

**Advance Logistics Investment Corporation**  
**Summary of Financial Results (Unaudited)**  
**For the Eleventh Fiscal Period Ended February 29, 2024**  
**(For the Reporting Period from September 1, 2023 to February 29, 2024)**  
**(Translated from the Japanese original)**

## Corporate Information

Code: 3493 Listing: Tokyo Stock Exchange

(URL: <https://www.adl-reit.com/en/>)

Representative: Tomoyuki Kimura, Executive Director

Asset management company: ITOCHU REIT Management Co., Ltd.

Representative: Junichi Shoji, Representative Director, President &amp; CEO

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Scheduled date to file securities report (Japanese only): May 24, 2024

Scheduled date to commence payment of distributions: May 13, 2024

Preparation of supplementary material on financial results: Yes

Financial report presentation meeting: Yes (for institutional investors and analysts)

## 1. Financial Results and Forecasts

(Amounts rounded to the nearest million yen)

1. Financial Results for the Fiscal Period Ended February 2024 (from September 1, 2023 to February 29, 2024)

(1) Operating conditions (Percentages represent changes from the previous period (Note1))

	Operating revenues		Operating income		Ordinary income		Net income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Fiscal period ended February 2024	3,728	1.1	1,868	1.1	1,662	1.1	1,661	1.1
Fiscal period ended August 2023	3,689	(8.4)	1,848	(9.6)	1,644	(9.0)	1,643	(9.0)

	Net income per unit (Note2)	Return on unitholders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
	(Yen)	%	%	%
Fiscal period ended February 2024	2,464	2.2	1.2	44.6
Fiscal period ended August 2023	2,436	2.2	1.2	44.6

(Note1) Percentage changes from the previous period are rounded to the first decimal place. The same shall apply hereinafter.

(Note2) Net income per unit is calculated by dividing net income by the weighted average number of investment units based on the number of days during the period.

## (2) Distributions

	Distributions per unit (excluding surplus cash distribution (SCD))	Total distributions (excluding SCD)	SCD per unit	Total SCD	Distributions per unit (including SCD)	Payout ratio	Distributions-to-net assets ratio
	(Yen)	(Millions of yen)	(Yen)	(Millions of yen)	(Yen)	%	%
Fiscal period ended February 2024	2,464	1,661	392	264	2,856	100.0	2.2
Fiscal period ended August 2023	2,407	1,623	419	282	2,826	98.8	2.2

(Note 1) Payout ratio = Distributions per unit (excluding SCD) ÷ Net income per unit × 100.

The dividend payout ratio for the fiscal period ending February 2024 is calculated based on the following formula, as new investment units were issued during the period. Payout ratio = Total distributions (excluding SCD) ÷ Net income × 100.

(Note 2) The ratio of distributions to net assets is calculated using the following formula:

Distributions per unit (excluding SCD) ÷ [(Net assets per unit at beginning of period + Net assets per unit at end of period) ÷ 2] × 100

(Note 3) The total amount of SCD for the fiscal year ended February 29, 2024 is entirely a refund of unitholders' capital that falls under the category of a distribution for reduction of capital and other expenditures under the tax law.

In the period ending February 29, 2024, the amount of provision for temporary difference adjustment was 19 million yen, and the amount of refund of investment, which falls under the category of distribution for reduction of unitholders' capital under the tax law, was 263 million yen.

(Note 4) The ratio of decreased surplus, etc. due to distributions in excess of earnings (refund of investment, which falls under the category of distribution for reduction of capital under the tax law) for the fiscal periods ended August 31 2023 and February 29 2024 is 0.004 for the fiscal period ended August 31 2023 and 0.004 for the fiscal period ended February 29 2024, respectively.

The calculation of the ratio of decreased surplus, etc. is based on the provisions of the Order for Enforcement of the Corporation Tax Act (Government Ordinance No. 97 of 1965, including subsequent amendments).

