

June 12, 2009

## Summary of Earnings Results for the Sixth Fiscal Period (From November 1, 2008 to April 30, 2009)

Top REIT, Inc. (listed on the Tokyo Stock Exchange with securities code 8982) hereby announces its earnings results for the fiscal period ended April 30, 2009 (sixth fiscal period).

### 1. Earnings Results for the Sixth Fiscal Period

Sixth Fiscal Period: From November 1, 2008 to April 30, 2009

Fifth Fiscal Period: From May 1, 2008 to October 31, 2008

#### (1) Business Results

	Operating Revenue	Period-on-Period Change	Operating Income	Period-on-Period Change	Ordinary Income	Period-on-Period Change
<b>Sixth Fiscal Period</b>	¥5,606mn	0.4%	¥2,700mn	1.9%	¥2,047mn	2.7%
Fifth Fiscal Period	¥5,584mn	15.9%	¥2,651mn	12.7%	¥1,994mn	8.2%

	Net Income	Period-on-Period Change	Net Income per Unit	Ratio of Net Income to Unitholders' Equity	Ratio of Ordinary Income to Total Assets	Ratio of Ordinary Income to Operating Revenue
<b>Sixth Fiscal Period</b>	¥2,046mn	2.7%	¥13,205	2.4%	1.2%	36.5%
Fifth Fiscal Period	¥1,993mn	8.2%	¥12,864	2.4%	1.1%	35.7%

(Note) Net income per unit is rounded to the nearest yen.

#### (2) Dividends

	Dividend per Unit (excluding dividend in excess of earnings)	Total Amount of Dividends	Dividend in Excess of Earnings per Unit	Total Amount of Dividends in Excess of Earnings	Dividend Payout Ratio	Ratio of Dividends to Net Assets
<b>Sixth Fiscal Period</b>	¥13,206	¥2,046mn	¥0	¥-mn	100.0%	2.4%
Fifth Fiscal Period	¥12,863	¥1,993mn	¥0	¥-mn	100.0%	2.4%

#### (3) Financial Position

	Total Assets	Net Assets	Ratio of Unitholders' Equity to Total Assets	Net Assets per Unit
<b>Sixth Fiscal Period</b>	¥172,850mn	¥84,208mn	48.7%	¥543,280
Fifth Fiscal Period	¥173,241mn	¥84,141mn	48.6%	¥542,846

(Reference) Unitholders' equity Sixth Fiscal Period: ¥84,208mn

Fifth Fiscal Period: ¥84,141mn

(Note) Net assets per unit is rounded to the nearest yen.

#### (4) Cash Flows

	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at End of Period
Sixth Fiscal Period	¥2,951mn	(¥434mn)	(¥2,253mn)	¥9,132mn
Fifth Fiscal Period	¥3,816mn	(¥7,009mn)	(¥2,842mn)	¥8,869mn

## 2. Forecast of Earnings Results for the Seventh Fiscal Period

Seventh Fiscal Period: From May 1, 2009 to October 31, 2009

	Operating Revenue	Period-on-Period Change	Operating Income	Period-on-Period Change	Ordinary Income	Period-on-Period Change
Seventh Fiscal Period	¥5,614mn	0.1%	¥2,625mn	(2.8%)	¥1,938mn	(5.3%)

	Net Income	Period-on-Period Change	Dividend per Unit (excluding dividend in excess of earnings)	Dividend in Excess of Earnings per Unit
Seventh Fiscal Period	¥1,937mn	(5.3%)	¥12,500	¥0

(Note) Estimated net income per unit for the seventh fiscal period: ¥12,500

#### Explanation on the Appropriate Use of Earnings Results Forecasts, and Other Matters of Special Note

The earnings results forecasts and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by Top REIT. Accordingly, the actual results may differ materially due to a variety of factors. Moreover, the forecasts should not be construed as a guarantee of the dividend amount.

