



August 2011 (19th) Period Results

 **Japan Retail Fund Investment Corporation**



Securities Code: 8953 / US ADR(OTC): JNRFY

 **Mitsubishi Corp UBS Realty**

Executive Summary

Performance (1): Shifts in distribution and special note

<Great East Japan Earthquake and its impact>

- Initially estimated expenses of **668 mil. yen**, mainly consisting of the expense to renovate AEON Sendai Nakayama.
- The final cost was determined to be **502 mil. yen** and it was recorded in full as an extraordinary loss.
- The impact on management and performance was temporary.

<Implementation of public offering>

- Secured **approx. 20 bil. yen** of equity capital and newly acquired **12 properties** for approx. **46 bil. yen**.
- Realized **an increase of DPU based on external growth** by acquiring properties with attractive yields.
- After announcing the public offering, unit price moved quite steadily.

3,050 yen

Initial forecast

August 2011 Period
(19th Period)

3,259 yen

Actual

3,533 yen

Initial forecast of
the 19th Period

3,613 yen

Revised forecast at the time of
announcement of the public offering
February 2012 Period
(20th Period)

3,659 yen

New forecast

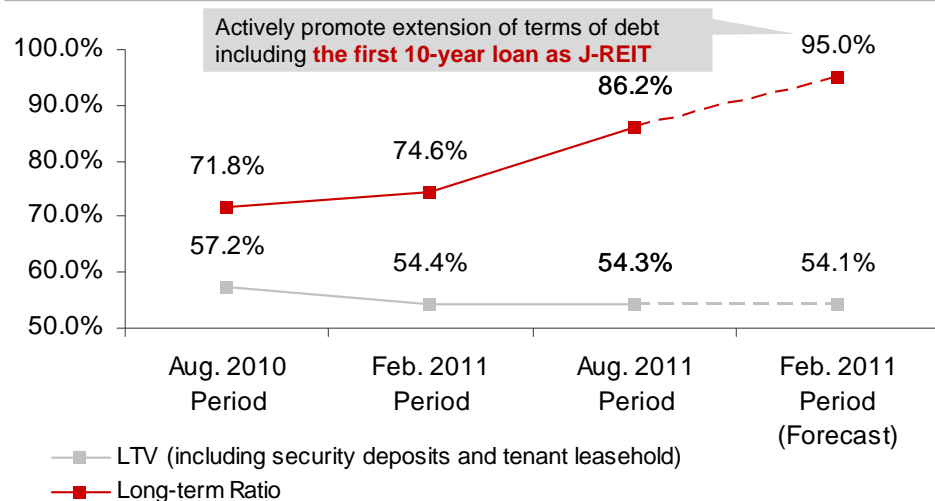
3,680 yen

New forecast

August 2012 Period
(21st Period)

Performance (2): Further enhancement of financial stability

For future: Recognition of business environment and growth strategy



Recognition of business environment

- Environments for retail, real estate and finance all moved steadily.
- Global macro trends and their impact on the country is a concern.

Future growth strategy

- External and internal growth are the drivers for improvement.
- In particular, for external growth, JRF will continue to actively promote acquisition of properties that exceed the NOI yield of the portfolio while maintaining an approach to make **highly-selected investments in prime properties**.
- JRF will focus on continuously enhancing its financial stability that supports growth.

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1. Performance Report

August 2011 (19th) Period P&L Performance

▶▶▶ Gradual increase on a cruising basis excluding special factors (gain on sale and extraordinary loss)

	Feb. 2011 Period (18th)	Aug. 2011 Period			(mil. yen)
		(19th)	Change from previous period	Change (%)	
Operating Revenue	22,925	21,824	(1,100)	(4.8%)	Aug. 2011 Period (Estimate at begin- ning of Period)
Operating Expenses	13,577	13,278	(298)	(2.2%)	
Operating Income	9,348	8,546	(801)	(8.6%)	Difference from actual
Non-operating Revenue	5	6	+1	+20.4%	Difference from actual (%)
Non-operating Expenses	2,588	2,547	(41)	(1.6%)	
Recurring Profit	6,764	6,005	(758)	(11.2%)	
Net Income	6,698	5,502	(1,195)	(17.8%)	
Total Distribution	6,698	5,501	(1,196)	(17.9%)	

Distribution per Unit	3,968 yen/unit	3,259 yen/unit	(709)	(17.9%)	3,050 yen/unit	+209	+6.9%
FFO per Unit ^(Note)	6,398 yen/unit	6,297 yen/unit	(101)	(1.6%)	6,076 yen/unit	+221	+3.6%
FFO payout ratio	62.0%	51.8%	(10.3%)	-	50.2%	+1.6%	-

Average cost of debt (incl. guarantee deposits)	1.70%	1.69%	(0.01%)	-
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Capital Expenditures	696	1,356	+661	+95.4%
Repair Expenses	98	53	(45)	(45.9%)
Total	794	1,409	+616	+77.7%
Depreciation	5,160	5,128	(31)	(0.6%)

(Note) (Net income + loss on sale of real estate, etc. – gain on sale of real estate, etc.
+ depreciation + other real estate related depreciation) / total units outstanding

▶▶▶ Reference: Year-on-year comparison on a cruising basis excluding special factors (mil. yen)

	Feb. 2011 Period (18th)	Aug. 2011 Period		
		(19th)	Change from previous period	Change (%)
Operating Revenue	21,868	21,824	(44)	(0.2%)
Operating Income	8,291	8,546	+255	+3.1%
Recurring Profit	5,707	6,005	+297	+5.2%
Net Income	5,641	6,004	+363	+6.4%

▶ Major factors behind change (compared to the 18th Period) (mil. yen)

Operating Revenue	(1,100)
✓ Absence of gain on sale of non-core properties	(1,056)
✓ Other (amortization of security deposits of Abiko, etc.)	(44)
Operating Expenses	(298)
✓ Decrease of property related expenses (loss on retirement, etc.)	(162)
✓ Decrease of general administrative expense	(136)
Operating Income	(801)
Non-operating profit/loss (decrease of interest expense, etc.)	+43
Recurring Profit	(758)
Extraordinary profit/loss (reworking cost, etc. due to the Great East Japan Earthquake)	(437)
Net Income	(1,195)

▶ Major factors behind change (Estimate at beginning of Period) (mil. yen)

Operating Revenue	+102
✓ Increase of rent revenue, etc.	
Operating Expenses	(62)
✓ Decrease of property related expenses and general administrative expense	
Operating Income	+164
Non-operating profit/loss (decrease of interest expense, etc.)	+21
Recurring Profit	+185
Extraordinary profit/loss (decrease of reworking cost due to the Earthquake)	+166
Net Income	+351

August 2011 (19th) Period B/S Performance

(mil. yen)

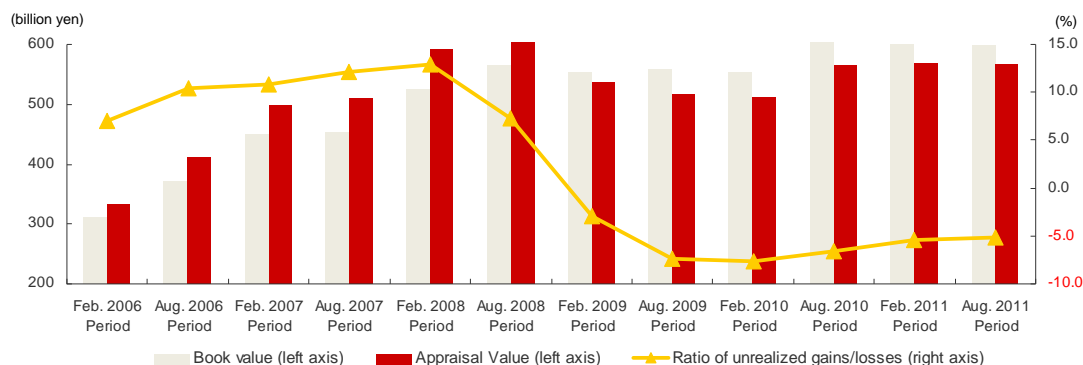
	End of Feb. 2011 (End of 18th Period)	End of Aug. 2011 (End of 19th Period)	Change from previous period	Change (%)
Total assets (1)	625,312	621,377	(3,935)	(0.6%)
Total liabilities (2)	345,943	343,204	(2,739)	(0.8%)
Interest-bearing liabilities (3)	277,351	275,351	(2,000)	(0.7%)
Security deposits, guaranteed deposits (4)	62,667	62,230	(437)	(0.7%)
Net Assets	279,369	278,173	(1,196)	(0.4%)

LTV((3)/(1))	44.4%	44.3%	(0.1%)	-
LTV(((3)+(4))/(1))	54.4%	54.3%	(0.1%)	-
LTV(((3)+(4))/((1)+(7)))	57.3%	57.2%	(0.1%)	-

Number of properties	59 properties	59 properties	0	-
Book value (5)	601,341	597,570	(3,771)	(0.6%)
End of term appraisal value (6)	568,969	566,765	(2,204)	(0.4%)
Unrealized gain and loss (7)((6)-(5))	(32,372)	(30,805)	+1,567	+4.8%

Negative goodwill	6,918	6,918	-	-
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➤➤➤ Trend of appraisal values - bottoming out of declines



(Note) The appraisal values for the Aug. 2010 Period are based on 59 retail properties.

➤ Major factors behind change (compared to the 18th Period)

(mil. yen)

Total Assets	(3,935)
✓ Decrease of cash and deposits from repayment of loans, etc.	(1,497)
✓ Other (increase of depreciation and assets, etc.)	(2,438)
Total Liabilities	(2,739)
✓ Repayment of interest-bearing liabilities	(2,437)
<div style="display: flex; align-items: center;"> <div style="font-size: 3em; margin-right: 10px;">{</div> <div> <div>Repayment of loans (2,000)</div> <div>Return of security deposits and tenant leasehold (437)</div> </div> </div>	
✓ Others	(302)
Net Assets	(1,196)
✓ Decrease of retained earnings (decrease of gain on sale of non-core properties: (1,056))	

➤ Percentage change of appraisal values compared with the previous period

As of end of Feb. 2010	As of end of Aug. 2010	As of end of Feb. 2011	As of end of Aug. 2011
(1.0 %)	(0.2 %)	+0.5%	(0.4%)

(Note) The percentage change is calculated based on the properties owned at the end of the previous period.

Forecasts for February 2012 (20th) and August 2012 (21th) Periods P&L Forecast

		(mil. yen)					
	Aug. 2011 Period (19th)	Feb. 2012 Period			Aug. 2012 Period		
		(Forecast for 20th Period)	Change from previous period	Change (%)	(Forecast for 21th Period)	Change from previous period	Change (%)
Operating Revenue	21,824	23,590	+1,765	+8.1%	23,757	+167	+0.7%
Operating Income	8,546	9,316	+769	+9.0%	9,450	+134	+1.4%
Recurring Profit	6,005	6,776	+770	+12.8%	6,920	+144	+2.1%
Net Income	5,502	6,775	+1,272	+23.1%	6,919	+144	+2.1%
Amount Reserved for Negative Goodwill (Note 1)	-	105	+105	-	-	-	-
Total Distribution	5,501	6,880	+1,378	+25.1%	6,919	+39	+0.6%
Distribution per Unit	3,259 yen/unit	3,659 yen/unit	+400	+12.3%	3,680 yen/unit	+21	+0.6%
FFO per Unit (Note 2)	6,297 yen/unit	6,447 yen/unit	+150	+2.4%	6,499 yen/unit	+52	+0.8%
FFO payout ratio	51.8%	56.8%	+5.0%	-	56.6%	-0.1%	-
Average cost of debt (incl. guarantee deposits)	1.69%	1.59%	(0.10%)	-	1.56%	(0.03%)	-
Capital Expenditures	1,356	1,220	(136)	(0.9%)	1,505	+286	+0.2%
Repair Expenses	53	111	+57	(2.1%)	84	(27)	(24.5%)
Total	1,409	1,330	(79)	(0.9%)	1,589	+258	+19.4%
Depreciation	5,128	5,337	+208	+4.1%	5,301	(36)	(0.7%)

(Note 1) Amount reserved for negative goodwill for the Feb. 2012 Period of 1.05 mil. yen is allocated to loss on write-off due to renewal.

(Note 2) (Net income + loss on sale of real estate, etc. – gain on sale of real estate, etc.
+ depreciation + other real estate related depreciation) / total units outstanding

Major factors behind change for the 20th Period (compared to the 19th Period) (mil. yen)

Operating Revenue	+1,765
✓ Contribution of newly acquired properties to profit, etc.	
Operating Expenses	+996
✓ Increase of property related expenses due to acquisition of new properties	
✓ Loss on retirement of fixed assets, etc.	
Operating Income	+769
Decrease of non-operating profit/loss	
Recurring Profit	+770
Extraordinary profit/loss (removal of reworking cost due to the Great East Japan Earthquake)	
Net Income	+1,272

Major factors behind change for the 21st Period (compared to the 20th Period) (mil. yen)

Operating Revenue	+167
✓ Full-year contribution of newly acquired properties, etc.	
Operating Expenses	+33
✓ Recording of taxes and public dues, etc.	
✓ Loss on retirement of fixed assets, etc.	
Operating Income	+134
Increase of non-operating profit/loss	
Recurring Profit	+144
Net Income	+144

2. Perception of Current Business Environment and Future Growth Strategies

JRF's Recognition of Business Environment

»» Environments for retail, real estate and finance are steady overall. JRF will continue to pay close attention to global macro trends and their impact on the country.

Macro environment

- **Real GDP growth rate is expected to recover to positive territory after the July-September Period in 2012.** It is expected to be negative for the whole of 2011 due to the impact of the Great East Japan Earthquake.
- In the midst of gradual reconstruction, the overall company performance is also on a recovery track.
- ✓ The impact of an uncertain prospect for the global economy, concerns about a slowing economy and the effects of the strong yen on the domestic export industry are recognized as future risk factors.

Retail environment

- **Major retail companies revised their full-year forecasts upward based on their current steady performance.**
- Voluntary restraint after the Earthquake quickly came to an end. Strong consumption supports company performance, especially for daily essentials such as food and energy-saving goods such as functional underwear.
- ✓ If taxes are raised in the future, consumer confidence may temporarily decrease.

Real estate environment

- The appraisal value (cap rate in particular) has remained constant or been recovering since 2010, especially for prime properties.
- A decrease in the cap rate is observed in the actual trading market. A certain degree of competition came back, but there is no overheated competition, which is a **very attractive environment for JRF.**
- For the lease business, vacant spaces in urban retail properties are decreasing, and a gradual increase in the occupancy rate can be assumed.

Financial environment

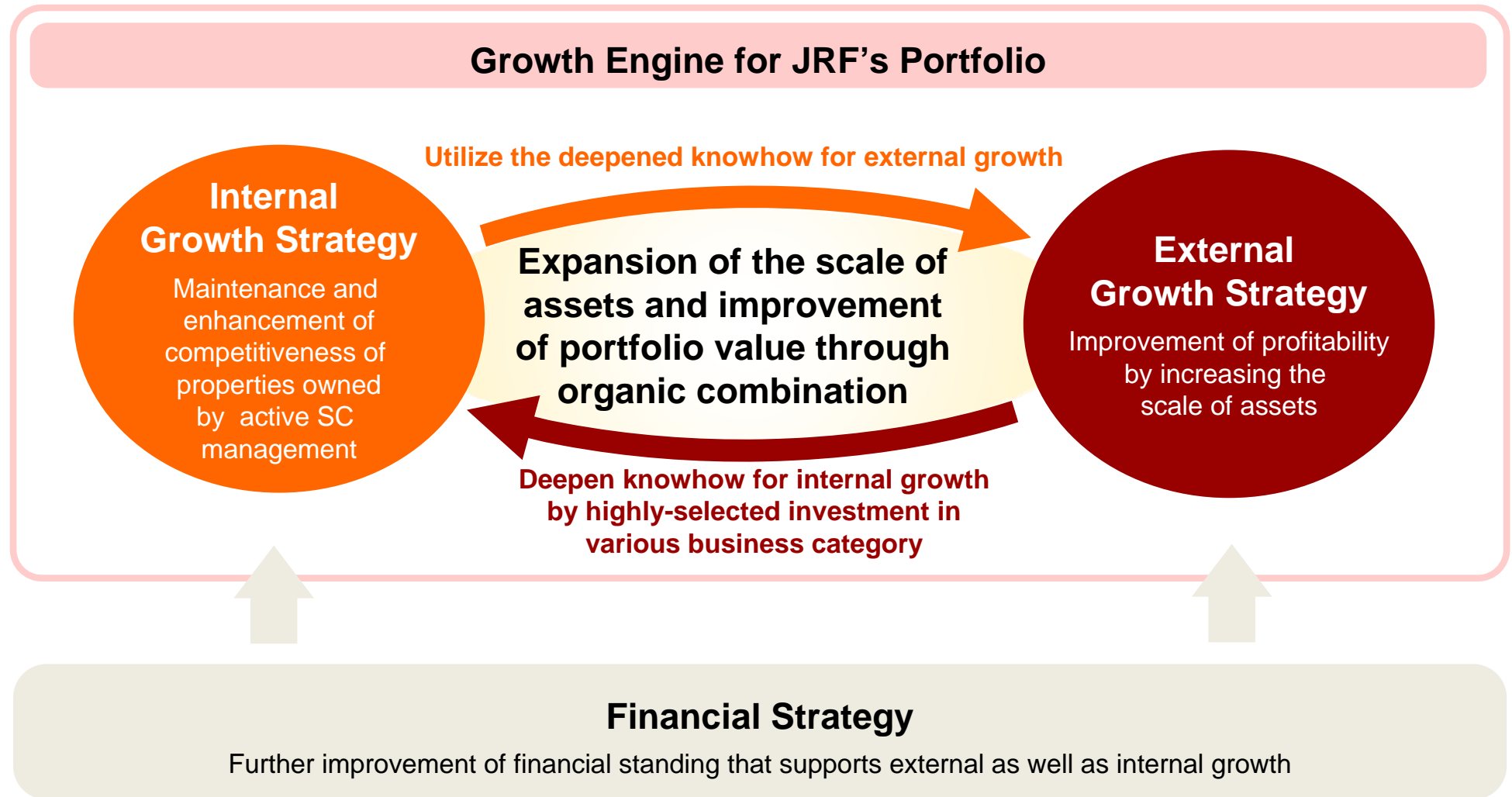
- There is no change in the lending attitude of domestic financial institutions, meaning that a **good financing environment continues to exist.**
- ✓ JRF will continue to closely pay attention to the impact that the investors' pessimistic attitude and decrease of risk tolerance in the European and the United State stock markets have on Japan's stock market.

● Positive factor ✓ Negative factor

Growth Strategies Going Forward

➤➤➤ **Aim for improvement and stability of distribution level by further increasing the scale of assets and improving portfolio profitability**

➤ **Expansion of the scale of assets by a synergistic effect of the growth engine and financial strategy that supports it**




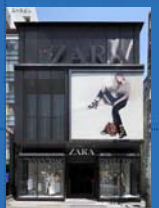

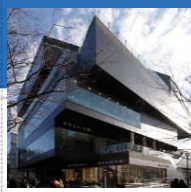
External Growth Strategy

➤➤➤ **Highly-selected investment in various business category that leverage a wide variety of acquisition channels**

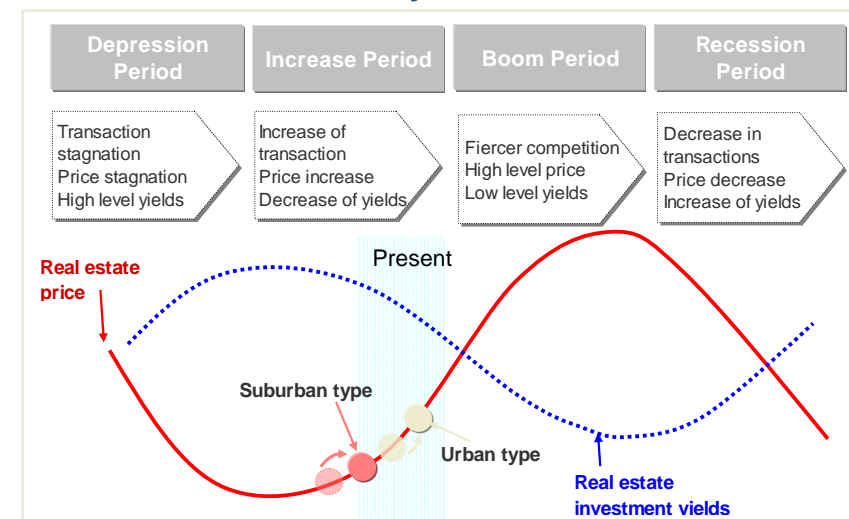
➤ Fundamental policy

Entire picture	Realize external growth that brings an increase of distribution
Target Yield	Consider exceeding the overall yield of portfolio and also improving implied cap rate and FFO
Property Type	Diversify investment in the following four categories of retail properties

➤ Target properties for acquisition

Location	Suburban area			Urban area		
	Other suburban area	Suburb of government-designated cities	Near three major cities	Central urban district of government-designated cities	Near key train stations around three major cities	Commercial center of three major cities
Large 100,000m ²	Large-scale retail center that is No. 1 in the area [Example of retail properties] •Large-scale shopping mall •Small- and middle-sized GMS 			Retail center in prime location adjacent to major station [Example of retail properties] •Specialty store building •Department store •Service-related property 		
50,000m ²	Neighborhood retail center located in a densely-populated area [Example of retail properties] •Neighborhood SC •Small- and middle-sized GMS •Road-side style store •Supermarket 					
10,000m ²				High street store and specialty store building in prime location [Example of retail properties] •Specialty store •Brand store •Apparel sale •Service store		
Small 1,000m ²						

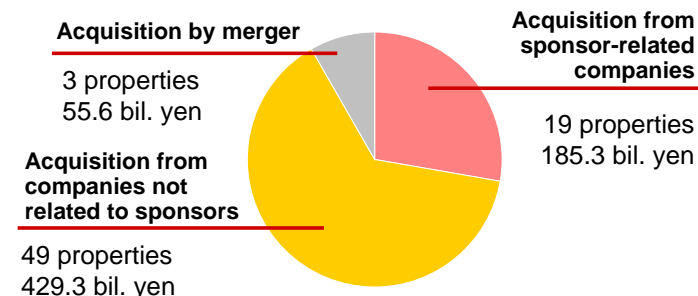
➤ Real Estate Market Cycle



➤ Abundant deal flow that maximizes opportunities to acquire capital

- Fully utilize a network as one of the largest buyers of retail properties in Japan that owns assets of 670.2 bil. yen in total (total acquisition price of 71 properties)

Acquisition channel of properties owned and assets acquired (acquisition price basis)



Summary of Public Offering Implemented in September 2011 (1)

➤ Completed acquisition of all 12 properties on October 3, 2011. Achieve improvement and stabilization of distribution level by acquiring new properties

➤ Significance and purpose

Asset	Acquisition of prime properties that contribute to improvement of profitability	Improve profitability by highly-selected investment in acquisition of properties that exceed the portfolio NOI yield ^(Note 1)
	Acquisition of assets by leveraging SC management ability	Acquire multi-tenant assets by leveraging the prior management experience
	Collaboration with Mitsubishi Corporation	Acquire redeveloped prime properties by flexible collaboration with sponsors
Debt	Improvement of financial standing	Improve long-term debt ratio while maintaining LTV level

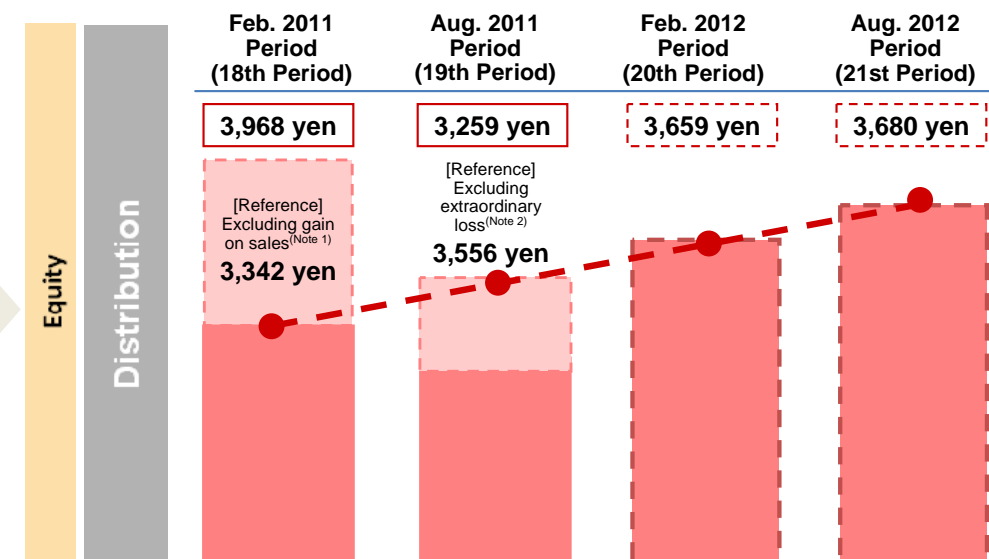
➤ Highlights of assets acquired

Average NOI yield	Average NOI yield of assets acquired 6.3% (existing portfolio: 5.1%)
Acquisition price below appraisal value	Ratio of total acquisition price to total appraisal value 91.3%
Negotiation transaction with seller	Properties acquired by negotiation transaction 11 properties / 12 properties
New investment scheme	Properties acquired by bridge structure 4 properties / 12 properties
Collaboration with Mitsubishi Corporation	Acquisition of mozo Wonder City

➤ Financial highlights

	As of the end of Feb. 2011 (18 th Period)		Assets acquired	After capital increase or asset acquisition
Asset	Number of properties	+	12	71
	Total acquisition price	+	46 billion yen	670.2 billion yen
	Average NOI yield		6.3%	5.2%
	Average NOI yield after amortization		5.2%	3.6%
Debt	Long-term debt ratio			95.0%^(Note)
	LTV			54.1%^(Note)

(Note) Estimated values as of the end of Feb. 2012



(Note 1) Gain on sales (1,056 mil. yen) is regarding the non-core assets assumed by merger during the Feb. 2011 Period (18th Period).