(3) Financial position

	Total assets	Net assets	Unitholders' equity ratio	Net assets per unit
	(Millions of yen)	(Millions of yen)	%	(Yen)
Fiscal period ended February 2024	135,180	74,307	55.0	110,182
Fiscal period ended August 2023	135,286	74,545	55.1	111,536

(4) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from 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 February 2024	2,728	(184)	(1,905)	6,044
Fiscal period ended August 2023	2,829	(6,654)	2,846	5,407

2. Forecast of Financial Results for the Fiscal Period ended August 31, 2024 (March 1, 2024 to August 31, 2024) and the Fiscal Period ended February 28, 2025 (September 1, 2024 to February 28, 2025).

(Percentages represent changes from the previous period)

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding SCD)	SCD per unit	Distributions per unit (including SCD)
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)	(Yen)	(Yen)
Fiscal period ended August 2024	3,785	1.5	1,858	(0.6)	1,642	(1.2)	1,641	(1.2)	2,434	396	2,830
Fiscal period ended February 2025	3,766	(0.5)	1,873	0.8	1,628	(0.9)	1,627	(0.9)	2,413	397	2,810

(Reference) Expected net income per unit (Forecast net income ÷ Expected number of investment units at end of period) is 2,434yen for the fiscal period ended August 2024 and 2,413 yen for the fiscal period ended February 2025.

3. Others

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

- (a) Changes in accounting policies associated with revision of accounting standards, etc.: None
- (b) Changes in accounting policies associated with other than (a): None
- (c) Changes in accounting estimates: None
- (d) Restatements: None

(2) Total number of investment units issued and outstanding

- (a) Total number of investment units issued and outstanding at the end of the fiscal period (including treasury investment units)
- (b) Total number of treasury investment units at the end of the fiscal period

Fiscal period ended August 2023	674,400 unit	Fiscal period ended February 2023	674,400 unit
Fiscal period ended August 2023	0 unit	Fiscal period ended February 2023	0 unit

Summaries of Financial Results are not audited by a certified public accountant or other independent auditor.

Other special instructions

(Note on forward-looking statements)

Forward-looking statements presented in this document are based on information currently available to Advance Logistics Investment Corporation ("ADL") and on certain assumptions deemed by management to be reasonable. As such, actual operating and other results may differ materially from these forecasts as a consequence of various factors. The above forecast does not guarantee the amount of the distribution.

Assumptions Underlying the Forecast for the Fiscal Periods ended August 2024 and February 2025

