

FP 23 Semi-Annual Report

From November 1, 2025 to April 30, 2026

Securities Code 3309
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<https://sekisuihouse-reit.co.jp/en/>

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Outline of Asset Management Operation

1. Overview of the Fiscal Period under Review

(1) Major Developments of the Investment Corporation

Sekisui House Reit, Inc. ("SHR") was established on September 8, 2014 as an investment corporation investing primarily in commercial properties including office buildings, hotels and retail and other properties, sponsored by Sekisui House, Ltd. ("Sekisui House"), a leading homebuilder representing Japan with an established development and management track record also in the property development business. SHR was listed on the Real Estate Investment Trust Section of the Tokyo Stock Exchange, Inc. ("Tokyo Stock Exchange") on December 3, 2014 (securities code: 3309).

Sekisui House Residential Investment Corporation ("SHI", and collectively with SHR, the "Two Investment Corporations") was established on April 20, 2005 as an investment corporation investing primarily in residences and retail properties, with the corporate name of JOINT REIT Investment Corporation, and listed on the Real Estate Investment Trust Section of the Tokyo Stock Exchange on July 28, 2005. In March 2010, a collaboration system was established with Sekisui House serving as the main sponsor and Spring Investment Co., Ltd. as joint sponsor for the investment corporation, which was renamed from JOINT REIT Investment Corporation to Sekisui House SI Investment Corporation in June 2010. Later, in June 2014, its Articles of Incorporation were revised to set residences as the sole target of investment, and the corporate name was changed to Sekisui House SI Residential Investment Corporation. Subsequently, in association with the shift to a structure in which Sekisui House serves as the sole sponsor in March 2017, SHI was renamed to Sekisui House Residential Investment Corporation in June 2017.

The Two Investment Corporations, each under the support of the Sekisui House Group^(Note 1), had separately conducted asset management to expand their assets and secure stable returns by utilizing their respective strengths with the aim of continuous enhancement of unitholder value. However, intending to secure strong returns and stability and growth of cash distributions through promoting a steady increase of assets under management and endeavor to maximize unitholder value by further expanding the scale of their assets and increasing their market presence and expanding a variety of opportunities for growth through utilizing the integrated corporate strength of the Sekisui House Group, the Two Investment Corporations conducted an absorption-type merger with SHR as the surviving corporation and SHI as the dissolving corporation (the "Investment Corporation Merger"), setting May 1, 2018 as the effective date^(Note 2).

SHR's investment policy is to conduct asset management that seeks to secure stable earnings over the medium to long term and steady growth of its investment assets, with residential properties^(Note 3) and commercial properties^(Note 4) as major investment targets.

In addition to pursuing stable growth in Japan, SHR determined that capturing proactive growth overseas (U.S.) by acquiring urban rental housing located in the U.S. and developed by Sekisui House would help to maximizing unitholder value. Accordingly, SHR acquired two U.S. residential properties by investing in four LLCs that own these assets.

(Note 1) "Sekisui House Group" refers to a group of companies comprised of Sekisui House, its consolidated subsidiaries, and its affiliates accounted for by the equity method. The same applies hereinafter.

(Note 2) In association with the Investment Corporation Merger, Sekisui House Asset Management, Ltd. (the "former SHA"), the asset management company for SHI, and Sekisui House Asset Management, Ltd. (former name: Sekisui House Investment Advisors, Ltd.) ("SHA"), the asset management company for SHR, carried out an absorption-type merger as of the same date as the effective date of the Investment Corporation Merger, with SHA being the surviving company and the former SHA being the dissolving company, and changed the company name to the current one.

(Note 3) "Residential properties" refer to real estate whose principal use is residence (including student dormitories, company housing, serviced apartments (*), serviced housing for the elderly, and paid nursing homes). The same applies hereinafter.

(*) "Serviced apartments" refer to furnished residences with appliances where a dedicated operator provides certain services to users.

(Note 4) "Commercial properties" refer to real estate whose principal use is for office buildings, hotels and retail and other properties and other non-residential business purposes. The same applies hereinafter.

(2) Operation Environment and Operation Performance

a. Operation Environment

During the fiscal period under review, the Japanese economy has been recovering moderately, although it is necessary to monitor the impact of the situation in the Middle East.

Under these circumstances, although the momentum of population inflows to major urban areas, previously driven by improvements in the employment environment, has begun to diminish, new supply has dropped sharply, and tight supply and demand conditions for residential properties in the domestic real estate leasing market are continuing due to structural labor shortages and rising material costs. The effects of efforts to increase rents at the time of tenant turnover and contract renewals expanded, and rents continued to rise across all property types. As for office buildings, despite new supply, activity has intensified in Tokyo's five central wards as companies pursue location improvements and expansion relocations, and demand growth sustained the downward trend in vacancy rates. Rent levels continued to rise, particularly in major central Tokyo areas. In central Osaka too, although there was new supply, vacancy rates are trending downward due to steady demand and rent levels continue to trend upward, particularly for high grade properties with excellent transportation convenience.

Furthermore, in the domestic real estate transaction market, an accommodative financial environment has been maintained despite rising interest rates, and expected yields continued to remain at low levels against the backdrop of a very strong investment appetite among real estate investors for high-quality domestic properties.

In the fiscal period under review, the U.S. economy is achieving stable growth, although uncertainty about the outlook remains due to inflationary pressure from factors such as rising energy prices accompanying heightened tensions in the Middle East and higher U.S. interest rates, while the employment environment and income levels have generally remained firm.

Under these circumstances, regarding residential properties in the U.S. real estate leasing market, as population inflows continue, particularly in urban areas where employment opportunities are concentrated, leasing demand has remained firm in major metropolitan areas, including Seattle and Washington, D.C., against the backdrop of restrained new supply due to rising construction costs and interest rates. As a result, occupancy rates have remained high, particularly for high-class properties.

Regarding the U.S. real estate transaction market, due to the adjustment of real estate prices triggered by the monetary tightening policy since March 2022, and the continued high-interest-rate environment even now, SHR believes the situation in which expected yields stay at a level that allows SHR to consider acquisitions for the time being.

b. Operation Performance

Under the circumstances described in "(ii) Operation Environment" above, SHR conducted asset replacement with disposition of 12 residential properties and one office building property (10/100 of the ownership share) and acquisition of 9 residential properties, with the aim of improving the profitability of its portfolio and securing stable earnings.

As of the end of the fiscal period under review, the number of properties (including overseas properties) that SHR owned was 138 (comprising 133 residential properties and 5 commercial properties) with an aggregate acquisition price ^(Note) of 561,102 million yen (480,752 million yen for residential properties and 80,350 million yen for commercial properties).

Moreover, the occupancy rate of SHR's investment assets as of the end of the fiscal period under review stood at 95.8% for residential properties, 100.0% for commercial properties and 96.2% for the entire portfolio against the backdrop of the real estate leasing market as described above.

(Note) The "acquisition price" indicates the transaction price shown in the sales agreements for respective properties (excluding consumption tax, local consumption tax and commission and other various expenses, rounded down to the nearest million yen). For properties SHR succeeded from SHI through the Investment Corporation Merger, however, the value based on the appraisal by real estate appraisers with April 30, 2018 as the appraisal date is used as the acquisition price, because the acceptance price should be the appraisal value upon the acquisition by SHR as such properties are accounted for by the purchase method with SHR set as the acquiring corporation and SHI as the acquired corporation. In addition, for overseas real estate, the exchange rate at the time of acquisition or the average exchange rate are used to convert the value to yen. The same applies hereinafter.

(3) Overview of Fund Procurement

a. Borrowing of Funds

To repay borrowings totaling 28,290 million yen that came due during the fiscal period under review, SHR conducted refinancing in that same amount by securing loans. Also, to partially fund the acquisition of domestic real estate trust beneficiary interests (Prime Maison Yoga Kinuta Park and 6 other properties) announced on December 15, 2025 and to pay a portion of the related expenses, total borrowings of 15,000 million yen were secured on February 2, 2026. In addition, to partially fund the acquisition of domestic real estate trust beneficiary interests (Esty Maison Kawaguchi) announced on February 26, 2026 and to pay a portion of the related expenses, total borrowings of 2,590 million yen were secured on March 5, 2026. Of the total refinancing amount of 28,290 million yen, 4,510 million yen, together with the 15,000 million yen in borrowings secured on February 2, 2026 was procured through green loans within the scope of eligible green debt based on the Green Finance Framework established by SHR in 2022. Furthermore, of the total refinancing amount of 28,290 million yen, 9,200 million yen was procured in the form of a sustainability-linked loan based on the Green and Sustainability-Linked Finance Framework established by MUFG Bank, Ltd, a first for SHR. As a result, the balance of interest-bearing debt as of the end of the fiscal period under review is 284,032 million yen and the ratio of total interest-bearing debt to total assets ("LTV (total assets basis)") is 48.4%.

b. Credit Ratings

The following table sets forth the status of credit ratings of SHR as of the end of the fiscal period under review.

Credit rating agency	Rating type
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating: AA Rating outlook: Stable
Japan Credit Rating Agency, Ltd. (JCR)	Bond rating: AA
Rating and Investment Information, Inc. (R&I)	Issuer rating: AA- Rating outlook: Stable

(4) ESG Initiatives

a. Overview of the Fiscal Period under Review

SHR has identified materiality relating to sustainability initiatives through our business activities and is advancing measures for resolving each of those issues. During the fiscal period under review, SHA's environmental management system (EMS) received Eco-Action 21 certification and registration.

Also, in relation to "Conservation of Natural Capital, Coexistence of Humankind and Nature, and Initiatives for Environmental Resources" which are SHR's materiality topics, collection boxes for unwanted items were installed in the common areas of some domestic residential properties. Through this initiative, SHR is creating opportunities to reuse and recycle some of the clothing, miscellaneous goods, and other items that residents no longer use, thereby contributing to a reduction in CO₂ emissions associated with waste incineration. In addition, by providing feedback on those reduction effects to residents, SHR is collaborating with residents to curtail waste generation and promote resource circulation.

SHA was certified as a "2026 Outstanding Organization of KENKO Investment for Health (Small and Medium-sized Enterprise Category, Next Bright 1000)".

Regarding external evaluations, SHR received the highest score of "A" in the 2025 CDP Climate Change Program for the second consecutive year and was selected for the "A List". In addition, SHR was selected as a "Sustainability Yearbook Member" in "The Sustainability Yearbook 2026" issued by S&P Global Inc.

b. Climate Change Initiatives

Based on the recognition that addressing environmental issues, as typified by climate change, are one of the key issues in ESG-conscious investment management, SHR and SHA have set "promoting response to climate change" as one of SHR's materiality issues. In addition, at a Sustainability Committee as a decision-making body for sustainability, SHA has determined policies and targets, and is promoting efforts related to climate change mitigation and adaptation.

Furthermore, under the company-wide risk management system, SHR assesses risks and opportunities to its business activities, evaluating their financial impact, and considering and implementing countermeasures, while assuming various situations that may occur in the future due to climate change.

SHR has set the following targets for climate change, and intends to further accelerate efforts to achieve the targets.

GHG Emissions Reduction Target

Reduce absolute emissions compared to 2023

- Medium term target: Reduce 42% of Scope 1 and Scope 2 emissions by 2030
Reduce 25% of Scope 3 emissions by 2030
- Long term target: Achieve net zero by 2050
Reduce 90% or more of Scope 1, Scope 2, Scope 3 and neutralize residual emissions

Energy Consumption Reduction Target

- Reduce 10% energy consumption intensity by 2028 compared to 2018

Portfolio Green Certification Target

- Maintain the percentage of the portfolio with green certification at 90% or more

(5) Overview of Business Performance and Distributions

Results in the fiscal period under review are operating revenue of 22,350 million yen, operating income of 13,526 million yen and ordinary income of 12,050 million yen, resulting in net income of 12,047 million yen. Regarding cash distributions, pursuant to application of special tax treatment for investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, as amended) ("Special Taxation Measures Act")), SHR decided to distribute 12,046 million yen of the unappropriated retained earnings for the current fiscal period as a distribution of retained earnings, and in accordance with the policy on cash distributions in excess of earnings set forth in Article 46, Paragraph 2 of SHR's Articles of Incorporation, SHR decided to distribute ATA of 2,616 million yen as a distribution in excess of earnings, taking into consideration the impact of the tax discrepancy in excess of income on the distribution amount. As a result, total distributions amounted to 14,663 million yen.

2. Unitholders' Capital and Total Number of Investment Units

The following table sets forth the increase (/decrease) in unitholders' capital and the total number of investment units issued for the last five years from the end of the fiscal period under review.

Date	Event	Unitholders' capital (million yen)		Total number of investment units issued (units)		Note
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
November 1, 2021	Public offering	11,652	160,862	137,500	4,426,166	(Note 1)
November 29, 2021	Third-party allotment	420	161,283	4,967	4,431,133	(Note 2)
October 17, 2022	Cancellation	—	161,283	(49,651)	4,381,482	(Note 3)
December 21, 2023	Reversal of ATA	4	161,287	—	4,381,482	(Note 4)
June 14, 2024	Reversal of ATA	2	161,290	—	4,381,482	(Note 5)
December 16, 2024	Reversal of ATA	3,861	165,151	—	4,381,482	(Note 6)
March 14, 2025	Cancellation	—	165,151	(26,053)	4,355,429	(Note 7)
October 14, 2025	Cancellation	—	165,151	(51,459)	4,303,970	(Note 8)

(Note 1) New investment units were issued at an issue price of 87,574 yen (with the issue amount being 84,744 yen) per unit through a public offering to procure funds for the acquisition of new properties.

(Note 2) New investment units were issued at an issue amount of 84,744 yen per unit by way of third-party allotment, with the proceeds thereof intended to be used for the acquisition of new properties.

(Note 3) From June 16, 2022 to September 7, 2022, SHR acquired its own investment units through market purchases via the Tokyo Stock Exchange based on a discretionary transaction contract with a securities company. As resolved at SHR's Board of Directors Meeting on September 30, 2022, all acquired investment units were canceled on October 17, 2022. In addition, funds related to the buyback of investment units were deducted from the capital surplus, thus there is no change in unitholders' capital.

(Note 4) At SHR's Board of Directors Meeting held on December 21, 2023, a resolution was passed for the reversal of ATA and incorporate it into the unitholders' capital.

(Note 5) At SHR's Board of Directors Meeting held on June 14, 2024, a resolution was passed for the reversal of ATA and incorporate it into the unitholders' capital.

(Note 6) At SHR's Board of Directors Meeting held on December 16, 2024, a resolution was passed for the reversal of ATA and incorporate it into the unitholders' capital.

(Note 7) From December 17, 2024 to January 29, 2025, SHR acquired its own investment units through market purchases via the Tokyo Stock Exchange based on a discretionary transaction contract with a securities company. As resolved at SHR's Board of Directors Meeting on February 27, 2025, all acquired investment units were canceled on March 14, 2025. In addition, funds related to the buyback of investment units were deducted from the capital surplus, thus there is no change in unitholders' capital.

(Note 8) From June 16, 2025 to September 8, 2025, SHR acquired its own investment units through market purchases via the Tokyo Stock Exchange based on a discretionary transaction contract with a securities company. As resolved at SHR's Board of Directors Meeting on September 29, 2025, all acquired investment units were canceled on October 14, 2025. In addition, funds related to the buyback of investment units were deducted from the capital surplus, thus there is no change in unitholders' capital.

[Changes in Market Price of Investment Securities]

The following table sets forth the fiscal period high and low (closing price) on the Tokyo Stock Exchange Real Estate Investment Trust Section on which SHR investment securities are listed.

Fiscal period	19th Fiscal Period	20th Fiscal Period	21st Fiscal Period	22nd Fiscal Period	23rd Fiscal Period
	(From November 1, 2023 to April 30, 2024)	(From May 1, 2024 to October 31, 2024)	(From November 1, 2024 to April 30, 2025)	(From May 1, 2025 to October 31, 2025)	(From November 1, 2025 to April 30, 2026)
High (yen)	84,700	84,200	81,000	82,600	95,300
Low (yen)	73,200	72,500	72,000	75,200	78,200

3. Statements of Cash Distributions

Distributions per unit for the fiscal period under review (the 23rd fiscal period) are 3,407 yen. SHR applies the special treatment of corporation taxation (Article 67-15 of the Special Taxation Measures Act), which deducts the amount equivalent to distributions of earnings from taxable income of investment corporations, and decided to distribute 12,046 million yen of the unappropriated retained earnings for the current fiscal period. Additionally, in accordance with the policy on cash distributions in excess of earnings set forth in Article 46, Paragraph 2 of SHR's Articles of Incorporation, and taking into account the impact of the tax discrepancy in excess of income on the distribution amount, ATA of 2,616 million yen was distributed as a distribution in excess of earnings. As a result, total distributions amounted to 14,663 million yen.

Fiscal period	19th Fiscal Period (From November 1, 2023 to Apr. 30, 2024)	20th Fiscal Period (From May 1, 2024 to October 31, 2024)	21st Fiscal Period (From November 1, 2024 to April 30, 2025)	22nd Fiscal Period (From May 1, 2025 to October 31, 2025)	23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Total amount of unappropriated retained earnings (thousand yen)	4,958,844	11,824,874	10,130,833	9,516,777	12,047,949
Amount of accumulated earnings (thousand yen)	612	2,702	105	700	1,137
Total amount of cash distributions (thousand yen)	9,179,204	7,961,152	10,300,589	10,023,946	14,663,625
[Distributions per unit] (yen)	[2,095]	[1,817]	[2,365]	[2,329]	[3,407]
Total amount of distributions of earnings out of the total amount of cash distributions (thousand yen)	4,955,456	7,961,152	10,130,727	9,516,077	12,046,812
[Distributions of earnings per unit] (yen)	[1,131]	[1,817]	[2,326]	[2,211]	[2,799]
Total amount of refund of investment in capital out of the total amount of cash distributions (thousand yen)	4,223,748	—	169,861	507,868	2,616,813
[Amount of refund of investment in capital per unit] (yen)	[964]	[—]	[39]	[118]	[608]
Total distributions amount from ATA out of total amount of refund of investment in capital (thousand yen)	4,223,748	—	169,861	507,868	2,616,813
[Distributions amount from ATA per unit out of amount of refund of investment in capital per unit] (yen)	[964]	[—]	[39]	[118]	[608]
Total distributions amount from distribution reducing unitholders' capital for tax purpose out of total amount of refund of investment in capital (thousand yen)	—	—	—	—	—
[Distributions amount from distributions reducing unitholders' capital for tax purpose out of amount of refund of investment in capital per unit] (yen)	[—]	[—]	[—]	[—]	[—]

4. Future Operational Policy

(1) Future Trends Outlook

Going forward, Japan's economy is expected to be supported by improvements in the employment and income environment as well as the effects of various policy measures, and to continue a moderate recovery, although it will be necessary to closely monitor the impact of the situation in the Middle East. In addition, it will be necessary to pay close attention to fluctuations in financial and capital markets and developments in U.S. trade policy.

In this environment, in the residential properties of the real estate rental market, which serves as the base of daily life, population inflows to urban areas and household formation have begun to stabilize. However, an increase in the supply of rental apartments is not expected, and rents are considered likely to remain at elevated levels. As for office buildings, which are the bases for business operations, demand remains strong, particularly in the five central wards of Tokyo, and relocation demand driven by talent acquisition remains active. In particular, rent increases are becoming more pronounced in areas with good locations and concentration of high-spec buildings, and it is expected that the disparities between areas and between properties will continue to increase. In central Osaka, new supply is expected to be limited and demand to remain strong, thus the market environment is expected to remain stable.

With regard to the domestic real estate transaction market, compared to overseas markets, the domestic lending environment remains accommodative, and both domestic and overseas real estate investors as well as operating companies maintain strong investment appetite. As a result, it is believed that real estate market conditions remain favorable and that expected yields will continue to remain at low levels.

As for the U.S. economy, although attention must be paid to downside risks due to factors such as trends in energy prices, inflationary pressure, and uncertainty surrounding monetary policy, the employment environment and income levels are expected to remain firm and support economic activity.

Under these circumstances, regarding residential properties in the U.S. real estate leasing market, as population inflows continue, particularly in urban areas, due in part to factors such as the return to office work, preference for rental housing is expected to continue against the backdrop of the increased burden of acquiring a home amid inflation and high interest rates. In addition, new supply is expected to remain restrained due to factors such as construction costs and interest rates remaining high, and SHR believes that a firm supply-demand environment will continue. Although rent increases are expected to be limited in the short term due to the impact of past increases in supply, the supply-demand environment is expected to gradually improve thereafter as supply slows, and in major metropolitan areas including Seattle and Washington, D.C., a stable market environment is expected to be maintained and rent levels are expected to rise over the medium to long term.

Regarding the real estate transaction market, amid expectations that the high-interest-rate environment will continue due to factors such as inflationary pressure, SHR believes that expected yield levels at which SHR can consider acquisitions will be maintained for the time being.

(2) Future Operational Policy and Challenges to Address

SHR will continue to focus on prime properties—high-quality residential properties and commercial properties situated in strategic locations—as its core investment targets among other main investment targets. By implementing growth strategies that take full advantage of the real estate development and operation capabilities and other strengths of the Sekisui House Group, which has established an extensive track record of developing and operating residential properties and commercial properties, SHR will seek to secure stable earnings over the medium to long term and steady growth of its investment assets and thereby aim to maximize unitholder value.

At the same time, SHR will also endeavor to expand its asset size by exploring investment opportunities through the initiatives of SHA on its own.

Concerning main investment target areas in Japan for residential properties, SHR has set Greater Tokyo^(Note 1) as the core investment area with a focus on Tokyo 23 wards, which are believed to have a number of prime properties that offer locations accommodating residents' needs as well as excellent basic functions as a residence including comfort and safety and such and are expected to see strong leasing demand and supplies of prime properties. In addition, SHR will invest in other major cities throughout Japan outside of Greater Tokyo including government designated cities as well as their surrounding commutable areas, where networks of Sekisui House and Sekisui House Real Estate, Ltd. ("Sekisui House Real Estate") can be fully utilized.

SHR has set the three major metropolitan areas^(Note 1), centered on the three major cities of the Tokyo 23 wards,

Osaka City and Nagoya City, where SHR has accumulated knowledge through Sekisui House's development track record, as the core investment areas in Japan for commercial properties. SHR focuses particularly on these three major cities, where it expects stable management backed by solid demand as bases for tenant companies' business activities. In addition, major cities throughout Japan other than the three major metropolitan areas are set as investment areas.

SHR has executed a sponsor support agreement with Sekisui House. This agreement provides for utilization of the urban redevelopment business track record and know-how of Sekisui House, allowing SHR to seek from Sekisui House property acquisition support for external growth (pipeline support). Specifically, such support will (a) grant SHR preferential negotiation rights with regard to the sale of domestic real estate, etc. owned or developed by Sekisui House, (b) provide SHR with information on real estate, etc. owned or developed in Japan by third parties, (c) provide SHR with warehousing functions, and (d) provide SHR with support for the redevelopment of owned properties.

Furthermore, SHR has concluded agreements concerning preferential negotiation rights (and others) with Sekisui House Real Estate. Thus, particularly with residential properties, SHR will be able to receive support in acquiring properties for external growth, such as granting of preferential negotiation rights regarding sale of properties, etc. owned or developed by Sekisui House Real Estate, and provision of information on properties owned or developed by third parties.

Sekisui House and the Sekisui House Real Estate Group^(Note 2) possess (a) property management ("PM") skills based on their relationship with tenants, (b) know-how as a real estate developer to maintain/improve real estate value through large-scale repair, renovation/value enhancement, redevelopment, etc., and (c) know-how on developing various types of master leasing businesses. In relation to management of owned assets, by concluding a sponsor support agreement with Sekisui House, SHR and SHA can seek (i) technologies and know-how that contribute to the improvement of tenant satisfaction or other factors, including energy efficiency and eco-friendliness, that contribute to the renovation/value enhancement of properties, (ii) personnel support, including provision of know-how required for the operation of SHR, and (iii) support in areas such as negotiation of master lease agreements with regard to commercial properties.

When SHR invests in real estate located overseas, it will, in principle, invest in real estate developed by Sekisui House or entities invested by Sekisui House and operated by reliable real estate operators in the relevant country or region, or assets backed by such real estate. SHR believes that by incorporating overseas real estate into its portfolio, which is centered on domestic real estate, it will be able to capture the "stable growth" of Japan as well as the "proactive growth" of the region in which the overseas real estate is located, and achieve further growth together with Sekisui House, the sponsor, which is conducting business in the region.

(Note 1) The "three major metropolitan areas" refer to "Greater Tokyo", the "Osaka area" and the "Nagoya area", where "Greater Tokyo" refers to Tokyo, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture, the "Osaka area" refers to Osaka Prefecture, Kyoto Prefecture, Hyogo Prefecture and Nara Prefecture and the "Nagoya area" refers to Aichi Prefecture. The same applies hereinafter.

(Note 2) "Sekisui House Real Estate Group" refers to a group of companies comprised of Sekisui House Real Estate and Sekisui House Sha Maison PM Companies (6 Companies) as the core, and its subsidiaries and affiliates.

(*)"Sekisui House Sha Maison PM Companies (6 Companies)" is a collective term for Sekisui House Sha Maison PM Tohoku, Ltd., Sekisui House Sha Maison PM Tokyo, Ltd., Sekisui House Sha Maison PM Chubu, Ltd., Sekisui House Sha Maison PM Kansai, Ltd., Sekisui House Sha Maison PM Chugoku & Shikoku, Ltd., and Sekisui House Sha Maison PM Kyusyu, Ltd., which are wholly-owned subsidiaries of Sekisui House Real Estate Holdings, Ltd., which is a wholly-owned subsidiary of Sekisui House, and are responsible for the rental business unit of the Sekisui House Group operating nationwide.

(3) Financial Strategy

SHR has adopted a policy of conducting stable and sound financial operations in order to secure stable earnings over the medium to long term and enhance unitholder value.

Specifically, backed by the creditworthiness of its sponsor, Sekisui House, SHR intends to form strong and stable business relationships with megabanks and other leading financial institutions in Japan. It will also seek to reduce refinancing risks and interest rate fluctuation risks by exploring the extension of borrowing periods and working to diversify repayment dates, while pursuing the optimum balance between fixed-rate and floating-rate debts.

In addition, regarding LTV (total assets basis), SHR has set a cruising range of 45% to 50% for the time being and will manage it conservatively, while paying due attention to securing sufficient funding capacity.

Furthermore, SHR will work to diversify its sources for direct and indirect financing, such as by issuing investment corporation bonds, in comprehensive consideration of the market environment, SHR's financial standing and other factors, while continuing its endeavors for stable and sound financial operations.

5. Significant Subsequent Events

Not applicable.

(Reference Information)

(i) Acquisition of the Asset

SHR has acquired one domestic residential property as of July 1, 2026 as follows.

Property name	Type of use	Location	Acquisition price (million yen) (Note)	Acquisition date	Seller
Prime Maison Kinshicho	Residence	Sumida-ku, Tokyo	4,270	July 1, 2026	Sekisui House, Ltd.

(Note) "Acquisition price" is the sale and purchase price stated in the sale and purchase agreement (excluding consumption tax, local consumption tax, commission for sales, and other various expenses; rounded down to the nearest million yen).

(ii) Disposition of the Asset

SHR decided on the disposition of one office building (the "Asset Disposition") and executed a sale and purchase agreement as of March 29, 2023, as follows. The Asset Disposition is scheduled to be carried out in 10 equal installments from the end of October 2023, with 10/100 of the ownership share to be disposed on each planned disposition date. As of the date of this document, the first through the sixth disposition has been executed, and a gain on sale of real estate properties is expected to be recorded during each calculation period as follows.

Property name	Type of use	Location	Total disposition price (million yen) (Note 1)	Planned disposition date (Note 2)	Buyer
Gotenyama SH Building	Office building	Shinagawa-ku, Tokyo	70,000	stated as below	TIS Inc. (Note 3)

(Unit: million yen)

	Planned disposition date (Note 2)	Planned disposition price (Note 1)	Gain on disposition (expected) (Note 4)	Calculation period
7	End of October 2026	7,000 (10%)	2,154	Ending October 2026 (FP 24)
8	End of April 2027	7,000 (10%)	2,168	Ending April 2027 (FP 25)
9	End of October 2027	7,000 (10%)	2,182	Ending October 2027 (FP 26)
10	End of April 2028	7,000 (10%)	2,194	Ending April 2028 (FP 27)

(Note 1) "Total disposition price" and "Planned disposition price" are the sale and purchase price stated in the sale and purchase agreement (excluding consumption tax, local consumption tax, sales commissions and other expenses; rounded down to the nearest million yen).

(Note 2) In the event that the "Planned disposition date" is not a business day, the said date will be the immediately preceding business day.

(Note 3) Effective July 1, 2026, TIS Inc. changed its corporate name to TISI Inc.

(Note 4) "Gain on disposition (expected)" is the approximate value to be recorded on each planned disposition date as of the date of this document and is subject to change.

(iii) Borrowing of Funds

On May 29, 2026, SHR undertook new borrowings in order to fund the repayment of borrowings totaling 3,500 million yen that were due on the same date, as follows.

Floating Interest Rate Borrowing (Green Loans and others)

Category	Lenders	Borrowing amount (million yen)	Interest rate (Note 1) (Note 2)	Drawdown date	Borrowing method	Repayment date (Note 3)	Repayment method (Note 4)	Security
Long term	MUFG Bank, Ltd.	800	Base rate (JBA 1-month Japanese Yen TIBOR) plus 0.170% (Note 6)	May 29, 2026	Borrowing based on individual loan agreement, dated May 26, 2026. The lenders under the loan agreement are as indicated to the left of this table.	May 31, 2027	Lump-sum repayment at maturity	Unsecured and Unguaranteed
	MUFG Bank, Ltd. (Note 5)	1,400	Base rate (JBA 1-month Japanese Yen TIBOR) plus 0.295% (Note 6)			May 31, 2033		
	Mizuho Bank, Ltd. (Note 5)	300						
	Sumitomo Mitsui Banking Corporation (Note 5)	1,000						
Total		3,500	—	—	—	—	—	—

(Note 1) The borrowing expenses and other charge payable to the lenders are not included.

