



Japan Real Estate Investment Corporation

MARCH 2013

*Semiannual Report*

For the period from October 1, 2012 to March 31, 2013



## *Profile*

Japan Real Estate Investment Corporation (“the Company”) was established as one of the first real estate investment corporations in Japan following revisions to the Law Concerning Investment Trusts and Investment Corporations of Japan, as amended, or the Investment Trust Law. Its investments focus primarily on office buildings, and it is aiming to maintain geographical diversity while seeking stable growth and dividends in the medium to long term. The Company was listed on the Tokyo Stock Exchange (“TSE”) on September 10, 2001. (Securities Code: 8952)

Note: Investment corporations, including the Company, are special legal entities incorporated and operated under the Investment Trust Law. Accordingly, the “units” of such investment corporations, including the units of the Company, are governed by the Investment Trust Law and represent the equity interests in such investment corporations, which may differ in certain material respects from the “shares” governed by the Corporation Law of Japan and representing the equity interests in Japanese ordinary corporations incorporated and operated under the Corporation Law of Japan. Investors and readers are specifically reminded to pay attention to such differences when reviewing this semiannual report and making any investment decision on or in respect of the “units” of the Company. “Unitholders” of the Company may be construed accordingly. Each of the investors and readers should consult their own legal, tax and other advisors regarding all Japanese legal, tax and other consequences of an investment in the units of the Company, with specific reference to their own legal, tax and other situation and any recent changes in applicable laws, guidelines or their interpretation.

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## Financial Highlights

	Millions of yen					Thousands of U.S. dollars (Note 1)
	For the period from October 1, 2012 to March 31, 2013	For the period from April 1, 2012 to September 30, 2012	For the period from October 1, 2011 to March 31, 2012	For the period from April 1, 2011 to September 30, 2011	For the period from October 1, 2010 to March 31, 2011	For the period from October 1, 2012 to March 31, 2013
Operating Revenues	¥25,357	¥24,222	¥24,059	¥22,829	¥22,135	\$269,615
Operating Income	10,631	10,212	10,786	10,380	9,802	113,044
Ordinary Income	8,749	8,372	8,863	8,603	7,938	93,029
Net Income	8,824	8,448	8,934	8,268	7,652	93,830
Net Operating Income (NOI) (Note 2)	16,768	15,997	16,361	15,121	14,950	178,297
Funds from Operations (FFO) (Note 3)	14,032	13,356	13,625	12,154	11,938	149,207
FFO Multiple (Note 4)	27.2 times	16.2 times	14.7 times	15.2 times	16.1 times	27.2 times
Cash Distribution	8,995	8,619	8,888	7,753	7,652	95,644
Number of Units	594,140	549,040	549,040	489,200	489,200	594,140
Dividend per Unit (Yen/U.S.dollars)	15,140	15,700	16,190	15,850	15,642	160.98

Notes: 1. Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥94.05 = US\$1.00, the foreign exchange rate on March 31, 2013, has been used for translation. The inclusion of such amounts is not intended to imply that Japanese yen amounts have been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.

2. NOI = Property-Related Revenues – Property-Related Expenses (excluding Depreciation)

3. FFO = Net Income + Depreciation – Gain (Loss) on Sale of Properties

4. FFO Multiple = Unit Price at End of the Respective Term ÷ FFO per Unit (Annualized)

(Annualized portion of the calculation given in Note 4 assumes a fiscal period of 182 days for the period ended March 31, 2011, 183 days for the period ended September 30, 2011, 183 days for the period ended March 31, 2012, 183 days for the period ended September 30, 2012 and 182 days for the period ended March 31, 2013.)

## Top 10 Unitholders

As of March 31, 2013

Company	Units	% of total units outstanding
Japan Trustee Services Bank, Ltd. (Shintaku Acc.) .....	89,927	15.14%
Trust & Custody Services Bank, Ltd. (Toshin Acc.) .....	42,499	7.15%
The Master Trust Bank of Japan, Ltd. (Shintaku Acc.) .....	33,198	5.59%
The Nomura Trust and Banking Co., Ltd. (Toshin Acc.) .....	29,082	4.89%
NOMURA BANK (LUXEMBOURG) S.A. ....	20,477	3.45%
THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT .....	12,470	2.10%
Mitsubishi Estate Co., Ltd. ....	10,160	1.71%
STATE STREET BANK AND TRUST COMPANY 505223 .....	9,611	1.62%
The Chugoku Bank, Ltd. ....	8,820	1.48%
SIX SIS LTD. ....	8,220	1.38%

## Unit Price Performance



## Strengths

### Stable Dividends

—Actual dividend per unit

for the 23rd fiscal period:

**¥15,140** (\$160.98)\*

—Forecasted dividend per unit

for the 24th fiscal period:

**¥15,160** (\$161.19)\*\*\*

\* The foreign exchange rate of ¥94.05 = US\$1.00, as of March 31, 2013, has been used for this translation.

\*\* The forecasted dividend was disclosed with the announcement of the 23rd fiscal period earnings results on May 16, 2013.

### Collaboration with Sponsors

—Expertise of

*Mitsubishi Estate Co., Ltd.,  
The Dai-ichi Life  
Insurance Company, Limited  
and Mitsui & Co., Ltd.*

is being fully utilized

### Steady Growth with Quality Portfolio

—Total acquisition price:

**¥782,433 million**

(\$8,319 million)

—Maintains **60** high-quality office buildings

—The first listed J-REIT, showing steady performance for 23 consecutive periods

### Sound Financial Base

(as of March 31, 2013)

—Highest credit ratings for a J-REIT: **A+** from S&P,

**A1** from Moody's, **AA** from R&I

—LTV (Interest-bearing debt / Total assets):

**40.6%**

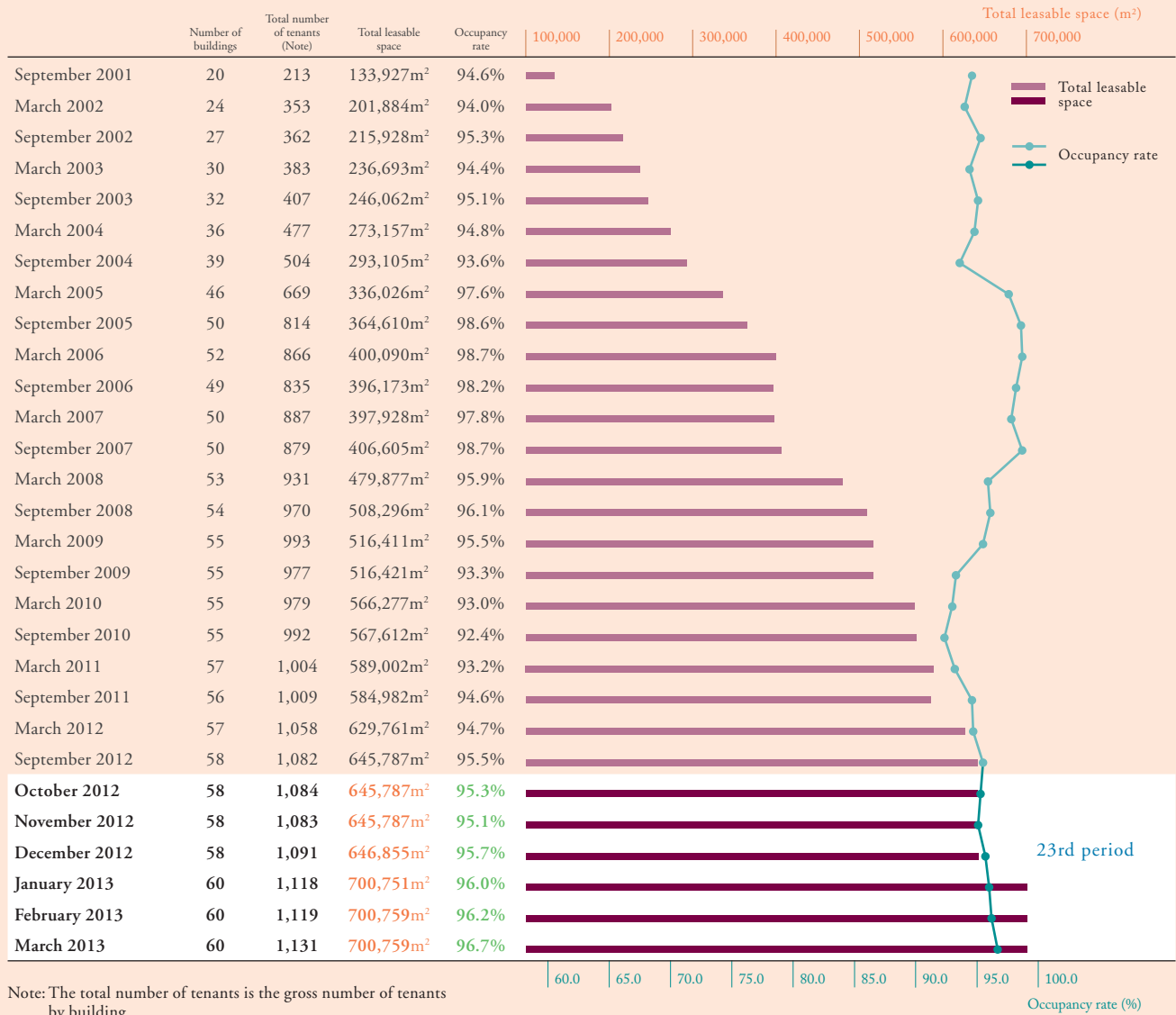
—Long-term, fixed-interest debt ratio\*\*\*:

**94.2%**

\*\*\* Long-term, fixed-interest loans + Investment corporation bonds (including current portions of Long-term, fixed-interest loans and Investment corporation bonds) / Total interest-bearing debt

# Portfolio Highlights

## Trends in the state of portfolio management

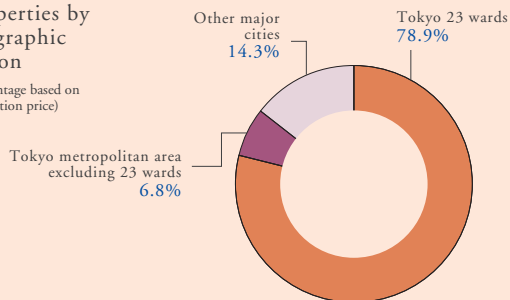


Note: The total number of tenants is the gross number of tenants by building.

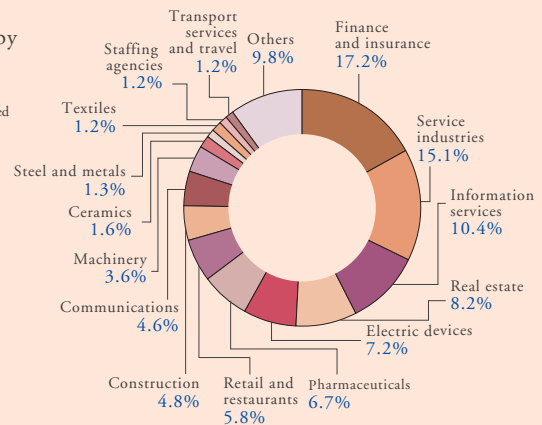
## Portfolio breakdown

As of March 31, 2013

Properties by geographic region  
(Percentage based on acquisition price)



Tenants by industry type  
(Percentage based on leased space)



## Acquisition of New Real Estate

### Harumi Front



Location:	2-1-40 Harumi, Chuo-ku, Tokyo
Site area:	7,250.15 m <sup>2</sup>
Floor area of building:	45,458.90 m <sup>2</sup>
Structure:	Steel-framed structure, flat roof
Floors:	Above ground: 17 floors Below ground: 1 floor
Completion:	February 2012
Acquisition date:	January 7, 2013
Acquisition price:	¥31,300 million
Seller:	Harumi Nichome Kaihatsu Special Purpose Company (TMK)*
Property management company:	Mitsubishi Estate Co., Ltd.

\* Mitsubishi Estate Co., Ltd., which is categorized as a related party of JRE (i.e. a shareholder that holds a stake of the asset management company to which JRE entrusts the management of its assets), has a preferred equity investment in Harumi Nichome Kaihatsu (TMK).



### Certified “Platinum,” the Highest Grade of the DBJ Green Building Certification

The DBJ Green Building Certification System of the Development Bank of Japan (“DBJ”) is used to rate buildings on the basis of how well they fulfill such social requirements as environmental friendliness. Harumi Front is the first J-REIT owned building certified as “Platinum,” the highest grade of the certification by the DBJ.

#### Rationale for the Certification

The building was highly rated for its advanced environmental features, such as the lighting control system automatically adjusting to the condition of sunlight, LED lighting in common areas, wide green areas, enhanced disaster prevention features and flexibility in meeting the needs of diverse tenants.

The Company, which is one of the first listed J-REIT specializing in office buildings, intends to promote ecology-conscious, energy-saving measures for the office buildings in its portfolio as well as Business Continuity Plans (BCP) that meet tenant requirements through collaboration with property management companies.



Properties with Japan’s top-class  
environmental & social awareness

#### DBJ Green Building Certification

The DBJ Green Building Certification System uses a scoring model originally developed by the DBJ to select buildings that meet the demands of the times. Its purpose is to promote buildings that are friendly to the environment and sufficiently equipped to prevent crime and mitigate disaster while meeting stakeholders’ various real-estate related social requirements.

## Acquisition of New Real Estate

### Higashi Nibancho Square



Location:	4-1-25 Ichibancho, Aoba-ku, Sendai City, Miyagi Prefecture
Site area:	3,191.27 m <sup>2</sup>
Floor area of building:	27,680.45 m <sup>2</sup>
Structure:	Steel-framed, steel-framed reinforced concrete structure, flat roof
Floors:	Above ground: 14 floors Below ground: 1 floor
Completion:	July 2008
Acquisition date:	January 7, 2013
Acquisition price:	¥9,950 million
Seller:	Hayate Special Purpose Company (TMK)*
Property management company:	Mitsubishi Jisho Property Management Co., Ltd.

\* Mitsubishi Estate Co., Ltd., which is categorized as a related party of JRE (i.e., a shareholder that holds a stake of the asset management company to which JRE entrusts the management of its assets), has a preferred equity investment in Hayate Special Purpose Company (TMK).

### Harmony Tower (Additional Share)



Location:	1-32-2 Honcho, Nakano-ku, Tokyo
Site area:	10,020.52 m <sup>2</sup> (total land area of the building site)
Floor area of building:	72,729.31 m <sup>2</sup> (total floor area of the entire building)
Structure:	Steel-framed, steel-framed reinforced concrete, reinforced concrete structure, flat roof
Floors:	Above ground: 29 floors Below ground: 2 floors
Completion:	March 1997
Ownership:	Land: Ownership (share of co-ownership 2,826,695/100,000,000) Building: Compartmentalized building units and co-ownership of compartmentalized building units. (additional share of ownership of the building: 2.859811%) (Note 1)
Acquisition date:	December 19, 2012
Acquisition price:	¥520 million
Seller:	4 individuals (Note 2)

Note 1: The Company acquired a share of ownership of the property (29.253305% of the share of ownership of the building) on February 28, 2005. Following the above acquisition, the Company's share of ownership of the building will be 32.113115%.

Note 2: Details of the sellers are not disclosed due to non-approval of disclosure by individuals of the sellers.

## Issuance of New Investment Units

### 1. Issuance of new investment units by public offering

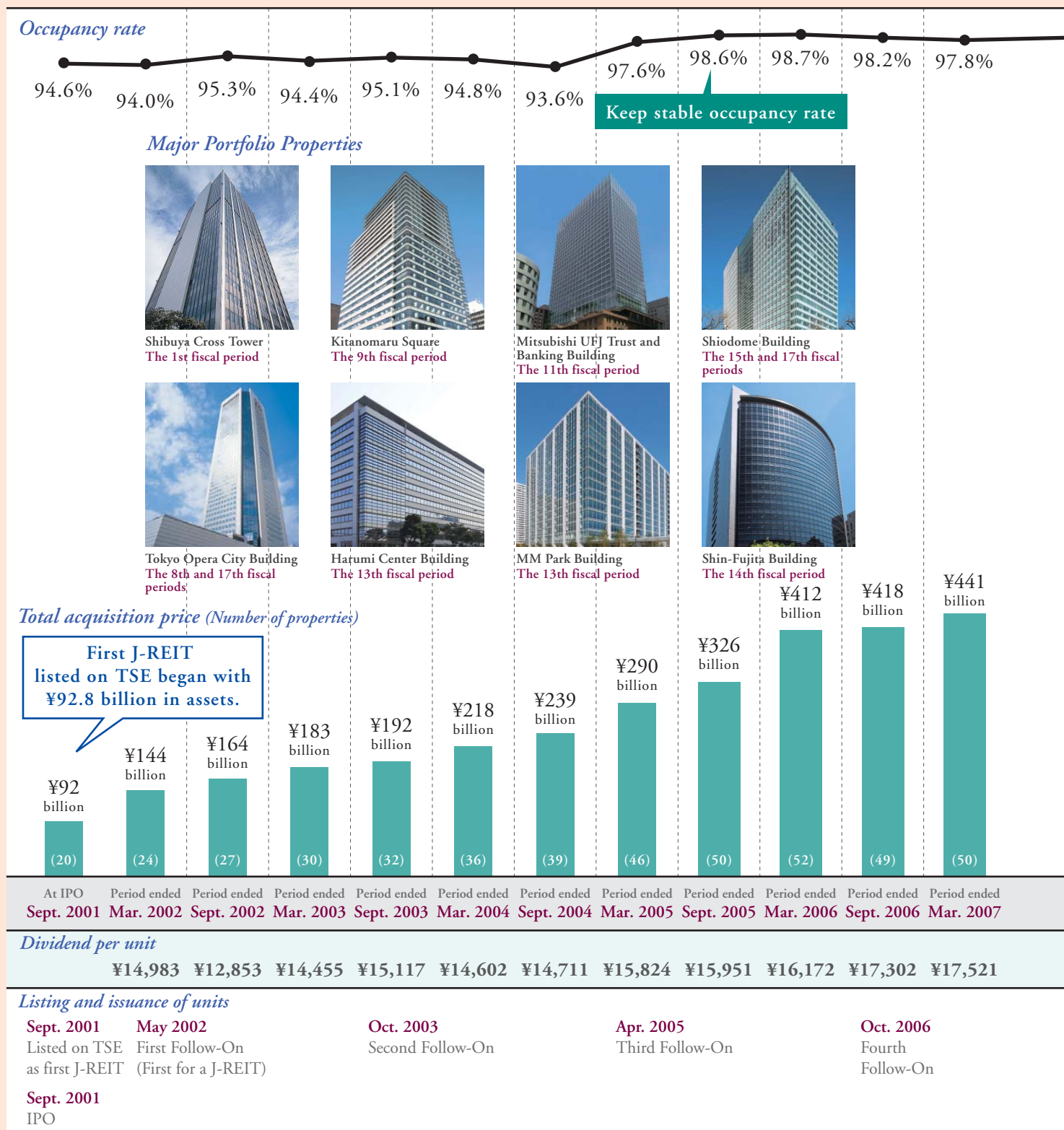
Number of units newly issued:	41,000 units
Offer price (subscription price):	¥746,850 per unit
Aggregate amount of issue price:	¥29,678,670,000
Offer price determination date:	October 22, 2012
Payment date:	October 29, 2012

### 2. Issuance of new investment units by third-party allocation

Number of units newly issued:	4,100 units
Issue price:	¥723,870 per unit
Aggregate amount of issue price:	¥2,967,867,000
Payment date:	November 28, 2012
Allottee:	SMBC Nikko Securities Inc.

