



**Japan Retail Fund Investment Corporation**

**FEBRUARY 2008 (12th) PERIOD RESULTS**



Mitsubishi Corp UBS Realty



## Table of Contents

01	Highlights of February 2008 Period Performance	▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪	2
02	February 2008 Period Performance	▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪	8
03	Portfolio Overview	▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪	14
04	February 2008 (12th) Period Results of Operation	▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪	20
05	Appendix	▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪ ▪	24



01

## Highlights of February 2008 (12<sup>th</sup>) Period Performance



Japan Retail Fund Investment Corporation ◀▶ Mitsubishi Corporation UBS Realty

# Highlights of February 2008 (12<sup>th</sup>) Period Performance

## External Growth

### Continued acquisitions of suburban mall-type shopping centers and urban retail properties

Acquired Properties	Acquisition price	Planned Acquisition	(Expected) acquisition price
AEON Yachiyo Midorigaoka SC	JPY30,789mn	AEON Sapporo Hassamu SC	JPY18,440mn
GYRE	JPY8,000mn <sup>(Note 1)</sup>	Jingumae 4-chome West Project (provisional name)	JPY3,400mn
8953 Jingumae 6 Building <sup>(Note 2)</sup>	JPY2,360mn	Ario Otori	JPY19,100mn
8953 Saitama Urawa Building	JPY27,330mn	Jingumae 4-chome East Project (provisional name)	JPY2,233mn
	<b>Total: JPY68,479mn</b>	Cheers Sapporo (provisional name)	JPY2,750mn
		<b>Total: JPY45,923mn</b>	

(Note 1) The acquisition price of GYRE consists of price for the building and ground lease. The acquisition price plus the price for the land owned stands at JPY22,712mn

(Note 2) Only part of the whole property under sectional ownership has been acquired and thus "Urawa PARCO" has been renamed "8953 Saitama Urawa Building"

## Internal Growth

### Initiatives to strengthen competitive advantage in the medium to long term

- ▶ Property redevelopment adding significant value (GYRE)
- ▶ Floor area / building expansion to increase leasable floor area (AEONMALL Higashiura)
- ▶ Renovation to increase competitive advantage of properties (Hakata Riverain)

## Financial Strategy

- ▶ Strengthened funding ability through increased credit facilities to ensure flexibility in property acquisitions
- ▶ Increase liquidity in reserves through issuance of CP and commitment line of credit, as new methods of funding

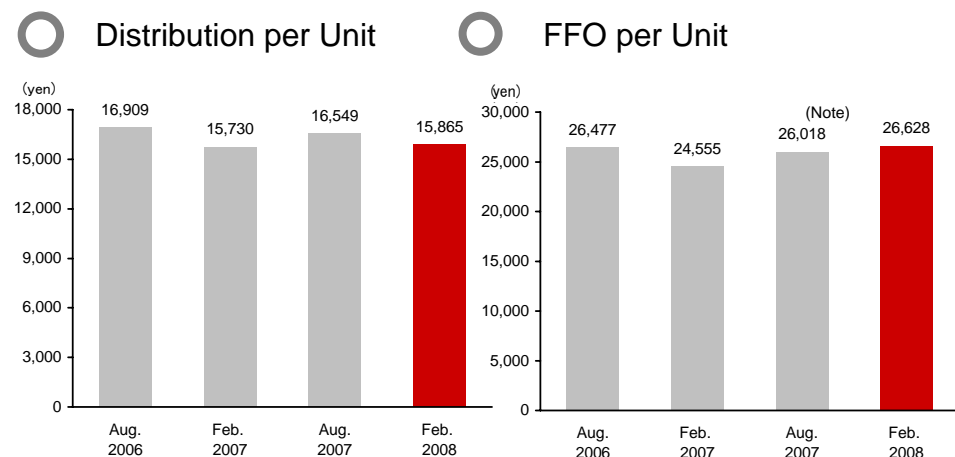
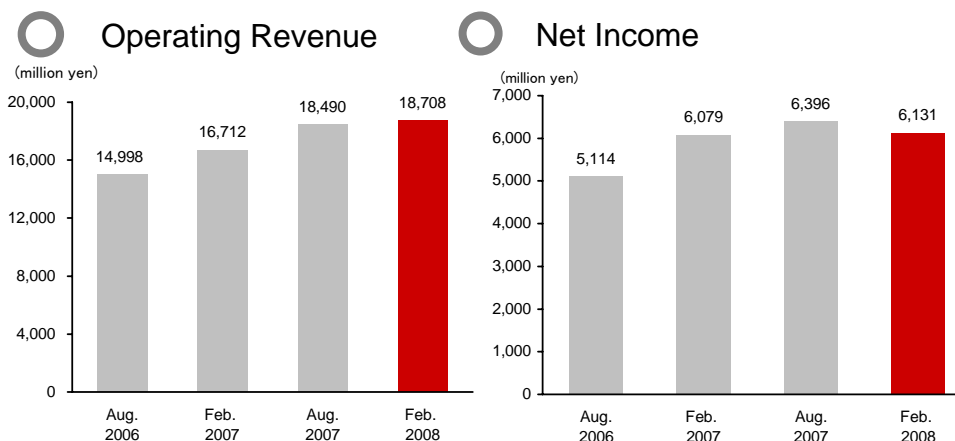


### For February 2008 Period:

Operating Revenue: JPY18,708mn (+1.2%), Net Income: JPY6,131mn (-4.1%),  
Distribution per Unit: JPY15,865, FFO per Unit: JPY26,628

# Highlights of February 2008 (12th) Period Performance

## Historical Operating Results



(Note) FFO per unit includes disposition gain or loss. Therefore, FFO per unit as of Aug 2007 without disposition gain or loss is JPY23,790

## February 2008 Results and Forecasts

Item	Feb. 2008 Period (Actual)	Feb. 2008 Period <sup>(Note 1)</sup> (Forecast)	Variance (%)
Operating Revenue (mn yen)	18,708	18,628	80 (0.4%)
Operating Income (mn yen)	7,508	7,397	111 (1.5%)
Recurring Profit (mn yen)	6,145	5,965	180 (3.0%)
Net Income (mn yen)	6,131	5,950	181 (3.0%)
Distribution per Unit (yen)	15,865	15,394	471 (3.1%)
FFO per Unit <sup>(Note 2)</sup> (yen)	26,628	26,452	176 (0.7%)

(Note 1) The forecasts for the period ended February 2008 are based on the data announced on Oct. 15, 2007  
 (Note 2) (Net income + Depreciation + Other properties related depreciation) / Total investment units outstanding

## Asset Under Management

Total Assets	546,831 mn yen (+11.9% from previous period)
Total Book Value	524,136 mn yen
Total Appraisal Value	591,804 mn yen
Difference between Book and Appraisal Values	67,668 mn yen

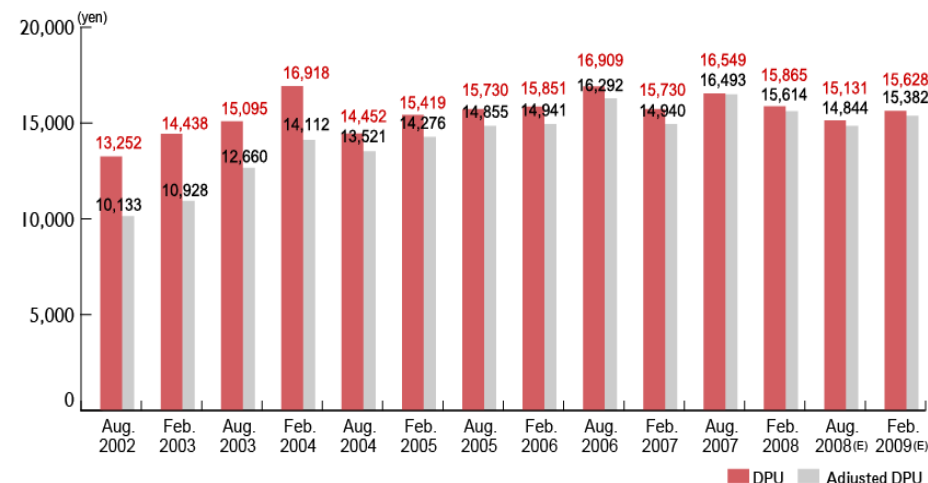
(Note) As of the end of February 2008

# Forecasts for August 2008 and February 2009 Periods

## February 2008 Period Performance and Forecasts

Item	Feb. 2008 Period (182 days)	Aug. 2008 period (Estimate/184 days)	Feb. 2009 Period (Estimate/181 days)
Operating Revenue (mn yen)	18,708	20,281	20,719
Recurring Profit (mn yen)	6,145	5,862	6,053
Net Income	6,131	5,848	6,040
Distribution per Unit (yen)	15,865	15,131	15,628
FFO per Unit (Note 1) (yen)	26,628	27,286	28,060
FFO Payout Ratio	59.6%	55.5%	55.7%

## DPU and Adjusted DPU (Note 2)



## Capital Expenditures and Depreciation

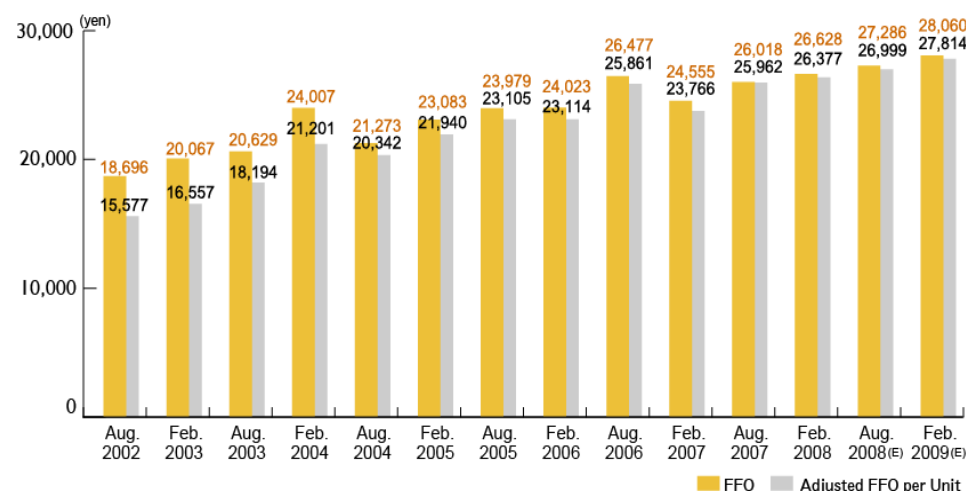
	Aug. 2004 Period	Feb. 2005 Period	Aug. 2005 Period	Feb. 2006 Period	Aug. 2006 Period	Feb. 2007 Period	Aug. 2007 Period	Feb. 2008 Period	Aug. 2008 Period (Forecast) (Note 3)	Feb. 2009 Period (Forecast) (Note 3)
Capital Expenditures (Note 3)	245	373	327	960	486	648	825	1,158	1,039	1,918
Maintenance	41	43	121	194	81	48	124	40	78	90
Total	286	416	448	1,154	567	696	950	1,198	1,117	2,008
Depreciation	1,497	1,682	2,305	2,472	2,894	3,411	3,659	4,160	4,679	4,785

(Note 1) (Net income + depreciation + other real estate related depreciation)/total units outstanding

(Note 2) The above adjusted DPU and FFO per unit are calculated by subtracting the property tax amounts that were capitalized, or included in the acquisition values, from the distributable income for the period in which the acquisitions were made. In accordance with Japanese GAAP, the property tax is capitalized and not recognized as an expense for the period in which the acquisition is made. Please note that the above adjusted DPU and FFO per unit are unaudited figures

(Note 3) The capital expenditure estimates do not include large-scale expansions of floor area or refurbishment unless they have already been disclosed

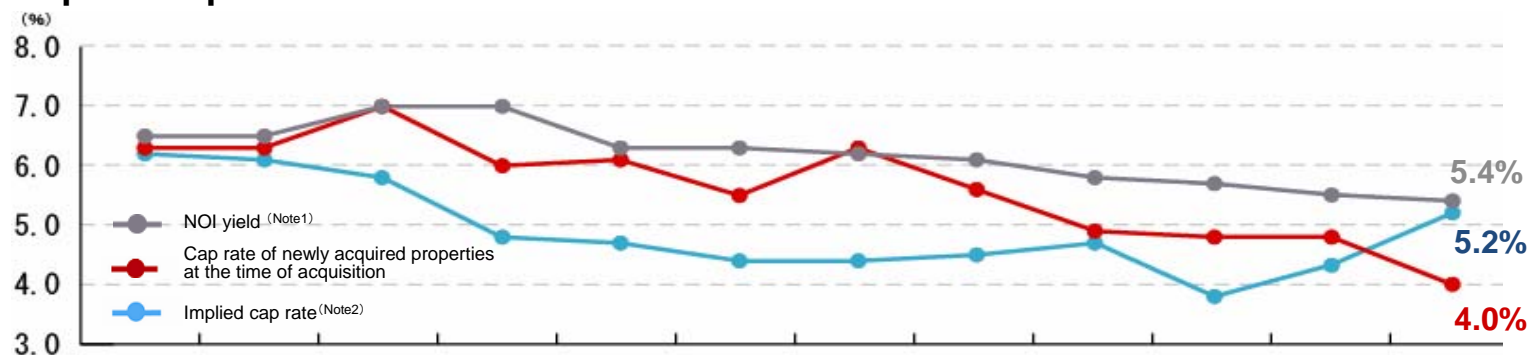
## FFO and Adjusted FFO per Unit (Note 2)



