



Mitsui Fudosan Accommodations Fund Inc.

MAF REPORT

40th Period

September 1, 2025 – February 28, 2026

Management's Discussion and Analysis

Summary of Selected Financial Data

	Yen in millions (Except per unit data or where otherwise indicated)			U.S. dollars in thousands (Note 1) (Except per unit data)
	40th Period September 1, 2025 to February 28, 2026	39th Period March 1, 2025 to August 31, 2025	38th Period September 1, 2024 to February 28, 2025	40th Period September 1, 2025 to February 28, 2026
Total revenues	¥ 13,727	¥ 13,195	¥ 12,828	\$ 88,100
Rental revenues	12,757	12,557	12,302	81,875
Other revenues related to property leasing	557	638	526	3,574
Gain on sale of investment properties	412	—	—	2,644
Operating expenses	6,833	6,854	6,626	43,854
Income before income taxes	6,353	5,852	5,794	40,774
Net income (a)	6,353	5,850	5,793	40,774
Funds from operations (Note 2)	7,815	7,781	7,696	50,157
Net operating income from property leasing activities (Note 2)	9,952	9,766	9,557	63,872
Total amount of cash distribution (b)	6,054	5,850	5,792	38,855
Depreciation and amortization	1,874	1,930	1,903	12,027
Capital expenditures	1,054	944	1,067	6,764
Total assets (c)	330,623	328,688	326,912	2,121,962
Interest-bearing debt	169,700	168,500	167,000	1,089,147
Total net assets (d)	152,868	152,365	152,307	981,118
Total number of common units issued (Units) (e)	2,517,360	2,517,360	503,472	
Net assets per unit (Yen/\$) (d) / (e) (Note 3)	60,725	60,525	60,502	389.73
Distribution per unit (Yen/\$) (b) / (e)	2,405	2,324	11,506	15.43
Funds from operations per unit (Yen/\$) (Note 2)	3,104	3,090	15,286	19.92
ROA (Note 4)	1.9%	1.8%	1.8%	
(Annual rate)	(3.9%)	(3.5%)	(3.6%)	
ROE (Note 4)	4.2%	3.8%	3.8%	
(Annual rate)	(8.4%)	(7.6%)	(7.7%)	
LTV (Loan-to-value) ratio (Note 2)	51.3%	51.3%	51.1%	
Capital ratio (d) / (c)	46.2%	46.4%	46.6%	
Payout ratio (b) / (a) (Note 5)	95.3%	100.0%	100.0%	
Number of days in the period	181	184	181	
Number of investment properties (Note 6)	141	140	138	
Total rentable area (m ²)	552,309	552,464	547,528	
The occupancy rate at the end of the period (Note 6)	98.0%	97.1%	98.0%	

Notes: 1. U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥155.81 = U.S.\$1.00, the approximate exchange rate as of February 28, 2026.

2. Funds from operations: Net income + Depreciation and amortization – Gain on sale of investment properties

Net operating income from property leasing activities: (Revenues from property leasing – Rental expenses) + Depreciation and amortization

Funds from operations per unit: (Net income + Depreciation and amortization – Gain on sale of investment properties) ÷ Total number of units issued and outstanding at the end of the period

LTV ratio: Interest-bearing debt ÷ Total assets

3. MAF implemented a five-for-one split of investment units with the effective date of March 1, 2025. "Net assets per unit" is calculated on the assumption that this split of investment units was implemented at the beginning of the period ended August 31, 2024.

4. ROA: Income before income taxes ÷ ((Total assets at the beginning of the period + Total assets at the end of the period) ÷ 2)

ROE: Net income ÷ ((Net assets at the beginning of the period + Net assets at the end of the period) ÷ 2)

The figures in parentheses are annualized based on the number of actual days in each period as follows.

Annual equivalent amounts for the period ended February 28, 2026: Amount for the period ÷ Actual days in the period (181) × 365 days

Annual equivalent amounts for the period ended August 31, 2025: Amount for the period ÷ Actual days in the period (184) × 365 days

Annual equivalent amounts for the period ended February 28, 2025: Amount for the period ÷ Actual days in the period (181) × 365 days

Net assets and total assets used in calculating ROA and ROE are beginning-of-period and period-end averages, respectively.

5. "Payout ratio" is calculated to one decimal place only.

6. "Number of investment properties" means the number of properties generally perceived to be one residential building.

"The occupancy rate at the end of the period" is the ratio of gross leased area to total rentable area at the end of the period.

Overview

Investment Environment and Operating Performance

During the six months ended February 28, 2026 (the “40th Period”), the Japanese economy continued to show signs of gradual recovery, although impacts of U.S. trade policies and related factors were seen in some areas. Personal consumption was firm against a backdrop of improvement in the employment and income situation, despite the impact of rising prices, etc. In addition, the recovery in capital investment by companies has progressed.

In the residential rental market, the balance of supply and demand was favorable against the backdrop of a trend of a population influx into urban centers, mainly in the Tokyo metropolitan area, etc., property occupancy rates were high, and the trend of rising asking rents continued.

In the real estate trading market, despite the ongoing increase in policy interest rates by the Bank of Japan, an environment with relatively low interest rates compared to other countries has continued, and the acquisition environment remains challenging for MAF because of robust demand from investors for rental apartments, which not only maintain high occupancy rates but also promise increased revenue due to rising rents.

During the period under review, MAF acquired a total of 2 properties, Park Cube Kinshicho and Park Cube Ueno Sakuragi in December 2025 (total acquisition price: ¥2,614 million), and in February 2026, MAF sold Park Axis Takamiya Higashi (acquired in November 2009 for ¥605 million) for a sale price of ¥790 million.

As a result, MAF’s portfolio as of February 28, 2026 consisted of 141 properties valued at ¥349,695 million on an acquisition price basis.

In this environment, as a result of Mitsui Fudosan Residential Lease Co., Ltd., the property management company of MAF, and Mitsui Fudosan Accommodations Fund Management Co., Ltd., the asset management company of MAF, properly collaborating and working on management and operation of MAF’s rental apartments portfolio, the occupancy rate for rental apartments was 97.8% at the end of the period under review, and rent change before and after turnover was 15.6% at the time of tenant turnover, marking a new record high as it did in the previous period, with the balance of supply and demand of rental apartments continuing to show a tightening trend as population influx into urban centers is increasing. In addition, MAF aims to control costs by utilizing the merits of outsourcing all property management tasks to the property management company while examining, whenever necessary, the adequacy of the grade of property management, cost of management and operation.

Meanwhile in the management of “Hospitality Facilities”^(Note), MAF has concluded long-term contracts mainly with fixed rents to a professional operator or business corporation in order to aim for stable rental revenue. All properties have been stably occupied in general. In addition, the asset management company regularly monitors the management and operational activities, and makes adjustments through professional dialog with the operator or business corporation as necessary.

In order to maintain and improve the competitiveness of MAF’s portfolio, operations, such as appropriate renewal work according to the property age, and work to enhance the property value, are systematically carried out. During the period under review, in addition to conducting large-scale repairs at Park Axis Shin Itabashi, MAF carried out renovations in private areas not only at the Okawabata Apartment Communities, as previously done, but also at older properties, such as Park Cube Kameari and Park Cube Koiwa acquired last year. These renovations in private areas utilized the expertise developed through efforts at the Okawabata Apartment Communities, significantly increasing rents at all locations. In addition, MAF is not only making continuous efforts to control costs, but also introducing such features as environmentally friendly, energy-saving facilities, which includes changing the lighting in common areas to LED lighting, in a timely manner.

As a result of these activities, the occupancy rate for MAF’s overall portfolio as of February 28, 2026 remained at a high level of 98.0%.

In the period under review, MAF recorded total revenues of ¥13,727 million, operating income of ¥6,893 million, income before income taxes of ¥6,353 million and net income of ¥6,353 million.

Note: “Hospitality Facilities” is a generic term for “Accommodation Assets” that includes the four categories of “Dormitories, Corporate Housing,” “Serviced Apartments,” “Senior Residences,” and “Hotels,” excluding “Rental Apartments.”