## 3. Others

### (1) Changes in Accounting Policies

- Changes accompanying revisions in accounting standards, etc.: No
- Changes aside from a. above: No

### (2) Number of Investment Units Issued and Outstanding

- Number of investment units (including own investment units) issued and outstanding at end of fiscal period  
Sixth Fiscal Period: 155,000 units  
Fifth Fiscal Period: 155,000 units
- Number of own investment units issued and outstanding at end of fiscal period  
Sixth Fiscal Period: 0 units  
Fifth Fiscal Period: 0 units

This summary of earnings results is translated from the Japanese “Kessan Tanshin” report, dated June 12, 2009, which is prepared in accordance with generally accepted accounting principles in Japan and Japanese law.

Unless otherwise stated, fractions less than the specified unit are rounded down to the nearest specified unit for monetary amounts and rounded to the nearest specified unit for percentage figures.

## 4. Asset Management Performance

### (1) Acquisition and Selling of Assets

Top REIT began the sixth fiscal period with 14 properties (total acquisition value: ¥162,347 million). While deliberations were made over the possible acquisition of properties with a focus on office buildings located in central Tokyo, which Top REIT had carefully selected from the extensive property information received through the “optimal application of sponsor strengths”, the result of close monitoring of the real estate market conditions and other developments caused reason for Top REIT to decide to forgo the acquisition of new properties in the sixth fiscal period.

As a result, the total acquisition value of Top REIT’s assets at the end of the sixth fiscal period remains the same as the end of the fifth fiscal period at ¥162,347 million.

### (2) Management and Maintenance of Portfolio Assets

The basic asset management strategy of Top REIT centers on sustaining and increasing revenue over the medium to long term by maintaining and improving tenant satisfaction (the “Tenants First” policy) and keeping operational management costs at an appropriate level.

Top REIT strives to sustain relationships of trust with tenants and discern tenant needs via property management companies, and thereby maintain high occupancy rates. Moreover, floor space expansion targeting existing tenants, solicitation of new tenants and other efforts were appropriately taken. As a result of such undertakings, the occupancy rate of Top REIT’s entire portfolio at the end of the sixth fiscal period was 99.2%. In addition, contrary to office market trends of falling rent levels and revisions in rents, Top REIT reviewed renewal and new advertised rents and also revised rents as appropriate with tenants. Furthermore, Top REIT reduced the trust fees for some assets under management by changing the trustee and changing the structure upon renewal of the trust agreement.

Regarding maintenance, Top REIT followed up on ensuring an appropriate perception of the operational management conditions and steady implementation of asset management plans for each property. Top REIT also carried out repair work that contribute to enhancing the competitiveness of properties and maintaining and improving the functionality of properties based on asset management plans, took steps to keep the costs of the construction work at an appropriate level and reviewed the timing of conducting the construction work, and conducted other efficient management of the reserve for repairs.

## 5. Procurement of Funds

Top REIT procures funds by adopting a financial policy that is based on stable financial management. During the sixth fiscal period, a total of ¥26,000 million of Top REIT’s loans became due for repayment in March 2009, of which ¥25,740 million was refinanced and ¥260 million was repaid by using cash reserves.

While the ¥26,000 million prior to the refinancing was comprised of ¥16,700 million in long-term loans and ¥9,300 million in short-term loans, the ¥25,740 million after the refinancing is comprised of ¥12,462 million in long-term loans and ¥13,278 million in short-term loans. In the refinancing, Top REIT pays heed to achieving a balance between short-term loans and long-term loans in light of interest rate trends and diversifying repayment dates. Moreover, while ¥11,500 million of the ¥26,000 million prior to the refinancing were loans with fixed interest rates, all of the ¥25,740 million after the refinancing are loans with floating interest rates.

As a result, as at the end of the sixth fiscal period, the total amount of loans stands at ¥81,740 million and the ratio of loans to total assets (LTV) at 47.3%. Of the total amount of loans, 83.8% are long-term loans (including the current portion of long-term loans) and 62.1% are loans with fixed interest rates.

