



TOP REIT
(TSE Code: 8982)

Top REIT, Inc.

Presentation on
Business Results for
the 8th Fiscal Period

November 1, 2009—
April 30, 2010

June 17, 2010

Topics: Overview since Listing

I. Summary of Results of the Eighth Fiscal Period (Ended April 30, 2010)

- I-1. Highlights of the Eighth Fiscal Period
- I-2. Summary of the Eighth Fiscal Period

II. Results of Past Periods and Forecasts

- II-1. Results of Past Periods and Forecasts
- II-2. Results of Past Periods and Forecasts (Summary)

III. Growth Strategy: Leaping for the Next Stage

- III-1. The Top REIT Edge
- III-2. Market Prospects
- III-3. Growth Strategy for the Next Stage
- III-4. Future Strategy for the Next Stage

IV. Eighth Fiscal Period Operating Results and Future Initiatives

- IV-1. Operating Results: History of Asset Growth
- IV-2. Operating Results: Maintaining High Occupancy Rate
- IV-3. Operating Results: Results from Office Rent Revision
- IV-4. Operating Strategies: Schedule of future Rent Revisions

V. Financial Strategies

- V-1. Financial Strategies: Stable Financial management
- V-2. Financial Strategies: Financial Status / Spreading Out Repayment Dates
- V-3. Financial Strategies: Issuer Rating and Loans at End of Eighth Fiscal Period

VI. Eighth Fiscal Period Results (Ended April 30, 2010)

- VI-1. Statements of Income (Summary) / Statements of Cash Distributions
- VI-2. Balance Sheets (Summary)
- VI-3. Major Financial Indicators
- VI-4. Unitholders
- VI-5. Unit Price Performance and Volume (March 1, 2006 – May 31, 2010)

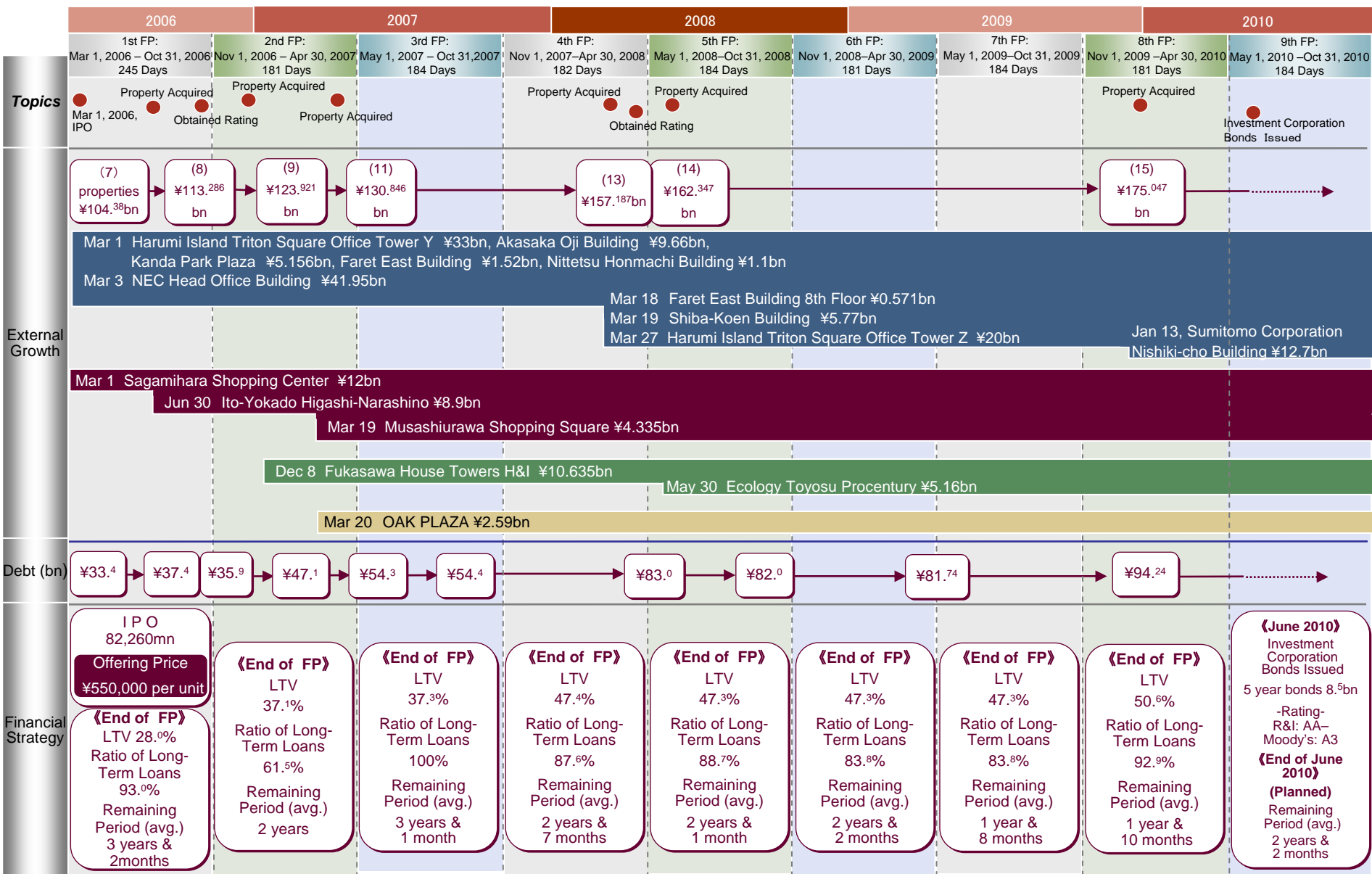
VII. Appendix: Portfolio Overview

- VII-1. Portfolio Map
- VII-2. Portfolio Summary (as at end of 8th FP)
- VII-3. Portfolio Overview (as at end of 8th FP)
- VII-4. Appraisal Values at End of Period
- VII-5. Appraisal Cap Rate
- VII-6. Operating Income by Property (Eighth Fiscal Period)
- VII-7-9. Property Details

VIII. Appendix: Structure of Related Parties

- VIII-1. Characteristics of Top REIT and Operational Strategies
- VIII-2. Overview of Asset Manager
- VIII-3. Decision Making on Acquisition and Sale of Properties

TOPICS. Overview since Listing



I. Summary of Results of the Eighth Fiscal Period (Ended April 30, 2010)

I-1. Highlights of the Eighth Fiscal Period

《 External Growth 》 – Sumitomo Corporation Nishiki-cho Building



Address	3-11-1, Kanda Nishiki-cho, Chiyoda Ward, Tokyo
Acquisition Price	¥12.7bn (acquired on January 13, 2010)
Site Area / Floor Area	2,105.12m ² / 12,169.78m ² (Steel and reinforced concrete structure with a flat roof / 9 floors above ground and 2 floors below)
Completion	March 1973 (large-scale renovation undertaken in November 2001 and earthquake-resistant reinforcement construction implemented in October 2009)
Appraisal Value	¥14.1bn (as of November 1, 2009) by Japan Real Estate Institute
NOI Yield / Cap Rate	Assumed NOI yield: 6.2% / Cap rate (through Direct Capitalization Method): 5.2%

[Key Points of the Acquisition]

- (1) Property with strong competitiveness and superiority (excellent transit access, fairly comparable specifications with those of the latest office buildings)
- (2) Leased in whole by subsidiary of blue-chip listed company (stable occupancy)
- (3) Expected high level of returns

《 Financial Strategy 》

- ◆ Prepaid ¥4.908bn in short-term loans and procured the same amount in long-term loans in November 2009
- ◆ Procured ¥12.5bn to acquire the Sumitomo Corporation Nishiki-cho Building in January 2010 ⇒ In addition to a stable bank formation, borrowed from a new lender
- ◆ Implemented refinancing of ¥17.37bn ⇒ (¥6.7bn in short-term loans and ¥1.67bn converted into long-term loans in February 2010, ¥9.0bn in long-term loans in March 2010)

《 Dividend 》

Cash Dividend for Eighth Fiscal Period

¥13,484

- ◆ Acquisition of Sumitomo Corporation Nishiki-cho Building raises revenues (contribution of approximately 3 months' worth)
- ◆ Maintained high occupancy rate (99.2%)
- ◆ Cash dividend surpassed forecast (+¥84)

I-2. Summary of the Eighth Fiscal Period

Items	8th FP Results November 1, 2009 – April 30, 2010	8th FP Forecast (Announced on December 15, 2009)	Net Change (Results vs. Forecast)		7th FP Results May 1, 2009 – October 31, 2009	Net Change (8th FP Results vs. 7th FP Results)	
Period of asset management (days)	181	181	–	–	184	–	–
Operating revenue	¥5,814mn	¥5,803mn	¥11mn	0.2%	¥5,608mn	¥205mn	3.7%
Operating income	¥2,849mn	¥2,851mn	(¥2mn)	(0.1%)	¥2,630mn	¥219mn	8.3%
Ordinary income	¥2,091mn	¥2,078mn	¥13mn	0.6%	¥1,960mn	¥130mn	6.7%
Net income	¥2,090mn	¥2,077mn	¥13mn	0.6%	¥1,961mn	¥128mn	6.6%
Number of units issued and outstanding (unit)	155,000	155,000	–	–	155,000	0	–
Dividend per unit (yen)	¥13,484	¥13,400	¥84	0.6%	¥12,654	¥830	6.6%
Number of properties	15	15	0	–	14	1	–
Appraisal value total	¥177,146mn	–	–	–	¥164,948mn	¥12,198mn	7.4%

■ Difference between Forecast and Actual Results

Operating Revenue: +¥11mn

- Increase in revenue from utility expenses
- Change better the occupancy rate of Fukasawa House HI

Operating Income: -¥2mn

- Increase in repairing expenses

Ordinary Income: +¥13mn

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

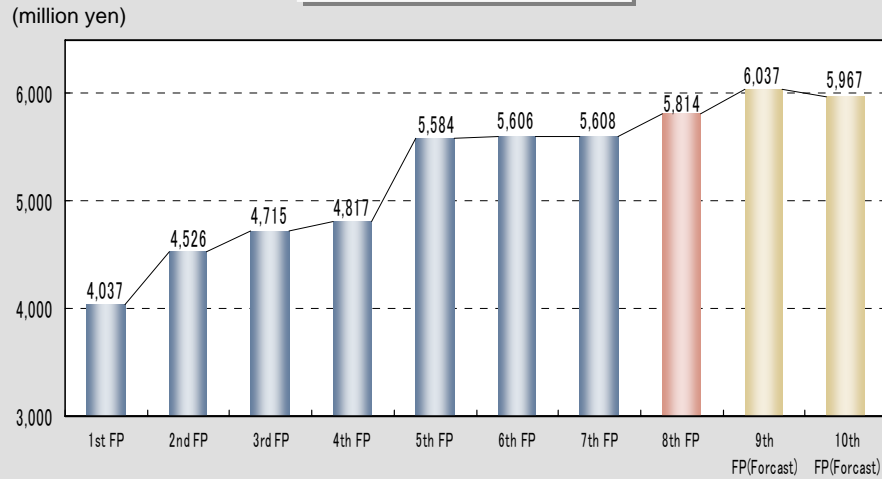
■ Other References

Item	8th FP Results	7th FP Results
Number of tenants	44	42
Total rentable floor space	291,647.88m ²	283,622.23m ²
Occupancy rate	99.2%	99.2%
Depreciation and amortization	¥1,127mn	¥1,105mn
Capital expenditures	¥544mn	¥97mn
Term-end unit price	¥444,000	¥402,000
Term-end market capitalization	¥68,820mn	¥62,310mn

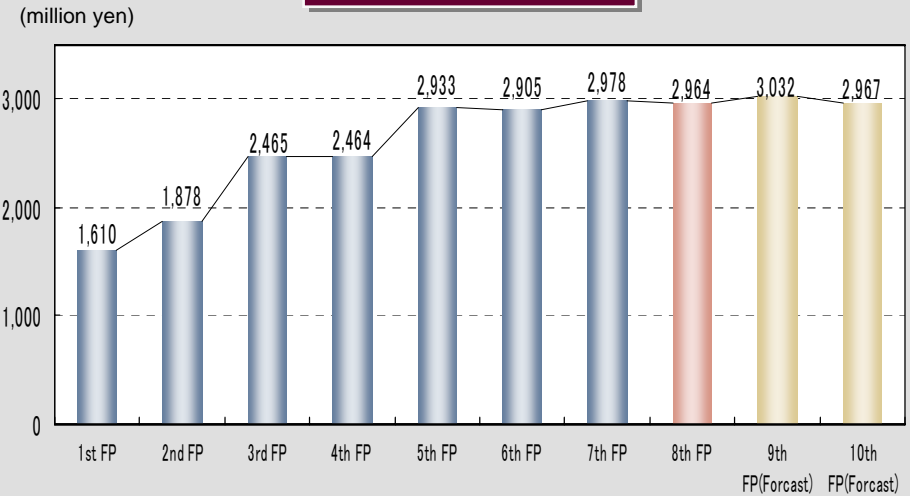
II. Results of Past Periods and Forecasts