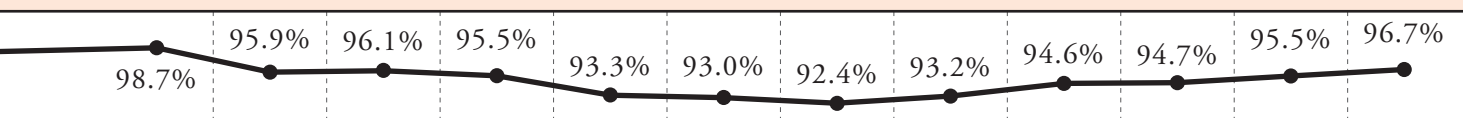
## Asset Size, Property Acquisitions, and Performance Trends

In September 2001, the Company became the first J-REIT in Japan listed on the Tokyo Stock Exchange (“TSE”). Since then, the Company has targeted stable management to fulfill its goal of maintaining and increasing dividends per unit over the medium to long term. The Company’s growth is based on external growth strategies that aim to increase earnings through the acquisition and transfer of properties as well as internal growth strategies





that seek to optimize earnings from properties already held. The size of the Company's assets (total acquisition price) has grown from ¥92.8 billion at IPO to ¥782.4 billion as of the 23rd fiscal period end due to the steady achievement of external growth strategies. However, in terms of internal growth strategies, ongoing efforts are being made in such areas as maintaining stable occupancy rates and reducing building management costs.



*Properties That Have Been Recently Acquired*



Akasaka Park Building  
The 21st fiscal period



TIXTOWER UENO  
The 22nd fiscal period



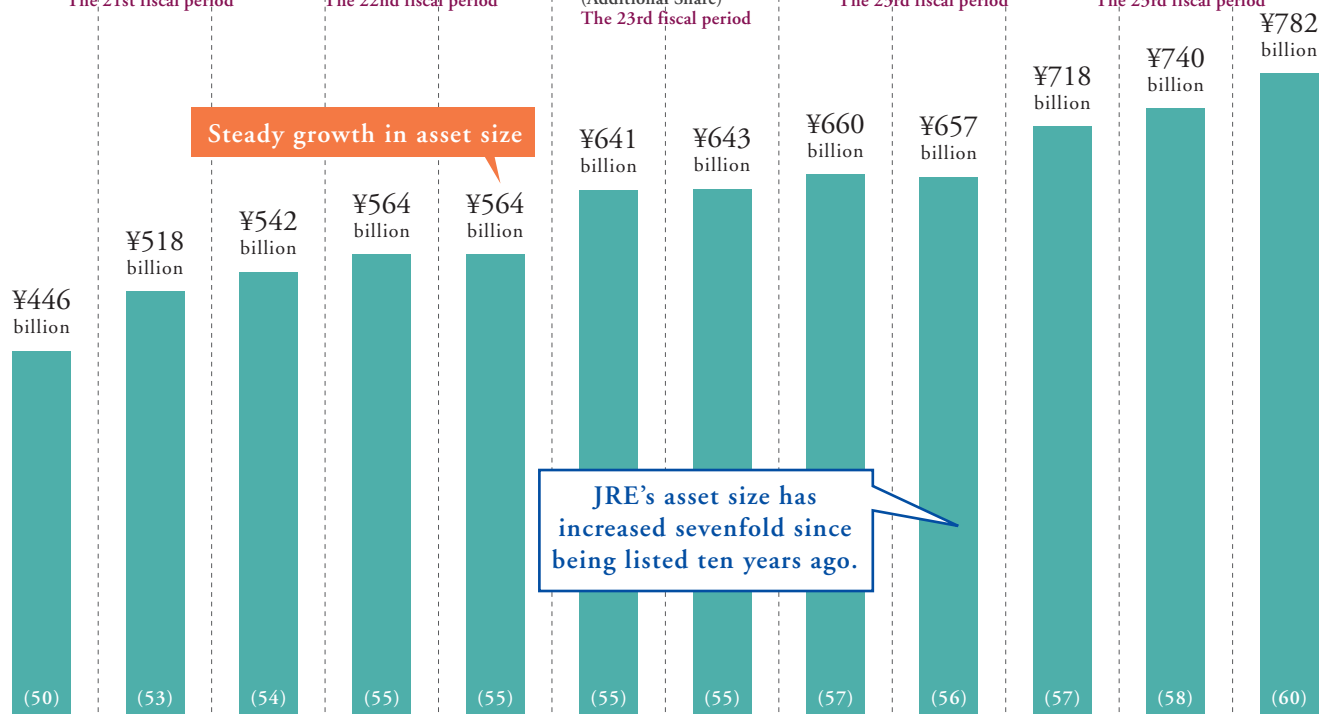
Harmony Tower  
(Additional Share)  
The 23rd fiscal period



Harumi Front  
The 23rd fiscal period



Higashi Nibancho Square  
The 23rd fiscal period



Period ended Sept. 2007    Period ended Mar. 2008    Period ended Sept. 2008    Period ended Mar. 2009    Period ended Sept. 2009    Period ended Mar. 2010    Period ended Sept. 2010    Period ended Mar. 2011    Period ended Sept. 2011    Period ended Mar. 2012    Period ended Sept. 2012    Period ended Mar. 2013

¥18,500    ¥29,223    ¥19,072    ¥19,020    ¥19,198    ¥18,043    ¥16,628    ¥15,642    ¥15,850    ¥16,190    ¥15,700    ¥15,140

Mar. 2008  
Fifth Follow-On

Dec. 2009  
Sixth Follow-On

Feb. 2012  
Seventh  
Follow-On

Oct. 2012  
Eighth  
Follow-On

*To Our Unitholders*



*Continuing to pursue external growth-oriented operations in the 23rd fiscal period, the Company acquired an additional share of Harmony Tower in December 2012 and acquired two properties, Harumi Front and Higashi Nibancho Square in January 2013. The Company continues to strive to further strengthen its portfolio through property acquisition and to raise the bar for revenues and earnings.*

## **BUSINESS PERFORMANCE FOR THE 23RD FISCAL PERIOD**

### **Summary of Financial Results and Cash Dividend**

In the 23rd fiscal period (October 1, 2012 to March 31, 2013), Japan Real Estate Investment Corporation (“the Company”) recorded operating revenues totaling 25,357 million yen, up 4.7% compared with the previous period. On the earnings front, operating income increased 4.1% to 10,631 million yen. After deducting expenses for interest payments on loans and other costs, ordinary income rose 4.5% to 8,749 million yen and net income grew 4.5% to 8,824 million yen.

Turning to dividends, the Company applies Article 67-15 of the Special Taxation Measures Law of Japan. With the aim of maintaining a stable cash dividend level, the Company augmented retained earnings for the period under review by allocating a 170,569,366 yen reversal from a portion of reserve for reduction entry accumulated in accordance with the “Special Provisions for Taxation in the case of Advance Acquisition of land, etc. in 2009 and 2010” under Article 66-2 of said law. Therefore, the Company has determined to pay out cash dividends of 8,995,279,600 yen from retained earnings for the period under review, which must be divisible by 594,140—the number of units outstanding as of March 2013. Accordingly, the per-unit cash dividend totaled 15,140 yen.

### **Operating Environment and Performance**

During the period under review, in the Japanese economy, due to the large-scale quantitative easing measures enacted after the changeover of power in the Japanese government, there have been rapid changes, including a correction in the overvaluation of the yen, a lowering of interest rates and an increase in capital flowing toward stocks and other risky investments. Thus, although economic conditions remained severe in the beginning of the fiscal period under review, primarily due to the slowdown of the global economy, there were growing expectations for recovery as, toward the end of the period, consumer spending picked up and signs of improved corporate earnings began to emerge.

In the market for leased office space, occupancy rates in Tokyo have continued to rebound due to a decrease in the supply of new buildings. However, overall rent levels remained on a gradual downward trend amid high vacancy rates, even as advertised rent levels for some highly competitive buildings appeared to rebound. In regional business areas, although there were signs that occupancy rates as a whole were gradually improving, high vacancy rates coupled with low rent levels

prevailed amid stagnant demand for office space. In the property market, potential sellers were encouraged to hold on to their properties in light of a bottoming out of market conditions for leased office space, gradually increasing expectations of a contraction in real estate risk premiums and an accommodative fund-raising environment. Amid this environment, buying was aggressive from the beginning of the year, with REITs successively listing on stock markets and raising capital thanks to a recovery in investment unit prices while stepping up their property acquisitions, especially of properties held by their sponsor companies.

Reflecting the above circumstances in the market for leased office space for the period under review, the Company strived to improve occupancy rates by aggressively promoting leasing activities that take into account market trends. As a result of these activities, the Company’s occupancy rate edged up from 95.5% as of September 30, 2012 to 96.7% as of March 31, 2013. However, rent levels continued to feel downward pressure and property-related revenues, excluding those from newly operating properties, declined further compared with the previous period due to such factors as high tenant turnover.

At the same time, the Company continued to work to further strengthen its portfolio through external growth and to raise minimum revenues and earnings, and so in the period under review, the Company acquired Harumi Front (Chuo-ku, Tokyo) on January 7, 2013 and Higashi Nibancho Square (Sendai City) for 31,300 million yen and 9,950 million yen, respectively. The Company also made an additional acquisition of a portion of Harmony Tower (Nakano-ku, Tokyo) for 520 million yen.

As a result of the above, the Company’s portfolio at the end of the fiscal period under review, March 31, 2013, consisted of 60 office buildings with a total acquisition price of 782,433 million yen. Total leasable space stood at 700,759 m<sup>2</sup>, with a total of 1,131 tenants.

### **Financial Activities**

To fund the repayment of existing loans, the Company procured short-term loans totaling 5,000 million yen on January 15, 2013, as well as long-term loans amounting to 2,000 million yen on October 29, 2012, 1,000 million yen on December 20, 2012, 10,000 million yen on December 21, 2012, 23,000 million yen on January 15, 2013 and 7,000 million yen on March 25, 2013.

Moreover, the Company procured 9,000 million yen in long-term loans and 13,000 million yen in short-term loans on January 7, 2013 to partially fund the acquisition of Harumi Front.

*As it will take slightly more time for a real recovery in the market for leased office space, in the 24th fiscal period, the Company intends to continue pursuing external growth-oriented operations. Going forward, the Company will leverage its sound financial standing to achieve further external growth as well as to secure stable cash dividends.*

At the same time, the Company decided to issue 41,000 new investment units through public offering and 4,100 new investment units through third-party allocation during the period under review. Through these new unit issuances, the Company procured 29,678 million yen and 2,967 million yen on October 29, 2012 and November 28, 2012, respectively. Using these funds, the Company made scheduled repayments of short-term loans of 1,000 million yen on November 1, 2012 as well as repayments prior to maturity of short-term loans and long-term loans with variable interest rates in the amounts of 12,500 million yen and 2,000 million yen, respectively, while allocating a portion of funds to acquisition capital for the purchase of specified assets.

Moreover, the Company made scheduled payments of long-term loans in the amount of 1,000 million yen on March 25, 2013.

As a result of these financing activities, as of March 31, 2013, the Company's total interest-bearing debt amounted to 311,200 million yen. This amount consists of long-term loans totaling 248,200 million yen (including a current portion totaling 34,100 million yen), short-term loans totaling 18,000 million yen and investment corporation bonds totaling 45,000 million yen.

As of March 31, 2013, the Company's long-term, fixed-interest debt ratio (ratio of long-term, fixed-interest debt (including the current portion of long-term loans) to total interest-bearing debt) stood at 94.2%, and the LTV ratio (ratio of interest-bearing debt to total assets) was 40.6%. As these figures indicate, the Company has been able to maintain a sound and conservative financial standing.

The Company's credit ratings as of March 31, 2013 were as follows:

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

## OUTLOOK

### Trends in the Office Leasing Market

Forecasts call for the Japanese economy to recover, buoyed mainly by rising exports thanks to the correction of the yen's appreciation along with a turnaround in consumption as the

effects of economic policies, starting with monetary policy, take hold and begin to pull the nation out of deflation. Despite skepticism and wariness regarding the policies—as well as such risk factors as the global economic slowdown and international tensions—individuals and corporations have regained confidence, and Japan is expected to head toward real recovery.

In the market for leased office space, vacancy rates are projected to continue to show moderate improvement. Having almost bottomed out, market rent levels are set to begin rising, led by highly competitive properties. The improvement is attributable to the increased affordability for tenants facilitated by lower rents due to price adjustments made to date as well as a decrease in the supply of new buildings and vacancy rates.

Regarding property markets, the Company believes that the difficulties encountered in prime property acquisition will continue to increase due to a fund-raising environment that remains accommodative along with a strong sense that property prices will rise. In order to continue steadily acquiring prime properties, the Company considers it important to maintain a framework that allows it to undertake the acquisition of properties based on agile and accurate decision making. This approach is achieved by conducting detailed analyses of leasing markets while acquiring sales information through a variety of property information channels.

### Growth Strategies

The Company adheres to the following management policies in order to maintain and improve profitability.

First, the Company works to strengthen relationships of trust with existing tenants. As of March 31, 2013, the Company had contracts with 11 property management companies. Most of these companies were already handling the management of their buildings before the Company acquired them and had thus built relationships of trust with their tenants. The Company will work to further strengthen these relationships by anticipating tenants' needs and providing tailored services to increase tenant satisfaction, thereby maintaining occupancy rates and disincentivizing rent reduction requests.

Second, we endeavor to implement effective initiatives to fill vacancies in a prompt manner. In cooperation with the property management companies mentioned above, the Company actively seeks the most appropriate tenants for each property, based on location and features, in order to fill current and anticipated vacancies as rapidly as possible. Furthermore, the Company works to uncover additional needs for floor space among existing tenants.

Third, with the aim of stabilizing revenues and earnings,



Noritada Terasawa (Left)  
*Executive Director of Japan Real Estate Investment Corporation*

Hiroshi Katayama (Right)  
*CEO & President of Japan Real Estate Asset Management Co., Ltd.*

the Company endeavors to secure fixed- and long-term leasing agreements with its large-scale tenants.

Lastly, we aim to continuously reduce management costs. The Company has introduced sound competitive principles for its multiple property management companies to follow and is revamping their management systems and cost structures on an ongoing basis.

With regard to the acquisition of properties, the Company has adopted the following policies.

First, to access information quickly, the Company continues to enhance its property information channels while working to develop new channels.

Second, in its acquisition activities, the Company continues to meticulously monitor and examine economic, physical and legal factors, including rights-related issues, when selecting properties. In particular, with regard to the structure of buildings, the Company requires buildings to meet or exceed new earthquake-resistance standards, making appropriate renovations based on engineering reports, and exclusively targets properties capable of maintaining a competitive edge in terms of the facilities they offer over the medium to long term.

Third, in accordance with its acquisition policies, the Company shall maintain its portfolio so that 70% or more of the portfolio properties are located within the Tokyo metropolitan area, with the remaining 30% or fewer located in other major cities.

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

### Financing Strategies

In principle, the Company maintains an LTV ratio that does not exceed 65%. To ensure an even lower interest-bearing debt ratio, the Company adopts the conservative target level of 30% to 40%.

As for the financing of property acquisitions, the Company uses, in a flexible manner, a variety of funding schemes—including the issue of investment corporation bonds—while maintaining a sound and conservative financial standing and closely monitoring trends in financial markets. When obtaining a loan, the Company strictly adheres to its financial policies. Specifically, with the aim of minimizing

funding costs, the Company negotiates with several qualified institutional investors (limited to those defined under the Special Taxation Measures Law of Japan) before executing a loan agreement.

