



Japan Retail Fund Investment Corporation

Thirteenth Fiscal Period Results
(March 1, 2008 – August 31, 2008)

JAPAN RETAIL FUND INVESTMENT CORPORATION
BALANCE SHEETS
As of February 29, 2008 and August 31, 2008

	<u>February 29, 2008</u> <u>(JPY in Millions)</u>	<u>August 31, 2008</u> <u>(JPY in Millions)</u>
ASSETS		
Current assets:		
Cash and cash equivalents	14,474	18,722
Rental receivables	769	888
Consumption tax refundable	1,208	491
Prepaid expenses and other assets	486	568
Total current assets	<u>16,938</u>	<u>20,669</u>
Non-current assets:		
Property and equipment, at cost:		
Land	308,456	327,241
Buildings	216,546	239,371
Building improvements	11,255	11,971
Machinery and equipment	3,555	4,443
	<u>539,812</u>	<u>583,026</u>
Less: Accumulated depreciation	<u>(22,770)</u>	<u>(27,445)</u>
Net property and equipment	<u>517,042</u>	<u>555,580</u>
Other assets:		
Leasehold rights	8,901	8,965
Other intangible assets	164	159
Lease deposits	3,358	3,350
Long-term prepaid expenses	91	146
Bonds issuance costs	224	192
Other	114	569
Total other assets	<u>12,852</u>	<u>13,381</u>
TOTAL ASSETS	<u><u>546,831</u></u>	<u><u>589,630</u></u>

Note: The sum may not equal the total due to rounding.

JAPAN RETAIL FUND INVESTMENT CORPORATION
BALANCE SHEETS
As of February 29, 2008 and August 31, 2008

	<u>February 29, 2008</u> <u>(JPY in Millions)</u>	<u>August 31, 2008</u> <u>(JPY in Millions)</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Short-term debt	73,100	108,100
Long-term debt due within one year	-	5,000
Short-term bonds issued - unsecured	24,985	24,986
Current amount of tenant leasehold and security deposits	5,429	4,923
Rent received in advance	1,606	1,695
Accrued expenses and other current liabilities	2,738	3,165
Total current liabilities	107,857	147,869
Non-current liabilities:		
Long-term debt	5,000	7,400
Bonds issued - unsecured	100,000	100,000
Tenant leasehold and security deposits	77,077	77,515
Other non-current liabilities	-	0
Total non-current liabilities	182,077	184,916
TOTAL LIABILITIES	289,935	332,785
NET ASSETS		
Unitholders' capital, 2,000,000 units authorized 386,502 units (as of February 29, 2008 and August 31, 2008) issued and outstanding	250,764	250,764
Retained earnings	6,132	6,081
TOTAL NET ASSETS	256,896	256,845
TOTAL LIABILITIES AND NET ASSETS	546,831	589,630

Note: The sum may not equal the total due to rounding.

JAPAN RETAIL FUND INVESTMENT CORPORATION
STATEMENTS OF INCOME AND RETAINED EARNINGS
For the Six Months Ended
February 29, 2008 and August 31, 2008

	<u>September 1, 2007 to</u> <u>February 29, 2008</u> <u>(JPY in Millions)</u>	<u>March 1, 2008 to</u> <u>August 31, 2008</u> <u>(JPY in Millions)</u>
Operating revenues		
Rental and other operating revenues	18,709	20,254
Operating expenses		
Property-related expenses	9,272	10,344
Asset management fees	1,607	1,784
Custodian fees	77	83
General administration fees	130	139
Other	114	126
	<u>11,200</u>	<u>12,476</u>
Operating income	7,509	7,778
Non-operating revenues		
Non-operating revenues	18	30
Non-operating expenses		
Interest expense	1,305	1,608
Amortization of bonds issuance costs	32	33
Other non-operating expenses	44	71
	<u>6,146</u>	<u>6,095</u>
Income before income taxes	6,146	6,095
Income taxes	14	14
	<u>6,132</u>	<u>6,081</u>
Net income	<u>6,132</u>	<u>6,081</u>

Note: The sum may not equal the total due to rounding.

