



# Japan Real Estate Investment Corporation

## Performance Review for the 20th Period (September 2011)

November 21, 2011



Japan Real Estate Asset Management Co., Ltd.

# Table of Contents

## Executive Summary

● Financial Summary for the 20th Period and Forecast	2•3
● Performance Comparison (the 19th Period vs the 20th Period)	4•5
● Unitholder Data	6•7
● Property Transfer in the 20th Period	8
● Partition of Property in Co-ownership in the 20th Period	9
● Property Acquisition in the 21st Period	10•11
● Financial Summary ① (Summary of Debt)	12•13
● Financial Summary ② (LTV)	14
● Image of Growth	15
● Asset Size and Occupancy Rate	16
● Improvement of Portfolio Quality	17
● Property Data	18•19
● Historical Appraisal Value at the End of Period	20
● Historical NOI Yield (Investment Yield)	21
● Contract Rent Increase and Reduction	22•23
● Management Policies	24•25

## 1. Details of the 20th Period

● Income Statement for the 20th Period	28•29
● Balance Sheet for the 20th Period	30•31
● Cash Flow and Dividend Statement for the 20th Period	32
● Financial Ratios	33

## 2. Overview of Property Portfolio

● Tenant Data ① (Diversification)	36
● Tenant Data ② (Major Tenants)	37
● Tenant Data ③ (Trend in New Rent [Market Rent] Levels)	38
● Tenant Data ④ (Comparison of Portfolio Rent vs Market Rent)	39
● Tenant Data ⑤ (Tenant Turnover)	40•41
● Tenant Data ⑥ (Trend of Rent Revision)	42
● Tenant Data ⑦ (Changes in Average Rent Level)	43
● Tenant Data ⑧ (Vacancy Rates)	44

● Trend in Property Management Costs and Utilities Expenses	45
● Past Record and Plan for Renovation Work	46-47
● External Growth ① (Deal Sources)	48-49
● External Growth ② (Due Diligence for Properties)	50
● Portfolio Map	51

### 3. Business Forecasts

● Income Statement and Forecast	54-55
● Balance Sheet Forecast for the 21st Period	56-57

### 4. Appendix

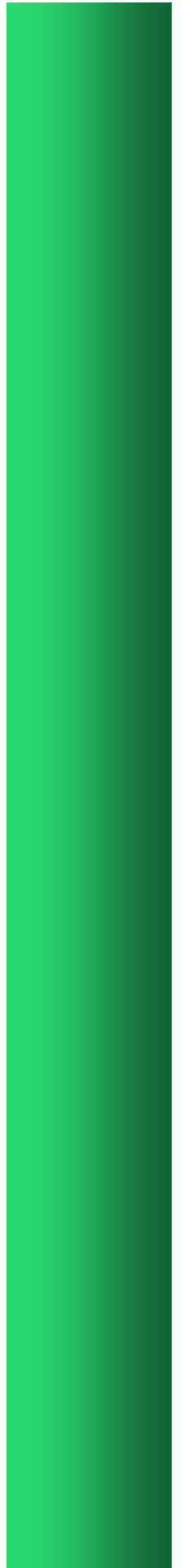
● Structure of JRE	60
● Compliance Structure	61
● Achievement after IPO and Forecast	62-63
● Structure of Fees to Asset Management Company	64-65
● Key Properties	66-67
● Summary of Appraisal Values at the End of Period	68
● Performance (Operating Results of Each Property in the 20th Period)	69
● Property Data ① (Occupancy Rates at the End of the 20th Period, etc.)	70
● Property Data ② (Occupancy Rates Forecast for the End of the 21st Period, etc.)	71
● Property Data ③ (Classification)	72-73
● PML Values	74
● Earthquake Risk PML Assessment Approach	75
● Progress of Long-term Refurbishment Plan for Shibuya Cross Tower	76
● Unit Price Performance ① (After IPO)	77
● Unit Price Performance ② (the 20th Period to Date)	78
● Unit Price Performance ③ (Relative to Major Indices)	79
● Interest Rate Comparison of Japan and U.S.	80
● Yield Spread Comparison	81
● US Equity REIT Dividend Yield Spread against Treasury	82
● J-REIT Market	83
● Introduction of JRE Website	84
● Disclaimer on Forecasts and Disclaimer on Translation	85

## Terms used in this report

- (1) All numerical data are expressed by rounding the numbers down to their respective units. Percentages, including those for occupancy rates, and interest-bearing debt/total assets ratio are rounded to the first decimal point.
- (2) The figures for "Leasable space," "Leased space," "Occupancy rate" and "Number of tenants" only refer to the portion of shares owned by Japan Real Estate Investment Corporation (JRE).
- (3) "Average occupancy rate" is calculated by dividing total leased space by total leasable space at the end of every month during the period.
- (4) "Leasable space" and "Leased space" do not include the area used for or leased as rental meeting rooms and maintenance/stock rooms.
- (5) The data pertaining to the residential portions are not included in "Leasable space," "Leased space," "Occupancy rate" and "Number of tenants" for "Kitanomaru Square," "Nibancho Garden," "Akasaka Park Building," "Ebisu Neonato" and "Nishiki Park Building."
- (6) "Rent" means tenant rent for "Leasable space."
- (7) "The number of tenants" refers to those tenants with whom we have concluded lease agreements for leasable floor space of building. (It does not include tenants who are leasing space other than floor space of buildings, such as parking space or side signboards.)
- (8) "The number of tenants" is the number of sub-lessees in cases where a pass-through lease agreement (a type of agreement in which the rent charged to the lessee is linked to the rent to be collected from the sub-lessees) is signed with a property management company, etc.
- (9) The number of tenants for the entire portfolio is the gross number of tenants by building. (If the same tenant occupies multiple properties, such tenant is counted as multiple tenants.)
- (10) "Book value" includes construction in progress and leasehold rights, etc.
- (11) "Capital expenditure" represents capital expenditure for construction completed during the period. (excluding the expenses capitalized as construction in progress and as home furniture, the brokerage fees, etc. related to real estate acquisition, and incidental expenses of acquisition such as real-estate acquisition tax, which are reflected in the book value.) Extension work cost is not included in "Capital expenditure."
- (12) "Ratio of share of ownership" refers to: the share of co-ownership in the case of a building owned jointly with other owners; the share of common area as set forth in relevant documentation such as the rules on management of the building in the case of a compartmentalized building (including a building that shares compartmentalized building units with other owners); and the share of quasi co-ownership in the case of trust beneficiary rights owned jointly with other owners.
- (13) "Brokerage fees, etc." = brokerage fees in connection with lease contracts + incentive fees paid to the property management company for rent increase upon contract renewal
- (14) "Property-related revenues" = Rental revenues (rent income [including rent for residential portions], common service charges, income from parking spaces, and collected electricity charges, etc.) + Non-rental revenues (cancellation fees and other miscellaneous income)
- (15) "Gain on transfer of properties" = Gain on sale of properties + Gain on exchange of properties
- (16) The acquisition price for Ryoshin Ginza East Mirror Building (¥7,999,422,762) consists of the amount paid to acquire the building on March 15, 2005 (¥5,353,500,000), and the total amount spent to expand the property (¥2,645,922,762). The acquisition price for Jingumae Media Square Building, part of which was sold on October 30, 2009, is the initial amount paid to acquire the property.
- (17) "Sponsors" refers to the following three shareholders of Japan Real Estate Asset Management Co., Ltd. (J-Rea): Mitsubishi Estate Co., Ltd.; The Dai-ichi Life Insurance Company, Limited; and Mitsui & Co., Ltd.
- (18) Due to space limitations in the document, the abbreviated property name is reflected on certain pages. (The abbreviations are shown in the chart below.)

Property name	Abbreviation of property name	Property name	Abbreviation of property name
Genki Medical Plaza	Genki Medical Plaza	Jingumae Media Square Building	Jingumae MS
Kitanomaru Square	Kitanomaru Square	Shibuya Cross Tower	Shibuya Cross Tower
MD Kanda Building	MD Kanda	Ebisu Neonato	Ebisu Neonato
Kandabashi Park Building	Kandabashi Park	Harmony Tower	Harmony Tower
Nibancho Garden	Nibancho Garden	Otsuka Higashi-Ikebukuro Building	Otsuka Higashi-Ikebukuro
Mitsubishi UFJ Trust and Banking Building	Mitsubishi UFJ Trust	Ikebukuro 2Chome Building	Ikebukuro 2Chome
Burex Kojimachi Building	Burex Kojimachi	Ikebukuro YS Building	Ikebukuro YS
Sanno Grand Building	Sanno Grand	Hachioji First Square	Hachioji First
Yurakucho Denki Building	Yurakucho Denki	Saitama Urawa Building	Saitama Urawa
Kodenmachi Shin-Nihonbashi Building	Kodenmachi	MM Park Building	MM Park
Kyodo Building (Kayabacho 2Chome)	Kyodo (Kayabacho 2Chome)	Kawasaki Isago Building	Kawasaki Isago
Burex Kyobashi Building	Burex Kyobashi	Musashi Kosugi STM Building	Musashi Kosugi STM
Ginza Sanwa Building	Ginza Sanwa	8.3 Square Kita Building	8.3 Square Kita
Ryoshin Ginza East Mirror Building	Ryoshin Ginza EM	Jozenji Park Building	Jozenji Park
Harumi Center Building	Harumi Center	Sendai Honcho Honma Building	Sendai Honma
Akasaka Park Building	Akasaka Park	Kanazawa Park Building	Kanazawa Park
Aoyama Crystal Building	Aoyama Crystal	Nishiki Park Building	Nishiki Park
Shiodome Building	Shiodome	Hirokoji Sakae Building	Hirokoji Sakae
Shiba 2Chome Daimon Building	Shiba 2Chome Daimon	Nagoya Hirokoji Building	Nagoya Hirokoji
Cosmo Kanasugibashi Building	Cosmo Kanasugibashi	Nagoya Misono Building	Nagoya Misono
Shinwa Building	Shinwa	Kyoto Shijo Kawaramachi Building	Kyoto Kawaramachi
Tokyo Opera City Building	Tokyo Opera City	Shin-Fujita Building	Shin-Fujita
Takanawa adai Building	Takanawa adai	Sakaisujihonmachi Building	Sakaisujihonmachi
Higashi-Gotanda 1Chome Building	Higashi-Gotanda 1Chome	Midosuji Daiwa Building	Midosuji Daiwa
Osaki Front Tower	Osaki Front Tower	Lit City Building	Lit City
Omori-Eki Higashiguchi Building	Omori-Eki Higashiguchi	NHK Hiroshima Broadcasting Center Building	NHK Hiroshima
Nippon Brunswick Building	Nippon Brunswick	Tosei Tenjin Building	Tosei Tenjin
Yoyogi 1Chome Building	Yoyogi 1Chome	Tenjin Crystal Building	Tenjin Crystal
da Vinci Harajuku	da Vinci Harajuku	Hinode Tenjin Building	Hinode Tenjin

# Executive Summary



# Financial Summary for the 20th Period and Forecast

## Comments on the 20th Period

- ◆ No new properties acquired during the period
- ◆ Transfer of property
  - Takanawadai Building  
(Transfer date: April 1, 2011; Transfer price: ¥3,160 million; Gain on the sale: ¥546 million)
- ◆ Partition of property in co-ownership
  - Mitsubishi UFJ Trust and Banking Building (April 28, 2011)
- ◆ Property management
  - Occupancy rate at the end of the 20th Period was 94.6% (19th Period: 93.2%)
  - Rent revisions during the period: nets decreased by ¥54 million per month
- ◆ Financial condition
  - LTV (Interest-bearing debts / Total assets) at the end of the 20th Period: 41.8%.
  - The Long-term, fixed-interest debt ratio (\*) stood at 93.9%.  
(\*) Long-term, fixed-interest debt ratio = (Long-term, fixed-interest loans + Investment corporation bonds [including current portions of Long-term, fixed-interest loans and Investment corporation bonds]) / Total Interest-bearing debts
  - JRE's credit ratings:

S&P	Moody's	R&I
AA- (Negative)	A1 (Negative)	AA (Stable)

(As of November 21, 2011)

## Comments on the 21st and the 22nd Periods

- ◆ Property acquisition
  - Akasaka Park Building (Acquisition date: November 15, 2011; Acquisition price: ¥60,800 million)
- ◆ Shelf registration for investment units issuance
  - Amount of unit issuance (scheduled): ¥40,700 million
- ◆ The occupancy rate at the end of the 21st Period is estimated to be 94.2%.

## Financial Summary for the 20th Period and Forecast

(In millions of yen [excluding items where the unit is specified])

	19th Period Performance (Mar 31, 2011) Oct 2010-Mar 2011	20th Period Performance (Sep 30, 2011) Apr 2011-Sep 2011	21st Period Forecast (Mar 31, 2012) Oct 2011-Mar 2012	22nd Period Forecast (Sep 30, 2012) Apr 2012-Sep 2012
Operating Revenues	22,135	22,829	24,140	24,080
(% change from the preceding period)	(+0.1%)	(+3.1%)	(+5.7%)	(-0.2%)
(variance from the initial forecast)	(+2.1%)	(+0.1%)	(+8.8%)	
Initial Forecast	21,690	22,800	22,190	
Property-related Revenues	22,135	22,283	24,140	24,080
(% change from the preceding period)	(+0.1%)	(+0.7%)	(+8.3%)	(-0.2%)
(variance from the initial forecast)	(+2.1%)	(+0.1%)	(+8.8%)	
Initial Forecast	21,690	22,250	22,190	
Gain on Sale of Properties	-	546	-	-
Operating Income	9,802	10,380	10,590	10,270
(% change from the preceding period)	(-1.4%)	(+5.9%)	(+2.0%)	(-3.0%)
(variance from the initial forecast)	(+4.0%)	(+2.9%)	(+10.7%)	
Initial Forecast	9,430	10,090	9,570	
Ordinary Income	7,938	8,603	8,630	8,470
(% change from the preceding period)	(-2.4%)	(+8.4%)	(+0.3%)	(-1.9%)
(variance from the initial forecast)	(+5.3%)	(+4.2%)	(+11.6%)	
Initial Forecast	7,540	8,260	7,730	
Net Income	7,652	8,268	8,620	8,520
(% change from the preceding period)	(-5.9%)	(+8.1%)	(+4.3%)	(-1.2%)
(variance from the initial forecast)	(+1.5%)	(+3.0%)	(+11.8%)	
Initial Forecast	7,540	8,030	7,710	
Number of Units	489,200 units	489,200 units	549,040 units	549,040 units
Dividend per Unit	15,642 yen	15,850 yen	15,700 yen	15,700 yen
Total Assets	646,847	643,949	-	-
Net Assets	332,054	332,670	-	-
Total Liabilities	314,793	311,279	-	-
Interest-bearing Debts	272,400	269,350	-	-
LTV	42.1%	41.8%	-	-
Number of Properties	57 buildings	56 buildings	57 buildings	57 buildings
Total Leasable Space	589,002 m <sup>2</sup>	584,982 m <sup>2</sup>	629,760 m <sup>2</sup>	629,760 m <sup>2</sup>
Occupancy Rate	93.2%	94.6%	94.2%	-

\* Information as of each fiscal period end

\* The initial forecast for the 19th Period means the 19th Period performance forecast announced on November 16, 2010, and for the 20th and 21st Periods, the 20th and 21st Period performance forecasts announced on May 17, 2011.

\* Assumptions for performance forecast

- Performance forecast is based on the 56 properties held as of September 30, 2011 and the Akasaka Park Building which was acquired as of November 15, 2011.
- The risk of decreasing revenues due to return of leased space and reduced rent is assumed, in addition to the increases and decreases already confirmed. Vacant spaces due to termination of agreements will be leased gradually after a certain period of time.
- Performance forecast is based on 549,040 units, which consist of the number of units outstanding as of November 21, 2011 (489,200 units) and the number of units to be newly issued (59,840 units) with the aggregate amount of issue price equal to the scheduled issue amount (40.7 billion yen) specified in the unit issue shelf registration statement submitted as of November 21, 2011.
- The breakdown of the number of newly issued units of 59,840 units is: the number of newly issued units by public offering (54,400 units) and the number of newly issued units by third-party allocation (maximum of 5,440 units). The figure is based on the assumption that all of the newly issued units by third-party allocation (5,440 units) will be issued.
- Dividend per unit for the 22nd Period is based on the premise of reversal of internal reserves (\*) amounting to 169 million yen.

\* The total of 909 million yen consists of the amount apportioned to internal reserves from the gain on sale of land as a result of the sale of the Takanawadai Building as of April 1, 2011 under the application of the Special Provisions for Taxation in the case of Advanced Acquisition of Land, etc. in 2009 and 2010 (total of 878 million yen which consists of reserve for reduction entry and associated income taxes deferred) and retained earnings of 30 million yen.

The above assumptions will apply to all forecasts hereinafter.

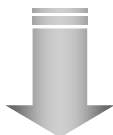
(Reference) Projected dividend per unit without the issuance of new units: 17,280 yen for the period ending March 31, 2012; 17,090 yen for the period ending September 30, 2012

# Performance Comparison (the 19th Period vs the 20th Period)

(In millions of yen)

## Overall Performance

(The total of asset groups A through C below)



## (Factor Analysis)

### Asset Group A

54 properties operated all through the 19th and 20th Periods without any changes in shares of ownership

<Main factors that increased/decreased Repairing Expenses>

Shinwa	85
Nagoya Hirokoji	24
Shibuya Cross Tower	-176
Midosuji Daiwa	-33
Musashi Kosugi STM	-28
Tenjin Crystal	-23
Ikebukuro 2Chome	-20

### Asset Group B

Two properties acquired during the 19th Period (Osaki Front Tower/ Kyodo (Kayabacho 2Chome))

(Properties operated all through the 20th Period)

	19th Period (Oct 2010-Mar 2011)	20th Period (Apr 2011-Sep 2011)	Change	% Change
Property-related Revenues	22,135	22,283	147	0.7%
Property-related Expenses *	11,471	11,595	123	1.1%
Property-related Profits and Losses	10,664	10,687	23	0.2%
NOI *	14,950	15,121	170	1.1%
Occupancy Rate at End of Period	93.2%	94.6%	1.3%	
Average Occupancy Rate during Period	92.3%	93.9%	1.6%	

\*Property-related Expenses include Depreciation.

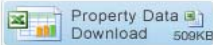
\*NOI = Net Operating Income: Property-related Profits and Losses + Depreciation

(Note) Overall performance includes the data for Group C (transfer of the Takawadai Building during the 20th period).

(Change in property-related revenues: -6, change in property-related expenses: -36, change in property-related profits and losses: 29)

	19th Period (Oct 2010-Mar 2011)	20th Period (Apr 2011-Sep 2011)	Change	% Change
Property-related Revenues	21,918	21,472	-445	-2.0%
Property-related Expenses	11,235	11,030	-204	-1.8%
Property Management Expenses	2,595	2,487	-108	-4.2%
Property Management Costs	2,549	2,451	-97	-3.8%
Brokerage Fees, etc.	46	36	-10	-21.8%
Utilities Expenses	1,652	1,625	-26	-1.6%
Property and Other Taxes	1,831	2,074	243	13.3%
Casualty Insurance	47	46	0	-1.3%
Repairing Expenses	832	572	-259	-31.2%
Other Expenses	103	96	-7	-6.8%
Depreciation	4,172	4,126	-46	-1.1%
Property-related Profits and Losses	10,683	10,441	-241	-2.3%
NOI	14,856	14,568	-287	-1.9%
Occupancy Rate at End of Period	93.8%	94.4%	0.6%	
Average Occupancy Rate during Period	92.9%	93.7%	0.8%	

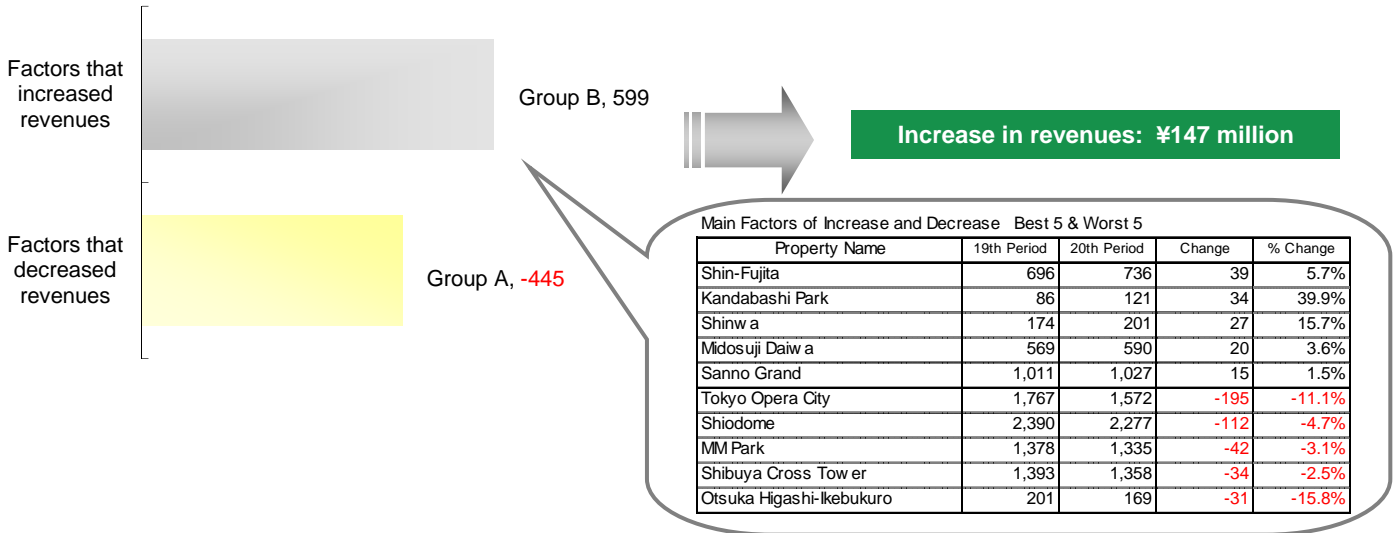
	19th Period (Oct 2010-Mar 2011)	20th Period (Apr 2011-Sep 2011)	Change	% Change
Property-related Revenues	210	810	599	284.5%
Property-related Expenses	192	556	364	189.0%
Property Management Expenses	21	85	63	291.4%
Property Management Costs	21	82	60	277.3%
Brokerage Fees, etc.	-	3	3	-
Utilities Expenses	7	59	51	690.2%
Property and Other Taxes	34	0	-34	-99.9%
Casualty Insurance	0	1	0	263.6%
Repairing Expenses	0	12	12	1539.5%
Other Expenses	30	91	60	200.4%
Ground Rent	30	90	60	200.0%
Others	0	1	0	234.2%
Depreciation	97	306	209	213.8%
Property-related Profits and Losses	18	253	235	1301.8%
NOI	115	560	444	383.6%

\*Refer to 4. Appendix (pages 69) for performance comparison, by building, of the 20th Period, or "Property Data" (excel file) downloadable from  on the JRE website (<http://www.j-re.co.jp/english/>).

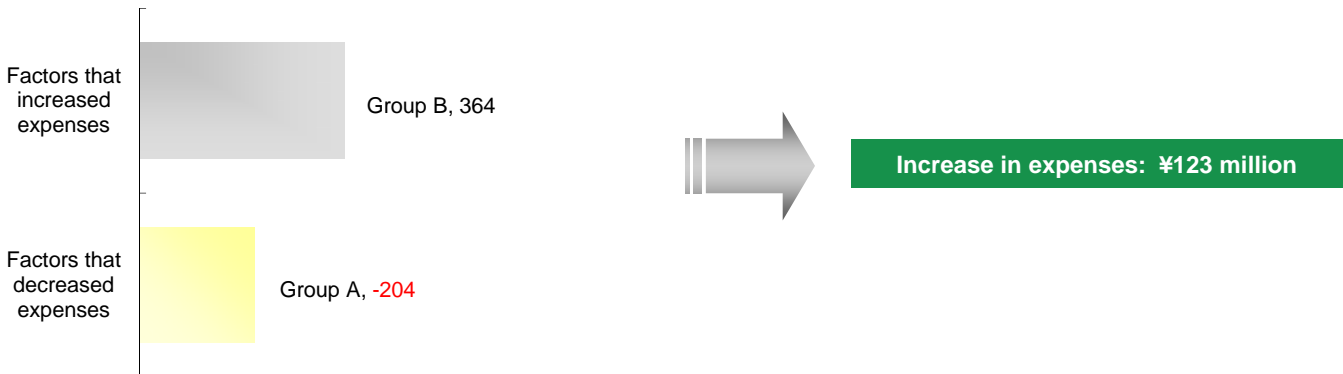


## Factors that brought changes in property-related revenues

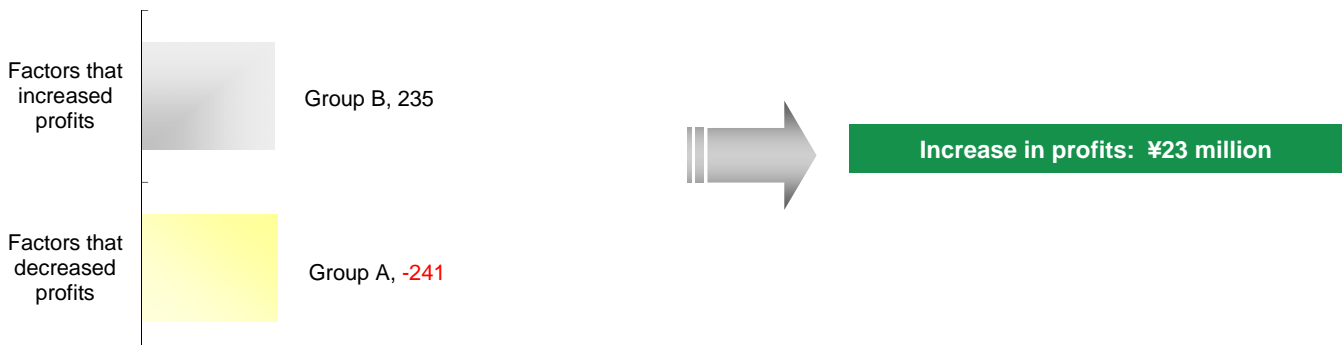
(In millions of yen)



## Factors that brought changes in property-related expenses

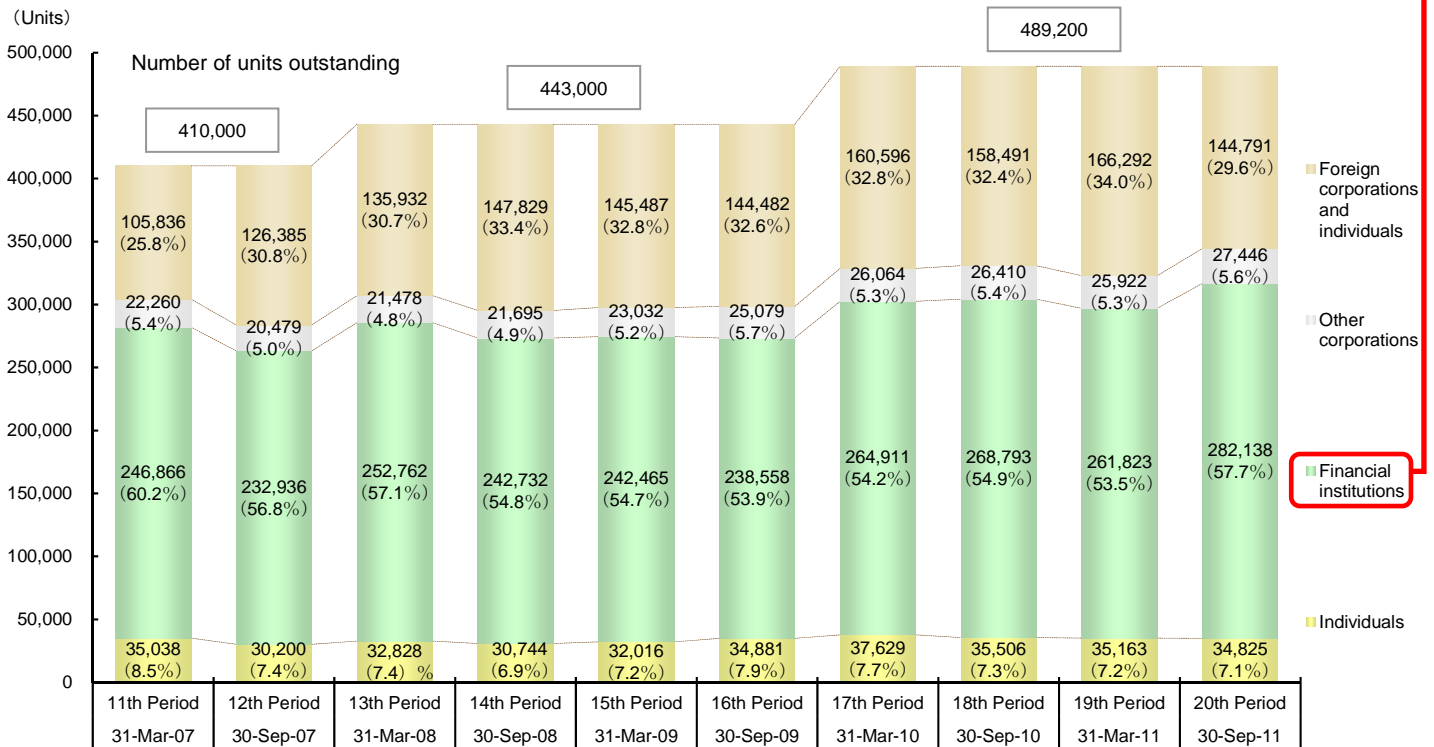


## Factors that brought changes in property-related profits and losses



# Unitholder Data

## Unitholder Composition



## Top 10 Unitholders

### 20th Period

Company	Units	% of Total Units Outstanding
1 Japan Trustee Services Bank, Ltd. (Shintaku Acc.)	72,842	14.89%
2 The Nomura Trust and Banking Co., Ltd. (Toshin Acc.)	39,106	7.99%
3 Trust & Custody Services Bank, Ltd. (Toshin Acc.)	36,508	7.46%
4 The Master Trust Bank of Japan, Ltd. (Shintaku Acc.)	16,960	3.47%
5 NOMURA BANK (LUXEMBOURG) S.A.	11,471	2.34%
6 Mitsubishi Estate Co., Ltd.	10,160	2.08%
7 THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	9,430	1.93%
8 The Chugoku Bank, Ltd.	8,534	1.74%
9 BBH FOR MATTHEWS ASIAN GROWTH AND INCOME FUND	8,039	1.64%
10 North Pacific Bank, Ltd.	7,493	1.53%
The Dai-ichi Life Insurance Company, Limited	4,920	1.01%
Mitsui & Co., Ltd.	1,600	0.33%

### 19th Period

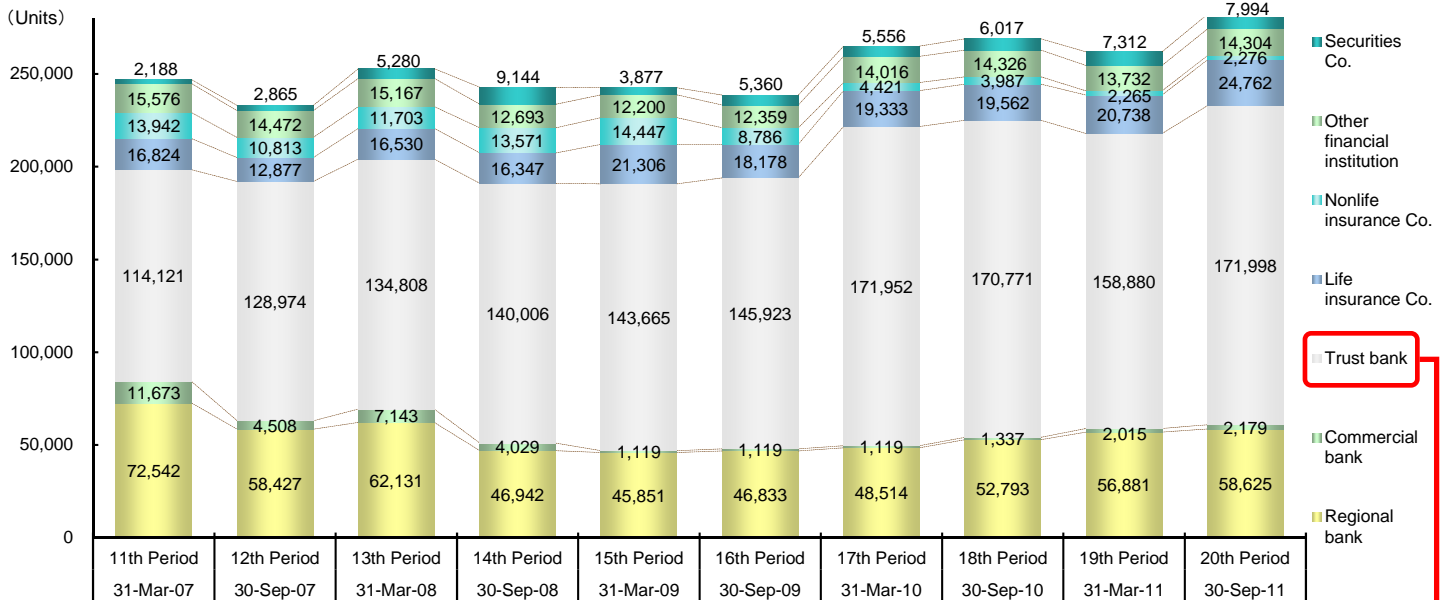
Company	Units	% of Total Units Outstanding
1 Japan Trustee Services Bank, Ltd. (Shintaku Acc.)	56,932	11.64%
2 The Nomura Trust and Banking Co., Ltd. (Toshin Acc.)	42,899	8.77%
3 Trust & Custody Services Bank, Ltd. (Toshin Acc.)	38,064	7.78%
4 The Master Trust Bank of Japan, Ltd. (Shintaku Acc.)	15,724	3.21%
5 NOMURA BANK (LUXEMBOURG) S.A.	12,586	2.57%
6 Mitsubishi Estate Co., Ltd.	10,160	2.08%
7 THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	9,510	1.94%
8 The Chugoku Bank, Ltd.	8,930	1.83%
9 BBH FOR MATTHEWS ASIAN GROWTH AND INCOME FUND	8,039	1.64%
10 North Pacific Bank, Ltd.	7,493	1.53%
The Dai-ichi Life Insurance Company, Limited	4,920	1.01%
Mitsui & Co., Ltd.	1,600	0.33%

## Number of Unitholders by Sector

	20th Period (Sep-11)		19th Period (Mar-11)	
	Unitholders	%	Unitholders	%
Individuals	12,647	93.7%	12,919	93.6%
Financial institutions	183	1.4%	174	1.3%
Other corporations	331	2.5%	333	2.4%
Foreign corporations/individuals	343	2.5%	376	2.7%
Total	13,504	100.0%	13,802	100.0%

# Financial Institutions

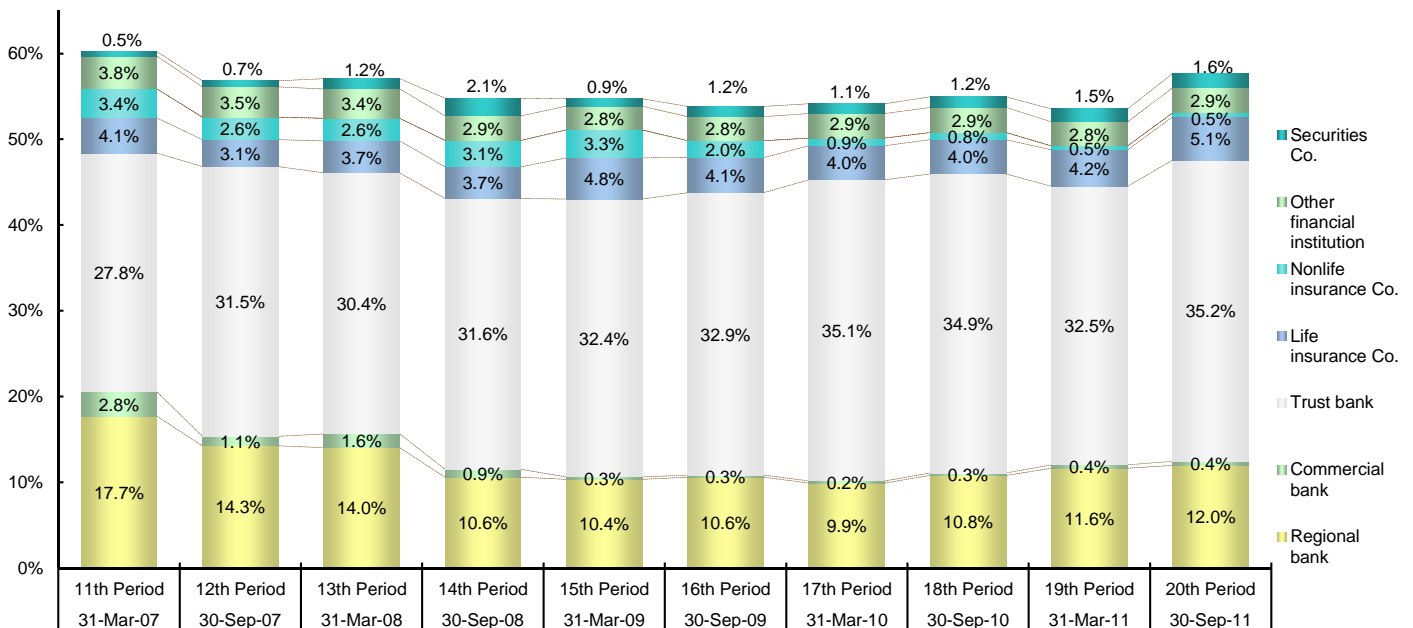
## ◆ Distribution of Total Units Outstanding



## <Number of investment trust units>

	11th Period 31-Mar-07	12th Period 30-Sep-07	13th Period 31-Mar-08	14th Period 30-Sep-08	15th Period 31-Mar-09	16th Period 30-Sep-09	17th Period 31-Mar-10	18th Period 30-Sep-10	19th Period 31-Mar-11	20th Period 30-Sep-11
Number of units outstanding	410,000	410,000	443,000	443,000	443,000	443,000	489,200	489,200	489,200	489,200
Trust banks	114,121	128,974	134,808	140,006	143,665	145,923	171,952	170,771	158,880	171,998
Investment trust	106,330	113,841	120,106	124,433	132,107	135,826	160,016	157,548	141,155	144,117
% against total units outstanding	25.9%	27.8%	27.1%	28.1%	29.8%	30.7%	32.7%	32.2%	28.9%	29.5%
% against units owned by trust banks	93.2%	88.3%	89.1%	88.9%	92.0%	93.1%	93.1%	92.3%	88.8%	83.8%

## ◆ Proportion of Total Units Outstanding



# Property Transfer in the 20th Period

## Takanawadai Building

### Transaction Summary

- Transferee: Nomura Real Estate Development Co., Ltd.
- Transfer price: ¥3,160 million
- Appraisal value: ¥2,050 million (as of February 1, 2011)
- Transfer date: April 1, 2011



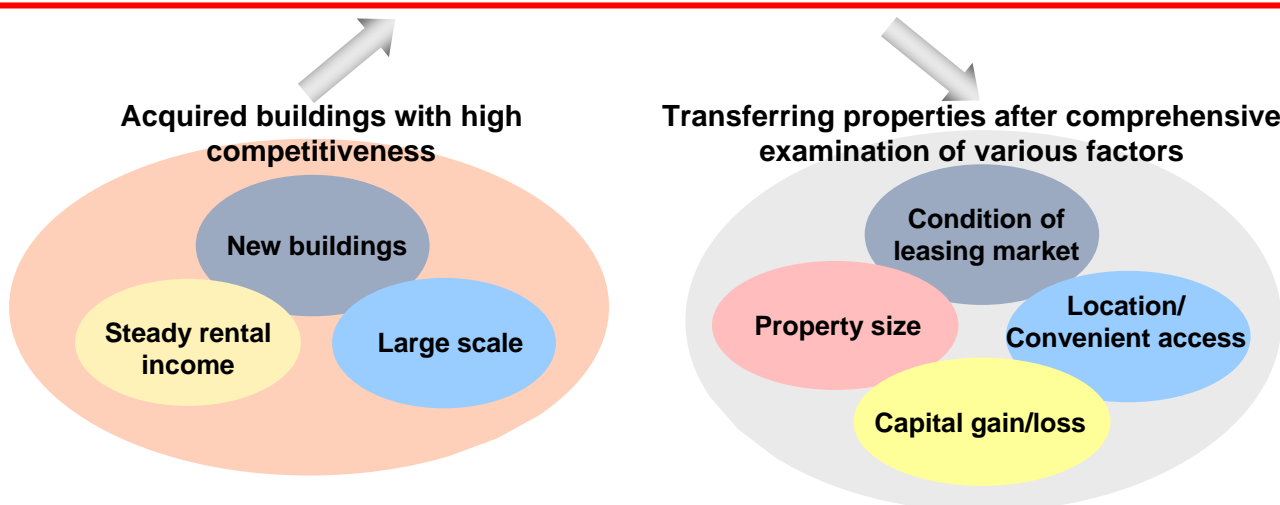
<Exterior>

### Property Summary

- Address: 3-1-5 Higashi-Gotanda, Shinagawa-ku, Tokyo
- Area: <Land> 1,416.17 m<sup>2</sup> <Building> 5,762.70 m<sup>2</sup>
- Structure: Steel-framed reinforced concrete and reinforced concrete structure, flat roof  
Above ground: 13 floors
- Completion date: January 1991
- Type of ownership: Trust beneficiary right in trust of real estate <Land> Ownership <Building> Ownership
- Acquisition date: September 25, 2001
- Acquisition price: ¥2,738 million

## Purpose of Transfer

Aiming for a better quality portfolio through continual reshuffling of the properties in our portfolio!



<Gain on the sale of the property>

(In millions of yen)

Transfer price	Gain on sale of the property
3,160	546

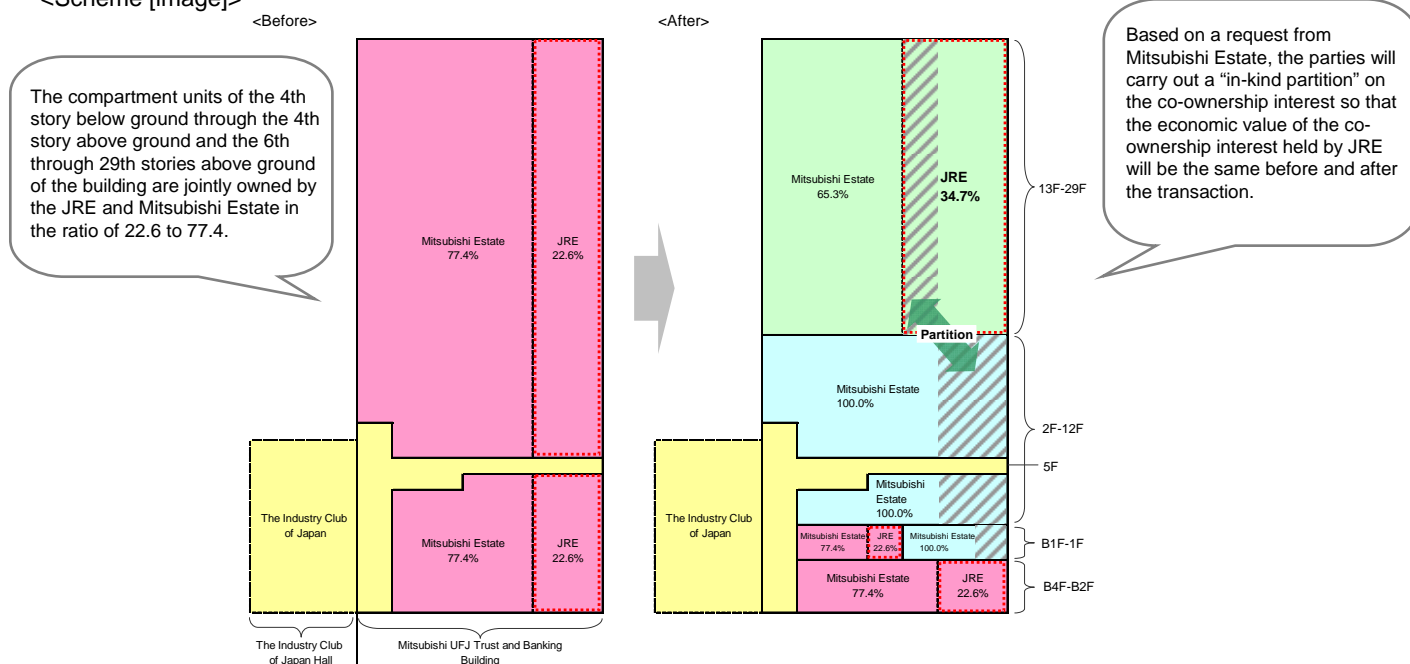
# Partition of Property in Co-ownership in the 20th Period

## Mitsubishi UFJ Trust and Banking Building

### Transaction Summary

- Description of transaction: Partition of co-ownership interest pertaining to a part of compartment units of the Mitsubishi UFJ Trust and Banking Building
- Effective partition date: April 28, 2011
- Transaction partner: Mitsubishi Estate Co., Ltd.
- Appraisal value: <Before transaction> ¥46,500 million <After transaction> ¥46,500 million (as of March 31, 2011)

<Scheme [image]>



(Note) The above scheme diagram shows a simplified image of the partition of ownership interest and ignores detailed information.