II- 1. Results of Past Periods and Forecasts

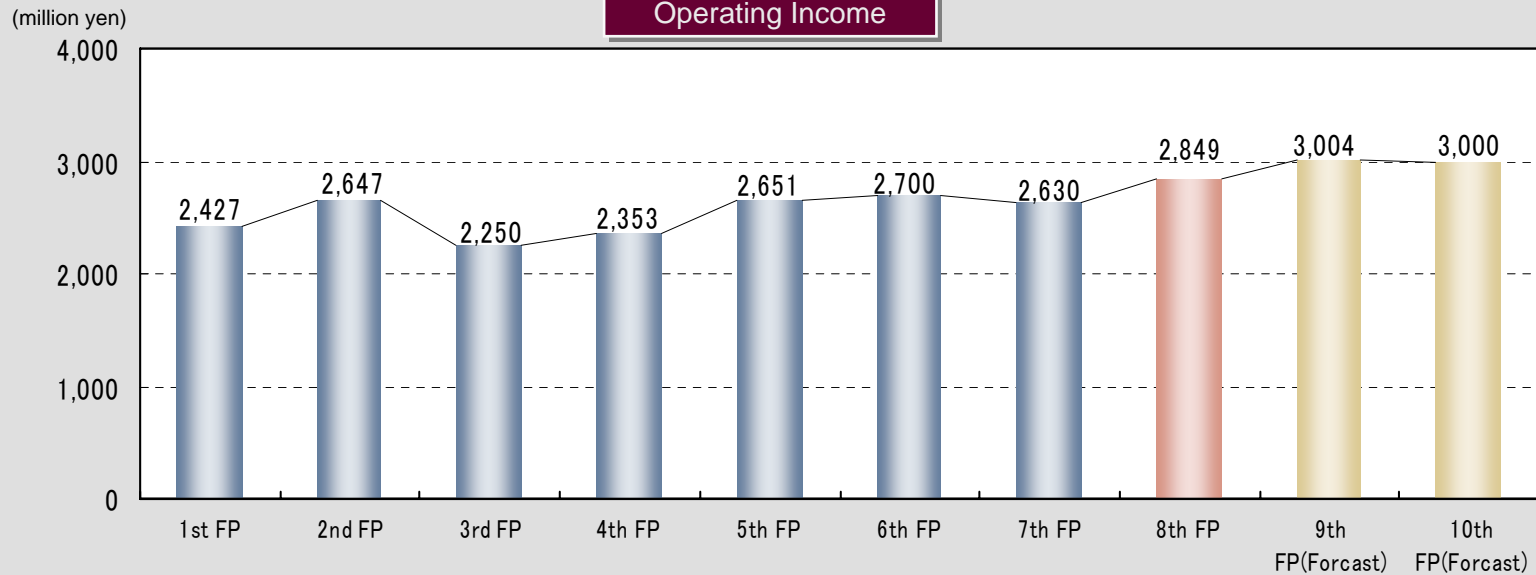
Operating Revenue



Operating Expenses

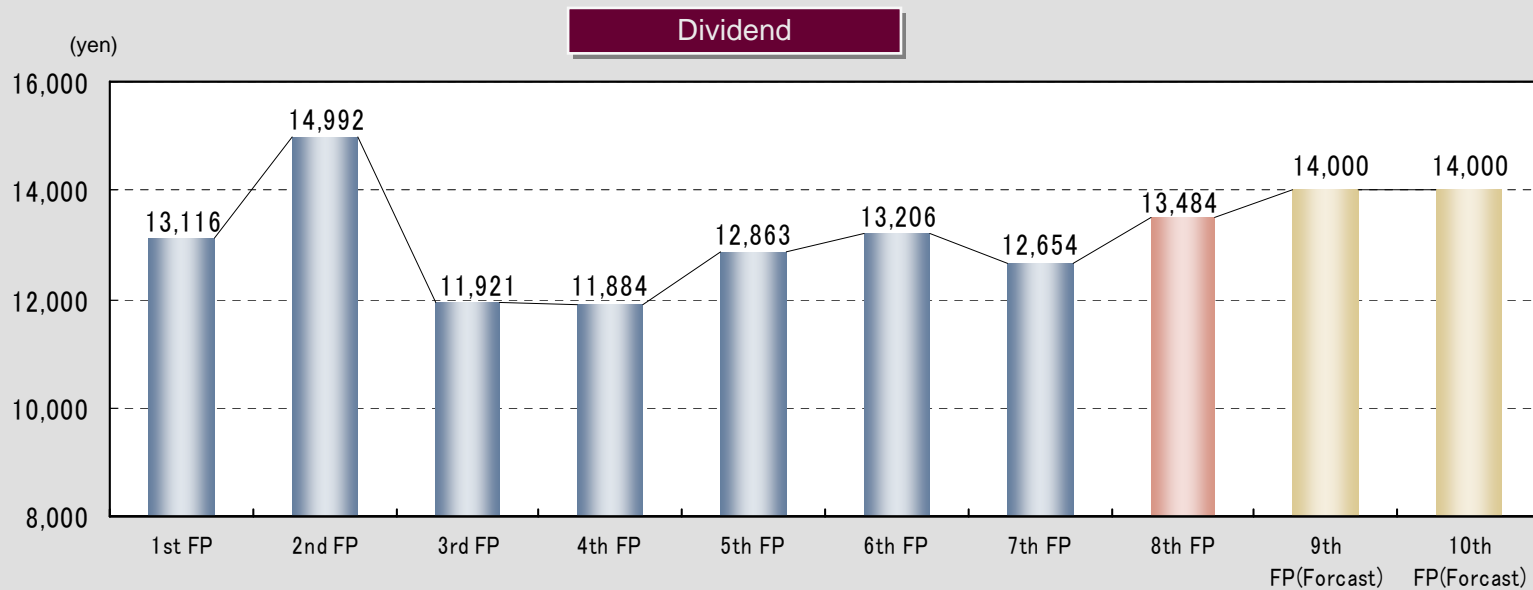
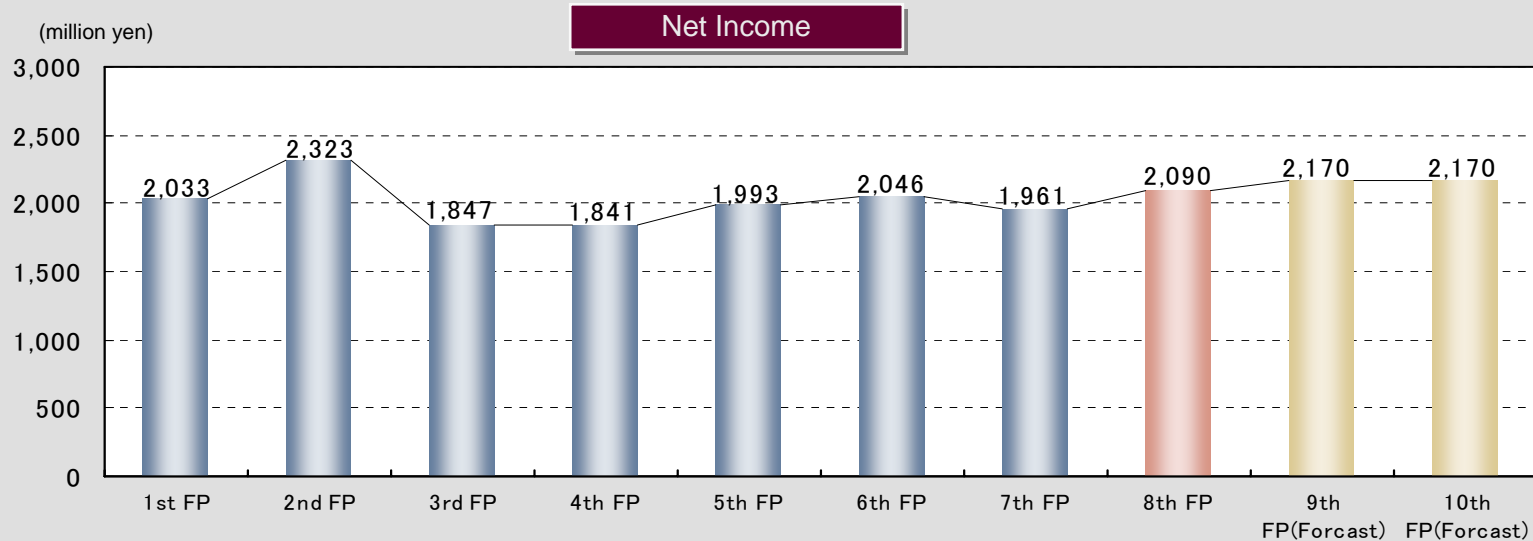


Operating Income



* 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

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

II- 2. Results of Past Periods and Forecasts (Summary)

Item	3rd Fiscal Period	4th Fiscal Period	5th Fiscal Period	6th Fiscal Period	7th Fiscal Period	8th Fiscal Period	9th Fiscal Period (Forecast)	10th Fiscal Period (Forecast)
Period of asset management (days)	184	182	184	181	184	181	184	181
Operating revenue	¥4,715mn	¥4,817mn	¥5,584mn	¥5,606mn	¥5,608mn	¥5,814mn	¥6,037mn	¥5,967mn
Operating expenses	¥2,465mn	¥2,464mn	¥2,933mn	¥2,905mn	¥2,978mn	¥2,964mn	¥3,032mn	¥2,967mn
Of which, expenses related to rent business (excluding taxes and dues, and depreciation and amortization)	¥553mn	¥547mn	¥701mn	¥718mn	¥762mn	¥711mn	¥751mn	¥702mn
Of which, taxes and dues	¥490mn	¥439mn	¥522mn	¥476mn	¥561mn	¥567mn	¥587mn	¥587mn
Of which, depreciation and amortization	¥927mn	¥987mn	¥1,147mn	¥1,151mn	¥1,105mn	¥1,127mn	¥1,082mn	¥1,090mn
Operating income	¥2,250mn	¥2,353mn	¥2,651mn	¥2,700mn	¥2,630mn	¥2,849mn	¥3,004mn	¥3,000mn
Ordinary income	¥1,848mn	¥1,842mn	¥1,994mn	¥2,047mn	¥1,960mn	¥2,091mn	¥2,171mn	¥2,171mn
Net income	¥1,847mn	¥1,841mn	¥1,993mn	¥2,046mn	¥1,961mn	¥2,090mn	¥2,170mn	¥2,170mn
Net operating income from property leasing	¥3,671mn	¥3,830mn	¥4,360mn	¥4,412mn	¥4,284mn	¥4,535mn	¥4,698mn	¥4,677mn
FFO	¥2,775mn	¥2,829mn	¥3,141mn	¥3,198mn	¥3,066mn	¥3,217mn	¥3,252mn	¥3,260mn
Number of units issued and outstanding (units)	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000
Dividend per unit	¥11,921	¥11,884	¥12,863	¥13,206	¥12,654	¥13,484	¥14,000	¥14,000
FFO per unit	¥17,903	¥18,255	¥20,266	¥20,635	¥19,785	¥20,755	¥20,986	¥21,037
Precondition 9th Fiscal Period 10th Fiscal Period	Number of properties: 15 Loans outstanding: 9th fiscal period ¥94. ¹⁷ bn. 10th fiscal period ¥94. ¹¹ bn. Non-operating expenses: 9th fiscal period ¥838mn (of which, interest and other financial expenses: ¥823mn) 10th fiscal period ¥833mn (of which, interest and other financial expenses: ¥823mn)							

Note: The forecasts should not be construed as a guarantee of the actual dividends

III. Growth Strategy: Leaping for the Next Stage

The Top REIT Edge

◆ Sponsor strengths

- 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

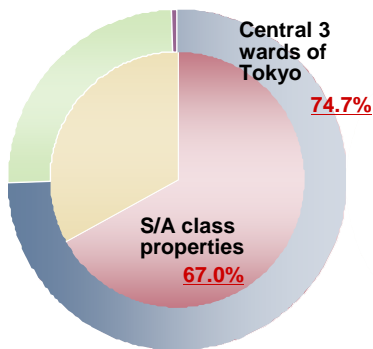
Nippon Steel City Produce
(a wholly-owned subsidiary of Nippon Steel)

Oji Real Estate
(a wholly-owned subsidiary of Oji Paper)

◆ Superior portfolio

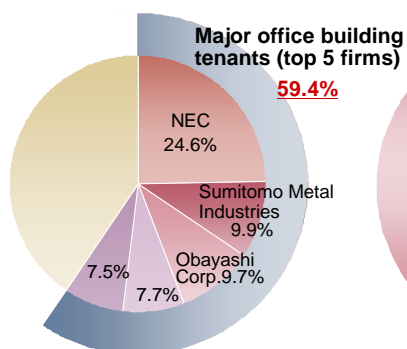
- (1) Primarily large-scale office buildings in central Tokyo (3 central wards: **74.7%**, S/A class: **67.0%**)
- (2) Major office tenants (**59.4%**) are well-rated firms that use buildings as headquarters or major operational bases
- (3) High occupancy rates and stable revenues due to long-term rent agreements (**61.6%**), of which fixed rent (**38.4%**)

① Area and Property Grade



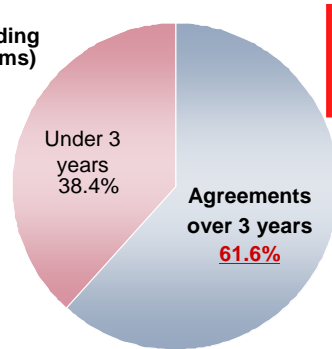
*Based on acquisition price

② Major Office Tenants



*Based on monthly rent (overall)

③ Long-Term Agreements (over 3 years)



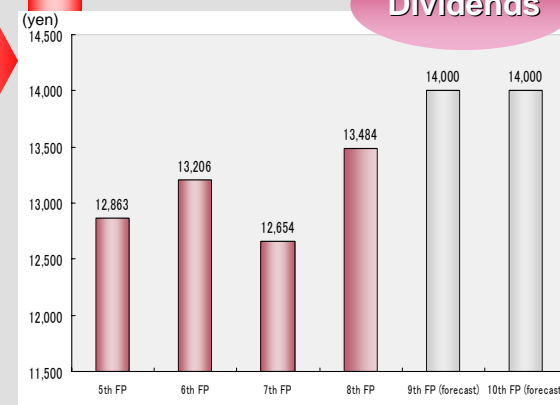
*Based on monthly rent (overall)

Maintain period-end occupancy rates since listing at **over 99%**

Growth in asset size

Stable payment of Dividends

Dividends



Real Estate Leasing Market

[Present state]

- ◆ Office rents weakening, even in central Tokyo
- ◆ Office vacancy rates in central Tokyo remain high
- ◆ Severe competition in high-rent residences
- ◆ Studio and family rental residences in good locations showing steady performance

[Future prospects]

- ◆ Emergence of bottom for rents at some superior office properties in central Tokyo
- ◆ Expansion of polarization of office rent levels
 - ⇒ Top REIT's strategy
 - Maintain high occupancy, secure stable revenues through introduction of long-term agreements

Real Estate Transaction Market

[Present state]

- ◆ Stalled recovery in number of real estate transactions
- ◆ Rising pace of cap rate slowing down (sign of bottoming out of real estate prices)
- ◆ Absence of sales of Class S and Class A properties
- ◆ Signs of gradual entry of new buyers as well

[Future prospects]

- ◆ Expected gradual increase in transactions through improved fund procurement environment
- ◆ Appearing transactions of small to mid-sized properties in central Tokyo
 - ⇒ Top REIT's strategy
 - Strengthen external growth strategy, broadly examine superior properties

Financial / Capital Market

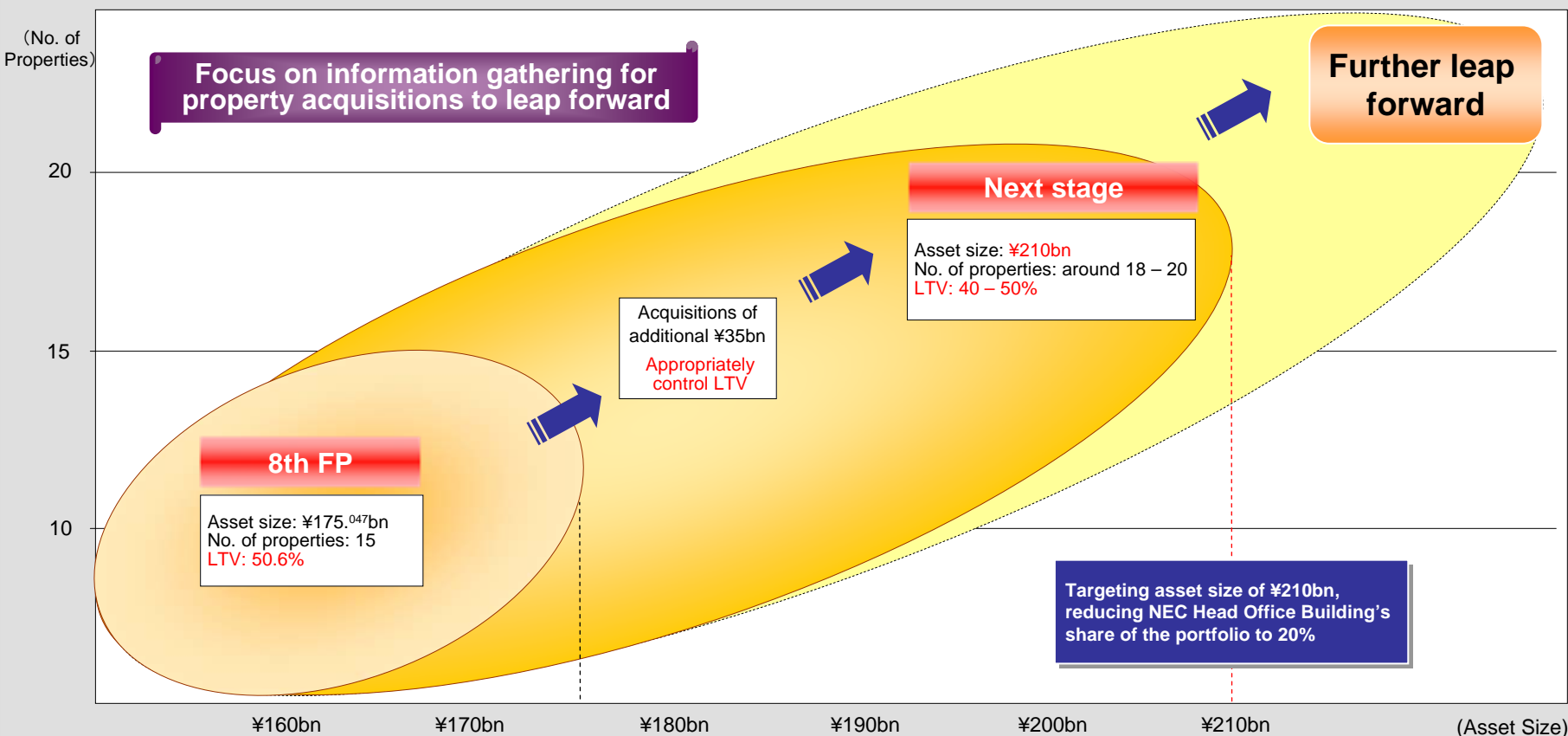
[Present state]

- ◆ Historical market interest rate declining
- ◆ Lending stance toward real estate industry remains severe
- ◆ Since last fall, public offerings and bond issues have resumed in J-REIT market
- ◆ Weak stock market, etc. due to supply and demand imbalance

[Future prospects]

- ◆ Market interest rates will stabilize at low position due to Bank of Japan's low interest rate monetary policy
- ◆ Expected recovery of capital market
 - ⇒ Top REIT's strategy
 - While closely monitoring the market environment, select bank loans, corporate bonds, public offerings, etc.