### Performance Forecasts for the 24th and 25th Fiscal Periods

For the 24th fiscal period (April 1, 2013 to September 30, 2013), the Company forecasts operating revenues totaling 25,980 million yen, operating income totaling 10,770 million yen, ordinary income totaling 9,020 million yen and net income totaling 9,000 million yen. The Company plans to declare a cash dividend totaling 15,160 yen per unit.

For the 25th fiscal period (October 1, 2013 to March 31, 2014), the Company forecasts operating revenues totaling 25,720 million yen, operating income totaling 10,750 million yen, ordinary income totaling 9,020 million yen and net income totaling 9,000 million yen. The Company plans to declare a cash dividend totaling 15,160 yen per unit.

Actual operating revenues, operating income, ordinary income, net income and cash dividends per unit may vary depending on circumstances.

As previously stated in the Trends in the Office Leasing Market section above, market rent levels are on the verge of a turnaround, but it is expected that the recovery of the existing portfolio will lag slightly behind this recovery.

Looking ahead, the Company will continue to strive for further external growth while maintaining stable cash dividends, leveraging its sound financial standing.

You have placed considerable trust in us. Going forward, we seek to continue earning that trust through sustainable growth and performance. Thank you for your steadfast support.

Noritada Terasawa  
*Executive Director of Japan Real Estate Investment Corporation*

Hiroshi Katayama  
*CEO & President of Japan Real Estate Asset Management Co., Ltd.*

# The Portfolio of Japan Real Estate Investment Corporation As of March 31, 2013

## Properties Roster

Number	Name of building	Location	Type of specified asset	Acquisition date	Acquisition price (¥ mil)	
<b>Tokyo 23 wards</b>						
● I- 1	Genki Medical Plaza	Iidabashi, Chiyoda-ku	Real property	10/31/2002	5,000	(0.6%)
● I- 2	Kitanomaru Square	Kudan-Kita, Chiyoda-ku	Real property	02/24/2006	81,555	(10.4%)
● I- 3	MD Kanda Building	Kanda-Mitoshirocho, Chiyoda-ku	Real property	05/31/2002	9,520	(1.2%)
● I- 4	Kandabashi Park Building	Kanda-Nishikicho, Chiyoda-ku	Real property	08/15/2002	4,810	(0.6%)
● I- 5	Nibancho Garden	Nibancho, Chiyoda-ku	Real property	04/01/2005	14,700	(1.9%)
● I- 6	Mitsubishi UFJ Trust and Banking Building	Marunouchi, Chiyoda-ku	Real property	03/28/2007	44,700	(5.7%)
● I- 7	Burex Kojimachi Building	Kojimachi, Chiyoda-ku	Real property	07/29/2005	7,000	(0.9%)
● I- 8	Sanno Grand Building	Nagatacho, Chiyoda-ku	Real property	01/31/2005	10,200	
				04/03/2006	10,700	
				total	20,900	(2.7%)
● I- 9	Yurakucho Denki Building	Yurakucho, Chiyoda-ku	Real property	08/01/2003	7,200	(0.9%)
● I- 10	Kodenmacho Shin-Nihonbashi Building	Nihonbashi-Kodenmacho, Chuo-ku	Trust	09/25/2001	3,173	(0.4%)
● I- 11	Kyodo Building (Kayabacho 2Chome)	Nihonbashi-Kayabacho, Chuo-ku	Trust	03/01/2011	4,410	(0.6%)
● I- 12	Burex Kyobashi Building	Kyobashi, Chuo-ku	Real property	07/22/2002	5,250	(0.7%)
● I- 13	GINZA SANWA BUILDING	Ginza, Chuo-ku	Real property	03/10/2005	16,830	(2.2%)
● I- 14	Ryoshin Ginza East Mirror Building	Ginza, Chuo-ku	Real property	03/15/2005	5,353	
				05/24/2010	2,645	
				total	7,999	(1.0%)
● I- 15	Harumi Front	Harumi, Chuo-ku	Real property	01/07/2013	31,300	(4.0%)
● I- 16	Harumi Center Building	Harumi, Chuo-ku	Real property	12/18/2007	26,800	(3.4%)
● I- 17	Akasaka Park Building	Akasaka, Minato-ku	Real property	11/15/2011	60,800	(7.8%)
● I- 18	Aoyama Crystal Building	Kita-Aoyama, Minato-ku	Real property	03/14/2003	7,680	(1.0%)
● I- 19	Shiodome Building	Kaigan, Minato-ku	Trust	12/19/2008	21,250	
				01/15/2010	54,600	
				total	75,850	(9.7%)
● I- 20	Shiba 2Chome Daimon Building	Shiba, Minato-ku	Trust	09/10/2001	4,859	(0.6%)
● I- 21	Cosmo Kanasugibashi Building	Shiba, Minato-ku	Trust	09/25/2001	2,808	(0.4%)
● I- 22	Shinwa Building	Nishi-Shinjuku, Shinjuku-ku	Real property	09/01/2004	7,830	(1.0%)
● I- 23	Tokyo Opera City Building	Nishi-Shinjuku, Shinjuku-ku	Real property	09/13/2005	9,350	
				03/24/2010	22,426	
				total	31,776	(4.1%)
● I- 24	TIXTOWER UENO	Higashi-Ueno, Taito-ku	Real property	06/15/2012	22,000	(2.8%)
● I- 25	Higashi-Gotanda 1Chome Building	Higashi-Gotanda, Shinagawa-ku	Real property	11/01/2004	5,500	(0.7%)
● I- 26	Osaki Front Tower	Osaki, Shinagawa-ku	Real property	02/01/2011	12,300	(1.6%)
● I- 27	Omori-Eki Higashiguchi Building	Omori-Kita, Ota-ku	Trust	09/10/2001	5,123	(0.7%)
● I- 28	Nippon Brunswick Building	Sendagaya, Shibuya-ku	Real property	03/24/2004	6,670	(0.9%)
● I- 29	Yoyogi 1Chome Building	Yoyogi, Shibuya-ku	Real property	04/01/2004	8,700	(1.1%)
● I- 30	da Vinci Harajuku	Jingumae, Shibuya-ku	Real property	11/22/2002	4,885	(0.6%)
● I- 31	Jingumae Media Square Building	Jingumae, Shibuya-ku	Real property	10/09/2003	12,200	(1.6%)
● I- 32	Shibuya Cross Tower	Shibuya, Shibuya-ku	Real property	11/30/2001	34,600	(4.4%)
● I- 33	Ebisu Neonato	Ebisu, Shibuya-ku	Real property	11/14/2003	3,740	
				04/01/2004	360	
				total	4,100	(0.5%)
● I- 34	Harmony Tower	Honcho, Nakano-ku	Real property	02/28/2005	8,500	
				12/19/2012	520	
				total	9,020	(1.2%)
● I- 35	Otsuka Higashi-Ikebukuro Building	Higashi-Ikebukuro, Toshima-ku	Trust	09/25/2001	3,541	(0.5%)
● I- 36	Ikebukuro 2Chome Building	Ikebukuro, Toshima-ku	Trust	09/25/2001	1,728	(0.2%)
● I- 37	Ikebukuro YS Building	Minami-Ikebukuro, Toshima-ku	Real property	08/02/2004	4,500	(0.6%)
<b>Tokyo metropolitan area, excluding 23 wards</b>						
● II- 1	Hachioji First Square	Hachioji, Tokyo	Real property	03/31/2005	3,300	
				03/19/2008	2,379	
				total	5,679	(0.7%)
● II- 2	Saitama Urawa Building	Saitama, Saitama Prefecture	Real property	09/25/2001	1,232	
				10/11/2001	1,342	
				total	2,574	(0.3%)
● II- 3	MM Park Building	Yokohama, Kanagawa Prefecture	Real property	03/24/2008	37,400	(4.8%)
● II- 4	Kawasaki Isago Building	Kawasaki, Kanagawa Prefecture	Trust	09/25/2001	3,375	(0.4%)
● II- 5	Musashi Kosugi STM Building	Kawasaki, Kanagawa Prefecture	Real property	03/25/2008	4,000	(0.5%)
<b>Other major cities</b>						
● III- 1	8-3 Square Kita Building	Sapporo, Hokkaido	Real property	06/01/2007	7,100	(0.9%)
● III- 2	Jozenji Park Building	Sendai, Miyagi Prefecture	Real property	01/31/2005	1,000	(0.1%)
● III- 3	Higashi Nibancho Square	Sendai, Miyagi Prefecture	Real property	01/07/2013	9,950	(1.3%)
● III- 4	Sendai Honcho Honma Building	Sendai, Miyagi Prefecture	Trust	09/25/2001	2,924	
				06/28/2006	250	
				total	3,174	(0.4%)
● III- 5	Kanazawa Park Building	Kanazawa, Ishikawa Prefecture	Real property	02/28/2002	2,880	
				03/03/2003	1,700	
				total	4,580	(0.6%)
● III- 6	Nishiki Park Building	Nagoya, Aichi Prefecture	Real property	10/02/2006	3,850	
				11/01/2006	1,300	
				total	5,150	(0.7%)
● III- 7	Hirokoji Sakae Building	Nagoya, Aichi Prefecture	Real property	09/22/2006	1,680	(0.2%)
● III- 8	Nagoya Hirokoji Building	Nagoya, Aichi Prefecture	Real property	09/10/2001	14,533	(1.9%)
● III- 9	Nagoya Misono Building	Nagoya, Aichi Prefecture	Real property	08/08/2003	1,865	(0.2%)
● III- 10	Kyoto Shijo Kawaramachi Building	Kyoto, Kyoto Prefecture	Real property	12/20/2001	2,650	(0.3%)
● III- 11	Shin-Fujita Building	Osaka, Osaka Prefecture	Trust	09/01/2008	24,000	(3.1%)
● III- 12	Sakaisujihonmachi Building	Osaka, Osaka Prefecture	Real property	09/25/2001	2,264	
				12/26/2003	1,900	
				total	4,164	(0.5%)
● III- 13	Midosuji Daiwa Building	Osaka, Osaka Prefecture	Trust	09/25/2001	6,934	
				02/28/2002	7,380	
				total	14,314	(1.8%)
● III- 14	Lit City Building	Okayama, Okayama Prefecture	Real property	02/01/2006	4,650	(0.6%)
● III- 15	NHK Hiroshima Broadcasting Center Building	Hiroshima, Hiroshima Prefecture	Real property	03/25/2004	1,320	
				03/03/2008	1,450	
				total	2,770	(0.4%)
● III- 16	Tosei Tenjin Building	Fukuoka, Fukuoka Prefecture	Real property	09/25/2001	1,550	(0.2%)
● III- 17	Tenjin Crystal Building	Fukuoka, Fukuoka Prefecture	Real property	06/01/2005	5,000	(0.6%)
● III- 18	Hinode Tenjin Building	Fukuoka, Fukuoka Prefecture	Trust	09/10/2001	3,657	(0.5%)
	Total				782,433	(100.0%)

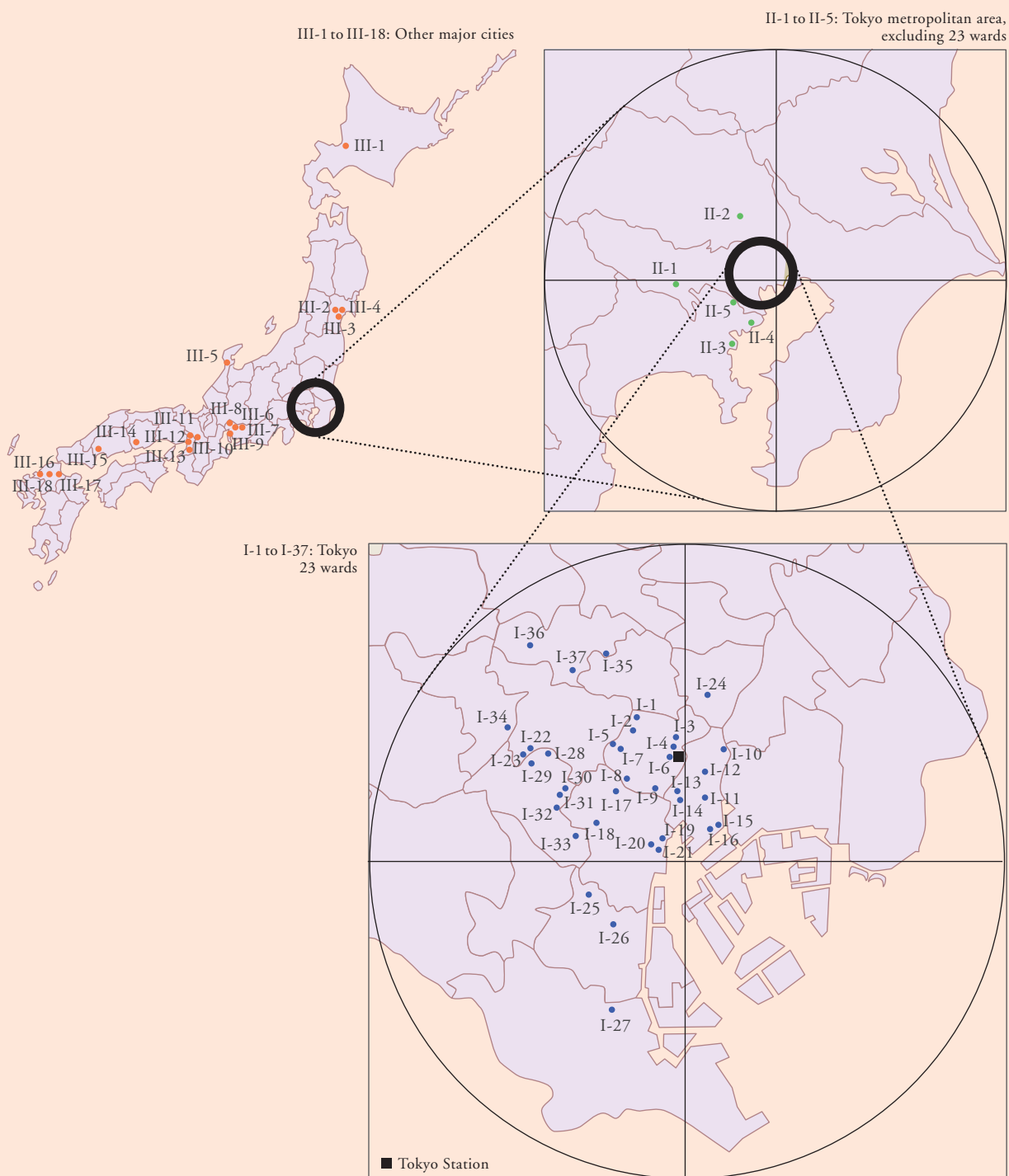
Percentage of ownership of the building	Completion	Appraisal value at the end of period (¥ mil)	Leasable space	Leased space	Occupancy rate	Number of tenants	Revenues from leasing operations (¥ mil)	
100.0%	1985	6,330	4,791m <sup>2</sup>	4,791m <sup>2</sup>	100.0%	1	225	(0.9%)
100.0%	2006	70,600	25,678m <sup>2</sup>	25,678m <sup>2</sup>	100.0%	4	1,680	(6.6%)
100.0%	1998	7,540	6,269m <sup>2</sup>	6,269m <sup>2</sup>	100.0%	8	210	(0.8%)
56.76%	1993	4,140	3,687m <sup>2</sup>	3,687m <sup>2</sup>	100.0%	10	124	(0.5%)
31.345%	2004	16,500	9,316m <sup>2</sup>	9,316m <sup>2</sup>	100.0%	1	479	(1.9%)
19.38402%	2003	45,000	11,904m <sup>2</sup>	11,904m <sup>2</sup>	100.0%	10	983	(3.9%)
100.0%	2005	5,920	4,495m <sup>2</sup>	4,495m <sup>2</sup>	100.0%	1	150	(0.6%)
99.0%	1966	29,200	20,871m <sup>2</sup>	20,020m <sup>2</sup>	95.9%	36	960	(3.8%)
10.78%	1975	7,150	4,694m <sup>2</sup>	4,182m <sup>2</sup>	89.1%	12	227	(0.9%)
100.0%	1991	2,950	3,897m <sup>2</sup>	3,604m <sup>2</sup>	92.5%	9	118	(0.5%)
100.0%	1991	4,900	4,538m <sup>2</sup>	4,538m <sup>2</sup>	100.0%	9	179	(0.7%)
100.0%	2002	6,100	4,279m <sup>2</sup>	4,279m <sup>2</sup>	100.0%	1	150	(0.6%)
70.95%	1982	15,100	4,329m <sup>2</sup>	4,329m <sup>2</sup>	100.0%	10	370	(1.5%)
100.0%	1998	5,190	4,255m <sup>2</sup>	4,255m <sup>2</sup>	100.0%	12	167	(0.7%)
100.0%	2012	32,900	33,369m <sup>2</sup>	32,894m <sup>2</sup>	98.6%	5	528	(2.1%)
100.0%	2006	19,800	20,812m <sup>2</sup>	20,812m <sup>2</sup>	100.0%	9	612	(2.4%)
100.0%	1993	62,500	45,013m <sup>2</sup>	44,246m <sup>2</sup>	98.3%	25	2,282	(9.0%)
100.0%	1982	7,210	4,898m <sup>2</sup>	3,741m <sup>2</sup>	76.4%	5	184	(0.7%)
40.0%	2007	77,200	32,155m <sup>2</sup>	30,623m <sup>2</sup>	95.2%	34	2,051	(8.1%)
100.0%	1984	5,820	9,606m <sup>2</sup>	9,606m <sup>2</sup>	100.0%	22	281	(1.1%)
100.0%	1992	2,770	4,062m <sup>2</sup>	4,062m <sup>2</sup>	100.0%	7	100	(0.4%)
100.0%	1989	5,780	6,134m <sup>2</sup>	6,134m <sup>2</sup>	100.0%	12	212	(0.8%)
31.325%	1996	29,700	35,050m <sup>2</sup>	33,734m <sup>2</sup>	96.2%	97	1,557	(6.1%)
94.040229%	2010	23,300	15,020m <sup>2</sup>	14,853m <sup>2</sup>	98.9%	19	678	(2.7%)
100.0%	2004	5,670	5,205m <sup>2</sup>	4,540m <sup>2</sup>	87.2%	3	168	(0.7%)
100.0%	2005	15,220	16,856m <sup>2</sup>	16,856m <sup>2</sup>	100.0%	1	748	(3.0%)
100.0%	1989	5,140	7,754m <sup>2</sup>	7,193m <sup>2</sup>	92.8%	17	228	(0.9%)
100.0%	1974	6,040	7,356m <sup>2</sup>	6,871m <sup>2</sup>	93.4%	18	241	(1.0%)
100.0%	2003	9,850	7,745m <sup>2</sup>	7,745m <sup>2</sup>	100.0%	9	289	(1.1%)
100.0%	1987	6,230	3,147m <sup>2</sup>	3,147m <sup>2</sup>	100.0%	4	192	(0.8%)
100.0%	1998	9,970	5,558m <sup>2</sup>	5,558m <sup>2</sup>	100.0%	5	287	(1.1%)
100.0%	1976	42,100	30,532m <sup>2</sup>	28,034m <sup>2</sup>	91.8%	63	1,005	(4.0%)
12.29939%	1994	2,910	2,462m <sup>2</sup>	2,462m <sup>2</sup>	100.0%	5	112	(0.4%)
32.113115%	1997	10,300	11,998m <sup>2</sup>	11,349m <sup>2</sup>	94.6%	16	355	(1.4%)
100.0%	1987	3,820	7,224m <sup>2</sup>	7,224m <sup>2</sup>	100.0%	6	196	(0.8%)
100.0%	1990	1,660	2,186m <sup>2</sup>	2,186m <sup>2</sup>	100.0%	9	71	(0.3%)
100.0%	1989	4,190	5,932m <sup>2</sup>	5,932m <sup>2</sup>	100.0%	11	154	(0.6%)
80.4%	1996	4,380	10,068m <sup>2</sup>	9,465m <sup>2</sup>	94.0%	41	232	(0.9%)
100.0%	1990	2,040	4,510m <sup>2</sup>	4,375m <sup>2</sup>	97.0%	16	101	(0.4%)
100.0%	2007	34,900	38,496m <sup>2</sup>	37,108m <sup>2</sup>	96.4%	26	1,395	(5.5%)
100.0%	1990	2,470	6,831m <sup>2</sup>	6,831m <sup>2</sup>	100.0%	12	128	(0.5%)
34.32%	1990	3,630	5,378m <sup>2</sup>	5,263m <sup>2</sup>	97.9%	23	157	(0.6%)
100.0%	2006	6,730	12,265m <sup>2</sup>	12,265m <sup>2</sup>	100.0%	8	316	(1.2%)
50.0%	1993	890	2,518m <sup>2</sup>	2,518m <sup>2</sup>	100.0%	18	68	(0.3%)
100.0%	2008	11,520	20,526m <sup>2</sup>	19,926m <sup>2</sup>	97.1%	17	292	(1.2%)
100.0%	1991	2,480	6,241m <sup>2</sup>	5,551m <sup>2</sup>	88.9%	19	122	(0.5%)
89.0%	1991	4,280	20,889m <sup>2</sup>	19,792m <sup>2</sup>	94.7%	72	450	(1.8%)
57.04651%	1995	3,580	8,056m <sup>2</sup>	7,557m <sup>2</sup>	93.8%	59	228	(0.9%)
100.0%	1987	1,440	3,911m <sup>2</sup>	3,121m <sup>2</sup>	79.8%	12	87	(0.3%)
100.0%	1987	12,600	21,624m <sup>2</sup>	21,113m <sup>2</sup>	97.6%	30	581	(2.3%)
100.0%	1991	1,110	3,448m <sup>2</sup>	3,092m <sup>2</sup>	89.7%	14	68	(0.3%)
100.0%	1982	1,790	6,802m <sup>2</sup>	5,662m <sup>2</sup>	83.2%	32	112	(0.4%)
100.0%	1995	16,400	28,414m <sup>2</sup>	26,567m <sup>2</sup>	93.5%	41	730	(2.9%)
100.0%	1992	3,630	11,556m <sup>2</sup>	11,350m <sup>2</sup>	98.2%	20	238	(0.9%)
100.0%	1991	13,700	20,450m <sup>2</sup>	20,275m <sup>2</sup>	99.1%	39	556	(2.2%)
27.7488%	2005	4,220	9,965m <sup>2</sup>	9,965m <sup>2</sup>	100.0%	42	256	(1.0%)
48.753%	1994	2,450	9,860m <sup>2</sup>	9,860m <sup>2</sup>	100.0%	12	261	(1.0%)
100.0%	1992	1,260	4,000m <sup>2</sup>	4,000m <sup>2</sup>	100.0%	19	85	(0.3%)
100.0%	1993	2,470	5,973m <sup>2</sup>	5,445m <sup>2</sup>	91.2%	28	142	(0.6%)
74.4844%	1987	3,540	5,868m <sup>2</sup>	5,532m <sup>2</sup>	94.3%	5	169	(0.7%)
		758,210	700,759m <sup>2</sup>	677,816m <sup>2</sup>	96.7%	1,131	25,357	(100.0%)

