

18th Fiscal Period Asset Management Report

Mitsui Fudosan Logistics Park Inc.

6-8-7 Ginza, Chuo-ku, Tokyo

From: November 1, 2024
To: July 31, 2025

Mitsui Fudosan Logistics Park Inc.
Financial Summary

Fiscal period		18th period (From November 1, 2024 to July 31, 2025)	17th period (From August 1, 2024 to October 31, 2024)	16th period (From February 1, 2024 to July 31, 2024)	15th period (From August 1, 2023 to January 31, 2024)	14th period (From February 1, 2023 to July 31, 2023)
Operating revenues	(millions of yen)	26,382	6,498	12,413	11,845	11,478
[Of which: Property leasing business revenues]	(millions of yen)	[24,605]	[6,498]	[12,413]	[11,845]	[11,478]
Operating expenses	(millions of yen)	15,880	4,128	7,592	7,106	6,874
[Of which: Property leasing business expenses]	(millions of yen)	[12,323]	[3,295]	[6,202]	[5,849]	[5,652]
Operating income	(millions of yen)	10,501	2,369	4,821	4,738	4,604
Ordinary income	(millions of yen)	9,318	2,127	4,360	4,407	4,261
Net income	(millions of yen)	35,250	2,126	4,359	4,405	4,260
Total assets	(millions of yen)	565,163	385,994	386,162	361,107	350,013
[Period-on-period change] (Note 8)	(%)	[-]	[-]	[6.9]	[3.2]	[4.0]
Net assets	(millions of yen)	325,651	213,255	216,730	217,781	203,652
[Period-on-period change] (Note 8)	(%)	[-]	[-]	[(0.5)]	[6.9]	[(0.3)]
Interest-bearing debt	(millions of yen)	222,250	159,700	156,700	131,300	135,200
Unitholders' capital, net (Note 3)	(millions of yen)	210,423	211,128	212,371	213,374	199,391
Total number of investment units issued and outstanding	(units)	3,219,699	608,000	608,000	608,000	576,000
Net assets per unit (Note 9)	(yen)	101,143	87,687	356,465	358,192	353,562
Net income per unit (Note 4, 9)	(yen)	10,948	874	1,792	7,264	7,396
Total amount of distributions	(millions of yen)	11,684	2,831	5,602	5,409	5,071
Distribution per unit	(yen)	3,629	4,657	9,214	8,898	8,804
[Of which: Distribution of earnings per unit]	(yen)	[3,629]	[3,498]	[7,170]	[7,247]	[7,396]
[Of which: Allowance for temporary difference adjustments per unit]	(yen)	[-]	[23]	[47]	[37]	[11]
[Of which: Other distribution in excess of retained earnings per unit]	(yen)	[-]	[1,136]	[1,997]	[1,614]	[1,397]
Ratio of ordinary income to total assets (Note 5)	(%)	2.0	0.6	1.2	1.2	1.2
[Annualized]	(%)	[2.6]	[2.2]	[2.3]	[2.5]	[2.5]
Return on equity (Note 5)	(%)	13.1	1.0	2.0	2.1	2.1
[Annualized]	(%)	[17.5]	[3.9]	[4.0]	[4.1]	[4.2]
Equity ratio at end of period (Note 5)	(%)	57.6	55.2	56.1	60.3	58.2
[Period-on-period change] (Note 8)		[-]	[-]	[(4.2)]	[2.1]	[(2.5)]
Payout ratio (Note 5)	(%)	33.1	100.0	100.0	100.0	100.0
Other reference information						
Number of days of asset management during period	(days)	273	92	182	184	181
Number of investment properties at end of period	(properties)	48	30	30	27	25
Occupancy rate at end of period (Note 6)	(%)	95.6	100.0	100.0	99.8	99.8
Depreciation and amortization (Note 7)	(millions of yen)	6,525	1,652	3,296	3,108	2,984
Capital expenditures	(millions of yen)	936	62	352	168	194
Net operating income (NOI) from property leasing (Note 5)	(millions of yen)	18,807	4,854	9,507	9,104	8,810
Funds from operations (FFO) (Note 5)	(millions of yen)	14,066	3,778	7,656	7,514	7,244

Fiscal period		18th period (From November 1, 2024 to July 31, 2025)	17th period (From August 1, 2024 to October 31, 2024)	16th period (From February 1, 2024 to July 31, 2024)	15th period (From August 1, 2023 to January 31, 2024)	14th period (From February 1, 2023 to July 31, 2023)
FFO per unit (Notes 5, 9)	(yen)	4,368	1,553	12,592	12,359	12,578
Ratio of interest-bearing debt to total assets at end of period (LTV ratio) (Note 5)	(%)	39.3	41.4	40.6	36.4	38.6

(Note 1) Due to partial amendments to the Articles of Incorporation of Mitsui Fudosan Logistics Park Inc. (“MFLP-REIT”) resolved at the General Meeting of Unitholders held on September 30, 2024, MFLP-REIT changed its operating period of the 17th period from the six months from August 1, 2024 to January 31, 2025 to the three months from August 1, 2024 to October 31, 2024. The operating period of the 18th period was also changed to the nine months from November 1, 2024 to July 31, 2025.

(Note 2) Unless otherwise specified, any numerical figures are rounded down to the nearest specified unit and percentage figures are rounded to the first decimal place.

(Note 3) “Unitholders’ capital, net” is the amount of “Unitholders’ capital” less “Deduction from unitholders’ capital.”

(Note 4) “Net income per unit” is calculated by dividing net income by the daily weighted average number of investment units. Diluted net income per unit is not stated because there are no dilutive investment units.

(Note 5) The following formulas are used in calculations.

Ratio of ordinary income to total assets	$\text{Ordinary income} \div \{(\text{Total assets at beginning of period} + \text{Total assets at end of period}) \div 2\} \times 100$
Return on equity	$\text{Net income} \div \{(\text{Net assets at beginning of period} + \text{Net assets at end of period}) \div 2\} \times 100$
Equity ratio at end of period	$\text{Net assets at end of period} \div \text{Total assets at end of period} \times 100$
Payout ratio	$\text{Distribution per unit (excluding distribution in excess of retained earnings)} \div \text{Net income per unit} \times 100$ (rounded to the first decimal place) The payout ratio for the 15th period is calculated by the following formula, because new investment units were issued. $\text{Total amount of distribution (excluding distribution in excess of retained earnings)} \div \text{Net income} \times 100$ Net income for the 18th period includes a gain on bargain purchase of ¥25,932 million.
Net operating income (NOI) from property leasing	Property leasing business revenues – Property leasing business expenses + Depreciation and amortization
Funds from operations (FFO)	$\text{Net income} + \text{Depreciation and amortization of rental properties} + \text{Loss on retirement of non-current assets} \pm \text{Gain (loss) on sales of real estate properties}$ For the 18th period, FFO is calculated by using net income which does not include a gain on bargain purchase of ¥25,932 million.
FFO per unit	$\text{FFO} \div \text{Total number of investment units issued and outstanding}$
Ratio of interest-bearing debt to total assets at end of period (LTV ratio)	$\text{Interest-bearing debt at end of period} \div \text{Total assets at end of period} \times 100$

(Note 6) “Occupancy rate at end of period” is leased area of the building expressed as a percentage of leasable area of the building of each real estate properties in trust on each lease agreement concluded for each property as at the end of the fiscal period, rounded to the first decimal place.

(Note 7) “Depreciation and amortization” is depreciation and amortization of investment and rental property.

(Note 8) Due to the change in operating period, the percentages of period-on-period changes for the 17th period were not shown because the 17th period was the three months from August 1, 2024 to October 31, 2024 while the 16th period was the six months from February 1, 2024 to July 31, 2024. The percentages of period-on-period changes for the 18th period were not shown because the 18th period was the nine months from November 1, 2024 to July 31, 2025 while the 17th period was the three months from August 1, 2024 to October 31, 2024.

(Note 9) MFLP-REIT split one investment unit into four investment units with October 31, 2024 as the record date and November 1, 2024 as the effective date. Net assets per share and FFO per share are calculated based on the assumption that the split of investment units (the “Split of Investment Units”) had been implemented at the beginning of the 16th period.

Mitsui Fudosan Logistics Park Inc.
Balance Sheets

	(Thousands of yen)	
	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
Assets		
Current assets		
Cash and deposits (Notes 4 and 5)	¥ 13,705,411	¥ 887,846
Cash and deposits in trust (Notes 4 and 5)	11,428,955	9,071,842
Operating accounts receivable	491,817	379,454
Prepaid expenses	140,783	122,583
Consumption taxes receivable	-	512,855
Other	52,034	6,083
Total current assets	25,819,002	10,980,665
Non-current assets		
Property and equipment (Note 7)		
Buildings in trust	271,941,225	204,986,874
Structures in trust	8,379,142	6,456,763
Machinery and equipment in trust	5,861,369	4,318,951
Vehicles and transport equipment in trust	4,274	4,274
Tools, furniture and fixtures in trust	171,110	139,637
Land in trust	287,441,890	187,125,473
Construction in progress in trust	29,316	20,048
Less: accumulated depreciation	(37,063,938)	(30,697,258)
Total property and equipment	536,764,391	372,354,762
Intangible assets		
Land leasehold rights in trust	2,252,545	2,290,657
Software	116	378
Total intangible assets	2,252,661	2,291,036
Investments and other assets		
Lease and guarantee deposits	68,468	68,468
Long-term prepaid expenses	190,094	245,460
Deferred tax assets (Note 11)	-	12
Derivatives (Notes 5 and 6)	32,089	-
Other	1,050	1,050
Total investments and other assets	291,701	314,991
Total non-current assets	539,308,754	374,960,790
Deferred assets		
Investment unit issuance expenses (Note 2)	8,745	22,368
Investment corporation bond issuance costs (Note 2)	27,405	30,676
Total deferred assets	36,151	53,045
Total assets	¥ 565,163,908	¥ 385,994,501

Mitsui Fudosan Logistics Park Inc.
Balance Sheets

(Thousands of yen)

	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
Liabilities		
Current liabilities		
Operating accounts payable	¥ 752,190	¥ 802,546
Short-term loans payable (Notes 5 and 9)		5,000,000
Current portion of long-term loans payable (Notes 5 and 9)	18,500,000	5,700,000
Accounts payable	2,685,570	903,456
Accrued expenses	28,980	212,312
Income taxes payable	907	427
Accrued consumption taxes	427,359	460,232
Advances received	2,680,400	2,099,465
Other	1,237	1,885
Total current liabilities	25,076,646	15,180,326
Non-current liabilities		
Investment corporation bonds (Notes 5 and 9)	7,000,000	5,000,000
Long-term loans payable (Notes 5 and 9)	196,750,000	144,000,000
Tenant leasehold and security deposits in trust (Note 5)	10,520,206	8,393,851
Asset retirement obligations	162,404	159,635
Other	3,447	5,294
Total non-current liabilities	214,436,058	157,558,781
Total liabilities	239,512,705	172,739,108
Net assets		
Unitholders' equity		
Unitholders' capital	218,093,898	218,093,898
Units authorized: 32,000,000 units as of July 31, 2025 and 8,000,000 units as of October 31, 2024		
Units issued and outstanding: 3,219,699 units as of July 31, 2025 and 608,000 units as of October 31, 2024		
Deduction from unitholders' capital		
Allowance for temporary difference adjustments (Note 8)	(71,392)	(57,408)
Other deduction from unitholders' capital	(7,598,835)	(6,908,147)
Total deduction from unitholders' capital	(7,670,227)	(6,965,555)
Unitholders' capital (net)	210,423,670	211,128,342
Surplus		
Capital surplus (Note 4)	79,951,448	-
Unappropriated retained earnings (undisposed loss) (Note 8)	35,250,479	2,127,050
Total surplus	115,201,927	2,127,050
Total unitholders' equity	325,625,598	213,255,393
Valuation and translation adjustments		
Deferred gains or losses on hedges	25,604	-
Total valuation and translation adjustments	25,604	-
Total net assets (Notes 8 and 12)	325,651,203	213,255,393
Total liabilities and net assets	¥ 565,163,908	¥ 385,994,501