III-3. Growth Strategy for the Next Stage



	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"> ◆ Target residential properties ▪ Located in Central Tokyo or Tokyo metropolitan area, close to railway stations and with excellent transit access ▪ Stable occupancy rates and rent levels 	Approx. 25%

Future Policy

Growth Methods

- ◆ Fully utilize the **Top REIT Edge**
- ◆ Implement growth strategy with an extreme focus on the level of **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 level of investment units and property returns, as well as amount of net assets and dividend (per unit)
- ◆ Consider M&A and joining of new sponsors

Current Management Policy

Leaping for the Next Stage

- ◆ Secure foothold for revenues through flawless management of existing properties
 - Continue to secure stable revenues by introducing long-term rent agreements
 - Continue to strengthen tenant relations and maintain high occupancy
- ◆ External growth that perceives good acquisition opportunities for superior properties
 - Utilize sponsor strengths
 - Focus on information gathering and examine superior properties
- ◆ Select fund procurement means according to the market environment

Next Stage

Asset Size

**Implement
¥210.⁰bn**

Dividend Level

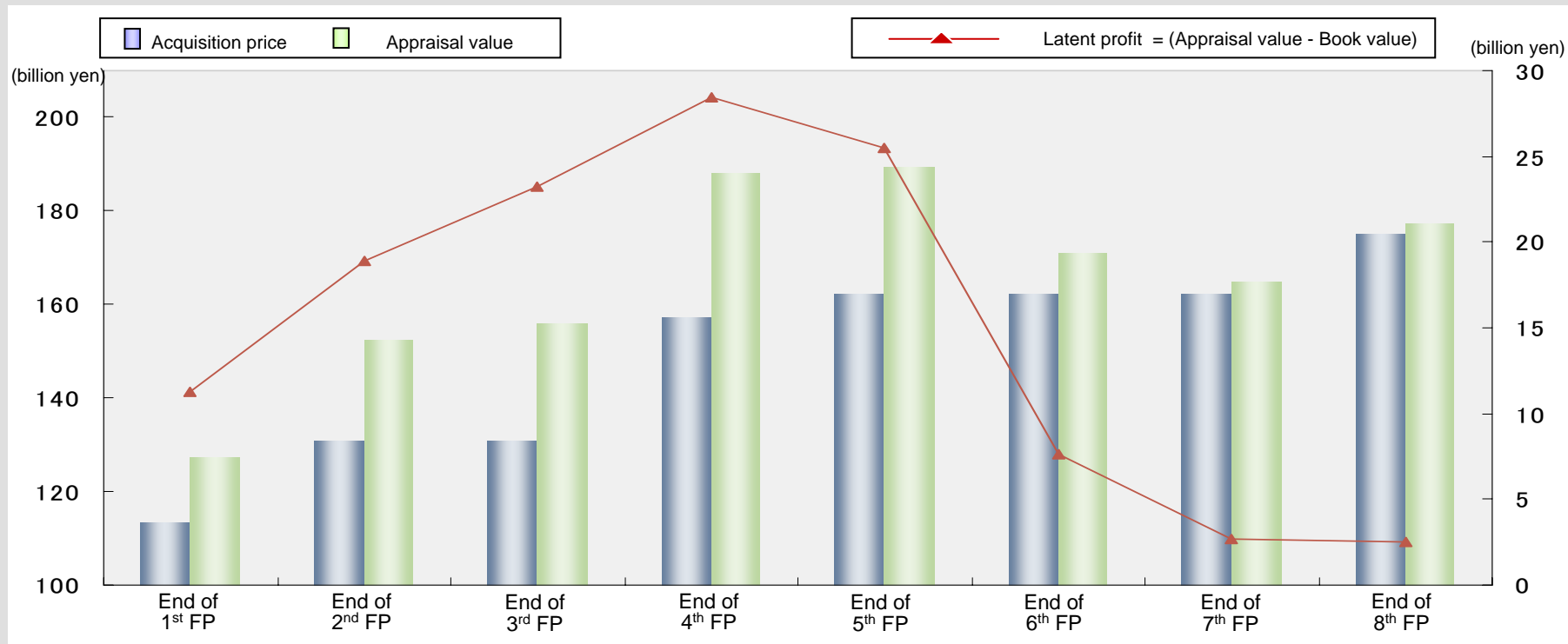
**Maintain
¥13,000~14,000**

Increase investor value

IV. Eighth Fiscal Period Operating Results and Future Initiatives

IV-1. Operating Results: History of Asset Growth

History of Asset Growth



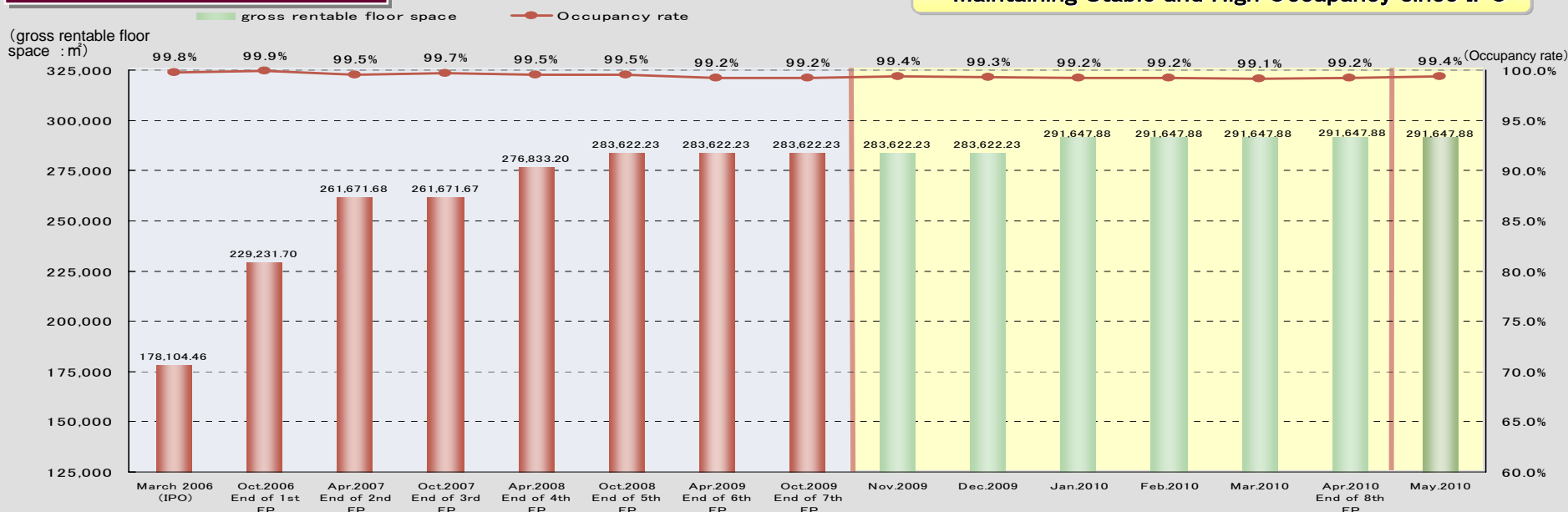
	IPO March 2006	End of 1st FP Oct. 2006	End of 2nd FP April 2007	End of 3rd FP Oct. 2007	End of 4th FP April 2008	End of 5th FP Oct. 2008	End of 6th FP April 2009	End of 7th FP Oct. 2009	End of 8th FP April 2010
Acquisition price	¥104. ³⁸⁶ bn	¥113. ²⁸⁶ bn	¥130. ⁸⁴⁶ bn	¥130. ⁸⁴⁶ bn	¥157. ¹⁸⁷ bn	¥162. ³⁴⁷ bn	¥162. ³⁴⁷ bn	¥162. ³⁴⁷ 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
Appraisal value	¥104. ²⁶⁷ bn	¥127. ⁴⁴² bn	¥152. ⁴⁶⁸ bn	¥155. ⁹²³ bn	¥188. ⁰³⁵ bn	¥189. ⁴⁴¹ bn	¥170. ⁸⁷⁰ bn	¥164. ⁹⁴⁸ bn	¥177. ¹⁴⁶ bn
Latent profit	—	¥11. ²⁵⁵ bn	¥18. ⁸⁹² bn	¥23. ²²⁵ bn	¥28. ⁴⁵⁰ bn	¥25. ⁴⁵⁶ bn	¥7. ⁶²⁵ bn	¥2. ⁷¹¹ bn	¥2. ⁵²⁸ bn

*Acquisition price and appraisal value details are provided on P35 and P36

IV- 2. Operating Results : Maintaining High Occupancy Rate

Occupancy Rate (Portfolio)

Maintaining Stable and High Occupancy since IPO



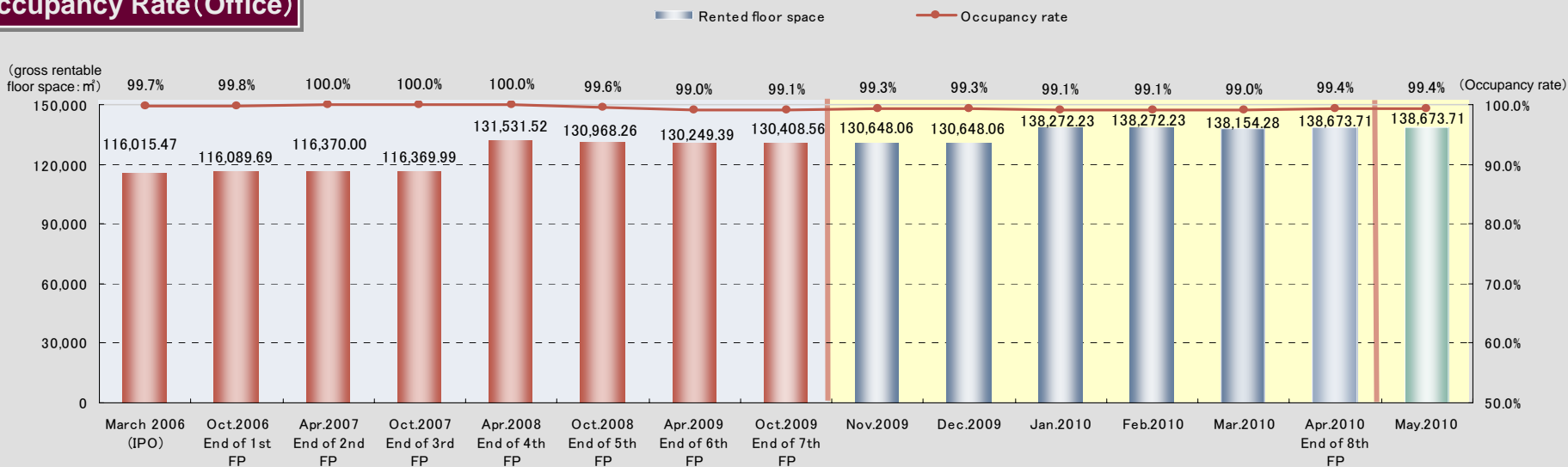
Property	Main tenant	Based on rent per Share of portfolio	Based on rented floor space per share of portfolio	Tenancy period (years)	Expiration date	Notes	
Long-Term Rent Agreement (3 years or more)	NEC Head Office Building	NEC Corporation	24.6%	24.8%	Previous owner	Dec. 28, 2025	Fixed-rate rent by Dec. 2013 (16 th FP) Cancellation banned until Dec. 2013 (16 th FP)
	Harumi Island Toriton Square Office Tower Y	Partly tenant	9.9%	4.1%	9.0	Mar. 31, 2011	Ordinary lease contract until Mar. 2012(12 th FP)
	Harumi Island Toriton Square Office Tower Z	Obayashi Corporation	9.7%	3.7%	Previous owner	Mar. 31, 2011	Fixed-term lease contract (fixed-rate rent) until Mar. 2011 (10 th FP)
	Sagamihara Shopping Center	Ito-Yokado Co., Ltd.	7.3%	20.9%	16.7	Aug., 10, 2013	Next rent revision: Aug. 2011 (11 th FP)
	Ito-Yokado Higashinarashino Store	Ito-Yokado Co., Ltd	4.2%	17.5%	15.3	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%	4.4	Oct. 31,2025	Cancellation banned until Oct. 2015(19 th FP) Fixed-rate rent until Oct. 2010 (9 th FP)
	OAK PLAZA	Nippon Steel City Produce, Ltd.	1.7%	2.1%	Previous owner	Mar. 31,2027	Fixed-rate rent until Mar. 2017(22 nd FP) Cancellation banned until Mar. 2017(22 nd FP)
	Others	—	1.8%	1.2%	—	—	—
Total		61.6%	79.4%				

*Lease agreements with 3 or more years set as the lease period at the time of conclusion of current agreement

