Premier Investment Corporation

Presentation of the 12th Fiscal Period

Financial Results

（Fiscal Period ended October 31, 2008）

Premier Investment Corporation

Investment Corporation: **Premier Investment Corporation**
Investment Trust Management Company: **Premier REIT Advisors Co., Ltd.**
Financial products transaction operator
Registration No.: Kanto Local Finance Bureau Director No.393
Member of the Investment Trusts Association, Japan

Premier Investment Corporation

Premier REIT Advisors

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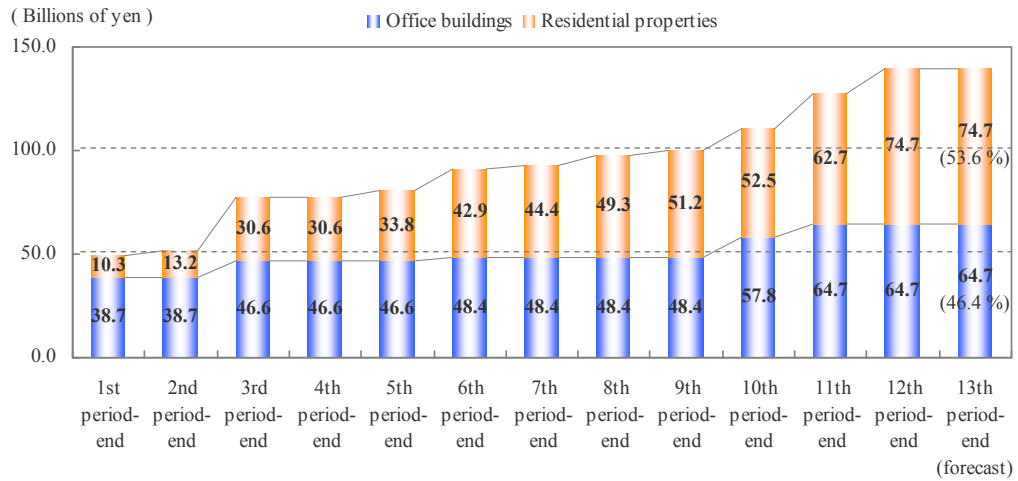
Financial Highlights

Operating Summary for the 12th Fiscal Period

*1Financial Highlights

		12th Fiscal Period (Results)	11th Fiscal Period (Results)
Operating Revenues	(Millions of yen)	5,508	6,764
Operating Income	(Millions of yen)	2,745	4,185
Net Income	(Millions of yen)	2,207	3,742
Dividend Per Unit	(yen)	16,801	28,484
Forecast Distribution amount for 13th Fiscal Period (yen)			16,500

External Growth (Based on Acquisition Price)



Internal Growth

Occupancy Rates

	12th Fiscal Period	11th Fiscal Period
At the Fiscal Period End	94.7 %	97.3 %
Average for the Fiscal Period	94.9 %	96.0 %

Profit from Rental Operation (Millions of yen)

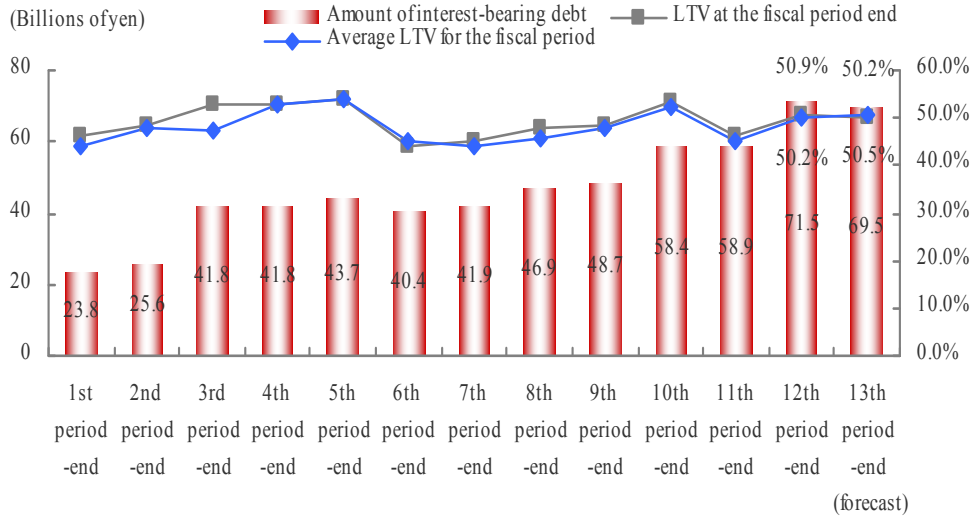
- ✓ 11th fiscal period : 2,808 → **12th fiscal period : 3,171**

*2Property Portfolio NOI Yield

- ✓ 11th fiscal period : 6.0 % → **12th fiscal period : 5.9 %**

Debt Financing

* Interest-bearing liability ratio = interest-bearing liabilities ÷ (interest-bearing liabilities + unitholders' capital) x 100



*1 Amounts less than one million appearing in the table are disregarded and percentages are rounded to the nearest 1/10 of a percent.
*2 NOI is the profit and loss before depreciation for this period adjusted for special factors estimating figures for capitalized taxes and duties applicable to property acquisitions (charges not yet allocated) for each period deducted and and equalizing the number of tax payments.

Financial Summary for the 12th Fiscal Period / Forecast for the 13th and the 14th Fiscal Period

Financial Summary and Forecast

	12th Fiscal Period (Results) - (1)	12th Fiscal Period (Forecast) - (2)	Increase/Decrease (1) – (2)	11th Fiscal Period (Results) - (3)	Increase/Decrease (1) – (3)	13th Fiscal Period (Forecast)	14th Fiscal Period (Forecast)
Operating Revenues (Millions of yen)	5,508	5,476	+32	6,764	-1,255	5,477	5,502
Operating Income (Millions of yen)	2,745	2,728	+16	4,185	-1,440	2,735	2,707
Ordinary Profits (Millions of yen)	2,209	2,177	+31	3,743	-1,534	2,169	2,090
Net Operating Income (Millions of yen)	4,086	4,075	+11	3,633	+452	4,087	4,046
Net Income (Millions of yen)	2,207	2,176	+31	3,742	-1,535	2,168	2,089
Dividend Per Unit (yen)	16,801	16,560	+241	28,484	-11,683	16,500	15,900
Number of Investment Properties	45	45	0	42	+3	45	45

Assumptions for the 13th and the 14th Fiscal period Forecast

	13th Fiscal Period	14th Fiscal Period
No. of assets in operation	45 properties (no change from the end of the 12th fiscal period)	
No. of investment units outstanding	131,400 (no change from the end of the 12th fiscal period)	
Interest-bearing liabilities	The balance of the interest-bearing liabilities, which was 71.5 billion yen as of the end of the 12th fiscal period is scheduled to decrease by 2 billion yen (the repayment of 1 billion yen due to the arrival of its maturity date on November 18, 2008 and 1 billion yen scheduled for repayment on its maturity date on March 27, 2009). As a result, the balance of the interest-bearing liabilities at the end of the fiscal period will be 69.5 billion yen.	Balance of the interest-bearing liabilities at the end of the fiscal period: scheduled to be 69.5 billion yen (no change from the end of the 13th fiscal period)
Occupancy rate	Office buildings: 98.0% Residential properties: 93.3% Portfolio: 95.4%	N/A
Taxes and public dues	There are no properties to be additionally expensed beyond the 13th fiscal period.	5 properties (Ueno TH Building, Gotanda NT Building, Storia Akasaka, Renai Shinjuku-Gyoen Tower and Premier Stage Ryogoku) are to be additionally expense .
Others	Depreciation Expense: ¥908 million Capital expenditure: ¥126 million	Depreciation Expense: ¥902 million Capital expenditure: ¥150 million

*1 Amounts less than one million appearing in the table are disregarded. For further details , please refer to pages 25-26.

Market Environment and Management Policy

Real Estate Transaction Market

■ Summary
- Deals with finance requirements increased in view of the financing environment.
- Investment demands for blue-chip properties in the center of Tokyo are still strong.

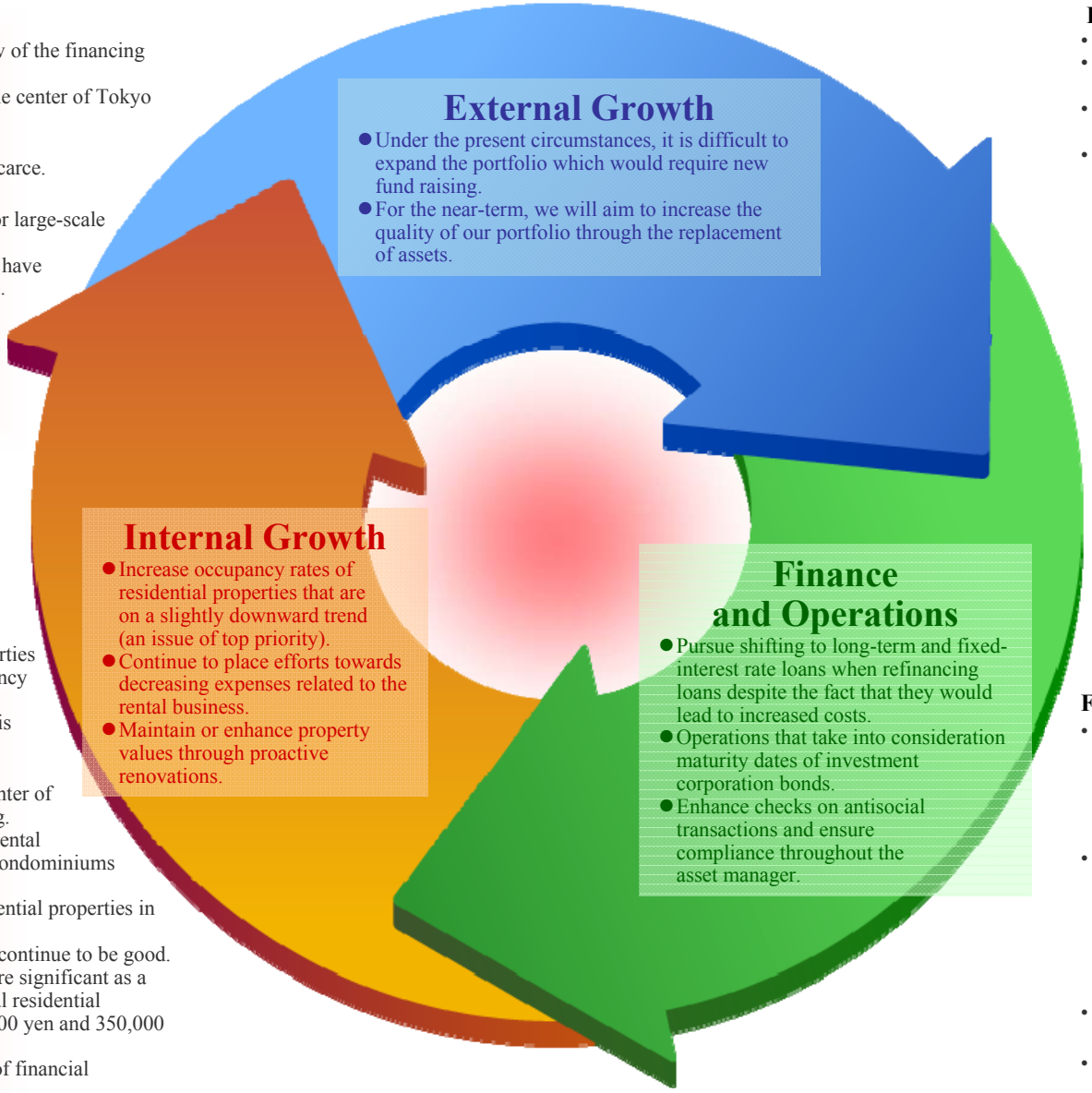
■ Office buildings
- Supply of office buildings at fair prices remains scarce.

■ Residential properties
- Overall demand is low, but investment demand for large-scale properties in the center of Tokyo is firm.
  > Transactions at prices providing 5%-level yield have become a normality even in the center of Tokyo.
  > Even transactions at prices providing 6%-level yield come across occasionally in the 23 wards of Tokyo and in the surrounding city areas.

Real Estate Rental Market

■ Office buildings
- In the center of Tokyo, the polarization of rents is becoming apparent according to property grade.
  > Class A buildings: a portion of expensive properties is on a downward trend both in terms of occupancy rate and rent levels.
  > Class B buildings: the increasing trend of rents is either slowing down or coming to a halt.

■ Residential properties
- There is a notable population movement to the center of Tokyo and the number of households is increasing.
- There is an expectation for a demand to arise for rental condominiums as a result of restraint of for-sale condominiums causing a slump in sales.
- In the future, the supply of units from rental residential properties in the Tokyo metropolitan area is to decrease.
  > The overall balance of demand and supply will continue to be good.
- Budget constraints, particularly of corporations, are significant as a result of the economic recession. Especially, rental residential properties with monthly rents ranging from 250,000 yen and 350,000 yen are slightly struggling.
- As of the moment, the effect of the bankruptcies of financial institutions on the Wide type is slight.

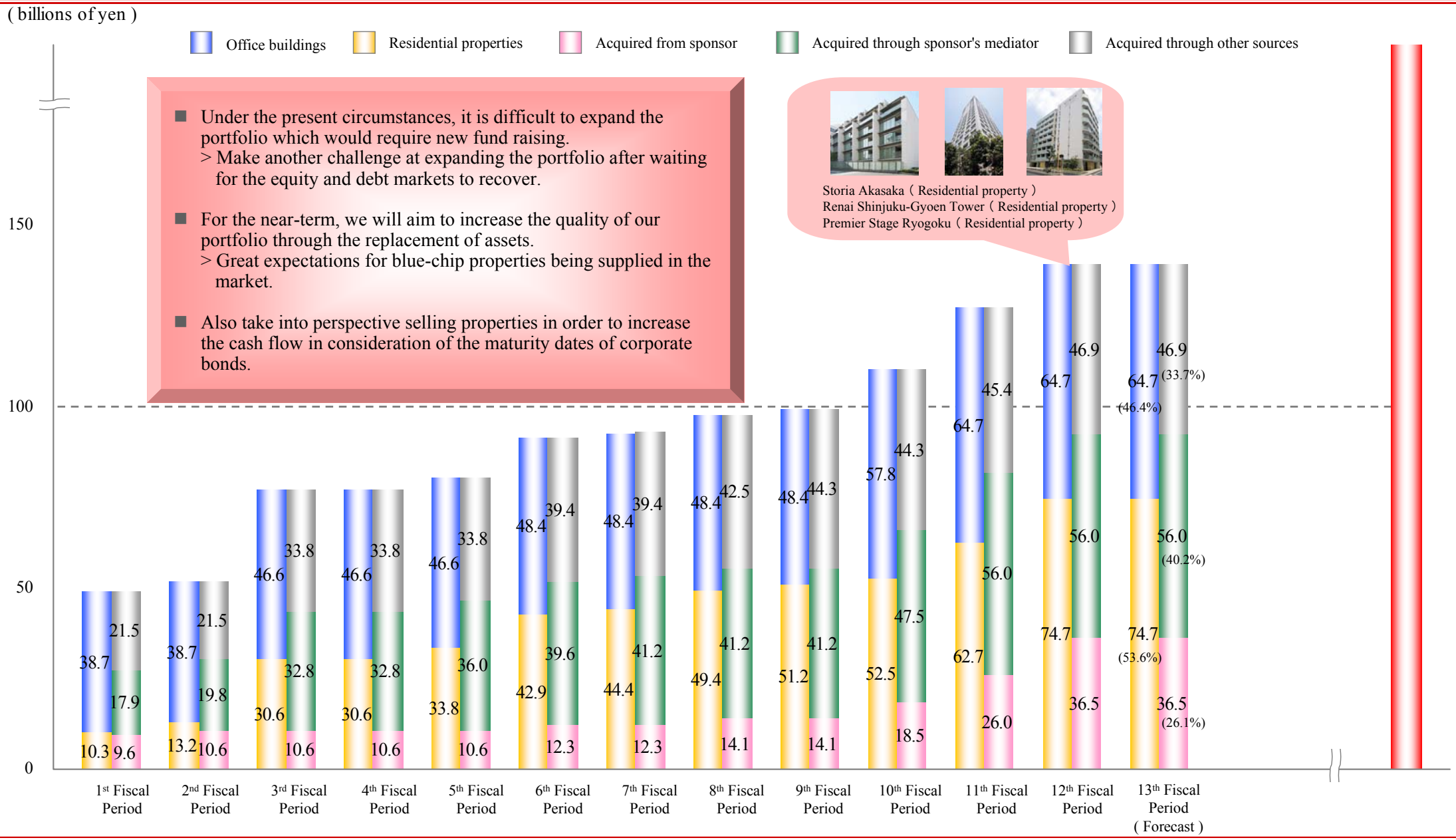


REIT Market
- The largest crash since the market was established.
- Various systemic reforms in an effort to allow M&As among listed REITs.
- Reorganization of asset management companies accelerated through changes in their sponsors.
- Western investors becoming increasingly negative to make investments in general, not just in REITs.

Financial Market
- The values of various credit assets are decreasing due to the deterioration of the real economy in addition to the collapse of the financial system on a global scale triggered by the subprime loan problems.
- Spreads are expanding and refinancing risks are becoming obvious as a result of lenders making selections of borrowers or projects for loaning.
  > Loan spreads that are based on the assumption of fire sales come across occasionally.
- No signs of a recovery of the corporate bond market that has become defunct.
- No major fluctuations in both short-term interest rates and long-term interest rates.

External Growth

External Growth Policies and Result of the Portfolio Expansion



- Under the present circumstances, it is difficult to expand the portfolio which would require new fund raising.
  > Make another challenge at expanding the portfolio after waiting for the equity and debt markets to recover.
- For the near-term, we will aim to increase the quality of our portfolio through the replacement of assets.
  > Great expectations for blue-chip properties being supplied in the market.
- Also take into perspective selling properties in order to increase the cash flow in consideration of the maturity dates of corporate bonds.

Storia Akasaka (Residential property)
Renai Shinjuku-Gyoen Tower (Residential property)
Premier Stage Ryogoku (Residential property)

Property Acquired in the 12th Fiscal Period (Storia Akasaka)

Storia Akasaka

Property Summary

Location	6-18-11 Akasaka, Minato Ward, Tokyo
Access	5-Minute walk from Akasaka Station on the Tokyo Metro Chiyoda Line
Lot Area (Land)	1,607.97 m^2
Floor Area (Building)	Total Floor Space : 6,329.52 m^2 Total Rentable Space : 3,988.86 m^2
Structure of Building	Reinforced concrete structure with a flat-topped roof; 5 stories and 2 basement stories
Total No. of Units	Residential: 50 units (Studio: 22 units; 1LDK: 21 units and 2LDK: 7 units)
Construction Completion	December 2002
Property Manager	Total Housing Corporation
Seller Company Name	Godo Kaisya RS1
Acquisition Price	3,930 million yen (excluding acquisition costs, real property tax, city planning tax, consumption tax local consumption tax)
Date of Acquisition	May 22, 2008
Occupancy Rates (12th period-end)	94.8%

Statements of Appraisal Summary

(Thousands of yen)

Appraiser	Japan Real Estate Institute	Details ・Price	Remarks
Estimated value		3,930,000	
Survey date		March 1, 2008	
The value estimated by income approach		3,930,000	
The value estimated by direct capitalization method		3,930,000	
(1) Gross income(Net income) (①-②)		232,492	
① Potential gross revenue		242,766	Assessed on rental conditions of similar areas
② Vacancy loss		10,274	Vacancy rate of 4.0% assumed
(2) Total expenses (③+④+⑤+⑥)		47,796	
③ Repair and maintenance costs		33,529	Assessed with reference to actual real estate costs of similar properties and specifications of this property
④ Taxes and other public charges		13,406	Estimate based on certified land valuation for 2007
⑤ Liability insurance premium		817	Assessed on cost of refitting the building
⑥ Other		44	
(3) Net operating income (NOI) ((1)-(2))		184,696	
(4) Investment income on refundable deposits and investment income and amortization on non-refundable deposits		359	Investment rate of 2.0% assessed
(5) Capital expenditure reserve		5,639	Assessed on cost of re-fitting the property
(6) NOI (Net revenue) ((3)+(4)-(5))		179,416	
(7) Capitalization rate		4.5%	
The value estimated by discounted cash flow (DCF) method		3,860,000	
Discount rate		4.3%	
Terminal capitalization rate		4.7%	
The value estimated by cost approach		4,250,000	
Land ratio		75.6%	
Building ratio		24.4%	

Property Acquired in the 12th Fiscal Period (Renai Shinjuku-Gyoen Tower)

Renai Shinjuku-Gyoen Tower

Property Summary

Location	1-30-1 Shinjuku, Shinjuku Ward, Tokyo
Access	4-Minute walk from Shinjuku-Gyoenmae Station on the Tokyo Metro Marunouchi Line
Lot Area (Land)	1,323.07 m^2
Floor Area (Building)	Total Floor Space : 11,203.40 m^2 Total Rentable Space : 6,555.04 m^2
Structure of Building	Steel-framed, reinforced concrete structure with a flat-topped roof; 25 stories and 2 basement stories
Total No. of Units	Residential: 163 units (1R: 122 units; 1LDK: 21 units; 2LDK: 15 units and 3LDK: 5 units)
Construction Completion	December 2002
Property Manager	Total Housing Corporation
Seller Company Name	Godo Kaisya RS1
Acquisition Price	6,500 million yen (excluding acquisition costs, real property tax, city planning tax, consumption tax local consumption tax)
Date of Acquisition	May 22, 2008
Occupancy Rates (12th period-end)	92.6%

Statements of Appraisal Summary

(Thousands of yen)

Appraiser	Japan Real Estate Institute	Details ・Price	Remarks
Estimated value		6,500,000	
Survey date		March 1, 2008	
The value estimated by income approach		6,500,000	
The value estimated by direct capitalization method		6,550,000	
(1) Gross income (Net income ①-②)		424,193	
① Potential Gross Revenue		448,362	Assessed on rental conditions of similar areas
② Vacancy Loss		24,169	Vacancy rate of 4.0% assumed
(2) Total expenses (③+④+⑤+⑥)		127,929	
③ Repair and maintenance costs		101,415	Assessed with reference to actual real estate costs of similar properties and specifications of this property
④ Taxes and other public charges		24,760	Estimate based on certified land valuation for 2007
⑤ Liability insurance premium		1,754	Assessed on cost of refitting the building
⑥ Other		-	
(3) Net operating income (NOI) ((1)-(2))		296,264	
(4) Investment income on refundable deposits and investment income and amortization on non-refundable deposits		991	Investment rate of 2.0% assessed
(5) Capital expenditure reserve		15,493	Assessed on cost of re-fitting the property
(6) NOI (Net revenue) ((3)+(4)-(5))		281,762	
(7) Capitalization rate		4.3%	
The value estimated by discounted cash flow (DCF) method		6,450,000	
Discount rate		4.1%	
Terminal capitalization rate		4.5%	
The value estimated by cost approach		6,510,000	
Land ratio		54.6%	
Building ratio		45.4%	

Property Acquired in the 12th Fiscal Period (Premier Stage Ryogoku)

Premier Stage Ryogoku

Property Summary

Location	2-18-1 Midori, Sumida Ward, Tokyo
Access	3-Minute walk from Ryogoku Station on the Toei Subway Oedo Line
Lot Area (Land)	480.32 m^2
Floor Area (Building)	Total Floor Space : 2,475.38 m^2 Total Rentable Space : 2,215.68 m^2
Structure of Building	Reinforced concrete structure with a flat-topped roof; 9 stories
Total No. of Units	Residential: 67 units (1K: 46 units and 2LDK: 21 units)
Construction Completion	March 2008
Property Manager	Starts Amenity Co., Ltd.
Seller Company Name	Nomura Real Estate Development Co., Ltd.
Acquisition Price	1,496 million yen (excluding acquisition costs, real property tax, city planning tax, consumption tax local consumption tax)
Date of Acquisition	May 30, 2008
Occupancy Rates (12th period-end)	52.1%