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

Net Assets

Mitsui Fudosan Logistics Park Inc. Statements of Income

	(Thousands of yen)	
	18th period (From November 1, 2024 to July 31, 2025)	17th period (From August 1, 2024 to October 31, 2024)
Operating revenues		
Property-related revenues (Notes 10 and 16)	¥ 23,260,080	¥ 5,960,877
Other property-related revenues (Notes 10 and 16)	1,345,396	537,595
Gain on sale of real estate properties (Note 10)	1,776,787	-
Total operating revenues	26,382,264	6,498,472
Operating expenses		
Property-related expenses (Note 10)	12,323,971	3,295,873
Asset management fee	3,076,602	563,479
Asset custody and administrative service fees (Note 3)	81,659	26,013
Directors' compensations	9,900	3,300
Audit fee	15,800	12,000
Merger expenses	168,445	178,177
Other operating expenses	204,513	49,760
Total operating expenses	15,880,892	4,128,605
Operating income	10,501,371	2,369,866
Non-operating income		
Interest income	7,047	860
Insurance income	15,425	871
Reversal of distributions payable	1,323	790
Other	979	0
Total non-operating income	24,776	2,522
Non-operating expenses		
Interest expense	1,121,524	221,691
Interest expenses on investment corporation bonds	31,021	7,914
Amortization of investment corporation bond issuance costs	3,271	1,102
Amortization of investment unit issuance expenses	13,622	9,249
Borrowing related expenses	34,322	2,756
Other	4,105	2,400
Total non-operating expenses	1,207,868	245,114
Extraordinary income		
Gain on bargain purchase	25,932,853	-
Total extraordinary income	25,932,853	-
Income before income taxes	35,251,132	2,127,274
Income taxes - current	907	559
Income taxes - deferred	12	5
Total income taxes (Note 11)	919	564
Net income (Note 12)	¥ 35,250,212	¥ 2,126,709
Retained earnings brought forward	266	340
Unappropriated retained earnings (undisposed loss) (Note 8)	¥ 35,250,479	¥ 2,127,050

	(Yen)	
	18th period (From November 1, 2024 to July 31, 2025)	17th period (From August 1, 2024 to October 31, 2024)
Net income per unit (Note 12)	¥ 10,948	¥ 874

* MFLP-REIT split one investment unit into four investment units with October 31, 2024 as the record date and November 1, 2024 as the effective date. Net income per unit is calculated based on the assumption that the Split of Investment Units had been implemented at the beginning of the 17th period.

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

Mitsui Fudosan Logistics Park Inc.
Statements of Changes in Net Assets

	Number of units	Unitholders' equity (thousands of yen)				
		Unitholders' capital	Deduction from unitholders' capital			Unitholders' capital (net)
			Allowance for temporary difference adjustments	Other deduction from unitholders' capital	Total deduction from unitholders' capital	
Balance as of August 1, 2024	608,000	¥218,093,898	¥ (28,832)	¥ (5,693,971)	¥ (5,722,803)	¥212,371,094
Distribution in excess of retained earnings from allowance for temporary difference adjustments	-	-	(28,576)	-	(28,576)	(28,576)
Other distribution in excess of retained earnings	-	-	-	(1,214,176)	(1,214,176)	(1,214,176)
Dividends of earnings	-	-	-	-	-	-
Net income	-	-	-	-	-	-
Balance as of October 31, 2024	608,000	¥218,093,898	¥ (57,408)	¥ (6,908,147)	¥ (6,965,555)	¥211,128,342
Unit split of investment units with October 31, 2024 as the record date and November 1, 2024 as the effective date	1,824,000					
Increase by merger	787,699	-	-	-	-	-
Distribution in excess of retained earnings from allowance for temporary difference adjustments	-	-	(13,984)	-	(13,984)	(13,984)
Other distribution in excess of retained earnings	-	-	-	(690,688)	(690,688)	(690,688)
Dividends of earnings	-	-	-	-	-	-
Net income	-	-	-	-	-	-
Net changes in items other than unitholders' equity during the period	-	-	-	-	-	-
Balance as of July 31, 2025	3,219,699	¥218,093,898	¥ (71,392)	¥ (7,598,835)	¥ (7,670,227)	¥210,423,670

	Unitholders' equity (thousands of yen)				Valuation and translation adjustments		Total net assets (thousands of yen)
	Surplus			Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Capital surplus	Unappropriated retained earnings (undisposed loss)	Total surplus				
Balance as of August 1, 2024	¥ -	¥ 4,359,700	¥ 4,359,700	¥216,730,795	¥ -	¥ -	¥ 216,730,795
Distribution in excess of retained earnings from allowance for temporary difference adjustments	-	-	-	(28,576)	-	-	(28,576)
Other distribution in excess of retained earnings	-	-	-	(1,214,176)	-	-	(1,214,176)
Dividends of earnings	-	(4,359,360)	(4,359,360)	(4,359,360)	-	-	(4,359,360)
Net income	-	2,126,709	2,126,709	2,126,709	-	-	2,126,709
Balance as of October 31, 2024	¥ -	¥ 2,127,050	¥ 2,127,050	¥213,255,393	¥ -	¥ -	¥ 213,255,393
Unit split of investment units with October 31, 2024 as the record date and November 1, 2024 as the effective date							
Increase by merger	79,951,448	-	79,951,448	79,951,448	-	-	79,951,448
Distribution in excess of retained earnings from allowance for temporary difference adjustments	-	-	-	(13,984)	-	-	(13,984)
Other distribution in excess of retained earnings	-	-	-	(690,688)	-	-	(690,688)
Dividends of earnings	-	(2,126,784)	(2,126,784)	(2,126,784)	-	-	(2,126,784)
Net income	-	35,250,212	35,250,212	35,250,212	-	-	35,250,212
Net changes in items other than unitholders' equity during the period	-	-	-	-	25,604	25,604	25,604
Balance as of July 31, 2025	¥79,951,448	¥ 35,250,479	¥115,201,927	¥325,625,598	¥ 25,604	¥ 25,604	¥ 325,651,203

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

Mitsui Fudosan Logistics Park Inc.
Statements of Cash Flows

	(Thousands of yen)	
	18th period (From November 1, 2024 to July 31, 2025)	17th period (From August 1, 2024 to October 31, 2024)
Cash flows from operating activities:		
Income before income taxes	¥ 35,251,132	¥ 2,127,274
Depreciation and amortization	6,525,790	1,652,217
Gain on bargain purchase	(25,932,853)	-
Amortization of investment corporation bond issuance costs	3,271	1,102
Amortization of investment unit issuance expenses	13,622	9,249
Interest income	(7,047)	(860)
Interest expense	1,152,546	229,605
Insurance income	(15,425)	(871)
Decrease (increase) in operating accounts receivable	(65,691)	(47,522)
Decrease (increase) in prepaid expenses	(2,312)	(14,149)
Decrease (increase) in long-term prepaid expenses	77,023	22,443
Decrease (increase) in consumption taxes receivable	512,855	(37,935)
Increase (decrease) in accrued consumption taxes	(129,216)	460,232
Increase (decrease) in operating accounts payable	(416,256)	337,414
Increase (decrease) in accounts payable	1,062,177	(645,279)
Increase (decrease) in advances received	(67,678)	790
Decrease in property and equipment in trust due to sale	9,893,176	-
Other, net	(64,507)	(2,142)
Subtotal	27,790,607	4,091,570
Interest income received	7,047	860
Interest expense paid	(1,354,483)	(29,957)
Insurance income received	16,297	-
Income taxes paid	(11,470)	(1,104)
Net cash provided by (used in) operating activities	26,447,998	4,061,368
Cash flows from investing activities:		
Purchase of property and equipment in trust	(14,680,942)	(260,777)
Repayments of tenant leasehold and security deposits in trust	(743,701)	(48,030)
Proceeds from tenant leasehold and security deposits in trust	933,884	16,783
Proceeds from refund of leasehold and guarantee deposits	10,000	-
Net cash provided by (used in) investing activities	(14,480,759)	(292,024)
Cash flows from financing activities:		
Proceeds from short-term loans payable	9,000,000	6,500,000
Repayments of short-term loans payable	(21,300,000)	(3,500,000)
Proceeds from long-term loans payable	25,300,000	3,000,000
Repayments of long-term loans payable	(10,050,000)	(3,000,000)
Redemption of investment corporation bonds	(1,500,000)	-
Payment of distribution of earnings	(2,256,052)	(4,186,383)
Payment of distribution in excess of retained earnings	(704,617)	(1,243,109)
Other, net	(18,920)	-
Net cash provided by (used in) financing activities	(1,529,590)	(2,429,493)
Net increase (decrease) in cash and cash equivalents	10,437,648	1,339,850
Cash and cash equivalents at beginning of period	9,959,688	8,619,837
Increase in cash and cash equivalents resulting from merger	4,737,029	-
Cash and cash equivalents at end of period (Note 4)	¥ 25,134,367	¥ 9,959,688

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

Mitsui Fudosan Logistics Park Inc.

Notes to Financial Statements

1. Organization and Basis of Presentation

a. Organization

Mitsui Fudosan Logistics Park Inc. (“MFLP-REIT”), a Japanese real estate investment corporation, was established on March 4, 2016 under the Act on Investment Trusts and Investment Corporations of Japan (Act No. 198 of 1951, including subsequent amendments; the “Investment Trust Act”), by Mitsui Fudosan Logistics REIT Management Co., Ltd. (the “Asset Management Company”) as the organizer with investments in capital of ¥300 million (600 investment units). Registration with the Kanto Local Finance Bureau of the Ministry of Finance of Japan was completed on March 25, 2016. The investment units were listed on the Real Estate Investment Trust Securities Market (J-REIT section) of Tokyo Stock Exchange, Inc. on August 2, 2016 (Securities Code: 3471).

MFLP-REIT started acquisition of properties on August 2, 2016. With Mitsui Fudosan Co., Ltd. (“Mitsui Fudosan”) as a sponsor, MFLP-REIT invests primarily in logistics facilities with a particular focus on MFLP facilities, that is, leading-edge logistics facilities with Mitsui Fudosan quality. This focus has been chosen in light of MFLP-REIT’s goal of establishing a portfolio that emphasizes location, quality and balance.

