



**TOP REIT**

**(TSE Code: 8982)**

**Top REIT, Inc.**

Presentation on  
Business Results for  
the Sixth Fiscal Period

November 1, 2008—  
April 30, 2009

June 15, 2009

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## **I. Summary of Results of the Sixth Fiscal Period (Ended April 30, 2009)**

## I-1. Summary of 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.<sup>0</sup>bn

- Refinanced ¥16.<sup>7</sup>bn in long-term loans and ¥9.<sup>3</sup>bn 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 some loans 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.)

## I-2. Results of the Sixth Fiscal Period (Summary)

Items	6th FP Results November 1, 2008 – April 30, 2009	6th FP Forecast (Announced on December 15, 2008)	Net Change (Results vs. Forecast)		5th FP Results May 1, 2008 – October 31, 2008	Net Change (6th FP Results vs. 5th FP Results)	
Period of asset management (days)	181	181	–	–	184	–	–
Operating revenue	¥5,606mn	¥5,620mn	(¥14mn)	(0.2%)	¥5,584mn	¥22mn	0.4%
Operating income	¥2,700mn	¥2,682mn	¥18mn	0.7%	¥2,651mn	¥49mn	1.9%
Ordinary income	¥2,047mn	¥2,001mn	¥46mn	2.3%	¥1,994mn	¥53mn	2.7%
Net income	¥2,046mn	¥2,000mn	¥46mn	2.3%	¥1,993mn	¥53mn	2.7%
Number of units issued and outstanding (unit)	155,000	155,000	–	–	155,000	0	–
Dividend per unit (yen)	¥13,206	¥12,900	¥306	2.4 %	¥12,863	¥343	2.7%
Number of properties	14	14	0	–	14	0	–
Appraisal value total	¥170,870mn	–	–	–	¥189,441mn	(¥18,571mn)	(9.8%)

### ■ Difference Between Forecast and Actual Results

#### Operating Revenue: -¥14mn

- Decrease in revenue from utility expenses

#### Operating Income: +¥18mn

- Concerning fixed asset and city planning taxes for the Ito-Yokado Higashi-Narashino Store, the 1st payment, which was expected to be payable in the fiscal year ended in April 2009, becomes due in the 7th fiscal period and resulted in the amount recorded in the 6th fiscal period being lower
- Concerning repair expenses, cost saving measures were taken

#### Ordinary Income: +¥46mn

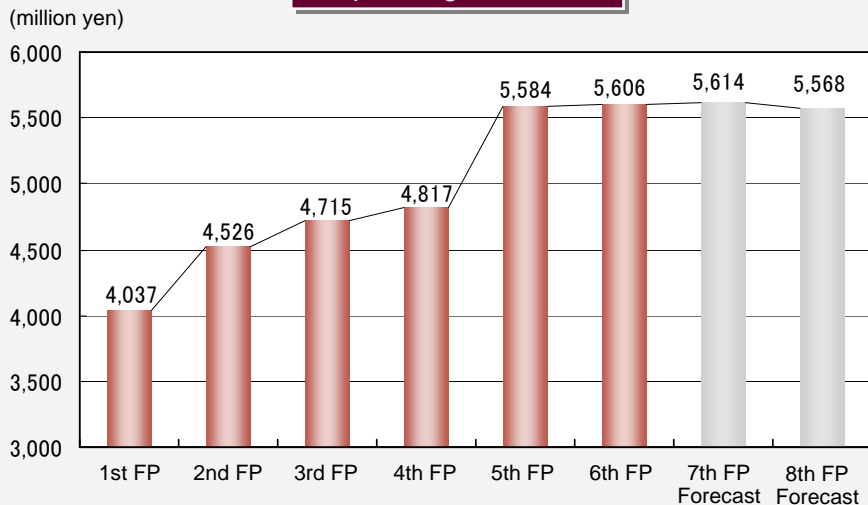
- Interest payment decreased as the base interest rate level during the period was lower than expected

### ■ Other References

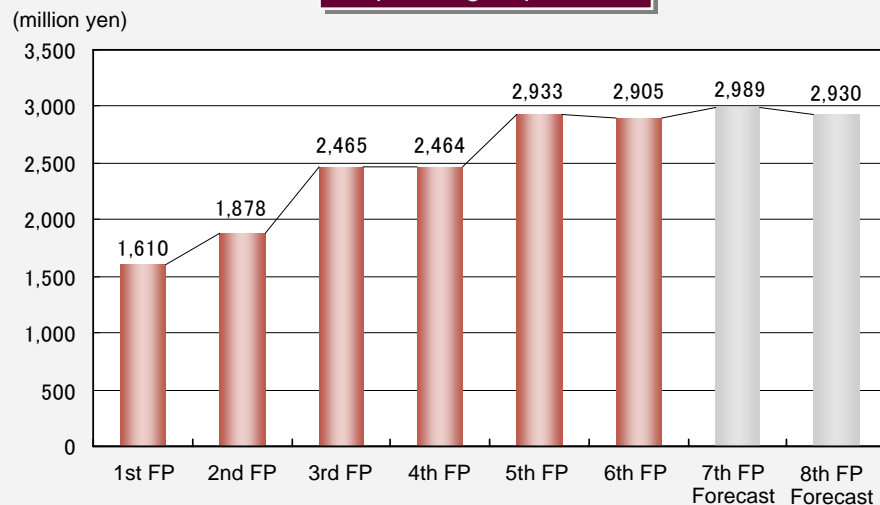
Item	6th FP Results	5th FP Results
Number of tenants	42	44
Total rentable floor space	283,622.23m <sup>2</sup>	283,622.23m <sup>2</sup>
Occupancy rate	99.2%	99.5%
Depreciation and amortization	¥1,151mn	¥1,147mn
Capital expenditures	¥412mn	¥59mn
Term-end unit price	¥348,000	¥259,900
Term-end market capitalization	¥53,940mn	¥40,284mn

### I-3. Results of Past Periods and Forecasts (Summary)

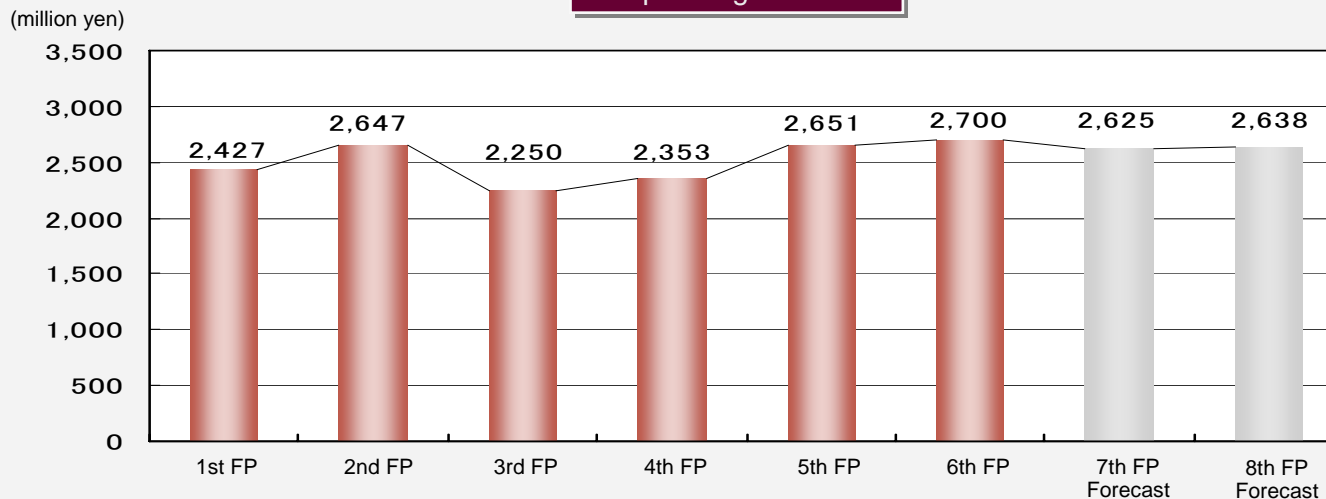
**Operating Revenue**



**Operating Expenses**

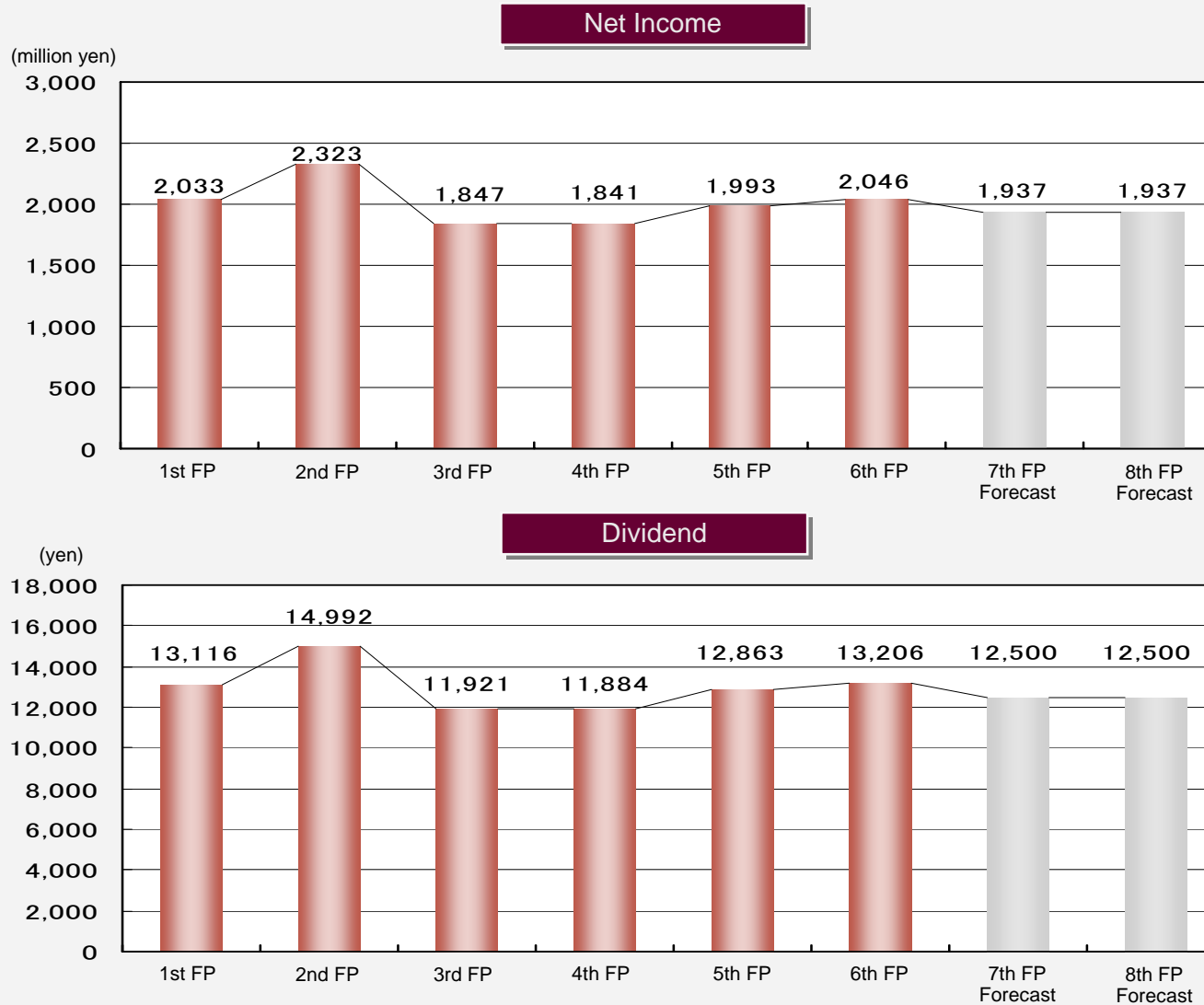


**Operating Income**



\* The actual number of days in the 1st Fiscal period was 245. The above numbers are calculated by the following calculation method: (First Fiscal Period Results / 245 Days) x 365 Days / 2

### I-3. Results of Past Periods and Forecasts (Summary) (cont.)



\* The actual number of days in the 1st Fiscal period was 245. The above numbers are calculated by the following calculation method: (First Fiscal Period Results / 245 Days) x 365 Days / 2

## I-4. Results of Past Periods and Forecasts

Item	1st Fiscal Period* (Reference only)	2nd Fiscal Period	3rd Fiscal Period	4th Fiscal Period	5th Fiscal Period	6th Fiscal Period	7th Fiscal Period (Forecast)	8th Fiscal Period (Forecast)
Period of asset management (days)	182.5	181	184	182	184	181	184	181
Operating revenue	¥4,037mn	¥4,526mn	¥4,715mn	¥4,817mn	¥5,584mn	¥5,606mn	¥5,614mn	¥5,568mn
Operating expenses	¥1,610mn	¥1,878mn	¥2,465mn	¥2,464mn	¥2,933mn	¥2,905mn	¥2,989mn	¥2,930mn
Of which, expenses related to rent business (excluding taxes and dues and depreciation and amortization)	¥485mn	¥515mn	¥553mn	¥547mn	¥701mn	¥718mn	¥768mn	¥706mn
Of which, taxes and dues	¥0mn	¥0mn	¥490mn	¥439mn	¥522mn	¥476mn	¥562mn	¥568mn
Of which, depreciation and amortization	¥730mn	¥873mn	¥927mn	¥987mn	¥1,147mn	¥1,151mn	¥1,106mn	¥1,107mn
Operating income	¥2,427mn	¥2,647mn	¥2,250mn	¥2,353mn	¥2,651mn	¥2,700mn	¥2,625mn	¥2,638mn
Ordinary income	¥2,034mn	¥2,324mn	¥1,848mn	¥1,842mn	¥1,994mn	¥2,047mn	¥1,938mn	¥1,938mn
Net income	¥2,033mn	¥2,323mn	¥1,847mn	¥1,841mn	¥1,993mn	¥2,046mn	¥1,937mn	¥1,938mn
Net operating income from property leasing	¥3,551mn	¥4,010mn	¥3,671mn	¥3,830mn	¥4,360mn	¥4,412mn	¥4,284mn	¥4,293mn
FFO	¥2,763mn	¥3,197mn	¥2,775mn	¥2,829mn	¥3,141mn	¥3,198mn	¥3,043mn	¥3,044mn
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	¥13,116	¥14,992	¥11,921	¥11,884	¥12,863	¥13,206	¥12,500	¥12,500
FFO per unit	¥17,827	¥20,625	¥17,903	¥18,255	¥20,266	¥20,635	¥19,630	¥19,630
Precondition 7th Fiscal Period 8th Fiscal Period	Number of properties: 14 Loans outstanding: ¥81.7 <sup>4</sup> bn Non-operating expenses: 7th fiscal period ¥694mn (of which, interest and other financial expenses: ¥675mn) 8th fiscal period ¥707mn (of which, interest and other financial expenses: ¥693mn)							