### Estimation of NOI and Depreciation after Partition

#### <Estimated NOI>

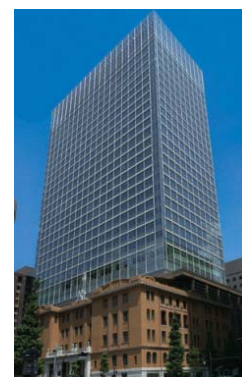
Before ...¥1,440 million per year  
 After ...¥1,450 million per year  
 (Estimated under normal leasing operation)

#### <Estimated Depreciation>

Before ...¥217 million per year  
 After ...¥203 million per year  
 (Estimated under normal leasing operation)

### Property Summary

- Address: 1-4-5 Marunouchi, Chiyoda-ku, Tokyo
- Area: <Land> 8,100.39 m<sup>2</sup> <Building> 108,171.67 m<sup>2</sup>
- Structure: Steel-framed structure, steel-framed reinforced concrete structure, flat roof, Above ground: 29 floors Below ground: 4 floors
- Type of ownership: <Land> Ownership <Building> Compartmentalized building units (ratio of ownership of the building: 19.38402%)
- Completion date: February 2003
- Acquisition date: March 28, 2007
- Acquisition price: ¥44,700 million



<Exterior>



# Property Acquisition in the 21st Period

## Akasaka Park Building

<Exterior>



<Map>



### Property Summary

- Address: 5-2-20 Akasaka, Minato-ku, Tokyo
- Area: <Land> 14,198.20 m<sup>2</sup> <Building> 97,489.16 m<sup>2</sup>
- Structure: Steel-framed, steel-framed reinforced concrete structure, flat roof  
Above ground: 30 floors Below ground: 2 floors
- Completion date: July 1993
- Type of ownership: Real property <Land/Building> Ownership
- Leasable space: 45,031 m<sup>2</sup> (as of the issue date of this report/excluding residential portions)
- Occupancy rate: 100.0% (as of the issue date of this report/excluding residential portions)

### Transaction Summary

- Seller: Mitsubishi Estate Co., Ltd.
- Acquisition price: ¥60,800 million
- Appraisal value: ¥62,500 million  
(as of October 1, 2011)
- Acquisition date: November 15, 2011

### Estimation of NOI and Depreciation

**<Estimated NOI>** ¥2,833 million per year  
(Estimated under normal leasing operation)

**<Estimated Depreciation>** ¥743 million per year  
(Estimated under normal leasing operation)

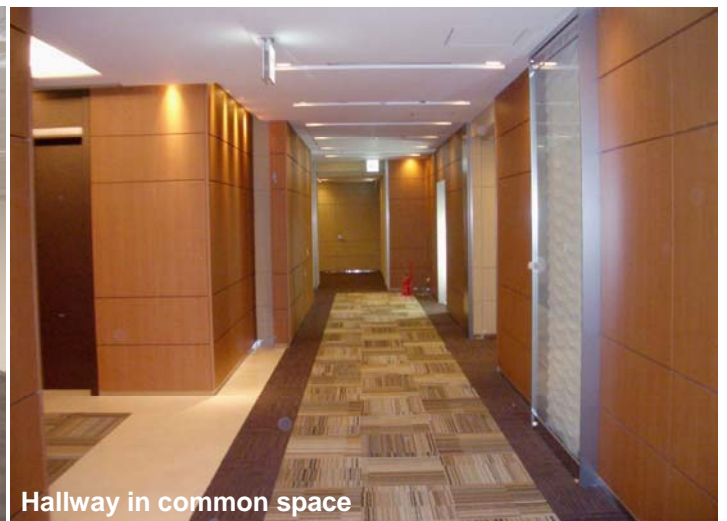




Entrance



Office floor



Hallway in common space

# Financial Summary ① (Summary of Debt)

20th Period (as of September 30, 2011)

(In millions of yen)	
Short-term loans	16,500
Current portion of long-term loans	8,100
Long-term loans	189,750
<b>Total amount of loans</b>	<b>214,350</b>
Current portion of investment corporation bonds	10,000
Investment corporation bonds	45,000
<b>Total amount of investment corporation bonds</b>	<b>55,000</b>
<b>Total amount of interest-bearing debts</b>	<b>269,350</b>

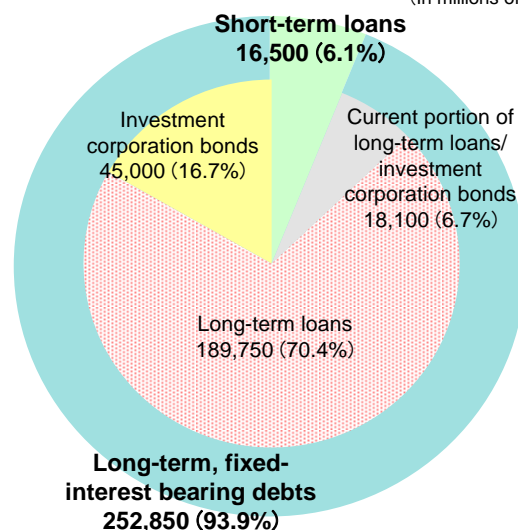
## <Outstanding balance of loans by financial institutions>

(In millions of yen)	
Mitsubishi UFJ Trust and Banking Corporation	52,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	33,500
Mizuho Corporate Bank, Ltd.	27,500
The Sumitomo Trust & Banking, Co., Ltd.	23,000
Shinkin Central Bank	15,000
The Dai-ichi Life Insurance Company, Limited	10,000
Resona Bank, Ltd.	7,000
National Mutual Insurance Federation of Agricultural Cooperatives	5,000
The Chugoku Bank, Ltd.	5,000
The Hiroshima Bank, Ltd.	5,000
The Bank of Fukuoka, Ltd.	5,000
Taiyo Life Insurance Company	4,500
Development Bank of Japan Inc. <sup>(*)</sup>	3,850
The Iyo Bank, Ltd.	3,000
The Hachijuni Bank, Ltd.	3,000
Shinsei Bank, Limited	3,000
Mitsui Life Insurance Co., Ltd.	2,000
The Gunma Bank, Ltd.	2,000
The Yamanashi Chuo Bank, Ltd.	2,000
Nippon Life Insurance Company	2,000
The 77 Bank, Ltd.	1,000

(\*) The 2,000-million-yen loan dated March 24, 2010 (principal outstanding: 1,850 million yen as of the end of September 2011) will be repaid according to the repayment schedule under which 50 million yen will be repaid every six months and 1,350 million yen on the final repayment date.

## <Component ratio of long-term and short-term loans/bonds>

(In millions of yen)



## <Interest rate and duration (years)>

Weighted average interest rate: 1.27%

Average duration of total interest-bearing debts: 3.63 years

	Average interest rate	Duration (year)
Short-term loans	0.38%	0.60
Current portion of long-term loans/investment corporation bonds	1.48%	0.50
Long-term loans/investment corporation bonds	1.32%	4.09

\* The duration (year) of "Long-term loans/investment corporation bonds" disregards the installment repayment of long-term loans from the Development Bank of Japan Inc.

## <Outline of commitment line agreement>

### Commitment line (1)

- Borrowing limit: ¥40 billion
- Expiry of the contract: September 19, 2014
- Participating financial institutions:  
Mizuho Corporate Bank, Ltd.  
The Bank of Tokyo-Mitsubishi UFJ, Ltd.  
The Sumitomo Trust & Banking Co., Ltd.  
Mitsubishi UFJ Trust and Banking Corporation

### Commitment line (2)

- Borrowing limit: ¥3 billion
- Expiry of the contract: September 18, 2015
- Lender: Shinsei Bank, Limited

There is no outstanding balance as of the end of the 20th Period.



## Overview of the Interest-bearing Debt (as of September 30, 2011)

(EOB: In millions of yen, Interest: %)

### <Short-term Loans>

Lender	Borrowing Date	EOB	Interest	Repayment Date (period)
The Sumitomo Trust & Banking, Co., Ltd.	'11/02/01	1,500	0.38	'11/11/01 (9-month)
Mizuho Corporate Bank, Ltd.	'11/03/24	4,000	0.38	'12/03/26 (1-year)
The Gunma Bank, Ltd.	'11/03/24	1,000	0.38	'12/03/26 (1-year)
Shinkin Central Bank	'11/03/24	2,000	0.38	'12/03/26 (1-year)
The 77 Bank, Ltd.	'11/03/24	1,000	0.38	'12/03/26 (1-year)
Mizuho Corporate Bank, Ltd.	'11/06/01	1,000	0.38	'12/06/01 (1-year)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'11/08/01	1,500	0.38	'12/08/01 (1-year)
Mizuho Corporate Bank, Ltd.	'11/08/01	1,500	0.38	'12/08/01 (1-year)
Mitsubishi UFJ Trust and Banking Corporation	'11/08/01	1,500	0.38	'12/08/01 (1-year)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'11/09/01	1,000	0.38	'12/09/03 (1-year)
Mitsubishi UFJ Trust and Banking Corporation	'11/09/01	500	0.38	'12/09/03 (1-year)
<b>Total</b>		<b>16,500</b>		

### <Long-term Loans>

Lender	Borrowing Date	EOB	Interest	Repayment Date (period)
Mitsui Life Insurance Co., Ltd.	'04/10/29	2,000	1.55	'12/10/29 (8-year)
The Dai-ichi Life Insurance Company, Limited	'07/05/31	5,000	1.86875	'15/05/29 (8-year)
Taiyo Life Insurance Company	'07/05/31	1,500	1.86875	'15/05/29 (8-year)
Taiyo Life Insurance Company	'08/04/24	1,000	1.595	'16/04/25 (8-year)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'08/04/24	5,000	1.42375	'13/04/24 (5-year)
Shinkin Central Bank	'08/04/24	5,000	1.42375	'13/04/24 (5-year)
Mizuho Corporate Bank, Ltd.	'08/04/24	3,000	1.42375	'13/04/24 (5-year)
The Sumitomo Trust & Banking, Co., Ltd.	'08/09/01	5,000	1.4875	'13/09/02 (5-year)
Shinkin Central Bank	'08/09/01	3,000	1.4875	'13/09/02 (5-year)
Development Bank of Japan Inc.	'08/09/01	2,000	1.65	'15/09/01 (7-year)
The Iyo Bank, Ltd.	'09/03/24	2,000	1.31	'14/03/24 (5-year)
The Dai-ichi Life Insurance Company, Limited	'09/03/30	5,000	1.54375	'17/03/30 (8-year)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'09/12/21	5,000	1.0925	'12/12/21 (3-year)
Mitsubishi UFJ Trust and Banking Corporation	'09/12/21	5,000	1.0925	'12/12/21 (3-year)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'10/01/15	11,000	1.085	'13/01/15 (3-year)
Mizuho Corporate Bank, Ltd.	'10/01/15	5,000	1.135	'13/01/15 (3-year)
Mitsubishi UFJ Trust and Banking Corporation	'10/01/15	5,000	1.135	'13/01/15 (3-year)
Shinkin Central Bank	'10/01/15	5,000	1.135	'13/01/15 (3-year)
The Iyo Bank, Ltd.	'10/01/15	1,000	1.06	'13/01/15 (3-year)
The Hachijuni Bank, Ltd.	'10/01/15	1,000	1.06	'13/01/15 (3-year)
The Chugoku Bank, Ltd.	'10/03/24	2,000	1.0475	'13/03/25 (3-year)
The Hiroshima Bank, Ltd.	'10/03/24	2,000	1.0475	'13/03/25 (3-year)
Resona Bank, Ltd.	'10/03/24	3,000	1.0475	'13/03/25 (3-year)
The Hachijuni Bank, Ltd.	'10/03/24	1,000	1.0475	'13/03/25 (3-year)
Mizuho Corporate Bank, Ltd.	'10/03/24	2,000	1.2625	'14/03/24 (4-year)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'10/03/24	2,000	1.2625	'14/03/24 (4-year)
Mitsubishi UFJ Trust and Banking Corporation	'10/03/24	2,000	1.2625	'14/03/24 (4-year)
The Sumitomo Trust & Banking, Co., Ltd.	'10/03/24	2,000	1.2625	'14/03/24 (4-year)
Resona Bank, Ltd.	'10/03/24	2,000	1.2625	'14/03/24 (4-year)
The Gunma Bank, Ltd.	'10/03/24	1,000	1.2375	'14/03/24 (4-year)
The Bank of Fukuoka, Ltd.	'10/03/24	2,000	1.39875	'15/03/24 (5-year)
Development Bank of Japan Inc.	'10/03/24	1,750	1.665	'17/03/24 (7-year)
The Hiroshima Bank, Ltd.	'10/06/14	3,000	1.1875	'15/06/15 (5-year)
The Chugoku Bank, Ltd.	'10/06/15	3,000	1.20875	'15/06/15 (5-year)
The Hachijuni Bank, Ltd.	'10/12/20	1,000	0.73625	'12/12/20 (2-year)
Mizuho Corporate Bank, Ltd.	'10/12/21	5,000	1.30625	'16/12/21 (6-year)
The Sumitomo Trust & Banking, Co., Ltd.	'11/01/17	3,000	1.43375	'18/01/17 (7-year)
Nippon Life Insurance Company	'11/03/01	2,000	1.465	'18/03/01 (7-year)
Resona Bank, Ltd.	'11/03/01	2,000	1.255	'17/03/01 (6-year)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'11/03/24	2,000	1.3975	'18/03/26 (7-year)
Taiyo Life Insurance Company	'11/03/30	2,000	1.39625	'18/03/30 (7-year)
Mitsubishi UFJ Trust and Banking Corporation	'11/04/04	5,000	1.0325	'16/04/04 (5-year)
Mitsubishi UFJ Trust and Banking Corporation	'11/04/04	5,000	1.205	'17/04/04 (6-year)
Mitsubishi UFJ Trust and Banking Corporation	'11/06/01	12,000	1.12625	'17/06/01 (6-year)
Mitsubishi UFJ Trust and Banking Corporation	'11/06/01	10,000	1.31125	'18/06/01 (7-year)
Mizuho Corporate Bank, Ltd.		6,000		
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'11/06/23	6,000	0.90875	'16/06/23 (5-year)
Mitsubishi UFJ Trust and Banking Corporation		6,000		
The Sumitomo Trust & Banking, Co., Ltd.		6,000		
Shinsei Bank, Limited	'11/08/31	3,000	1.0475	'18/08/31 (7-year)
The Bank of Fukuoka, Ltd.	'11/08/31	2,000	0.9025	'17/08/31 (6-year)
The Sumitomo Trust & Banking, Co., Ltd.	'11/09/26	5,500	1.16	'19/09/26 (8-year)
<b>Total</b>		<b>189,750</b>		

### <Current Portion of Long-term Loans/ Investment Corporation Bonds>

Lender / Bond Name	Borrowing / Issue Date	EOB	Interest	Repayment / Maturity Date (period)
National Mutual Insurance Federation of Agricultural Cooperatives	'04/11/01	5,000	1.33125	'11/11/01 (7-year)
The Yamanashi Chuo Bank, Ltd.	'09/12/15	2,000	0.8925	'11/12/15 (2-year)
The Bank of Fukuoka, Ltd.	'07/08/31	1,000	1.4925	'12/08/31 (5-year)
5th Investment Corporation Bond	'07/06/18	10,000	1.67	'12/06/18 (5-year)
Development Bank of Japan Inc.	'10/03/24	100	1.665	'17/03/24 (7-year)
<b>Total</b>		<b>18,100</b>		

### <Investment Corporation Bonds>

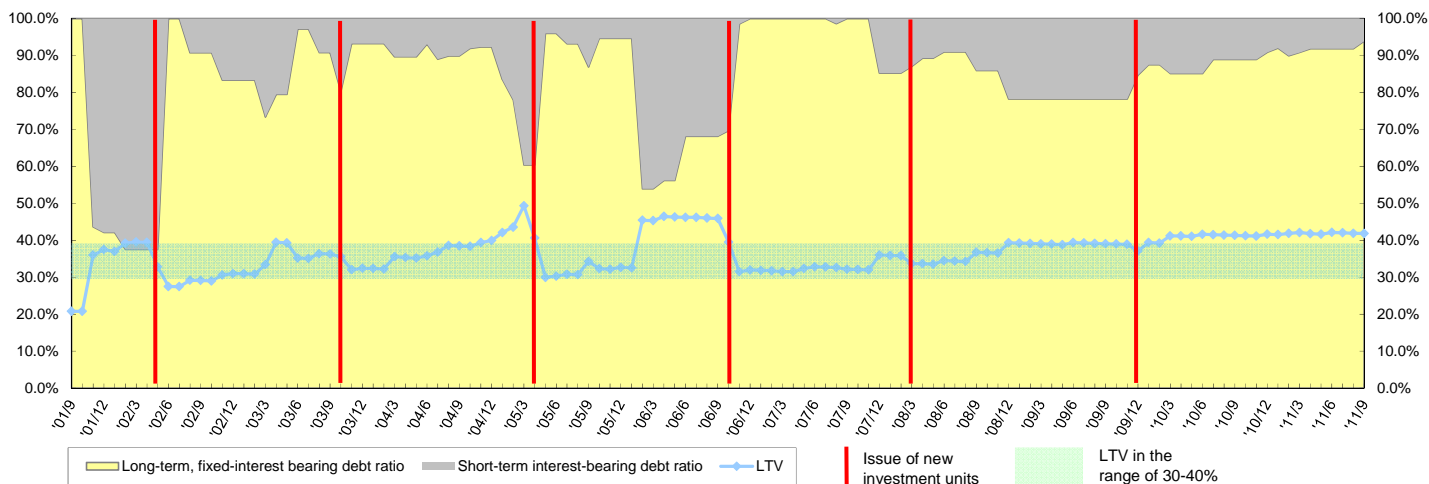
Bond Name	Issue Date	EOB	Interest	Maturity Date (period)
4th Investment Corporation Bond	'05/09/29	10,000	2.56	'25/09/29 (20-year)
6th Investment Corporation Bond	'07/06/18	15,000	1.91	'14/06/18 (7-year)
7th Investment Corporation Bond	'10/04/23	10,000	1.26	'15/04/23 (5-year)
8th Investment Corporation Bond	'10/07/23	10,000	1.05	'15/07/23 (5-year)
<b>Total</b>		<b>45,000</b>		

Total amount of interest-bearing debts as of September 30, 2011

269,350 million yen

## Financial Summary ② (LTV)

### LTV (Interest-bearing Debts / Total Assets)



\*LTV(%) = Interest-bearing debts / Total assets x 100

\*Long-term, fixed-interest debt ratio = (Long-term, fixed-interest loans + Investment corporation bonds [including current portion of Long-term, fixed-interest loans and Investment corporation bonds]) / Total interest-bearing debts

### Debt Capacity

(As of end of September 2011)

(In millions of yen)

Total assets	Interest-bearing debt	LTV	Borrowable amount	
			Up to 40% of LTV	Up to 45% of LTV
643,949	269,350	41.8%	-19,616	37,140

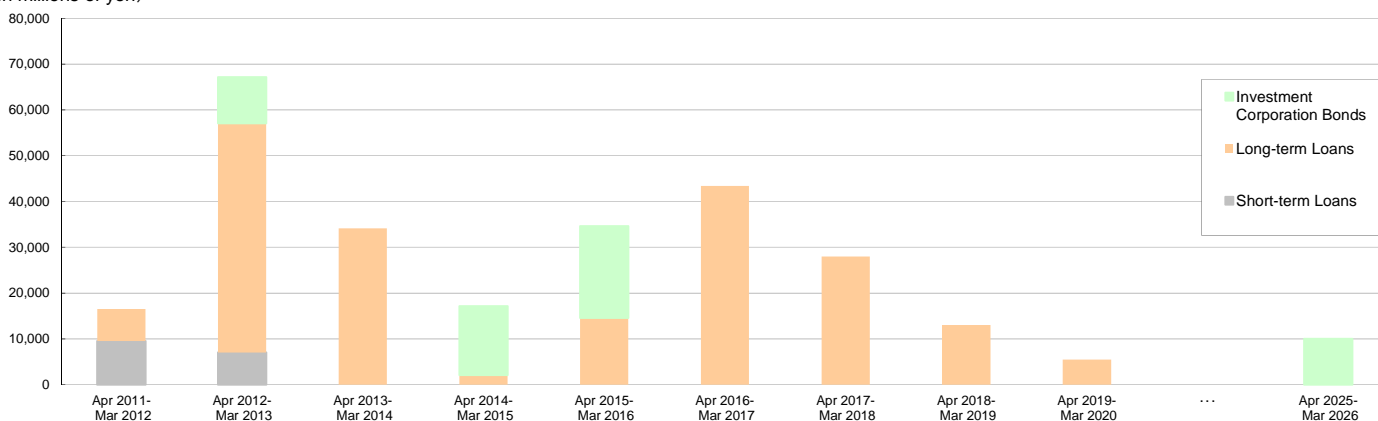
### Diversification of Repayment Dates

(As of end of September 2011)

(In millions of yen)

	Apr 2011- Mar 2012 (within 0.5 year)	Apr 2012- Mar 2013 (within 1.5 years)	Apr 2013- Mar 2014 (within 2.5 years)	Apr 2014- Mar 2015 (within 3.5 years)	Apr 2015- Mar 2016 (within 4.5 years)	Apr 2016- Mar 2017 (within 5.5 years)	Apr 2017- Mar 2018 (within 6.5 years)	Apr 2018- Mar 2019 (within 7.5 years)	Apr 2019- Mar 2020 (within 8.5 years)	...	Apr 2025- Mar 2026 (within 14.5 years)	Total
Short-term Loans	9,500	7,000	0	0	0	0	0	0	0	0	0	16,500
Long-term Loans	7,050	50,100	34,100	2,100	14,600	43,400	28,000	13,000	5,500	0	0	197,850
Investment Corporation Bonds	0	10,000	0	15,000	20,000	0	0	0	0	0	10,000	55,000
<b>Total</b>	<b>16,550</b>	<b>67,100</b>	<b>34,100</b>	<b>17,100</b>	<b>34,600</b>	<b>43,400</b>	<b>28,000</b>	<b>13,000</b>	<b>5,500</b>	...	<b>10,000</b>	<b>269,350</b>

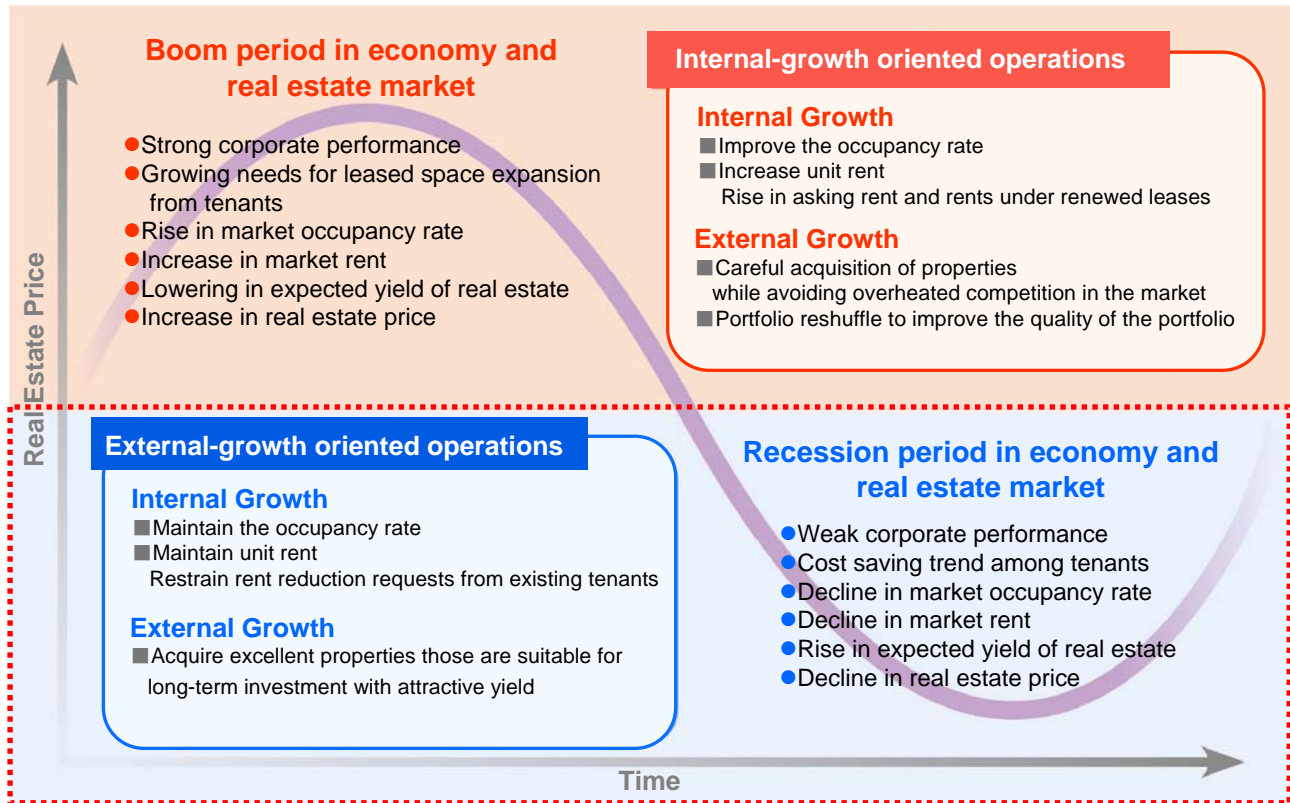
(In millions of yen)



# Image of Growth

**Aim at stable future dividends by shifting focus to “external-growth oriented operations,” viewing the weak real estate market as an opportunity**

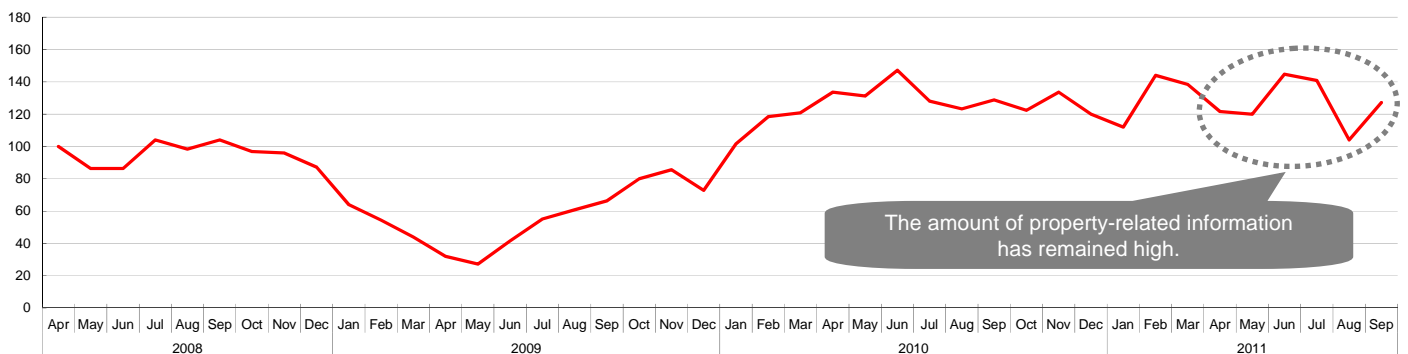
<Market environment and growth strategy (image)>



**November 2011 Acquisition of Akasaka Park Building  
⇒ Aim at further external growth by leveraging sound financial position**

<Trends in property-related information obtained>

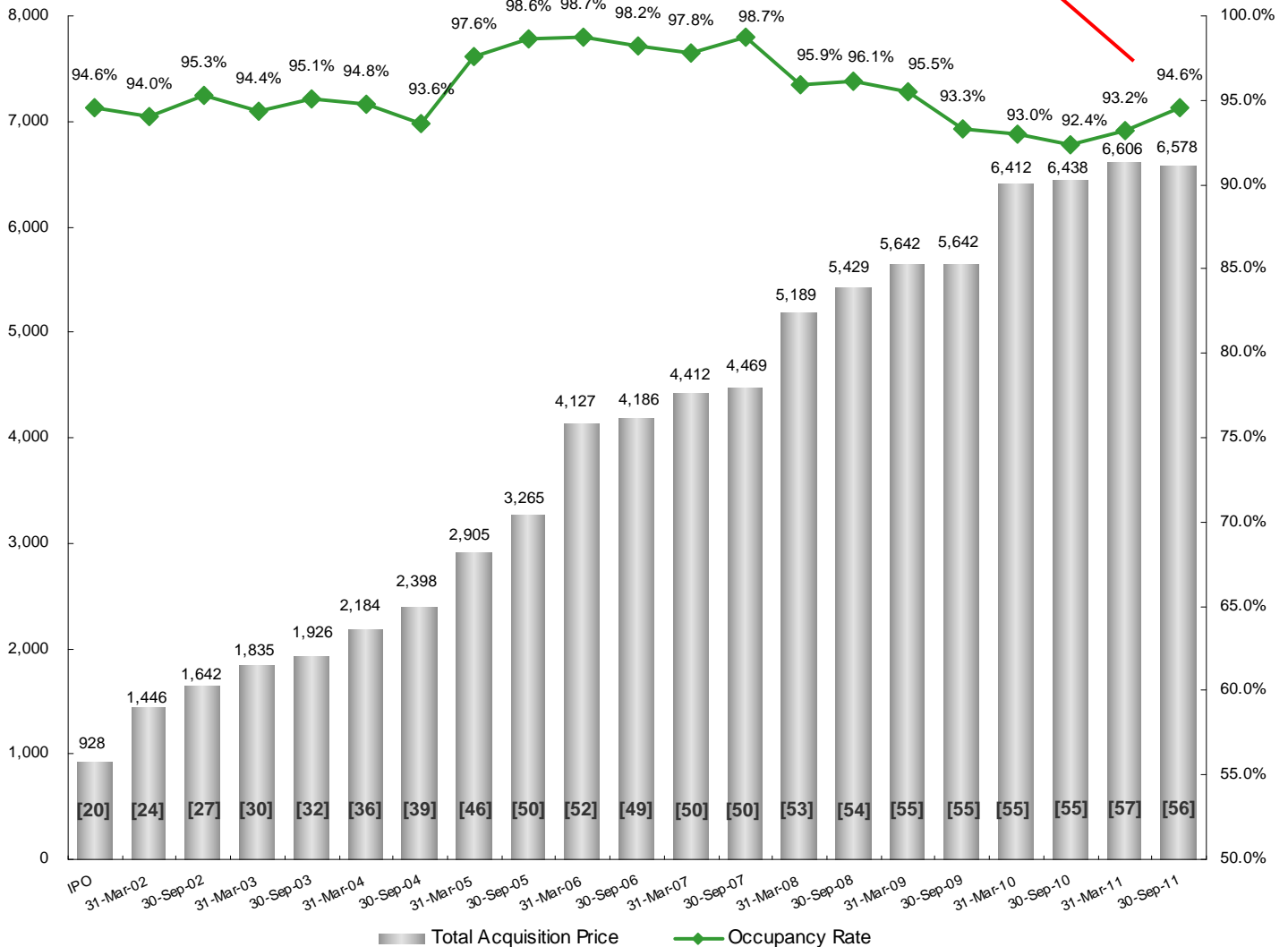
● The trend is based on an index calculated by obtaining the moving average for the amount of property-related information obtained over the past six months and assigning that moving average as of April 2008 the value of 100.



# Asset Size and Occupancy Rate

**Aim at maintaining stable occupancy rate**

(In 100 millions of yen)



\*The original acquisition price pertaining to the part of Jingumae Media Square Building site, which was transferred on October 30, 2009 has not been deducted from the total acquisition price in the above graph.

## ◆ Performance of property acquisition and transfer

(In millions of yen)

	At IPO ~'01/09	1st Period '01/10~'02/03	2nd Period '02/04~'02/09	3rd Period '02/10~'03/03	4th Period '03/04~'03/09	5th Period '03/10~'04/03	6th Period '04/04~'04/09	7th Period '04/10~'05/03	8th Period '05/04~'05/09	9th Period '05/10~'06/03	10th Period '06/04~'06/09
Acquisition	92,845	51,852	19,580	19,265	9,065	25,830	21,390	50,683	36,050	86,205	12,630
Transfer	—	—	—	—	—	—	—	—	—	—	7,003

	11th Period '06/10~'07/03	12th Period '07/04~'07/09	13th Period '07/10~'08/03	14th Period '08/04~'08/09	15th Period '08/10~'09/03	16th Period '09/04~'09/09	17th Period '09/10~'10/03	18th Period '10/04~'10/09	19th Period '10/10~'11/03	20th Period '11/04~'11/09	Total
Acquisition	49,850	7,100	72,029	24,000	21,250	—	77,026	2,645	16,710	—	696,007
Transfer	41,900	1,770	—	—	—	—	1,507	—	—	3,160	55,340

\* Each of the prices in the above table represents either the "acquisition price" or the "transfer price" at the time of acquisition or transfer.

**Achieved steady growth since IPO and established a portfolio worth over ¥650 billion (total acquisition price)**

# Improvement of Portfolio Quality

In the 10 years following IPO, the quality of the portfolio has further improved.

At IPO (End of September 2001):  
20 properties

After 10 years

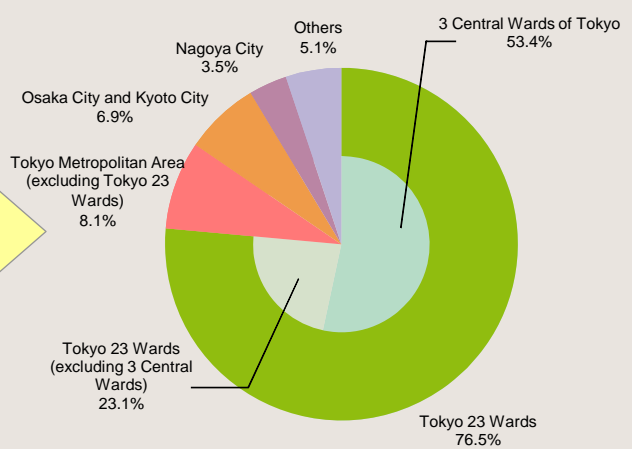
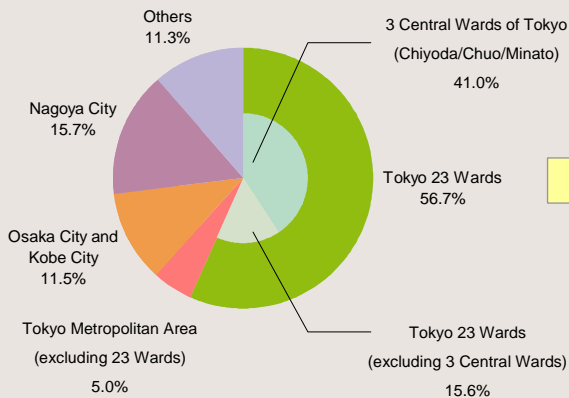
As of end of September 2011:  
56 properties

## Geographical Diversification

\* Acquisition price basis  
\* Tokyo metropolitan area represents Tokyo, Saitama, Chiba, and Kanagawa prefectures.

Asset size : ¥92,845 million

Asset size : ¥657,863 million



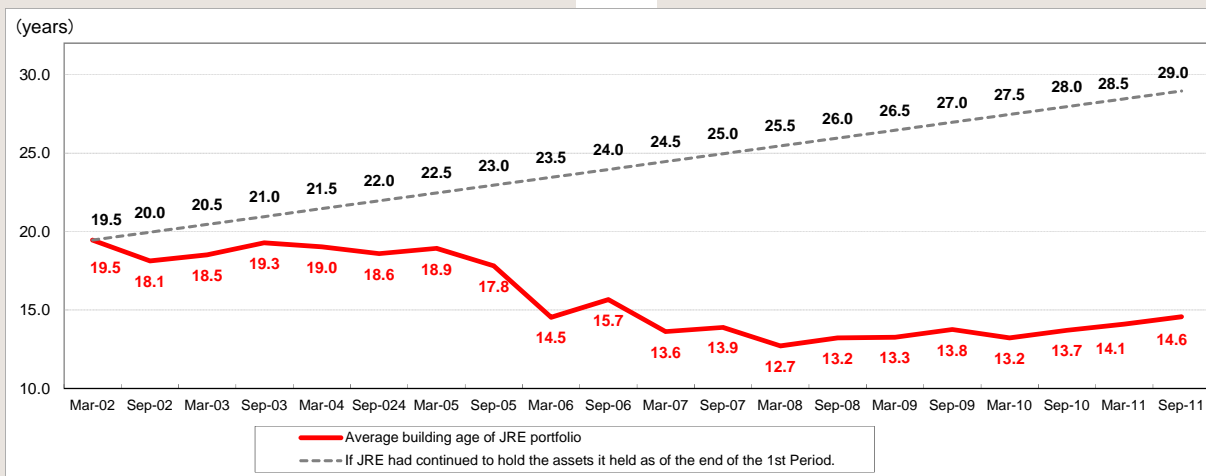
Highly liquid portfolio, mainly concentrated in Tokyo 23 Wards

## Building Age

\* Weighted average based on acquisition prices

Entire portfolio:  
17.9 years

Entire portfolio:  
14.6 years



Even after 10 years since IPO, overall building age is lower in the current portfolio.

# Property Data

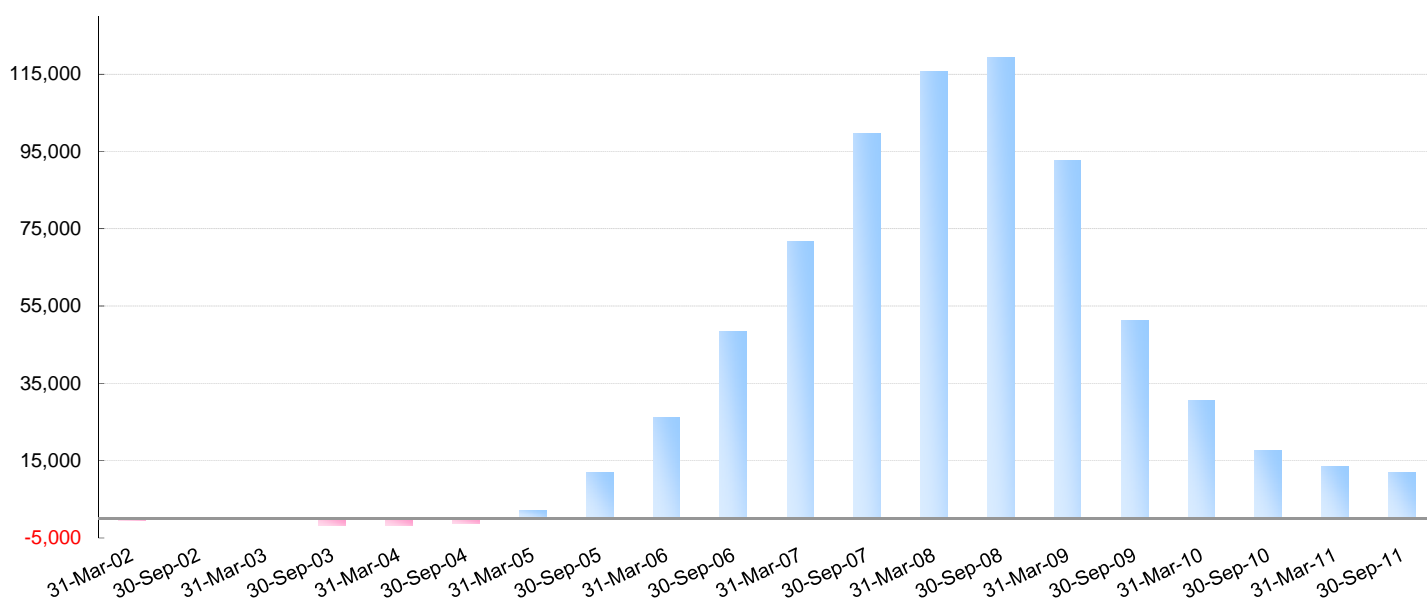
(In millions of yen)

Area	Name	20th Period	19th Period	Amount of Difference	20th Period	20th Period	Acquisition Price	
		Appraisal Value (Sep 30, 11)	Appraisal Value (Mar 31, 11)		Book Value (Sep 30, 11)	Appraisal Value — Book Value		
Tokyo 23 Wards	Chiyoda	Genki Medical Plaza	6,100	6,050	50	4,979	1,120	5,000
		Kitanomaru Square	68,700	68,200	500	77,362	-8,662	81,555
		MD Kanda	8,750	8,980	-230	8,823	-73	9,520
		Kandabashi Park	4,560	4,720	-160	4,557	2	4,810
		Nibancho Garden	16,300	16,000	300	13,543	2,756	14,700
		Mitsubishi UFJ Trust	46,500	46,500	0	29,754	16,745	44,700
		Burex Kojimachi	6,220	6,220	0	6,339	-119	7,000
		Sanno Grand	29,000	28,400	600	21,382	7,617	20,900
	Yurakucho Denki	7,430	7,610	-180	7,794	-364	7,200	
	Chuo	Kodenmachi	3,110	3,330	-220	2,750	359	3,173
		Kyodo (Kayabacho 2Chome)	4,710	4,680	30	4,427	282	4,410
		Burex Kyobashi	6,170	6,170	0	4,811	1,358	5,250
		Ginza Sanwa	14,600	14,900	-300	16,998	-2,398	16,830
		Ryoshin Ginza EM	5,300	5,540	-240	7,803	-2,503	7,999
		Harumi Center	20,300	20,600	-300	25,123	-4,823	26,800
	Minato	Aoyama Crystal	7,460	7,730	-270	7,359	100	7,680
		Shiodome	78,000	79,600	-1,600	75,174	2,825	75,850
		Shiba 2Chome Daimon	6,060	6,180	-120	4,818	1,241	4,859
		Cosmo Kanasugibashi	2,730	2,830	-100	2,521	208	2,808
	Shinjuku	Shinwa	5,980	6,240	-260	7,613	-1,633	7,830
		Tokyo Opera City	30,900	32,000	-1,100	30,694	205	31,776
	Shinagawa	Higashi-Gotanda 1Chome	5,650	5,650	0	4,951	698	5,500
		Osaki Front Tower	15,180	15,170	10	12,369	2,810	12,300
	Ota	Omori-Eki Higashiguchi	5,250	5,250	0	4,564	685	5,123
	Shibuya	Nippon Brunswick	7,040	7,260	-220	6,838	201	6,670
		Yoyogi 1Chome	9,990	10,200	-210	7,742	2,247	8,700
		da Vinci Harajuku	6,090	6,090	0	4,940	1,149	4,885
		Jingumae MS	10,400	10,400	0	11,008	-608	12,200
		Shibuya Cross Tower	40,800	40,800	0	38,379	2,420	34,600
	Ebisu Neonato	2,800	2,840	-40	3,585	-785	4,100	
	Nakano	Harmony Tower	9,450	9,240	210	7,910	1,539	8,500
	Toshima	Otsuka Higashi-Ikebukuro	3,820	3,820	0	3,539	280	3,541
		Ikebukuro 2Chome	1,580	1,580	0	1,618	-38	1,728
Ikebukuro YS		4,230	4,380	-150	4,442	-212	4,500	
Other Areas	Hachioji	Hachioji First	4,450	4,450	0	5,228	-778	5,679
	Saitama	Saitama Urawa	2,070	2,080	-10	2,452	-382	2,574
	Yokohama	MM Park	35,900	35,900	0	35,667	232	37,400
		Kawasaki	Kawasaki Isago	2,720	2,850	-130	2,844	-124
		Musashi Kosugi STM	3,510	3,520	-10	3,874	-364	4,000
	Sapporo	8-3 Square Kita	6,630	6,630	0	6,783	-153	7,100
	Sendai	Jozenji Park	887	890	-3	978	-91	1,000
		Sendai Honma	2,480	2,490	-10	2,765	-285	3,174
	Kanazawa	Kanazawa Park	5,330	5,330	0	4,082	1,247	4,580
	Nagoya	Nishiki Park	3,660	3,720	-60	4,669	-1,009	5,150
		Hirokoji Sakae	1,330	1,460	-130	1,691	-361	1,680
		Nagoya Hirokoji	12,600	12,700	-100	14,869	-2,269	14,533
		Nagoya Misono	1,080	1,090	-10	1,470	-390	1,865
	Kyoto	Kyoto Kawaramachi	1,720	1,720	0	2,697	-977	2,650
	Osaka	Shin-Fujita	16,400	16,600	-200	22,981	-6,581	24,000
		Sakaisujihonmachi	3,620	3,660	-40	3,765	-145	4,164
		Midosuji Daiwa	14,100	14,100	0	13,448	651	14,314
	Okayama	Lit City	4,220	4,220	0	3,946	273	4,650
	Hiroshima	NHK Hiroshima	2,980	2,970	10	2,532	447	2,770
	Fukuoka	Tosei Tenjin	1,320	1,320	0	1,328	-8	1,550
		Tenjin Crystal	2,470	2,480	-10	4,452	-1,982	5,000
		Hinode Tenjin	3,720	3,720	0	3,486	233	3,657
	Properties held as of the end of the 19th and 20th Periods during which the shares of ownership remain unchanged	Tokyo 23 Wards	501,160	505,160	-4,000	476,527	24,632	502,998
		Other Areas	133,197	133,900	-703	146,015	-12,818	154,865
		Total (56 properties)	634,357	639,060	-4,703	622,542	11,814	657,863
	All properties held as of the end of the 20th Period							
	Tokyo 23 Wards		501,160	—	—	476,527	24,632	502,998
Other Areas		133,197	—	—	146,015	-12,818	154,865	
Total (56 properties)		634,357	—	—	622,542	11,814	657,863	

\*Excluding Takanawadai Building which was transferred on April 1, 2011

## Trend of Unrealized Gain or Loss

(In millions of yen)



(In millions of yen, except for per-unit data)

		1st Period 31-Mar-02	2nd Period 30-Sep-02	3rd Period 31-Mar-03	4th Period 30-Sep-03	5th Period 31-Mar-04	6th Period 30-Sep-04	7th Period 31-Mar-05	8th Period 30-Sep-05	9th Period 31-Mar-06	10th period 30-Sep-06	
Appraisal value at the end of period	A	144,940	165,251	184,704	191,271	217,150	238,961	293,342	339,029	439,799	467,001	
Book value	B	145,580	165,088	184,304	193,058	219,032	240,134	291,350	327,005	413,708	418,607	
Unrealized gain or loss	A-B=C	-640	162	399	-1,787	-1,882	-1,173	1,991	12,023	26,090	48,393	
<Reference>	Units outstanding	D	160,400 units	225,400 units	225,400 units	225,400 units	260,400 units	260,400 units	260,400 units	345,400 units	345,400 units	345,400 units
	Unrealized gain or loss per unit	C/D=E	-3,990 yen	719 yen	1,774 yen	-7,930 yen	-7,229 yen	-4,505 yen	7,647 yen	34,811 yen	75,537 yen	140,107 yen
	Net asset value per unit	F	521,591 yen	510,424 yen	512,026 yen	512,688 yen	527,077 yen	527,185 yen	528,299 yen	599,254 yen	599,475 yen	600,605 yen
	Adjusted net asset value per unit	E+F=G	517,601 yen	511,143 yen	513,800 yen	504,758 yen	519,847 yen	522,680 yen	535,946 yen	634,065 yen	675,013 yen	740,713 yen
	Unit price at the end of period	H	530,000 yen	511,000 yen	592,000 yen	648,000 yen	830,000 yen	875,000 yen	875,000 yen	915,000 yen	1,020,000 yen	1,000,000 yen
	H/G		1.02 times	1.00 times	1.15 times	1.28 times	1.60 times	1.67 times	1.63 times	1.44 times	1.51 times	1.35 times

		11th Period 31-Mar-07	12th Period 30-Sep-07	13th Period 31-Mar-08	14th Period 30-Sep-08	15th Period 31-Mar-09	16th Period 30-Sep-09	17th Period 31-Mar-10	18th Period 30-Sep-10	19th Period 31-Mar-11	20th Period 30-Sep-11	
Appraisal value at the end of period	A	498,741	531,100	619,160	644,700	636,770	591,920	645,239	632,112	642,220	634,357	
Book value	B	427,013	431,463	503,376	525,503	544,245	540,709	614,734	614,593	628,689	622,542	
Unrealized gain or loss	A-B=C	71,727	99,636	115,783	119,196	92,524	51,210	30,504	17,518	13,530	11,814	
<Reference>	Units outstanding	D	410,000 units	410,000 units	443,000 units	443,000 units	443,000 units	489,200 units	489,200 units	489,200 units	489,200 units	
	Unrealized gain or loss per unit	C/D=E	174,944 yen	243,015 yen	261,363 yen	269,067 yen	208,858 yen	115,598 yen	62,355 yen	35,810 yen	27,657 yen	24,150 yen
	Net asset value per unit	F	663,091 yen	664,071 yen	701,009 yen	690,858 yen	690,806 yen	690,984 yen	681,170 yen	679,755 yen	678,770 yen	680,029 yen
	Adjusted net asset value per unit	E+F=G	838,036 yen	907,086 yen	962,372 yen	959,925 yen	899,665 yen	806,582 yen	743,526 yen	715,566 yen	706,427 yen	704,179 yen
	Unit price at the end of period	H	1,560,000 yen	1,380,000 yen	1,160,000 yen	836,000 yen	756,000 yen	734,000 yen	797,000 yen	759,000 yen	787,000 yen	754,000 yen
	H/G		1.86 times	1.52 times	1.21 times	0.87 times	0.84 times	0.91 times	1.07 times	1.06 times	1.11 times	1.07 times

\* Unrealized gain or loss means the difference between appraisal value and book value at each period end.

