Translation

JAPAN RETAIL FUND INVESTMENT CORPORATION
SUMMARY OF FINANCIAL RESULTS
FOR THE SIX MONTHS ENDED AUGUST 31, 2010

October 13, 2010

Name of issuer:	Japan Retail Fund Investment Corporation ("the Investment Corporation")
Stock exchange listing:	Tokyo Stock Exchange
Securities code:	8953
Website:	http://www.jrf-reit.com
Representative of the Investment Corporation:	Fuminori Imanishi, Executive Director
Name of asset manager:	Mitsubishi Corp.-UBS Realty Inc.
Representative of the asset manager:	Takuya Kuga, President & CEO
Contact:	Fuminori Imanishi, Head of Retail Division Tel: (03)5293-7081
Scheduled date for filing of securities report:	November 26, 2010
Scheduled date for dividends payment:	November 16, 2010

(Amounts of less than one million yen are rounded down)

1. Financial results for the six months ended August 31, 2010 (March 1, 2010 to August 31, 2010)

(1) Operating results

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Recurring profit		Net income	
For the six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2010	23,326	16.4	8,898	18.2	5,893	10.2	13,093	145.7
February 28, 2010	20,035	-2.3	7,529	-3.1	5,346	-9.3	5,329	-9.4

Note: Net income for the six months ended August 31, 2010 includes a ¥7,202 million of a gain on negative goodwill as extraordinary income.

	Net income per unit	Return on unitholders' equity	Ratio of recurring profit to total assets	Ratio of recurring profit to operating revenues
For the six months ended	Yen	%	%	%
August 31, 2010	7,755	4.9	0.9	25.3
February 28, 2010	13,788	2.1	0.9	26.7

(2) Dividends

	Dividends (excluding dividends in excess of profit)		Dividends in excess of profit		Payout ratio	Ratio of dividends to net assets
	Per unit	Total	Per unit	Total		
For the six months ended	Yen	Millions of yen	Yen	Millions of yen	%	%
August 31, 2010	3,657	6,173	0	0	47.2	2.3
February 28, 2010	13,788	5,329	0	0	100.0	2.1

(3)Financial position

	Total assets	Net assets	Ratio of net assets to total assets	Net asset value per unit
As of	Millions of yen	Millions of yen	%	Yen
August 31, 2010	666,843	278,844	41.8	165,173
February 28, 2010	578,829	256,093	44.2	662,593

(4) Cash flows

	Net cash provided by (used in)			Cash and cash equivalents at end of period
	Operating activities	Investing activities	Financing activities	
For the six months ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
August 31, 2010	11,302	(2,392)	(12,911)	22,230
February 28, 2010	10,307	(4,096)	(11,863)	17,269

2. Outlook for the six months ending February 28, 2011 (September 1, 2010 to February 28, 2011) and August 31, 2011 (March 1, 2011 to August 31, 2011)

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Recurring profit		Net income (Note)	
For the six months ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2011	22,817	-2.2	9,164	3.0	6,529	10.8	6,464	-50.6
August 31, 2011	21,710	-4.9	8,395	-8.4	5,772	-11.6	5,770	-10.7

	Net income per unit	Dividends per unit (excluding dividends in excess of profit)	Dividends in excess of profit per unit
For the six months ending	Yen	Yen	Yen
February 28, 2011	3,828	3,828	0
August 31, 2011	3,417	3,417	0

3. Others

(1) Changes in accounting policies, procedures and presentation methods for preparing financial information

Changes due to accounting standards revision: None

Changes due to other reasons: Please refer to "3. Financial information, (6) Notes to financial information, Note 1 (j) Change in accounting policies" on page [22].

(2) Number of units issued

Number of units issued at end of period (including treasury units):

As of August 31, 2010	1,688,198 units
As of February 28, 2010	386,502 units

Number of treasury units at end of period:

As of August 31, 2010	0 unit
As of February 28, 2010	0 unit

Note: For the number of unit as a basis of calculation of net income per unit, please refer to per unit information on page [34].

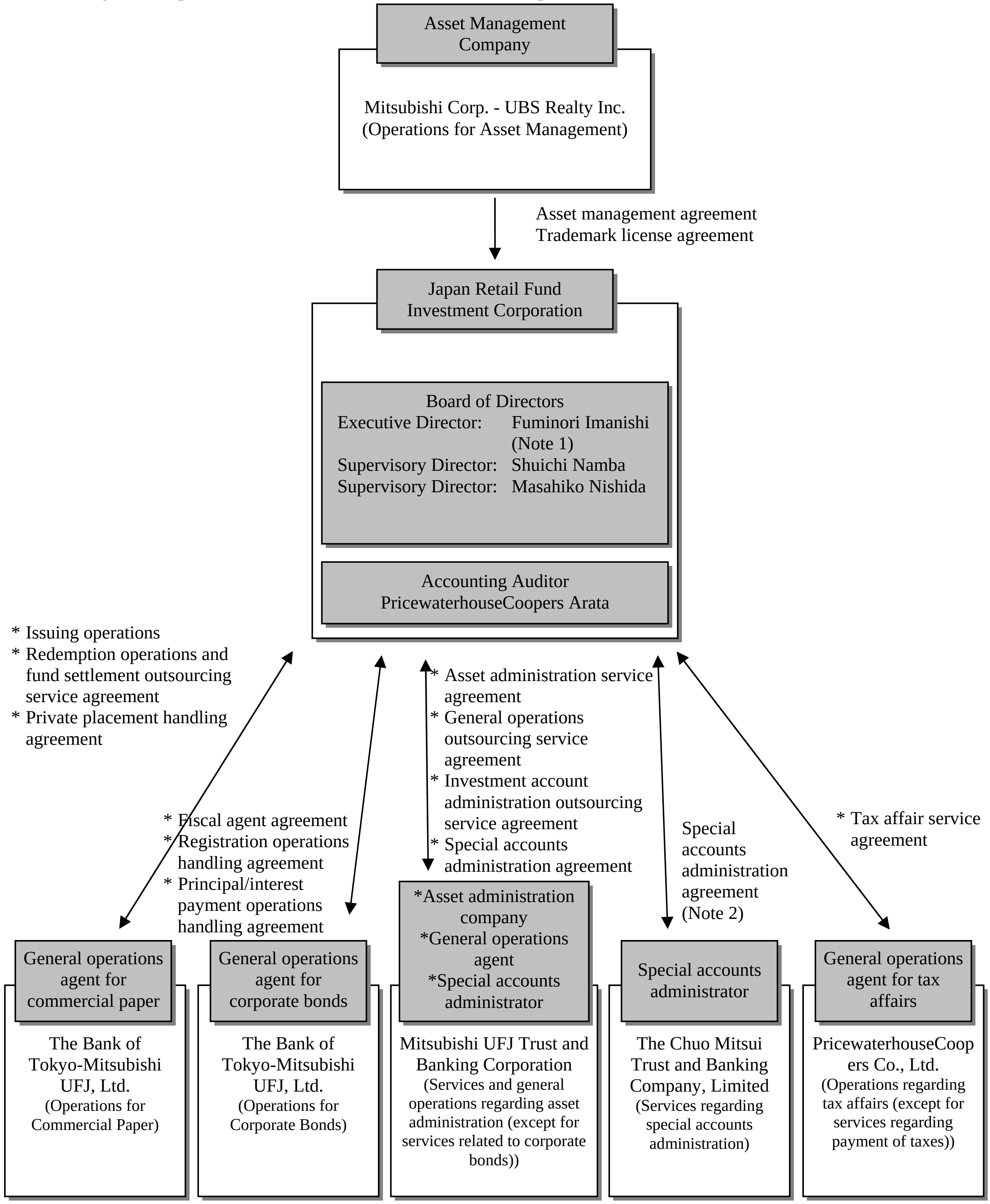
Forward-looking Statements and Other Notes

(1) Forward-looking statements in this presentation are based on the information currently available and certain assumption we believe reasonable. Actual results may differ materially from the forward-looking statements in this presentation due to various factors. Furthermore, those statements do not guarantee the amount of future dividends.

For further information and assumption regarding the forward-looking statements, please refer to "2.Management policy and results of operation, (2) State of operation, B. Outlook of next period" on page [11-12].

(2) The Investment Corporation executed a four-for-one unit split (the "Unit Split") with February 28, 2010 as the record date for the Unit Split and Mach 1, 2010 as the effective date. For pro forma per unit information for the six months ended February 28, 2010 which has been adjusted to reflect the Unit Split as if it had been effective on September 1, 2009, please refer to "3. Financial information, (6) Notes to financial information, Note 15 Per unit information" on page [34].

1. Summary of Corporations Related to the Investment Corporation



(Note 1) Fuminori Imanishi, Alternate Executive Director, became Executive Director on September 6, 2010 after Yorisige Kondo passed away.

(Note 2) With the merger between the Investment Corporation and LaSalle Japan REIT Inc. ("LJR"), The Chuo Mitsui Trust and Banking Company, Limited ("Chuo Mitsui"), the special accounts administrator for LJR, succeeded LJR's position stipulated in the special accounts administration agreement dated January 5, 2009, which was concluded between LJR and Chuo Mitsui, on March 1, 2010 (the effective date of the merger), becoming a general operations agent of the Investment Corporation.

2. Management policies and operations

(1) Management Policies

There have been no significant changes in "investment policies," "investment targets" and "distribution policies" in the most recent financial report (submitted on May 26, 2010), and hence, description of these matters is omitted.

(2) Operations

A. Operations during the period

i Principal Activities

The Investment Corporation was established under the Law Concerning Investment Trusts and Investment Corporations of Japan ("the Investment Act") on September 14, 2001. It was the first investment corporation in Japan to specifically target retail property assets. It was listed on the Real Estate Investment Trust ("REIT") Section on the Tokyo Stock Exchange (Stock code: 8953) on March 12, 2002.

Immediately after listing, the Investment Corporation acquired four properties and began substantially managing these properties. To "expand the scale of the portfolio," we continued to acquire and manage properties, achieving total assets of ¥400 billion by the end of the 10th fiscal period (February 28, 2007), a goal set at the time of listing. Thereafter, we strove to "diversify the portfolio." In April 2008, we announced a medium-term business policy, under which we aimed to improved "portfolio quality." In April 2009, we introduced the "Crisis Management Scenario" to cope with the deterioration in the fund-raising environment after the bankruptcy of Lehman Brothers, and made every effort to enhance the stability of finances, mainly by extending debt maturities.In October 2009, we announced our initiatives to look for opportunities for external growth in addition to improvement in portfolio quality. As part of this, we gave due consideration to M&As, and merged with LaSalle Japan REIT Inc. ("LJR") on March 1, 2010. On the merger date, the Investment Corporation executed a 4-for-1 unit split for its units. After the split, the total number of outstanding units of the Investment Corporation was 1,688,198. As of the end of the 17th fiscal period (August 31, 2010), we managed a total of 77 properties (consisting of 59 retail facilities, and 18 office and residential buildings ("non-core properties") that amount to ¥666.8 billion), including assets acquired through the merger with LJR and assets newly acquired through asset replacement.

ii Investment environment and results

With regard to the domestic macroeconomy during the fiscal period under review, the risk of the economy further worsening was reduced and uncertainties over corporate earnings receded due to a series of economic stimulus measures taken by the new government of the Democratic Party of Japan since the previous year. It was then expected that the Japanese economy would undergo a moderate recovery. After the middle of this year, however, the yen appreciated sharply and stock prices dropped substantially, resulting in increasing uncertainties over the future outlook for the Japanese economy.

The fund-raising environment for Japan real estate investment trust (J-REITs) steadily improved. After October 2009, some J-REITs began to increase capital again through public equity offerings. From January 2010, investment corporation bonds also began to be issued. Investors are actively pouring funds into J-REITS.

In the real estate market, J-REITs that restarted fund raising and some real-estate private placement funds that have funds available for investment are acquiring more properties. Furthermore, some overseas investors are considering new investments, citing the current investment environment as relatively inexpensive.

As for the retail industry, consumers continued to cut back on spending due to lingering concerns over employment, reduced disposable income, and other factors. In response, a growing number of large retailers announced they would increase their private brand products, make plans to refurbish outlets, and review their salesfloor structure. As a result, sales at some suburban retail facilities stopped declining or rather increased, which suggests these retailers seem to be improving moderately. The sales of tenants at urban retail facilities, which are located in areas facing urban busy streets with a lot of traffic, also began to show signs of recovery.

Given these trends, the retail industry appears to have bottomed out.

Under such circumstances, the Investment Corporation aimed for external growth by completing the merger with LJR, after concluded an agreement in the previous period, on March 1, 2010, acquiring 21 properties held by LJR (worth ¥87.8 billion). To improve our portfolio quality, as set out in the medium-term business policy, we also undertook an asset replacement strategy. Specifically, we sold 8953 Saitama Urawa Building in March this year. Using the funds from this transfer, we acquired seven properties that we expect will contribute to increasing our NOI yield after depreciation. These properties are G-Bldg. Shinjuku01, G-Bldg. Jingumae03, G-Bldg. Minami Ikebukuro01 and G-Bldg. Shinsaibashi01, as well as land with groundleases including LIFE Taiheiji, LIFE Shimodera and LIFE Kishibe. These acquisitions increased our total assets to ¥666.8 billion, and as a result enhanced our profitability.

