

Invincible

Investment Corporation

Invincible Investment Corporation
June 2023 Fiscal Period Results
(January 1, 2023 to June 30, 2023)

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<p>Results of June 2023 Fiscal Period (FP)</p>	<ul style="list-style-type: none"> ■ Sales and profits increased significantly this period due to a recovery in hotel performance. Operating revenue increased by 33% compared to the previous fiscal period (“previous period”), and recovered to 98% of the level achieved during the same period in 2019, excluding gain on sales of properties ■ Net income and distribution per unit (“DPU”) both increased by 76% compared to the previous period to JPY 8,913 million and JPY 1,464, respectively. DPU recovered to 88% of the same period in 2019 ■ Operating revenue and DPU were 36% and 92% higher, respectively, compared to the original forecast announced at the beginning of this period on January 25, 2023 ■ DPU increased by JPY 20 compared to the forecast announced at the time of the public offering on July 19, 2023 ■ The total appraisal value of the 127 properties held at the end of June 2023 was JPY 560,963 million, a 5.3% increase from the end of the December 2022 appraisal
<p>Summary of Properties Acquired in August 2023</p>	<ul style="list-style-type: none"> ■ Acquired six domestic hotels for a total acquisition price of JPY 57.2 billion at a simulated 6.0% NOI yield ■ Fusaki Beach Resort Hotel & Villas, which accounts for approximately 70% of the acquisition price, is one of the leading resort hotels in Japan, boasting 398 rooms, a site area of 10.8 hectares, fronted by a 1km-long beach. The hotel is the largest flagship property in INV’s portfolio in terms of asset size (based on acquisition price) ■ Expanded investment centered on resort-type hotels in Japan, further growing the largest hotel portfolio among J-REITs to JPY 507.8 billion ■ Aiming to capture domestic and overseas resort demand that is expected to increase as the Covid-19 pandemic diminishes ■ Enhancing domestic hotel portfolio footprint by adding properties in Akita, Nagano, and Okayama prefectures
<p>Financial Condition</p>	<ul style="list-style-type: none"> ■ Issued JPY 6.2 billion of bonds for the first time in three years (3-year and 5-year terms) in May 2023 ■ Refinanced bank loans of JPY 59.3 billion in total in July 2023 (5-year term: 38.1%, 3-year term: 48.5%, 1-year term: 13.4%) ■ Executed bank loans of JPY 26.7 billion in total (excluding consumption tax refundable loans) for the August 2023 asset acquisitions (5-year term: 65.6%, 3-year term: 34.4%) ■ Average duration of outstanding interest-bearing debt increased from 1.1 years (as of December 31, 2022) to 1.9 years (as of August 1, 2023) due to the lengthening of borrowing periods and diversification of maturity dates

<p>Domestic Portfolio</p>	<ul style="list-style-type: none"> ■ Comparing the KPIs of the 75 domestic hotels owned by INV between this period and the same period in 2019, ADR was 7.5% higher than in the same period in 2019. Although the Occupancy rate is still 6.1points lower, RevPAR achieved JPY 8,772, which is the same level as the June 2019 fiscal period ■ GOP of 75 domestic hotels this period increased by 17.7% from the previous period and recovered to 90.0% of the same period in 2019, despite non-room revenues such as weddings and banquets not returning to 2019 levels and various cost increases ■ The strategy to maximize GOPPAR (GOP per the number of rooms available for sale) by the major tenant, MyStays Hotel Management Group (“MHM”), has continued to be successful. The GOP margin of the 73 domestic properties managed by MHM (“73 MHM properties”) increased from 34.7% the previous period to 37.4% this period ■ NOI of 41 residential properties for this period was JPY 1,126 million, up 1.2% from the same period in 2022 and 2.4% from the same period in 2019
<p>Cayman Hotel Portfolio</p>	<ul style="list-style-type: none"> ■ RevPAR for the two Cayman hotels for this period was USD 415, 11.9% higher than USD 371 in the same period in 2019 due to a significant increase in ADR ■ USD based Management Contract Revenue this period increased by 240.9% compared to the same period in 2022, and increased by 9.4% over the same period in 2019¹ ■ Group bookings this period were smaller than the same period in 2019 due to delays in the removal of travel restrictions compared to competing resorts in Caribbean counties. Transient lodging demand recovered faster than Group demand this period, because Groups book much further in advance than Transient guests ■ Transient room nights recovered to 93.8% of 2019 levels whereas Group room nights recovered to 73.3% of 2019 levels. Group demand is expected to recover strongly in the December 2023 FP
<p>Forecasts for December 2023 Fiscal Period (FP) and June 2024 Fiscal Period (FP)</p>	<ul style="list-style-type: none"> ■ Forecasts remain unchanged from those announced on July 19, 2023, with DPU expected to be JPY 1,441 for the December 2023 FP and JPY 1,466 for the June 2024 FP ■ The forecasts do not factor in the impact of the lifting of the ban on group travel from China to Japan announced on August 10, 2023, while incorporating a reactionary decline due to the end of the "National Travel Discount Campaign" ■ The portfolio of 41 residential properties and one commercial property is expected to maintain stable returns

(Note 1) The ownership structure of the two Cayman hotels was changed from a Tokumei Kumiai structure to a direct ownership structure in the middle of June 2019 FP. Therefore, Management Contract Revenue in June 2019 FP is a hypothetical number, assuming INV has held two Cayman hotels in the current direct ownership structure from the beginning of 2019

II-1. Financial Highlights for June 2023 FP

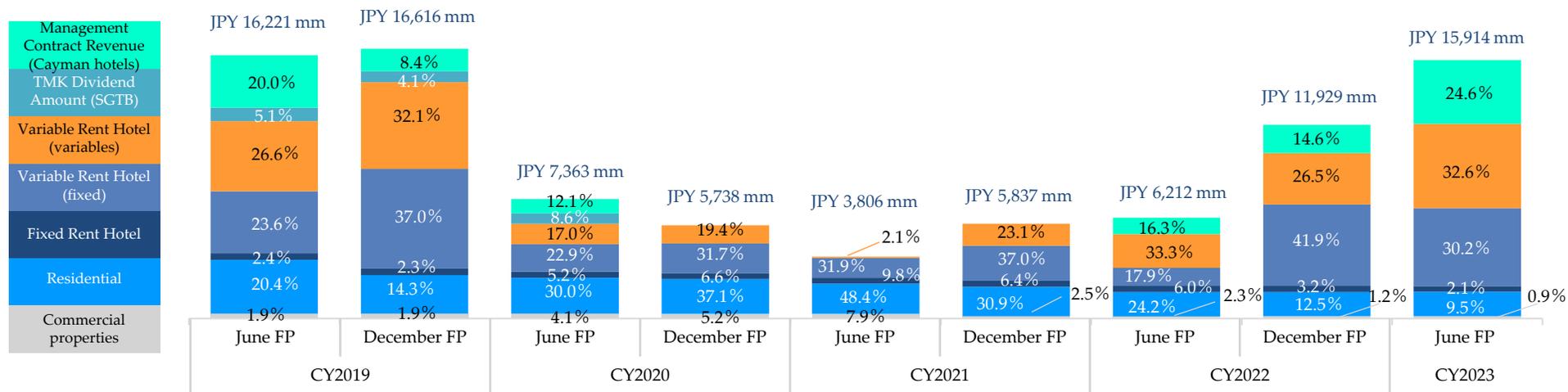
- Significant increase in revenues and income due to the recovery in hotel business performance this period. Operating revenue increased by 33% from the previous period to JPY 15,914 million and DPU increased by 76% to JPY 1,464 compared to the previous period
- Operating revenue and DPU were 36% and 92% higher, respectively, compared to the original forecast announced at the beginning of this period on January 25, 2023
- No rent reduction measures were given to MHM from January 2023, and variable rent of JPY 4,566 million was recorded in addition to the fixed rent of JPY 4,970 million based on the original contracts this period

	December 2022 FP	June 2023 FP	Variance		
			Amount	(%)	
Operating revenue	11,929	15,914	3,985	33.4%	Major Causes for Variance (JPY million)
Real estate rental revenues	10,182	12,000	1,818	17.9%	
Hotel Rents (Variable rent)	3,118	4,615	1,496	48.0%	
Hotel Rents (Fixed rent)	5,325	5,498	173	3.2%	
Residential Rents	1,387	1,392	4	0.3%	
Management contract revenue	1,746	3,914	2,167	124.1%	
TMK Dividend amount	-	-	-	-	
Gain on sale of properties	-	-	-	-	
Operating expenses	5,672	5,558	-114	-2.0%	Operating revenue ✓ Increase in revenue of existing portfolio : +1,818 (of which, hotel : +1,793 / residential : +24) ✓ Increase in management contract revenue : +2,167
Real estate rental expenses	4,606	4,488	-118	-2.6%	
Taxes and other public charges	739	596	-143	-19.4%	
Depreciation expenses	3,323	3,311	-12	-0.4%	
Management contract expenses	569	649	79	14.0%	
Depreciation expenses	432	435	2	0.7%	Operating expenses ✓ Decrease in expenses for existing portfolio : -118 (of which, decrease in depreciation expenses : -12) (Taxes and other public charges are seasonal factors) ✓ Increase in management contract expenses (overseas hotels) : +79
NOI	10,509	14,523	4,014	38.2%	
NOI after depreciation	6,753	10,777	4,023	59.6%	Non-operating income ✓ Increase in foreign exchange gains : +178
Operating income	6,257	10,356	4,099	65.5%	
Non-operating income	17	182	164	920.8%	Non-operating expenses ✓ Decrease in debt cost : -14 ✓ Decrease in interest cost : -34 ✓ Decrease in foreign exchange losses : -68 ✓ Increase in loss of derivatives : +537
Non-operating expenses	1,198	1,624	425	35.5%	
Ordinary income	5,075	8,914	3,838	75.6%	
Net income	5,075	8,913	3,838	75.6%	Distribution per Unit (JPY) ✓ Increase from the previous period : +632
Distribution per Unit (JPY)	832	1,464	632	76.0%	
Operating Days	184	181	-	-	

II -2. Operating Revenue Composition

- Operating revenue increased by 33% from the previous period as the fixed rent from MHM returned to the original contract, and variable rent from domestic variable rent hotels as well as the management contract revenue from two Cayman hotels have recovered
- In addition, operating revenue recovered to 98% of revenues in the same period in 2019 (pre-pandemic period), despite a decrease in revenues from the disposition of residential and commercial properties

Portfolio Composition by Operating Revenue¹



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

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

II-3. Summary of December 2023 FP Forecast

- For the December 2023 FP, operating revenue is expected to increase by 49.1% to JPY 17,786 million and DPU is expected to increase by 73.2% to JPY 1,441 from the same period last year, reflecting the further earnings recovery of hotels and external growth effects
- Net income is expected to be 17.6% below, and DPU is expected to decrease by 16.5% compared to the December 2019 FP due to the absence of TMK dividend income from Sheraton Grande Tokyo Bay Hotel and the gain on sale of properties
- Further upside is expected depending on the recovery in demand following the lifting of the Chinese group travel restrictions announced on August 10, 2023

	December 2022 FP	December 2023 FP	Variance		December 2019 FP	Variance	
			Amount	(%)		Amount	(%)
Operating revenue	11,929	17,786	5,856	49.1%	18,587	-801	-4.3%
Real estate rental revenues	10,182	15,579	5,396	53.0%	14,545	1,033	7.1%
Hotel Rents (Variable rent)	3,118	7,469	4,350	139.5%	5,317	2,151	40.5%
Hotel Rents (Fixed rent)	5,325	6,360	1,035	19.4%	6,478	-118	-1.8%
Residential Rents	1,387	1,399	12	0.9%	2,210	-810	-36.7%
Management contract revenue	1,746	2,206	460	26.3%	1,397	809	57.9%
TMK Dividend amount	-	-	-	-	673	-673	-100.0%
TK Distribution amount	-	-	-	-	-	-	-
Gain on sale of properties	-	-	-	-	1,970	-1,970	-100.0%
Operating expenses	5,672	6,530	857	15.1%	5,728	802	14.0%
Real estate rental expenses	4,606	5,205	599	13.0%	4,673	532	11.4%
Taxes and other public charges	739	751	12	1.7%	631	120	19.1%
Depreciation expenses	3,323	3,886	562	16.9%	3,345	540	16.2%
Management contract expenses	569	742	172	30.3%	537	204	38.1%
Depreciation expenses	432	456	23	5.5%	412	44	10.7%
NOI	10,509	16,180	5,670	54.0%	15,164	1,016	6.7%
NOI after depreciation	6,753	11,837	5,084	75.3%	11,406	431	3.8%
Operating income	6,257	11,255	4,998	79.9%	12,858	-1,603	-12.5%
Non-operating income	17	-	-17	-100.0%	43	-43	-100.0%
Non-operating expenses	1,198	1,668	469	39.2%	1,262	405	32.2%
Ordinary income	5,075	9,586	4,510	88.9%	11,639	-2,052	-17.6%
Net income	5,075	9,586	4,510	88.9%	11,638	-2,052	-17.6%
Distribution per Unit (JPY)	832	1,441	609	73.2%	1,725	-284	-16.5%
Operating Days	184	184	-	-	184	-	-

Major Causes for Variance (Dec 2023 FP v Dec 2022 FP)

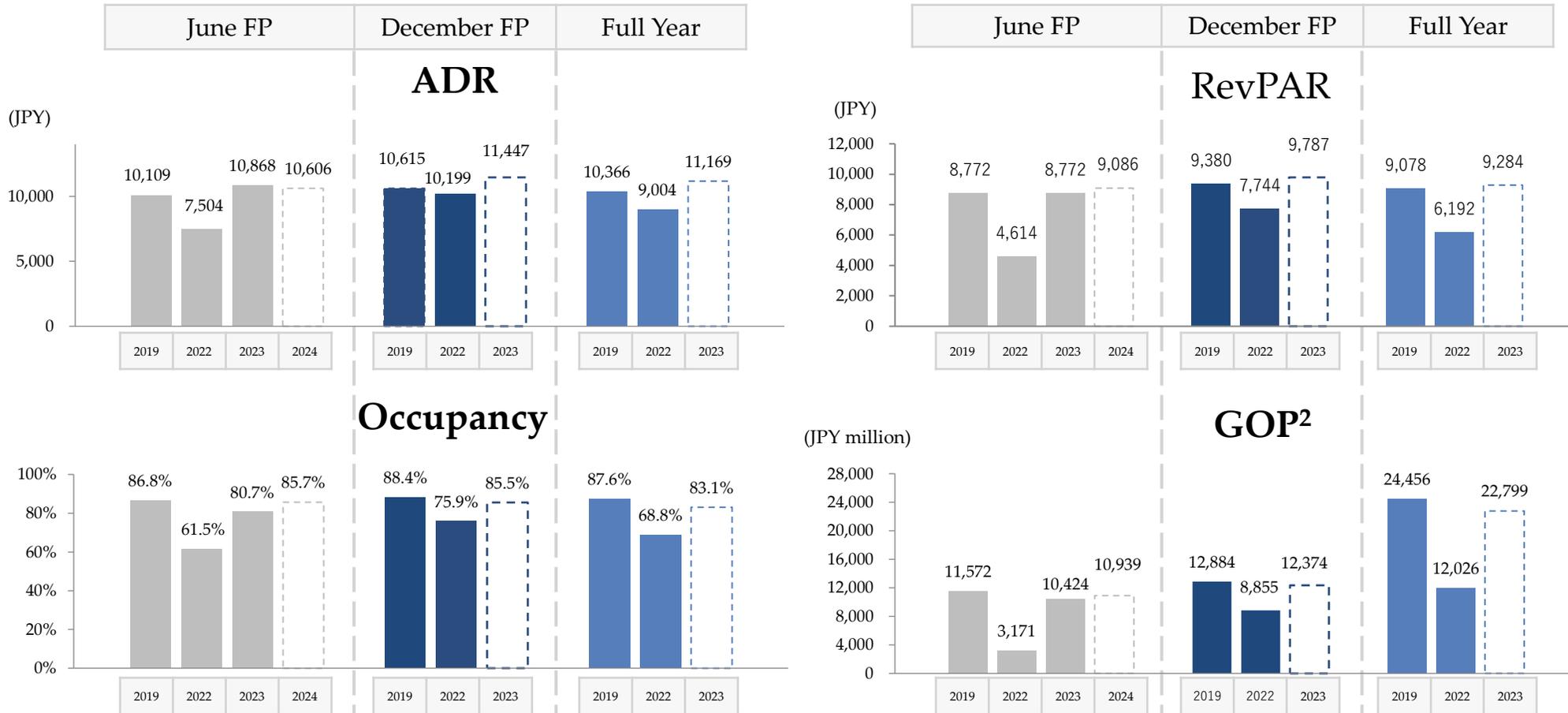
Operating revenue	(JPY million)
✓ Increase in existing hotel rents (variable rent and fixed rent) : +3,120	
✓ Increase in rents from newly acquired hotels (variable rent and fixed rent) : +2,264	
✓ Increase in residential rents : +12 →Increase in revenues from the 41 properties currently owned	
✓ Increase in management contract revenue : +460 →In addition to 16.3% increase in USD basis, contribution from yen depreciation	
Operating expenses/Non-operating expenses	(JPY million)
✓ Increase in real estate rental expenses : +599 →of which, increase from newly acquired hotels : +468	
✓ Increase in management contract expenses : +172 →Increase in insurance premium, etc. : +148, depreciation expenses : +23	
✓ Increase in non-operating expenses : +469 →Increase in investment unit issuance costs : +200, interest cost : +89 Increase in debt cost : +96, foreign exchange loss : +46	

Major Causes for Variance (Dec 2023 FP v Dec 2019 FP)

Operating revenue	(JPY million)
✓ Increase in hotel rents (variable rent and fixed rent) : +2,033 →of which, increase from newly acquired hotels : +2,264	
✓ Decrease in residential rents : -810 →Disposition of a total of 20 properties	
✓ Decrease in TMK dividend amount : -673 →Decrease in GOP of Sheraton Grande Tokyo Bay Hotel due to the pandemic and recording of accumulated loss	
✓ Increase in management contract revenue : +809 →In addition to 15.4% increase in USD basis, contribution from yen depreciation	
Operating expenses	(JPY million)
✓ Increase in real estate rental expenses : +532 →of which, increase from newly acquired hotels : +468	
✓ Increase in management contract expenses : +204 →Increase in insurance premium, etc. : +160, depreciation expenses : +44	
✓ Increase in non-operating expenses : +405 →Decrease in interest cost : -55, increase in debt cost : +237 Increase in investment unit issuance costs : +56, foreign exchange loss : +115	

- Comparing the KPIs of the 75 domestic hotels owned by INV between this period and the same period in 2019, ADR was 7.5% higher than in the same period in 2019. Although the Occupancy rate is still 6.1points lower, RevPAR achieved JPY 8,772, which is the same level as the June 2019 fiscal period. RevPAR increased 1.9 times while GOP increased 3.3 times compared to the same period last year, reflecting continued cost reduction efforts and advanced pricing strategy implemented by MHM
- 2023 full year GOP is expected to increase by 90% year-on-year, with a projected recovery to 93% of the full year 2019 level

Domestic 75 hotels¹



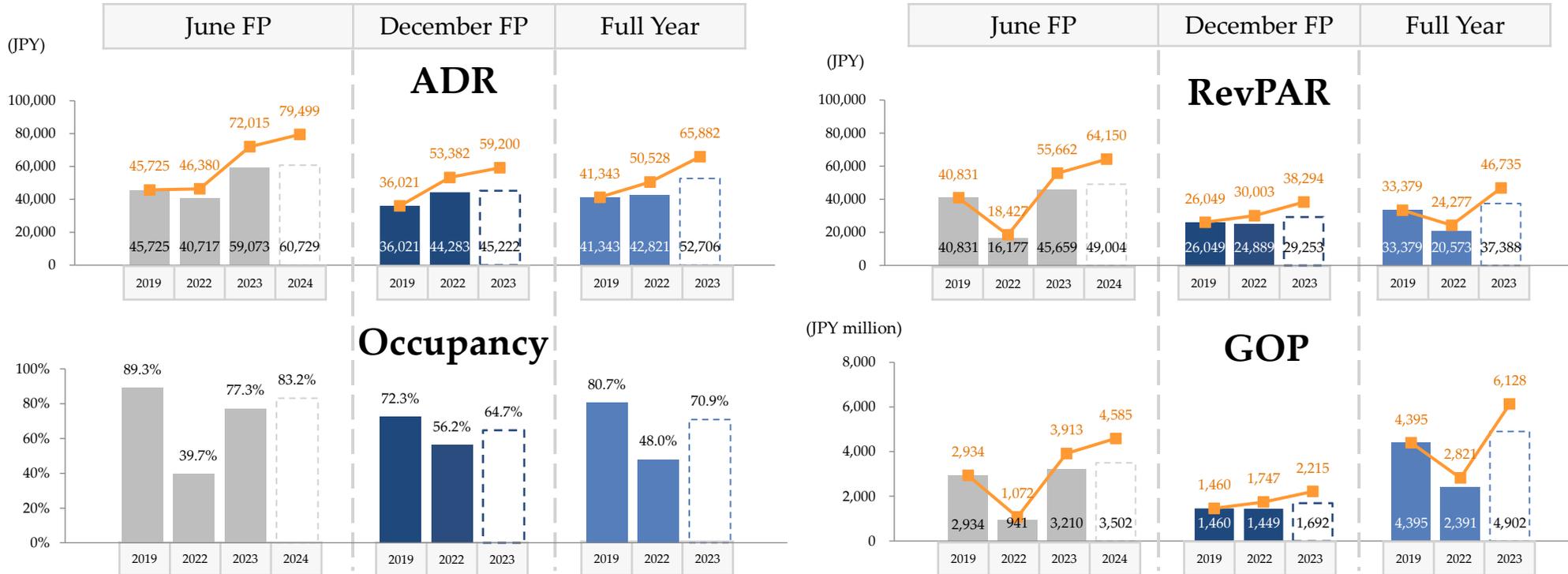
(Note 1) Simulated KPI based on 75 hotel properties; of the 84 domestic hotel properties (including Sheraton Grande Tokyo Bay Hotel, the underlying asset of preferred equity interest held by INV) owned as of August 24, 2023, 9 hotels with fixed-rent lease agreements are excluded, assuming all properties were owned since the beginning of 2019. The performance for the pre-acquisition period, which is based on actual results provided by sellers with certain adjustments assuming INV owned them, are subject to change caused by the adjustments based on differences in accounting treatments, since it is difficult to adjust them due to the timing even if the figures are based on actual performance. In calculating the GOP, added the 49% of GOP for Sheraton Grande Tokyo Bay Hotel, which means INV's pro rata portion of the amount of JV TMK's preferred equity owned by INV. The rent paid for APA Hotel Yokohama-Kannai, is regarded as GOP of the hotel. Furthermore, among the 9 hotels excluded, the contract with the major tenant TOKYU HOTELS CO., LTD. for "Takamatsu Tokyu REI Hotel" has been modified to "fixed-rent plus variable rent" since April 25, 2023. However, from the viewpoint of the continuity of data, it is treated as a hotel with fixed rent and continues to be excluded. The same shall apply hereinafter

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

II-5. Cayman Hotel KPIs (Past performance and Dec. 2023 FP and June 2024 FP Forecasts)

- KPIs other than occupancy exceeded the June 2019 FP this period
- 2023 full year GOP (US dollar based) is expected to exceed 2019 by 12% and is expected to increase 105% year-on-year, outpacing the RevPAR growth forecast of 82%

Cayman 2 hotels¹



< About ADR, RevPAR and GOP >

Bar chart = converted into yen using the exchange rate of USD 1 to JPY 110 to eliminate the influence of exchange rate fluctuations

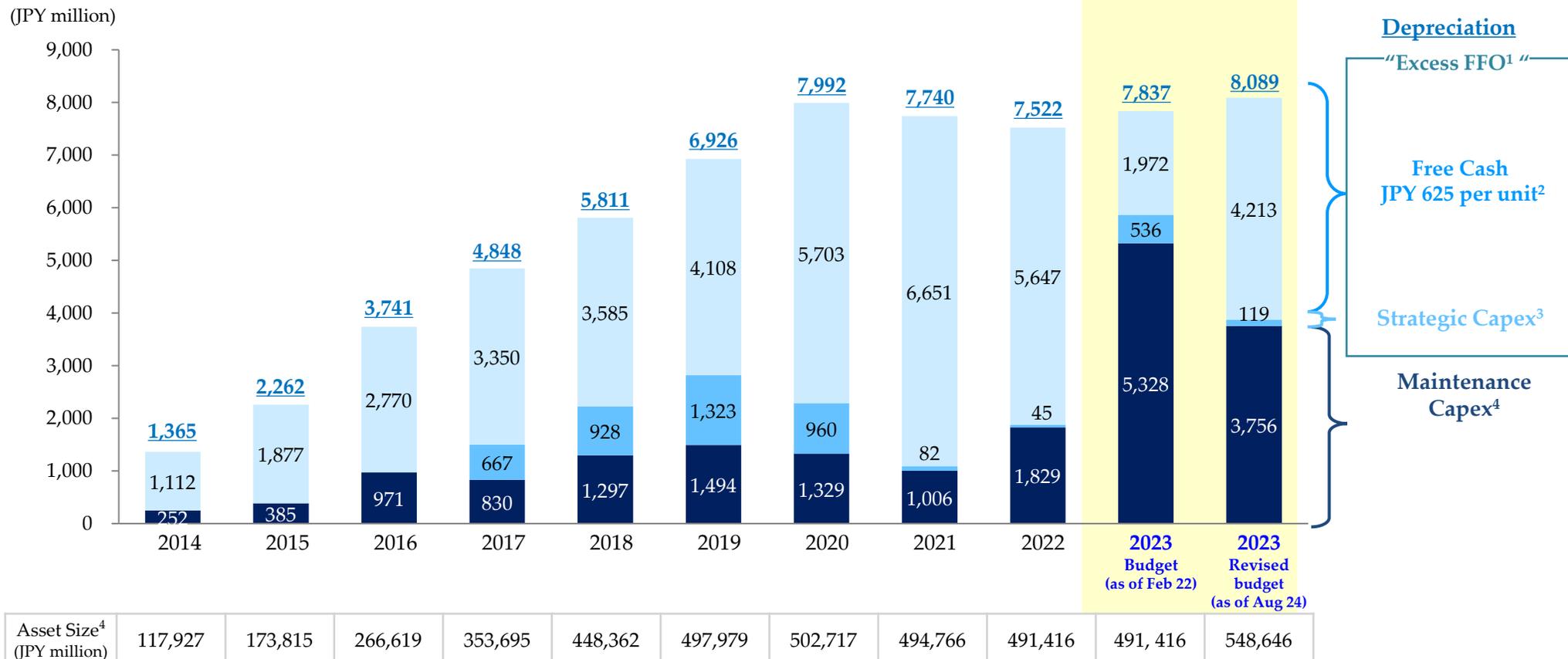
Line chart (—■—) = converted into yen using the weighted average exchange rate (exchange rate for December 2023 FP and June 2024 FP are forecast) for each fiscal period. These figures are different from accounting figures

	June FP				December FP			Full Year		
	2019	2022	2023	2024	2019	2022	2023	2019	2022	2023
The weighted average exchange rate (JPY)	110.0	125.3	134.1	144.0	110.0	132.6	144.0	110.0	129.8	137.5

(Note 1) Simulated KPI based on 2 Cayman hotels owned as of August 24, 2023, assuming INV owned both properties directly since the beginning of 2019

II-6. Capital Expenditures and Depreciation

- The air conditioner renewal project for the entire APA Hotel Yokohama-Kannai (budget: approximately JPY 355 million), representing the largest facility renewal project in 2023 at the beginning of 2023, was shifted to 2024 per APA Hotel’s request
- At the beginning of the year, the budget was created for the maximum amount necessary, including facility upgrades which had not been implemented due to the Covid-19 pandemic. However, as a result of a close examination and review of the timing, including prioritization of work implementation and contractor arrangements for each project, 2023 full year maintenance CAPEX is expected to be 70% of the original budget, or JPY 3.7 billion as of today
- The 3.2% increase in depreciation compared to the original budget is the net result of the increase in depreciation from the six hotels acquired on August 1, 2023 and the effect of lower CAPEX compared to the original budget



(Note 1) Excess FFO is defined as the amount of depreciation minus maintenance CAPEX. The same shall apply hereafter

(Note 2) Assumed that all of the allotted units in the third-party allotment in connection with the secondary offering through over-allotment (6,737,121 units) have been subscribed and paid

(Note 3) Strategic capital investment for renovation including guest rooms, banquet rooms, restaurant and others in order to improve the competitiveness / profitability of the hotels

(Note 4) Capital investment which is required to maintain proper values of properties and capital investment for fixtures and furnishings that are necessary for operating hotels

(Note 5) Based on the acquisition price as of the end of the relevant year. After 2017, includes the amount of preferred equity interest contribution by INV to the JV TMK that holds Sheraton Grande Tokyo Bay Hotel (SGTB). The acquisition price of overseas hotels (i) is the amount of TK investment to the SPC which held the leasehold of properties for “2018” and (ii) is the book value of the hotels as of May 9, 2019 for “2019” onward, which are converted into JPY amount via the forward exchange rate of USD 1=JPY 110.45 based on the foreign exchange forward implemented in connection with the original TK investment in the Cayman SPC (contract thereof was entered into on July 26, 2018 and implemented on September 26, 2018)

III. Summary of Properties Acquired in August 2023

III-1. Summary of Properties Acquired

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

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



Fusaki Beach Resort Hotel & Villas



Tateshina Grand Hotel Takinoyu



Hotel MyStays Okayama



Hotel MyStays Aomori Station



Hotel MyStays Soga



Tazawako Lake Resort & Onsen

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

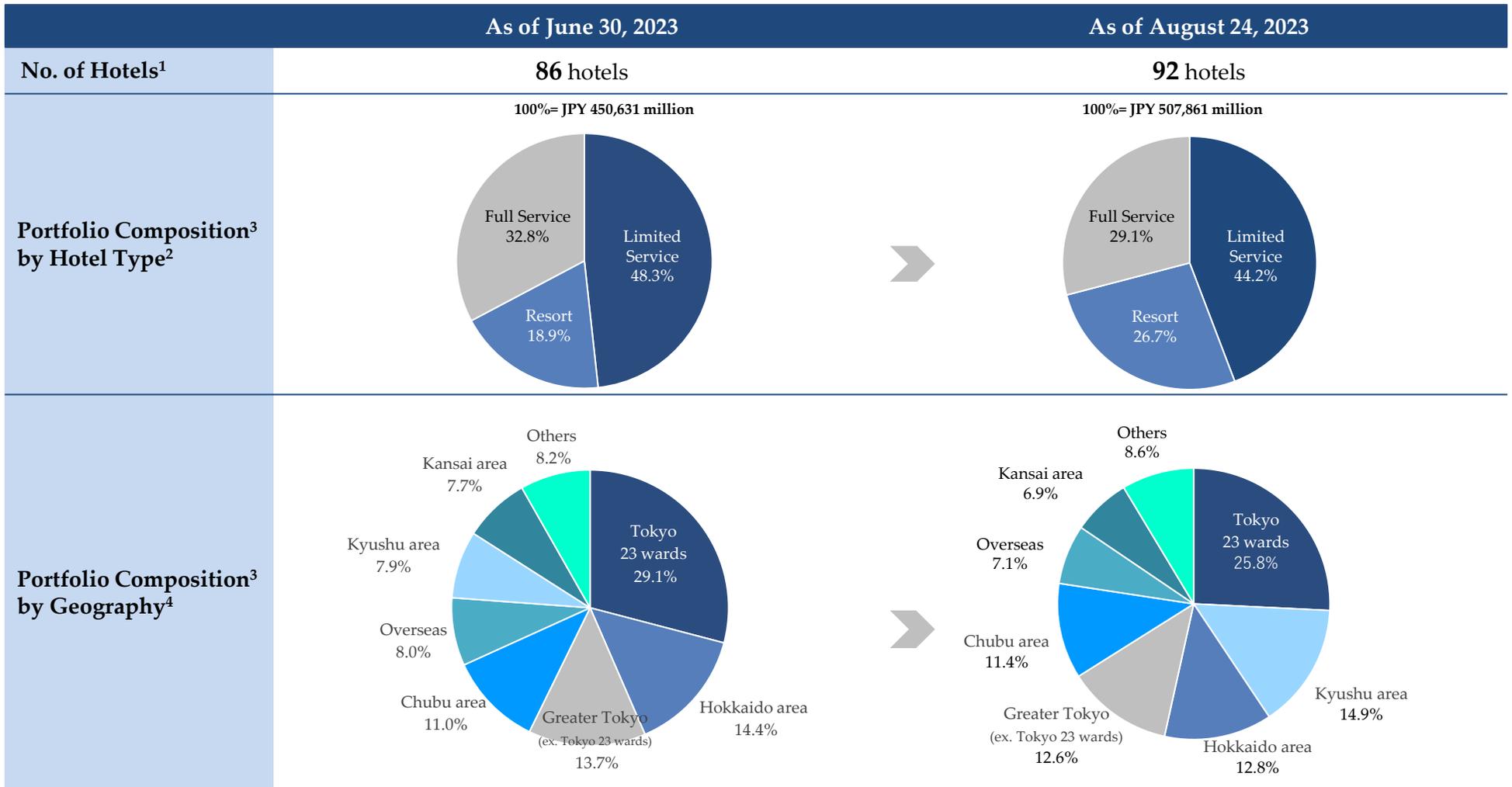
(Note 2) As of June 1, 2023

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

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

III-2. Change in Hotel Portfolio

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



(Note 1) The amount of preferred equity interest contribution by INV to the JV TMK and the amount of TK investment by INV to the SPC are counted according to the number of properties of underlying assets