\*1. The actual period of asset management in the 1<sup>st</sup> fiscal period was 245 days. The figures above are calculated based on 182.5 days (1<sup>st</sup> fiscal period results / 245 days) x 365 days / 2

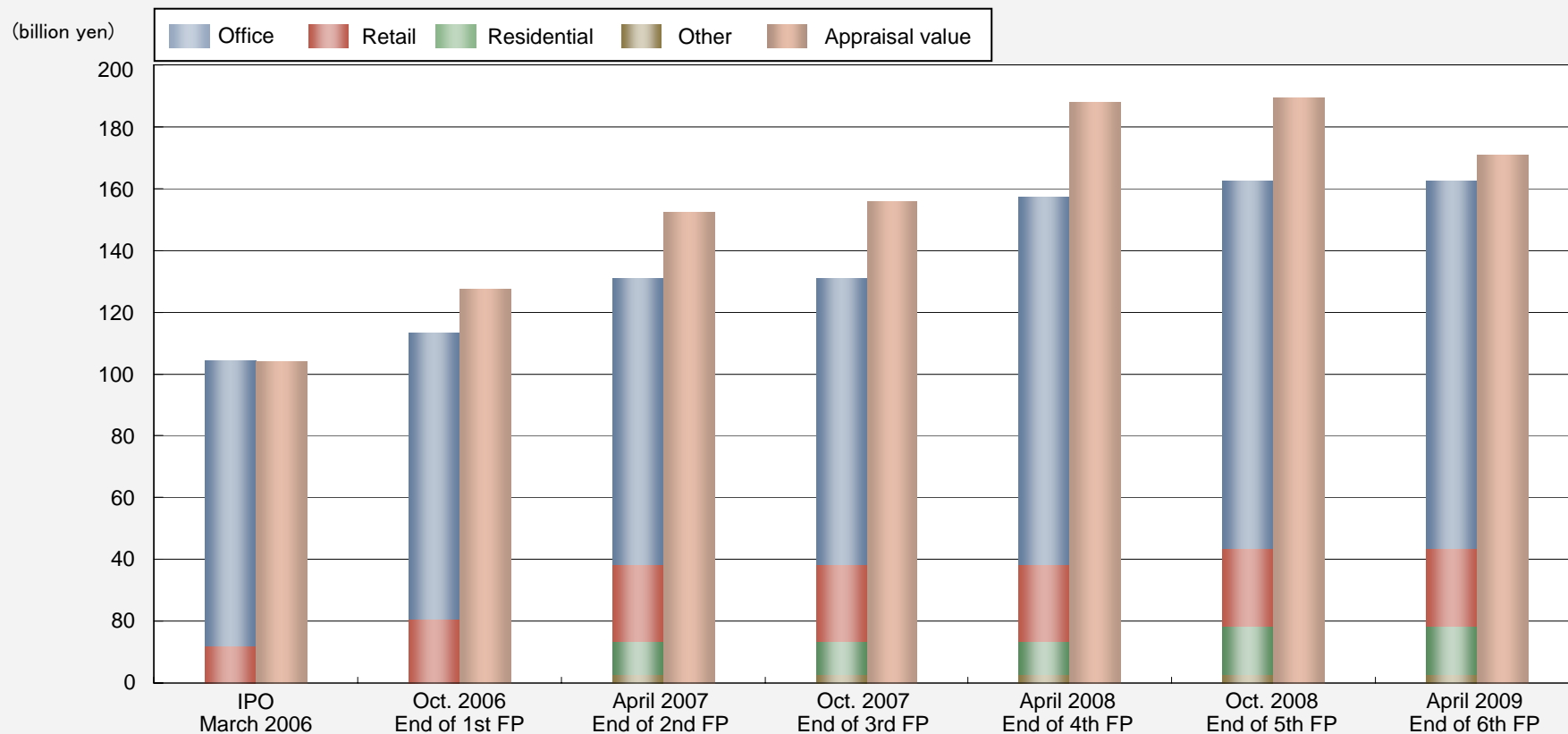


## II. Operating Results and Strategies

## II-1. Operating Results: History of Asset Growth

History of Assets Growth (based on acquisition price)

Building a diversified portfolio comprised primarily of office buildings



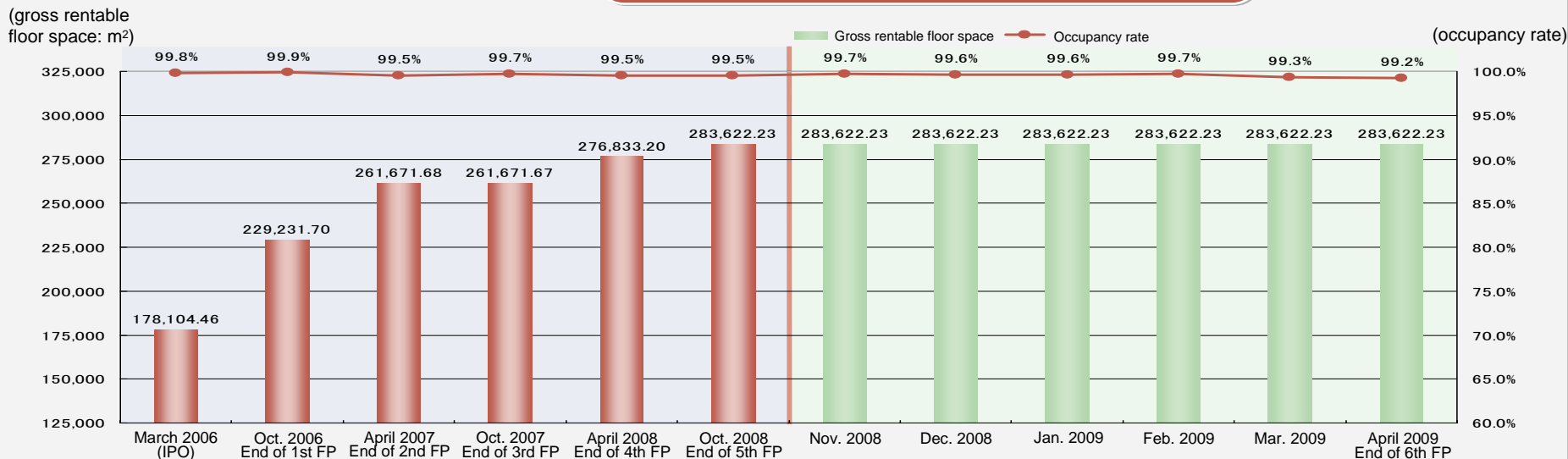
	IPO March 2006	Oct. 2006 End of 1st FP	April 2007 End of 2nd FP	Oct. 2007 End of 3rd FP	April 2008 End of 4th FP	Oct. 2008 End of 5th FP	April 2009 End of 6th FP
Number of properties	7	8	11	11	13	14	14
Acquisition price	¥104.386bn	¥113.286bn	¥130.846bn	¥130.846bn	¥157.187bn	¥162.347bn	¥162.347bn
Appraisal value	¥104.267bn	¥127.442bn	¥152.468bn	¥155.923bn	¥188.035bn	¥189.441bn	¥170.870bn

\*Acquisition price and appraisal value details are provided on P31 and P32.

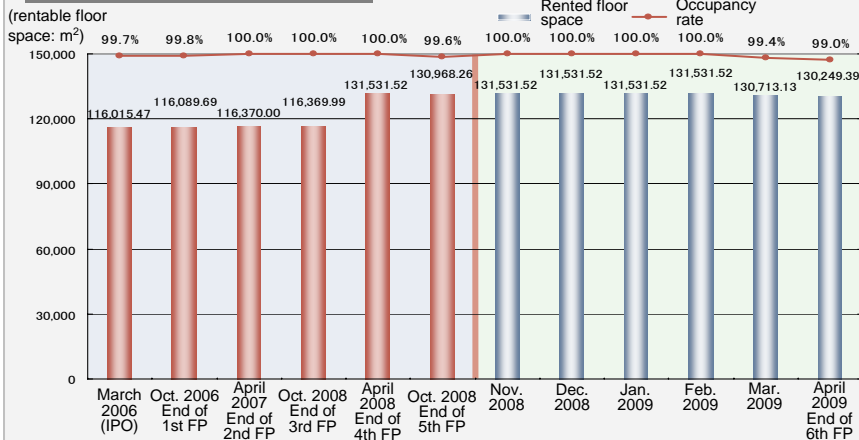
## II-2. Operating Results: Maintaining High Occupancy Rate

### Occupancy Rate (Portfolio)

Maintaining Stable and High Occupancy since IPO

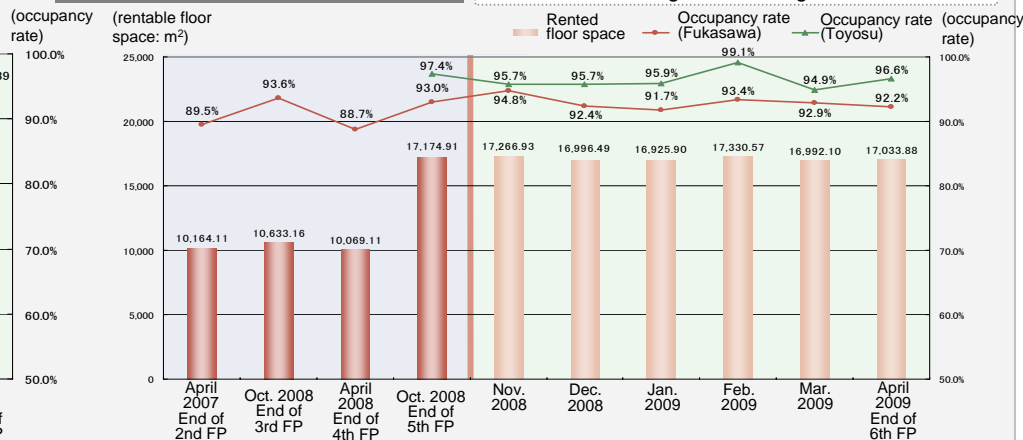


### Occupancy Rate (Office)



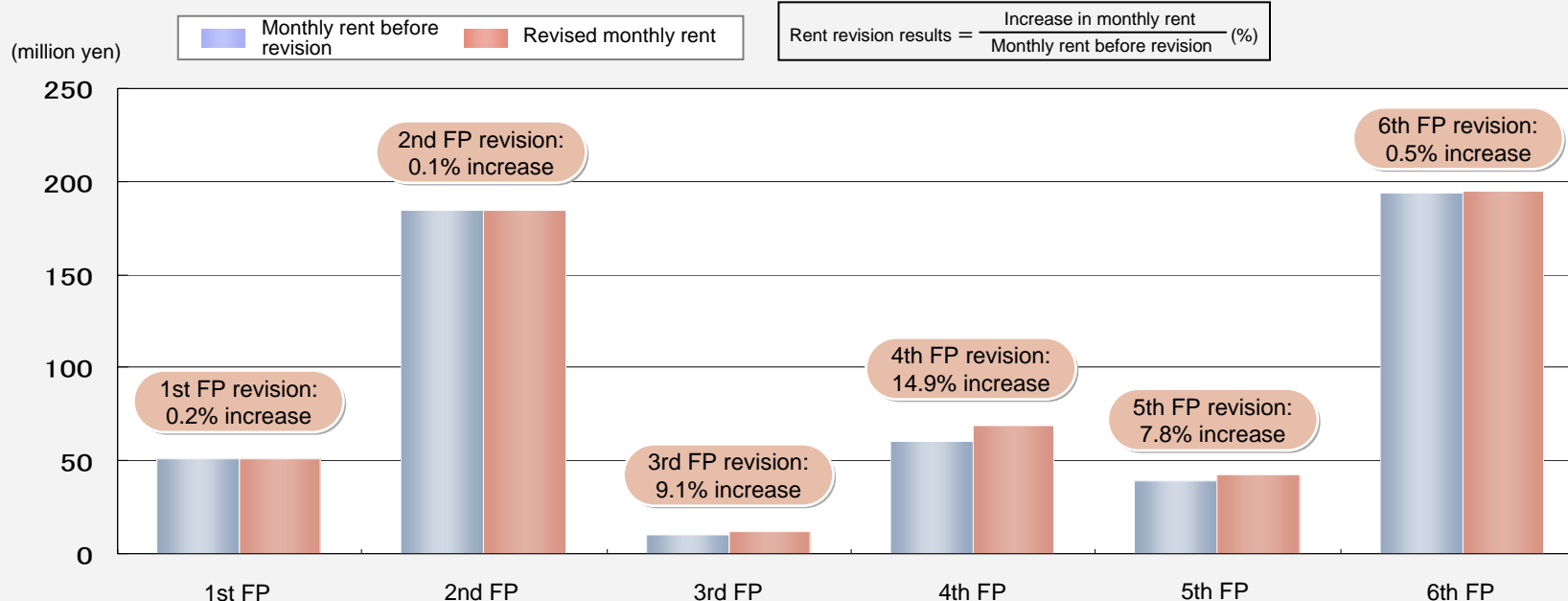
### Occupancy Rate (Residential)

