

Translation of Japanese Original

FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED APRIL 30, 2012 (REIT)

(November 1, 2011 to April 30, 2012)

June 12, 2012

Kenedix Realty Investment Corporation is listed on the Tokyo Stock Exchange with the securities code number 8972.

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Asset Management Company: Kenedix REIT Management, Inc.

Representative: Naokatsu Uchida, CEO and President

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Planned submission of semiannual securities report: July 30, 2012 Planned start of distribution payments: July 10, 2012

Preparing presentation material: Yes

Hold a financial brief meeting: Yes (for institutional investors and analysts)

1. PERFORMANCE FOR THE FISCAL PERIOD ENDED APRIL 30, 2012 (FOURTEENTH FISCAL PERIOD)

(1) Business Results

(Amounts are rounded down to the nearest ¥million)

	Operating Revenues (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income (Millions of Yen)	
For the six months ended								
April 30, 2012	9,090	(0.5%)	4,086	(-7.7%)	2,551	(-16.1%)	2,540	(-16.8%)
October 31, 2011	9,044	(11.2%)	4,425	(19.3%)	3,040	(29.6%)	3,052	(32.2%)

	Net Income per Unit (Yen)	Return on Unitholders' Equity	Ordinary Income to Total Assets	Ordinary Income to Operating Revenues
For the six months ended				
April 30, 2012	8,865	1.7%	0.9%	28.1%
October 31, 2011	11,592	2.1%	1.1%	33.6%

(2) Distribution

(Total distributions is rounded down to the nearest ¥million.)

	Distributions per Unit Excluding Excess of Earnings (Yen)	Total Distribution (Millions of Yen)	Distributions in Excess of Earnings per Unit (Yen)	Total Distributions in Excess of Earnings (Millions of Yen)	Payout Ratio	Distribution Ratio to Unitholders' Equity
For the six months ended						
April 30, 2012	9,364	2,683	0	0	105.6%	1.8%
October 31, 2011	9,596	2,749	0	0	82.8%	1.7%

Note 1: The payout ratio is a figure obtained by dividing distribution per unit by net income per unit, and is rounded to the first decimal place.

Note 2: Distribution per unit for the fiscal period ended October 31, 2011 is calculated by dividing the amount remaining after deducting the provision of reserve for reduction entry (¥303 million) from unappropriated retained earnings by the number of investment units issued and outstanding. The main difference between distribution per unit and net income per unit is due to the calculation of distribution per unit including the deduction of the provision of reserve for reduction entry, as mentioned, and that the calculation of net income per unit is based on the average number of units during the period.

Note 3: Distributions per unit for the fiscal period ended April 30, 2012 is calculated by dividing the amount after adding the reversal of reserve for reduction entry (¥143 million) to unappropriated retained earnings by the number of investment units issued and outstanding. The main difference between distribution per unit and net income per unit is due to this addition.

(3) Financial Position

(Total assets and unitholders' equity are rounded down to the nearest ¥million.)

	Total Assets (Millions of Yen)	Unitholders' Equity (Millions of Yen)	Unitholders' Equity to Total Assets	Unitholders' Equity per Share of Common Stock (Yen)
For the six months ended				
April 30, 2012	303,284	150,063	49.5%	523,688
October 31, 2011	274,973	150,272	54.6%	524,419

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(4) Cash Flow Position

(Amounts are rounded down to the nearest ¥million.)

	Cash Flows from Operating Activities (Millions of Yen)	Cash Flows from Investing Activities (Millions of Yen)	Cash Flows from Financing Activities (Millions of Yen)	Cash and Cash Equivalents at Period End (Millions of Yen)
For the six months ended				
April 30, 2012	4,144	- 32,217	23,664	13,519
October 31, 2011	9,434	-14,138	9,812	17,928

2. FORECAST OF RESULTS FOR THE FISCAL PERIOD ENDING OCTOBER 31, 2012 (May 1, 2012 to October 31, 2012)

	Operating Revenues (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Distribution per Unit Excluding Excess of Earnings (Yen)	Distribution in Excess of Earnings per Unit (Yen)
For the six months ending						
October 31, 2012	9,882 (8.7%)	4,454 (9.0%)	2,987 (17.1%)	2,985 (17.5%)	9,400	0

(Reference) Estimated net income per unit for the fiscal period ending October 31, 2012: ¥10,419

Forecasted number of investment units issued and outstanding as of October 31, 2012: 286,550 units

(Note) Distribution per unit is calculated under the assumption that net profit will be distributed after deduction of projected provision of reserve for reduction entry of ¥291 million

3. OTHER

(1) Changes in Accounting Policies • Changes in Accounting Estimate • Retrospective Restatement

(a) Changes concerning accounting policy accompanying amendments to accounting standards: No

(b) Changes other than (a): No

(c) Change in accounting estimate: No

(d) Retrospective restatement: No

(2) Number of Investment Units Issued and Outstanding (including treasury units)

(a) Number of investment units issued and outstanding at period end (including treasury units)

As of April 30, 2012: 286,550 units

As of October 31, 2011: 286,550 units

(b) Number of treasury units at period end

As of April 30, 2012: 0 units

As of October 31, 2011: 0 units

Note: Please refer to page 36 "Notes to the Information per Unit" for the calculation of net income per unit.

