



TOP REIT
(TSE Code: 8982)

Top REIT, Inc.

Presentation on
Business Results for
the 9th Fiscal Period

May 1, 2010—
October 31, 2010

December 17, 2010



TOP REIT, Inc.

TOP REIT ASSET MANAGEMENT Co., Ltd.

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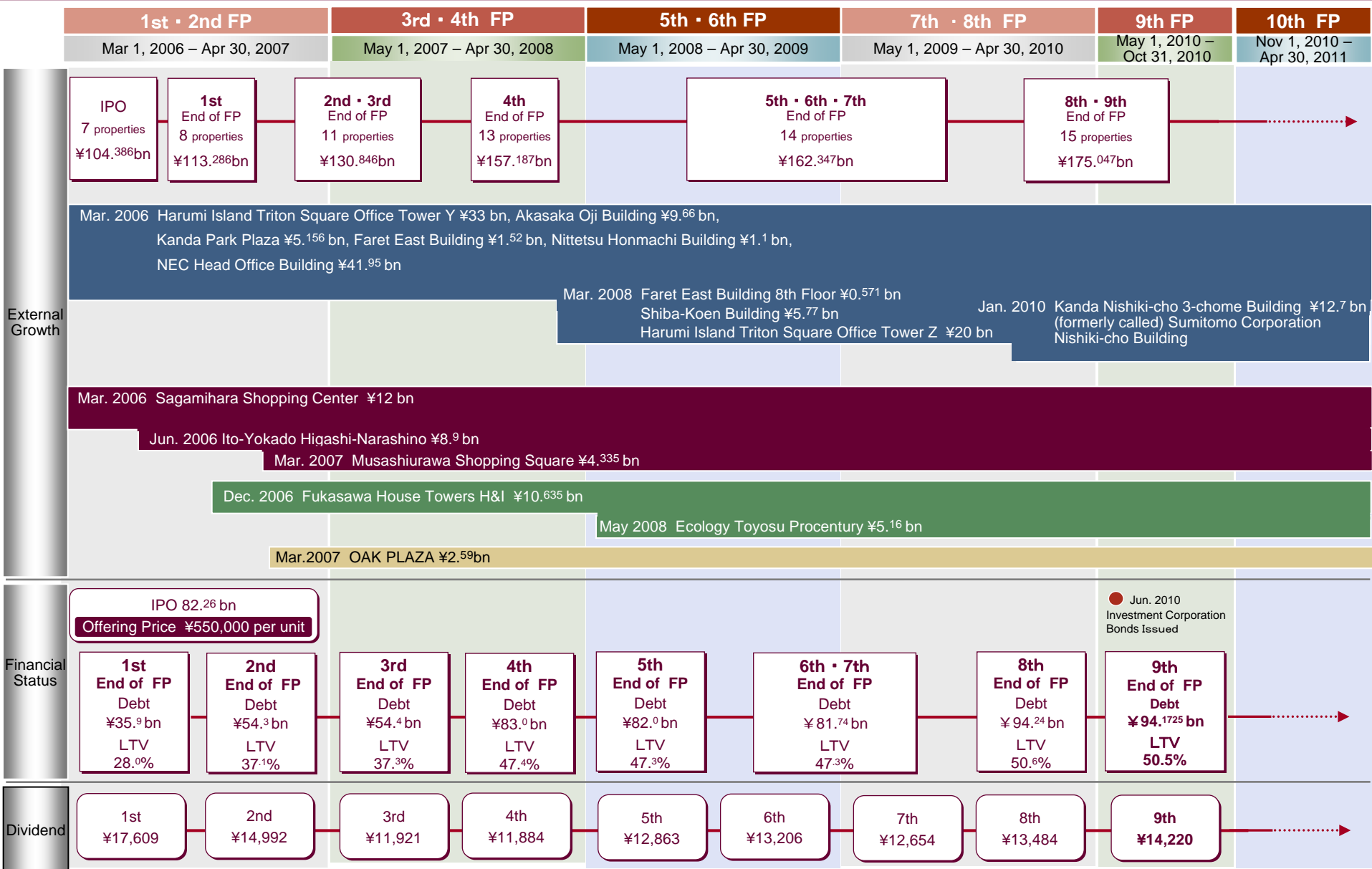
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TOPICS: Overview since Listing



I. Summary of Results of the Ninth Fiscal Period (Ended October 31, 2010)

I-1. Highlights of the Ninth Fiscal Period

《 Flawless Management of Existing Properties 》

- ◆ Rent revision within an assumed range **minimizing decreases**
 - ⇒ Decreased 6.5% on average compared with the level before renewal of contracts with 8 tenants in 9th FP (representing 2.3% of total monthly rents of entire portfolio)
- ◆ **Secured** management
 - Maintained and improved occupancy rate through coordination of asset management and property management companies under continuously severe market conditions
 - ⇒ Maintained and improved occupancy rates at Nittetsu Honmachi Building (Osaka) and Fukasawa House Towers H&I (high-grade residence)
 - ⇒ Leased up evacuated spaces at Kanda Park Plaza without seeing any vacant period

Occupancy rate at end of 9th FP
99.5%

《 Financial Strategy 》

- ◆ Filed a shelf registration statement for investment corporation bonds (2yrs / 100 billion yen)
- ◆ Issued first investment corporation bonds (5-year bonds) (June 4, 2010): 8.5 billion yen
 - ⇒ Used to repay long-term loans
 - Further diversified fund procurement means
 - Extended average remaining period of interest-bearing liabilities (End of 8th FP: 1 year & 10 months)
 - ⇒ After repaying bank loans through issuing the bonds: 2 years & 2 months)
 - Reduced fund procurement costs

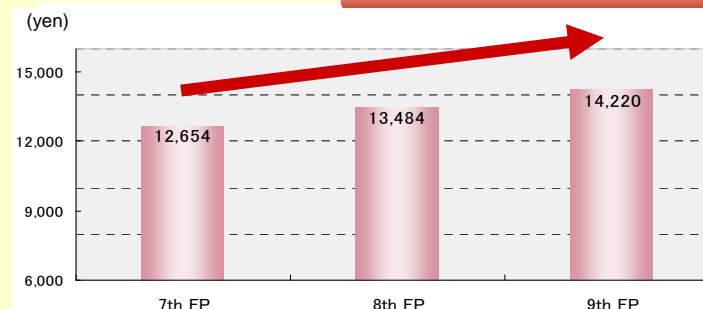
Realization of sponsors' strengths (credibility)

《 Dividend 》

Cash Dividend for Ninth Fiscal Period
14,220 yen

- ◆ Achieved period-on-period **increases in revenue, profit and dividend** for two consecutive fiscal periods even under severe environment
 - Revenue from Kanda Nishiki-cho 3-chome Building (former Sumitomo Corporation Nishiki-cho Building) acquired in 8th FP made contributions throughout the period
 - Cash dividend surpassed forecast (+220 yen)

Stable payment of Dividends



I-2. Summary of the Ninth Fiscal Period

Items	9th FP Results May 1, 2010 – October 31, 2010	9th FP Forecast (Announced on June 14, 2010)	Net Change (Results vs. Forecast)		8th FP Results November 1, 2009 – April 30, 2010	Net Change (9th FP Results vs. 8th FP Results)	
Period of asset management (days)	184	184	–	–	181	–	–
Operating revenue	¥6,060mn	¥6,037mn	¥23mn	0.4%	¥5,814mn	¥246mn	4.2%
Operating income	¥3,019mn	¥3,004mn	¥14mn	0.5%	¥2,849mn	¥169mn	6.0%
Ordinary income	¥2,204mn	¥2,171mn	¥33mn	1.6%	¥2,091mn	¥113mn	5.4%
Net income	¥2,204mn	¥2,170mn	¥34mn	1.6%	¥2,090mn	¥114mn	5.5%
Number of units issued and outstanding (unit)	155,000	155,000	–	–	155,000	0	–
Dividend per unit (yen)	¥14,220	¥14,000	¥220	1.6%	¥13,484	¥736	5.5%
Number of properties	15	15	0	–	15	0	–
Appraisal value total	¥175,351mn	–	–	–	¥177,146mn	(¥1,795mn)	(1.0%)

■ Differences between Forecasts and Actual Results

Operating Revenue: +¥23mn

- Improvement of occupancy rate at Fukasawa House Towers H&I
- Increase in revenue from utility expenses borne by tenants

Operating Income: +¥14mn

- Increase in repairing expenses (including repair of drain pipes at Sagamihara Shopping Center)

Ordinary Income: +¥33mn

- Decrease in interest payments (due to base interest rate levels being lower than expected during the period)

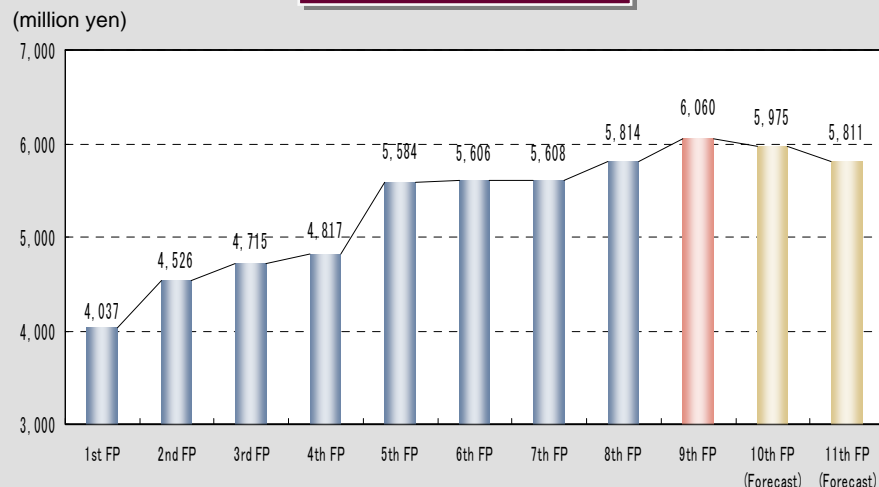
■ Other References

Item	9th FP Results	8th FP Results
Number of tenants	46	44
Total rentable floor space	291,627.72m ²	291,647.88m ²
Occupancy rate	99.5%	99.2%
Depreciation and amortization	¥1,081mn	¥1,127mn
Capital expenditures	¥83mn	¥544mn
Term-end unit price	¥457,000	¥444,000
Term-end market capitalization	¥70,835mn	¥68,820mn

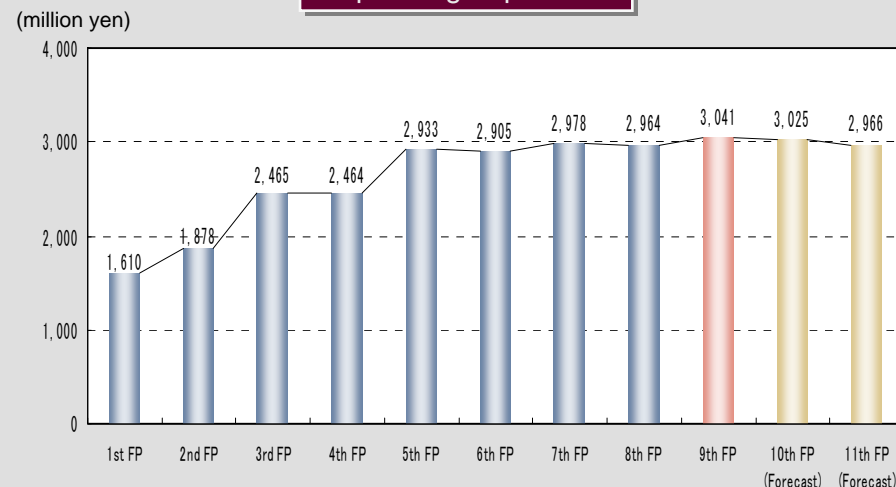
II. Results of Past Periods and Forecasts