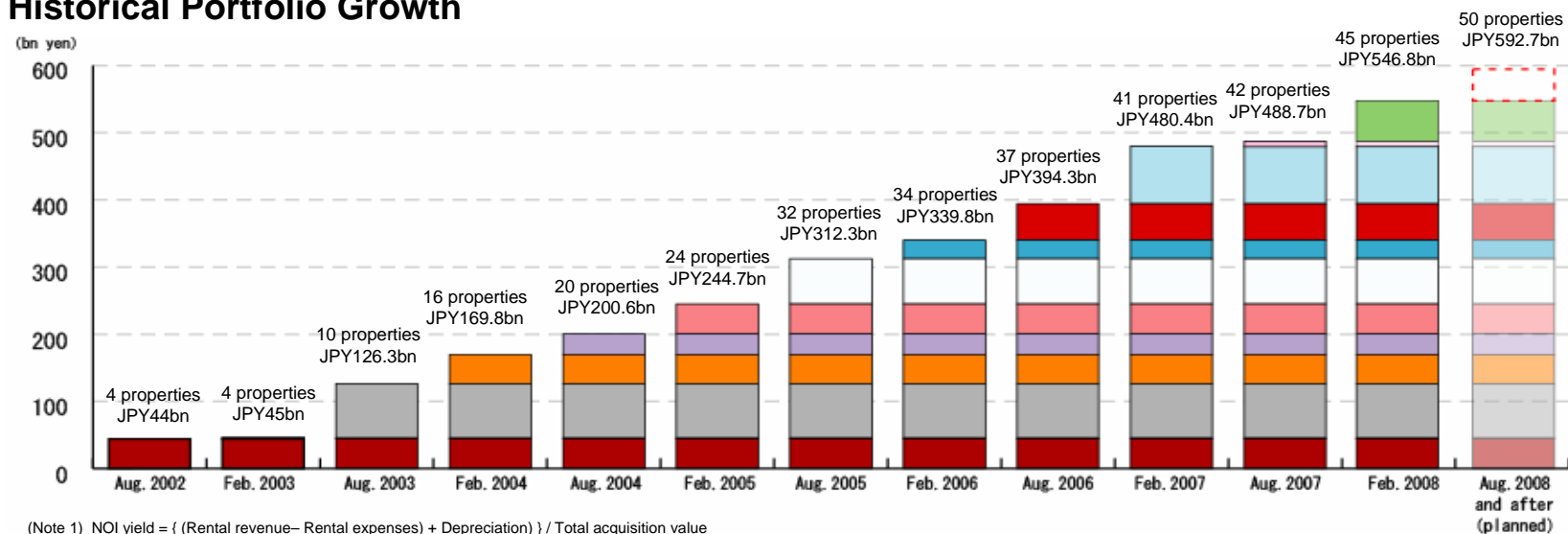
# Historical Portfolio Growth

◆ With four new acquisitions, the total asset size of the portfolio has grown to JPY546.8 billion

## ► Implied Cap Rate and NOI Yield



## ► Historical Portfolio Growth



(Note 1) NOI yield = { (Rental revenue - Rental expenses) + Depreciation } / Total acquisition value

(Note 2) Implied cap rate = NOI / (Total market value + Net interest-bearing debts + Deposits/guarantee money)

(Note 3) As to GYRE, the ownership covered only the land during the period from the beginning of Feb. 2006 period to the end of Aug 2007 period

(Note 4) The GYRE site acquired during the Feb. 2008 period as part of the GYRE property is to be cancelled out, and thus, the total number of acquisitions does not reflect the deal, even though the total acquisition value includes it

(Note 5) The estimated amounts of planned acquisitions are added to the total amounts of assets for the Aug. 2008 period and later

# Financial Overview

## Overview

- In September 2007, the total contracted amount of credit facilities was increased by **JPY25,000mn** to **JPY155,000mn**
- In December 2007, **JPY25,000mn** amount of commercial paper was issued, as part of the CP issuance program for a total of up to **JPY50,000mn**, to finance the acquisition of 8953 Saitama Urawa Building
- In February 2008, a commitment line<sup>(Note)</sup> of credit **JPY25,000mn** was secured

(Note) The funds raised are to be used for redemption of CP, and/or other specified purposes (incl. acquisition of properties) only in the event the issuance of new CP becomes difficult due to economic conditions

## Interest-bearing liabilities as of the end of February 2008

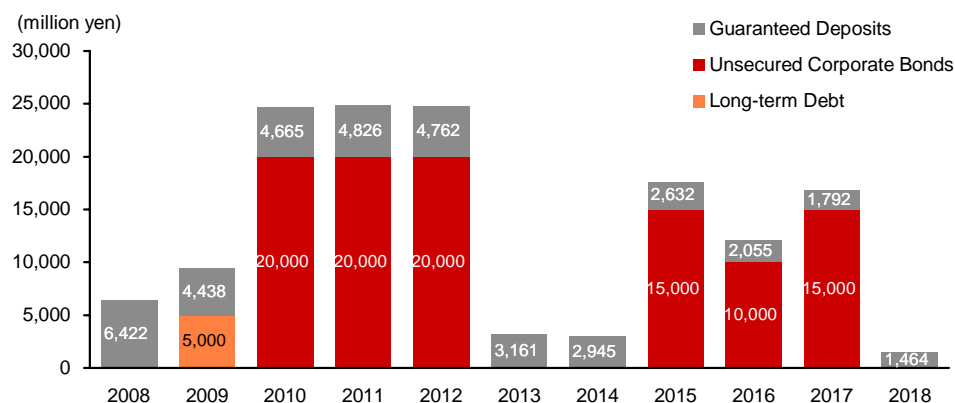
Debt duration (average remaining years)	Approx. 6.3 years
Average cost of debt (including rental deposits/ guarantee deposits)	1.22%
Feb. 2008 period debt ratio	53.02%
Feb. 2008 period debt ratio (on a marked-to-market basis)	47.18%
Feb. 2008 period interest-bearing debt ratio	37.14%
Debt service coverage ratio	8.9X

(Note 1) Debt duration (average remaining years) does not reflect short-term debt

(Note 2) Debt ratio = Total liabilities / Total assets x 100

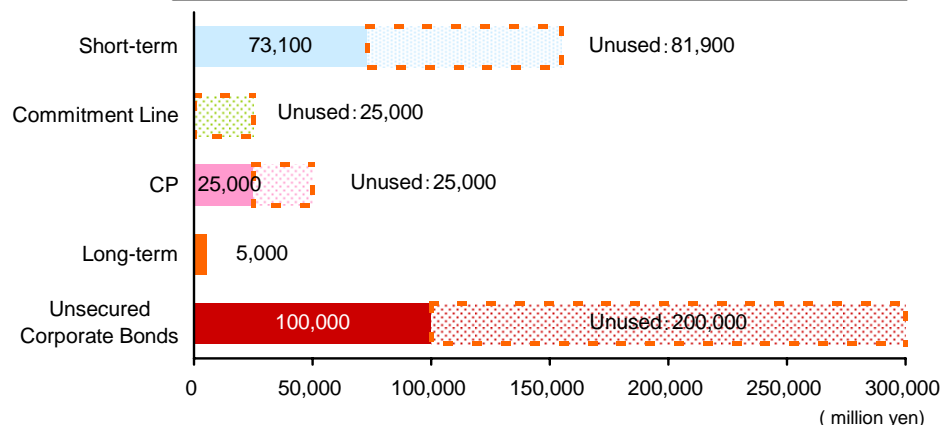
(Note 3) Debt service coverage ratio = EBIT / interest paid

## Maturity Ladder

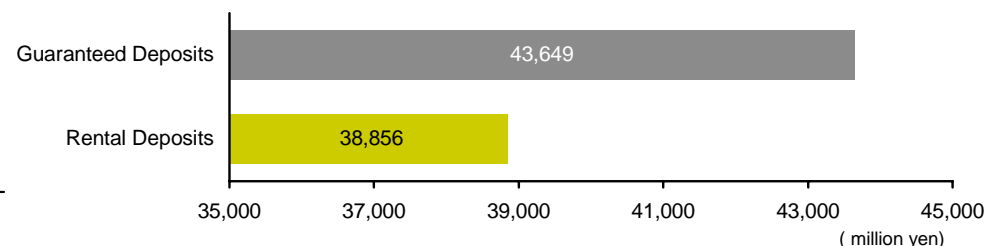


## Details of liabilities (as of the end of Feb. 2008)

### Details of interest-bearing debt outstanding (at the end of Feb. 2008)



### Details of guarantee money and deposits (as of the end of Feb. 2008)







02

## February 2008 Period Performance



Japan Retail Fund Investment Corporation ◀▶ Mitsubishi Corporation UBS Realty

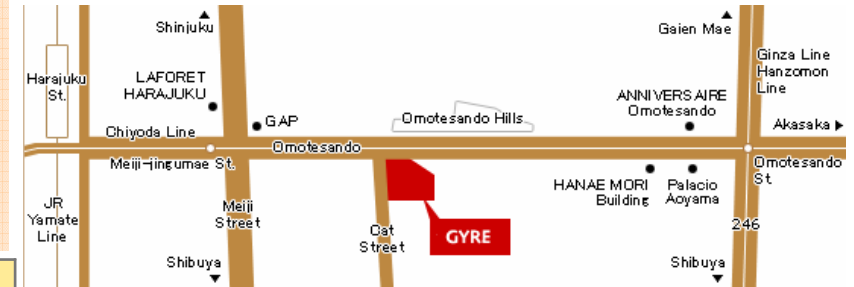
# Properties Acquired in February 2008 Period (1) — GYRE

## Overview

- While preserving the ownership of the leased land, we transferred the building and the land leasehold of former Esquisse Omotesando (completed in 1982) which had lost its competitive strengths to a developer
- In October 2007, we exercised our right of first refusal and acquired the property, renamed GYRE after its redevelopment
- Through the redevelopment and re-leasing of the property, the appraisal value increased by 96.99% and the estimated NOI yield by 0.43%

	Esquisse Omotesando	GYRE	Variance
Acquisition date	March 2, 2004 May 27, 2005	October 19, 2007	—
Acquisition price	JPY16,100mn (JPY14,500mn + an adjoining land lot worth JPY1,600mn)	JPY22,712mn (Land: JPY14,712mn + Additional acquisition: JPY8,000mn)	—
Appraisal value	JPY15,483mn (February 2005 + May 2005 [Adjoining land])	JPY30,500mn (February 2008)	JPY15,017mn
Land area	1,768.78 m <sup>2</sup>	1,676.46 m <sup>2</sup>	-92.32 m <sup>2</sup> (Note)
Total leasable area	3,782.55 m <sup>2</sup>	4,934.28 m <sup>2</sup>	1,151.73 m <sup>2</sup>
Number of tenants	14	17	3
Monthly rent (incl. CAM fee)	JPY53,679,175 (Actual as of December 2004)	JPY93,576,225 (Actual as of December 2007)	JPY39,897,050
Unit rent per tsubo	JPY 46,717/tsubo	JPY 62,692/tsubo	JPY15,975/tsubo
NOI	JPY529mn (Actual from Sept. 2004 through Aug. 2005)	JPY925mn (Estimated amount at the time of the acquisition)	JPY396mn
NOI yield	3.64%	4.07%	0.43%

(Note) Due to expansion of public road relating the area development, we have disposed to Shibuya-ward



Before  
Esquisse Omotesando



After GYRE



## Properties Acquired in February 2008 Period (2)

### AEON Yachiyo Midorigaoka SC



#### Property Overview

Acquisition date: September 4, 2007  
 Seller: Nomura Real Estate Development Co., Ltd.  
 Location: Yachiyo City, Chiba  
 Completion: March 2005  
 Acquisition price: 30,789 mn yen  
 Appraisal value: 30,900 mn yen  
 Total leasable area: 132,294.48 m<sup>2</sup>  
 Investment style: Income  
 Main tenant: JUSCO

- A commercial property in a suburban Tokyo metropolitan area providing easy access from surrounding areas
- With JUSCO at the core, a total of 120 diversified specialty shops operate within the facility, including Tower Records, Sports Authority, Right-on, and ABC Mart



### Jingumae 6 8953 Building



#### Property Overview

Acquisition date: December 20, 2007  
 Seller: Office Mitsuki Co., Ltd.  
 Location: Jingumae, Shibuya-ku, Tokyo  
 Completion: November 2007  
 Acquisition price: 2,360 mn yen  
 Appraisal value: 2,700 mn yen  
 Total leasable area: 670.43 m<sup>2</sup>  
 Investment style: Income  
 Main tenant: Lani HAIR

- The property is located on a lot set back from Meiji St., between the Jingu intersection and Shibuya. A new exit of Meiji-jingu Station is to open in the close proximity in June when the Tokyo Metro Fukutoshin Line is scheduled to open



### 8953 Saitama Urawa Building



#### Property Overview

Acquisition date: December 25, 2007  
 Seller: Urawa Stream Inc.  
 Location: Urawa-ku, Saitama City, Saitama  
 Completion: September 2007  
 Acquisition price: 27,330 mn yen  
 Appraisal value: 29,300 mn yen  
 Total leasable area: 64,236.71 m<sup>2</sup>  
 Investment style: Income  
 Main tenant: PARCO

- The property is near JR Urawa Station. The subject floors, namely the basement floors to the 7<sup>th</sup> floor, are now occupied by PARCO; the basement to 5<sup>th</sup> floors are used as retail space, while the 6<sup>th</sup> and 7<sup>th</sup> floors are used for a cinema complex and a sports club.
- The property is under a master lease (20-year tenancy) contract with PARCO



# Acquisitions / Planned Acquisitions in February 2008 Period and Beyond

## AEON Sapporo Hassamu SC



### Property Overview

Acquisition date: March 31, 2008  
 Seller: Hassamu SC SPC  
 Location: Nishi-ku, Sapporo City, Hokkaido  
 Completion: October 2006 and others  
 Acquisition price: 18,440 mn yen  
 Appraisal value: 19,100 mn yen  
 Total leasable area: 102,169.00 m<sup>2</sup>  
 Investment style: Income  
 Main tenant: JUSCO

- Located in the western part of Sapporo City. The largest SC among all AEON SCs in Sapporo area
- Under the master lease contract (20-year tenancy contract) with AEON, the property is leased to a total of 150 specialty shops including Uniqlo, Right-on, ABC Mart and TBC, in addition to the core tenant, JUSCO



## Jingumae 4-chome West Project (provisional name)



### Property Overview (Planned)

Acquisition date: April 2008  
 Location: Jingumae, Shibuya-ku, Tokyo  
 Completion: Late October 2007  
 Acquisition price: 3,400 mn yen  
 Gross floor area: 553.95 m<sup>2</sup>  
 Main tenant: BAPE STORE Harajuku

