

November 18, 2009

## **JAPAN REAL ESTATE INVESTMENT CORPORATION ANNOUNCEMENT OF SIXTEENTH FISCAL PERIOD RESULTS**

### **1. Summary of Financial Results**

In the 16th fiscal period (April 1, 2009 to September 30, 2009), Japan Real Estate Investment Corporation (“JRE”) recorded operating revenues totaling 21,524 million yen, up 3.9% compared with previous period. On the earnings front, operating income increased 1.0% to 10,054 million yen. After deducting expenses for interest payments on loans and other costs, ordinary income edged up 0.9% to 8,505 million yen, and net income also edged up 0.9% to 8,504 million yen.

JRE’s policy with regard to profit appropriation is to distribute dividends of approximately 100% of taxable income in order to enjoy the tax benefits available under Article 67-15 of the Special Taxation Measures Law of Japan applicable to Japanese real estate investment trusts (J-REITs). For the period under review, JRE accordingly declared a cash dividend totaling 19,198 yen per unit.

### **2. Results of Operations**

#### **(1) Property Management and Acquisition**

During the period under review, the Japanese economy continued to face severe conditions on the back of the rapid deceleration of the global economy. Specifically, overall performance and capital investment in the entire private sector continued to slow down, while the unemployment rate gradually increased. Nevertheless, as inventory adjustments were steadily advanced in all industries and the Japanese government’s economic stimulus package began producing positive effects, the country started to see some signs of recovery in production and personal spending, which in turn fueled expectations for a turnaround in the Japanese economy.

However, in the market for leased office space, vacancy rates continued to rise nationwide, and rent levels entered a declining phase. Against the backdrop of withdrawals from unprofitable businesses due to weakened performance and the acceleration of cost-reduction initiatives, many corporate tenants decreased their leased floor space or canceled their leasing contracts.

Meanwhile, in the property market, the transaction volume trended in a lower range, attributable to the economic slowdown and the subsequent worsening of conditions in the market for leased office space.

Under such harsh circumstances, JRE worked strategically to keep reinforcing its competitiveness. Specific initiatives included the upgrading of building and facility specifications through renovation work required to maintain and improve the functions of existing portfolio properties as well as aggressive activities to attract new tenants.

In addition, as summarized in the table below, JRE transferred the unused development rights of the Mitsubishi UFJ Trust and Banking Building site as part of efforts to secure profitability. During the period under review, JRE did not undertake new property acquisitions.

As a result of these activities, JRE's portfolio as of September 30, 2009 consisted of 55 office buildings with a total acquisition price of 564,219 million yen. Total leasable space stood at 516,421 m<sup>2</sup> (approximately 156,217 *tsubo*), with a total of 977 tenants.\*

Note: The number of portfolio properties, the total acquisition price, the total leasable space and the number of tenants do not include the land and building that have been acquired for the purpose of extending the adjacent Ryoshin Ginza East Mirror Building.

■ Outline of development right transfer

Property name	Mitsubishi UFJ Trust and Banking Building
Location	Chiyoda-ku, Tokyo
Object of transaction	Unused development rights of the Mitsubishi UFJ Trust and Banking Building site
Transfer price	729,984 thousand yen

**(2) Finance Activities**

In order to provide funds to repay existing short-term loans, JRE procured 5,000 million yen, 7,000 million yen and 10,500 million yen—all in short-term loans—on June 1, 2009, September 1, 2009 and September 24, 2009, respectively. As a result, JRE's total interest-bearing debt amounted to 220,500 million yen as of September 30, 2009. This amount consists of long-term loans totaling 127,500 million yen, which includes the current portion totaling 18,000 million yen, short-term loans totaling 48,000 million yen and investment corporation bonds totaling 45,000 million yen, which includes the current portion totaling 10,000 million yen.

As of September 30, 2009, JRE's long-term, fixed-interest debt ratio (ratio of long-term, fixed-interest debt including the current portion of long-term loans and investment corporation bonds to interest-bearing debt) stood at 78.2%, and the LTV ratio (ratio of interest-bearing debt to total assets) was 39.1%. As these results indicate, JRE has been able to maintain a sound and conservative financial standing.

JRE's credit ratings as of September 30, 2009 were as follows.