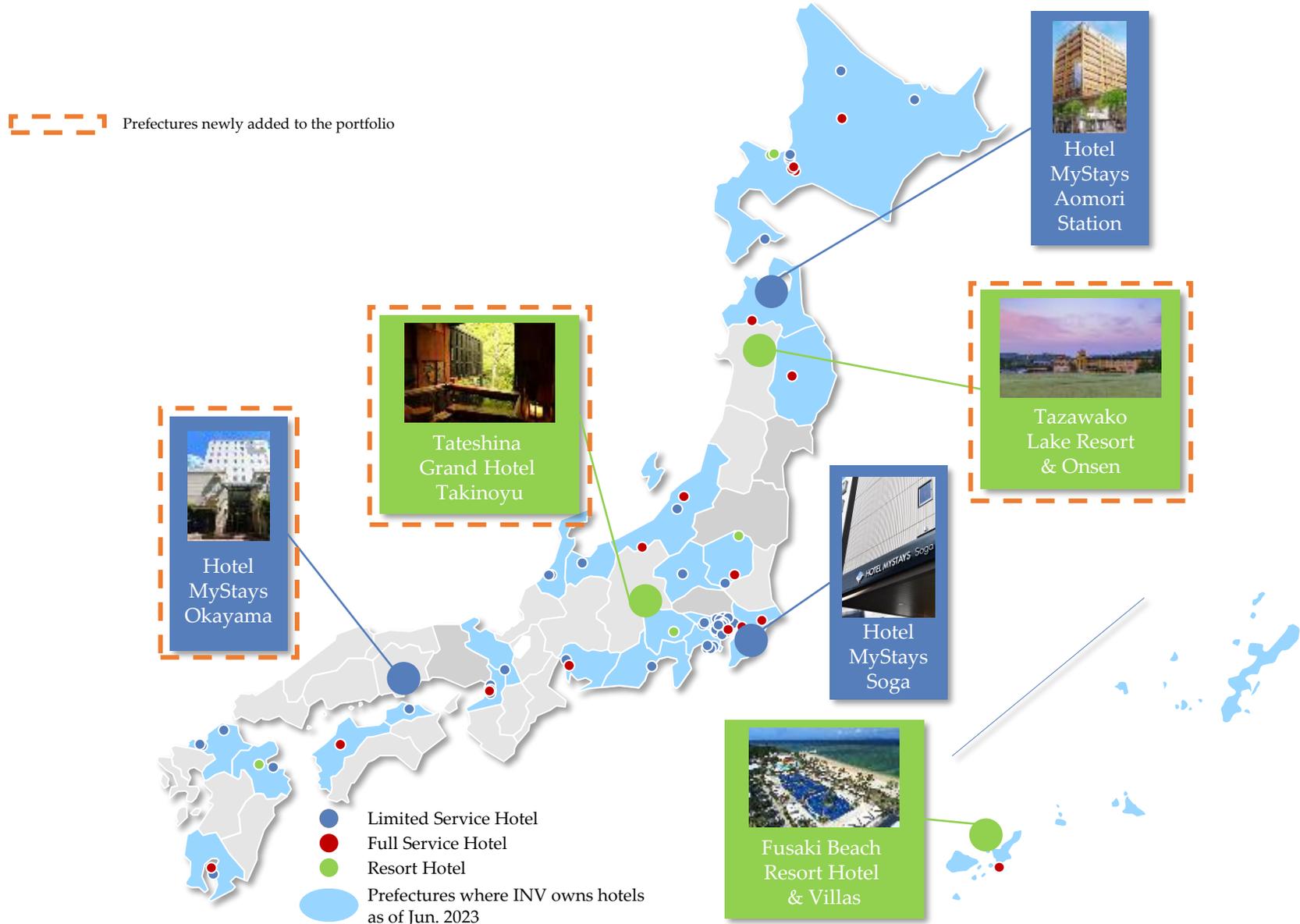
(Note 2) Full service hotels are, in general, hotels that have both restaurant facilities providing breakfast, lunch and dinner (including meals provided by reservation) and meeting facilities that can be used for banquet services. We categorize all hotels other than full service hotels as limited service hotels (except for limited service hotels that are classified as resort hotels, as described below). Resort hotels are hotels located in areas where a substantial number of guests stay for sightseeing or recreational purposes and includes both full service hotels and limited service hotels. With respect to a hotel that falls within the definition of both a full service hotel and a resort hotel, we categorize the hotel as a full service hotel if it has substantial demand for meeting room, banquet service, wedding service or food and beverage service (including demand from non-staying guests) and as a resort hotel in all other cases. With respect to a hotel that falls within the definition of both a limited service hotel and a resort hotel, we categorize the hotel as a resort hotel

(Note 3) Based on acquisition price and acquisition price of SGTB interest in INV's portfolio is calculated by applying the amount of preferred equity interest contribution by INV to the JV TMK. The acquisition price of overseas hotels (i) as of the end of December 2018 is the amount of TK investment to the SPC which held the leasehold of properties and (ii) as of August 22, 2019 is the book value of the hotels as of May 9, 2019, which are converted into JPY amount via the forward exchange rate of USD 1=JPY 110.45 based on the foreign exchange forward implemented in connection with the original TK investment in the Cayman SPC (contract thereof was entered into on July 26, 2018 and implemented on September 26, 2018). The amount of preferred equity interest contribution by INV to the JV TMK and the amount of TK investment by INV to the SPC are included the calculation, which are based on the property type or location of the underlying asset

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

III-3. Domestic Hotel Portfolio Map

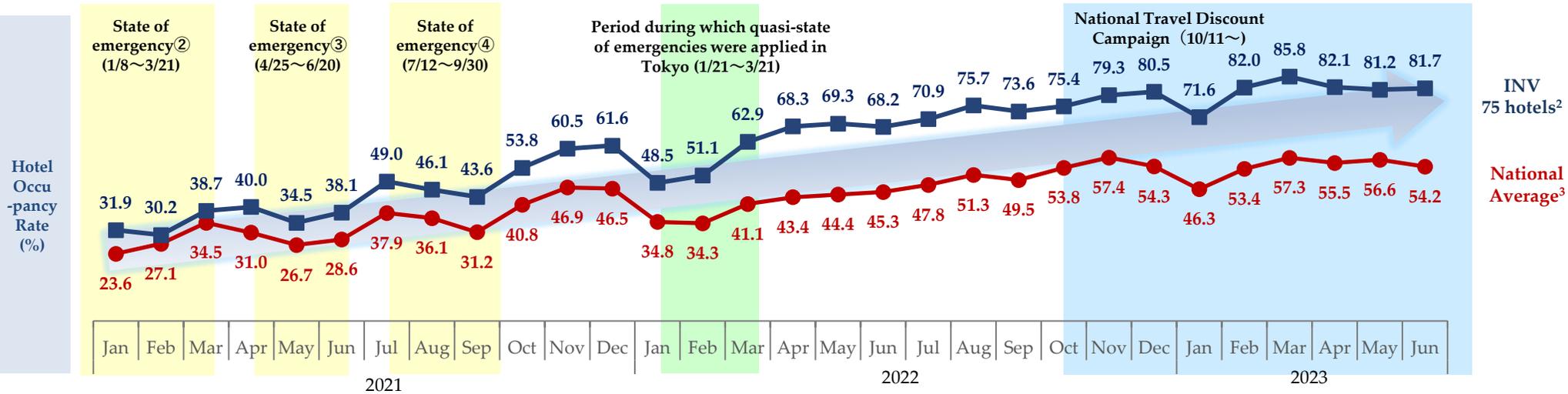
- Well-balanced hotel types including Limited Service, Full Service, and Resort, with geographic diversity contributing to stable profitability of the portfolio
- Enhancing domestic hotel portfolio footprint by adding properties in Akita, Nagano, and Okayama prefectures



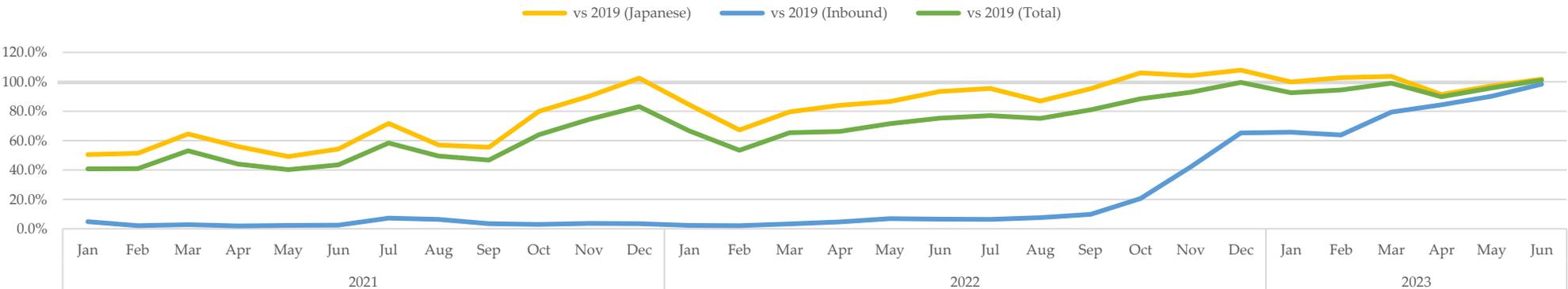
IV. Status of Hotel Operations and Market

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

- The occupancy rate of INV's domestic 75 hotels continue to outperform the national average every month
- The "National Travel Discount Campaign" launched on October 11, 2022 significantly boosted domestic demand. The number of Japanese total overnight stays from January to June 2023 reached almost the same level as the same period in 2019. The number of inbound total overnight stays, which had been stagnant, also recovered significantly in June 2023 to almost the same level in June 2019



Changes in the number of Japanese and Inbound overnight guests compared to 2019³



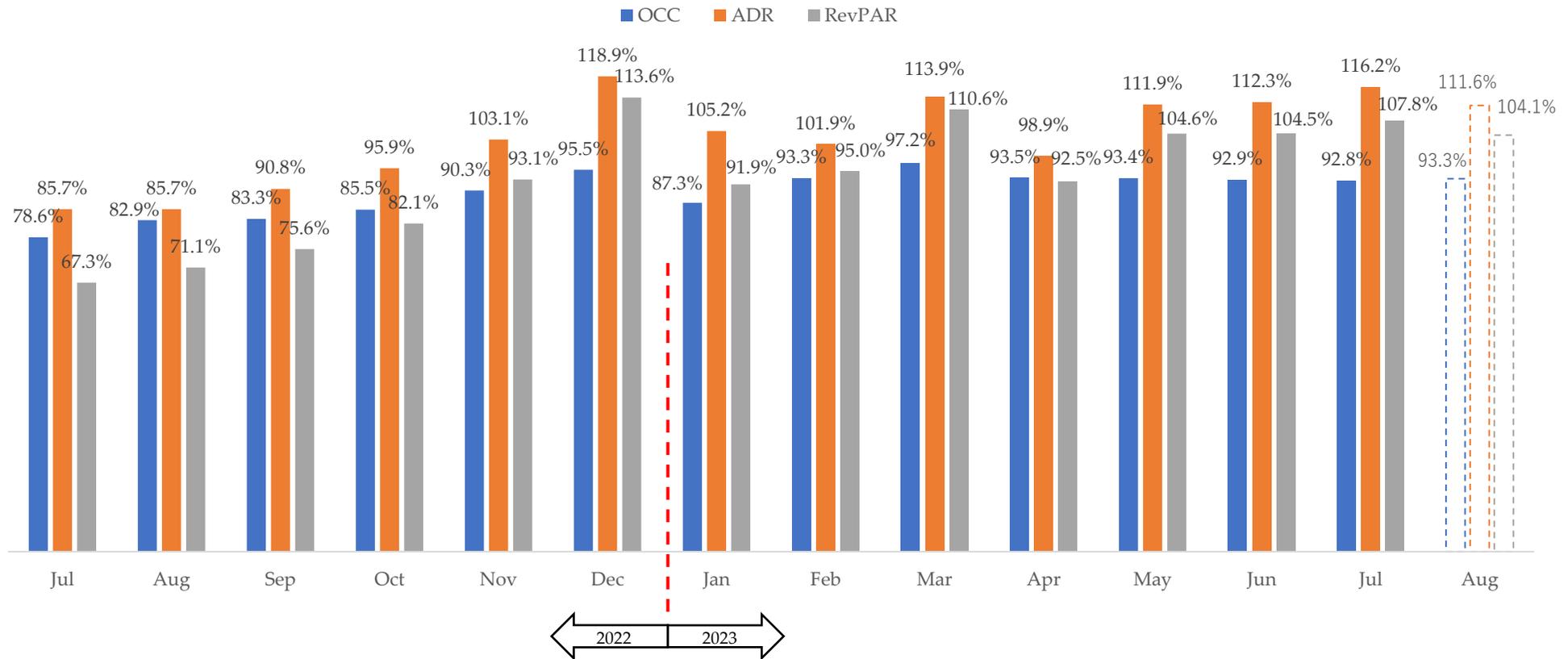
(Note 1) Each period of State of Emergency² through ⁴ shows the period during which Tokyo was under a state of emergency
 (Note 2) Simulated KPI based on 75 hotel properties; of the 84 domestic hotel properties (including Sheraton Grande Tokyo Bay Hotel, the underlying asset of preferred equity interest held by INV) owned as of June 30, 2023, 9 hotels with fixed-rent lease agreements are excluded, assuming all properties were owned since the beginning of 2021. The performance for the pre-acquisition period, which is based on actual results provided by sellers with certain adjustments assuming INV owned them, are subject to change caused by the adjustments based on differences in accounting treatments, since it is difficult to adjust them due to the timing even if the figures are based on actual performance
 (Note 3) Source: MLIT The figures for June 2023 are the first preliminary figures and January 2022 ~May 2023 are the second preliminary figures which may change in the future

IV-2. Recovery trends in KPIs for INV's 75 domestic hotels

- In this period, ADR exceeded the 2019 level every month except April, which did not have a single Golden Week holiday on a weekday
- There was only one month in the previous period where RevPAR exceeded the same month level in 2019, however, half of months this period exceeded the level in each corresponding month in 2019

Recovery Trends in KPIs from July 2022 to August 2023 : 75 Hotels in Japan

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



- Acquiring diverse client demand through proactive sales proposals and different types of plans through enhancement of the proposal capabilities in line with the expansion of the MHM chain, and following-up on the increased business activities of companies in the post Covid-19 period
- Strengthening existing loyalty program to enhance the ability as a hotel chain to acquire clients and increase repeat business, and developing a new client base through collaboration with Accordia Golf

Initiatives implemented in the June 2023 FP

Initiatives toward post Covid-19

- Secured certain level of demand for meetings by proposing plans to avoid the “Three Cs (closed spaces, crowded places and close-contact settings)”. Sales from meetings for the June 2023 FP at 16 hotels owned by INV showed a steady increase of 117% compared to the same period in 2019 leveraging the customer bases and experience gained during Covid-19 pandemic. However, banquet demand is still in the recovery phases, as the sales from this segment remain at 63% of the June 2019 FP level

In order to capture demand for year-end parties, intensive sales activities will be regularly conducted jointly by the corporate sales division at the head office and local sales offices at hotels where sales activities are expected to be effective

	Sales from meetings (JPY thousand)	Sales from banquets (JPY thousand)
June 2019 FP	440,591	1,110,892
June 2023 FP	519,493	705,200

- In anticipation of the end of the National Travel Discount Campaign, the company is considering measures to make reservations on its own website more attractive. In addition, plans to emphasize a return to hotel banquets will be implemented at 16 hotels owned by INV in the December 2023 FP
- Delivery and take away service offered at 13 hotels owned by INV accounts for 5.3% of restaurant sales at those hotels, showing the existence of stable demand. As such, the service will be continued

Initiative for expansion and enhancement of client base

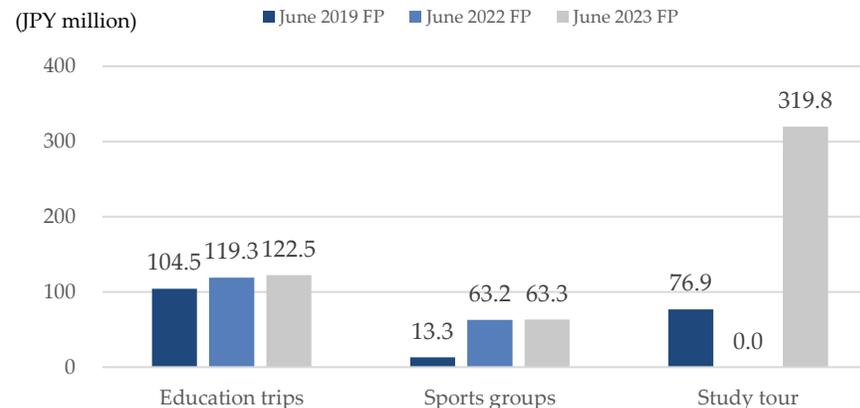
- Strengthen the existing loyalty program to enhance the hotel chain's ability to acquire clients and increase repeat business, such as by using points earned through business use for leisure activities
- Start the following initiatives with Accordia Golf Co., Ltd. (AG)
 - ✓ Setting exclusive plan for AG point members
 - ✓ Implementing joint promotion on TV programs in Korea
 - ✓ Establishing reciprocal links on websites

Sales expansion through proactive proposal-based marketing

- Demand in accommodation for various corporate training programs increased at several hotels owned by INV, including MyStays Kameido which obtained a large-scale customer order, due to an increase in corporate hiring of interns and mid-career hires. Strengthening of demand capture through proactive sales proposals to corporations
- Focus on acquiring demand in accommodation from new flight operations, reviewing existing contract terms and conditions, and capturing training demand in anticipation of potential demand from the resurgence of domestic and international flight operations
- “Study Tour¹” orders from overseas are approximately 3 times higher than the 2019 annual level (as of July 1, 2023) due to enhanced proposal capabilities at MHM

	Demand for accommodations for interns	Demand for accommodations for mid-career hires
June 2023 FP	JPY 1,600 thousand 6 hotels	JPY 17,135 thousand 12 hotels
December 2023 FP onwards (as of July 1, 2023)	JPY 8,459 thousand 8 hotels	JPY 77,019 thousand 8 hotels

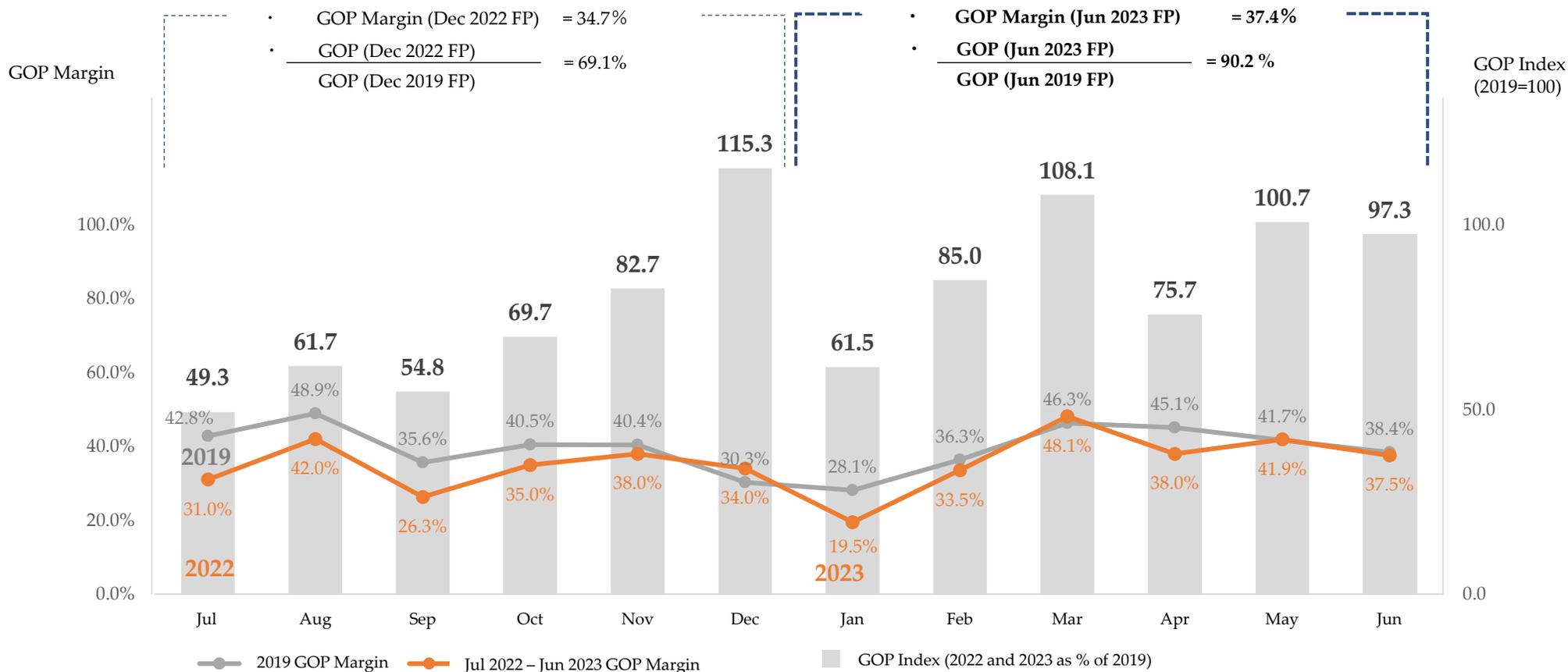
Changes in sales of various plans at 73 INV-owned hotels (examples)



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

IV-4. Change in GOP for 73 hotels managed by MHM

- GOP margin¹ of domestic 73 hotels managed by MHM increased to 37.4% this period from 34.7% in the previous period through continued strategies to maximize GOPPAR (GOP Per Available Room)
- The GOP and GOP margin in May and June 2023 recovered almost to 2019 levels while absorbing cost increases
- In an effort to minimize the impact of cost increases for utilities, food, and other expenses, MHM meticulously sets prices for each hotel based on aspects of daily demand forecast such as the number of guests per room, unit price per guest, cost of goods, and other factors



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

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

IV-5. MHM: Future Outlook and Strategy

- Domestic business demand is expected to recover to pre-Covid-19 levels despite factors such as a decrease in business travel due to the spread of online meetings
- Domestic leisure demand is not expected to increase or decrease significantly, although a temporary reduction in demand driven by the National Travel Discount Campaign is anticipated
- Overall inbound demand is expected to recover to 2019 levels around February 2024. For China, recovery is expected from spring to summer 2024, and accumulated latent demand is anticipated to materialize during the following year¹
- No major issues have occurred in hiring staff. Opened “Narita Hospitality Academy” to develop human capital with diverse backgrounds

	Assumption of Domestic Demand		Assumption of Inbound Demand	
	Leisure	Business	Leisure	Business
Outlook for December 2023 FP	<ul style="list-style-type: none"> ✓ Hotels that benefited from prefectural and national travel discount campaigns in 2022 are expected to gradually recover to pre-Covid-19 levels, but may face a temporary reduction in demand after the campaigns end 	<ul style="list-style-type: none"> ✓ Although there are factors such as the spread of online meetings that may reduce business travel in the future, demand is expected to be almost at the same level as pre-Covid-19 levels in 2023 	<ul style="list-style-type: none"> ✓ The number of visitors to Japan, which is currently 70% of the same period in 2019 level, is expected to approach the 2019 level around February 2024, after the problem of insufficient airport capacity is resolved and flights shift to the winter timetable in October ✓ Inbound demand from China, which has group visa restrictions, is expected to increase significantly among leisure travelers once the restriction is lifted¹ 	<ul style="list-style-type: none"> ✓ Business travel is expected to be 80% to 90% of 2019 levels as some industries become more remote
Outlook for June 2024 FP Onwards	<ul style="list-style-type: none"> ✓ Same as the December 2023 FP 	<ul style="list-style-type: none"> ✓ Same as the December 2023 FP 	<ul style="list-style-type: none"> ✓ For China, a recovery from spring to summer 2024 is expected, and accumulated latent demand is anticipated to materialize during the following year 	<ul style="list-style-type: none"> ✓ Same as the December 2023 FP

Future Strategy

- For domestic demand, special discount plans for KAMENOI HOTEL MEMBERS and Accordia members, and promotion codes will be used
- For inbound, increase the number of hotels using GDS² (Global Distribution System), a new sales channel introduced in October 2022, from 40 to 51 hotels
- Trial promotion (Preferred Program, etc.) with overseas OTAs. However, close examination of channels including MHM’s website and low-cost channels will be implemented simultaneously as the overseas channels tend to have higher costs
- In terms of securing staff, MHM had no major issues during the Covid-19 pandemic because it protected employment by leveraging employment adjustment subsidies, and continued to recruit new graduates, which is one of the strong points of MHM. Furthermore, it opened “Narita Hospitality Academy” in June 2023, which is a post-arrival training facility for foreign technical interns, as part of its unique initiatives to develop and hire global human capital with diversified backgrounds

(Note 1) The forecasts in this report do not factor in the impact of the lifting of the ban on group travel from China to Japan announced on August 10, 2023
 (Note 2) Refers to a dedicated platform that can only be accessed by suppliers, such as airlines, hotels, cruises, and car rentals, who receive reservations, and travel agencies that place reservations

- Continuous corporate sales activities have led to a 2.5 times increase in MICE and banquet sales this period
- Acquired a three-year contract for catering services through enhanced relationships with local companies and related organizations. Group use for general banquets and other events is also expected in the future
- Strive to capture further demand through provision of accommodation plans through the renewal of flight simulator and kids' area

Initiatives to Maximize Revenue

Capture demand for MICE and banquets

- MICE and banquet demand steadily recovered in the June 2023 FP compared to the same period last year, when demand for MICE and banquets slumped due to the re-spread of Covid-19
- Continuous corporate sales activities have led to a 2.5 times increase in MICE and banquet sales this period, with strong on-hand (number of confirmed reservations) from July to September 2023, expected to be +31% over the same period in 2019

	Sales from MICE/banquets (JPY thousand)	
June 2022 FP	170,190	X 2.5
June 2023 FP	427,580	

Weddings

- Re-imagine wedding coordination at large venues and promote it on websites, SNS, and Zexy, emphasizing the flexibility of coordination that is possible at large venues
- The conversion rate for visitors who came to the hotel for the purpose of wedding consultations, including wedding experience fairs, remained high at 50%-59%
- Continue to hold the Grand Wedding Fair three times a year. Promoted sales by providing high-quality table coordination, lighting and video/image projection experience, and wedding tastings at a large venues

Reducing Operating Costs

- Hotel operating costs this period increased slightly to approximately JPY 5 billion compared to the same period in 2019
- Despite general price pressures, including increases in consumables, equipment, staffing, electricity and gas rates, as well as the impact of the yen's depreciation, the hotel continues to increase personnel to improve performance and carefully and appropriately monitor and manage expenditures and inventory as occupancy rates rise due to a recovery in inbound demand and other factors

Various accommodation packages and promotion (future initiatives)

- Focus on adding packages on global OTA sites such as Expedia and Booking.com, expanding digital tools such as C-Trip, and digital marketing in order to acquire overseas guests and MICE business
- Increase number of 3- and 4-bedroom rooms to capture demand from families and groups of friends who wish to stay in the same room
- Maximize revenues by strengthening the hotel's direct booking-only package offerings to reduce commissions and other costs, and to capture demand from overseas customers for consecutive nights

Initiatives to Capture New Demand

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

- Started a three-year contract with the Chiba Lotte Marines to provide catering services for the VIP room at ZOZO Marine Stadium

	# of games	Number of sales	Sales (JPY thousand)
June 2023 FP	34	4,883	24,360

- Implemented SDGs program that can be used for school excursions in partnership with major domestic companies. Strengthening ability to capture demand for school excursions by offering the hotel's own programs for schools other than Disney Academy¹

Flight simulator and cabin mockup facility "SKY Experience"

- The "flight simulator" and lodging package plan launched in August 2022, achieved JPY 4.7 million of sales (108 rooms) in the June 2023 FP

Renewal of indoor playground facility "Wizkids"

- On December 23, 2022, the kid's area "Treasures Island" on the second floor of the OASIS building was renewed and a new kid's area was opened. This facility, based on the concept of a place where children, who are "masters = wiz" of play, can spend a relaxing time "together = with kids", was used by 28,088 people (sales of JPY 22 million, of which 34% visitors) in the June 2023 FP

【Overview of the facility】

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



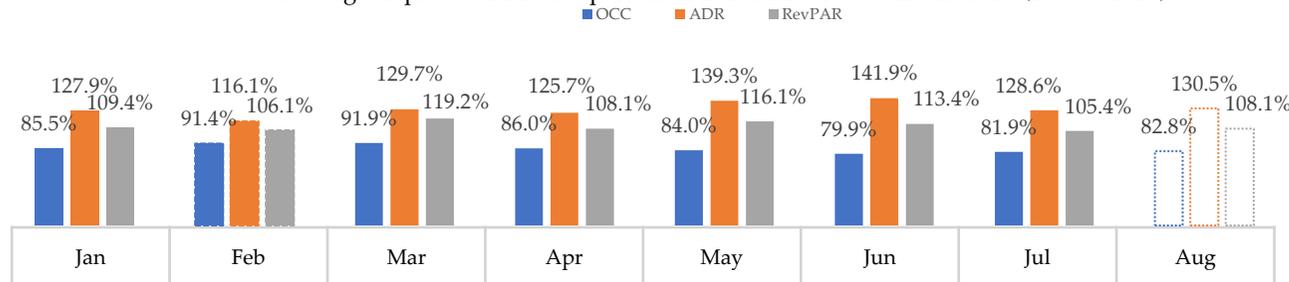
(Note 1) Official seminar program offered by Tokyo Disney Resort (TDR) to junior and high school students where students can learn "work", "hospitality" and "communication", etc. SGTB provides venues for the seminar