Changes in Assets, Liabilities and Net Assets

Total assets as of February 28, 2026 increased from August 31, 2025 by ¥1,934 million to ¥330,623 million. Total current assets increased by ¥182 million to ¥13,981 million and total investment properties net of accumulated depreciation increased by ¥1,782 million to ¥314,635 million compared with August 31, 2025 as a result of MAF's sale of Park Axis Takamiya Higashi (sale price of ¥790 million) during the 40th Period, in addition to normal depreciation.

MAF's basic policy is to carry out operations in a conservative manner that gives consideration to such matters as maintaining stable distributions in the medium and long term. In the period under review, MAF continued to pursue financing from various sources with diversified repayment dates and an emphasis on long-term, fixed-rate loans in its procurement of funds by taking into account market trends and interest rate levels, and refinancing existing loans.

As a result, at the end of the period, total interest-bearing debt amounted to ¥169,700 million (¥1,200 million increase from previous period), the long-term debt ratio was 98.8%, the long-term, fixed-rate debt ratio was 87.8%, and the loan-to-value (LTV) ratio was 51.3%. The average remaining maturity of long-term interest-bearing debt was 4.0 years and the number of financial institutions was 31. Furthermore, the weighted average interest rate at the end of the period was 0.72%.

MAF also has secured a commitment line for the purpose of securing flexible and stable fund procurement methods. At the end of the period under review, its total maximum borrowing amount was ¥15,000 million.

Net assets totaled ¥152,868 million as of February 28, 2026. Unitholders' capital was unchanged at ¥145,449 million, and retained earnings increased to ¥7,418 million as of February 28, 2026 from ¥6,915 million as of August 31, 2025.

Distributions to Unitholders

MAF determines the amount of cash distributions such that they exceed 90 percent of MAF's retained earnings available for dividends as set forth in Article 67-15 of the Act on Special Measures Concerning Taxation. For the 40th Period, cash distributions totaled ¥6,054,250,800 (retained earnings minus special account for reduction entry of ¥299 million), or ¥2,405 per unit.

Yen in thousands, except per unit amounts			
	40th Period September 1, 2025 to February 28, 2026	39th Period March 1, 2025 to August 31, 2025	38th Period September 1, 2024 to February 28, 2025
Retained earnings	¥6,353,895	¥5,851,195	¥5,793,145
Special account for reduction entry	299,000	—	—
Undistributed earnings	644	850	197
Total cash distribution	6,054,250	5,850,344	5,792,948
(Per unit)	2,405	2,324	11,506
Distribution of retained earnings	6,054,250	5,850,344	5,792,948
(Per unit)	2,405	2,324	11,506
Cash distribution in excess of retained earnings	—	—	—
(Per unit)	—	—	—

Note: The above cash distributions were paid after the close of the period.

Funding

Balance of Paid-in Capital

MAF was established on October 12, 2005 with initial paid-in capital of ¥100 million. MAF began investing activities on November 29, 2005 after ¥21,140 million was raised through private placement. As of February 28, 2026, MAF had issued 2,517,360 investment units out of 20,000,000 total authorized units. MAF's investment units were listed on the J-REIT section of the Tokyo Stock Exchange in August 2006 upon the completion of a public offering. As the Act on Investment Trusts and Investment Corporations does not contain any provision for the issuance of more than one class of units, MAF's investment units comprise the sole class of units authorized and issued by MAF.

Changes in Total Number of Investment Units Issued and Outstanding

The following are changes in paid-in capital and units outstanding over the last five years.

Issue date	Remarks	Units outstanding		Paid-in capital		Notes
		Increase	Balance	Increase	Balance	
		(Units)		(Yen in millions)		
March 1, 2025	Split of investment units	2,013,888	2,517,360	–	145,449	Note

Note: MAF implemented a five-for-one split of investment units with the record date of February 28, 2025, and effective date of March 1, 2025.

Market Price of Units

Highest/Lowest (closing price) of units on the Tokyo Stock Exchange:

	40th Period September 1, 2025 to February 28, 2026	39th Period March 1, 2025 to August 31, 2025	38th Period September 1, 2024 to February 28, 2025	37th Period March 1, 2024 to August 31, 2024	36th Period September 1, 2023 to February 29, 2024
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Highest	¥143,300	¥124,700	(Note 1) ¥665,000 (Note 2) 115,700	¥677,000	¥667,000
Lowest	123,500	108,300	(Note 1) 563,000 (Note 2) 115,200	566,000	568,000

Notes: 1. Highest/Lowest (closing price) of units are for the term before the ex-rights date (up to February 26, 2025) for the investment unit split with the effective date of March 1, 2025.

2. Unit prices are for the term following the ex-rights date (February 27-28, 2025) for the investment unit split.

Borrowings

Borrowings from financial institutions as of February 28, 2026 are shown below.

Short-term loans

Lender	Balance (Yen in millions)	Interest rate (Note 1)	Date of maturity (Note 2)	Repayment method	Use of funds	Notes
Sumitomo Mitsui Trust Bank, Limited	¥2,000	0.90227% (Note 5)	May 29, 2026	Bullet payment	(Note 3)	Unsecured/ unguaranteed/ pari passu (Note 4)
Total short-term loans	¥2,000					

Long-term loans (Note 11)

Lender	Balance (Yen in millions)	Interest rate (Note 1)	Date of maturity	Repayment method	Use of funds	Notes
Sumitomo Mitsui Banking Corporation	¥ 1,500	0.99227% (Note 5)	July 31, 2029	Bullet payment	(Note 3)	Unsecured/ unguaranteed/ pari passu (Note 4)
	2,000	0.30000%	November 30, 2027			
	2,000	0.33000%	July 31, 2026			
	2,000	0.46200%	September 30, 2026			
	2,000	0.45200%	May 31, 2027			
	4,500	0.67500%	February 29, 2028			
	500	1.54600%	February 28, 2035			
	3,000	1.06900%	May 28, 2029			
1,000	1.17727% (Note 5)	February 29, 2036				
Sumitomo Mitsui Trust Bank, Limited	1,000	0.94727% (Note 5)	August 31, 2027			
	1,500	1.20773% (Note 6)	August 31, 2028			
	1,000	0.73500%	September 28, 2029			
	2,000	1.39200%	September 30, 2030			
NIPPON LIFE INSURANCE COMPANY	2,000	0.25000%	June 30, 2026			
	1,000	0.50000%	April 30, 2031			
	1,000	0.53000%	November 28, 2031			
	2,000	0.65000%	May 31, 2032			
	2,000	0.80000%	November 30, 2032			
	1,000	0.96800%	October 31, 2029			
Development Bank of Japan Inc.	2,000	0.18248%	December 30, 2027			
	4,000	0.54779%	April 18, 2029			
	3,000	0.64293%	October 21, 2030			
	3,000	0.93000%	October 31, 2029			
	2,500	0.64000%	February 29, 2028			
	1,000	0.84400%	August 31, 2028			
	1,500	1.64700%	March 31, 2033			
Hachijuni Nagano Bank, Ltd.	1,500	0.29000%	May 29, 2026			
	1,000	0.48000%	March 31, 2031			
	1,000	0.53000%	June 30, 2031			
	1,000	1.24300%	August 31, 2034			
Mizuho Bank, Ltd.	2,000	0.42456%	March 31, 2027			
	1,000	0.48000%	August 30, 2030			
	1,000	0.48000%	February 28, 2031			
	1,000	0.53000%	November 28, 2031			
The Chugoku Bank, Limited	2,000	0.21880%	May 29, 2026			
	1,000	0.36000%	June 28, 2028			
	2,000	0.68800%	July 31, 2031			
	1,000	1.07300%	November 29, 2030			