(Note 2) Extraordinary loss is recorded regarding the Great East Japan Earthquake, amounting to 502 mil. yen.

Summary of Public Offering Implemented in September 2011 (2)

Assumption of capital raised by public offering and its result

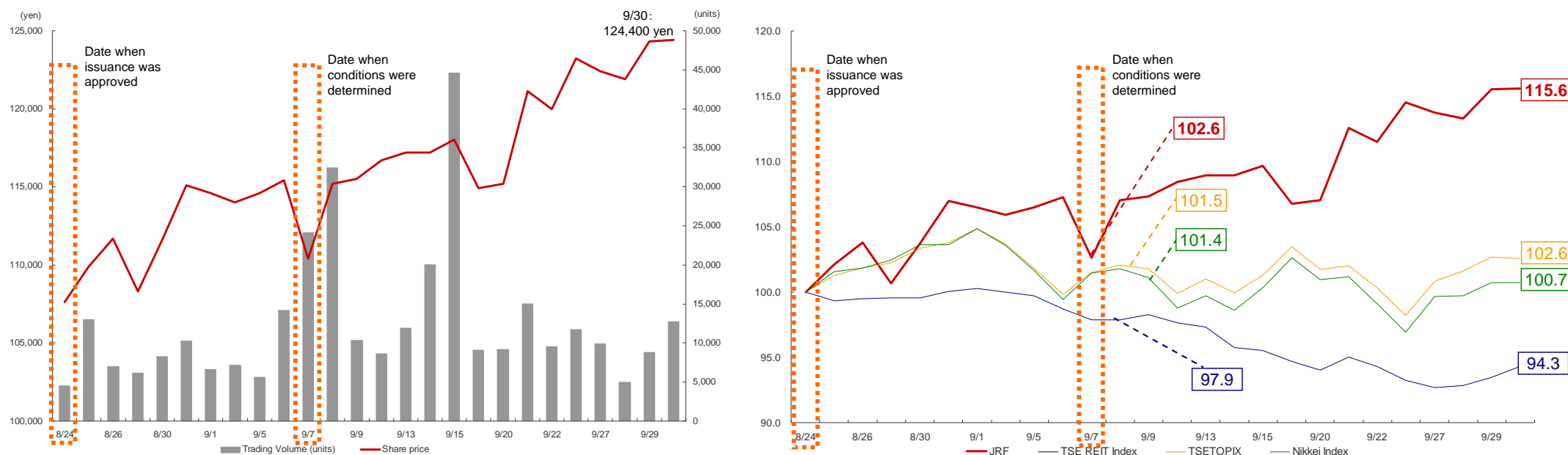
	Assumption as of the date when issuance was approved (August 24, 2011)		Result (September 7, 2011: date when conditions were determined)		
Base unit price	107,600 yen		110,400 yen		Realized capital increase at an issue price higher than the assumption
	Number of units	Total paid amount (Note 1)	Number of units	Total paid amount (Note 1)	
(1) Domestic general offering	94,200 units	9,411 mil. yen	94,200 units	9,806 mil. yen	Issued the assumed number of units thanks to strong demand
(2) Allocation to a third party by offering by over allotment	4,500 units	449 mil. yen	4,500 units (Note 2)	468 mil. yen (Note 2)	
(3) Overseas offering (including increasing option)	93,300 units	9,321 mil. yen	93,300 units	9,713 mil. yen	As a result, the amount of capital raised increased
(4) Total=(1)+(2)+(3)	192,000 units	19,181 mil. yen	192,000 units	19,987 mil. yen	

(Note 1) Total paid amount=Issue price × number of units. Issue price is calculated by deducting the discount from the base unit price.

(Note 2) Determined on October 6, 2011.

(Note 3) Fractions less than a unit are rounded down.

Unit price and index after announcing the public offering (August 24, 2011 to September 30, 2011)



Overview of Acquired Properties (1)

mozo Wonder City

Investment highlights

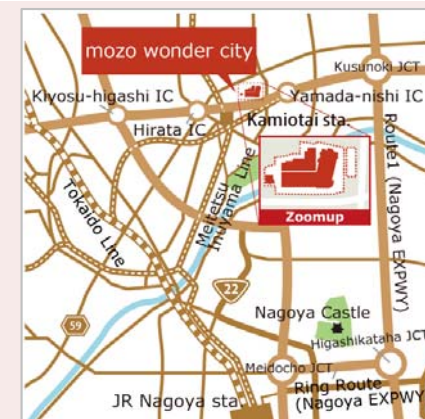
- Largest regional mall in the City of Nagoya
- Planned by JRF, redeveloped by Mitsubishi Corporation (sponsor)
- Environmentally conscious and energy saving
- 10% co-ownership stake with preferential negotiation rights to be acquired post-offering



Overview

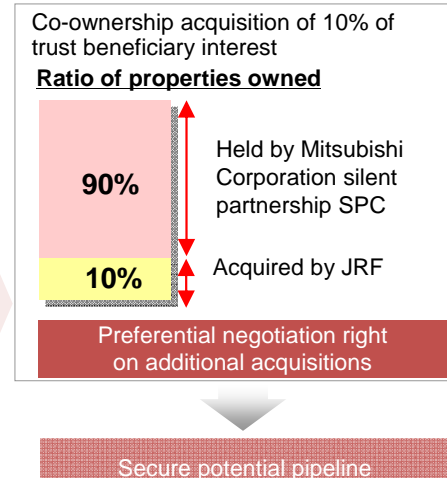
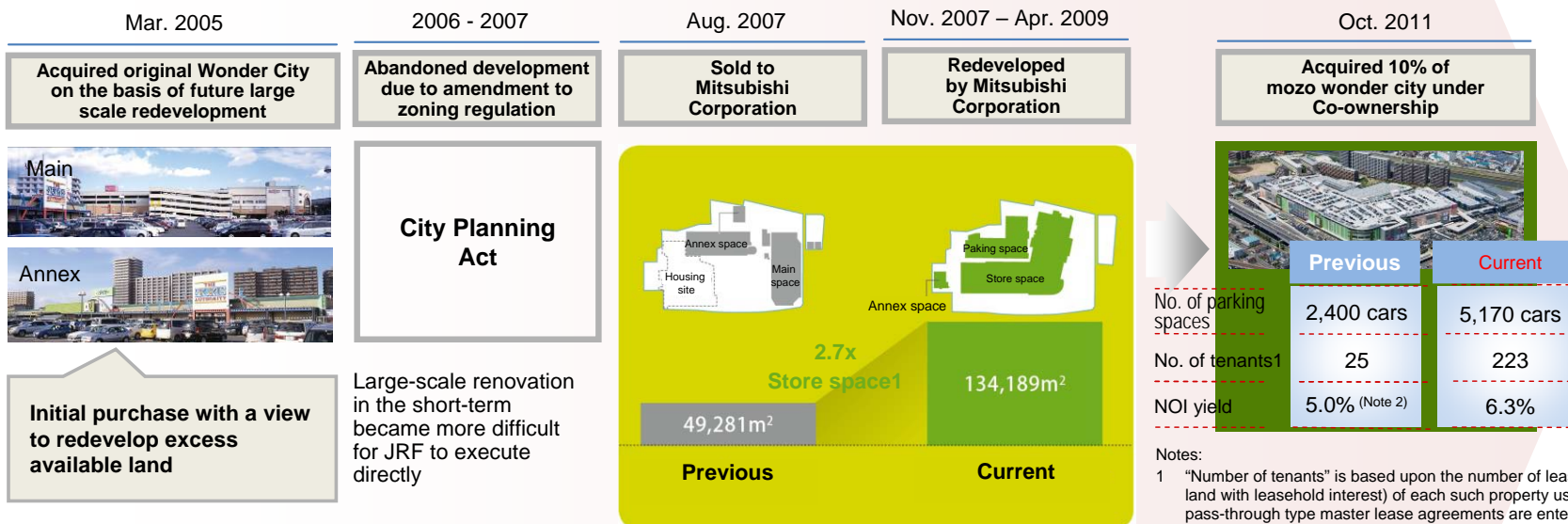
Asset type	Co-ownership of 10% of real estate and land trust beneficiary interests		
Acquisition price		NOI yield ^(Note)	
JPY 5,250mn		6.3%	
Appraisal value	JPY 5,370mn		
Seller	Kamiotai SC2 LLC		
Location	Nishi-ward, Nagoya, Aichi		
Land area	107,456.04m ²	Floor space	Total: 233,606.73m ² Main: 229,976.30m ² Annex: 3,630.43m ²
No. of tenants	223	Major tenants	AEON, FLAXUS
Date of acquisition	October 3, 2011		

(Note) NOI yield = (Income from real estate lease business* - expense of real estate lease business*) ÷ depreciation* ÷ acquisition price
 *Actual result in May 2011 is multiplied by 12 to calculate the annual amount. The same process is applied to the following properties.



Timeline of events up to current acquisition

Acquisition rationale focused on maximizing value through redevelopment and long-term hold



Notes:

1 "Number of tenants" is based upon the number of lease agreements of the buildings (or land in the case of land with leasehold interest) of each such property used mainly as stores and offices. In the case where pass-through type master lease agreements are entered into, the number of end-tenants is indicated.

2 (NOI(Aug 2006)+NOI(Feb 2007))/Book value.

Overview of Acquired Properties (2)

»»» Kishiwada CanCan Bayside Mall

» Investment highlights

- One minute from a major highway interchange facing a major road with three lanes, and covering a wide trading zone
- One of the largest retail centers in its area, providing both day-to-day lifestyle goods through the GMS anchor tenant (EAST), and fashion goods through specialty stores (WEST)



» Property overview

Asset type	Real estate and land trust beneficiary interests		
Acquisition price	NOI yield		
JPY 7,000mn	7.8%		
Appraisal value	JPY 7,680mn		
Seller	Kishiwada CanCan Bayside Mall Co. Ltd.		
Location	Kishiwada, Osaka		
Land area	36,426.28m ²	Floor space	Total: 76,653.06m ² EAST: 45,658.54m ² WEST: 30,994.52m ²
No. of tenants	107	Major tenants	Izumiya, UNITED CINEMAS
Date of acquisition	September 22, 2011		



»»» MrMax Nagasaki

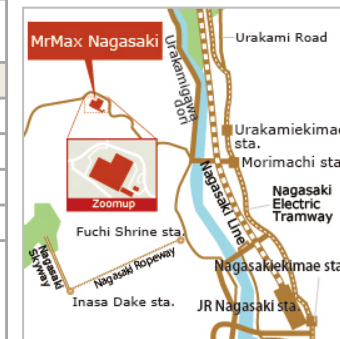
» Investment highlights

- Well-positioned in a residential area facing a major road
- Suburban neighborhood SC with discount store, supermarket and restaurants
- Anchor store is consistently one of the top selling stores in the MrMax chain
- Large parking space provides competitive advantage, given scarcity of large sites due to Nagasaki's hilly topography



» Property overview

Asset type	Real estate and land trust beneficiary interests		
Acquisition price	NOI yield		
JPY 2,475mn	7.6%		
Appraisal value	JPY 2,810mn		
Seller	Rising Star Nagasaki TMK		
Location	Nagasaki, Nagasaki		
Land area	24,287.87m ²	Floor space	Total: 12,207.32m ² M-M: 11,719.71m ² FS-2,3: 403.87m ² FS-1: 83.74m ²
No. of tenants	2	Major tenants	MrMax
Date of acquisition	September 22, 2011		



Overview of Acquired Properties (3)

Round1 Stadium Itabashi

Investment highlights

- 10 min. walk from Toei subway station Shimura 3-Chome, at the crossing of two major roads with favorable access by car
- Growing population in Itabashi, accessible comprehensive amusement facility with potentially a wide range of users
- "Stadium type center" with indoor and outdoor sports activities and amusement "SPO-CHA", and also game center, bowling, Karaoke, billiards and darts as a typical Round 1



Round1 Machida

Investment highlights

- Bustling area near two major railway stations, JR Yokohama line and Odakyu Odawara line, with growing population of over 290,000 within 3km radius
- No competing facilities of major size in the area, and established the position of No.1 amusement facility in the area
- Typical Round 1 store offering game center, bowling, Karaoke, billiards and darts



[Tentative]Round1 Namba Sennichimae (land with leasehold interest)

Investment highlights

- Located in one of the Japanese busiest shopping districts Namba Sennichimae area, accessible to Osaka subway Namba station and Kintetsu Line Nihonbashi station
- 11 story high flagship "stadium-type store" with two underground floors. R-1 Ltd. Co. holds preferential rights to the land on which it is being constructed
- Long-term lease ensures continued income not only from completion of the facility, but also from rising land prices in the future
- Preferential negotiation rights regarding the building will be afforded as R-1 Ltd. Co. and Round One Corporation hold construction rights



Note: Rendering of completed building



Property overview

Asset type	Real estate and land trust beneficiary interests		
Acquisition price		NOI yield	
JPY 2,400mn		6.5%	
Appraisal value	JPY 2,600mn		
Seller	R1 Itabashi Limited		
Location	Itabashi-ward, Tokyo		
Land area	4,535.87m ²	Floor space	14,828.74m ²
No. of tenants	1	Major tenants	Round1
Date of acquisition	September 26, 2011		

Property overview

Asset type	Real estate and land trust beneficiary interests		
Acquisition price		NOI yield	
JPY 2,450mn		6.4%	
Appraisal value	JPY 2,590mn		
Seller	Retail Balloon LLC		
Location	Machida, Tokyo		
Land area	1,199.24m ²	Floor space	6,801.89m ²
No. of tenants	1	Major tenants	Round1
Date of acquisition	September 26, 2011		

Property overview

Asset type	Land trust beneficiary interests		
Acquisition price		NOI yield	
JPY 8,000mn		4.6%(Note)	
Appraisal value	JPY 8,210mn		
Seller	R1 Namba Limited		
Location	Chuo-ward, Osaka, Osaka		
Land area	1,711.63m ²	Floor space	—
No. of tenants	1	Major tenants	R1 Namba Limited
Date of acquisition	September 27, 2011		

(Note) Yield for net management income in the initial year including the development period is listed. Yield for net management income after store opening is expected to be 5.6%.

Overview of Acquired Properties (4)

►►► Makuhari Plaza

► Investment highlights

- Located facing Route 14, the national road between Tokyo and Chiba with several large properties that attract a number of customers
- Located in the Chiba's second most populated areas of Hanamigawa-ward, with over 180,000 people within 3km radius, and still growing
- A roadside store which integrates restaurants and amusement shops with Yamada Denki as anchor tenant, Japan's largest mass retailer of consumer electronics.



► Property overview

Asset type	Real estate and land trust beneficiary interests		
Acquisition price	NOI yield		
JPY 5,700mn	6.4%		
Appraisal value	JPY 6,130mn		
Seller	Ichiro-Seven TMK		
Location	Hanamigawa-ward, Chiba, Chiba		
Land area	13,180.00m ²	Floor space	Total: 12,623.79m ² A: 2,111.97m ² B: 10,511.82m ²
No. of tenants	6(Note)	Major tenants	Yamada Denki
Date of acquisition	September 22, 2011		

(Note) End tenant basis



►►► Tecc Land Neyagawa (land with lease hold interest)

► Investment highlights

- High profile facility located at the crossing of a community highway and busy prefectural road
- Good trade area in a large city area of Osaka with 300,000 people within a 3km radius
- Commercial use land with ample space carpark for further development



► Property overview

Asset type	Land trust beneficiary interests		
Acquisition price	NOI yield		
JPY 1,135mn	7.2%		
Appraisal value	JPY 1,540mn		
Seller	Ichiro-Six TMK		
Location	Neyagawa, Osaka		
Land area	11,430.04m ²	Floor space	—
No. of tenants	1	Major tenants	Yamada Denki
Date of acquisition	September 28, 2011		

(Note) Acreage correction was registered on September 6, 2011.



Overview of Acquired Properties (5)

》》》 Izumisano Shofudai (land with leasehold interest)

》 Investment highlights

- Facing a major prefectural road allowing for easy access by car
- Population of over 110,000 within 3km radius, and slight increase in population expected in the nearby area
- Large commercial use land with community-based supermarket "OKUWA" and major home improvement center "Keiyo D2"



》 Property overview

Asset type	Land trust beneficiary interests		
Acquisition price	NOI yield		
JPY 2,625mn	7.2%		
Appraisal value	JPY 2,800mn		
Seller	Ichiro-Four TMK		
Location	Izumisano, Osaka		
Land area	44,009.52m ²	Floor space	—
No. of tenants	2	Major tenants	Keiyo D2, Okuwa
Date of acquisition	September 28, 2011		



》》》 G-Bldg. Shinsaibashi 02

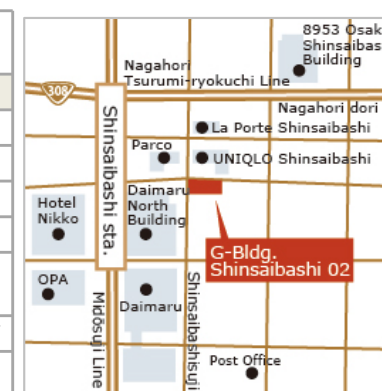
》 Investment highlights

- 2 minute walk from Osaka subway Shinsaibashi station, located at the corner of a major fashion shopping street with department stores, premier brand shops, and specialty stores
- Uniqlo global flagship store, H&M, and other up-and-coming brands are in this area
- Highly recognizable, relatively new building completed in Nov. 2009
- Tenant is a major retailer of business attire aimed at younger professionals



》 Property overview

Asset type	Real estate and land trust beneficiary interests		
Acquisition price	NOI yield		
JPY 4,380mn	5.2%		
Appraisal value	JPY 4,570mn		
Seller	Retail Shinsaibashi LLC		
Location	Chuo-ward, Osaka, Osaka		
Land area	252.76m ²	Floor space	994.73m ²
No. of tenants	1	Major tenants	THE SUIT COMPANY
Date of acquisition	September 27, 2011		



Overview of Acquired Properties (6)

»»» Urban Terrace Jingumae

» Investment highlights

- 6 minute walk from Tokyo Metro Omotesando Station, with convenient access to the popular wedding areas of Minami Aoyama and Jingumae
- The facility's wedding reception hall and popular restaurant cater to the growing demand for home weddings
- Flagship facility for Take and Give Needs, one of the largest service-provider for home weddings in Japan



» Property overview

Asset type	Real estate and land trust beneficiary interests		
Acquisition price	NOI yield		
JPY 2,797mn	6.1%		
Appraisal value	JPY 4,000mn		
Seller	Retail Balloon LLC		
Location	Shibuya-ward, Tokyo		
Land area	946.25m ²	Floor space	1,734.42m ²
No. of tenants	2	Major tenants	OMOTESANDO TERRACE
Date of acquisition	September 26, 2011		



»»» Arkangel Daikanyama (land with leasehold interest)

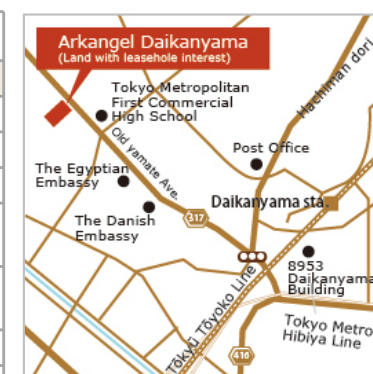
» Investment highlights

- 5 minute walk from Tokyu Toyoko Line Daikanyama station in a competitive location of another fashionable area of Tokyo popular for weddings
- Daikanyama is surrounded by quiet residential areas and is popular as a prestigious residential area with easy access to the city center
- Take and Give Needs' first facility, and among its flagship stores



» Property overview

Asset type	Land trust beneficiary interests		
Acquisition price	NOI yield		
JPY 1,820mn	5.7%		
Appraisal value	JPY 2,120mn		
Seller	Retail Daikanyama LLC		
Location	Meguro-ward, Tokyo (Shibuya-ward, Tokyo)		
Land area	904.04m ²	Floor space	—
No. of tenants	1	Major tenants	Arkangel
Date of acquisition	September 27, 2011		



Abundant Deal Source and Strong Negotiation Ability

➤➤➤ Mainly use negotiation transactions with sellers that leverage a wide network and also use bridge structure as a new acquisition channel

Property	Seller attribute			Transaction type			Acquisition price (A) (mil. yen)	Appraisal value (B) (mil. yen)	(A / B) (%)	NOI yield (%) (Note 2)
	Business corporation	Private fund	Tenant sale and leaseback	Collaboration with Mitsubishi Corporation Group	Negotiation transaction	Bridge structure (Note 1)				
mozo Wonder City	○	-	-	○	○	-	5,250	5,370	97.8%	6.3%
Kishiwada CanCan Bayside Mall	○	-	-	-	○	-	7,000	7,680	91.1%	7.8%
MrMax Nagasaki	-	○	-	○	○	-	2,475	2,810	88.1%	7.6%
Round1 Stadium Itabashi	-	-	○	-	○	-	2,400	2,600	92.3%	6.5%
Round1 Machida	-	-	○	-	○	○	2,450	2,590	94.6%	6.4%
[Tentative] Round1 Namba Sennichimae (land with leasehold interest)	-	-	○	-	-	-	8,000	8,210	97.4%	4.6% (Note 3)
Makuhari Plaza	-	○	-	-	○	-	5,700	6,130	93.0%	6.4%
Tecc Land Neyagawa (land with leasehold interest)	-	○	-	-	○	-	1,135	1,540	73.7%	7.2%
Izumisano Shofudai (land with leasehold interest)	-	○	-	-	○	-	2,625	2,800	93.8%	7.2%
G-Bldg. Shinsaibashi 02	-	○	-	-	○	○	4,380	4,570	95.8%	5.2%
Urban Terrace Jingumae	○	-	-	-	○	○	2,797	4,000	69.9%	6.1%
Arkangel Daikanyama (land with leasehold interest)	-	-	○	-	○	○	1,820	2,120	85.8%	5.7%
Total	3 properties	5 properties	4 properties	2 properties	11 properties	4 properties	46,032	50,420	91.3%	6.3%

(Note 1) A bridge structure is a structure where a bridge fund or a third party purchases prime properties on behalf of JRF, and JRF retains a preferential negotiation right regarding such properties at the same time.

A bridge structure can fill the gap between the timing for JRF to raise capital and the timing for a seller to sell.

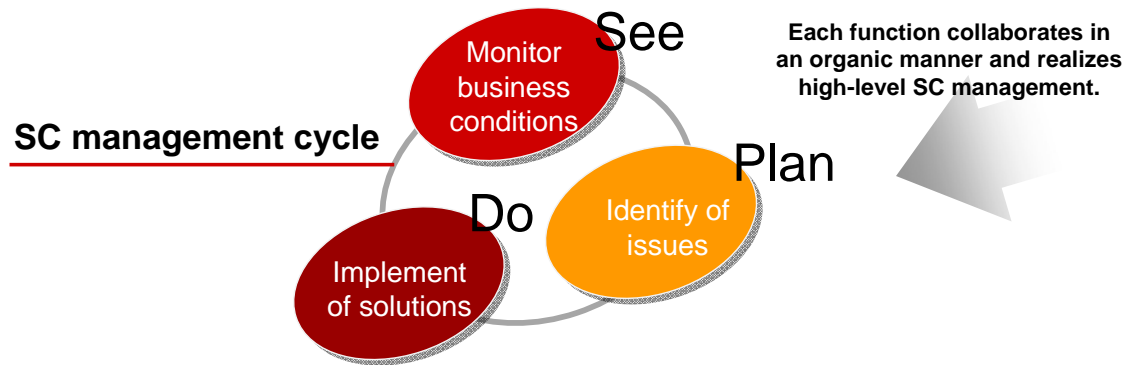
(Note 2) NOI yield = {(Income from real estate lease business* – expense of real estate lease business*)+depreciation*}/acquisition price * Actual result in May 2011 is multiplied by 12 to calculate the annual amount.