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

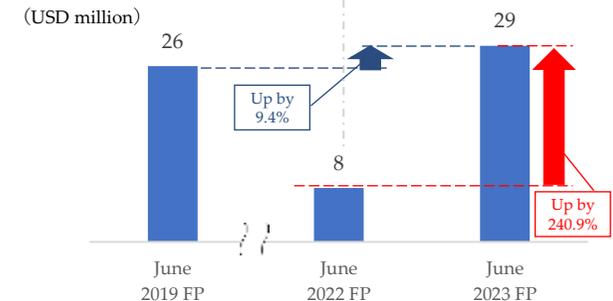
- Lodging demand was strong on Grand Cayman through the June 2023 FP. Westin achieved 88.5% of its June 2019 FP occupancy, and Sunshine Suites achieved 81.1% of its June 2019 FP occupancy. Sunshine Suites' recovery has been slower than the Westin, because Sunshine Suites is contending with new competition from the Hampton Inn and Locale – both new hotels with more modern rooms
- Within the June 2023 FP, Transient lodging demand has recovered faster than Group, because the delays in lifting Covid-19 travel restrictions resulted in fewer 2023 Group bookings due to uncertainty about travel restrictions and flight availability (as Groups book much further in advance). Through the June 2023 FP, the resorts' combined Transient room nights recovered to 93.4% of 2019 levels whereas Group room nights recovered to 73.3% of 2019 levels. Group demand is expected to recover strongly in the December 2023 FP, as the Westin is forecasted to achieve higher than its December 2019 FP Group room nights
- Combined, the June 2023 FP RevPAR of USD 415 exceeded the June 2019 FP RevPAR of USD 371 and exceeded the budget for the June 2023 FP RevPAR of USD 306 due to strong ADR achieved at both properties. The resorts recovery is expected to continue into the December 2023 FP
- USD based Management Contract Revenue this period increased by 240.9% compared to the same period in 2022, and increased by 9.4% over the same period in 2019¹
- The proposed Annex Expansion of the Westin was once again heard before the Caymanian Central Planning Authority ("CPA"), and on 25 July the CPA approved the plan subject to a number of minor conditions involving access to the proposed offsite parking lot, revisions to the project Traffic Impact Assessment, and ensuring the expansion will feature sea turtle "friendly" lighting, amongst other things. The next steps for this project are to update required investment analysis for the expansion, investigate the potential return on investment, and satisfy all the minor conditions laid out by the CPA

Recovery Trends in KPIs from Jan. 2023 to Aug. 2023 : 2 Hotels in Cayman

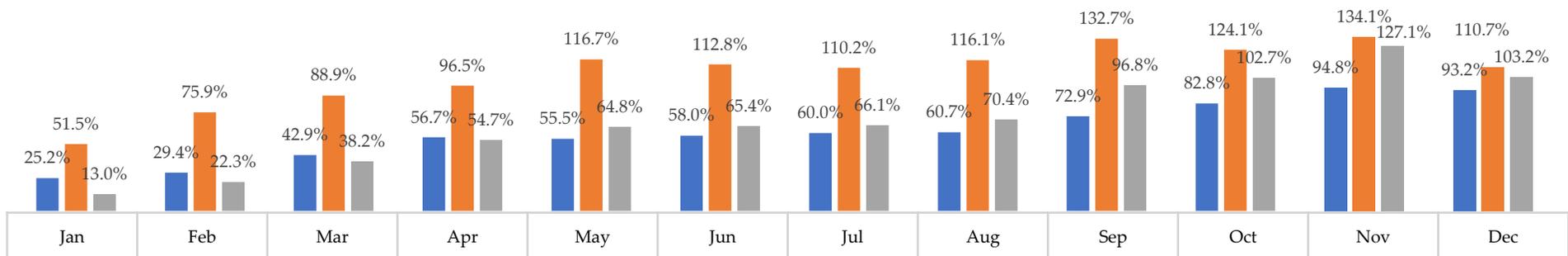
Percentages represent KPIs as a percent of 2019 KPIs of the same month (100% = 2019)



Cayman Hotels' Management Contract Revenue¹



Recovery Trends in KPIs from Jan. 2022 to Dec. 2022 : 2 Hotels in Cayman

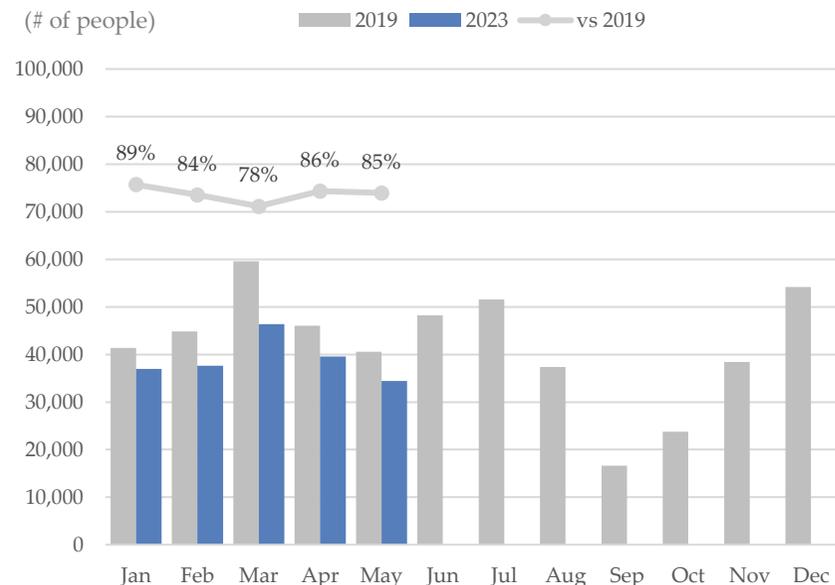


(Note 1) The ownership structure of the two Cayman hotels was changed from a Tokumei Kumiai structure to a direct ownership structure in the middle of June 2019 FP. Therefore, Management Contract Revenue in June 2019 FP is a hypothetical number, assuming INV has held two Cayman hotels in the current direct ownership structure from the beginning of 2019

IV-8. Stay-over Visitation and Airlines Serving the Cayman Islands

- In Jan-May 2023, the Cayman Islands reported a total of 194,901 flight arrivals or 84% of its same period 2019 arrivals. During 4Q 2022, following the removal of Covid-19 travel restrictions, the Cayman Islands reached 89% of their pre-pandemic stay-over visitor numbers¹
- With most visitors to the Cayman Islands coming from the United States, pilot and flight attendant staffing shortages impacted flight schedules. Additionally, the Cayman Islands' delayed reopening to travel following the pandemic resulted in a slower recovery in Group business in the first half of 2023
- Looking ahead, it is anticipated that travel demand for the Cayman Islands will continue to increase. When looking at Puerto Rico and St. Thomas, which were two of the first islands to reopen to US mainland tourists during the pandemic, these islands saw airline arrivals over the 12-month period ending April 2023 increase by 125.8% and 138.9% over 2019 levels, respectively²
- In July, Cayman Airways announced an additional direct flight from Los Angeles (LAX) on Wednesday nights which will begin service in late 2023

Flight Arrivals³ (2019 vs 2023)



Airlines Serving the Cayman Islands

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

(Note 1) Source : Cayman Islands Department of Tourism

(Note 2) Source : United States Department of Transportation, Bureau of Transportation Statistics

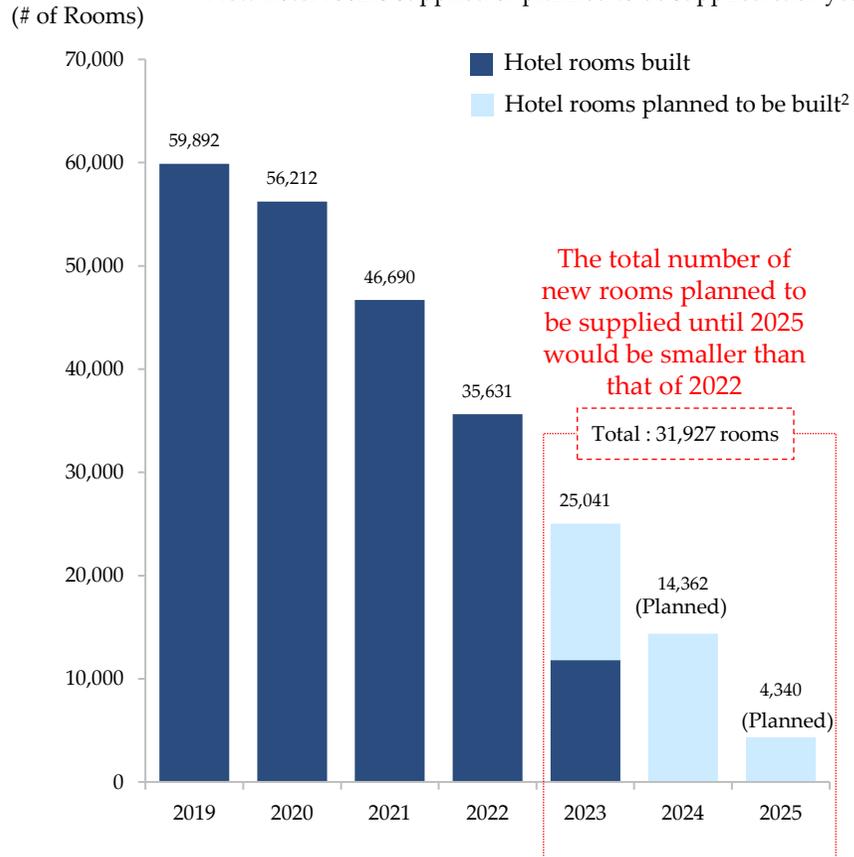
(Note 3) Source : Prepared by Asset Manager based on Cayman Islands Department of Tourism

IV-9. Status of New Hotel Development in Japan

- According to a semiannual survey¹ by "Weekly Hotel Restaurant" magazine, new supply continues to decline since 2019 due to the pandemic
- The total number of new rooms planned to be supplied in the second half of 2023 through 2025 is less than the number of new rooms supplied in 2022, indicating the pace of new supply is expected to continue to decline

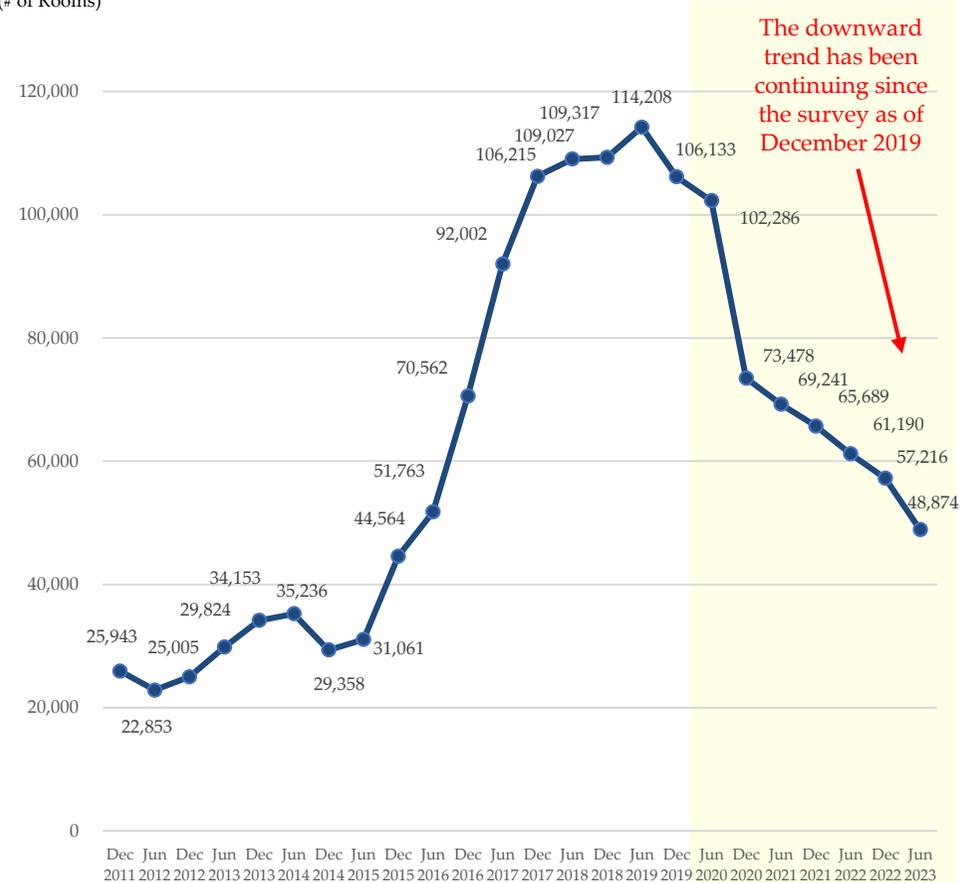
The Number of Planned New Hotel Room Supply^{2,3}

New hotel rooms supplied or planned to be supplied each year⁴



The Change in the Number of Rooms for New Hotel Development³

(# of Rooms)



The downward trend has been continuing since the survey as of December 2019

Source: Prepared by Asset Manager based on HOTERES

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

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

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

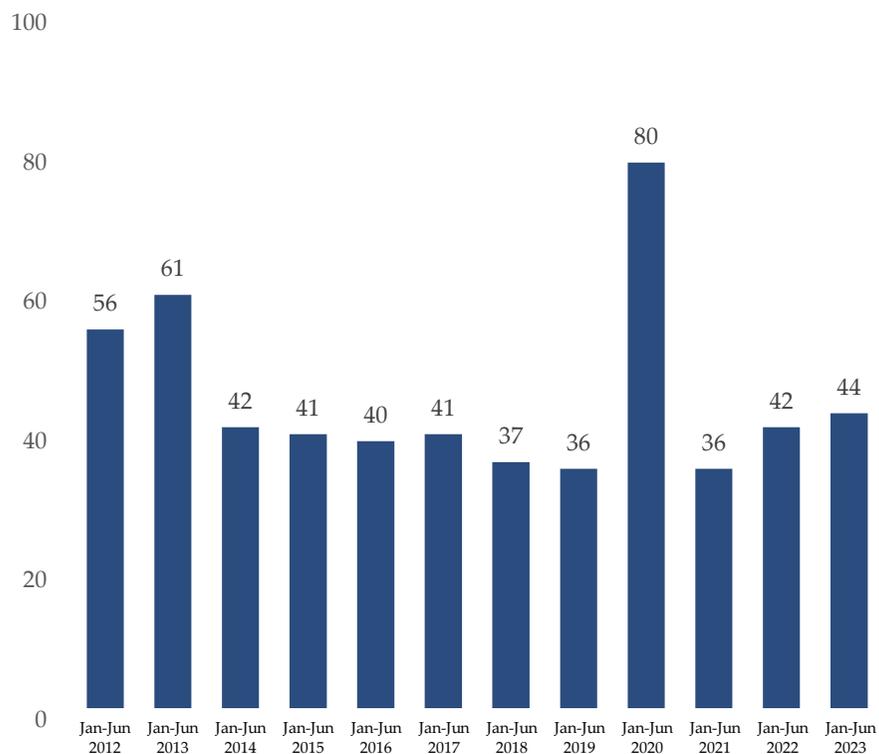
(Note 3) Based on the plans confirmed as of each survey by HOTERES

(Note 4) Hotel rooms planned to be built shown above is based on the plans of surveyed hotel developers as of June 2, 2023. It is possible that additional development plans have or will be announced subsequent to June 3, 2023 that result in new hotel supply after 2023 being larger than the supply shown above. Accordingly, actual new hotel supply may differ materially from the figures shown above

IV-10. Status of Hotel Stock in Japan

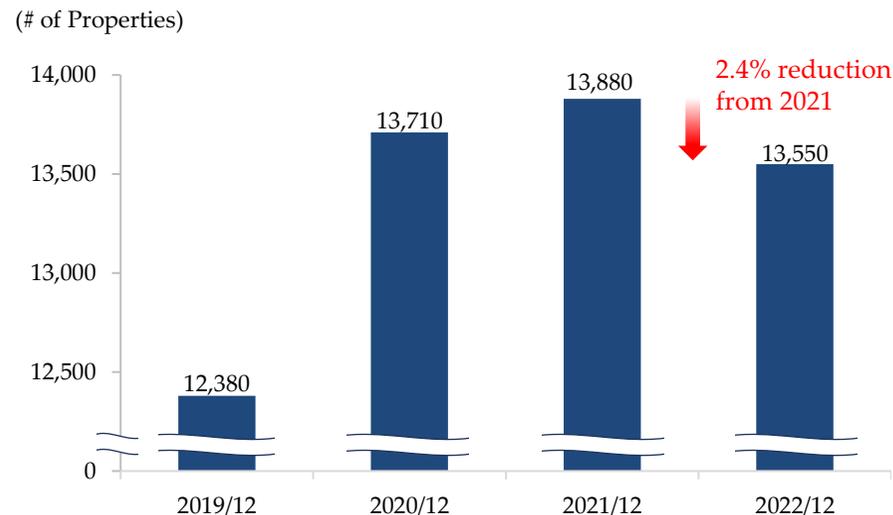
- Amid a recovery trends in the overall hotel market, the number of bankruptcies in the hotel industry from January to June 2023 increased slightly from the previous year
- In 2022, the number of hotels in Japan decreased by 2.4% compared to 2021; the Resort category saw a more pronounced drop of 8.1%

Number of bankruptcies¹ of inn and hotel operators (June FP)



Source: Prepared by Asset Manager based on data from Teikoku Databank

Change in number of hotels²



	2019/12		2020/12		2021/12		2022/12	
		YoY		YoY		YoY		YoY
Resort	2,680	+18.1%	3,320	+23.9%	3,320	+0.0%	3,050	-8.1%
Business	8,270	+4.8%	8,830	+6.8%	8,810	-0.2%	8,690	-1.4%
City	1,430	+19.2%	1,560	+9.1%	1,750	+12.2%	1,810	+3.4%

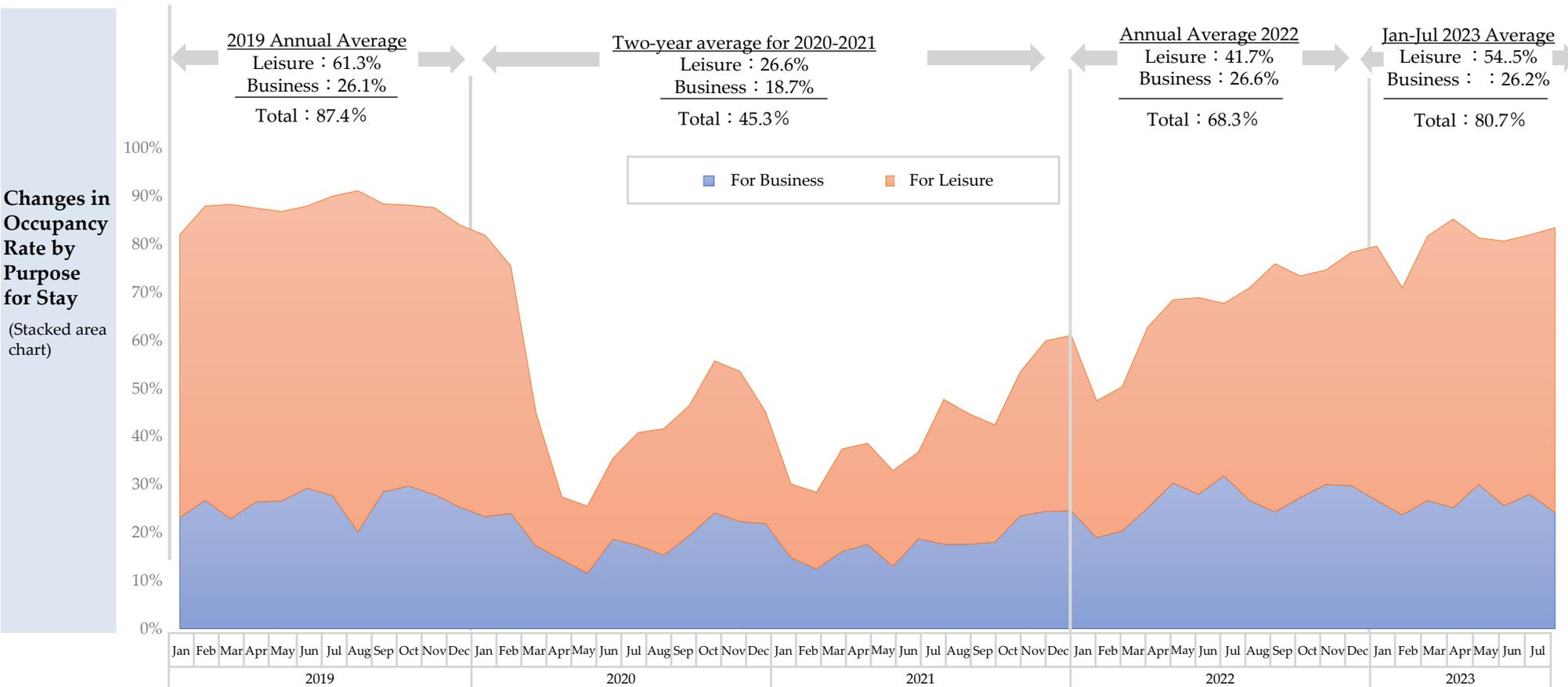
(Note 1) The number of bankruptcies refers only to bankruptcies resulting from legal liquidation procedures (corporate reorganization, civil rehabilitation, bankruptcy, and special liquidation). The number of companies closed or dissolved is the number of companies that have been confirmed as having ceased business activities without any special procedures (closed businesses), or that have been dissolved in the current fiscal year of commerce, etc., except for those in bankruptcy (legal liquidation)

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

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

- Based on the assumptions of this trial calculation, business demand of 73 hotels managed by MHM appears to have recovered to 2019 levels in 2022 onward
- Inbound leisure demand is expected to recover further as the Chinese government lifted its restriction on group travel to Japan in August 2023

Breakdown of Business / Leisure Demand at 73 Hotels managed by MHM¹



Premises :
Assumed the number of rooms sold on the days before Saturday, Sunday, and national holiday is leisure demand. As for other days, assumed the number of rooms sold is leisure demand if DOR* is larger than 2.0, and if DOR is equal or less than 2.0, assumed the number of rooms sold multiplied by [DOR - 1.0] is leisure demand, while the remaining is assumed to be business demand (based on the assumption that all the rooms are used either by one person or two persons)
*Abbreviation of "Double Occupancy Ratio". It is calculated by dividing the number of guests stayed by the number of rooms sold, i.e., an average number of guests per room sold (The same is applied for other pages)

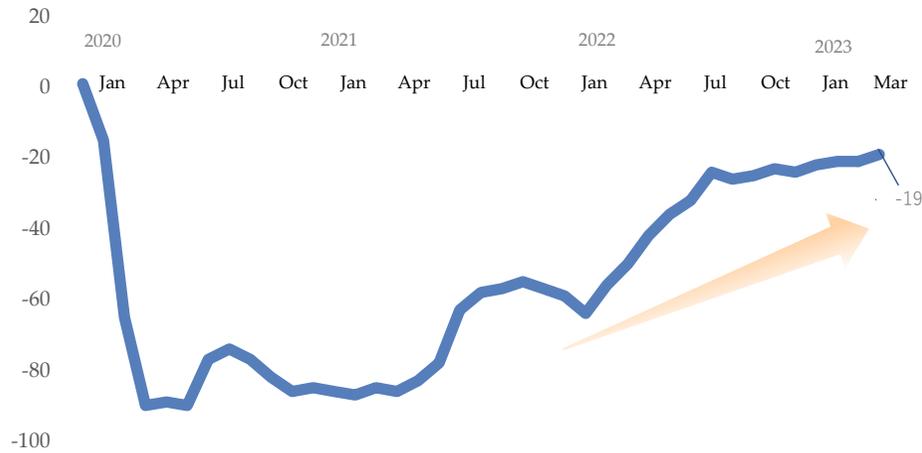
(Note 1) Indicates 73 hotels operated by MHM in INV portfolio as of July 31, 2023

IV-12. Status of Overseas Travel

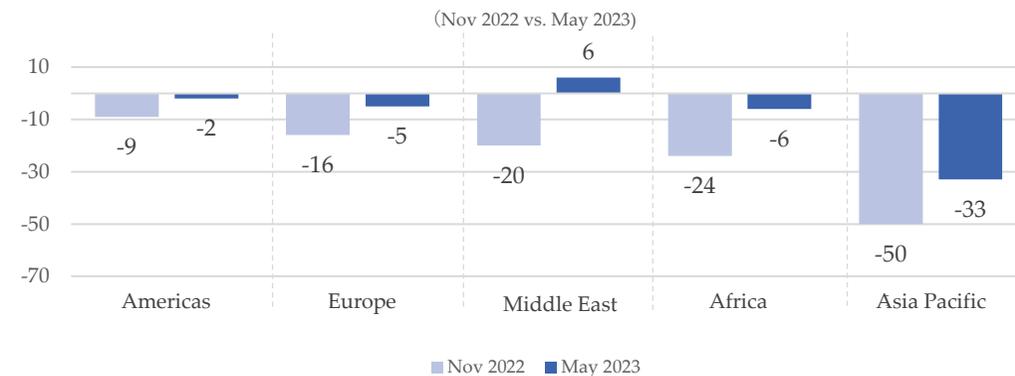
- According to the United Nations World Tourism Organization (UNWTO), the number of international tourists in March 2023 recovered to 81% compared to the same month in 2019
- By region, although Asia-Pacific's recovery is slow, the number of international airline seats recovered to 106% in the Middle East, 98% in the Americas and 95% in Europe compared to May 2019
- The U.S. Hotel RevPAR Index continued to be above 2019 for many weeks due to high ADR

International Tourist Arrivals (UNWTO) (Jan 2020-Mar 2023)

International Tourist Arrivals (Global) Index¹ (FY2019=100)

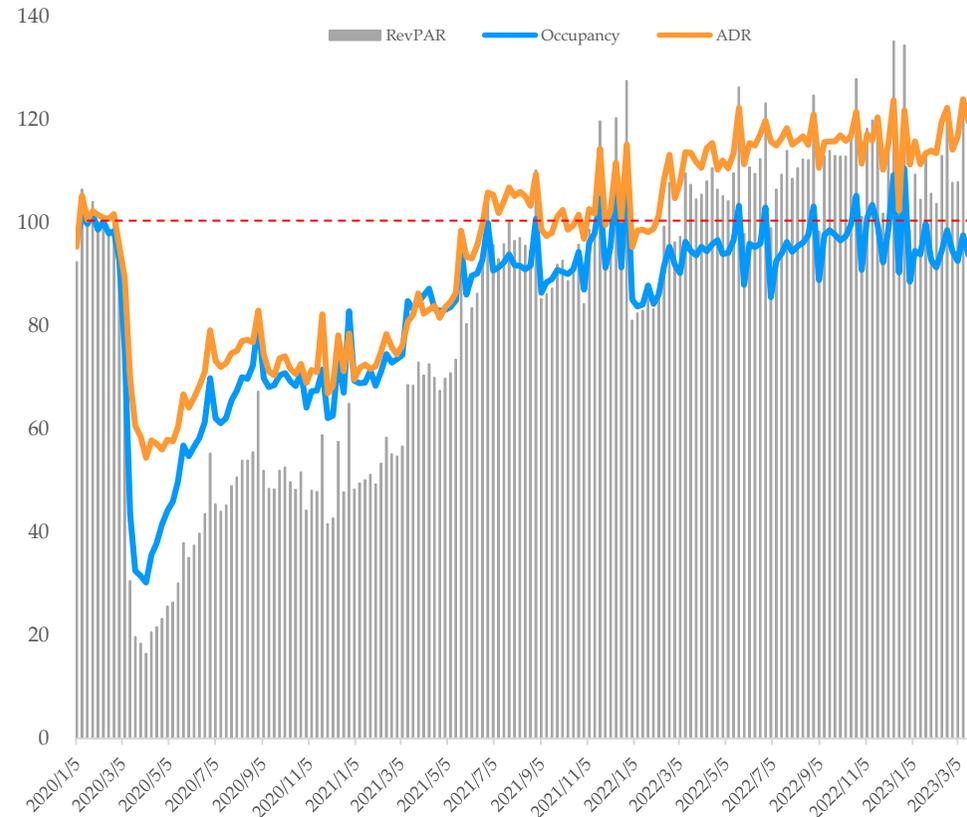


Number of seats on international flights by region¹ (FY2019=100)



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

The U.S. weekly KPIs Index² (indexed to 2019)

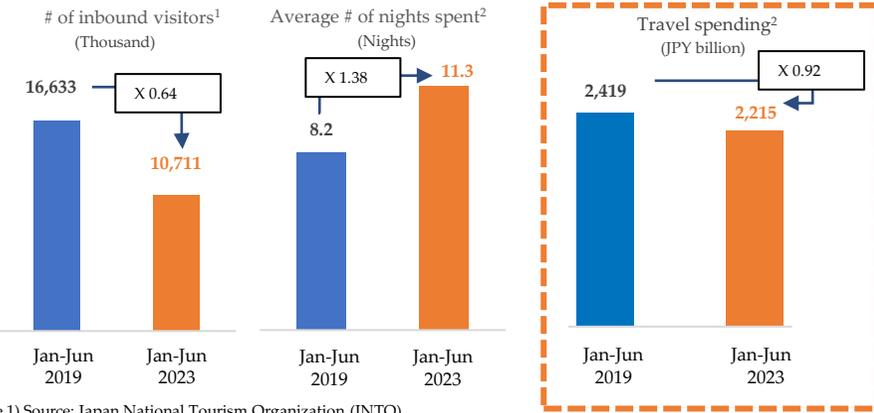


(Note 1) Source: UNWTO. The figures for the same month in 2019 are indexed to 100
(Note 2) Prepared by Asset Manager based on the data from STR. KPIs of US hotels in each week are indexed as 100 for comparable weeks in 2019

IV-13. Inbound Market

- The number of inbound visitors in the period from January to June 2023 is 0.64 times that of the same period in 2019. However, the average number of nights spent has lengthened to 1.38 times, and travel spending has recovered to almost the same level at 0.92 times that of the same period in 2019
- For the breakdown of travel spending, the share of shopping expenditures, which accounted for the largest share (35.4%) in the period from January to June 2019, decreased to 24.9% in the same period in 2023, while accommodation expenditures increased from 29.2% in the period from January to June 2019 to 34.4% in the same period in 2023, making it the largest item. Food and beverage, transportation, and “intangible goods consumption” also increased
- The number of visitors per 1,000 population from China and Southeast Asian countries is far behind Hong Kong, Taiwan, and South Korea as of 2019, and the number of visitors is expected to increase significantly in the future as per capita national income increases

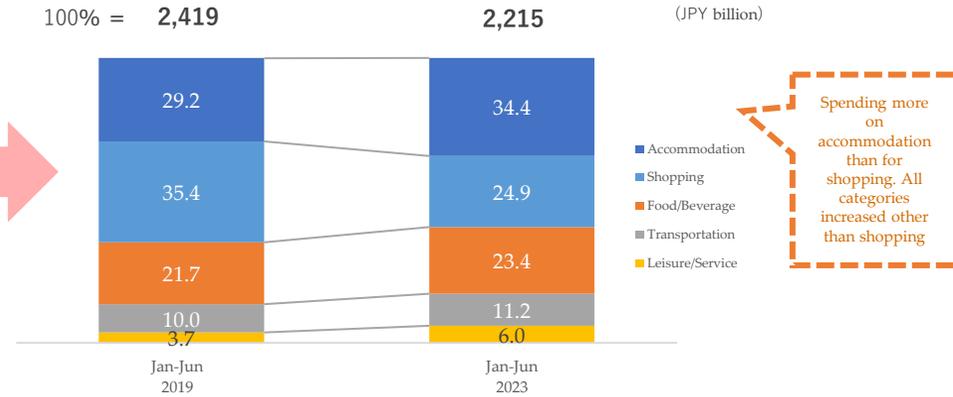
Qualitative Changes of Inbound Visitors



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

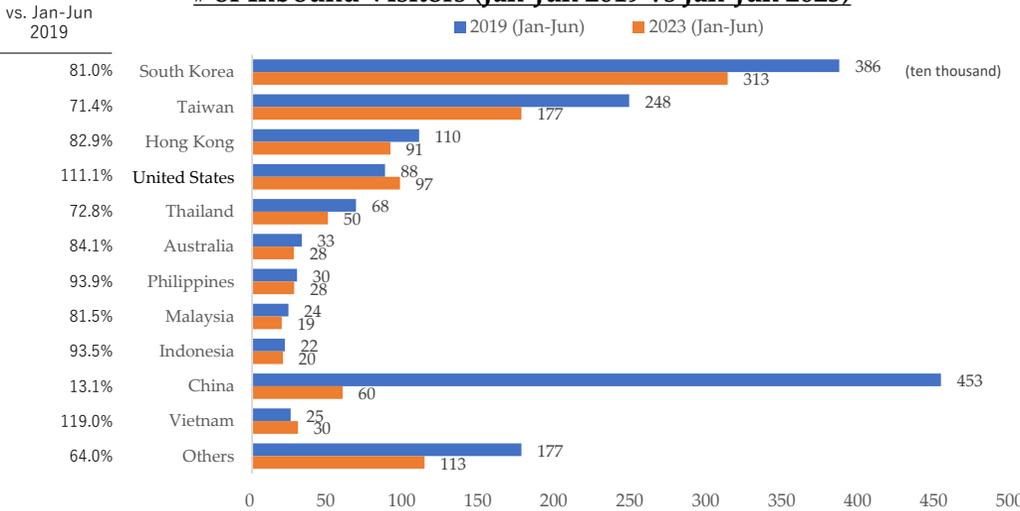
(Note 2) Prepared by Asset Manager based on Japan Tourism Agency “Consumption Trend Survey for Foreigners Visiting Japan”

