

# Japan Real Estate Investment Corporation

Performance Review for the 16th Period (September 2009)

November 18, 2009



Japan Real Estate Asset Management Co., Ltd.

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## Terms used in this report

- (1) All numerical data are expressed by rounding the numbers down to their respective units. Percentages, including those for occupancy rates, and interest-bearing debt/total assets ratio are rounded to the first decimal point.
- (2) The figures for "Leasable space," "Leased space," "Occupancy rate" and "Number of tenants" only refer to the portion of shares owned by Japan Real Estate Investment Corporation (JRE).
- (3) "Average occupancy rate" is calculated by dividing total leased space by total leasable space at the end of every month during the period.
- (4) "Leasable space" and "Leased space" do not include the area used for or leased as rental meeting rooms and maintenance/stock rooms.
- (5) The data pertaining to the residential portions are not included in "Leasable space," "Leased space," "Occupancy rate" and "Number of tenants" for Kitanomaru Square, Nibancho Garden, Ebisu Neonato and Nishiki Park Building.
- (6) "Rent" means tenant rent of "Leasable space".
- (7) "The number of tenants" refers to those tenants with whom we have concluded lease agreements for leasable space. (It does not include tenants who are leasing space other than floor space of buildings, such as parking space or side signboards.)
- (8) "The number of tenants" is the number of sub-lessees in cases where a pass-through lease agreement (a type of agreement in which the rent charged to the lessee is linked to the rent to be collected from the sub-lessees) is signed with a property management company, etc.
- (9) The number of tenants for the entire portfolio is the gross number of tenants by building. (If the same tenant occupies multiple properties, such tenant is counted as multiple tenants.)
- (10) "Book value" includes construction in progress and leasehold rights, etc.
- (11) "Capital expenditure" represents capital expenditure for construction completed during the period. (excluding the expenses capitalized as construction in progress and as home furniture, and incidental expenses of property acquisition, etc.)
- (12) "Ratio of share of ownership" refers to: the undivided share of the building in the case of a building owned jointly with other owners; the share of common area as set forth in relevant documentation such as the rules on management of the building in the case of a compartmentalized building (including a building that shares compartmentalized building units with other owners); and the share of quasi co-ownership in the case of trust beneficiary rights owned jointly with other owners.
- (13) "Brokerage fees, etc." = brokerage fee in connection with lease contracts + incentive fee paid to the property management company for rent increase upon contract renewal
- (14) Property-related revenues = Rental revenues (rent income [including rent for residential portions], common service charges, income from parking spaces, and collected electricity charges, etc.) + Non-rental revenues (cancellation fees and other miscellaneous income)
- (15) "Gain on transfer of properties" = Gain on sale of properties + Gain on exchange of properties
- (16) The land and building adjacent to Ryoshin Ginza East Mirror Building that were acquired on July 4, 2008 are not included in the number of properties and total acquisition price.  
"Acquisition Price" includes the acquisition price for the part of Jingumae Media Square Building which was sold on October 30, 2009.
- (17) "Sponsors" refers to the following three shareholders of Japan Real Estate Asset Management Co., Ltd. (J-Rea): Mitsubishi Estate Co., Ltd.; The Dai-ichi Mutual Life Insurance Company; and Mitsui & Co., Ltd.
- (18) Due to space limitations in the document, the abbreviated property name is reflected on certain pages. (The abbreviations are shown in the chart below.)

Property name	Abbreviation of property name	Property name	Abbreviation of property name
Genki Medical Plaza	Genki Medical Plaza	Ebisu Neonato	Ebisu Neonato
Kitanomaru Square	Kitanomaru Square	Harmony Tower	Harmony Tower
MD Kanda Building	MD Kanda	Otsuka Higashi-Ikebukuro Building	Otsuka Higashi-Ikebukuro
Kandabashi Park Building	Kandabashi Park	Ikebukuro 2Chome Building	Ikebukuro 2Chome
Nibancho Garden	Nibancho Garden	Ikebukuro YS Building	Ikebukuro YS
Mitsubishi UFJ Trust and Banking Building	Mitsubishi UFJ Trust	Hachioji First Square	Hachioji First
Burex Kojimachi Building	Burex Kojimachi	Saitama Urawa Building	Saitama Urawa
Sanno Grand Building	Sanno Grand	MM Park Building	MM Park
Yurakucho Denki Building	Yurakucho Denki	Kawasaki Isago Building	Kawasaki Isago
Kodenmachi Shin-Nihonbashi Building	Kodenmachi	Musashi Kosugi STM Building	Musashi Kosugi STM
Burex Kyobashi Building	Burex Kyobashi	8・3 Square Kita Building	8・3 Square Kita
Ginza Sanwa Building	Ginza Sanwa	Jozenji Park Building	Jozenji Park
Ryoshin Ginza East Mirror Building	Ryoshin Ginza EM	Sendai Honcho Honma Building	Sendai Honma
Harumi Center Building	Harumi Center	Kanazawa Park Building	Kanazawa Park
Aoyama Crystal Building	Aoyama Crystal	Nishiki Park Building	Nishiki Park
Shiodome Building	Shiodome	Hirokoji Sakae Building	Hirokoji Sakae
Shiba 2Chome Daimon Building	Shiba 2Chome Daimon	Nagoya Hirokoji Building	Nagoya Hirokoji
Cosmo Kanasugibashi Building	Cosmo Kanasugibashi	Nagoya Misono Building	Nagoya Misono
Shinwa Building	Shinwa	Kyoto Shijo Kawaramachi Building	Kyoto Kawaramachi
Tokyo Opera City Building	Tokyo Opera City	Shin-Fujita Building	Shin-Fujita
Takanawadai Building	Takanawadai	Sakaisujihonmachi Building	Sakaisujihonmachi
Higashi-Gotanda 1Chome Building	Higashi-Gotanda 1Chome	Midouji Daiwa Building	Midouji Daiwa
Omori-Eki Higashiguchi Building	Omori-Eki Higashiguchi	Lit City Building	Lit City
Nippon Brunswick Building	Nippon Brunswick	NHK Hiroshima Broadcasting Center Building	NHK Hiroshima
Yoyogi 1Chome Building	Yoyogi 1Chome	Tosei Tenjin Building	Tosei Tenjin
da Vinci Harajuku	da Vinci Harajuku	Tenjin Crystal Building	Tenjin Crystal
Jingumae Media Square Building	Jingumae MS	Hinode Tenjin Building	Hinode Tenjin
Shibuya Cross Tower	Shibuya Cross Tower		

# **Executive Summary**

# Financial Summary for the 16th Period and Forecast



## Comments on the 16th Period

- ◆ No new properties acquired during the period.
- ◆ Transfer of unused development rights
  - Mitsubishi UFJ Trust and Banking Building / Transfer of unused development rights  
(Transfer date: September 17, 2009; Transfer price: ¥729 million)
- ◆ Property management
  - Occupancy rate at the end of the 16th Period was 93.3%. (15th Period: 95.5%)
  - Rent revisions during the period: Increased by ¥8 million per month and decreased by ¥18 million per month
- ◆ Financial condition
  - LTV (Interest-bearing debt / Total assets) at the end of the 16th Period was 39.1%.
  - The Long-term, fixed-interest debt ratio (\*) stood at 78.2%.  
(\* Long-term, fixed-interest debt ratio = (Long-term, fixed-interest loans + Investment corporation bonds [including current portions of Long-term, fixed-interest loans and Investment corporation bonds]) / Total Interest-bearing debts)
  - JRE's credit ratings:

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

(As of November 18, 2009)

(\* On April 21, 2009, JRE's issuer and senior unsecured long-term debt ratings from Moody's Investors Service changed to A1 from Aa3.

## Comments on the 17th and the 18th Periods

- ◆ New investment unit issue  
(Public offering: 42,000 units / Third-party allocation: 4,200 units [upper limit])
- ◆ Property acquisition (scheduled)
  - Shiodome Building (additional share acquisition)  
(Acquisition date: January 15, 2010; Acquisition price: ¥54,600 million)
- ◆ Transfer of asset
  - Part of Jingumae Media Square Building site (Transfer date: October 30, 2009; Transfer price: ¥1,507 million)
- ◆ The occupancy rate at the end of the 17th Period is estimated to be 92.8%.

## Financial Summary for the 16th Period and Forecast

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

	15th Period Performance (Mar 31, 2009) Oct 2008-Mar 2009	16th Period Performance (Sep 30, 2009) Apr 2009-Sep 2009	17th Period Forecast (Mar 31, 2010) Oct 2009-Mar 2010	18th Period Forecast (Sep 30, 2010) Apr 2010-Sep 2010
Operating Revenues	20,716	21,524	21,640	21,320
(% change from the preceding period)	(+4.6%)	(+3.9%)	(+0.5%)	(-1.5%)
(variance from the initial forecast)	(+2.2%)	(-0.0%)	(+1.5%)	
Initial Forecast	20,280	21,530	21,310	
Property-related Revenues	20,716	20,795	20,750	21,320
(% change from the preceding period)	(+4.6%)	(+0.4%)	(-0.2%)	(+2.7%)
(variance from the initial forecast)	(+2.2%)	(-0.0%)	(+1.6%)	
Initial Forecast	20,280	20,800	20,420	
Gain on Transfer of Development Rights of Floor Area	-	728	-	-
Gain on Transfer of Properties	-	-	880	-
Operating Income	9,955	10,054	10,210	9,810
(% change from the preceding period)	(+1.5%)	(+1.0%)	(+1.5%)	(-3.9%)
(variance from the initial forecast)	(+3.3%)	(-0.3%)	(+0.7%)	
Initial Forecast	9,640	10,090	10,140	
Ordinary Income	8,426	8,505	8,470	7,940
(% change from the preceding period)	(-0.3%)	(+0.9%)	(-0.4%)	(-6.3%)
(variance from the initial forecast)	(+3.4%)	(+1.9%)	(+1.0%)	
Initial Forecast	8,150	8,350	8,390	
Net Income	8,425	8,504	8,470	7,940
(% change from the preceding period)	(-0.3%)	(+0.9%)	(-0.4%)	(-6.3%)
(variance from the initial forecast)	(+3.4%)	(+1.9%)	(+1.0%)	
Initial Forecast	8,150	8,350	8,390	
Number of Units	443,000 units	443,000 units	489,200 units	489,200 units
Dividend per Unit	19,020 yen	19,198 yen	17,320 yen	16,240 yen
Total Assets	565,022	564,528	-	-
Net Assets	306,027	306,106	-	-
Total Liabilities	258,994	258,422	-	-
Interest-bearing Debts	220,500	220,500	-	-
LTV	39.0%	39.1%	-	-
Unit Price	756,000 yen	734,000 yen	-	-
Market Capitalization	334,908	325,162	-	-
Number of Properties	55 buildings	55 buildings	55 buildings	55 buildings
Total Leasable Space	516,411 m <sup>2</sup>	516,421 m <sup>2</sup>	540,536 m <sup>2</sup>	541,922 m <sup>2</sup>
Occupancy Rate	95.5%	93.3%	92.8%	-

\* Information as of each fiscal period end

\* The initial forecast for the 15th Period means the 15th Period performance forecast announced on November 20, 2008, and for the 16th and 17th Periods, the 16th and 17th Period performance forecasts announced on May 15, 2009.

\* Assumptions for performance forecast

- Performance forecast is based on the 55 properties held as of September 30, 2009, plus the additional 30.0% share of the quasi-co-ownership of a trust beneficiary right in trust of real estate pertaining to Shiodome Building, which is scheduled to be acquired on January 15, 2010.
- It assumes that the issuance of new investment units by third-party allocation resolved on November 18, 2009 was issued to the upper limit (4,200 units).
- The risk of decreasing revenues due to return of leased space and reduced rent is assumed, in addition to the increases and decreases already confirmed.
- Vacant spaces due to termination of agreements will be leased gradually after a certain period of time.
- \* The land and building adjacent to Ryoshin Ginza East Mirror Building that were acquired on July 4, 2008 are not included in the number of properties.

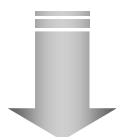
# Performance Comparison (the 15th Period vs the 16th Period)



(In millions of yen)

## Overall Performance

(The total of asset groups A through B below)



## (Factor Analysis)

### Asset Group A

54 properties operated all through the 15th and 16th Periods without any changes in shares of ownership

\*The revenues and expenses for the land and building adjacent to Ryoshin Ginza East Mirror Building that were acquired during the 14th Period are not included.

<Main factors that increased/decreased Repairing Expenses>

Shibuya Cross Tower	542
Nishiki Park	25
Nagoya Hirokoji	18
Jingumae MS	-67
Nippon Brunswick	-37

	15th Period (Oct 2008-Mar 2009)	16th Period (Apr 2009-Sep 2009)	Change	% of Change
Property-related Revenues	20,716	20,795	78	0.4%
Property-related Expenses *	9,929	10,644	715	7.2%
Property-related Profits and Losses	10,787	10,150	-636	-5.9%
NOI*	14,575	13,951	-623	-4.3%
Occupancy Rate at End of Period	95.5%	93.3%	-2.2%	
Average Occupancy Rate during Period	95.3%	94.4%	-0.9%	

\*Property-related Expenses include Depreciation.

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

	15th Period (Oct 2008-Mar 2009)	16th Period (Apr 2009-Sep 2009)	Change	% of Change
Property-related Revenues	20,384	20,201	-182	-0.9%
Property-related Expenses	9,851	10,482	630	6.4%
Property Management Expenses	2,242	2,203	-38	-1.7%
Property Management Costs	2,176	2,143	-32	-1.5%
Brokerage Fees, etc.	66	60	-5	-8.4%
Utilities Expenses	1,559	1,525	-33	-2.2%
Property and Other Taxes	1,509	1,741	232	15.4%
Casualty Insurance	43	43	0	0.2%
Repairing Expenses	676	1,119	442	65.4%
Other Expenses	78	117	38	49.6%
Depreciation	3,740	3,730	-10	-0.3%
Property-related Profits and Losses	10,532	9,718	-813	-7.7%
NOI	14,273	13,449	-824	-5.8%
Occupancy Rate at End of Period	95.5%	93.2%	-2.3%	
Average Occupancy Rate during Period	95.2%	94.3%	-1.0%	

### Asset Group B

Property acquired during the 15th Period (Shiodome)

(Property operated all through the 16th Period)

	15th Period (Oct 2008-Mar 2009)	16th Period (Apr 2009-Sep 2009)	Change	% of Change
Property-related Revenues	332	593	261	78.6%
Property-related Expenses	78	162	84	107.6%
Property-related Profits and Losses	254	431	177	69.6%
NOI	301	502	200	66.6%

\*Refer to 4. Appendix (pages 71) for performance comparison, by building, of the 16th Period, or "Property Data" (excel file) downloadable from on the JRE website (<http://www.j-re.co.jp/english/>).





### Factors that brought changes in property-related revenues

(In millions of yen)

Factors that increased revenues

Group B, 261

Factors that decreased revenues

Group A, -182

Increase in revenues: ¥ 78 million

Main Factors of Increase and Decrease Best 5 & Worst 5

Property Name	15th Period	16th Period	Change	% of Change
MD Kanda	100	206	105	104.6%
Jingumae MS	333	384	51	15.5%
Kandabashi Park	163	196	33	20.7%
Nagoya Hirokoji	707	734	27	3.8%
Nippon Brunswick	315	323	8	2.8%
Shin-Fujita	851	808	-43	-5.1%
Kitanomaru Square	1,871	1,829	-41	-2.2%
Harmony Tower	468	441	-26	-5.7%
Shibuya Cross Tower	1,464	1,438	-26	-1.8%
Kanazawa Park	511	486	-24	-4.8%

### Factors that brought changes in property-related expenses

Factors that increased expenses

Group A, 630

Group B, 84

Factors that decreased expenses

Increase in expenses: ¥ 715 million

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

Decrease in profits: -¥ 636 million

Factors that increased profits

Group B, 177

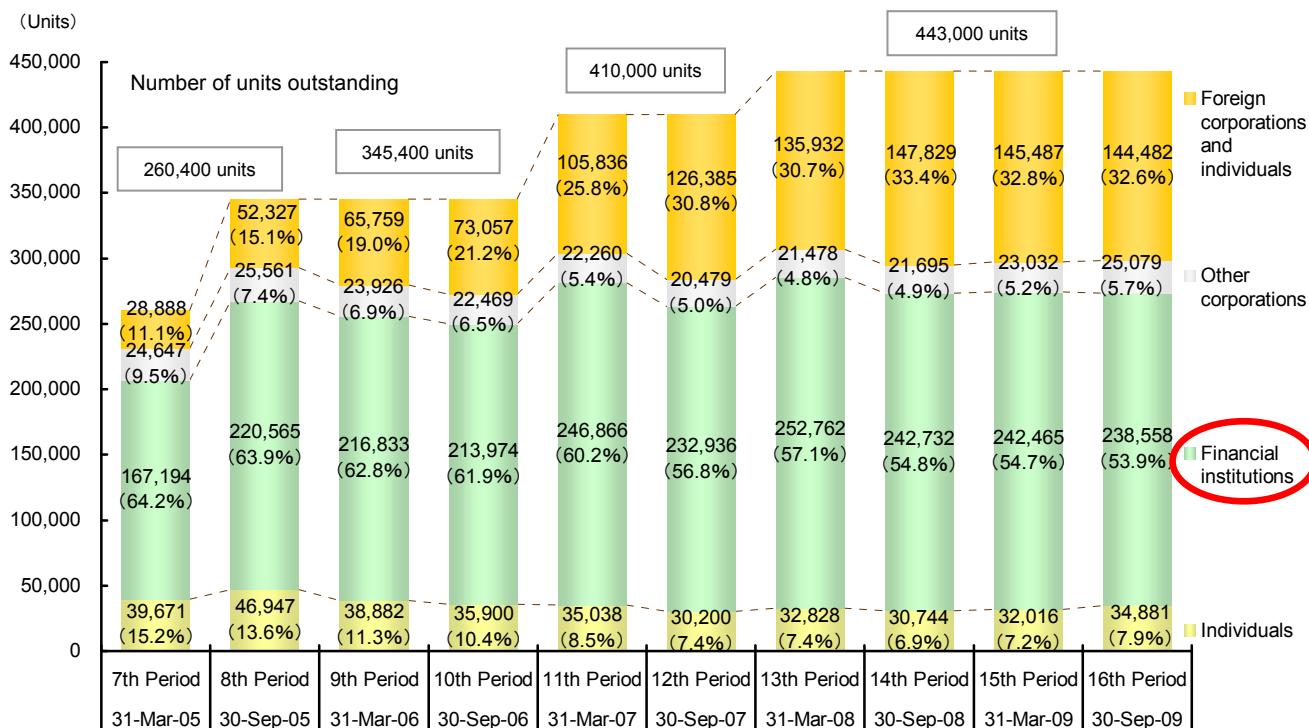
Factors that decreased profits

Group A, -813

# Unitholder Data



## Unitholder Composition



## Top 10 Unitholders

### 16th Period

Company	Units	% of Total Units Outstanding
1 Japan Trustee Services Bank, Ltd. (Shintaku Acc.)	36,389	8.21%
2 NikkoCiti Trust and Banking Corporation (Toshin Acc.)	35,571	8.03%
3 Trust & Custody Services Bank, Ltd. (Toshin Acc.)	34,330	7.75%
4 The Master Trust Bank of Japan, Ltd. (Shintaku Acc.)	20,774	4.69%
5 The Nomura Trust and Banking Co., Ltd. (Toshin Acc.)	13,775	3.11%
6 Mitsubishi Estate Co., Ltd.	10,160	2.29%
7 THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	7,613	1.72%
8 North Pacific Bank, Ltd.	7,493	1.69%
9 The Chugoku Bank, Ltd.	7,168	1.62%
10 RBC DEXIA INVESTOR SERVICES TRUST, LONDON-CLIENTS ACCOUNT	5,403	1.22%

The Dai-ichi Mutual Life Insurance Company	4,920	1.11%
Mitsui & Co., Ltd.	1,600	0.36%

### 15th Period

Company	Units	% of Total Units Outstanding
1 NikkoCiti Trust and Banking Corporation (Toshin Acc.)	38,899	8.78%
2 Japan Trustee Services Bank, Ltd. (Shintaku Acc.)	33,217	7.50%
3 Trust & Custody Services Bank, Ltd. (Toshin Acc.)	30,819	6.96%
4 The Master Trust Bank of Japan, Ltd. (Shintaku Acc.)	22,817	5.15%
5 The Nomura Trust and Banking Co., Ltd. (Toshin Acc.)	13,031	2.94%
6 Mitsubishi Estate Co., Ltd.	10,160	2.29%
7 THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	9,640	2.18%
8 STATE STREET BANK AND TRUST COMPANY	9,254	2.09%
9 The Chugoku Bank, Ltd.	8,325	1.88%
10 Tokio Marine & Nichido Fire Insurance Co., Ltd.	8,120	1.83%

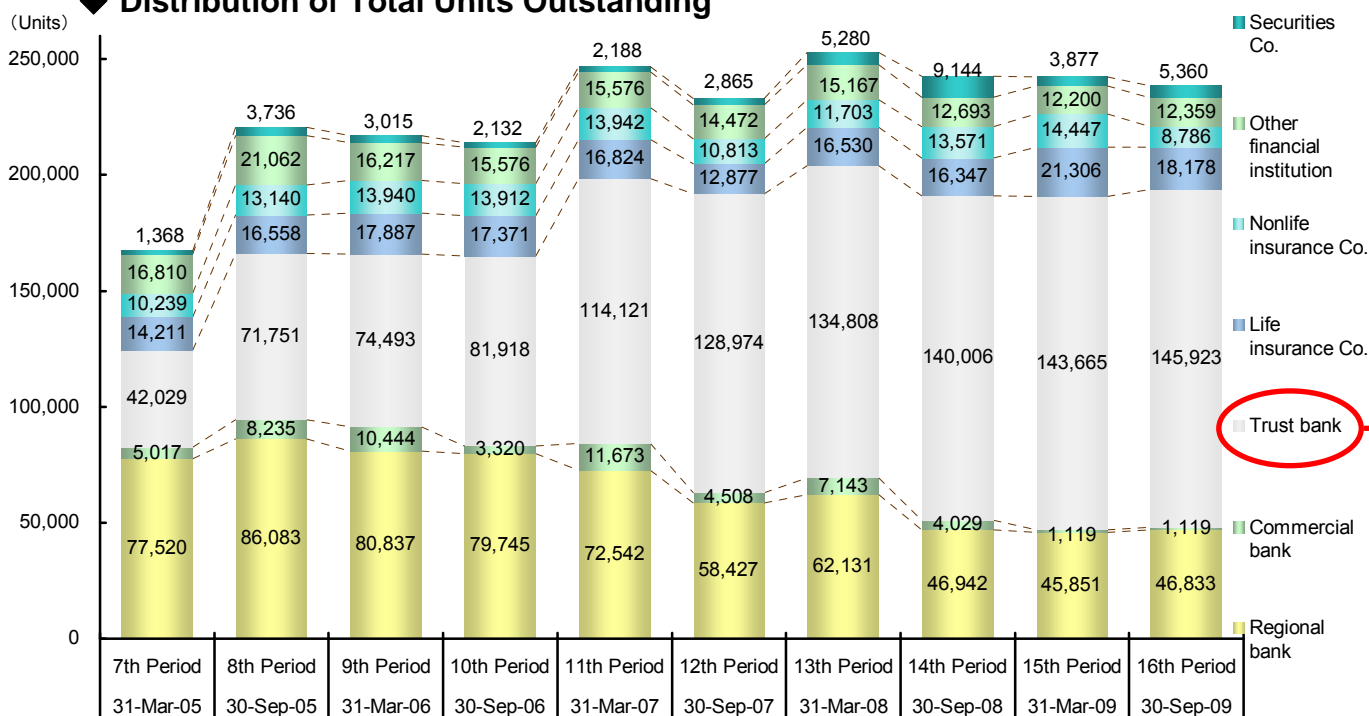
The Dai-ichi Mutual Life Insurance Company	4,920	1.11%
Mitsui & Co., Ltd.	1,600	0.36%

## Number of Unitholders by Sector

	16th Period (Sep-09)		15th Period (Mar-09)	
	Unitholders	%	Unitholders	%
Individuals	12,856	93.4%	11,907	93.2%
Financial institutions	175	1.3%	170	1.3%
Other corporations	335	2.4%	313	2.4%
Foreign corporations/individuals	396	2.9%	389	3.0%
Total	13,762	100.0%	12,779	100.0%

## Financial Institutions

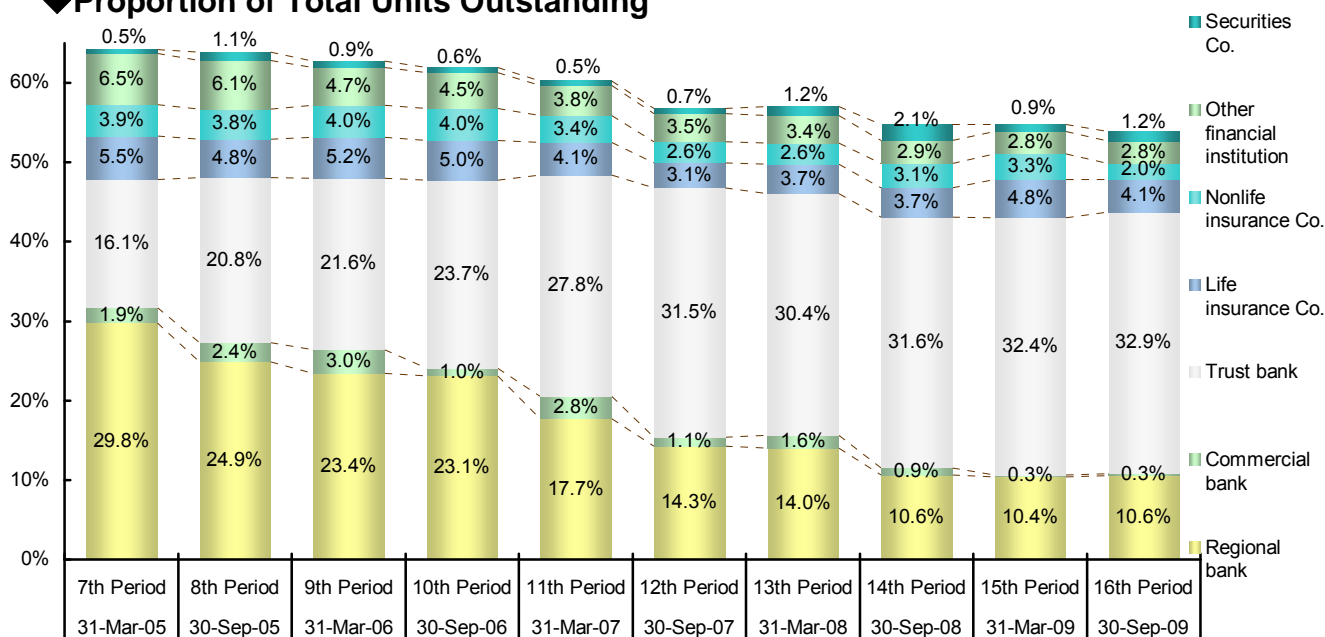
### ◆ Distribution of Total Units Outstanding



### <Number of investment trust units>

	(Units)										
	7th Period 31-Mar-05	8th Period 30-Sep-05	9th Period 31-Mar-06	10th Period 30-Sep-06	11th Period 31-Mar-07	12th Period 30-Sep-07	13th Period 31-Mar-08	14th Period 30-Sep-08	15th Period 31-Mar-09	16th Period 30-Sep-09	
Number of units outstanding	260,400	345,400	345,400	345,400	410,000	410,000	443,000	443,000	443,000	443,000	
Trust banks	42,029	71,751	74,493	81,918	114,121	128,974	134,808	140,006	143,665	145,923	
Investment trust	36,453	62,225	67,662	76,205	106,330	113,841	120,106	124,433	132,107	135,826	
% against total units outstanding	14.0%	18.0%	19.6%	22.1%	25.9%	27.8%	27.1%	28.1%	29.8%	30.7%	
% against units owned by trust banks	86.7%	86.7%	90.8%	93.0%	93.2%	88.3%	89.1%	88.9%	92.0%	93.1%	

### ◆ Proportion of Total Units Outstanding



# Transfer of Unused Development Rights (the 16th Period)



## Transfer of Unused Development Rights of Mitsubishi UFJ Trust and Banking Building Site

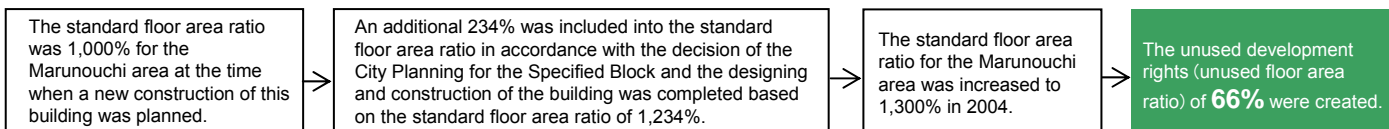
JRE transferred the 65% of unused floor area (equivalent of 1,026.88m<sup>2</sup> for the shares of JRE) of Mitsubishi UFJ Trust and Banking Building, in which JRE has part ownership, to the adjacent new building to be built under the "Marunouchi 1-4 Plan".

### Transaction Summary

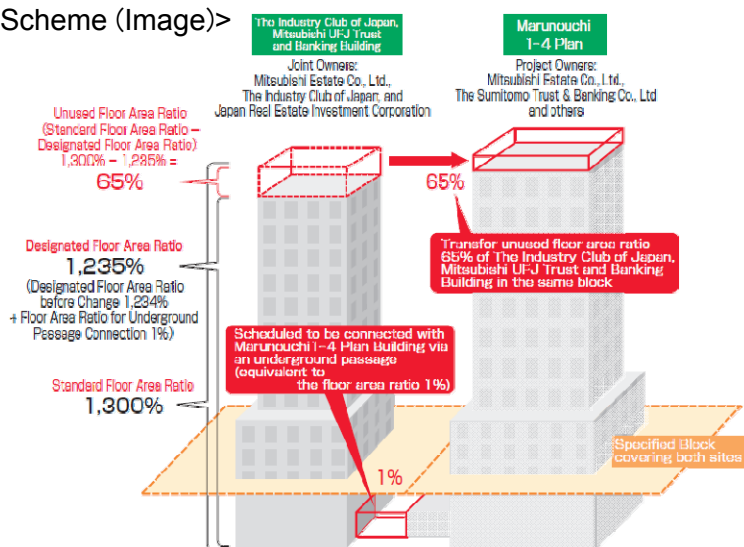
- Description of transaction: Transaction to transfer the development rights pertaining to the unused floor area of Mitsubishi UFJ Trust and Banking Building site (equivalent of 65%)
- Consideration for the transfer: ¥729 million
- Research value: ¥488 million (as of May 1, 2009)
- Transfer date: September 17, 2009
- Transferee: The Sumitomo Trust & Banking Co., Ltd. and Mitsubishi Estate Co., Ltd.

The gain on transfer of development rights of floor area (¥728 million) was recorded in the 16th Period (period ended September 30, 2009).

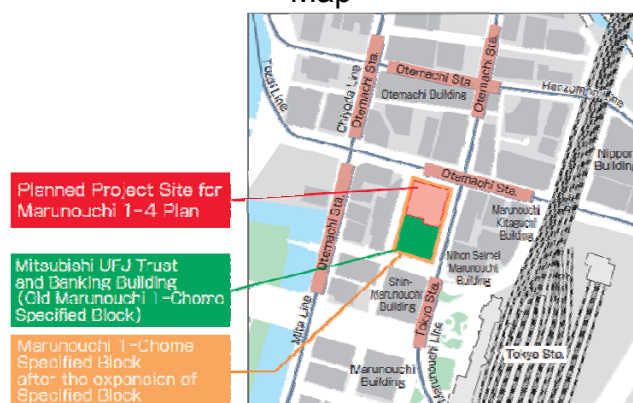
### <How the unused development rights emerged>



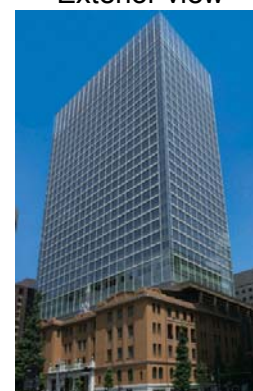
### <Scheme (Image)>



### <Map>



### <Exterior view>



### Property Summary

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

# Transfer of Asset (the 17th Period)

## Jingumae Media Square Building (Transfer of a part of land)

### Transaction Summary

- Transferred asset: Land  
(Part of Jingumae Media Square Building site)
- Area: 137.01m<sup>2</sup>
- Transfer price: ¥1,507 million
- Appraisal value: ¥1,330 million (as of March 15, 2009)
- Transfer date: October 30, 2009
- Transferee: Tokyo Metropolitan Government

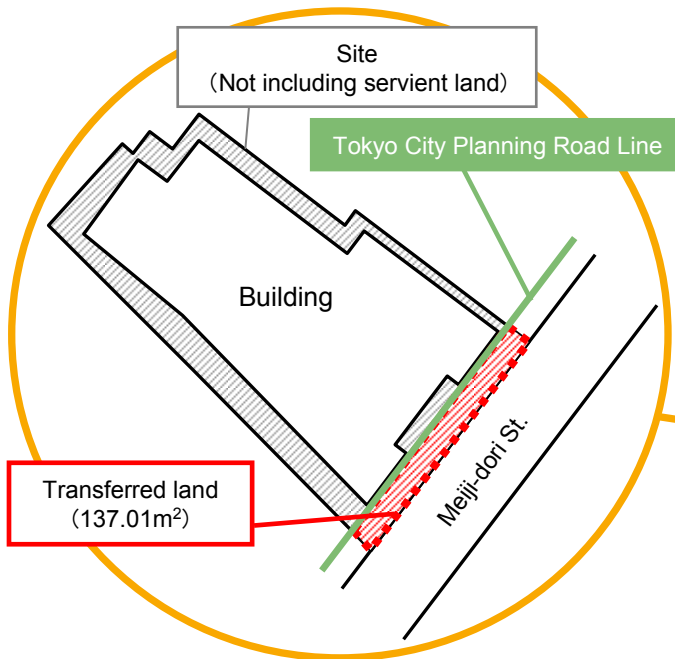
The Gain on the transfer in the amount of ¥880 million\* will be recorded in the 17th Period (period ending March 31, 2010).

(\* The amount of the gain is an estimate as of November 18, 2009, and thus may change in the future.