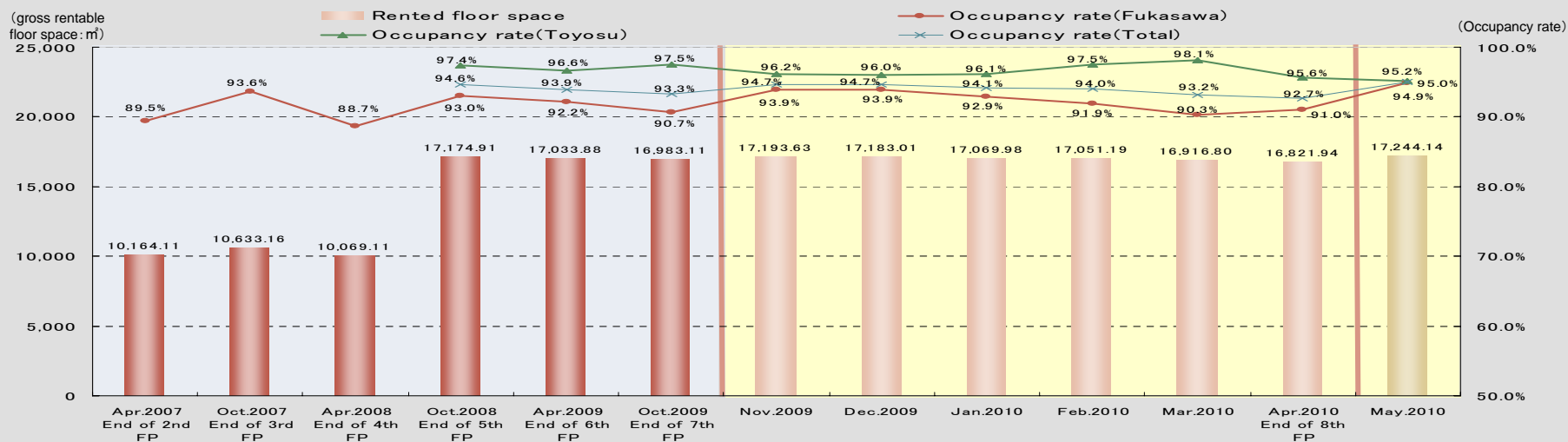
The Source of High Occupancy Rates

IV- 2. Operating Results: Maintaining High Occupancy Rate

Occupancy Rate (Office)

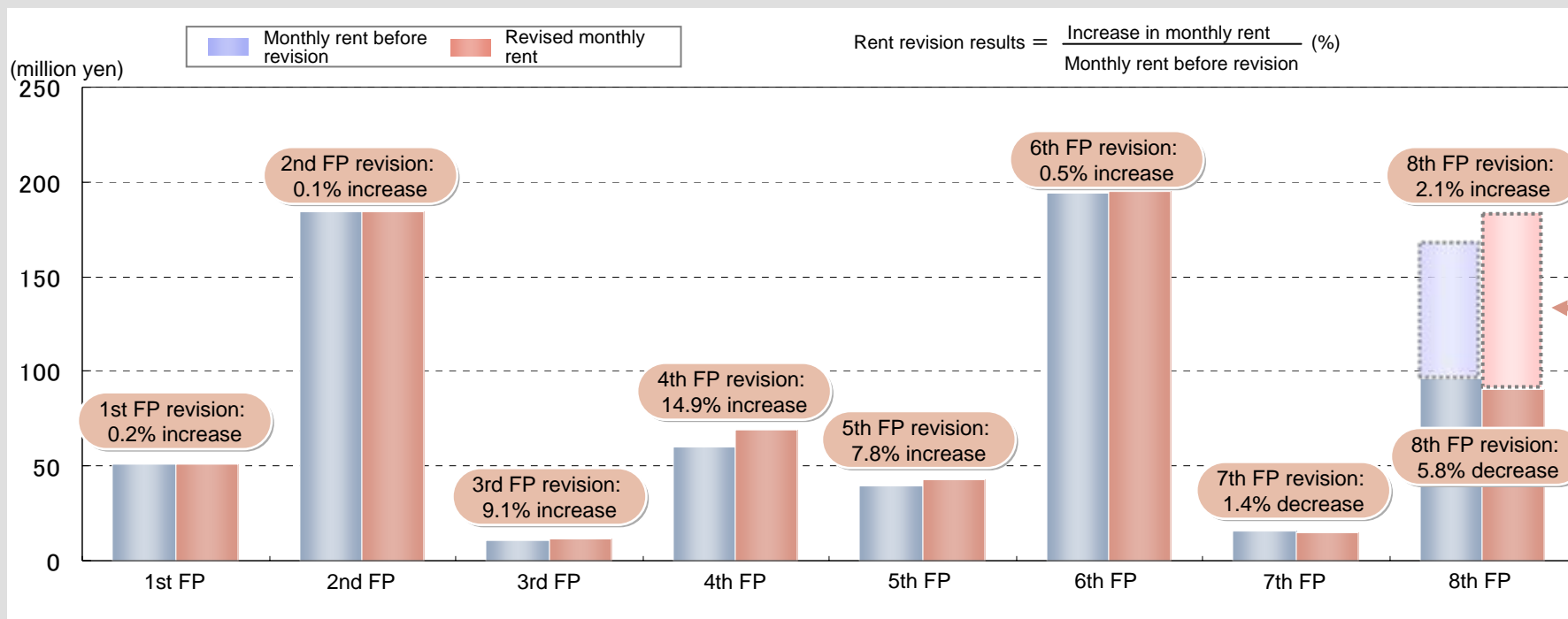


Occupancy Rate (residential)



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

Office: Rent Revision Results (As at end of 8th FP)



◆ Results of 8th FP Rent Revision

~ Small decrease despite severe environment ~

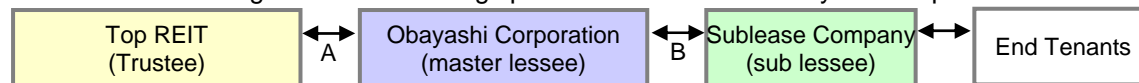
Renewed contracts with 15 tenants, upon which rent was revised downward by 5.8% on average compared with the level before renewal

<Breakdown >

- Rent unchanged: 7 tenants
- Rent revised downward: 8 tenants

【Special Factors】 Harumi Island Toriton Square Z

- Lease agreement containing special covenants with Obayashi Corporation -



- (1) Obayashi Corporation rents the property and subleases it to the tenants as the master lessee.
- (2) It was agreed that when the sublease rent (B) is revised upwards, equivalent amount over the original rent (A) will be paid.
 - ⇒ Upward revision of rent was conducted between Obayashi Corporation and sub lessee (B) in April 2010
 - ⇒ Rent of Obayashi Corporation (A), a master lessee, increased

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

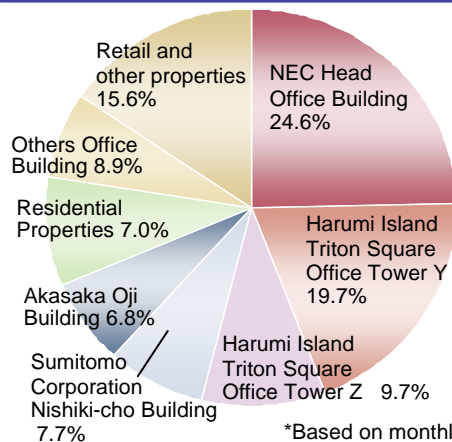
「Tenants First」 Policy = 「Maintaining and Improving tenants satisfaction」

Maintain and enhance asset value by discerning and appropriately incorporating tenant needs

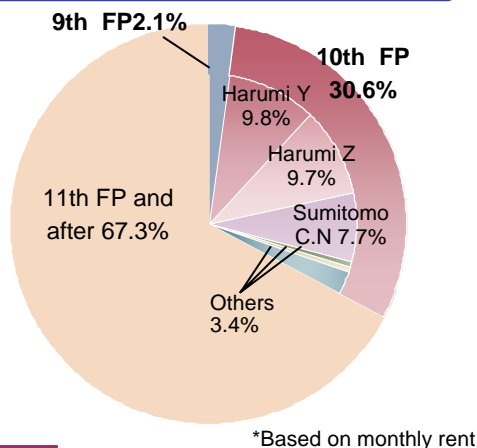
Secure stable revenue for the long term by creating a favorable relationship with superior tenants

Schedule of Rent Revisions in the 9th FP & 10th FP

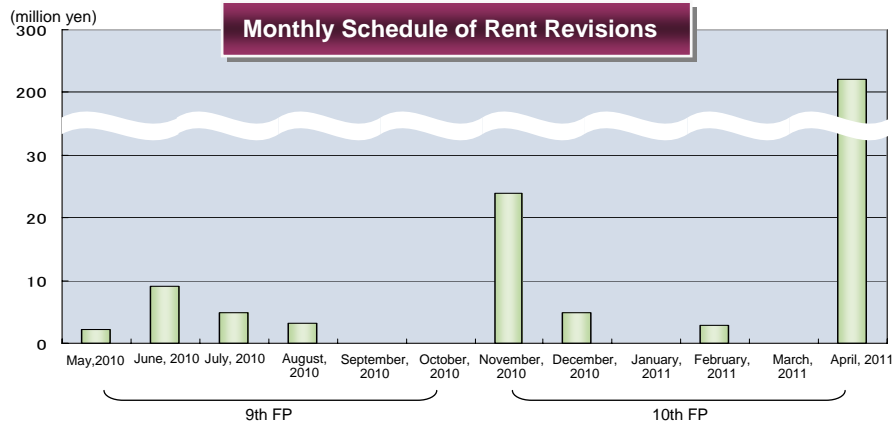
Composition of Monthly Rent by Property



Rent Revisions in 9th FP and After



Period	Property	Tenants
9th FP	Kanda Park Plaza (parts of tenants)	7 tenants
	Fare East Building (parts of tenants)	
	Nittetsu Honmachi Building (parts of tenants)	
10th FP	Harumi Island Toriton Y (parts of tenants)	14 tenants
	Harumi Island Toriton Z(※)	
	Sumitomo Corporation Nishiki-cho Building	
	Shiba-Koen Building (parts of tenants)	
	Fare East Building (parts of tenants)	
	Musashiurawa shopping Square	



[Points of Rent Revision]

*10th FP

Rent Revisions in November, 2010 (scheduled)

- Musashiurawa shopping Square

Rent Revisions in April, 2011 (scheduled)

- Harumi Island Toriton Square Office Tower Y (partly)
- Harumi Island Toriton Square Office Tower Z(※)
- Sumitomo Corporation Nishiki-cho Building

※ Note: As fix-term lease contract will terminate, a new contract will be concluded.

V. Financial Strategies

Financial Policies (Stable Financial Management)

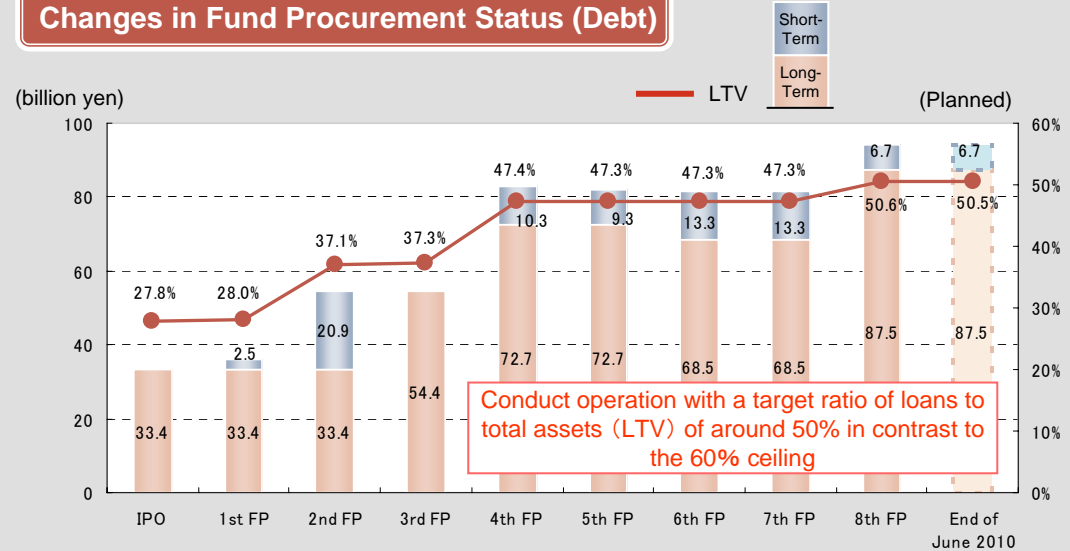
Maintain stable bank formation and secure financial flexibility

Extend Borrowing Periods and Spread Out Repayment Dates

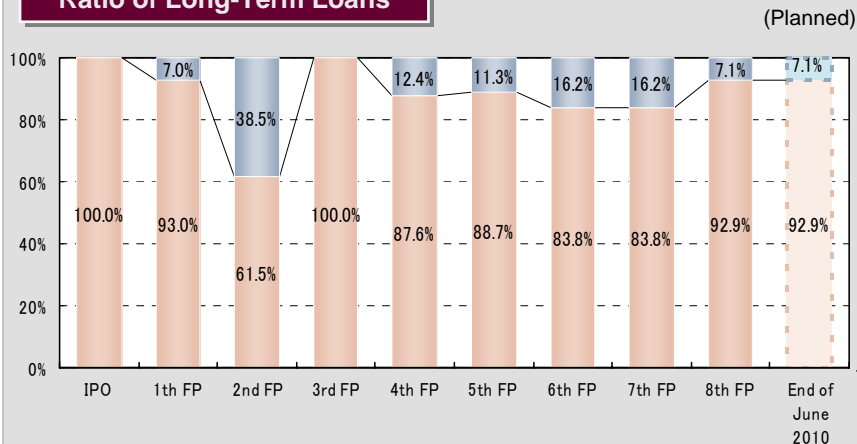
Manage Risk of Fluctuating Interest Rates

Manage Risk of Fluctuating Interest Rates

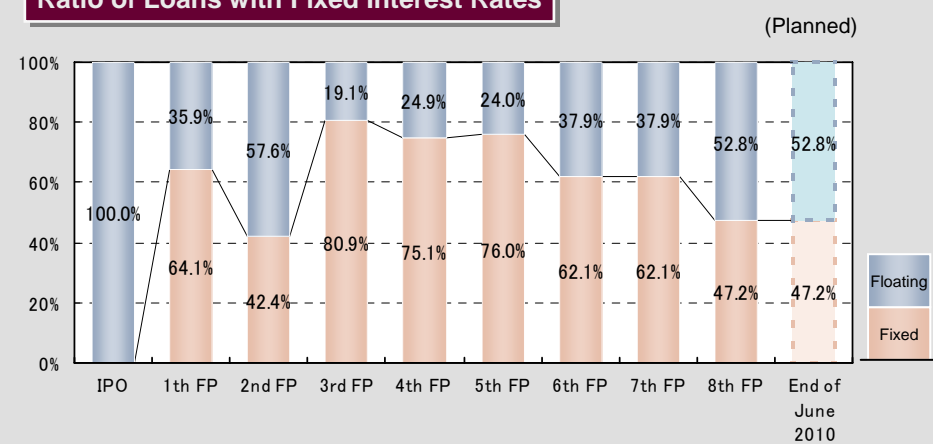
Changes in Fund Procurement Status (Debt)