Rating Agency	Credit Rating
Standard & Poor's Ratings Services	Long-term: AA-; Short-term: A-1+; Outlook: Stable
Moody's Investors Service Inc.	Rating: A1; Outlook: Stable
Rating and Investment Information, Inc.	Rating: AA; Outlook: Stable

### **3. Outlook**

#### **(1) Operating Environment**

Despite the ongoing deterioration in employment conditions in Japan, the Japanese economy is expected to remain on a mild recovery course for the time being, supported by improvements in overseas economies. Nevertheless, there are risks that could place downward pressure on the domestic economy, including the further worsening of employment conditions, a possible slowdown in overseas economies and unfavorable fluctuations in international financial markets. Due to such risks, making forecasts still requires a conservative approach.

In the market for leased office space, the vacancy rate in central Tokyo seems to have stopped rising robustly. However, the downward pressure on rents attributable to the slumping performance in the entire corporate sector remains strong. Accordingly, the outlook provides no reason for optimism.

In the property market, banking facilities have slightly eased their stance toward financing for real estate investments. This situation is boosting expectations for a gradual recovery in the volume of real estate transactions. However, the property market may remain stagnant, possibly due to unfavorable changes in economic trends and financial conditions and to a persistent decline in real estate prices, which reflect weak performance in the market for leased office space. In order to take full advantage of opportunities for acquiring prime properties in such an adverse environment, JRE believes that both the soundness of its financial standing and its ability to procure funds will be more important than ever before.

#### **a. Property Management**

As stated above, JRE expects that the relative strengths of properties will become increasingly evident in the overall market for leased office space, despite some discrepancies among central Tokyo, the Tokyo metropolitan area and regional cities. Therefore, JRE will adhere to the following management policies in order to keep improving profitability.

##### **(i) Strengthen relationship of trust with existing tenants**

As of September 30, 2009, JRE had contracts with 11 property management companies. Most of these companies were already managing their respective buildings before JRE acquired them and have thus built relationships of trust with their tenants. JRE will work to further strengthen these relationships by anticipating tenants' needs and providing tailored services to increase tenant satisfaction and subsequently maintain occupancy rates and restrain rent reduction requests.

##### **(ii) Fill vacancies promptly**

In cooperation with the property management companies mentioned above, JRE will actively seek the most appropriate tenants for each property, based on location and features, in order to fill current and anticipated vacancies as rapidly as possible. Furthermore, JRE will work to uncover additional needs for floor space among existing tenants.

**(iii) Stabilize revenues and earnings**

With the aim of stabilizing revenues and earnings, JRE will endeavor to apply fixed- and long-term leasing agreements with its large-scale tenants.

**(iv) Reduce management costs**

JRE has introduced sound competitive principles for its multiple property management companies to follow. These companies are revamping their management systems and cost structures on an ongoing basis.

**b. Property Acquisitions and Sales**

JRE has adopted the following policies for acquiring properties.

- (i)** To access important information quickly, JRE continues to enhance its property information channels while working to develop new channels.
- (ii)** In its acquisition activities, JRE continues to meticulously monitor and examine economic, physical and legal factors, including rights-related issues, when selecting properties. In particular, with regard to the structure of buildings, JRE requires buildings to meet or exceed new earthquake-resistance standards and exclusively targets properties capable of maintaining a competitive edge in terms of the facilities they offer over the medium to long term.
- (iii)** In accordance with its acquisition policies, JRE shall maintain its portfolio so that 70% or more of the portfolio properties are located within the Tokyo metropolitan area, with the remaining 30% or less located in other major cities.

Under these policies, JRE will continue to acquire highly competitive properties. At the same time, in order to further enhance the quality of its portfolio, JRE will remain open to the replacement of portfolio properties with due consideration given to the timing.

**c. Financial Strategy**

In principle, JRE shall maintain an LTV ratio that does not exceed 65%. To ensure an even lower interest-bearing debt ratio, JRE adopts the conservative target level of 30% to 40%. Concerning the financing of property acquisitions, JRE shall use, in a flexible manner, a variety of funding schemes—including the issue of investment corporation bonds—while maintaining a sound and conservative financial standing and closely monitoring trends in financial markets. When obtaining a loan, JRE shall strictly adhere to its financial policies. More specifically, with the aim of minimizing funding costs, JRE shall negotiate with several qualified institutional investors (limited to those defined under the Special Taxation Measures Law of Japan) before executing a loan agreement.