<Exterior view>



<Map of the transferred land>



### Property Summary

- Address: 6-25-14 Jingumae, Shibuya-ku, Tokyo
- Area: <Land>2,261.68m<sup>2</sup> (\*) <Building>9,420.42m<sup>2</sup>  
(\*)The total land area includes the transferred land and 3 lots of servient land (269.01 m<sup>2</sup>) of the subject property land, based on an easement of the dominant land.
- Structure: Steel-framed, Steel-framed reinforced concrete, steel-reinforced concrete structure, flat roof  
Above ground: 9 floors Below ground: 2 floors
- Type of ownership: <Land/Building> Ownership
- Completion date: March 1998
- Acquisition date: October 9, 2003
- Acquisition price: ¥12,200 million

# Summary of Debts



## 16th Period (as of September 30, 2009)

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

	Lender	Borrowing Date	EOB	Interest	Repayment Date (period)
Short-term Loans	Mizuho Corporate Bank, Ltd.	'08/12/19	5,000	0.58273	'09/12/21 (1-year)
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		5,000		
	The Sumitomo Trust & Banking, Co., Ltd.		5,000		
	Mitsubishi UFJ Trust and Banking Corporation		5,000		
	Mizuho Corporate Bank, Ltd.	'09/03/24	4,500	0.6327	'10/03/24 (1-year)
	The Gunma Bank, Ltd.	'09/03/24	1,000	0.6327	'10/03/24 (1-year)
	Mizuho Corporate Bank, Ltd.	'09/06/01	5,000	0.64	'10/06/01 (1-year)
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'09/09/01	5,000	0.64	'10/09/01 (1-year)
	Mitsubishi UFJ Trust and Banking Corporation	'09/09/01	2,000	0.64	'10/09/01 (1-year)
	Mitsubishi UFJ Trust and Banking Corporation	'09/09/24	3,000	0.6327	'10/09/24 (1-year)
	The Sumitomo Trust & Banking, Co., Ltd.	'09/09/24	3,000	0.6327	'10/09/24 (1-year)
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'09/09/24	2,500	0.6327	'10/09/24 (1-year)
	Shinkin Central Bank	'09/09/24	2,000	0.8363	'10/03/24 (0.5-year)
	<b>Total</b>			<b>48,000</b>	

	Lender / Bond Name	Borrowing / Issue Date	EOB	Interest	Repayment / Maturity Date (period)
Current Portion of Long-term Loans/ Investment Corporation Bond	3rd Investment Corporation Bond	'03/04/30	10,000	0.98	'10/04/30 (7-year)
	The Yamanashi Chuo Bank, Ltd.	'06/12/15	2,000	1.2875	'09/12/15 (3-year)
	The Chugoku Bank, Ltd.	'07/06/15	3,000	1.6225	'10/06/15 (3-year)
	Resona Bank, Ltd.	'08/03/24	3,000	1.10625	'10/03/24 (2-year)
	The Chugoku Bank, Ltd.	'08/03/24	2,000	1.10625	'10/03/24 (2-year)
	The Bank of Fukuoka, Ltd.	'08/03/24	2,000	1.10625	'10/03/24 (2-year)
	The Hiroshima Bank, Ltd.	'08/03/24	2,000	1.10625	'10/03/24 (2-year)
	The Hachijuni Bank, Ltd.	'08/03/24	1,000	1.10625	'10/03/24 (2-year)
	The Hiroshima Bank, Ltd.	'08/06/13	3,000	1.5725	'10/06/14 (2-year)
	<b>Total</b>			<b>28,000</b>	

	Lender	Borrowing Date	EOB	Interest	Repayment Date (period)	
Long-term Loans	Taiyo Life Insurance Company	'04/03/30	2,000	1.47125	'11/03/30 (7-year)	
	Mitsui Life Insurance Co., Ltd.	'04/08/31	5,000	1.50125	'11/08/31 (7-year)	
	Mitsui Life Insurance Co., Ltd.	'04/10/29	2,000	1.55	'12/10/29 (8-year)	
	National Mutual Insurance Federation of Agricultural Cooperatives	'04/11/01	5,000	1.33125	'11/11/01 (7-year)	
	Mitsubishi UFJ Trust and Banking Corporation	'06/04/03	10,000	1.63	'11/04/04 (5-year)	
	Mitsubishi UFJ Trust and Banking Corporation	'06/06/01	22,000	1.73	'11/06/01 (5-year)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'06/06/23	6,000	1.65925	'11/06/23 (5-year)	
	Mizuho Corporate Bank, Ltd.		6,000			
	The Sumitomo Trust & Banking, Co., Ltd.		5,200			
	Mitsubishi UFJ Trust and Banking Corporation		5,200			
	Sompo Japan Insurance Inc.		1,600			
	The Dai-ichi Mutual Life Insurance Company	'07/05/31	5,000	1.86875	'15/05/29 (8-year)	
	Taiyo Life Insurance Company	'07/05/31	1,500	1.86875	'15/05/29 (8-year)	
	The Bank of Fukuoka, Ltd.	'07/08/31	1,000	1.4925	'12/08/31 (5-year)	
	Taiyo Life Insurance Company	'08/04/24	1,000	1.595	'16/04/25 (8-year)	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	'08/04/24	5,000	1.42375	'13/04/24 (5-year)	
	Shinkin Central Bank	'08/04/24	5,000	1.42375	'13/04/24 (5-year)	
	Mizuho Corporate Bank, Ltd.	'08/04/24	3,000	1.42375	'13/04/24 (5-year)	
	The Sumitomo Trust & Banking, Co., Ltd.	'08/09/01	5,000	1.4875	'13/09/02 (5-year)	
	Shinkin Central Bank	'08/09/01	3,000	1.4875	'13/09/02 (5-year)	
	Development Bank of Japan Inc.	'08/09/01	2,000	1.65	'15/09/01 (7-year)	
	The Hachijuni Bank, Ltd.	'08/12/19	1,000	1.10625	'10/12/20 (2-year)	
	The Iyo Bank, Ltd.	'09/03/24	2,000	1.31	'14/03/24 (5-year)	
	The Dai-ichi Mutual Life Insurance Company	'09/03/30	5,000	1.54375	'17/03/30 (8-year)	
	<b>Total</b>			<b>109,500</b>		

	Bond Name	Issue Date	EOB	Interest	Maturity Date (period)
Investment Corporation Bonds	4th Investment Corporation Bond	'05/09/29	10,000	2.56	'25/09/29 (20-year)
	5th Investment Corporation Bond	'07/06/18	10,000	1.67	'12/06/18 (5-year)
	6th Investment Corporation Bond	'07/06/18	15,000	1.91	'14/06/18 (7-year)
<b>Total</b>			<b>35,000</b>		

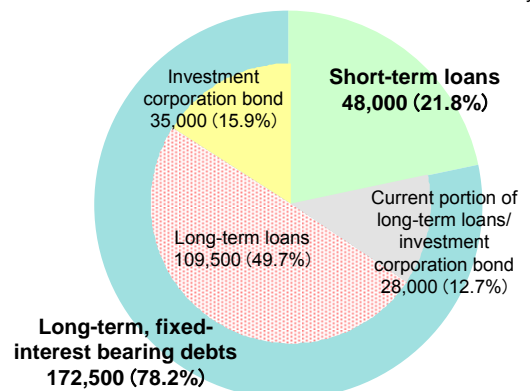
Total amount of interest-bearing debts as of the 16th Period end **220,500 million yen**

### <Outline of commitment line agreement>

- Borrowing limit :¥25 billion
- Expiry of the contract :July 19, 2012
- Participating financial institutions:  
Mizuho Corporate Bank, Ltd.  
The Bank of Tokyo-Mitsubishi UFJ, Ltd.  
The Sumitomo Trust & Banking Co., Ltd.  
Mitsubishi UFJ Trust and Banking Corporation

➔ **There is no outstanding balance as of the end of the 16th Period.**

### <Component ratio of long-term and short-term loans/bonds> (In millions of yen)



**Long-term, fixed-interest bearing debts**  
**172,500 (78.2%)**

### <Interest rate and duration (years)>

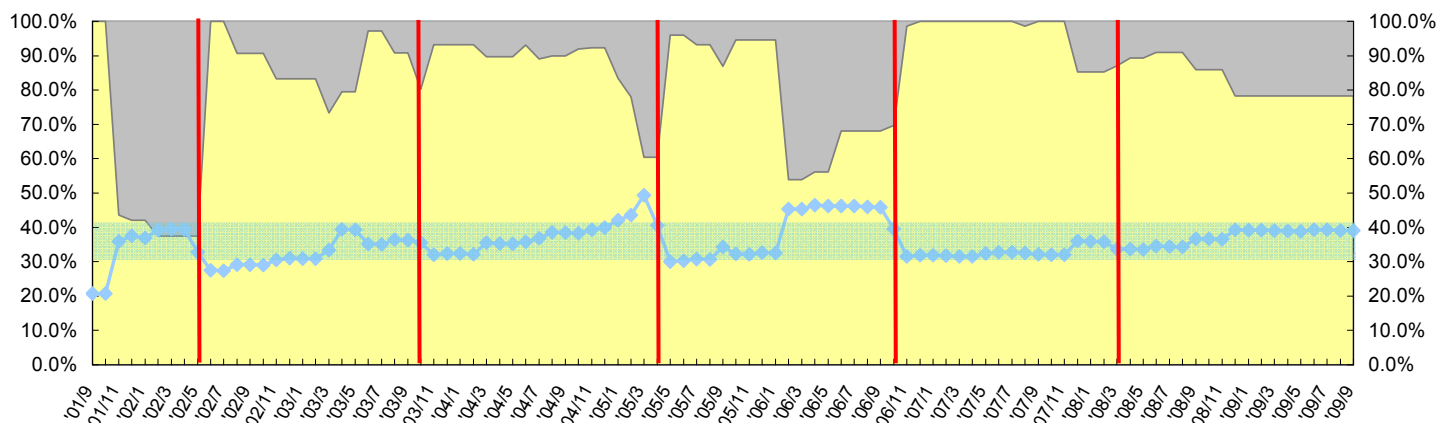
Weighted average interest rate: 1.40%

	Average Interest rate	Duration (years)
Short-term loans	0.62%	0.55
Current portion of long-term loans / investment corporation bond	1.18%	0.54
Long-term loans/investment corporation bonds	1.70%	3.90

### <Outstanding balance of loans by financial institutions> (In millions of yen)

Mitsubishi UFJ Trust and Banking Corporation	47,200
Mizuho Corporate Bank, Ltd.	23,500
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	23,500
The Sumitomo Trust & Banking, Co., Ltd.	18,200
Shinkin Central Bank	10,000
The Dai-ichi Mutual Life Insurance Company	10,000
Mitsui Life Insurance Co., Ltd.	7,000
National Mutual Insurance Federation of Agricultural Cooperatives	5,000
The Chugoku Bank, Ltd.	5,000
The Hiroshima Bank, Ltd.	5,000
Taiyo Life Insurance Company	4,500
Resona Bank, Ltd.	3,000
The Bank of Fukuoka, Ltd.	3,000
The Iyo Bank, Ltd.	2,000
The Yamanashi Chuo Bank, Ltd.	2,000
Development Bank of Japan Inc.	2,000
The Hachijuni Bank, Ltd.	2,000
Sompo Japan Insurance Inc.	1,600
The Gunma Bank, Ltd.	1,000

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



Long-term, fixed-interest debt ratio   
  Short-term interest-bearing debt ratio   
  LTV   
 Issue of new investment units   
 LTV in the range of 30-40%

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

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

## Debt Capacity

(As of end of September 2009)

(In millions of yen)

Total assets	Interest-bearing debts	LTV	Borrowable amount
			Up to 40% of LTV
564,528	220,500	39.1%	8,852

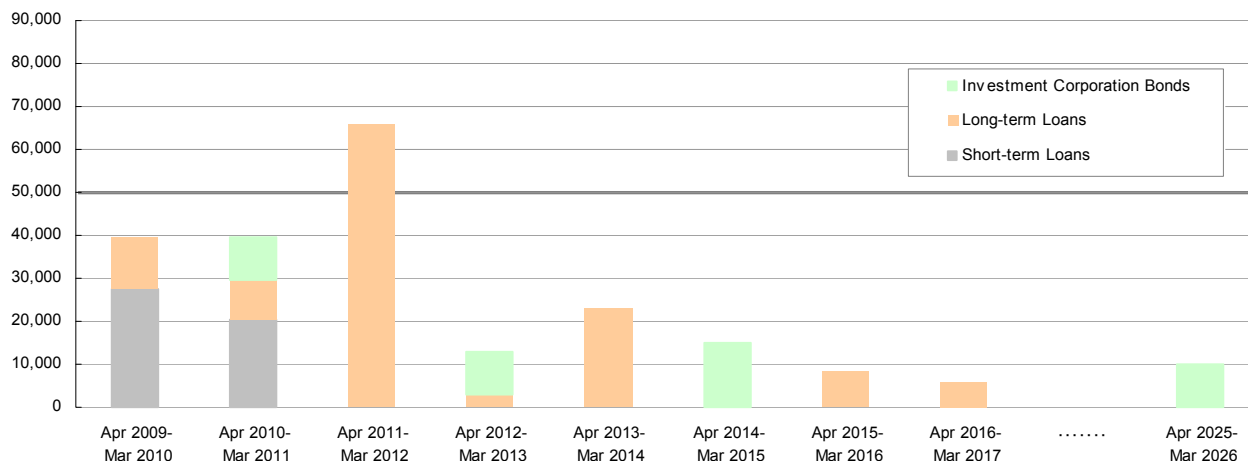
## Diversification of Repayment Dates

(As of end of September 2009)

(In millions of yen)

	Apr 2009- Mar 2010 (within 0.5 year)	Apr 2010- Mar 2011 (within 1.5 years)	Apr 2011- Mar 2012 (within 2.5 years)	Apr 2012- Mar 2013 (within 3.5 years)	Apr 2013- Mar 2014 (within 4.5 years)	Apr 2014- Mar 2015 (within 5.5 years)	Apr 2015- Mar 2016 (within 6.5 years)	Apr 2016- Mar 2017 (within 7.5 years)	.....	Apr 2025- Mar 2026 (within 16.5 years)	Total
Short-term Loans	27,500	20,500	0	0	0	0	0	0		0	48,000
Long-term Loans	12,000	9,000	66,000	3,000	23,000	0	8,500	6,000		0	127,500
Investment Corporation Bonds	0	10,000	0	10,000	0	15,000	0	0		10,000	45,000
<b>Total</b>	<b>39,500</b>	<b>39,500</b>	<b>66,000</b>	<b>13,000</b>	<b>23,000</b>	<b>15,000</b>	<b>8,500</b>	<b>6,000</b>		<b>10,000</b>	<b>220,500</b>

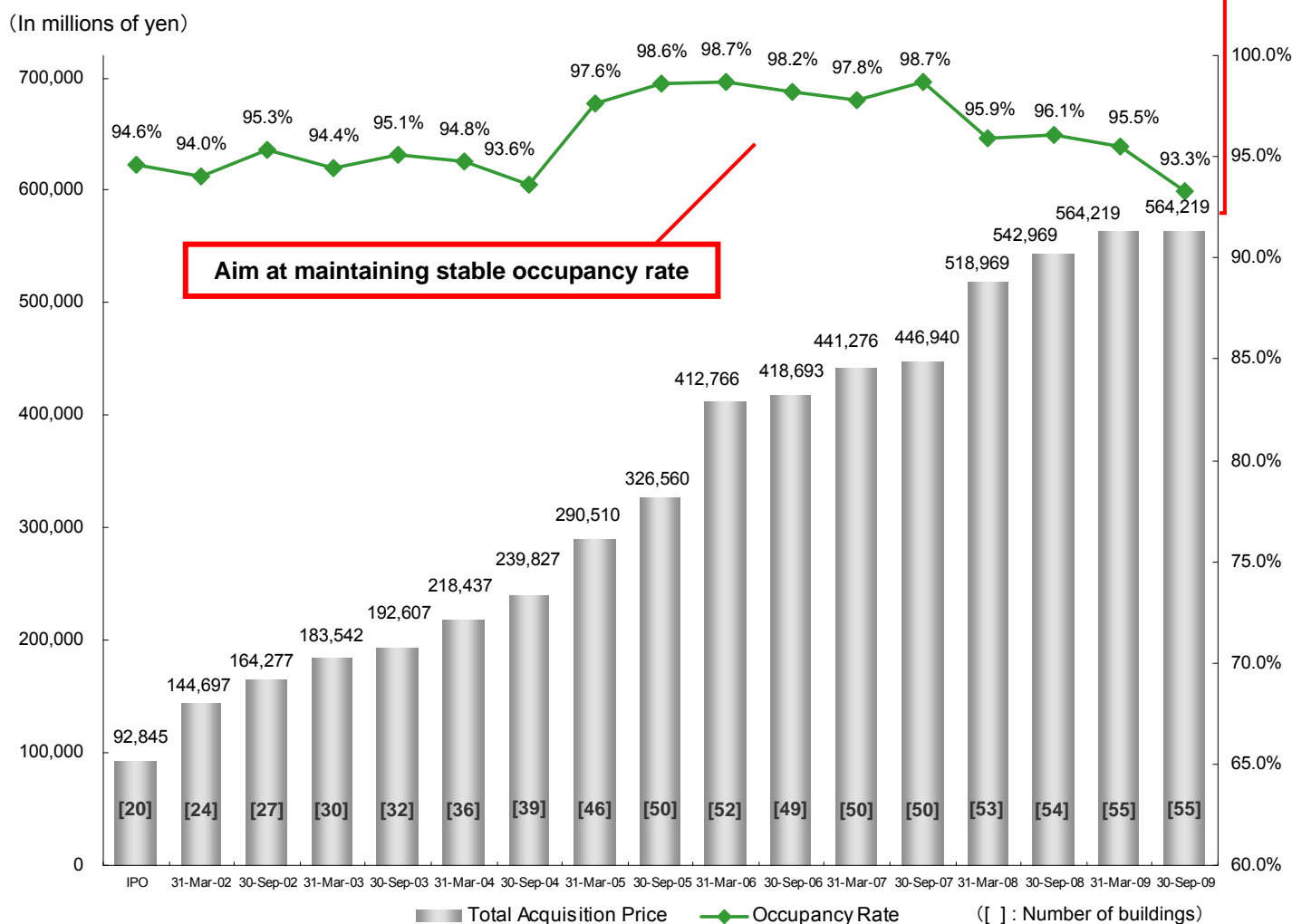
(In millions of yen)



# Asset Size and Occupancy Rate



**JRE plans to acquire the additional share of the Shiodome Building on January 15, 2010 (acquisition price: ¥54,600 million).**



## ◆ Performance of property acquisition and transfer

(In millions of yen)

	At IPO ~'01/09	1st Period '01/10~'02/03	2nd Period '02/04~'02/09	3rd Period '02/10~'03/03	4th Period '03/04~'03/09	5th Period '03/10~'04/03	6th Period '04/04~'04/09	7th Period '04/10~'05/03	8th Period '05/04~'05/09	9th Period '05/10~'06/03	10th Period '06/04~'06/09	11th Period '06/10~'07/03	12th Period '07/04~'07/09	13th Period '07/10~'08/03	14th Period '08/04~'08/09	15th Period '08/10~'09/03	16th Period '09/04~'09/09	Total
Acquisition	92,845	51,852	19,580	19,265	9,065	25,830	21,390	50,683	36,050	86,205	12,630	49,850	7,100	72,029	24,000	21,250	—	599,625
Transfer	—	—	—	—	—	—	—	—	—	—	7,003	41,900	1,770	—	—	—	—	50,673

\* The land and building adjacent to Ryoshin Ginza East Mirror Building that were acquired on July 4, 2008, for 1,800 million yen for the purpose of making an extension to Ryoshin Ginza East Mirror Building are not included in the total number of properties or the total acquisition price in the above graph and table.

**Achieved steady growth in assets since IPO and will establish a portfolio worth over ¥600 billion (total acquisition price) after the acquisition of the additional share in the Shiodome Building in January 2010.**



# Improvement of Portfolio Quality



In the 8 years following IPO, the quality of the portfolio has further improved.

At IPO (End of September 2001):  
20 properties

After 8 years

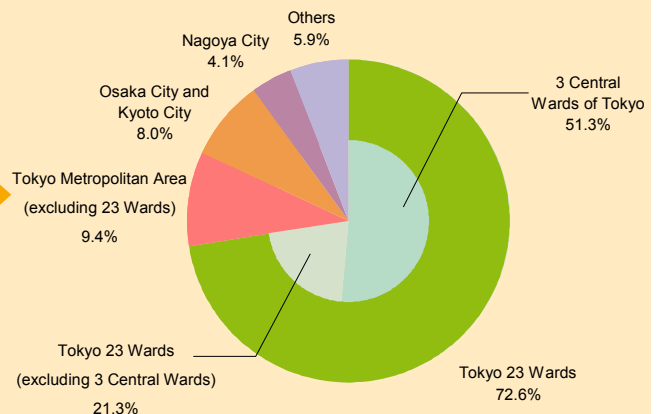
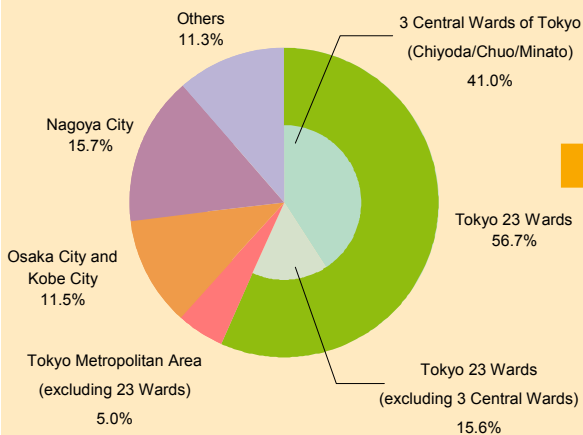
As of end of September 2009:  
55 properties

## Geographical Diversification

- \* Acquisition price basis
- \* Tokyo metropolitan area represents Tokyo, Saitama, Chiba, and Kanagawa prefecture.
- \* The acquisition price of the land and building adjacent to Ryoshin Ginza East Mirror Building are not included in the charts below.

Asset size : ¥92,845 million

¥564,219 million



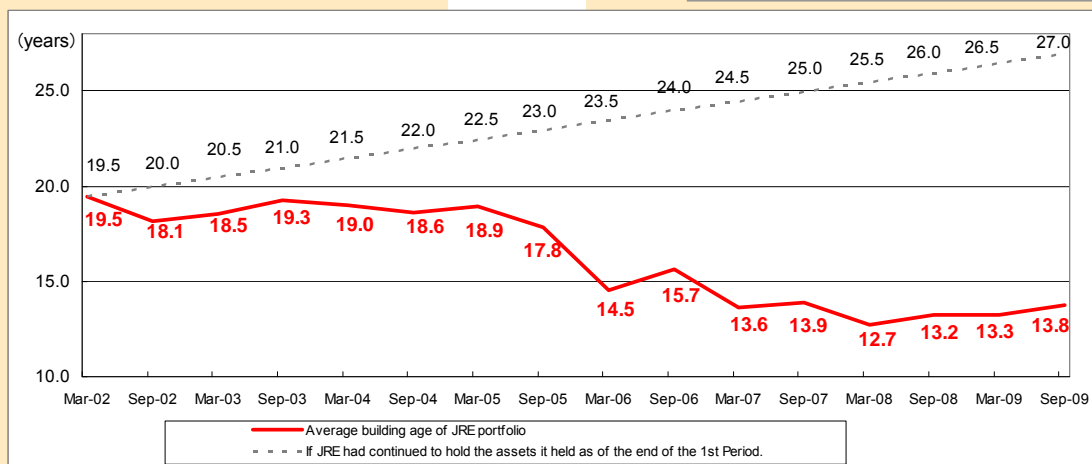
Highly liquid portfolio, mainly concentrated in Tokyo 23 Wards

## Building Age

\* Weighted average based on acquisition prices

Entire portfolio:  
17.9 years

Entire portfolio:  
13.8 years



Even after 8 years since IPO, overall building age is lower in the current portfolio.

# Property Data



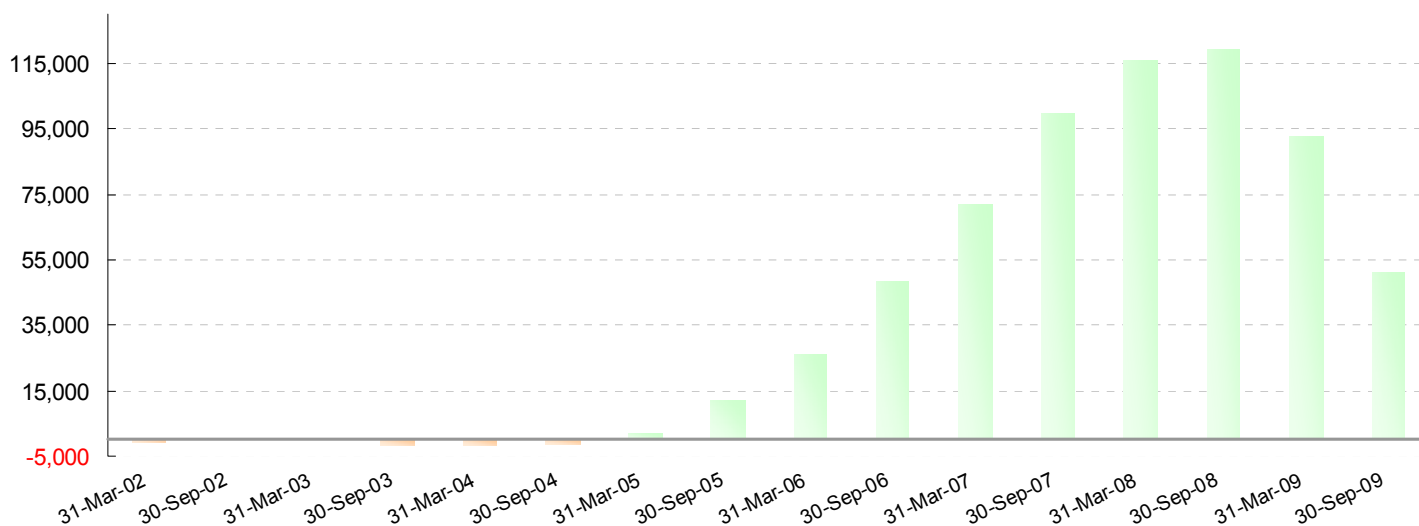
(In millions of yen)

Area	Name	16th Period	15th Period	Amount of Difference	16th Period	16th Period	Acquisition Price	
		Appraisal Value (Sep 30, 09)	Appraisal Value (Mar 31, 09)		Book Value (Sep 30, 09)	Appraisal Value – Book Value		
Tokyo 23 Wards	Chiyoda	Genki Medical Plaza	6,050	6,150	-100	5,055	994	5,000
		Kitanomaru Square	78,100	83,700	-5,600	79,122	-1,022	81,555
		MD Kanda	9,620	10,600	-980	8,985	634	9,520
		Kandabashi Park	5,950	6,350	-400	4,541	1,408	4,810
		Nibancho Garden	16,300	17,400	-1,100	13,959	2,340	14,700
		Mitsubishi UFJ Trust	47,300	49,100	-1,800	30,170	17,129	44,700
		Burex Kojimachi	6,570	6,850	-280	6,602	-32	7,000
		Sanno Grand	29,100	30,500	-1,400	21,596	7,503	20,900
		Yurakucho Denki	8,470	8,730	-260	7,734	735	7,200
	Chuo	Kodenmachi	3,780	4,070	-290	2,814	965	3,173
		Burex Kyobashi	6,630	6,970	-340	4,953	1,676	5,250
		Ginza Sanwa	16,000	16,900	-900	17,026	-1,026	16,830
		Ryoshin Ginza EM	4,610	4,920	-310	5,244	-634	5,353
		Harumi Center	22,600	24,600	-2,000	26,172	-3,572	26,800
	Minato	Aoyama Crystal	8,790	9,210	-420	7,475	1,314	7,680
		Shiodome	19,900	21,800	-1,900	21,193	-1,293	21,250
		Shiba 2Chome Daimon	6,890	7,290	-400	4,865	2,024	4,859
		Cosmo Kanasugibashi	3,410	3,640	-230	2,535	874	2,808
	Shinjuku	Shinwa	8,290	9,300	-1,010	7,697	592	7,830
		Tokyo Opera City	10,400	11,300	-900	8,543	1,856	9,350
	Shinagawa	Takanawadai	2,370	2,600	-230	2,615	-245	2,738
		Higashi-Gotanda 1Chome	6,690	6,900	-210	5,131	1,558	5,500
	Ota	Omori-Eki Higashiguchi	5,750	5,890	-140	4,562	1,187	5,123
	Shibuya	Nippon Brunswick	8,230	8,970	-740	6,855	1,374	6,670
		Yoyogi 1Chome	11,900	13,100	-1,200	8,043	3,856	8,700
		da Vinci Harajuku	6,340	6,480	-140	4,988	1,351	4,885
		Jingumae MS	12,700	15,000	-2,300	11,830	869	12,200
		Shibuya Cross Tower	43,700	49,000	-5,300	38,719	4,980	34,600
		Ebisu Neonato	3,640	5,140	-1,500	3,713	-73	4,100
	Nakano	Harmony Tower	11,800	12,800	-1,000	8,231	3,568	8,500
	Toshima	Otsuka Higashi-Ikebukuro	3,820	3,850	-30	3,592	227	3,541
		Ikebukuro 2Chome	1,600	1,580	20	1,629	-29	1,728
		Ikebukuro YS	4,590	5,400	-810	4,558	31	4,500
Other Areas	Hachioji	Hachioji First	5,670	5,910	-240	5,438	231	5,679
	Saitama	Saitama Urawa	2,320	2,600	-280	2,397	-77	2,574
	Yokohama	MM Park	37,000	37,000	0	36,964	35	37,400
		Kawasaki Isago	3,100	3,230	-130	2,881	218	3,375
	Kawasaki	Musashi Kosugi STM	3,680	3,850	-170	3,976	-296	4,000
		8·3 Square Kita	6,690	7,010	-320	7,100	-410	7,100
	Sendai	Jozenji Park	1,080	1,110	-30	1,011	68	1,000
		Sendai Honma	3,420	3,540	-120	2,813	606	3,174
	Kanazawa	Kanazawa Park	5,760	6,180	-420	4,225	1,534	4,580
	Nagoya	Nishiki Park	4,520	5,180	-660	4,914	-394	5,150
		Hirokoji Sakae	1,610	1,720	-110	1,721	-111	1,680
		Nagoya Hirokoji	14,600	15,600	-1,000	14,272	327	14,533
		Nagoya Misono	1,320	1,440	-120	1,534	-214	1,865
	Kyoto	Kyoto Kawaramachi	2,010	2,190	-180	2,794	-784	2,650
	Osaka	Shin-Fujita	20,100	23,200	-3,100	24,143	-4,043	24,000
		Sakaisujihonmachi	4,390	4,790	-400	3,827	562	4,164
		Midosuji Daiwa	16,300	18,400	-2,100	13,554	2,745	14,314
	Okayama	Lit City	5,160	5,330	-170	4,232	927	4,650
	Hiroshima	NHK Hiroshima	3,050	3,170	-120	2,623	426	2,770
	Fukuoka	Tosei Tenjin	1,320	1,380	-60	1,369	-49	1,550
		Tenjin Crystal	3,210	3,960	-750	4,607	-1,397	5,000
		Hinode Tenjin	3,720	3,890	-170	3,543	176	3,657
	Properties held as of the end of the 15th and 16th Periods, during which the shares of ownership remain unchanged (No properties acquired during the 16th Period.)	Tokyo 23 Wards	441,890	476,090	-34,200	390,760	51,129	409,354
		Other Areas	150,030	160,680	-10,650	149,949	80	154,865
		Total (55 properties)	591,920	636,770	-44,850	540,709	51,210	564,219

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

## Trend of Unrealized Gain or Loss

(In millions of yen)



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

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

		9th Period 31-Mar-06	10th period 30-Sep-06	11th Period 31-Mar-07	12th Period 30-Sep-07	13th Period 31-Mar-08	14th Period 30-Sep-08	15th Period 31-Mar-09	16th Period 30-Sep-09
Appraisal value at the end of period	A	439,799	467,001	498,741	531,100	619,160	644,700	636,770	591,920
Book value	B	413,708	418,607	427,013	431,463	503,376	525,503	544,245	540,709
Unrealized gain or loss	A-B=C	26,090	48,393	71,727	99,636	115,783	119,196	92,524	51,210
<Reference>	Units outstanding	D	345,400 unit	345,400 unit	410,000 unit	410,000 unit	443,000 unit	443,000 unit	443,000 unit
	Unrealized gain or loss per unit	C/D=E	75,537 yen	140,107 yen	174,944 yen	243,015 yen	261,363 yen	208,858 yen	115,598 yen
	Net asset value per unit	F	599,475 yen	600,605 yen	663,091 yen	664,071 yen	701,009 yen	690,858 yen	690,984 yen
	Adjusted net asset value per unit	E+F=G	675,013 yen	740,713 yen	838,036 yen	907,086 yen	962,372 yen	899,665 yen	806,582 yen
	Unit price at the end of period	H	1,020,000 yen	1,000,000 yen	1,560,000 yen	1,380,000 yen	1,160,000 yen	836,000 yen	734,000 yen
	H/G		1.51 times	1.35 times	1.86 times	1.52 times	1.21 times	0.87 times	0.91 times

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

\* Appraisal values at the end of period are survey values determined by institutional appraisers for the 1st Period through 9th Period, or appraisal values determined by institutional appraisers for the 10th Period through 16th Period, at the end of each fiscal period.

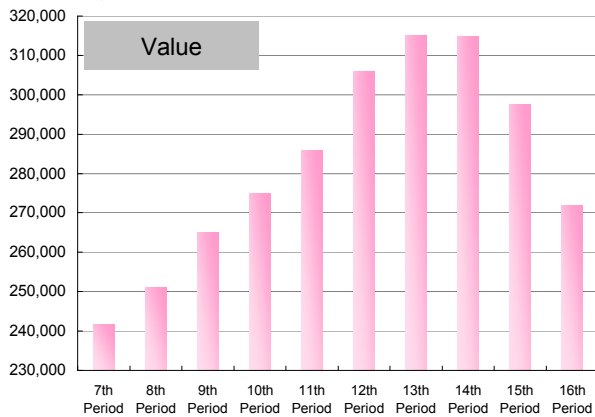
# Historical Appraisal Value at the End of Period



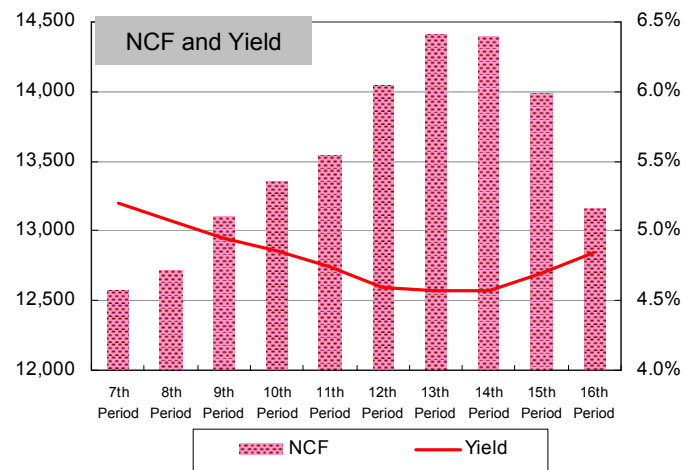
JRE's portfolio of 36 properties with constantly held shares of ownership in which no increase or decrease of shares was seen between the end of the 7th Period and the end of the 16th Period

## Overall

(In millions of yen)

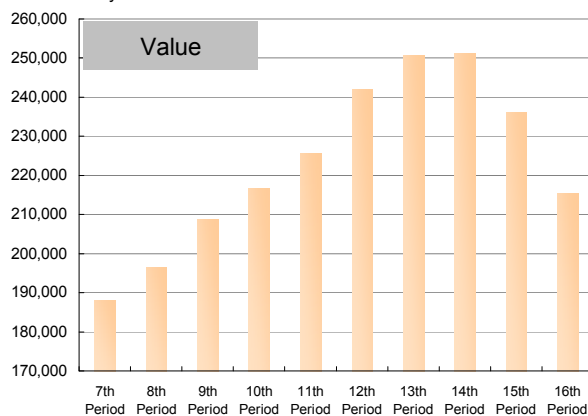


(In millions of yen)

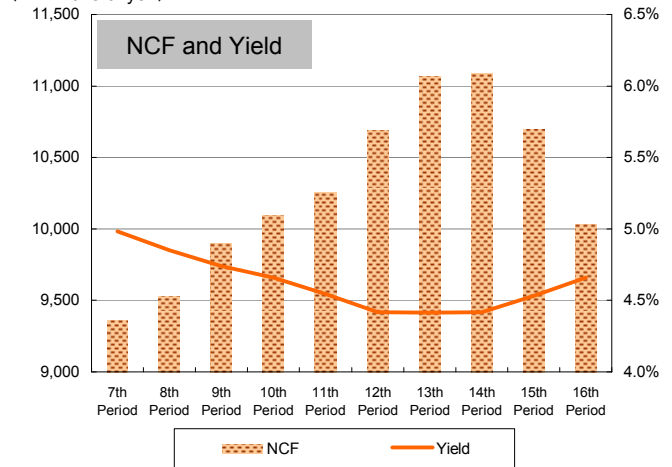


## Tokyo 23 Wards

(In millions of yen)

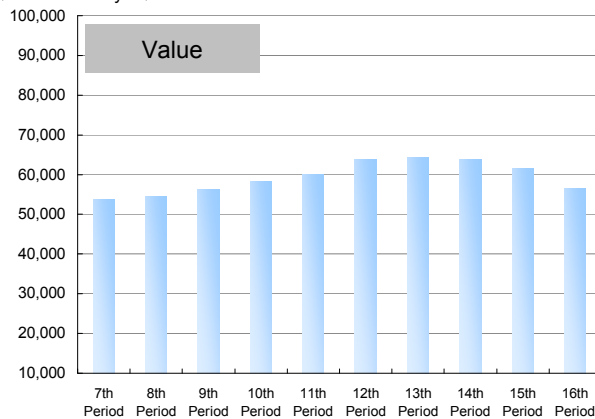


(In millions of yen)

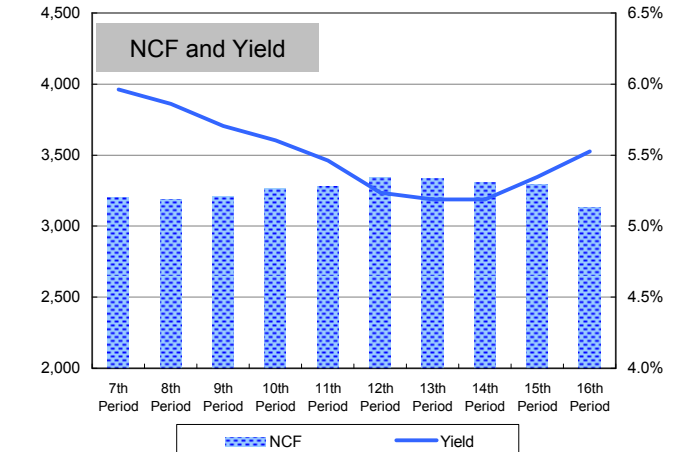


## Other Areas

(In millions of yen)



(In millions of yen)



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

# Historical NOI Yield (Investment Yield)



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

\* NOI Yield = Annualized NOI/Acquisition Price

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

		4th Period Sep-03	5th Period Mar-04	6th Period Sep-04	7th Period Mar-05	8th Period Sep-05	9th Period Mar-06	10th Period Sep-06	11th Period Mar-07	12th Period Sep-07	13th Period Mar-08	14th Period Sep-08	15th Period Mar-09	16th Period Sep-09
20 properties held as of the beginning of the 4th Period Acquisition price: ¥130.6 billion	Revenues	100.0	98.4	95.7	93.7	94.2	94.4	94.2	93.7	96.6	95.0	95.7	91.8	92.9
	Average occupancy rate during period	95.3%	96.1%	96.6%	97.7%	98.8%	98.8%	98.8%	97.7%	98.2%	97.3%	96.8%	93.7%	93.5%
	NOI yield	6.33%	6.28%	5.87%	5.82%	5.97%	6.07%	6.04%	5.71%	6.24%	5.59%	6.16%	5.84%	4.93%
32 properties held as of the beginning of the 8th Period Acquisition price: ¥205.6 billion	Revenues					100.0	100.0	101.3	100.0	103.7	103.7	105.2	100.7	101.3
	Average occupancy rate during period					98.7%	98.6%	98.6%	97.4%	97.9%	97.5%	96.3%	93.6%	93.3%
	NOI yield					5.88%	5.90%	5.97%	5.73%	6.07%	5.78%	6.34%	5.90%	5.42%
46 properties held as of the beginning of the 12th Period Acquisition price: ¥390.5 billion	Revenues									100.0	100.6	101.3	98.5	97.8
	Average occupancy rate during period									98.1%	98.0%	97.1%	95.2%	94.2%
	NOI yield									5.54%	5.36%	5.68%	5.40%	5.09%
55 properties held as of the beginning of the 16th Period Acquisition price: ¥564.2 billion	Revenues													100.0
	Average occupancy rate during period													94.4%
	NOI yield													4.93%

20 properties (4th Period)

Excluding 6 properties already transferred and Sendai Honma, Sakaisujihonmachi, Kanazawa Park and Aoyama Crystal from 30 properties at the beginning of the 4th Period

32 properties (8th Period)

Excluding 6 properties already transferred and Sendai Honma, NHK Hiroshima, Sanno Grand, Jozenji Park, Harmony Tower, Ginza Sanwa, Ryosin Ginza EM, Hachioji First and Nibancho Garden from 47 properties at the beginning of the 8th Period

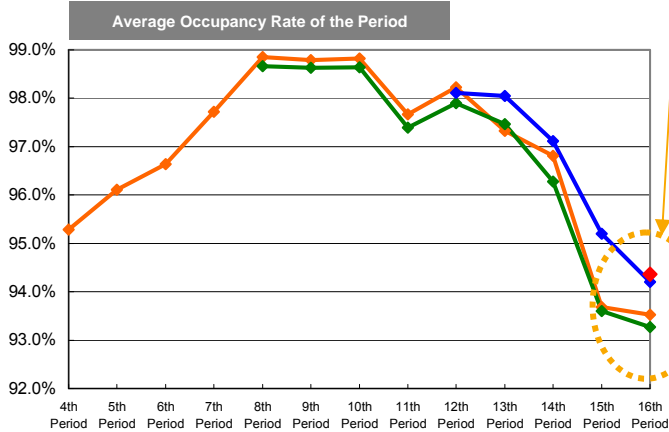
46 properties (12th Period)

Excluding 1 property already transferred and NHK Hiroshima, Hachioji First and Mitsubishi UFJ Trust from 50 properties at the beginning of the 12th Period

55 properties (16th Period)

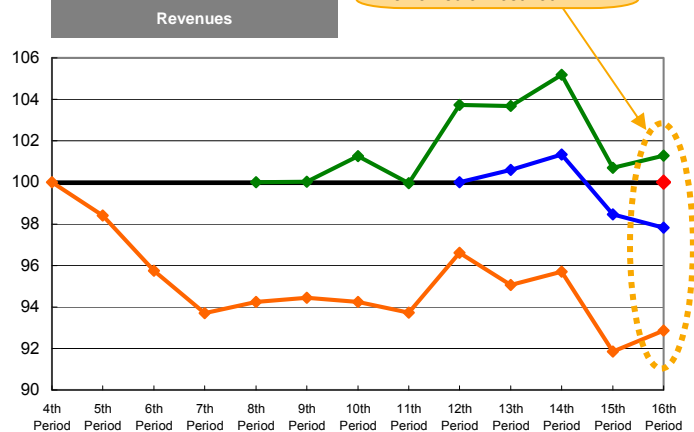
55 properties held as of the beginning of the 16th Period

The average occupancy rate for the period declined mainly for the properties located in regional cities due to the impact of a deteriorating office building leasing market.