Ratio of Long-Term Loans



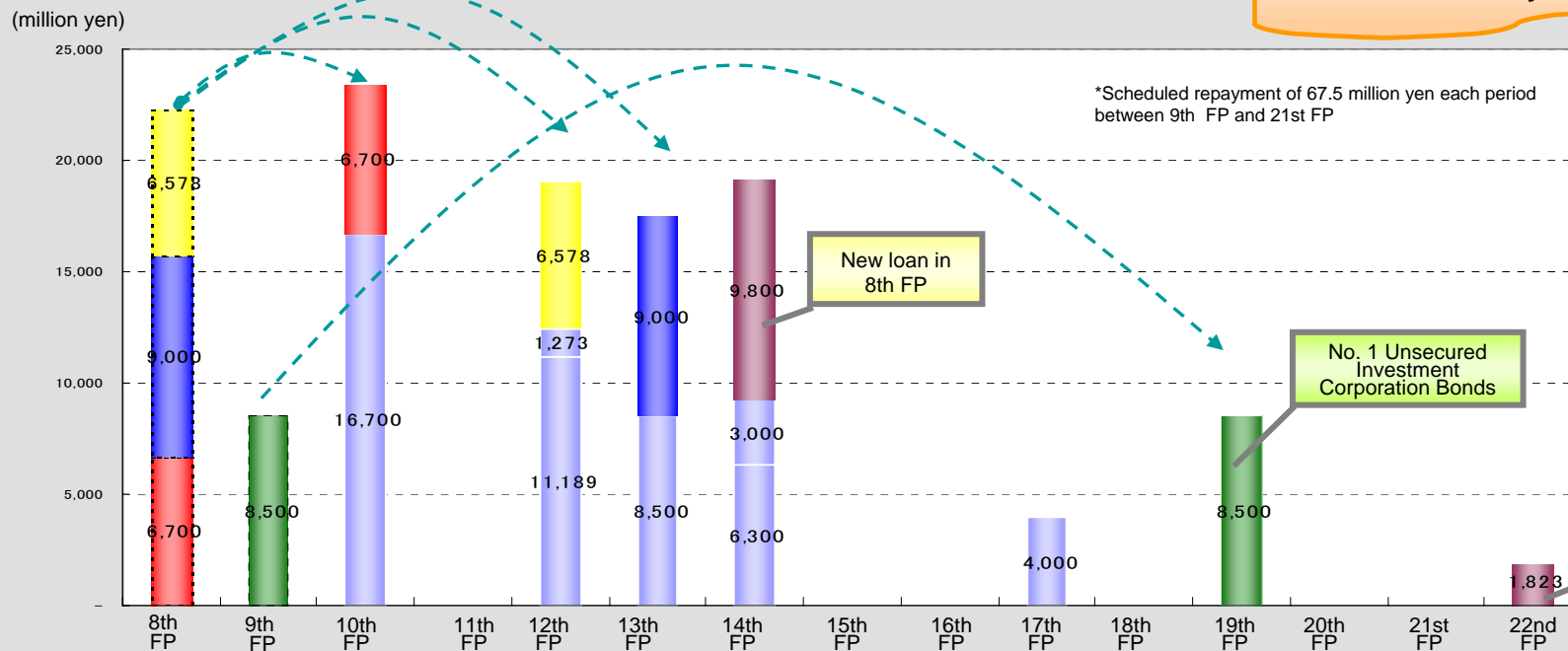
Ratio of Loans with Fixed Interest Rates



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

Spreading Out Repayment Dates

Top REIT will focus on refinancing of ¥23.4bn in February and March 2011



Remaining period of Interesting Borrowing

7th FP(as of October31,2009)	1year & 8months (avg.)
8th FP(as of April30,2010)	1year & 10months (avg.)
As of June30,2010 (planned)	2year & 2months (avg.)

【Loans】

- ¥4.9bn in short-term loans (repayment before maturity) ⇒ ¥4.9bn in long-term loans(2-year borrowing period)
- ¥12.5bn (used the funds to acquire the property) ⇒ ¥12.5bn in long-term loans(2 years & 11 months and 6 years & 11 months borrowing period)
- ¥6.7bn in short-term loans ⇒ ¥6.7bn in short-term loans
- ¥1.67bn in short-term loans ⇒ ¥1.67bn in long-term loans(1 years & 9 months borrowing period)
- ¥9.0bn in long-term loans ⇒ ¥9.0bn in long-term loans(2 years & 3 months borrowing period)

【Investment Corporation Bonds】

- 8.5bn in long-term loans ⇒ Issued No.1 Unsecured Investment corporation bonds on June 4, 2010 and will use the funds to repay ¥8.5bn that should mature on June 30,2010

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

Issuer Rating

A3 (Negative) Assigned by Moody's Investors Service, Inc.

AA- (Stable) Assigned by Rating and Investment Information, Inc. (R&I)

Category	Lender	Loan Balance	Interest Rate(end of Apr 2010)	Loan Execution Date	Repayment Date	Remaining Period	Note	
Short-Term Loans	The Sumitomo Trust and Banking, Co.,Ltd.	¥6,700mn	0.93% (floating)	February 26,2010	February 28, 2011	10 months	Unsecured and without guarantee	
	Subtotal	¥6,700mn	0.93%			10 months		
Current Portion of Long-Term Loans	Term Loan 2 *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	0.90% (floating)	March 3, 2006	March 3, 2011	10 months	Unsecured and without guarantee	
		¥11,500mn	1.92% (fixed)					
		¥16,700mn						
	Term Loan 3	Same as Term Loan 2	¥8,500mn	1.60% (fixed)	June 29, 2007	June 30, 2010	2 months	Unsecured and without guarantee
	Term Loan 11	Development Bank of Japan, Inc.	¥135mn	2.42% (fixed)	January 13, 2010	November 30, 2016	Scheduled repayment	Unsecured and without guarantee
		¥135mn						
Subtotal		¥25,335mn	1.60% (avg.)			7 months (avg.)		
Long-Term Loans	Term Loan 4	Same as Term Loan 2	¥8,500mn	1.95% (fixed)	June 29, 2007	June 29, 2012	2 years & 2 months	Unsecured and without guarantee
			¥8,500mn					
	Term Loan 5	The Sumitomo Trust and Banking, Co., Ltd.	¥2,000mn	2.27% (fixed)	June 29, 2007	June 30, 2014	4 years & 2 months	Unsecured and without guarantee
		Development Bank of Japan, Inc.	¥1,000mn	2.40% (fixed)				
		Dai-ichi Life Insurance Company Ltd.	¥1,000mn	2.40% (fixed)				
		¥4,000mn						
Term Loan 7	Same as Term Loan 13	¥6,300mn	1.48% (fixed)	March 27, 2008	March 27, 2013	2 years & 11 months	Unsecured and without guarantee	
	Development Bank of Japan, Inc.	¥3,000mn	1.53% (fixed)					
		¥9,300mn						

Category	Lender	Loan Balance	Interest Rate(end of Apr 2010)	Loan Execution Date	Repayment Date	Remaining Period	Note
Term Loan 8	*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	1.35% (floating)	March 3, 2009	November 30, 2011	1 years & 7 months	Unsecured and without guarantee
		¥11,189mn					
Term Loan 9	* The Sumitomo Trust and Banking, Co., Ltd. *Sumitomo Mitsui Banking Corporation *Mitsubishi UFJ Trust and Banking Corporation	¥1,273mn	1.35% (floating)	March 27, 2009	November 30, 2011	1 years & 7 months	Unsecured and without guarantee
		¥1,273mn					
Term Loan 10	*Mizuho Corporate Bank, Ltd. The Bank of Tokyo Mitsubishi UFJ, Ltd.	¥4,908mn	1.35% (floating)	November 30, 2009	November 30, 2011	1 years & 7 months	Unsecured and without guarantee
		¥4,908mn					
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. *Mitsubishi UFJ Trust and Banking Corporation * Bank of Risona	¥9,800mn	1.35% (floating)	January 13, 2010	November 30, 2012	2 years & 7 months	Unsecured and without guarantee
		Development Bank of Japan, Inc.	¥2,565mn	2.42% (fixed)	January 13, 2010	November 30, 2016	
			¥12,365mn				
Term Loan 12	*The Chuo Mitsui Trust and Banking, Co., Ltd.	¥1,670mn	1.35% (floating)	February 26, 2010	November 30, 2011	1 years & 7 months	Unsecured and without guarantee
		¥1,670mn					
Term Loan 13	* 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	1.25% (floating)	March 26, 2010	June 29, 2012	2 years & 2 months	Unsecured and without guarantee
			¥9,000mn				
Subtotal		¥62,205mn	1.55% (avg.)			2 year & 5 months (avg.)	
Total		¥94,240mn	1.52% (avg.)			1 year & 10 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. Eighth Fiscal Period Results (Ended April 30, 2010)

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

■ Statements of Income

Account	7th FP May 1, 2009 – October 31, 2009 (184 days)	8th FP November 1, 2009 – April 30, 2010 (181 days)
	Amount	Amount
I. Operating revenue and expenses		
1. Operating revenue	¥5,608mn	¥5,814mn
2. Operating expenses	¥2,978mn	¥2,964mn
Expenses related to rent business	¥2,429mn	¥2,405mn
Asset management fees	¥423mn	¥436mn
Other	¥125mn	¥122mn
Operating income	¥2,630mn	¥2,849mn
II. Non-operating income and expenses		
1. Non-operating income	¥7mn	¥7mn
Interest income	¥6mn	¥5mn
Other	¥0mn	¥1mn
2. Non-operating expenses	¥677mn	¥766
Interest expenses	¥619mn	¥671mn
Amortization of deferred organization expenses	¥5mn	¥5mn
Other	¥52mn	¥89mn
Ordinary income	¥1,960mn	¥2,091mn
Income before income taxes	¥1,962mn	¥2,091mn
Income taxes-current	¥0mn	¥1mn
Income taxes-deferred	¥0mn	(¥0mn)
Net income	¥1,961mn	¥2,090mn
Unappropriated retained earnings	¥1,961mn	¥2,090mn

■ Statements of Cash Distributions

Account	7th FP May 1, 2009 – October 31, 2009 (184 days)	8th FP November 1, 2009 – April 30, 2010 (181 days)
	Amount	Amount
Unappropriated retained earnings	¥1,961mn	¥2,090mn
Total dividend amount	¥1,961mn	¥2,090mn
<Dividend per unit>	<¥12,654>	<¥13,484>
Retained earnings carried forward	¥0mn	¥0mn

【Expenses related to rent business】

- Depreciation and amortization: ¥1,127mn
- Property management expenses: ¥400mn
- Utilities expenses: ¥189mn and others

VI- 2. Balance Sheets (Summary)

Account	7th FP (as of October 31, 2009)	8th FP (as of April 30, 2010)
	Amount	Amount
Assets		
I. Total current assets	¥10,369mn	¥11,228mn
Cash and deposits	¥5,422mn	¥6,184mn
Cash and deposits in trust	¥4,734mn	¥4,701mn
Operating accounts receivable	¥40mn	¥36mn
Other	¥172mn	¥305mn
II. Total noncurrent assets	¥162,503mn	¥175,061mn
1. Total property, plant and equipment	¥162,237mn	¥174,618mn
Buildings, etc.	¥1,056mn	¥1,034mn
Land	¥4,888mn	¥4,888mn
Buildings, etc. in trust	¥49,769mn	¥50,460mn
Land in trust	¥106,523mn	¥118,234mn
2. Total intangible assets	¥0mn	¥0mn
Intangible assets	¥0mn	¥0mn
3. Total investment and other assets	¥266mn	¥443mn
Lease and guarantee deposits	¥10mn	¥10mn
Long-term prepaid expenses	¥83mn	¥300mn
Deferred tax assets	¥52mn	¥0mn
Other	¥120mn	¥132mn
III. Total deferred assets	¥11mn	¥5mn
Deferred organization expenses	¥11mn	¥5mn
Total assets	¥172,884mn	¥186,296mn

Account	7th FP (as of October 31, 2009)	8th FP (as of April 30, 2010)
	Amount	Amount
Liabilities		
I. Total current liabilities	¥32,253mn	¥33,708mn
Operating accounts payable	¥221mn	¥116mn
Short-term loans payable	¥13,278mn	¥6,700mn
Current portion of long-term loans payable	¥17,500mn	¥25,335mn
Accounts payable — other	¥245mn	¥296mn
Accrued expenses	¥176mn	¥228mn
Accrued consumption taxes	¥74mn	-
Advances received	¥754mn	¥909mn
Derivative liabilities	-	¥120mn
Other	¥2mn	¥2mn
II. Total noncurrent liabilities	¥56,490mn	¥68,297mn
Long-term loans payable	¥50,962mn	¥62,205mn
Tenant leasehold and security deposits	¥129mn	¥147mn
Tenant leasehold and security deposits in trust	¥5,248mn	¥5,945mn
Derivative liabilities	¥151mn	-
Total liabilities	¥88,744mn	¥102,006mn
Net assets		
I. Total unitholders' equity	¥84,221mn	¥84,350mn
1. Unitholders' capital	¥82,260mn	¥82,260mn
2. Surplus		
Unappropriated retained earnings	¥1,961mn	¥2,090mn
Total surplus	¥1,961mn	¥2,090mn
II. Total valuation and translation adjustments	(¥81mn)	(¥60mn)
Deferred gains or losses on hedges	(¥81mn)	(¥60mn)
Total net assets	¥84,140mn	¥84,289mn
Total liabilities and net assets	¥172,884mn	¥186,296mn

VI- 3. Major Financial Indicators

Item	6th Fiscal Period November 1, 2008 - April 30, 2009	7th Fiscal Period May 1, 2009 - October 31, 2009	8th Fiscal Period November 1, 2009 - April 30, 2010	Remark
Period of asset management	181 days	184 days	181 days	
Ratio of interest-bearing liabilities to total assets at end of period	47.3%	47.3%	50.6%	Interest-bearing liabilities at end of period / Total assets at end of period
Ratio of loans to total assets at end of period (LTV)	47.3%	47.3%	50.6%	Total amount of loans at end of period / total assets at end of period
Rental NOI (Net operating income)	¥4,412mn	¥4,284mn	¥4,535mn	Rent revenue – Expenses related to rent business + Depreciation and amortization
Rental NOI yield	5.4%	5.3%	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)	¥3,198mn	¥3,066mn	¥3,217mn	Net income + Depreciation and amortization
FFO per unit	¥20,635	¥19,785	¥20,755	FFO / Number of units issued and outstanding at end of period
Ratio of ordinary income to total assets (return on assets (ROA))	1.2%	1.1%	1.2%	Ordinary income / ((Total assets at beginning of period + Total assets at end of period) / 2)
Annualized	[2.4%]	[2.3%]	[2.3%]	
Ratio of net income to unitholders' equity (return on equity (ROE))	2.4%	2.3%	2.5%	Net income / ((Net assets at beginning of period + Net assets at end of period) / 2)
Annualized	[4.9%]	[4.7%]	[5.0%]	
Implied Cap Rate	6.6%	6.1%	5.9%	Net 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	0.59	0.72	0.79	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%	48.7%	45.2%	Net assets at end of period / Total assets at end of period

