

# **Presentation of the 23rd Fiscal Period Financial Results**

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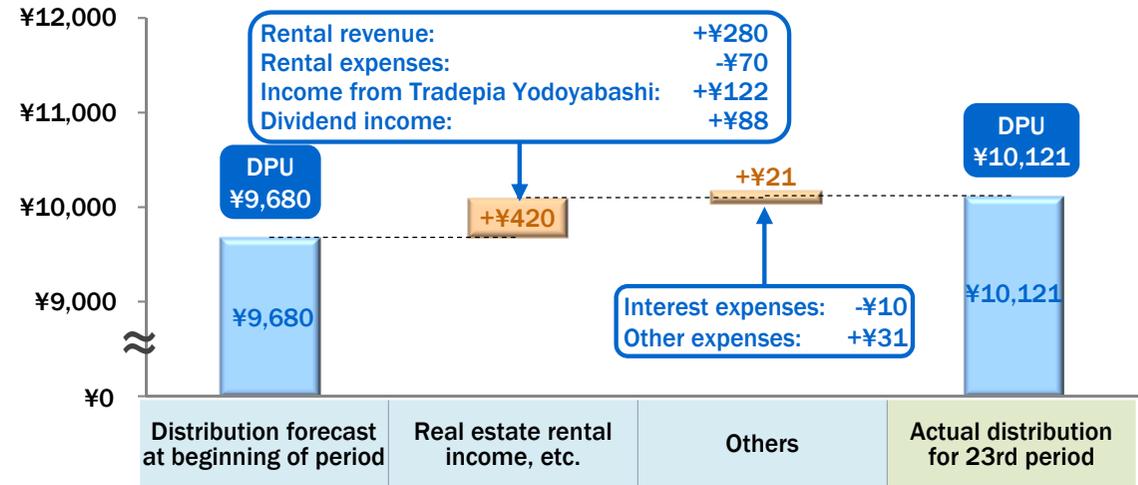
# **23rd Fiscal Period Financial Results**

# Performance Overview for the 23rd Fiscal Period

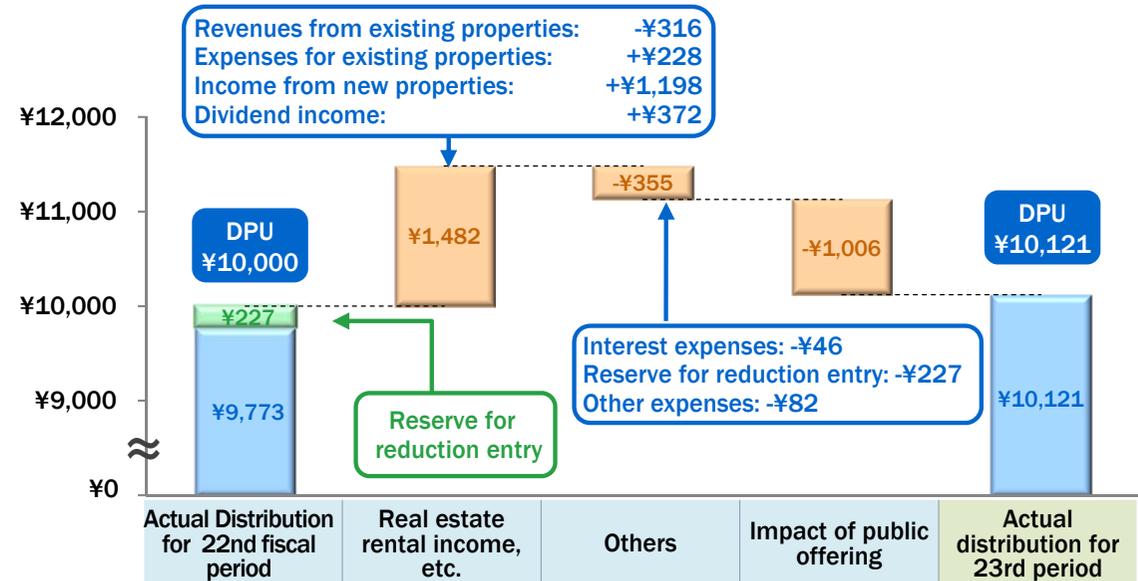
	23rd fiscal period			22nd fiscal period	
	Forecast [1]	Results [2]	Change [2]-[1]	Results [3]	Change [2]-[3]
Operating revenue (million yen)	6,573	6,680	107	6,213	466
Operating expenses (million yen)	3,737	3,746	8	3,580	165
Operating income (million yen)	2,835	2,934	98	2,633	300
Ordinary income (million yen)	2,118	2,215	97	1,924	291
Net income (million yen)	2,117	2,213	96	1,922	291
Reversal of reserve for reduction entry (million yen)	-	-	-	44	-44
Distribution per unit (yen)	9,680	10,121	441	10,000	121
Real estate rental income (million yen)	2,950	3,023	72	2,780	242
Rental NOI (million yen)	4,142	4,216	74	3,924	291
No. of investment properties	57	58	1	55	3

## Analysis of Distribution per Unit

### Difference between Forecast and Actual Distribution



### Difference from Distribution for the 22nd Fiscal Period



## Acquisition of Assets in the 23rd Fiscal Period

- PIC conducted asset acquisition of 4 properties totaling 25 billion yen in the 23rd fiscal period. The NOI yield of the acquired assets surpasses that of the existing portfolio.
- Tradepia Yodobayashi is a land in Osaka, with a leasehold agreement concluded with NTT Urban Development.

	Granpark	Akihabara UDX *1	Urbancourt Ichigaya	Tradepia Yodoyabashi (land)	
					
Asset type	Office buildings	Office building	Residential properties	Office building	
Seller	NTT Urban Development	NTT Urban Development	NTT Urban Development	NTT Urban Development	
Type of ownership	Approximately 13% quasi co-ownership interest	Additional acquisition of 14,100 units (5%) of the preferred securities Equity interest totaling 19% after the additional acquisition	Fee simple ownership	Fee simple ownership of land Standard leasehold right with a contract period of 30 years established with the building owner (NTT Urban Development)	
Acquisition date	November 8, 2013	November 8, 2013	November 8, 2013	March 31, 2014	
Acquisition price	11,490 million yen	5,640 million yen	1,385 million yen	6,500 million yen	
Appraisal value upon acquisition	11,600 million yen	—	1,400 million yen	6,540 million yen	
Location	Minato Ward, Tokyo	Chiyoda Ward, Tokyo	Shinjuku Ward, Tokyo	Chuo Ward, Osaka City	
Area	Site	16,449m <sup>2</sup>	11,548m <sup>2</sup>	2,277m <sup>2</sup>	6,517m <sup>2</sup>
	Total floor space	160,042m <sup>2</sup>	155,629m <sup>2</sup>	3,662m <sup>2</sup>	—
Occupancy rate at end of period	78.4%	—	86.2%	100.0%	
Appraisal NOI yield	4.7%	—	5.7%	4.0%	

\*1 The location and area of Akihabara UDX show the outline of the underlying property for the preferred securities that PIC acquired.

## [Reference] Sale of Assets in the 24th Fiscal Period

- PIC sold 2 properties totaling 8.5 billion yen in the 24th fiscal period, conducting asset replacement in the portfolio.
- The rental NOI yield of the 2 properties that were sold stood at 3.2% in the 23rd fiscal period.



Asset type		Office buildings	Office building
Buyer		NTT Urban Development	Juntendo University
Transaction date		May 8, 2014	May 20, 2014
Transaction price		6,915 million yen	1,570 million yen
Appraisal value at transaction date		6,320 million yen	1,240 million yen
Capital gain (or loss)		8 million yen	206 million yen
Location		Chiyoda Ward, Tokyo	Bunkyo Ward, Tokyo
Area	Site	1,291m <sup>2</sup>	460m <sup>2</sup>
	Total floor space	9,756m <sup>2</sup>	2,314m <sup>2</sup>
Occupancy rate (end of 23rd fiscal period)		72.2%	100.0%
Rental NOI yield (23rd fiscal period)		2.8%	5.4%
Use of proceeds from transfer		The proceeds were used to partially repay the 4 loans that matured on May 9 through May 22, 2014 (9,187million yen in total)	

### Iwamotocho Bldg.

- Sold a 40-year-old office building to NTT Urban Development
- Conducted the first two-way transaction with NTT Urban Development

### IPB Ochanomizu Bldg.

- Sold a small-size property for which PIC had sectional ownership interest
- Part of the gains from sale (estimated to total 206 million yen) is recorded as reserve for reduction entry

# Status of the Portfolio

	22nd fiscal period (Results)	23rd fiscal period (Results)	24th fiscal period (Forecast)	
No. of properties	55	58 One of the properties represents additional acquisition	56	
Asset size (total acquisition price)	199.4 billion yen	224.4 billion yen	216.3 billion yen	
Average portfolio age	18.2 years	18.7 years	18.4 years	
Portfolio NOI yield	4.0%	4.1%	4.1%	
Portfolio yield after depreciation	2.8%	2.9%	2.9%	
Investment ratio of portfolio	<b>By asset type</b> <ul style="list-style-type: none"> <li>Office Buildings</li> <li>Residential Properties</li> </ul>			
	<b>By area</b> <ul style="list-style-type: none"> <li>5 Central Wards of Tokyo</li> <li>Other 18 Wards of Tokyo</li> <li>Surrounding City Areas</li> <li>Major Regional Cities</li> </ul>			
	<b>By building age</b> <ul style="list-style-type: none"> <li>15 years or less</li> <li>More than 15 years</li> </ul>			
	<b>By acquisition pipeline</b> <ul style="list-style-type: none"> <li>Sponsor Support</li> <li>Others</li> </ul>			

# Management Results and Financial Operations

- The average occupancy rate improved both for office buildings and residential properties.
- The portfolio NOI yield also increased.
- PIC issued investment corporation bonds to realize low-cost fund procurement.
- LTV (interest-bearing liabilities ratio) decreased in the 24th fiscal period.

## Period-Average Occupancy rate

	22nd fiscal period	23rd fiscal period	
		Results	Forecast
Office buildings	88.9%	89.8%	89.1%
Residential properties	93.2%	93.6%	93.4%
Total	90.9%	91.5%	91.0%

## Portfolio NOI yield

	22nd fiscal period	23rd fiscal period	
		Results	Period-on-period change
Office buildings	4.1%	4.2%	0.1%
Residential properties	3.9%	4.1%	0.2%
Total	4.0%	4.1%	0.1%

## Borrowings

	Repaid loans *1	Borrowed loans
Amount	5,600 million yen	16,900 million yen
Average interest rate *2	0.98%	0.44%
Average loan period	1.9 years	1.6 years

## Issuance of Corporate Bonds

	Unsecured Bond No.5	Unsecured Bond No.6
Amount	2,500 million yen	2,500 million yen
Issuance and redemption dates	March 6, 2014	March 6, 2014
Term to maturity	5 years	7 years
Interest rate	0.45%	0.72%
Spread (against LIBOR)	0.09%	0.19%

## LTV and Average Number of Years Remaining

	22nd fiscal period	23rd fiscal period	24th fiscal period (Forecast)
LTV (Interest-bearing liabilities ratio)	55.8%	57.0%	55.1%
Average number of years remaining of interest-bearing liabilities	2.5 years	2.1 years	2.2 years

\*1 The amount of repayment as agreed upon is excluded.

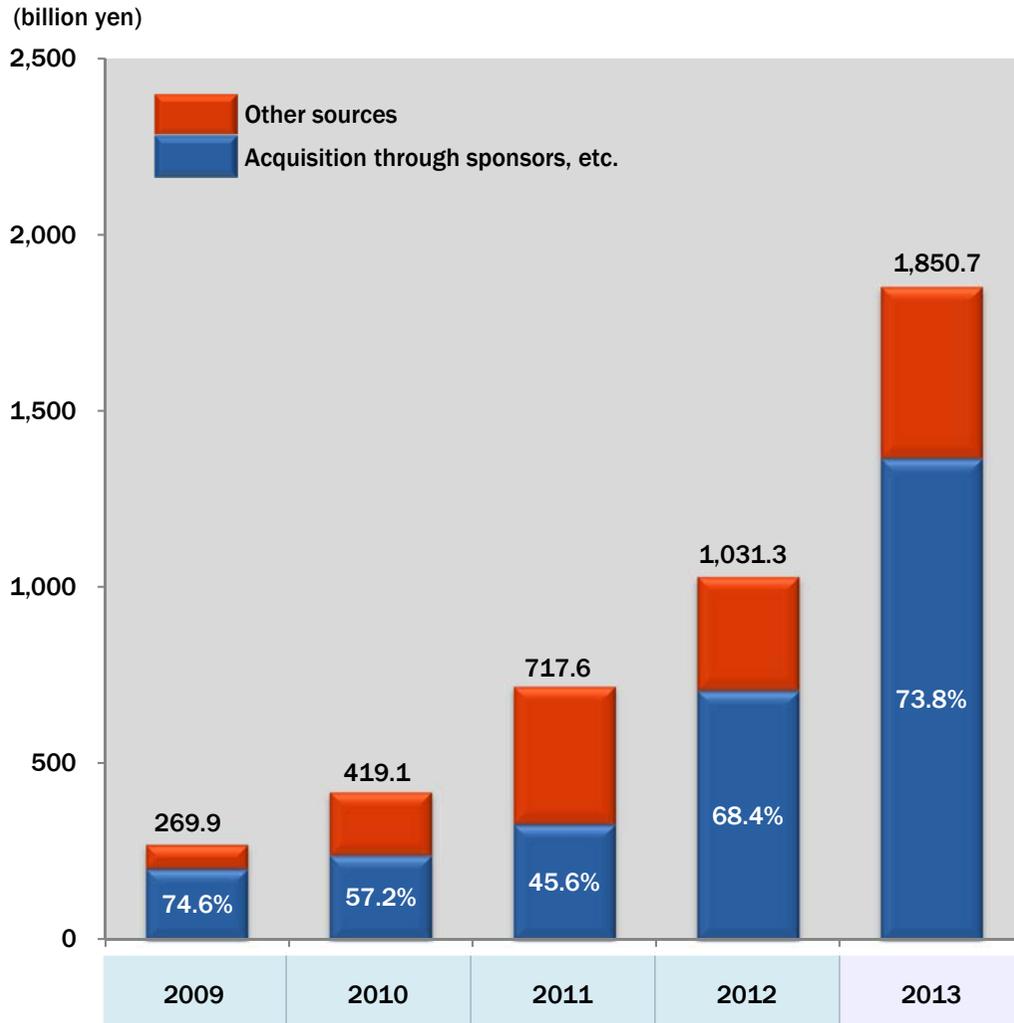
\*2 In calculating the average interest rate for borrowings with floating interest rates, the applicable interest rates upon repayment dates are used for repaid loans, and the applicable interest rates upon borrowing are used for borrowed loans, respectively.

# Expansion of Asset Size

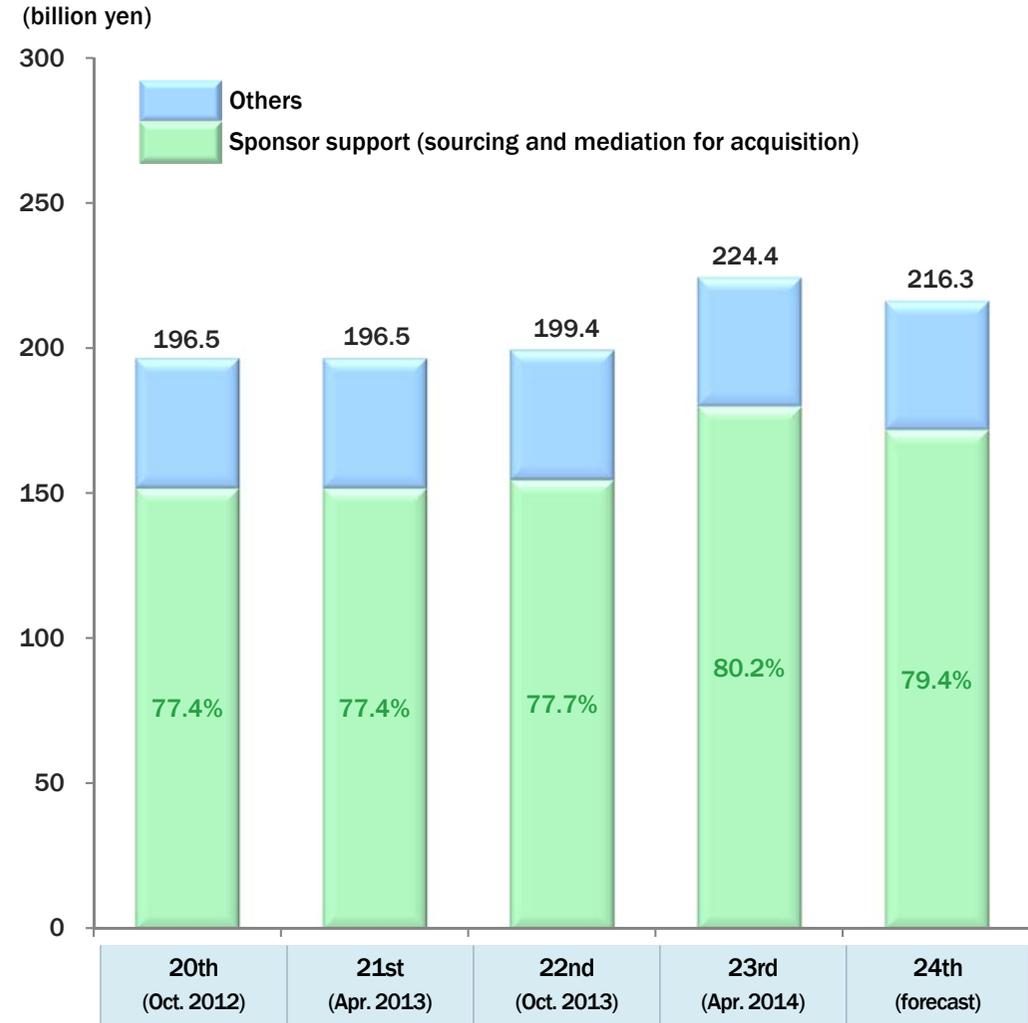
■ Property acquisitions by J-REITs totaled approximately 1.9 trillion yen in 2013, reaching a record high.  
 More than 70% of the acquisitions were sourced from their sponsors, etc.

■ Most of PIC's property acquisitions have been achieved through sponsor support.

Status of Property Acquisitions by J-REITs \*1



Asset Size of PIC

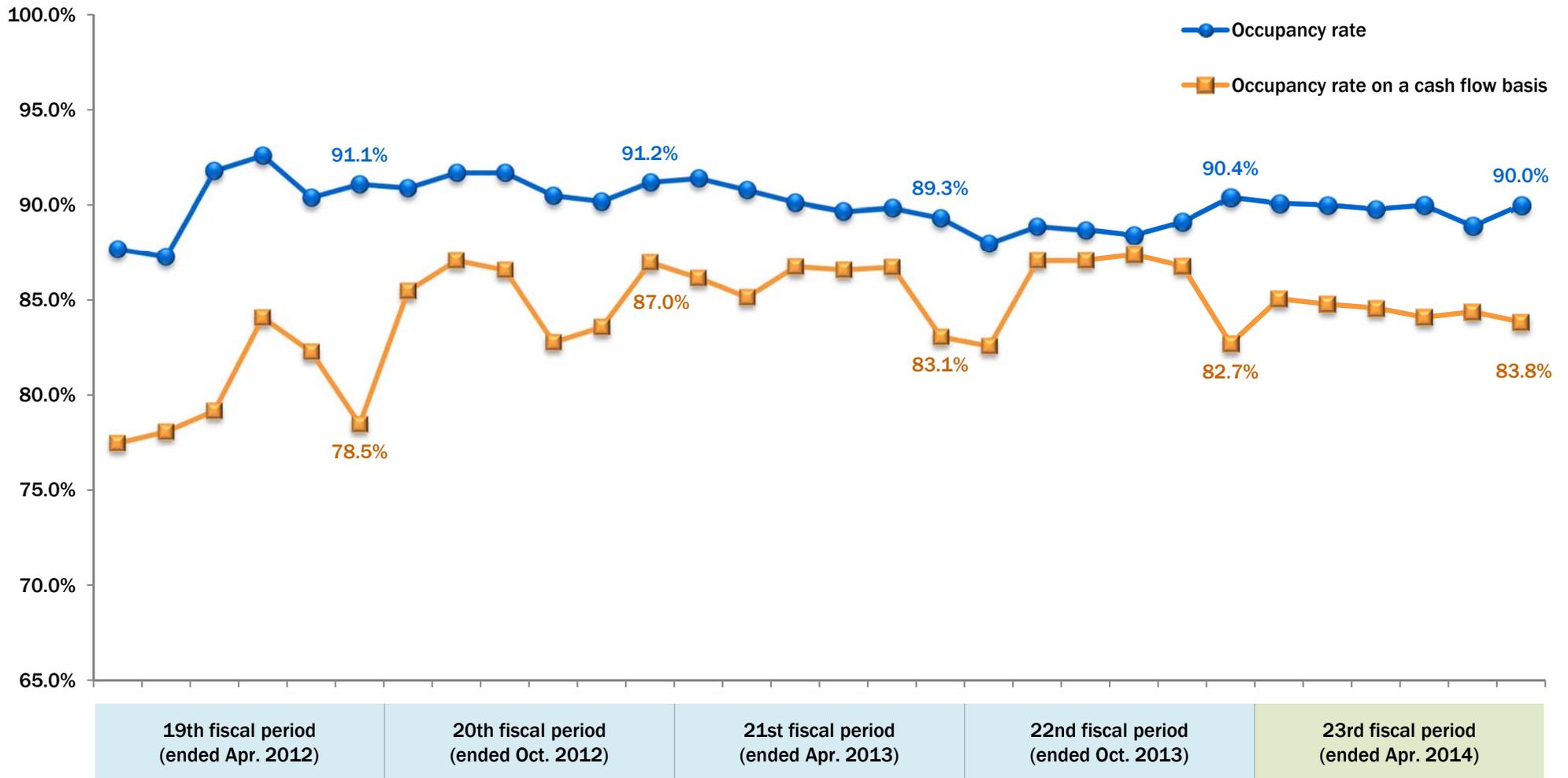


\*1 Prepared by Premier REIT Advisors based on timely disclosure by listed REITs. The figures do not include silent partnership investment in private placement funds or other types of investment by respective REITs.