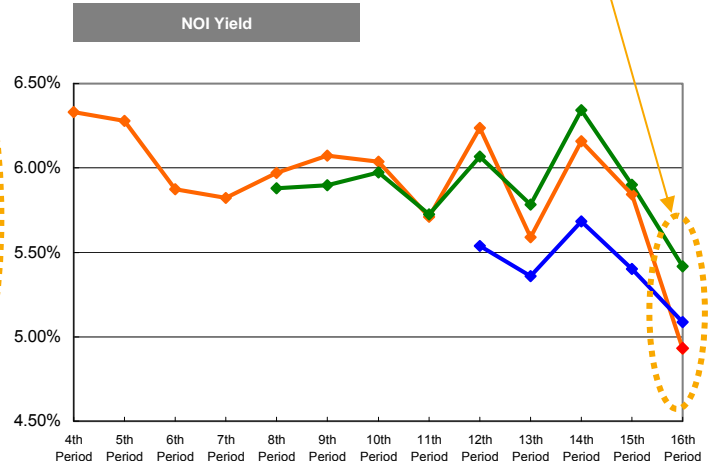


- 20 properties held as of the beginning of the 4th Period
- 32 properties held as of the beginning of the 8th Period
- 46 properties held as of the beginning of the 12th Period
- 55 properties held as of the beginning of the 16th Period

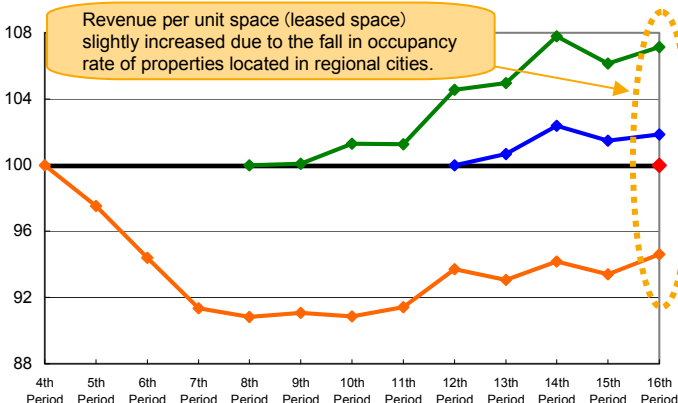
Property-related revenues remained almost flat.



The NOI temporarily fell due to the rise in repairing expenses for Shibuya Cross Tower and other properties in the 16th Period. The NOI yield for 55 properties held at the beginning of the 16th Period was 4.9%.



### Revenues / Average Occupancy Rate of the Period

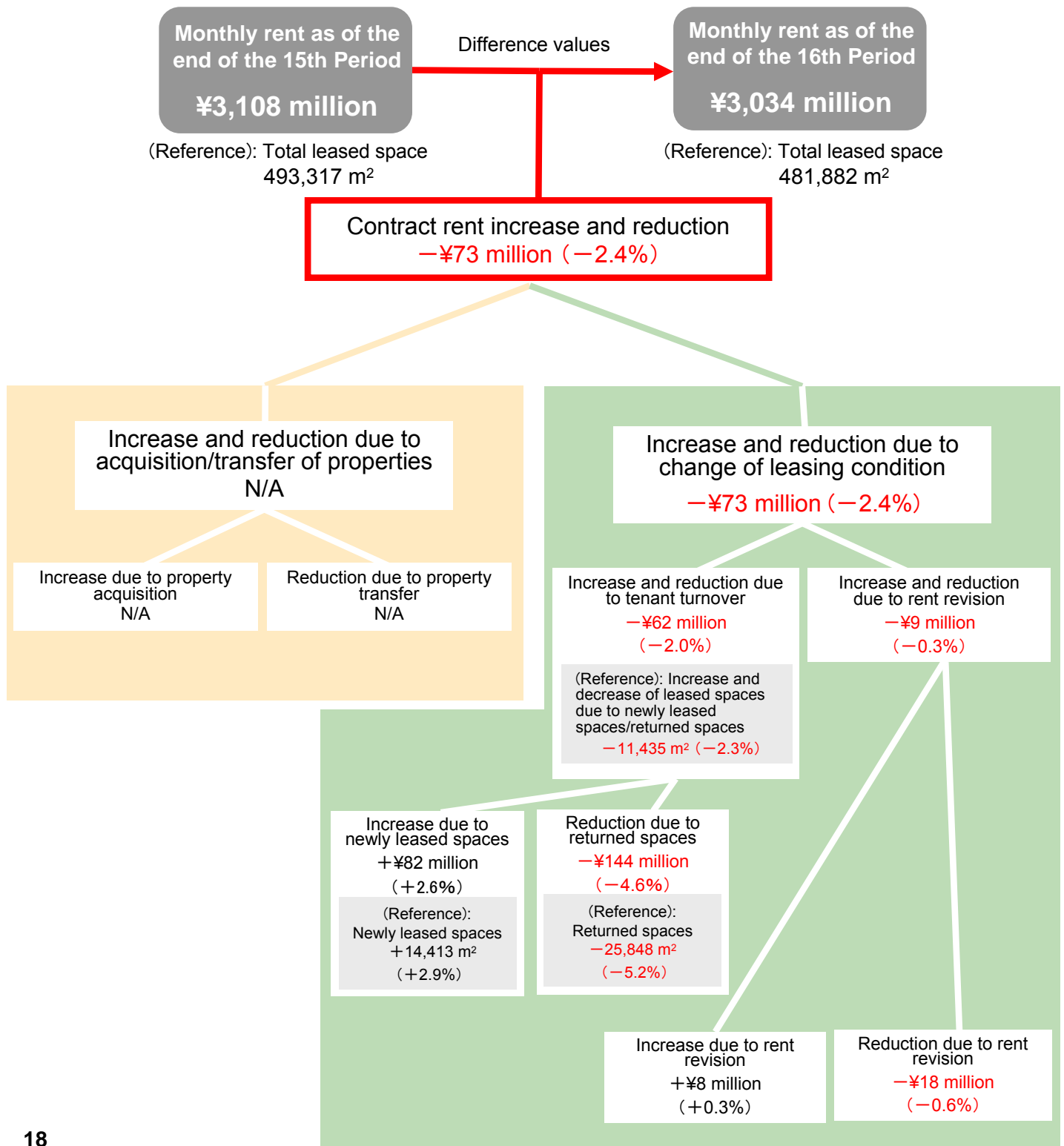


# Contract Rent Increase and Reduction



## Contract Rent Increase and Reduction (16th Period)

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



## Contract Rent Increase and Reduction (Trend)

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

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

### Factors for rent increase and reduction

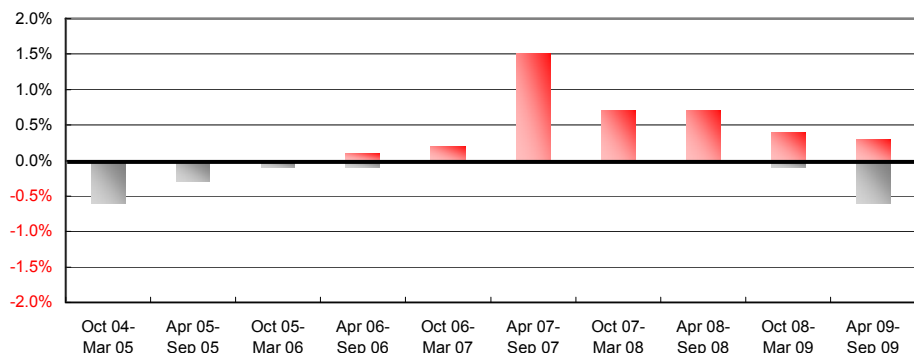
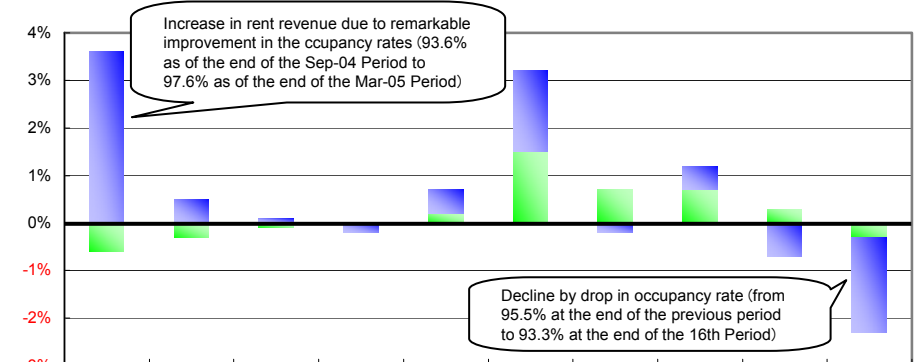
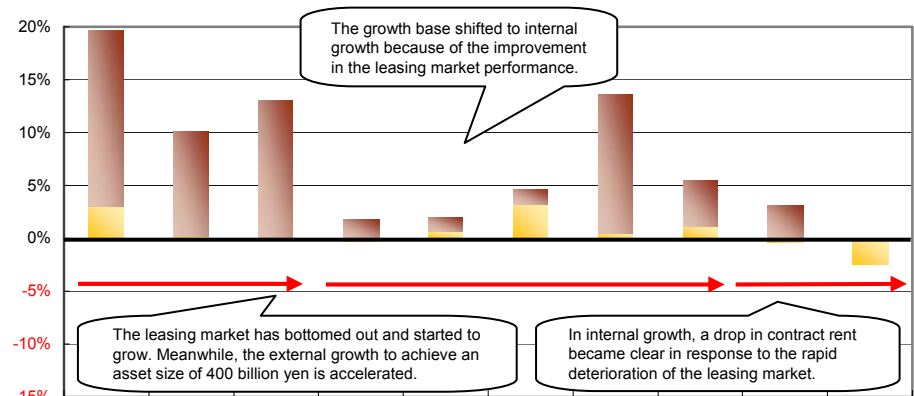
- Increase and reduction due to acquisition/transfer of properties
- Increase and reduction due to change of leasing condition

### Increase and reduction due to change of leasing condition

- Increase and reduction due to tenant turnover
- Increase and reduction due to rent revision

### Increase and reduction due to rent revision

- Increase due to rent revision
- Reduction due to rent revision



## External Growth

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

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

## Internal Growth

### Internal growth by our continuous efforts since IPO

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



## Growth of Dividends

Now, the wind is changing direction. We must skillfully ride the upward current by steering toward an operation focused on external growth. Nevertheless, safe operation is our fundamental rule at all times!!



### Financial Strategy

#### Sustain and enhance financial soundness

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

**Aim at stable operations while capturing opportunities under cyclical market**

**↳ Shift from internal-growth oriented operations to external-growth oriented operations**

<Market environment and the growth strategy (image)>



**Execution of “Public offering” and “Property acquisition”**

- Despite the massive 54.6 billion yen investment for the acquisition of the additional share (30%) in Shiodome Building, JRE does not raise the level of LTV, and maintains a conservative LTV of approximately 39% by issuing new investment units.
- JRE is prepared for further external growth by maintaining good financial health.

# Property Acquisition Schedule (the 17th Period)



## Shiodome Building (Additional Acquisition) (30%)



<Exterior>



### Transaction Summary

- Seller: MARE. Y. K.
- Acquisition price: ¥54,600 million
- Appraisal value: ¥59,700 million  
(as of November 1, 2009)
- Acquisition date: January 15, 2010 (scheduled)

versus  
appraisal value  
-8.5%

### Property Summary

- Address: 1-2-20 Kaigan, Minato-ku, Tokyo
- Area: <Land> approx. 12,046m<sup>2</sup> (\*) <Building> 115,930.83m<sup>2</sup>  
 (\*) The property lies within an area designated for execution of the Shiodome Land Readjustment Project under the Tokyo Metropolitan Urban Land Development Business Plan, and the land area mentioned above is total land area of designated provisional replotting.
- Structure: Steel-framed structure, steel-framed reinforced concrete structure, flat roof  
Above ground: 24 floors Below ground: 2 floors
- Completion date: December 2007
- Type of ownership: Trust beneficiary right in trust of real estate (quasi-co-ownership 30.0%)  
<Land/Building> Ownership  
\*Changes in quasi-co-ownership of the trust beneficiary right after the additional acquisition: 10.0%→40.0% (+30.0%)
- Leasable space: 32,151m<sup>2</sup> (for JRE share of ownership after the additional acquisition (40%) as of September 30, 2009)
- Occupancy rate: 99.7% (as of September 30, 2009)

Annualized NOI (actual)  
(Annualized NOI was calculated based on the actual NOI for the six-month period from April 1, 2009 to September 30, 2009)

¥3,004 million  
(Yield 5.5%)

Estimation of Annualized NOI under normal operations,  
with a conservative leasing market factored in

¥2,445 million  
(Yield 4.5%)

# Issuance of New Investment Units



## Summary of the 6th Investment Unit Issue

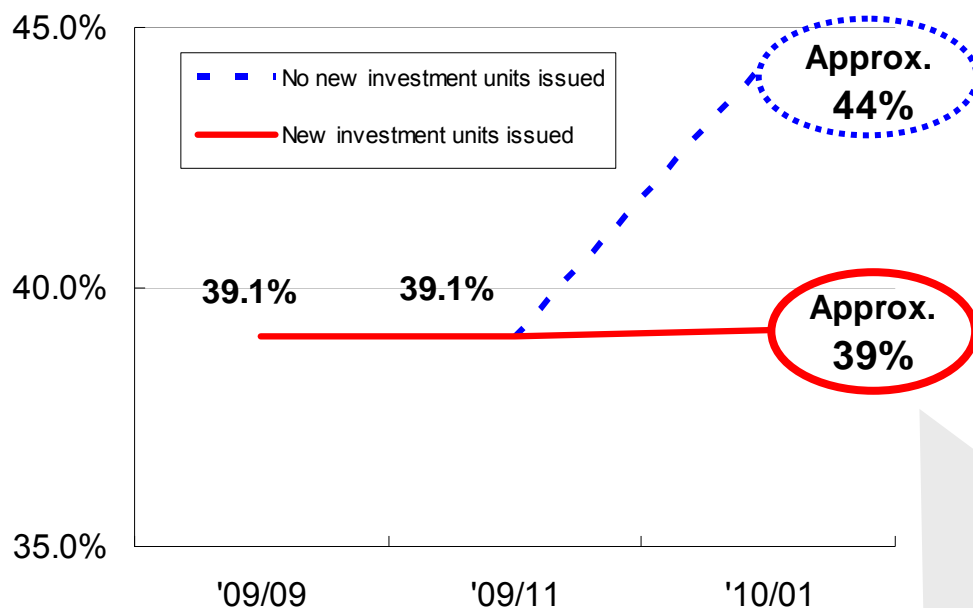
- Number of units issued: 46,200 units (public offering:42,000 units / third-party allocation:4,200 units (upper limit)) (Number of units outstanding after offering : 489,200 units (Note))
  - Offer price : ¥597,520 per unit
  - Issue price : ¥579,040 per unit
  - Aggregate amount of issue price : approx. ¥26,700 million (Note) →
  - Launch date : November 18, 2009
  - Price determination date : December 1, 2009 (Tuesday)
  - Payment date : December 8, 2009 (Tuesday)
- (Note) The figures are the maximum number of units and issue price based on the assumption that the third-party allocation is exercised 100%.

**<Use of Proceeds>**  
 ● Part of funds (¥54,600 million) for acquisition of asset: ¥20,000 million  
 ● Remaining amount (approx. ¥6,700 million) is used for repayment of loans.

(Reference) Net assets per unit as of the 16th Period (September 30, 2009)  
 (Book value base): ¥690,984 / (Appraisal value base): ¥806,582

## Change in LTV as a Result of Issuance of New Investment Units

LTV after additional acquisition of Shiodome Building



Further growth capacity is secured through leverage control by the issue of new investment units.

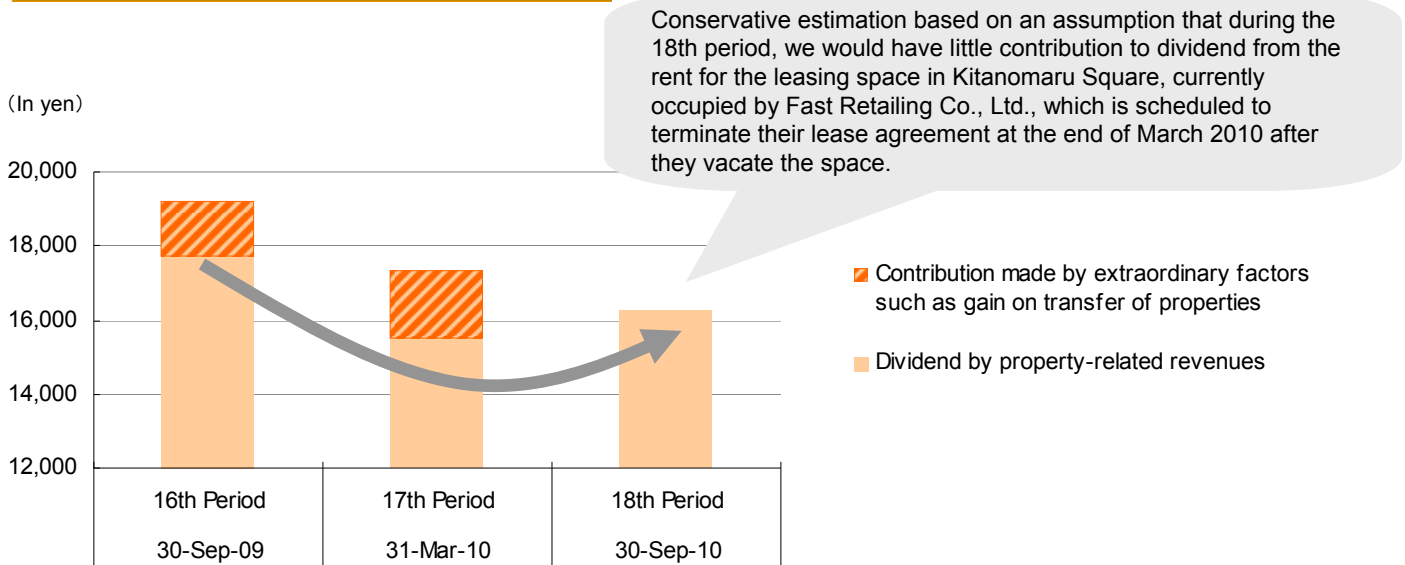
Debt capacity is approximately **7 billion yen** for up to 40% LTV  
 Debt capacity is approximately **63 billion yen** for up to 45% LTV

(Note) "No new investment units issued" indicates a scenario where we assume, in calculating the balance sheet as of the end of September 2009, that the 54.6 billion yen in funds for acquiring the thirty percent additional share of Shiodome Building was entirely procured through borrowing.  
 "New investment units issued" indicates a scenario where we assume that the issuance of investment units via third party allocation is 100% exercised.

# Image of the Dividend per Unit



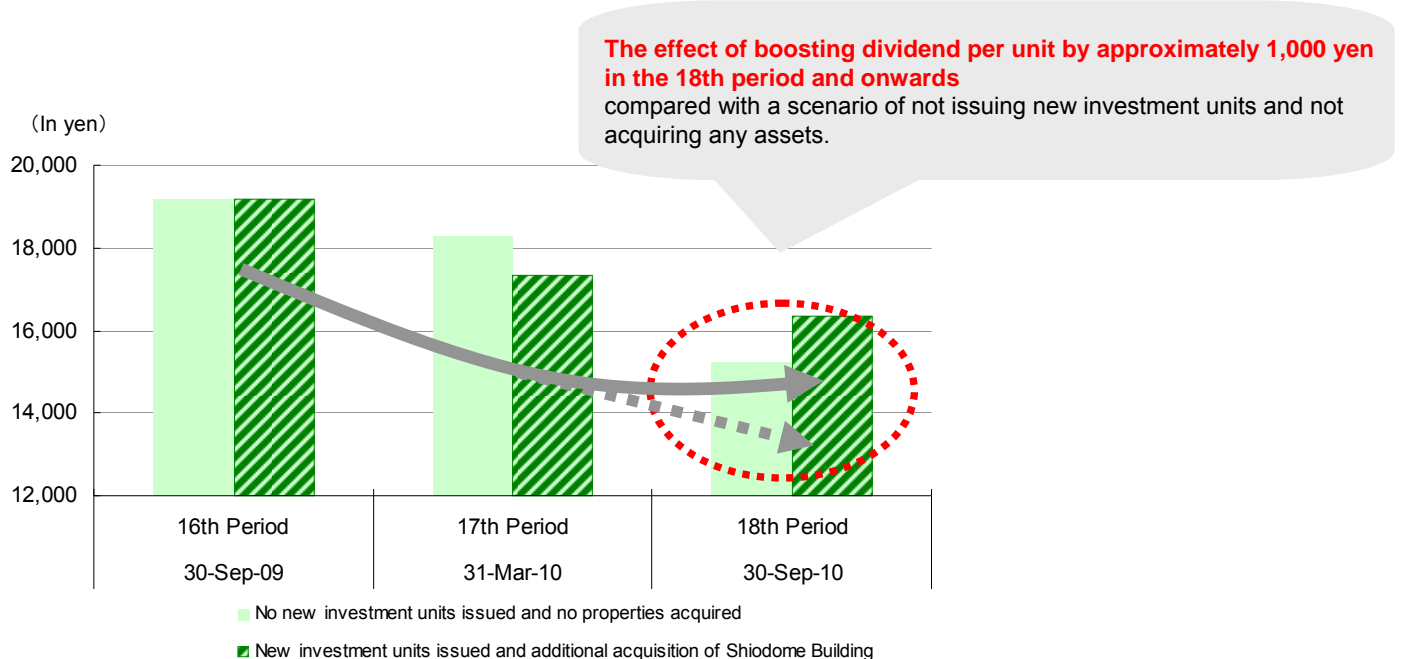
## Trend in Dividend per Unit



The dividend per unit as of the 18th Period (September 2010) will increase by slightly over ¥700 on the basis of property-related revenues.

**→ Aim at stable growth of dividend despite the severe market environment**

## Effect in the Dividend per Unit due to the New Unit Issue and Property Acquisition



## MEMO

# **1. Details of the 16th Period**

# Income Statement for the 16th Period



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

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

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

\*2 Excluding Depreciation

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

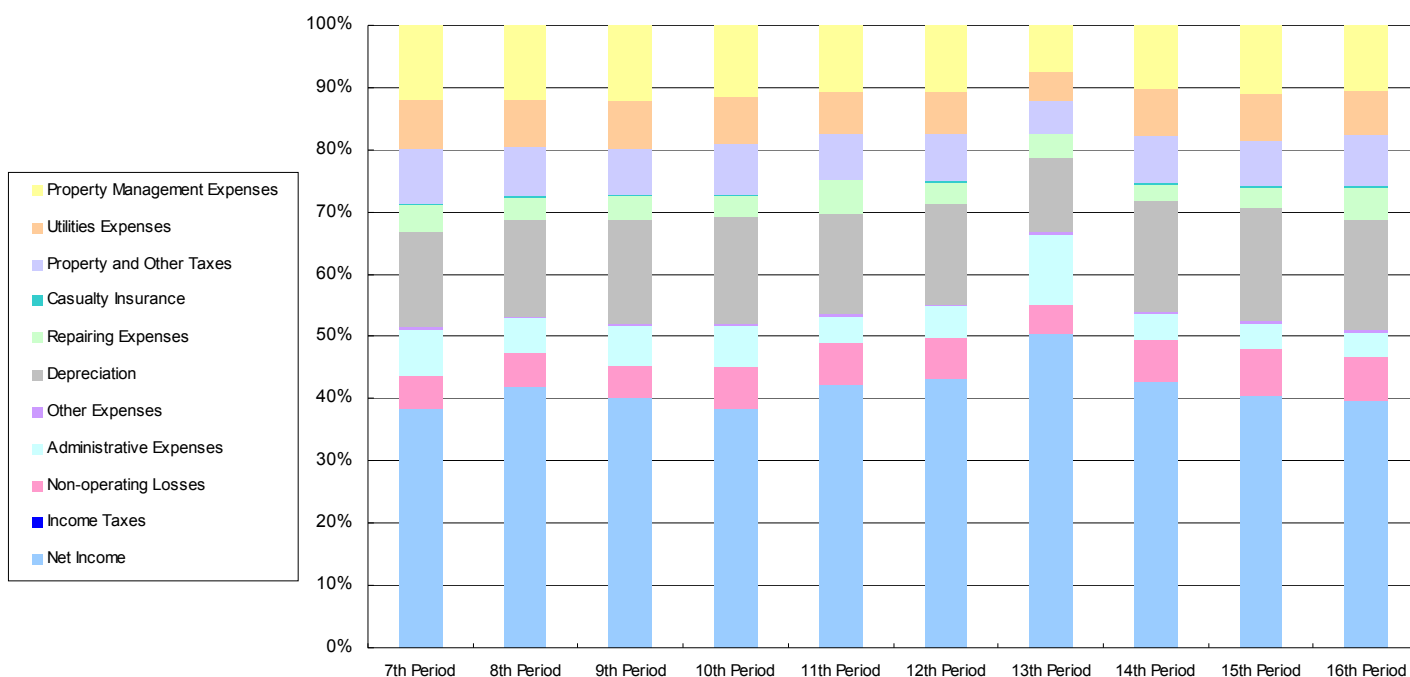
\*4 Net income+Depreciation—Gain on transfer of development rights of floor area



### <Percentage of Operating Revenues>

	7th Period 31-Mar-05	8th Period 30-Sep-05	9th Period 31-Mar-06	10th Period 30-Sep-06	11th Period 31-Mar-07	12th Period 30-Sep-07	13th Period 31-Mar-08	14th Period 30-Sep-08	15th Period 31-Mar-09	16th Period 30-Sep-09
Operating Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property Management Expenses	11.9%	11.9%	12.1%	11.3%	10.7%	10.7%	7.5%	10.4%	10.9%	10.4%
Utilities Expenses	8.0%	7.7%	7.7%	7.7%	6.7%	6.7%	4.7%	7.3%	7.6%	7.2%
Property and Other Taxes	8.7%	7.9%	7.4%	8.2%	7.3%	7.7%	5.2%	7.6%	7.3%	8.2%
Casualty Insurance	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.1%	0.2%	0.2%	0.2%
Repairing Expenses	4.4%	3.6%	3.8%	3.3%	5.4%	3.3%	3.8%	2.6%	3.3%	5.2%
Depreciation	15.3%	15.4%	16.9%	17.2%	16.0%	16.2%	11.9%	18.0%	18.3%	17.7%
Other Expenses	0.4%	0.2%	0.2%	0.3%	0.3%	0.2%	0.4%	0.3%	0.4%	0.5%
Administrative Expenses	7.3%	5.6%	6.4%	6.5%	4.3%	5.1%	11.1%	4.1%	4.0%	3.8%
Non-operating Losses	5.4%	5.5%	5.2%	6.8%	6.6%	6.6%	4.9%	6.9%	7.4%	7.2%
Income Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net Income	38.3%	42.0%	40.0%	38.4%	42.4%	43.3%	50.3%	42.7%	40.7%	39.5%

\*In operating revenues, gain on transfer of properties is included from the 10th Period to the 12th Period, dividends earned are included in the 13th Period, and gain on transfer of development rights of floor area is included in the 16th Period.



# Balance Sheet for the 16th Period



(In millions of yen)

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

(In millions of yen)

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

# Cash Flow and Dividend Statement for the 16th Period



## Cash Flow Statement

(In millions of yen)

Item	16th Period (183 days)
Cash Flow from Operating Activities	12,135
Income before income taxes	8,505
Depreciation	3,801
Other	-171
Cash Flow from Investing Activities	-7,143
Cash Flow from Financial Activities	-8,420
Proceeds from short-term loans	22,500
Repayment of short-term loans	-22,500
Proceeds from long-term loans	0
Repayment of long-term loans	0
Proceeds from investment corporation bonds	0
Payments of investment corporation bond redemption	0
Payments of investment corporation bond issuance costs	0
Proceeds from issuance of units	0
Payment of new unit issuance costs	0
Dividends to unitholders	-8,420
Net Change in Cash and Cash Equivalents	-3,428
Cash and Cash Equivalents at Beginning of Period	18,349
Cash and Cash Equivalents at End of Period	14,920

## Dividend Statement

(In yen)

Item	16th Period (183 days)
Retained Earnings at End of Period	8,504,745,737
Total Amount of Dividends	8,504,714,000
Retained Earnings	31,737

Dividend per unit: **19,198 yen** (15th Period: 19,020 yen)

# Financial Ratios



Financial Ratio	Period Number of days	12th Period Ended Sep 30, 2007 183days	13th Period Ended Mar 31, 2008 183days	14th Period Ended Sep 30, 2008 183days	15th Period Ended Mar 31, 2009 182days	16th Period Ended Sep 30, 2009 183days
Return on Assets (ROA)		1.7%	2.6%	1.6%	1.5%	1.5%
(annualized)		3.4%	5.3%	3.1%	3.1%	3.0%
Return on Equity (ROE)		2.8%	4.7%	2.7%	2.8%	2.8%
(annualized)		5.6%	9.3%	5.5%	5.5%	5.5%
EOP Equity Ratio		60.6%	58.9%	56.4%	54.2%	54.2%
LTV (1)		32.1%	33.6%	36.7%	39.0%	39.1%
LTV (2)		35.3%	37.4%	40.1%	42.6%	42.6%
LTV (3)		32.3%	34.2%	36.7%	39.1%	39.1%
LTV (4)		27.2%	28.7%	30.9%	34.6%	37.3%
EOP Long-term Debt to Capitalization		101.4%	108.2%	106.5%	111.1%	114.2%
Debt Service Coverage Ratio (DSCR)		10.4 times	14.2 times	9.7 times	8.9 times	9.0 times
NOI (In millions of yen)		12,073	12,197	14,173	14,575	13,950
FFO (In millions of yen)		10,022	8,078	12,009	12,213	11,577

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

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

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

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

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

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

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

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

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

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

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

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

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

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

\* FFO = Net income + Depreciation – Gain on transfer of properties – Dividends earned – Gain on transfer of development rights of floor area

## MEMO

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

# Property Data (Photos and Location)



As of September 30, 2009

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

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



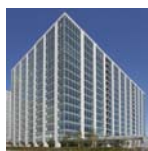
## Other Areas



1 Hachioji First



2 Saitama Urawa



3 MM Park



4 Kawasaki Isago



5 Musashi Kosugi STM



6 8+3 Square Kita



7 Jozenji Park



8 Sendai Honma



9 Kanazawa Park



10 Nishiki Park



11 Hirokoji Sakae



12 Nagoya Hirokoji



13 Nagoya Misono



14 Kyoto Kawaramachi



15 Shin-Fujita



16 Sakaisuji-honmachi



17 Midotsuji Daiwa



18 Lit City



19 NHK Hiroshima



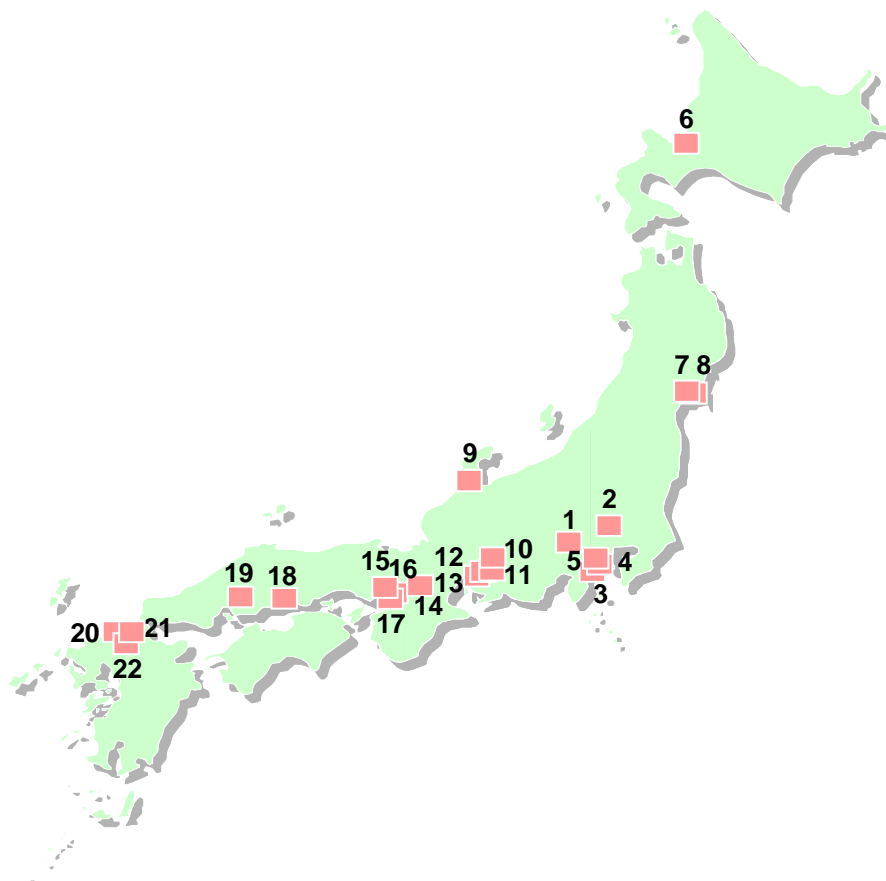
20 Tosei Tenjin



21 Tenjin Crystal



22 Hinode Tenjin

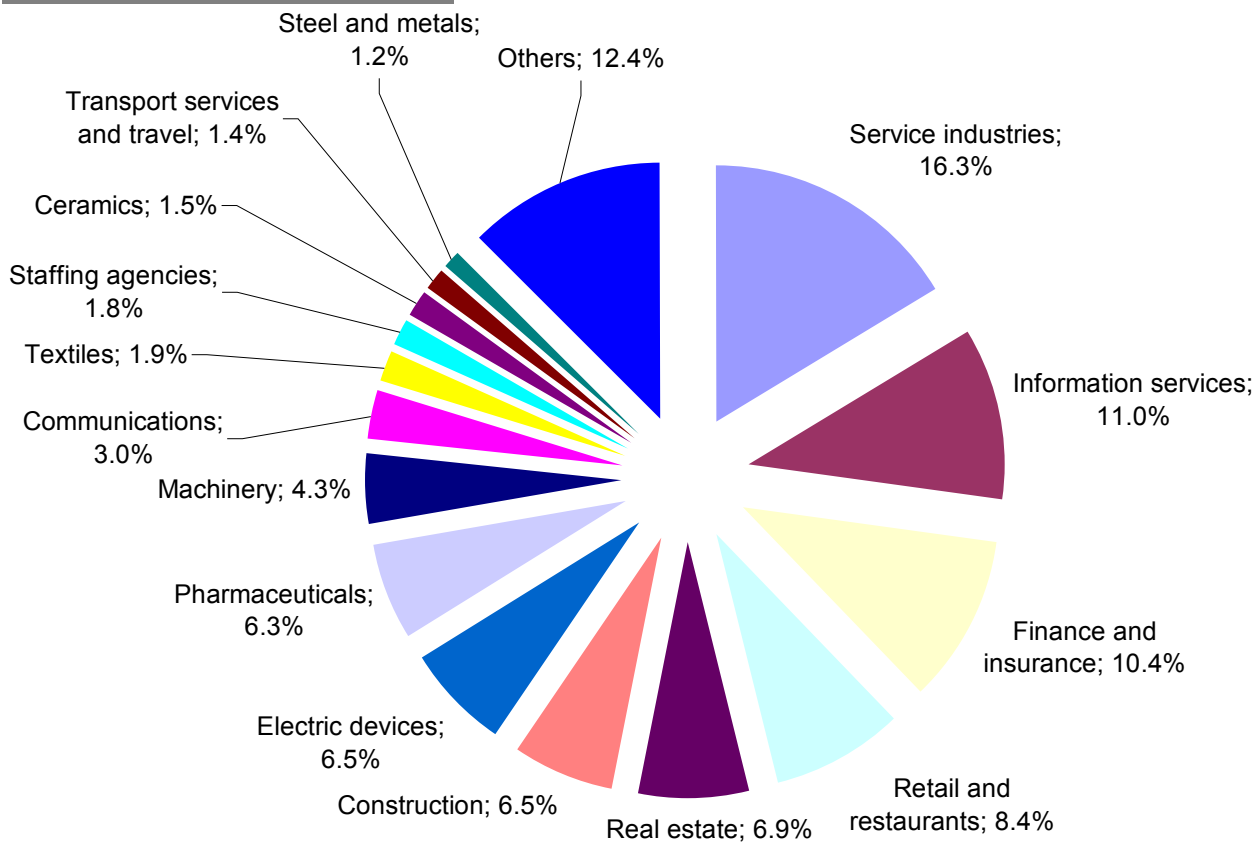


# Tenant Data ① (Diversification)



## Tenant Diversification

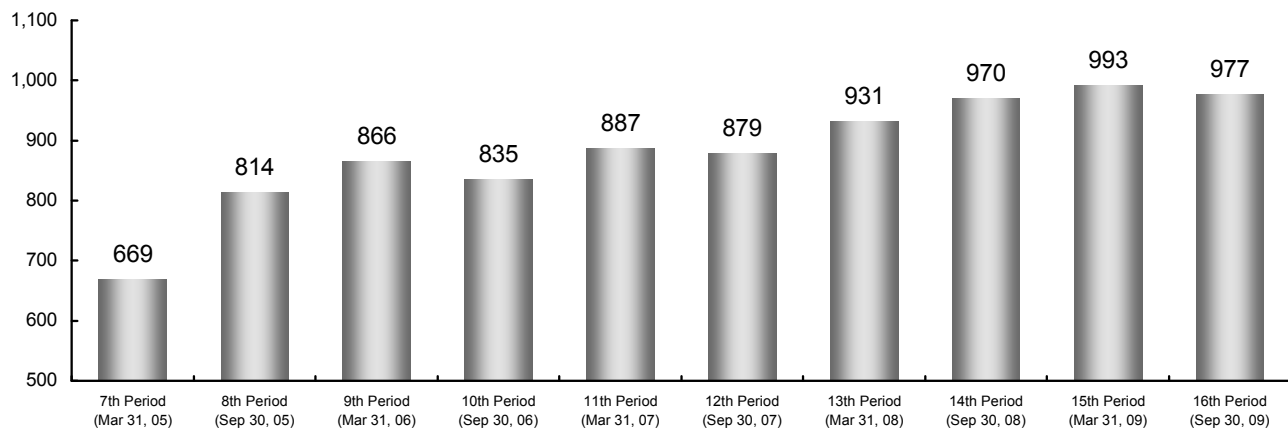
55 properties as of September 30, 2009  
Based on the leased space