Breakdown of Travel Spending of Inbound Visitors



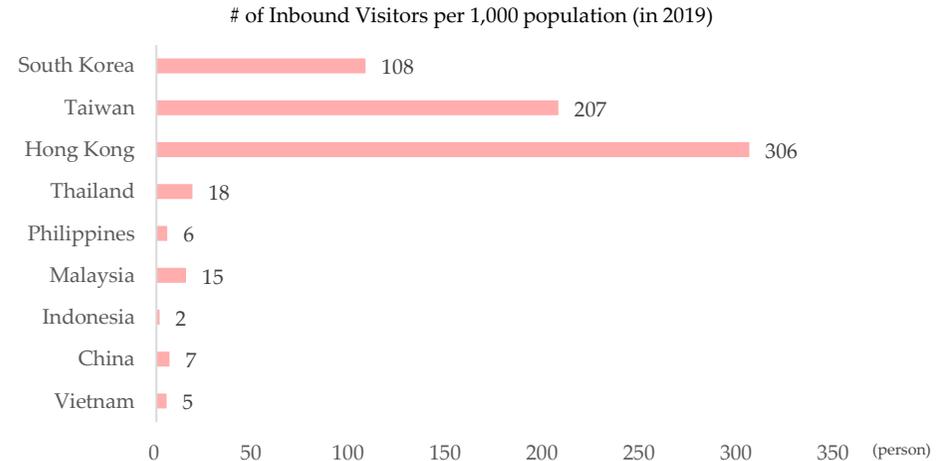
Source: Prepared by Asset Manager based on Japan Tourism Agency “Consumption Trend Survey for Foreigners Visiting Japan”

of Inbound Visitors (Jan-Jun 2019 vs Jan-Jun 2023)



Source: Japan National Tourism Organization (JNTO)

Potentiality of Inbound Visitors from Asia by Population



(Note 1) Prepared by Asset Manager based on data from the Statistics Bureau, Ministry of Internal Affairs and Communications and Japan National Tourism Organization (JNTO)

V. Status of Residential Operations

V-1. Performance of Residential Properties

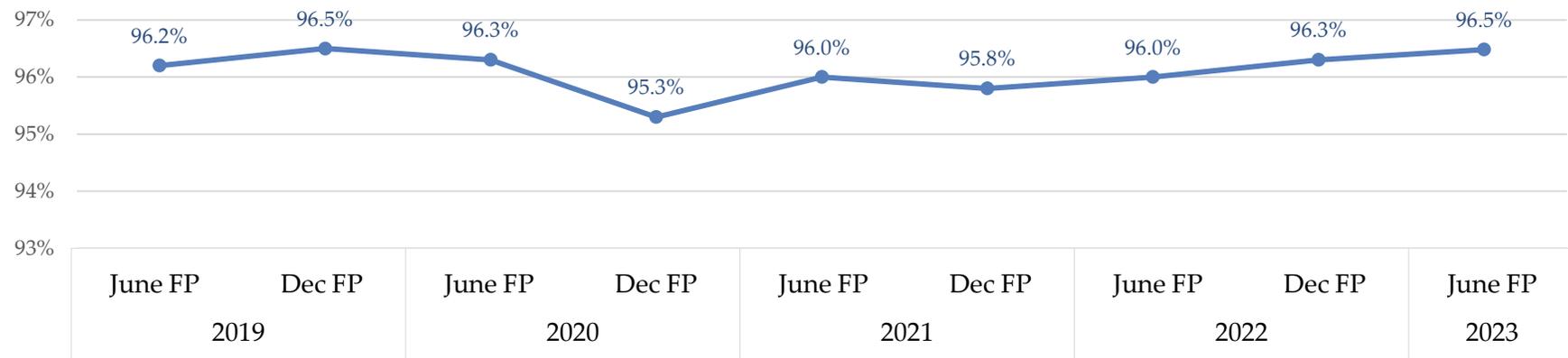
- Recorded JPY 1,126 million of NOI for 41 residential properties this period, a 1.2% increase compared to the same period last year and a 2.4% increase compared to the same period in 2019
- The portfolio of 41 residential properties and one commercial property owned today is expected to maintain stable returns

Residential NOI, Actual and Forecast¹ (Unit: JPY million)

Based on 41 Residential Properties	2019	2020	2021	2022	2023			Variance ([] = forecast)		
	Actual	Actual	Actual	Actual	Full Year Forecast (as of 2/22)	Actual	Full Year Forecast (as of 8/24)	vs The same period in 2019	vs The same period in 2022	vs Forecast as of 2/22
	<A>		<C>	<D>	<E>	<F>	<F>	<F/A-1>	<F/D-1>	<F/E-1>
June FP	1,100	1,115	1,115	1,113	1,115	1,126		2.4%	1.2%	1.0%
December FP	1,117	1,112	1,110	1,118	1,121		1,110	[-0.6%]	[-0.7%]	[-1.1%]
Full Year	2,217	2,228	2,225	2,231	2,237		2,236	[0.8%]	[0.2%]	[-0.0%]

Change in Occupancy¹

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

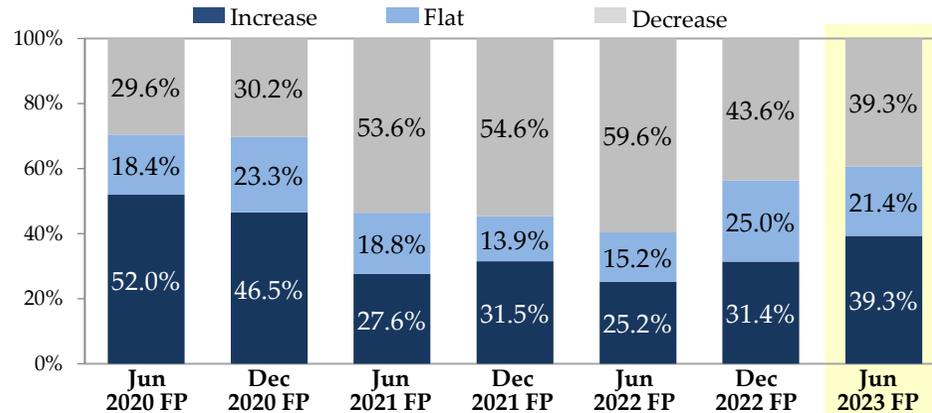


(Note 1) Based on 41 properties held by INV as of the end of the fiscal period ended June 30, 2023. Excludes one-off insurance-related revenues and expenses as well as one-off custodian fee associated with a trust split for NOI

V-2. Changes of Residential Rents

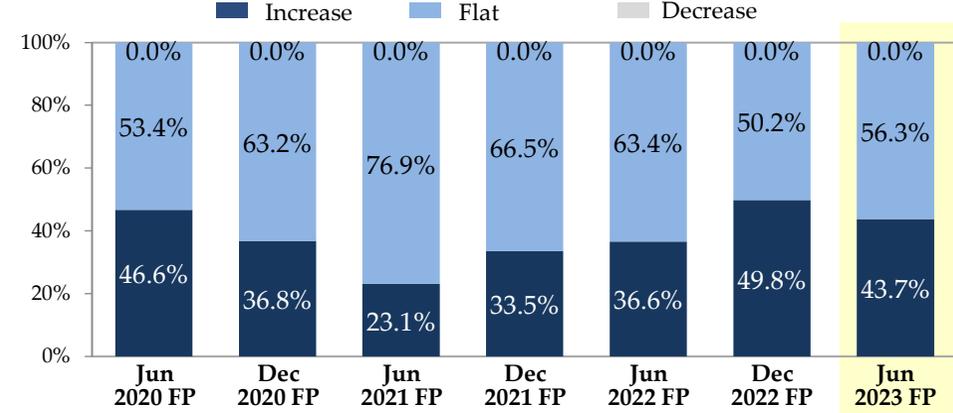
Companies have been more active in relocating employees this year compared to 2022 due to the removal of behavioral restrictions resulting from the Covid-19 pandemic, boosting performance. The percentage of rent declines at the time of tenant replacement continued to decrease and the percentage of rent increases at the time of tenant renewal increased with the recovery of occupancy rate during this period. This trend is expected to continue in the December 2023 FP, as two-thirds of INV's residential portfolio (based on acquisition price) is located in Tokyo 23 Wards

Changes in Rent for New Contracts¹



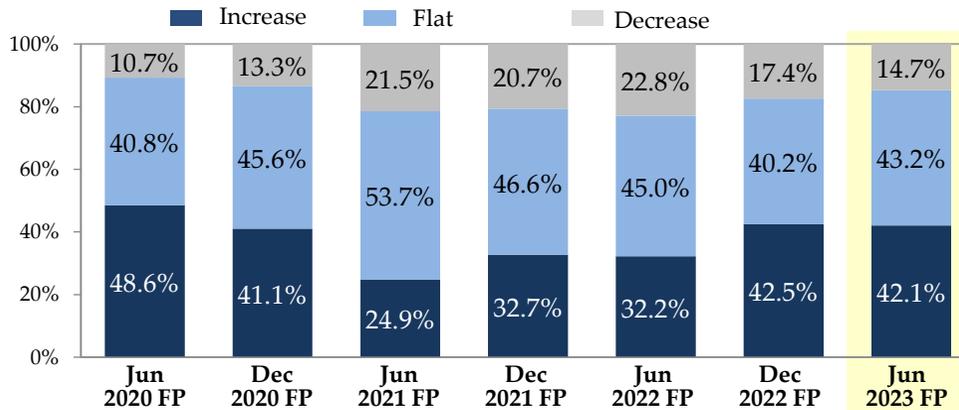
No. of New Contracts	402	288	388	216	282	156	257
Occupancy ²	96.2%	94.6%	95.3%	94.7%	96.0%	96.3%	96.5%
Net Leasing Cost (No. of months) ³	0.47	1.04	0.85	1.23	0.89	1.02	0.73

Changes in Rent for Renewal Contracts¹

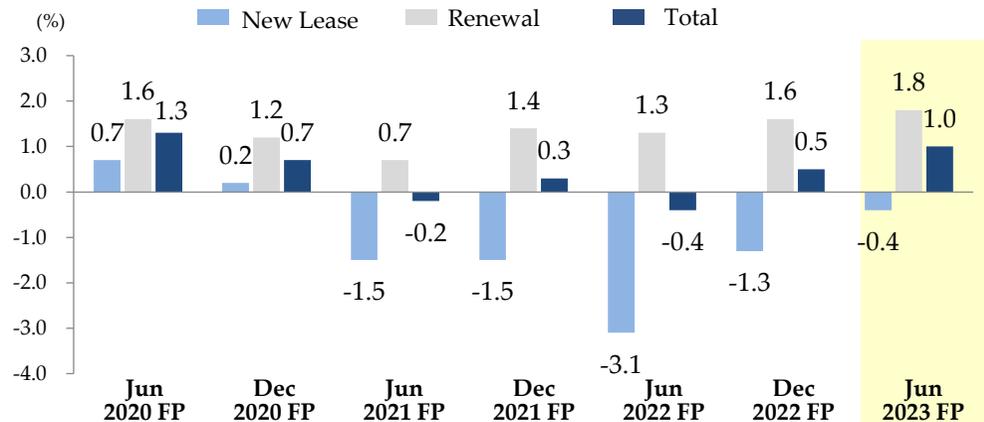


No. of Renewals	712	364	581	355	454	235	430
Renewal Rate ⁴	80.7%	84.1%	79.7%	79.6%	79.6%	79.7%	74.3%

Changes in Rent for All Contracts¹



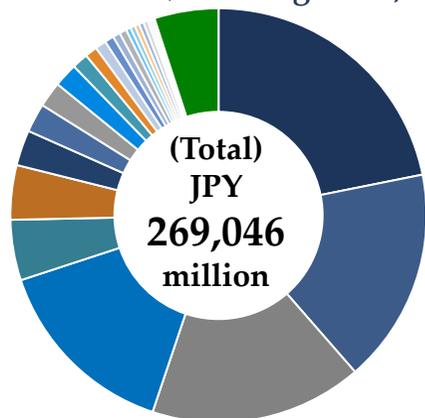
Average Rent Increase / Decrease⁵



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

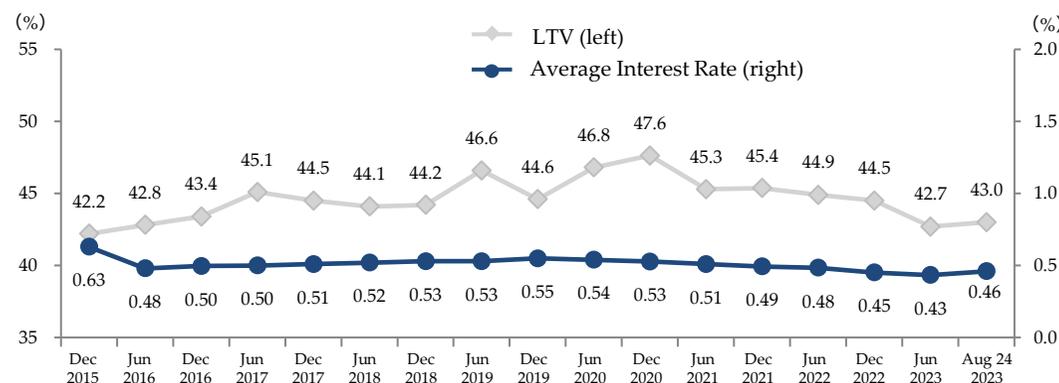
- Issued JPY 6.2 billion of bonds for the first time in three years (3-year and 5-year terms) in May 2023
- Refinanced bank loans of JPY 59.3 billion in total in July 2023 (5-year term: 38.1%, 3-year term: 48.5%, 1-year term: 13.4%)
- Executed bank loans of JPY 26.7 billion in total (excluding consumption tax refundable loans) for the August 2023 asset acquisitions (5-year term: 65.6%, 3-year term: 34.4%)
- Average duration of outstanding interest-bearing debt increased from 1.1 years (as of December 31, 2022) to 1.9 years (as of August 1, 2023) due to the lengthening of borrowing periods and diversification of maturity dates

■ Lender Formation (as of August 24, 2023)

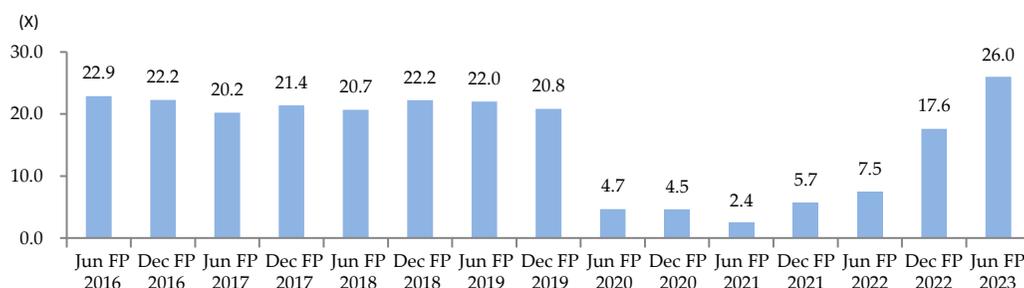


Mizuho Bank	21.8%	Nishi-Nippon City Bank	0.7%
MUFG	16.8%	Aeon Bank	0.6%
SMBC	16.5%	Fukuoka Bank	0.6%
SMTB	14.8%	Ogaki Kyoritsu Bank	0.4%
SBI Shinsei Bank	4.7%	Kiraboshi Bank	0.4%
DBJ	4.3%	Momiji Bank	0.4%
Citibank	2.8%	Yamaguchi Bank	0.4%
Tokyo Star Bank	2.3%	The Chukyo Bank	0.4%
Aozora Bank	2.0%	Kagawa Bank	0.2%
Resona Bank	1.9%	Tochigi Bank	0.2%
San ju San Bank	1.2%	Kiyu Bank	0.2%
Nomura TB	1.0%	REIT Bond	5.0%
Shizuoka Bank	0.9%		

■ LTV (Appraisal Value Base)¹ and Weighted Average Interest Rate²



■ DSCR³



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

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

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

- Acquired BELS Certification for an additional seven of INV's hotels, bringing the number of hotels with BELS Certification to 15, including eight hotels that obtained the certification in the previous period
- Acquired CASBEE Certification for Buildings for two hotels and Certification for CASBEE for Real Estate for two residential properties
- Established a Green Finance Framework to implement Green Finance and obtained the highest rating on JCR's Green Finance Framework Evaluation (August 2023)
- The Asset Manager of INV has expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") and joined the "TCFD Consortium", an organization of domestic companies that support the TCFD recommendations

■ Acquisition of BELS¹ Certification

Acquired BELS (Building-Housing Energy-efficiency Labeling System) Certification for seven of INV's hotels
Hotel MyStays Oita was rated five stars "★★★★★", and Hotel MyStays Sapporo Station was rated four stars "★★★★" due to high energy conservation performance

★★★★★		★★★★	
	Hotel MyStays Oita		Hotel MyStays Sapporo Station
★★★			
	MyStays Shin-Urayasu Conference Center	Hotel Epinard Nasu	
★★			
	Hotel MyStays Kyoto-Shijo	Hotel MyStays Hakodate-Goryokaku	Hotel MyStays Hamamatsucho

■ CASBEE Certification for Buildings and Certification for CASBEE for Real Estate²

Acquired CASBEE Certification for Buildings for two hotels, Certification for CASBEE for Real Estate for two residential properties

<CASBEE Certification for Buildings>

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

<Certification for CASBEE for Real Estate>

		
Rank A	Royal Parks Momozaka	Royal Parks Shinden

■ Green Finance Framework Evaluation

Acquired "Green1 (F)", the highest rating on JCR's Green Finance Framework Evaluation in August 2023



■ INV in 2022 GRESB Real Estate Assessment³

GRESB Rating
"2-Star"



GRESB Public Disclosure
"A Level", the highest level



GRESB
☆☆☆☆☆ 2022

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

(Note 2) CASBEE is a method that comprehensively assesses the quality of a building, and evaluates features such as interior comfort and scenic aesthetics, in consideration of environmental practices including use of materials and equipment that save energy or achieve smaller environmental loads. CASBEE Certification for Buildings (Existing Buildings) scores buildings based on the environmental quality and the environmental load reduction of buildings that are at least one year old after completion. Assessment results by CASBEE are indicated on a scale with the following five ranks: Rank S "★★★★★", Rank A "★★★★", Rank B+ "★★★", Rank B- "★★", and Rank C "★". Certification for CASBEE for Real Estate was developed with the aim of making use of the results of the environmental assessment of buildings by CASBEE in real estate evaluation. The assessment results are given one of four ranks: Rank S "★★★★★", Rank A "★★★★", Rank B+ "★★★", and Rank B- "★★"

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

- MHM has decided to introduce EV charging infrastructure to achieve a decarbonized society, and is working to protect the environment and improve convenience for hotel guests
- Opened “Narita Hospitality Academy” specialized in hotel-specific training for foreign technical interns, promoting diversity in human resources
- Organized a charity event in one of the group hotels to sell reusable items and promotes ecotourism and sustainable development of tourism, industry and culture through donations of profits made

E

Initiatives for Environment

Introduction of EV infrastructure “Terra Charge”

Decided to introduce EV charging infrastructure “Terra Charge” provided by Terra Motors Corporation in most of hotels operated by MHM as one of the measures to achieve a decarbonized society. 156 units will be installed at 90 hotels, and will be gradually expanded to hotels across Japan to protect the environment and improve convenience of hotel guests

(as of April 19, 2023)

Hotel brand	# of hotels to be introduced	# of units to be introduced
Hotel Mystays Premier	4	10
Hotel Mystays	22	31
Flexstay Inn	1	1
Art hotel	10	20
Mystays collection	21	30
Kamenoi Hotel	32	64
Total	90	156



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

Hotel Nord Otaru and Hotel MyStays Sapporo Aspen have been selected to receive subsidies from the Ministry of the Environment’s “Project for Promotion of Leading Decarbonization Initiatives in Factories and Business Sites” (SHIFT Project*) to remove absorption water cooling and heating machines which are due for replacement in the December 2023 FP, and introduce air cooled heat pump chillers in the aim to reduce CO2 emissions

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

S

Initiatives for Society

Promotion of diversity in human resources

- Opening of “Narita Hospitality Academy”

Opened “Narita Hospitality Academy” on June 1, 2023, in Narita city, Chiba prefecture, which is a post-arrival training facility specializing in hospitality internships for foreign technical interns. It provides a unique hotel-specific training program under the supervision of MyStays Hotel Group which operates various type of accommodations across Japan. The training contributes to the development of hospitality personnel by providing a general Japanese language program as well as the spirit and culture of Japanese hospitality, in the aim to make them acquire the knowledge and specialized skills as hotel staff



- SDGs Event “Mystays Charity Market”

Expanded the “Matching Project”, a project that had been implemented among 145 group hotels to reuse products as much as possible, to the general public and organized an event in one of the group hotels (August 2023) to sell items such as tableware, furniture, appliances, etc. that are no longer used in the establishments due to renovation or renewal. Profits made will be donated to Japan Ecotourism Society¹



(Note 1) Organization established in the aim of promotion of “Ecotourism” to support local economies through tourism, while preserving resources such as nature, culture, etc.



Appendix (1)

Unitholder Benefit Program for Invincible Unitholders

- INV introduced the Unitholder Benefits Program with the goal of increasing unitholders satisfaction and expanding the investor base
- Eligible unitholders can stay at a discounted rate at the Sheraton Grande Tokyo Bay Hotel and at all MyStays group hotels (including the former Kanpo no Yado hotels)
- INV decided to expand the available period by two months (from six months to eight months) for stay from the December 2022 Fiscal Period and onwards, to further promote the use of the Unitholder Benefits Program

Overview of Unitholder Benefit Program¹

Applicable Hotels	<ul style="list-style-type: none"> ■ Sheraton Grande Tokyo Bay Hotel ■ All hotels managed by MyStays² 		
Eligible Unitholders	<p>All unitholders who hold Invincible unit(s) and whose names are on Invincible's Unitholders' Registry as of these record dates:</p> <ul style="list-style-type: none"> ✓ June 30 and December 31 of each year 		
Benefit Program	①	②	
Eligible Hotels	Sheraton Grande Tokyo Bay Hotel	All MyStays Hotels (Includes Kamenoi Hotel Beppu and Okunikko Yumoto. Excludes former Kanpo no Yado hotels)	Kamenoi Hotels (Former Kanpo no Yado hotels) (Excludes Kamenoi Hotel Beppu and Okunikko Yumoto)
Details	10% discount from BAR ³	10% discount from BAR ³	¥1,000 discount per one night per person for plans with breakfast and dinner (Includes plans with children)
Hotel Reservation	By telephone or email	Via dedicated website	Via telephone or dedicated website
Available Period ⁴	<ul style="list-style-type: none"> ■ From April 1 to <u>November 30</u> (eligible unitholders as of December 31) ■ From October 1 to <u>May 31</u> (eligible unitholders as of June 30) 		

Eligible Hotels:
Sheraton Grande Tokyo Bay Hotel and All hotels managed by MyStays²



Hotel MyStays
Premier Kanazawa

Kamenoi Hotel Beppu



Hotel Epinard Nasu

Hotel MyStays
Premier Akasaka

Fusaki Beach Resort
Hotel & Villas

(Note 1) The details of the unitholder benefit program described above is what Invincible plans as of today, and the program may be changed or abolished even after it is actually introduced

(Note 2) All hotels operated by MyStays Hotel Management Co., Ltd., which are listed on the Official Site of My Stays Hotel Group (<https://www.mystays.com/en-us/>). Hereafter the same on the page

(Note 3) BAR (Best Available Rate) refers to the lowest price at the time of booking

(Note 4) Available Period represents a period during which you can lodge by using the unitholder benefit program. To enjoy the unitholder benefit program, you actually need to lodge during the available period

- In April 2023, the government lifted border measures, which has triggered a remarkable increase in the number of inbound visitors thereafter
- The number of inbound visitors to Japan in the first six months of 2023 is already 2.8 times the annual total for 2022. Further increase in the number of inbound visitors is expected as the Chinese government lifted its restriction on group travel to Japan in August 2023

Inbound Visitors to Japan by Country

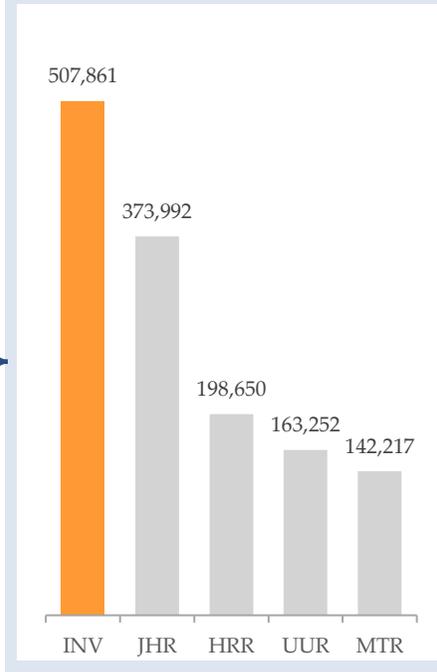
(thousands of people)

	2014		2015		2016		2017		2018		2019		2020		2021		2022		2023	
		YoY		YoY		YoY		YoY		YoY		YoY		YoY		YoY		YoY	Jan-Jun	Jan-Jun YoY
China	2,409	+83.3%	4,994	+107.3%	6,373	+27.6%	7,356	+15.4%	8,380	+13.9%	9,594	+14.5%	1,069	-88.9%	42	-96.0%	189	+347.5%	595	+770.5%
South Korea	2,755	+12.2%	4,002	+45.3%	5,090	+27.2%	7,140	+40.3%	7,538	+5.6%	5,585	-25.9%	488	-91.3%	19	-96.1%	1,013	+5244.9%	3,128	+8461.1%
Taiwan	2,830	+28.0%	3,677	+29.9%	4,167	+13.3%	4,564	+9.5%	4,757	+4.2%	4,891	+2.8%	695	-85.8%	5	-99.3%	331	+6500.9%	1,771	+16496.1%
Hong Kong	926	+24.1%	1,524	+64.6%	1,839	+20.7%	2,232	+21.3%	2,207	-1.1%	2,291	+3.8%	346	-84.9%	1	-99.6%	269	+21409.6%	910	+25700.8%
Thailand	658	+45.0%	797	+21.2%	901	+13.1%	987	+9.5%	1,132	+14.7%	1,319	+16.5%	220	-83.3%	3	-98.7%	198	+7082.7%	498	+4298.2%
Malaysia	250	+41.4%	305	+22.4%	394	+29.1%	440	+11.5%	468	+6.6%	502	+7.1%	77	-84.7%	2	-97.6%	74	+3941.5%	194	+3994.5%
Indonesia	159	+16.0%	205	+29.2%	271	+32.1%	352	+30.0%	396	+12.6%	413	+4.0%	78	-81.2%	5	-93.3%	120	+2199.9%	202	+494.3%
Philippines	184	+70.0%	268	+45.7%	348	+29.6%	424	+21.9%	503	+18.8%	613	+21.7%	109	-82.2%	6	-94.8%	127	+2156.0%	277	+917.5%
Vietnam	124	+47.1%	185	+49.2%	234	+26.1%	309	+32.1%	389	+25.9%	495	+27.3%	153	-69.2%	27	-82.6%	284	+968.6%	301	+187.0%
The U.S.	892	+11.6%	1,033	+15.9%	1,243	+20.3%	1,375	+10.6%	1,526	+11.0%	1,724	+12.9%	219	-87.3%	20	-90.9%	324	+1515.4%	972	+3301.3%
The U.K.	220	+14.7%	258	+17.5%	293	+13.2%	311	+6.2%	333	+7.6%	424	+27.0%	51	-88.0%	7	-85.7%	58	+688.3%	150	+2052.3%
France	179	+15.3%	214	+20.0%	253	+18.3%	269	+5.9%	304	+13.5%	336	+10.3%	43	-87.2%	7	-83.7%	53	+651.7%	122	+1476.8%
Canada	183	+19.7%	231	+26.5%	273	+18.0%	306	+11.9%	330	+8.2%	375	+13.5%	53	-85.8%	4	-93.4%	56	+1480.9%	183	+5098.6%
Australia	303	+23.8%	376	+24.3%	445	+18.4%	495	+11.2%	552	+11.6%	622	+12.6%	144	-76.9%	3	-97.7%	89	+2613.6%	275	+5156.6%
Others	1,343	+18.5%	1,666	+24.0%	1,914	+14.9%	2,133	+11.4%	2,369	+11.1%	2,699	+13.9%	372	-86.2%	95	-74.4%	649	+580.9%	1,135	+634.7%
Total	13,413	+29.4%	19,737	+47.1%	24,039	+21.8%	28,691	+19.3%	31,191	+8.7%	31,882	+2.2%	4,116	-87.1%	246	-94.0%	3,832	+1458.6%	10,712	+2010.2%

- INV has built an irreplaceable diversified portfolio centered on acquisitions of hotels
- INV has the largest hotel portfolio amongst J-REITs¹



Top 5 J-REITs' Hotel Portfolio¹



No. of properties ³	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Aug 24, 2023
Hotel	0	20	37	48	54	66	84	86	86	86	92
Residential	63	63	66	68	67	64	61	54	47	41	41
Others	15	8	8	8	5	2	2	2	1	1	1

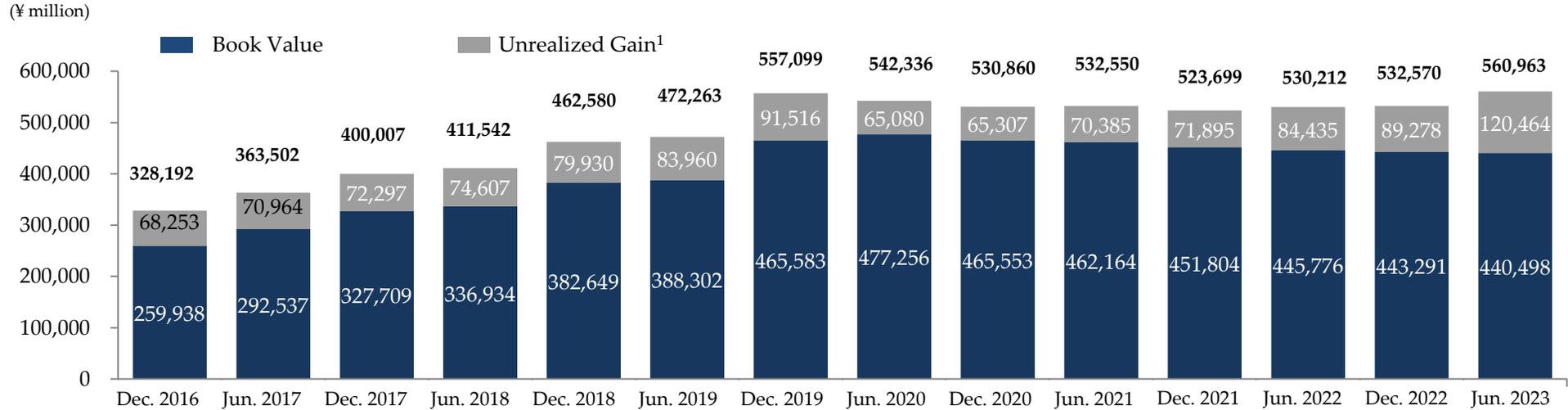
(Note 1) As of August 1, 2023

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

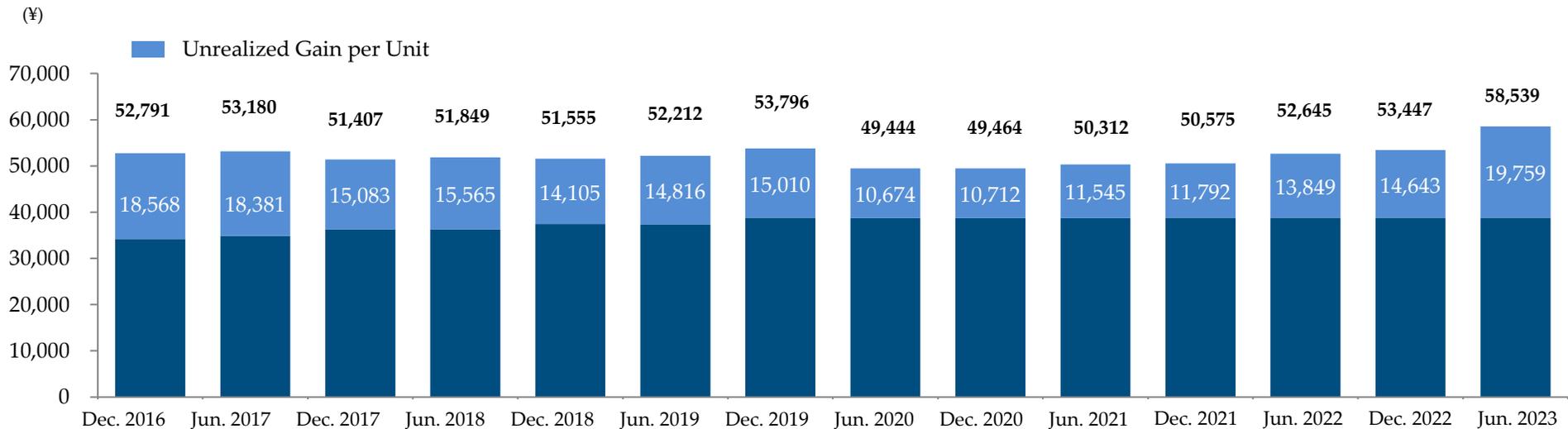
(Note 3) The amount of preferred equity interest contribution by INV to the JV TMK and the amount of TK investment by INV to the SPC are counted according to the number of properties of underlying assets and included the calculation which are based on the property type of the assets