(Note 2) The base rate applicable to the calculation period for the interest payable on an interest payment date shall be the Japanese Yen TIBOR (Tokyo Inter Bank Offered Rate), corresponding to the calculation period of the interest, two business days prior to the immediately preceding relevant interest payment date. The Japanese Yen TIBOR is published by the Japanese Bankers Association (JBA) TIBOR Administration. The base rate is subject to review every interest payment date. Where no rate that corresponds to the interest calculation period exists, the base rate shall be the one that corresponds to the concerned period calculated based on the method provided for in the relevant individual loan agreement. For changes in the base rate (being the Japanese Yen TIBOR published by the JBA), please check the website of the JBA TIBOR Administration (<https://www.jbatibor.or.jp/english/rate/>).

(Note 3) Where the repayment date is not a business day, such date will be the immediately following business day or (if the immediately following business day falls in the next calendar month) the immediately preceding business day.

(Note 4) SHR may, by giving prior written notice and if certain other terms and conditions are met, make early repayment of the borrowings (in whole or in part), in the period between the drawdown date and the repayment date.

(Note 5) This is funding procured through a green loan.

(Note 6) The first interest payment date will be the last day of June 2026. Subsequent interest payment dates will be the last day of every month and the principal repayment date. Where the relevant date is not a business day, such date will be the immediately following business day or (if the immediately following business day falls in the next calendar month) the immediately preceding business day.

Outline of the Investment Corporation

1. Status of Capital

Fiscal period	19th Fiscal Period (As of April 30, 2024)	20th Fiscal Period (As of October 31, 2024)	21st Fiscal Period (As of April 30, 2025)	22nd Fiscal Period (As of October 31, 2025)	23rd Fiscal Period (As of April 30, 2026)
Total number of authorized investment units (units)	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total number of investment units issued (units)	4,381,482	4,381,482	4,355,429	4,303,970	4,303,970
Unitholders' capital (million yen)	161,287	161,290	165,151	165,151	165,151
Number of unitholders (persons)	25,455	26,663	31,836	33,982	39,557

2. Major Unitholders

Of the unitholders as of the end of the fiscal period under review, the following are the top ten unitholders in terms of investment unitholding ratio.

Name	Number of units owned (units)	Percentage of owned units to total investment units issued (%)
Custody Bank of Japan, Ltd. (Trust Account)	919,777	21.37
The Master Trust Bank of Japan, Ltd. (Trust Account)	673,021	15.64
Sekisui House, Ltd.	200,750	4.66
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	199,112	4.63
STATE STREET BANK AND TRUST COMPANY 505103	65,101	1.51
STATE STREET BANK AND TRUST COMPANY 505001	64,822	1.51
JP MORGAN CHASE BANK 385781	60,205	1.40
Meiji Yasuda Life Insurance Company	57,218	1.33
THE NOMURA TRUST AND BANKING CO., LTD. AS THE TRUSTEE OF REPURCHASE AGREEMENT MOTHER FUND	43,922	1.02
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	43,031	1.00
Total	2,326,959	54.07

(Note) Percentage of owned units to total investment units issued is rounded to the nearest second decimal place.

3. Matters Concerning Directors, etc.

(1) Name and Other Information of the Executive Directors, Supervisory Directors, and Independent Auditors

The following table sets forth information on the executive directors, supervisory directors, and independent auditors of SHR.

Position	Name	Key concurrently held position, etc.	Total amount of compensation for each position during period (thousand yen)
Executive Director (Note 2)	Atsuhiko Kida	Director, Sekisui House Asset Management, Ltd.	—
	Kimiyoshi Otani	Director, Sekisui House Asset Management, Ltd.	—
Supervisor Director	Yu Yada	Lawyer, HIFUMI Law	1,950
	Rei Yamashita	Certified Public Accountant, Rei Yamashita Certified Public Accountant Office	1,950
	Ayako Sugiura	Real estate appraiser, SUGIURA APPRAISAL CO., LTD.	1,950
Independent Auditor	Ernst & Young ShinNihon LLC	—	(Note 3) (Note 4) 20,100
	CBIZ, Inc. (Note 5)	—	(Note 6) 15,803

(Note 1) None of the executive directors or supervisory directors owns SHR investment units in their own name or in the name of another person. In addition, supervisory directors may be officers of other corporations other than those stated above, but none of such corporations, including those stated above, has vested interest in SHR.

(Note 2) Atsuhiko Kida resigned from his position as Executive Director effective January 31, 2026, due to the expiration of his term. Kimiyoshi Otani was appointed as Executive Director and assumed the position on February 1, 2026.

(Note 3) The total amount of compensation for the independent auditor, as stated above, is approximation. The audit fee includes compensation for auditing of English financial statements.

(Note 4) During the fiscal period under review, the amount of remuneration based on non-audit services to persons belonging to the same network as the accounting auditor is 10,346 thousand yen.

(Note 5) The Company audits the overseas real estate holding corporations established in the U.S.

(Note 6) No compensation was incurred for non-audit services during the fiscal period under review. The exchange rate is converted into yen based on the average exchange rate during the period of each LLC.

(2) Policy for Determining Whether to Dismiss or Refuse the Reappointment of Independent Auditor

Dismissal of the independent auditor is subject to consideration at a meeting of the Board of Directors of SHR in accordance with the provisions of the Investment Trust Act. Refusal of reappointment of the independent auditor is also subject to consideration at a meeting of the Board of Directors of SHR by taking into account the quality of audits, amount of audit fee and various other circumstances in a comprehensive manner.

4. Matters Concerning the Director's Liability Insurance Contract

The directors' liability insurance contract concluded by SHR is as follows.

Scope of insured person	Overview of the contents of the Director's Liability Insurance Contract
All Executive Directors and Supervisory Directors	(Overview of Insured Events Subject to Compensation) SHR concluded a directors' liability insurance contract with an insurance company as set forth in Article 116-3(1) of the Investment Trust Act and covers any damage that may arise when the insured assumes liability for the execution of its duties or receives a claim for the pursuit of such liability. (Ratio of Insurance Premiums to be Borne) All insurance premiums for all insured persons are borne by SHR (Measures to Ensure that the Appropriateness of the Execution of Duties by Directors, etc. is not Impaired) Up to 100 thousand yen for each insured person and up to 1 million yen for each series of liability are set as the immunity amount.

5. Asset Management Company, Asset Custodian and Administrative Agents

The following table sets forth information on the asset management company, asset custodian and administrative agents of SHR as of the end of the fiscal period under review.

Entrustment category	Name
Asset Management Company	Sekisui House Asset Management, Ltd.
Asset Custodian	Mitsubishi UFJ Trust and Banking Corporation
Administrative Agent (Transfer Agent)	Mizuho Trust & Banking Co., Ltd.
Administrative Agent (Administrative Agent for Operation of Administrative Instruments)	Mitsubishi UFJ Trust and Banking Corporation
Administrative Agent (Administrative Agent for Investment Corporation Bonds)	MUFG Bank, Ltd.

Condition of Investment Assets

1. Composition of Assets of the Investment Corporation

The following table sets forth the composition of assets of SHR as of the end of the fiscal period under review.

Type of asset	Asset category	Geographical area, etc.	22nd Fiscal Period (As of October 31, 2025)					23rd Fiscal Period (As of April 30, 2026)				
			Total amount held (million yen) (Note 1)	Ratio to total assets (%) (Note 2)	Foreign currency assets held (million yen)		Total amount held (million yen) (Note 1)	Ratio to total assets (%) (Note 2)	Foreign currency assets held (million yen)			
					Foreign exchange valuation gains/losses (Note 3)	Ratio to total assets (%) (Note 2)			Foreign exchange valuation gains/losses (Note 3)	Ratio to total assets (%) (Note 2)		
Real estate in trust	Residential properties	Greater Tokyo	268,376	47.4	—	—	—	295,879	50.4	—	—	—
		Other areas	53,977	9.5	—	—	—	42,057	7.2	—	—	—
	Commercial properties, etc.	Three major metropolitan areas	80,412	14.2	—	—	—	75,353	12.8	—	—	—
		Other areas	—	—	—	—	—	—	—	—	—	—
Total of real estate in trust			402,766	71.1	—	—	—	413,289	70.5	—	—	—
Investments in capital of subsidiaries and associates (Note 4)			137,936	24.4	137,936	3,796	24.4	137,936	23.5	137,936	9,577	23.5
Silent partnership equity interests (Note 5)			5	0.0	—	—	—	—	—	—	—	—
Deposits and other assets			25,762	4.5	—	—	—	35,301	6.0	—	—	—
Total assets			566,471	100.0	137,936	3,796	24.4	586,527	100.0	137,936	9,577	23.5

(Note 1) "Total amount held" represents the amounts recorded on the balance sheet the carrying amount (or, for "real estate in trust", the book value after depreciation and impairment loss) as of the end of each fiscal period, rounded down to the nearest million yen.

(Note 2) Figures for "Ratio to total assets" have been rounded to the nearest first decimal place.

(Note 3) "Foreign exchange valuation gains/losses" is the amount obtained by subtracting the book value at the end of the fiscal period under review converted at the exchange rate at the time of acquisition, from the book value at the end of the period converted at the exchange rate at the end of the period. The exchange rate at the end of the previous fiscal period was 1 USD=154.10 yen and the exchange rate at the end of the fiscal period under review was 1 USD= 160.39 yen.

(Note 4) This is an investment in a corporation (overseas real estate holding corporation) as stipulated in Article 221(2), Paragraph 1 of the Enforcement Regulations of the Act on Investment Trusts and Investment Corporations.

(Note 5) The figure for the previous fiscal period is for an equity interest in a silent partnership with Godo Kaisha Gemini2 as the business operator, which was redeemed on August 29, 2025.

2. Major Portfolio Assets

The following table sets forth an overview of the major portfolio assets (top ten properties by book value at the end of period) of SHR as of the end of the fiscal period under review.

Name of real estate, etc.	Book value at the end of period (million yen) (Note 1)	Leasable area (m ²) (Note 2)	Leased area (m ²) (Note 3)	Occupancy rate (%) (Note 4)	Percentage of total property- related operating revenue (%) (Note 5)	Usage type
City Ridge ^(Note 6)	86,838 (594 million USD)	59,468.66	55,157.33	92.8	—	Residence
The Ivey on Boren ^(Note 7)	54,069 (344 million USD)	31,989.96	31,013.21	96.9	—	Residence
Hommachi Minami Garden City	40,915	29,657.53	29,657.53	100.0	10.1	Office building
Gotenyama SH Building ^(Note 8)	19,349	7,999.99	7,999.99	100.0	4.2	Office building
Prime Maison EGOTANOMORI	10,372	29,048.95	27,750.56	95.5	5.0	Residence
Prime Maison Yushima	10,139	6,671.59	6,469.76	97.0	1.9	Residence
Prime Maison Nakameguro	10,012	6,033.98	5,816.19	96.4	1.8	Residence
Prime Maison Morishita WEST	8,351	5,559.57	5,170.79	93.0	1.5	Residence
Esty Maison Ojima	8,308	9,905.97	9,585.18	96.8	2.2	Residence
Esty Maison Kinshicho II	7,910	9,469.65	9,017.46	95.2	1.9	Residence
Total	256,267	195,805.85	187,638.00	95.8	28.5	—

(Note 1) "Book value at the end of period" refers to the depreciated book value of each property as of the end of the fiscal period under review, rounded down to the nearest million yen (nearest million USD). The same applies hereinafter.

(Note 2) "Leasable area" refers to the floor area presumably available for leasing based on the lease agreement or building drawing, etc. for each property that is valid as of the end of the fiscal period under review, rounded down to the second decimal place. In cases where the properties SHR owns are co-ownership interest or quasi co-ownership interest of trust beneficiary interests in real estate for respective properties, the figure indicates the value obtained by multiplying the leasable area of real estate or real estate in trust (or the leasable area of exclusively owned portions for properties under compartmentalized ownership interest) by the ratio of the ownership interest owned by SHR or trustees. The same applies hereinafter.

(Note 3) "Leased area" refers to the sum total of the leased area indicated in the respective lease agreements, which are valid as of the end of the fiscal period under review, with the end tenants for each of the properties or the leased area based on building drawings. However, the leasable area of each property is indicated in case fixed-rent type master lease agreements have been concluded with the master lease companies, regardless of whether lease agreements have been concluded with the end tenants. For "Gotenyama SH Building", the figures indicate the area corresponding to the portions owned by SHR. The same applies hereinafter.

(Note 4) "Occupancy rate" refers to the ratio of leased area to leasable area of each property as of the end of the fiscal period under review, rounded to the nearest first decimal place. The figure indicated in the "Total" column indicates the ratio of the sum of leased area of each property to the sum total of leasable area of each property, rounded to the nearest first decimal place.

(Note 5) Figures under the heading "As a percentage of total property-related operating revenue" indicate the ratio of property-related operating revenue of each property for the fiscal period under review to total property-related operating revenue of each property of SHR's entire portfolio for the fiscal period under review, rounded to the nearest first decimal place.

(Note 6) SHR owns "City Ridge" through investments in SHR Ridge Square Partners I, LLC and SHR Ridge Square Partners II, LLC, which are overseas real estate holding corporations. Of the property's complex facility, these two overseas LLCs acquired ownership in all of the exclusively-owned portions that are used for residential purposes of the four buildings along with the land equivalent to the total site of 26,536 SF (2,465.18 m²) on November 15, 2024, and the ownership in all of the exclusively-owned portions that are used for residential purposes of the two buildings and the ownership interest of the underground residential parking garage, along with the land equivalent to the total site of 55,847 SF (5,188.18 m²) on June 6, 2025. As of the end of the current fiscal period, these two overseas LLCs holds ownership interest in all of the exclusively-owned portions that are used for residential purposes of the six buildings and the ownership interest in all of the exclusively-owned portions of the underground residential parking garage, along with the land equivalent to the total site of 82,383 SF (7,653.38 m²) (1 SF is converted to 0.09290 m². The same applies hereinafter.). "Book value at the end of the period" is calculated by converting the total book value of "property, plant, and equipment" from the financial statements of the two overseas LLCs prepared in accordance with IFRS Accounting Standards into yen at the exchange rate at the time of investment of 1 USD = 146.07 yen (rounded down to the second decimal place), as SHR holds these properties through investments in overseas real estate holding entities. The same applies hereinafter.

- (Note 7) SHR owns "The Ivey on Boren" through investments in SHR Boren Avenue Partners I, LLC and SHR Boren Avenue Partners II, LLC, which are overseas real estate holding corporations. These two overseas LLCs have acquired ownership of all of the exclusively-owned portions of the 5th floor through the 44th floor above ground and all of the exclusively-owned portions of the 1st floor through the 7th floor underground along with the land equivalent to 19,007 SF (1,765.75 m²) which is the total site 21,234 SF (1,972.63 m²) multiplied by the ownership interest ratio (89.51%). "Book value at the end of period" is calculated by converting the total book value of "property, plant and equipment" from the financial statements of the two overseas LLCs, prepared in accordance with IFRS Accounting Standards, into yen at the exchange rate at the time of investment of 1 USD = 156.95 yen, as SHR holds these assets through investments in overseas real estate holding companies. The same applies hereinafter.
- (Note 8) As of April 30, 2026, SHR has disposed of 60/100 (60.0%) of the quasi co-ownership interest in "Gotenyama SH Building", and owned a 40.0% quasi co-ownership interest in a real estate trust beneficiary interest in the property. Therefore, the amount corresponding to the portion owned by SHR is stated. The same applies hereinafter.

3. Details of Assets (Real Estate, etc.) in the Portfolio

The following table lists an overview of the properties owned by SHR as of the end of the fiscal period under review.

Usage type	Property No. (Note 1)	Name of real estate, etc.	Location ^(Note 2)	Type of ownership	Book value at the end of period (million yen)	Appraisal value at the end of period (million yen) (Note 3)
Residence (Domestic)	R-001	Esty Maison Ginza	Chuo-ku, Tokyo	Real estate trust beneficiary interests	6,564	8,380
	R-002	Esty Maison Azabunagasaka	Minato-ku, Tokyo	Real estate trust beneficiary interests	1,751	2,010
	R-003	Esty Maison Ebisu II	Shibuya-ku, Tokyo	Real estate trust beneficiary interests	2,013	2,630
	R-005	Esty Maison Kanda	Chiyoda-ku, Tokyo	Real estate trust beneficiary interests	1,505	2,060
	R-006	Esty Maison Kitashinjuku	Shinjuku-ku, Tokyo	Real estate trust beneficiary interests	1,492	2,040
	R-007	Esty Maison Asakusakomagata	Taito-ku, Tokyo	Real estate trust beneficiary interests	1,997	2,730
	R-010	Esty Maison Kameido	Koto-ku, Tokyo	Real estate trust beneficiary interests	1,411	1,940
	R-011	Esty Maison Meguro	Meguro-ku, Tokyo	Real estate trust beneficiary interests	1,043	1,470
	R-012	Esty Maison Sugamo	Toshima-ku, Tokyo	Real estate trust beneficiary interests	1,566	2,200
	R-014	Esty Maison Hakuraku	Yokohama-shi, Kanagawa	Real estate trust beneficiary interests	914	1,030
	R-015	Esty Maison Minamihorie	Osaka-shi, Osaka	Real estate trust beneficiary interests	1,086	1,250
	R-016	Esty Maison Gotanda ^(Note 4)	Shinagawa-ku, Tokyo	Real estate trust beneficiary interests	2,962	3,990
	R-017	Esty Maison Oisendaizaka	Shinagawa-ku, Tokyo	Real estate trust beneficiary interests	2,606	3,160
	R-019	Esty Maison Minamiazabu	Minato-ku, Tokyo	Real estate trust beneficiary interests	1,278	1,500
	R-021	Esty Maison Kawasaki II	Kawasaki-shi, Kanagawa	Real estate trust beneficiary interests	1,794	2,680
	R-022	Esty Maison Azabujuban	Minato-ku, Tokyo	Real estate trust beneficiary interests	2,690	3,320
	R-027	Esty Maison Musashikoyama ^(Note 5)	Shinagawa-ku, Tokyo	Real estate trust beneficiary interests	974	1,340
	R-028	Esty Maison Sendagi ^(Note 6)	Bunkyo-ku, Tokyo	Real estate trust beneficiary interests	659	904
	R-030	Esty Maison Hakatahigashi	Fukuoka-shi, Fukuoka	Real estate trust beneficiary interests	2,038	3,070
	R-033	Prime Maison Musashinonomori	Kodaira-shi, Tokyo	Real estate trust beneficiary interests	1,867	2,580
	R-035	Prime Maison Kayabakoen	Nagoya-shi, Aichi	Real estate trust beneficiary interests	776	980
	R-036	Esty Maison Sangenjaya II	Setagaya-ku, Tokyo	Real estate trust beneficiary interests	738	1,010
	R-037	Esty Maison Itabashi C6	Itabashi-ku, Tokyo	Real estate trust beneficiary interests	2,335	3,190
	R-038	Sha Maison Stage Hakata ^(Note 7)	Fukuoka-shi, Fukuoka	Real estate trust beneficiary interests	2,132	2,640

Usage type	Property No. (Note 1)	Name of real estate, etc.	Location ^(Note 2)	Type of ownership	Book value at the end of period (million yen)	Appraisal value at the end of period (million yen) (Note 3)
Residence (Domestic)	R-040	Esty Maison Musashikoganei	Koganei-shi, Tokyo	Real estate trust beneficiary interests	1,705	2,310
	R-041	Prime Maison Gokiso	Nagoya-shi, Aichi	Real estate trust beneficiary interests	1,831	2,300
	R-042	Prime Maison Yuhigaoka	Osaka-shi, Osaka	Real estate trust beneficiary interests	874	1,200
	R-043	Prime Maison Kitatanabe	Osaka-shi, Osaka	Real estate trust beneficiary interests	577	760
	R-044	Prime Maison Momochihama	Fukuoka-shi, Fukuoka	Real estate trust beneficiary interests	1,950	2,390
	R-045	Esty Maison Akihabara	Taito-ku, Tokyo	Real estate trust beneficiary interests	1,807	2,360
	R-046	Esty Maison Sasazuka	Shibuya-ku, Tokyo	Real estate trust beneficiary interests	3,310	3,930
	R-047	Prime Maison Ginza East	Chuo-ku, Tokyo	Real estate trust beneficiary interests	6,003	7,780
	R-048	Prime Maison Takami	Nagoya-shi, Aichi	Real estate trust beneficiary interests	997	1,180
	R-049	Prime Maison Yadaminami	Nagoya-shi, Aichi	Real estate trust beneficiary interests	807	968
	R-050	Prime Maison Teriha	Fukuoka-shi, Fukuoka	Real estate trust beneficiary interests	1,113	1,380
	R-052	Esty Maison Sengoku	Bunkyo-ku, Tokyo	Real estate trust beneficiary interests	1,295	1,650
	R-053	Esty Maison Daizawa	Setagaya-ku, Tokyo	Real estate trust beneficiary interests	2,274	2,730
	R-054	Esty Maison Togoshi	Shinagawa-ku, Tokyo	Real estate trust beneficiary interests	1,658	2,310
	R-055	Esty Maison Nishitemma	Osaka-shi, Osaka	Real estate trust beneficiary interests	1,534	1,830
	R-056	Esty Maison Shirokanedai	Shinagawa-ku, Tokyo	Real estate trust beneficiary interests	2,333	3,580
	R-057	Esty Maison Higashishinjuku	Shinjuku-ku, Tokyo	Real estate trust beneficiary interests	1,537	2,320
	R-058	Esty Maison Motoazabu	Minato-ku, Tokyo	Real estate trust beneficiary interests	1,485	2,260
	R-059	Esty Maison Toritsudaigaku	Meguro-ku, Tokyo	Real estate trust beneficiary interests	863	1,250
	R-060	Esty Maison Musashikoyama II	Shinagawa-ku, Tokyo	Real estate trust beneficiary interests	957	1,250
	R-061	Esty Maison Nakano	Nakano-ku, Tokyo	Real estate trust beneficiary interests	1,834	2,320
	R-062	Esty Maison Shinnakano	Nakano-ku, Tokyo	Real estate trust beneficiary interests	944	1,180
	R-063	Esty Maison Nakanofujimicho	Nakano-ku, Tokyo	Real estate trust beneficiary interests	981	1,220
	R-064	Esty Maison Tetsugakudo	Nakano-ku, Tokyo	Real estate trust beneficiary interests	1,056	1,380
	R-065	Esty Maison Koenji	Suginami-ku, Tokyo	Real estate trust beneficiary interests	1,093	1,530
	R-066	Esty Maison Oshiage	Sumida-ku, Tokyo	Real estate trust beneficiary interests	2,290	3,240

Usage type	Property No. (Note 1)	Name of real estate, etc.	Location ^(Note 2)	Type of ownership	Book value at the end of period (million yen)	Appraisal value at the end of period (million yen) (Note 3)
Residence (Domestic)	R-067	Esty Maison Akabane	Kita-ku, Tokyo	Real estate trust beneficiary interests	3,079	3,930
	R-068	Esty Maison Oji	Kita-ku, Tokyo	Real estate trust beneficiary interests	1,490	1,970
	R-069	Prime Maison Waseda	Shinjuku-ku, Tokyo	Real estate trust beneficiary interests	1,433	2,130
	R-070	Prime Maison Hatchobori	Chuo-ku, Tokyo	Real estate trust beneficiary interests	1,302	1,820
	R-071	Prime Maison Jimbocho	Chiyoda-ku, Tokyo	Real estate trust beneficiary interests	1,782	2,340
	R-072	Prime Maison Gotenyama East	Shinagawa-ku, Tokyo	Real estate trust beneficiary interests	2,863	3,860
	R-073	Sha Maison Stage Akihabara	Chiyoda-ku, Tokyo	Real estate trust beneficiary interests	573	662
	R-075	Esty Maison Yakuin	Fukuoka-shi, Fukuoka	Real estate trust beneficiary interests	2,475	2,740
	R-076	Esty Maison Kinshicho II	Sumida-ku, Tokyo	Real estate trust beneficiary interests	7,910	11,900
	R-077	Esty Maison Ojima	Koto-ku, Tokyo	Real estate trust beneficiary interests	8,308	12,600
	R-078	Prime Maison Fujimidai	Nagoya-shi, Aichi	Real estate trust beneficiary interests	2,064	2,290
	R-079	Esty Maison Tsurumai	Nagoya-shi, Aichi	Real estate trust beneficiary interests	4,317	4,860
	R-080	Prime Maison Morishita	Koto-ku, Tokyo	Real estate trust beneficiary interests	1,732	2,310
	R-081	Prime Maison Shinagawa	Shinagawa-ku, Tokyo	Real estate trust beneficiary interests	1,807	2,330
	R-082	Prime Maison Odorikoen	Sapporo-shi, Hokkaido	Real estate trust beneficiary interests	2,903	3,570
	R-083	Prime Maison Minami 2-jo	Sapporo-shi, Hokkaido	Real estate trust beneficiary interests	1,693	2,320
	R-084	Prime Maison Kamokamogawa	Sapporo-shi, Hokkaido	Real estate trust beneficiary interests	1,333	1,430
	R-085	Prime Maison Central Park ^(Note 8)	Fukuoka-shi, Fukuoka	Real estate trust beneficiary interests	2,319	3,055
	R-086	Sha Maison Stage Yahiro	Sumida-ku, Tokyo	Real estate trust beneficiary interests	1,745	2,070
	R-087	Prime Maison Ebisu	Shibuya-ku, Tokyo	Real estate trust beneficiary interests	4,144	5,880
	R-091	Sha Maison Stage Hino	Hino-shi, Tokyo	Real estate trust beneficiary interests	1,304	1,840
	R-092	Prime Maison Yokohama Nihon-odori	Yokohama-shi, Kanagawa	Real estate trust beneficiary interests	4,364	5,480
	R-093	Kobe Women's Student Housing	Kobe-shi, Hyogo	Real estate trust beneficiary interests	5,246	6,000
	R-094	Prime Maison Shibuya	Shibuya-ku, Tokyo	Real estate trust beneficiary interests	2,331	3,020
	R-095	Prime Maison Hatsudai	Shibuya-ku, Tokyo	Real estate trust beneficiary interests	2,808	3,550
	R-096	Esty Maison Uemachidai	Osaka-shi, Osaka	Real estate trust beneficiary interests	1,016	1,210

Usage type	Property No. (Note 1)	Name of real estate, etc.	Location ^(Note 2)	Type of ownership	Book value at the end of period (million yen)	Appraisal value at the end of period (million yen) (Note 3)
Residence (Domestic)	R-098	Prime Maison Shirokane-takanawa	Minato-ku, Tokyo	Real estate trust beneficiary interests	4,665	5,850
	R-099	Prime Maison Ichigayayamabushicho	Shinjuku-ku, Tokyo	Real estate trust beneficiary interests	3,983	4,640
	R-100	Esty Maison Morishita	Sumida-ku, Tokyo	Real estate trust beneficiary interests	606	758
	R-101	Prime Maison Shirokanedai Tower	Shinagawa-ku, Tokyo	Real estate trust beneficiary interests	7,731	11,900
	R-102	Prime Maison Otsuka	Toshima-ku, Tokyo	Real estate trust beneficiary interests	3,555	5,000
	R-103	Prime Maison Asakusabashi	Taito-ku, Tokyo	Real estate trust beneficiary interests	1,628	2,240
	R-104	Prime Maison Daikanyama	Meguro-ku, Tokyo	Real estate trust beneficiary interests	2,458	3,570
	R-105	Prime Maison Gotenyama West	Shinagawa-ku, Tokyo	Real estate trust beneficiary interests	3,356	5,690
	R-106	Esty Maison Toyosu Residence ^(Note 9)	Koto-ku, Tokyo	Real estate trust beneficiary interests	6,065	8,060
	R-108	Esty Maison Ijiri	Fukuoka-shi, Fukuoka	Real estate trust beneficiary interests	424	455
	R-109	Prime Maison Mitatsunamachi	Minato-ku, Tokyo	Real estate trust beneficiary interests	1,999	2,610
	R-110	Prime Maison Hongo	Bunkyo-ku, Tokyo	Real estate trust beneficiary interests	2,530	3,200
	R-111	Prime Maison Kuramae	Taito-ku, Tokyo	Real estate trust beneficiary interests	2,116	2,620
	R-112	Esty Maison Yokohama-aobadai ^(Note 10)	Yokohama-shi, Kanagawa	Real estate trust beneficiary interests	2,926	3,670
	R-114	Sha Maison Stage Hirose-dori	Sendai-shi, Miyagi	Real estate trust beneficiary interests	959	997
	R-116	Esty Maison Kayaba	Nagoya-shi, Aichi	Real estate trust beneficiary interests	915	965
	R-117	Esty Maison SHIRAKABEMINAMI	Nagoya-shi, Aichi	Real estate trust beneficiary interests	668	715
	R-118	Prime Maison Shimokitazawa	Setagaya-ku, Tokyo	Real estate trust beneficiary interests	2,585	2,940
	R-119	Prime Maison Meguro	Meguro-ku, Tokyo	Real estate trust beneficiary interests	2,308	2,620
	R-120	Prime Maison Ryogoku	Sumida-ku, Tokyo	Real estate trust beneficiary interests	1,531	1,710
	R-121	Prime Maison Nakameguro	Meguro-ku, Tokyo	Real estate trust beneficiary interests	10,012	11,500
	R-122	Prime Maison Itabashi	Itabashi-ku, Tokyo	Real estate trust beneficiary interests	4,804	5,430
	R-123	Prime Maison EGOTANOMORI ^(Note 11)	Nakano-ku, Tokyo	Real estate trust beneficiary interests	10,372	11,900
	R-124	Prime Maison Waseda dori	Shinjuku-ku, Tokyo	Real estate trust beneficiary interests	2,217	2,810
	R-125	Esty Maison Noborito	Kawasaki-shi, Kanagawa	Real estate trust beneficiary interests	519	561
	R-126	Esty Maison Omori	Ota-ku, Tokyo	Real estate trust beneficiary interests	3,786	4,040