With regard to internal growth, to maintain the competitiveness of our retail facilities over the medium and long term, we are actively remodeling certain of them and increasing their floor space, while continuously reviewing lease agreement types. Of growth-type assets (Note 1), we converted part of the parking area of Higashi-Totsuka Aurora City into an outlet, resulting in increasing NOI. In addition, we continued to replace tenants and engage in associated renovation and promotional activities for Hakata Riverain, Nara Family, Abiko Shopping Plaza, Kyoto Family, Oyama Yuen Harvest Walk, GYRE, and G DINING SAPPORO, as well as La Porte Aoyama, which was acquired through the merger.

As for income-type assets (Note 1), in a move to review agreement types, we have decided to carry out a large renovation of Ito-Yokado Narumi, a master lease property (Note 2). To this end, by mutual agreement we will cancel the lease agreement with Ito-Yokado Co., Ltd., the tenant of the property as of November 30, 2010, while converting the property into a direct lease property (Note 2) in which we will lease space directly to multiple new tenants. Along with this renovation, we will introduce rent based on percentage of sales in addition to base rent, and realize cost management that could not be materialized in master lease properties, aiming to secure upside potential for the future.

(Note 1) “Growth-type assets” are specific assets that are managed by giving priority to increasing asset values and cash flows. “Income-type assets” are specific assets that are managed with priority given to yielding stable cash flows from investment targets over the medium and long term.

(Note 2) A “master lease property” is one where we lease a property to a single tenant (master lease tenant), and this tenant subleases to other tenants (end tenants). A “direct lease property” is one where we conclude lease contracts directly with each tenant in the property.

iii Funding

With regard to the interest-bearing debt of ¥68.9 billion assumed in the merger with LJR, we dispersed debt maturities by extending terms of some long-term debt, and reduced interest rates in March 2010. Secured debt assumed from LJR was converted into unsecured debt after the merger. In relation to this, we repaid some of the debt by improving the efficiency of our cash management, for example by releasing some deposits held by trust banks. As a result, outstanding debt at the end of the fiscal period under review was ¥229.8 billion, of which ¥107.5 billion was short-term debt and ¥122.2 billion was long-term debt.

The total balance outstanding on our second through sixth series corporate bonds was ¥80.0 billion as of the end of the fiscal period under review, as we redeemed our first series of investment corporation bonds in the previous fiscal period.

iv Results and distributions

As a result of the above management actions, operating revenue was ¥23,326 million, and operating income was ¥889.8 million after deducting operating expenses such as fixed property tax, utilities charges and asset management fees. Recurring profit was ¥5,893 million, and net income was ¥13,093 million, which includes an extraordinary profit of ¥720.2 million (gain on negative goodwill resulting from the merger).

Gain on negative goodwill resulting from the merger with LJR will be distributed to unitholders in the following cases: to cover losses on sales of real estate and the like incurred on a net basis during the same fiscal period that gain on negative goodwill is generated; to cover losses on disposal of fixed assets as a result of renovation associated with tenant replacement; and to cover any tax burden occuring due to the difference between accounting treatment and taxation treatment.

With regard to distributions for the fiscal period under review, in accordance with the distribution policy set forth in Article 26, Paragraph 1, Item 2 of the Article of Incorporation, the Investment Corporation basically intends to distribute in excess of 90% of distributable profit calculated under Article 67-15, Paragraph 1 of the Special Taxation Measures Law of Japan. Based on such distribution policy, distributions amounted to ¥6,173 million excluding a fractional dividend per unit of less than one yen, on the assumption that total distributions are ¥6,175 million, which is calculated by adding ¥283 million allocated from to distributions negative goodwill to the amount that is obtained by subtracting gain on negative goodwill of ¥7,202 million from unappropriated retained earnings of ¥13,093 million for the fiscal period under review. As a result, the distribution per unit is ¥3,657.

B Outlook for the next period

i Outlook for overall operations

The domestic macro economy is expected to see a modest recovery in the medium to long term, although the risk of a further deterioration remains due to the yen’s sharp appreciation and a decline in the stock market. The effects of policies to stimulate consumer spending by the Democratic Party of Japan government are still unclear. However, we think that the success of the economic measures to improve domestic demand will contribute directly to recovery in the sales of retailers.

In the real estate market, transactions of properties held by private real estate funds and real estate that was previously securitized began again, and many investors are still considering new investments due to the comparatively lower prices. On the back of this, transaction volume is picking up gradually. Against this backdrop, the Investment Corporation hopes that opportunities to secure new attractive investment targets will increase. Such investment targets are important for us to achieve further external growth while improving portfolio quality and revenues.

As for the environment for retail facilities, changes in the structure of the retail industry are forecast to continue, including a change in the positions of retailers and a change to the order of popular brands. In the urban centers, some retail facilities, which had been closed partially or entirely because of decreased sales, achieved good business performances by widely remodeling and replacing tenants as well as introducing new tenants. Thus, capabilities and experience of managers have been tested. Competition among retail facilities is projected to further intensify in some areas, and the gap between the most profitable facilities and the others is likely to continue widening.

We expect the supply of new large retail facilities to decline, due to regulation under the so-called “three urban development laws” over the development of large suburban retail facilities, and existing unprofitable outlets will be shut down. Thus, the number of retail facilities will be reduced, and we expect the supply-demand balance for such facilities to improve moderately.

Those funds managing assets with strong competitiveness and stable profitability will see the fund-raising environment improving steadily, although they still need to conduct financial operations with an emphasis on stability. This environment is projected to last for some time. In the J-REIT market, some REITs recently conducted capital increases through public equity offerings, and the issuance of investment corporate bonds resumed. Consequently, fund-raising means are expanding.

ii Issues confronting JRF

In the environment described above, the Investment Corporation, which recognizes it has entered a new growth stage in the wake of the merger with LJR, will further acquire new attractive properties to improve the portfolio quality over the medium to long term. We will also conduct renovation and tenant replacement in retail facilities utilizing the know-how that we have accumulated through operations to date, and continuously seek opportunities to replace assets aiming at improving profitability and portfolio quality. In addition, we will aim to raise the unitholder value. To this end, we will actively implement management measures and strive to maintain a stable distribution level, by making the best use of negative goodwill acquired through the merger.

(1) External growth strategy

The Investment Corporation decided in the fiscal period under review to sell the non-core properties acquired from LJR through the merger with LJR, planning to complete the sales on September 3, 2010 and book profits on the sales for the next fiscal period. From now on, we will strive to secure new investment targets, from among urban and suburban properties, for which upside potential is expected while downside risk is projected to be limited, after the acquisition (during the period of management). Furthermore, when it is expected that distributions will increase and portfolio quality will improve in the medium and long term, we will replace properties, looking for opportunities to further expand the scale of our portfolio.

(2) Internal growth strategy

With regard to the overall economy, the current environment for consumers is still harsh. Meanwhile, sales for some tenants in retail facilities held by the Investment Corporation are expected to recover. Under such circumstances, we will implement measures for maintaining and improving the competitiveness of our retail facilities over the medium and long term, with the emphasis on areas such as cost effectiveness and sustainability. Such measures include a careful monitoring of the sales trends of tenants of the properties, a reduction in costs for maintaining the properties, renovation such as an introduction of new tenants, and increases in floor space.

As specific initiatives for property management, we decided in the fiscal period under review on a plan to replace tenants and renovate Ito-Yokado Narumi, aiming to convert its status from a master lease property into a direct lease property. We will do this by leveraging the experience managing retail facilities that we have accumulated since our listing. We will implement this plan steadily so that we can open the remodeled facility in March 2011 as scheduled. Aiming to enhance the entire property's ability to attract customers, we decided to ask the main tenant at Kyoto Family, a master lease property, to return part of its leased space in September 2010; to convert the floor into a specialty store section; and to introduce new tenants that deal in new categories of products. We will consider implementing similar measures for the other properties, too, when we conclude from a medium- to long-term perspective that a change in the property management style and the agreement type will lead to maintaining and improving the property's value.

In leasing directly to tenants, we will further improve our collection of information on competitive tenants (both urban- and suburban-based retailers).

(3) Financial strategy

The Investment Corporation will maintain its existing funding sources, including the ¥106.0 billion credit line of unsecured bank loans, ¥40.0 billion in commitment lines, and the ¥50.0 billion cap on the issuance of short-term corporate bonds (all as of the end of the fiscal period under review). At the same time, we will look at bond issues using the shelf registration system. We recognize that the following issues need to be addressed: a further reduction of borrowing costs; and a decrease in the loan-to-value (LTV) ratio.

With regard to these issues, we managed to decrease the LTV ratio to the level it was before the merger with LJR through a partial repayment in September 2010 of the debt assumed from LJR, using proceeds from sales of non-core properties.

iii Prospects for results in the next period

The Investment Corporation expects operating revenue to be ¥22,817 million for the 18th fiscal period (from September 1, 2010 to February 28, 2011), recurring profit to be ¥6,529 million, and net income to be ¥6,464 million, and distributions per unit to be ¥3,828. For the assumptions underlying these forecasts, please see the table below, "Assumptions underlying the forecasts of operations for February 2011 (18th) Fiscal Period (September 1, 2010 to February 28, 2011) and August 2011 (19th) Fiscal Period (March 1, 2011 to August 31, 2011)."

On that basis, we expect that operating revenue will be ¥21,710 million for the 19th fiscal period (from March 1, 2011 to August 31, 2011), recurring profit will be ¥5,772 million, net income will be ¥5,770 million, and distributions per unit will be ¥3,417.

(Note) The above forecasts were made on the basis of certain assumptions. The actual net profit and distributions for these periods may vary if conditions change. These forecasts are not to be taken as guarantees of the amounts of distributions.

Assumptions underlying the forecasts of operations for February 2011 (18th) Fiscal Period (September 1, 2010 to February 28, 2011) and August 2011 (19th) Fiscal Period (March 1, 2011 to August 31, 2011)

Item	Assumptions
Accounting Period	February 2011 (18th) Fiscal Period (September 1, 2010 to February 28, 2011) (181 days) August 2011 (19th) Fiscal Period (March 1, 2011 to August 31, 2011) (184 days)
Assets owned	- The Investment Corporation owned a portfolio consisting of 77 properties (including 59 retail facilities, 10 office buildings, 6 residential buildings and 2 residential buildings combined with retail facilities) as of September 1, 2010. We assume that we will sell 18 of the properties accepted from LJR in the merger, including 10 office buildings, 6 residential buildings and 2 residential buildings combined with retail facilities (see Note) at the beginning of the 18th fiscal period. - In addition, we may acquire new properties or dispose of existing properties.
Issue of units	- We assume that the number of units issued will total 1,688,198, including 1,546,008 units after the unit split conducted on March 1, 2010 and 142,190 newly issued units at the time of the merger. - We assume that no new units will be issued before the end of the 19th fiscal period.
Interest-bearing debt	- As of September 1, 2010, interest-bearing debt was ¥309,848 million, of which borrowings accounted for ¥229,848 million (consisting of ¥122,276 million in long-term debt and ¥107,572 million in short-term debt) and corporate bonds accounted for ¥80,000 million. - Of the above interest-bearing debt, ¥14,500 million in long-term debt and ¥107,572 million in short-term debt will mature within the 18th and 19th fiscal periods. We assume that we will repay part of these debts with our own funds and proceeds from sales of assets, and the remainder will be repaid with borrowings and the like. We also assume that in the 18th fiscal period, we will repay ¥9,000 million in long-term debt separately using proceeds from sales of assets we own.
Operating revenues	- We assume that operating revenues will consist principally of rental revenues generated by the lease contracts effective as of the date of this document. - We assume that vacancies will remain in the properties for which our tenants have submitted a notice of intent to cancel the contracts by a certain date, during the period between the cancellation date and the end of the 19th fiscal period. - The rent level and estimated rents for the parts of properties that are vacant are calculated taking into account the negotiations we conducted with our tenants until the said date and the recent decline in the real estate market. - We assume that there will be no arrears or nonpayment of rent by our tenants.
Operating expenses	- Fixed asset taxes, city planning taxes and depreciable assets taxes ("fixed asset taxes, etc.") on property owned by the Investment Corporation assessed and payable have been calculated as leasing business expenses for the accounting period. However, should any need arise for settlement, such as a need to pay fixed asset taxes, in relation to new property acquisitions to be made during the year in which the period falls ("amounts equivalent to fixed asset taxes, etc."), they are taken into account in the purchase price of the properties and therefore are not listed as expenses for the period. Consequently, fixed asset taxes, etc. on G-Bldg. Shinjuku01, G-Bldg. Minami Ikebukuro01, G-Bldg. Jingumae03 and G-Bldg. Shinsaibashi01, as well as three LIFE properties with leasehold acquired in 2010 will be included as expenses for the 19th and subsequent fiscal periods. (The amount of fixed asset taxes, etc. for these seven properties to be included in leasing business expenses is assumed to be about ¥40 million in the 19th fiscal period.) - We assume that taxes and public charges will be ¥2,450 million in the 18th fiscal period and ¥2,455 million in the 19th fiscal period. - We assume that depreciation will be ¥5,171 million in the 18th fiscal period and ¥5,146 million in the 19th fiscal period. - We assume that property management fees will be ¥338 million in the 18th fiscal period and ¥359 million in the 19th fiscal period, and building maintenance fees will be ¥872 million in the 18th fiscal period and ¥922 million in the 19th fiscal period. - Repair and maintenance expenses may differ substantially from these estimates since the amount of such expenses differs widely depending on the fiscal period and because such expenses do not occur regularly.