Summary of Appraisal Value and NAV per Unit

Trend of Appraisal Value



Trend of NAV per Unit²



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

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



Appendix (2) - Financial and Operational Data

Key Operational Data for Variable Rent Hotels (1)

Property	Location	# of rooms	Acquisition Month	Occupancy		ADR (¥)		RevPAR (¥)		GOP (¥ mn)		Daily Ratio		Overseas Sales Ratio		
				Jan.-Jun. 2023 Actual		Jan.-Jun. 2023 Actual		Jan.-Jun. 2023 Actual		Jan.-Jun. 2023 Actual		Jan.-Jun. 2023 Actual		Jan.-Jun. 2023 Actual		
					Y-o-Y (pt)		Y-o-Y		Y-o-Y		Y-o-Y		Y-o-Y		Y-o-Y (pt)	
D1	MS Kanda	Chiyoda-ku, Tokyo	126	May 2014	81.2%	16.7	10,553	130.5%	8,568	190.4%	105	613.0%	93.5%	17.3	23.7%	17.0
D2	MS Asakusa	Sumida-ku, Tokyo	160	May 2014	84.1%	20.5	5,964	75.8%	5,016	132.2%	72	702.3%	53.9%	-41.2	43.0%	36.3
D3	MS Kyoto-Shijo	Kyoto, Kyoto	224	Jul 2014	71.0%	20.7	9,981	116.5%	7,090	205.5%	133	6492.1%	100.0%	0.0	42.4%	19.2
D4	MS Shin-Urayasu CC.	Urayasu, Chiba	175	Jul 2014	87.3%	28.7	11,891	66.3%	10,380	147.7%	192	279.3%	100.0%	0.0	19.2%	-0.9
D5	MS Maihama	Urayasu, Chiba	90	Jul 2014	96.7%	17.0	19,872	76.1%	19,217	113.7%	185	234.0%	100.0%	0.0	38.4%	3.2
D6	MS Dojima	Osaka-shi, Osaka	141	Jul 2014	75.9%	5.4	13,345	90.2%	10,124	104.8%	161	209.3%	100.0%	0.0	34.3%	20.4
D7	MS Nagoya-Sakae	Nagoya, Aichi	270	Jul 2014	83.7%	6.7	6,673	42.2%	5,585	54.7%	123	104.7%	100.0%	0.7	16.5%	-0.2
D8	MS Sakaisuji-Honmachi	Osaka, Osaka	190	Jul 2014	77.8%	7.1	7,102	105.1%	5,524	125.7%	85	421.5%	81.2%	14.6	26.1%	9.5
D9	MS Yokohama	Yokohama, Kanagawa	194	Jul 2014	85.3%	1.7	9,529	52.3%	8,124	55.4%	138	123.9%	99.7%	-0.2	21.0%	2.1
D10	MS Nippori	Arakawa-ku, Tokyo	93	Jul 2014	84.4%	17.4	7,940	77.6%	6,704	123.7%	60	343.4%	77.0%	0.7	31.8%	14.4
D11	MS Fukuoka-Tenjin-Minami	Fukuoka, Fukuoka	177	Jul 2014	86.1%	24.3	8,451	100.6%	7,279	179.3%	120	613.5%	99.8%	16.2	27.1%	15.8
D12	FSI Iidabashi	Shinjuku-ku, Tokyo	59	Jul 2014	85.7%	12.8	8,953	68.2%	7,669	97.6%	42	231.2%	89.1%	23.9	31.6%	19.5
D13	MS Ueno-Inaricho	Taito-ku, Tokyo	72	Jul 2014	92.8%	24.1	6,330	82.4%	5,872	146.3%	36	2527.6%	73.6%	32.0	60.7%	43.2
D14	FSI Shinagawa	Shinagawa-ku, Tokyo	55	Jul 2014	93.4%	13.2	9,129	82.5%	8,523	112.5%	42	386.6%	85.3%	16.9	25.4%	10.0
D15	FSI Tokiwadai	Itabashi-ku, Tokyo	129	Jul 2014	88.3%	38.9	4,397	-0.1%	3,883	78.5%	43	152.7%	19.4%	-19.2	20.2%	9.0
D16	FSI Sugamo	Toshima-ku, Tokyo	104	Jul 2014	79.7%	34.8	4,516	15.7%	3,601	105.5%	29	251.0%	37.3%	10.8	7.2%	0.5
D17	MS Otemae	Osaka, Osaka	110	Jul 2014	84.6%	3.4	8,401	87.6%	7,104	95.3%	65	454.5%	70.4%	12.4	35.4%	21.8
D18	MS Kiyosumi-Shirakawa	Koto-ku, Tokyo	57	Jul 2014	77.6%	26.2	11,910	102.7%	9,237	206.0%	52	820.8%	94.0%	9.8	60.5%	41.8
D19	FSI Nakanobu P1	Shinagawa-ku, Tokyo	39	Jul 2014	83.8%	16.6	5,596	39.0%	4,689	73.4%	14	242.9%	28.3%	-8.8	5.2%	-1.3
D20	FSI Nakanobu P2	Shinagawa-ku, Tokyo	22	Jul 2014	87.4%	9.3	5,463	48.3%	4,777	66.0%	7	272.6%	34.6%	-20.3	3.7%	-3.2
D21	APA Hotel Yokohama-Kannai (Note 2)	Yokohama, Kanagawa	451	Feb 2015	-	-	-	-	-	-	-	-	-	-	-	-
D22	MS Hakodate-Goryokaku	Hakodate, Hokkaido	208	Feb 2015	70.5%	20.5	7,159	14.2%	5,048	61.0%	84	91.6%	100.0%	0.0	11.1%	5.1
D23	FSI Shirogane	Minato-ku, Tokyo	84	Feb 2015	83.0%	37.1	5,684	26.3%	4,720	128.1%	38	332.6%	41.3%	-19.8	25.2%	10.8
D24	MS Haneda	Ota-ku, Tokyo	174	Jul 2015	91.6%	12.0	12,031	66.7%	11,015	91.8%	177	187.3%	100.0%	0.0	31.8%	20.4
D25	MS Kameido P1	Koto-ku, Tokyo	265	Jul 2015	87.7%	34.9	5,753	33.3%	5,048	121.6%	145	243.8%	31.9%	-20.7	26.6%	20.9
D26	MS Ueno-Iriyaguchi	Taito-ku, Tokyo	97	Jul 2015	84.6%	30.5	8,875	106.1%	7,509	222.1%	68	4324.6%	93.6%	11.4	63.4%	52.6
D27	MS Kameido P2	Koto-ku, Tokyo	175	Jul 2015	87.9%	28.6	5,886	41.2%	5,175	109.3%	95	242.3%	40.1%	-14.4	34.3%	22.9
D28	MS Shimizu	Shizuoka, Shizuoka	152	Jul 2015	85.1%	21.6	6,722	9.0%	5,723	46.0%	67	112.4%	100.0%	0.0	14.8%	3.5
D30	FSI Higashi-Jujo	Kita-ku, Tokyo	88	Jul 2015	86.9%	42.1	4,499	17.0%	3,909	126.7%	24	1446.3%	52.6%	3.2	29.8%	15.7
D31	MS Utsunomiya	Utsunomiya, Tochigi	116	Jul 2015	87.0%	2.9	8,098	17.0%	7,045	21.1%	74	26.7%	100.0%	0.0	14.9%	2.5
D32	FSI Kawasaki-Kaizuka	Kawasaki, Kanagawa	64	Jul 2015	83.1%	9.5	5,206	22.6%	4,329	38.4%	21	100.3%	19.3%	-3.1	4.9%	1.4
D34	FSI Kawasaki-Ogawacho	Kawasaki, Kanagawa	62	Jul 2015	85.2%	6.0	5,029	28.4%	4,283	38.2%	21	85.1%	33.3%	13.0	5.5%	1.0
D35	FSI Ekoda	Nerima-ku, Tokyo	210	Aug 2015	77.4%	28.3	5,287	11.6%	4,093	76.0%	85	143.8%	32.2%	-13.9	6.5%	-3.0
D38	MS Shinsaibashi	Osaka, Osaka	54	Jan 2016	82.3%	28.4	13,003	159.7%	10,703	296.3%	51	2635.5%	100.0%	0.0	58.6%	29.2
D43	MS Gotanda Station	Shinagawa-ku, Tokyo	384	Mar 2016	89.1%	20.5	12,427	94.5%	11,077	152.6%	475	299.3%	100.0%	0.0	27.0%	12.9
D44	Hotel Epinard Nasu	Nasu, Tochigi	310	Mar 2016	80.3%	12.5	24,788	-0.8%	19,910	17.5%	592	37.1%	100.0%	0.0	0.3%	-0.1
D45	MS Fukuoka Tenjin	Fukuoka, Fukuoka	217	Mar 2016	84.2%	24.7	10,304	116.2%	8,680	206.0%	203	483.1%	100.0%	0.0	43.2%	26.1
D46	MS Hamamatsucho	Minato-ku, Tokyo	105	Mar 2016	95.8%	12.2	12,492	118.0%	11,970	149.9%	127	446.7%	100.0%	0.0	39.2%	24.8
D47	MSP Kanazawa	Kanazawa, Ishikawa	244	Jun 2016	70.2%	18.9	10,503	31.7%	7,370	80.3%	184	91.5%	100.0%	0.0	12.7%	1.4

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

(Note 2) D21 APA Hotel Yokohama-Kannai and D57 Hotel MyStays Oita accepted COVID-19 patients with mild or no symptoms for part of the period. KPI during the period are not disclosed as the consent from the parties concerned has not been obtained, it is also excluded from the performance calculation for the Domestic Hotels total above

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

Key Operational Data for Variable Rent Hotels (2)

Property	Location	# of rooms	Acquisition Month	Occupancy		ADR (¥)		RevPAR (¥)		GOP (¥ mn)		Daily Ratio		Overseas Sales Ratio				
				Jan.-Jun. 2023 Actual		Jan.-Jun. 2023 Actual		Jan.-Jun. 2023 Actual		Jan.-Jun. 2023 Actual		Jan.-Jun. 2023 Actual		Jan.-Jun. 2023 Actual				
					Y-o-Y (pt)		Y-o-Y		Y-o-Y		Y-o-Y		Y-o-Y		Y-o-Y (pt)		Y-o-Y (pt)	
D49	MSP Hamamatsucho	Minato-ku, Tokyo	120	May 2017	92.6%	18.4	20,228	163.3%	18,734	228.5%	267	616.2%	100.0%	0.0	62.1%	49.4		
D50	MS Shin Osaka CC	Osaka-shi, Osaka	397	Oct 2017	71.1%	21.8	7,967	71.7%	5,667	147.4%	241	196.9%	100.0%	0.0	19.1%	8.6		
D51	MSP Omori	Shinagawa-ku, Tokyo	232	Oct 2017	84.2%	10.1	13,684	130.2%	11,525	161.5%	281	321.3%	100.0%	0.3	45.1%	28.2		
D52	Kamenoi Hotel Beppu	Beppu-shi, Oita	322	Oct 2017	81.3%	26.3	13,016	24.5%	10,579	83.9%	356	137.8%	100.0%	0.0	11.5%	1.3		
D53	MS Sapporo Station	Sapporo-shi, Hokkaido	242	Oct 2017	77.9%	23.3	9,774	62.5%	7,615	131.7%	166	299.2%	100.0%	0.0	23.4%	16.2		
D54	MS Yokohama Kannai	Yokohama-shi, Kanagawa	165	Feb 2018	88.0%	-2.4	10,547	56.1%	9,281	51.9%	141	127.8%	99.9%	-0.1	19.7%	3.1		
D55	Art Hotel Joetsu	Joetsu-shi, Niigata	198	Feb 2018	68.3%	18.2	7,675	4.6%	5,245	42.6%	59	125.2%	100.0%	0.0	6.3%	-1.1		
D56	Art Hotel Hirosaki City	Hirosaki-shi, Aomori	134	Feb 2018	74.9%	5.5	13,177	27.8%	9,868	38.0%	124	63.4%	100.0%	0.0	11.1%	7.5		
D57	MS Oita (Note 2)	Oita-shi, Oita	145	Feb 2018	-	-	-	-	-	-	-	-	-	-	-	-		
D58	MS Gotanda	Shinagawa-ku, Tokyo	110	Jun 2018	89.8%	9.3	11,286	88.4%	10,137	110.0%	106	362.3%	100.0%	0.0	20.9%	7.3		
D59	MS Tachikawa	Tachikawa-shi, Tokyo	121	Jun 2018	89.5%	4.2	10,382	45.1%	9,296	52.3%	103	121.0%	100.0%	0.0	18.1%	0.8		
D60	MSP Akasaka	Minato-ku, Tokyo	327	Aug 2018	85.9%	31.7	13,873	126.8%	11,920	259.6%	449	553.6%	100.0%	0.2	60.5%	45.0		
D61	MSP Sapporo Park	Sapporo-shi, Hokkaido	419	Aug 2018	69.1%	27.0	11,194	44.3%	7,733	137.1%	264	684.4%	100.0%	0.0	11.0%	4.4		
D62	MS Ueno East	Taito-ku, Tokyo	150	Aug 2018	90.1%	39.6	9,068	91.5%	8,168	241.8%	115	4584.6%	94.6%	11.6	61.7%	49.8		
D63	MS Midosuji Honmachi	Osaka, Osaka	108	Aug 2018	72.9%	13.5	11,215	125.3%	8,176	176.7%	70	1297.6%	100.0%	0.0	44.3%	27.4		
D64	Hotel MyStays Sapporo Aspen	Sapporo-shi, Hokkaido	305	Jul 2019	79.4%	29.2	11,879	63.5%	9,432	158.5%	241	585.5%	100.0%	0.0	28.0%	19.5		
D65	Art Hotel Ishigakijima	Ishigaki-shi, Okinawa	245	Jul 2019	80.4%	26.4	15,894	14.9%	12,785	71.2%	236	224.3%	100.0%	0.0	6.5%	-5.8		
D66	Hotel MyStays Fuji Onsen Resort	Fujiyoshida-shi, Yamanashi	159	Jul 2019	80.3%	30.6	21,726	56.4%	17,445	152.6%	310	383.1%	100.0%	0.0	56.8%	34.2		
D67	Hotel Sonia Otaru	Otaru-shi, Hokkaido	149	Jul 2019	77.0%	25.0	15,179	30.5%	11,686	93.0%	177	222.1%	100.0%	0.0	19.4%	12.9		
D68	Hotel MyStays Kanazawa Castle	Kanazawa-shi, Ishikawa	206	Jul 2019	71.3%	27.9	8,347	27.8%	5,948	110.0%	85	516.1%	100.0%	0.0	12.0%	-1.3		
D69	Art Hotel Niigata Station	Niigata-shi, Niigata	304	Jul 2019	80.6%	16.8	7,296	21.8%	5,882	53.9%	150	120.9%	100.0%	0.0	6.5%	-0.4		
D70	Hotel MyStays Nagoya Nishiki	Nagoya-shi, Aichi	169	Jul 2019	86.7%	11.3	7,530	58.4%	6,528	82.2%	92	152.8%	100.0%	3.4	23.1%	7.0		
D71	Hotel Nord Otaru	Otaru-shi, Hokkaido	98	Jul 2019	79.3%	29.8	15,242	30.9%	12,083	109.7%	111	318.7%	100.0%	0.0	24.7%	14.1		
D72	Hotel MyStays Kagoshima Tenmonkan	Kagoshima-shi, Kagoshima	196	Jul 2019	82.7%	6.6	9,977	73.1%	8,255	88.1%	159	227.1%	100.0%	0.0	15.5%	1.3		
D73	Art Hotel Asahikawa	Asahikawa-shi, Hokkaido	265	Jul 2019	80.1%	16.5	6,886	31.0%	6,955	65.0%	67	256.6%	100.0%	0.0	6.8%	3.1		
D74	Hotel MyStays Matsuyama	Matsuyama-shi, Ehime	162	Jul 2019	69.5%	13.8	8,699	27.3%	6,044	58.8%	87	423.4%	100.0%	0.0	11.8%	2.7		
D75	Hotel MyStays Sapporo Susukino	Sapporo-shi, Hokkaido	104	Jul 2019	60.0%	24.3	8,066	61.0%	4,837	170.6%	35	9721.4%	100.0%	0.0	20.1%	14.3		
D76	Hotel MyStays Sapporo Nakajima Park	Sapporo-shi, Hokkaido	86	Jul 2019	49.3%	21.6	10,084	64.1%	4,968	191.9%	16	213.8%	100.0%	0.0	38.6%	21.3		
D77	Hotel MyStays Sapporo Nakajima Park Annex	Sapporo-shi, Hokkaido	80	Jul 2019	56.9%	21.4	6,837	62.6%	3,891	160.4%	13	329.5%	100.0%	0.0	33.6%	21.5		
D78	Flexstay Inn Sakuragicho	Yokohama-shi, Kanagawa	70	Jul 2019	93.8%	8.4	6,370	28.2%	5,978	40.8%	38	91.6%	43.9%	-13.8	16.0%	-6.6		
D79	MyCUBE by MYSTAYS Asakusa Kuramae	Taito-ku, Tokyo	161	Jul 2019	61.2%	37.4	4,014	65.7%	2,456	327.1%	23	312.0%	71.5%	-28.1	43.4%	27.3		
D80	Hotel MyStays Kagoshima Tenmonkan Annex	Kagoshima-shi, Kagoshima	73	Jul 2019	91.7%	4.2	9,190	70.9%	8,423	79.1%	55	184.9%	100.0%	0.0	15.5%	-10.0		
D81	Hotel MyStays Nayoro	Nayoro-shi, Hokkaido	70	Jul 2019	79.0%	2.1	8,033	6.7%	6,344	9.7%	27	3.5%	100.0%	0.0	4.5%	-0.6		
D82	Hotel MyStays Premier Narita	Narita-shi, Chiba	711	Jan 2020	73.1%	12.0	9,071	19.8%	6,632	43.5%	237	37.2%	100.0%	0.0	14.9%	10.1		
D83	Art Hotel Morioka	Morioka-shi, Iwate	214	Jan 2020	82.4%	17.0	8,587	19.3%	7,079	50.4%	96	252.9%	100.0%	0.0	11.6%	3.5		
Domestic Hotels (Note 2)				-	12,368	-	80.1%	19.5	10,238	48.1%	8,200	95.9%	9,268	228.9%	94.7%	0.0	24.8%	14.1
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	Grand Cayman	343	Sep 2018	65.3%	7.7	477	2.8%	312	16.5%	13,096	10.1%	-	-	-	-		
D201	Sunshine Suites Resort	Grand Cayman	131	Sep 2018	60.0%	7.4	223	-0.6%	134	13.5%	1,594	24.0%	-	-	-	-		
Overseas Hotels				-	474	-	63.8%	7.6	412	2.2%	263	16.1%	14690	11.5%	-	-	-	-

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(Note 2) D21 APA Hotel Yokohama-Kannai and D57 Hotel MyStays Oita accepted COVID-19 patients with mild or no symptoms for part of the period. KPI during the period are not disclosed as the consent from the parties concerned has not been obtained, it is also excluded from the performance calculation for the Domestic Hotels total above

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

Items	December 2019	June 2020	December 2020	June 2021	December 2021	June 2022	December 2022	June 2023
	Jul 1, 2019- Dec 31, 2019	Jan 1, 2020- Jun 30, 2020	Jul 1, 2020- Dec 31, 2020	Jan 1, 2021- Jun 30, 2021	Jul 1, 2021- Dec 31, 2021	Jan 1, 2022- Jun 30, 2022	Jul 1, 2022- Dec 31, 2022	Jan 1, 2023- Jun 30, 2023
Amount of Total Assets (JPY million)	522,431	516,663	516,490	497,899	494,819	490,118	494,237	496,819
Amount of Net Assets (JPY million)	259,730	249,538	249,641	245,113	246,130	246,211	250,321	254,024
Capital-to-Asset Ratio	49.7%	48.3%	48.3%	49.2%	49.7%	50.2%	50.6%	51.1%
Total Amount of Investment (JPY million)	235,701	235,701	235,701	235,701	235,701	235,701	235,701	235,701
End-of-period total number of units issued	6,096,840	6,096,840	6,096,840	6,096,840	6,096,840	6,096,840	6,096,840	6,096,840
Amount of Net Assets per Unit (JPY)	42,601	40,929	40,946	40,203	40,370	40,383	41,058	41,665
Return on Asset (ROA) (annualized)	4.6%	0.2%	0.2%	-1.4%	0.6%	0.4%	2.1%	3.6%
Return on Equity (ROE) (annualized)	9.3%	0.3%	0.5%	-2.9%	1.2%	0.8%	4.1%	7.1%
Amount of interest-bearing debts (JPY million)	259,174	263,468	262,588	249,198	244,945	241,372	240,797	239,190
Weighted average interest rate	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Loan to Value (LTV 1)	52.3%	52.7%	52.6%	51.3%	50.9%	50.5%	50.5%	50.3%
End-of-period Loan-to-Value based on Total Assets (LTV 2)	49.6%	51.0%	50.8%	50.0%	49.5%	49.2%	48.7%	48.1%
Net Operating Income (NOI) (JPY million)	15,164	4,026	3,703	2,090	4,201	4,936	10,509	14,523
NOI yield (annualized)	6.2%	1.6%	1.5%	0.8%	2.5%	2.0%	4.2%	6.0%
Depreciation Expenses (JPY million)	3,757	3,999	3,992	3,889	3,850	3,766	3,756	3,746
Funds From Operations (FFO) (JPY million)	13,426	2,377	2,014	290	2,296	3,312	8,831	12,660
NAV (JPY million)	327,985	301,450	301,576	306,746	308,349	320,967	325,857	356,905
NAV per Unit (JPY)	53,796	49,444	49,464	50,312	50,575	52,645	53,447	58,539
NAV ratio	1.2	0.6	0.7	0.9	0.7	0.8	1.0	1.0

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

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

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

Income Statement

Items	Dec 2022 Period		Jun 2023 Period		Changes	
	Jul 1, 2022- Dec 31, 2022		Jan 1, 2023- Jun 30, 2023			
	JPY thousand	(%)	JPY thousand	(%)	JPY thousand	(%)
Operating revenue (1)	11,929,599	100.0	15,914,981	100.0	3,985,382	33.4
Rental revenue	10,182,751		12,000,955		1,818,204	
Management contract revenue	1,746,848		3,914,026		2,167,177	
Operating expenses	5,672,588	47.6	5,558,241	34.9	(114,346)	(2.0)
Property related expenses (2)	4,606,538		4,488,341		(118,197)	
Management contract expenses (3)	569,669		649,329		79,660	
Depreciation expenses (4)	3,756,303		3,746,513		(9,789)	
NOI (including dividend income) (1)-(2)-(3)+(4)	10,509,695	88.1	14,523,824	91.3	4,014,129	38.2
Asset management fees	300,000		300,000		-	
Directors' compensation	4,800		4,800		-	
Asset custody fees	24,475		24,736		261	
Administrative service fees	50,047		39,162		(10,885)	
Other	117,057		51,871		(65,185)	
Operating income	6,257,011	52.4	10,356,739	65.1	4,099,728	-
Non-operating income	17,840	0.1	182,107	1.1	164,267	920.8
Interest income	90		100		9	
Foreign exchange gains	-		178,185		178,185	
Interest on tax refund	92		-		(92)	
Other	17,657		3,821		(13,835)	
Non-operating expenses	1,198,910	10.0	1,624,499	10.2	425,589	35.5
Interest expenses	542,104		507,601		(34,502)	
Foreign exchange losses	68,859		-		(68,859)	
Interest expenses on investment corporation bonds	28,230		33,881		5,651	
Amortization of investment corporation bond issuance co	6,303		7,053		750	
Loan-related costs	553,412		538,693		(14,719)	
Loss on derivatives	-		537,269		537,269	
Ordinary income	5,075,941	42.5	8,914,347	56.0	3,838,406	-
Income before income taxes	5,075,941	42.5	8,914,347	56.0	3,838,406	-
Income taxes	605		605		-	
Net income	5,075,336	42.5	8,913,742	56.0	3,838,406	-
Retained earnings brought forward	8,667,226		8,669,991		2,765	
Unappropriated retained earnings / losses at the end of the pe	13,742,562		17,583,734		3,841,171	

Balance Sheet - Assets

Items	December 2022 Period (As of December 31, 2022)		June 2023 Period (As of June 30, 2023)		Changes	
	JPY thousand	(%)	JPY thousand	(%)	JPY thousand	(%)
Assets						
Current assets						
Cash and bank deposits	15,553,174		18,377,030		2,823,856	
Cash and bank deposits in trust	7,768,621		10,464,171		2,695,549	
Rental receivables	4,845,162		5,750,301		905,138	
Deposits paid	1,703,315		542,947		(1,160,368)	
Prepaid expenses	651,469		821,117		169,647	
Income taxes receivable	13		15		1	
Others	5,060		397		(4,662)	
Total current assets	30,526,816	6.2	35,955,980	7.2	5,429,163	17.8
Non-current assets						
Property and equipment						
Buildings	17,891,423		17,672,145		(219,278)	
Buildings and accompanying facilities	4,201,860		4,051,330		(150,530)	
Structures	1,275		1,242		(32)	
Tools, furniture and fixtures	817,453		808,401		(9,052)	
Construction in progress	714,997		720,331		5,334	
Buildings in trust	132,441,325		130,386,221		(2,055,103)	
Buildings and accompanying facilities in trust	20,073,900		19,713,998		(359,902)	
Structures in trust	103,304		151,661		48,356	
Tools, furniture and fixtures in trust	1,384,575		1,375,402		(9,172)	
Land in trust	241,319,447		241,319,447		-	
Construction in progress in trust	-		25,767		25,767	
Total property and equipment	418,949,564	84.8	416,225,951	83.8	(2,723,613)	(0.7)
Intangible assets						
Leasehold rights	10,637,811		10,637,811		-	
Leasehold rights in trust	14,419,422		14,380,825		(38,597)	
Total intangible assets	25,057,234	5.1	25,018,637	5.0	(38,597)	(0.2)
Investment and other assets						
Investment securities	17,856,387		17,856,387		-	
Guarantee deposits	1,372,719		1,372,719		-	
Long-term prepaid expenses	271,704		290,589		18,885	
Derivatives assets	142,841		9,306		(133,535)	
Others	22,667		22,667		-	
Total investment and other assets	19,666,320	4.0	19,551,670	3.9	(114,649)	(0.6)
Total non-current assets	463,673,119	93.8	460,796,259	92.7	(2,876,860)	(0.6)
Deferred assets						
Investment corporation bond issuance costs	37,844		67,690		29,845	
Total deferred assets	37,844	0.0	67,690	0.0	29,845	-
Total assets	494,237,781	100.0	496,819,930	100.0	2,582,149	0.5

Balance Sheet – Liabilities/Net Assets

Items	December 2022 Period (As of December 31, 2022)		June 2023 Period (As of June 30, 2023)		Changes	
	JPY thousand	(%)	JPY thousand	(%)	JPY thousand	(%)
Liabilities						
Current liabilities						
Accounts payable	629,231		599,562		(29,669)	
Short-term loans payable	114,515,000		111,453,000		(3,062,000)	
Current portion of investment corporation bonds	3,000,000		2,000,000		(1,000,000)	
Current portion of long-term loans payable	42,405,000		46,139,000		3,734,000	
Accounts payable-other	3,366		3,514		147	
Accrued expenses	264,276		247,903		(16,373)	
Income taxes payable	605		605		-	
Consumption taxes payable	371,675		422,723		51,048	
Advances received	317,350		305,914		(11,435)	
Deposits received	13,490		11,663		(1,827)	
Total current liabilities	161,519,996	32.7	161,183,886	32.4	(336,109)	(0.2)
Non-current liabilities						
Investment corporation bonds	5,200,000		11,400,000		6,200,000	
Long-term loans payable	75,677,000		68,198,000		(7,479,000)	
Tenant leasehold and security deposits in trust	1,485,701		1,484,328		(1,372)	
Derivatives liabilities	119		495,525		495,405	
Asset retirement obligations	33,872		34,097		225	
Total non-current liabilities	82,396,693	16.7	81,611,951	16.4	(784,741)	(1.0)
Total liabilities	243,916,689	49.4	242,795,838	48.9	(1,120,851)	(0.5)
Net assets						
Unitholders' equity						
Unitholders' capital	235,701,512	47.7	235,701,512	47.4	-	-
Surplus						
Capital surplus	6,264,432		6,264,432		-	
Deduction of capital surplus						
Allowance for temporary differences adjustment	(6,130)		(6,130)		-	
Other deduction of capital surplus	(5,524,006)		(5,524,006)		-	
Total deduction of capital surplus	(5,530,137)		(5,530,137)		-	
Capital surplus (net)	734,294		734,294		-	
Retained earnings	13,742,562		17,583,734		3,841,171	
Total surplus	14,476,857	2.9	18,318,029	3.7	3,841,171	26.5
Total unitholders' equity	250,178,369	50.6	254,019,541	51.1	3,841,171	1.5
Valuation and translation adjustments						
Deferred gains or losses on hedges	142,721		4,550		(138,171)	
Total valuation and translation adjustments	142,721	0.0	4,550	0.0	(138,171)	-
Total net assets	250,321,091	50.6	254,024,091	51.1	3,703,000	1.5
Total liabilities and net assets	494,237,781	100.0	496,819,930	100.0	2,582,149	0.5