Statements of Appraisal Summary

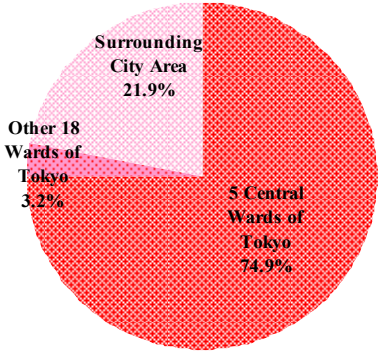
(Thousands of yen)

Appraiser	Japan Real Estate Institute	Details ・Price	Remarks
Estimated value		1,560,000	
Survey date		April 1, 2008	
The value estimated by income approach		1,560,000	
The value estimated by direct capitalization method		1,570,000	
(1) Gross income (Net income ①-②)		98,793	
	① Potential Gross Revenue	105,273	Assessed on rental conditions of similar areas
	② Vacancy Loss	6,480	Vacancy rate of 6.0% assumed
(2) Total expenses (③+④+⑤+⑥)		19,959	
	③ Repair and maintenance costs	13,622	Assessed with reference to actual real estate costs of similar properties and specifications of this property
	④ Taxes and other public charges	5,457	Estimate based on certified land valuation for 2007
	⑤ Liability insurance premium	297	Assessed on cost of refitting the building
	⑥ Other	583	
(3) Net operating income (NOI) ((1)-(2))		78,834	
(4) Investment income on refundable deposits and investment income and amortization on non-refundable deposits		310	Investment rate of 2.0% assessed
(5) Capital expenditure reserve		2,037	Assessed on cost of re-fitting the property
(6) NOI (Net revenue) ((3)+(4)-(5))		77,107	
(7) Capitalization rate		4.9%	
The value estimated by discounted cash flow (DCF) method		1,540,000	
Discount rate		4.7%	
Terminal capitalization rate		5.1%	
The value estimated by cost approach		1,250,000	
Land ratio		42.8%	
Building ratio		57.2%	

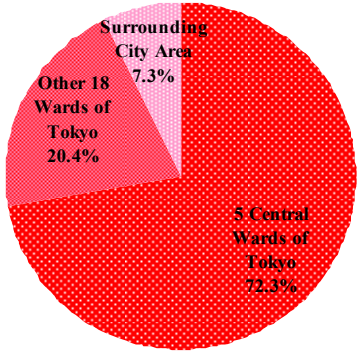
Portfolio Diversification (as of the End of the 12th Fiscal Period)

*1Area

at IPO *2

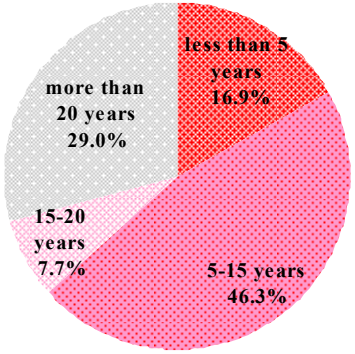


as of October 31, 2008

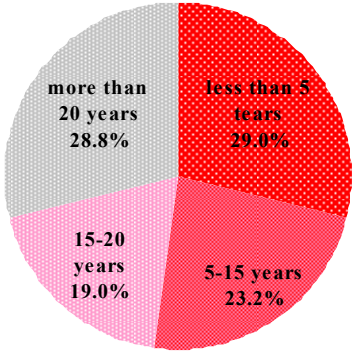


Age of Properties

at IPO *2

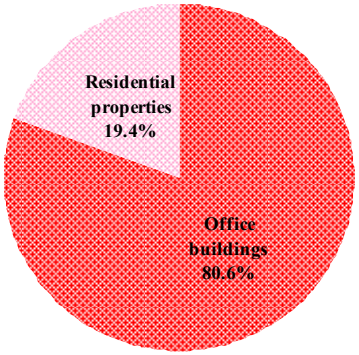


as of October 31, 2008

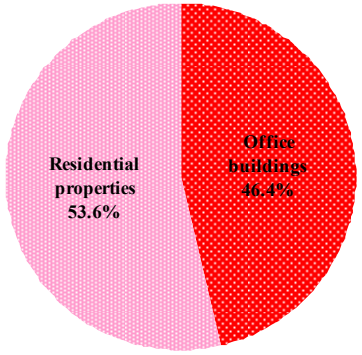


Asset Type

at IPO *2

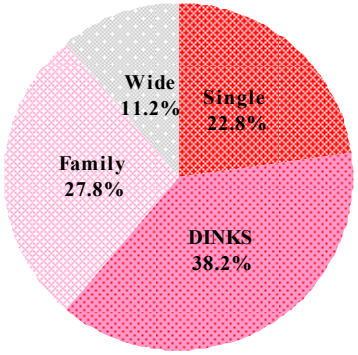


as of October 31, 2008

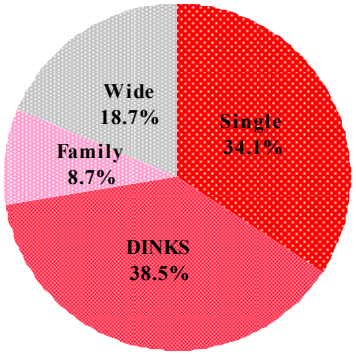


Type of Residential Units

at IPO *2



as of October 31, 2008



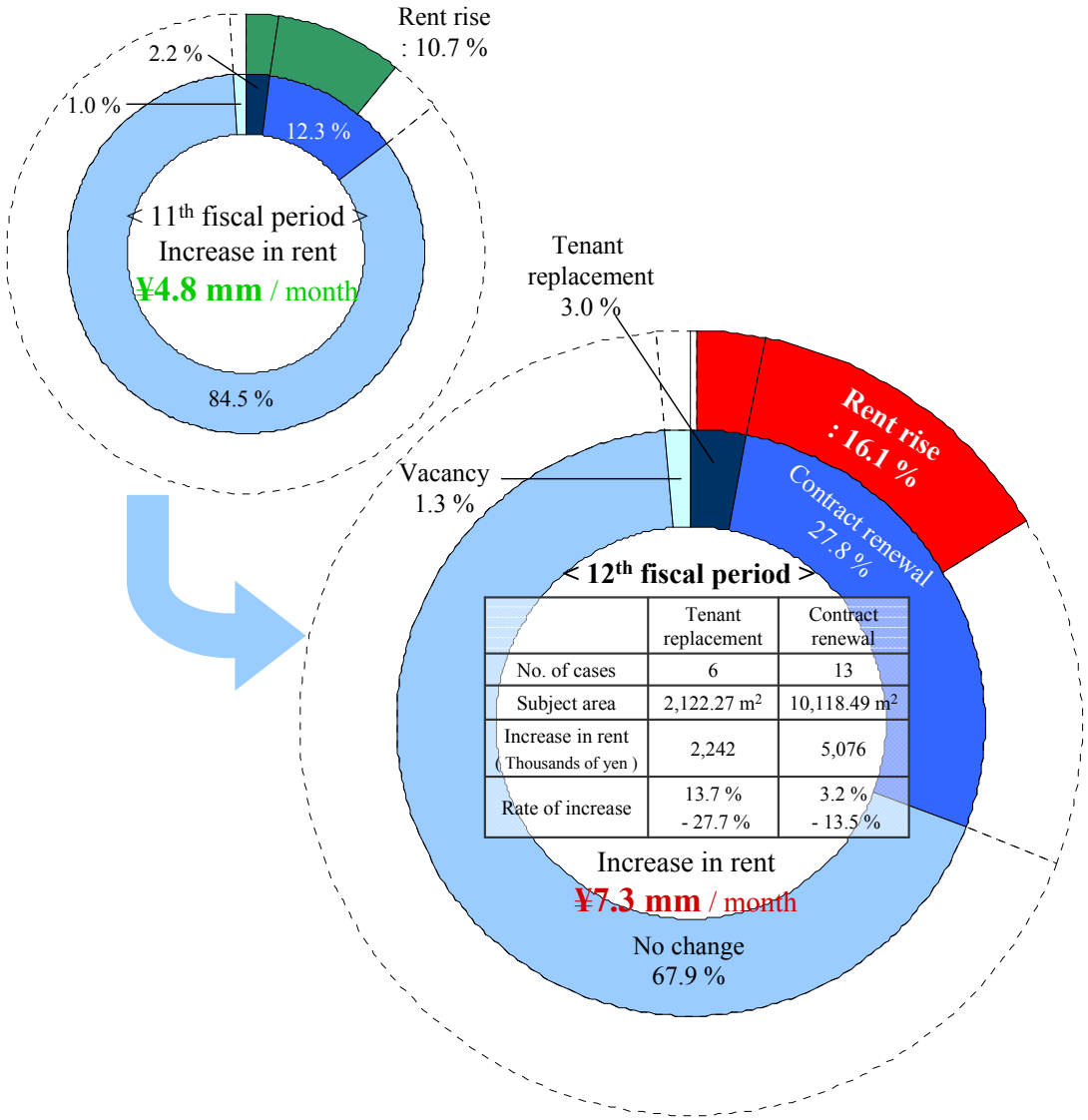
*1 The Five Central Wards of Tokyo are the so-called Three Central Wards in the heart of Tokyo (Chiyoda, Chuo and Minato Wards) plus Shinjuku and Shibuya Wards. The Other 18 Wards of Tokyo are the Tokyo special wards other than the Five Central Wards of Tokyo. The Surrounding City Area is each of the following 4 prefectures: Tokyo Prefecture excluding the 23 Wards of Tokyo, Kanagawa Prefecture (densely populated areas, centering on Yokohama City and Kawasaki City, etc.), Saitama Prefecture (densely populated areas, centering on Saitama City, etc.) and Chiba Prefecture (densely populated areas, centering on Chiba City, etc.).

*2 "Immediately after IPO" refers to the condition of the portfolio as of the end of September 2002.

Internal Growth

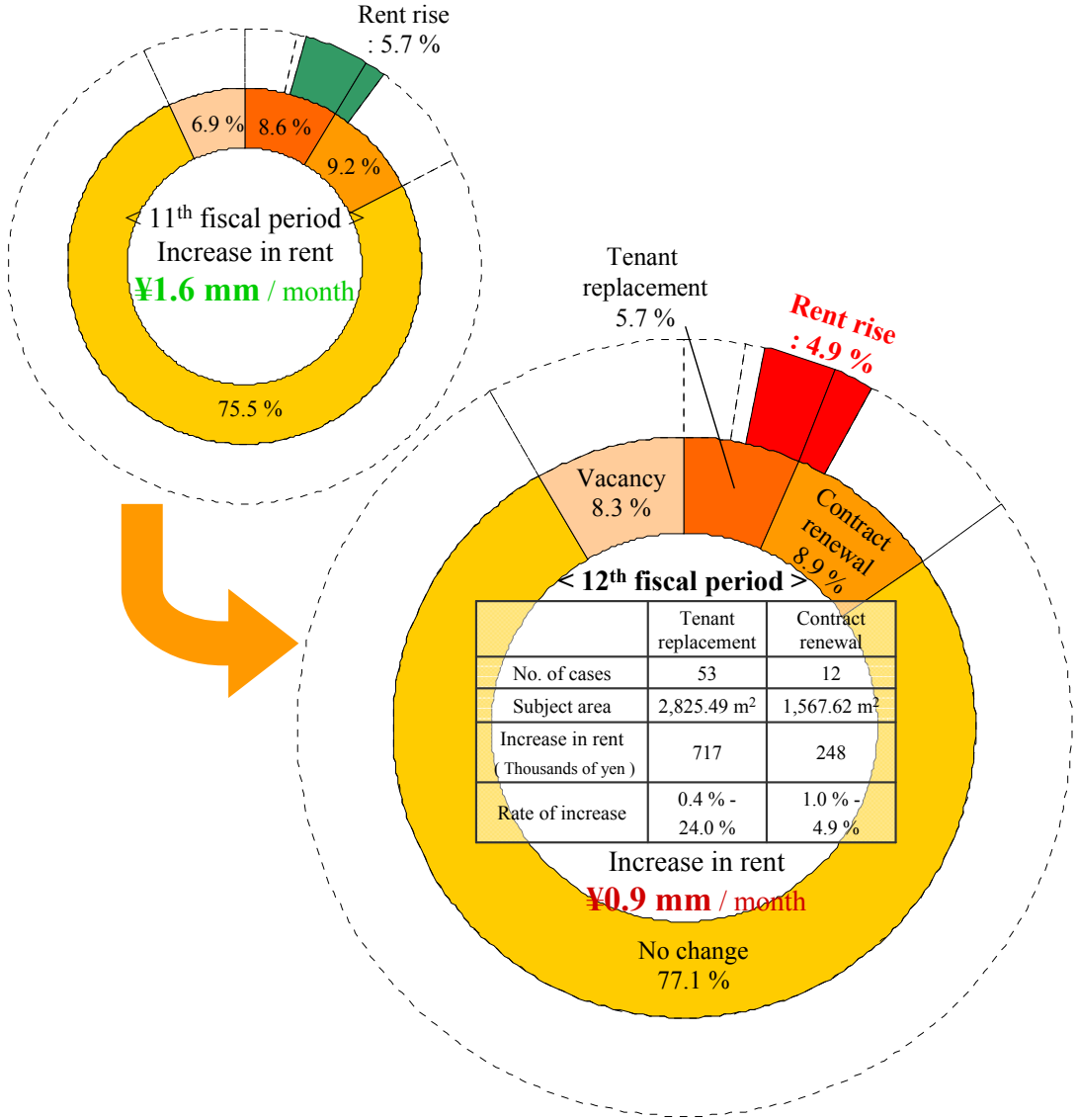
Increase / Decrease in Rent during the 12th Fiscal Period

Increase / Decrease of Rent for Office Buildings



	Tenant replacement	Contract renewal
No. of cases	6	13
Subject area	2,122.27 m²	10,118.49 m²
Increase in rent (Thousands of yen)	2,242	5,076
Rate of increase	13.7 % - 27.7 %	3.2 % - 13.5 %

Increase / Decrease of Rent for Residential Properties

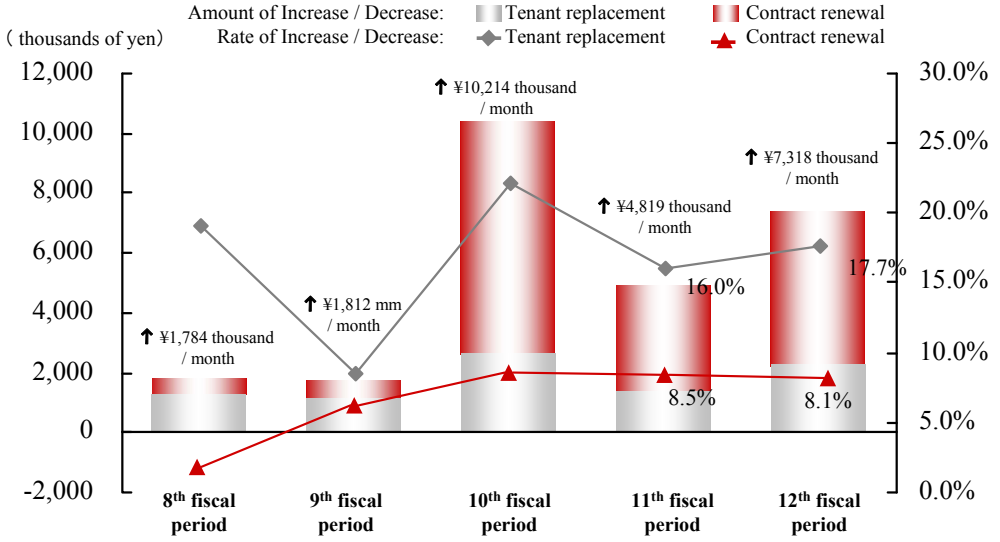


	Tenant replacement	Contract renewal
No. of cases	53	12
Subject area	2,825.49 m²	1,567.62 m²
Increase in rent (Thousands of yen)	717	248
Rate of increase	0.4 % - 24.0 %	1.0 % - 4.9 %

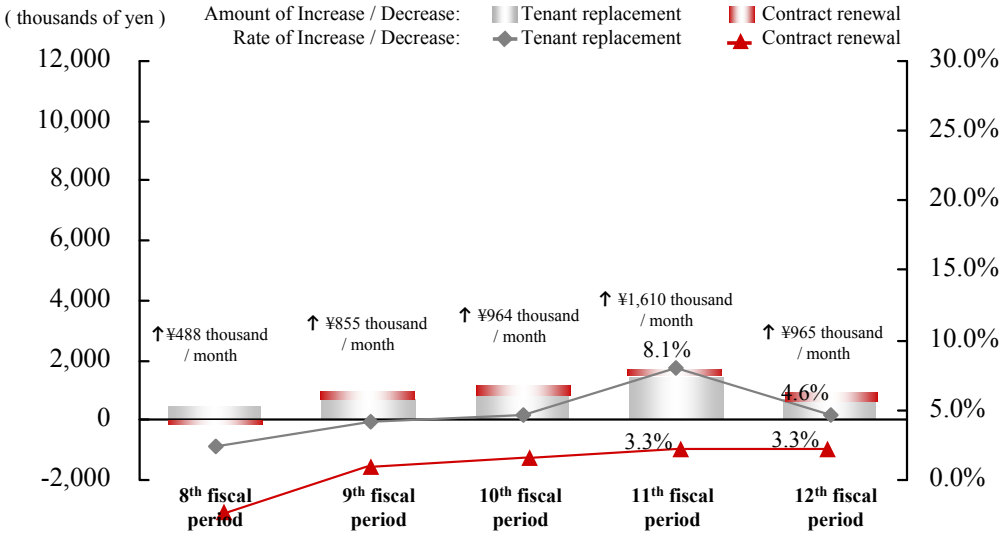
* Ratios in the above donut chart are the ratios of the area for each event against the total leasable space for each type of asset during each of the 11th and 12th fiscal periods.

Increase / Decrease in Rent of Existing Properties

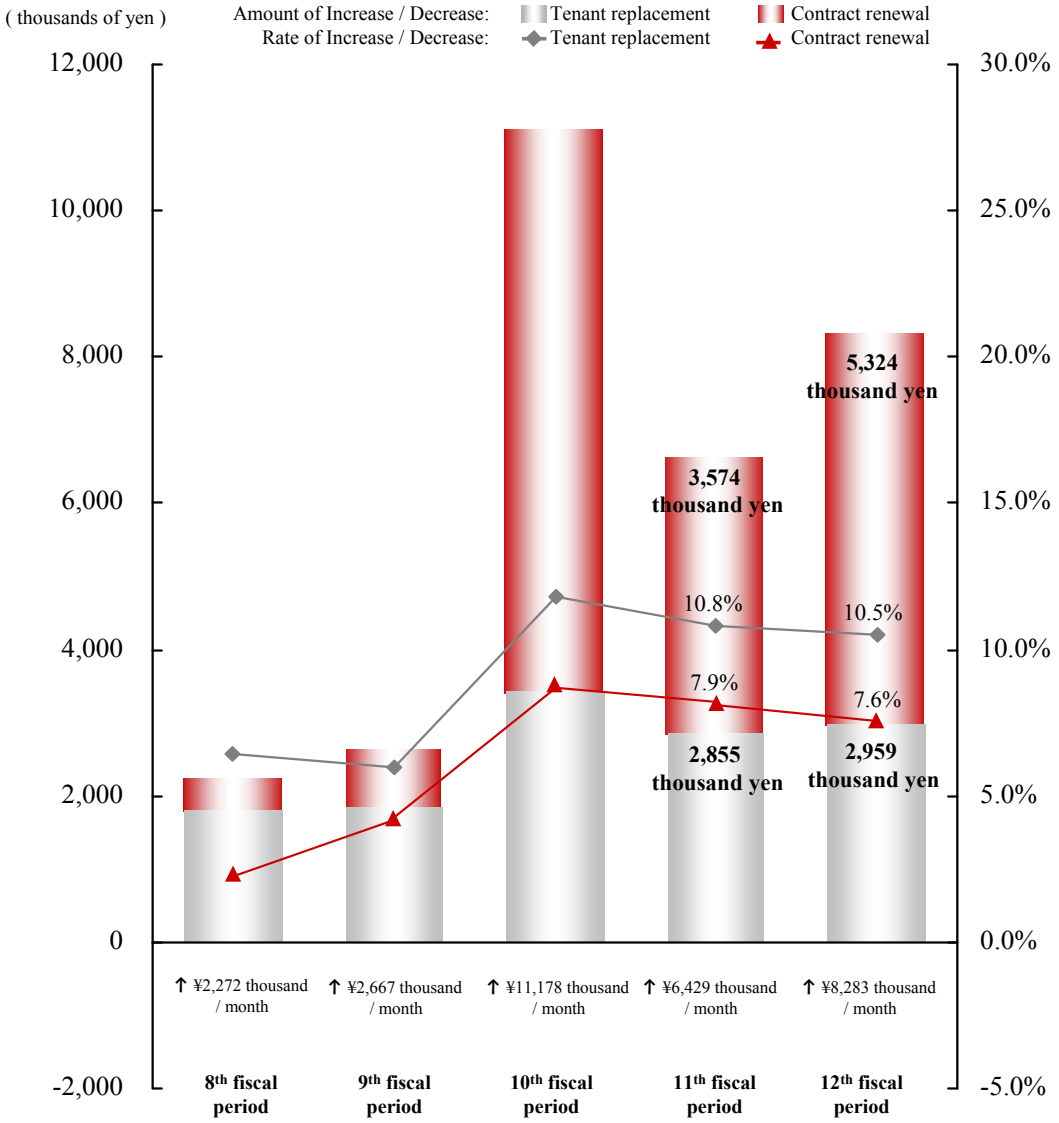
Change in Rent of Office Buildings



Change in Rent of Residential Properties



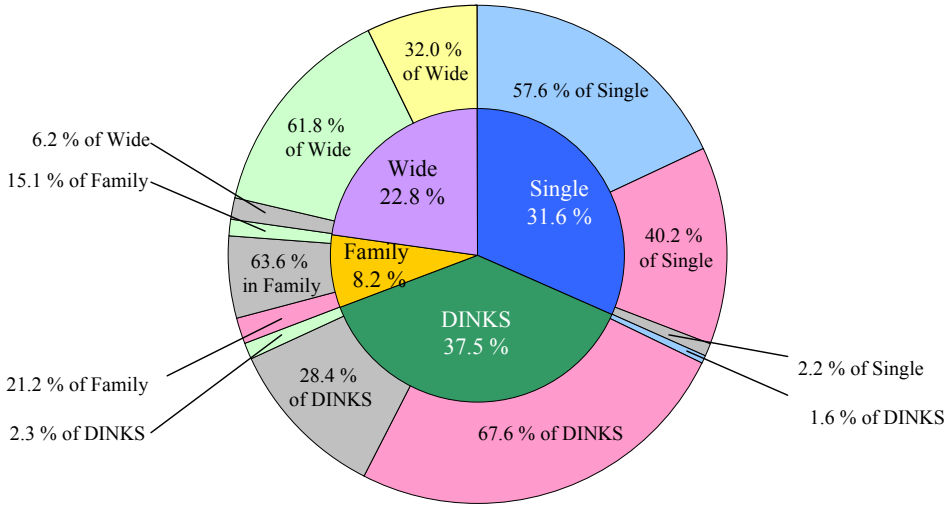
Change in Rent of Properties



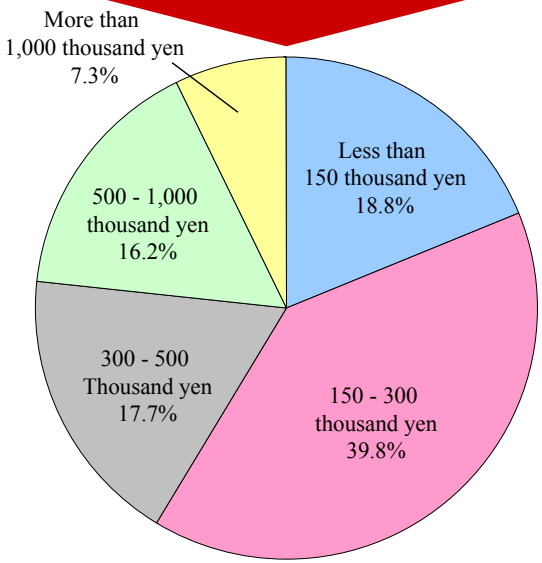
* The amount of increase/decrease of rent represents the balance of rental revenues (including common area charges) at the beginning and at the end of each fiscal period for properties owned as of the beginning of respective fiscal period. The rate of increase/decrease represents the percentage of rent revisions upon tenant replacement and contract renewals realized during each fiscal period.