JAPAN RETAIL FUND INVESTMENT CORPORATION
STATEMENTS OF CASH FLOWS
For the Six Months Ended
February 29, 2008 and August 31, 2008

	<u>September 1, 2007 to</u> <u>February 29, 2008</u> <u>(JPY in Millions)</u>	<u>March 1, 2008 to</u> <u>August 31, 2008</u> <u>(JPY in Millions)</u>
Cash Flows from Operating Activities:		
Income before income taxes	6,146	6,095
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation	4,160	4,758
Interest expense	1,305	1,608
Amortization of bonds issuance costs	32	33
Loss on disposal of fixed assets	20	169
Changes in assets and liabilities		
Consumption tax refundable	(1,208)	717
Consumption tax payable	(96)	-
Accounts payable	(26)	(42)
Rent received in advance	206	89
Accrued expenses and other liabilities	(119)	515
Other, net	(1,162)	(1,761)
Net cash provided by operating activities	<u>9,257</u>	<u>12,183</u>
Cash Flows from Investing Activities:		
Purchases of property and equipment	(73,749)	(43,579)
Proceeds from (payment of) tenant leasehold and security deposits	(1,447)	(515)
Proceeds from (payment of) deposits and others	(16)	9
Net cash used in investing activities	<u>(75,211)</u>	<u>(44,086)</u>
Cash Flows from Financing Activities:		
Net proceeds from short-term bonds issuance	24,939	49,882
Payments of short-term bonds redemption	-	(50,000)
Proceeds from short-term debt	34,870	42,000
Repayments of short-term debt	-	(7,000)
Proceeds from long-term debt	-	7,400
Distribution payments	(6,396)	(6,132)
Net cash provided by financing activities	<u>53,413</u>	<u>36,150</u>
Net change in cash and cash equivalents	<u>(12,542)</u>	<u>4,248</u>
Cash and cash equivalents at beginning of period	<u>27,016</u>	<u>14,474</u>
Cash and cash equivalents at end of period	<u><u>14,474</u></u>	<u><u>18,722</u></u>

Note: The sum may not equal the total due to rounding.

