



TOP REIT
(TSE Code: 8982)

Top REIT, Inc.

Presentation on
Business Results for
the 13th Fiscal Period

May 1, 2012

—

October 31, 2012

December 14, 2012

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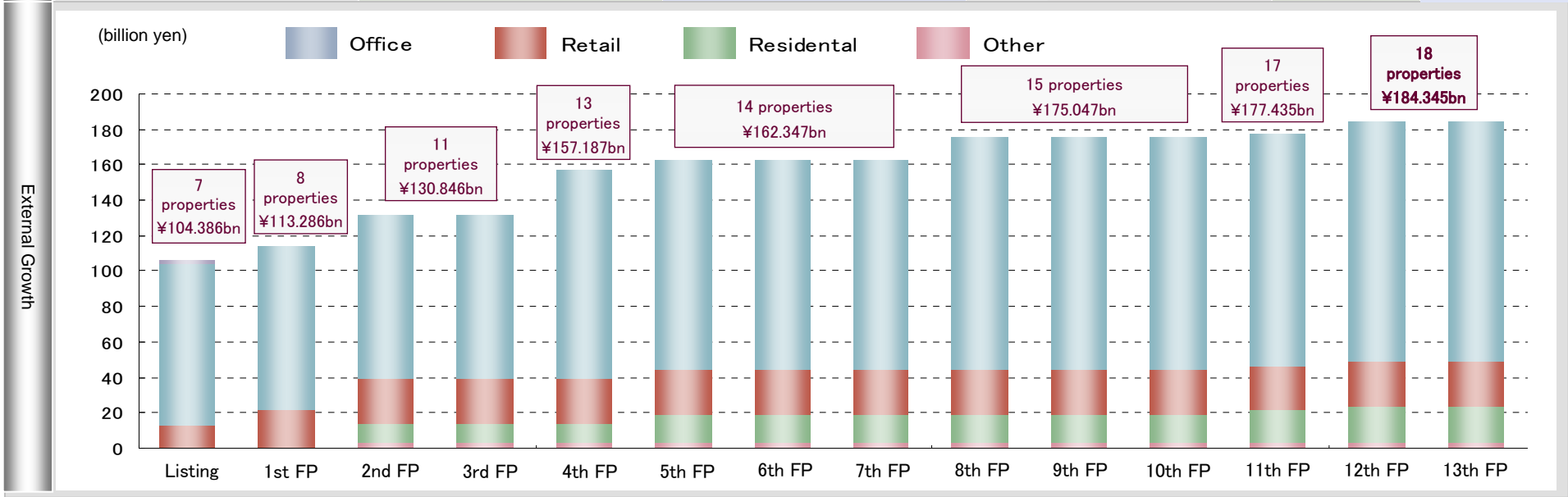
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TOPICS. Overview since Listing

	1st-2nd-3rd FP	4th-5th-6th FP	7th-8th-9th FP	10th-11th-12th FP	13th FP	14th FP								
	Mar. 1, 2006 – Oct. 31, 2007	Nov. 1, 2007 – Apr. 30, 2009	May 1, 2009 – Oct. 31, 2010	Nov. 1, 2010 – Apr. 30, 2012	May 1, 2012 – Oct. 31, 2012	Nov. 1, 2012 – Apr. 30, 2013								
Financial Status	IPO: 82.26 bn Offering Price: ¥550,000 per unit			● Jun. 2010 Investment Corporation Bonds Issued										
	1st End of FP Debt ¥35.9bn LTV 28.0%	2nd End of FP Debt ¥54.3bn LTV 37.1%	3rd End of FP Debt ¥54.4bn LTV 37.3%	4th End of FP Debt ¥83.0bn LTV 47.4%	5th End of FP Debt ¥82.0bn LTV 47.3%	6th-7th End of FP Debt ¥81.74bn LTV 47.3%	8th End of FP Debt ¥94.24bn LTV 50.6%	9th End of FP Debt (*) ¥94.17bn LTV 50.5%	10th End of FP Debt (*) ¥94.10bn LTV 50.5%	11th End of FP Debt (*) ¥94.03bn LTV 50.7%	12th End of FP Debt (*) ¥96.97bn LTV 51.5%	13th End of FP Debt (*) ¥96.90bn LTV 51.4%	(*) Includes Investment Corporation Bonds	
Dividend	1st ¥17,609	2nd ¥14,992	3rd ¥11,921	4th ¥11,884	5th ¥12,863	6th ¥13,206	7th ¥12,654	8th ¥13,484	9th ¥14,220	10th ¥13,922	11th ¥12,809	12th ¥12,577	13th ¥12,912	
Others													Sep. 2012 Nippon Steel City Produce, Inc. (currently Nippon Steel Kowa Real Estate Co., Ltd.) withdrew as Top REIT sponsor	



I. Overview of Business Results of the Thirteenth Fiscal Period (Ended October 31, 2012)

I - 1. Highlights of 13th Fiscal Period ①

《 Existing Properties 》

◆ Leasing of Akasaka Oji Building

- **Leased up** office space during 13th FP

◆ Improvement of occupancy rate

- 【Office buildings】 Period average 12th FP: **95.9%** ⇒ 13th FP: **98.8%** (**2.9% pt ↑**)
- 【Residential】 Period average 12th FP: **94.3%** ⇒ 13th FP: **95.6%** (**1.3% pt ↑**)
- 【Portfolio】 Period average 12th FP: **97.7%** ⇒ 13th FP: **99.1%** (**1.4% pt ↑**)

◆ Rent revision

- **Minimized range of decrease in rent (0.9% ↓)**
in rent revision with 8 office building tenants (approx. 2.5% of portfolio's rent at end of 12th FP)

◆ Receipt of lease agreement termination notice from major tenant

- Harumi Island Triton Square Office Tower Y major tenant, Nippon Steel & Sumitomo Metal Corporation (formerly Sumitomo Metal Industries, Ltd.), to move out of the office building

Jan. 31, 2013: Vacate approx. 2,340 tsubos (65.0% of the tenant's leased floor area)	} 8F-13F and 15F for total of 7 floors Approx. 3,600 tsubos (100%) scheduled to be vacated by end of Mar. 2013
Feb. 28, 2013: Vacate approx. 1,175 tsubos (32.6% of the tenant's leased floor area)	
Mar. 31, 2013: Vacate approx. 85 tsubos (2.4% of the tenant's leased floor area)	

[Approx. 4.0% of portfolio's floor area
 Approx. 51.3% of the office building's floor area]

《 Financial Strategy 》

◆ Refinanced total amount of ¥17.5 billion in June 2012

- ¥8.5 billion (5-year fixed-rate) + ¥9.0 billion (over 2-year floating-rate) ⇒

Total amount of ¥17.5 billion, **refinanced into 5-year long-term loan payable**

- ┌ ¥8.5 billion Fixed interest rate through **execution of interest rate swap agreement**
- └ ¥9.0 billion Borrowed with floating interest rate

【Average remaining period End of 12th FP: 2 years and 7 months → End of 13th FP: 3 years】

【Ratio of loans with fixed interest rate End of 12th FP: 51.0% → End of 13th FP: 50.9%】

《 Dividend 》

【Declared Dividend per Unit of ¥12,912】

- Compared to forecast: Increase in dividend of **¥512**

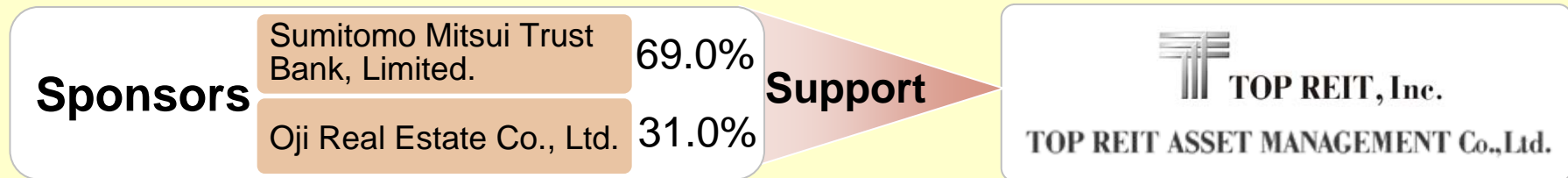
《 Sponsor Change 》

◆ Nippon Steel City Produce, Inc. (currently Nippon Steel Kowa Real Estate Co., Ltd.) withdrew as Top REIT sponsor as of Sep. 28, 2012

• Transferred of Nippon Steel City Produce's entire shares in Asset Manager (31% of shares issued and outstanding) to Sumitomo Mitsui Trust Bank, Limited



Composition of Asset manager's sponsor



- No changes to the investment policy of Top REIT and to the asset management structure.
- Continuously collaborated with sponsors, focus most on issues Top REIT faces and external growth by utilizing cultivated asset management skill.
- For PM/ML services entrusted to Nippon Steel Kowa Real Estate, no change to be scheduled at present.

I - 3. Summary of the Thirteenth Fiscal Period

Items	13th FP Results May 1, 2012 - October 31, 2012	13th FP Forecast (Announced on June 14, 2012)	Net Change (Results vs. Forecast)		12th FP Results November 1, 2011 - April 30, 2012	Net Change (13th FP Results vs. 12th FP Results)	
Period of asset management (days)	184	184	-	-	182	-	-
Operating revenue	¥5,636mn	¥5,621mn	¥14mn	0.3%	¥5,693mn	(¥57mn)	(1.0%)
Operating income	¥2,697mn	¥2,631mn	¥65mn	2.5%	¥2,772mn	(¥75mn)	(2.7%)
Ordinary income	¥2,002mn	¥1,923mn	¥79mn	4.1%	¥2,029mn	(¥26mn)	(1.3%)
Net income	¥2,001mn	¥1,922mn	¥79mn	4.1%	¥1,999mn	¥2mn	0.1%
Number of units issued and outstanding (unit)	155,000	155,000	-	-	155,000	-	-
Dividend per unit (yen)	¥12,912	¥12,400	¥512	4.1%	¥12,577	¥335	2.7%
Number of properties	18	18	0	-	18	0	-
Appraisal value total	¥173,800mn	-	-	-	¥179,000mn	(¥5,200mn)	(2.9%)

■ Differences between Forecasts and Actual Results

Operating Revenue: +¥14mn

- Minimization of range of decrease in rent at time of rent revision led to increase in rent revenue
- Increase in residential contract renewal rate (compared to projections) led to receipt of contract renewal fee income

Operating Income: +¥65mn

- Revision of taxes and dues (property tax and city planning tax) led to decrease in costs
- Reduced property management expenses
- Increase in residential contract renewal rate led to decrease in expenses for restoring to original condition ...etc.

Ordinary Income: +¥79mn

- Decrease in interest rate costs (hedging by low interest rate level (compared to projections) at execution of interest rate swap agreement)

■ Other References

Items	13th FP Results	12th FP Results
Number of tenants	42	40
Total rentable floor space	300,294.23m ²	300,294.23m ²
Occupancy rate	99.2%	98.5%
Depreciation and amortization	¥1,116mn	¥1,072mn
Capital expenditures	¥108mn	¥442mn
Term-end unit price	¥371,000	¥451,500
Term-end market capitalization	¥57,505mn	¥69,982mn

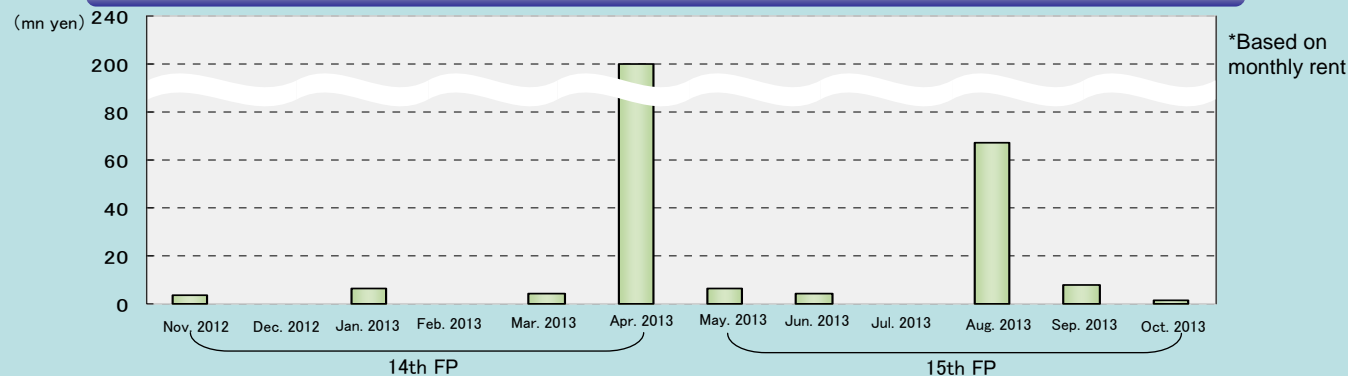
II. 14th FP and 15th FP Forecasts

II - 1. Preconditions for 14th FP and 15th FP Forecasts

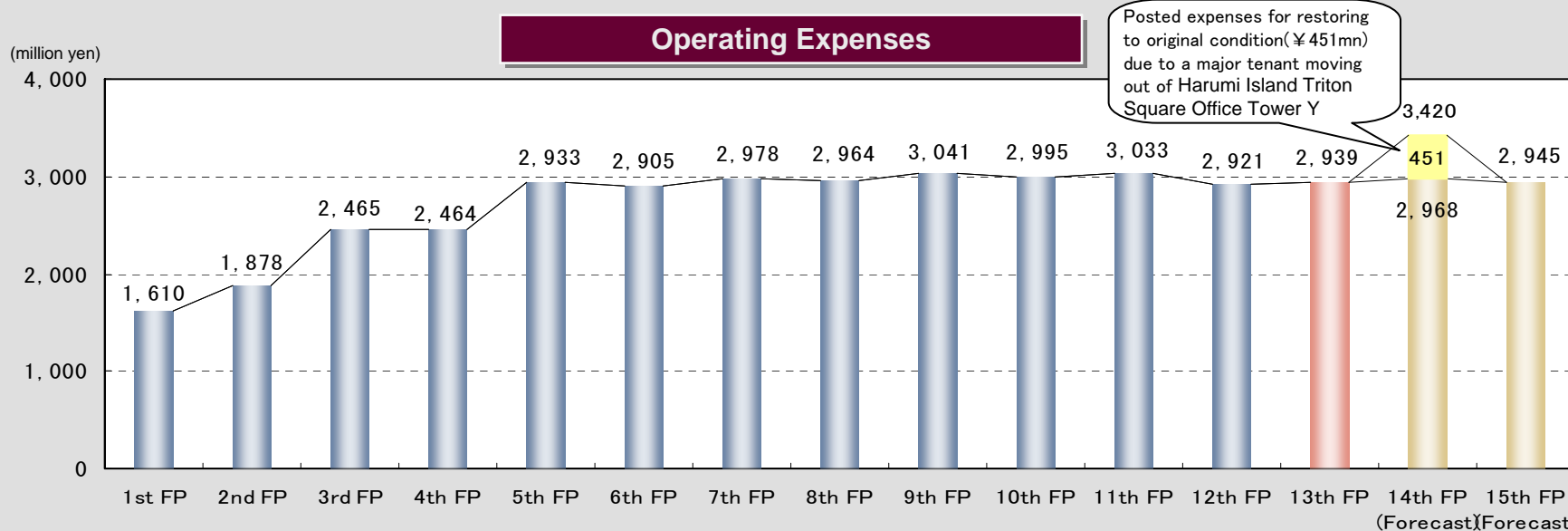
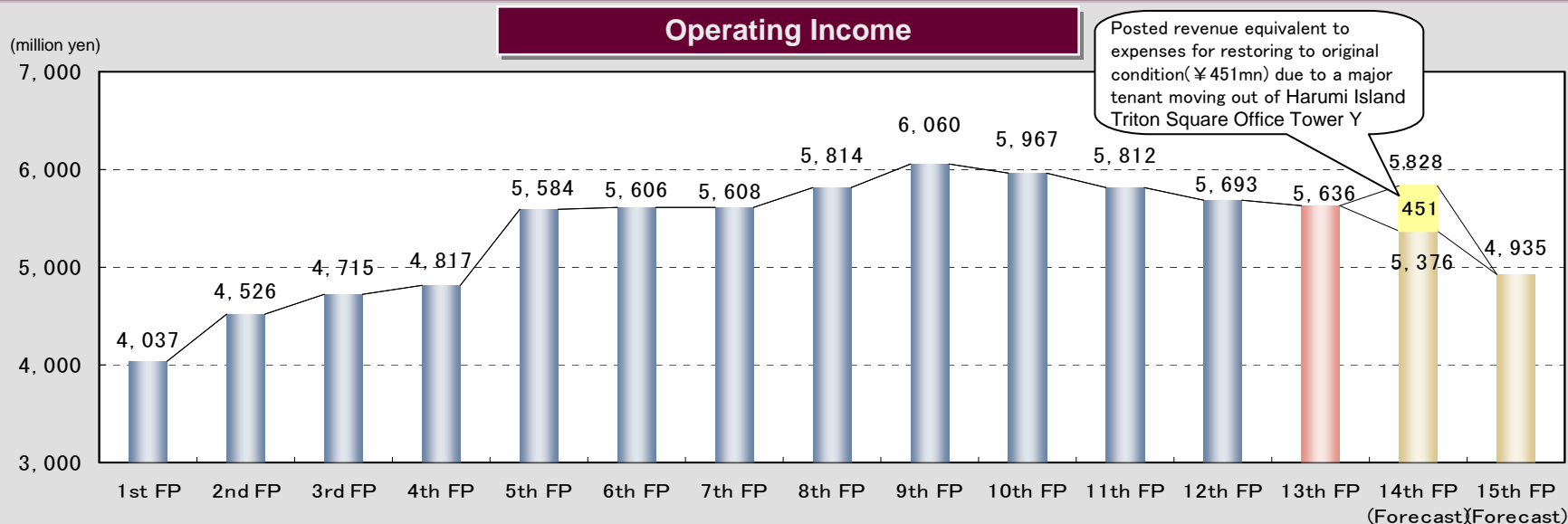
Preconditions for Forecast of Earnings Results