## Major Tenants Roster

Rank	Name of tenant	Name of building	Leased space	% of total leased space
1	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Harumi Front (also includes 3 other buildings)	33,901m <sup>2</sup>	5.0%
2	(Note)	Kitanomaru Square (also includes 2 other buildings)	26,061m <sup>2</sup>	3.8%
3	General Electric Company	Akasaka Park Building	18,842m <sup>2</sup>	2.8%
4	Mitsubishi Estate Co., Ltd.	Osaki Front Tower (also includes 1 other building)	17,213m <sup>2</sup>	2.5%
5	HAKUHODO DY HOLDINGS INCORPORATED	Akasaka Park Building (also includes 1 other building)	11,999m <sup>2</sup>	1.8%
6	NTT Communications Corporation	Shiodome Building	11,813m <sup>2</sup>	1.7%
7	Mitsubishi UFJ Trust and Banking Corporation	Mitsubishi UFJ Trust and Banking Building	10,598m <sup>2</sup>	1.6%
8	TOTO LTD.	Shiodome Building (also includes 2 other buildings)	10,570m <sup>2</sup>	1.6%
9	Seven & i Holdings Co., Ltd.	Nibancho Garden	9,316m <sup>2</sup>	1.4%
10	Space Design, Inc.	Burex Kojimachi Building (also includes 1 other building)	8,774m <sup>2</sup>	1.3%

Note: Not disclosed as per tenant request

## Locations of Portfolio Properties





## Overview of Portfolio Properties *As of March 31, 2013*

Note: Concerning real estate or trust beneficiary rights in trust of real estate of which the Company is a partial owner through co-ownership or compartmentalized building units or quasi-co-ownership, the figures for "Site area" and "Floor area of building" represent total site area and total floor space for the entire building.



**Genki Medical Plaza**

● I-1

Location: Chiyoda-ku, Tokyo  
 Site area: 1,052.80m<sup>2</sup>  
 Floor area of building: 6,722.02m<sup>2</sup>  
 Structure: Above ground: 8 floors  
 Below ground: 1 floor  
 Completion: September 1985



**Kitanomaru Square**

● I-2

Location: Chiyoda-ku, Tokyo  
 Site area: 5,821.03m<sup>2</sup>  
 Floor area of building: 57,279.20m<sup>2</sup>  
 Structure: Above ground: 26 floors  
 Below ground: 2 floors  
 Completion: January 2006



**MD Kanda Building**

● I-3

Location: Chiyoda-ku, Tokyo  
 Site area: 1,085.83m<sup>2</sup>  
 Floor area of building: 8,185.11m<sup>2</sup>  
 Structure: Above ground: 10 floors  
 Completion: February 1998



**Kandabashi Park Building**

● I-4

Location: Chiyoda-ku, Tokyo  
 Site area: 1,218.56m<sup>2</sup>  
 Floor area of building: 9,370.25m<sup>2</sup>  
 Structure: Above ground: 10 floors  
 Below ground: 1 floor  
 Completion: July 1993



**Nibancho Garden**

● I-5

Location: Chiyoda-ku, Tokyo  
 Site area: 11,003.87m<sup>2</sup>  
 Floor area of building: 57,031.06m<sup>2</sup>  
 Structure: Above ground: 14 floors  
 Below ground: 2 floors  
 Completion: April 2004



**Mitsubishi UFJ Trust and Banking Building**

● I-6

Location: Chiyoda-ku, Tokyo  
 Site area: 8,100.39m<sup>2</sup>  
 Floor area of building: 108,171.67m<sup>2</sup>  
 Structure: Above ground: 29 floors  
 Below ground: 4 floors  
 Completion: February 2003



**Burex Kojimachi Building**

● I-7

Location: Chiyoda-ku, Tokyo  
 Site area: 967.67m<sup>2</sup>  
 Floor area of building: 6,526.64m<sup>2</sup>  
 Structure: Above ground: 11 floors  
 Below ground: 1 floor  
 Completion: January 2005



**Sanno Grand Building**

● I-8

Location: Chiyoda-ku, Tokyo  
 Site area: 3,663.93m<sup>2</sup>  
 Floor area of building: 33,875.95m<sup>2</sup>  
 Structure: Above ground: 10 floors  
 Below ground: 3 floors  
 Completion: September 1966



**Yurakucho Denki Building**

● I-9

Location: Chiyoda-ku, Tokyo  
 Site area: 5,749.91m<sup>2</sup>  
 Floor area of building: 70,287.65m<sup>2</sup>  
 Structure: Above ground: 20 floors  
 Below ground: 4 floors  
 Completion: September 1975



**Kodenmachi Shin-Nihonbashi Building**

● I-10

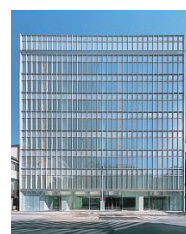
Location: Chuo-ku, Tokyo  
 Site area: 773.28m<sup>2</sup>  
 Floor area of building: 5,822.88m<sup>2</sup>  
 Structure: Above ground: 9 floors  
 Below ground: 1 floor  
 Completion: November 1991



**Kyodo Building (Kayabacho 2Chome)**

● I-11

Location: Chuo-ku, Tokyo  
 Site area: 754.26m<sup>2</sup>  
 Floor area of building: 5,505.80m<sup>2</sup>  
 Structure: Above ground: 9 floors  
 Below ground: 1 floor  
 Completion: April 1991



**Burex Kyobashi Building**

● I-12

Location: Chuo-ku, Tokyo  
 Site area: 756.03m<sup>2</sup>  
 Floor area of building: 5,470.54m<sup>2</sup>  
 Structure: Above ground: 8 floors  
 Below ground: 1 floor  
 Completion: February 2002



### Ginza Sanwa Building

● I-13

Location: Chuo-ku, Tokyo  
Site area: 1,119.27m<sup>2</sup>  
Floor area of building: 8,851.00m<sup>2</sup>  
Structure: Above ground: 9 floors  
Below ground: 2 floors  
Completion: October 1982



### Ryoshin Ginza East Mirror Building

● I-14

Location: Chuo-ku, Tokyo  
Site area: 864.91m<sup>2</sup>  
Floor area of building: 5,751.68m<sup>2</sup>  
Structure: Above ground: 8 floors  
Below ground: 1 floor  
Completion: October 1998



### Harumi Front

● I-15

Location: Chuo-ku, Tokyo  
Site area: 7,250.15m<sup>2</sup>  
Floor area of building: 45,458.90m<sup>2</sup>  
Structure: Above ground: 17 floors  
Below ground: 1 floor  
Completion: February 2012



### Harumi Center Building

● I-16

Location: Chuo-ku, Tokyo  
Site area: 4,664.63m<sup>2</sup>  
Floor area of building: 26,447.27m<sup>2</sup>  
Structure: Above ground: 10 floors  
Completion: November 2006



### Akasaka Park Building

● I-17

Location: Minato-ku, Tokyo  
Site area: 14,198.20m<sup>2</sup>  
Floor area of building: 97,489.16m<sup>2</sup>  
Structure: Above ground: 30 floors  
Below ground: 2 floors  
Completion: July 1993



### Aoyama Crystal Building

● I-18

Location: Minato-ku, Tokyo  
Site area: 989.30m<sup>2</sup>  
Floor area of building: 8,094.36m<sup>2</sup>  
Structure: Above ground: 10 floors  
Below ground: 4 floors  
Completion: December 1982



### Shiodome Building

● I-19

Location: Minato-ku, Tokyo  
Site area: 12,046.00m<sup>2</sup>  
Floor area of building: 115,930.83m<sup>2</sup>  
Structure: Above ground: 24 floors  
Below ground: 2 floors  
Completion: December 2007



### Shiba 2Chome Daimon Building

● I-20

Location: Minato-ku, Tokyo  
Site area: 2,820.90m<sup>2</sup>  
Floor area of building: 16,235.10m<sup>2</sup>  
Structure: Above ground: 8 floors  
Below ground: 2 floors  
Completion: March 1984



### Cosmo Kanasugibashi Building

● I-21

Location: Minato-ku, Tokyo  
Site area: 758.54m<sup>2</sup>  
Floor area of building: 5,420.93m<sup>2</sup>  
Structure: Above ground: 9 floors  
Below ground: 1 floor  
Completion: March 1992



### Shinwa Building

● I-22

Location: Shinjuku-ku, Tokyo  
Site area: 822.00m<sup>2</sup>  
Floor area of building: 8,291.69m<sup>2</sup>  
Structure: Above ground: 10 floors  
Below ground: 1 floor  
Completion: November 1989



### Tokyo Opera City Building

● I-23

Location: Shinjuku-ku, Tokyo  
Site area: 18,236.94m<sup>2</sup>  
Floor area of building: 232,996.81m<sup>2</sup>  
Structure: Above ground: 54 floors  
Below ground: 4 floors  
Completion: July 1996



### TIXTOWER UENO

● I-24

Location: Taito-ku, Tokyo  
Site area: 2,412.80m<sup>2</sup>  
Floor area of building: 23,727.48m<sup>2</sup>  
Structure: Above ground: 18 floors  
Below ground: 1 floor  
Completion: July 2010



### Higashi-Gotanda 1Chome Building

● I-25

Location: Shinagawa-ku, Tokyo  
Site area: 1,539.95m<sup>2</sup>  
Floor area of building: 6,460.39m<sup>2</sup>  
Structure: Above ground: 8 floors  
Completion: July 2004



### Osaki Front Tower

● I-26

Location: Shinagawa-ku, Tokyo  
Site area: 3,684.38m<sup>2</sup>  
Floor area of building: 23,673.92m<sup>2</sup>  
Structure: Above ground: 15 floors  
Completion: June 2005



### Omori-Eki Higashiguchi Building

● I-27

Location: Ota-ku, Tokyo  
Site area: 2,199.30m<sup>2</sup>  
Floor area of building: 14,095.34m<sup>2</sup>  
Structure: Above ground: 11 floors  
Below ground: 2 floors  
Completion: July 1989



### Nippon Brunswick Building

● I-28

Location: Shibuya-ku, Tokyo  
Site area: 1,497.52m<sup>2</sup>  
Floor area of building: 11,957.38m<sup>2</sup>  
Structure: Above ground: 9 floors  
Below ground: 2 floors  
Completion: March 1974



### Yoyogi 1Chome Building

● I-29

Location: Shibuya-ku, Tokyo  
Site area: 1,755.75m<sup>2</sup>  
Floor area of building: 10,778.10m<sup>2</sup>  
Structure: Above ground: 14 floors  
Below ground: 1 floor  
Completion: October 2003



### da Vinci Harajuku

● I-30

Location: Shibuya-ku, Tokyo  
Site area: 839.66m<sup>2</sup>  
Floor area of building: 4,359.20m<sup>2</sup>  
Structure: Above ground: 7 floors  
Below ground: 2 floors  
Completion: December 1987



### Jingumae Media Square Building

● I-31

Location: Shibuya-ku, Tokyo  
Site area: 2,124.59m<sup>2</sup>  
Floor area of building: 9,420.42m<sup>2</sup>  
Structure: Above ground: 9 floors  
Below ground: 2 floors  
Completion: March 1998



### Shibuya Cross Tower

● I-32

Location: Shibuya-ku, Tokyo  
Site area: 5,153.45m<sup>2</sup>  
Floor area of building: 61,862.33m<sup>2</sup>  
Structure: Above ground: 32 floors  
Below ground: 3 floors  
Completion: April 1976



### Ebisu Neonato

● I-33

Location: Shibuya-ku, Tokyo  
Site area: 5,005.70m<sup>2</sup>  
Floor area of building: 36,598.38m<sup>2</sup>  
Structure: Above ground: 18 floors  
Below ground: 2 floors  
Completion: October 1994



