



Japan Retail Fund Investment Corporation

Fourteenth Fiscal Period Results
(September 1, 2008 – February 28, 2009)

JAPAN RETAIL FUND INVESTMENT CORPORATION
BALANCE SHEETS
As of August 31, 2008 and February 28, 2009

	<u>August 31, 2008</u> <u>(JPY in Millions)</u>	<u>February 28, 2009</u> <u>(JPY in Millions)</u>
ASSETS		
Current assets:		
Cash and cash equivalents	18,722	19,303
Rental receivables	888	923
Consumption tax refundable	491	-
Prepaid expenses and other assets	568	525
<i>Total current assets</i>	20,669	20,751
Non-current assets:		
Property and equipment, at cost:		
Land	327,241	322,180
Buildings	239,371	237,220
Building improvements	11,971	11,924
Machinery and equipment	4,443	4,585
	583,026	575,908
Less: Accumulated depreciation	(27,445)	(31,388)
<i>Net property and equipment</i>	555,580	544,520
Other assets:		
Leasehold rights	8,965	8,951
Other intangible assets	159	150
Lease deposits	3,350	3,336
Long-term prepaid expenses	146	217
Bonds issuance costs	192	171
Other	569	581
<i>Total other assets</i>	13,381	13,404
TOTAL ASSETS	589,630	578,675

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

JAPAN RETAIL FUND INVESTMENT CORPORATION
BALANCE SHEETS
As of August 31, 2008 and February 28, 2009

	<u>August 31, 2008</u> <u>(JPY in Millions)</u>	<u>February 28, 2009</u> <u>(JPY in Millions)</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Short-term borrowings	108,100	119,275
Current portion of long-term borrowings	5,000	5,000
Short-term bonds issued	24,986	-
Current portion of long-term bonds issued	-	20,000
Current amount of tenant leasehold and security deposits	4,923	4,240
Rent received in advance	1,695	1,681
Accrued expenses and other current liabilities	3,165	3,945
Total current liabilities	<u>147,869</u>	<u>154,141</u>
Non-current liabilities:		
Long-term bonds issued	100,000	80,000
Long-term borrowings	7,400	18,400
Tenant leasehold and security deposits	77,515	69,549
Other non-current liabilities	0	0
Total non-current liabilities	<u>184,916</u>	<u>167,949</u>
TOTAL LIABILITIES	<u>332,785</u>	<u>322,090</u>
NET ASSETS		
Unitholders' capital, 2,000,000 units authorized 386,502 units (as of August 31, 2008 and February 28, 2009) issued and outstanding	250,764	250,764
Retained earnings	6,081	5,821
TOTAL NET ASSETS	<u>256,845</u>	<u>256,585</u>
TOTAL LIABILITIES AND NET ASSETS	<u>589,630</u>	<u>578,675</u>

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
August 31, 2008 and February 28, 2009

	<u>March 1, 2008 to</u> <u>August 31, 2008</u> <u>(JPY in Millions)</u>	<u>September 1, 2008 to</u> <u>February 28, 2009</u> <u>(JPY in Millions)</u>
Operating revenues		
Rental revenues	20,254	20,360
Gain on sales of property	-	87
	<u>20,254</u>	<u>20,447</u>
Operating expenses		
Rental expenses	10,344	10,442
Asset management fees	1,784	1,738
Custodian fees	83	86
General administration fees	139	145
Other	126	151
	<u>12,476</u>	<u>12,563</u>
Operating income	<u>7,778</u>	<u>7,884</u>
Non-operating revenues		
Non-operating revenues	30	15
Non-operating expenses		
Interest expense	1,608	1,671
Amortization of bonds issuance costs	33	23
Other non-operating expenses	71	163
	<u>1,713</u>	<u>1,858</u>
Recurring profit	<u>6,095</u>	<u>6,041</u>
Extraordinary loss		
Litigation settlement	-	205
Income before income taxes	<u>6,095</u>	<u>5,836</u>
Income taxes	14	15
Net income	<u><u>6,081</u></u>	<u><u>5,820</u></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
August 31, 2008 and February 28, 2009