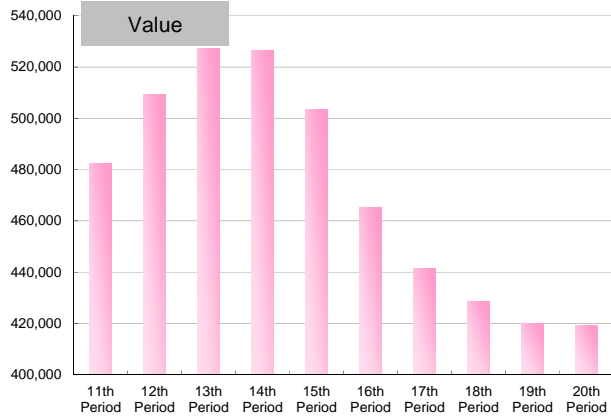
\* Appraisal values at the end of period are survey values determined by institutional appraisers for the 1st Period through 9th Period, or appraisal values determined by institutional appraisers for the 10th Period through 20th Period, at the end of each fiscal period.

# Historical Appraisal Value at the End of Period

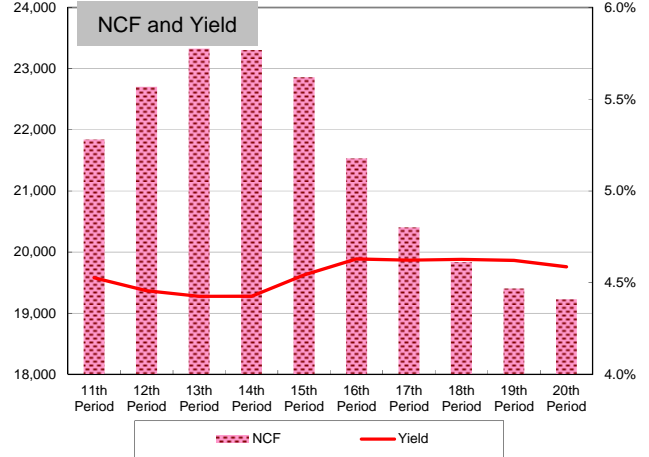
JRE's portfolio of 44 properties with constantly held ownership without increase or decrease of share between the end of the 10th Period and the end of the 20th Period.

## Overall

(In millions of yen)

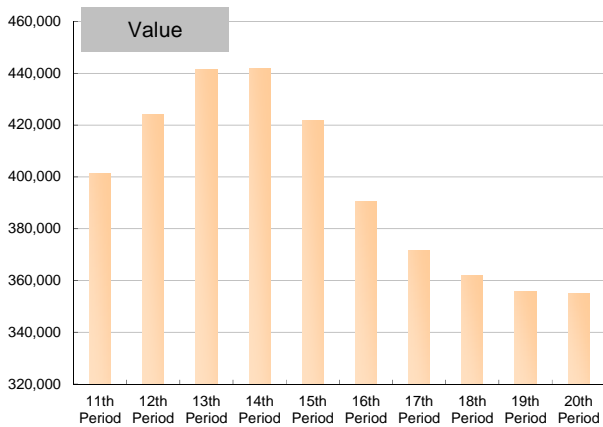


(In millions of yen)

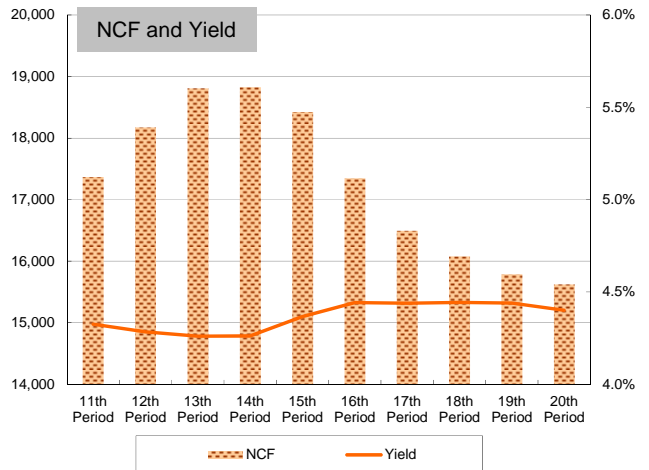


## Tokyo 23 Wards

(In millions of yen)

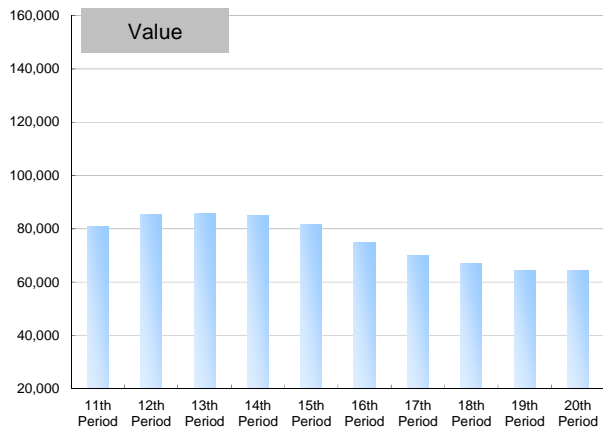


(In millions of yen)

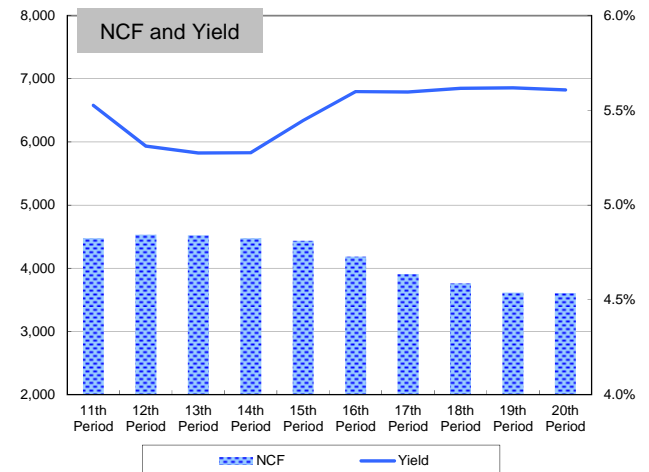


## Other Areas

(In millions of yen)



(In millions of yen)



Value: Calculated using direct capitalization (DC) method based on survey or appraisal value as of the end of each period  
 NCF: Net cash flow in the above DC method  
 Yield: NCF / Value



# Historical NOI Yield (Investment Yield)

## Properties with Constantly Held Share of Ownership: Historical Property-related Revenues, Occupancy Rate, NOI Yield\*

\* NOI Yield = Annualized NOI/Acquisition Price

- Comparison of JRE's portfolio of properties with constantly held shares of ownership throughout the year and on which JRE has paid property and city planning taxes
- Property-related revenues are scaled as 100 at the end of each period (starting point).

		8th Period Sep-05	9th Period Mar-06	10th Period Sep-06	11th Period Mar-07	12th Period Sep-07	13th Period Mar-08	14th Period Sep-08	15th Period Mar-09	16th Period Sep-09	17th Period Mar-10	18th Period Sep-10	19th Period Mar-11	20th Period Sep-11
31 properties held as of the beginning of the 8th Period Acquisition price:¥202.9 billion	Property-related revenues	100.0	100.0	101.3	100.0	103.8	103.7	105.2	100.6	101.3	97.6	92.8	89.7	88.9
	Average occupancy rate during period	98.6%	98.6%	98.6%	97.3%	97.9%	97.4%	96.2%	93.5%	93.2%	91.1%	90.7%	91.4%	92.9%
	NOI yield	5.89%	5.90%	5.98%	5.73%	6.07%	5.79%	6.35%	5.90%	5.42%	5.67%	5.08%	4.89%	4.98%
43 properties held as of the beginning of the 12th Period Acquisition price:¥373.0 billion	Property-related revenues					100.0	100.4	101.1	98.2	97.7	94.0	87.9	87.2	86.4
	Average occupancy rate during period					98.1%	98.0%	97.0%	95.1%	94.2%	92.5%	91.5%	92.0%	93.2%
	NOI yield					5.55%	5.35%	5.68%	5.39%	5.08%	5.10%	4.52%	4.51%	4.57%
51 properties held as of the beginning of the 16th Period Acquisition price:¥525.5 billion	Property-related revenues									100.0	96.3	92.0	90.7	90.1
	Average occupancy rate during period									94.3%	92.4%	92.2%	92.7%	93.6%
	NOI yield									4.93%	4.89%	4.48%	4.42%	4.48%
51 properties held as of the beginning of the 18th Period Acquisition price:¥525.5 billion	Property-related revenues											100.0	98.6	97.9
	Average occupancy rate during period											92.2%	92.7%	93.6%
	NOI yield											4.48%	4.42%	4.48%

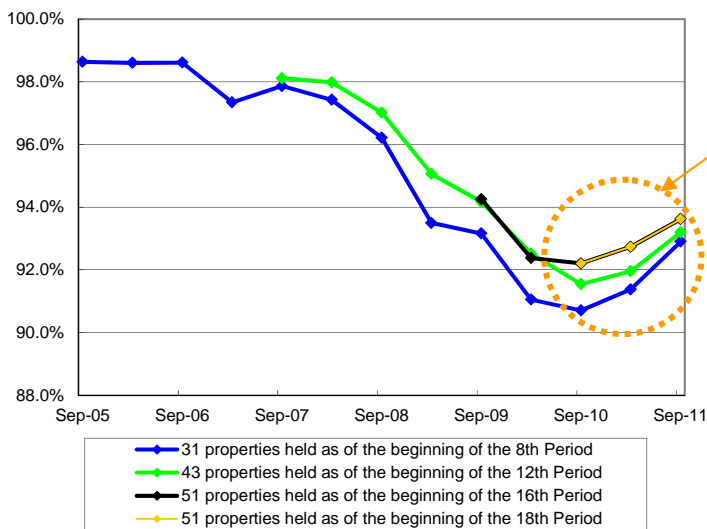
31 properties (8th Period) Excluding 7 properties already transferred and Sendai Honma, NHK Hiroshima, Sanno Grand, Jozenji Park, Harmony Tower, Ginza Sanwa, Ryoshin Ginza EM, Hachioji First and Nbancho Garden from 47 properties at the beginning of the 8th Period

43 properties (12th Period) Excluding 2 properties already transferred and NHK Hiroshima, Ryoshin Ginza EM, Hachioji First, Tokyo Opera City and Mitsubishi UFJ Trust from 50 properties at the beginning of the 12th Period

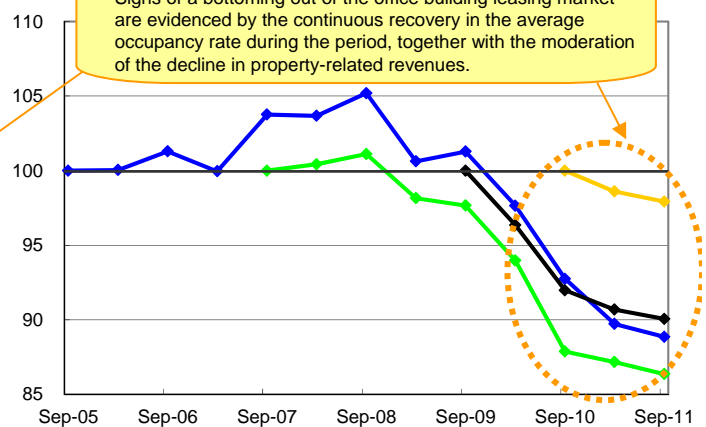
51 properties (16th Period) Excluding 1 property already transferred and Ryoshin Ginza EM, Tokyo Opera City and Shiodome from 55 properties at the beginning of the 16th Period

51 properties (18th Period) Excluding 1 property already transferred and Ryoshin Ginza EM, Tokyo Opera City and Shiodome from 55 properties at the beginning of the 18th Period

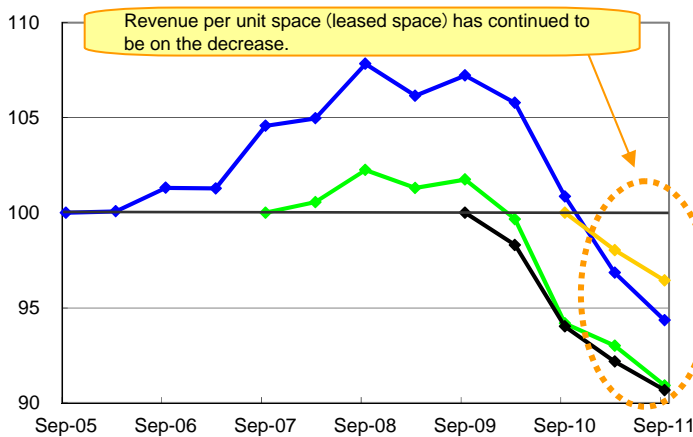
Average Occupancy Rate during the Period



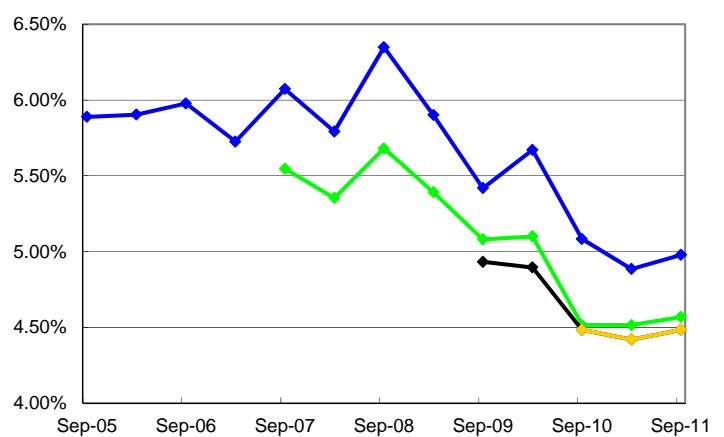
Property-related Revenues



Revenues / Average Occupancy Rate during the Period



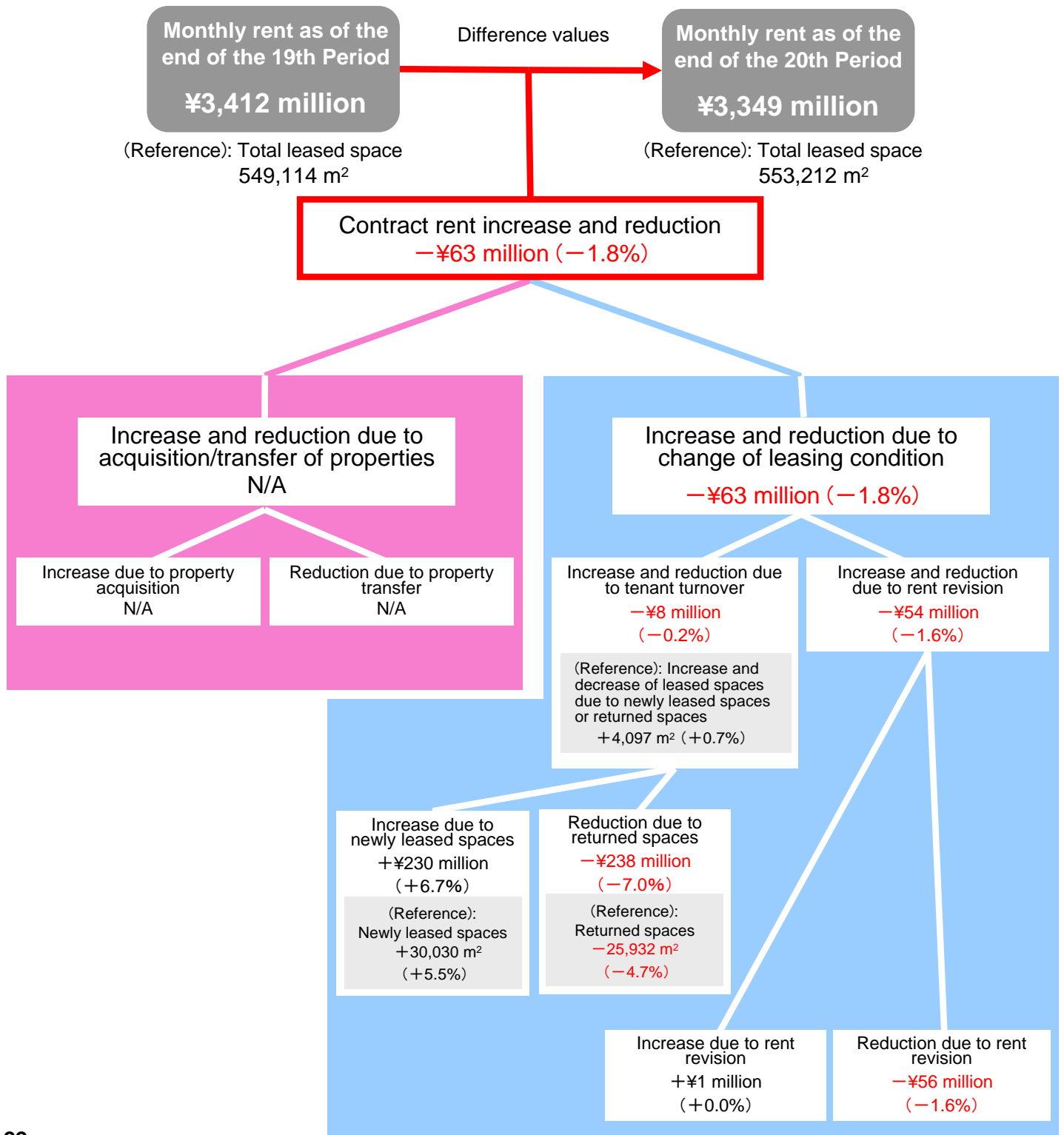
NOI Yield



# Contract Rent Increase and Reduction

## Contract Rent Increase and Reduction (20th Period)

The contract rent increase and reduction is shown in comparison with that of the end of the previous period (prior six months). Data for residential portions are excluded. Percentages represent the rates of rent increase and reduction over monthly total portfolio contract rent (including common service charges) as of the end of the previous period.

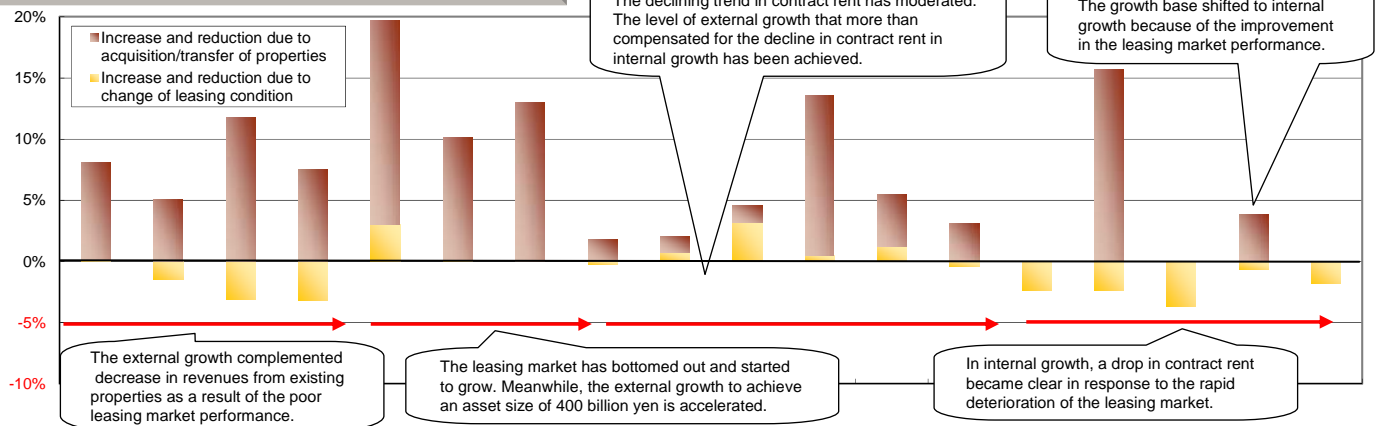


# Contract Rent Increase and Reduction (Trend)

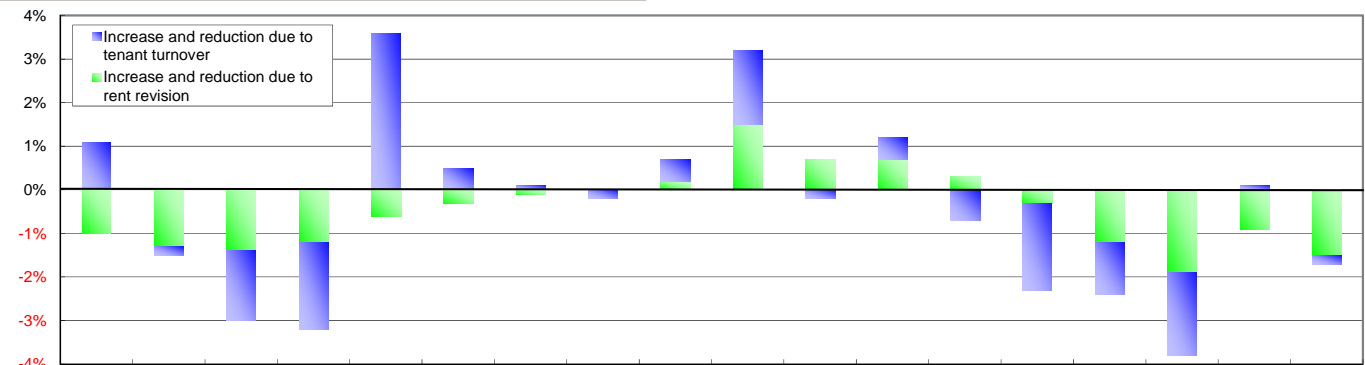
Percentages represent the rates of rent increase and reduction over monthly total portfolio contract rent (including common service charges) as of the end of the previous period (prior six months). Data for residential portions are excluded.

	3rd Period Oct 02- Mar 03	4th Period Apr 03- Sep 03	5th Period Oct 03- Mar 04	6th Period Apr 04- Sep 04	7th Period Oct 04- Mar 05	8th Period Apr 05- Sep 05	9th Period Oct 05- Mar 06	10th Period Apr 06- Sep 06	11th Period Oct 06- Mar 07	12th Period Apr 07- Sep 07	13th Period Oct 07- Mar 08	14th Period Apr 08- Sep 08	15th Period Oct 08- Mar 09	16th Period Apr 09- Sep 09	17th Period Oct 09- Mar 10	18th Period Apr 10- Sep 10	19th Period Oct 10- Mar 11	20th Period Apr 11- Sep 11
Rate of rent increase and reduction over the end of the previous period ... I + II	8.1%	3.6%	8.7%	4.3%	19.7%	10.1%	13.0%	1.5%	2.0%	4.6%	13.6%	5.5%	2.7%	-2.4%	13.3%	-3.7%	3.2%	-1.8%
Increase and reduction due to acquisition/transfer of properties ... I (=①+②)	8.0%	5.1%	11.8%	7.5%	16.7%	9.9%	13.0%	1.8%	1.3%	1.4%	13.1%	4.3%	3.1%	0.0%	15.7%	0.0%	3.9%	0.0%
Increase due to property acquisition ... ①	8.0%	5.1%	11.8%	7.5%	16.7%	9.9%	13.0%	3.9%	8.2%	1.8%	13.1%	4.3%	3.1%	0.0%	15.7%	0.0%	3.9%	0.0%
Reduction due to property transfer ... ②	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-2.1%	-7.0%	-0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Increase and reduction due to change of leasing condition ... II (=③+④)	0.1%	-1.5%	-3.1%	-3.2%	3.0%	0.2%	0.0%	-0.3%	0.7%	3.2%	0.5%	1.2%	-0.4%	-2.4%	-2.4%	-3.7%	-0.7%	-1.8%
Increase and reduction due to tenant turnover ... ③ (=a+b)	1.1%	-0.2%	-1.6%	-2.0%	3.6%	0.5%	0.1%	-0.2%	0.5%	1.7%	-0.2%	0.5%	-0.7%	-2.0%	-1.2%	-1.9%	0.1%	-0.2%
Increase due to newly leased spaces ... a	5.0%	3.0%	6.4%	5.0%	7.4%	3.1%	3.5%	3.5%	3.8%	5.7%	4.4%	4.0%	4.5%	2.6%	3.5%	3.9%	3.5%	6.7%
Reduction due to returned spaces ... b	-4.0%	-3.2%	-8.0%	-7.0%	-3.8%	-2.6%	-3.4%	-3.7%	-3.3%	-4.1%	-4.5%	-3.5%	-5.2%	-4.6%	-4.7%	-5.8%	-3.4%	-7.0%
Increase and reduction due to rent revision ... ④ (=c+d)	-1.0%	-1.3%	-1.4%	-1.2%	-0.6%	-0.3%	-0.1%	0.0%	0.2%	1.5%	0.7%	0.7%	0.3%	-0.3%	-1.2%	-1.9%	-0.9%	-1.5%
Increase due to rent revision ... c	0.0%	0.1%	0.0%	0.8%	0.0%	0.0%	0.0%	0.1%	0.2%	1.5%	0.7%	0.7%	0.4%	0.3%	0.0%	0.0%	0.0%	0.1%
Reduction due to rent revision ... d	-1.0%	-1.4%	-1.4%	-2.0%	-0.6%	-0.3%	-0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.6%	-1.3%	-1.9%	-0.9%	-1.6%

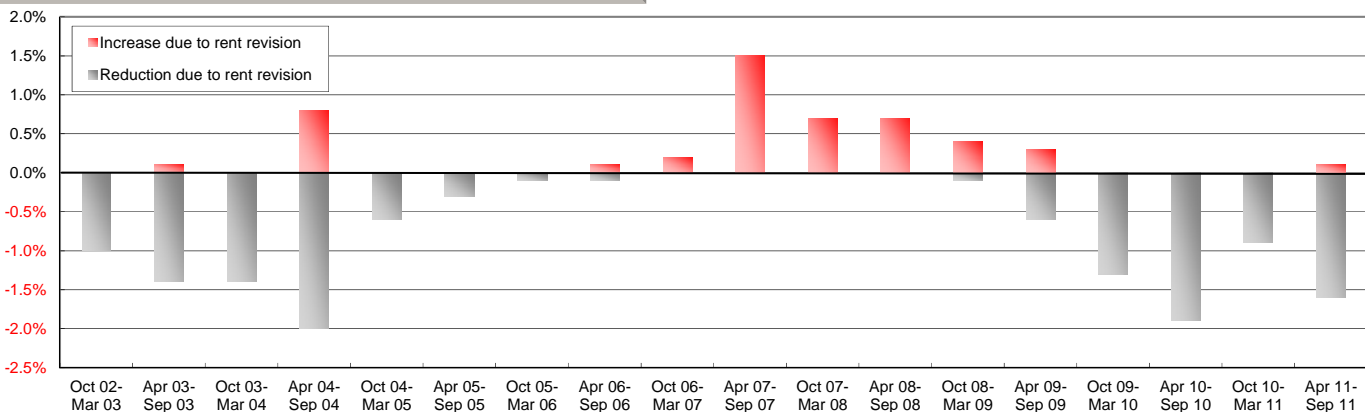
## Factors for rent increase and reduction



## Increase and reduction due to change of leasing condition



## Increase and reduction due to rent revision



## Management Policies

### External Growth

#### Steady external growth with a focus on quality improvement

- **Secure steady external growth by strengthening the collaboration with three sponsors**
  - Try to acquire properties by negotiated transactions mainly with three sponsors
  - Work to diversify the property acquisition processes
- **Continued efforts to strengthen portfolio quality**
  - Acquire relatively new, large-scale competitive properties that generate stable revenues
  - Weigh the external environment and our financial standing in acquiring properties
  - Consider possibilities for reshuffling of assets that could strengthen the portfolio quality on a medium- to long-term basis by comprehensively examining lease market conditions, traffic convenience, and other factors

Especially in this difficult environment, strong teamwork (solid relationships with the sponsors) gives us a competitive advantage.



### Internal Growth

#### Internal growth by our continuous efforts since IPO

- **Continue to keep stable occupancy rates**
  - Proper awareness of tenant needs
  - Implement a constructive leasing strategy to meet the characteristics of each building and changes in the market
- **Enhance rental incomes**
  - Continuous efforts to maintain rent levels
  - Ongoing efforts to carry out the property management cost reduction plan
- **Enhance the value of properties**
  - Conduct timely renovation work

# Growth of Dividends

In soccer, it is said that physical strength is the most important factor for success, even more important than techniques such as a ball control skill. The same can be said for investment management of REITs. JRE will make steady efforts to secure more goals (external growth) even in this difficult market environment, leveraging its physical strength (sound financial foundation)!



## Financial Strategy

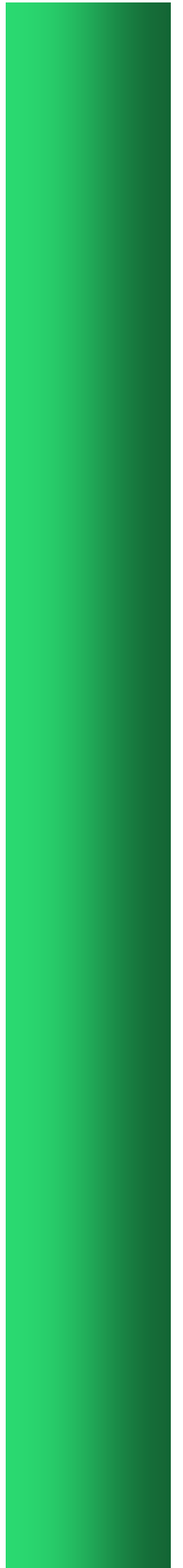
### Sustain and enhance financial soundness

- **Maintain conservative interest-bearing debt / total assets ratio and high credit ratings by strengthening the capital base**
  - Build and keep debtholders' trust
  - Acquire a low-cost, and long-term fund raising capability
  - Secure flexibility in fundraising by limiting the covenants or other restrictive terms of financing
- **Appropriate response to interest risk**
  - Maintain conservative interest-bearing debt / total assets ratio (cruising speed of 30-40% level)
  - Lengthen the term of interest-bearing debt and stabilize the interest rate



**MEMO**

# **1. Details of the 20th Period**



# Income Statement for the 20th Period

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

Term	19th Period	→ change →		20th Period	← change ←		20th Period
	(Mar 31, 2011)	(amount)	(%)	(Sep 30, 2011)	(amount)	(%)	(Sep 30, 2011)
	Actual/Forecast	Actual		Actual			Initial Forecast (*1)
Operating Revenues		22,135	694 3.1%	22,829	29 0.1%		22,800
Property-related Revenues		22,135	147 0.7%	22,283	33 0.1%		22,250
Rental Revenues		21,972		22,187			
Non-rental Revenues		163		95			
Gain on Sale of Properties (*2)		-	546	546	6 1.2%		540
Operating Expenses		12,333	116 0.9%	12,449	-250 -2.0%		12,700
Property-related Expenses (*3)		7,185	-22 -0.3%	7,162	-237 -3.2%		7,400
Property Management Expenses		2,626	-53 -2.0%	2,573			
Property Management Costs		2,579		2,533			
Brokerage Fees, etc.		46		39			
Utilities Expenses		1,664	21 1.3%	1,686			
Property and Other Taxes		1,878	203 10.8%	2,081			
Casualty Insurance		48	0 -0.2%	47			
Repairing Expenses		833	-248 -29.8%	585			
Other Expenses		134	53 40.0%	187			
NOI (*4)		14,950	170 1.1%	15,121	271 1.8%		14,850
Depreciation		4,286	146 3.4%	4,433	-6 -0.2%		4,440
Property-related Profits and Losses (*4)		10,664	23 0.2%	10,687	287 2.8%		10,400
Gross Operating Income		10,664	570 5.3%	11,234	284 2.6%		10,950
Administrative Expenses		861	-7 -0.9%	854	4 0.5%		850
Asset Management Fees		538	8 1.5%	546	16 3.2%		530
Other Administrative Expenses		323		307			
Operating Income		9,802	577 5.9%	10,380	290 2.9%		10,090
Non-operating Revenues		7		30			
Interest Income		7		6			
Other Non-operating Revenues		0		24			
Non-operating Expenses		1,871		1,807			
Interest Expense		1,360	-65 -4.8%	1,295	-53 -2.9%		1,820
Interest Expense on Investment Corporation Bonds		470	0 0.0%	471			
Amortization of Investment Corporation Bond Issuance Costs		21		21			
Other Non-operating Expenses		17		18			
Ordinary Income		7,938	665 8.4%	8,603	343 4.2%		8,260
Income before Income Taxes		7,657		8,614			
Income Taxes		5		346			
Net Income		7,652	616 8.1%	8,268	238 3.0%		8,030
Retained Earnings at Period-end		7,701		8,317			
FFO (*5)		11,938	216 1.8%	12,154			
Dividend per Unit		15,642	208 1.3%	15,850	110 0.7%		15,740

\*1 The initial forecast means the 20th Period performance forecast announced on May 17, 2011.

\*2 Gain on sale of properties + Gain on exchange of properties

\*3 Excluding Depreciation

\*4 Excluding Gain on sale of properties and Dividends earned

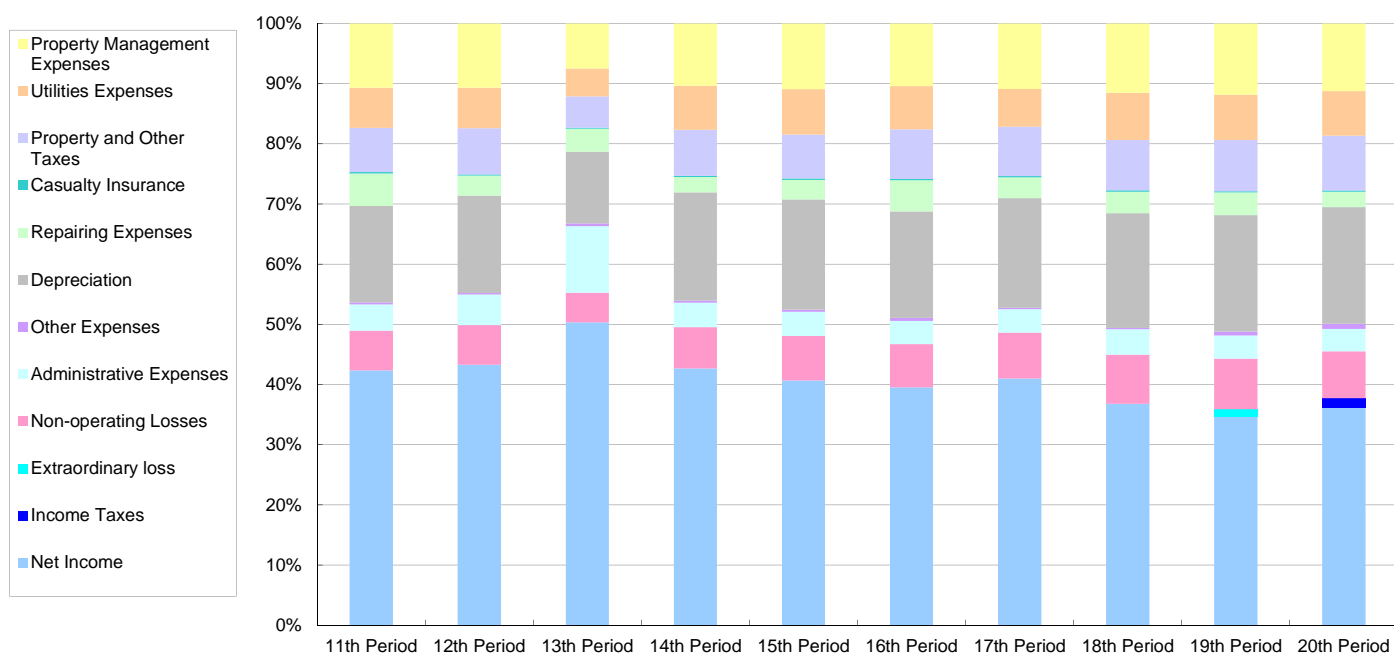
\*5 Net income + Depreciation - Gain on sale of properties - Dividends earned



## <Breakdown of Operating Revenues>

	11th Period 31-Mar-07	12th Period 30-Sep-07	13th Period 31-Mar-08	14th Period 30-Sep-08	15th Period 31-Mar-09	16th Period 30-Sep-09	17th Period 31-Mar-10	18th Period 30-Sep-10	19th Period 31-Mar-11	20th Period 30-Sep-11
Operating Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property Management Expenses	10.7%	10.7%	7.5%	10.4%	10.9%	10.4%	10.9%	11.5%	11.9%	11.3%
Utilities Expenses	6.7%	6.7%	4.7%	7.3%	7.6%	7.2%	6.3%	7.9%	7.5%	7.4%
Property and Other Taxes	7.3%	7.7%	5.2%	7.6%	7.3%	8.2%	8.2%	8.3%	8.5%	9.1%
Casualty Insurance	0.2%	0.2%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Repairing Expenses	5.4%	3.3%	3.8%	2.6%	3.3%	5.2%	3.5%	3.6%	3.8%	2.6%
Depreciation	16.0%	16.2%	11.9%	18.0%	18.3%	17.7%	18.2%	19.1%	19.4%	19.4%
Other Expenses	0.3%	0.2%	0.4%	0.3%	0.4%	0.5%	0.2%	0.2%	0.6%	0.8%
Administrative Expenses	4.3%	5.1%	11.1%	4.1%	4.0%	3.8%	3.9%	4.2%	3.9%	3.7%
Non-operating Losses	6.6%	6.6%	4.9%	6.9%	7.4%	7.2%	7.7%	8.2%	8.4%	7.8%
Extraordinary loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	0.0%
Income Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%
Net Income	42.4%	43.3%	50.3%	42.7%	40.7%	39.5%	41.0%	36.8%	34.6%	36.2%

\*In Operating revenues, Gain on transfer of properties is included from the 10th Period to the 12th Period, Dividends earned are included in the 13th Period, Gain on transfer of development rights of floor area is included in the 16th Period, Gain on sale of properties and Compensation for the property transfer are included in the 17th Period, and Gain on sale of properties and Extraordinary income are included in the 20th Period.



## Balance Sheet for the 20th Period

(In millions of yen)

Item	19th Period (Mar 31, 2011)	20th Period (Sep 30, 2011)	Change	Reason for change
<b>Assets</b>				
<b>I Current Assets</b>				
Cash and Bank Deposits	15,734	19,366	3,632	
Other Current Assets	604	256	-347	Decreased due to refundable consumption taxes, etc.
<b>Total Current Assets</b>	<b>16,339</b>	<b>19,623</b>	<b>3,284</b>	
<b>II Fixed Assets</b>				
<b>Property and Equipment</b>				
Buildings (including those held in trust)	236,128	235,336	-792	Decreased due to the transfer of the property
Structures (including those held in trust)	2,594	2,590	-3	
Machinery and Equipment (including that held in trust)	3,240	3,213	-26	
Land (including that held in trust)	426,447	424,833	-1,614	
Accumulated Depreciation	-47,192	-50,887	-3,694	
<b>Total Property and Equipment</b>	<b>621,217</b>	<b>615,085</b>	<b>-6,131</b>	
<b>Intangible Assets</b>				
Leasehold rights, etc. (including those held in trust)	7,472	7,456	-15	
<b>Total Intangible Assets</b>	<b>7,472</b>	<b>7,456</b>	<b>-15</b>	
<b>Investments and Other Assets</b>				
Investment Securities	577	577	-	
Long-term Prepaid Expenses, etc.	1,101	1,088	-12	
<b>Total Investments and Other Assets</b>	<b>1,678</b>	<b>1,665</b>	<b>-12</b>	
<b>Total Fixed Assets</b>	<b>630,368</b>	<b>624,207</b>	<b>-6,160</b>	
<b>III Deferred Assets</b>				
Deferred Investment Corporation Bond Issuance Costs	140	118	-21	
<b>Total Deferred Assets</b>	<b>140</b>	<b>118</b>	<b>-21</b>	
<b>Total Assets</b>	<b>646,847</b>	<b>643,949</b>	<b>-2,898</b>	

(In millions of yen)

Item	19th Period (Mar 31, 2011)	20th Period (Sep 30, 2011)	Change	Reason for change
<b>Liabilities</b>				
<b>I Current Liabilities</b>				
Short-term Loans	25,000	16,500	-8,500	Decreased due to refinancing to long-term loans, etc.
Current Portion of Long-term Loans	68,100	8,100	-60,000	
Current Portion of Investment Corporation Bonds	-	10,000	10,000	Decreased due to the transfer of deposits received in the 19th Period for the property transfer in the 20th Period, etc.
Rent Received in Advance	2,979	2,477	-502	
Other Current Liabilities	2,989	3,019	30	
<b>Total Current Liabilities</b>	<b>99,069</b>	<b>40,097</b>	<b>-58,971</b>	
<b>II Long-term Liabilities</b>				
Investment Corporation Bonds	55,000	45,000	-10,000	Increased due to refinancing from current portion of long-term loans and short-term loans to long-term loans
Long-term Loans	124,300	189,750	65,450	
Deposits Received from Tenants	36,130	35,788	-341	Increased due to deferred tax liabilities related to reserve for reduction entry, etc.
Other Long-term Liabilities	294	642	348	
<b>Total Long-term Liabilities</b>	<b>215,724</b>	<b>271,181</b>	<b>55,457</b>	
<b>Total Liabilities</b>	<b>314,793</b>	<b>311,279</b>	<b>-3,514</b>	
<b>Net Assets</b>				
Unitholders' Capital	324,353	324,353	-	
Retained Earnings	7,701	8,317	616	
<b>Total Net Assets</b>	<b>332,054</b>	<b>332,670</b>	<b>616</b>	
<b>Total Liabilities and Net Assets</b>	<b>646,847</b>	<b>643,949</b>	<b>-2,898</b>	

## Cash Flow and Dividend Statement for the 20th Period

### Cash Flow Statement

(In millions of yen)

Item	20th Period (183 days)
Cash Flow from Operating Activities	15,992
Income before income taxes	8,614
Depreciation	4,433
Other	2,944
Cash Flow from Investing Activities	-5,161
Cash Flow from Financial Activities	-10,699
Proceeds from short-term loans	7,000
Repayment of short-term loans	-15,500
Proceeds from long-term loans	66,500
Repayment of long-term loans	-61,050
Proceeds from investment corporation bonds	-
Redemption of investment corporation bonds	-
Payments of investment corporation bond issuance costs	-
Proceeds from issuance of units	-
Payment of new unit issuance costs	-
Dividends to unitholders	-7,649
Net Change in Cash and Cash Equivalents	132
Cash and Cash Equivalents at Beginning of Period	11,234
Cash and Cash Equivalents at End of Period	11,366

### Dividend Statement

(In yen)

Item	20th Period (183 days)
Retained Earnings at End of Period	8,317,354,373
Total Amount of Dividends	7,753,820,000
Reserve for Reduction Entry	533,179,665
Retained Earnings	30,354,708

Dividend per unit: **15,850 yen** (19th Period: 15,642 yen)

- JRE recognized reserve for reduction entry to the extent that taxable income for the current period is not incurred under the application of the Special Provisions for Taxation on Investment Corporations (Article 67-15 of the Special Taxation Measures Law of Japan) and with the utilization of the Special Provisions for Taxation in the case of Advanced Acquisition of Land, etc. in 2009 and 2010 (Article 66-2 of the Special Taxation Measures Law of Japan) for the purpose of strengthening JRE's financial foundation.
- JRE will pay dividends for the 20th Period in the amount of ¥7,753,820,000, which is the integral multiple of 489,200—the number of units outstanding, out of the amount of unappropriated retained earnings at the end of the period after the deduction of the reserve for reduction entry and associated income taxes deferred.