VI- 4. Unitholders

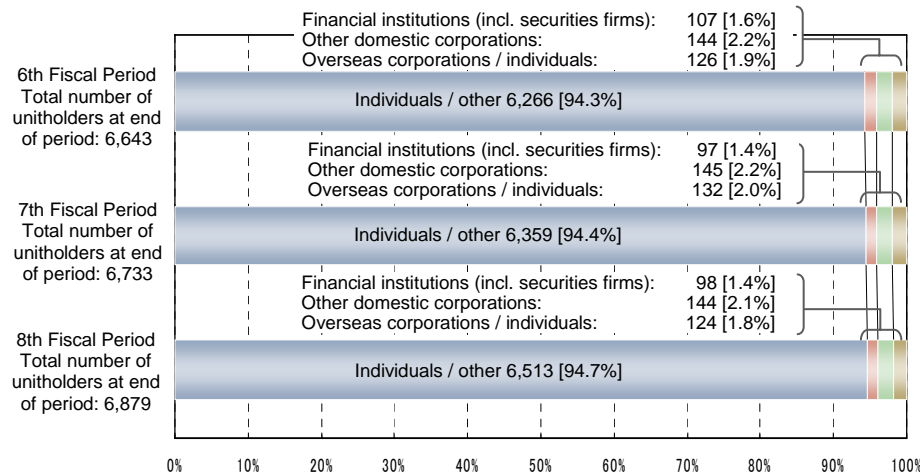
Unitholdings (as at end of 8th FP)

Category	Number of Units Held		Number of Unitholders	
Individuals / other	19,969	12.9%	6,513	94.7%
Financial institutions (incl. securities firms)	94,155	60.7%	98	1.4%
Other domestic corporations	14,220	9.2%	144	2.1%
Overseas corporations / individuals	26,656	17.2%	124	1.8%
Total	155,000	100.0%	6,879	100.0%

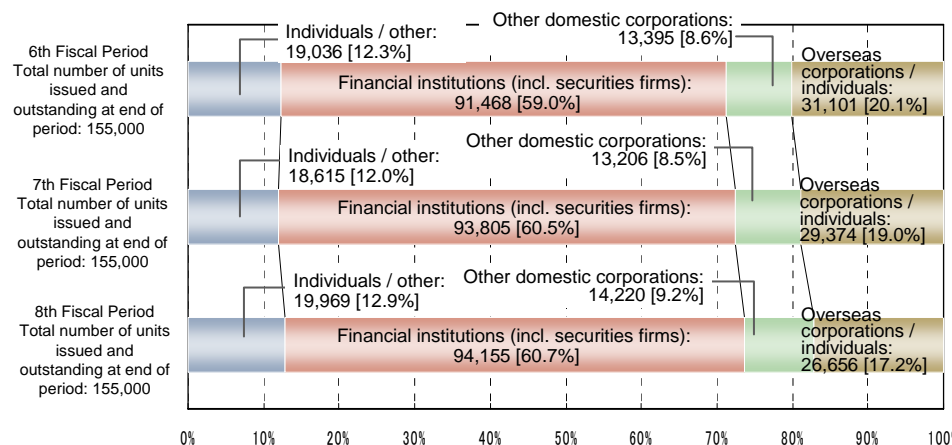
Top 15 Unitholders (as at end of 8th FP)

Rank	Name	Number of Units Held	Share of Total
1	Japan Trustee Service Bank (trust account)	13,993	9.03
2	NCT Trust and Banking Corporation (investment trust account)	12,001	7.74
3	The Master Trust Bank of Japan (trust account)	7,786	5.02
4	Trust and Custody Services Bank (securities investment trust account)	7,386	4.77
5	Nomura Trust and Banking (investment trust account)	7,099	4.58
6	North Pacific Bank	6,139	3.96
7	The Senshu Ikeda Bank	4,540	2.93
8	American Life Insurance Company GAL	4,400	2.84
9	The Fuji Fire and Marine Insurance	3,465	2.24
10	The Sumitomo Trust and Banking	3,176	2.05
11	Nippon Steel City Produce	3,162	2.04
11	Oji Real Estate	3,162	2.04
12	Oji Real Estate	3,162	2.04
13	Trust and Custody Services Bank (money trust tax account)	2,809	1.81
14	The Bank of Kyoto	1,852	1.19
15	Minami Nippon Bank	1,793	1.16
	Total	82,763	53.40

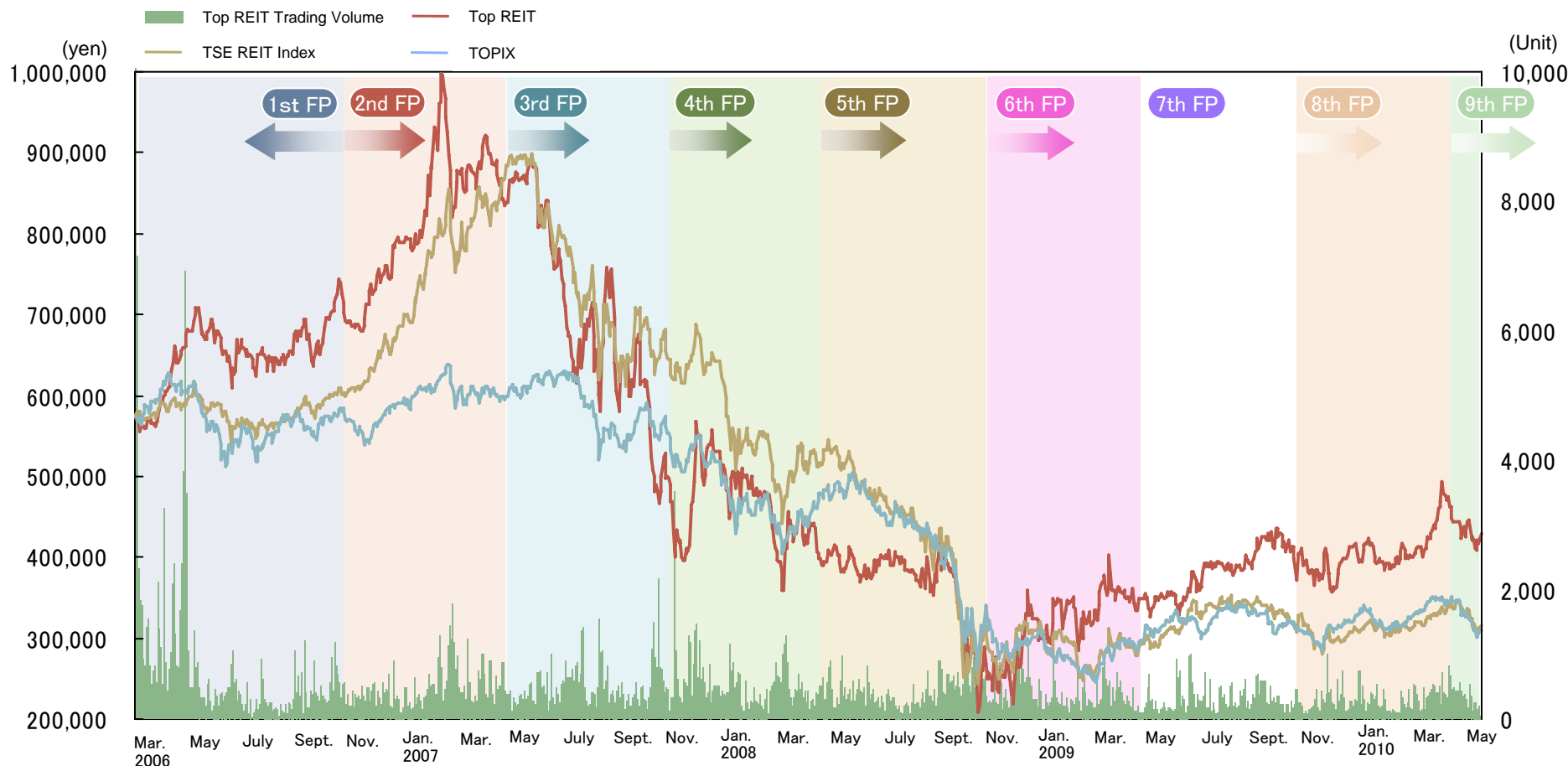
Number of Unitholders



Number of Units Held



VI- 5. Unit Price Performance and Volume (March 1, 2006 – May 31, 2010)



8th Fiscal Period End Unit Price (based on closing price)	¥444,000 (April 30, 2010)	IPO Price	¥550,000	Mar. 1, 2006
		Historical High since IPO (based on closing price)	¥998,000	Feb. 16, 2007
		Historical Low since IPO (based on closing price)	¥208,000	Oct. 28, 2008

VII. Appendix: Portfolio Overview

VII- 1. Portfolio Map



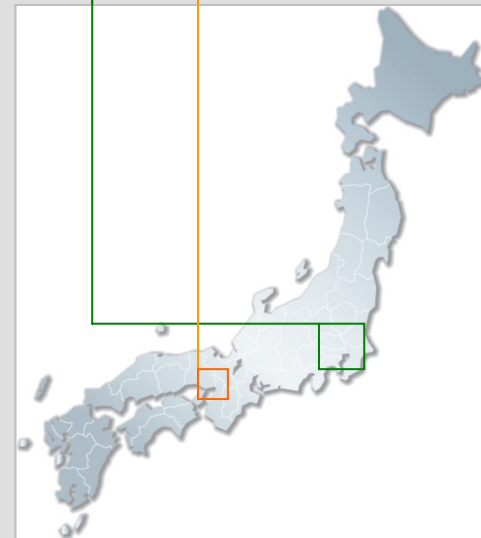
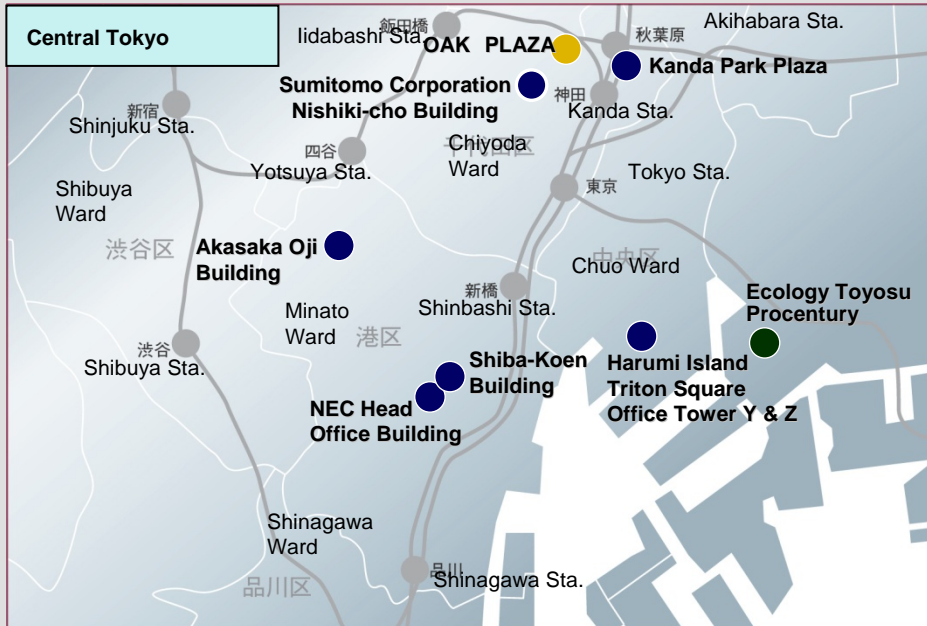
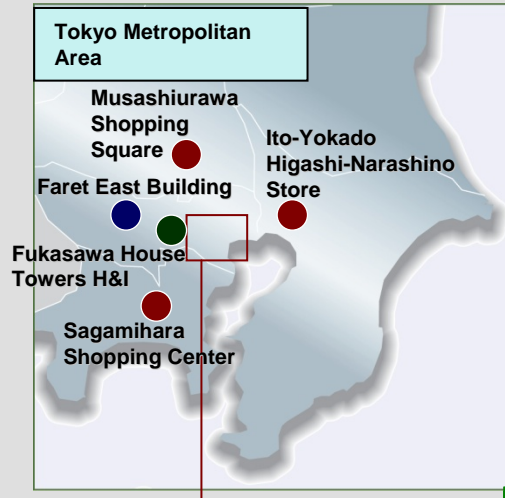
Harumi Island Triton Square Office Tower Y & Z



Fukasawa House Towers H&I



Sumitomo Corporation Nishiki-cho Building



Sagamiyara Shopping Center



NEC Head Office Building

VII- 2. Portfolio Summary (as at end of 8th FP)

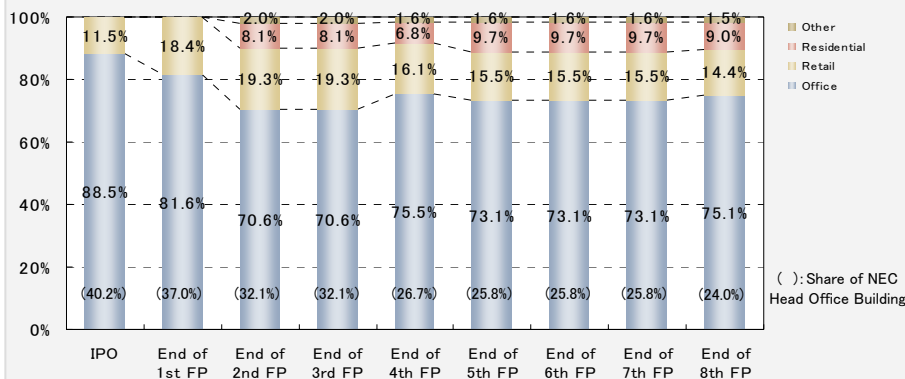
Total Acquisition Price : ¥175.⁰⁴⁷bn.