	<u>March 1, 2008 to</u> <u>August 31, 2008</u> <u>(JPY in Millions)</u>	<u>September 1, 2008 to</u> <u>February 28, 2009</u> <u>(JPY in Millions)</u>
Cash Flows from Operating Activities:		
Income before income taxes	6,095	5,836
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation	4,758	4,848
Amortization of bonds issuance costs	33	23
Gain on sales of property	-	(87)
Loss on disposal of fixed assets	169	0
Interest expense	1,608	1,671
Litigation settlement	-	205
Changes in assets and liabilities		
Decrease in Consumption tax refundable	717	491
Increase in Consumption tax payable	-	876
Increase (decrease) in Accounts payable	(42)	20
Increase (decrease) in Rent received in advance	89	(20)
Increase (decrease) in Accrued expenses and other liabilities	515	(313)
Other-net	(1,761)	(1,845)
Net cash provided by operating activities	<u>12,183</u>	<u>11,705</u>
Cash Flows from Investing Activities:		
Purchases of property and equipment	(43,579)	(1,448)
Proceed from sales of property and equipment	-	7,740
Proceeds from (payment of) tenant leasehold and security deposits	(515)	(8,436)
Proceeds from (payment of) deposits and others	9	2
Net cash used in investing activities	<u>(44,086)</u>	<u>(2,141)</u>
Cash Flows from Financing Activities:		
Proceeds from short-term bonds issued	49,882	24,923
Repayments of short-term bonds issued	(50,000)	(50,000)
Proceeds from short-term borrowings	42,000	25,000
Repayments of short-term borrowings	(7,000)	(13,825)
Proceeds from long-term borrowings	7,400	11,000
Distribution payments	(6,132)	(6,080)
Net cash provided by (used in) financing activities	<u>36,150</u>	<u>(8,982)</u>
Net change in cash and cash equivalents	<u>4,248</u>	<u>581</u>
Cash and cash equivalents at beginning of period	<u>14,474</u>	<u>18,722</u>
Cash and cash equivalents at end of period	<u><u>18,722</u></u>	<u><u>19,303</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 February 28, 2009(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	6,360	1.2%
8953 Daikanyama Building	1991	Shibuya Ward, Tokyo	10-Dec-03	100	1,235	1,620	0.3%
8953 Harajuku Face Building	1985	Shibuya Ward, Tokyo	9-Jan-04	100	2,770	3,920	0.7%
GYRE	2007	Shibuya Ward, Tokyo	2-Mar-04 etc.	100	22,713	26,800	5.0%
Esquisse Omotesando Annex	1997	Shibuya Ward, Tokyo	30-Apr-04	100	860	1,350	0.3%
Itabashi SATY	2000	Itabashi Ward, Tokyo	9-Dec-04	100	12,400	13,200	2.5%
8953 Kita Aoyama Building	2005	Minato Ward, Tokyo	1-Feb-05	100	989	1,370	0.3%
8953 Jiyugaoka Building	1984 etc.	Meguro Ward, Tokyo	28-Mar-05	100	2,700	3,260	0.6%
Cheers Ginza	2005	Chuo Ward, Tokyo	11-Aug-05	100	4,200	4,000	0.7%
8953 Jingumae6 Building	2007	Shibuya Ward, Tokyo	20-Dec-07	100	2,360	2,470	0.5%
G-Bldg. Jingumae01	2007	Shibuya Ward, Tokyo	1-May-08	100	3,400	3,630	0.7%
G-Bldg. Jingumae02	2008	Shibuya Ward, Tokyo	30-May-08	100	2,234	1,850	0.3%
subtotal					61,211	69,830	13.0%
Greater Tokyo Metropolitan Area							