(Note 3) Yield for net management income in the initial year including the development period is listed. Yield for net management income after store opening is expected to be 5.6%.

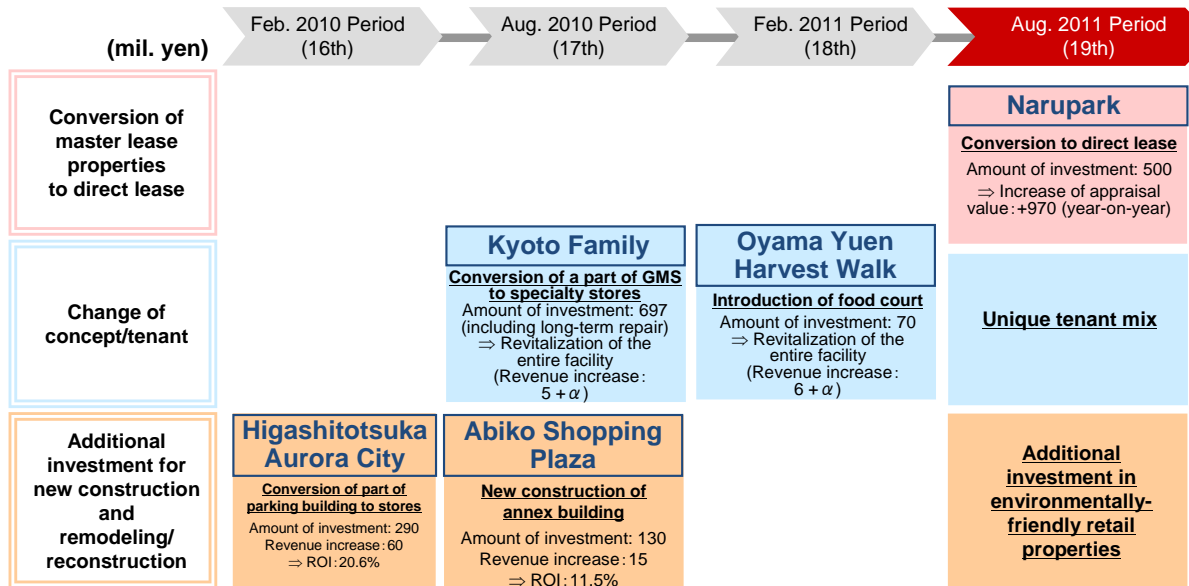
Internal Growth Strategy

Improvement of quality and quantity of portfolio by active SC management

Establishment of SC management cycle and excellent management system



Active SC management



Property management

Supervision of management plan and planning/implementation of specific measures

Engineering

Proper maintenance and management of hardware side

Leasing

Attractive tenant mix

To be Implemented in the 19th and 20th Periods

G-Bldg. Minami Ikebukuro 01

Split of floors

Amount of investment: 44
Revenue increase: 22
⇒ ROI: 49.8%

- Split the area in two and invited a new financial tenant. To be opened in December 2011
- Leased unused parking space in block



New Adidas area (opened in October)
New tenant area (to be opened in December)

Implement between the 19th and 22nd Period in series

Abiko Shopping Plaza

Invitation of new tenants

- Approx. 20 new tenants in the Food Court, Garden Court and area where the lease period expired

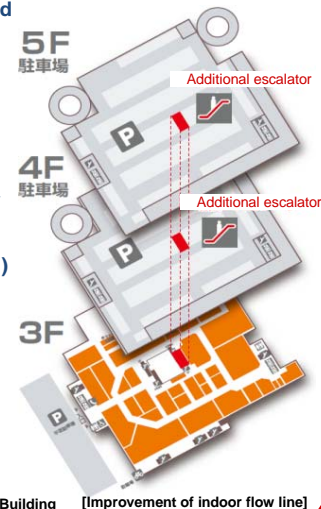
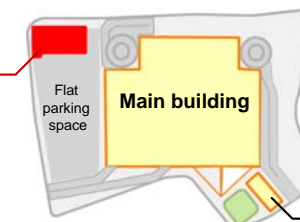
Improvement of indoor flow line Utilization of excess capacity

Amount of investment: 202
Revenue increase: 24
⇒ ROI: 12.3%

- Addition of escalators
 - Improve flow line to handle increased number of customers
- Move of cycle parking space and construction of a new restaurant
 - Effective use of excess capacity
 - Further attraction of customers by inviting a popular restaurant (to be opened in December 2011)

[Utilization of excess capacity]

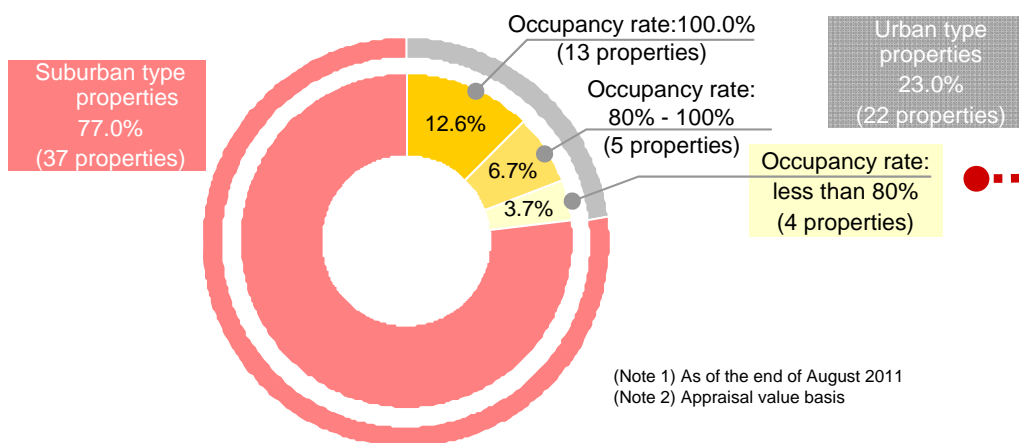
Restaurant in construction



Leasing of Urban Properties

➤➤➤ Maintained high occupancy rate as a portfolio of urban properties

➤ Ratio of urban properties in the overall portfolio: 23.0%



➤ Progress of leasing

Contracted

- G-Bldg. Jingumae 03: Apparel tenant (SOSU) will move in on 4F/RF from March 2012.
- G-Bldg. Jingumae 05 (former 8953 Harajuku Face Building): Apparel tenant (Creation) will move in on 3F from November 2011.
- GYRE: Food store will move in (two areas) on B1F and restaurant (one area) on 4F from September and October 2011.

Applied (terms still in negotiation)

- G-Bldg. Minami Aoyama 01: Beauty salon will move in on 2F from April 2012.
- G DINING SAPPORO: Japanese-style bar will move in on B1F from February 2012, while karaoke restaurant will move in on 7F from May 2012.
- G-Bldg. Jiyugaoka 01 (former 8953 Jiyugaoka Building): Variety goods store will move in on 2F from November 2011.
- Hakata Riverain: One store and two restaurants will move in between October and December 2011.



Increased occupancy rate by accurately satisfying the needs to open stores even after the Great East Japan Earthquake

➤ Properties with 100% occupancy rate after the Feb. 2011 Period

		Aug. 2010 Period (17th Period)	Feb. 2011 Period (18th Period)	Aug. 2011 Period (19th Period)
1	G-Bldg. Kita Aoyama01 ^(Note 1)	100.0%	100.0%	100.0%
2	Cheers Ginza	79.4%	100.0%	100.0%
3	G-Bldg. Jingumae 06 ^(Note 2)	100.0%	100.0%	100.0%
4	G-Bldg. Jingumae 02	100.0%	100.0%	100.0%
5	G-Bldg. Daikanyama01 ^(Note 3)	100.0%	100.0%	100.0%
6	G-Bldg. Minami Ikebukuro 01	100.0%	100.0%	100.0%
7	8953 Osaka Shinsaibashi Building	100.0%	100.0%	100.0%
8	G-Bldg. Jingumae 04 ^(Note 4)	100.0%	100.0%	100.0%
9	Bic Camera Tachikawa	100.0%	100.0%	100.0%
10	Kawaramachi OPA	100.0%	100.0%	100.0%
11	G-Bldg. Jingumae 01	100.0%	100.0%	100.0%
12	G-Bldg. Shinjuku 01	100.0%	100.0%	100.0%
13	G-Bldg. Shinsaibashi 01	88.4%	100.0%	100.0%

➤ Properties other than the above

		Aug. 2010 Period (17th Period)	Feb. 2011 Period (18th Period)	Aug. 2011 Period (19th Period)	Occupancy rate including those already contracted
1	GYRE	94.0%	93.5%	95.6%	96.8%
2	G-Bldg. Jiyugaoka 01 ^(Note 5)	96.9%	100.0%	98.2%	—
3	8953 Minami Aoyama Building	90.4%	90.4%	90.4%	—
4	G-Bldg. Jingumae 05 ^(Note 6)	100.0%	84.8%	84.8%	100.0%
5	Hakata Riverain/eeny meeny miny mo	82.4%	83.6%	80.8%	—
6	La Porte Aoyama	82.0%	77.5%	79.9%	—
7	G DINING SAPPORO	63.3%	68.0%	68.0%	—
8	G-Bldg. Minami Aoyama 01	0.0%	0.0%	36.1%	—
9	G-Bldg. Jingumae 03	11.3%	11.3%	32.0%	51.4%

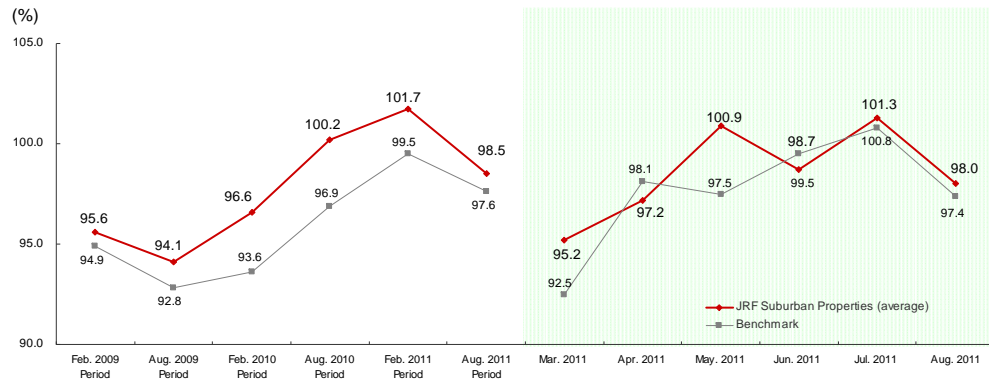
(Note 1) former 8953 Kita Aoyama Building
(Note 3) former 8953 Daikanyama Building
(Note 5) former 8953 Jiyugaoka Building

(Note 2) former 8953 Jingumae 6 Building
(Note 4) former Esquisse Omotesando Annex
(Note 6) former 8953 Harajuku Face Building

Sales Trend of Suburban Properties

➤➤➤ **Effect of the Great East Japan Earthquake on sales is limited.**

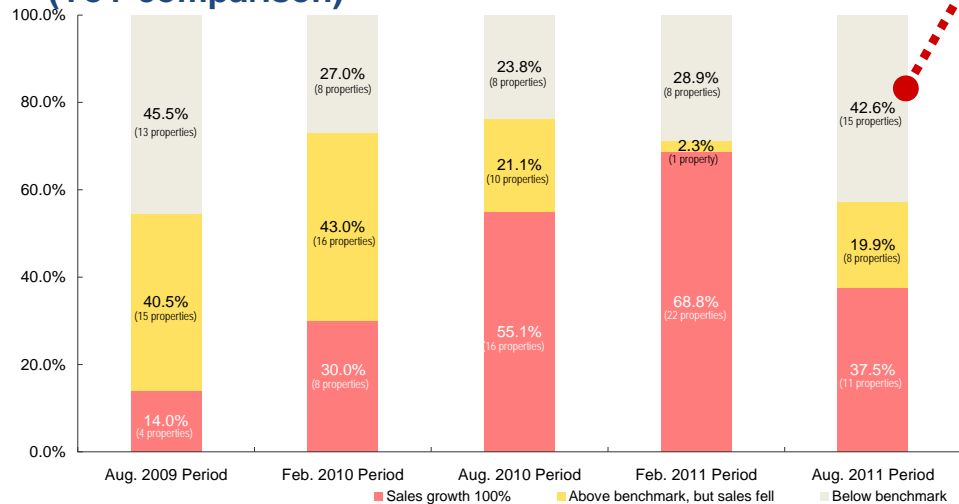
➤ **Suburban type: Shifts in net sales (YoY comparison)**



(Note 1) Figures for sales at its suburban retail properties are based on JRF's research.

(Note 2) Benchmark is comparison to previous year's sales by large retail store category (existing stores) of the commercial sales statistics.

➤ **Breakdown of portfolio by sales growth rate (YoY comparison)**



(Note) The composition ratio(%) is calculated based on the annual rent.

Downside risk of rent is limited.

Stable cash flow for a certain period with the New style leasehold contract agreement

Market potential that allows for renovation, changes in concept and change of use

Attraction of customers and increase in profitability and sales by aggressive SC management

Introduction of multi tenants of GMS and conversion of tenant mix

Invitation of competitive specialty store tenants

Floor area expansion, renovation and renewal, etc.

Establishment of newsworthy properties that become a core of local communities

Financial Strategy

Lengthened short-term loans, diversified lenders and gradually decreased spread

Summary of measures taken in March 2011

Refinancing (39 bil. yen in total)	Converted the short-term loan of 39 bil. yen to seven- to eight-year long-term loans
---	--

Summary of measures taken in September 2011

(1) New loan for capital increase (25 bil. yen in total)	Of those, 17 bil. yen comes from nine- to ten-year long-term loans, the longest for J-REIT.
(2) Refinancing (30.5 bil. yen in total)	Of the 50 bil. yen which will mature in 2012, approx. 30.5 bil. yen was converted to five- to nine- year long- term loans.
(3) Increase of commitment line (+10 bil. yen)	From 40 bil. yen to 50 bil. yen

	Feb. 2011 Period	Feb. 2012 Period (Forecast)	Variation
Long-term Ratio	74.5%	95.0%	20.5%
Average remaining term (years)	4.4	5.1	0.7
Average cost of debt	1.70%	1.59%	(0.11%)
LTV (including security deposits and tenant leasehold)	54.4%	54.1%	(0.30%)

Details of refinancing

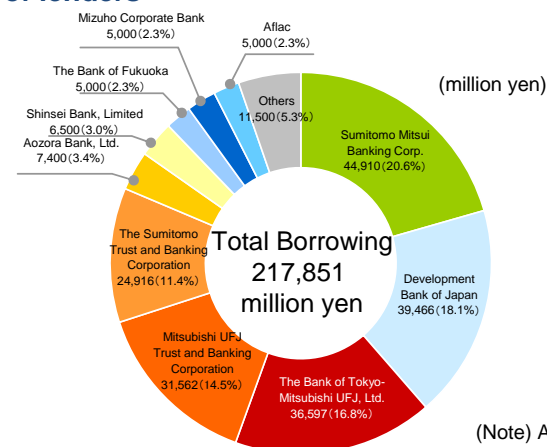
Counterparty	Sumitomo Mitsui Banking Corp.	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation The Sumitomo Trust and Banking Co., Ltd.	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation The Sumitomo Trust and Banking Co., Ltd.
Amount	5 billion yen	14 billion yen	20 billion yen
Interest rate (three-month yen TIBOR+)	0.55%	0.35%	0.40% (Note)
Loan term (years)	7	7.5	8

(Note) Fixed at 1.49% based on the interest rate swap contract signed on March 31, 2011

Details of new loan

Counterparty	Fukuoka Bank	Shinsei Bank, Limited	Sumitomo Mitsui Banking Corp.	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation The Sumitomo Trust and Banking Co., Ltd.
Amount	2 billion yen	2.5 billion yen	3.5 billion yen	2 billion yen
Interest rate (three-month yen TIBOR+)	0.30%	0.50%	0.45%	0.62%
Loan term (years)	5	7	6.5	9

Diversification of lenders



(Note) As of October 3, 2011

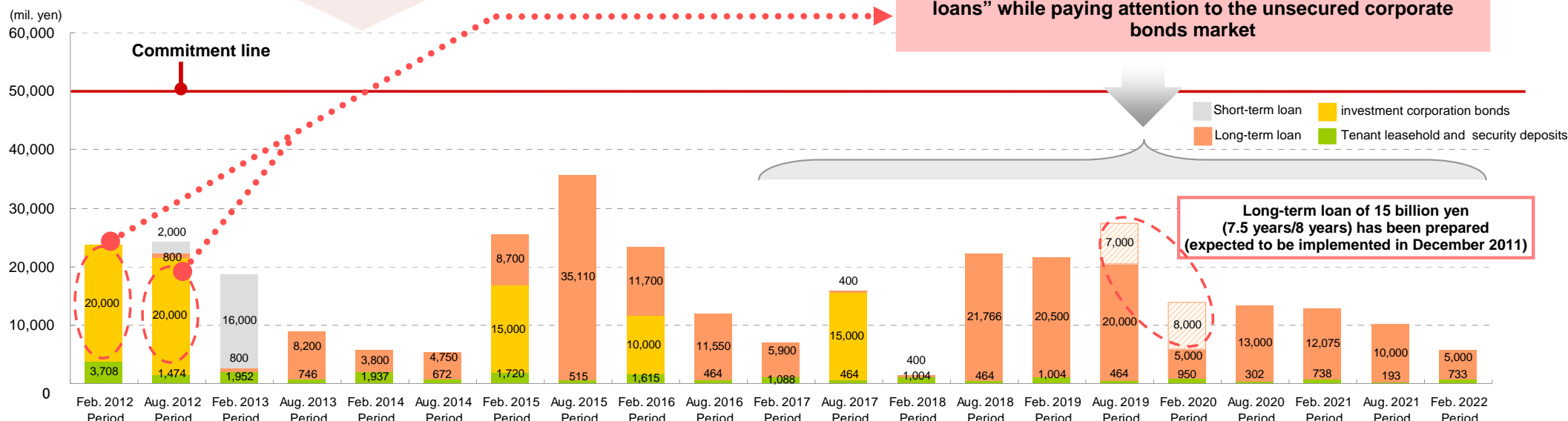
Further Financial Strategy

For further enhancement of financial ground

Appropriate leverage control	Reduction of LTV (including tenant leasehold and security deposits)
Lengthened short-term loans	Maintain the long-term debt ratio at around 90%
Diversification of loan repayment dates and leveling of repayment amount	Around 20 ~ 30 billion yen of repayment per period
Maintenance of bank commitment lines	50 billion yen
Further stabilization	Improve the fixed-term ratio (currently around 50%) by using the remaining capacity considering the market environment

(Note 1) The ratio of long-term interest-bearing liabilities (including tenant leasehold and security deposits) = (Long-term loans + investment corporation bonds + tenant leasehold and security deposits) / (long-term loans + investment corporation bonds + tenant leasehold and security deposits + short-term loans + short-term investment corporation bonds)

(Note 2) LTV (including tenant leasehold and security deposits) = (Long-term loans + investment corporation bonds + tenant leasehold and security deposits + short-term loans + short-term investment corporation bonds) / total assets



(Note) As of October 13, 2011 (assuming a one-year extension of the short-term loan of 13 million yen maturing in Feb. 2012)

Policy for utilization of negative goodwill

- Utilize for difference between tax and accounting and improvement of portfolio quality ⇒ Aim for stable distribution
(Dividend reserve as of the end of August 2011: 6,918 million yen)

A	Items with a discrepancy between tax and accounting books 1. Excess amortization due to differences in book value, 2. Impairment losses on fixed assets, 3. Asset write-off obligations
B	Loss on write-off due to renewal and loss on sales due to the replacement of assets
C	Temporary items such as reduced rent accompanying change in tenants, etc.
	Stable Dividends per Unit

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August 2011 Period Balance Sheet

	Feb. 2011	Aug. 2011	Variation	
	Period	Period	Amount	Change (%)
Assets				
Current assets				
Cash and cash equivalents	10,819,131	8,208,658	(2,610,473)	
Entrusted cash and cash	5,773,686	6,886,744	1,113,057	
Rental receivables	901,345	891,159	(10,186)	
Corporation tax, etc. refundable	358	7,190	6,831	
Consumption tax, etc. refundable	–	273,089	273,089	
Others	916,642	1,086,937	170,295	
Total Current Assets	18,411,165	17,353,780	(1,057,385)	(5.7)
Non-current assets				
Property and equipment at cost				
Buildings (net)	1,553,776	1,549,347	(4,428)	
Buildings improvements (net)	63,552	62,210	(1,341)	
Furniture & fixtures (net)	8,868	9,542	674	
Land	21,193,419	21,193,419	–	
Entrusted buildings (net)	211,489,357	207,985,647	(3,503,710)	
Entrusted buildings improvements (net)	10,707,246	10,527,827	(179,418)	
Entrusted machinery & equipments (net)	1,014,898	986,135	(28,762)	
Entrusted furniture & fixtures (net)	1,900,611	1,864,930	(35,680)	
Entrusted land	344,370,608	344,370,922	313	
Net property and equipment	592,302,340	588,549,984	(3,752,355)	(0.6)
Intangible assets				
Leaseholds	19,803	19,803	–	
Leasehold land	8,893,577	8,879,301	(14,275)	
Other intangible assets	126,187	121,454	(4,733)	
Total intangible assets	9,039,568	9,020,559	(19,009)	(0.2)
Investments				
Investment securities	518,935	854,816	335,881	
Lease deposit	3,305,768	3,298,268	(7,500)	
Long-term prepaid expenses	1,527,002	2,103,934	576,932	
Others	123,038	132,654	9,615	
Total investments	5,474,744	6,389,673	914,928	16.7
Total Non-Current Assets	606,816,653	603,960,216	(2,856,436)	(0.5)
Deferred assets				
Issuance costs of corporate bonds	84,865	63,437	(21,428)	
Total Deferred Assets	84,865	63,437	(21,428)	(25.2)
Total Assets	625,312,685	621,377,434	(3,935,250)	(0.6)

	Feb. 2011	Aug. 2011	Variation	
	Period	Period	Amount	Change (%)
Liabilities				
Current liabilities				
Account payable	681,444	857,343	175,898	
Short-term debt	86,575,000	46,575,000	(40,000,000)	
Current portion of investment corporation bonds	20,000,000	40,000,000	20,000,000	
Long-term debt with repayment in less than a year	5,900,000	5,700,000	(200,000)	
Accrued liabilities	9,289	2,895	(6,393)	
Accrued expenses	1,720,587	1,763,638	43,051	
Accrued income taxes	485	535	50	
Accrued consumption taxes	519,707	–	(519,707)	
Rent received in advance	1,858,625	1,897,518	38,893	
Deposits	603,383	702,121	98,738	
Current portion of	–	15,051	15,051	
Tenant leasehold and security				
Current portion of	4,145,368	4,152,495	7,126	
Entrusted tenant leasehold and security				
Others	191,620	57,144	(134,475)	
Total Current Liabilities	122,205,510	101,723,744	(20,481,765)	(16.8)
Non-current liabilities				
Unsecured corporate bonds	60,000,000	40,000,000	(20,000,000)	
Long-term debt	104,876,000	143,076,000	38,200,000	
Tenant leasehold and security	1,182,149	1,526,264	344,115	
Entrusted tenant leasehold and security	57,340,411	56,536,307	(804,103)	
Asset retirement obligations	337,474	340,518	3,043	
Others	1,796	1,460	(335)	
Total Non-Current Liabilities	223,737,831	241,480,550	17,742,719	7.9
Total Liabilities	345,943,342	343,204,295	(2,739,046)	(0.8)
Unitholders' Equity				
Total investment				
Unitholders' capital	250,764,406	250,764,406	–	
Retained earnings				
Investment surplus	14,986,826	14,986,826	–	
Reserve for dividends	6,918,474	6,918,474	–	
Unappropriated retained earnings	6,699,636	5,503,431	(1,196,204)	
or undisposed losses for the period (-)				
Total retained earnings	28,604,936	27,408,732	(1,196,204)	(4.2)
Total unitholders' equity	279,369,342	278,173,138	(1,196,204)	(0.4)
Net Assets	279,369,342	278,173,138	(1,196,204)	(0.4)
Total Liabilities and Unitholders' Equity	625,312,685	621,377,434	(3,935,250)	(0.6)

August 2011 Period Income Statement

('000 yen)				
	Feb. 2011 Period (From Sept. 1, 2010 to Feb. 28, 2011)	Aug. 2011 Period (From Mar. 1, 2011 to Aug. 31, 2011)	Variation	
			Amount	Change (%)
Operating Revenue				
Rental revenue	21,868,722	21,789,766	(78,955)	
Gain on sale of real estate	1,056,362	–	(1,056,362)	
Distribution gain from anonymous association	–	34,909	34,909	
Total operating revenue	22,925,085	21,824,675	(1,100,409)	(4.8)
Operating Expenses				
Property related expenses	11,298,205	11,136,949	(161,256)	
Asset management fees	1,924,252	1,885,904	(38,348)	
Custodian fees	24,743	24,667	(75)	
General administration fees	151,410	112,693	(38,717)	
Directors' fees	3,890	3,480	(410)	
Other operating expenses	174,552	114,534	(60,018)	
Total operating expenses	13,577,054	13,278,228	(298,825)	(2.2)
Operating Income	9,348,030	8,546,446	(801,583)	(8.6)
Non-operating revenue				
Interest income	2,394	1,390	(1,004)	
Others	2,799	4,863	2,064	
Total non-operating revenue	5,193	6,254	1,060	20.4
Non-operating Expenses				
Interest expense	1,535,945	1,506,021	(29,923)	
Interest expense of corporate bonds	706,150	720,849	14,699	
Amortization of corporate bonds	21,428	21,428	–	
Finance related cost	314,171	288,544	(25,626)	
Others	11,257	10,246	(1,010)	
Total non-operating expenses	2,588,952	2,547,090	(41,862)	(1.6)
Recurring Profit	6,764,271	6,005,610	(758,661)	(11.2)
Extraordinary loss				
Effect of application of accounting standard for asset retirement obligations	65,542	–	(65,542)	
Loss resulting from casualty	–	502,440	502,440	
Total extraordinary loss	65,542	502,440	436,897	666.6
Income before income taxes	6,698,728	5,503,170	(1,195,558)	(17.8)
Income, inhabitant and corporate taxes	605	605	–	
Total income taxes	605	605	–	–
Net Income	6,698,123	5,502,565	(1,195,558)	(17.8)
Retained earnings (beginning balance)	1,512	866	(645)	
Unappropriated retained earnings or undisposed losses at period end (-)	6,699,636	5,503,431	(1,196,204)	

(Note) The Aug. 2011 Period was from Mar. 1, 2011 through Aug. 31, 2011 (184 days). The Feb. 2011 Period was from Sep. 1, 2010 to Feb. 28, 2011 (181 days).

