

Financial Results for the Fiscal Period Ended August 31, 2021 (March 1, 2021 - August 31, 2021)

Real estate investment trust unit issuer: **Daiwa House REIT Investment Corporation** (“DHR”)

Listing: Tokyo Stock Exchange

Securities code: 8984

URL: <https://www.daiwahouse-reit.co.jp/en/>

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Scheduled date of submitting Securities Report: November 25, 2021

Scheduled date of starting distribution payments: November 15, 2021

Supplementary materials for the financial results provided: Yes

Results briefing for the period: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

1. Financial results for the fiscal period ended August 31, 2021 (March 1, 2021 - August 31, 2021)

(1) Operating results

(Percentage figures represent period-on-period changes)

	Operating revenues		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended August 31, 2021	29,571	5.2	13,116	4.3	11,619	4.7	11,619	4.7
Fiscal period ended February 28, 2021	28,097	5.6	12,571	8.6	11,099	11.7	11,098	11.7

	Basic earnings per unit	Return on equity (ROE)	Ordinary profit to total assets ratio	Ordinary profit to operating revenues ratio
	Yen	%	%	%
Fiscal period ended August 31, 2021	5,291	2.4	1.3	39.3
Fiscal period ended February 28, 2021	5,054	2.3	1.2	39.5

(Note) Please refer to “Per Unit Information” on pages 27 to 28 for the number of investment units used as the basis for calculating basic earnings per unit.

(2) Distributions

	Distributions per unit (including distributions in excess of earnings per unit)	Distributions per unit (excluding distributions in excess of earnings per unit)	Distributions in excess of earnings per unit	Total distributions (including distributions in excess of earnings)	Total distributions (excluding distributions in excess of earnings)	Total distributions in excess of earnings	Payout ratio	Distributions to net assets ratio
	Yen	Yen	Yen	Millions of yen	Millions of yen	Millions of yen		
Fiscal period ended August 31, 2021	6,118	5,347	771	13,435	11,742	1,693	101.1	2.4
Fiscal period ended February 28, 2021	5,856	5,101	755	12,859	11,201	1,657	100.9	2.3

(Note) Total distributions in excess of earnings fully relate to allowance for temporary difference adjustments.

(3) Financial position

	Total assets	Net assets	Equity ratio	Net assets per unit
	Millions of yen	Millions of yen	%	Yen
As of August 31, 2021	900,310	489,467	54.4	222,890
As of February 28, 2021	901,386	490,586	54.4	223,400

(4) Cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended August 31, 2021	19,398	(7,825)	(12,877)	47,322
Fiscal period ended February 28, 2021	24,776	(5,600)	(9,932)	48,626

2. Forecasts of operating results for the fiscal period from September 1, 2021 to February 28, 2022 and for the fiscal period from March 1, 2022 to August 31, 2022

(Percentage figures represent period-on-period changes)

	Operating revenues		Operating profit		Ordinary profit		Profit		Distributions per unit (including distributions in excess of earnings per unit)	Distributions per unit (excluding distributions in excess of earnings per unit)	Distributions in excess of earnings per unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen	Yen
Fiscal period ending February 28, 2022	30,142	1.9	13,301	1.4	11,520	(0.9)	11,520	(0.9)	5,750	4,966	784
Fiscal period ending August 31, 2022	29,145	(3.3)	12,660	(4.8)	11,011	(4.4)	11,010	(4.4)	5,600	4,751	849

(Reference) Forecasted basic earnings per unit

For the fiscal period ended February 28, 2022: ¥4,965

For the fiscal period ending August 31, 2022: ¥4,746

* **Other**

(1) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- a. Changes in accounting policies due to amendment of accounting standards and other regulations: None
- b. Changes in accounting policies due to reasons other than a. above: None
- c. Changes in accounting estimates: None
- d. Retrospective restatement: None

(2) Total number of investment units issued

- a. Total number of investment units issued at the end of the period (including treasury investment units)
 - As of August 31, 2021 2,196,000 units
 - As of February 28, 2021 2,196,000 units
- b. Number of treasury investment units at the end of the period
 - As of August 31, 2021 0 units
 - As of February 28, 2021 0 units

(Note) Please refer to “Per Unit Information” on pages 27 to 28 for the number of investment units used as the basis for calculating basic earnings per unit.

* **Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.**

* **Special notes**

The forward-looking statements, including operating results forecasts, contained in these materials are based on information currently available to DHR and on certain assumptions deemed reasonable by DHR. The actual operating and other results may differ significantly from those presented herein as a consequence of numerous factors. These forecasts also do not guarantee the amount of distributions. Please refer to “Assumptions for Forecasts of Operating Results for the Fiscal Periods Ending February 28, 2022 and August 31, 2022” on pages 9 to 10 for information on assumptions for the forecasts of operating results.

Disclaimer:

This English translation has been prepared for general reference purposes only. DHR shall not be responsible for any consequence resulting from the use of the English translation in place of the original Japanese text. In any legal matter, readers should refer to and rely upon the original Japanese text released on October 15, 2021.

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1. Operating Results

(1) Operating Results

i) Summary of results for the current fiscal period

A. Transition of the Investment Corporation

DHR is a real estate investment trust (J-REIT) whose sponsor is Daiwa House Industry Co., Ltd. (hereinafter referred to as “Daiwa House”) and whose asset manager is Daiwa House Asset Management Co., Ltd. (hereinafter referred to as the “Asset Manager”), a wholly owned subsidiary of Daiwa House.

DHR was listed on the Real Estate Investment Trust (REIT) Market of the Tokyo Stock Exchange, Inc. (hereinafter referred to as the “Tokyo Stock Exchange”) on March 22, 2006, and then later merged with New City Residence Investment Corporation (hereinafter referred to as “NCR”) on April 1, 2010 (hereinafter referred to as “the merger with NCR”). Subsequently on December 1, 2011, the corporate name was changed to Daiwa House Residential Investment Corporation (the corporation prior to change of corporate name to “Daiwa House REIT Investment Corporation” is hereinafter referred to as the “former DHI”), and accordingly changed its investment targets to residential properties.

The former Daiwa House REIT Investment Corporation (the Daiwa House REIT Investment Corporation, which was dissolved upon having merged with DHR as of September 1, 2016, is hereinafter referred to as the “former DHR”) was established on September 14, 2007, whose asset manager was Daiwa House REIT Management Co., Ltd., a wholly owned subsidiary of Daiwa House. The former DHR was listed on the Tokyo Stock Exchange Real Estate Investment Trust (REIT) Market on November 28, 2012, as a REIT that targets investment in logistics and retail properties.

On September 1, 2016, the former DHI and the former DHR (hereinafter collectively referred to as the “Investment Corporations”) conducted an absorption-type merger (hereinafter referred to as the “Merger”) whereby the former DHI was the surviving corporation and the former DHR was the absorbed corporation, shifted to a diversified portfolio strategy that targets investment in new asset classes such as hotel and office properties, in addition to those that the Investment Corporations had targeted for investment in the past, and changed its corporate name from Daiwa House Residential Investment Corporation to Daiwa House REIT Investment Corporation.

B. Performance for the current fiscal period

In March 2021, DHR sold one residential property at a disposition price of ¥3.5 billion. Furthermore, as property replacement, DHR acquired one logistics property for an acquisition price^(Note 1) of ¥5.9 billion through the Daiwa House Group^(Note 2)'s pipeline in April 2021 with funds in hand. As a result, DHR's portfolio as of the end of the current fiscal period consists of 227 properties with an asset value of ¥824.2 billion^(Note 3).

(Note 1) “Acquisition price” is the purchase price stipulated in the respective purchase agreements of assets owned by DHR (not including expenses pertaining to acquisitions, settlement money such as taxes and public dues, consumption taxes, or leasehold guarantee deposits, etc.), except as otherwise noted. However, the acquisition prices of properties previously owned by NCR have been presented as the appraisal values as of February 28, 2010, which were the prices received at the time of the merger with NCR, and the acquisition prices of properties previously owned by the former DHR have been presented as the appraisal values as of August 31, 2016, which were the prices received at the time of the merger with the former DHR. The “total acquisition price” has been rounded down to the nearest unit. The same shall apply hereinafter.

(Note 2) The Daiwa House Group comprises Daiwa House, which is the parent company, 396 consolidated subsidiaries, 59 equity-method affiliates and one non-equity-method affiliate as of June 30, 2021. The Asset Manager is a member of the group. The same shall apply hereinafter.

(Note 3) “Asset value” is the aggregate total of the acquisition prices of respective assets owned by DHR at respective points in time, except as otherwise noted. The same shall apply hereinafter.

C. Overview of financing

DHR arranged refinancing of ¥3,000 million on April 1, 2021 to provide for the repayment of ¥3,000 million in existing loans due on the same date. Furthermore, DHR issued its 14th Unsecured Investment Corporation Bonds (Green Bonds) at an amount of ¥4,000 million on April 15, 2021 and arranged refinancing of ¥5,500 million on April 30, 2021 to provide for the repayment of ¥9,500 million in existing loans due on April 30, 2021.

As a result, the balance of interest-bearing debt outstanding as of the end of the current fiscal period amounted to ¥378,558 million (loan balance: ¥344,558 million, investment corporation bond balance: ¥34,000 million), the same amount as in the previous fiscal period. As of the end of the current fiscal period, its LTV (including goodwill)^(Note 1) was 42.0%, and its LTV (excluding goodwill)^(Note 2) was 45.0%.

(Note 1) “LTV (including goodwill)” is obtained using the following formula. The same shall apply hereinafter.

$$\text{LTV (including goodwill)} = \frac{\text{total amount of interest-bearing debt (borrowings + investment corporation bonds)}}{\text{total assets (including goodwill)}} \times 100$$

(Note 2) “LTV (excluding goodwill)” is obtained using the following formula. The same shall apply hereinafter.

$$\text{LTV (excluding goodwill)} = \frac{\text{total amount of interest-bearing debt (borrowings + investment corporation bonds)}}{\text{total assets (excluding goodwill)}} \times 100$$

The credit ratings of DHR as of the date of this financial results report are as follows:

Rating agency	Type	Rating/Outlook
Rating and Investment Information, Inc. (R&I)	Issuer rating	AA- Stable
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating	AA Stable

D. Difference between real estate appraisal value and book value

The total appraisal value of assets held at the end of the current fiscal period was ¥939,116 million, and the amount of unrealized gain^(Note) on the portfolio, which is the difference compared to the book value was ¥152,694 million.

(Note) “Unrealized gain” is the positive valuation difference when the appraisal value exceeds the book value of real estate properties (excluding construction in progress and construction in progress in trust). (Negative valuation difference is referred to as unrealized loss.) The same shall apply hereinafter. Please note that unrealized gain is not guaranteed to be realized as a result of the sale of real estate.

E. Overview of financial results

As a result of the investment management activities mentioned above, in the current fiscal period, DHR posted operating revenues of ¥29,571 million, operating profit of ¥13,116 million, ordinary profit of ¥11,619 million, and profit of ¥11,619 million. Based on its distribution policy, ¥1,982 million in amortization of goodwill was added to profit and ¥166 million corresponding to a portion of gain on sale of real estate properties, etc. was deducted from profit, resulting in ¥13,435 million. From this amount, the total amount of distributions was ¥13,435 million (¥6,118 per investment unit) after the fractional parts of amounts less than ¥1 per investment unit for each type of distribution listed in the breakdown of distributions below were adjusted.

Furthermore, the breakdown of distributions includes profit of ¥11,742 million (¥5,347 per investment unit) as earnings distributions as provided for in Article 136, paragraph 1 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended. Hereinafter referred to as the “Investment Trusts Act”) and an allowance for temporary difference adjustments of ¥1,693 million (¥771 per investment unit) as distributions in excess of earnings.

ii) Outlook for next fiscal period

A. Investment environment

During the current fiscal period, the Japanese economy continued to experience overall challenging conditions due to COVID-19. Amid these conditions, the real GDP growth rate (the 2nd preliminary) showed the first increase in two quarters, increasing by 0.5% from April to June 2021 compared with the previous quarter (1.9% annualized), as the move toward recovery continues. Despite vaccinations being promoted from July as part of policy to stop the spread of COVID-19, the spread of variants of the virus led to a state of emergency being declared, and the overall future remains uncertain.

In the J-REIT market, the prices for investment units rose in a broad range of sectors backed by expectations for economic recovery, and the Tokyo Stock Exchange REIT Index rose to 2,142 points by the end of August 2021.

In the real estate trading market, the effects of the COVID-19 pandemic differed by asset type. There was a strong preference for asset types little affected by the COVID-19 pandemic, such as logistics properties and residential properties. Against the backdrop of global monetary easing, the desire to acquire properties is robust overall among domestic and foreign real-estate investors, and expected yields on top properties are trending at low levels.

B. Future operating policies and issues to be addressed

(a) Growth strategy

Due to its shift to a diversified portfolio strategy as a result of the Merger, taking advantage of the expanded opportunities to acquire properties from an extensive range of asset classes, DHR aims to steadily grow its asset size while maximizing unitholder value by securing stable income over the long term.

Due to its shift to a diversified portfolio strategy, DHR's portfolio now includes a range of assets with varying risk-return profiles, and as of the date of this financial results report, maintains high occupancy rates for assets held. By investing in various types of assets, DHR deems that it will be able to diversify its portfolio and mitigate the risk of excessive reliance on a limited number of tenants in order to boost portfolio income and generate cash flows that are more consistent.

DHR carefully selects and acquires assets that contribute to increasing unitholder value mainly through the Daiwa House Group's pipeline and plans to maintain its policy of selective investment going forward.

Furthermore, through continuous property replacement, DHR aims to increase the quality of its portfolio and realize increased unitholder value.

(b) ESG initiatives

The Daiwa House Group's basic approach is "Creating Dreams, Building Hearts." As a group that co-creates value for individuals, communities and people's lifestyles, the group aims to build trust relationships with stakeholders and contribute to society through its businesses, and to realize a sustainable society by meeting the challenge of achieving "zero environmental impacts."

The Asset Manager shares the Daiwa House Group's basic approach as DHR's asset manager, and considers that including environmental, social, and governance considerations in its real estate investment management operations contributes to DHR's basic policy of ensuring stable revenue and steady asset growth over the long term. Therefore, we have established the "Sustainability Policy" to guide our real estate investment management.

The Asset Manager considers efforts such as energy conservation and reducing greenhouse gas emissions in relation to asset management to be of paramount importance. It establishes individual policies for the matter and strives to reduce the burden it puts on the environment. The Asset Manager's reduction targets of energy consumption (long-term targets) are to reduce energy consumption and CO₂ emission intensity by 10% over the ten-year period from 2018 to 2027.

(c) Distribution policy

DHR changed part of its distribution policy in the fiscal period ended February 28, 2017 and made it a policy to distribute the amount equivalent to amortization of goodwill to top up profit, and distributions in excess of earnings in the amount equivalent to amortization of goodwill are paid (distribution accounted as an allowance for temporary difference adjustments and other distributions in excess of earnings).

Furthermore, in the case of the occurrence of excess taxable income over accounting profit associated with sale of properties that causes a need for DHR to take action to maintain its conduit status, DHR plans to conduct additional distributions in excess of earnings (distribution accounted as an allowance for temporary difference adjustments) to reduce the occurrence of corporate taxes.

However, where there is an occurrence of special gains such as gain on sale of real estate properties, other distributions in excess of earnings, which is a part of the above-mentioned distributions in excess of earnings in the amount equivalent to amortization of goodwill, can be reduced by an amount equivalent to part of the gain on sale of real estate properties.

DHR's policy is to pay distributions in excess of earnings (distribution accounted as an allowance for temporary difference adjustments and other distributions in excess of earnings) to realize stabilization of distributions on a medium- to long-term basis^(Note) while ensuring the level of distributions not impacted by the amortization of goodwill that accompanied the Merger.

(Note) Under the above distribution policy, DHR has the policy to stabilize distributions. However, it is not intended as a guarantee or promise of the payment of distribution and amounts thereof.

C. Financial strategy

DHR seeks as its basic policy to execute a well-planned and flexible financial strategy with the aim of ensuring sustainable profits on a medium- to long-term basis, contributing to the steady growth and efficient management of its properties and creating management stability.

DHR is also working to improve the stability of its financial base by maintaining and expanding its strong lender formation through initiatives geared toward diversifying methods of raising capital through issuance of investment corporation bonds, and by promoting use of long-term fixed rates on interest-bearing debt and staggering repayment dates.

D. Forecasts of operating results for the fiscal periods ending February 28, 2022 and August 31, 2022

	Operating revenues	Operating profit	Ordinary profit	Profit	Distributions per unit (including distributions in excess of earnings per unit)	Distributions per unit (excluding distributions in excess of earnings per unit)	Distributions in excess of earnings per unit
Fiscal period ending February 28, 2022	Millions of yen 30,142	Millions of yen 13,301	Millions of yen 11,520	Millions of yen 11,520	Yen 5,750	Yen 4,966	Yen 784
Fiscal period ending August 31, 2022	Millions of yen 29,145	Millions of yen 12,660	Millions of yen 11,011	Millions of yen 11,010	Yen 5,600	Yen 4,751	Yen 849

For the assumptions for the forecasts above, please refer to "Assumptions for Forecasts of Operating Results for the Fiscal Periods Ending February 28, 2022 and August 31, 2022" on pages 9 to 10. Due to changes in the circumstances surrounding DHR, actual operating revenues, operating profit, ordinary profit, profit, distributions per unit and distributions in excess of earnings per unit may change. Furthermore, these forecasts do not guarantee the amount of distributions.

iii) Significant events after balance sheet date

A. Issuance of new investment units

At the board of directors meetings held on August 18, 2021, and on August 25, 2021, it was resolved to issue new investment units, as follows. The payment for the new investment units issued through public offering was completed on September 1, 2021, while the payment for the new investment units issued through third-party allotment was completed on September 28, 2021.

As a result, unitholders' capital amounts to ¥268,042 million, and the total number of investment units issued is 2,320,000 units.

(a) Issuance of new investment units (public offering)

Number of new investment units issued:	115,000 units (Japan: 72,300 units; Overseas: 42,700 units)
Issue price:	¥301,791 per unit
Total issue price:	¥34,705,965,000
Amount paid in (issue value):	¥292,552 per unit
Total amount paid in (issue value):	¥33,643,480,000
Payment date:	September 1, 2021

(b) Issuance of new investment units through third-party allotment

Number of new investment units issued:	9,000 units
Amount paid in (issue value):	¥292,552 per unit
Total amount paid in (issue value):	¥2,632,968,000
Payment date:	September 28, 2021
Allottee:	Nomura Securities Co., Ltd.

