

MARCH
2009

*Semiannual
Report*

For the period from October 1, 2008 to March 31, 2009



Japan Real Estate Investment Corporation

Profile

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

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

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Financial Highlights

	Millions of yen				Thousands of U.S. dollars (Note 1)	
	For the period from October 1, 2008 to March 31, 2009	For the period from April 1, 2008 to September 30, 2008	For the period from October 1, 2007 to March 31, 2008	For the period from April 1, 2007 to September 30, 2007	For the period from October 1, 2006 to March 31, 2007	For the period from October 1, 2008 to March 31, 2009
Operating Revenues	20,716	19,805	25,743	17,530	16,960	210,900
Operating Income	9,955	9,807	14,218	8,739	8,304	101,349
Income before Income Taxes	8,426	8,449	12,946	7,586	7,184	85,787
Net Income	8,425	8,448	12,945	7,585	7,183	85,777
Net Operating Income (NOI) (Note 2)	14,575	14,173	12,197	12,073	11,300	148,378
Funds from Operations (FFO) (Note 3)	12,213	12,009	8,078	10,022	9,441	124,341
FFO Multiple (Note 4)	13.7 times	15.5 times	31.9 times	28.3 times	33.8 times	13.7 times
Cash Distribution	8,425	8,448	12,945	7,585	7,183	85,777
Number of Units	443,000	443,000	443,000	410,000	410,000	443,000
Dividend per Unit (Yen/U.S. dollars)	19,020	19,072	29,223	18,500	17,521	193.63

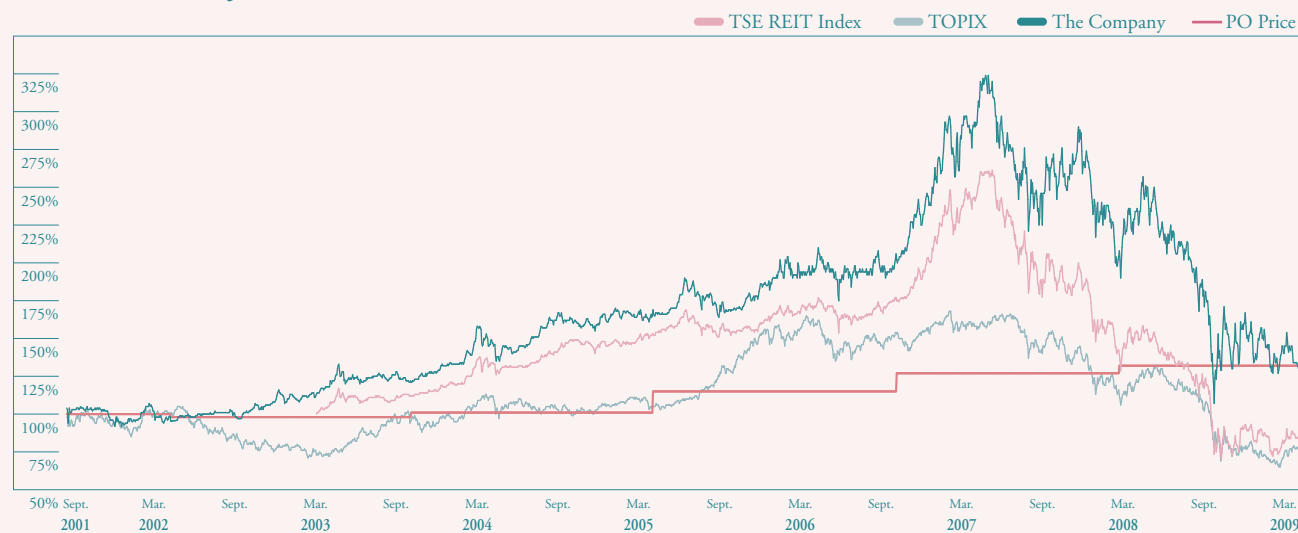
Notes: 1. Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥98.23 = US\$1.00, the foreign exchange rate on March 31, 2009, has been used for translation. The inclusion of such amounts is not intended to imply that Japanese yen amounts have been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.
2. NOI = Property-Related Revenues – Property-Related Expenses (excluding Depreciation)
3. FFO = Net Income + Depreciation – Gain (Loss) on Transfer of Properties – Dividends Earned
4. FFO Multiple = Unit Price at End of the Respective Term ÷ FFO per Unit (Annualized)
(Annualized portion of the calculation given in note 4 assumes a fiscal period of 182 days for the period ended March 31, 2007, 183 days for the period ended September 30, 2007, 183 days for the period ended March 31, 2008, 183 days for the period ended September 30, 2008 and 182 days for the period ended March 31, 2009.)

Top 10 Unitholders

As of March 31, 2009

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

Unit Price Performance



Highlights

Maintenance of Stable Dividends and Steady Performance

- The first listed J-REIT, showing steady performance for 15 consecutive periods
- Actual dividend per unit for the 15th fiscal period: **¥19,020** (\$193.63)*¹
- Forecasted dividend per unit for the 16th fiscal period: **¥18,850** (\$191.90)*^{1, 2}

Notes: 1. The foreign exchange rate of ¥98.23 = US\$1.00, as of March 31, 2009, has been used for this translation.
2. The forecasted dividend was disclosed with the announcement of the 15th fiscal period earnings results on May 18, 2009.

Collaboration with Sponsors

- Expertise of Mitsubishi Estate Co., Ltd., The Dai-ichi Mutual Life Insurance Company and Mitsui & Co., Ltd. is being fully utilized.

Steady Growth with Quality Portfolio

- Total acquisition price reached: **¥564,219 million** (\$5,744 million)
- Maintains **55** high-quality office buildings

Sound Financial Base (as of March 31, 2009)

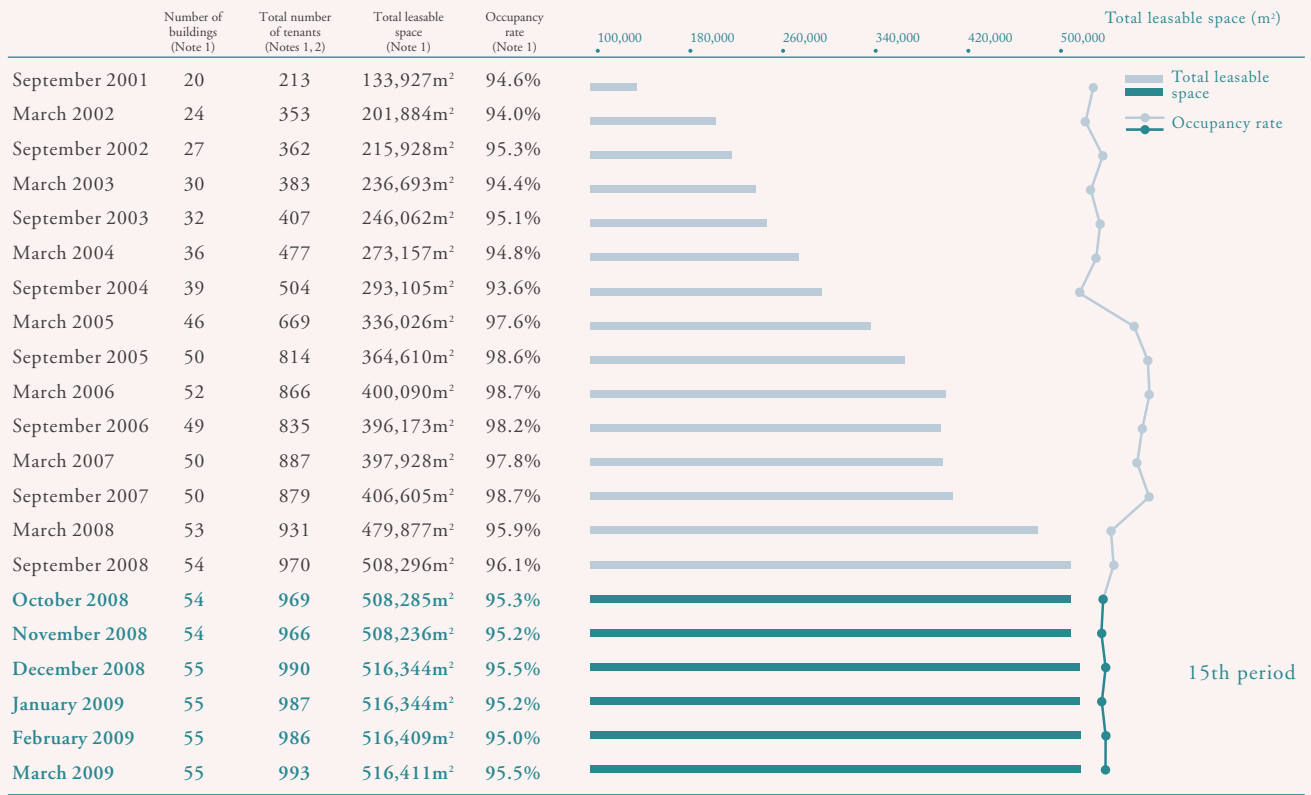
- Highest credit ratings for a J-REIT: **AA-** from S&P, **Aa3**^{*1} from Moody's, **AA** from R&I
- LTV (Interest-bearing debt / Total assets): **39.0%**
- Long-term, fixed-interest debt ratio*²: **78.2%**

Notes: 1. It was announced on April 21, 2009 that Moody's Investors Service Inc. lowered the Company's rating to A1 and that its rating outlook remains stable.

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

Portfolio Highlights

Trends in the state of portfolio management



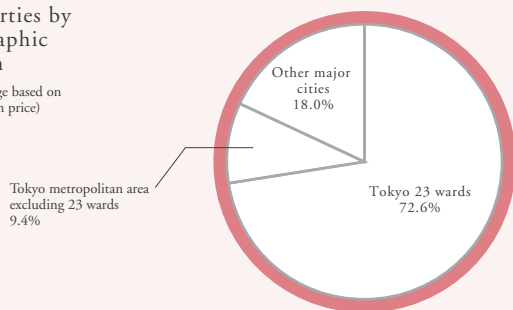
Notes: 1. The number of properties, total number of tenants, total leasable space and occupancy rate do not include the land and building adjacent to the Ryoshin Ginza East Mirror Building.
 2. The total number of tenants is the gross number of tenants by building.

Portfolio breakdown

As of March 31, 2009

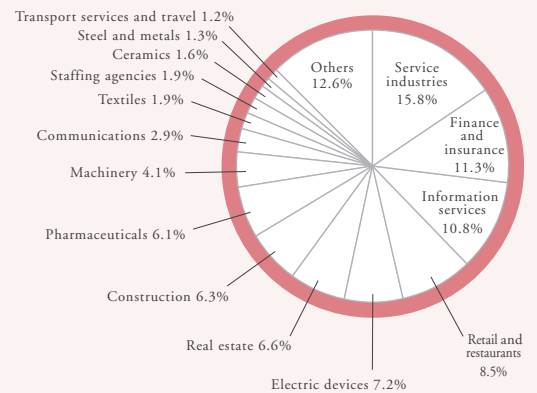
Properties by geographic region

(Percentage based on acquisition price)



Tenants by industry type

(Percentage based on leased space)



New Portfolio Property

For the period from October 1, 2008 to March 31, 2009



Shiodome Building

Property Summary

Type of specified asset:	Trust beneficiary right in trust of real estate (Note)
Acquisition price:	¥21,250 million (\$216 million)
Acquisition date:	December 19, 2008
Location:	Minato-ku, Tokyo
Usage:	Office, shop
Site area:	Approx. 12,046m ² (129,662ft ²)
Floor area of building:	115,930.83m ² (1,247,868ft ²)
Structure:	Steel-framed structure, steel-framed reinforced concrete structure, flat roof
Completion:	Above ground: 24 floors Below ground: 2 floors December 2007



Note: quasi-co-ownership, 10%

When making a decision about acquisition, the Company assessed this property with particular attention to the following two points.

1. A high degree of scarcity after the recent completion of a large-sized property within three central wards of Tokyo

• The Shiodome Building is the last building constructed under the Shiodome SIO-SITE (Shiodome Land Readjustment Project), which is the largest-scale redevelopment project in the nation. The project was carried out under the unified efforts of the Tokyo Metropolitan Government and the private sector.

Being favorably situated at the area in front of JR Hamamatsucho Station, constituting the south gateway of the Shiodome area, the Shiodome Building emerges as a state-of-the-art multiplex building that provides the functionality of an urban community as well as an office building.

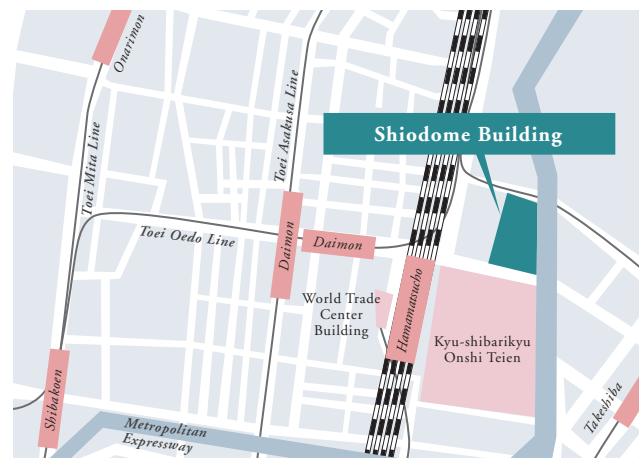
• With the recent completion of this property in December 2007, the Shiodome Building also possesses advantages in terms of scale, and it meets all high-grade specifications.

Floor area of building	115,930.83m ² (35,069.07 tsubo)
Ceiling height	2,900mm (3,200mm in one section)
OA floor	100mm (400mm in one section)
Standard floor area	3,501m ² (effective floor area exceeds 1,000 tsubo with no pillars)
Electric capacity	60VA/m ²
Air conditioning system	Individual air conditioning (maximum of 102 to 104 zones per floor)
Floor load	500kg/m ² (1,000kg/m ² in one section)
Others	Around-the-clock entry and exit by security card (contactless IC card key)

2. Highly convenient access to transportation

• Located just a three-minute walk from JR Hamamatsucho Station and Toei Subway Daimon Station, the Shiodome Building allows for easy access to major areas in the Tokyo Metropolitan area.