Usage type	Property No. (Note 1)	Name of real estate, etc.	Location ^(Note 2)	Type of ownership	Book value at the end of period (million yen)	Appraisal value at the end of period (million yen) (Note 3)
Residence (Domestic)	R-127	Esty Maison Monzennakacho	Koto-ku, Tokyo	Real estate trust beneficiary interests	1,657	1,770
	R-128	Esty Maison Akabane II	Kita-ku, Tokyo	Real estate trust beneficiary interests	1,034	1,150
	R-129	Prime Maison Yushima	Bunkyo-ku, Tokyo	Real estate trust beneficiary interests	10,139	10,800
	R-130	Prime Maison Nakanosakaue	Nakano-ku, Tokyo	Real estate trust beneficiary interests	5,569	5,850
	R-131	Prime Maison Honancho	Nakano-ku, Tokyo	Real estate trust beneficiary interests	3,265	3,480
	R-132	Prime Maison Monzennakacho	Koto-ku, Tokyo	Real estate trust beneficiary interests	3,251	3,420
	R-133	Prime Maison Nishiwaseda	Shinjuku-ku, Tokyo	Real estate trust beneficiary interests	2,608	2,600
	R-134	Prime Maison Asakusa EAST	Sumida-ku, Tokyo	Real estate trust beneficiary interests	2,217	2,220
	R-135	Prime Maison Sakurashinmachi	Setagaya-ku, Tokyo	Real estate trust beneficiary interests	1,875	1,900
	R-136	Esty Maison Minamigyotoku	Ichikawa-shi, Chiba	Real estate trust beneficiary interests	1,007	990
	R-137	Prime Maison Morishita WEST	Koto-ku, Tokyo	Real estate trust beneficiary interests	8,351	8,670
	R-138	Prime Maison Yokohama WEST	Yokohama-shi, Kanagawa	Real estate trust beneficiary interests	7,489	7,970
	R-139	Esty Maison Myoden	Ichikawa-shi, Chiba	Real estate trust beneficiary interests	1,522	1,550
	R-140	Esty Maison Urawa	Saitama-shi, Saitama	Real estate trust beneficiary interests	1,280	1,280
	R-141	Esty Maison Nishiyokohama	Yokohama-shi, Kanagawa	Real estate trust beneficiary interests	626	645
	R-142	Esty Maison Otsuka	Toshima-ku, Tokyo	Real estate trust beneficiary interests	1,179	1,220
	R-143	Esty Maison Urawa II	Saitama-shi, Saitama	Real estate trust beneficiary interests	1,523	1,500
	R-144	Esty Maison Kawagoe	Kawagoe-shi, Saitama	Real estate trust beneficiary interests	974	928
	R-145	Esty Maison Yashio	Yashio-shi, Saitama	Real estate trust beneficiary interests	1,032	1,080
	R-146	Esty Maison Kawasaki WEST	Kawasaki-shi, Kanagawa	Real estate trust beneficiary interests	1,501	1,530
	R-147	Prime Maison Yoga Kinuta Park	Setagaya-ku, Tokyo	Real estate trust beneficiary interests	7,247	7,540
	R-148	Prime Maison Kamata	Ota-ku, Tokyo	Real estate trust beneficiary interests	5,782	6,140
	R-149	Prime Maison Chiba Shinmachi	Chiba-shi, Chiba	Real estate trust beneficiary interests	6,393	6,200
	R-150	Prime Maison Iriya	Taito-ku, Tokyo	Real estate trust beneficiary interests	4,111	4,140
	R-151	Prime Maison Kiyosumishirakawa	Koto-ku, Tokyo	Real estate trust beneficiary interests	3,282	3,260

Usage type	Property No. (Note 1)	Name of real estate, etc.	Location ^{(Note 2)}	Type of ownership	Book value at the end of period (million yen)	Appraisal value at the end of period (million yen) (Note 3)
Residence (Domestic)	R-152	Prime Maison Nihonbashi Bakurocho	Chuo-ku, Tokyo	Real estate trust beneficiary interests	2,390	2,430
	R-153	Prime Maison Kiyosumi River Front	Koto-ku, Tokyo	Real estate trust beneficiary interests	1,658	1,670
	R-154	Esty Maison Kawaguchi	Kawaguchi-shi, Saitama	Real estate trust beneficiary interests	2,641	2,690
	R-155	Esty Maison Kawasaki Honcho	Kawasaki-shi, Kanagawa	Real estate trust beneficiary interests	1,918	2,000
	Residence (Domestic) subtotal		-	-	337,936	412,953
Residence (Overseas)	A-001	The Ivey on Boren ^{(Note 12)}	Seattle, Washington, U.S.A.	Real estate	54,069 (344 million USD)	57,419 (358 million USD)
	A-002	City Ridge ^{(Note 13)}	Washington D.C., U.S.A.	Real estate	86,838 (594 million USD)	95,913 (598 million USD)
	Residence (Overseas) subtotal		-	-	140,907	153,332
Office building	O-002	Gotenyama SH Building	Shinagawa-ku, Tokyo	Real estate trust beneficiary interests	19,349	25,100
	O-003	Hommachi Minami Garden City	Osaka-shi, Osaka	Real estate trust beneficiary interests	40,915	54,800
	O-005	HK Yodoyabashi Garden Avenue ^{(Note 14)}	Osaka-shi, Osaka	Real estate trust beneficiary interests	4,106	7,020
	O-006	Hirokoji Garden Avenue	Nagoya-shi, Aichi	Real estate trust beneficiary interests	5,980	7,270
	O-008	Shinjuku Hirose Building	Shinjuku-ku, Tokyo	Real estate trust beneficiary interests	5,001	5,040
	Office building subtotal		-	-	75,353	99,230
Portfolio total			-	-	554,197	665,515

(Note 1) "Property No." is classified by use of properties held by SHR, whereby each property is given a number and any of the following letters: R representing residences (Domestic), A representing residences (Overseas), and O representing office buildings, respectively. The same applies hereinafter.

(Note 2) "Location" is indicated based on the statement in the registry. If there are multiple statements of locations in the registry, either one of them is indicated.

(Note 3) "Appraisal value at the end of period" refers to the value stated in each real estate appraisal report with the valuation date ending on the fiscal period under review, rounded down to the nearest million yen (nearest million USD).

(Note 4) For Esty Maison Gotanda, SHR owns real estate trust beneficiary interests for the compartmentalized ownership interest to part of the exclusively-owned portions of the building and for the accompanying right of site (ratio of right of site: 387,036/426,933 (or approximately 90.7%)).

(Note 5) For Esty Maison Musashikoyama, SHR owns real estate trust beneficiary interests for the compartmentalized ownership interest to part of the exclusively-owned portions of the building and for the accompanying right of site (ratio of right of site: 117,678/127,609 (or approximately 92.2%)).

(Note 6) For Esty Maison Sendagi, SHR owns real estate trust beneficiary interests for the compartmentalized ownership interest to part of the exclusively-owned portions of the building and for the accompanying right of site (ratio of right of site: 89,730/103,842 (or approximately 86.4%)).

(Note 7) Sha Maison Stage Hakata is a property on a leased land owned by the Urban Renaissance Agency and for which a general fixed-term leasehold right is established with a lease term of 50 years from December 1, 2002.

(Note 8) Part of the land of Prime Maison Central Park (lot number: 23-32) is a leased land, while the building (store) on the leased land is owned by the lessee.

(Note 9) Esty Maison Toyosu Residence is a property on a leased land owned by the Urban Renaissance Agency and for which a general fixed-term leasehold right is established with a lease term of 65 years from March 17, 2006.

- (Note 10) Esty Maison Yokohama-aobadai is comprised by two buildings, Esty Maison Yokohama-aobadai North and Esty Maison Yokohama-aobadai South. As the two buildings are located on the same site, SHR manages these buildings as a single property referring to collectively as Esty Maison Yokohama-aobadai and the total amount of each building is indicated.
- (Note 11) Prime Maison EGOTANOMORI is a property on a leased land owned by the Urban Renaissance Agency and for which a general fixed-term leasehold right is established with a lease term of 70 years from April 24, 2015.
- (Note 12) "Location" of "The Ivey on Boren" is as indicated on the applicable building plans. "Appraisal value at the end of period" has been converted at the exchange rate at the end of fiscal period under review (1 USD=160.39 yen).
- (Note 13) "Location" of "City Ridge" is as indicated on the sales and purchase agreement or appraisal report. "Appraisal value at the end of period" has been converted at the exchange rate at the end of fiscal period under review (1 USD=160.39 yen).
- (Note 14) For HK Yodoyabashi Garden Avenue, SHR owns real estate trust beneficiary interests for the compartmentalized ownership interest to all of the exclusively owned portions of the 1st through 6th floors above ground of the building and for the accompanying right of site (ratio of right of site: 405,901/1,000,000 (or approximately 40.6%)).

The following table sets forth the change in status of leasing of real estate, etc. owned by SHR.

Usage type	Property No.	Name of real estate, etc.	22nd Fiscal Period				23rd Fiscal Period			
			As of October 31, 2025		From May 1, 2025 to October 31, 2025		As of April 30, 2026		From November 1, 2025 to April 30, 2026	
			Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)	Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)
Residence (Domestic)	R-001	Esty Maison Ginza	1	92.4	180	1.4	1	96.3	178	1.4
	R-002	Esty Maison Azabunagasaka	1	97.2	50	0.4	1	87.4	48	0.4
	R-003	Esty Maison Ebisu II	1	95.7	61	0.5	1	91.6	61	0.5
	R-004	Esty Maison Ebisu ^(Note 5)	1	96.1	24	0.2	—	—	12	0.1
	R-005	Esty Maison Kanda	1	92.5	49	0.4	1	92.3	48	0.4
	R-006	Esty Maison Kitashinjuku	1	91.9	50	0.4	1	86.1	47	0.4
	R-007	Esty Maison Asakusakomagata	1	98.4	70	0.5	1	96.1	71	0.6
	R-008	Esty Maison Kawasaki ^(Note 5)	1	95.4	79	0.6	—	—	38	0.3
	R-010	Esty Maison Kameido	1	98.0	55	0.4	1	98.9	57	0.4
	R-011	Esty Maison Meguro	1	90.5	31	0.2	1	93.0	31	0.2
	R-012	Esty Maison Sugamo	1	89.8	53	0.4	1	87.0	48	0.4
	R-013	Esty Maison Kyobashi ^(Note 5)	1	93.3	88	0.7	—	—	42	0.3
	R-014	Esty Maison Hakuraku	1	98.2	30	0.2	1	98.2	31	0.2
	R-015	Esty Maison Minamihorie	1	91.5	35	0.3	1	100.0	34	0.3
	R-016	Esty Maison Gotanda	1	92.0	101	0.8	1	93.1	103	0.8
	R-017	Esty Maison Oisendaizaka	1	93.8	81	0.6	1	97.9	81	0.6
	R-018	Esty Maison Shinagawa Seaside ^(Note 5)	1	97.3	67	0.5	—	—	32	0.3
	R-019	Esty Maison Minamiazabu	1	100.0	36	0.3	1	96.2	37	0.3
	R-021	Esty Maison Kawasaki II	1	95.1	65	0.5	1	99.2	64	0.5
	R-022	Esty Maison Azabujuban	1	97.6	67	0.5	1	96.1	68	0.5
	R-023	Esty Maison Itabashihoncho ^(Note 5)	1	98.5	31	0.2	—	—	15	0.1

Usage type	Property No.	Name of real estate, etc.	22nd Fiscal Period				23rd Fiscal Period			
			As of October 31, 2025		From May 1, 2025 to October 31, 2025		As of April 30, 2026		From November 1, 2025 to April 30, 2026	
			Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)	Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)
Residence (Domestic)	R-027	Esty Maison Musashikoyama	1	97.4	32	0.3	1	96.5	33	0.3
	R-028	Esty Maison Sendagi	1	100.0	23	0.2	1	100.0	25	0.2
	R-030	Esty Maison Hakatahigashi	1	98.2	90	0.7	1	98.7	92	0.7
	R-033	Prime Maison Musashinonomori	1	89.7	65	0.5	1	100.0	69	0.5
	R-034	Prime Maison Higashisakura (Note 5)	1	97.0	53	0.4	—	—	25	0.2
	R-035	Prime Maison Kayabakoen	1	96.5	30	0.2	1	96.5	30	0.2
	R-036	Esty Maison Sangenjaya II	1	95.0	24	0.2	1	94.0	25	0.2
	R-037	Esty Maison Itabashi C6	1	98.5	84	0.7	1	98.3	86	0.7
	R-038	Sha Maison Stage Hakata	1	100.0	95	0.7	1	99.3	116	0.9
	R-039	Esty Maison Kinshicho ^(Note 5)	1	100.0	38	0.3	—	—	18	0.1
	R-040	Esty Maison Musashikoganei	1	98.0	58	0.4	1	91.2	59	0.5
	R-041	Prime Maison Gokiso	1	90.1	62	0.5	1	93.4	65	0.5
	R-042	Prime Maison Yuhigaoka	1	92.3	30	0.2	1	100.0	31	0.2
	R-043	Prime Maison Kitatanabe	1	100.0	23	0.2	1	92.7	22	0.2
	R-044	Prime Maison Momochihama	1	100.0	70	0.5	1	100.0	70	0.5
	R-045	Esty Maison Akihabara	1	100.0	60	0.5	1	100.0	62	0.5
	R-046	Esty Maison Sasazuka	1	97.6	95	0.7	1	95.5	94	0.7
	R-047	Prime Maison Ginza East	1	98.5	190	1.5	1	97.2	196	1.5
	R-048	Prime Maison Takami	1	100.0	34	0.3	1	100.0	34	0.3
	R-049	Prime Maison Yadaminami	1	96.6	29	0.2	1	100.0	29	0.2
	R-050	Prime Maison Teriha	1	100.0	53	0.4	1	100.0	53	0.4
	R-051	Esty Maison Higashishirakabe ^(Note 5)	1	100.0	46	0.4	—	—	22	0.2
	R-052	Esty Maison Sengoku	1	96.0	41	0.3	1	100.0	43	0.3

Usage type	Property No.	Name of real estate, etc.	22nd Fiscal Period				23rd Fiscal Period			
			As of October 31, 2025		From May 1, 2025 to October 31, 2025		As of April 30, 2026		From November 1, 2025 to April 30, 2026	
			Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)	Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)
Residence (Domestic)	R-053	Esty Maison Daizawa	1	93.0	64	0.5	1	97.8	66	0.5
	R-054	Esty Maison Togoshi	1	99.0	53	0.4	1	92.8	54	0.4
	R-055	Esty Maison Nishitemma	1	97.8	54	0.4	1	95.5	54	0.4
	R-056	Esty Maison Shirokanedai	1	96.7	80	0.6	1	95.1	81	0.6
	R-057	Esty Maison Higashishinjuku	1	93.8	50	0.4	1	97.9	53	0.4
	R-058	Esty Maison Motoazabu	1	100.0	45	0.4	1	100.0	51	0.4
	R-059	Esty Maison Toritsudaigaku	1	94.3	25	0.2	1	90.3	26	0.2
	R-060	Esty Maison Musashikoyama II	1	100.0	32	0.2	1	97.4	31	0.2
	R-061	Esty Maison Nakano	1	97.9	56	0.4	1	87.7	56	0.4
	R-062	Esty Maison Shinnakano	1	90.6	29	0.2	1	89.7	30	0.2
	R-063	Esty Maison Nakanofujimicho	1	93.7	31	0.2	1	88.1	30	0.2
	R-064	Esty Maison Tetsugakudo	1	97.0	36	0.3	1	100.0	37	0.3
	R-065	Esty Maison Koenji	1	93.3	37	0.3	1	96.4	37	0.3
	R-066	Esty Maison Oshiage	1	98.8	77	0.6	1	98.8	79	0.6
	R-067	Esty Maison Akabane	1	97.6	104	0.8	1	94.6	101	0.8
	R-068	Esty Maison Oji	1	89.5	51	0.4	1	90.8	49	0.4
	R-069	Prime Maison Waseda	1	92.8	47	0.4	1	98.5	48	0.4
	R-070	Prime Maison Hatchobori	1	98.1	41	0.3	1	98.1	40	0.3
	R-071	Prime Maison Jimbocho	1	100.0	55	0.4	1	96.4	56	0.4
	R-072	Prime Maison Gotenyama East	1	100.0	93	0.7	1	96.5	98	0.8
	R-073	Sha Maison Stage Akihabara	1	95.0	17	0.1	1	100.0	18	0.1
	R-074	Esty Maison Aoi ^(Note 5)	1	91.6	69	0.5	—	—	33	0.3
	R-075	Esty Maison Yakuin	1	98.1	81	0.6	1	98.6	83	0.6

Usage type	Property No.	Name of real estate, etc.	22nd Fiscal Period				23rd Fiscal Period			
			As of October 31, 2025		From May 1, 2025 to October 31, 2025		As of April 30, 2026		From November 1, 2025 to April 30, 2026	
			Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)	Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)
Residence (Domestic)	R-076	Esty Maison Kinshicho II	1	92.2	236	1.8	1	95.2	241	1.9
	R-077	Esty Maison Ojima	1	96.4	274	2.1	1	96.8	277	2.2
	R-078	Prime Maison Fujimidai	1	92.5	72	0.6	1	93.0	70	0.6
	R-079	Esty Maison Tsurumai	1	100.0	155	1.2	1	100.0	155	1.2
	R-080	Prime Maison Morishita	1	98.9	58	0.5	1	91.9	61	0.5
	R-081	Prime Maison Shinagawa	1	96.6	61	0.5	1	91.9	61	0.5
	R-082	Prime Maison Odorikoen	1	90.4	114	0.9	1	93.1	118	0.9
	R-083	Prime Maison Minami 2-jo	1	93.7	75	0.6	1	95.8	75	0.6
	R-084	Prime Maison Kamokamogawa	1	95.2	49	0.4	1	97.0	50	0.4
	R-085	Prime Maison Central Park	1	96.5	90	0.7	1	96.6	90	0.7
	R-086	Sha Maison Stage Yahiro	1	100.0	58	0.4	1	100.0	58	0.5
	R-087	Prime Maison Ebisu	1	98.2	115	0.9	1	95.0	115	0.9
	R-089	Esty Maison Unomori ^(Note 5)	1	100.0	28	0.2	—	—	21	0.2
	R-091	Sha Maison Stage Hino	1	97.1	54	0.4	1	96.2	54	0.4
	R-092	Prime Maison Yokohama Nihon-odori	1	97.1	143	1.1	1	99.5	147	1.1
	R-093	Kobe Women's Student Housing	1	100.0	221	1.7	1	100.0	221	1.7
	R-094	Prime Maison Shibuya	1	98.7	66	0.5	1	98.7	69	0.5
	R-095	Prime Maison Hatsudai	1	96.6	84	0.7	1	96.5	85	0.7
	R-096	Esty Maison Uemachidai	1	94.0	33	0.3	1	95.1	34	0.3
	R-098	Prime Maison Shirokane-takanawa	1	95.6	128	1.0	1	98.2	130	1.0
	R-099	Prime Maison Ichigayayamabushicho	1	97.2	112	0.9	1	95.5	118	0.9

Usage type	Property No.	Name of real estate, etc.	22nd Fiscal Period				23rd Fiscal Period			
			As of October 31, 2025		From May 1, 2025 to October 31, 2025		As of April 30, 2026		From November 1, 2025 to April 30, 2026	
			Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)	Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)
Residence (Domestic)	R-100	Esty Maison Morishita	1	100.0	19	0.2	1	100.0	20	0.2
	R-101	Prime Maison Shirokanedai Tower	1	95.0	243	1.9	1	95.1	239	1.9
	R-102	Prime Maison Otsuka	1	96.9	119	0.9	1	98.0	122	0.9
	R-103	Prime Maison Asakusabashi	1	93.4	53	0.4	1	96.0	55	0.4
	R-104	Prime Maison Daikanyama	1	94.1	79	0.6	1	100.0	78	0.6
	R-105	Prime Maison Gotenyama West	1	96.4	135	1.0	1	89.1	134	1.0
	R-106	Esty Maison Toyosu Residence	1	95.1	512	4.0	1	92.8	504	3.9
	R-108	Esty Maison Ijiri	1	100.0	13	0.1	1	100.0	13	0.1
	R-109	Prime Maison Mitatsunamachi	1	100.0	56	0.4	1	95.3	63	0.5
	R-110	Prime Maison Hongo	1	95.0	71	0.5	1	94.7	70	0.6
	R-111	Prime Maison Kuramae	1	96.9	61	0.5	1	97.8	64	0.5
	R-112	Esty Maison Yokohama-aobadai	1	100.0	86	0.7	1	100.0	86	0.7
	R-113	Esty Maison Shizuoka Takajo ^(Note 5)	1	100.0	21	0.2	—	—	10	0.1
	R-114	Sha Maison StageHirose-dori	1	100.0	30	0.2	1	100.0	30	0.2
	R-115	Esty Maison HIGASHIBETSU IN ^(Note 5)	1	100.0	69	0.5	—	—	33	0.3
	R-116	Esty Maison Kayaba	1	100.0	30	0.2	1	100.0	31	0.2
	R-117	Esty Maison SHIRAKABE MINAMI	1	100.0	20	0.2	1	92.6	20	0.2
	R-118	Prime Maison Shimokitazawa	1	93.3	58	0.4	1	94.2	61	0.5
	R-119	Prime Maison Meguro	1	96.3	51	0.4	1	93.1	49	0.4
	R-120	Prime Maison Ryogoku	1	96.7	38	0.3	1	100.0	40	0.3
	R-121	Prime Maison Nakameguro	1	97.5	227	1.8	1	96.4	228	1.8

Usage type	Property No.	Name of real estate, etc.	22nd Fiscal Period				23rd Fiscal Period			
			As of October 31, 2025		From May 1, 2025 to October 31, 2025		As of April 30, 2026		From November 1, 2025 to April 30, 2026	
			Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)	Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)
Residence (Domestic)	R-122	Prime Maison Itabashi	1	91.2	123	1.0	1	94.2	123	1.0
	R-123	Prime Maison EGOTANOMORI	1	97.8	645	5.0	1	95.5	645	5.0
	R-124	Prime Maison Waseda dori	1	97.3	59	0.5	1	93.5	58	0.5
	R-125	Esty Maison Noborito	1	90.4	15	0.1	1	96.9	16	0.1
	R-126	Esty Maison Omori	1	96.2	79	0.6	1	96.9	83	0.6
	R-127	Esty Maison Monzennakacho	1	93.2	33	0.3	1	90.9	34	0.3
	R-128	Esty Maison Akabane II	1	96.7	21	0.2	1	89.9	24	0.2
	R-129	Prime Maison Yushima	1	98.5	241	1.9	1	97.0	243	1.9
	R-130	Prime Maison Nakanosakaue	1	99.3	117	0.9	1	93.7	126	1.0
	R-131	Prime Maison Honancho	1	96.3	77	0.6	1	93.5	76	0.6
	R-132	Prime Maison Monzennakacho	1	96.8	78	0.6	1	94.7	78	0.6
	R-133	Prime Maison Nishiwaseda	1	98.5	52	0.4	1	93.8	55	0.4
	R-134	Prime Maison Asakusa EAST	1	96.9	43	0.3	1	96.0	45	0.4
	R-135	Prime Maison Sakurashinmachi	1	96.5	40	0.3	1	100.0	43	0.3
	R-136	Esty Maison Minamigyotoku	1	88.9	22	0.2	1	95.5	24	0.2
	R-137	Prime Maison Morishita WEST	1	97.5	178	1.4	1	93.0	187	1.5
	R-138	Prime Maison Yokohama WEST	1	96.1	178	1.4	1	95.9	182	1.4
	R-139	Esty Maison Myoden	1	95.1	33	0.3	1	97.5	35	0.3
	R-140	Esty Maison Urawa	1	100.0	25	0.2	1	96.2	26	0.2
	R-141	Esty Maison Nishiyokohama	1	86.7	12	0.1	1	96.7	14	0.1
	R-142	Esty Maison Otsuka	1	95.6	23	0.2	1	95.7	27	0.2
	R-143	Esty Maison Urawa II	1	95.2	25	0.2	1	100.0	34	0.3
	R-144	Esty Maison Kawagoe	1	67.4	10	0.1	1	89.8	19	0.1

Usage type	Property No.	Name of real estate, etc.	22nd Fiscal Period				23rd Fiscal Period			
			As of October 31, 2025		From May 1, 2025 to October 31, 2025		As of April 30, 2026		From November 1, 2025 to April 30, 2026	
			Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)	Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)
Residence (Domestic)	R-145	Esty Maison Yashio	1	100.0	19	0.1	1	98.1	28	0.2
	R-146	Esty Maison Kawasaki WEST	1	100.0	5	0.0	1	100.0	32	0.3
	R-147	Prime Maison Yoga Kinuta Park	—	—	—	—	1	92.8	70	0.5
	R-148	Prime Maison Kamata	—	—	—	—	1	92.5	62	0.5
	R-149	Prime Maison Chiba Shinmachi	—	—	—	—	1	100.0	64	0.5
	R-150	Prime Maison Iriya	—	—	—	—	1	92.1	41	0.3
	R-151	Prime Maison Kiyosumishirakawa	—	—	—	—	1	93.0	32	0.3
	R-152	Prime Maison Nihonbashi Bakurocho	—	—	—	—	1	86.7	21	0.2
	R-153	Prime Maison Kiyosumi River Front	—	—	—	—	1	100.0	16	0.1
	R-154	Esty Maison Kawaguchi	—	—	—	—	1	94.2	16	0.1
	R-155	Esty Maison Kawasaki Honcho	—	—	—	—	1	97.1	8	0.1
	Subtotal		12	96.5	10,291	79.6	11	96.2	10,512	81.7
Residence (Overseas)	A-001	The Ivey on Boren (Note 6)	387	94.3	—	—	393	96.9	—	—
	A-002	City Ridge (Note 6)	636	90.8	—	—	640	92.8	—	—
	Subtotal		1,023	92.0	—	—	1,033	94.2	—	—

Usage type	Property No.	Name of real estate, etc.	22nd Fiscal Period				23rd Fiscal Period			
			As of October 31, 2025		From May 1, 2025 to October 31, 2025		As of April 30, 2026		From November 1, 2025 to April 30, 2026	
			Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)	Total number of tenants (Note 1)	Occupancy rate (%) (Note 2)	Property-related operating revenue (million yen) (Note 3)	Ratio to total property-related operating revenue (%) (Note 4)
Office building	O-002	Gotenyama SH Building	1	100.0	652	5.1	1	100.0	544	4.2
	O-003	Hommachi Minami Garden City	1	99.4	1,331	10.3	1	100.0	1,301	10.1
	O-005	HK Yodoyabashi Garden Avenue	1	100.0	181	1.4	1	100.0	182	1.4
	O-006	Hirokoji Garden Avenue	1	95.4	203	1.6	1	100.0	202	1.6
	O-007	Akasaka Garden City (Note 7)	—	—	142	1.1	—	—	—	—
	O-008	Shinjuku Hirose Building	3	100.0	123	1.0	3	100.0	121	0.9
	Subtotal		7	99.2	2,635	20.4	7	100.0	2,351	18.3
Total			1,042	96.1	12,926	100.0	1,051	96.2	12,864	100.0

(Note 1) "Total number of tenants" refers to the sum total of the number of tenants under, and indicated in, the respective lease agreements for each property that are valid as of the end of each fiscal period (or, if a master lease agreement that is valid as of the end of each fiscal period has been concluded for the property, the number of lessees under the master lease agreement). In the "Subtotal" and "Total" columns, however, a tenant that leases spaces in multiple properties is counted as one (excluding "The Ivey on Boren" and "City Ridge"). Furthermore, of the office buildings, the total number of end tenants for "Hommachi Minami Garden City", "HK Yodoyabashi Garden Avenue", and "Hirokoji Garden Avenue" where pass-through type master lease agreements have been concluded is 16, 7, and 7, respectively as of the end of the 22nd fiscal period (from May. 1, 2025 to Oct. 31, 2025) and the total number of end tenants for "Hommachi Minami Garden City", "HK Yodoyabashi Garden Avenue" and "Hirokoji Garden Avenue" where pass-through type master lease agreements have been concluded is 17, 7 and 8 respectively as of the end of the 23rd fiscal period (from Nov. 1, 2025 to Apr. 30, 2026).

(Note 2) "Occupancy rate" refers to the ratio of leased area to leasable area of each property as of the end of each fiscal period, rounded to the nearest first decimal place. The figures indicated in the "Subtotal" columns are the ratio of the subtotal of leased area of each property classified by usage type to the subtotal of leasable area of each property classified by usage type, and the figure indicated in the "Total" column is the ratio of the total of leased area of each property to the sum total of leasable area of each property, as the occupancy rate of the entire portfolio. Both figures have been rounded to the nearest first decimal place.

(Note 3) "Property-related operating revenue" indicates the property-related operating revenue of each property for each fiscal period, rounded down to the nearest million yen.

(Note 4) Figures under the heading "Ratio to total property-related operating revenue" indicate the ratio of property-related operating revenue of each property for each fiscal period or the subtotal of property-related operating revenue of each property classified by usage type for each fiscal period to total property-related operating revenue of each property for each fiscal period, rounded to the nearest first decimal place.

(Note 5) SHR disposed of the real estate trust beneficiary interests for "Esty Maison Ebisu", "Esty Maison Kawasaki", "Esty Maison Kyobashi", "Esty Maison Shinagawa Seaside", "Esty Maison Itabashihoncho", "Prime Maison Higashisakura", "Esty Maison Kinshicho", "Esty Maison Higashishirakabe", "Esty Maison Aoi", "Esty Maison Unomori", "Esty Maison Shizuoka Takajo", and "Esty Maison HIGASHIBETSUIN" on January 29, 2026. Therefore, the figures for "Property-related operating revenue" and "Ratio to total property-related operating revenue" pertaining to this property reflect the period during which SHR held the property in the current fiscal period.