Item	Assumptions
Non-operating expenses	We assume that non-operating expenses (including interest expenses, loan-related costs and interest expenses on investment corporation bonds) will be ¥2,642 million in the 18th fiscal period and ¥2,627 million in the 19th fiscal period.
Extraordinary loss	With the application of the "Accounting Standard for Asset Retirement Obligations" issued on March 31, 2008, we assume that the amount of asset retirement obligations in relation to Loc City Ogaki will be ¥63 million in the 18th fiscal period.
Distribution per units	Distributions per unit are calculated according to the cash distribution policy stipulated in the Articles of Incorporation of the Investment Corporation. We do not assume that distributions will be made from reserve for distribution derived from the gain on negative goodwill, which was booked in the 17th fiscal period.
Distribution in excess of profit per unit	We will not implement distributions in excess of profits for the moment.
Other	These forecasts are based on the assumption that there will be no important changes in related laws, accounting standards and the tax system in Japan during the relevant period, and that no unforeseen, significant changes will occur in general economic trends and property market movements in Japan.

(Note) Properties to be sold in the 18th period

Type	Property name	Sale price (mil. yen)	Transfer date
Office	Shinsan Building	33,200 *	September 3, 2010
	35 Sankyo Building		
	Shibuya West Building		
	Chiba West Building		
	Narita TT Building		
	Utsunomiya Center Building		
	Southern Mito Building		
	Horikawa-Dori Shijyo Building		
	KYUHO Esaka Building		
	Uchikanda Building		
Residence	Mirum Daikanyama		
	Mirum Shirokanedai		
	Mirum Nogizaka		
	Mirum Minami Aoyama		
	Mirum Hiro-o II		
	Forest Hill Sendai-Aoba		
Residence and Retail	Nishino Building		
	Leaf Comfort Shinkoiwa		

* Individual sale prices are not disclosed since the consent of buyers has not been obtained.

3. Financial information

(1) Balance sheets

	As of		Increase (Decrease)	
	February 28, 2010	August 31, 2010		
	Thousands of yen	Thousands of yen	Thousands of yen	Period-on-period change (%)
Assets				
Current Assets:				
Cash and bank deposits	11,659,456	12,532,022	872,565	
Cash and bank deposits in trust	5,609,655	9,698,420	4,088,765	
Rental receivables	880,229	844,577	(35,652)	
Income taxes receivable	-	657	657	
Other current assets	1,007,028	846,871	(160,156)	
Total current assets	19,156,370	23,922,550	4,766,179	24.9
Fixed Assets (Note 2):				
Property and equipment:				
Buildings	807,986	1,641,726	833,740	
Accumulated depreciation	(37,866)	(62,908)	(25,041)	
Buildings, net	770,119	1,578,817	808,698	
Building improvements	32,435	67,876	35,440	
Accumulated depreciation	(1,643)	(2,981)	(1,337)	
Building improvements, net	30,792	64,894	34,102	
Furniture and fixtures	5,879	10,782	4,903	
Accumulated depreciation	(921)	(1,417)	(496)	
Furniture and fixtures, net	4,957	9,365	4,407	
Land	11,490,626	21,187,271	9,696,645	
Buildings in trust	240,037,002	269,415,097	29,378,095	
Accumulated depreciation	(36,904,155)	(40,269,708)	(3,365,553)	
Buildings in trust, net	203,132,846	229,145,388	26,012,542	
Building improvements in trust	11,973,435	13,953,804	1,980,369	
Accumulated depreciation	(2,518,125)	(2,777,496)	(259,371)	
Building improvements in trust, net	9,455,309	11,176,308	1,720,998	
Machinery and equipment in trust	1,408,483	1,601,739	193,256	
Accumulated depreciation	(355,931)	(417,661)	(61,729)	
Machinery and equipment in trust, net	1,052,551	1,184,077	131,526	
Furniture and fixtures in trust	3,332,059	3,349,078	17,018	
Accumulated depreciation	(1,204,409)	(1,308,668)	(104,258)	
Furniture and fixtures in trust, net	2,127,650	2,040,409	(87,240)	
Land in trust	317,639,172	362,278,736	44,639,563	
Total property and equipment	545,704,025	628,665,269	82,961,243	15.2

(To be continued on the following page)

	As of		Increase (Decrease)	
	February 28, 2010	**August 31, 2010**		
	Thousands of yen	Thousands of yen	Thousands of yen	Period-on-period change (%)
Intangible assets:				
Leasehold rights	19,803	19,803	-	
Leasehold rights in trust	8,922,128	8,907,852	(14,275)	
Other intangible assets in trust	144,255	134,935	(9,319)	
Total intangible assets	9,086,187	9,062,592	(23,595)	(0.3)
Investment and other assets:				
Lease deposits in trust	3,320,768	3,313,268	(7,500)	
Long-term prepaid expenses	866,979	1,654,481	787,502	
Other investments	567,114	119,251	(447,862)	
Total investment and other assets	4,754,861	5,087,001	332,139	7.0
Total fixed assets	559,545,075	642,814,863	83,269,788	14.9
Deferred charges:				
Bonds issuance costs	127,722	106,294	(21,428)	
Total deferred charges	127,722	106,294	(21,428)	(16.8)
Total assets	578,829,167	666,843,708	88,014,540	15.2

(To be continued on the following page)

	As of		Increase (Decrease)	
	February 28, 2010	**August 31, 2010**		
	Thousands of yen	Thousands of yen	Thousands of yen	Period-on-period change (%)
Liabilities				
Current Liabilities:				
Accounts payable – operating	581,101	754,625	173,524	
Short-term borrowings (Note 3)	97,775,000	107,572,000	9,797,000	
Current portion of long-term borrowings	5,600,000	14,500,000	8,900,000	
Accounts payable – other	11,224	13,190	1,965	
Accrued expenses	1,562,507	1,970,216	407,709	
Income taxes payable	17,351	385	(16,966)	
Consumption tax payable	337,853	906,777	568,923	
Rent received in advance	1,672,697	2,139,574	466,877	
Deposits received	761,117	761,752	635	
Current amount of tenant leasehold and security deposits in trust (Note 2)	4,530,309	7,538,386	3,008,077	
Other current liabilities	97,192	101,609	4,416	
Total current liabilities	112,946,355	136,258,518	23,312,163	20.6
Non-current liabilities:				
Long-term bonds issued	80,000,000	80,000,000	-	
Long-term borrowings	65,066,000	107,776,000	42,710,000	
Tenant leasehold and security deposits	256,339	889,754	633,414	
Tenant leasehold and security deposits in trust (Note 2)	64,464,344	63,072,296	(1,392,048)	
Other non-current liabilities	2,562	2,179	(383)	
Total non-current liabilities	209,789,247	251,740,230	41,950,983	20.0
Total liabilities	322,735,602	387,998,749	65,263,146	20.2
Net assets (Note 4)				
Unitholders' equity:				
Unitholders' capital	250,764,406	250,764,406	-	
Surplus:				
Capital surplus	-	14,986,826	14,986,826	
Retained earnings	5,329,158	13,093,726	7,764,568	
Total surplus	5,329,158	28,080,552	22,751,394	426.9
Total unitholer's equity	256,093,565	278,844,959	22,751,394	8.9
Total net assets	256,093,565	278,844,959	22,751,394	8.9
Total liabilities and net assets	578,829,167	666,843,708	88,014,540	15.2

(2) Statements of income

	For the six months ended		Increase (Decrease)	
	February 28, 2010	August 31, 2010		
	Thousands of yen	Thousands of yen	Thousands of yen	Period-on-period change (%)
Operating revenues				
Rental revenues (Note 5)	20,035,089	23,326,732	3,291,643	
Total operating revenues	20,035,089	23,326,732	3,291,643	16.4
Operating expenses				
Rental expenses (Note 5)	10,414,750	11,772,870	1,358,120	
Losses on sales of property (Note 6)	-	256,076	256,076	
Asset management fees	1,736,682	2,013,792	277,110	
Custodian fees	86,883	66,329	(20,554)	
General administration fees	145,577	150,914	5,337	
Compensation for Directors	5,940	5,940	-	
Other operating expenses	115,509	162,371	46,861	
Total operating expenses	12,505,343	14,428,295	1,922,952	15.4
Operating income	7,529,745	8,898,436	1,368,691	18.2
Non-operating revenues				
Interest income	4,313	4,378	64	
Other non-operating revenues	3,226	3,795	568	
Total non-operating revenues	7,540	8,173	633	8.4
Non-operating expenses				
Interest expense on borrowings	1,094,411	1,938,736	844,324	
Interest expense on long-term bonds	771,302	720,849	(50,452)	
Amortization of bonds issuance costs	21,428	21,428	-	
Loan-related costs	289,820	316,907	27,087	
Investment units issuance expenses	-	2,455	2,455	
Other non-operating expenses	13,920	12,749	(1,171)	
Total non-operating expenses	2,190,883	3,013,125	822,242	37.5
Recurring profit	5,346,402	5,893,484	547,082	10.2
Extraordinary income				
Gain on negative goodwill	-	7,202,340	7,202,340	
Total extraordinary income	-	7,202,340	7,202,340	-
Income before income taxes	5,346,402	13,095,825	7,749,422	144.9
Income taxes				
Current	17,351	605	(16,746)	
Deferred	(86)	1,562	1,649	
Total income taxes	17,265	2,167	(15,097)	(87.4)
Net income	5,329,137	13,093,657	7,764,520	145.7
Retained earnings at beginning of period	21	69	47	
Retained earnings at end of period	5,329,158	13,093,726	7,764,568	

(3) Statements of changes in unitholders' equity

(Thousands of yen)

For the six months ended February 28, 2010 (September 1, 2009 to February 28, 2010)

	Unitholders' equity			
	Unitholders' capital	Retained earnings	Total	Total net assets
Balance as of August 31, 2009	250,764,406	5,881,035	256,645,442	256,645,442
Changes during the period				
Cash dividend declared		(5,881,014)	(5,881,014)	(5,881,014)
Net income		5,329,137	5,329,137	5,329,137
Total changes during the period		(551,876)	(551,876)	(551,876)
Balance as of February 28, 2010	250,764,406	5,329,158	256,093,565	256,093,565

For the six months ended August 31, 2010 (March 1, 2010 to August 31, 2010)

	Unitholders' equity					
		Surplus			Total unitholders' equity	Total net assets
	Unitholders' capital	Capital surplus	Retained earnings	Total surplus		
Balance as of February 28, 2010	250,764,406		5,329,158	5,329,158	256,093,565	256,093,565
Changes during the period						
Increase by merger		14,986,826		14,986,826	14,986,826	14,986,826
Cash dividend declared			(5,329,089)	(5,329,089)	(5,329,089)	(5,329,089)
Net income			13,093,657	13,093,657	13,093,657	13,093,657
Total changes during the period		14,986,826	7,764,568	22,751,394	22,751,394	22,751,394
Balance as of August 31, 2010	250,764,406	14,986,826	13,093,726	28,080,552	278,844,959	278,844,959

(4) Statements of cash dividends

(Yen)

	For the six months ended	
	February 28, 2010 (Note 1)	August 31, 2010 (Note 2)
Retained earnings at the end of period	5,329,158,900	13,093,726,915
Cash dividend declared	5,329,089,576	6,173,740,086
(Cash dividend declared per unit)	*(13,788)*	*(3,657)*
Reserve for dividends	-	6,918,474,639
Retained earnings carried forward	69,324	1,512,190

Note 1: In accordance with the Article of Incorporation 26, Paragraph 1, Item 2, the Investment Corporation basically intends to distribute in excess of 90% of distributable profit calculated under Article 67-15, Paragraph 1 of the Special Taxation Measures Law of Japan, but not in excess of profit prescribed in the Article of Incorporation 26, Paragraph 2. Based on such distribution policy, cash dividends for the six months ended February 28, 2010 were amounted to ¥5,329,089,576 which were all of retained earnings at the end of period except for fractional dividend per unit less than one yen.

