

June 14, 2010

**Summary of Earnings Results for the
Eighth Fiscal Period
(From November 1, 2009 to April 30, 2010)**

Top REIT, Inc. (listed on the Tokyo Stock Exchange with securities code 8982) hereby announces its earnings results for the fiscal period ended April 30, 2010 (eighth fiscal period).

1. Earnings Results for the Eighth Fiscal Period

Eighth Fiscal Period: From November 1, 2009 to April 30, 2010

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

(1) Business Results

	Operating Revenue	Period-on-Period Change	Operating Income	Period-on-Period Change	Ordinary Income	Period-on-Period Change
Eighth Fiscal Period	¥5,814mn	3.7%	¥2,849mn	8.3%	¥2,091mn	6.7%
Seventh Fiscal Period	¥5,608mn	0.0%	¥2,630mn	(2.6%)	¥1,960mn	(4.3%)

	Net Income	Period-on-Period Change	Net Income per Unit	Ratio of Net Income to Unitholders' Equity	Ratio of Ordinary Income to Total Assets	Ratio of Ordinary Income to Operating Revenue
Eighth Fiscal Period	¥2,090mn	6.6%	¥13,484	2.5%	1.2%	36.0%
Seventh Fiscal Period	¥1,961mn	(4.2%)	¥12,655	2.3%	1.1%	35.0%

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

(2) Dividends

	Dividend per Unit (excluding dividend in excess of earnings)	Total Amount of Dividends	Dividend in Excess of Earnings per Unit	Total Amount of Dividends in Excess of Earnings	Dividend Payout Ratio	Ratio of Dividends to Net Assets
Eighth Fiscal Period	¥13,484	¥2,090mn	¥0	¥-mn	100.0%	2.5%
Seventh Fiscal Period	¥12,654	¥1,961mn	¥0	¥-mn	100.0%	2.3%

(3) Financial Position

	Total Assets	Net Assets	Ratio of Unitholders' Equity to Total Assets	Net Assets per Unit
Eighth Fiscal Period	¥186,296mn	¥84,289mn	45.2%	¥543,805
Seventh Fiscal Period	¥172,884mn	¥84,140mn	48.7%	¥542,842

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

(4) Cash Flows

	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at End of Period
Eighth Fiscal Period	¥2,981mn	(¥12,425mn)	¥10,538mn	¥10,886mn
Seventh Fiscal Period	¥3,094mn	(¥387mn)	(¥2,046mn)	¥9,791mn

2. Forecast of Earnings Results for the Ninth Fiscal Period

Ninth Fiscal Period: From May 1, 2010 to October 31, 2010

	Operating Revenue	Period-on-Period Change	Operating Income	Period-on-Period Change	Ordinary Income	Period-on-Period Change
Ninth Fiscal Period	¥6,037mn	3.8%	¥3,004mn	5.4%	¥2,171mn	3.8%

	Net Income	Period-on-Period Change	Dividend per Unit (excluding dividend in excess of earnings)	Dividend in Excess of Earnings per Unit
Ninth Fiscal Period	¥2,170mn	3.8%	¥14,000	¥0

(Note) Estimated net income per unit for the Ninth fiscal period: ¥14,000

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

The earnings results forecasts and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by Top REIT.

Accordingly, the actual results may differ materially due to a variety of factors. Moreover, the forecasts should not be construed as a guarantee of the dividend amount.

3. Others

(1) Changes in Accounting Policies

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

(2) Number of Investment Units Issued and Outstanding

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

This summary of earnings results is translated from the Japanese “Kessan Tanshin” report, dated June 14, 2010, which is prepared in accordance with generally accepted accounting principles in Japan and Japanese law.

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

4. Asset Management Performance

(1) Acquisition and Selling of Assets

Top REIT began the eighth fiscal period with 14 properties (total acquisition value: ¥162,347 million). Having made deliberations over the possible acquisition of properties with a focus on office buildings located in central Tokyo, which Top REIT had carefully selected from the extensive property information collected through the “optimal application of sponsor strengths”, we acquired the beneficiary interest in trust of Sumitomo Corporation Nishiki-cho Building, located in Kanda Nishiki-cho, Chiyoda Ward, Tokyo, at an acquisition price of ¥12,700 million as of January 13, 2010.

As a result, the number of assets managed by Top REIT has increased to 15 properties, with the entire acquisition value totaling ¥175,047 million as of the end of the eighth fiscal period.