Lender	Balance (Yen in millions)	Interest rate (Note 1)	Date of maturity	Repayment method	Use of funds	Notes
SBI Shinsei Bank, Limited	¥ 1,000	0.53000%	May 30, 2031	Bullet payment	(Note 3)	Unsecured/ unguaranteed/ pari passu (Note 4)
	1,000	0.53000%	June 30, 2031			
	1,000	1.18600%	January 31, 2033			
	1,000	1.38273% (Note 6)	May 31, 2034			
	2,000	1.38273% (Note 6)	May 31, 2034			
	1,000	1.80600%	August 31, 2035			
	1,000	2.27500%	January 31, 2036			
Shinkin Central Bank	2,000	0.38880%	January 29, 2027			
	2,000	0.26930%	January 31, 2028			
	3,000	0.38178%	December 29, 2028			
	2,000	1.13891% (Note 7)	January 31, 2034			
	2,000	1.91690% (Note 9)	July 31, 2034			
The Bank of Fukuoka, Ltd.	2,000	0.43500%	February 26, 2027			
	2,000	0.33500%	April 30, 2026			
	1,000	0.65000%	January 8, 2032			
	1,000	0.45000%	October 31, 2029			
	1,500	0.68000%	April 30, 2032			
MUFG Bank, Ltd.	3,000	0.54500%	April 27, 2029			
	2,000	0.48000%	March 15, 2030			
	1,000	0.32000%	September 30, 2027			
	1,000	0.48000%	September 13, 2030			
	1,000	0.47000%	August 30, 2030			
	3,000	0.38000%	September 30, 2026			
	3,000	0.44500%	September 30, 2026			
The Norinchukin Bank	3,000	0.95727% (Note 5)	March 31, 2027			
	2,000	0.37000%	April 28, 2028			
	2,000	0.32000%	July 1, 2027			
Mizuho Trust & Banking Co., Ltd.	3,000	0.36000%	November 30, 2028			
	1,500	0.38380%	March 29, 2028			
	1,000	0.42000%	February 28, 2029			
	1,000	0.38000%	November 30, 2028			
The Yamaguchi Bank, Ltd.	2,000	1.26273% (Note 6)	July 30, 2032			
	1,000	0.55500%	April 27, 2029			
	1,000	0.71000%	June 28, 2033			
	1,000	0.98800%	June 28, 2033			
	1,000	1.11000%	June 28, 2033			
Daishi Hokuetsu Bank, Ltd.	1,000	1.61300%	May 31, 2035			
	1,000	0.36000%	June 30, 2028			
	1,000	0.30000%	June 30, 2027			
	2,000	0.32500%	March 31, 2028			
TAIJU LIFE INSURANCE COMPANY LIMITED	1,000	0.53000%	June 27, 2031			
	1,000	1.24000%	March 31, 2034			

Lender	Balance (Yen in millions)	Interest rate (Note 1)	Date of maturity	Repayment method	Use of funds	Notes
The Ashikaga Bank, Ltd.	¥ 1,000	0.36000%	June 28, 2028	Bullet payment	(Note 3)	Unsecured/ unguaranteed/ pari passu (Note 4)
	1,000	1.27273% (Note 6)	December 20, 2032			
DAIDO LIFE INSURANCE COMPANY	1,000	0.53000%	June 30, 2031			
The Iyo Bank, Ltd.	1,000	1.26273% (Note 6)	March 31, 2032			
The Yamanashi Chuo Bank, Ltd.	1,000	0.31630%	June 30, 2026			
	1,000	0.45000%	December 17, 2029			
	1,000	0.65000%	December 16, 2031			
The 77 Bank, Ltd.	1,000	0.40500%	June 30, 2028			
	1,000	0.48000%	March 29, 2030			
	1,000	0.48000%	February 28, 2031			
	1,000	0.53000%	November 28, 2031			
The Chiba Bank, Ltd.	700	1.07491% (Note 7)	September 30, 2032			
SUMITOMO LIFE INSURANCE COMPANY	1,000	0.66000%	September 3, 2030			
	1,000	0.68000%	April 30, 2032			
	1,000	0.48000%	July 1, 2030			
	1,000	0.71000%	June 30, 2033			
Mitsui Sumitomo Insurance Company, Limited	1,000	0.29000%	October 30, 2026			
	1,000	0.32000%	August 31, 2027			
The Hyakugo Bank, Ltd.	1,000	0.48000%	February 28, 2031			
	1,000	1.22573% (Note 8)	December 17, 2032			
Momiji Bank, Ltd.	1,000	0.59000%	April 30, 2032			
Kansai Mirai Bank, Limited	1,000	1.41600%	January 31, 2035			
Saitama Resona Bank, Limited	1,000	1.43700%	January 31, 2035			
	2,000	1.54600%	February 28, 2035			
	1,500	2.12800%	December 18, 2035			
The Joyo Bank, Ltd.	1,000	1.58700%	March 31, 2033			
The Keiyo Bank, Ltd.	1,000	1.46100%	July 29, 2033			
THE NISHI-NIPPON CITY BANK, LTD.	1,000	1.90200%	December 20, 2032			
Total long-term loans	¥161,700					
Total loans	¥163,700					

Notes: 1. "Interest rate" is rounded to the nearest hundred-thousandth. The weighted average interest rate is presented for the outstanding balance of short-term loans if the institution has provided more than one short-term loan.

2. The earliest maturity of short-term loans is presented if the institution has provided more than one short-term loan.

3. Use of the proceeds of debt financing included purchase of property or real estate trust beneficiary interests, refinancing of other loans, and operating expenses.

4. The loan agreements between MAF and each financial institution stipulate that the above loans from all financial institutions rank pari passu to each other.

5. The interest rate is applied from February 27, 2026 to March 30, 2026.

6. The interest rate is applied from December 30, 2025 to March 30, 2026.

7. The interest rate is applied from September 30, 2025 to March 30, 2026.

8. The interest rate is applied from December 18, 2025 to March 30, 2026.

9. The interest rate for this loan is a floating rate, but the figure stated is the fixed interest rate to be paid based on an interest rate swap agreement executed to hedge against interest rate fluctuation risk.

10. Among the above loans, the following loans were executed based on a syndicated loan:

1) The long-term loan of ¥500 million from Sumitomo Mitsui Banking Corporation executed on March 3, 2025.

2) The long-term loan of ¥2,000 million from Saitama Resona Bank, Limited executed on March 3, 2025.

11. The expected annual maturities of long-term loans within five years after the balance sheet date are as follows.

(Yen in millions)

	Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years
Amount	¥23,500	¥26,000	¥20,000	¥19,500	¥17,000

Bonds

Issue	Issue date	Balance as of February 28, 2026 (Yen in millions)	Coupon	Maturity date	Redemption	Use of proceeds	Notes
No.4 Unsecured Bonds (green bonds)	July 16, 2020	¥2,000	0.520%	July 16, 2030	Bullet payment	(Note 1)	(Note 2)
No.5 Unsecured Bonds (green bonds)	September 30, 2021	1,000	0.320%	September 28, 2029			
No.6 Unsecured Bonds	September 30, 2021	2,000	0.390%	September 30, 2031			
No.7 Unsecured Bonds	September 30, 2021	1,000	0.680%	September 30, 2036			
Total		¥6,000					

Notes: 1. Use of proceeds includes repayment of borrowings.

2. These bonds are only issued to rank pari passu with other bonds issued.

3. The total amount of bonds repayable within 5 years after the balance sheet date and expected to be repaid by specific year(s) is as follows.

(Yen in millions)

	Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years
Unsecured Bonds	—	—	—	¥1,000	¥2,000

Capital Expenditures

1. Planned

MAF is planning or conducting the following capital expenditures for the renovation of its properties. The amounts below include repairs and maintenance costs that will be expensed as incurred. Moreover, in addition to a steady planning of expenditures for construction, repair and renovation of facilities, a plan of renewal construction is being implemented in order to increase competitive power in the market as well as to increase the level of tenant satisfaction.

Name of property	Objective	Estimated duration	Estimated amounts		
			Total amounts	Payment for the current period (September 1, 2025 to February 28, 2026)	Cumulative amount paid
			(Yen in millions)		
Okawabata Apartment Communities, River Point Tower	Large-scale repair works	From October 2025 to November 2026	¥400	¥—	¥—
Shibaura Island Air Tower	Large-scale repair works	From May 2024 to May 2026	351	53	266
Park Axis Ochanomizu Stage	Large-scale repair works	From May 2026 to December 2026	208	—	—
Park Axis Toyochō	Large-scale repair works	From October 2026 to June 2027	160	—	—
Park Cube Meguro Tower	Renewal of air conditioners in rentable areas	From June 2026 to July 2026	150	—	—
Park Cube Itabashi Honcho	Large-scale repair works	From October 2025 to April 2026	138	—	—
Park Cube Asakusa Tawaramachi	Large-scale repair works	From November 2026 to April 2027	110	—	—
Park Cube Kameido	Large-scale repair works	From October 2026 to May 2027	110	—	—
Park Axis Hakata Minoshima	Large-scale repair works	From May 2026 to September 2026	82	—	—
Okawabata Apartment Communities and Other	Renovation works	From March 2026 to August 2026	80	—	—
Smile Hotel Okinawa Naha	Large-scale repair works	From October 2026 to March 2027	80	—	—
Park Cube Ueno	Large-scale repair works	From April 2026 to August 2026	76	—	—

2. Capital Expenditures for the Current Period

The following table sets forth the capital expenditures for the current period. MAF posted ¥1,054 million in capital expenditures together with ¥586 million for repairs and maintenance expenses.