The credit ratings of Top REIT as of the date of this report are as follows:

Rating Agency	Issuer Rating [Outlook]
Moody's Investors Service, Inc. (Moody's)	A3 [Negative] (Note)
Rating and Investment Information, Inc. (R&I)	AA- [Stable]

(Note) Changes were made to the issuer rating and outlook on April 21, 2009.

## 6. Outlook for the Seventh and Eighth Fiscal Periods

The earnings results forecasts for the seventh fiscal period (from May 1, 2009 to October 31, 2009) and the eighth fiscal period (from November 1, 2009 to April 30, 2010) are as follows:

Fiscal Period [period of asset management]	Seventh Fiscal Period [184 days]	Eighth Fiscal Period [181 days]
Operating revenue	¥5,614mn	¥5,568mn
Ordinary income	¥1,938mn	¥1,938mn
Net income	¥1,937mn	¥1,937mn
Dividend per unit (excluding dividend in excess of earnings)	¥12,500	¥12,500
Dividend in excess of earnings per unit	¥0	¥0

(Note) The earnings results forecasts presented above are the current figures calculated based on certain assumptions. Accordingly, the actual operating revenue, ordinary income, net income, dividend per unit and dividend in excess of earnings per unit may vary due to changes in the circumstances. Moreover, the forecasts should not be construed as a guarantee of the dividend amount.

## 7. Financial Statements

### (1) Balance Sheets

(Unit: thousand yen)

	Fifth Fiscal Period (as of October 31, 2008)	Sixth Fiscal Period (as of April 30, 2009)
<b>Assets</b>		
Current assets		
Cash and deposits	3,054,980	4,572,154
Cash and deposits in trust	5,814,175	4,559,919
Operating accounts receivable	44,267	35,850
Prepaid expenses	61,621	99,695
Deferred tax assets	1,839	232
Income taxes receivable	1,863	1,609
Other	25,043	23,897
Allowance for doubtful accounts	–	(523)
Total current assets	9,003,791	9,292,836
Noncurrent assets		
Property, plant and equipment		
Buildings	1,111,657	1,115,185
Accumulated depreciation	(27,517)	(48,213)
Buildings, net	1,084,139	1,066,972
Structures	3,630	3,630
Accumulated depreciation	(579)	(1,014)
Structures, net	3,051	2,616
Machinery and equipment	11,436	11,436
Accumulated depreciation	(2,029)	(3,551)
Machinery and equipment, net	9,407	7,885
Tools, furniture and fixtures	506	506
Accumulated depreciation	(84)	(147)
Tools, furniture and fixtures, net	421	358
Land	4,888,525	4,888,525
Buildings in trust	55,414,168	55,821,348
Accumulated depreciation	(4,735,387)	(5,822,551)
Buildings in trust, net	50,678,781	49,998,796
Structures in trust	654,166	654,166
Accumulated depreciation	(98,398)	(119,642)
Structures in trust, net	555,768	534,523
Machinery and equipment in trust	194,250	195,190
Accumulated depreciation	(30,332)	(40,223)
Machinery and equipment in trust, net	163,918	154,966
Tools, furniture and fixtures in trust	98,979	99,570
Accumulated depreciation	(21,093)	(31,807)
Tools, furniture and fixtures in trust, net	77,886	67,763
Land in trust	106,523,104	106,523,104
Construction in progress in trust	147	–
Total property, plant and equipment	163,985,153	163,245,514
Intangible assets		
Other	297	276
Total intangible assets	297	276
Investments and other assets		
Lease and guarantee deposits	10,000	10,000
Long-term prepaid expenses	63,503	116,837
Deferred tax assets	71,325	63,937
Other	85,042	104,512
Total investments and other assets	229,871	295,287
Total noncurrent assets	164,215,322	163,541,078
Deferred assets		
Deferred organization expenses	22,680	17,010
Total deferred assets	22,680	17,010
Total assets	173,241,793	172,850,925