### Harmony Tower

● I-34

Location: Nakano-ku, Tokyo  
Site area: 10,020.52m<sup>2</sup>  
Floor area of building: 72,729.31m<sup>2</sup>  
Structure: Above ground: 29 floors  
Below ground: 2 floors  
Completion: March 1997



### Otsuka Higashi- Ikebukuro Building

● I-35

Location: Toshima-ku, Tokyo  
Site area: 2,121.39m<sup>2</sup>  
Floor area of building: 9,531.28m<sup>2</sup>  
Structure: Above ground: 8 floors  
Below ground: 1 floor  
Completion: November 1987



### Ikebukuro 2Chome Building

● I-36

Location: Toshima-ku, Tokyo  
Site area: 397.26m<sup>2</sup>  
Floor area of building: 3,157.51m<sup>2</sup>  
Structure: Above ground: 9 floors  
Below ground: 1 floor  
Completion: May 1990



### Ikebukuro YS Building

● I-37

Location: Toshima-ku, Tokyo  
Site area: 1,384.56m<sup>2</sup>  
Floor area of building: 7,464.64m<sup>2</sup>  
Structure: Above ground: 8 floors  
Below ground: 1 floor  
Completion: December 1989



### Hachioji First Square

● II-1

Location: Hachioji, Tokyo  
Site area: 2,989.33m<sup>2</sup>  
Floor area of building: 18,329.98m<sup>2</sup>  
Structure: Above ground: 12 floors  
Below ground: 1 floor  
Completion: July 1996



### Saitama Urawa Building

● II-2

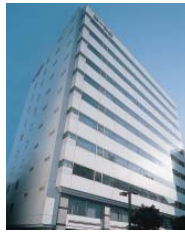
Location: Saitama, Saitama Prefecture  
Site area: 1,533.06m<sup>2</sup>  
Floor area of building: 6,258.59m<sup>2</sup>  
Structure: Above ground: 8 floors  
Completion: March 1990



### MM Park Building

● II-3

Location: Yokohama, Kanagawa Prefecture  
Site area: 6,825.77m<sup>2</sup>  
Floor area of building: 49,037.51m<sup>2</sup>  
Structure: Above ground: 15 floors  
Below ground: 1 floor  
Completion: December 2007



### Kawasaki Isago Building

● II-4

Location: Kawasaki, Kanagawa Prefecture  
Site area: 1,594.50m<sup>2</sup>  
Floor area of building: 9,623.83m<sup>2</sup>  
Structure: Above ground: 12 floors  
Below ground: 1 floor  
Completion: December 1990



### Musashi Kosugi STM Building

● II-5

Location: Kawasaki, Kanagawa Prefecture  
Site area: 3,552.15m<sup>2</sup>  
Floor area of building: 22,839.61m<sup>2</sup>  
Structure: Above ground: 8 floors  
Below ground: 2 floors  
Completion: October 1990



### 8\*3 Square Kita Building

● III-1

Location: Sapporo, Hokkaido  
Site area: 5,541.60m<sup>2</sup>  
Floor area of building: 16,096.97m<sup>2</sup>  
Structure: Above ground: 11 floors  
Below ground: 1 floor  
Completion: December 2006



### Jozenji Park Building

● III-2

Location: Sendai, Miyagi Prefecture  
Site area: 1,566.68m<sup>2</sup>  
Floor area of building: 7,648.33m<sup>2</sup>  
Structure: Above ground: 8 floors  
Below ground: 1 floor  
Completion: January 1993



### Higashi Nibancho Square

● III-3

Location: Sendai, Miyagi Prefecture  
Site area: 3,191.27m<sup>2</sup>  
Floor area of building: 27,680.45m<sup>2</sup>  
Structure: Above ground: 14 floors  
Below ground: 1 floor  
Completion: July 2008



### Sendai Honcho Honma Building

● III-4

Location: Sendai, Miyagi Prefecture  
Site area: 1,437.47m<sup>2</sup>  
Floor area of building: 8,247.50m<sup>2</sup>  
Structure: Above ground: 11 floors  
Completion: November 1991



### Kanazawa Park Building

● III-5

Location: Kanazawa, Ishikawa Prefecture  
Site area: 6,642.71m<sup>2</sup>  
Floor area of building: 43,481.20m<sup>2</sup>  
Structure: Above ground: 12 floors  
Below ground: 2 floors  
Completion: October 1991



### Nishiki Park Building

● III-6

Location: Nagoya, Aichi Prefecture  
Site area: 2,170.45m<sup>2</sup>  
Floor area of building: 25,091.91m<sup>2</sup>  
Structure: Above ground: 22 floors  
Below ground: 4 floors  
Completion: August 1995



### Hirokoji Sakae Building

● III-7

Location: Nagoya, Aichi Prefecture  
Site area: 786.79m<sup>2</sup>  
Floor area of building: 6,445.08m<sup>2</sup>  
Structure: Above ground: 9 floors  
Below ground: 2 floors  
Completion: September 1987



### Nagoya Hirokoji Building

● III-8

Location: Nagoya, Aichi Prefecture  
Site area: 4,095.81m<sup>2</sup>  
Floor area of building: 33,377.73m<sup>2</sup>  
Structure: Above ground: 18 floors  
Below ground: 2 floors  
Completion: May 1987



### Nagoya Misono Building

● III-9

Location: Nagoya, Aichi Prefecture  
Site area: 805.04m<sup>2</sup>  
Floor area of building: 5,348.00m<sup>2</sup>  
Structure: Above ground: 7 floors  
Below ground: 1 floor  
Completion: September 1991



### Kyoto Shijo Kawaramachi Building

● III-10

Location: Kyoto, Kyoto Prefecture  
Site area: 1,471.57m<sup>2</sup>  
Floor area of building: 9,701.04m<sup>2</sup>  
Structure: Above ground: 9 floors  
Below ground: 1 floor  
Completion: November 1982



### Shin-Fujita Building

● III-11

Location: Osaka, Osaka Prefecture  
Site area: 6,159.61m<sup>2</sup>  
Floor area of building: 45,411.31m<sup>2</sup>  
Structure: Above ground: 21 floors  
Below ground: 2 floors  
Completion: April 1995



### Sakaisujihonmachi Building

● III-12

Location: Osaka, Osaka Prefecture  
Site area: 2,036.22m<sup>2</sup>  
Floor area of building: 17,145.59m<sup>2</sup>  
Structure: Above ground: 13 floors  
Below ground: 2 floors  
Completion: October 1992



### Midosuji Daiwa Building

● III-13

Location: Osaka, Osaka Prefecture  
Site area: 3,044.65m<sup>2</sup>  
Floor area of building: 31,213.27m<sup>2</sup>  
Structure: Above ground: 15 floors  
Below ground: 2 floors  
Completion: September 1991



### Lit City Building

● III-14

Location: Okayama, Okayama Prefecture  
Site area: 7,596.44m<sup>2</sup>  
Floor area of building: 52,653.19m<sup>2</sup>  
Structure: Above ground: 20 floors  
Below ground: 2 floors  
Completion: June 2005



### NHK Hiroshima Broadcasting Center Building

● III-15

Location: Hiroshima, Hiroshima Prefecture  
Site area: 3,296.46m<sup>2</sup>  
Floor area of building: 35,217.28m<sup>2</sup>  
Structure: Above ground: 23 floors  
Below ground: 2 floors  
Completion: August 1994



### Tosei Tenjin Building

● III-16

Location: Fukuoka, Fukuoka Prefecture  
Site area: 1,221.31m<sup>2</sup>  
Floor area of building: 5,588.57m<sup>2</sup>  
Structure: Above ground: 8 floors  
Completion: March 1992



### Tenjin Crystal Building

● III-17

Location: Fukuoka, Fukuoka Prefecture  
Site area: 1,835.17m<sup>2</sup>  
Floor area of building: 10,432.04m<sup>2</sup>  
Structure: Above ground: 14 floors  
Below ground: 1 floor  
Completion: August 1993



### Hinode Tenjin Building

● III-18

Location: Fukuoka, Fukuoka Prefecture  
Site area: 1,452.15m<sup>2</sup>  
Floor area of building: 12,527.07m<sup>2</sup>  
Structure: Above ground: 10 floors  
Below ground: 2 floors  
Completion: August 1987



## Financial Section

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## Selected Financial Data

	Millions of yen					Thousands of U.S. dollars (Note 1)
	For the period from October 1, 2012 to March 31, 2013	For the period from April 1, 2012 to September 30, 2012	For the period from October 1, 2011 to March 31, 2012	For the period from April 1, 2011 to September 30, 2011	For the period from October 1, 2010 to March 31, 2011	For the period from October 1, 2012 to March 31, 2013
Operating Revenues	¥ 25,357	¥ 24,222	¥ 24,059	¥ 22,829	¥ 22,135	\$ 269,615
Operating Expenses	14,725	14,009	13,273	12,449	12,333	156,571
Operating Income	10,631	10,212	10,786	10,380	9,802	113,044
Ordinary Income	8,749	8,372	8,863	8,603	7,938	93,029
Income before Income Taxes	8,749	8,372	8,904	8,614	7,657	93,029
Net Income	8,824	8,448	8,934	8,268	7,652	93,830
Total Assets	765,628	724,851	703,085	643,949	646,847	8,140,654
Interest-Bearing Debts	311,200	305,750	284,300	269,350	272,400	3,308,878
Net Assets	405,280	372,429	372,869	332,670	332,054	4,309,207
Unitholders' Capital	396,018	363,371	363,371	324,353	324,353	4,210,721
Number of Units	594,140	549,040	549,040	489,200	489,200	594,140
Net Assets per Unit (Yen/U.S. dollars)	682,130	678,328	679,130	680,029	678,770	7,253
Cash Distribution	8,995	8,619	8,888	7,753	7,652	95,644
Dividend Payout Ratio	101.9%	102.0%	99.4%	93.7%	99.9%	101.9%
Dividend per Unit (Yen/U.S. dollars)	15,140	15,700	16,190	15,850	15,642	160.98
Net Operating Income (NOI)	16,768	15,997	16,361	15,121	14,950	178,297
Funds from Operations (FFO)	14,032	13,356	13,625	12,154	11,938	149,207
Return on Assets (ROA) (Note 2)	1.2%	1.2%	1.3%	1.3%	1.2%	1.2%
	(2.4% annualized)	(2.3% annualized)	(2.6% annualized)	(2.7% annualized)	(2.5% annualized)	(2.4% annualized)
Return on Equity (ROE) (Note 3)	2.2%	2.3%	2.6%	2.5%	2.3%	2.2%
	(4.4% annualized)	(4.5% annualized)	(5.3% annualized)	(5.0% annualized)	(4.6% annualized)	(4.4% annualized)
EOP Equity Ratio (Note 4)	52.9%	51.4%	53.0%	51.7%	51.3%	52.9%
EOP Interest-Bearing Debt Ratio on Total Assets (Note 5)	40.6%	42.2%	40.4%	41.8%	42.1%	40.6%
FFO Multiple	27.2 times	16.2 times	14.7 times	15.2 times	16.1 times	27.2 times
Debt Service Coverage Ratio (Note 6)	8.7 times	8.3 times	8.5 times	8.4 times	7.5 times	8.7 times

Notes 1: Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥94.05 = US\$1.00, the foreign exchange rate on March 31, 2013, has been used for translation. The inclusion of such amounts is not intended to imply that Japanese yen has been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.

2: ROA = Ordinary Income ÷ Average of Total Assets during the period

3: ROE = Net Income ÷ Average of Net Assets during the period

(Annualized portion of the calculation given in Note 2 and Note 3 assumes a fiscal period of 182 days for the period ended March 31, 2011, 183 days for the period ended September 30, 2011, 183 days for the period ended March 31, 2012, 183 days for the period ended September 30, 2012 and 182 days for the period ended March 31, 2013.)

4: EOP Equity Ratio = (Net Assets at the end of period ÷ Total Assets at the end of period) × 100

5: EOP Interest-Bearing Debt Ratio on Total Assets = (Interest-Bearing Debt at the end of period ÷ Total Assets at the end of period) × 100

6: Debt Service Coverage Ratio = Net Income before Interest, Taxes, Depreciation and Amortization ÷ Interest Expenses

## Balance Sheets

As of March 31, 2013 and September 30, 2012

	Thousands of yen		U.S. dollars (Note 1)
	As of March 31, 2013	As of September 30, 2012	As of March 31, 2013
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and bank deposits	¥ 23,276,582	¥ 22,014,749	\$ 247,491,573
Rental receivables	104,865	160,820	1,115,000
Refundable consumption taxes	472,497	—	5,023,896
Other current assets	148,460	109,335	1,578,525
<b>Total current assets</b>	<b>24,002,405</b>	<b>22,284,905</b>	<b>255,208,994</b>
<b>Property and Equipment, at Cost:</b>			
Land	503,044,948	483,609,480	5,348,696,957
Buildings and structures	291,066,859	266,742,264	3,094,809,774
Machinery and equipment	3,564,066	3,287,724	37,895,440
Tools, furniture and fixtures	229,005	211,274	2,434,938
Construction in progress	225,278	3,050	2,395,309
<b>Subtotal</b>	<b>798,130,158</b>	<b>753,853,793</b>	<b>8,486,232,417</b>
Accumulated depreciation	(65,638,017)	(60,448,699)	(697,905,551)
<b>Total property and equipment</b>	<b>732,492,141</b>	<b>693,405,094</b>	<b>7,788,326,865</b>
<b>Investments and Other Assets:</b>			
Investment securities	577,168	577,168	6,136,822
Deposits	1,071,830	1,071,830	11,396,389
Long-term prepaid expenses	14,545	10,227	154,653
Leasehold rights	6,580,957	6,596,787	69,972,966
Easement	828,095	828,095	8,804,842
Deferred investment corporation bond issuance costs	61,382	77,851	652,656
<b>Total Assets</b>	<b>¥765,628,526</b>	<b>¥724,851,959</b>	<b>\$8,140,654,187</b>

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



	Thousands of yen		U.S. dollars (Note 1)
	As of March 31, 2013	As of September 30, 2012	As of March 31, 2013
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Trade accounts payable	¥ 601,506	¥ 1,127,860	\$ 6,395,609
Other payables	1,072,531	879,516	11,403,848
Short-term loans	18,000,000	13,500,000	191,387,560
Current portion of long-term loans	34,100,000	70,100,000	362,573,099
Accrued expenses	826,056	858,686	8,783,167
Income taxes payable	11,103	7,817	118,057
Accrued consumption taxes	—	179,150	—
Rent received in advance	3,245,771	3,151,166	34,511,132
Other current liabilities	3,170	2,697	33,714
<b>Total current liabilities</b>	<b>57,860,141</b>	<b>89,806,894</b>	<b>615,206,185</b>
<b>Long-Term Liabilities:</b>			
Investment corporation bonds	45,000,000	45,000,000	478,468,900
Long-term loans	214,100,000	177,150,000	2,276,448,698
Deposits received from tenants	42,958,359	39,950,918	456,760,871
Deferred tax liabilities	122,812	211,309	1,305,825
Asset retirement obligations	306,334	303,279	3,257,146
<b>Total long-term liabilities</b>	<b>302,487,507</b>	<b>262,615,507</b>	<b>3,216,241,438</b>
<b>Total Liabilities</b>	<b>360,347,648</b>	<b>352,422,401</b>	<b>3,831,447,623</b>
<b>NET ASSETS</b>			
<b>Unitholders' Equity:</b>			
Unitholders' capital	396,018,317	363,371,780	4,210,721,074
Authorized: 2,000,000 units			
Issued: 594,140 units as of March 31, 2013 and 549,040 units as of September 30, 2012			
<b>Surplus</b>			
Voluntary reserve			
Reserve for reduction entry	407,278	578,614	4,330,450
Retained earnings	8,855,281	8,479,163	94,155,040
<b>Total surplus</b>	<b>9,262,560</b>	<b>9,057,778</b>	<b>98,485,490</b>
<b>Total unitholders' equity</b>	<b>405,280,877</b>	<b>372,429,558</b>	<b>4,309,206,564</b>
<b>Total net assets</b>	<b>405,280,877</b>	<b>372,429,558</b>	<b>4,309,206,564</b>
<b>Total Liabilities and Net Assets</b>	<b>¥765,628,526</b>	<b>¥724,851,959</b>	<b>\$8,140,654,187</b>