• Very convenient access to widespread transportation networks, with key Shinkansen stations such as Tokyo and Shinagawa being 5–6 minutes away and Haneda Airport 25 minutes away via monorail.



Subsequent Events

After the period ended March 31, 2009

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

A decision was made to transfer the unused floor area ratio—equivalent to 65%—of the Mitsubishi UFJ Trust and Banking Building Site,*1 in which the Company has part ownership, to a new building scheduled to be constructed under the Marunouchi 1-4 Plan (a combined replacement of the Tugin Building, the Sumitomo Trust & Banking Tokyo Building and the Mitsubishi UFJ Trust and Banking Tokyo Building) adjacent to said building site.

Outline of the transfer

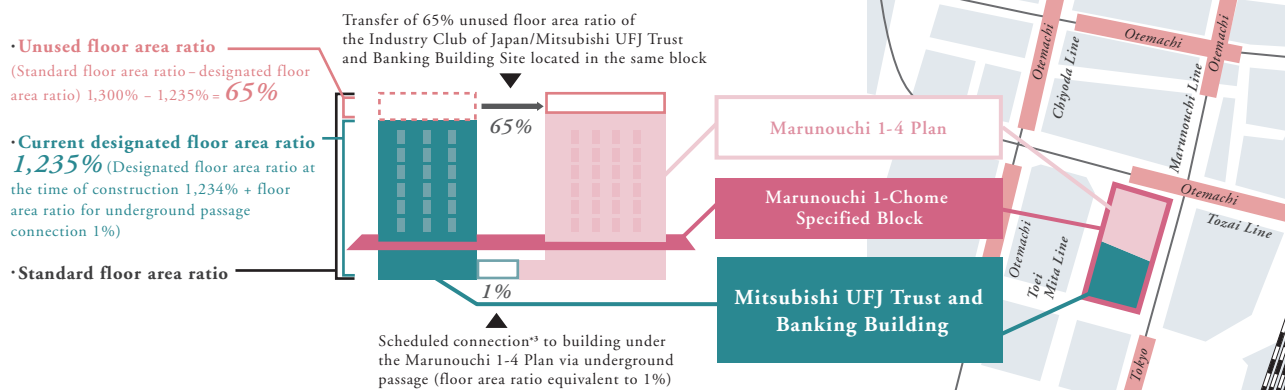
Object of transaction: Unused floor area ratio equivalent to 65% of Mitsubishi UFJ Trust and Banking Building Site (floor space covering this floor area ratio equivalent to 1,026.88m² as equity of the Company)

Transfer price: ¥729 million (\$7 million)

Transfer date: September 17, 2009 (scheduled)

Transferees: The Sumitomo Trust & Banking Co., Ltd. and Mitsubishi Estate Co., Ltd.

The gain on the transfer (¥720 million)*2 will be recorded in the 16th Period (ending September 30, 2009).



- Notes: 1. Mitsubishi UFJ Trust and Banking Building is a unified construction with the Industry Club of Japan Hall, and its joint owners are Mitsubishi Estate Co., Ltd., the Industry Club of Japan and the Company. Please refer to section I-6, Mitsubishi UFJ Trust and Banking Building, on Page 15 of Overview of Portfolio Properties for a description of this building.
2. The forecasted earnings figure from this transfer was disclosed with the announcement of earnings results for the 15th fiscal period (ended March 31, 2009) on May 18, 2009, although future fluctuations are possible.
3. Owing to construction of an underground passage, it will be possible to directly access Tokyo Metro Otemachi Station from the Mitsubishi UFJ Trust and Banking Building via the new building scheduled to be constructed under the Marunouchi 1-4 Plan.

Transfer of Asset (Part of Jingumae Media Square Building Site)

As part of the land appropriation for the expansion of Meiji-Dori St., etc., for which approval was granted on March 31, 2004, the Company decided to transfer its part of the Jingumae Media Square Building Site to the Tokyo Metropolitan Government on October 30, 2009.

Outline of the transfer

Asset to be transferred: Land (Part of Jingumae Media Square Building*1 Site)

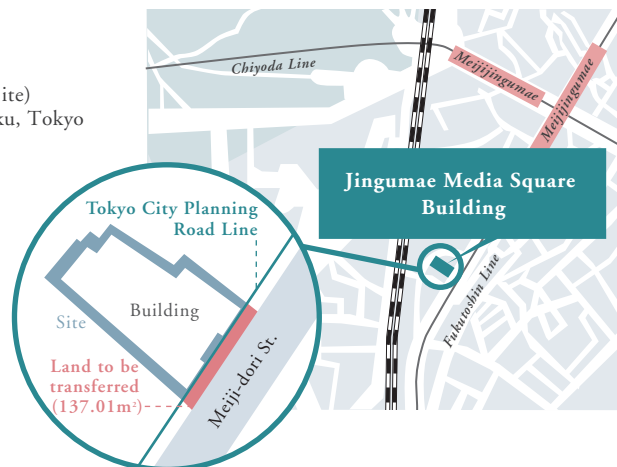
Location: Part of 6-25-7, 32, 40 and 50 Jingumae, Shibuya-ku, Tokyo
Whole part of 6-319-5, 28 and 30 Jingumae, Shibuya-ku, Tokyo

Area: 137.01m² (1,475ft²)

Transfer price: ¥1,507 million (\$15 million)

Transfer date: October 30, 2009 (scheduled)

The gain on the transfer (¥880 million)*2 will be recorded in the 17th Period (ending March 31, 2010).

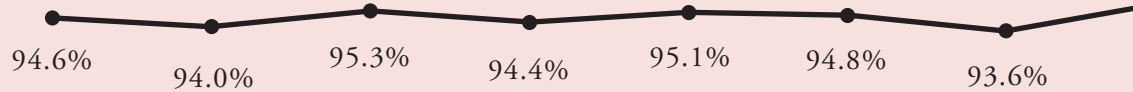


- Notes: 1. Please refer to section I-27, Jingumae Media Square Building, on Page 18 of Overview of Portfolio Properties for a description of this building.
2. The forecasted earnings figure from this transfer was disclosed with the announcement of earnings results for the 15th fiscal period (ended March 31, 2009) on May 18, 2009, although future fluctuations are possible.

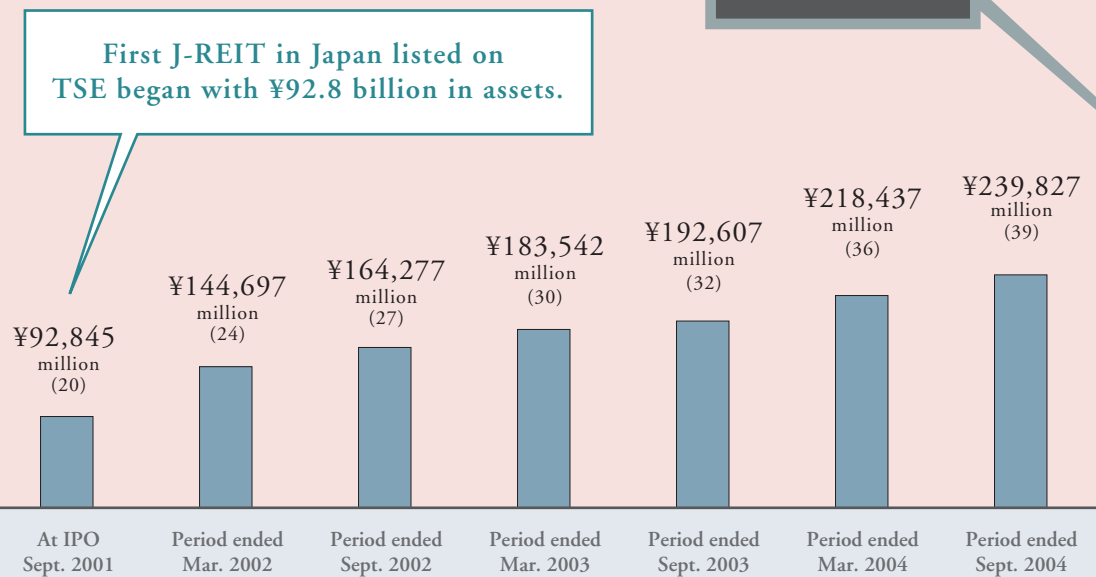
History after IPO

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

Occupancy rate *(Note)*



Total acquisition price *(Number of properties)* *(Note)*



Dividend per unit

¥14,983 ¥12,853 ¥14,455 ¥15,117 ¥14,602 ¥14,711

Bond issues

June 2002
First Investment Corporation Bond Issue (First for a J-REIT)

Apr. 2003
Second/Third Investment Corporation Bond Issue

Listing and issuance of units

Sept. 2001
Listed on TSE as first J-REIT

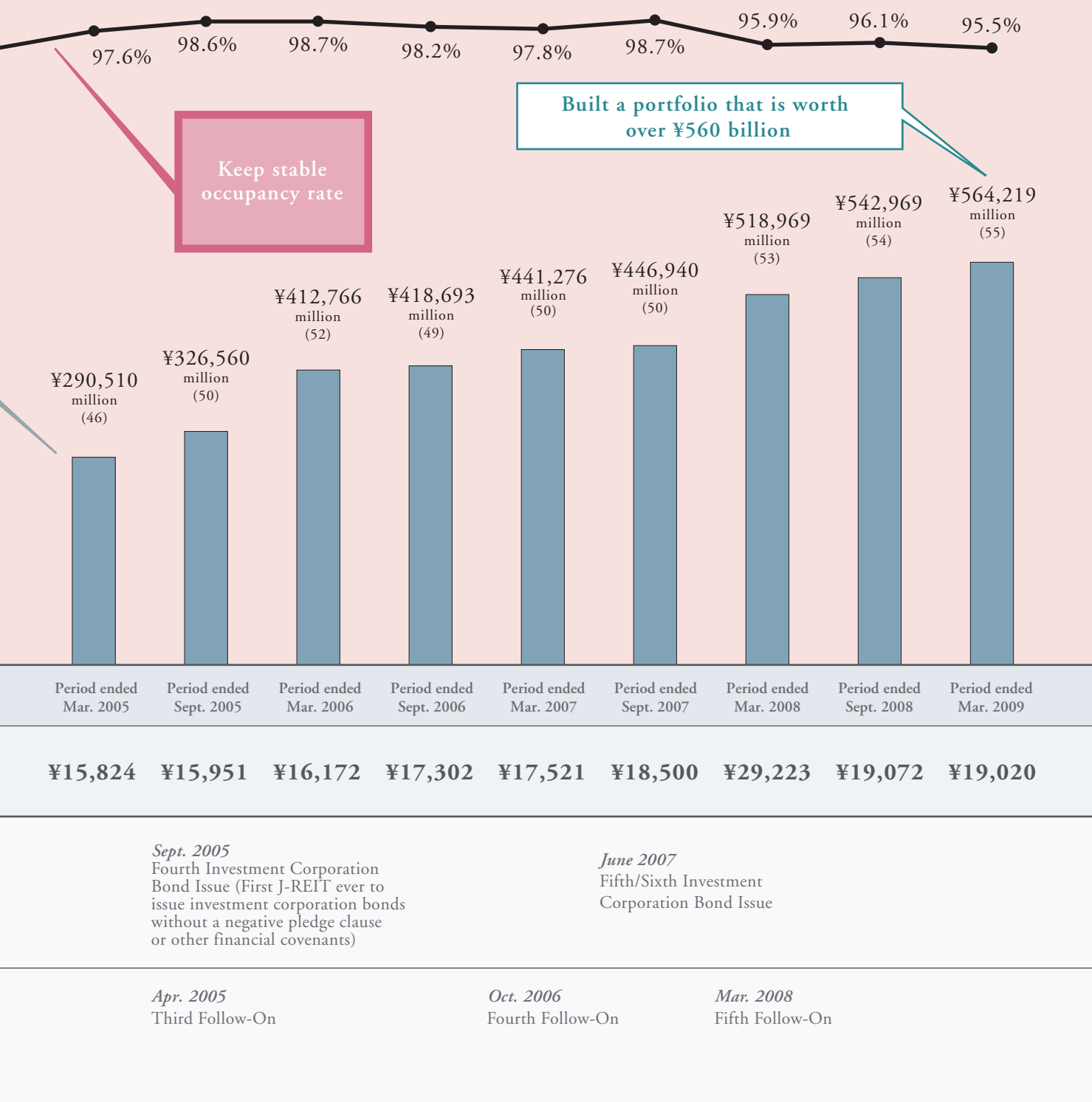
May 2002
First Follow-On (First for a J-REIT)

Oct. 2003
Second Follow-On

Sept. 2001
IPO

Note: Total acquisition price, number of properties and occupancy rate do not include the land and building adjacent to the Ryoshin Ginza East Mirror Building.

already held. The size of the Company's assets (total acquisition price) has grown from ¥92.8 billion at IPO to ¥564.2 billion as of the 15th fiscal period due to the steady achievement of external growth strategies. However, in terms of internal growth strategies, ongoing efforts are being made in such areas as maintaining stable occupancy rates and reducing building management costs.



To Our Unitholders



In this severe market environment, the Company acquired a newly constructed and highly competitive building in order to further strengthen the portfolio quality.



Kazuhiko Arahata
CEO & President of Japan Real Estate
Asset Management Co., Ltd.

BUSINESS PERFORMANCE FOR THE 15TH FISCAL PERIOD

Summary of Financial Results and Cash Dividend

In the 15th fiscal period (October 1, 2008 to March 31, 2009), Japan Real Estate Investment Corporation ("the Company") recorded operating revenues of ¥20,716 million (\$211 million), up 4.6% compared to the previous period. On the earnings front, operating income increased 1.5% to ¥9,955 million (\$101 million). After deducting expenses for interest payments on loans and other costs, income before income taxes dipped 0.3% to ¥8,426 million (\$86 million), and net income decreased by the same percentage to ¥8,425 million (\$86 million).