Occupancy rates of Fukasawa and Toyosu stabilized and maintained a high level during the 6th FP



## II-3. Operating Results: Results from Office Rent Revision

### Office: Rent Revision Results (as at end of 6th FP)



#### ◆ Results of 6th Fiscal Period

Renewed contracts with 13 tenants, upon which rent revised upward by +0.5% on average  
(Effect: Increase in revenue of ¥5.9mn per fiscal period)

<Breakdown>

Rent revised upward: 7 tenants (+5.4% on average)

Rent unchanged: 5 tenants

Rent revised downward: 1 tenant (-4.6%)

## II-4. Operating Strategies: Securing Stable Revenue

Securing stable revenue through long-term agreement with well-rated tenants

Avoiding risk of rent decrease and maintaining stable level of dividend through fixed-rate rent

### Tenants with Long-term Agreements

(as at end of 6th FP)

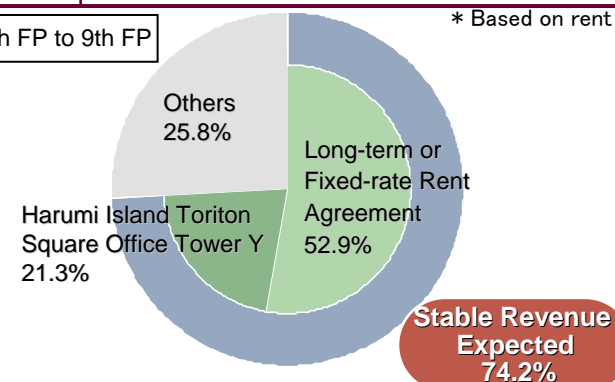
	Property	Main Tenants	Share of Portfolio		Expiration Date	Notes
			Based on rented floor space	Based on rent		
Long-term or Fixed-rate Rent Agreement	NEC Head Office building	NEC Corporation	25.7%	26.7%	Dec. 28, 2025	Fixed-rate rent by Dec. 2013 (16th FP) Mid-term cancellation banned until Dec. 2013 (16th FP)
	Harumi Island Triton Square Office Tower Z	Obayashi Corporation	3.9%	9.2%	Mar. 31, 2011	Fixed-term lease contract (fixed-rate rent) until March 2011 (10th FP)
	Sagamihara Shopping Center	Ito-Yokado Co., Ltd.	22.0%	8.0%	Aug. 10, 2013	Next rent revision: August 2011 (11th FP)
	Ito-Yokado Higashi-Narashino Store	Ito-Yokado Co., Ltd.	18.2%	4.6%	Nov. 26, 2014	Fixed-rate rent until expiration date (18th FP) (using sales-based rent)
	OAK PLAZA	Nippon Steel City Produce, Inc	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	Olympic Corporation Nitori Co., Ltd.	5.3%	2.5%	Oct. 31, 2025	Fixed-rate rent until Oct. 2010 (9th FP) Mid-term cancellation banned until Oct. 2015 (19th FP)
	Total		77.2%	52.9%		
Stable Revenue Expected	Harumi Toriton Square Office Tower Y	Sumitomo Metal Industries, Ltd. Japan Trustee Services Bank, Ltd.	8.3%	21.3%	Mar. 31, 2012 Mar. 31, 2011	Next rent revision: April 2011 (10th FP) and April 2012 (12th FP)

**52.9% of the portfolio (based on rent) are long-term or fixed-rate rent agreements and thus secure stable revenue**

**With the next renewals for the flagship property Harumi Island Triton Square Office Tower Y being the 10th and 12th fiscal periods, stable revenue is expected over the medium to long term**

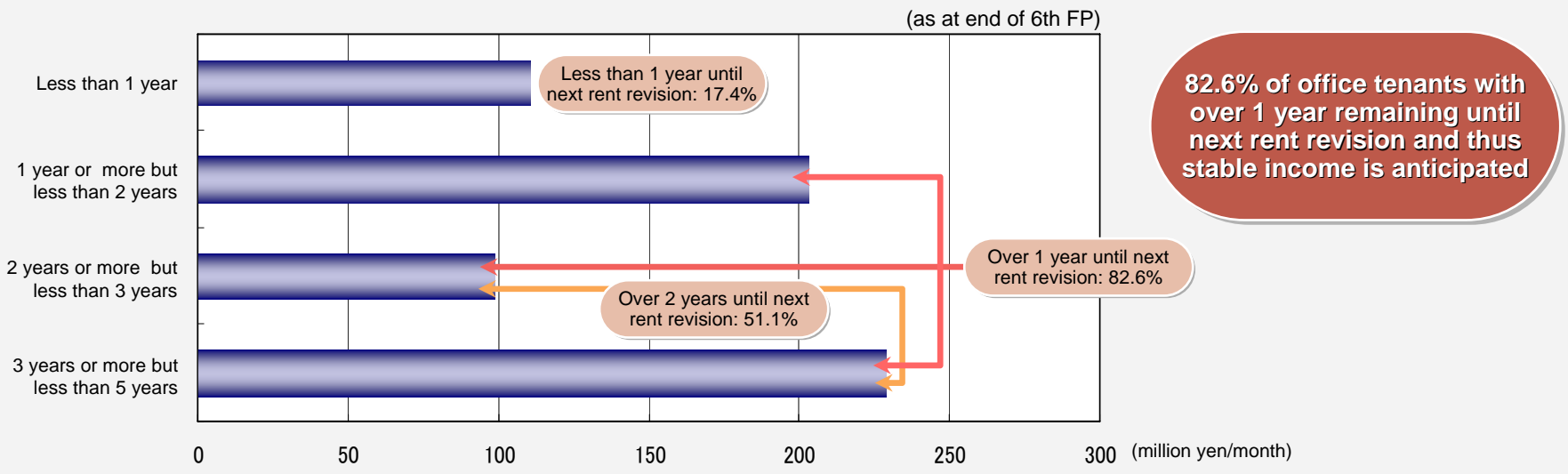
**Maintaining Stable Level of Dividend**

From 7th FP to 9th FP



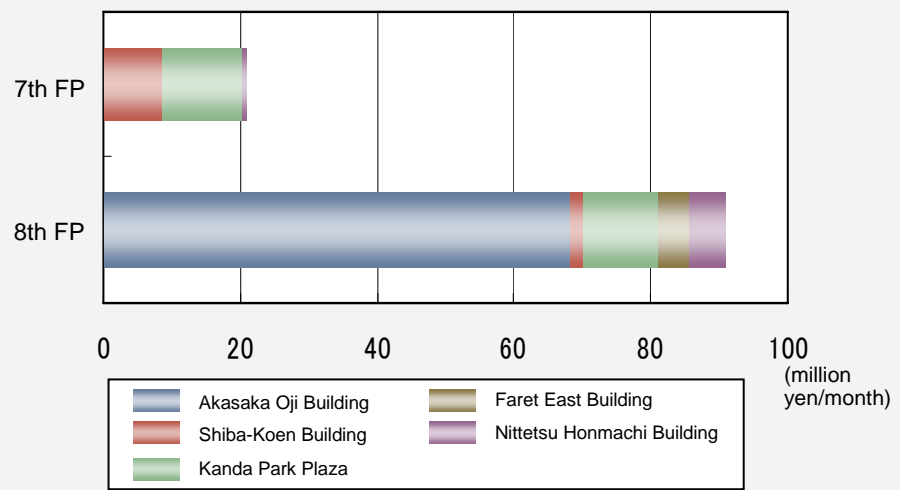
# II-5. Operating Strategies: Schedule of Future Office Rent Revision

## Office: Period Remaining until Next Rent Revision



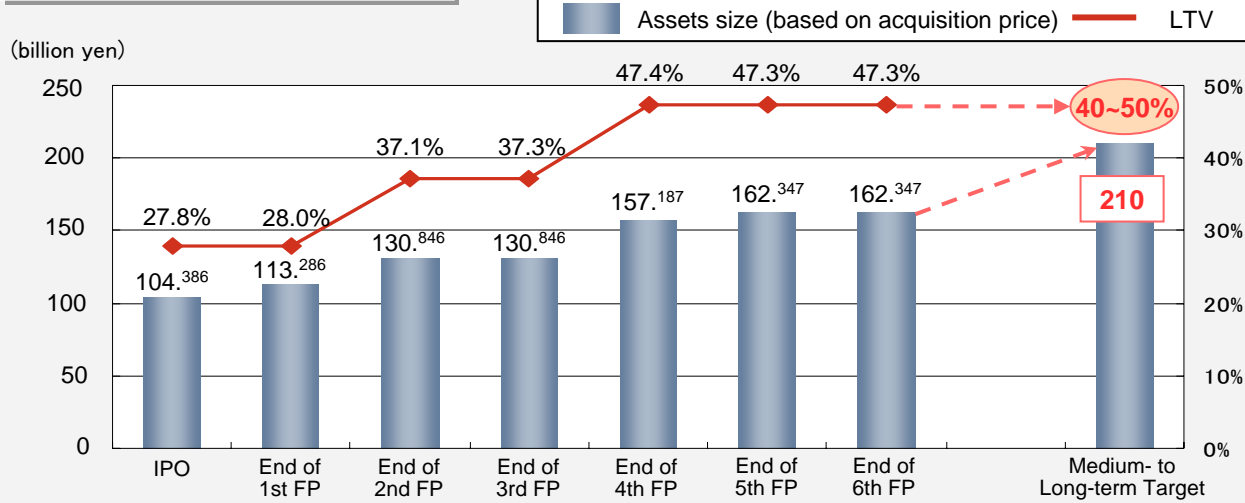
## Office: Schedule of Rent Revision in 7th FP & 8th FP

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



## II-6. Operating Strategies: Investment Policy

### Investment Policy/Target



Targeting assets size of ¥210bn, reducing NEC Head Office Building's share of the portfolio to 20%

	Characteristic Purpose	Future Investment Policy/Stance	Target	
Office	Growing assets	Proactive investment Proactively review properties mainly located in central Tokyo	<b>Emphasis Location:</b> Mainly central Tokyo (central 6 wards) <b>Emphasis on leasing competitiveness:</b> 100 tsubo/floor or larger High-quality specifications (facilities/specifications, etc.)	Portion 75%
Retail	Stable assets / Growing assets	Review carefully-selected properties centering on multi-use retail properties	<b>Emphasis on flexibility in replacement of tenants:</b> Multi-tenant type/close to terminal station/center of commerce/stable trade area	Portion 25%
Residential	Stable assets	Review properties with emphasis on location, mainly in central Tokyo	<b>Emphasis on convenience:</b> • Accessibility to the nearest station and city center • Convenience for daily life • Environment	

While closely monitoring real estate market trends, deliberate over property acquisitions with office buildings located in central Tokyo as the main target

## II-7. Operating Strategies: Operating Policy

### “Tenants First” = Improving Tenant Satisfaction

Reflecting demand from tenants in facility management plan, thus improving quality and value of asset

Building up good relationship with major tenants will support long-term stable revenue

#### Office

- Target 100% occupancy at office buildings (focus on leasing activities for vacant portion)
- To secure stable revenue, aim to maintain and raise the rent level from a medium- to long-term perspective for renewal rent
- Risk management against tenant exits (closely monitor leasing market trends of the area, vacancy rates and tenant trends)
- Discern tenant needs (floor space expansion needs, improvement of facilities, etc.)