On August 5, 2024, MFLP-REIT executed a merger agreement with Advance Logistics Investment Corporation (“ADL”). On November 1, 2024, MFLP-REIT conducted an absorption-type merger, whereby MFLP-REIT is the surviving corporation and ADL is the dissolving corporation (the “Merger”).

As of July 31, 2025, MFLP-REIT held 48 properties with the total acquisition price of ¥569.4 billion.

b. Basis of presentation

The accompanying financial statements of MFLP-REIT have been prepared in accordance with accounting principles generally accepted in Japan (“Japanese GAAP”), including provisions set forth in the Financial Instruments and Exchange Act of Japan, the Investment Trust Act and the related regulations, which are different in certain respects as to application and disclosure requirements of the International Financial Reporting Standards.

The accompanying financial statements are based on the financial statements of MFLP-REIT, which were prepared in accordance with Japanese GAAP and were presented in its Asset Management Report published for Japanese investors. In preparing the accompanying financial statements, certain reclassifications and modifications have been made to the financial statements issued domestically in order to present them in a format which is more familiar to readers outside Japan.

MFLP-REIT’s fiscal period was a six-month period, which ends at the end of January and July of each year. By a resolution of the General Meeting of Unitholders held on September 30, 2024, MFLP-REIT changed its operating period of the 17th period from the six months from August 1, 2024 to January 31, 2025 to the three months from August 1, 2024 to October 31, 2024. The operating period of the 18th period was also changed to the nine months from November 1, 2024 to July 31, 2025.

MFLP-REIT does not prepare consolidated financial statements as it has no subsidiaries.

Unless otherwise specified, amounts have been rounded down to the nearest thousand yen in the accompanying financial statements and the notes thereto, as permitted by the Financial Instruments and Exchange Act of Japan. As a result, the totals shown in the financial statements and notes thereto do not necessarily agree with the sum of the individual amounts.

2. Summary of Significant Accounting Policies

a. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and cash in trust, readily-available bank deposits, readily-available bank deposits in trust and short-term investments that are readily convertible to cash and realizable with a maturity of three months or less when purchased and that are subject to an insignificant risk of changes in value.

b. Property and equipment

Property and equipment (including those in trust) are stated at cost, which includes the original purchase price and related acquisition costs and expenses. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives. The useful lives of principal property and equipment are as follows:

Buildings:	2 to 63 years
Structures:	2 to 50 years
Machinery and equipment:	2 to 28 years
Vehicles:	4 to 7 years
Tools, furniture and fixtures:	2 to 15 years

c. Intangible assets (including those in trust)

Intangible assets are stated at cost, which includes the original purchase price and related acquisition costs and expenses. Amortization of intangible assets is calculated using the straight-line method over the estimated useful lives. Amortization of software for internal use is calculated using the straight-line method over the estimated useful lives of five years at MFLP-REIT. In addition, amortization of land leasehold rights in trust is calculated using the straight-line method over the remaining period of the fixed-term land lease agreement.

d. Investment unit issuance expenses

Investment unit issuance expenses are amortized using the straight-line method over a three-year period.

e. Investment corporation bond issuance costs

Investment corporation bond issuance costs are amortized using the straight-line method over the period up to redemption.

f. Recognition standard for revenues

Details of the main performance obligations related to MFLP-REIT's revenues from contracts with customers and the usual time at which the performance obligations are fulfilled (the usual time at which revenues are recognized) are as follows.

(i) Sale of real estate properties, etc.

For sales of real estate properties, etc., revenue is recognized when the customer, the buyer, obtains control of the real estate properties, etc. by fulfilling the delivery obligations stipulated in the agreement for sale and purchase of real estate properties, etc. In the statements of income, "gain on sale of real estate properties" or "loss on sale of real estate properties" is presented as "proceeds from sale of real estate properties" less "cost of sales of real estate properties," which is the book value of real estate properties sold, and "other sales expenses," which are expenses directly related to the sales.

(ii) Utilities charges

For utilities charges, revenues are recognized based on the supply of electricity, water, and so forth to the lessee, who is the customer, in accordance with the lease contract for the real estate properties, etc. and the appended agreement details. Utilities charges are included in "other property-related revenues" in the statements of income and presented in the breakdown of "other property-related revenues" in Note 10. "Property Leasing Business Revenues and Expenses."

g. Taxes on property and equipment

With respect to property taxes, city planning taxes and depreciable asset taxes imposed on real estate properties or trust beneficiary interests in real estate, of the tax amount assessed and determined, the amount corresponding to the relevant fiscal period is accounted for as property-related expenses.

Of the amounts paid for the acquisitions of real estate properties or trust beneficiary interests in real estate, the amount equivalent to property-related taxes is capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses. No property-related taxes were capitalized for the 17th period. For the 18th period, capitalized property-related taxes amounted to ¥18,895 thousand.

h. Hedge accounting

(i) Hedge accounting method

Deferral hedge accounting is applied. However, the special treatment is applied to the interest rate swaps that meet the requirements for special treatment.

(ii) Hedging instruments and hedged items

Hedging instruments: Interest rate swap transactions

Hedged items: Interest on loans

(iii) Hedging policy

In accordance with the regulations governing its risk management policy, MFLP-REIT enters into derivative transactions for the purpose of hedging risks stipulated in MFLP-REIT's Articles of Incorporation.

(iv) Methods of evaluating hedge effectiveness

The effectiveness of hedging activities is evaluated by comparing the cumulative changes in cash flows of the hedged items with the cumulative changes in cash flows of the hedging instruments and verifying the ratio of the amount of change in both. However, for interest rate swaps that meet the requirements for special treatment, the evaluation of effectiveness is omitted.

i. Trust beneficiary interests in real estate

As to trust beneficiary interests in real estate that have real estate properties as assets in trust, all accounts of assets and liabilities within assets in trust as well as all income generated and expenses incurred from assets in trust are recorded in the relevant balance sheet and statement of income account items.

The following material items of the assets in trust recorded in the relevant account items are separately presented in the accompanying balance sheets.

- (1) Cash and deposits in trust
- (2) Buildings in trust, structures in trust, machinery and equipment in trust, vehicles and transport equipment in trust, tools, furniture and fixtures in trust, land in trust, construction in progress in trust and land leasehold rights in trust
- (3) Tenant leasehold and security deposits in trust

j. Significant accounting estimates

Impairment of non-current assets

- (1) Amounts recorded on the accompanying financial statements

	(Thousands of yen)	
	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
Property and equipment	¥ 536,764,391	¥ 372,354,762
Intangible assets	2,252,545	2,290,657

- (2) Information on the nature of significant accounting estimates for identified items

In accordance with the Accounting Standard for Impairment of Fixed Assets, MFLP-REIT reduces the book value of non-current assets to their recoverable amounts, when the invested amount may not be recoverable due to decrease in profitability.

MFLP-REIT's investment properties are grouped on an individual asset basis. MFLP-REIT reviews the investment properties for impairment when consecutive operating losses, significant decline in the market price, deteriorated business environment and other factors related to investment properties indicate that the carrying amount of an asset may not be recoverable.

Expected future cash flows are used for review for impairment of an asset. When MFLP-REIT determines that it is necessary to recognize an impairment loss, the book value of the asset is reduced to the respective recoverable amount based on the appraisal value estimated by an external real estate appraiser, and the difference between the book value and recoverable amount is recorded as an impairment loss.

Future cash flows are determined by comprehensive judgement on estimates based on market trends on rental revenues, occupancy rates, property-related expenses and other factors as well as transaction information of similar properties.

Operating results and market price of each investment property may be affected by trends in property leasing market and property trading market. It is possible to have impact on MFLP-REIT's financial position and result of operations in the next fiscal period if assumptions used in estimates change.

k. Note related to new accounting standards not yet applied

Accounting Standard for Leases, Etc.

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

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

(1) Details

As part of its efforts for ensuring that Japanese GAAP is consistent with international accounting standards, the ASBJ conducted a review, taking into consideration international accounting standards, toward the development of the Accounting Standard for Leases for recognizing assets and liabilities for all leases held by a lessee. Accordingly, the ASBJ issued the Accounting Standard for Leases, etc., which were developed under a basic policy with the aim of being simple and highly convenient by incorporating only the key provisions of IFRS 16 instead of all the provisions, despite being based on the single accounting model of IFRS 16, while the adjustments are not required basically even when the provisions of IFRS 16 are applied for non-consolidated financial statements.

Regarding the method for allocating the lessee’s lease expenses for lessee accounting treatment, a single accounting model is applied for recording the depreciation related to right-of-use assets and the amount equivalent to the interest on lease liabilities for all leases regardless of whether a lease is a finance lease or an operating lease. This is the same as under IFRS 16.

(2) Effective date

The standards and guidance will be effective from the beginning of the fiscal period ending January 31, 2028.

(3) Effects of application of the standards and guidance

The effects of application of Accounting Standard for Leases, etc. on the financial statements are currently under evaluation.

3. Changes in presentation

“Asset custody fee” and “administrative service fees,” which were separately presented under “operating expenses” in prior fiscal periods, have been consolidated into “asset custody and administrative service fees” beginning of the fiscal period ended July 31, 2025 due to the unification of fee calculations. To reflect this change in presentation, the financial statements for the fiscal period ended October 31, 2024 have been reclassified.

As a result, ¥9,654 thousand presented as “asset custody fee” and ¥16,359 thousand presented as “administrative service fees” under “operating expenses” in the statements of income for the fiscal period ended October 31, 2024 have been reclassified as “asset custody and administrative service fees” of ¥26,013 thousand.

4. Cash and Cash Equivalents

Reconciliation between cash and cash equivalents and accounts and amounts in the balance sheets is as follows:

	(Thousands of yen)	
	18th period (From November 1, 2024 to July 31, 2025)	17th period (From August 1, 2024 to October 31, 2024)
Cash and deposits	¥ 13,705,411	¥ 887,846
Cash and deposits in trust	11,428,955	9,071,842
Cash and cash equivalents	¥ 25,134,367	¥ 9,959,688

The major components of assets received and liabilities assumed from ADL, which was absorbed in the Merger in the fiscal period ended July 31, 2025, are as follows. Capital surplus increased by ¥79,951,448 thousand due to the Merger.

	(Thousands of yen)
	18th period (From November 1, 2024 to July 31, 2025)
Current assets	¥ 4,800,788
Non-current assets	166,008,141
Total assets	¥ 170,808,929
Current liabilities	¥ 19,638,136
Non-current liabilities	45,286,491
Total liabilities	¥ 64,924,628

5. Financial Instruments

a. Status of financial instruments

(1) Policy for financial instruments

MFLP-REIT procures funds for acquisition of assets or repayment of debts mainly through issuance of investment units, loans or issuance of investment corporation bonds.

MFLP-REIT generally invests surplus funds in deposits considering safety of the investments although surplus funds could be invested in securities and monetary claims as a matter of policy.