*Details concerning actual status of auditing procedures

As of the disclosure of this financial report, auditing procedures for financial statements based on the Financial Instruments and Exchange Law are underway.

*Explanation on the appropriate use of the forecast of results and other matters of special consideration

The forecast of results for the fifteenth fiscal period ending October 31, 2012 are calculated as of June 12, 2012 based on the assumptions presented on page 14 "Preconditions and Assumptions for the Fiscal Period Ending October 31, 2012." Readers are advised that actual operating revenues, operating income, ordinary income, net income and distribution per unit may differ significantly from forecasts due to a variety of factors. Accordingly, the Investment Corporation does not guarantee payment of the forecast distribution per unit.

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1. Basic Structure — Overview of Companies Related to the Investment Corporation

There were no major changes to the “Structure of the Investment Corporation” from the most recent securities report (submitted on January 30, 2012) and extraordinary reports (submitted on April 2, 2012), accordingly this information has been omitted from this document.

2. Management Policy and Operating Conditions

(1) Management Policy

There were no major changes to the “Investment Policy,” “Investment Strategy” and “Distribution Policy” from the most recent securities report (submitted on January 30, 2012) and extraordinary reports (submitted on April 2, 2012), and accordingly this information has been omitted from this document.

(2) Operating Conditions

(1) Operating Conditions for the Fourteenth Fiscal Period (fiscal period ended April 30, 2012)

A. The Investment Corporation

The Investment Corporation was established on May 6, 2005 in accordance with the Investment Trust and Investment Corporation Law (“the Investment Trust Law”). On July 21, 2005, the Investment Corporation was listed on the Real Estate Investment Trust Market of the Tokyo Stock Exchange with a total of 75,400 investment units issued and outstanding (Securities Code: 8972). Subsequently, the Investment Corporation raised funds through public offerings and other means including three global offerings. Most recently, the Investment Corporation additionally issued 51,400 investment units on July 20, 2011 through public offerings including global offerings, and 1,600 investment units on August 8, 2011 by way of third-party allotment. As a result, as of April 30, 2012, the end of the fourteenth fiscal period, the number of investment units issued and outstanding totaled 286,550 units.

The Investment Corporation appointed Kenedix REIT Management, Inc. as its asset management company. In collaboration with the Asset Management Company, the Investment Corporation strives to maximize cash distribution to investors by securing stable earnings and sustainable investment growth. To this end, the Investment Corporation adopts a dynamic and flexible investment stance that seeks to respond to its environment and market trends, and endeavors to ensure a timely response to opportunities. The Investment Corporation endeavors to develop a diversified investment portfolio that it calls, “KENEDIX Selection,” adopting a three-point investment methodology based on property type, area and size.

B. Investment Environment and Management Performance

(a) Investment Environment

During the fiscal period under review (fiscal period ended April 30, 2012), with a backdrop of reconstructed supply chains and various policy effects, the Japanese economy was steadily recovering up to the beginning of fall last year, rising out of the economic slump due to the impact of the Great East Japan Earthquake. After this, the economy shifted within a leveling off range in the latter half of fiscal 2011 due to the impact of the European debt crisis and appreciation of the yen, but the economy is now improving gradually such as with the spread of forward-looking economic activities.

Concerning real estate market conditions, land prices continued to fall in 2011 for the fourth consecutive year since the Lehman Shock but the rate of decrease continues to slow down, according to the Public Notice of Land Prices (as of January 1, 2012) announced by the Ministry of Land, Infrastructure, Transport and Tourism on March 22, 2012.

The average annual change in land prices throughout Japan decreased by 3.1% for commercial land and decreased by 2.3% for residential land. In the Tokyo area, the average annual change in land prices decreased by 1.9% for commercial land and decreased by 1.6% for residential land. In the three major metropolitan areas, the figures decreased by 1.6% for commercial land and decreased by 1.3% for residential land. In each case, the rate of that decrease was smaller than in the previous survey, and there was a continued display of a turnaround movement from the downward trend.

Concerning the office building leasing market conditions, the office vacancy rate in the five central wards of Tokyo announced by Miki Shoji Co., Ltd. reached a record high of 9.23% in January 2012. Subsequently, although the vacancy rate had been improving for two consecutive months due to an increase in conclusion of lease contracts at existing buildings and new buildings being completed with full occupancy, the vacancy rate rose back to 9.23% in April 2012 due to the impact of the new supply. On the other hand, the vacancy rate of existing buildings in the five central wards of Tokyo in April 2012 has improved to 8.44% from 8.72% in December 2011, and the vacancy rate in central Tokyo has been showing sign of hitting peak. Also, concerning new rents, solicitation of tenants continues to be intense as vacancy rates have remained high at the 9% level, and flexible responses to the requests of tenants are still required.