Item	Assumption																																	
Calculation period	<ul style="list-style-type: none"> <li>The 12th fiscal period ended August 2024 (March 1, 2024 to August 31, 2024) (184 days)</li> <li>The 13th fiscal period ended February 2025 (September 1, 2024 to February 28, 2025) (181 days)</li> </ul>																																	
Investment assets	<ul style="list-style-type: none"> <li>It is assumed that the acquisition of LOGITRES Sano (the "Acquired Asset") on April 2, 2024, in addition to the trust beneficiary interests in real estate held by ADL as of the end of February 2024 (the "Current Assets"), and that no other acquisition of new assets or disposal of owned assets will occur before the end of the fiscal period ending February 2025.</li> <li>Despite the assumption above, however, there may be changes in assets under management due to acquisition of new properties or disposition of existing properties.</li> </ul>																																	
Operating revenues	<ul style="list-style-type: none"> <li>Forecasted leasing business revenues for the Currently Owned Assets were calculated taking into consideration the content of lease agreements which have been executed and are effective as of February 29, 2024, or are scheduled to take effect by February 28 2025, as well as tenant and market trends, among other things.</li> <li>With regard to the rental revenue of iMissions Park Misato (ratio to INV's total rentable area as of April 2, 2024: 4.3%) and iMissions Park Tokyo Adachi (ratio to INV's total rentable area as of April 2, 2024: 5.3%), which received a notice of mid-term cancellation on March 12, 2024, we calculated the estimated rental revenue based on the contents of the rental application form which includes the rental period, leased area, rent and other leasing terms from the prospective tenant. ), the estimated rental revenues are calculated based on the contents of the lease application form from the prospective tenants, which describes the lease period, leased area, rent and other lease terms and conditions. (However, the contents of this lease application are not guaranteed, as there is a possibility that the contents may be changed or the application may be withdrawn.)</li> <li>Rent revenues of the Asset to be Acquired are calculated based on information provided by the current beneficial owner, taking into account the executed lease contracts, tenant trends, market trends, and other factors.</li> <li>It is assumed that no rent defaults or unpaid leases on the part of tenants will occur during the period of these forecasts.</li> <li>These forecasts are made based on the assumptions that there will be no profit or loss from the sale of real estate or other assets.</li> <li>Dividends received from equity interest in anonymous associations are calculated reflecting the expected occupancy of the real estate backing the cash flow.</li> </ul>																																	
Operating expenses	<ul style="list-style-type: none"> <li>Main items included under operating expenses are as follows: <span style="float: right;">(Millions of yen)</span></li> </ul> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Fiscal period ended August 2024</th> <th style="text-align: center;">Fiscal period ended February 2025</th> </tr> </thead> <tbody> <tr> <td>Expenses related to rent business</td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Facility management expenses</td> <td style="text-align: center;">46</td> <td style="text-align: center;">46</td> </tr> <tr> <td style="padding-left: 20px;">Property management contract expenses</td> <td style="text-align: center;">20</td> <td style="text-align: center;">22</td> </tr> <tr> <td style="padding-left: 20px;">Utility expenses</td> <td style="text-align: center;">70</td> <td style="text-align: center;">74</td> </tr> <tr> <td style="padding-left: 20px;">Repair expenses</td> <td style="text-align: center;">20</td> <td style="text-align: center;">14</td> </tr> <tr> <td style="padding-left: 20px;">Taxes and public dues</td> <td style="text-align: center;">352</td> <td style="text-align: center;">352</td> </tr> <tr> <td style="padding-left: 20px;">Depreciation costs</td> <td style="text-align: center;">890</td> <td style="text-align: center;">893</td> </tr> <tr> <td>General and administrative expenses</td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Asset management fees</td> <td style="text-align: center;">411</td> <td style="text-align: center;">407</td> </tr> <tr> <td style="padding-left: 20px;">Sponsor support agreement expenses</td> <td style="text-align: center;">13</td> <td style="text-align: center;">13</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>With the exception of depreciation costs, the forecast of real estate leasing business expenses, which are to be ADL's main operating expenses, are calculated based on historical data for the Currently Owned Assets and based on information provided by the current beneficiaries, etc. for the Assets to be Acquired, taking into account variable factors of expenses.</li> <li>Generally, in the purchase and sale of real estate or other assets, property tax and city planning tax, etc. are calculated on a pro-rata basis for the period with the current beneficiary, etc. and settled at the time of property acquisition, while ADL intends to include the amount equivalent to such settlement in the acquisition cost. Therefore, with regard to property tax and city planning tax, etc. for the Property to be Acquired, the property tax and city planning tax, etc. for the fiscal year 2025 will be recorded as expenses from the fiscal year ending August 31, 2025. The total amount of property tax and city planning tax, etc. to be included in the acquisition cost is assumed to be 7 million yen.</li> <li>Forecast repair expenses for buildings are estimated based on medium- to long-term repair plans developed by the asset management company, ITOCHU REIT Management Co., Ltd. ("IRM"). Repair expenses could suddenly increase, however, due to property damage caused by factors that are difficult to predict.</li> </ul>		Fiscal period ended August 2024	Fiscal period ended February 2025	Expenses related to rent business			Facility management expenses	46	46	Property management contract expenses	20	22	Utility expenses	70	74	Repair expenses	20	14	Taxes and public dues	352	352	Depreciation costs	890	893	General and administrative expenses			Asset management fees	411	407	Sponsor support agreement expenses	13	13