Residential Portfolio's Profile

Rent Distribution Based on Residential Units Type



Monthly rent total



Average for the Based on the Residential Units Type

< By type >

Type	No. of units	Average of the leased area (m² (Tsubo))	Average rent per month (yen / units)	Average rent per tsubo (yen / Tsubo)
Single	1,148	31.44 (9.51)	138,775	14,594
DINKS	727	60.30 (18.24)	259,851	14,245
Family	118	84.51 (25.56)	349,170	13,659
Wide	148	152.38 (46.09)	776,197	16,839

< By rent range >

Rent range	No. of units	Average of the leased area (m² (Tsubo))	Average rent per month (yen / units)	Average rent per tsubo (yen / Tsubo)
Less than 150 thousand yen	791	27.84 (8.42)	119,840	14,230
150 – 300 thousand yen	953	50.01 (15.12)	210,426	13,909
300 – 500 thousand yen	245	81.25 (24.57)	369,866	15,048
500 – 1,000 thousand yen	122	133.26 (40.31)	668,514	16,584
More than 1,000 thousand yen	30	220.18 (66.60)	1,226,673	18,417

The Feature of the Portfolio and the Market Trend

■ Characteristics of the portfolio

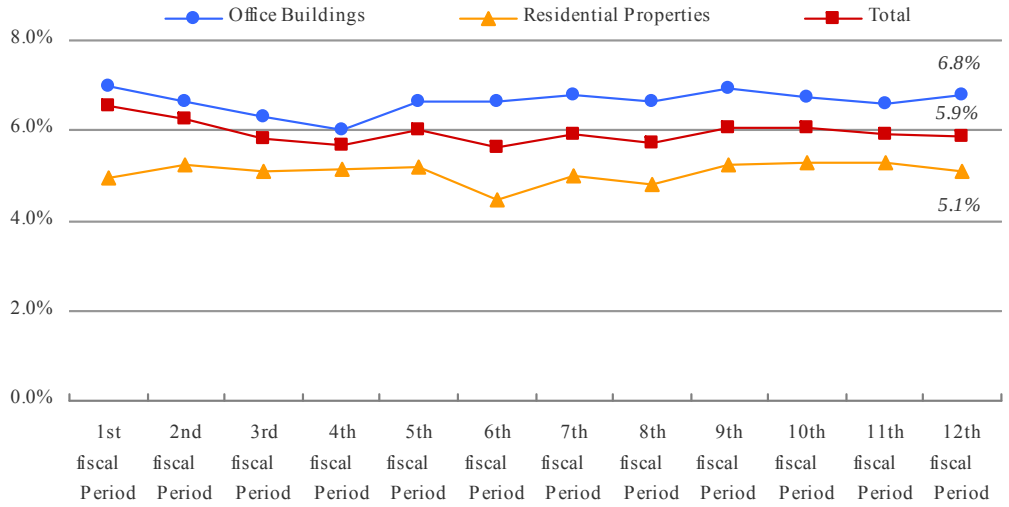
- About 70% of the residential properties owned by Premier Investment Corporation are comprised of Single and DINKS.
- Rents for residential properties owned that are less than 300,000 yen per unit make up for about 60% of the total.
  > A portfolio that mainly targets as tenants the generation that have yet to purchase their own homes.
- The Wide type targets foreign families and is an area where the strength of Ken Corporation Ltd., our main sponsor, works most effectively.

■ Recent trends of the rental housing market

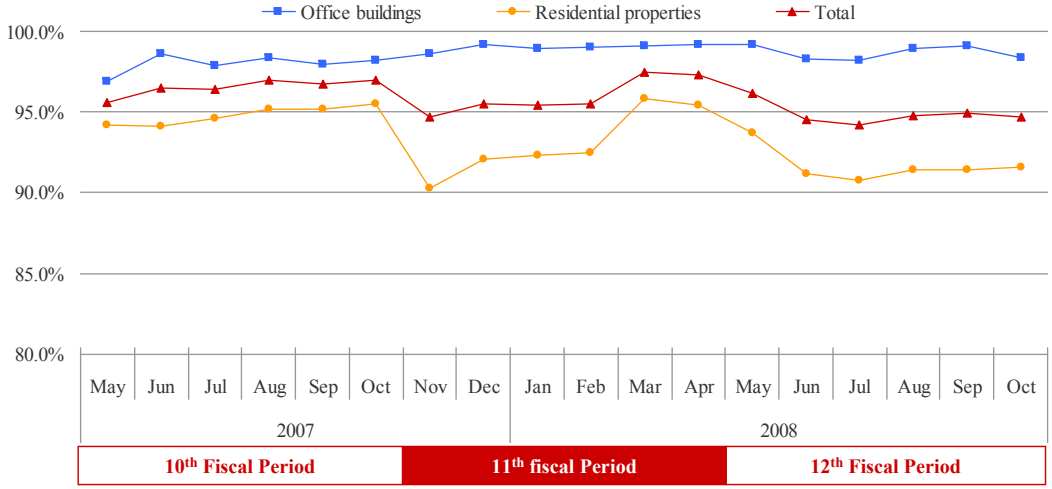
- Effects of the international financial institutions' bankruptcy on the Wide and Single types was small during the 12th fiscal period.
- Demands relatively tend to stagnate during the period before and after summer vacations, but the monthly rent range between 250,000 to 350,000 yen slightly struggled.
- We expect that in the future, lay-offs and budget decreases, stemming from the deterioration of the real economy, will have an effect.

Various Data on Internal Growth

*1 NOI Return on Portfolio

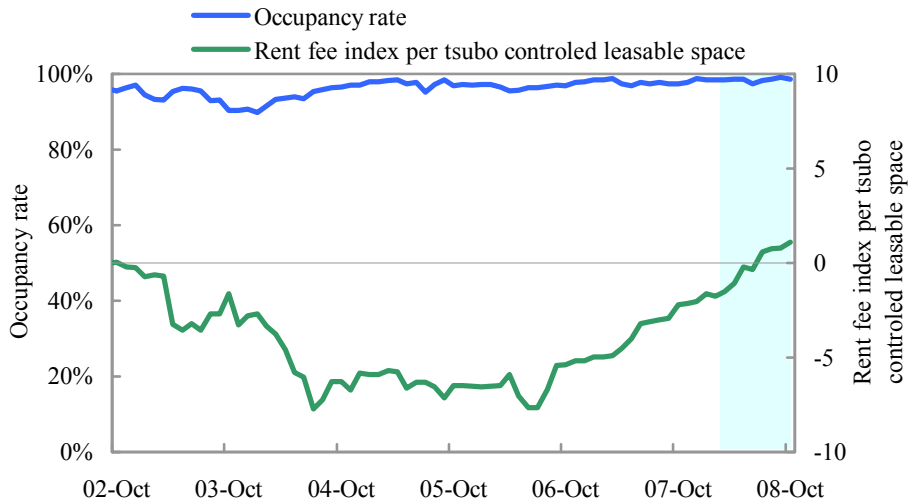


History of Occupancy

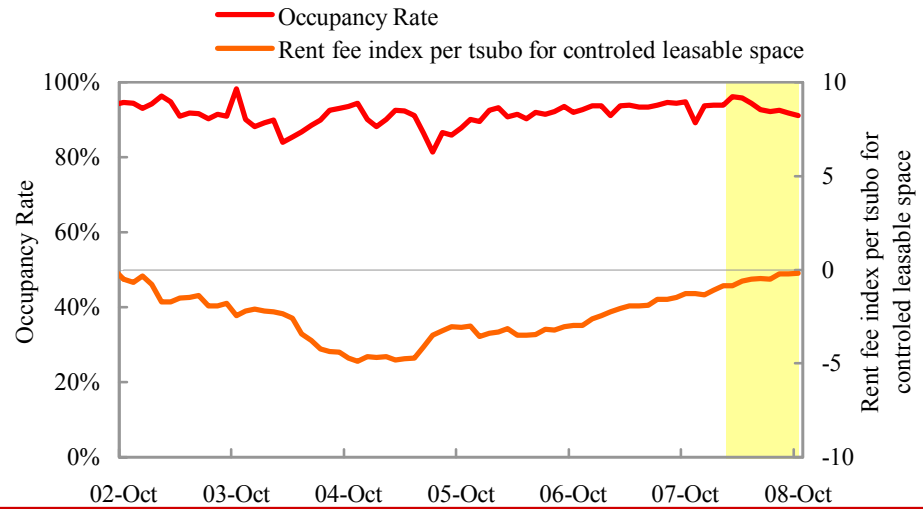


*2 Trends in Tenant Rent Levels

Office buildings



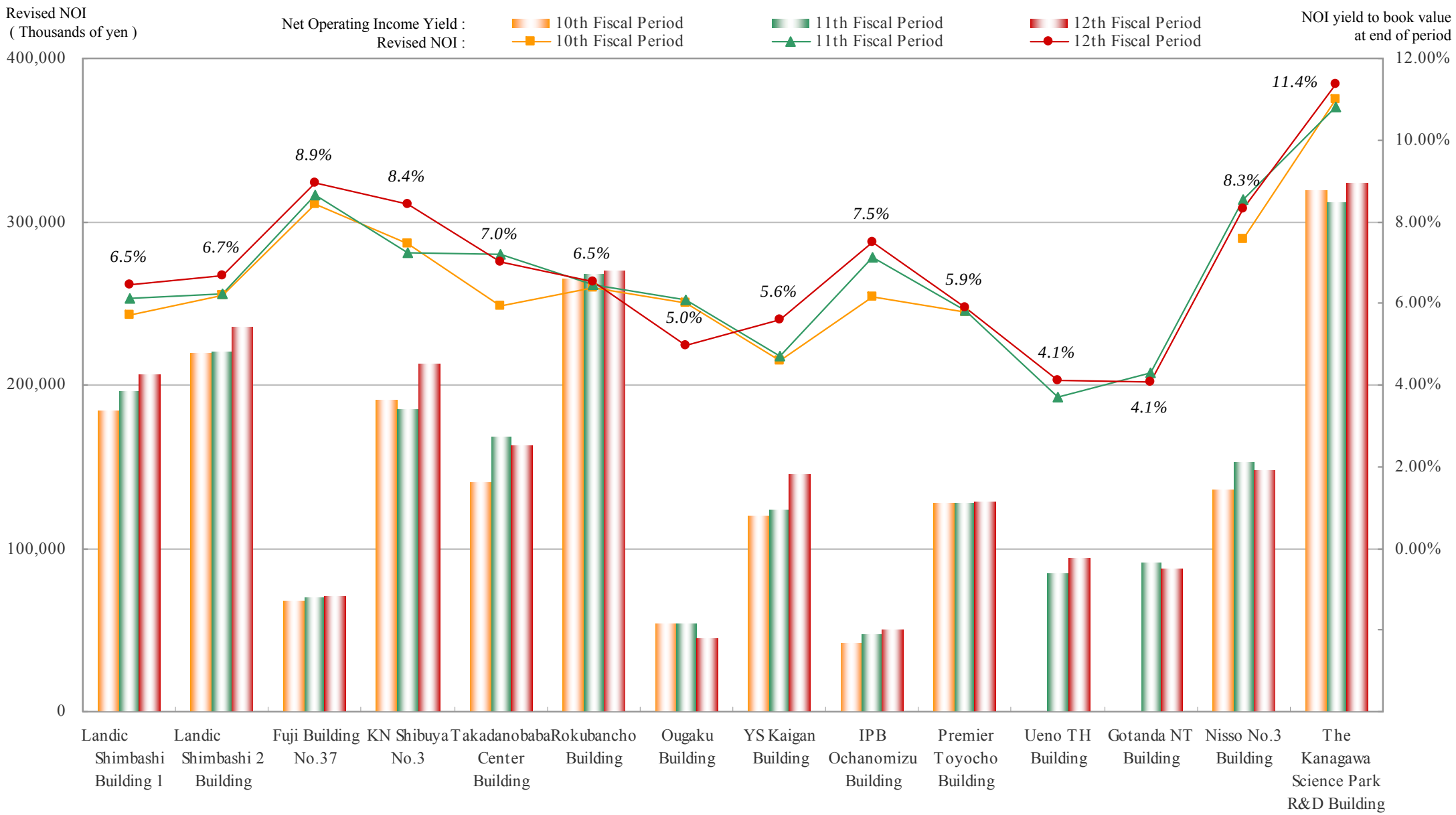
Residential properties



*1 Figures have been obtained by first calculating net operating income (NOI) by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values, and then dividing the obtained NOI with the total book value of the properties at the end of each fiscal period.

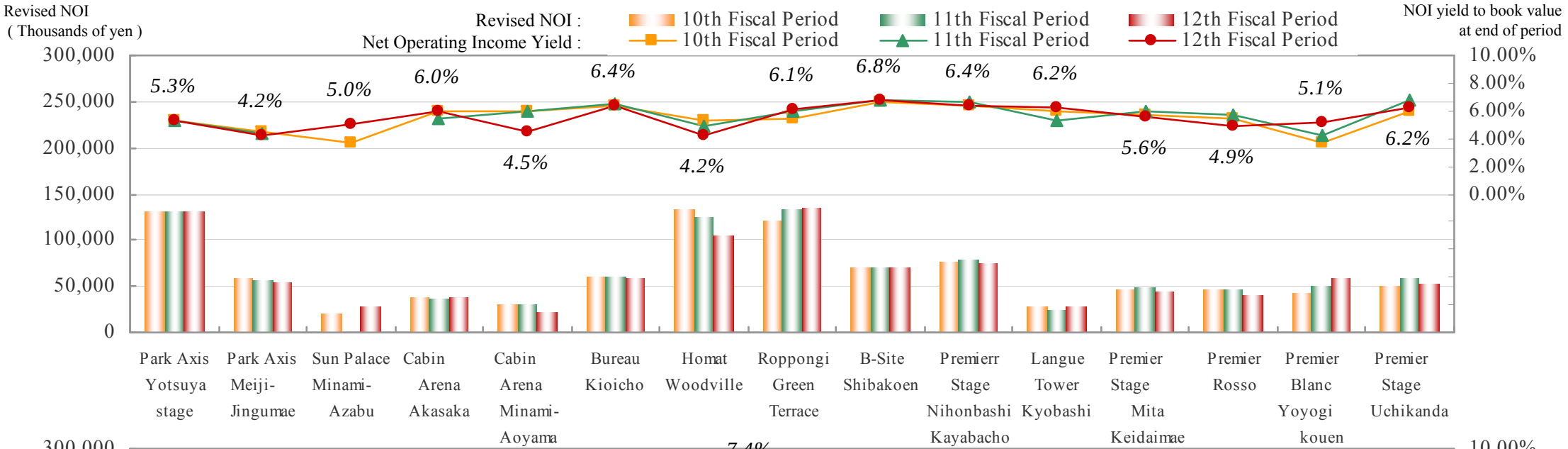
*2 Using the average rent per unit at the time of acquiring the respective properties as the benchmark, these figures are the indexation of the fluctuations of the average contracted rent per unit that accompanies tenant replacements later on.

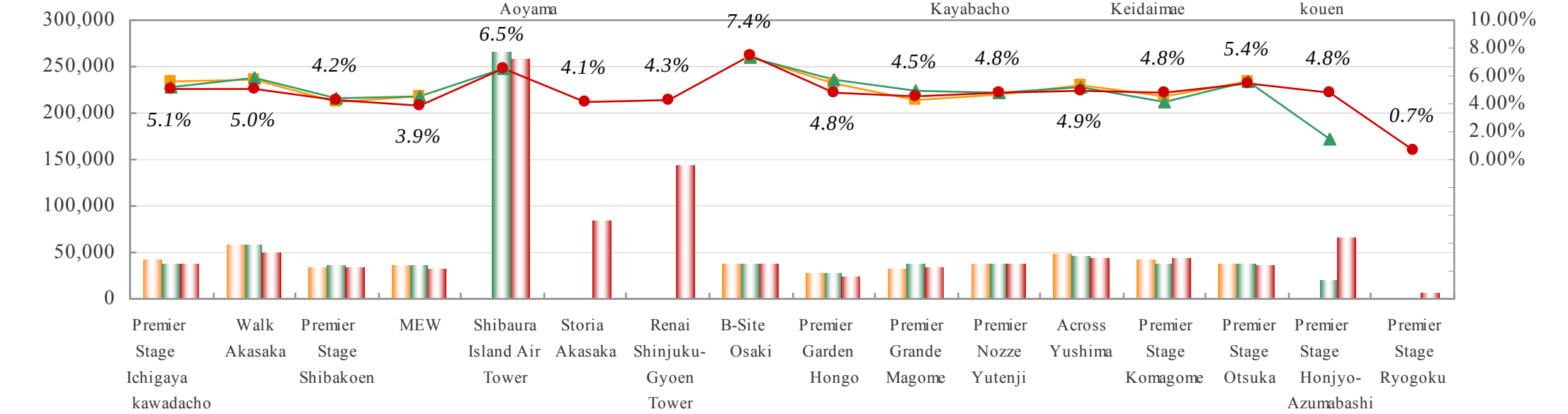
Historical Performance - Office Buildings



* Modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values. NOI Return here refers to the return of modified NOI against the book value for each property at the end of the fiscal period. Also, please refer to pages 34 to 36 for details of the real estate rental revenues and expenses for each property. Furthermore, we have left out NARA BUILDING II from this page as it was sold as of January 31, 2008.

Historical Performance – Residential Properties



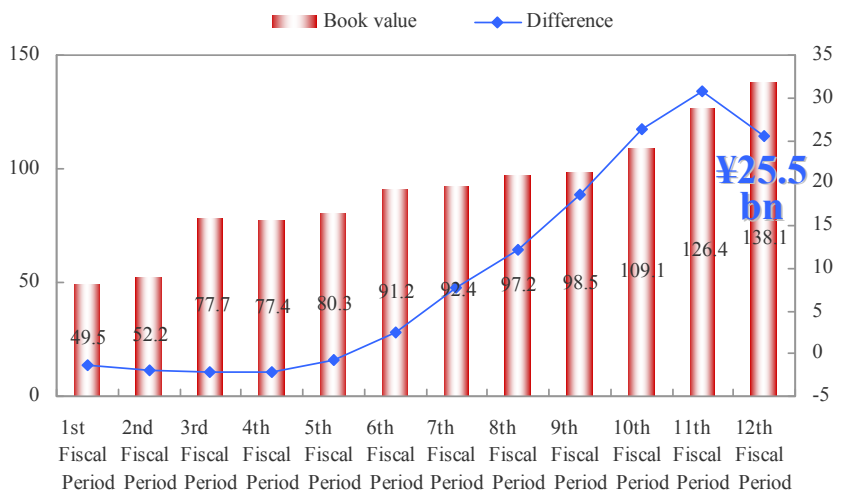


* Modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values. NOI Return here refers to the return of modified NOI against the book value for each property at the end of the fiscal period. Also, please refer to pages 34 to 36 for details of the real estate rental revenues and expenses for each property. In addition, the NOI return of Shibaura Island Air Tower has been calculated on the gross investment value basis that adds the deposited security deposits (326,509,656 yen) concerning the property to the book value of the property as end of fiscal period. Furthermore, the modified NOI for Sun Palace Minami-Azabu for the 11th fiscal period is not shown here because it was in the negative range as a result of a large amount of repair construction expenses for the tiles of the exterior wall. Therefore, its NOI return is shown as 0.0%.