(2) Management and Maintenance of Portfolio Assets

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

Top REIT strives to improve tenant satisfaction by sustaining relationships of trust with tenants and discerning tenant needs via property management companies in order to maintain high occupancy rates. Moreover, solicitation of new tenants and other efforts were appropriately made. As a result of such undertakings, the occupancy rate of Top REIT’s entire portfolio at the end of the eighth fiscal period remained flat at 99.2%.

Regarding maintenance, Top REIT followed up on ensuring an appropriate perception of the operational management conditions and steady implementation of asset management plans for each property. Top REIT also carried out repair work that contributes to enhancing the competitiveness of properties and maintaining and improving the functionality of properties based on asset management plans, took steps to keep relevant costs at an appropriate level, as well as conducted efficient management of resources.

5. Procurement of Funds

Top REIT procures funds by adopting a financial policy that is based on stable financial management. During the eighth fiscal period, Top REIT repaid ¥4,908 million in short-term loans payable by borrowing the same amount in long-term loans payable in November 2009 in an aim to increase the ratio of long-term loans payable and further diversify the repayment dates of borrowings. In addition, Top REIT procured ¥12,500 million in long-term loans payable on January 13, 2010 and used the proceeds to acquire the beneficiary interest in trust of Sumitomo Corporation Nishiki-cho Building. Moreover, Top REIT refinanced ¥8,370 million yen in short-term loans payable in February 2010 by borrowing ¥1,670 million in long-term loans payable and the rest in short-term loans payable, and refinanced ¥9,000 million yen in long-term loans payable that matured in March 2010 by borrowing the same amount in long-term loans payable. As a result, at the end of the eighth fiscal period, the total amount of loans payable stands at ¥94,240 million and the ratio of loans payable to total assets (LTV) is 50.6%. Of the total amount of loans payable, 92.9% are long-term loans payable (including the current portion of long-term loans payable) and 47.2% are loans payable with fixed interest rates.

The credit ratings of Top REIT as of April 30, 2010 are as follows:

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

Furthermore, Top REIT submitted a shelf registration statement for investment corporation bonds on May 12, 2010 and issued investment corporation bonds on June 4, 2010. Top REIT will use the funds and cash on hand to repay ¥8,500 million in long-term loans payable that should mature on June 30, 2010.

[Submission of Shelf Registration Statement for Investment Corporation Bonds]

Top REIT submitted a shelf registration statement for investment corporation bonds to the Commissioner of the Kanto Local Finance Bureau for the flexible procurement of long-term loans.

Issue	Amount to be issued	Scheduled period of issue
Investment corporation bonds	¥100 billion	From May 20, 2010 through May 19, 2012

[Issuance of Investment Corporation Bonds]

Based on the comprehensive resolution regarding the offering of issued investment corporation bonds at the meeting of Top REIT's Board of Directors, investment corporation bonds were issued on the below conditions and the payment was completed on June 4, 2010.

- (1) Name of investment corporation bonds
Top REIT, Inc. No. 1 Unsecured Investment Corporation Bonds (with special pari passu conditions among specified Top REIT investment corporation bonds)
- (2) Total amount of investment corporation bonds to be issued
¥8,500,000,000
- (3) Issue price
¥100 per ¥100 of the investment corporation bonds
- (4) Redemption price
¥100 per ¥100 of the investment corporation bonds
- (5) Interest rate
1.00% per annum
- (6) Collateral
The investment corporation bonds are issued on an unsecured, unguaranteed basis and without the backing of specific assets.
- (7) Method and date of redemption
The total amount of the Bonds will be redeemed on June 4, 2015.
- (8) Dates of interest payments
June 4 and December 4 of each year
- (9) Use of funds
Repayment of loans

6. Outlook for the Ninth and Tenth Fiscal Periods

The earnings results forecasts for the ninth fiscal period (from May 1, 2010 to October 31, 2010) and the tenth fiscal period (from November 1, 2010 to April 30, 2011) are as follows:

Fiscal Period [period of asset management]	Ninth Fiscal Period [184 days]	Tenth Fiscal Period [181 days]
Operating Revenue	¥6,037mn	¥5,967mn
Ordinary Income	¥2,171mn	¥2,171mn
Net Income	¥2,170mn	¥2,170mn

Dividend per Unit (excluding dividend in excess of earnings)	¥14,000	¥14,000
Dividend in Excess of Earnings per Unit	¥0	¥0

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

Preconditions for Forecast of Earnings Results for the Ninth Fiscal Period (from May 1, 2010 to October 31, 2010) and the Tenth Fiscal Period (from November 1, 2010 to April 30, 2011)