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Item	Assumption
	<p>Furthermore, repair expenses generally differ in amount over a fiscal year and are not incurred at regular intervals. Due to these and other factors, the forecast amounts of repair expenses may differ substantially from results.</p> <ul style="list-style-type: none"> <li>Forecast depreciation costs are calculated using the straight-line method, and include ancillary and other expenses.</li> <li>We assume 31 million yen in leasing brokerage fees for the period ending August 31, 2024.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>The forecast of non-operating expenses is 215 million yen for the fiscal period ended August 2024, and 244 million yen for the fiscal period ended February 2025.</li> <li>The forecast of interest expenses and other borrowing-related expenses is 212 million yen for the fiscal period ended August 2024 and 241 million yen for the fiscal period ended February 2025.</li> </ul>
Interest-bearing debt	<ul style="list-style-type: none"> <li>It is assumed that total interest-bearing debt will amount to 58,920 million yen at the end of the fiscal period ended August 2024, and 58,800 million yen at the end of the fiscal period ended February 2025.</li> <li>On April 2, 2024, ADL borrowed 1,500 million yen for a new loan.</li> <li>The loan-to-value (LTV) ratio is expected to be around 43.3% at the end of the fiscal period ended August 2024, and 43.2% at the end of the fiscal period ended February 2025. The LTV ratio is calculated by the following formula and is rounded to the first decimal place:  <math display="block">\text{LTV} = \text{total interest-bearing debt} \div \text{total assets} \times 100</math> </li> </ul>
Total number of investment units outstanding	<ul style="list-style-type: none"> <li>It is assumed that the total number of investment units issued and outstanding as of the date hereof (i.e., 674,400 units) remains the same until the end of the period ended August 2024.</li> <li>Distributions per unit (excluding SCD) and SCD per unit were calculated based on the expected total number of investment units issued and outstanding at the end of the fiscal period ended August 2024 and at the end of the fiscal period ended February 2025.</li> </ul>
Distributions per unit (excluding SCD)	<ul style="list-style-type: none"> <li>The forecast distributions per unit (excluding SCD) was calculated according to ADL's distribution policy described in its Articles of Incorporation, assuming that the entire amount of profits will be distributed.</li> <li>Despite the above, actual distributions per unit (excluding SCD) may differ for a variety of reasons, such as changes in assets under management, fluctuations in leasing business revenues due to tenant movements or other factors, or unforeseen events requiring repairs and maintenance.</li> </ul>
SCD per unit	<ul style="list-style-type: none"> <li>SCD per unit was calculated based on the policies stipulated in ADL's Articles of Incorporation and the asset management guidelines contained in the internal rules of IRM. Total SCD are estimated at 267 million yen in the fiscal period ended August 2024, and 267 million yen in the fiscal period ended February 2025.</li> <li>It is assumed that general economic conditions, trends in the real estate market in Japan, and ADL's financial position will not deteriorate substantially during the periods of these forecasts.</li> <li>From the perspective of ensuring the long-term maintenance of assets held and financial stability, ADL plans, in principle, to pay SCD continuously every fiscal period at an amount equivalent to 30% of depreciation expenses for the applicable fiscal period, taking into account past results related to capital expenditures, etc. and future prospects based on engineering reports, etc.</li> <li>In addition to the payment of SCD each successive fiscal period, additional SCD may be paid in order to even out the amount of distributions per unit if such distributions are expected to be temporarily reduced at a significant rate due to funds procurement through the issuance of new investment units or other factors.</li> <li>ADL may decide against distributing cash distributions in excess of realizable amounts if it deems such distributions to be unwise in light of economic conditions, trends in Japan's real estate and leasing markets, or the status of its property portfolio and financial position.</li> <li>If appraised LTV (Note) is expected to exceed 60% after cash distribution, ADL does not distribute SCD in order to ensure stable finances.  (Note) Appraised LTV = <math>A/B \times 100</math>  A = Total interest-bearing debt as of the closing date of the applicable fiscal period  B = Total assets on the balance sheet as of the closing date of the applicable fiscal period – amount of book value of owned real estate after depreciation, as of the closing date of the applicable fiscal period + appraised value of owned real estate as of the closing date of the applicable fiscal period </li> </ul>
Other	<ul style="list-style-type: none"> <li>Financial calculations and operating forecasts are based on the assumption that there will be no changes in legislation, taxation, accounting standards, regulations imposed on publicly listed companies by the Tokyo Stock Exchange, or rules or requirements imposed by the Investment Trusts Association, Japan, in any way that would impact the aforementioned forecasts.</li> <li>Financial calculations and operating forecasts are also based on the assumption that there will be no substantial changes in general economic and real estate market conditions in Japan.</li> <li>It is assumed that the COVID-19 pandemic will not adversely affect the performance of ADL's property portfolio.</li> </ul>