Financial Information

Internal Balance Sheets（at the end of the 12th fiscal period）

Difference Between Book Value and at the Fiscal Period End Appraisal Value



（Millions of yen）

Item	12th Fiscal Period	11th Fiscal Period	Change
Cash and deposits	10,690	11,058	-367
Property held in trust	136,321	124,644	11,677
Deferred assets	19	24	-4
Others	2,455	2,434	18
Total Assets	149,485	138,160	11,324

Appraisal Value as of October 31, 2008

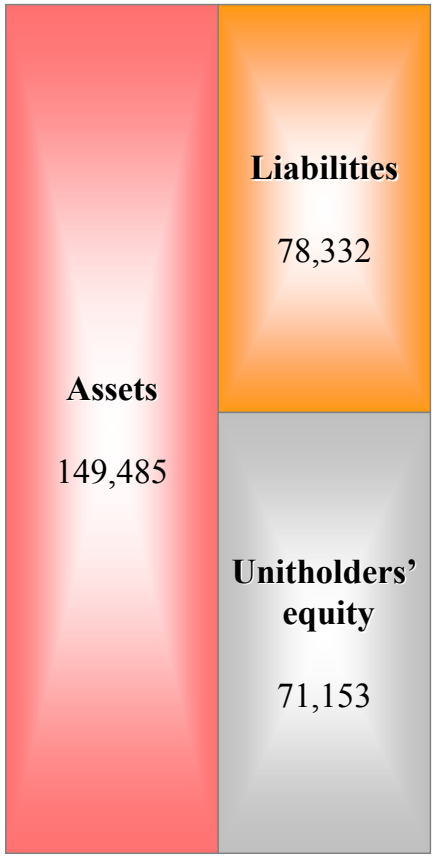
163,640 million yen

Assets Subject to Impairment Loss Accounting

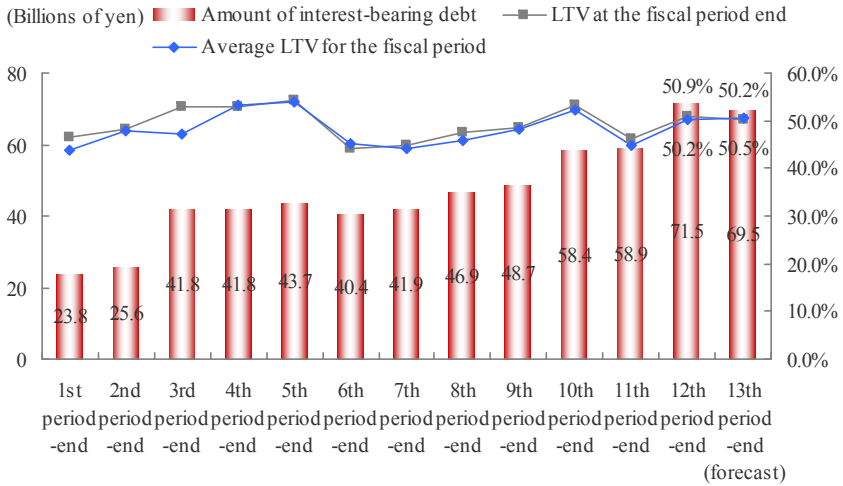
None

12th Fiscal Period-end (October 31, 2008)

（Million of yen）



Interest-bearing Debt Ratio on Total Assets



（Millions of yen）

Item	12th Fiscal Period	11th Fiscal Period	Change
Loans	46,500	33,900	12,600
Corporate bonds	25,000	25,000	0
Tenant security deposits held in trust	5,163	5,069	94
Others	1,669	1,503	165
Total Liabilities	78,332	65,472	12,859

（Millions of yen）

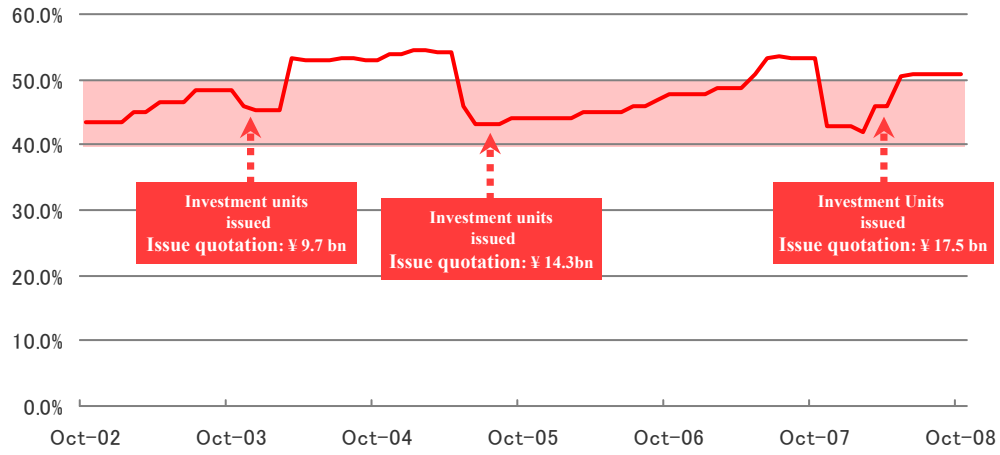
Item	12th Fiscal Period	11th Fiscal Period	Change
Unitholders' capital	68,945	68,945	0
Retained earnings	2,208	3,743	-1,535
Total Unitholders' Equity	71,153	72,688	-1,535

Financial Strategy

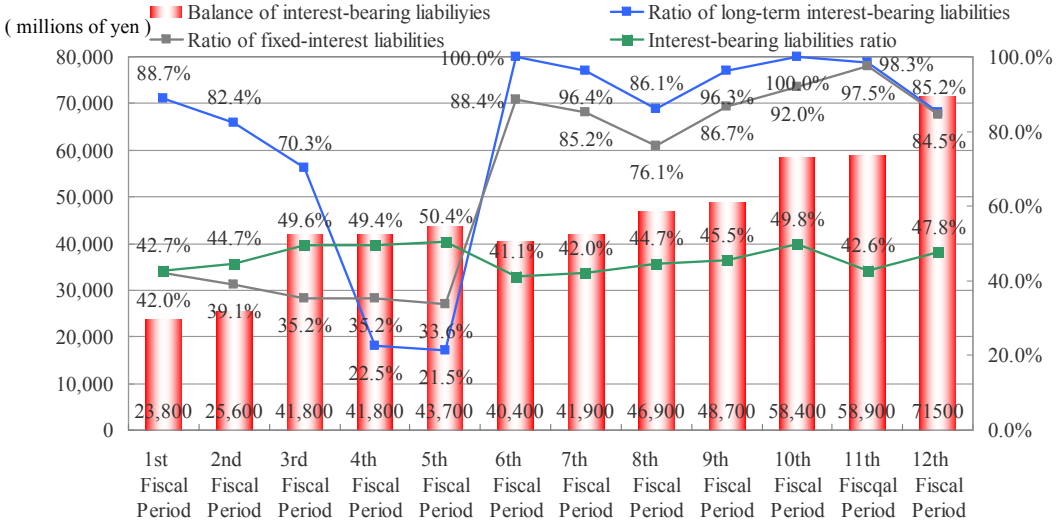
Financial Strategy

- **Pursue shifting to long-term and fixed-interest rate loans when refinancing loans despite the fact that they would lead to increased costs.**
  - > Diversification of repayment dates
  - > Target 80% for both long-term interest-bearing liability ratio and fixed-interest rate liability ratio based on the following priority: (1) Long-term borrowings (2) Borrowings with fixed-interest rates.
- **Operations that increase the liquidity of cash on hand in consideration of the redemption dates of corporate bonds.**
- **Evade the dilution of the investment value for existing unitholders**

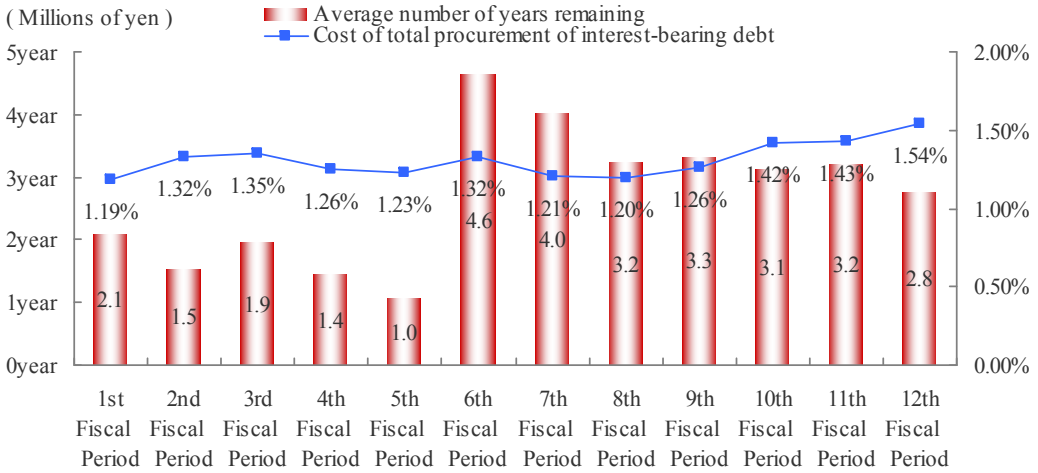
History of LTV Levels and Timing of POs



Balance of Debt Procurement



Repayment Schedule of Interest-bearing Debt



Status of the Interest-bearing Liabilities

Interest-bearing Liabilities

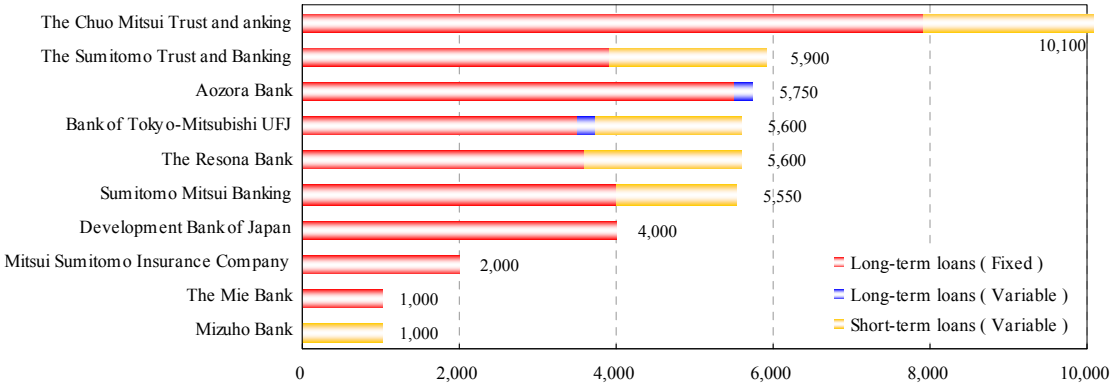
< Loans > (millions of yen)

No.	Lender	Drawdown date	Repayment date	Amount at end of period	Fixed / Variable	Average rate of interest
①	The Chuo Mitsui Trust and Banking Co., Ltd. etc.	Nov. 18, 2003	Nov. 18, 2008	500	Fixed	1.78125%
	Bank of Tokyo-Mitsubishi UFJ, Ltd. etc.			500	Variable	1.79755%
	Sub total			1,000		
②	Mizuho Bank, Ltd.	Mar. 27, 2008	Mar. 27, 2009	1,000	Variable	1.29877%
③	The Chuo Mitsui Trust and Banking Co., Ltd. etc.	May. 22, 2008	May. 22, 2009	8,050	Variable	1.45627%
④	Sumitomo Mitsui Banking Corporation	Jun. 30, 2008	Jun. 30, 2009	1,550	Variable	1.41805%
⑤	The Sumitomo Trust and Banking Co., Ltd. etc.	Sep. 9, 2008	Mar. 9, 2010	600	Fixed	1.61875%
⑥	The Chuo Mitsui Trust and Banking Co., Ltd. etc.	Jul. 31, 2007	Jul. 29, 2011	10,500	Fixed	1.89375%
⑦	Sumitomo Mitsui Banking Corporation etc.	Feb. 28, 2007	Feb. 29, 2012	3,650	Fixed	1.82505%
⑧	Aozora Bank, Ltd. etc.	Sep. 9, 2008	Mar. 9, 2012	5,400	Fixed	1.91375%
⑨	The Resona Bank, Ltd. etc,.	Feb. 28, 2007	Feb. 28, 2013	2,850	Fixed	2.08000%
⑩	The Chuo Mitsui Trust and Banking Co., Ltd. etc.	Mar. 27, 2008	Mar. 27, 2013	7,900	Fixed	1.60500%
⑪	Development Bank of Japan Inc.	May. 22, 2008	May. 22, 2013	3,000	Fixed	2.08125%
⑫	Development Bank of Japan Inc.	Jul 31, 2007	Jul. 31, 2013	1,000	Fixed	2.23875%
Total				46,500		

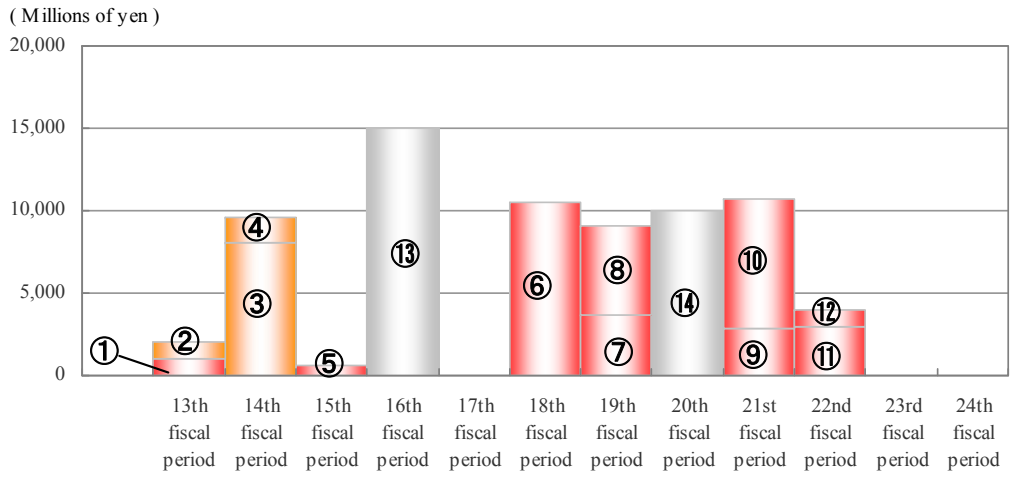
< Investment company bonds > (millions of yen)

No.	Type	Date of issuance	Maturity date	Amount at end of period	Fixed / Variable	Average rate of interest
⑬	Unsecured bond No.1	Sep. 8, 2005	Sep. 8, 2010	15,000	Fixed	0.94%
⑭	Unsecured bond No.2	Sep. 8, 2005	Sep. 8, 2012	10,000	Fixed	1.41%
Total				25,000		

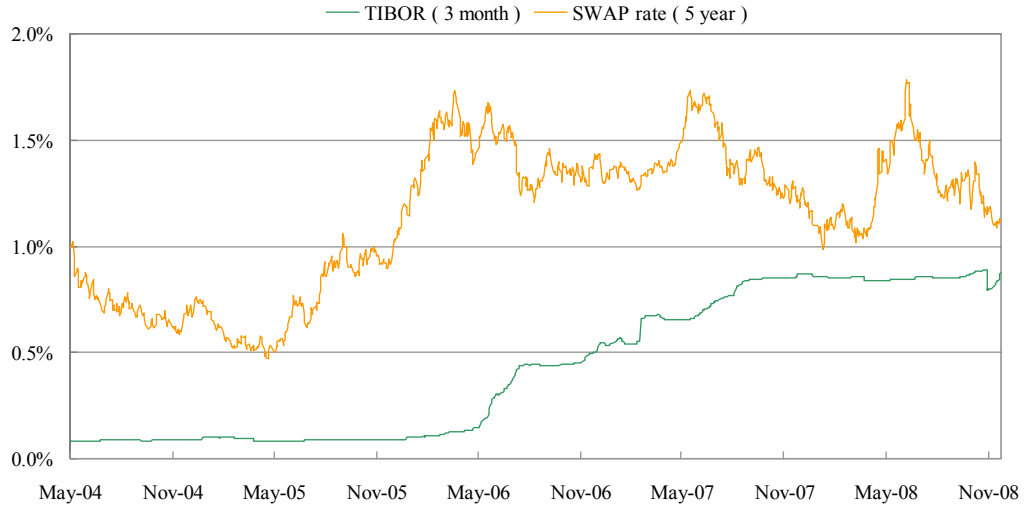
< Balance of Borrowings by Financial Institution > (millions of yen)



Repayment Schedule of Interest-bearing Debt



Trend of Interest Rates Level



APPENDIX

Balance Sheets

(Millions of yen)

		12th Fiscal Period as of Oct. 31, 2008		11th Fiscal Period as of Apr. 30, 2008		Change
		Amount	%	Amount	%	
Assets	Current assets	10,899,602	7.3%	11,311,323	8.2%	-411,721
	Cash and deposits	2,025,377	1.4%	2,777,374	2.0%	-751,996
	Cash and deposits held in trust	8,665,388	5.8%	8,280,998	6.0%	384,389
	Other current assets	208,837	0.1%	252,950	0.2%	-44,113
	Tenant receivables	62,417	0.0%	55,329	0.0%	7,088
	Prepaid expenses	91,667	0.1%	74,767	0.1%	16,900
	Advance payments	—	—	5,856	0.0%	-5,856
	Consumption taxes refund receivables	52,700	0.0%	114,874	0.1%	-62,173
	Deferred tax assets	1,177	0.0%	1,940	0.0%	-762
	Other current assets	872	0.0%	182	0.0%	689
	Long-term assets	138,566,073	92.7%	126,825,096	91.8%	11,740,976
	Property and equipment	136,321,376	91.2%	124,644,309	90.2%	11,677,067
	Tools, furniture and fixtures	145	0.0%	145	0.0%	0
	Less accumulated depreciation	-145	0.0%	-145	0.0%	0
	Property held in trust	136,321,376	91.2%	124,644,309	90.2%	11,677,067
	Buildings held in trust	53,417,427	35.7%	49,148,642	35.6%	4,268,784
	Buildings held in trust	59,415,881	39.7%	54,390,446	39.4%	5,025,435
	Structures held in trust	1,167,605	0.8%	1,028,032	0.7%	139,572
	Tools, furniture and fixtures held in trust	145,214	0.1%	127,220	0.1%	17,993
	Less accumulated depreciation	-7,311,273	-4.9%	-6,397,057	-4.6%	-914,216
	Land held in trust	82,903,948	55.5%	75,495,666	54.6%	7,408,282
	Intangible fixed assets	1,779,662	1.2%	1,780,137	1.3%	-475
	Intangible fixed assets	469	0.0%	921	0.0%	-452
	Leasehold held in trust	1,777,602	1.2%	1,777,602	1.3%	0
	Other intangible fixed assets held in trust	1,590	0.0%	1,613	0.0%	-23
	Investments and other assets	465,034	0.3%	400,650	0.3%	64,384
	Other deposits	10,000	0.0%	10,000	0.0%	0
	Other deposits held in trust	326,509	0.2%	326,509	0.2%	0
	Long-term prepaid expenses	128,524	0.1%	64,140	0.1%	64,384
	Bond issue costs	—	—	—	—	—
	Investment unit issuance costs	19,437	0.0%	24,296	0.0%	-4,859
	Total assets	149,485,112	100.0%	138,160,716	100.0%	11,324,395

		12th Fiscal Period as of Oct. 31, 2008		11th Fiscal Period as of Apr. 30, 2008		Change
		Amount	%	Amount	%	
Liabilities	Current liabilities	13,268,326	8.9%	9,503,461	6.9%	3,764,865
	Accounts payable	558,446	0.4%	457,670	0.3%	100,776
	Accrued expenses	179,673	0.1%	124,234	0.1%	55,438
	Short-term loan payable	10,600,000	7.1%	1,000,000	0.7%	9,600,000
	Long-term loan payable due within one year	1,000,000	0.7%	7,000,000	5.1%	-6,000,000
	Distributions payable	852,231	0.6%	863,074	0.6%	-10,842
	Other current liabilities	77,975	0.1%	58,481	0.0%	19,493
	Income taxes payable	82	0.0%	203	0.0%	-120
	Business office taxes payable	2,995	0.0%	4,728	0.0%	-1,733
	Rents received in advance	55,173	0.0%	40,262	0.0%	14,910
	Deposit received	19,722	0.0%	13,286	0.0%	6,436
	Long-term liabilities	65,063,774	43.5%	55,969,134	40.5%	9,094,640
	Tenant security deposits held in trust	5,163,774	3.5%	5,069,134	3.7%	94,640
	Corporate bonds	25,000,000	16.7%	25,000,000	18.1%	0
	Long-term loan payable	34,900,000	23.4%	25,900,000	18.7%	9,000,000
	Total liabilities	78,332,101	52.4%	65,472,595	47.4%	12,859,506
Net assets	Unitholders' equity	71,153,011	47.6%	72,688,121	52.6%	-1,535,110
	Unitholders' capital	68,945,312	46.1%	68,945,312	49.9%	0
	Retained earnings					
	Unappropriated income	2,207,699	1.5%	3,742,809	2.7%	-1,535,110
	Total net assets	71,153,011	47.6%	72,688,121	52.6%	-1,535,110
	TOTAL LIABILITIES AND NET ASSETS	149,485,112	100.0%	138,160,716	100.0%	11,324,395

*1 In the above table, amounts less than one million yen have been rounded down and percentages have been rounded to the second decimal place.

Profit and Loss Statements / Statements of Unitholder's Equity

Profit and Loss Statements

(Thousands of yen)

	12th Fiscal Period May 1, 2008 to October 31, 2008		11th Fiscal Period November 1, 2007 to April 30, 2008		Change
	Amount	%	Amount	%	
Operating revenues					
Rental revenue	4,920,670	89.3%	4,404,637	89.5%	516,032
Rents	4,348,732	78.9%	3,865,462	78.6%	483,269
Common area charge	571,938	10.4%	539,175	11.0%	32,763
Other revenue	588,293	10.7%	514,018	10.5%	74,275
Parking fee	135,169	2.5%	122,360	2.5%	12,809
Facility fees	31,603	0.6%	29,629	0.6%	1,973
Incidental revenue	292,395	5.3%	235,071	4.8%	57,323
Miscellaneous income	129,125	2.3%	126,956	2.6%	2,168
Gains from sale of properties	—	—	1,845,930	37.5%	-1,845
Operating expenses					
Property-operating expenses	2,337,063	42.4%	2,110,087	42.9%	226,976
Property management fees	575,414	10.4%	528,260	10.7%	47,153
Utilities	290,604	5.3%	230,694	4.7%	59,910
Real estate taxes	249,400	4.5%	218,986	4.5%	30,413
Insurance	15,274	0.3%	14,151	0.3%	1,123
Maintenance and repairs	141,581	2.6%	177,945	3.6%	-36,364
Trust fees	54,294	1.0%	50,037	1.0%	4,256
Depreciation	914,239	16.6%	824,716	16.8%	89,522
Miscellaneous expenses	96,254	1.7%	65,294	1.3%	30,960
Real estate rental income	3,171,900	57.6%	2,808,569	57.1%	363,331
Net operating income (NOI)	4,086,140	74.2%	3,633,286	73.9%	452,853
Asset management fees	226,617	4.1%	258,190	5.2%	-31,572
Directors' compensation	9,000	0.2%	9,000	0.2%	0
Custodian fees	13,814	0.3%	12,000	0.2%	1,814
Administration fees	71,002	1.3%	70,317	1.4%	684
Audit fees	7,750	0.1%	7,000	0.1%	750
Other expenses	98,554	1.8%	112,557	2.3%	-14,003
Operating income	2,745,161	49.8%	4,185,434	85.1%	-1,440,272
Non-operating income	11,697	0.2%	11,078	0.2%	619
Non-operating expense	547,804	9.9%	452,757	0.5%	95,047
Interest expense	399,907	7.3%	265,627	5.4%	134,279
Interest expenses on corporate bonds	141,673	2.6%	140,553	2.9%	1,119
Amortization of bond issue costs	—	—	23,637	0.5%	-23,637
Public listing related costs	—	—	16,325	0.3%	-16,325
Amortization of new investment unit issuance cost	4,859	0.1%	4,859	0.1%	0
Other non-operating expenses	1,365	0.0%	1,754	0.0%	-388
Ordinary income	2,209,054	40.1%	3,743,755	76.1%	-1,534,700
Income before income taxes	2,209,054	40.1%	3,743,755	76.1%	-1,534,700
Income taxes					
Current	605	0.0%	1,956	0.0%	-1,351
Deferred	762	0.0%	-957	0.0%	1,719
Net income	2,207,687	40.1%	3,742,755	76.1%	-1,535,068

Statements of Distribution

(yen)

	12th Fiscal Period May 1, 2008 to October 31, 2008	11th Fiscal Period November 1, 2007 to April 30, 2008
Unappropriated income	2,207,699,347	3,742,809,418
Cash distributions declared	2,207,651,400	3,742,797,600
(Cash distribution declared per unit)	16,801	28,484
Income carried forward	47,947	11,818

【 Profit from rental operation 】

	Property acquisitions completed up to the 11th fiscal period		Properties acquired in the 12th fiscal period
	Office buildings : 14	Residential properties : 28	Residential properties : 3
Compared to the last fiscal period	Income up 230 million yen Profit up 174 million yen	Income up 75 million yen Profit up 41 million yen	Income up 285 million yen Profit up 148 million yen
Compared to forecast at the beginning of the period	Income up 38 million yen Profit up 27 million yen	Income up 2 million yen Profit down 11 million yen	Income down 8 million yen Profit down 10 million yen

【 Expenses from rental operation 】

■ Repair and maintenance expense: ¥288 million yen

Repairs and maintenance < ¥141 million >	• Homat Woodville: Outer wall renewal • Takadanobaba Center Building: Rooftop repainting • Gotanda NT Building: Air conditioning renewal, etc.	¥ 17 million ¥ 13 million ¥ 5 million
Capital expenditure < ¥146 million >	• Ougaku Building: Air conditioning renewal • Gotanda NT Building: Air conditioning renewal, Converting OA floor and Improving rest rooms • Ueno TH Building: Increase air conditioning • Landic Shimbashi 2 Building: Air conditioning renewal • Homat Woodville: Air conditioning renewal	¥ 27 million ¥ 27 million ¥ 16 million ¥8 million ¥6 million

*1 In the above table, amounts less than one million yen have been rounded down and percentages have been rounded to the second decimal place.