For the period under review, the Company accordingly declared a cash dividend of ¥19,020 (\$193.63) per unit.

Operating Environment and Performance

During the period under review, there were clear signals that the Japanese economy had slid into a recession. With a drop in corporate-sector earnings stemming from the impact of disruptions in global financial markets, the repercussions for the real economy came in the form of a decline in capital investment and a worsening employment situation.

Vacancy rates in the market for leased office space increased nationwide. This rise is due to such factors as decreased demand in the wake of worsening corporate performance and cutbacks in floor space under contract undertaken to implement measures that include withdrawing from contracts and reducing expenses, or, more specifically, a growing trend toward lease cancellation.

Under these severe circumstances, the Company maintained a high occupancy rate of 95.5% at the end of the period under review, owing to the high quality of its existing properties and efforts to upgrade building facilities through appropriate refurbishment in order to maintain and enhance functions and by engaging in vigorous activities to attract new tenants.

Turning to the property market, against the backdrop of an increasingly stringent attitude toward providing loans among financial institutions for purchasing property, transactions fell

considerably. Consequently, downward trends in prices are being seen, primarily in relation to less competitive properties.

In this market environment, the Company acquired a 10% quasi-co-ownership worth ¥21,250 million (\$216 million) of the trust beneficiary right in trust of real estate for the highly competitive Shiodome Building (hereafter Shiodome Building Trust Beneficiary) during the period under review, further strengthening the quality of the Company's portfolio. As a result, the Company's properties as of March 31, 2009 consisted of 55 office buildings with a total acquisition price of ¥564,219 million (\$5,744 million). Total leasable space was 516,411 m² (5,558,604ft²) with a total of 993 tenants.*

*The number of properties, total acquisition price, total leasable space and the number of tenants do not include the land and building adjacent to the Ryoshin Ginza East Mirror Building, which was acquired for the purpose of building extension.

Finance Activities

The Company procured ¥21,000 million (\$214 million) on December 19, 2008 in combined short- and long-term loans to acquire quasi-co-ownership in the Shiodome Building Trust Beneficiary. Furthermore, in order to provide funds for repaying existing short- and long-term loans, the Company procured ¥7,500 million (\$76 million) in short-term loans and ¥2,000 million (\$20 million) in long-term loans on March 24, 2009 and ¥5,000 million (\$51 million) in long-term loans on March 30, 2009. As a result of these finance activities, as of March 31, 2009, the Company's total interest-bearing debt amounted to ¥220,500 million (\$2,245 million), consisting of long-term loans of ¥127,500 million (\$1,298 million) (including the current portion of ¥12,000 million [\$122 million]), short-term loans of ¥48,000 million (\$489 million), and investment corporation bonds of ¥45,000 million (\$458 million).

As of March 31, 2009, the Company's long-term, fixed-interest debt ratio (ratio of long-term, fixed-interest debt including the current portion of long-term loans to total interest-bearing debt) stood at 78.2%, and the LTV ratio (ratio of interest-bearing debt to total assets) was 39.0%. As these results indicate, the Company has been able to maintain a sound and conservative financial standing.

The Company's credit ratings as of March 31, 2009 were as follows.

The Company — a J-REIT leader with exceptional management capabilities and financial soundness — is committed to implementing the aforementioned initiatives in a reliable and enthusiastic manner to maximize unitholder value through optimal investment management.

Rating Agency	Credit Rating
Standard & Poor's Ratings Services	Long-term: AA-; Short-term: A-1+; Outlook: Stable
Moody's Investors Service Inc.	Rating: Aa3*
Rating and Investment Information, Inc.	Rating: AA; Outlook: Stable

* It was announced on April 21, 2009 that Moody's Investors Service Inc. lowered the Company's rating to A1 and that its rating outlook remains stable.

OUTLOOK

Trends in the Rental Office Market

Forecasts indicate that the economy will continue to remain stagnant due to the disruptions in international financial markets that have yet to come to an end and the persisting severity of the earnings environment accompanying the worsening of the real economy in Japan.

The real estate industry is fully expected to remain sluggish due to a lack of improvement in the fund-raising environment. In addition, forecasting trends in the rental office market have become even more difficult due to ongoing increases in vacancy rates accompanying the rapid deterioration of the corporate earnings environment.

On the other hand, when selecting buildings, tenants in this market are making increasingly stringent demands ranging from location, building quality and features, to building management and value-added services. We anticipate that it will be even more important for suppliers to provide services that correctly and promptly reflect the needs of tenants and to deliver added value that differentiates their buildings from the competitions.

In the real estate market, banking facilities have consistently adopted a more prudent stance toward financing for the real estate sector. In this context, we believe that both the soundness of the Company's financial standing and its ability to procure funds are increasingly becoming the key strategies for acquiring prime properties.

The Company's Management Policies

Under these circumstances, the Company adheres to the

following management policies in order to maintain and improve earnings.

First, the Company will work to strengthen its relationship of trust with existing tenants. As of March 31, 2009, the Company had contracts with 11 property management companies. Most of these companies were already managing their respective buildings before the Company acquired them and have thus built relationships of trust with their tenants. The Company will work to further strengthen these relationships by anticipating tenants' needs and providing tailored services in order to increase tenant satisfaction and subsequently maintain occupancy rates and restrain rent reduction requests.

Second, we will fill vacancies in a prompt manner. In cooperation with the property management companies mentioned above, the Company actively seeks the most appropriate tenants for each property, based on location and features, in order to fill current and anticipated vacancies as rapidly as possible. We are also working to uncover additional demand for floor space among our existing tenants.

Third, we will stabilize revenues. With the aim of stabilizing revenues, the Company is endeavoring to apply fixed- and long-term leasing agreements with its large-scale tenants.

Fourth, we will reduce management costs. The Company has introduced sound competitive principles for its multiple property management companies to follow. These companies are also revamping their management systems and cost structures on an ongoing basis.

The Company has adopted the following policies for acquiring properties.

First, to access important information quickly, the Company is enhancing its property information channels, while working to develop new channels.

Second, in its acquisition activities, the Company will continue to meticulously monitor and examine economic, physical, and legal factors, including rights-related issues when selecting properties. With regard to the structure of buildings, we require buildings to meet or exceed new earthquake-resistance standards and are targeting properties capable of maintaining a competitive edge in terms of the facilities they offer over the



Taketo Yamazaki (Left)
*Executive Director of
Japan Real Estate Investment Corporation*

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

medium to long term.

Third, in accordance with its acquisition policies, the Company's general target for the regional diversity of properties is for 70% or more of its properties to be located within the Tokyo metropolitan area, with the remaining 30% or less located in other major cities.

Under these policies, the Company will continue to acquire highly competitive properties while also considering suitable timing for the replacement of assets in order to further strengthen the quality of its portfolio.

The Company's Financial Strategy

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

Concerning the financing of property acquisitions, the Company flexibly selects a variety of financial instruments, including investment corporation bonds, while maintaining a sound and conservative financial standing and monitoring trends in financial markets. When procuring a loan, we are guided by prudent and stable financial policies. Working to minimize funding costs, we also negotiate with several qualified institutional investors (limited, however, to institutional investors in accordance with the Special Taxation Measures Law of Japan) before determining the various components that encompass loan procurement.

Performance Forecasts for the 16th and 17th Periods

For the 16th fiscal period (April 1, 2009 to September 30, 2009), the Company forecasts operating revenues of ¥21,530 million (\$219 million), operating income of ¥10,090 million (\$103 million), income before income taxes of ¥8,350 million (\$85 million) and net income of ¥8,350 million (\$85 million). We plan to declare a cash dividend of ¥18,850 (\$191.90) per unit.

For the 17th fiscal period (October 1, 2009 to March 31, 2010), the Company forecasts operating revenues of ¥21,310 million (\$217 million), operating income of ¥10,140 million

(\$103 million), income before income taxes of ¥8,390 million (\$85 million) and net income of ¥8,390 million (\$85 million). We plan to declare a cash dividend of ¥18,940 (\$192.81) per unit.

Forecasting trends in the J-REIT market have become even more difficult than anticipated. The reasons for this include the reduction of funds flowing into the J-REIT market due to the impact of long-term global financial instability, the further slowing of the world economy and significant fluctuations in stock and currency exchange markets, as well as the increasingly stringent attitude towards providing loans among Japanese financial institutions.

In such an environment, the Company — a J-REIT leader with exceptional management capabilities and financial soundness — is committed to implementing the aforementioned initiatives in a reliable and enthusiastic manner to maximize unitholder value through optimal investment management.

We thank you and ask you, all of our unitholders, for your continuing support and understanding.

Taketo Yamazaki
Executive Director of Japan Real Estate Investment Corporation

Kazuhiko Arahata
CEO & President of Japan Real Estate Asset Management Co., Ltd.

The Portfolio of Japan Real Estate Investment Corporation

As of March 31, 2009

Properties Roster

Number	Name of building	Location	Type of specified asset	Acquisition date	Acquisition price (¥ mil)
Tokyo 23 wards					
●I- 1	Genki Medical Plaza	Iidabashi, Chiyoda-ku	Real property	10/31/2002	5,000 (0.9%)
●I- 2	Kitanomaru Square	Kudan-Kita, Chiyoda-ku	Real property	02/24/2006	81,555 (14.5%)
●I- 3	MD Kanda Building	Kanda-Mitoshicho, Chiyoda-ku	Real property	05/31/2002	9,520 (1.7%)
●I- 4	Kandabashi Park Building	Kanda-Nishikicho, Chiyoda-ku	Real property	08/15/2002	4,810 (0.9%)
●I- 5	Nibancho Garden	Nibancho, Chiyoda-ku	Real property	04/01/2005	14,700 (2.6%)
●I- 6	Mitsubishi UFJ Trust and Banking Building	Marunouchi, Chiyoda-ku	Real property	03/28/2007	44,700 (7.9%)
●I- 7	Burex Kojimachi Building	Kojimachi, Chiyoda-ku	Real property	07/29/2005	7,000 (1.2%)
●I- 8	Sanno Grand Building	Nagatacho, Chiyoda-ku	Real property	01/31/2005	10,200
				04/03/2006	10,700
				total	20,900 (3.7%)
●I- 9	Yurakucho Denki Building	Yurakucho, Chiyoda-ku	Real property	08/01/2003	7,200 (1.3%)
●I- 10	Kodenmachi Shin-Nihonbashi Building	Nihonbashi-Kodenmachi, Chuo-ku	Trust	09/25/2001	3,173 (0.6%)
●I- 11	Burex Kyobashi Building	Kyobashi, Chuo-ku	Real property	07/22/2002	5,250 (0.9%)
●I- 12	Ginza Sanwa Building	Ginza, Chuo-ku	Real property	03/10/2005	16,830 (3.0%)
●I- 13	Ryoshin Ginza East Mirror Building	Ginza, Chuo-ku	Real property	03/15/2005	5,353 (0.9%)
●I- 14	Harumi Center Building	Harumi, Chuo-ku	Real property	12/18/2007	26,800 (4.7%)
●I- 15	Aoyama Crystal Building	Kita-Aoyama, Minato-ku	Real property	03/14/2003	7,680 (1.4%)
●I- 16	Shiodome Building	Kaigan, Minato-ku	Trust	12/19/2008	21,250 (3.8%)
●I- 17	Shiba 2Chome Daimon Building	Shiba, Minato-ku	Trust	09/10/2001	4,859 (0.9%)
●I- 18	Cosmo Kanasugibashi Building	Shiba, Minato-ku	Trust	09/25/2001	2,808 (0.5%)
●I- 19	Shinwa Building	Nishi-Shinjuku, Shinjuku-ku	Real property	09/01/2004	7,830 (1.4%)
●I- 20	Tokyo Opera City Building	Nishi-Shinjuku, Shinjuku-ku	Real property	09/13/2005	9,350 (1.7%)
●I- 21	Takanawadai Building	Higashi-Gotanda, Shinagawa-ku	Trust	09/25/2001	2,738 (0.5%)
●I- 22	Higashi-Gotanda 1Chome Building	Higashi-Gotanda, Shinagawa-ku	Real property	11/01/2004	5,500 (1.0%)
●I- 23	Omori-Eki Higashiguchi Building	Omori-Kita, Ota-ku	Trust	09/10/2001	5,123 (0.9%)
●I- 24	Nippon Brunswick Building	Sendagaya, Shibuya-ku	Real property	03/24/2004	6,670 (1.2%)
●I- 25	Yoyogi 1Chome Building	Yoyogi, Shibuya-ku	Real property	04/01/2004	8,700 (1.5%)
●I- 26	da Vinci Harajuku	Jingumae, Shibuya-ku	Real property	11/22/2002	4,885 (0.9%)
●I- 27	Jingumae Media Square Building	Jingumae, Shibuya-ku	Real property	10/09/2003	12,200 (2.2%)
●I- 28	Shibuya Cross Tower	Shibuya, Shibuya-ku	Real property	11/30/2001	34,600 (6.1%)
●I- 29	Ebisu Neonato	Ebisu, Shibuya-ku	Real property	11/14/2003	3,740
				04/01/2004	360
				total	4,100 (0.7%)
●I- 30	Harmony Tower	Honcho, Nakano-ku	Real property	02/28/2005	8,500 (1.5%)
●I- 31	Otsuka Higashi-Ikebukuro Building	Higashi-Ikebukuro, Toshima-ku	Trust	09/25/2001	3,541 (0.6%)
●I- 32	Ikebukuro 2Chome Building	Ikebukuro, Toshima-ku	Trust	09/25/2001	1,728 (0.3%)
●I- 33	Ikebukuro YS Building	Minami-Ikebukuro, Toshima-ku	Real property	08/02/2004	4,500 (0.8%)
Tokyo metropolitan area excluding 23 wards					
●II- 1	Hachioji First Square	Hachioji, Tokyo	Real property	03/31/2005	3,300
				03/19/2008	2,379
				total	5,679 (1.0%)
●II- 2	Saitama Urawa Building	Saitama, Saitama Prefecture	Real property	09/25/2001	1,232
				10/11/2001	1,342
				total	2,574 (0.5%)
●II- 3	MM Park Building	Yokohama, Kanagawa Prefecture	Real property	03/24/2008	37,400 (6.6%)
●II- 4	Kawasaki Isago Building	Kawasaki, Kanagawa Prefecture	Trust	09/25/2001	3,375 (0.6%)
●II- 5	Musashi Kosugi STM Building	Kawasaki, Kanagawa Prefecture	Real property	03/25/2008	4,000 (0.7%)
Other major cities					
●III- 1	8-3 Square Kita Building	Sapporo, Hokkaido	Real property	06/01/2007	7,100 (1.3%)
●III- 2	Jozenji Park Building	Sendai, Miyagi Prefecture	Real property	01/31/2005	1,000 (0.2%)
●III- 3	Sendai Honcho Honma Building	Sendai, Miyagi Prefecture	Trust	09/25/2001	2,924
				06/28/2006	250
				total	3,174 (0.6%)
●III- 4	Kanazawa Park Building	Kanazawa, Ishikawa Prefecture	Real property	02/28/2002	2,880
				03/03/2003	1,700
				total	4,580 (0.8%)
●III- 5	Nishiki Park Building	Nagoya, Aichi Prefecture	Real property	10/02/2006	3,850
				11/01/2006	1,300
				total	5,150 (0.9%)
●III- 6	Hirokoji Sakae Building	Nagoya, Aichi Prefecture	Real property	09/22/2006	1,680 (0.3%)
●III- 7	Nagoya Hirokoji Building	Nagoya, Aichi Prefecture	Real property	09/10/2001	14,533 (2.6%)
●III- 8	Nagoya Misono Building	Nagoya, Aichi Prefecture	Real property	08/08/2003	1,865 (0.3%)
●III- 9	Kyoto Shijo Kawaramachi Building	Kyoto, Kyoto Prefecture	Real property	12/20/2001	2,650 (0.5%)
●III- 10	Shin-Fujita Building	Osaka, Osaka Prefecture	Trust	09/01/2008	24,000 (4.3%)
●III- 11	Sakaisujihonmachi Building	Osaka, Osaka Prefecture	Real property	09/25/2001	2,264
				12/26/2003	1,900
				total	4,164 (0.7%)
●III- 12	Midosuji Daiwa Building	Osaka, Osaka Prefecture	Trust	09/25/2001	6,934
				02/28/2002	7,380
				total	14,314 (2.5%)
●III- 13	Lit City Building	Okayama, Okayama Prefecture	Real property	02/01/2006	4,650 (0.8%)
●III- 14	NHK Hiroshima Broadcasting Center Building	Hiroshima, Hiroshima Prefecture	Real property	03/25/2004	1,320
				03/03/2008	1,450
				total	2,770 (0.5%)
●III- 15	Tosei Tenjin Building	Fukuoka, Fukuoka Prefecture	Real property	09/25/2001	1,550 (0.3%)
●III- 16	Tenjin Crystal Building	Fukuoka, Fukuoka Prefecture	Real property	06/01/2005	5,000 (0.9%)
●III- 17	Hinode Tenjin Building	Fukuoka, Fukuoka Prefecture	Trust	09/10/2001	3,657 (0.6%)
	Total				564,219 (100.0%)