Name of property	Objective	Period	Expenditure (Yen in millions)
Okawabata Apartment Communities, Okawabata Parking	Renewal of foam fire extinguishing system deluge valve (Phase III)	From November 2025 to February 2026	¥112
Park Axis Shin Itabashi	Large-scale repair works	From April 2025 to October 2025	94
Park Cube Ginza East	Large-scale repair works	From April 2025 to September 2025	66
Park Cube Honjo Azumabashi	Large-scale repair works	From April 2025 to September 2025	56
Okawabata Apartment Communities, River Point Tower and Other	Four renovation projects of rentable areas	From September 2025 to February 2026	46
	Other capital expenditures	From September 2025 to February 2026	677
Total			¥1,054

Expenses regarding Entrustment, etc.

The following table sets forth the breakdown of entrustment fees, etc. paid by MAF.

	Yen in millions		
	40th Period September 1, 2025 to February 28, 2026	39th Period March 1, 2025 to August 31, 2025	38th Period September 1, 2024 to February 28, 2025
Asset management fees	¥1,103	¥1,002	¥ 980
Asset custody fees	15	15	15
Agent fees (stock transfer, accounting and administrative)	33	38	30
Directors' remuneration	8	7	7
Auditor's fees	14	14	12
Other expenses	421	415	405
Total	¥1,596	¥1,494	¥1,452

Related Party Transactions

1. Transactions

None applicable.

2. Fees Paid for the Period from September 1, 2025 to February 28, 2026

Category	Total fees paid (A) (Yen in millions)	Description of transactions with related parties (Note 1)		B/A (Note 2)
		Paid to	Amount of payment (B) (Yen in millions)	
Property management fees	¥846	Mitsui Fudosan Residential Lease Co., Ltd.	¥846	100.0%
Building management fees	491	Mitsui Fudosan Residential Lease Co., Ltd.	485	98.7%
		Mitsui Fudosan Realty Co., Ltd.	5	1.1%
Operation management fees	4	Mitsui Fudosan Investment Advisors, Inc.	4	100.0%
Leasing-related service fees, etc.	159	RESIDENT FIRST CO., LTD.	8	5.5%
		Mitsui Fudosan Realty Tohoku Co., Ltd.	0	0.6%
		Mitsui Fudosan Realty Co., Ltd.	0	0.2%

3. Other Payments to Related Parties (Note 1)

Paid to	Amount of payment (Yen in millions)	Item
Accommodation First Co., Ltd.	¥31	Repair and maintenance costs
Mitsui Fudosan Facilities Co., Ltd.	8	Repair and maintenance costs

Notes: 1. "Related parties" means parties defined in the government ordinance regarding the Act on Investment Trusts and Investment Corporations and principally, parties related to an asset management company.

2. Figures indicate percentages to total fees paid.

Financial Statements

Balance Sheets

Mitsui Fudosan Accommodations Fund Inc.

As of February 28, 2026 and August 31, 2025

	Yen in millions		U.S. dollars in thousands (Note 1)
	40th Period As of February 28, 2026	39th Period As of August 31, 2025	40th Period As of February 28, 2026
Assets			
Current assets:			
Cash and cash equivalents	¥ 12,141	¥ 12,071	\$ 77,921
Rent receivables	1,690	1,604	10,846
Other current assets	149	121	956
Total current assets	13,981	13,798	89,731
Investment properties (Note 3, 4):			
Land including trust accounts	221,161	219,154	1,419,427
Depreciable property and improvements including trust accounts	158,959	157,619	1,020,210
Accumulated depreciation	(65,486)	(63,921)	(420,293)
Total investment properties	314,635	312,853	2,019,350
Other assets (Note 3)	2,006	2,037	12,874
Total Assets	¥ 330,623	¥ 328,688	\$2,121,962
Liabilities and Net Assets			
Liabilities			
Current liabilities:			
Short-term loans (Note 5)	¥ 2,000	¥ 2,000	\$ 12,836
Long-term loans due within one year (Note 5, 13)	23,500	21,500	150,824
Accounts payable	1,808	1,714	11,603
Rent received in advance	2,182	2,094	14,004
Accrued expenses and other liabilities	321	296	2,060
Total current liabilities	29,811	27,605	191,329
Long-term liabilities:			
Long-term loans (Note 5, 13)	138,200	139,000	886,977
Bonds (Note 5, 13)	6,000	6,000	38,508
Tenant security deposits	3,742	3,718	24,016
Total long-term liabilities	147,942	148,718	949,502
Total Liabilities	¥ 177,754	¥ 176,323	\$1,140,838
Net Assets			
Unitholders' capital (Note 6)	¥ 145,449	¥ 145,449	\$ 933,502
Retained earnings	7,418	6,915	47,609
Total Net Assets	¥ 152,868	¥ 152,365	\$ 981,118
Total Liabilities and Net Assets	¥ 330,623	¥ 328,688	\$2,121,962

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

Statements of Income

Mitsui Fudosan Accommodations Fund Inc.

For the six-month periods ended February 28, 2026, August 31, 2025 and February 28, 2025

	Yen in millions			U.S. dollars in thousands (Note 1)
	40th Period September 1, 2025 to February 28, 2026	39th Period March 1, 2025 to August 31, 2025	38th Period September 1, 2024 to February 28, 2025	40th Period September 1, 2025 to February 28, 2026
Revenues				
Rental (Note 7, 16)	¥ 12,757	¥ 12,557	¥ 12,302	\$ 81,875
Other revenues related to property leasing (Note 7, 16)	557	638	526	3,574
Gain on sale of investment properties (Note 8, 16)	412	—	—	2,644
Total revenues	13,727	13,195	12,828	88,100
Operating Expenses				
Property management fees (Note 7)	1,384	1,357	1,314	8,882
Real estate taxes and insurance (Note 7)	722	722	712	4,633
Repairs and maintenance (Note 7)	586	656	588	3,760
Other rental expenses (Note 7)	669	692	655	4,293
Depreciation and amortization (Note 7)	1,874	1,930	1,903	12,027
Asset management fees	1,103	1,002	980	7,079
Other expenses	492	492	471	3,157
Total operating expenses	6,833	6,854	6,626	43,854
Operating Income	6,893	6,341	6,202	44,239
Interest and other income	28	22	25	179
Interest expense	(553)	(497)	(420)	(3,549)
Other expenses	(14)	(14)	(12)	(89)
Income before Income Taxes	6,353	5,852	5,794	40,774
Current and deferred income taxes (Note 10)	0	1	0	0
Net Income	¥ 6,353	¥ 5,850	¥ 5,793	\$ 40,774

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

Statements of Changes in Net Assets

Mitsui Fudosan Accommodations Fund Inc.

For the six-month periods ended February 28, 2026, August 31, 2025 and February 28, 2025

	Number of Units (Note 6)	Yen in millions		
		Unitholders' Capital	Retained Earnings	Total
Balance as of September 1, 2024	503,472	¥ 145,449	¥ 6,635	¥ 152,084
Cash distribution	—	—	(5,570)	(5,570)
Net income	—	—	5,793	5,793
Balance as of February 28, 2025	503,472	145,449	6,857	152,307
Cash distribution	—	—	(5,792)	(5,792)
A five-for-one split of investment units with the effective date of March 1, 2025	2,013,888	—	—	—
Net income	—	—	5,850	5,850
Balance as of August 31, 2025	2,517,360	145,449	6,915	152,365
Cash distribution	—	—	(5,850)	(5,850)
Net income	—	—	6,353	6,353
Balance as of February 28, 2026	2,517,360	¥ 145,449	¥ 7,418	¥ 152,868

	Number of Units (Note 6)	U.S. dollars in thousands (Note 1)		
		Unitholders' Capital	Retained Earnings	Total
Balance as of August 31, 2025	2,517,360	\$ 933,502	\$ 44,380	\$ 977,889
Cash distribution	—	—	(37,545)	(37,545)
Net income	—	—	40,774	40,774
Balance as of February 28, 2026	2,517,360	\$ 933,502	\$ 47,609	\$ 981,118

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

Statements of Cash Flows

Mitsui Fudosan Accommodations Fund Inc.