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheet

(Thousand of yen)

	Early period (August 31, 2023)	Current term period (February 29, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	2,731,448	3,539,129
Cash and deposits in trust	4,598,946	4,434,549
Operating accounts receivable	31,714	26,308
Consumption taxes receivable	-	326
Prepaid expenses	77,507	72,735
Prepayment	-	167,000
<b>Total current assets</b>	<b>7,439,618</b>	<b>8,240,048</b>
Non-current assets		
Property, plant and equipment		
Building in trust	66,537,977	66,544,768
Accumulated depreciation	(6,044,782)	(6,826,074)
Buildings in trust, net	60,493,194	59,718,694
Structures in trust	2,365,053	2,365,053
Accumulated depreciation	(505,896)	(570,904)
Structures in trust, net	1,859,157	1,794,148
Machinery and equipment in trust	1,857,632	1,857,632
Accumulated depreciation	(277,377)	(313,013)
Machinery and equipment in trust, net	1,580,254	1,544,619
Tools, furniture and fixtures in trust	5,543	9,203
Accumulated depreciation	(2,457)	(3,039)
Tools, furniture and fixtures in trust, net	3,085	6,163
Land in trust	63,677,308	63,677,308
<b>Total property, plant and equipment</b>	<b>127,613,001</b>	<b>126,740,934</b>
Intangible assets		
Software	225	-
<b>Total intangible assets</b>	<b>225</b>	<b>-</b>
Investments and other assets		
Investments in securities	11,233	11,233
Lease and guarantee deposits	10,000	10,000
Long-term prepaid expenses	195,171	163,315
Deferred tax assets	25	17
<b>Total investments and other assets</b>	<b>216,429</b>	<b>184,566</b>
<b>Total non-current assets</b>	<b>127,829,656</b>	<b>126,925,501</b>
Deferred assets		
Investment corporation bond issuance costs	17,523	15,396
<b>Total deferred assets</b>	<b>17,523</b>	<b>15,396</b>
<b>Total assets</b>	<b>135,286,798</b>	<b>135,180,946</b>

(Thousand of yen)

	Early period (August 31, 2023)	Current term period (February 29, 2024)
<b>Liabilities</b>		
current liabilities		
Operating accounts payable	51,815	45,254
Arrears	13,412	-
Accrued expenses	521,091	534,237
Current portion of long-term debt	-	9,070,000
Current portion of investment corporation bonds	-	1,500,000
Income taxes payable	1,080	919
Consumption taxes payable	107,204	236,827
Advances received	675,868	677,741
Other	3,878	13,365
Total current liabilities	1,374,351	12,078,345
Non-current liabilities		
Investment corporation bonds	3,500,000	2,000,000
Long-term loans payable	53,920,000	44,850,000
Tenant leasehold and security deposits in trust	1,923,191	1,928,914
Derivative liabilities	20,048	14,561
Other	3,552	1,932
Total non-current liabilities	59,366,792	48,795,408
Total liabilities	60,741,143	60,873,753
<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	74,666,554	74,666,554
Deductible amount of total investment		
Deductions from unitholders' capital	-	(2)(19,557)
Other deductions for total investments	(1,744,389)	(2,007,405)
Total deductible amount of capital contribution	(1,744,389)	(2,026,963)
Unitholders' capital, net	72,922,165	72,639,591
Surplus		
Unappropriated retained earnings (undisposed loss)	1,643,538	1,682,162
Total surplus	1,643,538	1,682,162
Total unitholders' equity	74,565,703	74,321,754
Valuation and translation adjustments		
Deferred gains or losses on hedges	(20,048)	(14,561)
Total valuation and translation adjustments	(20,048)	(14,561)
Total net assets	(1) 74,545,654	(1) 74,307,192
Total liabilities and net assets	135,286,798	135,180,946