Property Portfolio Summary 1

<u>Name of Property</u>	<u>Year(s) Built</u>	<u>Location of Property</u>	<u>Date Acquired</u>	<u>Ownership %</u>	<u>Acquisition Price (JPY in Millions)</u>	<u>Appraisal Value as of August 31, 2008 (JPY in Millions)</u>	<u>% of Total Portfolio</u>
Tokyo 23 Wards							
8953 Minami Aoyama Building	2002	Minato Ward, Tokyo	4-Mar-03	100	5,350	7,640	1.3%
8953 Daikanyama Building	1991	Shibuya Ward, Tokyo	10-Dec-03	100	1,235	1,730	0.3%
8953 Harajuku FACE Building	1985	Shibuya Ward, Tokyo	9-Jan-04	100	2,770	4,290	0.7%
GYRE	2007	Shibuya Ward, Tokyo	19-Oct-07	100	22,713	30,200	5.0%
Esquisse Omotesando Annex	1997	Shibuya Ward, Tokyo	30-Apr-04	100	860	1,500	0.2%
Itabashi SATY	2000	Itabashi Ward, Tokyo	9-Dec-04	100	12,400	14,700	2.4%
8953 Kita Aoyama Building	2005	Minato Ward, Tokyo	1-Feb-05	100	989	1,530	0.3%
8953 Jiyugaoka Building	1984, 2005	Meguro Ward, Tokyo	28-Mar-05	100	2,700	3,482	0.6%
Cheers Ginza	2005	Chuo Ward, Tokyo	11-Aug-05	100	4,200	4,420	0.7%
8953 Jingumae6 Building	2007	Shibuya Ward, Tokyo	20-Dec-07	100	2,360	2,730	0.5%
G-Bldg. Jingumae01	2007	Shibuya Ward, Tokyo	1-May-08	100	3,400	3,900	0.6%
G-Bldg. Jingumae02	2008	Shibuya Ward, Tokyo	30-May-08	100	2,234	2,250	0.4%
subtotal					61,211	78,372	12.9%
Greater Tokyo Metropolitan Area							
	2000		13-Mar-02		8,117		
ESPA Kawasaki	2000	Kawasaki, Kanagawa	10-Dec-02	100	1,975	15,740	2.6%
	2007		1-Mar-07		5,600		
JUSCO Chigasaki Shopping Center	2000	Chigasaki, Kanagawa	13-Mar-02	100	8,300	7,890	1.3%
Abiko Shopping Plaza	1994	Abiko, Chiba	4-Mar-03	100	10,200	13,800	2.3%
Ito-Yokado Yabashira	1982	Matsudo, Chiba	16-Jun-03	100	1,616	2,010	0.3%
Ito-Yokado Kamifukuoka-higashi	1999	Kamifukuoka, Saitama	18-Sep-03	100	6,900	7,570	1.3%
Ito-Yokado Nishikicho	2003	Warabi, Saitama	28-Nov-03	100	13,212	14,500	2.4%
Ito-Yokado Tsunashima	1982	Yokohama, Kanagawa	24-Jun-04	100	5,000	5,520	0.9%
Bic Camara Tachikawa	1970	Tachikawa, Tokyo	29-Sep-04	100	11,920	12,600	2.1%
AEONMALL Yamato	2001	Yamato, Kanagawa	17-Feb-05	100	16,823	20,400	3.4%
SEIYU Hibarigaoka	1978	Nishi Tokyo, Tokyo	9-Mar-05	100	6,100	7,590	1.3%
Higashi Totsuka Aurora City	1999	Yokohama, Kanagawa	24-Mar-06	100	50,500	46,200	7.6%