August 2011 Period Cash Flow and Distribution Statements

	Feb. 2011 Period (From Sept. 1, 2010 to Feb. 28, 2011)	Aug. 2011 Period (From Mar. 1, 2011 to Aug. 31, 2011)	Variation
Net Cash from Operating Activities			
Income before income taxes	6,698,728	5,503,170	(1,195,558)
Depreciation and amortization	5,160,372	5,129,044	(31,327)
Amortization of corporate bonds	21,428	21,428	-
Gain on sale of real estate	(1,056,362)	-	1,056,362
Real property retirement loss	122,211	1,759	(120,451)
Effect of application of accounting standard for asset retirement obligations	65,542	-	(65,542)
Interest income	(2,394)	(1,390)	1,004
Interest expense	2,242,095	2,226,871	(15,224)
Loss resulting from casualty	-	502,440	502,440
Increase/decrease in rental receivables (- represents an increase)	(64,845)	7,660	72,506
Increase/decrease in corporation tax, etc. refundable (- represents an increase)	298	(6,831)	(7,130)
Increase/decrease in consumption tax payable (- represents an increase)	-	(273,089)	(273,089)
Increase/decrease in long-term prepaid expenses (- represents an increase)	127,479	(576,932)	(704,411)
Increase/decrease in account payable (- represents a decrease)	(195,360)	173,025	368,386
Increase/decrease in consumption tax payable (- represents a decrease)	(387,069)	(519,707)	(132,637)
Increase/decrease in accrued liabilities (- represents a decrease)	(7,814)	(5,324)	2,489
Increase/decrease in accrued expenses (- represents a decrease)	(87,254)	1,621	88,876
Increase/decrease in rent received in advance (- represents a decrease)	(280,949)	38,893	319,842
Increase/decrease in deposits (- represents a decrease)	(158,369)	98,738	257,107
Others	(120,705)	(170,244)	(49,539)
Subtotal	12,077,030	12,151,134	74,103
Interest received	2,394	1,390	(1,004)
Interest paid	(2,404,469)	(2,185,441)	219,028
Payment for loss resulting from casualty	-	(466,471)	(466,471)
Income taxes paid	(505)	(554)	(49)
Net Cash from Operating Activities	9,674,450	9,500,057	(174,392)

	Feb. 2011 Period (From Sept. 1, 2010 to Feb. 28, 2011)	Aug. 2011 Period (From Mar. 1, 2011 to Aug. 31, 2011)
I Retained earnings (ending balance)	6,699,636,016	5,503,431,703
II Distribution amount	6,698,769,664	5,501,837,282
DPU	(3,968)	(3,259)
III Retained earnings carried forward	866,352	1,594,421

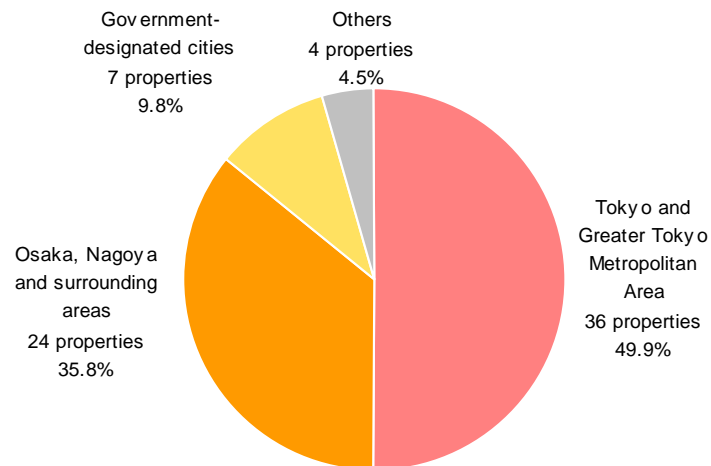
(yen)

	Feb. 2011 Period (From Sept. 1, 2010 to Feb. 28, 2011)	Aug. 2011 Period (From Mar. 1, 2011 to Aug. 31, 2011)	Variation
Cash Flow from Investing Activities			
Purchase of property and equipment	(6,147)	(22,231)	(16,083)
Purchase of entrusted property and equipment	(607,967)	(1,344,400)	(736,432)
Proceeds from the sale of entrusted property and equipment	33,141,181	-	(33,141,181)
Purchase of entrusted property and equipment	-	(5,385)	(5,385)
Payment on return of security and guarantee deposits	(86,883)	(24,919)	61,963
Proceeds from acceptance of tenant leasehold and security deposits	224,304	243,398	19,093
Payment on return of entrusted tenant leasehold and security deposits	(8,946,571)	(880,111)	8,066,459
Proceeds from acceptance of entrusted tenant leasehold and security deposits	152,057	74,013	(78,044)
Proceeds from collection of entrusted tenant deposits	7,500	7,500	-
Payment on acquisition of investment securities	(516,994)	(337,822)	179,172
Other payment	(3,787)	(11,615)	(7,827)
Other income	-	2,000	2,000
Net Cash used in Investment Activities	23,356,692	(2,299,574)	(25,656,267)
Net Cash from Financing Activities			
Proceeds from short-term debt	1,500,000	-	(1,500,000)
Repayments of short-term debt	(22,497,000)	(40,000,000)	(17,503,000)
Proceeds from long-term debt	11,000,000	39,000,000	28,000,000
Repayment of long-term debt	(22,500,000)	(1,000,000)	21,500,000
Distribution payment	(6,171,767)	(6,697,898)	(526,130)
Net Cash from Financing Activities	(38,668,767)	(8,697,898)	29,970,869
Increase/decrease in cash and cash equivalents (- represents a decrease)	(5,637,624)	(1,497,415)	4,140,209
Cash and cash equivalents at beginning of period	22,230,443	16,592,818	(5,637,624)
Cash and cash equivalents at end of period	16,592,818	15,095,402	(1,497,415)

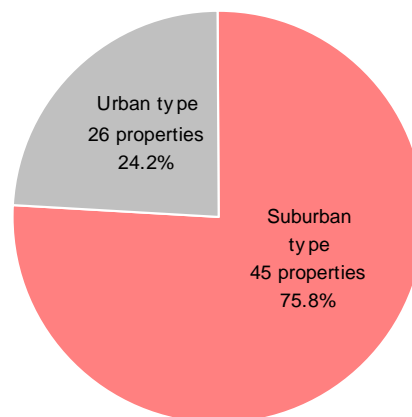
(Note) The Aug. 2011 Period was from Mar. 1, 2011 to Aug. 31, 2011 (184 days).
The Feb. 2011 Period was from Sep. 1, 2010 to Feb. 28, 2011 (181 days).

Portfolio Diversification (As of October 3, 2011)

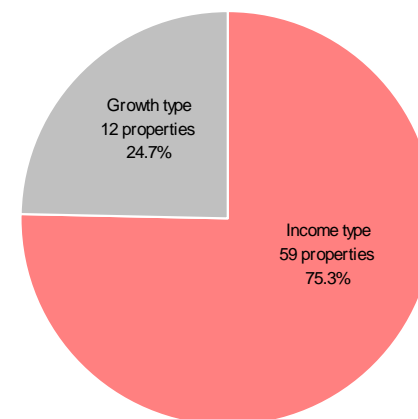
➤ Diversification by region



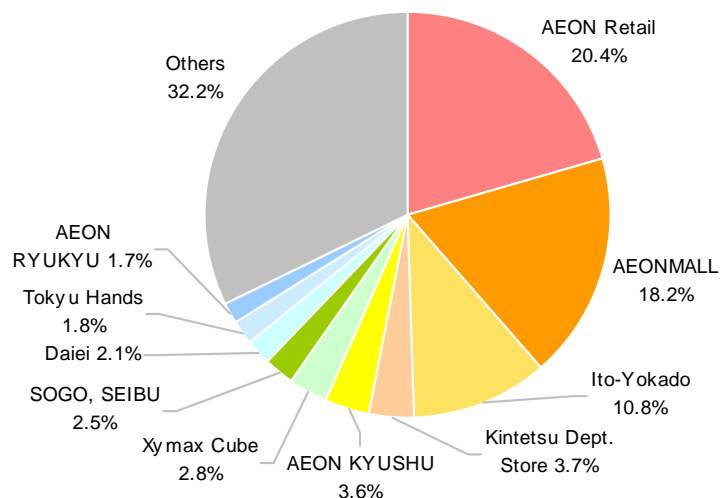
➤ Diversification by property type



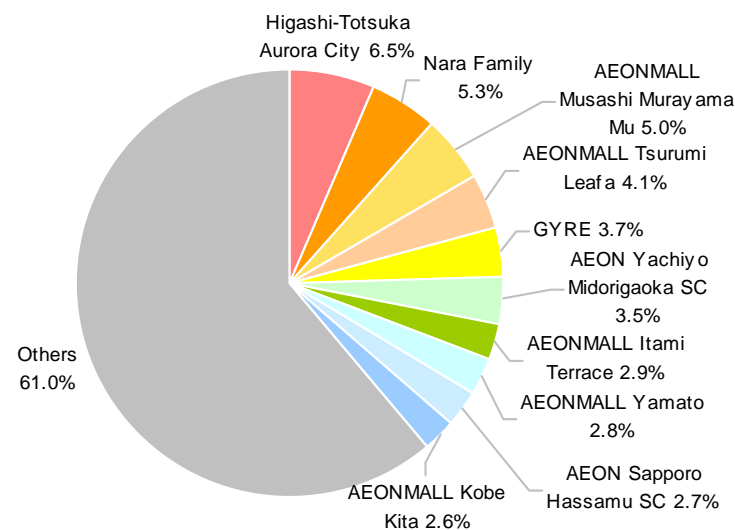
➤ Diversification by Investment Type



➤ Tenants



➤ Scale

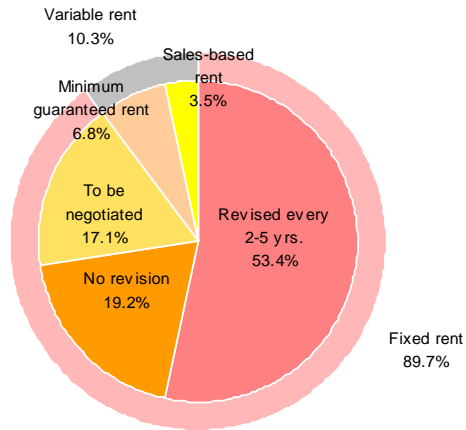


(Note 1) For 12 properties acquired in September and October 2011, data at the time of acquisition is used, while for other 59 properties, data as of the end of August 2011 is used.

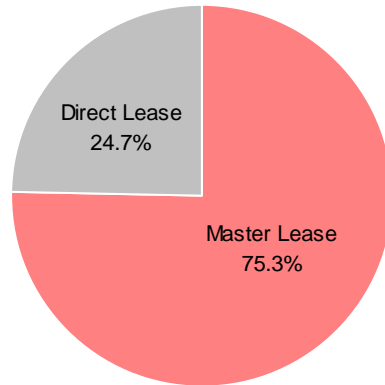
(Note 2) Diversification by region, diversification by property type, diversification by investment style and diversification by scale are based on appraisal values. Diversification by tenant is based on annual rent.

Portfolio Data (As of October 3, 2011)

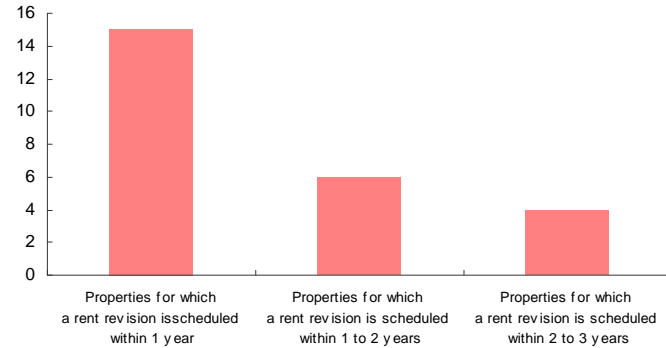
➤ Rent composition ratios



➤ Lease Type

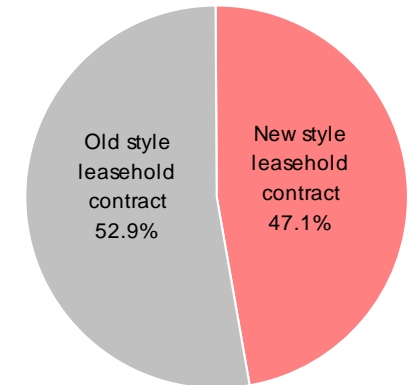


➤ Status of rent revision

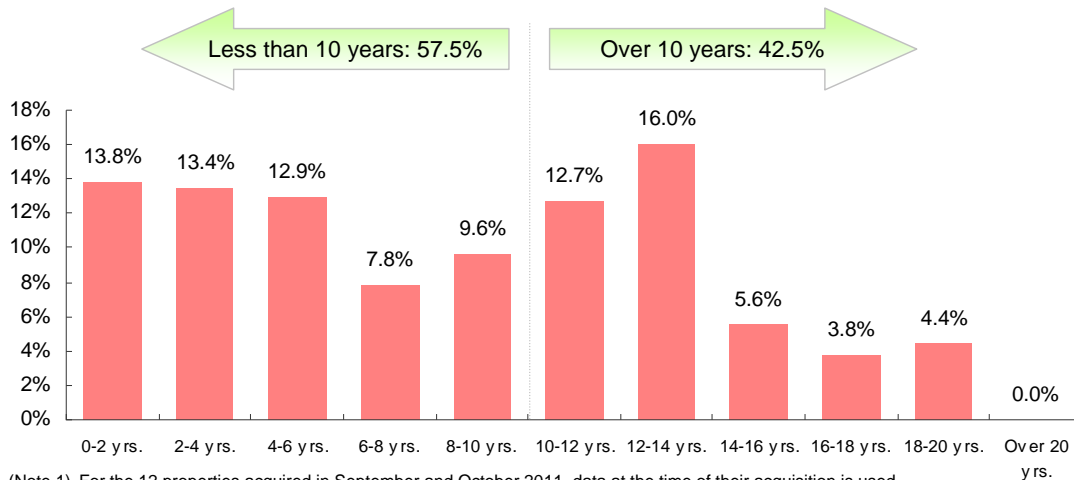


(Note) Status of main tenants for suburban type properties

➤ Lease Contract Type



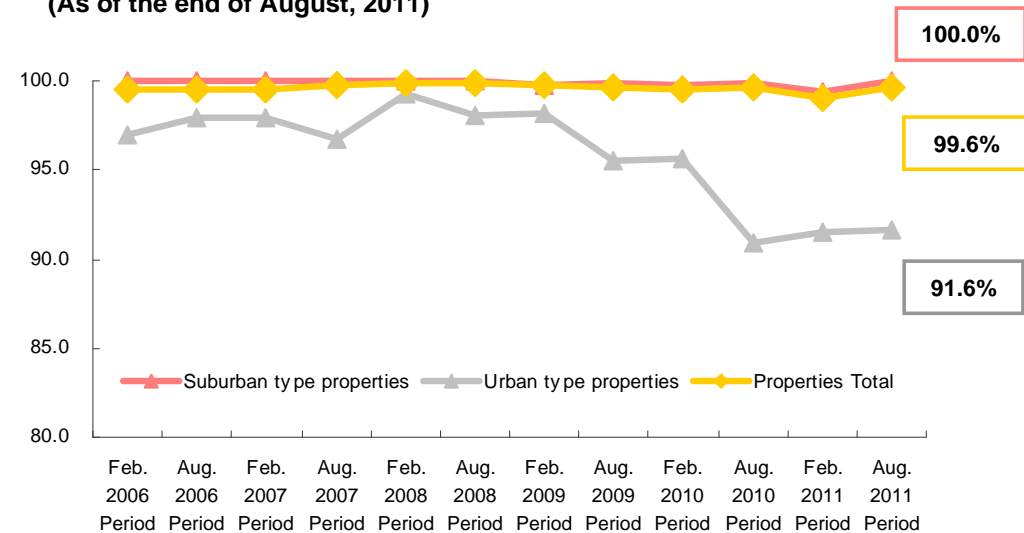
➤ Remaining period of lease agreements



(Note 1) For the 12 properties acquired in September and October 2011, data at the time of their acquisition is used, while for the other 59 properties, data as of the end of August 2011 is used.

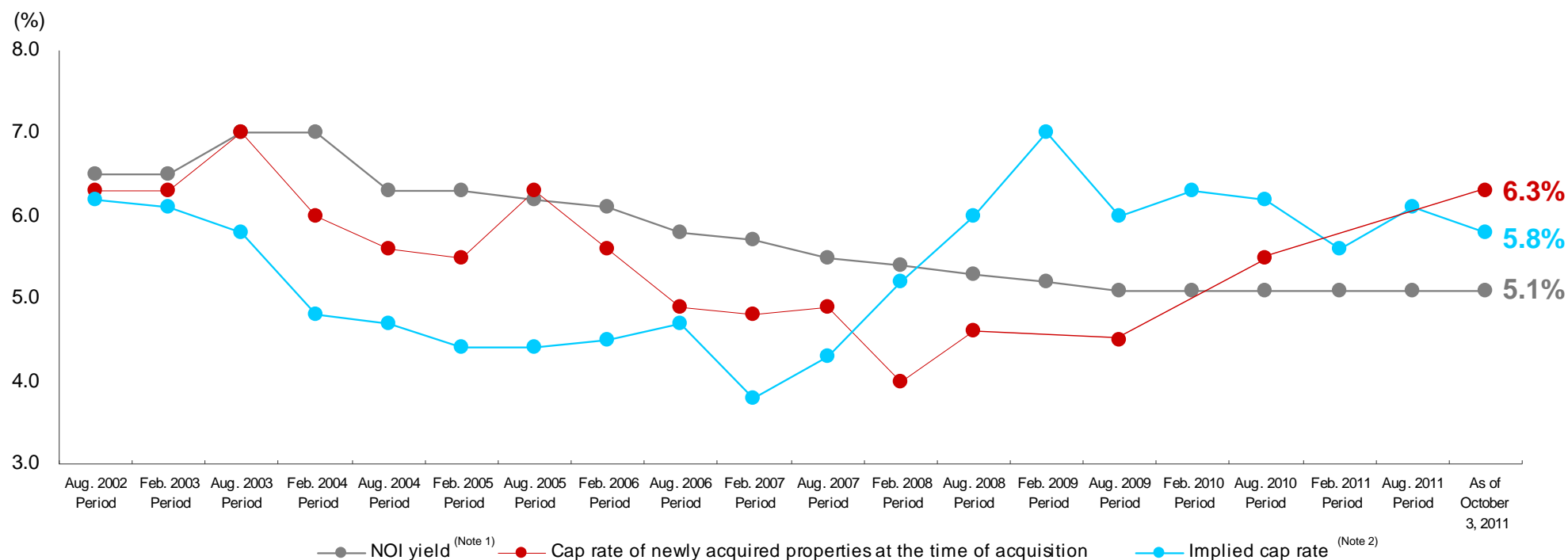
(Note 2) Based on annual rent, except for Status of rent revision and Occupancy rate by property type.

➤ Occupancy rate by property type (As of the end of August, 2011)



(Note) Square-measure-based

Implied Cap Rate and NOI Yield



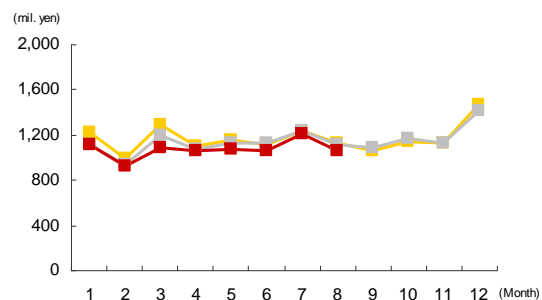
(Note 1) NOI yield = $\{(\text{Rental revenue} - \text{Rental expenses}) + \text{Depreciation}\} / \text{Total acquisition value}$. NOI yield as of October 3, 2011 is calculated by annualizing the forecasted figure of the 20th Period.

(Note 2) Implied cap rate = $\text{NOI} / (\text{Total market value} + \text{Net interest-bearing debts} + \text{Deposits and/or guaranteed money})$. Implied cap rate as of October 3, 2011 is calculated by annualizing the forecasted figure of the 20th Period, while unit price as of October 3, 2011 is used. The number of units is calculated by using 1,880,198 units including allocations of new shares to a third party.

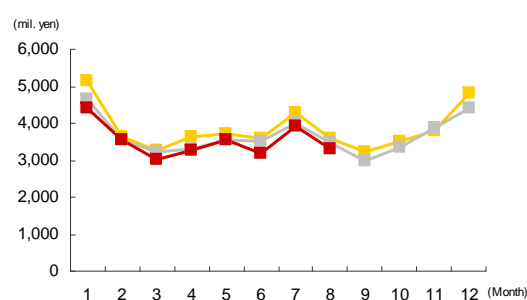
(Note 3) No new properties were acquired in the Feb. 2009 Period, Feb. 2010 Period, Feb. 2011 Period and Aug. 2011 Period.

