

August 2009 (15th) Period Results





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1. August 2009 Period Performance





August 2009 Period Performance

August 2009 Period Performance

	Feb. 2009 Period (Actual)	Aug. 2009 Period (Actual)	Change from previous period
Operating Revenue (mil. yen)	20,447	20,503	56 (0.3%)
Operating Income (mil. yen)	7,883	7,773	△ 110 (△ 1.4%)
Recurring Profit (mil. yen)	6,040	5,897	△ 143 (△ 2.4%)
Net Income (mil. yen)	5,820	5,880	60(1.1%)
Distribution per Unit (yen)	15,059	15,216	157 (1.0%)
FFO per Unit (Note2) (yen)	27,374	27,770	396 (1.4%)
FFO payout ratio	55.0%	54.8%	-

Average cost of debt (including guarantee deposits)	1.33%	1.33%	-
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Capital expenditures	596 mil. yen	926 mil. yen	330 mil. yen
Repair expenses	50 mil. yen	51 mil. yen	1 mil. yen
Total	647 mil. yen	978 mil. yen	331 mil. yen
Depreciation	4,847 mil. yen	4,852 mil. yen	5 mil. yen

(Note 1) Forecasts for August 2009 Period are based on data announced on Apr. 15, 2009.

(Note 2) (Net income + depreciation + other real estate related depreciation)/total units outstanding

Assets Under Management

	As of the end of Feb. 2009	As of the end of Aug. 2009	Change from previous period
Number of properties	48	50	2
Total Assets	578,674 mil. yen	588,500 mil. yen	9,825 mil. yen (1.7%)
Total Book Value (1)	553,619 mil. yen	559,203 mil. yen	5,584 mil. yen (1.0%)
Total Appraisal Value (2)	537,350 mil. yen	517,981 mil. yen	△ 19,369 mil. Yen (△ 3.6%)
Difference (2)-(1)	△ 16,269 mil. yen	△ 41,222 mil. yen	△ 24,953 mil. Yen (△ 153.4%)

Aug. 2009 Period ^(Note1) (Forecast)	Variance (%)
20,599	△ 96 (△ 0.5%)
7,769	4(0.1%)
5,675	222 (3.9%)
5,661	219 (3.9%)
14,647	569 (3.9%)
27,232	538 (2.0%)
53.8%	-

Major factors behind change (mil. yen)

Operating Revenue:	
• Increase due to acquisition of new properties	+35
• Income from penalty payment for cancellation of a tenancy agreement at Hakata Riverain	+395
• Decrease due to renovation period at Nara Family	△ 110
• Sale of JUSCO Chigasaki SC (incl. gain on sale) posted in Feb. 2009 period	△ 280
Operating Income:	
• Increased expenses from newly acquired properties	△ 74
• Increase due to taxes and public charges incurred from this fiscal year for properties acquired in the prior fiscal year (AEON Sapporo Hassamu SC, Ario Otori, G-Bldg. Jingumae 01 and 02)	△ 201
• Decreased expenses due to the sale of JUSCO Chigasaki SC in Feb. 2009 Period	+99
Recurring Profit:	
• Increase in interest expense, etc. due to shift to long-term debt	△ 40
Net Income:	
• Cash payment in relation to litigation settlement with Higashi Totsuka Aurora City posted in Feb. 2009 Period	+205

New acquisitions of properties in the Aug. 2009 Period
G DINING Sapporo: Acquired on Mar. 3, 2009; acquisition price 2,750 mil. yen
G-Bldg. Minami Aoyama 01: Acquired on Mar. 26, 2009; acquisition price 6,430 mil. yen

For details refer to pages 25-26



Forecasts for Feb. 2010 and Aug. 2010 Periods

Forecasts for Feb. 2010 and Aug. 2010 Periods

	Aug. 2009 Period (Actual/184 days)	Feb. 2010 Period (Estimate/181 days)	Aug. 2010 Period (Estimate/184 days)
Operating Revenue (mil. yen)	20,503	20,084	20,174
Operating Income (mil. yen)	7,773	7,484	7,539
Recurring Profit (mil. yen)	5,897	5,247	5,179
Net Income (mil. yen)	5,880	5,231	5,163
Distribution per Unit (yen)	15,216	13,534	13,358
FFO per Unit (Note1) (yen)	27,770	26,082	25,965
FFO Payout Ratio	54.8%	51.9%	51.4%
<hr/>			
Average Cost of Debt (incl. guarantee deposits)	1.33%	1.57%	1.71%
<hr/>			
Capital Expenditures	926 mil. yen	860 mil. yen ^(Note 2)	1,389 mil. yen
Maintenance	51 mil. yen	57 mil. yen	45 mil. yen
Total	978 mil. yen	917 mil. yen	1,434 mil. yen
Depreciation	4,852 mil. yen	4,850 mil. yen	4,873 mil. yen

(Note1) (Net income + depreciation + other real estate related depreciation)/total units outstanding

(Note 2) Includes 130 mil. yen for expansion (acquisition) of Abiko Shopping Plaza

Key Factors Affecting Feb. 2010 Forecast (mil. yen)

Operating Revenue: Δ 420

- Decrease of penalty payment income, etc.

Operating Income: Δ 289

- Loss from write-off • Decrease of PM fees, etc.

Recurring Profit: Δ 649

- Full effect of long-term loans, increase of new long-term loans, etc.

Key Factors Affecting Aug. 2010 Forecast (mil. yen)

Operating Revenue: +90

- Occupancy increases from existing properties, etc.

Operating Income: +55

- Increase of depreciation expense, etc. due to renovations

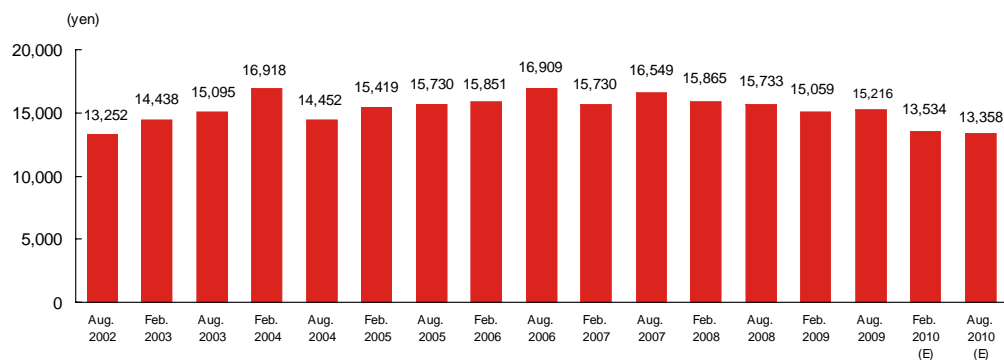
Recurring Profit: Δ 68

- Full effect of long-term loans, etc.

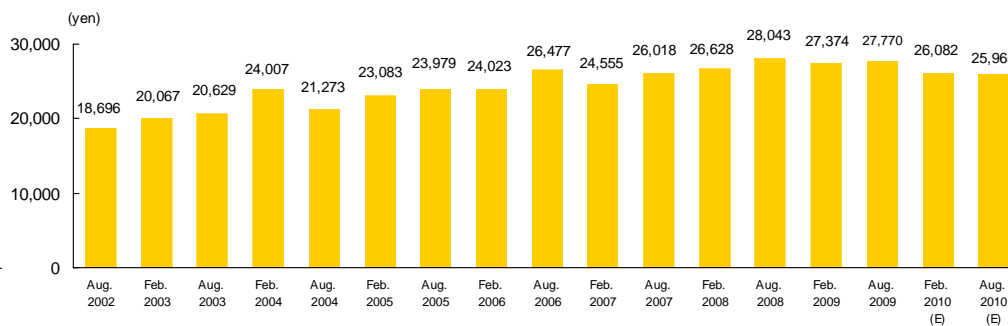


Historical Distribution per Unit and Yield

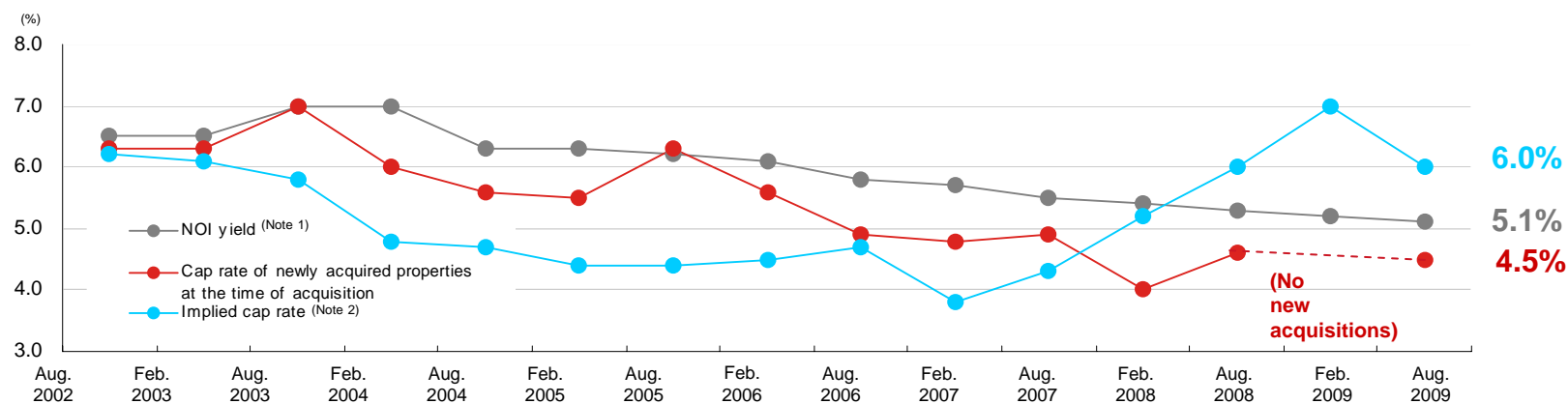
DPU



FFO per unit



Implied Cap Rate and NOI Yield



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

(Note 2) Implied cap rate = $\text{NOI} / (\text{Total market value} + \text{Net interest-bearing debts} + \text{Deposits and/or guaranteed money})$



Financial Summary - Aug. 2009 Period

Interest-bearing Liabilities

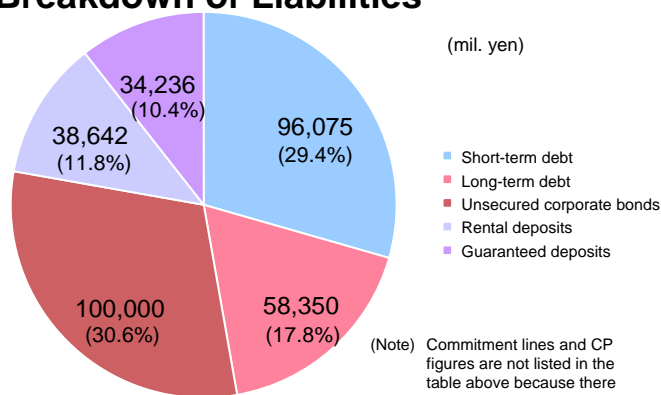
Long-term debt (average life) (Note 1)	5.1 years
Debt ratio (Note 2)	56.39%
Debt ratio (on a marked-to-market basis) (Note 2)	60.64%
Average cost of debt including guaranteed deposits	1.33%
Interest-bearing debt ratio	43.23%
Debt service coverage ratio (Note 3)	7.5 x

(Note 1) Long-term debt: Short-term debt is not included in average life.

