

# TOP REIT

BUSINESS REPORT FOR THE 6TH FISCAL PERIOD

(November 1, 2008 – April 30, 2009)

**PROVING STABLE  
ASSET MANAGEMENT**



TOP REIT, Inc.

## SIXTH FISCAL PERIOD PERFORMANCE HIGHLIGHTS

CATEGORY	6TH FISCAL PERIOD PERFORMANCE	6TH FISCAL PERIOD FORECAST (ANNOUNCED ON DECEMBER 15, 2008)	5TH FISCAL PERIOD PERFORMANCE
PERIOD OF ASSET MANAGEMENT	181 days	181 days	184 days
OPERATING REVENUE	¥ 5,606 million	¥ 5,620 million	¥ 5,584 million
OPERATING INCOME	¥ 2,700 million	¥ 2,682 million	¥ 2,651 million
ORDINARY INCOME	¥ 2,047 million	¥ 2,001 million	¥ 1,994 million
NET INCOME	¥ 2,046 million	¥ 2,000 million	¥ 1,993 million
NUMBER OF INVESTMENT UNITS	155,000 units	155,000 units	155,000 units
DIVIDEND PER UNIT	¥ 13,206	¥ 12,900	¥ 12,863
PORTFOLIO SIZE	14 properties	14 properties	14 properties
APPRAISED VALUE OF PORTFOLIO	¥ 170,876 million	—	¥ 189,441 million

### Key factors behind the 13,206 yen dividend, an increase of 306 yen over the forecast

- ❖ Ecology Toyosu Procentury was owned and occupied throughout the Sixth Fiscal Period and thus contributed to earnings for the entire period
- ❖ A decrease in management costs was achieved by reviewing repair plans, reducing general administrative expenses, etc.

### Ordinary income rose by 46 million yen

- ❖ Interest payment decreased as the base interest rate level was lower than expected

## JAPANESE ECONOMIC INDICATORS

Real GDP growth rate for the quarter from January through March 2009 was -3.8% from the previous period.

In addition to stagnant external demand, personal consumption and capital expenditures, both key drivers of internal demand, have dropped for two consecutive quarters and four consecutive quarters respectively as of March 2009.

Indices of All Industry Activity decreased for the sixth consecutive month in March 2009; however, the Indices turned upward in April.



# Speaking to You

LETTER FROM THE PRESIDENT

## TOP REIT CONTINUES PURSUIT AND PROVISION OF STABLE ASSET MANAGEMENT

The following is an overview of TOP REIT Inc.'s (TOP REIT) performance over its Sixth Fiscal Period (November 1, 2008 – April 30, 2009) from the perspective of the asset manager. The overview is presented by Nobuhito Endo, President and Representative Director of TOP REIT Asset Management Co., Ltd.

TOP REIT provided prudent asset management during the Sixth Fiscal Period within the winds and storms of the global and Japanese economies that were prevalent during this period and managed to

achieve a dividend per unit of 13,206 yen, an increase of over 300 yen versus our initial forecast. This distribution has been realized as a result of operating revenue of 5,606 million yen, ordinary income of 2,047 million yen and net income of 2,046 million yen. TOP REIT has also forecast a dividend per unit of 12,500 yen for both the Seventh Fiscal Period (May 1, 2009 – October 31, 2009) and Eighth Fiscal Period (November 1, 2009 – April 30, 2010). I would like to discuss the key factors that supported this performance during our Sixth Fiscal Period.

### IMPORTANT TO STEER RATIONALLY AND WISELY

This fiscal period featured unprecedented economic turmoil resulting from global financial instability and the economic recession. Large tremors shook the overseas markets with the repeated failure and forced mass restructurings of leading U.S. multinational firms in the automobile, financial and other industries. Japan was not immune from the waves of the global recession and the export industry symbolized by the automobile industry, which has been the driver of the Japanese economy, posting immense deficits as a result of the rapid and sudden deceleration of Western economies. Consequently many companies experienced a severe



#### Nobuhito Endo

President and Representative Director, TOP REIT Asset Management Inc. / Executive Officer, Top REIT, Inc.  
Endo entered Sumitomo Trust and Banking in April 1978. He was promoted to General Manager of the Real Estate Management Department in April 2004 and served as the General Manager of the Real Estate Information Development Department from April 2006. He was appointed President and Representative Director of TOP REIT Asset Management in July 2007 and Executive Officer of TOP REIT in October 2007.

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deterioration in their performance. The severe financial climate and failure of business models, amidst other factors, also led to the failure of many new real estate companies and sponsors of J-REITs.

The J-REIT market, now in its eighth year, was also forced into a period of severe trials as the macro economy continued to steadily worsen. There has been no time in our history where it has been more important to steer the portfolio rationally and wisely and thus achieve “stable asset management.” TOP REIT committed itself to placing the value of investors first as a result of these conditions and the asset manager has dedicated its management services to continually achieving this demand.

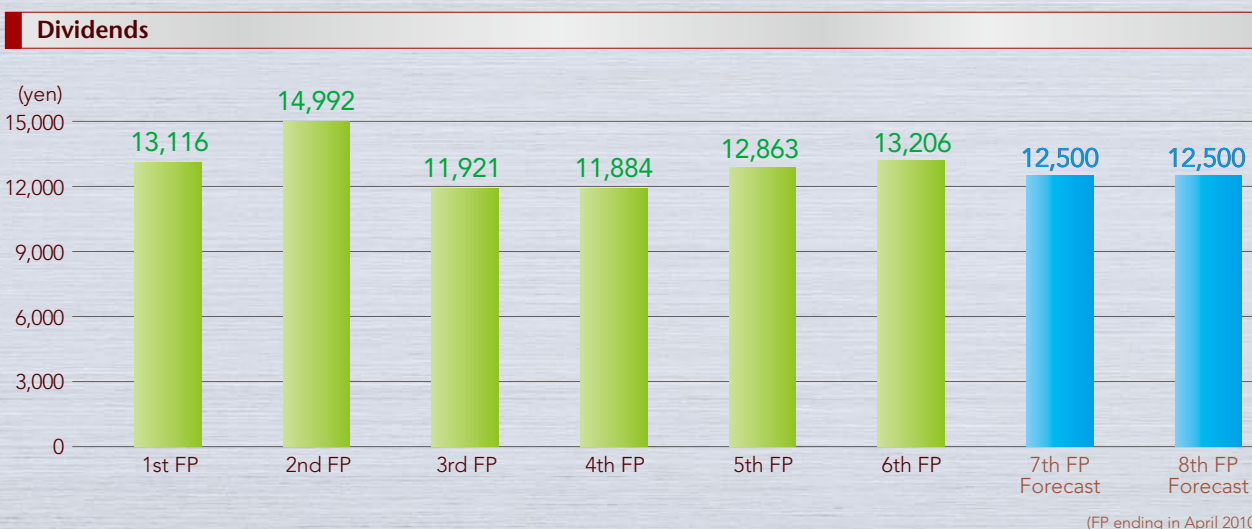
### STRONG RELATIONSHIPS WITH FINANCIAL INSTITUTIONS

It is very important to build and maintain strong relationships with financial institutions in these economic times. TOP REIT has taken this point to heart and therefore, has built and maintains a strong bank formation with Sumitomo Trust and Banking (one of the sponsors of our asset manager), three mega banks, two other trust banks, the Development Bank of Japan and Dai-ichi Mutual Life Insurance. This bank formation is a cornerstone for supporting the financial management and thus the portfolio of TOP REIT. Despite the overall severity of stances toward financing taken by financial institutions, TOP REIT has maintained a strong relationship with

financial institutions providing financing and achieved both reliable refinancing and a diversification of the repayment periods on the financings (see page 14).

### RELIABILITY AND TRUST OF BLUE CHIP SPONSORS

One of the major factors behind our ability to build this bank formation with financial institutions is the presence of our blue chip sponsors: Sumitomo Trust and Banking, Nippon Steel City Produce (member of the Nippon Steel Group) and Oji Real Estate (member of the Oji Paper Group). Each of these corporate groups is well known in Japan and boasts a wealth of experience and track records globally that has assisted

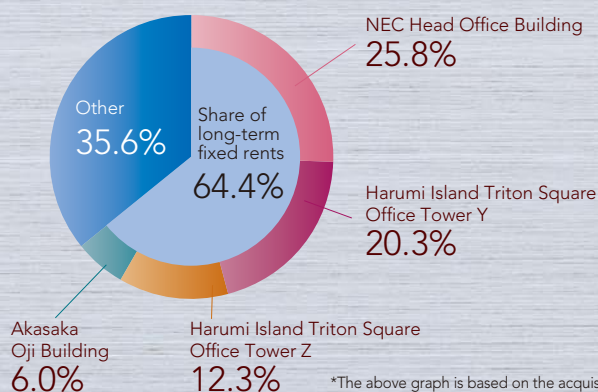


\*The actual number of days in the First Fiscal Period was 245. The above numbers are calculated using the following calculation method: (fiscal period results)/245 days x 365 days/2.