Note 2: In accordance with the Article of Incorporation 26, Paragraph 1, Item 2, the Investment Corporation basically intends to distribute in excess of 90% of distributable profit calculated under Article 67-15, Paragraph 1 of the Special Taxation Measures Law of Japan, but not in excess of profit prescribed in the Article of Incorporation 26, Paragraph 2. Based on such distribution policy, cash dividends for the six months ended August 31, 2010 were amounted to ¥6,173,740,086 which were all of the distributable profit except for fractional dividend per unit less than one yen. The distributable profit was amounted to ¥6,175,252,276 which were calculated as ¥13,093,726,915 of retained earnings at the end of period minus ¥7,202,340,607 of a gain on negative goodwill and plus ¥283,865,968 of an allowance for the distributable profit. In addition, the remaining retained earnings of ¥6,918,474,639 which consist of the gain on negative goodwill minus the allowance for the distributable profit is reserved as reserve for dividends.

(5) Statements of cash flows

(Thousands of yen)

	For the six months ended		Increase
	February 28, 2010	**August 31, 2010**	(Decrease)
Cash flows from operating activities:			
Income before taxes	5,346,402	13,095,825	7,749,422
Adjustment for:			
Depreciation	4,861,412	5,411,166	549,754
Amortization of bonds issuance costs	21,428	21,428	-
Losses on sales of property	-	256,076	256,076
Losses on disposal of fixed assets	46,902	32,368	(14,534)
Gain on negative goodwill	-	(7,202,340)	(7,202,340)
Interest income	(4,313)	(4,378)	(64)
Interest expense	1,865,714	2,659,586	793,871
Changes in assets and liabilities:			
Decrease (increase) in Rental receivables	(42,612)	87,530	130,142
Decrease in Consumption tax refundable	14,758	-	(14,758)
Increase in Income taxes receivable	-	(657)	(657)
Increase in Long-term prepaid expenses	(74,406)	(787,502)	(713,096)
Increase in Accounts payable - operating	16,068	6,692	(9,376)
Increase in Consumption tax payable	337,853	558,232	220,378
Decrease in Accounts payable - other	(9,146)	(413,758)	(404,612)
Increase (decrease) in Accrued expenses	(20,536)	141,105	161,642
Increase (decrease) in Rent received in advance	(3,645)	113,375	117,021
Increase in Deposits received	11,963	635	(11,327)
Other-net	(225,488)	19,214	244,703
Sub total	12,142,355	13,994,599	1,852,244
Interest received	4,313	4,378	64
Interest paid	(1,822,484)	(2,672,213)	(849,729)
Income taxes paid	(16,718)	(23,855)	(7,136)
Net cash provided by operating activities	10,307,466	11,302,909	995,442
Cash flows from investing activities:			
Purchase of property and equipment	(7,293)	(10,570,729)	(10,563,435)
Purchase of property and equipment in trust	(476,746)	(16,102,816)	(15,626,069)
Proceeds from sales of property and equipment in trust	-	26,031,984	26,031,984
Proceeds from tenant leasehold and security deposits	-	633,414	633,414
Payments of tenant leasehold and security deposits in trust	(3,691,317)	(2,954,711)	736,606
Proceeds from tenant leasehold and security deposits in trust	87,678	571,594	483,915
Purchase of intangible assets	(400)	-	400
Purchase of intangible assets in trust	(1,500)	-	1,500
Proceeds from lease deposits in trust	7,500	7,500	-
Other expenditures	(14,810)	(8,445)	6,365
Net cash used in investing activities	(4,096,890)	(2,392,208)	1,704,681

(To be continued on the following page)

(Thousands of yen)

	For the six months ended		Increase
	February 28, 2010	**August 31, 2010**	(Decrease)
Cash flows from financing activities:			
Proceeds from short-term borrowings	20,000,000	-	(20,000,000)
Repayments of short-term borrowings	(18,300,000)	(5,500,000)	12,800,000
Repayments of long-term bonds issued	(20,000,000)	-	20,000,000
Proceeds from long-term borrowings	13,000,000	-	(13,000,000)
Repayments of long-term borrowings	(684,000)	(2,000,000)	(1,316,000)
Dividend payments	(5,879,898)	(5,331,417)	548,481
Payments of merger cash distributions	-	(80,110)	(80,110)
Net cash used in financing activities	(11,863,898)	(12,911,527)	(1,047,629)
Net change in cash and cash equivalents	(5,653,322)	(4,000,827)	1,652,495
Cash and cash equivalents at beginning of period	22,922,434	17,269,111	(5,653,322)
Increase in cash and cash equivalents by merger	-	8,962,158	8,962,158
Cash and cash equivalents at end of period (Note 7)	17,269,111	22,230,443	4,961,331

(6) Notes to financial information

Note 1 – Summary of significant accounting policies

(a) Property and equipment

Property and equipment is recorded at cost. Depreciation of property and equipment, except for land, is calculated on a straight-line basis over the estimated useful lives of the assets as stated below:

Buildings	2-50 years (2-39 years for the six months ended February 28, 2010)
Building improvements	2-60 years
Machinery and equipment	2-17 years (3-17 years for the six months ended February 28, 2010)
Furniture and fixtures	2-39 years

(b) Other intangible assets in trust and long-term prepaid expenses

Depreciation of other intangible assets in trust and long-term prepaid expenses is calculated on a straight-line basis.

(c) Bonds issuance costs

Bonds issuance costs are amortized on a straight-line basis over the maturity period of the bonds issued.

(d) Investment units issuance expenses

Investment units issuance expenses are charged to income in the periods in which are paid.

(e) Taxes on property and equipment

Property and equipment are subject to various taxes annually, such as property taxes and urban planning taxes. An owner of a property is registered in the record maintained by the local government in each jurisdiction, and the taxes are imposed on the owner registered in the record as of January 1st based on the assessment made by the local government.

Under the above tax rules, a seller of a property at the time of disposal is liable for these taxes on the property from the date of disposal to the end of the calendar year in which the property is disposed. The seller, however, is reimbursed by the purchaser for these accrued tax liabilities and the amount of settlement reflects this adjustment. For the purchaser, a portion of such taxes calculated from the acquisition date to the end of the calendar year is capitalized as a cost of the property in accordance with generally accepted accounting principles in Japan. In subsequent calendar years, half of such taxes on property and equipment for each calendar year are charged as operating expenses in each fiscal period.

Taxes on property and equipment capitalized was ¥64,837 thousand for the six months period ended August 31, 2010 and no taxes was capitalized for the six months period ended for February 28, 2010.

(f) Equipment leases

Finance lease transactions effective on or after March 1, 2008, which ownership of the leased property is not transferred to the lessee, are capitalized and depreciated on a straight-line basis over the lease periods used as their useful lives and no residual value.

Those finance lease transactions effective before March 1, 2008, are not capitalized in accordance with former accounting principles generally accepted in Japan, and related rental expenses are charged to income in the periods in which are incurred.

(g) Cash and cash equivalents

Cash and cash equivalents consist of cash, demand deposits, and short-term investments which are highly liquid and convertible cash, have a low risk of price fluctuation, and mature within three months from the date of acquisition.

(h) Accounting treatment of trust beneficiary interests in real property

For the trust beneficiary interests in real property, which are commonly utilized in the ownership of commercial properties in Japan and through which we holds all of its real property, all accounts of assets and liabilities with respect to assets in trust as well as income generated and expenses incurred with respect to assets in trust, are recorded in the relevant balance sheet and income statement accounts in proportion to the percentage interest of the trust that such trust beneficiary interest presents. Certain material accounts in trust are shown as accounts in trust in balance sheets.

(i) Consumption tax

Consumption tax are recorded as assets or liabilities when they are paid or received.

(j) Change in accounting policies

On December 26, 2008, the Accounting Standards Board of Japan (“ASBJ”) revised ASBJ Statement No.21, “Accounting Standard for Business Combinations” and ASBJ Guidance No.10, “Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures”, which are applicable to business combinations in or after the period beginning on or after April 1, 2009. The Investment Corporation applied these accounting standards to business combinations on or after March 1, 2010.

Note 2 – Collateral

The carrying amounts of assets stated below were pledged as collateral to secure liabilities of tenant leasehold and security deposits in trust of ¥50,942,899 thousand and ¥51,820,769 thousand as of August 31, 2010 and February 28, 2010, respectively.

(Thousands of yen)

	As of	
	February 28, 2010	August 31, 2010
Buildings in trust	90,160,237	89,236,095
Buildings improvements in trust	4,864,173	4,778,946
Machinery and equipment in trust	387,656	370,624
Furniture and fixtures in trust	598,138	603,286
Land in trust	143,522,992	143,522,992
Total	239,533,199	238,511,945

Certain lands and buildings which were pledged as collateral to secure co-owners' liabilities of tenant leasehold and security deposits for a total amount of ¥691,908 thousand as of August 31, 2010 and February 28, 2010, are included in above table.

Note 3 – Credit facilities and commitment lines

Credit facilities and commitment lines provided by banks were as follows:

(Thousands of yen)

	As of	
	February 28, 2010	August 31, 2010
Credit facilities		
Total amount of credit facilities	106,000,000	106,000,000
Borrowings drawn down	(97,775,000)	(92,575,000)
Unused credit facilities	8,225,000	13,425,000
Commitment lines		
Total amount of commitment lines	40,000,000	40,000,000
Borrowings drawn down	-	-
Unused commitment lines	40,000,000	40,000,000

Note 4 – Unitholders' equity

(1) Number of units

	As of	
	February 28, 2010	August 31, 2010
Authorized	2,000,000 units	8,000,000 units
Issued and outstanding	386,502 units	1,688,198 units

(2) The Investment Corporation is required to maintain net assets of at least ¥50,000 thousand as required pursuant to the Law Concerning Investment Trusts and Investment Corporations of Japan.

Note 5 – Breakdown for rental revenues and expenses

Rental revenues and expenses for the six months ended February 28, 2010 and August 31, 2010 consist of the following:

(Thousands of yen)

	For the six months ended	
	February 28, 2010	August 31, 2010
Rental revenues:		
Rental and parking revenue	19,082,635	21,992,925
Utilities received	538,914	724,214
Other	413,539	609,592
Total rental revenues	20,035,089	23,326,732
Rental expenses:		
Property management fees	328,468	377,039
Facility management fees	833,171	959,882
Utilities costs	603,938	829,217
Property-related taxes	2,191,984	2,562,516
Repair and maintenance	45,573	68,399
Insurance	73,089	62,449
Trust fees	126,121	137,811
Rent expense	953,444	950,439
Other	350,852	381,789
Depreciation	4,861,201	5,410,955
Losses on disposal of fixed assets	46,902	32,368
Total rental expenses	10,414,750	11,772,870
Operating income from property leasing activities	9,620,339	11,553,862

Note 6 – Losses on sales of property

Losses on sales of property for the six months ended August 31, 2010 were as follows:

(Thousands of yen)

For the six months ended August 31, 2010	
Proceeds from sales of property	26,100,000
Cost of sales:	
Net book value of property sold	26,288,061
Other costs related sales of property	68,015
Losses on sales of property, net	256,076

Note 7 – Cash and cash equivalents

Cash and cash equivalents in statements of cash flows consist of the following:

(Thousands of yen)

	As of	
	February 28, 2010	August 31, 2010
Cash and bank deposits	11,659,456	12,532,022
Cash and bank deposits in trust	5,609,655	9,698,420
Cash and cash equivalents	17,269,111	22,230,443

Note 8 – Non-cash transactions

The following table shows assets acquired and liabilities assumed by the Investment Corporation through the merger with LaSalle Japan REIT Inc. Capital surplus was increased by ¥14,986,826 thousand by the merger.

	(Thousands of yen)
Current assets	9,020,902
Fixed assets	87,906,351
Total assets	96,927,254
Current liabilities	24,932,440
Non-current liabilities	49,477,029
Total liabilities	74,409,470

Note 9 – Leases

(a) Lease rental transaction

The Investment Corporation leases its properties to retail tenants. Future minimum rental revenues pursuant to existing rental contracts as of February 28, 2010 and August 31, 2010 scheduled to be received are summarized as follows:

(Thousands of yen)

	As of	
	February 28, 2010	August 31, 2010
Due within one year	27,719,024	29,326,986
Due after one year	159,902,618	143,260,079
Total	187,621,642	172,587,066

(b) Lease commitments

Finance lease transactions effective on or after March 1, 2008, which ownership of the leased property is not transferred to the lessee, are capitalized and depreciated on a straight-line basis over the lease periods used as their useful lives and no residual value. Such capitalized leased properties are mainly personal computers.

Those finance lease transactions effective before March 1, 2008, are not capitalized in accordance with former accounting principles generally accepted in Japan, and related lease expenses are charged to income in the periods in which are incurred.

Lease expenses incurred in connection with such finance leases on equipment utilized by the Investment Corporation amounted to ¥7,397 thousand for the six months ended August 31, 2010 and February 28, 2010, respectively.