## Ario Otori



### Property Overview (Planned)

Acquisition date: Beginning of May 2008  
 Location: Nishi-ku, Sakai City, Osaka  
 Completion: Late March 2008  
 Acquisition price: 19,100 mn yen  
 Total leasable area: 139,923.58 m<sup>2</sup>  
 Investment style: Income  
 Main tenant: Ito-Yokado

## Jingumae 4-chome East Project (provisional name)



Te-le-design: © All rights Reserved

### Property Overview (Planned)

Acquisition date: End of May 2008  
 Location: Jingumae, Shibuya-ku  
 Completion: End of April 2008  
 Acquisition price: 2,233 mn yen  
 Gross floor area: 471.27 m<sup>2</sup>  
 Main tenant: To be determined

(Note)

The above pictures are computer-generated renditions prepared by the developer and subject to subsequent modification

## Cheers Sapporo (provisional name)



### Property Overview (Planned)

Acquisition date: December 2008  
 Location: Chuo-ku, Sapporo-shi, Hokkaido  
 Completion: End of October 2008  
 Acquisition price: 2,750 mn yen  
 Gross floor area: 5,132.50 m<sup>2</sup>  
 Main tenant: To be determined



# Retention and Improvement of Property Values to Increasingly Competitive Environments

## ◆ Hakata Riverain

Renewal

- Izutsuya has been invited as the core tenant on the second basement floor which previously consisted mostly of Fukuoka municipal government related tenants, with a new “Salon de Izutsuya U” opened to offer a wealth of attractive apparel, gift and food products

Period of construction	April - November 2007
Completion date	November 1, 2007
Total invested amount	Approx. 400 million yen
Incremental NOI increase for the entire property (estimate)	25 million yen



Concierge counter



Lounge with a piano



The Peninsula Boutique

## ◆ JUSCO City Takatsuki

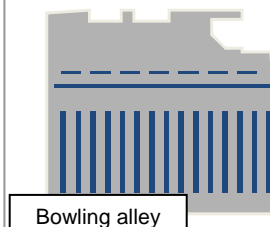
Renewal

- The spaces previously leased as a bowling alley, which was closed in March 2007, has been renovated and newly leased to retailers including apparel shops



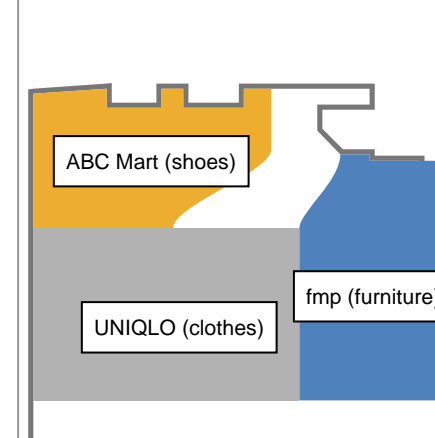
Period of construction	July - October 2007
Completion date	October 2007
Total invested amount	91 million yen
Incremental NOI increase for the entire property (estimate)	5 million yen

### Before the renovation



Bowling alley

### After the renovation



ABC Mart (shoes)

UNIQLO (clothes)

fmp (furniture)

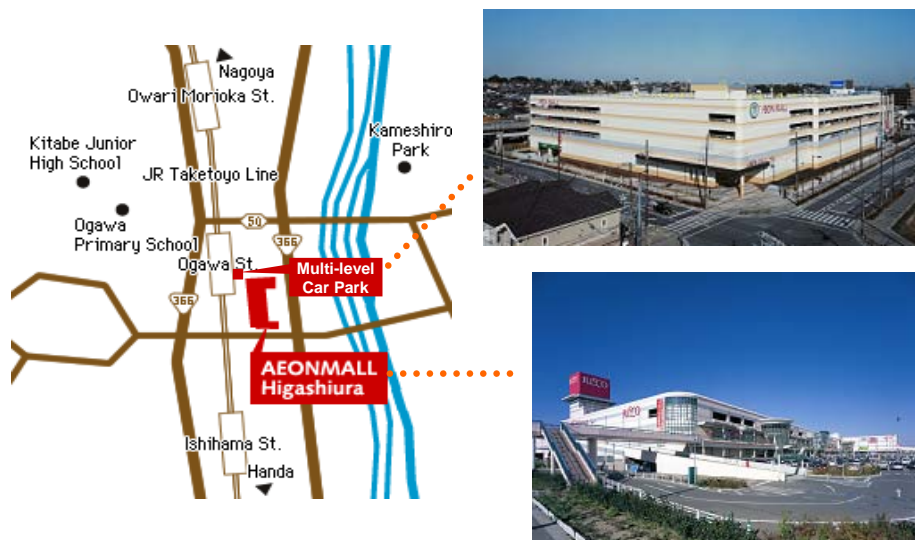
## Retention and Improvement of Property Values to Increasingly Competitive Environments

### ◆ AEONMALL Higashiura

New building

- The property has been performing well in terms of sales. However, a significant floor expansion is planned to respond to the increasingly competitive environment
- ▶ As part of the plan, a multi-level parking has been built, to increase the total leasable area by approximately 28,600 m<sup>2</sup>

Expected construction period	June 2007 — May 2008
Expected completion date	February and May 2008
Total investment (planned)	Approximately 2,500 mn yen
IRR on total amount invested	5.3% (estimate)
Incremental NOI increase for the entire property (estimate)	135 mn yen

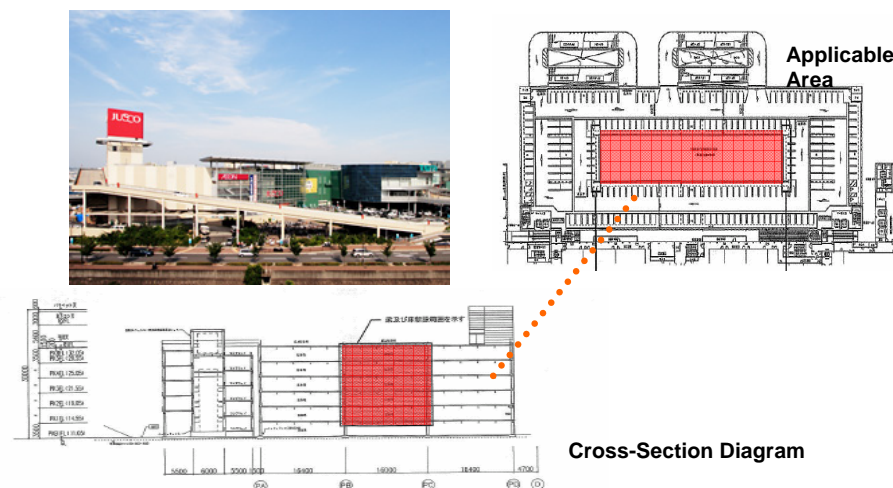


### ◆ AEONMALL Itami Terrace

Floor expansion

- The zoning was changed from an industrial district to a commercial district in April 2007, which has helped increase the upper limit of floor-area ratios
- ▶ In anticipation of the opening of a large competing retail facility in a neighboring trading zone in the fall of 2008, the parking area has been increased to alleviate chronic traffic jams and increase customer satisfaction
- ▶ The review of the tenancy contracts, along with additional investments, has led to increase in the share of variable rent at the property

Expected construction period	January — October 2008
Expected completion date	October 2008
Total investment (planned)	Approximately 915 mn yen
IRR on total amount invested	6.3% (estimate)
Incremental NOI for the entire property (estimate)	49 mn yen



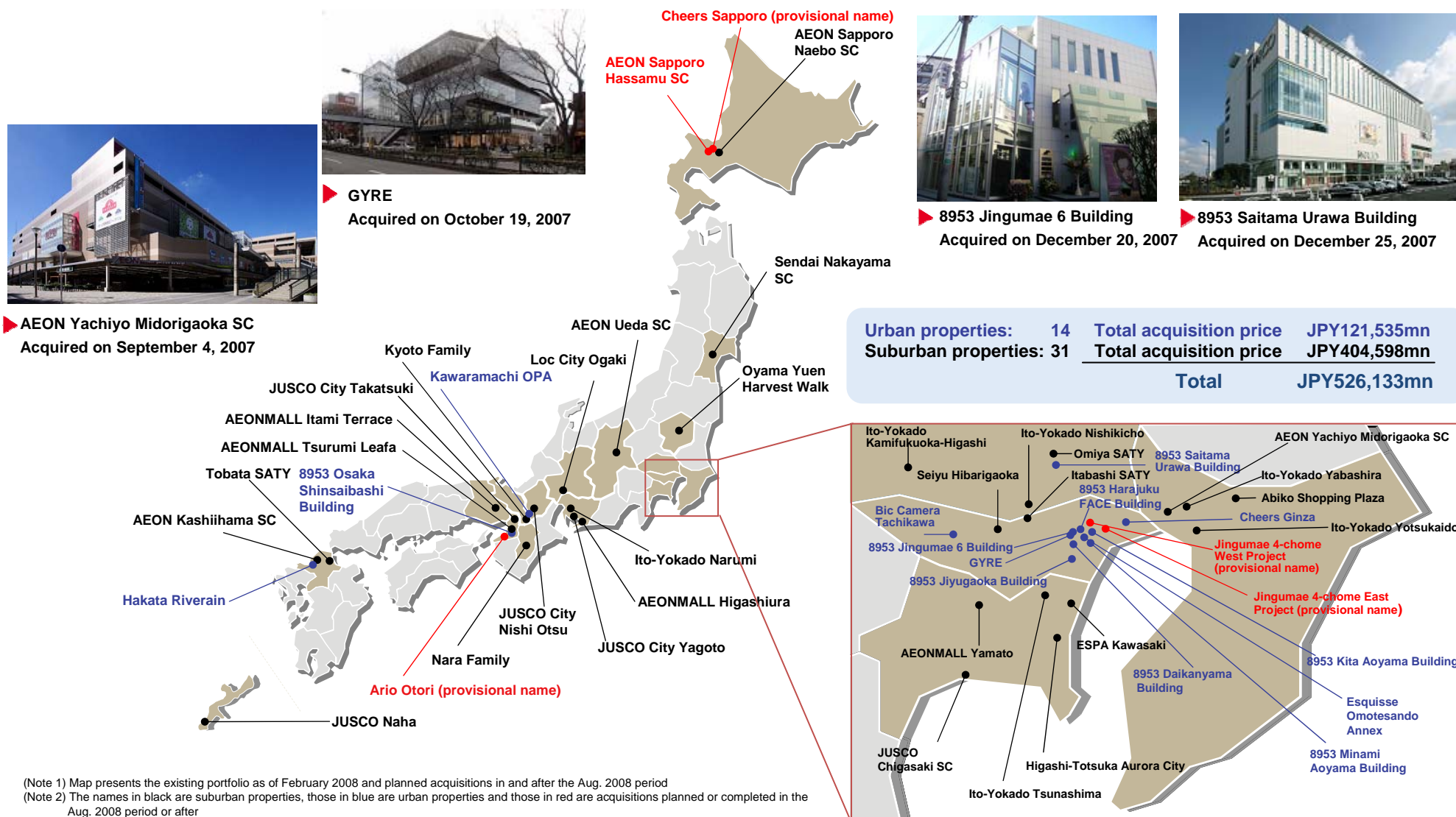


## 03 Portfolio Overview



Japan Retail Fund Investment Corporation ◀▶ Mitsubishi Corporation UBS Realty

# Locations of Portfolio Properties

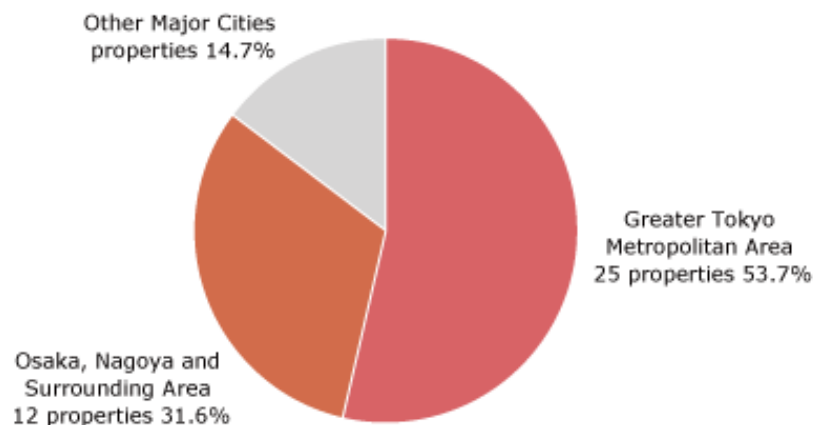


(Note 1) Map presents the existing portfolio as of February 2008 and planned acquisitions in and after the Aug. 2008 period  
 (Note 2) The names in black are suburban properties, those in blue are urban properties and those in red are acquisitions planned or completed in the Aug. 2008 period or after  
 (Note 3) The total acquisition price does not reflect acquisitions (planned or completed) in the Aug. 2008 period or after