#### Lender Institutions

- ❖ Sumitomo Trust and Banking Co., Ltd.
- ❖ Mizuho Corporate Bank, Ltd
- ❖ Sumitomo-Mitsui Banking Corporation
- ❖ Bank of Tokyo-Mitsubishi UFJ, Ltd.
- ❖ Chuo-Mitsui Trust and Banking, Co., Ltd.
- ❖ Mitsubishi UFJ Trust and Banking Corporation
- ❖ Development Bank of Japan, Inc.
- ❖ Dai-ichi Mutual Life Insurance Company

#### Flagship Properties in the TOP REIT Portfolio



\*The above graph is based on the acquisition prices.



them in securing a high degree of trust from financial institutions and markets. Additionally, the sponsors have seconded a large number of experienced personnel to the asset manager that have demonstrated their management abilities and have supported the trust financial institutions have in TOP REIT (see page 7).

### A ROBUST PORTFOLIO

Since TOP REIT's inception, we have followed a basic policy that insists on investing in and managing properties with an emphasis on quality including location, building size, facilities and tenants. A total of 64.4% (based on acquisition price) of the TOP REIT portfolio is comprised of the large flagship properties NEC Head Office Building, Harumi Island Triton Square Office Towers Y and Z and the Akasaka Oji Building and the tenants include NEC (head office), Sumitomo Metal Industries (Tokyo head office), Japan Trustee Services Bank (head office), and Sony Computer Entertainment (head office functions). TOP REIT has successfully demonstrated the strengths of a high quality portfolio and continued to maintain a high 99.2%

occupancy at the end of the Sixth Fiscal Period regardless of the economic travails.

### LONG-TERM AND FIXED-RATE RENT AGREEMENTS

Ordinarily, the leases for space in office buildings run for two or three years and then are renewed with rents checked for their validity in the market. In addition, tenants are able to cancel their lease contracts with advance notification up to six months in advance. Therefore, it is easy to negotiate for rent increases when the economy is strong and real estate demand is robust, and there is little risk of cancellation in such circumstances. Contrarily, there is pressure to lower rents and a greater risk of tenants walking out on their contracts in times of economic recession like that which is currently being experienced.

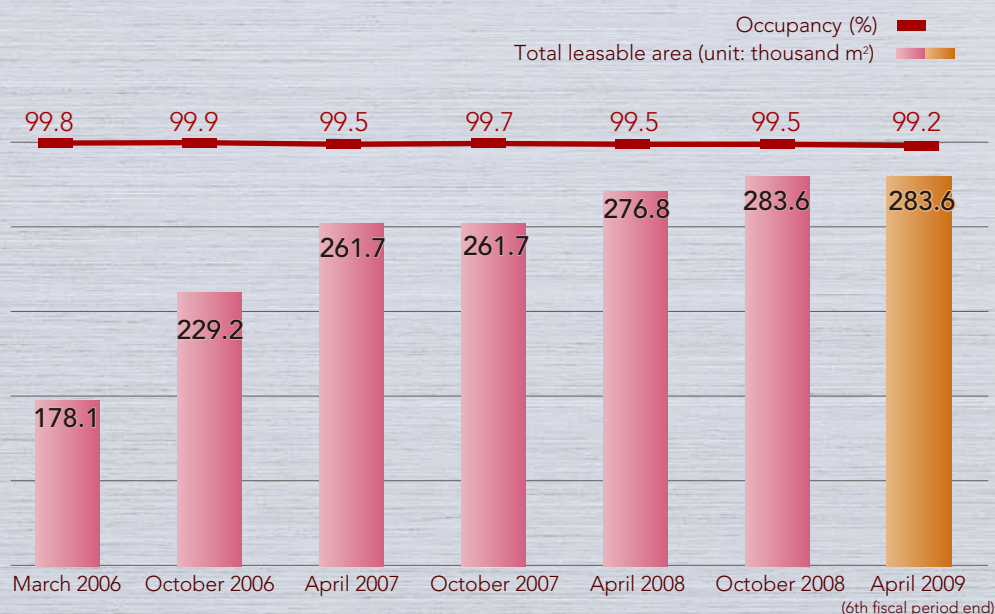
TOP REIT has concluded long-term and fixed-rate rent agreements with many of their tenants including the NEC Head Office Building, which has a fixed-rate rent until December 2013 and a clause that prohibits early cancellation; Harumi Island Triton Square Office Tower Z, which has

a fixed-term lease contract with fixed-rate rent through March 2011; Musashi Urawa Shopping Square, which prohibits mid-term cancellation through October 2015 and fixed-rate rent through October 2010; and Ito-Yokado Higashi-Narashino Store, which has a fixed-rate rent through the end of the contract in November 2014. The ownership of many properties with lengthy agreements and fixed-rate rent limits the potential for a sizeable impact from economic fluctuations and also stabilizes returns by minimizing the risk of rents being lowered and tenants moving out.

### CAUTIOUS APPROACH TO ACQUISITIONS

The portfolio size of TOP REIT upon its listing in March 2006 was 104.3 billion yen (7 properties) but this has been expanded to 162.3 billion yen (14 properties) by the end of April 2009 (end of the Sixth Fiscal Period). TOP REIT expanded its portfolio prudently and steadily over the past three years while focusing on real estate market trends and the economic situation. We refrained from acquiring any properties this fiscal period because

## History of Occupancy and Total Leasable Area

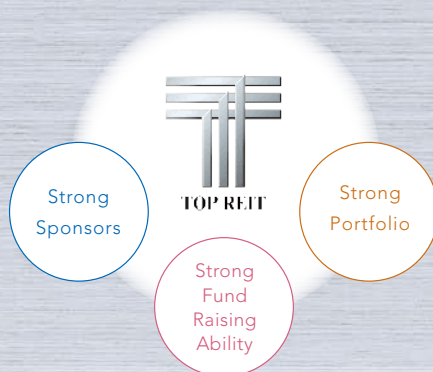




of the weakening of the real estate market due to the recession from last year, making it difficult to see if it has hit bottom. We will not recklessly pursue an expansion in our portfolio hereafter, but will continue our cautious approach to acquisitions that emphasizes economic trends.

### THE STRENGTHS OF TOP REIT

The success of J-REITs depends on three elements. These are strong sponsors, strong fund raising ability and a strong portfolio. We are confident that TOP REIT has achieved steady performance under



the present economic difficulties because it possesses these three strengths.

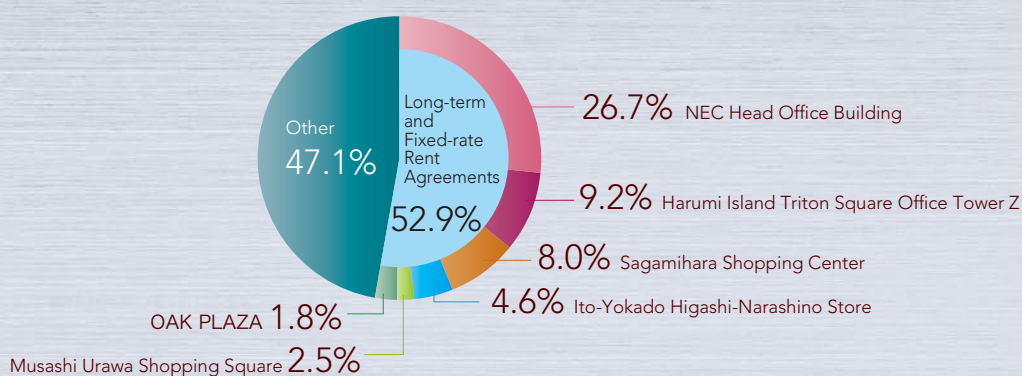
This fiscal period TOP REIT was able to pay a dividend per unit of 13,206 yen, well

above the originally forecast of 12,900 yen due to the contribution of cost cutting efforts and lease negotiations. Within the continuing severe economic recession, TOP REIT has forecast a dividend per unit of 12,500 yen for each of the next two fiscal periods (Seventh and Eighth Fiscal Periods) primarily due to an increase in financing costs.

### Nobuhito Endo

President and Representative Director  
TOP REIT Asset Management Co., Ltd.  
Executive Officer  
TOP REIT, Inc.

### Long-term and Fixed-rate Rent Agreements



\*The above graph is based on rents.