B. Acquisition of assets

DHR acquired the following property.

Asset name	DPL Nagareyama III
Asset type	Trust beneficiary interest in real estate
Asset class	Logistics properties
Acquisition price (Note 1)	¥32,000 million
Seller (Note 2)	Kabushiki Kaisha Nagareyama Kyodo Kaihatsu
Date of acquisition	October 1, 2021
Asset name	D Project Wako A (50% quasi co-ownership)
Asset type	Trust beneficiary interest in real estate
Asset class	Logistics properties
Acquisition price (Note 1)	¥10,750 million
Seller (Note 2)	Daiwa House
Date of acquisition	September 3, 2021
Asset name	D Project Hiratsuka
Asset type	Trust beneficiary interest in real estate
Asset class	Logistics properties
Acquisition price (Note 1)	¥15,200 million
Seller (Note 2)	Daiwa House Twin City Okami Tokutei Mokuteki Kaisya
Date of acquisition	October 1, 2021

Asset name	GRANODE Hiroshima (additional acquisition of 50% quasi co-ownership) (Note 3)
Asset type	Trust beneficiary interest in real estate
Asset class	Other assets
Acquisition price (Note 1)	¥14,400 million
Seller (Note 2)	Daiwa House
Date of acquisition	September 3, 2021

(Note 1) This figure does not include expenses pertaining to acquisitions, settlement money such as taxes and public dues, consumption taxes, etc.

(Note 2) The following companies are defined as interested parties, etc. in the Investment Trusts Act: Kabushiki Kaisha Nagareyama Kyodo Kaihatsu, which is the seller of DPL Nagareyama III, Daiwa House Twin City Okami Tokutei Mokuteki Kaisya, which is the seller of D Project Hiratsuka, and Daiwa House, which is the seller of D Project Wako A and GRANODE Hiroshima. Therefore, the Asset Manager has gone through the necessary discussion and resolution procedures in accordance with its regulations on transactions with interested parties.

(Note 3) Regarding GRANODE Hiroshima, DHR acquired 50% quasi co-ownership on April 3, 2020, and the additional acquisition of 50% quasi co-ownership resulted in DHR's 100% ownership.

C. Disposition of assets

DHR disposed of the following property.

Asset name	Castalia Ohori Bay Tower
Asset type	Trust beneficiary interest in real estate
Asset class	Residential properties
Disposition price (Note 1)	¥3,740 million
Buyer	Not disclosed (Note 2)
Date of disposition	September 30, 2021

(Note 1) This figure does not include expenses pertaining to dispositions, settlement money such as taxes and public dues, consumption taxes, etc.

(Note 2) Undisclosed as consent for disclosure has not been obtained from the buyer.

D. Debt financing

DHR conducted debt financing for acquiring the property mentioned in “B. Acquisition of assets” above, on September 3, 2021 and October 1, 2021, as follows:

Lender	Borrowing amount (Millions of yen)	Interest rate	Borrowing date	Repayment date	Method of repayment	Collateral
Sumitomo Mitsui Trust Bank, Limited	1,000	Base interest rate (Japanese Bankers Association 1-month yen TIBOR) +0.175% (Floating interest rate)	September 3, 2021	September 2, 2022	Bullet repayment	Unsecured and non-guaranteed
Sumitomo Mitsui Banking Corporation	1,000	Base interest rate (Japanese Bankers Association 1-month yen TIBOR) +0.175% (Floating interest rate)	September 3, 2021	September 2, 2022	Bullet repayment	Unsecured and non-guaranteed
MUFG Bank, Ltd.	1,000	Base interest rate (Japanese Bankers Association 1-month yen TIBOR) +0.175% (Floating interest rate)	September 3, 2021	September 2, 2022	Bullet repayment	Unsecured and non-guaranteed

Lender	Borrowing amount (Millions of yen)	Interest rate	Borrowing date	Repayment date	Method of repayment	Collateral
Mizuho Bank, Ltd.	1,000	Base interest rate (Japanese Bankers Association 1-month yen TIBOR) +0.175% (Floating interest rate)	September 3, 2021	September 2, 2022	Bullet repayment	Unsecured and non-guaranteed
Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; MUFG Bank, Ltd.; Mizuho Bank, Ltd.; Development Bank of Japan Inc.; Mizuho Trust & Banking Co., Ltd.; Shinsei Bank, Limited; The Yamanashi Chuo Bank, Ltd.; Kansai Mirai Bank, Limited; Shinkin Central Bank; The Bank of Kyoto, Ltd.; The Yamaguchi Bank, Ltd.;	10,500	0.56419% (Fixed interest rate)	September 3, 2021	August 29, 2031	Bullet repayment	Unsecured and non-guaranteed
The Dai-ichi Life Insurance Company, Limited	1,000	0.800% (Fixed interest rate)	September 3, 2021	August 31, 2033	Bullet repayment	Unsecured and non-guaranteed
Sumitomo Mitsui Trust Bank, Limited; The Chiba Bank, Ltd.; The 77 Bank, Ltd.; Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Mizuho Bank, Ltd.;	3,000	0.28037% (Fixed interest rate)	October 1, 2021	March 31, 2026	Bullet repayment	Unsecured and non-guaranteed
MUFG Bank, Ltd.; Mizuho Bank, Ltd.; The Norinchukin Bank; Sumitomo Mitsui Trust Bank, Limited; Sumitomo Mitsui Banking Corporation; Development Bank of Japan Inc.; Aozora Bank, Ltd.; Resona Bank, Limited; THE NISHI-NIPPON CITY BANK, LTD.; The Keiyo Bank, Ltd.	10,500	0.37292% (Fixed interest rate)	October 1, 2021	September 29, 2028	Bullet repayment	Unsecured and non-guaranteed

(2) Investment Risk

As there have been no significant changes in the “Investment Risk” as described in the Securities Registration Statement submitted on August 18, 2021 (prepared in Japanese only), the disclosure has been omitted.

Assumptions for Forecasts of Operating Results for the Fiscal Periods Ending February 28, 2022 and August 31, 2022

Item	Assumptions
Accounting period	<ul style="list-style-type: none"> • Fiscal period ending February 28, 2022: (181 days from September 1, 2021 to February 28, 2022) • Fiscal period ending August 31, 2022: (184 days from March 1, 2022 to August 31, 2022)
Portfolio	<ul style="list-style-type: none"> • DHR has assumed that there would be no changes (acquisition of new properties or disposition of the acquired assets) in the composition of DHR's portfolio of 229 properties of real estate and real-estate trust beneficiary interests that DHR currently owns as of the date of this document until the end of the fiscal period ending August 31, 2022. • However, the composition of the portfolio may change.
Operating revenues	<ul style="list-style-type: none"> • DHR has assumed the gain on sale of real estate property of ¥1,335 million for the fiscal period ending February 28, 2022 associated with the disposition of Castalia Ohori Bay Tower. • Operating revenues include revenues from rent, common area charges, parking lot usage fees, incidental revenues, utilities expenses reimbursements and key money, etc. Each of these items is calculated based on past records and future estimates. • DHR has assumed that no delinquencies or non-payment of rent by tenants. • DHR estimates that the negative effects of COVID-19 on revenues from rent will be ¥104 million for the fiscal period ending February 28, 2022 and ¥104 million for the fiscal period ending August 31, 2022.
Operating expenses (excluding amortization of goodwill)	<ul style="list-style-type: none"> • Operating expenses mainly comprise expenses related to rental business. Such expenses, excluding depreciation, are calculated based on past records, making certain adjustments as appropriate considering factors that may cause changes in expenses. • DHR has assumed that DHR would incur depreciation expenses of ¥5,646 million for the fiscal period ending February 28, 2022 and ¥5,700 million for the fiscal period ending August 31, 2022. These figures are calculated based on the straight-line method with incidental expenses added to purchase prices of non-current assets. • DHR has estimated property tax, city planning tax and depreciation asset tax of ¥2,156 million for the fiscal period ending February 28, 2022 and ¥2,397 million for the fiscal period ending August 31, 2022. Property tax and city planning tax that would be paid by DHR and the seller (the former beneficiary) on a pro rata basis in accordance with the holding period and settled at the time of acquisition, and such taxes are deemed as acquisition costs of the property and not included in expenses. Accordingly, property tax and city planning tax for the five properties acquired in April 2021, September 2021 and October 2021 of ¥246 million would be expensed starting from the fiscal period ending August 31, 2022. • Concerning repairs and maintenance expenses, DHR has assumed that in addition to incurring certain repairs and maintenance expenses in each fiscal period based on the medium- to long-term repair and maintenance plan prepared by the Asset Manager, DHR will utilize part of the gain on sale of real estate properties to implement the repair and maintenance plan at an earlier schedule in order to improve the quality of the properties. DHR expects to incur repairs and maintenance expenses of ¥1,511 million for the fiscal period ending February 28, 2022, and ¥702 million for the fiscal period ending August 31, 2022. However, actual repairs and maintenance expenses in each fiscal period may change substantially from DHR's forecasts, as (i) DHR may incur expenses for urgent repairs to properties due to damage caused by unforeseeable factors, (ii) generally, there is a substantial difference in expenses incurred between each fiscal period, and (iii) expenses are not incurred based on a regular schedule. • Selling, general and administrative expenses are estimated based on the actual values or rates, etc., of each item.
Amortization of goodwill	<ul style="list-style-type: none"> • Amortization of goodwill is estimated at ¥1,982 million for the fiscal period ending February 28, 2022 and ¥1,982 million for the fiscal period ending August 31, 2022.

Item	Assumptions
Non-operating expenses	<ul style="list-style-type: none"> • DHR has assumed one-time costs of ¥185 million for the fiscal period ending February 28, 2022 as expenses related to issuance of new investment units and related matters resolved at a meeting of the board of directors of DHR held on August 18, 2021. • DHR has assumed interest expenses and other borrowing-related expenses, etc. of ¥1,606 million for the fiscal period ending February 28, 2022 and ¥1,656 million for the fiscal period ending August 31, 2022.
Interest-bearing debt	<ul style="list-style-type: none"> • As of the date of this document, the balance of interest-bearing debt is ¥407,558 million. • DHR has assumed that (i) long-term loans of ¥35,858 million that become due by the end of the fiscal period ending August 31, 2022 would be fully refinanced and (ii) it would issue new investment corporation bonds to fully refinance the investment corporation bonds in the amount of ¥4,000 million that become due by the end of the fiscal period ending August 31, 2022. • Other than the above, DHR has assumed the balance of interest-bearing debt would be unchanged until the end of the fiscal period ending August 31, 2022.
Investment units	<ul style="list-style-type: none"> • The total number of investment units is based on DHR's assumption of 2,320,000 units, which is the number of investment units issued as of the date of this financial results report. DHR has assumed there will be no change in the number of units outstanding resulting from the issuance of additional investment units, etc. until August 31, 2022.
Distributions per unit	<ul style="list-style-type: none"> • DHR has assumed that changes in fair value of interest-rate swaps will not impact the amount of distributions per unit for the fiscal periods ending February 28, 2022 and August 31, 2022. • Changes in DHR's portfolio, fluctuations in rent income due to changes in tenants and other factors, unforeseen repairs and maintenance expenses and other factors may lead to changes in the amount of distributions per unit.
Distributions in excess of earnings per unit	<ul style="list-style-type: none"> • DHR has assumed that distributions in excess of earnings in the amount equivalent to amortization of goodwill are paid (distributions accounted as an allowance for temporary difference adjustments and other distributions in excess of earning (return of capital)). However, DHR has assumed that in the case of an occurrence of special gains such as gain on sale of real estate properties, other distributions in excess of earnings, which is a part of the abovementioned distributions in excess of earnings in the amount equivalent to amortization of goodwill, can be reduced by an amount equivalent to part of the gain on sale of real estate properties. • DHR has assumed that in the case of the occurrence of excess taxable income over accounting profit associated with sale of properties that causes a need for DHR to take action to maintain its favorable tax status, DHR will conduct additional distributions in excess of earnings (distribution accounted as an allowance for temporary difference adjustments). • It is assumed that total of distributions in excess of earnings for the fiscal period ending February 28, 2022 would be ¥1,818 million (¥784 per unit), all of which are the allowance for temporary difference adjustments, and for the fiscal period ending August 31, 2022, total of distributions in excess of earnings would be ¥1,969 million (¥849 per unit), consisting of the allowance for temporary difference adjustments and other distributions in excess of earnings (return of capital) of ¥1,835 million (¥791 per unit) and ¥134 million (¥58 per unit), respectively. • DHR has assumed that changes in fair value of interest-rate swaps will not impact the amount of distributions in excess of earnings per unit for the fiscal periods ending February 28, 2022 and August 31, 2022.
Others	<ul style="list-style-type: none"> • DHR has assumed that no enforcement of such revisions to laws and regulations, tax systems, accounting standards, securities listing regulations and rules of The Investment Trusts Association, Japan, etc. that may affect the above forecasts. • DHR's forecasts assume no unforeseen significant changes in general economic trends or conditions in the real estate market.

2. Financial Statements

(1) Balance Sheets

(Unit: Thousands of yen)

	Previous fiscal period (As of February 28, 2021)	Current fiscal period (As of August 31, 2021)
Assets		
Current assets		
Cash and deposits	32,327,392	30,285,987
Cash and deposits in trust	16,299,065	17,036,123
Operating accounts receivable	264,766	331,493
Prepaid expenses	672,881	637,149
Other	2,561	36,645
Allowance for doubtful accounts	(1,498)	(274)
Total current assets	49,565,169	48,327,124
Non-current assets		
Property, plant and equipment		
Buildings	25,375,403	25,684,276
Accumulated depreciation	(5,404,035)	(5,667,304)
Buildings, net	19,971,367	20,016,971
Structures	231,826	241,007
Accumulated depreciation	(51,462)	(54,341)
Structures, net	180,364	186,666
Machinery and equipment	466,382	470,918
Accumulated depreciation	(171,537)	(182,442)
Machinery and equipment, net	294,845	288,476
Tools, furniture and fixtures	714,203	760,756
Accumulated depreciation	(453,849)	(482,864)
Tools, furniture and fixtures, net	260,353	277,892
Land	21,711,324	21,711,324
Buildings in trust	386,663,526	*1 390,063,053
Accumulated depreciation	(48,145,286)	(52,144,567)
Buildings in trust, net	338,518,240	337,918,486
Structures in trust	9,409,913	9,506,605
Accumulated depreciation	(1,356,606)	(1,536,018)
Structures in trust, net	8,053,306	7,970,586
Machinery and equipment in trust	2,742,297	2,549,001
Accumulated depreciation	(1,372,731)	(1,299,698)
Machinery and equipment in trust, net	1,369,566	1,249,302
Tools, furniture and fixtures in trust	1,611,570	1,745,809
Accumulated depreciation	(708,105)	(805,032)
Tools, furniture and fixtures in trust, net	903,465	940,776
Land in trust	387,101,719	389,983,140
Construction in progress in trust	389,488	504,011
Total property, plant and equipment	778,754,043	781,047,636
Intangible assets		
Goodwill	61,449,024	59,466,797
Leasehold rights in trust	5,925,048	5,877,635
Trademark rights	945	667
Total intangible assets	67,375,018	65,345,100

(Unit: Thousands of yen)

	Previous fiscal period (As of February 28, 2021)	Current fiscal period (As of August 31, 2021)
Investments and other assets		
Investment securities	*2 9,428	*2 9,446
Long-term prepaid expenses	2,036,722	1,874,253
Guarantee deposits	99	99
Lease and guarantee deposits in trust	3,498,978	3,547,353
Total investments and other assets	5,545,228	5,431,152
Total non-current assets	851,674,290	851,823,888
Deferred assets		
Investment corporation bond issuance costs	147,124	159,880
Total deferred assets	147,124	159,880
Total assets	901,386,584	900,310,893
Liabilities		
Current liabilities		
Operating accounts payable	1,731,563	2,683,411
Current portion of investment corporation bonds	4,000,000	4,000,000
Current portion of long-term loans	26,358,000	35,858,000
Accounts payable - other	88,102	89,369
Accrued expenses	1,706,448	1,676,979
Income taxes payable	605	605
Accrued consumption taxes	1,191,971	325,919
Advances received	3,196,677	3,293,588
Unearned revenue	202,267	182,962
Deposits received	254,618	246,831
Derivatives liabilities	10,302	14,569
Other	69,603	67,520
Total current liabilities	38,810,159	48,439,755
Non-current liabilities		
Investment corporation bonds	26,000,000	30,000,000
Long-term loans	322,200,000	308,700,000
Long-term unearned revenue	394,277	308,816
Tenant leasehold and security deposits	333,342	333,710
Tenant leasehold and security deposits in trust	21,739,562	21,857,568
Asset retirement obligations	658,347	664,585
Derivatives liabilities	664,385	539,144
Total non-current liabilities	371,989,915	362,403,826
Total liabilities	410,800,075	410,843,582
Net assets		
Unitholders' equity		
Unitholders' capital	231,766,153	231,766,153
Surplus		
Capital surplus	247,667,563	247,667,563
Deduction from capital surplus		
Allowance for temporary difference adjustments	*3 (50,508)	*3 (1,708,488)
Total deduction from capital surplus	(50,508)	(1,708,488)
Capital surplus, net	247,617,055	245,959,075
Unappropriated retained earnings (undisposed loss)	11,877,987	12,295,795
Total surplus	259,495,043	258,254,871
Total unitholders' equity	491,261,196	490,021,024

(Unit: Thousands of yen)

	Previous fiscal period (As of February 28, 2021)		Current fiscal period (As of August 31, 2021)	
Valuation and translation adjustments				
Deferred gains or losses on hedges		(674,687)		(553,713)
Total valuation and translation adjustments		(674,687)		(553,713)
Total net assets	*4	490,586,508	*4	489,467,310
Total liabilities and net assets		901,386,584		900,310,893

(2) Statements of Income

(Unit: Thousands of yen)