## **(2) Performance Forecasts**

For the 17th fiscal period (October 1, 2009 to March 31, 2010), JRE forecasts operating revenues totaling 21,640 million yen, operating income totaling 10,210 million yen, ordinary income totaling 8,470 million yen and net income totaling 8,470 million yen. JRE plans to declare a cash dividend totaling 17,320 yen per unit.

For the 18th fiscal period (April 1, 2010 to September 30, 2010), JRE forecasts operating revenues totaling 21,320 million yen, operating income totaling 9,810 million yen, ordinary income totaling 7,940 million yen and net income totaling 7,940 million yen. JRE plans to declare a cash dividend totaling 16,240 yen per unit.

The above estimates for the 17th and 18th fiscal periods are based on the following assumptions.

JRE assumes its holding as of November 18, 2009 to be 55 properties, plus the additional quasi-co-ownership 30% of trust beneficiary right in trust of real estate pertaining to Shiodome Building to be acquired on January 15, 2010 (the “acquisition of the additional share”).

The number of units outstanding is under the assumption that the 489,200 units are comprised of the current outstanding and issued 443,000 units as of November 18, 2009, plus 42,000 units to be issued through public offering and 4,200 units to be issued through a third-party allotment offering available as determined by resolution at the board meeting held on November 18, 2009.

In addition, the number of issuance units by a third-party allotment is under the assumption that all of maximum 4,200 units are issued.

JRE assumes an operational guideline of LTV ratio over total assets to be in the 30% range.

With the acquisition of the additional share of Shiodome Building, JRE intends to use approximately ¥20 billion out of the approximately ¥31,832 million raised through the issuance of new units by public offering and a third-party allotment as determined by resolution at the board of directors’ meeting held on November 18, 2009, for the scheduled acquisition of the additional share of Shiodome Building. In addition, JRE intends to use the remainder (approximately ¥11.8 billion) of the proceeds from the issuance of new units and its own funds for repaying a portion of the existing loans. As a result, the LTV ratio after the acquisition of the additional share is expected to be around 38%.

However, the above LTV ratio may vary depending on the final issue price of units to be issued and the number of units to be issued through the third-party allotment, etc. In addition, the LTV ratio as of March 31, 2010, and September 30, 2010, is expected to be in the 30% range.

In the 17th Period (March 31, 2010), the short-term loan balance of ¥27.5 billion (Repayment date: December 21, 2009, and March 24, 2010) and the long-term loan balance of ¥ 12 billion (Repayment date: December 15, 2009 and March 24, 2010) are assumed to be refinanced, excluding the repayment

of a portion of those loans by proceeds from the issuance of new units through the public offering and the third-party allotment and cash on hand. There are no investment corporate bonds to mature in the 17th Period (March 31, 2010).

In the 18th Period (September 30, 2010), the short-term loan balance of ¥20.5 billion (Repayment date: June 1, 2010, September 1, 2010, and September 24, 2010) and the long-term loan balance of ¥6 billion (Repayment date: June 14 and June 15, 2010) are assumed to be refinanced, excluding the repayment of a portion of those loans by proceeds from the issuance of new units through the public offering and the third-party allotment and cash on hand. The investment corporate bond of ¥10 billion to mature on April 30, 2010, is assumed to be repaid with the funds raised by loans, etc.

Revenue from portfolio properties held by JRE is calculated by taking the finalized new contract conclusions and cancellations as of November 18, 2009 into consideration, as well as potential variables, such as revenue that is at risk of decreasing due to returned spaces. Revenue from the property to be newly acquired (the acquirement of the additional share of Shiodome Building) is calculated based on information such as the lease agreements as of the scheduled acquisition date of the property.

In the 17th Period (March 31, 2009), JRE expects to record approximately ¥880 million in revenue from gain on transfer pertaining to part of Jingumae Media Square Building Site.

As mentioned above, JRE has sold a portion of a portfolio property and has decided to issue new investment units and acquire a new property after September 30, 2009. Brief details of these subsequent events are as follows.