Cash Flow Statement and Dividend Distribution

Items	Dec 2022 Period	Jun 2023 Period
	Jul 1, 2022- Dec 31, 2022 (JPY thousand)	Jan 1, 2023- Jun 30, 2023 (JPY thousand)
Cash flows from operating activities		
Income (loss) before income taxes	5,075,941	8,914,347
Depreciation and amortization	3,756,303	3,746,513
Amortization of investment corporation bond issuance costs	6,303	7,053
Loan-related costs	553,412	538,693
Interest income	(90)	(100)
Interest expenses	570,334	541,482
Foreign exchange losses (gains)	(29)	(90)
Loss (gain) of derivatives	-	537,269
Decrease (increase) in rental receivables	(1,448,964)	(905,138)
Decrease (Increase) in deposits paid	(1,370,438)	1,160,368
Decrease (increase) in receivable income taxes	(1)	(1)
Increase (decrease) in accounts payable	(3,505)	13,731
Increase (decrease) in consumption taxes payable	321,485	51,048
Increase (decrease) in accounts payable-other	(26,469)	-
Increase (decrease) in accrued expenses	20,843	(19,097)
Increase (decrease) in advances received	(585)	(11,435)
Increase (decrease) in deposits received	3,093	(1,827)
Others	(219,196)	(250,984)
Subtotal	7,238,437	14,321,833
Interest income received	90	100
Interest expenses paid	(567,445)	(538,660)
Income taxes paid	(605)	(605)
Cash flows from operating activities	6,670,476	13,782,668
Cash flows from investment activities		
Payment into time deposits	(800,000)	-
Proceeds from withdrawal of time deposits	800,000	2,000,000
Purchases of property and equipment	(102,499)	(62,318)
Purchases of property and equipment in trust	(875,748)	(965,159)
Repayments of tenant leasehold and security deposits	(27,487)	(30,246)
Proceeds from tenant leasehold and security deposits in trust	12,239	28,873
Others	-	(46,500)
Cash flows from investment activities	(993,494)	924,648
Cash flows from financing activities		
Proceeds from short-term loans payable	87,471,000	27,660,000
Repayments of short-term loans payable	(61,091,000)	(30,722,000)
Proceeds from long-term loans payable	1,790,000	12,317,000
Repayments of long-term loans payable	(28,745,000)	(16,062,000)
Proceeds from issuance of investment corporation bonds	-	6,163,101
Redemption of investment corporation bonds	-	(1,000,000)
Payments for loan-related costs	(591,633)	(473,134)
Payments of distributions of earnings	(1,011,803)	(5,070,967)
Cash flows from financing activities	(2,178,436)	(7,188,001)
Effect of exchange rate change on cash and cash equivalents	29	90
Net increase (decrease) in cash and cash equivalents	3,498,574	7,519,406
Cash and cash equivalents at beginning of period	17,023,221	20,521,796
Cash and cash equivalents at end of period	20,521,796	28,041,202

Items		Dec 2022 Period	Jun 2023 Period
		Jul 1, 2022- Dec 31, 2022	Jan 1, 2023- Jun 30, 2023
Unappropriated retained earnings	(JPY thousand)	13,742,562	17,583,734
Distributions	(JPY thousand)	5,072,570	8,925,773
Of which, distributions of earnings	(JPY thousand)	5,072,570	8,925,773
Distribution per unit	(JPY)	832	1,464
Of which, distributions of earnings per unit	(JPY)	832	1,464
Retained earnings / losses carried forward	(JPY thousand)	8,669,991	8,657,960

(in ¥ thousand)

Property Number	A26	A28	A29	A30	A32	A33	A34	A35	A37	A38	A39	A40	A41	A43	A44	A45	A46	A47	A48
Property Name	Nisshin Palacestage Daibashi	Growth Maison Gotanda	Growth Maison Kameido	Emerald House	Suncrest Shakujii-Koen	Growth Maison Shin-Yokohama	Belle Face Ueno-Okachimachi	Grand Rire Kameido	Growth Maison Yoga	Route Tachikawa	Shibuya-Honmachi Mansion	City Heights Kinuta	Acseeds Tower Kawaguchi-Namiki	College Square Machida	Belair Meguro	Wacore Tsunashima I	Foros Nakamura-bashi	Growth Maison Kaijin	College Square Machiya
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	36,719	28,459	35,661	47,291	40,518	38,110	34,099	26,619	23,340	22,781	21,179	19,837	26,947	16,609	15,366	18,298	19,490	23,797	14,924
Rent, common area fees	34,333	26,916	33,578	38,310	36,181	34,821	29,972	26,619	22,343	19,779	20,433	18,260	25,046	16,609	14,301	17,322	17,350	21,640	14,706
Rental revenues (Fixed rent)																			
Rental revenues (Variable rent)																			
Other revenue	2,386	1,543	2,082	8,981	4,337	3,289	4,126	-	997	3,001	745	1,576	1,901	-	1,064	976	2,139	2,157	218
② Property related expenses	18,690	9,103	14,318	22,943	16,994	15,975	18,297	8,836	9,062	9,218	7,012	5,940	12,279	3,823	8,459	9,840	9,715	15,543	5,636
Facility management fees (a)	5,054	1,933	3,775	6,555	4,339	3,886	7,014	747	2,298	1,470	1,610	1,701	3,245	621	2,432	2,367	2,117	4,477	127
(of which, repair cost)	157	254	49	654	367	495	902	534	81	84	184	192	167	421	151	301	74	293	127
(of which, utility expenses)	2,024	342	605	1,325	1,023	660	587	-	386	265	173	200	395	-	207	531	355	1,160	-
Tax and other public charges (b)	1,638	1,376	1,702	2,578	3,191	2,432	1,696	1,760	1,371	1,113	997	1,024	1,106	520	934	906	975	2,022	953
Insurance expenses (c)	59	36	51	97	100	69	49	52	38	41	35	33	40	38	24	28	32	79	27
Depreciation expenses (⑦)	9,628	5,212	6,788	8,892	7,395	6,914	6,080	5,740	4,204	5,206	3,063	2,313	5,486	2,106	2,754	4,234	5,178	7,752	3,991
Other expenses (d)	2,310	545	2,000	4,820	1,967	2,672	3,457	536	1,149	1,385	1,305	867	2,401	536	2,312	2,303	1,412	1,212	536
③ Rental income (①-②)	18,029	19,356	21,342	24,347	23,524	22,134	15,801	17,783	14,277	13,562	14,167	13,896	14,667	12,786	6,906	8,458	9,774	8,254	9,288
④ NOI (①-②+⑦)	27,657	24,568	28,131	33,240	30,920	29,049	21,881	23,523	18,482	18,769	17,230	16,209	20,154	14,892	9,661	12,693	14,952	16,006	13,280
⑤ Capital expenditure	31,135	7,535	1,268	6,883	8,387	18,061	3,410	1,277	3,636	9,611	2,137	2,960	-	641	4,584	4,186	2,633	2,431	221
⑥ NCF (④-⑤)	-3,477	17,033	26,863	26,356	22,532	10,987	18,470	22,246	14,845	9,158	15,093	13,249	20,154	14,251	5,076	8,506	12,319	13,575	13,058

Property Number	A59	A61	A63	A64	A65	A66	A72	A73	A84	A87	A90	A92	A93	A94	A96	A97	A99	A101	A102
Property Name	Towa City Coop Shin-otsuka II	Bichsel Musashiseki	Towa City Coop Sengencho	Royal Park Omachi	Lexington Square Hagino machi	Visconti Kakuozan	Lexington Square Honjo-Azumabashi	AMS TOWER Minami 6-jo	Revest Heian	Excellente Kagurazaka	Queen's Court Fukuzumi	Belair Oimachi	Siete Minami-Tsukaguchi	Prime Life Sannomiya Isogami Koen	Century Park Shinkawa 1-bankan	West Avenue	Prime Life Mikage	Lieto Court Mukojima	Lieto Court Nishi-Ojima
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	37,403	23,096	59,240	26,642	18,005	10,303	19,166	45,417	22,897	19,647	18,170	15,349	16,953	14,624	17,010	13,641	12,935	58,080	50,396
Rent, common area fees	35,698	21,834	54,465	22,911	16,052	9,012	17,587	43,786	22,123	18,738	17,509	14,606	15,869	14,052	14,374	13,057	12,121	54,581	49,028
Rental revenues (Fixed rent)																			
Rental revenues (Variable rent)																			
Other revenue	1,704	1,262	4,774	3,731	1,953	1,290	1,578	1,631	773	908	661	743	1,083	572	2,636	583	813	3,499	1,367
② Property related expenses	12,672	10,121	27,888	14,586	7,548	7,788	9,243	23,084	11,562	8,787	6,494	6,842	8,389	7,172	8,850	5,711	7,288	26,123	21,644
Facility management fees (a)	4,163	2,112	13,613	7,059	2,318	3,254	1,748	6,145	2,327	1,738	1,421	1,746	2,208	1,498	2,285	1,813	1,439	4,777	5,210
(of which, repair cost)	108	132	131	200	237	82	54	97	38	102	230	-	28	-	92	145	93	202	96
(of which, utility expenses)	7	416	38	1,866	604	207	390	1,818	324	225	120	140	332	227	238	324	167	732	829
Tax and other public charges (b)	1,437	1,214	3,050	1,607	1,176	928	826	2,190	1,413	784	750	727	989	864	847	563	780	2,483	2,174
Insurance expenses (c)	83	45	136	63	39	27	29	123	43	29	28	22	36	26	44	23	24	93	71
Depreciation expenses (⑦)	5,164	3,853	7,430	4,183	2,486	1,714	4,466	13,083	6,627	4,636	3,508	3,043	3,459	3,599	4,561	2,307	3,242	16,280	12,922
Other expenses (d)	1,823	2,895	3,656	1,672	1,527	1,863	2,172	1,541	1,150	1,598	785	1,302	1,695	1,182	1,112	1,004	1,802	2,488	1,265
③ Rental income (①-②)	24,731	12,975	31,351	12,056	10,456	2,514	9,922	22,333	11,334	10,859	11,676	8,507	8,563	7,452	8,159	7,929	5,646	31,957	28,751
④ NOI (①-②+⑦)	29,895	16,828	38,782	16,240	12,943	4,228	14,389	35,416	17,961	15,495	15,184	11,551	12,023	11,052	12,721	10,236	8,888	48,237	41,674
⑤ Capital expenditure	1,432	9,804	10,436	390	384	720	4,584	2,490	269	1,059	-	3,429	833	1,454	2,125	292	488	6,402	2,748
⑥ NCF (④-⑤)	28,463	7,024	28,346	15,849	12,558	3,508	9,805	32,926	17,692	14,436	15,184	8,121	11,189	9,597	10,595	9,943	8,400	41,835	38,925

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

Property Income (2/4)

(in ¥ thousand)

Property Number	A103	A104	A106		B18		D01	D02	D03	D04	D05	D06	D07	D08	D09	D10	D11	D12	D13	
Property Name	Royal Parks Momozaka	Royal Parks Shinden	Royal Parks Seasar Minami-Senju	subtotal	AEON TOWN Sukagawa	subtotal	Hotel MyStays Kanda	Hotel MyStays Asakusa	Hotel MyStays Kyoto-Shijo	MyStays Shin-Urayasu Conference Center	Hotel MyStays Maihama	Hotel MyStays Premier Dojima	Hotel MyStays Nagoya-Sakae	Hotel MyStays Sakaisuji-Honmachi	Hotel MyStays Yokohama	Hotel MyStays Nippori	Hotel MyStays Fukuoka-Tenjin-Minami	Flexstay Inn Iidabashi	Hotel MyStays Ueno Inaricho	
number of operating days	181	181	181	-	181	-	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	157,346	224,161	125,726	1,516,269	141,287	141,287	105,033	73,153	145,361	192,551	185,369	191,628	123,881	85,256	138,735	60,274	120,847	42,417	37,005	
Rent, common area fees	140,336	203,260	112,803	1,392,342	141,287	141,287	105,033	73,153	145,361	192,551	185,369	157,515	123,881	85,256	138,735	60,274	120,847	42,417	37,005	
Rental revenues (Fixed rent)							36,000	37,500	89,340	66,960	66,120	106,593	65,700	44,040	41,220	30,300	28,560	26,700	21,600	
Rental revenues (Variable rent)							69,033	35,653	56,021	125,591	119,249	50,921	58,181	41,216	97,515	29,974	92,287	15,717	15,405	
Other revenue	17,009	20,900	12,922	123,927	-	-	-	-	-	-	-	34,113	-	-	-	-	-	-	-	
② Property related expenses	115,849	119,638	75,240	764,224	80,357	80,357	29,895	19,524	73,221	55,896	46,755	73,355	47,728	29,438	45,038	15,864	21,266	14,605	13,678	
Facility management fees (a)	53,371	29,679	23,156	228,869	56,124	56,124	-	-	-	-	-	23,943	17,163	-	-	-	-	-	-	
(of which, repair cost)	478	1,943	752	10,736	-	-	-	-	-	-	-	230	-	-	-	-	-	-	-	
(of which, utility expenses)	1,292	-	1,414	21,966	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tax and other public charges (b)	7,619	13,929	5,717	80,378	6,776	6,776	5,026	3,669	10,963	8,234	3,464	12,362	3,998	6,874	4,244	1,800	5,590	4,522	1,472	
Insurance expenses (c)	258	499	220	2,908	242	242	73	97	194	178	83	258	244	101	182	51	87	85	38	
Depreciation expenses (⑦)	46,996	74,901	42,658	374,075	16,598	16,598	24,287	15,240	61,546	46,977	42,697	36,278	25,814	21,957	40,102	13,508	15,083	9,493	11,663	
Other expenses (d)	7,602	629	3,486	77,991	616	616	507	516	516	506	509	511	507	505	509	504	504	503	504	
③ Rental income (①-②)	41,497	104,522	50,485	752,045	60,929	60,929	75,137	53,629	72,140	136,655	138,614	118,273	76,153	55,818	93,697	44,409	99,581	27,811	23,326	
④ NOI (①-②+⑦)	88,493	179,424	93,144	1,126,120	77,528	77,528	99,425	68,869	133,686	183,632	181,311	154,552	101,967	77,775	133,800	57,918	114,665	37,305	34,990	
⑤ Capital expenditure	7,633	28,319	5,051	201,354	-	-	328	3,916	6,269	18,191	10,143	11,944	17,039	2,002	1,742	126	5,438	1,958	414	
⑥ NCF(④-⑤)	80,859	151,104	88,093	924,766	77,528	77,528	99,097	64,953	127,417	165,440	171,168	142,608	84,928	75,773	132,057	57,791	109,226	35,347	34,575	

Property Number	D14	D15	D16	D17	D18	D19	D20	D21	D22	D23	D24	D25	D26	D27	D28	D29	D30	D31	D32
Property Name	Flexstay Inn Shinagawa	Flexstay Inn Tokiwadai	Flexstay Inn Sugamo	Hotel MyStays Otemae	Hotel MyStays Kiyosumi Shirakawa	Flexstay Inn Nakano bu P1	Flexstay Inn Nakano bu P2	APA Hotel Yokohama-Kannai	Hotel MyStays Hako date-Goryokaku	Flexstay Inn Shirogane	Hotel MyStays Haneda	Hotel MyStays Kameido P1	Hotel MyStays Ueno Iriyaguchi	Hotel MyStays Kameido P2	Hotel MyStays Shimizu	Super Hotel Shinbashi/Karasumoguchi	Flexstay Inn Higashi-Jujo	Hotel MyStays Utsunomiya	Flexstay Inn Kawasaki-Kaizuka
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	42,681	43,771	31,501	65,947	52,553	15,601	7,606	252,122	86,416	39,530	177,272	145,968	72,101	95,077	68,431	39,426	25,770	74,916	22,539
Rent, common area fees	42,681	43,771	31,501	65,947	52,553	15,601	7,606	252,122	86,416	39,530	177,272	145,968	72,101	95,077	67,877	39,426	25,770	74,916	22,539
Rental revenues (Fixed rent)	19,860	24,540	22,980	19,860	16,320	8,820	4,920	212,500	36,000	27,000	91,800	89,400	57,000	57,000	36,600	39,426	22,200	37,800	18,600
Rental revenues (Variable rent)	22,821	19,231	8,521	46,087	36,233	6,781	2,686	39,622	50,416	12,530	85,472	56,568	15,101	38,077	31,277	-	3,570	37,116	3,939
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	554	-	-	-	-
② Property related expenses	8,888	11,364	11,726	15,411	16,671	5,630	3,367	89,572	45,601	10,683	64,829	35,532	26,131	28,046	29,344	9,157	9,332	34,771	11,362
Facility management fees (a)	-	-	-	-	-	-	-	378	-	-	-	-	2,871	-	-	710	-	-	1,008
(of which, repair cost)	-	-	-	-	-	-	-	378	-	-	-	-	-	-	-	702	-	-	-
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax and other public charges (b)	1,712	3,507	2,870	3,614	3,571	1,033	589	11,464	5,177	1,680	8,132	6,298	993	3,752	4,109	3,272	2,047	12,917	824
Insurance expenses (c)	31	72	59	109	71	21	12	291	196	49	157	152	75	95	103	48	45	315	35
Depreciation expenses (⑦)	6,640	7,279	8,293	11,182	12,524	4,072	2,260	76,933	39,721	8,449	56,132	28,675	21,784	23,795	24,726	4,717	6,834	21,125	9,089
Other expenses (d)	503	505	503	504	504	504	503	504	506	503	406	404	406	403	404	407	404	413	404
③ Rental income (①-②)	33,792	32,406	19,774	50,535	35,882	9,970	4,239	162,549	40,814	28,847	112,443	110,436	45,969	67,031	39,087	30,269	16,438	40,144	11,176
④ NOI (①-②+⑦)	40,433	39,686	28,067	61,718	48,407	14,042	6,500	239,482	80,536	37,297	168,576	139,111	67,754	90,826	63,814	34,987	23,273	61,270	20,266
⑤ Capital expenditure	3,000	7,904	3,206	4,701	3,937	1,143	1,340	6,688	8,327	2,494	269	10,441	8,352	5,938	2,124	-	2,527	11,965	2,320
⑥ NCF(④-⑤)	37,433	31,781	24,860	57,017	44,470	12,899	5,159	232,794	72,208	34,802	168,307	128,670	59,401	84,888	61,689	34,987	20,746	49,305	17,946

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

Property Income (3/4)

(in ¥ thousand)

Property Number	D33	D34	D35	D36	D37	D38	D39	D40	D41	D42	D43	D44	D45	D46	D47	D48	D49	D50	D51
Property Name	Comfort Hotel Toyama	Flexstay Inn Kawasaki-Ogawacho	Flexstay Inn Ekoda	Super Hotel Tokyo-JR Tachikawa Kitaguchi	Super Hotel JR Ueno-iriaguchi	Hotel MyStays Shinsaibashi	Comfort Hotel Kurosaki	Comfort Hotel Maebashi	Comfort Hotel Tsubanesanjo	Comfort Hotel Kitami	Hotel MyStays Gotanda Station	Hotel Epinard Nasu	Hotel MyStays Fukuoka Tenjin	Hotel MyStays Hamamatsucho	Hotel MyStays Kanazawa	Takamatsu Tokyu REI Hotel	Hotel MyStays Premier Hamamatsucho	Hotel MyStays Shin Osaka Conference Center	Hotel MyStays Premier Omori
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	35,928	22,538	94,884	31,787	27,275	53,182	35,271	44,171	34,949	26,103	476,400	613,049	203,299	128,644	195,631	101,089	267,483	256,594	282,439
Rent, common area fees	35,928	22,538	86,625	31,787	27,275	53,182	35,271	43,811	32,861	26,103	475,421	612,959	203,299	128,644	195,631	68,749	267,483	256,594	282,439
Rental revenues (Fixed rent)	35,928	15,000	60,780	31,787	27,275	37,200	35,271	43,811	32,861	26,103	272,700	192,000	88,200	82,200	145,500	59,900	107,400	193,200	138,000
Rental revenues (Variable rent)	-	7,538	25,845	-	-	15,982	-	-	-	-	202,721	420,959	115,099	46,444	50,131	8,849	160,083	63,394	144,439
Other revenue	-	-	8,258	-	-	-	-	360	2,088	-	978	90	-	-	-	32,339	-	-	-
② Property related expenses	14,182	7,157	32,938	13,117	10,121	23,334	19,264	26,240	15,381	14,946	70,500	319,289	54,594	40,715	127,257	66,568	36,129	48,579	64,510
Facility management fees (a)	338	-	791	1,391	1,070	-	1,174	5,669	518	600	8,381	9,335	-	-	-	40,149	-	-	-
(of which, repair cost)	338	-	791	1,091	770	-	574	-	92	-	-	-	-	-	-	1,225	-	-	-
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24,195	-	-	-
Tax and other public charges (b)	3,731	940	4,546	2,783	2,259	2,759	3,405	1,600	3,652	1,624	18,215	26,606	7,659	7,369	14,099	2,557	11,075	12,307	14,679
Insurance expenses (c)	93	23	107	53	37	50	69	85	70	65	311	1,109	123	63	303	187	196	484	381
Depreciation expenses (⑦)	9,611	5,790	27,088	8,482	6,346	20,120	14,206	18,473	10,728	12,248	42,985	281,799	46,408	32,879	112,449	23,256	24,450	35,361	49,041
Other expenses (d)	408	403	405	407	407	403	409	412	412	407	606	438	403	403	405	417	406	424	406
③ Rental income (①-②)	21,745	15,380	61,945	18,669	17,154	29,847	16,007	17,930	19,567	11,157	405,899	293,760	148,705	87,928	68,374	34,520	231,353	208,015	217,929
④ NOI (①-②+⑦)	31,357	21,170	89,034	27,152	23,500	49,967	30,213	36,403	30,295	23,405	448,885	575,560	195,114	120,807	180,823	57,776	255,804	243,377	266,971
⑤ Capital expenditure	749	650	12,656	-	-	5,017	6,391	2,542	1,686	3,060	13,140	96,347	7,189	489	2,138	12,283	12,847	12,353	24,415
⑥ NCF (④-⑤)	30,608	20,520	76,377	27,152	23,500	44,950	23,822	33,861	28,609	20,345	435,744	479,213	187,924	120,318	178,685	45,493	242,956	231,024	242,556

Property Number	D52	D53	D54	D55	D56	D57	D58	D59	D60	D61	D62	D63	D64	D65	D66	D67	D68	D69	D70
Property Name	Kamenoi Hotel Beppu	Hotel MyStays Sapporo Station	Hotel MyStays Yokohama Kannai	Art Hotel Joetsu	Art Hotel Hirosaki City	Hotel MyStays Oita	Hotel MyStays Gotanda	Hotel MyStays Tachikawa	Hotel MyStays Premier Akasaka	Hotel MyStays Premier Sapporo Park	Hotel MyStays Ueno East	Hotel MyStays Midosuji Honmachi	Hotel MyStays Sapporo Aspen	Art Hotel Ishigakijima	Hotel MyStays Fuji Onsen Resort	Hotel Soria Otaru	Hotel MyStays Kanazawa Castle	Art Hotel Niigata Station	Hotel MyStays Nagoya Nishiki
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181
① Rental revenues	396,271	175,489	141,550	66,070	132,281	100,911	106,029	103,627	449,831	295,736	115,499	70,672	263,767	243,155	310,461	177,448	89,987	174,400	92,665
Rent, common area fees	359,788	175,489	141,550	66,070	132,281	100,911	106,029	103,627	449,831	285,736	115,499	70,672	263,767	243,155	310,461	177,448	89,987	166,087	92,665
Rental revenues (Fixed rent)	179,100	105,000	70,500	48,400	52,500	27,600	56,250	46,950	217,200	172,100	69,700	52,400	204,100	109,900	128,900	57,400	76,500	102,700	64,900
Rental revenues (Variable rent)	180,688	70,489	71,050	17,670	79,781	73,311	49,779	56,677	232,631	113,636	45,799	18,272	59,667	133,255	181,561	120,048	13,487	63,387	27,765
Other revenue	36,483	-	-	-	-	-	-	-	10,000	-	-	-	-	-	-	-	-	8,313	-
② Property related expenses	131,530	71,875	39,453	43,283	59,920	24,115	10,833	21,416	89,388	130,531	31,423	40,872	74,859	65,034	117,340	56,768	25,226	89,937	26,089
Facility management fees (a)	-	-	-	-	-	-	-	-	-	-	5,692	-	100	-	-	-	-	13,036	-
(of which, repair cost)	-	-	-	-	-	-	-	-	-	-	-	-	100	-	-	-	-	-	-
(of which, utility expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax and other public charges (b)	11,154	6,769	8,547	6,617	14,712	1,914	4,214	6,180	24,154	14,213	4,313	9,265	10,918	9,516	6,603	4,011	4,008	5,841	4,230
Insurance expenses (c)	701	261	147	228	573	115	67	134	277	654	149	109	555	595	190	220	206	502	186
Depreciation expenses (⑦)	119,267	64,434	30,353	36,028	44,135	21,675	6,147	14,694	64,553	115,256	20,861	31,093	62,877	54,515	110,142	52,131	20,604	70,152	21,267
Other expenses (d)	407	410	404	408	499	410	403	407	403	406	407	403	407	406	404	404	406	405	405
③ Rental income (①-②)	264,740	103,613	102,097	22,787	72,360	76,795	95,196	82,211	360,442	165,204	84,075	29,799	188,908	178,121	193,120	120,679	64,760	84,462	66,575
④ NOI (①-②+⑦)	384,007	168,048	132,450	58,815	116,496	98,471	101,343	96,905	424,995	280,460	104,937	60,893	251,786	232,636	303,263	172,811	85,364	154,615	87,842
⑤ Capital expenditure	50,752	3,360	-	13,185	9,053	6,634	7,807	6,827	263	101,331	3,501	1,450	3,167	4,735	13,391	648	4,750	4,674	1,018
⑥ NCF (④-⑤)	333,255	164,687	132,450	45,630	107,442	91,836	93,536	90,078	424,732	179,129	101,435	59,443	248,619	227,901	289,871	172,162	80,614	149,941	86,824

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

Property Income (4/4)

(in ¥ thousand)

Property Number	D71	D72	D73	D74	D75	D76	D77	D78	D79	D80	D81	D82	D83		
Property Name	Hotel Nord Otaru	Hotel MyStays Kagoshima Tenmonkan	Art Hotel Asahikawa	Hotel MyStays Matsuyama	Hotel MyStays Sapporo Susukino	Hotel MyStays Sapporo Nakajima Park	Hotel MyStays Sapporo Nakajima Park Annex	Flexstay Inn Sakuragicho	MyCUBE by MYSTAYS Asakusa Kuramae	Hotel MyStays Kagoshima Tenmonkan Annex	Hotel MyStays Nayoro	Hotel MyStays Premier Narita	Art Hotel Morioka	subtotal	Total
number of operating days	181	181	181	181	181	181	181	181	181	181	181	181	181	-	-
① Rental revenues	118,006	165,150	88,990	90,529	40,821	26,415	19,080	38,510	23,906	55,222	27,256	237,341	114,824	10,343,397	12,000,955
Rent, common area fees	111,858	165,150	83,837	90,529	40,821	26,415	19,080	38,510	23,906	55,222	27,256	237,341	112,372	10,196,065	11,729,696
Rental revenues (Fixed rent)	50,800	57,359	42,200	56,600	31,300	25,800	18,400	20,500	19,000	18,600	16,200	151,400	102,100	5,580,738	
Rental revenues (Variable rent)	61,058	107,791	41,637	33,929	9,521	615	680	18,010	4,906	36,622	11,056	85,941	10,272	4,615,327	
Other revenue	6,147	-	5,153	-	-	-	-	-	-	-	-	-	2,451	147,331	271,259
② Property related expenses	36,463	27,663	77,148	42,968	16,007	20,683	13,337	8,728	9,331	8,210	15,905	152,375	106,502	3,643,759	4,488,341
Facility management fees (a)	906	-	2,100	-	-	-	-	-	-	-	-	-	23,400	160,729	445,723
(of which, repair cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	6,293	17,029
(of which, utility expenses)	6	-	-	-	-	-	-	-	-	-	-	-	-	24,202	46,169
Tax and other public charges (b)	3,593	3,366	8,048	3,963	1,076	3,421	908	1,435	3,714	839	1,339	21,002	7,405	508,977	596,132
Insurance expenses (c)	225	222	832	281	91	209	70	46	68	76	53	1,284	539	17,323	20,475
Depreciation expenses (⑦)	31,326	23,668	65,759	38,316	14,437	16,649	11,955	6,843	5,145	6,890	14,109	129,678	74,748	2,920,343	3,311,017
Other expenses (d)	410	405	408	407	403	403	403	404	403	403	403	410	408	36,385	114,992
③ Rental income (①-②)	81,543	137,486	11,841	47,561	24,813	5,732	5,743	29,781	14,574	47,012	11,350	84,965	8,322	6,699,638	7,512,613
④ NOI (①-②+⑦)	112,869	161,155	77,600	85,877	39,251	22,381	17,699	36,624	19,720	53,903	25,459	214,644	83,071	9,619,982	10,823,630
⑤ Capital expenditure	9,758	4,766	23,474	4,422	-	-	300	1,140	4,050	3,108	498	22,209	4,204	694,636	895,990
⑥ NCF (④-⑤)	103,111	156,389	54,126	81,454	39,251	22,381	17,399	35,484	15,670	50,794	24,961	192,435	78,867	8,925,345	9,927,640

Property Number	D200	D201	
Property Name	Westin Grand Cayman Seven Mile Beach Resort & Spa	Sunshine Suites Resort	Total
	(Note 1)	(Note 1)	
number of operating days	181	181	-
① Management contract profits / losses	3,481,480	432,545	3,914,026
Management contract profits	3,481,480	432,545	3,914,026
Other revenue	-	-	-
② Property related expenses	510,818	138,511	649,329
Facility management fees (a)	-	-	-
(of which, repair cost)	-	-	-
(of which, utility expenses)	-	-	-
Tax and other public charges (b)	-	-	-
Insurance expenses (c)	123,802	28,662	152,464
Depreciation expenses (⑦)	336,272	99,224	435,496
Other expenses (d)	50,743	10,625	61,368
③ Rental income (①-②)	2,970,662	294,033	3,264,696
④ NOI (①-②+⑦)	3,306,934	393,258	3,700,193
⑤ Capital expenditure	33,528	23,456	56,984
⑥ NCF (④-⑤)	3,273,406	369,801	3,643,208

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

Appraisal Value (1/4)

(in ¥ thousand)