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

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

Breakdown of Liabilities



(Note) Commitment lines and CP figures are not listed in the table above because there is no outstanding balance thereof.

Ratings

	Issuer rating	Long-term debt rating	Short-term debt rating
Moody's	A2	A2	Prime -1
S&P	A+	A+	A-1
R&I	AA-	AA-	a-1+

	As of end of August 2008	As of end of February 2009	As of end of August 2009
Debt Outstanding	332,784 mil. yen	322,090 mil. yen	331,855 mil. yen
Interest-bearing Debt Outstanding	245,485 mil.yen	242,675 mil. yen	254,425 mil. yen
Long-term Debt Ratio (Based on interest-bearing debt) (Note 1)	45.8%	50.8%	62.2%
Long-term Debt Ratio (Including deposits) (Note 2)	59.4%	62.3%	70.6%
LTV (Based on interest-bearing debt) (Note 3)	41.6%	41.9%	43.2%
LTV (Including deposits) (Note4)	55.6%	54.7%	55.6%

1. (Long-term debt + Unsecured corporate bonds)/(Long-term debt + Unsecured corporate bonds + Short-term debt + Short-term unsecured corporate bond)

2. (Long-term debt + Unsecured corporate bonds + Guaranteed deposits + Rental deposits)/(Long-term debt + Unsecured corporate bonds + Short-term debt + Short-term unsecured corporate bonds + Guaranteed deposits + Rental deposits)

3. (Long-term debt + Unsecured corporate bonds + Short-term debt + Short-term unsecured corporate bonds)/Total assets

4. (Long-term debt + Unsecured corporate bonds + Short-term debt + Short-term unsecured corporate bonds + Guaranteed deposits + Rental deposits)/Total assets

Status of Loans

Short-term Debt			Long-term Debt	
Credit facility	Balance	Credit line	Credit facility	Balance
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	70,075	142,500 (Note)	Aozora Bank, Ltd.	7,400
Mitsubishi UFJ Trust and Banking Corporation			Mizuho Corporate Bank, Ltd.	11,000
The Sumitomo Trust and Banking Co., Ltd.			Development Bank of Japan	
Sumitomo Mitsui Banking Corp.			Saitama Resona Bank, Limited	
Mizuho Corporate Bank, Ltd.	10,000		The Shinkumi Federation Bank	
Fukuoka Bank	8,000		Mitsui Sumitomo Insurance Co., Ltd.	39,950
The Chugoku Bank, Ltd.	3,000		Development Bank of Japan	
Total	96,075		Total	58,350

(Note) Including the unused credit line of The Chuo Mitsui Trust and Banking Co., Ltd.

Commitment Line		
Credit facility	Balance	Credit line
The Bank of Tokyo Mitsubishi UFJ, Ltd.	0	40,000
Mitsubishi UFJ Trust and Banking Corporation		
The Sumitomo Trust and Banking Co., Ltd.		









2. Progress of the Basic Investment Policy for the Medium Term and Growth Going Forward





External Environment Analysis

▶▶▶ The external environment has, for the most part, recovered moderately since April 2009

	April 2009	October 2009	First Phase: Environment of the Crisis Management Scenario	Second Phase: Environment when returning to the Original Basic Policy	JRF's current perception of the environment
Macro Economy			<ul style="list-style-type: none"> Real GDP growth remains negative. Employment insecurity and slowdown in spending due to large-scale corporate downsizing continue. 	<ul style="list-style-type: none"> Real GDP has bottomed out and starts recovering gradually. Effects of USA-centered economic measures and capital supply measures become prominent. 	<ul style="list-style-type: none"> During Apr.-Jun. there was a shift to positive real GDP growth. The global macro economy has bottomed out, and is making a moderate recovery towards next year. Although there are concerns of a double dip recession due to continued employment uncertainty and weak consumption, on the whole we see a recovery.
Financial Environment			<ul style="list-style-type: none"> The reluctance of financial institutions to lend continues. Refinancing cost increases. Interest rates remain at low levels. 	<ul style="list-style-type: none"> Financing environment improves for borrowers of good credit. Refinancing costs become normalized. Although interest rates may move up from previous low levels, they do not increase very much. 	<ul style="list-style-type: none"> Easing of lending by financial institutions due to policy allowances. Reduced risk of J-REIT bankruptcy. The refinancing risk to major J-REIT has dissipated, and the cost of debt is improving. Global capital markets are supportive of increased funding for growth companies and ventures.
Real Estate Environment			<ul style="list-style-type: none"> Although the need for dispositions increases, the situation of limited buyers continues. Tight real estate financing causes stagnation in real-estate transactions. Expected yields increase for some properties. 	<ul style="list-style-type: none"> Exit deals such as private funds and CMBS increase. Real-estate transactions gradually increase and supply/demand balance of investment properties starts improving. Expected yields decrease partially. 	<ul style="list-style-type: none"> Increase of buyers due to the improved financing environment. →Oriented towards high returns/stability. Sellers are also accepting partial losses, and are seeking to sell their properties. Liquidity is recovering as the viewpoints of buyers and sellers converge.
Retail Environment			<ul style="list-style-type: none"> Consumer spending remains low except for daily essentials. Postponement of new store openings and restructuring such as store closings become prominent. Low-priced products such as private brands stay strong. Sales of luxury goods remain sluggish. 	<ul style="list-style-type: none"> Consumer spending starts recovering gradually. Shake-out in the retail industry progresses, and the supply/demand balance of retail centers improves. Winners become more stable. Some luxury brands recover. 	<ul style="list-style-type: none"> Consumers continue to be frugal due to increased employment uncertainty and flat disposable income growth; recovery is expected after mid 2010. Shake-out of retailers. Clear distinction between superior and inferior shopping centers (SC). Gradual improvement and stabilization of the supply/demand balance for retail centers.



Overview of the Basic Investment Policy for the Medium Term

	From April 2009	From October 2009
Financial Strategy	<u>Crisis Management Scenario</u> Rebuilding of a stable financial base <ul style="list-style-type: none"> ➤ Funds to redeem corporate bonds ➤ Maintain and improve long-term debt ratio 	<ul style="list-style-type: none"> ➤ Advancement of strategy for lower credit spreads ➤ Lower LTV to a level below 55%, while giving consideration to the financing environment ➤ With respect to equity, seek possibilities for external growth through opportunities to acquire new properties, on the premise of medium to long-term growth of distributions per unit
Internal Growth Strategy	<ul style="list-style-type: none"> ➤ Maintenance of stable rental income from existing suburban retail centers ➤ Pursuit of cost efficiencies, maintenance of long-term competitiveness, undertake measures that are cost effective ➤ Place high priority on converting some of the income properties to growth properties by changing the form of lease, etc. 	
External Growth Strategy	<u>Crisis Management Scenario</u> No pursuit of external growth; property replacement is the basic policy. <ul style="list-style-type: none"> • Maintenance of market value of retail centers by prudent selling • We assume a temporary decrease in rent revenue when replacing properties due to sales taking place first. 	<ul style="list-style-type: none"> ➤ Improve quality and profitability of portfolio through property replacement <ul style="list-style-type: none"> • Improved liquidity in real estate markets leads to increased replacement opportunities ➤ Seek potential for external growth by focusing on new acquisition opportunities <ul style="list-style-type: none"> • Top stores in suburban areas • In metropolitan areas, properties which have future upside potential, or which are well located with excellent tenants • Large stores in highly-populated suburban areas ➤ Expand scale of assets by M&A which satisfy our investment criteria <ul style="list-style-type: none"> • Improve medium-term EPS and per unit NAV following mergers

Basic Investment Policy for the Medium Term:

Black font - Basic Scenario
Red font - Upside Scenario



Financial(1) - Measures for the Crisis Management Scenario

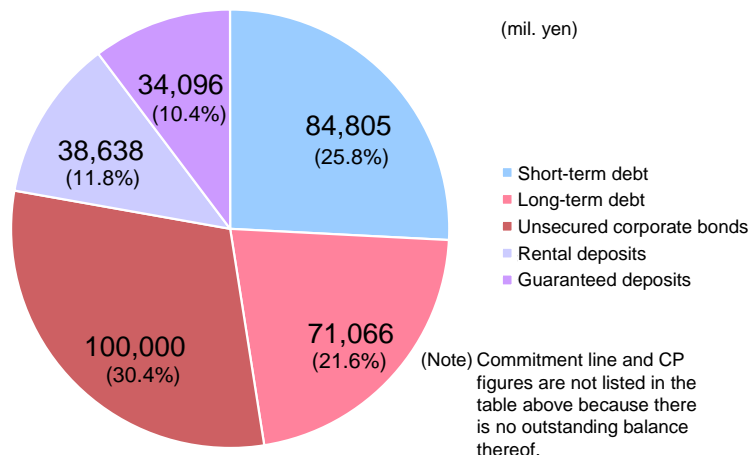
	April 2009 Announcement	Initiatives implemented through September 2009																											
Refinancing	<ul style="list-style-type: none">• We will prioritize securing a total of 40 bil. yen, for upcoming redemption of corporate bonds in Feb. 2010 and Dec. 2011.• We will secure capital including unused commitment line of credit.	<p>➤ Secured funds for redemption of corporate bonds and 10 bil. yen cash on hand</p> <ul style="list-style-type: none">• We borrowed a 35 bil. yen from the Development Bank of Japan on July 30, 2009, and repaid 25 bil. yen of short-term loans under the commitment line of credit agreement.• We will maintain the commitment line of credit agreement (maximum amount of 40 bil. yen).																											
Long-term Debt Ratio	<ul style="list-style-type: none">• We will aim to secure long-term debt of an amount equivalent to maturing corporate bonds before they mature and to maintain a long-term debt ratio of 50% or more (the same level as that of the Feb. 2009 period, based on interest-bearing debt).	<p>➤ The long-term debt ratio was increased from 50.8% to 66.9%.</p> <ul style="list-style-type: none">• We borrowed 48 bil. yen in long-term. <table><tr><th>Loan Date</th><th>Lender</th><th>Loan Amount</th><th>Annual Interest Rate</th><th>Loan Term</th></tr><tr><td rowspan="2">July 30, 2009</td><td rowspan="2">Development Bank of Japan</td><td>15 bil. yen</td><td>1.81% (fixed interest)</td><td>7 years</td></tr><tr><td>20 bil. yen</td><td>2.24% (fixed interest)</td><td>9 years</td></tr><tr><td>Sept. 4, 2009</td><td>American Family Insurance</td><td>5 bil. yen</td><td>2.95% (fixed interest)</td><td>10 years</td></tr><tr><td>Sept. 30, 2009</td><td>The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Co., Ltd. and The Sumitomo Trust and Banking, Co., Ltd.</td><td>8 bil. yen</td><td>1.43% (floating interest)</td><td>5 years</td></tr></table> <ul style="list-style-type: none">• Sept. 30 2009 - We prepaid an 8 bil. short-term yen loan from The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Co., Ltd. and The Sumitomo Trust and Banking, Co., Ltd.					Loan Date	Lender	Loan Amount	Annual Interest Rate	Loan Term	July 30, 2009	Development Bank of Japan	15 bil. yen	1.81% (fixed interest)	7 years	20 bil. yen	2.24% (fixed interest)	9 years	Sept. 4, 2009	American Family Insurance	5 bil. yen	2.95% (fixed interest)	10 years	Sept. 30, 2009	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Co., Ltd. and The Sumitomo Trust and Banking, Co., Ltd.	8 bil. yen	1.43% (floating interest)	5 years
Loan Date	Lender	Loan Amount	Annual Interest Rate	Loan Term																									
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LTV	<ul style="list-style-type: none">• We will not change the target LTV of 45 to 55% (including rental deposits/guarantee deposits) stated in the Basic Investment Policy for the Medium Term but will gradually lower our LTV by utilizing internal funds.	We were able to partially repay some of our loans with cash on hand																											