Note: The land and building adjacent to the Ryoshin Ginza East Mirror Building (acquisition price: ¥1,800 million) are not included in the above list.

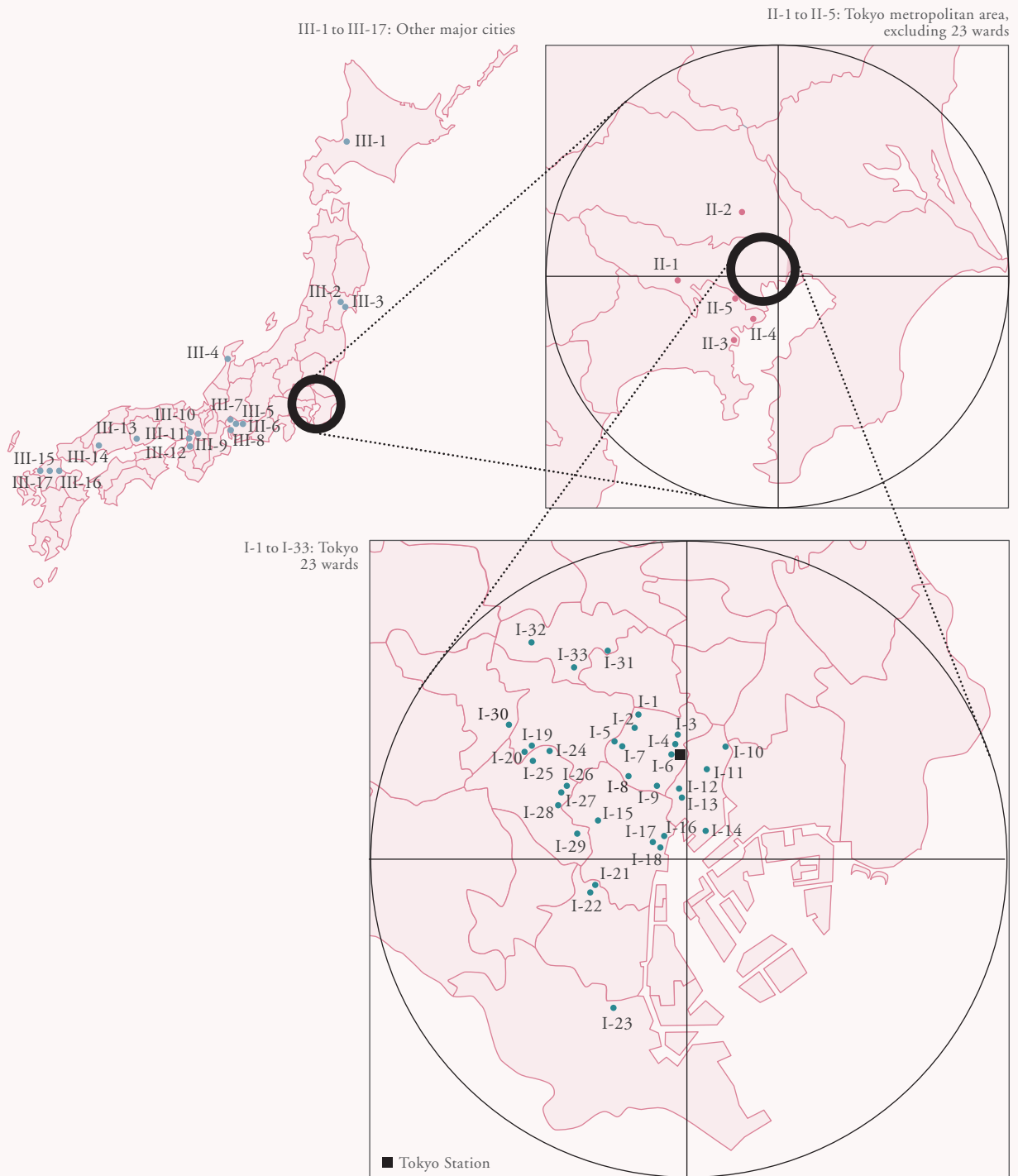
Percentage of ownership of the building	Completion	Appraisal value at the end of period (¥ mil)	Leasable space		Leased space		Occupancy rate	Number of tenants	Revenues from leasing operations (¥ mil)	
100.0%	1985	6,150	4,791m ²	(51,577ft ²)	4,791m ²	(51,577ft ²)	100.0%	1	224	(1.1%)
100.0%	2006	83,700	25,678m ²	(276,402ft ²)	25,678m ²	(276,402ft ²)	100.0%	5	1,871	(9.0%)
100.0%	1998	10,600	6,269m ²	(67,480ft ²)	4,252m ²	(45,775ft ²)	67.8%	4	100	(0.5%)
56.76%	1993	6,350	3,687m ²	(39,695ft ²)	3,224m ²	(34,705ft ²)	87.4%	6	163	(0.8%)
31.345%	2004	17,400	9,316m ²	(100,282ft ²)	9,316m ²	(100,282ft ²)	100.0%	1	490	(2.4%)
19.38402%	2003	49,100	11,922m ²	(128,332ft ²)	11,922m ²	(128,332ft ²)	100.0%	10	995	(4.8%)
100.0%	2005	6,850	4,495m ²	(48,384ft ²)	4,495m ²	(48,384ft ²)	100.0%	1	162	(0.8%)
99.0%	1966	30,500	20,865m ²	(224,594ft ²)	20,776m ²	(223,638ft ²)	99.6%	44	1,068	(5.2%)
10.78%	1975	8,730	4,694m ²	(50,531ft ²)	4,449m ²	(47,897ft ²)	94.8%	13	315	(1.5%)
100.0%	1991	4,070	3,897m ²	(41,950ft ²)	3,897m ²	(41,950ft ²)	100.0%	10	180	(0.9%)
100.0%	2002	6,970	4,279m ²	(46,068ft ²)	4,279m ²	(46,068ft ²)	100.0%	1	150	(0.7%)
70.95%	1982	16,900	4,329m ²	(46,604ft ²)	3,993m ²	(42,981ft ²)	92.2%	9	391	(1.9%)
100.0%	1998	4,920	2,875m ²	(30,949ft ²)	2,875m ²	(30,949ft ²)	100.0%	8	146	(0.7%)
100.0%	2006	24,600	20,812m ²	(224,022ft ²)	20,425m ²	(219,858ft ²)	98.1%	7	775	(3.7%)
100.0%	1982	9,210	4,898m ²	(52,724ft ²)	4,898m ²	(52,724ft ²)	100.0%	7	268	(1.3%)
10.0%	2007	21,800	8,037m ²	(86,520ft ²)	7,980m ²	(85,901ft ²)	99.3%	27	332	(1.6%)
100.0%	1984	7,290	9,631m ²	(103,671ft ²)	9,631m ²	(103,671ft ²)	100.0%	19	340	(1.6%)
100.0%	1992	3,640	4,062m ²	(43,726ft ²)	4,062m ²	(43,726ft ²)	100.0%	9	144	(0.7%)
100.0%	1989	9,300	6,197m ²	(66,708ft ²)	6,197m ²	(66,708ft ²)	100.0%	10	294	(1.4%)
8.368%	1996	11,300	9,246m ²	(99,529ft ²)	8,538m ²	(91,909ft ²)	92.3%	100	523	(2.5%)
100.0%	1991	2,600	4,067m ²	(43,783ft ²)	4,067m ²	(43,783ft ²)	100.0%	1	121	(0.6%)
100.0%	2004	6,900	5,205m ²	(56,035ft ²)	5,205m ²	(56,035ft ²)	100.0%	4	220	(1.1%)
100.0%	1989	5,890	7,708m ²	(82,972ft ²)	7,519m ²	(80,934ft ²)	97.5%	18	260	(1.3%)
100.0%	1974	8,970	7,356m ²	(79,180ft ²)	7,356m ²	(79,180ft ²)	100.0%	21	315	(1.5%)
100.0%	2003	13,100	7,772m ²	(83,660ft ²)	7,772m ²	(83,660ft ²)	100.0%	7	418	(2.0%)
100.0%	1987	6,480	3,147m ²	(33,876ft ²)	3,147m ²	(33,876ft ²)	100.0%	5	203	(1.0%)
100.0%	1998	15,000	5,558m ²	(59,832ft ²)	5,075m ²	(54,634ft ²)	91.3%	7	333	(1.6%)
100.0%	1976	49,000	29,754m ²	(320,273ft ²)	26,825m ²	(288,745ft ²)	90.2%	56	1,464	(7.1%)
12.29939%	1994	5,140	2,462m ²	(26,511ft ²)	1,836m ²	(19,773ft ²)	74.6%	2	127	(0.6%)
29.253305%	1997	12,800	10,929m ²	(117,646ft ²)	10,929m ²	(117,646ft ²)	100.0%	18	468	(2.3%)
100.0%	1987	3,850	7,163m ²	(77,106ft ²)	7,163m ²	(77,106ft ²)	100.0%	7	194	(0.9%)
100.0%	1990	1,580	2,186m ²	(23,532ft ²)	1,941m ²	(20,902ft ²)	88.8%	8	72	(0.4%)
100.0%	1989	5,400	5,797m ²	(62,401ft ²)	5,797m ²	(62,401ft ²)	100.0%	8	210	(1.0%)
80.4%	1996	5,910	10,068m ²	(108,378ft ²)	10,068m ²	(108,378ft ²)	100.0%	43	265	(1.3%)
100.0%	1990	2,600	4,510m ²	(48,550ft ²)	4,421m ²	(47,588ft ²)	98.0%	13	139	(0.7%)
100.0%	2007	37,000	38,584m ²	(415,315ft ²)	36,612m ²	(394,098ft ²)	94.9%	26	1,388	(6.7%)
100.0%	1990	3,230	6,831m ²	(73,537ft ²)	6,831m ²	(73,537ft ²)	100.0%	13	172	(0.8%)
34.322%	1990	3,850	5,394m ²	(58,071ft ²)	5,394m ²	(58,071ft ²)	100.0%	25	163	(0.8%)
100.0%	2006	7,010	12,265m ²	(132,030ft ²)	12,265m ²	(132,030ft ²)	100.0%	8	330	(1.6%)
50.0%	1993	1,110	2,518m ²	(27,106ft ²)	2,468m ²	(26,569ft ²)	98.0%	17	71	(0.3%)
100.0%	1991	3,540	6,241m ²	(67,185ft ²)	6,168m ²	(66,398ft ²)	98.8%	18	172	(0.8%)
89.0%	1991	6,180	20,889m ²	(224,855ft ²)	17,424m ²	(187,561ft ²)	83.4%	67	511	(2.5%)
57.04651%	1995	5,180	8,059m ²	(86,747ft ²)	7,876m ²	(84,787ft ²)	97.7%	49	294	(1.4%)
100.0%	1987	1,720	3,911m ²	(42,103ft ²)	3,911m ²	(42,103ft ²)	100.0%	15	115	(0.6%)
100.0%	1987	15,600	21,624m ²	(232,763ft ²)	20,676m ²	(222,557ft ²)	95.6%	27	707	(3.4%)
100.0%	1991	1,440	3,470m ²	(37,354ft ²)	3,113m ²	(33,513ft ²)	89.7%	9	86	(0.4%)
100.0%	1982	2,190	6,800m ²	(73,195ft ²)	5,668m ²	(61,013ft ²)	83.4%	29	128	(0.6%)
100.0%	1995	23,200	28,414m ²	(305,852ft ²)	23,847m ²	(256,688ft ²)	83.9%	35	851	(4.1%)
100.0%	1992	4,790	11,574m ²	(124,587ft ²)	11,520m ²	(124,004ft ²)	99.5%	16	279	(1.3%)
100.0%	1991	18,400	20,450m ²	(220,127ft ²)	20,166m ²	(217,069ft ²)	98.6%	23	679	(3.3%)
27.7488%	2005	5,330	9,965m ²	(107,269ft ²)	9,511m ²	(102,376ft ²)	95.4%	39	285	(1.4%)
48.753%	1994	3,170	9,860m ²	(106,134ft ²)	9,860m ²	(106,134ft ²)	100.0%	12	270	(1.3%)
100.0%	1992	1,380	4,000m ²	(43,057ft ²)	4,000m ²	(43,057ft ²)	100.0%	20	84	(0.4%)
100.0%	1993	3,960	6,023m ²	(64,839ft ²)	5,331m ²	(57,387ft ²)	88.5%	25	186	(0.9%)
74.4844%	1987	3,890	5,852m ²	(62,995ft ²)	5,852m ²	(62,995ft ²)	100.0%	10	181	(0.9%)
		636,770	516,411m ²	(5,558,604ft ²)	493,317m ²	(5,310,023ft ²)	95.5%	993	20,716	(100.0%)