	14th FP (Ending of April, 2013)	15th FP (Ending of October, 2013)
Portfolio Assets	Preconditioned on 18 properties held by Top REIT as of December 14, 2012	
Number of Units Issued and Outstanding	155,000 Units	
Interest-Bearing Liabilities	<ul style="list-style-type: none"> •As of end of 14th FP: ¥94,835 million (Anticipated repayment of ¥67 million as agreed upon) •The ¥9,800 million loan payable due for repayment on November 30, 2012 was fully refinanced •It is assumed that the ¥12,100 million due for repayment on March 27, 2013, of which ¥2,000 million will be repaid using cash on hand and ¥10,100 million will be refinanced. 	<ul style="list-style-type: none"> •As of end of 15th FP: ¥94,767 million (Anticipated repayment of ¥67 million as agreed upon)
Tenants for Harum Island Triton Square Office Tower Y	It is assumed that space subject to lease agreement termination finalized as of Dec. 14, 2012 will be vacant	
Rent Revisions	For the 24.2% of total rents (as of the end of 13th FP) scheduled for rent revision, assuming in certain level of decrease in rent	For the 9.7% of total rents (as of the end of 13th FP) scheduled for rent revision, assuming in certain level of decrease in rent
Operating Expenses	It is assumed that property tax, etc. will be ¥564 million and depreciation and amortization will be ¥1,121 million	It is assumed that property tax, etc. will be ¥580 million and depreciation and amortization will be ¥1,108 million
Non-Operating Expenses	¥624 million (interest on loans, interest expenses on investment corporation bonds and related expenses: ¥617 million)	¥596 million (interest on loans, interest expenses on investment corporation bonds and related expenses: ¥592 million)
Dividend	It is assumed that there is no reversal of internal reserves (¥78 million).	It is assumed that there is fully reversal of internal reserves (¥78 million).

Monthly Schedule of Rent Revisions (excluding residential)



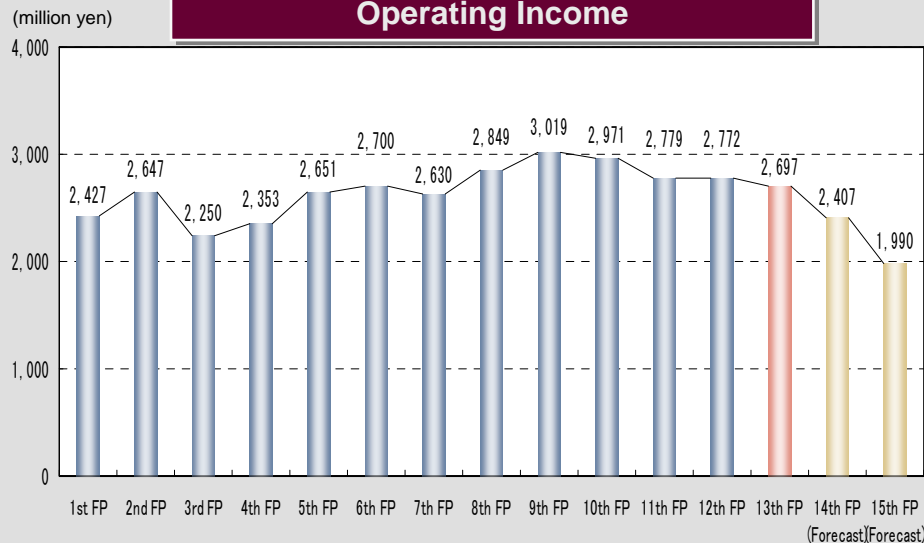
II - 2. 14th FP and 15th FP Forecasts



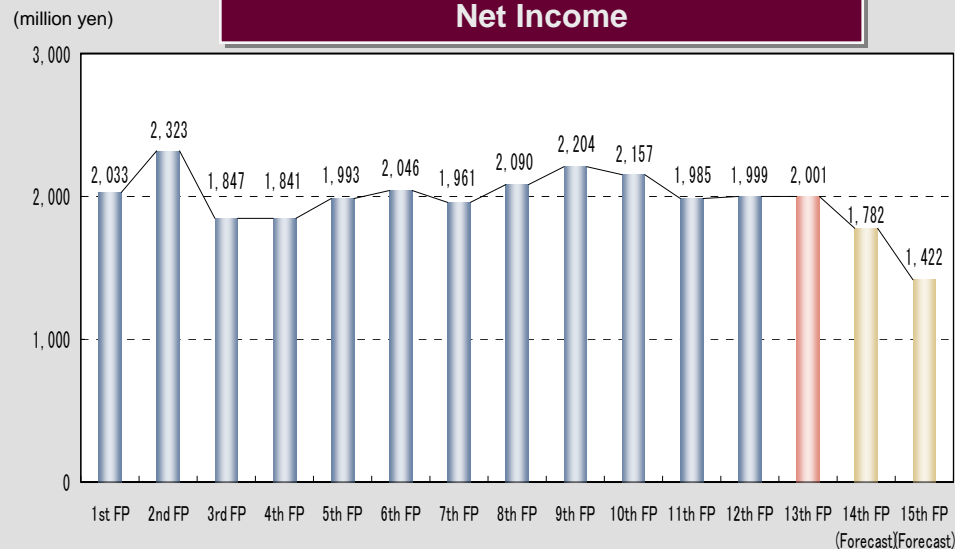
*The actual number of days in the First Fiscal Period was 245. The above numbers are calculated by the following calculation method: (First Fiscal Period Results / 245 Days) x 365 Days / 2. In addition, the above forecast figures are calculated under certain preconditions as of the date of this material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

II - 2. 14th FP and 15th FP Forecasts

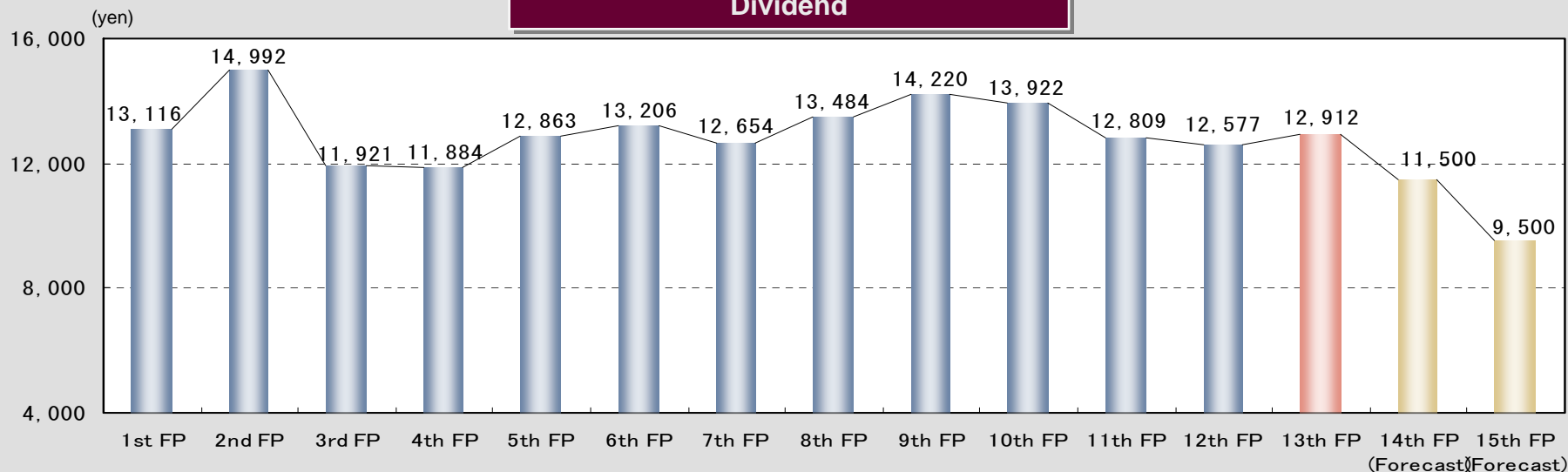
Operating Income



Net Income



Dividend



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

II - 3. Results of Past Periods and Forecasts (Detail)

Item	8th Fiscal Period	9th Fiscal Period	10th Fiscal Period	11th Fiscal Period	12th Fiscal Period	13th Fiscal Period	14th Fiscal Period (Forecast)	15th Fiscal Period (Forecast)
Period of asset management (days)	181	184	181	184	182	184	181	184
Operating revenue	¥5,814mn	¥6,060mn	¥5,967mn	¥5,812mn	¥5,693mn	¥5,636mn	¥5,828mn	¥4,935mn
Operating expenses	¥2,964mn	¥3,041mn	¥2,995mn	¥3,033mn	¥2,921mn	¥2,939mn	¥3,420mn	¥2,945mn
Of which, expenses related to rent business (excluding taxes and dues, and depreciation and amortization)	¥711mn	¥783mn	¥741mn	¥809mn	¥702mn	¥702mn	¥1,185mn	¥726mn
Of which, taxes and dues	¥567mn	¥586mn	¥586mn	¥609mn	¥608mn	¥565mn	¥564mn	¥580mn
Of which, depreciation and amortization	¥1,127mn	¥1,081mn	¥1,086mn	¥1,060mn	¥1,072mn	¥1,116mn	¥1,121mn	¥1,108mn
Operating income	¥2,849mn	¥3,019mn	¥2,971mn	¥2,779mn	¥2,772mn	¥2,697mn	¥2,407mn	¥1,990mn
Ordinary income	¥2,091mn	¥2,204mn	¥2,194mn	¥1,986mn	¥2,029mn	¥2,002mn	¥1,783mn	¥1,394mn
Net income	¥2,090mn	¥2,204mn	¥2,157mn	¥1,985mn	¥1,999mn	¥2,001mn	¥1,782mn	¥1,422mn
Net operating income from property leasing	¥4,535mn	¥4,691mn	¥4,639mn	¥4,393mn	¥4,126mn(Note1)	¥4,368mn	¥4,078mn	¥3,628mn
FFO	¥3,217mn	¥3,286mn	¥3,243mn	¥3,046mn	¥2,815mn	¥3,117mn	¥2,904mn	¥2,531mn
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	¥13,484	¥14,220	¥13,922	¥12,809	¥12,577	¥12,912	¥11,500	¥9,500
FFO per unit	¥20,755	¥21,200	¥20,929	¥19,654	¥18,165	¥20,113	¥18,738	¥16,330

Note1: Net operating income from property leasing of 12th Fiscal Period excluded capital gains by disposition of property.

Note2: The forecasts should not be construed as a guarantee of the actual dividends

III . The Current Management Policy and Growth Strategy

III - 1. Market Prospects

[Present state]

Real Estate Leasing Market

- ◆ Large supply of office buildings in Central Tokyo settling down and signs of improvement in vacancy rate, but still in state of fluctuation
- ◆ Office rent levels still remain weak, though the range of decrease in rent levels has decelerated
- ◆ Studio and family residences with high convenience has continued to show steady performance

[Future prospects]

- ◆ Vacancy rate of office buildings in Central Tokyo will improve gradually
 - ◆ Large overseas economic impact and still strong sense of uncertainty over economy and corporate earnings suggest recovery in office building rent will be likely to require a substantial amount of time due to
- ⇒ **Top REIT's strategy**
Focus most on leasing up vacant space of Harumi Island Triton Square Office Tower Y

[Present state]

Real Estate Transaction Market

- ◆ Buyers show strong willingness to buy, but information on high-grade office properties available for sale is limited
(repayment of borrowings is primarily being conducted through refinance due to the improved financing environment)
- ◆ The market for rental residential property transactions remains steady
- ◆ While real estate transaction amounts are increasing compared to previous year, acquisitions of property from sponsors based on IPO of new REITs and PO of existing REITs are the main

[Future prospects]

- ◆ Price of high-grade office properties will be on upward trend, given the scarce office properties available for sale and REITs' and other buyers' strong willingness to buy
 - ◆ Market for rental residential property transactions will remain steady, but tend to overheat in Central Tokyo and the Tokyo Metropolitan Area
- ⇒ **Top REIT's strategy**
Focus on acquisitions by gathering information of high-grade properties available for sale

[Present state]

Financial / Capital Market

- ◆ De facto zero interest rate monetary policy maintained and continued by the Bank of Japan
- ◆ Fund procurement environment is relatively favorable, with financial institutions maintaining positive lending attitude
- ◆ With Bank of Japan's monetary easing, increase of the purchase amount and intermittent purchase of J-REIT units, system reform moves for J-REIT market revitalization, etc., J-REIT market conditions are on recovery trend. IPO and PO also active, leading to inflow of funds to J-REITs

[Future prospects]

- ◆ Market interest rates will remain stable at low levels for some time
 - ◆ Moves of J-REIT asset doubling plan (diversification of J-REIT fund procurement means) for pulling out of deflation will gain momentum. Positive impact for J-REIT market conditions.
 - ◆ Close monitoring of future domestic political situation and European, U.S., Chinese and other overseas finance and economy will be required
- ⇒ **Top REIT's strategy**
Strive to implement steadily refinance.

Current Management Policy

Top priority
issue

◆ **Secure foothold for revenues through flawless management of existing properties** ◆

● **Aim to minimization of downtime**

by focusing on leasing up vacancy space in Harumi Island Triton Square Office Tower Y and other vacant space

● **Minimize range of decrease in rent revision and prevent tenants from moving out**

by conducting persistent negotiations utilizing tenant relations

Especially, focus most on large scale rent revision at April, 2013

◆ **Stable financial management** ◆

- **Well-balanced refinancing while reducing costs** –
- **Efficient utilization of cash on hand** –

- 14th FP:
¥9.8 billion due on Nov. 30 (completed)
¥9.3 billion and ¥2.8 billion due on Mar. 27(to be scheduled)

◆ **Accumulate greater revenues by acquisition of new properties** ◆

- Utilize sponsors' strengths as well as various information channels –
- **Superior office properties with excellent location in Central Tokyo and major cities across the country**
- Given that residential property transactions are on a trend of overheating, consider carefully

III - 3. Leasing of Harumi Island Triton Square Office Tower Y

Leasing Policy

[Policy]

“Aim to minimization of downtime”

- By end of Jan. 2013 (by completion of work for restoring to original condition conducted on part of vacated space)
 - Leasing activities premised on leasing on floor basis
- In and after Feb. 2013 (after completion of work for restoring to original condition conducted on part of vacated space)
 - Leasing activities with target expanded to also small- to medium-sized tenant needs with eye on floor partitioning (up to about 4 partitions assumed)

Form “**leasing team**” comprised of staff appointed from asset manager, property managers and sponsors. Implement activities, while sharing information.