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

## Statements of Income and Retained Earnings

For the six months ended March 31, 2013 and September 30, 2012

	Thousands of yen		U.S. dollars (Note 1)
	For the period from October 1, 2012 to March 31, 2013	For the period from April 1, 2012 to September 30, 2012	For the period from October 1, 2012 to March 31, 2013
<b>OPERATING REVENUES AND EXPENSES</b>			
<b>Operating Revenues:</b>			
Rental revenues	¥25,070,031	¥24,130,936	\$266,560,675
Non-rental revenues	287,222	91,747	3,053,931
<b>Total operating revenues</b>	<b>25,357,253</b>	<b>24,222,684</b>	<b>269,614,606</b>
<b>Operating Expenses:</b>			
Property-related expenses	13,796,651	13,133,140	146,694,860
Asset management fees	592,000	571,148	6,294,525
Administrative service fees	198,583	196,821	2,111,470
Professional fee	73,576	51,732	782,308
Other operating expenses	64,671	57,050	687,625
<b>Total operating expenses</b>	<b>14,725,482</b>	<b>14,009,893</b>	<b>156,570,787</b>
<b>Operating Income</b>	<b>10,631,771</b>	<b>10,212,790</b>	<b>113,043,819</b>
<b>NON-OPERATING REVENUES AND EXPENSES</b>			
<b>Non-Operating Revenues:</b>			
Interest income	9,295	7,756	98,838
Dividends income	—	19,724	—
Return of unclaimed distributions	5,448	1,747	57,927
Interest on tax refund	—	6,216	—
<b>Non-Operating Expenses:</b>			
Interest expense	1,419,873	1,407,717	15,097,004
Interest expense on investment corporation bonds	386,112	421,732	4,105,400
Amortization of investment corporation bond issuance costs	16,469	18,837	175,111
New unit issuance costs	47,798	—	508,225
Other non-operating expenses	26,901	27,152	286,030
<b>Ordinary Income</b>	<b>8,749,359</b>	<b>8,372,795</b>	<b>93,028,813</b>
<b>Income before Income Taxes</b>	<b>8,749,359</b>	<b>8,372,795</b>	<b>93,028,813</b>
<b>Income Taxes:</b>			
Current	13,169	12,899	140,028
Deferred	(88,519)	(88,696)	(941,201)
<b>Net Income</b>	<b>8,824,710</b>	<b>8,448,592</b>	<b>93,829,987</b>
<b>Retained Earnings Brought Forward</b>	<b>30,571</b>	<b>30,571</b>	<b>325,053</b>
<b>Retained Earnings at End of Period</b>	<b>¥ 8,855,281</b>	<b>¥ 8,479,163</b>	<b>\$ 94,155,040</b>

## Statements of Changes in Unitholders' Equity

For the six months ended March 31, 2013 and September 30, 2012

	Units	Thousands of yen				Total unitholders' equity
		Unitholders' capital	Reserve for reduction entry	Surplus	Total surplus	
				Retained earnings		
<b>Balance as of April 1, 2012</b>	<b>549,040</b>	<b>¥363,371,780</b>	<b>¥533,179</b>	<b>¥8,964,963</b>	<b>¥9,498,143</b>	<b>¥372,869,923</b>
Provision of reserve for reduction entry	—	—	45,434	(45,434)	—	—
Cash dividends paid	—	—	—	(8,888,957)	(8,888,957)	(8,888,957)
Net income	—	—	—	8,448,592	8,448,592	8,448,592
<b>Balance as of September 30, 2012</b>	<b>549,040</b>	<b>¥363,371,780</b>	<b>¥578,614</b>	<b>¥8,479,163</b>	<b>¥9,057,778</b>	<b>¥372,429,558</b>
Provision of reserve for reduction entry	—	—	(171,335)	171,335	—	—
New unit issuance	45,100	32,646,537	—	—	—	32,646,537
Cash dividends paid	—	—	—	(8,619,928)	(8,619,928)	(8,619,928)
Net income	—	—	—	8,824,710	8,824,710	8,824,710
<b>Balance as of March 31, 2013</b>	<b>594,140</b>	<b>¥396,018,317</b>	<b>¥407,278</b>	<b>¥8,855,281</b>	<b>¥9,262,560</b>	<b>¥405,280,877</b>
		U.S. dollars (Note 1)				
	Units	Unitholders' capital	Reserve for reduction entry	Surplus	Total surplus	Total unitholders' equity
				Retained earnings		
<b>Balance as of October 1, 2012</b>	<b>549,040</b>	<b>\$3,863,602,127</b>	<b>\$6,152,202</b>	<b>\$90,155,912</b>	<b>\$96,308,114</b>	<b>\$3,959,910,240</b>
Provision of reserve for reduction entry	—	—	(1,821,752)	1,821,752	—	—
New unit issuance	45,100	347,118,947	—	—	—	347,118,947
Cash dividends paid	—	—	—	(91,652,610)	(91,652,610)	(91,652,610)
Net income	—	—	—	93,829,987	93,829,987	93,829,987
<b>Balance as of March 31, 2013</b>	<b>594,140</b>	<b>\$4,210,721,074</b>	<b>\$4,330,450</b>	<b>\$94,155,040</b>	<b>\$98,485,490</b>	<b>\$4,309,206,564</b>

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

## Statements of Cash Flows

For the six months ended March 31, 2013 and September 30, 2012

	Thousands of yen		U.S. dollars (Note 1)
	For the period from October 1, 2012 to March 31, 2013	For the period from April 1, 2012 to September 30, 2012	For the period from October 1, 2012 to March 31, 2013
<b>Cash Flows from Operating Activities:</b>			
Income before income taxes	¥ 8,749,359	¥ 8,372,795	\$ 93,028,813
Depreciation and amortization	5,208,203	4,908,200	55,376,960
Amortization of investment corporation bond issuance costs	16,469	18,837	175,111
New unit issuance costs	47,798	—	508,225
Dividends income	—	(19,724)	—
Interest income	(9,295)	(7,756)	(98,838)
Interest expense	1,805,986	1,829,449	19,202,404
Rental receivables	55,954	(57,997)	594,943
Refundable consumption taxes	(472,497)	448,257	(5,023,896)
Supplies	(3,121)	(18,860)	(33,187)
Prepaid expenses	(39,736)	62,905	(422,503)
Trade accounts payable	(647,712)	667,419	(6,886,896)
Other payables	37,188	(11,532)	395,409
Accrued expenses	(179,032)	179,032	(1,903,585)
Rent received in advance	94,605	(5,627)	1,005,906
Long-term prepaid expenses	(4,317)	180	(45,906)
Other	(82,510)	534	(877,308)
Sub-total	14,577,341	16,366,114	154,995,653
Interest and dividends income received	10,244	25,413	108,923
Interest paid	(1,838,733)	(1,794,190)	(19,550,597)
Payments for loss on disaster	—	(46,986)	—
Income taxes paid	(9,883)	(20,178)	(105,088)
Net cash provided by operating activities	12,738,968	14,530,173	135,448,890
<b>Cash Flows from Investing Activities:</b>			
Payments of time deposits	(10,829,000)	(8,816,000)	(115,140,883)
Proceeds from time deposits	8,829,000	7,816,000	93,875,598
Purchases of property and equipment	(43,912,631)	(24,064,671)	(466,907,299)
Payments for lease and guarantee deposits	—	(2,500)	—
Repayments of lease and guarantee deposits received	(1,013,145)	(1,863,475)	(10,772,409)
Proceeds from lease and guarantee deposits received	4,020,586	2,191,944	42,749,462
Net cash used in investing activities	(42,905,189)	(24,738,702)	(456,195,531)
<b>Cash Flows from Financing Activities:</b>			
Proceeds from short-term loans	18,000,000	5,500,000	191,387,560
Repayments of short-term loans	(13,500,000)	(5,500,000)	(143,540,670)
Proceeds from long-term loans	52,000,000	32,500,000	552,897,395
Repayments of long-term loans	(51,050,000)	(1,050,000)	(542,796,385)
Redemption of investment corporation bonds	—	(10,000,000)	—
Proceeds from issuance of units	32,646,537	—	347,118,947
Payments of new unit issuance costs	(47,798)	(3,798)	(508,225)
Dividends to unitholders	(8,620,683)	(8,884,373)	(91,660,648)
Net cash provided by financing activities	29,428,054	12,561,828	312,897,974
Net Increase (Decrease) in Cash and Cash Equivalents	(738,167)	2,353,299	(7,848,667)
Cash and Cash Equivalents at Beginning of Period	15,014,749	12,661,450	159,646,460
Cash and Cash Equivalents at End of Period	¥14,276,582	¥15,014,749	\$151,797,793

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

## Notes to Financial Statements

March 31, 2013 and September 30, 2012

### 1. ORGANIZATION AND BASIS OF PRESENTATION

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#### Organization

Japan Real Estate Investment Corporation (the “Company”) is a real estate investment corporation formed to own and invest primarily in a portfolio of office properties. The Company is externally managed by a licensed asset management company, Japan Real Estate Asset Management Co., Ltd. (“J-Rea”). J-Rea is currently owned 63% by Mitsubishi Estate Co., Ltd. (“MEC”), 27% by The Dai-ichi Mutual Life Insurance Company (currently renamed The Dai-ichi Life Insurance Company, Limited, “DL”) and 10% by Mitsui & Co., Ltd.

On May 11, 2001, the Company was incorporated with ¥200 million of original capital contribution by MEC, Tokio Marine & Nichido Fire Insurance Co., Ltd. (“TMN”) and DL under the Law Concerning Investment Trusts and Investment Corporations of Japan, or the Investment Trust Law.

On September 10, 2001, the Company commenced operations when the Company was listed on the Tokyo Stock Exchange as one of the first real estate investment corporations in Japan (so-called “J-REITs”). The Company issued 160,000 units at a price of ¥506,625 (\$5,387), generating gross proceeds of ¥81,060 million (\$861,882 thousand) (Note).

The Company completed the ninth public offering of 41,000 units at a price of ¥723,870 (\$7,697) on October 29, 2012 and third party allocation of 4,100 units at a price of ¥723,870 (\$7,697) on November 28, 2012, generating gross proceeds of ¥29,678 million (\$315,563 thousand) and ¥2,967 million (\$31,556 thousand), respectively. As of March 31, 2013, the Company had total unitholders’ capital of ¥396,018 million (\$4,210,721 thousand) with 594,140 units outstanding (Note).

At March 31, 2013, the Company owned a portfolio of 60 office properties with an aggregate of approximately 700,759 square meters of leasable space.

Note: The foreign exchange rate of ¥94.05=US\$1.00, as of March 31, 2013, has been used for translation.

#### Basis of presenting financial statements

The Company maintains its accounting records and prepares its financial statements in accordance with accounting principles generally accepted in Japan (“Japanese GAAP”), including provisions set forth in the Investment Trust Law, the Corporation Law of Japan, the Financial Instruments and Exchange Law of Japan and the related regulations, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

The accompanying financial statements are a translation of the audited financial statements of the Company, which were prepared in accordance with Japanese GAAP and were presented in the Securities Report of the Company filed with the Kanto Local Finance Bureau. In preparing the accompanying financial statements, certain reclassifications and modifications have been made to the financial statements issued domestically in order to present them in a format that is more familiar to readers outside Japan. In addition, the notes to financial statements include information that might not be required under Japanese GAAP but is presented herein as additional information.

Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥94.05=US\$1.00, the foreign exchange rate on March 31, 2013, has been used for translation. The inclusion of such amounts is not intended to imply that Japanese yen has been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.

As permitted under the Japanese Financial Instruments and Exchange Law, amounts of less than one million yen have been omitted. As a result, the totals shown in the accompanying financial statements do not necessarily agree with the sum of the individual amounts.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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#### Investment securities

Non-marketable securities classified as other securities are carried at cost. Cost of securities sold is determined by the moving average method.

#### Property and equipment, depreciation and impairment

Property and equipment is stated at cost, less accumulated depreciation. The costs of land, buildings and building improvements include the purchase price of property, legal fees and acquisition costs. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets ranging as stated below:

Buildings.....	2-61 years
Structures.....	5-60 years
Machinery and equipment.....	2-18 years
Tools, furniture and fixtures.....	2-29 years

Expenditures for repairing expenses are charged to income as incurred. Significant renewals and betterments are capitalized.

The Company reviews fixed assets for impairment whenever events or changes in circumstances indicate that the carrying amount of its fixed assets may not be recoverable. According to the standard set by the Accounting Standards Board of Japan, companies are required to recognize an impairment loss in their statement of income if certain indicators of asset impairment exist and the book value of an asset exceeds the undiscounted sum of future cash flows of the asset. The standard states that impairment losses should be measured as the excess of the book value over the higher of (1) the fair market value of the asset, net of disposition costs and (2) the present value of future cash flows arising ongoing utilization of the asset and from disposal after asset use. The standard covers land, factories, buildings and other forms of property, plant and equipment as well as intangible assets. Fixed assets are grouped at the lowest level for which there is identifiable cash flows that are independent of cash flows of other groups of assets.

#### **Intangible assets**

Intangible assets primarily consist of leasehold rights and easement, which are started at cost. Amortization of a term leasehold interest for business use is calculated by the straight-line method based on the period of agreement.

#### **Deferred charges**

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

New unit issuance costs are charged to income as incurred. The underwriters' economic remunerations for underwriting the offering are not recognized as new unit issuance costs in the financial statements since such costs are not paid by the Company as commission under the so-called "spread-method".

Under the spread-method, the difference between the offer price (the price paid by the unitholder) and the issue price (the price received by the Company) is retained by the underwriters as remuneration.

#### **Revenue recognition**

Revenues from leasing of office space are recognized as rent accrues over the lease period.

#### **Taxes on property and equipment**

Property and equipment is subject to property taxes and city planning taxes on a calendar year basis. These taxes are generally charged to income during the period. The sellers of the properties were liable for property taxes for the calendar year including the period from the date of purchase by the Company through the end of the year since the taxes are imposed on the owner registered in the record as of January 1 based on the assessment made by the local government. The Company paid the amount equivalent to the property taxes to the sellers applicable to the period since acquisition and included the amount equivalent to the taxes in the purchase price of each property and capitalized as cost of the property.

#### **Consumption taxes**

Consumption taxes withheld and consumption taxes paid are not included in the statements of income. The consumption taxes paid are generally offset against the balance of consumption taxes withheld. As such, the excess of payments over amounts withheld are included in the current assets and the excess of amounts withheld over payments are included in the current liabilities.

#### **Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand, deposits with banks and short-term investments which are highly liquid, readily convertible to cash and with insignificant risk of price fluctuation, with original maturity of three months or less.

### **3. FINANCIAL INSTRUMENTS**

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For the six months ended March 31, 2013 and September 30, 2012

#### **1. Status of financial instruments**

##### **(1) Policies for dealing financial instruments**

Concerning the financing of property acquisitions, the Company shall use several funding sources including bank loans, issuance of investment corporation bonds and issuance of investment units. When executing such financing activities, the Company endeavors to retain the ability to secure stable and low-cost financing by maintaining high credit rating and thereby limiting the financial covenants

which may restrict the financial flexibility of the Company. To achieve these goals, the Company intends to further develop and reinforce the confidence of debt holders and rating agencies in the Company by bolstering capital base and controlling loan-to-value ratio (“LTV”) at adequate level.

In order to hedge against future interest-rate fluctuations, the Company may enter in derivative transactions, which shall be executed solely for the purpose of controlling risks, and not for speculative purposes.

At the time of this report, the Company holds no position in derivative transactions.

With respect to management of excess fund, as a matter of policy the Company uses time deposit as its main vehicle, while securities and monetary claims are also eligible for such investment.

(2) Characteristics, and risk profile of each financial instrument and risk management system

J-Rea regularly re-evaluates appropriateness and effectiveness of risk management system in order to improve on it.

Characteristics, and risk profile of financial instruments and risk management system are as follows:

Deposits which are typically large time deposit used to manage the excess funds, are exposed to credit risk of the deposit-taking financial institutions. The Company manages credit risk by restricting the tenor of the deposit relatively short and setting a minimum credit rating requirement for the deposit-taking financial institutions.

The fund proceeds from borrowings and issues of investment corporation bonds are applied mainly to acquire real estate properties and repayment of outstanding loans and bonds. While floating-rate short-term and long-term loans are exposed to the risk of interest-rate hike, such risk is mitigated by the Company’s low LTV and relatively high percentage of long-term fixed-rate debts within the total borrowing. Loans and investment corporation bonds involve liquidity risk at the time of maturity. To manage such liquidity risk, the Company implements the measures such as (i) maintaining and strengthening its ability to access equity markets to secure funds, (ii) maintaining a commitment lines with major financial institutions (There is no outstanding under the facility as of March 31, 2013 and as of September 30, 2012), and (iii) preparing monthly financial plan.

(3) Supplementary note regarding fair value of financial instruments

The fair values of financial instruments presented in this report are based on their market value, and in case where market values are not available, reasonably calculated values are presented. Since calculation of fair value is based on certain assumptions, the fair value could differ depending on assumptions used.

## 2. Fair value of financial instruments

Fair value of financial instruments, their values carried on the balance sheet and the difference between them as of March 31, 2013 and as of September 30, 2012 are as follows.

The financial instruments whose fair values have extreme difficulty estimating are excluded from the following schedule (Note2)

	Thousands of yen			U.S. dollars		
	As of March 31, 2013					
	Book value	Fair value	Difference	Book value	Fair value	Difference
(1) Cash and bank deposits	¥ 23,276,582	¥ 23,276,582	¥ —	\$ 247,491,573	\$ 247,491,573	\$ —
(2) Short-term loans	18,000,000	18,000,000	—	191,387,560	191,387,560	—
(3) Current portion of long-term loans	34,100,000	34,252,501	152,501	362,573,099	364,194,598	1,621,499
(4) Investment corporation bonds	45,000,000	46,413,050	1,413,050	478,468,900	493,493,355	15,024,455
(5) Long-term loans	214,100,000	219,327,980	5,227,980	2,276,448,698	2,332,035,941	55,587,243

	Thousands of yen		
	As of September 30, 2012		
	Book value	Fair value	Difference
(1) Cash and bank deposits	¥ 22,014,749	¥ 22,014,749	¥ —
(2) Short-term loans	13,500,000	13,500,000	—
(3) Current portion of long-term loans	70,100,000	70,323,318	223,318
(4) Investment corporation bonds	45,000,000	46,078,150	1,078,150
(5) Long-term loans	177,150,000	181,251,375	4,101,375

Note1: Measurement of fair value of financial instruments

(1) Cash and bank deposits

Due to short tenor, the book value of these assets are reasonable approximation of the present value of these assets and hence used as their fair value.