## Number of Tenants

Gross number of tenants

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



# Tenant Data ② (Major Tenants)



## Major Tenants (Top 10)

55 properties as of September 30, 2009

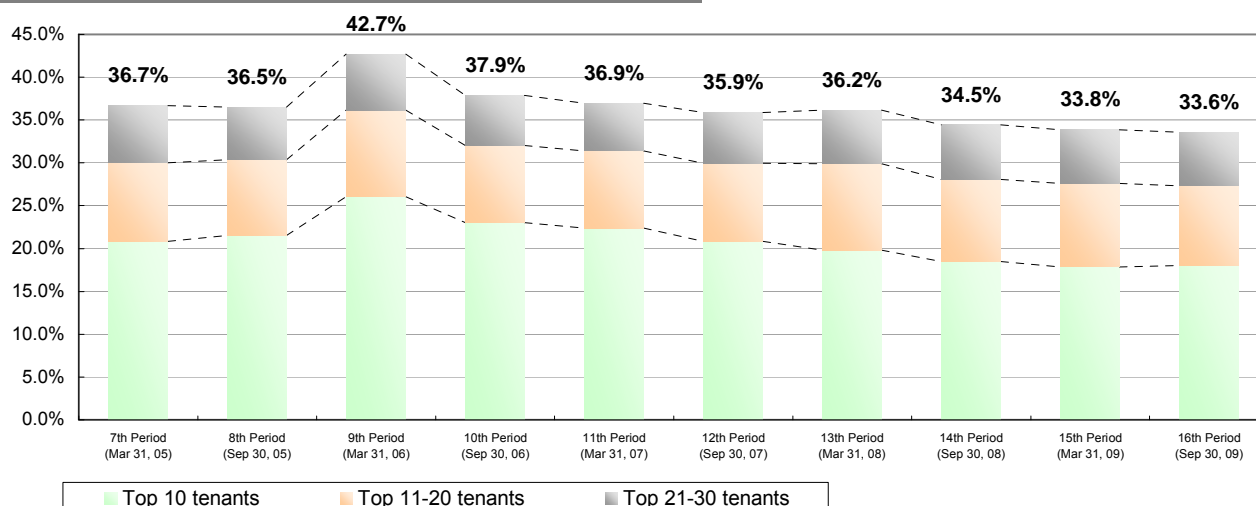
16th Period-end					15th Period-end		Leased Space Change (m <sup>2</sup> )
Rank	Tenant	Property	Leased Space (m <sup>2</sup> )	% of Total Leased Space	Rank	Leased Space (m <sup>2</sup> )	
1	Banyu Pharmaceutical Co., Ltd.	Kitanomaru Square (also includes 1 other building)	17,014	3.5%	1	17,014	0
2	Mitsubishi UFJ Trust and Banking Corporation	Mitsubishi UFJ Trust and Banking Building	10,665	2.2%	2	10,665	0
3	Seven & i Holdings Co., Ltd.	Nibancho Garden	9,316	1.9%	3	9,316	0
4	Space Design, Inc.	Burex Kojimachi Building (also includes 1 other building)	8,774	1.8%	4	8,774	0
5	FAST RETAILING CO., LTD. (Note 1)	Kitanomaru Square	8,476	1.8%	5	8,476	0
6	JSOL Corporation	Harumi Center Building	7,634	1.6%	6	7,634	0
7	(Note 2)	MM Park Building	6,936	1.4%	7	6,936	0
8	TOTO LTD.	Midosuji Daiwa Building (also includes 1 other building)	6,906	1.4%	8	6,906	0
9	JGC Corporation	MM Park Building	5,560	1.2%	10	5,560	0
10	Accenture Japan Ltd.	MM Park Building (also includes 1 other building)	5,470	1.1%	11	5,470	0
11	Company A		5,246	1.1%	13	5,246	0
12	Company B		4,791	1.0%	14	4,791	0
13	Company C		4,704	1.0%	15	4,704	0
14	Company D		4,675	1.0%	16	4,675	0
15	Company E		4,490	0.9%	18	4,490	0

(Note 1) The lease agreement with FAST RETAILING CO., LTD. is scheduled to terminate as of March 31, 2010.

(Note 2) Not disclosed due to the tenant's request

## Percentage of Major Tenants

55 properties as of September 30, 2009 Based on the leased space





# Tenant Data ④

## (Comparison of Portfolio Rent vs Market Rent)

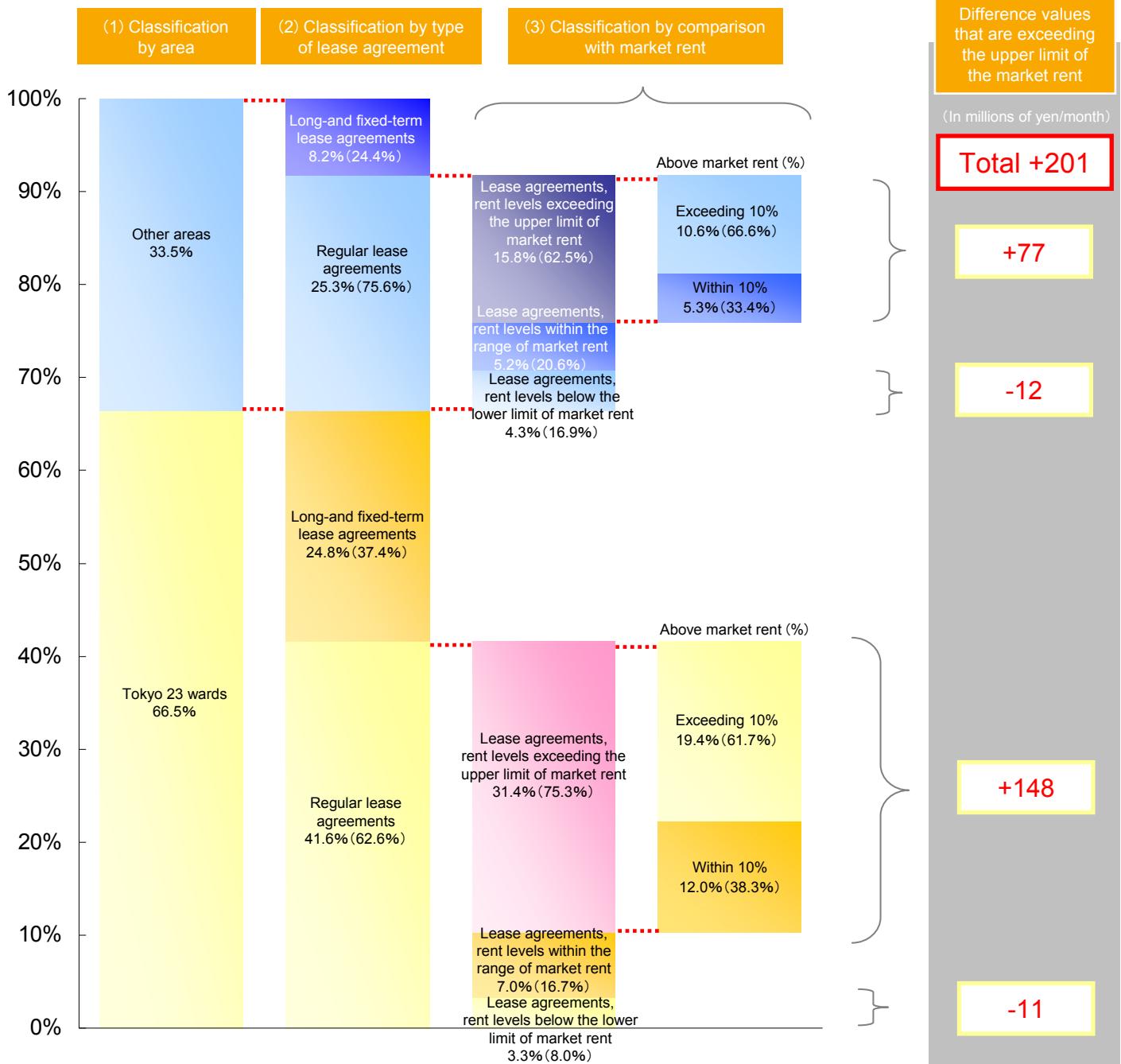


### Classification of Lease Agreements

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

55 properties held as of September 30, 2009. The data is calculated on a **monthly rent** basis including common service charges.

Monthly rent in the entire portfolio, including common service charges  
**¥3,037 million**



\*Long- and fixed-term lease agreements are contracts in which revenues are promised for a period of one year or longer from the end of the 16th Period.  
 \*Regular lease agreements are contracts other than the long- and fixed-term lease agreements.  
 \*Lease agreements, rent levels within the range of market rent are contracts in which the rent level falls in the range of the upper and lower limits of the CBRE assessed rent. At the same time, lease agreements for special purposes, such as office space in the basement and machine rooms, etc., are included in this category.

# Tenant Data ⑤ (Tenant Turnover)

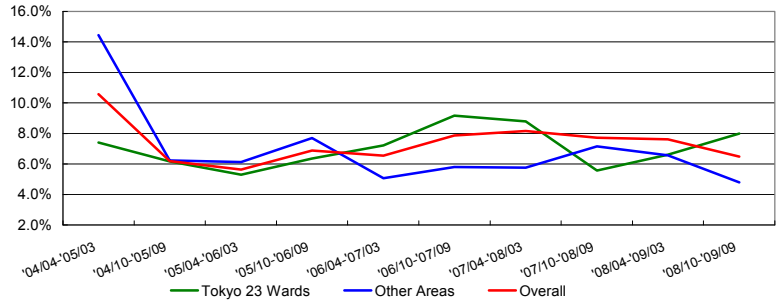


## Ratio of Annual Turnover

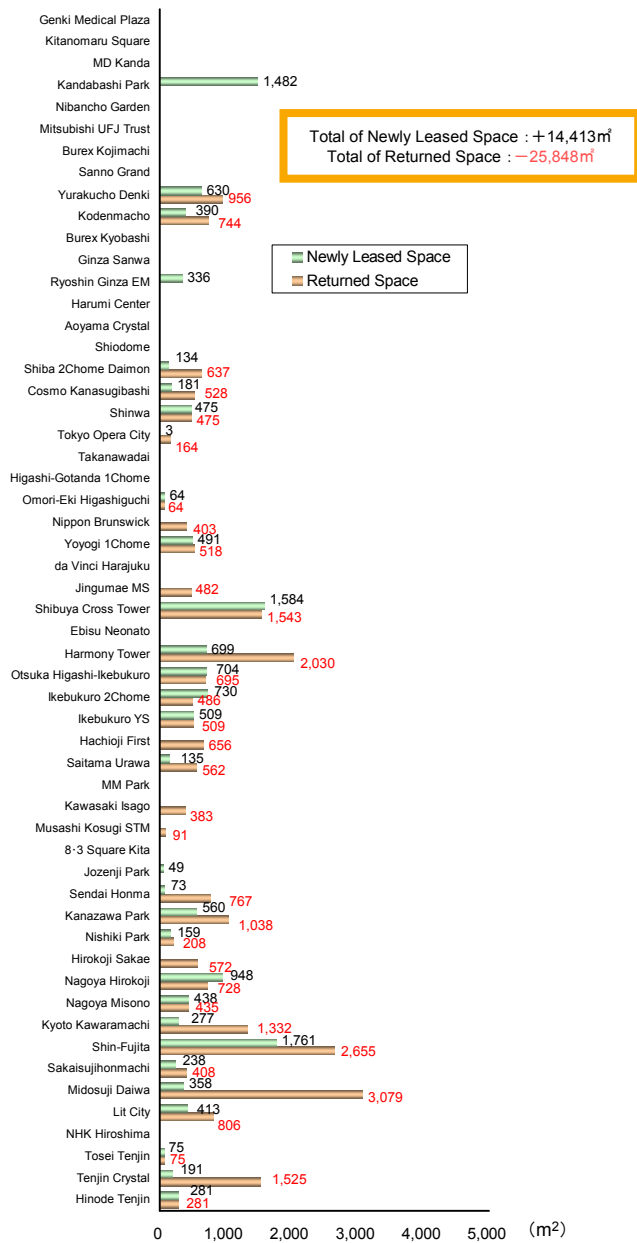
Ratio of Annual Tenant Turnover (\*)

	'04/04-'05/03	'04/10-'05/09	'05/04-'06/03	'05/10-'06/09	'06/04-'07/03	'06/10-'07/09	'07/04-'08/03	'07/10-'08/09	'08/04-'09/03	'08/10-'09/09
Tokyo 23 Wards	7.4%	6.2%	5.3%	6.3%	7.2%	9.2%	8.8%	5.6%	6.6%	8.0%
Other Areas	14.4%	6.2%	6.1%	7.7%	5.1%	5.8%	5.7%	7.2%	6.6%	4.8%
Overall	10.6%	6.2%	5.6%	6.9%	6.6%	7.9%	8.2%	7.7%	7.6%	6.5%

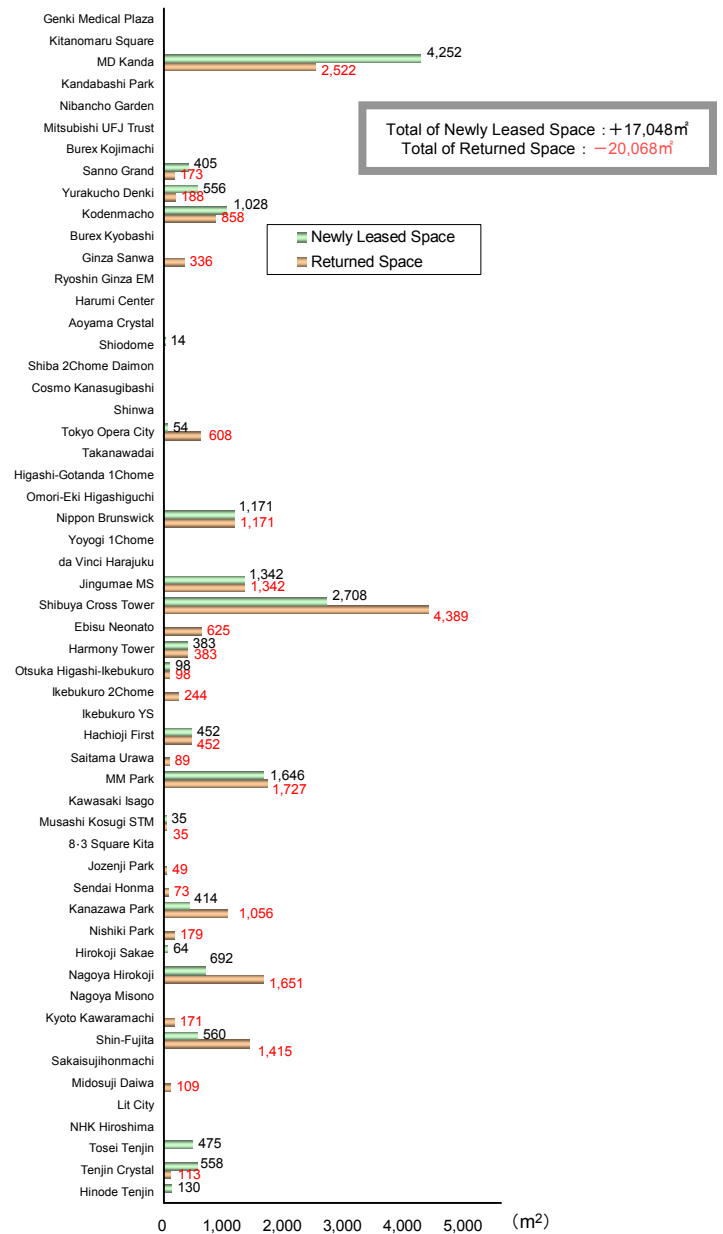
\*Ratio of Annual Tenant Turnover is calculated using the following formula: the area for which tenants changed (the smaller of either the leased space or returned space during the year) ÷ ((area of leased space at the end of the period + area of leased space at the end of the period before the preceding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



## 16th Period

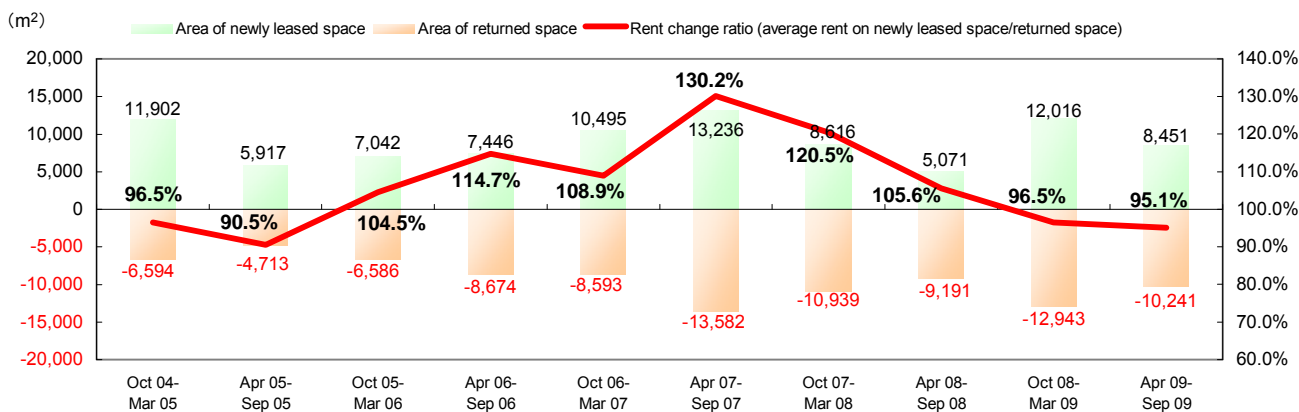


## 15th Period

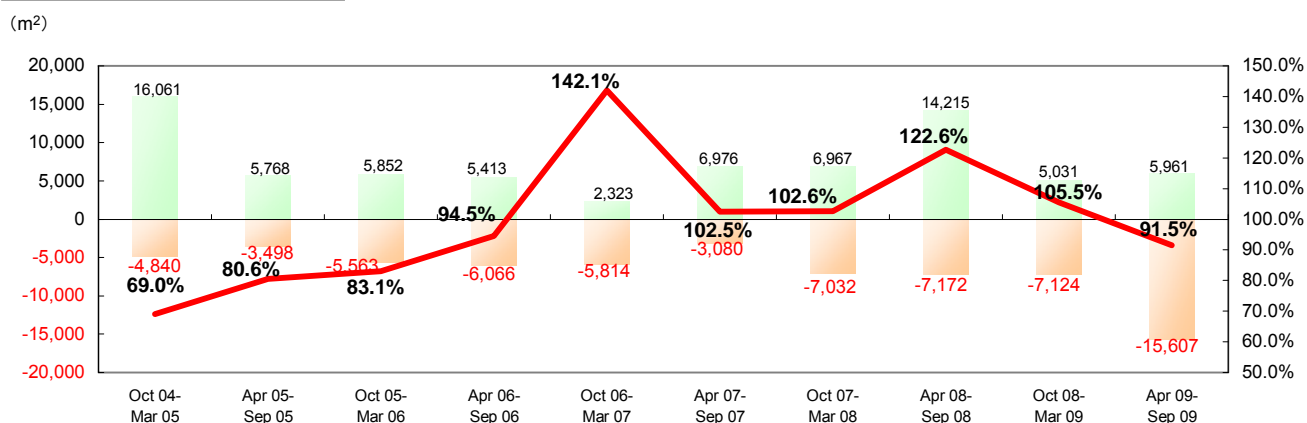


## Trend in Area of Newly Leased & Returned Space and Rent Change Ratio

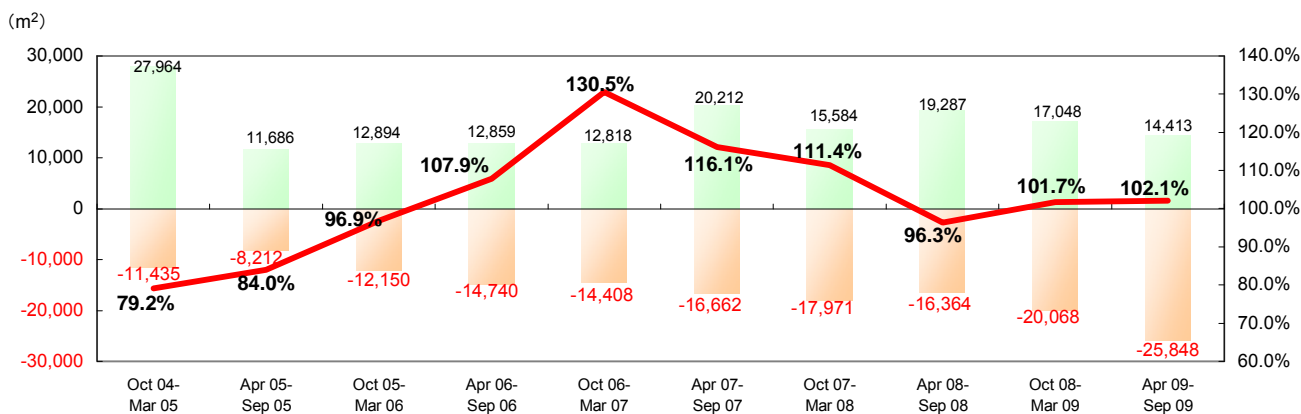
### Tokyo 23 Wards



### Other Areas



### Overall



# Tenant Data ⑥ (Trend of Rent Revision)



## Existing Tenants: Trend of Rent Increase and Reduction

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

### <Rent increase revision>

In thousands of yen/month

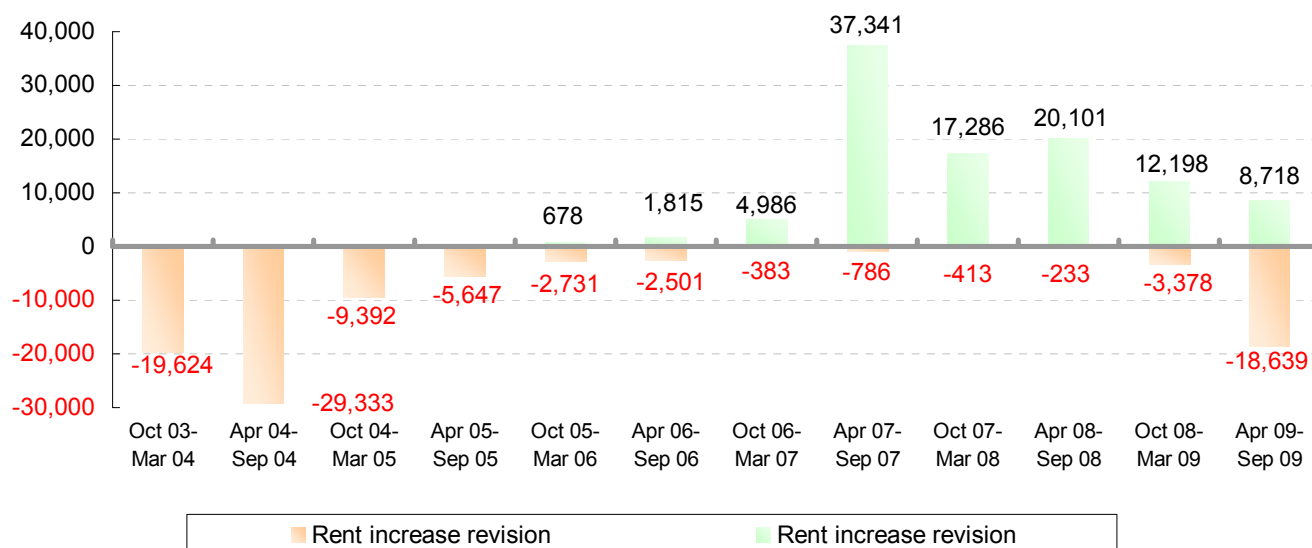
	Oct 03-Mar 04	Apr 04-Sep 04	Oct 04-Mar 05	Apr 05-Sep 05	Oct 05-Mar 06	Apr 06-Sep 06	Oct 06-Mar 07	Apr 07-Sep 07	Oct 07-Mar 08	Apr 08-Sep 08	Oct 08-Mar 09	Apr 09-Sep 09
Tokyo 23 Wards					646	1,706	4,979	35,780	15,600	17,771	11,006	4,326
Other Areas					32	109	6	1,560	1,685	2,329	1,191	4,391
Overall					678	1,815	4,986	37,341	17,286	20,101	12,198	8,718

### <Rent reduction revision>

	Oct 03-Mar 04	Apr 04-Sep 04	Oct 04-Mar 05	Apr 05-Sep 05	Oct 05-Mar 06	Apr 06-Sep 06	Oct 06-Mar 07	Apr 07-Sep 07	Oct 07-Mar 08	Apr 08-Sep 08	Oct 08-Mar 09	Apr 09-Sep 09
Tokyo 23 Wards	-14,689	-16,970	-2,179	-3,311	-393	-89	0	-22	-350	-26	-2,218	-10,806
Other Areas	-4,935	-12,362	-7,213	-2,335	-2,337	-2,412	-383	-763	-63	-207	-1,159	-7,833
Overall	-19,624	-29,333	-9,392	-5,647	-2,731	-2,501	-383	-786	-413	-233	-3,378	-18,639

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

(In thousands of yen)





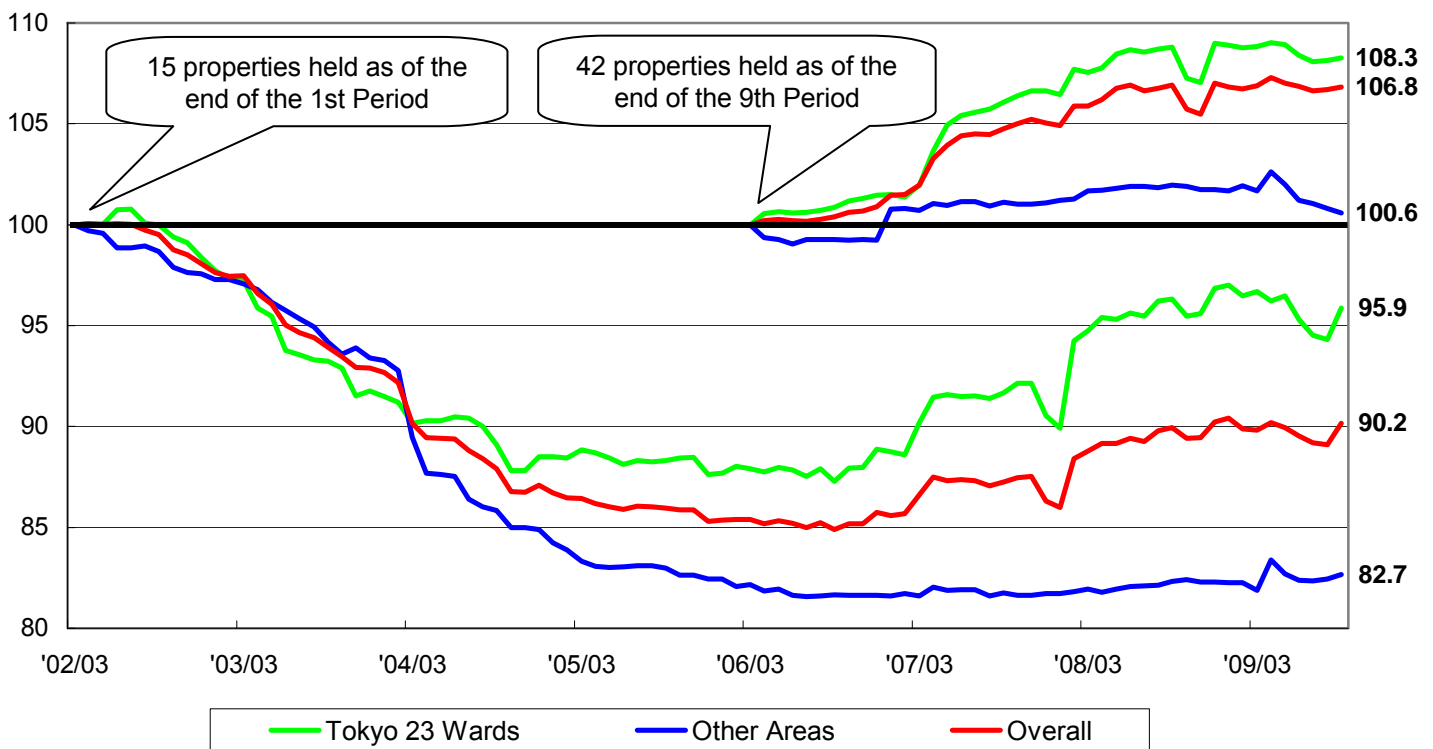
# Tenant Data ⑦

## (Changes in Average Rent Level)



### Changes in Average Rent Level (2002/03 ~ 2009/09)

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

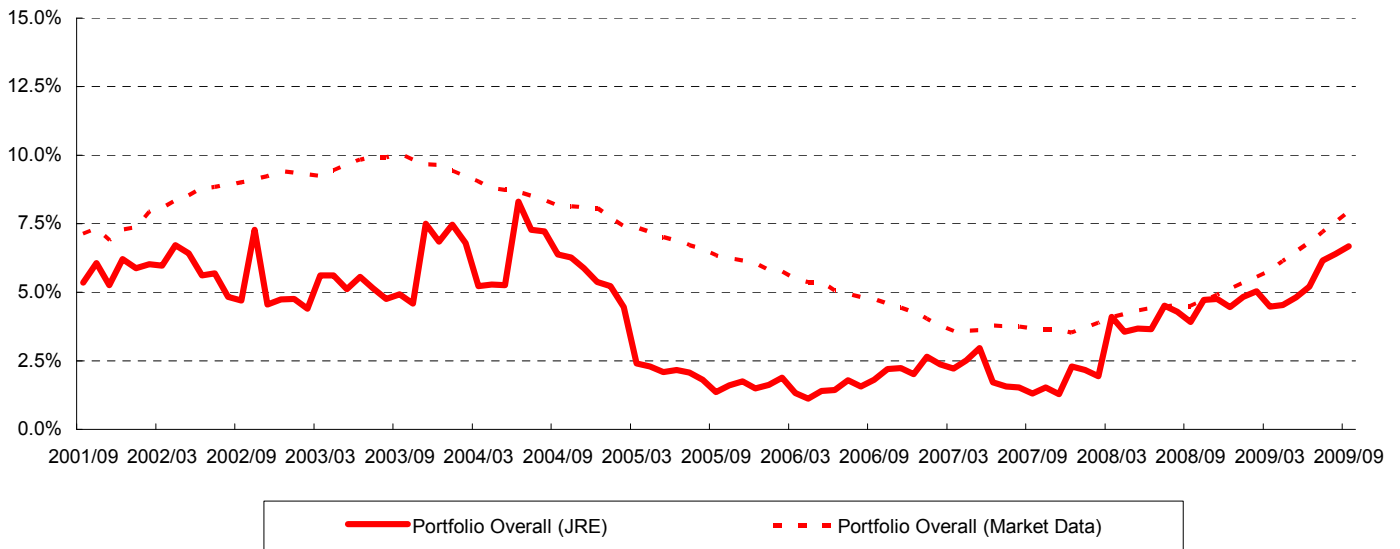


# Tenant Data ⑧ (Rates of Vacancy)

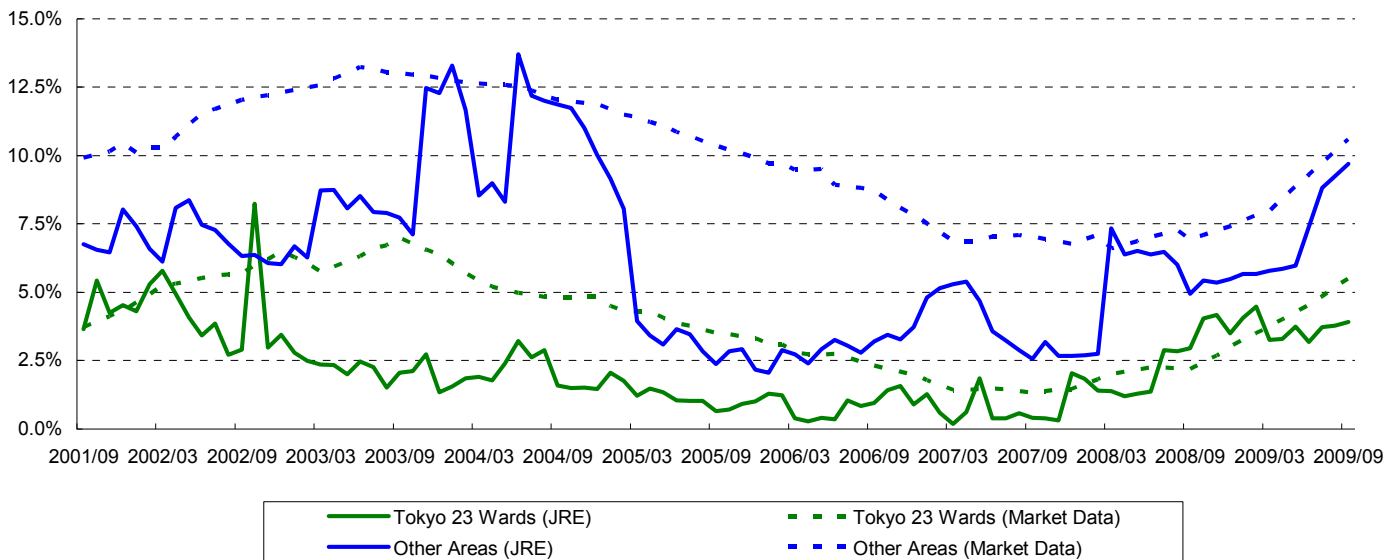


## Trend in Vacancy Rate (Relative to Market Data)

### Overall



### Tokyo 23 Wards/Other Areas



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

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

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

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

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

**Maintaining lower vacancy rate than market**

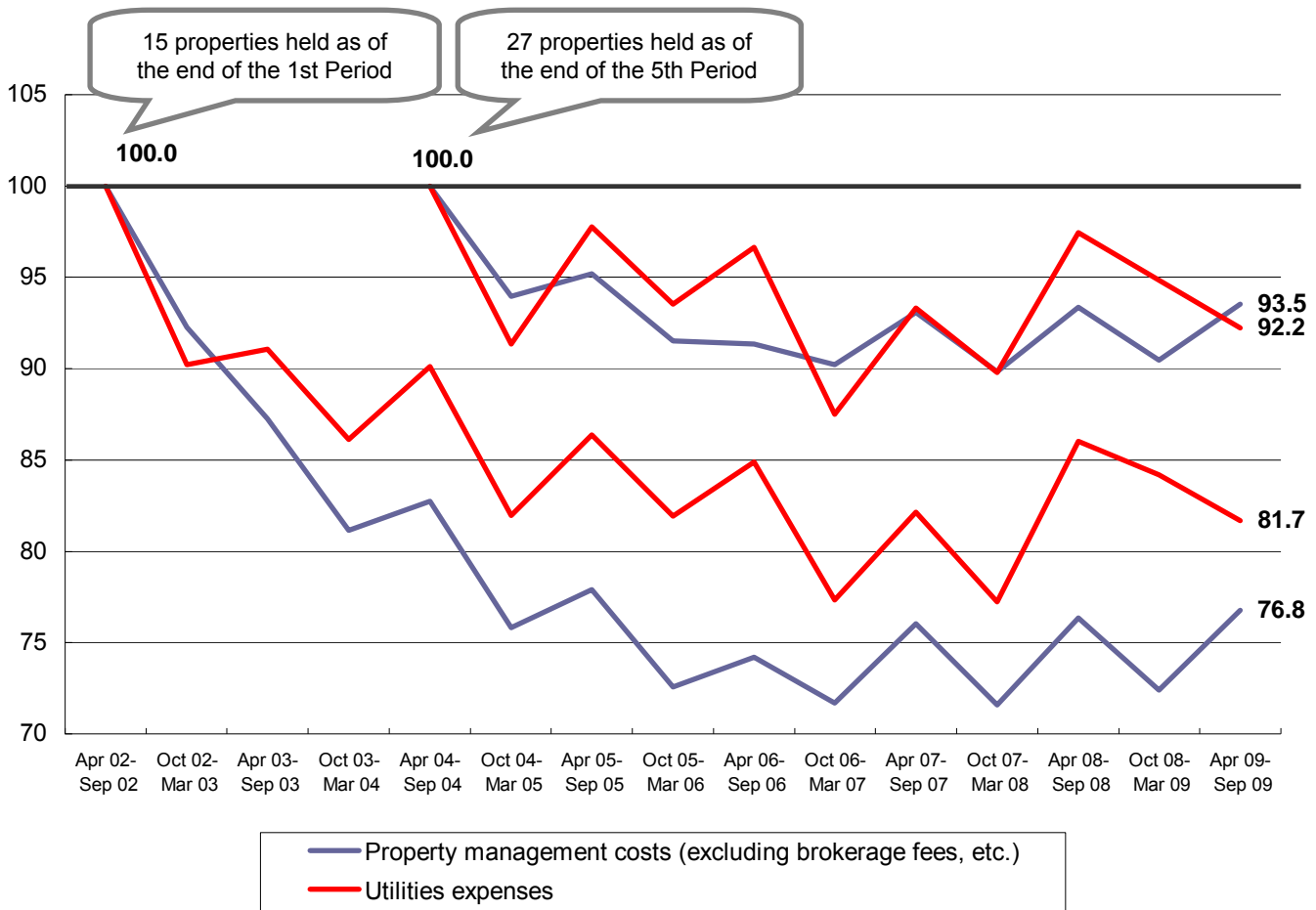
# Trend in Property Management Costs and Utilities Expenses