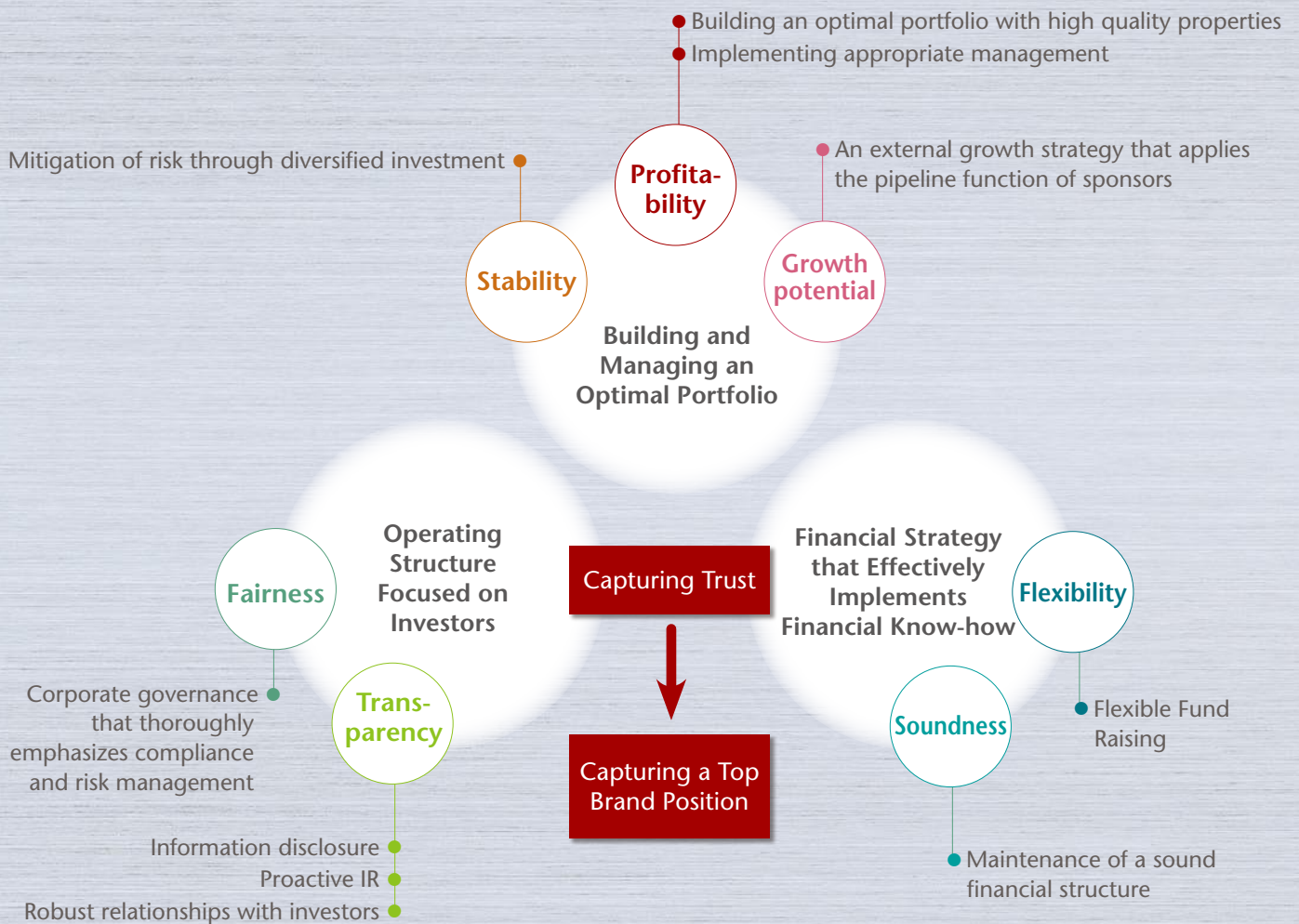
### History of Portfolio Size



# TOP REIT ASSET MANAGEMENT'S COMMITMENT TO MAKING TOP REIT A TOP BRAND

As the asset manager of TOP REIT, Top REIT Asset Management (TRAM) is committed to the successful management of the TOP REIT portfolio and to delivering optimal dividends and performance to investors. The management philosophy of the company calls for building TOP REIT into a “top brand” relied upon by investors, contributing to achieving the healthy and sound growth of the real estate investment trust market and real estate market, and contributing to the growth of society and the economy and the formation of a desirable city.

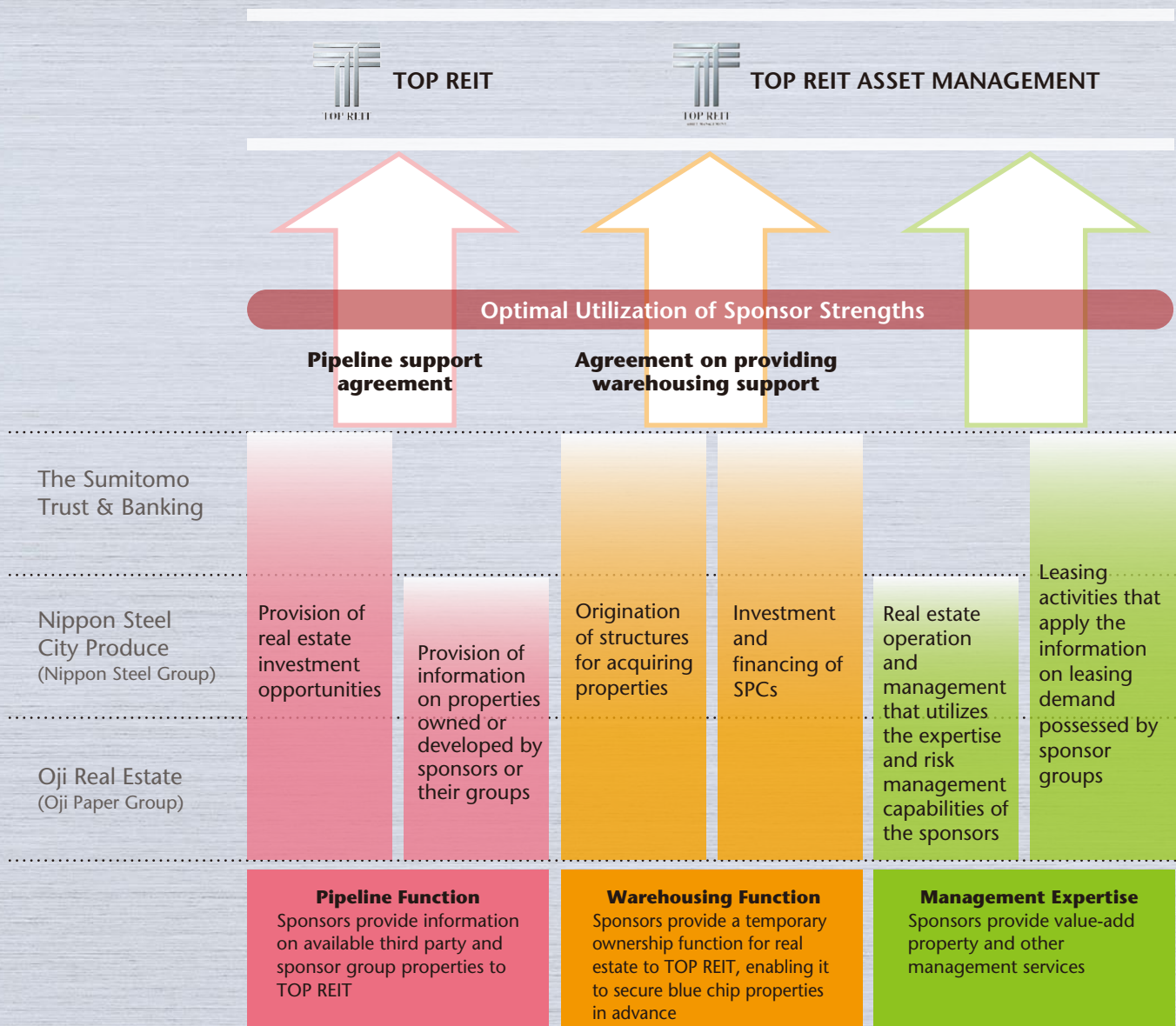
The operating philosophy that TRAM follows to achieve these goals is outlined in the figure below.





# ROBUST SUPPORT KEY TO STABILITY AND FUTURE GROWTH

TOP REIT enjoys the robust support of three Japanese business leaders through Top REIT Asset Management (TRAM). TRAM is sponsored and owned by The Sumitomo Trust and Banking (38%); Nippon Steel City Produce (31%), the real estate development arm of Nippon Steel; and Oji Real Estate (31%), the real estate developer and planner for the Oji Paper Group. The support provided by these sponsors is outlined in the figure below.