Item	Preconditions and Assumptions
Management Period	<ul style="list-style-type: none"> • Ninth Fiscal Period: May 1, 2010 – October 31, 2010 (184 days) • Tenth Fiscal Period: November 1, 2010 – April 30, 2011 (181 days)
Portfolio Assets	<ul style="list-style-type: none"> • The forecast is based on the 15 properties Top REIT owns as of April 30, 2010. • The actual circumstances may change due to the acquisition or disposal of properties and other factors. • Top REIT does not have any forward commitments, etc. indicated in the supervision guidelines of the Financial Services Agency (FSA) as of June 14, 2010.
Number of Investment Units Issued and Outstanding	<ul style="list-style-type: none"> • The number of investment units issued and outstanding is based on the number as of April 30, 2010, which is 155,000 units, and assumes that no issuance of new investment units will be made by April 30, 2011.
Interest-Bearing Debt	<ul style="list-style-type: none"> • It is assumed that the total amount of loans will be 94,240 million yen, which is the amount as of April 30, 2010. • For the ninth fiscal period, it is assumed that a loan of 8,500 million yen, for which the repayment date is set on June 30, 2010, will be repaid by using 8,500 million yen procured on June 4, 2010 through the issuance of the No. 1 Unsecured Investment Corporation Bonds and cash on hand. Moreover, it is assumed that 67.5 million yen in long-term loans payable will be repaid on June 30, 2010 as agreed upon. • For the tenth fiscal period, it is assumed that 67.5 million yen in long-term loans payable will be repaid on December 30, 2010 as agreed upon. Moreover, it is assumed that loans of 6,700 million yen and 16,700 million yen, whose repayment dates are set for February 28, 2011 and March 3, 2011, respectively, will be fully refinanced.
Operating Expenses	<ul style="list-style-type: none"> • Top REIT adopts a method treating property, city planning and depreciated asset taxes on real estate, etc. it owns as expenses related to the rent business and an equivalent amount to that of the corresponding management periods is recognized out of the assessed and determined taxation amount. • It is assumed that the amount of property tax will be 587 million yen for the ninth fiscal period and 587 million yen for the tenth fiscal period. • It is assumed that depreciation and amortization will be 1,082 million yen for the ninth fiscal period and 1,090 million yen for the tenth fiscal period. • Repair and maintenance costs are generally expenses that vary greatly by fiscal period and do not occur periodically. Thus they may vary greatly from the assumed expenses. • Management operation fees are assumed by reflecting the varying factors of expenses based on past results.
Non-Operating Expenses	<ul style="list-style-type: none"> • It is assumed that non-operating expenses for the ninth fiscal period will be 838 million yen, of which interest expenses (including loan-related fees) will be 823 million yen. • It is assumed that non-operating expenses for the tenth fiscal period will be 833 million yen, of which interest expenses (including loan-related fees) will be 823 million yen.
Dividend per	<ul style="list-style-type: none"> • Dividends (dividend per unit) are calculated based on the dividend policy stipulated in

Unit	Top REIT's Articles of Incorporation.
Dividend in Excess of Earnings per Unit	<ul style="list-style-type: none"> • Top REIT does not currently anticipate dividends in excess of earnings per unit.
Others	<ul style="list-style-type: none"> • It is assumed that there will be no changes in legislation, taxation, accounting standards, listing rules, or rules and requirements imposed by the Investment Trusts Association, Japan which would impact the aforementioned forecasts. • It is assumed that there will be no unpredictable material changes in general economic trends and real estate market conditions, etc. in Japan.

7. Financial Statements

(1) Balance Sheets

(Unit: thousand yen)