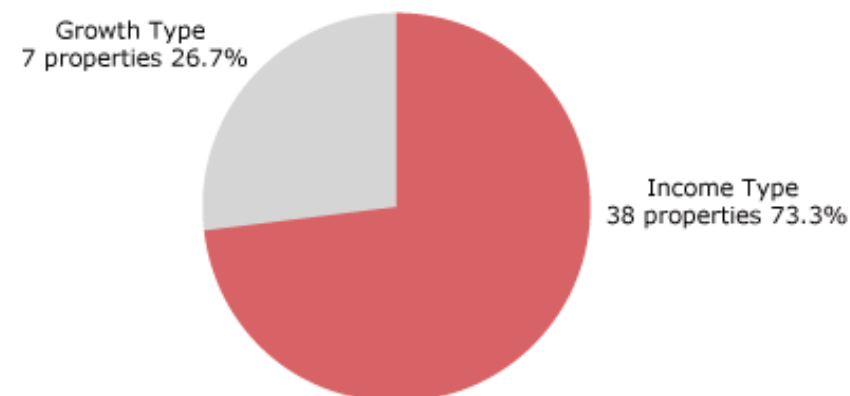


# Portfolio Diversification (45 properties) (Note 1)

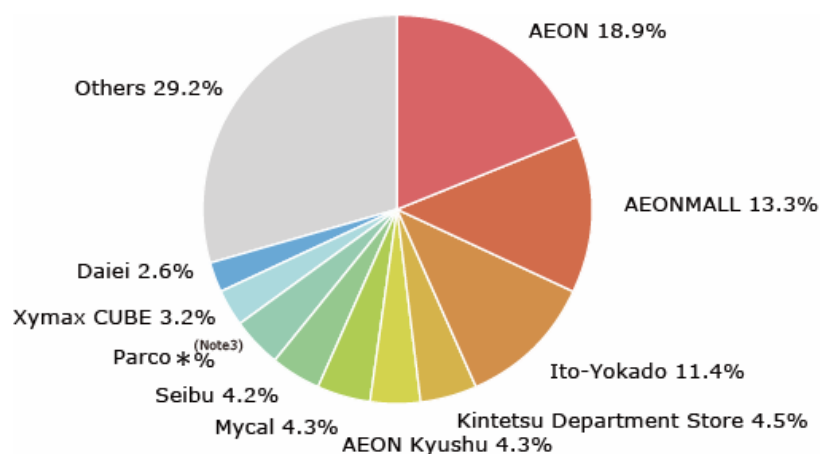
## Geographical



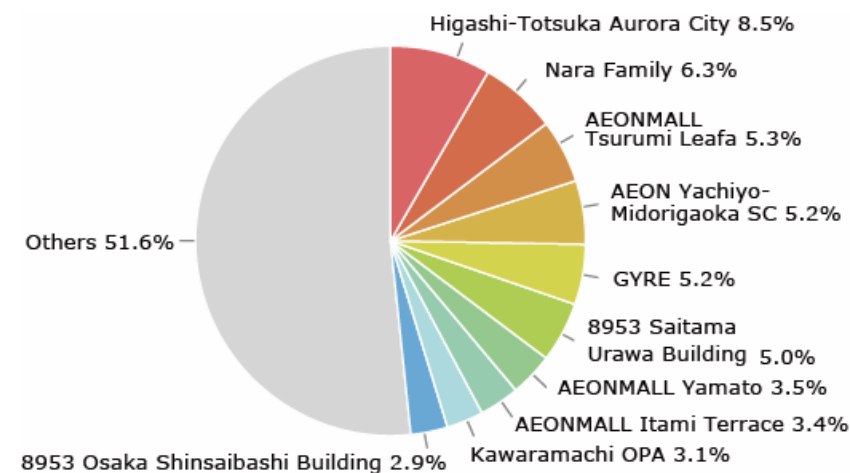
## Investment Type



## Tenants



## Scale



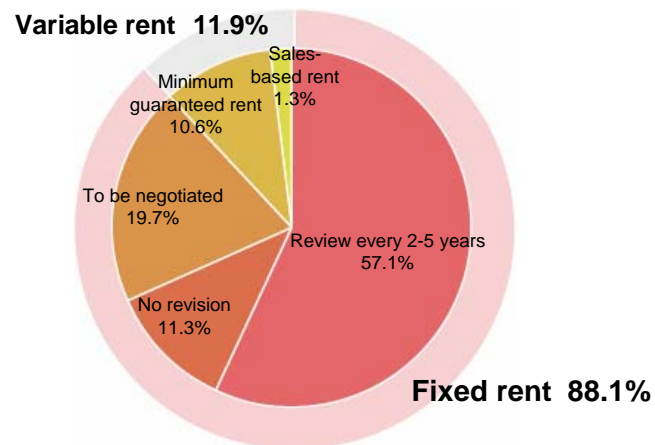
(Note 1) As of the end of Feb. 2008

(Note 2) The geographical, investment type and scale diversification are based on appraisal values, while tenant diversification is based on annual rents

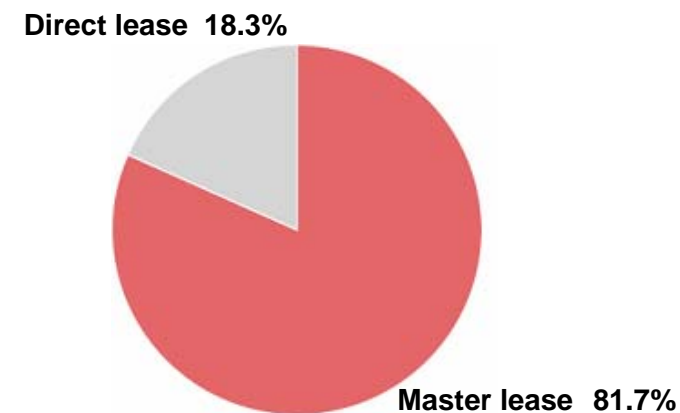
(Note 3) The percentage is undisclosed as the tenant has not agreed to its disclosure

# Portfolio Data

## Rent Type

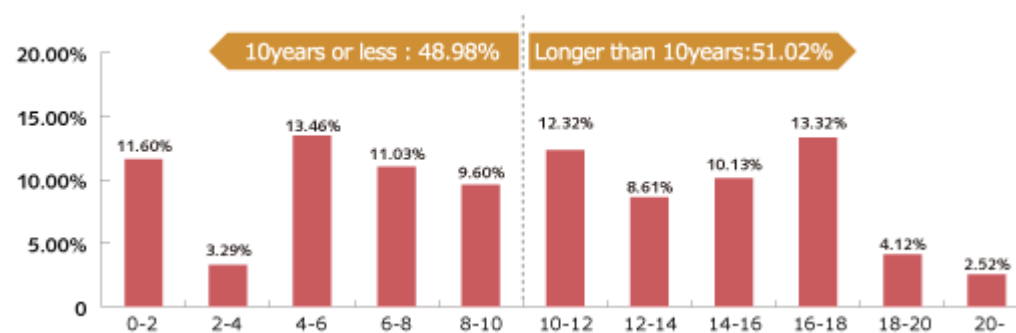


## Lease Type



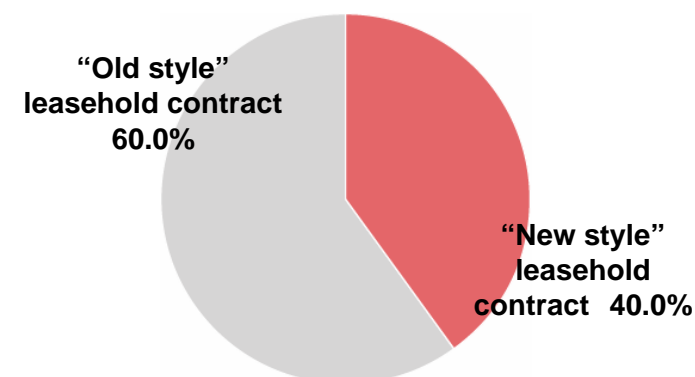
(Note) Based on annual rent

## Remaining Years on Lease Contract



(Note 1) Based on annual rent  
(Note 2) Terms as of Feb. 29, 2008

## Lease Contract Type



# Portfolio List (45 Properties) (Note 1)

Name	Investment Type	Age (Note 2) (Years)	Total Leasable Area (m <sup>2</sup> )	Occupancy (%)	Acquisition Price (mn yen)	Share (%)	Cap Rate at Acquisition (Note 3) (%)	Appraisal Value (mn yen)	No. of Tenants	Key Tenants	PML (Note 4) (%)	Property Manager
Tokyo metropolitan area												
ESPA Kawasaki <sup>(Note 5)</sup>	Income	7.8	65,313.47	100.00	15,691	3.0	6.2	16,210	5	Ito-Yokado, Sports Depo	9.1	Xymax Cube
JUSCO Chigasaki SC	Income	7.4	63,652.33	100.00	8,300	1.6	6.2	8,850	1	JUSCO	4.7	Geo Akamatsu
Abiko Shopping Plaza	Growth	13.4	42,642.36	100.00	10,200	1.9	7.2	14,700	54	Ito-Yokado	8.8	Xymax Cube
8953 Minami Aoyama Building	Income	6.0	1,540.98	100.00	5,350	1.0	5.5	7,660	3	Hugo Boss	13.5	CB Richard Ellis
Ito-Yokado Yabashira	Income	25.4	21,581.65	100.00	1,616	0.3	6.1	2,070	1	Ito-Yokado	6.1、4.9	Xymax Cube
Ito-Yokado Kamifukuoka-Higashi	Income	8.5	28,316.18	100.00	6,900	1.3	6.3	8,160	1	Ito-Yokado	9.7	Geo Akamatsu
Ito-Yokado Nishikicho	Income	4.3	73,438.52	100.00	13,212	2.5	5.6	16,000	1	Ito-Yokado	8.3	Geo Akamatsu
8953 Daikanyama Building	Income	17.0	574.46	100.00	1,235	0.2	5.3	1,660	1	Onward Kashiya	4.7	Office Mitsuki <sup>(Note 7)</sup>
8953 Harajuku FACE Building	Income	22.9	1,479.10	100.00	2,770	0.5	5.6	4,290	5	DIESEL Japan	8.5	Xymax Cube
Esquisse Omotesando Annex	Income	11.0	540.78	100.00	860	0.2	5.5	1,410	2	LS Mode	4.5	Mitsui Futosan Bldg. Management
Ito-Yokado Tsunashima	Income	26.0	16,549.50	100.00	5,000	1.0	6.1	5,940	1	Ito-Yokado	12.3	Jones Lang LaSalle
Bic Camera Tachikawa	Income	37.6	20,983.43	100.00	11,920	2.3	5.5	13,100	2	Bic Camera	15.5	Jones Lang LaSalle
Itabashi SATY	Income	7.8	72,253.88	100.00	12,400	2.4	5.4	14,800	1	SATY	6.0	Xymax Cube
8953 Kita Aoyama Building	Income	3.1	492.69	100.00	989	0.2	5.4	1,530	2	NEWS, Best Bridal	11.4	Office Mitsuki
AEONMALL Yamato	Income	6.3	85,226.68	100.00	16,823	3.2	5.5	20,800	1	JUSCO	7.9	Xymax Cube
Seiyu Hibarigaoka	Income	29.4	19,070.88	100.00	6,100	1.2	7.6	8,110	1	Seiyu	10.3	CB Richard Ellis
8953 Jiyugaoka Building	Income	8.7	1,814.10	100.00	2,700	0.5	5.2	3,484	11	NEXT, news	3.2	Xymax Cube
Cheers Ginza	Income	3.0	1,686.58	100.00	4,200	0.8	4.3	4,420	9	Kyoto Yururi, Ginza Shotaien	5.7	Nomura Bldg. Management
Higashi-Totsuka Aurora Ciry	Growth	8.5	151,429.78	100.00	50,500	9.6	4.5	50,500	4	Seibu Dept. Store, Daiei	4.3	Aim Create
Omiya SATY	Income	7.4	75,344.90	100.00	6,133	1.2	5.8	6,690	1	SATY	8.5	Xymax Cube
Ito-Yokado Yotsukaido	Income	3.1	59,207.19	100.00	13,600	2.6	4.1	13,700	1	Ito-Yokado	5.8	Geo Akamatsu
AEON Yachiyo Midorigaoka SC	Income	3.0	132,294.48	100.00	30,789	5.9	4.0	30,900	1	JUSCO	6.6	Xymax Cube
GYRE <sup>(Note 6)</sup>	Growth	0.4	4,934.28	100.00	22,712	4.3	3.4	30,500	17	CHANEL, BVLGARI	4.1	Geo Akamatsu
8953 Jingumae 6 Building	Income	0.3	670.43	45.89	2,360	0.4	3.9	2,700	2	Lani HAIR	8.0	Office Mitsuki
8953 Saitama Urawa Building	Income	0.4	64,236.71	100.00	27,330	5.2	4.3	29,300	1	PARCO	3.6	Hankyu-Hanshin Building Management
Subtotal/Weighted Agerage		8.0	1,005,275.34	99.96	279,690	53.2	5.0	317,484	129		-	

(Note 1) As of the end of February 2008

(Note 2) For properties with multiple buildings, the building age represents the weighted average of the ages for the gross floor area of all buildings

(Note 3) These represent cap rates of the properties at the time of acquisition and thus do not reflect subsequent acquisitions of additional buildings.