For the six-month periods ended February 28, 2026, August 31, 2025 and February 28, 2025

	Yen in millions			U.S. dollars in thousands (Note 1)
	40th Period September 1, 2025 to February 28, 2026	39th Period March 1, 2025 to August 31, 2025	38th Period September 1, 2024 to February 28, 2025	40th Period September 1, 2025 to February 28, 2026
Cash Flows from Operating Activities:				
Income before income taxes	¥ 6,353	¥ 5,852	¥ 5,794	\$ 40,774
Depreciation and amortization	1,874	1,930	1,903	12,027
Amortization of bond issue costs	2	3	3	12
Interest expense	553	497	420	3,549
(Increase) Decrease in rent receivables	(85)	36	(151)	(545)
Increase (Decrease) in accounts payable	93	153	(105)	596
Increase (Decrease) in rents received in advance	87	(2)	58	558
Decrease in investment properties due to sales	352	—	—	2,259
Cash payments of interest expense	(515)	(463)	(416)	(3,305)
Other, net	(10)	54	2	(64)
Net Cash Provided by Operating Activities	8,706	8,061	7,509	55,875
Cash Flows from Investing Activities:				
Payments for purchases of investment properties	(4,009)	(5,158)	(3,056)	(25,730)
Proceeds from tenant security deposits	260	299	282	1,668
Repayment of tenant security deposits	(235)	(304)	(227)	(1,508)
Other, net	(3)	(10)	(3)	(19)
Net Cash Provided by (Used in) Investing Activities	(3,987)	(5,173)	(3,004)	(25,588)
Cash Flows from Financing Activities:				
Proceeds from short-term loans	4,000	4,000	4,000	25,672
Repayment of short-term loans	(4,000)	(4,000)	(4,000)	(25,672)
Proceeds from long-term loans	12,200	12,000	7,000	78,300
Repayment of long-term loans	(11,000)	(8,500)	(6,000)	(70,598)
Redemption of bonds	—	(2,000)	—	—
Payment of distribution	(5,849)	(5,792)	(5,570)	(37,539)
Net Cash Provided by (Used in) Financing Activities	(4,649)	(4,292)	(4,570)	(29,837)
Net Change in Cash and Cash Equivalents	69	(1,404)	(65)	442
Cash and Cash Equivalents at the Beginning of the Period	12,071	13,475	13,541	77,472
Cash and Cash Equivalents at the End of the Period	¥ 12,141	¥ 12,071	¥ 13,475	\$ 77,921

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

Notes to Financial Statements

Mitsui Fudosan Accommodations Fund Inc.

For the six-month periods ended February 28, 2026, August 31, 2025 and February 28, 2025

Note 1 Organization and Basis of Presentation

Organization

Mitsui Fudosan Accommodations Fund Inc. (hereinafter "MAF") was established on October 12, 2005 as an investment corporation under the Act on Investment Trusts and Investment Corporations with Mitsui Fudosan Accommodations Fund Management Co., Ltd. (hereinafter "MFAFM") acting as a sponsor. Registration with the Kanto Local Finance Bureau of the Ministry of Finance was completed on November 11, 2005 and MAF started acquisition of properties on November 30, 2005.

MAF is an externally managed real estate fund, formed as an investment corporation. MFAFM, as MAF's asset management company, is engaged in the acquisition, management, and renovation of accommodation assets. MFAFM is a 100% subsidiary of Mitsui Fudosan Co., Ltd.

On August 3, 2006, MAF had raised approximately ¥40,000 million through an initial public offering of investment units. Those investment units are listed on the J-REIT section of the Tokyo Stock Exchange.

As of February 28, 2026, MAF had ownership and/or beneficiary interests in 141 properties containing approximately 552,309 square meters of rentable space. As of February 28, 2026, MAF had leased approximately 541,096 square meters to tenants. The occupancy rate for the properties was approximately 98.0%.

Please note that MAF changed its trade name from Nippon Accommodations Fund Inc. to Mitsui Fudosan Accommodations Fund Inc. on September 1, 2025.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with the provisions set forth in the Act on Investment Trusts and Investment Corporations and the Financial Instruments and Exchange Act and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan (hereinafter "Japanese GAAP"), which are different in certain respects as to application and disclosure requirements of IFRS Accounting Standards.

The accompanying financial statements have been restructured and translated into English from the financial statements of MAF prepared in accordance with Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Financial Instruments and Exchange Act. Some supplementary information included in the statutory Japanese language financial statements, but not required for fair presentation, is not presented in the accompanying financial statements. MAF does not prepare consolidated financial statements, as MAF has no subsidiaries.

Amounts less than 1 million yen have been omitted. As a result, the totals in Japanese yen shown in the financial statements do not necessarily agree with the sum of the individual amounts.

The translation of the Japanese yen amounts into U.S. dollars is included solely for the convenience of readers outside Japan, using the approximate exchange rate on February 28, 2026, which was ¥155.81 to U.S.\$1.00. The convenience translation should not be construed as representation that the Japanese yen amounts have been, or could in future be, converted into U.S. dollars at this or any other rate of exchange.

Note 2 Summary of Significant Accounting Policies

Cash and Cash Equivalents

MAF considers all highly liquid investments with original maturity of three months or less to be cash and cash equivalents.

Investment Properties

Investment properties are recorded at cost, which includes the purchase price and related costs and expenses for acquisition of the properties and the beneficiary interests of properties in trust. Property and equipment balances are depreciated using the straight-line method over the estimated useful lives. The estimated useful lives of the principal investment properties (including assets held in trust) are as follows:

Buildings and improvements	2-63 years
Structures	2-60 years
Machinery and equipment	2-45 years
Tools, furniture and fixtures	2-15 years

Costs related to the renovation, construction and improvement of properties are capitalized. Expenditures for repairs and maintenance which do not add value to or prolong the useful life of a property, are expensed as incurred.

Deferred Assets

Bond issue costs are amortized over the period of the bonds using the straight-line method.

Income Taxes

The tax effect of temporary differences between the amounts of assets and liabilities for financial statements and for income tax purposes is recognized as deferred taxes.

Revenue Recognition

The nature of principal performance obligations for MAF regarding revenue from contracts with customers and the normal timing when those performance obligations are satisfied (i.e. normal timing when revenue is recognized) are as described below.

Sale of investment properties

For sale of investment properties, revenue is recognized when the control of the investment property, etc. is obtained by a purchaser, which is a customer, through fulfillment of the delivery obligations specified in the contract for the sale of the investment property. In the statement of income, the amount obtained by deducting “cost of investment properties sold,” determined by the book value of the real estate properties sold, and “other sales expenses,” determined by the expenses directly incurred through the sales, from “revenues from sale of investment properties,” determined by the proceeds from sale of investment properties, is presented as either “gain on sale of investment properties” or “loss on sale of investment properties.”

Real Estate Taxes

Properties are subject to taxes including property tax, city planning tax and depreciable asset tax. Taxes for each fiscal period are charged to expense on an accrual basis.

The owner of properties is registered in a record maintained by the local government in each jurisdiction, and the taxes are imposed on the owner registered in the record, as of January 1, based on the assessment made by the local government.

Even when a property is purchased on a date other than January 1 of any given calendar year, these taxes for that year are imposed on the seller. The buyer pays the seller the corresponding tax amounts for the period from the property’s transfer date to December 31 of that year as part of the purchase prices of each property, and capitalizes these amounts as the cost of the property. Capitalized property tax for the periods ended February 28, 2026 and August 31, 2025 amounted to ¥0 million and ¥10 million, respectively.