	Seventh Fiscal Period (as of October 31, 2009)	Eighth Fiscal Period (as of April 30, 2010)
Assets		
Current assets		
Cash and deposits	5,422,053	6,184,999
Cash and deposits in trust	4,734,526	4,701,262
Operating accounts receivable	40,663	36,742
Prepaid expenses	118,780	246,767
Deferred tax assets	10	39,187
Income taxes receivable	709	530
Other	—	17,430
Allowance for doubtful accounts	52,926	1,979
Total current assets	10,369,670	11,228,898
Noncurrent assets		
Property, plant and equipment		
Buildings	1,115,185	1,116,573
Accumulated depreciation	(68,974)	(89,700)
Buildings, net	1,046,211	1,026,872
Structures	4,637	4,452
Accumulated depreciation	(1,452)	(1,876)
Structures, net	3,184	2,575
Machinery and equipment	11,436	11,436
Accumulated depreciation	(5,072)	(6,594)
Machinery and equipment, net	6,364	4,842
Tools, furniture and fixtures	1,004	1,004
Accumulated depreciation	(238)	(343)
Tools, furniture and fixtures, net	765	660
Land	4,888,525	4,888,525
Buildings in trust	55,914,251	57,653,042
Accumulated depreciation	(6,864,558)	(7,926,071)
Buildings in trust, net	49,049,692	49,726,970
Structures in trust	654,166	656,108
Accumulated depreciation	(139,641)	(159,651)
Structures in trust, net	514,524	496,456
Machinery and equipment in trust	195,190	208,528
Accumulated depreciation	(50,115)	(60,504)
Machinery and equipment in trust, net	145,075	148,023
Tools, furniture and fixtures in trust	102,522	144,174
Accumulated depreciation	(42,465)	(54,832)
Tools, furniture and fixtures in trust, net	60,056	89,341
Land in trust	106,523,104	118,234,009
Total property, plant and equipment	162,237,504	174,618,279
Intangible assets		
Other	255	233
Total intangible assets	255	233
Investments and other assets		
Lease and guarantee deposits	10,000	10,000
Long-term prepaid expenses	83,237	300,759
Deferred tax assets	52,537	—
Other	120,377	132,394
Total investments and other assets	266,153	443,154
Total noncurrent assets	162,503,912	175,061,667
Deferred assets		
Deferred organization expenses	11,340	5,670
Total deferred assets	11,340	5,670
Total assets	172,884,923	186,296,235

(Unit: thousand yen)

	Seventh Fiscal Period (as of October 31, 2009)	Eighth Fiscal Period (as of April 30, 2010)
Liabilities		
Current liabilities		
Operating accounts payable	221,363	116,903
Short-term loans payable	13,278,000	6,700,000
Current portion of long-term loans payable	17,500,000	25,335,000
Accounts payable – other	245,514	296,129
Accrued expenses	176,511	228,365
Income taxes payable	375	441
Accrued consumption taxes	74,301	—
Advances received	754,800	909,119
Derivatives liabilities	—	120,135
Other	2,552	2,438
Total current liabilities	32,253,420	33,708,533
Noncurrent liabilities		
Long-term loans payable	50,962,000	62,205,000
Tenant leasehold and security deposits	129,308	147,894
Tenant leasehold and security deposits in trust	5,248,561	5,945,013
Derivatives liabilities	151,123	—
Total noncurrent liabilities	56,490,992	68,297,908
Total liabilities	88,744,413	102,006,441
Net Assets		
Unitholders' equity		
Unitholders' capital	82,260,100	82,260,100
Surplus		
Unappropriated retained earnings (undisposed loss)	1,961,454	2,090,112
Total surplus	1,961,454	2,090,112
Total unitholders' equity	84,221,554	84,350,212
Valuation and translation adjustments		
Deferred gains or losses on hedges	(81,044)	(60,419)
Total valuation and translation adjustments	(81,044)	(60,419)
Total net assets	84,140,509	84,289,793
Total liabilities and net assets	172,884,923	186,296,235

(2) Statements of Income

(Unit: thousand yen)

	Seventh Fiscal Period (May 1, 2009 – October 31, 2009)	Eighth Fiscal Period (November 1, 2009 – April 30, 2010)
Operating revenue		
Rent revenue – real estate	5,584,441	5,797,208
Other lease business revenue	23,797	17,007
Total operating revenue	5,608,239	5,814,215
Operating expenses		
Expenses related to rent business	2,429,438	2,405,910
Asset management fee	423,051	436,159
Asset custody fee	7,766	8,062
Administrative service fees	59,841	61,108
Directors' compensations	5,250	6,900
Audit fee	10,000	10,000
Other operating expenses	42,715	36,280
Total operating expenses	2,978,064	2,964,421
Operating income	2,630,175	2,849,794
Non-operating income		
Interest income	6,676	5,366
Reversal of dividends payable	—	1,061
Other	900	826
Total non-operating income	7,577	7,254
Non-operating expenses		
Interest expenses	619,578	671,063
Amortization of deferred organization expenses	5,670	5,670
Other	52,320	89,284
Total non-operating expenses	677,568	766,018
Ordinary income	1,960,183	2,091,030
Extraordinary income		
Refunded Property taxes	2,312	—
Total extraordinary income	2,312	—
Income before income taxes	1,962,495	2,091,030
Income taxes – current	825	1,011
Income taxes – deferred	221	(9)
Total income taxes	1,047	1,002
Net income	1,961,448	2,090,028
Retained earnings brought forward	5	84
Unappropriated retained earnings (undisposed loss)	1,961,454	2,090,112

(3) Statements of Cash Flows

(Unit: thousand yen)