Leasing activities that bring together the collective strengths of Top REIT

~ Status of agreement termination by floor ~

Total of approx. 4,100 tsubos to be vacated by end of Mar. 2013

Floor	Floor area to be vacated (tsubos)	Agreement termination date
15F	Approx. 580	Feb. 28, 2013
14F		
13F	Approx. 580	Jan. 31, 2013
12F	Approx. 580	
11F	Approx. 595	
10F	Approx. 580	
9F	Approx. 590	Feb. 28, 2013
8F	Approx. 580	Mar. 31, 2013
7F ~ 4F		
3F	Approx. 15	Mar. 31, 2013

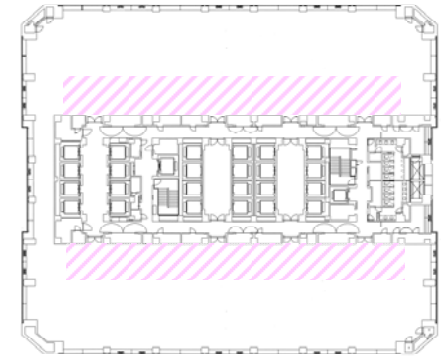
*The floor area to be vacated shown to the right includes storage space, etc. on the floor.

~ High convenience of symmetrical column-free space ~

Leasable space standard floor area

1,868.42m²
(approx. 565.19 tsubos)

/// Floor load 500kg/m²



Leasing Status as of Nov. 30, 2012

- Number of inquiries: 66 cases
- Property viewings for brokers: Held for 2 days (Oct.18 and 19, 2012)
- Number of property viewings for potential candidates: 14 cases (mainly tenants looking for floor area about 1,000 tsubos – 3,000 tsubos)
- Candidate tenants currently considering: 6 cases
Approached by companies of various business types, but limitations to property viewing during period of occupancy by current tenant and work for restoring to original condition.

III - 4. Superior Point of Harumi Island Triton Square Office Tower Y

Superior Point of Harumi Island Triton Square Office Tower Y

Individually-controllable air-conditioning systems dividing office space into 12 zones, 2.7m ceiling height, 100mm raised flooring and other high specifications as same as the latest office buildings

High convenience of symmetrical column-free space with standard floor area of approx. 560 tsubos

Supported directly by 30m underground solid foundation

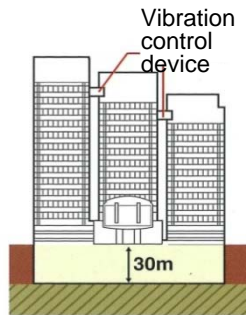
Foundation not susceptible to liquefaction

Enriched emergency measures, equipped with emergency power generator and heat storage tank, etc.

Reducing heat island effect through water environment and growing flowers and greenery

...etc.

~ Advanced design providing security ~



Office tower earthquake-resistant design



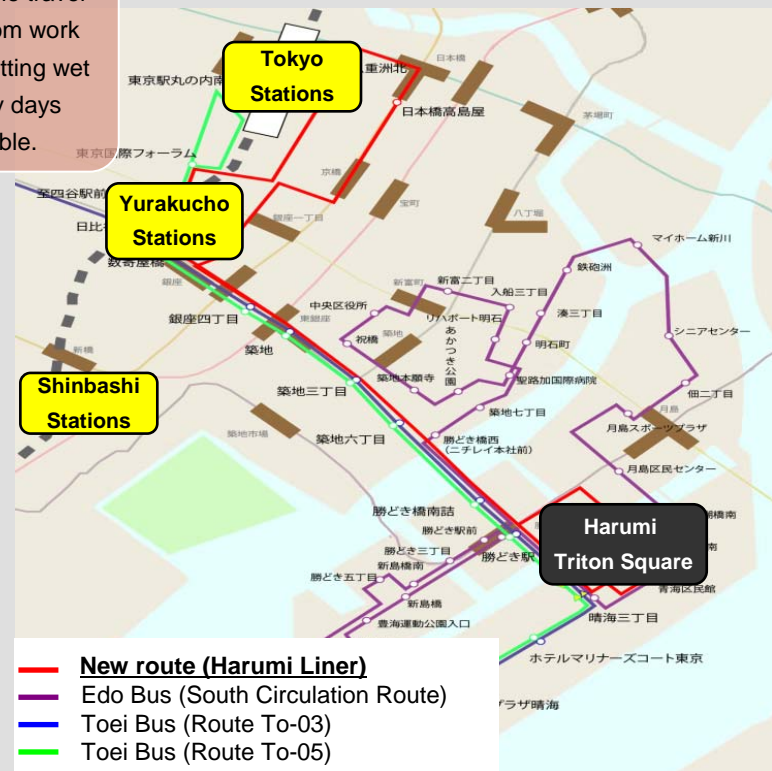
Connecting vibration control bridge

~ In addition to trains, also many bus routes ~

Accessible from various stations by using Toei Bus (Route To-03 and To-05), Edo Bus (South Circulation Route) and **new route (Harumi Liner)**

Bus stop located below ground lobby within Triton Square. Enables comfortable travel to and from work without getting wet on rainy days possible.

Oct. 13, 2012
Start of **"Harumi Liner"** connecting Triton Square ⇔ Tokyo and Yurakucho Stations
Required Time; approximately 20 minutes



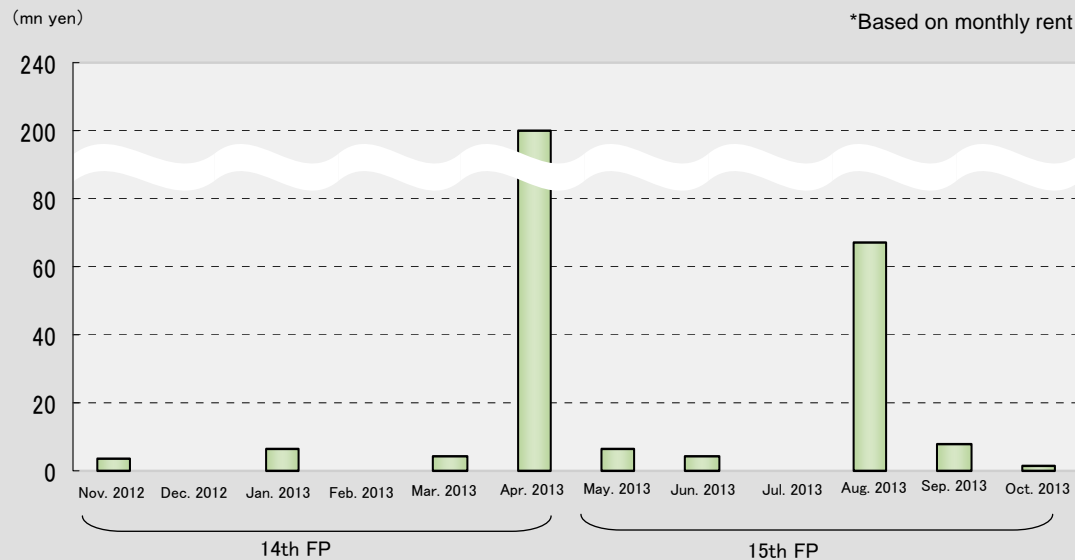
III - 5. Rent Revisions

「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

Monthly Schedule of Rent Revisions (excluding residential)



14th FP	Harumi Island Triton Y (parts of tenants)	12 Tenants 24.2% of total rents (as of end of 13th FP)
	Harumi Island Triton Z	
	Kanda Nishiki-cho 3-chome Building	
	Akasaka Oji Building (parts of tenants)	
	Shiba-Koen Building (parts of tenants)	
	Kanda Park Plaza (parts of tenants)	
15th FP	Faret East Building (parts of tenants)	7 Tenants 9.7% of total rents (as of end of 13th FP)
	Shinkawa Chuo Building (parts of tenants)	
	Shiba-Koen Building (parts of tenants)	
	Kanda Park Plaza (parts of tenants)	
	Faret East Building (parts of tenants)	
	Sagamihara Shopping Center (IY)	

Conduct persistent negotiations using the good relations with tenants

III - 6. Growth Strategy for the Next Stage

Continued Implementation of Growth Strategy for the Next Stage

Growth Methods

- ◆ Fully utilize the **Top REIT Edge** [**Sponsor Strength**] [**Superior Portfolio**]
- ◆ Implement growth strategy with an extreme focus on the **dividend level**

Growth Strategy

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

Next Stage

Asset Size

Achieve ¥210.0bn

(No. of Properties)

20

15

10

End of 13th FP

Asset size: ¥184.³⁴⁵bn
No. of properties: 18
LTV: 51.4%

Acquisitions of additional ¥26bn
Appropriately control LTV

Next stage

Asset size: ¥210bn
No. of properties: around 20 – 23
LTV: 40 – 50%

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

Further Leap Forward

¥170bn

¥180bn

¥190bn

¥200bn

¥210bn

(Asset Size)

IV . Financial Strategies

IV - 1. Financial Strategies: Stable Financial Management

Financial Policies (Stable Financial Management)

Maintain stable bank formation and secure financial flexibility

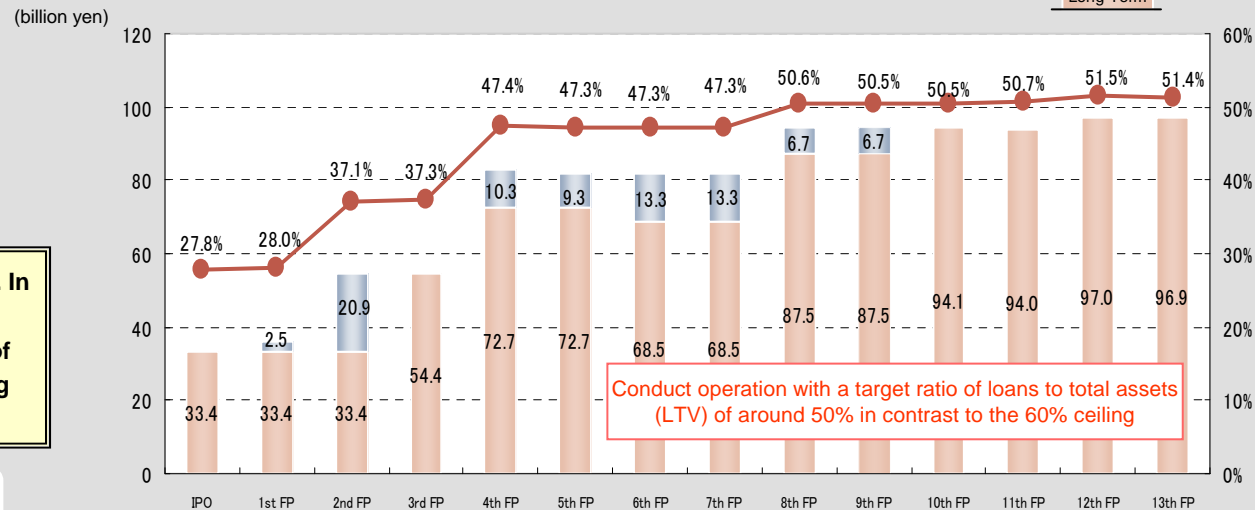
Extend Borrowing Periods and Spread Out Repayment Dates

Manage Risk of Fluctuating Interest Rates

The market interest rate is currently low and stable. In view of the risk of future interest rate fluctuations, Top REIT will in the meantime operate with a ratio of fixed-rate interest borrowings of 50% while enjoying the present benefits.

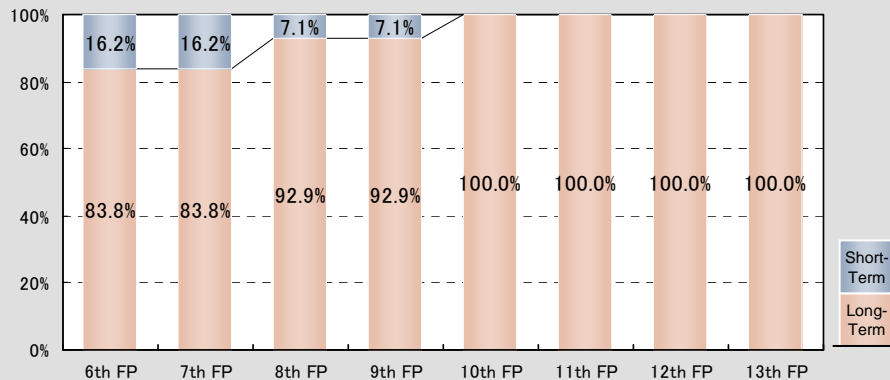
Manage Risk of Fluctuating Interest Rates

Changes in Fund Procurement Status (Debt)

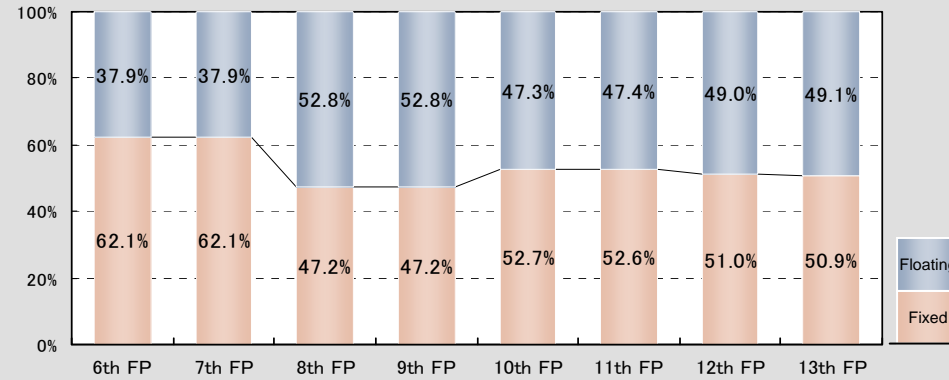


Conduct operation with a target ratio of loans to total assets (LTV) of around 50% in contrast to the 60% ceiling

Ratio of Long-Term Loans



Ratio of Loans with Fixed Interest Rates



•Regarding all graphs on this page, figures for the end of the 9th FP and after include ¥8.5 bn of investment corporation bonds.

IV - 2. Financial Strategies: Financial Status / Extending Borrowing Periods

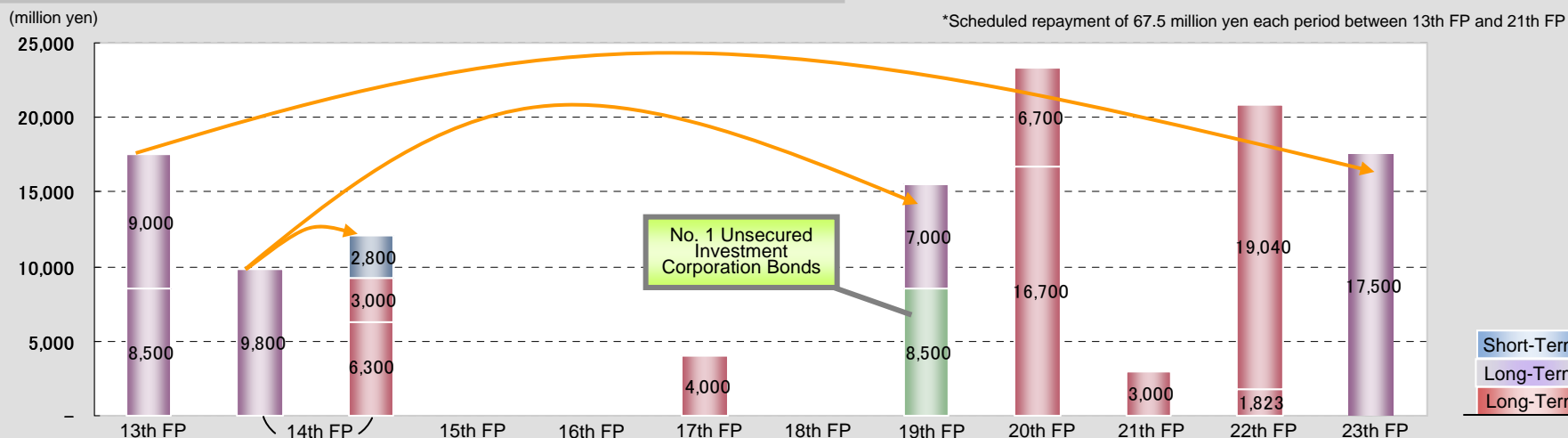
Refinancing Status and Extending Borrowing Periods

Refinance for 13th Fiscal Period

- Jun. 2012: Total ¥17.50bn in long-term loans
 - ⇒ ¥8.5bn Refinanced with long-term loans (fixed rate)
 - ⇒ ¥9bn Refinanced with long-term loans (floating rate)
- Nov. 2012: Total ¥9.8bn in long-term loans
 - ⇒ ¥7bn Refinanced with long-term loans (floating rate)
 - ⇒ ¥2.8bn Refinanced with short-term loans (floating rate)

Remaining Period of Interest-bearing Liabilities

12 th FP (as of Apr. 30, 2012)	2 years & 7 months (avg.)
13 th FP (as of Oct. 31, 2012)	3 years (avg.)
14 th FP after refinancing (as of Nov. 30, 2012)	3 years & 2 months (avg.)