## Trend in Property Management Costs\* and Utilities Expenses

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

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



# Past Record and Plan for Renovation Work



## JRE's Renovation Work

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

## Trend in Construction Costs and Depreciation Expenses

(In millions of yen)

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

	9th Period Oct 05-Mar 06	10th Period Apr 06-Sep 06	11th Period Oct 06-Mar 07	12th Period Apr 07-Sep 07	13th Period Oct 07-Mar 08	14th Period Apr 08-Sep 08	15th Period Oct 08-Mar 09	16th Period Apr 09-Sep 09
Construction costs	1,728	1,654	2,857	1,520	2,760	1,138	1,721	2,313
Repairing expenses (reported as expense)	528	513	916	580	991	511	676	1,119
Capital expenditure (capitalized for asset)	1,200	1,141	1,940	939	1,769	627	1,044	1,193
Depreciation	2,359	2,682	2,717	2,835	3,068	3,560	3,788	3,801
Total assets	433,552	441,163	443,973	449,643	527,537	542,920	565,022	564,528
Property-related revenues	13,962	15,169	16,500	17,132	17,807	19,805	20,716	20,795

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

## 5-Year Plan for Renovation Work

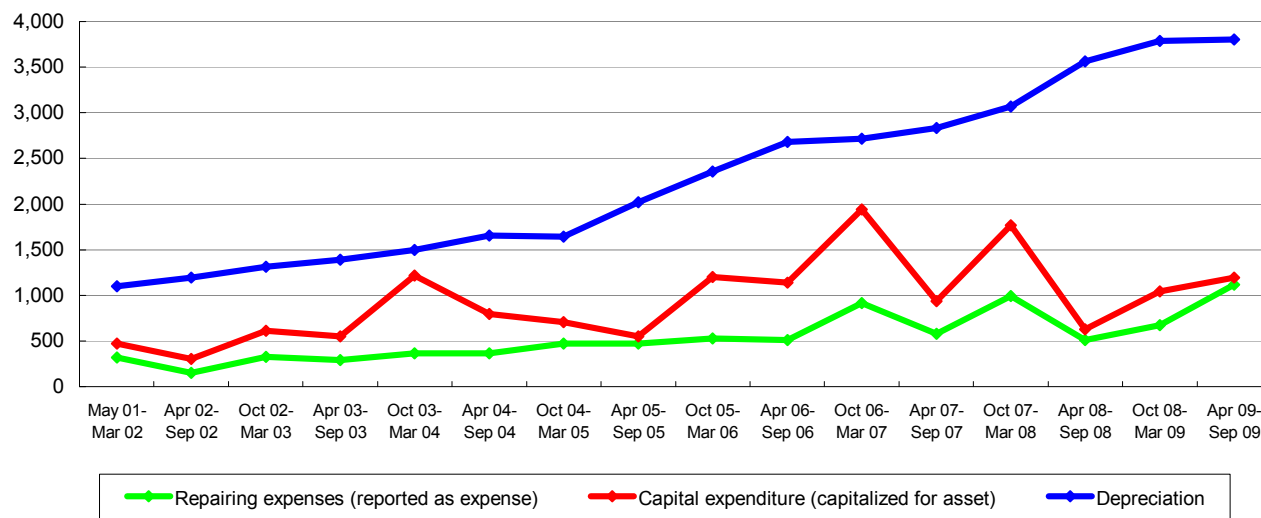
(In 100 millions of yen)

	Apr 09-Mar 10	Apr 10-Mar 11	Apr 11-Mar 12	Apr 12-Mar 13	Apr 13-Mar 14	Total
Work capitalization for asset	24	29	34	37	23	150
Depreciation	75	74	72	70	67	360

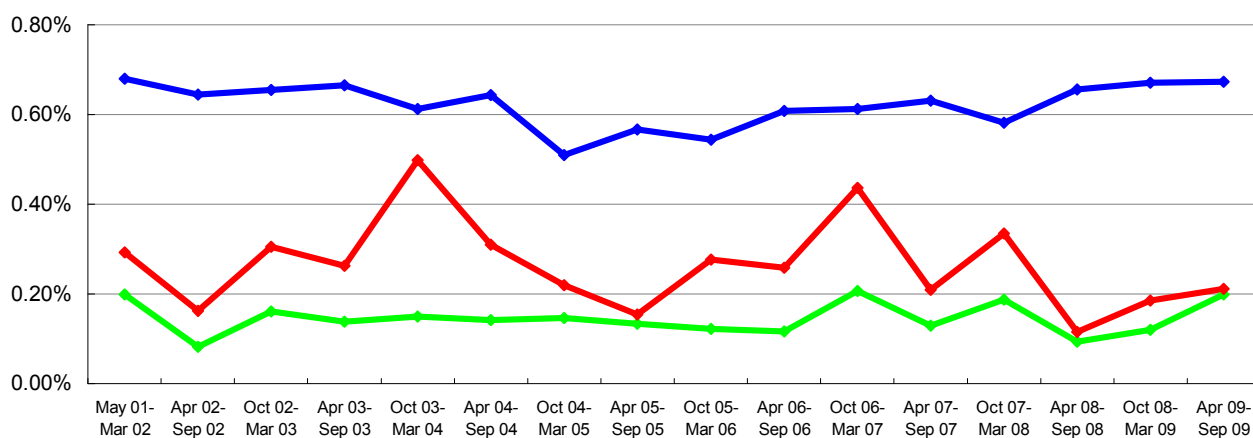
\* 55 properties held as of September 30, 2009 (excluding the additional share acquisition of Shiodome Building)

### Trend in construction costs and depreciation

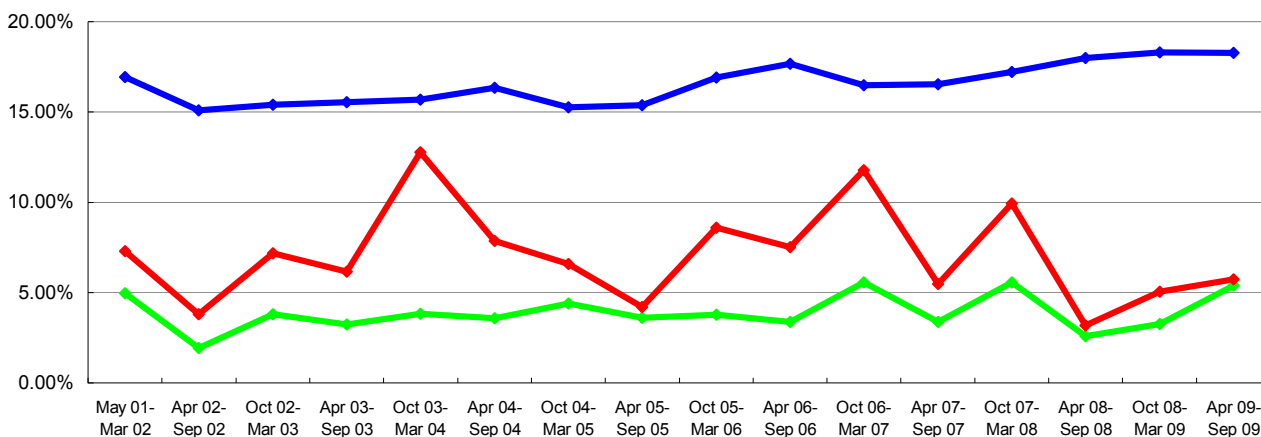
(In millions of yen)



### % against total assets



### % against property-related revenues



# External Growth ① (Deal Sources)

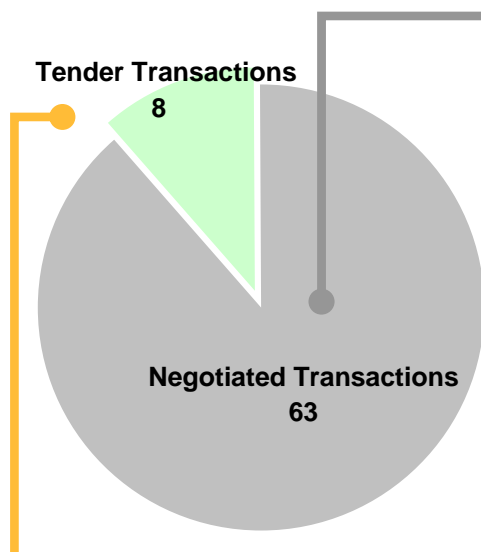


## Deal Sources

Based on 71 deals in total, in regard to properties acquired between IPO and the end of the Sep-09 Period (An additional share acquisition of existing property is also counted as one deal. The said 71 deals cover the acquisition of transferred properties. The land and building adjacent to Ryoshin Ginza East Mirror Building are not included.)

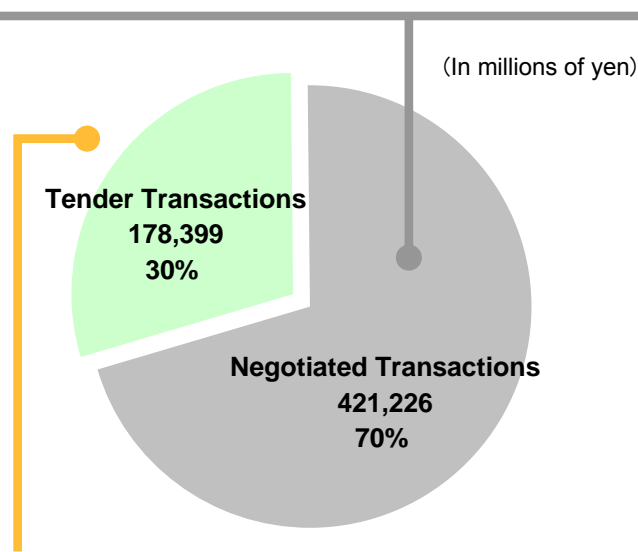
Based on the number of transactions

71 deals in total



Based on acquisition price

¥599,625 million in total



Type of transaction	Number of deals	Amount (In 100 millions of yen)
Negotiated Transactions	63 (88.7%)	4,212 (70.2%)
Acquisition from sponsors, etc.	32 (45.1%)	2,035 (33.9%)
Acquisition through sponsors' introduction	10 (14.1%)	766 (12.8%)
Others	21 (29.6%)	1,409 (23.5%)
Tender Transactions	8 (11.3%)	1,783 (29.8%)
Acquisition from sponsors, etc.	2 (2.8%)	407 (6.8%)
Acquisition through sponsors' introduction	2 (2.8%)	1,161 (19.4%)
Others	4 (5.6%)	215 (3.6%)
Total	71 (100.0%)	5,996 (100.0%)

- Of those 71 deals, 8 deals were closed through tender transactions.
- From the viewpoint of acquisition price, 70% of properties were purchased through negotiated transactions, including those developed and owned by the sponsors.

**Strong relations with deal sources**

## Breakdown of Negotiated Transactions

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

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

¥203,569 million



Mitsubishi UFJ Trust and Banking Building

Acquisition through sponsors' introduction

10

¥76,662 million



Shiodome Building

Others

21

¥140,995 million



Harumi Center Building

## Breakdown of Tender Transactions

Acquisition from sponsors, etc.

2

¥40,700 million



MM Park Building

Acquisition through sponsors' introduction

2

¥116,155 million



Kitanomaru Square

Others

4

¥21,543 million



Yurakucho Denki Building

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

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

## External Growth ② (Due Diligence for Properties)



### Investment Criteria for Property Acquisition

#### Geographic Diversification

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

#### Structure

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

#### Size of Property

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

### Trend of Properties Undergoing Research

#### Apr 2008-Mar 2009

Area	14th Period							15th Period							Total	%
	Apr	May	Jun	Jul	Aug	Sep	Total	Oct	Nov	Dec	Jan	Feb	Mar	Total		
Tokyo Metropolitan Area	32	8	12	20	11	13	96	24	8	5	4	4	3	48	144	77.8%
Other Major Cities	3	3	5	15	5	3	34	2	2	1	2	0	0	7	41	22.2%
Total	35	11	17	35	16	16	130	26	10	6	6	4	3	55	185	100.0%

#### Apr 2009-Mar 2010

Area	16th Period							17th Period							Total	%
	Apr	May	Jun	Jul	Aug	Sep	Total	Oct	Nov	Dec	Jan	Feb	Mar	Total		
Tokyo Metropolitan Area	10	3	19	23	10	9	74	28						28	102	91.9%
Other Major Cities	1	1	5	0	1	1	9	0						0	9	8.1%
Total	11	4	24	23	11	10	83	28	0	0	0	0	0	28	111	100.0%

Properties valued at ¥50-60 billion are under continuous research (multiple properties).  
Among them, properties valued at ¥44 billion are under specific review (multiple properties).



## **3. Business Forecasts**

# Income Statement and Forecast



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

Term	15th Period		16th Period		17th Period		18th Period	
	Ended Mar 31, 2009		Ended Sep 30, 2009		Ending Mar 31, 2010		Ending Sep 30, 2010	
	Actual/Forecast	Actual	→ Change →	Actual	→ Change →	Forecast	→ Change →	Forecast
Number of Properties		55		55		55		55
Number of Days		(182 days)		(183 days)		(182 days)		(183 days)
Operating Revenues		20,716	+807	21,524	+115	21,640	-320	21,320
Property-related Revenues		20,716	+79	20,795	-45	20,750	+570	21,320
Gain on Transfer of Development Rights of Floor Area		-	+728	728	-728	-		-
Gain on Transfer of Properties		-		-	+880	880	-880	-
Operating Expenses		10,761	+708	11,469	-49	11,420	+90	11,510
Property-related Expenses (excluding Depreciation)		6,141	+703	6,845	-155	6,690	+20	6,710
Depreciation		3,788	+13	3,801	+88	3,890	+80	3,970
Administrative Expenses		831	-8	823	+16	840	-20	820
(Asset Management Fees (*1))		(537)	(+2)	(540)		(540)	(-20)	(520)
NOI (*2)		14,575	-624	13,950	+109	14,060	+550	14,610
Property-related Profits and Losses (*2)		10,787	-637	10,149	+20	10,170	+460	10,630
Gross Operating Income		10,787	+91	10,878	+171	11,050	-420	10,630
Operating Income		9,955	+99	10,054	+155	10,210	-400	9,810
Non-operating Profits and Losses		-1,528	-20	-1,549	-190	-1,740	-120	-1,860
(Interest Expense)		(-1,537)	(-4)	(-1,541)	(-108)	(-1,650)	(-210)	(-1,860)
Ordinary Income		8,426	+78	8,505	-35	8,470	-530	7,940
Net Income		8,425	+78	8,504	-34	8,470	-530	7,940
Units Outstanding		443,000 units		443,000 units	+46,200 units	489,200 units		489,200 units
Dividend per Unit		19,020 yen	+178 yen	19,198 yen	-1,878 yen	17,320 yen	-1,080 yen	16,240 yen
Occupancy Rate at Period-end		95.5%	-2.2%	93.3%	-0.5%	92.8%		

\*1 Term fee and Incentive fee

\*2 Excluding Gain on transfer of development rights of floor area and Gain/loss on transfer of properties

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

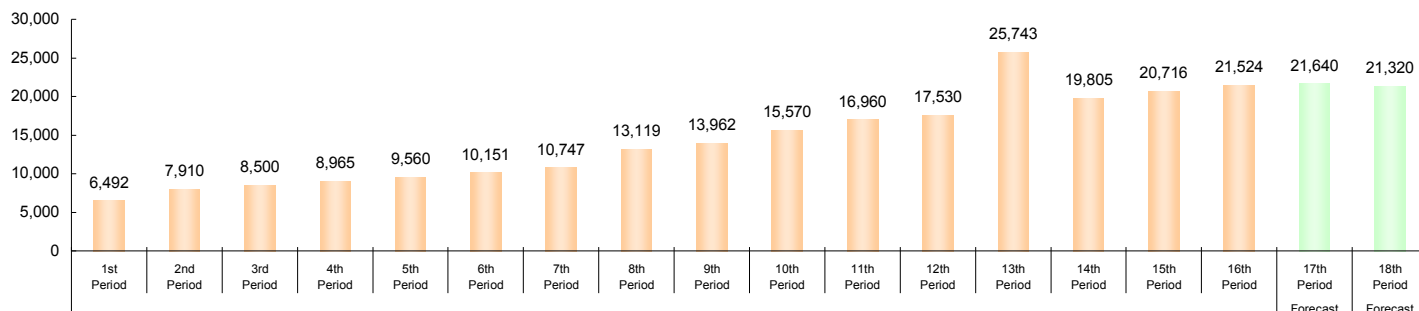
- 16th→17th Period: Increase due to operation of the property acquired in the 17th Period (Shiodome Building additional share 30%) during the 17th Period; Decrease due to the assumption of lower occupancy rates and contract rent reduction for the operating properties held both during the 16th and 17th Periods, etc.
- 17th→18th Period: Increase due to operation of the property acquired in the 17th Period (Shiodome Building additional share 30%) throughout the 18th Period; Decrease due to the assumption of lower occupancy rates and contract rent reduction for the operating properties held both during the 17th and 18th Periods, etc.

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

- 16th→17th Period: Increase due to operation of the property acquired in the 17th Period (Shiodome Building additional share 30%) during the 17th Period; Decrease in repairing expenses, and others
- 17th→18th Period: Increase due to operation of the property acquired in the 17th Period (Shiodome Building additional share 30%) throughout the 18th Period; Decrease in repairing expenses, and others

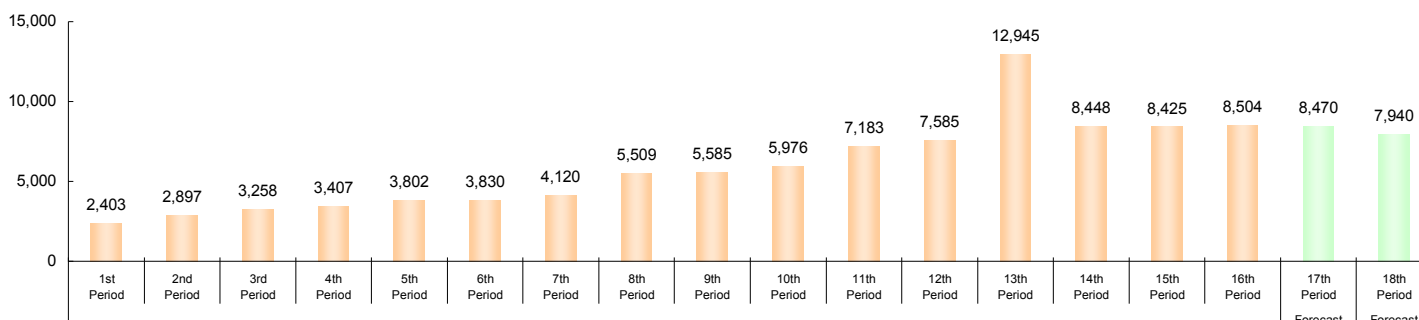
## Operating Revenues

(In millions of yen)



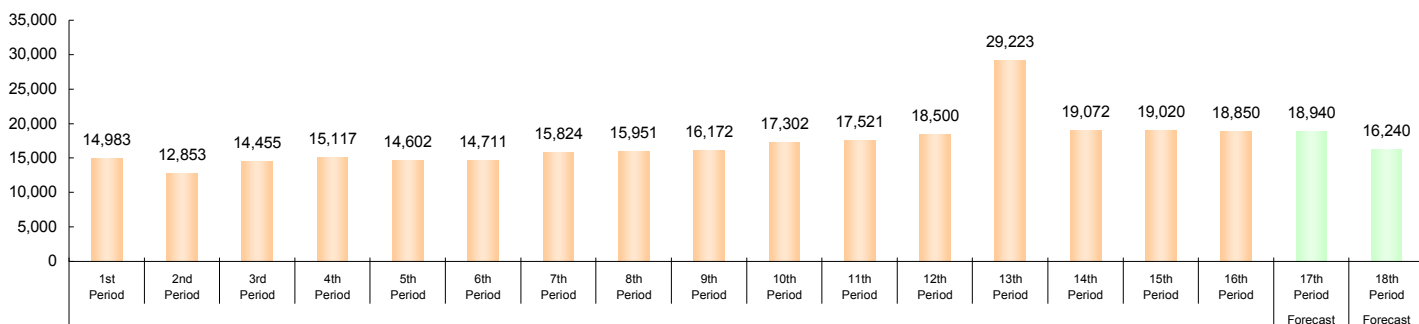
## Net Income

(In millions of yen)



## Dividend per Unit

(In yen)



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

# Balance Sheet Forecast for the 17th Period



(In millions of yen)

Item	17th Period-end (Mar. 31, 2010)	16th Period-end (Sep. 30, 2009)	Change	Reason for change
<b>Current Assets</b>				
Cash and Bank Deposits	18,363	21,420	-3,057	
Other Current Assets	274	294	-20	
<b>Total Current Assets</b>	<b>18,637</b>	<b>21,714</b>	<b>-3,077</b>	
<b>Fixed Assets</b>				
<b>Property and Equipment</b>				
Buildings (including those held in trust)	211,484	199,010	12,474	} Increase due to capital expenditure and the property acquisition
Structures (including those held in trust)	2,418	2,275	143	
Machinery and Equipment (including that held in trust)	3,123	2,939	184	
Land (including that held in trust)	412,158	369,693	42,465	
Accumulated Depreciation	-38,641	-34,747	-3,894	
<b>Total Property and Equipment</b>	<b>590,543</b>	<b>539,171</b>	<b>51,372</b>	
<b>Intangible Assets</b>				
Leasehold rights, etc. (including those held in trust)	3,519	3,519	0	
<b>Total Intangible Assets</b>	<b>3,519</b>	<b>3,519</b>	<b>0</b>	
<b>Investments and Other Assets</b>				
Investment Securities	2	2	0	
Long-term Prepaid Expenses, etc.	36	38	-2	
<b>Total Investments and Other Assets</b>	<b>38</b>	<b>41</b>	<b>-3</b>	
<b>Total Fixed Assets</b>	<b>594,100</b>	<b>542,732</b>	<b>51,368</b>	
<b>Deferred Assets</b>				
Deferred Investment Corporation Bond Issuance Costs	70	81	-11	
<b>Total Deferred Assets</b>	<b>70</b>	<b>81</b>	<b>-11</b>	
<b>Total Assets</b>	<b>612,807</b>	<b>564,528</b>	<b>48,279</b>	

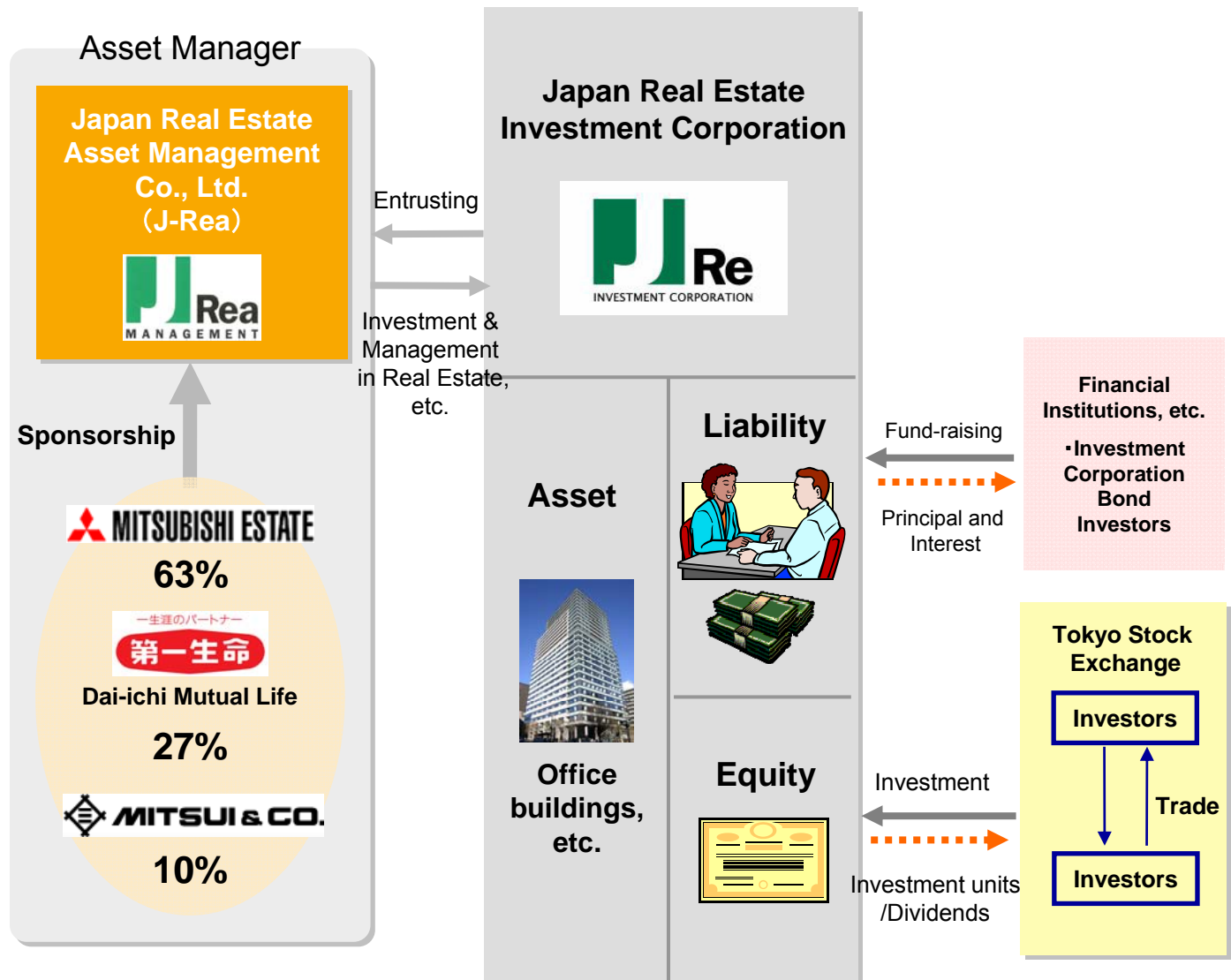
(In millions of yen)

Item	17th Period-end (Mar. 31, 2010)	16th Period-end (Sep. 30, 2009)	Change	Reason for change
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Short-term Loans	36,248	48,000	-11,752	Decrease due to loan repayment by net proceeds from issuance of new units, etc.
Current Portion of Long-term Loans	9,445	18,000	-8,555	Decrease due to the refinancing to long-term loans, etc
Current Portion of Investment Corporation Bonds	10,000	10,000	-	
Rent Received in Advance	2,260	2,261	-1	
Other Current Liabilities	1,983	2,539	-556	Decrease in accounts payable on construction
<b>Total Current Liabilities</b>	<b>59,937</b>	<b>80,801</b>	<b>-20,864</b>	
<b>Long-term Liabilities</b>				
Investment Corporation Bonds	35,000	35,000	-	
Long-term Loans	149,955	109,500	40,455	Increase due to new borrowings for property acquisition and refinancing from short-term loans, etc.
Deposits Received from Tenants	35,092	33,121	1,971	
<b>Total Long-term Liabilities</b>	<b>220,047</b>	<b>177,621</b>	<b>42,426</b>	
<b>Total Liabilities</b>	<b>279,984</b>	<b>258,422</b>	<b>21,562</b>	
<b>Net Assets</b>				
Unitholders' Capital	324,353	297,601	26,752	
Retained Earnings	8,470	8,504	-34	
<b>Total Net Assets</b>	<b>332,823</b>	<b>306,106</b>	<b>26,717</b>	
<b>Total Liabilities and Net Assets</b>	<b>612,807</b>	<b>564,528</b>	<b>48,279</b>	

## MEMO

## **4. Appendix**

## Structure



### Points

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



## The Strengths of Japan Real Estate Investment Corporation

(As of December 15, 2009)

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



<Support from three sponsors>

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

<Protecting function against conflicts of interest>

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

### ② Investment Corporation **focused on office buildings**

**(55 office buildings, total acquisition price: ¥618.8 billion [including scheduled acquisition])**

\*not including the land and building adjacent to Ryoshin Ginza East Mirror Building

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

### ③ Track Record

**The first listed J-REIT**, showing steady performance for 16 consecutive periods

### ④ **Sound financial strength**

- Conservative LTV (cruising speed of 30%- 40% level)
- Highest credit ratings in J-REIT**  
(S&P: AA-, Moody's: A1\*, R&I: AA)

\* On April 21, 2009, JRE's issuer and senior unsecured long-term debt ratings from Moody's Investors Service changed to A1 from Aa3.

## Basic Principle of Compliance for the Investment Corporation

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

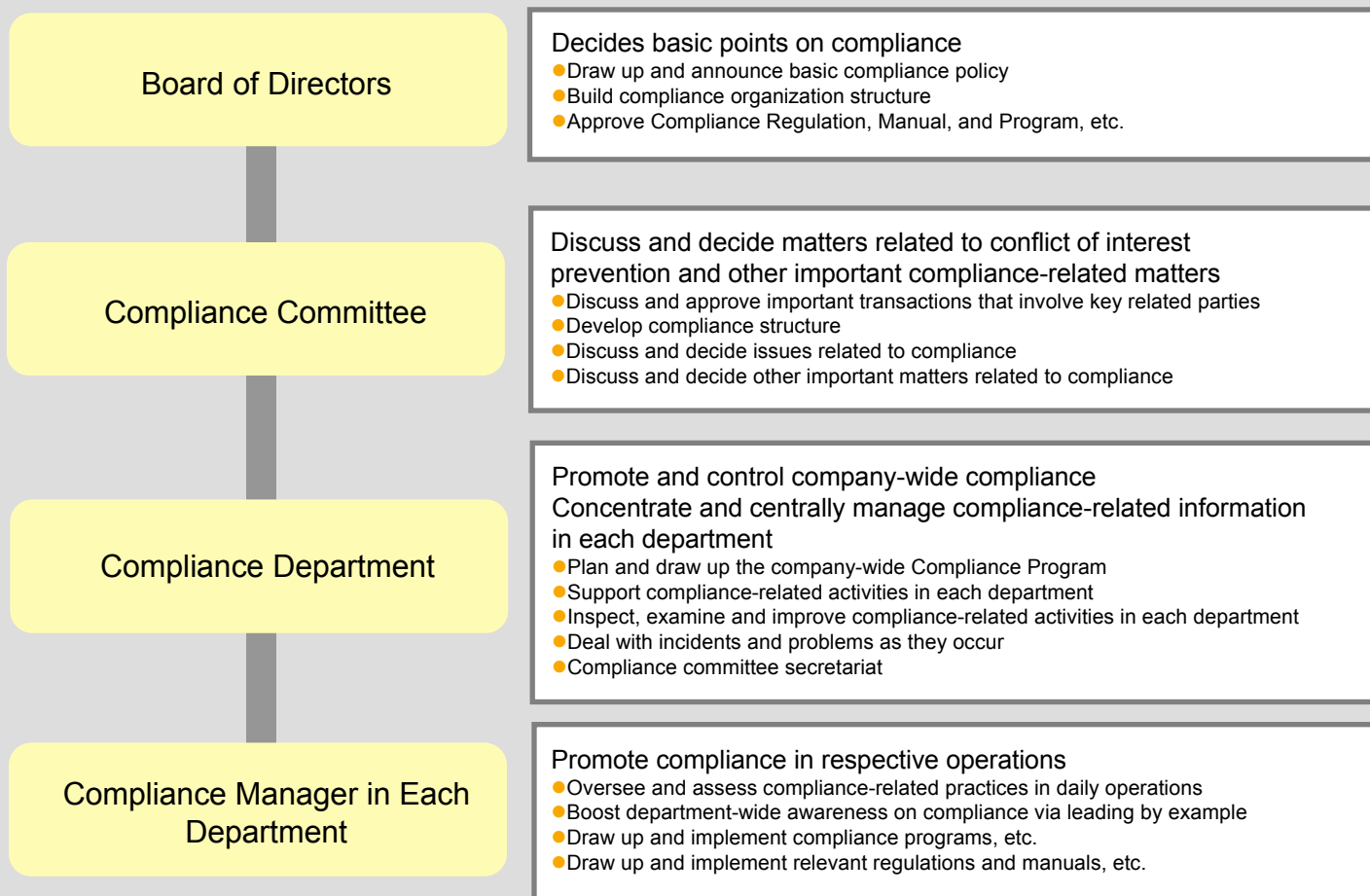
## Basic Principle of Compliance for the Asset Management Company

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



## Compliance Promotion System

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



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

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

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

# Achievement after IPO and Forecast



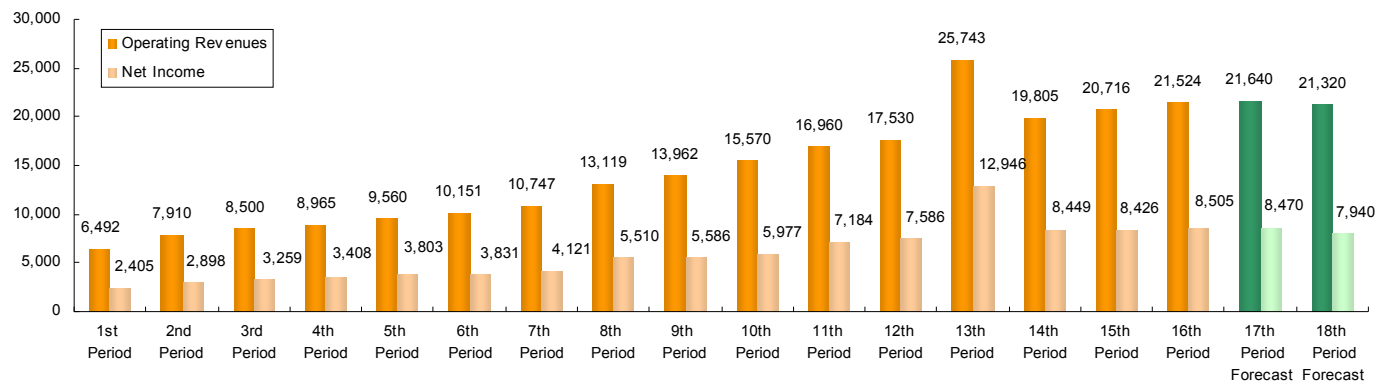
## Achievement after IPO and Forecast

\*The land and building adjacent to Ryoshin Ginza East Mirror Building are not included in the number of properties and total acquisition price. The acquisition price related to the transfer of the part of Jingumae MS site is not excluded.

\*In "Public Offerings of New Units" in 17th period, the number of newly issued units and the amount are based on the maximum exercise (4,200 units) of third-party allocation whose due date is December 22, 2009.