Omiya SATY	2000	Saitama, Saitama	23-Jun-06	100	6,133	6,480	1.1%
Ito-Yokado Yotsukaido	2005	Yotsukaido, Chiba	30-Aug-07	100	13,600	12,900	2.1%
AEON Yachiyo-Midorigaoka Shopping Center	2005	Yachiyo, Chiba	4-Sep-07	100	30,790	27,600	4.6%
8953 Saitama-Urawa Building	2007	Saitama, Saitama	25-Dec-07	100	27,331	28,500	4.7%
subtotal					224,116	229,300	37.9%
Osaka, Nagoya and Surrounding Areas							
8953 Osaka Shinsaibashi Building	1999	Osaka, Osaka	13-Mar-02	100	14,300	16,200	2.7%
Ito-Yokado Narumi	1997	Nagoya, Aichi	4-Mar-03	100	8,540	6,630	1.1%
Nara Family	1992, 1993	Nara, Nara	6-Mar-03	100	31,376	37,300	6.2%
AEONMALL Higashiura	2001	Chita, Aichi	15-Jan-04	100	9,142	11,300	1.9%
JUSCO City Takatsuki	1994, 1997	Takatsuki, Osaka	25-Mar-05	100	11,700	11,700	1.9%
JUSCO City Yagoto Shopping Center	1993	Nagoya, Aichi	10-Jun-05	100	3,700	4,020	0.7%
JUSCO City Nishi-Otsu	1996	Otsu, Shiga	20-Dec-05	100	13,100	12,200	2.0%
Kyoto Family	1982	Kyoto, Kyoto	21-Dec-05	100	5,340	6,550	1.1%
Loc City Ogaki	2005	Ogaki, Gifu	26-Jul-06	100	4,950	4,750	0.8%
Kawaramachi OPA	1998	Kyoto, Kyoto	29-Sep-06	100	18,500	18,000	3.0%
AEONMALL Tsurumi Leafa	2006	Osaka, Osaka	20-Nov-06	100	29,900	30,600	5.1%
AEONMALL Itami Terrace	2002	Itami, Hyogo	1-Dec-06	100	20,300	19,800	3.3%
Ario Otori	2008	Sakai, Osaka	1-May-08	100	19,040	18,200	3.0%
subtotal					189,888	197,250	32.6%
Other Major Cities							
Sendai Nakayama Shopping Center	1995-1999	Sendai, Miyagi	13-Mar-02	100	10,200	12,500	2.1%
Hakata Riverain	1998	Fukuoka, Fukuoka	4-Mar-03	50	6,309	7,480	1.2%
AEON Kashiihama Shopping Center	2003	Fukuoka, Fukuoka	29-Jan-04	100	13,300	15,100	2.5%
AEON Sapporo Naebo Shopping Center	2003	Sapporo, Hokkaido	2-Mar-04	100	9,260	10,800	1.8%
Tobata SATY	1999	Kita Kyushu, Fukuoka	9-Mar-05	100	6,290	7,180	1.2%
JUSCO Naha Shopping Center	1993	Naha, Okinawa	29-Jun-05	100	10,700	11,500	1.9%
AEON Ueda Shopping Center	2004	Ueda, Nagano	1-Nov-06	100	9,500	8,820	1.5%
Oyama Yuen Harvest Walk	2007	Oyama, Tochigi	31-Aug-07	100	10,200	8,840	1.5%
AEON Sapporo Hassamu Shopping Center	2006, 2008	Sapporo, Hokkaido	31-Mar-08	100	18,440	18,400	3.0%
subtotal					94,199	100,620	16.6%
Grand Total					569,414	605,542	100.0%