## Financial Ratios

Period	16th Period	17th Period	18th Period	19th Period	20th Period
Number of days	30-Sep-09 183days	31-Mar-10 182days	30-Sep-10 183days	31-Mar-11 182days	30-Sep-11 183days
Return on Assets (ROA) (annualized)	1.5%	1.5%	1.3%	1.2%	1.3%
Return on Equity (ROE) (annualized)	3.0%	3.0%	2.6%	2.5%	2.7%
EOP Equity Ratio	2.8%	2.7%	2.4%	2.3%	2.5%
LTV (1)	5.5%	5.5%	4.9%	4.6%	5.0%
LTV (2)	54.2%	52.3%	52.4%	51.3%	51.7%
LTV (3)	39.1%	41.2%	41.3%	42.1%	41.8%
LTV (4)	42.6%	44.7%	44.7%	45.6%	45.4%
EOP Long-term Debt to Capitalization	39.1%	40.9%	40.8%	41.2%	40.9%
Debt Service Coverage Ratio (DSCR)	37.3%	40.7%	41.5%	42.4%	42.5%
NOI (In millions of yen)	114.2%	109.2%	116.4%	116.7%	104.8%
FFO (In millions of yen)	9.0 times	9.0 times	7.8 times	7.5 times	8.4 times
	13,950	14,414	15,091	14,950	15,121
	11,577	11,914	12,353	11,938	12,154

\* ROA= Ordinary income / Average of total assets during the period

Average of total assets during the period is calculated as the average values of total assets at the beginning and end of the period.

\* ROE= Net income / Average of net assets during the period

Average of net assets during the period is calculated as the average values of net assets at the beginning and end of the period.

However, if the new units are issued during the period, the following formula is used to calculate the average, with the number of days from the beginning of the period to the day prior to the day of new unit issuance assumed to be A days and from the day of new unit issuance to the end of the period to be B days:

(Net assets at the beginning of the period x A days + net assets at the end of the period x B days)/operating days (A + B days).

\* EOP equity ratio = EOP net assets / EOP total assets

\* LTV (1) = EOP interest-bearing debt / EOP total assets

\* LTV (2) = EOP interest-bearing debt / (EOP interest-bearing debt + EOP unitholders' capital)

\* LTV (3) = EOP interest-bearing debt / EOP total property acquisition price

\* LTV (4) = EOP interest-bearing debt / EOP total property appraisal values determined by institutional appraisers

(The appraisal value of the land adjacent to Ryoshin Ginza East Mirror Building is not included in the total property appraisal values at period-end up to the 17th Period.)

\* EOP long-term debt to capitalization = EOP fixed assets / (EOP long-term liabilities + EOP unitholders' capital)

\* DSCR = Net income before interest, taxes, depreciation and amortization / Interest expenses

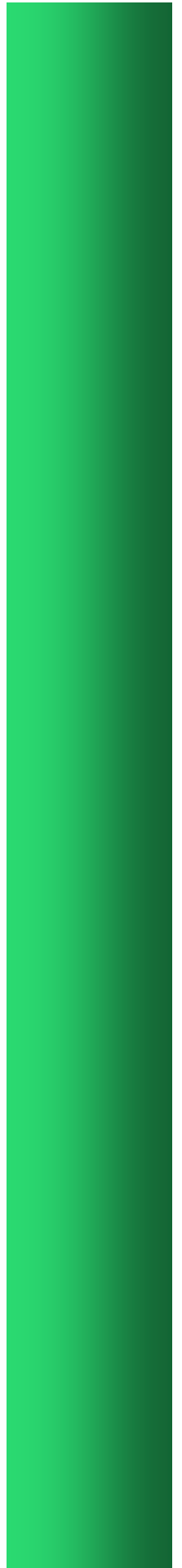
\* NOI = Property-related revenues – Property-related expenses (excluding Depreciation)

\* FFO = Net income + Depreciation – Gain on sale of properties – Gain on transfer of development rights of floor area  
– Compensation for the property transfer



**MEMO**

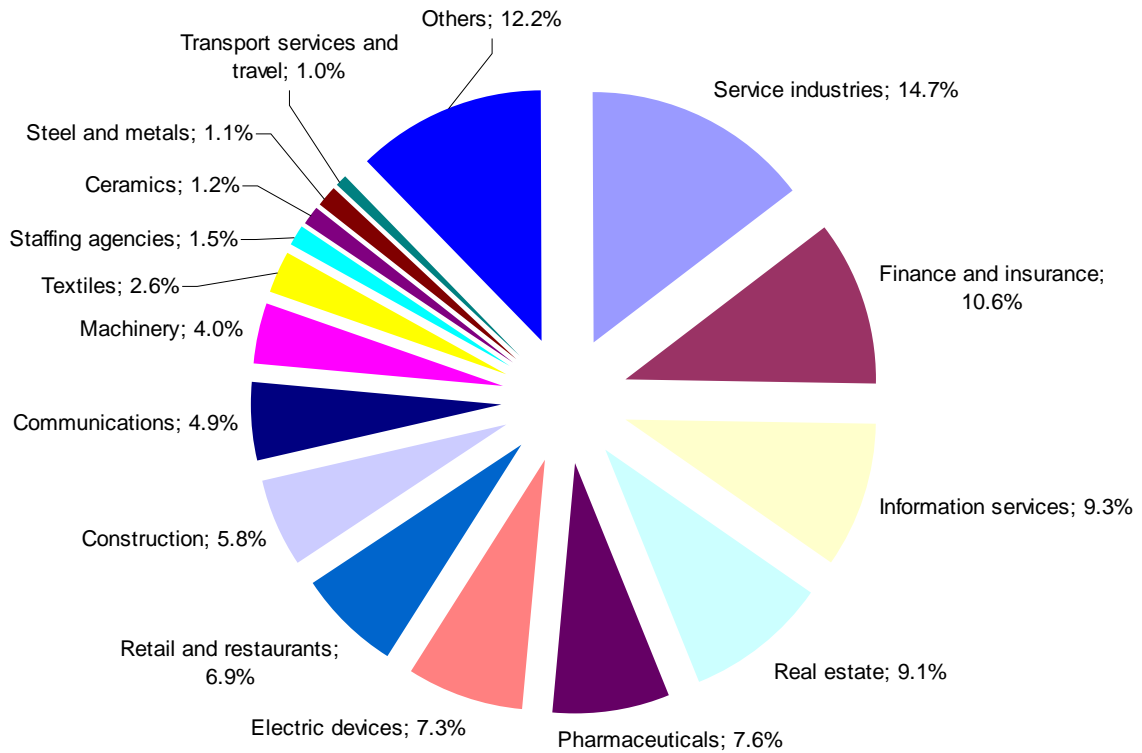
## **2. Overview of Property Portfolio**



# Tenant Data ① (Diversification)

## Tenant Diversification

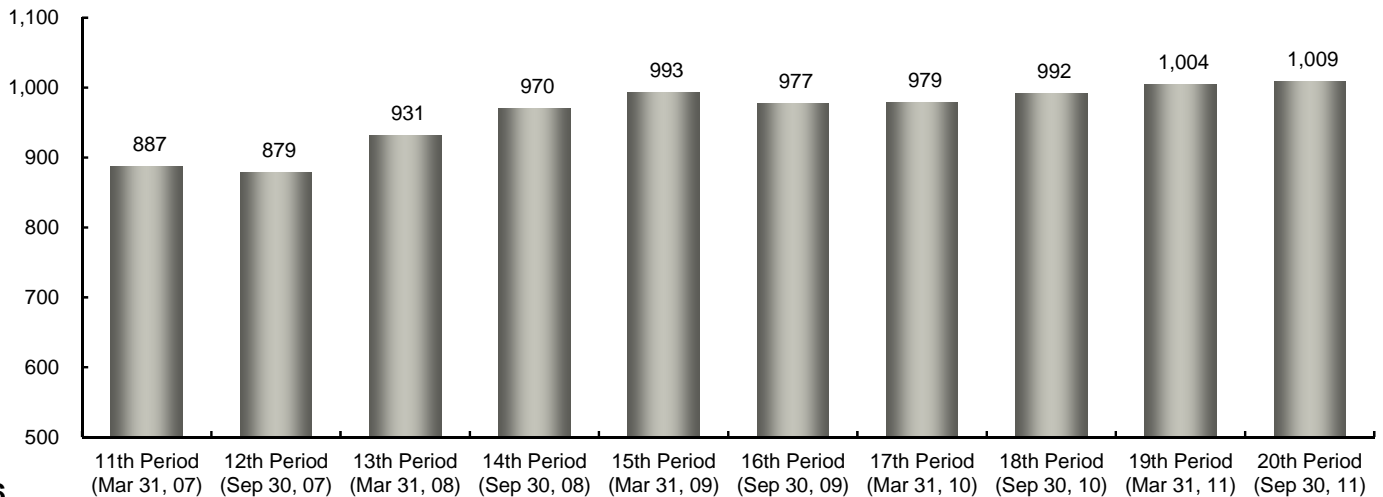
56 properties as of September 30, 2011  
Based on the leased space



## Number of Tenants

Gross number of tenants

\* The number of tenants is disclosed based on the gross number of tenants by building.





## Tenant Data ② (Major Tenants)

### Major Tenants (Top 10)

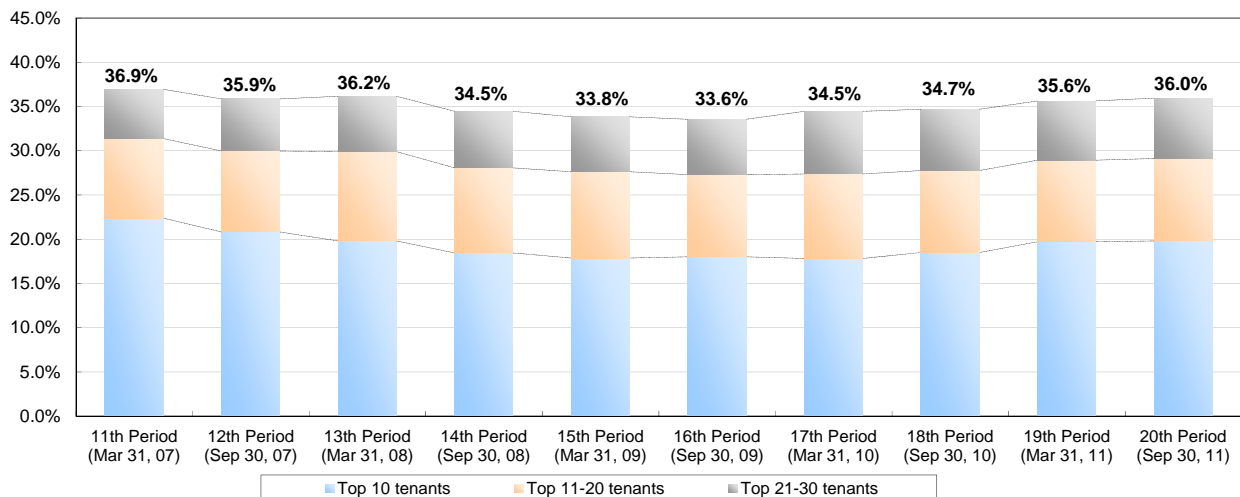
56 properties as of September 30, 2011 Based on the leased space

20th Period-end					19th Period-end		Leased Space Change (m <sup>2</sup> )
Rank	Tenant	Property	Leased Space (m <sup>2</sup> )	% of Total Leased Space	Rank	Leased Space (m <sup>2</sup> )	
1	MSD K.K.	Kitanomaru Square (also includes 1 other building)	23,695	4.3%	1	23,126	568
2	Mitsubishi Estate Co., Ltd.	Osaki Front Tower	16,856	3.0%	2	16,856	0
3	NTT Communications Corporation	Shiodome Building	11,813	2.1%	3	11,813	0
4	Mitsubishi UFJ Trust and Banking Corporation	Mitsubishi UFJ Trust and Banking Building	10,598	1.9%	4	10,665	-66
5	Seven & i Holdings Co., Ltd.	Nibancho Garden	9,316	1.7%	5	9,316	0
6	Space Design, Inc.	Burex Kojimachi Building (also includes 1 other building)	8,774	1.6%	6	8,774	0
7	JSOL Corporation	Harumi Center Building	8,567	1.5%	7	8,567	0
8	(Note)	MM Park Building (also includes 1 other building)	7,027	1.3%	8	7,027	0
9	TOTO LTD.	Midosuji Daiwa Building (also includes 1 other building)	6,118	1.1%	9	6,118	0
10	(Note)	Shibuya Cross Tower	6,045	1.1%	12	5,562	482
11	Company A		5,935	1.1%	10	5,935	0
12	Company B		5,820	1.1%	11	5,820	0
13	Company C		5,560	1.0%	13	5,560	0
14	Company D		5,435	1.0%	14	5,435	0
15	Company E		5,246	0.9%	15	5,246	0

(Note) Not disclosed due to tenant's request

### Percentage of Major Tenants

56 properties as of September 30, 2011 Based on the leased space



# Tenant Data ③ (Trend in New Rent [Market Rent] Levels)

- ◆ With regard to the new rent data\* assessed by CB Richard Ellis K.K. (CBRE), the trend shows the price as of June 30, 2011 set at 100.
- ◆ The assessment was made for 50 properties. 6 properties in unusual situations, including single-tenant leased properties, are excluded from the 56 properties held in total as of September 30, 2011.

\*JRE requests CBRE to assess the new rent levels (between the range of upper and lower limits) regarding properties held by JRE (excluding properties in unusual situations, including single-tenant leased properties) on a semi-annual basis.

Area	Property Name	Trend in assessed new rent (intermediate value of upper and lower limits:index) at time of survey																	
		'03/12	'04/06	'04/12	'05/06	'05/12	'06/06	'06/12	'07/06	'07/12	'08/06	'08/12	'09/06	'09/12	'10/06	'10/12	'11/06		
Tokyo 23 Wards	Chiyoda	Genki Medical Plaza																	
		Kitanomaru Square												117	111	107	104	100	
		MD Kanda	135	135	139	145	145	167	167	182	188	170	152	127	115	106	106	100	
		Kandabashi Park	127	127	134	140	143	177	177	194	194	183	160	137	123	114	106	100	
		Nibancho Garden																	
		Mitsubishi UFJ Trust																	
		Burex Kojimachi																	
		Sanno Grand			117	124	140	162	167	176	176	169	148	124	114	105	100	100	
	Yurakucho Denki	106	106	118	127	139	159	167	188	188	180	149	118	110	104	102	100		
	Chuo	Kodenmacho	104	104	107	114	114	121	121	154	164	157	146	132	118	104	104	100	
		Kyodo (Kayabacho 2Chome)																100	
		Burex Kyobashi																	
		Ginza Sanwa				140	150	157	164	176	176	174	136	119	119	107	102	100	
		Ryoshin Ginza EM				152	152	158	167	176	176	167	155	133	118	106	106	100	
	Minato	Harumi Center										152	152	145	129	119	106	103	100
		Aoyama Crystal	119	117	124	136	148	150	162	169	169	164	148	121	110	102	102	100	
		Shiodome												124	112	106	102	100	
	Shinjuku	Shiba 2Chome Daimon	126	126	141	156	159	167	170	178	181	181	170	148	126	107	100	100	
		Cosmo Kanasugibashi	124	124	132	144	152	160	168	176	184	184	160	132	124	108	100	100	
		Shinwa			121	127	133	158	170	176	176	176	152	121	115	112	100	100	
	Shinagawa	Tokyo Opera City					140	153	160	164	164	160	136	111	107	102	102	100	
		Higashi-Gotanda 1Chome		128	141	141	145	145	152	159	159	159	145	131	117	107	103	100	
	Ota	Osaki Front Tower																	
Omor-Eki Higashiguchi		123	123	123	123	123	123	135	142	150	150	131	127	112	112	104	100		
Shibuya	Nippon Brunswick		118	118	118	124	127	148	148	148	148	145	115	112	106	100	100		
	Yoyogi 1Chome				133	148	164	170	173	176	176	152	121	115	112	106	100		
	da Vinci Harajuku	129	129	129	129	146	146	146	146	146	146	140	114	106	103	100	100		
	Jingumae MS	121	118	118	121	145	153	163	163	168	163	153	118	111	108	105	100		
	Shibuya Cross Tower	109	109	123	130	148	170	170	175	175	175	164	143	105	100	100	100		
Nakano	Ebisu Neonato	114	117	129	138	155	167	174	181	181	171	143	110	107	105	100	100		
	Harmony Tower				129	135	141	153	159	159	159	147	124	109	109	103	100		
Toshima	Otsuka Higashi-Ikebukuro	104	96	96	96	96	96	100	117	117	122	122	117	109	109	109	100		
	Ikebukuro 2Chome	98	98	98	100	100	104	104	112	112	112	112	108	100	100	100	100		
	Ikebukuro YS			107	114	121	131	138	141	141	141	141	134	114	107	107	100	100	
Other Areas	Hachioji	Hachioji First				125	125	125	125	125	125	130	130	125	115	110	110	100	
		Saitama	105	90	90	110	110	119	124	129	129	129	129	119	100	100	100	100	
	Yokohama	MM Park											136	132	114	100	100	100	
		Kawasaki	119	119	119	119	119	119	119	119	124	124	124	119	110	110	110	100	
	Sapporo	Musashi Kosugi STM												122	115	107	107	107	100
		8-3 Square Kita									100	104	104	100	100	100	100	100	
	Sendai	Jozenji Park			115	118	125	125	125	128	128	128	113	105	100	100	100	100	
		Sendai Honma	141	135	135	138	147	147	147	150	150	150	135	124	118	106	100	100	
	Kanazawa	Kanazawa Park	114	114	114	114	112	126	126	126	126	124	114	105	100	100	100	100	
		Nagoya	Nishiki Park								146	146	146	142	138	129	121	104	104
	Hirokoji Sakae									135	130	130	130	130	130	125	115	115	100
	Nagoya Hirokoji		129	129	129	129	138	138	138	138	138	138	138	133	129	125	104	104	100
	Kyoto	Nagoya Misono	134	134	134	134	142	137	137	137	137	137	132	132	126	111	111	100	
		Kyoto Kawaramachi	103	103	103	103	103	103	109	115	121	121	115	103	103	100	100	100	100
	Osaka	Shin-Fujita												132	128	112	100	100	100
		Sakaishijhonmachi	139	122	122	128	139	150	161	161	161	161	156	144	128	117	106	106	100
		Midosuji Daiwa	112	108	108	116	124	148	148	152	152	152	148	132	108	100	100	100	100
	Okayama	Lit City						108	108	108	108	108	104	104	100	100	100	100	
	Hiroshima	NHK Hiroshima		95	95	95	98	109	109	109	109	113	113	113	105	102	102	102	100
		Fukuoka	Tosei Tenjin	114	109	109	109	109	114	114	120	120	120	120	109	103	103	103	100
	Tenjin Crystal					137	137	142	142	142	142	142	137	121	111	100	100	100	100
	Hinode Tenjin		109	100	100	100	105	114	114	114	114	114	114	114	105	100	100	100	100

	Assessed rent increased compared to the preceding assessment
	Assessed rent decreased compared to the preceding assessment
(blank)	No ownership, or properties without rent assessment

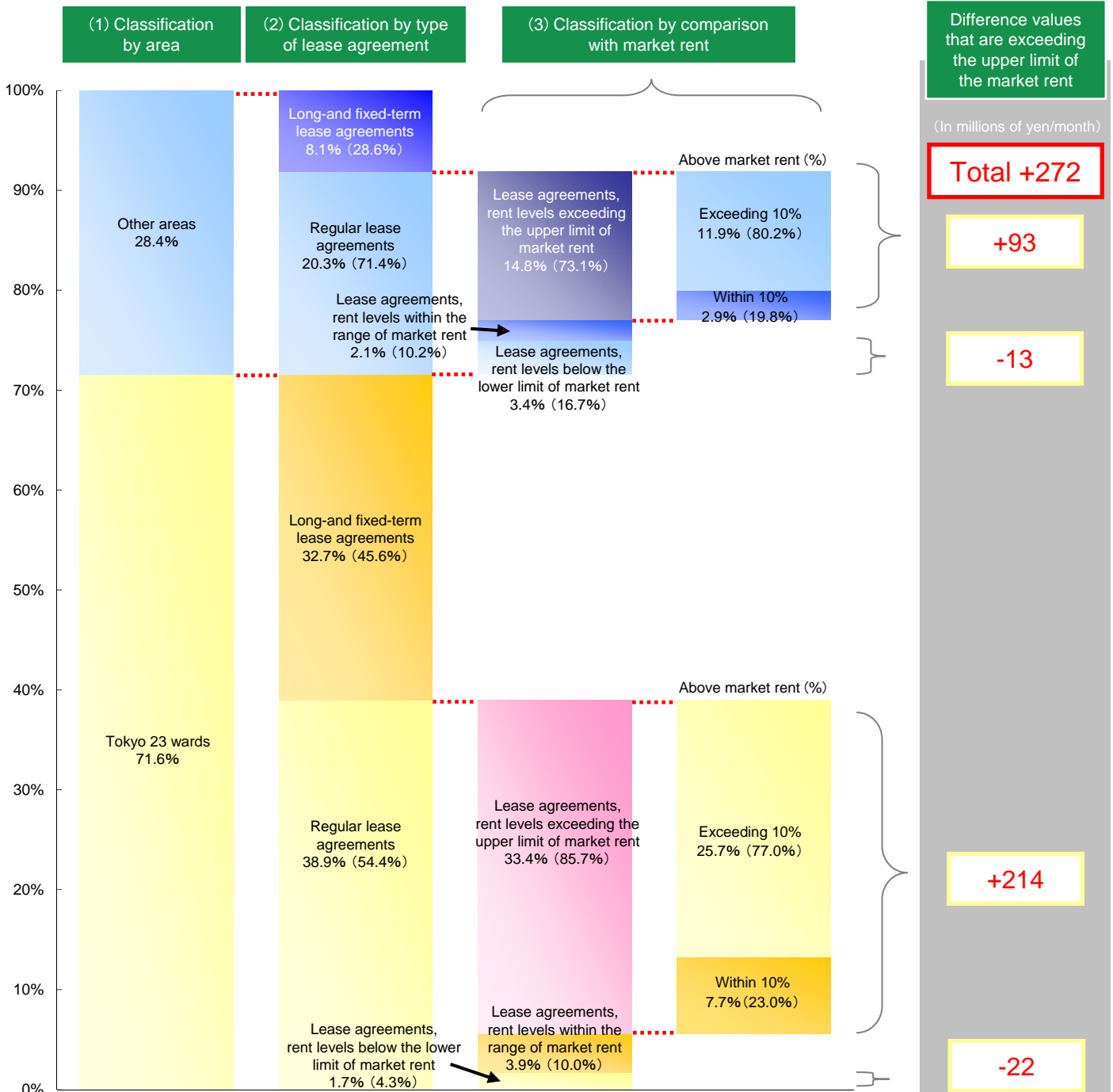
# Tenant Data ④ (Comparison of Portfolio Rent vs Market Rent)

## Classification of Lease Agreements

(Percentages represent the share of the entire portfolio. The numbers in parenthesis show the percentage of the share classified in the previous step.)

56 properties held as of September 30, 2011. The data is calculated on a **monthly rent** basis including common service charges.

Monthly rent in the entire portfolio, including common service charges: **¥3,349 million**



\*Long- and fixed-term lease agreements are contracts in which revenues are promised for a period of one year or longer from the end of the 20th Period.

\*Regular lease agreements are contracts other than the long- and fixed-term lease agreements.

\*Lease agreements, rent levels within the range of market rent are contracts in which the rent level falls in the range of the upper and lower limits of the CBRE assessed rent. At the same time, lease agreements for special purposes, such as office space in the basement and machine rooms, etc., are included in this category.

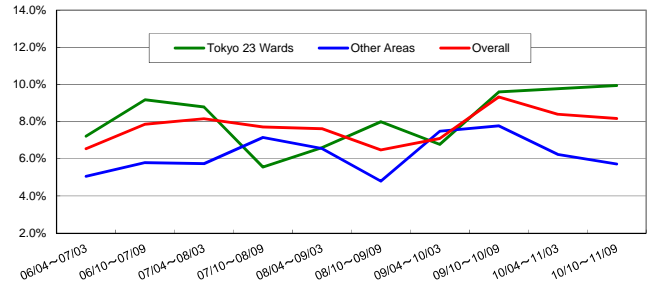
# Tenant Data ⑤ (Tenant Turnover)

## Ratio of Annual Turnover

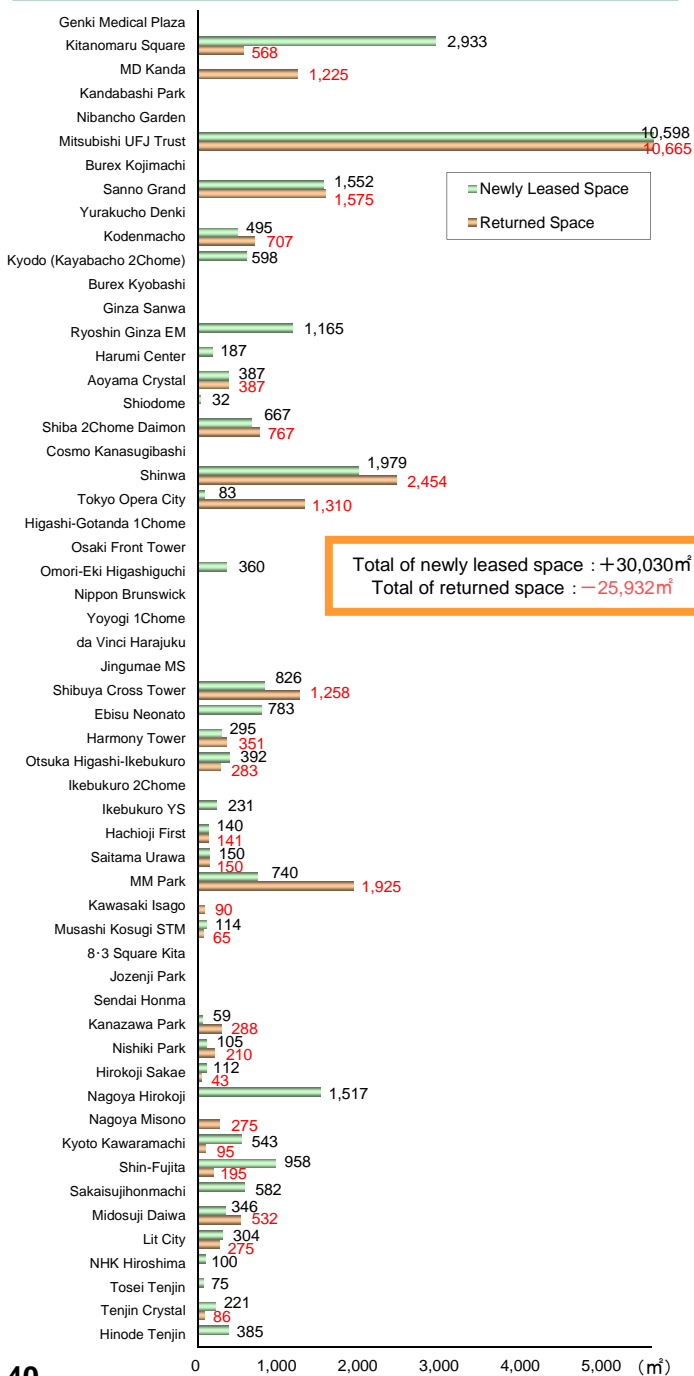
Ratio of Annual Tenant Turnover (\*)

	06/04~ 07/03	06/10~ 07/09	07/04~ 08/03	07/10~ 08/09	08/04~ 09/03	08/10~ 09/09	09/04~ 10/03	09/10~ 10/09	10/04~ 11/03	10/10~ 11/09
Tokyo 23 Wards	7.2%	9.2%	8.8%	5.6%	6.6%	8.0%	6.8%	9.6%	9.8%	9.9%
Other Areas	5.1%	5.8%	5.7%	7.2%	6.6%	4.8%	7.5%	7.8%	6.2%	5.7%
Overall	6.6%	7.9%	8.2%	7.7%	7.6%	6.5%	7.1%	9.3%	8.4%	8.2%

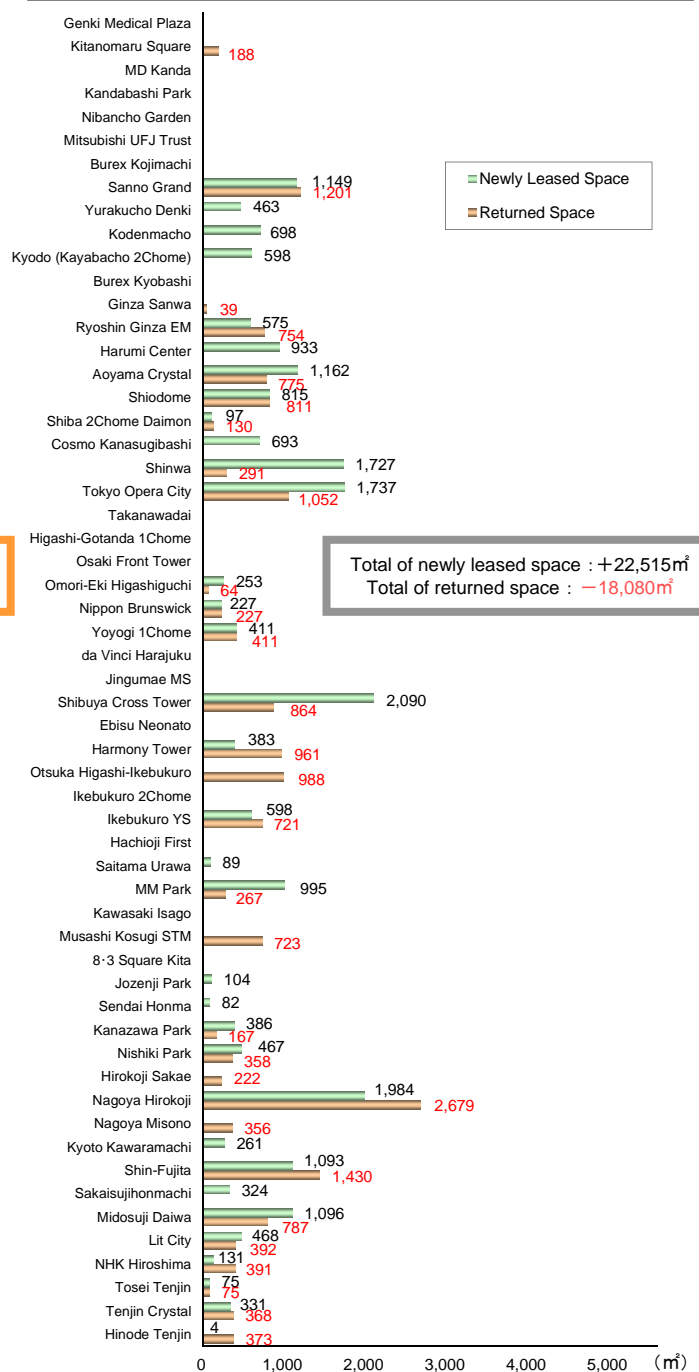
\*Ratio of Annual Tenant Turnover is calculated using the following formula: the area for which tenants changed (the smaller of either the leased space or returned space during the year) ÷ ((area of leased space at the end of the period + area of leased space at the end of the period before the preceding period) × 1/2)



## 20th Period

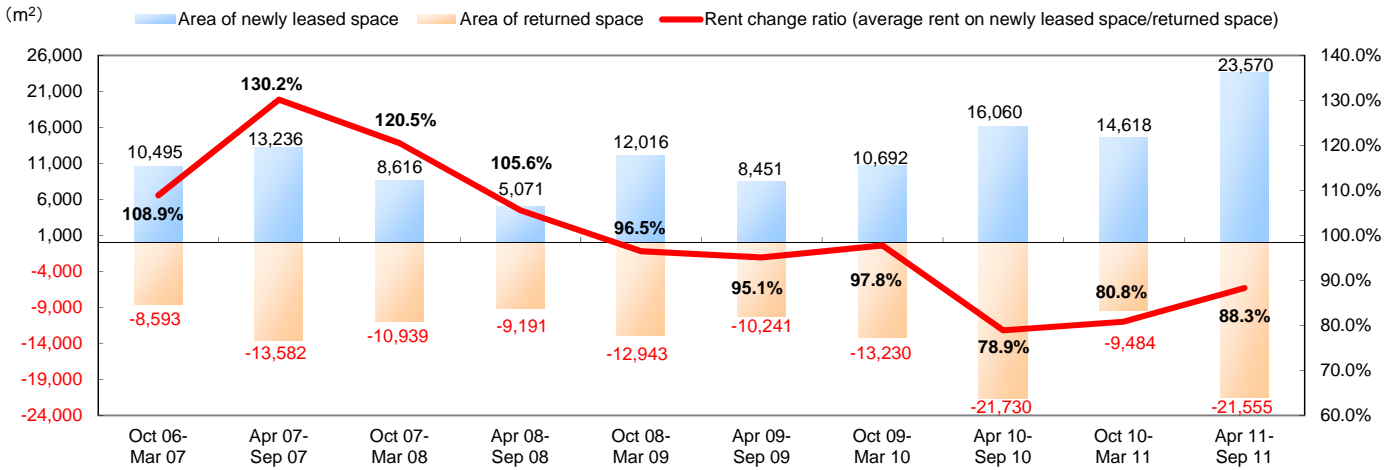


## 19th Period

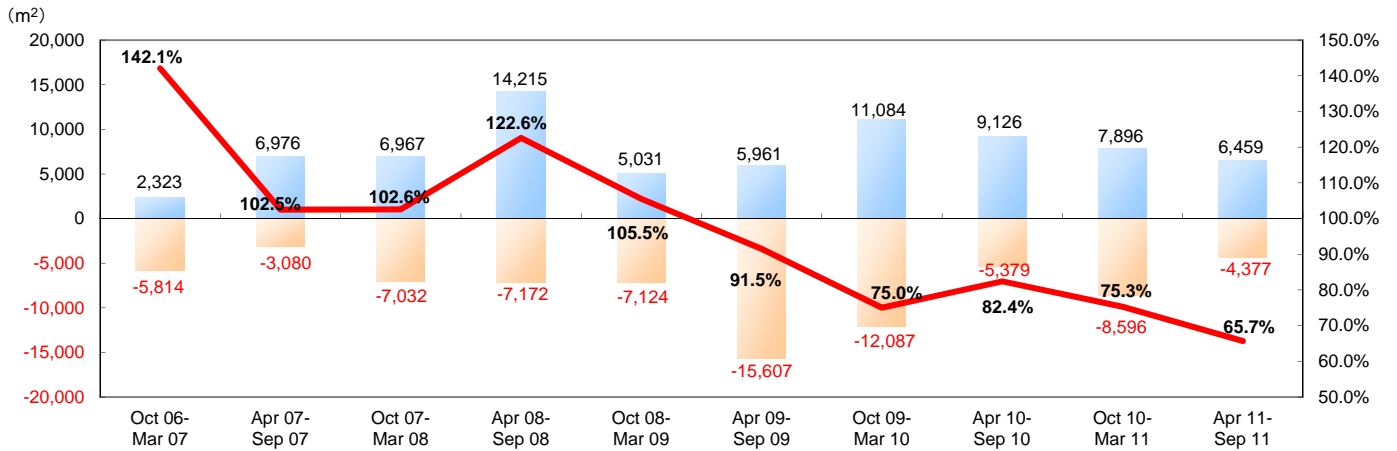


# Trend in Area of Newly Leased & Returned Space and Rent Change Ratio

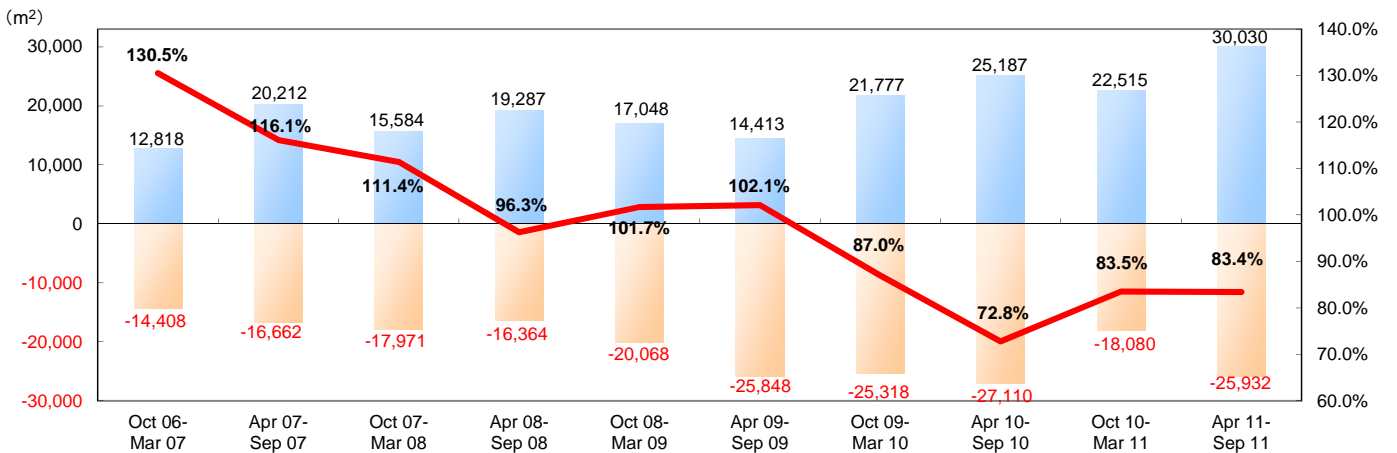
## Tokyo 23 Wards



## Other Areas



## Overall



# Tenant Data ⑥ (Trend of Rent Revision)

## Existing Tenants: Trend of Rent Increase and Reduction

● Rent increase revision data for the Sep-05 Period or before are not listed due to insufficient samples.