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

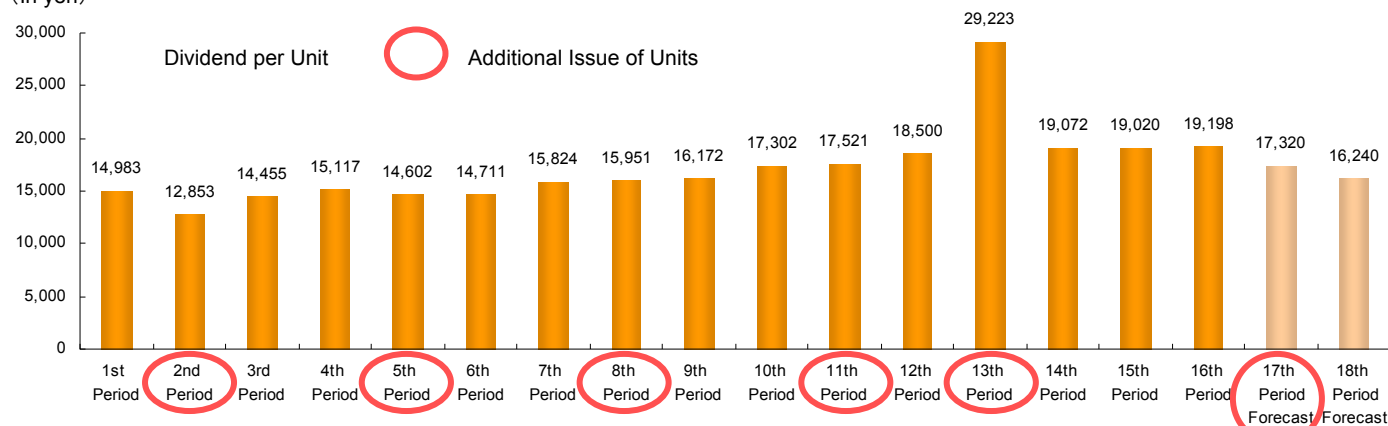
(In millions of yen)



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

10th Period Sep 30, 2006 Apr 2006-Sep 2006	11th Period Mar 31, 2007 Oct 2006-Mar 2007	12th Period Sep 30, 2007 Apr 2007-Sep 2007	13th Period Mar 31, 2008 Oct 2007-Mar 2008	14th Period Sep 30, 2008 Apr 2008-Sep 2008	15th Period Mar 31, 2009 Oct 2008-Mar 2009	16th Period Sep 30, 2009 Apr 2009-Sep 2009	17th Period (Forecast) Mar 31, 2010 Oct 2009-Mar 2010	18th Period (Forecast) Sep 30, 2010 Apr 2010-Sep 2010	
15,570 (+11.5%)	16,960 (+8.9%)	17,530 (+3.4%)	25,743 (+46.9%)	19,805 (-23.1%)	20,716 (+4.6%)	21,524 (+3.9%)	21,640 (+0.5%)	21,320 (-1.5%)	Operating Revenues (% change from the preceding period)
15,169 (+8.6%)	16,500 (+8.8%)	17,132 (+3.8%)	17,807 (+3.9%)	19,805 (+11.2%)	20,716 (+4.6%)	20,795 (+0.4%)	20,750 (-0.2%)	21,320 (+2.7%)	Property-related Revenues (% change from the preceding period)
—	—	—	—	—	—	728	—	—	Gain on Transfer of Unused Development Rights
400	459	397	—	—	—	—	880	—	Gain on Transfer of Properties
7,041 (+11.4%)	8,304 (+17.9%)	8,739 (+5.2%)	14,218 (+62.7%)	9,807 (-31.0%)	9,955 (+1.5%)	10,054 (+1.0%)	10,210 (+1.5%)	9,810 (-3.9%)	Operating Income (% change from the preceding period)
5,977 (+7.0%)	7,184 (+20.2%)	7,586 (+5.6%)	12,946 (+70.7%)	8,449 (-34.7%)	8,426 (-0.3%)	8,505 (+0.9%)	8,470 (-0.4%)	7,940 (-6.3%)	Ordinary Income (% change from the preceding period)
5,976 (+7.0%)	7,183 (+20.2%)	7,585 (+5.6%)	12,945 (+70.7%)	8,448 (-34.7%)	8,425 (-0.3%)	8,504 (+0.9%)	8,470 (-0.4%)	7,940 (-6.3%)	Net Income (% change from the preceding period)
345,400 units	410,000 units	410,000 units	443,000 units	443,000 units	443,000 units	443,000 units	489,200 units	489,200 units	Units Outstanding
17,302 yen	17,521 yen	18,500 yen	29,223 yen	19,072 yen	19,020 yen	19,198 yen	17,320 yen	16,240 yen	Dividend per Unit
441,163	443,973	449,643	527,537	542,920	565,022	564,528	—	—	Total Assets
207,449	271,867	272,269	310,547	306,050	306,027	306,106	—	—	Net Assets
600,605 yen	663,091 yen	664,071 yen	701,009 yen	690,858 yen	690,806 yen	690,984 yen	—	—	Net Assets per Unit
233,714	172,105	177,374	216,990	236,869	258,994	258,422	—	—	Total Liabilities
202,500	140,000	144,500	177,500	199,500	220,500	220,500	—	—	Interest-bearing Debts
45.9%	31.5%	32.1%	33.6%	36.7%	39.0%	39.1%	—	—	LTV
1,000,000 yen	1,560,000 yen	1,380,000 yen	1,160,000 yen	836,000 yen	756,000 yen	734,000 yen	—	—	Unit Price (period-end)
345,400	639,600	565,800	513,880	370,348	334,908	325,162	—	—	Market Capitalization
49	50	50	53	54	55	55	55	55	Number of Properties
418,693	441,276	446,940	518,969	542,969	564,219	564,219	618,819	618,819	Total Acquisition Price of Properties
396,173 m <sup>2</sup>	397,928 m <sup>2</sup>	406,605 m <sup>2</sup>	479,877 m <sup>2</sup>	508,296 m <sup>2</sup>	516,411 m <sup>2</sup>	516,421 m <sup>2</sup>	540,536 m <sup>2</sup>	541,922 m <sup>2</sup>	Leasable Space
98.2%	97.8%	98.7%	95.9%	96.1%	95.5%	93.3%	92.8%	—	Occupancy Rate
—	64,600 units	—	33,000 units	—	—	—	46,200 units	—	Public Offerings of New Units Number of Newly Issued Units
—	1,009,400 yen	—	1,029,000 yen	—	—	—	597,520 yen	—	Offer Price
—	65,207	—	33,957	—	—	—	27,605	—	Aggregate Amount of Offer Price
—	978,500 yen	—	997,500 yen	—	—	—	579,040 yen	—	Issue Price
—	63,211	—	32,917	—	—	—	26,751	—	Aggregate Amount of Issue Price
—	2006/10/24	—	2008/3/12	—	—	—	2009/12/8	—	Payment Date

(In yen)



# Structure of Fees to Asset Management Company



## Payment of Asset Management Fees to Asset Management Company

(As of September 30, 2009)

### Term fee

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

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

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

[Formula]\*

- For the portion of the CF that is not more than 2.5 billion yen, the amount equivalent to such portion is multiplied by 8.0%
- For the portion of the CF that is more than 2.5 billion yen but not more than 4 billion yen, the amount equivalent to such portion is multiplied by 5.0%
- For the portion of the CF that is more than 4 billion yen, the amount equivalent to such portion is multiplied by 3.0%

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

### Incentive fee

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

[Formula]

([CF per Unit as of the last day of the relevant fiscal period] – [CF per Unit as of the last day of the immediately preceding fiscal period]) x (Total number of outstanding Units as of the last day of the relevant fiscal period) x 30.0%

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

[Formula]

([CF per Unit as of the last day of the relevant fiscal period] – [Arithmetic average of the CF per Unit during the recent six fiscal periods, including the relevant fiscal period]) x (Total number of outstanding Units as of the last day of the relevant fiscal period) x 30.0%

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

### Acquisition fee

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

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

### Transfer fee

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

## Asset Management Fees Paid to the Asset Management Company

(In millions of yen)

	→ New Asset Management Fee Rate (reduction)															→ New Asset Management Fee Rate (change of acquisition fee)		
	1st Period Mar-02	2st Period Sep-02	3st Period Mar-03	4st Period Sep-03	5st Period Mar-04	6st Period Sep-04	7st Period Mar-05	8st Period Sep-05	9st Period Mar-06	10st Period Sep-06	11st Period Mar-07	12st Period Sep-07	13st Period Mar-08	14st Period Sep-08	15st Period Mar-09	16st Period Sep-09	Average after 4th Period (*4) per period	Average per year
Term Fee (*1)	389	382	408	312	325	330	342	392	410	422	452	476	713	531	537	540	445	890
Incentive Fee (*1)	0	0	24	80	0	32	134	0	160	230	0	185	1,860	0	0	0	206	413
Acquisition Fee (*2)	649	88	185	90	192	213	464	180	475	33	134	71	386	78	53	0	182	365
Transfer Fee (*3)	0	0	0	0	0	0	0	0	0	20	154	8	0	0	0	0	14	28
<b>Total</b>	<b>1,038</b>	<b>470</b>	<b>617</b>	<b>484</b>	<b>518</b>	<b>576</b>	<b>941</b>	<b>573</b>	<b>1,046</b>	<b>707</b>	<b>741</b>	<b>741</b>	<b>2,960</b>	<b>609</b>	<b>591</b>	<b>540</b>	<b>848</b>	<b>1,697</b>
Total Assets	161,809	185,397	200,022	209,581	244,523	257,372	322,358	355,968	433,552	441,163	443,973	449,643	527,537	542,920	565,022	564,528	412,165	
Amount of Acquisition Price during the Period	144,697	19,580	19,265	9,065	25,830	21,390	50,683	36,050	86,205	12,630	49,850	7,100	72,029	24,000	21,250	0	32,006	64,012
Amount of Transfer Price during the Period	0	0	0	0	0	0	0	0	0	7,003	41,900	1,770	0	0	0	0	3,897	7,795
Term Fee / Total Assets	0.24%	0.21%	0.20%	0.15%	0.13%	0.13%	0.11%	0.11%	0.09%	0.10%	0.10%	0.11%	0.14%	0.10%	0.10%	0.10%	0.11%	0.22%
Incentive Fee / Total Assets	—	—	0.01%	0.04%	—	0.01%	0.04%	—	0.04%	0.05%	—	0.04%	0.35%	—	—	—	0.05%	0.10%
Acquisition / Amount of Acquisition Price during the Period	0.45%	0.45%	0.96%	1.00%	0.75%	1.00%	0.92%	0.50%	0.55%	0.26%	0.27%	1.00%	0.54%	0.33%	0.25%	—	0.57%	0.57%
Transfer Fee / Amount of Acquisition Price during the Period	—	—	—	—	—	—	—	—	—	0.29%	0.37%	0.50%	—	—	—	—	0.36%	0.36%
<b>Total / Total Assets</b>	<b>0.64%</b>	<b>0.25%</b>	<b>0.31%</b>	<b>0.23%</b>	<b>0.21%</b>	<b>0.22%</b>	<b>0.29%</b>	<b>0.16%</b>	<b>0.24%</b>	<b>0.16%</b>	<b>0.17%</b>	<b>0.16%</b>	<b>0.56%</b>	<b>0.11%</b>	<b>0.10%</b>	<b>0.10%</b>	<b>0.21%</b>	<b>0.41%</b>

Accounting treatment of Asset management fees

(\*1) Expense (Administrative expenses)

(\*2) Capitalized for asset

(\*3) Expense (reflected in capital gain/loss as transfer expense)

(\*4) Total assets are a simple average at the end of each period.

## MEMO

# Key Properties and Key Tenants



(As of September 30, 2009)

## Kitanomaru Square (Chiyoda-ku, Tokyo)



- Acquisition Date February 24, 2006
- Acquisition Price ¥81,555.5 million
- Area Land: 5,821.03 m<sup>2</sup>  
Building: 57,279.20 m<sup>2</sup>
- Completion Date January 2006
- Major Tenant Banyu Pharmaceutical Co., Ltd.

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



- Acquisition Date March 28, 2007
- Acquisition Price ¥44,700.0 million
- Area Land: 8,100.39 m<sup>2</sup>  
Building: 108,171.67 m<sup>2</sup>  
(Ownership: 19.38402%)
- Completion Date February 2003
- Major Tenant Mitsubishi UFJ Trust and Banking Corporation

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



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

## Sanno Grand Building (Chiyoda-ku, Tokyo)



- Acquisition Date January 31, 2005/ April 3, 2006
- Acquisition Price ¥20,900.0 million
- Area Land: 3,663.93 m<sup>2</sup>  
Building: 33,875.95 m<sup>2</sup>  
(Ownership: 99.0%)
- Completion Date September 1966
- Major Tenant Undisclosed  
(Listed on the first section of the TSE)



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



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

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



- Acquisition Date December 19, 2008
- Acquisition Price ¥21,250.0 million
- Area Land: Approx. 12,046 m<sup>2</sup>  
Building: 115,930.83 m<sup>2</sup>  
(Quasi-co-ownership: 10.0% of the trust beneficiary right)
- Completion Date December 2007
- Major Tenant NTT Communications Corporation

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



- Acquisition Date March 24, 2008
- Acquisition Price ¥37,400.0 million
- Area Land: 6,825.77 m<sup>2</sup>  
Building: 49,037.51 m<sup>2</sup>
- Completion Date December 2007
- Major Tenant Undisclosed  
(Listed on the first section of the TSE)

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



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

# Diversified Processes of Property Acquisition



## Examples of Diversified Processes of Property Acquisition

(As of September 30, 2009)

Efforts for the diversification of property acquisition processes in order to avoid excessive competition in the market

### Exchange transaction

On March 28, 2007, JRE obtained a certain portion of Mitsubishi UFJ Trust and Banking Building through an exchange transaction (for Mitsubishi Soken Building, which JRE owned) with one of JRE's sponsors, Mitsubishi Estate Co., Ltd.



Mitsubishi UFJ Trust and Banking Building

### Exercise of the preferential purchase right granted at the time of the preferred capital contribution

JRE acquired Harumi Center Building on December 18, 2007 by exercising the preferential purchase right it had been granted at the time it concluded a contract to subscribe to preferred capital contribution of Harumi Front Tokutei Mokuteki Kaisha on March 24, 2005.



Harumi Center Building

### Additional share acquisition

Number of properties as of March 31, 2009 : **55** buildings

Number of co-ownership or compartmentalized building units at the time of initial share acquisition : **22** buildings

Number of properties for which additional share of ownership was subsequently acquired : **10** buildings

Number of the above properties for which said additional share acquisition made the percentage of ownership 100% : **4** buildings

<Major properties for which additional share of ownership was acquired>



Sanno Grand Building



Nishiki Park Building



Midosuji Daiwa Building

### Extension of existing building

On July 4, 2008, JRE acquired the land and building adjacent to Ryoshin Ginza East Mirror Building, which it acquired on March 15, 2005. In August 2009, JRE started construction work to extend Ryoshin Ginza East Mirror Building on the acquired land.

- Ryoshin Ginza East Mirror Building

<Before>



<After>



This illustration was drawn based on the relevant drawings and the specifications, and may differ from the actuality.

# Performance (Operating Results of Each Property in the 16th Period)



(In millions of yen)

Name	Performance (April 1, 2009-September 30, 2009)													
	Property-related Revenues	Property-related Expenses									(2) Property-related Profits and Losses	(3) NOI ((1) + (2))	(4) Capex	NCF ((3) - (4))
		Property Management Expenses	Utilities Expenses	Property and Other Taxes	Casualty Insurance	Repairing Expenses	Depreciation (1)	Other Expenses						
Genki Medical Plaza	223	71	13	15	18	0	1	20	2	151	171	-	171	
Kitanomaru Square	1,829	753	141	67	85	2	11	445	-	1,076	1,521	0	1,521	
MD Kanda	206	111	26	12	22	0	5	42	-	95	137	0	137	
Kandabashi Park	196	48	2	-	17	0	5	22	0	147	170	13	156	
Nibancho Garden	485	243	56	26	53	0	0	104	-	241	346	-	346	
Mitsubishi UFJ Trust	984	354	51	60	110	1	5	121	3	630	752	5	746	
Burex Kojimachi	162	83	-	-	15	0	0	66	-	78	145	-	145	
Sanno Grand	1,075	389	107	61	92	1	52	74	0	686	760	61	699	
Yurakucho Denki	309	121	36	23	35	0	0	23	0	187	211	2	208	
Kodenmachi	160	58	14	8	13	0	1	17	3	102	119	-	119	
Burex Kyobashi	150	50	-	-	12	0	0	37	-	99	137	-	137	
Ginza Sanwa	389	116	31	21	44	0	6	12	0	272	285	3	282	
Ryoshin Ginza EM	145	76	12	12	10	0	0	39	0	69	108	0	108	
Harumi Center	769	433	73	45	49	1	0	263	0	335	598	0	597	
Aoyama Crystal	268	88	14	15	25	0	1	30	0	180	211	0	210	
Shiodome	593	162	36	26	27	0	0	70	0	431	502	0	501	
Shiba 2Chome Daimon	343	134	38	29	36	0	8	21	0	209	230	1	228	
Cosmo Kanasugibashi	140	48	12	8	13	0	2	10	-	92	102	-	102	
Shinwa	287	90	22	17	20	0	5	24	-	197	221	-	221	
Tokyo Opera City	499	350	Undisclosed	Undisclosed	Undisclosed	Undisclosed	Undisclosed	Undisclosed	Undisclosed	148	Undisclosed	9	Undisclosed	
Takanawadai	117	61	12	9	12	0	9	16	0	55	72	27	45	
Higashi-Gotanda 1Chome	221	97	14	20	14	0	0	46	0	123	170	-	170	
Omori-Eki Higashiguchi	263	102	30	21	25	0	3	21	0	160	181	1	179	
Nippon Brunswick	323	131	36	24	27	0	6	37	-	192	229	5	223	
Yoyogi 1Chome	415	160	26	19	23	0	12	77	-	254	332	1	330	
da Vinci Harajuku	203	55	10	11	13	0	6	13	-	147	160	0	160	
Jingumae MS	384	140	22	29	30	0	4	53	0	243	296	-	296	
Shibuya Cross Tower	1,438	1,529	186	135	128	3	710	314	50	-91	223	863	-640	
Ebisu Neonato	111	72	15	5	10	0	1	39	-	38	78	2	75	
Harmony Tower	441	199	46	-	47	1	19	84	-	242	326	6	320	
Otsuka Higashi-Ikebukuro	182	90	21	20	13	0	5	29	0	91	121	63	57	
Ikebukuro 2Chome	72	34	10	6	5	0	4	6	0	38	44	10	34	
Ikebukuro YS	203	84	18	17	14	0	1	31	-	119	150	0	149	
Hachioji First	259	142	50	-	26	0	9	54	-	116	171	-	171	
Saitama Urawa	128	51	16	7	9	0	6	10	0	76	87	6	80	
MM Park	1,371	692	124	167	61	2	0	336	-	679	1,016	3	1,012	
Kawasaki Isago	168	81	28	14	14	0	4	18	0	86	104	9	95	
Musashi Kosugi STM	162	73	21	2	10	0	3	35	-	89	124	4	120	
8-3 Square Kita	334	191	28	59	23	0	-	79	-	142	222	0	221	
Jozenji Park	69	45	9	8	7	0	11	8	-	24	32	-	32	
Sendai Honma	161	75	19	15	15	0	9	14	0	86	101	5	95	
Kanazawa Park	486	307	100	56	69	2	17	61	-	179	241	20	220	
Nishiki Park	283	230	46	22	21	0	67	66	6	52	118	1	116	
Hirokoji Sakae	104	58	14	13	12	0	6	11	0	45	56	-	56	
Nagoya Hirokoji	734	340	99	68	62	1	34	73	0	393	467	20	447	
Nagoya Misono	81	53	16	7	6	0	2	20	-	27	48	0	47	
Kyoto Kawaramachi	118	74	19	11	11	0	2	27	0	43	71	-	71	
Shin Fujita	808	651	130	87	85	2	16	329	0	156	486	4	481	
Sakaisujihonmachi	277	146	39	28	40	0	3	33	-	130	164	1	163	
Midosuji Daiwa	656	269	77	44	83	1	5	56	0	387	444	19	424	
Lit City	281	158	36	25	16	1	6	71	-	123	195	-	195	
NHK Hiroshima	269	188	62	28	25	0	5	39	26	81	120	2	117	
Tosei Tenjin	91	47	14	8	8	0	4	11	-	43	55	1	53	
Tenjin Crystal	163	141	24	16	21	0	1	76	0	21	97	-	97	
Hinode Tenjin	181	72	20	15	15	0	2	17	0	108	126	4	121	
Total	20,795	10,644	2,240	1,552	1,769	44	1,119	3,801	117	10,150	13,951	1,193	12,758	

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

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

# Property Data ① (Occupancy Rates at the End of the 16th Period, etc.)



Area	Name	Acquisition Date	Additional Acquisition Date	Ownership	Leasable Space (㎡)	Leased Space (㎡)	Vacant Area (㎡)		Occupancy Rate		Number of Tenants		
							End of 16th Period	Variation from End of 15th Period	End of 16th Period	Variation from End of 15th Period			
Tokyo 23 Wards	Chiyoda	Genki Medical Plaza	'02/10/31	-	100.0%	4,791	4,791	0		100.0%		1	
		Kitanomaru Square	'06/02/24	-	100.0%	25,678	25,678	0		100.0%		5	
		MD Kanda	'02/05/31	-	100.0%	6,269	5,735	533	-1,482	91.5%	23.6%	6	
		Kandabashi Park	'02/08/15	-	56.76%	3,687	3,224	463		87.4%		6	
		Nibancho Garden	'05/04/01	-	31.345%	9,316	9,316	0		100.0%		1	
		Mitsubishi UFJ Trust	'07/03/28	-	19.38402%	11,922	11,922	0		100.0%		10	
		Burex Kojimachi	'05/07/29	-	100.0%	4,495	4,495	0		100.0%		1	
		Sanno Grand	'05/01/31	'06/04/03	99.0%	20,865	20,450	414	325	98.0%	-1.6%	42	
		Yurakucho Denki	'03/08/01	-	10.78%	4,694	4,095	599	354	87.2%	-7.6%	13	
	Chuo	Kodenmachi	'01/09/25	-	100.0%	3,897	3,897	0		100.0%		10	
		Burex Kyobashi	'02/07/22	-	100.0%	4,279	4,279	0		100.0%		1	
		GINZA SANWA	'05/03/10	-	70.95%	4,329	4,329	0	-336	100.0%	7.8%	11	
		Ryoshin GINZA EM	'05/03/15	-	100.0%	2,875	2,875	0		100.0%		8	
		Harumi Center	'07/12/18	-	100.0%	20,812	20,425	386		98.1%		7	
	Minato	Aoyama Crystal	'03/03/14	-	100.0%	4,898	4,898	0		100.0%		7	
		Siodome	'08/12/19	-	10.0%	8,037	8,012	25	-31	99.7%	0.4%	29	
		Shiba 2Chome Daimon	'01/09/10	-	100.0%	9,631	9,129	502	502	94.8%	-5.2%	18	
	Shinjuku	Cosmo Kanasugibashi	'01/09/25	-	100.0%	4,062	3,715	346	346	91.5%	-8.5%	7	
		Shinwa	'04/09/01	-	100.0%	6,197	6,197	0		100.0%		10	
	Shinagawa	Tokyo Opera City	'05/09/13	-	8.368%	9,246	8,376	869	161	90.6%	-1.7%	98	
		Takanawadai	'01/09/25	-	100.0%	4,067	4,067	0		100.0%		1	
	Ota	Higashi-Gotanda 1Chome	'04/11/01	-	100.0%	5,205	5,205	0		100.0%		4	
		Omori-Eki Higashiguchi	'01/09/10	-	100.0%	7,708	7,519	189		97.5%		18	
	Shibuya	Nippon Brunswick	'04/03/24	-	100.0%	7,356	6,952	403	403	94.5%	-5.5%	20	
		Yoyogi 1Chome	'04/04/01	-	100.0%	7,745	7,745	0		100.0%		7	
		da Vinci Harajuku	'02/11/22	-	100.0%	3,147	3,147	0		100.0%		5	
		Jingumae MS	'03/10/09	-	100.0%	5,558	4,592	965	482	82.6%	-8.7%	6	
		Shibuya Cross Tower	'01/11/30	-	100.0%	29,754	26,866	2,888	-40	90.3%	0.1%	57	
	Nakano	Ebisu Neonato	'03/11/14	'04/04/01	12.29939%	2,462	1,836	625		74.6%		2	
		Harmony Tower	'05/02/28	-	29.253305%	10,929	9,598	1,330	1,330	87.8%	-12.2%	17	
	Toshima	Otsuka Higashi-Ikebukuro	'01/09/25	-	100.0%	7,172	7,172	0		100.0%		7	
		Ikebukuro 2Chome	'01/09/25	-	100.0%	2,186	2,186	0	-244	100.0%	11.2%	9	
		Ikebukuro YS	'04/08/02	-	100.0%	5,797	5,797	0		100.0%		8	
Other Areas	Hachioji	Hachioji First	'05/03/31	'08/03/19	80.4%	10,068	9,412	656	656	93.5%	-6.5%	40	
	Saitama	Saitama Urawa	'01/09/25	'01/10/11	100.0%	4,510	3,993	517	427	88.5%	-9.5%	12	
	Yokohama	MM Park	'08/03/24	-	100.0%	38,584	36,612	1,971		94.9%		26	
	Kawasaki	Kawasaki Isago	'01/09/25	-	100.0%	6,831	6,448	383	383	94.4%	-5.6%	12	
		Musashi Kosugi STM	'08/03/25	-	34.32%	5,394	5,303	91	91	98.3%	-1.7%	23	
	Sapporo	8・3 Square Kita	'07/06/01	-	100.0%	12,265	12,265	0		100.0%		8	
	Sendai	Jozenji Park	'05/01/31	-	50.0%	2,518	2,518	0	-49	100.0%	2.0%	18	
		Sendai Honma	'01/09/25	'06/06/28	100.0%	6,241	5,474	767	693	87.7%	-11.1%	18	
	Kanazawa	Kanazawa Park	'02/02/28	'03/03/03	89.0%	20,918	16,946	3,971	506	81.0%	-2.4%	68	
	Nagoya	Nishiki Park	'06/10/02	'06/11/01	57.04651%	8,059	7,828	230	48	97.1%	-0.6%	50	
		Hirokoji Sakae	'06/09/22	-	100.0%	3,911	3,338	572	572	85.4%	-14.6%	13	
		Nagoya Hirokoji	'01/09/10	-	100.0%	21,624	20,895	728	-219	96.6%	1.0%	26	
	Kyoto	Nagoya Misono	'03/08/08	-	100.0%	3,470	3,116	354	-2	89.8%	0.1%	9	
		Kyoto Kawaramachi	'01/12/20	-	100.0%	6,798	4,613	2,185	1,053	67.9%	-15.5%	25	
	Osaka	Shin-Fujita	'08/09/01	-	100.0%	28,414	22,952	5,461	894	80.8%	-3.1%	37	
		Sakaisujihonmachi	'01/09/25	'03/12/26	100.0%	11,574	11,350	223	169	98.1%	-1.5%	16	
	Okayama	Midosuji Daiwa	'01/09/25	'02/02/28	100.0%	20,450	17,446	3,004	2,720	85.3%	-13.3%	25	
		Lit City	'06/02/01	-	27.7488%	9,965	9,118	847	392	91.5%	-3.9%	37	
	Hiroshima	NHK Hiroshima	'04/03/25	'08/03/03	48.753%	9,860	9,860	0		100.0%		12	
	Fukuoka	Tosei Tenjin	'01/09/25	-	100.0%	4,000	4,000	0		100.0%		20	
		Tenjin Crystal	'05/06/01	-	100.0%	6,023	3,998	2,025	1,333	66.4%	-22.1%	21	
		Hinode Teijin	'01/09/10	-	74.4844%	5,852	5,852	0		100.0%		9	
	Tokyo 23 Wards						269,081	258,535	10,546	1,772	96.1%	-0.7%	452
	Other Areas						247,339	223,346	23,992	9,672	90.3%	-3.9%	525
	Portfolio						516,421	481,882	34,539	11,445	93.3%	-2.2%	977

\* The above-mentioned occupancy rates do not include the residential portions. Leasable space and occupancy rates of the residential portions as of the end of the 16th Period are 11,694㎡/ 76.6% of Kitanomaru Square, 1,686㎡/ 100.0% of Nibancho Garden, 954㎡/ 55.3% of Nishiki Park Building.

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

# Property Data ② (Occupancy Rates Forecast for the End of the 17th Period, etc.)



Area	Name	Floor Area (Whole Building) (㎡)	Vacant Area (㎡)		Occupancy Rate		Property Management Company	
			End of 17th Period	Variation from End of 16th Period	End of 17th Period	Variation from End of 16th Period		
Tokyo 23 Wards	Chiyoda	Genki Medical Plaza	6,722.02	0		100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		Kitanomaru Square	57,279.20	0		100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		MD Kanda	8,185.11	533		91.5%	Bussan Real Estate Co., Ltd.	
		Kandabashi Park	9,370.25	126	-336	96.6%	9.1% Mitsubishi Estate Co., Ltd.	
		Nibancho Garden	57,031.06	0		100.0%	The Dai-Ichi Building Co., Ltd.	
		Mitsubishi UFJ Trust and Banking	108,171.67	0		100.0%	Mitsubishi Estate Co., Ltd.	
		Burex Kojimachi	6,526.64	0		100.0%	Space Design, Inc.	
		Sanno Grand	33,875.95	414		98.0%	Mitsubishi Estate Co., Ltd.	
		Yurakucho Denki	70,287.65	599		87.2%	Yuden Building Kanri Co., Ltd.	
	Chuo	Kodenmachi Shin-Nihonbashi	5,822.88	0		100.0%	The Dai-Ichi Building Co., Ltd.	
		Burex Kyobashi	5,470.54	0		100.0%	Space Design, Inc.	
		Ginza Sanwa	8,851.00	311	311	92.8%	-7.2% Mitsubishi Jisho Property Management Co., Ltd.	
		Ryoshin Ginza East Mirror	4,104.71	0		100.0%	The Dai-Ichi Building Co., Ltd.	
		Harumi Center	26,447.27	386		98.1%	Mitsubishi Estate Co., Ltd.	
	Minato	Aoyama Crystal	8,094.36	387	387	92.1%	-7.9% Xymax Axis Corporation	
		Shiodome	115,930.83	103	77	99.7%	Mitsubishi Jisho Property Management Co., Ltd.	
		Shiba 2Chome Daimon	16,235.10	857	355	91.1%	-3.7% Tokio Marine & Nichido Facilities, Inc.	
		Cosmo Kanasugibashi	5,420.93	848	501	79.1%	-12.3% The Dai-Ichi Building Co., Ltd.	
	Shinjuku	Shinwa	8,291.69	0		100.0%	Tokio Marine & Nichido Facilities, Inc.	
		Tokyo Opera City	232,996.81	970	100	89.5%	-1.1% Tokyo Operacity Property Management Co., Ltd.	
	Shinagawa	Takanawadai	5,762.70	2,904	2,904	28.6%	-71.4% Sohgo Housing Co., Ltd	
		Higashi-Gotanda 1Chome	6,460.39	0		100.0%	Sohgo Housing Co., Ltd	
	Ota	Omori-Eki Higashiguchi	14,095.34	189		97.5%	Tokio Marine & Nichido Facilities, Inc.	
	Shibuya	Nippon Brunswick	11,957.38	403		94.5%	Mitsubishi Jisho Property Management Co., Ltd.	
		Yoyogi 1Chome	10,778.10	0		100.0%	Tokio Marine & Nichido Facilities, Inc.	
		da Vinci Harajuku	4,359.20	0		100.0%	Xymax Axis Corporation	
		Jingumae MS	9,420.42	482	-482	91.3%	8.7% The Dai-Ichi Building Co., Ltd.	
		Shibuya Cross Tower	61,862.33	1,521	-1,366	94.9%	4.6% Mitsubishi Jisho Property Management Co., Ltd.	
		Ebisu Neonato	36,598.38	625		74.6%	Tokio Marine & Nichido Facilities, Inc.	
	Nakano	Harmony Tower	72,729.31	278	-1,052	97.5%	9.6% Mitsubishi Jisho Property Management Co., Ltd.	
	Toshima	Otsuka Higashi-Ikebukuro	9,531.28	283	283	96.0%	-4.0% Sohgo Housing Co., Ltd	
		Ikebukuro 2Chome	3,157.51	0		100.0%	Sohgo Housing Co., Ltd	
		Ikebukuro YS	7,464.64	0		100.0%	Xymax Axis Corporation	
	Other Areas	Hachioji	Hachioji First	18,329.98	766	110	92.4%	-1.1% Sohgo Housing Co., Ltd
Saitama			Saitama Urawa	6,258.59	381	-135	91.5%	3.0% The Dai-Ichi Building Co., Ltd.
Yokohama		MM Park	49,037.51	2,377	405	93.8%	-1.1% Mitsubishi Estate Co., Ltd.	
Kawasaki		Kawasaki Isago	9,623.83	0	-383	100.0%	5.6% Sohgo Housing Co., Ltd	
		Musashi Kosugi STM	22,839.61	182	90	96.6%	-1.7% Sohgo Housing Co., Ltd	
Sapporo		8・3 Square Kita	16,096.97	0		100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		Sendai	Jozenji Park	7,648.33	0		100.0%	Mitsubishi Estate Co., Ltd.
		Sendai Honma	8,247.50	767		87.7%	The Dai-Ichi Building Co., Ltd.	
Kanazawa		Kanazawa Park	43,481.20	3,973	1	81.0%	-0.0% Mitsubishi Estate Co., Ltd.	
Nagoya		Nishiki Park	25,091.91	344	113	95.7%	-1.4% Mitsubishi Estate Co., Ltd.	
		Hirokoji Sakae	6,445.08	637	64	83.7%	-1.6% Tokio Marine & Nichido Facilities, Inc.	
		Nagoya Hirokoji	33,377.73	1,378	649	93.6%	-3.0% Mitsubishi Jisho Property Management Co., Ltd.	
		Nagoya Misono	5,348.00	792	438	77.2%	-12.6% Tokio Marine & Nichido Facilities, Inc.	
Kyoto		Kyoto Kawaramachi	9,701.04	2,171	-13	68.1%	0.2% Xymax Axis Corporation	
Osaka		Shin-Fujita	45,411.31	7,110	1,648	75.0%	-5.8% Mitsubishi Jisho Property Management Co., Ltd.	
		Sakaisujihonmachi	17,145.59	1,318	1,094	88.6%	-9.5% The Dai-Ichi Building Co., Ltd.	
		Midosuji Daiwa	31,213.27	1,729	-1,274	91.5%	6.2% The Dai-Ichi Building Co., Ltd.	
Okayama		Lit City	52,653.19	1,333	485	86.6%	-4.9% Yuraku Real Estate Co., Ltd.	
Hiroshima		NHK Hiroshima	35,217.28	231	231	97.7%	-2.3% Mitsubishi Estate Co., Ltd.	
Fukuoka		Tosei Tenjin	5,588.57	75	75	98.1%	-1.9% The Dai-Ichi Building Co., Ltd.	
		Tenjin Crystal	10,432.04	1,006	-1,019	83.3%	16.9% The Dai-Ichi Building Co., Ltd.	
		Hinode Tenjin	12,527.07	75	75	98.7%	-1.3% Tokio Marine & Nichido Facilities, Inc.	
Tokyo 23 Wards				12,229	1,682		95.8%	-0.3%
Other Areas				26,652	2,660		89.2%	-1.1%
Portfolio				38,882	4,342		92.8%	-0.5%

\* From August 1, 2009, property management company for 8・3 Square Kita has been changed to "Mitsubishi Jisho Property Management Co., Ltd." from "Mitsubishi Estate Co., Ltd."

# Property Data ③ (Classification)



## Floor Size by Area, Property and PM Companies

*Red Italic shows the transferred properties.*

(As of September 30, 2009)

Tsubo per Standard floor (Tsubo≒3.3 m <sup>2</sup> )	Area							Total Number of Buildings	Total Acquisition Price (¥mm) (%)
	Tokyo 23 Wards			Other Areas					
	3 Central Wards	Other Area	Tokyo Metropolitan Area (excl. 23 Wards)	Osaka / Kyoto / Kobe	Nagoya	Other			
450 -	Nibancho Garden 1,117 Shiodome 1,059 Sanno Grand 666 Harumi Center 648 Kitanomaru Square 568 Mitsubishi UFJ Trust 537	Tokyo Opera City 653	MM Park 828 Musashi Kosugi STM 619				Kanazawa Park 625 Lit City 550	11 269,885 (47.8%)	
300 - 450	<i>Property E</i> Yurakucho Denki 398 Shiba 2Chome Daimon 352	Harmony Tower 413 Ebisu Neonato 373 Shibuya Cross Tower 313	Hachioji First 335	Shin-Fujita 440 Midosuji Daiwa 341	Nagoya Hirokoji 333	8-3 Square Kita 373 NHK Hiroshima 301	11 127,655 (22.6%)		
200 - 300	Kandabashi Park 212	Nippon Brunswick 288 Otsuka Higashi-Ikebukuro 273 Ikebukuro YS 251 Yoyogi 1Chome 230 Shinwa 227 Omori-Eki Higashiguchi 218 Higashi-Gotanda 1Chome 201	<i>Property B</i>	Sakaisujihonmachi 284 Kyoto Kawaramachi 223	Nishiki Park 209	Hinode Tenjin 252	12 62,295 (11.0%)		
150 - 200	Ginza Sanwa 198 MD Kanda 198 Genki Medical Plaza 183 Burex Kyobashi 176 Cosmo Kanasugibashi 160 Kodenmacho 150	<i>Property A</i>	Kawasaki Isago 197 Saitama Urawa 189		Nagoya Misono 157	Jozenji Park 191 Sendai Honma 179 <i>Property C</i> Tosei Tenjin 167	12 56,119 (9.9%)		
100 - 150	Burex Kojimachi 132 Aoyama Crystal 117 Ryoshin Ginza EM 114	Jingumae MS 146 da Vinci Harajuku 117 Takanawadai 103		<i>Property F</i>	Hirokoji Sakae 144	<i>Property D</i> Tenjin Crystal 112	8 46,536 (8.2%)		
- 100		Ikebukuro 2Chome 74					1 1,728 (0.3%)		
Total Number of Buildings	18	15	5	4	4	9	55		
Total Acquisition Price (¥mm) (%)	289,389 (51.3%)	119,965 (21.3%)	53,028 (9.4%)	45,128 (8.0%)	23,228 (4.1%)	33,481 (5.9%)	564,219 (100.0%)		
Number of PM Companies	8	6	3	3	3	4	11		

- **Balanced portfolio of properties, mostly large scale and competitive properties. The ratio of properties with standard floor area of 200 tsubo is approx. 81% on an acquisition price basis.**
- **JRE keeps property management agreements with several property management companies in each area with a view to assure fair competition among them and accumulate know-how through them.**

## Building Age and Walking Time from the Nearest Station

  shows properties conveniently located where multiple lines are available in Tokyo 23 Wards.  
*Red Italic shows the transferred properties.*

(As of September 30, 2009)

Time Building Age	Area								Total Number of Buildings Total Acquisition Price (¥mm) (%)
	Tokyo 23 Wards				Other Areas				
	- 1 min. walk	1 - 5 min.	5 - 10 min.	10 min. -	- 1 min. walk	1 - 5 min.	5 - 10 min.	10 min. -	
- 10 years	Kitanomaru Square	Shiodome	Harumi Center		MM Park				12
	Burex Kojimachi	Higashi-Gotanda 1Chome			8-3 Square Kita				264,605
	Mitsubishi UFJ Trust	Nibancho Garden			Lit City				(46.9%)
		Yoyogi 1Chome							
	Burex Kyobashi								
10 - 20 years	MD Kanda	Ryoshin Ginza EM	Cosmo Kanasugibashi		Hachioji First	Shin-Fujita	Tosei Tenjin	<i>Property B</i>	28
	Harmony Tower	Jingumae MS	<i>Property A</i>		Nishiki Park	Tenjin Crystal	<i>Property F</i>		159,805
	Tokyo Opera City	Kandabashi Park	Ikebukuro 2Chome		NHK Hiroshima	Jozenji Park			(28.3%)
	Ebisu Neonato		Ikebukuro YS		Sakaisujihonmachi	Kanazawa Park			
	Kodenmacho		Shinwa		Sendai Honma	Nagoya Misono			
	Takanawadai				Midosuji Daiwa	Kawasaki Isago			
					Musashi Kosugi STM	Saitama Urawa			
20 - 30 years	Omori-Eki Higashiguchi	Otsuka Higashi-Ikebukuro	da Vinci Harajuku			Hirokoji Sakae		<i>Property D</i>	11
	Genki Medical Plaza	Shiba 2Chome Daimon				Hinode Tenjin		<i>Property C</i>	70,438
	Ginza Sanwa	Aoyama Crystal				Nagoya Hirokoji			(12.5%)
						Kyoto Kawaramachi			
30 years -	Yurakucho Denki	Shibuya Cross Tower							4
	<i>Property E</i>	Nippon Brunswick							69,370
	Sanno Grand								(12.3%)
Total Number of Buildings	14	13	6	0	10	11	1	0	55
Total Acquisition Price (¥mm)	225,689	135,113	48,551	0	88,401	64,914	1,550	0	564,219
(%)	(40.0%)	(23.9%)	(8.6%)	(0.0%)	(15.7%)	(11.5%)	(0.3%)	(0.0%)	(100.0%)

- Properties aged 10 years or less account for approx. 47% of the total properties (on an acquisition price basis).
- Approx. 91% of the total properties are located within a five-minute walk from the nearest station (on an acquisition price basis).