#### Retail

- Risk management against tenant exits (monitoring of sales conditions)
- Continue periodic meetings with tenants directed at generating sales-based rent

#### Residential

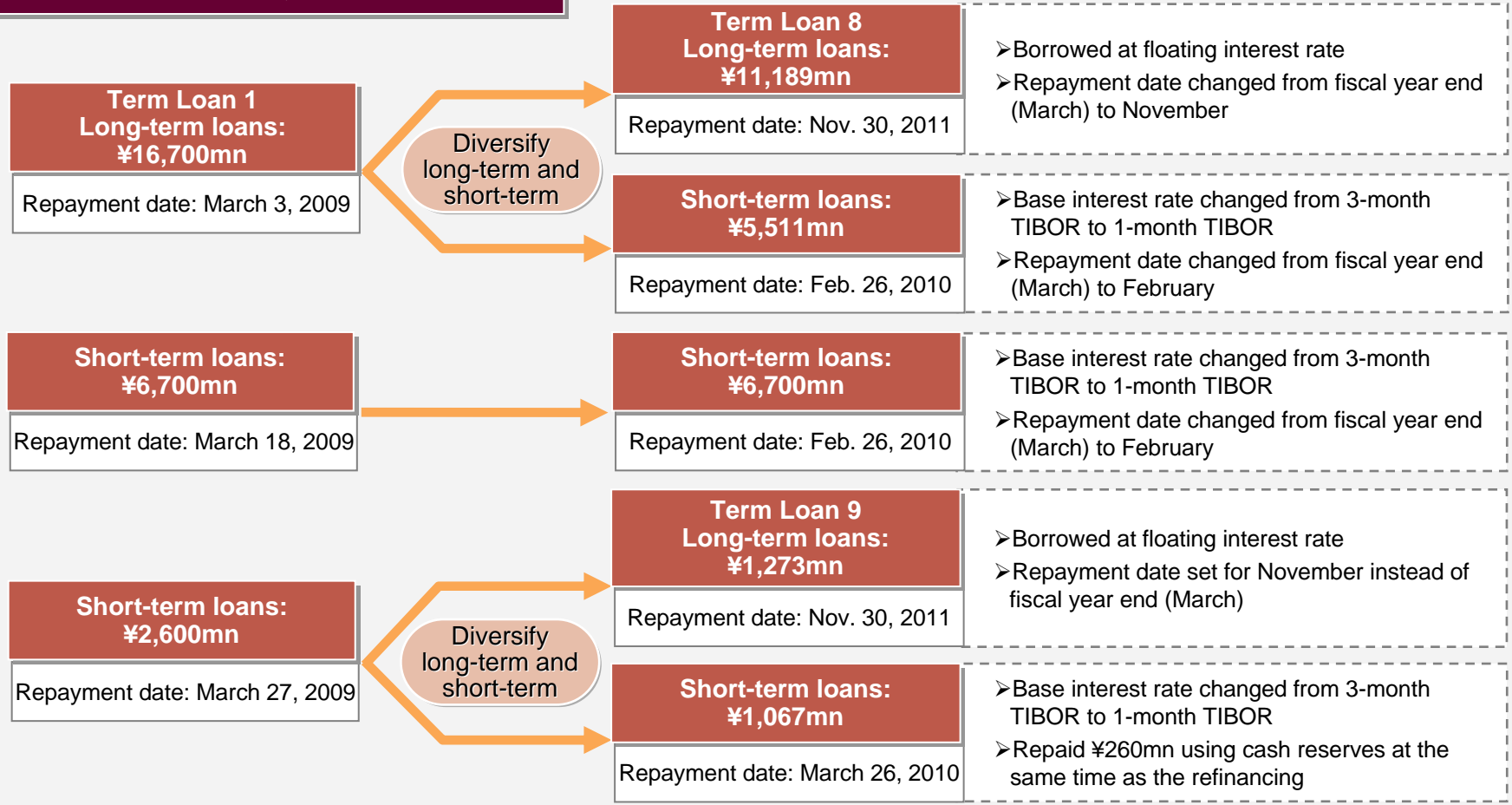
- Keep securing stable revenue by setting the maintaining and raising of occupancy rates as tasks of top priority
- Increase the level of income by both maintaining rent levels as well as raising occupancy rates
- Pursue shorter duration and further cost savings for the construction required to restore a residential unit to its original state upon tenant exits



### III. Financial Strategies

### III-1. Financial Strategies: Refinancing

Refinanced a total of ¥26,000mn in March 2009



- ◆ In order to keep interest expenses down, changed to borrowing at floating interest rate in all cases (base interest rate is 3-month TIBOR for long-term loans and 1-month TIBOR for short-term loans)
- ◆ In view of spreading out repayment dates, made considerations for achieving a balance between long-term and short-term loans and also changed repayment dates from March, when the demand for funds is high, to February or November

## III-2. Financial Strategies: Issuer Rating and Loans at End of Sixth 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 April 2009)	Loan Execution Date	Repayment Date	Remaining Period	Note	
Short-Term Loans	*The Sumitomo Trust and Banking Co., Ltd. *Mizuho Corporate Bank, Ltd.	¥5,511mn	0.97% (floating)	March 3, 2009	February 26, 2010	10 months	Unsecured and without guarantee	
	The Sumitomo Trust and Banking, Co., Ltd.	¥6,700mn	0.97% (floating)	March 18, 2009	February 26, 2010	10 months	Unsecured and without guarantee	
	*Mizuho Corporate Bank, Ltd. *The Bank of Tokyo Mitsubishi UFJ, Ltd.	¥1,067mn	0.97% (floating)	March 27, 2009	March 26, 2010	11 months	Unsecured and without guarantee	
	<b>Subtotal</b>	<b>¥13,278mn</b>	<b>0.97% (avg.)</b>			<b>10 months (avg.)</b>		
Current Portion of Long-Term Loans	*The Sumitomo Trust and Banking Co., Ltd. *Mizuho Corporate Bank, Ltd. *Sumitomo Mitsui Banking Corporation *The Bank of Tokyo Mitsubishi UFJ, Ltd. *Mitsubishi UFJ Trust and Banking Corporation	¥9,000mn	1.21% (fixed)	March 27, 2008	March 26, 2010	11 months	Unsecured and without guarantee	
		¥9,000mn						
Long-Term Loans	*The Sumitomo Trust and Banking Co., Ltd. *Mizuho Corporate Bank, Ltd. *Sumitomo Mitsui Banking Corporation *The Bank of Tokyo Mitsubishi UFJ, Ltd. *The Chuo Mitsui Trust and Banking, Co., Ltd. *Mitsubishi UFJ Trust and Banking Corporation	¥5,200mn	1.17% (floating)	March 3, 2006	March 3, 2011	1 year & 10 months	Unsecured and without guarantee	
		¥11,500mn	1.92% (fixed)					
	<b>Subtotal</b>	<b>¥16,700mn</b>						
	Term Loan 2	Same as Term Loan 2	¥8,500mn	1.60% (fixed)	June 29, 2007	June 30, 2010	1 year & 2 months	Unsecured and without guarantee
	Term Loan 3	Same as Term Loan 2	¥8,500mn	1.95% (fixed)	June 29, 2007	June 29, 2012	3 years & 2 months	Unsecured and without guarantee
Term Loan 4	Same as Term Loan 2	¥8,500mn						

Category	Lender	Loan Balance	Interest Rate (end of April 2009)	Loan Execution Date	Repayment Date	Remaining Period	Note
Term Loan 5	The Sumitomo Trust and Banking, Co., Ltd.	¥2,000mn	2.27% (fixed)	June 29, 2007	June 30, 2014	5 years & 2 months	Unsecured and without guarantee
	Development Bank of Japan, Inc.	¥1,000mn	2.40% (fixed)				
	Dai-ichi Mutual Life Insurance Company	¥1,000mn	2.40% (fixed)				
	<b>Subtotal</b>	<b>¥4,000mn</b>					
Term Loan 6	Same as Term Loan 6	¥6,300mn	1.48% (fixed)	March 27, 2008	March 27, 2013	3 years & 11 months	Unsecured and without guarantee
	Development Bank of Japan, Inc.	¥3,000mn	1.53% (fixed)				
	<b>Subtotal</b>	<b>¥9,300mn</b>					
Term Loan 7	*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	1.61% (floating)	March 3, 2009	November 30, 2011	2 years & 7 months	Unsecured and without guarantee
		¥11,189mn					
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	¥1,273mn	1.53% (floating)	March 27, 2009	November 30, 2011	2 years & 7 months	Unsecured and without guarantee
		¥1,273mn					
	<b>Subtotal</b>	<b>¥68,462mn</b>	<b>1.64% (avg.)</b>			<b>2 years &amp; 5 months (avg.)</b>	
<b>Total</b>		<b>¥81,740mn</b>	<b>1.53% (avg.)</b>			<b>2 years &amp; 2 months (avg.)</b>	

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 average based on the balance at the end of fiscal period.

### III-3. Financial Strategies: Preparation for Risk of Fluctuating Interest Rates and Spreading Out Repayment Dates

Total amount of loan: ¥81.74bn

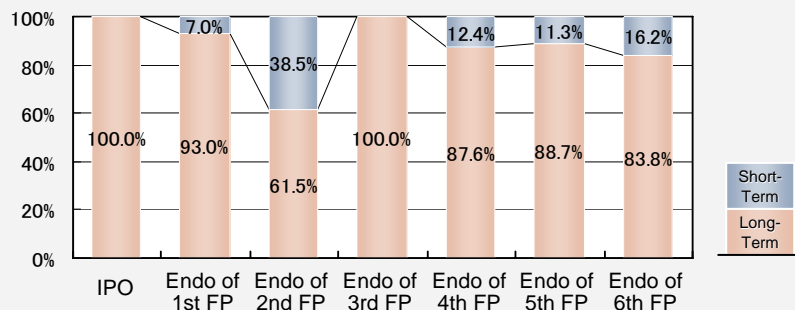
Ratio of Long-term loans: 83.8%

\*Including current portion of long-term loans

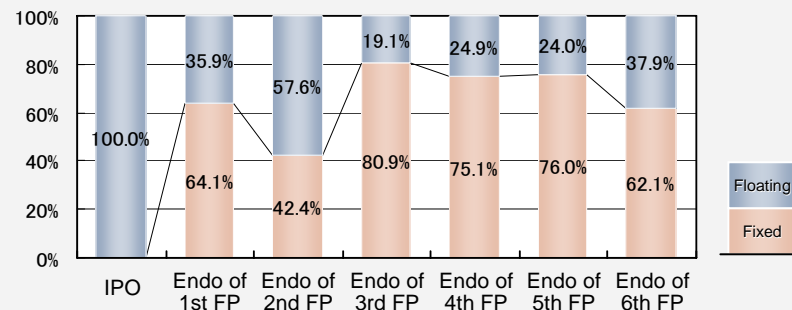
Ratio of loans to total assets (LTV): 47.3%

Ratio of loans with fixed interest rate: 62.1%

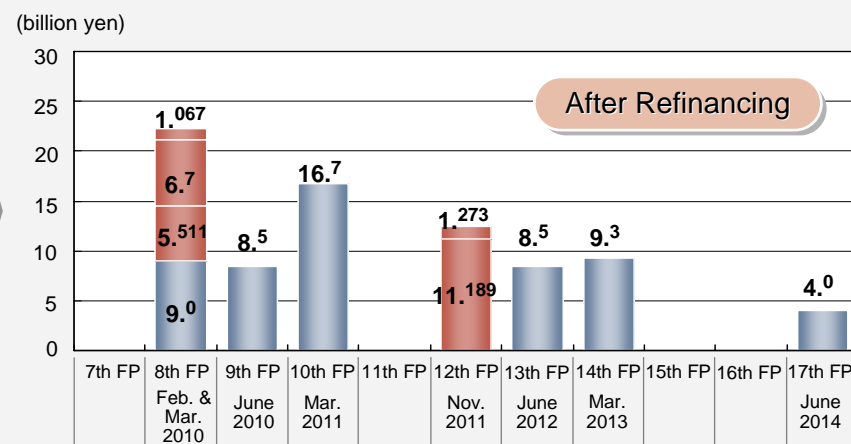
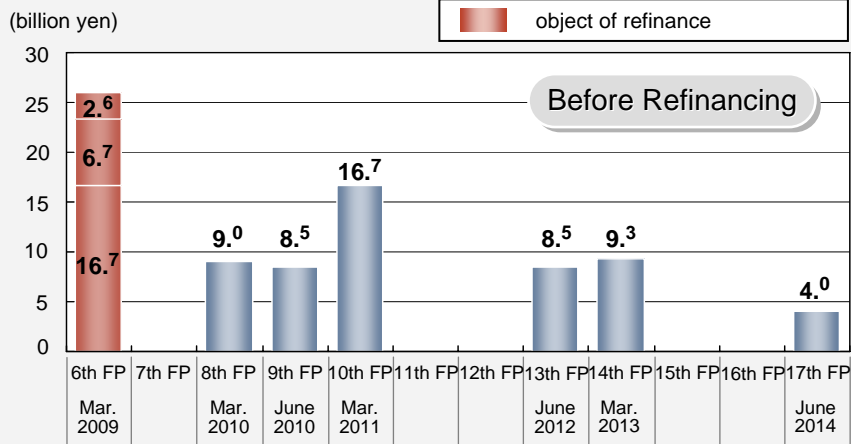
Ratio of Long-Term Loans



Ratio of Loans with Fixed Interest Rates



#### Actions to Spread Out Repayment Schedule



## Sound 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)

### Coping with Borrowing Periods and Repayment Dates

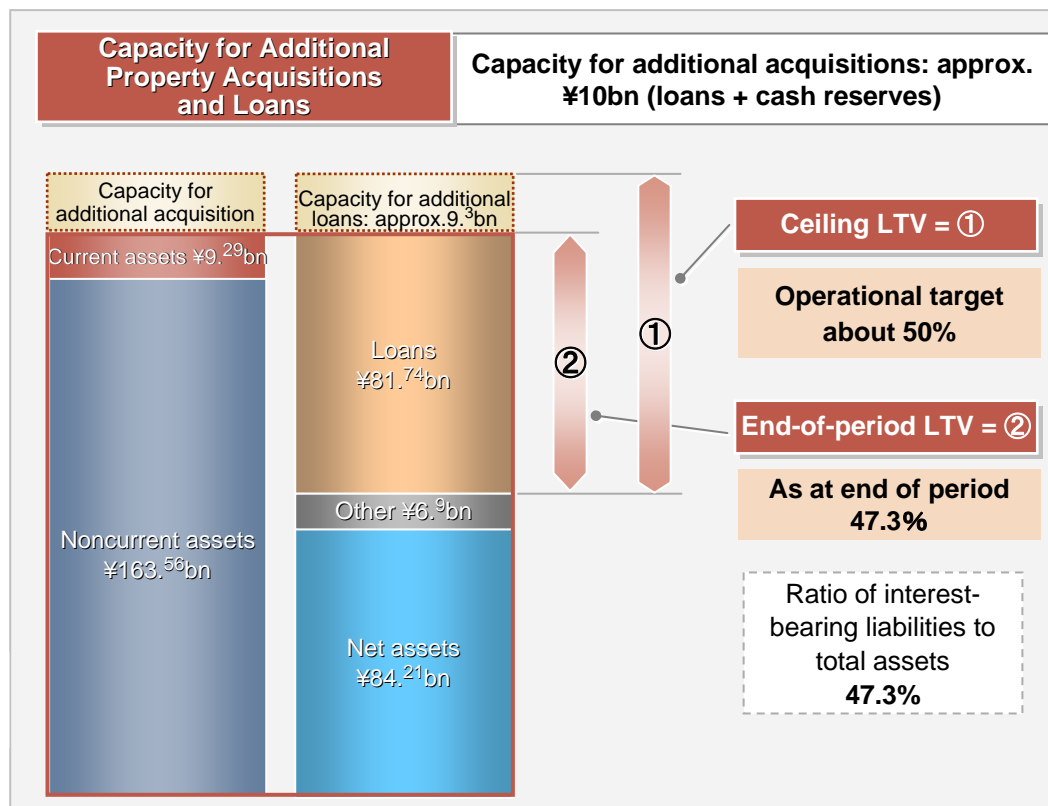
From the standpoint of stable financial management, extend borrowing periods and spread out repayment dates