Future minimum lease payments under the terms of these finance leases as of February 28, 2010 and August 31, 2010 are as follows:

(Thousands of yen)

	As of	
	February 28, 2010	August 31, 2010
Due within one year	14,794	10,531
Due after one year	3,133	-
Total	17,928	10,531

Additional financial information related to these finance leases, assuming they were capitalized, is as follows:

(Thousands of yen)

	As of	
	February 28, 2010	August 31, 2010
Furniture and fixtures in trust		
At cost	39,369	39,369
Accumulated depreciation	(30,246)	(34,121)
Net book value	9,123	5,248
Machinery and equipment in trust		
At cost	38,742	38,742
Accumulated depreciation	(29,937)	(33,459)
Net book value	8,805	5,283
Total		
At cost	78,111	78,111
Accumulated depreciation	(60,183)	(67,580)
Net book value	17,928	10,531

Depreciation expense would be ¥7,397 thousand for the six months ended August 31, 2010 and February 28, 2010, respectively. This depreciation amounts is calculated utilizing the straight-line method over the term of the leases based on the acquisition cost which is equivalent to the total lease payments.

Given that the value of the leased assets is not deemed material, interest implicit in these leases is included in the minimum lease payments and in the cost of these assets in the disclosures above.

Note 10 – Financial instruments

(1) Qualitative information for financial instruments

(a) Policy for financial instrument transactions

The Investment Corporation raises funds by, among others, borrowings, issuance of corporate bonds or investment units for the usage of acquiring real property, expenditures on maintenance for properties or refund existing debts. The use of surplus funds is decided carefully taking into account of safety and liquidity of financial instruments as well as condition of financial market and working funds. The derivatives are used only for the hedging purpose but not for the speculative purpose. The Investment Corporation did not use any derivative for the six months ended August 31, 2010.

(b) Content of financial instrument, and risk and risk management of those

The usage of funds raised by borrowings or corporate bonds is mainly for acquiring real property or property in trust, and refund existing borrowings or bonds issued. Tenant leasehold and security deposits are deposits from tenants based on the lease agreements. Although borrowings with floating interest rate are surfaced to fluctuation of interest rate, the Investment Corporation manages to keep an appropriate level of liabilities ratio in order to hold the influence of the rise of market interest rate on its management condition at minimum. Liquidity risks relating to borrowings, bonds issued and tenant leasehold and security deposits are managed by preparing monthly plan for funds, keeping highly liquidity and making credit facility agreements and commitment line agreements with banks for the purpose of timely funding.

(c) Supplemental information about the fair value for financial instruments

The fair value for financial instruments that are traded in markets is based on quoted prices in the markets. For the financial instruments that are not traded in markets, the fair value is estimated by using valuation techniques based on various assumptions. If other valuation models or assumptions were used, the estimated value may differ from the fair value in this presentation.

(2) Quantitative information for financial instruments

The following table shows the carrying amounts, fair value and valuation difference on financial instruments as of August 31, 2010. The financial instruments that are too difficult to establish the fair value are not included in the table.

(Thousands of yen)

As of August 31, 2010

	Carrying amounts	Fair value	Valuation difference
(1) Cash and bank deposits	12,532,022	12,532,022	-
(2) Cash and bank deposits in trust	9,698,420	9,698,420	-
Total assets	22,230,443	22,230,443	
(1) Short-term borrowings	107,572,000	107,572,000	-
(2) Current portion of long-term borrowings	14,500,000	14,517,168	17,168
(3) Current amount of tenant leasehold and security deposits in trust	7,491,433	7,501,265	9,832
(4) Long-term bonds issued	80,000,000	81,970,050	1,970,050
(5) Long-term borrowings	107,776,000	110,404,750	2,628,750
(6) Tenant leasehold and security deposits in trust	22,126,692	22,246,432	119,740
Total liabilities	339,466,126	344,211,667	4,745,541

Note 1: Valuation method of financial instruments

Assets

(1) Cash and bank deposits and (2) Cash and bank deposits in trust:

The fair values would be almost equal to the carrying amounts considering that all of the bank deposits are only short-term.

Liabilities

(1) Short-term borrowings:

The fair value would be almost equal to the carrying amounts considering that all of the short-term borrowings are short-term and floating interest rates.

(2) Current portion of long-term borrowings and (5) Long-term borrowings:

For the long-term borrowings that are with floating interest rates, the fair value would be almost equal to the carrying amounts considering that interest rates are changing at every contractual term. For the long-term borrowings that are with fixed interest rates, the fair value is the present value of contractual cash flows discounted at current interest rate which would be applicable to new borrowings under the same conditions and terms as existing long-term borrowings.

(3) Current amount of tenant leasehold and security deposits in trust and (6) Tenant leasehold and security deposits in trust:

The fair value is the present value of contractual cash flows discounted at current interest rate which would be applicable to its equivalent in terms and credit risk.

(4) Long-term bonds issued:

The fair value is quoted price announced by a provider of financial market information.

Note 2: Financial instruments that are too difficult to establish the fair value

(Thousands of yen)

	Carrying amounts
Current amount of tenant leasehold and security deposits in trust	46,953
Tenant leasehold and security deposits	889,754
Tenant leasehold and security deposits in trust	40,945,603
Total	41,882,311

The above carrying amounts of tenant lease hold and security deposits and those in trust are not traded in markets, and it is too difficult to establish the fair value based on a reasonably estimated cash flow because the repayment dates of those deposits are undefined. These financial instruments are not included in above quantitative information.

Note 3: Cash flow schedule of financial assets after the end of the period

(Thousands of yen)

	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Cash and bank deposits	12,532,022	-	-	-	-	-
Cash and bank deposits in trust	9,698,420	-	-	-	-	-
Total	22,230,443	-	-	-	-	-

Note 4: Cash flow schedule of financial liabilities after the end of the period

(Thousands of yen)

	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Short-term borrowings	107,572,000	-	-	-	-	-
Current portion of long-term borrowings	14,500,000	-	-	-	-	-
Current amount of tenant leasehold and security deposits in trust	4,989,002	-	-	-	-	-
Long-term bonds issued	-	40,000,000	-	-	15,000,000	25,000,000
Long-term borrowings	-	14,700,000	9,000,000	8,550,000	43,810,000	31,716,000
Tenant leasehold and security deposits in trust	-	1,594,029	1,594,029	1,521,953	1,354,855	10,026,674
Total	127,061,002	56,294,029	10,594,029	10,071,953	60,164,855	66,742,674

(Additional information)

Effective for the six months ended August 31, 2010, the Investment Corporation applied ASBJ Statement No.10, “Accounting Standard for Financial Instruments” revised on March 10, 2008, and ASBJ Guidance No.19, “Guidance on Accounting Standard for Disclosure about Fair Value of Financial Instruments” issued on March 10, 2008.

Note 11 – Related-party transaction

There was no related-party transaction to be disclosed for the six months ended August 31, 2010 and February 28, 2010.

Note 12 – Income taxes

Deferred tax assets and liabilities consist of the following:

(Thousands of yen)

	As of	
	February 28, 2010	August 31, 2010
Deferred tax assets:		
Current		
Enterprise tax payable	1,562	-
Net valuation difference on assets acquired by merger scheduled to be sold in the following period	-	6,109,703
Valuation difference on other assets acquired by merger	-	131,068
Sub total	1,562	6,240,772
Valuation allowance	-	(6,240,772)
Total current deferred tax assets	1,562	-
Non-current		
Amortization of leasehold rights	68,571	73,153
Valuation difference on assets acquired by merger	-	7,181,543
Sub total	68,571	7,254,697
Valuation allowance	(68,571)	(7,254,697)
Total non-current deferred tax assets	-	-
Total deferred tax assets	1,562	-
Net deferred tax assets	1,562	-

The effective tax rates in the accompanying statements of income as well as applicable statutory tax rates are reflected as follows:

	For the six months ended	
	February 28, 2010	August 31, 2010
Statutory effective tax rate	42.05%	39.33%
Deductible cash dividends	(41.92)	(15.14)
Change in valuation allowance (for deferred tax assets)	0.18	(2.56)
Gain on negative goodwill	-	(21.63)
Other	0.01	0.02
Effective tax rate	0.32%	0.02%

Note 13 – Fair value of investment and rental property

The Investment Corporation has mainly retail facilities as investment assets which are located mainly in three major metropolitan areas and other metropolitan areas in Japan. The following table shows the net book value and the fair value of the investment properties for the six months ended August 31, 2010.

(Thousands of yen)

For the six months ended August 31, 2010

Net book value			Fair value at the end of period
At the beginning of the period	Net increase (net decrease) during the period	At the end of the period	
554,789,370	82,937,859	637,727,230	599,152,000

Note 1: The net book value increased mainly due to the merger with LaSalle Japan REIT Inc. (21 properties amounting to ¥87,877,000 thousand), the acquisition of AEON Sapporo Hassamu Shopping Center (land adjacent to the property amounted to ¥386,676 thousand), G-Bldg. Shinjuku 01 (¥6,708,049 thousand), LIFE Taiheiji (land with leasehold interest amounted to ¥1,302,816 thousand), LIFE Shimodera (land with leasehold interest amounted to ¥1,713,856 thousand), LIFE Kishibe (land with leasehold interest amounted to ¥1,942,759 thousand), G-Bldg. Jingumae 03 (¥5,610,167 thousand), G-Bldg. Minami-Ikebukuro 01 (¥6,074,097 thousand) and G-Bldg. Shinsaibashi 01 (¥1,611,435 thousand) and capital expenditures on Kyoto family (¥610,394 thousand) and Higashi-Totsuka Aurora City (¥282,470 thousand), while the net book value decreased mainly due to the disposal of 8953 Saitama Urawa Building (¥26,288,061 thousand) and depreciation.

Note 2: The fair value of properties sold subsequently on September 3, 2010 shows those transaction prices, and the fair value of other properties shows an appraisal value or researched value by independent real estate appraisers.

For rental revenues and expenses for the six months ended August 31, 2010, please refer to “Note 5 Breakdown for rental revenues and expenses”.

(Additional information)

Effective for the six months ended August 31, 2010, the Investment Corporation applied ASBJ Statement No.20, “Accounting Standard for Disclosures about Fair Value of Investment and Rental Property” issued on November 28, 2008, and ASBJ Guidance No.23, “Guidance on Accounting Standard for Disclosures about Fair Value of Investment and Rental Property” issued on November 28, 2008.

Note 14 – Business combination

For the six months ended August 31, 2010:

1. Outline of business combination

(1) Name of the acquiree

LaSalle Japan REIT Inc. (”LJR”)

(2) Business of the acquiree

To invest mainly specified asset under the Law Concerning Investment Trusts.

(3) Primary reason for the business combination

The Investment Corporation and LJR, with the purpose of seeking new growth opportunities, considered thoroughly the criteria of their portfolios, and their growth and financial strategies, and as a result both corporations reached the common understanding that expansion of the asset scale, improvement of the quality of the portfolio and improved liquidity of investment units to be achieved through the merger would contribute to improving the unitholder value of both corporations. Therefore, the Investment Corporation and LJR entered into a memorandum of understanding for the merger on October 29, 2009. The Investment Corporation and LJR continued discussions thereafter and they had executed the merger agreement on December 15, 2009.

(4) Acquisition date

March 1, 2010

(5) Type of the business combination

The business combination was an absorption-type merger with the Investment Corporation as the surviving corporation and LJR was dissolved.

(6) Name of the combined entity after the business combination

Japan Retail Fund Investment Corporation

(7) Basis for identifying the acquirer

The Investment Corporation was identified as the acquirer in accordance with the accounting standard for business combinations, considering relative size in assets or profit, the relative voting rights of the unitholders as a group in the combined entity after the business combination, the existence of a unitholder who has a large minority voting interest in the combined entity or the ability to elect or appoint or to remove a majority of the members of the governing body of the combined entity, the composition of the governing body of the combined entity and other facts and circumstance.

2. Reporting period of the acquiree included in the financial information of the combined entity

From March 1, 2010 to August 31, 2010

3. Measurement of consideration

(1) Consideration transferred in the business combination

	(Thousands of yen)
Consideration transferred:	
Aggregate amount of the acquisition-date market value of the investment unit of the Investment Corporation	14,986,826
Acquisition-related costs:	
Advisory fees, etc.	328,617
Total	15,315,443

(2) The merger ratio

The Investment Corporation allocated units of the Investment Corporation at a ratio of 1.18

units (post-unit split) of the Investment Corporation per one unit of LJR. The Investment Corporation executed a four-for-one unit split with February 28, 2010 as the record date for the unit split and March 1, 2010 as the effective date.

(3) Basis for calculation of the merger ratio

(a) The merger ratio was calculated considering the results of the analysis based on the market unit price analysis, comparable REITs analysis, dividend capitalization analysis, discounted cash flow analysis, and adjusted net asset value analysis.

(b) In order to support the fairness of the calculation of the merger ratio for the merger, the Investment Corporation and LJR appointed their respective financial advisors to perform financial analyses regarding the merger ratio, and the merger ratio was determined to be appropriate by the Investment Corporation and LJR as a result of careful discussions and negotiations with consideration of various factors.

(4) Units issued for the merger

142,190 units

4. Purchase price allocation

(1) Assets acquired and liabilities assumed at the acquisition date

	(Thousands of yen)
Current assets	9,020,902
Fixed assets	87,906,351
Total assets	96,927,254
Current liabilities	24,932,440
Non-current liabilities	49,477,029
Total liabilities	74,409,470

(2) Negative goodwill

Amount of negative goodwill:

¥7,202,340 thousand

Reason why the merger resulted in negative goodwill:

The negative goodwill occurred because the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed exceeded the amount of the total consideration in the business combination.