# PML Values



Area	Name	Completion Date	PML Value	
Tokyo 23 Wards	Chiyoda	Genki Medical Plaza	1985/09	3.4%
		Kitanomaru Square	2006/01	1.6%
		MD Kanda Building	1998/02	5.0%
		Kandabashi Park Building	1993/07	5.0%
		Nibancho Garden	2004/04	2.1%
		Mitsubishi UFJ Trust and Banking Building	2003/02	1.4%
		Burex Kojimachi Building	2005/01	4.1%
		Sanno Grand Building	1966/09	3.6%
		Yurakucho Denki Building	1975/09	3.7%
	Chuo	Kodenmacho Shin-Nihonbashi Building	1991/11	3.3%
		Burex Kyobashi Building	2002/02	4.7%
		Ginza Sanwa Building	1982/10	3.7%
		Ryoshin Ginza East Mirror Building	1998/10	2.9%
		Harumi Center Building	2006/11	3.5%
	Minato	Aoyama Crystal Building	1982/12	5.4%
		Shiodome Building	2007/12	1.4%
		Shiba 2Chome Daimon Building	1984/03	3.0%
		Cosmo Kanasugibashi Building	1992/03	7.3%
	Shinjuku	Shinwa Building	1989/11	7.0%
		Tokyo Opera City Building	1996/07	2.0%
	Shinagawa	Takanawadai Building	1991/01	5.4%
		Higashi-Gotanda 1Chome Building	2004/07	2.6%
	Ota	Omori-Eki Higashiguchi Building	1989/07	2.8%
	Shibuya	Nippon Brunswick Building	1974/03	4.0%
		Yoyogi 1Chome Building	2003/10	2.2%
		da Vinci Harajuku	1987/12	9.6%
		Jingumae Media Square Building	1998/03	3.3%
		Shibuya Cross Tower	1976/04	2.2%
	Nakano	Ebisu Neonato	1994/10	2.4%
		Harmony Tower	1997/03	2.0%
	Toshima	Otsuka Higashi-Ikebukuro Building	1987/11	6.1%
		Ikebukuro 2Chome Building	1990/05	3.4%
Ikebukuro YS Building		1989/12	5.7%	
Other Areas	Hachioji	Hachioji First Square	1996/07	3.9%
	Saitama	Saitama Urawa Building	1990/03	7.2%
	Yokohama	MM Park Building	2007/12	4.0%
	Kawasaki	Kawasaki Isago Building	1990/12	4.1%
		Musahi Kosugi STM Building	1990/10	3.8%
	Sapporo	8・3 Square Kita Building	2006/12	1.6%
	Sendai	Jozenji Park Building	1993/01	3.3%
		Sendai Honcho Honma Building	1991/11	2.2%
	Kanazawa	Kanazawa Park Building	1991/10	4.8%
	Nagoya	Nishiki Park Building	1995/08	2.4%
		Hirokoji Sakae Building	1987/09	5.2%
		Nagoya Hirokoji Building	1987/05	2.4%
		Nagoya Misono Building	1991/09	4.1%
	Kyoto	Kyoto Shijo Kawaramachi Building	1982/11	12.1%
	Osaka	Shin-Fujita Building	1995/04	4.0%
		Sakaisujihonmachi Building	1992/10	7.4%
		Midosuji Daiwa Building	1991/09	6.9%
	Okayama	Lit City Building	2005/06	0.6%
	Hioroshima	NHK Hiroshima Broadcasting Center Building	1994/08	1.1%
	Fukuoka	Tosei Tenjin Building	1992/03	4.3%
		Tenjin Crystal Building	1993/08	3.1%
		Hinode Tenjin Building	1987/08	4.2%
		Portfolio PML	2.0%	

\* Completion date is the date at new construction.

Portfolio PML

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

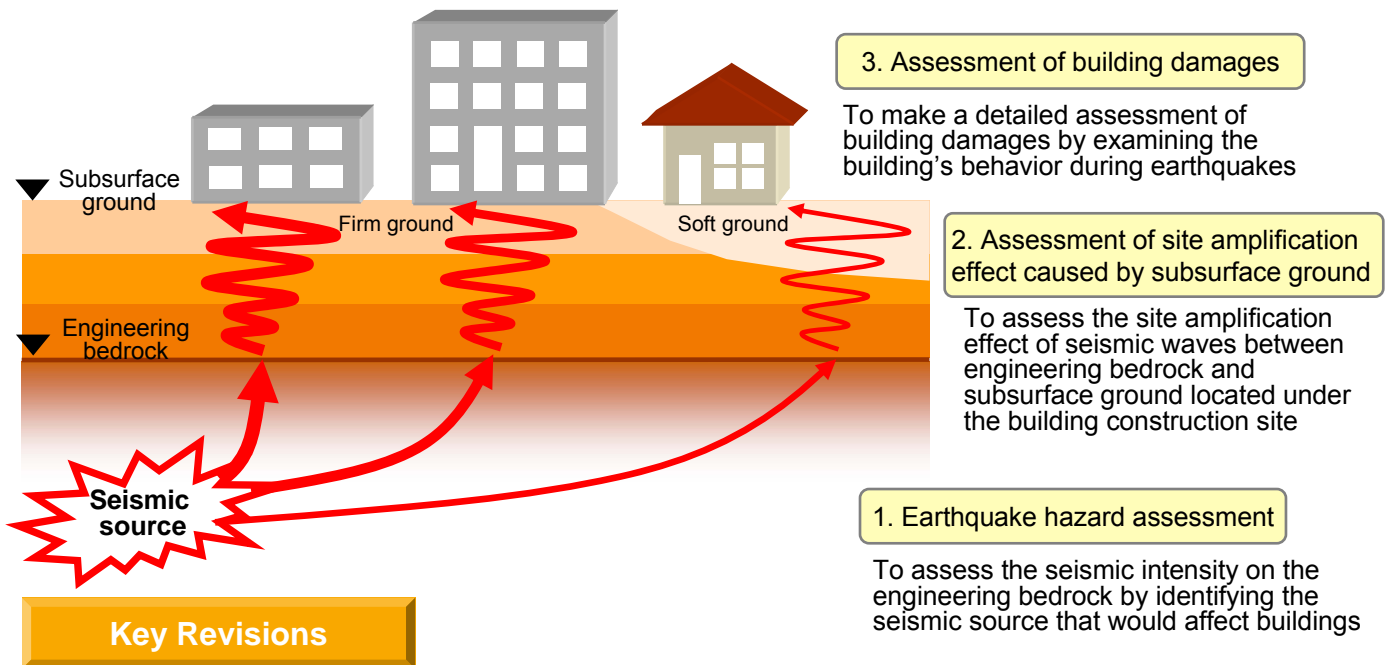
The percentage of the expense in restoring an earthquake-struck building to pre-earthquake condition to the total replacement value (i.e., total expense incurred from an earthquake divided by replacement value of a building), when assuming a catastrophic earthquake that is likely to occur with a 10%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



# Revised Earthquake Risk PML Assessment Approach



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



### Renewal of the seismic source database

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

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

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

### More sophisticated assessment of the behavior of buildings

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

### Revision of building damages assessment

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

# Summary of Appraisal Values at the End of Period



(In millions of yen)

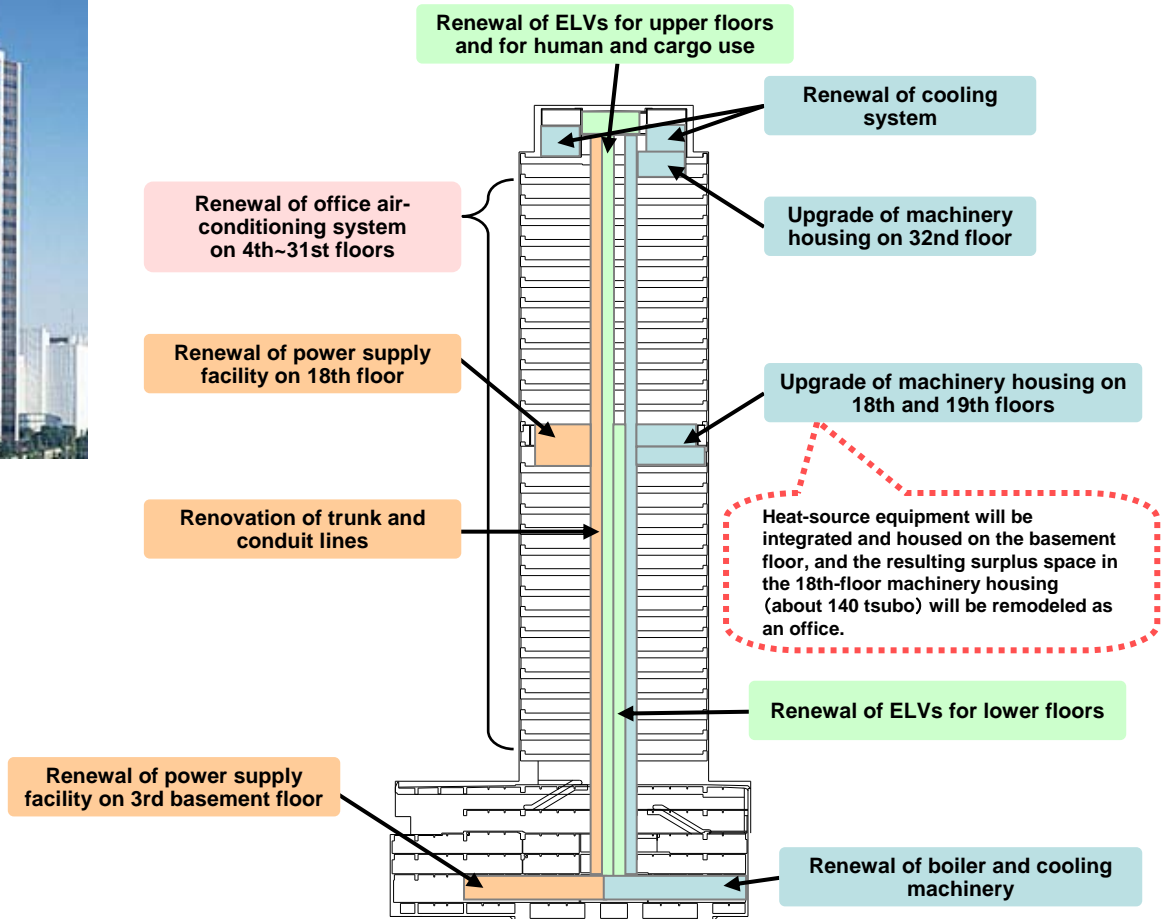
Name	Acquisition Price	Appraisal Value as of the End of Period															
		15th Period					16th Period					Change					
		Appraisal Value	DC(*1)		DCF(*2)		Appraisal Value	DC(*1)		DCF(*2)		Appraisal Value	Change in Value	DC(*1)		DCF(*2)	
			Cap Rate	Assessed CF	Discount Rate	Terminal Cap Rate		Cap Rate	Assessed CF	Discount Rate	Terminal Cap Rate			Cap Rate	Assessed CF	Discount Rate	Terminal Cap Rate
Genki Medical Plaza	5,000	6,150	5.30%	332	4.90%	5.70%	6,050	5.40%	333	5.00%	5.80%	-100	-1.6%	0.10%	0.3%	0.10%	0.10%
Kitanomaru Square	81,555	83,700	4.30%	3,748	4.00%	4.40%	78,100	4.30%	3,491	4.10%	4.50%	-5,600	-6.7%	0.00%	-6.8%	0.10%	0.10%
MD Kanda	9,520	10,600	4.50%	496	4.30%	4.70%	9,620	4.60%	454	4.40%	4.80%	-980	-9.2%	0.10%	-8.5%	0.10%	0.10%
Kandabashi Park	4,810	6,350	4.60%	294	4.40%	4.70%	5,950	4.70%	280	4.50%	4.80%	-400	-6.3%	0.10%	-4.9%	0.10%	0.10%
Nibancho Garden	14,700	17,400	4.70%	844	4.40%	4.80%	16,300	4.70%	795	4.50%	4.90%	-1,100	-6.3%	0.00%	-5.7%	0.10%	0.10%
Mitsubishi UFJ Trust and Banking	44,700	49,100	3.60%	1,822	3.30%	3.70%	47,300	3.60%	1,739	3.30%	3.70%	-1,800	-3.7%	0.00%	-4.6%	0.00%	0.00%
Burex Kojimachi	7,000	6,850	4.10%	287	3.90%	4.30%	6,570	4.30%	289	4.10%	4.50%	-280	-4.1%	0.20%	0.6%	0.20%	0.20%
Sanno Grand	20,900	30,500	4.50%	1,383	4.20%	4.60%	29,100	4.60%	1,339	4.30%	4.70%	-1,400	-4.6%	0.10%	-3.2%	0.10%	0.10%
Yurakucho Denki	7,200	8,730	4.50%	399	4.30%	4.70%	8,470	4.60%	397	4.40%	4.80%	-260	-3.0%	0.10%	-0.5%	0.10%	0.10%
Kodenmachi Shin-Nihonbashi	3,173	4,070	4.90%	203	4.70%	5.10%	3,780	5.00%	191	4.80%	5.20%	-290	-7.1%	0.10%	-5.9%	0.10%	0.10%
Burex Kyobashi	5,250	6,970	3.80%	269	4.00%	4.40%	6,630	4.00%	271	4.10%	4.50%	-340	-4.9%	0.20%	0.5%	0.10%	0.10%
Ginza Sanwa	16,830	16,900	3.70%	656	3.60%	3.80%	16,000	3.80%	632	3.70%	3.90%	-900	-5.3%	0.10%	-3.7%	0.10%	0.10%
Ryoshin Ginza East Mirror	5,353	4,920	4.50%	228	4.30%	4.70%	4,610	4.60%	216	4.40%	4.80%	-310	-6.3%	0.10%	-4.9%	0.10%	0.10%
Harumi Center	26,800	24,600	4.80%	1,223	4.60%	5.00%	22,600	5.00%	1,161	4.80%	5.20%	-2,000	-8.1%	0.20%	-5.1%	0.20%	0.20%
Aoyama Crystal	7,680	9,210	4.30%	405	4.10%	4.50%	8,790	4.40%	394	4.20%	4.60%	-420	-4.6%	0.10%	-2.7%	0.10%	0.10%
Shiodome	21,250	21,800	4.00%	875	3.80%	4.20%	19,900	4.10%	798	3.90%	4.30%	-1,900	-8.7%	0.10%	-8.7%	0.10%	0.10%
Shiba 2Chome Daimon	4,859	7,290	4.90%	365	4.70%	5.10%	6,890	5.00%	348	4.80%	5.20%	-400	-5.5%	0.10%	-4.6%	0.10%	0.10%
Cosmo Kanasugibashi	2,808	3,640	4.90%	181	4.70%	5.10%	3,410	5.00%	174	4.80%	5.20%	-230	-6.3%	0.10%	-3.6%	0.10%	0.10%
Shinwa	7,830	9,300	4.60%	437	4.40%	4.80%	8,290	4.80%	405	4.60%	5.00%	-1,010	-10.9%	0.20%	-7.5%	0.20%	0.20%
Tokyo Opera City	9,350	11,300	4.80%	557	4.60%	5.00%	10,400	5.00%	531	4.80%	5.20%	-900	-8.0%	0.20%	-4.6%	0.20%	0.20%
Takanawadai	2,738	2,600	5.10%	133	4.80%	5.20%	2,370	5.20%	125	4.90%	5.30%	-230	-8.8%	0.10%	-5.8%	0.10%	0.10%
Higashi-Gotanda 1Chome	5,500	6,900	4.70%	326	4.40%	4.80%	6,690	4.80%	324	4.50%	4.90%	-210	-3.0%	0.10%	-0.9%	0.10%	0.10%
Omori-Eki Higashiguchi	5,123	5,890	5.40%	323	5.20%	5.60%	5,750	5.50%	322	5.30%	5.70%	-140	-2.4%	0.10%	-0.4%	0.10%	0.10%
Nippon Brunswick	6,670	8,970	4.80%	437	4.50%	5.00%	8,230	4.90%	407	4.60%	5.10%	-740	-8.2%	0.10%	-7.0%	0.10%	0.10%
Yoyogi 1Chome	8,700	13,100	4.50%	600	4.40%	4.70%	11,900	4.60%	550	4.50%	4.80%	-1,200	-9.2%	0.10%	-8.2%	0.10%	0.10%
da Vinci Harajuku	4,885	6,480	4.70%	305	4.40%	4.80%	6,340	4.80%	305	4.50%	4.90%	-140	-2.2%	0.10%	0.0%	0.10%	0.10%
Jingumae Media Square	12,200	15,000	4.20%	654	4.20%	4.40%	12,700	4.50%	583	4.30%	4.70%	-2,300	-15.3%	0.30%	-10.9%	0.10%	0.30%
Shibuya Cross Tower	34,600	49,000	4.40%	2,197	4.20%	4.60%	43,700	4.50%	1,992	4.30%	4.70%	-5,300	-10.8%	0.10%	-9.3%	0.10%	0.10%
Ebisu Neonato	4,100	5,140	4.30%	230	4.30%	4.50%	3,640	4.60%	171	4.40%	4.80%	-1,500	-29.2%	0.30%	-25.7%	0.10%	0.30%
Harmony Tower	8,500	12,800	4.80%	627	4.60%	5.00%	11,800	4.90%	594	4.70%	5.10%	-1,000	-7.8%	0.10%	-5.2%	0.10%	0.10%
Otsuka Higashi-Ikebukuro	3,541	3,850	5.90%	226	5.60%	6.00%	3,820	5.90%	225	5.60%	6.00%	-30	-0.8%	0.00%	-0.6%	0.00%	0.00%
Ikebukuro 2Chome	1,728	1,580	5.40%	86	5.20%	5.60%	1,600	5.60%	89	5.40%	5.80%	20	1.3%	0.20%	4.6%	0.20%	0.20%
Ikebukuro YS	4,500	5,400	5.10%	279	4.90%	5.30%	4,590	5.20%	240	5.00%	5.40%	-810	-15.0%	0.10%	-13.9%	0.10%	0.10%
Hachioji First Square	5,679	5,910	5.40%	322	5.20%	5.60%	5,670	5.60%	321	5.40%	5.80%	-240	-4.1%	0.20%	-0.2%	0.20%	0.20%
Saitama Urawa	2,574	2,600	5.70%	148	5.50%	5.90%	2,320	5.90%	140	5.70%	6.10%	-280	-10.8%	0.20%	-5.6%	0.20%	0.20%
MM Park	37,400	37,000	4.90%	1,831	4.70%	5.10%	37,000	5.10%	1,895	4.90%	5.30%	0	0.0%	0.20%	3.5%	0.20%	0.20%
Kawasaki Isago	3,375	3,230	5.70%	187	5.50%	5.90%	3,100	5.80%	183	5.60%	6.00%	-130	-4.0%	0.10%	-2.1%	0.10%	0.10%
Musashi Kosugi STM	4,000	3,850	5.50%	214	5.30%	5.70%	3,680	5.60%	207	5.40%	5.80%	-170	-4.4%	0.10%	-3.1%	0.10%	0.10%
8-3 Square Kita	7,100	7,010	5.60%	402	5.50%	5.80%	6,690	5.70%	387	5.60%	5.90%	-320	-4.6%	0.10%	-3.7%	0.10%	0.10%
Jozenji Park	1,000	1,110	6.10%	67	6.00%	6.30%	1,080	6.20%	66	6.10%	6.40%	-30	-2.7%	0.10%	-1.3%	0.10%	0.10%
Sendai Honcho Honma	3,174	3,540	5.80%	207	5.60%	6.00%	3,420	5.90%	206	5.80%	6.10%	-120	-3.4%	0.10%	-0.5%	0.20%	0.10%
Kanazawa Park	4,580	6,180	6.70%	409	6.60%	6.90%	5,760	6.70%	386	6.60%	6.90%	-420	-6.8%	0.00%	-5.5%	0.00%	0.00%
Nishiki Park	5,150	5,180	5.50%	288	5.30%	5.70%	4,520	5.30%	241	5.10%	5.50%	-660	-12.7%	-0.20%	-16.1%	-0.20%	-0.20%
Hirokoji Sakae	1,680	1,720	5.30%	93	5.10%	5.50%	1,610	5.50%	90	5.30%	5.70%	-110	-6.4%	0.20%	-3.4%	0.20%	0.20%
Nagoya Hirokoji	14,533	15,600	5.20%	821	5.00%	5.40%	14,600	5.40%	792	5.20%	5.60%	-1,000	-6.4%	0.20%	-3.5%	0.20%	0.20%
Nagoya Misono	1,865	1,440	5.80%	83	5.60%	6.00%	1,320	5.80%	78	5.60%	6.00%	-120	-8.3%	0.00%	-6.3%	0.00%	0.00%
Kyoto Shijo Kawaramachi	2,650	2,190	6.00%	132	5.90%	6.20%	2,010	6.10%	125	6.00%	6.30%	-180	-8.2%	0.10%	-5.4%	0.10%	0.10%
Shin-Fujita	24,000	23,200	4.80%	1,140	4.60%	5.00%	20,100	5.10%	1,043	4.90%	5.30%	-3,100	-13.4%	0.30%	-8.5%	0.30%	0.30%
Sakaisujihonmachi	4,164	4,790	5.30%	260	5.10%	5.50%	4,390	5.50%	246	5.30%	5.70%	-400	-8.4%	0.20%	-5.7%	0.20%	0.20%
Midotsuji Daiwa	14,314	18,400	4.70%	883	4.50%	4.90%	16,300	4.90%	814	4.70%	5.10%	-2,100	-11.4%	0.20%	-7.8%	0.20%	0.20%
Lit City	4,650	5,330	6.30%	336	6.20%	6.50%	5,160	6.40%	333	6.30%	6.60%	-170	-3.2%	0.10%	-1.1%	0.10%	0.10%
NHK Hiroshima Broadcasting Center	2,770	3,170	6.10%	194	6.00%	6.30%	3,050	6.30%	192	6.20%	6.50%	-120	-3.8%	0.20%	-0.7%	0.20%	0.20%
Tosei Tenjin	1,550	1,380	6.00%	82	5.90%	6.20%	1,320	6.20%	82	6.10%	6.40%	-60	-4.3%	0.20%	-0.5%	0.20%	0.20%
Tenjin Crystal	5,000	3,960	5.50%	218	5.40%	5.70%	3,210	5.70%	186	5.60%	5.90%	-750	-18.9%	0.20%	-14.8%	0.20%	0.20%
Hinode Tenjin	3,657	3,890	5.50%	213	5.30%	5.60%	3,720	5.70%	212	5.50%	5.80%	-170	-4.4%	0.20%	-0.6%	0.20%	0.20%
Total (55 properties)	564,219	636,770					591,920					-44,850	-7.0%				

\*1 Direct capitalization method  
\*2 Discounted cash flow method

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



## Long-term Refurbishment Plan for Shibuya Cross Tower



<Work already ordered>		Work already completed												(In millions of yen)	
Name	Amount (*1)	8th Period '05/4-'05/9	9th Period '05/10-'06/3	10th Period '06/4-'06/9	11th Period '06/10-'07/3	12th Period '07/4-'07/9	13th Period '07/10-'08/3	14th Period '08/4-'08/9	15th Period '08/10-'09/3	16th Period '09/4-'09/9	17th Period '09/10-'10/3	18th Period '10/4-'10/9	19th Period '10/10-'11/3	20th Period '11/4-'11/9	
[Power supply systems total]	Construction cost	1,324	9	13	957	0	0	0	32	104	207	0	0	0	
Renewal of power supply facility	Completed work breakdown: Capital expenditure	1,157	6	13	876	0	0	0	32	103	126				
Renovation of trunk and conduit lines	Completed work breakdown: Repairing expense	166	3	0	81	0	0	0	0	0	81				
Renewal of distribution board (1st-5th phases)															
[Heat-source systems total]	Construction cost	2,065	0	488	0	89	340	26	26	116	978	0	0	0	
Renewal of heat-source equipment (1st-7th phases)	Completed work breakdown: Capital expenditure	1,468	0	414	0	80	269	16	26	105	553				
	Completed work breakdown: Repairing expense	597	0	73	0	8	70	9	0	10	424				
[Air-conditioning systems total]	Construction cost	1,392	0	0	0	0	0	0	0	0	0	642	0	665	
Renewal of office air-conditioning systems (1st-3rd phases)	Completed work breakdown: Capital expenditure	0	0	0	0	0	0	0	0	0	0				
	Completed work breakdown: Repairing expense	0	0	0	0	0	0	0	0	0	0				
[ELVs total]	Construction cost	862	0	13	0	760	0	0	87	0	0	0	0	0	
Renewal of ELVs for upper and lower floors and those for human and cargo use	Completed work breakdown: Capital expenditure	657	0	13	0	593	0	0	50	0	0				
	Completed work breakdown: Repairing expense	205	0	0	0	166	0	0	37	0	0				
[Total work already ordered]	Construction cost	5,645	9	515	957	849	340	26	146	220	1,185	642	0	665	
	Completed work breakdown: Capital expenditure	3,283	6	441	876	674	269	16	109	209	679				
	Completed work breakdown: Repairing expense	969	3	74	81	175	70	9	37	11	505				

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

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

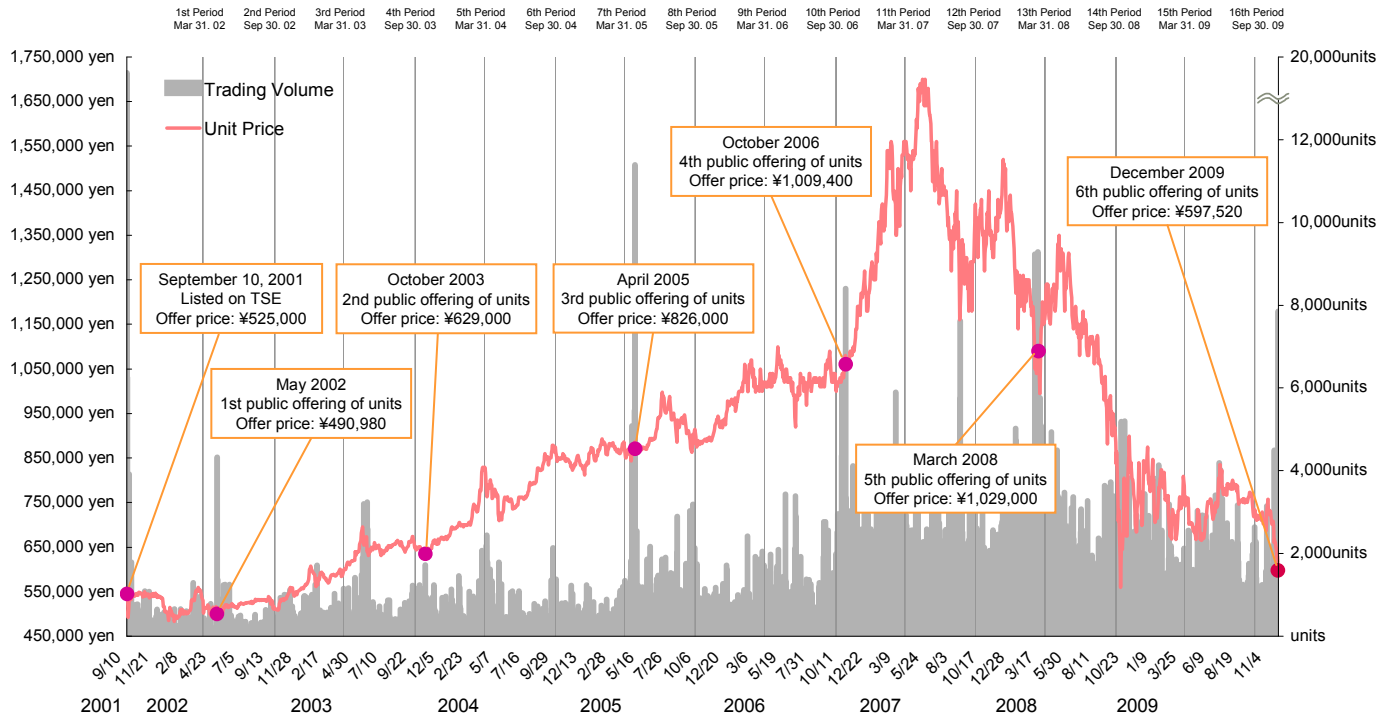
(\*3) For renovation work with payments made on time, the amounts shall be capitalized for assets as construction in progress upon each payment.

<Work being planned or not yet ordered>		(In millions of yen)
Name	Amount	
Remodeling of the machinery housing as office space (18th floor, approx. 140 tsubo space to be remodeled as an office)	210	

# Unit Price Performance ① (After IPO)



## ◆ Unit Price Performance



\* Unit prices are based on daily closing prices.

## ◆ Historical Dividend Yield of JRE Unit



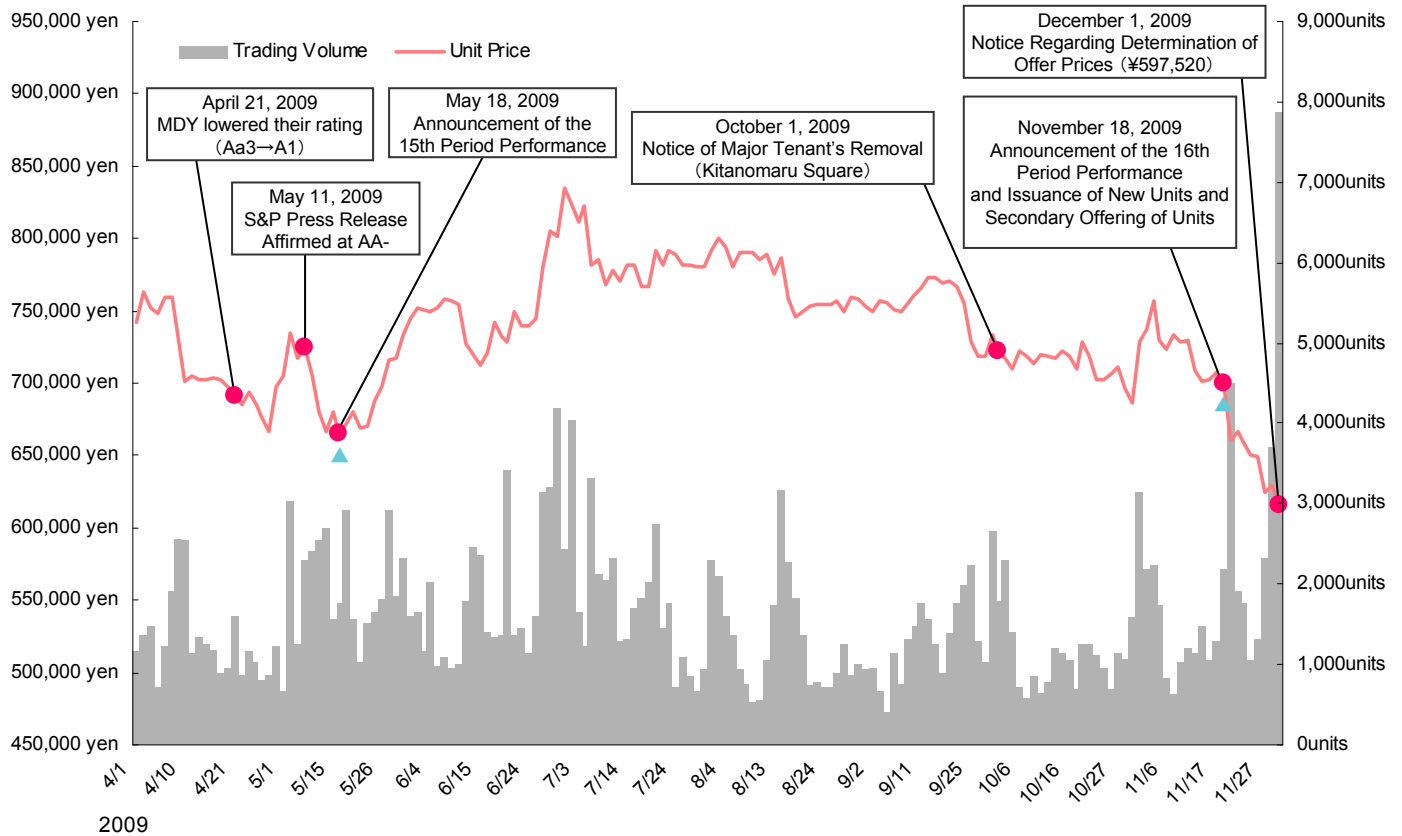
\* The average yield is computed by annualizing the disclosed projected dividend per unit divided by the unit price (daily closing price from September 10, 2001 to December 1, 2009).

\* Gray lines show ex-dividend dates.

# Unit Price Performance ② (the 16th Period up to Present)



As of December 1, 2009



\* Unit prices are based on daily closing prices.

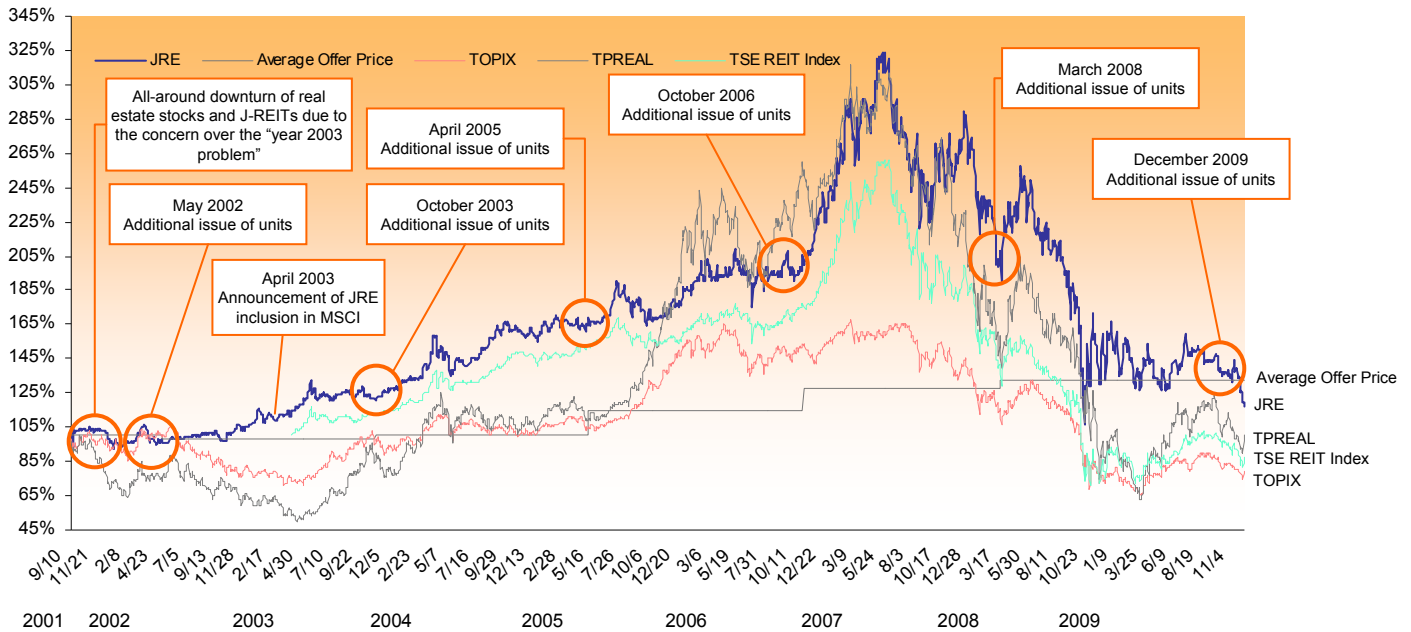
\* Circles (●) show announcements of JRE's events, Triangles (▲) show the transfer date of the development rights of Mitsubishi UFJ Trust and Banking Building site (May 18) and the additional acquisition date of Shiodome Building (November 18).

