,187,777	1,910,611	1,506,612	2,397,111	2,194,313

Property no.	RSC-14	RSC-15	RSC-16	RSC-17	RSC-18
Property name	Urban Park Imazato	Urban Park Yoyogi	Urban Park Tokiwadai Koen	Urban Park Mitsuike Koen	Urban Park Ryogoku
① Total operating revenue from real estate leasing	39,231	42,502	143,364	130,541	37,011
Rental revenue	39,037	39,709	135,861	122,424	34,253
Other lease business revenue	193	2,792	7,502	8,116	2,758
② Total operating expenses from real estate leasing	13,015	7,804	40,084	41,321	11,789
Management fee	4,190	2,309	11,186	10,539	2,660
Trust fee	375	400	400	400	400
Utilities expenses	304	254	2,032	1,342	526
Insurance premium	142	49	414	333	72
Repair expenses	3,737	588	9,276	12,414	4,533
Property taxes	3,199	1,655	10,793	8,813	1,851
Others	1,065	2,546	5,981	7,477	1,744
③ NOI (①－②)	26,216	34,697	103,279	89,220	25,222
④ Depreciation	5,203	4,393	12,633	12,014	2,503
⑤ Operating income (loss) from real estate leasing (③－④)	21,012	30,304	90,646	77,205	22,718
⑥ Capital expenditures	460	-	1,064	20,625	1,886
⑦ NCF (③－⑥)	25,755	34,697	102,215	68,594	23,335
Book value at end of the period	972,947	1,722,425	3,611,372	3,294,786	1,149,533

(Unit: thousand yen)

Property no.	RSC-19	RSC-20	RSC-21	LGC-01	LGC-02
Property name	Urban Park Mizonokuchi	Urban Park Miyamaedaira	Urban Park Tsurumi	Iwatsuki Logistics	Yokohama Logistics
① Total operating revenue from real estate leasing	65,713	32,927	Not disclosed (Note)	201,296	Not disclosed (Note)
Rental revenue	61,116	32,620		187,713	
Other lease business revenue	4,597	307		13,583	
② Total operating expenses from real estate leasing	26,948	4,605		34,121	
Management fee	4,566	1,312		5,650	
Trust fee	400	400		350	
Utilities expenses	982	52		13,583	
Insurance premium	149	51		346	
Repair expenses	11,609	264		742	
Property taxes	3,404	1,605		13,448	
Others	5,837	919		-	
③ NOI (① - ②)	38,764	28,321	28,224	167,175	88,457
④ Depreciation	5,742	4,523	2,717	46,788	19,943
⑤ Operating income (loss) from real estate leasing (③ - ④)	33,021	23,797	25,506	120,386	68,513
⑥ Capital expenditures	3,857	-	-	-	-
⑦ NCF (③ - ⑥)	34,906	28,321	28,224	167,175	88,457
Book value at end of the period	2,084,086	1,100,577	1,150,838	6,420,812	3,676,357

Property no.	LGC-03	LGC-04	LGC-05	LGC-07	LGC-08
Property name	Funabashi Logistics	Baraki Logistics	Tokorozawa Logistics	Funabashi Nishiura Logistics II	Matsubushi Logistics
① Total operating revenue from real estate leasing	258,038	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)
Rental revenue	243,184				
Other lease business revenue	14,853				
② Total operating expenses from real estate leasing	61,249				
Management fee	11,308				
Trust fee	400				
Utilities expenses	14,713				
Insurance premium	501				
Repair expenses	12,660				
Property taxes	21,643				
Others	21				
③ NOI (① - ②)	196,789	96,972	36,017	28,483	69,562
④ Depreciation	27,936	15,779	5,899	4,559	16,283
⑤ Operating income (loss) from real estate leasing (③ - ④)	168,852	81,193	30,117	23,923	53,278
⑥ Capital expenditures	33,346	291	-	-	-
⑦ NCF (③ - ⑥)	163,442	96,680	36,017	28,483	69,562
Book value at end of the period	7,730,906	4,581,929	1,348,932	851,783	2,668,503

(Note) Not disclosed because consent for disclosure has not been obtained from the tenants.