Outstanding Balance of Interest-bearing Liabilities as of 31 st FP	Outstanding Balance of Loans by Lender	Lender		Percentage	
		Amount (¥)	Ratio (%)	Amount (¥)	Ratio (%)
	Sumitomo Mitsui Trust Bank, Limited.	¥27,887mn	31.5%	Dai-ichi Life Insurance Company Ltd.	¥1,000mn 1.1%
	Mizuho Corporate Bank, Ltd.	¥16,590mn	18.8%	Resona Bank, Limited	¥1,000mn 1.1%
	Sumitomo Mitsui Banking Corporation	¥13,074mn	14.8%	The Bank of Fukuoka, Ltd.	¥3,000mn 3.4%
	The Bank of Tokyo Mitsubishi UFJ, Ltd.	¥13,074mn	14.8%	The Hiroshima Bank, Ltd.	¥1,000mn 1.1%
	Mitsubishi UFJ Trust and Banking Corporation	¥4,415mn	5.0%	The Yamaguchi Bank, Ltd.	¥1,000mn 1.1%
	Development Bank of Japan, Inc.	¥6,362mn	7.2%		
	Subtotal			¥88,402mn	100.0%
	No 1 Unsecured Investment Corporation Bonds			¥8,500mn	—
	Total			¥96,902mn	—

IV - 3. Financial Strategies: Issuer Rating and Loans at End of Thirteenth Fiscal Period

Issuer Rating	Baa1 (Negative)	Assigned by Moody's Japan K.K.
	A+ (Stable) (※)The Issuer Rating was downgraded to A+ from AA- with a Stable outlook on Oct 10, 2012.	

Category	Lender	Loan Balance	Interest Rate (end of Oct. 2012)	Loan Execution Date	Repayment Date	Remaining Period	Note
Current Portion of Long-Term Loans	Development Bank of Japan, Inc	¥135mn	2.42% (fixed)	January 13, 2010	November 30, 2016	Scheduled repayment	Unsecured and without guarantee
		¥135mn					
	Sumitomo Mitsui Trust Bank, Limited. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation Resona Bank, Limited	¥9,800mn	1.23% (floating)	January 13, 2010	November 30, 2012	1 months	Unsecured and without guarantee
		¥9,800mn					
	Sumitomo Mitsui Trust Bank, Limited. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation	¥6,300mn	1.48% (fixed)	March 27, 2008	March 27, 2013	5 months	Unsecured and without guarantee
Long-Term Loans	Development Bank of Japan, Inc	¥3,000mn	1.53% (fixed)				
		¥9,300mn					
	Subtotal	¥19,235mn	1.37% (avg)			3 months (avg)	
	Sumitomo Mitsui Trust Bank, Limited.	¥2,000mn	2.27% (fixed)				
	Development Bank of Japan, Inc	¥1,000mn	2.40% (fixed)	June 29, 2007	June 30, 2014	1 years & 8 months	Unsecured and without guarantee
Long-Term Loans	Dai-ichi Life Insurance Company Ltd.	¥1,000mn	2.40% (fixed)				
		¥4,000mn					
	Sumitomo Mitsui Trust Bank, Limited. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation	¥16,700mn	1.39% (fixed)	March 3, 2011	February 29, 2016	3 years & 4 months	Unsecured and without guarantee
		¥16,700mn					
	Sumitomo Mitsui Trust Bank, Limited. The Bank of Fukuoka, Ltd. The Hiroshima Bank, Ltd. The Yamaguchi Bank, Ltd.	¥6,700mn	0.83% (floating)	March 31, 2011	February 29, 2016	3 years & 4 months	Unsecured and without guarantee
	¥6,700mn						

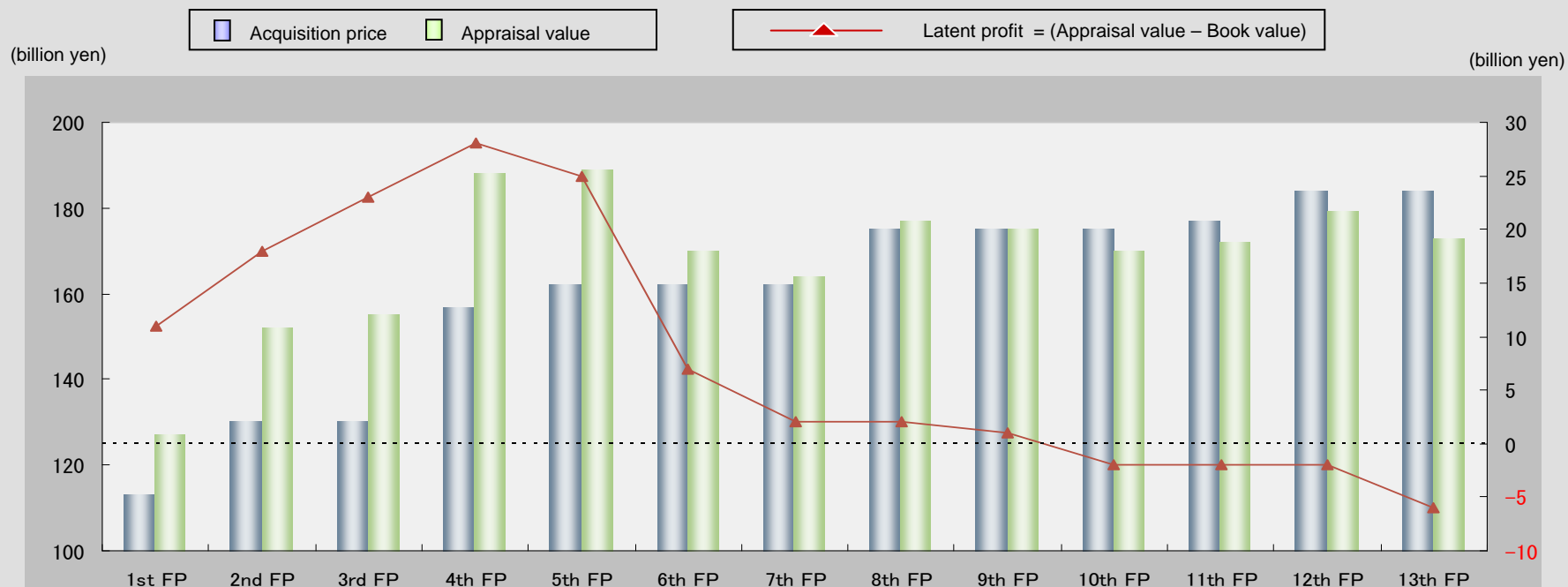
Category	Lender	Loan Balance	Interest Rate (end of Oct. 2012)	Loan Execution Date	Repayment Date	Remaining Period	Note
Long-Term Loans	Sumitomo Mitsui Trust Bank, Limited. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation	¥3,000mn	0.66% (floating)	March 30, 2012	October 31, 2016	4 years	Unsecured and without guarantee
		¥3,000mn					
	Development Bank of Japan, Inc.	¥2,227mn	2.42% (fixed)	January 13, 2010	November 30, 2016	3 years & 9 months	Unsecured and without guarantee
		¥2,227mn					
	Sumitomo Mitsui Trust Bank, Limited. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation	¥19,040mn	0.56% (floating)	November 30, 2011	November 30, 2016	4 years & 1 months	Unsecured and without guarantee
Long-Term Loans		¥19,040mn					
	Sumitomo Mitsui Trust Bank, Limited. Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation The Bank of Tokyo Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation	¥9,000mn	0.66% (floating)	June 29, 2012	June 30, 2017	4 years & 8 months	Unsecured and without guarantee
		¥8,500mn	0.79% (fixed)				
		¥17,500mn					
	Subtotal	¥69,167mn	1.00% (avg)				3 years & 10 months (avg)
Total Loans	¥88,402mn	1.08% (avg)				3 years & 1 months (avg)	
No 1 Unsecured Investment Corporation Bonds		¥8,500mn	1.00% (fixed)	June 4, 2010	June 4, 2015	2 years & 7 month	Unsecured and without guarantee
Total Interest bearing liabilities		¥96,902mn	1.07% (avg)			3 years (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.

V. Management Results at the Thirteenth fiscal Period

V - 1. Operating Results: History of Asset Growth

History of Asset Growth



	End of 1st FP Oct. 2006	End of 2nd FP Apr. 2007	End of 3rd FP Oct. 2007	End of 4th FP Apr. 2008	End of 5th FP Oct. 2008	End of 6th FP Apr. 2009	End of 7th FP Oct. 2009	End of 8th FP Apr. 2010	End of 9th FP Oct. 2010	End of 10th FP Apr. 2011	End of 11th FP Oct. 2011	End of 12th FP Apr. 2012	End of 13th FP Oct. 2012
Acquisition price	¥113,286 bn	¥130,846 bn	¥130,846 bn	¥157,187 bn	¥162,347 bn	¥162,347 bn	¥162,347 bn	¥175,047 bn	¥175,047 bn	¥175,047 bn	¥177,435 bn	¥184,345 bn	¥184,345 bn
Book value	¥116,187 bn	¥133,576 bn	¥132,698 bn	¥159,585 bn	¥163,985 bn	¥163,245 bn	¥162,237 bn	¥174,618 bn	¥173,618 bn	¥172,994 bn	¥174,742 bn	¥181,405 bn	¥180,446 bn
Appraisal value	¥127,442 bn	¥152,468 bn	¥155,923 bn	¥188,035 bn	¥189,441 bn	¥170,870 bn	¥164,948 bn	¥177,146 bn	¥175,351 bn	¥170,670 bn	¥172,440 bn	¥179,000 bn	¥173,800 bn
Unrealized profits and losses	¥11,254 bn	¥18,891 bn	¥23,224 bn	¥28,449 bn	¥25,455 bn	¥7,624 bn	¥2,710 bn	¥2,527 bn	¥1,732 bn	(¥2,324 bn)	(¥2,302 bn)	(¥2,405 bn)	(¥6,646 bn)

*Acquisition price and appraisal value details are provided on P25 to P26.

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

V - 2. Appraisal Value as at End of Period

(million yen)

Asset Class	Area	Property	Acquisition Price	Book Value at End of 13th FP (A)	Appraisal Value at End of 10th FP (Note)	Appraisal Value at End of 11th FP (Note)	Appraisal Value at End of 12th FP (B)	Appraisal Value at End of 13th FP (C)	Difference Between Appraisal Value and Book Value (C) - (A)	Difference in Appraisal Value from End of 12th FP (C) - (B)
Office	Central Tokyo	NEC Head Office Building	41,950	42,794	47,950	47,500	49,450	49,450	6,655	-
		Harumi Island Triton Square Office Tower Y	33,000	30,769	38,700	38,500	36,400	32,100	1,330	(4,300)
		Harumi Island Triton Square Office Tower Z	20,000	19,690	14,300	14,200	14,300	14,300	(5,390)	-
		Kanda Nishiki-cho 3-chome Building	12,700	12,755	14,000	14,000	14,100	14,100	1,344	-
		Akasaka Oji Building	9,660	9,807	9,570	9,560	9,080	7,990	(1,817)	(1,090)
		Shiba-Koen Building	5,770	5,870	3,410	3,410	3,420	3,420	(2,450)	-
		Shinkawa Chuo Building	5,610	5,817	-	-	5,790	5,790	(27)	-
	Kanda Park Plaza	5,156	5,084	4,970	4,930	4,930	4,900	(184)	(30)	
	Tokyo Metropolitan Area	Faret East Building	2,091	1,678	2,430	2,390	2,390	2,390	711	-
Subtotal (9 properties)			135,937	134,268	135,330	134,490	139,860	134,440	171	(5,420)
Retail	Tokyo Metropolitan Area	Sagamihara Shopping Center	12,000	11,360	10,300	10,300	10,400	10,400	(960)	-
		Ito-Yokado Higashi-Narashino Store	8,900	7,926	5,560	5,560	5,620	5,610	(2,316)	(10)
		Musashirawa Shopping Center	4,335	3,951	3,810	3,810	3,860	3,860	(91)	-
	Subtotal (3 properties)			25,235	23,238	19,670	19,670	19,880	19,870	(3,368)
Residential	Central Tokyo	Top Residence Nihonbashi Kayabacho	2,400	2,459	-	-	2,550	2,580	120	30
	Tokyo Metropolitan Area	Fukasawa House Towers H&I	10,635	10,242	6,990	6,960	6,950	7,060	(3,182)	110
		Ecology Toyosu Procentury	5,160	5,030	4,590	4,780	4,880	4,970	(60)	90
		Impress Musashi-Koganei	1,223	1,289	-	1,270	1,280	1,270	(19)	(10)
	Top Residence Yoga	1,165	1,233	-	1,170	1,150	1,160	(73)	10	
Subtotal (5 properties)			20,583	20,254	11,580	14,180	16,810	17,040	(3,214)	230
Other	Central Tokyo	OAK PLAZA	2,590	2,684	2,660	2,670	2,450	2,450	(234)	-
	Subtotal (1 property)			2,590	2,684	2,660	2,670	2,450	2,450	(234)
Total (18 properties)			184,345	180,446	169,240	171,010	179,000	173,800	(6,646)	(5,200)

(Note) In the described above table, the respective appraisal value of ended period from 10th to 11th excluded the Nittetsu Honmachi Building disposed on November 25, 2011.