## MEMO

# Unit Price Performance ③ (Relative to Major Indices)

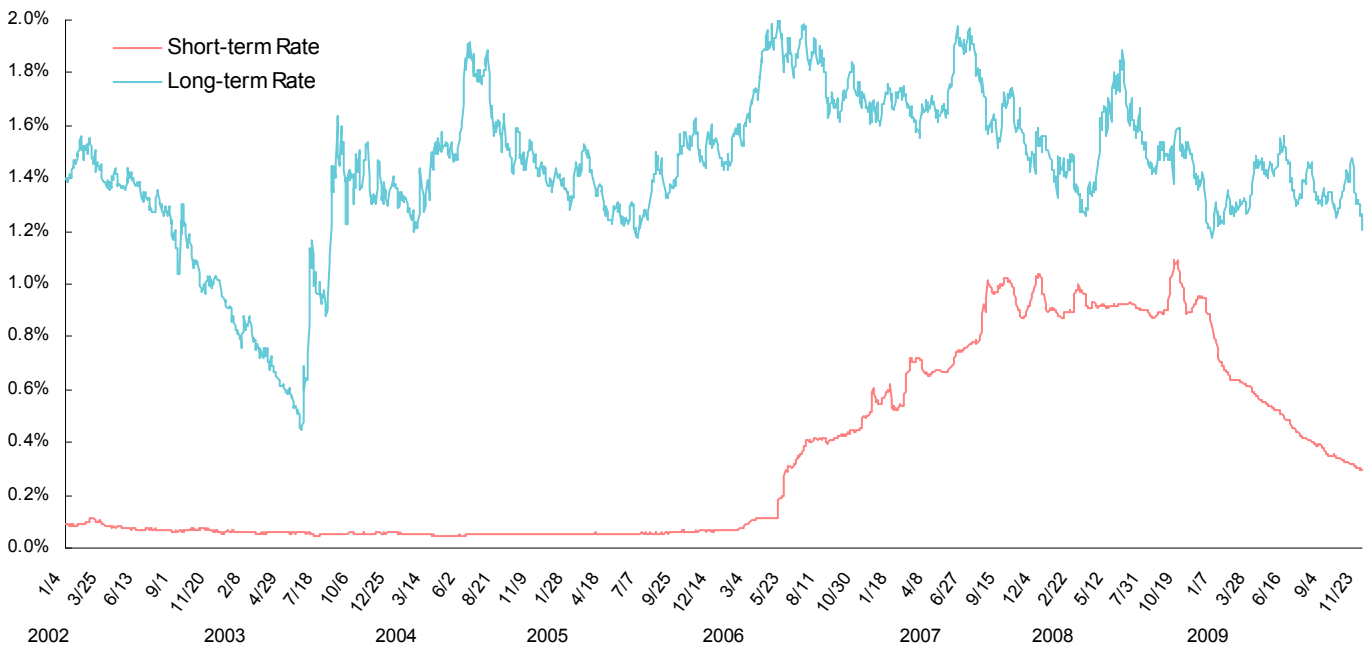


## ◆ Unit Price Performance (as of December 1, 2009)



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

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

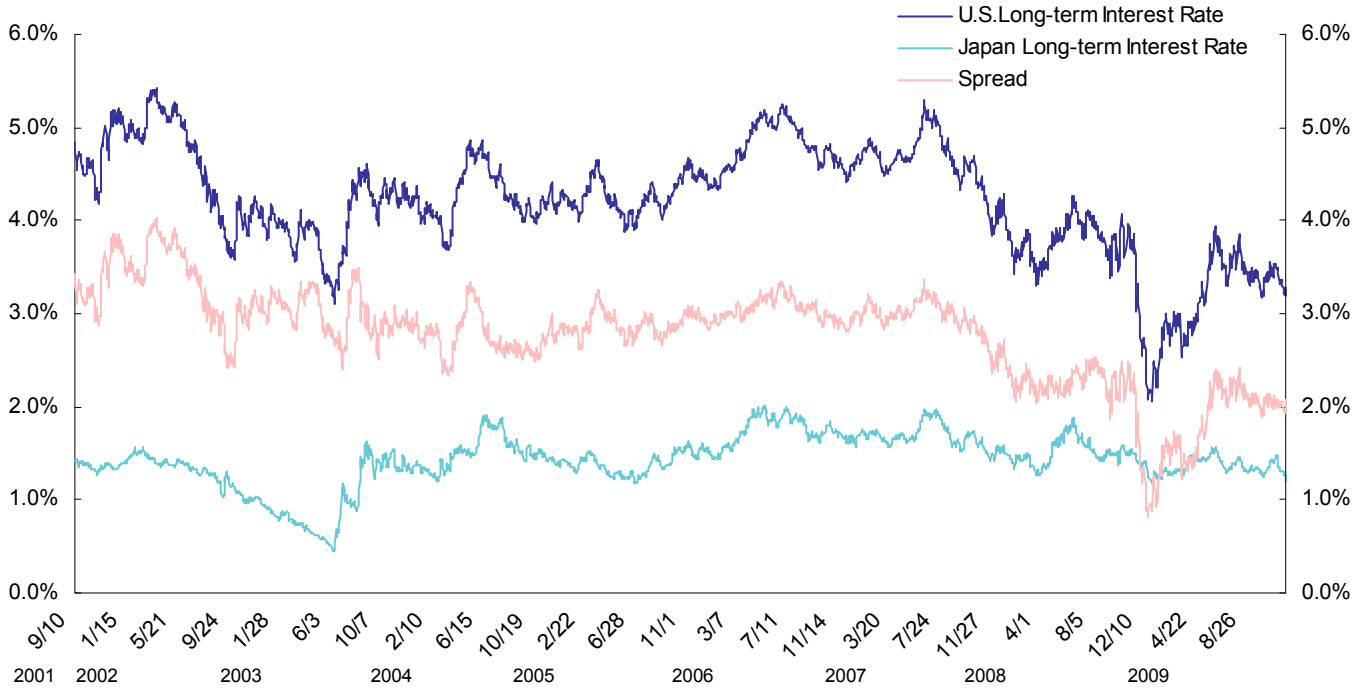


- \* Long-term rate is based on 10-year JGB yield and short-term rate is based on 3-month LIBOR.

# Interest Rate Comparison of Japan and U.S.

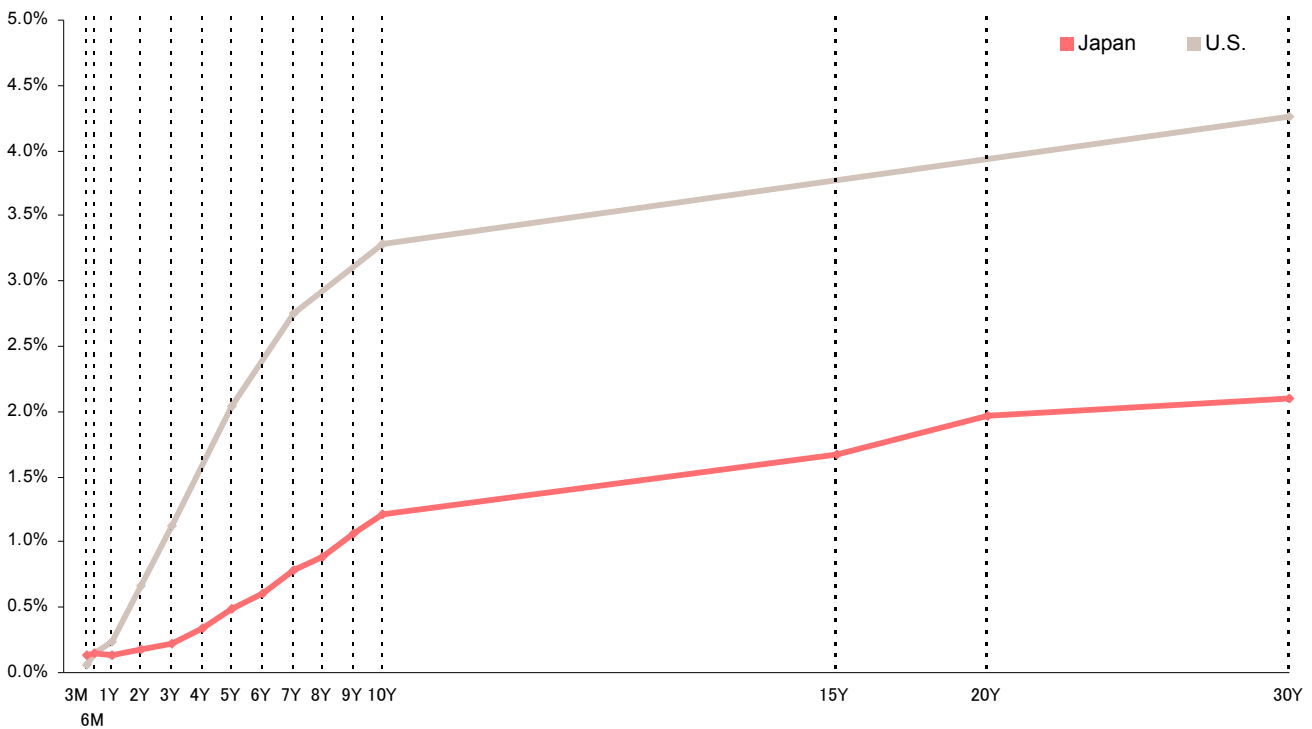


## ◆ Long-term Interest Rate Comparison of Japan and U.S. (as of December 1, 2009)



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

## ◆ Yield Curve Comparison of Japan and U.S. (as of December 1, 2009)



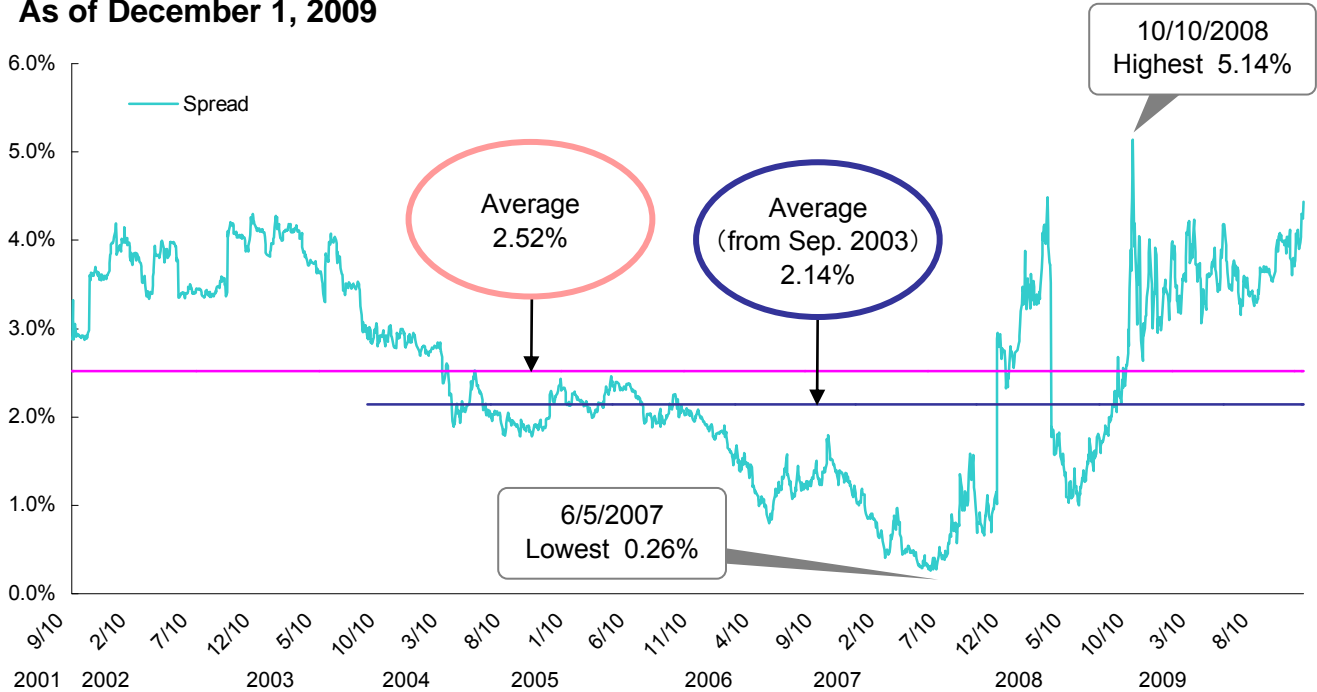
\* Source: Bloomberg

# Yield Spread Comparison



## ◆ JRE Dividend Yield Spread against JGB

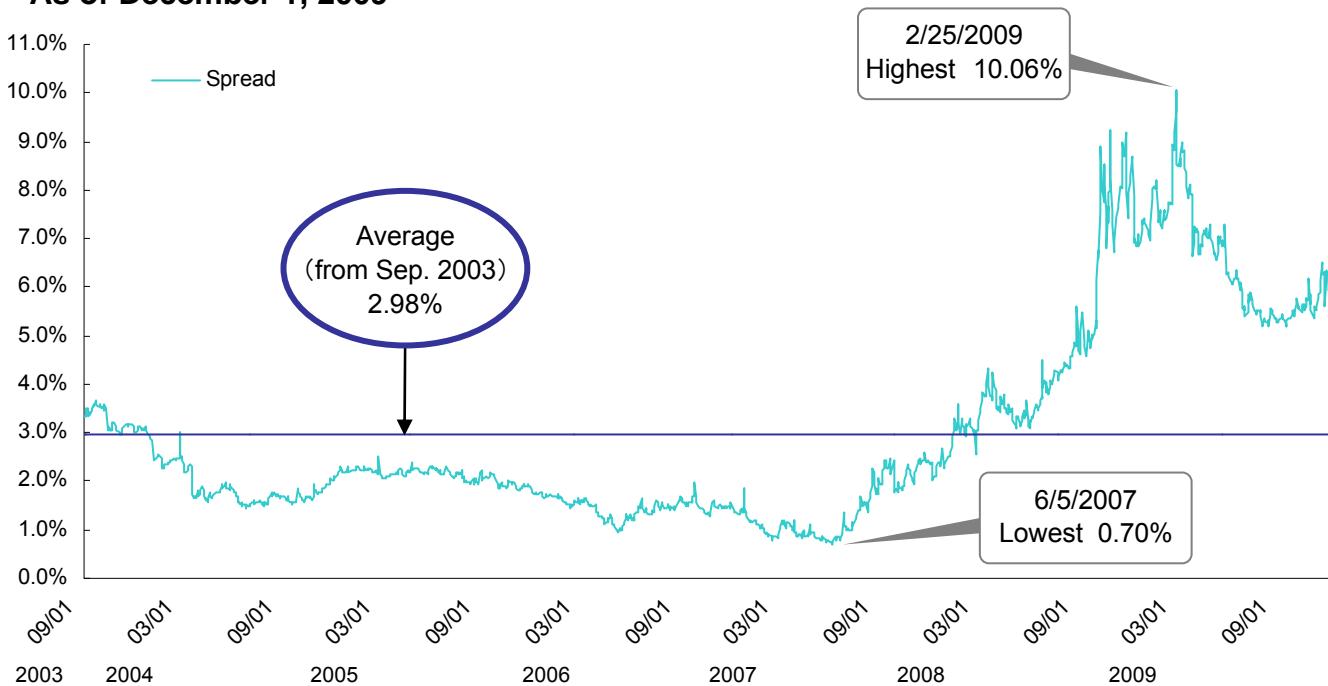
As of December 1, 2009



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

## ◆ TSE REIT Dividend Yield Spread against JGB

As of December 1, 2009



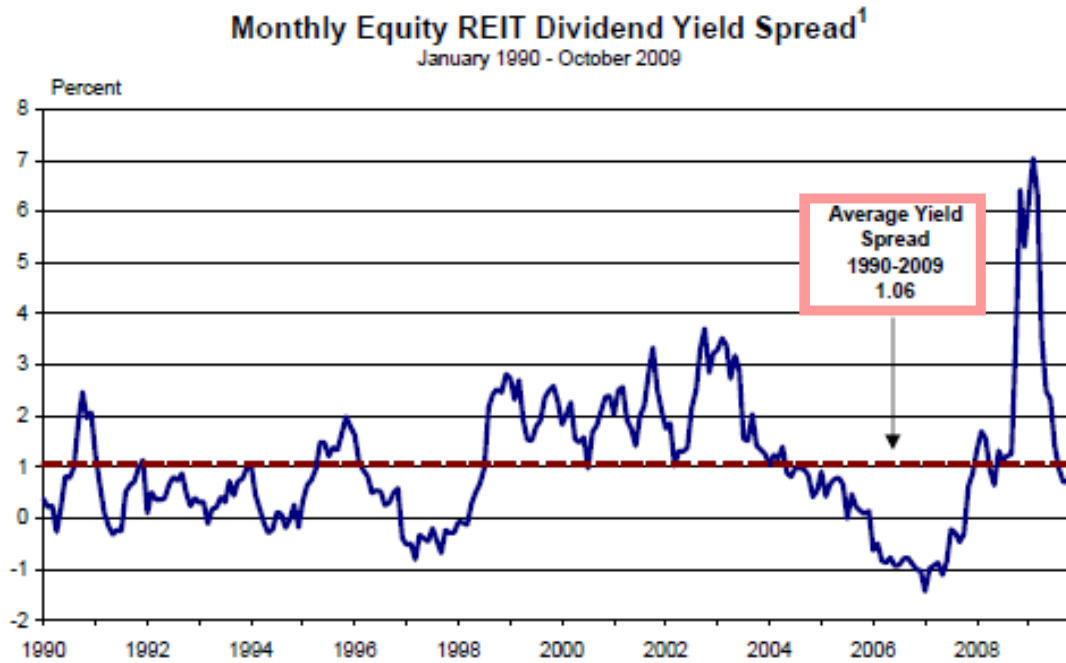
\* Source: Bloomberg (Calculated based on the dividend yield of TSE REIT index. Dividend yield is based on the actual performance.)



# US Equity REIT Dividend Yield Spread against Treasury



## ◆ US Equity REIT Dividend Yield Spread against Treasury



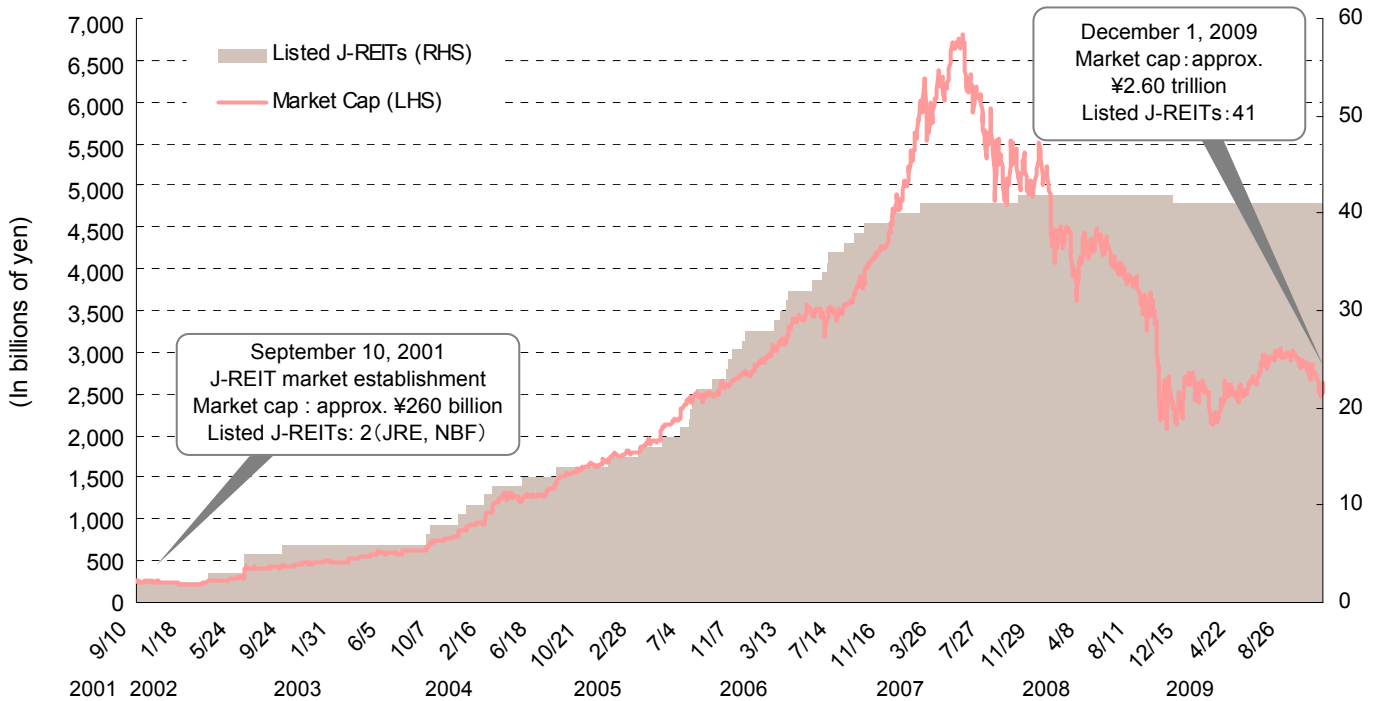
\* Source: NAREIT, FactSet

\* 1 Yield spread calculated by taking the Equity REIT dividend yield less 10-year constant maturity Treasury yield.

**MEMO**

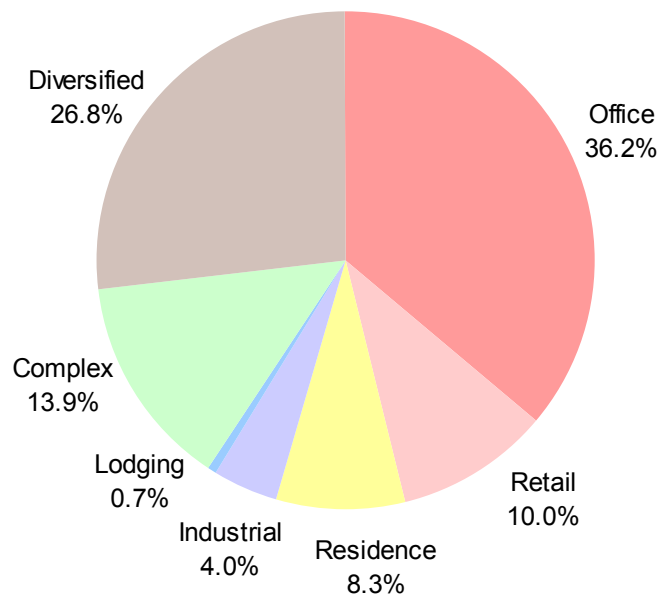
## ◆ J-REIT Market Capitalization and the Number of Listed J-REITs

(As of December 1, 2009)



\* Source: Bloomberg

## ◆ Sector Breakdown by Market Capitalization (As of December 1, 2009)

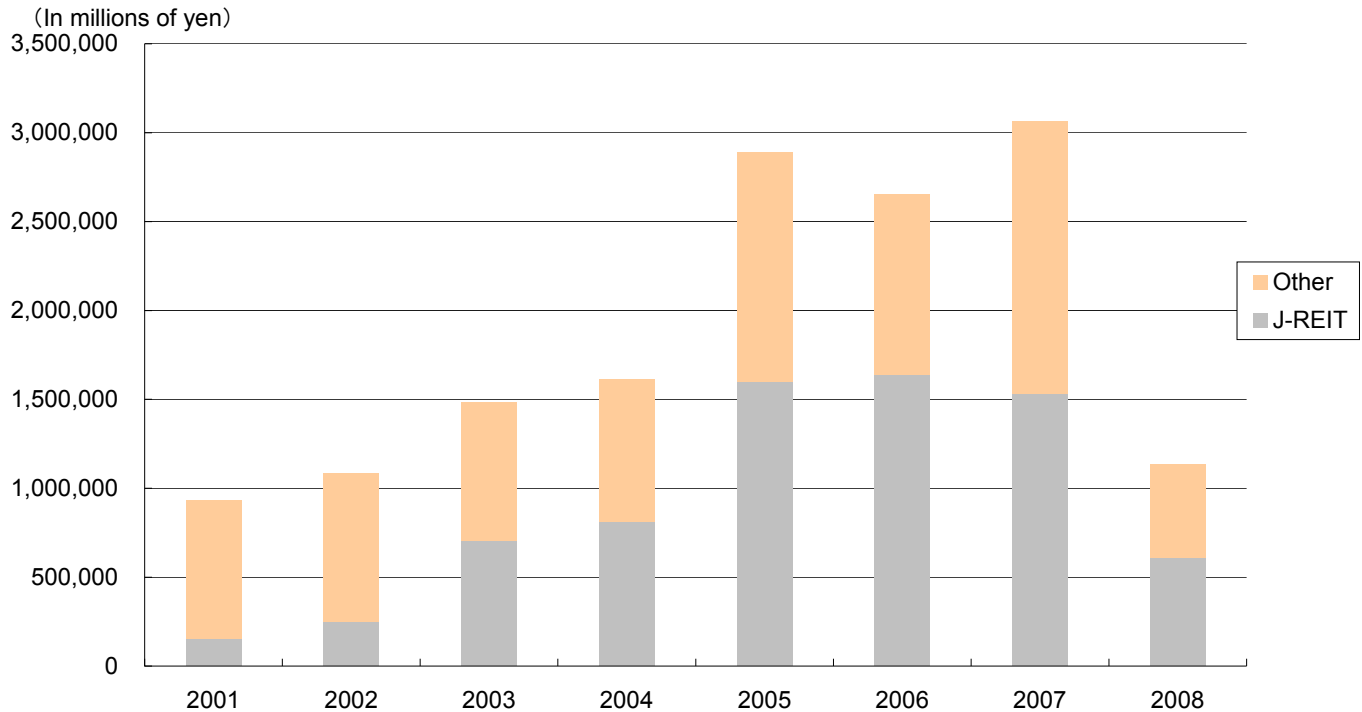


\* Source: Security registration statements, financial statements and websites of each J-REIT.

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

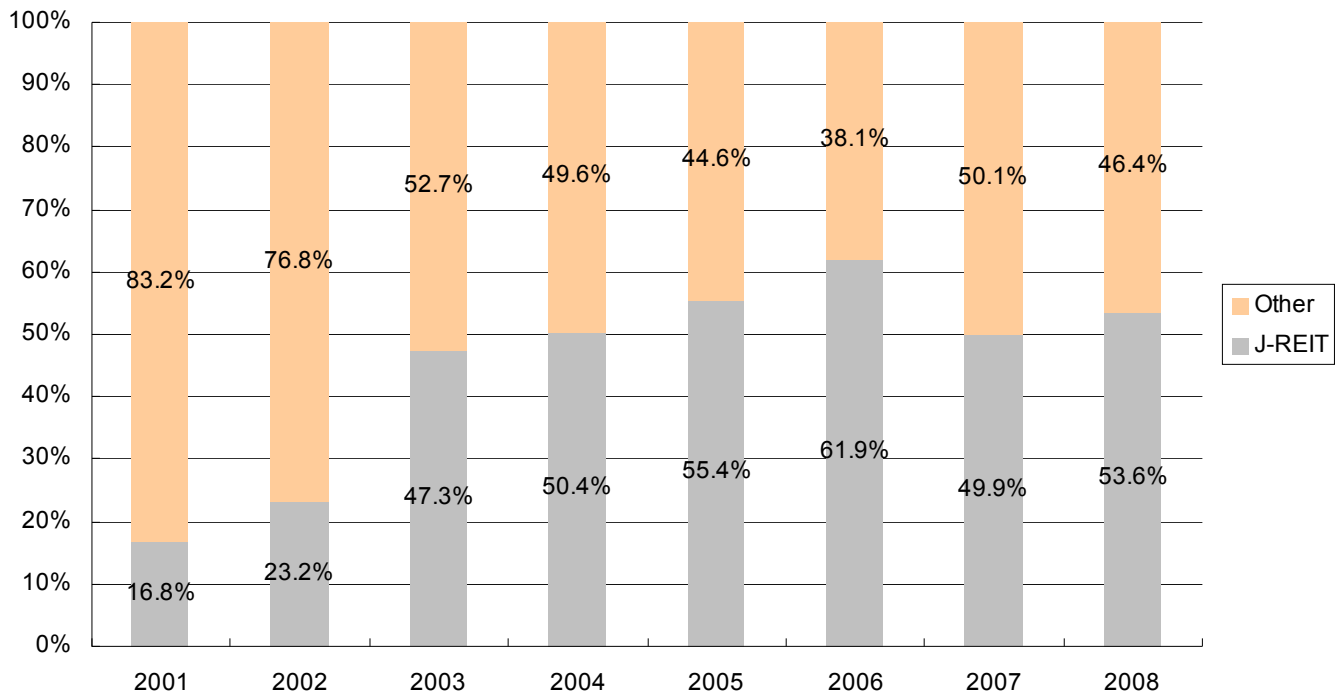
(Prospect REIT is classified into "Diversified" sector, regarding its change in the investment policy.)

## ◆ Historical Real Estate Transaction Amount



\*Source: Created by STB Research Institute, using TD-net of Tokyo Stock Exchange

## ◆ Percentage of J-REIT in Total Real Estate Transaction Amount



\*Source: Created by STB Research Institute, using TD-net of Tokyo Stock Exchange

# Introduction of JRE Website



Visit JRE English website!

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

## <Main Functions>

As any information posted on the website is classified into these three categories, you can easily obtain any desired information by clicking the appropriate icon.

A summary of the latest data is available on this first page.

**JRE Latest Data**  
as of December 31, 2009

Number of Properties	55
Asset Size	¥564,219 million (Total Acquisition Price)
Occupancy Rate	as of October 31, 2009 92.6%
<b>Dividend per Unit</b>	
17th Period (March 31, 2010)	Dividend (Forecast) ¥17,320
16th Period (September 30, 2009)	Dividend (Actual) ¥19,198

Stock Quotation (TSE code 8952)  
Property Data Download (s26.5KB)

It's a huge loss, if you don't know it !  
You can download all the disclosure data of JRE as Excel file. Please see the right-hand page for more details!



You can download data from here, please try it!

## Historical Data of Individual Property

### Nagaya Hirokai Building

Summary	Location:	2-3-1 Sakae, Naka-ku, Nagaya City, Aichi Prefecture
	Built:	1987/05/28 (20.3 years old)
	Acquisition date:	2001/09/10
	Transfer date:	
	Acquisition price:	14,533,000 thousand yen
	Transfer price:	
	Ratio of share of ownership:	100%
	Property management company:	Mitsubishi Jisho Property Management Co., Ltd.
	FML value:	8.1%

Choose a building

Amounts that do not reflect a unit are expressed in thousands of yen.

Property data (at the end of period)	1st Period		2nd Period		3rd Period		4th Period		5th Period		6th Period		7th Period		8th Period		9th Period		10th Period		11th Period		12th Period	
	Mar 2002	Mar 2002	Mar 2002	Mar 2003	Mar 2003	Mar 2003	Mar 2003	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004
Leasable space	21,805m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>	21,590m <sup>2</sup>
Leased space	21,200m <sup>2</sup>	21,510m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>	20,101m <sup>2</sup>
Occupancy rate	96.8%	99.7%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%	93.1%
Number of tenants	31	31	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27
Book value	14,882 million yen	14,555 million yen	14,429 million yen	14,302 million yen	14,175 million yen	14,048 million yen	13,921 million yen	13,794 million yen	13,667 million yen	13,540 million yen	13,413 million yen	13,286 million yen	13,159 million yen	13,032 million yen	12,905 million yen	12,778 million yen	12,651 million yen	12,524 million yen	12,397 million yen	12,270 million yen	12,143 million yen	12,016 million yen	11,889 million yen	11,762 million yen
Book value of land	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen	9,127 million yen
Book value of building	5,755 million yen	5,428 million yen	5,302 million yen	5,175 million yen	5,048 million yen	4,921 million yen	4,794 million yen	4,667 million yen	4,540 million yen	4,413 million yen	4,286 million yen	4,159 million yen	4,032 million yen	3,905 million yen	3,778 million yen	3,651 million yen	3,524 million yen	3,397 million yen	3,270 million yen	3,143 million yen	3,016 million yen	2,889 million yen	2,762 million yen	2,635 million yen
Property value as per appraiser	14,700 million yen	14,800 million yen	15,000 million yen	14,800 million yen	14,600 million yen	14,400 million yen	14,200 million yen	14,000 million yen	13,800 million yen	13,600 million yen	13,400 million yen	13,200 million yen	13,000 million yen	12,800 million yen	12,600 million yen	12,400 million yen	12,200 million yen	12,000 million yen	11,800 million yen	11,600 million yen	11,400 million yen	11,200 million yen	11,000 million yen	10,800 million yen
Capital expenditure	7,428	39,232	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341	33,341
Income summary																								
Property-related revenues	884,197	805,697	811,894	783,015	761,148	743,015	724,882	706,749	688,616	670,483	652,350	634,217	616,084	597,951	579,818	561,685	543,552	525,419	507,286	489,153	471,020	452,887	434,754	416,621
Rental revenues	884,197	805,697	811,894	783,015	761,148	743,015	724,882	706,749	688,616	670,483	652,350	634,217	616,084	597,951	579,818	561,685	543,552	525,419	507,286	489,153	471,020	452,887	434,754	416,621
Non-rental revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property-related expenses	448,077	453,116	448,333	430,538	408,411	386,284	364,157	342,030	319,903	297,776	275,649	253,522	231,395	209,268	187,141	165,014	142,887	120,760	98,633	76,506	54,379	32,252	10,125	-11,998
Property management expenses	153,440	140,414	127,539	128,309	125,293	122,277	119,261	116,245	113,229	110,213	107,197	104,181	101,165	98,149	95,133	92,117	89,101	86,085	83,069	80,053	77,037	74,021	71,005	67,989
Utilities expenses	72,639	74,008	69,669	68,031	66,393	64,755	63,117	61,479	59,841	58,203	56,565	54,927	53,289	51,651	50,013	48,375	46,737	45,099	43,461	41,823	40,185	38,547	36,909	35,271
Property and other taxes	1,171	70,528	70,510	65,057	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054	65,054
Casualty insurance	1,462	1,325	1,863	2,021	1,995	1,969	1,943	1,917	1,891	1,865	1,839	1,813	1,787	1,761	1,735	1,709	1,683	1,657	1,631	1,605	1,579	1,553	1,527	1,501
Repairs expenses	45,704	19,065	16,807	20,481	13,994	54,065	64,013	64,013	64,013	64,013	64,013	64,013	64,013	64,013	64,013	64,013	64,013	64,013	64,013	64,013	64,013	64,013	64,013	64,013
Depreciation	169,563	145,312	148,844	146,589	143,643	140,697	137,751	134,805	131,859	128,913	125,967	123,021	120,075	117,129	114,183	111,237	108,291	105,345	102,399	99,453	96,507	93,561	90,615	87,669
Other rental expenses	3,093	1,640	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320
Property-related profits and losses	436,120	352,581	363,561	352,477	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737	352,737
NOI	407,653	497,893	512,405	479,065	466,380	453,695	441,010	428,325	415,640	402,955	390,270	377,585	364,900	352,215	339,530	326,845	314,160	301,475	288,790	276,105	263,420	250,735	238,050	225,365
Breakdown of gain or loss on transfer of properties																								
Transfer price of properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Book value (transfer properties)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other expenses related to transfer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reduction in acquisition cost of replacement properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gain or loss on transfer of properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

## Historical Data of All Properties

### Japan Real Estate Investment Corporation

In millions of yen

Property data (at the end of period)	1st Period		2nd Period		3rd Period		4th Period		5th Period		6th Period		7th Period		8th Period		9th Period		10th Period		11th Period		12th Period	
	Mar 2002	Mar 2002	Mar 2002	Mar 2003	Mar 2003	Mar 2003	Mar 2003	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004	Mar 2004
Leasable space	201,884m <sup>2</sup>	215,928m <sup>2</sup>	238,893m <sup>2</sup>	248,000m <sup>2</sup>	273,157m <sup>2</sup>	293,106m <sup>2</sup>	318,055m <sup>2</sup>	342,904m <sup>2</sup>	367,853m <sup>2</sup>	392,802m <sup>2</sup>	417,751m <sup>2</sup>	442,700m <sup>2</sup>	467,649m <sup>2</sup>	492,598m <sup>2</sup>	517,547m <sup>2</sup>	542,496m <sup>2</sup>	567,445m <sup>2</sup>	592,394m <sup>2</sup>	617,343m <sup>2</sup>	642,292m <sup>2</sup>	667,241m <sup>2</sup>	692,190m <sup>2</sup>	717,139m <sup>2</sup>	742,088m <sup>2</sup>
Leased space	199,115m <sup>2</sup>	205,769m <sup>2</sup>	224,101m <sup>2</sup>	233,926m <sup>2</sup>	258,880m <sup>2</sup>	274,411m <sup>2</sup>	299,942m <sup>2</sup>	325,473m <sup>2</sup>	351,004m <sup>2</sup>	376,535m <sup>2</sup>	402,066m <sup>2</sup>	427,597m <sup>2</sup>	453,128m <sup>2</sup>	478,659m <sup>2</sup>	504,190m <sup>2</sup>	529,721m <sup>2</sup>	555,252m <sup>2</sup>	580,783m <sup>2</sup>	606,314m <sup>2</sup>	631,845m <sup>2</sup>	657,376m <sup>2</sup>	682,907m <sup>2</sup>	708,438m <sup>2</sup>	733,969m <sup>2</sup>
Number of tenants	145,328	155,259	165,190	175,121	185,052	194,983	204,914	214,845	224,776	234,707	244,638	254,569	264,500	274,431	284,362	294,293	304,224	314,155	324,086	334,017	343,948	353,879	363,810	373,741
Book value	145,328	155,259	165,190	175,121	185,052	194,983	204,914	214,845	224,776	234,707	244,638	254,569	264,500	274,431	284,362	294,293	304,224	314,155	324,086	334,017	343,948	353,879	363,810	373,741
Book value of land	100,038	114,171	128,304	138,235	148,166	158,097	168,028	177,959	187,890	197,821	207,752	217,683	227,614	237,545	247,476	257,407	267,338	277,269	287,200	297,131	307,062	316,993	326,924	336,855
Book value of building	45,290	41,088	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886	36,886
Property value as per appraiser	144,940	152,251	164,704	172,157	184,610	192,063	204,516																	

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