Financial arrangements have been completed for the Crisis Management Scenario

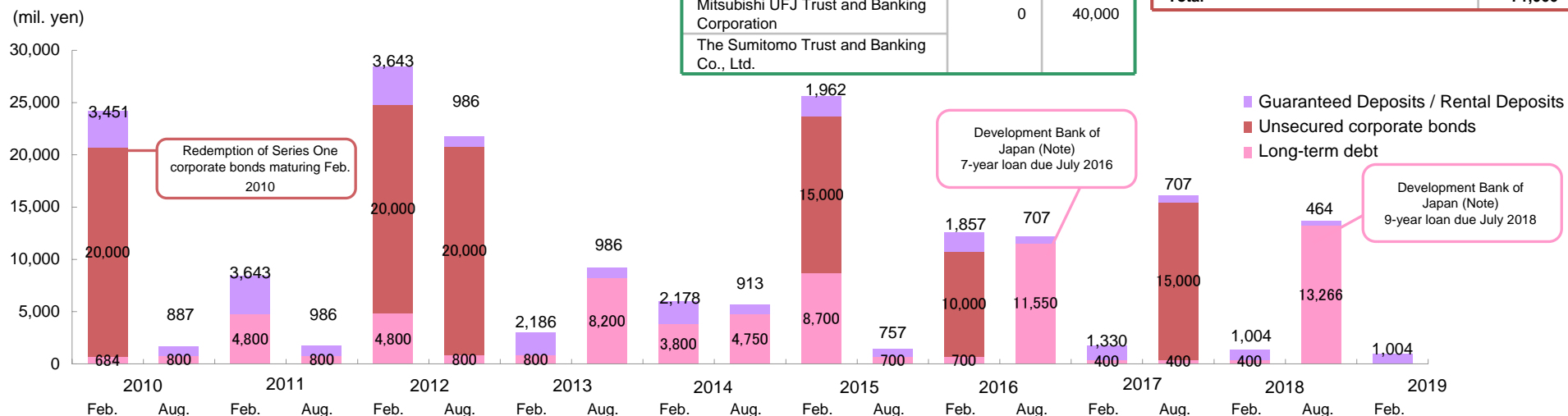


Financial (2) - Financial Status as of end of September 2009

Breakdown of Liabilities



Long-term Debt Repayment Schedule



Status of Loans

Short-term loans		
Credit facility	Loan Balance	Credit Line
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	62,075	106,000
Mitsubishi UFJ Trust and Banking Corporation		
The Sumitomo Trust and Banking Co., Ltd.		
Sumitomo Mitsui Banking Corp.	7,530	
Mizuho Corporate Bank, Ltd.	8,000	
Fukuoka Bank	3,000	
The Chugoku Bank, Ltd	4,200	
Total	84,805	

Commitment Lines		
Credit facility	Balance	Credit Line
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	0	40,000
Mitsubishi UFJ Trust and Banking Corporation		
The Sumitomo Trust and Banking Co., Ltd.		

(mn yen)

Long-term loans	
Credit facility	Loan Balance
Aozora Bank, Ltd.	7,400
Mizuho Corporate Bank, Ltd.	11,000
Development Bank of Japan	
Saitama Resona Bank, Limited	
The Shinkumi Federation Bank	
Mitsui Sumitomo Insurance Co., Ltd.	39,666
Development Bank of Japan	
Aflac	5,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	8,000
Mitsubishi UFJ Trust and Banking Corporation	
The Sumitomo Trust and Banking Co., Ltd.	
Total	71,066



Internal Growth (1) - Status of Urban Retail Centers

▶▶▶ The average occupancy rate of urban properties (18 properties) as of the end of August 2009 was 97.3%

▶ Leasing status of urban retail centers with an occupancy rate of less than 100% (as of end of Aug.2009)

Property	Occupancy rate (as of end of Feb. 2009)	Occupancy rate (as of end of Aug. 2009)	Share of total JRF Portfolio	Status
GYRE	100.0%	96.8%	4.0%	Plans to conclude a lease agreement with Comme de Garçons for tenancy starting at the end of October.
8953 Minami Aoyama Bldg.	90.4%	90.4%	0.9%	Although one of the tenants, HUGO BOSS JAPAN, closed on March 31, they will continue to pay the rent until the end of the lease (March 2012). Following the store's closure, a tenant is expected to sublease the space from November. Leasing initiatives on the existing vacant space (1 space in the basement) is being conducted (potential tenant: restaurant).
Hakata Riverain	92.1%	87.8%	1.1%	With respect to the five tenants which was subleased by Izutsuya, we have concluded lease agreements with them directly. With respect to the space directly managed by Izutsuya, and currently being vacant, we are currently undertaking leasing initiatives aimed at opening in the spring of 2010 in cooperation with Toshin Development, focusing on food and lacking business categories.
G-Bldg. Jingumae 02	34.3%	69.9%	0.4%	From Aug. 2009 the beauty salon "Lavagna&Ganga" started tenancy and the occupancy rate is 69.9%. We are currently in the process of leasing the remaining floor (1st floor) to a tenant in the beauty care business.
G DINING Sapporo	-	29.8%	0.5%	Tenants will move in to the 8 th and 9 th floors from November 2009. There are other potential tenants for other floors, and we aim for 60% occupancy during fiscal year 2009(ending in March 2010).
G-Bldg. Minami Aoyama 01	-	0.0%	1.1%	Leasing this property is proving more difficult than expected, as sales continue to be sluggish for imported fashion brands which are the key leasing candidates for this property, and there is more caution about opening new stores. We formed a leasing team with PM companies and external leasing companies to conduct leasing activities focused on tenant candidates in the fashion, beauty and retailing businesses, with the aim of opening stores in the spring of 2010.

Properties with 100% occupancy rate (12 properties): 8953 Harajuku FACE Building, 8953 Kita Aoyama Building, 8953 Jiyugaoka Building, Cheers Ginza, 8953 Jingumae 6 Building, 8953 Daikanyama Building, 8953 Osaka Shinsaibashi Building, Esquisse Omotesando Annex, BIC CAMERA Tachikawa, Kawaramachi OPA, 8953 Saitama Urawa Building, G-Bldg. Jingumae 01



Internal Growth (2) – Status of Suburban Retail Centers

➤ In the current difficult retail environment, sales at suburban properties are relatively firm

➤ Status of Business at Properties

- According to the Commercial Census from Mar. to Aug. 2009, average YoY sales of large retail stores nationwide were 92.8% (benchmark).
- In the Aug. 2009 Period average YoY sales of JRF's 32 large Shopping Centers (SCs) were 94.1%, exceeding the benchmark.
- Sales at 19 (more than 54.5% based on rent) out of JRF's 32 large SCs exceeded the benchmark.

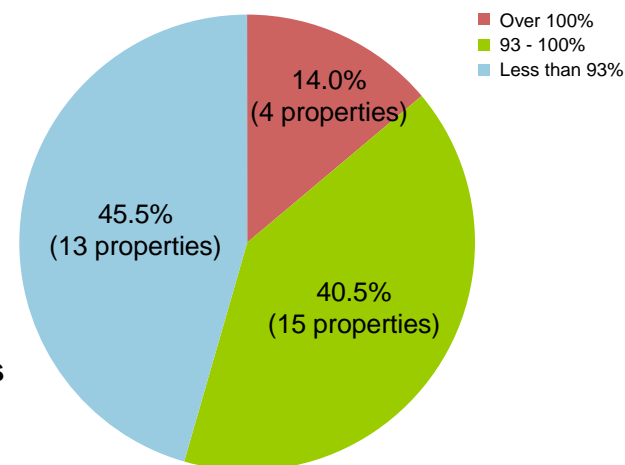
➤ Maintenance of Stable Rent Revenue

The general rule is not to accept requests for rent decreases. However, for properties with a possibility of an increase in rent-to-sales ratio or a decrease in competitive strength, we will endeavor to prepare alternative plans before a request to decrease rent is submitted and implement these plans as necessary.

➤ Timeline for rent revision of suburban-type properties in the next three years

Within one year	3 properties
One to two years	10 properties
Two to three years	3 properties

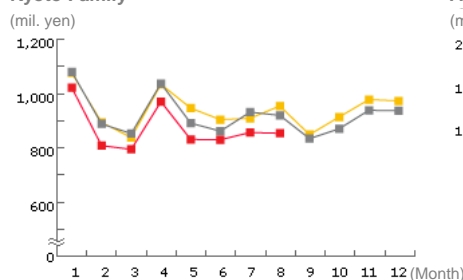
- YoY sales comparison of 32 suburban SC properties (based on annual rent)^(Note 1)



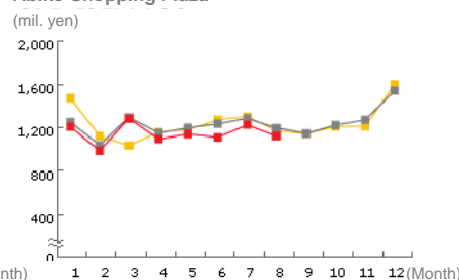
(Note 1) JRF survey

(Note 2) Sales of large-scale retail centers by type from Commercial Statistics: 92.8% (Mar. to Aug. YoY)

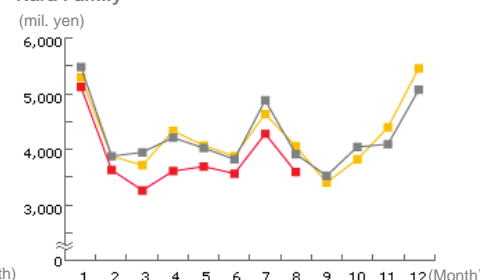
Kyoto Family



Abiko Shopping Plaza

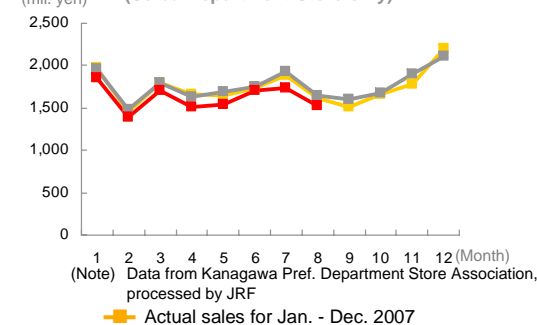


Nara Family



(Note) Overall sales including Kintetsu Dept. as core tenant

Higashi Totsuka Aurora City
(Seibu Department Store only)^(Note)



(Note) Data from Kanagawa Pref. Department Store Association, processed by JRF

— Actual sales for Jan. - Aug. 2009

— Actual sales for Jan. - Dec. 2008



Internal Growth (3) - Progress Status of Active Projects

Projects planned for properties for Feb. and Aug. 2010 periods

Abiko Shopping Plaza	Making use of unused land within the property site, we plan to add an annex to improve competitiveness.
Higashi-Totsuka Aurora City	Plan to change a part of the Annex Tower parking to stores and lease to a large specialty store tenant.
Kyoto Family	Around March 2010 we will carry out a partial refurbishment, replace 10 to 15 stores, add a food court, refurbish part of the common space and carry out improvements to the exterior and signage. The estimated investment is 750 mil. yen. Upgrades to obsolete equipment will be implemented from March 2010.