The cap rate for Sendai Nakayama SC only reflects the space previously leased to JUSCO; 8953 Jiyugaoka Building only reflects the NEXT building; AEONMALL Higashiura only reflects AEON Higashiura SC; Nara Family reflects only the shopping center; ESPA Kawasaki does not include the annex

(Note 4) PML (seismic risk) of a portfolio building or the portfolio itself represents the level of damage that may result from an earthquake of a size expected to occur once every 475 years; these values are found in the earthquake risk analysis reports prepared for each property

(Note 5) The annex of ESPA Kawasaki is managed as part of and included in existing ESPA Kawasaki. Therefore, ESPA Kawasaki annex is incorporated into ESPA Kawasaki

(Note 6) The acquisition price for GYRE includes the land which we had previously owned and the building which we acquired additionally. The cap rate at the time acquisition only reflects the building plus the land leasehold and the land is not included

(Note 7) On March 1, 2008, the property management company of 8953 Daikanyama Building was changed to Office Mitsuki from Mitsui Fudosan Building Management

# Portfolio List (45 Properties) (Note 1)

Name	Investment Type	Age (Note 2) (Years)	Total Leasable Area (m <sup>2</sup> )	Occupancy (%)	Acquisition Price (mn yen)	Share (%)	Cap Rate at Acquisition (Note 3) (%)	Appraisal Value (mn yen)	No. of Tenants	Key Tenants	PML (Note 4) (%)	Property Manager
<u>Osaka, Nagoya and surrounding areas</u>												
8953 Osaka Shinsaibashi Building	Income	9.1	13,666.96	100.00	14,300	2.7	5.5	17,100	1	Tokyu Hands	5.5	Xymax Cube
Nara Family	Growth	15.3	85,075.32	99.83	31,375	6.0	7.4	37,500	134	Kintetsu Dept. Store, JUSCO	5.2	AEONMALL
Ito-Yokado Narumi	Income	10.6	50,437.91	100.00	8,540	1.6	7.3	8,160	1	Ito-Yokado	7.4	Xymax Cube
AEONMALL Higashiura	Income	6.6	129,124.73	100.00	8,978	1.7	6.3	11,700	1	JUSCO	14.2, 10.1	Xymax Cube
JUSCO City Takatsuki	Income	14.0	77,267.23	100.00	11,700	2.2	6.0	12,900	1	JUSCO	3.6	CB Richard Ellis
JUSCO City Yagoto	Income	14.5	63,778.44	100.00	3,700	0.7	7.0	4,220	2	JUSCO	4.2	Xymax Cube
JUSCO City Nishi Otsu	Income	11.3	62,717.26	100.00	13,100	2.5	5.2	13,200	1	JUSCO	4.9	Xymax Cube
Kyoto Family	Growth	25.3	25,606.48	99.41	5,340	1.0	6.5	6,670	62	JUSCO, Nitori	3.7	AEONMALL
Loc City Ogaki	Income	2.6	57,500.35	100.00	4,950	0.9	8.2	5,260	1	MaxValu	6.5	Geo Akamatsu
Kawaramachi OPA	Income	9.3	18,848.20	100.00	18,500	3.5	4.4	18,400	1	OPA	2.5	Geo Akamatsu
AEONMALL Tsurumi Leafa	Income	1.3	138,538.63	100.00	29,900	5.7	4.6	31,300	1	JUSCO	6.6	Xymax Cube
AEONMALL Itami Terrace	Income	5.4	150,503.77	100.00	20,300	3.9	5.1	20,300	1	JUSCO, Toys'R Us, Sports Authority	4.9	Xymax Cube
Subtotal/Weighted Average		9.4	873,065.28	99.97	170,683	32.4	5.8	186,710	207		-	
<u>Other major city</u>												
Sendai Nakayama SC	Income	11.7	46,248.96	100.00	10,200	1.9	7.6	13,100	2	JUSCO	3.8, 3.2, 1.2	Xymax Cube
Hakata Riverain	Growth	9.2	25,919.35	96.94	6,309	1.2	6.5	7,490	70	IDC Otsuka Kagu, Louis Vuitton	0.07	Geo Akamatsu
AEON Kashihama SC	Income	4.3	109,616.72	100.00	13,300	2.5	6.2	15,300	1	JUSCO	0.9	Geo Akamatsu
AEON Sapporo Naebo SC	Income	4.7	74,625.52	100.00	9,260	1.8	6.2	11,700	1	JUSCO	1.80	Xymax Cube
Tobata SATY	Income	9.0	93,258.23	100.00	6,290	1.2	6.6	7,920	1	SATY	1.9	Geo Akamatsu
JUSCO Naha	Income	14.4	79,090.48	100.00	10,700	2.0	6.0	12,000	1	JUSCO	7.30	Jones Lang LaSalle
AEON Ueda SC	Income	3.7	61,349.07	100.00	9,500	1.8	5.3	9,700	1	JUSCO	3.3	Geo Akamatsu
Oyama Yuen Harvest Walk	Growth	0.9	58,767.20	100.00	10,200	1.9	5.4	10,400	1	York Benimaru, Super Viva Home	3.40	Xymax Cube
Subtotal/Weighted Average		7.0	548,875.53	99.86	75,759	14.4	6.2	87,610	78		-	
Total/Weighted Average		8.3	2,427,216.15	99.94	526,133	100.0	5.4	591,804	414		-	

(Note 1) As of the end of February 2008

(Note 2) For properties with multiple buildings, the building age represents the weighted average of the ages for the gross floor area of all buildings

(Note 3) These represent cap rates of the properties at the time of acquisition and thus do not reflect subsequent acquisitions of additional buildings.

The cap rate for Sendai Nakayama SC only reflects the space previously leased to JUSCO; 8953 Jiyugaoka Building only reflects the NEXT building; AEONMALL Higashiura only reflects AEON Higashiura SC; Nara Family reflects only the shopping center; ESPA Kawasaki does not include the annex

(Note 4) PML (seismic risk) of a portfolio building or the portfolio itself represents the level of damage that may result from an earthquake of a size expected to occur once every 475 years; these values are found in the earthquake risk analysis reports prepared for each property



04

## February 2008 (12<sup>th</sup>) Period Results of Operation



Japan Retail Fund Investment Corporation ◀▶ Mitsubishi Corporation UBS Realty

## February 2008 Period Income Statements

Items	Feb. 2008 Period		Aug. 2007 Period		Variation	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
I. Operating revenue	'000 yen 18,708,863	% 100.0	'000 yen 18,490,462	% 100.0	'000 yen 218,400	% 1.2
Rental revenue	18,708,863		17,629,533		1,079,329	
Property disposition revenue	—		860,929		△ 860,929	
II. Operating expenses	11,199,954	59.9	11,082,035	59.9	117,918	1.1
Property related expenses	9,272,335		9,232,620		39,714	
Asset management fees	1,607,136		1,474,161		132,974	
Directors' fees	5,806		5,806		—	
Custodian fees	76,858		74,798		2,059	
General administration fees	129,943		128,820		1,123	
Other	107,874		165,828		△ 57,954	
Operating Income	7,508,909	40.1	7,408,426	40.1	100,482	1.4
III. Non-operating revenue	17,659	0.1	25,709	0.1	△ 8,049	△ 31.3
Interest revenue	16,298		19,109		△ 2,811	
Other	1,361		6,599		△ 5,238	
IV. Non-operating expenses	1,380,897	7.4	1,024,675	5.5	356,222	34.8
Interest expense	477,649		289,677		187,972	
Interest expense of short-term corporate bonds	45,198		—		45,198	
Interest expense of corporate bonds	781,979		644,058		137,920	
Amortization of corporate bonds	32,171		56,580		△ 24,409	
Finance related cost	31,718		25,569		6,149	
Other non-operating expenses	12,179		8,789		3,390	
Recurring Profit	6,145,671	32.8	6,409,460	34.7	△ 263,789	△ 4.1
Income before income taxes	6,145,671	32.8	6,409,460	34.7	△ 263,789	△ 4.1
Income, inhabitant and corporate taxes	12,855		22,450		△ 9,595	
Tax adjustments	927		△ 9,332		10,260	
Net Income	6,131,888	32.8	6,396,342	34.6	△ 264,454	△ 4.1
Retained earnings (beginning balance)	150		29		121	
Retained earnings (ending balance)	6,132,038		6,396,371		△ 264,333	

(Note 1) The Feb. 2008 period runs from Sep. 1, 2007 through Feb. 29, 2008 (182 days)

(Note 2) The Aug. 2007 period runs from Mar. 1 through Aug. 31, 2007 (184 days)

# February 2008 Period Balance Sheets

Items	Feb. 2008 Period		Aug. 2007 Period		Variation	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Assets	'000 yen	%	'000 yen	%	'000 yen	%
I.Current assets						
Cash and cash equivalents	4,093,989		15,613,878		△ 11,519,888	
Entrusted cash and cash	10,380,414		11,402,076		△ 1,021,662	
Rental receivables	768,942		641,369		127,572	
Consumption tax refundable	1,208,067		—		1,208,067	
Other current assets	486,317		599,697		△ 113,380	
<b>Total Current Assets</b>	<b>16,937,730</b>	<b>3.1</b>	<b>28,257,021</b>	<b>5.8</b>	<b>△ 11,319,290</b>	<b>△ 40.1</b>
II.Non-current assets						
1.Property and equipment at cost						
Buildings	222,035		—		222,035	
Building improvements	3,275		—		3,275	
Furniture & fixtures	1,904		—		1,904	
Land	2,176,572		—		2,176,572	
Entrusted buildings	195,822,333		164,823,614		30,998,719	
Entrusted building improvements	9,751,807		9,219,114		532,693	
Entrusted machinery & equipments	822,826		752,902		69,924	
Entrusted vehicles	—		309		△ 309	
Entrusted furniture & fixtures	1,961,521		1,477,097		484,424	
Entrusted land	306,279,571		271,323,193		34,956,377	
Net property and equipment	517,041,848	94.6	447,596,230	91.6	69,445,618	15.5
2.Intangible assets						
Leasehold land	8,901,150		8,914,567		△ 13,416	
Other intangible assets	164,258		169,690		△ 5,431	
Total intangible assets	9,065,409	1.7	9,084,257	1.9	△ 18,848	△ 0.2
3.Investments						
Lease deposit	3,357,508		3,354,958		2,550	
Long-term prepaid expenses	91,306		99,367		△ 8,061	
Other	113,687		100,610		13,076	
Total investments	3,562,502	0.6	3,554,936	0.7	7,565	0.2
<b>Total Non-Current Assets</b>	<b>529,669,760</b>	<b>96.9</b>	<b>460,235,424</b>	<b>94.2</b>	<b>69,434,335</b>	<b>15.1</b>
III.Deferred assets						
Issuance costs of corporate bonds	223,654		254,778		△ 31,123	
<b>Total Deferred Assets</b>	<b>223,654</b>	<b>0.0</b>	<b>254,778</b>	<b>0.0</b>	<b>△ 31,123</b>	<b>△ 12.2</b>
<b>Total Assets</b>	<b>546,831,146</b>	<b>100.0</b>	<b>488,747,224</b>	<b>100.0</b>	<b>58,083,921</b>	<b>11.9</b>

Items	Feb. 2008 Period		Aug. 2007 Period		Variation	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Liabilities	'000 yen	%	'000 yen	%	'000 yen	%
I.Current liabilities						
Account payable	613,614		579,907		33,706	
Short-term corporate bonds—unsecured	24,984,933		—		24,984,933	
Short-term debt	73,100,000		38,230,000		34,870,000	
Accrued liabilities	43,606		69,913		△ 26,307	
Accrued expenses	1,354,017		1,371,562		△ 17,545	
Accrued income taxes	12,855		22,450		△ 9,595	
Accrued consumption taxes	—		96,001		△ 96,001	
Rent received in advance	1,606,020		1,399,636		206,384	
Deposits	658,108		838,876		△ 180,767	
Lease deposits	5,428,816		5,406,715		22,101	
Other	55,475		25,351		30,123	
<b>Total Current Liabilities</b>	<b>107,857,449</b>	<b>19.7</b>	<b>48,040,415</b>	<b>9.8</b>	<b>59,817,034</b>	<b>124.5</b>
II.Non-current liabilities						
Corporate bonds—unsecured	100,000,000		100,000,000		—	
Long-term debt	5,000,000		5,000,000		—	
Tenant leasehold and security	39,558		—		39,558	
Entrusted tenant leasehold and security	77,037,694		78,546,031		△ 1,508,337	
<b>Total Non-Current Liabilities</b>	<b>182,077,252</b>	<b>33.3</b>	<b>183,546,031</b>	<b>37.6</b>	<b>△ 1,468,779</b>	<b>△ 0.8</b>
<b>Total Liabilities</b>	<b>289,934,701</b>	<b>53.0</b>	<b>231,586,446</b>	<b>47.4</b>	<b>58,348,254</b>	<b>25.2</b>
Unitholders' Equity						
I.Total investment						
1.Unitholders' capital						
Unitholders' capital	250,764,406		250,764,406		—	
2.Retained earnings						
Retained earnings	6,132,038		6,396,371		△ 264,333	
Total unitholders' equity	256,896,444	47.0	257,160,778	52.6	△ 264,333	△ 0.1
<b>Net Assets</b>	<b>256,896,444</b>	<b>47.0</b>	<b>257,160,778</b>	<b>52.6</b>	<b>△ 264,333</b>	<b>△ 0.1</b>
<b>Total Liabilities and Unitholders' Equity</b>	<b>546,831,146</b>	<b>100.0</b>	<b>488,747,224</b>	<b>100.0</b>	<b>58,083,921</b>	<b>11.9</b>

(Note 1) The Feb. 2008 period runs from Sep. 1, 2007 through Feb. 29, 2008 (182 days)

(Note 2) The Aug. 2007 period runs from Mar. 1 through Aug. 31, 2007 (184 days)

# February 2008 Period Cash Flow and Distribution Statements

('000 yen)

Items	Feb. 2008 Period	Aug. 2007 Period
I. Cash Flow from Operating Activities		
Income before income taxes	6,145,671	6,409,460
Depreciation and amortization	4,160,162	3,659,967
Other	△ 1,049,109	662,040
Net Cash from Operating Activities	9,256,724	10,731,467
II. Cash Flow from Investing Activities		
Purchase of property and equipment	△ 2,405,589	—
Purchase of entrusted property and equipment	△ 71,337,517	△ 32,246,410
Proceeds from sale of entrusted property and equipment	—	24,631,693
Proceeds from tenant leasehold and security deposits	39,558	—
Payment of entrusted tenant leasehold and security	△ 4,756,685	△ 7,305,105
Proceeds from entrusted tenant leasehold and security	3,270,449	5,500,909
Purchase of entrusted intangible assets	△ 5,520	△ 1,940,920
Payment of entrusted tenant deposits	△ 10,050	△ 200,400
Proceeds from entrusted tenant deposits	7,500	11,803
Loss from other investments/other acquisition of assets	△ 13,076	△ 2,000
Proceeds from other investments/other acquisition of assets	—	158,795
Net Cash used in Investment Activities	△ 75,210,931	△ 11,391,632
III. Cash Flow from Financing Activities		
Proceeds from short-term corporate bonds	24,938,686	—
Proceeds from short-term debt	34,870,000	14,500,000
Repayments of short-term debt	—	△ 40,000,000
Proceeds from issuance of corporate bonds	—	34,826,400
Distribution payment	△ 6,396,029	△ 6,081,509
Net Cash from Financing Activities	53,412,656	3,244,891
IV. Net change in cash and cash equivalents	△ 12,541,550	2,584,726
V. Cash and cash equivalents at beginning of period	27,015,954	24,431,228
VI. Cash and cash equivalents at end of period	14,474,403	27,015,954

('000 yen)