# Occupancy Rate of Office Buildings

- The occupancy rate at the end of the 23rd fiscal period was 90.0%.
- Inquiries from potential tenants are on the rise. Rent-free periods granted to new tenants were around 4 to 6 months, showing a slightly improving trend.

Changes in Occupancy Rate and Occupancy Rate on a Cash Flow Basis

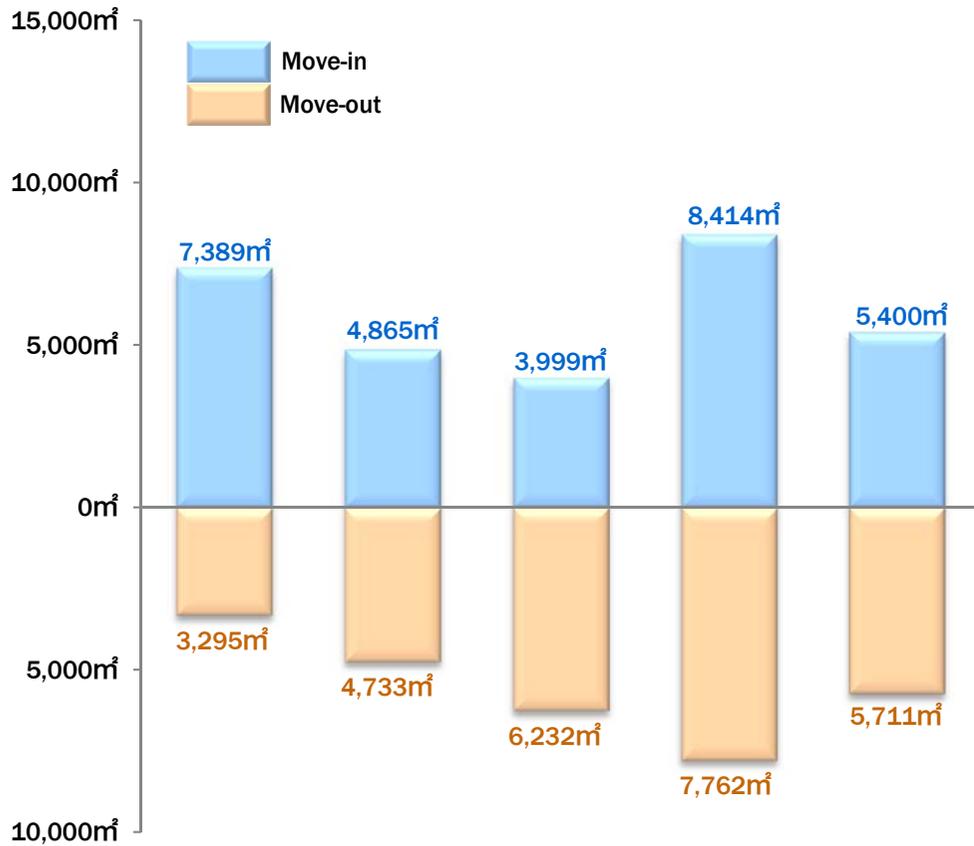


# Leased Floor Space and Contract Renewal of Office Buildings

■ Results of move-ins were comparable with move-outs by space.

■ Approximately 80% leases (by space) renewed with rents flat.

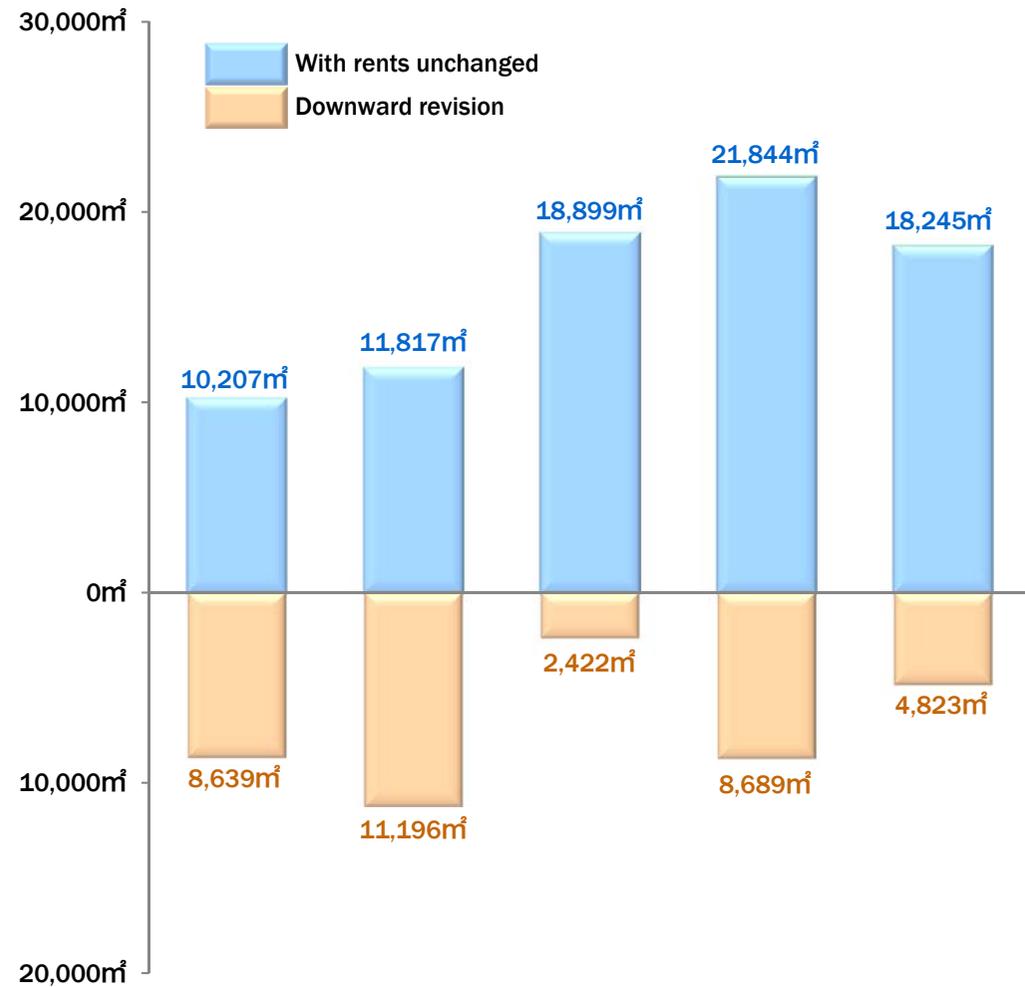
Status of Move-ins and Move-outs of Office Buildings



Difference between move-ins and move-outs	19th	20th	21st	22nd	23rd
	4,093m <sup>2</sup>	132m <sup>2</sup>	-2,233m <sup>2</sup>	651m <sup>2</sup>	-310m <sup>2</sup>

19th    20th    21st    22nd    23rd

Increase / Decrease of Rents upon Contract Renewal

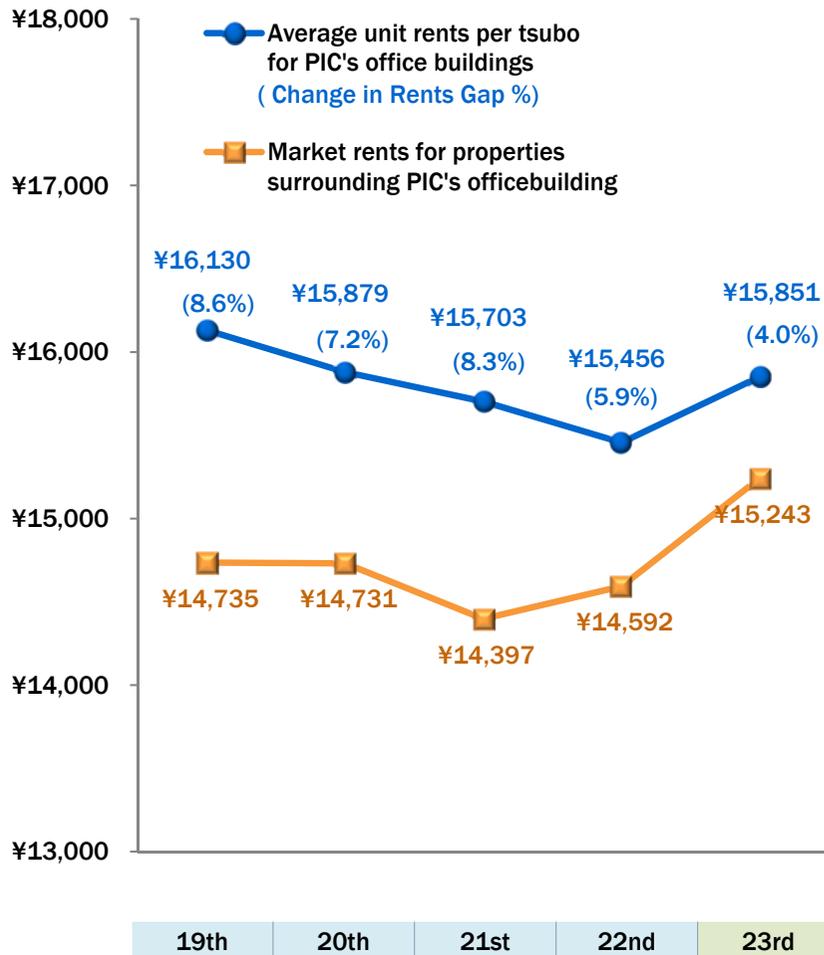


19th    20th    21st    22nd    23rd

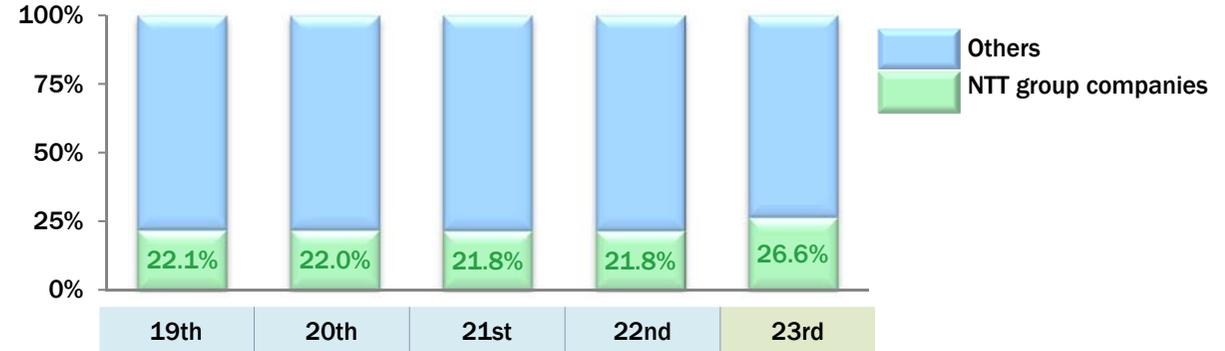
# Rent Levels and Status of Tenants for Office Buildings

- Newly acquired properties lifted average rents in both our portfolio and the surrounding markets.
- The market rents for properties surrounding PIC's office buildings are in a bottom range, with an occasional increase depending on the area and the grade of buildings.
- The rent gap has narrowed.
- More than 25% of the portfolio is occupied by NTT group companies.

Change in Rents Gap \*1



Ratio of the NTT Group Companies among the Office Tenant Base \*2



Top 10 Tenants Occupying Office Buildings \*2

(as of April 30, 2014)

	Tenants	Leased space	%	Property name
1	Sumitomo Osaka Cement Co., Ltd.	6,872m <sup>2</sup>	5.5%	Rokubancho Bldg.
2	NTT Urban Development Corporation *3	6,517m <sup>2</sup>	5.3%	Tradepia Yodoyabashi (land)
3	NTT Facilities Inc.	5,181m <sup>2</sup>	4.2%	Urbannet Mita Bldg., Granpark
4	FIELDS Corporation	4,882m <sup>2</sup>	3.9%	KN Shibuya 3 Bldg.
5	NTT Learning Systems Corporation	4,801m <sup>2</sup>	3.9%	Urbannet Azabu Bldg.
6	ITOKI Corporation	4,037m <sup>2</sup>	3.3%	Urbannet Irifune Bldg.
7	NTT DATA Corporation	3,924m <sup>2</sup>	3.2%	Urbannet Mita Bldg.
8	Ebara Foods Industry, Inc.	3,762m <sup>2</sup>	3.0%	Nisso No.3 Bldg.
9	Japan Display Inc.	3,312m <sup>2</sup>	2.7%	Landic Shimbashi 2 Bldg.
10	NTT Communications Corporation	2,642m <sup>2</sup>	2.1%	Granpark

\*1 The rent gap represents the gap between the market rent (surveyed every March) and the contract rent (as of the end of each fiscal period) for respective office buildings, calculated on a leased floor space basis.

\*2 Calculations have been made for the office tenants occupying spaces as of the end of respective fiscal period. The percentages indicate the ratio of leased space to the total leased space of PIC's office buildings in accordance with PIC's equity interests.

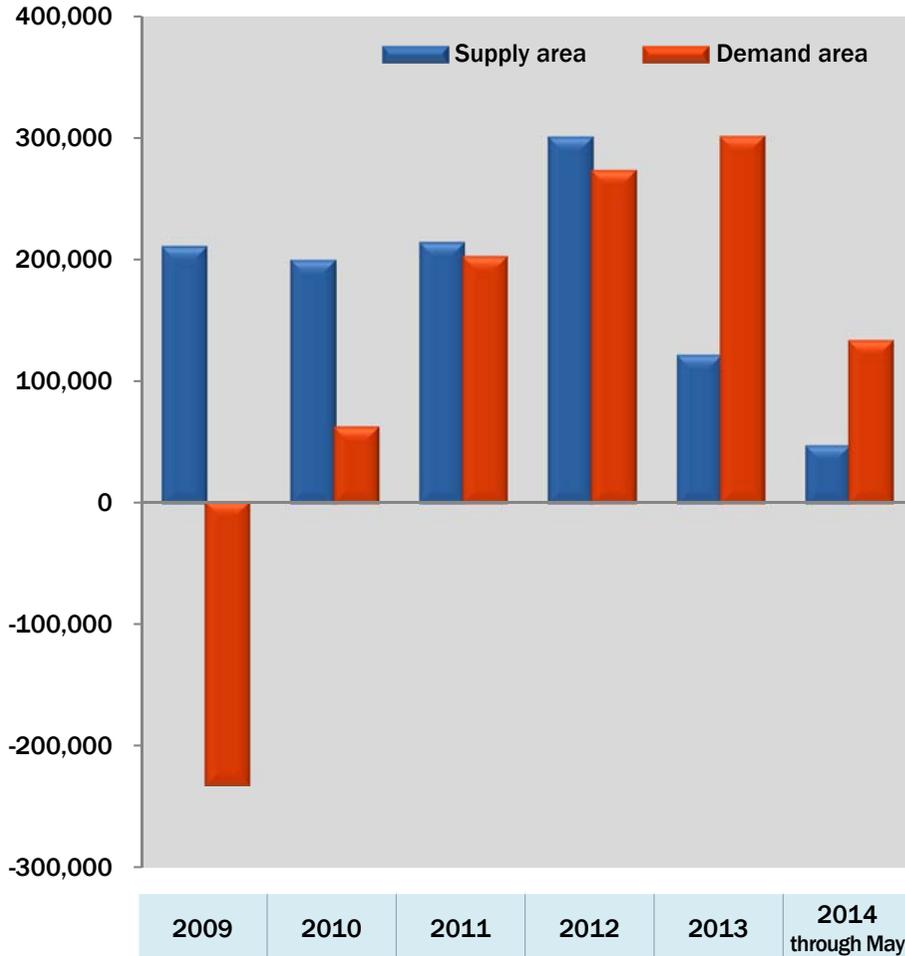
\*3 A lease agreement has been concluded for the land with Sumitomo Mitsui Trust Bank as the lessee. Sumitomo Mitsui Trust Bank is the trustee of the trust for the building portion with itself as the lessor and NTT Urban Development as the beneficiary.

# Trends in the Office Market in Tokyo

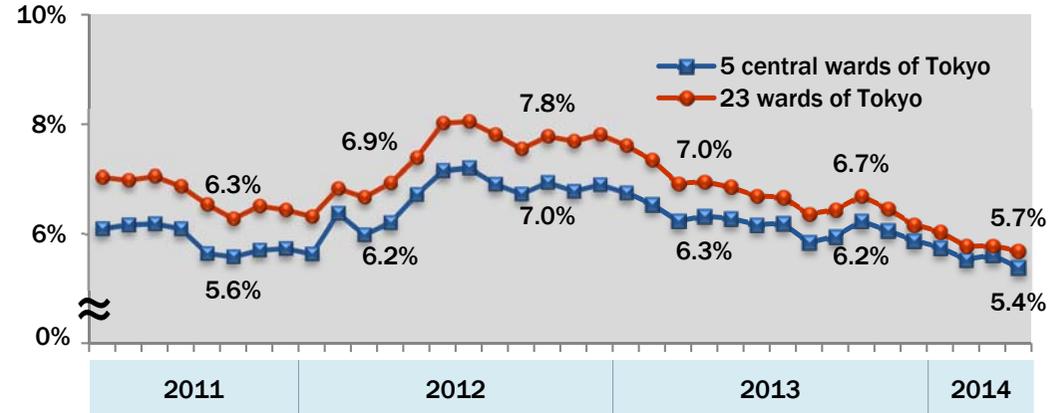
- Vacancy rates increased in 2012 due to mass supply of spaces centering on large-scale buildings.
- Vacancy rates decreased in 2013 due to recovery in demand as well as a decrease in new supply. Average rent still remains on a weak note.

Changes in Supply and Demand by Space in Tokyo's 23 Wards\*1

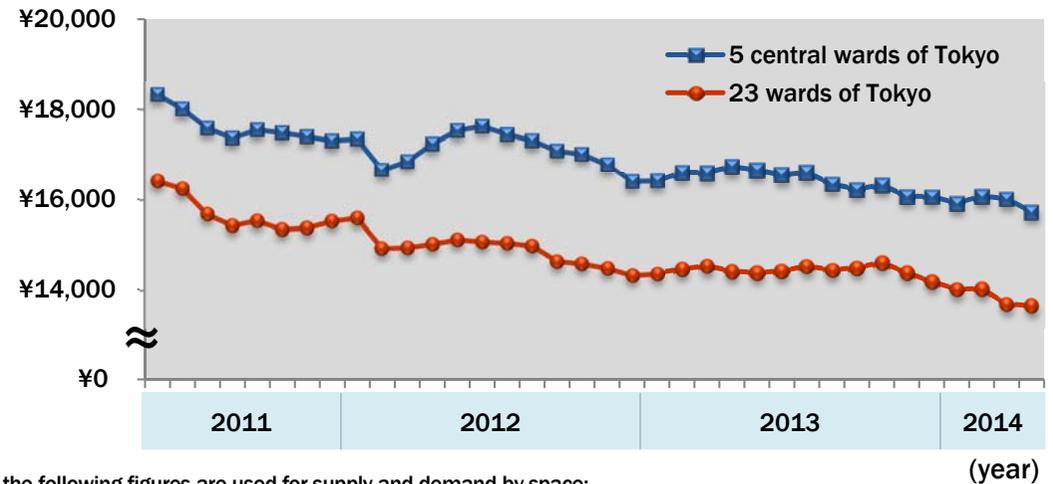
(Tsubo: 1 tsubo is approximately 3.3m<sup>2</sup>)



Changes in Vacancy Rates of Large-Scale Buildings \*2



Average Rents (Unit Rents per Tsubo) of Large-Scale Buildings \*2



\*1 Prepared by Premier REIT Advisors based on Monthly Office Market Survey by Sanko Estate Co., Ltd. Furthermore, the following figures are used for supply and demand by space:

Supply by space = Total leased space of new buildings that have been completed

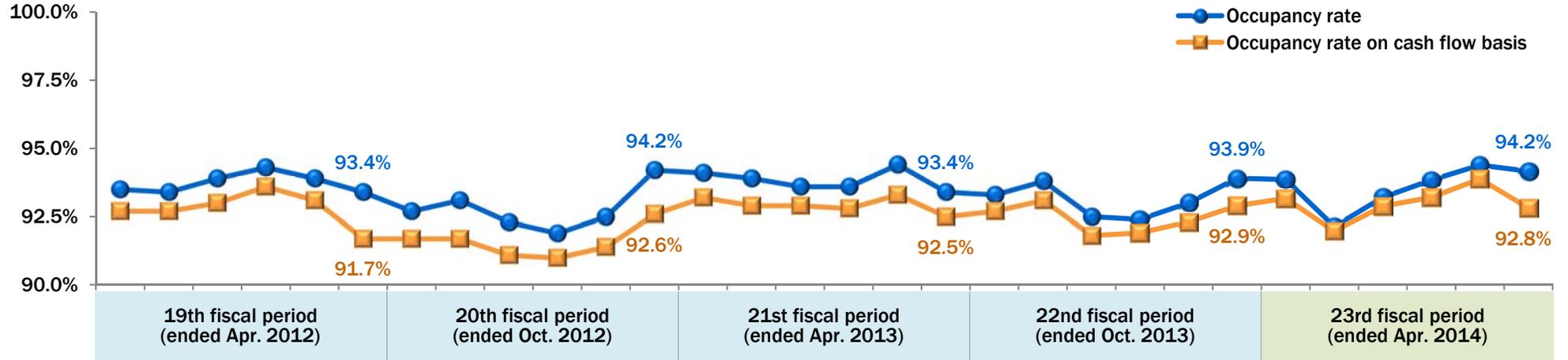
Demand by space = Vacant space (not yet available space) at beginning of period + newly supplied space (leased space of new buildings that have been completed during the period) - vacant space at end of period

\*2 Prepared by Premier REIT Advisors based on the market data (for May 1, 2011 through May 1, 2014) by Sanko Estate Co., Ltd. Furthermore, large-scale buildings represent office buildings having spaces of at least 200 tsubos for a single floor, as defined by Sanko Estate Co., Ltd.