	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Current fiscal period (From March 1, 2021 to August 31, 2021)
Operating revenues		
Rental revenues	*1 26,102,923	*1 26,103,268
Other rental revenues	*1 1,157,287	*1 1,259,726
Gain on sale of real estate properties	*2 836,795	*2 2,208,587
Total operating revenues	28,097,006	29,571,582
Operating expenses		
Rental expenses	*1 11,179,703	*1 12,081,795
Asset management fees	1,792,206	1,775,306
Asset custody fees	39,665	39,730
Administrative service fees	98,381	99,332
Directors' remuneration	6,600	6,600
Amortization of goodwill	1,982,226	1,982,226
Provision of allowance for doubtful accounts	626	-
Other operating expenses	426,506	470,572
Total operating expenses	15,525,917	16,455,564
Operating profit	12,571,089	13,116,017
Non-operating income		
Interest income	165	177
Reversal of allowance for doubtful accounts	-	1,222
Gain on forfeiture of unclaimed distributions	4,552	5,409
Gain on adjustment of liabilities	9,624	10,326
Interest on tax refund	4,390	-
Other	17	17
Total non-operating income	18,750	17,152
Non-operating expenses		
Interest expenses	1,093,457	1,100,508
Interest expenses on investment corporation bonds	82,887	94,446
Amortization of investment corporation bond issuance costs	12,663	13,096
Borrowing related expenses	299,505	303,260
Other	2,000	2,000
Total non-operating expenses	1,490,514	1,513,311
Ordinary profit	11,099,325	11,619,858
Extraordinary income		
Subsidy income	-	*3 17,679
Total extraordinary income	-	17,679
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	-	*4 17,328
Total extraordinary losses	-	17,328
Profit before income taxes	11,099,325	11,620,208
Income taxes - current	605	605
Total income taxes	605	605
Profit	11,098,720	11,619,603
Retained earnings brought forward	779,267	676,191
Unappropriated retained earnings (undisposed loss)	11,877,987	12,295,795

(3) Statements of Unitholders' Equity

Previous fiscal period (From September 1, 2020 to February 28, 2021)

(Unit: Thousands of yen)

	Unitholders' equity							
	Unitholders' capital	Surplus						
		Capital surplus				Voluntary reserve		
		Capital surplus	Deduction from capital surplus		Capital surplus, net	Reserve for temporary difference adjustments	Reserve for distribution	Total voluntary reserve
Allowance for temporary difference adjustments	Total deduction from capital surplus							
Balance at beginning of period	231,766,153	247,667,563	-	-	247,667,563	496,382	2,214,027	2,710,410
Changes of items during period								
Distributions in excess of earnings from allowance for temporary difference adjustments			(50,508)	(50,508)	(50,508)			
Reversal of reserve for temporary difference adjustments						(496,382)		(496,382)
Reversal of reserve for distribution							(2,214,027)	(2,214,027)
Distributions from surplus								
Profit								
Net changes of items other than unitholders' equity								
Total changes of items during period	-	-	(50,508)	(50,508)	(50,508)	(496,382)	(2,214,027)	(2,710,410)
Balance at end of period	* 231,766,153	247,667,563	(50,508)	(50,508)	247,617,055	-	-	-

(Unit: Thousands of yen)

	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 (undisposed loss)	Total surplus				
Balance at beginning of period	9,936,041	260,314,014	492,080,168	(777,986)	(777,986)	491,302,181
Changes of items during period						
Distributions in excess of earnings from allowance for temporary difference adjustments		(50,508)	(50,508)			(50,508)
Reversal of reserve for temporary difference adjustments	496,382	—	—			—
Reversal of reserve for distribution	2,214,027	—	—			—
Distributions from surplus	(11,867,184)	(11,867,184)	(11,867,184)			(11,867,184)
Profit	11,098,720	11,098,720	11,098,720			11,098,720
Net changes of items other than unitholders' equity				103,298	103,298	103,298
Total changes of items during period	1,941,946	(818,971)	(818,971)	103,298	103,298	(715,672)
Balance at end of period	11,877,987	259,495,043	491,261,196	(674,687)	(674,687)	490,586,508

Current fiscal period (From March 1, 2021 to August 31, 2021)

(Unit: Thousands of yen)

	Unitholders' equity							
	Unitholders' capital	Surplus						Total unitholders' equity
		Capital surplus				Unappropriated retained earnings (undisposed loss)	Total surplus	
		Capital surplus	Deduction from capital surplus		Capital surplus, net			
Allowance for temporary difference adjustments	Total deduction from capital surplus							
Balance at beginning of period	231,766,153	247,667,563	(50,508)	(50,508)	247,617,055	11,877,987	259,495,043	491,261,196
Changes of items during period								
Distributions in excess of earnings from allowance for temporary difference adjustments			(1,657,980)	(1,657,980)	(1,657,980)		(1,657,980)	(1,657,980)
Distributions from surplus						(11,201,796)	(11,201,796)	(11,201,796)
Profit						11,619,603	11,619,603	11,619,603
Net changes of items other than unitholders' equity								
Total changes of items during period	-	-	(1,657,980)	(1,657,980)	(1,657,980)	417,807	(1,240,172)	(1,240,172)
Balance at end of period	* 231,766,153	247,667,563	(1,708,488)	(1,708,488)	245,959,075	12,295,795	258,254,871	490,021,024

(Unit: Thousands of yen)

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(674,687)	(674,687)	490,586,508
Changes of items during period			
Distributions in excess of earnings from allowance for temporary difference adjustments			(1,657,980)
Distributions from surplus			(11,201,796)
Profit			11,619,603
Net changes of items other than unitholders' equity	120,974	120,974	120,974
Total changes of items during period	120,974	120,974	(1,119,198)
Balance at end of period	(553,713)	(553,713)	489,467,310

(4) Statements of Cash Distributions

Item	Fiscal period ended February 28, 2021	Fiscal period ended August 31, 2021
	Amount (Yen)	Amount (Yen)
I Unappropriated retained earnings	11,877,987,944	12,295,795,753
II Amount added to distributions in excess of earnings		
Allowance for temporary difference adjustments	1,657,980,000	1,693,116,000
III Distributions	12,859,776,000	13,435,128,000
[Distributions per investment unit]	[5,856]	[6,118]
Of the above, earnings distributions	11,201,796,000	11,742,012,000
[Of the above, earnings distributions per unit]	[5,101]	[5,347]
Of the above, allowance for temporary difference adjustments	1,657,980,000	1,693,116,000
[Of the above, distributions in excess of earnings per unit associated with the allowance for temporary difference adjustments]	[755]	[771]
IV Retained earnings carried forward	676,191,944	553,783,753

Calculation method for distributions	<p>Based on the cash distribution policy set forth in Article 37, paragraph 1 and paragraph 2 of the Articles of Incorporation of DHR, an amount equivalent to the amortization of goodwill is distributed together with profit, and distributions in excess of earnings in the amount equivalent to amortization of goodwill are paid (distributions accounted as an allowance for temporary difference adjustments and other distributions in excess of earnings).</p> <p>Based on the above policy, for the relevant period, of the total amount of ¥12,861,279,967 when combining profit of ¥11,098,720,597 and amortization of goodwill of ¥1,982,226,586 and excluding ¥219,667,216 corresponding to a portion of gain on sale of real estate properties, etc., DHR decided to pay a total of ¥12,859,776,000 in distributions (¥5,856 per unit) after adjusting the fractional parts of amounts less than ¥1 per investment unit for each type of distribution listed in the breakdown of distributions below.</p> <p>The breakdown of distributions was ¥11,201,796,000 as earnings distributions (¥5,101 per unit) and ¥1,657,980,000 in allowance for temporary difference adjustments as distributions in excess of earnings (¥755 per unit).</p>	<p>Based on the cash distribution policy set forth in Article 37, paragraph 1 and paragraph 2 of the Articles of Incorporation of DHR, an amount equivalent to the amortization of goodwill is distributed together with profit, and distributions in excess of earnings in the amount equivalent to amortization of goodwill are paid (distributions accounted as an allowance for temporary difference adjustments and other distributions in excess of earnings).</p> <p>Based on the above policy, for the relevant period, of the total amount of ¥13,435,197,801 when combining profit of ¥11,619,603,809 and amortization of goodwill of ¥1,982,226,586 and excluding ¥166,632,594 corresponding to a portion of gain on sale of real estate properties, etc., DHR decided to pay a total of ¥13,435,128,000 in distributions (¥6,118 per unit) after adjusting the fractional parts of amounts less than ¥1 per investment unit for each type of distribution listed in the breakdown of distributions below.</p> <p>The breakdown of distributions was ¥11,742,012,000 as earnings distributions (¥5,347 per unit) and ¥1,693,116,000 in allowance for temporary difference adjustments as distributions in excess of earnings (¥771 per unit).</p>
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(5) Statements of Cash Flows

(Unit: Thousands of yen)

	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Current fiscal period (From March 1, 2021 to August 31, 2021)
Cash flows from operating activities		
Profit before income taxes	11,099,325	11,620,208
Depreciation	5,271,595	5,271,752
Amortization of goodwill	1,982,226	1,982,226
Amortization of investment corporation bond issuance costs	12,663	13,096
Amortization of trademark rights	278	278
Loss on retirement of non-current assets	12,032	27,409
Loss on tax purpose reduction entry of non-current assets	-	17,328
Interest income	(165)	(177)
Interest expenses	1,176,345	1,194,955
Decrease (increase) in operating accounts receivable	48,489	(66,726)
Decrease (increase) in consumption taxes receivable	4,348,379	-
Decrease (increase) in prepaid expenses	9,121	35,731
Increase (decrease) in operating accounts payable	19,898	49,987
Increase (decrease) in accounts payable - other	(3,509)	513
Increase (decrease) in accrued consumption taxes payable	-	(866,052)
Increase (decrease) in accrued expenses	(11,514)	(25,464)
Increase (decrease) in deposits received	42,859	(7,787)
Increase (decrease) in advances received	(12,343)	96,910
Decrease (increase) in long-term prepaid expenses	246,008	162,469
Increase (decrease) in allowance for doubtful accounts	436	(1,223)
Decrease in property, plant and equipment due to sales	1,855,211	(7,097)
Decrease in property, plant and equipment in trust due to sales	-	1,183,363
Decrease (increase) in lease and guarantee deposits in trust	(10,000)	(48,375)
Other, net	(37,741)	69,681
Subtotal	26,049,599	20,703,010
Interest income received	165	177
Interest expenses paid	(1,272,554)	(1,303,725)
Income taxes paid	(599)	(606)
Net cash provided by (used in) operating activities	24,776,610	19,398,855
Cash flows from investing activities		
Purchase of property, plant and equipment	(210,303)	(284,726)
Purchase of property, plant and equipment in trust	(5,295,878)	(7,558,587)
Purchase of intangible assets in trust	(126,772)	-
Proceeds from tenant leasehold and security deposits	23,239	23,167
Repayments of tenant leasehold and security deposits	(33,108)	(32,242)
Proceeds from tenant leasehold and security deposits in trust	325,773	2,106,287
Repayments of tenant leasehold and security deposits in trust	(282,979)	(2,079,324)
Net cash provided by (used in) investing activities	(5,600,030)	(7,825,425)
Cash flows from financing activities		
Proceeds from long-term loans	5,500,000	8,500,000
Repayments of long-term loans	(3,500,000)	(12,500,000)
Proceeds from issuance of investment corporation bonds	2,979,127	3,974,148
Redemption of investment corporation bonds	(3,000,000)	-
Distributions paid	(11,911,682)	(12,851,925)
Net cash provided by (used in) financing activities	(9,932,555)	(12,877,777)

(Unit: Thousands of yen)

	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Current fiscal period (From March 1, 2021 to August 31, 2021)
Net increase (decrease) in cash and cash equivalents	9,244,025	(1,304,347)
Cash and cash equivalents at beginning of period	39,382,433	48,626,458
Cash and cash equivalents at end of period	* 48,626,458	* 47,322,110

(6) Notes on Assumption of Going Concern

Not applicable.

(7) Notes on Important Accounting Policies

1. Valuation basis and accounting methods for assets	Securities Held-to-maturity bonds The amortized cost method (straight-line method) is used.										
2. Method of depreciation of non-current assets	<p>(1) Property, plant and equipment (including assets in trust) The straight-line method is used. The useful lives of major property, plant and equipment are listed below.</p> <table style="margin-left: 40px;"> <tr> <td>Buildings</td> <td style="text-align: right;">2 to 69 years</td> </tr> <tr> <td>Structures</td> <td style="text-align: right;">3 to 63 years</td> </tr> <tr> <td>Machinery and equipment</td> <td style="text-align: right;">7 to 28 years</td> </tr> <tr> <td>Tools, furniture and fixtures</td> <td style="text-align: right;">2 to 28 years</td> </tr> </table> <p>(2) Intangible assets (including assets in trust) The straight-line method is used. The useful lives of major intangible assets are listed below.</p> <table style="margin-left: 40px;"> <tr> <td>Goodwill</td> <td style="text-align: right;">20 years</td> </tr> </table> <p>Leasehold rights (fixed-term land lease rights in general) are amortized on a straight-line basis over the life of each contract.</p>	Buildings	2 to 69 years	Structures	3 to 63 years	Machinery and equipment	7 to 28 years	Tools, furniture and fixtures	2 to 28 years	Goodwill	20 years
Buildings	2 to 69 years										
Structures	3 to 63 years										
Machinery and equipment	7 to 28 years										
Tools, furniture and fixtures	2 to 28 years										
Goodwill	20 years										
3. Accounting method for deferred assets	Investment corporation bond issuance costs Costs are amortized by the straight-line method over the redemption period.										
4. Recognition of allowance	Allowance for doubtful accounts The allowance for doubtful accounts consists of the individually estimated uncollectible amounts with respect to certain identified doubtful receivables and the amounts calculated using the rate of actual collection losses with respect to the other receivables.										
5. Recognition of revenues and expenses	Property-related taxes For property tax, city planning tax, depreciable asset tax and other tax for real properties held, etc., the amount of tax levied corresponding to the fiscal period is recorded as real estate rental expenses. The settlement money for property-related taxes for the year including the acquisition date that is paid to the transferor for acquisition of real estate, etc. is not recorded as real estate rental expenses but included in the acquisition costs for the related properties.										
6. Method of hedge accounting	<p>(1) Method of hedge accounting The deferral hedge accounting is used; provided, however, that special treatment is applied for interest rate swaps when the swaps satisfy the requirements for special treatment.</p> <p>(2) Hedging instruments and hedged items Hedging instruments: Interest rate swaps Hedged items: Interest on borrowings</p> <p>(3) Hedging policy DHR conducts derivative transactions for the purpose of hedging risks provided for in the Articles of Incorporation of DHR pursuant to the basic policy of risk management.</p> <p>(4) Method of assessing hedge effectiveness Assessment of hedging effectiveness is omitted when the material conditions for the notional principal of hedging instruments and those for hedged items are the same, and changes in cash flows of hedged items can be expected to be offset in full at the commencement of a hedge and continuously thereafter. In addition, the assessment of hedging effectiveness is omitted for interest rate swaps to which special treatment is applied.</p>										

7. Scope of cash in the statements of cash flows (cash and cash equivalents)	Cash in the statements of cash flows (cash and cash equivalents) includes cash on hand, cash in trust, demand deposits, deposits in trust, and highly liquid short-term investments that are readily convertible, carry little risk in price fluctuations, and mature within three months of the date of acquisition.
8. Other matters forming the basis of preparing the financial statements	<p>(1) Accounting method for trust beneficiary interests in real estate With regard to trust beneficiary interests in real estate, all assets and liabilities as well as all revenues and expense items associated with all trust assets are accounted for under the respective account items of the balance sheets and statements of income. Of the trust assets accounted for under the respective account items, the following items with significance are separately indicated on the balance sheets.</p> <ul style="list-style-type: none"> i) Cash and deposits in trust ii) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and construction in progress in trust iii) Leasehold rights in trust iv) Lease and guarantee deposits in trust v) Tenant leasehold and security deposits in trust <p>(2) Accounting method for consumption tax and local consumption tax Consumption tax and local consumption tax are accounted for by the tax-exclusion method. Non-deductible consumption taxes for acquisition of assets are added on to the acquisition cost of each asset.</p>

Additional Information

Notes on provision and reversal of allowances for temporary difference adjustments

Previous fiscal period (From September 1, 2020 to February 28, 2021)

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

(Unit: Thousands of yen)

Related assets, etc.	Reason for provision	Allowance for temporary difference adjustments
Goodwill	Amortization of goodwill	1,657,980

2. Specific method of reversal

Amortization of goodwill
In principal, no reversals are made.

Current fiscal period (From March 1, 2021 to August 31, 2021)

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

(Unit: Thousands of yen)

Related assets, etc.	Reason for provision	Allowance for temporary difference adjustments
Goodwill	Amortization of goodwill	1,693,116

2. Specific method of reversal

Amortization of goodwill
In principal, no reversals are made.

(8) Notes to Financial Statements

Notes to Balance Sheets

- *1. Amount of reduction entries for property, plant and equipment acquired through government subsidies

(Unit: Thousands of yen)	
	Previous fiscal period (As of February 28, 2021)
	Current fiscal period (As of August 31, 2021)
Buildings in trust	–
	17,328

- *2. Government bonds have been deposited with the Tokyo Legal Affairs Bureau as business security deposits in accordance with the Building Lots and Building Transaction Business Act.

(Unit: Thousands of yen)	
	Previous fiscal period (As of February 28, 2021)
	Current fiscal period (As of August 31, 2021)
Investment securities	9,428
	9,446

- *3. Matters regarding provision and reversal of allowances for temporary difference adjustments

Previous fiscal period (From September 1, 2020 to February 28, 2021)

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

(Unit: Thousands of yen)							
Related assets, etc.	Reason	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
Goodwill	Amortization of goodwill	50,508	–	50,508	–	50,508	–

2. Specific method of reversal

Amortization of goodwill

In principal, no reversals are made.

Current fiscal period (From March 1, 2021 to August 31, 2021)

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

(Unit: Thousands of yen)							
Related assets, etc.	Reason	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
Goodwill	Amortization of goodwill	50,508	50,508	1,657,980	–	1,708,488	–

2. Specific method of reversal

Amortization of goodwill

In principal, no reversals are made.

- *4. Minimum net assets stipulated in Article 67, paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Unit: Thousands of yen)	
	Previous fiscal period (As of February 28, 2021)
	Current fiscal period (As of August 31, 2021)
	50,000
	50,000

5. Commitment line contracts

DHR has commitment line contracts with four banks with which it has transaction.