Total Sales of Growth Properties

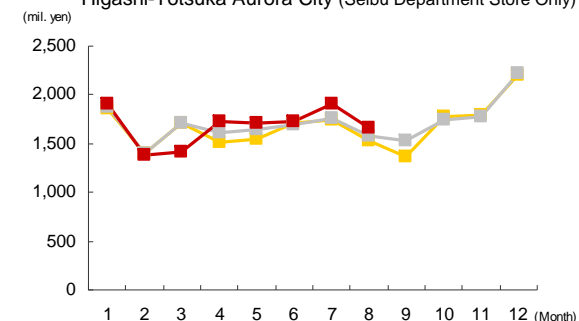
Abiko Shopping Plaza



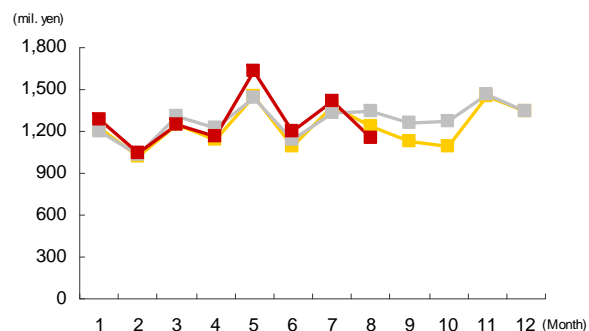
Nara Family



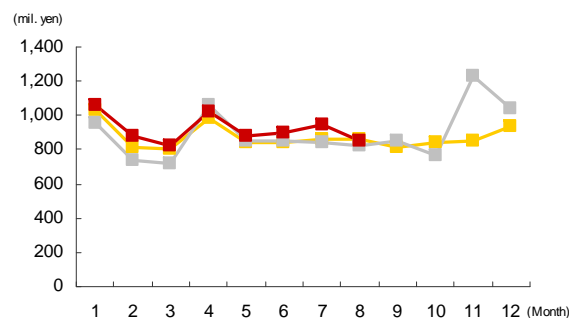
Higashi-Totsuka Aurora City (Seibu Department Store Only)



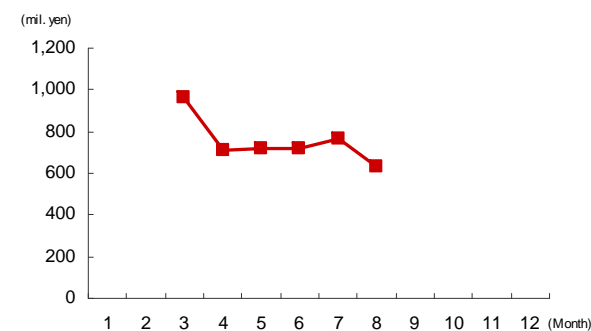
Oyama Yuen Harvest Walk



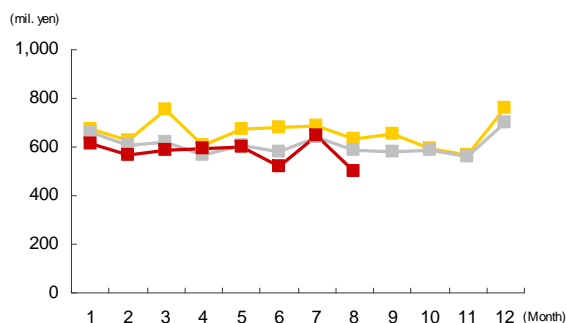
Kyoto Family



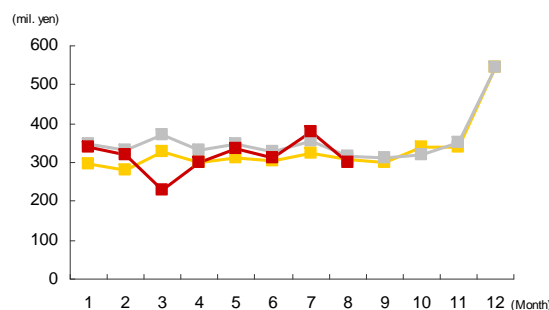
Narupark



Hakata Riverain



GYRE



(Note 1) Shifts in total sales only represent properties for which it is possible to compare the gross sales of the whole shopping center, except for Higashi-Totsuka Aurora City.

(Note 2) As of the end of August 2011.

- Actual sales for January 2011 to August 2011
- Actual sales for January 2010 to December 2010
- Actual sales for January 2009 to December 2009

Portfolio List (1)

Property Name	Investment Type	Age (Years)	Total Leasable Area (m ²)	Occupancy (%)	Acquisition Price (mil. yen)	Share (%)	Cap Rate at Acquisition (%) (Note 2)	No. of Tenants	Key Tenants	Probable Maximum Loss (%) (Note 3)	Property Manager
Tokyo and Greater Tokyo Metropolitan Area											
ESPA Kawasaki	Income	11.2	65,313.47	100.0	15,691	2.3	6.2	5	ESPA, Sports Depo	9.1	Xymax Cube
Abiko Shopping Plaza	Growth	16.8	42,841.48	100.0	10,322	1.5	7.2	60	ESPA	8.8, 13.7	Xymax Cube
8953 Minami Aoyama Building	Income	9.6	1,529.15	90.4	5,350	0.8	5.5	3	VALCANIZE London	13.5	Xymax Cube
Ito-Yokado Yabashira	Income	29.0	21,308.78	100.0	1,616	0.2	6.1	1	Ito-Yokado	6.1, 4.9	Xymax Cube
Ito-Yokado Kamifukuoka-Higashi	Income	12.1	28,316.18	100.0	6,900	1.0	6.3	1	Ito-Yokado	9.7	Geo Akamatsu
Ito-Yokado Nishikicho	Income	7.9	73,438.52	100.0	13,212	2.0	5.6	1	Ito-Yokado	8.3	Geo Akamatsu
G-Bldg. Daikanyama 01 (Note 5)	Income	20.6	599.79	100.0	1,235	0.2	5.3	2	F GARDEN	4.7	Office Mitsuki
G-Bldg. Jingumae 05 (Note 5)	Income	26.5	1,479.10	84.8	2,770	0.4	5.6	4	Diesel	8.5	Xymax Cube
G-Bldg. Jingumae 04 (Note 5)	Income	14.6	540.78	100.0	860	0.1	5.5	2	LS Mode	4.5	Office Mitsuki
Ito-Yokado Tsunashima	Income	29.6	16,549.50	100.0	5,000	0.7	6.1	1	Ito-Yokado	12.3	Jones Lang LaSalle
Bic Camera Tachikawa	Income	41.2	20,983.43	100.0	11,920	1.8	5.5	2	Bic Camera	15.5	Jones Lang LaSalle
AEON Itabashi SC	Income	11.4	72,253.88	100.0	12,400	1.8	5.4	1	AEON	6.0	Xymax Cube
G-Bldg. Kita Aoyama 01 (Note 5)	Income	6.7	492.69	100.0	989	0.1	5.4	3	NEWS, Best Bridal	11.4	Office Mitsuki
AEONMALL Yamato	Income	9.9	85,226.68	100.0	16,823	2.5	5.5	1	AEON	7.9	Xymax Cube
SEIYU Higarigaoka	Income	32.9	19,070.88	100.0	6,100	0.9	7.6	1	Seiyu	10.3	CB Richard Ellis AS
G-Bldg. Jiyugaoka 01 (Note 5)	Income	12.3	1,817.65	98.2	2,700	0.4	5.2	9	NEXT, Miss Paris Dandy House	3.2	Xymax Cube
Cheers Ginza	Income	6.6	1,686.58	100.0	4,200	0.6	4.3	10	Ginza Shotaien, Matsujin	5.7	Nomura Building Management
Higashi-Totsuka Aurora City	Growth	12.1	109,365.50	100.0	50,500	7.5	4.5	4	Seibu Dept. Store, Daiei	4.3	Aim Create
AEON Omiya	Income	11.0	75,344.90	100.0	6,133	0.9	5.8	1	AEON	8.5	Xymax Cube
Ito-Yokado Yotsukaido	Income	6.7	59,207.19	100.0	13,600	2.0	4.1	1	Ito-Yokado	5.8	Geo Akamatsu
AEON Yachiyo Midorigaoka SC	Income	6.5	132,294.48	100.0	30,789	4.6	4.0	1	AEON	6.6	Xymax Cube
GYRE (Note 4)	Growth	4.0	4,863.19	95.6	22,712	3.4	3.4	19	CHANEL, BVLGARI	4.1	Geo Akamatsu
G-Bldg. Jingumae 06 (Note 5)	Income	3.9	670.43	100.0	2,360	0.4	3.9	4	Family Mart, Lani HAIR	8.0	Office Mitsuki
G-Bldg. Jingumae 01	Income	4.0	555.75	100.0	3,400	0.5	4.1	2	BAPE STORE	13.2	Office Mitsuki
G-Bldg. Jingumae 02	Income	3.4	426.29	100.0	2,233	0.3	4.0	3	Anastasia	11.2	Office Mitsuki
G-Bldg. Minami Aoyama 01	Income	2.6	922.30	36.1	6,430	1.0	4.0	1	Puma Japan	11.3	Office Mitsuki
La Porte Aoyama	Growth	6.9	4,147.93	80.0	9,400	1.4	4.5	18	BENOIT	2.8	Geo Akamatsu
AEONMALL Musashi Murayama Mu	Income	5.0	137,466.97	100.0	30,600	4.6	5.2	1	AEON	5.6	Xymax Cube
G-Bldg. Shinjuku 01	Income	3.1	1,093.67	100.0	6,600	1.0	4.7	1	ZARA	9.9	First Brothers Real Estate
G-Bldg. Jingumae 03	Income	2.3	1,676.87	32.0	5,520	0.8	4.8	2	MR-DESIGN	10.7	Office Mitsuki
G-Bldg. Minami Ikebukuro 01	Income	37.0	5,061.43	100.0	5,800	0.9	5.1	8	Adidas	5.3	Geo Akamatsu
New Makuhari Plaza	Income	13.2	24,591.78	100.0	5,700	0.9	6.2	6	Yamada Denki	10.8, 10.7	Xymax Cube
New Round1 Stadium Itabashi	Income	5.5	14,828.74	100.0	2,400	0.4	5.8	1	Round1	4.8	Geo Akamatsu
New Round1 Machida	Income	7.2	6,801.89	100.0	2,450	0.4	5.9	1	Round1	6.6	Geo Akamatsu
New Urban Terrace Jingumae	Income	3.6	1,719.19	100.0	2,797	0.4	4.7	2	Omotesando TERRACE	7.4	Grand Amenity
New Arkangel Daikanyama (land with leasehold)	Income	-	904.04	100.0	1,820	0.3	-	1	Arkangel	-	Xymax Cube
Subtotal.Weighted Average		11.1	1,035,391.08	99.7	329,335	49.1		184		-	

(Note 1) For the 12 properties acquired in September and October 2011, data at the time of their acquisition is used, while for the other 59 properties, data as of the end of August 2011 is used. For PM companies, data as of October 1, 2011 is used, while age of building as of October 3, 2011 is used.

(Note 2) The cap rates at the time of acquiring new properties are shown. Additional purchases following acquisition are not included.

(Note 3) Represents the expected loss ratio for subject properties due to earthquake damage that may result from an earthquake that is expected to occur once every 475 years, as described in the earthquake risk analysis report for each property.

(Note 4) Acquisition price of GYRE includes the currently-held land with leasehold and the land additionally acquired. The cap rate at the time of acquisition only reflects the building plus the land leasehold and the land is not included.

(Note 5) Esquisse Omotesando Annex, 8953 Harajuku Face Building, 8953 Jingumae 6 Building, 8953 Kita Aoyama Building, 8953 Daikanyama Building and 8953 Jiyugaoka Building changed their names to G-Bldg. Jingumae 04, G-Bldg. Jingumae 05, G-Bldg. Jingumae 06, G-Bldg. Kita Aoyama 01, G-Bldg. Daikanyama 01 and G-Bldg. Jiyugaoka 01 respectively on October 1, 2011.

Portfolio List (2)

Property Name	Investment Type	Age (Years)	Total Leasable Area (m ²)	Occupancy (%)	Acquisition Price (mil. yen)	Share (%)	Cap Rate at Acquisition (%) (Note 2)	No. of Tenants	Key Tenants	Probable Maximum Loss (%) (Note 3)	Property Manager
Osaka, Nagoya and Surrounding Areas											
8953 Osaka Shinsaibashi Building	Income	12.7	13,666.96	100.0	14,300	2.1	5.5	1	Tokyu Hands	5.5	Xymax Cube
Nara Family	Growth	18.9	84,981.97	99.7	31,375	4.7	7.4	123	Kintetsu Dept. Store, AEON	5.2	AEONMALL
Narupark	Growth	14.2	15,220.73	100.0	8,540	1.3	7.3	48	Heiwado, Joshin	7.4	Xymax Cube
AEONMALL Higashiura	Income	8.8	129,124.73	100.0	9,142	1.4	6.3	1	AEON	14.2, 10.1	Xymax Cube
AEON Takatsuki	Income	17.6	77,267.23	100.0	11,700	1.7	6.0	1	AEON	3.6	CB Richard Ellis AS
AEON Yagoto	Income	18.1	63,778.44	100.0	3,700	0.6	7.0	2	AEON	4.2	Xymax Cube
AEON Nishi Otsu	Income	14.9	62,717.26	100.0	13,100	2.0	5.2	1	AEON	4.9	Xymax Cube
Kyoto Family	Growth	28.9	20,000.52	99.9	5,340	0.8	6.5	65	AEON, Midori	3.7	AEONMALL
AEON Town Ogaki ^(Note 4)	Income	6.2	57,500.35	100.0	4,950	0.7	8.2	1	MaxValu	6.5	Geo Akamatsu
Kawaramachi OPA	Income	12.9	18,848.20	100.0	18,500	2.8	4.4	1	OPA	2.5	Geo Akamatsu
AEONMALL Tsurumi Leafa	Income	4.9	138,538.63	100.0	29,902	4.5	4.6	1	AEON	6.6	Xymax Cube
AEONMALL Itami Terrace	Income	8.7	157,904.26	100.0	21,110	3.1	5.1	1	AEON	4.9	Xymax Cube
Ario Otori	Income	3.5	95,135.36	100.0	19,040	2.8	4.6	1	Ito-Yokado	5.4	Jones Lang LaSalle
AEONMALL Kobe Kita	Income	4.9	128,031.55	100.0	15,600	2.3	4.4	1	AEON	4.8	Jones Lang LaSalle
Life Taiheiji (land with leasehold)	Income	-	3,898.01	100.0	1,282	0.2	-	1	Life	-	Nippon Commercial Development
Life Shimodera (land with leasehold)	Income	-	4,344.18	100.0	1,683	0.3	-	1	Life	-	Nippon Commercial Development
Life Kishibe (land with leasehold)	Income	-	5,516.61	100.0	1,910	0.3	-	1	Life	-	Nippon Commercial Development
G-Bldg. Shinsaibashi 01	Income	16.9	886.46	100.0	1,582	0.2	5.3	2	Cecil McBee	12.3	Geo Akamatsu
New Kishiwada CanCan Bayside Mall	Growth	13.6	38,305.42	99.6	7,000	1.0	6.6	107	Izumiya, United Cinema	4.4, 4.2	Sumisho Urban Kaihatsu
New G-Bldg. Shinsaibashi 02	Income	1.9	(Note 5) -	100.0	4,380	0.7	5.1	1	The Suit Company	7.1	Geo Akamatsu
New (Tentative name)Round1 Namba Sennichimae (land with leasehold)	Income	-	1,711.63	100.0	8,000	1.2	-	1	R1 Namba	-	Geo Akamatsu
New Izumisano Shofudai (land with leasehold)	Income	-	44,009.52	100.0	2,625	0.4	-	2	Keiyo D2, Okuwa	-	Geo Akamatsu
New Tecc Land Neyagawa (land with leasehold)	Income	-	(Note 6) 11,430.04	100.0	1,135	0.2	-	1	Yamada Denki	-	Xymax Cube
New mozo Wonder City	Growth	2.5	86,722.68	99.7	5,250	0.8	5.8	223	AEON, FLAXUS	7.8, 5.6, 13.0	Xymax Cube / AEONMALL
Subtotal/Weighted Average		11.1	1,260,489.46	100.0	241,148	36.0		588		-	
Other major cities											
AEON Sendai Nakayama	Income	15.3	46,248.96	100.0	10,200	1.5	7.6	2	AEON	3.8, 3.2, 1.2	Xymax Cube
Hakata Riverain	Growth	12.8	25,224.23	80.8	6,309	0.9	6.5	58	IDC Otsuka Kagu, BVLGARI	0.1	Geo Akamatsu
AEON Kashihama SC	Income	7.9	109,616.72	100.0	13,300	2.0	6.2	1	AEON	0.9	Geo Akamatsu
AEON Sapporo Naebo SC	Income	8.3	74,625.52	100.0	9,260	1.4	6.2	1	AEON	1.8	Xymax Cube
AEON Tobata SC	Income	12.6	93,258.23	100.0	6,290	0.9	6.6	1	AEON	1.9	Geo Akamatsu
AEON Naha SC	Income	18.0	79,090.48	100.0	10,700	1.6	6.0	1	AEON	7.3	Jones Lang LaSalle
AEON Ueda	Income	7.3	61,349.07	100.0	9,500	1.4	5.3	1	AEON	3.3	Geo Akamatsu
Oyama Yuen Harvest Walk	Growth	4.4	57,524.87	99.6	10,200	1.5	5.4	68	York Benimaru, Super Viva Home	3.4	Xymax Cube
AEON Sapporo Hassamu SC	Income	5.0	102,169.00	100.0	18,818	2.8	4.7	1	AEON	0.6	Jones Lang LaSalle
G DINING SAPPORO	Growth	2.9	4,090.51	68.0	2,750	0.4	5.8	16	Hokkaido Beer Garden, Ushi no Ishizaki	0.9	Xymax Cube
New MrMax Nagasaki	Income	10.9	12,115.09	100.0	2,475	0.4	6.7	2	MrMax	3.2, 3.5, 6.6	Xymax Cube
Subtotal / Weighted Average		9.4	665,312.68	99.0	99,803	14.9		152		-	
Total/Weighted Average		10.8	2,961,193.22	99.7	670,286	100.0		924		2.0	

(Note 1) For the 12 properties acquired in September and October 2011, data at the time of their acquisition is used, while for the other 59 properties, data as of the end of August 2011 is used. For PM companies, data as of October 1, 2011 is used, while age of building as of October 3, 2011 is used.

(Note 2) The cap rates at the time of acquiring new properties are shown. Additional purchases following acquisition are not included.

(Note 3) Represents the expected loss ratio for subject properties due to earthquake damage that may result from an earthquake that is expected to occur once every 475 years, as described in the earthquake risk analysis report for each property.

(Note 4) Loc City Ogaki changed its name to AEON Town Ogaki on October 1, 2011.

(Note 5) The total leasable area of G-Bldg. Shinsaibashi 02 is not disclosed since approval from the tenant for such disclosure cannot be obtained.

(Note 6) Acreage correction was registered for Tecc Land Neyagawa (land with leasehold interest) on September 6, 2011.

Portfolio List - Appraisal Value (1)

Property Name	Book Value (mil. yen)	Appraisal Value (mil. yen)			Direct Cap Rate			DCF Discount Rate		DCF Terminal Cap Rate	
		Feb. 2011	Aug. 2011	Variation	Feb. 2011	Aug. 2011	Variation	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011
Tokyo and Greater Tokyo Metropolitan Area											
ESPA Kawasaki Main Building	14,400	13,230	13,330	100	5.50%	5.50%	0.00%	5.10%	5.10%	5.80%	5.80%
Annex					6.70%	6.70%	0.00%	5.80%	5.80%	6.30%	6.30%
Abiko Shopping Plaza	10,053	11,900	12,100	200	6.70%	6.70%	0.00%	6.00%	6.00%	6.50%	6.50%
8953 Minami Aoyama Building	5,298	6,100	5,520	-580	4.30%	4.70%	0.40%	4.50%	4.50%	4.60%	4.60%
Ito-Yokado Yabashira	1,468	1,840	1,840	0	6.10%	6.10%	0.00%	5.90%	5.90%	6.40%	6.40%
Ito-Yokado Kamifukuoka-Higashi	6,366	6,660	6,660	0	6.30%	6.30%	0.00%	5.80%	5.80%	6.30%	6.30%
Ito-Yokado Nishikicho	11,577	12,300	12,300	0	5.90%	5.90%	0.00%	6.00%	6.00%	6.20%	6.20%
G-Bldg. Daikanyama 01 <small>(Note 3)</small>	1,248	1,300	1,300	0	4.70%	4.70%	0.00%	4.50%	4.50%	4.90%	4.90%
G-Bldg. Jingumae 05 <small>(Note 3)</small>	2,728	3,670	3,640	-30	4.70%	4.70%	0.00%	4.50%	4.50%	4.90%	4.90%
G-Bldg. Jingumae 04 <small>(Note 3)</small>	876	1,250	1,230	-20	4.50%	4.50%	0.00%	4.20%	4.20%	4.70%	4.70%
Ito-Yokado Tsunashima	4,866	4,850	4,850	0	6.40%	6.40%	0.00%	5.70%	5.70%	6.20%	6.20%
Bic Camera Tachikawa	11,598	11,900	11,900	0	5.70%	5.70%	0.00%	5.30%	5.30%	5.60%	5.60%
AEON Itabashi SC	11,499	12,400	12,500	100	5.40%	5.40%	0.00%	5.00%	5.00%	5.70%	5.70%
G-Bldg. Minami Aoyama 01 <small>(Note 3)</small>	973	1,320	1,320	0	4.30%	4.30%	0.00%	4.10%	4.10%	4.50%	4.50%
AEONMALL Yamato	15,946	17,100	17,200	100	5.30%	5.30%	0.00%	4.90%	4.90%	5.40%	5.40%
SEIYU Hibarigaoka	5,343	6,960	6,960	0	6.70%	6.70%	0.00%	6.50%	6.50%	7.00%	7.00%
G-Bldg. Jiyugaoka 01 NEXT Building <small>(Note 3)</small>	2,582	3,079	3,085	6	4.70%	4.70%	0.00%	4.50%	4.50%	4.90%	4.90%
Colline					5.00%	5.00%	0.00%	4.80%	4.80%	5.20%	5.20%
Cheers Ginza	4,078	3,650	3,670	20	4.20%	4.20%	0.00%	4.10%	4.10%	4.40%	4.40%
Higashi-Totsuka Aurora City	49,500	40,000	40,000	0	5.00%	5.00%	0.00%	4.80%	4.80%	5.20%	5.20%
AEON Omiya	5,987	6,200	6,230	30	6.10%	6.10%	0.00%	6.60%	6.60%	7.30%	7.30%
Ito-Yokado Yotsukaido	13,460	10,100	10,000	-100	5.60%	5.60%	0.00%	5.40%	5.40%	5.60%	5.60%
AEON Yachiyo Midorigaoka SC	29,554	21,900	21,800	-100	5.60%	5.60%	0.00%	5.30%	5.30%	5.60%	5.60%
GYRE	22,579	23,000	22,000	-1,000	3.70%	3.70%	0.00%	3.50%	3.50%	3.70%	3.70%
G-Bldg. Jingumae 06 <small>(Note 3)</small>	2,381	2,470	2,470	0	4.30%	4.30%	0.00%	4.50%	4.50%	4.60%	4.60%
G-Bldg. Jingumae 01	3,422	3,670	3,640	-30	4.30%	4.30%	0.00%	4.60%	4.60%	4.60%	4.60%
G-Bldg. Jingumae 02	2,328	1,650	1,660	10	5.10%	5.10%	0.00%	4.50%	4.50%	4.80%	4.80%
G-Bldg. Minami Aoyama 01	6,494	4,940	5,010	70	5.10%	5.10%	0.00%	4.40%	4.40%	4.50%	4.50%
La Porte Aoyama	9,337	9,270	9,300	30	4.50%	4.50%	0.00%	4.70%	4.70%	4.80%	4.80%
AEONMALL Musashi Murayama Mu	29,700	30,600	30,600	0	5.20%	5.20%	0.00%	4.80%	4.80%	5.30%	5.30%
G-Bldg. Shinjuku 01	6,679	6,640	6,610	-30	4.70%	4.70%	0.00%	4.30%	4.30%	4.90%	4.90%
G-Bldg. Jingumae 03	5,571	5,080	4,760	-320	4.80%	4.80%	0.00%	4.20%	4.20%	4.60%	4.60%
G-Bldg. Minami Ikebukuro 01	6,011	6,690	7,140	450	5.10%	5.00%	-0.10%	4.90%	4.90%	5.30%	5.30%
New Makuhari Plaza	5,700	-	6,130	-	-	6.20%	-	-	6.30%	-	6.50%
New Round1 Stadium Itabashi	2,400	-	2,600	-	-	5.80%	-	-	5.90%	-	6.10%
New Round1 Machida	2,450	-	2,590	-	-	5.90%	-	-	6.00%	-	6.20%
New Urban Terrace Jingumae	2,797	-	4,000	-	-	4.70%	-	-	4.70%	-	4.80%
New Arkangel Daikanyama (land with leasehold)	1,820	-	2,120	-	-	-	-	-	5.10%	-	-
Subtotal (cap rate is a simple average)	319,081	291,719	308,065	-	5.22%	5.27%	-	4.96%	5.04%	5.34%	5.40%

(Note 1) The end of term appraisal value, direct cap rate, DCF discount rate and DCF terminal cap rate are based on appraisals and survey reports by real estate valuers (CB Richard Ellis, Daiwa Real Estate Appraisal, Japan Real Estate Institute and Tanizawa Sogo Appraisal Co., Ltd).

(Note 2) For the 12 properties acquired in September and October 2011, data on July 1, 2011 and August 10, 2011 is used, while for the other 59 properties, data as of the end of August 2011 is used.