# ACHIEVEMENTS OF TOP REIT IN THE SIXTH FISCAL PERIOD

## Real Estate Management: Contracts renewed with 13 office tenants (+0.5% on average)

- ❖ Upon the renewal of contracts at Harumi Island Triton Square Office Tower Y, revised the rent upward for some tenants by an average increase in rent of +0.3%
- ❖ At Faret East Building and Nittetsu Honmachi Building, rent was revised upward with 3 tenants (+8.2% on average compared to the rent before renewal), rent was revised downward with 1 tenant (-4.6% compared to the rent before renewal) and rent remained unchanged with 2 tenants
- ❖ 3 tenants moved out of Shiba-Koen Building, Faret East Building and Nittetsu Honmachi Building

## Financial Strategies: Refinanced a total of ¥26.0bn Financial 26.0bn

- ❖ Refinanced ¥16.7bn in long-term loans and ¥9.3bn in short-term loans (in March 2009)
  - Reviewed the ratio of long-term and short-term loans to total loans and introduced 1-month TIBOR as a base interest rate in view of keeping interest expenses down
  - Repaid 260 million yen by using cash reserves

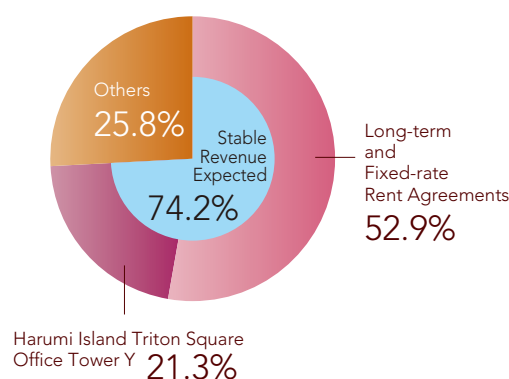
## Dividend: Declared dividend for 6th fiscal period of ¥13,206 (+¥306 compared to forecast; +¥343 compared to 5th fiscal period)

- ❖ Property acquired in the 5th fiscal period (Ecology Toyosu Procentury) occupied throughout the fiscal period
- ❖ Decrease in management costs (cost savings from reviewing repair plans, reduced general administrative expenses, interest rate costs lower than forecast, etc.)

## STABILITY IN REVENUES

There has been a general manifestation of market fears of rent revenues decreasing on a macro level, but TOP REIT has generally avoided this by focusing on a policy that emphasized fixed-rate and long-term rents with highly-rated tenants. On a rent basis, 52.9% of the portfolio has long-term, fixed-rate rents and thus provides stable revenues. The next round of rent renewals for the flagship property Harumi Island Triton Square Office Tower Y is not until the Tenth to Twelfth Fiscal Periods, so TOP REIT is confident it can provide stable revenues and dividends over the next several fiscal periods.

## From Seventh to Ninth Fiscal Period



## STABLE REVENUES EXPECTED FROM 74.2% OF OUR CONTRACTS DURING THE SEVENTH TO NINTH FISCAL PERIODS

### Tenants with Long-term Agreements

PROPERTY	MAIN TENANTS	SHARE OF PORTFOLIO		EXPIRATION DATE	NOTES
		BASED ON RENTED FLOOR SPACE	BASED ON RENT		
Long-term or Fixed-rate Rent Agreement	NEC Head Office Building	25.7%	26.7%	Dec. 28, 2025	Fixed-rate rent by Dec. 2013 (16th FP) Mid-term cancellation banned until Dec. 2013 (16th FP)
	Harumi Island Triton Square Office Tower Z	3.9%	9.2%	Mar. 31, 2011	Fixed-term lease contract (fixed-rate rent) until March 2011 (10th FP)
	Sagamihara Shopping Center	22.0%	8.0%	Aug. 10, 2013	Next rent revision: August 2011 (11th FP)
	Ito-Yokado Higashi-Narashino Store	18.2%	4.6%	Nov. 26, 2014	Fixed-rate rent until expiration date (18th FP) (using sales-based rent)
	OAK PLAZA	2.2%	1.8%	Mar. 31, 2027	Fixed-rate rent until March 2017 (22nd FP) Mid-term cancellation banned until Mar. 2017 (22nd FP)
	Musashiurawa Shopping Square	5.3%	2.5%	Oct. 31, 2025	Fixed-rate rent until Oct. 2010 (9th FP) Mid-term cancellation banned until Oct. 2015 (19th FP)
	<b>TOTAL</b>	<b>77.2%</b>	<b>52.9%</b>		
Stable Revenue Expected	Harumi Island Triton Square Office Tower Y	8.3%	21.3%	Mar. 31, 2012 Mar. 31, 2011	Next rent revisions: April 2011 (10th FP) and April 2012 (12th FP)

Note: Investment Breakdown indicates the proportion of each property's acquisition value to the total acquisition value of all properties.

# PORTFOLIO MANAGEMENT

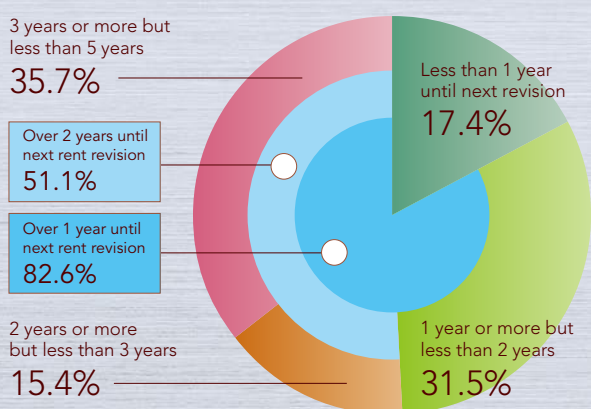
As noted earlier in this report, TRAM has been successful in negotiating rent renewals overall this Sixth Fiscal Period. The next figure shows that we are facing a period of stability ahead in which 82.6% of our office tenants have over one year remaining until their leases expire and are up for renewal. It is fair to say that TOP REIT is blessed with the stability of its tenants.

TOP REIT also continues to defy the general drop in asset values of portfolios. Though the total appraised value of the portfolio has dropped since peaking in the Fifth Fiscal Period, it remains roughly 8 billion yen above the acquisition value as of April 2009, the end of the Sixth Fiscal Period.

TOP REIT has also been able to raise the dividend this fiscal year through a combination of the high 99.2% occupancy rate of the overall portfolio, an amazing figure within the current economy; revenues generated by the portfolio of 5,606 million yen, which is an increase; and the 28 million yen decrease in operating expenses to 2,905 million yen generated through the efforts of TRAM in managing the properties.

TOP REIT also continues to scour the market looking for appropriate properties in order to achieve our medium-term portfolio target of 210 billion yen in assets, and thus reduce the weight in the portfolio held by the NEC Head Office Building. TOP REIT will make an acquisition when the right property presents itself. However, our deliberateness has enabled strong performance to date and we have no intent to abandon our prudent strategy.

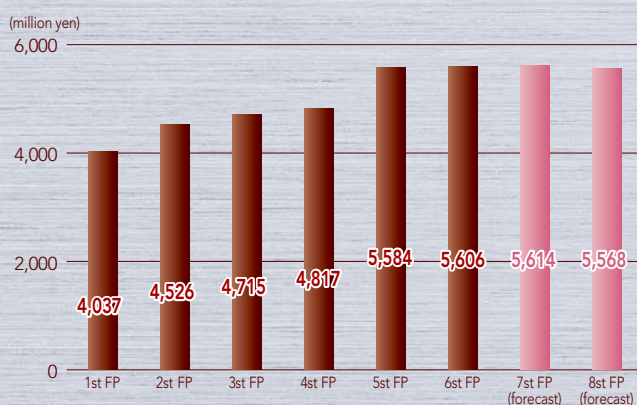
## Office: Period Remaining until Next Rent Revision



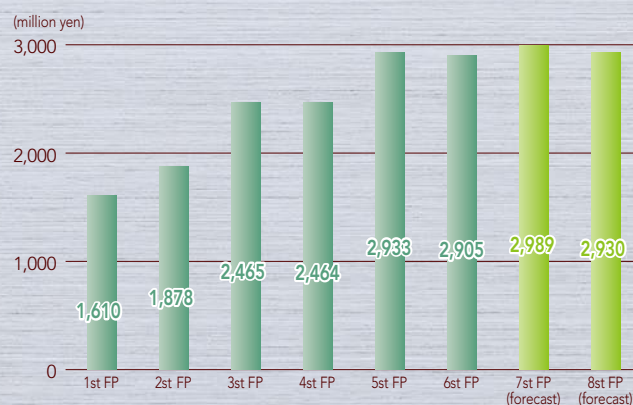
## Office: Schedule of Rent Revision in 7th & 8th FP

PROPERTY	7th FP	8th FP
Akasaka Oji Building	-	2 tenants
Shiba-Koen Building	3 tenants	1 tenant
Kanda Park Plaza	3 tenants	5 tenants
Faret East Building		2 tenants
Nittetsu Honmachi Building	1 tenant	3 tenants

## Operating Revenue



## Operating Expenses





# PORTFOLIO LIST

The diversified portfolio of Top REIT largely comprises properties in the Central Tokyo Area.