#### a. Transfer of a Part of Jingumae Media Square Building Site

<Outline of the transfer>

Type of specified asset:	Real property (land)
Name of asset:	Part of Jingumae Media Square Building site
Location:	Part of 6-25-7, 32, 40 and 50 Jingumae, Shibuya-ku, Tokyo Whole part of 6-319-5, 28 and 30 Jingumae, Shibuya-ku, Tokyo
Transfer date:	October 30, 2009
Transfer price:	1,507,411 thousand yen (Note 1)
Transfer area:	137.01 m <sup>2</sup> among total land area 2,261.68 m <sup>2</sup> (Note 2)
Transferee:	Tokyo Metropolitan Government
Special remarks:	Transfer of a part of Jingumae Media Square Building site to develop (expand Meiji-Dori St., etc.) the aboveground Jingumae area (between Jingumae 3-chome and Jingumae 6-chome), where the Jingumae Media Square Building is located, was undertaken in accordance with the decision of the Tokyo Metropolitan Government's City Planning Project and other relevant project approvals.

- Notes: 1. In addition to the transfer price, JRE expects to receive 21,795 thousand yen as compensation for the property transfer.
2. The total land area includes a 269.01 m<sup>2</sup> servient land of the subject property land based on an easement.

**b. Issue of New Investment Units**

JRE's Board of Directors held a meeting on November 18, 2009 and passed a resolution concerning the issue of new investment units. Brief details are presented below. The per-unit offer price and other conditions are scheduled for determination at a Board of Directors meeting to be held in December 2009.

<Issue of new investment units through public offering>

Number of units to be issued:	42,000
Starting date for dividend calculation:	October 1, 2009

<Issue of new investment units through third-party allotment>

Number of units to be issued:	4,200
Starting date for dividend calculation:	October 1, 2009
Allottee:	Nikko Cordial Securities Inc.

In the event that the units to be issued through this third-party allotment do not receive an offer in whole or in part, due to forfeiture of the subscription right, the number of units to be issued through the third-party allotment may decrease to that extent, or the third-party allotment may be cancelled entirely.



### c. Additional Acquisition of the Shiodome Building

#### <Outline of the acquisition>

Type of specified asset:	Trust beneficiary right in trust of domestic real estate (quasi-co-ownership: 30.0%) (Note 1)
Name of asset:	Shiodome Building
Acquisition price:	54,600 million yen
Scheduled contract date:	January 13, 2010
Scheduled acquisition date:	January 15, 2010

#### <Outline of the asset>

Location:	1-2-20 Kaigan, Minato-ku, Tokyo
Usage:	Office, shop
Land area:	12,046 m <sup>2</sup> (total land area of the building site) (Note 2)
Floor area:	115,930.83 m <sup>2</sup> (total floor area of the entire building)
Structure:	Steel-framed, steel-framed reinforced concrete, flat roof, Above ground: 24 floors Below ground: 2 floors
Completion:	December 2007
Type of ownership:	Ownership (Note 3)
Number of tenants:	29 (Note 4)
Total leasable space:	32,151 m <sup>2</sup> (Note 4)
Total leased space:	32,048 m <sup>2</sup> (Note 4)
Occupancy rate:	99.7% (Note 4)

- Notes: 1. As of November 18, 2009, JRE owns 10.0% of the quasi-co-ownership for the trust beneficiary right of the property. JRE plans to acquire the additional 30.0% quasi-co-ownership described above on January 15, 2010. As a result, JRE will own 40.0% of the trust beneficiary right of the property.
2. As the property lies within an area designated for execution of the Shiodome Land Readjustment Project under the Tokyo Metropolitan Urban Land Development Business Plan, the land area for the building site presented above is the total of the land area of the designated provisional replotting.
3. A part of the land has a compartmentalized surface right created to protect railroad structures and to build a subway.
4. Calculated on October 31, 2009 based on JRE's 40.0% quasi-co-ownership for the trust beneficiary right after the additional acquisition, the figure is an estimate current as of January 15, 2010.