Hedge Accounting Method

(1) Hedge accounting method

The special treatment is applied to interest rate swaps that meet the requirements for special treatment.

(2) Hedging instruments and hedged items

Hedging instruments: Interest rate swap

Hedged items: Interest on loans

(3) Hedging policy

MAF conducts derivative transactions for the purpose of hedging the risks stipulated in the Articles of Incorporation pursuant to the risk management policy.

(4) Method of evaluating hedge effectiveness

Evaluation of hedge effectiveness is omitted as interest rate swaps meet the requirements for special treatment.

Accounting Treatment of Beneficiary Interests in Trust Assets including Real Estate

For trust beneficiary interests in real estate, all assets and liabilities associated with assets in trust as well as all income generated and expenses incurred from assets in trust are recorded in the relevant balance sheet and income statement accounts.

Note 3 Significant Accounting Estimates

Impairment of Investment Properties and Other Assets

(1) Carrying amount in the financial statements

	Yen in millions	
	As of February 28, 2026	As of August 31, 2025
Investment properties	¥314,635	¥312,853
Other assets (Intangible assets)	655	655

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

In accordance with the Accounting Standard for Impairment of Fixed Assets, MAF has applied the accounting treatment to reduce the book value of investment properties and other assets to a recoverable amount when the invested amount is deemed to be unrecoverable due to lowered profitability.

In applying the accounting treatment, the respective properties owned by MAF are regarded as a separate asset group, and judgment is made about whether it is required to recognize impairment losses when indications of impairment are deemed to exist for the group due to continuous operating losses, a significant drop in the market value or significant deterioration of the business environment, etc.

Future cash flow estimates are used to determine whether or not to recognize impairment losses. When it is determined that impairment losses should be recognized, the book value is reduced to the recoverable amount, and the reduced amount is recorded as impairment losses.

In calculating the future cash flows, the underlying rent, occupancy rate and real estate rental expenses, etc. are determined by comprehensively taking into account the market trends and transaction cases of similar properties, etc.

The performance and the market value of each property may be affected by the trends in the real estate rental market and real estate transaction market. Accordingly, changes to the assumptions for the estimate may affect the financial position and results of operation of MAF in the following fiscal period.

Note 4 Schedule of Investment Properties

Investment properties as of February 28, 2026 and August 31, 2025 consisted of the following:

	Yen in millions					
	As of February 28, 2026			As of August 31, 2025		
	Acquisition costs	Accumulated depreciation	Book value	Acquisition costs	Accumulated depreciation	Book value
Land	¥ 166,822	¥ —	¥ 166,822	¥ 162,983	¥ —	¥ 162,983
Land in trust	54,339	—	54,339	56,171	—	56,171
Land including trust total	221,161	—	221,161	219,154	—	219,154
Buildings and improvements	111,467	(42,729)	68,738	109,290	(41,138)	68,151
Buildings and improvements in trust	38,127	(16,125)	22,001	39,121	(16,293)	22,828
Buildings and improvements including those in trust total	149,595	(58,855)	90,740	148,412	(57,431)	90,980
Structures	1,826	(1,318)	508	1,813	(1,294)	518
Machinery and equipment	2,754	(2,132)	621	2,694	(2,088)	605
Tools, furniture and fixtures	1,908	(1,435)	472	1,842	(1,364)	477
Construction in process	1	—	1	47	—	47
Structures in trust	1,136	(654)	482	1,146	(651)	495
Machinery and equipment in trust	771	(580)	190	745	(577)	168
Tools, furniture and fixtures in trust	650	(509)	140	660	(512)	147
Construction in process in trust	316	—	316	257	—	257
Other investment properties total	9,364	(6,631)	2,733	9,207	(6,489)	2,718
Total	¥ 380,121	¥ (65,486)	¥ 314,635	¥ 376,774	¥ (63,921)	¥ 312,853

Note 5 Short-Term Loans and Long-Term Debt

The annual interest rate on short-term loans as of February 28, 2026 was 0.9% and the rate as of August 31, 2025 was 0.6%. Long-term debt consists of the following:

	Yen in millions	
	As of February 28, 2026	As of August 31, 2025
Unsecured loans due 2026 to 2036 principally from banks and insurance companies with interest rates mainly ranging from 0.2% to 2.3%	¥161,700	¥160,500
0.520% unsecured bonds due 2030	2,000	2,000
0.320% unsecured bonds due 2029	1,000	1,000
0.390% unsecured bonds due 2031	2,000	2,000
0.680% unsecured bonds due 2036	1,000	1,000
	¥167,700	¥166,500

The annual maturities of long-term debt as of February 28, 2026 were as follows:

	Yen in millions
Due after one to two years	¥26,000
Due after two to three years	20,000
Due after three to four years	20,500
Due after four to five years	19,000
Due after five years	58,700

MAF currently has commitment line contracts of ¥15,000 million with three financial institutions. The unused amount of such commitment line was ¥15,000 million as of February 28, 2026.

Note 6 Unitholders' Capital

	As of February 28, 2026	As of August 31, 2025	As of February 28, 2025
Total number of common units authorized	20,000,000	20,000,000	4,000,000
Total number of common units issued and outstanding	2,517,360	2,517,360	503,472

MAF shall maintain minimum net assets of at least ¥50 million as required by the Act on Investment Trusts and Investment Corporations.

Note 7 Rental Revenues and Expenses

Rental revenues and expenses for the periods ended February 28, 2026, August 31, 2025 and February 28, 2025 were as follows:

	Yen in millions		
	40th Period September 1, 2025 to February 28, 2026	39th Period March 1, 2025 to August 31, 2025	38th Period September 1, 2024 to February 28, 2025
Revenues from Property Leasing:			
Rental:			
Rental revenues	¥ 12,214	¥ 12,024	¥ 11,774
Facility charge	542	532	528
Subtotal	12,757	12,557	12,302
Other revenues related to property leasing:			
Income from leasing rights, etc.	429	501	401
Utilities income	31	25	25
Other miscellaneous income	96	112	99
Subtotal	557	638	526
Total revenues from property leasing	13,314	13,195	12,828
Rental Expenses:			
Property management fees	1,384	1,357	1,314
Repairs and maintenance	586	656	588
Real estate taxes	688	689	679
Trust fees	10	9	9
Utilities	157	150	156
Insurance	33	33	32
Depreciation and amortization	1,874	1,930	1,903
Leasing-related service fees, etc.	159	170	156
Other rental expenses	341	361	333
Total rental expenses	5,237	5,359	5,174
Operating income from property leasing activities	¥ 8,077	¥ 7,836	¥ 7,654

Note 8 Breakdown of Gain on Sale of Investment Properties

Gain on sale of investment properties for the periods ended February 28, 2026, August 31, 2025 and February 28, 2025 were as follows:

40th Period (September 1, 2025 to February 28, 2026)

Park Axis Takamiya Higashi	Yen in millions
Revenues from sale of investment properties	¥ 790
Cost of investment properties sold	352
Other sales expenses	25
Gain on sale of investment properties	¥ 412

39th Period (March 1, 2025 to August 31, 2025)

None applicable

38th Period (September 1, 2024 to February 28, 2025)

None applicable

Note 9 Leases

MAF leases some of its investment properties to outside parties under non-cancelable operating leases. As of February 28, 2026 and August 31, 2025, future minimum rental revenues under the non-cancelable operating leases were as follows:

	Yen in millions	
	As of February 28, 2026	As of August 31, 2025
Due within one year	¥ 717	¥ 704
Due after one year	1,997	2,226
Total	¥2,715	¥2,930

Note 10 Income Taxes

MAF is subject to income taxes in Japan. The effective tax rates on MAF's income based on applicable Japanese tax law were 0.01%, 0.02% and 0.02% for the periods ended February 28, 2026, August 31, 2025 and February 28, 2025, respectively. The following table summarizes the significant differences between the statutory tax rates and MAF's effective tax rates for financial statement purposes.