**76.5%** of the portfolio is comprised of office buildings in Central Tokyo – the geographic driver of the Japanese economy

## A Portfolio Data

ASSET CLASS	AREA	PROPERTY NAME	ACQUISITION VALUE (million yen)	APPRAISED VALUE AT END OF PERIOD (million yen)	INVESTMENT BREAKDOWN (%)
OFFICE	Central Tokyo	NEC Head Office Building	41,950	48,000	25.8
		Harumi Island Triton Square Office Tower Y	33,000	41,500	20.3
		Akasaka Oji Building	9,660	14,400	6.0
		Kanda Park Plaza	5,156	5,513	3.2
		Shiba-Koen Building	5,770	4,210	3.6
		Harumi Island Triton Square Office Tower Z	20,000	17,100	12.3
	Tokyo Metropolitan Area	Faret East Building	2,091	2,950	1.3
	Kansai Area	Nittetsu Honmachi Building	1,100	1,580	0.7
<b>Subtotal (8 properties)</b>			<b>118,727</b>	<b>135,253</b>	<b>73.1</b>
RETAIL	Tokyo Metropolitan Area	Sagamihara Shopping Center	12,000	11,000	7.4
		Ito-Yokado Higashi-Narashino Store	8,900	5,483	5.5
		Musashiurawa Shopping Square	4,335	3,910	2.7
<b>Subtotal (3 properties)</b>			<b>25,235</b>	<b>20,393</b>	<b>15.5</b>
RESIDENTIAL	Tokyo Metropolitan Area	Fukasawa House Towers H & I	10,635	7,990	6.6
		Ecology Toyosu Procentury	5,160	4,650	3.2
<b>Subtotal (2 properties)</b>			<b>15,795</b>	<b>12,640</b>	<b>9.7</b>
OTHER	Central Tokyo	OAK PLAZA	2,590	2,584	1.6
	<b>Subtotal (1 property)</b>			<b>2,590</b>	<b>2,584</b>
<b>TOTAL</b>			<b>162,347</b>	<b>170,870</b>	<b>100.0</b>

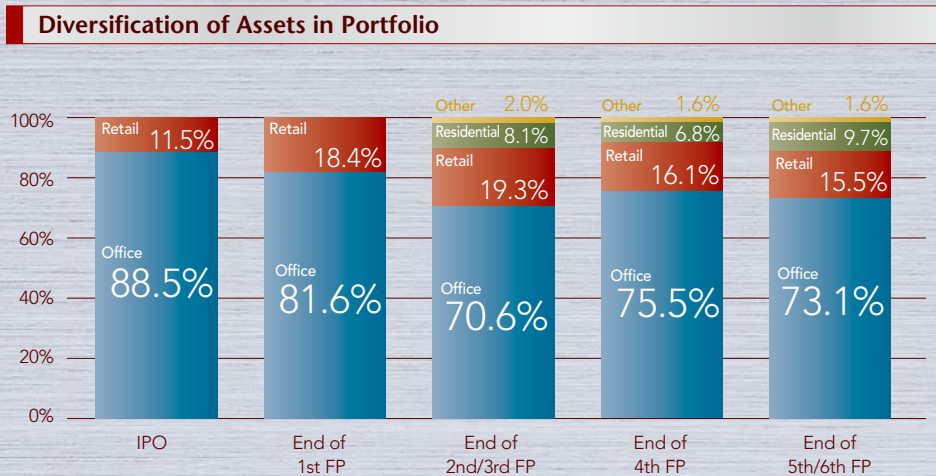
Note: Investment Breakdown indicates the proportion of each property's acquisition value to the total acquisition value of all properties.

# PORTFOLIO

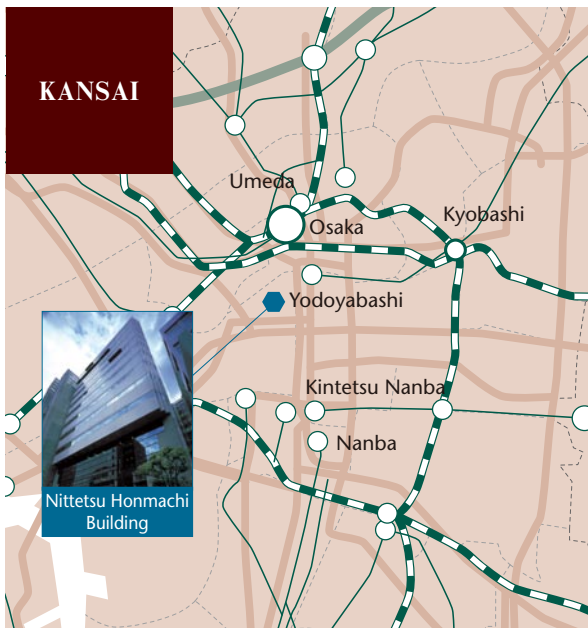
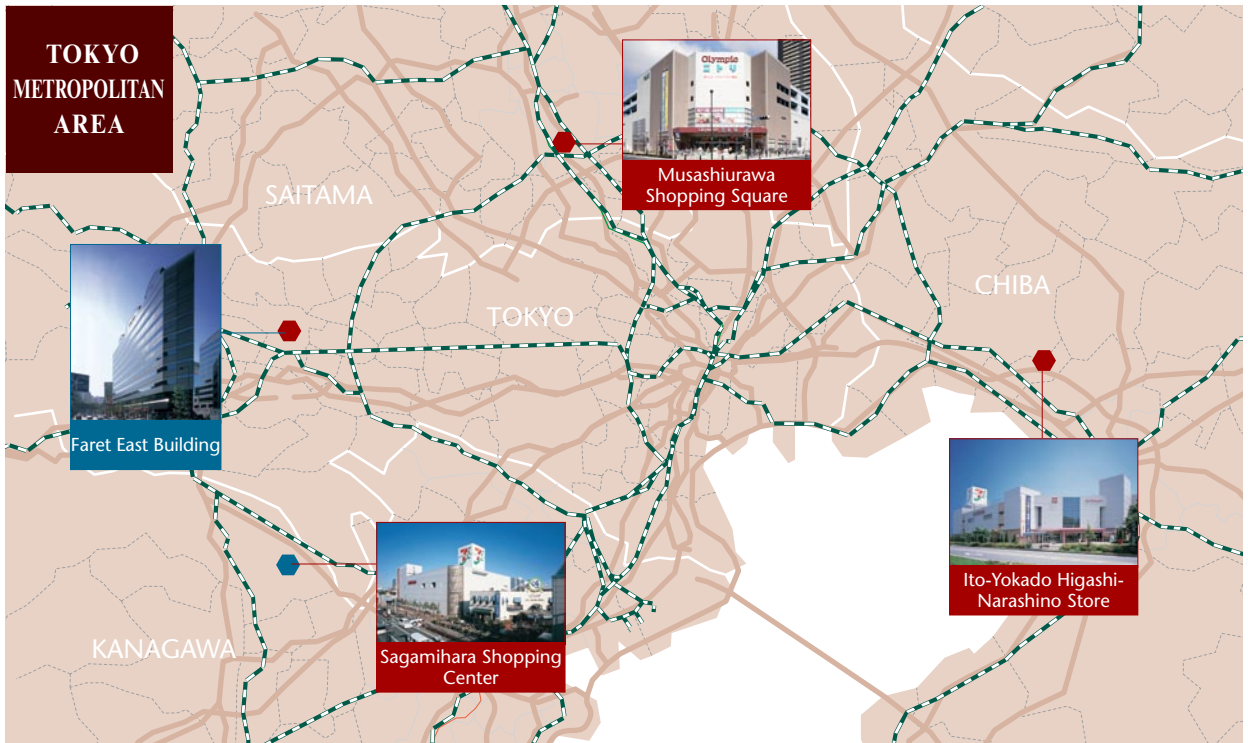
Top REIT Remains Committed to Building a Strong, Diversified Portfolio Centered on the Tokyo Area