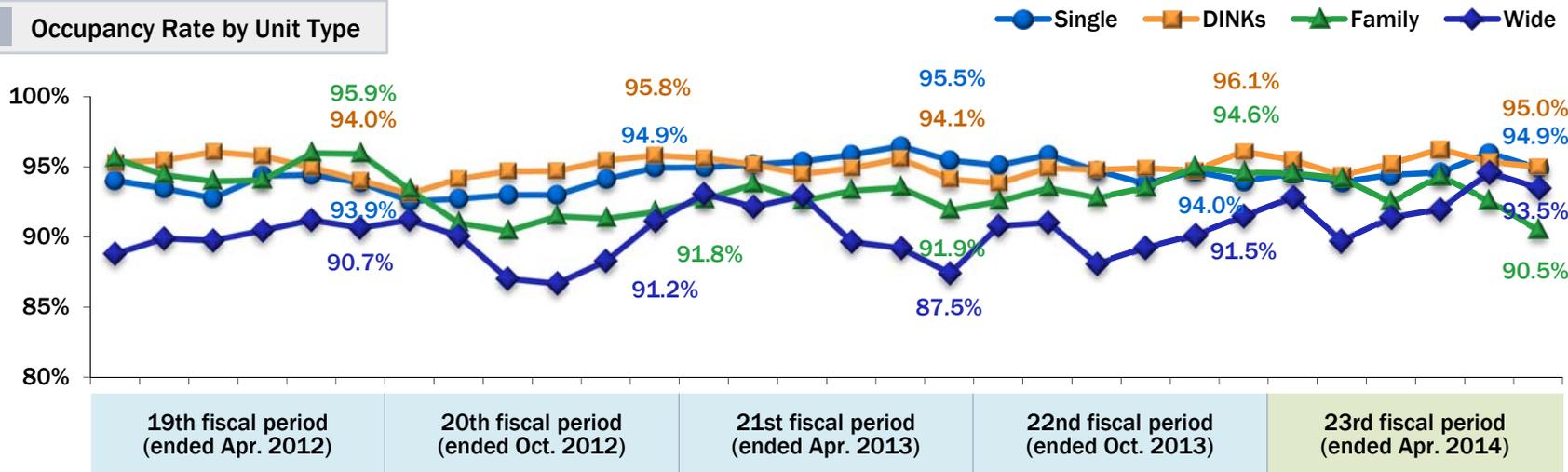
# Occupancy Rate of Residential Properties

- Occupancy of residential properties continued to remain stable, with the occupancy rate at the end of the 23rd fiscal period standing at 94.2%.
- Recovery of the rent levels is delayed for Wide units.
- The difference between occupancy rate and occupancy rate on a cash flow basis was small.

Occupancy Rate and Occupancy Rate on a Cash Flow Basis



Occupancy Rate by Unit Type



Rent Levels \*1 (Compared with 2008)

	End of the 23rd fiscal period
Single	0.92
DINKs	0.89
Family	0.93
Wide	0.71

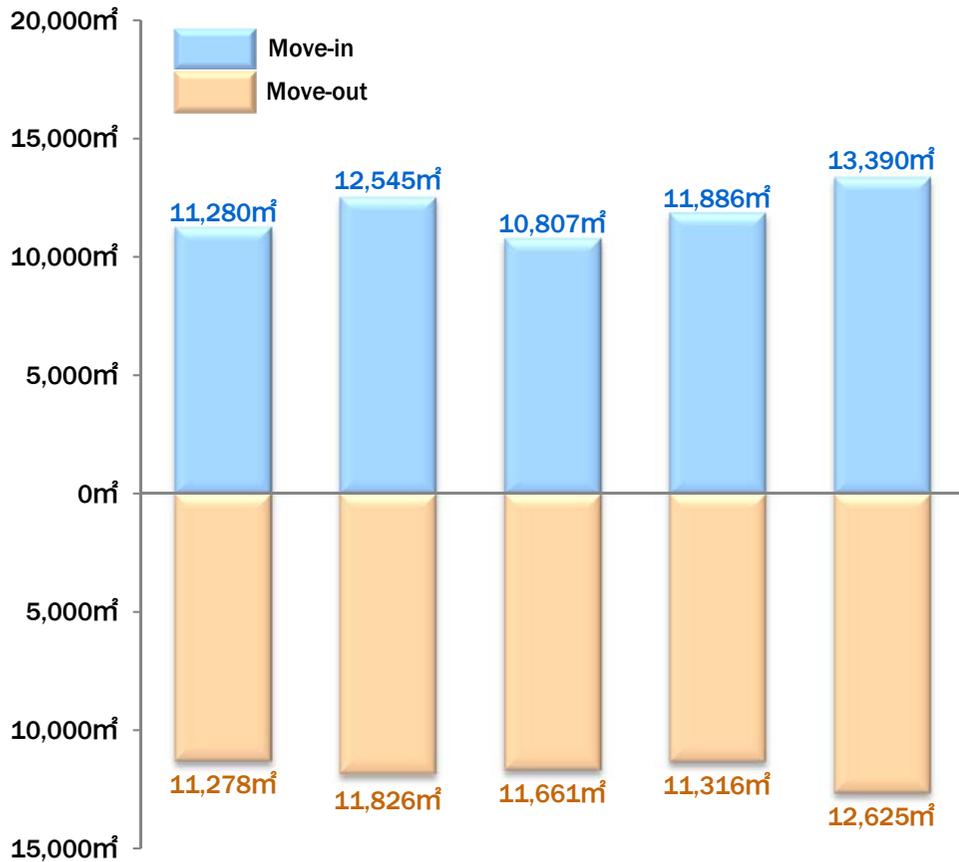
\*1 The average rent levels at the end of the 23rd fiscal period (April 30, 2014) are indicated, with the average rents of units of respective types in May 2008 set as the standard. (The figures have been rounded to the second decimal place.)

# Leased Floor Space and Status of Tenant Replacement for Residential Properties

■ Move-ins continued to exceed move-outs by space.

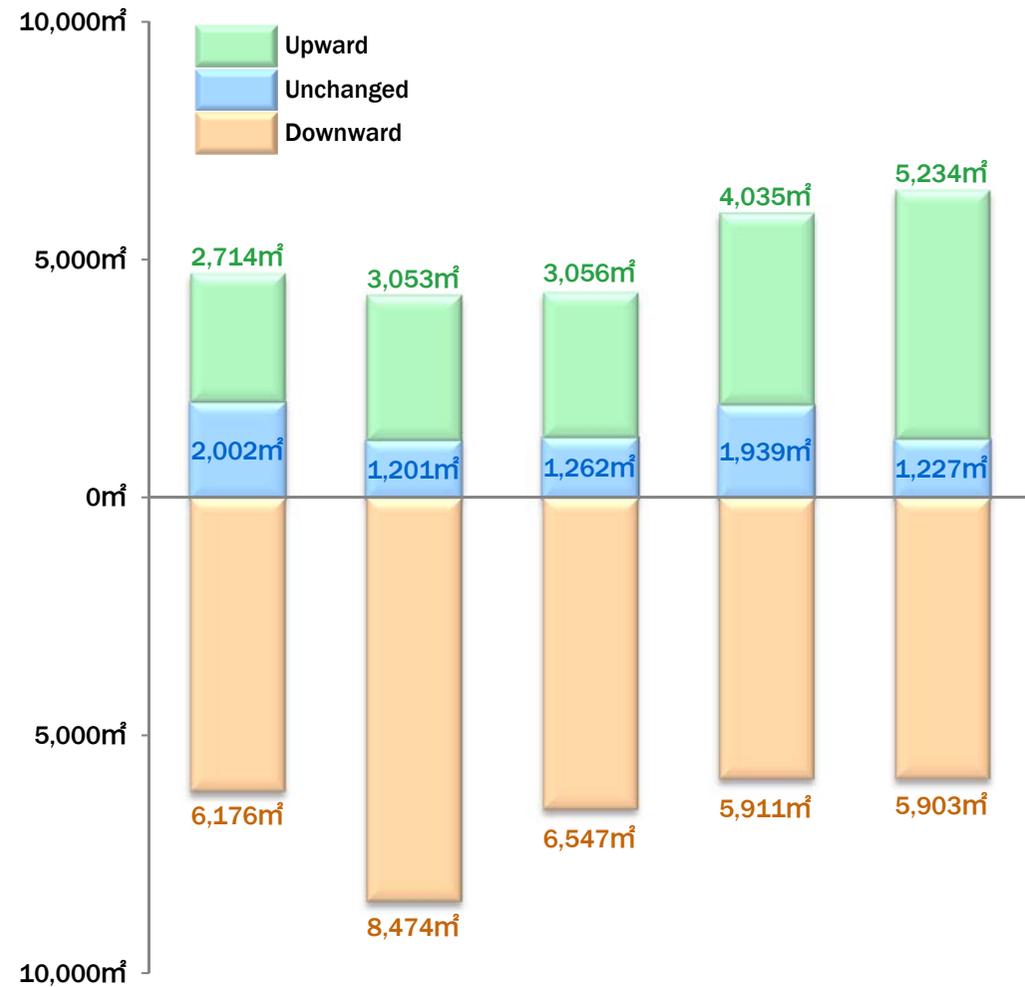
■ 40% of new tenants (by space) came in at higher rents.

Status of Move-ins and Move-outs of Residential Properties



Difference between move-ins and move-outs	19th	20th	21st	22nd	23rd
	2m <sup>2</sup>	718m <sup>2</sup>	-854m <sup>2</sup>	569m <sup>2</sup>	765m <sup>2</sup>

Rents upon Tenant Replacement

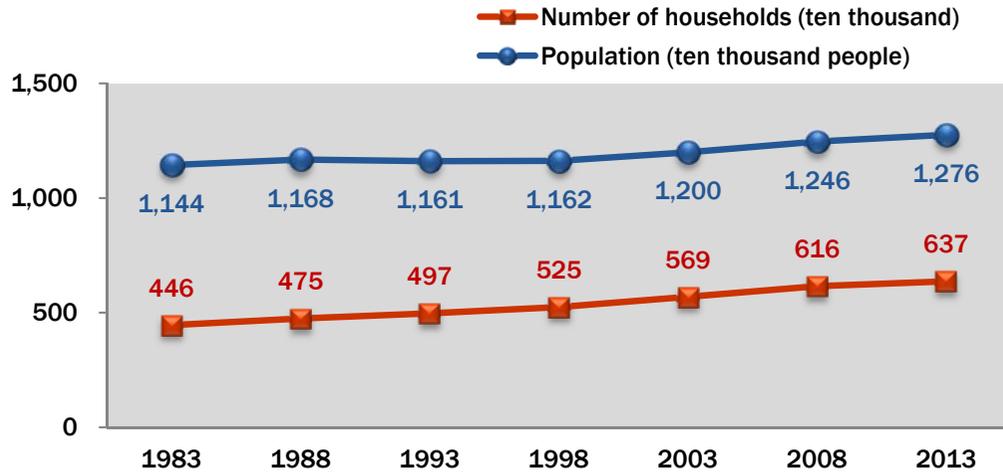


19th	20th	21st	22nd	23rd
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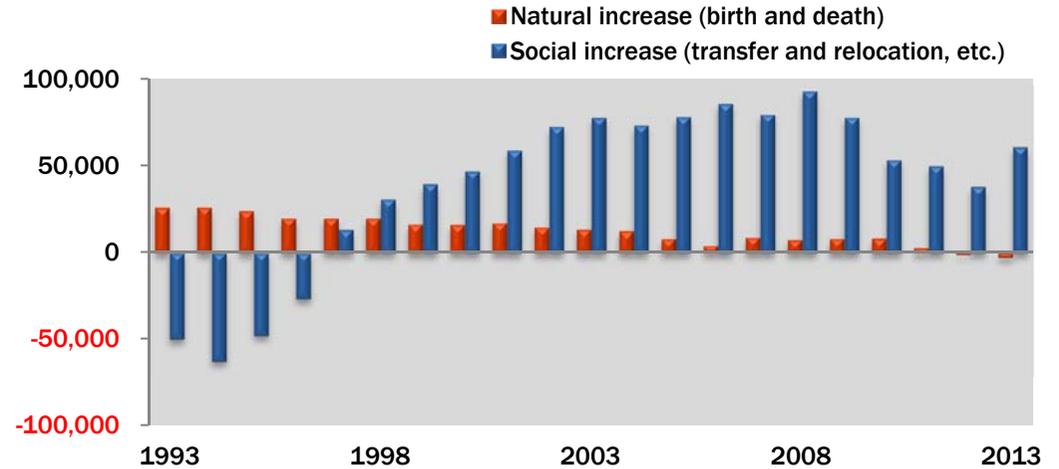
# Population Change in Tokyo Prefecture

- Population and the number of households in Tokyo show an upward trend due to social increase (transfer and relocation, etc.).
- The future population estimate is currently forecast to increase in Tokyo.

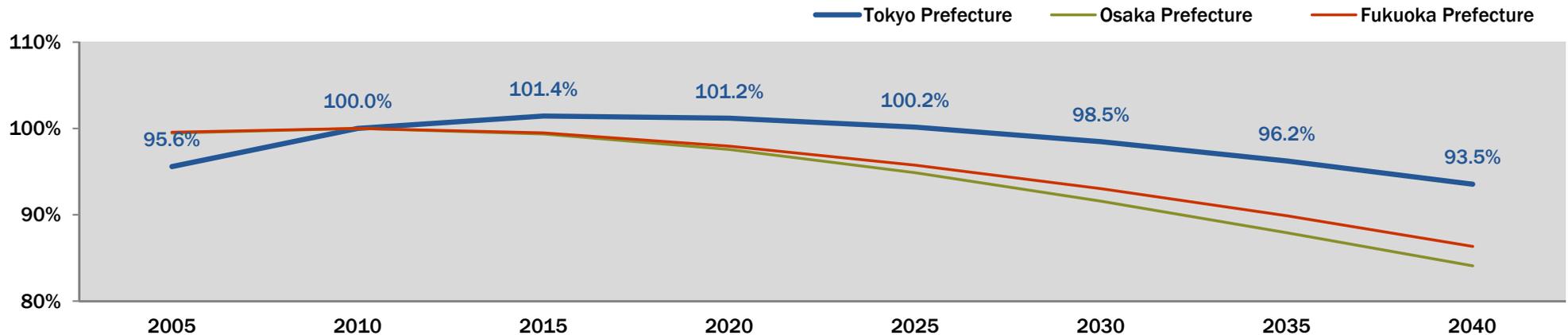
Changes in Population and Number of Households of Tokyo Prefecture \*1



Increase/Decrease in the Tokyo Prefecture Population \*1



Future Population Estimates by Region \*2



\*1 Prepared by Premier REIT Advisors based on the Survey of Population, Demography and Number of Households based on the Residential Basic Book, Ministry of Internal Affairs and Communications.

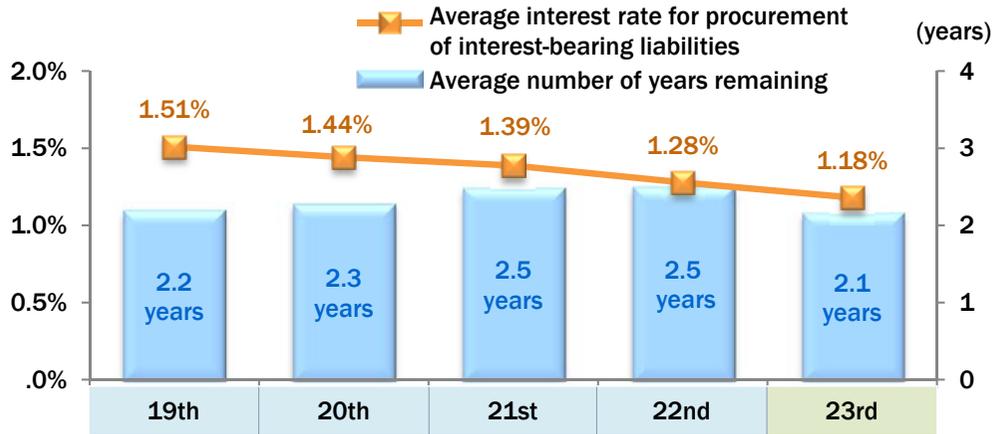
\*2 Prepared by Premier REIT Advisors based on the Regional Population Projections for Japan, National Institute of Population and Social Security Research, indicated with the population of respective regions in 2010 set at 100%.

# Financial Information

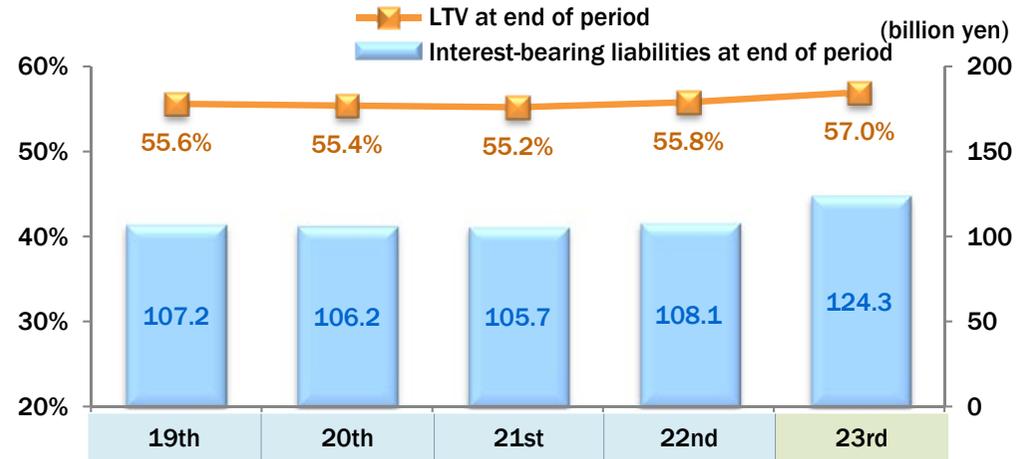
■ The average interest rate for procurement decreased to 1.18%, while the average number of years remaining was 2.1 years.

■ LTV (Interest-Bearing Liabilities Ratio) stood at 57.0%.

Average Interest Rate for Procurement and Remaining Years of Interest-Bearing Liabilities \*1



LTV (Interest-Bearing Liabilities Ratio)



Diversification of Repayment Dates for Interest-Bearing Liabilities



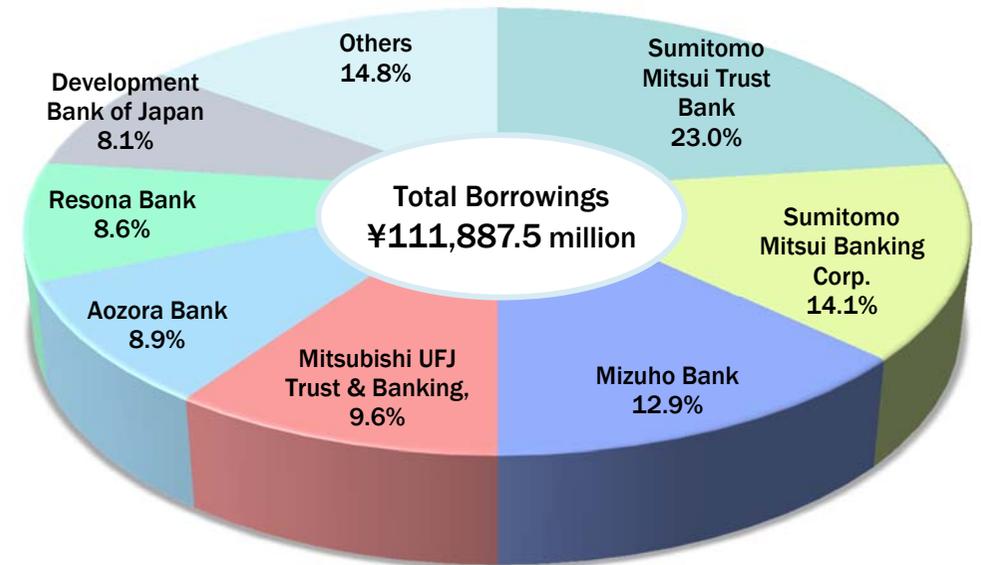
\*1 The average interest rate for procurement of interest-bearing liabilities have been rounded to the second decimal place, and the average number of years remaining have been rounded to the first decimal place.