MFLP-REIT enters into derivative transactions to a limited extent for the purpose of avoiding the risk of interest rate fluctuation and other risks. MFLP-REIT does not engage in speculative transactions.

(2) Financial instruments, their associated risks and risk management system

Deposits are used for investment of MFLP-REIT's surplus funds, and are exposed to credit risk such as failure of the financial institutions holding the deposits. MFLP-REIT limits the credit risk by restricting the deposit periods to short terms and selecting financial institutions that have high credit ratings.

Proceeds from loans and investment corporation bonds are used mainly to acquire real estate properties or refinance existing loans. While these loans are exposed to liquidity risk at the time of repayment, MFLP-REIT mitigates the liquidity risk by diversifying its means of fund procurement and lending financial institutions, dispersing repayment dates, establishing commitment lines and securing liquidity on hand, and also controls the liquidity risk by preparing monthly fund management plans.

In addition, loans with floating interest rates are exposed to the risk of interest rate rising. MFLP-REIT limits the impact of interest rate rises on its operations by keeping the ratio of interest-bearing debt to total assets at a low level and maintaining the ratio of fixed-rate long-term loans at a high level, and by using derivative transactions (interest rate swaps) to limit the risk.

(3) Supplementary explanation regarding fair values of financial instruments

Since variable factors are reflected in estimating the fair value of financial instruments, different assumptions and factors could result in a different value. The contract amount regarding derivative transactions in the following section, "b. Estimated fair value of financial instruments," does not directly indicate market risk related to derivative transactions.

b. Estimated fair value of financial instruments

The carrying amounts, fair values and their differences as of July 31, 2025 and October 31, 2024 are as follows. Information on cash and deposits, cash and deposits in trust and short-term loans payable is omitted because the fair value is approximately the same as the book value since these are settled with cash and within a short period of time. Information on tenant leasehold and security deposits in trust is also omitted due to its immateriality.

(Thousands of yen)

18th period (As of July 31, 2025)	Carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	¥ 18,500,000	¥ 18,303,189	¥ (196,810)
(2) Investment corporation bonds	7,000,000	6,514,500	(485,500)
(3) Long-term loans payable	196,750,000	189,802,820	(6,947,179)
Total liabilities	¥222,250,000	¥214,620,509	¥ (7,629,490)
(4) Derivatives (special treatment of interest rate swaps)	¥ -	¥ 790,740	¥ 790,740
(5) Derivatives (deferred hedge accounting of interest rate swaps)	32,089	32,089	-

(Thousands of yen)

17th period (As of October 31, 2024)	Carrying amount	Fair value	Difference
(1) Current portion of long-term loans payable	¥ 5,700,000	¥ 5,653,995	¥ (46,004)
(2) Investment corporation bonds	5,000,000	4,808,800	(191,200)
(3) Long-term loans payable	144,000,000	133,279,463	(10,720,536)
Total liabilities	¥154,700,000	¥143,742,259	¥(10,957,740)

* The value of assets and liabilities arising from derivatives is shown at net value with amounts in parentheses representing net liability position.

(Note 1) Methods to estimate fair values of financial instruments

(1) Current portion of long-term loans payable and (3) Long-term loans payable

For long-term loans payable with floating interest rates, their book value is used to determine the fair value since they reflect market interest rates in a short period of time and the MFLP-REIT's credit condition has not changed significantly since the loans were executed. However, in the case of long-term loans payable with floating interest rates hedged by interest rate swaps accounted for by the special treatment, fair value is measured at the present value of the sum of principal and interest adjusted to reflect the interest rate swap's cash flows. Said sum is discounted to present value at the rationally estimated interest rate which would be applied if a similar new loan were entered into.

The fair value of long-term loans payable with fixed interest rates is determined based on the present value being calculated by discounting the sum of principal and interest by the assumed interest rate which would be applied if a similar new loan were entered into.

(2) Investment corporation bonds

The fair value is determined based on the market price.

(Note 2) Repayment schedule for long-term loans and investment corporation bonds

(Thousands of yen)

18th period (As of July 31, 2025)	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	-	-	-	-	-	¥ 7,000,000
Long-term loans payable	¥ 18,500,000	¥ 20,720,000	¥ 29,300,000	¥ 25,830,000	¥ 25,700,000	¥ 95,200,000
Total	¥ 18,500,000	¥ 20,720,000	¥ 29,300,000	¥ 25,830,000	¥ 25,700,000	¥ 102,200,000

(Thousands of yen)

17th period (As of October 31, 2024)	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	-	-	-	-	-	¥ 5,000,000
Long-term loans payable	¥ 5,700,000	¥ 10,500,000	¥ 18,800,000	¥ 19,300,000	¥ 15,700,000	¥ 79,700,000
Total	¥ 5,700,000	¥ 10,500,000	¥ 18,800,000	¥ 19,300,000	¥ 15,700,000	¥ 84,700,000

6. Derivative Transactions

a. Derivatives not applying hedge accounting

For the fiscal period ended July 31, 2025

Not applicable.

For the fiscal period ended October 31, 2024

Not applicable.

b. Derivatives applying hedge accounting

The following table shows the contracted amount or principal equivalent amount as set forth in the contract as of the balance sheet date for each hedge accounting method.

For the fiscal period ended July 31, 2025

(Thousands of yen)

Method of hedge accounting	Type of derivative transactions	Main hedged item	Contract amount (*1)		Fair value (*2)
				Over one year	
Special treatment of interest rate swaps	Interest rate swaps Floating rate receivable, fixed rate payable	Long-term loans payable	¥39,170,000	¥34,170,000	¥790,740 (*3)
Deferred hedge accounting	Interest rate swaps Floating rate receivable, fixed rate payable	Long-term loans payable	2,180,000	2,180,000	32,089
Total			¥41,350,000	¥36,350,000	¥822,829

(*1) The contract amount is based on the notional principals.

(*2) The fair value is evaluated at the prices calculated by the counterparty of these transactions based on the prevailing interest rates.

(*3) Special accounting treatment is applied to the interest rate swaps in accordance with the “Accounting Standard for Financial Instruments” and therefore interest rate swaps are not stated at fair value in the balance sheets.

For the fiscal period ended October 31, 2024

Not applicable.

7. Investment and Rental Properties

MFLP-REIT owns logistics facilities and industrial properties for the purpose of earning rental income. The carrying amount, net changes in the carrying amount during the periods and fair value of these investment and rental properties are as follows:

(Thousands of yen)

	18th period (From November 1, 2024 to July 31, 2025)		17th period (From August 1, 2024 to October 31, 2024)	
Carrying amount				
Balance at beginning of period	¥	374,625,372	¥	376,214,708
Changes during the period		164,362,247		(1,589,336)
Balance at end of period		538,987,620		374,625,372
Fair value at the end of the period	¥	640,350,000	¥	462,060,000

(Note 1) The carrying amount represents acquisition cost less accumulated depreciation.

(Note 2) Changes in the carrying amount during the 17th period consisted of the decrease mainly attributable to depreciation (¥1,652,130 thousand). Changes in the carrying amount during the 18th period consisted of the increase mainly attributable to the succession of trust beneficiary interests in real estate for 16 properties from ADL absorbed in the Merger (¥165,970,000 thousand) and acquisition of trust beneficiary interests in real estate for three properties (¥13,874,434 thousand), and the decrease mainly attributable to the transfer of trust beneficiary interests in real estate for two properties (¥9,893,176 thousand) and depreciation (¥6,525,528 thousand).

(Note 3) The fair value at the end of the period represents the appraisal value or surveyed value by external real estate appraisers.

(Note 4) “T&B Maintenance Center Toyama” was transferred on August 1, 2025, and “i Missions Park Inzai (quasi-co-ownership 70%)” and “LOGITRES Sano” were transferred on September 30, 2025. Therefore, the fair value at the end of the 18th period is based on the transfer price.

Information about income and loss from investment and rental properties is stated in Note 10. “Property Leasing Business Revenues and Expenses.”

8. Net Assets

a. Stated capital

MFLP-REIT issues only non-par value units in accordance with the Investment Trust Act of Japan and all of the issue prices of new units are designated as stated capital. MFLP-REIT maintains at least ¥50,000 thousand as the minimum net assets as required by the Article 67, Paragraph 4 of the Investment Trust Act of Japan.

b. Distributions

Distributions related to the periods but declared after the balance sheet dates are summarized as follows:

(Yen)

	18th period (From November 1, 2024 to July 31, 2025)		17th period (From August 1, 2024 to October 31, 2024)	
	Total	Per unit	Total	Per unit
I. Unappropriated retained earnings	¥ 35,250,479,098		¥ 2,127,050,419	
II. Distributions in excess of retained earnings	¥ -		¥ 704,672,000	
Allowance for temporary difference adjustments	-		13,984,000	
Other deduction from unitholders' capital	-		690,688,000	
III. Distributions				
Distribution of earnings	11,684,287,671	¥ 3,629	2,126,784,000	¥ 3,498
Allowance for temporary difference adjustments	-	-	13,984,000	23
Other distribution in excess of retained earnings	-	-	690,688,000	1,136
Total distributions	¥ 11,684,287,671	¥ 3,629	¥ 2,831,456,000	¥ 4,657
IV. Voluntary retained earnings (provision)				
Provision of reserve for temporary difference adjustments	¥ 22,268,700,000		¥ -	
V. Retained earnings carried forward	¥ 1,297,491,427		¥ 266,419	

In accordance with the distribution policy as defined in the Article 35, Paragraph 1 of the Articles of Incorporation of MFLP-REIT, distributions shall be in excess of the amount equivalent to 90% of the amount of earnings available for dividends defined in the Article 67-15 of the Act on Special Measures Concerning Taxation.

Based on this policy, for the fiscal period ended July 31, 2025, MFLP-REIT declared a distribution amount of ¥11,684,287,671, which is the amount after deducting ¥22,268,700,000 for the provision of reserve for temporary difference adjustments from unappropriated retained earnings for the fiscal period under review. For the fiscal period ended October 31, 2024, MFLP-REIT declared a distribution amount of ¥2,126,784,000, which is the maximum value of the integral multiple of the total number of investment units issued and outstanding at the end of the period in the amount not in excess of unappropriated retained earnings.

Furthermore, due to the allocation to the reserve for temporary difference adjustments resulting from the gain on bargain purchase, for the fiscal period ended July 31, 2025, MFLP-REIT decided not to execute the distribution of cash in excess of retained earnings as defined in Article 35, Paragraph 2 of the Articles of Incorporation.