	Abiko Shopping Plaza	Higashi-Totsuka Aurora City
Floor area	376.32 m ²	1,961.78 m ²
Number of proposed tenants	5 stores (pet store, grocery store, etc)	1 store
Total investment	130 mil. yen (Annex tower 115 mil. yen, grass court area 15 mil. yen)	300 mil. yen
Completion date	Mid Feb. 2010 (estimate)	Mid Feb. 2010 (estimate)
Assumed NOI (extended area)	14.9 mil. yen (approx.)	59 mil. yen (approx.)
Assumed NOI yield (extended area)	11.5% (approx.)	19.2% (approx.)
NOI yield before extensions	7.2%	4.0%
NOI yield after extensions	7.3%	4.1%



Abiko Shopping Plaza
(graphic image)

Higashi-Totsuka
Aurora City
(graphic image)



Projects planned for properties from the Feb. 2011 period and later

AEON Higashiura SC	To add retail categories, we are planning to increase floor space in the store annex, but due to construction costs we are currently revising the implementation date and investment amount.
JUSCO Naha	We are planning a large-scale increase of floor space, but due to soaring construction costs and the progress of negotiations with surrounding land owners for purchase of land we are currently revising the implementation date and investment amount.
Kyoto Family	Seismic reinforcement, renewal of interior and exterior and change of tenant mix. Planned implementation: around 2013



Internal Growth (4) - Progress Status of Cost Reductions

▶▶▶ Cost reduction measures implemented in the Aug. 2009 Period

▶ Progress status of cost reduction plans announced in April 2008 in the Basic Investment Policy for the Medium Term

Item	Objective	Progress Achieved
Reduce of PM (property management) costs	Reduce costs by 10 mil. yen per annum by the end of Aug. 2009	We have reached agreement on reduction of PM costs by 17 mil. yen per annum, to take effect from September.
Reduce real estate management trust fees	Reduce costs by 10 mil. yen per annum by the end of Aug. 2009	We have reached agreement on reduction of trust fees by 12 mil. yen per annum, to take effect from September.
Reduce fixed property tax/ city planning tax	Reduce costs by 17 mil. yen per annum by the end of Feb. 2011	So far we have reduced taxes by 6 mil. yen per annum.

▶▶▶ Cost reduction plans going forward

▶ We will aim to apply successful examples to other properties for the management of retail centers, and at the same time also improve investment methods.

Item	Plan
Cost reduction by improvement of investment methods	<p>▶ Abiko Shopping Plaza, Oyama Yuen Harvest Walk: Examination of BM (building management) specification→ Select Building Management providers based on competition.</p> <p>▶ Hakata Riverain Reduced costs by 6 mil. yen per annum by reviewing lighting and airconditioning operation plans</p> <p>▶ Nara Family: Improved efficiency of operational management through collaboration with core tenants</p>
Advancement of cost reduction measures by the engineering team	<p>▶ We aim to reduce costs for medium term maintenance and repair plans by controlling the timing of development and work orders, etc.</p> <p>Examples:</p> <ul style="list-style-type: none"> ○ Reduce the cost of work by adopting uniform specifications for large-scale repairs and maintenance for roof tops, building exteriors, etc., and adjustment of the timing of those works ○ When updating heating systems and large airconditioning equipment, improve the efficiency to reduce total costs Nara Family- Reduced energy costs by replacement of heating systems ○ Proactively adopt low cost equipment when planning renovations
Cost reductions from energy and heating saving measures	<p>▶ Reduced energy costs by adopting energy-saving lighting fixtures and airconditioning systems</p> <p>Example: ○ Higashi-Totsuka Aurora City – Reduced costs by 6 mil. yen per annum by changing lighting fixtures in the car park</p> <p>▶ Reduced water and waste water costs by installing water-saving toilets</p> <p>Example: ○ Abiko Shopping Plaza, Hakata Riverain - Installed equipment for a trial</p>

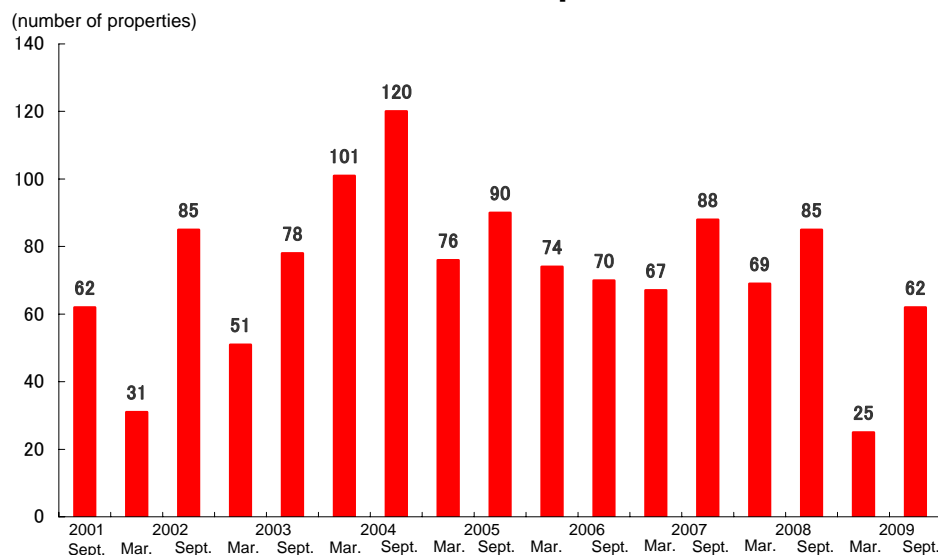


External Growth (1)

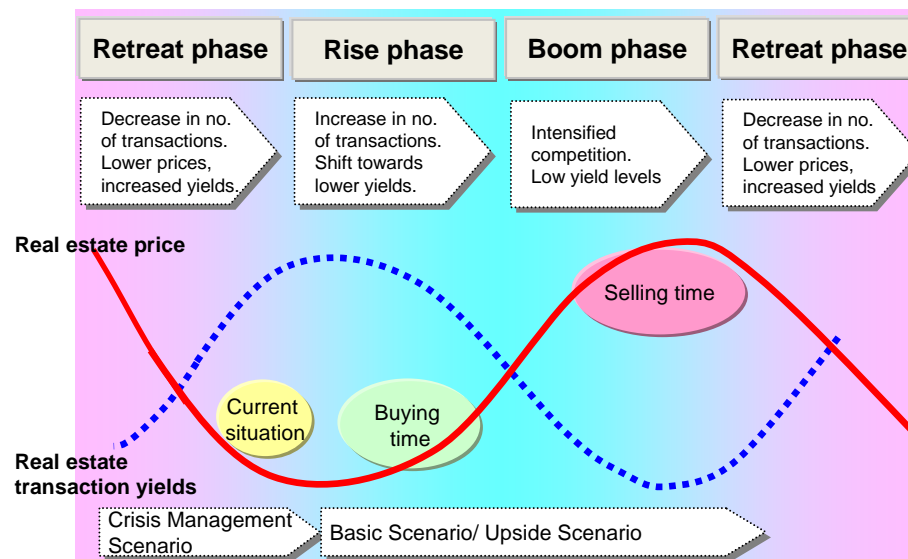
External growth strategy: recovery from the “Crisis Management Scenario” to the “original Basic Policy”

Basic scenario	Improve the portfolio quality through property replacement, without pursuing external growth, to maintain stable distributions and increase NAV per unit.
Upside	While responding to changes in the real estate market and capital markets, select properties for acquisition/disposal that may increase distributions or NAV, and conduct measures such as PO or M&A, carried out at an appropriate timing.

Number of Investment Properties Considered (note) Real Estate Market Cycle



(Note) Properties which meet JRF's investment criteria, and are subject for consideration



Cumulative number/ value of properties considered

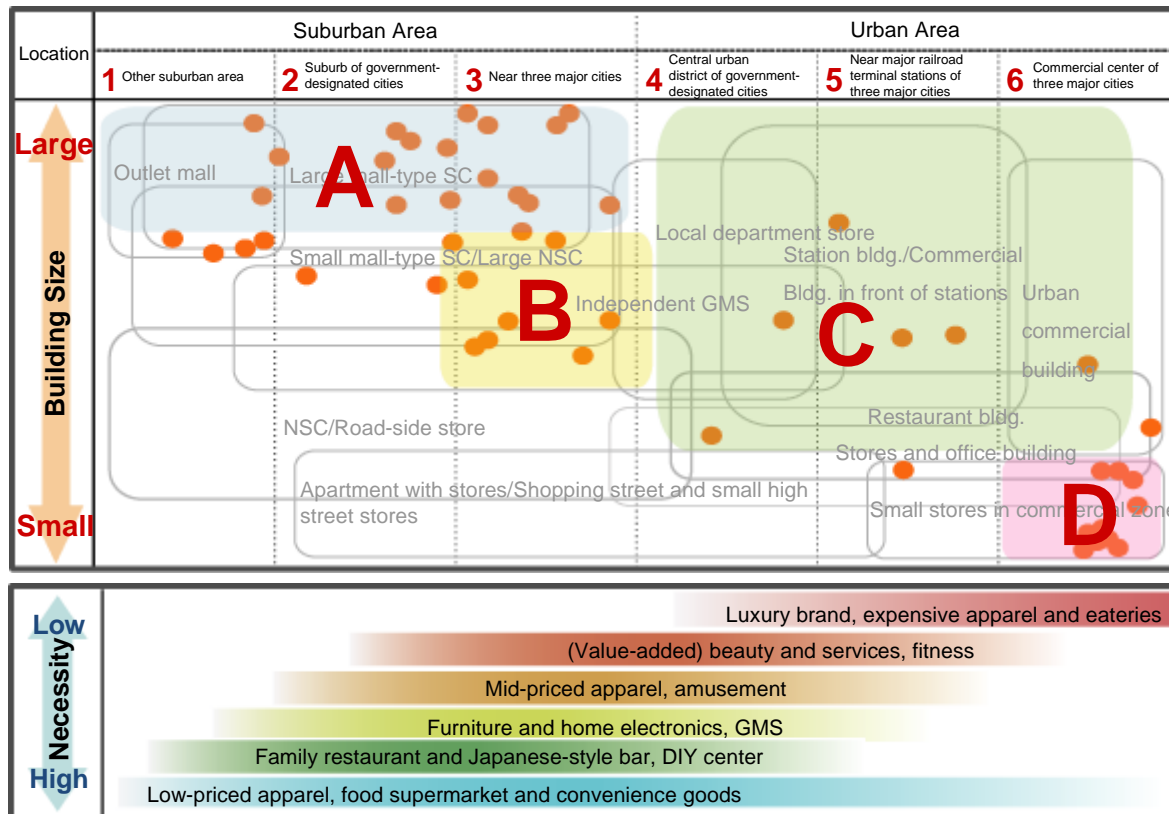
Number/value of properties considered from Oct. 2008 to end of Sept. 2009: 87 properties, approx. 580 bil. yen

Cumulative number/value of properties from 2001 to end of Sept. 2009: 1,234 properties, approx. 7.8 tril. yen



External Growth (2) - Property Acquisition Targets

● JRF-owned properties



➤ Property type to be focused on

Suburban type:

- A** Mall-type SCs dominant in the region
- B** Neighborhood retail centers located in densely-populated areas that meet daily customer needs (daily necessities)

Urban type:

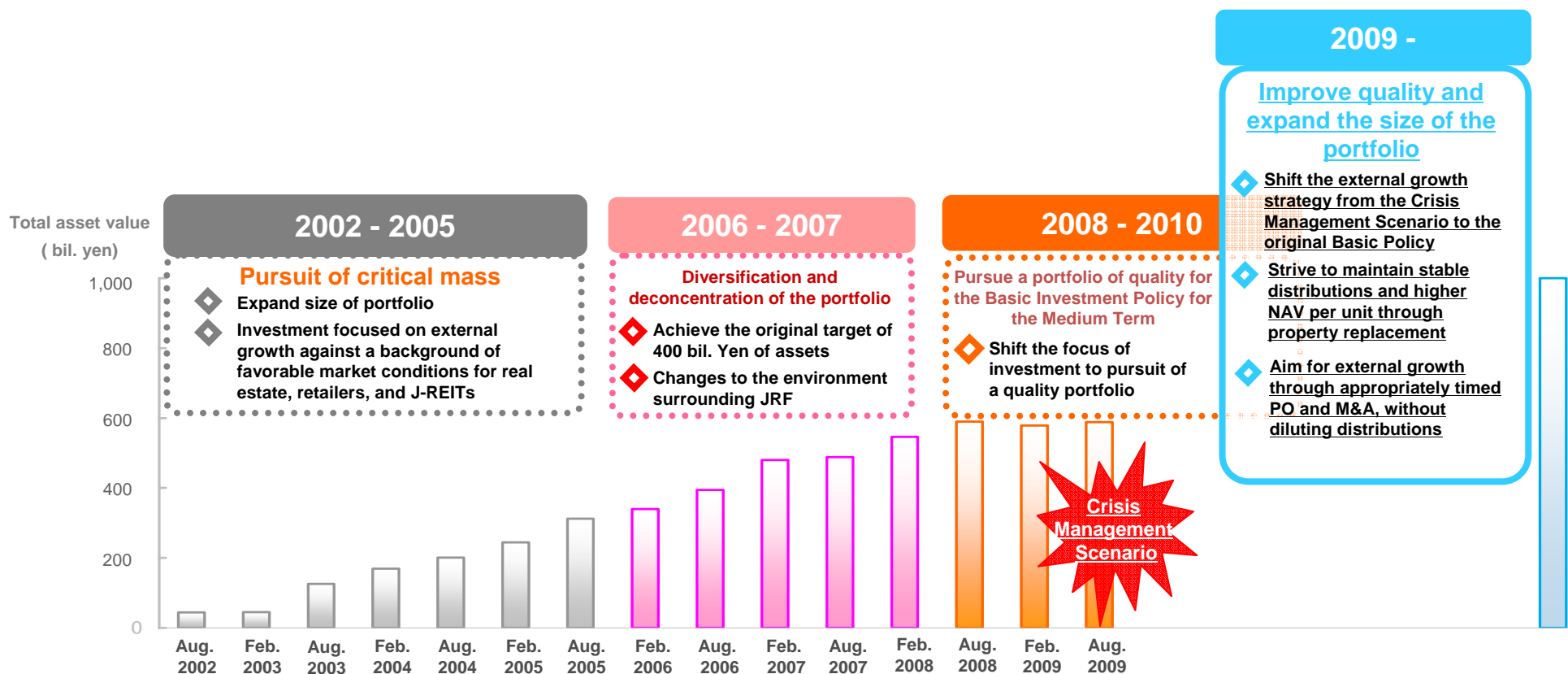
- C** Centers with high potential that meet various customer needs and where many tenants want to open businesses (located next to major stations in metropolitan areas)
- D** High street stores and specialty store buildings located in prime locations of central commercial areas

➤ Area to be focused on

In principle, we will diversify investment in major cities, especially in the three major cities of Tokyo, Nagoya and Osaka.



Growth Going Forward



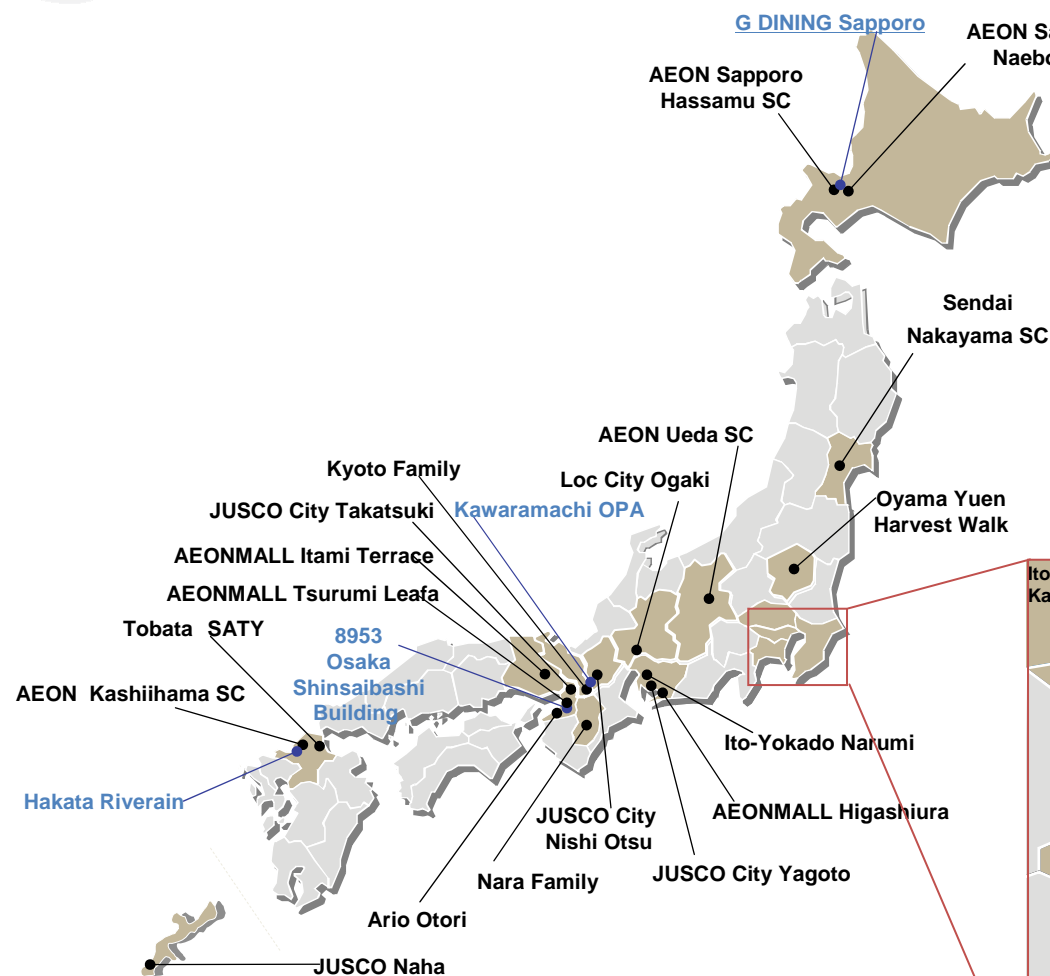
The year following the Crisis Management Scenario is the time to start seeking quantitative growth

3. Portfolio Overview

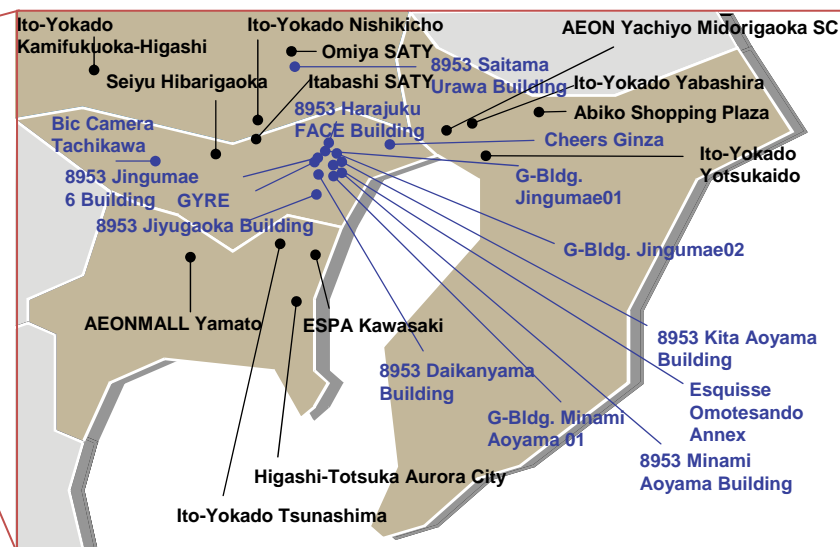




Locations of Portfolio Properties



Urban properties: 18	Total acquisition price
	136,350 mil. yen
Suburban properties: 32	Total acquisition price
	434,756 mil. Yen
Total	571,107 mil. Yen

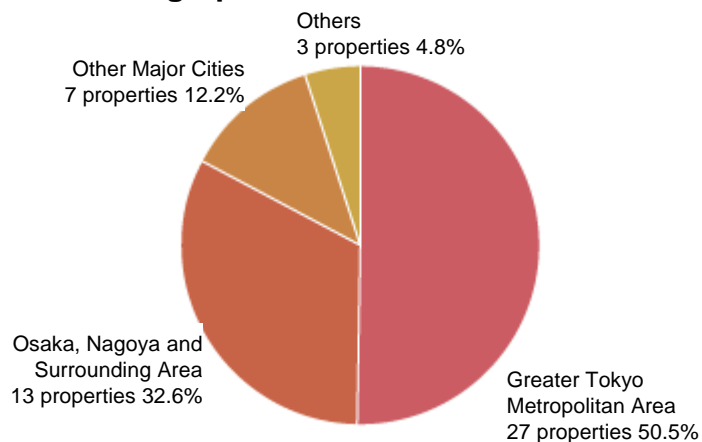


(Note 1) Map represents the existing portfolio as of the end of August 2009.
 (Note 2) The names in black are suburban properties, those in blue are urban properties.