Number of Properties : 15

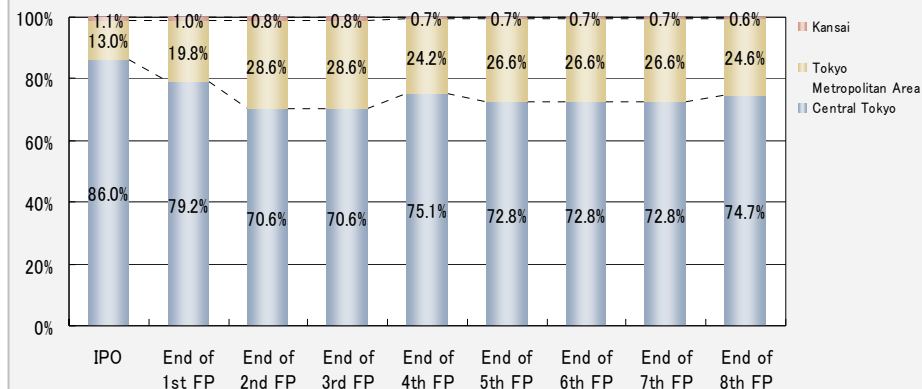
Gross Rentable Floor Area : 291,647.⁸⁸m²

PML : 2.5%

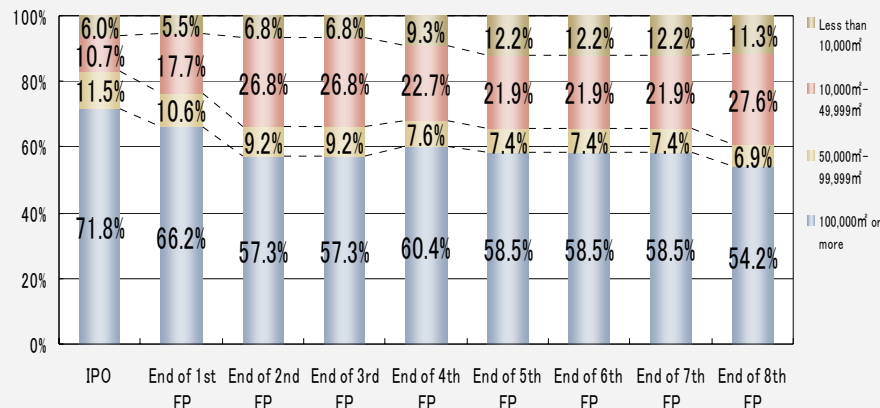
Asset Class (property type)



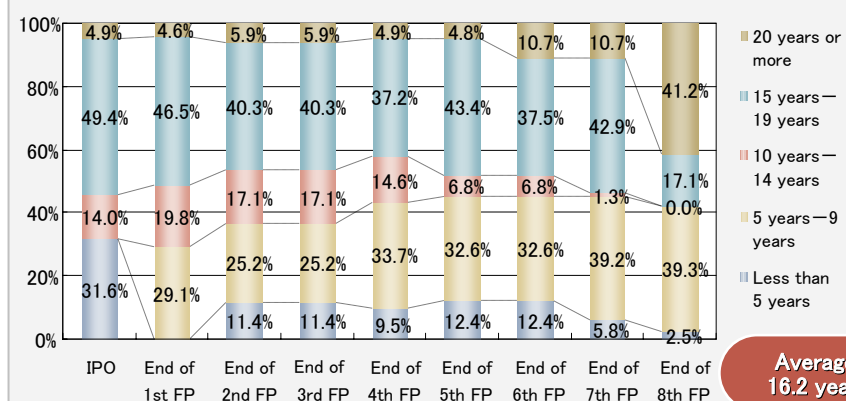
Area



Scale (based on total floor space)



Age of Buildings



Average: 16.2 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 8th 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	1.6
		Harumi Island Triton Square Office Tower Y	Chuo Ward, Tokyo	Mar 1, 2006	267,132. ⁶⁷	23,239. ⁶²	Oct. 2001	33,000	18.9	100.0	6	1.4
		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
		Sumitomo Corporation Nishiki-cho 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	6.3
		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	90.6	11	8.0
Subtotal					—	139,557. ¹⁷	—	131,427	75.1	99.4	35	—
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	3.8
		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	91.0	1	1.6
		Ecology Toyosu Procentury	Koto Ward, Tokyo	May 30, 2008	9,630. ⁹⁶	6,789. ⁰³	Jan. 2005	5,160	2.9	95.6	1	10.6
	Subtotal					—	18,146. ⁴⁷	—	15,795	9.0	92.7	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					—	291,647.88	—	175,047	100.0	99.2	44	2.5

VII- 4. Appraisal Value as at End of Period

(million yen)

Asset Class	Area	Property	Acquisition Price	Book Value at End of 8th FP (A)	Appraisal Value at End of 5th FP	Appraisal Value at End of 6th FP	Appraisal Value at End of 7th FP (B)	Appraisal Value at End of 8th FP (C)	Difference Between Appraisal Value and Book Value (C)-(A)	Difference in Appraisal Value from End of 7th FP (C)-(B)
Office	Central Tokyo	NEC Head Office Building	41,950	43,079	55,000	48,000	47,500	47,750	4,670	250
		Harumi Island Triton Square Office Tower Y	33,000	31,900	44,300	41,500	39,500	39,300	7,399	(200)
		Harumi Island Triton Square Office Tower Z	20,000	20,267	19,600	17,100	15,700	15,500	(4,768)	(200)
		Sumitomo Corporation Nishiki-cho Building	12,700	12,920	-	-	-	14,100	1,180	-
		Akasaka Oji Building	9,660	9,819	15,800	14,400	14,400	13,300	3,481	(1,100)
		Shiba-Koen Building	5,770	5,923	5,270	4,210	3,790	3,710	(2,213)	(80)
		Kanda Park Plaza	5,156	5,123	5,651	5,513	5,179	5,047	(76)	(132)
	Tokyo Metropolitan Area	Faret East Building	2,091	1,843	3,300	2,950	2,780	2,500	657	(280)
	Kansai	Nittetsu Honmachi Building	1,100	1,035	1,800	1,580	1,440	1,390	354	(50)
		Subtotal	131,427	131,913	150,721	135,253	130,289	142,597	10,683	(1,792)
Retail	Tokyo Metropolitan Area	Sagamihara Shopping Center	12,000	11,586	11,900	11,000	10,700	10,700	(887)	0
		Ito-Yokado Higashi-Narashino Store	8,900	8,361	5,542	5,483	5,416	5,613	(2,748)	197
		Musashiurawa Shopping Center	4,335	4,195	4,190	3,910	3,790	3,800	(396)	10
			Subtotal	25,235	24,143	21,632	20,393	19,906	20,113	(4,031)
Residential	Tokyo Metropolitan Area	Fukasawa House Towers H&I	10,635	10,569	9,410	7,990	7,540	7,180	(3,389)	(360)
		Ecology Toyosu Procentury	5,160	5,267	5,070	4,650	4,640	4,560	(708)	(80)
			Subtotal	15,795	15,837	14,480	12,640	12,180	11,740	(4,097)
Other	Central Tokyo	OAK PLAZA	2,590	2,723	2,608	2,584	2,573	2,696	(28)	123
		Subtotal	2,590	2,723	2,608	2,584	2,573	2,696	(28)	123
		Total	175,047	174,618	189,441	170,870	164,948	177,146	2,528	(1,902)

VII- 5. Appraisal Cap Rate

Property	4rd Fiscal Period			5th Fiscal Period			6th Fiscal Period			7th Fiscal Period			8th Fiscal Period		
	Direct Capitalization Method: Cap Rate	Discounted Cash Flow Method		Direct Capitalization Method: Cap Rate	Discounted Cash Flow Method		Direct Capitalization Method: Cap Rate	Discounted Cash Flow Method		Direct Capitalization Method: Cap Rate	Discounted Cash Flow Method		Direct Capitalization Method: Cap Rate	Discounted Cash Flow Method	
		Discount Rate	Terminal Cap Rate		Discount Rate	Terminal Cap Rate		Discount Rate	Terminal Cap Rate		Discount Rate	Terminal Cap Rate		Discount Rate	Terminal Cap Rate
NEC Head Office Building	4.0%	3.5% (Next 5 years) 4.0% (afterward)	4.2%	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%
Harumi Island Triton Square Office Tower Y	4.2%	3.9%	4.4%	4.3%	4.0%	4.5%	4.4%	4.1%	4.6%	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%
Harumi Island Triton Square Office Tower Z	4.2%	3.9%	4.4%	4.3%	4.0%	4.5%	4.4%	4.1%	4.6%	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%
Sumitomo Corporation Nishiki-cho Building	—	—	—	—	—	—	—	—	—	—	—	—	5.2%	4.9%	5.4%
Akasaka Oji Building	4.2%	4.3%	4.5%	4.2%	4.2%	4.5%	4.5%	4.4%	4.8%	4.5%	4.4%	4.8%	4.5%	4.4%	4.8%
Shiba-Koen Building	4.4%	4.2%	4.5%	4.5%	4.3%	4.6%	4.8%	4.6%	4.9%	4.8%	4.6%	4.9%	4.8%	4.6%	4.9%
Kanda Park Plaza	5.1%	4.7%	5.7%	5.2%	4.7%	5.8%	5.2%	4.7%	5.8%	5.3%	4.8%	5.9%	5.3%	4.8%	5.9%
Faret East Building	5.2%	4.9%	5.4%	5.5%	5.2%	5.7%	5.6%	5.3%	5.8%	5.8%	5.5%	6.0%	5.8%	5.5%	6.0%
Nittetsu Honmachi Building	5.8%	6.0%	6.1%	5.8%	6.0%	6.1%	6.1%	6.3%	6.4%	6.2%	6.4%	6.5%	6.2%	6.4%	6.5%
Sagamihara Shopping Center	5.3%	5.1%	5.5%	5.4%	5.2%	5.6%	5.8%	5.6%	6.0%	6.0%	5.8%	6.2%	6.0%	5.8%	6.2%
Ito-Yokado Higashi-Narashino Building	6.1%	5.2%	6.6%	6.2%	5.3%	6.7%	6.3%	5.4%	6.8%	6.4%	5.5%	6.9%	6.4%	5.5%	6.9%
Musashiurawa Shopping Square	5.1%	4.8%	5.3%	5.2%	4.9%	5.5%	5.6%	5.3%	5.9%	5.8%	5.5%	6.1%	5.8%	5.5%	6.1%
Fukasawa House Towers H&I	4.3%	4.0%	4.5%	4.6%	4.3%	4.8%	5.1%	4.8%	5.3%	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%
OAK PLAZA	4.7%	4.2%	5.3%	4.7%	4.2%	5.3%	4.7%	4.2%	5.3%	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, Sumitomo Corporation Nishiki-cho 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 (Eighth Fiscal Period)

	NEC Head Office Building	Harumi Island Triton Square Office Tower Y	Harumi Island Triton Square Office Tower Z	Sumitomo Corporation Nishiki-cho 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	181days	181 days	181 days	108days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days	181 days
Total revenue from property leasing	1,370	1,323	572	278	451	102	173	163	94	407	236	129	252	162	94
Rent revenue — real estate	1,370	1,322	572	278	451	102	173	163	94	407	236	129	241	157	94
Total expenses from property leasing	227	349	126	28	94	27	42	70	39	62	70	18	64	34	22
Property management expenses	1	169	45	17	31	9	12	32	14	2	1	1	39	21	0
Taxes and dues	216	92	41	0	37	9	14	11	9	55	29	15	10	7	14
Utilities expenses	—	77	29	9	19	7	10	24	9	—	—	—	0	1	—
Repair expenses	5	5	3	0	1	1	2	0	2	1	35	0	10	3	5
Non-life insurance expenses	1	2	1	0	0	0	0	0	0	1	0	0	0	0	0
Other	1	2	5	0	3	0	2	1	2	1	1	1	2	1	1
NOI (NOI yield)	1,143 [5.4%]	973 [5.9%]	446 [4.5%]	250 [6.6%]	357 [7.4%]	74 [2.6%]	130 [5.0%]	93 [8.9%]	55 [10.0%]	345 [5.8%]	165 [3.7%]	110 [5.1%]	188 [3.5%]	128 [5.0%]	71 [5.5%]
Depreciation and amortization	221	261	127	23	29	22	12	46	16	77	106	50	66	51	12
Operating income	922	712	318	226	328	51	118	46	39	267	58	59	121	77	59
Capital expenditures	455	33	6	—	5	1	—	—	3	2	0	—	—	—	36

“Repair work based on the Long Term Repair Plans”
 •Renewal of the central monitoring system, refrigerators, lighting equipment, outer wall sealing, etc.

Renewal of prepaid card system for the staff cafeteria, etc.

Renewal of prefabricated baths, switchboard, etc.

VII- 7. Property Details: Office Buildings



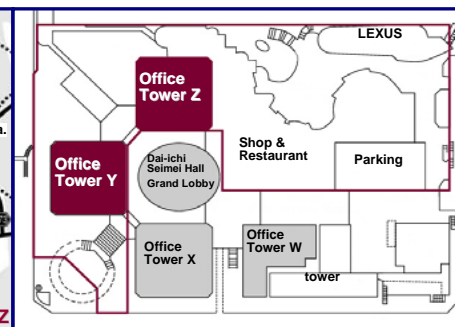
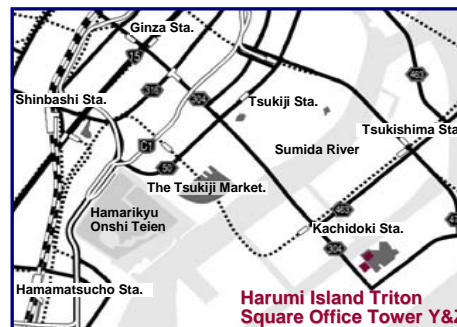
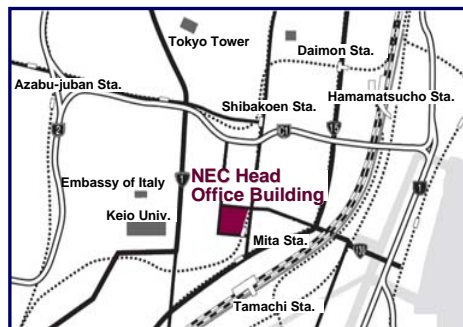
Property	NEC Head Office Building
Address	Shiba, Minato Ward, Tokyo
Floor Area	144,476.05m ²
Completion	January 1990
Title	Co-ownership (50%)
Acquisition Price	41.95 billion yen



Property	Harumi Island Triton Square Office Tower Y
Address	Harumi, Chuo Ward, Tokyo
Floor Area	267,132.67m 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	267,132.67m 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



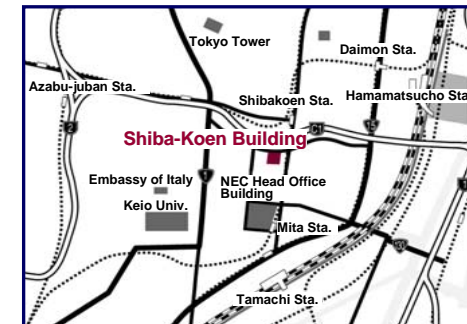
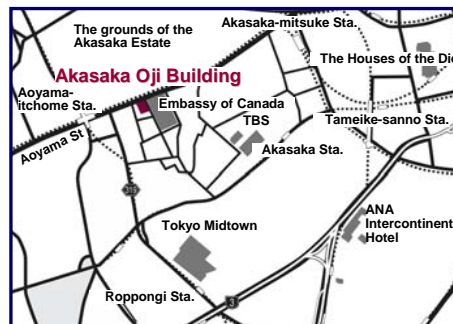
Property	Sumitomo Corporation Nishiki-cho Building
Address	Kanda Nishiki-cho, Chiyoda Ward, Tokyo
Floor Area	12,169.78m ²
Completion	March 1973 (large-scale renovation undertaken in November 2001 and earthquake-resistant reinforcement construction implemented in October 2009)
Title	Ownership
Acquisition 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



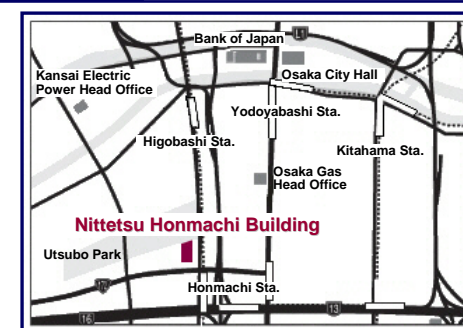
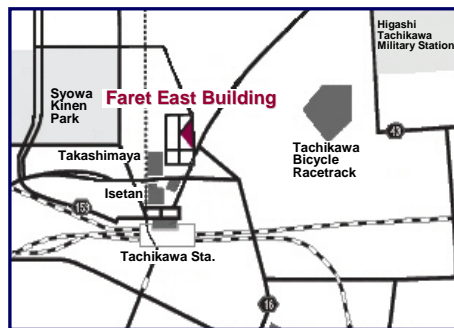
Property	Kanda Park Plaza
Address	Kajicho, Chiyoda Ward, Tokyo
Floor Area	5,511.83m ²
Completion	November 1959 Repair work to enhance earthquake resistance in 2003
Title	Ownership
Acquisition Price	5.156 billion yen



Property	Faret East Building
Address	Akebonocho, Tachikawa City, Tokyo
Floor Area	16,206.34m 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	6,714.09m ²
Completion	June 1991
Title	Ownership
Acquisition Price	1.1 billion yen