## (2) Consolidated Statement of Income

(Thousand of yen)

	Early period (August 31, 2023)	Current term period (February 29, 2024)
<b>Operating revenues</b>		
Leasing business revenues	(1) 3,624,144	(1) 3,662,149
Other leasing business revenues	(1) 65,440	(1) 66,106
Dividends received	-	167
<b>Total operating revenues</b>	<b>3,689,585</b>	<b>3,728,423</b>
<b>Operating expenses</b>		
Expenses related to rent business	(1) -1,355,287	(1) -1,365,650
Asset management fees	410,342	417,319
Asset custody fee and Administrative service fees	14,126	14,331
Directors' compensations	2,640	2,640
Other operating expenses	58,791	59,484
<b>Total operating expenses</b>	<b>1,841,188</b>	<b>1,859,426</b>
<b>Operating income</b>	<b>1,848,396</b>	<b>1,868,997</b>
<b>Non-operating income</b>		
interest income	34	35
Reversal of accrued distributions	372	219
interest on refund	756	-
Subsidy income	-	326
Other income	117	-
<b>Total non-operating income</b>	<b>1,280</b>	<b>580</b>
<b>Non-operating expenses</b>		
Interest expenses	164,116	166,051
Interest on investment corporation bonds	7,026	6,933
Amortization of investment corporation bond issuance costs	2,127	2,127
Borrowing related expenses	30,381	30,599
Other	1,607	994
<b>Total non-operating expenses</b>	<b>205,259</b>	<b>206,707</b>
<b>Ordinary income</b>	<b>1,644,417</b>	<b>1,662,870</b>
<b>Income before income taxes</b>	<b>1,644,417</b>	<b>1,662,870</b>
Income taxes - current	1,109	958
Income taxes-deferred	(8)	7
<b>Total income taxes</b>	<b>1,101</b>	<b>966</b>
<b>Net income</b>	<b>1,643,316</b>	<b>1,661,904</b>
Retained earnings brought forward	222	20,257
<b>Unappropriated retained earnings (undisposed loss)</b>	<b>1,643,538</b>	<b>1,682,162</b>

(3) Consolidated Statement of Unitholders' Equity  
10th fiscal period (from March 1, 2023 to August 31, 2023)

(Thousands of yen)

	Total net assets					
	Unitholders' capital			Surplus		Total unitholders' equity
	Unitholders' capital	Deductions from unitholders' capital	Unitholders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus	
Balance at the beginning of current period	74,666,554	(1,366,725)	73,299,829	1,806,939	1,806,939	75,106,769
Changes of items during the period						
Distribution in Excess of Earnings		(377,664)	(377,664)			(377,664)
Distributions of retained earnings				(1,806,717)	(1,806,717)	(1,806,717)
Net income				1,643,316	1,643,316	1,643,316
Net changes of items other than unitholders' equity (Net Amount)						
Total changes of items during the period	-	(377,664)	(377,664)	(163,401)	(163,401)	(541,065)
Balance at the end of current period	(1) 74,666,554	(1,744,389)	72,922,165	1,643,538	1,643,538	74,565,703

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Valuation and translation adjustments total amount	
Balance at beginning of current period	(8,078)	(8,078)	75,098,690
Changes of items during period			
Surplus cash distribution			(377,664)
Distributions of retained earnings			(1,806,717)
Net income			1,643,316
Net changes of items other than unitholders' equity (Net Amount)	(11,970)	(11,970)	(11,970)
Total changes of items during period	(11,970)	(11,970)	(553,035)
Balance at end of current period	(20,048)	(20,048)	74,545,654