In prior fiscal periods, based on the distribution policy as defined in the Article 35, Paragraph 2 of the Articles of Incorporation, MFLP-REIT executed the distribution of cash in excess of retained earnings (return of capital applicable to distribution reducing unitholders' capital for tax purposes) each fiscal period on a continuous basis. Distribution of allowance for temporary difference adjustments was also made, taking into account the impact of the tax discrepancy in excess of income associated with the expenses related to asset retirement obligations and the amortization of fixed-term land leasehold rights in trust on distributions. In addition, in cases where the distribution amount for distributions per unit was expected to temporarily decline by a certain degree, a temporary distribution of cash in excess of retained earnings may be executed for the purpose of maintaining the stability of the distribution level. Based on this policy, for the fiscal period ended October 31, 2024, of ¥669,408,000, which is calculated as being almost equivalent to the remaining amount after subtracting the distribution of earnings of ¥2,126,784,000 from ¥2,796,341,538 or 74% of FFO (funds from operation), MFLP-REIT declared the distribution of ¥655,424,000 as distribution of cash in excess of retained earnings (return of capital applicable to distribution reducing unitholders' capital for tax purposes), and the distribution of ¥13,984,000, which is almost equivalent to the expenses related to asset retirement obligations and the amortization of fixed-term land leasehold rights in trust for the fiscal period ended October 31, 2024, as the tax discrepancy in excess of income (allowance for temporary difference adjustments). In addition, due to a temporary decrease in distribution per unit resulting from expenditures of merger-related expenses during the fiscal period ended October 31, 2024, MFLP-REIT decided to distribute ¥35,264,000 as a temporary distribution of cash in excess of retained earnings (return of capital applicable to distribution reducing unitholders' capital for tax purposes).

(Note) MFLP-REIT may execute cash distribution in excess of distributable amount, in an amount it determines within a scope not to exceed the limit stipulated in the rules and requirements imposed by The Investment Trusts Association, Japan, when MFLP-REIT considers it appropriate, given such factors as economic environment, trends in the real estate market or leasing market, the situation surrounding owned assets and the financial condition.

In addition, in case that any cash distribution fails to meet the statutory requirements for special tax treatment for investment corporations, MFLP-REIT may execute cash distribution in excess of distributable amount, in an amount it determines to meet the statutory requirements.

***Reserve for temporary difference adjustments**

Of the gain on bargain purchase recorded in the 18th period, ¥22,268,700,000 was set aside in the reserve for temporary difference adjustments. The reserve is scheduled to be reversed in equal amounts or more each fiscal year within 50 years following the fiscal year in which it was accumulated.

c. Reversal of allowance for temporary difference adjustments

Provision and reversal of allowance for temporary difference adjustments

(1) Reason for provision, related assets, etc., and amount provided

Related assets, etc.	Reason for provision of allowance	(Thousands of yen)	
		Allowance for temporary difference adjustments	
		18th period (From November 1, 2024 to July 31, 2025)	17th period (From August 1, 2024 to October 31, 2024)
Buildings in trust and fixed-term land leasehold rights in trust	Occurrence of the expenses related to asset retirement obligations and amortization of land leasehold rights	¥ -	¥ 13,984

For the fiscal period ended July 31, 2025

(Thousands of yen)							
Related assets, etc.	Reason for provision of allowance	Initial amount	Balance at beginning of period	Amount of provision for the period	Amount of reversal for the period	Balance at end of period	Reason for reversal of allowance
Buildings in trust	Occurrence of expenses related to asset retirement obligations	¥ 4,804	¥ 3,220	¥ 1,584	-	¥ 4,804	-
	Fixed-term land leasehold rights in trust	66,587	54,187	12,399	-	66,587	-
Total		¥ 71,392	¥ 57,408	¥ 13,984	-	¥ 71,392	

For the fiscal period ended October 31, 2024

(Thousands of yen)

Related assets, etc.	Reason for provision of allowance	Initial amount	Balance at beginning of period	Amount of provision for the period	Amount of reversal for the period	Balance at end of period	Reason for reversal of allowance
Buildings in trust and fixed-term land leasehold rights in trust	Occurrence of expenses related to asset retirement obligations and amortization of land leasehold rights	¥ 57,408	¥ 28,832	¥ 28,576	-	¥ 57,408	-

(2) Specific method of reversal

For the fiscal period ended July 31, 2025

Item	Method of reversal
Buildings in trust	The corresponding amount will be reversed at the time of sale, etc.
Fixed-term land leasehold rights in trust	The corresponding amount will be reversed at the time of sale, etc.

For the fiscal period ended October 31, 2024

Item	Method of reversal
Buildings in trust and fixed-term land leasehold rights in trust	The corresponding amount will be reversed at the time of sale, etc.

9. Short-term and Long-term Loans Payable and Investment Corporation Bonds

Short-term and long-term loans payable mainly consisted of bank borrowings under loan agreements. The following table summarizes the short-term and long-term loans payable and investment corporation bonds as of July 31, 2025 and October 31, 2024.

(Thousands of yen)

	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
-% unsecured short-term loans	¥ -	¥ 5,000,000
Total short-term loans payable (Note 1)	¥ -	¥ 5,000,000
0.4213% unsecured long-term loans due 2026	¥ 1,500,000	¥ 1,500,000
0.7265% unsecured long-term loans due 2026 (Note 3) (Note 4)	1,400,000	-
(Note 5)		
0.9167% unsecured long-term loans due 2028 (Note 3) (Note 4)	500,000	-
0.5500% unsecured long-term loans due 2027 (Note 3) (Note 4)	1,510,000	-
0.2740% unsecured long-term loans due 2025 (Note 3) (Note 4)	-	-
0.3723% unsecured long-term loans due 2030	1,700,000	1,700,000
0.5222% unsecured long-term loans due 2028 (Note 3) (Note 4)	900,000	-
0.2829% unsecured long-term loans due 2027	1,500,000	1,500,000
0.4168% unsecured long-term loans due 2029	1,500,000	1,500,000
0.3743% unsecured long-term loans due 2028	800,000	800,000
0.6325% unsecured long-term loans due 2031	800,000	800,000
0.2890% unsecured long-term loans due 2025 (Note 3) (Note 4)	1,330,000	-
0.4380% unsecured long-term loans due 2027 (Note 3) (Note 4)	1,330,000	-
0.5600% unsecured long-term loans due 2029 (Note 3) (Note 4)	750,000	-
0.3813% unsecured long-term loans due 2029	700,000	700,000

	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
0.5538% unsecured long-term loans due 2031	700,000	700,000
0.5957% unsecured long-term loans due 2031	800,000	800,000
Base rate +0.1900% unsecured long-term loans due 2025 (Note 2) (Note 4)	-	-
0.7830% unsecured long-term loans due 2030 (Note 3) (Note 4)	550,000	-
Base rate +0.3300% unsecured long-term loans due 2033 (Note 2)	2,000,000	2,000,000
1.0060% unsecured long-term loans due 2028 (Note 3) (Note 4)	450,000	-
1.2202% unsecured long-term loans due 2030 (Note 3) (Note 4)	600,000	-
0.4900% unsecured long-term loans due 2027	500,000	500,000
1.2713% unsecured long-term loans due 2033	400,000	400,000
0.5000% unsecured long-term loans due 2027	500,000	500,000
1.2363% unsecured long-term loans due 2033	500,000	500,000
0.9390% unsecured long-term loans due 2030 (Note 3) (Note 4)	450,000	-
1.0530% unsecured long-term loans due 2031 (Note 3) (Note 4)	650,000	-
1.1300% unsecured long-term loans due 2032	1,700,000	1,700,000
1.1450% unsecured long-term loans due 2032	1,000,000	1,000,000
Base rate +0.3300% unsecured long-term loans due 2035 (Note 2)	1,700,000	1,700,000
1.0975% unsecured long-term loans due 2032	1,400,000	1,400,000
1.1888% unsecured long-term loans due 2032	1,600,000	-
1.2763% unsecured long-term loans due 2033	1,500,000	-
1.2813% unsecured long-term loans due 2032	1,150,000	-
1.1960% unsecured long-term loans due 2031	750,000	-
0.3813% unsecured long-term loans due 2025	1,500,000	1,500,000
0.7265% unsecured long-term loans due 2025 (Note 3) (Note 4)	1,500,000	-
0.5500% unsecured long-term loans due 2027 (Note 3) (Note 4)	1,000,000	-
0.2740% unsecured long-term loans due 2025 (Note 3) (Note 4)	-	-
0.1059% unsecured long-term loans due 2025	-	800,000
0.5222% unsecured long-term loans due 2028 (Note 3) (Note 4)	900,000	-
0.1950% unsecured long-term loans due 2026	2,000,000	2,000,000
0.2890% unsecured long-term loans due 2025 (Note 3) (Note 4)	1,030,000	-
0.4380% unsecured long-term loans due 2027 (Note 3) (Note 4)	1,030,000	-
0.5600% unsecured long-term loans due 2029 (Note 3) (Note 4)	560,000	-
0.2375% unsecured long-term loans due 2027	1,200,000	1,200,000
Base rate +0.1900% unsecured long-term loans due 2025 (Note 2) (Note 4)	-	-
0.7830% unsecured long-term loans due 2030 (Note 3) (Note 4)	525,000	-
1.0060% unsecured long-term loans due 2028 (Note 3) (Note 4)	350,000	-
1.2202% unsecured long-term loans due 2030 (Note 3) (Note 4)	400,000	-
0.5775% unsecured long-term loans due 2027	500,000	500,000
0.9390% unsecured long-term loans due 2030 (Note 3) (Note 4)	400,000	-
1.0530% unsecured long-term loans due 2031 (Note 3) (Note 4)	450,000	-
0.5313% unsecured long-term loans due 2027	2,000,000	2,000,000
0.6225% unsecured long-term loans due 2028	1,200,000	1,200,000
0.6288% unsecured long-term loans due 2028	1,500,000	1,500,000
0.6088% unsecured long-term loans due 2028	800,000	800,000
0.8050% unsecured long-term loans due 2028	1,000,000	-
0.9350% unsecured long-term loans due 2028	1,050,000	-
1.0415% unsecured long-term loans due 2029	650,000	-
1.1515% unsecured long-term loans due 2029	800,000	-
0.4895% unsecured long-term loans due 2027	900,000	900,000
0.7265% unsecured long-term loans due 2025 (Note 3) (Note 4)	1,000,000	-
0.9167% unsecured long-term loans due 2028 (Note 3) (Note 4)	500,000	-
0.3687% unsecured long-term loans due 2028	2,000,000	2,000,000

