

# Rules on Investment Reports, etc. for Investment Trusts and Investment Corporations

Established on March 19, 2004  
Revised on May 25, 2004  
Revised on March 18, 2005  
Revised on April 21, 2006  
Revised on May 24, 2006  
Revised on June 19, 2006  
Revised on November 17, 2006  
Revised on February 16, 2007  
Revised on September 21, 2007  
Revised on June 20, 2008  
Revised on July 18, 2008  
Revised on September 19, 2008  
Revised on January 16, 2009  
Revised on March 19, 2009  
Revised on September 16, 2009  
Revised on February 17, 2011  
Revised on September 15, 2011  
Revised on March 15, 2012  
Revised on May 24, 2012  
Revised on December 20, 2012  
Revised on June 12, 2014  
Revised on July 17, 2014  
Revised on November 20, 2014  
Revised on December 18, 2014  
Revised on May 21, 2015  
Revised on July 16, 2015  
Revised on May 18, 2017  
Revised on September 20, 2018  
Revised on April 18, 2019

## Chapter 1: General Provisions

### Article 1. Purpose

The purpose of these Rules is to prescribe the items to be included in investment reports for investment trusts and asset management reports for investment corporations, the information to be provided, the method of delivery, etc., and to ensure the proper disclosure of information, etc., concerning the management of investment trusts, etc., thereby aiding investors' understanding and contributing to their protection.

## Chapter 2: Items to Be Indicated in Investment Reports for Investment Trusts

### Article 2. Items to Be Indicated on the Cover Page of Investment Reports (Full Version)

1. The cover page of an investment trust investment report (full version) (excluding the investment trust investment reports prescribed in Chapters 3 and 6; hereinafter the same shall apply in this chapter) shall indicate the following items of information.
  - (1) The label "Investment Report (Full Version)"
  - (2) The name of the investment trust
  - (3) Fiscal period and date of settlement (for investment trusts with accounting periods of less than six months, the respective fiscal period and date of settlement)

- (4) The structure of the investment trust in question (including the investment policy for the relevant investment trust property.)
- (5) Name and address of the investment trust management company (meaning an investment trust management company as specified in Article 2, Paragraph 11 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, hereinafter referred to as the “Investment Trust Act”), hereinafter referred to as a “Management Company”).
- (6) Name and telephone number of point of contact for inquiries, etc.  
This shall include the following:
  - (i) Name of contact, telephone number, times available
  - (ii) Management Company’s website address, etc.

2. The structure of the investment trust in question as prescribed in Item 4 of the preceding paragraph shall be briefly indicated in that investment trust’s prospectus.

Article 3.        Items to Be Indicated in the Main Text of Investment Reports (Full Version) and Their Order  
The main text of investment trust’s Investment Reports (Full Version) shall indicate the information as specified in the respective items below. In principle, the Investment Reports (Full Version) shall indicate such information in the following order.

- (1) Investment performance since establishment
  - (a) For unit type investment trusts, the following information shall be indicated for the duration from the establish of the trust to the end of the current period: base value, cash dividend, fluctuation rate for the period, beneficiary yield, and benchmark (if there is no benchmark, a reference index such as a stock price index shall be used, hereinafter the same shall apply in this item and the following item), composition ratio of major assets invested and principal remaining rate.
  - (b) The following indicators shall be displayed for each accounting period for five or more periods prior to the current period for open type investment trusts (for investment trusts with an accounting period of less than six months, five or more preparation periods (referring to the preparation period stipulated in Article 59, Paragraph 1 of the Ordinance on Accountings of Investment Trusts (Cabinet Office Ordinance No. 133 of 2000; hereinafter referred to as the “Ordinance on Investment Trust’s Financial Statements”); the same shall apply in Chapters 2 through 4 below)) and three or more periods prior to the current period for open type bond investment trusts (for investment trusts with an accounting period of less than six months, three or more preparation periods): base value, cash dividend, fluctuation rate for the period, benchmark, composition ratio of major assets invested, status of total net assets, and indicators that show the correlation ratio between changes in base value and changes in the underlying indicator (limited to securities investment trusts that stipulate in the investment trust contracts, the matters listed in Article 12, Item 2 (a) of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (Cabinet Order No. 480 of 2000, hereinafter referred to as the “Cabinet Order”)) (underlying indicator as defined in Article 19, Paragraph 2 of the Regulation for Enforcement of the Act on Investment Trusts and Investment Corporations (Ordinance of the Prime Minister’s Office No. 129 of 2000)).

- (2) Base value and market trends: Changes in base value, benchmark, and composition ratio of major assets invested for the current period (for investment trusts with an accounting period of less than six months, the preparation period concerned; hereinafter the same shall apply in Chapters 2 to 4) shall be indicated on a month-end basis.
- (3) Explanation of investment progress, etc.
  - (a) The following items shall be included in the explanation of investment progress, etc.
    - (i) Changes in base value during the current period shall be presented using charts and tables. In addition, when using charts and tables, in principle, the benchmark (if there is no benchmark, a reference index such as a stock price index shall be used) shall be indicated together, and if it is not possible to indicate both, the specific reason shall be indicated in a note or by other means in the field for investment performance since establishment as stipulated in Item 1.
    - (ii) As a general rule, the beginning of the section shall be a brief description of the changes in base value (rise or fall; the same shall apply hereinafter) during the period, listing the main reasons therefor.
    - (iii) For investment trusts with a benchmark, the changes in base value of the investment trust shall be compared with that of the benchmark, and the status and factors behind the difference shall be concisely indicated, including the way in which risk (meaning tracking error, etc.) is taken.
    - (iv) The reasons for changes in base value shall be explained in as much detail as possible, using charts and other methods, taking into account the investment policy in the prospectus of the investment trust in question and the future investment policy indicated in the investment report for the previous period, as well as the changes in the composition ratio of major investment assets, the composition ratio by industry sector, and the composition ratio by country, or the timing, extent of changes, and reasons for changes in the issues incorporated in the investment trust.
    - (v) The future investment policy shall be indicated in detail based on the investment policy in the prospectus of the investment trust in question.
    - (vi) With respect to dividends, the basis for determining such dividends and the future investment policy for retained earnings shall be indicated.
  - (b) The following matters shall be taken into consideration when presenting an explanation of investment progress, etc.
    - (i) The text should be concise and plainly worded
    - (ii) Efforts should be made to improve readability through charts, headings, bullet points, etc.
    - (iii) Difficult technical terms and industry terms should be avoided.
    - (iv) Duplication of the same information should be avoided to the extent possible
- (4) Details of expenses per 10,000 units: Details of expenses, etc. per 10,000 units (meaning the unit representing base value; the same shall apply hereinafter) for the current period shall be indicated.
- (5) (Reference information) Total expense rate: The following information on the total expense rate shall be indicated as reference information. (For private placement investment trusts, this shall be optional items to be indicated.)
  - (a) The total expense rate is calculated by dividing the total amount of expenses (in principle, excluding

subscription fees, trading commissions, and securities transaction taxes) incurred in the operation and management of the investment trust during the period (for investment trusts with accounting periods of less than six months, the period for which the report is formulated) by the average number of units of beneficial interests during the period multiplied by the average base value (per unit) during the period. The proportion made up by each item identical to the disclosed items in the details of expenses per 10,000 units (in principle, excluding subscription fees, trading commissions, and securities transaction taxes) shall be displayed in a pie chart. In a fund of funds, the total expense rate shall be the aforementioned ratio plus the expense rate of the investee funds. In addition to the ratio of each of the aforementioned items, the target funds' ratios of investment management expenses and ratios of expenses other than investment management expenses shall be displayed in a pie chart. In addition to this, the total expense rate, the ratio of this fund's expenses, the ratio of the investment target funds' management expenses and ratios of expenses other than investment management expenses shall be displayed in a table. Even if the details of expenses per 10,000 units of an investee fund cannot be obtained in the fund of funds, if the ratio calculated by dividing the total amount of expenses incurred by the investee fund by the average total amount of net assets of the investee fund during the period can be obtained, such ratio may be regarded as the expense rate of the investment target funds. In principle, subscription fees, trading commissions, and securities transaction taxes shall be excluded from the expenses of investment target funds.

- (b) An explanation such as "The total expense rate (annual rate), which is calculated by dividing the total amount of expenses (in principle, excluding subscription fees, trading commissions, and securities transaction taxes) incurred in the operation and management of the investment trust during the period (for investment trusts with an accounting period of less than six months, the period for which the report is formulated) by the average number of units of beneficial interests during the period multiplied by the average base value (per unit) during the period, is XX%" should be provided in an easily visible location.
  - (c) Each ratio shall be converted to an annual rate and rounded to the second decimal place.
  - (d) Expenses other than investment management expenses of investment target funds shall be disclosed to the extent possible.
  - (e) Expense rates of investment target funds shall be disclosed as precisely as possible, such as by determining the percentage of holdings on a monthly basis and multiplying by the trust fee rate of the investee fund.
  - (f) Notes that would be useful to investors regarding investment target funds, such as staggered accounting periods, should be included.
- (6) Status of purchases, sales, and transactions: The status of purchases, sales, or transactions of assets incorporated in a trust during the current period shall be separately indicated for each type of asset as specified in the By-laws.
- (7) Status of derivative transactions: Investment trusts that actively invest in derivatives shall classify transactions pertaining to derivatives by type as specified in the By-laws, whether domestic or foreign, and shall indicate the balance of transactions at the end of the current period (the end of the relevant

preparation period for investment trusts whose accounting period is less than six months; hereinafter the same shall apply in Chapters 2 to 4) and the amount of transactions during the current period in accordance with the respective classifications.

- (8) Share trading ratio: The amount of shares traded, the average market capitalization of shares incorporated in the trust, and the trading volume ratio during the current period.
- (9) Major issues traded: Major investment targets shall be classified by asset type as specified in the By-laws, and the top 10 issues in terms of trading volume shall be indicated for each classification.
- (10) Status of transactions with interested parties, etc.: The status of transactions with interested parties, etc., the total amount of trading commissions paid to such interested parties, etc., and other matters specified in the By-laws shall be indicated.
- (11) Status of proprietary trading by Management Companies that are also engaged in Type I Financial Instruments Business, Type II Financial Instruments Business or Business of Assuming Commodity Transaction Debts: The status of transactions between the investment trust property and a Management Company that concurrently engages in Type I Financial Instruments Business (referring to Type I Financial Instruments Business as defined in Article 28, Paragraph 1 of the Financial Instruments and Exchange Act (Act No. 25 of 1948; hereinafter referred to as the "FIEA")); the same shall apply hereinafter), Type II Financial Instruments Business (referring to Type II Financial Instruments Business as defined in Paragraph 2 of the same Article; the same shall apply hereinafter), or Business of Assuming Commodity Transaction Debts (referring to Business of Assuming Commodity Transaction Debts as defined in Article 2, Paragraph 17 of the Commodity Derivatives Transaction Act (Act No. 239 of 1950)), and the total amount of trading commissions paid to the Management Company in question shall be indicated.
- (12) Status of Self-Acquisition and Disposition of beneficiary securities of investment trusts or investment securities of investment corporations established by a Management Company: The following information shall be indicated: the balance at the beginning of the period (for investment trusts with an accounting period of less than six months, the balance at the end of the immediately preceding preparation period), amount of principal created during the current period, amount of principal cancelled during the current period, balance at the end of the current period, and the reason for the transaction shall be indicated separately for the reasons listed in each item of Article 6-2, Paragraph 1 of the Rules for Full Members' Business Operations, etc.
- (13) Description of Incorporated Assets: Description of Incorporated Assets into the trust shall be indicated separately for each type of asset as specified in the By-laws, and for each type of currency.
- (14) Status of margin transactions: If margin transactions are conducted at the end of the current period, the balance and appraised value at the end of the current period shall be indicated.
- (15) Status of short selling of bonds: If short selling of bonds has been conducted as of the end of the current period, the balance (face value) and appraised value of each type of bond at the end of the current period shall be indicated.
- (16) Status of loans and borrowing of securities: With regard to securities loaned or borrowed at the end of the current period, the total number of shares or total face value shall be indicated by classifying each

type of security. Securities lent or borrowed to or from an interested party, etc. should be written in parentheses, and the name of the party to or from which the securities are lent or borrowed should be noted.

- (17) Composition of the investment trust property: The assets incorporated in the trust as of the end of the current period shall be classified by asset type as specified in the By-laws, and the appraised value of each asset and its ratio to the total amount of the investment trust property shall be indicated.
- (18) Investigation of price, etc. of specified assets: If an investigation of the price, etc. of specified assets has been conducted, the name or trade name of the person who conducted the said investigation and a summary of the results and method of the said investigation shall be indicated.
- (19) Status of assets, liabilities, principal and base value, and profit and loss: A balance sheet and profit, loss and surplus statement prepared in accordance with the provisions of the Ordinance on Investment Trust's Financial Statements may be used instead. In this case, when using those for which the audit has not yet been completed, a note to that effect shall be made.

In addition, if there are any matters to be noted as stipulated in the Ordinance on Investment Trust's Financial Statements, such matters shall be noted.

- (20) Investment trust property management summary: When the trust contract period has ended, the investment trust property management summary prescribed in Article 58, Paragraph 1, Item 26 of the Ordinance on Investment Trust's Financial Statements shall be indicated.
  - (21) Indication of dividends, etc.: For investment trusts with an accounting period of less than six months, dividends, etc. for each accounting period during the six months preceding the end of the preparation period shall be indicated.
  - (22) Announcements: In the event that there is a change, etc. in the Basic Terms and Conditions of the investment trust that is deemed important by the Management Company, or if there is a change, etc. in the management system that is deemed important by the Management Company during the current period, the details thereof shall be indicated.
  - (23) Disclosure of real estate, etc. and infrastructure assets, etc.: With regard to the disclosure of investment trust property that incorporates real estate, etc. (as defined in Article 3, Paragraph 2 of the Rules on Real Estate Investment Trusts and Real Estate Investment Corporations (hereinafter referred to as the "Rules on REIT, etc."; the same shall apply hereinafter)), asset-backed securities, etc. (as defined in Article 3, Paragraph 3 of the Rules on REIT, etc.; the same shall apply hereinafter), infrastructure assets, etc. (as defined in Article 3, Paragraph 5 of the Rules on Infrastructure Investment Trusts and Infrastructure Investment Corporations (hereinafter referred to as the "Rules on IIT, etc."); the same shall apply hereinafter), and infrastructure-related assets (as defined in Article 3, Paragraph 6 of the Rules on IIT, etc.; the same shall apply hereinafter), it should be noted that the provisions of Chapter 7: Real Estate Investment Trusts and Chapter 9: Infrastructure Investment Trusts apply in addition to the provisions of Article 58 of the Ordinance on Investment Trust's Financial Statements.
2. The benchmark prescribed in Paragraph 1, Items 1 through 3 means an index that serves as an evaluation or target standard for the investment results of the investment trust in question, and shall be described as such in investment trust contracts or its prospectus. This shall include the target indices of investment trusts

managed through index investment.