Profit and Loss Statements (Forecast for the 13th Fiscal Period)

(Millions of yen)

	13th Fiscal Period (Forcast) November 1, 2008 to April 30, 2009				12th Fiscal Period (Result) May 1, 2008 to October 31, 2008		
	Office Buildings	Residential Properties	① Total (45 properties)	①-②	Office Buildings	Residential Properties	② Total (45 properties)
Real estate rental revenue							
Rental revenue	2,651	2,340	4,992	71	2,642	2,277	4,920
Rents	2,103	2,315	4,419	70	2,092	2,255	4,348
Common area charge	548	24	572	0	550	21	571
Other revenue	338	147	485	-103	420	167	588
Parking fees	76	59	135	0	75	59	135
Facility fees	25	4	29	-1	27	4	31
Incidental revenue	234	9	244	-48	280	12	292
Miscellaneous income	1	74	75	-52	36	91	128
Gains from sale of properties	—	—	—	—	—	—	—
Real estate rental expenses							
Property-operating expenses	1,180	1,117	2,297	-39	1,243	1,093	2,337
Property management fees	301	269	571	-4	309	266	575
Utilities	230	37	268	-22	251	39	290
Real estate taxes	178	71	250	0	178	70	249
Insurance	6	7	14	0	7	8	15
Maintenance and repairs	51	76	127	-13	71	70	141
Trust fees	27	28	55	1	27	26	54
Depreciation	357	550	908	-5	376	538	914
Miscellaneous expenses	26	75	102	5	22	73	96
Real estate rental income	1,809	1,369	3,179	7	1,819	1,352	3,171
Net operating income (NOI)	2,167	1,919	4,087	1	2,195	1,890	4,086
Asset management fees			224	-1			226
Directors' compensation			9	0			9
Custodian fees			13	0			13
Administration fees			71	0			71
Audit fees			8	0			7
Other expenses			115	17			98
Operating income			2,735	-9			2,745
Non-operating income			8	-3			11
Non-operating expenses			574	26			547
Interest expenses			429	29			399
Interest expenses on corporate bonds			139	-1			141
Amortization of bond issue costs			—	—			—
Public listing related costs			—	—			—
Amortization of new investment unit issuance cost			4	0			4
Other non-operating expenses			0	0			1
Ordinary income			2,169	-39			2,209
Income before income taxes			2,169	-39			2,209
Income taxes							
Current			1	0			0
Deferred			0	0			0
Net income			2,168	-39			2,207

*1 Figures have been rounded to the nearest million yen.

< Assumptions for the 13th Fiscal Period >

■ Assets under management

45 properties (same as those owned as of the end of the 12th fiscal period). (Currently PIC has no plan to acquire additional properties or sell any of its owned properties.)

■ Number of units outstanding at the end of the fiscal period

131,400 units (no change from the end of the 12th fiscal period).

■ Interest-bearing liabilities

The balance of the interest-bearing liabilities, which was 71.5 billion yen as of the end of the 12th fiscal period is scheduled to decrease by 2 billion yen (the repayment of 1 billion yen due to the arrival of its maturity date on November 18, 2008 and 1 billion yen scheduled for repayment on its maturity date on March 27, 2009). As a result, the balance of the interest-bearing liabilities at the end of the fiscal period will be 69.5 billion yen.

■ Occupancy rate

Office buildings: 98.0 %, Residential properties: 93.3 % ,
Entire portfolio: :95.4 % (estimation)

■ Real estate tax

There are no properties on which real estate taxes are newly levied in the 13th fiscal period.

■ Depreciation

An amount of 908 million yen is planned as depreciation for the 13th fiscal period.

Cash Flow Statements

(Millions of yen)

	12th Fiscal Period May 1, 2008 to October 31, 2008	11th Fiscal Period November 1, 2007 to April 30, 2008	10th Fiscal Period May 1, 2007 to October 31, 2007	9th Fiscal Period November 1, 2006 to April 30, 2007	8th Fiscal Period May 1, 2006 to October 31, 2006	7th Fiscal Period November 1, 2005 to April 30, 2006	6th Fiscal Period May 1, 2005 to October 31, 2005	5th Fiscal Period November 1, 2004 to April 30, 2005	4th Fiscal Period May 1, 2004 to October 31, 2004	3rd Fiscal Period November 1, 2003 to April 30, 2004	2nd Fiscal Period May 1, 2003 to October 31, 2003	1st Fiscal Period May 2, 2002 to April 30, 2003
1. Cash flows from operating activities												
Income before income taxes	2,209	3,743	1,807	1,655	1,531	1,452	1,483	1,230	1,200	969	886	1,184
Depreciation	914	825	719	658	689	660	640	578	555	512	387	470
Amortization of bomd issue costs	—	23	23	23	23	23	23	—	—	—	—	—
Amortization of new investment unit issuance cost	4	4	—	—	—	—	—	—	—	—	—	—
Interest income	△ 10	△ 8	△ 7	△ 3	0	0	0	△0	△0	△0	△0	△0
Refund of unpaid distributions	0	△ 1	△ 1	△ 1	—	—	—	—	—	—	—	—
Interest expenses	541	406	405	299	263	243	241	266	265	220	166	163
Loss on disposal of property and equipment held in trust	—	—	0	0	0	4	0	6	5	—	—	—
Decrease (increase) in tenant receivables	△ 6	0	△ 7	△ 5	1	0	△ 1	13	△ 2	1	△ 16	△ 38
Decrease (increase) in consumption taxes refund receivables	62	1	△ 115	64	△ 63	79	△ 57	△ 22	293	—	845	△ 845
Decrease (increase) in start-up costs	—	—	—	6	6	6	6	6	6	6	6	△ 48
Increase (decrease) in accounts payable	93	134	△ 30	15	7	△ 31	14	2	19	12	△ 18	190
(Decrease) in consumption taxes payable	—	—	△ 46	46	△ 71	71	—	△ 72	72	△ 329	36	—
Increase in rent received in advance	△ 10	161	10	38	3	36	△ 18	107	2	207	△ 2	315
Long-term prepaid expenses paid	—	—	—	—	—	—	△ 30	—	—	—	—	—
Decrease in carrying amounts of property and equipment due to sale	—	1,366	—	—	—	—	531	—	—	—	—	—
Other	29	14	70	△ 58	14	△ 65	90	△ 46	△ 13	△ 66	△ 38	5
Subtotal	3,827	6,672	2,829	2,740	2,405	2,481	2,925	2,071	2,405	1,533	2,251	1,398
Interest received	10	8	7	3	0	0	0	0	0	0	0	0
Interest paid	△ 584	△ 396	△ 396	△ 289	△ 245	△ 233	△ 249	△ 260	△ 207	△ 168	△ 134	△ 188
Income taxes paid	△ 2	△0	△ 3	0	△ 1	0	△ 1	△0	△ 1	0	△ 2	△0
Net cash provided by operating activities	3,250	6,283	2,437	2,453	2,158	2,247	2,674	1,810	2,195	1,363	2,113	1,210
2.Cash flow from investing activities												
Payments for purchases of property and equipment	—	—	—	—	—	—	—	—	△0	—	—	—
Payments for purchases of property and equipment held in trust	△ 12,577	△ 17,711	△ 11,275	△ 1,951	△ 5,443	△ 1,856	△ 12,075	△ 3,532	△ 192	△ 26,052	△ 3,121	△ 49,926
Payments for purchases of intangible fixed assets	—	—	—	—	—	—	—	—	△ 3	—	△ 2	△ 4
Payments for purchases of intangible fixed assets held in trust	—	△ 1,777	—	—	—	0	0	—	△0	—	—	△0
Payments of other deposit held in trust	—	△ 326	—	—	—	—	—	—	0	0	—	△ 10
Proceeds from tenant security deposits held in trust	396	713	695	224	215	165	453	200	△ 309	1,234	144	2,827
Payments of tenant security deposits held in trust	△ 302	△ 236	△ 166	△ 163	△ 148	△ 177	△ 212	△ 140	234	△ 279	△ 193	△ 14
Net cash used in investing activities	△ 12,482	△ 19,338	△ 10,746	△ 1,890	△ 5,375	△ 1,868	△ 11,834	△ 3,473	△ 271	△ 25,097	△ 3,171	△ 47,127
3.Cash flow from financing activities												
Proceeds from short-term loan payable	9,600	1,000	10,600	1,800	5,000	1,850	—	14,300	300	12,400	1,800	2,700
Repayments of short-term loan payable	—	—	△ 12,400	△ 6,500	—	△ 350	△ 14,300	△ 12,400	△ 300	△ 4,500	—	—
Proceeds from long-term loan payable	9,000	7,900	11,500	6,500	—	—	6,000	—	—	9,400	—	21,100
Repayments of long-term loan payable	△ 6,000	△ 8,400	—	—	—	—	△ 20,000	—	—	△ 1,100	—	—
Proceeds from issuance of new investment units	—	17,510	—	—	—	—	14,381	—	—	9,666	—	27,387
Payments of new investment unit issuance costs	—	△ 29	—	—	—	—	—	—	—	—	—	—
Proceeds from issuance of corporate bonds	—	—	—	—	—	—	25,000	—	—	—	—	—
Payments of bond issue costs	—	—	—	—	—	0	△ 140	—	—	—	—	—
Payments of distributions	△ 3,735	△ 1,804	△ 1,654	△ 1,528	△ 1,450	△ 1,479	△ 1,230	△ 1,197	△ 970	△ 881	△ 1,172	—
Net cash provided by financing activities	8,864	16,176	8,045	271	3,549	19	9,709	702	△ 970	24,985	627	51,187
4.Net change in cash and cash equivalents	△ 367	3,122	△ 263	834	331	398	550	△ 960	954	1,252	△ 430	5,269
5.Cash and cash equivalents at beginning of period	11,058	7,936	8,199	7,364	7,033	6,634	6,084	7,045	6,091	4,838	5,269	—
6.Cash and cash equivalents at end of period	10,690	11,058	7,936	8,199	7,364	7,033	6,634	6,084	7,045	6,091	4,838	5,269

*1 Figures have been rounded to the nearest million yen.

Financial Ratios

				12th Fiscal Period May 1, 2008 to October 31, 2008	11th Fiscal Period November 1, 2007 to April 30, 2008	10th Fiscal Period May 1, 2007 to October 31, 2007	9th Fiscal Period November 1, 2006 to April 30, 2007	8th Fiscal Period May 1, 2006 to October 31, 2006	7th Fiscal Period November 1, 2005 to April 30, 2006	6th Fiscal Period May 1, 2005 to October 31, 2005	5th Fiscal Period November 1, 2004 to April 30, 2005	4th Fiscal Period May 1, 2004 to October 31, 2004	3rd Fiscal Period November 1, 2003 to April 30, 2004	2nd Fiscal Period May 1, 2003 to October 31, 2003	1st Fiscal Period May 2, 2002 to April 30, 2003
Financial Ratios	Return on assets (ROA)	*1		1.5%	2.9%	1.6%	1.6%	1.5%	1.5%	1.6%	1.4%	1.4%	1.4%	1.6%	2.1%
	Annualized	*13		3.0%	5.9%	3.2%	3.2%	3.0%	3.0%	3.2%	2.9%	2.8%	2.7%	3.1%	3.3%
	Return on equity (ROE)	*2		3.1%	5.9%	3.4%	3.1%	2.9%	2.7%	3.2%	3.2%	3.1%	2.9%	3.1%	4.1%
	Annualized	*13		6.1%	11.9%	6.7%	6.3%	5.7%	5.5%	6.4%	6.5%	6.2%	5.9%	6.2%	6.5%
	Unitholders' equity ratio (as of end of the period)	*3		47.6%	52.6%	45.4%	49.6%	50.5%	53.0%	53.9%	44.2%	45.2%	45.1%	49.4%	51.2%
	Interest-bearing debt ratio to total assets (as of end of the period)	*4		47.8%	42.6%	49.8%	45.5%	44.7%	42.0%	41.1%	50.4%	49.4%	49.6%	44.7%	42.7%
	Long-term fixed assets ratio	*5		101.7%	98.6%	99.0%	94.7%	99.9%	95.1%	93.8%	156.4%	150.9%	109.3%	100.2%	94.3%
	Debt service coverage ratio	*6	(times)	6.8	7.7	7.2	8.7	9.4	9.7	9.3	7.8	7.6	7.7	8.6	11.1
	Incom before interest & depreciation		(million of yen)	3,663	3,127	2,930	2,611	2,481	2,354	2,245	2,073	2,019	1,700	1,439	1,816
	Interest paid		(million of yen)	541	406	405	299	263	243	241	266	265	220	166	163
	NOI from rental operations	*7	(million of yen)	4,086	3,633	3,294	2,958	2,820	2,695	2,605	2,359	2,285	1,977	1,658	2,150
	Annualized NOI yield	*8		5.9%	6.1%	6.1%	6.1%	5.9%	5.9%	5.9%	6.0%	5.9%	6.0%	6.5%	7.2%
	NCF on rental operations	*9	(million of yen)	3,939	3,549	3,117	2,847	2,518	2,448	2,250	2,214	2,092	1,897	1,598	2,092
	Depreciation		(million of yen)	914	824	718	657	688	659	639	577	554	511	386	469
	Capital expenditures		(million of yen)	146	83	177	110	301	247	354	145	192	79	59	58
	Annualized NCF yield	*10		5.7%	6.0%	5.7%	5.8%	5.3%	5.4%	5.1%	5.6%	5.4%	5.7%	6.3%	7.0%
	Funds from operations	*11	(million of yen)	3,121	4,567	2,524	2,312	2,217	2,110	2,121	1,807	1,754	1,480	1,272	1,652
Reference	Number of properties at end of period			45	42	39	36	35	32	31	25	23	23	15	13
	Number of tenants at end of period			2,288	2,132	1,170	1,079	995	869	810	662	587	491	330	282
	Total net rentable area at end of period			165,493.75 ㎡	152,899.14 ㎡	132,816.24 ㎡	121,060.99 ㎡	118,802.27 ㎡	113,441.78 ㎡	111,759.95 ㎡	99,534.09 ㎡	96,057.76 ㎡	96,057.76 ㎡	67,803.99 ㎡	64,900.91 ㎡
	Occupancy rate														
	Period average			94.9%	96.0%	96.5%	96.1%	94.9%	94.9%	93.1%	95.3%	94.1%	90.9%	93.9%	94.8%
	As of period-end			94.7%	97.3%	97.0%	96.1%	95.1%	94.2%	93.7%	96.6%	95.9%	91.4%	92.1%	94.6%
	Appraisal valuation		(million of yen)	163,640	157,210	137,830	119,400	111,420	102,026	95,528	81,151	76,724	75,490	50,230	48,040
	Investment units outstanding (period-end)			131,400	131,400	101,400	101,400	101,400	101,400	101,400	79,400	79,400	79,400	59,400	59,400
	Unitholders' capital (period-end)		(million of yen)	68,945	68,945	51,434	51,434	51,434	51,434	51,434	37,053	37,053	37,053	27,387	27,387
	Unitholders' equity (period-end)		(million of yen)	71,153	72,688	53,240	53,089	52,964	52,886	52,916	38,283	38,253	38,022	28,272	28,569
	Unitholders' equity per investment units	*12	(yen)	541,499	553,182	525,057	523,565	522,333	521,558	521,861	482,162	481,777	478,874	475,973	480,974

*1 Ordinary profits / (Total assets as of the beginning of the period + Total assets as of the end of the period) / 2

*2 Net income / (Unitholders' equity as of the beginning of the period + Unitholders' equity as of the end of the period) / 2

*3 Unitholders' equity as of the end of the period / Total assets as of the end of the period x 100

*4 Interest-bearing debt as of the end of the period / Total assets as of the end of the period x 100

*5 Fixed assets as of the end of the period / (Fixed liabilities as of the end of the period + Unitholders' equity as of the end of the period)

*6 Income before interest and depreciation (Excluding profit on sale of real estate assets) / Interest paid

*7 (Income from rental operations + Expenses on rental operations) + Depreciation

*8 Anuualized NOI / Acquisition price of property

*9 NOI from rental operations − Capital expenditures

*10 Annualized NCF / Acquisition price of property

*11 Net income + Depreciation

*12 Unitholders' equity as of the end of the period / Investment units issued and outstanding as of the end of the period

*13 The operating period for the 1st period is based on the number of days from the Company's listing to the end of the period, which was 233 days.

Amounts less than one million appearing in the table are disregarded and percentages are rounded to the nearest 1/10 of a percent.

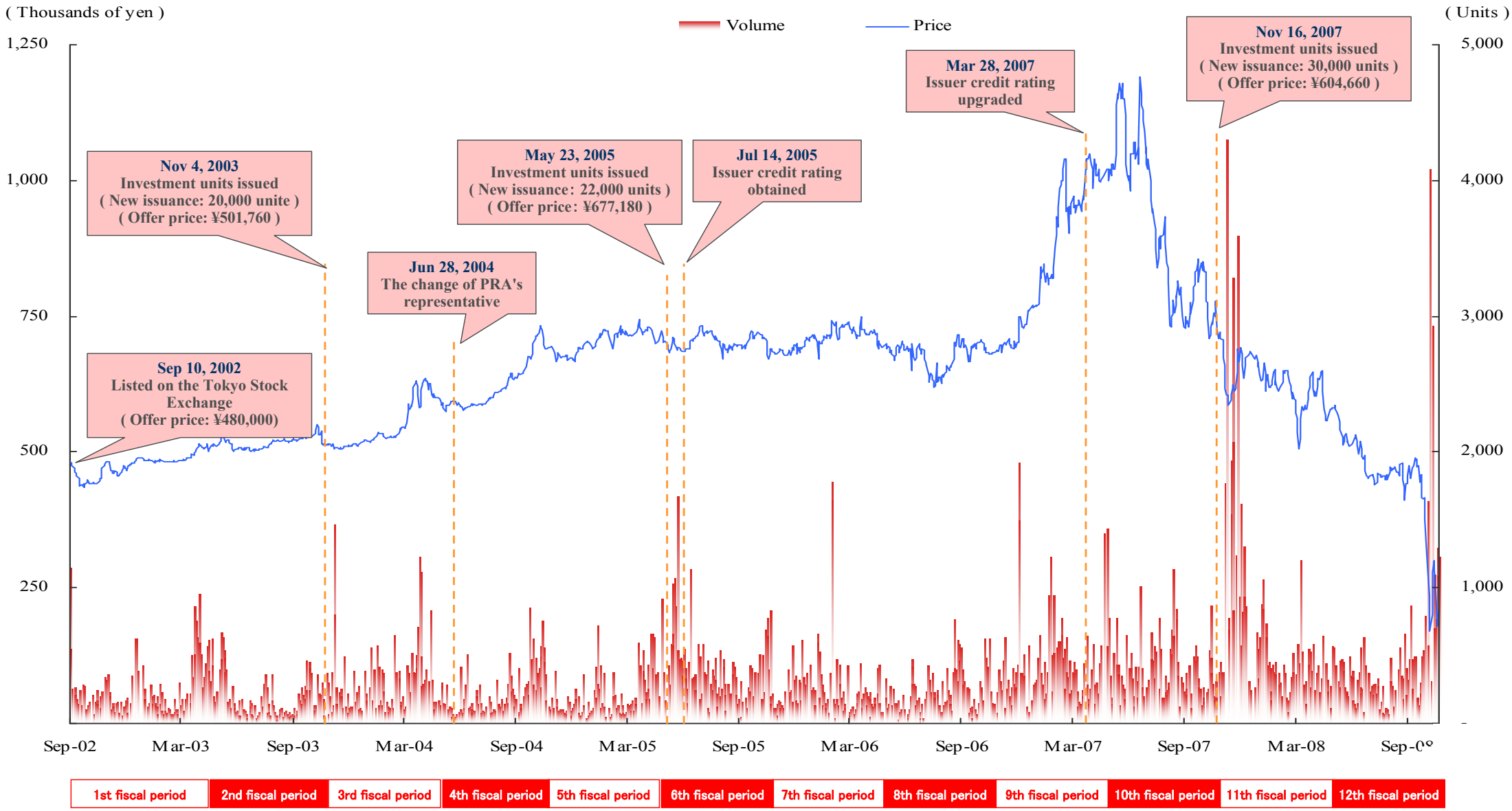
Property Portfolio Appraisals

(Millions of yen)