	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
0.5500% unsecured long-term loans due 2027 (Note 3) (Note 4)	1,000,000	-
0.2740% unsecured long-term loans due 2025 (Note 3) (Note 4)	-	-
0.5222% unsecured long-term loans due 2028 (Note 3) (Note 4)	900,000	-
0.4942% unsecured long-term loans due 2030	1,200,000	1,200,000
0.4707% unsecured long-term loans due 2030	1,000,000	1,000,000
0.6325% unsecured long-term loans due 2031	1,600,000	1,600,000
0.2890% unsecured long-term loans due 2025 (Note 3) (Note 4)	960,000	-
0.4380% unsecured long-term loans due 2027 (Note 3) (Note 4)	960,000	-
0.5600% unsecured long-term loans due 2029 (Note 3) (Note 4)	500,000	-
0.5813% unsecured long-term loans due 2032	1,200,000	1,200,000
0.7488% unsecured long-term loans due 2032	400,000	400,000
Base rate +0.1900% unsecured long-term loans due 2025 (Note 2) (Note 4)	-	-
0.7830% unsecured long-term loans due 2030 (Note 3) (Note 4)	385,000	-
1.0060% unsecured long-term loans due 2028 (Note 3) (Note 4)	300,000	-
1.2202% unsecured long-term loans due 2030 (Note 3) (Note 4)	300,000	-
1.2713% unsecured long-term loans due 2033	500,000	500,000
0.9390% unsecured long-term loans due 2030 (Note 3) (Note 4)	300,000	-
1.0530% unsecured long-term loans due 2031 (Note 3) (Note 4)	300,000	-
1.3238% unsecured long-term loans due 2034	1,200,000	1,200,000
1.2888% unsecured long-term loans due 2034	800,000	800,000
Base rate +0.2500% unsecured long-term loans due 2034 (Note 2)	1,700,000	1,700,000
1.3688% unsecured long-term loans due 2034	1,200,000	-
1.4500% unsecured long-term loans due 2034	650,000	-
1.5475% unsecured long-term loans due 2035	500,000	-
0.7265% unsecured long-term loans due 2025 (Note 3) (Note 4)	1,600,000	-
0.2313% unsecured long-term loans due 2026	500,000	500,000
0.5500% unsecured long-term loans due 2027 (Note 3) (Note 4)	1,000,000	-
0.2740% unsecured long-term loans due 2025 (Note 3) (Note 4)	-	-
0.2385% unsecured long-term loans due 2027	800,000	800,000
0.4272% unsecured long-term loans due 2030	800,000	800,000
0.5222% unsecured long-term loans due 2028 (Note 3) (Note 4)	800,000	-
0.2829% unsecured long-term loans due 2027	1,300,000	1,300,000
0.4168% unsecured long-term loans due 2029	1,200,000	1,200,000
0.3743% unsecured long-term loans due 2028	500,000	500,000
0.4408% unsecured long-term loans due 2029	500,000	500,000
0.2890% unsecured long-term loans due 2025 (Note 3) (Note 4)	800,000	-
0.4380% unsecured long-term loans due 2027 (Note 3) (Note 4)	800,000	-
0.5600% unsecured long-term loans due 2029 (Note 3) (Note 4)	400,000	-
0.2025% unsecured long-term loans due 2026	300,000	300,000
0.2975% unsecured long-term loans due 2026	500,000	500,000
0.7830% unsecured long-term loans due 2030 (Note 3) (Note 4)	540,000	-
1.0060% unsecured long-term loans due 2028 (Note 3) (Note 4)	330,000	-
1.2202% unsecured long-term loans due 2030 (Note 3) (Note 4)	300,000	-
0.5275% unsecured long-term loans due 2027	300,000	300,000
0.6300% unsecured long-term loans due 2028	1,000,000	1,000,000
0.6725% unsecured long-term loans due 2028	2,200,000	2,200,000
0.9390% unsecured long-term loans due 2030 (Note 3) (Note 4)	300,000	-
1.0530% unsecured long-term loans due 2031 (Note 3) (Note 4)	200,000	-
0.5213% unsecured long-term loans due 2027	1,200,000	1,200,000
0.5225% unsecured long-term loans due 2027	800,000	800,000
0.8738% unsecured long-term loans due 2027	800,000	-

	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
0.5500% unsecured long-term loans due 2027 (Note 3) (Note 4)	210,000	-
0.2740% unsecured long-term loans due 2025 (Note 3) (Note 4)	-	-
0.5222% unsecured long-term loans due 2028 (Note 3) (Note 4)	200,000	-
0.4942% unsecured long-term loans due 2030	500,000	500,000
0.3255% unsecured long-term loans due 2028	2,000,000	2,000,000
0.2890% unsecured long-term loans due 2025 (Note 3) (Note 4)	280,000	-
0.4380% unsecured long-term loans due 2027 (Note 3) (Note 4)	280,000	-
0.5600% unsecured long-term loans due 2029 (Note 3) (Note 4)	140,000	-
0.5957% unsecured long-term loans due 2031	300,000	300,000
1.0060% unsecured long-term loans due 2028 (Note 3) (Note 4)	200,000	-
1.2202% unsecured long-term loans due 2030 (Note 3) (Note 4)	200,000	-
1.2713% unsecured long-term loans due 2033	500,000	500,000
1.2363% unsecured long-term loans due 2033	500,000	500,000
1.1163% unsecured long-term loans due 2033	300,000	300,000
0.9390% unsecured long-term loans due 2030 (Note 3) (Note 4)	150,000	-
1.0530% unsecured long-term loans due 2031 (Note 3) (Note 4)	200,000	-
Base rate +0.2250% unsecured long-term loans due 2033 (Note 2)	500,000	500,000
Base rate +0.2250% unsecured long-term loans due 2033 (Note 2)	600,000	600,000
Base rate +0.2500% unsecured long-term loans due 2034 (Note 2)	700,000	700,000
1.4500% unsecured long-term loans due 2034	600,000	-
1.5475% unsecured long-term loans due 2035	750,000	-
0.3125% unsecured long-term loans due 2026	2,100,000	2,100,000
0.9167% unsecured long-term loans due 2028 (Note 3) (Note 4)	500,000	-
0.5500% unsecured long-term loans due 2027 (Note 3) (Note 4)	300,000	-
0.4851% unsecured long-term loans due 2029	1,000,000	1,000,000
1.0060% unsecured long-term loans due 2028 (Note 3) (Note 4)	150,000	-
0.9390% unsecured long-term loans due 2030 (Note 3) (Note 4)	100,000	-
1.0530% unsecured long-term loans due 2031 (Note 3) (Note 4)	250,000	-
1.2813% unsecured long-term loans due 2032	600,000	-
0.3563% unsecured long-term loans due 2025	-	400,000
0.3988% unsecured long-term loans due 2029	2,000,000	2,000,000
0.2740% unsecured long-term loans due 2025 (Note 3) (Note 4)	-	-
0.4942% unsecured long-term loans due 2030	1,800,000	1,800,000
0.3255% unsecured long-term loans due 2028	2,000,000	2,000,000
0.2890% unsecured long-term loans due 2025 (Note 3) (Note 4)	200,000	-
0.4380% unsecured long-term loans due 2027 (Note 3) (Note 4)	200,000	-
0.5600% unsecured long-term loans due 2029 (Note 3) (Note 4)	100,000	-
0.5813% unsecured long-term loans due 2032	1,200,000	1,200,000
0.7830% unsecured long-term loans due 2030 (Note 3) (Note 4)	300,000	-
1.0060% unsecured long-term loans due 2028 (Note 3) (Note 4)	100,000	-
1.2202% unsecured long-term loans due 2030 (Note 3) (Note 4)	250,000	-
1.0175% unsecured long-term loans due 2030	500,000	500,000
0.9390% unsecured long-term loans due 2030 (Note 3) (Note 4)	150,000	-
1.0530% unsecured long-term loans due 2031 (Note 3) (Note 4)	250,000	-
Base rate +0.2000% unsecured long-term loans due 2032 (Note 2)	1,000,000	1,000,000
Base rate +0.2250% unsecured long-term loans due 2033 (Note 2)	1,300,000	1,300,000
Base rate +0.1400% unsecured long-term loans due 2032 (Note 2)	400,000	-
Base rate +0.1400% unsecured long-term loans due 2032 (Note 2)	400,000	-
0.3125% unsecured long-term loans due 2026	1,000,000	1,000,000
0.7000% unsecured long-term loans due 2030 (Note 4)	1,000,000	-
0.5813% unsecured long-term loans due 2032	1,200,000	1,200,000
0.6455% unsecured long-term loans due 2031	500,000	500,000

	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
1.2713% unsecured long-term loans due 2033	500,000	500,000
0.2313% unsecured long-term loans due 2026	1,000,000	1,000,000
0.2740% unsecured long-term loans due 2025 (Note 3) (Note 4)	-	-
0.3360% unsecured long-term loans due 2028	1,000,000	1,000,000
0.5222% unsecured long-term loans due 2028 (Note 3) (Note 4)	100,000	-
0.3255% unsecured long-term loans due 2028	1,500,000	1,500,000
0.3464% unsecured long-term loans due 2028	1,000,000	1,000,000
0.2890% unsecured long-term loans due 2025 (Note 3) (Note 4)	200,000	-
0.4380% unsecured long-term loans due 2027 (Note 3) (Note 4)	200,000	-
0.5600% unsecured long-term loans due 2029 (Note 3) (Note 4)	100,000	-
0.5263% unsecured long-term loans due 2031	1,200,000	1,200,000
0.4988% unsecured long-term loans due 2029	500,000	500,000
0.7830% unsecured long-term loans due 2030 (Note 3) (Note 4)	200,000	-
1.0060% unsecured long-term loans due 2028 (Note 3) (Note 4)	100,000	-
1.2202% unsecured long-term loans due 2030 (Note 3) (Note 4)	250,000	-
0.9663% unsecured long-term loans due 2030	500,000	500,000
0.9350% unsecured long-term loans due 2031	600,000	600,000
0.9390% unsecured long-term loans due 2030 (Note 3) (Note 4)	150,000	-
1.0530% unsecured long-term loans due 2031 (Note 3) (Note 4)	250,000	-
1.2275% unsecured long-term loans due 2033	1,000,000	1,000,000
1.1950% unsecured long-term loans due 2033	500,000	500,000
0.2313% unsecured long-term loans due 2026	600,000	600,000
0.3723% unsecured long-term loans due 2030	900,000	900,000
0.5377% unsecured long-term loans due 2030	1,000,000	1,000,000
0.7140% unsecured long-term loans due 2032	800,000	800,000
0.5538% unsecured long-term loans due 2031	800,000	800,000
1.2713% unsecured long-term loans due 2033	500,000	500,000
1.2419% unsecured long-term loans due 2033	1,000,000	1,000,000
1.1913% unsecured long-term loans due 2033	600,000	600,000
1.3688% unsecured long-term loans due 2034	1,000,000	-
0.3563% unsecured long-term loans due 2025	-	600,000
0.2087% unsecured long-term loans due 2025	600,000	600,000
0.1836% unsecured long-term loans due 2027	800,000	800,000
0.2629% unsecured long-term loans due 2027	1,000,000	1,000,000
0.3813% unsecured long-term loans due 2029	800,000	800,000
Base rate +0.0900% unsecured long-term loans due 2029 (Note 2)	600,000	-
0.1863% unsecured long-term loans due 2025	-	1,800,000
0.3809% unsecured long-term loans due 2029	1,600,000	1,600,000
0.4168% unsecured long-term loans due 2029	2,000,000	2,000,000
0.5937% unsecured long-term loans due 2030	1,200,000	1,200,000
0.5263% unsecured long-term loans due 2031	1,200,000	1,200,000
1.2265% unsecured long-term loans due 2032	500,000	500,000
1.1438% unsecured long-term loans due 2031	2,000,000	2,000,000
1.0975% unsecured long-term loans due 2032	1,500,000	1,500,000
Base rate +0.2000% unsecured long-term loans due 2032 (Note 2)	1,000,000	-
Base rate +0.2000% unsecured long-term loans due 2033 (Note 2)	1,800,000	-
0.3975% unsecured long-term loans due 2026	1,000,000	1,000,000
0.2182% unsecured long-term loans due 2028	800,000	800,000
0.5813% unsecured long-term loans due 2032	1,200,000	1,200,000
1.2713% unsecured long-term loans due 2033	500,000	500,000
0.2313% unsecured long-term loans due 2026	1,000,000	1,000,000
0.1836% unsecured long-term loans due 2027	500,000	500,000