ESPA Kawasaki	2000 etc.	Kawasaki, Kanagawa	13-Mar-02 etc.	100	15,692	14,020	2.6%
Abiko Shopping Plaza	1994	Abiko, Chiba	4-Mar-03	100	10,200	12,300	2.3%
Ito-Yokado Yabashira	1982	Matsudo, Chiba	16-Jun-03	100	1,616	1,840	0.3%
Ito-Yokado Kamifukuoka Higashi	1999	Fujimino, Saitama	18-Sep-03	100	6,900	7,070	1.3%
Ito-Yokado Nishikicho	2003	Warabi, Saitama	28-Nov-03	100	13,212	13,200	2.5%
Ito-Yokado Tsunashima	1982	Yokohama, Kanagawa	24-Jun-04	100	5,000	5,000	0.9%
Bic Camara Tachikawa	1970	Tachikawa, Tokyo	29-Sep-04	100	11,920	11,800	2.2%
AEONMALL Yamato	2001	Yamato, Kanagawa	17-Feb-05	100	16,823	17,800	3.3%
SEIYU Hibarigaoka	1978	Nishi-Tokyo, Tokyo	9-Mar-05	100	6,100	7,140	1.3%
Higashi-Totsuka Aurora City	1999	Yokohama, Kanagawa	24-Mar-06	100	50,500	42,000	7.8%
Omiya SATY	2000	Saitama, Saitama	23-Jun-06	100	6,133	5,970	1.1%
Ito-Yokado Yotsukaido	2005	Yotsukaido, Chiba	30-Aug-07	100	13,600	11,000	2.0%
AEON Yachiyo Midorigaoka Shopping Center	2005	Yachiyo, Chiba	4-Sep-07	100	30,790	24,400	4.5%
8953 Saitama Urawa Building	2007	Saitama, Saitama	25-Dec-07	100	27,331	26,200	4.9%
subtotal					215,816	199,740	37.2%
Osaka, Nagoya and Surrounding Areas							
8953 Osaka Shinsaibashi Building	1999	Osaka, Osaka	13-Mar-02	100	14,300	14,500	2.7%
Ito-Yokado Narumi	1997	Nagoya, Aichi	4-Mar-03	100	8,540	5,840	1.1%
Nara Family	1992 etc.	Nara, Nara	6-Mar-r-03 etc.	100	31,376	34,000	6.3%
AEONMALL Higashiura	2001 etc.	Chita, Aichi	15-Jan-04 etc.	100	9,142	10,400	1.9%
JUSCO City Takatsuki	1994 etc.	Takatsuki, Osaka	25-Mar-05	100	11,700	9,930	1.8%
JUSCO City Yagoto	1993	Nagoya, Aichi	10-Jun-05	100	3,700	3,680	0.7%
JUSCO City Nishi-Otsu	1996	Otsu, Shiga	20-Dec-05	100	13,100	11,200	2.1%
Kyoto Family	1982	Kyoto, Kyoto	21-Dec-05	100	5,340	5,970	1.1%
Loc City Ogaki	2005	Ogaki, Gifu	26-Jul-06	100	4,950	4,340	0.8%
Kawaramachi OPA	1998	Kyoto, Kyoto	29-Sep-06	100	18,500	16,700	3.1%
AEONMALL Tsurumi Leafa	2006	Osaka, Osaka	20-Nob-06 etc.	100	29,903	27,700	5.2%
AEONMALL Itami Terrace	2002 etc.	Itami, Hyogo	1-Dec-06 etc.	100	21,111	18,800	3.5%
Ario Otori	2008	Sakai, Osaka	1-May-08	100	19,040	16,100	3.0%
subtotal					190,700	179,160	33.3%
Other Major Cities							
Sendai Nakayama Shopping Center	1995 etc.	Sendai, Miyagi	13-Mar-02	100	10,200	10,800	2.0%
Hakata Riverain	1998	Fukuoka, Fukuoka	4-Mar-03 etc.	50	6,309	6,160	1.1%
AEON Kashiihama Shopping Center	2003	Fukuoka, Fukuoka	29-Jan-04	100	13,300	13,600	2.5%
AEON Sapporo Naebo Shopping Center	2003	Sapporo, Hokkaido	2-Mar-04	100	9,260	8,830	1.6%
Tobata SATY	1999	Kita-Kyushu, Fukuoka	9-Mar-05	100	6,290	6,050	1.1%
JUSCO Naha	1993	Naha, Okinawa	29-Jun-05	100	10,700	10,700	2.0%
AEON Ueda Shopping Center	2004	Ueda, Nagano	1-Nov-06	100	9,500	8,210	1.5%
Oyama Yuen Harvest Walk	2007	Oyama, Tochigi	31-Aug-07	100	10,200	7,070	1.3%
AEON Sapporo Hassamu Shopping Center	2006 etc.	Sapporo, Hokkaido	31-Mar-08	100	18,440	17,200	3.2%
subtotal					94,199	88,620	16.5%
Grand Total					561,927	537,350	100.0%