# Income Statement for the 16th Period



(In millions of yen ; Dividend per unit in yen)

Term	15th Period (Mar 31, 2009)		→ change →		16th Period (Sep 30, 2009)		← change ←		16th Period (Sep 30, 2009)
	Actual/Forecast	Actual	(amount)	(%)	Actual	(amount)	(%)	Initial Forecast (*1)	
Operating Revenues		20,716	807	3.9%	21,524	-5	0.0%	21,530	
Property-related Revenues		20,716	79	0.4%	20,795	-4	0.0%	20,800	
Rental Revenues		20,609			20,682				
Non-rental Revenues		107			112				
Gain on Transfer of Development Rights of Floor Area		-	728		728	8	1.2%	720	
Operating Expenses		10,761	708	6.6%	11,469	39	0.3%	11,430	
Property-related Expenses (*2)		6,141	703	11.5%	6,845	35	0.5%	6,810	
Property Management Expenses		2,261	-21	-0.9%	2,240				
Property Management Costs		2,195			2,179				
Brokerage Fees, etc.		66			60				
Utilities Expenses		1,570	-18	-1.2%	1,552				
Property and Other Taxes		1,509	261	17.3%	1,770				
Casualty Insurance		44	0	1.0%	44				
Repairing Expenses		676	442	65.4%	1,119				
Other Expenses		78	38	49.6%	117				
NOI (*3)		14,575	-624	-4.3%	13,950	-39	-0.3%	13,990	
Depreciation		3,788	13	0.3%	3,801	11	0.3%	3,790	
Property-related Profits and Losses (*3)		10,787	-637	-5.9%	10,149	-40	-0.4%	10,190	
Gross Operating Income		10,787	91	0.8%	10,878	-41	-0.4%	10,920	
Administrative Expenses		831	-8	-1.0%	823	3	0.4%	820	
Asset Management Fees		537	2	0.5%	540	10	2.0%	530	
Other Administrative Expenses		293			282				
Operating Income		9,955	99	1.0%	10,054	-35	-0.3%	10,090	
Non-operating Revenues		39			24				
Interest Income		39			24				
Other Non-operating Revenues		0			0				
Non-operating Expenses		1,568			1,574				
Interest Expense		1,132	7	0.6%	1,139	-188	-10.9%	1,730	
Interest Expense on Investment Corporation Bonds		405	-2	-0.7%	402				
Amortization of Investment Corporation Bond Issuance Costs		10			10				
Other Non-operating Expenses		20			21				
Ordinary Income		8,426	78	0.9%	8,505	155	1.9%	8,350	
Income before Income Taxes		8,426			8,505				
Income Taxes		1			0				
Net Income		8,425	78	0.9%	8,504	154	1.9%	8,350	
Retained Earnings at Period-end		8,425			8,504				
FFO (*4)		12,213	-636	-5.2%	11,577				
Dividend per Unit		19,020	178	0.9%	19,198	348	1.8%	18,850	

\*1 The initial forecast means the 16th Period performance forecast announced on May 18, 2009.

\*2 Excluding Depreciation

\*3 Excluding Gain on transfer of development rights of floor area

\*4 Net income+Depreciation—Gain on transfer of development rights of floor area

# Balance Sheet for the 16th Period



(In millions of yen)

Item	15th Period (Mar 31, 2009)	16th Period (Sep 30, 2009)	Change	Reason for change
<b>Assets</b>				
<b>I Current Assets</b>				
Cash and Bank Deposits	18,349	21,420	3,071	
Other Current Assets	352	294	-58	
<b>Total Current Assets</b>	<b>18,701</b>	<b>21,714</b>	<b>3,013</b>	
<b>II Fixed Assets</b>				
<b>Property and Equipment</b>				
Buildings (including those held in trust)	198,986	199,010	23	
Structures (including those held in trust)	2,273	2,275	2	
Machinery and Equipment (including that held in trust)	2,950	2,939	-11	
Land (including that held in trust)	369,634	369,693	59	
Accumulated Depreciation	-31,180	-34,747	-3,567	
<b>Total Property and Equipment</b>	<b>542,664</b>	<b>539,171</b>	<b>-3,493</b>	
<b>Intangible Assets</b>				
Leasehold rights, etc. (including those held in trust)	3,519	3,519	-	
<b>Total Intangible Assets</b>	<b>3,519</b>	<b>3,519</b>	<b>-</b>	
<b>Investments and Other Assets</b>				
Investment Securities	2	2	-	
Long-term Prepaid Expenses, etc.	41	38	-2	
<b>Total Investments and Other Assets</b>	<b>44</b>	<b>41</b>	<b>-2</b>	
<b>Total Fixed Assets</b>	<b>546,228</b>	<b>542,732</b>	<b>-3,495</b>	
<b>III Deferred Assets</b>				
Deferred Investment Corporation Bond Issuance Costs	92	81	-10	
<b>Total Deferred Assets</b>	<b>92</b>	<b>81</b>	<b>-10</b>	
<b>Total Assets</b>	<b>565,022</b>	<b>564,528</b>	<b>-493</b>	