Major Tenants Roster

Rank	Name of tenant	Name of building	Leased space	% of total leased space
1	Banyu Pharmaceutical Co., Ltd.	Kitanomaru Square (also includes 1 other building)	17,014m ² (183,144ft ²)	3.5%
2	Mitsubishi UFJ Trust and Banking Corporation	Mitsubishi UFJ Trust and Banking Building	10,665m ² (114,802ft ²)	2.2%
3	Seven & i Holdings Co., Ltd.	Nibancho Garden	9,316m ² (100,282ft ²)	1.9%
4	Space Design, Inc.	Burex Kojimachi Building (also includes 1 other building)	8,774m ² (94,453ft ²)	1.8%
5	FAST RETAILING CO., LTD.	Kitanomaru Square	8,476m ² (91,245ft ²)	1.7%
6	JSOL Corporation (Note 1)	Harumi Center Building	7,634m ² (82,178ft ²)	1.5%
7	(Note 2)	MM Park Building	6,936m ² (74,665ft ²)	1.4%
8	TOTO LTD.	Midosuji Daiwa Building (also includes 1 other building)	6,906m ² (74,341ft ²)	1.4%
9	The Dai-ichi Mutual Life Insurance Company	Midosuji Daiwa Building (also includes 5 other buildings)	6,815m ² (73,366ft ²)	1.4%
10	JGC Corporation	MM Park Building	5,560m ² (59,853ft ²)	1.1%

Notes: 1. JRI Solutions, Limited changed into JSOL Corporation on January 5, 2009.
 2. Not disclosed as per tenant request

Locations of Portfolio Properties



Overview of Portfolio Properties *As of March 31, 2009*

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



Genki Medical Plaza

● I-1

Location : Chiyoda-ku, Tokyo
Site area : 1,052.80m² (11,332ft²)
Floor area of building : 6,722.02m² (72,355ft²)
Structure : Above ground: 8 floors
Below ground: 1 floor
Completion : September 1985



Kitanomaru Square

● I-2

Location : Chiyoda-ku, Tokyo
Site area : 5,821.03m² (62,657ft²)
Floor area of building : 57,279.20m² (616,548ft²)
Structure : Above ground: 26 floors
Below ground: 2 floors
Completion : January 2006



MD Kanda Building

● I-3

Location : Chiyoda-ku, Tokyo
Site area : 1,085.83m² (11,688ft²)
Floor area of building : 8,185.11m² (88,104ft²)
Structure : Above ground: 10 floors
Completion : February 1998



Kandabashi Park Building

● I-4

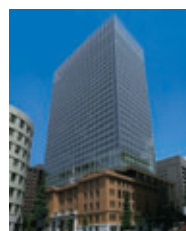
Location : Chiyoda-ku, Tokyo
Site area : 1,218.56m² (13,116ft²)
Floor area of building : 9,370.25m² (100,860ft²)
Structure : Above ground: 10 floors
Below ground: 1 floor
Completion : July 1993



Nibancho Garden

● I-5

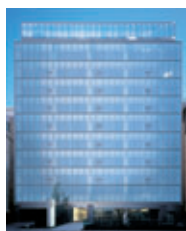
Location : Chiyoda-ku, Tokyo
Site area : 11,003.87m² (118,445ft²)
Floor area of building : 57,031.06m² (613,877ft²)
Structure : Above ground: 14 floors
Below ground: 2 floors
Completion : April 2004



Mitsubishi UFJ Trust and Banking Building

● I-6

Location : Chiyoda-ku, Tokyo
Site area : 8,100.39m² (87,192ft²)
Floor area of building : 108,171.67m² (1,164,349ft²)
Structure : Above ground: 29 floors
Below ground: 4 floors
Completion : February 2003



Burex Kojimachi Building

● I-7

Location : Chiyoda-ku, Tokyo
Site area : 967.67m² (10,416ft²)
Floor area of building : 6,526.64m² (70,252ft²)
Structure : Above ground: 11 floors
Below ground: 1 floor
Completion : January 2005



Sanno Grand Building

● I-8

Location : Chiyoda-ku, Tokyo
Site area : 3,663.93m² (39,438ft²)
Floor area of building : 33,875.95m² (364,637ft²)
Structure : Above ground: 10 floors
Below ground: 3 floors
Completion : September 1966



Yurakucho Denki Building

● I-9

Location : Chiyoda-ku, Tokyo
Site area : 5,749.91m² (61,891ft²)
Floor area of building : 70,287.65m² (756,569ft²)
Structure : Above ground: 20 floors
Below ground: 4 floors
Completion : September 1975



Kodenmachi Shin-Nihonbashi Building

● I-10

Location : Chuo-ku, Tokyo
Site area : 773.28m² (8,324ft²)
Floor area of building : 5,822.88m² (62,677ft²)
Structure : Above ground: 9 floors
Below ground: 1 floor
Completion : November 1991



Burex Kyobashi Building

● I-11

Location : Chuo-ku, Tokyo
Site area : 756.03m² (8,138ft²)
Floor area of building : 5,470.54m² (58,884ft²)
Structure : Above ground: 8 floors
Below ground: 1 floor
Completion : February 2002



Ginza Sanwa Building

● I-12

Location : Chuo-ku, Tokyo
Site area : 1,119.27m² (12,048ft²)
Floor area of building : 8,851.00m² (95,271ft²)
Structure : Above ground: 9 floors
Below ground: 2 floors
Completion : October 1982



Ryoshin Ginza East Mirror Building

● I-13

Location : Chuo-ku, Tokyo
Site area : 615.25m² (6,622ft²)
Floor area of building : 4,104.71m² (44,183ft²)
Structure : Above ground: 8 floors
Below ground: 1 floor
Completion : October 1998



Harumi Center Building

● I-14

Location : Chuo-ku, Tokyo
Site area : 4,664.63m² (50,210ft²)
Floor area of building : 26,447.27m² (284,676ft²)
Structure : Above ground: 10 floors
Completion : November 2006



Aoyama Crystal Building

● I-15

Location : Minato-ku, Tokyo
Site area : 989.30m² (10,649ft²)
Floor area of building : 8,094.36m² (87,127ft²)
Structure : Above ground: 10 floors
Below ground: 4 floors
Completion : December 1982



Shiodome Building

● I-16

Location : Minato-ku, Tokyo
Site area : Approx. 12,046m² (129,662ft²)
Floor area of building : 115,930.83m² (1,247,868ft²)
Structure : Above ground: 24 floors
Below ground: 2 floors
Completion : December 2007



Shiba 2Chome Daimon Building

● I-17

Location : Minato-ku, Tokyo
Site area : 2,820.90m² (30,364ft²)
Floor area of building : 16,235.10m² (174,753ft²)
Structure : Above ground: 8 floors
Below ground: 2 floors
Completion : March 1984



Cosmo Kanasugibashi Building

● I-18

Location : Minato-ku, Tokyo
Site area : 758.54m² (8,165ft²)
Floor area of building : 5,420.93m² (58,350ft²)
Structure : Above ground: 9 floors
Below ground: 1 floor
Completion : March 1992



Shinwa Building

● I-19

Location : Shinjuku-ku, Tokyo
Site area : 822.00m² (8,848ft²)
Floor area of building : 8,291.69m² (89,251ft²)
Structure : Above ground: 10 floors
Below ground: 1 floor
Completion : November 1989



Tokyo Opera City Building

● I-20

Location : Shinjuku-ku, Tokyo
Site area : 18,236.94m² (196,301ft²)
Floor area of building : 232,996.81m² (2,507,954ft²)
Structure : Above ground: 54 floors
Below ground: 4 floors
Completion : July 1996



Takanawadai Building

● I-21

Location : Shinagawa-ku, Tokyo
Site area : 1,416.17m² (15,244ft²)
Floor area of building : 5,762.70m² (62,029ft²)
Structure : Above ground: 13 floors
Completion : January 1991



Higashi-Gotanda 1Chome Building

● I-22

Location : Shinagawa-ku, Tokyo
Site area : 1,539.95m² (16,576ft²)
Floor area of building : 6,460.39m² (69,539ft²)
Structure : Above ground: 8 floors
Completion : July 2004



Omori-Eki Higashiguchi Building

● I-23

Location : Ota-ku, Tokyo
Site area : 2,199.30m² (23,673ft²)
Floor area of building : 14,095.34m² (151,721ft²)
Structure : Above ground: 11 floors
Below ground: 2 floors
Completion : July 1989



Nippon Brunswick Building

● I-24

Location : Shibuya-ku, Tokyo
Site area : 1,497.52m² (16,119ft²)
Floor area of building : 11,957.38m² (128,708ft²)
Structure : Above ground: 9 floors
Below ground: 2 floors
Completion : March 1974



Yoyogi 1Chome Building

● I-25

Location : Shibuya-ku, Tokyo
Site area : 1,755.75m² (18,899ft²)
Floor area of building : 10,778.10m² (116,014ft²)
Structure : Above ground: 14 floors
Below ground: 1 floor
Completion : October 2003



da Vinci Harajuku

● I-26

Location : Shibuya-ku, Tokyo
Site area : 839.66m² (9,038ft²)
Floor area of building : 4,359.20m² (46,922ft²)
Structure : Above ground: 7 floors
Below ground: 2 floors
Completion : December 1987



Jingumae Media Square Building

● I-27

Location : Shibuya-ku, Tokyo
Site area : 2,261.68m² (24,344ft²)
Floor area of building : 9,420.42m² (101,400ft²)
Structure : Above ground: 9 floors
Below ground: 2 floors
Completion : March 1998



Shibuya Cross Tower

● I-28

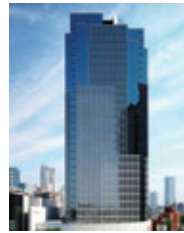
Location : Shibuya-ku, Tokyo
Site area : 5,153.45m² (55,471ft²)
Floor area of building : 61,862.33m² (665,880ft²)
Structure : Above ground: 32 floors
Below ground: 3 floors
Completion : April 1976



Ebisu Neonato

● I-29

Location : Shibuya-ku, Tokyo
Site area : 5,005.70m² (53,881ft²)
Floor area of building : 36,598.38m² (393,941ft²)
Structure : Above ground: 18 floors
Below ground: 2 floors
Completion : October 1994



Harmony Tower

● I-30

Location : Nakano-ku, Tokyo
Site area : 10,020.52m² (107,860ft²)
Floor area of building : 72,729.31m² (782,851ft²)
Structure : Above ground: 29 floors
Below ground: 2 floors
Completion : March 1997



Otsuka Higashi-Ikebukuro Building

● I-31

Location : Toshima-ku, Tokyo
Site area : 2,121.39m² (22,834ft²)
Floor area of building : 9,531.28m² (102,594ft²)
Structure : Above ground: 8 floors
Below ground: 1 floor
Completion : November 1987



Ikebukuro 2Chome Building

● I-32

Location : Toshima-ku, Tokyo
Site area : 397.26m² (4,276ft²)
Floor area of building : 3,157.51m² (33,987ft²)
Structure : Above ground: 9 floors
Below ground: 1 floor
Completion : May 1990



Ikebukuro YS Building

● I-33

Location : Toshima-ku, Tokyo
Site area : 1,384.56m² (14,903ft²)
Floor area of building : 7,464.64m² (80,349ft²)
Structure : Above ground: 8 floors
Below ground: 1 floor
Completion : December 1989



Hachioji First Square

● II-1

Location : Hachioji, Tokyo
Site area : 2,989.33m² (32,177ft²)
Floor area of building : 18,329.98m² (197,302ft²)
Structure : Above ground: 12 floors
Below ground: 1 floor
Completion : July 1996