3. The disclosure of separate information by trading market may be made at a Management Company's discretion.
4. When producing Investment Reports (Full Version), the term "special distribution" (as defined in Article 27 of the Order for Enforcement of the Income Tax Act (Cabinet Order No. 96 of March 31, 1965); the same shall apply hereinafter) shall be expressed as "principal payback (special distribution)."
- 5 For publicly offered open type investment trust, a "breakdown of distribution sources" as specified in the By-laws shall be indicated. In addition, when indicating the information, it shall be indicated in one of the items specified in Item 3, Item 18, or Item 20 of Paragraph 1.

\* Article 2, Article 3, Article 4, Article 5, Article 6, Article 7, Article 7-2 of the By-laws

#### Article 3-2. Items to be Indicated on the Cover of an Investment Trust Investment Report (Delivery Version)

The following items shall be indicated on the cover of an investment trust investment report for delivery (as defined in Article 14, Paragraph 4 of the Investment Trust Act, hereinafter referred to as the "Investment Report (Delivery Version)"; the same shall apply hereinafter, excluding Chapter 6).

- (1) The label "Investment Report (Delivery Version)"
- (2) The name and instrument classification of the investment trust in question as stated on the cover of the Delivery Prospectus (including equivalent documents in the case of a privately placed investment trust; the same shall apply hereinafter in this article and the following article).
- (3) Fiscal period and date of settlement (for investment trusts with accounting periods of less than six months, the respective fiscal period and date of settlement) and the periods for which the report is formulated
- (4) Base value and total net assets as of the end of the fiscal year (for investment trusts with accounting periods of less than six months, the final date of the period for which the report is formulated)
- (5) The fluctuation rate in the base value after dividend reinvestment (the base value calculated on the assumption that pre-tax dividends have been reinvested at the time of distribution; the same shall apply hereinafter) and total dividends during the accounting period (for investment trusts with an accounting period of less than six months, the "period for which the report was formulated")
- (6) Name and address of the Management Company
- (7) Name and telephone number of point of contact for inquiries, etc.  
This shall include the following:
  - (i) Name of contact, telephone number, times available
  - (ii) Management Company's website address, etc.
  - (iii) The fact that the Investment Reports (Full Version) will be delivered upon the request of the beneficiary and how to obtain it.
- (8) To beneficiaries: "To beneficiaries" shall be stated. In this case, the information in the "Purpose and Features of the Fund" section of the Delivery Prospectus shall be quoted and provided.
- (9) Investment policy: A concise and easy-to-understand written description of the investment policy shall

be given, with reference to the investment policy in the “Purpose and Features of the Fund” section of the Delivery Prospectus. In addition, in order to avoid repetition of the previous item, efforts shall be made to display the information in a way that is easy to understand for beneficiaries, such as consolidating the areas where the information is displayed.

- (10) Other information: For investment trusts that stipulate in their investment trust contracts that the items to be included in the Investment Reports (Full Version) are to be provided by electromagnetic means (electromagnetic means as defined in Article 14, Paragraph 2 of the Investment Trust Act), that fact and the information necessary for viewing the items to be included in the Investment Reports (Full Version) shall be indicated.

#### Article 3-3. Items to Be Indicated in the Main Text of Investment Reports (Delivery Version) and Their Order

The main text of an investment trust’s Investment Report (Delivery Version) shall indicate the information as specified in the respective items below. In principle, the Investment Report (Delivery Version) shall indicate such information in the following order.

- (1) Explanation of investment progress

The following items shall be included in the explanation regarding the progress of investment.

- (i) Changes in base value, etc.

Changes in base value shall be presented using charts.

- (ii) A concise and easy-to-understand written explanation shall be given of the main factors behind fluctuations in the base value, while comparing them with the information described in the “Purpose and Features of the Fund” section of the investment trust’s Delivery Prospectus.

- (iii) Details of expenses per 10,000 Units during the current period (for investment trusts with an accounting period of less than six months, the period for which the report is formulated)

The details of expenses per 10,000 units during the current period shall be presented in the following manner.

- (a) The statement “The average base value during the current period is XX yen” shall be written in an easily visible location such as the summary of the item.

- (b) For investment trusts with an accounting period of less than six months, as a general rule, all six months should be listed together.

- (c) Notes on “Other Expenses” shall describe typical expenditures and add additional information on expenditures as necessary.

- (d) Explanatory notes on investment target funds shall be included.

- (iv) (Reference information) Total expense rate: The following items regarding the total expense rate shall be indicated as reference information. (For private placement investment trusts, this shall be optional items to be indicated.)

- (a) The total expense rate is calculated by dividing the total amount of expenses (in principle, excluding subscription fees, trading commissions, and securities transaction taxes) incurred in the operation and management of the investment trust during the period (for investment trusts with



accounting periods of less than six months, the period for which the report is formulated) by the average number of units of beneficial interests during the period multiplied by the average base value (per unit) during the period. The proportion made up by each item identical to the disclosed items in the details of expenses per 10,000 units (in principle, excluding subscription fees, trading commissions, and securities transaction taxes) shall be displayed in a pie chart. In a fund of funds, the total expense rate shall be the aforementioned ratio plus the expense rate of the investee funds. In addition to the ratio of each of the aforementioned items, the target funds' ratios of investment management expenses and ratios of expenses other than investment management expenses shall be displayed in a pie chart. In addition to this, the total expense rate, the ratio of this fund's expenses, the ratio of the investment target funds' management expenses and ratios of expenses other than investment management expenses shall be displayed in a table. Even if the details of expenses per 10,000 units of an investee fund cannot be obtained in the fund of funds, if the ratio calculated by dividing the total amount of expenses incurred by the investee fund by the average total amount of net assets of the investee fund during the period can be obtained, such ratio may be regarded as the expense rate of the investment target funds. In principle, subscription fees, trading commissions, and securities transaction taxes shall be excluded from the expenses of investment target funds.

- (b) An explanation such as "The total expense rate (annual rate), which is calculated by dividing the total amount of expenses (in principle, excluding subscription fees, trading commissions, and securities transaction taxes) incurred in the operation and management of the investment trust during the period (for investment trusts with an accounting period of less than six months, the period for which the report is formulated) by the average number of units of beneficial interests during the period multiplied by the average base value (per unit) during the period, is XX%" should be provided in an easily visible location.
  - (c) Each ratio shall be converted to an annual rate and rounded to the second decimal place.
  - (d) Expenses other than investment management expenses of investment target funds shall be disclosed to the extent possible.
  - (e) Expense rates of investment target funds shall be disclosed as precisely as possible, such as by determining the percentage of holdings on a monthly basis and multiplying by the trust fee rate of the investment target funds.
  - (f) Notes that would be useful to investors regarding investment target funds, such as staggered accounting periods, should be included.
- (v) Changes in the base value, etc. over the last five years
- Changes in base value over the last five years shall be described in the following manner.
- (a) Changes in base value and changes in the base value of after dividend reinvestment shall be shown using a line graph.

A note shall be made to the effect that the dividend data represents pre-tax figures.
  - (b) The line graph shall be accompanied by a bar graph or area graph of the change in total net assets.
  - (c) The base value, total dividends for the period (including tax), the fluctuation rate of the

benchmark (if there is no benchmark, a reference index such as a stock price index shall be used), and the total amount of net assets as of the settlement date for each of the last five years shall be indicated using charts and graphs.

For funds with an accounting period of six months or less than six months, each settlement date shall be deemed to be a fixed settlement date for each year.

- (d) In principle, benchmarks (or reference indices such as stock price indices if there is no benchmark) shall be indicated in the relevant charts and graphs, and if this is not possible, specific reasons shall be given.
- (e) The horizontal axis of the graph shall be five years, even if the investment performance record is less than five years.
- (vi) A brief and easy-to-understand explanation of the investment environment for the investment trust in question shall be provided in writing for each asset incorporated in the trust.
- (vii) A concise and easy-to-understand written explanation of the investment trust's portfolio shall be given, for each asset incorporated in the trust, with reference to the investment progress and results during the current period based on the investment policy described in the "Purpose and Features of the Fund" section of the Delivery Prospectus.
- (viii) The investment trust's deviation from its benchmark during the period for which the Investment Report (Delivery Version) is formulated shall be indicated.

For investment trusts with a benchmark, changes in the base value of the investment trust shall be compared with that of the benchmark, and the status and factors behind the difference shall be indicated in a concise and easy-to-understand manner, including the way in which risk (tracking error, etc.) is taken.

In addition, a bar graph shall be displayed showing a comparison of the fluctuation rate between the base value of the investment trust in question and the benchmark. If no benchmark has been established, such fact shall be stated and the fluctuation rate in a reference index shall be used instead.

This shall not apply to investment trusts that do not have a benchmark or a reference index.

- (ix) For investment trusts with an accounting period of less than six months, dividends, etc. for each accounting period during the six months preceding the end of the preparation period shall be indicated.
  - (x) The mother fund's investment progress and the changes in its investment status can be described in the same section that describes the investment trust in question.
- (2) Future investment policy: A concise and easy-to-understand written description of the future investment policy shall be given, for each asset incorporated in the trust, based on the investment policy in the "Purpose and Features of the Fund" section of the Delivery Prospectus.
  - (3) Announcements: In the event that there is a change, etc. in the investment trust contracts that is deemed important by the Management Company, or if there is a change, etc. in the management system that is deemed important by the Management Company during the current period, the details thereof shall be indicated.
  - (4) Summary of the investment trust: A summary of the investment trust (instrument classification, trust

period, investment policy, main investment targets, investment method and dividend policy) shall be presented using a table.

- (5) Comparison of fluctuation rate with typical asset classes: As reference information, the “comparison of fluctuation rate with representative asset classes” shown in the Delivery Prospectus shall be updated to the latest data, using data as of the end of the month immediately preceding the end of the accounting period (for investment trusts with accounting periods of less than six months, the end of the preparation period).

- (6) Data on the investment trust in question

The following items shall be indicated in an easy-to-understand manner by using graphs, etc.

- (i) Details of assets incorporated in the investment trust

The assets stipulated in Article 58-2, Paragraph 1, Items 5 through 17 of the Ordinance on Investment Trust’s Financial Statements shall be presented in the following manner.

- (a) A table shall be displayed indicating, as of the end of the preparation period, the total number of issues incorporated, as well as at least the top 10 issues and the proportion they account for. If one of the top issues is a fund, the top three or more funds as of the end of the preparation period shall be listed, and a table shall be displayed for the respective proportions they account for. In addition, detailed information on all issues shall be included in the notes.

- (b) Shares by asset, country, and currency shall, in principle, be presented in a pie chart. However, in cases where the total amount exceeds 100% and cannot be shown in a pie chart, a bar chart may be used. When bar graphs are used, notes shall be added as necessary.

- (c) Pie charts shall be presented as flat graphs.

- (d) In principle, graphs should be presented in terms of “ratio to net assets,” and if they are presented in terms of “ratio to portfolio,” for example, a note to that effect should be included.

- (e) If one of the top issues is a fund, the nature of that fund’s incorporated assets shall not be indicated.

- (ii) Net assets, etc.

The total amount of net assets, the total number of beneficial interests, and the base value per 10,000 units shall be indicated using a table. In addition, “the amount of additional principal created during the current period (current preparation period) is ¥XX million, and the amount of principal cancelled during the same period is ¥XX million” shall be written outside the field indicating net assets, etc.

For investment trusts with an accounting period of less than six months, this shall be indicated for each accounting period during the six months preceding the end of the preparation period.

- (iii) Summary of top funds incorporated

Investment target funds such as the mother fund as defined in Article 58-2, Paragraph 2 of the Ordinance on Investment Trust’s Financial Statements shall be indicated in the following manner.

In the case of a family fund method or fund of funds, a table shall be displayed indicating, as of the end of the investment trust’s accounting period (preparation period), and with respect to the major investment target funds as of the end of the most recent accounting period, the total number of issues incorporated, as well as at least the top 10 issues and the proportion they account for. Shares by asset,

country, and currency shall be described in the following manner using charts and tables, etc.

- (a) Shares by asset, country, and currency shall be in accordance with (b) and (c) of (i).
  - (b) Changes in base value shall be indicated by a line graph.
  - (c) A detailed statement of expenses per 10,000 units during the accounting period shall be provided.
  - (d) In cases where there are two or more layers in the structure of investment target funds, efforts shall be made to present the information in a manner that is easy to understand for beneficiaries, such as by describing the actual sources of investment income.
2. The benchmark prescribed in the preceding paragraph shall mean an index that serves as an evaluation or target standard for the investment results of the investment trust in question, and shall be described as such in the Basic Terms and Conditions of the investment trust or its Delivery Prospectus. This shall include the target indices of investment trusts managed through index investment.
  3. When producing an Investment Report (Delivery Version), the term “special distribution” shall be expressed as “principal payback (special distribution).”
  4. For publicly offered open type investment trust, a “breakdown of distribution sources” shall be presented in a manner consistent with Article 3, Paragraph 5 of the Rules. In addition, when displaying the information, it shall be indicated in Paragraph 1, Item 1,(viii).

#### Article 4. Disclosure Relating to Mother Funds

When a mother fund is incorporated, the Investment Reports (Full Version) shall, in accordance with the provisions of Article 58, Paragraph 2 of the Ordinance on Investment Trust’s Financial Statements, indicate the status of the accounting period immediately preceding the accounting period of the mother fund to which the last day of the accounting period of the investment trust in which the relevant mother fund is incorporated belongs.

#### Article 5. Selective Open Type Investment Trusts

Open type investment trusts that consist of a group of multiple investment trusts and allow investors to select and switchover between those investment trusts shall be able to prepare Investment Report (Full Version) and Investment Report (Delivery Version) that compile reports indicating the matters listed in Articles 2 and 3, 3-2 and 3-3 for each investment trust.

#### Article 6. Special Provisions, etc. for Funds of Funds

1. The provisions of Article 2, Article 3 and Article 9 shall apply mutatis mutandis to Funds of Funds (excluding investment trusts whose main investment target is solely the mother fund (meaning an investment trust whose purpose is to have its beneficial interests acquired by a trustee of another investment trust, excluding those specified in the investment trust contracts to be acquired only by Funds of Funds; the same shall apply hereinafter in this article) for which the Management Company gives instructions on investment; the same shall apply hereinafter).
2. In presenting the items listed in Article 3, Paragraph 1, Item 3 as applied mutatis mutandis under the preceding paragraph, the price movements of the investment trust securities (meaning investment trust

securities as defined in Article 2, Paragraph 3 of the Rules on Management of Investment Trusts, etc. (hereinafter referred to as the “Management Rules”), the same shall apply hereinafter) held by a fund of funds shall be explained in relation to the changes in the base value of the fund of funds in question.

3. With respect to the following investment trust securities held as of the last day of a fund of funds’ accounting period, the matters specified in each of the following items shall be disclosed as of the last day of the accounting period of the investment trust securities that falls during the accounting period of the fund of funds in question (if the investment trust securities have more than one accounting period during the accounting period of the fund of funds, the last day of the accounting period shall be the last day of the fund of funds’ most recently disclosed accounting period).