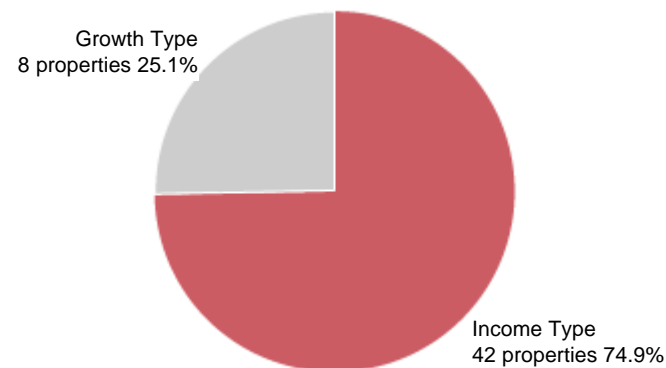


Portfolio Diversification (50 properties as of August 2009)

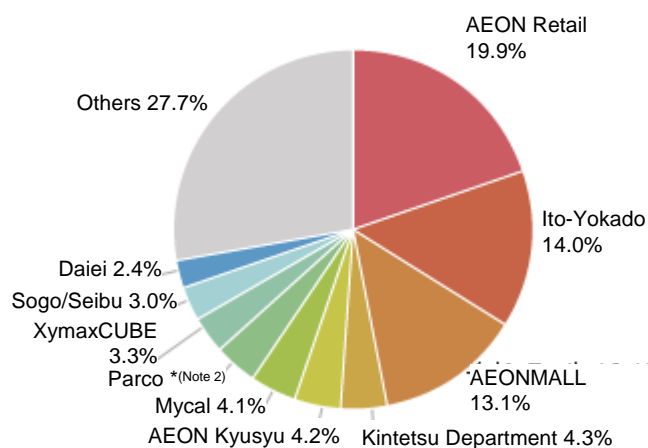
➤ Geographical



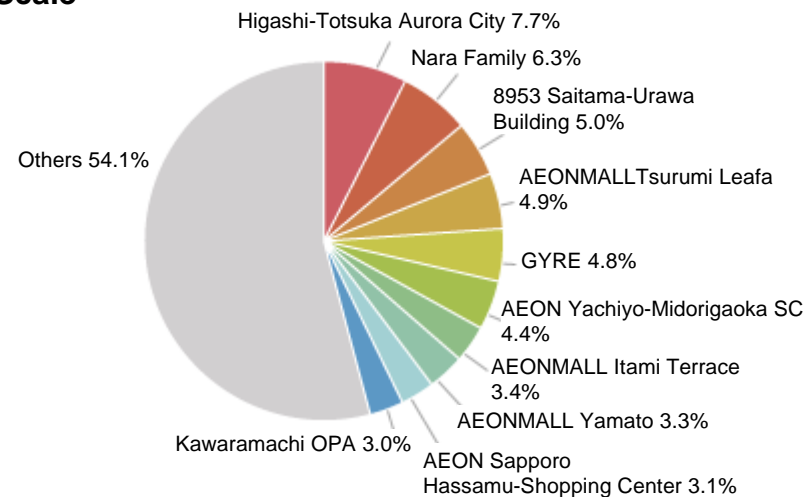
➤ Investment Type



➤ Tenants



➤ Scale



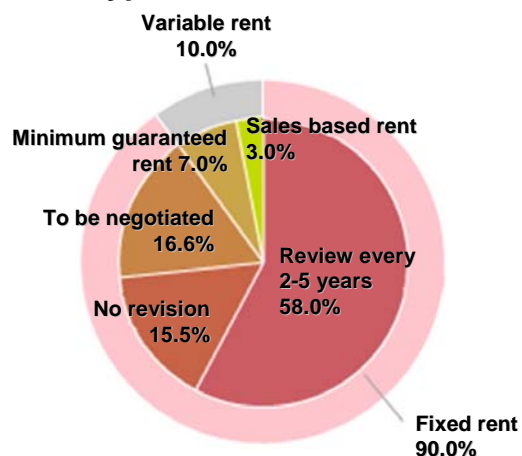
(Note 1) The geographical, investment type and scale diversification are based on appraisal values, while tenant diversification is based on annual rents.

(Note 2) Percentage undisclosed as tenant has not agreed to its disclosure.

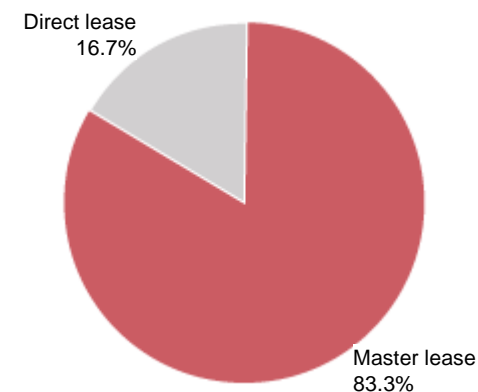


Portfolio Data (50 properties as of August 2009)

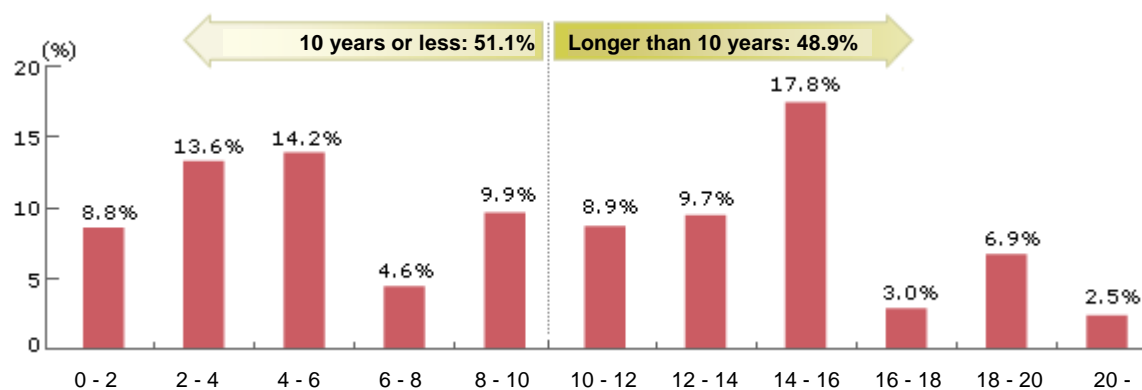
➤ Rent Type (Note 1)



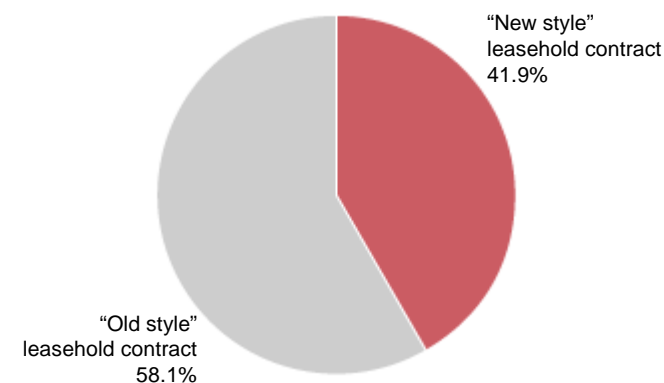
➤ Lease Type



➤ Remaining Years of Lease Contract (Note 2)



➤ Lease Contract Type



(Note 1) Based on annual rent

(Note 2) The record date is the last day of Aug. 2009



Portfolio List (50 Properties) (Note 1)

Name	Investment Type	Age ^(Note 2) (Years)	Total Leasable Area (m ²)	Occupancy (%)	Acquisition Price (%)	Share (%)	Cap Rate at Acquisition ^(Note 3) (%)	No. of Tenants	Key Tenants	PML ^(Note 4) (%)	Property Manager
Tokyo metropolitan area											
ESPA Kawasaki ^(Note 5)	Income	9.1	65,313.47	100.0	15,691	2.7	6.2	5	Ito-Yokado, Sports Depo	9.1	Xymax Cube
Abiko Shopping Plaza	Growth	14.9	42,642.44	99.9	10,200	1.8	7.2	54	Ito-Yokado	8.8	Xymax Cube
8953 Minami Aoyama Building	Income	7.5	1,529.15	90.4	5,350	0.9	5.5	3	Hugo Boss (Note 6)	13.5	CB Richard Ellis
Ito-Yokado Yabashira	Income	26.9	21,308.78	100.0	1,616	0.3	6.1	1	Ito-Yokado	6.1, 4.9	Xymax Cube
Ito-Yokado Kamifukuoka-Higashi	Income	10.0	28,316.18	100.0	6,900	1.2	6.3	1	Ito-Yokado	9.7	Geo Akamatsu
Ito-Yokado Nishikicho	Income	5.8	73,438.52	100.0	13,212	2.3	5.6	1	Ito-Yokado	8.3	Geo Akamatsu
8953 Daikanyama Building	Income	18.5	599.79	100.0	1,235	0.2	5.3	2	F GARDEN	4.7	Office Mitsuki
8953 Harajuku FACE Building	Income	24.4	1,479.10	100.0	2,770	0.5	5.6	4	DIESEL Japan	8.5	Xymax Cube
Esquisse Omotesando Annex	Income	12.5	540.78	100.0	860	0.2	5.5	2	LS Mode	4.5	Office Mitsuki
Ito-Yokado Tsunashima	Income	27.5	16,549.50	100.0	5,000	0.9	6.1	1	Ito-Yokado	12.3	Jones Lang LaSalle
Bic Camera Tachikawa	Income	39.1	20,983.43	100.0	11,920	2.1	5.5	2	Bic Camera	15.5	Jones Lang LaSalle
Itabashi SATY	Income	9.3	72,253.88	100.0	12,400	2.2	5.4	1	SATY	6.0	Xymax Cube
8953 Kita Aoyama Building	Income	4.6	492.69	100.0	989	0.2	5.4	2	NEWS, Best Bridal	11.4	Office Mitsuki
AEONMALL Yamato	Income	7.8	85,226.68	100.0	16,823	2.9	5.5	1	JUSCO	7.9	Xymax Cube
Seiyu Hibiyaoka	Income	30.9	19,070.88	100.0	6,100	1.1	7.6	1	Seiyu	10.3	CB Richard Ellis
8953 Jiyugaoka Building	Income	10.2	1,814.15	100.0	2,700	0.5	5.2	11	NEXT, news	3.2	Xymax Cube
Cheers Ginza	Income	4.5	1,686.58	100.0	4,200	0.7	4.3	9	Madan, Ginza Shoutaien	5.7	Nomura Bldg. Management
Higashi-Totsuka Aurora City	Growth	10.0	107,597.69	100.0	50,500	8.8	4.5	4	Seibu Dept. Store, Daiei	4.3	Aim Create
Omiya SATY	Income	8.9	75,344.90	100.0	6,133	1.1	5.8	1	SATY	8.5	Xymax Cube
Ito-Yokado Yotsukaido	Income	4.6	59,207.19	100.0	13,600	2.4	4.1	1	Ito-Yokado	5.8	Geo Akamatsu
AEON Yachiyo Midorigaoka SC	Income	4.5	132,294.48	100.0	30,789	5.4	4.0	1	JUSCO	6.6	Xymax Cube
GYRE ^(Note 7)	Growth	1.9	4,934.28	96.8	22,712	4.0	3.4	16	CHANEL, BVLGARI	4.1	Geo Akamatsu
8953 Jingumae 6 Building	Income	1.8	670.43	100.0	2,360	0.4	3.9	4	Family Mart, Lani HAIR	8.0	Office Mitsuki
8953 Saitama Urawa Building	Income	1.9	64,236.71	100.0	27,330	4.8	4.3	1	PARCO	3.6	Hankyu-Hanshin Building Management
G-Bldg. Jingumae 01	Income	1.9	555.75	100.0	3,400	0.6	4.1	2	BAPE STORE Harajuku	13.2	Office Mitsuki
G-Bldg. Jingumae 02	Income	1.4	426.29	69.9	2,233	0.4	4.0	2	Anastasia	11.2	QUALICATION
G-Bldg. Minami Aoyama 01	Income	0.5	922.30	0.0	6,430	1.1	4.0	0	-	11.3	Office Mitsuki
Subtotal/Weighted Average		9.1	899,436.02	97.1	283,456	49.6	4.9	133		-	

(Note 1) As of end of August 31, 2009

(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) Though Hugo Boss has closed on March 31, 2009, they continue to pay the rent until the end of the agreement.

(Note 7) 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 of acquisition only reflects the building plus the land leasehold and the land is not included.