VII- 8. Property Details: Retail Properties



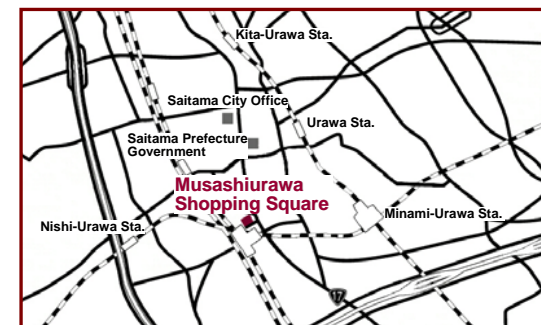
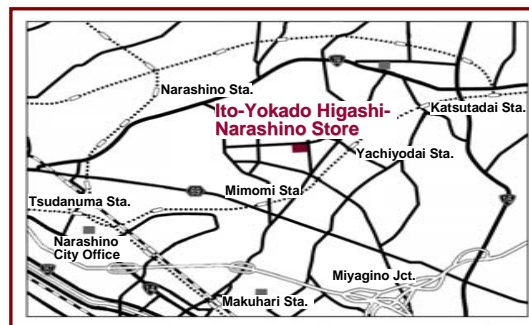
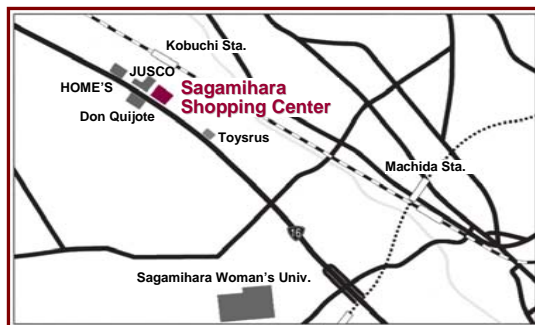
Property	Sagamihara Shopping Center
Address	Kobuchi, Sagamihara City, Kanagawa Pref.
Floor Area	56,351.42m ²
Completion	August 1993
Title	Ownership
Acquisition Price	12 billion yen



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



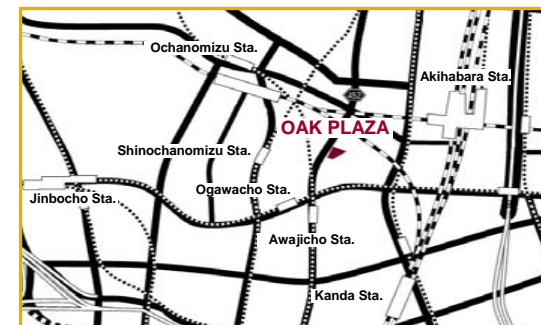
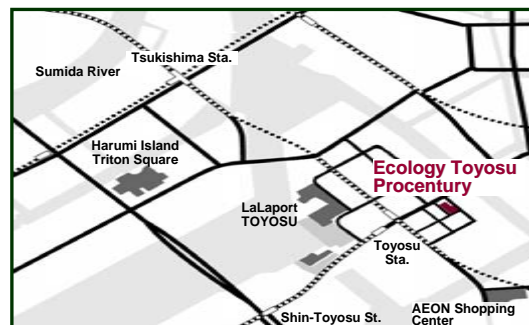
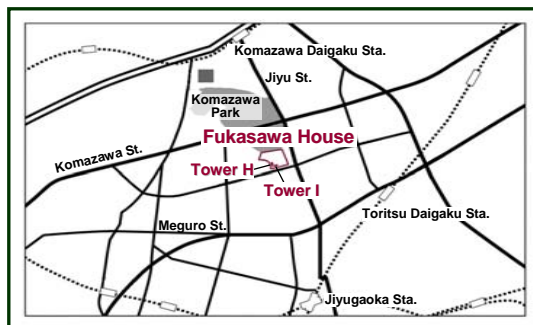
Property	Fukasawa Towers H&I
Address	Fukasawa, Setagaya Ward, Tokyo
Floor Area	12,135. ³⁶ m ²
Completion	June 2004
Title	Co-ownership (H&I)
Acquisition Price	10. ⁶³⁵ billion yen



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

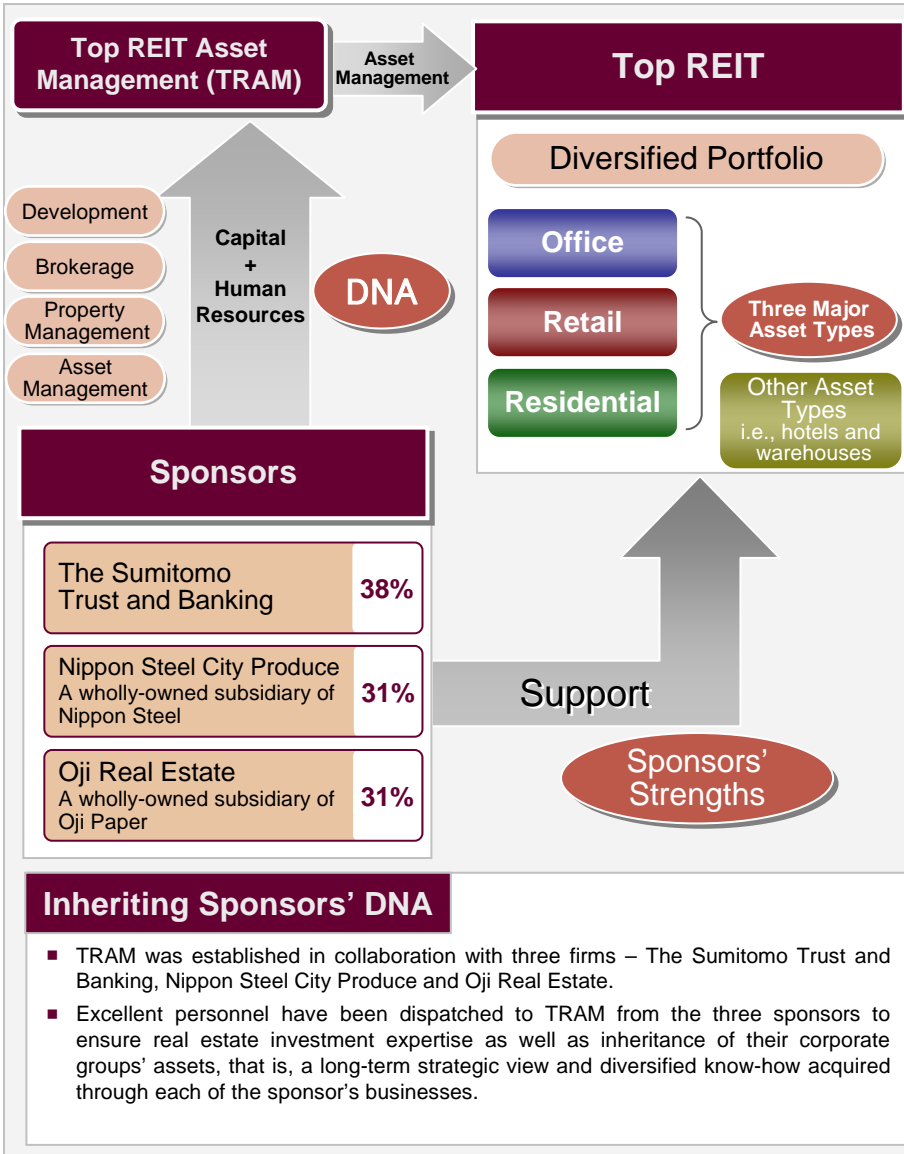


Property	OAK PLAZA
Address	Kanda Awajicho, Chiyoda Ward, Tokyo
Floor Area	6,121. ⁸⁵ m ²
Completion	April 1985 Completion of the conversion in 2007
Title	Ownership
Acquisition Price	2. ⁵⁹ billion yen



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

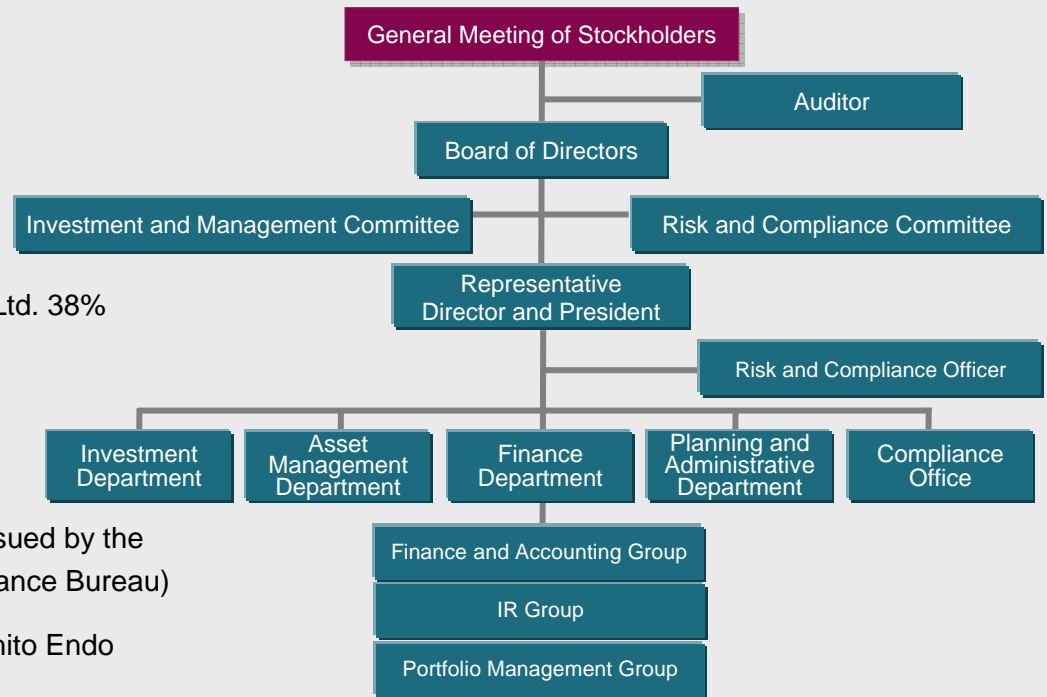
Name Top REIT Asset Management Co., Ltd.
Address Nittetsu Nihonbashi Building
 1-13-1 Nihonbashi, Chuo Ward, Tokyo
Established Oct. 22, 2004
Paid-in Capital ¥300mn
Shareholders The Sumitomo Trust and Banking Co., Ltd. 38%
 Nippon Steel City Produce, Inc. 31%
 Oji Real Estate Co., Ltd. 31%

Business Description Investment management business
 (Registered Financial Instruments
 Business Operator No. 365 (Kinsho), issued by the
 Director-General of the Kanto Local Finance Bureau)

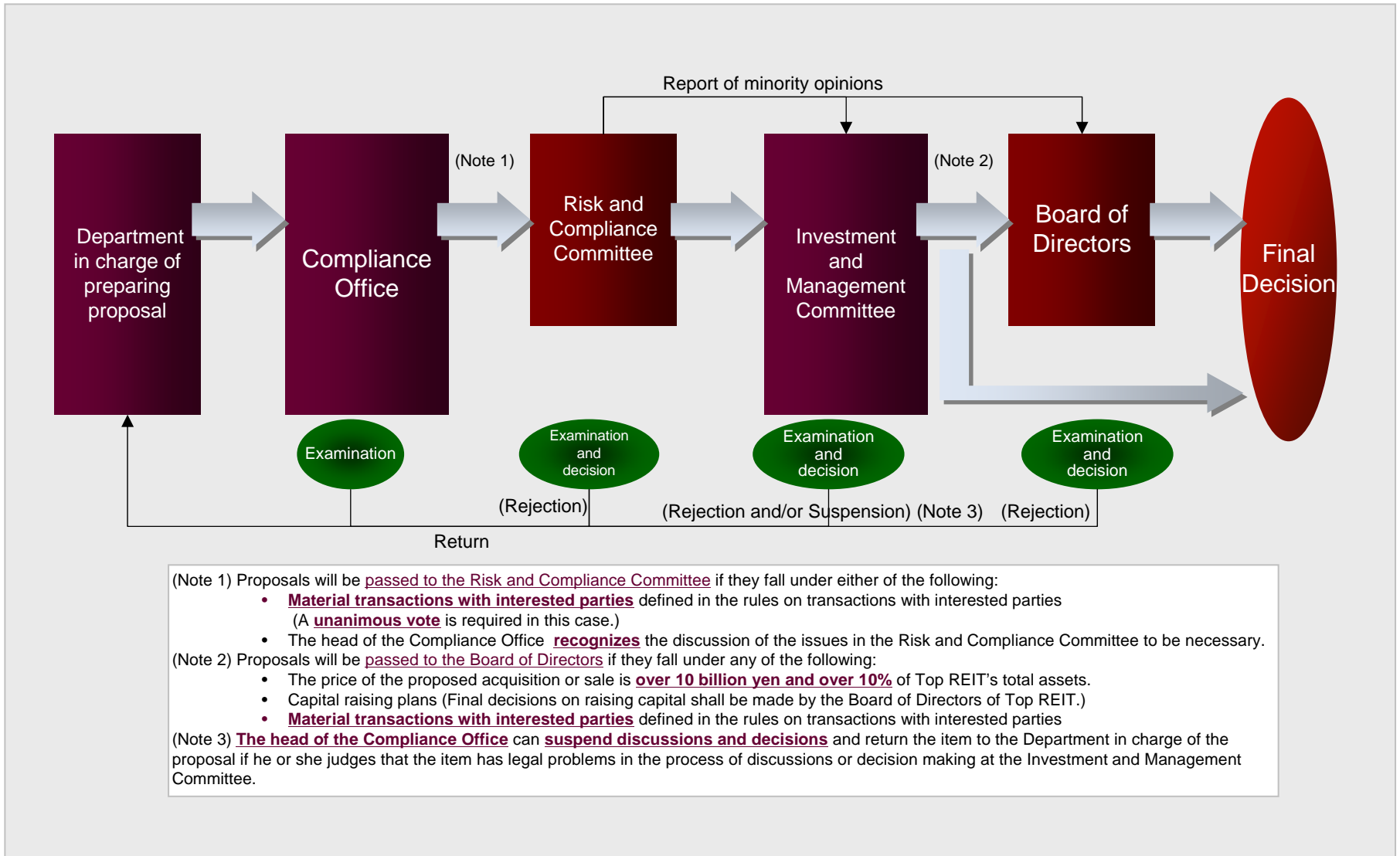
Directors President and Representative Director: Nobuhito Endo

Milestones

- Dec. 10, 2004: Top REIT Asset Management (TRAM) obtained a license as a real estate agent (The Governor of Tokyo No. (1) 83904)
- May 10, 2005: TRAM obtained approval for a discretionary agent license for real estate transactions (The Minister of Land, Infrastructure and Transport No. 35)
- June 28, 2005: TRAM obtained approval as an asset manager for an investment corporation (The Prime Minister No. 47)
- Nov. 2, 2005: TRAM entered into an Asset Management Agreement with Top REIT, Inc.
- Sept. 30, 2007: TRAM was deemed a Registered Financial Instruments Business Operator (Investment Management Business), No. 365 (Kinsho), issued by the Director-General of the Kanto Local Finance Bureau
- Nov. 27, 2007: TRAM formally submitted applications to register as Financial Instruments Business Operator (Investment Management Business)



VIII - 3. Decision Making on Acquisition and Sale of Properties



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Tomio Kurokawa,
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