### Preparing for Future Interest Rate Fluctuation

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



### III-5. Financial Strategies: Target for Dividend Level

#### Target for Dividend Level

Current portfolio (14 properties; asset size: ¥162.<sup>347</sup>bn)

Now

**Dividend level:  
¥12,000~13,000  
per fiscal period**

**LTV  
operational level:  
40~50%  
(Max 60%)**

Target for when asset size of ¥210bn is achieved

Target

**Dividend level:  
Stable payment of  
¥13,000 or more per fiscal period  
LTV operational level: 40~50%  
(Max 60%)**

## **IV. Sixth Fiscal Period Results (Ended April 30, 2009)**

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

### Statements of Income

Account	5th FP May 1, 2008 – October 31, 2008 (184 days)		6th FP November 1, 2008 – April 30, 2009 (181 days)	
	Amount	Share	Amount	Share
<b>I. Operating revenue and expenses</b>				
1. Operating revenue	¥5,584mn	100.0%	¥5,606mn	100.0%
2. Operating expenses	¥2,933mn	52.5%	¥2,905mn	51.8%
Expenses related to rent business	¥2,370mn		¥2,346mn	
Asset management fees	¥434mn		¥426mn	
Other	¥127mn		¥133mn	
<b>Operating income</b>	<b>¥2,651mn</b>	<b>47.5%</b>	<b>¥2,700mn</b>	<b>48.2%</b>
<b>II. Non-operating income and expenses</b>				
1. Non-operating income	¥22mn	0.4%	¥17mn	0.3%
Interest income	¥16mn		¥13mn	
Other	¥6mn		¥3mn	
2. Non-operating expenses	¥679mn	12.2%	¥670mn	12.0%
Interest expenses	¥642mn		¥626mn	
Amortization of deferred organization expenses	¥5mn		¥5mn	
Other	¥31mn		¥38mn	
<b>Ordinary income</b>	<b>¥1,994mn</b>	<b>35.7%</b>	<b>¥2,047mn</b>	<b>36.5%</b>
Income before income taxes	¥1,994mn		¥2,047mn	
Income taxes-current	¥1mn		¥1mn	
Income taxes-deferred	(¥0mn)		(¥0mn)	
<b>Net income</b>	<b>¥1,993mn</b>	<b>35.7%</b>	<b>¥2,046mn</b>	<b>36.5%</b>
<b>Unappropriated retained earnings</b>	<b>¥1,993mn</b>		<b>¥2,046mn</b>	

### Statements of Cash Distributions

Account	5th FP May 1, 2008 – October 31, 2008 (184 days)	6th FP November 1, 2008 – April 30, 2009 (181 days)
	Amount	Amount
Unappropriated retained earnings	¥1,993mn	¥2,046mn
Total dividend amount	¥1,993mn	¥2,046mn
[Dividend per unit]	[¥12,863]	[¥13,206]
Retained earnings carried forward	¥0mn	¥0mn

- Attributable throughout the fiscal period to Ecology Toyosu Procentury, which was acquired on May 30, 2008 (in 5th fiscal period)
- Increase in rent at Harumi Island Triton Square Office Tower Y and other office buildings

#### 【Expenses related to rent business】

- Depreciation and amortization: ¥1,151mn
- Property management expenses: ¥381mn
- Utilities expenses: ¥209mn and others



## IV-2. Balance Sheets (Summary)

Account	5th FP (as of October 31, 2008)		6th FP (as of April 30, 2009)	
	Amount	Share	Amount	Share
<b>Assets</b>				
I. Total current assets	¥9,003mn	5.2%	¥9,292mn	5.4%
Cash and deposits	¥3,054mn		¥4,572mn	
Cash and deposits in trust	¥5,814mn		¥4,559mn	
Operating accounts receivable	¥44mn		¥35mn	
Other	¥90mn		¥124mn	
II. Total noncurrent assets	¥164,215mn	94.8%	¥163,541mn	94.6%
1. Total property, plant and equipment	¥163,985mn	94.7%	¥163,245mn	94.4%
Buildings, etc.	¥1,097mn		¥1,077mn	
Land	¥4,888mn		¥4,888mn	
Buildings, etc. in trust	¥51,476mn		¥50,756mn	
Land in trust	¥106,523mn		¥106,523mn	
2. Total intangible assets	¥0mn	0.0%	¥0mn	0.0%
Intangible assets	¥0mn		¥0mn	
3. Total investment and other assets	¥229mn	0.1%	¥295mn	0.2%
Lease and guarantee deposits	¥10mn		¥10mn	
Long-term prepaid expenses	¥63mn		¥116mn	
Deferred tax assets	¥71mn		¥63mn	
Other	¥85mn		¥104mn	
III. Total deferred assets	¥22mn	0.0%	¥17mn	0.0%
Deferred organization expenses	¥22mn		¥17mn	
<b>Total assets</b>	<b>¥173,241mn</b>	<b>100.0%</b>	<b>¥172,850mn</b>	<b>100.0%</b>

Account	5th FP (as of October 31, 2008)		6th FP (as of April 30, 2009)	
	Amount	Share	Amount	Share
<b>Liabilities</b>				
I. Total current liabilities	¥27,501mn	15.9%	¥23,622mn	13.7%
Operating accounts payable	¥82mn		¥90mn	
Short-term loans payable	¥9,300mn		¥13,278mn	
Current portion of long-term loans payable	¥16,700mn		¥9,000mn	
Accounts payable — other	¥256mn		¥257mn	
Accrued expenses	¥211mn		¥182mn	
Accrued consumption taxes	¥197mn		¥47mn	
Advances received	¥742mn		¥760mn	
Other	¥10mn		¥5mn	
II. Total noncurrent liabilities	¥61,598mn	35.5%	¥65,020mn	37.6%
Long-term loans payable	¥56,000mn		¥59,462mn	
Tenant leasehold and security deposits	¥169mn		¥141mn	
Tenant leasehold and security deposits in trust	¥5,235mn		¥5,239mn	
Derivative liabilities	¥193mn		¥177mn	
<b>Total liabilities</b>	<b>¥89,100mn</b>	<b>51.4%</b>	<b>¥88,642mn</b>	<b>51.3%</b>
<b>Net assets</b>				
I. Total unitholders' equity	¥84,253mn	48.6%	¥84,307mn	48.8%
1. Unitholders' capital	¥82,260mn	47.5%	¥82,260mn	47.6%
2. Surplus				
Unappropriated retained earnings	¥1,993mn		¥2,046mn	
Total surplus	¥1,993mn	1.2%	¥2,046mn	1.2%
II. Total valuation and translation adjustments	(¥112mn)	(0.1%)	(¥98mn)	(0.1%)
Deferred gains or losses on hedges	(¥112mn)		(¥98mn)	
<b>Total net assets</b>	<b>¥84,141mn</b>	<b>48.6%</b>	<b>¥84,208mn</b>	<b>48.7%</b>
<b>Total liabilities and net assets</b>	<b>¥173,241mn</b>	<b>100.0%</b>	<b>¥172,850mn</b>	<b>100.0%</b>

## IV-3. Major Financial Indicators

Item	4th Fiscal Period November 1, 2007 - April 30, 2008	5th Fiscal Period May 1, 2008 - October 31, 2008	6th Fiscal Period November 1, 2008 - April 30, 2009	Remark
Period of asset management	182 days	184 days	181 days	
Ratio of interest-bearing liabilities to total assets at end of period	48.0%	47.3%	47.3%	Interest-bearing liabilities at end of period / Total assets at end of period
Ratio of loans to total assets at end of period (LTV)	47.4%	47.3%	47.3%	Total amount of loans at end of period / total assets at end of period
Rental NOI (Net operating income)	¥3,830mn	¥4,360mn	¥4,412mn	Rent revenue – Expenses related to rent business + Depreciation and amortization
Rental NOI yield	4.8%	5.4%	5.4%	Rental NOI x 2 / Sum total of the acquisition price of all properties in the portfolio at end of period
Funds from operation (FFO)	¥2,829mn	¥3,141mn	¥3,198mn	Net income + Depreciation and amortization
FFO per unit	¥18,255	¥20,266	¥20,635	FFO / Number of units issued and outstanding at end of period
Ratio of ordinary income to total assets (return on assets (ROA))	1.1%	1.1%	1.2%	Ordinary income / ((Total assets at beginning of period + Total assets at end of period) / 2)
Annualized	[2.3%]	[2.3%]	[2.4%]	
Ratio of net income to unitholders' equity (return on equity (ROE))	2.2%	2.4%	2.4%	Net income / ((Net assets at beginning of period + Net assets at end of period) / 2)
Annualized	[4.4%]	[4.7%]	[4.9%]	
NAV multiple	0.54	0.37	0.59	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 asset at the end of period	48.0%	48.6%	48.7%	Net assets at end of period / Total assets at end of period

## IV-4. Unitholders

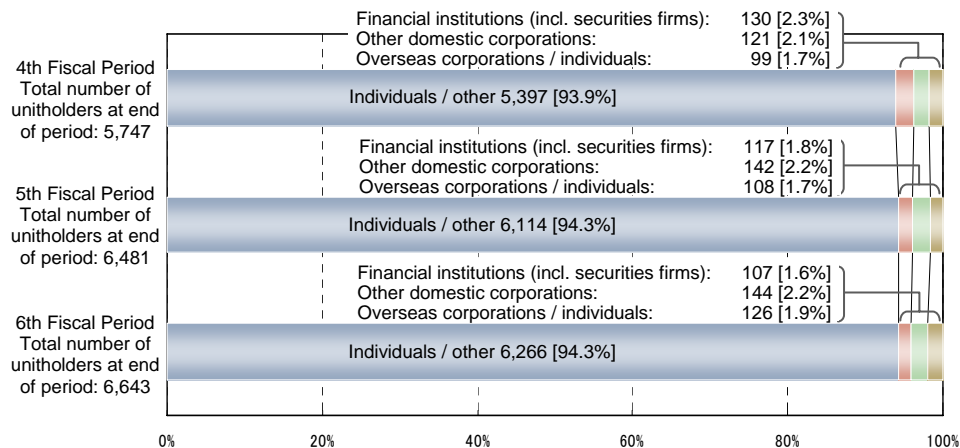
### Unitholdings (as at end of 6th FP)

Category	Number of Units Held		Number of Unitholders	
Individuals / other	19,036	12.3%	6,266	94.3%
Financial institutions (incl. securities firms)	91,468	59.0%	107	1.6%
Other domestic corporations	13,395	8.6%	144	2.2%
Overseas corporations / individuals	31,101	20.1%	126	1.9%
<b>Total</b>	<b>155,000</b>	<b>100.0%</b>	<b>6,643</b>	<b>100.0%</b>

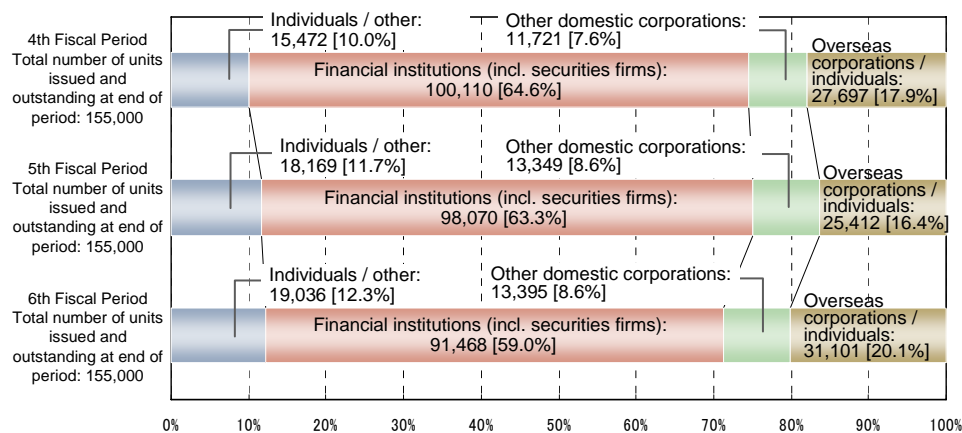
### Top 15 Unitholders (as at end of 6th FP)

Rank	Name	Number of Units Held	Share of Total
1	NikkoCiti Trust and Banking Corporation (investment trust account)	13,230	8.54%
2	Japan Trustee Service Bank (trust account)	10,380	6.70%
3	Trust and Custody Services Bank (securities investment trust account)	9,349	6.08%
4	The Master Trust Bank of Japan (trust account)	6,403	4.13%
5	North Pacific Bank	6,139	3.96%
6	The Bank of Ikeda	4,540	2.93%
7	Nomura Trust and Banking (investment trust account)	4,023	2.60%
8	American Life Insurance Company GAL	3,847	2.48%
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%
13	Trust and Custody Services Bank (money trust tax account)	3,042	1.96%
14	Goldman Sachs International	2,611	1.68%
15	The Bank of Kyoto	1,812	1.17%
	<b>Total</b>	<b>78,341</b>	<b>50.54%</b>