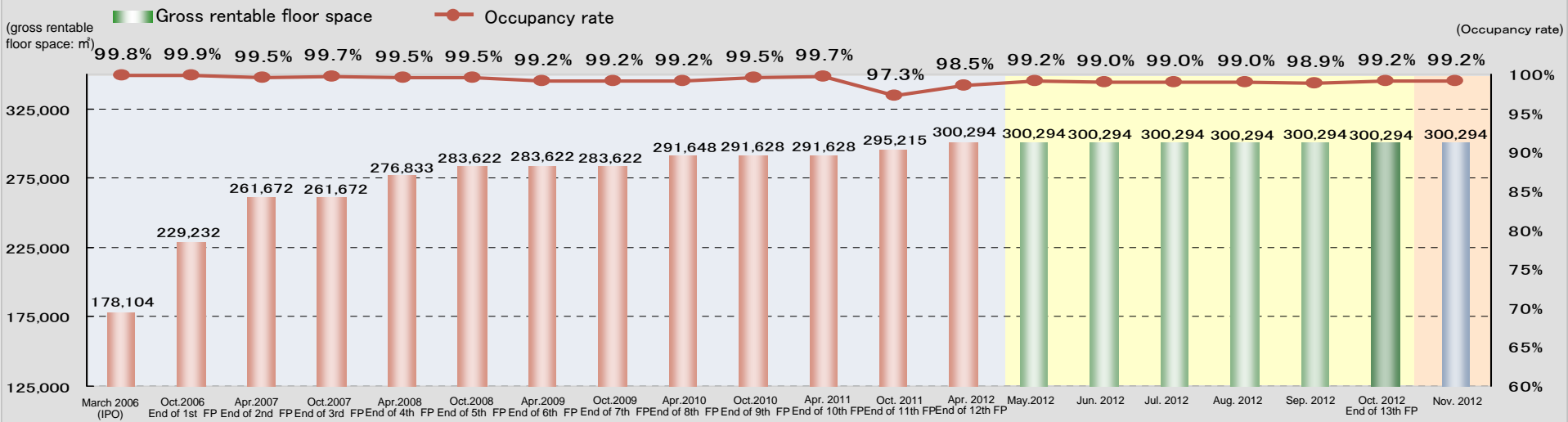
V - 3. Appraisal Cap Rate

Property	9th Fiscal Period			10th Fiscal Period			11th Fiscal Period			12th Fiscal Period			13th 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	4.3%	3.8% (Next 3 years) 4.3% (afterward)	4.6%	4.3%	3.8% (Next 2 years) 4.3% (afterward)	4.6%	4.3%	3.8% (Next 2 years) 4.3% (afterward)	4.6%	4.2%	3.7% (Next 1 years) 3.9% (2-5years) 4.2% (afterward)	4.5%	4.2%	3.7% (Next 1years) 3.9% (2-5years) 4.2% (afterward)	4.5%
Harumi Island Triton Square Office Tower Y	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%	4.8%	4.3%	4.8%
Harumi Island Triton Square Office Tower Z	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%	4.6%	4.3%	4.8%
Kanda Nishiki-cho 3-chome Building	5.2%	4.9%	5.4%	4.9%	4.6%	5.1%	4.9%	4.6%	5.1%	4.9%	4.6%	5.1%	4.9%	4.6%	5.1%
Akasaka Oji Building	4.5%	4.5%	4.8%	4.5%	4.5%	4.8%	4.5%	4.5%	4.8%	4.5%	4.4%	4.7%	4.5%	4.4%	4.7%
Shiba-Koen Building	5.0%	4.8%	5.1%	4.9%	4.7%	5.0%	4.9%	4.7%	5.0%	4.8%	4.6%	5.0%	4.8%	4.6%	5.0%
Shinkawa Chuo Building	-	-	-	-	-	-	-	-	-	4.9%	4.7%	5.1%	4.9%	4.7%	5.1%
Kanda Park Plaza	5.3%	4.8%	5.9%	5.3%	4.8%	5.6%	5.2%	4.7%	5.5%	5.2%	4.7%	5.5%	5.2%	4.7%	5.5%
Faret East Building	5.8%	5.5%	6.0%	5.8%	5.5%	6.0%	5.7%	5.4%	5.9%	5.7%	5.4%	5.9%	5.7%	5.4%	5.9%
Sagamihara Shopping Center	6.0%	5.8%	6.1%	6.0%	5.8%	6.1%	6.0%	5.8%	6.1%	5.9%	5.7%	6.1%	5.9%	5.7%	6.1%
Ito-Yokado Higashi-Narashino Store	6.4%	5.5%	6.9%	6.3%	6.1%	6.6%	6.3%	6.1%	6.6%	6.3%	6.1%	6.6%	6.3%	6.1%	6.6%
Musashiurawa Shopping Square	5.8%	5.5%	6.1%	5.8%	5.5%	6.1%	5.8%	5.5%	6.1%	5.7%	5.4%	6.0%	5.7%	5.4%	6.0%
Top Residence Nihonbashi Kayabacho	-	-	-	-	-	-	-	-	-	5.1%	4.9%	5.3%	5.0%	4.8%	5.2%
Fukasawa House Towers H&I	5.2%	4.9%	5.4%	5.1%	4.8%	5.3%	5.0%	4.7%	5.2%	5.0%	4.7%	5.2%	4.9%	4.6%	5.1%
Ecology Toyosu Procentury	5.5%	5.3%	5.7%	5.4%	5.2%	5.6%	5.2%	5.0%	5.4%	5.2%	5.0%	5.4%	5.1%	4.9%	5.3%
Impress Musashi-Koganei	-	-	-	-	-	-	5.5%	5.3%	5.7%	5.5%	5.3%	5.7%	5.5%	5.3%	5.7%
Top Residence Yoga	-	-	-	-	-	-	5.0%	4.8%	5.2%	5.0%	4.8%	5.2%	5.0%	4.8%	5.2%
OAK PLAZA	4.8%	4.3%	5.4%	5.2%	5.0%	5.5%	5.2%	5.0%	5.5%	5.1%	4.9%	5.4%	5.1%	4.9%	5.4%

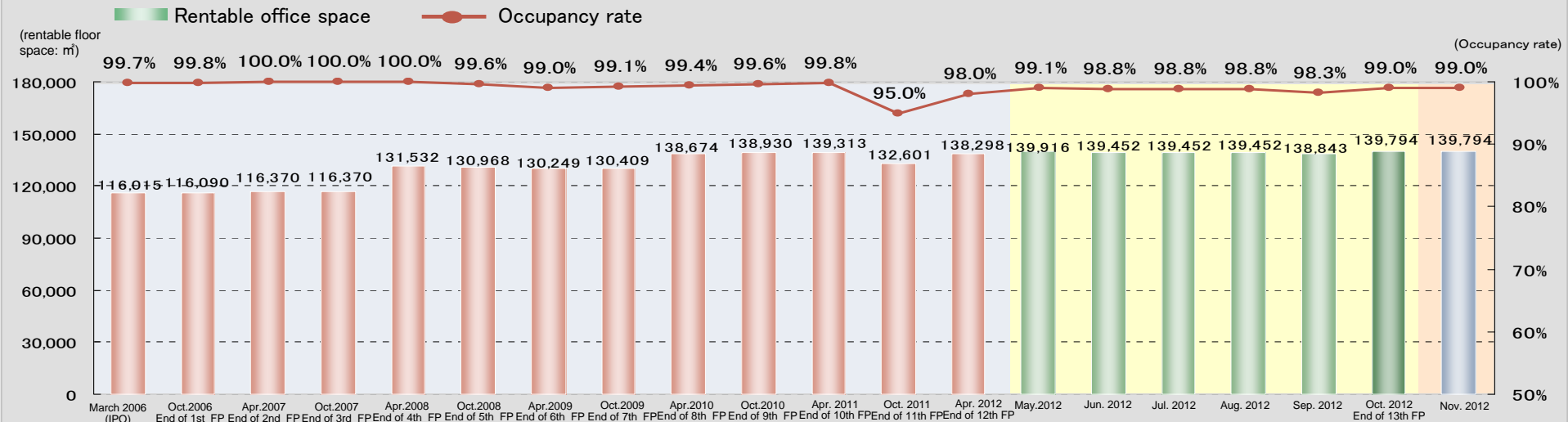
Appraisers	Properties
Tanizawa Sogo Appraisal Co., Ltd.	NEC Head Office Building, Akasaka Oji Building
Japan Real Estate institute	Harumi Island Triton Square Office Towers Y & Z, Kanda Nishiki-cho 3-chome Building, Kanda Park Plaza, Faret East Building, Ito-Yokado Higashi-Narashino Store, Top Residence Nihonbashi kayabacho, Fukasawa House Towers H&I, Ecology Toyosu Procentury, Impress Musashi-Koganei, Top Residence Yoga ,OAK PLAZA
DAIWA REAL ESTATE APPRAISAL Corporation	Shiba-Koen Building, Shinkawa chuo Building, Sagamihara Shopping Center, Musashiurawa Shopping Square

V - 4. Operating Results: History of Occupancy Rate

Occupancy Rate (Portfolio)

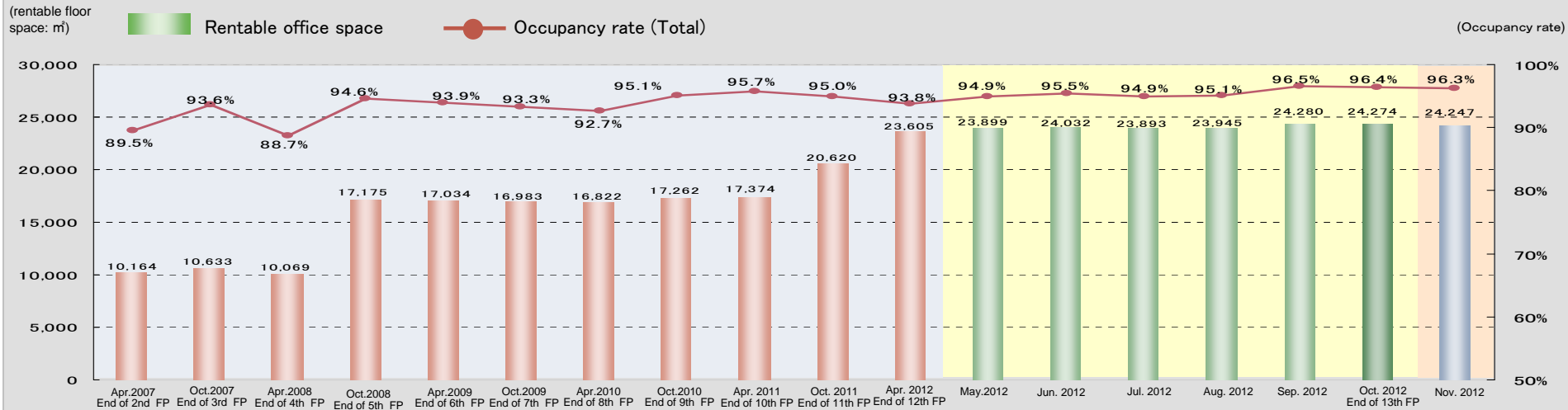


Occupancy Rate (Office)

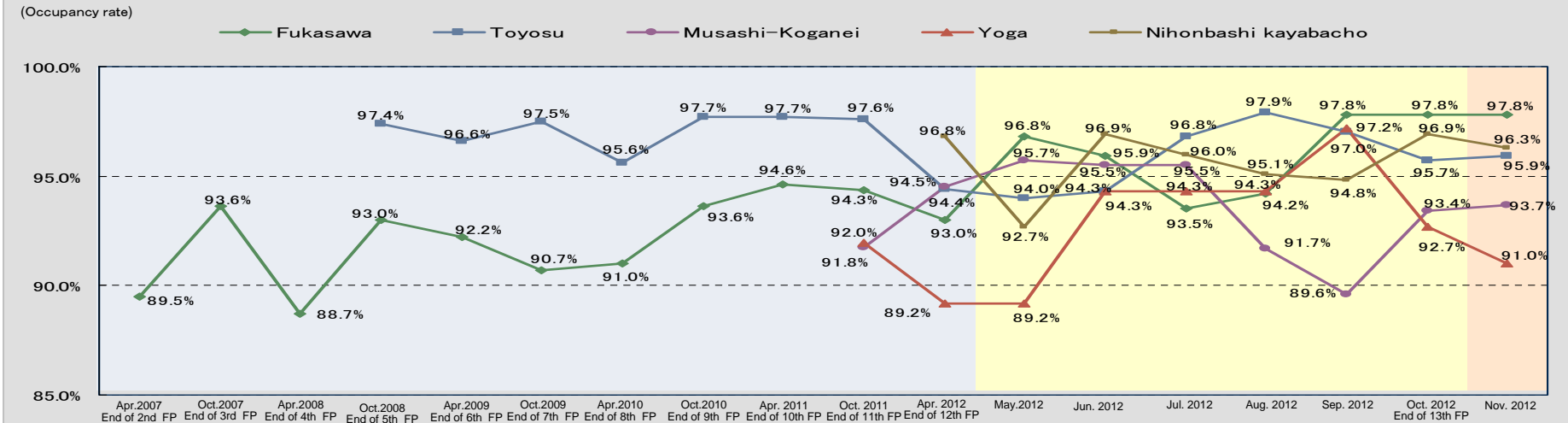


V - 4. Operating Results: History of Occupancy Rate

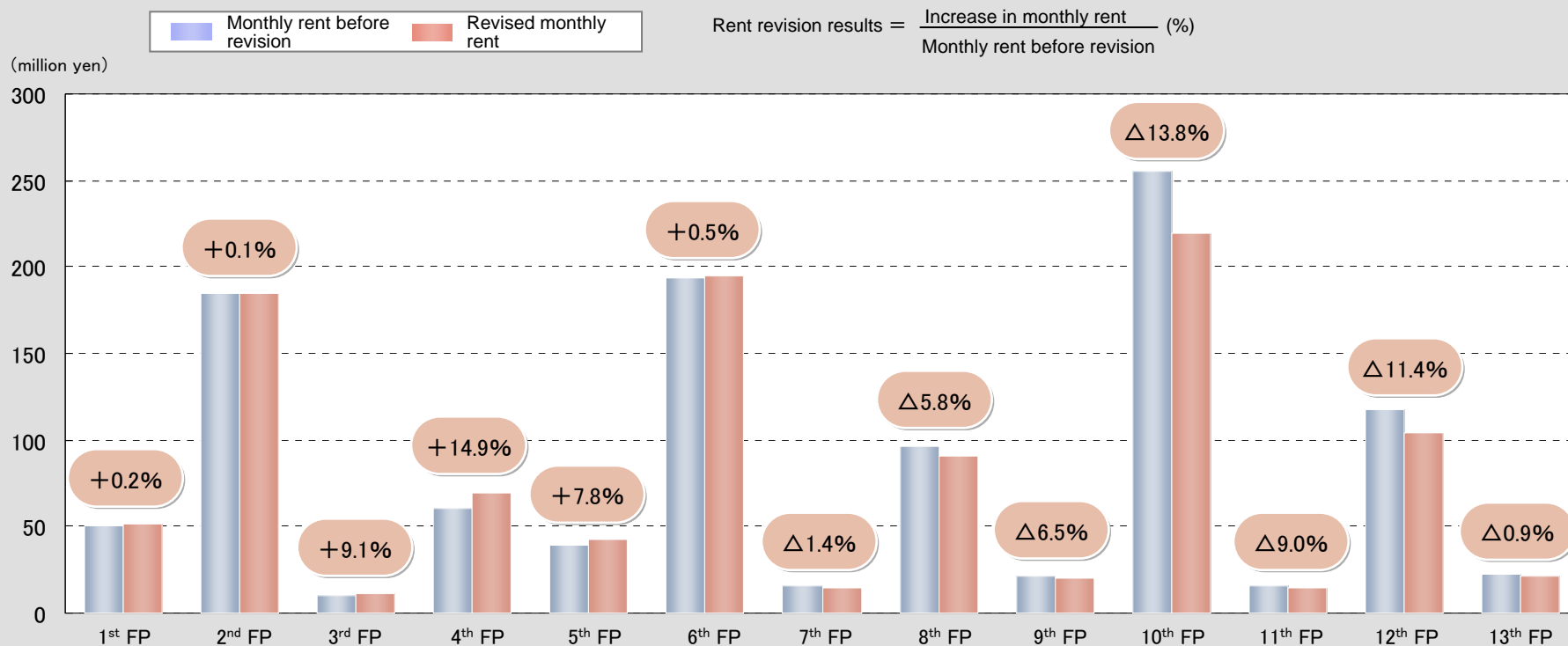
Occupancy Rate (Total of Residence)



Occupancy Rate (Each of Residence)



V - 5. Operating Results: Rent Revisions (excluding residential)