# Status of Interest-Bearing Liabilities

## List of Borrowings

Lender	Amount (million yen)	Interest *1	Drawdown date	Repayment date
Sumitomo Mitsui Trust Bank	1,500.0	Floating: 0.58000%	2013/05/10	2014/05/09
Bank of Tokyo-Mitsubishi UFJ, etc.	2,000.0	Floating: 0.58000%	2013/05/17	2014/05/16
Sumitomo Mitsui Trust Bank, etc.	7,000.0	Floating: 0.51182%	2013/08/14	2014/07/31
Sumitomo Mitsui Banking Corp., etc.	4,400.0	Floating: 0.46182%	2013/11/08	2014/10/31
Sumitomo Mitsui Trust Bank, etc.	6,500.0	Floating: 0.43000%	2014/03/31	2015/03/31
<b>Short-term loans</b>	<b>21,400.0</b>			
Development Bank of Japan	2,287.5	Floating: 1.81182%	2009/05/22	2014/05/22
Sumitomo Mitsui Trust Bank, etc.	3,900.0	Fixed: 1.72750%	2010/05/14	2015/05/14
Mitsubishi UFJ Trust & Banking, etc.	8,000.0	Fixed: 1.14250%	2010/09/06	2015/09/04
Sumitomo Mitsui Trust Bank, etc.	3,400.0	Fixed: 1.36125%	2011/05/20	2014/05/20
Sumitomo Mitsui Trust Bank, etc.	6,500.0	Fixed: 1.39250%	2011/07/29	2015/07/29
Development Bank of Japan, etc.	12,000.0	Fixed: 1.16500%	2011/11/18	2014/11/18
Aozora Bank, etc.	11,000.0	Fixed: 1.29375%	2011/12/08	2015/12/08
Sumitomo Mitsui Trust Bank, etc.	9,000.0	Fixed: 1.43375%	2011/12/08	2016/12/08
Sumitomo Mitsui Banking Corp., etc.	2,250.0	Fixed: 1.34525%	2012/02/29	2016/08/31
Mizuho Bank, etc.	5,000.0	Fixed: 1.21000%	2012/09/05	2018/09/05
The Bank of Fukuoka, etc.	5,000.0	Fixed: 0.95375%	2012/09/05	2017/09/05
Development Bank of Japan, etc.	3,000.0	Fixed: 0.98250%	2012/11/16	2017/11/16
Resona Bank, etc.	2,850.0	Fixed: 1.02875%	2013/02/28	2019/02/28
Sumitomo Mitsui Trust Bank, etc.	7,900.0	Fixed: 0.88250%	2013/03/27	2018/03/27
Development Bank of Japan	3,000.0	Fixed: 1.15125%	2013/05/22	2018/05/22
Mizuho Bank, etc.	5,400.0	Floating: 0.46182%	2013/11/08	2016/10/31
<b>Long-term loans</b>	<b>90,487.5</b>			
<b>Total</b>	<b>111,887.5</b>			

## Lender Formation



## List of Corporate Bonds

Name	Issue amount (million yen)	Interest	Issued date	Redemption date
Unsecured Bond No.4	7,500	Fixed: 0.72%	2013/07/25	2018/07/25
Unsecured Bond No.5	2,500	Fixed: 0.45%	2014/03/06	2019/03/06
Unsecured Bond No.6	2,500	Fixed: 0.72%	2014/03/06	2021/03/05
<b>Total</b>	<b>12,500</b>			

## Rating

Rating agency	Rating and Investment Information, Inc. (R&I)	Moody's Japan K.K. (Moody's)
Rating	Issuer rating: A	Issuer rating: Baa1
	Rating outlook: Stable	Rating outlook: Stable

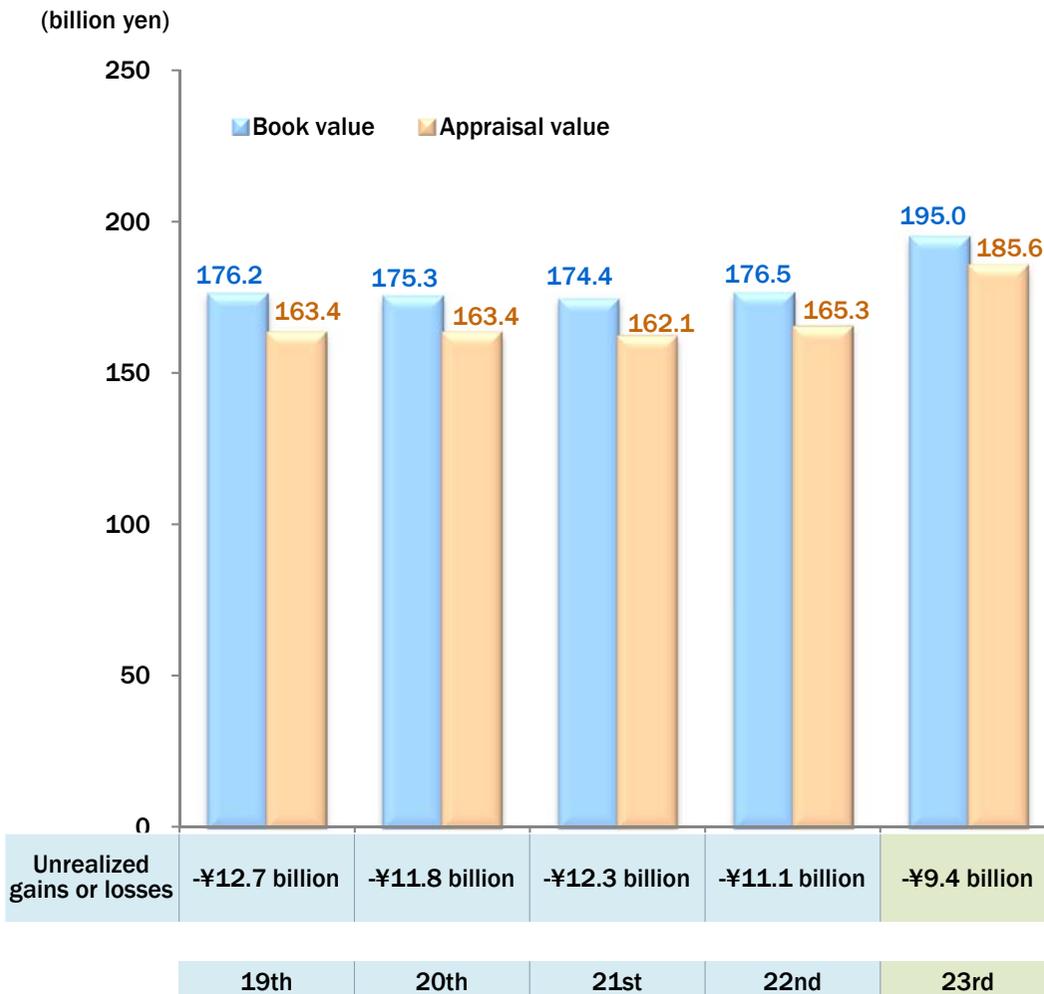
\*1 Figures for floating interest rates are those applied as of the end of 23rd fiscal period (as of April 30, 2014).

# Appraisal Value at End of Period

■ Modest improvement in unrealized loss on portfolio.

■ The applied cap rate (cap rate of appraisal value) decreased 10 basis points, while appraisal rent also dropped.

## Changes in Book Value and Appraisal Value at Period Ends



## Period-on-Period Change

	22nd fiscal period	23rd fiscal period	Change	
Number of properties	54	57	3	
Appraisal value at end of period (billion yen)	165.3	185.6	20.3	
(excluding the property acquired in 23rd period)		(165.9)	(0.6)	
Book value (billion yen)	176.5	195.0	18.5	
(excluding the property acquired in 23rd period)		(175.6)	(-0.8)	
Unrealized gain or loss (billion yen)	-11.1	-9.4	1.7	
(excluding the property acquired in 23rd period)		(-9.6)	1.5	
Rate of unrealized gain or loss	-6.3%	-4.8%	-1.5%	
Cap rate of appraisal value *1	Increase	1 property	-1 property	
	Unchanged	5 properties	5 properties	
	Decrease	48 properties	52 properties	4 properties
Appraisal rent *2	Increase	7 properties	5 properties	-2 properties
	Unchanged	23 properties	22 properties	-1 property
	Decrease	20 properties	25 properties	5 properties

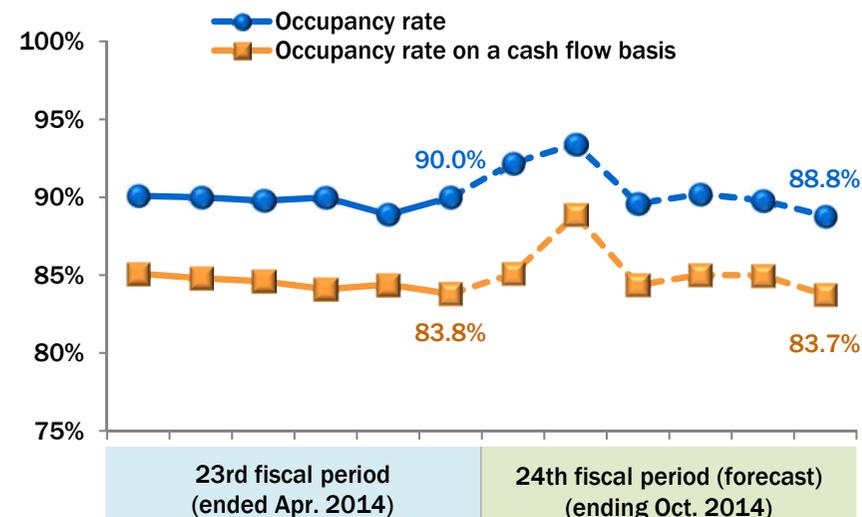
\*1 Cap rate under the direct capitalization method is used for 50 properties and discount rate under the DCF method is used for 4 properties. For properties acquired in the 23rd fiscal period, a comparison is made with the figures indicated in the appraisal reports obtained upon acquisition.

\*2 Appraisal rent under the direct capitalization method is indicated (except for Tradepia Yodoyabashi (Land)). For properties acquired in the 23rd fiscal period, a comparison is made with the figures indicated in the appraisal reports obtained upon acquisition.

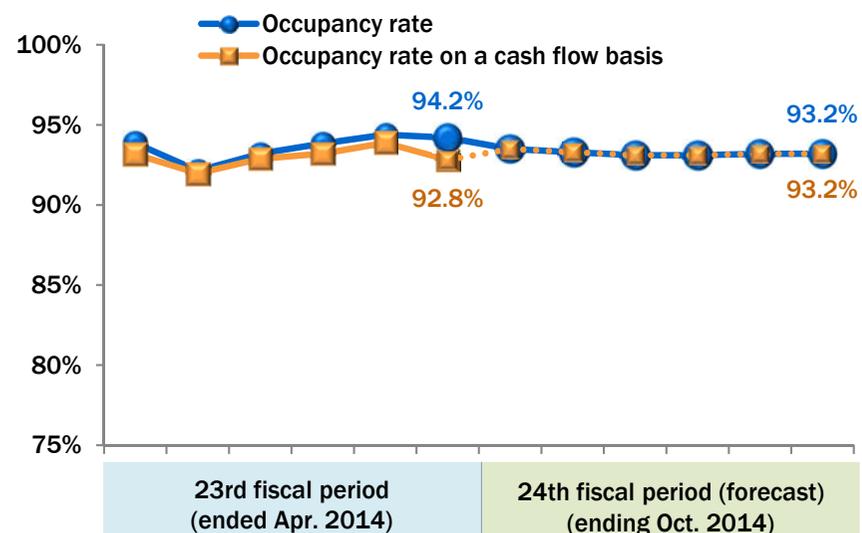
## Overview of Performance Forecast for the 24th and 25th Fiscal Periods

	23rd results [1]	24th forecast [2]	Change [2]-[1]	25th forecast [3]	Change [3]-[2]	
Operating revenue (million yen)	6,680	6,710	29	6,457	-253	
[see above] Gains from sale of properties	-	214	214	-	-214	
Operating expenses (million yen)	3,746	3,794	48	3,747	-46	
Operating income (million yen)	2,934	2,915	-18	2,709	-206	
Ordinary income (million yen)	2,215	2,252	36	2,069	-182	
Net income (million yen)	2,213	2,250	37	2,068	-182	
Reserve for reduction entry (million yen)	Amount of reversal	-	56	53	-3	
	Amount of reserve	-	185	-	-185	
Distribution per unit (yen)	10,121	9,700	-421	9,700	-	
Real estate rental income (million yen)	3,023	2,836	-186	2,858	22	
Rental NOI (million yen)	4,216	3,995	-220	4,019	23	
Average occupancy rate	Office buildings	88.9%	90.7%	1.8%	N/A	N/A
	Residential properties	93.2%	93.3%	0.1%	N/A	N/A
	Total	90.9%	91.8%	0.9%	N/A	N/A
No. of investment properties	58	56	-2	56	-	
No. of investment units outstanding at end of period (units)	218,699	218,699	-	218,699	-	

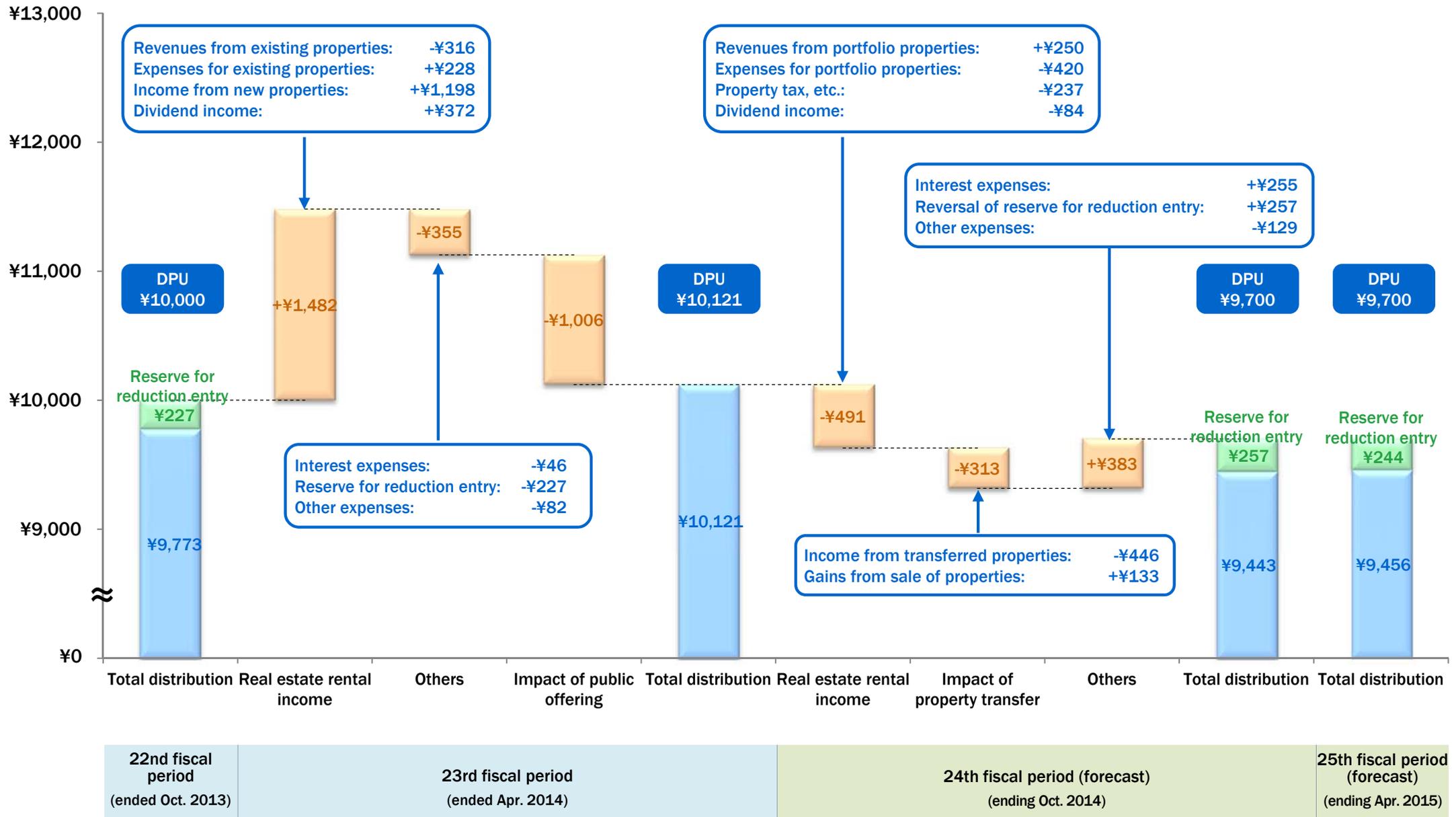
### Office Buildings



### Residential Properties



# Performance Forecast for the 24th and 25th Fiscal Periods (Analysis of Factors for Distribution per Unit)



# Market Environment and Management Policy

## External Growth

### Market Environment

#### Office Buildings



- Active acquisition market with J-REITs as central player.
- Limited opportunities to buy blue-chip properties in and around Tokyo.

#### Residential properties



- Overheated acquisition market driven by broad range of potential buyers.

### Management Policy

- Reinforce coordination with NTT Urban Development.
- Achieve external growth with a focus on cash flows.

## Internal Growth

### Market Environment

#### Office Buildings



- Vacancy rates have recovered primarily for class A office buildings in the Tokyo metropolitan area, with the rent levels appearing to be hitting bottom.

#### Residential properties



- Both rent levels and occupancy rates continue to remain largely stable.
- The occupancy rates of high-quality properties in central Tokyo also shows an improvement trend.

### Management Policy

- Reinforce coordination with tenants, the sponsors and tenant brokers.
- Reinforce property competitiveness through systematic repairs and value enhancement construction works.

## Financial Operations

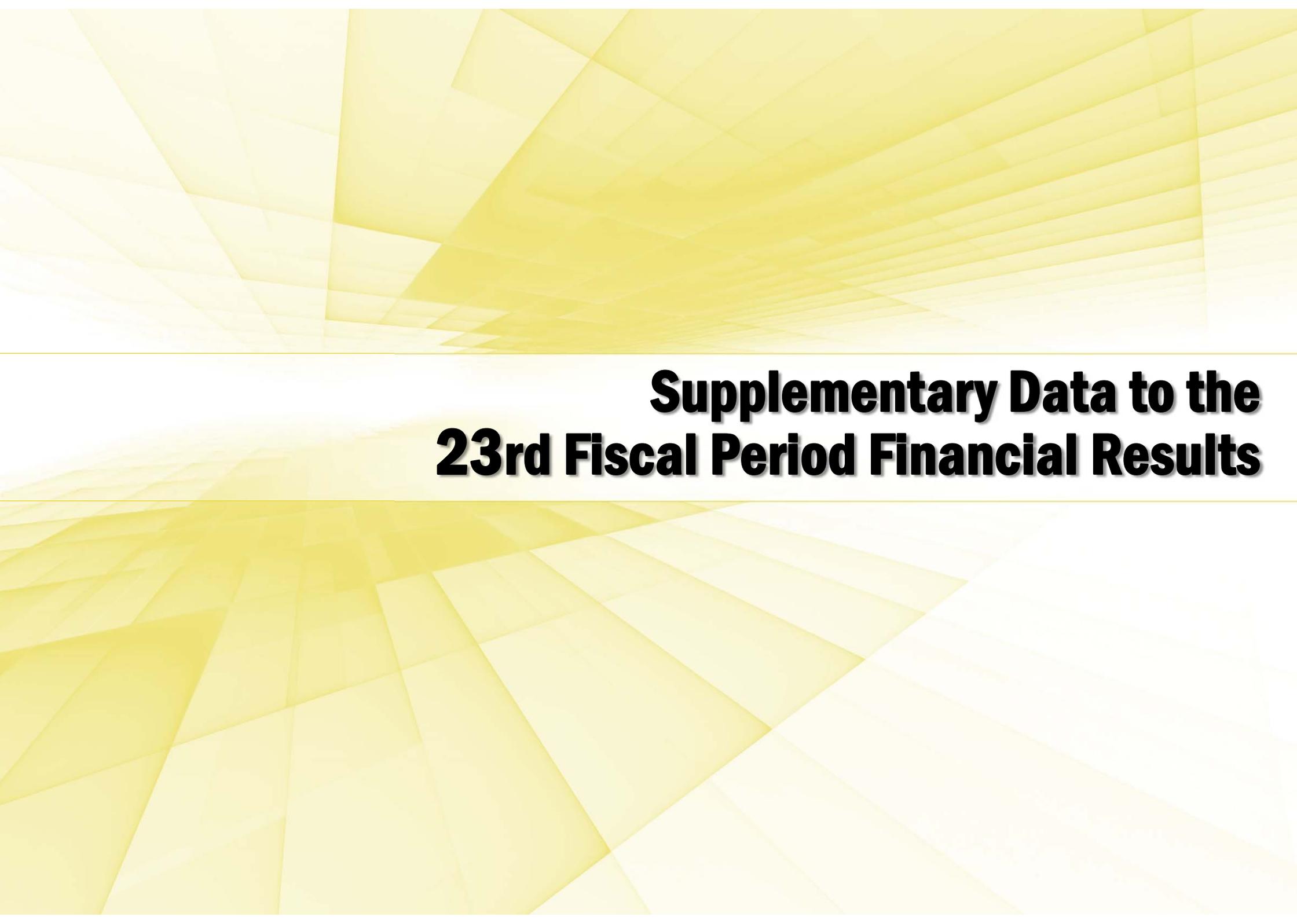
### Market Environment

- Interest rates continue to remain low, providing a favorable financing environment.
- Investment unit prices also remain stable.

### Management Policy

- Keep good relationship with existing lenders.
- Investigate issuance of corporate bonds.