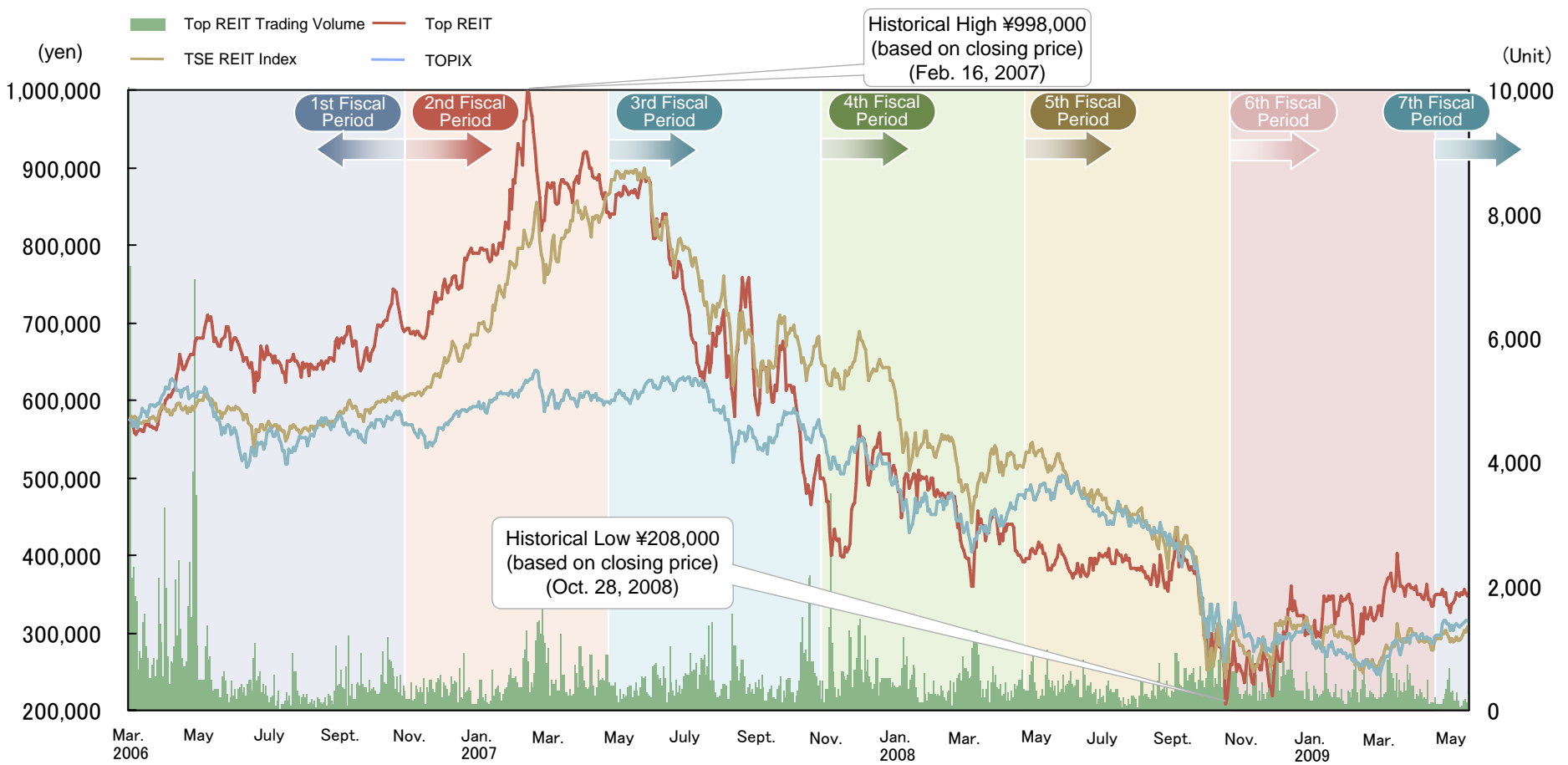
### Number of Unitholders



### Number of Units Held



# IV-5. Unit Price Performance and Volume (March 1, 2006 – May 29, 2009)



6th Fiscal Period End Unit Price (based on closing price)	¥348,000 (April 30, 2009)	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

## V. Appendix: Portfolio Overview

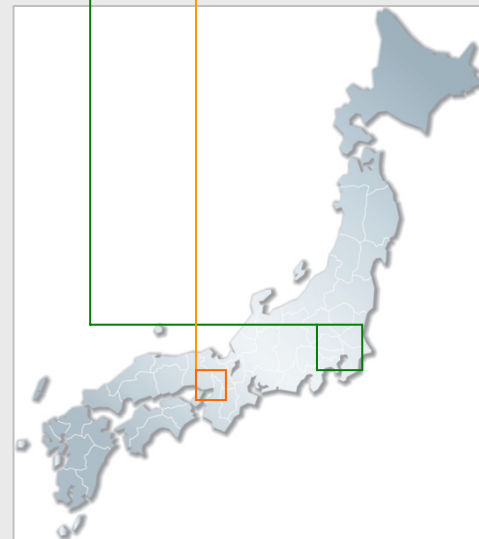
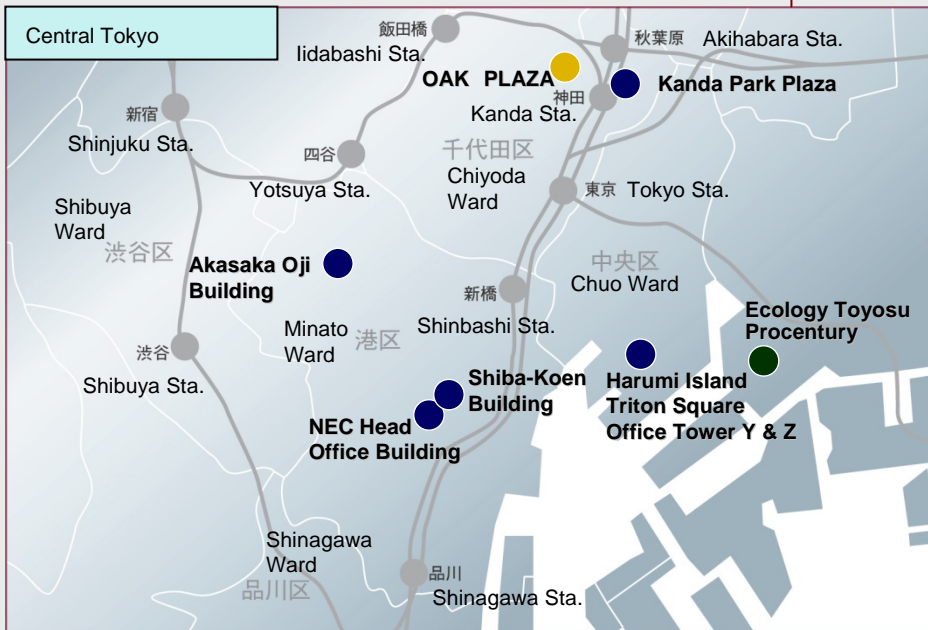
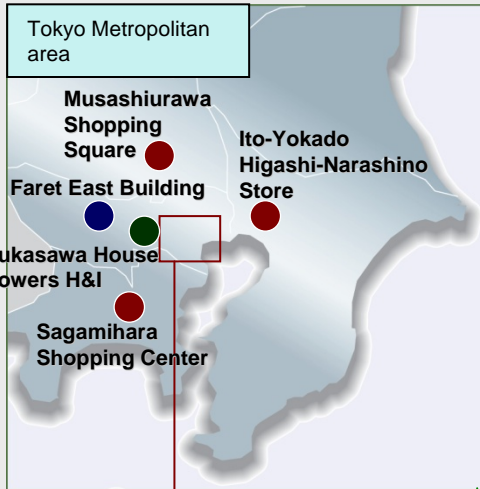
# V-1. Portfolio Map



Harumi Island Triton Square Office Tower Y & Z



Fukasawa House Towers H&I



Sagamihara Shopping Center



NEC Head Office Building

## V-2. Portfolio Summary (as at end of 6th FP)

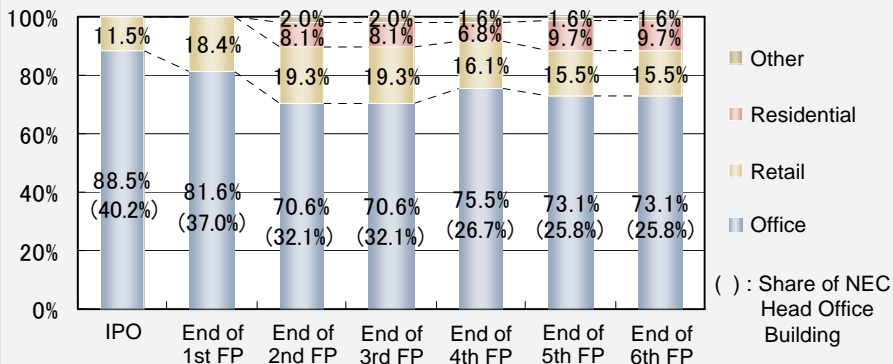
Total Acquisition Price: ¥162.347bn

Number of Properties: 14

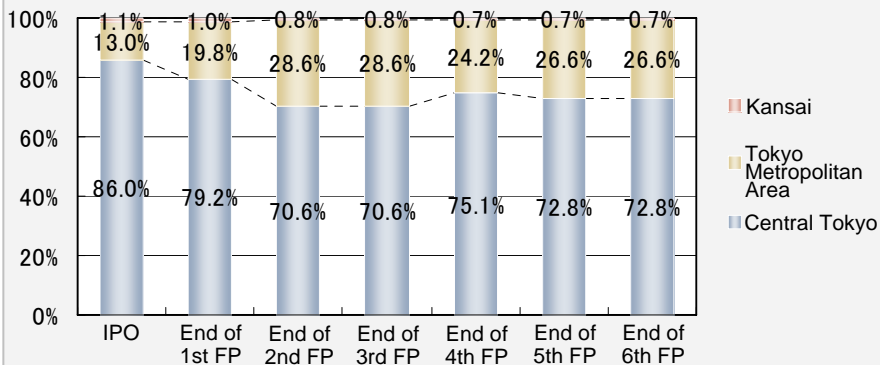
Gross Rentable Floor Area: 283,622.23m<sup>2</sup>

PML: 2.3%

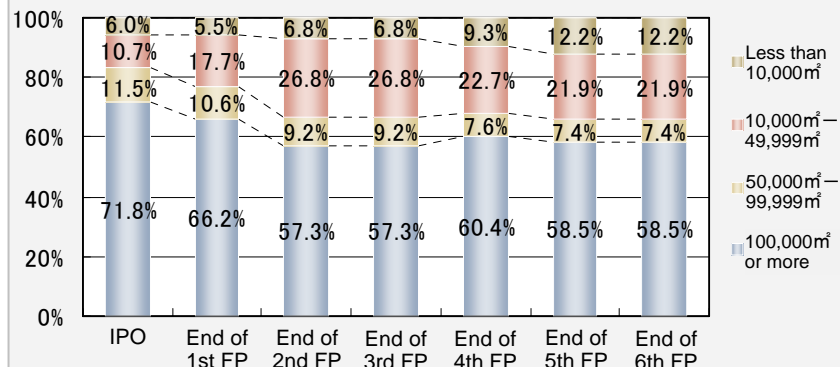
### Asset Class (property type)