(1) Beneficiary certificates of securities investment trusts or investment certificates of securities investment corporations as defined in Article 12, Paragraph 1, Item 1 of the Management Rules: Details of the securities held by the securities investment trust in question (meaning securities investment trusts and securities investment corporations (including foreign securities investment trusts and foreign securities investment corporations); the same shall apply hereinafter in this article), or the top issues, and a breakdown of expenses or a profit and loss statement for the securities investment trust, etc.

(2) Beneficiary certificates of real estate investment trusts or investment securities of real estate investment corporations as defined in Article 12, Paragraph 1, Item 2 of the Management Rules

Matters listed in the following sub-items (a) and (b):

(a) The following matters with respect to beneficiary certificates of real estate investment trusts or investment securities of real estate investment corporations that account for more than 10% of the total net assets of a fund of funds as of the end of the fund of funds’ accounting period

(i) The purpose and basic nature of the said real estate investment trust, etc. (meaning real estate investment trusts and real estate investment corporations (including foreign real estate investment trusts and foreign real estate investment corporations); the same shall apply hereinafter in this article) or an equivalent section of the company’s profile

(ii) The amount of asset management fees, etc. per unit of the said real estate investment trust, etc.

If the amount of asset management fees, etc. per unit cannot be disclosed, the reason for this shall be indicated, together with the fact that disclosure materials on the financial results, etc. of the said real estate investment trust, etc. can be obtained as reference information, or the method of obtaining such materials, such as a website address where the said disclosure materials can be viewed.

(b) To the effect that the investment management company or the general administration company of the said real estate investment trust, etc. is a Management Company that gives instructions on the management of the said fund of funds or an interested party thereof, if applicable.

(3) Beneficiary certificates of investment trusts other than securities investment trusts, etc., as defined in Article 12, Paragraph 1, Item 4 of the Management Rules, or investment securities other than those of securities investment corporations, as defined in Article 30 of the same Rules: Details of the assets held by the investment trust, etc. in question (meaning investment trusts and investment corporations

(meaning similar assets overseas, including those that fall under the category of beneficiary certificates of foreign investment trusts or foreign investment securities (excluding foreign investment securities that are similar to investment corporation bonds) as defined in the FIEA) the same shall apply hereinafter in this article), or the top issues, and a breakdown of expenses or a profit and loss statement for the investment trust, etc.

4. Disclosure pertaining to held investment trust securities as prescribed in the preceding paragraph may be indicated for each investment trust or investment corporation at the end of the investment report as “details of investment trust securities incorporated.” Disclosure of items other than those stipulated in the preceding paragraph shall be made by the Management Company in consideration of their importance.

#### Article 7. Property Accumulation Benefit Funds

With respect to property accumulation benefit funds (meaning investment trusts that have workers as beneficiaries based on a workers’ property accumulation benefit contract provided for in Article 6-2 of the Workers’ Property Accumulation Promotion Act (Act No. 92 of 1971), and to which the employer who employs the worker contributes all of the money allocated to the establishment of the investment trust), in addition to the matters prescribed in Articles 2 and 3, the execution fee rate of trust fees, the timing of its application, and the tax amount of special corporate income tax, etc., as specified in the Basic Terms and Conditions of the investment trust, shall be noted in the profit and loss information prescribed in Article 3, Paragraph 1, Item 18.

#### Article 8. Form, etc. of Investment Reports

1. The items to be indicated as prescribed in Article 2, Paragraph 1, Item 4 and Article 3 (excluding the matters prescribed in Paragraph 1, Items 3, 15, 17, and 19 through 21) and Article 3-3 pertaining to investment trusts may be indicated in accordance with the form and presentation guidelines prescribed by the Self-Regulation Committee.
2. The provisions of Articles 2 through 7 and the provisions pertaining to the preceding paragraph shall not preclude making additional efforts beyond those prescribed.

\* Committee Resolution 1, Committee Resolution 2

#### Article 9. Standards for Investment Reports (Full Version)

Investment Report (Full Version) shall use B5 size (including B5 variant size (“jubako size”)) or larger paper.

#### Article 9-2. Standards, etc. for Investment Reports (Delivery Version)

1. When Investment Reports (Delivery Version) are provided in printed form, B5 (including B5 variant size (“jubako size”)) or larger paper shall be used.
2. The size of text used should be large enough to be easily read by the beneficiaries.

However, for the opening section (“To beneficiaries”) and the description of major items, the text should be 10 points or larger, as specified in Japanese Industrial Standards Z8305.

3. The amount of information shall be sufficient for beneficiaries to be able to understand it easily.

4. Regarding the style, etc. of the report, the following items shall be taken into consideration when preparing Investment Reports (Delivery Version).

- (a) Written explanations shall be concise and plainly worded. In particular, in describing the main factors behind fluctuations in base value, the investment environment, the portfolio, deviations from the benchmark, dividends, and future investment policy, the names of items and explanations in text should be made more accessible to beneficiaries by, for example, adding color to the background or changing the font.
- (b) Efforts should be made to improve readability through charts, headings, bullet points, etc.
- (c) Difficult technical terms and industry terms should be avoided.
- (d) Duplication of the same information should be avoided to the extent possible.

Article 10. Delivery of Investment Reports (Full Version)

1. Unless otherwise specified in the By-laws, Management Companies must deliver the Investment Report (Full Version) prescribed in Article 14, Paragraph 1 of the Investment Trust Act to known beneficiaries each time it is produced. However, in cases where the Basic Terms and Conditions of the investment trust stipulate that the matters to be stated in the investment report are to be provided by electromagnetic means instead of the delivery of the Investment Report (Full Version) set forth in Paragraph 1 of the same article of the Act, a Management Company shall be deemed to have delivered the Investment Report (Full Version), but must deliver an actual Investment Report (Full Version) when requested to do so by beneficiaries.

Delivery of the Investment Report (Full Version) may be conducted through a distributor that has concluded a service agreement with the Management Company regarding the delivery of the Investment Report (Full Version).

2. In delivering an Investment Report (Full Version) under the provisions of the preceding paragraph, an Investment Report (Full Version) may be delivered to the following beneficiaries by the methods specified in each item.

- (1) Beneficiaries who own investment trusts purchased through payroll deduction or bank transfer: Beneficiaries may receive Investment Reports (Full Version) through their employers (including cases where the reports are compiled and delivered under the provisions of Item 2). In this case, the distributor shall confirm with the employer that it will be delivered from the employer to the beneficiary, and shall send the necessary number of copies to the employer.
- (2) Beneficiaries who have continuously purchased property formation units or accumulated investment account of long-term bond investment trusts (meaning long-term bond investment trusts launched in 1961) under the Workers' Property Formation Promotion Act, and/or accumulated investment account of regular fixed-form investment trusts (meaning investment trusts of the same type with ongoing monthly settlement of accounts, and in which continuous investment is possible), and who have been confirmed using a method specified in the By-laws: Investment Reports (Full Version) covering a maximum of 12 months may be compiled and delivered.
- (3) Beneficiaries of Property Accumulation Benefit Funds: The investment report (full version) shall be delivered through the employer or directly.

\* Article 8 and Article 9 of the By-laws

Article 10-2. Delivery of Investment Reports (Delivery Version)

1. Unless otherwise specified in the By-laws, Management Companies must deliver the Investment Report (Delivery Version) prescribed in Article 14, Paragraph 4 of the Investment Trust Act to known beneficiaries each time it is produced.

Delivery of the Investment Report (Delivery Version) may be conducted through a distributor that has concluded a service agreement with the Management Company regarding the delivery of the Investment Report (Delivery Version).

2. The provisions of Paragraph 2 of the preceding article shall apply mutatis mutandis to the delivery of the Investment Report (Delivery Version) under the provisions of the preceding paragraph. In this case, the term “Investment Report (Full Version)” shall be replaced with “Investment Report (Delivery Version).”

\* Article 8 and Article 9 of the By-laws

Chapter 3: Items to Be Indicated for Daily Settlement Open Type Investment Trusts for Investing in Public and Corporate Bonds

Article 11. Items to Be Indicated on the Cover Page

The provisions of Article 2 (excluding Paragraph 1, Item 3) shall apply mutatis mutandis to the items to be indicated on the cover of investment reports for open type investment trusts that settle accounts on a daily basis and are intended for investing in public and corporate bonds (hereinafter referred to as “Daily Settlement Type Bond Investment Trusts”).

Article 12. Items to Be Indicated in the Main Text

1. The items to be indicated in the main text of the investment reports for Daily Settlement Type Bond Investment Trusts shall be as follows.

- (1) Dividend per 10,000 units
- (2) Explanation of investment progress, etc.
- (3) Status of assets, liabilities, principal and base value
- (4) Status of purchases/sales and profit/loss regarding incorporated securities, etc.
- (5) Status of creation/cancellation of the fund by the company
- (6) Details of bonds incorporated by type
- (7) Details of individual issues of bonds incorporated
- (8) Details of expenses per 10,000 units

2. In presenting the details of individual issues of bonds incorporated as prescribed in Item 7 of the preceding paragraph, the items specified in the By-laws shall be indicated.

\* Article 10 of the By-laws

Article 13. Additional Items to Be Indicated for MMFs



1. Investment reports for MMFs (referring to investment trusts prescribed in Article 2, Paragraph 1 of the Rules on Operation of MMFs, etc. (hereinafter referred to as the “MMF Rules”)) shall indicate the following matters in addition to the matters prescribed in the preceding article.

(1) Ratio of incorporated assets by rating to total net assets

2. Issues for which the content is unclear, such as structured bonds, shall be indicated in an easy-to-understand manner.

#### Article 14. Form and Presentation Guidelines

The items to be indicated in the investment reports for Daily Settlement Type Bond Investment Trusts, as prescribed in the preceding three paragraphs, may be presented in accordance with the form and presentation guidelines prescribed by the Self-Regulation Committee.

\* Committee Resolution 3

#### Article 15. Delivery of Investment Reports

The provisions of Paragraph 1 and Paragraph 2 of Article 10 shall apply mutatis mutandis to the delivery of investment reports for Daily Settlement Type Bond Investment Trusts.

#### Chapter 4: Items to Be Indicated in Monthly Disclosures for MRFs and MMFs

##### Article 16. Monthly Disclosures for MMFs

1. Management Companies operating MMFs shall disclose the following items (hereinafter referred to as “Items for Monthly Disclosure”) at least once a month in the manner prescribed in Article 17.

(1) Balance and ratio of incorporated assets by type

(2) Ratio of incorporation of public and corporate bonds (excluding government bonds, etc., as defined in Article 3, Paragraph 1, Item 1 of the Rules on Operation of MMFs, etc. (“Government Bonds, etc.”) and financial bonds), financial bonds, CP, CDs, etc. by top five issuers

(3) Ratio of incorporated assets by rating to total net assets

2. Items for Monthly Disclosure specified in the preceding paragraph shall be presented in the manner prescribed in the By-laws.

3. The Items for Monthly Disclosure specified in Paragraph 1 may be presented in accordance with the form and presentation guidelines prescribed by the Self-Regulation Committee.

\* Article 11 of the By-laws

\* Committee Resolution 4

##### Article 16-2. (Monthly Disclosures for MRFs)

1. Management Companies operating MMFs shall disclose the Items for Monthly Disclosure at least once a month in the manner prescribed in the following article.

(1) Balance and ratio of incorporated assets by type

(2) Status of incorporation ratio of public and corporate bonds and short-term financial assets by issuer

- (3) Ratio of incorporated assets by rating to total net assets
2. Items for Monthly Disclosure specified in the preceding paragraph shall be presented in the manner prescribed in the By-laws.
3. The Items for Monthly Disclosure specified in Paragraph 1 may be presented in accordance with the form and presentation guidelines prescribed by the Self-Regulation Committee.

\* Article 11-2 of the By-laws

\* Committee Resolution 4

#### Article 17. Method of Monthly Disclosures

The monthly disclosures specified in the preceding two articles shall be made in the following manner:

- (1) Posting on the website of the Management Company
- (2) Method of placing at the office of the distributor

#### Chapter 5: Timely Disclosure

#### Article 18. Timely Disclosure

1. A Management Company shall disclose the following matters regarding investment trusts for which it provides management instructions in a timely manner via the Management Company's website or similar means.
  - (1) For stock investment trusts, the following information shall be indicated as specified in the respective items below.
    - (a) Summary of the investment trust: The base value, total amount of net assets, etc. as of the date of establishment, date of maturity, date of settlement of accounts, and base date (meaning the date that serves as the basis for such timely disclosure, which is voluntarily determined by the Management Company; the same shall apply hereinafter) shall be indicated.
    - (b) Graph of changes in base value: The graph shall be displayed for the past three years or more. The basis for calculation should be clear, such as including dividends before tax deductions. In addition, for investment trusts that specify a benchmark (a benchmark as defined in Article 3, Paragraph 2; the same shall apply hereinafter) in the prospectus, this shall be presented in comparison with such benchmark.
    - (c) The investment trust's fluctuation rate by period: Taking the base value on the base date as a standard, the fluctuation rate shall be indicated for the periods of one year and three years (for investment funds that have been in existence for less than three years, the period since establishment). The basis for calculation should be clear, such as including dividends before tax deductions. For investment trusts that specify a benchmark in the prospectus, the fluctuation rate of such benchmarks during each period shall also be indicated.
    - (d) Disclosure of expenses: In disclosing the above (b), the trust fee rate of the investment trust in question, or in cases where such trust fee rate fluctuates, the most recent trust fee rate as of the base date. A note shall be added to the effect that the base value in question is the value after deducting the

- trust fee rate. In this case, the indication may substitute for the amount of trust fees.
- (e) Actual dividends: Figures shall be indicated for the past three periods or more.
  - (f) Status of asset incorporation: The status of the investment trust's portfolio shall be indicated in terms of asset composition, top issues incorporated, proportion by industry, etc., in accordance with the product characteristics of the investment trust.
  - (g) For investment trusts whose main investment target is bonds and which the Management Company judges to be appropriate due to the nature of the investment trust's product, the status of the portfolio shall be indicated by the average remaining maturity or duration of the bonds in the investment trust.
- (2) For public and corporate bond investment trusts, the following information shall be indicated as specified in the respective items below.
- (a) Summary of the investment trust: The date of establishment, date of redemption, date of settlement, base value on the base date and total amount of net assets, etc. shall be indicated.
  - (b) Disclosure of expenses: The trust fee rate of the investment trust in question (or in cases where such trust fee rate fluctuates, the most recent trust fee rate as of the base date). It shall also be indicated that the base value in question is the value after deducting the trust fee rate. In this case, the indication may substitute for the amount of trust fees.
  - (c) Actual dividends and changes in yield: Figures shall be indicated for the past three periods or more. For Daily Settlement Type Bond Investment Trusts, the annualized yield or actual dividends for the most recent seven days shall be presented for the last three months or more.
  - (d) Status of asset incorporation: The status of the investment trust's portfolio shall be indicated in terms of asset composition, top issues incorporated, proportion by type, etc., in accordance with the product characteristics of the investment trust.
  - (e) For investment trusts which the Management Company judges to be appropriate due to the nature of the investment trust's product, the status of the portfolio shall be indicated by the average remaining maturity or duration of the bonds in the investment trust.
2. The timely disclosure prescribed in the preceding paragraph shall be made on a monthly basis. However, for an interim period, it may be disclosed on a quarterly basis.
3. Among the items to be displayed as prescribed in Paragraph 1, the base value and total amount of net assets on the base date as prescribed in Items 1 (a) and 2 (a), the fluctuation rate by period as prescribed in Item 1 (c), and the graph of changes in base value as prescribed in Item 1 (b) (limited to those for the past three years or more) may be substituted by linking to the relevant items for the investment trust in question in the comprehensive search system for investment trusts operated by the Association.