**Secure steady portfolio expansion.  
Maintain and enhance cash distributions.  
Improve the LTV (interest-bearing liabilities ratio) level.**



**Supplementary Data to the  
23rd Fiscal Period Financial Results**

# Balance Sheets

Settlement

(million yen)

Item	22nd fiscal period		23rd fiscal period		Change [2]-[1]
	Amount [1]	%	Amount [2]	%	
<b>Current assets</b>	<b>11,720</b>	<b>5.8%</b>	<b>12,595</b>	<b>5.5%</b>	<b>875</b>
Cash and deposits	1,996	1.0%	2,614	1.1%	617
Cash and deposits held in trust	9,391	4.6%	9,599	4.2%	208
Other current assets	332	0.2%	381	0.2%	48
Tenant receivable	74	0.0%	80	0.0%	5
Prepaid expenses	166	0.1%	172	0.1%	6
Income taxes refund receivable	60	0.0%	69	0.0%	9
Consumption taxes refund receivable	18	0.0%	27	0.0%	8
Deferred tax assets	1	0.0%	2	0.0%	1
Other current assets	11	0.0%	29	0.0%	18
<b>Fixed long-term assets</b>	<b>191,681</b>	<b>94.2%</b>	<b>215,884</b>	<b>94.5%</b>	<b>24,203</b>
Property and equipment	174,723	85.9%	193,310	84.6%	18,587
Tools, furniture and fixtures	0	0.0%	0	0.0%	-
Less accumulated depreciation	- 0	- 0.0%	- 0	- 0.0%	-
Property held in trust	174,723	85.9%	193,310	84.6%	18,587
Buildings, etc.	59,483	29.2%	61,363	26.8%	1,880
Buildings held in trust	74,662	36.7%	77,630	34.0%	2,967
Structures held in trust	1,662	0.8%	1,753	0.8%	90
Tools, furniture and fixture held in trust	215	0.1%	229	0.1%	13
Less accumulated depreciation	- 17,056	- 8.4%	- 18,249	- 8.0%	- 1,192
Land held in trust	115,240	56.6%	131,947	57.7%	16,706
Intangible fixed assets	1,782	0.9%	1,783	0.8%	0
Leasehold held in trust	1,777	0.9%	1,777	0.8%	-
Other intangible fixed assets held in trust	3	0.0%	4	0.0%	1
Intangible fixed assets	1	0.0%	0	0.0%	- 0
Investment and other assets	15,175	7.5%	20,790	9.1%	5,615
Investment securities	14,378	7.1%	20,035	8.8%	5,656
Other deposits	10	0.0%	10	0.0%	-
Long-term prepaid expenses	182	0.1%	141	0.1%	- 41
Other deposits held in trust	604	0.3%	604	0.3%	-
Deferred assets	44	0.0%	80	0.0%	36
New investment unit issuance costs	7	0.0%	20	0.0%	12
Corporate bond issuance costs	36	0.0%	60	0.0%	23
<b>Total assets</b>	<b>203,445</b>	<b>100.0%</b>	<b>228,560</b>	<b>100.0%</b>	<b>25,114</b>

(million yen)

Item	22nd fiscal period		23rd fiscal period		Change [2]-[1]
	Amount [1]	%	Amount [2]	%	
<b>Current liabilities</b>	<b>23,059</b>	<b>11.3%</b>	<b>41,208</b>	<b>18.0%</b>	<b>18,148</b>
Accounts payable	674	0.3%	668	0.3%	- 5
Accrued expenses	212	0.1%	209	0.1%	- 2
Short-term loan payable	10,500	5.2%	21,400	9.4%	10,900
Long-term loan payable due within 1 year	10,762	5.3%	17,687	7.7%	6,925
Rents received in advance	757	0.4%	1,065	0.5%	308
Other current liabilities	153	0.1%	176	0.1%	23
Income taxes payable	0	0.0%	-	-	- 0
Business office taxes payable	3	0.0%	7	0.0%	3
Deposits received	135	0.1%	155	0.1%	20
Distributions payable	13	0.0%	13	0.0%	- 0
<b>Long-term liabilities</b>	<b>92,718</b>	<b>45.6%</b>	<b>91,077</b>	<b>39.8%</b>	<b>- 1,641</b>
Corporate bonds	7,500	3.7%	12,500	5.5%	5,000
Long-term loan payable	79,400	39.0%	72,800	31.9%	- 6,600
Tenant security deposits held in trust	5,818	2.9%	5,777	2.5%	- 41
<b>Total liabilities</b>	<b>115,778</b>	<b>56.9%</b>	<b>132,285</b>	<b>57.9%</b>	<b>16,507</b>

Unitholders' equities	87,667	43.1%	96,274	42.1%	8,607
Unitholders' capital	85,644	42.1%	94,005	41.1%	8,360
Surplus					
Voluntary reserve					
Reserve for reduction entry	100	0.0%	56	0.0%	- 44
Total voluntary reserve	100	0.0%	56	0.0%	- 44
Unappropriated income	1,922	0.9%	2,213	1.0%	291
<b>Total net assets</b>	<b>87,667</b>	<b>43.1%</b>	<b>96,274</b>	<b>42.1%</b>	<b>8,607</b>

<b>Total liabilities and net assets</b>	<b>203,445</b>	<b>100.0%</b>	<b>228,560</b>	<b>100.0%</b>	<b>25,114</b>
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# Profit and Loss Statements / Statements of Unitholders' Equity

Settlement

(million yen)

Item	22nd fiscal period		23rd fiscal period		Change [2]-[1]	Results versus forecast for the 23rd fiscal period					
	Total		Total			Office buildings			Residential properties		
	Results[1]	%	Results[2]	%		Budget	Results	Difference	Budget	Results	Difference
Rental revenue	5,266	84.8%	5,638	84.4%	371	3,282	3,311	28	2,324	2,327	2
Rents	4,425	71.2%	4,714	70.6%	289	2,481	2,437	-43	2,274	2,276	1
Common area charge	841	13.5%	924	13.8%	82	801	873	72	49	50	0
Other revenue	651	10.5%	664	10.0%	13	460	484	23	147	180	33
Parking fees	153	2.5%	165	2.5%	12	101	102	1	57	63	5
Facility fees	36	0.6%	50	0.8%	13	30	41	11	7	8	1
Incidental revenue	357	5.8%	335	5.0%	-22	320	323	2	12	12	0
Miscellaneous income	103	1.7%	112	1.7%	9	8	16	8	70	96	25
[1] Total real estate rental revenue	5,918	95.2%	6,303	94.4%	385	3,743	3,795	52	2,472	2,508	35
[2] Dividend income	295	4.8%	376	5.6%	81						
[A] Operating income ([1]+[2])	6,213	100.0%	6,680	100.0%	466						
Property management fees	736	11.9%	789	11.8%	52	468	480	11	309	308	-0
Utilities	408	6.6%	422	6.3%	13	382	370	-11	47	51	4
Real estate taxes	419	6.8%	419	6.3%	-0	291	291	-0	128	128	0
Insurance	12	0.2%	14	0.2%	1	8	8	0	5	5	0
Maintenance and repairs	241	3.9%	261	3.9%	19	145	147	2	99	113	14
Trust fees	46	0.7%	42	0.6%	-3	19	19	0	22	22	0
Depreciation	1,144	18.4%	1,193	17.9%	48	562	564	2	629	628	-0
Miscellaneous expenses	128	2.1%	137	2.1%	9	33	29	-4	110	108	-2
[3] Total real estate rental expenses	3,138	50.5%	3,280	49.1%	142	1,911	1,911	0	1,353	1,368	15
Real estate rental income ([1]-[3])	2,780	44.7%	3,023	45.3%	242	1,831	1,883	51	1,118	1,139	20
Rental NOI	3,924	63.2%	4,216	63.1%	291	2,394	2,448	54	1,748	1,767	19
Asset management fees	237	3.8%	261	3.9%	23						
Directors' compensation	9	0.1%	9	0.1%	-						
Custodian fees	9	0.2%	10	0.2%	0						
Administration fees	74	1.2%	81	1.2%	6						
Audit fees	8	0.1%	8	0.1%	0						
Other expenses	103	1.7%	94	1.4%	-8						
[4] Operating expenses (excluding [3])	442	7.1%	465	7.0%	23						
[B] Operating expenses ([3]+[4])	3,580	57.6%	3,746	56.1%	165						
Operating income ([A]-[B])	2,633	42.4%	2,934	43.9%	300						
Non-operating income	2	0.0%	2	0.0%	0						
Interest expenses	664	10.7%	664	9.9%	-0						
Interest expenses on corporate bonds	34	0.6%	31	0.5%	-3						
Other expenses	11	0.2%	26	0.4%	14						
Non-operating expenses	711	11.4%	721	10.8%	10						
Ordinary income	1,924	31.0%	2,215	33.2%	291						
Income before income taxes	1,924	31.0%	2,215	33.2%	291						
Income tax	0	0.0%	3	0.0%	2						
Deferred income tax	1	0.0%	-1	-0.0%	-2						
Net income	1,922	30.9%	2,213	33.1%	291						

## Statements of Unitholders' Equity

Item	22nd fiscal period	23rd fiscal period
I. Unappropriated income	1,922,492,887 yen	2,213,553,550 yen
II. Voluntary reserve		
Reversal of reserve for reduction entry	44,497,113 yen	-
III. Cash distribution declared	1,966,990,000 yen	2,213,452,579 yen
(cash distribution declared per unit)	10,000 yen	10,121 yen
IV. Income carried forward	-	100,971 yen

# Profit and Loss Statements (Forecast for the 24th Fiscal Period)

Settlement

(million yen)

Item	23rd fiscal period Results [1]	24th fiscal period									Change [2]-[1]
		Total			Of which, office buildings			Of which, residential properties			
		Budget *1	Revised budget[2] *2	Change	Budget *1	Revised budget *2	Change	Budget *1	Revised budget *2	Change	
Rental revenue	5,638	5,542	5,513	-28	3,225	3,205	-20	2,316	2,307	-8	-125
Rents	4,714	4,718	4,655	-62	2,450	2,395	-55	2,267	2,260	-7	-58
Common area charge	924	823	857	33	775	810	35	48	47	-1	-66
Other revenue	664	636	623	-13	487	477	-9	149	145	-3	-41
Parking fees	165	151	148	-2	93	89	-4	57	59	1	-17
Facility fees	50	35	46	10	28	38	9	6	7	0	-4
Incidental revenue	335	368	351	-16	355	339	-16	12	12	0	15
Miscellaneous income	112	81	76	-4	8	10	1	72	66	-6	-36
[1] Total real estate rental revenue	6,303	6,179	6,136	-42	3,713	3,683	-29	2,465	2,453	-12	-166
[2] Gains from sale of properties	-	-	214	214							214
[3] Dividend income	376	356	358	1							-18
[A] Operating income ([1]+[2]+[3])	6,680	6,535	6,710	174							29
Property management fees	789	783	744	-38	474	441	-33	309	303	-5	-44
Utilities	422	470	444	-26	420	392	-28	50	52	1	22
Real estate taxes	419	476	472	-4	339	334	-5	136	137	0	52
Insurance	14	14	14	-0	8	8	-0	5	5	0	-0
Maintenance and repairs	261	238	280	41	148	160	12	90	120	29	18
Trust fees	42	39	38	-0	18	17	-0	21	21	-0	-3
Depreciation	1,193	1,192	1,158	-34	563	529	-33	629	629	-0	-34
Miscellaneous expenses	137	142	147	5	33	36	3	109	110	1	9
[4] Total real estate rental expenses	3,280	3,358	3,300	-58	2,006	1,919	-86	1,352	1,380	28	19
Real estate rental income ([1]-[4])	3,023	2,820	2,836	16	1,707	1,763	56	1,113	1,072	-40	-186
Rental NOI	4,216	4,013	3,995	-18	2,270	2,293	22	1,742	1,701	-40	-220
Asset management fees	261	249	256	7							-4
Directors' compensation	9	9	9	-							-
Custodian fees	10	10	10	-0							-0
Administration fees	81	80	82	1							0
Audit fees	8	9	8	-0							0
Other expenses	94	138	127	-10							32
[5] Operating expenses (excluding [4])	465	497	494	-3							28
[B] Operating expenses ([4]+[5])	3,746	3,855	3,794	-61							48
Operating income ([A]-[B])	2,934	2,680	2,915	235							-18
Non-operating income	2	2	2	-							-0
Interest expenses	664	662	607	-54							-56
Interest expenses on corporate bonds	31	27	41	14							10
Other expenses	26	13	16	2							-10
Non-operating expenses	721	702	665	-37							-55
Ordinary income	2,215	1,979	2,252	273							36
Income before income tax	2,215	1,979	2,252	273							36
Income tax	3	1	1	-							-2
Deferred income tax	-1	0	0	-							1
Net income	2,213	1,977	2,250	273							37

[Major items of maintenance and repair expenditures]			
(million yen)			
	23rd period results	24th period plan	Change
Maintenance and repairs	<¥261 million>	Takadanobaba Center Bldg.: Renovation of air conditioning systems	20
		Urbanner Ichigaya Bldg.: Repair work of outer wall	15
		Takadanobaba Center Bldg.: Renovation of air conditioning systems	19
	<¥280 million>	Rokubancho Bldg.: Replacement work to LED lamps	12
Capital expenditures	23rd period results	Iwamotocho Bldg.: Renovation work of air conditioning systems	79
	<¥268 million>	Iwamotocho Bldg.: Renovation of elevator halls, etc.	41
		Takadanobaba Center Bldg.: Renovation work of air conditioning systems	71
		Takadanobaba Center Bldg.: Renovation of air conditioning systems	65
	Plan for 24th period	Nisso No.3 Bldg.: Restoration work	33
<¥203 million>		Renai Shinjuku-Gyoen Tower: Renovation of entrance, etc.	30

\*1 The budget represents the budget that serves as the basis for the forecast of results disclosed in the "Financial Report for the Fiscal Period Ended October 31, 2013" dated December 16, 2013.

\*2 The revised budget represents the budget that serves as the basis for the forecast of results disclosed in the "Financial Report for the Fiscal Period Ended April 30, 2014" dated June 17, 2014.

# Assumptions for Forecasts

Settlement

	24th fiscal period (ending October 2014)	25th fiscal period (ending April 2015)
No. of investment assets	The forecast is based on the 58 properties (including preferred securities of an SPC) of investment assets owned as of the end of the 23rd fiscal period, but assumes the sale of two office buildings in May 2014.	It is assumed that the number of investment assets will remain unchanged from the end of the 24rd fiscal period (56 properties).
No. of investment units outstanding	It is assumed that the number of outstanding investment units will remain unchanged from the end of the 23rd fiscal period (218,699 units).	It is assumed that the number of outstanding investment units will remain unchanged from the end of the 24th fiscal period.
Interest-bearing liabilities	<p>It is assumed that the following changes will be made to the balance of interest-bearing liabilities, which was 124,387.5 million yen as of the end of the 23rd fiscal period:</p> <p>[Repayment of borrowings]                      PIC repaid the following borrowings by using proceeds from sale of owned assets and cash on hand:</p> <ul style="list-style-type: none"> <li>• Repaid 1,500 million yen in in short-term loans on May 9, 2014</li> <li>• Repaid 2,000 million yen in short-term loans on May 16, 2014</li> <li>• Repaid 3,400 million yen in long-term loans on May 20, 2014</li> <li>• Repaid 2,287.5 million yen in long-term loans on May 22, 2014</li> </ul> <p>[Refinance]                      It is planned that 7,000 million yen in short-term loans maturing on July 31, 2014 will be refinanced for the same amount.                      It is planned that 4,400 million yen in short-term loans maturing on October 31, 2014 will be refinanced for the same amount.</p> <p>Other than these, no repayment dates will arrive in the 24th fiscal period and PIC assumes no new borrowings, etc. (The scheduled balance of the interest-bearing liabilities at the end of the 24th fiscal period will be 115,200 million yen.)</p>	<p>It is assumed that the following changes will be made to the balance of interest-bearing liabilities, which will be 115,200 million yen as of the end of the 24th fiscal period</p> <p>[Refinance]                      It is planned that 12,000 million yen in short-term loans maturing on November 18, 2014 will be refinanced for the same amount.                      It is planned that 6,500 million yen in short-term loans maturing on March 31, 2015 will be refinanced for the same amount.</p> <p>Other than these, no repayment dates will arrive in the fiscal period and PIC assumes no new borrowings, etc. (The scheduled balance of the interest-bearing liabilities at the end of the 25th fiscal period will be 115,200 million yen.)</p>
Period average occupancy rate	<p>Office buildings: 90.7%</p> <p>Residential properties: 93.3%</p> <p>Total: 91.8%</p>	N/A
Others	<p>[Operating revenues]                      While taking into account a decrease in revenues due to such factors as sale of two office buildings at the beginning of the 24th fiscal period and move-outs of large tenants during the fiscal period, an increase in revenues is anticipated mainly due to accrual of gains on sale of real estate.</p> <p>[Operating expenses]                      Major items include:                      Outsourcing fees: 744 million yen                      Tax and public dues: 472 million yen                      Depreciation expenses: 1,158 million yen                      Operating expenses (excluding rental expenses): 494 million yen</p> <p>[Non-operating expenses]                      Interest expenses (including interest for corporate bonds): 649 million yen</p> <p>[Capital expenditures]: 203 million yen</p> <p>[Distribution]                      It is assumed that, while the balance of the existing reserve for reduction entry (56 million yen) is fully reversed based on tax laws, reserve for reduction entry (185 million yen (estimated)) is newly reserved from the gains from sale of properties generated at the beginning of the 24th fiscal period, and distribution is made from the remaining amount after adding the reversed amount to and deducting the new reserve amount from the net income.</p>	<p>[Operating revenues]                      A period-on-period decrease in revenues and profits is forecast on the assumption that no gains from sale of properties generated.</p> <p>[Operating expenses]                      Major items include:                      Outsourcing fees: 749 million yen                      Tax and public dues: 459 million yen                      Depreciation expenses: 1,160 million yen                      Operating expenses (excluding rental expenses): 499 million yen</p> <p>[Non-operating expenses]                      Interest expenses (including interest for corporate bonds): 629 million yen</p> <p>[Capital expenditures]: 221 million yen</p> <p>[Distribution]                      It is assumed that, of the reserve for reduction entry (185 million yen (estimated)) reserved in the 24th fiscal period, 53 million yen is reversed and added to the net income, and the combined amount is distributed.</p>

# Cash Flow Statements

Settlement

(million yen)

Item	19th fiscal period	20th fiscal period	21st fiscal period	22nd fiscal period	23rd fiscal period
Income before income taxes	2,178	1,985	2,004	1,924	2,215
Depreciation	1,117	1,117	1,125	1,145	1,194
Amortization of bond issue costs	5	5	5	5	4
Amortization of new investment unit issuance costs	6	6	6	3	7
Interest income	-0	-1	-1	-0	-1
Refund of unpaid distributions	-1	-1	-1	-0	-1
Interest expenses	811	778	740	699	695
Decrease (Increase) in tenant receivables	-35	-7	22	0	-5
(Decrease) Increase in accounts payable	107	-17	8	39	94
Decrease (Increase) in consumption taxes refund receivables	-261	261	-	-18	-8
(Decrease) Increase in consumption taxes payable	-68	111	-80	-31	-
(Decrease) Increase in rent received in advance	236	-49	16	-73	308
Decrease in carrying amounts of property and equipment held in trust due to sale	2,214	-	-	-	-
Increase in deposits received	-	-	17	84	20
Others	5	-36	3	5	-45
<b>Subtotal</b>	<b>6,316</b>	<b>4,153</b>	<b>3,867</b>	<b>3,781</b>	<b>4,479</b>
Interest received	0	1	1	0	1
Interest paid	-876	-776	-765	-642	-642
Income taxes paid	-8	-0	-5	-1	-13
<b>Net cash provided by operating activities</b>	<b>5,431</b>	<b>3,378</b>	<b>3,098</b>	<b>3,139</b>	<b>3,824</b>
Payments for purchases of property and equipment held in trust	-33,720	-225	-249	-3,109	-19,871
Payments for purchases of investment securities	-	-	-	-	-5,656
Payments for purchases of intangible fixed assets	-	-	-	-0	-0
Payments for purchases of intangible fixed assets held in trust	-	-	-	-0	-0
Proceeds from tenant security deposits held in trust	1,882	276	183	630	297
Payments of tenant security deposits held in trust	-369	-415	-308	-305	-339
Others	-	14	-0	-0	-
<b>Net cash used in investing activities</b>	<b>-32,207</b>	<b>-350</b>	<b>-374</b>	<b>-2,786</b>	<b>-25,570</b>
Proceeds from short-term loans payable	7,600	5,500	2,000	11,500	11,500
Proceeds from long-term loans payable	39,250	10,000	13,750	3,000	5,400
Repayments of short-term loans payable	-21,200	-6,500	-5,400	-8,500	-600
Repayments of long-term loans payable	-10,125	-75	-10,825	-4,075	-5,075
Payments of distributions	-1,309	-2,075	-1,981	-2,001	-1,965
Proceeds from issuance of corporate bonds	-	-	-	7,500	5,000
Payments in redemption of corporate bonds	-	-10,000	-	-7,000	-
Payments of bond issuance costs	-	-	-	-38	-28
Proceeds from issuance of new investment units	13,686	-	-	-	8,360
Payments of new investment unit issuance costs	-23	-	-	-	-19
<b>Net cash provided by financing activities</b>	<b>27,878</b>	<b>-3,150</b>	<b>-2,456</b>	<b>384</b>	<b>22,571</b>
Net change in cash and cash equivalents	1,102	-122	267	737	826
Cash and cash equivalents at beginning of period	9,402	10,505	10,382	10,650	11,387
Cash and cash equivalents at end of period	10,505	10,382	10,650	11,387	12,213