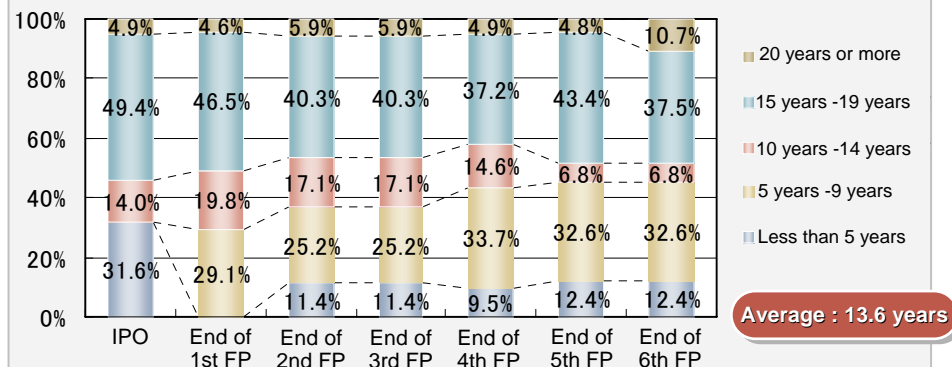
### Area



### Scale (based on total floor space)



### Age of Buildings



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

## V-3. Portfolio Overview (as at end of 6th 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. <sup>05</sup>	72,238. <sup>03</sup>	Jan. 1990	41,950	25.8	100.0	1	1.6
		Harumi Island Triton Square Office Tower Y	Chuo Ward, Tokyo	Mar 1, 2006	267,132. <sup>67</sup>	23,239. <sup>62</sup>	Oct. 2001	33,000	20.3	100.0	6	1.4
		Harumi Island Triton Square Office Tower Z	Chuo Ward, Tokyo	Mar 27, 2008	267,132. <sup>67</sup>	10,914. <sup>20</sup>	Oct. 2001	20,000	12.3	100.0	1	1.5
		Akasaka Oji Building	Minato Ward, Tokyo	Mar 1, 2006	10,063. <sup>05</sup>	7,281. <sup>83</sup>	Apr. 1989	9,660	6.0	100.0	2	6.3
		Shiba-Koen Building	Minato Ward, Tokyo	Mar 19, 2008	4,958. <sup>29</sup>	3,060. <sup>43</sup>	May 1991	5,770	3.6	84.8	2	9.6
		Kanda Park Plaza	Chiyoda Ward, Tokyo	Mar 1, 2006	5,511. <sup>83</sup>	4,537. <sup>66</sup>	Nov. 1959	5,156	3.2	100.0	10	14.1
	Tokyo Metropolitan Area	Faret East Building	Tachikawa City, Tokyo	Mar 1, 2006	16,206. <sup>34</sup>	5,850. <sup>23</sup>	Dec. 1994	2,091	1.3	90.4	1	2.8
	Kansai	Nittetsu Honmachi Building	Osaka City, Osaka	Mar 1, 2006	6,714. <sup>09</sup>	4,409. <sup>52</sup>	June 1991	1,100	0.7	94.2	10	8.0
Subtotal					—	131,531. <sup>52</sup>	—	118,727	73.1	99.0	33	—
Retail	Tokyo Metropolitan Area	Sagamihara Shopping Center	Sagamihara City, Kanagawa Pref.	Mar 1, 2006	56,351. <sup>42</sup>	61,763. <sup>28</sup>	Aug. 1993 etc.	12,000	7.4	100.0	2	3.8
		Ito-Yokado Higashi-Narashino Store	Narashino City, Chiba Pref.	Jun 30, 2006	45,338. <sup>37</sup>	51,098. <sup>42</sup>	Oct. 1994	8,900	5.5	100.0	1	7.7
		Musashiurawa Shopping Square	Saitama City, Saitama Pref.	Mar 19, 2007	28,930. <sup>36</sup>	14,960. <sup>69</sup>	Oct. 2005	4,335	2.7	100.0	3	8.5
Subtotal					—	127,822. <sup>39</sup>	—	25,235	15.5	100.0	6	—
Residential	Tokyo Metropolitan Area	Fukasawa House Towers H&I	Setagaya Ward, Tokyo	Dec 8, 2006	12,135. <sup>36</sup>	11,357. <sup>44</sup>	June 2004	10,635	6.6	92.2	1	1.6
		Ecology Toyosu Procentury	Koto Ward, Tokyo	May 30, 2008	9,630. <sup>96</sup>	6,789. <sup>03</sup>	Jan. 2005	5,160	3.2	96.6	1	10.6
Subtotal					—	18,146. <sup>47</sup>	—	15,795	9.7	93.9	2	—
Other	Central Tokyo	OAK PLAZA	Chiyoda Ward, Tokyo	Mar 20, 2007	6,121. <sup>85</sup>	6,121. <sup>85</sup>	Apr. 1985	2,590	1.6	100.0	1	7.7
		Subtotal					—	6,121. <sup>85</sup>	—	2,590	1.6	100.0
Total					—	283,622. <sup>23</sup>	—	162,347	100.0	99.2	42	2.3



## V- 4. Appraisal Value at End of Period

(million yen)										
Asset Class	Area	Property	Acquisition Price	Book Value End of 6th FP (A)	Appraisal Value at End of 3rd FP	Appraisal Value at End of 4th FP	Appraisal Value at End of 5th FP (B)	Appraisal Value at End of 6th FP (C)	Difference Between Appraisal Value and Book Value (C)-(A)	Difference in Appraisal Value from End of 5th FP (C)-(B)
Office	Central Tokyo	NEC Head Office Building	41,950	43,061	52,500	55,000	55,000	48,000	4,938	(7,000)
		Harumi Island Triton Square Office Tower Y	33,000	32,366	43,800	45,200	44,300	41,500	9,133	(2,800)
		Harumi Island Triton Square Office Tower Z	20,000	20,521	—	20,000	19,600	17,100	(3,421)	(2,500)
		Akasaka Oji Building	9,660	9,869	14,300	15,700	15,800	14,400	4,530	(1,400)
		Shiba-Koen Building	5,770	5,966	—	5,680	5,270	4,210	(1,756)	(1,060)
		Kanda Park Plaza	5,156	5,142	5,513	5,681	5,651	5,513	370	(138)
	Tokyo Metropolitan Area	Faret East Building	2,091	1,933	2,550	3,470	3,300	2,950	1,016	(350)
	Kansai	Nittetsu Honmachi Building	1,100	1,062	1,670	1,790	1,800	1,580	517	(220)
Subtotal			118,727	119,924	120,333	152,521	150,721	135,253	15,328	(15,468)
Retail	Tokyo Metropolitan Area	Sagamihara Shopping Center	12,000	11,737	12,100	12,100	11,900	11,000	(737)	(900)
		Ito-Yokado Higashi-Narashino Store	8,900	8,576	5,873	5,845	5,542	5,483	(3,093)	(59)
		Musashiurawa Shopping Center	4,335	4,297	4,350	4,300	4,190	3,910	(387)	(280)
	Subtotal			25,235	24,611	22,323	22,245	21,632	20,393	(4,218)
Residential	Tokyo Metropolitan Area	Fukasawa House Towers H&I	10,635	10,702	10,500	10,500	9,410	7,990	(2,712)	(1,420)
		Ecology Toyosu Procentury	5,160	5,370	—	—	5,070	4,650	(720)	(420)
	Subtotal			15,795	16,073	10,500	10,500	14,480	12,640	(3,433)
Other	Central Tokyo	OAK PLAZA	2,590	2,636	2,767	2,769	2,608	2,584	(52)	(24)
		Subtotal			2,590	2,636	2,767	2,769	2,608	2,584
Total			162,347	163,245	155,923	188,035	189,441	170,870	7,624	(18,571)

## V- 5. Appraisal Cap Rate

Property	2nd Fiscal Period			3rd Fiscal Period			4th Fiscal Period			5th Fiscal Period			6th 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	4.1%	3.7% (Next 6 years) 4.2% (afterward)	4.2%	4.0%	3.5% (Next 6 years) 4.0% (afterward)	4.2%	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%
Harumi Island Triton Square Office Tower Y	4.4%	4.1%	4.6%	4.3%	4.0%	4.5%	4.2%	3.9%	4.4%	4.3%	4.0%	4.5%	4.4%	4.1%	4.6%
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%
Akasaka Oji Building	4.2%	4.4%	4.5%	4.2%	4.3%	4.5%	4.2%	4.3%	4.5%	4.2%	4.2%	4.5%	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%
Kanda Park Plaza	5.2%	4.8%	5.8%	5.1%	4.7%	5.7%	5.1%	4.7%	5.7%	5.2%	4.7%	5.8%	5.2%	4.7%	5.8%
Faret East Building	5.7%	5.8%	6.0%	5.5%	5.6%	5.8%	5.2%	4.9%	5.4%	5.5%	5.2%	5.7%	5.6%	5.3%	5.8%
Nittetsu Honmachi Building	6.2%	6.2%	6.5%	6.0%	6.2%	6.3%	5.8%	6.0%	6.1%	5.8%	6.0%	6.1%	6.1%	6.3%	6.4%
Sagamihara Shopping Center	5.3%	5.2%	5.5%	5.3%	5.1%	5.5%	5.3%	5.1%	5.5%	5.4%	5.2%	5.6%	5.8%	5.6%	6.0%
Ito-Yokado Higashi-Narashino Building	6.1%	5.8%	6.6%	6.1%	5.2%	6.6%	6.1%	5.2%	6.6%	6.2%	5.3%	6.7%	6.3%	5.4%	6.8%
Musashiurawa Shopping Square	5.1%	5.0%	5.3%	5.1%	4.8%	5.3%	5.1%	4.8%	5.3%	5.2%	4.9%	5.5%	5.6%	5.3%	5.9%
Fukasawa House Towers H&I	4.3%	4.0%	4.5%	4.3%	4.0%	4.5%	4.3%	4.0%	4.5%	4.6%	4.3%	4.8%	5.1%	4.8%	5.3%
Ecology Toyosu Procentury	—	—	—	—	—	—	—	—	—	4.9%	4.7%	5.1%	5.3%	5.1%	5.5%
OAK PLAZA	4.8%	4.3%	5.4%	4.7%	4.2%	5.3%	4.7%	4.2%	5.3%	4.7%	4.2%	5.3%	4.7%	4.2%	5.3%

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, Faret East Building, Fukasawa House Towers H&I
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

## V- 6. Operating Income by Property (Sixth Fiscal Period)

(million yen)

	NEC Head Office Building	Harumi Island Triton Square Office Tower Y	Harumi Island Triton Square Office Tower Z	Akasaka Oji Building	Shiba-Koen Building	Kanda Park Plaza	Faret East Building	Nittetsu Honmachi Building	Sagamihara Shopping Center	Ito-Yokado Higashi-Narashino Store	Musashi urawa Shopping Square	Fukasawa House Towers H&I	Ecology Toyosu Procentury	OAK PLAZA
Operating period	181 days	181 days	181 days	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	1,320	554	460	124	194	165	106	408	236	129	264	176	94
Rent revenue – real estate	1,370	1,320	554	460	124	194	164	106	408	236	129	258	156	94
Total expenses from property leasing	220	360	87	98	23	42	71	48	50	63	18	52	32	24
Property management expenses	1	170	44	31	9	8	32	15	2	1	1	33	28	0
Taxes and dues	212	91	0	35	0	13	9	13	28	31	15	11	0	13
Utilities expenses	–	88	34	24	9	13	27	10	–	–	–	0	1	–
Repair expenses	2	3	2	3	4	4	0	5	17	16	0	5	1	8
Non-life insurance expenses	1	2	1	0	0	0	0	0	1	0	0	0	0	0
Other	1	2	5	2	–	2	2	2	1	12	1	2	1	1
NOI (NOI yield)	1,150 [5.5%]	960 [5.8%]	467 [4.7%]	362 [7.5%]	101 [3.5%]	151 [5.9%]	93 [8.9%]	58 [10.7%]	357 [6.0%]	172 [3.9%]	110 [5.1%]	212 [4.0%]	143 [5.6%]	69 [5.4%]
Depreciation and amortization	245	259	131	31	22	12	46	22	77	122	50	66	51	10
Operating income	905	701	335	330	79	138	46	36	280	50	59	145	91	59
Capital expenditures	342	9	8	1	3	1	–	2	2	0	0	0	–	38
	Lighting equipment, air-conditioning equipment related, external wall sealing and blinds renewal, etc.	Measuring equipment renewal, etc.	Measuring equipment renewal, etc.		Raised floor installation			Plumbing equipment renewal, etc.		Disaster prevention equipment renewal				Prefabricated bath renewal

## VI. Appendix: Properties Details

# VI-1. Office Buildings



Property	NEC Head Office Building
Address	Shiba, Minato Ward, Tokyo
Floor Area	144,476. <sup>05</sup> ㎡
Completion	January 1990
Title	Co-ownerships (50%)
Acquisition Price	41. <sup>95</sup> billion yen



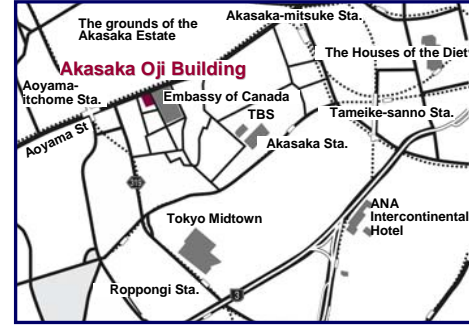
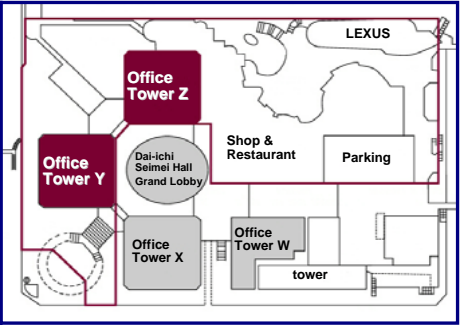
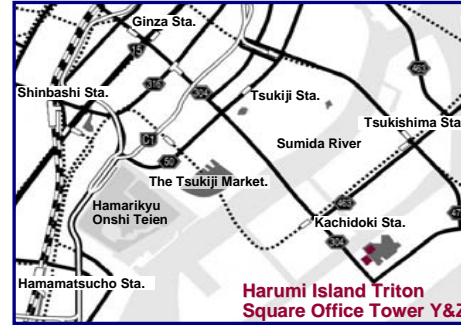
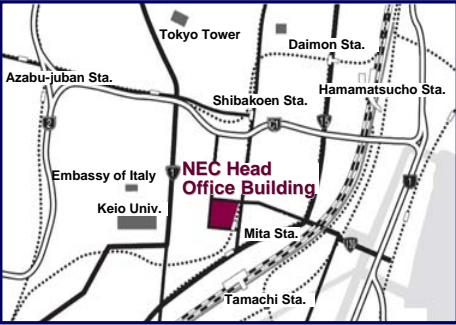
Property	Harumi Island Triton Square Office Tower Y
Address	Harumi, Chuo Ward, Tokyo
Floor Area	267,132. <sup>67</sup> ㎡
Completion	October 2001
Title	Co-ownership (3 <sup>rd</sup> - 15 <sup>th</sup> floors)
Acquisition Price	33 billion yen



Property	Harumi Island Triton Square Office Tower Z
Address	Harumi, Chuo Ward, Tokyo
Floor Area	267,132. <sup>67</sup> ㎡
Completion	October 2001
Title	Co-ownership (a part of the 17 <sup>th</sup> floor and 18 <sup>th</sup> - 22 <sup>nd</sup> floors)
Acquisition Price	20 billion yen