#### Article 19. Disclosure of Matters with a Significant Impact on Base Value

In order to respond to cases where a Management Company itself determines that disclosure should be made when an event that has had a significant impact on the base value of the relevant investment trust occurs, the Management Company shall establish internal rules regarding whether or not disclosure is permitted in advance, and shall disclose the details of the event that is determined to have had a significant impact on the base value of the relevant investment trust through the Management Company's website or other means.

Article 19-2. Disclosure in Cases Where Investment Restrictions Are Exceeded to Avoid Concentration of Credit Risk

1. In the event that the ratio of exposure to the total amount of net assets of the investment trust property as specified in Article 17-2, Paragraph 1 of the Management Rules exceeds 10% for each of the categories listed in the items of the same paragraph of the same article, or 20% in total (hereinafter referred to as the “Base Ratio”)(including cases in which Article 17-2 is applied by replacing the relevant terms in Article 17-3, Paragraph 1, Item 3 of the Management Rules), the Management Company shall, within three months after completing the adjustment specified in the same paragraph of the same article, disclose the fact that the Base Ratio has been exceeded and that the adjustment has been completed thereafter on the Management Company’s website or by other means.
2. The provisions of the preceding paragraph shall not apply to funds to which Article 17-2 of the Management Rules does not apply and funds for which the measures prescribed in Article 17-3 (excluding Paragraph 1, Item 3) of the same Rules have been taken.

Article 20. Voluntary Disclosure Investment Trusts

Notwithstanding the provisions of Article 18 and Article 19, for privately placed investment trusts, listed investment trusts (meaning investment trusts as defined in Article 12, Items 1 and 2 of the Cabinet Order and listed securities investment trusts as defined in Article 9-4-2 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957)), unit type investment trusts during the closed period and other investment trusts specified in the By-laws (hereinafter referred to as “Voluntary Disclosure Investment Trusts”), disclosure shall be made at the discretion of the Management Company.

\* Article 12 of the By-laws

Chapter 6: Items to Be Indicated in Investment Reports for Real Estate Investment Trusts

Article 21. Items to Be Indicated on the Cover Page

The cover page of investment reports for real estate investment trusts (hereinafter the “REIT”) shall indicate the following items.

- (1) The label “Investment Report”
- (2) The name of the REIT
- (3) Fiscal period and date of settlement (for REIT with accounting periods of less than six months, the respective accounting period and date of settlement)
- (4) Name and address of the Management Company

Article 22. Items to Be Indicated in the Main Text and Their Order

The main text of investment reports of REIT shall indicate the mechanism of the REIT in question (including the investment policy for the relevant investment trust property), as well as the following information as specified in the respective items below. In principle, the investment report shall indicate such information in the

following order.

- (1) Changes in the investment situation, etc. of the investment trust property: Operating revenue, ordinary income, net income for current period, net assets, total assets, base value (referring to net assets per unit (referring to one trading unit)), and equity ratio for each of at least five accounting periods prior to the current period shall be indicated.
- (2) Progress of asset management during the current period: The basic policy for the REIT, its results for the current period, and analysis thereof shall be indicated using the status of acquisition and sale of real estate, etc. and asset-backed securities, etc. during the current period (if the accounting period is less than six months, the period shall be the past six months from the last day of the relevant accounting period; the same shall apply hereinafter in this chapter), as well as changes in leasable area and occupancy rate, etc.

The relationship with the future investment policy indicated in the previous period's investment report shall also be indicated.

- (3) Status of trust principal, etc.: If there is an increase in the trust principal in the current period due to a public offering, etc., changes in the number of units of beneficial interests, etc. shall be indicated.
- (4) Record of dividends, etc.: Dividends, etc. for each accounting period for five or more periods prior to the current period (if the accounting period is less than six months, the dividends, etc. paid for each accounting period during the past six months from the end of the preparation period) shall be presented separately for dividends from earnings and cash payments for refunds of investment principal. It shall also indicate the basis for determining the amount of the dividend for the current period and the future investment policy for retained earnings.

In the event that the investment principal is refunded on an ongoing basis every period as stipulated in Article 28-2 of the Rules on REIT, etc., notes or similar information shall be provided on the matters stipulated in Item 4 of the same article.

In addition, in the event of refunds of investment principal other than the ongoing refunds of investment principal every period as provided for in Article 28-3 of the Rules on REIT, etc., notes or similar information shall be provided on the matters stipulated in the proviso to the same article.

- (5) Future investment policy: The investment policy for the next and subsequent periods shall be indicated in detail, including the relationship with the investment policy indicated in the Basic Terms and Conditions of the investment trust, using a summary of capital expenditures, etc. for which implementation has been approved. In this case, it shall be concisely described while using objective expressions.
- (6) Issues to be addressed: Any issues to be addressed concerning the REIT shall be indicated briefly. However, if the same information is presented in the future investment policy as stipulated in the previous item, such indication may be omitted.
- (7) Material facts that have arisen after the settlement of accounts: Facts concerning situations that have arisen in relation to the REIT after the settlement of accounts for the current period, and material facts concerning its operations, the status of its earnings and the rights of its beneficiaries, shall be indicated.
- (8) Investment trust property management summary: When the trust contract period has ended, the

investment trust property management summary prescribed in Article 58, Paragraph 1, Item 26 of the Ordinance on Investment Trust's Financial Statements shall be indicated.

- (9) Status of investment contributions: Total number of units of beneficial interests to be issued, total number of units of beneficial interests already issued, and number of beneficiaries shall be indicated.
- (10) Major beneficiaries: The names of the top 10 beneficiaries in order of the ratio of the number of units of beneficial interests held to the total number of units of beneficial interests as of the end of the fiscal period, and the number of units of beneficial interests that each holds. However, if an individual is included in the top 10 holders (companies) and the ratio of the number of beneficial interests held by that individual to the total number of beneficial interests is less than 10%, their name may be replaced with an indication that they are an individual.
- (11) Name of trustee bank as of the end of the current period
- (12) Composition of investment trust property: The ratio of the amount of each type of asset to the amount of total assets as of the end of the current period shall be indicated. In this case, the effective proportion of real estate incorporated for each asset and the main investment targets of the assets listed in Article 3, Paragraph 2, Items 5 to 8 of the Rules on REIT, etc. as of the end of the period shall be noted for each type of asset.
- (13) Major assets held: For assets held as of the end of the current period, the proportion to total leasable area and total rental revenue, etc. accounted for by each individual asset shall be indicated for at least the top 10 individual assets in terms of book value.
- (14) Details of incorporated assets: Details of assets incorporated in the REIT as of the end of the current period shall be indicated separately for each type of asset. However, in lieu of this indication, a detailed statement of securities (meaning a detailed statement of securities as prescribed in Article 57, Paragraph 1, Item 1 of the Ordinance on Investment Trust's Financial Statements) may be attached for securities, a detailed statement of real estate, etc. (meaning a details of real estate, etc. as prescribed in Article 57, Paragraph 1, Item 5 of the Ordinance on Investment Trust's Financial Statements) may be attached for real estate, etc., a detailed statement of renewable energy power generation facilities (meaning details of renewable energy power generation facilities, etc. as prescribed in Article 57, Paragraph 1, Item 8 of the Ordinance on Investment Trust's Financial Statements) may be attached for renewable energy power generation facilities, etc., and details of rights to operate public facilities, etc. (meaning a Details of Rights to Operate Public Facilities, etc., as prescribed in Article 57, Paragraph 1, Item 9 of the Ordinance on Investment Trust's Financial Statements) may be attached for Rights to Operate Public Facilities, etc.

When indicating renewable energy power generation facilities, in addition to the table set forth in the detailed statement of incorporated assets in Attached Table 6 (14) of the resolution of the committee on investment reports, etc. of infrastructure investment trusts, etc. (hereinafter referred to as the "Committee Resolution on Infrastructure Investment Trusts, etc."), matters concerning the approved business operator or supplier (nature of business, financial status, profit status, status of personnel engaged in operation of the renewable energy power generation facility, performance of operation of the renewable energy power generation facility and other important matters concerning the approved

business operator's or supplier's ability to perform its business) shall be indicated. If a lease contract with respect to the renewable energy power generation facility has been entered into with a counterparty, rental income during the accounting period of the investment trust property, expiration date of the contract, method of contract renewal, deposit and other matters to be specified with respect to the lease contract, price for each renewable energy power generation facility as of the end of the current period shall be indicated. If the renewable energy power generation facility falls under the category of certified power generation facility, matters concerning compliance with the standards set forth in each item of Article 9, Paragraph 3 of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources shall be indicated.

In addition, when indicating operating rights for public facilities, etc., the status of public facilities, etc. to which the said operating rights pertain (details of the service agreement for the operation of the public facilities etc. (counterparty to the agreement, term of the agreement, annual service fee and other matters to be specially noted regarding the said agreement), actual annual operating revenue, current status of the public facilities etc. and other matters that have a significant impact on the price of the operating rights for said public facilities, etc.), matters concerning the counterparty to the service agreement for the operation of public facilities, etc. (nature of its business, financial status, status of earnings, status of personnel engaged in the operation, etc. of the public facilities, etc., actual performance of the operation, etc. of the public facilities, etc., and other important matters concerning the ability of the counterparty to the agreement to execute the business), and the price for each operating right for public facilities, etc. as of the end of the period shall be indicated in addition to the table set forth in the details of incorporated assets in Attached Table 6 (14) of the Committee Resolution on Infrastructure Investment Trusts.

- (15) Status of other assets: Assets other than real estate, etc., asset-backed securities, etc., and infrastructure assets, etc., as of the end of the current period shall be classified into the types of assets specified in the By-laws and indicated separately.

However, this may be omitted for assets for which special treatment related to hedge accounting is applied (i.e., those used as hedging instruments).

- (16) Held assets by country/region: In the case of investments in overseas real estate, etc. in multiple countries/regions, the held assets as of the end of the current period shall be indicated for each country/region.
- (17) Plans for capital expenditures: Implementation plans for capital expenditures that have been finalized prior to the date on which the investment report is actually produced (hereinafter referred to as the "Date of Production") shall be indicated for each such plan.
- (18) Capital expenditures during the period: If the implementation plans for capital expenditures have been completed by the end of the current period, each such plan shall be indicated. When capital expenditures are made due to natural disasters, etc., the relevant capital expenditures shall be indicated separately.
- (19) Money set aside for long-term repair plans: The amount set aside at the end of the period based on long-term repair plans shall be indicated as the balance of the reserve as of the end of the previous

period at the end of each period, the amount set aside and the amount reversed for each accounting period, and the amount carried forward to the next period at the end of each period, for five or more accounting periods prior to the current period (if the accounting period is less than six months, it shall be the accounting periods within the past five years or more from the end of the preparation period).

In the event that the investment principal is refunded on an ongoing basis every period as stipulated in Article 28-2 of the Rules on REIT, etc., notes or similar information shall be provided on the matters stipulated in Item 5 of the same article.

- (20) Details of expenses related to management, etc.: The amount of total expenses and trust fees paid from investment trust property during the current period shall be indicated, broken down by Management Company, trustee bank, offering agent, and total amount, as well as the details of the services for which they are paid.
- (21) Status of borrowing: If there is a balance of funds borrowed during the current period, the lender, the date of borrowing, the balance at the end of the previous period, the balance at the end of the current period, the average interest rate, the repayment due date, the repayment method and the use purpose of the funds shall be indicated separately for each borrowing.
- (22) Status of trading of real estate, etc., asset-backed securities, infrastructure assets, etc., and infrastructure-related assets, etc.: The status of trading and profits/losses relating to real estate, etc., asset-backed securities, etc., infrastructure assets, etc., and infrastructure-related assets during the period shall be indicated separately for each asset.
- (23) Status of trading of other assets: The status of trading of other assets and profits/losses during the period shall be indicated separately for each asset.
- (24) Investigation of the price of specified assets, etc.: The matters stipulated in Article 58, Paragraph 1, Item 20 of the Ordinance on Investment Trust's Financial Statements shall be indicated.
- (25) Status of transactions with interested parties, etc. and major shareholders: The status of transactions with interested parties, etc. and major shareholders (meaning major shareholders as defined in Article 29-4, Paragraph 2 of the FIEA) during the current period and the total amount of commissions paid thereto shall be indicated.

In this case, interested parties, etc. shall be those to whom any of the following criteria (a) to (c) apply.

- (a) An interested party, etc. as defined in Article 17 of the Cabinet Order
  - (b) Corporations, associations, trusts and other similar entities (hereinafter referred to as "Corporations, etc." in this item and Article 26, Item 27) that have entered into a discretionary investment advisory contract for real estate, etc. (meaning a discretionary investment contract as defined in Article 2, Paragraph 5 of the Real Estate Investment Advisory Business Registration Regulations (Ministry of Construction Notification No. 1828 of 2000) or Article 2, Paragraph 8, Item 12 (b) of the FIEA; the same shall apply in Article 26, Item 27) with an interested party, etc. or major shareholder of the Management Company.
  - (c) Corporations, etc. in which interested parties, etc. and major shareholders of the Management Company hold a majority stake or constitute a majority of the officers, etc.
- (26) Status of transactions, etc., with the Management Company in relation to secondary businesses



operated by the Management Company: In cases where a Management Company is engaged in a Type I Financial Instruments Business, Type II Financial Instruments Business, Real Estate Brokerage (meaning a Real Estate Brokerage as defined in Article 2, Item 2 of the Real Estate Brokerage Act (Act No. 176 of 1952); the same applies hereinafter), Specified Joint Real Estate Venture (meaning a Specified Joint Real Estate Venture as defined in Article 2, Paragraph 4 of the Act on Specified Joint Real Estate Ventures (Act No. 77 of 1994); the same applies hereinafter), or Business of Assuming Commodity Transaction Debts, the status of transactions with said Management Company, which is a Type I Financial Instruments Business, Type II Financial Instruments Business, Real Estate Brokerage, Specified Joint Real Estate Venture, or Business of Assuming Commodity Transaction Debts involved in the secondary business in question, shall be indicated alongside the total amount of trading commissions paid to said Management Company or the total amount of commissions.