### <Rent increase on revision of monthly rent>

In thousands of yen/month

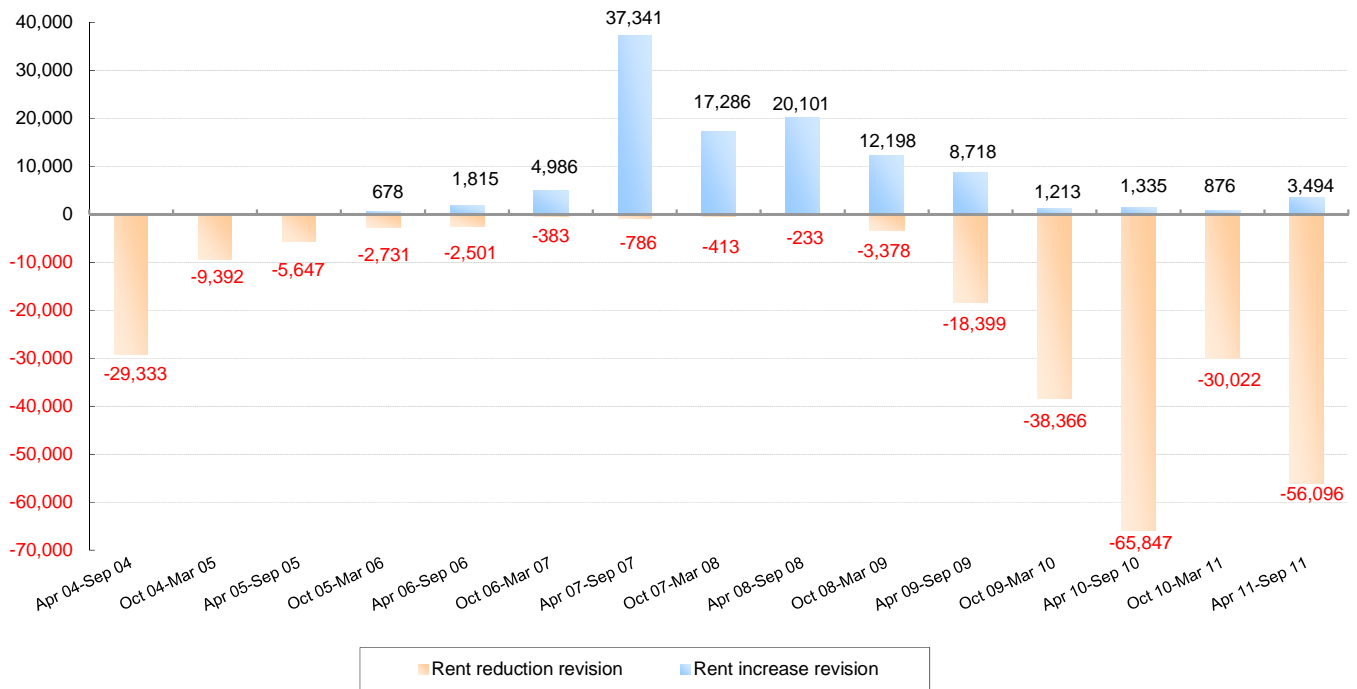
	Apr 04-Sep 04	Oct 04-Mar 05	Apr 05-Sep 05	Oct 05-Mar 06	Apr 06-Sep 06	Oct 06-Mar 07	Apr 07-Sep 07	Oct 07-Mar 08	Apr 08-Sep 08	Oct 08-Mar 09	Apr 09-Sep 09	Oct 09-Mar 10	Apr 10-Sep 10	Oct 10-Mar 11	Apr 11-Sep 11
Tokyo 23 Wards				646	1,706	4,979	35,780	15,600	17,771	11,006	4,326	258	1,169	288	3,372
Other Areas				32	109	6	1,560	1,685	2,329	1,191	4,391	954	165	588	121
Overall				678	1,815	4,986	37,341	17,286	20,101	12,198	8,718	1,213	1,335	876	3,494

### <Rent reduction on revision of monthly rent>

	Apr 04-Sep 04	Oct 04-Mar 05	Apr 05-Sep 05	Oct 05-Mar 06	Apr 06-Sep 06	Oct 06-Mar 07	Apr 07-Sep 07	Oct 07-Mar 08	Apr 08-Sep 08	Oct 08-Mar 09	Apr 09-Sep 09	Oct 09-Mar 10	Apr 10-Sep 10	Oct 10-Mar 11	Apr 11-Sep 11
Tokyo 23 Wards	-16,970	-2,179	-3,311	-393	-89	0	-22	-350	-26	-2,218	-10,806	-27,211	-49,726	-22,157	-44,791
Other Areas	-12,362	-7,213	-2,335	-2,337	-2,412	-383	-763	-63	-207	-1,159	-7,592	-11,155	-16,121	-7,865	-11,304
Overall	-29,333	-9,392	-5,647	-2,731	-2,501	-383	-786	-413	-233	-3,378	-18,399	-38,366	-65,847	-30,022	-56,096

### <Entire portfolio/Trend of rent increase and reduction>

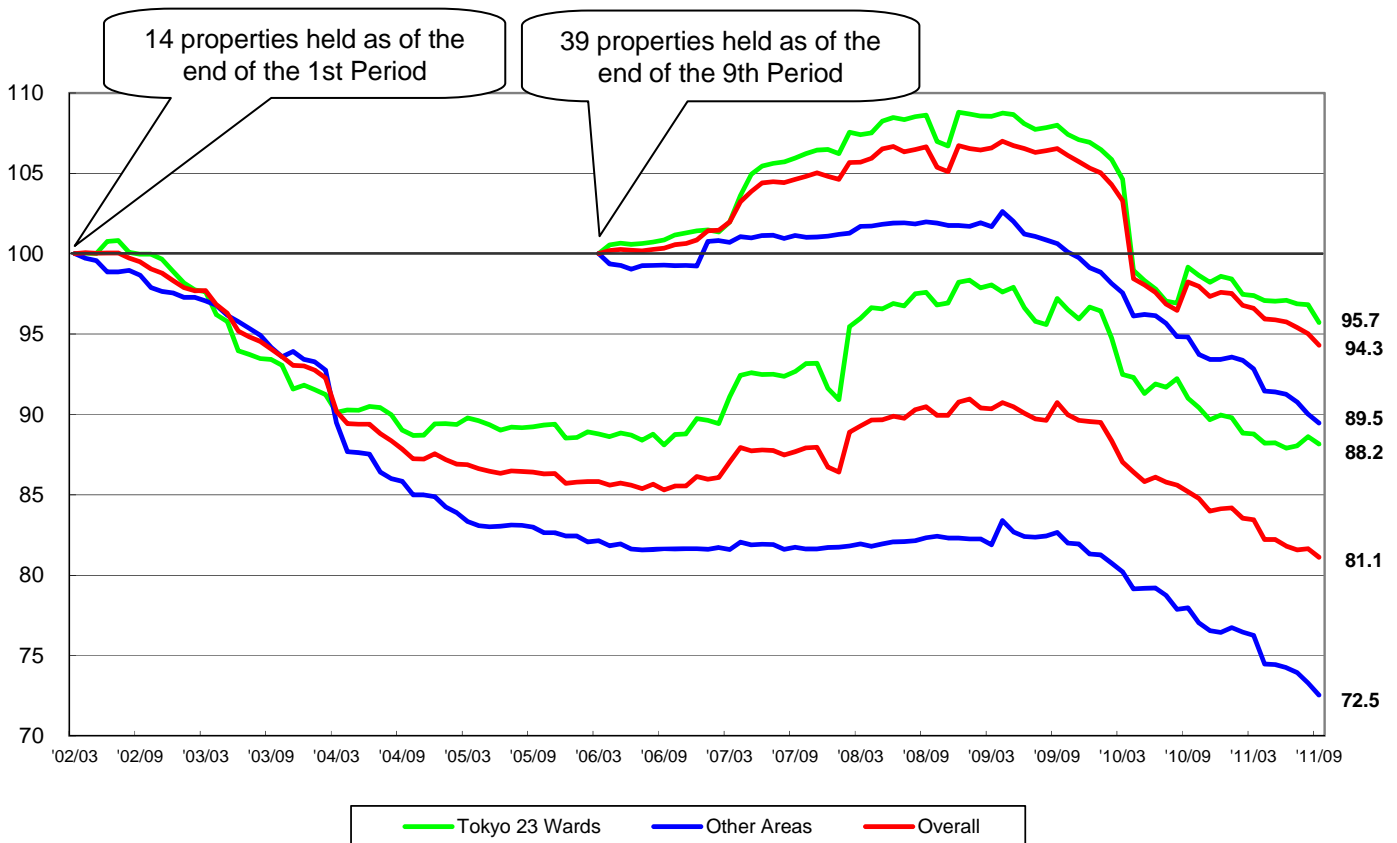
(In thousands of yen)



## Tenant Data ⑦ (Changes in Average Rent Level)

### Changes in Average Rent Level (2002/03~2011/09)

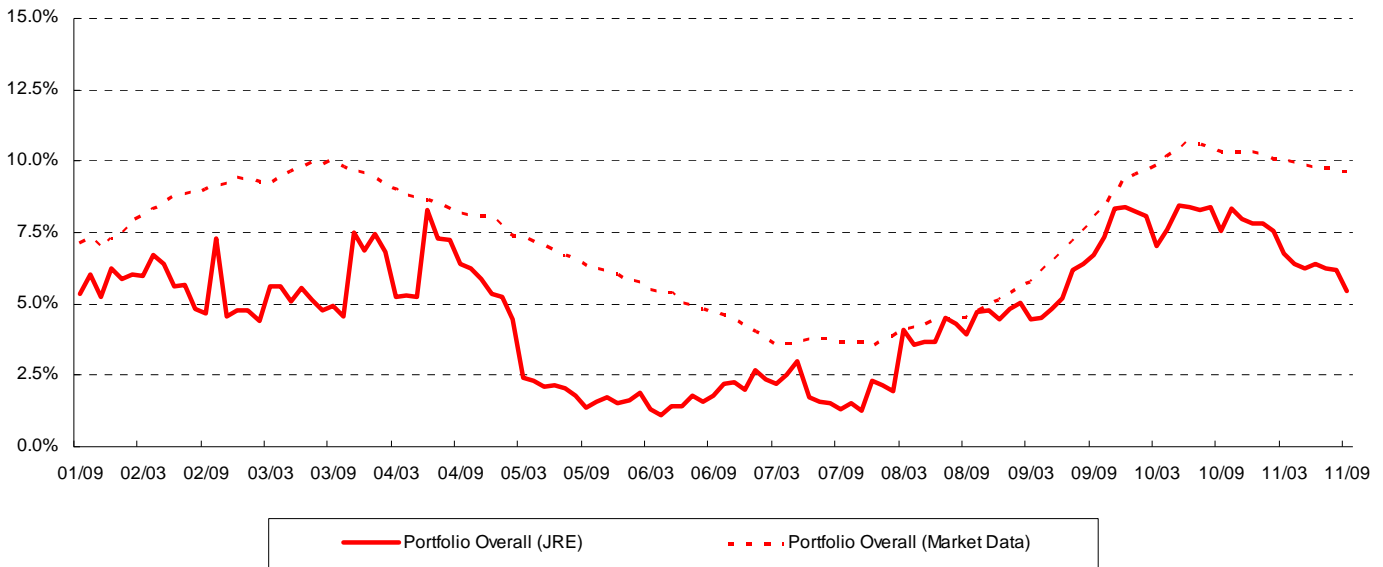
- Comparison of JRE's portfolio of properties with constantly held shares of ownership in which no increase or decrease (including transfer) of shares has been seen since the ends of the 1st and the 9th Periods.
- The trend sets the average rent as of the ends of the 1st and 9th Periods (the start of each trend) at 100.



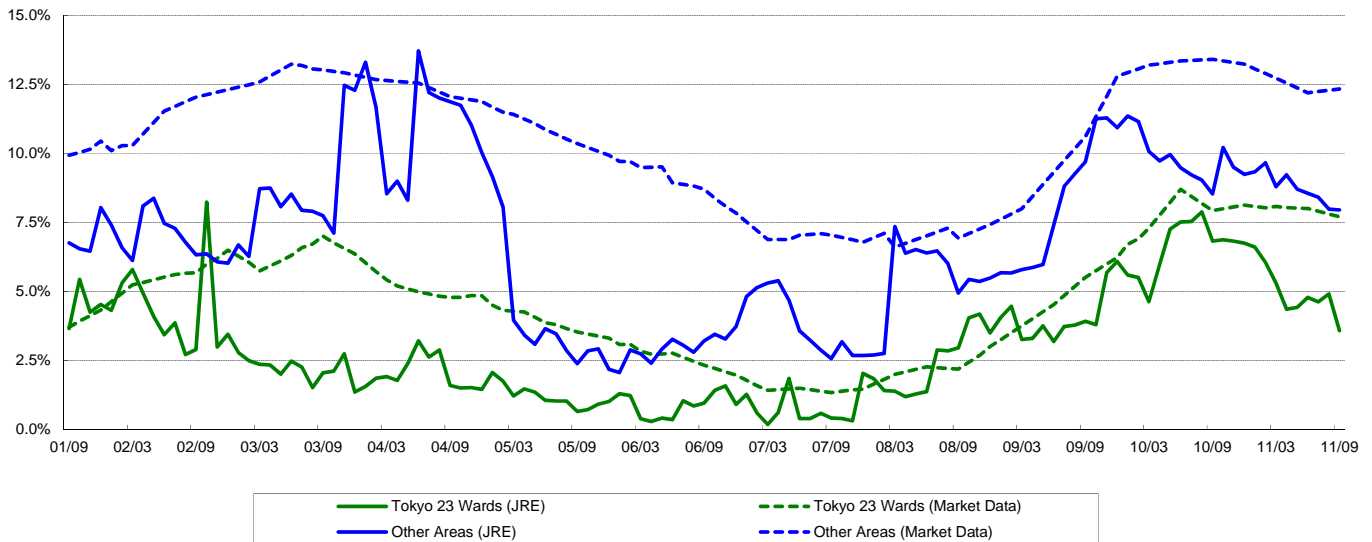
## Tenant Data ⑧ (Vacancy Rates)

### Trend in Vacancy Rate (Relative to Market Data)

#### Overall



#### Tokyo 23 Wards/Other Areas



Average Vacancy Rate Computation (e.g., to compute the average rate for the following 2 properties)

Name	Leasable Space (m <sup>2</sup> )	Property Vacancy Rate	Office Zone*	Zone Vacancy*
A building	① 5,000	④ 3.0%	a zone	⑦ 4.0%
B building	② 3,000	⑤ 6.0%	b zone	⑧ 8.0%
Total/Average	③ 8,000	⑥ 4.1%		⑨ 5.5%

$$\text{⑥} = (\text{①} \times \text{④} + \text{②} \times \text{⑤}) \div \text{③} \quad \text{⑨} = (\text{①} \times \text{⑦} + \text{②} \times \text{⑧}) \div \text{③}$$

\* The above office zones and their vacancy rates are based on CB Richard Ellis K.K.'s "Office Market Report" data. In the above graph, the market data represents the average vacancy rate in each office zone.

**Maintaining lower vacancy rate than the market**

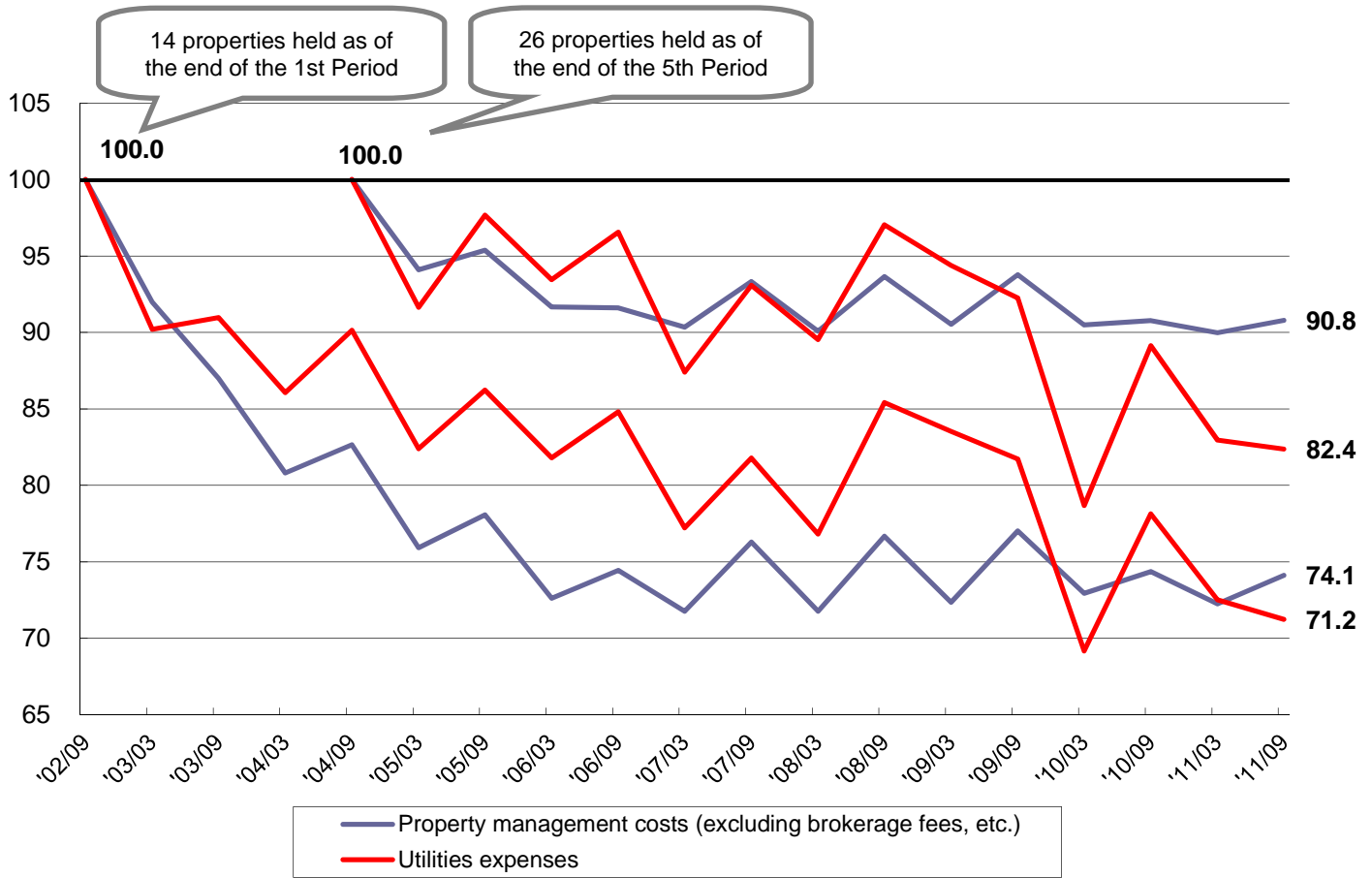


# Trend in Property Management Costs and Utilities Expenses

## Trend in Property Management Costs and Utilities Expenses

\* Brokerage fees, etc. are excluded from the property management costs.

- Comparison of JRE's portfolio of properties with constantly held shares of ownership in which no increase or decrease (including transfer) of shares has been seen since the ends of the 1st and the 5th Periods.
- The trend sets the property management costs and utilities expenses as of the ends of the 1st and 5th Periods (the start of each trend) at 100.



## Past Record and Plan for Renovation Work

### JRE's Renovation Work

- Prepared medium- to long-term renovation plans, taking stable cash flow into account
- Conducted renovation work that increases profitability through such efforts as reducing costs and attracting tenants
- Conducted customer service renovation work that improves amenities for tenants, including work to improve air-conditioning systems and restrooms
- Conducted proper renovations to maintain building functions after identifying the degree of degradation
- Had a third-party review on the construction estimates and costs (orders placed), and carried out proper construction management

### Trend in Construction Costs and Depreciation Expenses

(In millions of yen)

	1st Period May 01-Mar 02	2nd Period Apr 02-Sep 02	3rd Period Oct 02-Mar 03	4th Period Apr 03-Sep 03	5th Period Oct 03-Mar 04	6th Period Apr 04-Sep 04	7th Period Oct 04-Mar 05	8th Period Apr 05-Sep 05	9th Period Oct 05-Mar 06	10th Period Apr 06-Sep 06
Construction costs	794	453	933	841	1,585	1,161	1,178	1,025	1,728	1,654
Repairing expenses (reported as expense)	321	152	323	289	365	363	471	474	528	513
Capital expenditure (capitalized as asset)	472	301	609	552	1,219	797	706	550	1,200	1,141
Depreciation	1,100	1,194	1,310	1,393	1,498	1,657	1,641	2,017	2,359	2,682
Total assets	161,809	185,397	200,022	209,581	244,523	257,372	322,358	355,968	433,552	441,163
Property-related revenues	6,492	7,910	8,500	8,965	9,560	10,151	10,747	13,119	13,962	15,169

	11th Period Oct 06-Mar 07	12th Period Apr 07-Sep 07	13th Period Oct 07-Mar 08	14th Period Apr 08-Sep 08	15th Period Oct 08-Mar 09	16th Period Apr 09-Sep 09	17th Period Oct 09-Mar 10	18th Period Apr 10-Sep 10	19th Period Oct 10-Mar 11	20th Period Apr 11-Sep 11
Construction costs	2,857	1,520	2,760	1,138	1,721	2,313	2,074	1,563	2,315	1,328
Repairing expenses (reported as expense)	916	580	991	511	676	1,119	756	790	833	585
Capital expenditure (capitalized as asset)	1,940	939	1,769	627	1,044	1,193	1,318	773	1,481	743
Depreciation	2,717	2,835	3,068	3,560	3,788	3,801	3,945	4,218	4,286	4,433
Total assets	443,973	449,643	527,537	542,920	565,022	564,528	637,326	634,974	646,847	643,949
Property-related revenues	16,500	17,132	17,807	19,805	20,716	20,795	20,758	22,112	22,135	22,283

\* Property-related revenues for the 10th, 11th, 12th, 13th, 16th, 17th and 20th Periods do not include gain on transfer of properties, dividends earned on the preferred capital contribution, gain on transfer of development rights of floor area and compensation for the property transfer.

### 5-Year Plan for Renovation Work

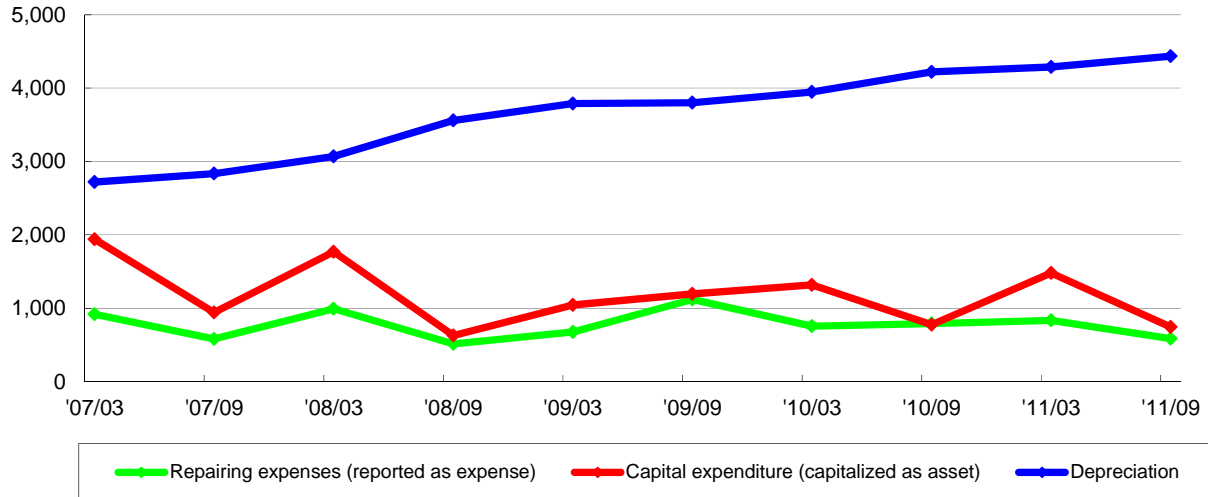
(In 100 millions of yen)

	Apr 11-Mar 12	Apr 12-Mar 13	Apr 13-Mar 14	Apr 14-Mar 15	Apr 15-Mar 16	Total
Work capitalization as asset	25	34	40	34	30	165
Depreciation	91	93	91	89	87	452

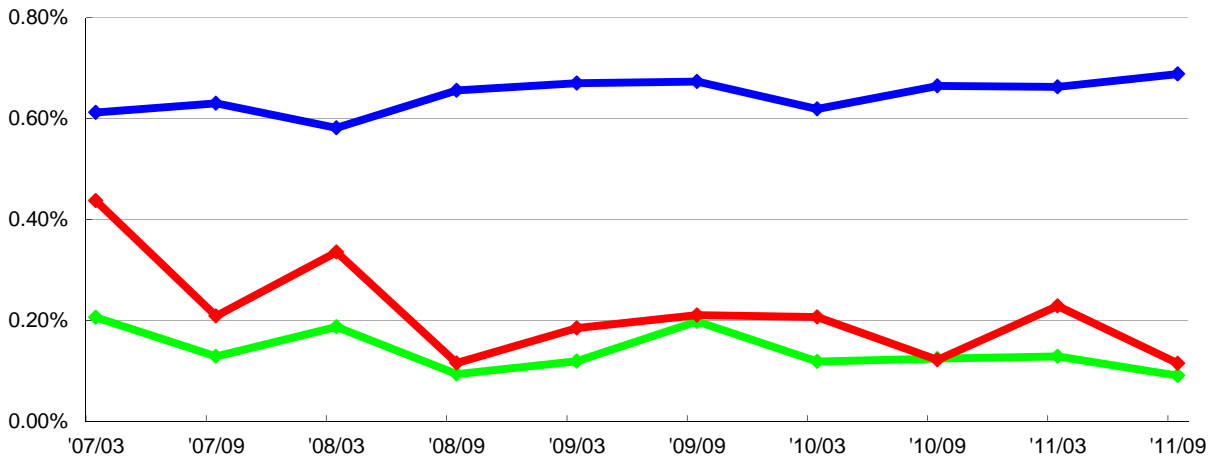
\* 57 properties consisting of 56 properties held as of September 30, 2011 and the Akasaka Park Building which was acquired as of November 15, 2011

## Trend in construction costs and depreciation

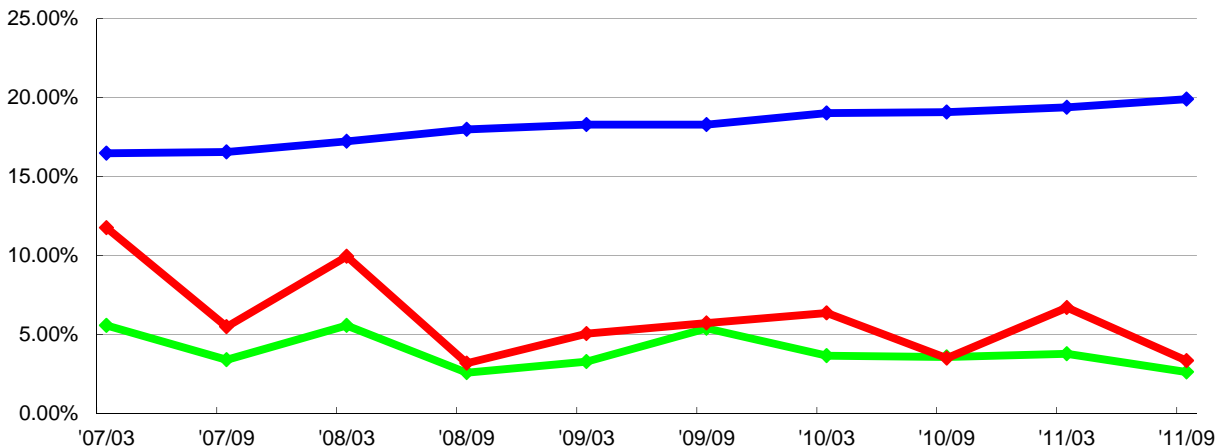
(In millions of yen)



## % against total assets



## % against property-related revenues



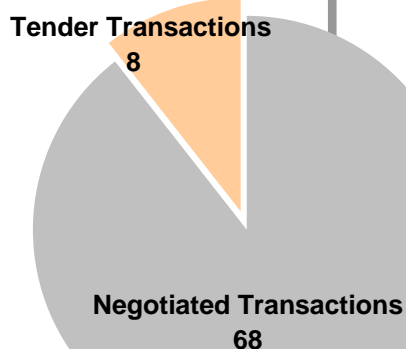
## External Growth ① (Deal Sources)

### Deal Sources

Based on 76 deals in total, in regard to properties acquired between IPO and the end of the Sep-11 Period (An additional share acquisition of existing property is also counted as one deal. The said 76 deals cover the acquisition of transferred properties. The extension to Ryoshin Ginza East Mirror Building is also counted as one deal, and the total expenses for the extension are calculated as an acquisition price.)

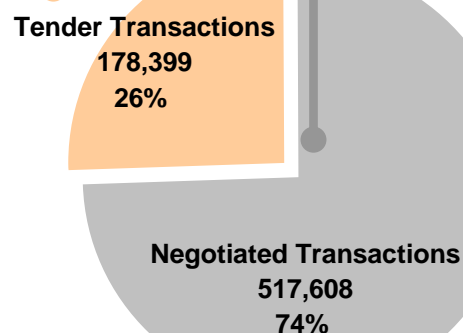
Based on the number of transactions

76 deals in total



Based on acquisition price

¥696,007 million in total



Type of transaction	Number of deals	Amount (In 100 millions of yen)
Negotiated Transactions	68 (89.5%)	5,176 (74.4%)
Acquisition from sponsors, etc.	34 (44.7%)	2,704 (38.9%)
Acquisition through sponsors' introduction	10 (13.2%)	766 (11.0%)
Others	24 (31.6%)	1,704 (24.5%)
Tender Transactions	8 (10.5%)	1,783 (25.6%)
Acquisition from sponsors, etc.	2 (2.6%)	407 (5.8%)
Acquisition through sponsors' introduction	2 (2.6%)	1,161 (16.7%)
Others	4 (5.3%)	215 (3.1%)
Total	76 (100.0%)	6,960 (100.0%)

- Of those 76 deals, 8 deals were closed through tender transactions.
- From the viewpoint of acquisition price, 74% of properties were purchased through negotiated transactions, including those developed and owned by the sponsors.

**Strong relations with deal sources**

## Breakdown of Negotiated Transactions

Acquisition  
from sponsors,  
etc.<sup>(\*)</sup>

34<sup>(\*\*)</sup>

¥270,469 million

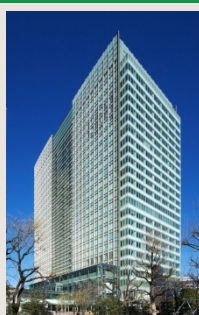


Osaki Front Tower

Acquisition  
through  
sponsors'  
introduction

10

¥76,662 million



Shiodome Building  
(The share acquired in December 2008)

Others

24

¥170,477 million



Tokyo Opera City Building  
(The share acquired in March 2010)

## Breakdown of Tender Transactions

Acquisition  
from sponsors,  
etc.

2

¥40,700 million

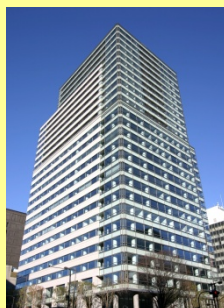


MM Park Building

Acquisition  
through  
sponsors'  
introduction

2

¥116,155 million



Kitanomaru Square

Others

4

¥21,543 million



Yurakucho Denki Building

(\*1) Acquisition from sponsors, etc. includes those from 1) the sponsor (three entities which are current sponsors and a past sponsor, Tokio Marine & Nichido Fire Insurance Co., Ltd.), and 2) SPC in which the sponsor has a 50% or larger equity investment (including acquisition of a trust property in the trust beneficiary right in trust of real estate owned by SPC).

(\*2) The additional shares of Saitama Urawa Building and Kanazawa Park Building were acquired from the sponsors and unrelated companies, respectively; however, each deal was counted as one sponsor-related transaction, together with another acquisition of shares from sponsors, etc. on the same date.

## External Growth ② (Due Diligence for Properties)

### Investment Criteria for Property Acquisition

#### Geographic Diversification

70% and over in the Tokyo metropolitan area  
Balance among major local cities, including Osaka and Nagoya

#### Structure

Adaptation to new earthquake-resistance standards (Earthquake Resistant Design Standard under Building Standard Law enforced in 1981) or equivalent structure/strength

#### Size of Property

Equal to/more than 3,000 m<sup>2</sup> of building area

### Trend of Properties Undergoing Research

Apr 2010-Mar 2011

Area	18th Period							19th Period							Total	%
	Apr	May	Jun	Jul	Aug	Sep	Total	Oct	Nov	Dec	Jan	Feb	Mar	Total		
Tokyo Metropolitan Area	41	7	24	28	22	17	139	31	21	10	16	62	10	150	289	86.5%
Other Major Cities	3	1	4	7	4	3	22	5	1	1	9	4	3	23	45	13.5%
Total	44	8	28	35	26	20	161	36	22	11	25	66	13	173	334	100.0%

Apr 2011-Mar 2012

Area	20th Period							%
	Apr	May	Jun	Jul	Aug	Sep	Total	
Tokyo Metropolitan Area	10	8	35	17	13	19	102	64.2%
Other Major Cities	5	12	7	3	7	23	57	35.8%
Total	15	20	42	20	20	42	159	100.0%

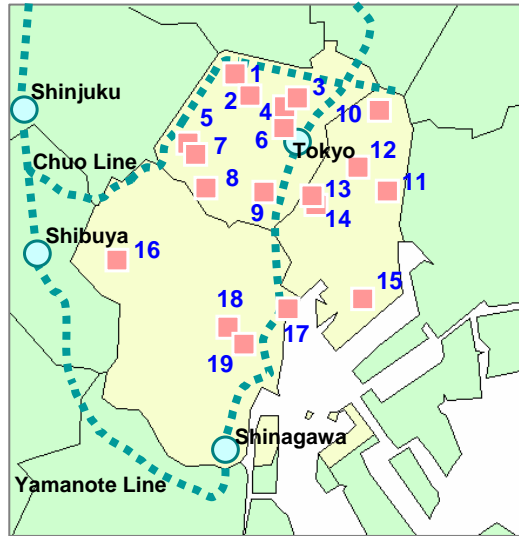
Properties valued at ¥68 billion are under specific review (multiple properties).

# Portfolio Map

## 3 Central Wards of Tokyo (Chiyoda/Chuo/Minato)

As of September 30, 2011

- 1 Genki Medical Plaza
- 2 Kitanomaru Square
- 3 MD Kanda Building
- 4 Kandabashi Park Building
- 5 Nibancho Garden
- 6 Mitsubishi UFJ Trust and Banking Building
- 7 Burex Kojimachi Building
- 8 Sanno Grand Building
- 9 Yurakucho Denki Building
- 10 Kodemmacho Shin-Nihonbashi Building
- 11 Kyodo Building (Kayabacho 2Chome)
- 12 Burex Kyobashi Building
- 13 Ginza Sanwa Building
- 14 Ryoshin Ginza East Mirror Building
- 15 Harumi Center Building
- 16 Aoyama Crystal Building
- 17 Shiodome Building
- 18 Shiba 2Chome Daimon Building
- 19 Cosmo Kanasugibashi Building



Nibancho Garden

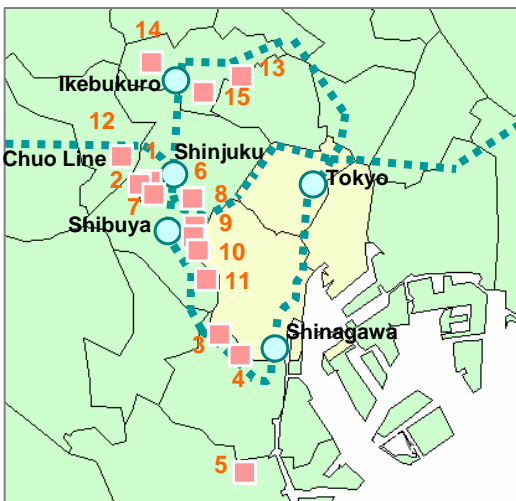


Sanno Grand Building



Ginza Sanwa Building

## 23 Wards of Tokyo (excluding 3 Central Wards)



- 1 Shinwa Building
- 2 Tokyo Opera City Building
- 3 Higashi-Gotanda 1Chome Building
- 4 Osaki Front Tower
- 5 Omori-Eki Higashiguchi Building
- 6 Nippon Brunswick Building
- 7 Yoyogi 1Chome Building
- 8 da Vinci Harajuku
- 9 Jingumae Media Square Building
- 10 Shibuya Cross Tower
- 11 Ebisu Neonato
- 12 Harmony Tower
- 13 Otsuka Higashi-Ikebukuro Building
- 14 Ikebukuro 2Chome Building
- 15 Ikebukuro YS Building



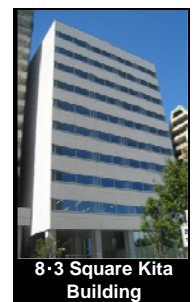
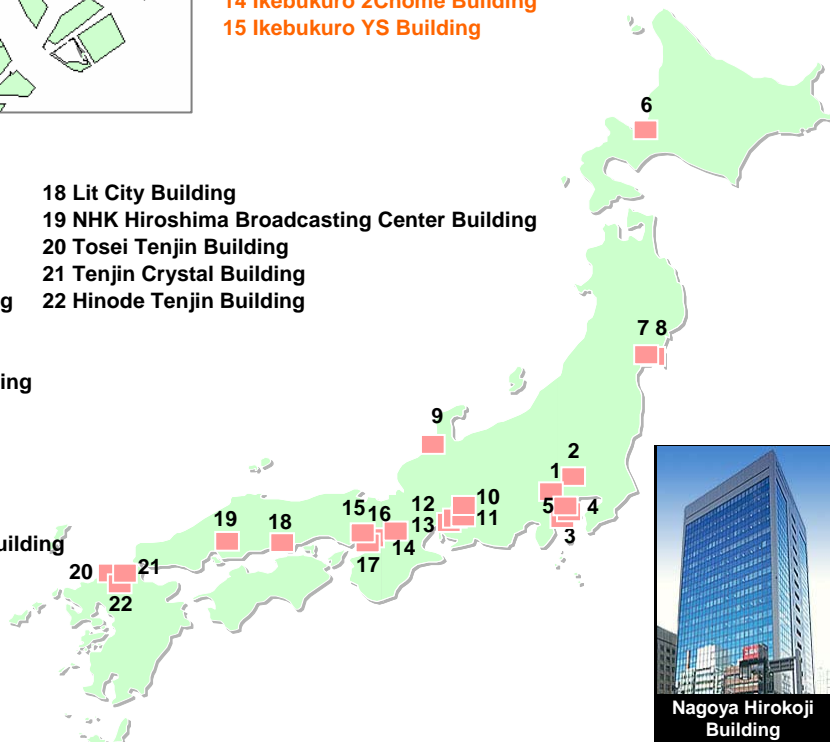
Osaki Front Tower



Jingumae Media Square Building

## Other Areas

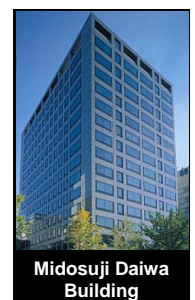
- |                                     |   |
|-------------------------------------|---|
| 1 Hachioji First Square             | 18 Lit City Building                          |
| 2 Saitama Urawa Building            | 19 NHK Hiroshima Broadcasting Center Building |
| 3 MM Park Building                  | 20 Tosei Tenjin Building                      |
| 4 Kawasaki Isago Building           | 21 Tenjin Crystal Building                    |
| 5 Musashi Kosugi STM Building       | 22 Hinode Tenjin Building                     |
| 6 8·3 Square Kita Building          |   |
| 7 Jozenji Park Building             |   |
| 8 Sendai Honcho Honma Building      |   |
| 9 Kanazawa Park Building            |   |
| 10 Nishiki Park Building            |   |
| 11 Hirokoji Sakae Building          |   |
| 12 Nagoya Hirokoji Building         |   |
| 13 Nagoya Misono Building           |   |
| 14 Kyoto Shijo Kawaramachi Building |   |
| 15 Shin-Fujita Building             |   |
| 16 Sakaisujihonmachi Building       |   |
| 17 Midosuji Daiwa Building          |   |



8·3 Square Kita Building



Nagoya Hirokoji Building



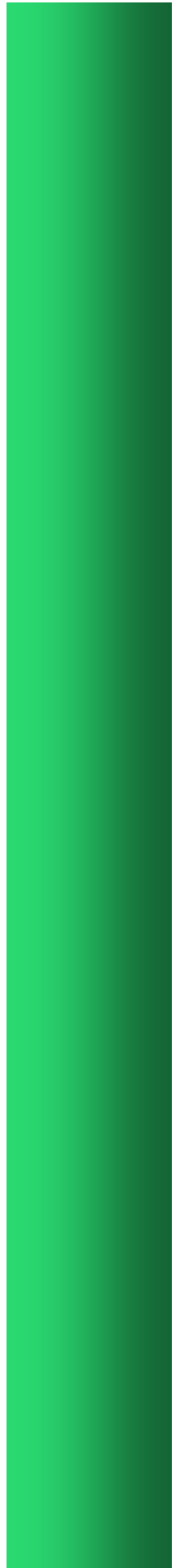
Midosuji Daiwa Building



**MEMO**



## **3. Business Forecasts**



# Income Statement and Forecast

(In millions of yen [excluding items where the unit is specified])

Term	19th Period		20th Period		21st Period		22nd Period	
	Ended Mar 31, 2011		Ended Sep 30, 2011		Ending Mar 31, 2012		Ending Sep 30, 2012	
Actual/Forecast	Actual	→ Change →	Actual	→ Change →	Forecast	→ Change →	Forecast	→ Change →
Number of Properties	57		56		57		57	
Number of Days	(182 days)		(183 days)		(183 days)		(183 days)	
Operating Revenues	22,135	+694	22,829	+1,310	24,140	-60	24,080	
Property-related Revenues	22,135	+147	22,283	+1,856	24,140	-60	24,080	
Gain on Transfer of Development Rights of Floor Area	-		-		-		-	
Gain on Sale of Properties	-	+546	546	-546	-		-	
Compensation for the Property Transfer	-		-		-		-	
Operating Expenses	12,333	+116	12,449	+1,090	13,540	+260	13,800	
Property-related Expenses (excluding Depreciation)	7,185	-22	7,162	+807	7,970	+240	8,210	
Depreciation	4,286	+146	4,433	+226	4,660	+30	4,690	
Administrative Expenses	861	-7	854	+45	900	-10	890	
(Asset Management Fees (*1))	(538)	(+8)	(546)	(+23)	(570)	(-10)	(560)	
NOI (*2)	14,950	+170	15,121	+1,038	16,160	-300	15,860	
Property-related Profits and Losses (*2)	10,664	+23	10,687	+812	11,500	-330	11,170	
Gross Operating Income	10,664	+570	11,234	+265	11,500	-330	11,170	
Operating Income	9,802	+577	10,380	+209	10,590	-320	10,270	
Non-operating Profits and Losses	-1,863	+87	-1,776	-173	-1,950	+150	-1,800	
(Interest Expense)	(-1,831)	(+65)	(-1,766)	(-73)	(-1,840)	(+60)	(-1,780)	
Ordinary Income	7,938	+665	8,603	+26	8,630	-160	8,470	
Net Income	7,652	+616	8,268	+351	8,620	-100	8,520	
Units Outstanding	489,200 units		489,200 units	+59,840 units	549,040 units		549,040 units	
Dividend per Unit	15,642 yen	+208 yen	15,850 yen	-150 yen	15,700 yen		15,700 yen	
Occupancy Rate at Period-end	93.2%	+1.3%	94.6%	-0.4%	94.2%			

\*1 Term fee and Incentive fee

\*2 Excluding Gain on sale of properties

## <Factors that may increase or decrease property-related revenues>

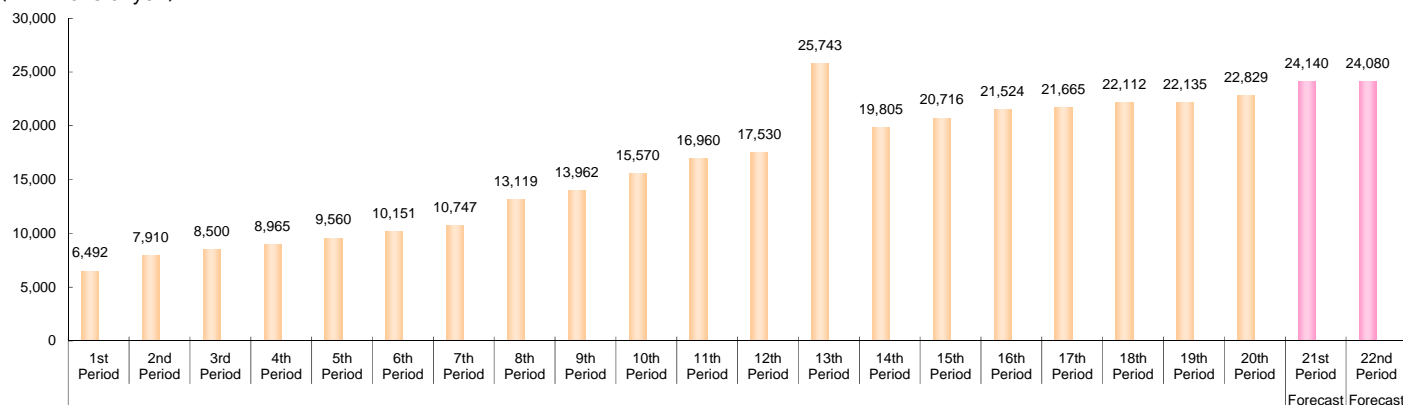
- 20th→21st Period: Increase due to operation of the property acquired in the 21st Period (Akasaka Park Building);  
Decrease due to factors including estimated rent reduction associated with rent revision and tenant turnover in properties under operation for the full term in both the 20th and the 21st Periods
- 21st→22nd Period: Increase due to operation of the property acquired in the 21st Period (Akasaka Park Building) throughout the 22nd Period;  
Decrease due to factors including estimated rent reduction associated with rent revision and tenant turnover in properties under operation for the full term in both the 21st and the 22nd Periods

## <Factors that may increase or decrease property-related expenses (excluding depreciation)>

- 20th→21st Period: Increase due to operation of the property acquired in the 21st Period (Akasaka Park Building);  
Increase in repairing expenses and utilities expenses and others
- 21st→22nd Period: Increase due to operation of the property acquired in the 21st Period (Akasaka Park Building) throughout the 22nd Period;  
Decrease due to repairing expenses and others

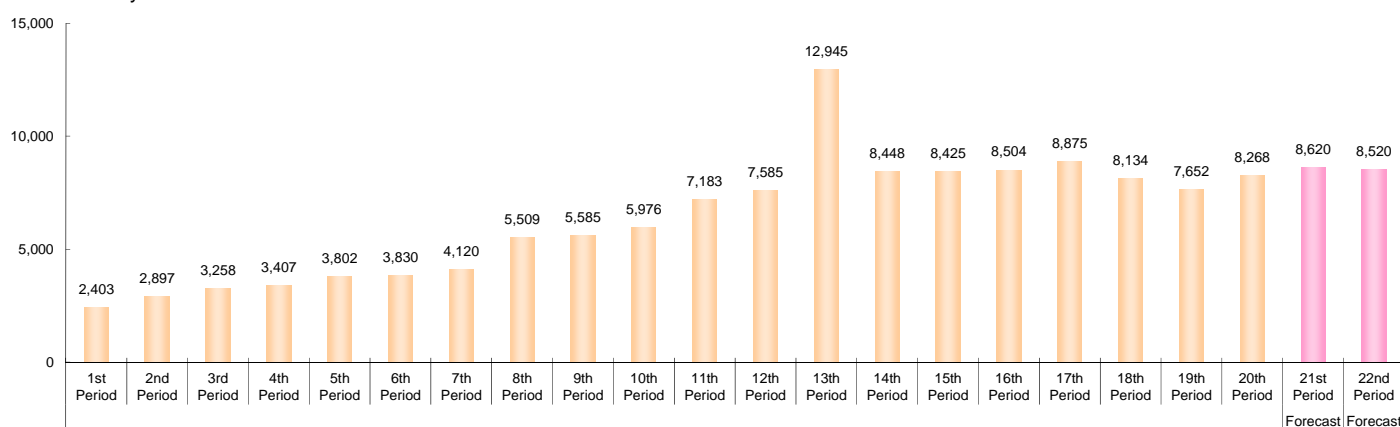
## Operating Revenues

(In millions of yen)



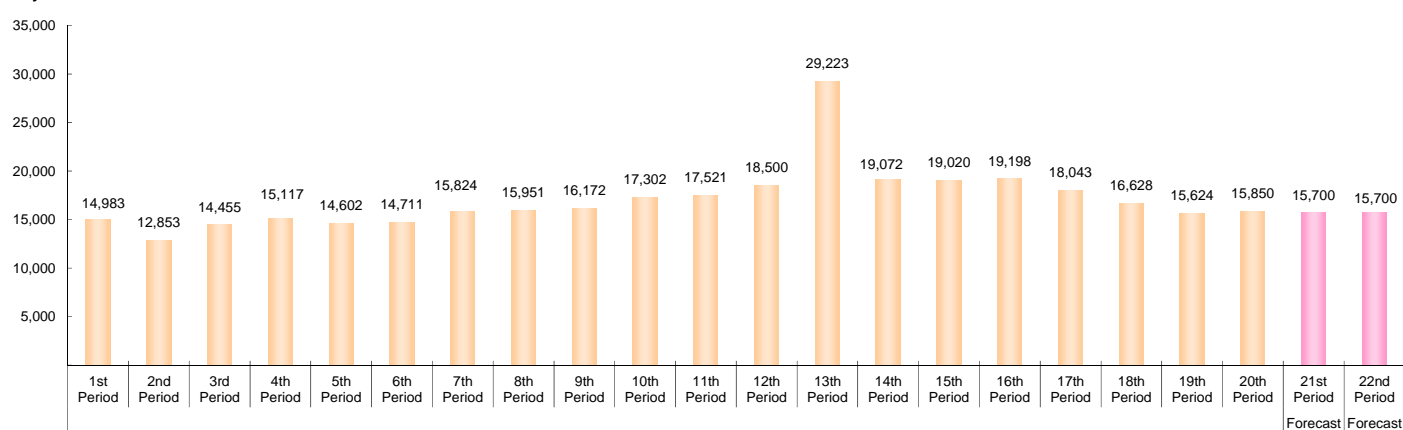
## Net Income

(In millions of yen)



## Dividend per Unit

(In yen)



\* Actual number of days in the 1st Period was 203 days (about 7 months). The 6-month (182 days) dividend per unit was assumed to be 13,433 yen.