	(Unit: Thousands of yen)	
	Previous fiscal period (As of February 28, 2021)	Current fiscal period (As of August 31, 2021)
Total amount specified in commitment line contracts	25,000,000	25,000,000
Loans executed and outstanding	—	—
Unused credit lines	25,000,000	25,000,000

Notes to Statements of Income

*1. Breakdown of income (loss) from real estate rental business

	(Unit: Thousands of yen)			
	Previous fiscal period (From September 1, 2020 to February 28, 2021)		Current fiscal period (From March 1, 2021 to August 31, 2021)	
A. Real estate rental revenues				
Rental revenues				
Rent	25,543,608		25,546,684	
Common area charges	559,314	26,102,923	556,584	26,103,268
Other rental revenues				
Facility charges	437,506		431,429	
Incidental revenues	362,007		411,211	
Other	357,773	1,157,287	417,084	1,259,726
Total real estate rental revenues		27,260,211		27,362,994
B. Real estate rental expenses				
Rental expenses				
Management fees	1,500,676		1,529,941	
Utilities	404,932		428,069	
Taxes and public dues	1,978,501		2,166,782	
Repairs and maintenance expenses	1,021,181		1,571,777	
Restoration costs	279,613		374,684	
Insurance	32,477		32,849	
Custodian fees	62,247		57,964	
Depreciation	5,271,595		5,271,752	
Other operating expenses	628,476	11,179,703	647,973	12,081,795
Total real estate rental expenses		11,179,703		12,081,795
C. Income (loss) from real estate rental business (A – B)		16,080,507		15,281,199

*2. Breakdown of gain (loss) on sale of real estate properties

Previous fiscal period (From September 1, 2020 to February 28, 2021)

	(Unit: Thousands of yen)
Castalia Maruyama Urasando	
Proceeds from sale of real estate properties	720,000
Cost of real estate properties sold	350,389
Other sales expenses	25,260
Gain (loss) on sale of real estate properties	344,350
Castalia Maruyama Omotesando	
Proceeds from sale of real estate properties	2,055,000
Cost of real estate properties sold	1,490,569
Other sales expenses	71,985
Gain (loss) on sale of real estate properties	492,445

Current fiscal period (From March 1, 2021 to August 31, 2021)

	(Unit: Thousands of yen)
Big Tower Minami Sanjo	
Proceeds from sale of real estate properties	3,515,555
Cost of real estate properties sold	1,183,363
Other sales expenses	123,604
Gain (loss) on sale of real estate properties	2,208,587

*3. Details of subsidy income

Previous fiscal period (From September 1, 2020 to February 28, 2021)

Not applicable.

Current fiscal period (From March 1, 2021 to August 31, 2021)

Subsidy income is income from fiscal year 2020 business expense subsidies for carbon dioxide emission reduction measures (businesses to support renovations to create highly efficient facilities).

*4. Loss on tax purpose reduction entry of non-current assets

Loss on tax purpose reduction entry of non-current assets represents the value after direct reductions from the acquisition costs through the receipt of subsidies, and the breakdown is listed below.

	(Unit: Thousands of yen)	
	Previous fiscal period (As of February 28, 2021)	Current fiscal period (As of August 31, 2021)
Buildings in trust	–	17,328

Notes to Statements of Unitholders' Equity

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

	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Current fiscal period (From March 1, 2021 to August 31, 2021)
Total number of authorized investment units	8,000,000 units	8,000,000 units
Total number of investment units issued	2,196,000 units	2,196,000 units

Notes to Statements of Cash Flows

* Reconciliation between cash and cash equivalents at end of period and relevant amount on the balance sheets

	(Unit: Thousands of yen)	
	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Current fiscal period (From March 1, 2021 to August 31, 2021)
Cash and deposits	32,327,392	30,285,987
Cash and deposits in trust	16,299,065	17,036,123
Cash and cash equivalents	48,626,458	47,322,110

Investment and Rental Properties

DHR holds rental logistics, residential, retail, and other properties in the greater Tokyo area and other areas for rental revenues. The balance sheet carrying amounts, changes during the fiscal period, and fair values of these properties are as follows:

	(Unit: Thousands of yen)	
	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Current fiscal period (From March 1, 2021 to August 31, 2021)
Balance sheet carrying amount		
Balance at beginning of period	786,688,719	784,679,091
Changes during period	(2,009,627)	2,246,180
Balance at end of period	784,679,091	786,925,272
Fair value at end of period	919,854,000	939,116,000

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

(Note 2) In changes during period, the increase in the previous fiscal period is mainly due to the acquisition of Candeo Hotels Nagasaki Shinchi Chinatown (¥3,162,154 thousand), while the decrease is mainly due to the sales of two properties including Castalia Maruyama Omotesando (¥1,840,959 thousand) and depreciation. The increase in the current fiscal period is mainly due to the acquisition of DPL Shin-Narashino (¥5,984,736 thousand), while the decrease is mainly due to the sale of Big Tower Minami Sanjo (¥1,183,363 thousand) and depreciation.

(Note 3) The fair value at end of period is the appraisal value provided by external real estate appraisers. The fair value at the end of the current fiscal period of Castalia Ohori Bay Tower, which was disposed of on September 30, 2021, is calculated based on the disposition price (¥3,740,000 thousand) in the real-estate trust beneficiary interests purchase agreement as of July 2, 2021.

The profit or loss concerning investment and rental properties is indicated under "Notes to Statements of Income."

Per Unit Information

	Previous fiscal period (From September 1, 2020 to February 28, 2021)	Current fiscal period (From March 1, 2021 to August 31, 2021)
Net assets per unit	¥223,400	¥222,890
Basic earnings per unit	¥5,054	¥5,291

(Note 1) Basic earnings per unit is calculated by dividing profit by the day-weighted average number of investment units for the period. Fully diluted earnings per investment unit is not stated, as there is no potential investment unit.

(Note 2) The basis for calculating basic earnings per unit is as follows:

		Previous fiscal period (From September 1, 2020 to February 28, 2021)	Current fiscal period (From March 1, 2021 to August 31, 2021)
Profit	(Thousands of yen)	11,098,720	11,619,603
Amount not attributable to common unitholders	(Thousands of yen)	—	—
Profit attributable to common investment units	(Thousands of yen)	11,098,720	11,619,603
Average number of investment units for the period	(Units)	2,196,000	2,196,000

Major Subsequent Events

1. Issuance of new investment units

At the board of directors meetings held on August 18, 2021, and on August 25, 2021, it was resolved to issue new investment units, as follows. The payment for the new investment units issued through public offering was completed on September 1, 2021, while the payment for the new investment units issued through third-party allotment was completed on September 28, 2021.

As a result, unitholders' capital amounts to ¥268,042 million, and the total number of investment units issued is 2,320,000 units.

(1) Issuance of new investment units (public offering)

Number of new investment units issued:	115,000 units (Japan: 72,300 units; Overseas: 42,700 units)
Issue price:	¥301,791 per unit
Total issue price:	¥34,705,965,000
Amount paid in (issue value):	¥292,552 per unit
Total amount paid in (issue value):	¥33,643,480,000
Payment date:	September 1, 2021

(2) Issuance of new investment units through third-party allotment

Number of new investment units issued:	9,000 units
Amount paid in (issue value):	¥292,552 per unit
Total amount paid in (issue value):	¥2,632,968,000
Payment date:	September 28, 2021
Allottee:	Nomura Securities Co., Ltd.

2. Acquisition of assets

DHR acquired the following properties.

Asset name	DPL Nagareyama III
Asset type	Trust beneficiary interest in real estate
Asset class	Logistics properties
Acquisition price (Note 1)	¥32,000 million
Seller (Note 2)	Kabushiki Kaisha Nagareyama Kyodo Kaihatsu
Date of acquisition	October 1, 2021
Asset name	D Project Wako A (50% quasi co-ownership interest)
Asset type	Trust beneficiary interest in real estate
Asset class	Logistics properties
Acquisition price (Note 1)	¥10,750 million
Seller (Note 2)	Daiwa House Industry Co., Ltd.
Date of acquisition	September 3, 2021

Asset name	D Project Hiratsuka
Asset type	Trust beneficiary interest in real estate
Asset class	Logistics properties
Acquisition price (Note 1)	¥15,200 million
Seller (Note 2)	Daiwa House Twin City Okami Tokutei Mokuteki Kaisya
Date of acquisition	October 1, 2021
Asset name	GRANODE Hiroshima (additional acquisition of 50% quasi co-ownership interest) (Note 3)
Asset type	Trust beneficiary interest in real estate
Asset class	Other assets
Acquisition price (Note 1)	¥14,400 million
Seller (Note 2)	Daiwa House Industry Co., Ltd.
Date of acquisition	September 3, 2021

(Note 1) This figure does not include expenses pertaining to acquisitions, settlement money such as taxes and public dues, consumption taxes, etc.

(Note 2) The following companies are defined as interested parties, etc. in Investment Trusts Act: Kabushiki Kaisha Nagareyama Kyodo Kaihatsu, which is the seller of DPL Nagareyama III, Daiwa House Twin City Okami Tokutei Mokuteki Kaisya, which is the seller of D Project Hiratsuka, and Daiwa House, which is the seller of D Project Wako A and GRANODE Hiroshima. Therefore, the Asset Manager has gone through the necessary discussion and resolution procedures in accordance with its regulations on transactions with interested parties.

(Note 3) Regarding GRANODE Hiroshima, DHR acquired 50% quasi co-ownership as of April 3, 2020, and the additional acquisition of 50% quasi co-ownership resulted in DHR's 100% ownership of this property.

3. Debt financing

DHR conducted debt financing for acquiring the properties mentioned in “2. Acquisition of assets” above, on September 3, 2021 and October 1, 2021, as follows.

Lender	Borrowing amount (Millions of yen)	Interest rate	Borrowing date	Repayment date	Method of repayment	Collateral
Sumitomo Mitsui Trust Bank, Limited	1,000	Base interest rate (Japanese Bankers Association 1-month yen TIBOR) +0.175% (Floating interest rate)	September 3, 2021	September 2, 2022	Bullet repayment	Unsecured and non-guaranteed
Sumitomo Mitsui Banking Corporation	1,000	Base interest rate (Japanese Bankers Association 1-month yen TIBOR) +0.175% (Floating interest rate)	September 3, 2021	September 2, 2022	Bullet repayment	Unsecured and non-guaranteed
MUFG Bank, Ltd.	1,000	Base interest rate (Japanese Bankers Association 1-month yen TIBOR) +0.175% (Floating interest rate)	September 3, 2021	September 2, 2022	Bullet repayment	Unsecured and non-guaranteed
Mizuho Bank, Ltd.	1,000	Base interest rate (Japanese Bankers Association 1-month yen TIBOR) +0.175% (Floating interest rate)	September 3, 2021	September 2, 2022	Bullet repayment	Unsecured and non-guaranteed

Lender	Borrowing amount (Millions of yen)	Interest rate	Borrowing date	Repayment date	Method of repayment	Collateral
Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; MUFG Bank, Ltd.; Mizuho Bank, Ltd.; Development Bank of Japan Inc.; Mizuho Trust & Banking Co., Ltd.; Shinsei Bank, Limited; The Yamanashi Chuo Bank, Ltd.; Kansai Mirai Bank, Limited; Shinkin Central Bank; The Bank of Kyoto, Ltd.; The Yamaguchi Bank, Ltd.;	10,500	0.56419% (Fixed interest rate)	September 3, 2021	August 29, 2031	Bullet repayment	Unsecured and non-guaranteed
The Dai-ichi Life Insurance Company, Limited	1,000	0.800% (Fixed interest rate)	September 3, 2021	August 31, 2033	Bullet repayment	Unsecured and non-guaranteed
Sumitomo Mitsui Trust Bank, Limited; The Chiba Bank, Ltd.; The 77 Bank, Ltd.; Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Mizuho Bank, Ltd.;	3,000	0.28037% (Fixed interest rate)	October 1, 2021	March 31, 2026	Bullet repayment	Unsecured and non-guaranteed
MUFG Bank, Ltd.; Mizuho Bank, Ltd.; The Norinchukin Bank; Sumitomo Mitsui Trust Bank, Limited; Sumitomo Mitsui Banking Corporation; Development Bank of Japan Inc.; Aozora Bank, Ltd.; Resona Bank, Limited; THE NISHI-NIPPON CITY BANK, LTD.; The Keiyo Bank, Ltd.	10,500	0.37292% (Fixed interest rate)	October 1, 2021	September 29, 2028	Bullet repayment	Unsecured and non-guaranteed

Omission of Disclosure

Disclosure is omitted for items for notes including lease transactions, financial instruments, securities, derivative transactions, related party transactions, tax effect accounting, retirement benefits, asset retirement obligations, segment information, equity in earnings or losses of equity-method investments, since necessity for their disclosure in the financial results report is not deemed significant.

(9) Changes in Number of Investment Units Issued

DHR's total number of investment units issued and changes in unitholders' capital for the most recent five years until August 31, 2021 are as follows:

Date	Event	Total number of investment units issued (Units)		Unitholders' capital (Millions of yen)		Remark
		Change	Balance	Change	Balance	
September 1, 2016	Delivery by allotment due to merger	771,540	1,519,280	–	61,703	(Note 1)
March 21, 2017	Capital increase through public offering	156,720	1,676,000	42,625	104,328	(Note 2)
April 14, 2017	Capital increase through third-party allotment	14,000	1,690,000	3,807	108,136	(Note 3)
March 19, 2018	Capital increase through public offering	222,000	1,912,000	51,607	159,743	(Note 4)
April 13, 2018	Capital increase through third-party allotment	15,000	1,927,000	3,486	163,230	(Note 5)
March 1, 2019	Capital increase through public offering	138,000	2,065,000	32,879	196,110	(Note 6)
March 26, 2019	Capital increase through third-party allotment	10,000	2,075,000	2,382	198,492	(Note 7)
March 2, 2020	Capital increase through public offering	121,000	2,196,000	33,273	231,766	(Note 8)

(Note 1) At the time of the Merger, which became effective as of September 1, 2016, DHR allotted 2.2 units of DHR per unit of the former DHR, and as a result, 771,540 new investment units were issued.

(Note 2) Investment units were issued by public offering with an issue price of ¥280,868 per unit (paid-in amount: ¥271,983) in order to raise funds for the acquisition of new properties, etc.

(Note 3) Additional investment units were issued with a paid-in amount of ¥271,983 per unit in order to raise funds for the acquisition of new properties, etc.

(Note 4) Investment units were issued by public offering with an issue price of ¥239,806 per unit (paid-in amount: ¥232,465) in order to raise funds for the acquisition of new properties, etc.

(Note 5) Additional investment units were issued with a paid-in amount of ¥232,465 per unit in order to raise funds for the acquisition of new properties, etc.

(Note 6) Investment units were issued by public offering with an issue price of ¥245,784 per unit (paid-in amount: ¥238,260) in order to raise funds for the acquisition of new properties, etc.

(Note 7) Additional investment units were issued with a paid-in amount of ¥238,260 per unit in order to raise funds for the acquisition of new properties, etc.

(Note 8) Investment units were issued by public offering with an issue price of ¥283,670 per unit (paid-in amount: ¥274,986) in order to raise funds for the acquisition of new properties, etc.

3. Reference Information

Status of DHR's Investment

(1) Portfolio List

i) Status of investment

The status of DHR's investment as of August 31, 2021 is shown below.

Type of assets	Asset class	Area (Note 1)		Total amount held (Millions of yen) (Note 2)	Percentage to total assets (%) (Note 3)	
Real estate	Residential properties	Three major metropolitan areas of Japan	Greater Tokyo area	23,589	2.6	
			Greater Nagoya area	895	0.1	
			Greater Osaka area	13,176	1.5	
		Other	3,348	0.4		
	Retail properties	Other	1,471	0.2		
Subtotal				42,481	4.7	
Trust beneficiary interest in real estate	Logistics properties	Three major metropolitan areas of Japan	Greater Tokyo area	275,029	30.5	
			Greater Nagoya area	15,469	1.7	
			Greater Osaka area	22,407	2.5	
		Other	86,898	9.7		
	Residential properties	Three major metropolitan areas of Japan	Greater Tokyo area	164,071	18.2	
			Greater Nagoya area	5,784	0.6	
			Greater Osaka area	5,904	0.7	
		Other	3,510	0.4		
	Retail properties	Three major metropolitan areas of Japan	Greater Tokyo area	32,074	3.6	
			Greater Nagoya area	2,390	0.3	
			Greater Osaka area	23,045	2.6	
		Other	62,642	7.0		
	Hotel properties	Three major metropolitan areas of Japan	Greater Tokyo area	4,691	0.5	
			Greater Nagoya area	4,494	0.5	
			Greater Osaka area	1,432	0.2	
		Other	8,216	0.9		
	Other assets	Three major metropolitan areas of Japan	Greater Tokyo area	3,209	0.4	
			Other	23,169	2.6	
	Subtotal				744,444	82.7
	Deposits and other assets				113,385	12.6
Total assets				900,310	100.0	

	Amount (Millions of yen)	Percentage to total assets (%) (Note 3)
Total liabilities	410,843	45.6
Total net assets	489,467	54.4

(Note 1) Three major metropolitan areas of Japan in "Area" are the Greater Tokyo area (Tokyo, Kanagawa, Saitama and Chiba), the Greater Nagoya area (Aichi, Gifu and Mie) and the Greater Osaka area (Osaka, Kyoto, Hyogo, Nara and Shiga). The same shall apply hereinafter.

(Note 2) "Total amount held" represents the amount recorded on the balance sheets as of August 31, 2021, which is rounded down to the nearest million yen. For real estate and trust beneficiary interest in real estate, the amounts are their acquisition prices (including expenses associated with the acquisition) less accumulated depreciation.

(Note 3) "Percentage to total assets" is rounded to the nearest tenth.

ii) Major investment securities

The status of investment securities held by DHR as of August 31, 2021 is shown below.

(Unit: Thousands of yen)

Type	Issue name	Total face value	Book value	Interest rate	Maturity	Accrued interest	Prepaid accrued interest	Fair value	Valuation gain or loss	Investment ratio	Remark
Government bonds	30-year principal-stripped government bonds (Series 27)	10,000	9,446	—	September 20, 2037	—	—	9,530	83	0.0%	Deposited as business security deposit
Total		10,000	9,446	—	—	—	—	9,530	83	0.0%	

iii) Summary of assets held

A. The summary of real estate or trust beneficiary interest in real estate (or referred as “real estate in trust”) held by DHR as of August 31, 2021 is shown below.