- (27) Status of assets, liabilities, principal, and profits and losses: The status of assets, liabilities, principal, and profits and losses as of the end of the current period (if the accounting period is less than six months, the end of each accounting period in the preparation period; the same shall apply hereinafter in this chapter) shall be indicated. Alternatively, a balance sheet, profit and loss statement, and statement of cash distribution may be attached instead.
- (28) Change in the method of calculating depreciation: When there is a change in the method of calculating the amount of depreciation of equipment, etc., during the current period, the date of the change in calculation method, the calculation method before the change, the amount calculated using the calculation method before the change, the calculation method after the change, the amount calculated using the calculation method after the change, and the reason for the change shall be indicated.
- (29) Change in valuation method of real estate, etc. and infrastructure assets, etc.: If the valuation method of real estate, leaseholds or superficies rights of real estate, or infrastructure assets, etc. is changed during the current period, the date of change of the valuation method, the valuation method before change, the appraised value appraised by the method before change, the valuation method after change, the appraised value appraised by the method after change and the reason for change shall be indicated.
- (30) Disclosures related to beneficiary certificates of investment trusts, etc. created by the company: In the case of acquisitions, etc. listed in Article 6-3 of the Rules for Full Members' Business Operations, etc. as stipulated in Article 6-5 of the same Rules, the matters to be stated in the investment report, etc. shall be as follows.
- (a) Possession of beneficiary certificates for investment trusts, etc. created by the company as of the end of the current period.
  - (b) History of acquisitions and dispositions for each of the past five accounting periods, including the end of the current period
  - (c) Number of units held, total amount, and ratio to total number of units issued at the end of each accounting period for the past five years, including the end of the current period.
  - (d) Other matters necessary from the viewpoint of protection of investors, etc. (limited to cases where acquisition or disposal has been made in the past five years, including the end of the current period.)
- (31) Announcements: In the event that changes are made to the Basic Terms and Conditions of an

investment trust, changes are made to the management system, etc., or events occur that the Management Company deems appropriate to make known to beneficiaries during the current period, the details of such events, etc. shall be indicated. However, this does not apply if the details of the relevant event, etc. are indicated in other items, etc.

\* Article 13 of the By-laws

#### Article 23. Disclosure Relating to Mother Funds

The provisions of Article 4 shall apply mutatis mutandis to cases where beneficiary certificates of a mother fund are incorporated in investment trust property.

#### Article 24. Form and Presentation Guidelines

The items to be indicated as prescribed in Article 22 (excluding items 2, 5 through 11, 14 (ii) and (iii), 24 and 31) pertaining to the investment reports of real estate investment trusts may be indicated in accordance with the form and presentation guidelines prescribed by the Self-Regulation Committee.

\* Committee Resolution on Real Estate Investment Trusts, etc. 1

#### Article 24-2. Production and Delivery of Documents Prescribed in Article 14, Paragraph 4 of the Investment Trust Act

In accordance with the provisions of Article 14, Paragraph 4 of the Investment Trust Act, the Management Company must prepare a document stating the matters to be stated in the investment report in Paragraph 1 of the same Article which are specified by Cabinet Office Ordinance as important matters and deliver it to known beneficiaries each time it is produced.

In this case, the said document shall be prepared and delivered in accordance with the provisions of Article 58-2 of the Ordinance on Investment Trust's Financial Statements, with reference to Chapter 3's provisions regarding Investment Reports (Delivery Version).

#### Chapter 7: Items to Be Indicated in Asset Management Reports for Real Estate Investment Corporations

##### Article 25. Items to Be Indicated on the Cover Page

The cover page of asset management reports for real estate investment corporations shall indicate the following items.

- (1) The label "Asset Management Report"
- (2) The name of the real estate investment corporation
- (3) Fiscal period and date of settlement
- (4) Location of the head office of the real estate investment corporation

##### Article 26. Items to Be Indicated in the Main Text and Their Order

1. The main text of an asset management report for a real estate investment corporation shall indicate the

information as specified in the respective items below. In principle, the asset management report shall indicate such information in the following order.

- (1) Changes in the investment situation, etc. of the investment corporation: Operating revenue, ordinary income, net income for current period, net assets, total assets, base value (referring to net assets per unit (referring to one trading unit)), and equity ratio for each of at least five business periods prior to the current period shall be indicated.
- (2) Progress of asset management during the current period: The Basic Management Policy of the real estate investment corporation, its results for the current period, and analysis thereof shall be indicated using the status of acquisition and sale of real estate, etc. and asset-backed securities, etc. during the current period, as well as changes in leasable area and occupancy rate, etc. The relationship with the future asset investment policy indicated in the previous period's investment report shall also be indicated.
- (3) Increases in capital, etc.: If there is an increase in capital investment as a result of a public offering, etc. during the current period, the change in investment units, etc. shall be indicated.
- (4) Record of dividends, etc.: Dividends, etc. for each business period for five or more periods prior to the current fiscal period shall be presented separately for dividends from earnings and cash payments for refunds of investment contributions (dividends shall be classified into those from the allowance for temporary difference adjustments and those with decrease of investment capital, etc. under the Tax Act). It shall also indicate the basis for determining the amount of the dividend for the current period and the future investment policy for retained earnings.

In the event of an ongoing refund of investment categorized as a capital distribution with decrease of investment capital, etc. under the Tax Act every fiscal period as stipulated in Article 43-4 of the Rules on REIT, etc., notes or similar information shall be provided on the matters stipulated in Item 4 of the same article.

In addition, in the event of a refund of investment categorized as a capital distribution with decrease of investment capital, etc. under the Tax Act other than an ongoing refund of investment categorized as a capital distribution with decrease of investment capital, etc. under the Tax Act every fiscal period as stipulated in Article 43-5 of the Rules on REIT, etc., notes or similar information shall be provided on the matters stipulated in the proviso to the same article.

- (5) Future investment policy: The investment policy for the next and subsequent periods shall be indicated in detail, including the relationship with the investment policy indicated in the investment corporation's Certificate of Incorporation, using a summary of capital expenditures, etc. for which implementation has been approved. In this case, it shall be concisely described using objective expressions.
- (6) Issues to be addressed: Any issues to be addressed by the real estate investment corporation shall be indicated briefly. However, if the same information is presented in the future investment policy as stipulated in the previous item, such indication may be omitted.
- (7) Material facts that have arisen after the settlement of accounts: Facts that have arisen in relation to the real estate investment corporation after the settlement of accounts for the current period, and material facts concerning its operations, the status of its earnings and the rights of its investors, shall be

indicated.

- (8) Status of investment contributions: The total number of investment units that can be issued, the total number of investment units already issued, and the number of investors shall be indicated.
- (9) Matters regarding investment units: The names of the top 10 investors in descending order of the proportion of investment units each holds out of the total number of investment units issued (excluding own investment units) as of the end of the current period, the number of investment units held by the said investors, and relevant proportion held by each.
- (10) Matters regarding officers, etc.: The names, positions and responsibilities, status of concurrently held positions, and other important matters of officers, etc. (including those who were in their position during the relevant business period and retired by the end of the relevant business period) shall be indicated.
- (11) Asset management companies, asset custodian companies and general administration companies: The names of the asset management companies (meaning the asset management company as defined in Article 2, Paragraph 21 of the Investment Trust Act; the same shall apply hereinafter ), asset custodian companies and general administration companies as of the end of the current period shall be indicated.
- (12) Composition of real estate investment corporation assets: The ratio of the amount of each type of asset to the total assets as of the end of the current period shall be indicated. In this case, the effective proportion of real estate incorporated for each asset and the main investment targets of the assets listed in Article 3, Paragraph 2, Items 5 to 8 of the Rules on REIT, etc. as of the end of the period shall be noted for each type of asset.
- (13) Major assets held: For assets held as of the end of the current period, the proportion of total leasable area and total rental revenue, etc. accounted for by each individual asset shall be indicated for at least the top 10 individual assets in terms of book value as of the end of the current period.
- (14) Details of incorporated assets: Details of assets incorporated in the REIT as of the end of the current period shall be indicated separately for each type of asset. However, in lieu of this indication, a detailed statement of securities (meaning a detailed statement of securities as prescribed in Article 80, Paragraph 1, Item 1 of the Ordinance on Accounting of Investment Corporations (Ordinance No. 47 of 2006, hereinafter referred to as the “Ordinance on Investment Corporation’s Financial Statements”) may be attached for securities, a detailed statement of real estate, etc. (meaning a details of real estate, etc. as prescribed in Article 80, Paragraph 1, Item 5 of the Ordinance on Investment Corporation’s Financial Statements) may be attached for real estate, etc., a detailed statement of renewable energy power generation facilities (meaning a details of renewable energy power generation facilities, etc. as prescribed in Article 80, Paragraph 1, Item 8 of the Ordinance on Investment Corporation’s Financial Statements) may be attached for renewable energy power generation facilities, etc., and details of rights to operate public facilities, etc. (meaning Details of Rights to Operate Public Facilities, etc. as prescribed in Article 80, Paragraph 1, Item 9 of the Ordinance on Investment Corporation’s Financial Statements may be attached for Rights to Operate Public Facilities, etc.

When indicating renewable energy power generation facilities, in addition to the table set forth in the detailed statement of incorporated assets in Attached Table 6 (14) of the Committee Resolution on

Infrastructure Investment Trusts, etc., matters concerning the approved business operator or supplier (nature of business, financial status, profit status, status of personnel engaged in operation of the renewable energy power generation facility, performance of operation of the renewable energy power generation facility and other important matters concerning the approved business operator's or supplier's ability to perform its business) shall be indicated. If a lease contract with respect to the renewable energy power generation facility has been entered into with a counterparty, rental income during the business period of the investment corporation assets, expiration date of the contract, method of contract renewal, deposit and other matters to be specified with respect to the lease contract, price for each renewable energy power generation facility as of the end of the current period shall be indicated. If the renewable energy power generation facility falls under the category of certified power generation facility, matters concerning compliance with the standards set forth in each item of Article 9, Paragraph 3 of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources shall be indicated.

In addition, when indicating operating rights for public facilities, etc., the status of public facilities, etc. to which the said operating rights pertain (details of the service agreement for the operation of the public facilities etc. (counterparty to the agreement, term of the agreement, annual service fee and other matters to be specially noted regarding the said agreement), actual annual operating revenue, current status of the public facilities etc. and other matters that have a significant impact on the price of the operating rights for said public facilities, etc.), matters concerning the counterparty to the service agreement for the operation of public facilities, etc. (nature of its business, financial status, status of earnings, status of personnel engaged in the operation, etc. of the public facilities, etc., actual performance of the operation, etc. of the public facilities, etc., and other important matters concerning the ability of the counterparty to the agreement to execute the business), and the price for each operating right for public facilities, etc. as of the end of the period shall be indicated in addition to the table set forth in the details of incorporated assets in Attached Table 6 (14) of the Committee Resolution on Infrastructure Investment Trusts.

- (15) Status of other assets: Assets other than real estate, etc., asset-backed securities, etc., and infrastructure assets, etc., as of the end of the current period shall be classified into the types of assets specified in the By-laws and indicated separately.

However, this may be omitted for assets for which special treatment related to hedge accounting is applied (i.e., those used as hedging instruments).

- (16) Held assets by country/region: In the case of investments in overseas real estate, etc. in multiple countries/regions, the held assets as of the end of the current period shall be indicated for each country/region.
- (17) Scheduled capital expenditures: Implementation plans for capital expenditures that have been finalized prior to the Date of Production of the relevant asset management report shall be indicated for each such plan.
- (18) Capital expenditures during the period: If the implementation plans for capital expenditures have been completed by the end of the current period, each such plan shall be indicated. When capital

expenditures are made due to natural disasters, etc., the relevant capital expenditures shall be indicated separately.

- (19) Money set aside for long-term repair plans: The amount set aside at the end of the period based on long-term repair plans shall be indicated as the balance of the reserve for the start of the current period at the end of each period, the amount set aside and the amount reversed for each business period, and the amount carried forward to the next period at the end of each period, for five or more business periods prior to the current period (if the business period is less than six months, it shall be the business periods within the past five years from the end of the preparation period).

In the event of a refund of investment categorized as an ongoing capital distribution with decrease of investment capital, etc. under the Tax Act every fiscal period as stipulated in Article 43-4 of the Rules on REIT, etc., notes or similar information shall be provided on the matters stipulated in Item 5 of the same article.

- (20) Details of expenses related to management, etc.: The total amount of expenses paid by the real estate investment corporation during the current period and expenses paid to outside contractors, etc. that have concluded agreements with the said real estate investment corporation shall be indicated separately by party to which payment is made.
- (21) Status of Borrowing If there is a balance of funds borrowed during the current period, the lender, the date of borrowing, the balance at the beginning of the current period, the balance at the end of the current period, the average interest rate, the repayment date, the repayment method, the use purpose of the funds, whether or not collateral is provided, collateral properties, and other special provisions shall be indicated separately for each borrowing.
- (22) Investment corporation bonds: If there are investment corporation bonds outstanding at the end of the current period, the name of the issue, date of issue, balance at the beginning of the current period, balance at the end of the current period, interest rate, redemption period, redemption method and purpose of use, etc. shall be indicated separately for each issue.
- (23) Short-term investment corporation bonds: If there are any short-term investment corporation bonds outstanding at the end of the fiscal period, the issue name, issue date, balance at the end of the fiscal period, issue value, redemption value, etc. shall be indicated separately for each issue.
- (23-2) Investment equity subscription rights: If there are investment equity subscription rights that have not been exercised as of the end of the current period, the name of the issue, the date of issue, the number of investment equity subscription rights unexercised as of the end of the current period, the number of investment units for which the investment equity subscription rights are intended or the method of calculating the number of units, the amount to be paid in upon exercise of the investment equity subscription rights or the method of calculating the amount of money to be paid in upon exercise of the new investment equity subscription rights, and the exercise period shall be indicated separately for each issue.
- (24) Status of trading of real estate, etc., asset-backed securities, infrastructure assets, etc., and infrastructure-related assets, etc.: The status of trading and profits/losses relating to real estate, etc., asset-backed securities, etc., infrastructure assets, etc., and infrastructure-related assets during the

current period shall be indicated separately for each asset.