Area	Name of Buildings	Acquisition Price	Appraisal as of Apr. 30, 2006	Appraisal as of Oct. 31, 2006	Appraisal as of Apr. 30, 2007	Appraisal as of Octr. 31, 2007	Appraisal as of Apr. 30, 2008…①	Yield	**Appraisal as of Oct. 31, 2008…②**	**Percent of total**	**Change (②-①)**	**Yield**	Book value as of Oct. 31, 2008…③	Change (②-③)
5 Central Wards of Tokyo	Landic Shimbashi Building 1	6,341	6,390	6,890	7,970	8,760	9,090	4.3%	**9,100**	**5.6%**	**10**	**4.3%**	6,388	2,712
	Landic Shimbashi 2 Building	7,045	7,760	8,450	9,320	10,300	10,900	4.4%	**11,000**	**6.7%**	**100**	**4.4%**	7,038	3,962
	Fuji Building No.37	1,727	2,160	2,520	2,820	3,000	3,080	4.4%	**2,780**	**1.7%**	**-300**	**4.8%**	1,591	1,189
	KN Shibuya No.3	5,348	7,400	7,990	8,480	9,070	9,640	4.3%	**9,010**	**5.5%**	**-630**	**4.5%**	5,066	3,944
	Takadanobaba Center Building	5,118	5,660	6,030	6,760	7,200	7,200	4.6%	**7,040**	**4.3%**	**-160**	**4.8%**	4,640	2,400
	Rokubancho Building	7,860	9,460	9,650	9,860	10,800	10,800	4.5%	**10,600**	**6.5%**	**-200**	**4.6%**	8,260	2,340
	Ougaku Building	1,796	1,910	1,920	2,030	2,130	2,140	4.6%	**2,100**	**1.3%**	**-40**	**4.7%**	1,800	300
	YS Kaigan Building	5,100				5,420	5,810	4.4%	**5,810**	**3.6%**	**0**	**4.7%**	5,202	608
	Subtotal	40,335	40,740	43,450	47,220	56,680	58,660	—	**57,440**	**35.1%**	**-1,220**	—	39,987	17,453
Other 18 Wards of Tokyo	IPB Ochanomizu Building	1,456	1,550	1,600	1,700	1,840	1,840	4.9%	**1,730**	**1.1%**	**-110**	**5.2%**	1,330	400
	Premier Toyocho Building	4,310				4,990	4,990	4.8%	**4,880**	**3.0%**	**-110**	**4.9%**	4,349	531
	Ueno TH Building	4,380					4,380	4.9%	**4,220**	**2.6%**	**-160**	**5.0%**	4,564	-344
	Gotanda NT Building	4,100					4,110	4.8%	**4,010**	**2.5%**	**-100**	**4.9%**	4,287	-277
	Subtotal	14,246	1,550	1,600	1,700	6,830	15,320	—	**14,840**	**9.1%**	**-480**	—	14,531	309
Surrounding City Area	Nisso No.3 Building	3,558	4,420	4,910	5,230	5,680	5,720	5.0%	**5,310**	**3.2%**	**-410**	**5.3%**	3,549	1,761
	The Kanagawa Science Park R&D Building	6,556	6,910	7,290	8,020	8,850	9,330	6.2%	**8,830**	**5.4%**	**-500**	**6.5%**	5,703	3,127
	Subtotal	10,114	11,330	12,200	13,250	14,530	15,050	—	**14,140**	**8.6%**	**-910**	—	9,253	4,887
Office Buildings Total		64,695	53,620	57,250	62,170	78,040	89,030	—	**86,420**	**52.8%**	**-2,610**	—	63,773	22,647
5 Central Wards of Tokyo	Park Axis Yotsuya stage	5,208	5,310	5,380	5,510	5,620	5,630	4.7%	**5,300**	**3.2%**	**-330**	**5.0%**	4,947	353
	Park Axis Meiji-Jingumae	2,604	2,400	2,430	2,430	2,430	2,430	4.7%	**2,350**	**1.4%**	**-80**	**4.8%**	2,585	-235
	Sun Palace Minami-Azabu	1,150	986	990	1,010	1,050	1,090	4.8%	**1,080**	**0.7%**	**-10**	**4.9%**	1,120	-40
	Cabin Arena Akasaka	1,330	1,570	1,580	1,620	1,660	1,670	4.6%	**1,640**	**1.0%**	**-30**	**4.7%**	1,289	351
	Cabin Arena Minami-Aoyama	1,070	1,220	1,230	1,270	1,300	1,300	4.7%	**1,260**	**0.8%**	**-40**	**4.8%**	1,021	239
	Bureau Kioicho	1,840	1,800	1,790	1,830	1,860	1,910	6.2%	**1,760**	**1.1%**	**-150**	**6.6%**	1,838	-78
	Homat Woodville	5,090	4,970	5,110	5,160	5,300	5,320	4.6%	**5,150**	**3.1%**	**-170**	**4.8%**	5,058	92
	Roppongi Green Terrace	4,678	5,210	5,310	5,570	5,710	5,750	4.6%	**5,400**	**3.3%**	**-350**	**4.9%**	4,433	967
	B-Site Shibakoen	2,181	2,130	2,120	2,190	2,220	2,240	6.3%	**2,200**	**1.3%**	**-40**	**6.4%**	2,058	142
	Premierr Stage Nihonbashi Kayabacho	2,430	2,690	2,780	2,930	2,960	2,970	4.8%	**2,900**	**1.8%**	**-70**	**4.9%**	2,356	544
	Langue Tower Kyobashi	928	1,060	1,070	1,120	1,140	1,140	4.8%	**1,120**	**0.7%**	**-20**	**4.9%**	909	211
	Premier Stage Mita Keidaimae	1,580	1,870	1,870	1,910	1,930	1,920	4.7%	**1,840**	**1.1%**	**-80**	**4.9%**	1,587	253
	Premier Rosso	1,662	1,780	1,810	1,860	1,880	1,880	4.6%	**1,800**	**1.1%**	**-80**	**4.8%**	1,658	142
	Premier Blanc Yoyogikouen	2,330	2,500	2,530	2,510	2,470	2,470	4.7%	**2,340**	**1.4%**	**-130**	**4.8%**	2,297	43
	Premier Stage Uchikanda	1,724	2,110	2,190	2,220	2,270	2,270	4.8%	**2,230**	**1.4%**	**-40**	**4.9%**	1,695	535
	Premier Stage Ichigayakawadacho	1,460	1,610	1,640	1,640	1,640	1,650	4.8%	**1,590**	**1.0%**	**-60**	**4.9%**	1,466	124
	Walk Akasaka	2,043	2,170	2,180	2,190	2,280	2,280	4.6%	**2,190**	**1.3%**	**-90**	**4.8%**	1,966	224
	Premier Stage Shibakoen	1,585		1,620	1,620	1,680	1,600	4.6%	**1,530**	**0.9%**	**-70**	**4.7%**	1,631	-101
	MEW	1,556		1,520	1,540	1,550	1,570	4.5%	**1,370**	**0.8%**	**-200**	**4.8%**	1,581	-211
	Shibaura Island Air Tower	7,590					8,100	—	**8,140**	**5.0%**	**40**	—	7,637	503
	Storia Akasaka	3,930						0.0%	**3,890**	**2.4%**	**3,890**	**4.6%**	4,081	-191
	Renai Shinjuku-Gyoen Tower	6,500						0.0%	**6,020**	**3.7%**	**6,020**	**4.7%**	6,769	-749
	Subtotal	60,469	41,386	45,150	46,120	46,950	55,190	—	**63,100**	**38.6%**	**7,910**	—	59,994	3,106
Other 18 Wards of Tokyo	B-Site Osaki	1,072	1,100	1,100	1,110	1,130	1,140	6.5%	**1,120**	**0.7%**	**-20**	**6.6%**	1,003	117
	Premier Garden Hongo	975	1,040	1,060	1,120	1,140	1,150	4.8%	**1,100**	**0.7%**	**-50**	**5.0%**	998	102
	Premier Grande Magome	1,560	1,430	1,430	1,400	1,390	1,390	5.1%	**1,330**	**0.8%**	**-60**	**5.3%**	1,507	-177
	Premier Nozze Yutenji	1,525	1,530	1,530	1,550	1,560	1,520	4.8%	**1,490**	**0.9%**	**-30**	**4.9%**	1,579	-89
	Across Yushima	1,803		1,820	1,840	1,870	1,870	4.7%	**1,790**	**1.1%**	**-80**	**4.8%**	1,776	14
	Premier Stage Komagome	1,830			1,830	1,830	1,830	4.8%	**1,800**	**1.1%**	**-30**	**4.9%**	1,817	-17
	Premier Stage Otsuka	1,310				1,420	1,420	4.9%	**1,360**	**0.8%**	**-60**	**5.1%**	1,348	12
	Premier Stage Honjyo-Azumabashi	2,640					2,670	4.9%	**2,610**	**1.6%**	**-60**	**5.1%**	2,772	-162
	Premier Stage Ryogoku	1,496							**1,520**	**0.9%**	**1,520**	**5.1%**	1,528	-8
	Subtotal	14,211	5,100	6,940	8,860	10,340	12,990	—	**14,120**	**8.6%**	**1,130**	—	14,332	-212
Residential Properties Total		74,680	46,486	52,090	54,970	57,290	68,180	—	**77,220**	**47.2%**	**9,040**	—	74,327	2,893
Portfolio Total		139,375	100,106	109,340	117,140	135,330	157,210	—	**163,640**	**100.0%**	**6,430**	—	138,100	25,540

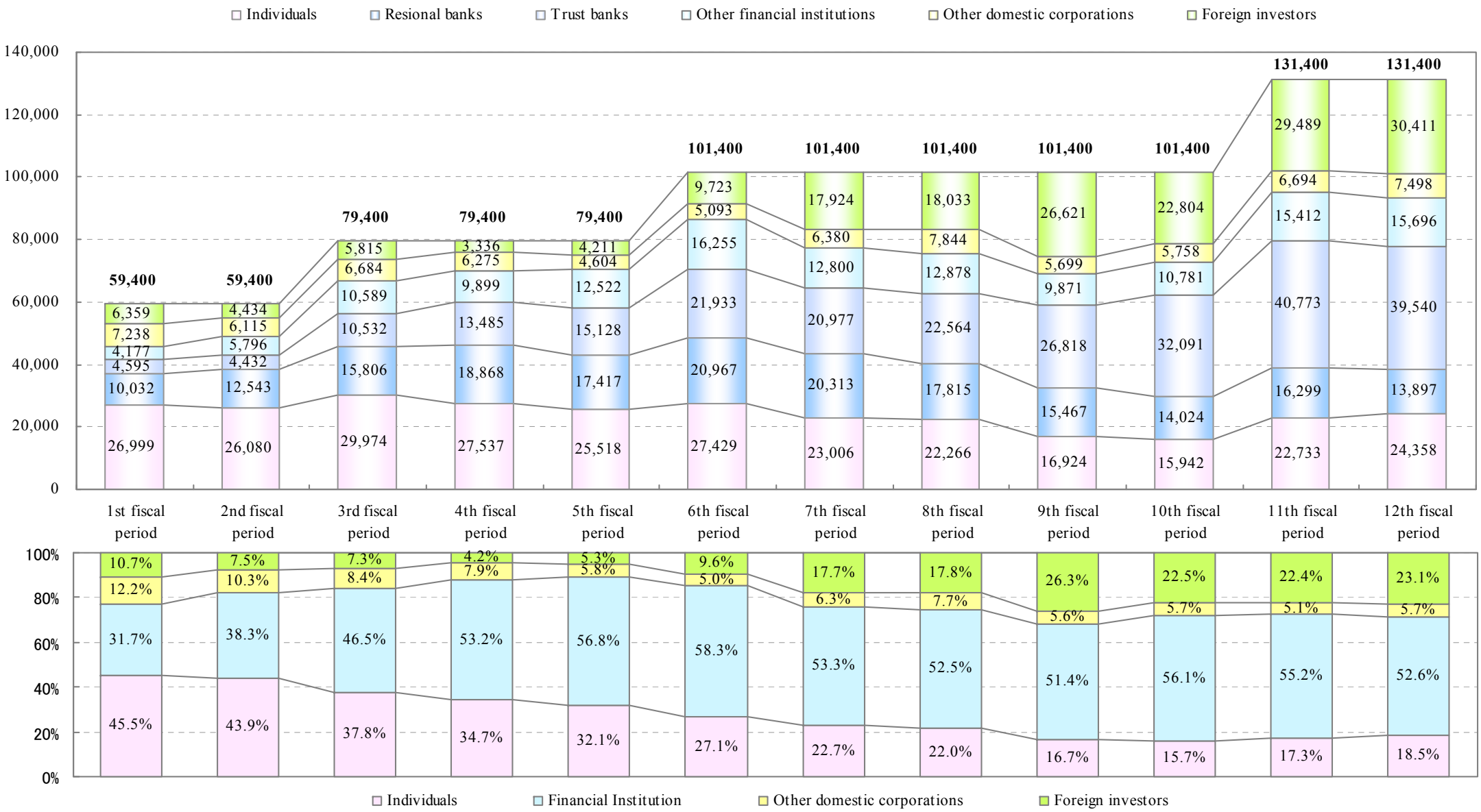
*1 In the above table, amounts less than one million yen have been rounded down and percentages have been rounded to the second decimal place. The yield indicates a cap rate based on the direct capitalization approach used for appraisal. Furthermore, the book value of Shibaura Island Air Tower as of the end of the 12th fiscal period does not contain the amount of 326,509,656 yen that corresponds to Premier's quasi co-ownership interest of rights to claim for repayment of the security deposits deposited to Urban Renaissance Agency, the landowner.

Investment Unit Price



* Based on Closing price (Source: Bloomberg)

Breakdown of Unitholders



*1 Percentages are rounded to the nearest 1/10 of a percent.

Major Unitholders

	The 10th Fiscal Period (Investment units outstanding : 101,400)			The 11th Fiscal Period (Investment units outstanding : 131,400)			The 12th Fiscal Period (Investment units outstanding : 131,400)		
	Unitholder	Units Held	%	Unitholder	Units Held	%	**Unitholder**	**Units Held**	**%**
1	Japan Trustee Services Bank, Ltd.	7,648	7.54%	Japan Trustee Services Bank, Ltd.	11,472	8.73%	NikkoCiti Trust and Banking Corporation	**11,392**	**8.66%**
2	NikkoCiti Trust and Banking Corporation	7,250	7.14%	NikkoCiti Trust and Banking Corporation	9,605	7.30%	Japan Trustee Services Bank, Ltd.	**9,156**	**6.96%**
3	The Master Trust Bank of Japan, Ltd.	7,091	6.99%	Trust & Custody Services Bank, Ltd.	7,252	5.51%	Trust & Custody Service Bank, Ltd.	**7,246**	**5.51%**
4	Trust & Custody Services Bank, Ltd.	5,628	5.55%	The Master Trust Bank of Japan, Ltd.	5,988	4.55%	THE FUJI FIRE AND MARINE INSURANCE COMPANY, LIMITED	**5,517**	**4.19%**
5	North Pcific Bank, LTD.	3,603	3.55%	North Pcific Bank, Ltd.	4,575	3.48%	The Master Trust Bank of Japan, Ltd.	**5,365**	**4.08%**
6	CGML-IPB CUSTOMER COLLATERAL ACCOUNT	3,550	3.50%	THE FUJI FIRE AND MARINA INSURANCE COMPANY, LIMITED	3,819	2.90%	MORGAN STANLEY & CO. INC	**4,735**	**3.60%**
7	The Nomura Trust and Banking Co., Ltd.	3,122	3.07%	MORGAN STANLEY & CO. INC	3,475	2.64%	North Pacific Bank, Ltd.	**4,525**	**3.44%**
8	The Chuo Mitsui Guarantee Co., Ltd.	2,243	2.21%	The Nomura Trust and Banking Co., Ltd.	3,198	2.43%	SIS SEGAINTERSETTLE AG	**3,375**	**2.56%**
9	Sumitomo Mitsui Banking Corporation	1,893	1.86%	Sumitomo Mitsui Banking Corporation	2,665	2.02%	The Nomura Trust and Banking Co., Ltd.	**2,946**	**2.24%**
10	The Yamanashi Chuo Bank, Ltd.	1,829	1.80%	SIS SEGA INTERSETTLE AG	2,580	1.96%	Sumitomo Mitsui Banking Corporation	**2,520**	**1.91%**
11	AIU Insurance Company	1,765	1.74%	CREDIT SUISSE FIRST BOSTON EUROPE PB SEC INT NON-TREATY CLIENT	2,382	1.81%	Trust & Custody Service Bank, Ltd.	**2,187**	**1.66%**
12	SIS SEGA INTERSETTLE AG	1,750	1.72%	BNY FOR GCM CLIENT ACCOUNTS(E) LRG ITIC	2,370	1.80%	The Gibraltar Life Insurance Co., Ltd.	**2,102**	**1.59%**
13	THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	1,669	1.64%	The Chuo Mitsui Guarantee Co., Ltd.	2,050	1.56%	The Chuo Mitsui Guarantee Co., Ltd.	**2,050**	**1.56%**
	AIG Star Life InsuranceCo., Ltd.	1,669	1.64%						
14				Trust & Custody Service Bank, Ltd.	2,005	1.52%	NORTHERN TRUST CO.(AVFC)SUB A/C AMERICAN CLIENTS	**1,889**	**1.43%**
15	GOLDMAN SACHS INTERNATIONAL	1,546	1.52%	GOLDMAN SACHS INTERNATIONAL	1,953	1.48%	GOLDMAN SACHS INTERNATIONAL	**1,875**	**1.42%**
16	UBS AG LONDON ASIA EQUITIES	1,419	1.39%	The Yamanashi Chuo Bank, Ltd.	1,829	1.39%	CREDIT SUISSE EUROPE PBSEC INT TREATY CLIENT	**1,807**	**1.37%**
17	The Joyo Bank, Ltd.	1,418	1.39%	AIU Insurance Company	1,765	1.34%	AIU INSURANCE COMPANY	**1,765**	**1.34%**
18	CBHK-KOREA SECURITIES DEPOSITORY	1,304	1.28%	Nomura Securities Co., Ltd.	1,745	1.32%	AIG Star Life InsuranceCo., Ltd.	**1,669**	**1.27%**
19	THE FUJI FIRE AND MARINA INSURANCE COMPANY, LIMITED	1,223	1.20%	AIG Star Life InsuranceCo., Ltd.	1,669	1.27%	CREDIT SUISSE SEC(EUROPE)LTD PB SEC INT NON-TR CLT	**1,470**	**1.11%**
20	Nomura Securities Co., Ltd.	1,117	1.10%	Nippon Tosho Fukyu Co., Ltd.	1,222	0.92%	Nippon Tosho Fukyu Co., LTD.	**1,222**	**0.92%**
		58,737	57.92%		73,619	56.02%		**74,813**	**56.93%**

*1 Percentages have been rounded to the third decimal place.

Property Portfolio Date

As of October 31, 2008

Property Name	Location	Acquisition Price (mm yen)	Appraisal as of 31-Oct-08 (mm yen)	Percentage of Portfolio	Acquisition Date	Completed	Building Age (Year)	Rentable Area (㎡)	PML	Property Management Company
Landic Shimbashi Building 1	Minato Ward, Tokyo	6,341	9,100	4.5%	Sep 2002	Jun 1982	26.4	5,593.24	10.6	R. A. Asset Management Inc.
Landic Shimbashi 2 Building	Minato Ward, Tokyo	7,045	11,000	5.1%	Sep 2002	Dec 1978	29.9	6,973.52	12.9	R. A. Asset Management Inc.
Fuji Building No.37	Shibuya Ward, Tokyo	1,727	2,780	1.2%	Sep 2002	Jun 1991	17.4	1,905.52	5.5	R. A. Asset Management Inc.
KN Shibuya No.3	Shibuya Ward, Tokyo	5,348	9,010	3.8%	Sep 2002	Feb 1993	15.8	5,824.31	10.6	R. A. Asset Management Inc.
Takadanobaba Center Building	Shinjuku Ward, Tokyo	5,118	7,040	3.7%	Sep 2002	May 1992	16.5	6,305.45	2.0	R. A. Asset Management Inc.
Rokubancho Building	Chiyoda Ward, Tokyo	7,860	10,600	5.6%	Mar 2004	Apr 1987	21.6	6,872.77	10.8	R. A. Asset Management Inc.
Ougaku Building	Chiyoda Ward, Tokyo	1,796	2,100	1.3%	Jun 2005	Mar 1988	20.7	2,098.64	14.2	Sanko Estate Co.,Ltd.
YS Kaigan Building	Minato Ward, Tokyo	5,100	5,810	3.7%	Jul 2007	Jan 1993	15.8	6,069.70	10.6	R. A. Asset Management Inc.
IPB Ochanomizu Building	Bunkyo Ward, Tokyo	1,456	1,730	1.0%	Sep 2002	Mar 1992	16.7	2,178.65	8.7	R. A. Asset Management Inc.
Premier Toyocho Building	Koto Ward, Tokyo	4,310	4,880	3.1%	May 2007	Oct 2006	2.1	3,857.04	13.6	R. A. Asset Management Inc.
Ueno TH Building	Bunkyo Ward, Tokyo	4,380	4,220	3.1%	Mar 2008	Dec 1985	22.9	4,395.65	12.8	Tozai Asset Management Co., Ltd.
Gotanda NT Building	Shinagawa Ward, Tokyo	4,100	4,010	2.9%	Mar 2008	Nov 1987	21.0	3,241.10	14.3	R. A. Asset Management Inc.
Nisso No.3 Building	Yokohama, Kanagawa	3,558	5,310	2.6%	Sep 2002	Apr 1986	22.6	5,435.92	10.2	R. A. Asset Management Inc.
The Kanagawa Science Park R&D Building	Kawasaki, Kanagawa	6,556	8,830	4.7%	Sep 2002	Jul 1989	19.3	15,064.82	10.4	KSP Community Inc.
Office Buildings : Subtotal		64,695	86,420	46.4%			19.9	75,816.33		
Park Axis Yotsuya stage	Shinjuku Ward, Tokyo	5,208	5,300	3.7%	Sep 2002	Nov 2001	7.0	6,732.18	7.4	Mitsui Fudosan Housing Lease Co., Ltd.
Park Axis Meiji-Jingumae	Shibuya Ward, Tokyo	2,604	2,350	1.9%	Sep 2002	Mar 2002	6.7	1,706.94	9.9	Mitsui Fudosan Housing Lease Co., Ltd.
Sun Palace Minami-Azabu	Minato Ward, Tokyo	1,150	1,080	0.8%	Sep 2002	Nov 1989	19.0	1,577.42	5.3	R. A. Asset Management Inc.
Cabin Arena Akasaka	Minato Ward, Tokyo	1,330	1,640	1.0%	Apr 2003	Nov 2002	6.0	1,378.02	10.1	R. A. Asset Management Inc.
Cabin Arena Minami-Aoyama	Minato Ward, Tokyo	1,070	1,260	0.8%	Sep 2003	Feb 2003	5.8	1,187.12	11.2	R. A. Asset Management Inc.
Bureau Kioicho	Chiyoda Ward, Tokyo	1,840	1,760	1.3%	Jul 2003	Nov 2002	6.0	1,728.98	11.6	—
Homat Woodville	Minato Ward, Tokyo	5,090	5,150	3.7%	Nov 2003	Aug 1988	20.3	5,793.93	7.4	R. A. Asset Management Inc.
Roppongi Green Terrace	Minato Ward, Tokyo	4,678	5,400	3.4%	Nov 2003	Oct 2002	6.1	5,748.89	10.3	Mitsui Fudosan Housing Lease Co., Ltd.
B-Site Shibakoen	Minato Ward, Tokyo	2,181	2,200	1.6%	Nov 2003	Feb 2003	5.8	2,312.75	11.5	—
Premierr Stage Nihonbashi Kayabacho	Chuo Ward, Tokyo	2,430	2,900	1.7%	May 2004	Feb 2004	4.8	3,455.68	11.7	Haseko Livenet, Inc.
Langue Tower Kyobashi	Chuo Ward, Tokyo	928	1,120	0.7%	Dec 2003	Feb 2003	5.8	1,216.10	12.5	R. A. Asset Management Inc.
Premier Stage Mita Keidaimae	Minato Ward, Tokyo	1,580	1,840	1.1%	Nov 2004	Nov 2004	4.0	1,597.73	14.3	Haseko Livenet, Inc.
Premier Rosso	Shibuya Ward, Tokyo	1,662	1,800	1.2%	Jan 2005	Nov 2004	4.0	1,878.60	14.0	R. A. Asset Management Inc.
Premier Blanc Yoyogikouen	Shibuya Ward, Tokyo	2,330	2,340	1.7%	Jul 2005	Jun 2005	3.4	2,336.95	13.1	R. A. Asset Management Inc.
Premier Stage Uchikanda	Chiyoda Ward, Tokyo	1,724	2,230	1.2%	Sep 2005	Aug 2005	3.3	2,040.19	13.8	Haseko Livenet, Inc.
Premier Stage Ichigayakawadacho	Shinjuku Ward, Tokyo	1,460	1,590	1.0%	Jul 2005	Jul 2005	3.3	1,655.66	13.1	R. A. Asset Management Inc.
Walk Akasaka	Minato Ward, Tokyo	2,043	2,190	1.5%	Jun 2005	Nov 2004	4.0	1,736.70	13.9	R. A. Asset Management Inc.
Premier Stage Shibakoen	Minato Ward, Tokyo	1,585	1,530	1.1%	Oct 2006	Sep 2006	2.2	1,759.89	16.1	R. A. Asset Management Inc.
MEW	Minato Ward, Tokyo	1,556	1,370	1.1%	Jul 2006	Aug 2005	3.3	1,551.65	13.9	R. A. Asset Management Inc.
Shibaura Island Air Tower	Minato Ward, Tokyo	7,590	8,140	5.4%	Dec 2007	Mar-07	1.7	13,092.43	11.2	Mitsui Fudosan Housing Lease Co., Ltd.
Storia Akasaka	Minato Ward, Tokyo	3,930	3,890	2.8%	May 2008	Dec 2002	3.9	3,988.86	11.7	Total Housing Corporation
Renai Shinjuku-Gyoen Tower	Shinjuku Ward, Tokyo	6,500	6,020	4.7%	May 2008	Dec 2002	3.9	6,555.04	7.2	Total Housing Corporation
B-Site Osaki	Shinagawa Ward, Tokyo	1,072	1,120	0.8%	Nov 2003	Dec 2002	5.9	1,319.52	12.1	—
Premier Garden Hongo	Bunkyo Ward, Tokyo	975	1,100	0.7%	Apr 2004	Mar 2002	6.7	1,573.87	12.1	R. A. Asset Management Inc.
Premier Grande Magome	Ota Ward, Tokyo	1,560	1,330	1.1%	Jun 2005	Feb 2005	3.7	2,378.13	15.7	Haseko Livenet, Inc.
Premier Nozze Yutenji	Setagaya Ward, Tokyo	1,525	1,490	1.1%	Mar 2006	Mar 2006	2.7	1,734.04	13.6	R. A. Asset Management Inc.
Across Yushima	Bunkyo Ward, Tokyo	1,803	1,790	1.3%	Sep 2006	Mar 2006	2.7	2,065.58	17.2	Across Co.,Ltd.
Premier Stage Komagome	Toshima Ward, Tokyo	1,830	1,800	1.3%	Feb 2007	Jan 2007	1.8	2,249.25	18.0	Meiho Properties Co., Ltd.
Premier Stage Otsuka	Toshima Ward, Tokyo	1,310	1,360	0.9%	Jun 2007	Aug 2006	2.3	1,644.64	22.5	Meiho Properties Co., Ltd.
Premier Stage Honjyo-Azumabashi	Sumida Ward, Tokyo	2,640	2,610	1.9%	Nov 2007	Nov 2007	1.0	3,465.00	14.7	Haseko Livenet, Inc.
Premier Stage Ryogoku	Sumida Ward, Tokyo	1,496	1,520	1.1%	Jun 2008	Mar 2008	0.7	2,215.68	12.8	Starts Amenity Co., Ltd.
Residential Properties : Subtotal		74,680	77,220	53.6%			4.8	89,677.42		
Portfolio Total		139,375	163,640	100.0%			11.8	165,493.75	**8.6**	

*1 We have up to now disclosed the PML value for Landic Shimbashi 2 Building as 12.8%, but have revised it to 12.9% after recalculation performed on May 1, 2008 since it was discovered that actual conditions partly differs from the completion diagram.
*2 The leasable space for Gotanda NT Building is the figure that corresponds to the co-ownership interests of the compartmentalized ownership interests owned by Premier, out of the whole building's leasable space.
*3 The leasable space for the Kanagawa Science Park R&D Building is the figure that corresponds to the co-ownership interests (27%) owned by Premier.
*4 Shibaura Island Air Tower is the collective name for 2 properties, which are the Air Tower (rental housing tower and entrance building) and the Air Terrace (retail building). The figure for the leasable space is the total of 2 properties, which corresponds to the co-ownership interests (23%) owned by Premier.