II-1. Results of Past Periods and Forecasts

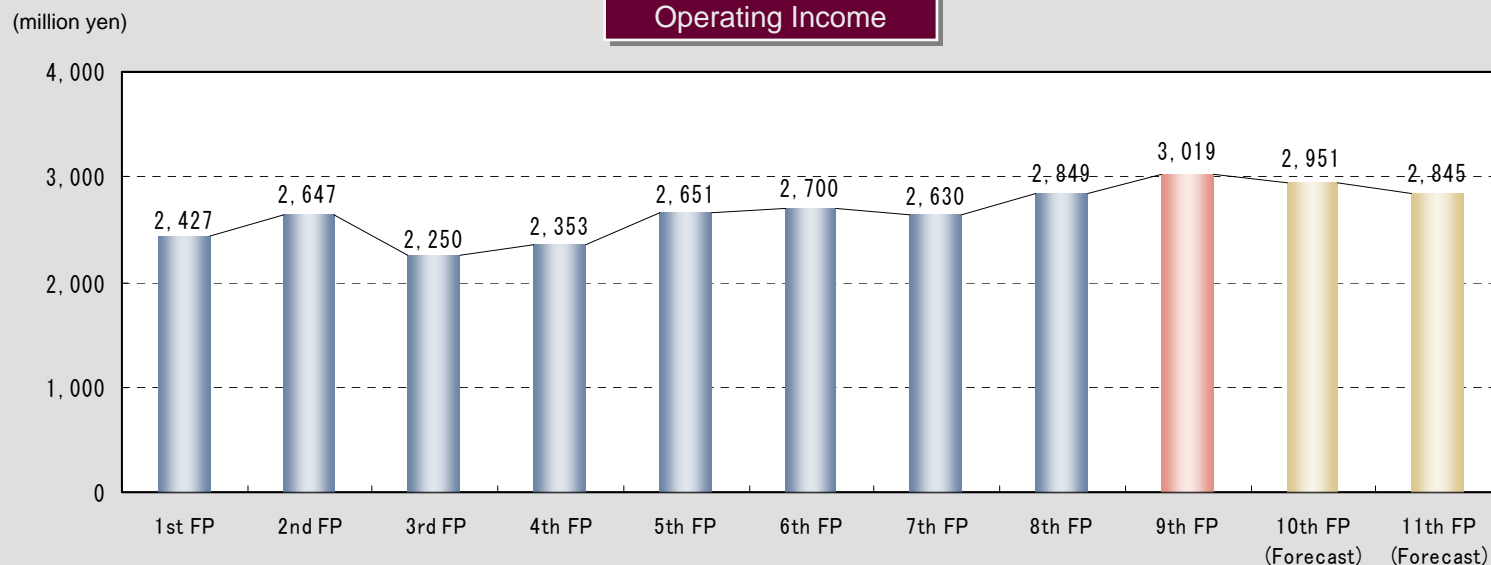
Operating Revenue



Operating Expenses

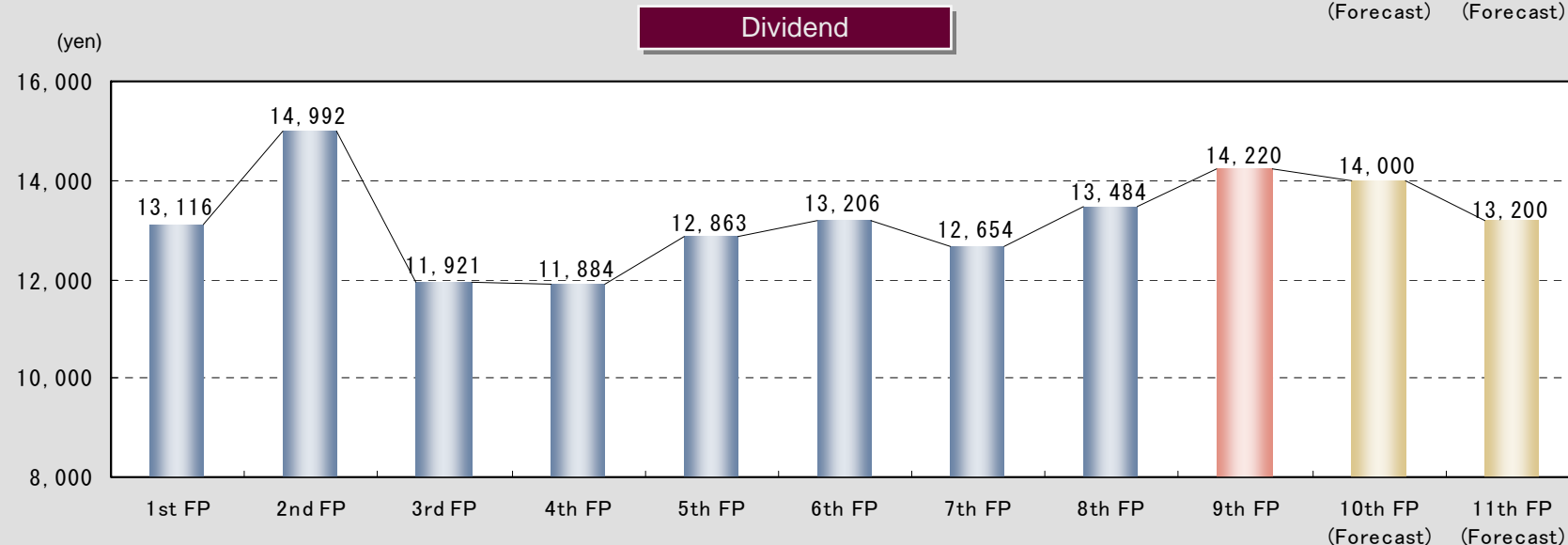
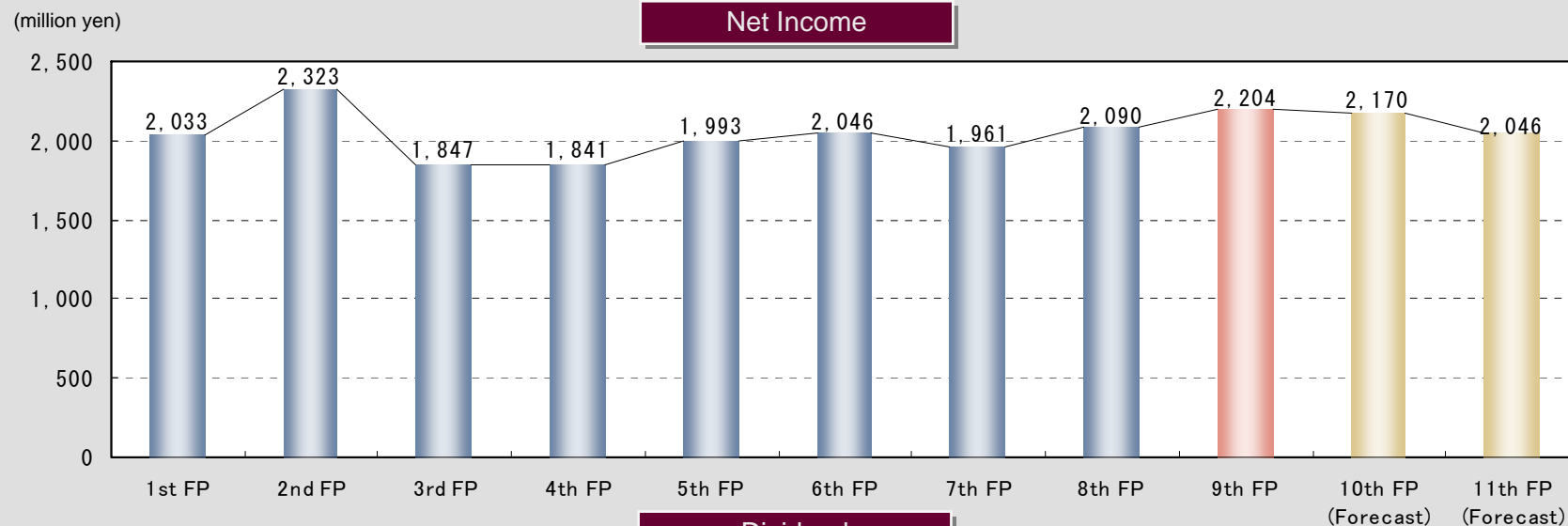


Operating Income



*The actual number of days in the First Fiscal Period was 245. The above numbers are calculated by the following calculation method: (First Fiscal Period Results / 245 Days) x 365 Days / 2. In addition, the above forecast figures are calculated under certain preconditions as of the date of this material and are subject to change. Moreover, the dividend is not guaranteed.

II-1. Results of Past Periods and Forecasts



*The actual number of days in the First Fiscal Period was 245. The above numbers are calculated by the following calculation method: (First Fiscal Period Results / 245 Days) x 365 Days / 2. In addition, the above forecast figures are calculated under certain preconditions as of the date of this material and are subject to change. Moreover, the dividend is not guaranteed.



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III. Growth Strategy: Leaping for the Next Stage

Real Estate Leasing Market

[Present state]

- ◆ Office vacancy rates in 5 central wards of Tokyo remain at around 9%
- ◆ Office rents remain weak, even in central Tokyo
- ◆ Leasing market outside central Tokyo remains severe
- ◆ Studio and family rental residences with high convenience showing steady performance

[Future prospects]

- ◆ Rents continue to be weak though office vacancy rates in central Tokyo show signs of recovery
- ◆ Expansion of polarization of office rent levels
 - ⇒ Top REIT's strategy
 - Secure stable revenues through maintaining high occupancy, enhancement of leasing activities

Real Estate Transaction Market

[Present state]

- ◆ Stalled recovery in number of real estate transactions
- ◆ Rising pace of cap rate slowing down (signs of bottoming out of real estate prices)
- ◆ Class S and class A properties for sale are extremely limited after the Lehman Shock
- ◆ Buyers compete over decreased volume of for-sale properties

[Future prospects]

- ◆ Properties are owned primarily by funds, which tend to postpone sale of properties that are producing cash flows
- ◆ Real estate market transactions shift to primarily small to mid-sized properties
 - ⇒ Top REIT's strategy
 - Reinforce external growth strategy, timely examination and acquisition of superior properties

Financial / Capital Market

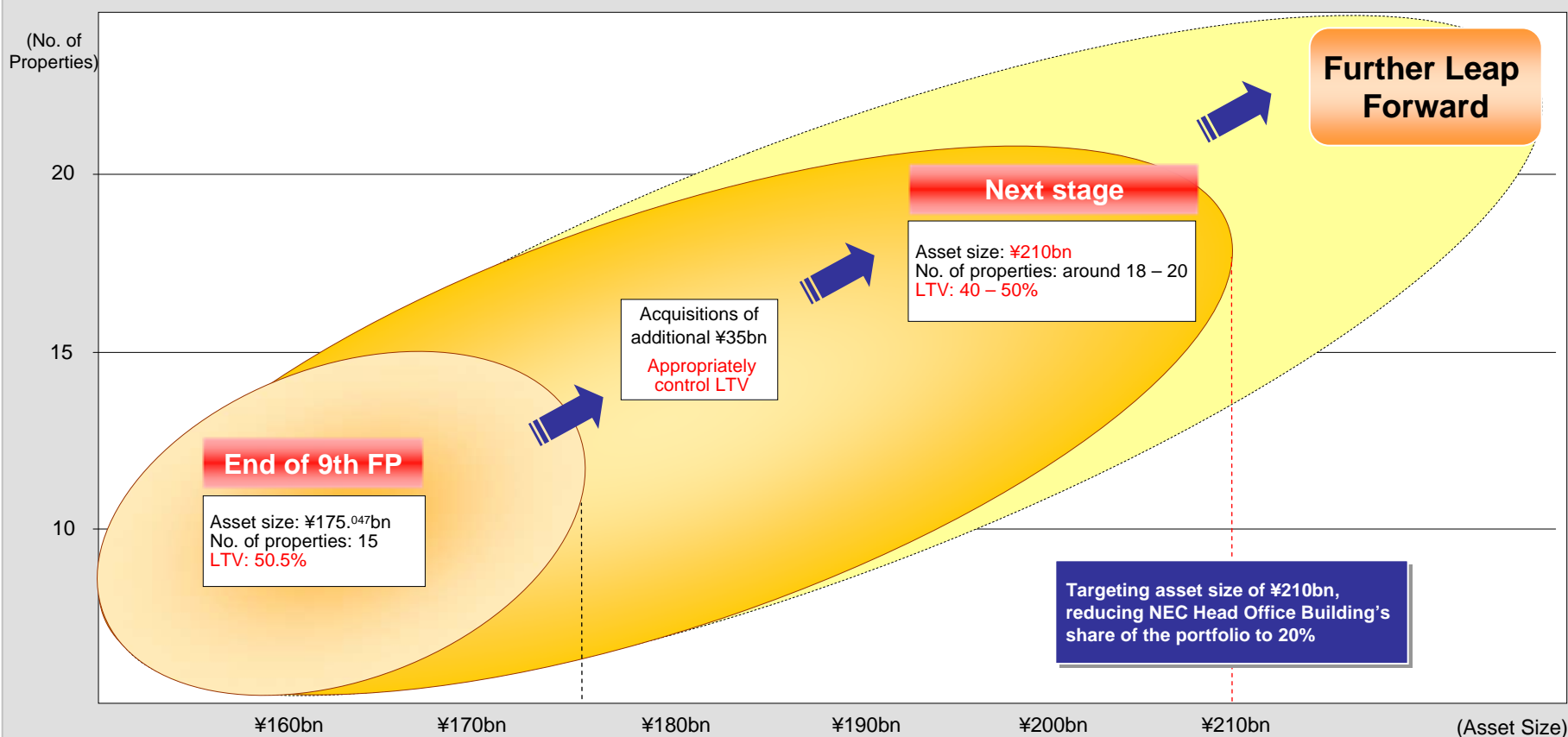
[Present state]

- ◆ Historically low market interest rate due to Bank of Japan's de facto zero interest rate monetary policy
- ◆ Spread for real estate industry set by banks enter adjustment stage due to recovery of bond market
- ◆ Market on recovery trend due to J-REITs being target of purchase by Bank of Japan

[Future prospects]

- ◆ Market interest rates remain stable at low position
- ◆ REIT market on recovering trend
 - ⇒ Top REIT's strategy
 - While closely monitoring the market environment, select bank loans, investment corporation bonds, public offerings, etc.

III-2. Growth Strategy for the Next Stage



Asset class	Future investment policy / stance	Property acquisition target	Portfolio share
Offices	Expand asset size while maintaining present shares in the portfolio	<ul style="list-style-type: none"> ◆ Excellent location in Central Tokyo ◆ High-quality specifications ◆ Properties with strong competitiveness (ability to attract tenants, long-life and stable operations) 	Approx. 75%
Other than offices		<ul style="list-style-type: none"> ◆ Primary focus on residential properties ◆ Located in Central Tokyo and surrounding areas, close to railway stations and with excellent transit access ◆ Stable occupancy rates and rent levels 	Approx. 25%

Continued Implementation of Growth Strategy for the Next Stage

Future Policy

Growth Methods

- ◆ Fully utilize the **Top REIT Edge**
- ◆ Implement growth strategy with an extreme focus on the **dividend level (¥13,000~14,000)**

Growth Strategy

- ◆ While securing a foothold for revenues, acquire competitive and highly profitable properties
- ◆ Flexibly select fund procurement means according to the market environment
 - Bank loans: Flexibly utilize strong bank formation
 - Investment corporation bonds: Consider in view of market environment, etc.
 - Capital increases through public offerings: Consider investment unit price levels and property returns, as well as amount of net assets and dividend
- ◆ Consider M&A and joining of new sponsors

Growth Platform for the Next Stage (the Top REIT Edge)

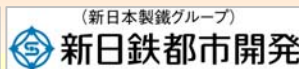
Sponsor Strength

Property sourcing: Sponsors provide information on properties by utilizing their pipeline functions and brokerage networks, as well as supply properties they develop or own

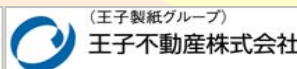
Fund-raising: Fund-raising ability endorsed by the sponsors' credibility



(The Sumitomo Trust and Banking)



(Nippon Steel City Produce)



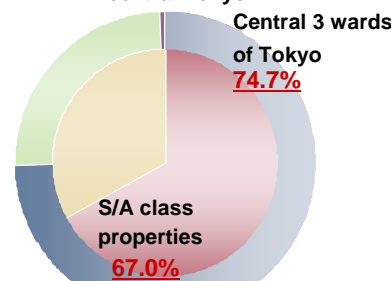
(Oji Real Estate)

Growth in asset size

Superior Portfolio

Area and Property Grade

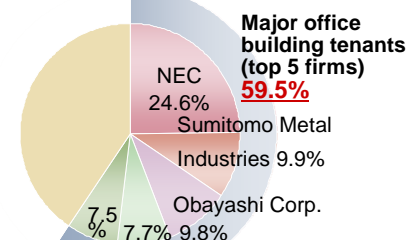
Primarily large-scale office buildings in central Tokyo



*Based on acquisition price

Major Office Tenants

Major tenants are listed companies and use leased spaces as their headquarters or main bases



*Based on monthly rent (overall)

Stable payment of dividends

III-4. Immediate Management Policy for the Next Stage

Leaping for the Next Stage

Current Management Policy

- ◆ Secure foothold for revenues through flawless management of existing properties
 - Minimize decrease in revenue through rent revisions
 - Continue to strengthen tenant relations and maintain high occupancy rates
 - Focus on securing tenants for vacant space
 - ◆ External growth that perceives good acquisition opportunities for superior properties
 - Utilize the sponsors' strengths (properties owned or brokered by sponsors)
 - Utilize various information channels
 - ◆ Select fund procurement means according to the market environment
- } Acquire blue-chip properties
- ⇒ Realize **management ability** through cooperation between asset management and property management companies
 - ⇒ Take full advantage of the **sponsors' strengths (brokerage and supply capabilities)**
 - ⇒ Conduct financial operations that **realize the sponsors' strengths (credibility) and dynamic flexibility**