(Note 3) Esquisse Omotesando Annex, 8953 Harajuku Face Building, 8953 Jingumae 6 Building, 8953 Kita Aoyama Building, 8953 Daikanyama Building and 8953 Jiyugaoka Building changed their names to G-Bldg. Jingumae 04, G-Bldg. Jingumae 05, G-Bldg. Jingumae 06, G-Bldg. Kita Aoyama 01, G-Bldg. Daikanyama 01 and G-Bldg. Jiyugaoka 01 respectively on October 1, 2011.

Portfolio List - Appraisal Value (2)

Property Name	Book Value (mil. yen)	Appraisal Value (mil. yen)			Direct Cap Rate			DCF Discount Rate		DCF Terminal Cap Rate	
		Feb. 2011	Aug. 2011	Variation	Feb. 2011	Aug. 2011	Variation	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011
Osaka, Nagoya and Surrounding Areas											
8953 Osaka Shinsaibashi Building	13,063	13,300	13,300	0	5.00%	5.00%	0.00%	5.20%	5.20%	5.30%	5.30%
Nara Family	30,779	32,500	32,500	0	6.30%	6.30%	0.00%	5.60%	5.60%	6.60%	6.60%
Narupark	8,120	5,500	5,420	-80	6.50%	6.50%	0.00%	6.20%	6.20%	6.70%	6.70%
AEONMALL Higashiura	7,719	10,100	10,100	0	5.90%	5.90%	0.00%	5.50%	5.50%	6.20%	6.20%
AEON Takatsuki	10,704	9,530	9,550	20	6.40%	6.40%	0.00%	6.50%	6.50%	6.80%	6.80%
AEON Yagoto	3,649	3,570	3,570	0	6.90%	6.90%	0.00%	6.50%	6.50%	6.80%	6.80%
AEON Nishi Otsu	12,780	10,700	10,700	0	6.40%	6.40%	0.00%	6.30%	6.30%	6.50%	6.50%
Kyoto Family	6,012	5,620	5,480	-140	6.50%	6.50%	0.00%	5.90%	5.90%	6.90%	6.90%
AEON Town Ogaki <small>(Note 3)</small>	4,307	4,040	3,980	-60	10.50%	10.70%	0.20%	7.60%	7.60%	17.80%	18.70%
Kawaramachi OPA	18,640	15,700	15,700	0	5.00%	5.00%	0.00%	4.50%	4.50%	4.80%	4.80%
AEONMALL Tsurumi Leafa	27,827	25,300	25,400	100	5.40%	5.40%	0.00%	5.10%	5.10%	5.60%	5.60%
AEONMALL Itami Terrace	19,916	17,700	17,700	0	5.30%	5.30%	0.00%	4.90%	4.90%	5.50%	5.50%
Ario Otori	18,165	14,900	14,900	0	5.70%	5.70%	0.00%	5.40%	5.40%	5.90%	5.90%
AEONMALL Kobe Kita	15,039	15,900	15,900	0	5.70%	5.70%	0.00%	5.30%	5.30%	5.80%	5.80%
Life Taiheiji (land with leasehold)	1,304	1,300	1,290	-10	-	-	-	5.40%	5.40%	-	-
Life Shimodera (land with leasehold)	1,717	1,700	1,690	-10	-	-	-	5.40%	5.40%	-	-
Life Kishibe (land with leasehold)	1,942	1,990	1,970	-20	-	-	-	5.30%	5.30%	-	-
G-Bldg. Shinsaibashi 01	1,606	1,620	1,620	0	5.10%	5.10%	0.00%	4.90%	4.90%	5.30%	5.30%
New Kishiwada CanCan Bayside Mall	7,000	-	7,680	-	-	6.60%	-	-	6.30%	-	6.60%
New G-Bldg. Shinsaibashi 02	4,380	-	4,570	-	-	5.10%	-	-	4.70%	-	5.20%
New <small>(Tentative name)Round1 Namba Sennichimae (land with leasehold interest)</small>	8,000	-	8,210	-	-	-	-	-	5.20%	-	-
New Izumisano Matsukazedai (land with leasehold interest)	2,625	-	2,800	-	-	-	-	-	6.00%	-	-
New Tecc Land Neyagawa (land with leasehold interest)	1,135	-	1,540	-	-	-	-	-	5.40%	-	-
New mozo Wonder City	5,250	-	5,370	-	-	5.80%	-	-	6.00%	-	6.10%
Subtotal (cap rate is a simple average)	231,689	190,970	220,940	-	6.17%	6.13%	-	5.64%	5.63%	6.83%	6.74%
Other major cities											
AEON Sendai Nakayama	9,180	10,600	10,500	-100	7.10%	7.10%	0.00%	6.30%	6.30%	6.80%	6.80%
Hakata Riverain	5,910	4,550	3,470	-1,080	6.20%	6.20%	0.00%	6.00%	6.00%	6.40%	6.40%
AEON Kashiihama SC	12,374	13,200	13,200	0	6.00%	6.00%	0.00%	6.20%	6.20%	6.30%	6.30%
AEON Sapporo Naebo SC	7,538	8,540	8,540	0	6.70%	6.70%	0.00%	6.30%	6.30%	6.90%	6.90%
AEON Tobata SC	5,753	5,950	5,990	40	7.50%	7.50%	0.00%	6.90%	6.90%	8.00%	8.00%
AEON Naha SC	10,596	9,820	10,100	280	6.20%	6.40%	0.20%	6.10%	6.40%	6.60%	6.60%
AEON Ueda	8,781	7,940	7,960	20	6.20%	6.20%	0.00%	5.90%	5.90%	6.50%	6.50%
Oyama Yuen Harvest Walk	9,351	6,800	6,800	0	7.60%	7.60%	0.00%	7.20%	7.20%	7.70%	7.70%
AEON Sapporo Hassamu SC	17,831	16,700	16,700	0	5.60%	5.60%	0.00%	5.40%	5.40%	5.80%	5.80%
G DINING SAPPORO	3,037	2,180	2,110	-70	6.20%	6.20%	0.00%	5.80%	5.80%	6.20%	6.20%
New MrMax Nagasaki	2,475	-	2,810	-	-	6.70%	-	-	6.40%	-	6.80%
Subtotal (cap rate is a simple average)	92,831	86,280	88,180	-	6.53%	6.56%	-	6.21%	6.25%	6.72%	6.73%
Portfolio Total (cap rate is a simple average)	643,602	568,969	617,185	-	5.69%	5.72%	-	5.37%	5.42%	5.97%	5.99%

(Note 1) The end of term appraisal value, direct cap rate, DCF discount rate and DCF terminal cap rate are based on appraisals and survey reports by real estate valuers (CB Richard Ellis, Daiwa Real Estate Appraisal, Japan Real Estate Institute and Tanizawa Sogo Appraisal Co., Ltd).

(Note 2) For the 12 properties acquired in September and October 2011, data on July 1, 2011 and August 10, 2011 is used, while for the other 59 properties, data as of the end of August 2011 is used.

(Note 3) Loc City Ogaki changed its name to AEON Town Ogaki on October 1, 2011.

Performance by Property (Income-type Properties 1)

Item	AEON Sendai Nakayama		ESPA Kawasaki		8953 Osaka Shinsaibashi Bldg.		8953 Minami Aoyama Bldg.		Ito-Yokado Yabashira		Ito-Yokado Kamifukuoka Higashi		Ito-Yokado Nishikicho		G-Bldg. Daikanyama 01		AEON Mall Higashiura	
	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011
	(mil. yen)																	
(1) Total rental business income	429	435	490	490	407	407	161	161	78	78	256	256	444	444	40	39	478	478
Rental revenue	429	435	489	489	407	407	155	155	78	78	256	256	444	444	37	37	478	478
Other income	0	0	1	1	0	0	6	5	—	0	—	—	—	—	2	2	—	—
(2) Total rental business expenses	58	43	95	95	40	38	19	19	18	18	47	47	65	65	8	6	164	163
Tax and public charges	39	38	81	81	31	31	7	8	15	15	40	40	59	58	2	2	59	58
Building management expenses	—	—	3	3	0	0	2	1	—	—	—	0	—	—	1	0	—	—
Repair expenses	1	0	0	1	0	0	0	0	0	0	—	0	0	2	0	—	1	0
Insurance premiums/ trust fees	3	2	5	5	3	3	1	1	1	1	2	1	3	2	0	0	3	3
Others	14	2	3	3	5	3	7	7	1	1	4	4	2	2	4	3	99	99
(3) Rent NOI (= (1) - (2))	370	391	394	394	366	368	142	141	60	60	208	208	379	379	32	33	314	315
(4) Depreciation and amortization	80	80	96	96	78	78	9	9	16	16	50	51	132	132	3	3	159	159
(5) Rental business profit (= (3) - (4))	290	311	298	298	288	290	133	132	43	44	157	157	246	246	28	29	155	156
(6) Deposits (ending balance)	1,424	1,424	4,989	4,773	798	798	251	251	450	450	1,882	1,817	590	590	62	58	598	598
Rental deposits	840	840	1,070	1,071	798	798	251	251	450	450	774	774	590	590	62	58	598	598
Guaranteed deposits	584	584	3,918	3,702	—	—	—	—	—	—	1,107	1,042	—	—	—	—	—	—

Item	G-Bldg. Jingumae 05		AEON Kashiwama SC		AEON Sapporo Naebo SC		G-Bldg. Jingumae 04		Ito-Yokado Tsunashima		Bic Camera Tachikawa		AEON Itabashi SC		G-Bldg. Kita Aoyama 01		AEONMALL Yamato	
	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011
	(mil. yen)																	
(1) Total rental business income	104	91	477	477	379	377	34	41	180	180	389	389	655	668	35	34	534	534
Rental revenue	89	79	477	477	377	377	31	31	180	180	357	357	653	667	33	33	534	534
Other income	14	12	—	—	2	0	2	9	—	—	32	32	2	0	1	1	—	—
(2) Total rental business expenses	14	13	68	65	81	81	7	7	22	22	74	74	314	310	6	5	60	60
Tax and public charges	3	3	58	58	57	57	1	1	18	18	36	38	43	42	1	1	54	54
Building management expenses	2	2	1	0	—	—	0	0	—	—	30	30	—	0	0	0	—	—
Repair expenses	0	0	1	—	0	0	1	0	—	—	0	0	0	—	0	0	0	0
Insurance premiums/ trust fees	1	1	4	4	2	2	0	0	2	2	5	2	2	2	0	0	3	3
Others	6	6	2	2	21	21	3	4	1	1	1	2	268	264	2	2	2	2
(3) Rent NOI (= (1) - (2))	90	78	409	411	298	295	27	33	158	158	315	315	341	358	28	29	473	473
(4) Depreciation and amortization	8	8	96	96	130	130	2	2	23	23	71	64	106	105	3	3	116	116
(5) Rental business profit (= (3) - (4))	81	70	313	315	167	164	24	31	135	135	243	250	234	252	25	25	356	357
(6) Deposits (ending balance)	178	178	700	700	654	654	65	65	232	232	699	699	754	754	38	38	1,068	1,068
Rental deposits	178	178	700	700	654	654	65	65	232	232	699	699	754	754	38	38	1,068	1,068
Guaranteed deposits	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

(Note 1) The Aug. 2011 Period was from Mar. 1, 2011 to Aug. 31, 2011 (184 days). The Feb. 2011 Period was from Sep. 1, 2010 to Feb. 28, 2011 (181 days).

(Note 2) Esquisse Omotesando Annex, Harajuku Face 8953 Bldg., Daikanyama 8953 Bldg., and Kitaayama 8953 Bldg. changed their names to G-Bldg. Jingumae 04, G-Bldg. Jingumae 05, G-Bldg. Daikanyama 01, and G-Bldg. Kitaayama 01 respectively on October 1, 2011.

Performance by Property (Income-type Properties 2)

(mil. yen)

Item	SEIYU Hibarigaoka		AEON Tobata SC		AEON Takatsuki		G-Bldg. Jiyugaoka 01		AEON Yagoto		AEON Naha SC		Cheers Ginza		AEON Nishi-Otsu		AEON Omiya	
	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011
(1) Total rental business income	261	261	315	315	414	414	89	88	148	148	398	400	105	105	375	375	195	186
Rental revenue	261	261	315	315	413	413	83	82	148	148	385	385	81	86	375	375	195	186
Other income	0	0	—	—	0	0	6	5	0	0	12	15	24	18	0	0	0	0
(2) Total rental business expenses	19	19	70	70	73	61	18	16	21	21	65	65	35	32	38	38	65	61
Tax and public charges	15	15	62	61	56	56	5	5	15	15	31	31	6	6	28	28	54	54
Building management expenses	—	—	—	—	—	—	3	2	1	1	0	0	3	3	0	0	—	—
Repair expenses	—	—	—	0	13	0	0	0	0	0	0	0	1	0	—	0	—	0
Insurance premiums/ trust fees	2	2	4	4	2	2	1	1	1	1	4	4	0	0	3	3	2	2
Others	1	1	2	3	1	1	8	7	1	1	29	29	22	20	6	5	8	3
(3) Rent NOI (= (1) - (2))	241	241	244	244	340	352	70	71	126	126	332	335	70	72	336	336	130	125
(4) Depreciation and amortization	47	47	71	72	103	93	14	14	29	29	93	94	16	16	89	89	53	53
(5) Rental business profit (= (3) - (4))	194	194	173	172	236	259	56	57	96	96	238	241	53	56	246	246	77	72
(6) Deposits (ending balance)	300	300	315	315	3,244	2,998	158	156	519	519	2,118	2,118	158	147	988	988	440	440
Rental deposits	300	300	315	315	1,232	1,232	124	123	502	502	2,118	2,118	158	147	988	988	440	440
Guaranteed deposits	—	—	—	—	2,012	1,765	33	33	16	16	—	—	—	—	—	—	—	—

(mil. yen)

Item	AEON Town Ogaki		Kawaramachi OPA		AEON Ueda		AEONMALL Tsurumi Leafa		AEONMALL Itami Terrace		Ito-Yokado Yotsukaido		AEON Yachiyo Midorigaoka SC		G-Bldg. Jingumae 06		AEON Sapporo Hassamu SC	
	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011
(1) Total rental business income	330	328	363	363	297	297	892	895	579	582	290	290	685	686	58	59	577	577
Rental revenue	330	328	362	362	297	297	892	895	579	582	289	289	685	686	55	56	577	577
Other income	—	—	0	0	0	0	0	0	0	0	0	0	—	—	3	3	—	0
(2) Total rental business expenses	122	122	53	53	49	46	199	198	117	117	48	48	99	102	7	6	104	106
Tax and public charges	30	29	43	43	41	41	163	162	103	103	43	42	91	94	1	2	95	97
Building management expenses	—	—	2	2	—	—	—	—	—	—	—	—	—	—	1	0	—	—
Repair expenses	—	—	0	0	2	0	—	—	—	—	0	0	—	—	—	0	—	0
Insurance premiums/ trust fees	2	2	2	2	2	2	7	7	4	5	2	2	4	4	0	0	3	3
Others	90	90	4	4	2	1	28	28	9	9	1	1	2	3	4	3	5	5
(3) Rent NOI (= (1) - (2))	207	206	309	310	247	250	692	696	461	464	241	241	586	584	51	52	472	471
(4) Depreciation and amortization	115	115	55	55	112	112	326	327	173	173	87	87	209	210	3	3	193	193
(5) Rental business profit (= (3) - (4))	92	90	254	254	135	138	366	369	288	291	154	154	376	373	48	49	279	278
(6) Deposits (ending balance)	600	600	3,583	3,583	—	—	1,781	1,781	6,840	6,840	4,295	4,295	684	684	93	93	573	573
Rental deposits	600	600	1,056	1,056	—	—	1,781	1,781	900	900	429	429	684	684	93	93	573	573
Guaranteed deposits	—	—	2,526	2,526	—	—	—	—	5,940	5,940	3,865	3,865	—	—	—	—	—	—

(Note 1) The Aug. 2011 Period was from Mar. 1, 2011 to Aug. 31, 2011 (184 days). The Feb. 2011 Period was from Sep. 1, 2010 to Feb. 28, 2011 (181 days).

(Note 2) Jiyugaoka 8953 Bldg., Jingumae6 8953 Bldg., and Loc City Ogaki changed their names to G-Bldg. Jiyugaoka 01, G-Bldg. Jingumae 06, and AEON Town Ogaki respectively on October 1, 2011.

Performance by Property (Income-type Properties 3)

(mil. yen)

Item	Ario Otori		G-Bldg. Jingumae 01		G-Bldg. Jingumae 02		G-Bldg. Minami Aoyama 01		AEONMALL Musashi Murayama Mu		AEONMALL Kobe Kita		G-Bldg. Shinjuku 01		G-Bldg. Jingumae 03		Life Taiheiji (land with leasehold)	
	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011
(1) Total rental business income	544	554	83	82	23	30	0	11	957	955	582	587	160	160	11	11	48	48
Rental revenue	544	554	82	82	21	29	—	10	955	954	578	578	160	160	9	9	—	—
Other income	—	—	1	—	1	1	0	0	1	0	3	9	—	—	2	1	48	48
(2) Total rental business expenses	110	114	2	2	5	5	10	7	167	162	123	129	1	8	5	12	0	2
Tax and public charges	104	106	1	1	1	1	4	4	153	151	114	115	0	6	0	7	—	2
Building management expenses	—	0	0	0	0	0	1	1	—	—	—	—	—	—	2	2	—	—
Repair expenses	0	—	0	—	0	—	—	—	1	0	0	4	—	0	—	—	—	—
Insurance premiums/ trust fees	4	4	0	0	1	1	0	0	3	4	3	3	1	1	0	0	0	0
Others	1	3	0	0	1	1	3	1	7	6	5	5	0	0	2	2	0	0
(3) Rent NOI (= (1) - (2))	433	439	80	79	17	25	-9	3	790	792	459	458	158	152	6	-1	48	45
(4) Depreciation and amortization	254	254	2	2	3	3	7	7	299	299	190	190	9	9	13	13	—	—
(5) Rental business profit (= (3) - (4))	179	185	78	77	13	21	-17	-4	490	492	268	267	149	143	-7	-14	48	45
(6) Deposits (ending balance)	1,088	1,088	162	144	38	38	—	21	1,861	1,861	578	578	268	268	12	41	81	81
Rental deposits	1,088	1,088	162	144	38	38	—	21	1,861	1,861	578	578	—	—	12	41	81	81
Guaranteed deposits	—	—	—	—	—	—	—	—	—	—	—	—	268	268	—	—	—	—

(mil. yen)

Item	Life Shimodera (land with leasehold)		Life Kishibe (land with leasehold)		G-Bldg. Minami Ikebukuro 01		G-Bldg. Shinsaibashi 01		Income Properties Total
	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	
(1) Total rental business income	56	56	66	68	261	239	59	61	14,814
Rental revenue	—	—	—	—	221	208	55	57	14,473
Other income	56	56	66	68	39	31	3	3	340
(2) Total rental business expenses	0	4	0	4	57	63	11	16	2,876
Tax and public charges	—	4	—	4	0	14	0	4	1,884
Building management expenses	—	—	—	—	17	15	6	6	85
Repair expenses	—	—	—	—	0	0	0	0	33
Insurance premiums/ trust fees	0	0	0	0	1	1	0	0	119
Others	0	0	0	0	38	32	4	4	753
(3) Rent NOI (= (1) - (2))	56	51	66	63	204	175	47	44	11,937
(4) Depreciation and amortization	—	—	—	—	26	26	2	2	3,793
(5) Rental business profit (= (3) - (4))	56	51	66	63	177	149	45	42	8,144
(6) Deposits (ending balance)	94	94	113	113	331	443	58	58	46,827
Rental deposits	94	94	113	113	331	443	58	58	26,554
Guaranteed deposits	—	—	—	—	—	—	—	—	20,273

(Note) The Aug. 2011 Period was from Mar. 1, 2011 to Aug. 31, 2011 (184 days). The Feb. 2011 Period was from Sep. 1, 2010 to Feb. 28, 2011 (181 days).

Performance by Property (Growth-type Properties)

(mil. yen)

Item	Hakata Riverain / eeny meeny miny mo		Nara Family		Abiko Shopping Plaza		GYRE		Kyoto Family	
	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011
(1) Total rental business income	387	386	2,086	2,022	714	669	577	595	609	617
Rental revenue	306	289	1,728	1,695	469	467	516	509	483	490
Other income	81	97	357	327	245	202	60	85	126	126
(2) Total rental business expenses	299	302	989	962	321	320	183	171	389	396
Tax and public charges	55	55	93	92	34	35	46	49	29	30
Building management expenses	75	73	173	167	107	104	36	30	96	91
Repair expenses	1	1	10	2	7	4	0	1	4	5
Insurance premiums/ trust fees	3	3	12	12	6	11	3	3	4	4
Others	163	168	699	688	166	165	97	85	253	265
(3) Rent NOI (= (1) - (2))	88	84	1,097	1,059	392	348	393	424	219	220
(4) Depreciation and amortization	104	104	262	262	104	101	94	93	74	79
(5) Rental business profit (= (3) - (4))	-16	-20	834	797	288	246	299	330	145	141
(6) Deposits (ending balance)	315	296	6,068	6,045	2,523	2,313	865	865	757	757
Rental deposits	315	296	4,612	4,588	892	898	865	865	757	757
Guaranteed deposits	—	—	1,456	1,456	1,630	1,414	—	—	—	—

(mil. yen)

Item	Higashitotsuka Aurora City		Oyama Yuen Harvest Walk		G DINING SAPPORO		La Porte Aoyama		Narupark		Growth Properties Total		Overall Total	
	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011	Feb. 2011	Aug. 2011
(1) Total rental business income	1,394	1,385	556	573	65	73	271	258	328	374	6,992	6,957	21,868	21,789
Rental revenue	1,359	1,353	555	564	65	73	223	219	132	271	5,841	5,934	20,332	20,434
Other income	34	32	0	9	0	0	48	39	195	102	1,150	1,023	1,536	1,354
(2) Total rental business expenses	342	338	306	312	50	36	79	78	204	224	3,168	3,144	6,137	6,007
Tax and public charges	162	163	39	39	8	7	26	27	35	35	533	536	2,454	2,467
Building management expenses	109	106	160	160	8	8	16	13	5	48	789	804	876	883
Repair expenses	3	5	1	8	0	0	1	0	33	1	64	30	98	53
Insurance premiums/ trust fees	6	6	3	3	1	1	1	1	3	2	47	51	167	164
Others	60	56	100	100	31	18	34	34	125	137	1,733	1,720	2,541	2,439
(3) Rent NOI (= (1) - (2))	1,051	1,047	249	260	15	37	192	180	123	149	3,824	3,813	15,730	15,781
(4) Depreciation and amortization	363	364	171	173	49	50	26	26	74	92	1,326	1,349	5,160	5,128
(5) Rental business profit (= (3) - (4))	688	683	78	87	-34	-12	165	153	49	56	2,497	2,464	10,570	10,652
(6) Deposits (ending balance)	4,619	4,619	342	342	56	55	236	234	55	272	15,840	15,801	62,667	62,230
Rental deposits	4,619	4,619	342	342	56	55	97	103	0	272	12,559	12,799	39,114	39,481
Guaranteed deposits	—	—	—	—	—	—	138	131	55	—	3,280	3,002	23,553	22,748

(Note) The Aug. 2011 Period was from Mar. 1, 2011 to Aug. 31, 2011 (184 days). The Feb. 2011 Period was from Sep. 1, 2010 to Feb. 28, 2011 (181 days).

Financial Status (1)

Interest-bearing Liabilities

	Feb. 2009 Period		Aug. 2009 Period		Feb. 2010 Period		Aug. 2010 Period		Feb. 2011 Period		Aug. 2011 Period	
	(14th)	Ratio (%)	(15th)	Ratio (%)	(16th)	Ratio (%)	(17th)	Ratio (%)	(18th)	Ratio (%)	(19th)	Ratio (%)
Short-term financing	119,275	37.7	96,075	29.4	97,775	30.8	107,572	28.2	86,575	25.5	46,575	13.8
Short-term debt	119,275	37.7	96,075	29.4	97,775	30.8	107,572	28.2	86,575	25.5	46,575	13.8
Commercial paper	-	-	-	-	-	-	-	-	-	-	-	-
Long-term liabilities ^(Note 1)	123,400	39.0	158,350	48.4	150,666	47.4	202,276	53.0	190,776	56.1	228,776	67.8
Long-term debt	23,400	7.4	58,350	17.8	70,666	22.2	122,276	32.1	110,776	32.6	148,776	44.1
Fixed interest	5,000	1.6	35,000	10.7	39,416	12.4	73,626	19.3	72,726	21.4	91,826	27.2
Variable interest	18,400	5.8	23,350	7.1	31,250	9.8	48,650	12.8	38,050	11.2	56,950	16.9
Unsecured corporate bonds	100,000	31.6	100,000	30.6	80,000	25.2	80,000	21.0	80,000	23.5	80,000	23.7
Subtotal (interest-bearing liabilities)	242,675	76.7	254,425	77.7	248,441	78.2	309,848	81.3	277,351	81.6	275,351	81.6
Rental deposits, guaranteed deposits	73,788	23.3	72,878	22.3	69,251	21.8	71,500	18.7	62,667	18.4	62,230	18.4
Total	316,463	100.0	327,303	100.0	317,692	100.0	381,348	100.0	340,018	100.0	337,581	100.0
Commitment lines ^(Note 2)												
Credit line	40,000	-	40,000	-	40,000	-	40,000	-	40,000	-	40,000	-
Balance	25,000	-	-	-	-	-	-	-	-	-	-	-
Average number of remaining years of long-term liabilities (Years)	5.1	-	5.1	-	5.2	-	4.3	-	4.4	-	4.4	-
Debt service coverage ratio ^(Note 3) (x)	7.4	-	7.5	-	6.5	-	5.3	-	6.3	-	5.8	-

(Note 1) Long-term debt includes the current portion of long-term borrowing as well as the current portion of investment corporation bonds.