Rental Revenue and Expenses by Office Buildings - 1

(Millions of yen)

Office & Residence

	Landic Shimbashi Building 1		Landic Shimbashi 2 Building		Fuji Building No.37		KN Shibuya No.3		Takadanobaba Center Building	
Location	Minato Ward, Tokyo		Minato Ward, Tokyo		Shibuya Ward, Tokyo		Shibuya Ward, Tokyo		Shinjuku Ward, Tokyo	
Acquisition Price	6,341		7,045		1,727		5,348		5,118	
Book value as of Oct. 31, 2008	6,388		7,038		1,591		5,066		4,640	
Appraisal as of Oct. 31, 2008	9,100		11,000		2,780		9,010		7,040	
	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th
Working period (days)	184	182	184	182	184	182	184	182	184	182
Total income from rental operations …①	262	258	296	280	91	89	276	251	259	281
Income from rental operations	245	241	274	259	78	77	237	220	215	215
Rent	205	201	225	210	64	63	195	177	158	157
Fees for general services	40	40	49	49	13	13	42	42	57	58
Other income	17	16	21	20	12	11	39	31	43	65
Total expenses on rental operations …②	82	87	92	90	35	35	95	98	149	165
Taxes and duties	21	21	15	15	5	5	15	15	22	22
Expenses	35	40	45	44	14	14	48	51	73	89
Subcontracting fees	17	20	19	21	7	7	21	21	32	34
Utility charges	12	9	18	17	5	4	21	16	22	18
Insurance expenses	0	0	0	0	0	0	0	0	0	0
Maintenance expenses	1	6	2	1	0	1	1	9	14	31
Trust fees	3	3	3	3	0	0	2	2	2	2
Others	0	0	0	0	0	0	0	0	0	1
Depreciation	25	25	30	30	15	15	32	32	53	52
Net operating income (NOI) …③	206	196	235	220	71	69	213	184	162	168
Profit from rental operations …①-②	180	170	204	189	55	54	181	152	109	115
Capital expenditures …④	0	0	8	—	1	0	0	3	4	4
Net cash flow …③-④	205	195	226	220	69	69	212	181	158	164
Revised NOI	206	196	235	220	71	69	213	184	162	168
Annualized NOI yield (based on Book value)	6.5%	6.1%	6.7%	6.2%	8.9%	8.7%	8.4%	7.2%	7.0%	7.2%
Occupancy rate										
as of May. 31, 2008	100.0%		100.0%		100.0%		100.0%		100.0%	
as of Jun. 30, 2008	100.0%		100.0%		100.0%		100.0%		100.0%	
as of Jul. 31, 2008	100.0%		100.0%		100.0%		100.0%		91.1%	
as of Aug. 31, 2008	100.0%		100.0%		100.0%		100.0%		100.0%	
as of Sep. 30, 2008	100.0%		100.0%		100.0%		100.0%		100.0%	
as of Oct. 31, 2008	100.0%		100.0%		100.0%		100.0%		100.0%	

* Amounts less than one thousand yen for real estate rental income are rounded off. We have rounded the yield (which is the yield of revised NOI against the book value as of the end of each fiscal period) to the nearest first decimal place. We have rounded the book values to the nearest million yen. Furthermore, modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values.

Rental Revenue and Expenses by Office Buildings - 2

(Millions of yen)

Office & Residence

	Rokubancho Building		Ougaku Building		YS Kaigan Building		IPB Ochanomizu Building		Premier Toyocho Building	
Location	Chiyoda Ward, Tokyo		Chiyoda Ward, Tokyo		Minato Ward, Tokyo		Bunkyo Ward, Tokyo		Koto Ward, Tokyo	
Acquisition Price	7,860		1,796		5,100		1,456		4,310	
Book value as of Oct. 31, 2008	8,260		1,800		5,202		1,330		4,349	
Appraisal as of Oct. 31, 2008	10,600		2,100		5,810		1,730		4,880	
	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th
Working period (days)	184	182	184	182	184	182	184	182	184	182
Total income from rental operations …①			66	71	208	195	66	65	159	156
Income from rental operations			54	62	156	150	59	58	145	145
Rent			52	59	127	122	49	48	138	138
Fees for general services			1	3	29	28	10	10	6	6
Other income			12	9	52	44	7	6	14	11
Total expenses on rental operations …②			31	27	92	86	29	30	66	55
Taxes and duties			4	4	14	0	4	4	9	—
Expenses			17	13	49	57	12	13	22	20
Subcontracting fees			7	6	18	24	6	7	10	10
Utility charges			5	4	14	11	4	3	10	8
Insurance expenses			0	0	0	0	0	0	0	0
Maintenance expenses			4	1	13	18	0	0	—	—
Trust fees			0	0	1	1	0	0	1	1
Others			0	0	0	0	0	0	0	0
Depreciation			9	9	29	28	12	12	35	35
Net operating income (NOI) …③	269	268	44	53	145	137	49	47	128	135
Profit from rental operations …①-②	237	236	35	44	116	108	36	35	93	100
Capital expenditures …④	3	1	32	—	1	4	—	0	—	—
Net cash flow …③-④	266	267	11	53	143	132	49	47	128	135
Revised NOI	269	268	44	53	145	123	49	47	128	127
Annualized NOI yield (based on Book value)	6.5%	6.5%	5.0%	6.1%	5.6%	4.7%	7.5%	7.1%	5.9%	5.8%
Occupancy rate										
as of May. 31, 2008	100.0%		100.0%		100.0%		100.0%		100.0%	
as of Jun. 30, 2008	100.0%		85.3%		100.0%		100.0%		100.0%	
as of Jul. 31, 2008	100.0%		85.3%		100.0%		100.0%		100.0%	
as of Aug. 31, 2008	100.0%		85.3%		100.0%		100.0%		100.0%	
as of Sep. 30, 2008	100.0%		85.3%		100.0%		100.0%		100.0%	
as of Oct. 31, 2008	100.0%		85.3%		90.9%		100.0%		100.0%	

* Amounts less than one thousand yen for real estate rental income are rounded off. We have rounded the yield (which is the yield of revised NOI against the book value as of the end of each fiscal period) to the nearest first decimal place. We have rounded the book values to the nearest million yen. Furthermore, modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values. In addition, out of the list above, consent from tenants regarding disclosure of rents for Rokubancho Building have not been obtained and so details of the real estate rental income have not been disclosed.

Rental Revenue and Expenses by Office Buildings - 3

(Millions of yen)

Office & Residence

	Ueno TH Building		Gotanda NT Building		Nisso No.3 Building		The Kanagawa Science Park R&D Building	
Location	Bunkyo Ward, Tokyo		Shinagawa Ward, Tokyo		Yokohama, Kanagawa		Kawasaki, Kanagawa	
Acquisition Price	4,380百万円		4,100百万円		3,558百万円		6,556百万円	
Book value as of Oct. 31, 2008	4,564百万円		4,287百万円		3,549百万円		5,703百万円	
Appraisal as of Oct. 31, 2008	4,220百万円		4,010百万円		5,310百万円		8,830百万円	
	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th
Working period (days)	184	35	184	35	184	182	184	182
Total income from rental operations …①	149	27	133	23	192	202	541	519
Income from rental operations	134	25	111	21	150	157	430	426
Rent	102	19	90	17	119	124	278	274
Fees for general services	32	6	21	4	31	33	151	152
Other income	14	1	22	2	42	45	110	92
Total expenses on rental operations …②	56	10	48	5	71	76	272	262
Taxes and duties	—	—	—	—	10	10	36	36
Expenses	46	8	38	3	34	40	180	171
Subcontracting fees	8	1	11	1	18	20	68	64
Utility charges	14	2	8	1	13	11	100	86
Insurance expenses	0	0	0	0	0	0	1	1
Maintenance expenses	5	0	16	0	0	5	6	14
Trust fees	1	0	1	0	1	1	3	3
Others	16	4	0	0	0	0	0	0
Depreciation	9	1	10	2	26	26	55	54
Net operating income (NOI) …③	102	19	95	20	147	152	324	311
Profit from rental operations …①-②	93	17	85	18	121	126	269	256
Capital expenditures …④	16	—	30	—	8	10	—	9
Net cash flow …③-④	85	19	65	20	139	141	324	301
Revised NOI	93	84	87	91	147	152	324	311
Annualized NOI yield (based on Book value)	4.1%	3.7%	4.1%	4.3%	8.3%	8.5%	11.4%	10.8%
Occupancy rate								
as of May. 31, 2008	100.0%		100.0%		95.1%		97.6%	
as of Jun. 30, 2008	100.0%		100.0%		95.1%		95.5%	
as of Jul. 31, 2008	100.0%		100.0%		95.1%		98.2%	
as of Aug. 31, 2008	100.0%		100.0%		95.1%		98.2%	
as of Sep. 30, 2008	100.0%		100.0%		95.8%		99.1%	
as of Oct. 31, 2008	100.0%		100.0%		95.8%		99.0%	

* Amounts less than one thousand yen for real estate rental income are rounded off. We have rounded the yield (which is the yield of revised NOI against the book value as of the end of each fiscal period) to the nearest first decimal place. We have rounded the book values to the nearest million yen. Furthermore, modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values.

Rental Revenue and Expenses by Residential Properties - 1

(Millions of yen)

Office & Residence

	Park Axis Yotsuya stage		Park Axis Meiji-Jingumae		Sun Palace Minami-Azabu		Cabin Arena Akasaka		Cabin Arena Minami-Aoyama	
Location	Shinjuku Ward, Tokyo		Shibuya Ward, Tokyo		Minato Ward, Tokyo		Minato Ward, Tokyo		Minato Ward, Tokyo	
Acquisition Price	5,208		2,604		1,150		1,330		1,070	
Book value as of Oct. 31, 2008	4,947		2,585		1,120		1,289		1,021	
Appraisal as of Oct. 31, 2008	5,300		2,350		1,080		1,640		1,260	
	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th
Working period (days)	184	182	184	182	184	182	184	182	184	182
Total income from rental operations …①	167	172	67	68	40	40	47	46	34	40
Income from rental operations	152	152	60	63	39	39	45	43	31	37
Rent	152	152	60	63	39	39	45	43	31	37
Fees for general services	—	—	—	—	—	—	—	—	—	—
Other income	15	19	7	5	1	1	2	2	2	2
Total expenses on rental operations …②	73	78	22	20	21	65	16	18	19	17
Taxes and duties	8	8	2	1	2	2	1	1	1	1
Expenses	28	33	10	9	9	54	7	9	9	7
Subcontracting fees	20	22	6	6	5	6	4	7	4	5
Utility charges	1	1	2	1	1	1	0	0	0	0
Insurance expenses	0	0	0	0	0	0	0	0	0	0
Maintenance expenses	2	4	1	0	1	44	0	0	1	0
Trust fees	1	1	0	0	0	0	0	0	0	0
Others	2	3	0	0	0	0	0	0	2	0
Depreciation	36	36	8	8	9	9	7	7	8	8
Net operating income (NOI) …③	130	130	54	57	28	-15	38	35	23	30
Profit from rental operations …①-②	93	94	45	48	18	-24	30	27	14	22
Capital expenditures …④	2	—	—	—	3	2	—	1	0	—
Net cash flow …③-④	127	130	54	57	24	-18	38	33	22	30
Revised NOI	130	130	54	57	28	-15	38	35	23	30
Annualized NOI yield (based on Book value)	5.3%	5.2%	4.2%	4.4%	5.0%	—	6.0%	5.4%	4.5%	6.0%
Occupancy rate										
as of May. 31, 2008	94.4%		90.7%		100.0%		96.9%		82.5%	
as of Jun. 30, 2008	95.5%		88.2%		100.0%		96.9%		79.9%	
as of Jul. 31, 2008	95.4%		84.3%		92.7%		94.3%		77.3%	
as of Aug. 31, 2008	95.4%		84.2%		92.7%		94.3%		77.8%	
as of Sep. 30, 2008	95.0%		92.1%		92.7%		94.3%		73.5%	
as of Oct. 31, 2008	93.7%		88.8%		100.0%		97.4%		78.7%	

* Amounts less than one thousand yen for real estate rental income are rounded off. We have rounded the yield (which is the yield of revised NOI against the book value as of the end of each fiscal period) to the nearest first decimal place. We have rounded the book values to the nearest million yen. Furthermore, modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values.

Rental Revenue and Expenses by Residential Properties - 2

(Millions of yen)

Office & Residence

	Bureau Kioicho		Homat Woodville		Roppongi Green Terrace		B-Site Shibakoen		Premierr Stage Nihonbashi Kayabacho	
Location	Chiyoda Ward, Tokyo		Minato Ward, Tokyo		Minato Ward, Tokyo		Minato Ward, Tokyo		Chuo Ward, Tokyo	
Acquisition Price	1,840		5,090		4,678		2,181		2,430	
Book value as of Oct. 31, 2008	1,838		5,058		4,433		2,058		2,356	
Appraisal as of Oct. 31, 2008	1,760		5,150		5,400		2,200		2,900	
	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th
Working period (days)	184	182	184	182	184	182	184	182	184	182
Total income from rental operations …①	62	62	166	166	169	168	74	74	96	98
Income from rental operations	62	62	163	165	167	164	74	74	88	89
Rent	62	62	163	165	167	164	74	74	86	88
Fees for general services	—	—	—	—	—	—	—	—	1	1
Other income	—	—	3	0	1	4	—	—	8	9
Total expenses on rental operations …②	14	14	91	70	64	66	20	19	43	41
Taxes and duties	2	1	8	8	7	7	3	3	4	2
Expenses	1	1	52	33	25	28	1	1	17	17
Subcontracting fees	—	—	17	15	15	17	—	—	10	11
Utility charges	—	—	2	1	2	2	—	—	1	1
Insurance expenses	0	0	0	0	0	0	0	0	0	0
Maintenance expenses	0	—	28	11	3	5	—	—	2	1
Trust fees	0	0	2	2	2	2	1	1	1	1
Others	0	0	1	0	1	1	0	0	1	1
Depreciation	11	11	30	29	30	30	15	15	21	21
Net operating income (NOI) …③	58	59	105	124	135	132	69	69	75	79
Profit from rental operations …①-②	47	48	75	95	104	101	54	54	53	57
Capital expenditures …④	—	—	23	38	0	1	4	—	—	—
Net cash flow …③-④	58	59	81	86	134	130	65	69	75	79
Revised NOI	58	59	105	124	135	132	69	69	75	79
Annualized NOI yield (based on Book value)	6.4%	6.5%	4.2%	4.9%	6.1%	5.9%	6.8%	6.8%	6.4%	6.7%
Occupancy rate										
as of May. 31, 2008	100.0%		95.2%		95.9%		100.0%		96.6%	
as of Jun. 30, 2008	100.0%		95.0%		95.9%		100.0%		95.7%	
as of Jul. 31, 2008	100.0%		95.0%		88.9%		100.0%		95.0%	
as of Aug. 31, 2008	100.0%		95.0%		97.1%		100.0%		93.0%	
as of Sep. 30, 2008	100.0%		95.0%		97.1%		100.0%		92.3%	
as of Oct. 31, 2008	100.0%		95.0%		97.1%		100.0%		92.4%	

* Amounts less than one thousand yen for real estate rental income are rounded off. We have rounded the yield (which is the yield of revised NOI against the book value as of the end of each fiscal period) to the nearest first decimal place. We have rounded the book values to the nearest million yen. Furthermore, modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values.

Rental Revenue and Expenses by Residential Properties - 3

(Millions of yen)

Office & Residence

	Langue Tower Kyobashi		Premier Stage Mita Keidaimae		Premier Rosso		Premier Blanc Yoyogikouen		Premier Stage Uchikanda	
Location	Chuo Ward, Tokyo		Minato Ward, Tokyo		Shibuya Ward, Tokyo		Shibuya Ward, Tokyo		Chiyoda Ward, Tokyo	
Acquisition Price	927		1,580		1,662		2,330		1,723	
Book value as of Oct. 31, 2008	909		1,587		1,658		2,297		1,695	
Appraisal as of Oct. 31, 2008	1,120		1,840		1,800		2,340		2,230	
	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th
Working period (days)	184	182	184	182	184	182	184	182	184	182
Total income from rental operations …①	37	34	53	56	54	56	78	62	66	70
Income from rental operations	35	32	52	54	48	51	66	60	60	63
Rent	34	32	51	53	48	51	66	60	59	62
Fees for general services	0	0	0	0	—	—	—	—	0	0
Other income	2	1	1	1	6	4	12	1	6	6
Total expenses on rental operations …②	16	17	18	17	23	19	36	30	24	22
Taxes and duties	1	1	2	1	2	0	0	0	1	1
Expenses	7	8	7	6	11	8	18	12	12	10
Subcontracting fees	4	6	4	4	5	4	6	7	5	5
Utility charges	0	0	0	0	1	0	1	1	3	3
Insurance expenses	0	0	0	0	0	0	0	0	0	0
Maintenance expenses	1	0	0	0	2	0	1	0	1	0
Trust fees	0	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	9	1	0	0
Depreciation	7	7	8	8	10	10	17	17	10	10
Net operating income (NOI) …③	28	24	44	47	40	47	58	49	52	58
Profit from rental operations …①-②	20	16	35	39	30	36	41	32	41	47
Capital expenditures …④	—	2	—	—	—	—	—	—	—	—
Net cash flow …③-④	28	21	44	47	40	47	58	49	52	58
Revised NOI	28	24	44	47	40	47	58	49	52	58
Annualized NOI yield (based on Book value)	6.2%	5.3%	5.6%	6.0%	4.9%	5.7%	5.1%	4.3%	6.2%	6.8%
Occupancy rate										
as of May. 31, 2008	96.5%		91.5%		86.1%		97.0%		92.8%	
as of Jun. 30, 2008	93.1%		91.5%		94.6%		97.0%		89.5%	
as of Jul. 31, 2008	96.5%		93.4%		94.8%		92.9%		95.0%	
as of Aug. 31, 2008	95.0%		93.4%		86.4%		90.8%		92.8%	
as of Sep. 30, 2008	95.0%		93.1%		88.6%		87.5%		87.0%	
as of Oct. 31, 2008	91.8%		93.1%		86.4%		86.3%		88.6%	

* Amounts less than one thousand yen for real estate rental income are rounded off. We have rounded the yield (which is the yield of revised NOI against the book value as of the end of each fiscal period) to the nearest first decimal place. We have rounded the book values to the nearest million yen. Furthermore, modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values.

Rental Revenue and Expenses by Residential Properties - 4

(Millions of yen)

Office & Residence

	Premier Stage Ichigayakawadacho		Walk Akasaka		Premier Stage Shibakoen		MEW		Shibaura Island Air Tower	
Location	Shinjuku Ward, Tokyo		Minato Ward, Tokyo		Minato Ward, Tokyo		Minato Ward, Tokyo		Minato Ward, Tokyo	
Acquisition Price	1,460		2,043		1,585		1,556		7,590	
Book value as of Oct. 31, 2008	1,466		1,966		1,631		1,581		7,963	
Appraisal as of Oct. 31, 2008	1,590		2,190		1,530		1,370		8,140	
	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th
Working period (days)	184	182	184	182	184	182	184	182	184	149
Total income from rental operations …①	45	48	61	66	43	43	38	46	359	299
Income from rental operations	43	44	57	63	42	43	34	37	326	274
Rent	43	44	57	63	42	43	34	37	324	272
Fees for general services	—	0	—	—	—	—	—	—	2	2
Other income	1	3	4	3	1	0	4	8	32	24
Total expenses on rental operations …②	17	19	28	25	16	15	19	22	197	156
Taxes and duties	1	1	2	1	0	0	0	0	4	—
Expenses	6	8	10	7	8	6	6	9	98	78
Subcontracting fees	3	4	5	5	4	4	3	4	47	37
Utility charges	0	0	0	0	0	0	0	0	9	5
Insurance expenses	0	0	0	0	0	0	0	0	1	0
Maintenance expenses	0	1	1	0	0	0	0	3	1	0
Trust fees	0	0	0	0	0	0	0	0	0	0
Others	1	0	1	0	1	0	0	0	38	32
Depreciation	9	10	16	16	8	8	12	12	95	78
Net operating income (NOI) …③	37	38	49	57	34	36	31	36	256	221
Profit from rental operations …①-②	27	28	33	41	26	27	18	23	161	143
Capital expenditures …④	—	—	0	—	—	—	0	—	1	—
Net cash flow …③-④	37	38	49	57	34	36	30	36	255	221
Revised NOI	37	38	49	57	34	36	31	36	256	265
Annualized NOI yield (based on Book value)	5.1%	5.2%	5.0%	5.8%	4.2%	4.4%	3.9%	4.6%	6.5%	6.6%
Occupancy rate										
as of May. 31, 2008	90.3%		94.1%		90.8%		89.8%		96.7%	
as of Jun. 30, 2008	90.3%		89.5%		88.5%		85.0%		96.8%	
as of Jul. 31, 2008	90.3%		94.1%		90.7%		80.2%		96.7%	
as of Aug. 31, 2008	91.0%		94.1%		86.0%		84.9%		96.7%	
as of Sep. 30, 2008	87.6%		82.3%		88.4%		84.9%		94.5%	
as of Oct. 31, 2008	87.6%		76.4%		81.8%		84.9%		91.9%	

* Amounts less than one thousand yen for real estate rental income are rounded off. We have rounded the yield (which is the yield of revised NOI against the book value as of the end of each fiscal period) to the nearest first decimal place. We have rounded the book values to the nearest million yen. Furthermore, modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values.