# Financial Indicators

Settlement

Item		19th fiscal period	20th fiscal period	21st fiscal period	22nd fiscal period	23rd fiscal period
Financial indicators	Return on assets (ROA) *1	1.2%	1.0%	1.0%	1.0%	1.0%
	Annualized	2.3%	1.9%	2.0%	1.9%	2.1%
	Return on equity (ROE) *2	2.7%	2.3%	2.3%	2.2%	2.4%
	Annualized	5.4%	4.5%	4.6%	4.3%	4.9%
	Unitholders' equity ratio (period end) *3	43.3%	43.6%	43.7%	43.1%	42.1%
	Interest-bearing debt ratio to total assets (period end) *4	53.0%	52.8%	52.7%	53.2%	54.4%
	Long-term fixed assets ratio (period end) *5	113.9%	114.3%	108.2%	106.3%	115.2%
	Debt service coverage ratio (times) *6	4.9	5.0	5.2	5.4	5.9
	Income before interest and depreciation (million yen)	3,938	3,879	3,868	3,767	4,102
	Interest paid (Includes interest expenses on corporate bonds) (million yen)	811	778	740	699	695
	Rental NOI (million yen)	4,115	4,048	4,024	3,924	4,216
	Portfolio NOI yield	4.7%	4.2%	4.2%	4.0%	4.1%
	Rental NCF (million yen) *7	3,896	3,849	3,774	3,653	3,948
	Depreciation (million yen)	1,117	1,117	1,125	1,145	1,194
	Capital expenditures (million yen)	219	198	249	271	268
	Annualized NCF yield *8	4.5%	4.0%	4.0%	3.8%	3.9%
Funds from operation (million yen) *9	3,296	3,100	3,128	3,067	3,406	
Reference	Number of properties at end of period	54	54	54	55	58
	Number of tenants at end of period	3,309	3,342	3,308	3,341	3,564
	Total net leasable space at end of period	220,077.85m <sup>2</sup>	219,892.55m <sup>2</sup>	219,864.68m <sup>2</sup>	223,713.73m <sup>2</sup>	244,419.40m <sup>2</sup>
	Occupancy rate (period average)	91.9%	91.9%	91.9%	90.9%	91.5%
	(as of period-end)	92.2%	92.6%	91.2%	92.0%	91.8%
	Appraisal valuation (million yen)	163,494	163,449	162,129	165,357	185,660
	Investment units outstanding (period-end) (units)	196,699	196,699	196,699	196,699	218,699
	Unitholders' capital (period-end) (million yen)	85,644	85,644	85,644	85,644	94,005
	Unitholders' equity (period-end) (million yen)	87,823	87,728	87,748	87,667	96,274
	Unitholders' equity per investment unit (yen) *10	446,486	446,004	446,105	445,694	440,215

\*1 Return on assets (ROA) = Ordinary income / (Total assets as of the beginning of the period + Total assets as of the end of the period) / 2

\*2 Return on equity (ROE) = Net income / (Unitholders' equity as of the beginning of the period + Unitholders' equity as of the end of the period) / 2

\*3 Unitholders' equity ratio (period end) = Unitholders' equity as of the end of the period / Total assets as of the end of the period × 100

\*4 Interest-bearing debt ratio to total assets (period end) = Interest-bearing debt as of the end of the period / Total assets as of the end of the period × 100

\*5 Long-term fixed assets ratio (period end) = 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 Debt service coverage ratio = Income before interest and depreciation (excluding gains from sale of real estate assets) / Interest paid

\*7 Rental NCF = NOI from rental operations - Capital expenditures

\*8 Annualized NCF yield = Annualized NCF / Investment value

\*9 Funds from operation = Net income + Depreciation

\*10 Unitholders' equity per investment unit = Unitholders' equity as of the end of the period / Investment units issued and outstanding as of the end of the period

# Rental Revenue and Expenses by Property (1)

Properties

(million yen)

	Landic Shimbashi Bldg.		Landic Shimbashi 2 Bldg.		Premier Dogenzaka Bldg.		KN Shibuya No.3 *1		Takadanobaba Center Bldg.		Rokubancho Bldg. *1		Ougaku Bldg.		YS Kaigan Bldg.	
	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd
Real estate rental revenue [A]	140	166	217	199	66	74			255	246			57	64	80	75
Rental revenue	124	146	196	180	55	63			208	204			48	55	64	61
Other income	16	19	21	18	11	11			46	41			8	8	15	13
Real estate rental expenses [B]	79	81	92	95	29	31			106	127			29	27	72	68
Property management fees	18	15	20	24	6	9			25	29			6	6	10	11
Utilities	8	10	17	16	5	5	Non-Disclosure	Non-Disclosure	24	20	Non-Disclosure	Non-Disclosure	5	5	8	7
Real estate taxes	21	21	15	15	5	5	Non-Disclosure	Non-Disclosure	20	20	Non-Disclosure	Non-Disclosure	4	4	14	14
Insurance	0	0	0	0	0	0			0	0			0	0	0	0
Maintenance and repairs	1	3	4	4	1	0			3	22			0	0	5	1
Trust fees	0	0	0	0	0	0			0	0			0	0	1	1
Depreciation	27	28	33	33	9	9			30	32			10	10	30	30
Miscellaneous expenses	0	0	0	0	0	0			0	0			0	0	0	0
Real estate rental income [A] - [B]	61	84	125	103	37	43	114	119	148	119	155	146	28	36	7	6
Rental NOI	89	112	158	137	46	53	130	136	178	151	186	178	38	46	38	37
Rental NOI yield	2.9%	3.6%	4.6%	4.0%	6.1%	6.9%	5.3%	5.5%	8.1%	6.8%	4.7%	4.4%	4.4%	5.3%	1.5%	1.4%

(million yen)

	Iwamotocho Bldg.		Urbannet Mita Bldg.		Urbannet Azabu Bldg. *1		Urbannet Ichigaya Bldg. *1		Kanda Chuodori Bldg.		Urbannet Irifune Bldg. *1 *2		Granpark *2		IPB Ochanomizu Bldg.		
	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	
Real estate rental revenue [A]	175	181	310	261					78	78					377	45	50
Rental revenue	157	167	288	239					72	65					336	40	43
Other income	17	14	21	21					6	12					41	5	6
Real estate rental expenses [B]	126	116	140	118					34	34					161	23	24
Property management fees	30	25	49	35					6	5					59	5	5
Utilities	18	15	22	22	Non-Disclosure	Non-Disclosure	Non-Disclosure	Non-Disclosure	4	3	Non-Disclosure	Non-Disclosure			44	3	4
Real estate taxes	13	13	28	28	Non-Disclosure	Non-Disclosure	Non-Disclosure	Non-Disclosure	10	10	Non-Disclosure	Non-Disclosure			-	4	4
Insurance	0	0	0	0					0	0					1	0	0
Maintenance and repairs	34	28	11	4					6	7					16	0	0
Trust fees	1	0	0	0					0	0					0	0	0
Depreciation	28	32	26	26					5	5					34	9	9
Miscellaneous expenses	0	0	0	0					1	0					2	0	0
Real estate rental income [A] - [B]	48	65	169	143	100	80	16	30	43	43	100	105			216	21	26
Rental NOI	77	97	195	169	115	96	24	38	48	48	117	123			250	31	35
Rental NOI yield	2.3%	2.8%	3.8%	3.3%	4.7%	3.8%	2.9%	4.6%	4.0%	4.0%	7.7%	7.8%			3.8%	4.7%	5.4%

\*1 Details of the real estate rental income for KN Shibuya No. 3, Rokubancho Bldg., Urbannet Azabu Bldg., Urbannet Ichigaya Bldg. and Urbannet Irifune Bldg. are not disclosed as consent from tenants regarding disclosure of rents has not been obtained.

\*2 The rental NOI yields of Urbannet Irifune Building and Granpark PIC acquired in the 22nd fiscal period and the 23rd fiscal period, respectively, have been calculated on the basis of the modified NOI that is obtained by deducting estimated taxes and public dues from the rental NOI.

# Rental Revenue and Expenses by Property (2)

Properties

(million yen)

	Premier Toyocho Bldg. *1		Ueno TH Bldg.		Gotanda NT Bldg.		Ueno Tosei Bldg.		Nisso No.3 Bldg.		The Kanagawa Science Park R&D Bldg.		NU Kannai Bldg.		Tradepia Yodoyabashi (land) *1 *2		
	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	
Real estate rental revenue [A]		59	103	89	81	82	210	209	159	158	408	389	183	176			
Rental revenue		53	90	78	68	63	186	186	126	126	314	310	155	153			
Other income		5	12	10	13	19	24	22	33	31	93	78	27	23			
Real estate rental expenses [B]		61	62	60	41	47	93	92	72	69	262	251	95	95			
Property management fees		10	9	9	7	9	13	13	16	17	61	59	27	28			
Utilities		4	8	6	9	6	12	12	12	10	104	93	20	20			
Real estate taxes	Non-	8	8	8	8	8	12	12	10	10	33	33	13	13			
Insurance	Disclosure	0	0	0	0	0	0	0	0	0	1	1	0	0			
Maintenance and repairs		1	2	2	2	8	0	1	2	1	6	8	10	7			
Trust fees		1	1	1	1	1	0	0	0	0	0	0	0	0			
Depreciation		35	15	15	12	13	51	51	29	29	54	54	22	22			
Miscellaneous expenses		0	17	18	0	0	0	0	1	0	0	0	0	0			
Real estate rental income [A] - [B]		- 13	- 2	40	28	40	34	117	116	86	88	146	137	87	81		
Rental NOI		21	32	56	44	53	47	169	168	115	117	200	191	110	104		
Rental NOI yield		1.1%	1.6%	2.4%	1.9%	2.5%	2.2%	5.7%	5.7%	6.9%	7.0%	7.5%	7.2%	6.8%	6.4%		4.0%

(million yen)

	Park Axis Yotsuya Stage		Park Axis Meiji-Jingumae		Sun Palace Minami-Azabu		Cabin Arena Akasaka		Cabin Arena Minami-Aoyama		Bureau Kioicho		Homat Woodville		Roppongi Green Terrace	
	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd
Real estate rental revenue [A]	151	148	54	54	31	30	37	37	36	35	45	37	123	117	103	110
Rental revenue	139	137	49	49	30	28	35	36	33	32	45	37	121	114	101	109
Other income	12	11	4	4	0	1	2	0	2	2	-	-	2	3	2	0
Real estate rental expenses [B]	77	78	23	21	16	24	17	15	17	18	14	14	64	70	70	61
Property management fees	19	17	5	5	3	4	4	3	4	4	-	-	12	14	12	13
Utilities	1	1	1	1	1	1	0	0	0	0	-	-	2	2	2	2
Real estate taxes	8	8	2	2	2	2	1	1	1	1	2	2	7	7	7	7
Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance and repairs	6	8	3	1	0	6	2	0	1	2	0	0	5	10	12	3
Trust fees	0	0	0	0	0	0	0	0	0	0	0	0	2	0	1	0
Depreciation	36	37	9	8	8	7	7	7	8	8	11	11	31	31	31	32
Miscellaneous expenses	4	4	0	1	0	0	0	0	0	0	0	0	1	1	1	1
Real estate rental income [A] - [B]	73	69	30	32	14	6	20	21	18	17	31	23	59	47	33	48
Rental NOI	110	107	39	41	22	14	28	29	26	25	42	34	91	78	65	80
Rental NOI yield	4.8%	4.6%	3.2%	3.3%	4.2%	2.7%	4.7%	4.9%	5.6%	5.4%	4.9%	4.0%	3.8%	3.2%	3.1%	3.9%

\*1 Details of the real estate rental income are not disclosed for Premier Toyocho Bldg. (data for the 22nd fiscal period) and Tradepia Yodoyabashi (Land) as consent from tenants regarding disclosure of rents has not been obtained.

\*2 The rental NOI yield of Tradepia Yodoyabashi (Land) PIC acquired in the 23rd fiscal period has been calculated on the basis of the modified NOI that is obtained by deducting estimated taxes and public dues from the rental NOI.

# Rental Revenue and Expenses by Property (3)

Properties

(million yen)

	Premier Stage Shibakoen II		Langue Tower Kyobashi		Premier Stage MitaKeidaimae		Premier Rosso		Premier Blanc Yoyogikouen		Premier Stage Uchikanda		Premier Stage Ichigayakawadacho		Walk Akasaka	
	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd
Real estate rental revenue [A]	55	55	35	35	53	52	50	52	62	62	49	49	43	46	45	44
Rental revenue	54	54	34	33	52	51	48	47	58	58	45	46	41	45	43	40
Other income	1	1	1	1	1	1	2	4	3	3	4	2	1	1	2	3
Real estate rental expenses [B]	26	26	16	17	20	19	21	23	31	33	23	21	20	17	28	29
Property management fees	4	4	3	4	5	4	5	5	6	7	5	4	4	3	5	5
Utilities	0	0	0	0	0	0	0	0	1	1	1	1	0	0	0	0
Real estate taxes	2	2	1	1	2	2	2	2	3	3	2	2	1	1	2	2
Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance and repairs	0	1	1	1	1	1	1	2	2	2	1	0	1	0	1	2
Trust fees	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0
Depreciation	16	16	7	7	8	8	9	9	17	17	10	10	9	9	16	16
Miscellaneous expenses	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Real estate rental income [A] - [B]	28	28	19	17	33	33	29	28	30	28	25	28	23	28	16	14
Rental NOI	45	45	26	25	41	42	39	38	47	45	36	38	33	38	33	31
Rental NOI yield	4.7%	4.7%	6.4%	6.1%	5.6%	5.6%	5.1%	5.0%	4.5%	4.3%	4.5%	4.8%	4.8%	5.7%	3.7%	3.4%

(million yen)

	Premier Stage Shibakoen		MEW		Shibaura Island Air Tower *1		Storia Akasaka		Renai Shinjuku-Gyoen Tower		Shibaura Island Bloom Tower *1		Questcourt Harajuku		Urbancourt Ichigaya *2	
	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd
Real estate rental revenue [A]	41	43	35	34	324	323	87	85	178	178	264	268	137	147		49
Rental revenue	39	41	30	29	282	287	80	78	155	160	239	244	131	132		42
Other income	2	1	5	4	41	36	6	6	23	18	24	23	5	14		7
Real estate rental expenses [B]	20	18	22	21	237	234	41	40	109	103	161	159	52	55		30
Property management fees	5	5	3	3	54	49	8	8	35	33	38	37	14	16		9
Utilities	0	0	0	0	10	10	1	2	6	6	3	3	4	4		0
Real estate taxes	2	2	1	1	16	16	6	6	11	11	8	8	6	6		-
Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0
Maintenance and repairs	2	1	2	0	14	13	4	2	8	5	11	10	3	4		13
Trust fees	0	0	0	0	0	0	1	1	1	1	0	0	0	0		0
Depreciation	8	8	12	12	96	96	18	18	43	43	65	66	23	23		6
Miscellaneous expenses	0	0	0	0	44	46	0	0	1	1	31	31	0	0		0
Real estate rental income [A] - [B]	20	24	12	12	86	89	45	44	69	75	102	108	84	91		19
Rental NOI	29	32	24	25	182	185	64	63	113	119	168	174	107	114		25
Rental NOI yield	3.8%	4.2%	3.4%	3.5%	5.2%	5.3%	3.3%	3.2%	3.6%	3.7%	6.1%	6.3%	4.8%	5.1%		3.2%

\*1 The rental NOI yields of Shibaura Island Air Tower and Shibaura Island Bloom Tower have been calculated based on the total investment values, which adds deposits and guarantees paid to the investment value.

\*2 The rental NOI yield of Urbancourt Ichigaya PIC acquired in the 23rd fiscal period has been calculated on the basis of the modified NOI that is obtained by deducting estimated taxes and public dues from the rental NOI.

# Rental Revenue and Expenses by Property (4)

Properties

(million yen)

	B-Site Osaki		Premier Garden Hongo		Premier Grande Magome		Premier Nozze Yutenji		Premier Stage Yushima		Premier Stage Komagome		Premier Stage Otsuka		Premier Stage Honjo-Azumabashi	
	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd	22nd	23rd
Real estate rental revenue [A]	29	29	26	29	42	42	36	38	48	51	51	50	41	40	77	79
Rental revenue	29	29	26	28	37	36	32	36	47	48	47	48	40	39	71	72
Other income	-	0	0	1	4	5	4	1	1	3	3	2	1	1	5	6
Real estate rental expenses [B]	11	10	11	13	22	24	21	17	26	29	29	28	19	20	46	43
Property management fees	-	-	3	3	5	5	4	3	5	6	5	6	3	3	11	8
Utilities	-	-	0	0	0	0	0	0	0	1	0	0	0	0	0	0
Real estate taxes	1	1	2	2	2	2	1	1	2	2	2	2	1	1	4	4
Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance and repairs	0	0	1	2	0	2	2	0	0	1	2	1	1	1	4	4
Trust fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Depreciation	8	8	3	3	11	11	10	10	14	14	15	15	10	10	23	22
Miscellaneous expenses	0	0	0	1	0	1	0	0	1	1	1	1	1	1	0	1
Real estate rental income [A] - [B]	17	18	15	15	20	17	15	20	21	22	21	22	22	20	30	35
Rental NOI	26	27	18	19	31	29	25	31	36	37	37	37	32	30	53	58
Rental NOI yield	5.7%	5.9%	3.8%	4.0%	4.5%	4.1%	3.5%	4.2%	4.5%	4.5%	4.5%	4.5%	5.3%	4.9%	4.2%	4.6%

(million yen)

	Premier Stage Ryogoku	
	22nd	23rd
Real estate rental revenue [A]	45	46
Rental revenue	43	44
Other income	2	1
Real estate rental expenses [B]	24	23
Property management fees	4	4
Utilities	0	0
Real estate taxes	1	1
Insurance	0	0
Maintenance and repairs	1	0
Trust fees	0	0
Depreciation	14	14
Miscellaneous expenses	0	0
Real estate rental income [A] - [B]	20	22
Rental NOI	35	37
Rental NOI yield	5.0%	5.4%

# Property Portfolio Appraisal (1)

Properties

	Property name	Appraisal value			Direct cap rate		DCF method		Book value [3] (million yen)	Unrealized profits and losses [2]-[3] (million yen)	
		22nd fiscal period [1] (million yen)	23rd fiscal period [2] (million yen)	Change *1 [2]-[1] (million yen)	23rd fiscal period	Change	Discount rate	Terminal cap rate			
Office buildings	5 Central Wards of Tokyo	Landic Shimbashi Bldg.	5,740	5,890	150	4.3%	- 0.1%	4.1%	4.5%	6,213	- 323
		Landic Shimbashi 2 Bldg.	7,000	6,820	- 180	4.5%	- 0.1%	4.2%	4.6%	6,818	1
		Premier Dogenzaka Bldg.	1,910	2,110	200	4.6%	-	4.3%	4.7%	1,537	572
		KN Shibuya No.3	6,320	6,350	30	4.4%	- 0.1%	4.1%	4.5%	4,884	1,465
		Takadanobaba Center Bldg.	5,560	5,570	10	4.8%	- 0.1%	4.6%	5.0%	4,433	1,136
		Rokubancho Bldg.	8,150	8,350	200	4.7%	- 0.1%	4.4%	4.8%	7,945	404
		Ougaku Bldg.	1,410	1,420	10	4.9%	- 0.1%	4.7%	5.1%	1,756	- 336
		YS Kaigan Bldg.	3,470	3,390	- 80	4.6%	- 0.1%	4.3%	4.8%	5,093	- 1,703
		Iwamotocho Bldg.	6,280	6,320	40	4.7%	- 0.1%	4.4%	4.9%	6,903	- 583
		Urbannet Mita Bldg.	10,100	10,100	0	4.4%	- 0.1%	4.1%	4.6%	10,213	- 113
		Urbannet Azabu Bldg.	4,870	4,750	- 120	4.6%	- 0.1%	4.4%	4.8%	4,952	- 202
		Urbannet Ichigaya Bldg.	1,760	1,760	-	5.5%	-	5.3%	5.7%	1,657	102
		Kanda Chuodori Bldg.	2,750	2,650	- 100	4.6%	- 0.1%	4.3%	4.8%	2,444	205
		Urbannet Irifune Bldg.	3,040	3,060	20	5.1%	- 0.1%	4.8%	5.1%	2,897	162
		Granpark	-	11,700	-	4.3%	-	4.0%	4.5%	11,517	182
	Other 18 Wards of Tokyo	IPB Ochanomizu Bldg.	1,230	1,240	10	5.0%	- 0.1%	4.7%	5.2%	1,313	- 73
		Premier Toyochō Bldg.	3,560	3,360	- 200	5.2%	- 0.1%	4.9%	5.4%	3,968	- 608
		Ueno TH Bldg.	3,040	2,890	- 150	5.1%	- 0.1%	4.7%	5.5%	4,600	- 1,710
		Gotanda NT Bldg.	2,490	2,440	- 50	5.0%	- 0.1%	4.6%	5.4%	4,204	- 1,764
		Ueno Tosei Bldg.	6,290	6,250	- 40	4.8%	- 0.1%	4.5%	5.0%	5,862	387
Surrounding City Area	Nisso No.3 Bldg.	3,250	3,260	10	5.7%	- 0.2%	5.3%	5.7%	3,326	- 66	
	The Kanagawa Science Park R&D Bldg.	4,930	4,950	20	6.6%	- 0.1%	6.2%	6.6%	5,273	- 323	
	NU Kannai Bldg.	3,560	3,610	50	5.1%	- 0.1%	4.8%	5.3%	3,232	377	
Regional Cities	Tradepia Yodoyabashi (land)	-	6,540	-	4.0%	-	4.0%	4.0%	6,558	- 18	
Subtotal		96,710	114,780	-170	-	-	-	-	117,610	- 2,830	
Residential properties	5 Central Wards of Tokyo	Park Axis Yotsuya Stage	4,510	4,550	40	4.8%	- 0.1%	4.6%	5.0%	4,560	- 10
		Park Axis Meiji-Jingumae	1,670	1,690	20	4.8%	- 0.1%	4.6%	5.0%	2,488	- 798
		Sun Palace Minami-Azabu	660	674	14	4.9%	- 0.1%	4.7%	5.1%	1,041	- 367
		Cabin Arena Akasaka	1,060	1,070	10	4.9%	- 0.1%	4.7%	5.1%	1,204	- 134
		Cabin Arena Minami-Aoyama	1,010	1,010	-	4.9%	- 0.1%	4.7%	5.1%	933	76
		Bureau Kioicho	1,360	1,390	30	4.4%	-	4.7%	5.1%	1,715	- 325
		Homat Woodville	3,210	3,250	40	5.0%	- 0.1%	4.8%	5.2%	4,807	- 1,557
		Roppongi Green Terrace	3,370	3,430	60	4.8%	- 0.1%	4.6%	5.0%	4,116	- 686

\*1 Changes due to new acquisition or sale of subject properties are excluded.