(Unit: thousand yen)

	Fifth Fiscal Period (as of October 31, 2008)	Sixth Fiscal Period (as of April 30, 2009)
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	82,900	90,535
Short-term loans payable	9,300,000	13,278,000
Current portion of long-term loans payable	16,700,000	9,000,000
Accounts payable – other	256,456	257,127
Accrued expenses	211,782	182,753
Income taxes payable	57	85
Accrued consumption taxes	197,557	47,689
Advances received	742,514	760,984
Derivatives liabilities	8,307	–
Other	2,240	5,114
Total current liabilities	27,501,815	23,622,290
Noncurrent liabilities		
Long-term loans payable	56,000,000	59,462,000
Tenant leasehold and security deposits	169,769	141,082
Tenant leasehold and security deposits in trust	5,235,545	5,239,934
Derivatives liabilities	193,533	177,210
Total noncurrent liabilities	61,598,849	65,020,228
Total liabilities	89,100,664	88,642,519
<b>Net Assets</b>		
Unitholders' equity		
Unitholders' capital	82,260,100	82,260,100
Surplus		
Unappropriated retained earnings (undisposed loss)	1,993,858	2,046,935
Total surplus	1,993,858	2,046,935
Total unitholders' equity	84,253,958	84,307,035
Valuation and translation adjustments		
Deferred gains or losses on hedges	(112,828)	(98,629)
Total valuation and translation adjustments	(112,828)	(98,629)
Total net assets	84,141,129	84,208,405
Total liabilities and net assets	173,241,793	172,850,925

## (2) Statements of Income

(Unit: thousand yen)

	Fifth Fiscal Period (May 1, 2008 – October 31, 2008)	Sixth Fiscal Period (November 1, 2008 – April 30, 2009)
Operating revenue		
Rent revenue – real estate	5,572,195	5,580,387
Other lease business revenue	12,545	26,546
Total operating revenue	5,584,740	5,606,933
Operating expenses		
Expenses related to rent business	2,370,668	2,346,377
Loss on retirement of real estate properties	897	–
Asset management fee	434,587	426,421
Asset custody fee	7,811	7,778
Administrative service fees	58,852	60,997
Directors' compensations	3,600	3,600
Audit fee	10,000	10,000
Provision of allowance for doubtful accounts	–	523
Other operating expenses	46,806	50,284
Total operating expenses	2,933,224	2,905,982
Operating income	2,651,516	2,700,950
Non-operating income		
Interest income	16,078	13,822
Other	6,868	3,821
Total non-operating income	22,947	17,644
Non-operating expenses		
Interest expenses	642,118	626,618
Amortization of deferred organization expenses	5,670	5,670
Other	31,779	38,523
Total non-operating expenses	679,568	670,812
Ordinary income	1,994,895	2,047,782
Income before income taxes	1,994,895	2,047,782
Income taxes – current	1,055	1,149
Income taxes – deferred	(5)	(209)
Total income taxes	1,050	939
Net income	1,993,845	2,046,842
Retained earnings brought forward	12	93
Unappropriated retained earnings (undisposed loss)	1,993,858	2,046,935

### (3) Statements of Cash Flows

(Unit: thousand yen)