(In millions of yen)

Item	15th Period (Mar 31, 2009)	16th Period (Sep 30, 2009)	Change	Reason for change
<b>Liabilities</b>				
<b>I Current Liabilities</b>				
Short-term Loans	48,000	48,000	-	
Current Portion of Long-term Loans	12,000	18,000	6,000	Increased due to decrease of remaining periods of loans
Current Portion of Investment Corporation Bonds	-	10,000	10,000	Increased due to decrease of remaining periods of bonds
Rent Received in Advance	2,350	2,261	-88	
Other Current Liabilities	2,615	2,539	-75	
<b>Total Current Liabilities</b>	<b>64,965</b>	<b>80,801</b>	<b>15,835</b>	
<b>II Long-term Liabilities</b>				
Investment Corporation Bonds	45,000	35,000	-10,000	Decreased due to the transfer to the current portion of investment corporation bonds
Long-term Loans	115,500	109,500	-6,000	Decreased due to the transfer to the current portion of long-term loans
Deposits Received from Tenants	33,529	33,121	-407	
<b>Total Long-term Liabilities</b>	<b>194,029</b>	<b>177,621</b>	<b>-16,407</b>	
<b>Total Liabilities</b>	<b>258,994</b>	<b>258,422</b>	<b>-572</b>	
<b>Net Assets</b>				
Unitholders' Capital	297,601	297,601	-	
Retained Earnings	8,425	8,504	78	
<b>Total Net Assets</b>	<b>306,027</b>	<b>306,106</b>	<b>78</b>	
<b>Total Liabilities and Net Assets</b>	<b>565,022</b>	<b>564,528</b>	<b>-493</b>	

# Property Data



(In millions of yen)