Next Stage

Asset Size

Achieve **¥210.0bn**

Dividend Level

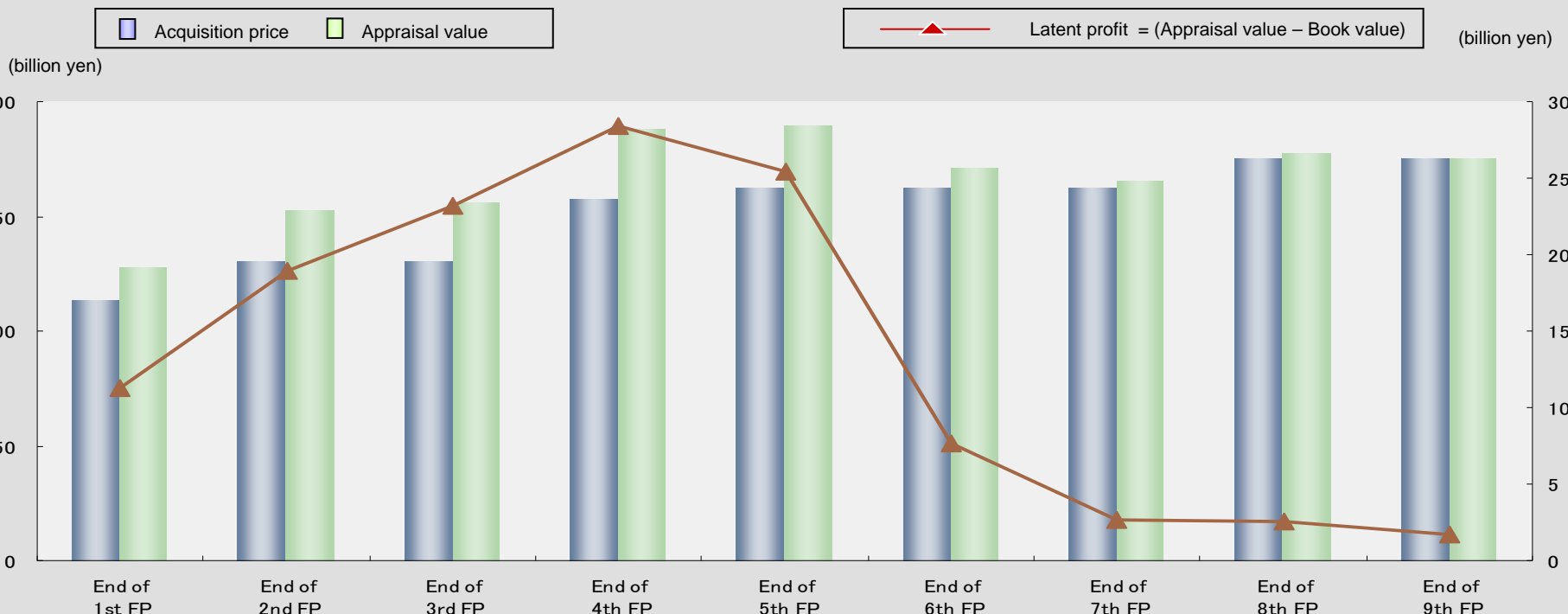
Maintain **¥13,000~14,000**

Unitholders' Value

IV. Ninth Fiscal Period Operating Results and Future Initiatives

IV-1. Operating Results: History of Asset Growth

History of Asset Growth



	End of 1st FP Oct. 2006	End of 2nd FP April 2007	End of 3rd FP Oct. 2007	End of 4th FP April 2008	End of 5th FP Oct. 2008	End of 6th FP April 2009	End of 7th FP Oct. 2009	End of 8th FP April 2010	End of 9th FP Oct. 2010
Acquisition price	¥113. ²⁸⁶ bn	¥130. ⁸⁴⁶ bn	¥130. ⁸⁴⁶ bn	¥157. ¹⁸⁷ bn	¥162. ³⁴⁷ bn	¥162. ³⁴⁷ bn	¥162. ³⁴⁷ bn	¥175. ⁰⁴⁷ bn	¥175. ⁰⁴⁷ bn
Book value	¥116. ¹⁸⁷ bn	¥133. ⁵⁷⁶ bn	¥132. ⁶⁹⁸ bn	¥159. ⁵⁸⁵ bn	¥163. ⁹⁸⁵ bn	¥163. ²⁴⁵ bn	¥162. ²³⁷ bn	¥174. ⁶¹⁸ bn	¥173. ⁶¹⁸ bn
Appraisal value	¥127. ⁴⁴² bn	¥152. ⁴⁶⁸ bn	¥155. ⁹²³ bn	¥188. ⁰³⁵ bn	¥189. ⁴⁴¹ bn	¥170. ⁸⁷⁰ bn	¥164. ⁹⁴⁸ bn	¥177. ¹⁴⁶ bn	¥175. ³⁵¹ bn
Latent profit	¥11. ²⁵⁴ bn	¥18. ⁸⁹¹ bn	¥23. ²²⁴ bn	¥28. ⁴⁴⁹ bn	¥25. ⁴⁵⁵ bn	¥7. ⁶²⁴ bn	¥2. ⁷¹⁰ bn	¥2. ⁵²⁷ bn	¥1. ⁷³² bn

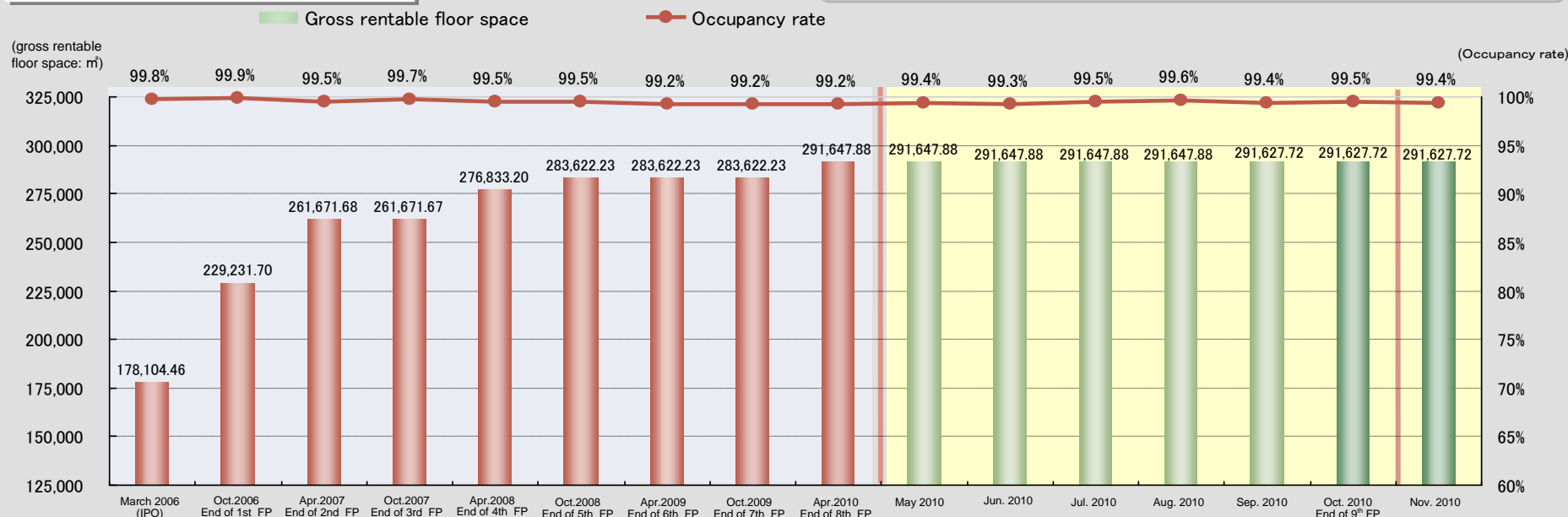
*Acquisition price and appraisal value details are provided on P35 to P37.

*Figures less than one million yen have been rounded down for the above-mentioned values. As for latent profits, figures less than one million yen have been rounded down after deducting book value (total) from appraisal value (total).

IV-2. Operating Results: Maintaining High Occupancy Rate

Occupancy Rate (Portfolio)

Maintaining Stable and High Occupancy since IPO

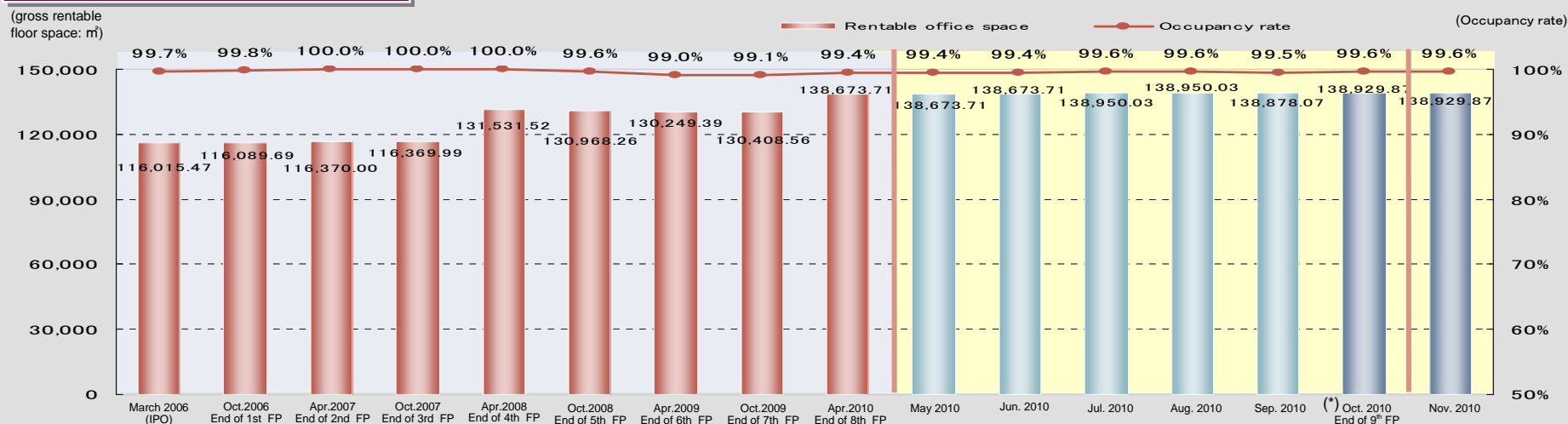


《 Major Long-Term Rent Agreement (3 years or more) 》

Property	Main tenant	Based on rent per Share of portfolio	Based on rented floor space per share of portfolio	Remaining period of contract (years)	Tenancy period (years)	Expiration date	Notes
NEC Head Office Building	NEC Corporation	24.6%	24.8%	15.2	Previous owner	Dec. 28, 2025	Fixed-rate rent by Dec. 2013 (16 th FP) Cancellation banned until Dec. 2013 (16 th FP)
Ito-Yokado Higashinarashino Store	Ito-Yokado Co., Ltd.	4.2%	17.5%	4.1	15.8	Nov. 30, 2014	Expiration date of rent agreement :18 th FP (some rent is to be calculated on sales of store)
Musashiurawa Shopping Square	Olympic Corporation Nitori Co., Ltd.	2.3%	5.1%	15.0	4.9	Oct. 31,2025	Cancellation banned until Oct. 2015(19 th FP)
OAK PLAZA	Nippon Steel City Produce, Ltd.	1.7%	2.1%	16.4	Previous owner	Mar. 31,2027	Fixed-rate rent until Mar. 2017(22 nd FP) Cancellation banned until Mar. 2017(22 nd FP)
Total		32.9%	49.5%				

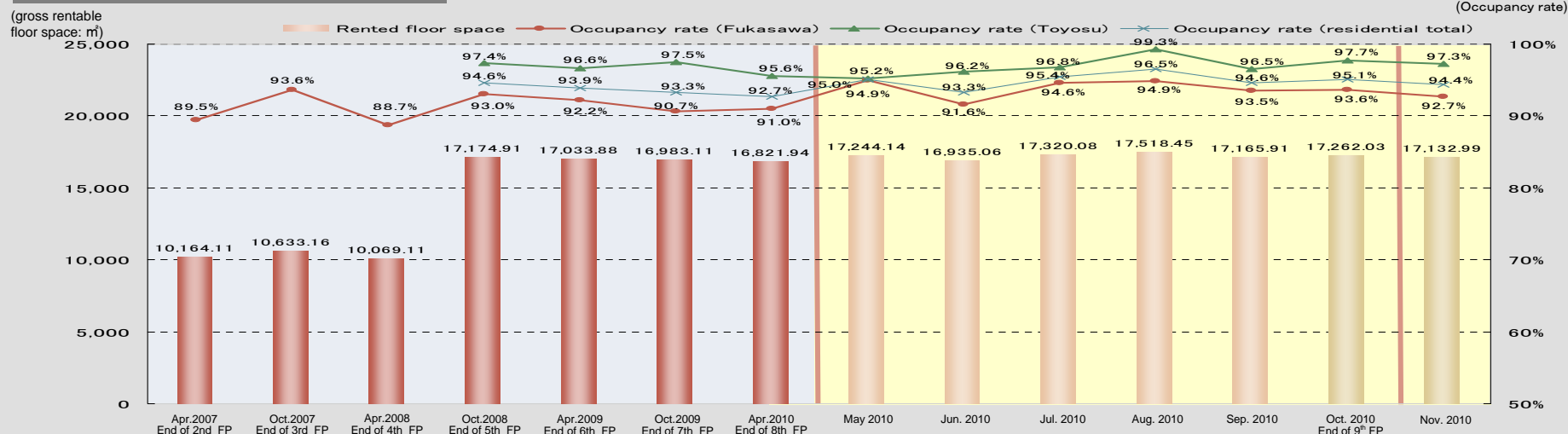
IV-2. Operating Results: Maintaining High Occupancy Rate

Occupancy Rate (Office)



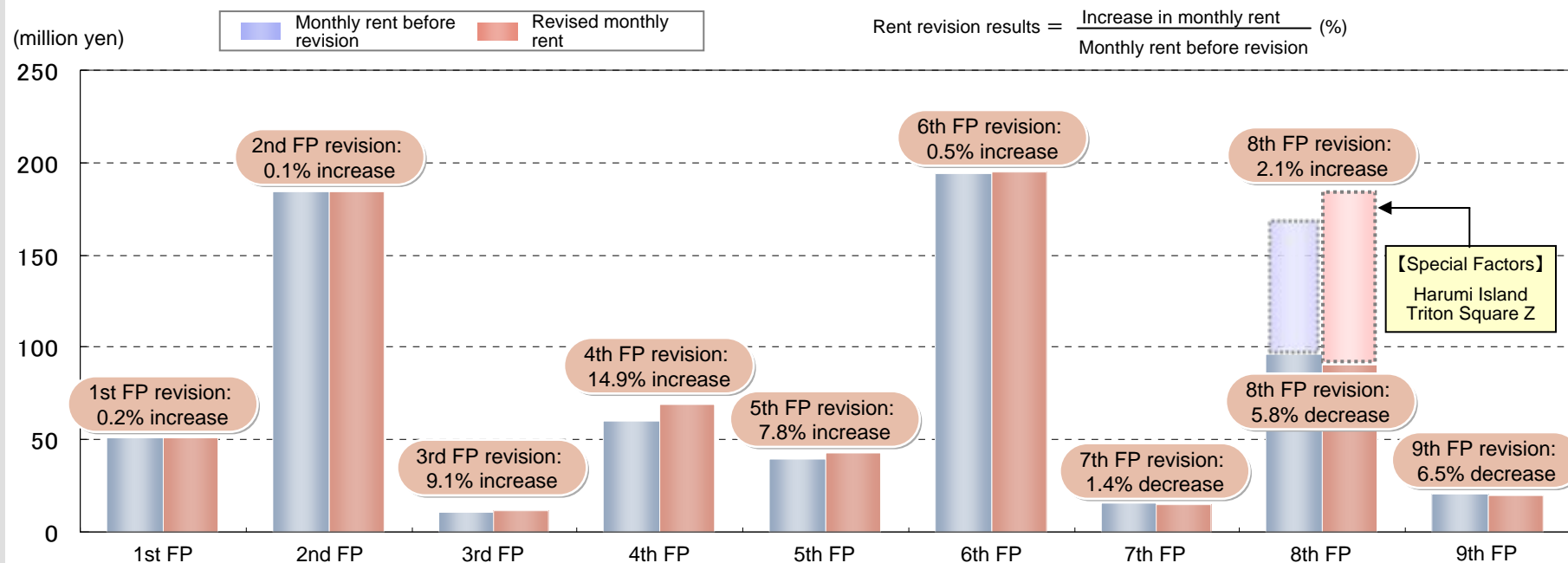
(*) Vacant space: Shiba-Koen Building (224.24m²), Faret East Building (245.72m²), Nittetsu Honmachi Building (137.18m²)