(Unit: thousand yen)

Property no.	LGC-09	LGC-10	HTL-01	HTL-02	HTL-03
Property name	Funabashi Hi-Tech Park Factory I	Funabashi Hi-Tech Park Factory II	R&B Hotel Umeda East	Smile Hotel Namba	REMBRANDT STYLE Tokyo Nishikasai
① Total operating revenue from real estate leasing	Not disclosed (Note)	Not disclosed (Note)	65,392	17,626	84,600
Rental revenue			65,392	17,626	84,600
Other lease business revenue			-	-	-
② Total operating expenses from real estate leasing			8,074	3,754	11,114
Management fee			742	660	1,200
Trust fee			350	550	400
Utilities expenses			7	-	-
Insurance premium			152	70	159
Repair expenses			1,288	196	1,267
Property taxes			5,508	2,255	8,065
Others			24	22	23
③ NOI (① - ②)			54,953	24,608	57,318
④ Depreciation	5,737	2,594	10,746	12,209	13,029
⑤ Operating income (loss) from real estate leasing (③ - ④)	49,216	22,013	46,572	1,662	60,455
⑥ Capital expenditures	-	-	543	-	9,103
⑦ NCF (③ - ⑥)	54,953	24,608	56,775	13,871	64,381
Book value at end of the period	1,687,051	691,621	2,097,900	1,626,519	3,837,530

Property no.	HTL-04	HTL-05	HTL-06	HTL-07	HTL-08
Property name	BEST WESTERN Yokohama	The BREAKFAST HOTEL FUKUOKA TENJIN	GLANSIT AKIHABARA	REMBRANDT STYLE Tokyo Nishikasai Grande	KOKO HOTEL Osaka Namba
① Total operating revenue from real estate leasing	80,400	Not disclosed (Note)	Not disclosed (Note)	70,002	2,180
Rental revenue	80,400			70,002	2,180
Other lease business revenue	-			-	-
② Total operating expenses from real estate leasing	7,241			6,864	5,036
Management fee	2,100			990	900
Trust fee	400			400	350
Utilities expenses	-			-	-
Insurance premium	135			90	64
Repair expenses	-			141	-
Property taxes	4,584			5,220	3,213
Others	22			22	508
③ NOI (① - ②)	73,158			48,036	65,432
④ Depreciation	13,069	8,647	4,643	10,857	9,041
⑤ Operating income (loss) from real estate leasing (③ - ④)	60,088	39,388	60,789	52,280	(11,897)
⑥ Capital expenditures	-	-	-	-	-
⑦ NCF (③ - ⑥)	73,158	48,036	65,432	63,137	(2,855)
Book value at end of the period	3,208,265	1,922,330	2,485,377	3,121,523	1,953,045

(Note) Not disclosed because consent for disclosure has not been obtained from the tenants.

(Unit: thousand yen)

	Office Total	Retail Total	Residence Total	Logistics facility Total	Hotel Total
① Total operating revenue from real estate leasing	2,293,289	1,030,752	1,331,565	961,616	443,188
Rental revenue	2,082,212	915,324	1,269,760	917,181	426,716
Other lease business revenue	211,077	115,428	61,805	44,435	16,472
② Total operating expenses from real estate leasing	732,424	417,293	397,073	198,598	51,604
Management fee	170,477	150,534	89,266	30,915	8,319
Trust fee	7,875	3,100	7,650	3,350	3,200
Utilities expenses	153,892	120,357	23,666	45,700	7
Insurance premium	4,431	2,336	3,428	1,874	784
Repair expenses	110,480	20,632	93,562	27,632	2,893
Property taxes	179,155	78,415	86,233	78,774	35,734
Others	106,112	41,917	93,266	10,350	664
③ NOI (①－②)	1,560,865	613,459	934,492	763,018	391,584
④ Depreciation	249,980	78,466	141,387	145,522	82,243
⑤ Operating income (loss) from real estate leasing (③－④)	1,310,885	534,992	793,104	617,496	309,340
⑥ Capital expenditures	312,556	48,682	67,010	33,638	9,646
⑦ NCF (③－⑥)	1,248,308	564,776	867,481	729,380	381,937
Book value at end of the period	73,052,802	18,119,803	38,489,170	29,657,898	20,252,490

	Portfolio Total
① Total operating revenue from real estate leasing	6,060,414
Rental revenue	5,611,196
Other lease business revenue	449,218
② Total operating expenses from real estate leasing	1,796,993
Management fee	449,514
Trust fee	25,175
Utilities expenses	343,623
Insurance premium	12,855
Repair expenses	255,200
Property taxes	458,313
Others	252,311
③ NOI (①－②)	4,263,420
④ Depreciation	697,599
⑤ Operating income (loss) from real estate leasing (③－④)	3,565,820
⑥ Capital expenditures	471,534
⑦ NCF (③－⑥)	3,791,886
Book value at end of the period	179,572,164