## Balance Sheet Forecast for the 21st Period

(In millions of yen)

Item	21st Period-end (Mar 31, 2012)	20th Period-end (Sep 30, 2011)	Change	Reason for change
<b>Current Assets</b>				
Cash and Bank Deposits	17,087	19,366	-2,279	Decrease due to appropriation of funds for property acquisition and increase due to rent revenues, etc.
Other Current Assets	718	256	462	
<b>Total Current Assets</b>	<b>17,805</b>	<b>19,623</b>	<b>-1,818</b>	
<b>Fixed Assets</b>				
<b>Property and Equipment</b>				
Buildings (including those held in trust)	250,900	235,336	15,564	Increase due to capital expenditure and the acquisition of property
Structures (including those held in trust)	2,609	2,590	19	
Machinery and Equipment (including that held in trust)	3,237	3,213	24	
Land (including that held in trust)	472,630	424,833	47,797	
Accumulated Depreciation	-55,554	-50,887	-4,667	
<b>Total Property and Equipment</b>	<b>673,822</b>	<b>615,085</b>	<b>58,737</b>	
<b>Intangible Assets</b>				
Leasehold rights, etc. (including those held in trust)	7,440	7,456	-16	
<b>Total Intangible Assets</b>	<b>7,440</b>	<b>7,456</b>	<b>-16</b>	
<b>Investments and Other Assets</b>				
Investment Securities	577	577	0	
Long-term Prepaid Expenses, etc.	1,078	1,088	-10	
<b>Total Investments and Other Assets</b>	<b>1,655</b>	<b>1,665</b>	<b>-10</b>	
<b>Total Fixed Assets</b>	<b>682,917</b>	<b>624,207</b>	<b>58,710</b>	
<b>Deferred Assets</b>				
Deferred Investment Corporation Bond Issuance Costs	96	118	-22	
<b>Total Deferred Assets</b>	<b>96</b>	<b>118</b>	<b>-22</b>	
<b>Total Assets</b>	<b>700,818</b>	<b>643,949</b>	<b>56,869</b>	

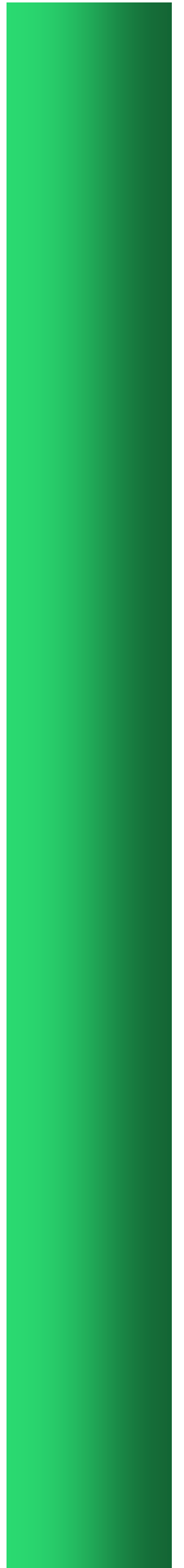
(In millions of yen)

Item	21st Period-end (Mar 31, 2012)	20th Period-end (Sep 30, 2011)	Change	Reason for change
Liabilities				
Current Liabilities				
Short-term Loans	11,800	16,500	-4,700	Decrease due to advance repayment, etc. by subscription to the capital increase
Current Portion of Long-term Loans	50,100	8,100	42,000	Increase due to decrease of remaining periods of loans
Current Portion of Investment Corporation Bonds	10,000	10,000	0	
Rent Received in Advance	2,506	2,477	29	
Other Current Liabilities	2,031	3,019	-988	Decrease due to payment of accrued consumption taxes, and decrease due to accounts payable—construction contracts, etc.
Total Current Liabilities	76,437	40,097	36,340	
Long-term Liabilities				
Investment Corporation Bonds	45,000	45,000	0	
Long-term Loans	165,700	189,750	-24,050	Increase due to new loans and refinancing, and decrease due to the transfer to the current portion of long-term loans
Deposits Received from Tenants	38,798	35,788	3,010	
Other Long-term Liabilities	645	642	3	Increase due to asset retirement obligations
Total Long-term Liabilities	250,143	271,181	-21,038	
Total Liabilities	326,580	311,279	15,301	
Net Assets				
Unitholders' Capital	365,053	324,353	40,700	Increase due to investment units issuance
Retained Earnings	9,185	8,317	868	Increase due to net income and internal reserves, etc.
Total Net Assets	374,238	332,670	41,568	
Total Liabilities and Net Assets	700,818	643,949	56,869	



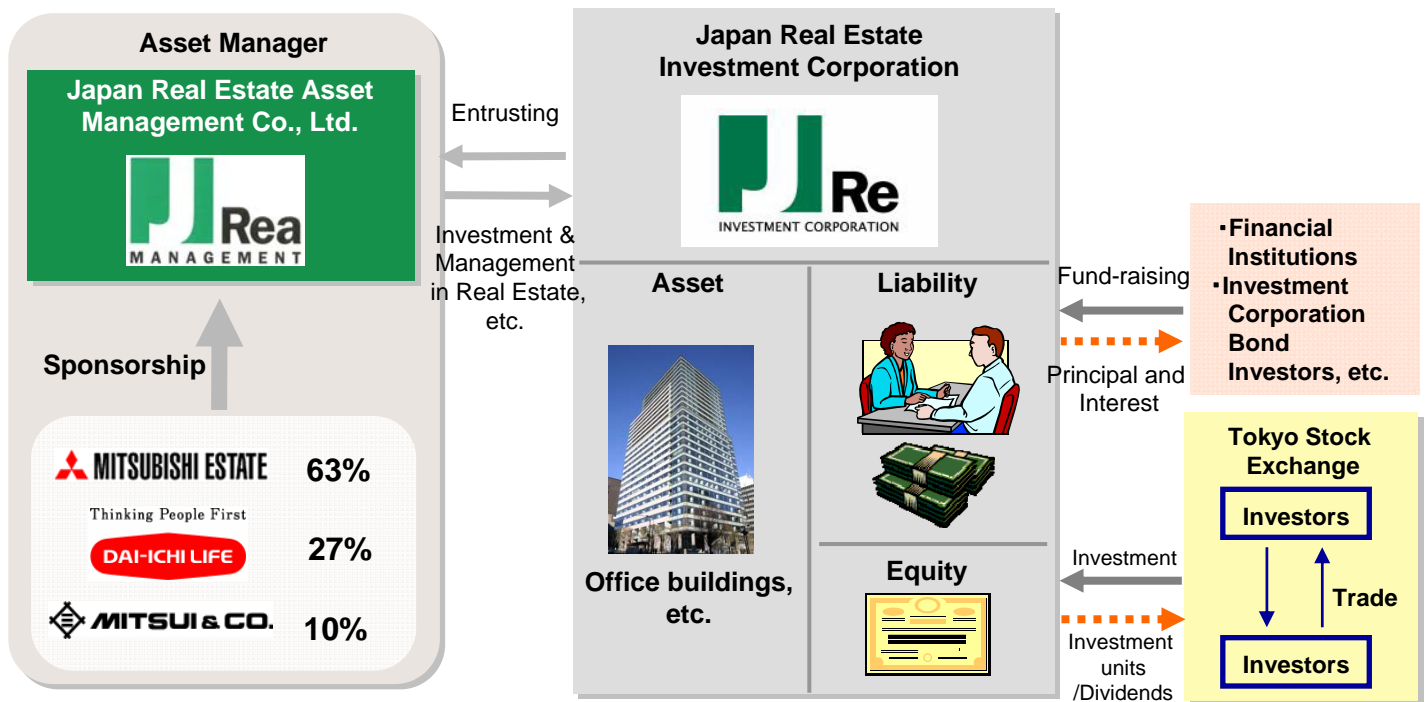
**MEMO**

## **4. Appendix**



# Structure of JRE

## Structure



### Points

- J-Rea specializes in managing office building portfolios.
- Expertise of Mitsubishi Estate, Dai-ichi Life, and Mitsui & Co. is fully utilized.
- Units are listed and traded on the Tokyo Stock Exchange.
- Dividends are regarded as an expense if over 90% of the payable gain is paid out.

## The Strengths of Japan Real Estate Investment Corporation

(As of November 14, 2011)

- ① **Collaboration with three sponsors: Mitsubishi Estate Co., Ltd.; The Dai-ichi Life Insurance Company, Limited and Mitsui & Co., Ltd.**

<Support from three sponsors>

- Property pipeline support (providing properties and property information, etc.)
- Operating support (providing expertise on attracting tenants and property management, etc.)
- Human resource support (sending experienced professionals)

<Protection against conflicts of interest>

Mutual monitoring system by sponsors serves as protection against conflicts of interest without being affected by any favor of a specific sponsor

- ② **Investment Corporation focused on office buildings** (56 office buildings, total acquisition price: ¥657.8 billion\*)
- ③ **The first listed J-REIT**, showing steady performance for 20 consecutive periods
- ④ **Sound financial strength**
  - Conservative LTV (cruising speed of 30%- 40% level)
  - **Highest credit ratings** in J-REIT (S&P: AA-, Moody's: A1, R&I: AA)

\*not excluding the acquisition price related to the transfer of the part of Jingumae MS site



# Compliance Structure

## Basic Principle of Compliance for the Investment Corporation

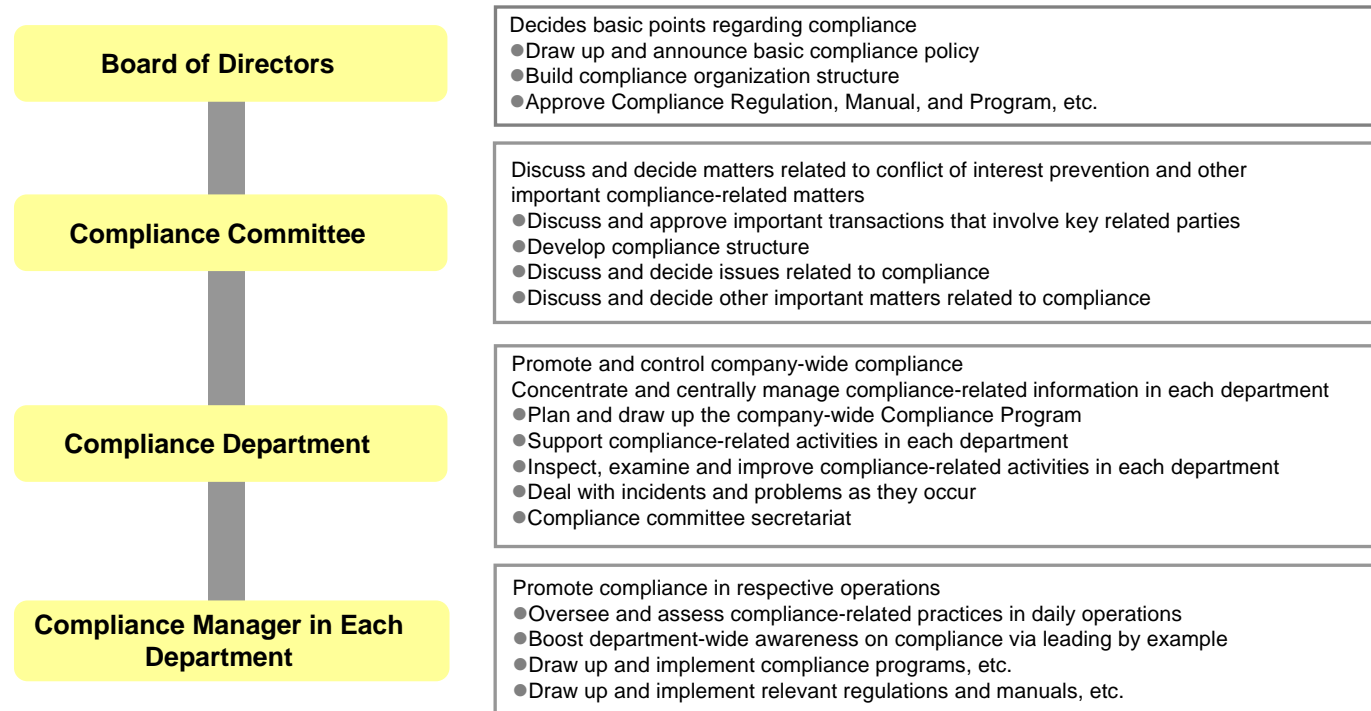
JRE's basic principle of compliance is a thoroughly observe legal and other relevant norms in regard to the business operation as well as to respond to the requirements from society. This means that the investment corporation administers and oversees the outsourcing companies from the same standpoint, while complying with legal and other relevant norms in its decision-making.

## Basic Principle of Compliance for the Asset Management Company

1. Ensuring thorough compliance is our basic management principle, since we understand that any insufficiency in compliance would affect even our management base.
2. As an Asset Management Company, we recognize that we bear the responsibility for realizing the values that are required by society in our business operation, and make proactive and continuous efforts for full compliance to enhance the value of our business operation qualitatively and quantitatively.
3. We, the Asset Management Company for REIT, are jointly managed by Mitsubishi Estate Co., LTD., the Dai-ichi Life Insurance Company, Limited and Mitsui & Co., Ltd. across business boundaries—they are Japan's leading companies in real estate, finance, and risk management. We therefore promote a sophisticated compliance system as a key member of these companies.
4. We are determined to achieve a reputation for quality among our investors by promoting compliance activities, and thereby gain the trust of a wide spectrum of society.

## Compliance Promotion System

The following is the compliance system for the Asset Management Company.



- J-Rea has entered into a contracts with four law firms with different specialized areas as its corporate lawyers in order to complement our knowledge of legal tasks in the company, and consults them, as necessary, depending on the content of issues.
- It has also concluded a consulting contracts with external advisors for improving and strengthening internal control, with a view to further enhancing our compliance system.

The compliance system for the Asset Management Company is mainly organized by the board of directors, compliance committee and compliance department.

Although the compliance manager in each department plays a central role in the compliance promotion activities, it is understood that each member of J-Rea staff must be a leader in compliance promotion. Therefore, they are highly alert to compliance issues in performing their tasks, and maintain sound work ethics and strict self-discipline in observing the rules and regulations in their everyday work!

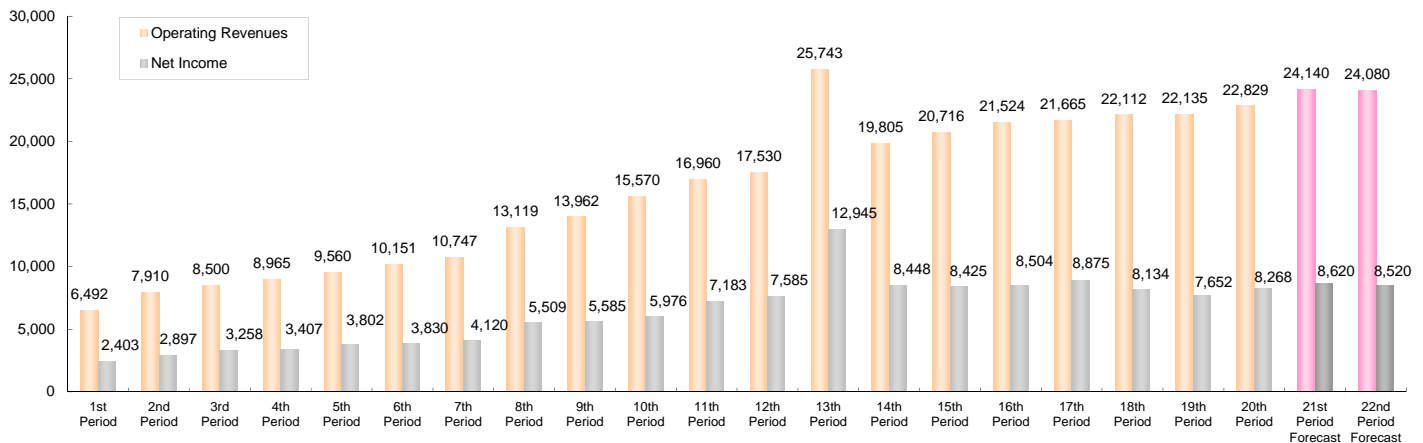
# Achievement after IPO and Forecast

## Achievement after IPO and Forecast

\* The land and building adjacent to Ryoshin Ginza East Mirror Building are not included in the number of properties and total acquisition price of properties as of 14th Period - 17th Period. The acquisition price related to the transfer of the part of Jingumae Media Square Building site is not excluded.

	1st Period Mar 31, 2002 May 2001-Mar 2002	2nd Period Sep 30, 2002 Apr 2002-Sep 2002	3rd Period Mar 31, 2003 Oct 2002-Mar 2003	4th Period Sep 30, 2003 Apr 2003-Sep 2003	5th Period Mar 31, 2004 Oct 2003-Mar 2004	6th Period Sep 30, 2004 Apr 2004-Sep 2004	7th Period Mar 31, 2005 Oct 2004-Mar 2005	8th Period Sep 30, 2005 Apr 2005-Sep 2005	9th Period Mar 31, 2006 Oct 2005-Mar 2006	10th Period Sep 30, 2006 Apr 2006-Sep 2006
Operating Revenues	6,492	7,910	8,500	8,965	9,560	10,151	10,747	13,119	13,962	15,570
(% change from the preceding period)	—	(+21.8%)	(+7.5%)	(+5.5%)	(+6.6%)	(+6.2%)	(+5.9%)	(+22.1%)	(+6.4%)	(+11.5%)
Property-related Revenues	6,492	7,910	8,500	8,965	9,560	10,151	10,747	13,119	13,962	15,169
(% change from the preceding period)	—	(+21.8%)	(+7.5%)	(+5.5%)	(+6.6%)	(+6.2%)	(+5.9%)	(+22.1%)	(+6.4%)	(+8.6%)
Gain on Transfer of Unused Development Rights of Floor Area	—	—	—	—	—	—	—	—	—	—
Gain on Transfer of Properties	—	—	—	—	—	—	—	—	—	400
Dividends Earned	—	—	—	—	—	—	—	—	—	—
Compensation for the Property Transfer	—	—	—	—	—	—	—	—	—	—
Operating Income	2,961	3,386	3,687	3,898	4,341	4,358	4,701	6,226	6,319	7,041
(% change from the preceding period)	—	(+14.4%)	(+8.9%)	(+5.7%)	(+11.4%)	(+0.4%)	(+7.9%)	(+32.4%)	(+1.5%)	(+11.4%)
Ordinary Income	2,405	2,898	3,259	3,408	3,803	3,831	4,121	5,510	5,586	5,977
(% change from the preceding period)	—	(+20.5%)	(+12.5%)	(+4.6%)	(+11.6%)	(+0.7%)	(+7.6%)	(+33.7%)	(+1.4%)	(+7.0%)
Net Income	2,403	2,897	3,258	3,407	3,802	3,830	4,120	5,509	5,585	5,976
(% change from the preceding period)	—	(+20.5%)	(+12.5%)	(+4.6%)	(+11.6%)	(+0.7%)	(+7.6%)	(+33.7%)	(+1.4%)	(+7.0%)
Units Outstanding	160,400 units	225,400 units	225,400 units	225,400 units	260,400 units	260,400 units	260,400 units	345,400 units	345,400 units	345,400 units
Dividend per Unit	14,983 yen	12,853 yen	14,455 yen	15,117 yen	14,602 yen	14,711 yen	15,824 yen	15,951 yen	16,172 yen	17,302 yen
Total Assets	161,809	185,397	200,022	209,581	244,523	257,372	322,358	355,968	433,552	441,163
Net Assets	83,663	115,049	115,410	115,559	137,250	137,279	137,569	206,982	207,058	207,449
Net Assets per Unit	521,591 yen	510,424 yen	512,026 yen	512,688 yen	527,077 yen	527,185 yen	528,299 yen	599,254 yen	599,475 yen	600,605 yen
Total Liabilities	78,146	70,347	84,611	94,021	107,272	120,093	184,789	148,985	226,493	233,714
Interest-bearing Debts	64,000	54,000	66,800	76,000	87,000	99,000	159,000	122,000	196,500	202,500
LTV	39.6%	29.1%	33.4%	36.3%	35.6%	38.5%	49.3%	34.3%	45.3%	45.9%
Unit Price (period-end)	530,000 yen	511,000 yen	592,000 yen	648,000 yen	830,000 yen	875,000 yen	875,000 yen	915,000 yen	1,020,000 yen	1,000,000 yen
Market Capitalization	85,012	115,179	133,436	146,059	216,132	227,850	227,850	316,041	352,308	345,400
Number of Properties	24	27	30	32	36	39	46	50	52	49
Total Acquisition Price of Properties	144,697	164,277	183,542	192,607	218,437	239,827	290,510	326,560	412,766	418,693
Leasable Space	201,884 m <sup>2</sup>	215,928 m <sup>2</sup>	236,693 m <sup>2</sup>	246,062 m <sup>2</sup>	273,157 m <sup>2</sup>	293,105 m <sup>2</sup>	336,026 m <sup>2</sup>	364,610 m <sup>2</sup>	400,090 m <sup>2</sup>	396,173 m <sup>2</sup>
Occupancy Rate	94.0%	95.3%	94.4%	95.1%	94.8%	93.6%	97.6%	98.6%	98.7%	98.2%
Public Offerings of New Units										
Number of Newly Issued Units	—	65,000 units	—	—	35,000 units	—	—	85,000 units	—	—
Offer Price	—	490,980 yen	—	—	629,000 yen	—	—	826,000 yen	—	—
Aggregate Amount of Offer Price	—	31,913	—	—	22,015	—	—	70,210	—	—
Issue Price	—	475,268 yen	—	—	608,456 yen	—	—	800,288 yen	—	—
Aggregate Amount of Issue Price	—	30,892	—	—	21,295	—	—	68,024	—	—
Payment Date	—	2002/5/7	—	—	2003/10/24	—	—	2005/4/26	—	—

(In millions of yen)

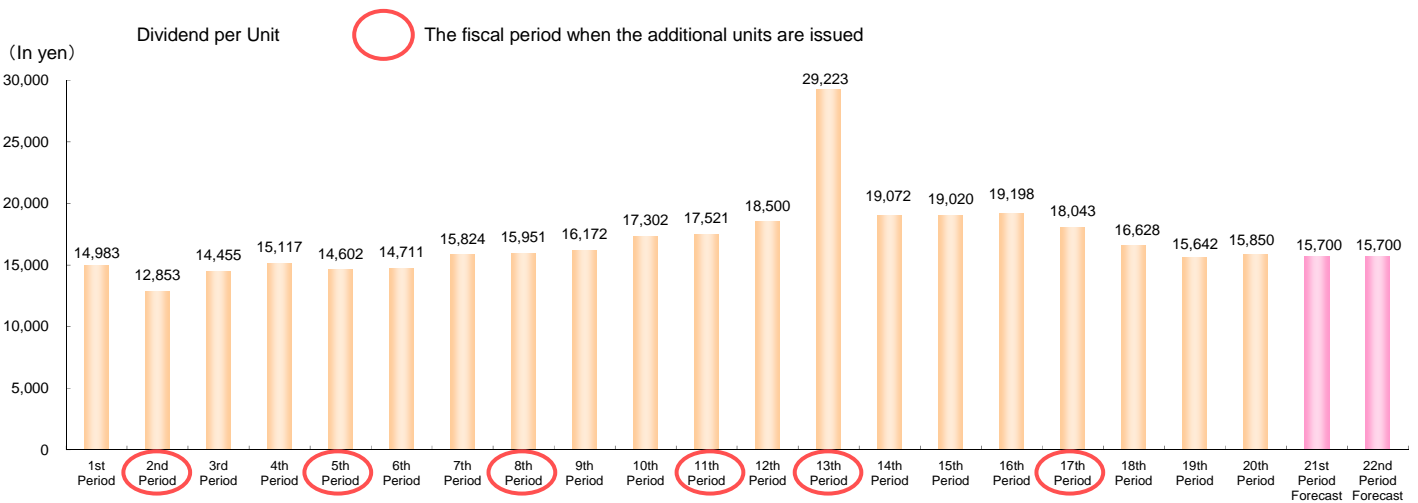


(In millions of yen [excluding items where the unit is specified])

11th Period Mar 31, 2007 Oct 2006-Mar 2007	12th Period Sep 30, 2007 Apr 2007-Sep 2007	13th Period Mar 31, 2008 Oct 2007-Mar 2008	14th Period Sep 30, 2008 Apr 2008-Sep 2008	15th Period Mar 31, 2009 Oct 2008-Mar 2009	16th Period Sep 30, 2009 Apr 2009-Sep 2009	17th Period Mar 31, 2010 Oct 2009-Mar 2010	18th Period Sep 30, 2010 Apr 2010-Sep 2010	19th Period Mar 31, 2011 Oct 2010-Mar 2011	20th Period Sep 30, 2011 Apr 2011-Sep 2011	21st Period Forecast Mar 31, 2012 Oct 2011-Mar 2012	22nd Period Forecast Sep 30, 2012 Apr 2012-Sep 2012
16,960 (+8.9%)	17,530 (+3.4%)	25,743 (+46.9%)	19,805 (-23.1%)	20,716 (+4.6%)	21,524 (+3.9%)	21,665 (+0.7%)	22,112 (+2.1%)	22,135 (+0.1%)	22,829 (+3.1%)	24,140 (+5.7%)	24,080 (-0.2%)
16,500 (-8.8%)	17,132 (+3.8%)	17,807 (+3.9%)	19,805 (+11.2%)	20,716 (+4.6%)	20,795 (+0.4%)	20,758 (-0.2%)	22,112 (+6.5%)	22,135 (+0.1%)	22,283 (+0.7%)	24,140 (+8.3%)	24,080 (-0.2%)
—	—	—	—	—	728	—	—	—	—	—	—
459	397	—	—	—	—	885	—	—	546	—	—
—	—	7,935	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	21	—	—	—	—	—
8,304 (+17.9%)	8,739 (+5.2%)	14,218 (+62.7%)	9,807 (-31.0%)	9,955 (+1.5%)	10,054 (+1.0%)	10,538 (+4.8%)	9,939 (-5.7%)	9,802 (-1.4%)	10,380 (+5.9%)	10,590 (+2.0%)	10,270 (-3.0%)
7,184 (+20.2%)	7,586 (+5.6%)	12,946 (+70.7%)	8,449 (-34.7%)	8,426 (-0.3%)	8,505 (+0.9%)	8,876 (+4.4%)	8,135 (-8.3%)	7,938 (-2.4%)	8,603 (+8.4%)	8,630 (+0.3%)	8,470 (-1.9%)
7,183 (+20.2%)	7,585 (+5.6%)	12,945 (+70.7%)	8,448 (-34.7%)	8,425 (-0.3%)	8,504 (+0.9%)	8,875 (+4.4%)	8,134 (-8.4%)	7,652 (-5.9%)	8,268 (+8.1%)	8,620 (+4.3%)	8,520 (-1.2%)
410,000 units 17,521 yen	410,000 units 18,500 yen	443,000 units 29,223 yen	443,000 units 19,072 yen	443,000 units 19,020 yen	443,000 units 19,198 yen	489,200 units 18,043 yen	489,200 units 16,628 yen	489,200 units 15,642 yen	489,200 units 15,850 yen	(*) 549,040 units (*) 15,700 yen	(*) 549,040 units (*) 15,700 yen
443,973	449,643	527,537	542,920	565,022	564,528	637,326	634,974	646,847	643,949	—	—
271,867	272,269	310,547	306,050	306,027	306,106	333,228	332,536	332,054	332,670	—	—
663,091 yen	664,071 yen	701,009 yen	690,858 yen	690,806 yen	690,984 yen	681,170 yen	679,755 yen	678,770 yen	680,029 yen	—	—
172,105	177,374	216,990	236,869	258,994	258,422	304,097	302,437	314,793	311,279	—	—
140,000	144,500	177,500	199,500	220,500	220,500	262,500	262,450	272,400	269,350	—	—
31.5%	32.1%	33.6%	36.7%	39.0%	39.1%	41.2%	41.3%	42.1%	41.8%	—	—
1,560,000 yen	1,380,000 yen	1,160,000 yen	836,000 yen	756,000 yen	734,000 yen	797,000 yen	759,000 yen	787,000 yen	754,000 yen	—	—
639,600	565,800	513,880	370,348	334,908	325,162	389,892	371,302	385,000	368,856	—	—
50	50	53	54	55	55	55	55	57	56	57	57
441,276	446,940	518,969	542,969	564,219	564,219	641,245	643,891	660,601	657,863	718,663	718,663
397,928 m	406,605 m	479,877 m	508,296 m	516,411 m	516,421 m	566,277 m	567,612 m	589,002 m	584,982 m	629,760 m	629,760 m
97.8%	98.7%	95.9%	96.1%	95.5%	93.3%	93.0%	92.4%	93.2%	94.6%	94.2%	—
64,600 units	—	33,000 units	—	—	—	46,200 units	—	—	—	—	—
1,009,400 yen	—	1,029,000 yen	—	—	—	597,520 yen	—	—	—	—	—
65,207	—	33,957	—	—	—	(*) 25,095	—	—	—	—	—
978,500 yen	—	997,500 yen	—	—	—	579,040 yen	—	—	—	—	—
63,211	—	32,917	—	—	—	26,751	—	—	—	—	—
2006/10/24	—	2008/3/12	—	—	—	2009/12/8 2009/12/22	—	—	—	—	—

(\*) Performance forecast is based on 549,040 units, which consist of the number of units outstanding as of November 21, 2011 (489,200 units) and the number of units to be newly issued (59,840 units) with the aggregate amount of issue price equal to the scheduled issue amount (40.7 billion yen) specified in the unit issue shelf registration statement submitted as of November 21, 2011.

(\*) Aggregate amount of offer price by the public offering of 42,000 new units



# Structure of Fees to Asset Management Company

## Payment of Asset Management Fees to Asset Management Company

(As of September 30, 2011)

### Term fee

Each amount calculated in the following formula is based on the current cash flow (CF).

$CF = \text{Income or loss before income taxes} + (\text{Depreciation expenses and the amortization of deferred assets}) - (\text{Gain or loss on sales and valuation of the Specified Assets})$

Furthermore, calculation of the term fee shall be based on the CF before deduction of the relevant term and incentive fees.

[Formula]\*

For the portion of the CF that is not more than 2.5 billion yen, the amount equivalent to such portion is multiplied by 8.0%

For the portion of the CF that is more than 2.5 billion yen but not more than 4 billion yen, the amount equivalent to such portion is multiplied by 5.0%

For the portion of the CF that is more than 4 billion yen, the amount equivalent to such portion is multiplied by 3.0%

\* Reduction in term-fee rates was agreed upon at the unitholders' meeting held on March 28, 2003. The new rates above apply from the 4th Period.

### Incentive fee

1. If (i) during the recent six (6) consecutive fiscal periods, including the relevant fiscal period, the CF per Unit for the fiscal period is equal to or increases from that in the previous fiscal period, and (ii) the CF per Unit for the relevant fiscal period with respect to which the incentive fee is calculated increases from that in the previous fiscal period, the following formula applies:

[Formula]

$([\text{CF per Unit as of the last day of the relevant fiscal period}] - [\text{CF per Unit as of the last day of the immediately preceding fiscal period}]) \times (\text{Total number of outstanding Units as of the last day of the relevant fiscal period}) \times 30.0\%$

2. If, although the requirement in (1) (i) above is not satisfied, such CF per Unit exceeds the arithmetic average of the CF per Unit during the recent six consecutive fiscal periods and the requirement in (1) (ii) above is satisfied, the following formula applies:

[Formula]

$([\text{CF per Unit as of the last day of the relevant fiscal period}] - [\text{Arithmetic average of the CF per Unit during the recent six fiscal periods, including the relevant fiscal period}]) \times (\text{Total number of outstanding Units as of the last day of the relevant fiscal period}) \times 30.0\%$

CF per Unit shall be calculated by dividing the CF by the total number of outstanding Units as of the end of each fiscal period. Furthermore, calculation of the incentive fee shall be based on the CF before deduction of any incentive fee.

### Acquisition fee

In the case of acquisition of Real Estate Assets or other Specified Assets, an amount equivalent to the purchase price (excluding the consumption and local consumption taxes imposed on buildings) multiplied by a rate no higher than 0.5%\*

\*The structure of the acquisition fee was revised in accordance with a resolution passed at the unitholders' meeting held on March 17, 2009.

### Transfer fee

In the case of transfer of Real Estate Assets or other Specified Assets, an amount equivalent to the sales price multiplied by a rate no higher than 0.5%

## Asset Management Fees Paid to the Asset Management Company

→New Asset Management Fee Rate (reduction) (In millions of yen)

	1st Period Mar-02	2nd Period Sep-02	3rd Period Mar-03	4th Period Sep-03	5th Period Mar-04	6th Period Sep-04	7th Period Mar-05	8th Period Sep-05	9th Period Mar-06	10th Period Sep-06	11th Period Mar-07
Term Fee (*a)	389	382	408	312	325	330	342	392	410	422	452
Incentive Fee (*a)	0	0	24	80	0	32	134	0	160	230	0
Acquisition Fee (*b)	649	88	185	90	192	213	464	180	475	33	134
Transfer Fee (*c)	0	0	0	0	0	0	0	0	0	20	154
<b>Total AM Fee</b>	<b>1,038</b>	<b>470</b>	<b>617</b>	<b>484</b>	<b>518</b>	<b>576</b>	<b>941</b>	<b>573</b>	<b>1,046</b>	<b>707</b>	<b>741</b>
Total Assets	161,809	185,397	200,022	209,581	244,523	257,372	322,358	355,968	433,552	441,163	443,973
Amount of Acquisition Price during the Period	144,697	19,580	19,265	9,065	25,830	21,390	50,683	36,050	86,205	12,630	49,850
Amount of Transfer Price during the Period	0	0	0	0	0	0	0	0	0	7,003	41,900
Term Fee / Total Assets	0.24%	0.21%	0.20%	0.15%	0.13%	0.13%	0.11%	0.11%	0.09%	0.10%	0.10%
Incentive Fee / Total Assets	—	—	0.01%	0.04%	—	0.01%	0.04%	—	0.04%	0.05%	—
Acquisition Fee / Amount of Acquisition Price during the Period	0.45%	0.45%	0.96%	1.00%	0.75%	1.00%	0.92%	0.50%	0.55%	0.26%	0.27%
Transfer Fee / Amount of Transfer Price during the Period	—	—	—	—	—	—	—	—	—	0.29%	0.37%
<b>Total AM Fee / Total Assets</b>	<b>0.64%</b>	<b>0.25%</b>	<b>0.31%</b>	<b>0.23%</b>	<b>0.21%</b>	<b>0.22%</b>	<b>0.29%</b>	<b>0.16%</b>	<b>0.24%</b>	<b>0.16%</b>	<b>0.17%</b>

→New Asset Management Fee Rate (change of acquisition fee)

	12th Period Sep-07	13th Period Mar-08	14th Period Sep-08	15th Period Mar-09	16th Period Sep-09	17th Period Mar-10	18th Period Sep-10	19th Period Mar-11	20th Period Sep-11	Average after 4th Period	
										per period	per year
Term Fee (*a)	476	713	531	537	540	529	542	538	546	467	934
Incentive Fee (*a)	185	1,860	0	0	0	0	0	0	0	157	315
Acquisition Fee (*b)	71	386	78	53	0	373	0	83	0	166	333
Transfer Fee (*c)	8	0	0	0	0	7	0	0	15	12	24
<b>Total AM Fee</b>	<b>741</b>	<b>2,960</b>	<b>609</b>	<b>591</b>	<b>540</b>	<b>910</b>	<b>542</b>	<b>622</b>	<b>562</b>	<b>804</b>	<b>1,608</b>
Total Assets	449,643	527,537	542,920	565,022	564,523	637,326	634,974	646,847	643,949	465,955 (*2)	
Amount of Acquisition Price during the Period	7,100	72,029	24,000	21,250	0	77,026	0 (*3)	16,710	0	29,989	59,978
Amount of Transfer Price during the Period	1,770	0	0	0	0	1,507	0	0	3,160	3,255	6,510
Term Fee / Total Assets	0.11%	0.14%	0.10%	0.10%	0.10%	0.08%	0.09%	0.08%	0.08%	0.10%	0.20%
Incentive Fee / Total Assets	0.04%	0.35%	—	—	—	—	—	—	—	0.03%	0.07%
Acquisition Fee / Amount of Acquisition Price during the Period	1.00%	0.54%	0.33%	0.25%	—	0.49%	—	0.50%	—	0.56%	0.56%
Transfer Fee / Amount of Transfer Price during the Period	0.50%	—	—	—	—	0.50%	—	—	0.50%	0.37%	0.37%
<b>Total AM Fee / Total Assets</b>	<b>0.16%</b>	<b>0.56%</b>	<b>0.11%</b>	<b>0.10%</b>	<b>0.10%</b>	<b>0.14%</b>	<b>0.09%</b>	<b>0.10%</b>	<b>0.09%</b>	<b>0.17%</b>	<b>0.35%</b>

(\*1) Accounting treatment of asset management fees

(\*a) Expense (Administrative expenses) (\*b) Capitalized for asset (\*c) Expense (reflected in capital gain/loss as transfer expense)

(\*2) Total assets are a simple average at the end of each period.

(\*3) On the chart above, acquisition of extended building of Ryoshin Ginza East Mirror Building is not included in "Amount of Acquisition Price during the Period", since it is not subject to Acquisition Fee.

## Key Properties

(As of September 30, 2011)

### Kitanomaru Square (Chiyoda-ku, Tokyo)



● Acquisition Date	February 24, 2006
● Acquisition Price	¥81,555.5 million
● Area	Land: 5,821.03 m <sup>2</sup> Building: 57,279.20 m <sup>2</sup>
● Completion Date	January 2006

### Mitsubishi UFJ Trust and Banking Building (Chiyoda-ku, Tokyo)



● Acquisition Date	March 28, 2007
● Acquisition Price	¥44,700.0 million
● Area	Land: 8,100.39 m <sup>2</sup> Building: 108,171.67 m <sup>2</sup> (Ownership: 19.38402%)
● Completion Date	February 2003

### Harumi Center Building (Chuo-ku, Tokyo)



● Acquisition Date	December 18, 2007
● Acquisition Price	¥26,800.0 million
● Area	Land: 4,664.63 m <sup>2</sup> Building: 26,447.27 m <sup>2</sup>
● Completion Date	November 2006

### Tokyo Opera City Building (Shinjuku-ku, Tokyo)



● Acquisition Date	September 13, 2005/ March 24, 2010
● Acquisition Price	¥31,776.8 million
● Area	Land: 18,236.94 m <sup>2</sup> Building: 232,996.81 m <sup>2</sup> (Ownership: 31.325%)
● Completion Date	July 1996



**Shibuya Cross Tower  
(Shibuya-ku, Tokyo)**



- Acquisition Date November 30, 2001
- Acquisition Price ¥34,600.0 million
- Area Land: 5,153.45 m<sup>2</sup>  
Building: 61,862.33 m<sup>2</sup>
- Completion Date April 1976

**Shiodome Building  
(Minato-ku, Tokyo)**



- Acquisition Date December 19, 2008/  
January 15, 2010
- Acquisition Price ¥75,850.0 million
- Area Land: approx. 12,046 m<sup>2</sup>  
Building: 115,930.83 m<sup>2</sup>  
(Quasi-co-ownership: 40.0% of  
the trust beneficiary right)
- Completion Date December 2007

**MM Park Building  
(Yokohama City, Kanagawa Prefecture)**



- Acquisition Date March 24, 2008
- Acquisition Price ¥37,400.0 million
- Area Land: 6,825.77 m<sup>2</sup>  
Building: 49,037.51 m<sup>2</sup>
- Completion Date December 2007

**Shin-Fujita Building  
(Osaka City, Osaka Prefecture)**



- Acquisition Date September 1, 2008
- Acquisition Price ¥24,000.0 million
- Area Land: 6,159.61 m<sup>2</sup>  
Building: 45,411.31 m<sup>2</sup>
- Completion Date April 1995

# Summary of Appraisal Values at the End of Period

(In million of yen)

Name	Acquisition Price	Appraisal Value as of the End of Period																	
		19th Period						20th Period						Change					
		Appraisal Value	DC(*1)		DCF(*2)			Appraisal Value	DC(*1)		DCF(*2)			Appraisal Value	Change in Value	DC(*1)		DCF(*2)	
			Cap Rate	Assessed CF	Discount Rate	Terminal Cap Rate	Cap Rate		Assessed CF	Discount Rate	Terminal Cap Rate	Cap Rate	Assessed CF			Discount Rate	Terminal Cap Rate		
Genki Medical Plaza	5,000	6,050	5.40%	333	5.00%	5.80%	6,100	5.40%	336	5.00%	5.80%	50	0.8%	0.00%	0.8%	0.00%	0.00%		
Kitanomaru Square	81,555	68,200	4.30%	3,038	4.10%	4.50%	68,700	4.20%	2,977	4.00%	4.40%	500	0.7%	-0.10%	-2.0%	-0.10%	-0.10%		
MD Kanda	9,520	8,980	4.60%	419	4.40%	4.80%	8,750	4.60%	411	4.40%	4.80%	-230	-2.6%	0.00%	-2.0%	0.00%	0.00%		
Kandabashi Park	4,810	4,720	4.60%	223	4.40%	4.80%	4,560	4.60%	214	4.40%	4.80%	-160	-3.4%	0.00%	-3.8%	0.00%	0.00%		
Nibancho Garden	14,700	16,000	4.70%	776	4.50%	4.90%	16,300	4.60%	772	4.40%	4.80%	300	1.9%	-0.10%	-0.6%	-0.10%	-0.10%		
Mitsubishi UFJ Trust	44,700	46,500	3.60%	1,702	3.30%	3.70%	46,500	3.60%	1,701	3.30%	3.70%	0	0.0%	0.00%	-0.1%	0.00%	0.00%		
Burex Kojimachi	7,000	6,220	4.30%	272	4.10%	4.50%	6,220	4.30%	273	4.10%	4.50%	0	0.0%	0.00%	0.3%	0.00%	0.00%		
Sanno Grand	20,900	28,400	4.60%	1,312	4.30%	4.70%	29,000	4.50%	1,313	4.20%	4.60%	600	2.1%	-0.10%	0.1%	-0.10%	-0.10%		
Yurakucho Denki	7,200	7,610	4.60%	359	4.40%	4.80%	7,430	4.50%	342	4.30%	4.70%	-180	-2.4%	-0.10%	-4.7%	-0.10%	-0.10%		
Kodenmachi	3,173	3,330	5.00%	172	4.80%	5.20%	3,110	5.00%	159	4.80%	5.20%	-220	-6.6%	0.00%	-7.2%	0.00%	0.00%		
Kyodo (Kayabacho 2Chome)	4,410	4,680	4.70%	219	4.50%	4.90%	4,710	4.70%	220	4.50%	4.90%	30	0.6%	0.00%	0.3%	0.00%	0.00%		
Burex Kyobashi	5,250	6,170	4.30%	270	4.10%	4.50%	6,170	4.30%	271	4.10%	4.50%	0	0.0%	0.00%	0.2%	0.00%	0.00%		
Ginza Sanwa	16,830	14,900	3.80%	588	3.70%	3.90%	14,600	3.80%	577	3.70%	3.90%	-300	-2.0%	0.00%	-1.9%	0.00%	0.00%		
Ryoshin Ginza EM	7,999	5,540	4.60%	262	4.40%	4.80%	5,300	4.60%	251	4.40%	4.80%	-240	-4.3%	0.00%	-4.3%	0.00%	0.00%		
Harumi Center	26,800	20,600	5.00%	1,055	4.80%	5.20%	20,300	4.90%	1,023	4.70%	5.10%	-300	-1.5%	-0.10%	-3.0%	-0.10%	-0.10%		
Aoyama Crystal	7,680	7,730	4.40%	349	4.20%	4.60%	7,460	4.40%	337	4.20%	4.60%	-270	-3.5%	0.00%	-3.3%	0.00%	0.00%		
Shiodome	75,850	79,600	4.10%	3,206	3.90%	4.30%	78,000	4.10%	3,200	3.90%	4.30%	-1,600	-2.0%	0.00%	-0.2%	0.00%	0.00%		
Shiba 2Chome Daimon	4,859	6,180	5.00%	312	4.80%	5.20%	6,060	5.00%	310	4.80%	5.20%	-120	-1.9%	0.00%	-0.7%	0.00%	0.00%		
Cosmo Kanasugibashi	2,808	2,830	5.00%	144	4.80%	5.20%	2,730	5.00%	138	4.80%	5.20%	-100	-3.5%	0.00%	-4.4%	0.00%	0.00%		
Shinwa	7,830	6,240	4.80%	309	4.60%	5.00%	5,980	4.80%	300	4.60%	5.00%	-260	-4.2%	0.00%	-3.1%	0.00%	0.00%		
Tokyo Opera City	31,776	32,000	5.00%	1,641	4.80%	5.20%	30,900	4.90%	1,555	4.70%	5.10%	-1,100	-3.4%	-0.10%	-5.2%	-0.10%	-0.10%		
Higashi-Gotanda 1Chome	5,500	5,650	4.80%	273	4.50%	4.90%	5,650	4.80%	273	4.50%	4.90%	0	0.0%	0.00%	0.1%	0.00%	0.00%		
Osaki Front Tower	12,300	15,170	5.10%	954	4.80%	5.50%	15,180	5.10%	944	4.80%	5.30%	10	0.1%	0.00%	-1.0%	0.00%	-0.20%		
Omori-Eki Higashiguchi	5,123	5,250	5.50%	290	5.30%	5.70%	5,250	5.50%	291	5.30%	5.70%	0	0.0%	0.00%	0.2%	0.00%	0.00%		
Nippon Brunswick	6,670	7,260	4.90%	364	4.60%	5.10%	7,040	4.90%	355	4.60%	5.10%	-220	-3.0%	0.00%	-2.5%	0.00%	0.00%		
Yoyogi 1Chome	8,700	10,200	4.60%	481	4.40%	4.80%	9,990	4.60%	474	4.40%	4.80%	-210	-2.1%	0.00%	-1.4%	0.00%	0.00%		
da Vinci Harajuku	4,885	6,090	4.80%	292	4.50%	4.90%	6,090	4.80%	292	4.50%	4.90%	0	0.0%	0.00%	0.0%	0.00%	0.00%		
Jingumae MS	12,200	10,400	4.50%	478	4.30%	4.70%	10,400	4.50%	478	4.30%	4.70%	0	0.0%	0.00%	0.0%	0.00%	0.00%		
Shibuya Cross Tower	34,600	40,800	4.50%	1,875	4.30%	4.70%	40,800	4.50%	1,883	4.30%	4.70%	0	0.0%	0.00%	0.5%	0.00%	0.00%		
Ebisu Neonato	4,100	2,840	4.60%	132	4.40%	4.80%	2,800	4.50%	129	4.30%	4.70%	-40	-1.4%	-0.10%	-2.2%	-0.10%	-0.10%		
Harmony Tower	8,500	9,240	4.90%	462	4.70%	5.10%	9,450	4.80%	464	4.60%	5.00%	210	2.3%	-0.10%	0.4%	-0.10%	-0.10%		
Otsuka Higashi-Ikebukuro	3,541	3,820	5.90%	225	5.60%	6.00%	3,820	5.90%	225	5.60%	6.00%	0	0.0%	0.00%	0.0%	0.00%	0.00%		
Ikebukuro 2Chome	1,728	1,580	5.60%	90	5.40%	5.80%	1,580	5.60%	90	5.40%	5.80%	0	0.0%	0.00%	0.0%	0.00%	0.00%		
Ikebukuro YS	4,500	4,380	5.30%	233	5.10%	5.50%	4,230	5.30%	225	5.10%	5.50%	-150	-3.4%	0.00%	-3.6%	0.00%	0.00%		
Hachioji First	5,679	4,450	5.60%	252	5.40%	5.80%	4,450	5.60%	252	5.40%	5.80%	0	0.0%	0.00%	0.0%	0.00%	0.00%		
Saitama Urawa	2,574	2,080	6.00%	125	5.80%	6.20%	2,070	6.00%	126	5.80%	6.20%	-10	-0.5%	0.00%	0.5%	0.00%	0.00%		
MM Park	37,400	35,900	5.10%	1,832	4.90%	5.30%	35,900	5.10%	1,838	4.90%	5.30%	0	0.0%	0.00%	0.3%	0.00%	0.00%		
Kawasaki Isago	3,375	2,850	5.90%	170	5.70%	6.10%	2,720	5.80%	159	5.60%	6.00%	-130	-4.6%	-0.10%	-6.5%	-0.10%	-0.10%		
Musashi Kosugi STM	4,000	3,520	5.70%	201	5.50%	5.90%	3,510	5.70%	200	5.50%	5.90%	-10	-0.3%	0.00%	-0.2%	0.00%	0.00%		
8-3 Square Kita	7,100	6,630	5.70%	383	5.60%	5.90%	6,630	5.70%	382	5.60%	5.90%	0	0.0%	0.00%	-0.3%	0.00%	0.00%		
Jozenji Park	1,000	890	6.20%	55	6.10%	6.40%	887	6.20%	55	6.10%	6.40%	-3	-0.3%	0.00%	-0.5%	0.00%	0.00%		
Sandai Honma	3,174	2,490	5.90%	149	5.80%	6.10%	2,480	5.90%	149	5.80%	6.10%	-10	-0.4%	0.00%	0.0%	0.00%	0.00%		
Kanazawa Park	4,580	5,330	6.70%	356	6.60%	6.90%	5,330	6.70%	356	6.60%	6.90%	0	0.0%	0.00%	0.2%	0.00%	0.00%		
Nishiki Park	5,150	3,720	5.30%	197	5.10%	5.50%	3,660	5.30%	197	5.10%	5.50%	-60	-1.6%	0.00%	-0.2%	0.00%	0.00%		
Hirokoji Sakae	1,680	1,460	5.50%	81	5.30%	5.70%	1,330	5.50%	74	5.30%	5.70%	-130	-8.9%	0.00%	-8.8%	0.00%	0.00%		
Nagoya Hirokoji	14,533	12,700	5.40%	696	5.20%	5.60%	12,600	5.40%	696	5.20%	5.60%	-100	-0.8%	0.00%	0.1%	0.00%	0.00%		
Nagoya Misono	1,865	1,090	5.80%	64	5.60%	6.00%	1,080	5.80%	64	5.60%	6.00%	-10	-0.9%	0.00%	-0.3%	0.00%	0.00%		
Kyoto Kawaramachi	2,650	1,720	6.10%	106	6.00%	6.30%	1,720	6.10%	106	6.00%	6.30%	0	0.0%	0.00%	-0.2%	0.00%	0.00%		
Shin-Fujita	24,000	16,600	5.10%	864	4.90%	5.30%	16,400	5.10%	847	4.90%	5.30%	-200	-1.2%	0.00%	-2.0%	0.00%	0.00%		
Sakaishijonmachi	4,164	3,660	5.50%	202	5.30%	5.70%	3,620	5.50%	202	5.30%	5.70%	-40	-1.1%	0.00%	-0.2%	0.00%	0.00%		
Midotsuji Daiwa	14,314	14,100	4.90%	695	4.70%	5.10%	14,100	4.90%	703	4.70%	5.10%	0	0.0%	0.00%	1.1%	0.00%	0.00%		
Lit City	4,650	4,220	6.40%	274	6.30%	6.60%	4,220	6.40%	274	6.30%	6.60%	0	0.0%	0.00%	0.3%	0.00%	0.00%		
NHK Hiroshima	2,770	2,970	6.30%	188	6.20%	6.50%	2,980	6.30%	188	6.20%	6.50%	10	0.3%	0.00%	0.0%	0.00%	0.00%		
Tosei Tenjin	1,550	1,320	6.20%	82	6.10%	6.40%	1,320	6.20%	82	6.10%	6.40%	0	0.0%	0.00%	0.1%	0.00%	0.00%		
Tenjin Crystal	5,000	2,480	5.70%	143	5.60%	5.90%	2,470	5.70%	142	5.60%	5.90%	-10	-0.4%	0.00%	-0.7%	0.00%	0.00%		
Hinode Tenjin	3,657	3,720	5.80%	213	5.50%	5.80%	3,720	5.80%	214	5.50%	5.80%	0	0.0%	0.00%	0.5%	0.00%	0.00%		
<b>Total (56 properties)</b>	<b>657,863</b>	<b>639,060</b>					<b>634,357</b>					<b>-4,703</b>	<b>-0.7%</b>						

\*1 Direct capitalization method

\*2 Discounted cash flow method

\*3 The Takanawadai Building, which was transferred on April 1, 2011, is not included in the above list.