	40th Period September 1, 2025 to February 28, 2026	39th Period March 1, 2025 to August 31, 2025	38th Period September 1, 2024 to February 28, 2025
Statutory effective tax rate	31.46%	31.46%	31.46%
Deductible distributions paid	(29.98)	(31.45)	(31.45)
Others	(1.47)	0.01	0.01
Effective tax rate	0.01%	0.02%	0.02%

The tax effects of significant temporary differences that resulted in net deferred tax assets or liabilities as of February 28, 2026 and August 31, 2025 were as follows:

	Yen in thousands	
	As of February 28, 2026	As of August 31, 2025
Deferred tax assets:		
Enterprise taxes	¥7	¥28
Total deferred tax assets	7	28
Net deferred tax assets	¥7	¥28

MAF was established as an investment corporation under the Act on Investment Trusts and Investment Corporations, and as long as an investment corporation distributes to its unitholders at least 90% of earnings available for dividends for a period and other requirements prescribed in Japanese tax regulations are met, the investment corporation is allowed to deduct the total amount of distributions paid in calculating its taxable income under Japanese tax regulations.

Note 11 Per Unit Information

Information about earnings per unit for the periods ended February 28, 2026, August 31, 2025 and February 28, 2025 and net assets per unit as of February 28, 2026, August 31, 2025 and February 28, 2025 were as follows.

The computation of earnings per unit is based on the weighted average number of common units outstanding during the period. The computation of net assets per unit is based on the number of common units outstanding at the end of each period.

	Yen		
	40th Period September 1, 2025 to February 28, 2026	39th Period March 1, 2025 to August 31, 2025	38th Period September 1, 2024 to February 28, 2025
Earnings per Unit:			
Net income	¥ 2,523	¥ 2,324	¥ 2,301
Weighted average number of common units outstanding	2,517,360	2,517,360	2,517,360
	As of February 28, 2026	As of August 31, 2025	As of February 28, 2025
Net Assets per Unit	¥ 60,725	¥ 60,525	¥ 60,502

Note: MAF implemented a five-for-one split of investment units with the effective date of March 1, 2025. "Net income per unit," "Weighted average number of common units outstanding" and "Net assets per unit" are calculated on the assumption that this split of investment units was implemented at the beginning of the period ended February 28, 2025.

Note 12 Transactions with Related Parties

(For the six-month period ended February 28, 2026)

- (1) Parent Company and Major Corporate Unitholders: None applicable
- (2) Affiliates: None applicable
- (3) Sister Companies: None applicable
- (4) Directors and Major Individual Unitholders: None applicable

(For the six-month period ended August 31, 2025)

- (1) Parent Company and Major Corporate Unitholders: None applicable
- (2) Affiliates: None applicable
- (3) Sister Companies: None applicable
- (4) Directors and Major Individual Unitholders: None applicable

(For the six-month period ended February 28, 2025)

- (1) Parent Company and Major Corporate Unitholders: None applicable
- (2) Affiliates: None applicable
- (3) Sister Companies: None applicable
- (4) Directors and Major Individual Unitholders: None applicable

Note 13 Financial Instruments

(September 1, 2025 - February 28, 2026)

1. Status of Financial Instruments

(1) Policy for Financial Instruments

MAF procures funds for acquisition of assets and other uses through bank loans, issuance of bonds and investment units.

MAF may enter into derivative transactions solely for the purpose of hedging interest rate risk. MAF strives for efficiency in its funding plans and has an operating policy of minimizing surplus funds.

(2) Financial Instruments, Their Risks and Risk Management System

Funds from loans and bonds are primarily used to acquire assets and repay interest-bearing debt. MAF manages associated liquidity and interest rate fluctuation risks by diversifying its credit sources and maturities, and by mainly using fixed-rate loans. Additionally, for some loans with floating interest rates, derivative transactions (interest rate swap transactions) are utilized as hedging instruments to mitigate the risk of fluctuating interest rates and stabilize interest payments. Please refer to the aforementioned in Note 2, "Summary of Significant Accounting Policies, Hedge Accounting Method" in regard to the hedge accounting method, hedging instruments and hedged items, hedging policy, and method of evaluating the effectiveness of hedges.

(3) Supplemental Explanation regarding Fair Values of Financial Instruments

Since certain assumptions and factors are used in calculating fair values of financial instruments, the values may differ if different assumptions and factors are used. In addition, the contract amount, etc. of derivative transactions, mentioned in Note 14, "Derivative Transactions," should not be considered indicative of the size of the market risks involved in the derivative transactions.

2. Estimated Fair Value of Financial Instruments

Book value, fair value and the difference between the two as of February 28, 2026 were as follows. Notes on the fair values of "cash and cash equivalents" and "short-term loans" have been omitted as they are cash or the book value of these liabilities is considered to approximate fair value because these instruments are settled within a short period of time. The information on "tenant security deposits" has also been omitted as it is immaterial.

	Yen in millions		
	Book value	Fair value	Difference
(1) Long-term loans due within one year	¥ 23,500	¥ 23,409	¥ (90)
(2) Bonds	6,000	5,546	(453)
(3) Long-term loans	138,200	133,612	(4,587)
(4) Derivative transactions	—	—	—

Notes: 1. Methods to estimate fair value of financial instruments

(1) Long-term loans due within one year, (2) Bonds and (3) Long-term loans

Fair values of fixed-rate instruments are based on the present value of principal and interest cash flows discounted at the current interest rate estimated to be applied if similar new financing was arranged. Fair values of variable-rate instruments are considered to be their book values because these instruments reflect market interest rates within a short period of time. However, for long-term loans with floating interest rates that are subject to exceptional accounting treatment of interest rate swaps (please refer to Note 14 "Derivative Transactions" below), the fair value is calculated by discounting the total of principal and interest that were treated as a part of the interest rate swaps at a reasonably estimated interest rate that would be charged for similar loans.

(4) Derivative transactions

Please refer to Note 14 "Derivative Transactions."

2. Repayment schedule for loans and bonds after February 28, 2026

	Yen in millions					
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Bonds	¥ —	¥ —	¥ —	¥ 1,000	¥ 2,000	¥ 3,000
Long-term loans	23,500	26,000	20,000	19,500	17,000	55,700
Total	¥ 23,500	¥ 26,000	¥ 20,000	¥ 20,500	¥ 19,000	¥ 58,700

(March 1, 2025 - August 31, 2025)

1. Status of Financial Instruments

Same as above.

2. Estimated Fair Value of Financial Instruments

Book value, fair value and the difference between the two as of August 31, 2025 were as follows. Notes on the fair values of "cash and cash equivalents" and "short-term loans" have been omitted as they are cash or the book value of these liabilities is considered to approximate fair value because these instruments are settled within a short period of time. The information on "tenant security deposits" has also been omitted as it is immaterial.

	Yen in millions		
	Book value	Fair value	Difference
(1) Long-term loans due within one year	¥ 21,500	¥ 21,441	¥ (58)
(2) Bonds	6,000	5,705	(294)
(3) Long-term loans	139,000	136,686	(2,313)
(4) Derivative transactions	—	—	—

Notes: 1. Methods to estimate fair value of financial instruments

(1) Long-term loans due within one year, (2) Bonds and (3) Long-term loans

Fair values of fixed-rate instruments are based on the present value of principal and interest cash flows discounted at the current interest rate estimated to be applied if similar new financing was arranged. Fair values of variable-rate instruments are considered to be their book values because these instruments reflect market interest rates within a short period of time. However, for long-term loans with floating interest rates that are subject to exceptional accounting treatment of interest rate swaps (please refer to Note 14 "Derivative Transactions" below), the fair value is calculated by discounting the total of principal and interest that were treated as a part of the interest rate swaps at a reasonably estimated interest rate that would be charged for similar loans.

(4) Derivative transactions

Please refer to Note 14 "Derivative Transactions."

2. Repayment schedule for loans and bonds after August 31, 2025

	Yen in millions					
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Bonds	¥ —	¥ —	¥ —	¥ —	¥ 3,000	¥ 3,000
Long-term loans	21,500	22,000	26,000	20,500	13,000	57,500
Total	¥ 21,500	¥ 22,000	¥ 26,000	¥ 20,500	¥ 16,000	¥ 60,500

Note 14 Derivative Transactions
1. Derivatives not applying hedge accounting

(As of February 28, 2026)

None applicable.

(As of August 31, 2025)

None applicable.