- (25) Status of trading of other assets: The status of trading of other assets and profits/losses during the current period shall be indicated separately for each asset.
- (26) Investigation of the price of specified assets, etc.: The matters stipulated in Article 73, Paragraph 1, Item 19 of the Ordinance on Investment Corporation's Financial Statements shall be indicated.
- (27) Status of transactions with interested parties, etc.: The status of transactions with interested parties, etc. during the current period and the total amount of commissions paid thereto shall be indicated. In this case, interested parties, etc. shall be those to whom any of the following criteria (a) to (c) apply.
- (a) An interested party, etc. as defined in Article 123 of the Cabinet Order
  - (b) A Corporation, etc. that has entered into a discretionary investment advisory contract for real estate, etc. with an interested party, etc. of the asset management company
  - (c) A Corporation, etc. in which interested parties, etc. of the asset management company hold a majority stake or constitute a majority of the officers, etc.
- (28) Status of transactions, etc., with asset management companies in relation to secondary businesses operated by the asset management companies in question: In cases where an asset management company is engaged in a Type I Financial Instruments Business, Type II Financial Instruments Business, Real Estate Brokerage, or Specified Joint Real Estate Venture, the status of transactions during the current period with said asset management company, which is a Type I Financial Instruments Business, Type II Financial Instruments Business, Real Estate Brokerage, or Specified Joint Real Estate Venture involved in the secondary business in question, shall be indicated alongside the total amount of trading commissions paid to said asset management company or the total amount of commissions.
- (29) Status of assets, liabilities, principal, and profits and losses: The status of assets, liabilities, principal, and profits and losses as of the end of the current period shall be indicated. Alternatively, a balance sheet, profit and loss statement, statement of changes in investors' equity, notes, and statement of cash distribution may be attached instead.
- (30) Change in the method of calculating depreciation: When there is a change in the method of calculating the amount of depreciation of equipment, etc., at the end of or during the current period, the date of the change in calculation method, the calculation method before the change, the amount calculated using the calculation method before the change, the calculation method after the change, the amount calculated using the calculation method after the change, and the reason for the change shall be indicated.
- (31) Change in valuation method of real estate, etc. and infrastructure assets, etc.: If the valuation method of real estate, leaseholds or superficies rights of real estate, or infrastructure assets, etc. is changed at the end of or during the current period, the date of change of the valuation method, the valuation method before change, the appraised value appraised by the method before change, the valuation method after change, the appraised value appraised by the method after change, the reason for change, and any other special provisions shall be indicated.
- (32) Disclosures related to beneficiary certificates of investment trusts, etc. created by the company: In the case of acquisitions, etc. listed in Article 6-3 of the Rules for Full Members' Business Operations, etc.

as stipulated in Article 6-5 of the same Rules, the matters to be stated in the investment report, etc. shall be as follows.

- (a) Possession of beneficiary certificates for investment trusts, etc. created by the company as of the end of the current period.
  - (b) History of acquisitions and dispositions for each of the past five accounting periods, including the end of the current period
  - (c) Number of units held, total amount, and ratio to total number of units issued at the end of each accounting period for the past five years, including the end of the current period.
  - (d) Other matters necessary from the viewpoint of protection of investors, etc. (limited to cases where acquisition or disposal has been made in the past five years, including the end of the current period.)
- (33) Announcements: If any matter stipulated in Article 109, Paragraph 2, Items 2, 3, 5, 6 and 8 of the Investment Trust Act is approved by the Board of Directors of the relevant real estate investment corporation or if any other information is found to be important during the current period, the details of such information shall be indicated. However, this shall not apply if the details of the relevant information is indicated in other items, etc.
- (34) Disclosure regarding overseas real estate holding corporations: In the event that the number of shares or capital contributions held in an overseas real estate holding corporation (meaning an overseas real estate holding corporation as defined in Article 105, Item 1 (f) of the Regulation for Enforcement of the Act on Investment Trusts and Investment Corporations; the same shall apply hereinafter) exceeds the number or amount obtained by multiplying the total number or total amount of issued shares or capital contributions (excluding shares or capital contributions of the said overseas real estate holding corporation held by itself) of the said overseas real estate holding corporation by the rate prescribed in Article 221 of the Regulation for Enforcement of the Act on Investment Trusts and Investment Corporations, the following matters shall be indicated for each of the overseas real estate holding corporations in question.
- (a) Amount of investment in the overseas real estate holding corporation
  - (b) Organizational structure, purpose, business activities and profit distribution policy of the said overseas real estate holding corporation
  - (c) Ratio of the number or amount of shares or capital contributions of the overseas real estate holding corporation that belong to the assets of the investment corporation to the total number or total amount of issued shares or capital contributions of the overseas real estate holding corporation
  - (d) Details of the regulations pertaining to dividends in the country where the overseas real estate holding corporation is located
- (35) Disclosures regarding real estate held by overseas real estate holding corporations: In the case specified in the preceding item, the following matters regarding real estate held by overseas real estate holding corporations shall be indicated.
- (a) Location, lot number and other matters necessary to identify the said real estate
  - (b) For each property, the value as of the end of the current period (appraised value, listed price, roadside price, published sales price, or any other price that is deemed to be fair in accordance with the above)



(c) If there is a party with which the investment corporation has concluded a lease agreement for the property (hereinafter referred to as a “Tenant” in (c)), the occupancy rate and the total number of Tenants as of the end of the current period for each property, and the investment corporation’s total rental revenues during the business period (if such total rental revenues cannot be indicated due to unavoidable circumstances, a statement to that effect)

(d) Total amount of trading transactions during the investment corporation’s business period

\* Article 14 of the By-laws

2. Items indicated in the notes may be omitted from the asset management report.

#### Article 27. Form and Presentation Guidelines

The items to be indicated as prescribed in the preceding article (excluding Items 2, 5 through 8, 11, 14 (ii) and (iii), 26 and 33) pertaining to the asset management reports of real estate investment corporations may be indicated in accordance with the form and presentation guidelines prescribed by the Self-Regulation Committee.

\* Committee Resolution on Real Estate Investment Trusts, etc. 2

#### Chapter 8: Items to Be Indicated in Investment Reports for Infrastructure Investment Trusts

##### Article 28. Items to Be Indicated on the Cover Page

The cover page of investment reports for infrastructure investment trusts (hereinafter “infrastructure investment trusts”) shall indicate the following items.

- (1) The label “Investment Report”
- (2) Name of the infrastructure investment trust
- (3) Fiscal period and date of settlement (for infrastructure investment trusts with accounting periods of less than six months, the respective accounting period and date of settlement)
- (4) Name and address of the Management Company

##### Article 29. Items to Be Indicated in the Main Text and Their Order

The main text of an infrastructure investment trust’s investment reports shall indicate the mechanism of the infrastructure investment trust in question (including the investment policy for the relevant investment trust property), as well as the following information as specified in the respective items below. In principle, the investment report shall indicate such information in the following order.

- (1) Changes in the investment situation of the investment trust property: Operating revenue, ordinary income, net income for current period, net assets, total assets, base value (referring to net assets per unit (referring to one trading unit)), and equity ratio for each of at least five accounting periods prior to the current period shall be indicated.
- (2) Progress of asset management during the current period: The basic policy of the infrastructure investment trust, its results for the current period, and analysis thereof shall be indicated using the status of acquisition and sale of infrastructure assets, etc., infrastructure-related assets, and real estate, etc.

during the current period (if the accounting period is less than six months, the period shall be the past six months from the last day of the relevant accounting period; the same shall apply hereinafter in this chapter), as well as changes in leasable area and occupancy rate, etc. The relationship with the future investment policy indicated in the previous period's investment report shall also be indicated.

- (3) Status of trust principal, etc.: If there is an increase in the trust principal in the current period due to a public offering, etc., changes in the number of units of beneficial interests, etc. shall be indicated.
- (4) Record of dividends, etc.: Dividends, etc. for each calculation period for five or more periods prior to the current period (if the accounting period is less than six months, the dividends, etc. paid for each accounting period during the past six months from the end of the preparation period) shall be presented separately for dividends from earnings and cash payments for refunds of investment principal. It shall also indicate the basis for determining the amount of the dividend for the current period and the future investment policy for retained earnings.

In the event that the investment principal is refunded on an ongoing basis every period as stipulated in Article 28-2 of the Rules on IIT, etc., notes or similar information shall be provided on the matters stipulated in Item 4 of the same article.

In addition, in the event of refunds of investment principal other than the ongoing refunds of investment principal every period as provided for in Article 28-3 of the Rules on IIT, etc., notes or similar information shall be provided on the matters stipulated in the proviso to the same article.

- (5) Future investment policy: The investment policy for the next and subsequent periods shall be indicated in detail, including the relationship with the investment policy indicated in the Basic Terms and Conditions, using a summary of capital expenditures, etc. for which implementation has been approved. In this case, it shall be concisely described while using objective expressions.
- (6) Issues to be addressed: Any issues to be addressed by the infrastructure investment trust shall be indicated briefly.

However, if the same information is presented in the future investment policy as stipulated in the previous item, such indication may be omitted.

- (7) Material facts that have arisen after the settlement of accounts: Facts concerning situations that have arisen in relation to the infrastructure investment trust after the settlement of accounts for the current period, and material facts concerning its operations, the status of its earnings and the rights of its beneficiaries, shall be indicated.
- (8) Investment trust property management summary: When the trust contract period has ended, the investment trust property management summary prescribed in Article 58, Paragraph 1, Item 26 of the Ordinance on Investment Trust's Financial Statements shall be indicated.
- (9) Status of investment contributions: Total number of units of beneficial interests to be issued, total number of units of beneficial interests already issued, and number of beneficiaries shall be indicated.
- (10) Major beneficiaries: The names of the top 10 beneficiaries in order of the ratio of the number of units of beneficial interests held to the total number of units of beneficial interests as of the end of the fiscal period, and the number of units of beneficial interests that each holds. However, if an individual is included in the top 10 holders (companies) and the ratio of the number of beneficial interests held by

that individual to the total number of beneficial interests is less than 10%, their name may be replaced with an indication that they are an individual.

- (11) Name of trustee bank as of the end of the current period
- (12) Composition of investment trust property: The ratio of the amount of each type of asset to the amount of total assets as of the end of the current period shall be indicated. In this case, the effective proportion of infrastructure assets incorporated for each asset and the main investment targets of the assets listed in Article 3, Paragraph 5, Item 3 and Article 3, Paragraph 6, Item 2 of the Rules on IIT, etc. as of the end of the period shall be noted for each type of asset.
- (13) Major assets held: For assets held as of the end of the current period, the proportion to total leasable area and total rental revenue, etc. accounted for by each individual asset shall be indicated for at least the top 10 individual assets in terms of book value.
- (14) Details of incorporated assets: Details of assets incorporated in the REIT as of the end of the current period shall be indicated separately for each type of asset.

However, in lieu of this indication, a detailed statement of securities (meaning a detailed statement of securities as prescribed in Article 57, Paragraph 1, Item 1 of the Ordinance on Investment Trust's Financial Statements) may be attached for securities, a detailed statement of real estate, etc. (meaning a details of real estate, etc. as prescribed in Article 57, Paragraph 1, Item 5 of the Ordinance on Investment Trust's Financial Statements) may be attached for real estate, etc., a detailed statement of renewable energy power generation facilities (meaning details of renewable energy power generation facilities, etc. as prescribed in Article 57, Paragraph 1, Item 8 of the Ordinance on Investment Trust's Financial Statements) may be attached for renewable energy power generation facilities, etc., and details of rights to operate public facilities, etc. (meaning Details of Rights to Operate Public Facilities, etc., as prescribed in Article 57, Paragraph 1, Item 9 of the Ordinance on Investment Trust's Financial Statements) may be attached for Rights to Operate Public Facilities, etc.

When indicating renewable energy power generation facilities, in addition to the table set forth in the detailed statement of incorporated assets in Attached Table 6 (14) of the Committee Resolution on Infrastructure Investment Trusts, etc., matters concerning the approved business operator or supplier (nature of business, financial status, profit status, status of personnel engaged in operation of the renewable energy power generation facility, performance of operation of the renewable energy power generation facility and other important matters concerning the approved business operator's or supplier's ability to perform its business) shall be indicated. If a lease contract with respect to the renewable energy power generation facility has been entered into with a counterparty, rental income during the accounting period of the investment trust property, expiration date of the contract, method of contract renewal, deposit and other matters to be specified with respect to the lease contract, price for each renewable energy power generation facility as of the end of the current period shall be indicated. If the renewable energy power generation facility falls under the category of certified power generation facility, matters concerning compliance with the standards set forth in each item of Article 9, Paragraph 3 of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources shall be indicated.

In addition, when indicating operating rights for public facilities, etc., the status of public facilities, etc. to which the said operating rights pertain (details of the service agreement for the operation of the public facilities etc. (counterparty to the agreement, term of the agreement, annual service fee and other matters to be specially noted regarding the said agreement), actual annual operating revenue, current status of the public facilities etc. and other matters that have a significant impact on the price of the operating rights for said public facilities, etc.), matters concerning the counterparty to the service agreement for the operation of public facilities, etc. (nature of its business, financial status, status of earnings, status of personnel engaged in the operation, etc. of the public facilities, etc., actual performance of the operation, etc. of the public facilities, etc., and other important matters concerning the ability of the counterparty to the agreement to execute the business), and the price for each operating right for public facilities, etc. as of the end of the period shall be indicated in addition to the table set forth in the details of incorporated assets in Attached Table 6 (14) of the Committee Resolution on Infrastructure Investment Trusts.

- (15) Status of other assets: Assets other than infrastructure assets, etc., infrastructure-related assets, etc., and real estate, etc. as of the end of the current period shall be classified into the types of assets specified in the By-laws and indicated separately.

However, this may be omitted for assets for which special treatment related to hedge accounting is applied (i.e., those used as hedging instruments).

- (16) Held assets by country/region: In the case of investments in overseas infrastructure assets, etc. in multiple countries/regions, the held assets as of the end of the current period shall be indicated for each country/region.
- (17) Scheduled capital expenditures: Implementation plans for capital expenditures that have been finalized prior to the Date of Production shall be indicated for each such plan.
- (18) Capital expenditures during the period: If the implementation plans for capital expenditures have been completed by the end of the current period, each such plan shall be indicated. When capital expenditures are made due to natural disasters, etc., the relevant capital expenditures shall be indicated separately.
- (19) Money set aside for long-term repair plans: The amount set aside at the end of the period based on long-term repair plans shall be indicated as the balance of the reserve from the end of the previous period at the end of each period, the amount set aside and the amount reversed for each accounting period, and the amount carried forward to the next period at the end of each period, for five or more accounting periods prior to the current period (if the accounting period is less than six months, it shall be the accounting periods within the past five years or more from the end of the preparation period).

In the event that the investment principal is refunded on an ongoing basis every period as stipulated in Article 28-2 of the Rules on IIT, etc., notes or similar information shall be provided on the matters stipulated in Item 5 of the same article.

- (20) Details of expenses related to management, etc.: The amount of total expenses and trust fees paid from investment trust property during the current period shall be indicated, broken down by Management Company, trustee bank, offering agent, and total amount, as well as the details of the services for which

they are paid.

- (21) Status of borrowing: If there is a balance of funds borrowed during the current period, the lender, the date of borrowing, the balance at the end of the previous period, the balance at the end of the current period, the average interest rate, the repayment due date, the repayment method and the use of funds shall be indicated separately for each borrowing.
- (22) Status of trading of infrastructure assets, etc., infrastructure-related assets, etc., and real estate, etc.: The status of trading and profits/losses relating to infrastructure assets, etc., infrastructure-related assets, etc., and real estate, etc. during the period shall be indicated separately for each asset.
- (23) Status of trading of other assets: The status of trading of other assets and profits/losses during the period shall be indicated separately for each asset.
- (24) Investigation of the price of specified assets, etc.: The matters stipulated in Article 58, Paragraph 1, Item 20 of the Ordinance on Investment Trust's Financial Statements shall be indicated.
- (25) Status of transactions with interested parties, etc. and major shareholders: The status of transactions with interested parties, etc. and major shareholders (meaning major shareholders as defined in Article 29-4, Paragraph 2 of the FIEA) during the current period and the total amount of commissions paid thereto shall be indicated.