(Note 2) Commitment line credit facilities are The Bank of Tokyo-Mitsubishi UFJ, Mitsubishi UFJ Trust Bank, and Sumitomo Trust Bank.

(Note 3) Debt service coverage ratio = net income before interest amortization ÷ interest expense

Ratings

As of the end of August 2011

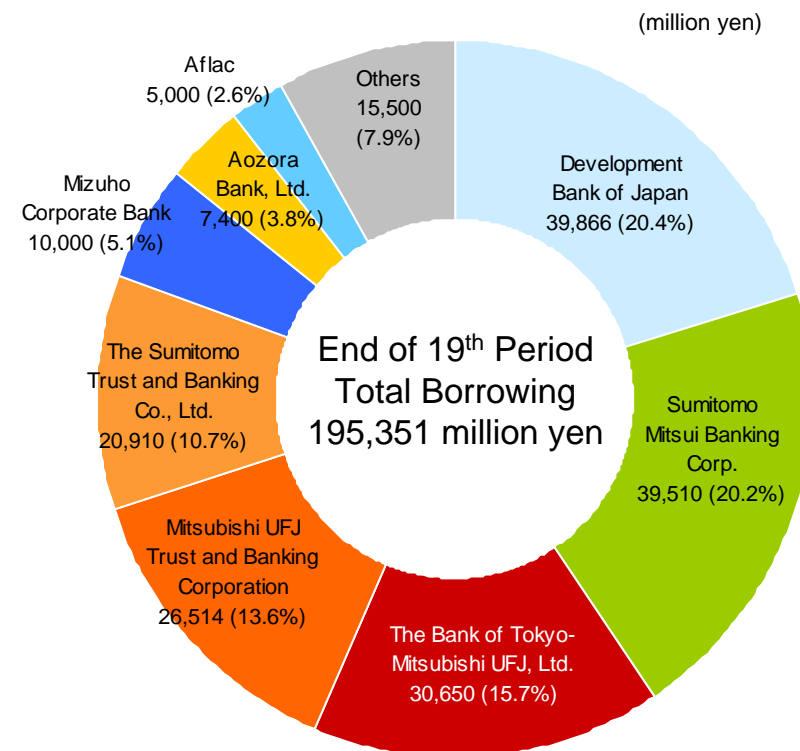
	Issuer rating	Long-term debt rating	Outlook
Moody's	A2	A2	Negative
S&P	A	A	Stable
R&I	AA-	AA-	Stable

Financial Status (2)

Details of loans as of the end of August 2011

	Classification	End 19th Period Balance (mil. yen)		Loan Date	Scheduled repayment date
	Credit facility	Deposit	Total		
Short-term debt	The Bank of Tokyo-Mitsubishi UFJ, Ltd	3,875			
	Mitsubishi UFJ Trust and Banking Corporation	3,487	10,075	2010/9/3	2011/9/2
	The Sumitomo Trust and Banking Co., Ltd.	2,712			
	Fukuoka Bank	3,000	3,000	2010/9/17	2011/9/16
	The Chugoku Bank, Ltd.	2,000	2,000	2010/9/30	2011/9/30
	Mizuho Corporate Bank	2,000	2,000	2010/10/15	2011/9/30
	Shinsei Bank, Limited	1,500	1,500	2010/11/1	2011/9/30
	The Bank of Tokyo-Mitsubishi UFJ, Ltd	5,152			
	Mitsubishi UFJ Trust and Banking Corporation	4,373	13,000	2011/2/8	2012/2/8
	The Sumitomo Trust and Banking Co., Ltd.	3,475			
	The Chugoku Bank, Ltd.	2,000	2,000	2011/6/17	2011/9/30
	The Bank of Tokyo-Mitsubishi UFJ, Ltd	5,000			
	Mitsubishi UFJ Trust and Banking Corporation	4,500	13,000	2011/8/26	2011/9/22
	The Sumitomo Trust and Banking Co., Ltd.	3,500			
	Total		46,575		
Long-term debt	Aozora Bank, Ltd.	7,400	7,400	2008/8/29	2013/8/29
	Mizuho Corporate Bank	3,000	4,000	2008/9/30	2011/9/30
	Saitama Resona Bank	1,000			
	Development Bank of Japan	3,000	3,000	2008/9/30	2013/9/30
	Sumitomo Mitsui Banking Corp.	34,510	34,510	2008/11/4	2015/3/1
	Development Bank of Japan	4,550	4,550	2009/3/30	2014/3/30
	Development Bank of Japan (7 years)	13,850	13,850	2009/7/30	2016/7/30
	Development Bank of Japan (9 years)	18,466	18,466	2009/7/30	2018/7/30
	Aflac	5,000	5,000	2009/9/4	2019/9/4
	The Bank of Tokyo-Mitsubishi UFJ, Ltd	3,143			
	Mitsubishi UFJ Trust and Banking Corporation	2,714	8,000	2009/9/30	2014/9/30
	The Sumitomo Trust and Banking Co., Ltd.	2,143			
	Mizuho Corporate Bank	5,000			
	The Shinkumi Federation Bank	3,000			
	Hiroshima Bank	1,500	11,000	2011/2/7	2016/2/5
	Ikedda Senshu Bank	1,000			
	Minato Bank	500			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd	5,550			
	Mitsubishi UFJ Trust and Banking Corporation	4,710	14,000	2011/3/31	2018/9/28
	The Sumitomo Trust and Banking Co., Ltd.	3,740			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd	7,930			
	Mitsubishi UFJ Trust and Banking Corporation	6,730	20,000	2011/3/31	2019/3/29
	The Sumitomo Trust and Banking Co., Ltd.	5,340			
	Sumitomo Mitsui Banking Corp.	5,000	5,000	2011/3/31	2018/3/30
	Total		148,776		
	Total		195,351		

Credit facility ratios



Financial Status (3)

»» List of spread for each maturity

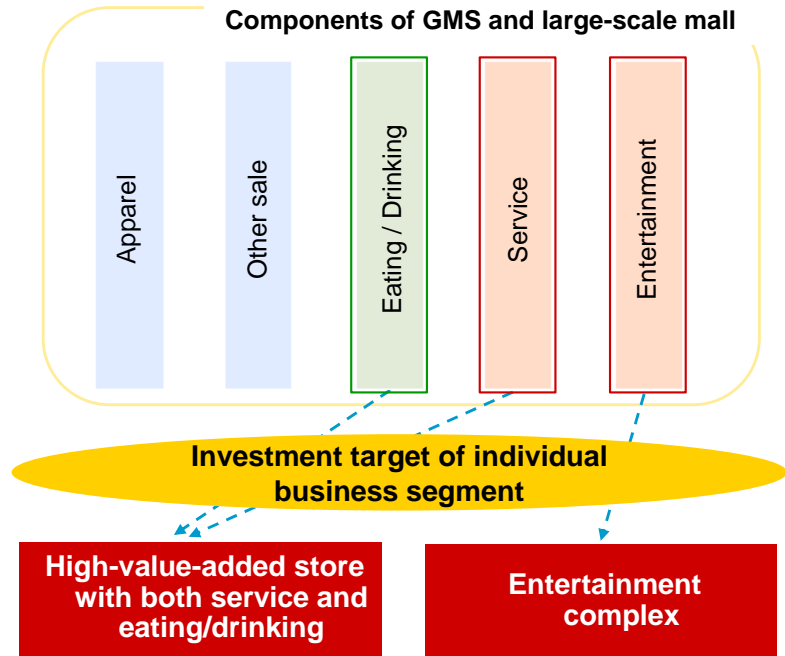
Maturity		As of the end of Feb. 2011			As of Oct. 3, 2011			Variation
		Amount (1)	Share	Spread (Three-month yen TIBOR+)	Amount (2)	Share	Spread (Three-month yen TIBOR+)	Amount (2)-(1)
Short term 1 year		86,575	25.5%	30-65bp	18,000	4.9%	33-45bp	(68,575)
Long term	3 years	4,000	1.2%	60bp				(4,000)
	5 years	34,050	10.0%	70-95bp	39,400	10.8%	30-95bp	5,350
		34,710	10.2%	(Fixed: 2.64625%)	34,410	9.5%	(Fixed: 2.64625%)	(300)
	6.5 years				3,500	1.0%	45bp	3,500
	7 years				11,500	3.2%	50-55bp	11,500
		14,150	4.2%	(Fixed: 1.81%)	13,700	3.8%	(Fixed: 1.81%)	(450)
	7.5 years				14,000	3.8%	35bp	14,000
	8 years				20,000	5.5%	40bp (Note)	20,000
	8.5 years				13,000	3.6%	45bp	13,000
	9 years	18,866	5.6%	(Fixed: 2.24%)	12,075	3.3%	50-62bp	12,075
					18,266	5.0%	(Fixed: 2.24%)	(600)
	9.5 years				10,000	2.7%	55bp	10,000
	10 years	5,000	1.5%	(Fixed: 2.95%)	5,000	1.4%	60bp	5,000
					5,000	1.4%	(Fixed: 2.95%)	0
Total		110,776	32.6%		199,851	54.9%		89,075
Unsecured corporate bonds	5, 10 years	80,000	23.6%	(Fixed: 1.60-2.17%)	80,000	22.0%	(Fixed: 1.60-2.17%)	0
Tenant guarantee deposit		62,000	18.3%	(Fixed: 0-2.00%)	66,000	18.1%	(Fixed: 0-2.00%)	4,000
Grand total		339,351	100.0%	-	363,851	100.0%	-	24,500

(Note) Fixed at 1.49% based on the interest rate swap contract signed on Mar. 31, 2011

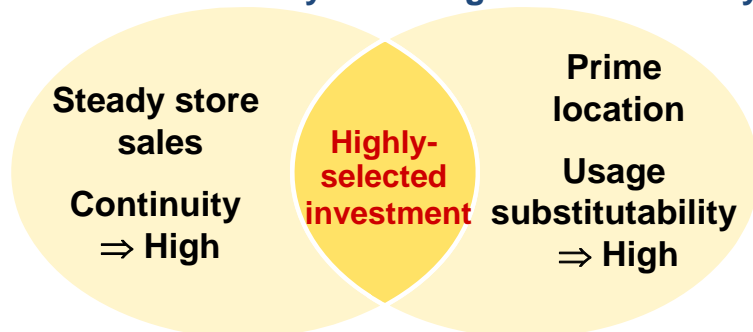
Balance between diversification of properties acquired and highly-selected investment

➤➤➤ Approach to highly-selected investment

- Investment in individual business segment for which we accumulated knowledge by mall management



- Highly-selected investment in properties that can balance continuity and usage substitutability



➤➤➤ Attractiveness of two newly-acquired properties

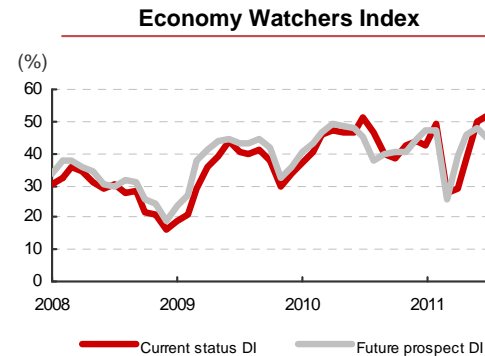
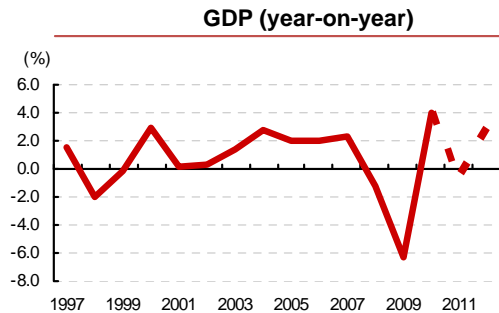
	<div>Sports/Amusement facility</div>	<div>House wedding facility</div>																																																																				
Continuity	<div><div>[Industry outlook]</div><div>New business model of sports/amusement complex focusing on bowling and category with high growth potential targeting a wide range of users</div></div>	<div><div>[Industry outlook]</div><div>While the number of wedding ceremonies mostly remain constant, the share of house wedding is increasing, and the cost per ceremony is also increasing due to the low birthrate and delayed marriage.</div></div>																																																																				
	<div><div>[Positioning of Round1]</div><div>Established the only one business model as a sports/amusement complex Maintain the overwhelming No.1 position in the bowling industry</div></div>	<div><div>[Positioning of Take And Give Needs]</div><div>No.2 sales among house wedding companies</div></div>																																																																				
	<div><div>Shifts in the number of Round1 facilities</div><div><table><thead><tr><th>Period</th><th>Number of Facilities</th></tr></thead><tbody><tr><td>Mar. 2002</td><td>38</td></tr><tr><td>Mar. 2003</td><td>39</td></tr><tr><td>Mar. 2004</td><td>40</td></tr><tr><td>Mar. 2005</td><td>58</td></tr><tr><td>Mar. 2006</td><td>73</td></tr><tr><td>Mar. 2007</td><td>83</td></tr><tr><td>Mar. 2008</td><td>94</td></tr><tr><td>Mar. 2009</td><td>105</td></tr><tr><td>Mar. 2010</td><td>109</td></tr></tbody></table><div>Note: Based on the figure as of the end of each period Source: Round1</div></div></div>	Period	Number of Facilities	Mar. 2002	38	Mar. 2003	39	Mar. 2004	40	Mar. 2005	58	Mar. 2006	73	Mar. 2007	83	Mar. 2008	94	Mar. 2009	105	Mar. 2010	109	<div><div>Shifts in the share of house wedding</div><div><table><thead><tr><th>Year</th><th>Number of Facilities</th><th>Hotels and Wedding Halls (%)</th><th>House Wedding (%)</th></tr></thead><tbody><tr><td>2000</td><td></td><td>74.5</td><td></td></tr><tr><td>2001</td><td></td><td>76.5</td><td></td></tr><tr><td>2002</td><td>1</td><td>74.1</td><td></td></tr><tr><td>2003</td><td>4.7</td><td>73.6</td><td>4.7</td></tr><tr><td>2004</td><td>16</td><td>69.6</td><td>7.6</td></tr><tr><td>2005</td><td>29</td><td>65.0</td><td>14.2</td></tr><tr><td>2006</td><td>42</td><td>62.8</td><td>15.7</td></tr><tr><td>2007</td><td>58</td><td>61.7</td><td>19.0</td></tr><tr><td>2008</td><td>62</td><td>61.1</td><td>19.1</td></tr><tr><td>2009</td><td>61</td><td>59.5</td><td>21.7</td></tr><tr><td>2010</td><td>61</td><td>59.5</td><td>21.8</td></tr></tbody></table><div>Source: Prepared based on the wedding trend research by Zexy</div></div></div>	Year	Number of Facilities	Hotels and Wedding Halls (%)	House Wedding (%)	2000		74.5		2001		76.5		2002	1	74.1		2003	4.7	73.6	4.7	2004	16	69.6	7.6	2005	29	65.0	14.2	2006	42	62.8	15.7	2007	58	61.7	19.0	2008	62	61.1	19.1	2009	61	59.5	21.7	2010	61	59.5	21.8
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Usage substitutability	<div><div>[Positioning of target property]</div><div>Sales of Round1 Itabashi and Machida are ranked in the top places.</div></div>	<div><div>[Positioning of target property]</div><div>Jingumae and Daikanyama facilities are included in the top high street stores. Daikanyama facility is the first store.</div></div>																																																																				
	<div><div>• Round1 Itabashi, Machida and Namba Sennichimae are in prime location with easy access to stations and main roads.</div><div>• Diversion to other usage is possible.</div></div>	<div><div>• Jingumae and Daikanyama are very popular areas as high-grade commercial and residential land in the Tokyo metropolitan area.</div><div>• Diversion to other usage is possible.</div></div>																																																																				

Business Environment for Investment in Retail Properties

Japan's macro economy, retail sector and real estate sector are on a recovery track.

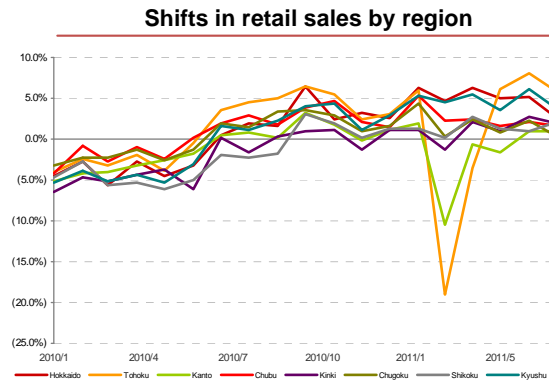
Macro economy trend

- GDP was on a recovery track in 2010 after the financial crisis.
- Economy Watchers Index is increasing stably after hitting the bottom in 2008. It was temporarily affected by the Great East Japan Earthquake, but it is recovering after May 2011.



Retail sector trend

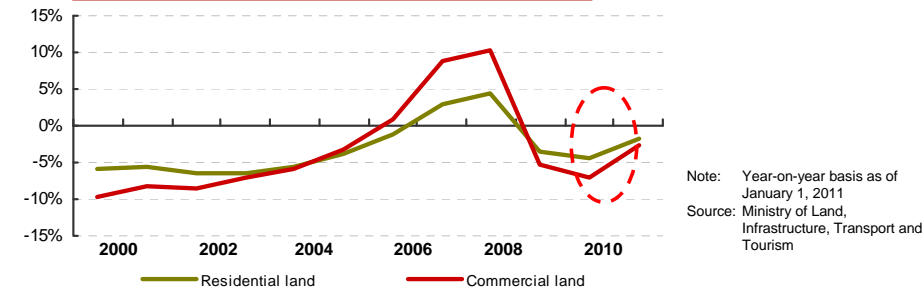
- Retail sales grew steadily throughout 2010.
- Due to effects of the Earthquake, sales temporarily decreased mainly in Tohoku and Kanto area, but the abovementioned trend remains unchanged in essence.



Real estate sector trend

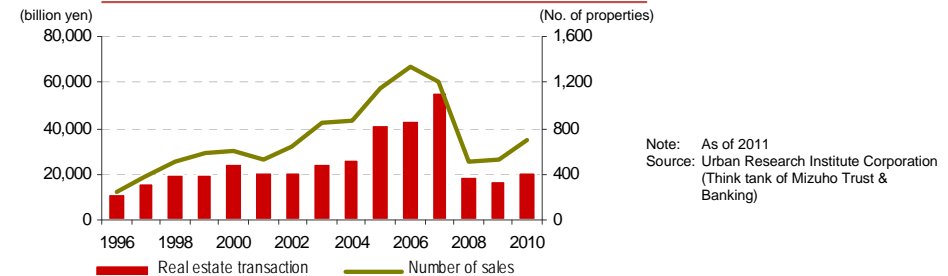
- Official price of commercial land hit the bottom in 2010, and the range of drop narrowed this year.

Shifts in official price of commercial land



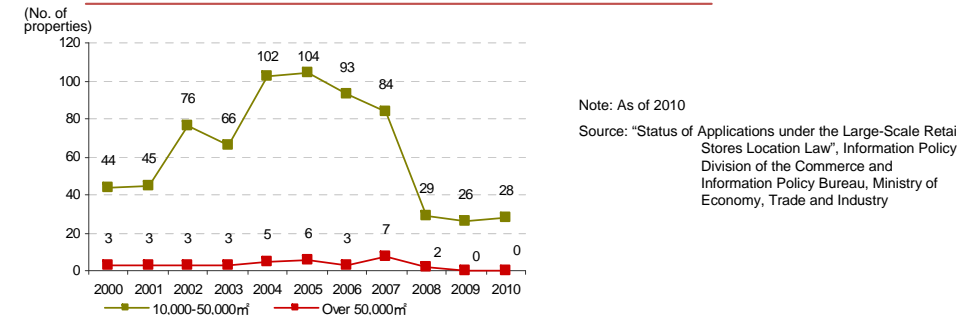
- Real estate transaction amount hit the bottom in 2009 and recovered on a year-on-year basis in 2010 after the global financial crisis.

Amount and number of real estate sales of listed companies, etc.



- New supply of large-scale retail stores decreased due to the revision of the three Acts on City Planning, and improvement of the supply demand balance continues.