Property Number	Property Name	Acquisition Price	As of the end of December 2022			As of the end of June 2023			Change (Note 1)		Appraiser (Note 2)
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
A26	Nisshin Palacestage Daitabashi	1,251,830	1,065,943	1,260,000	4.3%	1,087,450	1,290,000	4.2%	30,000	-0.1pt	Assets R&D
A28	Growth Maison Gotanda	888,200	813,195	1,100,000	4.0%	815,517	1,120,000	3.9%	20,000	-0.1pt	Assets R&D
A29	Growth Maison Kameido	1,070,850	932,109	1,240,000	4.1%	926,588	1,280,000	4.0%	40,000	-0.1pt	Assets R&D
A30	Emerald House	1,505,161	1,302,208	1,430,000	4.3%	1,300,199	1,480,000	4.2%	50,000	-0.1pt	Assets R&D
A32	Suncrest Shakujii-Koen	1,088,979	1,044,009	1,210,000	4.4%	1,045,001	1,250,000	4.3%	40,000	-0.1pt	Assets R&D
A33	Growth Maison Shin-Yokohama	1,059,457	914,265	1,250,000	4.4%	925,412	1,290,000	4.3%	40,000	-0.1pt	Assets R&D
A34	Belle Face Ueno-Okachimachi	1,023,074	901,804	1,120,000	3.9%	899,134	1,160,000	3.8%	40,000	-0.1pt	Assets R&D
A35	Grand Rire Kameido	906,121	767,296	1,070,000	4.3%	762,833	1,090,000	4.2%	20,000	-0.1pt	Assets R&D
A37	Growth Maison Yoga	795,986	708,965	823,000	4.0%	708,397	844,000	3.9%	21,000	-0.1pt	Assets R&D
A38	Route Tachikawa	676,951	637,245	696,000	4.4%	641,649	713,000	4.3%	17,000	-0.1pt	Assets R&D
A39	Shibuya-Honmachi Mansion	651,474	713,582	706,000	4.4%	712,656	724,000	4.3%	18,000	-0.1pt	Assets R&D
A40	City Heights Kinuta	646,337	658,939	605,000	4.4%	659,586	624,000	4.3%	19,000	-0.1pt	Assets R&D
A41	Acseeds Tower Kawaguchi-Namiki	620,893	496,355	789,000	4.9%	490,868	810,000	4.8%	21,000	-0.1pt	Assets R&D
A43	College Square Machida	589,553	552,395	517,000	5.1%	550,929	526,000	5.0%	9,000	-0.1pt	Assets R&D
A44	Belair Meguro	589,004	543,461	630,000	3.8%	545,291	646,000	3.7%	16,000	-0.1pt	Assets R&D
A45	Wacore Tsunashima I	572,914	549,113	550,000	4.6%	549,065	562,000	4.5%	12,000	-0.1pt	Assets R&D
A46	Foros Nakamurabashi	566,980	494,689	620,000	4.2%	492,144	636,000	4.1%	16,000	-0.1pt	Assets R&D
A47	Growth Maison Kajin	557,256	521,888	546,000	4.8%	516,567	561,000	4.7%	15,000	-0.1pt	Assets R&D
A48	College Square Machiya	510,721	427,076	600,000	4.2%	423,306	615,000	4.1%	15,000	-0.1pt	Assets R&D
A59	Towa City Coop Shin-otsuka II	866,000	788,577	1,390,000	3.9%	784,845	1,390,000	3.9%	-	-	JREI
A61	Bichsel Musashiseki	577,000	568,270	856,000	3.9%	574,221	868,000	3.8%	12,000	-0.1pt	Morii
A63	Towa City Coop Sengencho	1,110,000	994,787	1,570,000	4.5%	997,793	1,570,000	4.5%	-	-	JREI
A64	Royal Park Omachi	415,000	381,464	715,000	4.6%	377,672	717,000	4.6%	2,000	-	JREI
A65	Lexington Square Haginomachi	330,000	256,132	464,000	4.7%	254,030	464,000	4.7%	-	-	JREI
A66	Visconti Kakuozan	255,000	227,756	310,000	4.4%	226,762	310,000	4.3%	-	-0.1pt	Tanizawa
A72	Lexington Square Honjo-Azumabashi	511,000	401,507	736,000	3.5%	401,624	754,000	3.4%	18,000	-0.1pt	Tanizawa
A73	AMS TOWER Minami 6-Jo	1,180,000	850,758	1,270,000	4.4%	840,166	1,270,000	4.3%	-	-0.1pt	Tanizawa
A84	Revest Heian	595,000	490,444	877,000	4.0%	484,086	878,000	4.0%	1,000	-	JREI
A87	Excellente Kagurazaka	543,000	487,807	859,000	3.2%	484,230	865,000	3.2%	6,000	-	JREI
A90	Queen's Court Fukuzumi	456,000	407,905	814,000	3.3%	404,396	817,000	3.3%	3,000	-	JREI
A92	Belair Oimachi	412,000	376,581	686,000	3.3%	376,966	685,000	3.3%	-1,000	-	JREI
A93	Siete Minami-Tsukaguchi	374,000	329,397	571,000	4.0%	326,771	573,000	4.0%	2,000	-	JREI
A94	Prime Life Sannomiya Isogami Koen	373,000	323,104	578,000	3.7%	320,958	578,000	3.7%	-	-	JREI
A96	Century Park Shinkawa 1-bankan	335,000	290,576	549,000	4.4%	288,140	549,000	4.4%	-	-	JREI
A97	West Avenue	331,000	306,116	426,000	4.2%	304,102	429,000	4.2%	3,000	-	JREI

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

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

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

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

Appraisal values for June 2022 FP and December 2022 FP are converted into JPY using the exchange rates of USD 1 = ¥ 136.68 and ¥ 132.70 respectively, which are the rates on closing date of each fiscal period

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

Appraisal Value (2/4)

(in ¥ thousand)

Property Number	Property Name	Acquisition Price	As of the end of December 2022			As of the end of June 2023			Change (Note 1)		Appraiser (Note 2)
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
A99	Prime Life Mikage	297,000	257,608	434,000	4.0%	254,854	439,000	4.0%	5,000	-	JREI
A101	Lieto Court Mukojima	1,683,000	1,586,941	2,310,000	3.6%	1,577,063	2,310,000	3.6%	-	-	JREI
A102	Lieto Court Nishi-Ojima	1,634,000	1,536,310	2,240,000	3.4%	1,526,136	2,240,000	3.4%	-	-	JREI
A103	Royal Parks Momozaka	2,910,000	2,492,944	3,280,000	3.9%	2,453,581	3,280,000	3.8%	-	-0.1pt	Morii
A104	Royal Parks Shinden	5,024,000	4,520,847	6,360,000	4.1%	4,474,265	6,460,000	4.0%	100,000	-0.1pt	Morii
A106	Royal Parks Seasir Minami-Senju	2,683,000	2,463,111	3,300,000	4.9%	2,425,504	3,350,000	4.9%	50,000	-	JREI
	Subtotal of Residential	38,465,748	34,383,500	47,357,000	-	34,210,779	48,017,000	-	660,000	-	-
B18	AEON TOWN Sukagawa	2,320,000	1,605,322	2,380,000	6.1%	1,588,724	2,380,000	6.1%	-	-	Morii
	Subtotal of Offices and Commercial Facilities	2,320,000	1,605,322	2,380,000	-	1,588,724	2,380,000	-	-	-	-
D01	Hotel MyStays Kanda	2,851,000	2,803,195	4,900,000	4.2%	2,779,235	4,930,000	4.2%	30,000	-	JREI
D02	Hotel MyStays Asakusa	2,584,000	2,454,595	4,410,000	4.4%	2,443,271	4,420,000	4.4%	10,000	-	JREI
D03	Hotel MyStays Kyoto-Shijo	6,024,460	5,496,954	8,160,000	4.6%	5,441,677	8,250,000	4.5%	90,000	-0.1pt	JREI
D04	MyStays Shin-Urayasu Conference Center	4,930,200	4,382,271	7,200,000	4.9%	4,353,485	7,400,000	4.8%	200,000	-0.1pt	JREI
D05	Hotel MyStays Maihama	4,870,312	4,499,682	6,820,000	4.6%	4,467,127	6,960,000	4.5%	140,000	-0.1pt	JREI
D06	Hotel MyStays Premier Dojima	3,845,400	3,588,747	6,420,000	4.5%	3,564,412	6,470,000	4.4%	50,000	-0.1pt	JREI
D07	Hotel MyStays Nagoya-Sakae	2,958,000	2,498,353	5,520,000	5.2%	2,489,578	5,570,000	5.1%	50,000	-0.1pt	JREI
D08	Hotel MyStays Sakaisuji-Honmachi	2,514,820	2,240,493	3,210,000	4.6%	2,220,538	3,250,000	4.5%	40,000	-0.1pt	JREI
D09	Hotel MyStays Yokohama	2,119,900	2,118,360	3,940,000	5.6%	2,080,000	4,000,000	5.5%	60,000	-0.1pt	JREI
D10	Hotel MyStays Nippo-ri	1,898,540	1,732,542	2,510,000	4.5%	1,719,160	2,510,000	4.5%	-	-	JREI
D11	Hotel MyStays Fukuoka-Tenjin-Minami	1,570,520	1,388,196	5,560,000	4.7%	1,378,551	5,640,000	4.6%	80,000	-0.1pt	JREI
D12	Flexstay Inn Iidabashi	1,381,660	1,313,727	2,090,000	4.3%	1,306,192	2,090,000	4.3%	-	-	JREI
D13	Hotel MyStays Ueno Inaricho	1,331,960	1,179,501	2,010,000	4.3%	1,168,252	2,000,000	4.3%	-10,000	-	JREI
D14	Flexstay Inn Shinagawa	1,242,500	1,166,200	1,980,000	4.4%	1,162,559	1,990,000	4.4%	10,000	-	JREI
D15	Flexstay Inn Tokiwadai	1,242,500	1,174,119	2,120,000	4.7%	1,174,745	2,130,000	4.7%	10,000	-	JREI
D16	Flexstay Inn Sugamo	1,192,800	1,068,788	2,200,000	4.6%	1,063,701	2,200,000	4.6%	-	-	JREI
D17	Hotel MyStays Otemae	1,192,800	1,107,947	2,410,000	5.1%	1,101,465	2,450,000	5.0%	40,000	-0.1pt	JREI
D18	Hotel MyStays Kiyosumi Shirakawa	749,476	835,765	1,460,000	4.7%	827,177	1,470,000	4.7%	10,000	-	JREI
D19	Flexstay Inn Nakanobu P1	589,442	544,138	803,000	4.7%	541,209	817,000	4.6%	14,000	-0.1pt	JREI
D20	Flexstay Inn Nakanobu P2	283,290	277,732	387,000	4.7%	276,812	393,000	4.6%	6,000	-0.1pt	JREI
D21	APA Hotel Yokohama-Kannai	8,350,000	7,228,907	9,930,000	4.2%	7,158,663	9,870,000	4.2%	-60,000	-	JREI
D22	Hotel MyStays Hako-date-Goryokaku	2,792,000	2,594,654	3,910,000	5.2%	2,563,260	3,920,000	5.2%	10,000	-	JREI
D23	Flexstay Inn Shirogane	2,119,000	2,054,450	2,430,000	4.4%	2,048,495	2,420,000	4.4%	-10,000	-	JREI
D24	Hotel MyStays Hane-da	7,801,000	6,964,218	8,320,000	4.2%	6,908,354	8,390,000	4.2%	70,000	-	JREI
D25	Hotel MyStays Kameido P1	5,594,000	5,206,577	7,540,000	4.6%	5,188,343	7,550,000	4.6%	10,000	-	JREI
D26	Hotel MyStays Ueno Iriyaguchi	3,821,000	3,568,201	3,940,000	4.5%	3,554,769	3,940,000	4.5%	-	-	JREI

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

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

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

Appraisal values for June 2022 FP and December 2022 FP are converted into JPY using the exchange rates of USD 1 = ¥ 136.68 and ¥ 132.70 respectively, which are the rates on closing date of each fiscal period

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

Appraisal Value (3/4)

(in ¥ thousand)

Property Number	Property Name	Acquisition Price	As of the end of December 2022			As of the end of June 2023			Change (Note 1)		Appraiser (Note 2)
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
D27	Hotel MyStays Kameido P2	3,742,000	3,447,129	5,060,000	4.6%	3,429,271	5,060,000	4.6%	-	-	JREI
D28	Hotel MyStays Shimizu	2,198,000	2,001,071	2,460,000	5.5%	1,978,469	2,480,000	5.4%	20,000	-0.1pt	JREI
D29	Super Hotel Shinbashi/ Karasumoriguchi	1,624,000	1,561,767	1,880,000	3.6%	1,557,049	1,870,000	3.6%	-10,000	-	JREI
D30	Flexstay Inn Higashi-Jujo	1,277,000	1,253,095	1,380,000	4.7%	1,248,788	1,380,000	4.7%	-	-	JREI
D31	Hotel MyStays Utsunomiya	1,237,000	1,164,602	2,090,000	5.3%	1,155,442	2,110,000	5.3%	20,000	-	JREI
D32	Flexstay Inn Kawasaki-Kaizuka	980,000	861,744	1,160,000	4.8%	854,975	1,160,000	4.8%	-	-	JREI
D33	Comfort Hotel Toyama	979,000	875,058	1,170,000	5.0%	866,195	1,170,000	5.0%	-	-	JREI
D34	Flexstay Inn Kawasaki-Ogawacho	906,000	851,266	902,000	4.6%	846,126	902,000	4.6%	-	-	JREI
D35	Flexstay Inn Ekoda	5,069,000	4,715,773	4,650,000	4.7%	4,701,341	4,650,000	4.7%	-	-	JREI
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	1,170,000	1,054,980	1,190,000	4.3%	1,046,497	1,210,000	4.3%	20,000	-	Daiwa
D37	Super Hotel JR Ueno-iriayaguchi	1,130,000	1,045,528	1,180,000	3.9%	1,039,182	1,180,000	3.9%	-	-	Daiwa
D38	Hotel MyStays Shinsaibashi	3,160,000	2,933,603	2,110,000	4.7%	2,918,500	2,110,000	4.7%	-	-	JREI
D39	Comfort Hotel Kurosaki	1,148,000	992,404	1,250,000	5.1%	984,589	1,250,000	5.1%	-	-	Daiwa
D40	Comfort Hotel Maebashi	1,128,000	934,693	1,110,000	4.9%	918,988	1,140,000	4.7%	30,000	-0.2pt	Daiwa
D41	Comfort Hotel Tsubamesanjo	1,010,000	888,656	1,080,000	5.2%	879,614	1,080,000	5.2%	-	-	Daiwa
D42	Comfort Hotel Kitami	851,000	736,352	907,000	5.4%	727,163	911,000	5.4%	4,000	-	Daiwa
D43	Hotel MyStays Gotanda Station (Note 3)	26,523,000	26,157,326	23,800,000	4.9%	26,127,481	23,900,000	4.9%	100,000	-	Morii
D44	Hotel Epinard Nasu (Note 4)	21,002,640	18,421,306	22,900,000	5.9%	18,235,853	23,000,000	5.9%	100,000	-	Morii
D45	Hotel MyStays Fukuoka Tenjin	8,059,000	7,649,965	8,020,000	4.8%	7,610,745	8,200,000	4.8%	180,000	-	Morii
D46	Hotel MyStays Hamamatsucho	7,959,000	7,755,978	6,140,000	4.6%	7,723,588	6,190,000	4.6%	50,000	-	Morii
D47	Hotel MyStays Premier Kanazawa	13,761,000	12,360,618	12,800,000	5.3%	12,250,307	12,800,000	5.3%	-	-	Morii
D48	Takamatsu Tokyu REI Hotel	2,139,000	2,115,184	2,240,000	5.0%	2,104,211	1,720,000	5.1%	-520,000	0.1pt	Daiwa
D49	Hotel MyStays Premier Hamamatsucho	8,000,000	7,911,985	10,300,000	4.2%	7,900,382	10,300,000	4.2%	-	-	JREI
D50	Hotel MyStays Shin Osaka Conference Center	13,068,000	12,770,609	12,800,000	4.8%	12,747,600	13,100,000	4.7%	300,000	-0.1pt	Tanizawa
D51	Hotel MyStays Premier Omori	9,781,000	9,745,827	9,660,000	4.6%	9,721,201	10,000,000	4.4%	340,000	-0.2pt	Tanizawa
D52	Kamenoi Hotel Beppu	8,870,000	7,701,894	8,720,000	6.3%	7,633,379	9,050,000	6.1%	330,000	-0.2pt	Tanizawa
D53	Hotel MyStays Sapporo Station	7,880,000	7,438,820	8,220,000	4.7%	7,377,746	8,480,000	4.6%	260,000	-0.1pt	Tanizawa
D54	Hotel MyStays Yokohama Kannai	5,326,000	5,056,557	5,280,000	4.6%	5,026,204	5,500,000	4.4%	220,000	-0.2pt	Tanizawa
D55	Art Hotel Joetsu	2,772,000	2,566,442	2,690,000	6.1%	2,543,599	2,760,000	6.0%	70,000	-0.1pt	Tanizawa
D56	Art Hotel Hiroasaki City	2,723,000	2,550,576	2,740,000	6.2%	2,515,494	2,750,000	6.1%	10,000	-0.1pt	Tanizawa
D57	Hotel MyStays Oita	1,604,000	1,431,410	1,600,000	5.9%	1,416,369	1,640,000	5.7%	40,000	-0.2pt	Tanizawa
D58	Hotel MyStays Gotanda	4,068,000	4,033,065	3,960,000	4.4%	4,034,725	4,110,000	4.2%	150,000	-0.2pt	Tanizawa
D59	Hotel MyStays Tachikawa	3,257,000	3,160,689	3,330,000	4.3%	3,152,822	3,390,000	4.3%	60,000	-	Daiwa
D60	Hotel MyStays Premier Akasaka	20,691,000	20,159,156	23,100,000	3.8%	20,094,866	23,100,000	3.8%	-	-	JREI
D61	Hotel MyStays Premier Sapporo Park	16,731,000	15,857,582	15,800,000	4.9%	15,843,658	16,300,000	4.8%	500,000	-0.1pt	Tanizawa

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

Appraisal Value (4/4)

(in ¥ thousand)

Property Number	Property Name	Acquisition Price	As of the end of December 2022			As of the end of June 2023			Change (Note 1)		Appraiser (Note 2)
			Book Value	Appraisal Value	Cap Rate	Book Value	Appraisal Value	Cap Rate	Appraisal Value	Cap Rate	
D62	Hotel MyStays Ueno East	5,286,000	5,120,541	5,120,000	4.4%	5,103,182	5,370,000	4.2%	250,000	-0.2pt	Tanizawa
D63	Hotel MyStays Midosuji Honmachi	5,039,000	4,779,212	3,130,000	4.3%	4,749,569	3,130,000	4.2%	-	-0.1pt	JREI
D64	Hotel MyStays Sapporo Aspen	15,543,000	15,167,285	15,000,000	4.8%	15,107,575	15,400,000	4.7%	400,000	-0.1pt	Tanizawa
D65	Art Hotel Ishigakijima	9,731,000	9,424,285	9,330,000	5.3%	9,374,505	9,510,000	5.2%	180,000	-0.1pt	JREI
D66	Hotel MyStays Fuji Onsen Resort	9,405,000	8,663,355	9,770,000	5.3%	8,566,604	9,960,000	5.2%	190,000	-0.1pt	JREI
D67	Hotel Sonia Otaru	5,930,000	5,533,360	5,780,000	5.4%	5,481,876	6,010,000	5.2%	230,000	-0.2pt	Tanizawa
D68	Hotel MyStays Kanazawa Castle	5,682,000	5,600,135	5,440,000	5.4%	5,584,281	5,620,000	5.2%	180,000	-0.2pt	Tanizawa
D69	Art Hotel Niigata Station	5,524,000	5,250,357	5,350,000	5.6%	5,184,878	5,550,000	5.4%	200,000	-0.2pt	Tanizawa
D70	Hotel MyStays Nagoya Nishiki	5,197,000	5,046,566	5,020,000	4.4%	5,026,317	5,110,000	4.4%	90,000	-	Morii
D71	Hotel Nord Otaru	4,296,000	4,118,040	4,080,000	5.5%	4,096,472	4,240,000	5.3%	160,000	-0.2pt	Tanizawa
D72	Hotel MyStays Kagoshima Tenmonkan	3,445,000	3,324,879	3,420,000	5.0%	3,305,976	3,490,000	5.0%	70,000	-	Daiwa
D73	Art Hotel Asahikawa	3,197,000	2,883,439	3,110,000	5.6%	2,841,154	3,180,000	5.5%	70,000	-0.1pt	Tanizawa
D74	Hotel MyStays Matsuyama	3,098,000	2,820,921	3,180,000	5.3%	2,787,028	3,190,000	5.1%	10,000	-0.2pt	Daiwa
D75	Hotel MyStays Sapporo Susukino	3,059,000	2,969,363	2,920,000	4.8%	2,954,925	2,920,000	4.8%	-	-	Morii
D76	Hotel MyStays Sapporo Nakajima Park	2,118,000	2,019,298	1,980,000	4.9%	2,002,649	1,980,000	4.9%	-	-	Morii
D77	Hotel MyStays Sapporo Nakajima Park Annex	1,584,000	1,516,164	1,520,000	5.0%	1,504,509	1,560,000	4.9%	40,000	-0.1pt	Tanizawa
D78	Flexstay Inn Sakuragicho	1,425,000	1,386,560	1,420,000	4.4%	1,380,857	1,440,000	4.4%	20,000	-	Daiwa
D79	MyCUBE by MYSTAYS Asakusa Kuramae	1,287,000	1,257,038	1,250,000	4.2%	1,255,942	1,250,000	4.2%	-	-	Daiwa
D80	Hotel MyStays Kagoshima Tenmonkan Annex	1,168,000	1,144,212	1,190,000	5.0%	1,140,430	1,210,000	5.0%	20,000	-	Daiwa
D81	Hotel MyStays Nayoro	957,000	866,013	951,000	5.6%	852,402	958,000	5.6%	7,000	-	Morii
D82	Hotel MyStays Premier Narita	10,593,000	9,929,024	10,200,000	4.9%	9,821,554	10,400,000	4.8%	200,000	-0.1pt	Tanizawa
D83	Art Hotel Morioka	5,643,000	5,285,016	5,420,000	5.3%	5,214,472	5,420,000	5.3%	-	-	Morii
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa (Note 5)	30,061,308	28,170,636	46,166,330	8.3%	27,867,892	66,086,442	8.3%	19,920,112	-	CBRE
D201	Sunshine Suites Resort (Note 5)	5,842,674	5,376,213	8,227,400	8.8%	5,300,445	10,598,769	8.8%	2,371,369	-	CBRE
	Subtotal of Hotels	432,785,203	407,302,979	482,833,730	-	404,698,985	510,566,211	-	27,732,481	-	-
	Total	473,570,951	443,291,801	532,570,730	-	440,498,489	560,963,211	-	28,392,481	-	-

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

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

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

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

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

Appraisal values for June 2022 FP and December 2022 FP are converted into JPY using the exchange rates of USD 1 = ¥ 136.68 and ¥ 132.70 respectively, which are the rates on closing date of each fiscal period

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

Property Number (Note 1)	Property Name	Address	Acquisition Date	Completion Date	Renovation Period (Hotel only)	Acquisition Price (JPY mm) (Note 2)	Investment Ratio (%) (Note 3)	Rentable Unit (Note 4)	Leasable Area (m ²) (Note 5)	Leased Area (m ²) (Note 5)	Total Number of Tenants	Occupancy Rate (%)
A26	Nisshin Palacestage Daitabashi	Suginami-ku, Tokyo	Jul 28, 2005	Dec 1992	-	1,251	0.3	98	1,771.13	1,593.11	1	89.9
A28	Growth Maison Gotanda	Shinagawa-ku, Tokyo	Jan 30, 2006	Jul 2005	-	888	0.2	48	1,051.50	1,051.50	1	100.0
A29	Growth Maison Kameido	Koto-ku, Tokyo	Mar 30, 2006	Oct 2005	-	1,070	0.2	66	1,367.96	1,327.04	1	97.0
A30	Emerald House	Itabashi-ku, Tokyo	Aug 1, 2006	Feb 1995	-	1,505	0.3	96	2,152.31	2,152.31	1	100.0
A32	Suncrest Shakujii-Koen	Nerima-ku, Tokyo	Aug 3, 2006	Mar 1990	-	1,088	0.2	29	3,029.16	3,029.16	1	100.0
A33	Growth Maison Shin-Yokohama	Yokohama, Kanagawa	Aug 3, 2006	Mar 2006	-	1,059	0.2	68	1,858.44	1,774.06	1	95.5
A34	Belle Face Ueno-Okachimachi	Taito-ku, Tokyo	Aug 1, 2006	Feb 2006	-	1,023	0.2	64	1,351.11	1,331.16	1	98.5
A35	Grand Rire Kameido	Koto-ku, Tokyo	Aug 3, 2006	Mar 2006	-	906	0.2	72	1,562.26	1,562.26	1	100.0
A37	Growth Maison Yoga	Setagaya-ku, Tokyo	Aug 3, 2006	Mar 2006	-	795	0.2	39	1,015.34	1,015.34	1	100.0
A38	Route Tachikawa	Tachikawa, Tokyo	Aug 3, 2006	Mar 1997	-	676	0.1	24	1,368.57	1,368.57	1	100.0
A39	Shibuya-Honmachi Mansion	Shibuya-ku, Tokyo	Aug 3, 2006	Dec 1986	-	651	0.1	25	1,167.50	1,167.50	1	100.0
A40	City Heights Kinuta	Setagaya-ku, Tokyo	Aug 3, 2006	Mar 1983	-	646	0.1	19	1,235.93	1,235.93	1	100.0
A41	Acseeds Tower Kawaguchi-Namiki	Kawaguchi, Saitama	Aug 3, 2006	Feb 2006	-	620	0.1	57	1,210.74	1,147.32	1	94.8
A43	College Square Machida	Machida, Tokyo	Aug 1, 2006	Mar 1984	-	589	0.1	62	1,047.75	1,047.75	1	100.0
A44	Belair Meguro	Meguro-ku, Tokyo	Aug 1, 2006	Oct 2005	-	589	0.1	25	557.05	490.69	1	88.1
A45	Wacore Tsunashima I	Yokohama, Kanagawa	Aug 3, 2006	Feb 1991	-	572	0.1	50	907.46	743.20	1	81.9
A46	Foros Nakamurabashi	Nerima-ku, Tokyo	Aug 3, 2006	Sep 2001	-	566	0.1	37	815.77	815.77	1	100.0
A47	Growth Maison Kaijin	Funabashi, Chiba	Aug 1, 2006	Oct 1993	-	557	0.1	34	2,040.27	1,988.04	1	97.4
A48	College Square Machiya	Arakawa-ku, Tokyo	Aug 3, 2006	Mar 2006	-	510	0.1	43	871.35	871.35	1	100.0
A59	Towa City Coop Shin-otsuka II	Toshima-ku, Tokyo	Feb 1, 2010	May 1993	-	866	0.2	58	1,627.13	1,586.99	1	97.5
A61	Bichsel Musashiseki	Nerima-ku, Tokyo	Feb 1, 2010	Feb 1992	-	577	0.1	70	1,220.24	1,150.45	1	94.3
A63	Towa City Coop Sengencho	Yokohama, Kanagawa	Feb 1, 2010	Oct 1992	-	1,110	0.2	154	3,426.36	3,065.62	1	89.5
A64	Royal Park Omachi	Sendai, Miyagi	Feb 1, 2010	Feb 1993	-	415	0.1	51	1,929.59	1,807.57	1	93.7
A65	Lexington Square Haginomachi	Sendai, Miyagi	Feb 1, 2010	Aug 2005	-	330	0.1	39	1,528.58	1,372.07	1	89.8
A66	Visconti Kakuzan	Nagoya, Aichi	Feb 1, 2010	Sep 2003	-	255	0.1	8	705.75	705.75	1	100.0
A72	Lexington Square Honjo-Azumabashi	Sumida-ku, Tokyo	Feb 1, 2010	Oct 2006	-	511	0.1	33	784.74	784.74	1	100.0
A73	AMS TOWER Minami 6-Jo	Sapporo, Hokkaido	Feb 1, 2010	Feb 2007	-	1,180	0.2	120	4,460.56	4,142.26	1	92.9
A84	Revest Heian	Nagoya, Aichi	Sep 28, 2012	Nov 2006	-	595	0.1	40	1,554.03	1,479.03	1	95.2
A87	Excellente Kagurazaka	Shinjuku-ku, Tokyo	Sep 28, 2012	Jan 2007	-	543	0.1	33	701.92	701.92	1	100.0
A90	Queen's Court Fukuzumi	Koto-ku, Tokyo	Sep 28, 2012	Sep 2006	-	456	0.1	25	765.18	765.18	1	100.0
A92	Belair Oimachi	Shinagawa-ku, Tokyo	Sep 28, 2012	Apr 2006	-	412	0.1	26	530.60	510.10	1	96.1
A93	Siete Minami-Tsukaguchi	Amagasaki, Hyogo	Sep 28, 2012	Jan 2007	-	374	0.1	40	1,020.86	1,020.86	1	100.0
A94	Prime Life Sannomiya Isogami Koen	Kobe Hyogo	Sep 28, 2012	Nov 2006	-	373	0.1	32	789.12	616.50	1	78.1
A96	Century Park Shinkawa 1-bankan	Nagoya, Aichi	Sep 28, 2012	Sep 2001	-	335	0.1	44	1,477.62	1,309.69	1	88.6
A97	West Avenue	Kunitachi, Tokyo	Sep 28, 2012	Oct 1991	-	331	0.1	40	794.80	755.08	1	95.0
A99	Prime Life Mikage	Kobe, Hyogo	Sep 28, 2012	Jan 2007	-	297	0.1	28	761.18	686.17	1	90.1
A101	Lieto Court Mukojima	Sumida-ku, Tokyo	Jul 16, 2015	Feb 2008	-	1,683	0.3	82	2,940.20	2,940.20	1	100.0
A102	Lieto Court Nishi-Ojima	Koto-ku, Tokyo	Jul 16, 2015	Feb 2008	-	1,634	0.3	91	2,048.28	1,982.20	1	96.8
A103	Royal Parks Momozaka	Okasa, Osaka	Jan 22, 2016	Jun 2007	-	2,910	0.6	147	8,776.26	7,734.69	1	88.1
A104	Royal Parks Shinden	Adachi-ku, Tokyo	Mar 31, 2016	Jun 2007	-	5,024	1.0	248	15,797.29	15,797.29	1	100.0
A106	Royal Parks Seasir Minami-Serju	Arakawa-ku, Tokyo	Mar 14, 2017	Aug 2006	-	2,683	0.5	113	6,496.86	6,368.10	1	98.0
Subtotal of Residential						38,465	7.8	2,478	86,518.75	82,994.52	41	95.9