Items	Feb. 2008 Period	Aug. 2007 Period
Retained earnings (ending balance)	6,132,038	6,396,371
Distribution amount	6,131,854	6,396,221
DPU (yen)	(15,865)	(16,549)
Retained earnings carried forward	184	150

(Note 1) The Feb. 2008 period runs from Sep. 1, 2007 through Feb. 29, 2008 (182 days)

(Note 2) The Aug. 2007 period runs from Mar. 1 through Aug. 31, 2007 (184 days)





## 05 **Appendix**

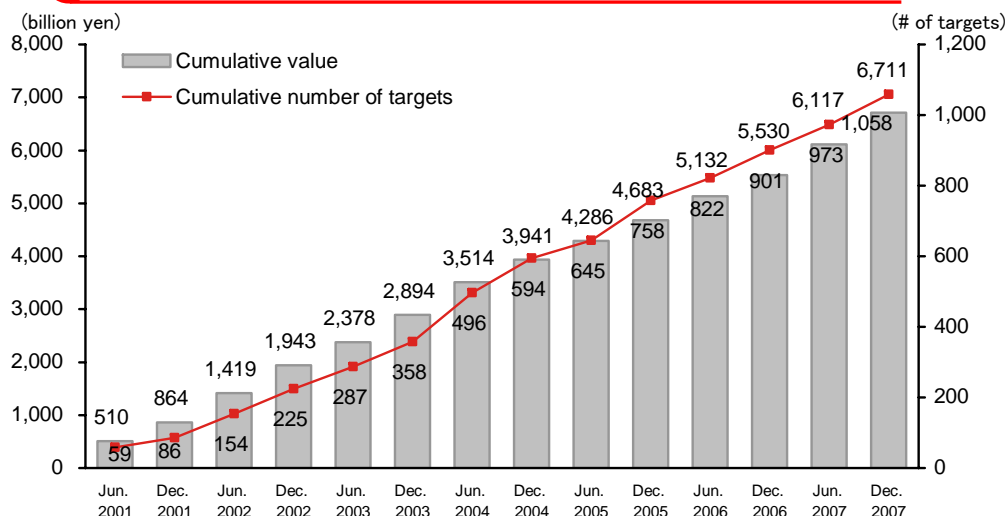


Japan Retail Fund Investment Corporation ◀▶ Mitsubishi Corporation UBS Realty

# Rich Pipeline of Acquisition Targets

➤ The number and value of acquisition potential targets were actually discussed/ examined within the past year (from January through December 2007): 157 properties (cumulative 1,058 properties) or JPY1.2 trillion (cumulative JPY6.7 trillion)

## Cumulative Numbers/Values of Acquisition Targets



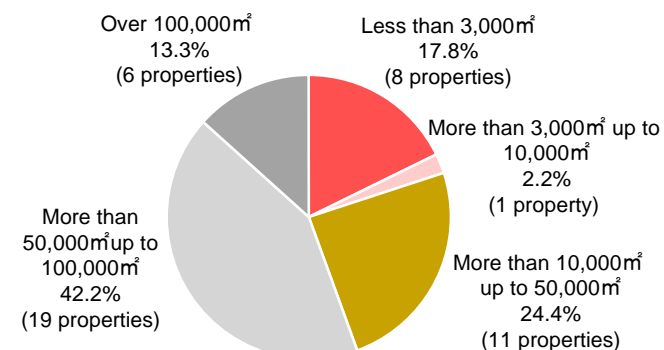
(Note) The properties which had been chosen as acquisition candidates but rejected in the past can reemerge as acquisition candidates for the current fiscal year. Such properties are reflected on the numbers/amounts of acquisition targets for the current fiscal year. Note, however, that the same numbers/amounts are deducted from the figures for the fiscal year when those properties were rejected after appraisal

## Changes in Acquisition Methods

Methods	2002	2003	2004	2005	2006	2007	2008 (Forecast)
Properties acquired in collaboration with Mitsubishi Corporation	4	4	2	3	2	0	2
Properties acquired from corporates or investment funds	0	5	7	7	4	3	0
Development-type properties	0	0	0	2	1	3	3

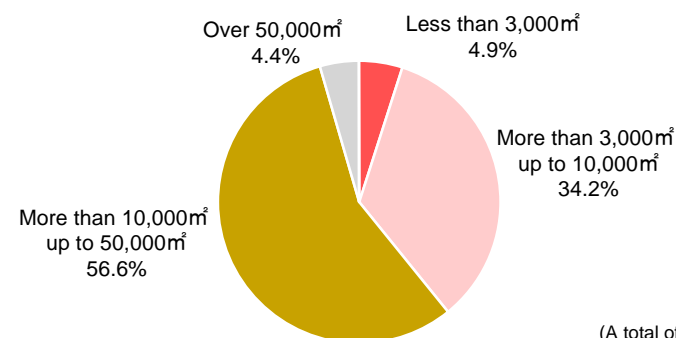
(Note) The above figures do not include additional acquisitions of adjoining land parcels and/or parking lots etc.

## Composition of Portfolio Properties by Total Leasable Area



(A total of 45 properties as of the end of February 2008)

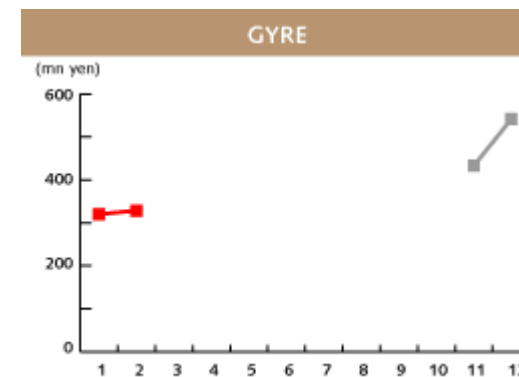
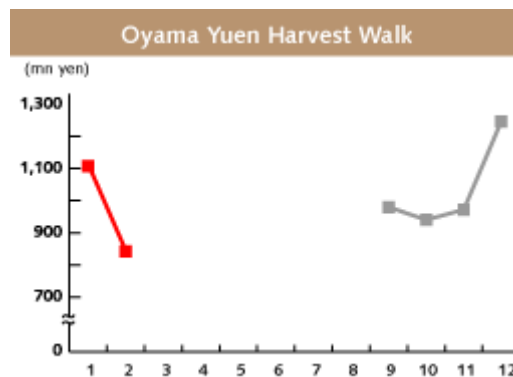
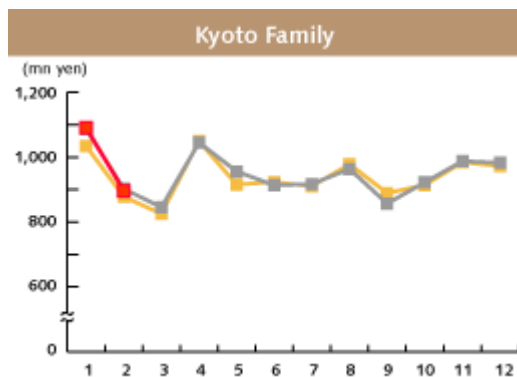
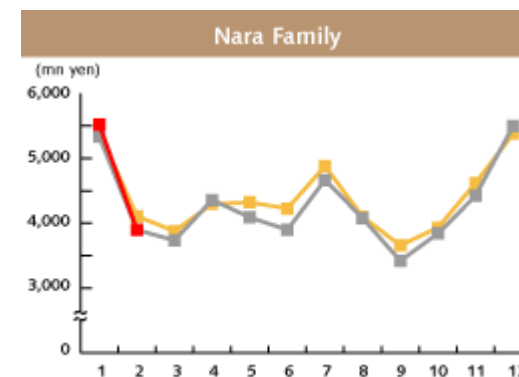
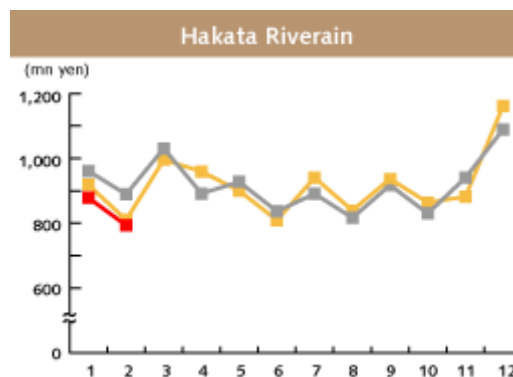
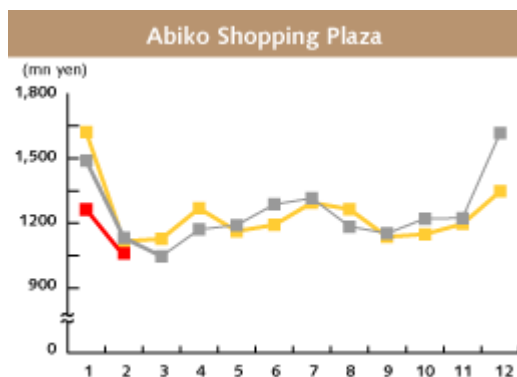
(Reference) Composition of domestic SC by floor area



(A total of 2,867 properties)

Source: Japan Council Of Shopping Centers (as of April 2008)

# Total Sales of Growth Properties



■ Actual sales for Jan. – February 2008

■ Actual sales for Jan. – Dec. 2007

■ Actual sales for Jan. – Dec. 2006

(Note 1) The trends of only the comparable gross sales data available are shown

(Note 2) As of February 2008

# Performance by Property (Income-type Properties 1)

(mn yen)

Items	Sendai Nakayama SC		ESPA Kawasaki		8953 Osaka Shinsaibashi Bldg.		JUSCO Chigasaki SC		Ito-Yokodo Narumi		8953 Minami Aoyama Bldg.		Ito-Yokodo Yabashira	
	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07
Rental revenue	451	464	491	491	407	407	274	274	264	330	160	160	78	78
Other income	0	0	0	0	0	0	0	0	0	0	56	7	—	—
<b>Total property income</b>	<b>451</b>	<b>464</b>	<b>491</b>	<b>492</b>	<b>407</b>	<b>407</b>	<b>274</b>	<b>274</b>	<b>264</b>	<b>330</b>	<b>217</b>	<b>168</b>	<b>78</b>	<b>78</b>
Tax and public charges	40	40	57	57	28	28	38	38	37	37	6	6	16	16
Facilities management	0	2	5	3	1	0	1	0	—	—	11	10	0	—
Property management fees	13	13	13	14	6	6	5	5	6	6	5	4	2	2
Other property expenses	2	1	2	5	1	1	1	1	1	1	0	0	0	0
Depreciation and amortization	82	82	102	101	82	81	64	64	74	74	8	8	15	15
<b>Total expenses</b>	<b>140</b>	<b>141</b>	<b>180</b>	<b>183</b>	<b>119</b>	<b>118</b>	<b>111</b>	<b>110</b>	<b>119</b>	<b>119</b>	<b>33</b>	<b>30</b>	<b>35</b>	<b>34</b>
<b>Real estate rental profit</b>	<b>311</b>	<b>322</b>	<b>311</b>	<b>308</b>	<b>287</b>	<b>288</b>	<b>162</b>	<b>163</b>	<b>144</b>	<b>210</b>	<b>183</b>	<b>137</b>	<b>43</b>	<b>43</b>
Rental deposits	840	840	1,070	1,070	798	798	745	745	538	538	235	282	450	450
Guaranteed deposits	801	801	4,331	4,350	—	—	2,387	2,586	4,607	4,849	—	—	—	—
<b>Deposits (ending balance)</b>	<b>1,641</b>	<b>1,641</b>	<b>5,401</b>	<b>5,421</b>	<b>798</b>	<b>798</b>	<b>3,133</b>	<b>3,332</b>	<b>5,146</b>	<b>5,388</b>	<b>235</b>	<b>282</b>	<b>450</b>	<b>450</b>

(mn yen)

Items	Ito-Yokodo Kamifukuoka-Higashi		Ito-Yokodo Nishikicho		8953 Daikanyama Bldg.		AEONMALL Higashiura		8953 Harajuku FACE Bldg.		AEON Kashiihama SC		AEON Sapporo Naebo SC	
	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07
Rental revenue	256	256	444	444	34	34	383	375	90	84	477	477	378	378
Other income	—	—	—	—	2	4	—	—	13	13	0	—	0	0
<b>Total property income</b>	<b>256</b>	<b>256</b>	<b>444</b>	<b>444</b>	<b>37</b>	<b>39</b>	<b>383</b>	<b>375</b>	<b>103</b>	<b>98</b>	<b>477</b>	<b>477</b>	<b>378</b>	<b>378</b>
Tax and public charges	41	41	60	60	1	1	50	50	2	2	60	60	58	58
Facilities management	0	0	0	—	3	3	1	—	6	5	1	0	0	0
Property management fees	4	4	4	4	1	1	5	7	4	4	6	6	3	3
Other property expenses	2	4	2	2	0	0	95	81	1	1	2	2	21	20
Depreciation and amortization	49	49	137	136	4	4	110	101	8	7	98	98	130	131
<b>Total expenses</b>	<b>98</b>	<b>99</b>	<b>204</b>	<b>204</b>	<b>10</b>	<b>11</b>	<b>262</b>	<b>240</b>	<b>24</b>	<b>22</b>	<b>168</b>	<b>167</b>	<b>214</b>	<b>214</b>
<b>Real estate rental profit</b>	<b>158</b>	<b>155</b>	<b>240</b>	<b>240</b>	<b>26</b>	<b>27</b>	<b>120</b>	<b>135</b>	<b>79</b>	<b>76</b>	<b>309</b>	<b>309</b>	<b>163</b>	<b>163</b>
Rental deposits	774	774	590	590	125	125	584	495	195	193	700	700	654	654
Guaranteed deposits	1,494	1,558	—	—	—	—	—	—	—	—	—	—	—	—
<b>Deposits (ending balance)</b>	<b>2,269</b>	<b>2,333</b>	<b>590</b>	<b>590</b>	<b>125</b>	<b>125</b>	<b>584</b>	<b>495</b>	<b>195</b>	<b>193</b>	<b>700</b>	<b>700</b>	<b>654</b>	<b>654</b>