	Seventh Fiscal Period (May 1, 2009 – October 31, 2009)	Eighth Fiscal Period (November 1, 2009 – April 30, 2010)
Net cash provided by (used in) operating activities		
Income before income taxes	1,962,495	2,091,030
Depreciation and amortization	1,105,369	1,127,065
Amortization of deferred organization expenses	5,670	5,670
Amortization of right of trademark	21	21
Increase (decrease) in allowance for doubtful accounts	(523)	—
Interest income and interest on securities	(6,676)	(5,366)
Interest expenses	619,578	671,063
Decrease (increase) in operating accounts receivable	(4,813)	3,921
Decrease (increase) in income taxes receivable	900	178
Decrease (increase) in consumption taxes receivable	—	(17,430)
Decrease (increase) in prepaid expenses	(18,635)	(127,986)
Decrease (increase) in other current assets	1,047	613
Increase (decrease) in operating accounts payable	53,177	(38,118)
Increase (decrease) in accounts payable – other	(11,612)	8,665
Increase (decrease) in accrued consumption taxes	26,599	(74,301)
Increase (decrease) in advances received	(5,141)	154,318
Decrease (increase) in long-term prepaid expenses	33,599	(217,522)
Other, net	(49,426)	10,544
Subtotal	3,711,629	3,592,366
Interest income received	6,122	5,869
Interest expenses paid	(622,922)	(616,201)
Income taxes paid	(536)	(945)
Net cash provided by (used in) operating activities	3,094,292	2,981,089
Net cash provided by (used in) investing activities		
Payments into time deposits	(365,000)	(525,000)
Proceeds from withdrawal of time deposits	—	890,000
Purchase of property, plant and equipment	(5,209)	(1,191)
Purchase of property, plant and equipment in trust	(14,499)	(13,503,884)
Proceeds from tenant leasehold and security deposits	—	18,586
Repayments of tenant leasehold and security deposits	(11,774)	—
Proceeds from tenant leasehold and security deposits in trust	34,907	761,941
Repayments of tenant leasehold and security deposits in trust	(26,280)	(65,489)
Net cash provided by (used in) investing activities	(387,857)	(12,425,037)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	—	6,700,000
Decrease in short-term loans payable	—	(13,278,000)
Proceeds from long-term loans payable	—	28,078,000
Repayment of long-term loans payable	—	(9,000,000)
Dividends paid	(2,046,930)	(1,961,370)
Net cash provided by (used in) financing activities	(2,046,930)	10,538,630
Net increase (decrease) in cash and cash equivalents	659,505	1,094,682
Cash and cash equivalents at beginning of period	9,132,073	9,791,579
Cash and cash equivalents at end of period	9,791,579	10,886,261

8. Portfolio Data

Asset Class	Area	Property Name	Acquisition Value (million yen)	Appraisal Value at End of Period (million yen)	Investment Breakdown (Note) (%)
Office Building	Central Tokyo	NEC Head Office Building	41,950	47,750	27.0
		Harumi Island Triton Square Office Tower Y	33,000	39,300	22.2
		Harumi Island Triton Square Office Tower Z	20,000	15,500	8.7
		Sumitomo Corporation Nishiki-cho Building	12,700	14,100	8.0
		Akasaka Oji Building	9,660	13,300	7.5
		Kanda Park Plaza	5,156	5,047	2.8
		Shiba-Koen Building	5,770	3,710	2.1
	Tokyo Metropolitan Area	Faret East Building	2,091	2,500	1.4
	Kansai	Nittetsu Honmachi Building	1,100	1,390	0.8
Subtotal (9 properties)			131,427	142,597	80.5
Retail Property	Tokyo Metropolitan Area	Sagamihara Shopping Center	12,000	10,700	6.0
		Ito-Yokado Higashi-Narashino Store	8,900	5,613	3.2
		Musashiurawa Shopping Square	4,335	3,800	2.1
	Subtotal (3 properties)			25,235	20,113
Residential Property	Tokyo Metropolitan Area	Fukasawa House Towers H&I	10,635	7,180	4.1
		Ecology Toyosu Procentury	5,160	4,560	2.6
	Subtotal (2 properties)			15,795	11,740
Other Property	Central Tokyo	OAK PLAZA	2,590	2,696	1.5
	Subtotal (1 property)			2,590	2,696
Total			175,047	177,146	100.0

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

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

Contact for inquiries in Japanese:

Top REIT Asset Management Co., Ltd. (Asset Manager)
Koji Murata, Director, General Manager, Finance Department
+81-3-3243-2181

Contact for inquiries in English:

Top REIT Asset Management Co., Ltd. (Asset Manager)
E-mail address: info-top@top-reit-am.co.jp

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