Asset class	Property number (Note 1)	Property name	Location (city or county, prefecture)	Acquisition date (Note 2)	Acquisition price (Note 3)		Book value (Millions of yen) (Note 5)	Assessed value at the end of period (Millions of yen) (Note 6)
					Price (Millions of yen)	Investment ratio (%) (Note 4)		
Logistics properties	LB-001	D Project Machida	Machida City, Tokyo	September 1, 2016	9,200	1.1	9,213	10,300
	LB-002	D Project Hachioji	Hachioji City, Tokyo	September 1, 2016	15,400	1.9	14,878	17,500
	LB-003	D Project Aikawa-Machi	Aiko District, Kanagawa	September 1, 2016	3,390	0.4	3,678	4,690
	LB-005	D Project Urayasu I	Urayasu City, Chiba	September 1, 2016	9,280	1.1	9,192	10,100
	LB-006	D Project Urayasu II	Urayasu City, Chiba	September 1, 2016	26,000	3.2	25,404	28,200
	LB-007	D Project Akanehama	Narashino City, Chiba	September 1, 2016	2,950	0.4	2,943	3,170
	LB-008	D Project Noda	Noda City, Chiba	September 1, 2016	6,210	0.8	5,903	6,720
	LB-009	D Project Inuyama (Note 7)	Inuyama City, Aichi	September 1, 2016	10,790	1.3	10,282	12,290
	LB-011	D Project Neyagawa	Neyagawa City, Osaka	September 1, 2016	5,980	0.7	5,737	6,620
	LB-013	D Project Morioka	Takizawa City, Iwate	September 1, 2016	1,200	0.1	1,138	1,150
	LB-015	D Project Tsuchiura	Tsuchiura City, Ibaraki	September 1, 2016	3,390	0.4	3,157	3,700
	LB-018	D Project Fukuoka Umi	Kasuya District, Fukuoka	September 1, 2016	4,240	0.5	4,066	5,080
	LB-019	D Project Tosu	Tosu City, Saga	September 1, 2016	5,740	0.7	5,287	6,300
	LB-020	D Project Kuki I	Kuki City, Saitama	September 1, 2016	3,900	0.5	3,702	4,570
	LB-021	D Project Kuki II	Kuki City, Saitama	September 1, 2016	8,120	1.0	7,597	9,250
	LB-022	D Project Kawagoe I	Kawagoe City, Saitama	September 1, 2016	3,530	0.4	3,368	4,040
	LB-023	D Project Kawagoe II	Kawagoe City, Saitama	September 1, 2016	4,850	0.6	4,640	5,620
	LB-024	DPL Inuyama	Inuyama City, Aichi	September 1, 2016	3,940	0.5	3,721	4,410
	LB-025	D Project Fukuoka Hakozaki	Fukuoka City, Fukuoka	September 1, 2016	4,340	0.5	4,143	4,810
	LB-026	D Project Kuki III	Kuki City, Saitama	September 1, 2016	7,630	0.9	7,181	8,840
	LB-027	D Project Kuki IV	Kuki City, Saitama	September 1, 2016	5,520	0.7	5,198	6,320
	LB-028	D Project Kuki V	Kuki City, Saitama	September 1, 2016	8,280	1.0	7,836	9,400
	LB-029	D Project Kuki VI	Kuki City, Saitama	September 1, 2016	5,140	0.6	4,822	5,830
	LB-030	D Project Yashio	Yashio City, Saitama	September 1, 2016	6,400	0.8	6,085	6,900
	LB-031	D Project Nishiyodogawa	Osaka City, Osaka	September 1, 2016	10,300	1.2	9,691	11,900
	LB-032	D Project Matsudo	Matsudo City, Chiba	September 1, 2016	7,370	0.9	7,065	8,060
	LB-033	D Project Hibiki Nada	Kitakyushu City, Fukuoka	September 28, 2016	2,080	0.3	1,956	2,150
	LB-034	D Project Morioka II	Takizawa City, Iwate	September 28, 2016	1,280	0.2	1,206	1,320
	LB-035	D Project Kawagoe III	Kawagoe City, Saitama	April 11, 2017	7,200	0.9	6,859	8,180
	LB-036	D Project Kazo	Kazo City, Saitama	April 11, 2017	3,300	0.4	3,196	3,760
	LB-037	D Project Urayasu III	Urayasu City, Chiba	April 11, 2017	8,500	1.0	8,487	9,950
	LB-038	D Project Tomisato	Tomisato City, Chiba	April 11, 2017	5,000	0.6	4,709	5,500
	LB-039	D Project Kyotanabe	Kyotanabe City, Kyoto	April 11, 2017	3,520	0.4	3,398	3,950
	LB-040	D Project Sendai Izumi	Sendai City, Miyagi	April 11, 2017	1,510	0.2	1,426	1,620
	LB-041	D Project Oyama	Oyama City, Tochigi	April 11, 2017	2,000	0.2	1,894	2,080
	LB-042	D Project Sano	Sano City, Tochigi	April 11, 2017	1,780	0.2	1,667	1,880
	LB-043	D Project Tatebayashi	Tatebayashi City, Gunma	April 11, 2017	3,100	0.4	2,925	3,330
	LB-044	D Project Kakegawa	Kakegawa City, Shizuoka	April 11, 2017	6,000	0.7	5,725	6,150
	LB-045	D Project Hiroshima Seifu	Hiroshima City, Hiroshima	April 11, 2017	3,820	0.5	3,640	4,210
	LB-046	D Project Tosu II	Tosu City, Saga	April 11, 2017	1,700	0.2	1,596	1,970
	LB-047	D Project Kawagoe IV	Kawagoe City, Saitama	April 10, 2018	5,600	0.7	5,456	6,260

Asset class	Property number (Note 1)	Property name	Location (city or county, prefecture)	Acquisition date (Note 2)	Acquisition price (Note 3)		Book value (Millions of yen) (Note 5)	Assessed value at the end of period (Millions of yen) (Note 6)
					Price (Millions of yen)	Investment ratio (%) (Note 4)		
Logistics properties	LB-048	D Project Kuki VII	Kuki City, Saitama	April 10, 2018	1,040	0.1	1,026	1,200
	LB-049	D Project Chibakita	Chiba City, Chiba	April 10, 2018	7,640	0.9	7,476	8,670
	LB-050	D Project Matsudo II	Matsudo City, Chiba	April 10, 2018	8,200	1.0	7,969	8,870
	LB-051	D Project Tomisato II	Tomisato City, Chiba	April 10, 2018	6,900	0.8	6,624	7,380
	LB-052	D Project Osaka Hirabayashi	Osaka City, Osaka	April 10, 2018	3,600	0.4	3,580	4,350
	LB-053	D Project Sendai Izumi II	Sendai City, Miyagi	April 10, 2018	7,300	0.9	6,952	7,830
	LB-054	D Project Kaminokawa	Kawachi District, Tochigi	April 10, 2018	7,900	1.0	7,593	8,200
	LB-055	D Project Fuji	Fuji City, Shizuoka	April 10, 2018	3,600	0.4	3,443	3,650
	LB-056	D Project Tosu III	Tosu City, Saga	April 10, 2018	9,200	1.1	8,805	9,820
	LB-057	D Project Kitahachioji I	Hachioji City, Tokyo	April 5, 2019	4,300	0.5	4,253	4,670
	LB-058	D Project Kitahachioji II	Hachioji City, Tokyo	April 5, 2019	5,700	0.7	5,638	6,160
	LB-059	D Project Kitahachioji III	Hachioji City, Tokyo	April 5, 2019	7,300	0.9	7,220	7,930
	LB-060	D Project Itabashi Shingashi	Itabashi Ward, Tokyo	April 10, 2019	12,300	1.5	12,420	13,300
	LB-061	D Project Sagamihara	Sagamihara City, Kanagawa	April 10, 2019	3,900	0.5	3,827	4,180
	LB-062	D Project Kuki VIII	Kuki City, Saitama	April 10, 2019	6,100	0.7	5,971	6,500
	LB-063	D Project Yokkaichi	Yokkaichi City, Mie	April 10, 2019	1,490	0.2	1,466	1,530
	LB-064	D Project Ibaraki Ishioka	Ishioka City, Ibaraki	April 10, 2019	4,050	0.5	3,959	4,290
	LM-001	DPL Misato	Misato City, Saitama	April 11, 2017	16,831	2.0	16,369	19,400
	LM-002	DPL Fukuoka Kasuya	Kasuya District, Fukuoka	April 10, 2018	13,300	1.6	12,937	14,900
	LM-003	DPL Kitakyushu	Kitakyushu City, Fukuoka	September 27, 2018	3,510	0.4	3,351	3,700
LM-004	DPL Nagareyama I	Nagareyama City, Chiba	April 3, 2020	32,600	4.0	32,413	34,500	
LM-005	DPL Shin-Narashino	Narashino City, Chiba	April 1, 2021	5,930	0.7	5,957	6,160	
Total of 63 Logistics properties					412,171	50.0	399,345	455,270
Residential properties	RE-001	Qiz Ebisu	Shibuya Ward, Tokyo	March 22, 2006	7,650	0.9	7,381	9,720
	RE-002	Castalia Azabujuban Shichimenzaka	Minato Ward, Tokyo	March 22, 2006	4,500	0.5	4,108	4,690
	RE-003	Castalia Shibakoen	Minato Ward, Tokyo	March 22, 2006	2,630	0.3	2,372	2,520
	RE-004	Castalia Ginza	Chuo Ward, Tokyo	March 22, 2006	2,520	0.3	2,278	2,530
	RE-005	Castalia Hiroo	Minato Ward, Tokyo	March 22, 2006	2,220	0.3	2,032	2,130
	RE-006	Castalia Nihonbashi	Chuo Ward, Tokyo	March 22, 2006	1,200	0.1	1,065	1,270
	RE-007	Castalia Hacchobori	Chuo Ward, Tokyo	March 7, 2007	2,300	0.3	2,017	2,470
	RE-008	Castalia Azabujuban	Minato Ward, Tokyo	June 21, 2007	2,910	0.4	2,766	2,930
	RE-009	Castalia Azabujuban II	Minato Ward, Tokyo	June 21, 2007	2,690	0.3	2,496	2,740
	RE-010	Castalia Shinjuku Natsumezaka	Shinjuku Ward, Tokyo	June 21, 2007	1,865	0.2	1,765	1,720
	RE-011	Castalia Ginza II	Chuo Ward, Tokyo	June 21, 2007	1,800	0.2	1,611	1,920
	RE-012	Castalia Shibuya Sakuragaoka	Shibuya Ward, Tokyo	June 21, 2007	1,400	0.2	1,344	1,320
	RE-013	Castalia Nishi Azabu Kasumicho	Minato Ward, Tokyo	April 1, 2010	2,143	0.3	2,297	2,700
	RE-014	Castalia Ochanomizu	Chiyoda Ward, Tokyo	April 1, 2010	1,770	0.2	1,657	2,480
	RE-015	Castalia Sangubashi	Shibuya Ward, Tokyo	April 1, 2010	1,393	0.2	1,457	1,740
	RE-016	Castalia Suitengu	Chuo Ward, Tokyo	April 1, 2010	1,279	0.2	1,178	1,650
	RE-017	Castalia Suitengu II	Chuo Ward, Tokyo	April 1, 2010	1,138	0.1	1,061	1,460
	RE-018	Castalia Shintomicho	Chuo Ward, Tokyo	April 1, 2010	932	0.1	883	1,200
	RE-019	Castalia Shintomicho II	Chuo Ward, Tokyo	April 1, 2010	825	0.1	793	1,060
	RE-020	Castalia Harajuku	Shibuya Ward, Tokyo	April 1, 2010	887	0.1	864	1,080
	RE-021	Castalia Yoyogi Uehara	Shibuya Ward, Tokyo	April 1, 2010	608	0.1	640	797
	RE-022	Castalia Sendagaya	Shibuya Ward, Tokyo	April 1, 2010	555	0.1	542	714
	RE-023	Castalia Shinjuku 7 chome	Shinjuku Ward, Tokyo	April 1, 2010	464	0.1	428	598
	RE-024	Castalia Ningyocho	Chuo Ward, Tokyo	April 1, 2010	947	0.1	865	1,510
	RE-025	Castalia Ningyocho II	Chuo Ward, Tokyo	April 1, 2010	1,070	0.1	961	1,620
	RE-026	Castalia Shin-Ochanomizu	Chiyoda Ward, Tokyo	April 1, 2010	914	0.1	833	1,210
	RE-027	Castalia Higashi Nihonbashi II	Chuo Ward, Tokyo	April 1, 2010	1,370	0.2	1,247	1,910
	RE-028	Castalia Jinbocho	Chiyoda Ward, Tokyo	April 1, 2010	1,160	0.1	1,085	1,630
	RE-029	Castalia Shintomicho III	Chuo Ward, Tokyo	April 1, 2010	675	0.1	590	863
	RE-030	Castalia Shinjuku Gyoen	Shinjuku Ward, Tokyo	April 1, 2010	2,720	0.3	2,540	3,570
	RE-031	Castalia Takanawadai	Minato Ward, Tokyo	April 1, 2010	860	0.1	806	1,180
	RE-032	Castalia Higashi Nihonbashi III	Chuo Ward, Tokyo	April 1, 2010	666	0.1	587	892

Asset class	Property number (Note 1)	Property name	Location (city or county, prefecture)	Acquisition date (Note 2)	Acquisition price (Note 3)		Book value (Millions of yen) (Note 5)	Assessed value at the end of period (Millions of yen) (Note 6)
					Price (Millions of yen)	Investment ratio (%) (Note 4)		
Residential properties	RE-033	Castalia Shinjuku Gyoen II	Shinjuku Ward, Tokyo	April 1, 2010	486	0.1	456	591
	RE-034	Castalia Shintomicho IV	Chuo Ward, Tokyo	April 1, 2010	400	0.0	386	556
	RE-035	Castalia Takanawadai II	Minato Ward, Tokyo	April 1, 2010	1,190	0.1	1,131	1,560
	RE-036	Castalia Minami Azabu	Minato Ward, Tokyo	April 1, 2010	642	0.1	604	841
	RE-037	Castalia Ginza III	Chuo Ward, Tokyo	April 1, 2010	2,880	0.3	2,722	3,350
	RE-038	Castalia Kayabacho	Chuo Ward, Tokyo	April 1, 2010	2,707	0.3	2,481	3,570
	RE-039	Castalia Takanawa	Minato Ward, Tokyo	April 1, 2010	7,430	0.9	7,313	9,390
	RE-040	Castalia Higashi Nihonbashi	Chuo Ward, Tokyo	April 1, 2010	3,520	0.4	3,230	4,440
	RE-041	Castalia Shinjuku	Shinjuku Ward, Tokyo	April 1, 2010	2,950	0.4	2,779	3,710
	RE-042	Castalia Ichigaya	Shinjuku Ward, Tokyo	June 29, 2010	940	0.1	856	1,440
	RE-043	Shibaura Island Bloom Tower	Minato Ward, Tokyo	October 18, 2011	7,580	0.9	6,225	9,500
	RE-044	Castalia Hatsudai	Shibuya Ward, Tokyo	December 19, 2011	2,030	0.2	1,960	2,560
	RE-045	Castalia Hatsudai II	Shibuya Ward, Tokyo	September 27, 2013	1,900	0.2	1,825	2,370
	RE-046	Castalia Ebisu	Shibuya Ward, Tokyo	September 27, 2013	1,420	0.2	1,376	1,790
	RE-047	Castalia Meguro Kamurozaka	Shinagawa Ward, Tokyo	December 20, 2005	4,500	0.5	3,989	4,960
	RE-048	Castalia Toritsudaigaku	Meguro Ward, Tokyo	March 22, 2006	648	0.1	564	548
	RE-049	Castalia Yukigaya	Ota Ward, Tokyo	March 7, 2007	1,110	0.1	975	1,230
	RE-050	Castalia Yutenji	Meguro Ward, Tokyo	June 21, 2007	1,450	0.2	1,290	1,410
	RE-051	Castalia Otsuka	Toshima Ward, Tokyo	June 21, 2007	1,480	0.2	1,337	1,730
	RE-052	Castalia Kikukawa	Sumida Ward, Tokyo	June 21, 2007	817	0.1	720	896
	RE-053	Castalia Meguro	Meguro Ward, Tokyo	April 1, 2010	844	0.1	857	1,270
	RE-054	Castalia Otsuka II	Toshima Ward, Tokyo	April 1, 2010	1,040	0.1	950	1,460
	RE-055	Castalia Jiyugaoka	Meguro Ward, Tokyo	April 1, 2010	1,200	0.1	1,170	1,560
	RE-056	Castalia Mejiro	Toshima Ward, Tokyo	April 1, 2010	988	0.1	903	1,180
	RE-057	Castalia Ikebukuro	Toshima Ward, Tokyo	April 1, 2010	2,570	0.3	2,374	3,160
	RE-058	Castalia Kaname-cho	Toshima Ward, Tokyo	April 1, 2010	1,140	0.1	1,071	1,380
	RE-059	Castalia Tower Shinagawa Seaside	Shinagawa Ward, Tokyo	April 1, 2010	7,380	0.9	6,690	9,780
	RE-060	Castalia Yakumo	Meguro Ward, Tokyo	April 1, 2010	857	0.1	817	891
	RE-061	Castalia Togoshiekimae	Shinagawa Ward, Tokyo	April 1, 2010	1,560	0.2	1,425	2,320
	RE-062	Castalia Honjo Azumabashi	Sumida Ward, Tokyo	April 1, 2010	996	0.1	951	1,320
	RE-063	Castalia Kitazawa	Setagaya Ward, Tokyo	April 1, 2010	742	0.1	736	922
	RE-064	Castalia Monzennakacho	Koto Ward, Tokyo	April 1, 2010	503	0.1	459	644
	RE-065	Castalia Kamiikedai	Ota Ward, Tokyo	April 1, 2010	198	0.0	175	242
	RE-066	Castalia Morishita	Koto Ward, Tokyo	April 1, 2010	832	0.1	770	1,170
	RE-067	Castalia Wakabayashikoen	Setagaya Ward, Tokyo	April 1, 2010	776	0.1	732	934
	RE-068	Castalia Asakusabashi	Taito Ward, Tokyo	April 1, 2010	792	0.1	713	1,040
	RE-069	Castalia Iriya	Taito Ward, Tokyo	April 1, 2010	546	0.1	501	715
	RE-070	Castalia Kita Ueno	Taito Ward, Tokyo	April 1, 2010	2,641	0.3	2,397	3,140
	RE-071	Castalia Morishita II	Koto Ward, Tokyo	April 1, 2010	686	0.1	590	917
	RE-072	Castalia Minowa	Taito Ward, Tokyo	April 1, 2010	1,430	0.2	1,293	1,720
	RE-073	Castalia Oyamadai	Setagaya Ward, Tokyo	April 1, 2010	533	0.1	507	629
	RE-074	Castalia Nakano	Nakano Ward, Tokyo	April 1, 2010	1,060	0.1	974	1,370
	RE-075	Castalia Yoga	Setagaya Ward, Tokyo	April 1, 2010	923	0.1	853	1,210
	RE-076	Castalia Sumiyoshi	Koto Ward, Tokyo	April 1, 2010	948	0.1	840	1,110
	RE-077	Castalia Monzennakacho II	Koto Ward, Tokyo	April 1, 2010	2,160	0.3	1,919	3,020
	RE-078	Castalia Oshiage	Sumida Ward, Tokyo	April 1, 2010	1,100	0.1	946	1,270
	RE-079	Castalia Kuramae	Taito Ward, Tokyo	April 1, 2010	1,260	0.2	1,096	1,610
	RE-080	Castalia Nakanobu	Shinagawa Ward, Tokyo	June 29, 2010	1,790	0.2	1,632	2,540
	RE-081	Royal Parks Toyosu	Koto Ward, Tokyo	November 1, 2010	7,360	0.9	5,627	10,800
RE-082	Castalia Togoshi	Shinagawa Ward, Tokyo	November 1, 2010	1,770	0.2	1,525	2,550	
RE-083	Castalia Oomachi	Shinagawa Ward, Tokyo	June 30, 2011	1,181	0.1	1,108	1,710	
RE-084	Castalia Omori	Ota Ward, Tokyo	August 2, 2011	1,500	0.2	1,397	1,900	
RE-085	Castalia Mishuku	Setagaya Ward, Tokyo	October 7, 2011	1,900	0.2	1,769	2,470	
RE-086	Castalia Arakawa	Arakawa Ward, Tokyo	March 28, 2012	1,660	0.2	1,512	2,360	
RE-087	Castalia Omori II	Ota Ward, Tokyo	March 29, 2012	2,370	0.3	2,191	3,160	
RE-088	Castalia Nakameguro	Meguro Ward, Tokyo	November 29, 2012	3,800	0.5	3,729	5,000	
RE-089	Castalia Meguro Chojyamaru	Shinagawa Ward, Tokyo	September 27, 2013	2,030	0.2	1,977	2,650	