	Fifth Fiscal Period (May 1, 2008 – October 31, 2008)	Sixth Fiscal Period (November 1, 2008 – April 30, 2009)
Net cash provided by (used in) operating activities		
Income before income taxes	1,994,895	2,047,782
Depreciation and amortization	1,147,426	1,151,729
Loss on retirement of real estate properties	897	–
Amortization of deferred organization expenses	5,670	5,670
Amortization of right of trademark	21	21
Increase (decrease) in allowance for doubtful accounts	–	523
Interest income and interest income on securities	(16,078)	(13,822)
Interest expenses	642,118	626,618
Decrease (increase) in operating accounts receivable	(2,306)	8,417
Decrease (increase) in consumption taxes refund receivable	390,782	–
Decrease (increase) in income taxes receivable	1,473	253
Decrease (increase) in prepaid expenses	2,259	(38,074)
Decrease (increase) in other current assets	254	(23,076)
Increase (decrease) in operating accounts payable	10,769	26,504
Increase (decrease) in accounts payable – other	16,020	3,936
Increase (decrease) in accrued consumption taxes	198,814	(149,867)
Increase (decrease) in advances received	24,139	18,469
Decrease (increase) in long-term prepaid expenses	16,414	(53,333)
Other, net	(20,342)	(16,462)
Subtotal	4,413,227	3,595,289
Interest income received	16,097	13,822
Interest expenses paid	(611,678)	(656,873)
Income taxes paid	(1,041)	(1,120)
Net cash provided by (used in) operating activities	3,816,605	2,951,117
Net cash provided by (used in) investing activities		
Payments into time deposits	–	(470,000)
Proceeds from withdrawal of time deposits	–	470,000
Purchase of property, plant and equipment	(8,847)	–
Purchase of property, plant and equipment in trust	(5,708,454)	(410,137)
Repayments of tenant leasehold and security deposits	(1,544)	(28,686)
Proceeds from tenant leasehold and security deposits in trust	239,345	84,784
Repayments of tenant leasehold and security deposits in trust	(1,530,149)	(80,395)
Net cash provided by (used in) investing activities	(7,009,649)	(434,434)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	–	13,278,000
Decrease in short-term loans payable	(1,000,000)	(9,300,000)
Proceeds from long-term loans payable	–	12,462,000
Repayment of long-term loans payable	–	(16,700,000)
Dividends paid	(1,842,020)	(1,993,765)
Net cash provided by (used in) financing activities	(2,842,020)	(2,253,765)
Net increase (decrease) in cash and cash equivalents	(6,035,063)	262,917
Cash and cash equivalents at beginning of period	14,904,219	8,869,155
Cash and cash equivalents at end of period	8,869,155	9,132,073



## 8. Portfolio Data

Asset Class	Area	Property Name	Acquisition Value (million yen)	Appraisal Value at End of Period (million yen)	Investment Breakdown (Note) (%)
Office Building	Central Tokyo	NEC Head Office Building	41,950	48,000	28.1
		Harumi Island Triton Square Office Tower Y	33,000	41,500	24.3
		Akasaka Oji Building	9,660	14,400	8.4
		Kanda Park Plaza	5,156	5,513	3.2
		Shiba-Koen Building	5,770	4,210	2.5
		Harumi Island Triton Square Office Tower Z	20,000	17,100	10.0
	Tokyo Metropolitan Area	Faret East Building	2,091	2,950	1.7
	Kansai	Nittetsu Honmachi Building	1,100	1,580	0.9
Subtotal (8 properties)			118,727	135,253	79.2
Retail Property	Tokyo Metropolitan Area	Sagamihara Shopping Center	12,000	11,000	6.4
		Ito-Yokado Higashi-Narashino Store	8,900	5,483	3.2
		Musashiurawa Shopping Square	4,335	3,910	2.3
	Subtotal (3 properties)			25,235	20,393
Residential Property	Tokyo Metropolitan Area	Fukasawa House Towers H&I	10,635	7,990	4.7
		Ecology Toyosu Procentury	5,160	4,650	2.7
	Subtotal (2 properties)			15,795	12,640
Other Property	Central Tokyo	OAK PLAZA	2,590	2,584	1.5
	Subtotal (1 property)			2,590	2,584
Total			162,347	170,870	100.0

(Note) The investment breakdown is the appraisal value at end of period for the applicable property or the applicable asset class expressed as a percentage of the sum total of the appraisal value at end of period for all properties in the portfolio and is rounded to one decimal place.

For more information, please visit our website <http://www.top-reit.co.jp/english/>

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