◆ Results of 13th FP Rent Revision ◆

Minimized ranges of rent reduction

▪ Office Buildings 8 cases : Unchanged:6 ▪ Decreased:2

■ Total (excluding residential) : 0.9% decrease on average

VI. Thirteenth Fiscal Period Results (Ended October 31, 2012)

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

Statements of Income

Account	12th FP November 1, 2011 – April 30, 2012 (182 days)	13th FP May 1, 2012 – October 31, 2012 (184 days)
	Amount	Amount
I. Operating revenue and expenses		
1. Operating revenue	¥5,693mn	¥5,636mn
2. Operating expenses	¥2,921mn	¥2,939mn
Expenses related to rent business	¥2,383mn	¥2,384mn
Asset management fees	¥409mn	¥430mn
Other	¥129mn	¥124mn
Operating income	¥2,772mn	¥2,697mn
II. Non-operating income and expenses		
1. Non-operating income	¥4mn	¥3mn
Interest income	¥2mn	¥1mn
Other	¥1mn	¥1mn
2. Non-operating expenses	¥747mn	¥697mn
Interest expenses	¥553mn	¥503mn
Interest expenses on investment corporation bonds	¥42mn	¥42mn
Other	¥151mn	¥151mn
Ordinary income	¥2,029mn	¥2,002mn
Extraordinary loss	-	-
Income before income taxes	¥2,029mn	¥2,002mn
Income taxes-current	¥0mn	¥0mn
Income taxes-deferred	¥28mn	(¥0mn)
Net income	¥1,999mn	¥2,001mn
Unappropriated retained earnings	¥1,999mn	¥2,001mn

Statements of Cash Distributions

Account	12th FP November 1, 2011 – April 30, 2012 (182 days)	13th FP May 1, 2012 – October 31, 2012 (184 days)
	Amount	Amount
Unappropriated retained earnings	¥1,999mn	¥2,001mn
Total dividend amount	¥1,949mn	¥2,001mn
<Dividend per unit>	<¥12,577>	<¥12,912>
Voluntary retained earnings	¥49mn	-
Retained earnings carried forward	¥0mn	¥0mn

【Expenses related to rent business】

- Depreciation and amortization: ¥ 1,116 mn
- Property management expenses: ¥ 392 mn
- Utilities expenses: ¥ 230 mn and others

VI - 2. Balance Sheets (Summary)

Account	12th FP (as of April 30, 2012)	13th FP (as of October 31, 2012)
	Amount	Amount
Assets		
I. Total current assets	¥6,235mn	¥7,144mn
Cash and deposits	¥1,669mn	¥2,306mn
Cash and deposits in trust	¥4,299mn	¥4,538mn
Other	¥266mn	¥299mn
II. Total noncurrent assets	¥182,137mn	¥181,266mn
1. Total property, plant and equipment	¥181,403mn	¥180,444mn
Buildings, etc.	¥994mn	¥982mn
Land	¥4,888mn	¥4,888mn
Buildings, etc. in trust	¥50,842mn	¥49,878mn
Land in trust	¥124,678mn	¥124,695mn
2. Total intangible assets	¥2mn	¥1mn
Intangible assets	¥2mn	¥1mn
3. Total investment and other assets	¥731mn	¥820mn
Lease and guarantee deposits	¥10mn	¥10mn
Long-term prepaid expenses	¥537mn	¥613mn
Other	¥184mn	¥197mn
III. Total deferred assets	¥34mn	¥29mn
Investment corporation bond issuance costs	¥34mn	¥29mn
Total assets	¥188,407mn	¥188,440mn

Account	12th FP (as of April 30, 2012)	13th FP (as of October 31, 2012)
	Amount	Amount
Liabilities		
I. Total current liabilities	¥38,225mn	¥20,794mn
Operating accounts payable	¥225mn	¥80mn
Short-term loans payable	–	–
Current portion of long-term loans payable	¥36,735mn	¥19,235mn
Accounts payable — other	¥233mn	¥252mn
Accrued expenses	¥221mn	¥174mn
Accrued consumption taxes	–	¥102mn
Advances received	¥804mn	¥945mn
Derivative liabilities	–	–
Other	¥4mn	¥3mn
II. Total noncurrent liabilities	¥65,922mn	¥83,341mn
Investment Corporation Bond	¥8,500mn	¥8,500mn
Long-term loans payable	¥51,735mn	¥69,167mn
Tenant leasehold and security deposits	¥144mn	¥125mn
Tenant leasehold and security deposits in trust	¥5,513mn	¥5,512mn
Deferred tax liabilities	¥28mn	¥25mn
Derivative liabilities	–	¥10mn
Other noncurrent liabilities	–	–
Total liabilities	¥104,147mn	¥104,136mn
Net assets		
I. Total unitholders' equity	¥84,259mn	¥84,311mn
1.Unitholders' capital	¥82,260mn	¥82,260mn
2.Surplus	¥1,999mn	¥2,051mn
Reserve for reduction entry	–	¥49mn
Unappropriated retained earnings	¥1,999mn	¥2,001mn
II. Total valuation and translation adjustments	–	(¥6mn)
Deferred gains or losses on hedge	–	(¥6mn)
Total net assets	¥84,259mn	¥84,304mn
Total liabilities and net assets	¥188,407mn	¥188,440mn

VI - 3. Major Financial Indicators

Item	11th Fiscal Period May 1, 2011 – October 31, 2011	12th Fiscal Period November 1, 2011 – April 30, 2012	13th Fiscal Period May 1, 2012 – October 31, 2012	Remark
Period of asset management	184days	182days	184days	
Ratio of interest-bearing liabilities to total assets at end of period (LTV)	50.7%	51.5%	51.4%	Interest-bearing liabilities at end of period / Total assets at end of period
Rental NOI (Net operating income)	¥4,393mn	¥4,126mn	¥4,368mn	Rent revenue – Expenses related to rent business + Depreciation and amortization
included capital gains	–	[¥4,382mn]	–	
Rental NOI yield	5.0%	4.5%	4.7%	Rental NOI x 2 / Sum total of the acquisition price of all properties in the portfolio at end of period
included capital gains	–	[4.8%]	–	
Funds from Operation (FFO)	¥3,046mn	¥2,815mn	¥3,117mn	Net income + Depreciation and amortization
FFO per unit	¥19,654	¥18,165	¥20,113	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%	1.1%	Ordinary income / ((Total assets at beginning of period + Total assets at end of period) / 2)
Annualized	[2.1%]	[2.2%]	[2.1%]	(Note) The figure of 12th FP was included capital gains disposed on November 25, 2011
Ratio of net income to unitholders' equity (return on equity (ROE))	2.4%	2.4%	2.4%	Net income / ((Net assets at beginning of period + Net assets at end of period) / 2)
Annualized	[4.7%]	[4.8%]	[4.7%]	(Note) The figure of 12th FP was included capital gains disposed on November 25, 2011
Implied Cap Rate	5.7%	5.1%	5.6%	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))
				(Note) The figure of 12th FP was included capital gains disposed on November 25, 2011
NAV multiple	0.76	0.85	0.74	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	45.4%	44.7%	44.7%	Net assets at end of period / Total assets at end of period

VI - 4 . Unitholders

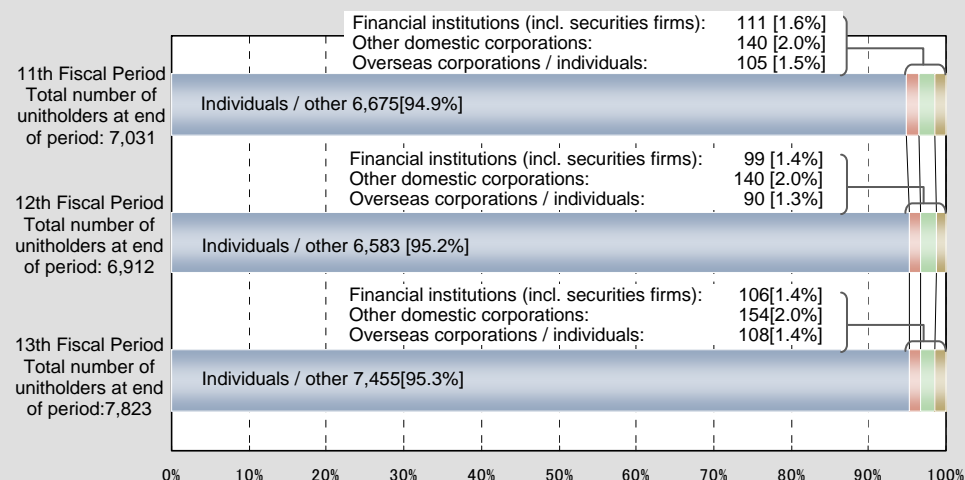
Unitholdings (as at end of 13th FP)

Category	Number of Units Held		Number of Unitholders	
Individuals / other	24,392	15.7%	7,455	95.3%
Financial institutions (incl. securities firms)	94,436	60.9%	106	1.4%
Other domestic corporations	13,572	8.8%	154	2.0%
Overseas corporations / individuals	22,600	14.6%	108	1.4%
Total	155,000	100.0%	7,823	100.0%

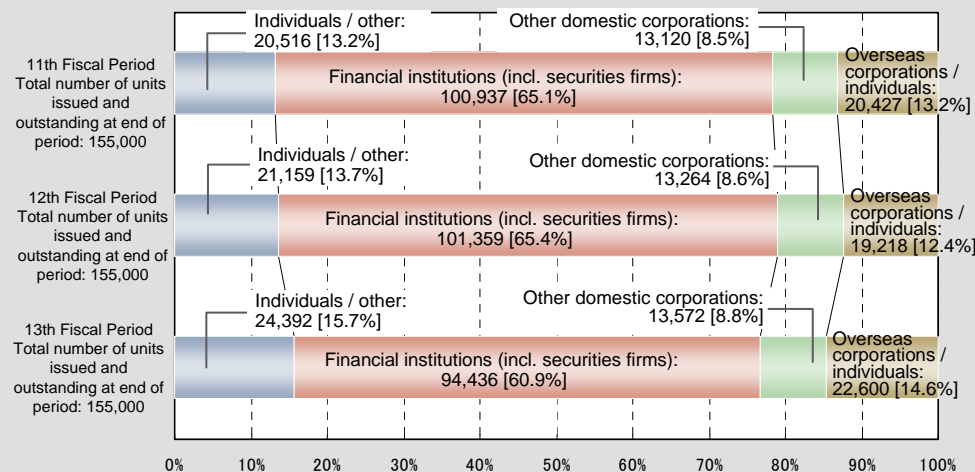
Top 15 Unitholders (as at end of 13th FP)

Rank	Name	Number of Units Held	Share of Total
1	Japan Trustee Service Bank (trust account)	28,658	18.5
2	Nomura Trust and Banking (investment trust account)	8,155	5.3
3	Trust and Custody Services Bank (securities investment trust account)	6,402	4.1
4	North Pacific Bank, LTD.	6,139	4.0
5	The Master Trust Bank of Japan (trust account)	4,829	3.1
6	The Senshu Ikeda Bank, Ltd	4,540	2.9
7	THE BANK OF NEW YORK.NON-TREATY JASDEC ACCOUNT	3,848	2.5
8	MetLife Alico Life Insurance K.K GA Company JPY	3,757	2.4
9	Sumitomo Mitsui Trust Bank, Limited	3,176	2.0
10	Oji Real Estate Co., Ltd.	3,162	2.0
10	NIPPON STEEL KOWA REAL ESTATE CO.,LTD.	3,162	2.0
12	NOMURA BANK (LUXEMBOURG) S.A.	2,464	1.6
13	Trust and Custody Services Bank (money trust tax account)	2,389	1.5
14	The Gibraltar Life insurance Co., Ltd (general accounts J-REIT account)	1,750	1.1
15	The Minami Nippon Bank, Ltd.	1,550	1.0
	Total	83,981	54.2

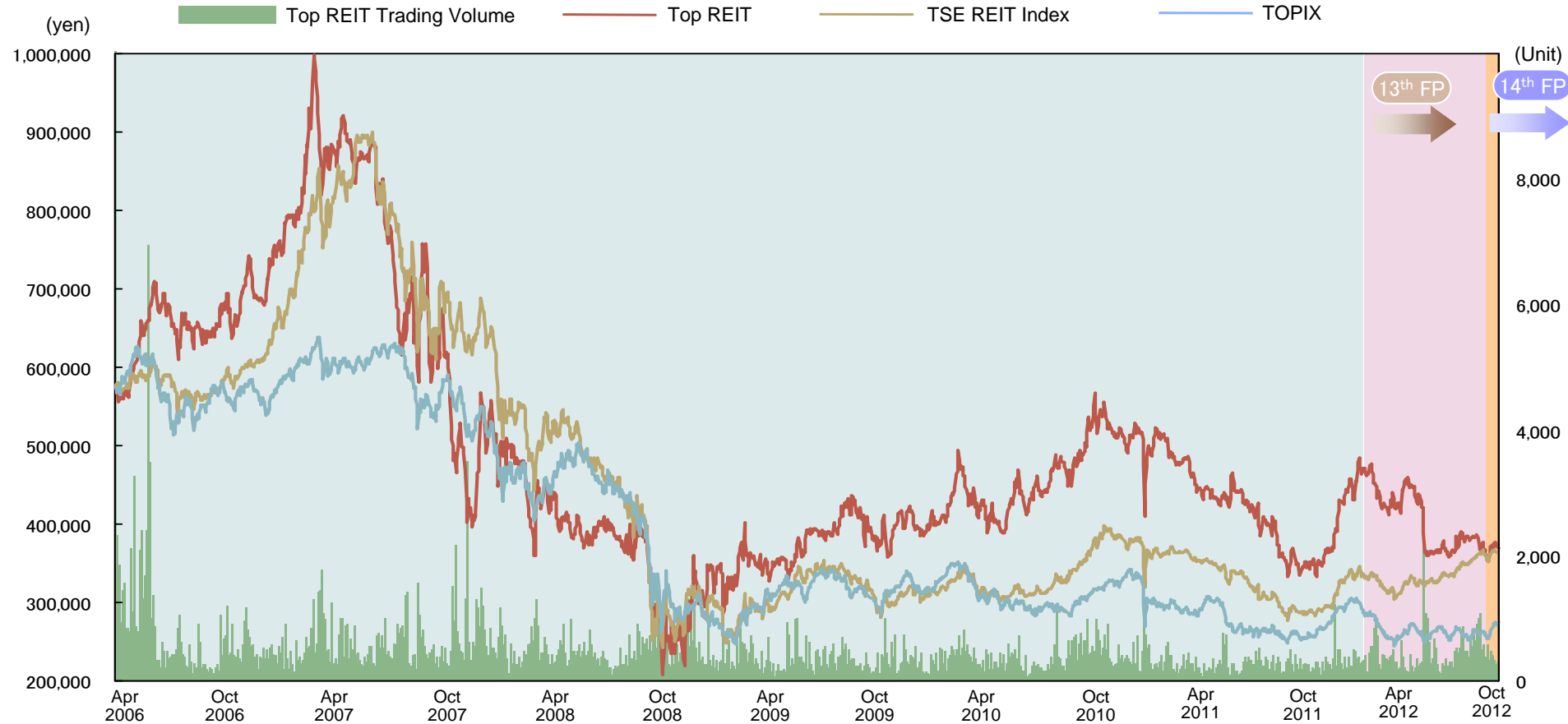
Number of Unitholders



Number of Units Held



VI - 5. Unit Price Performance and Volume (Mar 1, 2006 – November 30, 2012)



13th Fiscal Period End Unit Price (based on closing price)	¥371,000 (Oct. 31, 2012)	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 (as at end of 13th FP)