Portfolio List (50 Properties) (Note 1)

Name	Investment Type	Age ^(Note2) (Years)	Total Leasable Area (m ²)	Occupancy (%)	Acquisition Price (%)	Share (%)	Cap Rate at Acquisition ^(Note 3) (%)	No. of Tenants	Key Tenants	PML ^(Note 4) (%)	Property Manager
Osaka, Nagoya and surrounding areas											
8953 Osaka Shinsaibashi Building	Income	10.6	13,666.96	100.0	14,300	2.5	5.5	1	Tokyu Hands	5.5	Xymax Cube
Nara Family	Growth	16.8	85,000.26	98.4	31,375	5.5	7.4	122	Kintetsu Dept. Store, JUSCO	5.2	AEONMALL
Ito-Yokado Narumi	Income	12.1	50,437.91	100.0	8,540	1.5	7.3	1	Ito-Yokado	7.4	Xymax Cube
AEONMALL Higashiura	Income	6.7	129,124.73	100.0	9,142	1.6	6.3	1	JUSCO	14.2, 10.1	Xymax Cube
JUSCO City Takatsuki	Income	15.5	77,267.23	100.0	11,700	2.0	6.0	1	JUSCO	3.6	CB Richard Ellis
JUSCO City Yagoto	Income	16.0	63,778.44	100.0	3,700	0.6	7.0	2	JUSCO	4.2	Xymax Cube
JUSCO City Nishi Otsu	Income	12.8	62,717.26	100.0	13,100	2.3	5.2	1	JUSCO	4.9	Xymax Cube
Kyoto Family	Growth	26.8	25,606.48	97.5	5,340	0.9	6.5	60	JUSCO, Nitori	3.7	AEONMALL
Loc City Ogaki	Income	4.1	57,500.35	100.0	4,950	0.9	8.2	1	MaxValu	6.5	Geo Akamatsu
Kawaramachi OPA	Income	10.8	18,848.20	100.0	18,500	3.2	4.4	1	OPA	2.5	Geo Akamatsu
AEONMALL Tsurumi Leafa	Income	2.8	138,538.63	100.0	29,902	5.2	4.6	1	JUSCO	6.6	Xymax Cube
AEONMALL Itami Terrace	Income	7.0	157,904.26	100.0	21,110	3.7	5.1	1	JUSCO	4.9	Xymax Cube
Ario Otori	Income	1.4	95,135.36	100.0	19,040	3.3	4.6	1	Ito-Yokado	5.4	Pro Cap
Subtotal/Weighted Average		9.8	975,526.07	99.7	190,701	33.4	5.7	194		-	
Other major city											
Sendai Nakayama SC	Income	13.2	46,248.96	100.0	10,200	1.8	7.6	2	JUSCO	3.8, 3.2, 1.2	Xymax Cube
Hakata Riverain	Growth	10.7	25,920.12	87.8	6,309	1.1	6.5	73	IDC Otsuka Kagu, Louis Vuitton	0.1	Geo Akamatsu
AEON Kashiihama SC	Income	5.8	109,616.72	100.0	13,300	2.3	6.2	1	JUSCO	0.9	Geo Akamatsu
AEON Sapporo Naebo SC	Income	6.2	74,625.52	100.0	9,260	1.6	6.2	1	JUSCO	1.8	Xymax Cube
Tobata SATY	Income	10.5	93,258.23	100.0	6,290	1.1	6.6	1	SATY	1.9	Geo Akamatsu
JUSCO Naha	Income	15.9	79,090.48	100.0	10,700	1.9	6.0	1	JUSCO	7.3	Jones Lang LaSalle
AEON Ueda SC	Income	5.2	61,349.07	100.0	9,500	1.7	5.3	1	JUSCO	3.3	Geo Akamatsu
Oyama Yuen Harvest Walk ^(Note 5)	Growth	2.4	58,767.20	100.0	10,200	1.8	5.4	1	York Benimaru, Super Viva Home	3.4	Xymax Cube
AEON Sapporo Hassamu SC	Income	2.9	102,169.00	100.0	18,440	3.2	4.7	1	JUSCO	0.6	Jones Lang LaSalle
G DINING Sapporo ^(Note 5)	Growth	0.8	5,271.93	100.0	2,750	0.5	5.8	1	Ajishige, Sapporo Butaya	0.9	Xymax Cube
Subtotal/Weighted Average		7.2	656,317.23	99.2	96,949	17.0	5.9	83		-	
Total/Weighted Average		9.0	2,531,279.32	98.3	571,107	100.0	5.4	410		2.0	

(Note 1) As of end of August 31, 2009

(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 occupancy rate is 100% due to conclusion of a master lease agreement.



Portfolio List (50 Properties) - Appraisal Cap Rate

Name	Book Value (mil. yen)	Appraisal Value (mil. yen)			Direct Cap Rate			DCF Discount Rate		DCF Terminal Cap Rate	
		Feb. 2009	Aug. 2009	Variation	Feb. 2009	Aug. 2009	Variation	Feb. 2009	Aug. 2009	Feb. 2009	Aug. 2009
Tokyo metropolitan area											
ESPA Kawasaki	14,776	14,020	13,290	-730	6.00%	6.10%	0.10%	4.90%	5.10%	5.60%	5.80%
Annex						6.40%	6.60%	0.20%	5.50%	5.70%	6.00%
Abiko Shopping Plaza	10,184	12,300	11,700	-600	6.50%	6.70%	0.20%	5.80%	6.00%	6.30%	6.50%
8953 Minami Aoyama Building	5,332	6,360	5,960	-400	4.50%	4.30%	-0.20%	3.90%	4.50%	4.30%	4.60%
Ito-Yokado Yabashira	1,526	1,840	1,830	-10	5.90%	6.10%	0.20%	5.70%	5.90%	6.20%	6.40%
Ito-Yokado Kamifukuoka-Higashi	6,543	7,070	6,640	-430	6.10%	6.40%	0.30%	5.50%	5.80%	6.00%	6.30%
Ito-Yokado Nishikicho	12,101	13,200	12,200	-1,000	5.70%	5.90%	0.20%	5.20%	6.00%	5.80%	6.20%
8953 Daikanyama Building	1,263	1,620	1,290	-330	4.70%	4.70%	0.00%	4.30%	4.50%	4.70%	4.90%
8953 Harajuku FACE Building	2,756	3,920	3,810	-110	4.50%	4.70%	0.20%	4.30%	4.50%	4.70%	4.90%
Esquisse Omotesando Annex	884	1,350	1,280	-70	4.30%	4.50%	0.20%	4.00%	4.20%	4.50%	4.70%
Ito-Yokado Tsunashima	4,960	5,000	4,840	-160	6.20%	6.40%	0.20%	5.50%	5.70%	6.00%	6.20%
Bic Camera Tachikawa	11,811	11,800	11,200	-600	5.20%	5.50%	0.30%	5.10%	5.30%	5.40%	5.60%
Itabashi SATY	11,920	13,200	12,500	-700	5.20%	5.40%	0.20%	4.80%	5.00%	5.50%	5.70%
8953 Kita Aoyama Building	986	1,370	1,300	-70	4.10%	4.30%	0.20%	3.90%	4.10%	4.30%	4.50%
AEONMALL Yamato SC	16,370	17,800	17,100	-700	5.10%	5.30%	0.20%	4.70%	4.90%	5.20%	5.40%
Seiyu Hibarigaoka	5,529	7,140	6,910	-230	6.50%	6.70%	0.20%	6.30%	6.50%	6.80%	7.00%
8953 Jiyugaoka Building NEXT	2,634	3,260	3,091	-169	4.50%	4.70%	0.20%	4.30%	4.50%	4.70%	4.90%
Colline					4.80%	5.00%	0.20%	4.60%	4.80%	5.00%	5.20%
Cheers Ginza	4,121	4,000	3,750	-250	3.90%	4.10%	0.20%	3.90%	4.10%	4.20%	4.40%
Higashi-Totsuka Aurora City	50,600	42,000	40,000	-2,000	4.70%	4.90%	0.20%	4.50%	4.70%	4.90%	5.10%
Omiya SATY	6,189	5,970	5,840	-130	5.90%	6.10%	0.20%	6.20%	6.50%	6.90%	7.20%
Ito-Yokado Yotsukaido	13,806	11,000	10,200	-800	5.10%	5.50%	0.40%	4.80%	5.20%	5.00%	5.40%
AEON Yachiyo Midorigaoka SC	30,364	24,400	22,600	-1,800	5.00%	5.40%	0.40%	4.80%	5.20%	5.00%	5.40%
GYRE	22,822	26,800	25,000	-1,800	3.60%	3.70%	0.10%	3.30%	3.50%	3.60%	3.70%
8953 Jingumae 6 Building	2,395	2,470	2,450	-20	4.20%	4.30%	0.10%	4.00%	4.50%	4.40%	4.60%
8953 Saitama Urawa Building	26,676	26,200	25,900	-300	4.90%	5.00%	0.10%	4.60%	4.70%	5.10%	5.10%
G-Bldg. Jingumae 01	3,433	3,630	3,570	-60	4.40%	4.30%	-0.10%	3.90%	4.60%	4.40%	4.60%
G-Bldg. Jingumae 02	2,337	1,850	1,780	-70	4.30%	4.50%	0.20%	4.00%	4.50%	4.40%	4.80%
G-Bldg. Minami Aoyama 01	6,495	-	5,440	-	-	4.50%	-	-	4.40%	-	4.50%
Subtotal (yield is a simple average)	278,809	269,570	261,471	-8,099	5.08%	5.23%	0.15%	4.73%	5.00%	5.18%	5.37%

(Note 1) The book value, Direct cap rate, DCF discount rate and DCF terminal cap rate are based on appraisals by licensed real estate agents (CBRE, Daiwa Real Estate Appraisal, Japan Real Estate Institute and Tanizawa Sogo Appraisal).

(Note 2) With respect to BIC CAMERA Tachikawa, there is a possibility that seismic reinforcement works may be required going forward, however this appraisal does not take those costs into consideration. There is a possibility that the said book value may be impacted by these costs.