(Note 6) For real estate rental revenue etc. that is the basis for calculating the dividends paid to SHR during the fiscal period under review with respect to "The Ivey on Boren" and "City Ridge", please refer to "5. Notes to Statement of Income and Retained Earnings, *3. Breakdown of Dividends Received" below.

(Note 7) "Akasaka Garden City" was disposed on May 30, 2025. Therefore, the figures for "Property-related operating revenue" and "Ratio to total property-related operating revenue" pertaining to this property reflect the period during which SHR held the property in the former fiscal period.

4. Details of Renewable Energy Power Generation Facility, etc.

Not applicable.

5. Details of Right to Operate Public Facility, etc.

Not applicable.

6. Details of Investment Securities

The following are the details for investment securities as of the end of the fiscal period under review.

Asset name	Asset type	Quantity	Book value		Valuation (Note 1)		Valuation gain or loss (thousand yen)	Remarks
			Unit price	Price (thousand yen)	Unit price	Price (thousand yen)		
SHR Boren Avenue Partners I, LLC	Investments in capital of subsidiaries and associates	—	—	25,854,807	—	25,854,807	—	(Note 2)
SHR Boren Avenue Partners II, LLC	Investments in capital of subsidiaries and associates	—	—	25,854,807	—	25,854,807	—	(Note 2)
SHR Ridge Square Partners I, LLC	Investments in capital of subsidiaries and associates	—	—	43,113,509	—	43,113,509	—	(Note 3)
SHR Ridge Square Partners II, LLC	Investments in capital of subsidiaries and associates	—	—	43,113,509	—	43,113,509	—	(Note 3)
Total	—	—	—	137,936,632	—	137,936,632	—	—

(Note 1) "Valuation" is the book value.

(Note 2) This is an investment in a corporation that owns overseas real estate, and the asset acquired by the overseas real estate holding corporation is "The Ivey on Boren". On May 29, 2024, each corporation acquired a 50% co-ownership interest in the property.

(Note 3) This is an investment in a corporation that owns overseas real estate, and the asset acquired by the overseas real estate holding corporation is "City Ridge". On November 15, 2024, each corporation acquired a 50% co-ownership interest in the property. On June 6, 2025, each corporation additionally acquired a 50% co-ownership interest in the property.

7. Table of Status of Contract Amount, etc. and Fair Value of Specified Transactions

The following table sets forth the status of contract amount, etc. and fair value of specified transactions at SHR as of the end of the fiscal period under review.

Category	Type	Contract amount, etc. (thousand yen) ^(Note 1)		Fair value (thousand yen)
			Amount due after 1 year	
Transaction other than market transaction	Interest rate swap transaction (Under which floating interest rates are receivable and fixed interest rates are payable)	9,100,000	6,000,000	417,422 ^(Note 2)
Transaction other than market transaction	Interest rate swap transaction (Under which floating interest rates are receivable and fixed interest rates are payable)	82,697,000	73,325,000	— ^(Note 3)
Total		91,797,000	79,325,000	417,422

(Note 1) The contract amount, etc. of interest rate swap transactions is based on notional principal amounts.

(Note 2) Valued based on the amount calculated by the counterparty to the relevant transaction agreement using prevailing market interest rates and other factors.

(Note 3) The fair value is omitted because the transaction meets the criteria for special accounting under the Accounting Standards for Financial Instruments.

8. Status of Other Assets

Trust beneficiary interests with real estate as the main assets in trust are stated in "3. Details of Assets (Real Estate, etc.) in the Portfolio" and "6. Details of Investment Securities" above. As of the end of the fiscal period under review, there are no specified assets other than real estate, etc., asset-backed securities, etc. and infrastructure assets, etc. in the portfolio.

9. Status of Holding of Assets by Country and Region

As of the end of the fiscal period under review, SHR's asset holdings by country and region are as follows.

Country name	Total amount held (million yen)	Appraisal value at the end of period (million yen)		Number of properties
			Ratio to total assets (%)	
Japan	413,289	512,183	77.6	136
U.S.	^(Note 1) 137,936	^(Note 2) 147,514	22.4	2 ^(Note 3)
Total	551,226	659,697	100.0	138

(Note 1) "Total amount held" in the U.S. is the amount on the balance sheet (book value of "Investments in capital of subsidiaries and associates") at the end of the fiscal period under review, rounded down to the nearest million yen.

(Note 2) The amount is converted into yen at the exchange rate of 1 USD = 160.39 yen at the end of the fiscal period under review.

(Note 3) "Number of properties" in the U.S. is the number of properties owned by overseas real estate holding corporations established in the U.S.

Capital Expenditures for Properties

1. Scheduled Capital Expenditures

The principal capital expenditures associated with renovation work, etc. currently planned for properties owned by SHR are as follows. Please note that some of the planned construction costs may be classified as expenses for accounting purposes.

Name of real estate, etc. (location)	Purpose	Planned period	Planned construction costs (million yen) ^(Note)		
			Total	Payment for current fiscal period	Amount already paid
Prime Maison Odorikoen (Sapporo-shi, Hokkaido)	Large-scale repairs	From: March 2026 To: October 2026	357	—	—
Esty Maison Gotanda (Shinagawa-ku, Tokyo)	Large-scale repairs	From: November 2026 To: April 2027	88	—	—
Esty Maison Oji (Kita-ku, Tokyo)	Large-scale repairs	From: November 2026 To: April 2027	81	—	—

(Note) "Planned construction costs" refers to the amount obtained by multiplying the total cost required for construction by the proportion of ownership or quasi co-ownership interest in the compartmentalized ownership held by SHR (if SHR owns a quasi co-ownership interest in the real estate trust beneficiary interest with compartmentalized ownership as trust property, the total cost is multiplied by the ownership ratio of the compartmentalized ownership, and then the quasi co-ownership amount is multiplied by percentage), if SHR owns the sectional ownership or the quasi co-ownership interest in the real estate trust beneficiary right of the property subject to the construction.

2. Capital Expenditures During the Period

An overview of capital expenditures for properties owned by SHR during the fiscal period under review is as follows. In addition, the total capital expenditures for the current fiscal period were 1,081 million yen, and a total of 1,515 million yen of construction work was carried out, including repair expenses of 433 million yen classified as expenses for the current fiscal period.

Name of real estate, etc. (location)	Purpose	Period	Payment amount (million yen)
Esty Maison Kinshicho II (Sumida-ku, Tokyo)	Large-scale repairs	From: July 2025 To: April 2026	314
Esty Maison Hakuraku (Yokohama-shi, Kanagawa)	Large-scale repairs	From: November 2025 To: February 2026	58
Esty Maison Nakanofujimicho (Nakano-ku, Tokyo)	Large-scale repairs	From: December 2025 To: March 2026	53
Other Capital Expenditures			655
Total			1,081

3. Cash Reserves for Long-Term Repair Plans

SHR had no cash reserved for long-term repair plans as of the end of the fiscal period under review ^(Note).

(Note) "Reserve fund for repair", which has been reserved by management associations at the properties owned by SHR in order to secure expenses for repair works expected in the future, is not included in the cash reserves.

Condition of Expenses

1. Details of Expenses Pertaining to Management, etc.

(Unit: thousand yen)

Item	22nd Fiscal Period (From May 1, 2025 to October 31, 2025)	23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Asset management fee	1,645,778	2,460,787
Asset custody fee	10,650	10,517
Administrative service fees	51,448	51,604
Directors' compensations	5,400	5,850
Other expenses	670,507	566,186
Total	2,383,785	3,094,946

(Note) In addition to the amounts shown above, the "Asset management fee" contains the asset management fees of 119,886 thousand yen for the 22nd fiscal period, which is included in the other selling expenses for the disposition of properties, and the asset management fees of 19,435 thousand yen for the 22nd fiscal period, which is included in the book value of the real estate, etc. for the acquisition of properties. Moreover, the "Asset management fee" contains the asset management fees of 88,221 thousand yen for the 23rd fiscal period, which is included in the other selling expenses for the disposition of properties, and the asset management fees of 13,200 thousand yen for the 23rd fiscal period, which is included in the book value of the real estate, etc. for the acquisition of properties.

Condition of Investment Transactions

1. Status, etc. of Sale and Purchase of Real Estate, etc., Asset-Backed Securities, etc., Infrastructure Assets, etc. and Infrastructure-Related Assets

Name of real estate, etc.	Acquisition		Disposition			
	Acquisition date	Acquisition price (million yen) (Note 1)	Disposition date	Disposition price (million yen) (Note 1)	Book value (million yen)	Gain (Loss) on sale (million yen)
Esty Maison Ebisu	—	—	January 29, 2026	25,200 (Note 2)	908	5,592 (Note 2)
Esty Maison Kawasaki	—	—	January 29, 2026		2,274	
Esty Maison Kyobashi	—	—	January 29, 2026		2,757	
Esty Maison Shinagawa Seaside	—	—	January 29, 2026		2,092	
Esty Maison Itabashihoncho	—	—	January 29, 2026		932	
Prime Maison Higashisakura	—	—	January 29, 2026		1,475	
Esty Maison Kinshicho	—	—	January 29, 2026		1,142	
Esty Maison Higashishirakabe	—	—	January 29, 2026		1,639	
Esty Maison Aoi	—	—	January 29, 2026		2,246	
Esty Maison Unomori	—	—	January 29, 2026		697	
Esty Maison Shizuoka Takajo	—	—	January 29, 2026		514	
Esty Maison HIGASHIBETSUIN	—	—	January 29, 2026		2,203	
Prime Maison Kamata	January 30, 2026	5,640	—	—	—	—
Prime Maison Kiyosumishirakawa	January 30, 2026	3,200	—	—	—	—
Prime Maison Yoga Kinuta Park	February 2, 2026	7,090	—	—	—	—
Prime Maison Chiba Shinmachi	February 2, 2026	6,160	—	—	—	—
Prime Maison Iriya	February 2, 2026	4,010	—	—	—	—
Prime Maison Nihonbashi Bakurocho	February 2, 2026	2,330	—	—	—	—
Prime Maison Kiyosumi River Front	February 2, 2026	1,610	—	—	—	—
Esty Maison Kawaguchi	March 5, 2026	2,590	—	—	—	—
Esty Maison Kawasaki Honcho	March 26, 2026	1,810	—	—	—	—
Gotenyama SH Building (10.0% of the quasi co-ownership interest)	—	—	April 30, 2026	7,000	4,837	2,141
Total	—	34,440	—	32,200	23,724	7,733

(Note 1) "Acquisition price" and "Disposition price" indicate the transaction prices shown in the sales and purchase agreements for respective owned properties (excluding consumption tax, local consumption tax and miscellaneous expenses including transaction fees), rounded down to the nearest million yen. The same applies hereinafter.

(Note 2) "Disposition price" and "Gain (loss) on sale" for each property are not disclosed, as consent for such disclosure has not been obtained from the buyer.

2. Status, etc. in Respect of Sale and Purchase of Other Assets

Not applicable.

Main assets other than the abovementioned real estate, etc., asset-backed securities, etc., infrastructure assets, etc. and infrastructure-related assets are essentially bank deposits or bank deposits within assets in trust.

3. Investigation into Value, etc. of Specified Assets

(1) Real Estate, etc. (Appraisal)

Acquisition or Disposition	Name of real estate, etc.	Transaction date	Type of asset	Acquisition/ Disposition price (million yen)	Appraisal value (million yen) (Note 1)	Appraiser	Date of appraisal
Disposition	Esty Maison Ebisu	January 29, 2026	Real estate trust beneficiary interests	25,200 (Note 2)	1,010	Tanizawa Sogo Appraisal Co., Ltd.	October 31, 2025
Disposition	Esty Maison Kawasaki	January 29, 2026	Real estate trust beneficiary interests		2,910	Tanizawa Sogo Appraisal Co., Ltd.	October 31, 2025
Disposition	Esty Maison Kyobashi	January 29, 2026	Real estate trust beneficiary interests		3,320	Rich Appraisal Institute co.,Ltd	October 31, 2025
Disposition	Esty Maison Shinagawa Seaside	January 29, 2026	Real estate trust beneficiary interests		2,750	JLL Morii Valuation & Advisory K.K.	October 31, 2025
Disposition	Esty Maison Itabashihoncho	January 29, 2026	Real estate trust beneficiary interests		1,150	JLL Morii Valuation & Advisory K.K.	October 31, 2025
Disposition	Prime Maison Higashisakura	January 29, 2026	Real estate trust beneficiary interests		1,820	Tanizawa Sogo Appraisal Co., Ltd.	October 31, 2025
Disposition	Esty Maison Kinshicho	January 29, 2026	Real estate trust beneficiary interests		1,550	Chuo Real Estate Appraisal Co., Ltd.	October 31, 2025
Disposition	Esty Maison Higashishirakabe	January 29, 2026	Real estate trust beneficiary interests		1,880	Tanizawa Sogo Appraisal Co., Ltd.	October 31, 2025
Disposition	Esty Maison Aoi	January 29, 2026	Real estate trust beneficiary interests		2,580	Tanizawa Sogo Appraisal Co., Ltd.	October 31, 2025
Disposition	Esty Maison Unomori	January 29, 2026	Real estate trust beneficiary interests		837	DAIWA REAL ESTATE APPRAISAL CO., LTD.	October 31, 2025
Disposition	Esty Maison Shizuoka Takajo	January 29, 2026	Real estate trust beneficiary interests		611	DAIWA REAL ESTATE APPRAISAL CO., LTD.	October 31, 2025
Disposition	Esty Maison HIGASHIBETSUIN	January 29, 2026	Real estate trust beneficiary interests		2,240	DAIWA REAL ESTATE APPRAISAL CO., LTD.	October 31, 2025

Acquisition or Disposition	Name of real estate, etc.	Transaction date	Type of asset	Acquisition/ Disposition price (million yen)	Appraisal value (million yen) (Note 1)	Appraiser	Date of appraisal
Acquisition	Prime Maison Kamata	January 30, 2026	Real estate trust beneficiary interests	5,640	6,120	Japan Real Estate Institute	December 1, 2025
Acquisition	Prime Maison Kiyosumishirakawa	January 30, 2026	Real estate trust beneficiary interests	3,200	3,250	Japan Real Estate Institute	December 1, 2025
Acquisition	Prime Maison Yoga Kinuta Park	February 2, 2026	Real estate trust beneficiary interests	7,090	7,520	Japan Real Estate Institute	December 1, 2025
Acquisition	Prime Maison Chiba Shinmachi	February 2, 2026	Real estate trust beneficiary interests	6,160	6,190	Japan Real Estate Institute	December 1, 2025
Acquisition	Prime Maison Iriya	February 2, 2026	Real estate trust beneficiary interests	4,010	4,130	Japan Real Estate Institute	December 1, 2025
Acquisition	Prime Maison Nihonbashi Bakurocho	February 2, 2026	Real estate trust beneficiary interests	2,330	2,430	Japan Real Estate Institute	December 1, 2025
Acquisition	Prime Maison Kiyosumi River Front	February 2, 2026	Real estate trust beneficiary interests	1,610	1,670	Japan Real Estate Institute	December 1, 2025
Acquisition	Esty Maison Kawaguchi	March 5, 2026	Real estate trust beneficiary interests	2,590	2,700	JLL Morii Valuation & Advisory K.K.	February 1, 2026
Acquisition	Esty Maison Kawasaki Honcho	March 26, 2026	Real estate trust beneficiary interests	1,810	1,970	JLL Morii Valuation & Advisory K.K.	March 1, 2026
Disposition	Gotenyama SH Building (10.0% of the quasi co-ownership interest)	April 30, 2026	Real estate trust beneficiary interests	7,000	(Note 3) 6,350	Tanizawa Sogo Appraisal Co., Ltd.	April 30, 2023

(Note 1) The appraisal value stated above is derived by applying the "Real Estate Appraisal Standards; Particulars; Chapter 3: Appraisal on Value of Real Estate Subject to Securitization.

(Note 2) "Disposition price" for each property are not disclosed, as consent for such disclosure has not been obtained from the buyer.

(Note 3) The amount is calculated by multiplying the real estate appraisal value of 63,500 million yen for the entire property by the quasi co-ownership interest of 10.0% in the trust beneficiary right disposed.

(2) Others

Not applicable.

4. Status of Transactions with Interested Persons, etc.^(Note 1)

(1) Status of Transactions

Category	Amount of purchase and sale, etc.	
	Amount of purchase, etc.	Amount of sale, etc.
Total amount	34,440 million yen	32,200 million yen
Breakdown of status of transactions with interested persons, etc.		
Sekisui House, Ltd.	30,040 million yen [87.2%]	— million yen [— %]
Total	30,040 million yen [87.2%]	— million yen [— %]

(2) Amount of Commission Fee, etc.

Category	Total amount of commission fee, etc. (A) (thousand yen)	Breakdown of transactions with interested persons, etc.		As a percentage of total amount (B/A) (%)
		Payee	Amount paid (B) (thousand yen)	
Management fee (Note 2)	1,089,407	Sekisui House Sha Maison PM Tokyo, Ltd.	616,652	56.6
		Sekisui House Sha Maison PM Chubu, Ltd.	48,494	4.5
		Sekisui House GM Partners, Ltd.	37,961	3.5
		Sekisui House Sha Maison PM Kyushu, Ltd.	20,510	1.9
		Sekisui House Sha Maison PM Kansai, Ltd.	3,802	0.3
		Sekisui House, Ltd.	1,199	0.1
		Sekisui House Sha Maison PM Tohoku, Ltd.	1,050	0.1

(Note 1) "Interested persons, etc." refers to interested persons, etc. of the asset management company with which SHR has executed an asset management entrustment agreement as provided in Article 123 of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (Order for Enforcement No. 480 of 2000, as amended) and Article 26, Item 27 of the Rules on Investment Reports, etc. of Investment Trusts and Investment Corporations of The Investment Management Association of Japan.

(Note 2) "Management fee" has been rounded down to the nearest thousand yen.

(Note 3) Other than the commission fee, etc. indicated above, the amounts paid to interested persons, etc. for repair works, etc. are as follows. The figures have been rounded down to the nearest thousand yen.

Sekisui House Sha Maison PM Tokyo, Ltd	388,964	thousand yen
Sekisui House, Ltd.	316,572	thousand yen
Sekisui House Sha Maison PM Chubu, Ltd.	39,136	thousand yen
Sekisui House GM Partners, Ltd.	36,503	thousand yen
Sekisui House Sha Maison PM Kyushu, Ltd.	35,167	thousand yen
Sekisui House Sha Maison PM Kansai, Ltd.	4,723	thousand yen
Sekisui House Sha Maison PM Tohoku, Ltd.	3,381	thousand yen

5. Status, etc. of Transactions with the Asset Management Company Pertaining to Business Operations of Concurrent Business Engaged in by the Asset Management Company

There are no applicable transactions as of the end of the fiscal period under review, as SHA does not concurrently engage in any type I financial instruments or type II financial instruments business (as defined in the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended)), building lots and buildings transaction business, or specified joint real estate ventures.

Financial Condition

1. Status of Assets, Liabilities, Principal, and Income/Loss

Please refer to the following documents: "(1) Balance Sheet," "(2) Statement of Income and Retained Earnings," "(3) Statement of Changes in Net Assets," "(4) Statement of Cash Distributions," "(5) Statement of Cash Flows," and "(6) Notes to Financial Statements" in "1. Financial Statements."

Please note that the prior-period information in the Balance Sheet, Statement of Income and Retained Earnings, Statement of Changes in Net Assets, Statement of Cash Distributions, Statement of Cash Flows, and Notes to Financial Statements is for reference only and is not subject to audit by an accounting auditor in accordance with Article 130 of the Investment Trust Act for the current period.

2. Change in the Method of Calculating Depreciation and Amortization

Not applicable.

3. Change in the Valuation Method for Real Estate and Infrastructure Assets

Not applicable.

4. Status of Self-Established Investment Trust Beneficiary Securities, etc.

Not applicable.

5. Status of Overseas Real Estate Holding Companies

As of the end of the current fiscal year, the status of overseas real estate holding companies in which the Investment Corporation has invested is as follows.

Name	Investment price (mm yen)	Organizational structure, purpose, and business activities	Profit distributions policy	Investment ratio (%)	Contents of regulations concerning dividends in the country of location
SHR Boren Avenue Partners I, LLC	25,830 (164,577 thousand USD) (Note 1)	Organizational Structure: A Limited Liability Company (LLC) established in Delaware, U.S.A.	distribute dividends from net income after taxes	100.0	Nothing in particular
SHR Boren Avenue Partners II, LLC	25,830 (164,577 thousand USD) (Note 1)		distribute dividends from net income after taxes	100.0	
SHR Ridge Square Partners I, LLC	43,092 (295,000 thousand USD) (Note 2)	Organizational Structure: A Limited Liability Company (LLC) established in Delaware, U.S.A.	distribute dividends from net income after taxes	100.0	Nothing in particular
SHR Ridge Square Partners II, LLC	43,092 (295,000 thousand USD) (Note 2)		distribute dividends from net income after taxes	100.0	

(Note 1) Converted to yen at the exchange rate of 1 USD=156.95 yen, which was the exchange rate as of the time of investment.

(Note 2) Converted to yen at the exchange rate at the time of investment or specified in the forward exchange contract.

6. Status of Real Estate Owned by Overseas Real Estate Holding Companies

The status of real estate owned by overseas real estate holding companies is as follows.

Name	Location	Ownership type	Appraisal value at the end of the period (mm yen) (Note 1)	Total number of tenants at the end of the period	Occupancy rate at the end of the period (%)	Property-related operating revenue (during the period) (mm yen)	Ratio to total property-related operating revenue (%)	Total sales during the period (mm yen) (Note 2)
The Ivey on Boren	Seattle, Washington, U.S.A.	Real estate	57,419 (358 million USD)	393	96.9	(Note 3) —	—	— (— million USD)
City Ridge	Washington D.C., U.S.A.	Real estate	95,913 (598 million USD)	640	92.8	(Note 3) —	—	— (— million USD)
Total	—	—	153,332	1,033	94.2	—	—	—

(Note 1) Converted to yen at the exchange rate of 1 USD = 160.39 yen, which was the exchange rate as of the end of the period.

(Note 2) Converted to yen at the exchange rate at the time of investment or specified in the forward exchange contract.

For the current period, please refer to "6. Notes to the Statement of Income and Retained Earnings, *3. Breakdown of Dividends

(Note 3) Received" below for the basis for calculating real estate rental income, etc., which is the basis for calculating dividends paid to the Investment Corporation.

Other Information

1. Notice

(1) Meetings of the Board of Directors of the Investment Corporation

The following is a summary of the major agreements executed or amendments approved by SHR's Board of Directors during the fiscal year under review.

Approval date	Item	Overview
January 27, 2026	Conclusion of amendment agreement to asset management agreement	The execution of the amendment agreement to the asset management agreement was approved, subject to the condition that the proposal for partial amendments to the Articles of Incorporation is approved at the 8th General Meeting of Unitholders of the Investment Corporation held on January 29, 2026.
February 24, 2026	Entrustment of general administrative work related to the issuance of investment corporation bonds	The Board of Directors approved the candidate company for the consignment of general administrative work related to the issuance of investment corporation bonds, and entrusted the Executive Director with the decision on other necessary matters.

(2) Fraction of Amounts and Ratios

In this document, unless otherwise stated, figures are rounded down to the nearest whole number, and ratios are rounded off.

1. Financial Statements

(1) Balance Sheet

(Thousand yen)

	22nd Fiscal Period (As of October 31, 2025)	23rd Fiscal Period (As of April 30, 2026)
Assets		
Current assets		
Cash and deposits	12,493,732	22,210,980
Cash and deposits in trust	9,866,339	9,409,638
Operating accounts receivable	294,708	221,282
Income taxes refund receivable	1,841	1,421
Prepaid expenses	335,446	346,647
Derivatives	—	10,836
Other	8,996	8,650
Allowance for doubtful accounts	—	(190)
Total current assets	23,001,065	32,209,266
Non-current assets		
Property, plant and equipment		
Buildings in trust	157,073,717	155,655,427
Accumulated depreciation	(26,811,590)	(26,341,399)
Buildings in trust, net	130,262,126	129,314,027
Structures in trust	1,556,394	1,579,522
Accumulated depreciation	(436,454)	(427,319)
Structures in trust, net	1,119,940	1,152,203
Machinery and equipment in trust	2,717,831	2,592,478
Accumulated depreciation	(796,001)	(797,279)
Machinery and equipment in trust, net	1,921,830	1,795,199
Tools, furniture and fixtures in trust	1,820,156	1,714,157
Accumulated depreciation	(892,275)	(899,279)
Tools, furniture and fixtures in trust, net	927,881	814,878
Land in trust	262,830,787	274,564,725
Construction in progress in trust	—	5,093
Total property, plant and equipment	397,062,566	407,646,127
Intangible assets		
Leasehold rights in trust	5,704,053	5,648,935
Other	53,504	46,492
Total intangible assets	5,757,558	5,695,428
Investments and other assets		
Investments in capital of subsidiaries and associates	137,936,632	137,936,632
Investment securities	5,401	—
Lease and guarantee deposits	1,614,786	1,614,786
Long-term prepaid expenses	766,191	765,025
Deferred tax assets	55	159
Derivatives	71,117	406,586
Other	182,915	188,670
Total investments and other assets	140,577,101	140,911,860
Total non-current assets	543,397,226	554,253,416
Deferred assets		
Investment corporation bond issuance costs	73,004	65,086
Total deferred assets	73,004	65,086
Total assets	566,471,297	586,527,769

(Thousand yen)

	22nd Fiscal Period (As of October 31, 2025)	23rd Fiscal Period (As of April 30, 2026)
Liabilities		
Current liabilities		
Operating accounts payable	826,497	581,671
Short-term loans payable	9,860,000	2,590,000
Current portion of investment corporation bonds	2,000,000	2,000,000
Current portion of long-term loans payable	29,080,000	34,637,000
Accounts payable – other	2,777,551	3,332,177
Accrued expenses	445,830	455,151
Accrued consumption taxes	409,204	339,586
Advances received	671,293	736,940
Other	7,641	9,847
Total current liabilities	46,078,020	44,682,375
Non-current liabilities		
Investment corporation bonds	15,500,000	15,500,000
Long-term loans payable	210,002,000	229,305,000
Tenant leasehold and security deposits in trust	7,265,807	7,045,317
Derivatives liabilities	590	—
Total non-current liabilities	232,768,397	251,850,317
Total liabilities	278,846,418	296,532,692
Net assets		
Unitholders' equity		
Unitholders' capital	165,151,423	165,151,423
Surplus		
Capital surplus	128,598,415	128,598,415
Deduction from capital surplus		
Allowance for temporary difference adjustments	*4 (1,844,317)	*4 (2,352,186)
Other deduction from capital surplus	*3 (13,867,947)	*3 (13,867,947)
Total deduction from capital surplus	(15,712,265)	(16,220,134)
Capital surplus, net	112,886,149	112,378,281
Unappropriated retained earnings	9,516,777	12,047,949
Total surplus	122,402,927	124,426,230
Total unitholders' equity	287,554,351	289,577,654
Valuation and translation adjustments		
Deferred gains or losses on hedges	70,527	417,422
Total valuation and translation adjustments	70,527	417,422
Total net assets	*1 287,624,879	*1 289,995,076
Total liabilities and net assets	566,471,297	586,527,769

The accompanying notes are an integral part of these financial statements.

(2) Statement of Income and Retained Earnings

(Thousand yen)

		22nd Fiscal Period (From May 1, 2025 to October 31, 2025)	23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Operating revenue			
Rent revenue – real estate	*1	12,459,762	*1 12,376,825
Other lease business revenue	*1	466,832	*1 487,470
Gain on sale of real estate properties	*2	5,219,459	*2 7,733,720
Dividend income	*3	1,229,865	*3 1,752,924
Gain on investments in silent partnership		3,894	—
Total operating revenue		19,379,814	22,350,940
Operating expenses			
Expenses related to rent business	*1	5,850,707	*1 5,727,494
Impairment losses	*4	338,181	—
Loss on investments in silent partnerships		—	1,507
Asset management fees		1,645,778	2,460,787
Asset custody fees		10,650	10,517
Administrative service fees		51,448	51,604
Directors' compensation		5,400	5,850
Provision of allowance for doubtful accounts		—	190
Other operating expenses		670,507	565,995
Total operating expenses		8,572,675	8,823,948
Operating income		10,807,139	13,526,991
Non-operating income			
Interest income		22,609	23,245
Reversal of distribution payable		942	1,071
Interest on tax refund		584	1
Other		123	—
Total non-operating income		24,260	24,318
Non-operating expenses			
Interest expenses		1,074,320	1,260,006
Interest expenses on investment corporation bonds		66,267	62,330
Borrowing related expenses		151,797	165,120
Amortization of investment corporation bond issuance costs		9,542	7,918
Other		11,207	5,855
Total non-operating expenses		1,313,136	1,501,231
Ordinary income		9,518,263	12,050,078
Income before income taxes		9,518,263	12,050,078
Income taxes – current		1,619	2,932
Income taxes – deferred		(29)	(103)
Total income taxes		1,590	2,829
Net income		9,516,672	12,047,248
Retained earnings brought forward		105	700
Unappropriated retained earnings		9,516,777	12,047,949

The accompanying notes are an integral part of these financial statements.