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

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

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

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

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

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

Property Number (Note 1)	Property Name	Address	Acquisition Date	Completion Date	Renovation Period (Hotel only)	Acquisition Price (JPY mn) (Note 2)	Investment Ratio (%) (Note 3)	Rentable Unit (Note 4)	Leasable Area (m ²) (Note 5)	Leased Area (m ²) (Note 5)	Total Number of Tenants	Occupancy Rate (%)
B18	AEON TOWN Sukagawa	Sukagawa, Fukushima	Feb 1, 2010	Oct 2005	-	2,320	0.5	1	18,440.58	18,440.58	1	100.0
	Subtotal of Commercial Facilities					2,320	0.5	1	18,440.58	18,440.58	1	100.0
D01	Hotel MyStays Kanda	Chiyoda-ku, Tokyo	May 23, 2014	Dec 2005	May-Aug 2016	2,851	0.6	126	2,585.72	2,585.72	1	100.0
D02	Hotel MyStays Asakusa	Sumida-ku, Tokyo	May 23, 2014	Jan 1990	2012 Nov-2012 Dec	2,584	0.5	161	3,327.38	3,327.38	1	100.0
D03	Hotel MyStays Kyoto-Shijo	Kyoto, Kyoto	Jul 17, 2014	Jan 2008	May-Jul 2018	6,024	1.2	224	7,241.51	7,241.51	1	100.0
D04	MyStays Shin- Urayasu Conference Center	Urayasu, Chiba	Jul 17, 2014	Mar 2009	Feb-Mar, May 2018	4,930	1.0	175	6,232.30	6,232.30	1	100.0
D05	Hotel MyStays Maihama	Urayasu, Chiba	Jul 17, 2014	Jun 2005	Jan-Apr, May-Jun 2018	4,870	1.0	90	2,456.36	2,456.36	1	100.0
D06	Hotel MyStays Premier Dojima	Osaka, Osaka	Jul 17, 2014	Aug 1990	2018 Jan-2018 Mar, 2018	3,845	0.8	153	9,445.32	9,445.32	1	100.0
D07	Hotel MyStays Nagoya-Sakae	Nagoya, Aichi	Jul 17, 2014	Nov 1979	Apr-Jun 2013	2,958	0.6	279	9,064.71	9,064.71	1	100.0
D08	Hotel MyStays Sakaisuji-Honmachi	Osaka, Osaka	Jul 17, 2014	Jul 2008	-	2,514	0.5	191	4,188.83	4,188.83	1	100.0
D09	Hotel MyStays Yokohama	Yokohama, Kanagawa	Jul 17, 2014	Oct 1974	Jun-Nov 2006, May-Jul 2019	2,119	0.4	194	7,379.43	7,379.43	1	100.0
D10	Hotel MyStays Nippori	Arakawa-ku, Tokyo	Jul 17, 2014	Apr 1987	Feb-Mar 2011	1,898	0.4	93	1,719.29	1,719.29	1	100.0
D11	Hotel MyStays Fukuoka-Tenjin-Minami	Fukuoka, Fukuoka	Jul 17, 2014	Feb 2008	-	1,570	0.3	178	3,412.71	3,412.71	1	100.0
D12	Flexstay Inn Iidabashi	Shinjuku-ku, Tokyo	Jul 17, 2014	Dec 1990	-	1,381	0.3	62	2,953.38	2,953.38	1	100.0
D13	Hotel MyStays Ueno Inaricho	Taito-ku, Tokyo	Jul 17, 2014	Dec 1986	Nov-Dec 2012	1,331	0.3	72	1,150.76	1,150.76	1	100.0
D14	Flexstay Inn Shinagawa	Shinagawa-ku, Tokyo	Jul 17, 2014	Oct 1986	2011 Nov-2011 Dec	1,242	0.3	55	1,134.52	1,134.52	1	100.0
D15	Flexstay Inn Tokiwadai	Itabashi-ku, Tokyo	Jul 17, 2014	Dec 1989	Mar 2013	1,242	0.3	130	2,539.75	2,539.75	1	100.0
D16	Flexstay Inn Sugamo	Toshima-ku, Tokyo	Jul 17, 2014	Jan 1992	Mar 2013	1,192	0.2	105	2,089.86	2,089.86	1	100.0
D17	Hotel MyStays Otamae	Osaka, Osaka	Jul 17, 2014	Dec 1986	Dec 2012-Jan 2013	1,192	0.2	112	4,956.66	4,956.66	1	100.0
D18	Hotel MyStays Kiyosumi Shirakawa	Koto-ku, Tokyo	Jul 17, 2014	May 1992	Jun-Sep 2019	749	0.2	58	2,673.64	2,673.64	1	100.0
D19	Flexstay Inn Nakanobu P1	Shinagawa-ku, Tokyo	Jul 17, 2014	Sep 1986	-	589	0.1	39	770.56	770.56	1	100.0
D20	Flexstay Inn Nakanobu P2	Shinagawa-ku, Tokyo	Jul 17, 2014	Mar 1989	-	283	0.1	22	391.49	391.49	1	100.0
D21	APA Hotel Yokohama-Kannai	Yokohama, Kanagawa	Feb 6, 2015	Apr 2005	Sep-Dec 2017	8,350	1.7	452	6,568.51	6,568.51	1	100.0
D22	Hotel MyStays Hakodate-Goryokaku	Hakodate, Hokkaido	Feb 6, 2015	Feb 2008	Feb-Apr 2018	2,792	0.6	211	7,961.26	7,961.26	1	100.0
D23	Flexstay Inn Shirogane	Minato-ku, Tokyo	Feb 6, 2015	Dec 1984	Mar 2013	2,119	0.4	84	1,754.06	1,754.06	1	100.0
D24	Hotel MyStays Haneda	Ota-ku, Tokyo	Jul 16, 2015	Apr 2001	Nov 2013-Aug 2014	7,801	1.6	174	5,400.16	5,400.16	1	100.0
D25	Hotel MyStays Kameido P1	Koto-ku, Tokyo	Jul 16, 2015	Mar 1991	Jan-Mar 2012	5,594	1.1	266	4,349.67	4,349.67	1	100.0
D26	Hotel MyStays Ueno Iriyaguchi	Taito-ku, Tokyo	Jul 16, 2015	Nov 1985	Jan-Mar 2014	3,821	0.8	97	2,247.92	2,247.92	1	100.0
D27	Hotel MyStays Kameido P2	Koto-ku, Tokyo	Jul 16, 2015	Mar 1991	Jan-Mar 2013	3,742	0.8	177	2,793.99	2,793.99	1	100.0
D28	Hotel MyStays Shimizu	Shizuoka, Shizuoka	Jul 16, 2015	Jan 2007	Feb-Mar 2019	2,198	0.4	152	3,559.81	3,559.81	1	100.0
D29	Super Hotel Shinbashi/ Karasumoriguchi	Minato-ku, Tokyo	Jul 16, 2015	Feb 2008	Oct-Dec 2018	1,624	0.3	74	1,403.89	1,403.89	1	100.0
D30	Flexstay Inn Higashi-Jujo	Kita-ku, Tokyo	Jul 16, 2015	Jun 1986	Mar 2013	1,277	0.3	89	1,714.53	1,714.53	1	100.0
D31	Hotel MyStays Utsunomiya	Utsunomiya, Tochigi	Jul 16, 2015	Jan 1990	Nov 2013-Jan 2014	1,237	0.3	125	11,733.23	11,733.23	1	100.0
D32	Flexstay Inn Kawasaki-Kaizuka	Kawasaki, Kanagawa	Jul 16, 2015	Apr 1990	Jan-Mar 2014	980	0.2	64	1,190.57	1,190.57	1	100.0
D33	Comfort Hotel Toyama	Toyama, Toyama	Jul 16, 2015	Mar 2007	-	979	0.2	150	3,305.64	3,305.64	1	100.0
D34	Flexstay Inn Kawasaki-Ogawacho	Kawasaki, Kanagawa	Jul 16, 2015	Apr 1989	Feb-Mar 2014	906	0.2	62	725.60	725.60	1	100.0
D35	Flexstay Inn Ekoda	Nerima-ku, Tokyo	Aug 28, 2015	Jan 1989	Jan-Mar 2013	5,069	1.0	210	3,932.93	3,932.93	1	100.0
D36	Super Hotel Tokyo-JR Tachikawa Kitaguchi	Tachikawa, Tokyo	Aug 28, 2015	Nov 2007	Mar 2018	1,170	0.2	96	1,832.97	1,832.97	1	100.0
D37	Super Hotel JR Ueno-iriaguchi	Taito-ku, Tokyo	Aug 28, 2015	Mar 2006	-	1,130	0.2	69	1,279.16	1,279.16	1	100.0
D38	Hotel MyStays Shinsaibashi	Osaka, Osaka	Jan 22, 2016	Sep 1984	Jan-Mar 2015	3,160	0.6	57	1,942.01	1,942.01	1	100.0
D39	Comfort Hotel Kurosaki	Kitakyusyu, Fukuoka	Jan 22, 2016	Feb 2009	-	1,148	0.2	151	3,207.60	3,207.60	1	100.0
D40	Comfort Hotel Maebashi	Maebashi, Gunma	Jan 22, 2016	Mar 2009	-	1,128	0.2	154	3,660.96	3,660.96	2	100.0

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

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

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

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

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

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

Property Number (Note 1)	Property Name	Address	Acquisition Date	Completion Date	Renovation Period (Hotel only)	Acquisition Price (JPY mn) (Note 2)	Investment Ratio (%) (Note 3)	Rentable Unit (Note 4)	Leasable Area (m ²) (Note 5)	Leased Area (m ²) (Note 5)	Total Number of Tenants	Occupancy Rate (%)
D41	Comfort Hotel Tsubamesanjo	Sanjo, Niigata	Jan 22, 2016	Jun 2007	-	1,010	0.2	133	3,099.90	3,099.90	2	100.0
D42	Comfort Hotel Kitami	Kitami, Hokkaido	Jan 22, 2016	Mar 2008	-	851	0.2	127	3,009.50	3,009.50	1	100.0
D43	Hotel MyStays Gotanda Station	Shinagawa-ku, Tokyo	Mar 31, 2016	Mar 1974, Aug 1984	Mar-Nov 2015, Jun-Oct 2017	26,523	5.4	386	10,137.88	10,137.88	1	100.0
D44	Hotel Epinard Nasu	Nasu-gun, Tochigi	Mar 31, 2016	Feb 1992, Jun 1995	Apr-Jun 2014, Jan-Apr 2015, Jan-Jul 2017, Jan-Feb 2020	21,002	4.3	310	37,702.33	37,702.33	1	100.0
D45	Hotel MyStays Fukuoka Tenjin	Fukuoka, Fukuoka	Mar 31, 2016	Aug 2008	Jan-May 2020	8,059	1.6	218	5,083.06	5,083.06	1	100.0
D46	Hotel MyStays Hamamatsucho	Minato-ku, Tokyo	Mar 31, 2016	Oct 2008	Jan-Mar 2020	7,959	1.6	105	1,951.90	1,951.90	1	100.0
D47	Hotel MyStays Premier Kanazawa	Kanazawa, Ishikawa	Jun 15, 2016	Oct 2014	-	13,761	2.8	262	13,250.03	13,250.03	1	100.0
D48	Takamatsu Tokyu REI Hotel	Takamatsu, Kagawa	Jun 15, 2016	Apr 1982	Jan 2016, Dec 2016, Dec 2017-Jan 2018, Dec 2018	2,139	0.4	193	7,148.17	6,847.11	2	95.8
D49	Hotel MyStays Premier Hamamatsucho	Minato-ku, Tokyo	May 29, 2017	Jun 1994	Aug-Nov 2016	8,000	1.6	134	6,151.93	6,151.93	1	100.0
D50	Hotel MyStays Shin Osaka Conference Center	Osaka, Osaka	Oct 13, 2017	Jun 1974	Nov 2015-Mar 2016	13,068	2.7	397	13,026.99	13,026.99	1	100.0
D51	Hotel MyStays Premier Omori	Shinagawa-ku, Tokyo	Oct 13, 2017	Feb 1995	Aug-Nov 2016	9,781	2.0	256	11,849.61	11,849.61	1	100.0
D52	Kamenoi Hotel Beppu	Beppu, Oita	Oct 13, 2017	May 1997	May-Jul 2015	8,870	1.8	323	19,422.08	19,422.08	1	100.0
D53	Hotel MyStays Sapporo Station	Sapporo, Hokkaido	Oct 13, 2017	Oct 2007	Oct-Dec 2019, Mar-May 2020	7,880	1.6	243	7,267.88	7,267.88	1	100.0
D54	Hotel MyStays Yokohama Kannai	Yokohama, Kanagawa	Feb 7, 2018	Aug 2016	-	5,326	1.1	166	4,501.18	4,501.18	1	100.0
D55	Art Hotel Joetsu	Joetsu, Niigata	Feb 7, 2018	Nov 1993	-	2,772	0.6	198	7,563.60	7,563.60	1	100.0
D56	Art Hotel Hirosaki City	Hirosaki, Aomori	Feb 7, 2018	Aug 1989	Mar 2008	2,723	0.6	158	14,826.30	14,826.30	1	100.0
D57	Hotel MyStays Oita	Oita, Oita	Feb 7, 2018	Jul 2007	-	1,604	0.3	145	3,254.69	3,254.69	1	100.0
D58	Hotel MyStays Gotanda	Shinagawa-ku, Tokyo	Jun 27, 2018	Jun 1988	Aug 2016	4,068	0.8	110	1,839.77	1,839.77	1	100.0
D59	Hotel MyStays Tachikawa	Tachikawa-shi, Tokyo	Jun 27, 2018	May 1991	Apr-Jun 2016	3,257	0.7	123	3,844.64	3,844.64	1	100.0
D60	Hotel MyStays Premier Akasaka	Minato-ku, Tokyo	Aug 2, 2018	Jun 2016	-	20,691	4.2	328	8,620.69	8,620.69	1	100.0
D61	Hotel MyStays Premier Sapporo Park	Sapporo-shi, Hokkaido	Aug 2, 2018	Mar 1998	Nov 2017-Apr 2018	16,731	3.4	419	21,670.64	21,670.64	1	100.0
D62	Hotel MyStays Ueno East	Taito-ku, Tokyo	Aug 2, 2018	Sep 1991	Dec 2015-May 2016	5,286	1.1	150	4,396.02	4,396.02	1	100.0
D63	Hotel MyStays Midosuji Honmachi	Osaka-shi, Osaka	Aug 2, 2018	Oct 2017	-	5,039	1.0	109	3,429.43	3,429.43	1	100.0
D64	Hotel MyStays Sapporo Aspen	Sapporo, Hokkaido	Jul 19, 2019	Dec 1995	Mar-Jun 2017	15,543	3.2	307	15,313.17	15,313.17	1	100.0
D65	Art Hotel Ishigakijima	Ishigaki, Okinawa	Jul 19, 2019	Jan 1984	Oct 2016-May 2017	9,731	2.0	245	17,247.54	17,247.54	1	100.0
D66	Hotel MyStays Fuji Onsen Resort	Fujiyoshida, Yamanashi	Jul 19, 2019	Nov 2016	-	9,405	1.9	159	5,498.49	5,498.49	1	100.0
D67	Hotel Sonia Otaru	Otaru, Hokkaido	Jul 19, 2019	Apr 1992, Mar 1998, Nov 2018	Oct 2016-May 2017	5,930	1.2	149	6,509.41	6,509.41	1	100.0
D68	Hotel MyStays Kanazawa Castle	Kanazawa, Ishikawa	Jul 19, 2019	Jun 1982, Feb 1991, Jan 1997	Nov 2015-Mar 2016	5,682	1.2	208	5,931.84	5,931.84	1	100.0
D69	Art Hotel Niigata Station	Niigata, Niigata	Jul 19, 2019	Apr 1985	May-Aug 2007	5,524	1.1	304	10,403.01	10,403.01	1	100.0
D70	Hotel MyStays Nagoya Nishiki	Nagoya, Aichi	Jul 19, 2019	Mar 1974	May 2017-Jul 2018	5,197	1.1	172	6,077.99	6,077.99	1	100.0
D71	Hotel Nord Otaru	Otaru, Hokkaido	Jul 19, 2019	Mar 1996	Nov 2016-Apr 2017	4,296	0.9	98	6,047.43	6,047.43	1	100.0
D72	Hotel MyStays Kagoshima Tenmonkan	Kagoshima, Kagoshima	Jul 19, 2019	Sep 1990	Jan-Apr 2018	3,445	0.7	197	7,659.55	7,659.55	2	100.0
D73	Art Hotel Asahikawa	Asahikawa, Hokkaido	Jul 19, 2019	Oct 1987	Dec 2017-Jan 2018	3,197	0.7	266	25,131.84	25,131.84	1	100.0
D74	Hotel MyStays Matsuyama	Matsuyama, Ehime	Jul 19, 2019	Jul 2000	May-Jul 2018	3,098	0.6	163	8,274.37	8,274.37	1	100.0

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

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

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

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

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

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

Property Number (Note 1)	Property Name	Address	Acquisition Date	Completion Date	Renovation Period (Hotel only)	Acquisition Price (JPY mn) (Note 2)	Investment Ratio (%) (Note 3)	Rentable Unit (Note 4)	Leasable Area (m ²) (Note 5)	Leased Area (m ²) (Note 5)	Total Number of Tenants	Occupancy Rate (%)
D75	Hotel MyStays Sapporo Susukino	Sapporo, Hokkaido	Jul 19, 2019	May 1981	Apr-Jul 2018	3,059	0.6	105	2,853.26	2,853.26	1	100.0
D76	Hotel MyStays Sapporo Nakajima Park	Sapporo, Hokkaido	Jul 19, 2019	Feb 1991	Jan-May 2016	2,118	0.4	86	5,473.41	5,473.41	1	100.0
D77	Hotel MyStays Sapporo Nakajima Park Annex	Sapporo, Hokkaido	Jul 19, 2019	Sep 1991	Mar-Jun 2017	1,584	0.3	80	1,775.21	1,775.21	1	100.0
D78	Flexstay Inn Sakuragicho	Yokohama, Kanagawa	Jul 19, 2019	Nov 1991	Jul-Sep 2016	1,425	0.3	70	1,308.61	1,308.61	1	100.0
D79	MyCUBE by MYSTAYS Asakusa Kuramae	Taito-ku, Tokyo	Jul 19, 2019	Sep 1991	Nov 2015-May 2016 (Note 7)	1,287	0.3	162	2,156.70	2,156.70	1	100.0
D80	Hotel MyStays Kagoshima Tenmonkan Annex	Kagoshima, Kagoshima	Jul 19, 2019	Feb 1985	Feb-Apr 2018	1,168	0.2	74	2,047.70	2,047.70	1	100.0
D81	Hotel MyStays Nayoro	Nayoro, Hokkaido	Jul 19, 2019	Nov 2014	-	957	0.2	70	1,985.27	1,985.27	1	100.0
D82	Hotel MyStays Premier Narita	Narita, Chiba	Jan 6, 2020	May 1985	Aug 2017-Jan 2018	10,593	2.2	713	36,519.70	36,519.70	1	100.0
D83	Art Hotel Morioka	Morioka, Iwate	Jan 6, 2020	Mar 1981	Dec 2018-Apr 2019	5,643	1.1	217	16,727.08	16,727.08	1	100.0
D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	Grand Cayman	May 9, 2019	1994	May 2016-Oct 2017	30,061	6.1	346	21,528.23	21,528.23	1	100.0
D201	Sunshine Suites Resort	Grand Cayman	May 9, 2019	1999	2016 Oct	5,842	1.2	131	6,723.11	6,723.11	1	100.0
-	Sheraton Grande Tokyo Bay Hotel (preferred equity interest)	Urayasu-shi, Chiba	Oct 13, 2017	Mar 1988	Sep 2014-Jul 2015, Sep-Nov 2021	17,845	3.6	-	-	-	-	-
Subtotal of Hotels						450,631	91.7	14,748	572,519.79	572,218.73	89	99.9
Total						491,416	100.0	17,227	677,479.12	673,653.83	131	99.4

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

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

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

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

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

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

Borrowings

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
New Syndicate Loan (H)	Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation	3,565	Floating interest rate	JPY 1 month TIBOR +0.70000%	October 13, 2017	October 13, 2023
	Sumitomo Mitsui Trust Bank, Limited	3,560	Floating interest rate	JPY 1 month TIBOR +0.80000%	October 13, 2017	October 11, 2024
New Syndicate Loan (J)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited Citibank, N.A., Tokyo Branch Development Bank of Japan, Inc. Resona Bank, Limited AEON Bank, Ltd. The Nomura Trust and Banking Co., Ltd.	13,119	Floating interest rate	JPY 1 month TIBOR +0.50000%	September 26, 2018	September 26, 2023
New Syndicate Loan (K)	Aozora Bank, Ltd The Nishi-Nippon City Bank, Ltd. The Tochigi Bank, Ltd.	2,401	Fixed interest rate (swap)	0.59400% ¹	March 29, 2019	March 29, 2024
	Kiraboshi Bank, Ltd.	961	Floating interest rate	JPY 1 month TIBOR +0.80000%	March 29, 2019	March 29, 2029
New Syndicate Loan (M)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Citibank, N.A., Tokyo Branch SBI Shinsei Bank, Limited Resona Bank, Limited.	5,796	Fixed interest rate (swap)	0.49859% ¹	July 16, 2019	January 16, 2024
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Citibank, N.A., Tokyo Branch SBI Shinsei Bank, Limited	5,796	Fixed interest rate (swap)	0.56310% ¹	July 16, 2019	July 16, 2024
	Mizuho Bank, Ltd. MUFG Bank, Ltd.	5,796	Floating interest rate	JPY 1 month TIBOR +0.55000%	July 16, 2019	January 16, 2025
	Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited	5,795	Floating interest rate	JPY 1 month TIBOR +0.70000%	July 16, 2019	July 16, 2025

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

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

Borrowings and Investment Corporation Bonds (2/7) *As of August 24, 2023

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
New Syndicate Loan (L)	Mizuho Bank, Ltd., MUFG Bank, Ltd.	4,805	Fixed interest rate (swap)	0.52473% ¹	July 19, 2019	January 16, 2024
	Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited, Citibank, N.A., Tokyo Branch, Development Bank of Japan Inc., Aozora Bank, Ltd., The Nomura Trust and Banking Co., Ltd. AEON Bank, Ltd.,	4,943	Fixed interest rate (swap)	0.57984% ¹	July 19, 2019	July 16, 2024
		4,943	Floating interest rate	JPY 1 month TIBOR +0.55000%	July 19, 2019	January 16, 2025
		4,942	Floating interest rate	JPY 1 month TIBOR +0.70000%	July 19, 2019	July 16, 2025
Term Loan (L)	Tokyo Star Bank, Limited	700	Floating interest rate	JPY 1 month TIBOR +0.70000%	July 22, 2019	July 16, 2025
New Syndicate Loan (N)	Mizuho Bank, Ltd. The San ju San Bank, Ltd.	3,544	Fixed interest rate (swap)	0.46219% ¹	August 28, 2019	January 16, 2024
New Syndicate Loan (O)	The San ju San Bank, Ltd.	1,700	Fixed interest rate (swap)	0.48590% ¹	October 15, 2019	April 15, 2024
		1,000	Floating interest rate	JPY 1 month TIBOR +0.55000%	October 15, 2019	April 15, 2025
	The Nishi-Nippon City Bank, Ltd.	1,000	Floating interest rate	JPY 1 month TIBOR +0.70000%	October 15, 2019	October 15, 2025
New Syndicate Loan (P)	Sumitomo Mitsui Trust Bank, Limited Momiji Bank, Ltd. The Kiyo Bank	4,491	Fixed interest rate (swap)	0.64291% ¹	January 6, 2020	January 6, 2025
New Syndicate Loan (Q)	Mizuho Bank, Ltd. Development Bank of Japan Inc. Resona Bank, Limited The Nomura Trust and Banking Co., Ltd. The Shizuoka Bank, Ltd. The Bank of Fukuoka, Ltd. The Yamaguchi Bank, Ltd.	3,211	Fixed interest rate (swap)	0.48700% ¹	March 16, 2020	March 16, 2025
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited Resona Bank, Limited Aozora Bank, Ltd. The Nomura Trust and Banking Co., Ltd. The Shizuoka Bank, Ltd. The Yamaguchi Bank, Ltd. The Chukyo Bank, Ltd. The Kagawa Bank, Ltd.	6,921	Floating interest rate	JPY 1 month TIBOR +0.50000%	March 30, 2020	March 16, 2025

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

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

Borrowings and Investment Corporation Bonds (3/7) *As of August 24, 2023

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
Term Loan (W)	The Tokyo Star Bank, Limited	1,582	Floating interest rate	JPY 1 month TIBOR +0.35000%	July 20, 2021	July 20, 2024
Term Loan (005)	The Tokyo Star Bank, Limited	600	Floating interest rate	JPY 1 month TIBOR +0.35000%	July 20, 2022	July 20, 2025
Term Loan (006)	Sumitomo Mitsui Banking Corporation	3,000	Floating interest rate	JPY 1 month TIBOR +0.25000%	September 14, 2022	September 14, 2023
New Syndicate Loan (004)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Citibank, N.A., Tokyo Branch SBI Shinsei Bank, Limited Development Bank of Japan, Inc. Resona Bank, Limited The Nomura Trust and Banking Co., Ltd.	13,209	Floating interest rate	JPY 1 month TIBOR +0.25000%	September 26, 2022	September 26, 2023
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited Development Bank of Japan, Inc. Resona Bank, Limited	11,019	Floating interest rate	JPY 1 month TIBOR +0.25000%	September 27, 2022	September 26, 2023
	Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Citibank, N.A., Tokyo Branch SBI Shinsei Bank, Limited Development Bank of Japan, Inc. Resona Bank, Limited The Bank of Fukuoka, Ltd.	4,343	Floating interest rate	JPY 1 month TIBOR +0.25000%	October 13, 2022	September 26, 2023
Term Loan (007)	Citibank, N.A., Tokyo Branch	1,256	Floating interest rate	JPY 1 month TIBOR +0.25000%	September 27, 2022	September 26, 2023
Term Loan (008)	The Tokyo Star Bank, Limited	1,190	Floating interest rate	JPY 1 month TIBOR +0.50000%	October 13, 2022	October 13, 2027
Term Loan (009)	Mizuho Bank, Ltd.	4,321	Floating interest rate	JPY 1 month TIBOR +0.25000%	November 29, 2022	November 29, 2023
Term Loan (010)	Sumitomo Mitsui Trust Bank, Limited	1,550	Floating interest rate	JPY 1 month TIBOR +0.25000%	January 6, 2023	January 24, 2024

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

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

Borrowings and Investment Corporation Bonds (4/7) *As of August 24, 2023

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
New Syndicate Loan (006)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Citibank, N.A., Tokyo Branch SBI Shinsei Bank, Limited Development Bank of Japan, Inc. Resona Bank, Limited. The Nomura Trust and Banking Co., Ltd.	10,408	Floating interest rate	JPY 1 month TIBOR +0.25000%	January 16, 2023	January 16, 2024
Term Loan (011)	MUFG Bank, Ltd.	1,700	Floating interest rate	JPY 1 month TIBOR +0.25000%	January 24, 2023	January 24, 2024
Term Loan (012)	Sumitomo Mitsui Trust Bank, Limited	6,800	Floating interest rate	JPY 1 month TIBOR +0.25000%	January 24, 2023	January 24, 2024
New Syndicate Loan (007)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited SBI Shinsei Bank, Limited Development Bank of Japan, Inc. The Nomura Trust and Banking Co., Ltd. The Shizuoka Bank, Ltd. The Bank of Fukuoka, Ltd.	4,519	Floating interest rate	JPY 1M TIBOR +0.25000%	March 14, 2023	March 14, 2024
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc.	7,521	Floating interest rate	JPY 3M TIBOR +0.35000%	March 14, 2023	March 14, 2026
	MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	194	Floating interest rate	JPY 1M TIBOR +0.25000%	March 16, 2023	March 14, 2024
		1,746	Floating interest rate	JPY 3M TIBOR +0.35000%	March 16, 2023	March 14, 2026
Term Loan (013)	Development Bank of Japan, Inc.	1,000	Floating interest rate	JPY 3M TIBOR +0.30000%	June 19, 2023	June 19, 2026
Term Loan (014)	MUFG Bank, Ltd.	500	Floating interest rate	JPY 3M TIBOR +0.30000%	June 27, 2023	June 27, 2026
Term Loan (015)	SBI Shinsei Bank, Limited	1,000	Floating interest rate	JPY 1M TIBOR +0.25000%	June 27, 2023	June 27, 2024

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

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

Borrowings and Investment Corporation Bonds (5/7) *As of August 24, 2023

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
New Syndicate Loan (009)	SBI Shinsei Bank, Limited	1,110	Floating interest rate	JPY 1M TIBOR +0.20000%	July 14, 2023	July 16, 2024
	Mizuho Bank, Ltd.	951	Floating interest rate	JPY 1M TIBOR +0.30000%	July 14, 2023	July 16, 2026
	MUFG Bank, Ltd.	3,774	Floating interest rate	JPY 3M TIBOR +0.30000%	July 14, 2023	July 16, 2026
	Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited		Floating interest rate	JPY 3M TIBOR +0.50000%	July 14, 2023	July 14, 2028
	SBI Shinsei Bank, Limited Resona Bank, Limited	6,848	Floating interest rate	JPY 1M TIBOR +0.20000%	July 19, 2023	July 16, 2024
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc.	5,168	Floating interest rate	JPY 1M TIBOR +0.30000%	July 19, 2023	July 16, 2026
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan, Inc.	18,858	Floating interest rate	JPY 3M TIBOR +0.30000%	July 19, 2023	July 16, 2026
	Development Bank of Japan, Inc. The Ogaki Kyoritsu Bank, Ltd.	18,858	Floating interest rate	JPY 3M TIBOR +0.50000%	July 19, 2023	July 14, 2028

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

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

Borrowings and Investment Corporation Bonds (6/7) *As of August 24, 2023

Name	Lender	Borrowing Amount (JPY million)	Fixed / Floating	Interest Rate	Borrowing Date	Maturity Date
New Syndicate Loan (010)	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited	3,086	Floating interest rate	JPY 1M TIBOR +0.20000%	August 1, 2023	August 1, 2024
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited The Tokyo Star Bank, Limited Aozora Bank, Ltd.	9,195	Floating interest rate	JPY 3M TIBOR +0.30000%	August 1, 2023	July 16, 2026
	Mizuho Bank, Ltd. MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Development Bank of Japan Inc. The Tokyo Star Bank, Limited Aozora Bank, Ltd. The Ogaki Kyoritsu Bank, Ltd.	17,574	Floating interest rate	JPY 3M TIBOR +0.50000%	August 1, 2023	July 14, 2028
	Subtotal of Short Term Debt	71,703				
	Subtotal of Long Term Debt	183,943				
	Total Debt	255,646				

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

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

Investment Corporation Bonds

Name	Issue Date	Issue Amount (JPY million)	Interest	Term	Redemption Date	Rating
2nd series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	May 25, 2018	1,000	0.800% p.a.	10 years	May 25, 2028	A (JCR)
3rd series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	October 12, 2018	2,000	0.550% p.a.	5 years	October 12, 2023	A (JCR)
4th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	October 28, 2019	1,000	0.480% p.a.	5 years	October 28, 2024	A (JCR)
5th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	October 28, 2019	2,000	0.900% p.a.	10 years	October 26, 2029	A (JCR)
6th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	March 13, 2020	1,200	0.850% p.a.	10 years	March 13, 2030	A (JCR)
7th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	May 25, 2023	5,000	1.000% p.a.	3 years	May 25, 2026	A (JCR)
8th series unsecured corporate bonds (with pari passu conditions among specified corporate bonds)	May 25, 2023	1,200	1.200% p.a.	5 years	May 25, 2028	A (JCR)
Total		13,400				

As of December 31, 2022

As of June 30, 2022

Major Unitholders (TOP 10)

	Name	Number of units held	(%)
1	The Master Trust Bank of Japan, Ltd. (trust account)	1,314,270	21.55
2	Custody BANK of Japan, Ltd. (trust account)	998,933	16.38
3	The Nomura Trust and Banking Co., Ltd. (investment trust account)	309,821	5.08
4	DEUTSCHE BANK AG, SINGAPORE A/C CLIENTS (TREATY)	195,692	3.20
5	STICHTING PENSIOENFONDS ZORG EN WELZIJN	153,784	2.52
6	SSBTC CLIENT OMNIBUS ACCOUNT	128,746	2.11
7	JP MORGAN CHASE BANK 380055	122,453	2.00
8	FJODF GP INV HOLDINGS LLC	115,931	1.90
9	STATE STREET BANK AND TRUST COMPANY 505223	101,124	1.65
10	STATE STREET BANK WEST CLIENT - TREATY 505234	97,923	1.60
Total		3,538,677	58.04

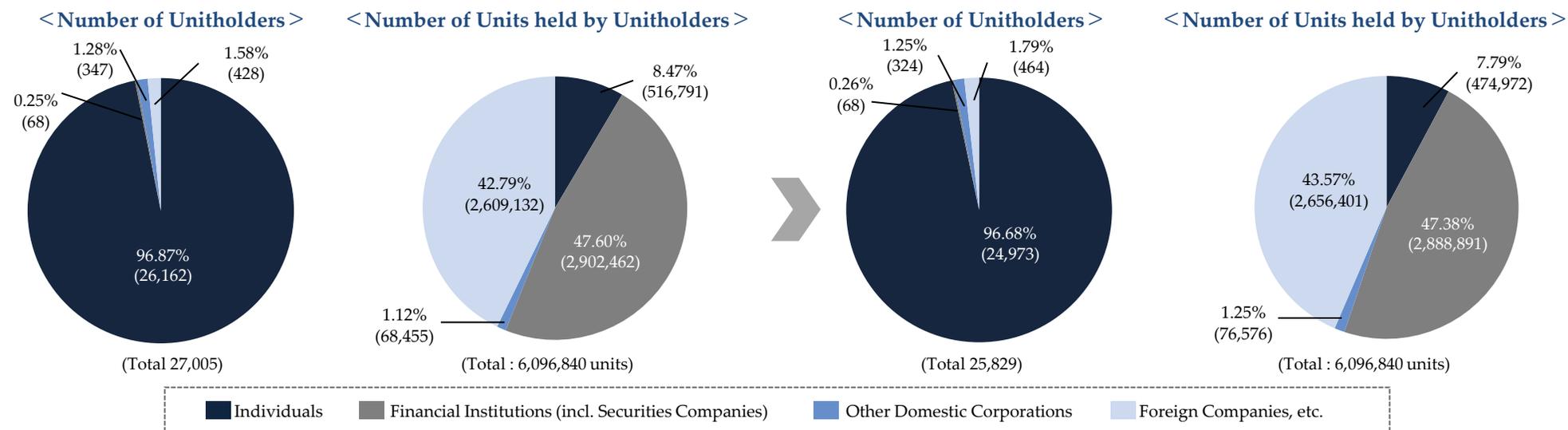
	Name	Number of units held	(%)
1	The Master Trust Bank of Japan, Ltd. (trust account)	1,263,502	20.72
2	Custody BANK of Japan, Ltd. (trust account)	1,003,175	16.45
3	The Nomura Trust and Banking Co., Ltd. (investment trust account)	310,170	5.08
4	DEUTSCHE BANK AG, SINGAPORE A/C CLIENTS (TREATY) 4600601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

*Percentages are rounded down to the second decimal place

Issued investment units: 6,096,840

Issued investment units: 6,096,840

Unitholders Composition



*Percentages are rounded down to second decimal place

Unit Price Information



Source: TSE and Bloomberg

(Note 1) It shows the change in the price from January 4, 2013 until July 31, 2023

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

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INQUIRIES:

Consonant Investment Management Co., Ltd. (Asset Manager of INV)

Tel. +81-3-5411-2731