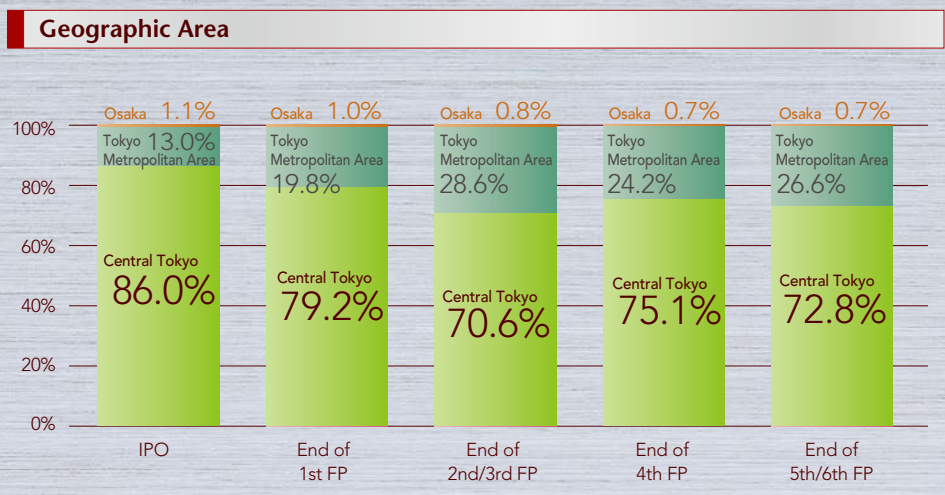
Top REIT boasts a diversified portfolio built around Central Tokyo office properties







<b>Total acquisitions</b>	<b>¥162,347 million</b>
<b>Appraised value (as of April 30, 2009)</b>	<b>¥170,870 million</b>
<b>Properties</b>	<b>14</b>
<b>Rentable area</b>	<b>283,622.23m<sup>2</sup></b>
<b>PML</b>	<b>2.3%</b>



# FINANCIAL STANDING AND STRATEGY

The environment surrounding real estate companies and J-REIT firms was very severe during the Sixth Fiscal Period as a result of the recession in the Japanese economy triggered by the global financial collapse from the fall of 2008. TOP REIT continued our diligent efforts to achieve stable and wise financial management under our sound financial policy ever since our IPO and even in the current economic turmoil.

In particular, we were faced with the challenge to refinance 26 billion yen in March 2009, and we were able to accomplish this without any problem. The severe credit tightening led our creditor banks to raise their terms on the interest spread that had originally been submitted, but we were able to refinance within terms we had originally assumed might occur following a series of determined negotiations between the banks and myself, the CFO of TRAM. In the end, we were unable to avoid a certain degree of increase in borrowing costs; however, the strengths of TOP REIT – sponsor reputation, stability of revenues through a high quality portfolio, and prudent asset and financial management – were definitely demonstrated in the refinancing itself.

There are six particular characteristics to this round of refinancing:

- ① All borrowings remained collateral- and guarantee-free
- ② Diversified repayment dates
- ③ After analyzing interest rate trends, we borrowed funds with a shift towards more short-term loans than before, and made all of the refinanced loans floating interest
- ④ We introduced a one-month TIBOR as the base interest rate for short-term loans
- ⑤ We repaid 260 million yen using cash reserves on hand
- ⑥ We were able to contract within the assumed increase in spread despite the impact from confusion in the financial markets

Additionally, on April 21, 2009, Moody's Investor's Service, Inc. changed TOP REIT's issuer rating from A2 to A3 and the rating projection to "Negative." Despite this, we intend to continue with our wise and prudent financial management and to spread out repayment dates and lengthen the average remaining periods of outstanding loans. Rating and Investment Information (R&I) maintained TOP REIT's AA- rating as well as the rating's "Stable" projection.

## KOJI MURATA DIRECTOR AND CFO TOP REIT ASSET MANAGEMENT, INC.



### PROFILE

Since joining Kanzaki Paper in 1957 (today's Oji Paper), Murata has continually served in financial affairs. While at Oji Paper, he served as manager of the General Affairs Department and group manager of the Financial Group in the Group Headquarters. He was seconded to Oji Real Estate in June 2007. During the same month he was seconded to Top REIT Asset Management where he serves as CFO. He was appointed as director and CFO in July of the same year.

## FINANCIAL POLICY

# STABLE FINANCIAL MANAGEMENT

### Stable Financial Management

- ❖ While the ceiling is 60%, operate with about 50% as the targeted ratio of loans to total assets (LTV)
- ❖ From the standpoint of stable financial management, extend borrowing periods and spread out repayment dates
- ❖ While closely monitoring the market, prepare appropriately for interest rate fluctuation risks

### Stable Bank Formation

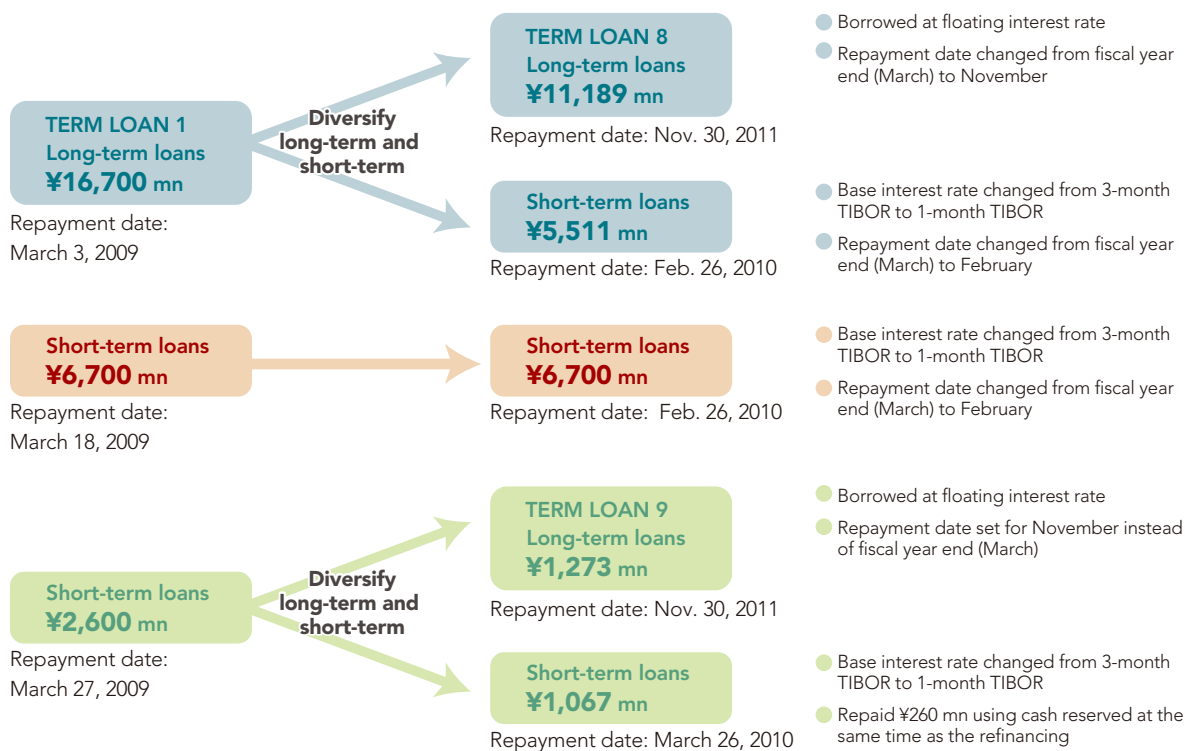
- ❖ Maintain stable transactions with major financial institutions
- ❖ All loans unsecured and without guarantee



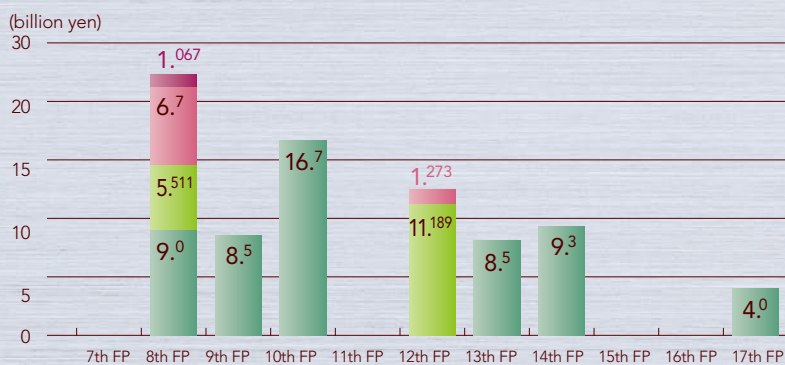
# TOP REIT SUCCESSFULLY REFINANCED 26,000 MILLION YEN

The following figure describes the successful refinancing of 26,000 million yen in loans by TOP REIT. This was done collateral-free and at a difficult time in the markets. All of the fixed interest loans were switched to floating interest rates to take advantage of more inexpensive rates and lower costs, and most repayment dates were shifted away from March, when the demand for funds is high, to February or November.

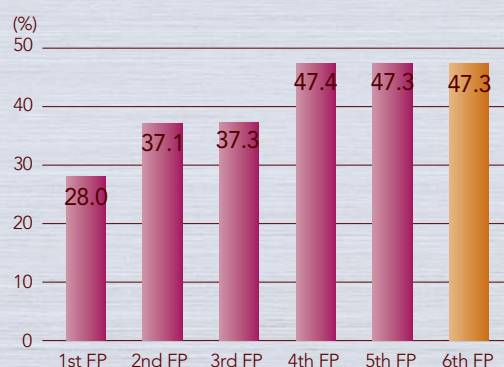
The Sixth Fiscal Period was the third consecutive period in which the LTV was successfully maintained at a level of 47%.