NEC Head Office Building



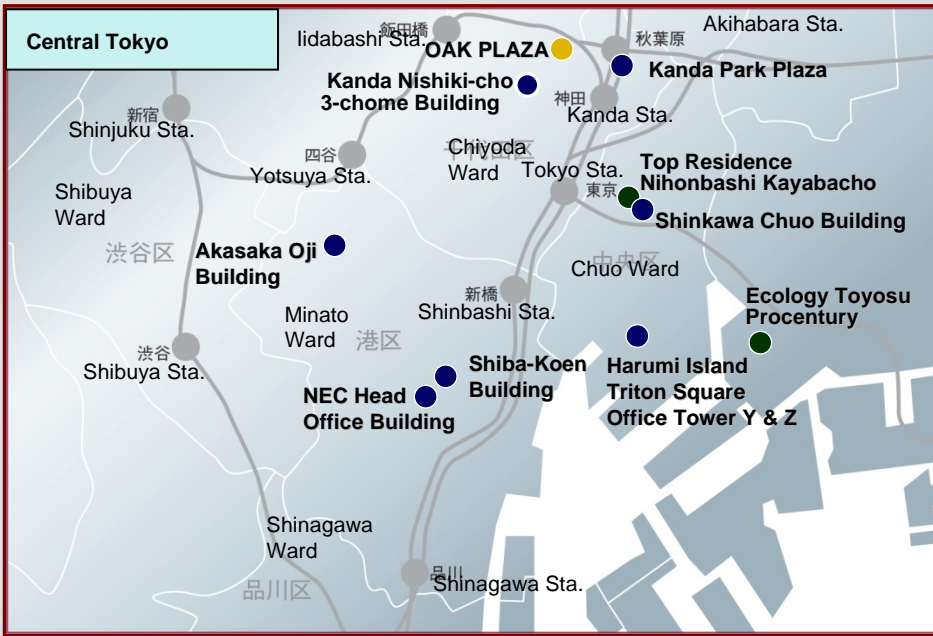
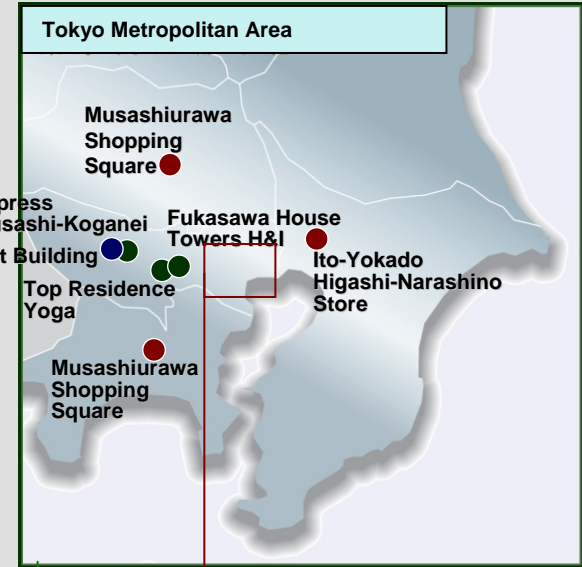
Fukasawa House Towers H&I



Harumi Island Triton Square Office Tower Y&Z



Sagami-hara Shopping Center



Kanda Nishiki-cho 3-chome Building

VII - 2. Portfolio Summary (as at end of 13th FP)

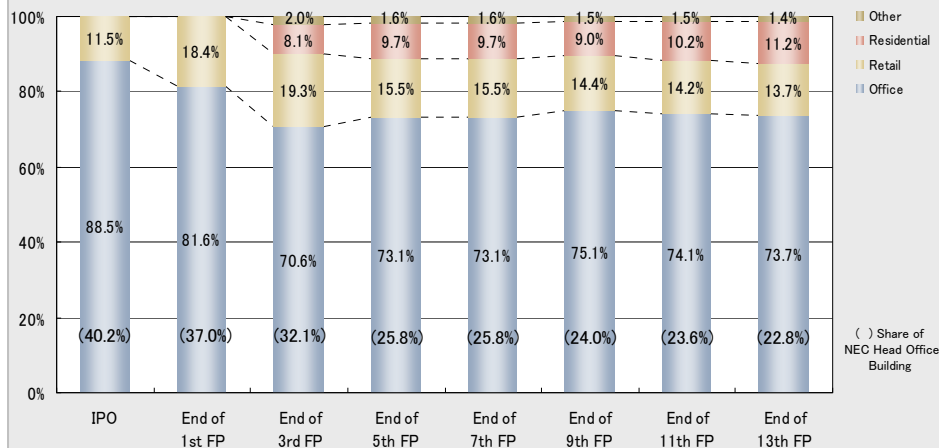
Total Acquisition Price : ¥184.345bn.

Gross Rentable Floor Area : 300,294.23m²

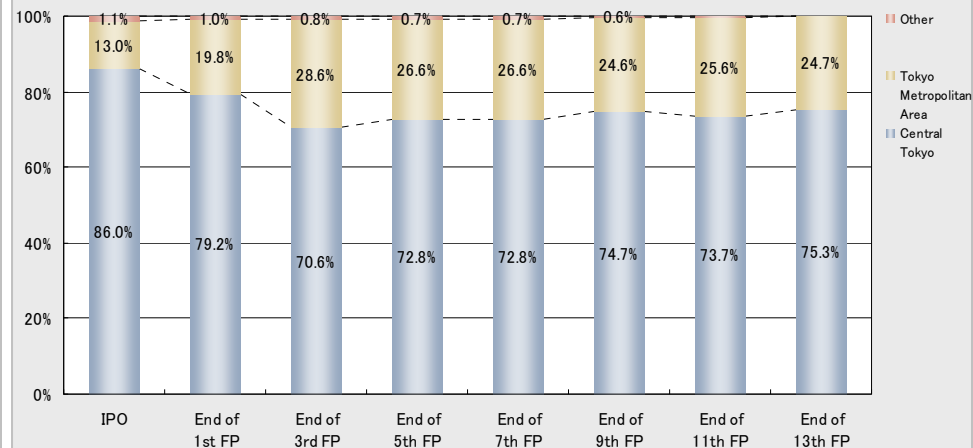
Number of Properties : 18

PML : 2.6%

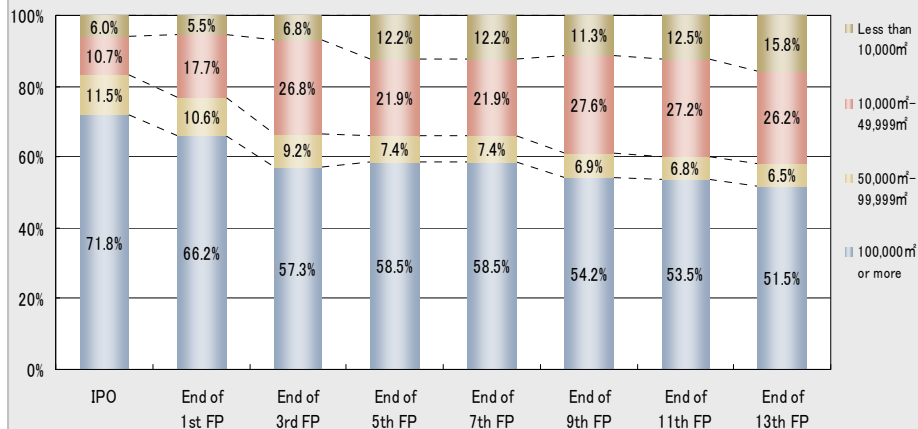
Asset Class (property type)



Area

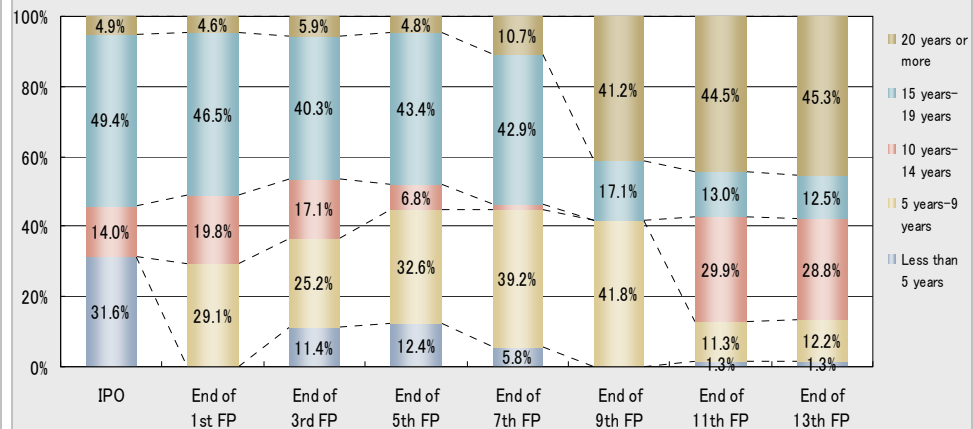


Scale (based on total floor space)



Age of Buildings

End of 13th FP Average: 18.6 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 13th FP)

Asset Class	Area	Property	Address	Acquisition Date	Total Floor Space (m ²)	Rentable Floor Space (m ²)	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	22. ⁸	100. ⁰	1	1.4
		Harumi Island Triton Square Office Tower Y	Chuo Ward, Tokyo	Mar 1, 2006	267,132. ⁶⁷	23,219. ⁴⁶	Oct. 2001	33,000	17. ⁹	100. ⁰	7	1.2
		Harumi Island Triton Square Office Tower Z	Chuo Ward, Tokyo	Mar 27, 2008	267,132. ⁶⁷	10,914. ²⁰	Oct. 2001	20,000	10. ⁸	100. ⁰	1	1.5
		Kanda Nishiki-cho 3-chome Building	Chiyoda Ward, Tokyo	Jan 13, 2010	12,169. ⁷⁸	8,025. ⁶⁵	Mar. 1973	12,700	6. ⁹	100. ⁰	1	7.0
		Akasaka Oji Building	Minato Ward, Tokyo	Mar 1, 2006	10,063. ⁰⁵	7,301. ¹⁵	Apr. 1989	9,660	5. ²	98. ⁸	6	6.4
		Shiba-Koen Building	Minato Ward, Tokyo	Mar 19, 2008	4,958. ²⁹	3,060. ⁴³	May 1991	5,770	3. ¹	77. ⁵	2	9.6
		Shinkawa Chuo Building	Chuo Ward, Tokyo	Mar 30, 2012	7,981. ²⁷	6,032. ²⁴	July 1987	5,610	3. ⁰	100. ⁰	1	7.0
		Kanda Park Plaza	Chiyoda Ward, Tokyo	Mar 1, 2006	5,511. ⁸³	4,537. ⁶⁶	Nov. 1959	5,156	2. ⁸	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	1.1	89. ⁶	1	2.8
Subtotal(9 Properties)					—	141,179. ⁰⁵	—	135,937	73.7	99. ⁰	30	—
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. ⁵	100. ⁰	2	3.6
		Ito-Yokado Higashi-Narashino Store	Narashino City, Chiba Pref.	Jun 30, 2006	45,338. ³⁷	51,098. ⁴²	Oct. 1994	8,900	4. ⁸	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. ⁴	100. ⁰	3	8.5
	Subtotal(3 Properties)					—	127,822. ³⁹	—	25,235	13.7	100. ⁰	6
Residential	Central Tokyo	Top Residence Nihonbashi Kayabacho	Chuo Ward, Tokyo	Feb 1, 2012	4,540. ⁷⁰	3,455. ⁶⁸	Feb. 2004	2,400	1. ³	96. ⁹	1	6.6
	Tokyo Metropolitan Area	Fukasawa House Towers H&I	Setagaya Ward, Tokyo	Dec 8, 2006	12,135. ³⁶	11,357. ⁴⁴	Jun. 2004	10,635	5. ⁸	97. ⁸	1	1.6
		Ecology Toyosu Procentury	Koto Ward, Tokyo	May 30, 2008	9,630. ⁹⁶	6,789. ⁰³	Jan. 2005	5,160	2. ⁸	95. ⁷	1	10.6
		Impress Musashi-Koganei	Koganei City, Tokyo	Aug 12, 2011	2,471. ³⁰	2,056. ⁴¹	Jun. 2008	1,223	0. ⁷	93. ⁴	1	6.4
		Top Residence Yoga	Setagaya Ward, Tokyo	Oct 14, 2011	1,894. ³⁵	1,512. ³⁸	Feb. 2008	1,165	0. ⁶	92. ⁷	1	8.6
Subtotal(5 Properties)					—	25,170. ⁹⁴	—	20,583	11.2	96. ⁴	5	—
Other	Central Tokyo	OAK PLAZA	Chiyoda Ward, Tokyo	Mar 20, 2007	6,121. ⁸⁵	6,121. ⁸⁵	Apr. 1985	2,590	1.4	100. ⁰	1	7.7
Subtotal(1 Property)					—	6,121. ⁸⁵	—	2,590	1.4	100. ⁰	1	—
Total(18 Properties)					—	300,294. ²³	—	184,345	100. ⁰	99. ²	42	2.6

VII - 4. Operating Income by Property (Thirteenth Fiscal Period)

(million yen)

	NEC Head Office Building	Harumi Island Triton Square Office Tower Y	Harumi Island Triton Square Office Tower Z (Note)	Kanda Nishiki-cho 3-chome Building (Note)	Akasaka Oji Building	Shiba-Koen Building	Shinkawa Chuo Building	Kanda Park Plaza	Faret East Building	Sagamihara Shopping Center	Ito-Yokado Higashi-Narashino Store	Musashiurawa Shopping Square	Top Residence Nihonbashi Kayabacho	Fukasawa House Towers H&I	Ecology Toyosu Procentury	Impress Musashi-Koganei	Top Residence Yoga	OAK PLAZA
Operating period (days)	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
Total revenue from property leasing	1,370	1,217			135	98	204	176	151	407	236	129	90	240	164	44	37	94
Rent revenue real estate	1,370	1,217			135	98	200	176	151	407	236	129	84	233	155	41	35	94
Total expenses from property leasing	210	351			83	26	28	39	67	59	35	17	15	58	41	11	8	18
Property management expenses	1	158			22	7	13	8	30	2	1	1	10	35	20	5	5	0
Taxes and dues	205	89			39	8	0	13	11	52	27	14	0	15	8	2	1	13
Utilities expenses	-	96			15	8	11	14	22	-	-	-	1	0	1	0	0	-
Repair expenses	-	1			3	0	2	2	0	3	4	0	3	5	10	2	0	2
Non-life insurance expenses	1	2			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	1	2			2	-	0	0	1	1	0	1	0	2	0	0	0	1
NOI (NOI yield)	1,160 [5.5%]	865 [5.2%]	284 [2.8%]	355 [5.6%]	51 [1.1%]	72 [2.5%]	176 [6.3%]	136 [5.3%]	84 [8.1%]	348 [5.8%]	200 [4.5%]	111 [5.2%]	74 [6.2%]	181 [3.4%]	122 [4.8%]	33 [5.4%]	29 [5.1%]	76 [5.9%]
Depreciation and amortization	223	245	120	35	32	17	33	13	34	54	72	49	27	66	45	17	13	12
Operating income	937	620	164	320	18	54	143	123	49	293	127	62	47	115	77	15	16	64
Capital expenditures	16	17	2	5	5	5	37	5	0	3	4	0	-	0	0	-	-	1

Renewal of fire prevention equipment

Renewal of fire prevention equipment

Renewal of common area

(Note) Some figures for Harumi Island Triton Square Office Tower Z and Kanda Nishiki-cho 3-chome Building are not disclosed due to request by the tenants.