	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
0.3464% unsecured long-term loans due 2028	1,000,000	1,000,000
0.3813% unsecured long-term loans due 2029	500,000	500,000
1.0175% unsecured long-term loans due 2030	400,000	400,000
0.9563% unsecured long-term loans due 2031	1,000,000	1,000,000
Base rate +0.2800% unsecured long-term loans due 2031 (Note 2) (Note 4)	1,500,000	-
Base rate +0.1400% unsecured long-term loans due 2031 (Note 2)	1,000,000	-
0.2740% unsecured long-term loans due 2025 (Note 3) (Note 4)	-	-
0.3809% unsecured long-term loans due 2029	800,000	800,000
0.5222% unsecured long-term loans due 2028 (Note 3) (Note 4)	200,000	-
0.4168% unsecured long-term loans due 2029	1,000,000	1,000,000
0.5937% unsecured long-term loans due 2030	1,000,000	1,000,000
0.2890% unsecured long-term loans due 2025 (Note 3) (Note 4)	200,000	-
0.4380% unsecured long-term loans due 2027 (Note 3) (Note 4)	200,000	-
0.5600% unsecured long-term loans due 2029 (Note 3) (Note 4)	100,000	-
0.5538% unsecured long-term loans due 2031	800,000	800,000
1.0060% unsecured long-term loans due 2028 (Note 3) (Note 4)	100,000	-
1.2202% unsecured long-term loans due 2030 (Note 3) (Note 4)	250,000	-
1.2713% unsecured long-term loans due 2033	500,000	500,000
0.9390% unsecured long-term loans due 2030 (Note 3) (Note 4)	100,000	-
1.0530% unsecured long-term loans due 2031 (Note 3) (Note 4)	250,000	-
1.1950% unsecured long-term loans due 2033	1,200,000	1,200,000
Base rate +0.2500% unsecured long-term loans due 2034 (Note 2)	1,000,000	-
1.5475% unsecured long-term loans due 2035	300,000	-
0.3723% unsecured long-term loans due 2030	900,000	900,000
0.5377% unsecured long-term loans due 2030	1,000,000	1,000,000
0.6325% unsecured long-term loans due 2031	800,000	800,000
Base rate +0.2250% unsecured long-term loans due 2033 (Note 2)	700,000	-
0.5377% unsecured long-term loans due 2030	1,000,000	1,000,000
0.5538% unsecured long-term loans due 2031	800,000	800,000
0.2829% unsecured long-term loans due 2027	1,000,000	1,000,000
0.3813% unsecured long-term loans due 2029	800,000	800,000
0.2829% unsecured long-term loans due 2027	1,000,000	1,000,000
1.0175% unsecured long-term loans due 2030	400,000	400,000
1.1300% unsecured long-term loans due 2032	1,000,000	1,000,000
1.1888% unsecured long-term loans due 2032	500,000	-
0.3305% unsecured long-term loans due 2027	1,000,000	1,000,000
0.5538% unsecured long-term loans due 2031	800,000	800,000
1.1888% unsecured long-term loans due 2032	500,000	-
0.3305% unsecured long-term loans due 2027	1,000,000	1,000,000
0.3813% unsecured long-term loans due 2029	800,000	800,000
0.9663% unsecured long-term loans due 2030	400,000	400,000
0.9888% unsecured long-term loans due 2031	1,000,000	1,000,000
1.0688% unsecured long-term loans due 2031	1,000,000	-
0.4707% unsecured long-term loans due 2030	500,000	500,000
1.2265% unsecured long-term loans due 2032	400,000	400,000
0.5538% unsecured long-term loans due 2031	1,400,000	1,400,000
1.0060% unsecured long-term loans due 2028 (Note 3) (Note 4)	100,000	-
1.2202% unsecured long-term loans due 2030 (Note 3) (Note 4)	250,000	-
0.9390% unsecured long-term loans due 2030 (Note 3) (Note 4)	100,000	-
1.0530% unsecured long-term loans due 2031 (Note 3) (Note 4)	200,000	-
Base rate +0.2375% unsecured long-term loans due 2033 (Note 2)	1,500,000	1,500,000

	18th period (As of July 31, 2025)		17th period (As of October 31, 2024)	
Base rate +0.2125% unsecured long-term loans due 2032 (Note 2)		500,000		500,000
0.5538% unsecured long-term loans due 2031		1,000,000		1,000,000
1.2265% unsecured long-term loans due 2032		400,000		400,000
0.5538% unsecured long-term loans due 2031		1,000,000		1,000,000
1.0175% unsecured long-term loans due 2030		400,000		400,000
0.9888% unsecured long-term loans due 2031		500,000		500,000
Base rate +0.2000% unsecured long-term loans due 2032 (Note 2)		500,000		-
0.5813% unsecured long-term loans due 2032		1,000,000		1,000,000
Base rate +0.2500% unsecured long-term loans due 2034 (Note 2)		1,000,000		1,000,000
0.5813% unsecured long-term loans due 2032		1,000,000		1,000,000
0.9663% unsecured long-term loans due 2030		400,000		400,000
1.2756% unsecured long-term loans due 2033		700,000		700,000
Base rate +0.2250% unsecured long-term loans due 2033 (Note 2)		1,000,000		-
0.9663% unsecured long-term loans due 2030		300,000		300,000
1.2713% unsecured long-term loans due 2033		200,000		200,000
1.0175% unsecured long-term loans due 2030		500,000		500,000
Base rate +0.2125% unsecured long-term loans due 2032 (Note 2)		1,000,000		1,000,000
Base rate +0.2125% unsecured long-term loans due 2032 (Note 2)		500,000		500,000
Total long-term loans payable	¥	215,250,000	¥	149,700,000
0.5000% unsecured bonds due 2031	¥	3,000,000	¥	3,000,000
0.4700% unsecured bonds due 2032		2,000,000		-
0.8200% unsecured bonds due 2032		2,000,000		2,000,000
Total bonds	¥	7,000,000	¥	5,000,000

(Note 1) For short-term borrowings, the most recent borrowing interest rates for each contract are rounded to the fourth decimal place. Additionally, the borrowing date and repayment deadline reflect the most recent borrowing date and repayment deadline.

(Note 2) The base rate is JBA 1-month and 3-month yen TIBOR published by JBA TIBOR Administration as of two business days prior to the drawdown date and the beginning date of the interest calculation period. Please refer to the JBA TIBOR Administration website (<https://www.jbatibor.or.jp/rate/>) (in Japanese) for JBA yen TIBOR.

(Note 3) For loans to which interest rate swaps were executed to hedge against interest rate fluctuation risk, the interest rate after fixing the rate, taking into account the effect of the interest rate swap, is shown.

(Note 4) These are loans assumed from ADL due to the Merger on November 1, 2024.

(Note 5) These loans were paid off early on August 7, 2025.

The repayment schedule for loans and bonds is disclosed in Note 5. “Financial Instruments.”

MFLP-REIT had the commitment line contracts with banks and others as of July 31, 2025 and October 31, 2024.

(Thousands of yen)				
	18th period (As of July 31, 2025)		17th period (As of October 31, 2024)	
Total amount of commitment line contracts	¥	13,000,000	¥	8,000,000
Loans executed		-		-
Unused line of credit	¥	13,000,000	¥	8,000,000

10. Property Leasing Business Revenues and Expenses

The following table summarizes the revenues and expenses generated from the property leasing business for the fiscal periods ended July 31, 2025 and October 31, 2024.

	(Thousands of yen)	
	18th period (From November 1, 2024 to July 31, 2025)	17th period (From August 1, 2024 to October 31, 2024)
A. Property leasing business revenues		
Property-related revenues		
Rental revenues	¥ 22,344,445	¥ 5,677,172
Common area charges	915,634	283,704
Total	¥ 23,260,080	¥ 5,960,877
Other property-related revenues		
Utilities charges	¥ 799,806	¥ 399,653
Parking lots	94,227	27,701
Others	451,362	110,240
Total	¥ 1,345,396	¥ 537,595
Total property leasing business revenues	¥ 24,605,476	¥ 6,498,472
B. Property leasing business expenses		
Property-related expenses		
Outsourcing service expenses	¥ 1,362,866	¥ 412,396
Utilities expenses	844,498	374,886
Repair expenses	749,680	137,256
Land rent	148,621	49,540
Taxes and dues	2,383,285	579,457
Depreciation and amortization	6,525,528	1,652,130
Others	309,489	90,205
Total property leasing business expenses	¥ 12,323,971	¥ 3,295,873
C. Operating income from property leasing [A-B]	¥ 12,281,505	¥ 3,202,598

Breakdown of gain on sale of real estate properties for the fiscal period ended July 31, 2025 is as follows:

	(Thousands of yen)
	18th period (From November 1, 2024 to July 31, 2025)
i Missions Park Inzai (quasi co-ownership 30%)	
Proceeds from sales of real estate properties	¥ 10,170,000
Cost of sales of real estate properties	8,625,984
Other sales expenses	128,290
Gain on sale of real estate properties	¥ 1,415,724
T&B Maintenance Center Matsue	
Proceeds from sales of real estate properties	¥ 1,650,000
Cost of sales of real estate properties	1,267,192
Other sales expenses	21,744
Gain on sale of real estate properties	¥ 361,062

11. Income Taxes

MFLP-REIT is subject to Japanese corporate income taxes on its taxable income. The tax effects of temporary differences that give rise to a significant portion of the deferred tax assets and liabilities as of July 31, 2025 and October 31, 2024 are as follows:

	(Thousands of yen)	
	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
Deferred tax assets:		
Accrued enterprise tax	¥ -	¥ 12
Amortization of land leasehold rights in trust	33,297	21,307
Asset retirement obligations	3,063	1,525
Valuation difference of assets transferred at the merger	879,950	-
Excess depreciation	9,367	-
Subtotal	¥ 925,679	¥ 22,845
Valuation allowance	(925,679)	(22,833)
Total deferred tax assets	¥ -	¥ 12
Deferred tax liabilities:		
Valuation difference of liabilities transferred at the merger	¥ (11,390,599)	¥ -
Other	(2,040)	-
Subtotal	(11,392,639)	-
Valuation allowance	11,392,639	-
Total deferred tax liabilities	-	-
Net deferred tax assets	¥ -	¥ 12

(Note) When corporate and other taxes are likely to arise, MFLP-REIT may utilize retained earnings such as reserve for temporary difference adjustments and make an additional distribution in order to avoid the corporate and other taxes to be levied. Therefore, MFLP-REIT expects no payment of corporate and other taxes in future accounting periods, which resulted in no recording of deferred tax liabilities.