Property	Akasaka Oji Building
Address	Akasaka, Minato Ward, Tokyo
Floor Area	10,063. <sup>05</sup> ㎡
Completion	April 1989
Title	Ownership
Acquisition Price	9. <sup>66</sup> billion yen



## VI-2. Office Buildings



Property	Shiba-Koen Building
Address	Shiba, Minato Ward, Tokyo
Floor Area	4,958. <sup>29</sup> m <sup>2</sup>
Completion	May 1991
Title	Co-ownership (1 <sup>st</sup> - 7 <sup>th</sup> floors)
Acquisition Price	5. <sup>77</sup> billion yen



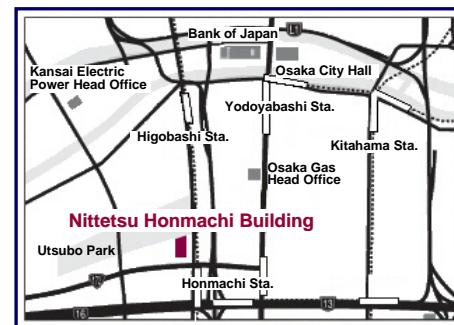
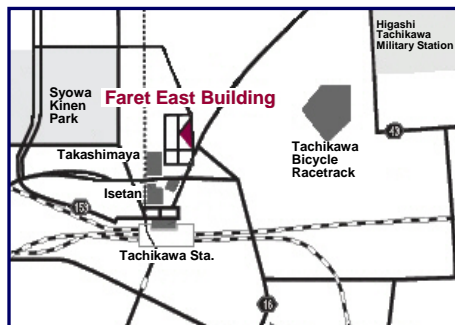
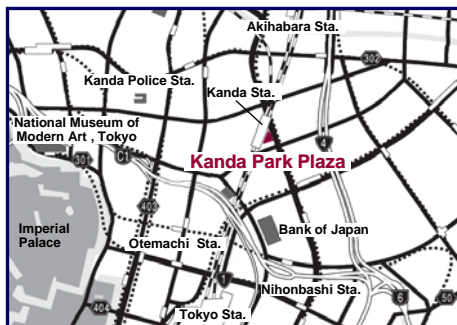
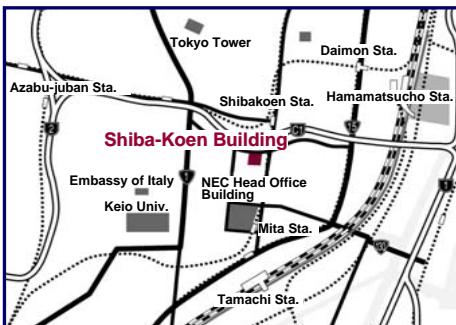
Property	Kanda Park Plaza
Address	Kajicho, Chiyoda Ward, Tokyo
Floor Area	5,511. <sup>83</sup> m <sup>2</sup>
Completion	November 1959 Repair work to enhance earthquake resistance in 2003
Title	Ownership
Acquisition Price	5. <sup>156</sup> billion yen



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



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



## VI-3. Retail Properties



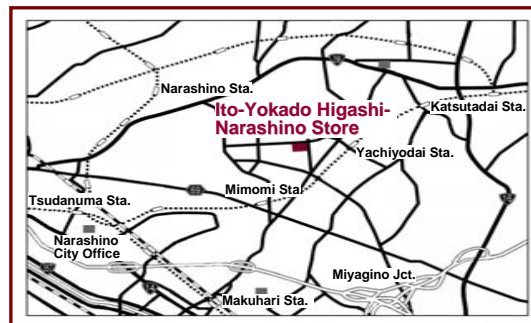
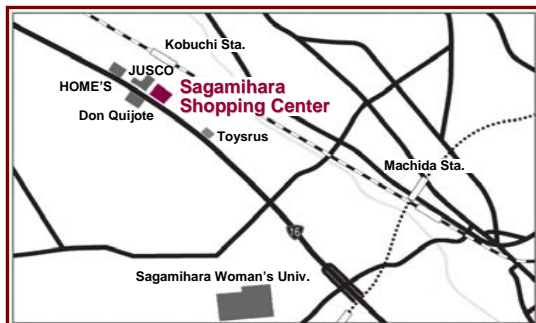
Property	Sagamihara Shopping Center
Address	Kobuchi, Sagamihara City, Kanagawa Pref.
Floor Area	56,351.42 <sup>m</sup>
Completion	August 1993
Title	Ownership
Acquisition Price	12 billion yen



Property	Ito-Yokado Higashi-Narashino Store
Address	Higashinarashino, Narashino City, Chiba Pref.
Floor Area	45,338.37 <sup>m</sup>
Completion	October 1994
Title	Ownership
Acquisition Price	8.9 billion yen



Property	Musashiurawa Shopping Square
Address	Bessho, Minami Ward, Saitama City, Saitama Pref.
Floor Area	28,930.36 <sup>m</sup>
Completion	October 2005
Title	Co-ownership (50%)
Acquisition Price	4.335 billion yen



## VI-4. Residential and Other Properties



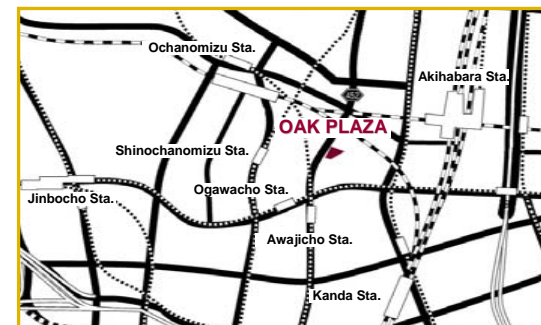
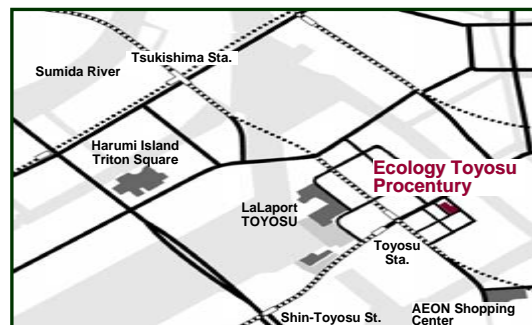
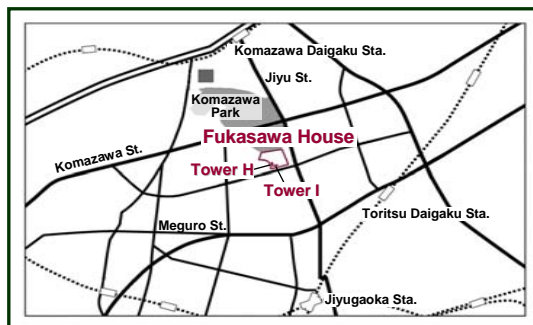
Property	Fukasawa Towers H&I
Address	Fukasawa, Setagaya Ward, Tokyo
Floor Area	12,135. <sup>36</sup> m <sup>2</sup>
Completion	June 2004
Title	Co-ownership (H&I)
Acquisition Price	10. <sup>635</sup> billion yen



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



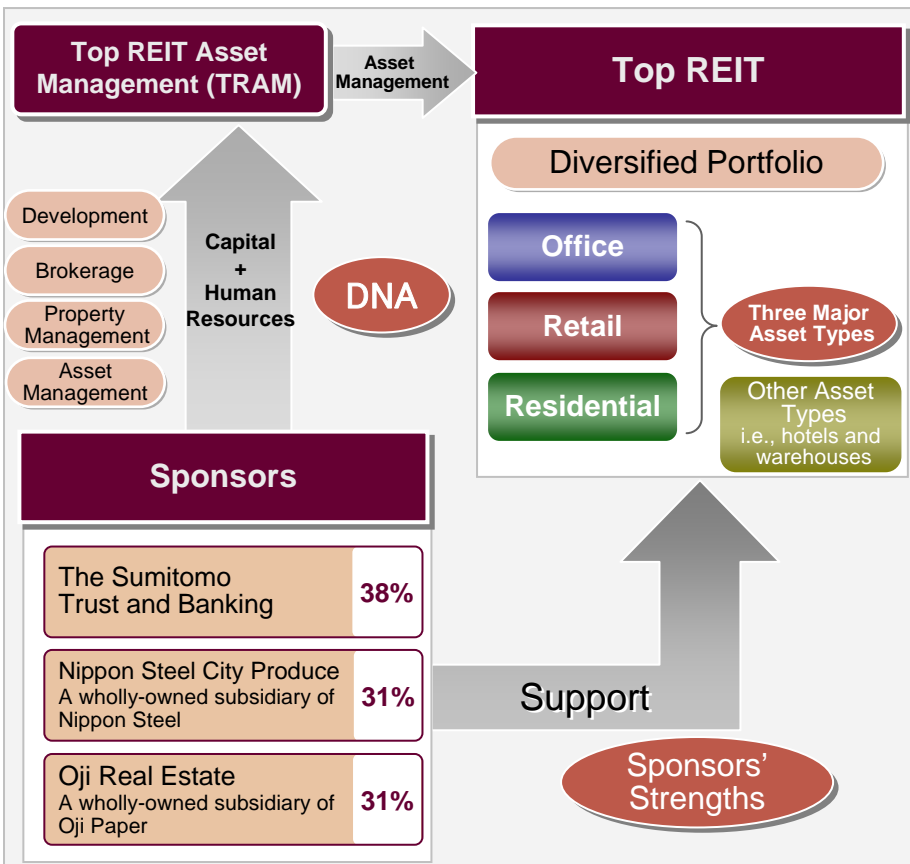
Property	OAK PLAZA
Address	Kanda Awajicho, Chiyoda Ward, Tokyo
Floor Area	6,121. <sup>85</sup> m <sup>2</sup>
Completion	April 1985 Completion of the conversion in 2007
Title	Ownership
Acquisition Price	2. <sup>59</sup> billion yen





## VII. Appendix: Structure of Asset Manager

# VII-1. Characteristics of Top REIT and Operational Strategies



## Inheriting Sponsors' DNA

- Top REIT Asset Management (TRAM) was established in collaboration with three firms – The Sumitomo Trust and Banking, Nippon Steel City Produce and Oji Real Estate.
- Excellent personnel have been dispatched to TRAM from the three sponsors to ensure real estate investment expertise as well as inheritance of their corporate groups' assets, that is, a long-term strategic view and diversified know-how acquired through each of the sponsor's businesses.

- 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, 2009)
- |                      |     |
|----------------------|-----|
| Sumitomo Trust Group | 45  |
| Nippon Steel Group   | 324 |
| Oji Paper Group      | 304 |

## VII-2. Overview of Asset Manager

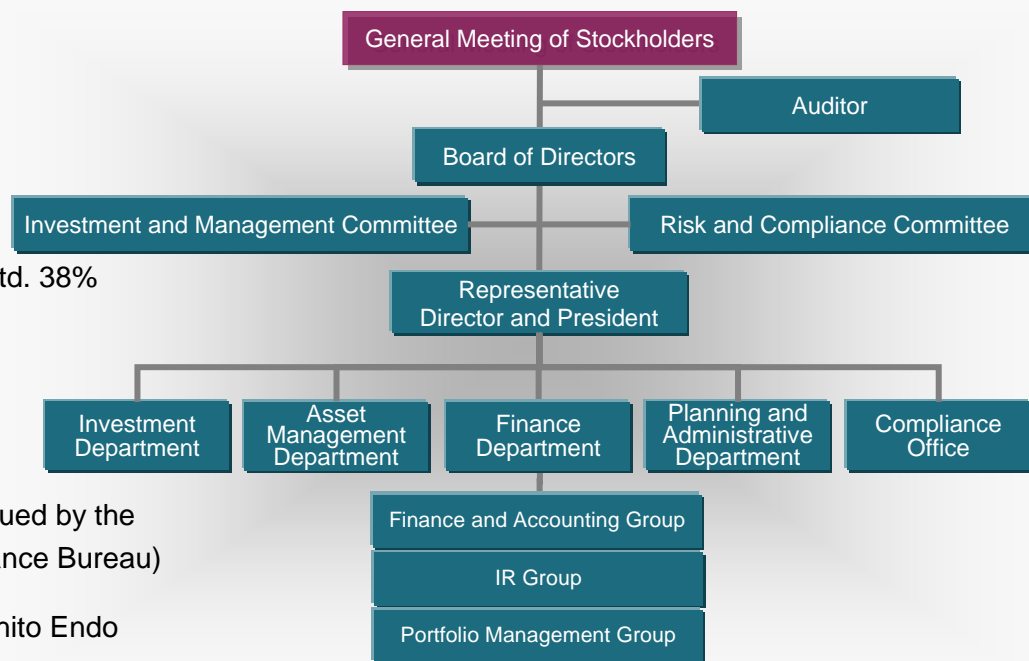
**Name** Top REIT Asset Management Co., Ltd.  
**Address** Nittetsu Nihonbashi Building  
 1-13-1 Nihonbashi, Chuo Ward, Tokyo  
**Established** Oct. 22, 2004  
**Paid-in Capital** ¥300mn  
**Shareholders** The Sumitomo Trust and Banking Co., Ltd. 38%  
 Nippon Steel City Produce, Inc. 31%  
 Oji Real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

**Milestone**

- 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 : Formally submitted applications to register as Financial Instruments Business Operator (Investment Management Business)



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E-mail: [info-top@top-reit-am.co.jp](mailto:info-top@top-reit-am.co.jp)  
HP: <http://www.top-reit.co.jp/english/>

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