Area	Name	16th Period	15th Period	Amount of Difference	16th Period	16th Period	Acquisition Price		
		Appraisal Value (Sep 30, 09)	Appraisal Value (Mar 31, 09)		Book Value (Sep 30, 09)	Appraisal Value – Book Value			
Tokyo 23 Wards	Chiyoda	Genki Medical Plaza	6,050	6,150	-100	5,055	994	5,000	
		Kitanomaru Square	78,100	83,700	-5,600	79,122	-1,022	81,555	
		MD Kanda	9,620	10,600	-980	8,985	634	9,520	
		Kandabashi Park	5,950	6,350	-400	4,541	1,408	4,810	
		Nibancho Garden	16,300	17,400	-1,100	13,959	2,340	14,700	
		Mitsubishi UFJ Trust	47,300	49,100	-1,800	30,170	17,129	44,700	
		Burex Kojimachi	6,570	6,850	-280	6,602	-32	7,000	
		Sanno Grand	29,100	30,500	-1,400	21,596	7,503	20,900	
		Yurakucho Denki	8,470	8,730	-260	7,734	735	7,200	
	Chuo	Kodenmachi	3,780	4,070	-290	2,814	965	3,173	
		Burex Kyobashi	6,630	6,970	-340	4,953	1,676	5,250	
		Ginza Sanwa	16,000	16,900	-900	17,026	-1,026	16,830	
		Ryoshin Ginza EM	4,610	4,920	-310	5,244	-634	5,353	
		Harumi Center	22,600	24,600	-2,000	26,172	-3,572	26,800	
	Minato	Aoyama Crystal	8,790	9,210	-420	7,475	1,314	7,680	
		Shiodome	19,900	21,800	-1,900	21,193	-1,293	21,250	
		Shiba 2Chome Daimon	6,890	7,290	-400	4,865	2,024	4,859	
		Cosmo Kanasugibashi	3,410	3,640	-230	2,535	874	2,808	
	Shinjuku	Shinwa	8,290	9,300	-1,010	7,697	592	7,830	
		Tokyo Opera City	10,400	11,300	-900	8,543	1,856	9,350	
	Shinagawa	Takanawadai	2,370	2,600	-230	2,615	-245	2,738	
		Higashi-Gotanda 1Chome	6,690	6,900	-210	5,131	1,558	5,500	
	Ota	Omori-Eki Higashiguchi	5,750	5,890	-140	4,562	1,187	5,123	
	Shibuya	Nippon Brunswick	8,230	8,970	-740	6,855	1,374	6,670	
		Yoyogi 1Chome	11,900	13,100	-1,200	8,043	3,856	8,700	
		da Vinci Harajuku	6,340	6,480	-140	4,988	1,351	4,885	
		Jingumae MS	12,700	15,000	-2,300	11,830	869	12,200	
		Shibuya Cross Tower	43,700	49,000	-5,300	38,719	4,980	34,600	
	Ebisu Neonato	3,640	5,140	-1,500	3,713	-73	4,100		
	Nakano	Harmony Tower	11,800	12,800	-1,000	8,231	3,568	8,500	
	Toshima	Otsuka Higashi-Ikebukuro	3,820	3,850	-30	3,592	227	3,541	
		Ikebukuro 2Chome	1,600	1,580	20	1,629	-29	1,728	
		Ikebukuro YS	4,590	5,400	-810	4,558	31	4,500	
	Other Areas	Hachioji	Hachioji First	5,670	5,910	-240	5,438	231	5,679
		Saitama	Saitama Urawa	2,320	2,600	-280	2,397	-77	2,574
		Yokohama	MM Park	37,000	37,000	0	36,964	35	37,400
			Kawasaki	Kawasaki Isago	3,100	3,230	-130	2,881	218
			Musashi Kosugi STM	3,680	3,850	-170	3,976	-296	4,000
		Sapporo	8-3 Square Kita	6,690	7,010	-320	7,100	-410	7,100
		Sendai	Jozenji Park	1,080	1,110	-30	1,011	68	1,000
Sendai Honma			3,420	3,540	-120	2,813	606	3,174	
Kanazawa		Kanazawa Park	5,760	6,180	-420	4,225	1,534	4,580	
Nagoya		Nishiki Park	4,520	5,180	-660	4,914	-394	5,150	
		Hirokoji Sakae	1,610	1,720	-110	1,721	-111	1,680	
		Nagoya Hirokoji	14,600	15,600	-1,000	14,272	327	14,533	
		Nagoya Misono	1,320	1,440	-120	1,534	-214	1,865	
Kyoto		Kyoto Kawaramachi	2,010	2,190	-180	2,794	-784	2,650	
Osaka		Shin-Fujita	20,100	23,200	-3,100	24,143	-4,043	24,000	
		Sakaisujihonmachi	4,390	4,790	-400	3,827	562	4,164	
		Midosuji Daiwa	16,300	18,400	-2,100	13,554	2,745	14,314	
Okayama		Lit City	5,160	5,330	-170	4,232	927	4,650	
Hiroshima		NHK Hiroshima	3,050	3,170	-120	2,623	426	2,770	
Fukuoka		Tosei Tenjin	1,320	1,380	-60	1,369	-49	1,550	
	Tenjin Crystal	3,210	3,960	-750	4,607	-1,397	5,000		
	Hinode Tenjin	3,720	3,890	-170	3,543	176	3,657		
Properties held as of the end of the 15th and 16th Periods, during which the shares of ownership remain unchanged (No properties acquired during the 16th Period.)	Tokyo 23 Wards	441,890	476,090	-34,200	390,760	51,129	409,354		
	Other Areas	150,030	160,680	-10,650	149,949	80	154,865		
	Total (55 properties)	591,920	636,770	-44,850	540,709	51,210	564,219		

\* The land and building adjacent to Ryoshin Ginza East Mirror Building are not included in the above list. The appraisal value of the land and building at the end of the 16th Period is ¥1,020 million.