(2) Short-term loans

Since these loans’ tenor is short and rates are reset at short interval, the book values of these liabilities are reasonable approximation of their present value and hence used as their fair values.

(3) Current portion of long-term loans and (5) long-term loans

For loans with floating interest rates since the interest rates on such loans reflect market rates reasonably well over the short term and their book values are good

approximation of their fair values, the book values are presented as their fair values. The fair values of the liabilities with fixed interest rates are calculated by discounting the aggregated amounts of the principals and the interests of the loan by the rates that are reasonably estimated to be applicable if the Company refinances the existing loans for the remaining period to maturity under the prevailing market conditions as of March 31, 2013 and September 30, 2012.

(4) Investment corporation bonds

Their fair values are based on the values published by a financial data provider.

Note2: Financial instruments whose fair values cannot be reliably measured.

	Thousands of yen		U.S. dollars
	As of March 31, 2013	As of September 30, 2012	As of March 31, 2013
(1) Non-listed stock <sup>(1)</sup>	¥577,168	¥577,168	\$6,136,822
(2) Deposits received from tenants <sup>(2)</sup>	¥42,958,359	¥39,950,918	\$456,760,871

(\*1) With regard to non-listed stocks which do not have quoted market price in active market and whose cash flows are not reasonably estimated, their fair value cannot be reliably measured and therefore presented at their book value.

(\*2) With regard to deposits received from tenants, which do not have quoted market price in active market, and their tenor cannot be reasonably estimated, their cash flows cannot be reliably measured and therefore presented at their book value.

Note3: Redemption schedule for monetary claims after the closing date

	Thousands of yen						U.S. dollars					
	As of March 31, 2013											
	1 year or less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	1 year or less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years
Cash and bank deposits	¥23,276,582	¥—	¥—	¥—	¥—	¥—	\$247,491,573	\$—	\$—	\$—	\$—	\$—

	Thousands of yen					
	As of September 30, 2012					
	1 year or less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years
Cash and bank deposits	¥22,014,749	¥—	¥—	¥—	¥—	¥—

Note4: Repayment schedule for investment corporation bonds, long-term loans and other interest-bearing debt after the closing date

	Thousands of yen					
	As of March 31, 2013					
	1 year or less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years
Short-term loans	¥18,000,000	¥—	¥—	¥—	¥—	¥—
Investment corporation bonds	—	15,000,000	20,000,000	—	—	10,000,000
Long-term loans	34,100,000	5,100,000	16,600,000	44,400,000	46,500,000	101,500,000
Total	¥52,100,000	¥20,100,000	¥36,600,000	¥44,400,000	¥46,500,000	¥111,500,000

	U.S. dollars					
	As of March 31, 2013					
	1 year or less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years
Short-term loans	\$191,387,560	\$—	\$—	\$—	\$—	\$—
Investment corporation bonds	—	159,489,633	212,652,844	—	—	106,326,422
Long-term loans	362,573,099	54,226,475	176,501,861	472,089,314	494,417,863	1,079,213,184
Total	\$553,960,659	\$213,716,108	\$389,154,705	\$472,089,314	\$494,417,863	\$1,185,539,607

	Thousands of yen					
	As of September 30, 2012					
	1 year or less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years
Short-term loans	¥13,500,000	¥—	¥—	¥—	¥—	¥—
Investment corporation bonds	—	15,000,000	20,000,000	—	—	10,000,000
Long-term loans	70,100,000	15,100,000	19,600,000	30,100,000	42,850,000	69,500,000
Total	¥83,600,000	¥30,100,000	¥39,600,000	¥30,100,000	¥42,850,000	¥79,500,000

#### 4. PROPERTY AND EQUIPMENT

Property and equipment at March 31, 2013 and September 30, 2012 consisted of the following:

	Thousands of yen				U.S. dollars	
	As of March 31, 2013		As of September 30, 2012		As of March 31, 2013	
	Acquisition costs	Book value	Acquisition costs	Book value	Acquisition costs	Book value
Land	¥397,677,867	¥397,677,867	¥378,242,398	¥378,242,398	\$4,228,366,477	\$4,228,366,477
Buildings and structures	242,536,712		218,592,110		2,578,806,091	
Accumulated depreciation	(52,653,434)	189,883,278	(48,279,017)	170,313,093	(559,845,126)	2,018,960,965
Machinery and equipment	2,768,805		2,492,463		29,439,714	
Accumulated depreciation	(1,314,188)	1,454,616	(1,242,085)	1,250,378	(13,973,292)	15,466,421
Tools, furniture and fixtures	204,941		187,920		2,179,071	
Accumulated depreciation	(93,266)	111,674	(85,370)	102,549	(991,673)	1,187,398
Construction in progress	219,582	219,582	986	986	2,334,746	2,334,746
Land in trust	105,367,081	105,367,081	105,367,081	105,367,081	1,120,330,480	1,120,330,480
Buildings and structures in trust	48,530,146		48,150,153		516,003,682	
Accumulated depreciation	(11,021,761)	37,508,384	(10,297,949)	37,852,203	(117,190,448)	398,813,234
Machinery and equipment in trust	795,261		795,261		8,455,726	
Accumulated depreciation	(548,373)	246,887	(538,326)	256,934	(5,830,661)	2,625,066
Tools, furniture and fixtures in trust	24,064		23,353		255,867	
Accumulated depreciation	(6,992)	17,071	(5,949)	17,404	(74,351)	181,515
Construction in progress in trust	5,695	5,695	2,063	2,063	60,563	60,563
<b>Total</b>	<b>¥732,492,141</b>	<b>¥732,492,141</b>	<b>¥693,405,094</b>	<b>¥693,405,094</b>	<b>\$7,788,326,865</b>	<b>\$7,788,326,865</b>

The compressed amount of tangible assets with government grants under the Corporation Tax Law of Japan was ¥50 million (\$533 thousand) at March 31, 2013 and ¥50 million (\$533 thousand) at September 30, 2012.

#### 5. SHORT-TERM LOANS

Short-term loans at March 31, 2013 and September 30, 2012 consisted of the following:

	Thousands of yen		U.S. dollars
	As of March 31, 2013	As of September 30, 2012	As of March 31, 2013
	¥	¥	\$
0.33% unsecured loan from a trust bank, due on November 1, 2012	—	¥ 1,000,000	—
0.27527% unsecured loan from a trust bank, due on October 7, 2013	1,000,000	—	10,632,642
0.33% unsecured loan from a bank, due on March 26, 2013	—	1,000,000	—
0.27527% unsecured loan from a bank, due on January 7, 2014	1,000,000	—	10,632,642
0.33% unsecured loan from a bank, due on March 26, 2013	—	2,000,000	—
0.33% unsecured loan from a bank, due on March 26, 2013	—	4,000,000	—
0.33% unsecured loan from a bank, due on March 1, 2013	—	1,000,000	—
0.28% unsecured loan from a bank, due on February 1, 2013	—	1,000,000	—
0.27527% unsecured loan from a bank, due on January 7, 2014	6,000,000	—	63,795,853
0.28% unsecured loan from a bank, due on February 1, 2013	—	1,500,000	—
0.28% unsecured loan from a bank, due on March 4, 2013	—	500,000	—
0.27527% unsecured loan from a bank, due on January 7, 2014	2,000,000	—	21,265,284
0.28% unsecured loan from a trust bank, due on February 1, 2013	—	1,500,000	—
0.27527% unsecured loan from a trust bank, due on January 7, 2014	1,500,000	—	15,948,963
0.27461% unsecured loan from a trust bank, due on January 15, 2014	5,000,000	—	53,163,211
0.27527% unsecured loan from a bank, due on January 7, 2014	1,500,000	—	15,948,963
<b>Total</b>	<b>¥18,000,000</b>	<b>¥13,500,000</b>	<b>\$191,387,560</b>

The Company has commitment lines totaling ¥43,000 million (\$457,204 thousand) with five financial institutions to reduce a refinancing risk.

The unused amount of such commitment lines was ¥43,000 million (\$457,204 thousand) at March 31, 2013.



## 6. INVESTMENT CORPORATION BONDS INCLUDING CURRENT PORTION OF INVESTMENT CORPORATION BONDS

Details of total investment corporation bonds outstanding are summarized as follows:

	As of March 31, 2013		As of September 30, 2012		As of March 31, 2013
	Amount (thousands of yen)	Interest rate (%)	Amount (thousands of yen)	Interest rate (%)	Amount (U.S. dollars)
Unsecured bond due on September 29, 2025	¥10,000,000	2.56%	¥10,000,000	2.56%	\$106,326,422
Unsecured bond due on June 18, 2014	15,000,000	1.91%	15,000,000	1.91%	159,489,633
Unsecured bond due on April 23, 2015	10,000,000	1.26%	10,000,000	1.26%	106,326,422
Unsecured bond due on July 23, 2015	10,000,000	1.05%	10,000,000	1.05%	106,326,422
<b>Total</b>	<b>¥45,000,000</b>	<b>—</b>	<b>¥45,000,000</b>	<b>—</b>	<b>\$478,468,900</b>

## 7. LONG-TERM LOANS INCLUDING CURRENT PORTION OF LONG-TERM LOANS

Long-term loans at March 31, 2013 and September 30, 2012 consisted of the following:

	Thousands of yen		U.S. dollars
	As of March 31, 2013	As of September 30, 2012	As of March 31, 2013
<b>Current Portion of Long-Term Loans</b>			
1.55% unsecured loan from an insurance company, due on October 29, 2012	¥ —	¥ 2,000,000	\$ —
1.42375% unsecured loan from a bank, due on April 24, 2013	5,000,000	5,000,000	53,163,211
1.4875% unsecured loan from a bank, due on September 2, 2013	3,000,000	3,000,000	31,897,927
1.135% unsecured loan from a bank due on January 15, 2013	—	5,000,000	—
1.42375% unsecured loan from a bank, due on April 24, 2013	3,000,000	3,000,000	31,897,927
1.135% unsecured loan from a bank, due on January 15, 2013	—	5,000,000	—
1.2625% unsecured loan from a bank, due on March 24, 2014	2,000,000	—	21,265,284
1.42375% unsecured loan from a bank, due on April 24, 2013	5,000,000	5,000,000	53,163,211
1.0925% unsecured loan from a bank, due on December 21, 2012	—	5,000,000	—
1.085% unsecured loan from a bank, due on January 15, 2013	—	11,000,000	—
1.2625% unsecured loan from a bank, due on March 24, 2014	2,000,000	—	21,265,284
1.4875% unsecured loan from a trust bank, due on September 2, 2013	5,000,000	5,000,000	53,163,211
1.2625% unsecured loan from a trust bank, due on March 24, 2014	2,000,000	—	21,265,284
1.31% unsecured loan from a bank, due on March 24, 2014	2,000,000	—	21,265,284
1.06% unsecured loan from a bank, due on January 15, 2013	—	1,000,000	—
1.0925% unsecured loan from a trust bank, due on December 21, 2012	—	5,000,000	—
1.135% unsecured loan from a trust bank, due on January 15, 2013	—	5,000,000	—
1.2625% unsecured loan from a trust bank, due on March 24, 2014	2,000,000	—	21,265,284
1.06% unsecured loan from a bank, due on January 15, 2013	—	1,000,000	—
1.0475% unsecured loan from a bank, due on March 25, 2013	—	1,000,000	—
0.73625% unsecured loan from a bank, due on December 20, 2012	—	1,000,000	—
1.2375% unsecured loan from a bank, due on March 24, 2014	1,000,000	—	10,632,642
1.0475% unsecured loan from a bank, due on March 25, 2013	—	2,000,000	—
1.665% unsecured loan from a bank, due on March 24, 2017(*)	100,000	100,000	1,063,264
1.0475% unsecured loan from a bank, due on March 25, 2013	—	2,000,000	—
1.0475% unsecured loan from a bank, due on March 25, 2013	—	3,000,000	—
1.2625% unsecured loan from a bank, due on March 24, 2014	2,000,000	—	21,265,284
<b>Subtotal</b>	<b>34,100,000</b>	<b>70,100,000</b>	<b>362,573,099</b>
<b>Long-Term Loans</b>			
1.86875% unsecured loan from an insurance company, due on May 29, 2015	5,000,000	5,000,000	53,163,211
1.54375% unsecured loan from an insurance company, due on March 30, 2017	5,000,000	5,000,000	53,163,211
1.86875% unsecured loan from an insurance company, due on May 29, 2015	1,500,000	1,500,000	15,948,963
1.595% unsecured loan from an insurance company, due on April 25, 2016	1,000,000	1,000,000	10,632,642
1.39625% unsecured loan from an insurance company, due on March 30, 2018	2,000,000	2,000,000	21,265,284

	Thousands of yen		U.S. dollars
	As of March 31, 2013	As of September 30, 2012	As of March 31, 2013
1.65% unsecured loan from a bank, due on September 1, 2015	2,000,000	2,000,000	21,265,284
1.665% unsecured loan from a bank, due on March 24, 2017(*)	1,600,000	1,650,000	17,012,228
1.115% unsecured loan from a bank, due on January 6, 2023	3,000,000	—	31,897,927
1.31% unsecured loan from a bank, due on March 24, 2014	—	2,000,000	—
0.66% unsecured loan from a bank, due on June 15, 2017	2,500,000	2,500,000	26,581,606
0.3825% unsecured loan from a bank, due on January 15, 2016	1,000,000	—	10,632,642
1.2375% unsecured loan from a bank, due on March 24, 2014	—	1,000,000	—
0.615% unsecured loan from a bank, due on November 17, 2014	1,000,000	1,000,000	10,632,642
1.39875% unsecured loan from a bank, due on March 24, 2015	2,000,000	2,000,000	21,265,284
0.9025% unsecured loan from a bank, due on August 31, 2017	2,000,000	2,000,000	21,265,284
0.66% unsecured loan from a bank, due on June 15, 2017	2,500,000	2,500,000	26,581,606
0.57125% unsecured loan from a bank, due on August 31, 2017	1,000,000	1,000,000	10,632,642
1.2625% unsecured loan from a bank, due on March 24, 2014	—	2,000,000	—
1.30625% unsecured loan from a bank, due on December 21, 2016	5,000,000	5,000,000	53,163,211
1.2075% unsecured loan from a bank, due on November 1, 2019	6,000,000	6,000,000	63,795,853
1.13875% unsecured loan from a bank, due on November 15, 2019	3,000,000	3,000,000	31,897,927
1.07375% unsecured loan from a bank, due on June 15, 2021	4,000,000	4,000,000	42,530,569
0.96625% unsecured loan from a bank, due on January 17, 2022	5,000,000	—	53,163,211
1.2625% unsecured loan from a trust bank, due on March 24, 2014	—	2,000,000	—
1.43375% unsecured loan from a trust bank, due on January 17, 2018	3,000,000	3,000,000	31,897,927
1.16% unsecured loan from a trust bank, due on September 26, 2019	5,500,000	5,500,000	58,479,532
0.98375% unsecured loan from a trust bank, due on November 15, 2018	3,000,000	3,000,000	31,897,927
0.9525% unsecured loan from a trust bank, due on June 15, 2020	4,000,000	4,000,000	42,530,569
1.2625% unsecured loan from a bank, due on March 24, 2014	—	2,000,000	—
1.3975% unsecured loan from a bank, due on March 26, 2018	2,000,000	2,000,000	21,265,284
1.13875% unsecured loan from a bank, due on November 15, 2019	3,000,000	3,000,000	31,897,927
1.1975% unsecured loan from a bank, due on June 15, 2022	4,000,000	4,000,000	42,530,569
0.80125% unsecured loan from a bank, due on December 21, 2020	5,000,000	—	53,163,211
0.71% unsecured loan from a bank, due on January 15, 2020	5,500,000	—	58,479,532
0.83625% unsecured loan from a bank, due on January 15, 2021	5,500,000	—	58,479,532
1.2625% unsecured loan from a trust bank, due on March 24, 2014	—	2,000,000	—
1.0325% unsecured loan from a trust bank, due on April 4, 2016	5,000,000	5,000,000	53,163,211
1.205% unsecured loan from a trust bank, due on April 4, 2017	5,000,000	5,000,000	53,163,211
1.12625% unsecured loan from a trust bank, due on June 1, 2017	12,000,000	12,000,000	127,591,707
1.31125% unsecured loan from a trust bank, due on June 1, 2018	10,000,000	10,000,000	106,326,422
1.13875% unsecured loan from a trust bank, due on November 15, 2019	3,000,000	3,000,000	31,897,927
0.9525% unsecured loan from a trust bank, due on June 15, 2020	4,000,000	4,000,000	42,530,569
1.2725% unsecured loan from a trust bank, due on June 15, 2022	2,500,000	2,500,000	26,581,606
0.80125% unsecured loan from a trust bank, due on December 21, 2020	5,000,000	—	53,163,211
1.2625% unsecured loan from a bank, due on March 24, 2014	—	2,000,000	—
1.255% unsecured loan from a bank, due on March 1, 2017	2,000,000	2,000,000	21,265,284
0.45% unsecured loan from a bank, due on March 26, 2018	3,000,000	—	31,897,927
1.1875% unsecured loan from a bank, due on June 15, 2015	3,000,000	3,000,000	31,897,927
1.20875% unsecured loan from a bank, due on June 15, 2015	3,000,000	3,000,000	31,897,927
0.45% unsecured loan from a bank, due on March 26, 2018	2,000,000	—	21,265,284
1.465% unsecured loan from an insurance company, due on March 1, 2018	2,000,000	2,000,000	21,265,284
0.90875% unsecured loan from banks and trust banks, due on June 23, 2016	24,000,000	24,000,000	255,183,413
1.0475% unsecured loan from a bank, due on August 31, 2018	3,000,000	3,000,000	31,897,927
0.66% unsecured loan from a bank, due on June 15, 2017	2,500,000	2,500,000	26,581,606
1.2725% unsecured loan from a bank, due on June 15, 2022	2,500,000	2,500,000	26,581,606
0.7525% unsecured loan from a bank, due on November 15, 2016	1,000,000	1,000,000	10,632,642
0.71375% unsecured loan from a bank, due on January 7, 2020	2,000,000	—	21,265,284

	Thousands of yen		U.S. dollars
	As of March 31, 2013	As of September 30, 2012	As of March 31, 2013
0.71% unsecured loan from a bank, due on January 15, 2020	5,000,000	—	53,163,211
0.98375% unsecured loan from a bank, due on November 15, 2018	3,000,000	3,000,000	31,897,927
0.98% unsecured loan from a bank, due on January 7, 2022	2,000,000	—	21,265,284
0.645% unsecured loan from a bank, due on December 15, 2014	2,000,000	2,000,000	21,265,284
0.33% unsecured loan from a bank, due on June 16, 2014	—	1,000,000	—
0.49125% unsecured loan from a bank, due on January 9, 2018	1,000,000	—	10,632,642
0.33% unsecured loan from a bank, due on June 16, 2014	—	1,000,000	—
0.49125% unsecured loan from a bank, due on January 9, 2018	1,000,000	—	10,632,642
0.66% unsecured loan from a bank, due on June 15, 2017	1,000,000	1,000,000	10,632,642
0.45625% unsecured loan from a bank, due on December 20, 2017	1,000,000	—	10,632,642
0.3825% unsecured loan from a bank, due on January 15, 2016	1,000,000	—	10,632,642
0.45% unsecured loan from a bank, due on March 26, 2018	1,000,000	—	10,632,642
0.8% unsecured loan from a bank, due on October 29, 2020	2,000,000	—	21,265,284
0.945% unsecured loan from a bank, due on March 24, 2023	1,000,000	—	10,632,642
Subtotal	214,100,000	177,150,000	2,276,448,698
Total	¥248,200,000	¥247,250,000	\$2,639,021,797

(\*) Repayments of principal shall be made by installments of ¥50 million for each 6 month period and ¥1,350 million on the final principal repayment date.