In this case, interested parties, etc. shall be those to whom any of the following criteria (a) to (c) apply.

- (a) An interested party, etc. as defined in Article 17 of the Cabinet Order
  - (b) Corporations, associations, trusts and other similar entities (hereinafter referred to as "Corporations, etc." in this item and Article 34, Item 27) that have entered into a discretionary investment advisory contract for infrastructure assets, etc. (meaning a discretionary investment contract as defined in Article 2, Paragraph 5 of the Real Estate Investment Advisory Business Registration Regulations (Ministry of Construction Notification No. 1828 of 2000) or Article 2, Paragraph 8, Item 12 (b) of the FIEA; the same shall apply in this item and Article 34, Item 27) with an interested party, etc. or major shareholder of the Management Company.
  - (c) Corporations, etc. in which interested parties, etc. and major shareholders of the Management Company hold a majority stake or constitute a majority of the officers, etc.
- (26) Status of transactions, etc., with the Management Company in relation to secondary businesses operated by the Management Company: In cases where a Management Company is engaged in a Type I Financial Instruments Business, Type II Financial Instruments Business, Real Estate Brokerage (meaning a Real Estate Brokerage as defined in Article 2, Item 2 of the Real Estate Brokerage Act (Act No. 176 of 1952); the same applies hereinafter), Specified Joint Real Estate Venture (meaning a Specified Joint Real Estate Venture as defined in Article 2, Paragraph 4 of the Act on Specified Joint Real Estate Ventures (Act No. 77 of 1994); the same applies hereinafter), or Commodity Transactions Brokerage Business, the status of transactions with said Management Company, which is a Type I Financial Instruments Business, Type II Financial Instruments Business, Real Estate Brokerage, Specified Joint Real Estate Venture, or Commodity Transactions Brokerage Business involved in the secondary business in question, shall be indicated alongside the total amount of trading commissions paid to said Management Company or the total amount of commissions.

- (27) Status of assets, liabilities, principal, and profits and losses: The status of assets, liabilities, principal, and profits and losses as of the end of the current period (if the accounting period is less than six months, the end of each accounting period in the preparation period; the same shall apply hereinafter in this chapter) shall be indicated. Alternatively, a balance sheet, profit and loss statement, and statement of cash distribution may be attached instead.
- (28) Change in the method of calculating depreciation: When there is a change in the method of calculating the amount of depreciation of equipment, etc., during the current period, the date of the change in calculation method, the calculation method before the change, the amount calculated using the calculation method before the change, the calculation method after the change, the amount calculated using the calculation method after the change, and the reason for the change shall be indicated.
- (29) Change in valuation method of infrastructure assets, etc. and real estate, etc.: If the valuation method of infrastructure assets, assets specified in Article 3, Paragraph 5, Item 2 of the Rules on IIT, etc. (hereinafter referred to as “Land and Buildings, etc. associated with Infrastructure Assets”), real estate, or leaseholds or superficies rights of real estate is changed during the current period, the date of change of the valuation method, the valuation method before change, the appraised value appraised by the method before change, the valuation method after change, the appraised value appraised by the method after change and the reason for change shall be indicated.
- (30) Disclosures related to beneficiary certificates of investment trusts, etc. created by the company: In the case of acquisitions, etc. listed in Article 6-3 of the Rules for Full Members’ Business Operations, etc. as stipulated in Article 6-5 of the same Rules, the matters to be stated in the investment report, etc. shall be as follows.
- (a) Possession of beneficiary certificates for investment trusts, etc. created by the company as of the end of the current period.
  - (b) History of acquisitions and dispositions for each of the past five accounting periods, including the end of the current period
  - (c) Number of units held, total amount, and ratio to total number of units issued at the end of each accounting period for the past five years, including the end of the current period.
  - (d) Other matters necessary from the viewpoint of protection of investors, etc. (limited to cases where acquisition or disposal has been made in the past five years, including the end of the current period)
- (31) Announcements: In the event that changes are made to the Basic Terms and Conditions, changes are made to the management system, etc., or events occur that the Management Company deems appropriate to make known to beneficiaries during the current period, the details of such events, etc. shall be indicated. However, this does not apply if the details of the relevant event, etc. are indicated in other items, etc.

\* Article 15 of the By-laws

#### Article 30. Disclosure Relating to Mother Funds

The provisions of Article 4 shall apply mutatis mutandis to cases where beneficiary certificates of a mother fund are incorporated in investment trust property.

Article 31. Form and Presentation Guidelines

The items to be indicated as prescribed in Article 29 (excluding Items 2, 5 through 11, 14 (i) and (ii), 24 and 31) pertaining to the investment reports of infrastructure investment trusts may be indicated in accordance with the form and presentation guidelines prescribed by the Self-Regulation Committee.

\* Committee Resolution on Infrastructure Investment Trusts, etc. 1

Article 32. Production and Delivery of Documents Prescribed in Article 14, Paragraph 4 of the Investment Trust Act

In accordance with the provisions of Article 14, Paragraph 4 of the Investment Trust Act, the Management Company must prepare a document stating the matters to be stated in the investment report in Paragraph 1 of the same Article which are specified by Cabinet Office Ordinance as important matters and deliver it to known beneficiaries each time it is produced.

In this case, the said document shall be prepared and delivered in accordance with the provisions of Article 58-2 of the Rules for Investment Trust Property Financial Statements, with reference to Chapter 3's provisions regarding Investment Reports (Delivery Version).

Chapter 9: Items to Be Indicated in Asset Management Reports for Infrastructure Investment Corporations

Article 33. Items to Be Indicated on the Cover Page

The cover page of asset management reports for infrastructure investment corporations shall indicate the following items.

- (1) The label "Asset Management Report"
- (2) Name of the infrastructure investment corporation
- (3) Fiscal period and date of settlement
- (4) Location of the head office of the infrastructure investment corporation

Article 34. Items to Be Indicated in the Main Text and Their Order

1. The main text of an asset management report for an infrastructure investment corporation shall indicate the information as specified in the respective items below. In principle, the asset management report shall indicate such information in the following order.

- (1) Changes in the investment situation, etc. of the investment corporation: Operating revenue, ordinary income, net income for current period, net assets, total assets, base value (referring to net assets per unit (referring to one trading unit)), and equity ratio for each of at least five business periods prior to the current period shall be indicated.
- (2) Progress of asset management during the current period: The Basic Management Policy of the infrastructure investment corporation, its results for the current period, and analysis thereof shall be indicated using the status of acquisition and sale of infrastructure assets, etc., infrastructure-related

assets, and real estate, etc. during the current period, as well as changes in leasable area and occupancy rate, etc. The relationship with the future asset investment policy indicated in the previous period's investment report shall also be indicated.

- (3) Increases in capital, etc.: If there is an increase in capital investment as a result of a public offering, etc. during the current period, the change in investment units, etc. shall be indicated.
- (4) Record of dividends, etc.: Dividends, etc. for each business period for five or more periods prior to the current fiscal period shall be presented separately for dividends from earnings and cash payments for refunds of investment contributions. It shall also indicate the basis for determining the amount of the dividend for the current period and the future investment policy for retained earnings.

In the event that investment contributions are refunded on an ongoing basis every period as stipulated in Article 43-2 of the Rules on IIT, etc., notes or similar information shall be provided on the matters stipulated in Item 4 of the same article.

In addition, in the event of refunds of investment contributions other than the ongoing refunds of investment contributions every period as provided for in Article 43-3 of the Rules on IIT, etc., notes or similar information shall be provided on the matters stipulated in the proviso to the same article.

- (5) Future investment policy: The investment policy for the next and subsequent periods shall be indicated in detail, including the relationship with the investment policy indicated in the investment corporation's Certificate of Incorporation, using a summary of capital expenditures, etc. for which implementation has been approved. In this case, it shall be concisely described using objective expressions.
- (6) Issues to be addressed: Any issues to be addressed by the infrastructure investment corporation shall be indicated briefly. However, if the same information is presented in the future investment policy as stipulated in the previous item, such indication may be omitted.
- (7) Material facts that have arisen after the settlement of accounts: Facts that have arisen in relation to the infrastructure investment corporation after the settlement of accounts for the current period, and material facts concerning its operations, the status of its earnings and the rights of its investors, shall be indicated.
- (8) Status of investment contributions: The total number of investment units that can be issued, the total number of investment units already issued, and the number of investors shall be indicated.
- (9) Matters regarding investment units: The names of the top 10 investors in descending order of the proportion of investment units each holds out of the total number of investment units issued (excluding own investment units) as of the end of the current period, the number of investment units held by the said investors, and relevant proportion held by each.
- (10) Matters regarding officers, etc.: The names, positions and responsibilities, status of concurrently held positions, and other important matters of officers, etc. (including those who were in their position during the relevant business period and retired by the end of the relevant business period) shall be indicated.
- (11) Asset management companies, asset custodian companies and general administration companies: The names of the asset management companies (meaning the asset management company as defined in Article 2, Paragraph 19 of the Investment Trust Act; the same shall apply hereinafter), asset custodian



- companies and general administration companies as of the end of the current period shall be indicated.
- (12) Composition of infrastructure investment corporation assets: The ratio of the amount of each type of asset to the total assets as of the end of the current period shall be indicated. In this case, the effective proportion of infrastructure assets incorporated for each asset and the main investment targets of the assets listed in Article 3, Paragraph 5, Item 3 and Paragraph 6, Item 2 of the Rules on IIT, etc. as of the end of the period shall be noted for each type of asset.
- (13) Major assets held: For assets held as of the end of the current period, the proportion of total leasable area and total rental revenue, etc. accounted for by each individual asset shall be indicated for at least the top 10 individual assets in terms of book value as of the end of the current period.
- (14) Details of incorporated assets: Details of assets incorporated in the REIT as of the end of the current period shall be indicated separately for each type of asset.

However, in lieu of this indication, a detailed statement of securities (meaning a detailed statement of securities as prescribed in Article 80, Paragraph 1, Item 1 of the Ordinance on Investment Corporation's Financial Statements) may be attached for securities, a detailed statement of real estate, etc. (meaning a details of real estate, etc. as prescribed in Article 80, Paragraph 1, Item 5 of the Ordinance on Investment Corporation's Financial Statements) may be attached for real estate, etc., a detailed statement of renewable energy power generation facilities (meaning a details of renewable energy power generation facilities, etc., as prescribed in Article 80, Paragraph 1, Item 8 of the Ordinance on Investment Corporation's Financial Statements) may be attached for renewable energy power generation facilities, etc., and details of rights to operate public facilities, etc. (meaning Details of Rights to Operate Public Facilities, etc. as prescribed in Article 80, Paragraph 1, Item 9 of the Ordinance on Investment Corporation's Financial Statements may be attached for Rights to Operate Public Facilities, etc.

When indicating renewable energy power generation facilities, in addition to the table set forth in the detailed statement of incorporated assets in Attached Table 6 (14) of the Committee Resolution on Infrastructure Investment Trusts, etc., matters concerning the approved business operator or supplier (nature of business, financial status, profit status, status of personnel engaged in operation of the renewable energy power generation facility, performance of operation of the renewable energy power generation facility and other important matters concerning the approved business operator's or supplier's ability to perform its business) shall be indicated. If a lease contract with respect to the renewable energy power generation facility has been entered into with a counterparty, rental income during the business period of the investment corporation assets, expiration date of the contract, method of contract renewal, deposit and other matters to be specified with respect to the lease contract, price for each renewable energy power generation facility as of the end of the current period shall be indicated. If the renewable energy power generation facility falls under the category of certified power generation facility, matters concerning compliance with the standards set forth in each item of Article 9, Paragraph 3 of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources shall be indicated.

In addition, when indicating operating rights for public facilities, etc., the status of public facilities,

etc. to which the said operating rights pertain (details of the service agreement for the operation of the public facilities etc. (counterparty to the agreement, term of the agreement, annual service fee and other matters to be specially noted regarding the said agreement), actual annual operating revenue, current status of the public facilities etc. and other matters that have a significant impact on the price of the operating rights for said public facilities, etc.), matters concerning the counterparty to the service agreement for the operation of public facilities, etc. (nature of its business, financial status, status of earnings, status of personnel engaged in the operation, etc. of the public facilities, etc., actual performance of the operation, etc. of the public facilities, etc., and other important matters concerning the ability of the counterparty to the agreement to execute the business), and the price for each operating right for public facilities, etc. as of the end of the period shall be indicated in addition to the table set forth in the details of incorporated assets in Attached Table 6 (14) of the Committee Resolution on Infrastructure Investment Trusts.

- (15) Status of other assets: Assets other than infrastructure assets, etc., infrastructure-related assets, etc., and real estate, etc. as of the end of the current period shall be classified into the types of assets specified in the By-laws and indicated separately.

However, this may be omitted for assets for which special treatment related to hedge accounting is applied (i.e., those used as hedging instruments).

- (16) Held assets by country/region: In the case of investments in overseas infrastructure assets, etc. in multiple countries/regions, the held assets as of the end of the current period shall be indicated for each country/region.
- (17) Scheduled capital expenditures: Implementation plans for capital expenditures that have been finalized prior to the Date of Production of the relevant asset management report shall be indicated for each such plan.
- (18) Capital expenditures during the period: If the implementation plans for capital expenditures have been completed by the end of the current period, each such plan shall be indicated. When capital expenditures are made due to natural disasters, etc., the relevant capital expenditures shall be indicated separately.
- (19) Money set aside for long-term repair plans: The amount set aside at the end of the period based on long-term repair plans shall be indicated as the balance of the reserve for the start of the current period at the end of each period, the amount set aside and the amount reversed for each business period, and the amount carried forward to the next period at the end of each period, for five or more business periods prior to the current period (if the business period is less than six months, it shall be the business periods within the past five years from the end of the preparation period).

In the event that investment contributions are refunded on an ongoing basis every period as stipulated in Article 43-2 of the Rules on IIT, etc., notes or similar information shall be provided on the matters stipulated in Item 5 of the same article.

- (20) Details of expenses related to management, etc.: The total amount of expenses paid by the infrastructure investment corporation during the current period and expenses paid to outside contractors, etc. that have concluded agreements with the said infrastructure investment corporation shall be indicated separately

by party to which payment is made.