# Performance (Operating Results of Each Property in the 20th Period)

(In million of yen)

Name	Performance (April 1, 2011-September 30, 2011)												
	Property-related Revenues	Property-related Expenses								(2) Property-related Profits and Losses	(3) NOI ((1) + (2))	(4) Capex (*)	NCF ((3) - (4))
		Property Management Expenses	Utilities Expenses	Property and Other Taxes	Casualty Insurance	Repairing Expenses	Depreciation (1)	Other Expenses					
Genki Medical Plaza	221	73	13	14	18	0	5	20	2	147	168	-	168
Kitanomaru Square	1,562	731	122	53	96	2	12	444	-	830	1,274	2	1,271
MD Kanda	259	100	18	15	21	0	1	43	0	158	201	0	200
Kandabashi Park	121	38	3	-	17	0	1	15	-	82	98	0	97
Nibancho Garden	474	246	57	23	56	0	4	104	-	228	332	2	330
Mitsubishi UFJ Trust	984	340	50	52	126	1	3	101	4	644	746	0	745
Burex Kojimachi	162	83	-	-	15	0	1	66	-	78	144	-	144
Sanno Grand	1,027	367	105	52	105	1	26	76	-	659	735	28	706
Yurakucho Denki	249	121	32	19	41	0	0	27	-	127	155	2	153
Kodenmachi	117	56	15	7	12	0	0	16	3	61	78	1	76
Kyodo (Kayabacho 2Chome)	143	56	12	10	0	0	8	25	-	86	111	-	111
Burex Kyobashi	150	52	-	-	12	0	2	37	-	97	134	2	131
Ginza Sanwa	371	119	30	17	52	0	5	12	0	252	265	11	253
Ryoshin Ginza EM	115	118	20	12	16	0	16	52	0	-2	49	10	38
Harumi Center	684	427	72	37	51	1	0	263	0	257	520	4	516
Aoyama Crystal	205	93	14	13	28	0	6	29	0	112	141	0	141
Shiodome	2,277	650	141	92	117	2	4	291	0	1,627	1,919	1	1,917
Shiba 2Chome Daimon	306	138	38	26	39	0	12	21	0	167	189	13	176
Cosmo Kanasugibashi	111	43	12	7	13	0	0	9	-	68	78	-	78
Shinwa	201	172	20	16	20	0	89	23	-	29	52	0	52
Tokyo Opera City	1,572	1,106	Undisclosed	Undisclosed	Undisclosed	Undisclosed	Undisclosed	Undisclosed	Undisclosed	465	Undisclosed	62	Undisclosed
Takanawadai	0	7	0	0	6	-	-	-	-	-7	-7	-	-7
Higashi-Gotanda 1Chome	190	92	15	14	15	0	0	46	0	97	143	4	139
Osaki Front Tower	667	500	73	49	0	0	4	281	91	166	448	-	448
Omori-Eki Higashiguchi	252	107	28	19	26	0	10	22	0	144	166	3	163
Nippon Brunswick	300	142	36	21	29	0	15	38	-	157	196	15	180
Yoyogi 1Chome	312	136	21	19	25	0	0	68	-	176	244	-	244
da Vinci Harajuku	190	48	10	8	15	0	0	13	-	141	154	1	153
Jingumae MS	341	135	22	25	33	0	1	52	-	206	258	0	257
Shibuya Cross Tower	1,358	866	172	112	137	3	54	373	12	491	865	165	700
Ebisu Neonato	68	62	18	4	11	0	3	25	-	6	31	6	25
Harmony Tower	344	204	63	-	48	1	9	82	-	139	221	4	217
Otsuka Higashi-Ikebukuro	169	110	26	20	13	0	17	31	0	58	90	18	72
Ikebukuro 2Chome	73	27	7	5	5	0	1	6	0	45	52	3	49
Ikebukuro YS	180	79	17	14	15	0	1	30	-	101	131	2	128
Hachioji First	239	136	50	-	27	0	6	51	-	103	155	1	153
Saitama Urawa	111	49	16	8	9	0	2	12	-	62	74	4	70
MM Park	1,335	702	127	169	60	2	4	337	-	633	971	10	960
Kawasaki Isago	160	77	27	13	14	0	6	15	0	83	98	11	87
Musashi Kosugi STM	143	58	21	1	10	0	3	20	-	84	104	3	101
8 + 3 Square Kita	327	192	29	58	23	0	1	79	-	135	214	-	214
Jozenji Park	67	42	9	7	7	0	9	8	-	24	33	-	33
Sendai Honma	128	62	17	12	16	0	0	13	0	66	80	0	79
Kanazawa Park	452	309	98	56	69	1	35	47	0	143	190	3	186
Nishiki Park	244	227	45	20	21	0	66	66	6	17	83	3	80
Hirokoji Sakae	87	50	14	12	12	0	2	8	0	36	44	0	43
Nagoya Hirokoji	575	357	91	54	64	1	52	92	0	217	309	252	57
Nagoya Misono	63	46	10	6	6	0	2	19	-	16	36	7	29
Kyoto Kawaramachi	101	74	19	11	11	0	2	27	0	26	54	1	53
Shin-Fujita	736	574	93	89	85	2	15	288	-	161	450	38	412
Sakaisujihonmachi	229	138	40	28	40	0	5	22	0	91	113	0	113
Midosuji Daiwa	590	252	64	42	83	1	4	55	0	337	393	14	379
Lit City	257	156	33	22	21	1	5	71	0	100	172	0	171
NHK Hiroshima	249	174	52	29	25	0	9	30	26	75	105	3	102
Tosei Tenjin	85	56	15	8	8	0	12	10	-	28	39	0	39
Tenjin Crystal	153	119	23	17	20	0	0	56	-	34	91	2	88
Hinode Tenjin	173	73	20	14	15	0	4	18	0	99	117	8	109
Total	22,283	11,595	2,573	1,686	2,081	47	585	4,433	187	10,687	15,121	743	14,378

\* At the request of the co-owners of Tokyo Opera City Building, the breakdown of property-related expenses and NOI are not disclosed.

\* Capex represents construction cost corresponding to capital expenditure during the period (excluding the brokerage fees related to real estate acquisition, incidental expenses of acquisition such as real-estate acquisition tax, which are reflected in the book value, and expenses capitalized as construction in progress).

# Property Data ① (Occupancy Rates at the End of the 20th Period, etc.)

Area	Name	Acquisition Date	Additional Acquisition Date	Ownership	Leasable Space (㎡)	Leased Space (㎡)	Vacant Area (㎡)		Occupancy Rate		Number of Tenants		
							End of 20th Period	Variation from End of 19th Period	End of 20th Period	Variation from End of 19th Period			
Tokyo 23 Wards	Chiyoda	Genki Medical Plaza	'02/10/31	-	100.0%	4,791	4,791	0		100.0%		1	
		Kitanomaru Square	'06/02/24	-	100.0%	25,678	25,678	0	-2,364	100.0%	9.2%	5	
		MD Kanda	'02/05/31	-	100.0%	6,269	4,794	1,474	1,225	76.5%	-19.5%	6	
		Kandabashi Park	'02/08/15	-	56.76%	3,687	3,218	469		87.3%		9	
		Nibancho Garden	'05/04/01	-	31.345%	9,316	9,316	0		100.0%		1	
		Mitsubishi UFJ Trust	'07/03/28	-	19.38402%	11,855	11,855	0		100.0%		10	
		Burex Kojimachi	'05/07/29	-	100.0%	4,495	4,495	0		100.0%		1	
		Sanno Grand	'05/01/31	'06/04/03	99.0%	20,871	20,275	596	22	97.1%	-0.1%	38	
	Chuo	Yurakucho Denki	'03/08/01	-	10.78%	4,694	4,095	599		87.2%		13	
		Kodenmachi	'01/09/25	-	100.0%	3,897	3,686	211	211	94.6%	-5.4%	9	
		Kyodo (Kayabacho 2Chome)	'11/03/01	-	100.0%	4,538	4,336	202	-598	95.5%	13.2%	9	
		Burex Kyobashi	'02/07/22	-	100.0%	4,279	4,279	0		100.0%		1	
		GINZA SANWA	'05/03/10	-	70.95%	4,329	4,290	39		99.1%		10	
		Ryoshin Ginza EM	'05/03/15	'10/05/24	100.0%	4,255	4,059	196	-1,163	95.4%	27.4%	11	
		Harumi Center	'07/12/18	-	100.0%	20,812	20,612	199	-187	99.0%	0.9%	7	
		Minato	Aoyama Crystal	'03/03/14	-	100.0%	4,898	4,898	0		100.0%		6
	Shiodome		'08/12/19	'10/01/15	40.0%	32,155	32,084	70	-32	99.8%	0.1%	30	
	Shiba 2Chome Daimon		'01/09/10	-	100.0%	9,606	9,401	205	74	97.9%	-0.8%	20	
	Shinjuku	Cosmo Kanasugibashi	'01/09/25	-	100.0%	4,062	4,062	0		100.0%		8	
		Shinwa	'04/09/01	-	100.0%	6,134	5,659	475	475	92.3%	-7.7%	10	
	Shinagawa	Tokyo Opera City	'05/09/13	'10/03/24	31.325%	35,043	31,536	3,506	1,226	90.0%	-3.5%	91	
		Higashi-Gotanda 1Chome	'04/11/01	-	100.0%	5,205	5,205	0		100.0%		4	
	Ota	Osaki Front Tower	'11/02/01	-	100.0%	16,856	16,856	0		100.0%		1	
		Omori-Eki Higashiguchi	'01/09/10	-	100.0%	7,754	7,754	0	-314	100.0%	4.1%	18	
	Shibuya	Nippon Brunswick	'04/03/24	-	100.0%	7,356	7,356	0		100.0%		21	
		Yoyogi 1Chome	'04/04/01	-	100.0%	7,745	7,745	0		100.0%		8	
		da Vinci Harajuku	'02/11/22	-	100.0%	3,147	3,147	0		100.0%		4	
		Jingumae MS	'03/10/09	-	100.0%	5,558	5,558	0		100.0%		7	
		Shibuya Cross Tower	'01/11/30	-	100.0%	29,846	28,931	915	482	96.9%	-1.6%	58	
	Nakano	Ebisu Neonato	'03/11/14	'04/04/01	12.29939%	2,462	2,014	448	-783	81.8%	31.8%	4	
Harmony Tower		'05/02/28	-	29.253305%	10,929	9,317	1,612	56	85.2%	-0.5%	12		
Toshima	Otsuka Higashi-Ikebukuro	'01/09/25	-	100.0%	7,193	6,303	889	-98	87.6%	1.4%	5		
	Ikebukuro 2Chome	'01/09/25	-	100.0%	2,186	2,186	0		100.0%		9		
	Ikebukuro YS	'04/08/02	-	100.0%	5,932	5,932	0	-201	100.0%	3.4%	11		
Other Areas	Hachioji	Hachioji First	'05/03/31	'08/03/19	80.4%	10,068	9,215	853	1	91.5%	0.0%	38	
	Saitama	Saitama Urawa	'01/09/25	'01/10/11	100.0%	4,510	4,510	0		100.0%		14	
	Yokohama	MM Park	'08/03/24	-	100.0%	38,496	36,097	2,398	1,184	93.8%	-3.1%	26	
		Kawasaki	Kawasaki Isago	'01/09/25	-	100.0%	6,831	6,741	90	90	98.7%	-1.3%	11
	Sapporo	Musashi Kosugi STM	'08/03/25	-	34.32%	5,378	4,720	658	-65	87.8%	1.2%	20	
		8-3 Square Kita	'07/06/01	-	100.0%	12,265	12,265	0		100.0%		8	
	Sendai	Jozenji Park	'05/01/31	-	50.0%	2,518	2,518	0		100.0%		18	
		Sendai Honma	'01/09/25	'06/06/28	100.0%	6,241	5,448	793		87.3%		17	
	Kanazawa	Kanazawa Park	'02/02/28	'03/03/03	89.0%	20,848	17,046	3,801	229	81.8%	-1.1%	71	
	Nagoya	Nishiki Park	'06/10/02	'06/11/01	57.04651%	8,056	7,739	316	105	96.1%	-1.3%	52	
		Hirokoji Sakae	'06/09/22	-	100.0%	3,911	3,121	790	-69	79.8%	1.8%	12	
		Nagoya Hirokoji	'01/09/10	-	100.0%	21,624	20,034	1,589	-1,517	92.6%	7.0%	27	
		Nagoya Misono	'03/08/08	-	100.0%	3,470	2,562	908	275	73.8%	-7.9%	9	
	Kyoto	Kyoto Kawaramachi	'01/12/20	-	100.0%	6,801	5,159	1,642	-448	75.9%	6.6%	30	
	Osaka	Shin-Fujita	'08/09/01	-	100.0%	28,414	26,008	2,406	-762	91.5%	2.7%	41	
		Sakaisujihonmachi	'01/09/25	'03/12/26	100.0%	11,574	10,693	881	-582	92.4%	5.0%	18	
		Midosuji Daiwa	'01/09/25	'02/02/28	100.0%	20,450	19,164	1,286	186	93.7%	-0.9%	34	
	Okayama	Lit City	'06/02/01	-	27.7488%	9,965	9,315	650	-28	93.5%	0.3%	38	
	Hiroshima	NHK Hiroshima	'04/03/25	'08/03/03	48.753%	9,860	9,469	391	-100	96.0%	1.0%	12	
	Fukuoka	Tosei Tenjin	'01/09/25	-	100.0%	4,000	4,000	0	-75	100.0%	1.9%	19	
		Tenjin Crystal	'05/06/01	-	100.0%	5,973	5,773	200	-135	96.6%	2.3%	30	
		Hinode Tenjin	'01/09/10	-	74.4844%	5,868	5,868	0	-369	100.0%	6.3%	6	
	Tokyo 23 Wards						337,850	325,738	12,112	-6,034	96.4%	1.7%	458
	Other Areas						247,131	227,474	19,657	-2,083	92.0%	0.8%	551
	Portfolio						584,982	553,212	31,769	-8,117	94.6%	1.3%	1,009

\* The above-mentioned occupancy rates do not include the residential portions. Leasable space and occupancy rates of the residential portions as of the end of the 20th Period are 11,694 ㎡・89.4% of Kitanomaru Square, 1,686 ㎡・100.0% of Nibancho Garden, 954 ㎡・85.3% of Nishiki Park Building.

\* The number of tenants is disclosed based on the gross number of tenants by building.

\* The Takanawadai Building, which was transferred on April 1, 2011, is not included in the above list.

## Property Data ② (Occupancy Rates Forecast for the End of the 21st Period, etc.)

Area	Name	Floor Area (Whole Building) (㎡)	Vacant Area (㎡)		Occupancy Rate		Property Management Company	
			End of 21st Period	Variation from End of 20th Period	End of 21st Period	Variation from End of 20th Period		
Tokyo 23 Wards	Chiyoda	Genki Medical Plaza	6,722.02	0		100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		Kitanomaru Square	57,279.20	0		100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		MD Kanda	8,185.11	1,716	241	72.6%	-3.9%	Bussan Real Estate Co., Ltd.
		Kandabashi Park	9,370.25	342	-126	90.7%	3.4%	Mitsubishi Estate Co., Ltd.
		Nibancho Garden	57,031.06	0		100.0%		The Dai-ichi Building Co., Ltd.
		Mitsubishi UFJ Trust	108,171.67	0		100.0%		Mitsubishi Estate Co., Ltd.
		Burex Kojimachi	6,526.64	0		100.0%		Space Design, Inc.
		Sanno Grand	33,875.95	-2	-598	100.0%	2.9%	Mitsubishi Estate Co., Ltd.
	Yurakucho Denki	70,287.65	613	13	86.9%	-0.3%	Yuden Building Kanri Co., Ltd.	
	Chuo	Kodenmacho	5,822.88	0	-211	100.0%	5.4%	The Dai-ichi Building Co., Ltd.
		Kyodo (Kayabacho 2Chome)	5,505.80	202		95.5%		Bussan Real Estate Co., Ltd.
		Burex Kyobashi	5,470.54	0		100.0%		Space Design, Inc.
		Ginza Sanwa	8,851.00	39		99.1%		Mitsubishi Jisho Property Management Co., Ltd.
		Ryoshin Ginza EM	5,751.68	573	376	86.5%	-8.8%	The Dai-ichi Building Co., Ltd.
	Harumi Center	26,447.27	199		99.0%		Mitsubishi Estate Co., Ltd.	
	Minato	Akasaka Park	97,489.16	4,890	4,768	89.1%	-10.6%	Mitsubishi Estate Co., Ltd.
		Aoyama Crystal	8,094.36	0		100.0%		Xymax Axis Corporation
		Shiodome	115,930.83	70		99.8%		Mitsubishi Jisho Property Management Co., Ltd.
		Shiba 2Chome Daimon	16,235.10	205		97.9%		Tokio Marine & Nichido Facilities, Inc.
	Shinjuku	Cosmo Kanasugibashi	5,420.93	0		100.0%		The Dai-ichi Building Co., Ltd.
		Shinwa	8,291.69	0	-475	100.0%	7.7%	Tokio Marine & Nichido Facilities, Inc.
	Shinagawa	Tokyo Opera City	232,996.81	3,750	243	89.3%	-0.7%	Tokyo Operacity Property Management co.,Ltd.
		Higashi-Gotanda 1Chome	6,460.39	0		100.0%		Sohgo Housing Co., Ltd
	Ota	Osaki Front Tower	23,673.92	0		100.0%		Mitsubishi Estate Co., Ltd.
		Omori-Eki Higashiguchi	14,095.34	242	242	96.9%	-3.1%	Tokio Marine & Nichido Facilities, Inc.
	Shibuya	Nippon Brunswick	11,957.38	459	459	93.8%	-6.2%	Mitsubishi Jisho Property Management Co., Ltd.
		Yoyogi 1Chome	10,778.10	0		100.0%		Tokio Marine & Nichido Facilities, Inc.
		da Vinci Harajuku	4,359.20	0		100.0%		Xymax Axis Corporation
		Jingumae MS	9,420.42	0		100.0%		The Dai-ichi Building Co., Ltd.
		Shibuya Cross Tower	61,862.33	2,449	1,534	91.7%	-5.2%	Mitsubishi Jisho Property Management Co., Ltd.
	Nakano	Ebisu Neonato	36,598.38	0	-448	100.0%	18.2%	Tokio Marine & Nichido Facilities, Inc.
Harmony Tower		72,729.31	1,581	-30	85.5%	0.3%	Mitsubishi Jisho Property Management Co., Ltd.	
Toshima	Otsuka Higashi-Ikebukuro	9,531.28	566	-323	92.1%	4.5%	Sohgo Housing Co., Ltd	
	Ikebukuro 2Chome	3,157.51	0		100.0%		Sohgo Housing Co., Ltd	
	Ikebukuro YS	7,464.64	0		100.0%	-0.0%	Xymax Axis Corporation	
Other Areas	Hachioji	Hachioji First	18,329.98	453	-399	95.5%	4.0%	Sohgo Housing Co., Ltd
		Saitama Urawa	6,258.59	935	935	79.3%	-20.7%	The Dai-ichi Building Co., Ltd.
	Yokohama	MIM Park	49,037.51	2,804	405	92.7%	-1.1%	Mitsubishi Estate Co., Ltd.
	Kawasaki	Kawasaki Isago	9,623.83	0	-90	100.0%	1.3%	Sohgo Housing Co., Ltd
		Musashi Kosugi STM	22,839.61	484	-173	91.0%	3.2%	Sohgo Housing Co., Ltd
	Sapporo	8-3 Square Kita	16,096.97	0		100.0%		Mitsubishi Jisho Property Management Co., Ltd.
	Sendai	Jozenji Park	7,648.33	0		100.0%		Mitsubishi Estate Co., Ltd.
		Sendai Honma	8,247.50	1,201	408	80.7%	-6.5%	The Dai-ichi Building Co., Ltd.
	Kanazawa	Kanazawa Park	43,481.20	3,035	-765	85.4%	3.7%	Mitsubishi Estate Co., Ltd.
	Nagoya	Nishiki Park	25,091.91	411	94	94.9%	-1.2%	Mitsubishi Estate Co., Ltd.
		Hirokoji Sakae	6,445.08	790		79.8%		Tokio Marine & Nichido Facilities, Inc.
		Nagoya Hirokoji	33,377.73	722	-867	96.7%	4.0%	Mitsubishi Jisho Property Management Co., Ltd.
		Nagoya Misono	5,348.00	798	-109	76.9%	3.1%	Tokio Marine & Nichido Facilities, Inc.
	Kyoto	Kyoto Kawaramachi	9,701.04	1,287	-354	81.1%	5.2%	Xymax Axis Corporation
	Osaka	Shin-Fujita	45,411.31	2,237	-169	92.1%	0.6%	Mitsubishi Jisho Property Management Co., Ltd.
		Sakaisujihonmachi	17,145.59	1,050	169	90.9%	-1.5%	The Dai-ichi Building Co., Ltd.
		Midosuji Daiwa	31,213.27	813	-472	96.0%	2.3%	The Dai-ichi Building Co., Ltd.
	Okayama	Lit City	52,653.19	822	172	91.7%	-1.7%	Yuraku Real Estate Co., Ltd.
	Hiroshima	NHK Hiroshima	35,217.28	346	-44	96.5%	0.5%	Mitsubishi Estate Co., Ltd.
	Fukuoka	Tosei Tenjin	5,588.57	151	151	96.2%	-3.8%	The Dai-ichi Building Co., Ltd.
		Tenjin Crystal	10,432.04	439	239	92.6%	-4.0%	The Dai-ichi Building Co., Ltd.
		Hinode Tenjin	12,527.07	0		100.0%		Tokio Marine & Nichido Facilities, Inc.
	Tokyo 23 Wards			17,902	5,666	95.3%	-1.5%	
	Other Areas			18,786	-871	92.4%	0.4%	
	Portfolio			36,688	4,795	94.2%	-0.8%	

## Property Data ③ (Classification)

### Floor Size by Area, Property and PM Companies

*Red Italic shows the transferred properties.*

(As of September 30, 2011)

Tsubo per Standard floor (Tsubo≒3.3 m <sup>2</sup> )	Area						Total Number of Buildings	Total Acquisition Price (¥mm) (%)
	Tokyo 23 Wards			Other Areas				
	3 Central Wards	Other Area	Tokyo Metropolitan Area (excl. 23 Wards)	Osaka / Kyoto / Kobe	Nagoya	Other		
450 -	Nibancho Garden 1,117 Shiodome 1,059 Sanno Grand 666 Harumi Center 648 Kitanomaru Square 568 Mitsubishi UFJ Trust 537	Tokyo Opera City 653	MM Park 828 Musashi Kosugi STM 619			Kanazawa Park 625 Lit City 550	11 346,912 (52.7%)	
300 - 450	<i>Property E</i> Yurakucho Denki 398 Shiba 2Chome Daimon 352	Harmony Tower 413 Ebisu Neonato 373 Osaki Front Tower 368 Shibuya Cross Tower 313	Hachioji First 335	Shin-Fujita 440 Midosuji Daiwa 341	Nagoya Hirokoji 333	8-3 Square Kita 373 NHK Hiroshima 301	12 139,955 (21.3%)	
200 - 300	Kandabashi Park 212	Nippon Brunswick 286 Otsuka Higashi-Ikebukuro 273 Ikebukuro YS 251 Yoyogi 1Chome 230 Shinwa 227 Omori-Eki Higashiguchi 218 Higashi-Gotanda 1Chome 201	<i>Property B</i>	Sakaisujihonmachi 284 Kyoto Kawaramachi 223	Nishiki Park 209	Hinode Tenjin 252	12 62,295 (9.5%)	
150 - 200	Ginza Sanwa 198 MD Kanda 198 Genki Medical Plaza 183 Kyodo (Kayabacho 2Chome) 181 Burex Kyobashi 176 Ryoshin Ginza EM 173 Cosmo Kanasugibashi 160 Kodenmacho 150	<i>Property A</i>	Kawasaki Isago 197 Saitama Urawa 189		Nagoya Misono 157	Jozenji Park 191 Sendai Honma 179 <i>Property C</i> Tosei Tenjin 167	14 68,528 (10.4%)	
100 - 150	Burex Kojimachi 132 Aoyama Crystal 117	Jingumae MS 146 da Vinci Harajuku 117 <i>Property G</i>		<i>Property F</i>	Hirokoji Sakae 144	<i>Property D</i> Tenjin Crystal 112	6 38,445 (5.8%)	
- 100		Ikebukuro 2Chome 74					1 1,728 (0.3%)	
Total Number of Buildings	19	15	5	4	4	9	56	
Total Acquisition Price (¥mm) (%)	351,044 (53.4%)	151,953 (23.1%)	53,028 (8.1%)	45,128 (6.9%)	23,228 (3.5%)	33,481 (5.1%)	657,863 (100.0%)	
Number of PM Companies	8	7	3	3	3	5	11	

- **Balanced portfolio of properties, mostly large scale and competitive properties. The ratio of properties with standard floor area of 200 tsubo is approximately 83% on an acquisition price basis.**
- **JRE keeps property management agreements with several property management companies in each area with a view to assure fair competition among them and accumulate know-how through them.**

## Building Age and Walking Time from the Nearest Station

show s properties conveniently located w here multiple lines are available in Tokyo 23 Wards.  
*Red Italic shows the transferred properties.*

(As of September 30, 2011)

Time Building Age	Area								Total Number of Buildings Total Acquisition Price (¥mm) (%)
	Tokyo 23 Wards				Other Areas				
	- 1 min. w alk	1 - 5 min.	5 - 10 min.	10 min. -	- 1 min. w alk	1 - 5 min.	5 - 10 min.	10 min. -	
- 10 years	Kitanomaru Square Burex Kojimachi Mitsubishi UFJ Trust	Shiodome Osaki Front Tower Higashi-Gotanda 1Chome Nibancho Garden Yoyogi 1Chome Burex Ky obashi	Harumi Center		MM Park 8-3 Square Kita Lit City				13 331,505 (50.4%)
10 - 20 years	MD Kanda Harmony Tower Tokyo Opera City Ebisu Neonato Kodenmacho	Ryoshin Ginza EM Jingumae MS Kandabashi Park	Cosmo Kanasugibashi		Hachioji First Nishiki Park NHK Hiroshima Sakaisujihonmachi Sendai Honma Midosuji Daiwa	Shin-Fujita Tenjin Crystal Jozenji Park Kanazawa Park	Tosei Tenjin	<i>Property B</i>	20 156,268 (23.8%)
20 -30 years	Kyoto (Kayabacho 2Chome) <i>Property G</i> Omori-Eki Higashiguchi Genki Medical Plaza Ginza Sanwa	Otsuka Higashi-Ikebukuro Shiba 2Chome Daimon Aoyama Crystal	<i>Property A</i> Ikebukuro 2Chome Ikebukuro YS Shinwa da Vinci Harajuku		Musashi Kosugi STM	Nagoya Misono Kawasaki Isago Saitama Urawa Hirokoji Sakae Hinode Tenjin Nagoya Hirokoji Kyoto Kawaramachi	<i>Property F</i>	<i>Property D</i> <i>Property C</i>	19 100,720 (15.3%)
30 years -	Yurakucho Denki <i>Property E</i> Sanno Grand	Shibuya Cross Tower Nippon Brunswick							4 69,370 (10.5%)
Total Number of Buildings	14	14	6	0	10	11	1	0	56
Total Acquisition Price (¥mm)	249,788	204,659	48,551	0	88,401	64,914	1,550	0	657,863
(%)	(38.0%)	(31.1%)	(7.4%)	(0.0%)	(13.4%)	(9.9%)	(0.2%)	(0.0%)	(100.0%)

- Properties aged 10 years or less account for approx. 50% of the total properties (on an acquisition price basis).
- Approx. 92% of the total properties are located within a five-minute walk from the nearest station (on an acquisition price basis).

# PML Values

Area	Name	Completion Date	PML Value	
Tokyo 23 Wards	Chiyoda	Genki Medical Plaza	1985/09	3.4%
		Kitanomaru Square	2006/01	1.6%
		MD Kanda Building	1998/02	5.0%
		Kandabashi Park Building	1993/07	5.0%
		Nibancho Garden	2004/04	2.1%
		Mitsubishi UFJ Trust and Banking Building	2003/02	1.4%
		Burex Kojimachi Building	2005/01	4.1%
		Sanno Grand Building	1966/09	3.6%
	Chuo	Yurakucho Denki Building	1975/09	3.7%
		Kodenmacho	1991/11	3.3%
		Kyodo (Kayabacho 2Chome)	1991/04	3.6%
		Burex Kyobashi Building	2002/02	4.7%
		Ginza Sanwa Building	1982/10	3.7%
		Ryoshin Ginza EM	1998/10	2.8%
		Harumi Center Building	2006/11	3.5%
	Minato	Aoyama Crystal Building	1982/12	5.4%
		Shiodome Building	2007/12	1.4%
		Shiba 2Chome Daimon Building	1984/03	3.0%
		Cosmo Kanasugibashi Building	1992/03	7.3%
	Shinjuku	Shinwa Building	1989/11	7.0%
		Tokyo Opera City Building	1996/07	2.0%
	Shinagawa	Higashi-Gotanda 1Chome Building	2004/07	2.6%
		Osaki Front Tower	2005/06	3.4%
	Ota	Omori-Eki Higashiguchi Building	1989/07	2.8%
	Shibuya	Nippon Brunswick Building	1974/03	4.0%
		Yoyogi 1Chome Building	2003/10	2.2%
		da Vinci Harajuku	1987/12	9.6%
		Jingumae Media Square Building	1998/03	3.3%
		Shibuya Cross Tower	1976/04	2.2%
	Nakano	Ebisu Neonato	1994/10	2.4%
		Harmony Tower	1997/03	2.0%
	Toshima	Otsuka Higashi-Ikebukuro Building	1987/11	6.1%
		Ikebukuro 2Chome Building	1990/05	3.4%
Ikebukuro YS Building		1989/12	5.7%	
Other Areas	Hachioji	Hachioji First	1996/07	3.9%
	Saitama	Saitama Urawa Building	1990/03	7.2%
	Yokohama	MM Park Building	2007/12	4.0%
	Kawasaki	Kawasaki Isago Building	1990/12	4.1%
		Musahi Kosugi STM Building	1990/10	3.8%
	Sapporo	8-3 Square Kita Building	2006/12	1.6%
	Sendai	Jozenji Park Building	1993/01	3.3%
		Sendai Honma	1991/11	2.2%
	Kanazawa	Kanazawa Park Building	1991/10	4.8%
		Nishiki Park Building	1995/08	2.4%
	Nagoya	Hirokoji Sakae Building	1987/09	5.2%
		Nagoya Hirokoji Building	1987/05	2.4%
		Nagoya Misono Building	1991/09	4.1%
		Kyoto	Kyoto Kawaramachi	1982/11
	Osaka	Shin-Fujita Building	1995/04	4.0%
		Sakaisujihonmachi Building	1992/10	7.4%
		Midosuji Daiwa Building	1991/09	6.9%
	Okayama	Lit City Building	2005/06	0.6%
	Hioroshima	NHK Hiroshima	1994/08	1.1%
	Fukuoka	Tosei Tenjin Building	1992/03	4.3%
Tenjin Crystal Building		1993/08	3.1%	
Hinode Tenjin Building		1987/08	4.2%	
	Portfolio PML		2.0%	

\* Completion date is the date of construction.

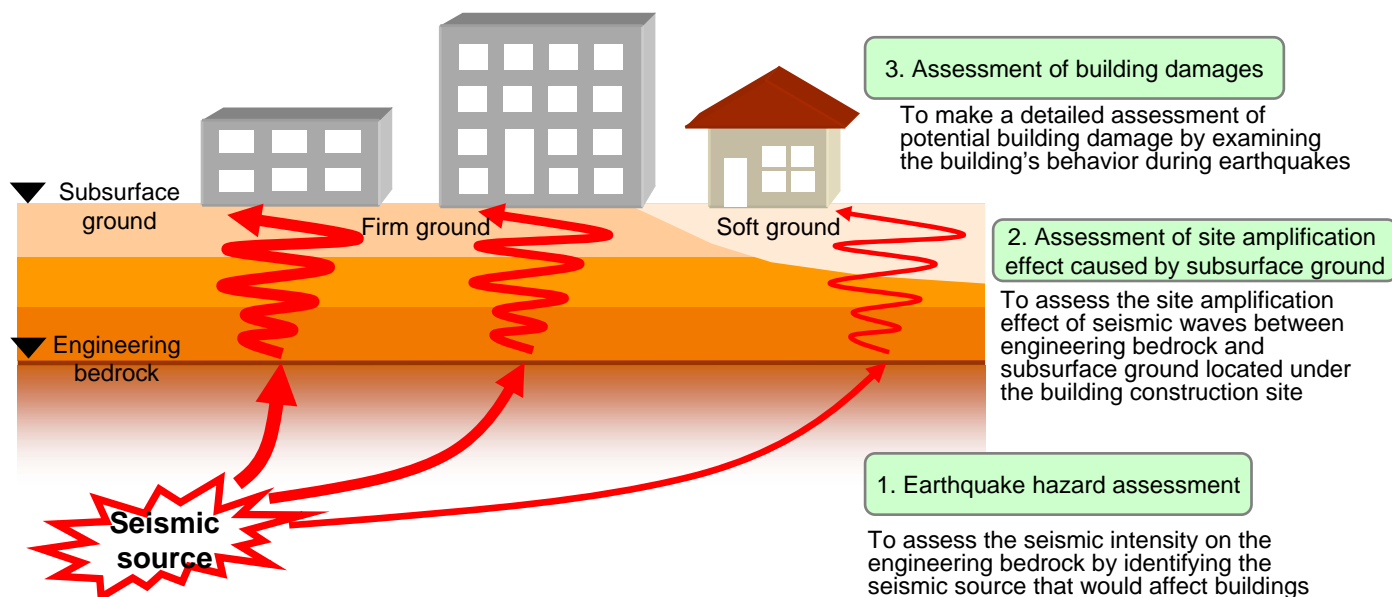
\* Takanawadai Building which was transferred on April 1, 2011 is not included here.

## \*PML(Probable Maximum Loss) Value: Percentage of Probable Maximum Loss due to Earthquake

The percentage of the expense in restoring an earthquake-struck building to pre-earthquake condition to the total replacement value (i.e., total expense incurred from an earthquake divided by replacement value of a building), when assuming a catastrophic earthquake that is likely to occur with a 10% probability over a span of 50 years (a 10% probability of an earthquake occurring in 50 years can be translated into one occurring once in 475 years, which means an earthquake with a recurrence span of 475 years or one that might occur once in 475 years).

# Earthquake Risk PML Assessment Approach

## New Earthquake Risk PML Assessment Approach Adopted at Tokyo Marine & Nichido Risk Consulting Co., Ltd.



### Key Revisions

#### Renewal of the seismic source database

In addition to the existing seismic source database, information on seismic sources described in the "Probabilistic Seismic Hazard Map of Japan" (March 2006) issued by the Headquarters for Earthquake Research Promotion is now available, increasing the number of earthquakes that can be considered when conducting assessments. In the meantime, the urgency assessment is as of January 1, 2008.

#### Revision of the site amplification effect of the ground

An assessment through considering the frequencies at which the ground is susceptible to shaking during earthquakes (the ground's own natural frequency) becomes available by using the response spectral ratio of the engineering bedrock and surface layer as the index representing the site amplification effect caused by subsurface ground.

#### More sophisticated assessment of the behavior of buildings

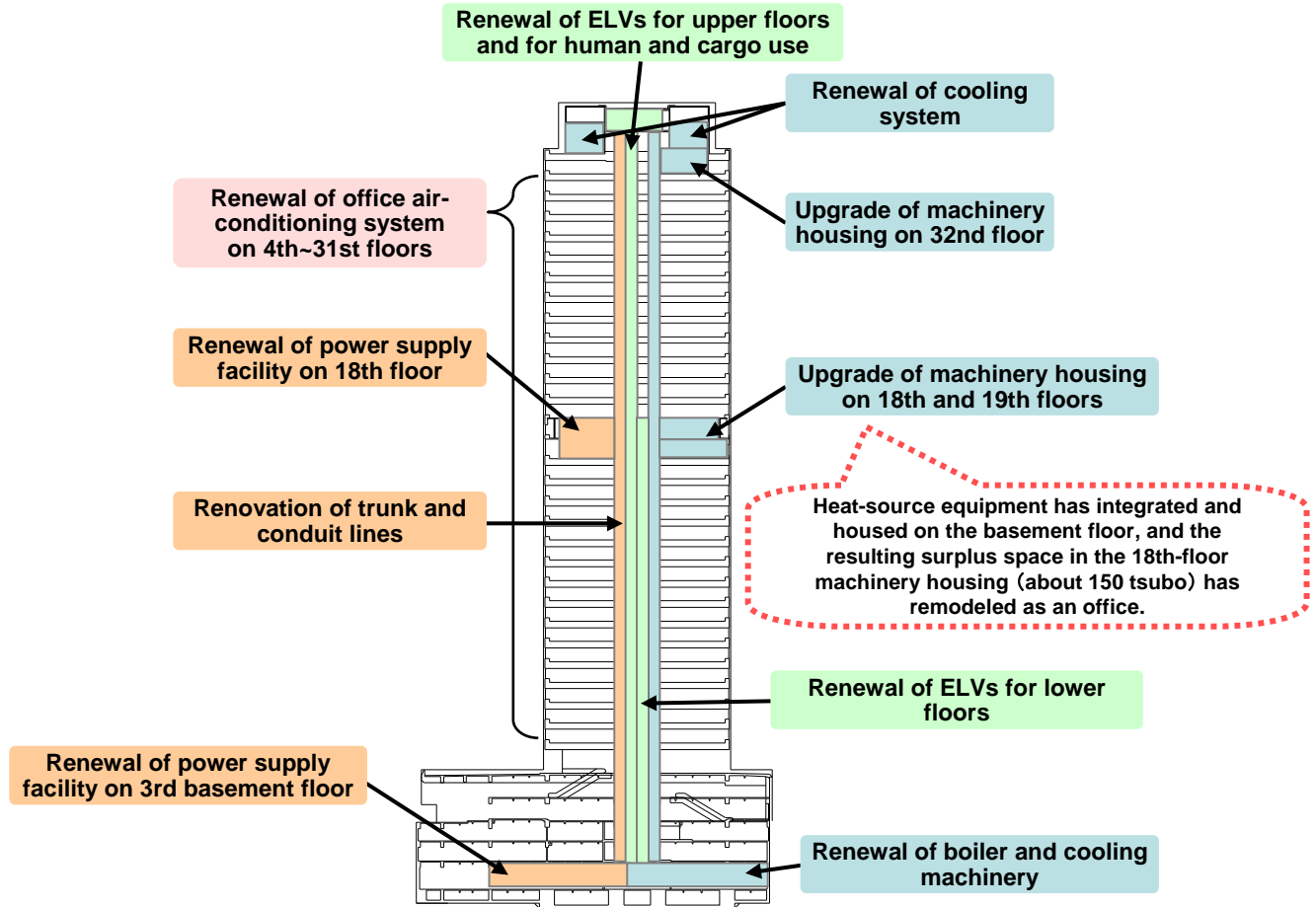
A more sophisticated assessment of building behavior enables use of the response spectrum method to compare the building's performance against seismic hazard, thereby allowing resonance phenomenon, etc. to be considered.