Reconciliations between the Japanese statutory tax rate and the effective income tax rate with respect to pre-tax income reflected in the accompanying statements of income for the fiscal periods ended July 31, 2025 and October 31, 2024 are as follows:

	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
Statutory tax rate	31.46%	31.46%
Adjustments:		
Deductible distributions	(8.80)	(31.45)
Gain on bargain purchase	(23.14)	-
Other	0.48	0.02
Effective income tax rate after application of tax-effect accounting	0.00%	0.03%

The “Act for Partial Amendment of the Income Tax Act, etc. (Act No. 13 of 2025)” was enacted by the Diet on March 31, 2025 and the “Defense Special Corporate Tax” will be levied from the accounting period beginning on or after April 1, 2026. Accordingly, the statutory tax rate used to calculate deferred tax assets and deferred tax liabilities will be changed for temporary differences that are expected to be settled in the accounting period beginning on August 1, 2026. There is no impact from this change of the statutory tax rate.

12. Per Unit Information

The following table summarizes per unit information for the fiscal periods ended July 31, 2025 and October 31, 2024.

	18th period (From November 1, 2024 to July 31, 2025)	17th period (From August 1, 2024 to October 31, 2024)
Earnings per unit:		
Net income per unit (yen)	¥ 10,948	¥ 874
Weighted average number of units outstanding (unit)	3,219,699	2,432,000

	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
Net assets per unit (yen)	¥ 101,143	¥ 87,687

Net income per unit is calculated by dividing net income by the daily weighted average number of investment units outstanding during the period. Diluted net income per unit is not stated because there are no dilutive investment units.

MFLP-REIT split one investment unit into four investment units with October 31, 2024 as the record date and November 1, 2024 as the effective date. Net assets per share and net income per share are calculated based on the assumption that the Split of Investment Units had been implemented at the beginning of the 17th period.

13. Leases

The future minimum rental revenues from tenants subsequent to July 31, 2025 and October 31, 2024 under non-cancelable operating leases of properties are as follows:

	(Thousands of yen)			
	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)		
Due within one year	¥ 26,663,585	¥ 19,980,077		
Due after one year	83,394,038	64,025,202		
Total	¥ 110,057,623	¥ 84,005,280		

14. Transactions with Related Parties

There are no significant transactions and balances with related parties for the fiscal periods ended July 31, 2025 and October 31, 2024.

15. Segment and Related Information

a. Segment information

For the fiscal periods ended July 31, 2025 and October 31, 2024

Segment information has been omitted as MFLP-REIT engages in a single segment of the property leasing business.

b. Related information

(1) Information by product and service

For the fiscal periods ended July 31, 2025 and October 31, 2024

Disclosure of this information has been omitted as revenues from external customers in a single product and service category exceed 90% of the total operating revenues on the statements of income.

(2) Information by geographical area

For the fiscal periods ended July 31, 2025 and October 31, 2024

(i) Operating revenues

Disclosure of this information has been omitted as revenues from external customers in Japan exceed 90% of the total operating revenues on the statements of income.

(ii) Property and equipment

Disclosure of this information has been omitted as the amount of property and equipment located in Japan exceeds 90% of the total amount of property and equipment on the balance sheets.

(3) Information on major tenants

For the fiscal period ended July 31, 2025

(Thousands of yen)

Tenant	Operating revenues	Name of related segment
LOGISTEED East Japan, Ltd.	2,530,957	Real estate leasing business

For the fiscal period ended October 31, 2024

Disclosure of this information has been omitted because there is no tenant whose operating revenues make up 10% or more of total operating revenues.

16. Revenue Recognition

For the fiscal period ended July 31, 2025

Information on disaggregation of revenues from contracts with customers

For information on disaggregation of revenues from contracts with customers, please refer to Note 10. "Property Leasing Business Revenues and Expenses."

Note that revenues based on ASBJ Statement No. 13 "Accounting Standard for Lease Transactions" are included in the table of revenues and expenses generated from the property leasing business in Note 10. "Property Leasing Business Revenues and Expenses." Revenues from contracts with customers are primarily "proceeds from sales of real estate properties" and "utilities charges."

For the fiscal period ended October 31, 2024

Information on disaggregation of revenues from contracts with customers

For information on disaggregation of revenues from contracts with customers, please refer to Note 10. "Property Leasing Business Revenues and Expenses."

Note that revenues based on ASBJ Statement No. 13 "Accounting Standard for Lease Transactions" are included in the table of revenues and expenses generated from the property leasing business in Note 10. "Property Leasing Business Revenues and Expenses." Revenues from contracts with customers are primarily "utilities charges."

17. Asset Retirement Obligations

MFLP-REIT recognizes asset retirement obligations associated with restoration obligations upon expiration of the fixed-term land lease agreements with landowners.

MFLP-REIT estimates the usage period of applicable assets to be the useful life of buildings in trust (57 years), and uses 2.31% discount rate for the calculation of asset retirement obligations. Changes in asset retirement obligations for the fiscal periods ended July 31, 2025 and October 31, 2024 are as follows.

(Thousands of yen)

	18th period (As of July 31, 2025)	17th period (As of October 31, 2024)
Balance at beginning of the period	¥ 159,635	¥ 158,717
Increase due to acquisitions of investment property and equipment	-	-
Accretion expense	2,769	917
Balance at end of the period	¥ 162,404	¥ 159,635

18. Business Combinations

a. Outline of business combination

(1) Name of acquiree and its business content

Name of acquiree: Advance Logistics Investment Corporation ("ADL")

Description of business: Real estate investment trust

(2) Main reason for business combination

Based on the belief that it would be the best measure to improve the value of their respective unitholders, as the Merger would expand asset size to elevate market presence, provide better stability resulting from advances in portfolio diversification, and create a dual sponsorship structure with comprehensive developer and general trading company,

MFLP-REIT and ADL entered into the merger agreement on August 5, 2024 and the merger became effective as of November 1, 2024.

- (3) Date of business combination
November 1, 2024
- (4) Legal form of business combination
MFLP-REIT is the surviving corporation and ADL is the dissolving corporation under an absorption-type merger (kyushu gappei).
- (5) Name of the company after combination
Mitsui Fudosan Logistics Park Inc.
- (6) Main reason for identifying the acquiring company
In accordance with accounting standards for business combinations, etc., MFLP-REIT became the acquiring company after comprehensively considering the size of the company, including total assets and net income, the relative percentage of voting rights held by unitholders, the composition of the Board of Directors, etc., and other factors.

b. Period of the acquiree's financial results included in the financial statements

From November 1, 2024 to July 31, 2025

c. Acquisition cost for the acquiree and breakdown by type of consideration

(Thousands of yen)

Consideration for acquisition	
Fair value of the investment units of MFLP-REIT delivered on the date of business combination	¥79,951,448
Acquisition cost	¥79,951,448

d. Exchange ratio and calculation method of investment units delivered as consideration for the acquisition, and the investment units delivered

- (1) Investment unit exchange ratio
MFLP-REIT investment units of 1.168 units were allocated for each unit of ADL. MFLP-REIT split one investment unit into four investment units with October 31, 2024 as the record date for the split of investment units and November 1, 2024 as the effective date of the split.
- (2) Calculation method of exchange ratio
In order to ensure fairness in the calculation of the merger ratio to be used for the Merger, MFLP-REIT and ADL selected Daiwa Securities Co. Ltd. and SMBC Nikko Securities Inc. as their financial advisors for the Merger, respectively. MFLP-REIT and ADL comprehensively considered factors such as their respective financial results, asset and liability situations, future business prospects, the benefits of the Merger, and the results of financial analyses conducted by MFLP-REIT's and ADL's financial advisors, respectively, and after careful discussions and negotiations, MFLP-REIT and ADL determined that the above merger ratio was appropriate and executed the merger agreement.
- (3) Number of investment units issued
787,699 units

e. Details and amounts of major acquisition-related expenses

Merger fees: ¥829,850 thousand

Advisory fees: ¥300,000 thousand

f. Amount of bargain purchase gained and reason for its occurrence

- (1) Amount of bargain purchase
¥25,932,853 thousand
- (2) Reason for occurrence of bargain purchase
Since the net asset value of ADL at the time of the business combination exceeded the acquisition cost, the difference was recognized as bargain purchase.

g. Assets received and liabilities assumed on the date of business combination and their breakdown

(Thousands of yen)

Current assets	¥4,800,788
Non-current assets	166,008,141
Total assets	¥170,808,929
Current liabilities	¥19,638,136
Non-current liabilities	45,286,491
Total liabilities	¥64,924,628

h. Estimated amount and method of calculating the effect of the business combination on the statements of income for the period as if the business combination had been completed at the beginning of the period

There is no impact because the date of business combination coincides with the start of the accounting period.

19. Significant Subsequent Events**Transfer of assets**

MFLP-REIT has transferred the following real estate trust beneficiary interests.

Category	Property no.	Property name	Location	Transfer price (millions of yen) (Note)	Transfer date
Industrial real estate	Io-1	T&B Maintenance Center Toyama	Toyama-shi, Toyama	2,150	August 1, 2025
Logistics facilities	Li-7	i Missions Park Inzai	Inzai-shi, Chiba	23,730 (Quasi co-ownership 70%)	September 30, 2025
Logistics facilities	Lo-1	LOGITRES Sano	Sano-shi, Tochigi	1,450	September 30, 2025

(Note) "Transfer price" is the transaction price of the trust beneficiary interest as set forth in the agreement for sale and purchase of trust beneficiary interest for the transferred assets (excluding consumption tax and local consumption tax or the various costs required in the transfer), rounded down to the nearest million yen.



Independent auditor's report

To the Board of Directors of Mitsui Fudosan Logistics Park Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mitsui Fudosan Logistics Park Inc. ("the Company"), which comprise the balance sheets as at July 31, 2025 and October 31, 2024, the statements of income, statements of changes in net assets and statements of cash flows for the nine months period then ended July 31, 2025 and the three months period then ended October 31, 2024, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2025 and October 31, 2024, and its financial performance and cash flows for the nine months period then ended July 31, 2025 and the three months period then ended October 31, 2024 in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 19 to the financial statements, which states transfer of assets. Our opinion is not modified in respect of this matter.

Other Information

The other information comprises the information included in the Asset Management Report, but does not include the financial statements and our auditor's report thereon. Management is responsible for the preparation and presentation of the other information. Supervisory directors are responsible for overseeing the director's performance of his duties with regard to the design, implementation and maintenance of the reporting process for the other information.

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

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

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

We have nothing to report in this regard.

Responsibilities of Management and Supervisory Directors for the Financial Statements

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

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

Supervisory directors are responsible for overseeing the executive director's performance of his duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures

that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the executive director with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with him all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Fee-related Information

Fees paid or payable to our firm and to other firms within the same network as our firm for audit provided to the Company for the nine month period from November 1, 2024 to July 31, 2025 are 17 million yen, and there are no fees paid or payable for non-audit services.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

/S/ Jiro Tazawa

Designated Engagement Partner

Certified Public Accountant

/S/ Masashi Gake

Designated Engagement Partner

Certified Public Accountant

KPMG AZSA LLC

Tokyo Office, Japan

October 24, 2025

Notes to the Reader of Independent Auditor's Report:

This is a copy of the Independent Auditor's Report and the original copies are kept separately by the Company and KPMG AZSA LLC.