Portfolio List (50 Properties) - Appraisal Cap Rate

Name	Book Value (mil. yen)	Appraisal Value (mil. yen)			Direct Cap Rate			DCF Discount Rate		DCF Terminal Cap Rate	
		Feb. 2009	Aug. 2009	Variation	Feb. 2009	Aug. 2009	Variation	Feb. 2009	Aug. 2009	Feb. 2009	Aug. 2009
Osaka, Nagoya and surrouding areas											
8953 Osaka Shinsaibashi Building	13,367	14,500	13,800	-700	5.10%	5.00%	-0.10%	4.60%	5.20%	5.00%	5.30%
Nara Family	31,588	34,000	32,400	-1,600	6.40%	6.50%	0.10%	5.40%	5.60%	6.40%	6.60%
Ito-Yokado Narumi	7,770	5,840	5,310	-530	7.10%	7.80%	0.70%	5.90%	6.20%	6.50%	6.80%
AEONMALL Higashiura	8,325	10,400	9,920	-480	5.60%	5.90%	0.30%	5.20%	5.50%	5.90%	6.20%
JUSCO City Takatsuki	11,095	9,930	9,600	-330	6.30%	6.50%	0.20%	6.20%	6.40%	6.50%	6.70%
JUSCO City Yagoto	3,768	3,680	3,570	-110	6.50%	6.70%	0.20%	6.30%	6.50%	6.60%	6.80%
JUSCO City Nishi Otsu	13,132	11,200	10,700	-500	6.00%	6.30%	0.30%	5.90%	6.20%	6.10%	6.40%
Kyoto Family	5,343	5,970	5,660	-310	6.20%	6.50%	0.30%	5.60%	5.90%	6.60%	6.90%
Loc City Ogaki	4,477	4,340	4,180	-160	9.80%	10.20%	0.40%	7.10%	7.40%	15.40%	16.40%
Kawaramachi OPA	18,821	16,700	15,600	-1,100	4.70%	5.00%	0.30%	4.20%	4.50%	4.50%	4.80%
AEONMALL Tsurumi Leafa	29,088	27,700	25,200	-2,500	5.20%	5.40%	0.20%	4.90%	5.10%	5.40%	5.60%
AEONMALL Itami Terrace	20,568	18,800	17,700	-1,100	5.10%	5.30%	0.20%	4.60%	4.90%	5.30%	5.50%
Ario Otori	19,176	16,100	15,100	-1,000	5.40%	5.70%	0.30%	5.10%	5.40%	5.60%	5.90%
Subtotal (yield is a simple average)	186,517	179,160	168,740	-10,420	6.11%	6.37%	0.26%	5.46%	5.75%	6.60%	6.92%
Other major cities											
Sendai Nakayama SC	9,498	10,800	10,800	0	7.00%	7.10%	0.10%	6.10%	6.30%	6.60%	6.80%
Hakata Riverain	6,357	6,160	5,630	-530	6.10%	6.20%	0.10%	5.90%	6.00%	6.30%	6.40%
AEON Kashiihama SC	12,743	13,600	13,300	-300	5.90%	6.00%	0.10%	5.60%	6.20%	6.10%	6.30%
AEON Sapporo Naebo SC	8,053	8,830	8,560	-270	6.50%	6.70%	0.20%	6.10%	6.30%	6.70%	6.90%
Tobata SATY	5,994	6,050	5,820	-230	7.30%	7.60%	0.30%	6.70%	7.00%	7.80%	8.10%
JUSCO Naha	10,904	10,700	10,100	-600	5.70%	6.10%	0.40%	5.60%	6.00%	6.10%	6.50%
AEON Ueda SC	9,222	8,210	7,850	-360	5.90%	6.20%	0.30%	5.60%	5.90%	6.20%	6.50%
Oyama Yuen Harvest Walk	9,947	7,070	6,820	-250	7.40%	7.60%	0.20%	7.00%	7.20%	7.50%	7.70%
AEON Sapporo Hassamu SC	18,213	17,200	16,200	-1,000	5.30%	5.60%	0.30%	5.00%	5.30%	5.40%	5.70%
G DINING Sapporo	2,947	-	2,690	2,690	-	6.10%	-	-	5.80%	-	6.20%
Subtotal (yield is a simple average)	93,878	88,620	87,770	-850	6.34%	6.52%	0.18%	5.96%	6.20%	6.52%	6.71%
Portfolio Total											
(yield is a simple average)	559,204	537,350	517,981	-19,369	5.57%	5.76%	0.19%	5.14%	5.42%	5.79%	6.02%

(Note) The book value, Direct cap rate, DCF discount rate and DCF terminal cap rate are based on appraisals by licensed real estate agents (CBRE, Daiwa Real Estate Appraisal, Japan Real Estate Institute and Tanizawa Sogo Appraisal)



Portfolio Analysis

Portfolio Analysis

Investment criteria	Average at end of Feb. 2009 Period	Average at end of Aug. 2009 Period
1. NOI yield ^(Note1)	5.2%	5.2%
2. Yield after depreciation ^(Note2)	3.5%	3.5%
3. Qualitative assessment ^(Note 3)	Suburban-type 131 points Urban-type 147 points JRF overall 135 points (245/245)	Suburban-type 135 points Urban-type 146 points JRF overall 138 points (245/245)

(Note 1) NOI yield = NOI / Acquisition price
Calculated on the basis of NOI for the previous 2 periods

(Note 2) Yield after depreciation = (NOI - Depreciation) / Book Value

(Note 3) JRF standard-based qualitative assessment

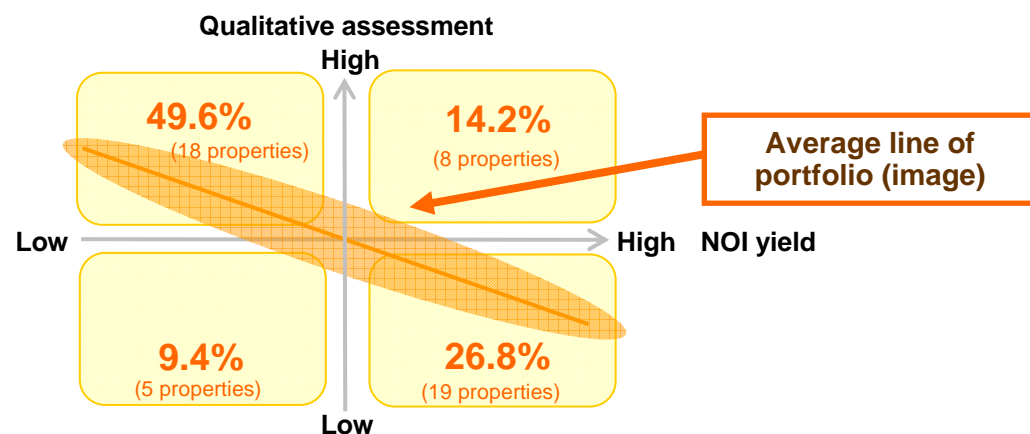
- Retail property's potential based on its location (0-60 pt)
- Age of building (0-20 pt)
- Diversified use of property (0-40 pt)
- Growth potential (0-10 pt)
- Revenue development (0-40 pt)
- Rent level (0-40 pt)
- Potential for cost reduction (0-20 pt)
- Other (-10~15 pt)

(Note) Data for the Feb. 2009 period is the average of 50 properties, including G Dining Sapporo and G-Bldg. Minami Aoyama 01, which we had already signed contracts to acquire at that time (excepting JUSCO Chigasaki SC, which was sold during the Feb. 2009 period)

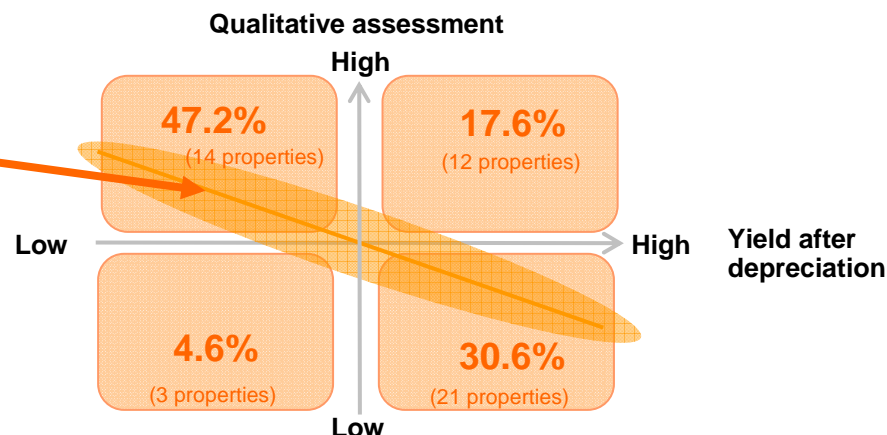
Analysis of Existing Portfolio Analysis:

The average score is the center point with yield scores on the x-axis and qualitative assessment scores on the y-axis.

(a) Distribution by NOI yield



(b) Distribution by yield after depreciation



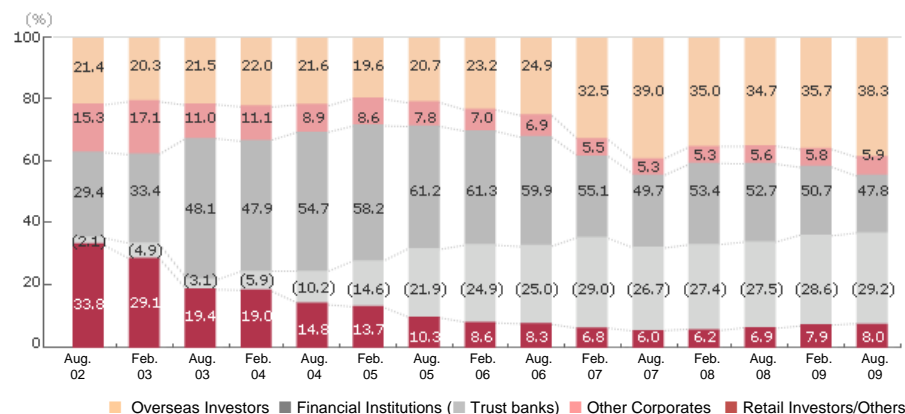
4. Investor Profile



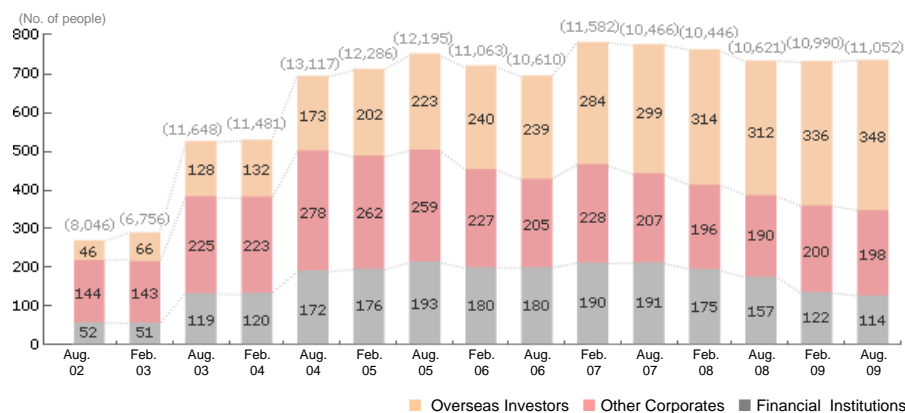


Investor Analysis

Ownership Ratio by Investor Type



Number 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 Aug.31, 2009

Rank	Name	Units held	Percentage (%)
1	NikkoCiti Trust and Banking Corporation, trust account	31,325	8.10
2	Trust and Custody Services Bank, trust account	27,164	7.02
3	Japan Trustee Services Bank, trust account	26,146	6.76
4	Mitsubishi Corporation	13,975	3.61
5	Government of Singapore Investment Corporation Pte Ltd	13,953	3.61
6	The Nomura Trust and Banking Co., Ltd, Investment Trust	12,046	3.11
7	CBLDN STICHTING PGGM DEPOSITORY	11,432	2.95
8	The Master Trust Bank of Japan, trust account	10,865	2.81
9	The Fuji Fire and Marine Insurance	10,140	2.62
10	The Bank of New York, Treaty JASDAQ Account	7,739	2.00
11	AIG Star Life Insurance, general account	7,457	1.92
12	North Pacific Bank	6,341	1.64
13	The Bank of New York, Tax Treaty JASDAQ Omnibus II	5,561	1.43
14	The Momiji Bank, Ltd.	5,167	1.33
15	OM01SSB Client Omnibus	4,625	1.19
16	National Mutual Insurance Federation of Agricultural Cooperatives	4,405	1.13
17	State Street Bank and Trust Company 505223	4,356	1.12
18	State Street Bank and Trust Company 505225	4,022	1.04
19	Kansai Urban Banking Corporation	3,960	1.02
20	UBS AG Singapore	3,908	1.01
Total		214,587	55.52



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