# Property Portfolio Appraisal (2)

Properties

	Property name	Appraisal value			Direct cap rate		DCF method		Book value [3] (million yen)	Unrealized profits and losses [2]-[3] (million yen)	
		22nd fiscal period [1] (million yen)	23rd fiscal period [2] (million yen)	Change *1 [2]-[1] (million yen)	23rd fiscal period	Change	Discount rate	Terminal cap rate			
Residential Properties	Premier Stage Shibakoen II	1,620	1,650	30	4.9%	-0.1%	4.7%	5.1%	1,926	-276	
	Langue Tower Kyobashi	913	925	12	4.8%	-0.1%	4.6%	5.0%	827	97	
	Premier Stage MitaKeidaimae	1,730	1,760	30	4.7%	-0.1%	4.4%	4.9%	1,491	268	
	Premier Rosso	1,480	1,490	10	4.9%	-	4.7%	5.1%	1,547	-57	
	Premier Blanc Yoyogikouen	2,110	2,140	30	4.7%	-0.1%	4.4%	4.9%	2,109	30	
	Premier Stage Uchikanda	1,740	1,760	20	4.8%	-0.1%	4.6%	5.0%	1,581	178	
	Premier Stage Ichigayakawadacho	1,540	1,560	20	4.8%	-0.1%	4.5%	5.0%	1,357	202	
	Walk Akasaka	1,470	1,470	-	4.7%	-0.1%	4.5%	4.9%	1,791	-321	
	Premier Stage Shibakoen	1,330	1,370	40	4.7%	-0.1%	4.4%	4.9%	1,539	-169	
	MEW	1,080	1,080	-	4.9%	-0.1%	4.6%	5.1%	1,442	-362	
	Shibaura Island Air Tower	6,650	6,760	110	-	-	4.6%	6.7%	6,604	155	
	Storia Akasaka	2,750	2,750	-	4.8%	-0.1%	4.6%	5.0%	3,894	-1,144	
	Renai Shinjuku-Gyoen Tower	4,750	4,790	40	4.9%	-0.1%	4.7%	5.1%	6,316	-1,526	
	Shibaura Island Bloom Tower	5,730	5,820	90	-	-	4.7%	6.8%	5,206	613	
	Questcourt Harajuku	4,660	4,610	-50	4.8%	-0.1%	4.6%	5.0%	4,435	174	
	Urbancourt Ichigaya	-	1,440	-	5.1%	-	4.8%	5.3%	1,411	28	
	Other 18 Wards of Tokyo	B-Site Osaki	899	917	18	5.2%	-0.1%	4.8%	5.2%	911	5
		Premier Garden Hongo	795	804	9	4.9%	-0.1%	4.7%	5.1%	971	-167
		Premier Grande Magome	1,080	1,100	20	5.1%	-0.1%	4.9%	5.3%	1,385	-285
		Premier Nozze Yutenji	1,240	1,250	10	4.9%	-0.1%	4.6%	5.1%	1,463	-213
		Premier Stage Yushima	1,520	1,540	20	4.8%	-0.1%	4.5%	5.0%	1,619	-79
		Premier Stage Komagome	1,640	1,670	30	4.8%	-0.1%	4.5%	5.0%	1,645	24
		Premier Stage Otsuka	1,240	1,280	40	5.2%	-0.1%	5.0%	5.4%	1,231	48
		Premier Stage Honjo-Azumabashi	2,450	2,470	20	4.9%	-0.1%	4.7%	5.1%	2,519	-49
		Premier Stage Ryogoku	1,380	1,410	30	5.0%	-0.1%	4.8%	5.2%	1,378	31
Subtotal		68,647	70,880	793	-	-	-	-	77,478	-6,598	
Total		165,357	185,660	623	-	-	-	-	195,088	-9,428	

\*1 Changes due to new acquisition or sale of subject properties are excluded.

# Occupancy Rates (1)

Properties

(%)

		Name	22nd fiscal period (ended October 31, 2013)						23rd fiscal period (ended April 30, 2014)								
			May	Jun.	Jul.	Aug.	Sep.	Oct.	Ave.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Ave.	
Office buildings	5 Central Wards of Tokyo	Landic Shimbashi Bldg.	65.0	65.0	65.0	65.0	92.7	92.7	74.2	92.7	92.7	92.7	92.7	92.7	92.7	92.7	
		Landic Shimbashi 2 Bldg.	100.0	100.0	100.0	94.6	94.6	100.0	98.2	100.0	100.0	100.0	85.4	85.4	100.0	95.1	
		Premier Dogenzaka Bldg.	83.0	100.0	100.0	100.0	100.0	100.0	97.2	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		KN Shibuya No.3	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Takadanobaba Center Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	91.1	91.1	97.0	
		Rokubancho Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Ougaku Bldg.	86.2	86.2	86.2	86.2	100.0	100.0	90.8	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		YS Kaigan Bldg.	51.8	51.8	51.8	51.8	51.8	51.8	51.8	51.8	51.8	51.8	51.8	51.8	53.7	53.7	52.4
		Iwamotocho Bldg.	57.6	68.3	68.3	68.3	68.3	78.6	68.2	78.6	78.6	78.6	94.0	66.3	72.2	78.1	
		Urbannet Mita Bldg.	89.9	89.9	89.9	89.9	89.9	99.9	91.5	99.9	99.9	99.9	99.9	99.9	99.9	99.9	
		Urbannet Azabu Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Urbannet Ichigaya Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Kanda Chuodori Bldg.	88.7	88.7	88.7	88.7	77.0	77.0	84.8	77.0	77.0	77.0	77.0	77.0	58.4	73.9	
		Urbannet Irifune Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
	Granpark	-	-	-	-	-	-	-	-	82.5	82.2	82.2	82.3	82.5	78.4	81.7	
	Other 18 Wards of Tokyo	IPB Ochanomizu Bldg.	88.7	88.7	88.7	88.7	88.7	88.7	88.7	88.7	100.0	100.0	100.0	100.0	100.0	98.1	
		Premier Toyochō Bldg.	31.7	31.7	31.7	31.7	31.7	31.7	31.7	44.2	44.2	44.2	44.2	44.2	44.2	44.2	
		Ueno TH Bldg.	74.5	74.5	74.5	74.5	74.5	61.7	72.4	61.7	61.7	61.7	61.7	61.7	61.7	61.7	
		Gotanda NT Bldg.	100.0	100.0	100.0	100.0	86.5	86.5	95.5	86.5	75.7	75.7	75.7	75.7	89.1	79.8	
Ueno Tosei Bldg.		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		
Surrounding City Area	Nisso No.3 Bldg.	94.5	94.5	94.5	94.5	94.5	94.5	94.5	94.5	94.5	94.5	94.5	100.0	100.0	96.4		
	The Kanagawa Science Park R&D Bldg.	100.0	99.9	98.1	98.1	96.6	96.6	98.2	96.4	96.4	96.4	97.3	97.3	97.3	96.9		
	NU Kannai Bldg.	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	92.6	92.6	92.6	100.0	95.0		
Regional Cities	Tradepia Yodoyabashi (land)	-	-	-	-	-	-	-	-	-	-	-	100.0	100.0	100.0		
Subtotal		88.0	88.9	88.7	88.4	89.1	90.4	88.9	90.1	90.0	89.8	90.0	88.9	90.0	89.8		
Residential properties	5 Central Wards of Tokyo	Park Axis Yotsuya Stage	95.6	94.8	93.4	92.5	91.8	95.1	93.9	96.0	95.6	95.0	93.0	86.7	85.6	92.0	
		Park Axis Meiji-Jingumae	100.0	100.0	91.6	91.6	84.7	93.1	93.5	94.4	94.4	94.4	94.4	94.4	94.6	94.4	
		Sun Palace Minami-Azabu	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	76.9	84.1	92.0	100.0	100.0	92.2	
		Cabin Arena Akasaka	94.7	96.9	93.8	93.8	93.8	93.8	94.5	91.2	91.2	96.9	100.0	100.0	100.0	96.6	
		Cabin Arena Minami-Aoyama	91.7	93.9	93.9	85.6	85.6	87.7	89.7	90.8	87.7	84.7	84.7	91.3	94.3	88.9	
		Bureau Kioicho	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Homat Woodville	90.2	93.5	95.9	95.9	95.9	91.6	93.8	90.9	80.7	85.8	88.8	95.7	92.1	89.0	
		Roppongi Green Terrace	92.1	87.6	80.0	80.0	83.6	86.6	85.0	88.6	84.4	91.7	91.7	95.8	100.0	92.0	

# Occupancy Rates (2)

Properties

(%)

	Name	22nd fiscal period (ended October 31, 2013)							23rd fiscal period (ended April 30, 2014)							
		May	Jun.	Jul.	Aug.	Sep.	Oct.	Ave.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Ave.	
Residential properties	5 central Wards of Tokyo	Premier Stage Shibakoen II	95.3	95.3	95.3	95.3	96.5	96.5	95.7	95.3	96.5	98.8	95.3	97.6	97.6	96.8
	Langue Tower Kyobashi	96.8	96.6	98.3	98.3	98.3	96.5	97.4	96.5	96.6	94.8	91.6	95.1	98.3	95.5	
	Premier Stage MitaKeidaimae	98.4	98.4	96.8	96.8	95.3	96.6	97.1	95.0	95.0	95.0	96.6	95.0	95.0	95.2	
	Premier Rosso	93.1	97.8	97.0	97.0	97.0	100.0	97.0	95.6	92.6	95.7	100.0	97.0	98.2	96.5	
	Premier Blanc Yoyogikouen	98.7	96.8	92.5	88.9	90.7	90.7	93.0	90.8	90.8	94.7	97.1	98.3	98.3	95.0	
	Premier Stage Uchikanda	84.6	84.6	83.0	79.0	77.4	75.6	80.7	82.4	85.7	85.7	85.7	85.7	82.1	84.5	
	Premier Stage Ichigayakawadacho	87.0	85.4	87.1	89.8	100.0	98.2	91.3	98.2	100.0	100.0	100.0	96.9	96.9	98.7	
	Walk Akasaka	92.0	100.0	82.2	88.1	88.1	94.0	90.8	91.2	91.2	91.2	94.3	83.4	80.3	88.6	
	Premier Stage Shibakoen	90.7	93.0	90.7	90.9	93.4	93.4	92.0	95.5	95.5	93.0	97.7	97.7	100.0	96.6	
	MEW	94.6	91.1	91.1	91.1	91.1	90.9	91.7	90.9	90.9	96.3	96.3	96.3	96.3	94.5	
	Shibaura Island Air Tower	94.5	94.9	94.8	95.2	95.2	95.1	95.0	94.9	94.7	94.7	96.8	96.0	95.2	95.4	
	Storia Akasaka	93.7	95.4	93.3	91.4	89.4	89.9	92.2	92.5	88.4	89.9	87.9	91.9	90.2	90.2	
	Renai Shinjuku-Gyoen Tower	90.5	88.9	88.6	89.8	91.8	95.5	90.8	96.8	94.2	95.9	94.3	96.4	97.7	95.9	
	Shibaura Island Bloom Tower	95.2	96.6	96.2	96.4	96.7	97.2	96.4	97.3	96.8	96.9	97.1	96.2	95.8	96.7	
	Questcourt Harajuku	90.4	90.6	90.6	93.7	93.7	96.5	92.6	95.0	93.2	93.2	92.4	95.5	88.3	92.9	
Urban-court Ichigaya	-	-	-	-	-	-	-	79.3	76.5	76.5	79.2	75.5	86.2	78.9		
Other 18 Wards of Tokyo	B-Site Osaki	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
	Premier Garden Hongo	85.8	85.8	85.8	85.8	100.0	100.0	90.5	93.1	93.1	93.1	93.1	93.1	93.1	93.1	
	Premier Grande Magome	93.7	93.7	96.8	94.3	94.9	94.9	94.7	94.9	94.9	88.8	88.2	93.7	93.9	92.4	
	Premier Nozze Yutenji	85.9	92.5	86.9	85.7	86.1	89.6	87.8	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
	Premier Stage Yushima	90.4	90.4	88.6	90.4	95.1	96.7	91.9	96.7	95.1	94.4	97.8	91.3	97.1	95.4	
	Premier Stage Komagome	90.6	93.7	96.0	93.4	93.7	83.9	91.9	89.9	93.4	94.2	91.3	95.8	94.4	93.2	
	Premier Stage Otsuka	95.4	95.4	90.8	92.3	92.3	94.0	93.4	93.8	92.4	90.9	92.5	92.6	89.6	92.0	
	Premier Stage Honjo-Azumabashi	93.9	92.0	90.2	90.8	91.5	95.7	92.4	94.6	92.1	93.4	94.5	97.6	93.9	94.4	
	Premier Stage Ryogoku	91.9	94.2	94.2	90.9	88.6	90.8	91.8	91.9	93.1	94.2	96.7	100.0	97.7	95.6	
Subtotal		93.3	93.8	92.5	92.4	93.0	93.9	93.2	93.9	92.1	93.2	93.8	94.4	94.2	93.6	
Total		90.4	91.1	90.4	90.2	90.9	92.0	90.9	91.8	91.0	91.3	91.7	91.3	91.8	91.5	

# Basic Information on Properties (1)

Properties

	Landic Shimbashi Bldg.	Landic Shimbashi 2 Bldg.	Premier Dogenzaka Bldg.	KN Shibuya No.3	Takadanobaba Center Bldg.	Rokubancho Bldg.	Ougaku Bldg.	YS Kaigan Bldg.
								
Location	Minato Ward, Tokyo	Minato Ward, Tokyo	Shibuya Ward, Tokyo	Shibuya Ward, Tokyo	Shinjuku Ward, Tokyo	Chiyoda Ward, Tokyo	Chiyoda Ward, Tokyo	Minato Ward, Tokyo
Acquisition price	6,341 million yen	7,045 million yen	1,727 million yen	5,348 million yen	5,118 million yen	7,860 million yen	1,796 million yen	5,100 million yen
Leasable space	5,567.79m <sup>2</sup>	6,948.72m <sup>2</sup>	1,926.01m <sup>2</sup>	5,761.34m <sup>2</sup>	6,313.02m <sup>2</sup>	6,872.77m <sup>2</sup>	2,100.93m <sup>2</sup>	5,944.76m <sup>2</sup>
Completed	June 1982	December 1978	June 1991	February 1993	May 1992	April 1987	March 1988	January 1993

	Iwamotocho Bldg.	Urbannet Mita Bldg.	Urbannet Azabu Bldg.	Urbannet Ichigaya Bldg.	Kanda Chuodori Bldg. *1	Urbannet Irifune Bldg.	Granpark *2	IPB Ochanomizu Bldg.
								
Location	Chiyoda Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Shinjuku Ward, Tokyo	Chiyoda Ward, Tokyo	Chuo Ward, Tokyo	Minato Ward, Tokyo	Bunkyo Ward, Tokyo
Acquisition price	6,700 million yen	10,300 million yen	5,000 million yen	1,650 million yen	2,450 million yen	2,900 million yen	11,490 million yen	1,456 million yen
Leasable space	7,350.76m <sup>2</sup>	10,100.70m <sup>2</sup>	4,801.06m <sup>2</sup>	2,600.82m <sup>2</sup>	2,670.19m <sup>2</sup>	4,037.67m <sup>2</sup>	10,604.74m <sup>2</sup>	2,180.65m <sup>2</sup>
Completed	November 1973	September 1987	April 1992	December 1993	January 1989	July 1990	August 1996	March 1992

\*1 Kanda Chuodori Building is the building standing in the center of the picture and includes its site.

\*2 The leasable space of Granpark indicates the figure in proportion to the quasi co-ownership interest ratio (approximately 13%) PIC owns for the entire site and the entire building of the property.

## Basic Information on Properties (2)

Properties

	Premier Toyocho Bldg.	Ueno TH Bldg.	Gotanda NT Bldg. *1	Ueno Tosei Bldg.	Nisso No.3 Bldg.	The Kanagawa Science Park R&D Bldg. *2	NU Kannai Bldg.	Tradepia Yodoyabashi (land)
								
Location	Koto Ward, Tokyo	Bunkyo Ward, Tokyo	Shinagawa Ward, Tokyo	Taito Ward, Tokyo	Yokohama City, Kanagawa	Kawasaki City, Kanagawa	Yokohama City, Kanagawa	Osaka City, Osaka
Acquisition price	4,310 million yen	4,380 million yen	4,100 million yen	5,900 million yen	3,558 million yen	6,556 million yen	3,300 million yen	6,500 million yen
Leasable space	3,857.04m <sup>2</sup>	4,437.78m <sup>2</sup>	3,127.76m <sup>2</sup>	5,432.43m <sup>2</sup>	5,519.01m <sup>2</sup>	15,084.22m <sup>2</sup>	8,008.91m <sup>2</sup>	6,517.29m <sup>2</sup>
Completed	October 2006	December 1985	November 1987	May 2007	April 1986	July 1989	February 1987	-

	Park Axis Yotsuya Stage	Park Axis Meiji-Jingumae	Sun Palace Minami-Azabu	Cabin Arena Akasaka	Cabin Arena Minami-Aoyama	Bureau Kioicho *3	Homat Woodville	Roppongi Green Terrace
								
Location	Shinjuku Ward, Tokyo	Shibuya Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Chiyoda Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo
Acquisition price	5,208 million yen	2,604 million yen	1,150 million yen	1,330 million yen	1,070 million yen	1,840 million yen	5,090 million yen	4,678 million yen
Leasable space	6,732.18m <sup>2</sup>	1,706.94m <sup>2</sup>	1,577.42m <sup>2</sup>	1,378.02m <sup>2</sup>	1,187.12m <sup>2</sup>	1,728.98m <sup>2</sup>	5,793.93m <sup>2</sup>	5,748.89m <sup>2</sup>
Completed	November 2001	March 2002	November 1989	November 2002	February 2003	November 2002	August 1988	October 2002

\*1 The leasable space for the Gotanda NT Building is the figure that corresponds to PIC's co-ownership interests (45%) of the compartmentalized ownership.

\*2 The leasable space for the Kanagawa Science Park R&D Building is the figure that corresponds to the co-ownership interests (27%) owned by PIC.

\*3 The entire building of Bureau Kioicho is leased to Space Design, Inc., which is also in charge of building management of the property.

## Basic Information on Properties (3)

Properties

	Premier Stage Shibakoen II	Langue Tower Kyobashi	Premier Stage MitaKeidaimae	Premier Rosso	Premier Blanc Yoyogikouen	Premier Stage Uchikanda	Premier Stage Ichigayakawadacho	Walk Akasaka
								
Location	Minato Ward, Tokyo	Chuo Ward, Tokyo	Minato Ward, Tokyo	Shibuya Ward, Tokyo	Shibuya Ward, Tokyo	Chiyoda Ward, Tokyo	Shinjuku Ward, Tokyo	Minato Ward, Tokyo
Acquisition price	2,181 million yen	927 million yen	1,580 million yen	1,662 million yen	2,330 million yen	1,723 million yen	1,460 million yen	2,043 million yen
Leasable space	2,312.75m <sup>2</sup>	1,216.10m <sup>2</sup>	1,597.73m <sup>2</sup>	1,878.60m <sup>2</sup>	2,336.95m <sup>2</sup>	2,033.57m <sup>2</sup>	1,655.66m <sup>2</sup>	1,736.70m <sup>2</sup>
Completed	February 2003	February 2003	November 2004	November 2004	June 2005	August 2005	July 2005	November 2004

	Premier Stage Shibakoen	MEW	Shibaura Island Air Tower *1	Storia Akasaka	Renai Shinjuku-Gyoen Tower	Shibaura Island Bloom Tower *2	Questcourt Harajuku	Urbancourt Ichigaya
								
Location	Minato Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Shinjuku Ward, Tokyo	Minato Ward, Tokyo	Shibuya Ward, Tokyo	Shinjuku Ward, Tokyo
Acquisition price	1,585 million yen	1,556 million yen	7,590 million yen	3,930 million yen	6,500 million yen	5,500 million yen	4,500 million yen	1,385 million yen
Leasable space	1,759.89m <sup>2</sup>	1,551.65m <sup>2</sup>	13,060.46m <sup>2</sup>	3,988.86m <sup>2</sup>	6,555.04m <sup>2</sup>	12,254.17m <sup>2</sup>	4,606.92m <sup>2</sup>	3,609.91m <sup>2</sup>
Completed	September 2006	August 2005	March 2007	December 2002	December 2002	September 2008	January 2004	January 1993

\*1 Shibaura Island Air Tower is the collective name for two buildings, which are the Air Tower and the Air Terrace. The figure for the leasable space is the total of the two buildings, which corresponds to the co-ownership interests (23%) owned by PIC.

\*2 Shibaura Island Bloom Tower is the collective name for two buildings, which are the Bloom Tower and Bloom Homes. The figure for the leasable space is the total of the two buildings, which corresponds to the co-ownership interest (16%) owned by PIC.