Occupancy Rate (Residential)



IV-3. Operating Results: Results from Office Rent Revisions

Office: Rent Revision Results (As at end of 9th FP)



◆ Results of 9th FP Rent Revision ◆

~Minimize downward rent revisions even in severe business environment~

Renewed contracts with 8 tenants (representing 2.3% of total monthly rents of entire portfolio), upon which rent was revised downward by 6.5% on average compared with the level before renewal

<Breakdown>

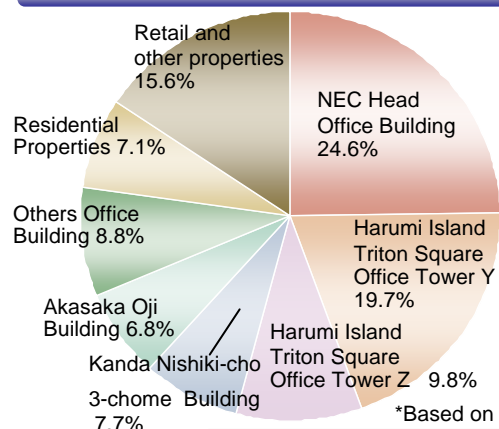
- Rent unchanged: 1 tenants
- Rent revised downward: 7 tenants

IV-4. Operating Strategies: Schedule of Future Rent Revisions

「Tenants First」 Policy = 「Maintaining and Improving tenants satisfaction」

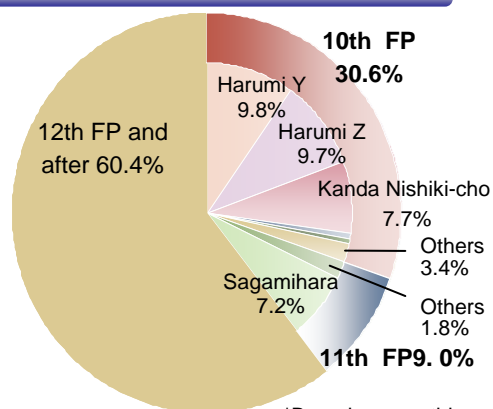
Schedule of Rent Revisions in the 10th FP & 11th FP

Composition of Monthly Rent by Property



*Based on monthly rent

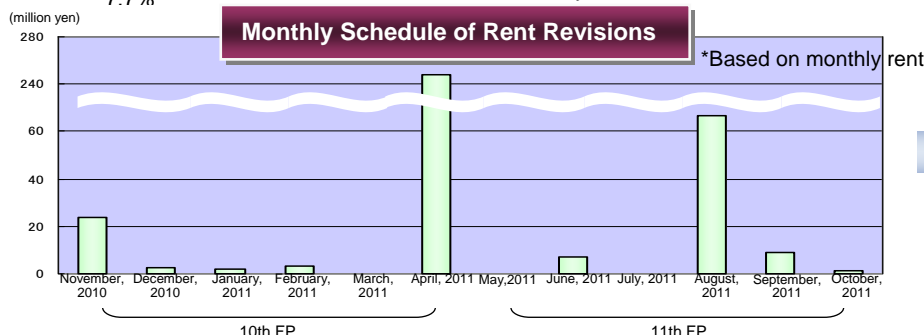
Rent Revisions in 10th FP and After



*Based on monthly rent

10th FP	Harumi Island Triton Y (parts of tenants)	14 tenants
	Harumi Island Triton Z (Note)	
	Kanda Nishiki-cho 3-chome Building	
	Shiba-Koen Building (parts of tenants)	
	Faret East Building (parts of tenants)	
11th FP	Musashiurawa Shopping Square	7 tenants
	Shiba-Koen Building (parts of tenants)	
	Kanda Park Plaza (parts of tenants)	
	Faret East Building (parts of tenants)	
	Sagami-hara Shopping Center	

Monthly Schedule of Rent Revisions



*Based on monthly rent

[Points of Rent Revision]

*10th FP

- Rent Revisions in April, 2011(scheduled)
- Harumi Island Triton Square Office Tower Y (partly)
 - Harumi Island Triton Square Office Tower Z (Note)
 - Kanda Nishiki-cho 3-chome Building

*11th FP

- Rent Revisions in August, 2011(scheduled)
- Sagami-hara Shopping Center

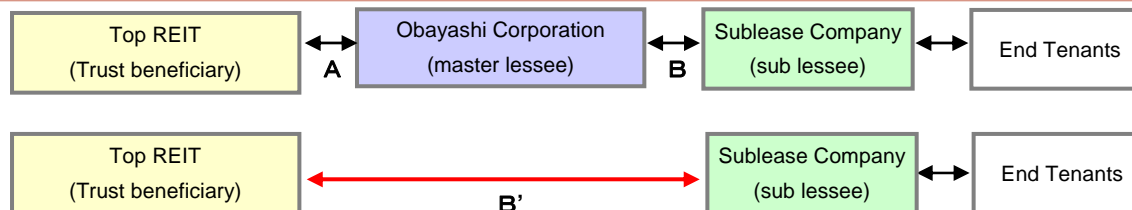
(Note) 『 Harumi Island Triton Square Z』

With termination of fixed-term lease contract (A), Top REIT will become successor of the contract (B)

⇒ Scheduled to conclude lease contract with guaranteed rent

(Present)

(After April 2011)



IV-5. Management Strategy: Overview of Relocation Plan by Major Tenant

Notified by a major tenant at Akasaka Oji Building concerning its relocation plan

Overview of Relocation Plan by Major Tenant

【Name of Major Tenant】

- Sony Computer Entertainment Inc.

【Relocation Plans】

- Like its headquarters that were already relocated from Aoyama area, it plans to relocate its departments and sections housed in Akasaka Oji Building to Shinagawa area

【Relocation Date】

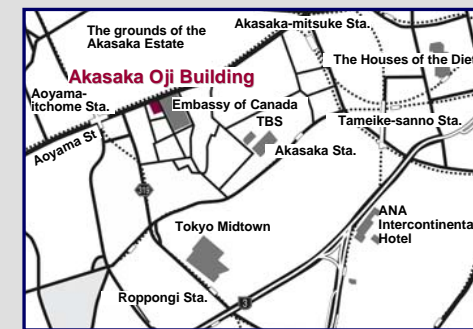
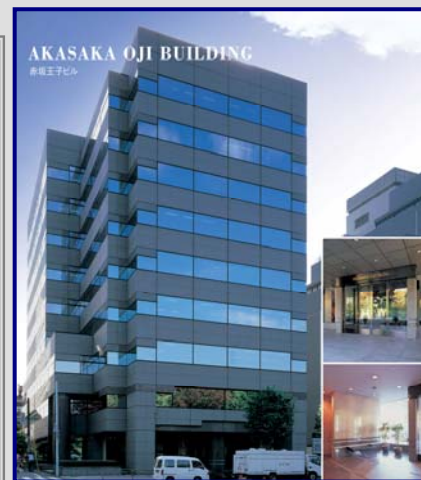
- Targeting by around the summer of 2011 (nothing decided yet as to termination of lease contract or specific date of termination; will receive formal notice as soon as final decisions are made)

【Leased Floor Space/Proportion to Total Leased Floor Space of the Property】

- 6,779.82m² / 93.1%

【Proportion to Total Leased Floor of Entire Portfolio】

- 2.3%



Superiority of Akasaka Oji Building

- Faces Aoyama-dori Street (Route 246) to feature high visibility, while standing adjacent to Akasaka Imperial Gardens where Crown Prince's Palace is located and Canadian Embassy, which provide abundant greenery despite business surroundings
- Located in four-minute walk from Aoyama 1-chome Station on the Tokyo Metro Ginza Line and Hanzomon Line and Toei Oedo Line, enjoying high convenience for access
- Has specifications comparable to most modern office buildings, including individually controlled air conditioning systems (renewed in 2006), office automation-compatible floors and ceiling height of 2,600mm
- Leasable to multiple tenants
- Administration by staff / mechanical security at night and on holidays

**Features strong competitiveness in the market,
with a grade that should fully satisfy tenant
needs, both in terms of location conditions and
facility specifications**



**Endeavor on pre-leasing activities
to secure succeeding tenants
as early as possible**

Counter-
measure

Acquire new properties with more focus on profitability as a countermeasure
for rent-free periods forced under the current market environment

→ Maintain dividend levels

V. Financial Strategies

V-1. Financial Strategies: Stable Financial Management

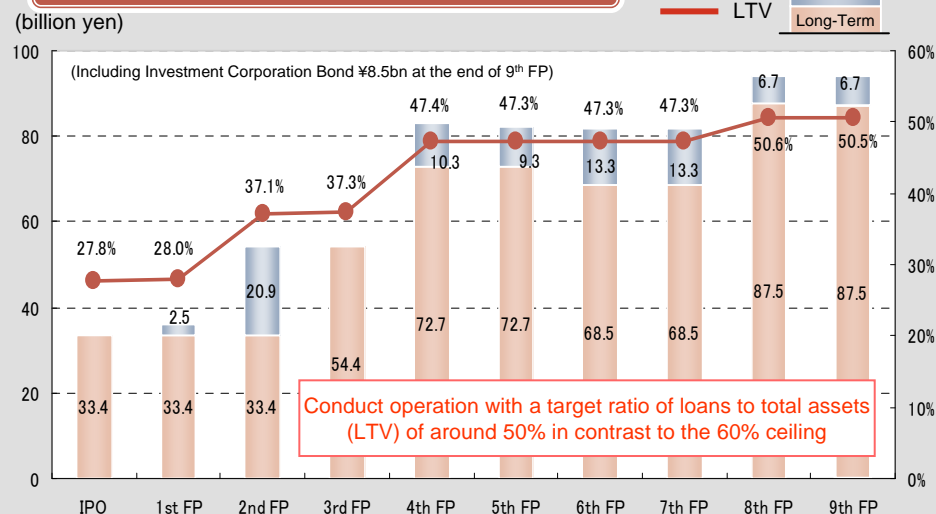
Financial Policies (Stable Financial Management)

Maintain stable bank formation
and secure financial flexibility

Extend Borrowing Periods and Spread
Out Repayment Dates

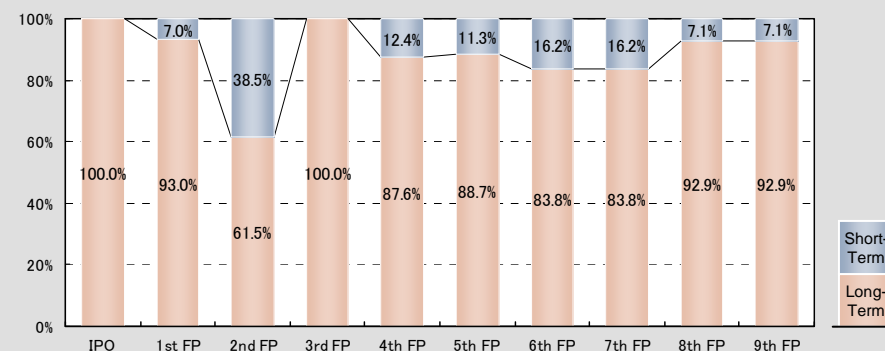
Manage Risk of Fluctuating Interest Rates

Changes in Fund Procurement Status (Debt)

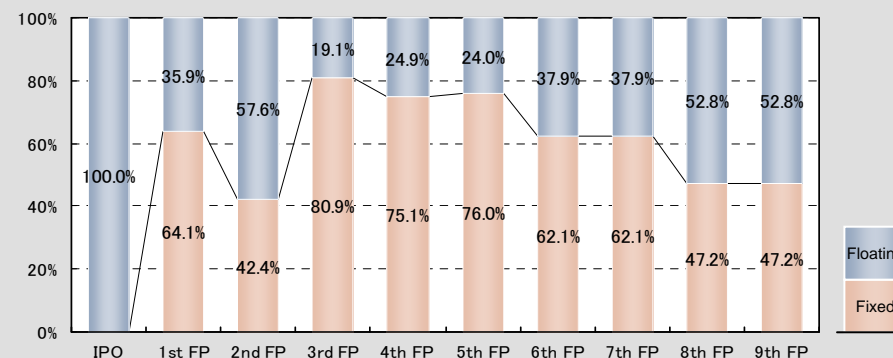


Manage Risk of Fluctuating Interest Rates

Ratio of Long-Term Loans



Ratio of Loans with Fixed Interest Rates



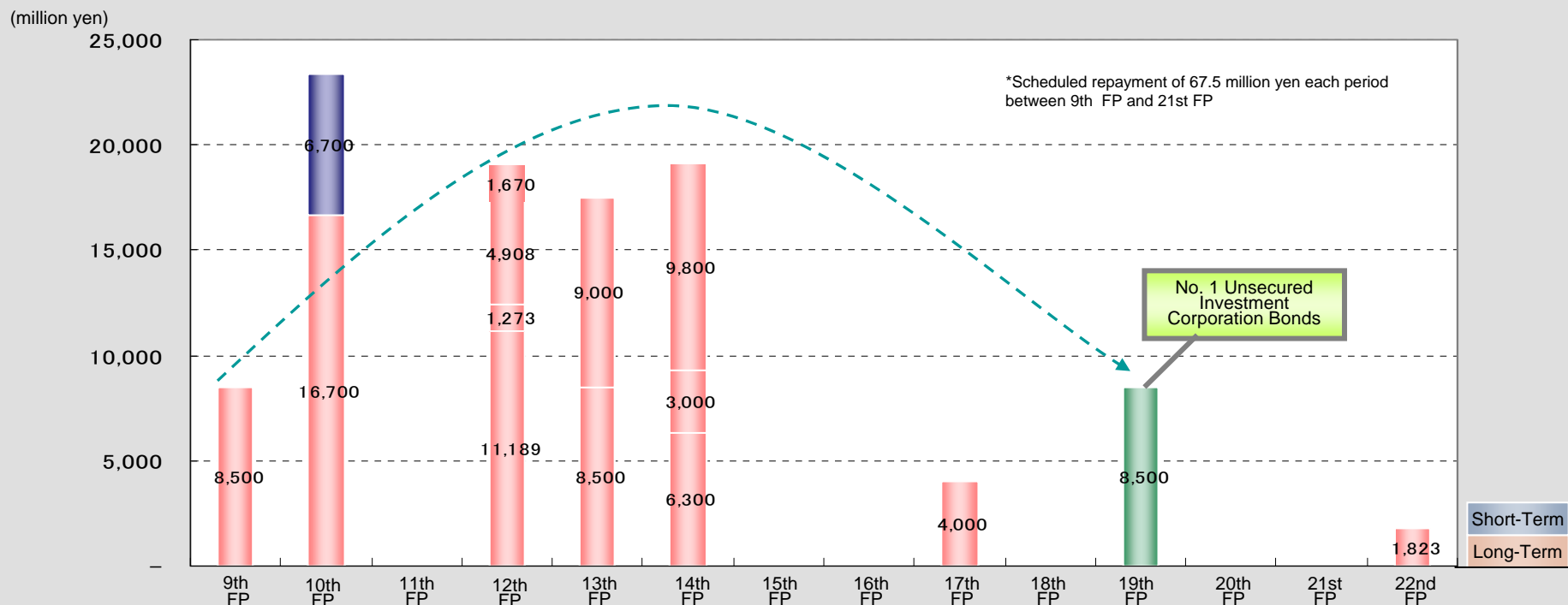
Outstanding Balance of Loans by Lender

(million yen) (as of Oct.31, 2010)

The Sumitomo Trust and Banking Co., Ltd.	¥27,689mn	32.3%
Mizuho Corporate Bank, Ltd.	¥15,946mn	18.6%
Sumitomo Mitsui Banking Corporation	¥12,570mn	14.7%
The Bank of Tokyo Mitsubishi UFJ, Ltd.	¥12,570mn	14.7%
The Chuo Mitsui Trust and Banking, Co., Ltd.	¥4,190mn	4.9%
Mitsubishi UFJ Trust and Banking Corporation	¥4,075mn	4.8%
Development Bank of Japan, Inc.	¥6,632.5mn	7.7%
Dai-ichi Life Insurance Company Ltd.	¥1,000mn	1.2%
Resona Bank, Limited	¥1,000mn	1.2%
Total	¥85,672.5mn	100.0%

V-2. Financial Strategies: Financial Status / Spreading Out Repayment Dates

Spreading Out Repayment Dates



Remaining Period of Interest-bearing Debt

8th FP (as of Apr. 30, 2010)	1 year & 10 months (avg.)
As of June 30, 2010	2 years & 2 months (avg.)
9th FP (as of Oct. 31, 2010)	1 year & 9 months (avg.)