## After Refinancing

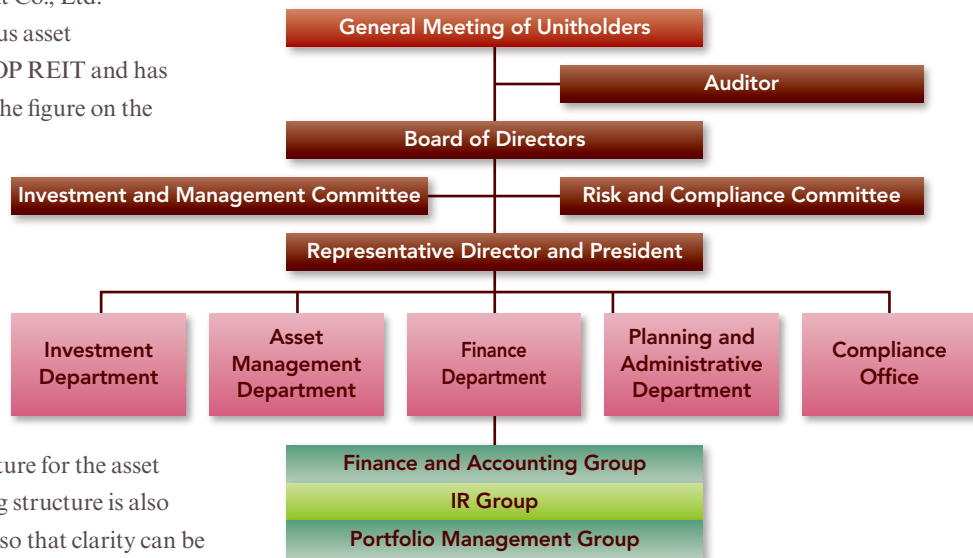


## LTV



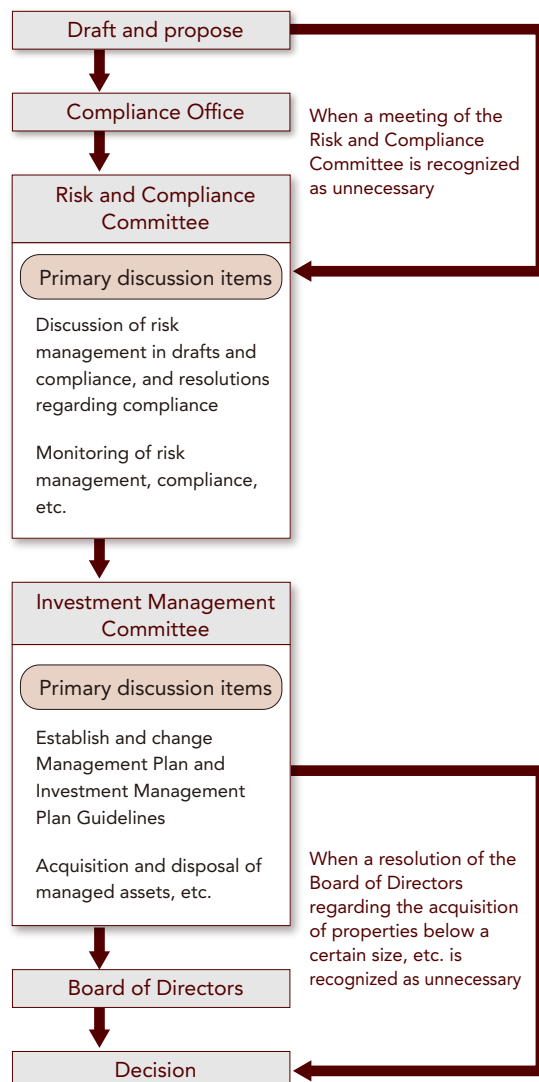
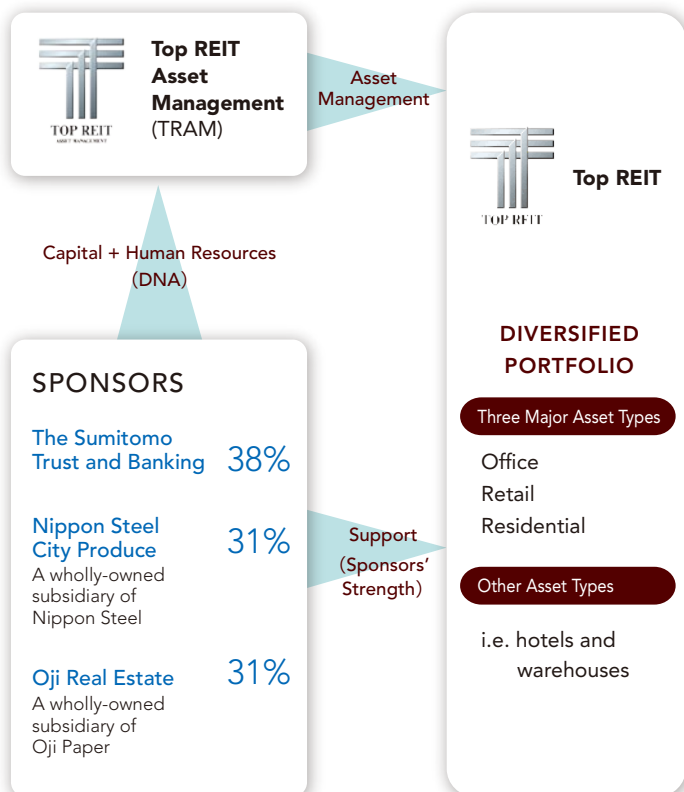
# THE ASSET MANAGER TOP REIT ASSET MANAGEMENT

Top REIT Asset Management Co., Ltd. (TRAM), performs the various asset management functions for TOP REIT and has an organization as shown in the figure on the right. It is important to note, however, that TRAM's primary function is to maximize unitholder value.



In addition to this clear structure for the asset manager, the decision-making structure is also important and is transparent so that clarity can be assured with our investors. The Risk and Compliance Committee also plays an important role in compliance matters.

The interrelationships of the sponsors, asset manager and TOP REIT are best summed up as below, although it must be noted that the real economy strength of the sponsor groups contributes vastly to TOP REIT's underlying strong reputation in the market.





# PROPERTY HIGHLIGHTS

## HARUMI ISLAND TRITON SQUARE OFFICE TOWERS Y & Z

### A Landmark Development Rising Over Eastern Tokyo

Harumi Island Triton Square is a large-scale multi-use destination that is the fruit of a comprehensive redevelopment in Harumi, a bay-side gateway to Tokyo. The signature of the project is the three landmark office skyscrapers and it is also home to a concert hall, over 60 shops and restaurants, other commercial facilities and a high-rise condominium.

Tower Y and Tower Z are "intelligent" office buildings with a standard floor space of approximately 2,000m<sup>2</sup> and 2.7m ceiling height. The property's end tenants include highly recognized blue-chip companies.

Harumi Island Triton Square is located about a six-minute walk from Kachidoki Station on the Toei Subway Oedo Line.



### OFFICE TOWER Y

#### ADDRESS

1-8-11 Harumi, Chuo Ward, Tokyo

#### TYPE OF TITLE

Compartmentalized ownership interest (kubun shoyu-ken) (floors 3-15)

FLOOR SPACE 267,132.67m<sup>2</sup>

COMPLETION October 2001

ACQUISITION PRICE 33,000 million yen

PORTFOLIO SHARE 20.3%

### OFFICE TOWER Z

#### ADDRESS

1-8-12 Harumi, Chuo Ward, Tokyo

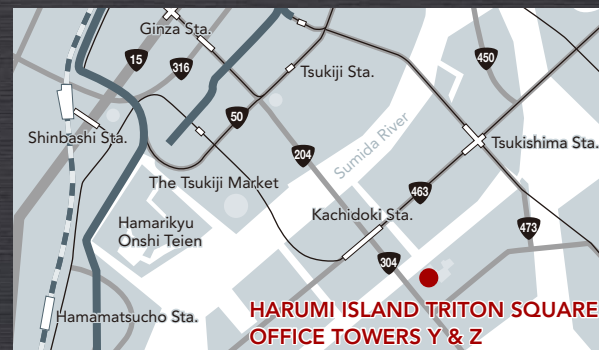
TYPE OF TITLE Compartmentalized ownership interest (kubun shoyu-ken) (part of floor 17, floors 18-22)