(3) Statement of Changes in Net Assets

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

(Thousand yen)

	Unitholders' equity					
	Unitholders' capital	Surplus				
		Capital surplus				
		Capital surplus	Deduction from capital surplus			Capital surplus, net
			Allowance for temporary difference adjustments	Other deduction from unitholders' capital surplus	Total deduction from unitholders' capital surplus	
Balance at beginning of period	165,151,423	128,598,415	(1,674,455)	(9,868,009)	(11,542,465)	117,055,950
Changes of items during period						
Distribution from surplus						
Distributions in excess of earnings from allowance for temporary difference adjustments			(169,861)		(169,861)	(169,861)
Net income						
Acquisition of own investment units						
Cancellation of own investment units				(3,999,938)	(3,999,938)	(3,999,938)
Net changes of items other than unitholders' equity						
Total changes of items during period	—	—	(169,861)	(3,999,938)	(4,169,800)	(4,169,800)
Balance at end of period	*1 165,151,423	128,598,415	(1,844,317)	(13,867,947)	(15,712,265)	112,886,149

	Unitholders' equity				Valuation and translation adjustments		Total net assets
	Surplus		Own investment units	Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Unappropriated retained earnings	Total surplus					
Balance at beginning of period	10,130,833	127,186,783	—	292,338,207	(1,821,822)	(1,821,822)	290,516,384
Changes of items during period							
Distribution from surplus	(10,130,727)	(10,130,727)		(10,130,727)			(10,130,727)
Distributions in excess of earnings from allowance for temporary difference adjustments		(169,861)		(169,861)			(169,861)
Net income	9,516,672	9,516,672		9,516,672			9,516,672
Acquisition of own investment units			(3,999,938)	(3,999,938)			(3,999,938)
Cancellation of own investment units		(3,999,938)	3,999,938	—			—
Net changes of items other than unitholders' equity					1,892,350	1,892,350	1,892,350
Total changes of items during period	(614,055)	(4,783,855)	—	(4,783,855)	1,892,350	1,892,350	(2,891,505)
Balance at end of period	9,516,777	122,402,927	—	287,554,351	70,527	70,527	287,624,879

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

(Thousand yen)

	Unitholders' equity					
	Unitholders' capital	Surplus				
		Capital surplus				
		Capital surplus	Deduction from capital surplus			Capital surplus, net
Allowance for temporary difference adjustments	Other deduction from unitholders' capital surplus		Total deduction from unitholders' capital surplus			
Balance at beginning of period	165,151,423	128,598,415	(1,844,317)	(13,867,947)	(15,712,265)	112,886,149
Changes of items during period						
Distribution from surplus						
Distributions in excess of earnings from allowance for temporary difference adjustments			(507,868)		(507,868)	(507,868)
Net income						
Net changes of items other than unitholders' equity						
Total changes of items during period	—	—	(507,868)	—	(507,868)	(507,868)
Balance at end of period	*1 165,151,423	128,598,415	(2,352,186)	(13,867,947)	(16,220,134)	112,378,281

	Unitholders' equity			Valuation and translation adjustments		Total net assets
	Surplus		Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Unappropriated retained earnings	Total surplus				
Balance at beginning of period	9,516,777	122,402,927	287,554,351	70,527	70,527	287,624,879
Changes of items during period						
Distribution from surplus	(9,516,077)	(9,516,077)	(9,516,077)			(9,516,077)
Distributions in excess of earnings from allowance for temporary difference adjustments		(507,868)	(507,868)			(507,868)
Net income	12,047,248	12,047,248	12,047,248			12,047,248
Net changes of items other than unitholders' equity				346,894	346,894	346,894
Total changes of items during period	2,531,171	2,023,302	2,023,302	346,894	346,894	2,370,197
Balance at end of period	12,047,949	124,426,230	289,577,654	417,422	417,422	289,995,076

The accompanying notes are an integral part of these financial statements.

(4) Statement of Cash Distributions

Item	22nd Fiscal Period (From May 1, 2025 to October 31, 2025)	23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
I . Unappropriated retained earnings	9,516,777,964 yen	12,047,949,263 yen
II . Amount added to distributions in excess of earnings		
Allowance for temporary difference adjustments	507,868,460 yen	2,616,813,760 yen
III. Cash distributions	10,023,946,130 yen	14,663,625,790 yen
[Cash distributions per unit]	[2,329 yen]	[3,407 yen]
Of which, distributions of earnings	9,516,077,670 yen	12,046,812,030 yen
[Of which, distributions of earnings per unit]	[2,211 yen]	[2,799 yen]
Of which, allowance for temporary difference adjustments	507,868,460 yen	2,616,813,760 yen
[Of which, distributions in excess of earnings per unit [associated with the allowance for temporary difference adjustments]]	[118 yen]	[608 yen]
IV. Retained earnings carried forward	700,294 yen	1,137,233 yen
Method for calculating cash distributions	The basic policy is to distribute in excess of an amount equivalent to 90% of the amount of earnings available for distribution of SHR provided in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation as set forth in Article 46, Paragraph 1, Item 2 of the Articles of Incorporation of SHR. Based on such policy, SHR decided to distribute 9,516,077,670 yen, which is unappropriated retained earnings was distribution of earnings. In addition, pursuant to the policy for "distribution of money in excess of profits" as set forth in Article 46, Paragraph 2 of the Articles of Incorporation of SHR, SHR decided to make a distribution for the 507,868,460 yen in allowance for temporary difference adjustments for the purpose of reflecting the effect on distributions of tax and accounting differences.	The basic policy is to distribute in excess of an amount equivalent to 90% of the amount of earnings available for distribution of SHR provided in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation as set forth in Article 46, Paragraph 1, Item 2 of the Articles of Incorporation of SHR. Based on such policy, SHR decided to distribute 12,046,812,030 yen, which is unappropriated retained earnings was distribution of earnings. In addition, pursuant to the policy for "distribution of money in excess of profits" as set forth in Article 46, Paragraph 2 of the Articles of Incorporation of SHR, SHR decided to make a distribution for the 2,616,813,760 yen in allowance for temporary difference adjustments for the purpose of reflecting the effect on distributions of tax and accounting differences.

(5) Statement of Cash Flows

(Thousand yen)

	22nd Fiscal Period (From May 1, 2025 to October 31, 2025)	23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Cash flows from operating activities		
Income before income taxes	9,518,263	12,050,078
Depreciation and amortization	2,336,351	2,321,425
Amortization of investment corporation bond issuance costs	9,542	7,918
Impairment losses	338,181	—
Interest income	(22,609)	(23,245)
Interest expenses	1,140,588	1,322,337
Decrease (increase) in operating accounts receivable	(51,216)	73,426
Decrease (increase) in consumption taxes receivable	215,119	—
Decrease (increase) in prepaid expenses	(2,132)	(11,197)
Decrease (increase) in long-term prepaid expenses	(6,205)	1,166
Increase (decrease) in operating accounts payable	40,979	20,116
Increase (decrease) in accounts payable – other	(25,520)	554,102
Increase (decrease) in accrued consumption taxes	409,204	(69,618)
Increase (decrease) in advances received	(94,850)	65,647
Decrease due to sale of property, plant and equipment in trust	54,619,882	23,724,011
Other, net	(3,388)	8,900
Subtotal	68,422,190	40,045,068
Interest income received	22,609	23,245
Interest expenses paid	(1,093,337)	(1,312,834)
Income taxes paid	4,709	(2,512)
Net cash provided by operating activities	67,356,172	38,752,966
Cash flows from investing activities		
Purchase of property, plant and equipment in trust	(7,951,976)	(36,831,856)
Purchase of intangible assets	(20,395)	(139)
Payments for investments in capital of subsidiaries and associates	(42,953,287)	—
Proceeds from refunds of investment securities	198,881	—
Proceeds from tenant leasehold and security deposits in trust	221,844	368,429
Repayments of tenant leasehold and security deposits in trust	(2,098,886)	(588,918)
Decrease (increase) in other investments	(6,819)	(6,262)
Net cash provided by (used in) investing activities	(52,610,639)	(37,058,748)
Cash flows from financing activities		
Proceeds from short-term loans payable	—	2,590,000
Repayments of short-term loans payable	(8,500,000)	(9,860,000)
Proceeds from long-term loans payable	24,913,000	43,290,000
Repayments of long-term loans payable	(17,413,000)	(18,430,000)
Redemption of investment corporation bonds	(4,000,000)	—
Purchase of own investment units	(3,999,938)	—
Dividends paid	(10,299,833)	(10,023,670)
Net cash provided by (used in) financing activities	(19,299,771)	7,566,329
Net increase (decrease) in cash and cash equivalents	(4,554,238)	9,260,547
Cash and cash equivalents at beginning of period	26,914,310	22,360,071
Cash and cash equivalents at end of period	*1 22,360,071	*1 31,620,619

The accompanying notes are an integral part of these financial statements.

(6) Notes to Financial Statements

1. Organization

Sekisui House Reit, Inc. (“SHR”) is a Japanese real estate investment corporation established in September 2014 under the Act on Investment Trusts and Investment Corporations of Japan (the “Investment Trust Act”). On December 3, 2014, SHR commenced its investment operations when it was listed on the Real Estate Investment Trust Securities Market of the Tokyo Stock Exchange, and it acquired three properties (total acquisition cost of 114.3 billion yen) on the same day.

SHR implemented a 2-for-1 split of its investment units with May 1, 2018 as the effective date.

SHR conducted an absorption-type merger with Sekisui House Residential Investment Corporation (“SHI”) as the dissolved corporation, setting May 1, 2018 as the effective date.

SHR is externally managed by a licensed asset management company, Sekisui House Asset Management, Ltd. (the “Asset Management Company”).

Sekisui House Asset Management, Ltd., previously called Sekisui House Investment Advisors, Ltd., carried out an absorption-type merger with Sekisui House Asset Management, Ltd. (the “former SHA”), which was the asset management company for SHI, on May 1, 2018, with the Asset Management Company being the surviving company and the former SHA being the dissolved company, and changed its company name to the current one.

2. Basis of Presentation

SHR maintains its accounting records and prepares its financial statements in accordance with accounting principles generally accepted in Japan (“Japanese GAAP”), including provisions set forth in the Financial Instruments and Exchange Act, the Investment Trust Act, the Companies Act and the related regulations, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

The accompanying financial statements are basically a translation of the financial statements of SHR, which were prepared in accordance with Japanese GAAP and were presented in its Securities Report filed with the Kanto Local Finance Bureau. In preparing the accompanying financial statements, certain reclassifications and modifications have been made to the financial statements issued domestically in order to present them in a format which is more familiar to readers outside Japan. In addition, the notes to the financial statements include certain information which might not be required under Japanese GAAP but is presented herein as additional information.

SHR’s fiscal period is a six-month period, which ends at the end of April and October of each year.

SHR does not prepare consolidated financial statements as it has no subsidiaries.

Unless otherwise specified, amounts have been rounded down to the nearest thousand yen in the accompanying financial statements and the notes thereto. As a result, the amounts shown in the financial statements and notes thereto do not necessarily agree with the sum of the individual account balances.

3. Summary of Significant Accounting Policies

1. Standards and methods for valuation of assets	Securities (1) Investments in capital of subsidiaries and associates Investments for an overseas real estate holding corporation, as set forth in Article 221-2-1 of the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations, are stated utilizing the movingaverage cost method. (2) Other securities Silent partnership equity interests The amount equivalent to the share of the net profit or loss of the silent partnership will be incorporated.								
2. Method of depreciation and amortization of non-current assets	(1) Property, plant and equipment (including assets in trust) Depreciation is calculated using the straight-line method. The useful lives of principal property, plant and equipment are as follows: <table> <tr> <td>Buildings</td><td>2-70 years</td></tr> <tr> <td>Structures</td><td>2-52 years</td></tr> <tr> <td>Machinery and equipment</td><td>2-61 years</td></tr> <tr> <td>Tools, furniture and fixtures</td><td>2-15 years</td></tr> </table> (2) Intangible assets Intangible assets are amortized utilizing the straight-line method. Leasehold rights in trust are amortized on a straight-line basis over the remaining life of each fixed-term land lease contract. (3) Long-term prepaid expenses Long-term prepaid expenses are amortized utilizing the straight-line method.	Buildings	2-70 years	Structures	2-52 years	Machinery and equipment	2-61 years	Tools, furniture and fixtures	2-15 years
Buildings	2-70 years								
Structures	2-52 years								
Machinery and equipment	2-61 years								
Tools, furniture and fixtures	2-15 years								
3. Accounting for deferred assets	(1) Investment corporation bond issuance costs Investment corporation bond issuance costs are amortized utilizing the straight-line method over the redemption periods. (2) Investment unit issuance costs Investment unit issuance costs are amortized utilizing the straight-line method (over 3 years).								
4. Standards for recording allowance	Allowance for doubtful accounts To prepare for possible losses arising from default on receivables, the estimated uncollectable amount is recorded by examining collectability on a case-by-case basis for doubtful and other specific receivables.								
5. Conversion of assets and liabilities in foreign currency into Japanese yen	Receivables and payables denominated in foreign currencies are translated into yen at the exchange rate in effect at the end of fiscal year, and differences arising from the translation are included in the statements of income.								

6. Standards for revenue and expense recognition	(1) Revenue recognition The details of the main performance obligations relating to revenue arising from contracts with customers and the timing (usual timing of revenue recognition) when such performance obligations are satisfied areas follows. 1) Sale of real estate, etc. With regard to the sale of real estate, etc., income is calculated based on when the buyer gains control over the real estate, etc., at the point in time the delivery obligation stipulated in the contract relating to the sale of the real estate is satisfied. 2) Utilities revenue Utilities revenue mainly represents water utility revenue. With regard to water utility revenue, revenue is calculated based on the provision of electricity, water, etc. to lessees, as customers, under lease contracts for real estate, etc., and the agreements that are attached to the contracts. As for the water utility revenue when SHR is deemed to be acting as an agent in the transaction, revenue is recognized at the net amount after deducting the amount to be paid to other parties from the amount received as the payment for electricity, gas, etc. supplied by those other parties. Rent revenue SHR generally recognizes rent revenue, including fixed rent revenues, variable rent revenues and common area charges, on an accrual basis over the term of each lease agreement. Other lease business revenue Other lease business revenue is recognized in accordance with Japanese GAAP, typically as the amounts under the relevant agreements become due. (2) Accounting for property taxes In accounting for property tax, city planning tax, depreciable asset tax, etc. on real estate, etc., of the tax amount assessed and determined, the amount corresponding to the applicable calculation period is expensed as expenses related to rent business. Reimbursement of property tax, paid to the seller upon the acquisition of real estate or trust beneficiary interests of real estate as assets in trust, is not recognized as expenses related to rent business in the corresponding fiscal period but included in the acquisition cost of the property. Property taxes capitalized as a part of the acquisition cost amounted to 6,170 thousand yen for the 22nd fiscal period and 25,244 thousand yen for the 23rd fiscal period.
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7. Method of hedge accounting	(1) Method of hedge accounting Deferral hedge accounting is applied. However, the special accounting treatment is applied to interest rate swaps that meet the criteria for the special accounting treatment. (2) Hedging instruments and hedged items (Loans) Hedging instruments: Interest rate swap transactions Hedged items: Interest on loans (Future transactions denominated in a foreign currency) Hedging instruments: exchange contracts Hedged items: Future transactions denominated in a foreign currency (3) Hedging policy SHR conducts derivative transactions for the purpose of hedging the risks set forth in its Articles of Incorporation based on its basic risk management policy. (4) Method for assessing the effectiveness of hedging Interest rate swaps meet the criteria for the special accounting treatment and an assessment of the effectiveness is thus omitted. (5) Special accounting treatment Under the special accounting treatment, interest rate swaps are not measured at fair value, but the differential paid or received under the swap agreements is recognized and included in or deducted from interest expense. Any amounts received under interest rate swaps subject to such accounting treatment are not recognized as income on the accompanying statements of income and retained earnings but rather have the effect of decreasing interest expenses.
8. Scope of funds in the statement of cash flows	The funds (cash and cash equivalents) in the statement of cash flows consist of cash on hand and cash in trust; deposits that can be withdrawn at any time and deposits in trust; and short-term investments with a maturity of three months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.
9. Other significant matters serving as basis for preparation of financial statements	Accounting for trust beneficiary interests of real estate, etc. as assets in trust Concerning trust beneficiary interests of real estate, etc. as assets in trust, all accounts of assets and liabilities within assets in trust as well as all accounts of revenue and expenses from the assets in trust are recognized in the relevant account items on the balance sheet and the statement of income and retained earnings. The following material items of the assets in trust recognized in the relevant account items are separately listed on the balance sheet. 1) Cash and deposits in trust 2) Buildings in trust; Structures in trust; Machinery and equipment in trust; Tools, furniture and fixtures in trust; Land in trust; Construction in progress in trust; Leasehold rights in trust 3) Tenant leasehold and security deposits in trust

Un applied Accounting Standard

“Accounting Standard for Leases” (ASBJ Statement No. 34, September 13, 2024)

“Implementation Guidance on Accounting Standard for Leases” (ASBJ Guidance No. 33, September 13, 2024), etc.

(1)Overview

As part of efforts to make the Japanese GAAP internationally consistent, the Accounting Standards Board of Japan(ASBJ) has been considering to develop accounting standards for leases in which assets and liabilities are recognized for all leases of lessees, taking into account international accounting standards. The basic policy is to base the accounting standards on the single accounting model of IFRS 16, by not adopting all the provisions of IFRS 16, but adopting only the main provisions, which will result in simple and convenient accounting standards that will basically not require any amendments even if a company uses the provisions of IFRS 16 for its non-consolidated financial statements. As for the accounting treatment of lessees, the single accounting model will be applied to the method of allocating lease expenses to lessees in which depreciation expenses for right-of-use assets and interest expenses for lease liabilities are recorded for all leases, regardless of whether the lease is a finance lease or an operating lease, same as IFRS 16.

(2)Scheduled date of the application

The Company will adopt the accounting standard, etc. from the beginning of the period ending October 31, 2027.

(3)Impact of the application of the respective accounting standard, etc.

The Company is currently evaluating the effect on its financial statements by applying the “Accounting Standard for Leases” , etc.

4. Significant accounting estimates

Impairment Losses of Fixed Assets

1. Amounts recorded in the financial statements

(Thousand yen)

	22nd Fiscal Period (As of October 31, 2025)	23rd Fiscal Period (As of April 30, 2026)
Impairment Losses	338,181	—
Property, plant and equipment	397,062,566	407,646,127
Intangible Assets	5,757,558	5,695,428

2.Information on the nature of significant accounting estimates for identified items

Fiscal Period under review(October 31, 2025)

In accordance with Accounting Standard for Impairment of Fixed Assets, SHR has adopted the accounting treatment to reduce the book value of fixed assets to the recoverable amount when recovery of the investment is no longer expected due to a decline in profitability.

In adopting the accounting treatment, each property owned by SHR is regarded as a single asset group, and SHR makes an evaluation whether it is required to recognize impairment losses when there are indications of impairment due to continued negative operating income or cash flow, changes in the range or method of use that significantly reduce the recoverable amounts, a significant deterioration of the business environment, and a significant decline in the market value, etc.

The estimated future cash flows are used to determine whether to recognize impairment losses. If impairment losses are deemed necessary, the book value is reduced to the recoverable amount, and the reduced amount is recorded as impairment losses.

In estimating the future cash flow, the assumed rents, property-related expenses, and discount rate, etc. are determined by comprehensively considering the market trends and transaction cases of similar properties, etc. in reference to information from outside experts, such as assumptions used for real estate appraisals. The performance and the market value of each property may be affected by the trends in the real estate rental market and real estate transaction market.

Since it is difficult to accurately predict these various events, changes in the assumptions used for the estimates may affect financial position, operating results, and cash flows of SHR in the following fiscal period.

Fiscal Period under review(April 30, 2026)

In accordance with Accounting Standard for Impairment of Fixed Assets, SHR has adopted the accounting treatment to reduce the book value of fixed assets to the recoverable amount when recovery of the investment is no longer expected due to a decline in profitability.

In adopting the accounting treatment, each property owned by SHR is regarded as a single asset group, and SHR makes an evaluation whether it is required to recognize impairment losses when there are indications of impairment due to continued negative operating income or cash flow, changes in the range or method of use that significantly reduce the recoverable amounts, a significant deterioration of the business environment, and a significant decline in the market value, etc.

The estimated future cash flows are used to determine whether to recognize impairment losses. If impairment losses are deemed necessary, the book value is reduced to the recoverable amount, and the reduced amount is recorded as impairment losses.

In estimating the future cash flow, the assumed rents, property-related expenses, and discount rate, etc. are determined by comprehensively considering the market trends and transaction cases of similar properties, etc. in reference to information from outside experts, such as assumptions used for real estate appraisals. The performance and the market value of each property may be affected by the trends in the real estate rental market and real estate transaction market.

Since it is difficult to accurately predict these various events, changes in the assumptions used for the estimates may affect financial position, operating results, and cash flows of SHR in the following fiscal period.

5. Notes to Balance Sheet

*1. Minimum net assets designated in Article 67-4 of the Investment Trust Act

(Thousand yen)

	22nd Fiscal Period (As of October 31, 2025)	23rd Fiscal Period (As of April 30, 2026)
	50,000	50,000

2. Commitment line agreement

SHR has entered into a commitment line agreement with three financial institutions in order to secure flexible and stable financing.

(Thousand yen)

	22nd Fiscal Period (As of October 31, 2025)	23rd Fiscal Period (As of April 30, 2026)
Total amount of commitment line	15,000,000	15,000,000
Balance executed as loans	—	—
Unused line of credit	15,000,000	15,000,000

*3. Status of cancellation of own investment units

	22nd Fiscal Period (As of October 31, 2025)	23rd Fiscal Period (As of April 30, 2026)
Total number of units cancelled	127,163 units	127,163 units
Total amount cancelled	9,999,829 thousand yen	9,999,829 thousand yen

* There were no cancellations of own investment units during the fiscal period under review.

*4. Allowance for Temporary Difference Adjustments

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

1. Reason for provision, related assets etc. and amount of provision

(Thousand yen)

Related assets, etc.	Reason for provision	Initial amount	Balance at beginning of period	Amount of provision during period	Amount of reversal during period	Balance at end of period	Reason for reversal
Buildings in trust, etc.	Excess depreciation related to depreciation at merger	1,048,962	829,219	219,743	—	1,048,962	—
Gain on sale of real estate properties	Lump-sum record the expenses of split sale	945,000	735,000	(105,000)	—	630,000	Sale of applicable properties
Leasehold rights in trust	Depreciation of leasehold rights in trust	165,355	110,236	55,118	—	165,355	—
Total		2,159,317	1,674,455	169,861	—	1,844,317	

2. Specific method of reversal

Item	Method of reversal
Buildings in trust, etc.	In principle, the allowance for temporary difference adjustments related to a merger is not reversed.
Gain on sale of real estate properties	Schedule to be reversed as of sale of applicable properties.
Leasehold rights in trust	Schedule to be reversed such as of sale of applicable properties.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

1. Reason for provision, related assets etc. and amount of provision

(Thousand yen)

Related assets, etc.	Reason for provision	Initial amount	Balance at beginning of period	Amount of provision during period	Amount of reversal during period	Balance at end of period	Reason for reversal
Buildings in trust, etc.	Excess depreciation related to depreciation at merger	1,268,530	1,048,962	219,568	—	1,268,530	—
Gain on sale of real estate properties	Lump-sum record the expenses of split sale	945,000	630,000	(105,000)	—	525,000	Sale of applicable properties
Land in trust, etc.	Record of impairment losses	338,181	—	338,181	—	338,181	—
Leasehold rights in trust	Depreciation of leasehold rights in trust	220,473	165,355	55,118	—	220,473	—
Total		2,772,186	1,844,317	507,868	—	2,352,186	

2. Specific method of reversal

Item	Method of reversal
Buildings in trust, etc.	In principle, the allowance for temporary difference adjustments related to a merger is not reversed.
Gain on sale of real estate properties	Schedule to be reversed as of sale of applicable properties.
Impairment losses	Schedule to be reversed as of sale of applicable properties.
Leasehold rights in trust	Schedule to be reversed such as of sale of applicable properties.

6. Notes to Statement of Income and Retained Earnings

*1. Breakdown of property-related operating revenue and expenses

				(Thousand yen)
		22nd Fiscal Period (From May 1, 2025 to October 31, 2025)		23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
A.	Property-related operating revenue			
	Rent revenue – real estate			
	Rental income	12,071,403		11,989,545
	Other	388,359	12,459,762	387,279
	Other lease business revenue			12,376,825
	Utilities revenue	186,235		133,964
	Other	280,597	466,832	353,505
	Total property-related operating revenue		12,926,595	487,470
				12,864,295
B.	Property-related operating expenses			
	Expenses related to rent business			
	Subcontract expenses	566,694		560,451
	Property management fees	510,445		529,507
	Trust fees	51,921		41,522
	Utilities expenses	323,854		265,748
	Property and other taxes	901,432		808,680
	Insurance expenses	19,957		20,084
	Repair expenses	414,592		433,713
	Depreciation	2,329,257		2,314,026
	Other expenses related to rent business	732,551	5,850,707	753,759
	Total property-related operating expenses		5,850,707	5,727,494
				5,727,494
C.	Property-related operating income [A – B]		7,075,887	7,136,800

*2. Breakdown of gain on sale of real estate properties

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

	(Thousand yen)
Akasaka Garden City	
Proceeds from sale of real estate property	54,600,000
Cost of real estate property	49,767,373
Other sales expenses	1,741,676
Gain on sale of real estate property	3,090,949

	(Thousand yen)
Gotenyama SH Building	
Proceeds from sale of real estate property	7,000,000
Cost of real estate property	4,850,340
Other sales expenses	21,150
Gain on sale of real estate property	2,128,509

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

	(Thousand yen)
Gotenyama SH Building	
Proceeds from sale of real estate property	7,000,000
Cost of real estate property	4,837,434
Other sales expenses	21,120
Gain on sale of real estate property	2,141,445

(Thousand yen)

Esty Maison Ebisu,	
Esty Maison Kawasaki,	
Esty Maison Kyobashi	
Esty Maison Shinagawa Seaside	
Esty Maison Itabashihoncho	
Prime Maison Higashisakura	
Esty Maison Kinshicho	
Esty Maison Higashishirakabe	
Esty Maison Aoi	
Esty Maison Unomori	
Esty Maison Shizuoka Takajo	
Esty Maison HIGASHIBETSUIN	
Proceeds from sale of real estate property	25,200,000
Cost of real estate property	18,886,576
Other sales expenses	721,148
Gain on sale of real estate property	5,592,274

(Note) Individual gain on sales of real estate properties (disposition prices) are not disclosed as consent for disclosure cannot be obtained from the purchasers. In accordance with this, individual costs of sales of real estate properties (book values) are not disclosed either.

*3. Breakdown of dividends received

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

8,581,005USD(1,229,865thousand yen) of the maximum distributable amount 11,369,288USD (1,693,114thousand yen) based on the results of the fiscal period ended June 2025 of investment in 2 overseas real estate holding corporations was paid to SHR as dividends, which were calculated on the following basis.

SHR Boren Avenue Partners I, LLC

(Items of statements of income and the basis of calculating dividends(From August 1, 2024 to June 30, 2025))

	Unit:USD	Unit:thousand yen
Revenues related to real estate leasing business	8,153,754	1,214,257
Expenses related to real estate leasing business	2,781,156	414,169
Other revenues	239,493	35,665
Other expenses	327,007	48,697
Gain on valuation of Investment properties	3,175,669	472,920
Gain on valuation of Rent guaranteed assets	94,892	14,131
Net income before income taxes	8,555,645	1,274,106
Income taxes	1,796,686	267,562
Maximum distributable amount	6,758,959	1,006,544
Dividends (Note3)	5,404,905	781,251

(Note1) The table above is based on IFRS Accounting Standards although disclosure is not based on IFRS Accounting Standards.

(Note2) For the exchange rate, the period-average exchange rate (USD 1 = JPY 148.92 (rounded down to the second decimal place)) is used.

(Note3) Dividends are converted to the yen value by using the forward exchange rate on May 12, 2025, of USD 1 = JPY 143.39, on May 19, 2025, of USD 1 = JPY 142.74 and the exchange rate on October 30, 2025, of USD 1 = JPY 152.76.

SHR Ridge Square Partners II, LLC

(Items of statements of income and the basis of calculating dividends(From August 1, 2024 to June 30, 2025))

	Unit:USD	Unit:thousand yen
Revenues related to real estate leasing business	5,302,289	789,616
Expenses related to real estate leasing business	2,094,368	311,893
Other revenues	61,930	9,222
Other expenses	163,521	24,351
Gain on valuation of Investment properties	3,092,416	460,522
Gain on valuation of Rent guaranteed assets	162,955	24,267
Net income before income taxes	6,361,701	947,384
Income taxes	1,751,371	260,814
Maximum distributable amount	4,610,330	686,570
Dividends (Note3)	3,176,100	448,613

(Note1) The table above is based on IFRS Accounting Standards although disclosure is not based on IFRS Accounting Standards.

(Note2) For the exchange rate, the period-average exchange rate (USD 1 = JPY 148.92 (rounded down to the second decimal place)) is used.

(Note3) Dividends are converted to the yen value by using the forward exchange rate on May 19, 2025, of USD 1 = JPY 142.74, on May 26, 2025, of USD1 = JPY 140.10 and the exchange rate on October 30, 2025, of USD 1 = JPY 152.76.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

11,592,289 USD (1,752,924 thousand yen) of the maximum distributable amount 23,055,328 USD (3,435,705 thousand yen) based on the results of the fiscal period ended December 2025 of investment in 2 overseas real estate holding corporations was paid to SHR as dividends, which were calculated on the following basis.

SHR Boren Avenue Partners II, LLC

(Items of statements of income and the basis of calculating dividends(From February 1, 2025 to December 31, 2025))

	Unit:USD	Unit:thousand yen
Revenues related to real estate leasing business	8,211,101	1,223,618
Expenses related to real estate leasing business	2,810,078	418,757
Other revenues	498,292	74,255
Other expenses	311,351	46,397
Gain on valuation of Investment properties	13,441,817	2,003,099
Gain on valuation of Rent guaranteed assets	293,660	43,761
Net income before income taxes	19,323,440	2,879,579
Income taxes	4,057,923	604,711
Maximum distributable amount	15,265,517	2,274,867
Dividends (Note3)	5,099,541	771,125

(Note1) The table above is based on IFRS Accounting Standards although disclosure is not based on IFRS Accounting Standards.

(Note2) For the exchange rate, the period-average exchange rate (USD 1 = JPY 149.02 (rounded down to the second decimal place)) is used.

(Note3) Dividends are converted to the yen value by using the forward exchange rate on November 5, 2025, of USD 1 = JPY 150.73 and the exchange rate on March 27, 2026, of USD 1 = JPY 159.19.