- (21) Status of borrowing: If there is a balance of funds borrowed during the current period, the lender, the date of borrowing, the balance at the beginning of the current period, the balance at the end of the current period, the average interest rate, the repayment due date, the repayment method, the use purpose of the funds, whether or not collateral is provided, collateral properties, and other special provisions shall be indicated separately for each borrowing.
- (22) Investment corporation bonds: If there are investment corporation bonds outstanding at the end of the current period, the name of the issue, date of issue, balance at the beginning of the current period, balance at the end of the current period, interest rate, redemption period, redemption method and purpose of use, etc. shall be indicated separately for each issue.
- (23) Short-term investment corporation bonds: If there are any short-term investment corporation bonds outstanding at the end of the fiscal period, the issue name, issue date, balance at the end of the fiscal period, issue value, redemption value, etc. shall be indicated separately for each issue.
- (23-2) Investment equity subscription rights: If there is an outstanding balance of investment equity subscription rights at the end of the current period, the issue name, issue date, balance at the end of the current period, issue value, redemption value, etc. shall be indicated separately for each issue.
- (24) Status of trading of infrastructure assets, etc., infrastructure-related assets, etc., and real estate, etc.: The status of trading and profits/losses relating to infrastructure assets, etc., infrastructure-related assets, etc., and real estate, etc. during the current period shall be indicated separately for each asset.
- (25) Status of trading of other assets: The status of trading of other assets and profits/losses during the current period shall be indicated separately for each asset.
- (26) Investigation of the price of specified assets, etc.: The matters stipulated in Article 73, Paragraph 1, Item 19 of the Ordinance on Investment Corporation's Financial Statements shall be indicated.
- (27) Status of transactions with interested parties, etc.: The status of transactions with interested parties, etc. during the current period and the total amount of commissions paid thereto shall be indicated. In this case, interested parties, etc. shall be those to whom any of the following criteria (a) to (c) apply.
- (a) An interested party, etc. as defined in Article 123 of the Cabinet Order
  - (b) A Corporation, etc. that has entered into a discretionary investment advisory agreement for infrastructure assets, etc. with an interested party, etc. of the asset management company
  - (c) A Corporation, etc. in which interested parties, etc. of the asset management company hold a majority stake or constitute a majority of the officers, etc.
- (28) Status of transactions, etc., with asset management companies in relation to secondary businesses operated by the asset management companies in question: In cases where an asset management company is engaged in a Type I Financial Instruments Business, Type II Financial Instruments Business, Real Estate Brokerage, or Specified Joint Real Estate Venture, the status of transactions during the current period with said asset management company, which is a Type I Financial Instruments Business, Type II Financial Instruments Business, Real Estate Brokerage, or Specified Joint Real Estate Venture involved in the secondary business in question, shall be indicated alongside the total amount of trading commissions paid to said asset management company or the total amount of commissions.

- (29) Status of assets, liabilities, principal, and profits and losses: The status of assets, liabilities, principal, and profits and losses as of the end of the current period shall be indicated. Alternatively, a balance sheet, profit and loss statement, statement of changes in investors' equity, notes, and statement of cash distribution may be attached instead.
- (30) Change in the method of calculating depreciation: When there is a change in the method of calculating the amount of depreciation of equipment, etc., at the end of or during the current period, the date of the change in calculation method, the calculation method before the change, the amount calculated using the calculation method before the change, the calculation method after the change, the amount calculated using the calculation method after the change, and the reason for the change shall be indicated.
- (31) Change in valuation method of infrastructure assets, etc. and real estate, etc.: If the valuation method of infrastructure assets, assets specified as Land and Buildings, etc. associated with Infrastructure Assets, real estate, leaseholds or superficies rights of real estate is changed at the end of or during the current period, the date of change of the valuation method, the valuation method before change, the appraised value appraised by the method before change, the valuation method after change, the appraised value appraised by the method after change, the reason for change, and any other special provisions shall be indicated.
- (32) Disclosures related to beneficiary certificates of investment trusts, etc. created by the company: In the case of acquisitions, etc. listed in Article 6-3 of the Rules for Full Members' Business Operations, etc. as stipulated in Article 6-5 of the same Rules, the matters to be stated in the investment report, etc. shall be as follows.
- (a) Possession of beneficiary certificates for investment trusts, etc. created by the company as of the end of the current period.
  - (b) History of acquisitions and dispositions for each of the past five accounting periods, including the end of the current period
  - (c) Number of units held, total amount, and ratio to total number of units issued at the end of each accounting period for the past five years, including the end of the current period.
  - (d) Other matters necessary from the viewpoint of protection of investors, etc. (limited to cases where acquisition or disposal has been made in the past five years, including the end of the current period)
- (33) Announcements: If any matter prescribed in Article 109, Paragraph 2, Items 2, 3, 5, 6 and 8 of the Investment Trust Act is approved by the Board of Directors of the relevant Infrastructure Investment Corporation or if any other information is found to be important during the current period, the details of such information shall be indicated. However, this shall not apply if the details of the relevant information is indicated in other items, etc.

\* Article 16 of the By-laws

2. Items indicated in the notes may be omitted from the asset management report.

#### Article 35. Form and Presentation Guidelines

The items to be indicated as prescribed in the preceding article (excluding Items 2, 5 through 8, 11, 14 (i) and

(ii), 26 and 33) pertaining to the asset management reports of infrastructure investment corporations may be indicated in accordance with the form and presentation guidelines prescribed by the Self-Regulation Committee.

\* Committee Resolution on Infrastructure Investment Trusts 2

Article 36. Disclosures for Investment Corporations other than Real Estate Investment Corporations and Infrastructure Investment Corporations

With respect to asset management reports of investment corporations other than real estate investment corporations and infrastructure investment corporations, in principle, the provisions of the Ordinance on Investment Corporation's Financial Statements shall apply, and in this case, the disclosure of real estate, etc. and asset-backed securities, etc., infrastructure assets, etc. and infrastructure-related assets, etc. shall be disclosed with reference to the provisions of Articles 26 and 34.

Chapter 10: Miscellaneous Provisions

Article 37. Disclosure of Batch Orders

1. A Management Company shall disclose in advance on its website its basic approach to placing batch orders, target securities, etc. (as defined in Article 8-2 of the Management Rules), target transactions, method of allocating execution results, basic policy for best execution, internal management system, and other matters for reference (hereinafter referred to as "Matters for Disclosure.")

It should be noted that the Matters for Disclosure are included in 1. Status of Business (19) (i) "Status of Internal Control over Investment Management Business" in the Business Report stipulated in Article 182, Paragraph 1 of the Cabinet Office Ordinance on Financial Instruments Business, etc. (Cabinet Office Ordinance No. 52 of 2007, the "Ordinance on Financial Instruments Business").

2. In cases where batch orders are placed that include foreign investment assets (meaning foreign investment assets as specified in Article 171, Paragraph 1, Item 1 of the Ordinance on Financial Instruments Business; the same shall apply hereinafter) or investment assets other than investment trust property (meaning investment assets specified in Article 35, Paragraph 1, Item 15 of the FIEA; the same shall apply hereinafter), the fact that batch orders including foreign investment assets or said investment assets (to be listed by industry sector of the investment management business) shall be disclosed in addition to the Matters for Disclosure listed in the preceding paragraph.

Article 38. Disclosure of Risk Management Methods for Investment Restrictions on Derivative Transactions

A Management Company shall disclose on its website a summary of the risk management method for derivative transactions that it has formulated based on the "Guidelines on Investment Restrictions on Derivative Transactions."

Article 39. By-laws

Necessary matters for the enforcement of these Rules shall be stipulated in the By-laws.

Article 40. Others

Any matters not provided for in these Rules with respect to investment reports, etc. for investment trusts and investment corporations may be determined by a resolution of the Board of Directors.

Article 41. Delegation to Competent Committee

1. The Board of Directors shall be entitled to delegate to the Self-Regulation Committee the authority to amend any By-laws relating to these Rules.
2. The Self-Regulation Committee shall promptly report to the Board of Directors, the contents of any decisions made by the Self-Regulation Committee with respect to any matters delegated thereto (limited to decisions deemed necessary by the Board of Directors. ).

Supplementary Provision

These Rules shall come into effect on April 1, 2004.

Supplementary Provision

This amendment shall come into effect on May 25, 2004.

Supplementary Provision

This amendment shall come into effect on March 18, 2005.

Supplementary Provision

These amendments shall be effective as of May 1, 2006, and shall apply to investment reports for investment trusts and asset management reports for investment corporations with settlement of accounts on and after May 1, 2006.

Supplementary Provision

This amendment shall come into effect on May 24, 2006.

Supplementary Provision

This amendment shall come into effect on June 19, 2006.

However, the amendments to the proviso of Article 22, Item 10 and the proviso of Article 26, Paragraph 1, Item 9 shall be implemented from July 1, 2006, and shall apply to investment reports for investment trusts and asset management reports for investment corporations with settlement of accounts on and after that date.

Supplementary Provision

These amendments shall be effective as of December 1, 2006, and shall apply to investment reports for investment trusts and asset management reports for investment corporations with settlement of accounts on and after that date.

Supplementary Provision

This amendment shall come into effect on February 16, 2007.

Supplementary Provision

This amendment shall come into effect on September 30, 2007.

However, the revised provisions (excluding Article 26, Paragraph 1, Item 22 and Article 27-2) shall be applied from the first accounting period that starts after the effective date.

Supplementary Provision

These amendments shall be effective as of June 20, 2008 and shall apply to investment reports for real estate investment trusts and asset management reports for real estate investment corporations with settlement of accounts on and after that date.

Supplementary Provision

This amendment shall come into effect on July 18, 2008.

Supplementary Provision

This amendment shall come into effect on October 1, 2008.

However, Article 22, Paragraph 1, Item 30 and Article 26, Paragraph 1, Item 32 shall apply to investment reports for investment trusts and asset management reports for investment corporations with settlement of accounts on and after that date.

Supplementary Provision

This amendment shall come into effect on January 16, 2009.

Supplementary Provision

This amendment shall come into effect on March 19, 2009.

Supplementary Provision

This amendment shall come into effect on September 16, 2009.

Supplementary Provision

This amendment shall come into effect on February 17, 2011.

#### Supplementary Provision

These amendments shall be effective as of September 15, 2011, and shall apply to business periods beginning on and after April 1, 2011; with respect to business periods beginning before that date, the provisions then in force shall remain applicable.

#### Supplementary Provisions

1. These amendments shall be effective as of June 1, 2012, and shall apply to investment reports for investment trusts with settlement of accounts on and after that date.
2. Notwithstanding the foregoing Paragraph 1., this shall not preclude Full Members from operating under the amended provisions up to the effective date.

#### Supplementary Provision

These amendments shall be effective as of May 24, 2012.

#### Supplementary Provision

This amendment shall come into effect on December 20, 2012.

\* The amended provisions are as follows:

Article 22, Article 26

#### Supplementary Provision

This amendment shall come into effect on January 4, 2013.

\* The amended provisions are as follows:

Article 2, Article 3, Article 22, Article 26, Article 30

#### Supplementary Provisions

1. These amendments shall take effect on December 1, 2014, and apply to investment trust Investment Report (Full Version) and Investment Reports (Delivery Version) with preparation dates (as stipulated in Article 14, Paragraph 1 of the New Investment Trust Act) falling on and after the effective date, and the provisions then in force for investment reports with preparation dates (as stipulated in Article 14, Paragraph 1 of the Old Investment Trust Act) falling prior to the effective date shall remain applicable.
2. Article 38 (Review) of the Supplementary Provisions of the Investment Trust Act states that “the government shall review the provisions of each law after its revision (hereinafter in this article referred to as “each revised law”) in principle 5 years from the effective date, and take measures as deemed necessary based on the results thereof in consideration of the state of enforcement of each revised law.” Corresponding measures shall be taken in light of this provision.

\* The amended provisions are as follows:

- (1) Amended Article 1; Article 2, Paragraph 1 introductory clause, Items 1, 4 and 6; Article 3, Paragraph 1 introductory clause, Items 4, 21, and 4.
- (2) Added Articles 3-2 and 3-3.



- (3) Amended Articles 4 and 5.
- (4) Amended Article 8, Paragraph 1 and added Paragraph 2 of Article 8.
- (5) Amended Article 9.
- (6) Added Article 9-2.
- (7) Amended Article 10, Paragraph 1 and Paragraph 2, Item 1 and Item 2.
- (8) Added Article 10-2 and Article 12, Paragraph 1, Item 8.

#### Supplementary Provision

This amendment shall come into effect on December 1, 2014.

\* The amended provisions are as follows:

Added Article 19-2 and Article 27-3.

#### Supplementary Provision

This amendment shall come into effect on December 1, 2014.

However, Article 22 and Article 24-2 shall apply to investment trust Investment Reports (Full Version) and Investment Reports (Delivery Version) with preparation dates (as stipulated in Article 14, Paragraph 1 of the New Investment Trust Act) falling on and after the effective date, and the provisions then in force for investment reports with preparation dates (as stipulated in Article 14, Paragraph 1 of the Old Investment Trust Act) falling prior to the effective date shall remain applicable.

\* The amended provisions are as follows:

- (1) Amended Article 22 introductory clause, Items 20 and 25.
- (2) Added Article 24-2; Article 26, Paragraph 1, Item 23-2; Article 26, Paragraph 1, Items 34 and 35.

#### Supplementary Provisions

This amendment shall come into effect on March 1, 2015.

\* The amended provisions are as follows:

Amended Article 27-2, Paragraph 1.

#### Supplementary Provisions

1. These amendments shall be effective as of the date of enforcement of the amended Ordinance on Investment Corporation's Financial Statements (April 1, 2015).
2. With respect to the asset management report for business periods of investment corporations beginning prior to the effective date of these amended regulations, the provisions then in force shall remain applicable.

\* The amended provisions are as follows:

Amended Article 26, Paragraph 1, Items 4 and 19.

#### Supplementary Provisions

This amendment shall come into effect on July 16, 2015.

\* The amended provisions are as follows:

- (1) Amended Article 3, Paragraph 1, Item 19 and added Item 22 of the same.
- (2) Amended Article 3-3, Paragraph 1, Item 6; Article 6, Paragraph 3, Item 3; Article 20; Article 22, Items 8, 14, 15, 22 and 29; Article 24; Article 26, Paragraph 1, Items 14, 15, 24 and 31; and Article 27.
- (3) Added Chapter 8 (Article 28 to Article 32) and Chapter 9 (Article 33 to Article 36).
- (4) Moved former Chapter 8 to Chapter 10, and former Articles 27-2 through 30 to Articles 37 through 41.

#### Supplementary Provisions

This amendment shall come into effect on May 18, 2017.

\* The amended provisions are as follows:

- (1) Deleted Article 13, Paragraph 1, Item 1 and Article 16, Paragraph 1, Item 3. Numbering reorganized accordingly.
- (2) Amended Article 22, Paragraph 14; Article 26, Paragraph 1, Item 14; Article 29, Paragraph 14; and Article 34, Paragraph 1, Item 14.

#### Supplementary Provisions

These amendments shall be effective as of September 30, 2019, shall apply to investment trust Investment Report (Full Version) and Investment Reports (Delivery Version) with preparation dates (as stipulated in Article 14, Paragraph 1 of the Investment Trust Act) falling on and after the effective date. However, this shall not preclude the application of the amended provisions prior to the effective date.

\* The amended provisions are as follows:

- (1) Added Article 3, Paragraph 1, Item 5. Numbering reorganized accordingly.
- (2) Added Article 3-3, Paragraph 1, Item 1 (iv). Rearranged numbering for the previous (iv) to (ix).

#### Supplementary Provisions

This amendment shall come into effect on May 1, 2019.

\* Necessary arrangement in connection with the change of era name