## Basic Information on Properties (4)

Properties

	B-Site Osaki *1	Premier Garden Hongo	Premier Grande Magome	Premier Nozze Yutenji	Premier Stage Yushima	Premier Stage Komagome	Premier Stage Otsuka	Premier Stage Honjo-Azumabashi
								
Location	Shinagawa Ward, Tokyo	Bunkyo Ward, Tokyo	Ota Ward, Tokyo	Setagaya Ward, Tokyo	Bunkyo Ward, Tokyo	Toshima Ward, Tokyo	Toshima Ward, Tokyo	Sumida Ward, Tokyo
Acquisition price	1,072 million yen	975 million yen	1,560 million yen	1,525 million yen	1,803 million yen	1,830 million yen	1,310 million yen	2,640 million yen
Leasable space	1,318.40m <sup>2</sup>	1,573.87m <sup>2</sup>	2,378.13m <sup>2</sup>	1,734.04m <sup>2</sup>	2,065.58m <sup>2</sup>	2,249.25m <sup>2</sup>	1,644.64m <sup>2</sup>	3,465.00m <sup>2</sup>
Completed	December 2002	March 2002	February 2005	March 2006	March 2006	January 2007	August 2006	November 2007



Location	Sumida Ward, Tokyo
Acquisition price	1,496 million yen
Leasable space	2,215.68m <sup>2</sup>
Completed	March 2008

\*1 The entire building of B-Site Osaki is leased to Space Design, Inc., which is also in charge of building management of the property.

- A J-REIT with a compound portfolio of office buildings and residential properties as investment targets, with investment assets concentrated in the Tokyo Economic Bloc.

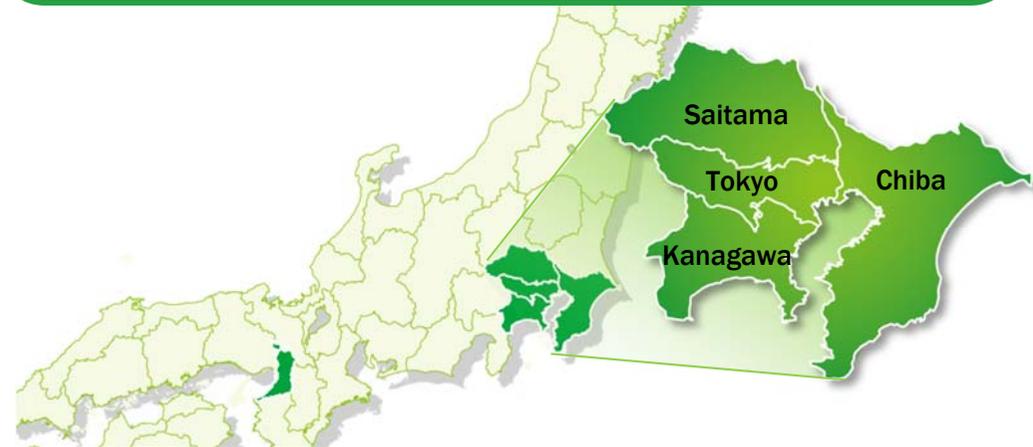
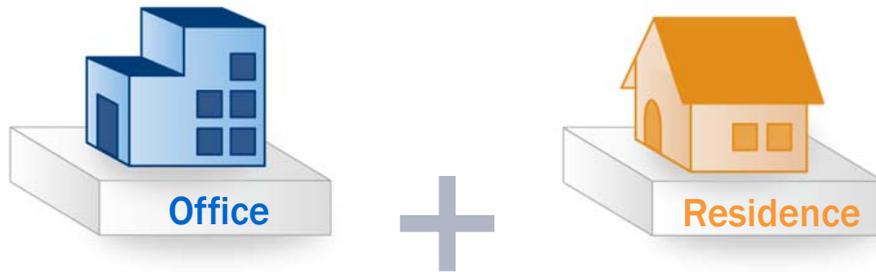
## Investment Policy

### Compound Portfolio of Office Buildings and Residential Properties

- Mitigates the impact of economic fluctuations by combining asset types that have low correlation of fluctuations in the market rents with each other
- Diversifies tenants into different types such as corporations and individuals

### Focused Investment on Assets in the Tokyo Economic Bloc

- Focuses investments on the Tokyo Economic Bloc that has a high concentration of population and industries
- Partially expand the target investment area to Major Regional Cities (strengthening coordination with NTT Urban Development)



#### Profitability

**Exerts strengths when the economy is recovering**

Tenant demand and rent trends are prone to be affected by business cycles and other economic trends

#### Stability

**Exerts strengths when the economy is receding**

Tenant demand and rent trends are relatively hard to be affected by changes in the economic and social conditions

#### Potential Tenant Needs

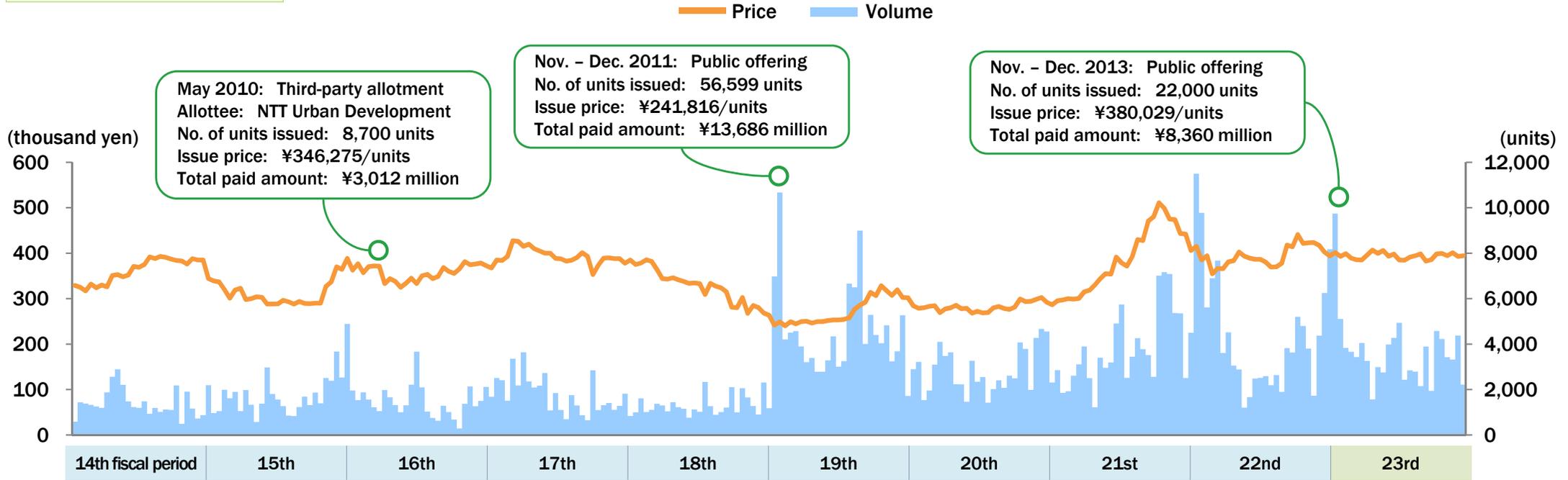
- The population is returning to city centers.
- The rate of owner-occupiers is decreasing while rental demand is growing.
- Socio-economic and administrative functions are concentrated in city centers.

#### More Efficiency by Concentrating Investment Areas

- Realizes low management fee rates thanks to the management organization operated by a small number of people
- Unifies the levels and fees of property management services

# Basic Information on PIC (2)

## Investment Units Price\*1



## Change in Distribution per unit

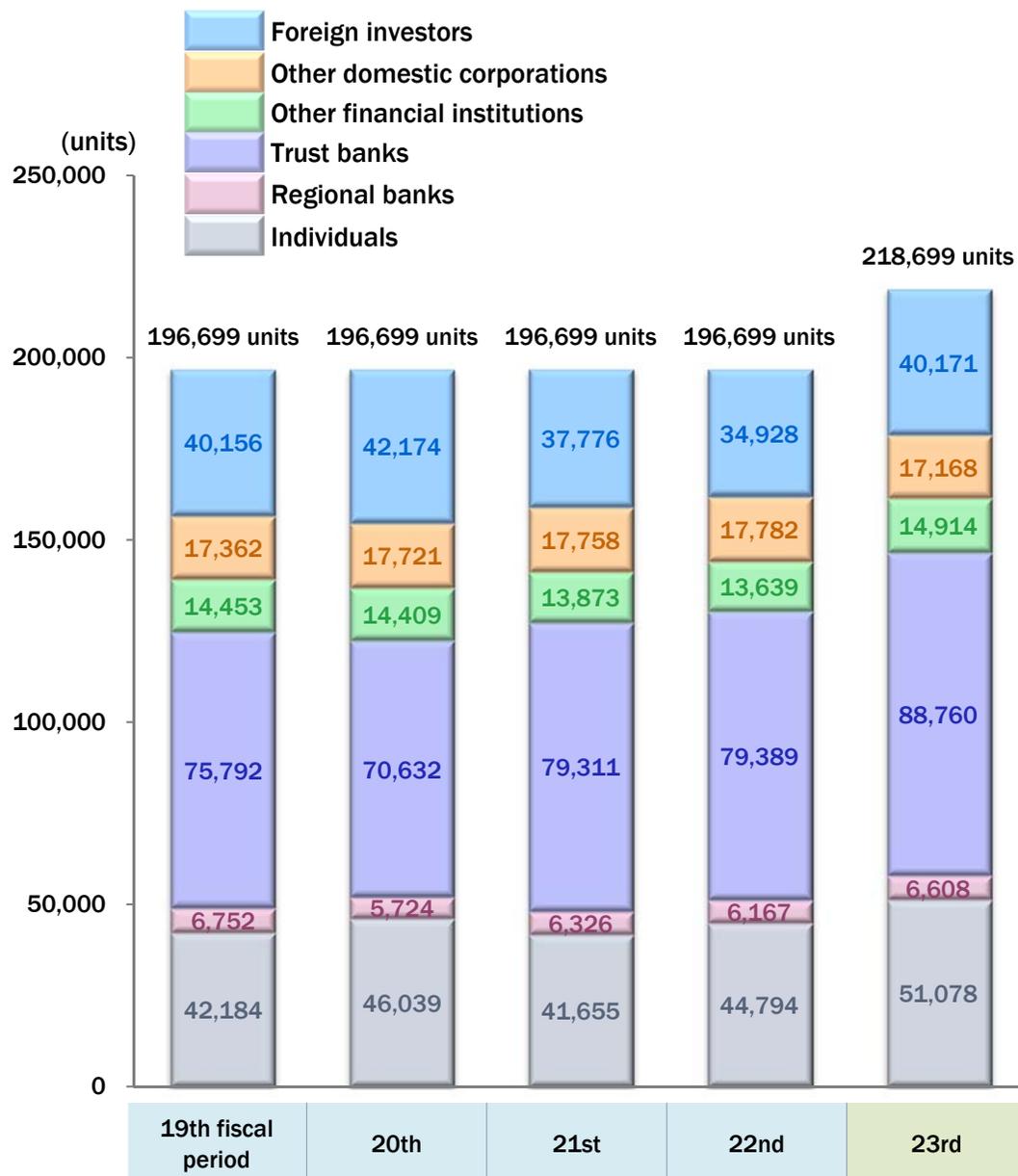


\*1 Investment unit price is based on the closing price of the final trading day of each weekend, and trading volume indicates the total transaction volume by week.

# Basic Information on PIC (3)

Basic Information

## Breakdown of Unitholders



## Major Unitholders

23rd fiscal period (Investment units outstanding: 218,699 units)				
	Unitholder	Unit held	Share *1	Change
1	Japan Trustee Services Bank, Ltd. (Trust Account)	50,145	22.92%	3,719
2	Trust & Custody Service Bank, Ltd. (Money Trust Tax Account)	11,996	5.48%	1,060
3	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	11,543	5.27%	1,081
4	The Master Trust Bank of Japan, Ltd. (Trust Account)	10,034	4.58%	2,154
5	NTT Urban Development Corporation	8,700	3.97%	-
6	UBS AG HONG KONG	6,013	2.74%	15
7	NIPPONVEST	4,500	2.05%	1,830
8	THE FUJI FIRE AND MARINE INSURANCE COMPANY, LIMITED	3,618	1.65%	- 268
9	Mitsubishi UFJ Trust and Banking Corporation	3,107	1.42%	1,174
10	NOMURA BANK (LUXEMBOURG) S.A.	2,130	0.97%	- 1,642
Total		111,786	51.11%	9,123

\*1 Percentage figures have been rounded down to the second decimal place.

## Overview of Asset Management Company

Company Name	Premier REIT Advisors (PRA)
Establishment	July 17, 2001
Paid-in capital	300 million yen (as of April 30, 2014)

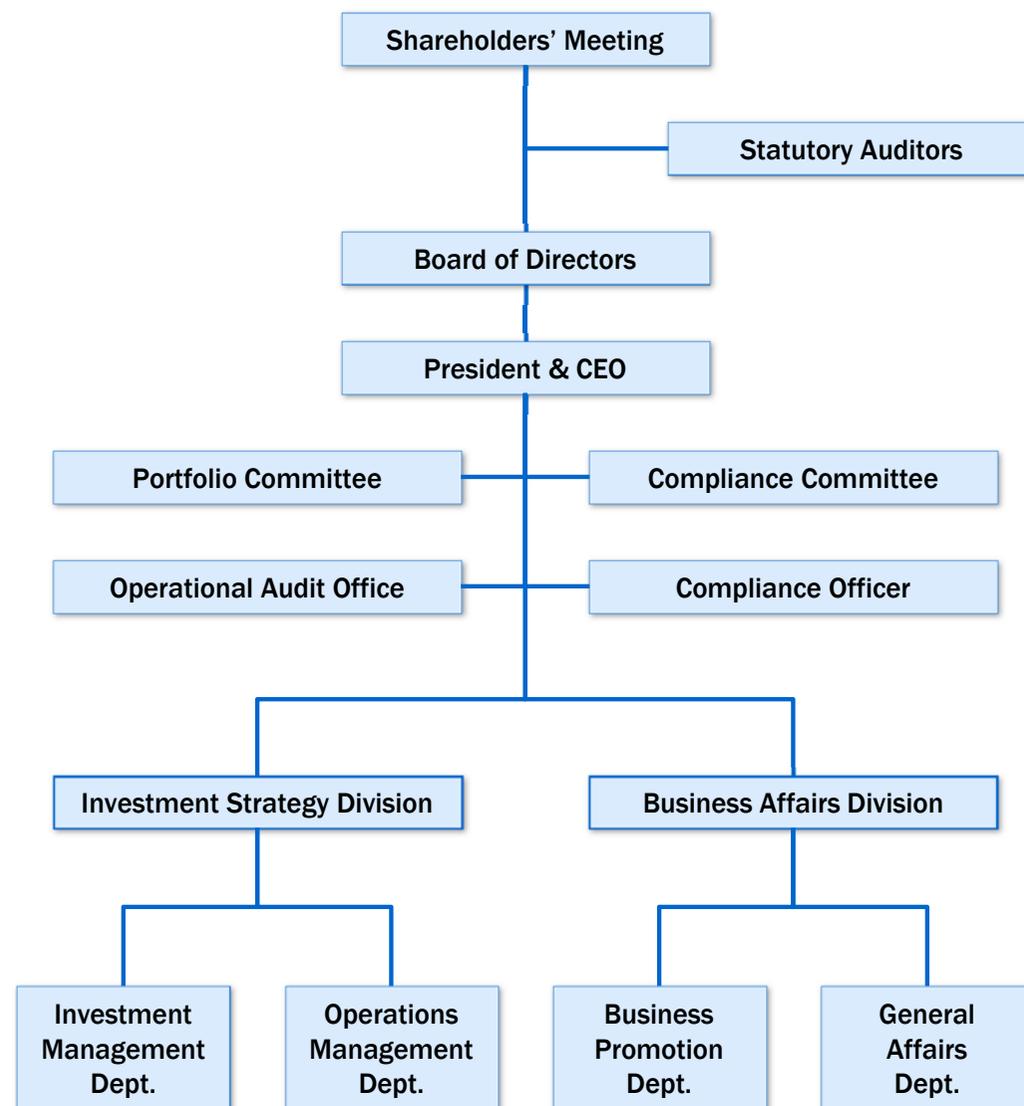
## Participation of NTT Urban Development

May 14, 2010	Acquired majority of PRA shares (53.1%)
	Undertook 8,700 units of PIC's investment units newly issued by way of third-party allotment

## Shareholder Composition

Shareholders	No. of stocks (share)	Corporate profile
NTT Urban Development Corporation	3,186 units (53.1%)	The sole general real estate company within the NTT (Nippon Telegraph and Telephone Corporation) Group, with total assets of 985.5 billion yen (as of the end of March 2014)
Ken Corporation Ltd.	1,800 units (30.0%)	A real estate company engaged in brokerage, planning and management of high-grade rental residences primarily in central Tokyo
SOHGOH REAL ESTATE CO., LTD.	600 units (10.0%)	A total solution provider in real estate centering on condominium development services
Sumitomo Mitsui Trust Bank, Limited	294 units (4.9%)	A leading trust bank in Japan
Nikko Properties Co., Ltd	120 units (2.0%)	An asset management company belonging to the SMBC Nikko Securities Group

## Organization of the Asset Management Company



# Terms Used in This Document

Terms, etc.	Definition
<ul style="list-style-type: none"> <li>Investment area</li> </ul>	<ul style="list-style-type: none"> <li>5 Central Wards of Tokyo : The so-called 3 Central Wards in the heart of Tokyo (Chiyoda, Chuo and Minato Wards) plus Shinjuku and Shibuya Wards</li> <li>Other 18 Wards of Tokyo : The remaining Tokyo wards other than the 5 Central Wards of Tokyo</li> <li>Surrounding City Area : Comprising each of the following 4 prefectures: Tokyo Prefecture excluding the 23 Wards of Tokyo, Kanagawa Prefecture (centering on Yokohama City, Kawasaki City and other densely populated areas), Saitama Prefecture (centering on Saitama City and other densely populated areas) and Chiba Prefecture (centering on Chiba City and other densely populated areas)</li> <li>Major Regional Cities: Such cities as Sapporo, Sendai, Shizuoka, Nagoya, Osaka, Kyoto, Kobe, Hiroshima, Okayama and Fukuoka</li> </ul>
<ul style="list-style-type: none"> <li>Akihabara UDX</li> </ul>	<p>The property, which backs the UDX Special Purpose Company Preferred Securities, is an office building located in Chiyoda Ward, Tokyo. Unless otherwise noted, the Preferred Securities are classified and indicated as 5 Central Wards of Tokyo in terms of geographical diversification of the portfolio and Office buildings in terms of asset type.</p>
<ul style="list-style-type: none"> <li>Acquisition price/transfer price</li> </ul>	<p>The price represents the amount excluding various expenses (transaction brokerage fees, taxes and public dues, etc.) required for the acquisition or transfer of the relevant property; in other words, the transaction price before tax indicated in the transaction agreement, etc.</p>
<ul style="list-style-type: none"> <li>Occupancy rate</li> </ul>	<p>Occupancy rate = total leased floor space / total leasable floor space</p>
<ul style="list-style-type: none"> <li>Occupancy rate on a cash flow basis</li> </ul>	<p>The figure represents the occupancy rate calculated by dividing the “leased floor spaces that generate cash flows for the month excluding the amount of rents that are set in the lease contracts with tenants but are suspended for the month due to application of special rents such as granting rent-free periods, among other reasons” by the leasable floor space.</p>
<ul style="list-style-type: none"> <li>Rental NOI</li> </ul>	<p>Rental NOI = [real estate rental income + depreciation] of each property for the fiscal period</p>
<ul style="list-style-type: none"> <li>Rental NOI yield</li> </ul>	<p>Rental NOI yield = [annualized rental NOI (*) / investment value (**)] of each property for the fiscal period (rounded down to the first decimal place) *Annualized rental NOI = annualized figure of [real estate rental income + depreciation] of each property for the fiscal period **Investment value = book value as of the end of the period (after depreciation) of each property for the fiscal period</p>
<ul style="list-style-type: none"> <li>Portfolio NOI yield</li> </ul>	<p>Portfolio NOI yield = [annualized rental NOI (*) / period-average investment value before depreciation (**)] of owned properties for the fiscal period (rounded down to the first decimal place) *Annualized rental NOI = annualized figure of [real estate rental income + depreciation] of owned properties for the fiscal period **Period-average investment value before depreciation = [average figure of (book value as of the end of the period + accumulated depreciation) at the beginning and the end of the fiscal period + deposits and guarantees paid as of the end of the fiscal period] of owned properties for the fiscal period Note: Forecast for the 24th fiscal period has been prepared by using the acquisition price of the properties estimated to be owned as of the end of the fiscal period.</p>
<ul style="list-style-type: none"> <li>Portfolio yield after depreciation</li> </ul>	<p>Portfolio yield after depreciation = [annualized real estate rental income (*) / period-average investment value before depreciation (**)] of owned properties for the fiscal period (rounded down to the first decimal place) *Annualized real estate rental income = annualized real estate rental income of owned properties for the fiscal period **Period-average investment value before depreciation = [average figure of (book value as of the end of the period + accumulated depreciation) at the beginning and the end of the fiscal period + deposits and guarantees paid as of the end of the fiscal period] of owned properties for the fiscal period Note: Forecast for the 24th fiscal period has been prepared by using the acquisition price of the properties estimated to be owned as of the end of the fiscal period.</p>
<ul style="list-style-type: none"> <li>Appraisal NOI yield</li> </ul>	<p>Appraisal NOI yield = [appraisal NOI (*) / investment value (**)] of each property for the fiscal period (rounded down to the first decimal place) *Appraisal NOI = net operating income under the direct capitalization method indicated in the investigation report prepared by Aoyama Realty Advisors Inc. in order to estimate the appraisal value as of the end of the fiscal period of each property for the fiscal period **Investment value = book value as of the end of the period of each property (after depreciation)</p>
<ul style="list-style-type: none"> <li>LTV (interest-bearing liabilities ratio)</li> </ul>	<p>LTV (interest-bearing liabilities ratio) = interest-bearing liabilities / (interest-bearing liabilities + unitholders' capital)</p>

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- Unless otherwise indicated, amounts and figures have been rounded down to the nearest unit and percentages have been rounded to the first decimal place.
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