Accounting treatment:

The negative goodwill was recognized as extraordinary profit in the statement of income for the six months ended August 31, 2010.

5. Comparative information

Nothing to be disclosed because the acquisition date was the beginning of the current reporting period.

Note 15 – Per unit information

The net asset value per unit as of August 31, 2010 and February 28, 2010 was ¥165,173 and ¥662,593,respectively. Net income per unit for the six months ended August 31, 2010 and February 28, 2010 was ¥7,755 and ¥13,788, respectively.
Net income per unit is calculating by dividing net income by the weighted-average number of units outstanding for the period.
Diluted net income per unit is not disclosed because dilutive security is not issued.

A basis of calculation of net income per unit is as follows:

(Thousands of yen)

	For the six months ended	
	February 28, 2010	August 31, 2010
Net income	5,329,137	13,093,657
Effect of dilutive unit	-	-
Net income available to common unitholders	5,329,137	13,093,657
Weighted-average number of units outstanding for the period	386,502 units	1,688,198 units

The Investment Corporation executed a four-for-one unit split (the "Unit Split") on March 1, 2010 as the effective date. The following table shows pro forma per unit information for the six months ended February 28, 2010 which has been adjusted to reflect the Unit Split as if it had been effective on September 1, 2009:

(Yen)

As of or for the six months ended February 28, 2010	
Net asset value per unit	165,648
Net income per unit	3,447

Net income per unit is calculating by dividing net income by the weighted-average number of units outstanding for the period on post unit split basis. Diluted net income per unit is not disclosed because dilutive security has not been issued.

Note 16 – Note rerating to going concern assumption

Nothing to be noted.

Note 17 – Subsequent events

For the six months ended February 28, 2010:

1. Merger with LJR

The Investment Corporation merged with LJR on March 1, 2010 (the "Merger Effective Date").

(1) Purpose of the merger

The Investment Corporation and LJR, with the purpose of seeking new growth opportunities, considered thoroughly the criteria of their portfolios, and their growth and financial strategies, and as a result both corporations reached the common understanding that expansion of the asset scale, improvement of the quality of the portfolio and improved liquidity of investment units to be achieved through the merger would contribute to improving the unitholder value of both corporations. Therefore, the Investment Corporation and LJR entered into a memorandum of understanding for the merger on October 29, 2009. The Investment Corporation and LJR continued discussions thereafter and they had executed the merger agreement (the "Merger Agreement") on December 15, 2009.

(2) Method of the merger

The merger was an absorption-type with the Investment Corporation as the surviving corporation and LJR was dissolved.

(3) The merger ratio

The Investment Corporation allocated units of the Investment Corporation at a ratio of 1.18 units (post-unit split) of the Investment Corporation per one unit of LJR. The Investment Corporation executed a four-for-one unit split with February 28, 2010 as the record date for the unit split and March 1, 2010 as the effective date.

(4) The merger cash distributions

Instead of cash distributions of LJR for the fiscal period ended the day before the Merger Effective Date, the Investment Corporation distributed the merger cash distributions calculated by deduct the total amounts of unitholders' capital, capital surplus and valuation and translation adjustments from net assets of LJR as of the day before the Merger Effective Date, to the unitholders of LJR recorded as of the day before the Merger Effective Date excluding the unitholders who made purchase claim on their investment units.

(5) Unitholers' capital

The amounts of unitholder's capital and capital surplus of the Investment Corporation increased as follows:

Unitholders' capital: ¥0

Capital surplus: Amount to be increased was calculated by deduct the increase amount in unitholders' capital above from an amount to be changed in unitholders' equity prescribed in the Article 22, Paragraph 1 of the Regulation for the Accounting of the Investment Corporation (Cabinet Office Ordinance No. 47 effective in 2006).

(6) Outline of LJR for the six months ended October 31, 2009.

Business:	To invest mainly specified asset under the Law Concerning Investment Trusts
Operating revenues:	¥3,757 million
Net income:	¥817 million
Total assets:	¥128,464 million
Total liabilities:	¥74,422 million
Net assets:	¥54,042 million

2. Unit split

The Investment Corporation executed a four-for-one unit split (the “Unit Split”) with February 28, 2010 as the record date for the Unit Split and March 1, 2010 as the effective date.

(1) Purpose of the Unit Split

In accordance with the Merger Agreement, the merger was planning to be an absorption-type merger, in which the Investment Corporation would be the surviving corporation, and the merger ratio before considering the Unit Split would be 0.295:1 (LJR: the Investment Corporation). With this ratio, however, 0.295 units of the Investment Corporation would be allocated to every one of LJR’s units, and a large number of LJR unitholders would receive only fractional units of the Investment Corporation. Therefore, a four-for-one unit split for units of the Investment Corporation would be implemented in order that at least one unit of the Investment Corporation would be issued to all of LJR’s unitholders so that LJR’s unitholders would be able to continue to hold the Investment Corporation’s units after the merger.

(2) Split method

Each unit owned by unitholders listed in the final unitholders register on February 28, 2010, the day immediately prior to the effective date of the Unit Split, was split into four units.

(3) Number of units increased by the Unit Split

1)	Number of outstanding units of the Investment Corporation before the split	386,502
2)	Number of units increased by this split	1,159,506
3)	Number of outstanding units of the Investment Corporation after the split	1,546,008

The following table shows pro forma per unit information for the six months ended August 31, 2009 which has been adjusted to reflect the Unit Split as if it had been effective on March 1, 2009:

(Yen)

As of or for the six months ended August 31, 2009	
Net asset value per unit	166,005
Net income per unit	3,803

Net income per unit is calculating by dividing net income by the weighted-average number of units outstanding for the period on post unit split basis. Diluted net income per unit is not disclosed because dilutive security has not been issued.

3. Disposal of property

The Investment Corporation disposed following property.

Name of property:	8953 Saitama Urawa Building
Form of ownership:	Trust beneficial interest
Location:	Saitama-shi, Saitama
Disposal amount:	¥26,100 million
Date of contract:	March 11, 2010
Date of disposal:	March 17, 2010
Buyer:	PARCO Co., Ltd.
Effect on income:	Approximately ¥256 million of loss on disposal of the property will be charged to income for the six months ended August 31, 2010.

4. Acquisition of property

The Investment Corporation acquired seven properties (domestic real property or trust beneficial interest) totaled to ¥24,377 million as below.

Name of property:	G-Bldg. Shinjuku 01	LIFE Taiheiji (land with leasehold interest)	LIFE Shimodera (land with leasehold interest)	LIFE Kishibe (land with leasehold interest)
Form of ownership:	Trust beneficial interest	Real property	Real property	Real property
Location:	Shinjuku-ku, Tokyo	Higashi Osaka-shi, Osaka	Osaka-shi, Osak	Suita-shi, Osaka
Acquisition cost:	¥6,600 million	¥1,282 million	¥1,683 million	¥1,910 million
Date of acquisition:	March 23, 2010	March 25, 2010	March 25, 2010	March 25, 2010
Buyer:	Oedo Realty LLC.	Nippon Commercial Development Co. Ltd.	Shin Nippon Commercial Development Co. Ltd.	Nippon Commercial Development Co. Ltd.

Name of property:	G-Bldg. Jingumae 03	G-Bldg. Minami-Ikebukuro 01	G-Bldg. Shinsaibashi 01
Form of ownership:	Real property	Trust beneficial interest	Trust beneficial interest
Location:	Shibuya-ku, Tokyo	Toshima-ku, Tokyo	Osaka-shi, Osaka
Acquisition cost:	¥5,520 million	¥5,800 million	¥1,582 million
Date of acquisition:	March 29, 2010	March 30, 2010	April 2, 2010
Buyer:	Mitsubishi Corporation	Minami Ikebukuro Asset Investment LLC., MI Investment LLC.	Special Purpose Company Shinsaibashi TWINS

For the six months ended August 31, 2010:

1. Disposal of property

On September 3, 2010, the Investment Corporation disposed following 18 properties (trust beneficial interest in real property) to Special Purpose Company Sonic Investments 7 at the total sales price of ¥33,200 million. Gains on disposal of property will amount approximately to ¥1,067 million and be recognized in profit for the six months ending February 28, 2011.

Office (10 properties):
Shinsan Building, 35 Sankyo Building, Shibuya West Building, Chiba West Building, Narita TT Building, Utsunomiya Center Building, Southern Mito Building, Horikawa-Dori Shijyo Building, KYUHO Esaka Building, Uchikanda Building

Residential (6 properties):
Mirum Daikanyama, Mirum Shirokanedai, Mirum Nogizaka, Mirum Minami Aoyama, Mirum Hiro-o II, Forest Hill Sendai-Aoba

Residential+Retail (2 properties):
Nishino Building, Leaf Comfort Shinkoiwa

(7) Changes in unit issued and outstanding

The outline of changes in unitholders’ capital for the current and previous periods was as follows:

Date	Capital transaction	Number of units issued and outstanding		Unitholders’ capital (Millions of yen)		Note
		Increase	Balance	Increase	Balance	
September 14, 2001	Private placement for incorporation	400	400	200	200	Note 1
March 12, 2002	Public offering	52,000	52,400	23,462	23,662	Note 2
March 4, 2003	Public offering	95,000	147,400	47,697	71,360	Note 3
March 26, 2003	Allocation of investment units to a third party	5,102	152,502	2,561	73,921	Note 4
March 2, 2004	Public offering	67,000	219,502	42,267	116,188	Note 5
March 8, 2005	Public offering	56,000	275,502	43,175	159,364	Note 6
March 29, 2005	Allocation of investment units to a third party	4,000	279,502	3,083	162,448	Note 7
September 14, 2005	Public offering	23,000	302,502	19,109	181,557	Note 8
September 21, 2006	Public offering	78,000	380,502	64,263	245,821	Note 9
September 27, 2006	Allocation of investment units to a third party	6,000	386,502	4,943	250,764	Note 10
March 1, 2010	Unit split	1,159,506	1,546,008	-	250,764	Note 11
March 1, 2010	Merger	142,190	1,688,198	-	250,764	Note 12

Note 1 The Investment Corporation was incorporated through private placement at a price of ¥500,000 per unit.

Note 2 New investment units were issued at a price of ¥470,000 per unit (subscription price of ¥451,200 per unit) through a public offering in order to raise funds for acquiring new real property and refund short-term debts.

Note 3 New investment units were issued at a price of ¥521,228 per unit (subscription price of ¥502,080 per unit) through a public offering in order to raise funds for acquiring new real property and refund short-term debts.

Note 4 New investment units were issued at a price of ¥502,080 per unit through the allocation of investment units to a third-party in order to raise funds for acquiring new real property and refund short-term debts.

Note 5 New investment units were issued at a price of ¥654,910 per unit (subscription price of ¥630,852 per unit) through a public offering in order to raise funds for acquiring new real property and refund short-term debts.

Note 6 New investment units were issued at a price of ¥798,700 per unit (subscription price of ¥770,990 per unit) through a public offering in order to raise funds for acquiring new real property and refund short-term debts.

Note 7 New investment units were issued at a price of ¥770,990 per unit through the allocation of investment units to a third party in order to raise funds for acquiring new real property and refund short-term debts.

Note 8 New investment units were issued at a price of ¥861,300 per unit (subscription price of ¥830,850 per unit) through a public offering in order to refund short-term debts.

Note 9 New investment units were issued at a price of ¥852,600 per unit (subscription price of ¥823,890 per unit) through a public offering in order to raise funds for acquiring new real property and refund short-term debts.

Note 10 New investment units were issued at a price of ¥823,890 per unit through the allocation of investment units to a third party in order to raise funds for acquiring new real property and refund short-term debts.

Note 11 The Investment Corporation executed a four-for-one unit split.

Note 12 The Investment Corporation merged with LaSalle Japan REIT Inc.("LJR") The merger was an absorption-type in accordance with Article 147 of the Law Concerning Investment Trusts with the Investment Corporation as the surviving corporation and LJR was dissolved.

4. Changes in officers

Changes in officers had been otherwise disclosed under the rule of timely disclosure.

5. Additional information

(1) Composition of assets

Classification of Assets	Use	Region	As of February 28, 2010		As of August 31, 2010	
			Total of net book value (Millions of yen)	Composition ratio (%)	Total of net book value (Millions of yen)	Composition ratio (%)
Real property	Retail facilities	Tokyo metropolitan area	12,316	2.1	17,900	2.7
		Osaka and Nagoya metropolitan areas	-	-	4,959	0.7
	Sub-total		12,316	2.1	22,860	3.4
Trust beneficial interest in real property	Retail facilities	Tokyo metropolitan area	264,721	45.7	289,630	43.4
		Osaka and Nagoya metropolitan areas	184,802	31.9	200,766	30.1
		Other metropolitan areas	92,948	16.1	92,344	13.9
	Other (Note 2)	Tokyo metropolitan area	-	-	24,768	3.7
		Osaka and Nagoya metropolitan areas	-	-	2,948	0.4
		Other metropolitan areas	-	-	4,408	0.7
	Sub-total		542,473	93.7	614,867	92.2
Sub-total			554,789	95.8	637,727	95.6
Bank deposits and other assets			24,039	4.2	29,116	4.4
Total assets			578,829	100.0	666,843	100.0
Total liabilities (Note 1)			322,735	55.8	387,998	58.2
Total net assets			256,093	44.2	278,844	41.8

Note 1 Total liabilities include tenant leasehold and security deposits and those in trust.