SHR Ridge Square Partners I, LLC

(Items of statements of income and the basis of calculating dividends(From February 1, 2025 to December 31, 2025))

	Unit:USD	Unit:thousand yen
Revenues related to real estate leasing business	11,742,897	1,749,926
Expenses related to real estate leasing business	4,889,759	728,671
Other revenues	100,897	15,035
Other expenses	527,626	78,626
Loss on valuation of Investment properties	1,067,335	159,054
Gain on valuation of Rent guaranteed assets	5,411,425	806,410
Net income before income taxes	10,770,499	1,605,019
Income taxes	2,980,688	444,182
Maximum distributable amount	7,789,811	1,160,837
Dividends (Note3)	6,492,747	981,798

(Note1) The table above is based on IFRS Accounting Standards although disclosure is not based on IFRS Accounting Standards.

(Note2) For the exchange rate, the period-average exchange rate (USD 1 = JPY 149.02 (rounded down to the second decimal place)) is used.

(Note3) Dividends are converted to the yen value by using the forward exchange rate on November 5, 2025, of USD 1 = JPY 150.73 and the exchange rate on March 27, 2026, of USD 1 = JPY 159.19.

*4. Impairment losses

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

Impairment losses for the fiscal year period ended October 31, 2025 were as follows:

			Unit:thousand yen
Property Name	Location	Type	Impairment losses
Esty Maison Shizuoka Takajo	Shizuoka-shi, Shizuoka	Buildings in trust	60,956
		Structures in trust	289
		Tools, furniture and fixtures in trust	869
		Land in trust	129,599
		Total	191,715
Esty Maison HIGASHIBETSUIN	Nagoya-shi, Aichi	Buildings in trust	43,512
		Structures in trust	164
		Machinery and equipment in trust	43
		Tools, furniture and fixtures in trust	805
		Land in trust	101,940
		Total	146,466

In assessing impairment losses, each property owned by SHR is regarded as a single asset group.

The book value for two asset groups planned to be sold were reduced to its recoverable amount and the amount of the reduction(338,181 thousand yen) was recorded under operating expenses as impairment losses.

The impairment losses on the sale are deemed to have the nature of operating expenses and thus recorded under operating expenses in accordance with Article 48, Paragraph 2 of the Regulation on Accountings of Investment Corporations.

The recoverable amount for the asset group is measured at net realizable value. Net realizable value is calculated by deducting the estimated costs of disposal from the actual selling prices.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

Not applicable.

7. Notes to Statement of Changes in Net Assets

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

	22nd Fiscal Period (From May 1, 2025 to October 31, 2025)	23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Total number of authorized investment units	20,000,000units	20,000,000units
Total number of investment units issued	4,303,970units	4,303,970units

8. Notes to Statement of Cash Distributions

*1 Allowance for Temporary Difference Adjustments

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

1. Reason for provision, related assets etc. and amount of provision

(Thousand yen)

Related assets, etc.	Reason for provision	Amount of allowance for temporary difference adjustments
Buildings in trust, etc.	Excess depreciation related to depreciation at merger	219,568
Land in trust, etc.	Record of impairment losses	338,181
Gain on sale of real estate properties	Record the split sales expenses as combined calculation	(105,000)
Leasehold rights in trust	Depreciation of leasehold rights in trust	55,118
Total		507,868

2. Reason for reversal, related assets, etc. and amount of reversal

Not applicable.

3. Specific method of reversal

Item	Method of reversal
Buildings in trust, etc.	In principle, the allowance for temporary difference adjustments related to a merger is not reversed.
Impairment losses	Schedule to be reversed as of sale of applicable properties.
Gain on sale of real estate properties	Schedule to be reversed as of sale of applicable properties.
Leasehold rights in trust	Schedule to be reversed such as of sale of applicable properties.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

1. Reason for provision, related assets etc. and amount of provision

(Thousand yen)

Related assets, etc.	Reason for provision	Amount of allowance for temporary difference adjustments
Buildings in trust, etc.	Excess depreciation related to depreciation at merger	208,081
Buildings in trust, etc.	Excess disposition cost related to the acquisition cost at merger	2,796,795
Land in trust, etc.	Reversal of impairment losses	(338,181)
Gain on sale of real estate properties	Record the split sales expenses as combined calculation	(105,000)
Leasehold rights in trust	Depreciation of leasehold rights in trust	55,118
Total		2,616,813

2. Reason for reversal, related assets, etc. and amount of reversal

Not applicable.

3. Specific method of reversal

Item	Method of reversal
Buildings in trust, etc.	In principle, the allowance for temporary difference adjustments related to a merger is not reversed.
Impairment losses	Schedule to be reversed as of sale of applicable properties.
Gain on sale of real estate properties	Schedule to be reversed as of sale of applicable properties.
Leasehold rights in trust	Schedule to be reversed such as of sale of applicable properties.

9. Notes to Statement of Cash Flows

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

(Thousand yen)

	22nd Fiscal Period (From May 1, 2025 to October 31, 2025)	23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Cash and deposits	12,493,732	22,210,980
Cash and deposits in trust	9,866,339	9,409,638
Cash and cash equivalents	22,360,071	31,620,619

10. Lease Transactions

Operating lease transactions as lessee

Future minimum lease payments

(Thousand yen)

	22nd Fiscal Period (As of October 31, 2025)	23rd Fiscal Period (As of April 30, 2026)
Due within 1 year	825,204	826,956
Due after 1 year	41,484,588	41,155,858
Total	42,309,792	41,982,814

Operating lease transactions as lessor

Future minimum lease income

(Thousand yen)

	22nd Fiscal Period (As of October 31, 2025)	23rd Fiscal Period (As of April 30, 2026)
Due within 1 year	5,026,215	5,541,963
Due after 1 year	14,056,097	15,861,035
Total	19,082,313	21,402,998

11. Financial Instruments

1. Status of financial instruments

(1) Policy for financial instruments

Making it a policy to conduct stable and sound financial operations that would contribute to steady growth of its investment assets as well as efficient management and stability of management, SHR shall procure funds through borrowings or the issuance of investment corporation bonds for the purposes of utilizing such funds for the acquisition of assets, payments of repair expenses or distributions, operations of SHR, repayment of obligations or other.

For derivative transactions, the policy is that derivative transactions shall be limited to those for the purpose of hedging the risk of fluctuations in interest rates on liabilities and foreign currency risk in the case of overseas real estate investments, and that no speculative transactions shall be conducted.

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

The funds procured through borrowings shall be used mainly for the acquisition of investment assets and for repayment of loans.

The availability and terms and conditions of borrowings and the issuance of investment corporation bonds may be affected by SHR's financial creditworthiness, the interest rate situation and other factors, and there is thus no guarantee that funds can be procured at SHR's desired timing and terms and conditions. Furthermore, loans with floating interest rates are susceptible to subsequent market trends.

SHR manages and limits the liquidity risk and the risk of fluctuations in interest rates associated with such fund procurement by diversifying fund procurement sources and means and by maintaining the ratio of interest-bearing liabilities to total assets and the ratio of floating-rate loans to total loans at appropriate levels. Furthermore, for certain loans with floating interest rates, derivative transactions (interest rate swap transactions) are used as a hedging instrument for hedging the risk of fluctuations in interest rates based on rules that set forth the basic policy for handling derivative transactions and risk management. Investment securities are investments in TK (tokumei kumiai) and are exposed to the credit risk of the issuer and the risk of fluctuations in the value of real estate, etc.

Trade receivables denominated in foreign currencies in connection with acquisitions of overseas real estate are exposed to foreign exchange fluctuation risk. However, the asset management company monitors this risk and has a system in place to consider whether or not to hedge the risk by using derivative transactions such as forward exchange contracts.

There are cases where foreign currency transactions are conducted in relation to investments in overseas real estate, etc. Such transactions involve the risk of exchange rate fluctuations, and fluctuations in foreign exchange rates may have a negative impact on SHR's profit and loss. If the yen appreciates against foreign currencies, the yen value of foreign currency transactions related to investments in overseas real estate, etc. may decrease, which may have a negative impact on SHR's net income.

In addition, when assets and liabilities denominated in foreign currencies arise in connection with investments in overseas real estate, etc., some of these items are converted into yen at the foreign exchange rates prevailing at the time of account settlement for the purpose of preparing financial statements. These items may have a negative impact on SHR's net income due to exchange rate fluctuations.

(3) Supplementary explanation of matters concerning fair value of financial instruments

As the calculations involve variable factors, there may be cases where the corresponding values will vary when different assumptions are adopted. In addition, the contract amounts of derivative transactions in "2. Matters concerning fair value of financial instruments" do not represent the market risk involved in the derivative transactions.

2. Matters concerning fair value of financial instruments

The carrying amount and fair value of financial instruments as of October 31, 2025 and April 30, 2026 and the difference between them are as follows.

22nd Fiscal Period (As of October 31, 2025)

Information on “Cash and deposits,” “Cash and deposits in trust,” and “Short-term loans payable” is omitted as these are settled within a short period of time, thus the fair value approximates the book value. Also, as “Tenant leasehold and security deposits in trust” are immaterial, related notes are omitted.

(Thousand yen)

	Book value recorded on the balance sheet	Fair value	Difference
(1) Current portion of investment corporation bonds	2,000,000	1,986,000	(14,000)
(2) Current portion of long-term loans payable	29,080,000	28,983,548	(96,451)
(3) Investment corporation bonds	15,500,000	14,747,420	(752,580)
(4) Long-term loans payable	210,002,000	204,315,338	(5,686,661)
Total liabilities	256,582,000	250,032,306	(6,549,693)
(5) Derivative transactions (*)	70,527	70,527	—
Total derivative transactions (*)	70,527	70,527	—

(*) Amounts arising from derivative transactions are shown on a net basis with any amounts inside square parentheses () indicating a net liability position.

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

(1) Current portion of investment corporation bonds (3) Investment corporation bonds

The fair value of investment corporation bonds is based on the quoted market price.

Of the investment corporation bonds issued by SHR, the fair value of those with a market price is based on the quoted market price. For those where it is difficult to obtain the fair value based on the quoted market price, the fair value is based on the method of calculating by discounting the combined total of principal and interest by a reasonably estimated interest rate applicable when conducting similar fund procurement for the remaining period of the bonds.

(2) Current portion of long-term loans payable (4) Long-term loans payable

As the long-term loans payable with floating interest rates reflect interest rate changes within a short period of time, the fair value is approximately the same as the book value and is thus stated at that book value (provided, however, that for long-term loans payable with floating interest rates that qualify for the special accounting treatment of interest rate swaps (please refer to “13. Derivative Transactions”), the fair value is based on the method of calculation in which the sum total amount of principal and interest accounted for with the interest rate swap is discounted by the rate assumed in the event of a similar new drawdown). In addition, for those with fixed interest rates, the fair value is based on the method of calculation in which the sum total amount of principal and interest is discounted by the rate assumed in the event of a similar new drawdown corresponding to the remaining period.

(5) Derivative transactions

Please refer to “13. Derivative Transactions” .

23rd Fiscal Period (As of April 30, 2026)

Information on “Cash and deposits,” “Cash and deposits in trust,” and “Short-term loans payable” is omitted as these are settled within a short period of time, thus the fair value approximates the book value. Also, as “Tenant leasehold and security deposits in trust” are immaterial, related notes are omitted.

(Thousand yen)

	Book value recorded on the balance sheet	Fair value	Difference
(1) Current portion of investment corporation bonds	2,000,000	1,993,200	△6,800
(2) Current portion of long-term loans payable	34,637,000	34,541,091	△95,908
(3) Investment corporation bonds	15,500,000	14,381,770	△1,118,230
(4) Long-term loans payable	229,305,000	218,660,459	△10,644,540
Total liabilities	281,442,000	269,576,521	△11,865,478
(5) Derivative transactions (*)	417,422	417,422	—
Total derivative transactions (*)	417,422	417,422	—

(*) Amounts arising from derivative transactions are shown on a net basis with any amounts inside square parentheses () indicating a net liability position.

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

(1) Current portion of investment corporation bonds (3) Investment corporation bonds

The fair value of investment corporation bonds is based on the quoted market price.

Of the investment corporation bonds issued by SHR, the fair value of those with a market price is based on the quoted market price. For those where it is difficult to obtain the fair value based on the quoted market price, the fair value is based on the method of calculating by discounting the combined total of principal and interest by a reasonably estimated interest rate applicable when conducting similar fund procurement for the remaining period of the bonds.

(2) Current portion of long-term loans payable (4) Long-term loans payable

As the long-term loans payable with floating interest rates reflect interest rate changes within a short period of time, the fair value is approximately the same as the book value and is thus stated at that book value (provided, however, that for long-term loans payable with floating interest rates that qualify for the special accounting treatment of interest rate swaps (please refer to “13. Derivative Transactions”), the fair value is based on the method of calculation in which the sum total amount of principal and interest accounted for with the interest rate swap is discounted by the rate assumed in the event of a similar new drawdown). In addition, for those with fixed interest rates, the fair value is based on the method of calculation in which the sum total amount of principal and interest is discounted by the rate assumed in the event of a similar new drawdown corresponding to the remaining period.

(5) Derivative transactions

Please refer to “13. Derivative Transactions” .

(Note 2) Repayment schedule of investment corporation bonds and loans after the closing date

22nd Fiscal Period (As of October 31, 2025)

(Thousand yen)

	Due in 1 year or less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Due after 5 years
Investment corporation bonds	2,000,000	—	—	2,500,000	8,200,000	4,800,000
Long-term loans payable	29,080,000	30,197,000	36,427,000	32,700,000	38,750,000	71,928,000

23rd Fiscal Period (As of April 30, 2026)

(Thousand yen)

	Due in 1 year or less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Due after 5 years
Investment corporation bonds	2,000,000	—	—	6,700,000	4,000,000	4,800,000
Long-term loans payable	34,637,000	39,590,000	40,467,000	41,710,000	35,840,000	71,698,000

(Note 3) Investments in capital of subsidiaries and associates

In accordance with the treatment stipulated in Paragraph 5 of “Implementation Guidance on Fair Value Measurement of Financial Instruments” (ASBJ Guidance No.19, March 31, 2020, Accounting Standards Board of Japan), matters described in Paragraph 4-1 of “Implementation Guidance on Fair Value Measurement of Financial Instruments” (ASBJ Guidance No.19, March 31, 2020) have been omitted.

The carrying amount on the balance sheet for investments in LLCs located in the U.S. that own overseas interest according to the above implementation is 137,936,632 thousand yen for the 22nd fiscal period and 137,936,632 thousand yen for the 23rd fiscal period.

(Note 4) Investments in TK (tokumei kumiai) real estate equity interest

In accordance with the treatment stipulated in Paragraph 24-16 of “Implementation Guidance on Accounting for Fair Value Measurement” (ASBJ Guidance No.31, June 17, 2021, Accounting Standards Board of Japan), matters described in Paragraph 4-1 of “Implementation Guidance on Fair Value Measurement of Financial Instruments” (ASBJ Guidance No.19, March 31, 2020) have been omitted. The carrying amount on the balance sheet for investments in TK real estate equity interest according to the above implementation is 5,401 thousand yen for the 22nd fiscal period.

12. Securities

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

Not applicable.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

Not applicable.

13. Derivative Transactions

1. Derivatives to which hedge accounting is not applied

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

Not applicable.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

Not applicable.

2. Derivatives to which hedge accounting is applied

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

22nd Fiscal Period (As of October 31, 2025)

(Thousand yen)

Method of hedge accounting	Type of derivative transactions	Main hedged item	Contract amount		Fair value	Calculation method of fair value
				Of which, over 1 year		
Principal method	Interest rate swap transaction Floating interest rate receivable and fixed interest rate payable	Long-term loans payable	9,100,000	9,100,000	70,527	(Note1)
Special accounting treatment for interest rate swaps	Interest rate swap transaction Floating interest rate receivable and fixed interest rate payable	Long-term loans payable	80,027,000	67,197,000	(Note2)	—

(Note1) Calculated based on prices, etc. presented by financial institutions with which SHR does business.

(Note2) As derivative transactions qualifying for the special accounting treatment for interest rate swaps are accounted for with the hedged long-term loans payable, the fair value is included in the fair value of the underlying long-term loans payable (please refer to “ 11. Financial Instruments; 2. Matters concerning fair value of financial instruments (Note 1)”).

23rd Fiscal Period (As of April 30, 2026)

(Thousand yen)

Method of hedge accounting	Type of derivative transactions	Main hedged item	Contract amount		Fair value	Calculation method of fair value
				Of which, over 1 year		
Principal method	Interest rate swap transaction Floating interest rate receivable and fixed interest rate payable	Long-term loans payable	9,100,000	6,000,000	417,422	(Note1)
Special accounting treatment for interest rate swaps	Interest rate swap transaction Floating interest rate receivable and fixed interest rate payable	Long-term loans payable	82,697,000	73,325,000	(Note2)	—

(Note1) Calculated based on prices, etc. presented by financial institutions with which SHR does business.

(Note2) As derivative transactions qualifying for the special accounting treatment for interest rate swaps are accounted for with the hedged long-term loans payable, the fair value is included in the fair value of the underlying long-term loans payable (please refer to “ 11. Financial Instruments; 2. Matters concerning fair value of financial instruments (Note 1)”).

14. Retirement Benefits

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

Not applicable.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

Not applicable.

15. Income Taxes

1. Breakdown of deferred tax assets and deferred tax liabilities by major cause

(Thousand yen)

	22nd Fiscal Period (As of October 31, 2025)	23rd Fiscal Period (As of April 30, 2026)
Deferred tax assets		
Valuation difference on assets acquired due to merger	1,442,924	1,343,575
Amortization of leasehold rights in trust	162,829	178,978
Sale cost of split sale	165,165	132,132
Impairment losses	106,392	—
Accrued business taxes not deductible from taxable income	55	159
Other	—	255
Deferred tax assets (subtotal)	1,877,367	1,655,100
Valuation allowance for total deductible temporary difference	(1,877,311)	(1,654,941)
Total deferred tax assets	55	159
Net deferred tax assets	55	159

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

(%)

	22nd Fiscal Period (As of October 31, 2025)	23rd Fiscal Period (As of April 30, 2026)
Statutory tax rate	31.46	31.46
[Adjustments]		
Deductible cash distribution	(33.13)	(38.28)
Changes in valuation allowance	1.68	6.84
Other	0.01	0.00
Effective income tax rate after application of tax-effect accounting	0.02	0.02

16. Profit or Loss of Affiliates Accounted for Under the Equity Method

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

Not applicable.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

Not applicable.

17. Transactions with Related Parties

1. Parent company and major corporate unitholders.

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

Not applicable.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

Not applicable.

2. Subsidiaries and affiliates.

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

Not applicable.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

Not applicable.

3. Sister companies.
22nd Fiscal Period (From May 1, 2025 to October 31, 2025)
Not applicable.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Not applicable.

4. Directors and major individual unitholders.
22nd Fiscal Period (From May 1, 2025 to October 31, 2025)
Not applicable.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Not applicable.

18. Revenue Recognition

1. Breakdown of revenue from contracts with customers
22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

(Thousand yen)

	Revenue from contracts with customers (Note1)	Net sales to external customers
Sale of real estate, etc.	61,600,000	(Note2) 5,219,459
Utilities revenue	186,235	186,235
Other	—	13,974,119
Total	61,786,235	19,379,814

(Note1) Rental revenue, etc. subject to ASBJ Statement No. 13, “Accounting Standard for Lease Transactions” is not included in “Revenue from Contracts with Customers” because such revenue is excluded from the application of the revenue recognition standard. Revenues from contracts with major customers consist of revenues from the sale of real estate and other assets and utilities revenue.

(Note2) Regarding the sale of real estate, etc., in accordance with Article 48, Paragraph 2 of the Regulations on Accounting of Investment Corporations (Cabinet Office Ordinance No. 47, 2006), gain on the sale of real estate properties, etc. is shown in the statement of income and retained earnings after deducting cost of real estate property and direct sales expenses from the proceeds from the sale of real estate, etc.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

(Thousand yen)

	Revenue from contracts with customers (Note1)	Net sales to external customers
Sale of real estate, etc.	32,200,000	(Note2) 7,733,720
Utilities revenue	133,964	133,964
Other	—	14,483,255
Total	32,333,964	22,350,940

(Note1) Rental revenue, etc. subject to ASBJ Statement No. 13, “Accounting Standard for Lease Transactions” is not included in “Revenue from Contracts with Customers” because such revenue is excluded from the application of the revenue recognition standard. Revenues from contracts with major customers consist of revenues from the sale of real estate and other assets and utilities revenue.

(Note2) Regarding the sale of real estate, etc., in accordance with Article 48, Paragraph 2 of the Regulations on Accounting of Investment Corporations (Cabinet Office Ordinance No. 47, 2006), gain on the sale of real estate properties, etc. is shown in the statement of income and retained earnings after deducting cost of real estate property and direct sales expenses from the proceeds from the sale of real estate, etc.

2. Information to understand revenue from contracts with customers

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

As stated in “3. Summary of Significant Accounting Policies”

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

As stated in “3. Summary of Significant Accounting Policies”

3. Information on the relationship between performance obligations under contracts with customers and cash flows resulting from such contracts, and the amount and timing of proceeds expected to be recognized in the next fiscal period or thereafter from contracts with customers existing at the end of this fiscal period

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

(Thousand yen)

	22nd Fiscal Period (From May 1, 2025 to October 31, 2025)	23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Claims arising from contracts with customers (Balance at beginning of period)	36,176	40,261
Claims arising from contracts with customers (Balance at end of period)	40,261	21,749
Contract assets (Balance at beginning of period)	—	—
Contract assets (Balance at end of period)	—	—
Contract liabilities (Balance at beginning of period)	—	—
Contract liabilities (Balance at end of period)	—	—

(2) Transaction prices allocated to the remaining performance obligations

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

As of October 31, 2025, the transaction price allocated to the remaining performance obligations related to the sale of real estate, etc. is 35,000,000 thousand yen for which the sale and purchase agreement was entered into on March 29, 2023.

SHR assumes to recognize revenue for the remaining performance obligations as follows upon delivery of mentioned real estate.

1. Agreement allocation as of March 29, 2023

			(Thousand yen)
	Planned disposition date	Planned disposition price	Calculation period for revenue recognition
6	End of April 2026	7,000,000 (10%)	Ending April 2026 (FP 23)
7	End of October 2026	7,000,000 (10%)	Ending October 2026 (FP 24)
8	End of April 2027	7,000,000 (10%)	Ending April 2027 (FP 25)
9	End of October 2027	7,000,000 (10%)	Ending October 2027 (FP 26)
10	End of April 2028	7,000,000 (10%)	Ending April 2028 (FP 27)

With regard to utilities revenue, SHR recognizes proceeds in the amount that SHR has the right to claim in accordance with Clause 19 of the Accounting Standard for Revenue Recognition, because SHR has the right to receive from the lessee, as the customer, an amount of compensation directly corresponding to the value of the items provided up to the end of the fiscal period. Accordingly, SHR applies the provisions of Clause 80-22(2) of Accounting Standard for Revenue Recognition and does not include related information in the notes on transaction prices allocated to the remaining performance obligations.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

As of April 30, 2026, the transaction price allocated to the remaining performance obligations related to the sale of real estate, etc. is 28,000,000 thousand yen for which the sale and purchase agreement was entered into on March 29, 2023.

SHR assumes to recognize revenue for the remaining performance obligations as follows upon delivery of mentioned real estate.

1. Agreement allocation as of March 29, 2023

			(Thousand yen)
	Planned disposition date	Planned disposition price	Calculation period for revenue recognition
7	End of October 2026	7,000,000 (10%)	Ending October 2026 (FP 24)
8	End of April 2027	7,000,000 (10%)	Ending April 2027 (FP 25)
9	End of October 2027	7,000,000 (10%)	Ending October 2027 (FP 26)
10	End of April 2028	7,000,000 (10%)	Ending April 2028 (FP 27)

With regard to utilities revenue, SHR recognizes proceeds in the amount that SHR has the right to claim in accordance with Clause 19 of the Accounting Standard for Revenue Recognition, because SHR has the right to receive from the lessee, as the customer, an amount of compensation directly corresponding to the value of the items provided up to the end of the fiscal period. Accordingly, SHR applies the provisions of Clause 80-22(2) of Accounting Standard for Revenue Recognition and does not include related information in the notes on transaction prices allocated to the remaining performance obligations.

19. Limitations on Management of Assets

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

SHR invested in SHR Boren Avenue Partners I, LLC, SHR Boren Avenue Partners II, LLC, SHR Ridge Square Partners I, LLC and SHR Ridge Square Partners II, LLC as overseas real estate holding corporations when the investment exceeds the amount obtained by multiplying the total investment of the overseas real estate holding corporation (excluding the investment of the overseas real estate holding corporation) by the rate designated in Article 221 of the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations. The details of each overseas real estate holding corporation are as follows.

1. SHR Boren Avenue Partners I, LLC

(1) Total investment price 164,577,000USD (25,830,360,150 yen)

(Note) Converted to yen at the exchange rate of 1 USD=156.95 yen, which was the exchange rate at the time of investment.

(2) Investment ratio (The percentage of investment by overseas real estate holding corporations that are part of SHR's assets to the total investment amount) 100%

(3) Amounts of major items in the balance sheets and statements of income and retained earnings

With regard to the closing of accounts of SHR Boren Avenue Partners I, LLC for the fiscal period ended June 2025 (From August 1, 2024 to June 30, 2025), audits have been completed by CBIZ Inc. on the basis of IFRS Accounting Standards. Of the company's audited financial statement for the fiscal period ended June 2025 based on the relevant laws, amounts of major items in the balance sheets and statements of income and retained earnings are as follows.

Items on the balance sheets (As of June 30, 2025)

	Unit:USD	Unit:thousand yen
Total current assets	7,609,648	1,101,953
Total non-current assets	162,012,605	23,461,045
(Of which, total investment properties)	162,012,605	23,461,045
Total current liabilities	458,082	66,334
Total non-current liabilities	1,092,791	158,247
Total net assets	168,071,380	24,338,416

(Note 1) For the balance sheets, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard).

(Note 2) Converted to yen at the exchange rate of 1 USD=144.81 yen, which was the exchange rate at the end of the fiscal period under review.

Items on the statements of income and retained earnings (From August 1, 2024 to June 30, 2025)

	Unit:USD	Unit:thousand yen
Net sales	9,620,087	1,432,623
Income before income taxes	4,768,117	710,067
Net income	3,848,606	573,134

(Note 1) For the statements of income and retained earnings, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard). 5,404,905.70 USD (781,251 thousand yen) was paid as dividend to SHR on October 30, 2025. Converted to yen at the exchange rate of 1 USD=143.39 yen, 1 USD=142.74 yen and 1 USD=152.76 yen, which was the exchange rate at the time of receiving dividends.

(Note 2) Converted to yen at the exchange rate of 1 USD=148.92 yen, which was the average rate during the period.

2. SHR Boren Avenue Partners II, LLC

(1) Total investment price 164,577,000 USD (25,830,360,150 yen)

(Note) Converted to yen at the exchange rate of 1 USD=156.95 yen, which was the exchange rate at the time of investment.

(2) Investment ratio (The percentage of investment by overseas real estate holding corporations that are part of SHR's assets to the total investment amount) 100%

(3) Amounts of major items in the balance sheets and statements of income and retained earnings

With regard to the closing of accounts of SHR Boren Avenue Partners II, LLC for the fiscal period ended January 2025 (From April 4, 2024 to January 31, 2025), audits have been completed by CBIZ Inc. on the basis of IFRS Accounting Standards. Of the company's audited financial statement for the fiscal period ended January 2025 based on the relevant laws, amounts of major items in the balance sheets and statements of income and retained earnings are as follows.

Items on the balance sheets (As of January 31, 2025)

	Unit:USD	Unit:thousand yen
Total current assets	5,471,460	844,957
Total non-current assets	163,130,744	25,192,280
(Of which, total investment properties)	163,130,744	25,192,280
Total current liabilities	531,577	82,091
Total non-current liabilities	723,521	111,733
Total net assets	167,347,106	25,843,413

(Note 1) For the balance sheets, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard).

(Note 2) Converted to yen at the exchange rate of 1 USD=154.43 yen, which was the exchange rate at the end of the overseas real estate holding corporation's fiscal period under review.

Items on the statements of income and retained earnings (From April 4, 2024 to January 31, 2025)

	Unit:USD	Unit:thousand yen
Net sales	6,997,532	1,070,762
Income before income taxes	3,493,627	534,594
Net income	2,770,106	423,881

(Note 1) For the statements of income and retained earnings, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard). 3,987,639.40USD (607,032 thousand yen) was paid as dividend to SHR on April 25, 2025. Converted to yen at the forward exchange rate of 1 USD=153.44 yen and the exchange rate of 1 USD=143.40 yen, which was the exchange rate at the time of receiving dividends.

(Note 2) Converted to yen at the exchange rate of 1 USD=153.02 yen, which was the average rate during the period.

3. SHR Ridge Square Partners I, LLC

(1) Total investment price 295,000,000 USD (43,092,315,750 yen)

(Note) Converted to yen at the forward exchange rate or the exchange rate at the time of investment.

(2) Investment ratio (The percentage of investment by overseas real estate holding corporations that are part of SHR's assets to the total investment amount) 100%

(3) Amounts of major items in the balance sheets and statements of income and retained earnings

With regard to the closing of accounts of SHR Ridge Square Partners I, LLC for the fiscal period ended January 2025 (From June 18, 2024 to January 31, 2025), audits have been completed by CBIZ Inc. on the basis of IFRS Accounting Standards. Of the company's audited financial statement for the fiscal period ended January 2025 based on the relevant laws, amounts of major items in the balance sheets and statements of income and retained earnings are as follows.

Items on the balance sheets (As of January 31, 2025)

	Unit:USD	Unit:thousand yen
Total current assets	2,118,826	327,210
Total non-current assets	141,655,513	21,875,860
(Of which, total investment properties)	141,655,513	21,875,860
Total current liabilities	1,006,103	155,372
Total non-current liabilities	142,857	22,061
Total net assets	142,625,380	22,025,637

(Note 1) For the balance sheets, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards although disclosure is not based on Japanese accounting standard).