11th fiscal period (from September 1, 2023 to February 29, 2024)

(Thousands of yen)

	Unitholders' equity				
	Total amount of investment				
	Unitholders' capital	Deductible amount of total investment			total amount of investment (Net amount)
		Temporary difference, etc. Allowance for adjustments	Other Deductible amount of total investment	total amount of investment Total deductions	
Balance at the beginning of current period	74,666,554	-	(1,744,389)	(1,744,389)	72,922,165
Changes of items during period					
Surplus cash distribution		(19,557)		(19,557)	(19,557)
Distributions of retained earnings			(263,016)	(263,016)	(263,016)
Dividends from surplus					
Net income					
Net changes of items other than unitholders' equity (Net Amount)					
Total changes of items during period	-	(19,557)	(263,016)	(282,573)	(282,573)
Balance at end of current period	(1) 74,666,554	(19,557)	(2,007,405)	(2,026,963)	72,639,591

	Unitholders' equity			Valuation and translation adjustments		Total net assets
	Surplus		Unitholders' equity total amount	Deferred gains or losses on hedges	Valuation and translation adjustments total amount	
	Unappropriated retained earnings or unprocessed in the current period Loss (-)	Total surplus				
Balance at the beginning of current period	1,643,538	1,643,538	74,565,703	(20,048)	(20,048)	74,545,654
Changes of items during the period						
Distribution in excess of earnings due to provision for temporary differences			(19,557)			(19,557)
Other distributions in excess of earnings			(263,016)			(263,016)
Dividends from surplus	(1,623,280)	(1,623,280)	(1,623,280)			(1,623,280)
Net income	1,661,904	1,661,904	1,661,904			1,661,904
Net changes of items other than unitholders' equity				5,487	5,487	5,487
Total changes of items during the period	38,624	38,624	(243,949)	5,487	5,487	(238,462)
Balance at the end of current period	1,682,162	1,682,162	74,321,754	(14,561)	(14,561)	74,307,192

## (4) Consolidated Statement of Cash Flows

	(Thousands of yen)	
	Early period (From March 1, 2023 to August 31, 2023)	Current term period (From September 1, 2023 to February 29, 2024)
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,644,417	1,662,870
Depreciation costs	878,725	882,743
Amortization of investment corporation bond issuance expenses	2,127	2,127
interest income	(34)	(35)
interest expense	171,142	172,985
Decrease (increase) in operating accounts receivable	19,896	5,406
Decrease (increase) in consumption taxes refund receivable	401,932	-
Decrease (increase) in prepaid expenses	(8,018)	4,771
Decrease (increase) in long-term prepaid expenses	(654)	31,855
Increase (decrease) in operating accounts payable	(2,698)	(12,597)
Increase (decrease) in accrued expenses	(37,725)	14,827
Increase (decrease) in consumption taxes payable	63,719	129,622
Increase (decrease) in advances received	28,812	1,872
Other	(170,045)	7,614
Subtotal	2,991,597	2,904,066
Interest income received	34	35
Interest expenses paid	(160,941)	(174,667)
Income taxes paid	(1,070)	(1,120)
Net cash provided by operating activities	2,829,619	2,728,315
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment in trust	(6,654,995)	(17,827)
Deposit paid for acquisition of property, plant and equipment in trust	-	(167,000)
Net cash used in investing activities	(6,654,995)	(184,827)
<b>Cash flows from financing activities</b>		
Repayment of short-term loans payable	(170,000)	-
Repayments of long-term loans payable	5,200,000	-
Distributions paid	(2,183,830)	(1,905,927)
Net cash provided by financing activities	2,846,169	(1,905,927)
Net increase (decrease) in cash and cash equivalents	(979,205)	637,559
Cash and cash equivalents at beginning of period	6,386,409	5,407,204
Cash and cash equivalents at end of year	(1) 5,407,204	(1) 6,044,763