Note 2 “Other” includes office, residential and residential plus retail.

(2) Outline of portfolio properties

The principal properties (top ten properties in net book value) as of August 31, 2010 were as follows:

Name of property	Net book value (Millions of yen)	Leasable area (Note 1) (m^2)	Leased area (Note 2) (m^2)	Occupancy ratio (Note 3) (%)	Ratio of rental revenue to total rental revenues (Note 3) (%)	Major use
Higashi-Totsuka Aurora City (trust beneficial interest)	50,215	109,365.50	109,365.50	100.0	6.0	Retail facilities
Nara Family (trust beneficial interest)	31,154	84,993.57	84,686.08	99.6	8.7	Retail facilities
AEONMALL Musashi-murayama Mu (trust beneficial interest)	30,300	137,466.97	137,466.97	100.0	4.1	Retail facilities
AEON Yachiyo Midorigaoka Shopping Center (trust beneficial interest)	29,950	132,294.48	132,294.48	100.0	2.9	Retail facilities
AEONMALL Tsurumi Leafa (trust beneficial interest)	28,442	138,538.63	138,538.63	100.0	3.8	Retail facilities
GYRE (trust beneficial interest)	22,694	4,945.71	4,649.13	94.0	2.6	Retail facilities
AEONMALL Itami Terrace (trust beneficial interest)	20,224	157,904.26	157,904.26	100.0	2.5	Retail facilities
Kawaramachi OPA (trust beneficial interest)	18,736	18,848.20	18,848.20	100.0	1.6	Retail facilities
Ario Otori (trust beneficial interest)	18,666	95,135.36	95,135.36	100.0	2.3	Retail facilities
AEON Sapporo Hassamu Shopping Center (trust beneficial interest)	18,215	102,169.00	102,169.00	100.0	2.5	Retail facilities
Total	268,600	981,661.68	981,057.61	99.9	37.0	

Note 1 "Leasable area" means the total leasable area of the building of each property used as stores, offices, etc. indicated in the lease agreement or the plan of such property and it does not include the leasable area of warehouses and land (flat parking lots).

Note 2 "Leased area" means the total leased area of the building of each property used as stores, offices, etc. indicated in the lease agreement and it does not include the leased area of warehouses and land (flat parking lots).

Note 3 "Occupancy ratio" (percentage of leased area against the leasable area at the end of accounting period) and "Ratio of rental revenue to total rental revenues" are calculated by rounding to the nearest first decimal place.

The retail facilities and other properties as of August 31, 2010 were as follows:

Name of property	Location (Note 1)	Form of ownership	Leasable area (Note 2) (m^2)	Appraisal value at end of period (Note 3) (Millions of yen)	Net book value (Millions of yen)
Sendai Nakayama Shopping Center	35-40,57,5 Minami Nakayama 1-chome, Izumi-ku, Sendai-shi, Miyagi	Trust beneficial interest	46,248.96	10,700	9,333
ESPA Kawasaki	1,2 Oda-sakae 2-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	65,313.47	13,240	14,586
8953 Osaka Shinsaibashi Building	4-12, Minami Senba 3-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	13,666.96	13,300	13,213
Hakata Riverain (Note 4)	3-1, Shimo-Kawabatamachi, Hakata-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	25,920.19	4,880	6,113
Ito-Yokado Narumi	232, Urasato 3-chome, Midori-ku, Nagoya-shi, Aichi	Trust beneficial interest	50,437.91	4,450	7,625
8953 Minami Aoyama Building	8-5, Minami Aoyama 5-chome, Minato-ku, Tokyo	Trust beneficial interest	1,529.15	6,130	5,315
Nara Family	4-1, Saidaiji-higashimachi 2-chome, Nara-shi, Nara	Trust beneficial interest	84,993.57	32,500	31,154
Abiko Shopping Plaza	11-1, Abiko 4-chome, Abiko-shi, Chiba	Trust beneficial interest	42,841.48	11,900	10,117
Ito-Yokado Yabashira	15-8, Higurashi 1-chome, Matsudo-shi, Chiba, etc.	Trust beneficial interest	21,308.78	1,840	1,495
Ito-Yokado Kamifukuoka Higashi	1-30, Ohara 2-chome, Fujimino-shi, Saitama	Trust beneficial interest	28,316.18	6,670	6,449
Ito-Yokado Nishikicho	12-1, Nishikicho 1-chome, Warabi-shi, Saitama	Trust beneficial interest	73,438.52	12,300	11,836
8953 Daikanyama Building	35-17, Ebisu-Nishi 1-chome, Shibuya-ku, Tokyo	Trust beneficial interest	599.79	1,290	1,255
8953 Harajuku Face Building	32-5, Jingumae 2-chome, Shibuya-ku, Tokyo	Trust beneficial interest	1,479.10	3,660	2,743
AEONMALL Higashiura	62-1, Aza-toueicho, Oaza-ogawa, Higashiuracho, Chita-gun, Aichi	Trust beneficial interest	129,124.73	10,100	8,020
AEON Kashiihama Shopping Center	12-1, Kashiihama 3-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	109,616.72	13,200	12,550
AEON Sapporo Naebo Shopping Center	1-1, Higashinaebo 2jo 3-chome, Higashi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	74,625.52	8,540	7,794
GYRE	10-1, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,945.71	22,900	22,694
Esquisse Omotesando Annex	1-17, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	540.78	1,260	879
Ito-Yokado Tsunashima	8-1, Tsunashima-Nishi 2-chome, Kohoku-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	16,549.50	4,850	4,912

Name of property	Location (Note 1)	Form of ownership	Leasable area (Note 2) (m^2)	Appraisal value at end of period (Note 3) (Millions of yen)	Net book value (Millions of yen)
Bic Camera Tachikawa	12-2, Akebonocho 2-chome, Tachikawa-shi, Tokyo	Trust beneficial interest	20,983.43	10,700	11,699
Itabashi SATY	6-1, Tokumaru 2-chome, Itabashi-ku, Tokyo	Trust beneficial interest	72,253.88	12,400	11,709
8953 Kita Aoyama Building	14-8, Kita-Aoyama 3-chome, Minato-ku, Tokyo	Trust beneficial interest	492.69	1,290	980
AEONMALL Yamato	2-6, Shimotsuruma 1-chome, Yamato-shi, Kanagawa	Trust beneficial interest	85,226.68	17,100	16,157
SEIYU Hibarigaoka	9-8, Sumiyoshicho 3-chome, Nishi-Tokyo-shi, Tokyo	Trust beneficial interest	19,070.88	6,950	5,438
AEON Tobata Shopping Center (Note 5)	2-2, Shioi-cho, Tobata-ku, Kita-Kyushu-shi, Fukuoka	Trust beneficial interest	93,258.23	5,860	5,875
JUSCO City Takatsuki	47-2, Haginosho 3-chome, Takatsuki-shi, Osaka	Trust beneficial interest	77,267.23	9,490	10,892
8953 Jiyugaoka Building	9-17, Jiyugaoka 2-chome, Meguro-ku, Tokyo, etc.	Trust beneficial interest	1,814.15	3,062	2,608
JUSCO City Yagoto	2-1, Ishizaka, Kojimachi-aza, Showa-ku, Nagoya-shi, Aichi	Trust beneficial interest	63,778.44	3,540	3,708
JUSCO Naha	10-2, Kanagusuku 5-chome, Naha-shi, Okinawa	Trust beneficial interest	79,090.48	9,960	10,745
Cheers Ginza	9-5, Ginza 5-chome, Chuo-ku, Tokyo	Trust beneficial interest	1,686.58	3,650	4,095
JUSCO City Nishi-Otsu	11-1, Ohjigaoka 3-chome, Otsu-shi, Shiga	Trust beneficial interest	62,717.26	10,600	12,954
Kyoto Family	1-1, Ikejiricho, Yamanouchi, Ukyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	25,277.38	5,600	5,847
Higashi-Totsuka Aurora City	535-1, 536-1, 537-1, 9, etc. Shinanocho, Totsuka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	109,365.50	40,000	50,215
Omiya SATY	574-1, Kushibikicho 2-chome, Kita-ku, Saitama-shi, Saitama	Trust beneficial interest	75,344.90	6,060	6,090
Loc City Ogaki	233-1, Nakashima, Mitsuzukacho, Ogaki-shi, Gifu etc.	Trust beneficial interest	57,500.35	4,090	4,261
Kawaramachi OPA	385 Komeyacho, Shijo-agaru, Kawaramachi-dori, Nakagyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	18,848.20	15,600	18,736
AEON Ueda Shopping Center	12-18, Tsuneda 2-chome, Ueda-shi, Nagano	Trust beneficial interest	61,349.07	7,900	9,003
AEONMALL Tsurumi Leafa	17-1, Tsurumi 4-chome, Tsurumi-ku, Osaka-shi, Osaka	Trust beneficial interest	138,538.63	25,300	28,442

Name of property	Location (Note 1)	Form of ownership	Leasable area (Note 2) (m^2)	Appraisal value at end of period (Note 3) (Millions of yen)	Net book value (Millions of yen)
AEONMALL Itami Terrace	1-1, Fujinoki 1-chome, Itami-shi, Hyogo	Trust beneficial interest	157,904.26	17,700	20,224
Ito-Yokado Yotsukaido	5 Chuo, Yotsukaido-shi, Chiba	Trust beneficial interest	59,207.19	10,100	13,632
Oyama Yuen Harvest Walk (Note 6)	1457 Oaza-Kizawa, Oyama-shi, Tochigi	Trust beneficial interest	58,640.64	6,770	9,618
AEON Yachiyo Midorigaoka Shopping Center	1-3, Midorigaoka 2-chome, Yachiyo-shi, Chiba	Trust beneficial interest	132,294.48	21,900	29,950
8953 Jingumae6 Building	28-3, Jingumae 6-chome, Shibuya-ku, Tokyo	Real property	670.43	2,460	2,387
AEON Sapporo Hassamu Shopping Center	1-1, Hassamu 8jo 12-chome, Nishi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	102,169.00	16,600	18,215
Ario Otori	199-12, Otori Minami-cho 3-cho, Nishi-ku, Sakai-shi, Osaka etc.	Trust beneficial interest	95,135.36	14,900	18,666
G-Bldg. Jingumae 01	21-5, Jingumae 4-chome, Shibuya-ku, Tokyo	Real property	555.75	3,660	3,427
G-Bldg. Jingumae 02	9-9, Jingumae 4-chome, Shibuya-ku, Tokyo	Trust beneficial interest	426.29	1,640	2,335
G DINING SAPPORO (Note 6)	2-2, 1-9, 2-1, 2-3, 3-3, Minami 3jo Nishi 3-chome, Chuo-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	4,090.51	2,180	3,092
G-Bldg. Minami Aoyama 01	4-48, Minami Aoyama 5-chome, Minato-ku, Tokyo	Real property	922.30	4,900	6,487
La Porte Aoyama (Note 6)	51-8, Jingumae 5-chome, Shibuya-ku, Tokyo	Trust beneficial interest	4,147.93	9,070	9,378
AEONMALL Musashi-murayama Mu	1-3, Enoki 1-chome, Musashimurayama-shi, Tokyo	Trust beneficial interest	137,466.97	30,600	30,300
AEONMall Kobe-kita	2-1, Kouzudai 8-chome, Kita-ku, kobe-shi, Hyogo	Trust beneficial interest	128,031.55	15,700	15,409
Shinsan Building (Note 6)	5-10, Shinbashi 3-chome, Minato-ku, Tokyo	Trust beneficial interest	2,395.03	1,660	1,714
35 Sankyo Building (Note 6)	7-2, Irifune 3-chome, Chuo-ku, Tokyo	Trust beneficial interest	5,248.41	3,190	3,368
Shibuya West Building (Note 6)	7-1, Aobadai 4-chome, Meguro-ku, Tokyo	Trust beneficial interest	2,592.26	1,930	1,881
Chiba West Building (Note 6)	24-9, Shinmachi, Chuo-ku, Chiba-shi, Chiba	Trust beneficial interest	5,497.38	1,520	1,600
Narita TT Building (Note 6)	801-1, Hanasakicho, Narita-shi, Chiba	Trust beneficial interest	3,895.39	1,520	1,472
Utsunomiya Center Building (Note 6)	3-1, Odori 2-chome, Utsunomiya-shi, Tochigi	Trust beneficial interest	5,043.25	1,260	1,300