(Note 2) Converted to yen at the exchange rate of 1 USD=154.43 yen, which was the exchange rate at the end of the overseas real estate holding corporation's fiscal period under review.

Items on the statements of income and retained earnings (From June 18, 2024 to January 31, 2025)

	Unit:USD	Unit:thousand yen
Net sales	1,612,609	245,455
Income before income taxes	518,487	78,918
Net income	375,380	57,136

(Note 1) For the statements of income and retained earnings, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard). 866,997.93USD (131,550 thousand yen) was paid as dividend to SHR on April 25, 2025. Converted to yen at the forward exchange rate of 1 USD=153.44 yen and the exchange rate of 1 USD=143.06 yen, which was the exchange rate at the time of receiving dividends.

(Note 2) Converted to yen at the exchange rate of 1 USD=152.21 yen, which was the average rate during the period.

4. SHR Ridge Square Partners II, LLC

(1) Total investment price 295,000,000 USD (43,092,315,750 yen)

(Note) Converted to yen at the forward exchange rate or the exchange rate at the time of investment.

(2) Investment ratio (The percentage of investment by overseas real estate holding corporations that are part of SHR's assets to the total investment amount) 100%

(3) Amounts of major items in the balance sheets and statements of income and retained earnings

With regard to the closing of accounts of SHR Ridge Square Partners II, LLC for the fiscal period ended June 2025 (From August 1, 2024 to June 30, 2025), audits have been completed by CBIZ Inc. on the basis of IFRS Accounting Standards. Of the company's audited financial statement for the fiscal period ended June 2025 based on the relevant laws, amounts of major items in the balance sheets and statements of income and retained earnings are as follows.

Items on the balance sheets (As of June 30, 2025)

	Unit:USD	Unit:thousand yen
Total current assets	5,931,323	858,914
Total non-current assets	292,575,438	42,367,849
(Of which, total investment properties)	292,575,438	42,367,849
Total current liabilities	1,183,832	171,430
Total non-current liabilities	670,309	97,067
Total net assets	296,652,620	42,958,265

(Note 1) For the balance sheets, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards although disclosure is not based on Japanese accounting standard).

(Note 2) Converted to yen at the exchange rate of 1 USD= 144.81 yen, which was the exchange rate at the end of the fiscal period under review.

Items on the statements of income and retained earnings (From August 1, 2024 to June 30, 2025)

	Unit:USD	Unit:thousand yen
Net sales	6,114,877	910,627
Income before income taxes	2,327,772	346,651
Net income	1,655,656	246,560

(Note 1) For the statements of income and retained earnings, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard). 3,176,099.85 USD (448,613 thousand yen) was paid as dividend to SHR on October 30, 2025. Converted to yen at the exchange rate of 1 USD = 142.74 yen, 1 USD = 140.10 yen and 1 USD = 152.76 yen, which was the exchange rate at the time of receiving dividends.

(Note 2) Converted to yen at the exchange rate of 1 USD= 148.92 yen, which was the average rate during the period.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

SHR invested in SHR Boren Avenue Partners I, LLC, SHR Boren Avenue Partners II, LLC, SHR Ridge Square Partners I, LLC and SHR Ridge Square Partners II, LLC as overseas real estate holding corporations when the investment exceeds the amount obtained by multiplying the total investment of the overseas real estate holding corporation (excluding the investment of the overseas real estate holding corporation) by the rate designated in Article 221 of the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations. The details of each overseas real estate holding corporation are as follows.

1. SHR Boren Avenue Partners I, LLC

(1) Total investment price 164,577,000USD (25,830,360,150 yen)

(Note) Converted to yen at the exchange rate of 1 USD=156.95 yen, which was the exchange rate at the time of investment.

(2) Investment ratio (The percentage of investment by overseas real estate holding corporations that are part of SHR's assets to the total investment amount) 100%

(3) Amounts of major items in the balance sheets and statements of income and retained earnings

With regard to the closing of accounts of SHR Boren Avenue Partners I, LLC for the fiscal period ended June 2025 (From August 1, 2024 to June 30, 2025), audits have been completed by CBIZ Inc. on the basis of IFRS Accounting Standards. Of the company's audited financial statement for the fiscal period ended June 2025 based on the relevant laws, amounts of major items in the balance sheets and statements of income and retained earnings are as follows.

Items on the balance sheets (As of June 30, 2025)

	Unit:USD	Unit:thousand yen
Total current assets	7,609,648	1,101,953
Total non-current assets	162,012,605	23,461,045
(Of which, total investment properties)	162,012,605	23,461,045
Total current liabilities	458,082	66,334
Total non-current liabilities	1,092,791	158,247
Total net assets	168,071,380	24,338,416

(Note 1) For the balance sheets, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard).

(Note 2) Converted to yen at the exchange rate of 1 USD=144.81 yen, which was the exchange rate at the end of the fiscal period under review.

Items on the statements of income and retained earnings (From August 1, 2024 to June 30, 2025)

	Unit:USD	Unit:thousand yen
Net sales	9,620,087	1,432,623
Income before income taxes	4,768,117	710,067
Net income	3,848,606	573,134

(Note 1) For the statements of income and retained earnings, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard). 5,404,905.70 USD (781,251 thousand yen) was paid as dividend to SHR on October 30, 2025. Converted to yen at the exchange rate of 1 USD=143.39 yen, 1 USD=142.74 yen and 1 USD=152.76 yen, which was the exchange rate at the time of receiving dividends.

(Note 2) Converted to yen at the exchange rate of 1 USD=148.92 yen, which was the average rate during the period.

2. SHR Boren Avenue Partners II, LLC

(1) Total investment price 164,577,000 USD(25,830,360,150 yen)

(Note)Converted to yen at the exchange rate of 1 USD=156.95 yen, which was the exchange rate at the time of investment.

(2) Investment ratio (The percentage of investment by overseas real estate holding corporations that are part of SHR's assets to the total investment amount) 100%

(3) Amounts of major items in the balance sheets and statements of income and retained earnings

With regard to the closing of accounts of SHR Boren Avenue Partners II, LLC for the fiscal period ended December 2025 (From February 1, 2025 to December 31, 2025), audits have been completed by CBIZ Inc. on the basis of IFRS Accounting Standards. Of the company's audited financial statement for the fiscal period ended December 2025 based on the relevant laws, amounts of major items in the balance sheets and statements of income and retained earnings are as follows.

Items on the balance sheets (As of December 31, 2025)

	Unit:USD	Unit:thousand yen
Total current assets	8,050,738	(1,260,423)
Total non-current assets	160,961,949	(25,200,202)
(Of which, total investment properties)	160,961,949	(25,200,202)
Total current liabilities	481,468	(75,378)
Total non-current liabilities	1,591,124	(249,106)
Total net assets	166,940,095	(26,136,141)

(Note 1) For the balance sheets, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard).

(Note 2) Converted to yen at the exchange rate of 1 USD= 156.56 yen, which was the exchange rate at the end of the overseas real estate holding corporation's fiscal period under review.

Items on the statements of income and retained earnings (From February 1, 2025 to December 31, 2025)

	Unit:USD	Unit:thousand yen
Net sales	9,078,255	(1,352,841)
Income before income taxes	4,471,218	(666,300)
Net income	3,444,532	(513,304)

(Note 1) For the statements of income and retained earnings, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard). 5,099,541.90 USD (771,125 thousand yen) was paid as dividend to SHR on April 22, 2026. Converted to yen at the forward exchange rate of 1 USD=150.73 yen and the exchange rate of 1 USD=159.19 yen, which was the exchange rate at the time of receiving dividends.

(Note 2) Converted to yen at the exchange rate of 1 USD= 149.02 yen, which was the average rate during the period.

3. SHR Ridge Square Partners I, LLC

(1) Total investment price 295,000,000 USD(43,092,315,750 yen)

(Note)Converted to yen at the forward exchange rate or the exchange rate at the time of investment.

(2) Investment ratio (The percentage of investment by overseas real estate holding corporations that are part of SHR's assets to the total investment amount) 100%

(3) Amounts of major items in the balance sheets and statements of income and retained earnings

With regard to the closing of accounts of SHR Ridge Square Partners I, LLC for the fiscal period ended December 2025 (From February 1, 2025 to December 31, 2025), audits have been completed by CBIZ Inc. on the basis of IFRS Accounting Standards. Of the company's audited financial statement for the fiscal period ended December 2025 based on the relevant laws, amounts of major items in the balance sheets and statements of income and retained earnings are as follows.

Items on the balance sheets (As of December 2025)

	Unit:USD	Unit:thousand yen
Total current assets	11,005,521	(1,723,024)
Total non-current assets	290,661,680	(45,505,992)
(Of which, total investment properties)	290,661,680	(45,505,992)
Total current liabilities	1,096,697	(171,698)
Total non-current liabilities	1,524,426	(238,664)
Total net assets	299,046,078	(46,818,653)

(Note 1) For the balance sheets, figures of the financial statements prepared on the basis of Malaysia's accounting standards (equivalent to IFRS Accounting Standards) have been reclassified to figures based on Japanese accounting standards although disclosure is not based on Japanese accounting standard).

(Note 2) Converted to yen at the exchange rate of 1 USD= 156.56 yen, which was the exchange rate at the end of the overseas real estate holding corporation's fiscal period under review.

Items on the statements of income and retained earnings (From February 1, 2025 to December 31, 2025)

	Unit:USD	Unit:thousand yen
Net sales	14,297,441	(2,130,604)
Income before income taxes	5,771,381	(860,051)
Net income	4,368,096	(650,933)

(Note 1) For the statements of income and retained earnings, figures of the financial statements prepared on the basis of US's accounting standards (equivalent to IFRS Accounting Standards) have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard). 6,492,747.62 USD (981,798 thousand yen) was paid as dividend to SHR on April 22, 2026. Converted to yen at the forward exchange rate of 1 USD=150.73 yen and the exchange rate of 1 USD=159.19 yen, which was the exchange rate at the time of receiving dividends.

(Note 2) Converted to yen at the exchange rate of 1 USD= 149.02 yen, which was the average rate during the period.

4. SHR Ridge Square Partners II, LLC

(1) Total investment price 295,000,000 USD (43,092,315,750 yen)

(Note) Converted to yen at the forward exchange rate or the exchange rate at the time of investment.

(2) Investment ratio (The percentage of investment by overseas real estate holding corporations that are part of SHR's assets to the total investment amount) 100%

(3) Amounts of major items in the balance sheets and statements of income and retained earnings

With regard to the closing of accounts of SHR Ridge Square Partners II, LLC for the fiscal period ended June 2025 (From August 1, 2024 to June 30, 2025), audits have been completed by CBIZ Inc. on the basis of IFRS Accounting Standards. Of the company's audited financial statement for the fiscal period ended June 2025 based on the relevant laws, amounts of major items in the balance sheets and statements of income and retained earnings are as follows.

Items on the balance sheets (As of June 30, 2025)

	Unit:USD	Unit:thousand yen
Total current assets	5,931,323	858,914
Total non-current assets	292,575,438	42,367,849
(Of which, total investment properties)	292,575,438	42,367,849
Total current liabilities	1,183,832	171,430
Total non-current liabilities	670,309	97,067
Total net assets	296,652,620	42,958,265

(Note 1) For the balance sheets, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards although disclosure is not based on Japanese accounting standard).

(Note 2) Converted to yen at the exchange rate of 1 USD= 144.81 yen, which was the exchange rate at the end of the fiscal period under review.

Items on the statements of income and retained earnings (From August 1, 2024 to June 30, 2025)

	Unit:USD	Unit:thousand yen
Net sales	6,114,877	910,627
Income before income taxes	2,327,772	346,651
Net income	1,655,656	246,560

(Note 1) For the statements of income and retained earnings, figures of the financial statements prepared on the basis of IFRS Accounting Standards have been reclassified to figures based on Japanese accounting standards (although disclosure is not based on Japanese accounting standard). 3,176,099.85 USD (448,613 thousand yen) was paid as dividend to SHR on October 30, 2025. Converted to yen at the exchange rate of 1 USD = 142.74 yen, 1 USD = 140.10 yen and 1 USD = 152.76 yen, which was the exchange rate at the time of receiving dividends.

(Note 2) Converted to yen at the exchange rate of 1 USD= 148.92 yen, which was the average rate during the period.

20. Asset Retirement Obligations

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

Not applicable.

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

Not applicable.

21. Investment and Rental Properties

SHR owns rental office buildings, etc. in Tokyo and other areas for the purpose of earning revenue from leasing. The following is the carrying amount, amount of increase (decrease) during the period and fair value of these investment and rental properties.

(Thousand yen)

	22nd Fiscal Period (From May 1, 2025 to October 31, 2025)	23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Carrying amount		
Balance at beginning of period	451,960,870	402,766,620
Amount of increase (decrease) during period	(49,194,250)	10,523,349
Balance at end of period	402,766,620	413,289,969
Fair value at end of period	506,820,000	515,083,000

(Note 1) Carrying amount is the book value less accumulated depreciation.

(Note 2) Net increase during the 22nd fiscal period is mainly attributable to capital expenditure (1,225,256 thousand yen) and the acquisition of 6 new properties (6,865,711 thousand yen), offset by a decrease during the period mainly attributable to disposition of 2 properties (54,617,713 thousand yen), impairment losses (338,181 thousand yen) and depreciation (2,329,257 thousand yen). Net increase during the 23rd fiscal period is mainly attributable to capital expenditure (1,081,415 thousand yen) and the acquisition of 9 new properties (35,480,409 thousand yen), offset by a decrease during the period mainly attributable to disposition of 13 properties (23,724,011 thousand yen) and depreciation (2,314,026 thousand yen).

(Note 3) Fair value at the end of the period is the appraisal value by outside real estate appraisers. Of the fair value at end of the previous period, Gotenyama SH Building consists of total disposition price (6th to 10th) contracted on March 29, 2023 and Esty Maison Ebisu, Esty Maison Kawasaki, Esty Maison Kyobashi, Esty Maison Shinagawa Seaside, Esty Maison Itabashihoncho, Prime Maison Higashisakura, Esty Maison Kinshicho, Esty Maison Higashishirakabe, Esty Maison Aoi, Esty Maison Unomori, Esty Maison Shizuoka Takajo and Esty Maison HIGASHIBETSUIN consists of disposition price contracted on December 15, 2025. Of the fair value at end of the current period, Gotenyama SH Building consists of total disposition price (7th to 10th) contracted on March 29, 2023.

The property-related operating income in 22nd and 23rd fiscal periods for investment and rental properties is presented in “6. Notes to Statement of Income and Retained Earnings”.

22. Segment Information

1. Segment information

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

2. Related information

22nd Fiscal Period (From May 1, 2025 to October 31, 2025)

(1) Information about products and services

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

(2) Information about geographic areas

1) Operating revenue

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

2) Property, plant and equipment

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

(3) Information about major customers

(Thousand yen)

Name of customer	Operating revenue	Name of related segment
Aoyama investments Tokutei Mokuteki Kaisha	3,090,949	Real estate leasing business
TIS Inc.	2,781,323	Real estate leasing business

23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

(1) Information about products and services

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

(2) Information about geographic areas

1) Operating revenue

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

2) Property, plant and equipment

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

(3) Information about major customers

(Thousand yen)

Name of customer	Operating revenue	Name of related segment
LJPF Godo Kaisha	5,592,274	Real estate leasing business
TIS Inc. (Note)	2,685,339	Real estate leasing business

(Note) Effective July 1, 2026, TIS Inc. changed its corporate name to TISI Inc.

23. Per Unit Information

	22nd Fiscal Period (From May 1, 2025 to October 31, 2025)	23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Net assets per unit	66,827 yen	67,378 yen
Net income per unit	2,199 yen	2,799 yen

(Note 1) Net income per unit is calculated by dividing net income by the daily weighted average number of investment units.

In addition, diluted net income per unit is not stated because there are no dilutive investment units.

(Note 2) The basis for calculating net income per unit is as follows.

	22nd Fiscal Period (From May 1, 2025 to October 31, 2025)	23rd Fiscal Period (From November 1, 2025 to April 30, 2026)
Net income (Thousand yen)	9,516,672	12,047,248
Amount not attributable to common unitholders (Thousand yen)	—	—
Net income attributable to common investment units (Thousand yen)	9,516,672	12,047,248
Average number of investment units during period (Units)	4,327,036	4,303,970

24. Significant Subsequent Events

Not applicable.

25. Additional Information

1. Disposition of Asset

SHR decided on the disposition of trust beneficiary interest in domestic real estate and entered into a purchase and sale agreement as of March 29, 2023 as follows. The disposition of the quasi co-ownership interest in trust beneficiary interest is scheduled to be carried out in 10 equal installments, with 10/100 of the ownership share to be disposed on each planned disposition date. As of the date of this document, the first through the sixth disposition have been executed, and a gain on sale of real estate properties is expected to be recorded during each calculation period as follows.

Property name	Type of use	Location	Total disposition price (Note 1) (million yen)	Planned disposition date (Note2)	Buyer
Gotenyama SH Building	Office building	Shinagawa-ku, Tokyo	70,000	stated as below	TIS Inc. (Note3)

(Unit: million yen)

	Planned disposition date (Note 2)	Planned disposition price (Note 1)	Gain on disposition (expected) (Note 4)	Calculation period
7	End of October 2026	7,000 (10%)	2,154	Ending October 2026 (FP 24)
8	End of April 2027	7,000 (10%)	2,168	Ending April 2027 (FP 25)
9	End of October 2027	7,000 (10%)	2,182	Ending October 2027 (FP 26)
10	End of April 2028	7,000 (10%)	2,194	Ending April 2028 (FP 27)

(Note 1) "Total disposition price" and "Planned disposition price" is the sale and purchase price stated in the sale and purchase agreement (excluding consumption tax, local consumption tax, commission for sales, and other various expenses; rounded down to the nearest million yen).

(Note 2) In the event that the "planned disposition date" is not a business day, the said date will be the immediately preceding business day.

(Note 3) Effective July 1, 2026, TIS Inc. changed its corporate name to TISI Inc.

(Note 4) "Gain on disposition (expected)" is the approximate value to be recorded on each planned disposition date as of the date of this document and is subject to change.

(7) Supplementary Schedules
23rd Fiscal Period (From November 1, 2025 to April 30, 2026)

1. Schedule of securities

(1) Shares

(Thousands USD)

Currency	Brand name	Stock number	Acquisition price		Valuation (Note1)		Valuation profit/loss	Remarks
			Unit price	Amount	Unit price	Amount		
USD	SHR Boren Avenue Partners I, LLC	—	—	164,577	—	164,577	—	(Note2)
				25,830,360 thousand yen		25,830,360 thousand yen		
	SHR Boren Avenue Partners II, LLC	—	—	164,577	—	164,577	—	(Note2)
				25,830,360 thousand yen		25,830,360 thousand yen		
	SHR Ridge Square Partners I, LLC	—	—	295,000	—	295,000	—	(Note3)
				43,092,315 thousand yen		43,092,315 thousand yen		
	SHR Ridge Square Partners II, LLC	—	—	295,000	—	295,000	—	(Note3)
				43,092,315 thousand yen		43,092,315 thousand yen		
Total	4 brands	—	—	919,154	—	919,154	—	—
				137,845,351 thousand yen		137,845,351 thousand yen		

(Note1) “Valuation” is the acquisition cost, as the shares have no market value.

(Note2) These are the investment in two LLCs located in the U.S. that own overseas real estate and the asset acquired by the two LLCs is “The Ivey on Boren”. Each of them acquired 50% of the co-ownership interest on May 29, 2024. The figures are converted into yen at the exchange rate of USD1 = 156.95 yen, which was at the time of investment.

(Note3) These are the investment in two LLCs located in the U.S. that own overseas real estate and the asset acquired by the two LLCs is “City Ridge”. Each LLC acquired 50% co-ownership interest on November 15, 2024, and June 6, 2025. The figures are converted into yen at the forward exchange rate or at the exchange rate, which was at the time of investment.

(2) Securities other than Shares

Not applicable.

2. Contract amount and fair value of derivative transactions

(Thousand yen)

Category	Type	Contract amount (Note1)		Fair value
			Of which, over 1 year	
Transaction other than market transaction	Interest rate swap transaction Floating interest rate receivable and fixed interest rate payable	9,100,000	6,000,000	417,422 (Note2)
Transaction other than market transaction	Interest rate swap transaction Floating interest rate receivable and fixed interest rate payable	82,697,000	73,325,000	— (Note3)
Total		91,797,000	79,325,000	417,422

(Note1) The contract amount of interest rate swap transactions is based on the notional principal amount.

(Note2) Calculated based on prices, etc. presented by financial institutions with which SHR does business.

(Note3) The fair value is omitted because the transaction meets the criteria for the special accounting treatment under the Accounting Standards for Financial Instruments.

3. Schedule of property, plant and equipment and intangible assets

(Thousand yen)

Type of assets		Balance at beginning of period	Amount of increase during period	Amount of decrease during period (Of which, impairment losses)	Balance at end of period	Accumulated depreciation		Net balance at end of period	Notes
						or accumulated amortization	For the period		
Property, plant and equipment	Buildings in trust	157,073,717	10,370,427	11,788,717	155,655,427	26,341,399	2,023,443	129,314,027	*1*2
	Structures in trust	1,556,394	148,949	125,821	1,579,522	427,319	34,658	1,152,203	
	Machinery and equipment in trust	2,717,831	82,589	207,942	2,592,478	797,279	71,373	1,795,199	
	Tools, furniture and fixtures in trust	1,820,156	126,181	232,179	1,714,157	899,279	129,432	814,878	
	Land in trust	262,830,787	25,835,335	14,101,398	274,564,725	-	-	274,564,725	*1*2
	Construction in progress intrust	-	5,093	-	5,093	-	-	5,093	
	Subtotal	425,998,888	36,568,576	26,456,059	436,111,405	28,465,277	2,258,907	407,646,127	
Intangible assets	Leasehold rights in trust	6,278,442	-	-	6,278,442	629,506	55,118	5,648,935	
	Other	88,423	387	-	88,810	42,317	7,399	46,492	
	Subtotal	6,366,865	387	-	6,367,252	671,824	62,517	5,695,428	
Total		432,365,754	36,568,963	26,456,059	442,478,658	29,137,102	2,321,425	413,341,555	

*1 The increase during the fiscal period under review is mainly attributable to the acquisition of 9 residences.

*2 The decrease during the fiscal period under review is mainly attributable to the disposition of 12 residences, and Gotenyama SH Building.

4. Schedule of other specified assets

Real estate trust beneficiary interests are included above in “3. Schedule of property, plant and equipment and intangible assets” .

5. Schedule of investment corporation bonds

Name	Issue date	Balance at beginning of period (Thousand yen)	Amount of increase during period (Thousand yen)	Amount of decrease during period (Thousand yen)	Balance at end of period (Thousand yen)	Coupon rate (%)	Redemption date	Use of proceeds	Security
SHR First Series Unsecured Investment Corporation Bond	September 8, 2016	2,000,000	—	—	2,000,000	0.340	September 8, 2026 (Note1)	(Note 2)	Unsecured
SHR Fourth Series Unsecured Investment Corporation Bond (Green Bonds)	July 11, 2019	2,500,000	—	—	2,500,000	0.570	July 11, 2029		
SHR Sixth Series Unsecured Investment Corporation Bond (Green Bonds)	February 28, 2020	2,000,000	—	—	2,000,000	0.500	February 28, 2030		
SHR Eighth Series Unsecured Investment Corporation Bond (Green Bonds)	September 9, 2020	4,000,000	—	—	4,000,000	0.510	September 9, 2030		
SHR Ninth Series Unsecured Investment Corporation Bond (Green Bonds)	May 19, 2021	2,000,000	—	—	2,000,000	0.460	May 19, 2031		
SHR Tenth Series Unsecured Investment Corporation Bond (Green Bonds)	November 1, 2024	2,200,000	—	—	2,200,000	0.963	November 1 2029		
SHR Eleventh Series Unsecured Investment Corporation Bond (Green Bonds)	November 1, 2024	2,800,000	—	—	2,800,000	1.542	November 1 2034		
Total	—	17,500,000	—	—	17,500,000	—	—	—	—

(Note 1) As of the end of the fiscal period under review, these bonds are recorded as “Current portion of investment corporation bonds” in “Current liabilities” on the balance sheet.

(Note 2) The funds are used to repay borrowings or redemption of existing investment corporation bonds, etc.

(Note 3) These investment corporation bonds are equipped with pari passu clause among specified investment corporation bonds.

(Note 4) The following is the maturity schedule of investment corporation bonds within five years of the balance sheet date.

(Thousand yen)

	Due in 1 year or less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years
Investment Corporation Bonds	2,000,000	—	—	6,700,000	4,000,000

6. Schedule of loans payable

(Thousand yen)

category	Lender	Balance at beginning of period	Amount of increase during period	Amount of decrease during period	Balance at end of period	Average interest rate (%) (Note 1)	Repayment due date	Repayment method	Use of proceeds	Security
Short-term loans payable	MUFG Bank, Ltd.	3,590,000	—	3,590,000	—	0.77818	November 13, 2025	Lumpsum payment at maturity	(Note2)	Un-secured Un-guaranteed
	Mizuho Bank, Ltd.	2,900,000	—	2,900,000	—					
	Sumitomo Mitsui Banking Corporation	2,710,000	—	2,710,000	—					
	MUFG Bank, Ltd.	260,000	—	260,000	—	0.90261	February 27, 2026			
	Mizuho Bank, Ltd.	210,000	—	210,000	—					
	Sumitomo Mitsui Banking Corporation	190,000	—	190,000	—					
	MUFG Bank, Ltd.	—	2,590,000	—	2,590,000	1.12743	February 26, 2027			
Long-term loans payable	MUFG Bank, Ltd.	1,810,000	—	—	1,810,000	0.60500	September 8, 2026 (Note3)			
	MUFG Bank, Ltd.	440,000	—	—	440,000	0.67000				
	Mizuho Bank, Ltd.	900,000	—	—	900,000					
	MUFG Bank, Ltd.	1,500,000	—	1,500,000	—	0.72500	February 27, 2026			
	MUFG Bank, Ltd.	800,000	—	800,000	—	0.77880				
	Mizuho Bank, Ltd.	700,000	—	700,000	—					
	Development Bank of Japan Inc.	1,200,000	—	1,200,000	—					
	THE BANK OF FUKUOKA, LTD.	500,000	—	500,000	—					
	Aozora Bank, Ltd.	300,000	—	300,000	—					
	The Yamaguchi Bank, Ltd.	500,000	—	500,000	—					
	MUFG Bank, Ltd.	500,000	—	500,000	—	0.56500				
	MUFG Bank, Ltd.	500,000	—	500,000	—	0.63500				
	Mizuho Bank, Ltd.	100,000	—	100,000	—					
	The 77 Bank, Ltd.	500,000	—	500,000	—					
	The Hiroshima Bank, Ltd.	500,000	—	500,000	—					
	MUFG Bank, Ltd.	1,900,000	—	—	1,900,000	0.70000	August 31, 2027			
	Mizuho Bank, Ltd.	4,200,000	—	—	4,200,000	0.78300				
	Sumitomo Mitsui Banking Corporation	1,900,000	—	—	1,900,000					
	Development Bank of Japan Inc.	565,000	—	—	565,000	0.48000	Feburary 26,2027 (Note3)			
	MUFG Bank, Ltd.	450,000	—	—	450,000	0.56500				
	Mizuho Bank, Ltd.	1,332,000	—	—	1,332,000	0.57500				
	Sumitomo Mitsui Banking Corporation	390,000	—	—	390,000					
	Mizuho Trust & Banking Co., Ltd.	1,350,000	—	—	1,350,000					
	Shinkin Central Bank	200,000	—	—	200,000	0.41388	August 31,2026 (Note3)			
	MUFG Bank, Ltd.	1,000,000	—	—	1,000,000	0.55600				
	Mizuho Bank, Ltd.	800,000	—	—	800,000	0.56600				
	Sumitomo Mitsui Banking Corporation	700,000	—	—	700,000					
Sumitomo Mitsui Trust Bank, Limited	200,000	—	—	200,000						
Mizuho Trust & Banking Co., Ltd.	400,000	—	—	400,000						
Resona Bank, Limited	200,000	—	—	200,000						
The Norinchukin Bank	500,000	—	—	500,000						

category	Lender	Balance at beginning of period	Amount of increase during period	Amount of decrease during period	Balance at end of period	Average interest rate (%) (Note 1)	Repayment due date	Repayment method	Use of proceeds	Security
Long-term loans payable	MUFG Bank, Ltd.	1,400,000	—	—	1,400,000	0.68500	February 29, 2028	Lumpsum payment at maturity	(Note2)	Un-secured Un-guaranteed
	Mizuho Bank, Ltd.	2,400,000	—	—	2,400,000	0.69500				
	Sumitomo Mitsui Banking Corporation	1,000,000	—	—	1,000,000					
	Sumitomo Mitsui Trust Bank, Limited	200,000	—	—	200,000					
	Mizuho Trust & Banking Co., Ltd.	400,000	—	—	400,000					
	Resona Bank, Limited	300,000	—	—	300,000					
	THE BANK OF FUKUOKA, LTD.	300,000	—	—	300,000					
	The Senshu Ikeda Bank, Ltd.	200,000	—	—	200,000					
	The 77 Bank, Ltd.	200,000	—	—	200,000					
	The Yamaguchi Bank, Ltd.	200,000	—	—	200,000					
	Mizuho Bank, Ltd.	1,500,000	—	1,500,000	—	0.42000	February 27, 2026			
	Sumitomo Mitsui Banking Corporation	1,230,000	—	1,230,000	—					
	Sumitomo Mitsui Trust Bank, Limited	200,000	—	200,000	—					
	Mizuho Trust & Banking Co., Ltd.	600,000	—	600,000	—					
	Resona Bank, Limited	800,000	—	800,000	—					
	The Norinchukin Bank	900,000	—	900,000	—					
	THE BANK OF FUKUOKA, LTD.	400,000	—	400,000	—					
	Shinkin Central Bank	300,000	—	300,000	—					
	The 77 Bank, Ltd.	300,000	—	300,000	—					
	The Yamaguchi Bank, Ltd.	300,000	—	300,000	—					
	MUFG Bank, Ltd.	1,000,000	—	1,000,000	—	0.41000	February 28, 2029			
	MUFG Bank, Ltd.	1,170,000	—	—	1,170,000	0.46000				
	Development Bank of Japan Inc.	900,000	—	—	900,000	0.44000				
	The Senshu Ikeda Bank, Ltd.	300,000	—	—	300,000					
	MUFG Bank, Ltd.	1,400,000	—	—	1,400,000	0.44100	May 29,2026 (Note3)			
	Mizuho Bank, Ltd.	300,000	—	—	300,000					
	Sumitomo Mitsui Banking Corporation	1,000,000	—	—	1,000,000					
	The Norinchukin Bank	800,000	—	—	800,000					
	MUFG Bank, Ltd.	1,700,000	—	—	1,700,000	0.59900	May 31, 2028			
	Mizuho Bank, Ltd.	1,300,000	—	—	1,300,000					
Sumitomo Mitsui Banking Corporation	1,200,000	—	—	1,200,000						
Mizuho Trust & Banking Co., Ltd.	600,000	—	—	600,000						
Resona Bank, Limited	900,000	—	—	900,000						
Development Bank of Japan Inc.	800,000	—	—	800,000	0.50000	August 31, 2028				
Mizuho Bank, Ltd.	400,000	—	—	400,000	0.49500					
Sumitomo Mitsui Banking Corporation	545,000	—	—	545,000						
Mizuho Trust & Banking Co., Ltd.	500,000	—	—	500,000						
Resona Bank, Limited	500,000	—	—	500,000						
MUFG Bank, Ltd.	1,542,000	—	—	1,542,000	0.47500					