(Note 1) The Feb. 2008 period runs from Sep. 1, 2007 through Feb. 29, 2008 (182 days)

(Note 2) The Aug. 2007 period runs from Mar. 1 through Aug. 31, 2007 (184 days)

## Performance by Property (Income-type Properties 2)

(mn yen)

Items	Site of GYRE <sup>(Note 3)</sup>		Esquisse Omotesando		Ito-Yokado Tsunashima		Bic Camera Tachikawa		Itabashi SATY		8953 Kita Aoyama Bldg.		AEONMALL Yamato SC	
	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07
Rental revenue	—	—	27	27	180	180	356	356	644	671	32	32	534	534
Other income	—	190	5	0	—	—	33	29	0	1	1	1	—	—
<b>Total property income</b>	—	190	33	27	180	180	389	385	644	673	34	34	534	534
Tax and public charges	—	24	1	1	18	18	31	31	41	41	1	1	54	54
Facilities management	—	—	0	0	0	—	31	30	—	—	2	2	0	1
Property management fees	—	3	1	1	3	3	6	6	4	4	1	1	4	4
Other property expenses	—	0	0	0	0	0	3	1	262	262	0	0	2	2
Depreciation and amortization	—	—	2	2	23	25	84	87	107	108	3	3	115	114
<b>Total expenses</b>	—	27	5	5	46	47	156	157	417	417	9	9	176	177
<b>Real estate rental profit</b>	—	162	28	22	134	132	233	228	227	255	25	25	357	356
Rental deposits	—	—	64	64	232	232	712	712	754	754	40	40	1,068	1,068
Guaranteed deposits	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Deposits (ending balance)</b>	—	—	64	64	232	232	712	712	754	754	40	40	1,068	1,068

(mn yen)

Items	Seiyu Hibarigaoka		Tobata SATY		JUSCO City Takatsuki		8953 Jiyugaoka Building		JUSCO City Yagoto		JUSCO Naha		Cheers Ginza	
	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07
Rental revenue	261	261	315	315	413	411	84	84	164	164	385	385	88	87
Other income	0	0	—	0	0	0	6	6	0	0	3	2	23	36
<b>Total property income</b>	261	261	315	315	413	411	91	91	164	164	389	388	112	123
Tax and public charges	15	15	65	65	57	57	4	4	16	16	29	29	5	5
Facilities management	—	—	0	0	0	0	9	9	1	1	0	0	24	24
Property management fees	3	3	5	5	3	3	2	2	3	3	4	4	2	2
Other property expenses	0	0	3	3	1	1	0	0	0	0	29	29	2	1
Depreciation and amortization	78	80	70	69	102	101	14	14	31	33	82	81	16	16
<b>Total expenses</b>	98	100	145	145	166	164	31	31	53	54	146	145	51	50
<b>Real estate rental profit</b>	162	160	169	170	247	246	60	59	110	109	242	242	60	72
Rental deposits	300	300	315	315	1,232	1,232	126	126	502	502	2,118	2,118	170	170
Guaranteed deposits	—	—	—	—	3,490	3,737	47	47	41	50	—	—	—	—
<b>Deposits (ending balance)</b>	300	300	315	315	4,722	4,969	174	174	544	552	2,118	2,118	170	170

(Note 1) The Feb. 2008 period runs from Sep. 1, 2007 through Feb. 29, 2008 (182 days)

(Note 2) The Aug. 2007 period runs from Mar. 1 through Aug. 31, 2007 (184 days)

(Note 3) The revenues from the land of GYRE for the current period is reflected on GYRE classified as a growth property

# Performance by Property (Income-type Properties 3)

(mn yen)

Items	JUSCO City Nishi-Otsu		Omiya SATY		Loc City Ogaki		Kawaramachi OPA		AEON Ueda SC		AEONMALL Tsurumi Leafa		AEONMALL Itami Terrace	
	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07
Rental revenue	375	375	202	209	332	328	340	340	297	297	887	860	572	578
Other income	0	0	0	0	—	—	0	7	0	0	—	0	0	0
<b>Total property income</b>	<b>375</b>	<b>375</b>	<b>202</b>	<b>210</b>	<b>332</b>	<b>328</b>	<b>341</b>	<b>348</b>	<b>297</b>	<b>297</b>	<b>887</b>	<b>860</b>	<b>572</b>	<b>578</b>
Tax and public charges	30	30	55	55	32	32	43	43	46	46	162	163	99	99
Facilities management	0	1	—	1	—	0	2	2	0	22	—	0	0	—
Property management fees	4	4	2	2	3	3	4	3	3	3	6	6	4	4
Other property expenses	5	5	2	2	89	88	6	1	2	1	31	31	11	14
Depreciation and amortization	89	88	50	50	104	108	52	52	112	111	323	317	150	150
<b>Total expenses</b>	<b>130</b>	<b>131</b>	<b>111</b>	<b>112</b>	<b>226</b>	<b>233</b>	<b>109</b>	<b>104</b>	<b>164</b>	<b>185</b>	<b>524</b>	<b>519</b>	<b>266</b>	<b>267</b>
<b>Real estate rental profit</b>	<b>244</b>	<b>243</b>	<b>90</b>	<b>97</b>	<b>103</b>	<b>94</b>	<b>231</b>	<b>243</b>	<b>132</b>	<b>111</b>	<b>363</b>	<b>341</b>	<b>306</b>	<b>310</b>
Rental deposits	988	988	440	440	600	600	1,056	1,056	—	—	1,782	1,759	900	900
Guaranteed deposits	—	—	—	—	—	—	5,053	5,053	—	—	—	—	7,560	8,600
<b>Deposits (ending balance)</b>	<b>988</b>	<b>988</b>	<b>440</b>	<b>440</b>	<b>600</b>	<b>600</b>	<b>6,109</b>	<b>6,109</b>	<b>—</b>	<b>—</b>	<b>1,782</b>	<b>1,759</b>	<b>8,460</b>	<b>9,500</b>

(mn yen)

Items	Ito-Yokado Yotsukaide		AEON Yachiyo Midorigaoka SC		8953 Jingumae 6		8953 Saitama Urawa Bldg. (Note 3)		Total Income Properties	
	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07
Rental revenue	289	3	673	—	6	—	—	—	11,940	10,764
Other income	0	0	—	—	3	—	—	—	152	303
<b>Total property income</b>	<b>290</b>	<b>3</b>	<b>673</b>	<b>—</b>	<b>9</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>12,092</b>	<b>11,067</b>
Tax and public charges	0	0	—	—	—	—	—	—	1,315	1,342
Facilities management	—	—	—	—	0	—	—	—	110	130
Property management fees	3	0	4	—	3	—	—	—	172	164
Other property expenses	1	—	4	—	0	—	—	—	599	577
Depreciation and amortization	86	14	209	—	1	—	—	—	3,050	2,593
<b>Total expenses</b>	<b>92</b>	<b>14</b>	<b>218</b>	<b>—</b>	<b>5</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>5,249</b>	<b>4,806</b>
<b>Real estate rental profit</b>	<b>197</b>	<b>-11</b>	<b>454</b>	<b>—</b>	<b>4</b>	<b>—</b>	<b>11</b>	<b>—</b>	<b>6,843</b>	<b>6,261</b>
Rental deposits	429	429	684	—	39	—	—	—	24,381	22,075
Guaranteed deposits	3,865	3,865	—	—	—	—	—	—	33,681	35,502
<b>Deposits (ending balance)</b>	<b>4,295</b>	<b>4,295</b>	<b>684</b>	<b>—</b>	<b>39</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>58,062</b>	<b>57,577</b>

(Note 1) The Feb. 2008 period runs from Sep. 1, 2007 through Feb. 29, 2008 (182 days)  
 (Note 2) The Aug. 2007 period runs from Mar. 1 through Aug. 31, 2007 (184 days)

(Note 3) Rent revenues and relevant figures are not listed here since the tenants have not agreed to disclosure of such information

# Performance by Property (Growth-type Properties)

(mn yen)

Items	Hakata Riverain		Nara Family		Abiko Shopping Plaza		Wonder City		Kyoto Family		Higashi-Totsuka Aurora City		Oyama-Yuen Harvest Walk		GYRE		Total Growth Properties		Overall Total	
	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07	Feb-08	Aug-07
Rental revenue	428	769	1,855	1,841	473	478	—	595	528	536	1,302	1,302	577	2	406	—	5,571	5,527	17,512	16,291
Other income	123	218	344	335	268	223	—	38	136	140	76	77	—	—	94	—	1,044	1,034	1,196	1,337
<b>Total property income</b>	<b>552</b>	<b>987</b>	<b>2,200</b>	<b>2,176</b>	<b>741</b>	<b>701</b>	<b>—</b>	<b>634</b>	<b>664</b>	<b>677</b>	<b>1,379</b>	<b>1,380</b>	<b>577</b>	<b>2</b>	<b>500</b>	<b>—</b>	<b>6,616</b>	<b>6,561</b>	<b>18,708</b>	<b>17,629</b>
Tax and public charges	54	90	96	96	34	34	—	72	30	30	164	164	—	—	24	—	403	489	1,719	1,831
Facilities management	168	362	463	509	230	225	—	44	204	205	92	96	160	0	59	—	1,379	1,445	1,490	1,575
Property management fees	26	52	172	165	43	49	—	103	73	86	7	7	2	—	22	—	348	464	520	628
Sales promotional expense	73	123	99	98	14	17	—	0	14	8	0	0	0	0	22	—	224	248	227	250
Other property expenses	35	157	261	241	15	15	—	105	106	108	10	22	104	0	3	—	537	651	1,134	1,228
Depreciation and amortization	102	172	243	240	100	99	—	107	74	73	346	345	169	27	73	—	1,109	1,066	4,160	3,659
Real property retirement loss	19	16	—	43	—	0	—	—	—	0	—	0	—	0	—	—	19	59	19	59
<b>Total expenses</b>	<b>478</b>	<b>975</b>	<b>1,338</b>	<b>1,395</b>	<b>438</b>	<b>442</b>	<b>—</b>	<b>435</b>	<b>503</b>	<b>512</b>	<b>621</b>	<b>635</b>	<b>436</b>	<b>28</b>	<b>206</b>	<b>—</b>	<b>4,022</b>	<b>4,426</b>	<b>9,272</b>	<b>9,232</b>
<b>Real estate rental profit</b>	<b>74</b>	<b>12</b>	<b>861</b>	<b>781</b>	<b>303</b>	<b>259</b>	<b>—</b>	<b>198</b>	<b>160</b>	<b>164</b>	<b>758</b>	<b>744</b>	<b>140</b>	<b>-26</b>	<b>294</b>	<b>—</b>	<b>2,593</b>	<b>2,134</b>	<b>9,436</b>	<b>8,396</b>
Rental deposits	353	356	5,054	5,096	926	944	—	—	758	780	6,094	6,094	342	342	945	—	14,475	13,615	38,856	35,690
Guaranteed deposits	—	—	6,898	9,428	3,069	3,332	—	—	—	—	—	—	—	—	—	—	9,968	12,760	43,649	48,262
<b>Deposits (ending balance)</b>	<b>353</b>	<b>356</b>	<b>11,953</b>	<b>14,525</b>	<b>3,995</b>	<b>4,276</b>	<b>—</b>	<b>—</b>	<b>758</b>	<b>780</b>	<b>6,094</b>	<b>6,094</b>	<b>342</b>	<b>342</b>	<b>945</b>	<b>—</b>	<b>24,443</b>	<b>26,375</b>	<b>82,506</b>	<b>83,952</b>

(Note 1) The Feb. 2008 period runs from Sep. 1, 2007 through Feb. 29, 2008 (182 days)

(Note 2) The Aug. 2007 period runs from Mar. 1 through Aug. 31, 2007 (184 days)

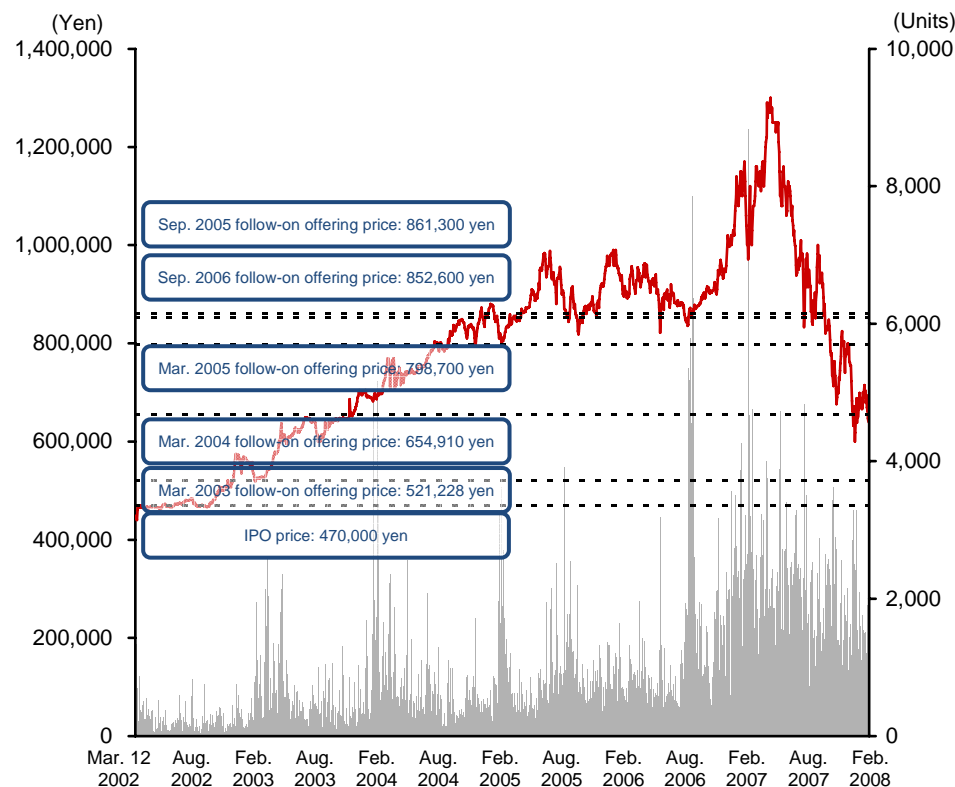
(Note 3) Part of Hakata Riverain was sold on Aug. 1, 2007