Name of property	Location (Note 1)	Form of ownership	Leasable area (Note 2) (m^2)	Appraisal value at end of period (Note 3) (Millions of yen)	Net book value (Millions of yen)
Southern Mito Building (Note 6)	1-6, Jyonan 1-chome, Mito-shi, Ibaraki	Trust beneficial interest	4,933.27	1,560	1,558
Horikawa-Dori Shijyo Building (Note 6)	293-1, Ayahorikawacho, Ayanokoji-sagaru, Horikawa-dori, Shimogyo-ku, Kyoto-shi, Kyoto	Trust beneficial interest	4,834.56	1,600	1,580
KYUHO Esaka Building (Note 6)	1-43, Esakacho 2-chome, Suita-shi, Osaka	Trust beneficial interest	5,013.66	1,380	1,367
Uchikanda Building (Note 6)	14-10, Uchikanda 1-chome, Chiyoda-ku, Tokyo	Trust beneficial interest	3,315.07	2,430	2,421
Mirum Daikanyama (Note 6)	7-1, Sarugakucho, Shibuya-ku, Tokyo	Trust beneficial interest	5,338.99	3,720	3,514
Mirum Shirokanedai (Note 6)	1-4, Kami Osaki 1-chome, Shinagawa-ku, Tokyo	Trust beneficial interest	2,671.96	1,540	1,453
Mirum Nogizaka (Note 6)	12-25, Akasaka 8-chome, Minato-ku, Tokyo	Trust beneficial interest	2,888.42	1,580	1,495
Mirum Minami Aoyama (Note 6)	26-16, Minami Aoyama 4-chome, Minato-ku, Tokyo	Trust beneficial interest	1,905.13	1,670	1,573
Mirum Hiro-o Ⅱ (Note 6)	1-10, Minami Azabu 5-chome, Minato-ku, Tokyo	Trust beneficial interest	1,983.15	1,650	1,553
Forest Hill Sendai-Aoba (Note 6)	5-1, Kawauchiyodomibashi-dori, Aoba-ku, Sendai-shi, Miyagi	Trust beneficial interest	6,472.40	1,570	1,549
Nishino Building (Note 6)	2-5, Shincho, Hachioji-shi, Tokyo	Trust beneficial interest	7,205.78	1,020	934
Leaf Comfort Shinkoiwa (Note 6)	1-2, Shin Koiwa 2-chome, Katsushika-ku, Tokyo	Trust beneficial interest	2,439.73	1,800	1,784
G-Bldg. Shinjuku 01	1-8, Shinjuku 4-chome, Shinjuku-ku, Tokyo	Trust beneficial interest	1,093.67	6,640	6,698
LIFE Taiheiji (land with leasehold interest)	43-6, Taiheiji 2-chome, Higashi Osaka-shi, Osaka	Real property	3,898.01	1,300	1,302
LIFE Shimodera (land with leasehold interest)	8-12, Shimodera 2-chome, Naniwa-ku, Osaka-shi, Osaka	Real property	4,344.18	1,700	1,713
LIFE Kishibe (land with leasehold interest)	21-58, Haracho 4-chome, Suita-shi, Osaka	Real property	5,516.61	2,000	1,942
G-Bldg. Jingumae 03	30-12, Jingumae 3-chome, Shibuya-ku, Tokyo	Real property	1,676.87	5,070	5,597
G-Bldg. Minami-Ikebukuro 01 (Note 6)	19-5, Minami Ikebukuro 1-chome, Toshima-ku Tokyo	Trust beneficial interest	5,121.71	6,580	6,051
G-Bldg. Shinsaibashi 01	5-3, Shinsaibashisuji 2-chome, Chuo-ku, Osaka-shi, Osaka	Trust beneficial interest	886.46	1,620	1,609
Total			2,833,234.99	598,552	637,727

Note 1 “Location” means the residence indication or the location indicated in the land registry book.

Note 2 “Leasable area” means the total leasable area of the building of each property used as stores, offices, etc. indicated in the lease agreement or the plan of such property and it does not include the leasable area of warehouses and land (flat parking lots).

Note 3 “Appraisal value at end of period” shows the value appraised or researched by the real estate appraiser (CB Richard Ellis K.K., Daiwa Real Estate Appraisal Co., Ltd., Japan Real Estate Institute and Tanizawa Sōgō Appraisal Co., Ltd.) in accordance with the methods and standard of assets valuation as stipulated in the Articles of Incorporation of the Investment Corporation as well as the regulations as stipulated by The Investment Trusts Association, Japan.

Note 4 Although the Investment Corporation owns 50% of the share of quasi-co-ownership in respect of Hakata Riverain after the partial sale of its ownership interest on August 1, 2007, the leasable area above shows the total area of the property.

Note 5 The property name of AEON Tobata Shopping Center was changed from Tobata SATY.

Note 6 These properties are leased in the form of a pass-through master lease agreement and the “Leasable area” of the properties shows the leasable area to the end tenants.

Operating results of each property for the six months ended August 31, 2010 and February 28, 2010 were as follows:

Name of property	For the six months ended							
	February 28, 2010				August 31, 2010			
	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)
Sendai Nakayama Shopping Center	2	100.0	437	2.2	2	100.0	442	1.9
ESPA Kawasaki	5	100.0	493	2.5	5	100.0	492	2.1
8953 Osaka Shinsaibashi Building	1	100.0	407	2.0	1	100.0	407	1.7
Hakata Riverain	66	84.9	425	2.1	61	82.4	425	1.8
Ito-Yokado Narumi	1	100.0	264	1.3	1	100.0	264	1.1
8953 Minami Aoyama Building	3	90.4	157	0.8	3	90.4	161	0.7
Nara Family	125	99.2	2,046	10.2	126	99.6	2,032	8.7
Abiko Shopping Plaza	59	100.0	710	3.6	59	100.0	683	2.9
Ito-Yokado Yabashira	1	100.0	78	0.4	1	100.0	78	0.3
Ito-Yokado Kamifukuoka Higashi	1	100.0	256	1.3	1	100.0	256	1.1
Ito-Yokado Nishikicho	1	100.0	444	2.2	1	100.0	444	1.9
8953 Daikanyama Building	2	100.0	40	0.2	2	100.0	40	0.2
8953 Harajuku Face Building	4	100.0	105	0.5	4	100.0	104	0.5
AEONMALL Higashiura	1	100.0	478	2.4	1	100.0	478	2.1
AEON Kashiihama Shopping Center	1	100.0	477	2.4	1	100.0	477	2.0
AEON Sapporo Naebo Shopping Center	1	100.0	376	1.9	1	100.0	377	1.6
GYRE	17	97.8	585	2.9	18	94.0	611	2.6

Name of property	For the six months ended							
	February 28, 2010				August 31, 2010			
	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)
Esquisse Omotesando Annex	2	100.0	34	0.2	2	100.0	33	0.1
Ito-Yokado Tsunashima	1	100.0	180	0.9	1	100.0	180	0.8
Bic Camera Tachikawa	2	100.0	389	1.9	2	100.0	389	1.7
Itabashi SATY	1	100.0	661	3.3	1	100.0	638	2.7
8953 Kita Aoyama Building	3	100.0	41	0.2	3	100.0	34	0.2
AEONMALL Yamato	1	100.0	534	2.7	1	100.0	534	2.3
SEIYU Hibarigaoka	1	100.0	261	1.3	1	100.0	261	1.1
AEON Tobata Shopping Center	1	100.0	315	1.6	1	100.0	315	1.4
JUSCO City Takatsuki	1	100.0	413	2.1	1	100.0	414	1.8
8953 Jiyugaoka Building	11	100.0	91	0.5	9	96.8	89	0.4
JUSCO City Yagoto	2	100.0	152	0.8	2	100.0	148	0.6
JUSCO Naha	1	100.0	398	2.0	1	100.0	398	1.7
Cheers Ginza	9	100.0	109	0.5	8	79.4	94	0.4
JUSCO City Nishi-Otsu	1	100.0	380	1.9	1	100.0	375	1.6
Kyoto Family	47	86.5	603	3.0	61	99.2	621	2.7
Higashi-Totsuka Aurora City	4	100.0	1,355	6.8	4	100.0	1,388	6.0
Omiya SATY	1	100.0	206	1.0	1	100.0	174	0.7
Loc City Ogaki	1	100.0	331	1.7	1	100.0	329	1.4
Kawaramachi OPA	1	100.0	363	1.8	1	100.0	363	1.6

Name of property	For the six months ended							
	February 28, 2010				August 31, 2010			
	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)
AEON Ueda Shopping Center	1	100.0	297	1.5	1	100.0	297	1.3
AEONMALL Tsurumi Leafa	1	100.0	890	4.4	1	100.0	891	3.8
AEONMALL Itami Terrace	1	100.0	583	2.9	1	100.0	581	2.5
Ito-Yokado Yotsukaido	1	100.0	290	1.4	1	100.0	290	1.2
Oyama Yuen Harvest Walk (Note 3)	68	97.4	581	2.9	68	97.7	560	2.4
AEON Yachiyo Midorigaoka Shopping Center	1	100.0	684	3.4	1	100.0	685	2.9
8953 Jingumae6 Building	4	100.0	62	0.3	4	100.0	60	0.3
8953 Saitama Urawa Building (Note 4, 5)	1	100.0	-	-	-	-	-	-
AEON Sapporo Hassamu Shopping Center	1	100.0	577	2.9	1	100.0	577	2.5
Ario Otori	1	100.0	544	2.7	1	100.0	544	2.3
G-Bldg. Jingumae 01	2	100.0	82	0.4	2	100.0	83	0.4
G-Bldg. Jingumae 02	2	69.9	27	0.1	3	100.0	30	0.1
G DINING SAPPORO (Note 3)	12	50.1	45	0.2	15	63.3	53	0.2
G-Bldg. Minami Aoyama 01	0	0.0	0	0.0	0	0.0	0	0.0
La Porte Aoyama (Note 3)	-	-	-	-	19	82.0	287	1.2
AEONMALL Musashi-murayama Mu	-	-	-	-	1	100.0	956	4.1
AEONMall Kobe-kita	-	-	-	-	1	100.0	580	2.5
Shinsan Building (Note 3)	-	-	-	-	7	100.0	86	0.4
35 Sankyo Building (Note 3)	-	-	-	-	6	68.3	121	0.5

Name of property	For the six months ended							
	February 28, 2010				August 31, 2010			
	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)
Shibuya West Building (Note 3)	-	-	-	-	1	100.0	108	0.5
Chiba West Building (Note 3)	-	-	-	-	18	86.1	107	0.5
Narita TT Building (Note 3)	-	-	-	-	7	100.0	102	0.4
Utsunomiya Center Building (Note 3)	-	-	-	-	21	80.4	93	0.4
Southern Mito Building (Note 3)	-	-	-	-	24	90.2	101	0.4
Horikawa-Dori Shijyo Building (Note 3)	-	-	-	-	12	91.2	111	0.5
KYUHO Esaka Building (Note 3)	-	-	-	-	15	85.4	87	0.4
Uchikanda Building (Note 3)	-	-	-	-	8	88.8	107	0.5
Mirum Daikanyama (Note 3)	-	-	-	-	69	85.4	143	0.6
Mirum Shirokanedai (Note 3)	-	-	-	-	30	78.5	60	0.3
Mirum Nogizaka (Note 3)	-	-	-	-	41	89.6	67	0.3
Mirum Minami Aoyama (Note 3)	-	-	-	-	43	93.3	63	0.3
Mirum Hiro-o Ⅱ (Note 3)	-	-	-	-	42	79.6	61	0.3
Forest Hill Sendai-Aoba (Note 3)	-	-	-	-	249	99.2	98	0.4
Nishino Building (Note 3)	-	-	-	-	45	88.4	90	0.4
Leaf Comfort Shinkoiwa (Note 3)	-	-	-	-	30	100.0	79	0.3
G-Bldg. Shinjuku 01	-	-	-	-	1	100.0	141	0.6
LIFE Taiheiji （land with leasehold interest）	-	-	-	-	1	100.0	42	0.2
LIFE Shimodera （land with leasehold interest）	-	-	-	-	1	100.0	49	0.2

Name of property	For the six months ended							
	February 28, 2010				August 31, 2010			
	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)
LIFE Kishibe （land with leasehold interest）	-	-	-	-	1	100.0	29	0.1
G-Bldg. Jingumae 03	-	-	-	-	1	11.3	4	0.0
G-Bldg. Minami-Ikebukuro 01 (Note 3)	-	-	-	-	7	100.0	208	0.9
G-Bldg. Shinsaibashi 01	-	-	-	-	1	88.4	48	0.2
Total	478	99.5	20,035	100.0	1,191	99.3	23,326	100.0

Note 1 “Numbers of tenants” is based upon the numbers of the lease agreements of the buildings of each such property used as stores, offices, etc.

Note 2 “Occupancy ratio” (percentage of leased area against the leasable area at the end of accounting period) and “Ratio of rental revenue to total rental revenues” are calculated by rounding to the nearest first decimal place.

Note 3 “Number of tenants” and “Occupancy ratio” for a pass-through master leased property are presented on an end-tenant basis.

Note 4 “Rental revenue” is undisclosed because the consent from the tenant had not been acquired.

Note 5 The property was sold on March 17, 2010.