Refinancing schedules (9th & 10th FPs)

[9th FP]

- June, 2010 ¥8.5bn in long-term loans ⇒ Issued No.1 Unsecured Investment corporation bonds (5Years) for the repayment.

[10th FP]

- Feb. 2011 ¥6.7bn in short-term loans
 - Mar. 2011 ¥16.7bn in long-term loans
- } Focus on refinancing with an eye on trends in the financial market

V-3. Financial Strategies: Issuer Rating and Loans at End of Ninth Fiscal Period

Issuer Rating				A3 (Negative) Assigned by Moody's Japan K.K.				AA— (Stable) Assigned by Rating and Investment Information, Inc. (R&I)							
Category	Lender	Loan Balance	Interest Rate (end of Oct 2010)	Loan Execution Date	Repayment Date	Remaining Period	Note	Category	Lender	Loan Balance	Interest Rate (end of Oct 2010)	Loan Execution Date	Repayment Date	Remaining Period	Note
Short-Term Loans	The Sumitomo Trust and Banking, Co.,Ltd.	¥6,700mn	0.88% (floating)	February 26, 2010	February 28, 2011	4 months	Unsecured and without guarantee	Long-Term Loans	The Sumitomo Trust and Banking, Co., Ltd. Sumitomo Mitsui Banking Corporation Mitsubishi UFJ Trust and Banking Corporation	¥1,273mn	1.27% (floating)	March 27, 2009	November 30, 2011	1 year & 1 month	Unsecured and without guarantee
	Subtotal	¥6,700mn	0.88%			4 months				¥1,273mn					
Current Portion of Long-Term Loans	The Sumitomo Trust and Banking Co., Ltd. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. The Chuo Mitsui Trust and Banking, Co., Ltd. Mitsubishi UFJ Trust and Banking Corporation	¥5,200mn	0.82% (floating)	March 3, 2006	March 3, 2011	4 months	Unsecured and without guarantee		Mizuho Corporate Bank, Ltd. The Bank of Tokyo Mitsubishi UFJ, Ltd.	¥4,908mn	1.27% (floating)	November 30, 2009	November 30, 2011	1 year & 1 month	Unsecured and without guarantee
		¥11,500mn	1.92% (fixed)												
		¥16,700mn								¥4,908mn					
	Development Bank of Japan, Inc	¥135mn	2.42% (fixed)	January 13, 2010	November 30, 2016	Scheduled repayment	Unsecured and without guarantee		The Sumitomo Trust and Banking, Co., Ltd. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation Resona Bank, Limited	¥9,800mn	1.27% (floating)	January 13, 2010	November 30, 2012	2 years & 1 month	Unsecured and without guarantee
		¥135mn													
	Subtotal	¥16,835mn	1.58% (avg.)			4 months (avg.)									
Long-Term Loans	The Sumitomo Trust and Banking Co., Ltd. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. The Chuo Mitsui Trust and Banking, Co., Ltd. Mitsubishi UFJ Trust and Banking Corporation	¥8,500mn	1.95% (fixed)	June 29, 2007	June 29, 2012	1 year & 8 months	Unsecured and without guarantee		Development Bank of Japan, Inc.	¥2,497mn	2.42% (fixed)	January 13, 2010	November 30, 2016	6 years & 1 month	
		¥8,500mn								¥12,297mn					
	The Sumitomo Trust and Banking, Co., Ltd.	¥2,000mn	2.27% (fixed)	June 29, 2007	June 30, 2014	3 years & 8 months	Unsecured and without guarantee		The Chuo Mitsui Trust and Banking, Co., Ltd.	¥1,670mn	1.27% (floating)	February 26, 2010	November 30, 2011	1 year & 1 month	Unsecured and without guarantee
	Development Bank of Japan, Inc.	¥1,000mn	2.40% (fixed)							¥1,670mn					
	Dai-ichi Life Insurance Company Ltd.	¥1,000mn	2.40% (fixed)												
		¥4,000mn							The Sumitomo Trust and Banking, Co., Ltd. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation	¥9,000mn	1.27% (floating)	March 26, 2010	June 29, 2012	1 year & 8 months	Unsecured and without guarantee
										¥9,000mn					
	The Sumitomo Trust and Banking Co., Ltd. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation	¥6,300mn	1.48% (fixed)	March 27, 2008	March 27, 2013	2 years & 5 months	Unsecured and without guarantee		Subtotal	¥62,137mn	1.51% (avg.)			1 year & 11 months (avg.)	
	Development Bank of Japan, Inc.	¥3,000mn	1.53% (fixed)												
		¥9,300mn													
	The Sumitomo Trust and Banking, Co., Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation	¥11,189mn	1.27% (floating)	March 3, 2009	November 30, 2011	1 year & 1 month	Unsecured and without guarantee	No. 1 Unsecured Investment Corporation Bonds	¥8,500mn	1.00% (fixed)	June 4, 2010	June 4, 2015	4 years & 7 months	Unsecured and without guarantee	
		¥11,189mn													
Total										¥94,172mn	1.43% (avg.)			1 year & 9 months (avg.)	

Note: Interest rates are rounded to the second decimal place, and the remaining periods are rounded to a whole number.

The averages for interest rates and remaining periods are weighted averages based on the balance at the end of fiscal period.

VI. Ninth Fiscal Period Results (Ended October 31, 2010)

VI-1. Statements of Income (Summary) /Statements of Cash Distributions

■ Statements of Income

Account	8th FP November 1, 2009 – April 30, 2010 (181 days)	9th FP May 1, 2010 – October 31, 2010 (184 days)
	Amount	Amount
I. Operating revenue and expenses		
1. Operating revenue	¥5,814mn	¥6,060mn
2. Operating expenses	¥2,964mn	¥3,041mn
Expenses related to rent business	¥2,405mn	¥2,451mn
Asset management fees	¥436mn	¥455mn
Other	¥122mn	¥134mn
Operating income	¥2,849mn	¥3,019mn
II. Non-operating income and expenses		
1. Non-operating income	¥7mn	¥7mn
Interest income	¥5mn	¥6mn
Other	¥1mn	¥1mn
2. Non-operating expenses	¥766mn	¥822mn
Interest expenses	¥671mn	¥665mn
Interest expenses on investment corporation bonds	–	¥34mn
Amortization of deferred organization expenses	¥5mn	¥5mn
Other	¥89mn	¥115mn
Ordinary income	¥2,091mn	¥2,204mn
Income before income taxes	¥2,091mn	¥2,204mn
Income taxes-current	¥1mn	¥0mn
Income taxes-deferred	(¥0mn)	¥0mn
Net income	¥2,090mn	¥2,204mn
Unappropriated retained earnings	¥2,090mn	¥2,204mn

■ Statements of Cash Distributions

Account	8th FP November 1, 2009 – April 30, 2010 (181 days)	9th FP May 1, 2010 – October 31, 2010 (184 days)
	Amount	Amount
Unappropriated retained earnings	¥2,090mn	¥2,204mn
Total dividend amount	¥2,090mn	¥2,204mn
<Dividend per unit>	<¥13,484>	<¥14,220>
Retained earnings carried forward	¥0mn	¥0mn

【Expenses related to rent business】

- Depreciation and amortization: ¥1,081mn
- Property management expenses: ¥389mn
- Utilities expenses: ¥245mn and others

VI-2. Balance Sheets (Summary)

Account	8th FP (as of April 30, 2010)	9th FP (as of October 31, 2010)
	Amount	Amount
Assets		
I. Total current assets	¥11,228mn	¥12,426mn
Cash and deposits	¥6,184mn	¥7,343mn
Cash and deposits in trust	¥4,701mn	¥4,769mn
Other	¥342mn	¥313mn
II. Total noncurrent assets	¥175,061mn	¥173,981mn
1. Total property, plant and equipment	¥174,618mn	¥173,618mn
Buildings, etc.	¥1,034mn	¥1,012mn
Land	¥4,888mn	¥4,888mn
Buildings, etc. in trust	¥50,460mn	¥49,483mn
Land in trust	¥118,234mn	¥118,234mn
2. Total intangible assets	¥0mn	¥0mn
Intangible assets	¥0mn	¥0mn
3. Total investment and other assets	¥443mn	¥363mn
Lease and guarantee deposits	¥10mn	¥10mn
Long-term prepaid expenses	¥300mn	¥198mn
Other	¥132mn	¥154mn
III. Total deferred assets	¥5mn	¥51mn
Deferred organization expenses	¥5mn	—
Investment corporation bond issuance costs	—	¥51mn
Total assets	¥186,296mn	¥186,459mn

Account	8th FP (as of April 30, 2010)	9th FP (as of October 31, 2010)
	Amount	Amount
Liabilities		
I. Total current liabilities	¥33,708mn	¥25,244mn
Operating accounts payable	¥116mn	¥187mn
Short-term loans payable	¥6,700mn	¥6,700mn
Current portion of long-term loans payable	¥25,335mn	¥16,835mn
Accounts payable — other	¥296mn	¥271mn
Accrued expenses	¥228mn	¥239mn
Accrued consumption taxes	—	¥134mn
Advances received	¥909mn	¥810mn
Derivative liabilities	¥120mn	¥62mn
Other	¥2mn	¥3mn
II. Total noncurrent liabilities	¥68,297mn	¥76,776mn
Investment Corporation Bond	—	¥8,500mn
Long-term loans payable	¥62,205mn	¥62,137mn
Tenant leasehold and security deposits	¥147mn	¥146mn
Tenant leasehold and security deposits in trust	¥5,945mn	¥5,992mn
Total liabilities	¥102,006mn	¥102,020mn
Net assets		
I. Total unitholders' equity	¥84,350mn	¥84,464mn
1. Unitholders' capital	¥82,260mn	¥82,260mn
2. Surplus		
Unappropriated retained earnings	¥2,090mn	¥2,204mn
Total surplus	¥2,090mn	¥2,204mn
II. Total valuation and translation adjustments	(¥60mn)	(¥25mn)
Deferred gains or losses on hedge	(¥60mn)	(¥25mn)
Total net assets	¥84,289mn	¥84,438mn
Total liabilities and net assets	¥186,296mn	¥186,459mn

VI-3. Major Financial Indicators

Item	7th Fiscal Period May 1, 2009 – October 31, 2009	8th Fiscal Period November 1, 2009 – April 30, 2010	9th Fiscal Period May 1, 2010 – October 31, 2010	Remark
Period of asset management	184 days	181 days	184 days	
Ratio of interest-bearing liabilities to total assets at end of period (LTV)	47.3%	50.6%	50.5%	Interest-bearing liabilities at end of period / Total assets at end of period
Rental NOI (Net operating income)	¥4,284mn	¥4,535mn	¥4,691mn	Rent revenue – Expenses related to rent business + Depreciation and amortization
Rental NOI yield	5.3%	5.4%	5.4%	Rental NOI x 2 / Sum total of the acquisition price of all properties in the portfolio at end of period
Funds from operation (FFO)	¥3,066mn	¥3,217mn	¥3,286mn	Net income + Depreciation and amortization
FFO per unit	¥19,785	¥20,755	¥21,200	FFO / Number of units issued and outstanding at end of period
Ratio of ordinary income to total assets (return on assets (ROA))	1.1%	1.2%	1.2%	Ordinary income / ((Total assets at beginning of period + Total assets at end of period) / 2)
Annualized	[2.3%]	[2.3%]	[2.4%]	
Ratio of net income to unitholders' equity (return on equity (ROE))	2.3%	2.5%	2.6%	Net income / ((Net assets at beginning of period + Net assets at end of period) / 2)
Annualized	[4.7%]	[5.0%]	[5.2%]	
Implied Cap Rate	6.1%	5.9%	5.8%	NOI / (Market capitalization at end of period + Net Debt at end of period (Total liabilities at end of period – Total current assets at end of period))
NAV multiple	0.72	0.79	0.82	Market capitalization at end of period / (Net assets at end of period + (Appraisal value at end of period – Book value at end of period))
Ratio of unitholders' equity to total assets at the end of period	48.7%	45.2%	45.3%	Net assets at end of period / Total assets at end of period

VI-4 . Unitholders

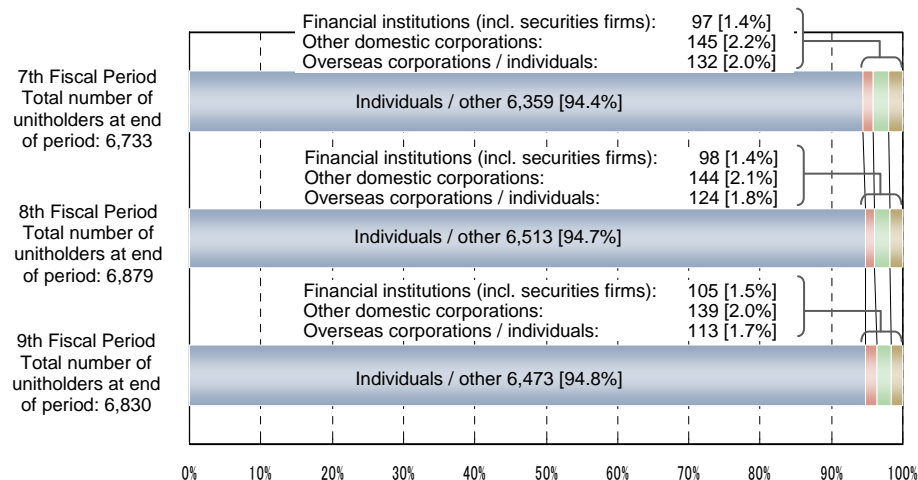
Unitholdings (as at end of 9th FP)

Category	Number of Units Held		Number of Unitholders	
Individuals / other	19,556	12.6%	6,473	94.8%
Financial institutions (incl. securities firms)	100,973	65.1%	105	1.5%
Other domestic corporations	13,870	9.0%	139	2.0%
Overseas corporations / individuals	20,601	13.3%	113	1.7%
Total	155,000	100.0%	6,830	100.0%