(Note 4) Wonder City was sold on Aug. 31, 2007 and therefore not included in the current portfolio

(Note 5) Revenues from the land of GYRE are reflected in the revenues from GYRE, classified as a growth property

# Historical Performance of Investment Unit Price

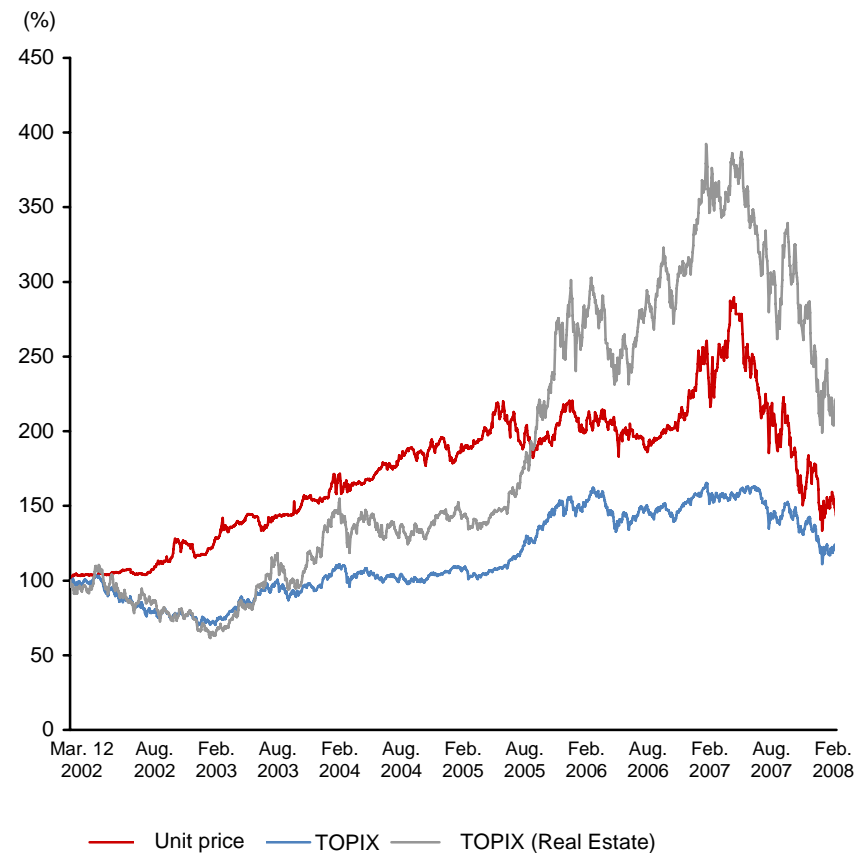
◆ Price per unit (through Feb. 2008) (Note)



Highest price	1,300,000 yen	(May 15, 2007)
Lowest price	440,000 yen	(March 15, 2002)
Average price per unit	780,426 yen	(As of February 29, 2008)
Total volume	1,339,892 units	(As of February 29, 2008)
Daily average volume	615 units	(As of February 29, 2008)

(Note) Closing price basis  
Source: Bloomberg

◆ Relative price fluctuations (through Feb. 2008) (Note 1,2)



(Note 1) On a closing price basis

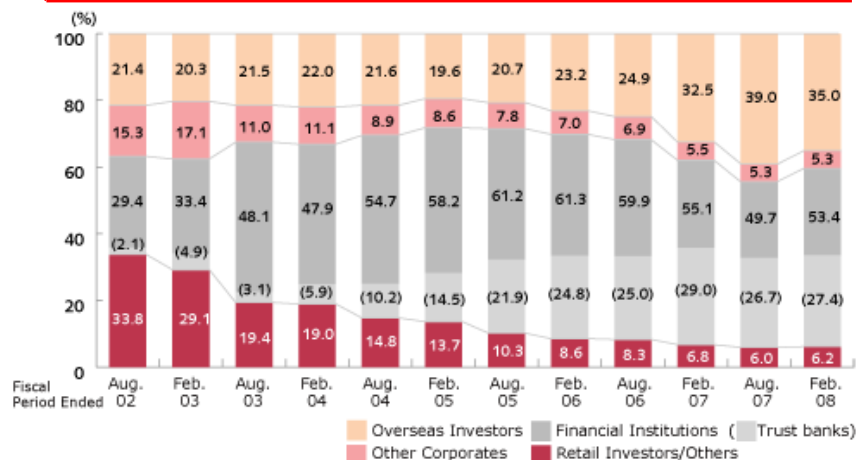
(Note 2) Closing price on March 12, 2002, as 100%

Source: Bloomberg

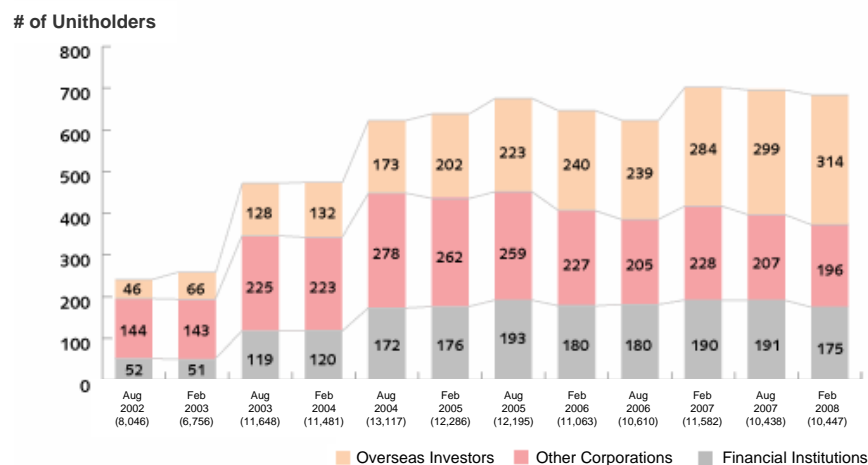


# Investor Analysis

## Ownership share by investor type



## Numbers of unitholders by investor type



(Note 1) Excludes retail investors and others

(Note 2) The figures in parentheses represent the total number of unitholders including retail and other investors

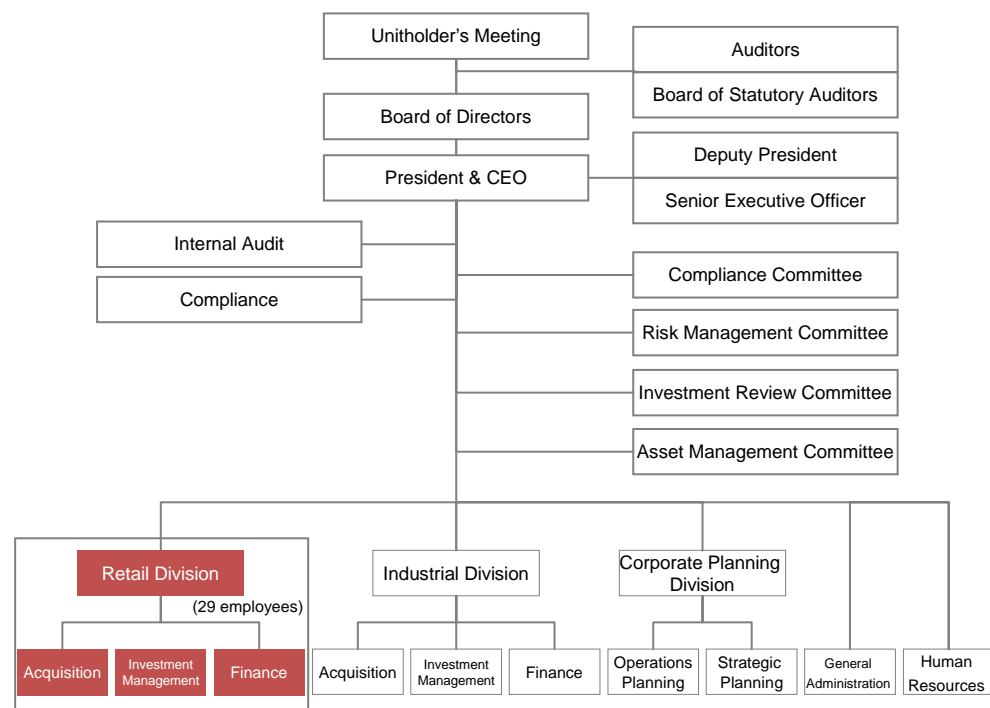
## Top 20 unitholders as of Feb. 29, 2008

Rank	Name	Units held	Share (%)
1	NikkoCiti Trust and Banking Corporation, trust account	28,724	7.43
2	Japan Trustee Services Bank, trust account	25,431	6.57
3	Trust and Custody Services Bank, trust account	20,218	5.23
4	The Master Trust Bank of Japan, trust account	15,292	3.95
5	Mitsubishi Corporation	13,975	3.61
6	The Nomura Trust and Banking, Investment Trust	11,680	3.02
7	The Bank of Ikeda	11,525	2.98
8	Goldman Sachs International	10,992	2.84
9	The Bank of New York, Treaty JASDEQ Account	9,610	2.48
10	UBS AG London Asia Equities	8,594	2.22
11	Nomura Securities	8,475	2.19
12	Government of Singapore Investment Corporation Pte Ltd.	7,379	1.90
13	The Chugoku Bank	7,199	1.86
14	AIG Star Life Insurance, general account	7,135	1.84
15	The North Pacific Bank	6,488	1.67
16	ABN AMRO Bank NV European Hub	4,473	1.15
17	Barclays Bank Plc Barclays Capital Securities	3,876	1.00
18	The Fuji Fire and Marine Insurance	3,356	0.86
19	American Life Insurance Company (AGL)	3,202	0.82
20	Yamanashi Chuo Bank	3,093	0.80
Total		210,717	54.52

# Management company structure

➤ The management company structure is to be changed as of May 2008 to clarify the asset management company structure for multiple JREITs as well as to increase the flexibility of the business structure

## ► Company structure



### Asset Management Company :

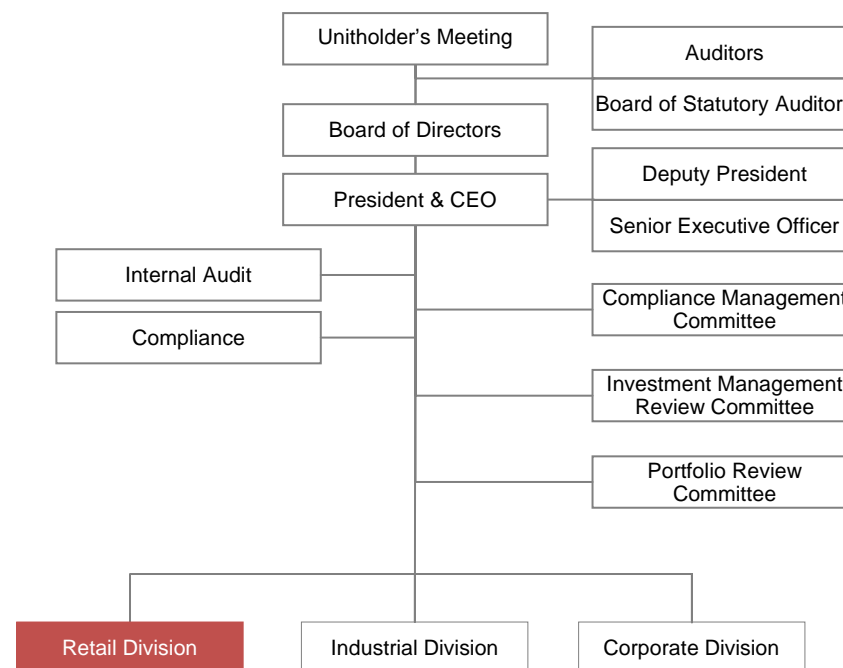
83 staff members (excluding part-time directors and employees)

### Staff qualifications

		CMA (Chartered Members of the Security Analysts Association of Japan)	3
Licensed real estate agents	29	CPAs	2
Licensed 1 <sup>st</sup> class architects	5	Certified tax accountants	4
Property appraisers	6	MBAs (US and UK)	5
CFAs (Chartered Financial Analysts)	2		

(Note) As of Apr. 1, 2008

## ► New company structure (from May 1, 2008)



## ○ Major changes

- ① Merging "Corporate Planning Division", "General Administration" and "Human Resources" into "Corporate Division"
- ② IR and financing business communicating with financial institutions in "Finance" divisions in "Retail Division" and "Industrial Division" are consolidated into "Corporate Division"
- ③ Existing 4 committees are consolidated and restructured into "Compliance Management Committee", "Investment Management Review Committee" and "Portfolio Review Committee"

## Disclaimer

The contents of this document, including summary notes, quotes, data and other information, are provided solely for informational purposes and not intended for the purpose of soliciting investment in, or as a recommendation to purchase or sell, any specific products.

Please be aware that matters described herein may change or cease to exist without prior notice of any kind. This document contains forward-looking statements and anticipations of future results, based on current assumptions and beliefs in light of currently available information and resources. Risks and uncertainties, both known and unknown, including those relating to the future performance of the retail market in Japan, interest rate fluctuations, competitive scenarios, and changing regulations or taxations, may cause performance to be materially different from those explicitly or implicitly expressed in this document.

With respect to any and all terms herein, including without limitation, this document, the information provided is intended to be thorough. However, no absolute assurance or warranties are given with respect to the accuracy or completeness thereof. Unless otherwise specified, this document was created based on Japanese accounting system.

Neither JRF nor Mitsubishi Corp.-UBS Realty Inc. (MCUBSR) shall be liable for any errors, inaccuracies, loss or damage, or for any actions taken in reliance thereon, or undertake any obligation to publicly update the information contained in this document after the date of this document.

Asset Management Company: Mitsubishi Corp.-UBS Realty Inc. (Financial Instrument Firm under License No. 403 of the Director of Kanto Local Finance Bureau )