## 8. NET ASSETS

The Company is required to maintain net assets of at least ¥50 million (\$532 thousand), as required pursuant to the Investment Trust Law.

## 9. INCOME TAXES

The Company is subject to Japanese corporate income taxes on all of its taxable income. However, under the Special Taxation Measures Law of Japan (hereinafter the STML), an investment corporation is allowed to deduct dividends of accounting profits, or dividend distributions, paid to investors from its taxable income if certain tax requirements are satisfied. Such tax requirements include dividend distributions in excess of 90% of its earnings available for dividend for the fiscal period as stipulated by Article 67-15 of the STML. Based on the distribution policy provided by Article 32-2 of the Articles of Incorporation, the Company made a dividend distribution in the amount of ¥8,995 million (\$95,644 thousand) subsequent to March 31, 2013, which is the multiple number of units up to 100% of the unappropriated retained earnings after adding thereto ¥170 million (\$1,814 thousand) arising from the reversal of the reserve for advanced depreciation of non-current assets and deducting therefrom ¥30 million (\$325 thousand) of retained earnings to be carried forward. The Company will not distribute the dividends in excess of retained earnings under Article 32-3 of the Articles of Incorporation.

The significant components of deferred tax assets and liabilities as of March 31, 2013 and September 30, 2012 were as follows:

	Thousands of yen		U.S. dollars
	As of March 31, 2013	As of September 30, 2012	As of March 31, 2013
<b>Deferred tax assets:</b>			
Accrued enterprise tax	¥ 1,025	¥ 1,002	\$ 10,902
Amortization of a term leasehold interest	23,432	18,025	249,150
Asset retirement obligations	4,449	3,405	47,310
	28,907	22,433	307,363
Valuation allowance	(27,882)	(21,430)	(296,460)
Total deferred tax assets	1,025	1,002	10,902
<b>Deferred tax liabilities:</b>			
Reserve for advanced depreciation of non-current assets	¥122,812	¥211,309	\$1,305,825
Total deferred tax liabilities	122,812	211,309	1,305,825
<b>Net deferred tax liabilities</b>	<b>¥121,787</b>	<b>¥210,307</b>	<b>\$1,294,922</b>

The reconciliation of tax rate difference between the adjusted statutory tax rate and the effective tax rate for the six months ended March 31, 2013 and September 30, 2012 were as follows:

	For the period from October 1, 2012 to March 31, 2013	For the period from April 1, 2012 to September 30, 2012
Statutory tax rate	39.43%	39.43%
Deductible dividend distribution	(40.54%)	(40.59%)
Change in valuation allowance	0.09%	0.09%
Others	0.16%	0.16%
Effective tax rate	(0.86%)	(0.91%)

#### Adjustment in deferred tax assets and deferred tax liabilities due to tax rate change

The “Act for Partial Revision of Income Tax Act, etc. in Response to the Changing Economic Structure” and the “Special Measures to Secure the Funds to Realize the Restoration of the Damages following the Great East Japan Earthquake” were promulgated on December 2, 2011, went into effect on April 1, 2012 and resulted in a change of the statutory tax rate applicable to the deferred tax assets and deferred tax liabilities arising from the temporary differences that reversed in the period ended September 30, 2012 to 36.59% Likewise, the statutory tax rate applicable to the deferred tax assets and deferred tax liabilities concerning the temporary differences that are expected to reverse in the period ending September 30, 2012 (the 22nd fiscal period) through the period ending March 31, 2015 (the 27th fiscal period) shall be 36.59% on a nominal tax rate basis, and with respect to the temporary differences that are expected to reverse on or after the period ending September 30, 2015 (the 28th fiscal period) shall be 34.16%.

## 10. RELATED PARTY TRANSACTIONS

For the six months ended March 31, 2013 and September 30, 2012

- (1) Parent Company and Major Corporation Unitholders
  - For the period from October 1, 2012 to March 31, 2013  
“Not applicable”
  - For the period from April 1, 2012 to September 30, 2012  
“Not applicable”
- (2) Subsidiaries
  - For the period from October 1, 2012 to March 31, 2013  
“Not applicable”
  - For the period from April 1, 2012 to September 30, 2012  
“Not applicable”
- (3) Sister Companies
  - For the period from October 1, 2012 to March 31, 2013  
“Not applicable”
  - For the period from April 1, 2012 to September 30, 2012  
“Not applicable”
- (4) Directors and Major Individual Unitholders
  - For the period from October 1, 2012 to March 31, 2013  
“Not applicable”
  - For the period from April 1, 2012 to September 30, 2012  
“Not applicable”

## 11. SEGMENT INFORMATION

For the six months ended March 31, 2013 and September 30, 2012

Since the Company has been engaged in real-estate leasing business using a single segment, segment information has been omitted.

### Information about products and services

Since revenues from external customers for single segment of similar products and services accounted for more than 90% of total operating revenues, information about products and services has been omitted.

### Information about geographic area

#### (1) Revenues

Since 100% of the total operating revenues were generated from external customers within Japan, geographical breakdown of revenues has been omitted.

#### (2) Property and equipment

Since 100% of total property and equipment on the balance sheet are located within Japan, geographical breakdown of such property and equipment has been omitted.

### Information about major clients

Since no single external client represents 10% or more of the Company's total operating revenues, information about major clients has been omitted.

## 12. ASSET RETIREMENT OBLIGATIONS

For the six months ended March 31, 2013 and September 30, 2012

### Asset retirement obligations reported on balance sheet

The Company acquired Osaki Front Tower on February 1, 2011 under the term leasehold for business use agreement which, at the expiry of the leasehold, obligates the Company to restore the leased land to its original state. At the inception of a lease with such obligation, the Company recognized an asset retirement obligations and a corresponding capital asset in an amount equal to the present value of the estimated demolition cost required for the removal of the properties located on the leased land. The present value is calculated using 2.015% as the discount rate over 42 years which is the term of the leasehold.

Change in the amount of the asset retirement obligations as of March 31, 2013 and September 30, 2012 consisted of following

	Thousands of yen		U.S. dollars
	For the period from October 1, 2012 to March 31, 2013	For the period from April 1, 2012 to September 30, 2012	For the period from October 1, 2012 to March 31, 2013
Balance at the beginning of the period	¥303,279	¥300,253	\$3,224,657
Increase in the tangible fixed assets	—	—	—
Adjustment required over the period	3,055	3,025	32,488
Balance at the end of the period	¥306,334	¥303,279	\$3,257,146

### Asset retirement obligations other than those reported on balance sheet

Under the Road Act of Japan, the Company is obligated to remove the cable lines and the accompanying equipment originally installed for preventing analog TV interference under the public roads close to Shibuya Cross Tower and to restore the public roads to their original states because analog TV broadcasting was discontinued.

Since the removal involves public roads currently in service and some of the location of the underground structures is potentially affected by the ongoing redevelopment projects near Shibuya station, it is difficult to initiate such removal unilaterally without involving other interested parties. Therefore, a reasonable estimate of the present value of asset retirement obligations cannot be made because the method, the cost and the timing of the removal remains uncertain.

In consideration of such uncertainty, the asset retirement obligations are not reported in the financial statements, and instead noted herein.

### 13. INVESTMENT AND RENTAL PROPERTY

For the six months ended March 31, 2013 and September 30, 2012

The Company owns primarily a portfolio of office properties in Tokyo and other prefectures in order to gain rental revenue from them.

The book values on balance sheets as of March 31, 2013 and as of September 30, 2012 and the fair values as of March 31, 2013 and as of September 30, 2012 are as follows:

Thousands of yen			
	Book value		Fair value
As of September 30, 2012	Change during period <sup>(*)</sup>	As of March 31, 2013	As of March 31, 2013
¥700,829,977	¥39,071,217	¥739,901,194	¥758,210,000
U.S. dollars			
	Book value		Fair value
As of September 30, 2012	Change during period <sup>(*)</sup>	As of March 31, 2013	As of March 31, 2013
\$7,451,674,397	\$415,430,276	\$7,867,104,673	\$8,061,775,651
Thousands of yen			
	Book value		Fair value
As of March 31, 2012	Change during period <sup>(*)</sup>	As of September 30, 2012	As of September 30, 2012
¥681,970,939	¥18,859,037	¥700,829,977	¥712,888,000

Note1: Book value on balance sheet means the acquisition cost less accumulated depreciation.

Note2: Significant changes

(\*1) For the period ended March 31, 2013, the major reasons for the increase are the acquisition of Harumi Front (¥31,573,555 thousand or \$335,710,322) and Higashi Nibancho Square (¥10,074,680 thousand or \$107,120,476) and the additional acquisition of Harmony Tower (¥547,366 thousand or \$5,819,950).  
The major reason for the decrease is the depreciation.

(\*2) For the period ended September 30, 2012, the major reason for the increase is the acquisition of TIXTOWER UENO (¥22,296,355 thousand).  
The major reason for the decrease is the depreciation.

Note3: Fair values as of March 31, 2013 and as of September 30, 2012 are defined as the appraised values provided by external qualified professional appraiser.

### 14. PER UNIT INFORMATION

The following table summarizes information about net assets per unit and net income per unit at March 31, 2013 and September 30, 2012 and for the periods then ended respectively:

	Yen		U.S. dollars
	For the period from October 1, 2012 to March 31, 2013	For the period from April 1, 2012 to September 30, 2012	For the period from October 1, 2012 to March 31, 2013
Net assets at period end per unit	¥682,130	¥678,328	\$7,253
Net income per unit	15,045	15,387	160

Net income per unit is computed by dividing net income by the weighted average number of units outstanding during each period. Diluted net income per unit has not been presented since no warrants or convertible bonds were outstanding during the period.

## 15. BREAKDOWN OF PROPERTY-RELATED REVENUES AND EXPENSES

For the six months ended March 31, 2013 and September 30, 2012

	Thousands of yen		U.S. dollars
	For the period from October 1, 2012 to March 31, 2013	For the period from April 1, 2012 to September 30, 2012	For the period from October 1, 2012 to March 31, 2013
<b>Property-Related Revenues</b>	¥25,357,253	¥24,222,684	\$269,614,606
<b>Rental Revenues</b>	25,070,031	24,130,936	266,560,675
Rental revenues	19,305,060	18,650,347	205,263,805
Common service charges	3,501,305	3,375,097	37,228,130
Parking revenues	592,263	587,207	6,297,321
Other rental revenues	1,671,401	1,518,283	17,771,419
<b>Non-Rental Revenues</b>	287,222	91,747	3,053,931
Cancellation charges	28,466	64,121	302,673
Gain on donation of non current assets	82,669	—	878,996
Other miscellaneous revenues	176,086	27,626	1,872,262
<b>Property-Related Expenses</b>	¥13,796,651	¥13,133,140	\$146,694,860
Property management expenses	3,067,242	2,876,682	32,612,892
Utilities expenses	2,079,394	2,032,959	22,109,461
Property and other taxes	2,302,410	2,311,538	24,480,703
Casualty insurance	55,405	53,319	589,110
Repairing expenses	886,640	764,067	9,427,330
Depreciation	5,208,203	4,908,200	55,376,960
Other rental expenses	197,354	186,372	2,098,403
<b>Property-Related Profits</b>	¥11,560,602	¥11,089,543	\$122,919,746

## 16. SUPPLEMENTAL CASH FLOW INFORMATION

### Cash and cash equivalents

The following table represents a reconciliation of cash and cash equivalents at March 31, 2013 and September 30, 2012:

	Thousands of yen		U.S. dollars
	As of March 31, 2013	As of September 30, 2012	As of March 31, 2013
Cash and deposits with banks	¥19,544,559	¥18,112,321	\$207,810,306
Cash and deposits with banks held in trust	3,732,023	3,902,428	39,681,268
Time deposits with maturities of more than three months	(9,000,000)	(7,000,000)	(95,693,780)
<b>Cash and cash equivalents</b>	¥14,276,582	¥15,014,749	\$151,797,793

## 17. LEASES

The Company owns office buildings for lease and earns rent income. As of March 31, 2013 and September 30, 2012, the future lease revenues under the non-cancelable operating leases are as follows:

	Thousands of yen		U.S. dollars
	As of March 31, 2013	As of September 30, 2012	As of March 31, 2013
Due within one year	¥20,362,128	¥16,591,317	\$216,503,229
Due after one year	49,028,903	24,535,086	521,306,784
<b>Total</b>	¥69,391,031	¥41,126,403	\$737,810,013

## 18. SUBSEQUENT EVENTS

For the six months ended March 31, 2013

“Not applicable”

## Independent Auditor's Report

The Board of Directors  
Japan Real Estate Investment Corporation

We have audited the accompanying financial statements of Japan Real Estate Investment Corporation, which comprise the balance sheet as at March 31, 2013, and the related statements of income and retained earnings, changes in unitholders' equity, and cash flows for the six-month period then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. The purpose of an audit of the financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

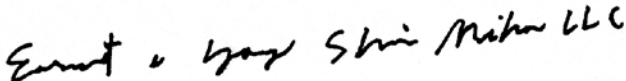
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Japan Real Estate Investment Corporation as at March 31, 2013, and its financial performance and cash flows for the six-month period then ended in conformity with accounting principles generally accepted in Japan.

### *Convenience Translation*

We have reviewed the translation of these financial statements into U.S. dollars, presented for the convenience of readers, and, in our opinion, the accompanying financial statements have been properly translated on the basis described in Note 1.



June 21, 2013  
Tokyo, Japan



## Corporate Data

As of March 31, 2013



### Executives

Executive Director: Noritada Terasawa  
Supervisory Directors: Kenji Kusakabe  
Tomohiro Okanoya

### Transfer Agent

Sumitomo Mitsui Trust Bank, Limited  
1-4-1, Marunouchi, Chiyoda-ku, Tokyo 100-8233, Japan

### Paid-in Capital

¥396,018,317,000

### Auditors

Ernst & Young ShinNihon LLC  
Hibiya Kokusai Bldg.  
2-2-3, Uchisaiwai-cho, Chiyoda-ku, Tokyo 100-0011, Japan

### Number of Units Outstanding

594,140

### Incorporation

May 11, 2001

### Number of Unitholders

15,867

### Executive Office

Japan Real Estate Investment Corporation  
3-3-1, Marunouchi, Chiyoda-ku, Tokyo 100-0005, Japan

### Stock Listing

Tokyo Stock Exchange

For further information, please contact:  
Japan Real Estate Asset Management Co., Ltd.  
Planning Department  
Tel: 81-3-3211-7921  
Fax: 81-3-3212-8886  
E-mail: [j-rea-inquiry@j-rea.co.jp](mailto:j-rea-inquiry@j-rea.co.jp)

### Securities Code

8952

### Type of Investment Corporation

Closed-end corporate type fund

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Estimates for the Company's future operating results contained in this semiannual report are forward-looking statements and are based on information currently available to the Company and its asset management company and are subject to risks and uncertainties. Consequently, these projections should not be relied upon as the sole basis for evaluating the Company. Actual results may differ substantially from the projections depending on a number of factors.

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