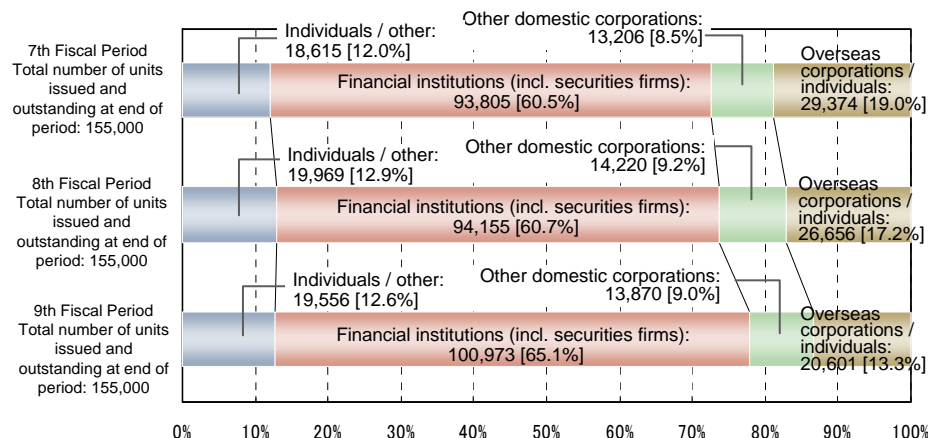
Top 15 Unitholders (as at end of 9th FP)

Rank	Name	Number of Units Held	Share of Total
1	Japan Trustee Service Bank (trust account)	22,067	14.24
2	Nomura Trust and Banking (investment trust account)	16,562	10.69
3	The Master Trust Bank of Japan (trust account)	8,099	5.23
4	Trust and Custody Services Bank (securities investment trust account)	7,423	4.79
5	North Pacific Bank, LTD.	6,139	3.96
6	The Senshu Ikeda Bank, Ltd	4,540	2.93
7	American Life Insurance Company GAL	3,900	2.52
8	The Fuji Fire and Marine Insurance Company, Limited	3,465	2.24
9	The Sumitomo Trust and Banking Co., Ltd.	3,176	2.05
10	Nippon Steel City Produce, Inc	3,162	2.04
11	Oji Real Estate Co., Ltd.	3,162	2.04
12	Trust and Custody Services Bank (money trust tax account)	2,831	1.83
13	The Bank of Kyoto, Ltd.	1,852	1.19
14	The Minami Nippon Bank, Ltd.	1,793	1.16
15	The Iyo Bank, Ltd.	1,500	0.97
Total		89,671	57.85

Number of Unitholders



Number of Units Held



VI-5. Unit Price Performance and Volume (March 1, 2006 – November 30, 2010)



9th Fiscal Period End
Unit Price
(based on closing price)

¥457,000
(October 29, 2010)

IPO Price

Historical High since IPO
(based on closing price)

Historical Low since IPO
(based on closing price)

¥550,000	Mar. 1, 2006
¥998,000	Feb. 16, 2007
¥208,000	Oct. 28, 2008

VII. Appendix: Portfolio Overview

VII-1. Portfolio Map



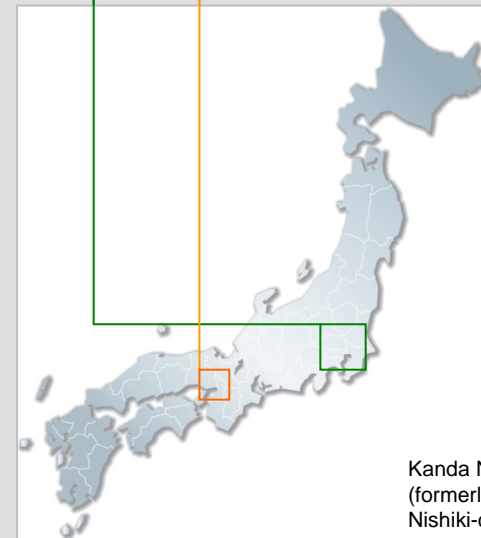
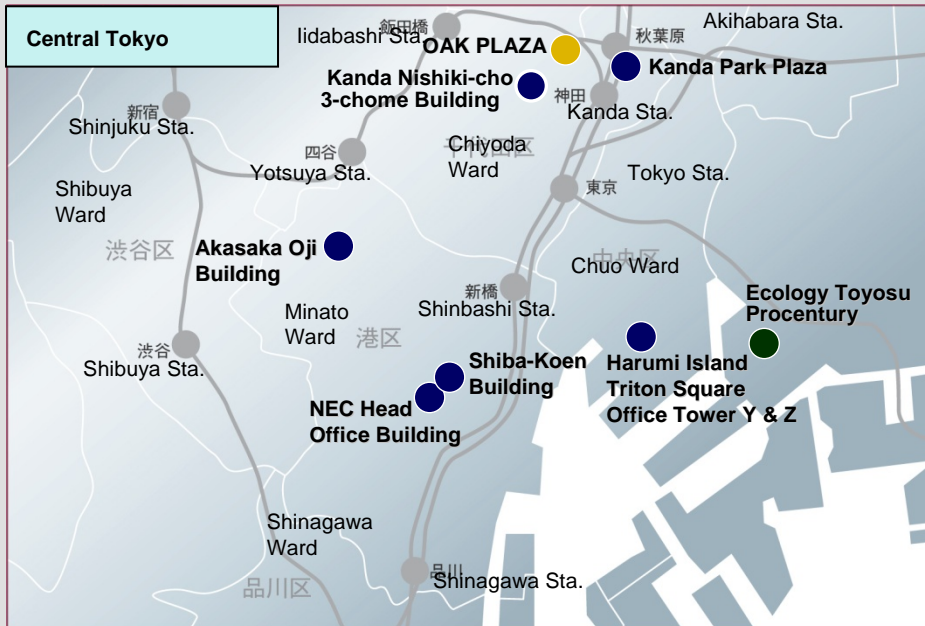
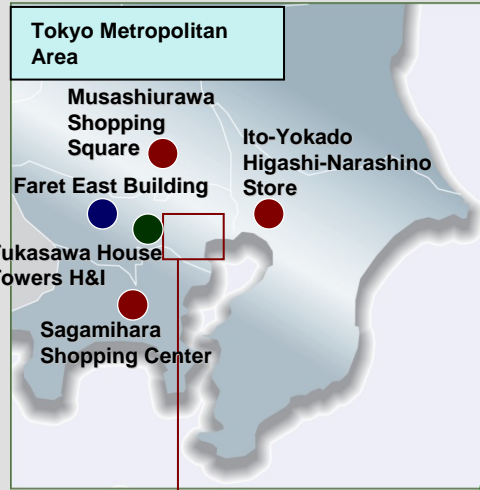
Harumi Island Triton Square Office Tower Y&Z



Fukasawa House Towers H&I



NEC Head Office Building



Sagami-hara Shopping Center



Kanda Nishiki-cho 3-chome Building (formerly called Sumitomo Corporation Nishiki-cho Building)

VII- 2. Portfolio Summary (as at end of 9th FP)

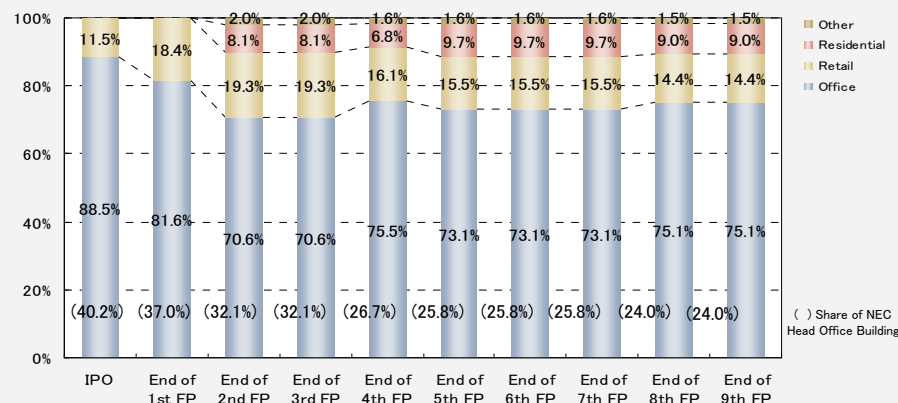
Total Acquisition Price : ¥175.⁰⁴⁷bn.

Number of Properties : 15

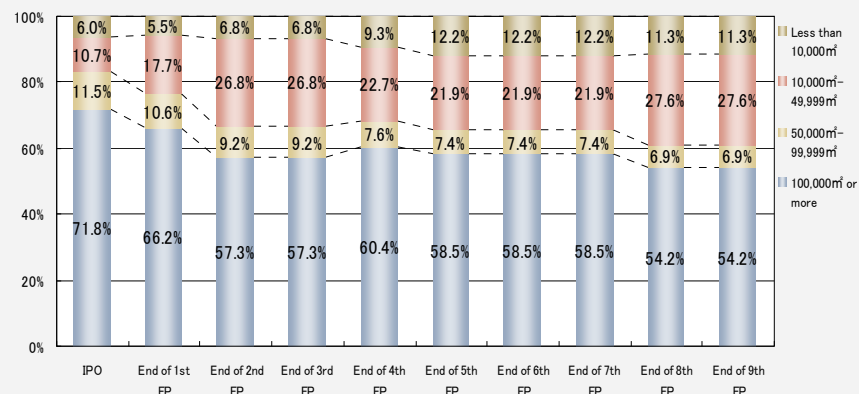
Gross Rentable Floor Area : 291,627.⁷²m²

PML : 2.4%

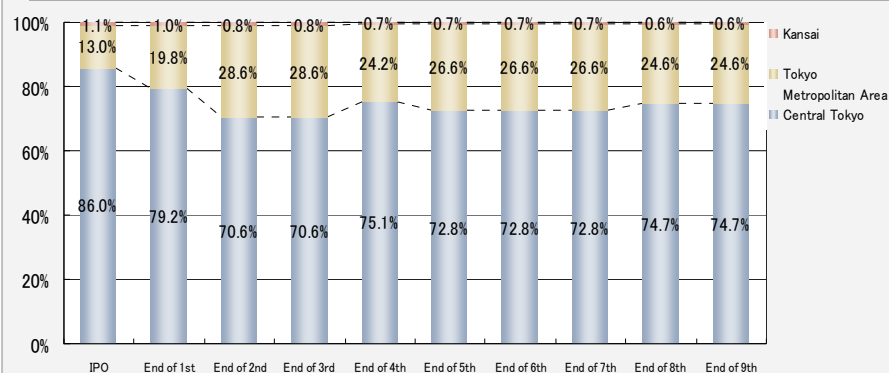
Asset Class (property type)



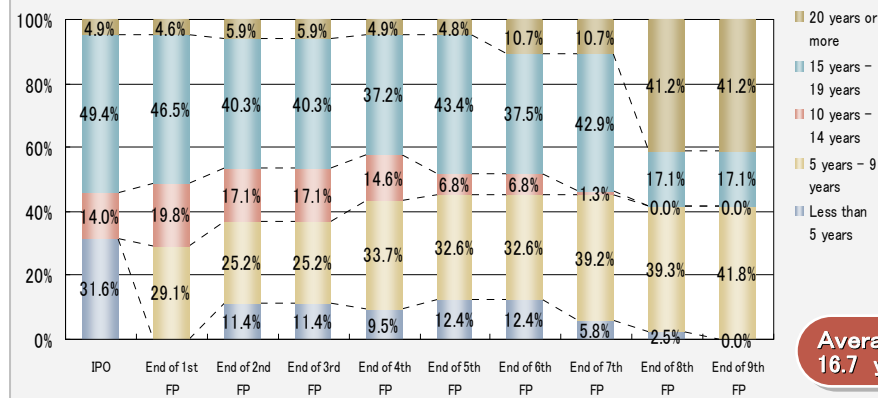
Scale (based on total floor space)



Area



Age of Buildings



Average
16.7 years

※In the above graphs, percentage figures are calculated based on acquisition price and the average is a weighted average based on acquisition price.

VII-3. Portfolio Overview (as at end of 9th FP)

Asset Class	Area	Property	Address	Acquisition Date	Total Floor Space (㎡)	Rentable Floor Space (㎡)	Completion Date	Acquisition Price (mm yen)	Portfolio Share (%)	Occupancy Rate (%)	Number of Tenants	PML (%)
Office	Central Tokyo	NEC Head Office Building	Minato Ward, Tokyo	Mar 3, 2006	144,476. ⁰⁵	72,238. ⁰³	Jan. 1990	41,950	24.0	100.0	1	1.4
		Harumi Island Triton Square Office Tower Y	Chuo Ward, Tokyo	Mar 1, 2006	267,132. ⁶⁷	23,219. ⁴⁶	Oct. 2001	33,000	18.9	100.0	7	1.2
		Harumi Island Triton Square Office Tower Z	Chuo Ward, Tokyo	Mar 27, 2008	267,132. ⁶⁷	10,914. ²⁰	Oct. 2001	20,000	11.4	100.0	1	1.5
		Kanda Nishiki-cho 3-chome Building	Chiyoda Ward, Tokyo	Jan 13,2010	12,169. ⁷⁸	8,025. ⁶⁵	Mar.1973	12,700	7.3	100.0	1	7.0
		Akasaka Oji Building	Minato Ward, Tokyo	Mar 1, 2006	10,063. ⁰⁵	7,281. ⁸³	Apr. 1989	9,660	5.5	100.0	2	6.4
		Shiba-Koen Building	Minato Ward, Tokyo	Mar 19, 2008	4,958. ²⁹	3,060. ⁴³	May 1991	5,770	3.3	92.7	2	9.6
		Kanda Park Plaza	Chiyoda Ward, Tokyo	Mar 1, 2006	5,511. ⁸³	4,537. ⁶⁶	Nov. 1959	5,156	2.9	100.0	10	14.1
	Tokyo Metropolitan Area	Faret East Building	Tachikawa City, Tokyo	Mar 1, 2006	16,206. ³⁴	5,850. ²³	Dec. 1994	2,091	1.2	95.8	1	2.8
	Kansai	Nittetsu Honmachi Building	Osaka City, Osaka	Mar 1, 2006	6,714. ⁰⁹	4,409. ⁵²	June 1991	1,100	0.6	96.9	12	8.5
	Subtotal					—	139,537. ⁰¹	—	131,427	75.1	99.6	37
Retail	Tokyo Metropolitan Area	Sagamihara Shopping Center	Sagamihara City, Kanagawa Pref.	Mar 1, 2006	56,351. ⁴²	61,763. ²⁸	Aug. 1993 etc.	12,000	6.9	100.0	2	3.6
		Ito-Yokado Higashi-Narashino Store	Narashino City, Chiba Pref.	Jun 30, 2006	45,338. ³⁷	51,098. ⁴²	Oct. 1994	8,900	5.1	100.0	1	7.7
		Musashiurawa Shopping Square	Saitama City, Saitama Pref.	Mar 19, 2007	28,930. ³⁶	14,960. ⁶⁹	Oct. 2005	4,335	2.5	100.0	3	8.5
	Subtotal					—	127,822. ³⁹	—	25,235	14.4	100.0	6
Residential	Tokyo Metropolitan Area	Fukasawa House Towers H&I	Setagaya Ward, Tokyo	Dec 8, 2006	12,135. ³⁶	11,357. ⁴⁴	June 2004	10,635	6.1	93.6	1	1.6
		Ecology Toyosu Procentury	Koto Ward, Tokyo	May 30, 2008	9,630. ⁹⁶	6,789. ⁰³	Jan. 2005	5,160	2.9	97.7	1	10.6
	Subtotal					—	18,146. ⁴⁷	—	15,795	9.0	95.1	2
Other	Central Tokyo	OAK PLAZA	Chiyoda Ward, Tokyo	Mar 20, 2007	6,121. ⁸⁵	6,121. ⁸⁵	Apr. 1985	2,590	1.5	100.0	1	7.7
	Subtotal					—	6,121. ⁸⁵	—	2,590	1.5	100.0	1
Total					—	291,627.72	—	175,047	100.0	99.5	46	2.4