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					Price (Millions of yen)	Investment ratio (%) (Note 4)		
Residential properties	RE-090	Castalia Meguro Takaban	Meguro Ward, Tokyo	September 27, 2013	1,750	0.2	1,722	2,120
	RE-091	Castalia Omori III	Shinagawa Ward, Tokyo	September 27, 2013	1,520	0.2	1,436	1,900
	RE-093	Castalia Meguro Tairamachi	Meguro Ward, Tokyo	September 26, 2014	1,165	0.1	1,176	1,420
	RE-094	Royal Parks SEASIR	Adachi Ward, Tokyo	May 1, 2015	4,350	0.5	3,868	5,180
	RE-095	Castalia Honkomagome	Bunkyo Ward, Tokyo	May 1, 2015	1,520	0.2	1,472	1,970
	RE-096	Cosmo Heim Musashikosugi	Kawasaki City, Kanagawa	March 22, 2006	1,674	0.2	1,648	2,210
	RE-097	Castalia Tsurumi	Yokohama City, Kanagawa	June 21, 2007	666	0.1	568	804
	RE-098	Castalia Funabashi	Funabashi City, Chiba	April 1, 2010	704	0.1	666	839
	RE-099	Castalia Nishi Funabashi	Funabashi City, Chiba	April 1, 2010	783	0.1	718	1,010
	RE-105	Castalia Nogeeyama	Yokohama City, Kanagawa	April 1, 2010	325	0.0	300	347
	RE-106	Castalia Ichikawa	Ichikawa City, Chiba	April 1, 2010	461	0.1	407	583
	RE-107	Royal Parks Hanakoganei	Kodaira City, Tokyo	October 7, 2011	5,300	0.6	4,576	6,730
	RE-108	Castalia Musashikosugi	Kawasaki City, Kanagawa	September 27, 2013	1,680	0.2	1,606	2,010
	RE-109	Royal Parks Wakabadai	Inagi City, Tokyo	March 28, 2014	4,360	0.5	3,548	4,870
	RE-110	Pacific Royal Court Minatomirai Urban Tower	Yokohama City, Kanagawa	May 1, 2015	9,100	1.1	7,621	11,700
	RE-111	L-Place Shinkoyasu	Yokohama City, Kanagawa	May 1, 2015	1,720	0.2	1,612	2,230
	RE-112	Royal Parks Musashikosugi	Kawasaki City, Kanagawa	May 1, 2015	1,060	0.1	921	1,380
	RE-116	Castalia Sakaisuji Honmachi	Osaka City, Osaka	April 1, 2010	1,490	0.2	1,261	1,930
	RE-117	Castalia Shin-Umeda	Osaka City, Osaka	April 1, 2010	1,376	0.2	1,223	1,740
	RE-118	Castalia Abeno	Osaka City, Osaka	April 1, 2010	4,368	0.5	4,027	5,860
	RE-119	Castalia Sakae	Nagoya City, Aichi	April 1, 2010	1,010	0.1	895	1,300
	RE-123	Castalia Higashi Hie	Fukuoka City, Fukuoka	April 1, 2010	960	0.1	846	1,130
	RE-124	Castalia Tower Nagahoribashi	Osaka City, Osaka	April 1, 2010	3,400	0.4	2,840	4,900
	RE-125	Castalia Sannomiya	Kobe City, Hyogo	April 1, 2010	1,230	0.1	1,074	1,580
	RE-126	Castalia Kotodaikoen	Sendai City, Miyagi	April 1, 2010	481	0.1	393	588
	RE-127	Castalia Ichibancho	Sendai City, Miyagi	April 1, 2010	783	0.1	668	979
	RE-128	Castalia Omachi	Sendai City, Miyagi	April 1, 2010	656	0.1	579	847
	RE-129	Castalia Uemachidai	Osaka City, Osaka	April 1, 2010	2,190	0.3	1,976	2,930
	RE-130	Castalia Tower Higobashi	Osaka City, Osaka	April 1, 2010	2,670	0.3	2,290	3,720
	RE-132	Castalia Fushimi	Nagoya City, Aichi	January 14, 2011	2,260	0.3	1,873	3,200
	RE-133	Castalia Meieki Minami	Nagoya City, Aichi	August 1, 2011	720	0.1	630	1,010
	RE-134	Castalia Yakuin	Fukuoka City, Fukuoka	September 26, 2011	930	0.1	860	1,270
	RE-135	Castalia Mibu	Kyoto City, Kyoto	December 22, 2011	1,193	0.1	1,042	1,580
	RE-136	Castalia Tsutsujigaoka	Sendai City, Miyagi	September 3, 2012	1,208	0.1	1,118	1,880
RE-137	Castalia Ohori Bay Tower	Fukuoka City, Fukuoka	March 25, 2013	2,910	0.4	2,391	3,740	
RE-138	Royal Parks Namba	Osaka City, Osaka	March 29, 2013	2,830	0.3	2,375	2,970	
RE-139	Castalia Shigahondori	Nagoya City, Aichi	June 26, 2013	1,730	0.2	1,505	2,300	
RE-140	Castalia Kyoto Nishioji	Kyoto City, Kyoto	November 2, 2015	973	0.1	967	1,120	
RE-141	Castalia Ningyocho III	Chuo Ward, Tokyo	September 28, 2016	2,000	0.2	1,941	2,820	
RE-142	Royal Parks Umejima	Adachi Ward, Tokyo	September 28, 2016	2,020	0.2	1,855	2,170	
RE-143	Castalia Shinsakae II	Nagoya City, Aichi	April 11, 2017	1,800	0.2	1,775	2,020	
Total of 130 Residential properties					242,533	29.4	220,279	304,277
Retail properties	RM-001	ACROSSMALL Shinkamagaya	Kamagaya City, Chiba	September 1, 2016	7,770	0.9	7,326	8,690
	RM-002	FOLEO Hirakata	Hirakata City, Osaka	September 1, 2016	4,580	0.6	4,373	4,670
	RM-003	QiZ GATE URAWA	Saitama City, Saitama	September 1, 2016	4,270	0.5	4,122	4,460
	RM-004	UNICUS Takasaki	Takasaki City, Gunma	September 1, 2016	3,000	0.4	2,893	3,220
	RM-005	ACROSSPLAZA Miyoshi (Land)	Iruma District, Saitama	September 1, 2016	3,740	0.5	3,740	3,960
	RM-006	DREAM TOWN ALi	Aomori City, Aomori	September 1, 2016	8,100	1.0	7,812	8,240
	RM-007	ASOBOX (Land)	Kitakyushu City, Fukuoka	August 29, 2017	1,600	0.2	1,617	1,960
	RM-008	FOLEO Ome Imai	Ome City, Tokyo	August 29, 2017	3,800	0.5	3,686	3,950
	RM-009	FOLEO Otsu Ichiriyama	Otsu City, Shiga	April 3, 2018	8,100	1.0	8,031	8,750
	RM-010	FOLEO Hakata	Fukuoka City, Fukuoka	April 3, 2018	3,200	0.4	3,081	3,720

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					Price (Millions of yen)	Investment ratio (%) (Note 4)		
Retail properties	RM-011	ACROSSMALL Semboku (Land)	Sakai City, Osaka	December 7, 2018	3,250	0.4	3,383	3,880
	RM-012	iiias Tsukuba (Note 7)	Tsukuba City, Ibaraki	April 5, 2019	34,120	4.1	34,015	34,300
	RR-001	LIFE Sagamihara Wakamatsu	Sagamihara City, Kanagawa	September 1, 2016	1,670	0.2	1,640	1,850
	RR-002	FOLEO Sendai Miyanomori	Sendai City, Miyagi	September 1, 2016	6,960	0.8	6,818	7,520
	RR-003	ACROSSPLAZA Inazawa (Land)	Inazawa City, Aichi	September 1, 2016	2,390	0.3	2,390	2,600
	RR-004	Sports Depo and GOLF5 Kokurahigashi IC Store	Kitakyushu City, Fukuoka	September 28, 2016	2,230	0.3	2,117	2,460
	RR-005	Hiratsuka Retail Property (Land)	Hiratsuka City, Kanagawa	January 31, 2017	5,620	0.7	5,857	6,700
	RR-006	Royal Home Center Morinomiya (Land)	Osaka City, Osaka	March 27, 2018	4,500	0.5	4,541	5,280
	RR-007	Aoyama Tailor Bunkyo Sengoku Ekimae Store	Bunkyo Ward, Tokyo	April 5, 2019	750	0.1	765	779
	RR-008	FOLEO Shobu	Kuki City, Saitama	April 5, 2019	5,000	0.6	4,934	5,120
	RR-009	Hapias Kaita (Land)	Aki District, Hiroshima	December 13, 2019	1,400	0.2	1,471	1,530
	RU-001	COMBOX310	Mito City, Ibaraki	December 7, 2018	4,480	0.5	4,286	4,670
RU-002	Sports Plaza Ibaraki	Ibaraki City, Osaka	August 31, 2020	2,689	0.3	2,693	2,770	
Total of 23 Retail properties					123,219	14.9	121,602	131,079
Hotel properties	HO-001	Daiwa Roynet Hotel Yokohama Kannai	Yokohama City, Kanagawa	April 3, 2018	4,800	0.6	4,691	5,030
	HO-002	Super Hotel JR Nara Station Sanjo Street	Nara City, Nara	December 6, 2018	1,470	0.2	1,432	1,480
	HO-003	Daiwa Roynet Hotel Nagoya Shinkansenguchi	Nagoya City, Aichi	April 5, 2019	4,500	0.5	4,494	4,320
	HO-004	AGORA Kanazawa	Kanazawa City, Ishikawa	November 29, 2019	5,200	0.6	5,101	5,210
	HO-005	Candeo Hotels Nagasaki Shinchi Chinatown	Nagasaki City, Nagasaki	September 30, 2020	3,140	0.4	3,115	3,140
Total of 5 Hotel properties					19,110	2.3	18,835	19,180
Other assets	OT-001	Urban Living Inage	Chiba City, Chiba	June 24, 2013	930	0.1	799	1,280
	OT-002	Aburatsubo Marina HILLS	Miura City, Kanagawa	September 1, 2014	1,100	0.1	1,006	1,230
	OT-003	Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)	Naha City, Okinawa	September 28, 2016	7,600	0.9	7,120	8,120
	OT-004	Sharp Hiroshima Building	Hiroshima City, Hiroshima	April 11, 2017	1,850	0.2	1,798	1,950
	OT-005	Nursery Room Berry Bear Omori Nishi Welcia Ota Omori Nishi Store	Ota Ward, Tokyo	March 12, 2019	1,380	0.2	1,383	1,380
	OT-006	GRANODE Hiroshima	Hiroshima City, Hiroshima	April 3, 2020	14,400	1.7	14,249	15,350
Total of 6 Other assets					27,260	3.3	26,358	29,310
Portfolio Total of 227 Properties					824,293	100.0	786,421	939,116

(Note 1) “Property number” is assigned for each property according to the use categories; L represents logistics properties, RE represents residential properties, R represents retail properties, HO represents hotel properties and OT represents other assets, which are further classified into LB (Built-to-Suit (BTS) type), LM (multi-tenant type), RR (roadside type), RM (mall type) and RU (urban type). The same shall apply hereinafter.

(Note 2) With regard to the properties acquired through past mergers, “Acquisition date” represents the effective date of the merger.

(Note 3) “Acquisition price” represents the purchase price stipulated in the respective purchase agreements of assets held by DHR (excluding expenses pertaining to acquisitions, settlement money such as taxes and public dues, consumption taxes etc., or guarantee deposits on leased land, etc.). However, the acquisition prices of properties previously owned by NCR have been presented as the appraisal values as of February 28, 2010, which were the prices received at the time of the merger with NCR, and the acquisition prices of properties previously owned by the former DHR have been presented as the appraisal values as of August 31, 2016, the prices received at the time of the merger with the former DHR.

(Note 4) “Investment ratio” represents the percentage of the acquisition price for each property to the total acquisition price of assets held, which is rounded to the nearest tenth.

(Note 5) “Book value” represents the amount recorded on the balance sheets as of August 31, 2021, which is rounded down to the nearest million yen. Construction in progress and construction in progress in trust are excluded.

(Note 6) “Assessed value at the end of period” is the appraisal value as of August 31, 2021 provided by real estate appraisers (Daiwa Real Estate Appraisal Co., Ltd., Chuo Real Estate Appraisal Co., Ltd., The Tanizawa Sōgō Appraisal Co., Ltd., Japan Real Estate Institute and JLL Morii Valuation & Advisory K.K.) in accordance with

the Articles of Incorporation of DHR as well as “Regulations on Accounting of Investment Corporations” (Cabinet Office Order No. 47 of 2006, as amended). The amounts are rounded down to the nearest million yen.

(Note 7) Regarding “D Project Inuyama,” DHR made an additional acquisition on April 10, 2018 (acquisition price ¥2,100 million). The “acquisition price” represents the total price for the existing building and additionally acquired building, and the “acquisition date” represents the acquisition date for the existing building. Furthermore, regarding “Iias Tsukuba,” because we acquired 30% quasi co-ownership on April 5, 2019 and made an additional acquisition of 70% quasi co-ownership on April 1, 2020 (acquisition price ¥23,800 million), we have listed the total of each acquisition price for the “acquisition price” and the acquisition date of the initially acquired 30% co-ownership as the “acquisition date.”

B. The leasable area, leased area, occupancy rate, number of tenants and annual rent of real estate or real estate in trust held by DHR as of August 31, 2021 are as follows:

Property number	Property name	Location (city or county, prefecture)	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Annual rent (excluding consumption tax) (Millions of yen) (Note 5)
LB-001	D Project Machida	Machida City, Tokyo	50,490.39	50,490.39	100.0	1	(Note 6)
LB-002	D Project Hachioji	Hachioji City, Tokyo	62,394.17	62,394.17	100.0	2	(Note 6)
LB-003	D Project Aikawa-Machi	Aiko District, Kanagawa	14,240.84	14,240.84	100.0	1	(Note 6)
LB-005	D Project Urayasu I	Urayasu City, Chiba	36,515.81	36,515.81	100.0	1	(Note 6)
LB-006	D Project Urayasu II	Urayasu City, Chiba	72,320.01	72,320.01	100.0	1	(Note 6)
LB-007	D Project Akanehama	Narashino City, Chiba	11,663.39	11,663.39	100.0	1	(Note 6)
LB-008	D Project Noda	Noda City, Chiba	29,232.53	29,232.53	100.0	1	(Note 6)
LB-009	D Project Inuyama	Inuyama City, Aichi	54,197.80	54,197.80	100.0	2	(Note 6)
LB-011	D Project Neyagawa	Neyagawa City, Osaka	11,151.51	11,151.51	100.0	1	(Note 6)
LB-013	D Project Morioka	Takizawa City, Iwate	9,558.32	9,558.32	100.0	1	(Note 6)
LB-015	D Project Tsuchiura	Tsuchiura City, Ibaraki	17,448.86	17,448.86	100.0	1	(Note 6)
LB-018	D Project Fukuoka Umi	Kasuya District, Fukuoka	24,729.56	24,729.56	100.0	4	271
LB-019	D Project Tosu	Tosu City, Saga	17,858.01	17,858.01	100.0	2	(Note 6)
LB-020	D Project Kuki I	Kuki City, Saitama	22,708.72	22,708.72	100.0	1	(Note 6)
LB-021	D Project Kuki II	Kuki City, Saitama	50,490.00	50,490.00	100.0	1	(Note 6)
LB-022	D Project Kawagoe I	Kawagoe City, Saitama	16,150.88	16,150.88	100.0	1	205
LB-023	D Project Kawagoe II	Kawagoe City, Saitama	19,872.00	19,872.00	100.0	1	285
LB-024	DPL Inuyama	Inuyama City, Aichi	21,628.50	21,628.50	100.0	1	(Note 6)
LB-025	D Project Fukuoka Hakozaki	Fukuoka City, Fukuoka	34,710.80	34,710.80	100.0	1	(Note 6)
LB-026	D Project Kuki III	Kuki City, Saitama	26,937.41	26,937.41	100.0	1	(Note 6)
LB-027	D Project Kuki IV	Kuki City, Saitama	26,460.00	26,460.00	100.0	1	(Note 6)
LB-028	D Project Kuki V	Kuki City, Saitama	47,320.89	47,320.89	100.0	1	(Note 6)
LB-029	D Project Kuki VI	Kuki City, Saitama	29,244.66	29,244.66	100.0	1	(Note 6)
LB-030	D Project Yashio	Yashio City, Saitama	21,965.04	21,965.04	100.0	2	(Note 6)
LB-031	D Project Nishiyodogawa	Osaka City, Osaka	39,584.80	39,584.80	100.0	1	(Note 6)
LB-032	D Project Matsudo	Matsudo City, Chiba	26,776.67	26,776.67	100.0	1	(Note 6)
LB-033	D Project Hibiki Nada	Kitakyushu City, Fukuoka	23,933.75	23,933.75	100.0	1	(Note 6)
LB-034	D Project Morioka II	Takizawa City, Iwate	4,481.00	4,481.00	100.0	1	(Note 6)
LB-035	D Project Kawagoe III	Kawagoe City, Saitama	39,572.32	39,572.32	100.0	1	(Note 6)
LB-036	D Project Kazo	Kazo City, Saitama	18,437.60	18,437.60	100.0	2	(Note 6)
LB-037	D Project Urayasu III	Urayasu City, Chiba	39,441.32	39,441.32	100.0	1	(Note 6)
LB-038	D Project Tomisato	Tomisato City, Chiba	36,113.25	36,113.25	100.0	1	(Note 6)
LB-039	D Project Kyotanabe	Kyotanabe City, Kyoto	10,965.68	10,965.68	100.0	1	(Note 6)
LB-040	D Project Sendai Izumi	Sendai City, Miyagi	10,764.05	10,764.05	100.0	1	(Note 6)
LB-041	D Project Oyama	Oyama City, Tochigi	14,106.91	14,106.91	100.0	1	(Note 6)
LB-042	D Project Sano	Sano City, Tochigi	15,668.44	15,668.44	100.0	1	(Note 6)
LB-043	D Project Tatebayashi	Tatebayashi City, Gunma	13,521.56	13,521.56	100.0	1	(Note 6)
LB-044	D Project Kakegawa	Kakegawa City, Shizuoka	39,341.44	39,341.44	100.0	1	(Note 6)
LB-045	D Project Hiroshima Seifu	Hiroshima City, Hiroshima	19,004.72	19,004.72	100.0	1	(Note 6)
LB-046	D Project Tosu II	Tosu City, Saga	13,012.50	13,012.50	100.0	1	(Note 6)
LB-047	D Project Kawagoe IV	Kawagoe City, Saitama	24,684.47	24,684.47	100.0	1	320
LB-048	D Project Kuki VII	Kuki City, Saitama	3,225.46	3,225.46	100.0	1	(Note 6)
LB-049	D Project Chibakita	Chiba City, Chiba	24,368.86	24,368.86	100.0	1	(Note 6)
LB-050	D Project Matsudo II	Matsudo City, Chiba	25,305.82	25,305.82	100.0	1	(Note 6)
LB-051	D Project Tomisato II	Tomisato City, Chiba	40,870.56	40,870.56	100.0	1	(Note 6)
LB-052	D Project Osaka Hirabayashi	Osaka City, Osaka	22,485.08	22,485.08	100.0	1	(Note 6)
LB-053	D Project Sendai Izumi II	Sendai City, Miyagi	39,580.46	39,580.46	100.0	1	(Note 6)
LB-054	D Project Kaminokawa	Kawachi District, Tochigi	52,239.75	52,239.75	100.0	1	(Note 6)
LB-055	D Project Fuji	Fuji City, Shizuoka	23,795.40	23,795.40	100.0	1	(Note 6)
LB-056	D Project Tosu III	Tosu City, Saga	65,215.07	65,215.07	100.0	1	(Note 6)
LB-057	D Project Kitahachioji I	Hachioji City, Tokyo	16,523.82	16,523.82	100.0	1	(Note 6)
LB-058	D Project Kitahachioji II	Hachioji City, Tokyo	21,402.20	21,402.20	100.0	1	(Note 6)
LB-059	D Project Kitahachioji III	Hachioji City, Tokyo	26,275.05	26,275.05	100.0	2	(Note 6)

Property number	Property name	Location (city or county, prefecture)	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Annual rent (excluding consumption tax) (Millions of yen) (Note 5)
LB-060	D Project Itabashi Shingashi	Itabashi Ward, Tokyo	33,763.46	33,763.46	100.0	1	(Note 6)
LB-061	D Project Sagamihara	Sagamihara City, Kanagawa	16,599.30	16,599.30	100.0	1	205
LB-062	D Project Kuki VIII	Kuki City, Saitama	29,410.54	29,410.54	100.0	1	(Note 6)
LB-063	D Project Yokkaichi	Yokkaichi City, Mie	6,185.46	6,185.46	100.0	1	(Note 6)
LB-064	D Project Ibaraki Ishioka	Ishioka City, Ibaraki	24,493.54	24,493.54	100.0	1	(Note 6)
LM-001	DPL Misato	Misato City, Saitama	55,864.47	55,864.47	100.0	1	(Note 6)
LM-002	DPL Fukuoka Kasuya	Kasuya District, Fukuoka	73,754.20	73,754.20	100.0	1	(Note 6)
LM-003	DPL Kitakyushu	Kitakyushu City, Fukuoka	26,672.98	26,672.98	100.0	1	(Note 6)
LM-004	DPL Nagareyama I	Nagareyama City, Chiba	124,489.93	124,489.93	100.0	1	(Note 6)
LM-005	DPL Shin-Narashino	Narashino City, Chiba	12,686.32	12,686.32	100.0	1	(Note 6)
Total of 63 Logistics properties			1,883,908.31	1,883,908.31	100.0	72	23,686
RE-001	Qiz Ebisu	Shibuya Ward, Tokyo	5,230.39	4,904.04	93.8	1	436
RE-002	Castalia Azabujuban Shichimenzaka	Minato Ward, Tokyo	3,492.93	3,353.43	96.0	1	218
RE-003	Castalia Shibakoen	Minato Ward, Tokyo	2,707.51	2,586.62	95.5	1	136
RE-004	Castalia Ginza	Chuo Ward, Tokyo	2,226.42	1,918.09	86.2	1	118
RE-005	Castalia Hiroo	Minato Ward, Tokyo	1,621.59	1,621.59	100.0	1	103
RE-006	Castalia Nihonbashi	Chuo Ward, Tokyo	1,458.73	1,258.82	86.3	1	71
RE-007	Castalia Hacchobori	Chuo Ward, Tokyo	2,969.57	2,771.89	93.3	1	130
RE-008	Castalia Azabujuban	Minato Ward, Tokyo	2,400.00	2,320.21	96.7	1	144
RE-009	Castalia Azabujuban II	Minato Ward, Tokyo	2,094.58	1,895.38	90.5	1	124
RE-010	Castalia Shinjuku Natsumezaka	Shinjuku Ward, Tokyo	1,917.62	1,888.12	98.5	1	93
RE-011	Castalia Ginza II	Chuo Ward, Tokyo	1,817.56	1,673.41	92.1	1	95
RE-012	Castalia Shibuya Sakuragaoka	Shibuya Ward, Tokyo	1,123.80	965.23	85.9	1	60
RE-013	Castalia Nishi Azabu Kasumicho	Minato Ward, Tokyo	2,779.77	2,452.78	88.2	1	136
RE-014	Castalia Ochanomizu	Chiyoda Ward, Tokyo	2,559.21	2,559.21	100.0	1	120
RE-015	Castalia Sangubashi	Shibuya Ward, Tokyo	1,898.47	1,898.47	100.0	1	85
RE-016	Castalia Suitengu	Chuo Ward, Tokyo	1,940.94	1,791.52	92.3	1	86
RE-017	Castalia Suitengu II	Chuo Ward, Tokyo	1,858.34	1,584.84	85.3	1	73
RE-018	Castalia Shintomicho	Chuo Ward, Tokyo	1,444.52	1,361.20	94.2	1	66
RE-019	Castalia Shintomicho II	Chuo Ward, Tokyo	1,244.54	1,098.61	88.3	1	55
RE-020	Castalia Harajuku	Shibuya Ward, Tokyo	1,225.26	1,225.26	100.0	1	53
RE-021	Castalia Yoyogi Uehara	Shibuya Ward, Tokyo	811.95	779.67	96.0	1	44
RE-022	Castalia Sendagaya	Shibuya Ward, Tokyo	803.03	736.26	91.7	1	37
RE-023	Castalia Shinjuku 7 chome	Shinjuku Ward, Tokyo	957.60	931.56	97.3	1	36
RE-024	Castalia Ningyocho	Chuo Ward, Tokyo	1,747.90	1,747.90	100.0	1	76
RE-025	Castalia Ningyocho II	Chuo Ward, Tokyo	1,826.80	1,778.99	97.4	1	80
RE-026	Castalia Shin-Ochanomizu	Chiyoda Ward, Tokyo	1,308.38	1,270.72	97.1	1	63
RE-027	Castalia Higashi Nihonbashi II	Chuo Ward, Tokyo	2,117.46	1,900.88	89.8	1	92
RE-028	Castalia Jinbocho	Chiyoda Ward, Tokyo	1,628.80	1,468.72	90.2	1	80
RE-029	Castalia Shintomicho III	Chuo Ward, Tokyo	972.51	845.23	86.9	1	46
RE-030	Castalia Shinjuku Gyoen	Shinjuku Ward, Tokyo	3,594.16	3,594.16	100.0	1	163
RE-031	Castalia Takanawadai	Minato Ward, Tokyo	1,147.44	1,048.18	91.3	1	53
RE-032	Castalia Higashi Nihonbashi III	Chuo Ward, Tokyo	1,105.20	1,105.20	100.0	1	48
RE-033	Castalia Shinjuku Gyoen II	Shinjuku Ward, Tokyo	668.79	594.48	88.9	1	28
RE-034	Castalia Shintomicho IV	Chuo Ward, Tokyo	681.00	647.00	95.0	1	31
RE-035	Castalia Takanawadai II	Minato Ward, Tokyo	1,567.84	1,490.52	95.1	1	76
RE-036	Castalia Minami Azabu	Minato Ward, Tokyo	882.67	779.52	88.3	1	39
RE-037	Castalia Ginza III	Chuo Ward, Tokyo	3,494.42	3,299.62	94.4	1	166
RE-038	Castalia Kayabacho	Chuo Ward, Tokyo	4,602.95	4,398.03	95.5	1	192
RE-039	Castalia Takanawa	Minato Ward, Tokyo	10,408.26	9,636.61	92.6	1	463
RE-040	Castalia Higashi Nihonbashi	Chuo Ward, Tokyo	6,442.28	6,402.14	99.4	1	277
RE-041	Castalia Shinjuku	Shinjuku Ward, Tokyo	3,150.80	3,150.80	100.0	1	179
RE-042	Castalia Ichigaya	Shinjuku Ward, Tokyo	1,546.34	1,445.53	93.5	1	81
RE-043	Shibaura Island Bloom Tower	Minato Ward, Tokyo	16,849.50	16,298.22	96.7	2	752
RE-044	Castalia Hatsudai	Shibuya Ward, Tokyo	3,077.05	2,990.97	97.2	1	138
RE-045	Castalia Hatsudai II	Shibuya Ward, Tokyo	2,339.42	2,093.93	89.5	1	112

Daiwa House REIT Investment Corporation (8984)
Financial Results for the Fiscal Period Ended August 31, 2021

Property number	Property name	Location (city or county, prefecture)	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Annual rent (excluding consumption tax) (Millions of yen) (Note 5)
RE-046	Castalia Ebisu	Shibuya Ward, Tokyo	1,659.71	1,462.06	88.1	1	84
RE-047	Castalia Meguro Kamurozaka	Shinagawa Ward, Tokyo	4,967.97	4,789.39	96.4	1	251
RE-048	Castalia Toritsudaigaku	Meguro Ward, Tokyo	863.70	837.26	96.9	1	37
RE-049	Castalia Yukigaya	Ota Ward, Tokyo	1,542.30	1,498.04	97.1	1	69
RE-050	Castalia Yutenji	Meguro Ward, Tokyo	1,380.35	1,380.35	100.0	1	74
RE-051	Castalia Otsuka	Toshima Ward, Tokyo	1,871.70	1,800.52	96.2	1	91
RE-052	Castalia Kikukawa	Sumida Ward, Tokyo	1,168.18	1,145.12	98.0	1	53
RE-053	Castalia Meguro	Meguro Ward, Tokyo	1,414.73	1,213.13	85.7	1	60
RE-054	Castalia Otsuka II	Toshima Ward, Tokyo	1,784.50	1,694.09	94.9	1	74
RE-055	Castalia Jiyugaoka	Meguro Ward, Tokyo	1,472.47	1,407.64	95.6	1	75
RE-056	Castalia Mejiro	Toshima Ward, Tokyo	1,658.90	1,658.90	100.0	1	67
RE-057	Castalia Ikebukuro	Toshima Ward, Tokyo	3,644.35	3,601.90	98.8	1	168
RE-058	Castalia Kaname-cho	Toshima Ward, Tokyo	1,624.06	1,624.06	100.0	1	78
RE-059	Castalia Tower Shinagawa Seaside	Shinagawa Ward, Tokyo	12,732.35	12,519.52	98.3	1	545
RE-060	Castalia Yakumo	Meguro Ward, Tokyo	1,276.91	1,018.02	79.7	1	45
RE-061	Castalia Togoshiekimae	Shinagawa Ward, Tokyo	2,014.12	2,014.12	100.0	1	106
RE-062	Castalia Honjo Azumabashi	Sumida Ward, Tokyo	2,255.88	2,218.91	98.4	1	74
RE-063	Castalia Kitazawa	Setagaya Ward, Tokyo	1,220.16	1,220.16	100.0	1	51
RE-064	Castalia Monzennakacho	Koto Ward, Tokyo	887.94	887.94	100.0	1	34
RE-065	Castalia Kamiikedai	Ota Ward, Tokyo	414.45	354.88	85.6	1	13
RE-066	Castalia Morishita	Koto Ward, Tokyo	1,383.90	1,383.90	100.0	1	64
RE-067	Castalia Wakabayashikoen	Setagaya Ward, Tokyo	1,425.43	1,375.42	96.5	1	52
RE-068	Castalia Asakusabashi	Taito Ward, Tokyo	1,537.84	1,537.84	100.0	1	65
RE-069	Castalia Iriya	Taito Ward, Tokyo	1,415.15	1,342.55	94.9	1	47
RE-070	Castalia Kita Ueno	Taito Ward, Tokyo	4,197.66	4,055.30	96.6	1	173
RE-071	Castalia Morishita II	Koto Ward, Tokyo	1,275.60	1,245.07	97.6	1	54
RE-072	Castalia Minowa	Taito Ward, Tokyo	2,406.41	2,281.15	94.8	1	98
RE-073	Castalia Oyamadai	Setagaya Ward, Tokyo	857.32	806.48	94.1	1	35
RE-074	Castalia Nakano	Nakano Ward, Tokyo	1,613.86	1,613.86	100.0	1	72
RE-075	Castalia Yoga	Setagaya Ward, Tokyo	1,472.38	1,449.19	98.4	1	66
RE-076	Castalia Sumiyoshi	Koto Ward, Tokyo	1,362.60	1,362.60	100.0	1	66
RE-077	Castalia Monzennakacho II	Koto Ward, Tokyo	3,038.98	3,038.98	100.0	1	135
RE-078	Castalia Oshiage	Sumida Ward, Tokyo	1,785.24	1,744.04	97.7	1	74
RE-079	Castalia Kuramae	Taito Ward, Tokyo	1,994.93	1,994.93	100.0	1	86
RE-080	Castalia Nakanobu	Shinagawa Ward, Tokyo	2,421.82	2,307.86	95.3	1	130
RE-081	Royal Parks Toyosu	Koto Ward, Tokyo	18,112.03	18,112.03	100.0	1	658
RE-082	Castalia Togoshi	Shinagawa Ward, Tokyo	2,629.59	2,584.74	98.3	1	148
RE-083	Castalia Oomachi	Shinagawa Ward, Tokyo	1,413.75	1,370.25	96.9	1	79
RE-084	Castalia Omori	Ota Ward, Tokyo	2,046.36	1,858.06	90.8	1	92
RE-085	Castalia Mishuku	Setagaya Ward, Tokyo	2,640.86	2,562.90	97.0	1	133
RE-086	Castalia Arakawa	Arakawa Ward, Tokyo	3,797.92	3,756.16	98.9	1	133
RE-087	Castalia Omori II	Ota Ward, Tokyo	2,818.70	2,612.06	92.7	1	148
RE-088	Castalia Nakameguro	Meguro Ward, Tokyo	3,166.71	2,976.02	94.0	1	221
RE-089	Castalia Meguro Choijamaru	Shinagawa Ward, Tokyo	2,123.77	1,977.36	93.1	1	123
RE-090	Castalia Meguro Takaban	Meguro Ward, Tokyo	1,961.52	1,898.82	96.8	1	99
RE-091	Castalia Omori III	Shinagawa Ward, Tokyo	2,004.80	1,869.86	93.3	1	91
RE-093	Castalia Meguro Tairamachi	Meguro Ward, Tokyo	1,278.52	1,236.19	96.7	1	65
RE-094	Royal Parks SEASIR	Adachi Ward, Tokyo	17,269.74	17,269.74	100.0	1	458
RE-095	Castalia Honkomagome	Bunkyo Ward, Tokyo	2,224.41	2,101.38	94.5	1	97
RE-096	Cosmo Heim Musashikosugi	Kawasaki City, Kanagawa	4,208.83	4,208.83	100.0	1	113
RE-097	Castalia Tsurumi	Yokohama City, Kanagawa	1,452.09	1,452.09	100.0	1	53
RE-098	Castalia Funabashi	Funabashi City, Chiba	1,552.01	1,412.81	91.0	1	55
RE-099	Castalia Nishi Funabashi	Funabashi City, Chiba	1,597.32	1,518.44	95.1	1	63
RE-105	Castalia Nogeeyama	Yokohama City, Kanagawa	744.90	720.07	96.7	1	26
RE-106	Castalia Ichikawa	Ichikawa City, Chiba	876.89	876.89	100.0	1	39
RE-107	Royal Parks Hanakoganei	Kodaira City, Tokyo	18,153.57	18,153.57	100.0	1	458
RE-108	Castalia Musashikosugi	Kawasaki City, Kanagawa	2,179.80	2,042.59	93.7	1	106