Saitama Urawa Building

● II-2

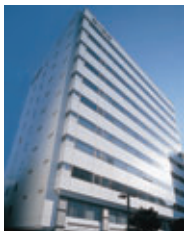
Location : Saitama, Saitama Prefecture
Site area : 1,533.06m² (16,502ft²)
Floor area of building : 6,258.59m² (67,367ft²)
Structure : Above ground: 8 floors
Completion : March 1990



MM Park Building

● II-3

Location : Yokohama, Kanagawa Prefecture
Site area : 6,825.77m² (73,472ft²)
Floor area of building : 49,037.51m² (527,835ft²)
Structure : Above ground: 15 floors
Below ground: 1 floor
Completion : December 2007



Kawasaki Isago Building

● II-4

Location : Kawasaki, Kanagawa Prefecture
Site area : 1,594.50m² (17,163ft²)
Floor area of building : 9,623.83m² (103,590ft²)
Structure : Above ground: 12 floors
Below ground: 1 floor
Completion : December 1990



Musashi Kosugi STM Building

● II-5

Location : Kawasaki, Kanagawa Prefecture
Site area : 3,552.15m² (38,235ft²)
Floor area of building : 22,839.61m² (245,843ft²)
Structure : Above ground: 8 floors
Below ground: 2 floors
Completion : October 1990



8·3 Square Kita Building

● III-1

Location : Sapporo, Hokkaido
Site area : 5,541.60m² (59,649ft²)
Floor area of building : 16,096.97m² (173,266ft²)
Structure : Above ground: 11 floors
Below ground: 1 floor
Completion : December 2006



Jozenji Park Building

● III-2

Location : Sendai, Miyagi Prefecture
Site area : 1,566.68m² (16,864ft²)
Floor area of building : 7,648.33m² (82,326ft²)
Structure : Above ground: 8 floors
Below ground: 1 floor
Completion : January 1993



Sendai Honcho Honma Building

● III-3

Location : Sendai, Miyagi Prefecture
Site area : 1,437.47m² (15,473ft²)
Floor area of building : 8,247.50m² (88,775ft²)
Structure : Above ground: 11 floors
Completion : November 1991



Kanazawa Park Building

● III-4

Location : Kanazawa, Ishikawa Prefecture
Site area : 6,642.71m² (71,501ft²)
Floor area of building : 43,481.20m² (468,027ft²)
Structure : Above ground: 12 floors
Below ground: 2 floors
Completion : October 1991



Nishiki Park Building

● III-5

Location : Nagoya, Aichi Prefecture
Site area : 2,170.45m² (23,363ft²)
Floor area of building : 25,091.91m² (270,087ft²)
Structure : Above ground: 22 floors
Below ground: 4 floors
Completion : August 1995



Hirokoji Sakae Building

● III-6

Location : Nagoya, Aichi Prefecture
Site area : 786.79m² (8,469ft²)
Floor area of building : 6,445.08m² (69,374ft²)
Structure : Above ground: 9 floors
Below ground: 2 floors
Completion : September 1987



Nagoya Hirokoji Building

● III-7

Location : Nagoya, Aichi Prefecture
Site area : 4,095.81m² (44,087ft²)
Floor area of building : 33,377.73m² (359,275ft²)
Structure : Above ground: 18 floors
Below ground: 2 floors
Completion : May 1987



Nagoya Misono Building

● III-8

Location : Nagoya, Aichi Prefecture
Site area : 805.04m² (8,665ft²)
Floor area of building : 5,348.00m² (57,565ft²)
Structure : Above ground: 7 floors
Below ground: 1 floor
Completion : September 1991



Kyoto Shijo Kawaramachi Building

● III-9

Location : Kyoto, Kyoto Prefecture
Site area : 1,471.57m² (15,840ft²)
Floor area of building : 9,701.04m² (104,421ft²)
Structure : Above ground: 9 floors
Below ground: 1 floor
Completion : November 1982



Shin-Fujita Building

● III-10

Location : Osaka, Osaka Prefecture
Site area : 6,159.61m² (66,301ft²)
Floor area of building : 45,411.31m² (488,803ft²)
Structure : Above ground: 21 floors
Below ground: 2 floors
Completion : April 1995



Sakaisujihonmachi Building

● III-11

Location : Osaka, Osaka Prefecture
Site area : 2,036.22m² (21,918ft²)
Floor area of building : 17,145.59m² (184,553ft²)
Structure : Above ground: 13 floors
Below ground: 2 floors
Completion : October 1992



Midosuji Daiwa Building

● III-12

Location : Osaka, Osaka Prefecture
Site area : 3,044.65m² (32,772ft²)
Floor area of building : 31,213.27m² (335,977ft²)
Structure : Above ground: 15 floors
Below ground: 2 floors
Completion : September 1991



Lit City Building

● III-13

Location : Okayama, Okayama Prefecture
Site area : 7,596.44m² (81,767ft²)
Floor area of building : 52,653.19m² (566,754ft²)
Structure : Above ground: 20 floors
Below ground: 2 floors
Completion : June 2005



NHK Hiroshima Broadcasting Center Building

● III-14

Location : Hiroshima, Hiroshima Prefecture
Site area : 3,296.46m² (35,483ft²)
Floor area of building : 35,217.28m² (379,075ft²)
Structure : Above ground: 23 floors
Below ground: 2 floors
Completion : August 1994



Tosei Tenjin Building

● III-15

Location : Fukuoka, Fukuoka Prefecture
Site area : 1,221.31m² (13,146ft²)
Floor area of building : 5,588.57m² (60,155ft²)
Structure : Above ground: 8 floors
Completion : March 1992



Tenjin Crystal Building

● III-16

Location : Fukuoka, Fukuoka Prefecture
Site area : 1,835.17m² (19,754ft²)
Floor area of building : 10,432.04m² (112,289ft²)
Structure : Above ground: 14 floors
Below ground: 1 floor
Completion : August 1993



Hinode Tenjin Building

● III-17

Location : Fukuoka, Fukuoka Prefecture
Site area : 1,452.15m² (15,631ft²)
Floor area of building : 12,527.07m² (134,840ft²)
Structure : Above ground: 10 floors
Below ground: 2 floors
Completion : August 1987



Financial Section

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Selected Financial Data

	Millions of yen					Thousands of U.S. dollars (Note 1)
	For the period from October 1, 2008 to March 31, 2009	For the period from April 1, 2008 to September 30, 2008	For the period from October 1, 2007 to March 31, 2008	For the period from April 1, 2007 to September 30, 2007	For the period from October 1, 2006 to March 31, 2007	For the period from October 1, 2008 to March 31, 2009
Operating Revenues	¥ 20,716	¥ 19,805	¥ 25,743	¥ 17,530	¥ 16,960	\$ 210,900
Operating Expenses	10,761	9,998	11,524	8,791	8,655	109,552
Operating Income	9,955	9,807	14,218	8,739	8,304	101,349
Income before Income Taxes	8,426	8,449	12,946	7,586	7,184	85,787
Net Income	8,425	8,448	12,945	7,585	7,183	85,777
Total Assets	565,022	542,920	527,537	449,643	443,973	5,752,033
Interest-Bearing Debts	220,500	199,500	177,500	144,500	140,000	2,244,732
Net Assets	306,027	306,050	310,547	272,269	271,867	3,115,417
Unitholders' Capital	297,601	297,601	297,601	264,683	264,683	3,029,639
Number of Units	443,000	443,000	443,000	410,000	410,000	443,000
Net Assets per Unit (Yen/U.S. dollars)	690,806	690,858	701,009	664,071	663,091	7,033
Cash Distribution	8,425	8,448	12,945	7,585	7,183	85,777
Dividend Payout Ratio	99.9%	100.0%	100.0%	99.9%	100.0%	99.9%
Dividend per Unit (Yen/U.S. dollars)	19,020	19,072	29,223	18,500	17,521	193.63
Net Operating Income (NOI)	14,575	14,173	12,197	12,073	11,300	148,378
Funds from Operations (FFO)	12,213	12,009	8,078	10,022	9,441	124,341
Return on Assets (ROA) (Note 2)	1.5%	1.6%	2.6%	1.7%	1.6%	1.5%
	(3.1% annualized)	(3.1% annualized)	(5.3% annualized)	(3.4% annualized)	(3.3% annualized)	(3.1% annualized)
Return on Equity (ROE) (Note 3)	2.8%	2.7%	4.7%	2.8%	2.7%	2.8%
	(5.5% annualized)	(5.5% annualized)	(9.3% annualized)	(5.6% annualized)	(5.5% annualized)	(5.5% annualized)
EOP Equity Ratio (Note 4)	54.2%	56.4%	58.9%	60.6%	61.2%	54.2%
EOP Interest-Bearing Debt Ratio						
on Total Assets (Note 5)	39.0%	36.7%	33.6%	32.1%	31.5%	39.0%
FFO Multiple	13.7 times	15.5 times	31.9 times	28.3 times	33.8 times	13.7 times
Debt Service Coverage Ratio (Note 6)	8.9 times	9.7 times	14.2 times	10.4 times	10.5 times	8.9 times

Notes 1: Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥98.23 = US\$1.00, the foreign exchange rate on March 31, 2009, has been used for translation. The inclusion of such amounts is not intended to imply that Japanese yen has been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.

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

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

(Annualized portion of the calculation given in note 2 and note 3 assumes a fiscal period of 182 days for the period ended March 31, 2007, 183 days for the period ended September 30, 2007, 183 days for the period ended March 31, 2008, 183 days for the period ended September 30, 2008 and 182 days for the period ended March 31, 2009.)

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

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

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

Balance Sheets

As of March 31, 2009 and September 30, 2008

	Thousands of yen		U.S. dollars (Note 1)
	As of March 31, 2009	As of September 30, 2008	As of March 31, 2009
ASSETS			
Current Assets:			
Cash and bank deposits	¥ 18,349,167	¥ 15,069,928	\$ 186,797,995
Rental receivables	232,709	208,071	2,369,023
Refundable income taxes	7,795	6,100	79,356
Other current assets	111,784	105,135	1,137,986
Total current assets	18,701,455	15,389,236	190,384,360
Property and Equipment, at Cost:			
Land	369,634,614	351,928,258	3,762,950,364
Buildings and structures	199,798,790	195,015,937	2,033,989,524
Machinery and equipment	2,853,700	2,798,477	29,051,209
Tools, furniture and fixtures	96,895	95,277	986,410
Construction in progress	1,461,051	1,417,571	14,873,784
Subtotal	573,845,052	551,255,522	5,841,851,291
Accumulated depreciation	(31,180,654)	(27,392,551)	(317,424,962)
Total property and equipment	542,664,398	523,862,971	5,524,426,329
Investments and Other Assets:			
Investment securities	2,797	2,797	28,480
Deposits	21,902	23,575	222,967
Long-term prepaid expenses	19,505	18,647	198,571
Leasehold rights	2,691,724	2,691,724	27,402,269
Easement	828,095	828,095	8,430,168
Deferred investment corporation bond issuance costs	92,290	103,118	939,533
Total Assets	¥565,022,169	¥542,920,166	\$5,752,032,677

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

	Thousands of yen		U.S. dollars (Note 1)
	As of March 31, 2009	As of September 30, 2008	As of March 31, 2009
LIABILITIES			
Current Liabilities:			
Trade accounts payable	¥ 680,632	¥ 446,273	\$ 6,928,970
Other payables	755,420	814,518	7,690,323
Short-term loans	48,000,000	28,000,000	488,649,089
Current portion of long-term loans	12,000,000	7,000,000	122,162,272
Accrued expenses	733,264	728,221	7,464,768
Accrued income taxes	50	44	517
Accrued consumption taxes	424,264	107,128	4,319,097
Rent received in advance	2,350,341	2,260,179	23,926,924
Other current liabilities	21,763	46,560	221,558
Total current liabilities	64,965,738	39,402,926	661,363,518
Long-Term Liabilities:			
Investment corporation bonds	45,000,000	45,000,000	458,108,521
Long-term loans	115,500,000	119,500,000	1,175,811,870
Deposits received from tenants	33,529,044	32,966,841	341,332,018
Total long-term liabilities	194,029,044	197,466,841	1,975,252,409
Total Liabilities	258,994,782	236,869,768	2,636,615,927
NET ASSETS			
Unitholders' capital	297,601,460	297,601,460	3,029,639,214
Authorized: 2,000,000 units			
Issued: 443,000 units as of March 31, 2009 and 443,000 units as of September 30, 2008			
Retained earnings	8,425,927	8,448,938	85,777,536
Total net assets	306,027,387	306,050,398	3,115,416,750
Total Liabilities and Net Assets	¥565,022,169	¥542,920,166	\$5,752,032,677

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

Statements of Income and Retained Earnings

For the six months ended March 31, 2009 and September 30, 2008

	Thousands of yen		U.S. dollars (Note 1)
	For the period from October 1, 2008 to March 31, 2009	For the period from April 1, 2008 to September 30, 2008	For the period from October 1, 2008 to March 31, 2009
Operating Revenues and Expenses			
Operating Revenues:			
Rental revenues	¥20,609,470	¥19,716,477	\$209,808,314
Non-rental revenues	107,266	89,147	1,091,994
Total operating revenues	20,716,737	19,805,625	210,900,308
Operating Expenses:			
Property-related expenses	9,929,685	9,192,859	101,086,081
Asset management fees	537,912	531,583	5,476,048
Administrative service fees	179,765	173,810	1,830,047
Other operating expenses	113,888	100,009	1,159,411
Total operating expenses	10,761,252	9,998,264	109,551,587
Operating income	9,955,484	9,807,360	101,348,721
Non-Operating Revenues and Expenses			
Non-Operating Revenues:			
Interest income	39,861	38,252	405,795
Interest on refund	—	9,653	—
Other non-operating revenues	72	2,777	740
Non-Operating Expenses:			
Interest expense	1,132,259	970,200	11,526,614
Interest expense on investment corporation bonds	405,205	408,045	4,125,070
Amortization of investment corporation bond issuance costs	10,828	10,887	110,232
Other non-operating expenses	20,228	19,126	205,932
Income before Income Taxes	8,426,897	8,449,784	85,787,408
Income Taxes:			
Current	1,014	956	10,332
Deferred	(2)	(2)	(25)
Net Income	8,425,884	8,448,829	85,777,102
Retained Earnings Brought Forward	42	108	434
Retained Earnings at End of Period	¥ 8,425,927	¥ 8,448,938	\$ 85,777,536