Number of applications under the Large-Scale Retail Stores Location Law



JRF Overview

1. JRF Overview	• • • 47
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3. Locations of Portfolio Properties (As of October 3, 2011)	• • • 49
4. Overview of ADR	• • • 51
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JRF Overview

- » REIT specializing in retail centers
- » Since first listing in 2002 (10 years), JRF has achieved steady investment performance and distribution payments
 - ✓ Retail centers enable diversification of area, business type and business category
 - ✓ A well-balanced portfolio with the “growth potential” of suburban properties and “future prospects” of urban properties
 - ✓ Maintains an occupancy rate of over 99%
 - ✓ Approximately 90% of all properties have fixed rent
- » Aim for further increase in the scale of assets and stability and improvement of distribution level by increasing portfolio profitability

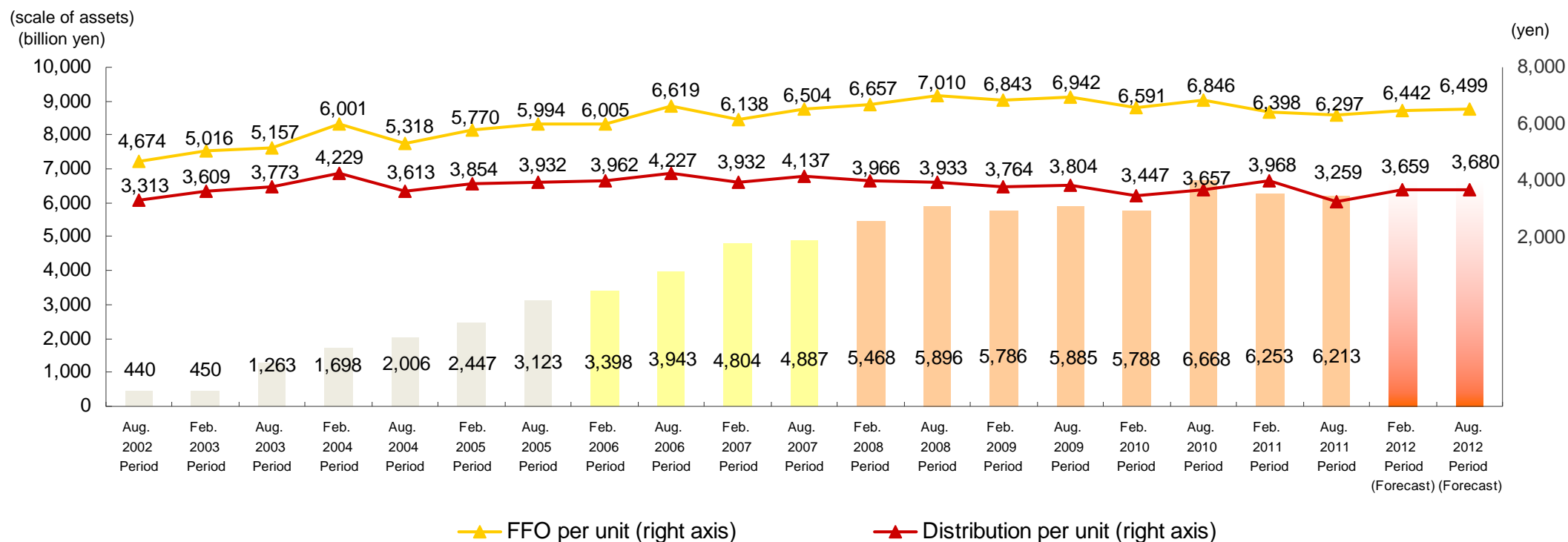
Shifts in Total Assets, Distributions Per Unit, and Yields

Strive to achieve a critical mass

Portfolio variation
and
diversification


Strive to achieve a quality portfolio

Increase the scale of
assets and further
improve quality

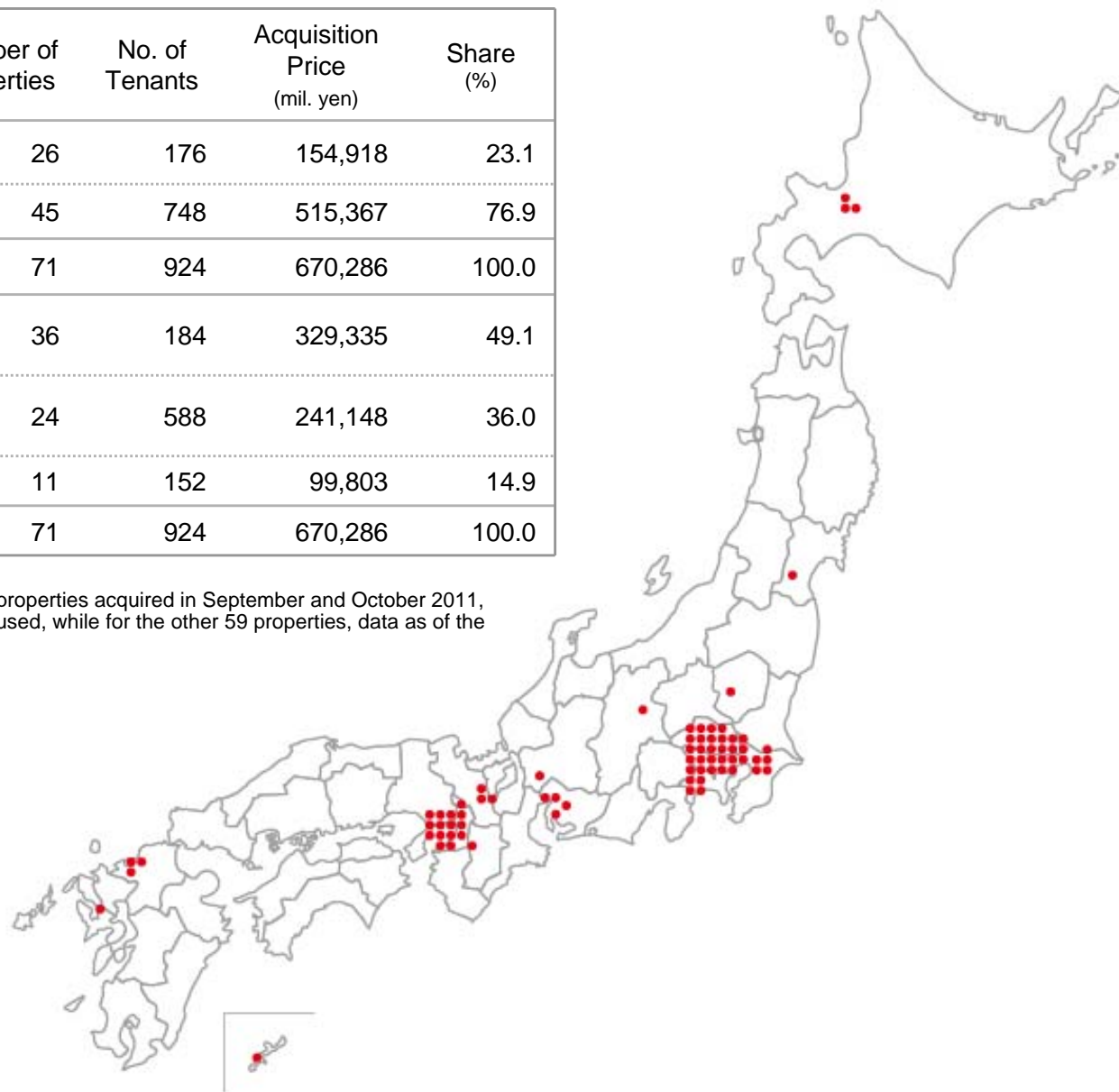


(Note) Since a four-for-one investment unit split was carried out on Mar. 1, 2010, the distribution and FFO are calculated and shown as the amount for “estimated post-split values” as if the investment split was carried out at the beginning of the Aug. 2002 Period.








































































Locations of Portfolio Properties (As of October 3, 2011)

 Retail Centers		Number of properties	No. of Tenants	Acquisition Price (mil. yen)	Share (%)
Type of property	Urban type	26	176	154,918	23.1
	Suburban type	45	748	515,367	76.9
	Overall	71	924	670,286	100.0
Area	Tokyo and Greater Tokyo Area	36	184	329,335	49.1
	Osaka, Nagoya and surrounding area	24	588	241,148	36.0
	Other Major cities	11	152	99,803	14.9
	Overall	71	924	670,286	100.0

Note: Regarding No. of Tenants, for the 12 properties acquired in September and October 2011, data at the time of their acquisition is used, while for the other 59 properties, data as of the end of August 2011 is used.



Locations of Portfolio Properties (As of October 3, 2011)

<div>Hokkaido</div> <div><div>AEON Sapporo Naebo SC</div></div> <div><div>AEON Sapporo Hassamu SC</div></div> <div><div>G DINING Sapporo</div></div>	<div>Miyagi</div> <div><div>AEON Sendai Nakayama SC</div></div>	<div>Tochigi</div> <div><div>Oyama Yuen Harvest Walk</div></div>	<div>Nagano</div> <div><div>AEON Ueda</div></div>	<div>Aichi</div> <div><div>NARU PARK</div></div> <div><div>AEON Yagoto</div></div> <div><div>AEONMALL Higashiura</div></div> <div><div>mozo wonder city</div></div>	<div>Gifu</div> <div><div>Loc City Ogaki</div></div>
<div>Saitama</div> <div><div>Ito-Yokado Kamifukuoka-Higashi</div></div> <div><div>Ito-Yokado Nishikicho</div></div> <div><div>AEON Omiya</div></div>	<div>Chiba</div> <div><div>Abiko Shopping Plaza</div></div> <div><div>Ito-Yokado Yabashira</div></div> <div><div>Ito-Yokado Yotsukaido</div></div> <div><div>AEON Yachiyo Midorigaoka SC</div></div> <div><div>Makuhari Plaza</div></div>	<div>Shiga</div> <div><div>AEON Nishi Otsu</div></div>	<div>Kyoto</div> <div><div>Kyto Family</div></div> <div><div>Kawaramachi OPA</div></div>		
<div>Kanagawa</div> <div><div>ESPA Kawasaki</div></div> <div><div>Ito-Yokado Tsunashima</div></div> <div><div>AEONMALL Yamato</div></div> <div><div>Higashi-Totsuka Aurora City</div></div>	<div>Hyogo</div> <div><div>AEONMALL Itami Terrace</div></div> <div><div>AEONMALL Kobe Kita</div></div>	<div>Nara</div> <div><div>Nara Family</div></div>			
<div>Tokyo</div> <div><div>8953 Minami Aoyama Building</div></div> <div><div>G-Bldg. Daikanyama 01</div></div> <div><div>G-Bldg. Jingumae 05</div></div> <div><div>G-Bldg. Jingumae 04</div></div> <div><div>Bic Camera Tachikawa</div></div> <div><div>AEON Itabashi SC</div></div> <div><div>G-Bldg. Kita Aoyama 01</div></div> <div><div>Selyu Hibiyaigaoka</div></div> <div><div>G-Bldg. Jiyugaoka 01</div></div> <div><div>Cheers Ginza</div></div> <div><div>GYRE</div></div> <div><div>G-Bldg. Jingumae 06</div></div> <div><div>G-Bldg. Jingumae 01</div></div> <div><div>G-Bldg. Jingumae 02</div></div> <div><div>G-Bldg. Minami Aoyama 01</div></div> <div><div>La Porte Aoyama</div></div> <div><div>AEONMALL Musashi Murrayama Mu</div></div> <div><div>G-Bldg. Shinjuku 01</div></div> <div><div>G-Bldg. Jingumae 03</div></div> <div><div>G-Bldg. Minami Ikebukuro 01</div></div> <div><div>Urban terrace Jingumae</div></div> <div><div>ROUND 1 Stadium Itabashi</div></div> <div><div>ROUND 1 Machida</div></div> <div><div>ARKANGEL Daikanyama (land with leasehold)</div></div>	<div>Osaka</div> <div><div>8953 Osaka Shinsaibashi Building</div></div> <div><div>AEON Takatsuki</div></div> <div><div>AEONMALL Tsurumi Leafa</div></div> <div><div>Ario Otori</div></div> <div><div>Life Taiheiji (land with leasehold)</div></div> <div><div>Life Shimodera (land with leasehold)</div></div> <div><div>Life Kishibe (land with leasehold)</div></div> <div><div>G-Bldg. Shinsaibashi 01</div></div> <div><div>Kishiwada CanCan Bayside Mall</div></div> <div><div>G-Bldg. Shinsaibashi 02</div></div> <div><div>[Tentative] Round 1 Nanba Sennichimae (land with leasehold)</div></div> <div><div>Izumisano Shofudai (land with leasehold)</div></div> <div><div>Tecland Neyagawa (land with leasehold)</div></div>	<div>Fukuoka</div> <div><div>Hakata Riverain / eeny meeny miny mo</div></div> <div><div>AEON Kashiihama SC</div></div> <div><div>AEON Tobata SC</div></div>	<div>Nagasaki</div> <div><div>MrMax Nagasaki</div></div>	<div>Okinawa</div> <div><div>AEON Naha SC</div></div>	

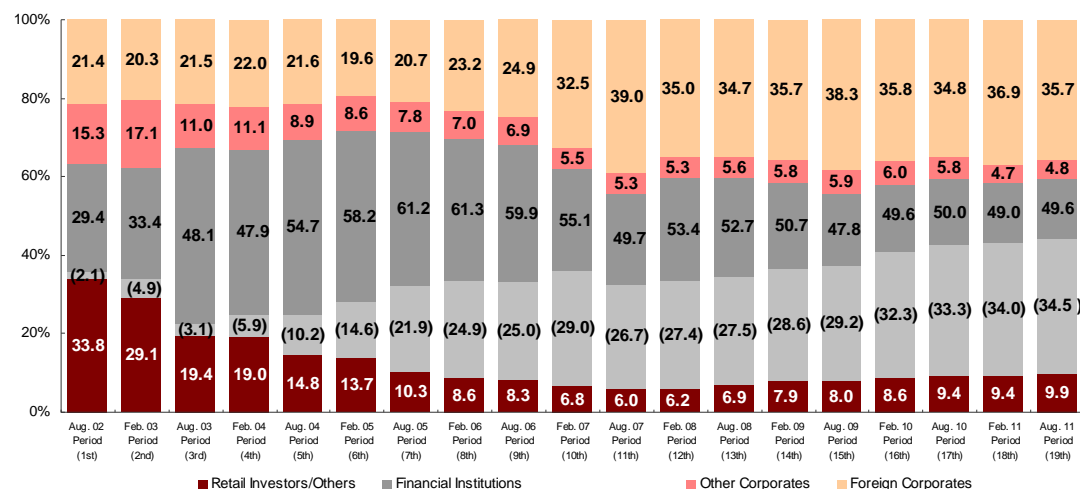
Overview of ADR

»» Established American Depositary Receipt (ADR) program Level-1 on March 29, 2010 (US calendar)

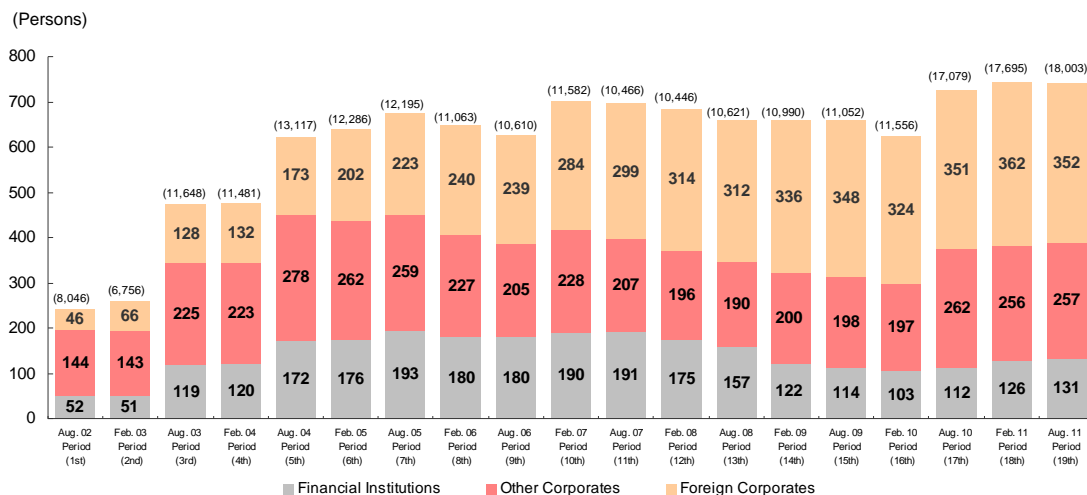
Purpose	To expand the investor base and raise awareness in the U.S.	
Overview	Type of ADR program	Sponsored ADR Level-1
	Secondary market	US over-the counter- market (OTC market)
	Exchange ratio with original share	100ADR=1 original share (100:1)
	Ticker symbol	Ticker Symbol: JNRFY
	Depository bank	Deutsche Bank Trust Company Americas

Investor Analysis

Ownership Ratio by Investor Type



Number of Unitholders by Investor Type



(Note 1) Excludes retail investors and others

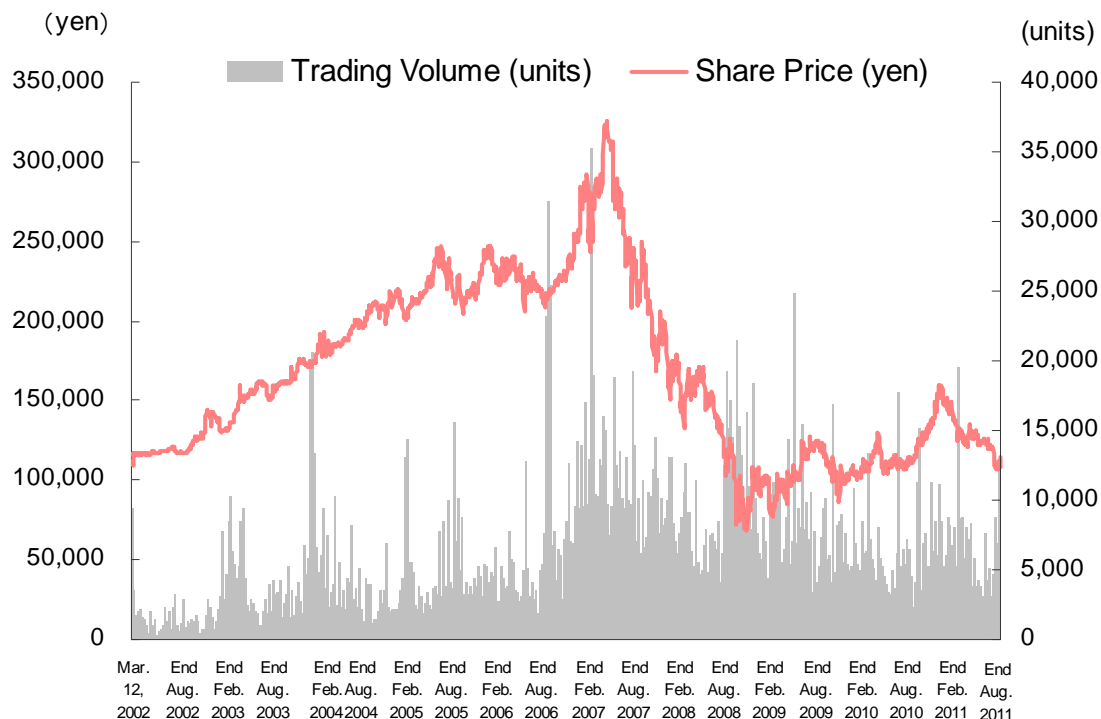
(Note 2) The figures in parentheses represent the total number of unitholders including retail and other investors

Top 20 unitholders as of the end of August 2011

Rank	Name	Units held	Ownership ratio (%)
1	Japan Trustee Services Bank, trust account	240,549	14.24
2	The Nomura Trust and Banking Co., Ltd, Investment Trust	150,100	8.89
3	Trust and Custody Services Bank, trust account	129,457	7.66
4	Nomura Bank Luxemburg SA	56,954	3.37
5	The Master Trust Bank of Japan, trust account	43,769	2.59
6	Government of Singapore Investment Corporation Pte Ltd	40,831	2.41
7	Mitsubishi Corporation	35,900	2.12
8	State Street Bank and Trust Company	29,661	1.75
9	The Fuji Fire and Marine Insurance	29,449	1.74
10	The Bank of New York, Treaty JASDEC Account	29,216	1.73
11	UBS Securities Japan Limited	20,247	1.19
12	National Mutual Insurance Federation of Agricultural Cooperatives	17,620	1.04
13	Bank of New York GCM Client Accounts MLSCB	17,300	1.02
14	State Street Bank West Client Treaty	15,974	0.94
15	Kansai Urban Banking Corporation	15,840	0.93
16	BNP PARIBAS SECURITIES SERVICES SINGAPORE/BP2S SYDNEY/JASDEC/AUSTRALIAN RESIDENTS	14,764	0.87
17	North Pacific Bank. LTD.	14,212	0.84
18	SSBT OD05 OMNIBUS ACCOUNT-TREATY CLIENTS	13,980	0.82
19	Senshu Ikeda Bank, Ltd.	13,200	0.78
20	Hachijuni Bank, Ltd.	12,290	0.72
Total		941,313	55.75

Historical Performance of Investment Unit Price

»» Price per unit (through Aug. 31, 2011) (Note 1,2)



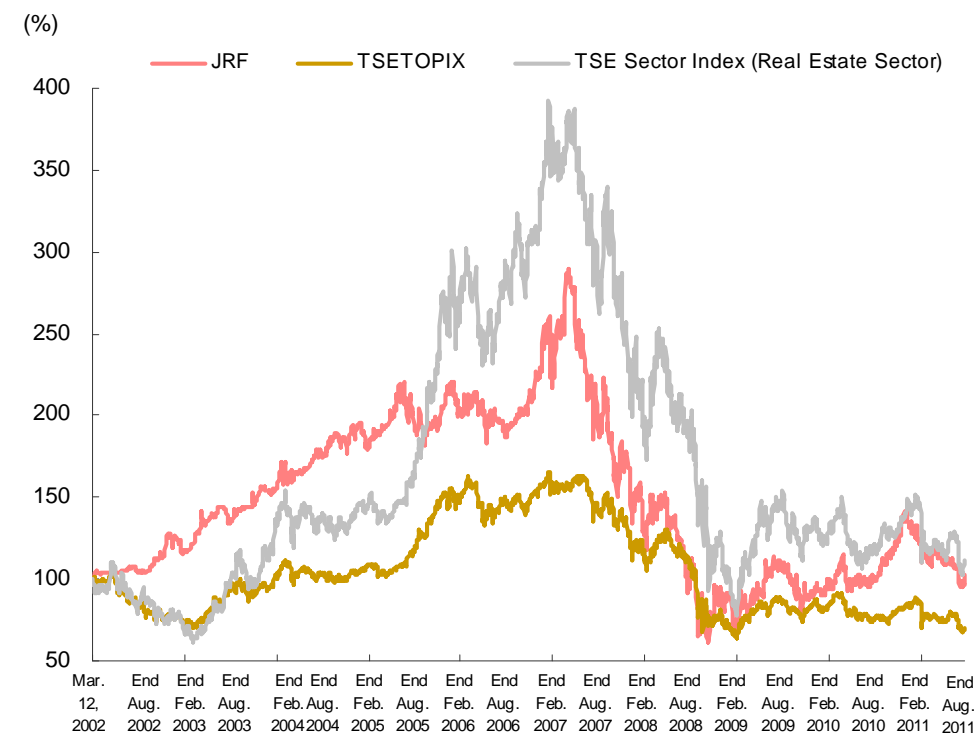
Highest price	325,000 yen	(May. 15, 2007)
Lowest price	68,250 yen	(Nov. 20, 2008)
Average price per unit	166,734 yen	(As of Aug. 31, 2011)
Total volume	9,995,428 units	(As of Aug. 31, 2011)
Daily average volume	4,295 units	(As of Aug. 31, 2011)

(Note 1) Closing price basis

(Note 2) Since a four-for-one investment unit split was carried out on March 1, 2010, the post-split share price is shown.

Source: Bloomberg

»» Relative price fluctuations (through Aug. 31, 2011) (Note 1,2)



(Note 1) Closing price basis

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

Source: Bloomberg

Management Company Structure

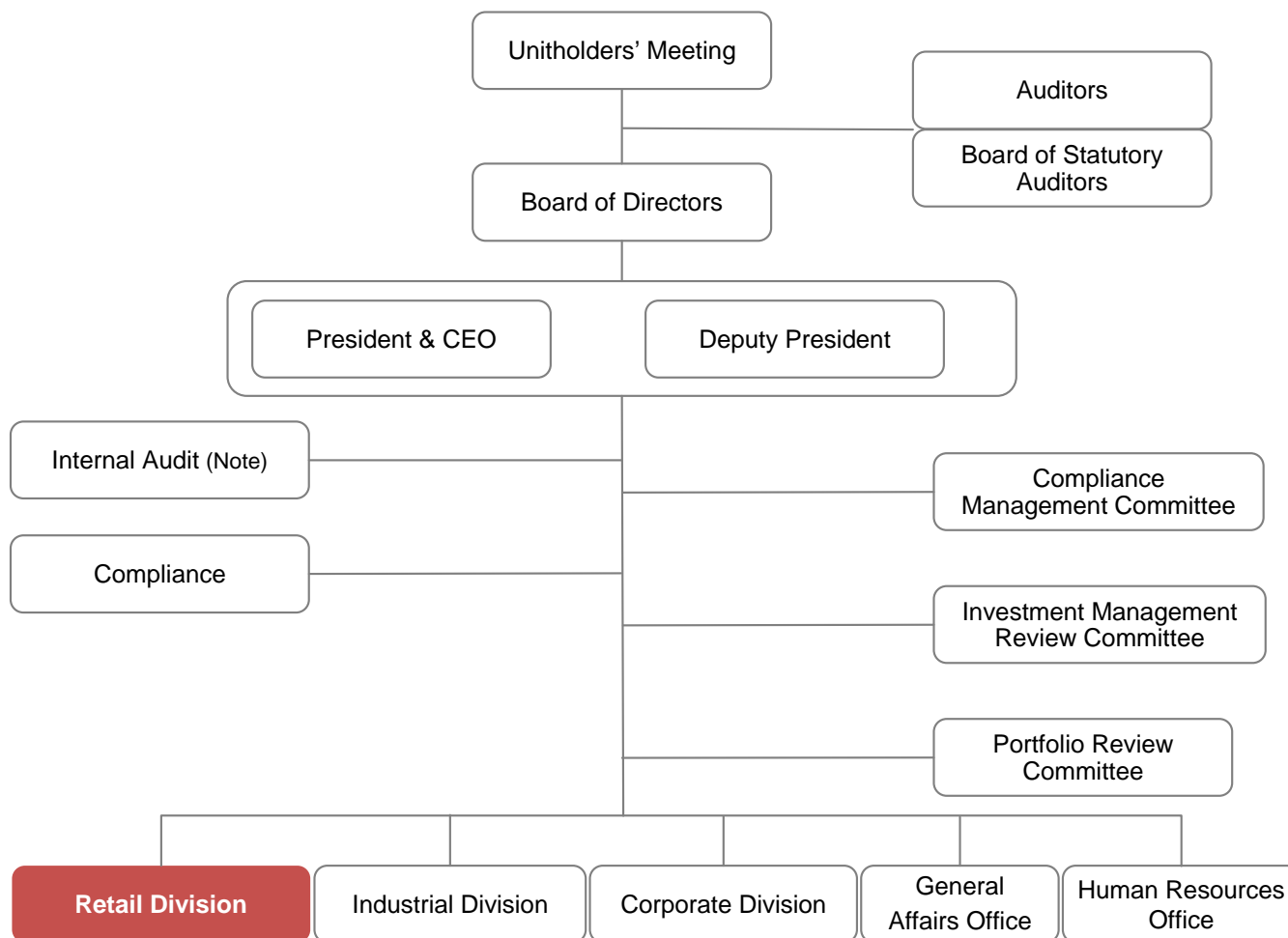
» Structure

Asset Management Company :
86 staff members
(excluding part-time directors and employees)

Staff qualifications

Licensed real estate agents	33
Licensed 1st class architects	5
Property appraisers	5
Chartered members of SAAJ	4
Certified public accountants	1
Certified tax accountants	3
MBA holders (incl. both US and UK)	4

(Note) As of Oct. 1, 2011



(Note) The Deputy President also serves as the Head of Internal Audit.

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