Property number	Property name	Location (city or county, prefecture)	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Annual rent (excluding consumption tax) (Millions of yen) (Note 5)
RE-109	Royal Parks Wakabadai	Inagi City, Tokyo	21,367.93	21,367.93	100.0	2	494
RE-110	Pacific Royal Court Minatomirai Urban Tower	Yokohama City, Kanagawa	26,294.49	26,294.49	100.0	1	1,003
RE-111	L-Place Shinkoyasu	Yokohama City, Kanagawa	3,009.74	3,009.74	100.0	1	111
RE-112	Royal Parks Musashikosugi	Kawasaki City, Kanagawa	3,808.97	3,808.97	100.0	1	133
RE-116	Castalia Sakaisuji Honmachi	Osaka City, Osaka	3,471.39	3,332.46	96.0	1	116
RE-117	Castalia Shin-Umeda	Osaka City, Osaka	3,279.90	3,212.34	97.9	1	108
RE-118	Castalia Abeno	Osaka City, Osaka	10,920.75	10,920.75	100.0	1	340
RE-119	Castalia Sakae	Nagoya City, Aichi	2,836.00	2,769.96	97.7	1	85
RE-123	Castalia Higashi Hie	Fukuoka City, Fukuoka	3,061.60	2,838.30	92.7	1	82
RE-124	Castalia Tower Nagahoribashi	Osaka City, Osaka	8,747.40	8,508.42	97.3	1	309
RE-125	Castalia Sannomiya	Kobe City, Hyogo	3,071.60	2,899.90	94.4	1	101
RE-126	Castalia Kotodaikoen	Sendai City, Miyagi	1,684.10	1,644.08	97.6	1	45
RE-127	Castalia Ichibancho	Sendai City, Miyagi	2,800.32	2,755.41	98.4	1	72
RE-128	Castalia Omachi	Sendai City, Miyagi	2,149.08	1,999.97	93.1	1	59
RE-129	Castalia Uemachidai	Osaka City, Osaka	5,415.39	5,340.82	98.6	1	169
RE-130	Castalia Tower Higobashi	Osaka City, Osaka	6,230.20	5,812.56	93.3	1	240
RE-132	Castalia Fushimi	Nagoya City, Aichi	7,022.69	6,243.31	88.9	1	197
RE-133	Castalia Meieki Minami	Nagoya City, Aichi	1,822.10	1,663.85	91.3	1	57
RE-134	Castalia Yakuin	Fukuoka City, Fukuoka	2,784.83	2,669.01	95.8	1	80
RE-135	Castalia Mibu	Kyoto City, Kyoto	2,828.39	2,828.39	100.0	1	90
RE-136	Castalia Tsutsujigaoka	Sendai City, Miyagi	4,471.11	4,280.14	95.7	1	106
RE-137	Castalia Ohori Bay Tower	Fukuoka City, Fukuoka	11,089.75	4,070.42	36.7	1	113
RE-138	Royal Parks Namba	Osaka City, Osaka	10,354.15	10,354.15	100.0	1	260
RE-139	Castalia Shigahondori	Nagoya City, Aichi	5,086.69	4,872.94	95.8	1	139
RE-140	Castalia Kyoto Nishioji	Kyoto City, Kyoto	2,035.37	1,932.77	95.0	1	61
RE-141	Castalia Ningyocho III	Chuo Ward, Tokyo	2,897.06	2,848.74	98.3	1	136
RE-142	Royal Parks Umejima	Adachi Ward, Tokyo	6,828.78	6,828.78	100.0	1	191
RE-143	Castalia Shinsakae II	Nagoya City, Aichi	4,425.46	4,425.46	100.0	1	114
Total of 130 Residential properties			455,837.48	435,553.66	95.6	132	17,551
RM-001	ACROSSMALL Shinkamagaya	Kamagaya City, Chiba	41,742.84	41,742.84	100.0	1	561
RM-002	FOLEO Hirakata	Hirakata City, Osaka	16,390.96	15,402.86	94.0	1	344
RM-003	QiZ GATE URAWA	Saitama City, Saitama	9,720.49	9,720.49	100.0	11	335
RM-004	UNICUS Takasaki	Takasaki City, Gunma	9,277.08	9,277.08	100.0	1	259
RM-005	ACROSSPLAZA Miyoshi (Land)	Iruma District, Saitama	24,018.00	24,018.00	100.0	1	188
RM-006	DREAM TOWN ALi	Aomori City, Aomori	22,196.81	22,196.81	100.0	1	591
RM-007	ASOBOX (Land)	Kitakyushu City, Fukuoka	11,207.90	11,207.90	100.0	1	94
RM-008	FOLEO Ome Imai	Ome City, Tokyo	8,637.91	8,637.91	100.0	1	257
RM-009	FOLEO Otsu Ichiryama	Otsu City, Shiga	62,917.73	62,917.73	100.0	1	645
RM-010	FOLEO Hakata	Fukuoka City, Fukuoka	23,230.77 (Note 7)	23,230.77 (Note 7)	100.0	1	252
RM-011	ACROSSMALL Semboku (Land)	Sakai City, Osaka	30,824.72	30,824.72	100.0	1	181
RM-012	ias Tsukuba	Tsukuba City, Ibaraki	138,900.39	138,900.39	100.0	1	2,150
RR-001	LIFE Sagamihara Wakamatsu	Sagamihara City, Kanagawa	2,973.44	2,973.44	100.0	1	(Note 6)
RR-002	FOLEO Sendai Miyanomori	Sendai City, Miyagi	19,845.72	19,845.72	100.0	1	478
RR-003	ACROSSPLAZA Inazawa (Land)	Inazawa City, Aichi	31,981.70	31,981.70	100.0	1	139
RR-004	Sports Depo and GOLF5 Kokurahigashi IC Store	Kitakyushu City, Fukuoka	8,899.89	8,899.89	100.0	1	(Note 6)
RR-005	Hiratsuka Retail Property (Land)	Hiratsuka City, Kanagawa	28,002.92	28,002.92	100.0	1	(Note 6)
RR-006	Royal Home Center Morinomiya (Land)	Osaka City, Osaka	6,669.74	6,669.74	100.0	1	208
RR-007	Aoyama Tailor Bunkyo Sengoku Ekimae Store	Bunkyo Ward, Tokyo	1,066.95	1,066.95	100.0	1	(Note 6)
RR-008	FOLEO Shobu	Kuki City, Saitama	19,104.17	19,104.17	100.0	1	314
RR-009	Hapias Kaita (Land)	Aki District, Hiroshima	13,415.52	13,415.52	100.0	1	76
RU-001	COMBOX310	Mito City, Ibaraki	30,517.69	30,517.69	100.0	1	297

Property number	Property name	Location (city or county, prefecture)	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Annual rent (excluding consumption tax) (Millions of yen) (Note 5)
RU-002	Sports Plaza Ibaraki	Ibaraki City, Osaka	9,470.27	9,470.27	100.0	1	165
Total of 23 Retail properties			571,013.61	570,025.51	99.8	33	8,118
HO-001	Daiwa Roynet Hotel Yokohama Kannai	Yokohama City, Kanagawa	7,932.37	7,932.37	100.0	1	257
HO-002	Super Hotel JR Nara Station Sanjo Street	Nara City, Nara	2,637.18	2,637.18	100.0	1	72
HO-003	Daiwa Roynet Hotel Nagoya Shinkansenguchi	Nagoya City, Aichi	7,605.41	7,605.41	100.0	1	252
HO-004	AGORA Kanazawa	Kanazawa City, Ishikawa	7,011.58	7,011.58	100.0	1	(Note 6)
HO-005	Candeo Hotels Nagasaki Shinchin Chinatown	Nagasaki City, Nagasaki	6,770.65	6,770.65	100.0	1	208
Total of 5 Hotel properties			31,957.19	31,957.19	100.0	5	1,106
OT-001	Urban Living Inage	Chiba City, Chiba	4,177.52	4,177.52	100.0	1	78
OT-002	Aburatsubo Marina HILLS	Miura City, Kanagawa	3,901.14	3,901.14	100.0	1	87
OT-003	Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)	Naha City, Okinawa	13,480.00	13,480.00	100.0	1	538
OT-004	Sharp Hiroshima Building	Hiroshima City, Hiroshima	3,064.89	3,064.89	100.0	1	(Note 6)
OT-005	Nursery Room Berry Bear Omori Nishi Welcia Ota Omori Nishi Store	Ota Ward, Tokyo	1,345.60	1,345.60	100.0	1	(Note 6)
OT-006	GRANODE Hiroshima	Hiroshima City, Hiroshima	14,962.23	14,890.93	99.5	1	861
Total of 6 Other assets			40,931.38	40,860.08	99.8	6	1,753
Portfolio Total of 227 Properties			2,983,647.97	2,962,304.75	99.3	248	52,216

(Note 1) “Leasable area” means the leasable area of the building (or land in the case of land properties) in relation to each real estate or each real estate in trust and the figures stated refer to the area DHR believes is leasable as indicated in the relevant lease agreement or drawing of the building, etc. in relation to each real estate or each real estate in trust as of August 31, 2021. In the cases of each co-owned real estate or quasi co-owned trust beneficiary interests, the leasable area of the entire real estate multiplied by the ratio of co-ownership of the real estate or quasi co-ownership of the trust beneficiary interests in real estate held by DHR is provided.

(Note 2) “Leased area” represents the leased area in the leasable area as indicated in the lease agreement, etc. in relation to each real estate or each real estate in trust as of August 31, 2021. However, in the case of a pass-through type master lease agreement entered into with the master lease company, the leased area to end-tenants indicated in each sublease agreement entered into between the master lease company and end-tenants for each real estate or each real estate in trust as of August 31, 2021 is provided. As some lease agreements for each real estate or each real estate in trust may indicate leased area that includes portions not included in the gross floor area, the leased area may exceed the gross floor area. In particular, at logistics properties, when eaves are included in the leased area, the leased area may significantly exceed the gross floor area. In the cases of each co-owned real estate or quasi co-owned trust beneficiary interests, the leased area of the entire real estate multiplied by the ratio of co-ownership of the real estate or quasi co-ownership of the trust beneficiary interests in real estate held by DHR is provided.

(Note 3) “Occupancy rate” represents occupancy rate (the percentage of leased area to the leasable area) of each property as of August 31, 2021, which is rounded to the nearest tenth.

(Note 4) “Number of tenants” is equal to the number of tenants per property based upon the lease agreement in relation to each real estate or each real estate in trust as of August 31, 2021. However, the number of tenants is indicated as 1 (one) in the case of a property subject to a master lease agreement with the master lease company.

(Note 5) “Annual rent” represents the amount calculated by multiplying the monthly rent (not including consumption taxes, etc.) as indicated in the lease agreement in relation to each real estate or each real estate in trust as of August 31, 2021 by 12 (as to real estate or real estate in trust for which multiple lease agreements are entered into, the total amount indicated in such lease agreements). Annual rent for residential properties includes common area charges. However, in the case of a pass-through type master lease agreement entered into with the master lease company, the annual rent represents the amount calculated by multiplying the monthly rent (not including consumption taxes, etc.) indicated in each sublease agreement entered into between the master lease company and end-tenants for each real estate or each real estate in trust as of August 31, 2021 by 12 (as to real estate or each real estate in trust for which multiple sublease agreements are entered into, the total amount indicated in such sublease agreements). For revenue-based rent, a monthly amount linked to sales in August 2021 is used. Therefore, the sums of the “Annual rent” of each property may not add up to the total for the portfolio. Furthermore, in the cases of each co-owned real estate or quasi co-owned trust beneficiary interests, the annual rent of the entire real estate multiplied by the ratio of co-ownership of the real estate or quasi co-ownership of the trust beneficiary interests in real estate held by DHR is provided.

(Note 6) Undisclosed as consent for disclosure has not been obtained from the lessee.

(Note 7) Separately from the building of this property, a part of the land of this property is leased to the lessee for the purpose of subleasing to Fukuoka Prefecture and other third parties as land for a police station, etc. Therefore, the area of such leased land is not included in the leasable area and leased area.

(2) Summary of Major Tenants

Not applicable.

(Note) “A major tenant” is a tenant for which leased area accounts for 10% or more of the leased areas in the entire portfolio.

(3) Status of Portfolio Diversification

(As of August 31, 2021)

i) Investment ratio by area

Area (Note 1)		Number of properties	Acquisition price (Millions of yen)	Investment ratio (%) (Note 2)	
Three major metropolitan areas of Japan	Greater Tokyo area	155	527,706	64.0	76.2
	Greater Nagoya area	10	30,630	3.7	
	Greater Osaka area	20	69,709	8.5	
Other		42	196,248	23.8	
Total		227	824,293	100.0	

(Note 1) For details of “Area,” please refer to “(1) Portfolio List, i) Status of investment (Note 1)” above.

(Note 2) “Investment ratio” is calculated based on the acquisition price, rounded to the nearest tenth. The same shall apply hereinafter.

ii) Investment ratio by asset class

Asset class		Number of properties	Acquisition price (Millions of yen)	Investment ratio (%)	
Core assets	Logistics properties	63	412,171	50.0	96.7
	Residential properties	130	242,533	29.4	
	Retail properties	23	123,219	14.9	
	Hotel properties	5	19,110	2.3	
Other assets		6	27,260	3.3	
Total		227	824,293	100.0	

iii) Diversification by age of property

Age of property	Number of properties	Acquisition price (Millions of yen)	Investment ratio (%)
Less than 5 years	10	75,740	9.4
5 years or more but less than 10 years	39	199,366	24.9
10 years or more	171	526,687	65.7
Total	220	801,793	100.0

iv) Average age of property by asset class

Asset class	Average age (year)
Logistics properties	9.4
Residential properties	15.5
Retail properties	13.5
Hotel properties	9.1
Other assets	5.6
Total	11.6

(Note) “Average age” is the weighted average age of owned properties as of August 31, 2021 based on the acquisition price, rounded to the nearest tenth.

(4) Capital Expenditures for Properties Held

i) Schedule of capital expenditures

The following table shows major scheduled capital expenditures for planned renovation work, etc. for owned properties (real estate, real estate in trust, etc.) as of August 31, 2021. The estimated construction cost includes the portion charged to expenses.

Property name (Location)	Purpose	Scheduled period	Estimated construction cost (Thousands of yen)		
			Total amount	Payment during the period	Total amount paid
D Project Noda (Noda City, Chiba)	Large-scale renovations	From March 2021 to October 2021	366,157	237,600	237,600
D Project Morioka (Takizawa City, Iwate)	Large-scale renovations	From August 2021 to December 2021	68,486	20,545	20,545
D Project Yashio (Yashio City, Saitama)	Large-scale renovations	From April 2021 to October 2021	304,038	202,400	202,400
DPL Fukuoka Kasuya Kasuya District, Fukuoka	Repair work on the west exterior wall seals and rampway cracks	From September 2021 to March 2022	79,134	–	–
Castalia Sendagaya (Shibuya Ward, Tokyo)	Large-scale renovations	From March 2021 to September 2021	31,185	–	–
Castalia Higashi Nihonbashi III (Chuo Ward, Tokyo)	Large-scale renovation	From October 2021 to February 2022	45,210	–	–
Castalia Mejiro (Toshima Ward, Tokyo)	Large-scale renovation	From September 2021 to February 2022	47,850	–	–
Castalia Wakabayashikoen (Setagaya Ward, Tokyo)	Large-scale renovation	From September 2021 to February 2022	44,594	–	–
Castalia Omori II (Ota Ward, Tokyo)	Large-scale renovations	From April 2021 to October 2021	110,770	–	–
Royal Parks Namba (Osaka City, Osaka)	Large-scale renovations	From August 2021 to February 2022	211,530	1,100	1,100
FOLEO Otsu Ichiriyama (Otsu City, Shiga)	Rooftop waterproofing construction (third phase)	From October 2021 to January 2022	75,130	–	–
	Replacement of LED lights	From January 2022 to February 2022	60,500	–	–
iiias Tsukuba (Tsukuba City, Ibaraki)	Repair work of exterior walls (second phase)	From October 2021 to March 2022	254,100	–	–
Daiwa Roynet Hotel Nagoya Shinkansenguchi (Nagoya City, Aichi)	Renewal work on various facilities	From August 2021 to February 2022	1,497,030	–	–
Aburatsubo Marina HILLS (Miura City, Kanagawa)	Interior renovations	From September 2021 to December 2021	41,756	–	19,800

ii) Capital expenditures during the period

For owned properties (real estate, real estate in trust, etc.), an overview of major construction work conducted during the current fiscal period that falls into DHR's capital expenditures is as follows. Capital expenditures during the current fiscal period were ¥2,645,913 thousand together with ¥1,571,777 thousand in repairs and maintenance expenses and ¥374,684 thousand in restoration costs classified as expenses for the current fiscal period, making a total of ¥4,592,376 thousand in construction work.

Property name (Location)	Purpose	Period	Construction cost (Thousands of yen)
D Project Akanehama (Narashino City, Chiba)	Large-scale renovations	From April 2021 to August 2021	120,727
D Project Hibiki Nada (Kitakyushu City, Fukuoka)	Conversion to LED lighting fixtures	From July 2021 to August 2021	29,133
D Project Osaka Hirabayashi (Osaka City, Osaka)	Heat insulation work	From April 2021 to June 2021	77,400
D Project Itabashi Shingashi (Itabashi Ward, Tokyo)	Refrigerator renovations	From January 2021 to April 2021	265,044
Castalia Azabujuban (Minato Ward, Tokyo)	Large-scale renovations	From March 2021 to August 2021	45,587
Castalia Jinbocho (Chiyoda Ward, Tokyo)	Large-scale renovations	From March 2021 to August 2021	27,465
Castalia Ginza III (Chuo Ward, Tokyo)	Large-scale renovations	From April 2021 to July 2021	45,344
Castalia Otsuka (Toshima Ward, Tokyo)	Large-scale renovations	From March 2021 to July 2021	65,244
Castalia Jiyugaoka (Meguro Ward, Tokyo)	Large-scale renovations	From April 2021 to August 2021	29,683
Castalia Minowa (Taito Ward, Tokyo)	Large-scale renovations	From March 2021 to July 2021	39,964
Castalia Omori (Ota Ward, Tokyo)	Large-scale renovations	From March 2021 to July 2021	44,477
Royal Parks SEASIR (Adachi Ward, Tokyo)	Large-scale renovations	From November 2020 to August 2021	154,777
Castalia Nogeyama (Yokohama City, Kanagawa)	Large-scale renovations	From April 2021 to July 2021	11,856
Castalia Higashi Hie (Fukuoka City, Fukuoka)	Large-scale renovations	From March 2021 to August 2021	38,207
Castalia Sannomiya (Kobe City, Hyogo)	Large-scale renovations	From April 2021 to August 2021	30,876
	Renewal work on home information platform	From August 2021 to August 2021	19,660
Castalia Yakuin (Fukuoka City, Fukuoka)	Large-scale renovations	From March 2021 to August 2021	24,867
FOLEO Otsu Ichiriyama (Otsu City, Shiga)	Renovation of exterior walls	From April 2020 to March 2021	136,800