#### Revision of building damages assessment

A more pragmatic assessment of the extent of damage to the building's components, including building frame, finishing, and facilities, becomes available by examining the building's behavior during earthquakes through two indices of "deformation" and "accelerated velocity."

# Progress of Long-term Refurbishment Plan for Shibuya Cross Tower

## Long-term Refurbishment Plan for Shibuya Cross Tower



<Work already ordered>		Work																				already		completed		(In millions of yen)	
Name	Amount (*1)	8th Period '05/4-'05/9	9th Period '05/10-'06/3	10th Period '06/4-'06/9	11th Period '06/10-'07/3	12th Period '07/4-'07/9	13th Period '07/10-'08/3	14th Period '08/4-'08/9	15th Period '08/10-'09/3	16th Period '09/4-'09/9	17th Period '09/10-'10/3	18th Period '10/4-'10/9	19th Period '10/10-'11/3	20th Period '11/4-'11/9	21st Period '11/10-'12/3												
<b>[Power supply systems total]</b>	<b>Construction cost</b>	<b>1,324</b>	9	13	957	0	0	0	32	104	207	0	0	0	0	0	0	0	0	0	0						
Renewal of power supply facility	Completed work breakdown: Capital expenditure	1,157	6	13	876	0	0	0	32	103	126	0	0	0	0	0	0	0	0	0	0						
Renovation of trunk and conduit lines	Completed work breakdown: Repairing expense	166	3	0	81	0	0	0	0	0	81	0	0	0	0	0	0	0	0	0	0						
Renewal of distribution board (1st-5th phases)																											
<b>[Heat-source systems total]</b>	<b>Construction cost</b>	<b>2,065</b>	0	488	0	89	340	26	26	116	978	0	0	0	0	0	0	0	0	0	0						
Renewal of heat-source equipment (1st-7th phases)	Completed work breakdown: Capital expenditure	1,468	0	414	0	80	269	16	26	105	553	0	0	0	0	0	0	0	0	0	0						
	Completed work breakdown: Repairing expense	597	0	73	0	8	70	9	0	10	424	0	0	0	0	0	0	0	0	0	0						
<b>[Air-conditioning systems total]</b>	<b>Construction cost</b>	<b>1,396</b>	0	0	0	0	0	0	0	0	0	642	0	665	0	88											
Renewal of office air-conditioning systems (1st-3rd phases)	Completed work breakdown: Capital expenditure	1,151	0	0	0	0	0	0	0	0	0	569	0	582	0	88											
	Completed work breakdown: Repairing expense	155	0	0	0	0	0	0	0	0	0	72	0	82	0	88											
<b>[ELVs total]</b>	<b>Construction cost</b>	<b>862</b>	0	13	0	760	0	0	87	0	0	0	0	0	0	0	0	0	0	0	0						
Renewal of ELVs for upper and lower floors and those for human and cargo use	Completed work breakdown: Capital expenditure	657	0	13	0	593	0	0	50	0	0	0	0	0	0	0	0	0	0	0	0						
	Completed work breakdown: Repairing expense	205	0	0	0	166	0	0	37	0	0	0	0	0	0	0	0	0	0	0	0						
<b>[Total work already ordered]</b>	<b>Construction cost</b>	<b>5,649</b>	9	515	957	849	340	26	146	220	1,185	642	0	665	0	88											
	Completed work breakdown: Capital expenditure	4,435	6	441	876	674	269	16	109	209	679	569	0	582	0	88											
	Completed work breakdown: Repairing expense	1,125	3	74	81	175	70	9	37	11	505	72	0	82	0	88											

(\*1) The above amounts include construction, design and construction-management costs. (A portion of construction cost shall be classified as "repairing expenses" in current expense.)

(\*2) Amounts in each period are those at the completion of work.

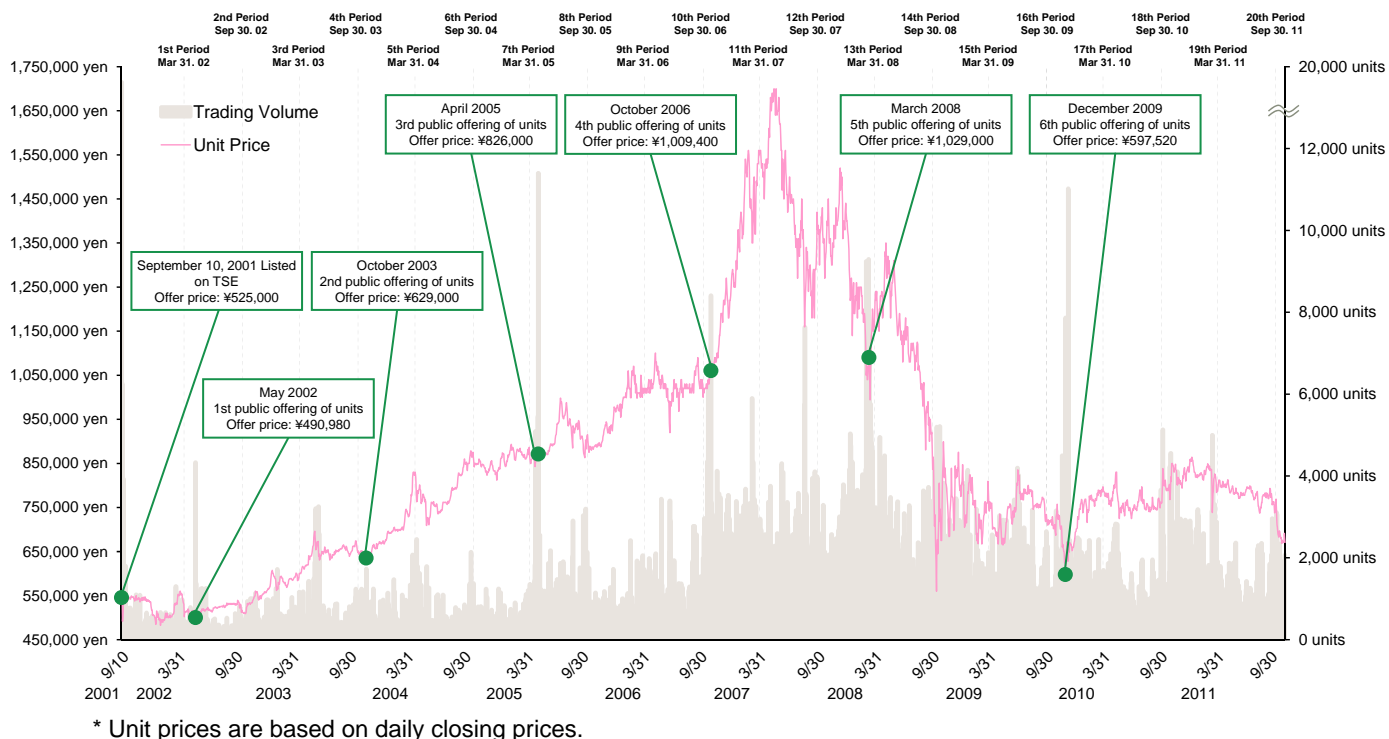
(\*3) For renovation work with payments made on time, the amounts shall be capitalized for assets as construction in progress upon each payment.

<Work being planned or not yet ordered>		(In millions of yen)
Name	Amount	
Remodeling of the machinery housing as office space (18th floor, approx. 153 tsubo space to be remodeled as an office)	195	

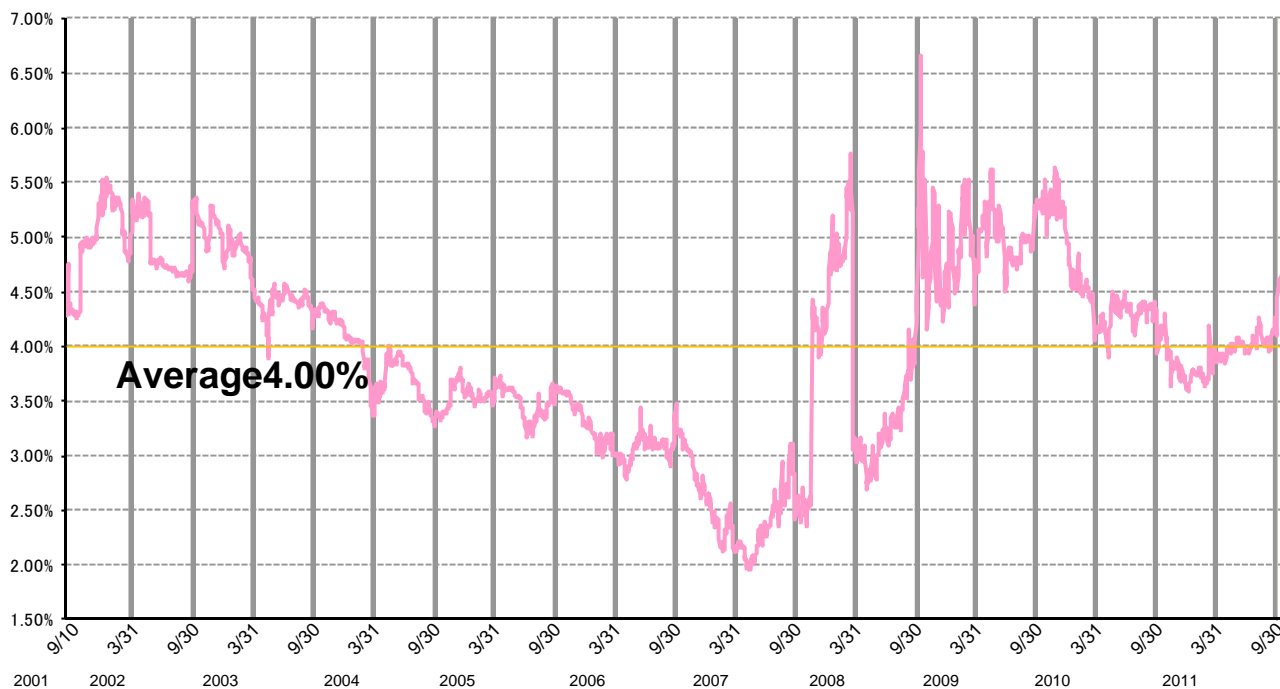


# Unit Price Performance ① (After IPO)

## ◆ Unit Price Performance



## ◆ Historical Dividend Yield of JRE Unit

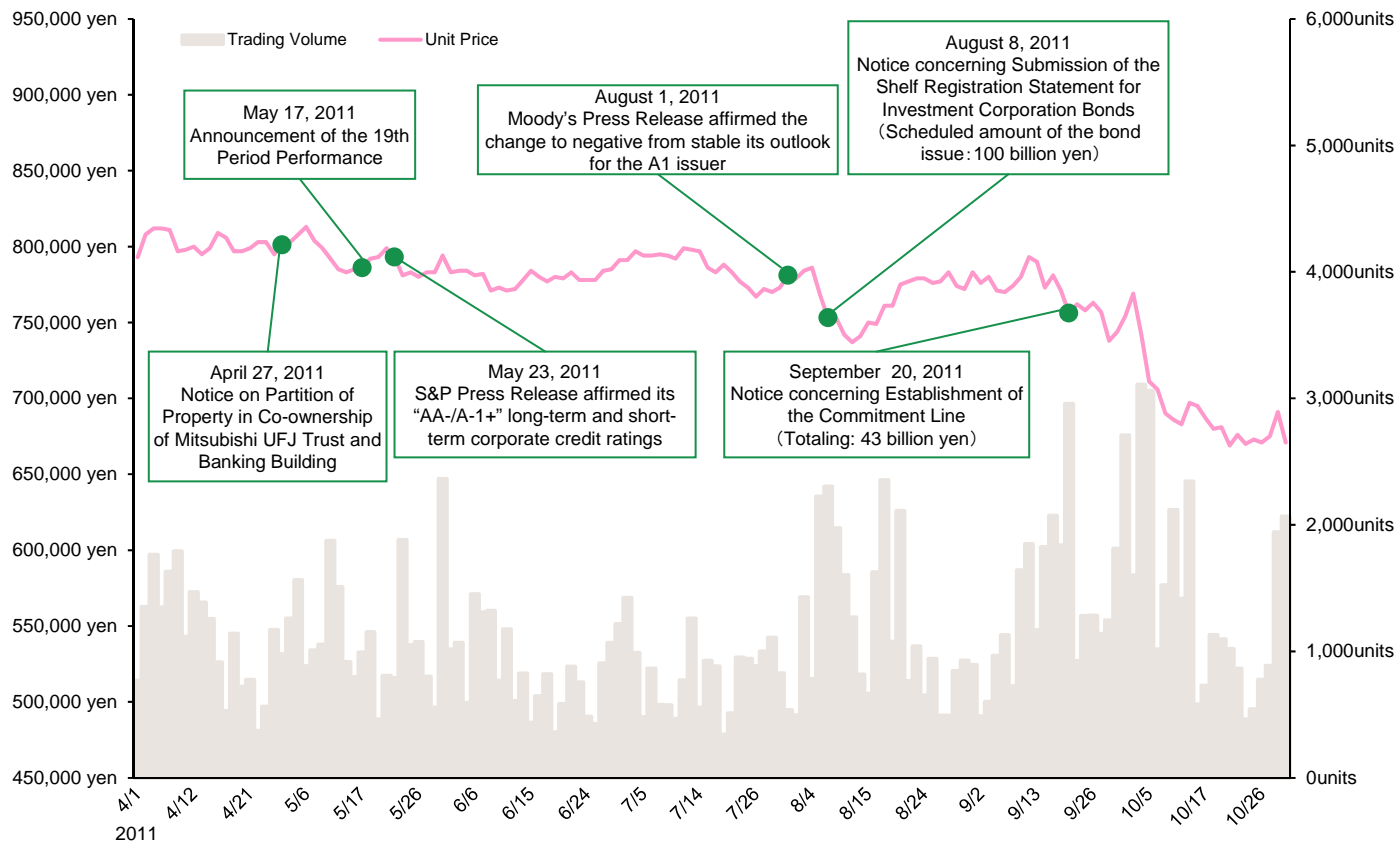


\* The average yield is computed by annualizing the disclosed projected dividend per unit divided by the unit price (daily closing price from September 10, 2001 to October 31, 2011).

\* Gray lines show ex-dividend dates.

## Unit Price Performance ② (the 20th Period to Date)

As of October 31, 2011



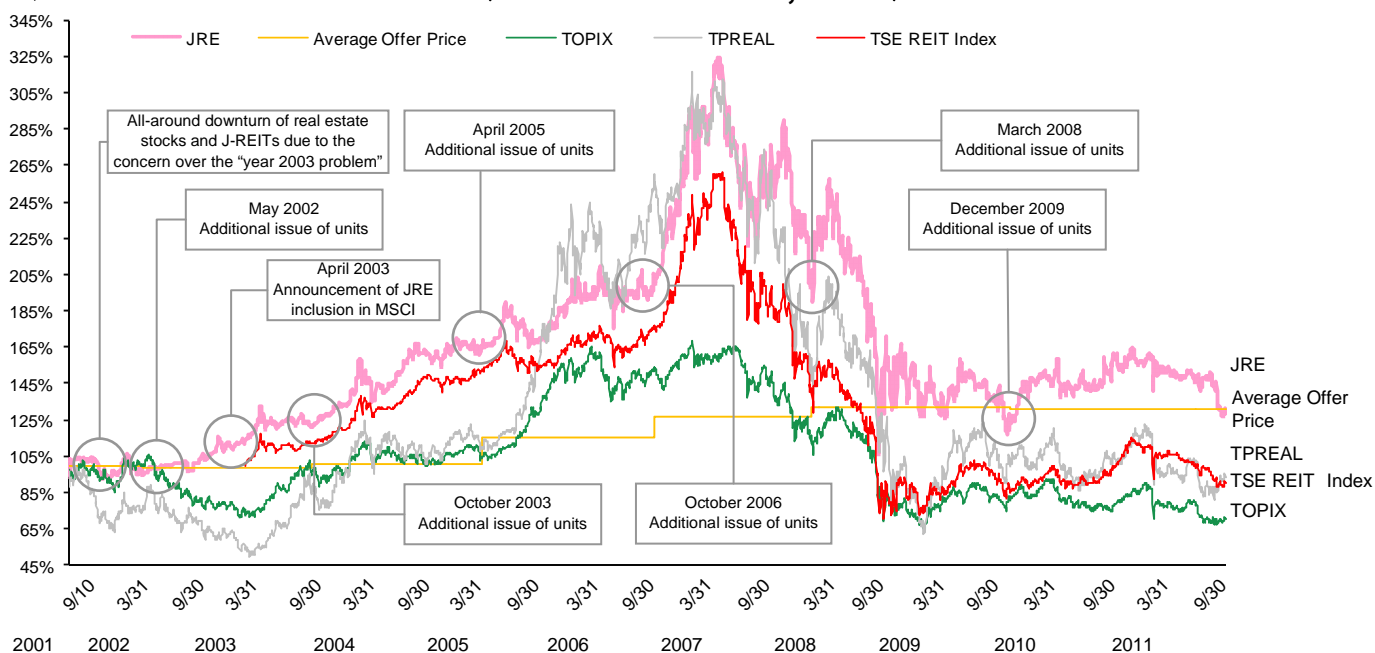
\* Unit prices are based on daily closing prices.

\* Circles (●) show announcements of JRE's events.

### MEMO

## Unit Price Performance ③ (Relative to Major Indices)

### ◆ Unit Price Performance (as of October 31, 2011)



- \* Stock performance is measured based on the offer price of 525,000 yen for JRE and the closing prices of 1,080.83 yen for TOPIX and 770.21 yen for TPREAL on September 7, 2001. The TSE REIT index is a ratio against the closing price on March 31, 2003.
- \* TPREAL (TOPIX Real Estate Index) is a weighted index designed to measure the performance of the real estate sector of the TOPIX index.
- \* Stock prices are based on the closing prices of each day.
- \* The stock price performance above is historical and not an indication of future performance.

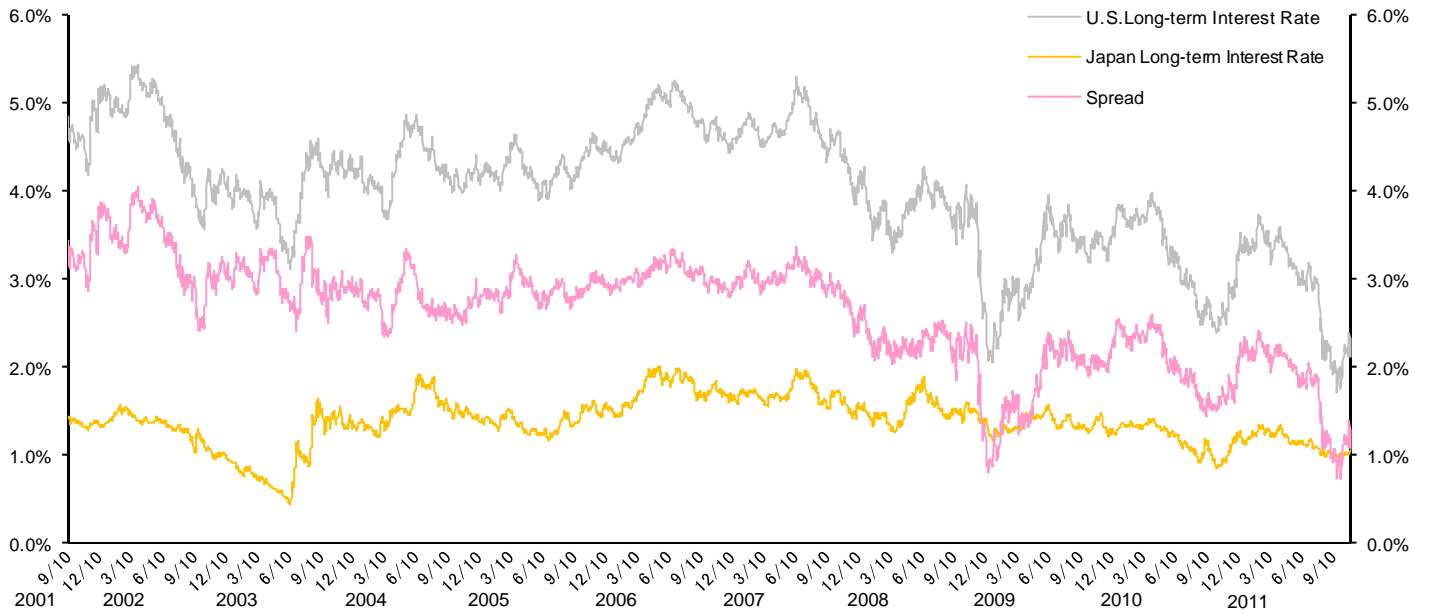
### ◆ Change in Long- and Short-term Interest Rates



\* Long-term rate is based on 10-year JGB yield and short-term rate is based on 3-month LIBOR.

# Interest Rate Comparison of Japan and U.S.

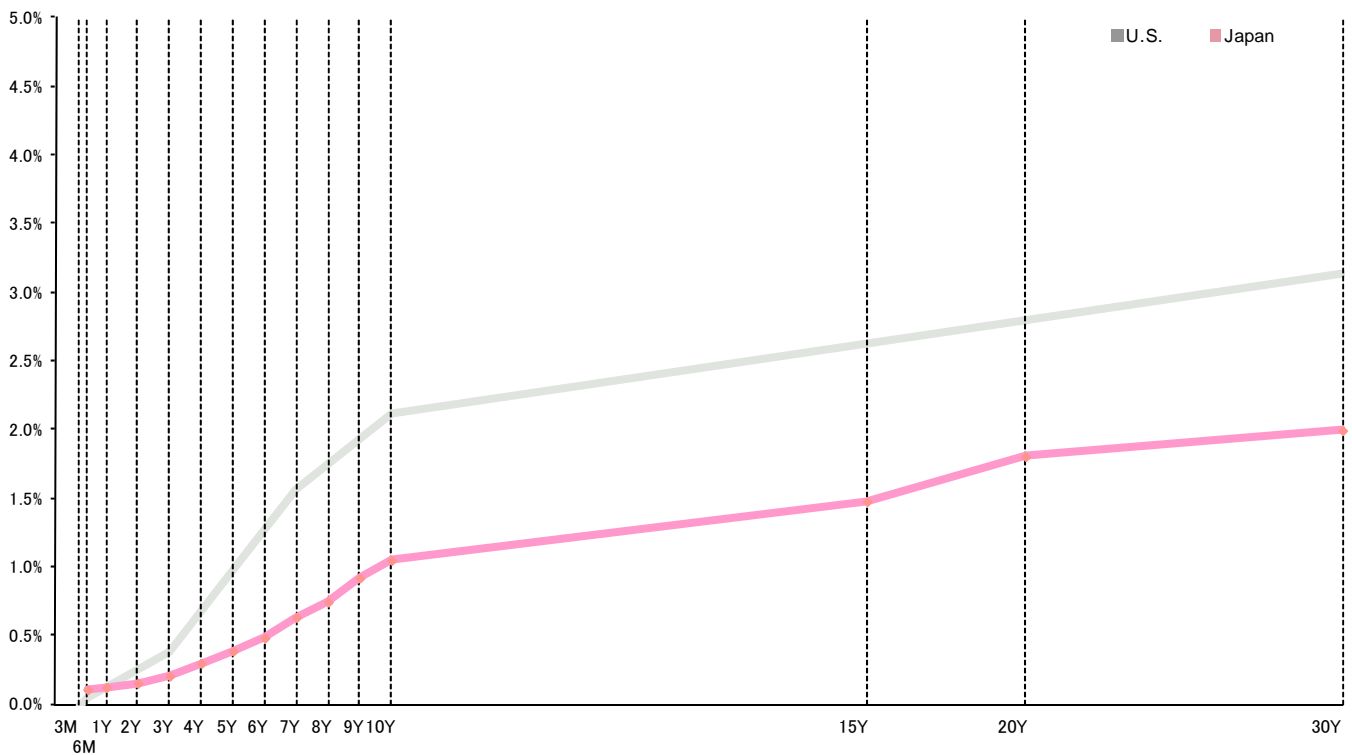
## ◆ Long-term Interest Rate Comparison of Japan and U.S. (as of October 31, 2011)



\* Long-term interest rates are the yields of Japan and U.S. 10-year Government Bonds.

\* Source: Bloomberg

## ◆ Yield Curve Comparison of Japan and U.S. (as of October 31, 2011)

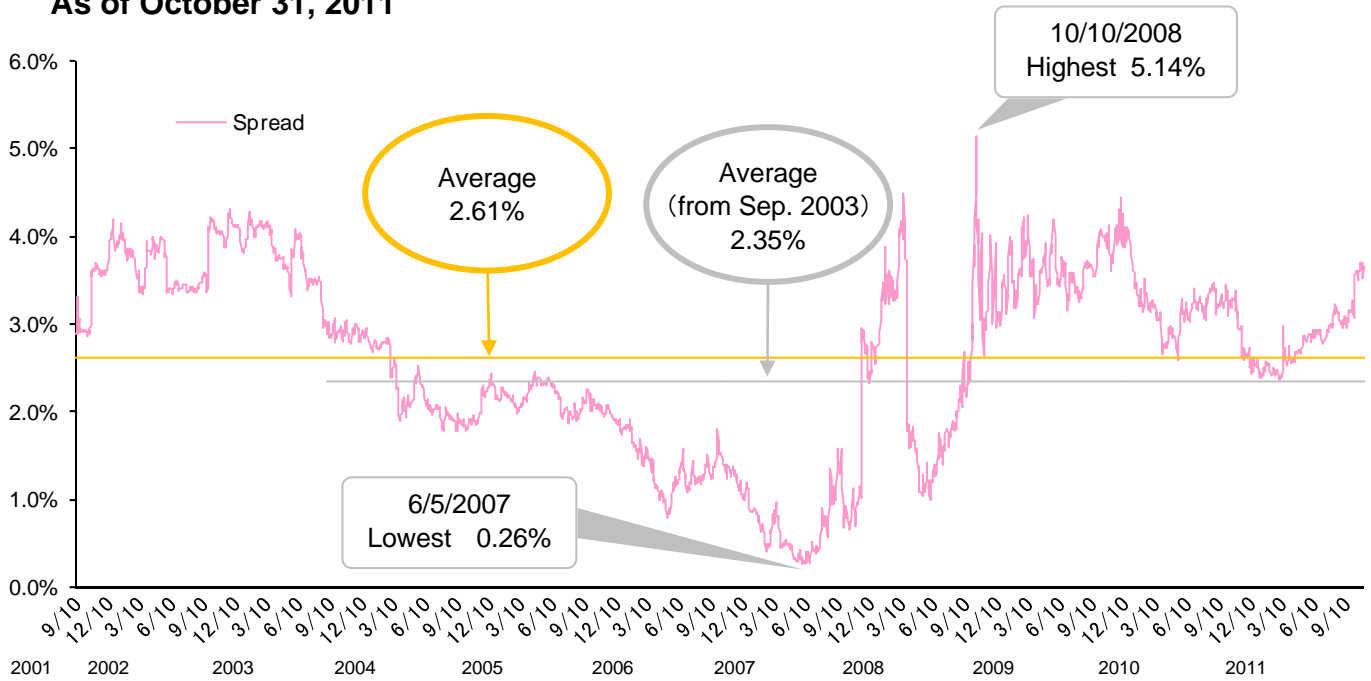


\* Source: Bloomberg

# Yield Spread Comparison

## ◆ JRE Dividend Yield Spread against JGB

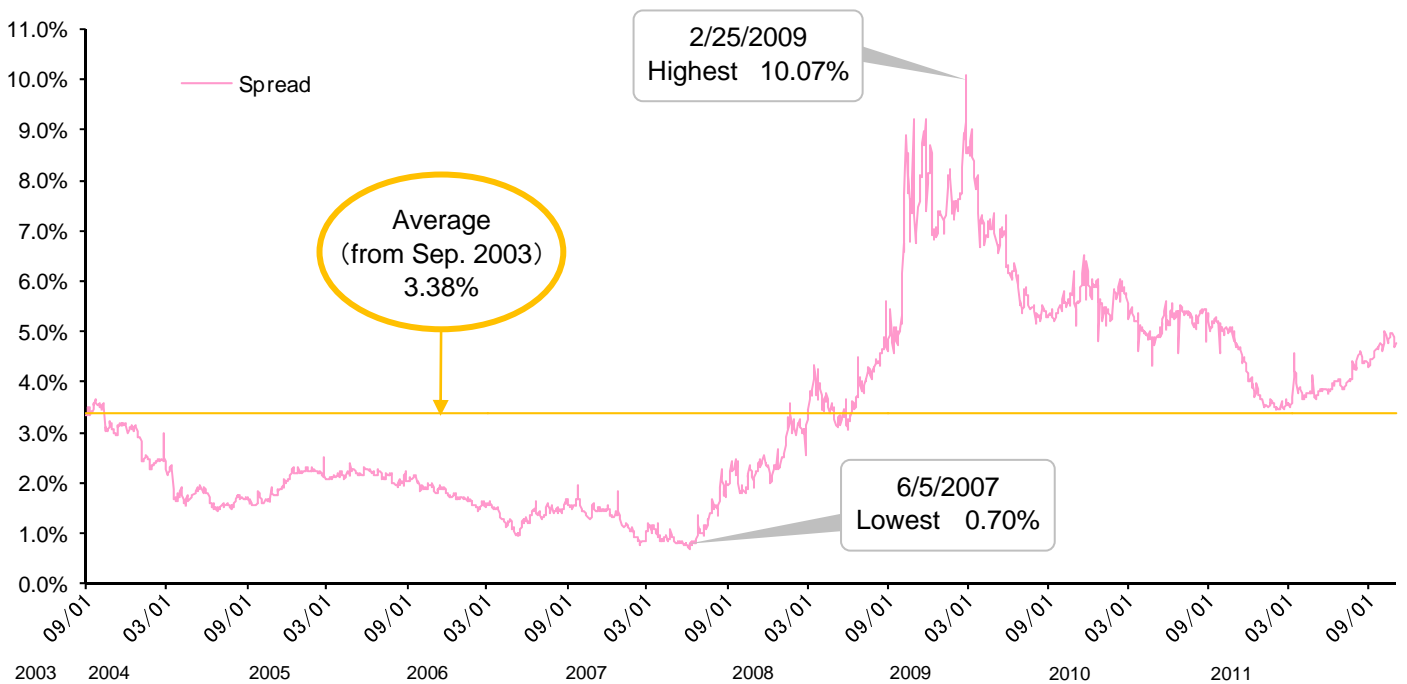
As of October 31, 2011



\* Source: Bloomberg (dividend yield is based on forecasts)

## ◆ TSE REIT Dividend Yield Spread against JGB

As of October 31, 2011



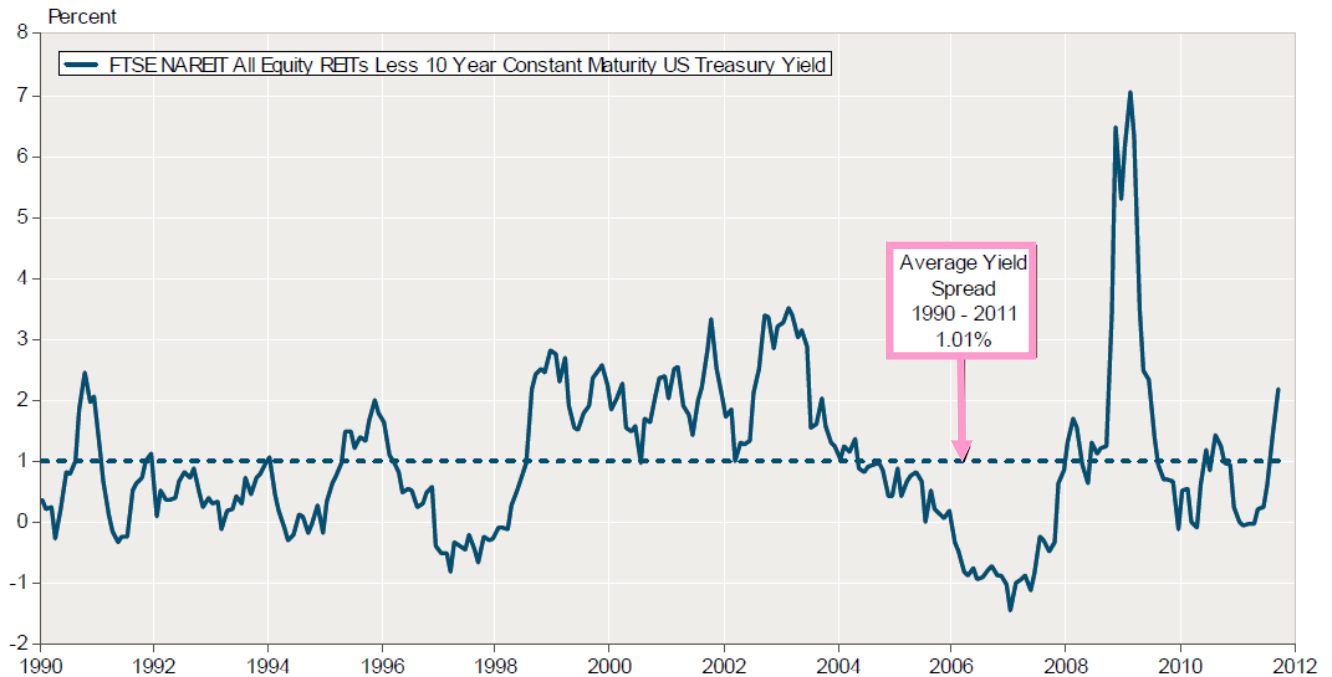
\* Source: Bloomberg (Calculated based on the dividend yield of TSE REIT index. Dividend yield is based on the actual performance.)

# US Equity REIT Dividend Yield Spread against Treasury

## ◆ US Equity REIT Dividend Yield Spread against Treasury

Monthly Equity REIT Dividend Yield Spread

January 1990 - September 2011



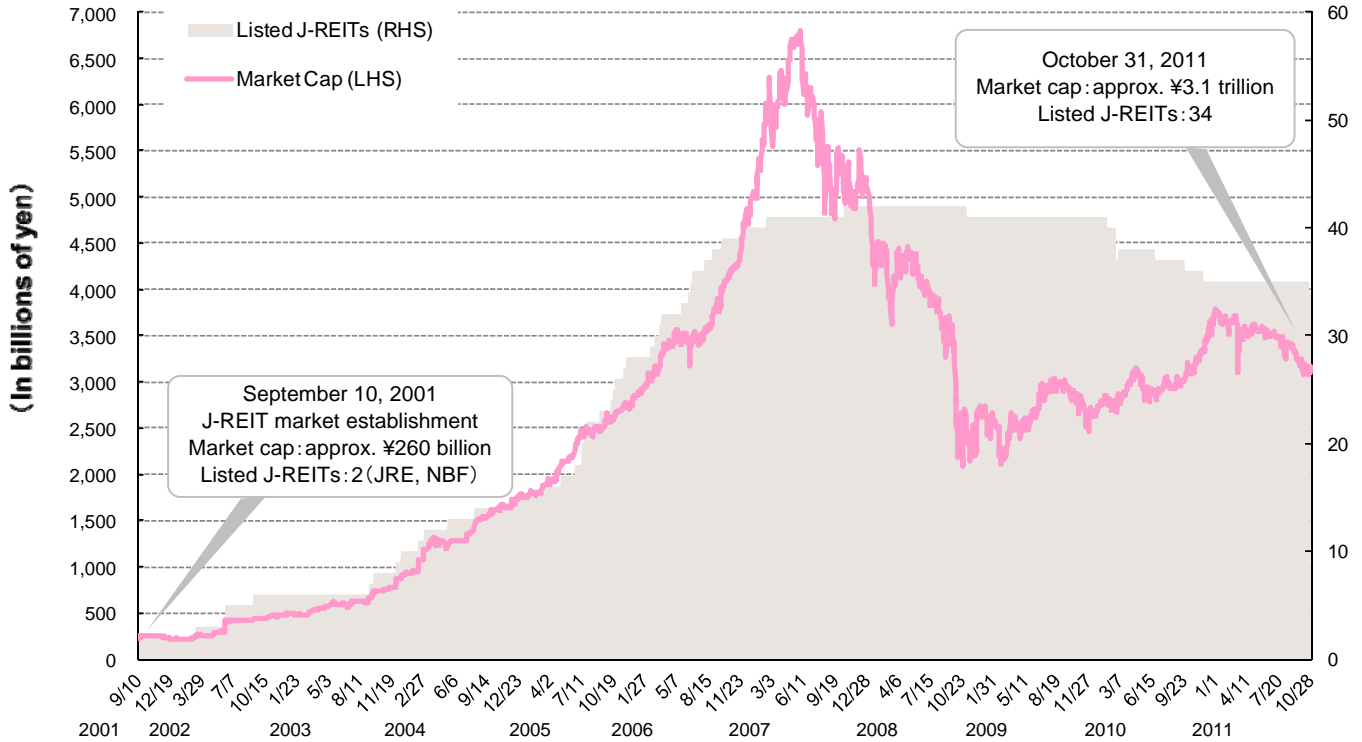
\* Source: NAREIT, FactSet

\* Yield spread calculated by taking the Equity REIT dividend yield less 10-year constant maturity Treasury yield.

**MEMO**

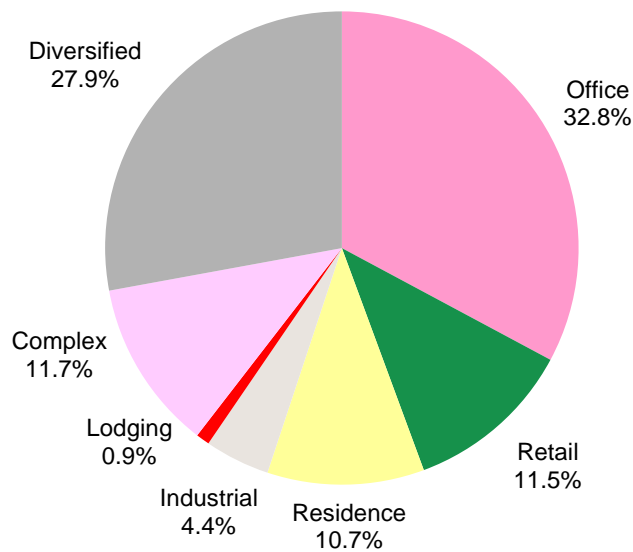
# J-REIT Market

## ◆ J-REIT Market Capitalization and the Number of Listed J-REITs (As of October 31, 2011)



\* Source: Bloomberg

## ◆ Sector Breakdown by Market Capitalization (As of October 31, 2011)



\* Source: Security registration statements, financial statements and websites of each J-REIT.

\* "Complex" refers to J-REITs that invest in properties in two different sectors; "Diversified" refers to J-REITs that invest in properties in three sectors or more.

# Introduction of JRE Website

<http://www.j-re.co.jp/english/>

## <Main Functions>

“JRE Information” contains organizational structure and management policy, “Portfolio Information” includes locations of properties and occupancy rate, and “Investor Relations” contains news releases and other disclosure information.

The screenshot shows the JRE website homepage. At the top left is the JRE logo and the text "Japan Real Estate Investment Corporation". To the right are links for "Site Map" and "Japanese". Below this is a navigation bar with four tabs: "JRE Information", "Portfolio", "Investor Relations", and "News Releases". The main content area features a large illustration of a cityscape with a tree and people. Below the illustration are three columns: "To Individual Investors" with links for "Strength of JRE", "Financial Results/Dividends", and "Occupancy Rate"; "What's New" with a list of news items including "Notice on Acquisition of Domestic Real Estate", "Notice concerning New Loan", "Occupancy rate as of end of September 2011 was updated", "Notice concerning Loan (interest rate)", "Notice concerning Pre-payment of Loan and New Loan", and "Notice concerning Acquisition of DBJ Green Building Certification"; and "JRE Latest Data" as of November 4, 2011, which includes a table of key metrics and a "Property Data Download" link.

Number of Properties	56
Asset Size	¥657,863 million (Total Acquisition Price)
Occupancy Rate	as of September 30, 2011 94.6%
Dividend per Unit	
20th Period (September 30, 2011)	Dividend (Forecast) ¥15,740
19th Period (March 31, 2011)	Dividend (Actual) ¥15,642

The latest data is always shown on the right. You can easily check the latest information on forecast dividends, etc.

JRE's disclosed data can be downloaded in Excel file format.



## **Disclaimer on Forecasts**

This presentation contains information regarding forecasts based on the plans and outlook of Japan Real Estate Investment Corporation (JRE). All data contained herein, other than those that describe current or historical data, are based on such forecasts. These forecasts are based on the assumptions, judgment, and data currently available from Japan Real Estate Asset Management (J-Rea) and JRE. These data may contain known and unknown risks, uncertainty, and other factors not accounted for. The forecasts herein may be affected by known and unknown risks, uncertainty, or other factors, particularly with respect to JRE's internal and external growth and profitability-per-unit targets. The aforementioned risks, uncertainty, and other factors may result in significantly different results regarding JRE's future performance, management, and financial data implicitly or explicitly presented herein. JRE shall assume no obligation to update or further disclose data regarding these forecasts after the date of this presentation (November 21, 2011).

## **Disclaimer on Translation**

This report was prepared in English solely for the convenience of readers outside Japan. No assurance or warranties are given for the completeness or accuracy of the English translation. The original Japanese documents shall take precedence in the event of any discrepancies arising from the translations or interpretations contained in this report.



# Income Statement and Forecast (Supplement)

(In millions of yen [excluding items where the unit is specified])

Term	20th Period 30-Sep-11		→ Change →	21st Period 31-Mar-12		→ Change →	22nd Period 30-Sep-12	
	Actual/Forecast Number of Properties Number of Days	Actual 56 (183 days)		Forecast 57 (183 days)	Forecast 57 (183 days)			
Operating Revenues		22,829	+1,310	24,140	-60	24,080		
Property-related Revenues		22,283	+1,856	24,140	-60	24,080		
Gain on Sale of Properties		546	-546	0	-	0		
Operating Expenses		12,449	+1,090	13,540	+260	13,800		
Property-related Expenses (excluding Depreciation)		7,162	+807	7,970	+240	8,210		
Depreciation		4,433	+226	4,660	+30	4,690		
Administrative Expenses		854	+45	900	-10	890		
(Asset Management Fees (*1))		(546)	(+23)	(570)	(-10)	(560)		
NOI		15,121	+1,038	16,160	-300	15,860		
Property-related Profits and Losses		10,687	+812	11,500	-330	11,170		
Gross Operating Income		11,234	+265	11,500	-330	11,170		
Operating Income		10,380	+209	10,590	-320	10,270		
Non-operating Profits and Losses		-1,776	-173	-1,950	+150	-1,800		
(Interest Expense)		(-1,766)	(-73)	(-1,840)	(+60)	(-1,780)		
Ordinary Income		8,603	+26	8,630	-160	8,470		
Extraordinary Income		10	-10	0	-	0		
<b>Income Taxes</b>		<b>346</b>	<b>-336</b>	<b>10</b>	<b>-50</b>	<b>-40</b>		
Net Income		8,268	+351	8,620	-100	8,520		
<b>Retained Earnings at the beginning of Period</b>		<b>49</b>	<b>-19</b>	<b>30</b>	<b>-</b>	<b>30</b>		
<b>Reversal of Reserve for Reduction Entry</b>		<b>-</b>	<b>-</b>	<b>0</b>	<b>+90</b>	<b>90</b>		
Retained Earnings at Period-end		8,317	+332	8,650	-	8,650		
<b>Retained Earnings brought forward</b>		<b>30</b>	<b>-</b>	<b>30</b>	<b>-</b>	<b>30</b>		
<b>Provision of Reserve for Reduction Entry</b>		<b>533</b>	<b>-533</b>	<b>0</b>	<b>-</b>	<b>0</b>		
Cash Distribution		7,753	+866	8,620	-	8,620		
Units Outstanding		489,200 units	+59,840	549,040 units	-	549,040 units		
Dividend per Unit		15,850 yen	-150 yen	15,700 yen	-	15,700 yen		
<b>Balance of Internal Reserve at Period-end</b>		<b>909</b>	<b>-</b>	<b>909</b>	<b>-169</b>	<b>740</b>		
(per unit)		1,858 yen	-208	1,650 yen	-300	1,350 yen		

\*1 Term fee and Incentive fee

\*2 Numerical data are expressed by rounding down to the nearest 10 million yen.

• Performance forecast is based on 549,040 units, which consist of the number of units outstanding as of November 21, 2011 (489,200 units) and the number of units to be newly issued (59,840 units) with the aggregate amount of issue price equal to the scheduled issue amount (40.7 billion yen) specified in the unit issue shelf registration statement submitted as of November 21, 2011.

The breakdown of the number of newly issued units of 59,840 units is: the number of newly issued units by public offering (54,400 units) and the number of newly issued units by third-party allocation (maximum of 5,440 units). The figure is based on the assumption that all of the newly issued units by third-party allocation (5,440 units) will be issued. (Reference) Projected dividend per unit without the issuance of new units: 17,280 yen for the period ending March 31, 2012; 17,090 yen for the period ending September 30, 2012.

## [Image of Dividend]