VII-4. Appraisal Value as at End of Period

(million yen)

Asset Class	Area	Property	Acquisition Price	Book Value at End of 9th FP (A)	Appraisal Value at End of 6th FP	Appraisal Value at End of 7th FP	Appraisal Value at End of 8th FP (B)	Appraisal Value at End of 9th FP (C)	Difference Between Appraisal Value and Book Value (C) – (A)	Difference in Appraisal Value from End of 8th FP (C) – (B)
Office	Central Tokyo	NEC Head Office Building	41,950	42,911	48,000	47,500	47,750	47,750	4,838	0
		Harumi Island Triton Square Office Tower Y	33,000	31,662	41,500	39,500	39,300	39,000	7,337	(300)
		Harumi Island Triton Square Office Tower Z	20,000	20,149	17,100	15,700	15,500	15,100	(5,049)	(400)
		Kanda Nishiki-cho 3-chome Building	12,700	12,887	–	–	14,100	14,100	1,212	0
		Akasaka Oji Building	9,660	9,791	14,400	14,400	13,300	13,300	3,508	0
		Shiba-Koen Building	5,770	5,900	4,210	3,790	3,710	3,410	(2,490)	(300)
		Kanda Park Plaza	5,156	5,124	5,513	5,179	5,047	4,959	(165)	(88)
	Tokyo Metropolitan Area	Faret East Building	2,091	1,796	2,950	2,780	2,500	2,500	703	0
	Kansai	Nittetsu Honmachi Building	1,100	1,026	1,580	1,440	1,390	1,380	353	(10)
Subtotal			131,427	131,248	135,253	130,289	142,597	141,499	10,250	(1,098)
Retail	Tokyo Metropolitan Area	Sagamihara Shopping Center	12,000	11,533	11,000	10,700	10,700	10,300	(1,233)	(400)
		Ito-Yokado Higashi-Narashino Store	8,900	8,257	5,483	5,416	5,613	5,568	(2,689)	(45)
		Musashiurawa Shopping Square	4,335	4,146	3,910	3,790	3,800	3,810	(336)	10
	Subtotal			25,235	23,937	20,393	19,906	20,113	19,678	(4,259)
Residential	Tokyo Metropolitan Area	Fukasawa House Towers H&I	10,635	10,503	7,990	7,540	7,180	6,980	(3,523)	(200)
		Ecology Toyosu Procentury	5,160	5,216	4,650	4,640	4,560	4,520	(696)	(40)
	Subtotal			15,795	15,719	12,640	12,180	11,740	11,500	(4,219)
Other	Central Tokyo	OAK PLAZA	2,590	2,712	2,584	2,573	2,696	2,674	(38)	(22)
	Subtotal			2,590	2,712	2,584	2,573	2,696	2,674	(38)
Total			175,047	173,618	170,870	164,948	177,146	175,351	1,732	(1,795)

VII-5. Appraisal Cap Rate

Property	5th Fiscal Period			6th Fiscal Period			7th Fiscal Period			8th Fiscal Period			9th Fiscal Period		
	Direct Capitalization Method: Cap Rate	Discounted Cash Flow Method: Discount Rate	Terminal Cap Rate	Direct Capitalization Method: Cap Rate	Discounted Cash Flow Method: Discount Rate	Terminal Cap Rate	Direct Capitalization Method: Cap Rate	Discounted Cash Flow Method: Discount Rate	Terminal Cap Rate	Direct Capitalization Method: Cap Rate	Discounted Cash Flow Method: Discount Rate	Terminal Cap Rate	Direct Capitalization Method: Cap Rate	Discounted Cash Flow Method: Discount Rate	Terminal Cap Rate
NEC Head Office Building	4.0%	3.5% (Next 5 years) 4.0% (afterward)	4.2%	4.3%	3.8% (Next 4 years) 4.3% (afterward)	4.6%	4.3%	3.8% (Next 4 years) 4.3% (afterward)	4.6%	4.3%	3.8% (Next 3 years) 4.3% (afterward)	4.6%	4.3%	3.8% (Next 3 years) 4.3% (afterward)	4.6%
Harumi Island Triton Square Office Tower Y	4.3%	4.0%	4.5%	4.4%	4.1%	4.6%	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%
Harumi Island Triton Square Office Tower Z	4.3%	4.0%	4.5%	4.4%	4.1%	4.6%	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%
Kanda Nishiki-cho 3-chome Building	—	—	—	—	—	—	—	—	—	5.2%	4.9%	5.4%	5.2%	4.9%	5.4%
Akasaka Oji Building	4.2%	4.2%	4.5%	4.5%	4.4%	4.8%	4.5%	4.4%	4.8%	4.5%	4.4%	4.8%	4.5%	4.5%	4.8%
Shiba-Koen Building	4.5%	4.3%	4.6%	4.8%	4.6%	4.9%	4.8%	4.6%	4.9%	4.8%	4.6%	4.9%	5.0%	4.8%	5.1%
Kanda Park Plaza	5.2%	4.7%	5.8%	5.2%	4.7%	5.8%	5.3%	4.8%	5.9%	5.3%	4.8%	5.9%	5.3%	4.8%	5.9%
Faret East Building	5.5%	5.2%	5.7%	5.6%	5.3%	5.8%	5.8%	5.5%	6.0%	5.8%	5.5%	6.0%	5.8%	5.5%	6.0%
Nittetsu Honmachi Building	5.8%	6.0%	6.1%	6.1%	6.3%	6.4%	6.2%	6.4%	6.5%	6.2%	6.4%	6.5%	6.2%	6.3%	6.5%
Sagamihara Shopping Center	5.4%	5.2%	5.6%	5.8%	5.6%	6.0%	6.0%	5.8%	6.2%	6.0%	5.8%	6.2%	6.0%	5.8%	6.1%
Ito-Yokado Higashi-Narashino Building	6.2%	5.3%	6.7%	6.3%	5.4%	6.8%	6.4%	5.5%	6.9%	6.4%	5.5%	6.9%	6.4%	5.5%	6.9%
Musashiurawa Shopping Square	5.2%	4.9%	5.5%	5.6%	5.3%	5.9%	5.8%	5.5%	6.1%	5.8%	5.5%	6.1%	5.8%	5.5%	6.1%
Fukasawa House Towers H&I	4.6%	4.3%	4.8%	5.1%	4.8%	5.3%	5.2%	4.9%	5.4%	5.2%	4.9%	5.4%	5.2%	4.9%	5.4%
Ecology Toyosu Procentury	4.9%	4.7%	5.1%	5.3%	5.1%	5.5%	5.4%	5.2%	5.6%	5.5%	5.3%	5.7%	5.5%	5.3%	5.7%
OAK PLAZA	4.7%	4.2%	5.3%	4.7%	4.2%	5.3%	4.8%	4.3%	5.4%	4.8%	4.3%	5.4%	4.8%	4.3%	5.4%

Appraisers	Properties
Tanizawa Sogo Appraisal Co., Ltd.	NEC Head Office Building, Akasaka Oji Building, Nittetsu Honmachi Building
Japan Real Estate institute	Harumi Island Triton Square Office Towers Y & Z, Kanda Nishiki-cho 3-chome Building, Faret East Building, Fukasawa House Towers H&I, Ecology Toyosu Procentury
Chuo Real Estate Appraisal Co., Ltd.	Kanda Park Plaza, Ito-Yokado Higashi-Narashino Store, OAK PLAZA
DAIWA REAL ESTATE APPRAISAL Corporation	Sagamihara Shopping Center, Musashiurawa Shopping Square
Nippon Tochi-Tatemono Co., Ltd.	Shiba-Koen Building

VII-6. Operating Income by Property (Ninth Fiscal Period)

(million yen)

	NEC Head Office Building	Harumi Island Triton Square Office Tower Y	Harumi Island Triton Square Office Tower Z	Kanda Nishiki-cho 3-chome Building	Akasaka Oji Building	Shiba-Koen Building	Kanda Park Plaza	Faret East Building	Nittetsu Honmachi Building	Sagamihara Shopping Center	Ito-Yokado Higashi-Narashino Store	Musashiurawa Shopping Square	Fukasawa House Towers H&I	Ecology Toyosu Procentury	OAK PLAZA
Operating period (days)	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days
Total revenue from property leasing	1,370	1,335	628		445	108	179	163	91	407	236	129	244	158	94
Rent revenue — real estate	1,370	1,335	628		445	108	179	163	91	407	236	129	234	155	94
Total expenses from property leasing	230	375	133		122	36	45	69	39	79	43	18	68	35	20
Property management expenses	1	161	43		32	9	9	28	12	2	1	1	38	21	0
Taxes and dues	223	94	42		40	9	15	12	9	55	29	15	16	6	14
Utilities expenses	0	99	40		24	8	12	27	10	0	0	0	0	1	0
Repair expenses	2	14	0		21	7	5	0	3	17	9	0	10	4	4
Non-life insurance expenses	1	2	0		0	0	0	0	0	0	0	0	0	0	0
Other	1	3	5		3	0	2	1	4	3	2	1	2	1	1
NOI (NOI yield)	1,140 [5.4%]	959 [5.8%]	495 [5.0%]	417 [6.6%]	322 [6.7%]	72 [2.5%]	134 [5.2%]	93 [9.0%]	51 [9.4%]	328 [5.5%]	192 [4.3%]	110 [5.1%]	176 [3.3%]	122 [4.7%]	73 [5.7%]
Depreciation and amortization	214	243	119	34	29	22	12	46	16	55	107	49	66	51	11
Operating income	926	716	375	383	293	49	121	46	35	273	85	60	109	70	62
Capital expenditures	45	5	0	2	1	0	13	0	7	2	3	0	0	0	0

“Repair work based on the Long Term Repair Plans”

- Waterproof repair construction
- Drain pump renewal construction, etc.

- Renewal of air conditioning construction
- Renewal of lighting and motive power main line construction
- Renewal of ventilation construction

VII-7. Property Details: Office Buildings



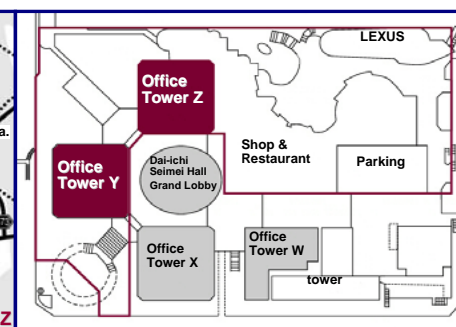
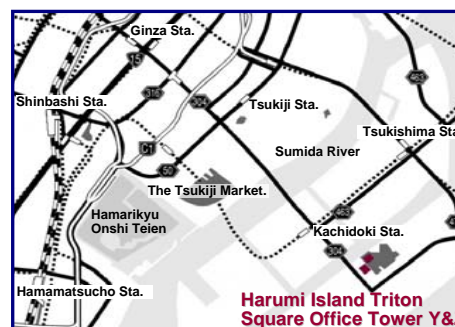
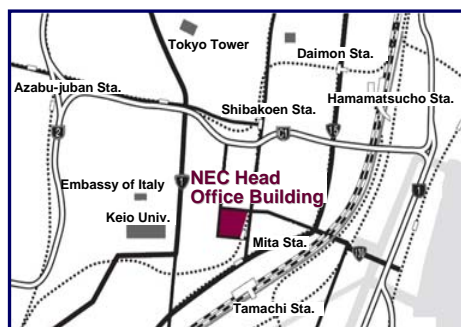
Property	NEC Head Office Building
Address	Shiba, Minato Ward, Tokyo
Floor Area	144,476. ⁰⁵ m ²
Completion	January 1990
Title	Co-ownership (50%)
Acquisition Price	41. ⁹⁵ billion yen



Property	Harumi Island Triton Square Office Tower Y
Address	Harumi, Chuo Ward, Tokyo
Floor Area	267,132. ⁶⁷ m ²
Completion	October 2001
Title	Co-ownership (3 rd – 15 th floors)
Acquisition Price	33 billion yen



Property	Harumi Island Triton Square Office Tower Z
Address	Harumi, Chuo Ward, Tokyo
Floor Area	267,132. ⁶⁷ m ²
Completion	October 2001
Title	Co-ownership (a part of the 17 th floor and 18 th – 22 nd floors)
Acquisition Price	20 billion yen



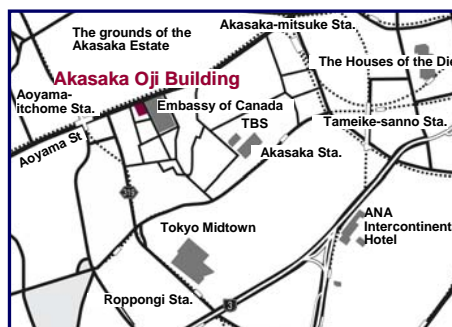
VII-7. Property Details: Office Buildings



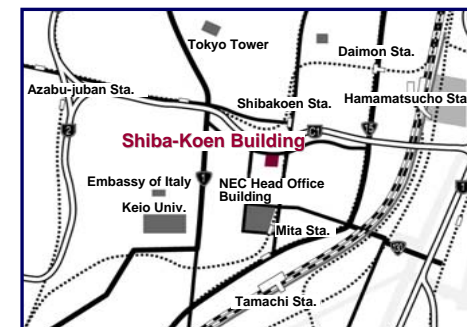
Property	Kanda Nishiki-cho 3-chome Building (formerly called "Sumitomo Corporation Nishiki-cho Building")
Address	Kanda Nishiki-cho, Chiyoda Ward, Tokyo
Floor Area	12,169.7 ⁸ m ²
Completion	March 1973 (large-scale renovation undertaken in November 2001 and earthquake-resistant reinforcement construction implemented in October 2009)
Title	Ownership
Acquisition Price	12.7 billion yen



Property	Akasaka Oji Building
Address	Akasaka, Minato Ward, Tokyo
Floor Area	10,063.05m ²
Completion	April 1989
Title	Ownership
Acquisition Price	9.66 billion yen



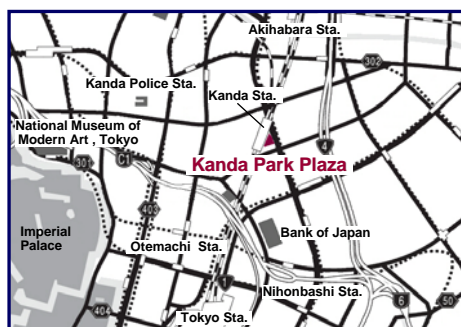
Property	Shiba-Koen Building
Address	Shiba, Minato Ward, Tokyo
Floor Area	4,958.29m ²
Completion	May 1991
Title	Co-ownership (1 st – 7 th floors)
Acquisition Price	5.77 billion yen



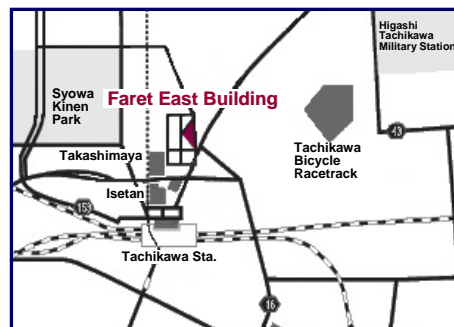
VII-7. Property Details: Office Buildings