Rental Revenue and Expenses by Residential Properties - 5

(Millions of yen)

Office & Residence

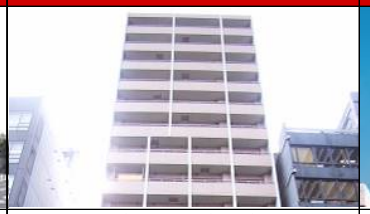
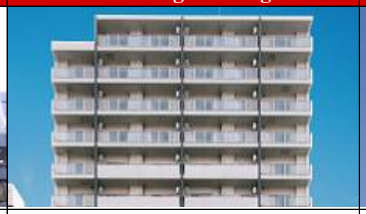
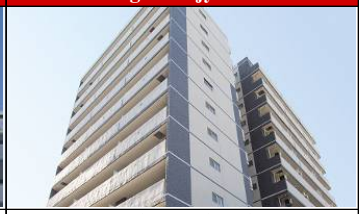
	Storia Akasaka		Renai Shinjuku-Gyoen Tower		B-Site Osaki		Premier Garden Hongo		Premier Grande Magome	
Location	Minato Ward, Tokyo		Shinjuku Ward, Tokyo		Shinagawa Ward, Tokyo		Bunkyo Ward, Tokyo		Ota Ward, Tokyo	
Acquisition Price	3,930		6,500		1,072		975		1,560	
Book value as of Oct. 31, 2008	4,081		6,769		1,003		998		1,507	
Appraisal as of Oct. 31, 2008	3,890		6,020		1,120		1,100		1,330	
	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th
Working period (days)	163		163		184	182	184	182	184	182
Total income from rental operations …①	92		175		39	39	35	35	43	47
Income from rental operations	86		159		39	39	31	34	39	41
Rent	86		159		39	39	31	34	38	40
Fees for general services	—		—		—	—	—	—	1	1
Other income	6		15		—	0	4	0	3	5
Total expenses on rental operations …②	33		81		10	10	14	9	20	20
Taxes and duties	—		—		1	1	2	1	0	0
Expenses	16		43		0	0	9	4	8	8
Subcontracting fees	11		33		—	—	4	3	4	5
Utility charges	1		3		—	—	0	0	0	0
Insurance expenses	0		0		0	0	0	0	0	0
Maintenance expenses	1		3		0	0	3	0	1	0
Trust fees	0		1		0	0	0	0	0	0
Others	0		0		0	0	0	0	1	1
Depreciation	16		38		8	8	3	3	11	11
Net operating income (NOI) …③	76		131		37	37	24	28	34	37
Profit from rental operations …①-②	59		93		28	28	20	25	22	26
Capital expenditures …④	—		—		—	—	0	—	—	—
Net cash flow …③-④	76		131		37	37	23	28	34	37
Revised NOI	84		144		37	37	24	28	34	37
Annualized NOI yield (based on Book value)	4.1%		4.3%		7.4%	7.4%	4.8%	5.7%	4.5%	4.9%
Occupancy rate										
as of May. 31, 2008	89.4%		88.5%		100.0%		79.5%		97.4%	
as of Jun. 30, 2008	89.4%		90.5%		100.0%		86.3%		91.0%	
as of Jul. 31, 2008	89.4%		89.7%		100.0%		93.1%		88.0%	
as of Aug. 31, 2008	89.3%		88.2%		100.0%		93.1%		87.7%	
as of Sep. 30, 2008	91.4%		87.4%		100.0%		93.1%		91.0%	
as of Oct. 31, 2008	94.8%		92.6%		100.0%		93.1%		93.6%	

* Amounts less than one thousand yen for real estate rental income are rounded off. We have rounded the yield (which is the yield of revised NOI against the book value as of the end of each fiscal period) to the nearest first decimal place. We have rounded the book values to the nearest million yen. Furthermore, modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values.

Rental Revenue and Expenses by Residential Properties - 6

(Millions of yen)

Office & Residence

	Premier Nozze Yutenji		Across Yushima		Premier Stage Komagome		Premier Stage Otsuka		Premier Stage Honjyo-Azumabashi	
										
Location	Setagaya Ward, Tokyo		Bunkyo Ward, Tokyo		Toshima Ward, Tokyo		Toshima Ward, Tokyo		Sumida Ward, Tokyo	
Acquisition Price	1,525		1,803		1,830		1,310		2,640	
Book value as of Oct. 31, 2008	1,579		1,776		1,817		1,348		2,772	
Appraisal as of Oct. 31, 2008	1,490		1,790		1,800		1,360		2,610	
	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th	The 12th	The 11th
Working period (days)	184	182	184	182	184	182	184	182	184	152
Total income from rental operations …①	45	45	55	57	53	55	45	44	77	38
Income from rental operations	41	41	51	54	51	53	41	43	75	18
Rent	41	41	47	50	49	50	40	41	69	17
Fees for general services	—	—	3	3	2	2	1	1	5	1
Other income	4	3	4	3	1	2	3	0	2	19
Total expenses on rental operations …②	17	18	26	25	24	23	19	16	34	38
Taxes and duties	0	0	1	1	1	—	1	—	2	—
Expenses	6	6	11	9	7	7	7	5	8	18
Subcontracting fees	4	4	7	6	5	4	4	3	5	12
Utility charges	0	0	0	0	0	0	0	0	0	0
Insurance expenses	0	0	0	0	0	0	0	0	0	0
Maintenance expenses	1	1	1	1	0	0	0	0	0	0
Trust fees	0	0	0	0	0	0	0	0	1	1
Others	0	0	1	0	0	0	0	0	1	3
Depreciation	10	10	14	14	15	15	10	10	23	19
Net operating income (NOI) …③	38	37	43	46	43	48	36	38	66	19
Profit from rental operations …①-②	27	27	28	32	28	32	25	27	43	0
Capital expenditures …④	—	—	—	—	—	—	0	—	—	—
Net cash flow …③-④	38	37	43	46	43	48	36	38	66	19
Revised NOI	38	37	43	46	43	48	36	38	66	20
Annualized NOI yield (based on Book value)	4.8%	4.8%	4.9%	5.2%	4.8%	5.1%	5.4%	5.6%	4.8%	1.4%
Occupancy rate										
as of May. 31, 2008	94.4%		85.3%		92.6%		97.2%		92.6%	
as of Jun. 30, 2008	88.5%		88.8%		91.3%		97.2%		92.0%	
as of Jul. 31, 2008	91.9%		90.9%		91.3%		92.7%		92.6%	
as of Aug. 31, 2008	91.9%		93.1%		94.7%		91.2%		93.8%	
as of Sep. 30, 2008	97.6%		89.7%		100.0%		89.5%		93.2%	
as of Oct. 31, 2008	97.6%		89.7%		100.0%		92.4%		93.2%	

* Amounts less than one thousand yen for real estate rental income are rounded off. We have rounded the yield (which is the yield of revised NOI against the book value as of the end of each fiscal period) to the nearest first decimal place. We have rounded the book values to the nearest million yen. Furthermore, modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values.

Rental Revenue and Expenses by Residential Properties - 7

(Millions of yen)

Office & Residence

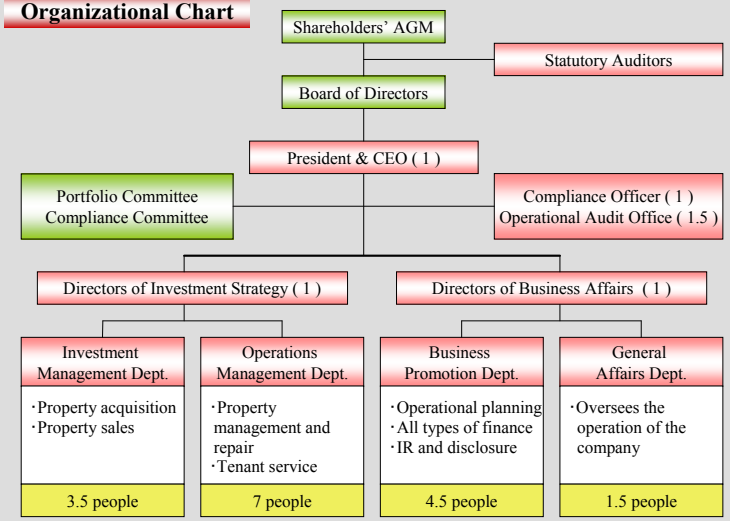
	Premier Stage Ryogoku	
Location	Sumida Ward, Tokyo	
Acquisition Price	1,496	
Book value as of Oct. 31, 2008	1,528	
Appraisal as of Oct. 31, 2008	1,520	
	The 12th	The 11th
Working period (days)	124	
Total income from rental operations …①	16	
Income from rental operations	8	
Rent	7	
Fees for general services	0	
Other income	8	
Total expenses on rental operations …②	21	
Taxes and duties	—	
Expenses	12	
Subcontracting fees	9	
Utility charges	0	
Insurance expenses	0	
Maintenance expenses	—	
Trust fees	0	
Others	1	
Depreciation	9	
Net operating income (NOI) …③	4	
Profit from rental operations …①-②	-5	
Capital expenditures …④	—	
Net cash flow …③-④	4	
Revised NOI	5	
Annualized NOI yield (based on Book value)	0.7%	
Occupancy rate		
as of May. 31, 2008	—	
as of Jun. 30, 2008	0.0%	
as of Jul. 31, 2008	6.8%	
as of Aug. 31, 2008	25.1%	
as of Sep. 30, 2008	42.9%	
as of Oct. 31, 2008	52.1%	

* Amounts less than one thousand yen for real estate rental income are rounded off. We have rounded the yield (which is the yield of revised NOI against the book value as of the end of each fiscal period) to the nearest first decimal place. We have rounded the book values to the nearest million yen. Furthermore, modified NOI refers to net operating income (NOI) calculated by modifying the special factors (such as assetization of real estate taxes (unrecorded expenses) when acquiring property or the number of tax payments) of the NOI of the relevant fiscal period into theoretical values.

Asset Management Company

Premier REIT Advisors Co., Ltd.

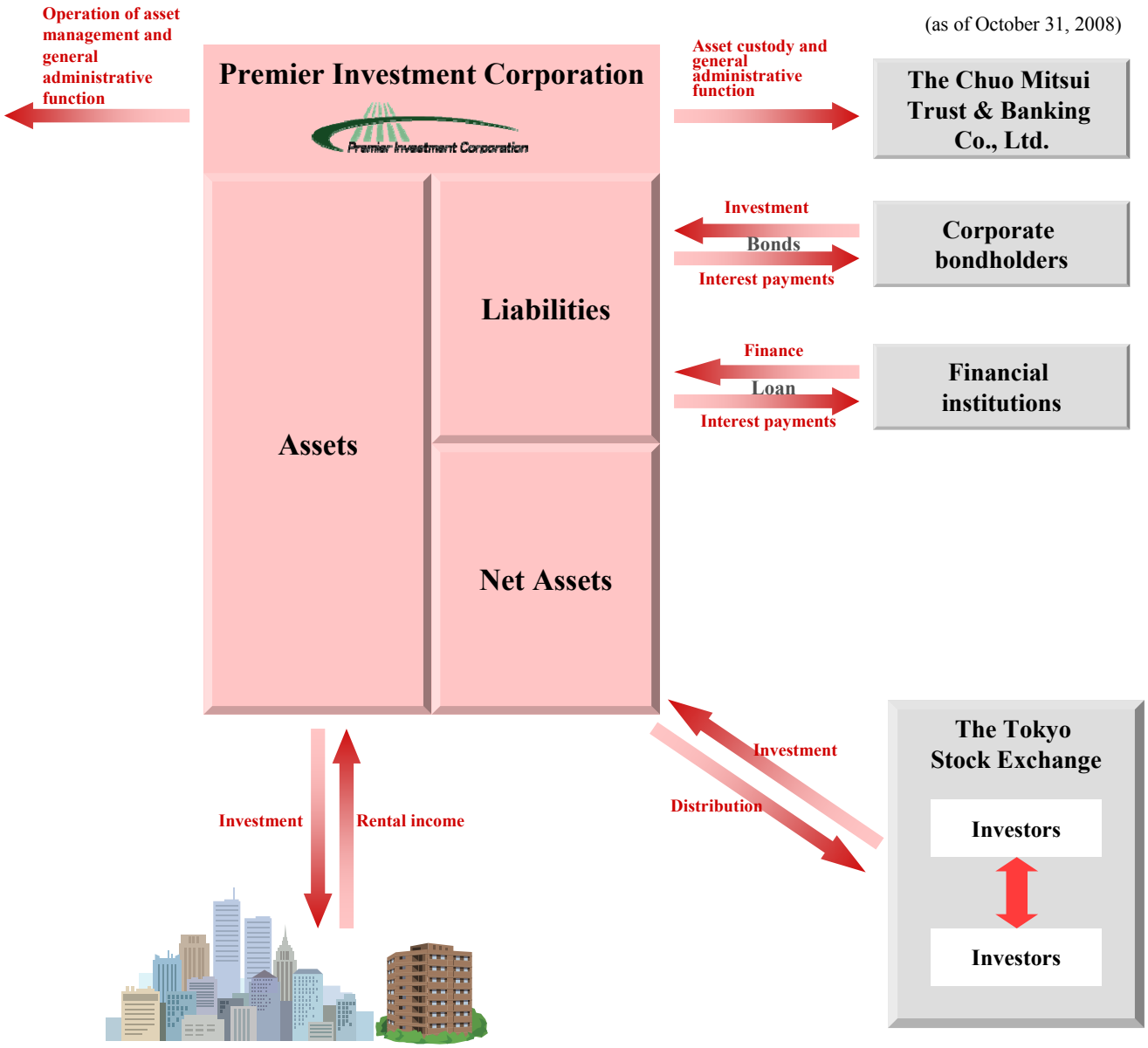
Organizational Chart



Composition of Shareholders

Company Name	Share
Ken Corporation Ltd.	35.0%
■Top brand for upscale residence operations in the Tokyo Economic Bloc ■Proven history managing a wealth of property for foreign funds	
SOHGOH REAL ESTATE Group	35.0%
■Many achievements of the condominium development ■Performance of total solution business from development to managing for funds	
The Chuo Mitsui Trust Group	19.9%
■Leading structured finance history among Japanese banks ■Performance as a leading broker in the real estate industry	
Other	10.1%
Total	100.0%

(as of October 31, 2008)



Investment Policies - Area

Existing potential tenant needs

- Population presently returning to the center of Tokyo
- Ratio of owned housing declining while demand for rental housing is increasing
- Centralization of societal function

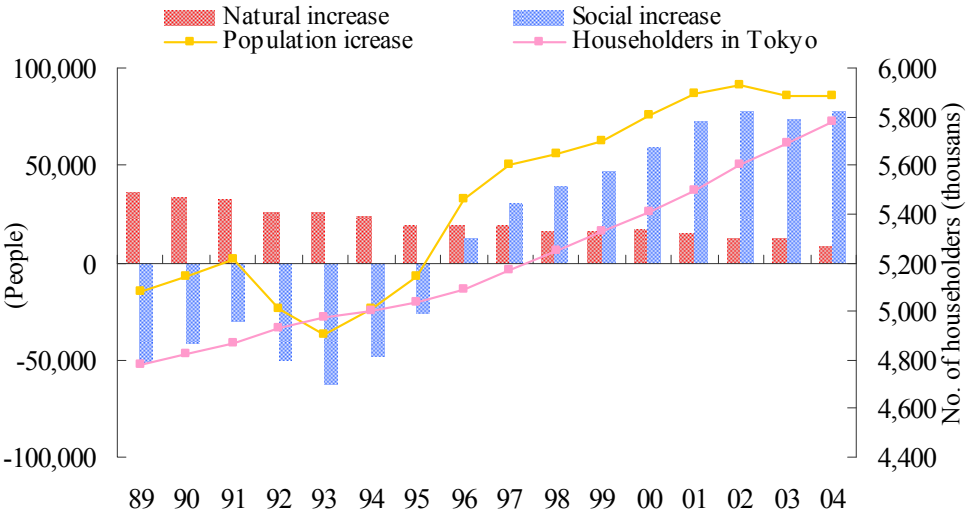
Creation of Stable Cash Flows

Concentrating the investment area heightens property management efficiency

- Management via a small number of staff has realized lower management fees
- Standardize property management practices and fees

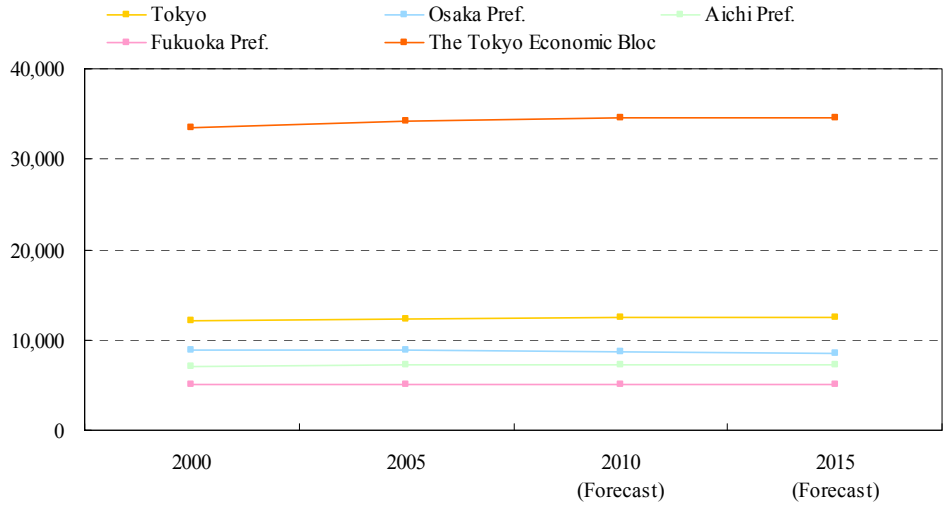
Management Specialized in Tokyo Economic Bloc Properties

*1 Factors influencing population in the Tokyo area



Source : Ministry of Internal Affairs and Communications, Japan

Population forecasts for major metropolitan areas



Source : National Institute of Population and Social Security Research paper on national population trends (March 2002).

*1 The natural increase for the population is the disparity between the number of births and deaths, while the social increase is the difference between those moving out of a local government jurisdiction and those moving into said jurisdiction.

Investment Policies - Asset Type

Advantages of Diversified Management

- The combination of properties with a low correlation to rent market fluctuation lowers the impact of the economic cycle
- Diversified tenants with different characteristics – such as corporations and individuals

Office Buildings

Profitability

Tenant demand and rent trends are more likely to be impacted by economic trends such as changes in the business climate

→ **Beneficial in times of economic recovery**

+

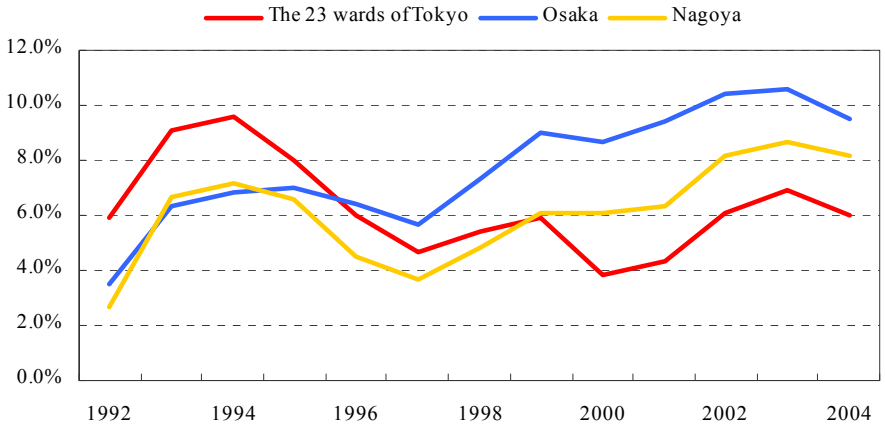
Residential Properties

Stability

Tenant demand and rent trends tend to be resistant to fluctuations in economic and social conditions

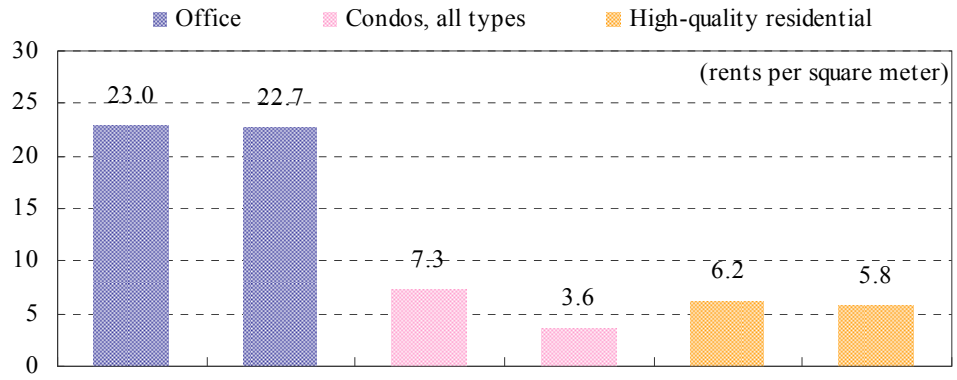
→ **Beneficial in times of recession**

***1 Office building vacancy rates in the three major metropolitan areas**



Source : OFFICE MARKET REPORT (2005 edition) published by Ikoma CB Richard Ellis

Standard deviation in indices of rents per m²



Source : Office - OFFICE MARKET REPORT (2005 edition) published by Ikoma CB Richard Ellis
Condos, all - Compiled by STB Research Institute (using data provided by the At Home Center)
High quality residential - KEN Data Press published by Ken Real Estate Investment Advisors Ltd.

*1 The vacancy is the ratio of the vacant area to the total leasing area of buildings within the target study area as of December of each year.

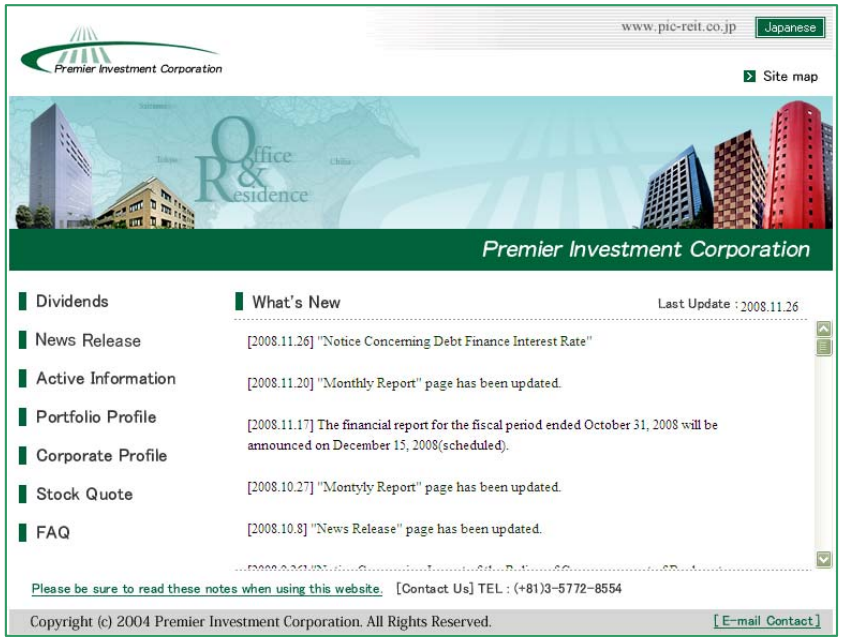
Information Disclosure

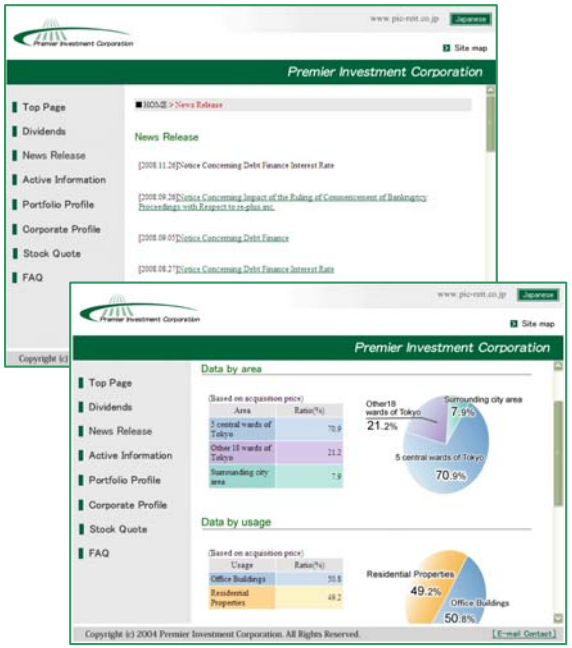
URL : **http://www.pic-reit.co.jp/**

Besides the Corporate Profile, the website of Premier Investment Corporation discloses the contents such as:

- the latest news releases
- various legally required disclosure materials, such as financial reports, etc.
- content of portfolio and overviews of individual properties (photos, maps, etc.)
- information of monthly occupancy rates of the portfolio

and we would like to make further enhancements in the future.





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