FLOOR SPACE 267,132.67m<sup>2</sup>

COMPLETION October 2001

ACQUISITION PRICE 20,000 million yen

PORTFOLIO SHARE 12.3%



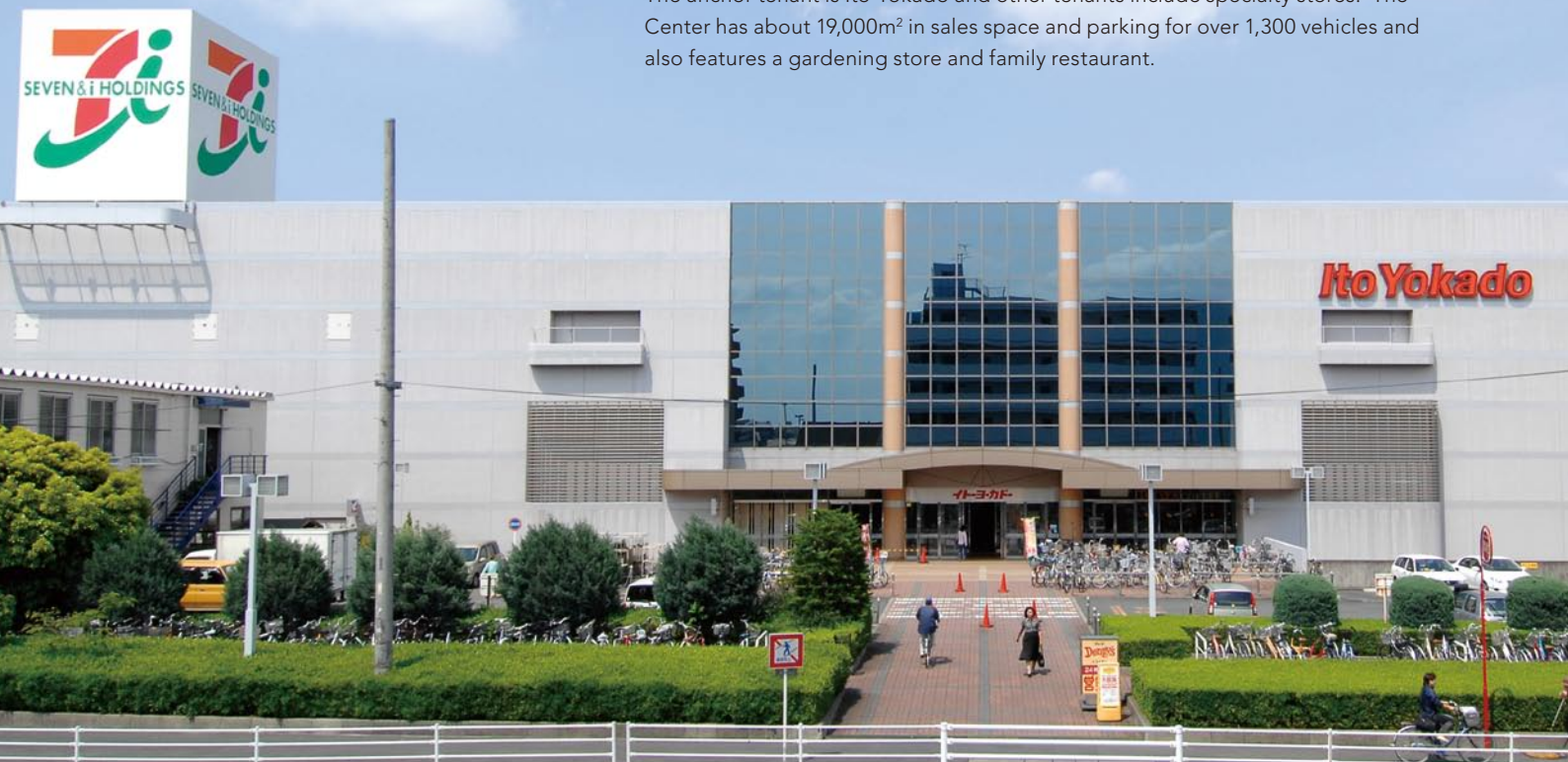


# SAGAMIHARA SHOPPING CENTER

**One of the Most Popular Ito-Yokado Shopping Centers in Japan**

Sagamihara Shopping Center is a large shopping center found along national highway 16, one of Japan's busiest national highways, and also near Kobuchi Station on the JR Yokohama Line, providing excellent access to the property by road or rail. In addition, Sagamihara City is a commuter town of Tokyo with a resident population of 710,336 (as of April 1, 2009), giving it a large and strong position as a commercial area.

The anchor tenant is Ito-Yokado and other tenants include specialty stores. The Center has about 19,000m<sup>2</sup> in sales space and parking for over 1,300 vehicles and also features a gardening store and family restaurant.



ADDRESS	3-13-33 Kobuchi, Sagamihara City, Kanagawa
TYPE OF TITLE	Ownership
FLOOR SPACE	56,351.42m
COMPLETION	August 1993, etc.
ACQUISITION PRICE	12,000 million yen
PORTFOLIO SHARE	7.4%





## FUKASAWA HOUSE TOWERS H & I

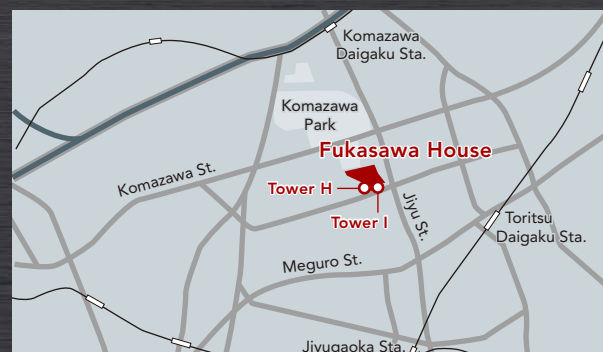
**An Exquisite Western-Style Residence in a Lush Environment**

Fukasawa House Towers H & I are located in one of the most prestigious housing areas in Setagaya Ward, Tokyo and lie adjacent to Komazawa Park. The site itself is rich in greenery and landscaped to provide an excellent residential environment. Fukasawa House is an immense housing project comprised of thirteen residential towers and a retail zone. Tower H and Tower I are the buildings designated for rental housing in the project, and have 124 units ranging in size from two- to four-bedroom units with areas of 75m<sup>2</sup> to about 120m<sup>2</sup>. The towers also boast strong anti-seismic structures.

The property is located a short 15-minute walk from Toritsu Daigaku Station on the Tokyu Toyoko Line, an 18-minute walk from Komazawa Daigaku Station on the Tokyu Den-en-toshi Line and a 20-minute walk from Jiyugaoka Station on the Tokyu Toyoko and Tokyu Oimachi Lines. This site also enjoys good bus access.



ADDRESS	2-1-2 Fukasawa, Setagaya Ward, Tokyo
TYPE OF TITLE	Compartmentalized ownership interest (kubun shoyu-ken)
FLOOR SPACE	12,135.36m <sup>2</sup>
COMPLETION	June 2004
ACQUISITION PRICE	10,635 million yen
PORTFOLIO SHARE	6.6%

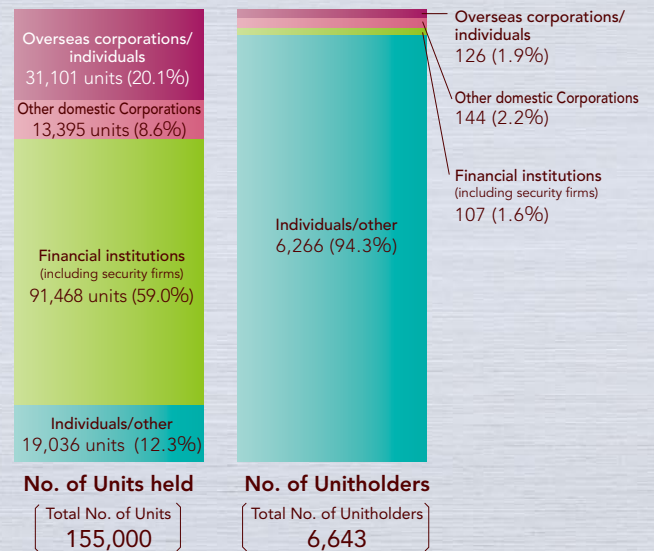




## Unit Price Performance and Volume



## Unitholders (as of end of April 2009)



## IR Schedule

2009

APRIL

End of Sixth Fiscal Period

MAY

JUNE

Announce performance of Sixth Fiscal Period

JULY

Payment of dividend for Sixth Fiscal Period

AUGUST

SEPTEMBER

OCTOBER

End of Seventh Fiscal Period

NOVEMBER

DECEMBER

Announce performance of Seventh Fiscal Period

2010

JANUARY

Payment of dividend for Seventh Fiscal Period

FEBRUARY

MARCH

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