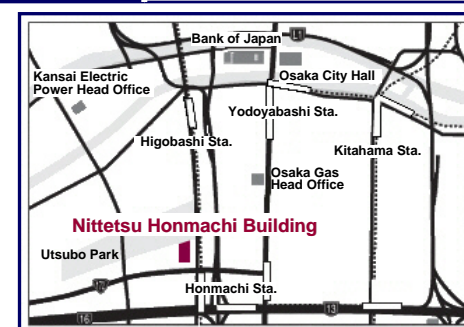
Property	Kanda Park Plaza
Address	Kajicho, Chiyoda Ward, Tokyo
Floor Area	5,511. ⁸³ m ²
Completion	November 1959 Repair work to enhance earthquake resistance in 2003
Title	Ownership
Acquisition Price	5. ¹⁵⁶ billion yen



Property	Faret East Building
Address	Akebonocho, Tachikawa City, Tokyo
Floor Area	16,206. ³⁴ m ²
Completion	December 1994
Title	Co-ownership (2 nd – 5 th and a part of the 6 th and 8 th floors)
Acquisition Price	2. ⁰⁹¹ billion yen



Property	Nittetsu Honmachi Building
Address	Utsubohonmachi, Nishi Ward, Osaka
Floor Area	6,714. ⁰⁹ m ²
Completion	June 1991
Title	Ownership
Acquisition Price	1. ¹ billion yen



VII-8. Property Details: Retail Properties



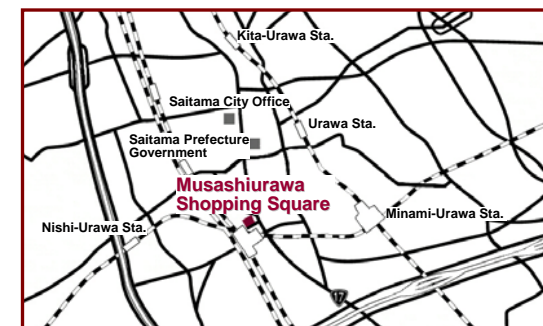
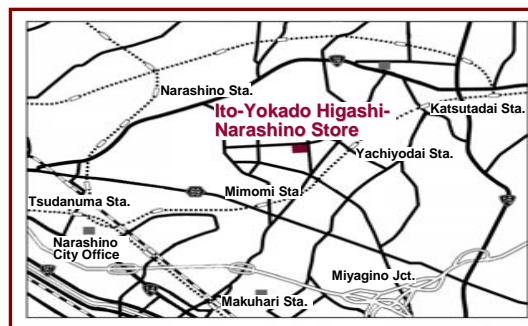
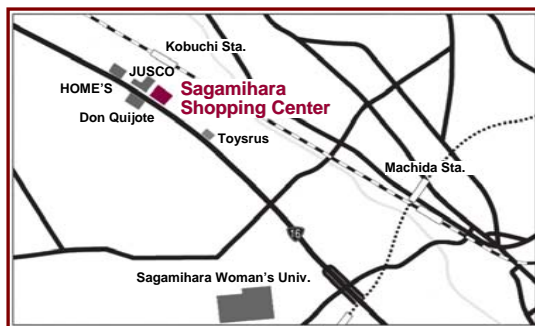
Property	Sagamihara Shopping Center
Address	Kobuchi, Sagamihara City, Kanagawa Pref.
Floor Area	56,351.42m ²
Completion	August 1993
Title	Ownership
Acquisition Price	12 billion yen



Property	Ito-Yokado Higashi-Narashino Store
Address	Higashinarashino, Narashino City, Chiba Pref.
Floor Area	45,338.37m ²
Completion	October 1994
Title	Ownership
Acquisition Price	8. ⁹ billion yen



Property	Musashiuwara Shopping Square
Address	Bessho, Minami Ward, Saitama City, Saitama Pref.
Floor Area	28,930.36m ²
Completion	October 2005
Title	Co-ownership (50%)
Acquisition Price	4. ³³⁵ billion yen



VII-9. Property Details: Residential and Other Properties



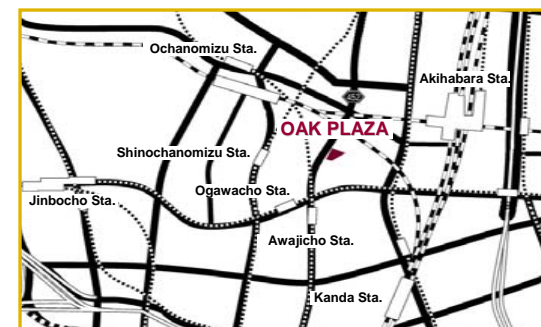
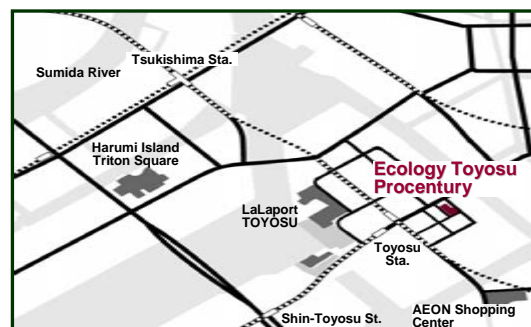
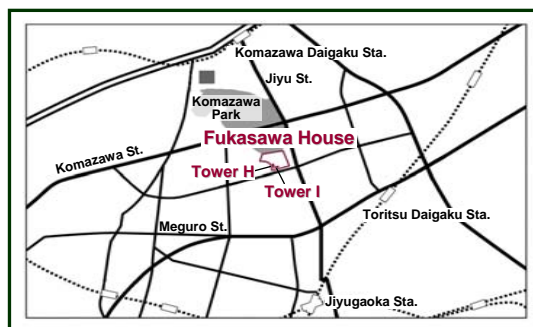
Property	Fukasawa Towers H&I
Address	Fukasawa, Setagaya Ward, Tokyo
Floor Area	12,135. ³⁶ m ²
Completion	June 2004
Title	Co-ownership (H&I)
Acquisition Price	10. ⁶³⁵ billion yen



Property	Ecology Toyosu Procentury
Address	Toyosu, Koto Ward, Tokyo
Floor Area	9,630. ⁹⁶ m ²
Completion	January 2005
Title	Ownership
Acquisition Price	5. ¹⁶ billion yen

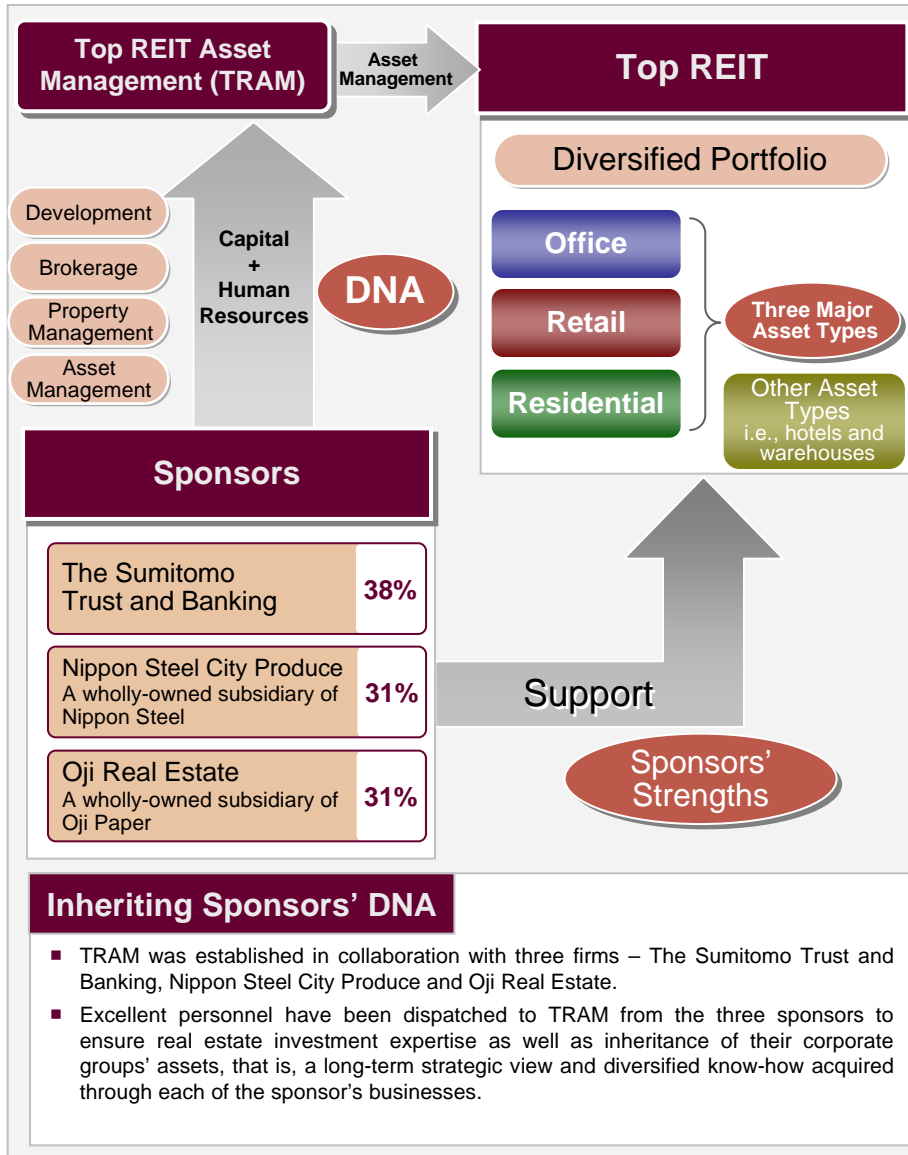


Property	OAK PLAZA
Address	Kanda Awajicho, Chiyoda Ward, Tokyo
Floor Area	6,121. ⁸⁵ m ²
Completion	April 1985 Completion of the conversion in 2007
Title	Ownership
Acquisition Price	2. ⁵⁹ billion yen



VIII. Appendix: Structure of Related Parties

VIII-1. Characteristics of Top REIT and Operational Strategies



1. Skilled Management of a Diversified Portfolio

- (1) Pursuit of both external growth and quality of assets managed
- (2) Pursuit of stability and growth potential of profitability through unique asset class
- (3) Strategic application of commissioned reports from a think tank

2. Optimal Application of Sponsor Strengths

- (1) Steady external growth through pipeline function
- (2) Agile acquisition of properties through warehousing function
- (3) Achieving internal growth through "management-added benefits"

Ensuring Steady Revenue

Steady Growth of Portfolio

Maximizing Unitholders' Value

Utilizing Sponsor Strengths

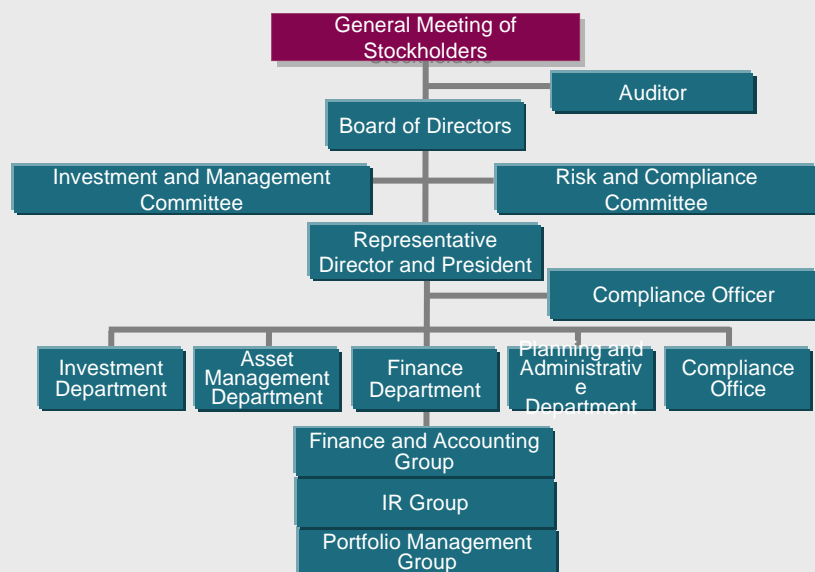
- Sponsor skills shall be utilized to achieve steady growth by applying their real estate development abilities, brokerage networks and management skills, including leasing activities that utilize the leasing demand from sponsors' groups/clients.

Number of group companies (as of March 31, 2010)

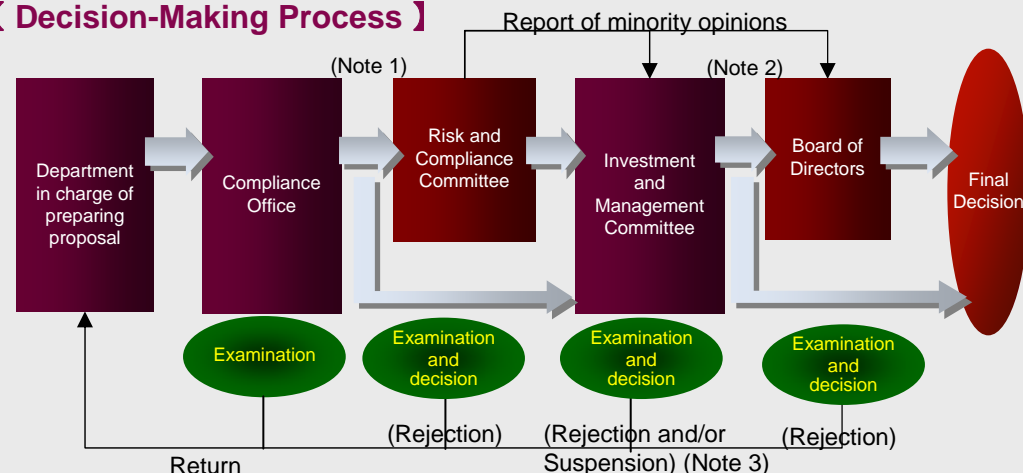
Sumitomo Trust Group	60
Nippon Steel Group	329
Oji Paper Group	305

VIII-2. Overview of Asset Manager

Name	Top REIT Asset Management Co., Ltd.
Address	Nittetsu Nihonbashi Building 1-13-1 Nihonbashi, Chuo Ward, Tokyo
Established	Oct. 22, 2004
Paid-in Capital	¥300mn
Shareholders	The Sumitomo Trust and Banking Co., Ltd. 38% Nippon Steel City Produce, Inc. 31% Oji Real Estate Co., Ltd. 31%
Business Description	Investment management business (Registered Financial Instruments Business Operator No. 365 (Kinsho), issued by the Director-General of the Kanto Local Finance Bureau)
Directors	President and Representative Director: Nobuhito Endo



【 Decision-Making Process 】



- (Note 1) Proposals will be passed to the Risk and Compliance Committee if they fall under either of the following:
- **Material transactions with interested parties** defined in the rules on transactions with interested parties (a **unanimous vote** is required in this case.)
 - The head of the Compliance Office **recognizes** the discussion of the issues in the Risk and Compliance Committee to be necessary.
- (Note 2) Proposals will be passed to the Board of Directors if they fall under any of the following:
- The price of the proposed acquisition or sale is **over 10 billion yen and over 10%** of Top REIT's total assets.
 - **Material transactions with interested parties** defined in the rules on transactions with interested parties
 - **Forward commitment transactions**
 - **Capital raising plans (final decisions on raising capital shall be made by the Board of Directors of Top REIT.)**
- (Note 3) **The head of the Compliance Office** can **suspend discussions and decisions** and return the item to the Department in charge of the proposal if he or she judges that the item has legal problems in the process of discussions or decision making at the Investment and Management Committee.

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