Property Portfolio Summary 2

Name of Property	Number of Tenants	Net Book Value as of February 28, 2009 (JPY in Millions)	Leasable Space (sq. m.)	Leased Area (sq. m.)	Occupancy Rate as of February 28, 2009	Rental Revenue in 14th Fiscal Period (JPY in Millions)	% of Total Revenue
Tokyo 23 Wards							
8953 Minami Aoyama Building	3	5,341	1,540.98	1,382.67	89.7%	152	0.7%
8953 Daikanyama Building	1	1,263	599.79	201.10	33.5%	17	0.1%
8953 Harajuku Face Building	4	2,764	1,479.10	1,479.10	100.0%	106	0.5%
GYRE	17	22,834	4,934.28	4,934.28	100.0%	630	3.1%
Esquisse Omotesando Annex	2	886	540.78	540.78	100.0%	34	0.2%
Itabashi SATY	1	12,026	72,253.88	72,253.88	100.0%	664	3.3%
8953 Kita Aoyama Building	2	989	492.69	492.69	100.0%	35	0.2%
8953 Jiyugaoka Building	11	2,646	1,814.15	1,814.15	100.0%	91	0.4%
Cheers Ginza	9	4,137	1,686.58	1,686.58	100.0%	100	0.5%
8953 Jingumae6 Building	4	2,399	670.43	670.43	100.0%	62	0.3%
G-Bldg. Jingumae01	2	3,435	555.75	555.75	100.0%	83	0.4%
G-Bldg. Jingumae02	1	2,341	426.29	146.41	34.3%	19	0.1%
subtotal	57	61,063	86,994.70	86,157.82	99.0%	1,992	9.8%
Greater Tokyo Metropolitan Area							
ESPA Kawasaki	5	14,865	65,313.47	65,313.47	100.0%	493	2.4%
JUSCO Chigasaki Shopping Center	-	-	-	-	-	193	1.0%
Abiko Shopping Plaza	53	10,291	42,642.36	42,410.57	99.5%	746	3.7%
Ito-Yokado Yabashira	1	1,540	21,308.78	21,308.78	100.0%	79	0.4%
Ito-Yokado Kamifukuoka Higashi	1	6,585	28,316.18	28,316.18	100.0%	256	1.3%
Ito-Yokado Nishikicho	1	12,234	73,438.52	73,438.52	100.0%	445	2.2%
Ito-Yokado Tsunashima	1	4,982	16,549.50	16,549.50	100.0%	181	0.9%
Bic Camara Tachikawa	2	11,871	20,983.43	20,983.43	100.0%	390	1.9%
AEONMALL Yamato	1	16,476	85,226.68	85,226.68	100.0%	534	2.6%
SEIYU Hibarigaoka	1	5,576	19,070.88	19,070.88	100.0%	261	1.3%
Higashi-Totsuka Aurora City	4	50,917	107,597.69	107,597.69	100.0%	1,357	6.7%
Omiya SATY	1	6,241	75,344.90	75,344.90	100.0%	210	1.0%
Ito-Yokado Yotsukaido	1	13,891	59,207.19	59,207.19	100.0%	290	1.4%
AEON Yachiyo Midorigaoka Shopping Center	1	30,574	132,294.48	132,294.48	100.0%	684	3.4%
8953 Saitama Urawa Building	1	27,008	64,236.71	64,236.71	100.0%	*	*
subtotal	74	213,053	811,530.77	811,298.98	100.0%	6,878	33.8%
Osaka, Nagoya and Surrounding Areas							
8953 Osaka Shinsaibashi Building	1	13,439	13,666.96	13,666.96	100.0%	407	2.0%
Ito-Yokado Narumi	1	7,842	50,437.91	50,437.91	100.0%	264	1.3%
Nara Family	94	31,480	85,070.44	82,170.20	96.6%	2,146	10.5%
AEONMALL Higashiura	1	8,414	129,124.73	129,124.73	100.0%	468	2.3%
JUSCO City Takatsuki	1	11,197	77,267.23	77,267.23	100.0%	414	2.0%
JUSCO City Yagoto	2	3,799	63,778.44	63,778.44	100.0%	164	0.8%
JUSCO City Nishi-Otsu	1	13,222	62,717.26	62,717.26	100.0%	375	1.8%
Kyoto Family	61	5,415	25,606.48	24,996.29	97.6%	642	3.2%
Loc City Ogaki	1	4,581	57,500.35	57,500.35	100.0%	333	1.6%
Kawaramachi OPA	1	18,871	18,848.20	18,848.20	100.0%	363	1.8%
AEONMALL Tsurumi Leafa	1	29,414	138,538.63	138,538.63	100.0%	890	4.4%
AEONMALL Itami Terrace	1	20,726	157,904.26	157,904.26	100.0%	574	2.8%
Ario Otori	1	19,430	95,135.36	95,135.36	100.0%	490	2.4%
subtotal	167	187,831	975,596.25	972,085.82	99.6%	7,530	37.0%
Other Major Cities							
Sendai Nakayama Shopping Center	2	9,576	46,248.96	46,248.96	100.0%	447	2.2%
Hakata Riverain	66	6,505	25,920.11	23,883.79	92.1%	511	2.5%
AEON Kashiihama Shopping Center	1	12,841	109,616.72	109,616.72	100.0%	478	2.3%
AEON Sapporo Naebo Shopping Center	1	8,174	74,625.52	74,625.52	100.0%	378	1.9%
Tobata SATY	1	6,055	93,258.23	93,258.23	100.0%	315	1.5%
JUSCO Naha	1	10,694	79,090.48	79,090.48	100.0%	388	1.9%
AEON Ueda Shopping Center	1	9,334	61,349.07	61,349.07	100.0%	297	1.5%
Oyama Yuen Harvest Walk	1	10,088	58,767.20	58,767.20	100.0%	569	2.8%
AEON Sapporo Hassamu Shopping Center	1	18,406	102,169.00	102,169.00	100.0%	577	2.8%
subtotal	75	91,673	651,045.29	649,008.97	99.7%	3,960	19.4%
Grand Total	373	553,620	2,525,167.01	2,518,551.59	99.7%	20,360	100.0%

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