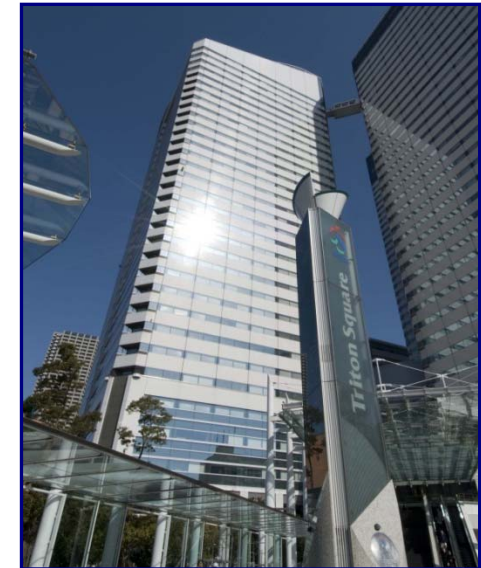
VII - 5. Property Details: Office Buildings



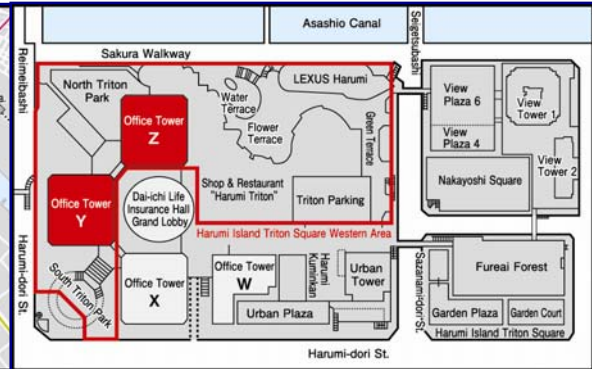
Property	NEC Head Office Building
Address	Shiba, Minato Ward, Tokyo
Floor Area	144,476. ⁰⁵ m ²
Completion	January 1990
Title	Co-ownership (50%)
Acquisition Price	41. ⁹⁵ billion yen



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



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



VII - 5. Property Details: Office Buildings



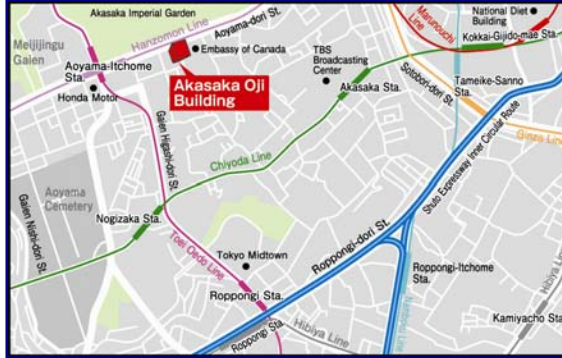
Property	Kanda Nishiki-cho 3-chome Building (formerly called "Sumitomo Corporation Nishiki-cho Building")
Address	Kanda Nishiki-cho, Chiyoda Ward, Tokyo
Floor Area	12,169.78m ²
Completion	March 1973 (large-scale renovation undertaken in November 2001 and earthquake-resistant reinforcement construction 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 - 5. Property Details: Office Buildings



Property	Shinkawa Chuo Building
Address	Sinkawa, Chuo Ward, Tokyo
Floor Area	7,981.27 m ²
Completion	July 1987
Title	Ownership
Acquisition Price	5.61 billion yen



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



Property	Faret East Building
Address	Akebonocho, Tachikawa City, Tokyo
Floor Area	16,206.34 m ²
Completion	December 1994
Title	Co-ownership (2 nd – 5 th and a part of the 6 th and 8 th floors)
Acquisition Price	2.091 billion yen



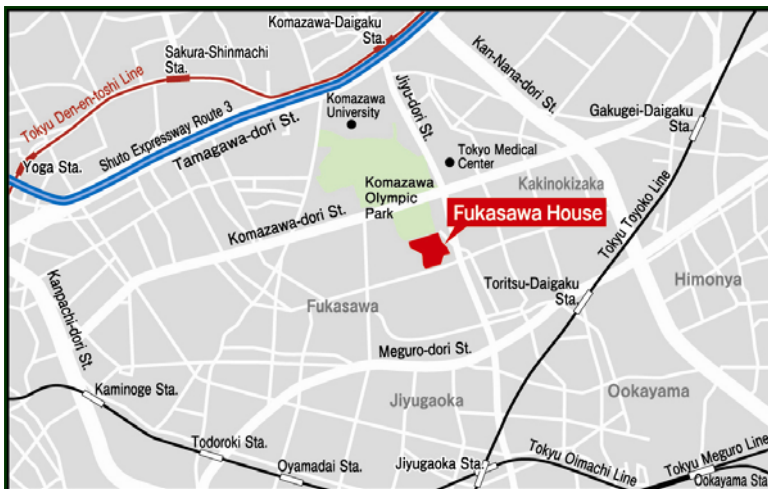
VII - 6. Property Details / Residential



Property	Fukasawa Towers H&I
Address	Fukasawa, Setagaya Ward, Tokyo
Floor Area	12,135.36m ²
Completion	June 2004
Title	Co-ownership (H&I)
Acquisition Price	10.635 billion yen



Ecology Toyosu Procentury	Property
Toyosu, Koto Ward, Tokyo	Address
9,630.96m ²	Floor Area
January 2005	Completion
Ownership	Title
5.16 billion yen	Acquisition Price



VII - 6. Property Details / Residential



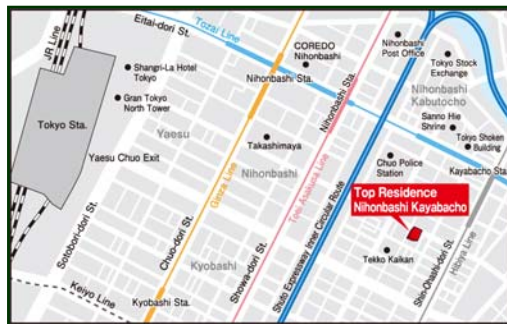
Property	Top Residence Nihonbashi Kayabacho
Address	Nihonbashi Kayabacho, Chuo Ward, Tokyo
Floor Area	4,540.70m ²
Completion	February, 2004
Title	Ownership
Acquisition Price	2.40 billion yen



Property	Impress Musashi-Koganei
Address	Nakamachi, Koganei-shi, Tokyo
Floor Area	2,471.30 m ²
Completion	June. 2008
Title	Ownership
Acquisition Price	1.2234 billion yen



Property	Top Residence Yoga
Address	Tamagawadai, Setagaya Ward, Tokyo
Floor Area	1,894.35 m ²
Completion	February. 2008
Title	Ownership
Acquisition Price	1.165 billion yen



VII - 7. Property Details: Retail Properties and Other Properties

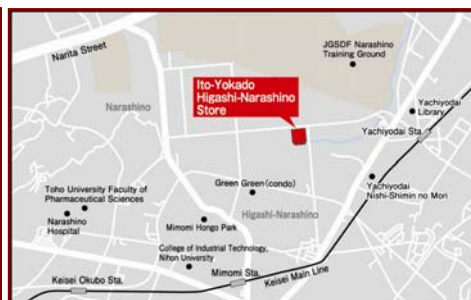


Property	Sagamihara Shopping Center
Address	Kobuchi, Sagamihara City, Kanagawa Pref.
Floor Area	56,351.42m ²
Completion	August 1993
Title	Ownership
Acquisition Price	12 billion yen

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

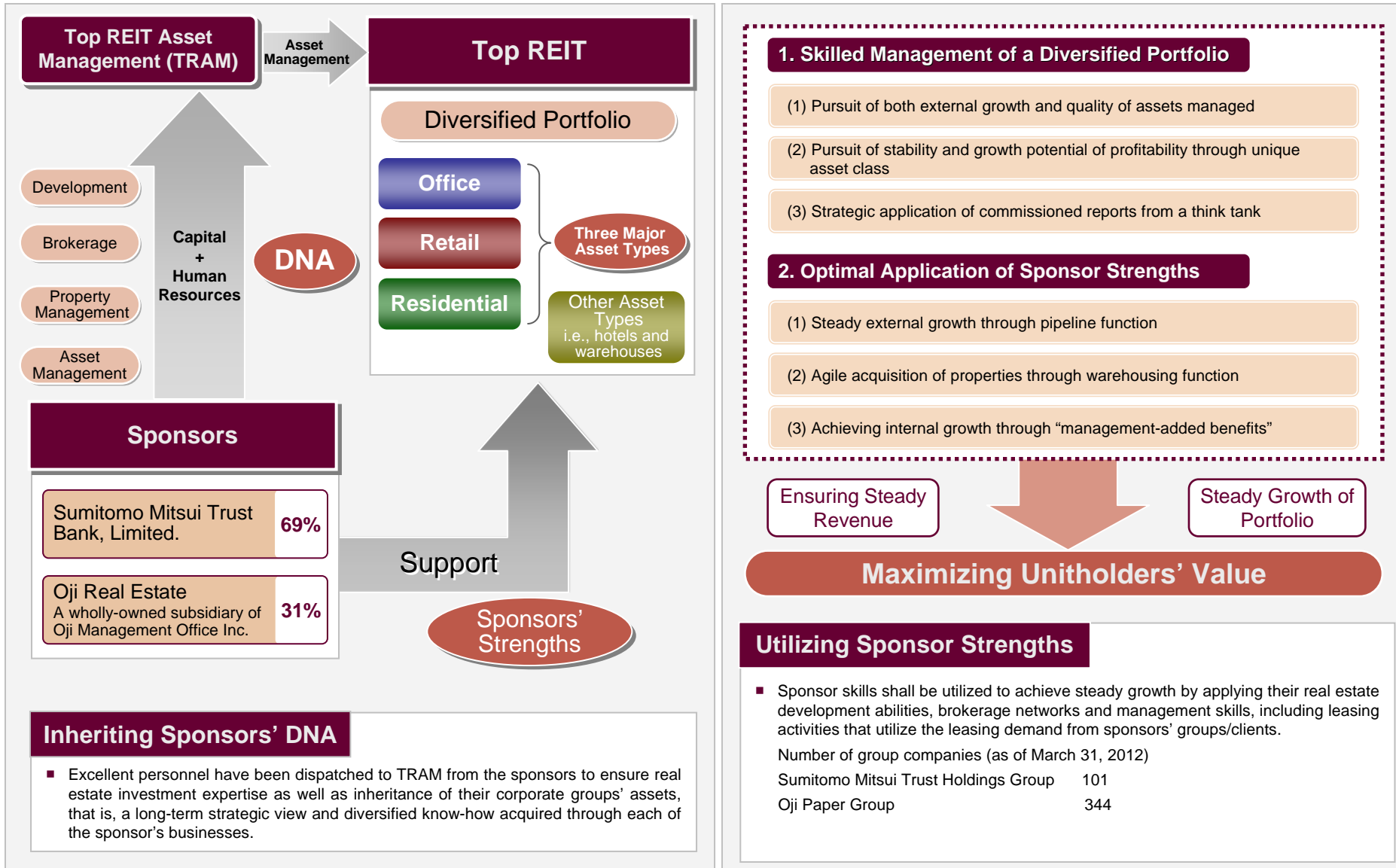
Property	Musashiuwawa Shopping Square
Address	Bessho, Minami Ward, Saitama City, Saitama Pref.
Floor Area	28,930.36m ²
Completion	October 2005
Title	Co-ownership (50%)
Acquisition Price	4.335 billion yen

Property	OAK PLAZA
Address	Kanda Awajicho, Chiyoda Ward, Tokyo
Floor Area	6,121.85m 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



VIII - 2. Overview of Asset Manager

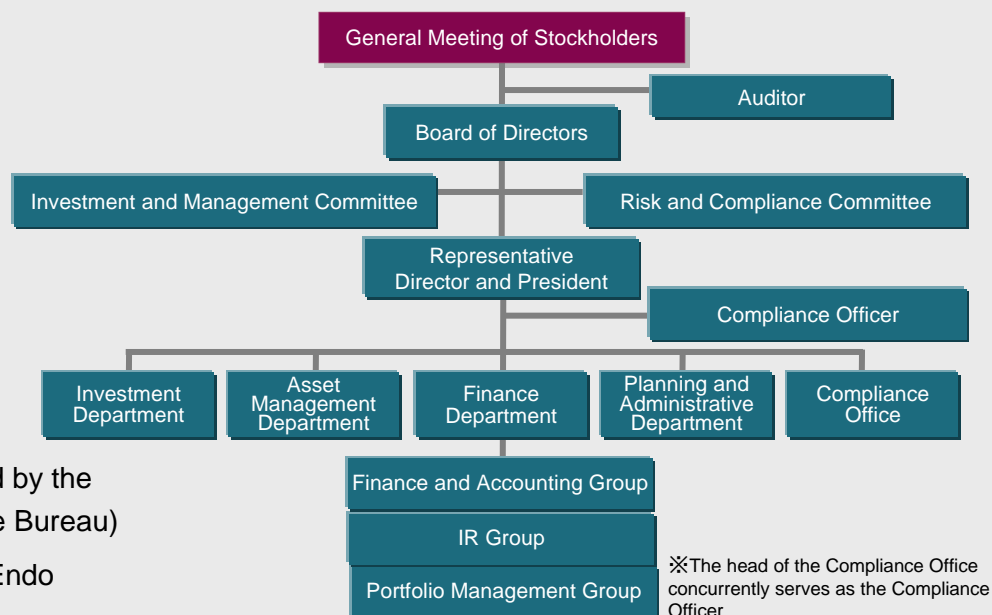
Name Top REIT Asset Management Co., Ltd.
Address 1-3-7 Yaesu, Chuo Ward, Tokyo
Established Oct. 22, 2004
Paid-in Capital ¥300mn
Shareholders Sumitomo Mitsui Trust Bank, Limited. 69%
 Oji Real Estate Co., Ltd. 31%

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

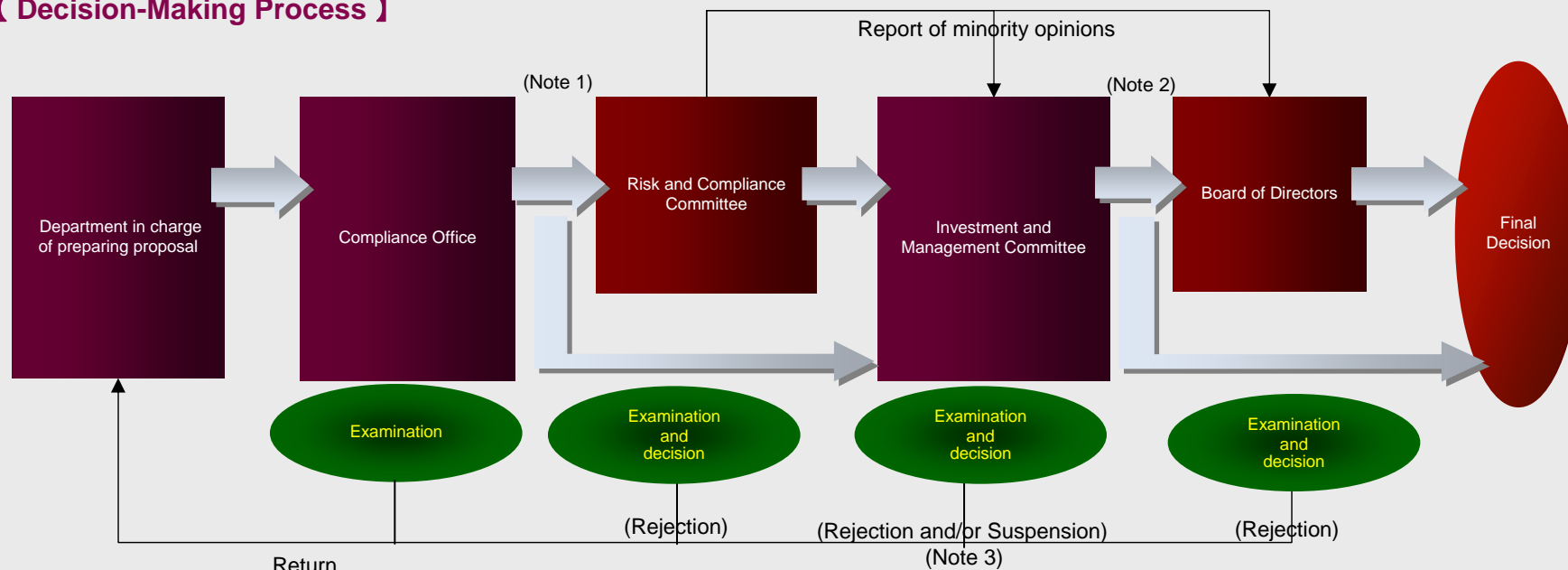
Directors President and Representative Director: Nobuhito Endo

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)
Dec. 10, 2009:	TRAM renewed a license as a real estate agent (The Governor of Tokyo No. (2) 83904)



【 Decision-Making Process 】



(Note 1) Proposals will be passed to the Risk and Compliance Committee if they fall under either of the following:

- **Material transactions with interested parties** defined in the rules on transactions with interested parties (a **unanimous vote** is required in this case.)
- The head of the Compliance Office **recognizes** the discussion of the issues in the Risk and Compliance Committee to be necessary.

(Note 2) Proposals will be passed to the Board of Directors if they fall under any of the following:

- The price of the proposed acquisition or sale is **over 10 billion yen and over 10%** of Top REIT's total assets.
- **Material transactions with interested parties** defined in the rules on transactions with interested parties
- **Forward commitment transactions**
- **Capital raising plans (final decisions on raising capital shall be made by the Board of Directors of Top REIT.)**

(Note 3) **The head of the Compliance Office** can **suspend discussions and decisions** and return the item to the Department in charge of the proposal if he or she judges that the item has legal problems in the process of discussions or decision making at the Investment and Management Committee.

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