Statements of Changes in Unitholders' Equity

For the six months ended March 31, 2009 and September 30, 2008

	Units	Thousands of yen		
		Unitholders' capital	Retained earnings	Total
Balance as of March 31, 2008	443,000	¥297,601,460	¥12,945,897	¥310,547,357
Cash dividends paid	—	—	(12,945,789)	(12,945,789)
Net income	—	—	8,448,829	8,448,829
Balance as of September 30, 2008	443,000	¥297,601,460	¥ 8,448,938	¥306,050,398
Cash dividends paid	—	—	(8,448,896)	(8,448,896)
Net income	—	—	8,425,884	8,425,884
Balance as of March 31, 2009	443,000	¥297,601,460	¥ 8,425,927	¥306,027,387
		U.S. dollars (Note 1)		
	Units	Unitholders' capital	Retained earnings	Total
Balance as of September 30, 2008	443,000	\$3,029,639,214	\$86,011,795	\$3,115,651,009
Cash dividends paid	—	—	(86,011,361)	(86,011,361)
Net income	—	—	85,777,102	85,777,102
Balance as of March 31, 2009	443,000	\$3,029,639,214	\$85,777,536	\$3,115,416,750

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

Statements of Cash Flows

For the six months ended March 31, 2009 and September 30, 2008

	Thousands of yen		U.S. dollars (Note 1)
	For the period from October 1, 2008 to March 31, 2009	For the period from April 1, 2008 to September 30, 2008	For the period from October 1, 2008 to March 31, 2009
Cash Flows from Operating Activities			
Income before income taxes	¥ 8,426,897	¥ 8,449,784	\$ 85,787,408
Depreciation and amortization	3,788,102	3,560,543	38,563,602
Amortization of investment corporation bond issuance costs	10,828	10,887	110,232
Interest income	(39,861)	(38,252)	(405,795)
Interest expense	1,537,464	1,378,245	15,651,684
Rental receivables	(24,637)	(82,259)	(250,816)
Refundable income taxes	(1,694)	1,191	(17,248)
Refundable consumption taxes	—	1,458,648	—
Prepaid expenses	(9,680)	(8,080)	(98,554)
Trade accounts payable	303,541	(1,439,810)	3,090,111
Other payables	4,191	(2,109,451)	42,675
Accrued expenses	316,999	107,197	3,227,112
Rent received in advance	90,161	20,597	917,864
Long-term prepaid expenses	(858)	(13,845)	(8,739)
Other	(26,202)	46,656	(266,751)
Sub-total	14,375,251	11,342,052	146,342,786
Interest received	44,302	33,938	451,005
Dividends received	—	7,935,763	—
Interest paid	(1,532,284)	(1,283,786)	(15,598,950)
Income taxes paid	(1,008)	(950)	(10,268)
Net cash provided by operating activities	12,886,260	18,027,016	131,184,573
Cash Flows from Investing Activities			
Payments of time deposits	(6,643,000)	(7,740,000)	(67,626,998)
Proceeds from time deposits	13,643,000	2,092,000	138,888,323
Purchases of property and equipment	(22,722,001)	(27,876,590)	(231,314,279)
Purchases of intangible assets	—	(1,214)	—
Proceeds from investment securities redemption	—	1,270,000	—
Payments for lease and guarantee deposits	(426)	—	(4,344)
Proceeds from collection of lease and guarantee deposits	2,100	—	21,378
Repayment of lease deposits received	(1,637,561)	(1,089,333)	(16,670,689)
Proceeds from lease deposits received	2,199,764	2,572,980	22,394,017
Net cash used in investing activities	(15,158,125)	(30,772,156)	(154,312,591)
Cash Flows from Financing Activities			
Proceeds from short-term loans	27,500,000	20,500,000	279,955,207
Repayment of short-term loans	(7,500,000)	(15,500,000)	(76,351,420)
Proceeds from long-term loans	8,000,000	27,000,000	81,441,515
Payments of investment corporation bond redemption	—	(10,000,000)	—
Repayments of long-term loans	(7,000,000)	—	(71,261,325)
Payment of new unit issuance costs	—	(11,693)	—
Dividends to unitholders	(8,448,896)	(12,945,789)	(86,011,361)
Net cash provided by financing activities	12,551,104	9,042,517	127,772,615
Net Increase (Decrease) in Cash and Cash Equivalents	10,279,238	(3,702,622)	104,644,597
Cash and Cash Equivalents at Beginning of Period	8,069,928	11,772,551	82,153,398
Cash and Cash Equivalents at End of Period	¥18,349,167	¥ 8,069,928	\$186,797,995

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

Notes to Financial Statements

March 31, 2009 and September 30, 2008

1. ORGANIZATION AND BASIS OF PRESENTATION

Organization

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

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

On September 10, 2001, the Company commenced operations when the Company was listed on the Tokyo Stock Exchange as one of the first real estate investment corporations in Japan (so-called “J-REITs”). The Company issued 160,000 units at a price of ¥506,625 (\$5,057), generating gross proceeds of ¥81,060 million (\$809,063 thousand).

On March 12, 2008, the Company completed a sixth public offering of 33,000 units at a price of ¥997,500 (\$9,956) generating gross proceeds of ¥32,917 million (\$328,551 thousand). As of March 31, 2009, the Company had total unitholders’ capital of ¥297,601 million (\$3,029,639 thousand) with 443,000 outstanding units.

On February 5, 2009, J-Rea approved the transfer of all 77,142 shares (which represents 27.0% of outstanding shares) of J-Rea stocks held by TMN to MEC.

On March 27, 2009, the transfer of the stocks was completed and MEC’s ownership in J-Rea increased from 36.0% to 63.0%, which made J-Rea a consolidated subsidiary of MEC. Consequently, MEC became as a “related party” of J-Rea, for the purpose of the Law Concerning Investment Trusts and Investment Corporations of Japan. To deal with possible conflict of interest, J-Rea established a compliance committee on March 27, 2009 to provide enhanced compliance measures including the prevention of such conflicts of benefits.

At March 31, 2009, the Company owned a portfolio of 55 office properties concerning an aggregate of approximately 516,411 square meters of leasable space.

Basis of presenting financial statements

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

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

Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥98.23=US\$1.00, the foreign exchange rate on March 31, 2009, has been used for translation. The inclusion of such amounts is not intended to imply that Japanese yen has been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investment securities

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

Property and equipment

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

Buildings.....	2-61 years
Structures.....	5-50 years
Machinery and equipment.....	3-18 years
Tools, furniture and fixtures.....	3-15 years

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

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

Deferred charges

Deferred charges include investment corporation bond issuance costs and new unit issuance costs.

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

Revenue recognition

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

Taxes on property and equipment

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

Consumption taxes

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

Cash and cash equivalents

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

3. INVESTMENT SECURITIES

Investment securities recorded at cost at March 31, 2009 and September 30, 2008 are summarized as follows:

	Thousands of yen		U.S. dollars
	As of March 31, 2009	As of September 30, 2008	As of March 31, 2009
Other securities			
Non-listed stock	¥2,797	¥2,797	\$28,480

4. PROPERTY AND EQUIPMENT

Property and equipment at March 31, 2009 and September 30, 2008 consisted of the following:

	Thousands of yen				U.S. dollars	
	As of March 31, 2009		As of September 30, 2008		As of March 31, 2009	
	Acquisition Costs	Book Value	Acquisition Costs	Book Value	Acquisition Costs	Book Value
Land	¥309,300,955	¥309,300,955	¥309,238,853	¥309,238,853	\$3,148,742,295	\$3,148,742,295
Buildings and structures	164,104,236		163,164,783		1,670,612,201	
Accumulated depreciation	(24,458,126)	139,646,110	(21,363,481)	141,801,302	(248,988,356)	1,421,623,845
Machinery and equipment	2,215,416		2,215,416		22,553,361	
Accumulated depreciation	(782,102)	1,433,313	(697,963)	1,517,452	(7,961,954)	14,591,407
Tools, furniture and fixtures	88,170		86,553		897,593	
Accumulated depreciation	(45,150)	43,020	(37,738)	48,814	(459,640)	437,953
Construction in progress	1,461,051	1,461,051	1,417,571	1,417,571	14,873,784	14,873,784
Land in trust	60,333,658	60,333,658	42,689,405	42,689,405	614,208,069	614,208,069
Buildings and structures in trust	35,694,554		31,851,154		363,377,323	
Accumulated depreciation	(5,498,595)	30,195,959	(4,921,122)	26,930,031	(55,976,741)	307,400,581
Machinery and equipment in trust	638,283		583,060		6,497,847	
Accumulated depreciation	(392,992)	245,290	(368,816)	214,243	(4,000,742)	2,497,106
Tools, furniture and fixtures in trust	8,724		8,724		88,817	
Accumulated depreciation	(3,686)	5,038	(3,428)	5,296	(37,528)	51,289
Total	¥542,664,398	¥542,664,398	¥523,862,971	¥523,862,971	\$5,524,426,329	\$5,524,426,329

The compressed amount of tangible assets with government grants under the Corporation Tax Law of Japan was ¥50 million (\$510 thousand) at March 31, 2009 and ¥50 million (\$510 thousand) at September 30, 2008.

5. SHORT-TERM LOANS

Short-term loans at March 31, 2009 and September 30, 2008 consisted of the following:

	Thousands of yen		U.S. dollars
	As of March 31, 2009	As of September 30, 2008	As of March 31, 2009
0.80080% unsecured loan from a bank, due on March 24, 2009	¥ —	¥ 4,500,000	\$ —
0.81938% unsecured loan from a bank, due on June 1, 2009	5,000,000	5,000,000	50,900,947
0.885% unsecured loan from a bank, due on March 24, 2010	4,500,000	—	45,810,852
0.81938% unsecured loan from a trust bank, due on September 1, 2009	2,000,000	2,000,000	20,360,379
0.79790% unsecured loan from a trust bank, due on September 24, 2009	3,000,000	3,000,000	30,540,568
0.81938% unsecured loan from a bank, due on September 1, 2009	5,000,000	5,000,000	50,900,947
0.79790% unsecured loan from a bank, due on September 24, 2009	2,500,000	2,500,000	25,450,473
0.79790% unsecured loan from a trust bank, due on September 24, 2009	3,000,000	3,000,000	30,540,568
1.03246% unsecured loan from a bank, due on March 24, 2009	—	2,000,000	—
0.9816% unsecured loan from a bank, due on September 24, 2009	2,000,000	—	20,360,379
0.80080% unsecured loan from a bank, due on March 24, 2009	—	1,000,000	—
0.885% unsecured loan from a bank, due on March 24, 2010	1,000,000	—	10,180,189
0.84616% unsecured loan from banks and trust banks, due on December 21, 2009	20,000,000	—	203,603,787
Total	¥48,000,000	¥28,000,000	\$488,649,089

The Company has commitment lines of ¥25,000 million (\$254,505 thousand) with four financial institutions to reduce a refinancing risk.

The unused amount of such commitment lines was ¥25,000 million (\$254,505 thousand) at March 31, 2009.

6. INVESTMENT CORPORATION BONDS

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

	As of March 31, 2009		As of September 30, 2008		As of March 31, 2009
	Amount (thousands of yen)	Interest rate (%)	Amount (thousands of yen)	Interest rate (%)	Amount (U.S. dollars)
Unsecured bond due on April 30, 2010	¥10,000,000	0.98%	¥10,000,000	0.98%	\$101,801,894
Unsecured bond due on September 29, 2025	10,000,000	2.56%	10,000,000	2.56%	101,801,894
Unsecured bond due on June 18, 2012	10,000,000	1.67%	10,000,000	1.67%	101,801,894
Unsecured bond due on June 18, 2014	15,000,000	1.91%	15,000,000	1.91%	152,702,840
Total	¥45,000,000	—	¥45,000,000	—	\$458,108,521

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

Long-term loans at March 31, 2009 and September 30, 2008 consisted of the following:

	Thousands of yen		U.S. dollars
	As of March 31, 2009	As of September 30, 2008	As of March 31, 2009
1.0575% unsecured loan from a bank, due on March 24, 2009	¥ —	¥ 2,000,000	\$ —
1.015% unsecured loan from an insurance company, due on March 30, 2009	—	5,000,000	—
1.2875% unsecured loan from a bank, due on December 15, 2009	2,000,000	—	20,360,379
1.10625% unsecured loan from a bank, due on March 24, 2010	2,000,000	—	20,360,379
1.10625% unsecured loan from a bank, due on March 24, 2010	2,000,000	—	20,360,379
1.10625% unsecured loan from a bank, due on March 24, 2010	3,000,000	—	30,540,568
1.10625% unsecured loan from a bank, due on March 24, 2010	2,000,000	—	20,360,379
1.10625% unsecured loan from a bank, due on March 24, 2010	1,000,000	—	10,180,189
1.47125% unsecured loan from an insurance company, due on March 30, 2011	2,000,000	2,000,000	20,360,379
1.86875% unsecured loan from an insurance company, due on May 29, 2015	1,500,000	1,500,000	15,270,284
1.595% unsecured loan from an insurance company, due on April 25, 2016	1,000,000	1,000,000	10,180,189
1.50125% unsecured loan from an insurance company, due on August 31, 2011	5,000,000	5,000,000	50,900,947
1.55% unsecured loan from an insurance company, due on October 29, 2012	2,000,000	2,000,000	20,360,379
1.33125% unsecured loan from another financial institution, due on November 1, 2011	5,000,000	5,000,000	50,900,947
1.63% unsecured loan from a trust bank, due on April 4, 2011	10,000,000	10,000,000	101,801,894
1.73% unsecured loan from a trust bank, due on June 1, 2011	22,000,000	22,000,000	223,964,166
1.65925% unsecured loan from banks, trust banks, and an insurance company, due on June 23, 2011	24,000,000	24,000,000	244,324,544
1.2875% unsecured loan from a bank, due on December 15, 2009	—	2,000,000	—
1.86875% unsecured loan from an insurance company, due on May 29, 2015	5,000,000	5,000,000	50,900,947
1.54375% unsecured loan from an insurance company, due on March 30, 2017	5,000,000	—	50,900,947
1.6225% unsecured loan from a bank, due on June 15, 2010	3,000,000	3,000,000	30,540,568
1.10625% unsecured loan from a bank, due on March 24, 2010	—	2,000,000	—
1.4925% unsecured loan from a bank, due on August 31, 2012	1,000,000	1,000,000	10,180,189
1.10625% unsecured loan from a bank, due on March 24, 2010	—	2,000,000	—
1.10625% unsecured loan from a bank, due on March 24, 2010	—	3,000,000	—
1.10625% unsecured loan from a bank, due on March 24, 2010	—	2,000,000	—
1.5725% unsecured loan from a bank, due on June 14, 2010	3,000,000	3,000,000	30,540,568
1.10625% unsecured loan from a bank, due on March 24, 2010	—	1,000,000	—
1.10625% unsecured loan from a bank, due on December 20, 2010	1,000,000	—	10,180,189
1.42375% unsecured loan from a bank, due on April 24, 2013	5,000,000	5,000,000	50,900,947
1.42375% unsecured loan from a bank, due on April 24, 2013	5,000,000	5,000,000	50,900,947
1.4875% unsecured loan from a bank, due on September 2, 2013	3,000,000	3,000,000	30,540,568
1.42375% unsecured loan from a bank, due on April 24, 2013	3,000,000	3,000,000	30,540,568
1.4875% unsecured loan from a trust bank, due on September 2, 2013	5,000,000	5,000,000	50,900,947

	Thousands of yen		U.S. dollars
	As of March 31, 2009	As of September 30, 2008	As of March 31, 2009
1.65% unsecured loan from a bank, due on September 1, 2015	2,000,000	2,000,000	20,360,379
1.31% unsecured loan from a bank, due on March 24, 2014	2,000,000	—	20,360,379
Subtotal	¥127,500,000	¥126,500,000	\$1,297,974,142
Less: current portion of long-term loans	12,000,000	7,000,000	122,162,272
Total	¥115,500,000	¥119,500,000	\$1,175,811,870

8. NET ASSETS

The Company is required to maintain net assets of at least ¥50 million (\$509thousand), as required pursuant to the Investment Trust Law.

9. INCOME TAXES

At March 31, 2009 and September 30, 2008, the Company's deferred tax assets consisted mainly of the enterprise tax, which is not deductible for tax purposes. The reconciliation of tax rate difference between the adjusted statutory tax rate and the effective tax rate for the six months ended March 31, 2009 and September 30, 2008 were as follows:

	For the period from October 1, 2008 to March 31, 2009	For the period from April 1, 2008 to September 30, 2008
Statutory tax rate.....	39.33%	39.39%
Deductible dividend distribution.....	(39.33%)	(39.39%)
Others.....	0.01%	0.01%
Effective tax rate.....	0.01%	0.01%

The Company is subject to Japanese corporate income taxes on all of its taxable income. However, under the Special Taxation Measures Law of Japan, or the STML, an investment corporation is allowed to deduct dividends of accounting profits, or dividend distributions, paid to investors from its taxable income if certain tax requirements are satisfied. Such tax requirements include dividend distributions in excess of 90% of its taxable income for the fiscal period as stipulated by Article 67-15 of the STML. Based on the distribution policy provided by Article 32-2 of the Articles of Incorporation, the Company made a dividend distribution of integral multiple of number of units up to 100% of retained earnings in the amount of ¥8,425 million (\$85,777 thousand) subsequent to March 31, 2009 and treated it as tax deductible dividend. The Company will not distribute the dividends in excess of retained earnings under Article 32-3 of the Articles of Incorporation.

10. PER UNIT INFORMATION

The following table summarizes information about net assets per unit and net income per unit at March 31, 2009 and September 30, 2008, and for the periods then ended:

	Yen		U.S. dollars
	For the period from October 1, 2008 to March 31, 2009	For the period from April 1, 2008 to September 30, 2008	For the period from October 1, 2008 to March 31, 2009
Net assets at period end per unit	¥690,806	¥690,858	\$7,033
Net income per unit	¥ 19,020	¥ 19,071	\$ 194

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

11. RELATED PARTY TRANSACTIONS

For the six months ended March 31, 2009 and September 30, 2008

For the period from April 1, 2008 to September 30, 2008

(1) Parent Company and Major Corporation Unitholders

“Not applicable”

(2) Subsidiaries

Party type		Subsidiary
Party name		Harumi Front TMK
Address		Chuo-ku, Tokyo
Capital		(Millions of yen) ¥2,545 (U.S. dollars) \$25,908,582
Business		Management of specified asset
% of voting stock held (*2)		Direct 49.90
Relationships	Business relationship	1. Portfolio investment of the Company 2. Acquisition of real estate and other assets in the Harumi Center Building through the preferred capital contribution certificates
Details of transaction and transaction amount (*1)		Redemption of preferred capital contribution certificates (*3): (Thousands of yen) ¥1,270,000 (U.S. dollars) \$12,928,840
		Redemption of dividend receivable: (Thousands of yen) ¥6,348,610 (U.S. dollars) \$64,630,057

(*1) Neither transaction amount nor balance includes consumption taxes, etc.

(*2) “% of voting stock held” indicates ownership percentage of preferred capital contribution certificates issued by the TMK.

(*3) Transaction terms and policy for determining the terms:

The preferred capital contribution certificates were determined to be redeemed at the special meeting held on March 31, 2008, followed by the redemption of ¥1,267,050 thousand (\$12,898,809), as well as the remaining ¥2,950 thousand (\$30,032), in response to the decision made at the general meeting of the members held on September 17, 2008, to liquidate the TMK.

(3) Sister Companies

“Not applicable”

(4) Directors and Major Individual Unitholders

“Not applicable”

For the period from October 1, 2008 to March 31, 2009

(1) Parent Company and Major Corporation Unitholders

“Not applicable”

(2) Subsidiaries

“Not applicable”

(3) Sister Companies

“Not applicable”

(4) Directors and Major Individual Unitholders

“Not applicable”

12. BREAKDOWN OF PROPERTY-RELATED REVENUES AND EXPENSES

For the six months ended March 31, 2009 and September 30, 2008

	Thousands of yen		U.S. dollars
	For the period from October 1, 2008 to March 31, 2009	For the period from April 1, 2008 to September 30, 2008	For the period from October 1, 2008 to March 31, 2009
Property-Related Revenues	¥20,716,737	¥19,805,625	\$ 210,900,308
Rental Revenues	20,609,470	19,716,477	209,808,314
Rental revenues	15,671,686	15,068,093	159,540,734
Common service charges	3,058,377	2,908,862	31,134,866
Parking revenues	568,982	537,350	5,792,353
Other rental revenues	1,310,423	1,202,170	13,340,361
Non-Rental Revenues	107,266	89,147	1,091,994
Cancellation charges	56,255	7,008	572,696
Other miscellaneous revenues	51,010	82,139	519,299
Property-Related Expenses	9,929,685	9,192,859	101,086,081
Property management expenses	2,261,861	2,052,418	23,026,182
Utilities expenses	1,570,674	1,452,724	15,989,765
Property and other taxes	1,509,694	1,509,505	15,368,979
Casualty insurance	44,090	41,998	448,852
Repairing expenses	676,964	511,214	6,891,625
Depreciation	3,788,102	3,560,543	38,563,602
Other rental expenses	78,296	64,454	797,076
Property-Related Profits	¥10,787,051	¥ 10,612,765	\$109,814,227

13. SUPPLEMENTAL CASH FLOW INFORMATION

The following table represents a reconciliation of cash and cash equivalents at March 31, 2009 and September 30, 2008:

	Thousands of yen		U.S. dollars
	As of March 31, 2009	As of September 30, 2008	As of March 31, 2009
Cash and deposits with banks	¥15,234,428	¥ 12,826,745	\$155,089,365
Cash and deposits with banks held in trust	3,114,738	2,243,182	31,708,630
Time deposits with maturities of more than three months	—	(7,000,000)	—
Cash and cash equivalents	¥18,349,167	¥ 8,069,928	\$186,797,995

14. LEASES

The Company owns office buildings under leases and earns rent income. As of March 31, 2009 and September 30, 2008, the future lease revenues under the non-cancelable operating leases are as follows:

	Thousands of yen		U.S. dollars
	As of March 31, 2009	As of September 30, 2008	As of March 31, 2009
Due within one year	¥12,205,731	¥10,884,356	\$124,256,658
Due after one year	31,172,069	32,170,897	317,337,569
Total	¥43,377,800	¥43,055,254	\$441,594,227

15. SUBSEQUENT EVENTS

Transfer of unused floor area

The Company decided the following transfer of the development rights for the unused floor area of Mitsubishi UFJ Trust and Banking Building Site, at the Investment Management Council held on May 18, 2009.

Outline of the transfer

1. Object of transaction: Development rights for the unused floor area of Mitsubishi UFJ Trust and Banking Building Site
2. Transfer price: ¥ 729,984 thousand
3. Contract date: May 18, 2009
4. Transfer date: September 17, 2009 (scheduled)
5. Transferees: The Sumitomo Trust & Banking Co., Ltd and Mitsubishi Estate Co., Ltd.
6. Impact of transfer on gain or loss: The gain on the transfer in the amount of ¥720 million will be recorded, in the 16th Period (period from April 1, 2009 to September 30, 2009).

16. ADDITIONAL INFORMATION

Transfer of Asset

The Company decided the following transfer of a part of Jingumae Media Square Building Site, at the Investment Management Council held on March 31, 2009.

Outline of the transfer

1. Asset to be transferred: Real Property (a part of land)
2. Transfer price: ¥ 1,507,411 thousand *
3. Contract date: April 2, 2009
4. Transfer date: October 30, 2009 (scheduled)
5. Transferee: Tokyo Metropolitan Government
6. Impact of transfer on gain or loss: The gain on the transfer in the amount of ¥880 million will be recorded, in the 17th Period (period from October 1, 2009 to March 31, 2010)

Note: In addition to the transfer price, the Company will receive 21,795 thousand yen as compensation for property transfer.

Report of Independent Auditors

To the Board of Directors and Unitholders of
Japan Real Estate Investment Corporation

We have audited the accompanying balance sheets of Japan Real Estate Investment Corporation as of March 31, 2009 and September 30, 2008, and the related statements of income and retained earnings, changes in unitholders' equity and cash flows for the six-month periods then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Japan Real Estate Investment Corporation at March 31, 2009 and September 30, 2008, and the results of its operations and its cash flows for the six-month periods then ended in conformity with accounting principles generally accepted in Japan.

Supplementary Information

As described in Note 15, Subsequent Events, the Company decided the transfer of the development rights for the unused floor area.

June 24, 2009

Ernst & Young Shin Nihon LLC

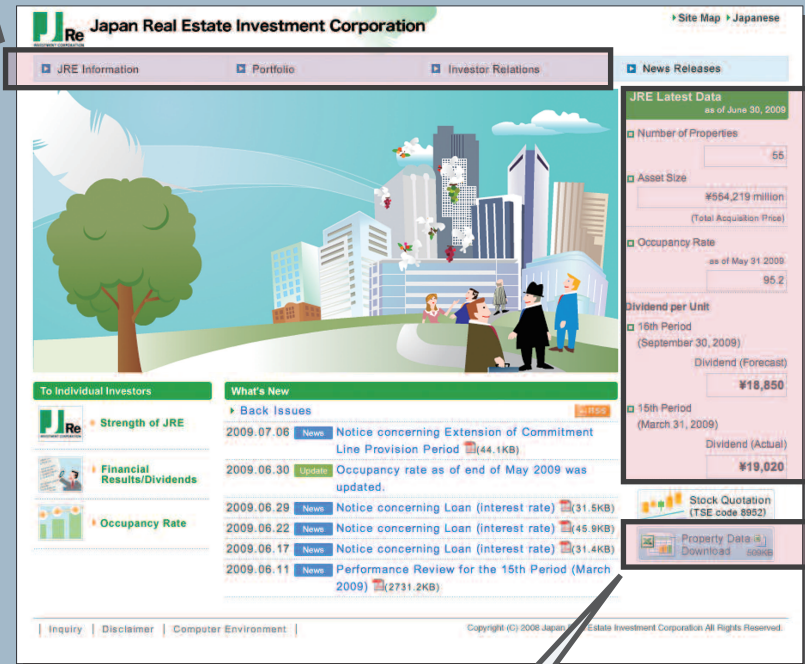
Visit the Company's English Website!

<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.



You can download all the disclosure data of the Company as an Excel file.

Corporate Data

As of March 31, 2009



Executives

Executive Director: Taketo Yamazaki
Supervisory Directors: Kenji Kusakabe
Tomohiro Okanoya

Paid-in Capital

¥297,601,460,000

Number of Units Outstanding

443,000

Number of Unitholders

12,779

Stock Listing

Tokyo Stock Exchange

Securities Code

8952

Type of Investment Corporation

Closed-end corporate type fund

Transfer Agent

The Sumitomo Trust & Banking Co., Ltd.
4-5-33, Kitahama, Chuo-ku, Osaka 540-8639, Japan

Auditors

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

Incorporation

May 11, 2001

Executive Office

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

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

This semiannual report includes translations of documents originally filed under the Financial Instruments and Exchange Law of Japan. This report was prepared in English solely for the convenience of readers outside Japan and should not be considered as a disclosure statement. The original Japanese documents shall take precedence in the event of any discrepancies arising from the translations or interpretations contained in this report.

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

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