2. Derivatives applying hedge accounting

(As of February 28, 2026)

The contracted amount or principal amount equivalent or the like set forth in the contract as of the balance sheet date for each hedge accounting method is as follows:

Hedge accounting method	Type of derivative transactions, etc.	Major hedged items	Yen in millions		Fair value	Calculation method of fair value
			Contract amount, etc.			
				Maturing after one year		
Special treatment for interest rate swaps	Interest rate swaps transactions Receive floating rate/ Pay fixed rate	Long-term loans	¥2,000	¥2,000	(Note)	—

Note: The fair value of interest rate swaps that are accounted for using special treatment, is included in that of corresponding long-term loans, since those interest rate swaps are treated as a single unit with the hedged long-term loans.

(As of August 31, 2025)

The contracted amount or principal amount equivalent or the like set forth in the contract as of the balance sheet date for each hedge accounting method is as follows:

Hedge accounting method	Type of derivative transactions, etc.	Major hedged items	Yen in millions		Fair value	Calculation method of fair value
			Contract amount, etc.			
				Maturing after one year		
Special treatment for interest rate swaps	Interest rate swaps transactions Receive floating rate/ Pay fixed rate	Long-term loans	¥2,000	¥2,000	(Note)	—

Note: The fair value of interest rate swaps that are accounted for using special treatment, is included in that of corresponding long-term loans, since those interest rate swaps are treated as a single unit with the hedged long-term loans.

Note 15 Investment and Rental Properties

(September 1, 2025 - February 28, 2026)

MAF owns rental properties including land located in Tokyo and other areas. The book value, net changes in the book value and the fair value of the investment and rental properties were as follows.

Yen in millions			
Book value			Fair value
As of September 1, 2025	Change during the 40th Period	As of February 28, 2026	As of February 28, 2026
¥313,203	¥1,769	¥314,973	¥507,599

- Notes: 1. "Book value" is the acquisition cost inclusive of acquisition expenses less accumulated depreciation and excluding expenses for construction in process.
2. In "Change during the 40th Period," the main factor for the increase in book value was acquisition of properties for ¥2,829 million. The main factors for the decrease in book value were the sale of Park Axis Takamiya Higashi of ¥352 million and depreciation.
3. "Fair value as of February 28, 2026" is based on appraisals provided by independent real estate appraisers.

Information about profit and loss from investment and rental properties for the period ended February 28, 2026 is disclosed in Note 7, "Rental Revenues and Expenses."

(March 1, 2025 - August 31, 2025)

MAF owns rental properties including land located in Tokyo and other areas. The book value, net changes in the book value and the fair value of the investment and rental properties were as follows.

Yen in millions			
Book value			Fair value
As of March 1, 2025	Change during the 39th Period	As of August 31, 2025	As of August 31, 2025
¥310,010	¥3,193	¥313,203	¥499,856

- Notes: 1. "Book value" is the acquisition cost inclusive of acquisition expenses less accumulated depreciation and excluding expenses for construction in process.
2. In "Change during the 39th Period," the main factor for the increase in book value was acquisition of properties for ¥4,088 million. The main factor for the decrease in book value was depreciation.
3. "Fair value as of August 31, 2025" is based on appraisals provided by independent real estate appraisers.

Information about profit and loss from investment and rental properties for the period ended August 31, 2025 is disclosed in Note 7, "Rental Revenues and Expenses."

Note 16 Revenue Recognition

(September 1, 2025 - February 28, 2026)

Information on disaggregation of revenue from contracts with customers

For information on disaggregation of revenue from contracts with customers, please refer to Note 7 "Rental Revenues and Expenses" and Note 8 "Breakdown of Gain on Sale of Investment Properties." Note that revenues based on ASBJ Statement No. 13 "Accounting Standard for Lease Transactions" are included in Note 7 "Rental Revenues and Expenses."

Revenue from contracts with customers is primarily "revenues from sale of investment properties" and "utilities income."

(March 1, 2025 - August 31, 2025)

Information on disaggregation of revenue from contracts with customers

For information on disaggregation of revenue from contracts with customers, please refer to Note 7 "Rental Revenues and Expenses." Note that revenues based on ASBJ Statement No. 13 "Accounting Standard for Lease Transactions" are included in Note 7 "Rental Revenues and Expenses."

Revenue from contracts with customers is primarily "utilities income."

(September 1, 2024 - February 28, 2025)

Information on disaggregation of revenue from contracts with customers

For information on disaggregation of revenue from contracts with customers, please refer to Note 7 "Rental Revenues and Expenses." Note that revenues based on ASBJ Statement No. 13 "Accounting Standard for Lease Transactions" are included in Note 7 "Rental Revenues and Expenses."

Revenue from contracts with customers is primarily "utilities income."

Note 17 Segment Information

(September 1, 2025 - February 28, 2026)

1. Segment Information

Segment information has been omitted as MAF has only one segment, which is real estate leasing business.

2. Related Information**(1) Information by Products and Services**

Disclosure of this information has been omitted as MAF has a single product/service line that accounts for more than 90% of total revenues.

(2) Information by Geographic Areas**1) Operating revenues**

Disclosure of this information has been omitted as total domestic revenues account for more than 90% of total revenues.

2) Investment properties

Disclosure of this information has been omitted as total domestic investment properties account for more than 90% of the book value of total investment properties.

(3) Information on Major Tenants

Tenant	Operating revenues (Yen in millions)	Related segment
Mitsui Fudosan Residential Lease Co., Ltd.	¥12,525	Real estate leasing business

(March 1, 2025 - August 31, 2025)

1. Segment Information

Segment information has been omitted as MAF has only one segment, which is real estate leasing business.

2. Related Information**(1) Information by Products and Services**

Disclosure of this information has been omitted as MAF has a single product/service line that accounts for more than 90% of total revenues.

(2) Information by Geographic Areas**1) Operating revenues**

Disclosure of this information has been omitted as total domestic revenues account for more than 90% of total revenues.

2) Investment properties

Disclosure of this information has been omitted as total domestic investment properties account for more than 90% of the book value of total investment properties.

(3) Information on Major Tenants

Tenant	Operating revenues (Yen in millions)	Related segment
Mitsui Fudosan Residential Lease Co., Ltd.	¥12,387	Real estate leasing business

(September 1, 2024 - February 28, 2025)

1. Segment Information

Segment information has been omitted as MAF has only one segment, which is real estate leasing business.

2. Related Information**(1) Information by Products and Services**

Disclosure of this information has been omitted as MAF has a single product/service line that accounts for more than 90% of total revenues.

(2) Information by Geographic Areas**1) Operating revenues**

Disclosure of this information has been omitted as total domestic revenues account for more than 90% of total revenues.

2) Investment properties

Disclosure of this information has been omitted as total domestic investment properties account for more than 90% of the book value of total investment properties.

(3) Information on Major Tenants

Tenant	Operating revenues (Yen in millions)	Related segment
Mitsui Fudosan Residential Lease Co., Ltd.	¥12,110	Real estate leasing business

Note 18 **Significant Subsequent Events**

None applicable.

Independent Auditor’s Report



Independent auditor’s report

To the Board of Directors of Mitsui Fudosan Accommodations Fund Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mitsui Fudosan Accommodations Fund Inc. (“the Company”), which comprise the balance sheets as at February 28, 2026 and August 31, 2025, the statements of income, statements of changes in net assets and statements of cash flows for each of the six months ended February 28, 2026, August 31, 2025 and February 28, 2025, a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2026 and August 31, 2025, and its financial performance and its cash flows for each of the six months ended February 28, 2026, August 31, 2025 and February 28, 2025 in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

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

Other Information

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

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

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

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

We have nothing to report in this regard.

Responsibilities of Management and Supervisory Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Fee-related Information

Fees paid or payable to our firm and to other firms within the same network as our firm for audit and non-audit services provided to the Company for the six months from September 1, 2025 to February 28, 2026 are 14 million yen, and there are no fees paid or payable for non-audit services.

Convenience Translation

The U.S. dollar amounts in the accompanying financial statements with respect to the period ended February 28, 2026 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the financial statements.

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

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

/S/Jiro Tazawa

Designated Engagement Partner

Certified Public Accountant

/S/Rumiko Kutsuwada

Designated Engagement Partner

Certified Public Accountant

KPMG AZSA LLC

Tokyo Office, Japan

May 27, 2026

Notes to the Reader of Independent Auditor's Report:

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