category	Lender	Balance at beginning of period	Amount of increase during period	Amount of decrease during period	Balance at end of period	Average interest rate (%) (Note 1)	Repayment due date	Repayment method	Use of proceeds	Security
Long-term loans payable	Mizuho Bank, Ltd.	990,000	—	—	990,000	0.46600	August 31, 2027	Lumpsum payment at maturity	(Note2)	Un-secured Un-guaranteed
	Sumitomo Mitsui Banking Corporation	1,840,000	—	—	1,840,000					
	Sumitomo Mitsui Trust Bank, Limited	600,000	—	—	600,000					
	Mizuho Trust & Banking Co., Ltd.	700,000	—	—	700,000					
	Resona Bank, Limited	500,000	—	—	500,000					
	The Norinchukin Bank	400,000	—	—	400,000					
	Shinkin Central Bank	200,000	—	—	200,000					
	The Senshu Ikeda Bank, Ltd.	200,000	—	—	200,000					
	The 77 Bank, Ltd.	400,000	—	—	400,000					
	The Yamaguchi Bank, Ltd.	200,000	—	—	200,000					
	MUFG Bank, Ltd.	1,370,000	—	—	1,370,000	0.45000				
	Development Bank of Japan Inc.	400,000	—	—	400,000	0.36000				
	MUFG Bank, Ltd.	800,000	—	—	800,000	0.50700	November 30, 2028			
	Mizuho Bank, Ltd.	210,000	—	—	210,000					
	Sumitomo Mitsui Banking Corporation	1,800,000	—	—	1,800,000					
	Sumitomo Mitsui Trust Bank, Limited	300,000	—	—	300,000					
	Mizuho Trust & Banking Co., Ltd.	870,000	—	—	870,000					
	Resona Bank, Limited	1,100,000	—	—	1,100,000					
	The Norinchukin Bank	1,020,000	—	—	1,020,000					
	Development Bank of Japan Inc.	370,000	—	—	370,000					
	MUFG Bank, Ltd.	300,000	—	—	300,000	0.55850	February 28, 2029			
	Mizuho Bank, Ltd.	700,000	—	—	700,000	0.56850				
	Sumitomo Mitsui Banking Corporation	600,000	—	—	600,000					
	Mizuho Trust & Banking Co., Ltd.	500,000	—	—	500,000					
	Resona Bank, Limited	500,000	—	—	500,000					
	The Norinchukin Bank	500,000	—	—	500,000					
	The Senshu Ikeda Bank, Ltd.	1,000,000	—	—	1,000,000					
	The Yamaguchi Bank, Ltd.	500,000	—	—	500,000					
	The Hiroshima Bank, Ltd.	500,000	—	—	500,000					
	Mizuho Bank, Ltd.	2,650,000	—	—	2,650,000					
	Sumitomo Mitsui Banking Corporation	2,110,000	—	—	2,110,000					
	Sumitomo Mitsui Trust Bank, Limited	480,000	—	—	480,000					
Mizuho Trust & Banking Co., Ltd.	200,000	—	—	200,000						
Resona Bank, Limited	300,000	—	—	300,000						
The Norinchukin Bank	210,000	—	—	210,000						
MUFG Bank, Ltd.	1,060,000	—	—	1,060,000	0.46000	May 31, 2028				
Mizuho Bank, Ltd.	340,000	—	—	340,000						
Sumitomo Mitsui Banking Corporation	760,000	—	—	760,000						
Sumitomo Mitsui Trust Bank, Limited	1,500,000	—	—	1,500,000						
Resona Bank, Limited	1,400,000	—	—	1,400,000						
Development Bank of Japan Inc.	800,000	—	—	800,000						
The Norinchukin Bank	700,000	—	—	700,000						

category	Lender	Balance at beginning of period	Amount of increase during period	Amount of decrease during period	Balance at end of period	Average interest rate (%) (Note 1)	Repayment due date	Repayment method	Use of proceeds	Security		
Long-term loans payable	MUFG Bank, Ltd.	2,490,000	—	—	2,490,000	0.60200	November 29, 2030	Lumpsum payment at maturity	(Note2)	Un-secured Un-guaranteed		
	Mizuho Bank, Ltd.	790,000	—	—	790,000							
	Sumitomo Mitsui Banking Corporation	1,760,000	—	—	1,760,000							
	Sumitomo Mitsui Trust Bank, Limited	500,000	—	—	500,000							
	Mizuho Trust & Banking Co., Ltd.	900,000	—	—	900,000							
	MUFG Bank, Ltd.	480,000	—	—	480,000	0.52200	February 29, 2028					
	Mizuho Bank, Ltd.	360,000	—	—	360,000							
	Sumitomo Mitsui Banking Corporation	390,000	—	—	390,000							
	Sumitomo Mitsui Trust Bank, Limited	900,000	—	—	900,000							
	Resona Bank, Limited	750,000	—	—	750,000							
	THE BANK OF FUKUOKA, LTD.	500,000	—	—	500,000	0.66500	February 28, 2030					
	MUFG Bank, Ltd.	1,120,000	—	—	1,120,000							
	Mizuho Bank, Ltd.	840,000	—	—	840,000							
	Sumitomo Mitsui Banking Corporation	910,000	—	—	910,000							
	Sumitomo Mitsui Trust Bank, Limited	1,000,000	—	—	1,000,000							
	Mizuho Trust & Banking Co., Ltd.	980,000	—	—	980,000							
	Resona Bank, Limited	800,000	—	—	800,000							
	The Norinchukin Bank	800,000	—	—	800,000							
	Sumitomo Mitsui Trust Bank, Limited	1,100,000	—	—	1,100,000							
	Mizuho Bank, Ltd.	400,000	—	—	400,000						0.66500	May 31, 2029
	Mizuho Trust & Banking Co., Ltd.	300,000	—	—	300,000							
	Resona Bank, Limited	300,000	—	—	300,000							
	The Norinchukin Bank	400,000	—	—	400,000							
	THE BANK OF FUKUOKA, LTD.	300,000	—	—	300,000							
	Shinkin Central Bank	300,000	—	—	300,000							
	The 77 Bank, Ltd.	300,000	—	—	300,000							
	The Yamaguchi Bank, Ltd.	400,000	—	—	400,000							
	The Shizuoka Bank, Ltd.	300,000	—	—	300,000							
	The Hiroshima Bank, Ltd.	300,000	—	—	300,000							
	Aozora Bank, Ltd.	300,000	—	—	300,000							
	Nippon Life Insurance Company	1,000,000	—	—	1,000,000	0.55000	February 26, 2027 (Note3)					
	The Joyo Bank, Ltd	300,000	—	—	300,000							
	Sumitomo Mitsui Trust Bank, Limited	550,000	—	—	550,000							
Mizuho Trust & Banking Co., Ltd.	350,000	—	—	350,000								
Resona Bank, Limited	500,000	—	—	500,000	0.85500	February 28, 2030						
The Norinchukin Bank	400,000	—	—	400,000								
MUFG Bank, Ltd.	1,400,000	—	—	1,400,000								
Mizuho Bank, Ltd.	1,050,000	—	—	1,050,000								
Sumitomo Mitsui Banking Corporation	600,000	—	—	600,000								
Sumitomo Mitsui Trust Bank, Limited	500,000	—	—	500,000								
Mizuho Trust & Banking Co., Ltd.	300,000	—	—	300,000								
Resona Bank, Limited	450,000	—	—	450,000								
Development Bank of Japan Inc.	550,000	—	—	550,000								
The Norinchukin Bank	350,000	—	—	350,000								

category	Lender	Balance at beginning of period	Amount of increase during period	Amount of decrease during period	Balance at end of period	Average interest rate (%) (Note 1)	Repayment due date	Repayment method	Use of proceeds	Security
Long-term loans payable	MUFG Bank, Ltd.	700,000	—	—	700,000	1.00500	November 29, 2030	Lumpsum payment at maturity	(Note2)	Un-secured Un-guaranteed
	Mizuho Bank, Ltd.	350,000	—	—	350,000					
	Sumitomo Mitsui Banking Corporation	650,000	—	—	650,000					
	Sumitomo Mitsui Trust Bank, Limited	350,000	—	—	350,000					
	Resona Bank, Limited	300,000	—	—	300,000					
	Development Bank of Japan Inc.	650,000	—	—	650,000					
	Mizuho Bank, Ltd.	200,000	—	—	200,000	0.85500	February 29, 2028			
	Sumitomo Mitsui Banking Corporation	400,000	—	—	400,000					
	Sumitomo Mitsui Trust Bank, Limited	200,000	—	—	200,000					
	Mizuho Trust & Banking Co., Ltd.	200,000	—	—	200,000					
	Resona Bank, Limited	200,000	—	—	200,000					
	The Shizuoka Bank, Ltd.	200,000	—	—	200,000					
	The Hiroshima Bank, Ltd.	200,000	—	—	200,000					
	Aozora Bank, Ltd.	200,000	—	—	200,000					
	The Joyo Bank, Ltd	200,000	—	—	200,000					
	MUFG Bank, Ltd.	500,000	—	—	500,000					
	Mizuho Bank, Ltd.	500,000	—	—	500,000	1.21000	February 28, 2031			
	The Norinchukin Bank	500,000	—	—	500,000					
	Shinkin Central Bank	600,000	—	—	600,000					
	The 77 Bank, Ltd.	500,000	—	—	500,000					
	The Yamaguchi Bank, Ltd.	500,000	—	—	500,000					
	Nippon Life Insurance Company	500,000	—	—	500,000					
	THE NISHI-NIPPON CITY BANK, LTD.	500,000	—	—	500,000	1.11000				
	Sumitomo Mitsui Banking Corporation	300,000	—	—	300,000					
THE BANK OF FUKUOKA, LTD.	500,000	—	—	500,000						
THE JUHACHI-SHINWA BANK, LTD.	500,000	—	—	500,000	1.21000					
MUFG Bank, Ltd.	300,000	—	—	300,000						
MUFG Bank, Ltd.	600,000	—	—	600,000	1.26000	February 26, 2027 (Note3)				
Mizuho Bank, Ltd.	500,000	—	—	500,000						
Sumitomo Mitsui Banking Corporation	600,000	—	—	600,000						
Sumitomo Mitsui Trust Bank, Limited	300,000	—	—	300,000						
Mizuho Trust & Banking Co., Ltd.	400,000	—	—	400,000						
Resona Bank, Limited	500,000	—	—	500,000						
The Shizuoka Bank, Ltd.	200,000	—	—	200,000						

category	Lender	Balance at beginning of period	Amount of increase during period	Amount of decrease during period	Balance at end of period	Average interest rate (%) (Note 1)	Repayment due date	Repayment method	Use of proceeds	Security
Long-term loans payable	Mizuho Bank, Ltd.	500,000	—	—	500,000	1.10500	February 28, 2030	Lumpsum payment at maturity	(Note2)	Un-secured Un-guaranteed
	Mizuho Trust & Banking Co., Ltd.	400,000	—	—	400,000					
	The Norinchukin Bank	500,000	—	—	500,000					
	Development Bank of Japan Inc.	1,000,000	—	—	1,000,000					
	THE BANK OF FUKUOKA, LTD.	700,000	—	—	700,000					
	Shinkin Central Bank	200,000	—	—	200,000					
	The 77 Bank, Ltd.	200,000	—	—	200,000					
	The Yamaguchi Bank, Ltd.	200,000	—	—	200,000					
	The Senshu Ikeda Bank, Ltd.	200,000	—	—	200,000					
	The Hiroshima Bank, Ltd.	200,000	—	—	200,000					
	Aozora Bank, Ltd.	200,000	—	—	200,000					
	MUFG Bank, Ltd.	700,000	—	—	700,000					
	Nippon Life Insurance Company	2,000,000	—	—	2,000,000	1.04000	January 30, 2032			
	Nippon Life Insurance Company	2,000,000	—	—	2,000,000	1.12000	November 30, 2032			
	Mizuho Bank, Ltd.	570,000	—	—	570,000	0.87500	May 31, 2030			
	Sumitomo Mitsui Trust Bank, Limited	1,240,000	—	—	1,240,000					
	Mizuho Trust & Banking Co., Ltd.	470,000	—	—	470,000					
	Resona Bank, Limited	1,150,000	—	—	1,150,000					
	The Norinchukin Bank	850,000	—	—	850,000					
	Development Bank of Japan Inc.	550,000	—	—	550,000					
	Sumitomo Mitsui Banking Corporation	200,000	—	—	200,000	0.82500	August 31, 2027			
	MUFG Bank, Ltd.	670,000	—	—	670,000	0.87500				
	Sumitomo Mitsui Banking Corporation	1,200,000	—	—	1,200,000	0.98656				
	Mizuho Bank, Ltd.	1,410,000	—	—	1,410,000					
	Sumitomo Mitsui Trust Bank, Limited	1,300,000	—	—	1,300,000					
	Mizuho Trust & Banking Co., Ltd.	600,000	—	—	600,000					
	Resona Bank, Limited	700,000	—	—	700,000					
	Shinkin Central Bank	200,000	—	—	200,000					
	Mizuho Bank, Ltd.	550,000	—	—	550,000					
	Mizuho Trust & Banking Co., Ltd.	1,000,000	—	—	1,000,000					
Development Bank of Japan Inc.	2,100,000	—	—	2,100,000						
Sumitomo Mitsui Banking Corporation	450,000	—	—	450,000	0.98500	August 30, 2030				
THE BANK OF FUKUOKA, LTD.	400,000	—	—	400,000	1.12000					
Shinkin Central Bank	300,000	—	—	300,000						
The Yamaguchi Bank, Ltd.	300,000	—	—	300,000						
MUFG Bank, Ltd.	990,000	—	990,000	—		0.79818				
Mizuho Bank, Ltd.	810,000	—	810,000	—						
Sumitomo Mitsui Banking Corporation	740,000	—	740,000	—						
Sumitomo Mitsui Trust Bank, Limited	440,000	—	440,000	—						
Mizuho Trust & Banking Co., Ltd.	320,000	—	320,000	—						

category	Lender	Balance at beginning of period	Amount of increase during period	Amount of decrease during period	Balance at end of period	Average interest rate (%) (Note 1)	Repayment due date	Repayment method	Use of proceeds	Security
Long-term loans payable	MUFG Bank, Ltd.	900,000	—	—	900,000	0.98656	November 30, 2027	Lumpsum payment at maturity	(Note2)	Un-secured Un-guaranteed
	Mizuho Bank, Ltd.	110,000	—	—	110,000					
	Sumitomo Mitsui Banking Corporation	250,000	—	—	250,000					
	Sumitomo Mitsui Trust Bank, Limited	1,140,000	—	—	1,140,000					
	Mizuho Trust & Banking Co., Ltd.	100,000	—	—	100,000					
	Resona Bank, Limited	100,000	—	—	100,000					
	Mizuho Bank, Ltd.	230,000	—	—	230,000	1.19500	November 29, 2030			
	Sumitomo Mitsui Trust Bank, Limited	570,000	—	—	570,000					
	Mizuho Trust & Banking Co., Ltd.	100,000	—	—	100,000					
	Development Bank of Japan Inc.	220,000	—	—	220,000					
	Sumitomo Mitsui Banking Corporation	510,000	—	—	510,000	1.14500				
	MUFG Bank, Ltd.	1,810,000	—	—	1,810,000	1.19500				
	The Norinchukin Bank	400,000	—	—	400,000	1.25500	August 31, 2032			
	Shinkin Central Bank	400,000	—	—	400,000					
	The Yamaguchi Bank, Ltd.	400,000	—	—	400,000					
	THE NISHI-NIPPON CITY BANK, LTD.	300,000	—	—	300,000					
	Sumitomo Mitsui Trust Bank, Limited	450,000	—	—	450,000	1.11500	February 28, 2031			
	Resona Bank, Limited	300,000	—	—	300,000					
	The Norinchukin Bank	300,000	—	—	300,000					
	Sumitomo Mitsui Banking Corporation	910,000	—	—	910,000	1.06500				
	Mizuho Bank, Ltd.	890,000	—	—	890,000	1.18000	August 29, 2031			
	Mizuho Trust & Banking Co., Ltd.	500,000	—	—	500,000					
	Development Bank of Japan Inc.	600,000	—	—	600,000					
	THE BANK OF FUKUOKA, LTD.	200,000	—	—	200,000					
	Shinkin Central Bank	100,000	—	—	100,000					
	The Yamaguchi Bank, Ltd.	100,000	—	—	100,000					
	The 77 Bank, Ltd.	100,000	—	—	100,000					
	The Senshu Ikeda Bank, Ltd.	100,000	—	—	100,000					
	The Shizuoka Bank, Ltd.	100,000	—	—	100,000					
	The Hiroshima Bank, Ltd.	100,000	—	—	100,000					
	Aozora Bank, Ltd.	200,000	—	—	200,000					
	MUFG Bank, Ltd.	890,000	—	—	890,000					
	MUFG Bank, Ltd.	1,160,000	—	—	1,160,000	1.17500	August 30, 2030			
	Mizuho Bank, Ltd.	960,000	—	—	960,000					
	Sumitomo Mitsui Banking Corporation	880,000	—	—	880,000	1.12500				
	Mitsubishi UFJ Trust and Banking Corporation(Trust account)	4,000,000	—	—	4,000,000	1.81700	August 31, 2032			
MUFG Bank, Ltd.	1,000,000	—	—	1,000,000	0.95500	August 31, 2029				
Mizuho Bank, Ltd.	800,000	—	—	800,000						
Sumitomo Mitsui Trust Bank, Limited	400,000	—	—	400,000						
Mizuho Trust & Banking Co., Ltd.	400,000	—	—	400,000						
Resona Bank, Limited	500,000	—	—	500,000						
The Norinchukin Bank	200,000	—	—	200,000						
Sumitomo Mitsui Banking Corporation	930,000	—	—	930,000	0.90500					

category	Lender	Balance at beginning of period	Amount of increase during period	Amount of decrease during period	Balance at end of period	Average interest rate (%) (Note 1)	Repayment due date	Repayment method	Use of proceeds	Security
Long-term loans payable	MUFG Bank, Ltd.	300,000	—	—	300,000	1.14500	August 29, 2031	Lumpsum payment at maturity	(Note2)	Un-secured Un-guaranteed
	Mizuho Bank, Ltd.	2,659,000	—	—	2,659,000					
	Mizuho Trust & Banking Co., Ltd.	1,400,000	—	—	1,400,000					
	The Norinchukin Bank	300,000	—	—	300,000					
	Development Bank of Japan Inc.	376,000	—	—	376,000					
	Mizuho Bank, Ltd.	1,280,000	—	—	1,280,000	1.09156				
	Sumitomo Mitsui Banking Corporation	1,260,000	—	—	1,260,000					
	Sumitomo Mitsui Trust Bank, Limited	900,000	—	—	900,000					
	Mitsubishi UFJ Trust and Banking Corporation(Trust account)	2,000,000	—	—	2,000,000	1.89700	August 31, 2033			
	Nippon Life Insurance Company	1,000,000	—	—	1,000,000	1.52000	August 31, 2034			
	Sumitomo Mitsui Banking Corporation	1,800,000	—	—	1,800,000	1.11500	November 30, 2029			
	MUFG Bank, Ltd.	4,600,000	—	—	4,600,000	1.53500	November 30, 2033			
	Mizuho Bank, Ltd.	700,000	—	—	700,000					
	Development Bank of Japan Inc.	300,000	—	—	300,000					
	Sumitomo Mitsui Banking Corporation	1,900,000	—	—	1,900,000	1.49875				
	Sumitomo Mitsui Trust Bank, Limited	700,000	—	—	700,000					
	MUFG Bank, Ltd.	400,000	—	—	400,000					
	Mizuho Bank, Ltd.	300,000	—	—	300,000	1.38500	February 28, 2030			
	Sumitomo Mitsui Trust Bank, Limited	2,500,000	—	—	2,500,000					
	Mizuho Trust & Banking Co., Ltd.	600,000	—	—	600,000					
	THE BANK OF FUKUOKA, LTD.	200,000	—	—	200,000	1.33500				
	Sumitomo Mitsui Banking Corporation	500,000	—	—	500,000					
	MUFG Bank, Ltd.	600,000	—	—	600,000					
	Mizuho Bank, Ltd.	200,000	—	—	200,000	1.46600	February 27, 2032			
	Sumitomo Mitsui Trust Bank, Limited	300,000	—	—	300,000					
	Resona Bank, Limited	900,000	—	—	900,000					
	Shinkin Central Bank	300,000	—	—	300,000					
	The Yamagata Bank,Ltd.	1,000,000	—	—	1,000,000	1.64900	February 28, 2034			
	Hachijuni Nagano Bank, Ltd.	500,000	—	—	500,000	1.81290	May 31, 2034			
	MUFG Bank, Ltd.	300,000	—	—	300,000	1.42700	May 31, 2029			
	Mizuho Bank, Ltd.	100,000	—	—	100,000					
	Sumitomo Mitsui Banking Corporation	800,000	—	—	800,000					
	Sumitomo Mitsui Trust Bank, Limited	1,380,000	—	—	1,380,000					
	Shinkin Central Bank	600,000	—	—	600,000	1.49000	May 31, 2030			
	The Yamaguchi Bank, Ltd.	600,000	—	—	600,000					
	THE NISHI-NIPPON CITY BANK, LTD.	600,000	—	—	600,000					
	The Joyo Bank, Ltd	600,000	—	—	600,000					
	THE JUHACHI-SHINWA BANK, LTD.	600,000	—	—	600,000					

category	Lender	Balance at beginning of period	Amount of increase during period	Amount of decrease during period	Balance at end of period	Average interest rate (%) (Note 1)	Repayment due date	Repayment method	Use of proceeds	Security
Long-term loans payable	MUFG Bank, Ltd.	200,000	—	—	200,000	0.98656	August 31, 2028	Lumpsum payment at maturity	(Note2)	Un-secured Un-guaranteed
	Mizuho Bank, Ltd.	600,000	—	—	600,000					
	Sumitomo Mitsui Banking Corporation	500,000	—	—	500,000					
	Sumitomo Mitsui Trust Bank, Limited	500,000	—	—	500,000					
	THE BANK OF FUKUOKA, LTD.	500,000	—	—	500,000					
	Shinkin Central Bank	1,000,000	—	—	1,000,000					
	The 77 Bank, Ltd.	500,000	—	—	500,000					
	The Shizuoka Bank, Ltd.	1,000,000	—	—	1,000,000					
	MUFG Bank, Ltd.	4,100,000	—	—	4,100,000	1.87500	August 31, 2032			
	Mizuho Bank, Ltd.	1,581,000	—	—	1,581,000					
	Sumitomo Mitsui Banking Corporation	1,600,000	—	—	1,600,000					
	The Norinchukin Bank	2,352,000	—	—	2,352,000					
	Development Bank of Japan Inc.	400,000	—	—	400,000					
	MUFG Bank, Ltd.	4,000,000	—	—	4,000,000	1.97000	August 31, 2034			
	MUFG Bank, Ltd.	—	1,500,000	—	1,500,000	1.77500	November 28, 2031			
	Mizuho Bank, Ltd.	—	700,000	—	700,000					
	Sumitomo Mitsui Banking Corporation	—	700,000	—	700,000					
	Sumitomo Mitsui Trust Bank, Limited	—	700,000	—	700,000					
	Mizuho Trust & Banking Co., Ltd.	—	600,000	—	600,000					
	Resona Bank, Limited	—	500,000	—	500,000					
	THE BANK OF FUKUOKA, LTD.	—	500,000	—	500,000					
	The Yamaguchi Bank, Ltd.	—	500,000	—	500,000					
	The Shizuoka Bank, Ltd.	—	500,000	—	500,000					
	The Hiroshima Bank, Ltd.	—	500,000	—	500,000					
	Aozora Bank, Ltd.	—	500,000	—	500,000					
	The Yamagata Bank, Ltd.	—	500,000	—	500,000					
	The Joyo Bank, Ltd	—	500,000	—	500,000					
	THE JUHACHI-SHINWA BANK, LTD.	—	500,000	—	500,000					
	Hachijuni Nagano Bank, Ltd.	—	500,000	—	500,000					
	MUFG Bank, Ltd.	—	990,000	—	990,000	1.02103	November 30, 2027			
	Mizuho Bank, Ltd.	—	810,000	—	810,000					
	Sumitomo Mitsui Banking Corporation	—	740,000	—	740,000					
Sumitomo Mitsui Trust Bank, Limited	—	440,000	—	440,000						
Mizuho Trust & Banking Co., Ltd.	—	320,000	—	320,000						
MUFG Bank, Ltd.	—	6,150,000	—	6,150,000	1.05121	February 26, 2027 (Note3)				
Mizuho Bank, Ltd.	—	4,650,000	—	4,650,000						
Sumitomo Mitsui Banking Corporation	—	4,200,000	—	4,200,000						
MUFG Bank, Ltd.	—	2,410,000	—	2,410,000	1.10929	February 28, 2029				
Mizuho Bank, Ltd.	—	1,360,000	—	1,360,000						
Sumitomo Mitsui Banking Corporation	—	810,000	—	810,000						
Development Bank of Japan Inc.	—	600,000	—	600,000	2.13000					

category	Lender	Balance at beginning of period	Amount of increase during period	Amount of decrease during period	Balance at end of period	Average interest rate (%) (Note 1)	Repayment due date	Repayment method	Use of proceeds	Security
Long-term loans payable	Sumitomo Mitsui Trust Bank, Limited	—	200,000	—	200,000	1.15929	August 29, 2031	Lumpsum payment at maturity	(Note2)	Un-secured Un-guaranteed
	Mizuho Trust & Banking Co., Ltd.	—	600,000	—	600,000					
	Resona Bank, Limited	—	800,000	—	800,000					
	The Norinchukin Bank	—	900,000	—	900,000					
	THE BANK OF FUKUOKA, LTD.	—	900,000	—	900,000					
	Shinkin Central Bank	—	300,000	—	300,000					
	The Yamaguchi Bank, Ltd.	—	800,000	—	800,000					
	The 77 Bank, Ltd.	—	800,000	—	800,000					
	The Hiroshima Bank, Ltd.	—	500,000	—	500,000					
	Aozora Bank, Ltd.	—	300,000	—	300,000					
	MUFG Bank, Ltd.	—	2,150,000	—	2,150,000	2.59500	February 28, 2033			
	Mizuho Bank, Ltd.	—	1,150,000	—	1,150,000					
	Sumitomo Mitsui Banking Corporation	—	610,000	—	610,000					
	Development Bank of Japan Inc.	—	600,000	—	600,000					
Total		248,942,000	45,880,000	28,290,000	266,532,000					

(Note 1) Average interest rate is the weighted average interest rate during the period. Interest rates are rounded to six decimal places. The interest rates for loans hedged by interest rate swap transactions used to hedge the risk of interest rate fluctuations are the interest rates reflecting the effect of the interest rate swaps.

(Note 2) Use of proceeds are purchase of assets and related expenses, and the repayment of loans payable and investment corporation bonds.

(Note 3) As of the end of the fiscal period under review, these loans are recorded as “Current portion of long-term loans payable” in “Current liabilities” on the balance sheet.

(Note 4) The following is the maturity schedule of long-term loans within five years of the balance sheet date.

(Thousand yen)

	Due in 1 year or less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years
Long-term loans payable	34,637,000	39,590,000	40,467,000	41,710,000	35,840,000

Independent Auditor's Report

The Board of Directors
Sekisui House Reit, Inc.

The Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sekisui House Reit, Inc., (the Company), which comprise the balance sheet as at April 30, 2026, and the statement of income and retained earnings, changes in net assets, cash distributions, cash flows and supplementary schedules for the six-month period then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2026, and its financial performance and its cash flows for the six month period then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Semi-Annual Report that contains audited financial statements but does not include the financial statements and our auditor's report thereon. Management is responsible for preparation and disclosure of the other information. The Supervisory Director is responsible for overseeing the Company's reporting process of the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Supervisory Director for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Supervisory Director is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the financial statements is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with the Executive Director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Executive Director with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Fee-related Information

The fees for the audits of the financial statements of the Company and other services provided by us and other EY member firms for the six months period ended April 30, 2026, are 20 million yen and 10 million yen, respectively.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Ernst & Young ShinNihon LLC
Tokyo, Japan

July 30, 2026

Takahiro Moriya

Designated Engagement Partner
Certified Public Accountant

Masahiro Yawata

Designated Engagement Partner
Certified Public Accountant