Property Portfolio Summary 2

<u>Name of Property</u>	<u>Number of Tenants</u>	<u>Net Book Value as of August 31, 2008 (JPY in Millions)</u>	<u>Leasable Space (sq. m.)</u>	<u>Leased Area (sq. m.)</u>	<u>Occupancy Rate as of August 31, 2008</u>	<u>Rental Revenue in 13th Fiscal Period (JPY in Millions)</u>	<u>% of Total Revenue</u>
Tokyo 23 Wards							
8953 Minami Aoyama Building	2	5,334	1,540.98	1,242.89	80.7%	155	0.8%
8953 Daikanyama Building	1	1,263	599.79	201.10	33.5%	26	0.1%
8953 Harajuku FACE Building	4	2,773	1,479.10	1,479.10	100.0%	105	0.5%
GYRE	17	22,921	4,934.28	4,934.28	100.0%	629	3.1%
Esquisse Omotesando Annex	2	885	540.78	540.78	100.0%	31	0.2%
Itabashi SATY	1	12,133	72,253.88	72,253.88	100.0%	704	3.5%
8953 Kita Aoyama Building	2	993	492.69	492.69	100.0%	35	0.2%
8953 Jiyugaoka Building	11	2,660	1,814.15	1,814.15	100.0%	91	0.4%
Cheers Ginza	8	4,153	1,686.58	1,513.44	89.7%	116	0.6%
8953 Jingumae6 Building	4	2,402	670.43	670.43	100.0%	36	0.2%
G-Bldg. Jingumae01	2	3,436	555.75	555.75	100.0%	55	0.3%
G-Bldg. Jingumae02	1	2,342	426.29	146.41	34.3%	10	0.0%
subtotal	55	61,296	86,994.70	85,844.90	98.7%	1,993	9.8%
Greater Tokyo Metropolitan Area							
ESPA Kawasaki	5	14,946	65,313.47	65,313.47	100.0%	492	2.4%
JUSCO Chigasaki Shopping Center	1	7,705	63,652.33	63,652.33	100.0%	274	1.4%
Abiko Shopping Plaza	54	10,368	42,642.36	42,642.36	100.0%	683	3.4%
Ito-Yokado Yabashira	1	1,556	21,581.65	21,581.65	100.0%	79	0.4%
Ito-Yokado Kamifukuoka-higashi	1	6,630	28,316.18	28,316.18	100.0%	256	1.3%
Ito-Yokado Nishikicho	1	12,366	73,438.52	73,438.52	100.0%	445	2.2%
Ito-Yokado Tsunashima	1	5,006	16,549.50	16,549.50	100.0%	181	0.9%
Bic Camara Tachikawa	2	11,894	20,983.43	20,983.43	100.0%	388	1.9%
AEONMALL Yamato	1	16,586	85,226.68	85,226.68	100.0%	535	2.6%
SEIYU Hibarigaoka	1	5,620	19,070.88	19,070.88	100.0%	261	1.3%
Higashi Totsuka Aurora City	4	51,129	151,429.78	151,429.78	100.0%	1,381	6.8%
Omiya SATY	1	6,287	75,344.90	75,344.90	100.0%	226	1.1%
Ito-Yokado Yotsukaido	1	13,977	59,207.19	59,207.19	100.0%	290	1.4%
AEON Yachiyo-Midorigaoka Shopping Center	1	30,783	132,294.48	132,294.48	100.0%	684	3.4%
8953 Saitama-Urawa Building	1	27,337	64,236.71	64,236.71	100.0%	*	*
subtotal	76	222,191	919,288.06	919,288.06	100.0%	6,935	34.2%
Osaka, Nagoya and Surrounding Areas							
8953 Osaka Shinsaibashi Building	1	13,513	13,666.96	13,666.96	100.0%	407	2.0%
Ito-Yokado Narumi	1	7,915	50,437.91	50,437.91	100.0%	264	1.3%
Nara Family	135	31,701	85,075.32	84,952.72	99.9%	2,224	11.0%
AEONMALL Higashiura	1	8,543	129,124.73	129,124.73	100.0%	465	2.3%
JUSCO City Takatsuki	1	11,296	77,267.23	77,267.23	100.0%	414	2.0%
JUSCO City Yagoto Shopping Center	2	3,829	63,778.44	63,778.44	100.0%	164	0.8%
JUSCO City Nishi-Otsu	1	13,277	62,717.26	62,717.26	100.0%	375	1.8%
Kyoto Family	60	5,483	25,606.48	25,349.51	99.0%	656	3.2%
Loc City Ogaki	1	4,688	57,500.35	57,500.35	100.0%	327	1.6%
Kawaramachi OPA	1	18,921	18,848.20	18,848.20	100.0%	350	1.7%
AEONMALL Tsurumi Leafa	1	29,731	138,538.63	138,538.63	100.0%	895	4.4%
AEONMALL Itami Terrace	1	20,047	150,589.06	150,589.06	100.0%	572	2.8%
Ario Otori	1	19,685	95,135.36	95,135.36	100.0%	306	1.5%
subtotal	207	188,629	968,285.93	967,906.36	100.0%	7,420	36.6%
Other Major Cities							
Sendai Nakayama Shopping Center	2	9,656	46,248.96	46,248.96	100.0%	459	2.3%
Hakata Riverain	66	6,559	25,920.11	24,114.21	93.0%	519	2.6%
AEON Kashiihama Shopping Center	1	12,940	109,616.72	109,616.72	100.0%	478	2.4%
AEON Sapporo Naebo Shopping Center	1	8,287	74,625.52	74,625.52	100.0%	378	1.9%
Tobata SATY	1	6,117	93,258.23	93,258.23	100.0%	316	1.6%
JUSCO Naha Shopping Center	1	10,735	79,090.48	79,090.48	100.0%	388	1.9%
AEON Ueda Shopping Center	1	9,447	61,349.07	61,349.07	100.0%	297	1.5%
Oyama Yuen Harvest Walk	1	10,249	58,767.20	58,767.20	100.0%	588	2.9%
AEON Sapporo Hassamu Shopping Center	1	18,599	102,169.00	102,169.00	100.0%	483	2.4%
subtotal	75	92,588	651,045.29	649,239.39	99.7%	3,906	19.3%
Grand Total	413	564,704	2,625,613.98	2,622,278.71	99.9%	20,254	100.0%

* Rent revenues figures are not listed here since the tenants have not agreed to disclosure of such informatic