In the office building transaction market, the property transactions primarily by listed real estate investment corporations (J-REITs) has been active, within a backdrop of normalization of domestic economic activities following the Great East Japan Earthquake and a continually favorable environment for debt procurement.

Also, in the listed J-REITs market, besides the new listing of Kenedix Residential Investment Corporation on April 26, 2012, the first new listing in four and a half years since October 2007, several other investment corporations are planned to be listed, and the market is showing signs of revitalization.

(b) Management Performance

As of the end of the thirteenth fiscal period (fiscal period ended October 31, 2011), the Investment Corporation owned 74 properties with a total acquisition price of ¥255,546 million. During the fiscal period under review (fiscal period ended April 30, 2012), the Investment Corporation acquired four office buildings (total acquisition price of ¥15,470 million) located in the Tokyo Metropolitan Area, four office buildings (total acquisition price of ¥15,205 million) and one others (acquisition price of ¥645 million) located in the Other Regional Areas. We also acquired preferred equity securities (investment of ¥891 million) as a new investment method for external growth.

<8 Office Buildings and 1 Others Acquired During the Fourteenth Fiscal Period>

Property No.	Property Name	Location	Acquisition Price (Millions of Yen)	Acquisition Date
A-75	Kabutocho Nikko Building	Chuo ward, Tokyo	11,270	December 26, 2011
A-76	Ikebukuro Nikko Building	Toshima ward, Tokyo	1,653	December 26, 2011
A-77	Kabutocho Nikko Building II	Chuo ward, Tokyo	1,280	December 26, 2011
A-78	Tachikawa Ekimae Building	Tachikawa, Tokyo	1,267	December 26, 2011
A-79	Nagoya Ekimae Sakura-dori Building	Nagoya, Aichi	7,327	December 26, 2011
A-80	Nagoya Nikko Shoken Building	Nagoya, Aichi	4,158	December 26, 2011
A-81	Sendai Nikko Building	Sendai, Miyagi	950	December 26, 2011
A-82	View Flex Umeda Building	Osaka, Osaka	2,770	March 28, 2012
D-1	Kanazawa Nikko Building	Kanazawa, Ishikawa	645	December 26, 2011
Total			31,320	-

As a result, the number of properties owned as of April 30, 2012 (excluding the preferred equity securities, same applies below.) amounts to 83, with a total acquisition price of ¥286,866 million. In addition, the Investment Corporation has concluded a purchase and sales agreement on February 23, 2012 and sold KDX Omori Building (initial acquisition price of ¥3,500 million) on May 11, 2012 (sales price of ¥4,200 million). Looking at the portfolio as a whole, 92.1% was comprised of office buildings, 4.3% of central urban retail properties, 3.2% of residential properties and 0.2% of others on an acquisition price basis. The occupancy ratio as of the end of the fourteenth fiscal period was 95.4% reflecting stable investment and asset management.

<Changes in Asset Size since Tenth Fiscal Period>

		Tenth Fiscal Period (as of April 30, 2010)		Eleventh Fiscal Period (as of October 31, 2010)		Twelfth Fiscal Period (as of April 30, 2011)		Thirteenth Fiscal Period (as of October 31, 2011)		Fourteenth Fiscal Period (as of April 30, 2012)	
		Total Acquisition Price (Millions of Yen)	Ratio (%)	Total Acquisition Price (Millions of Yen)	Ratio (%)	Total Acquisition Price (Millions of Yen)	Ratio (%)	Total Acquisition Price (Millions of Yen)	Ratio (%)	Total Acquisition Price (Millions of Yen)	Ratio (%)
Type of Use	Office Buildings	213,071	90.3	211,461	90.6	224,636	91.1	233,726	91.4	264,401	92.1
	Central Urban Retail Properties	12,379	5.2	12,379	5.3	12,379	5.0	12,379	4.8	12,379	4.3
	Residential Properties	10,319	4.3	9,441	4.0	9,441	3.8	9,441	3.6	9,441	3.2
	Others	-	-	-	-	-	-	-	-	645	0.2
	Total	235,769	100.0	233,281	100.0	246,456	100.0	255,546	100.0	286,866	100.0
Area	Tokyo Metropolitan Area	201,754	85.5	199,266	85.4	207,566	84.2	216,656	84.7	232,126	80.9
	Other Regional Areas	34,015	14.4	34,015	14.5	38,890	15.7	38,890	15.2	54,740	19.0
	Total	235,769	100.0	233,281	100.0	246,456	100.0	255,546	100.0	286,866	100.0

Notes:

1. Total acquisition price is the total of acquisition price for each property classified by type and area.
2. Total acquisition price is rounded down to the nearest million yen. Percentages are rounded down to the nearest first decimal place.
3. The preferred equity securities are not included in the above chart.

Results of the Property Acquisitions and Sales in the Thirteenth Fiscal Period (fiscal period ended October 31, 2011) Onwards

The Investment Corporation has built a strong and diversified asset base (portfolio) with 83 properties amounting to ¥286,866 million in total acquisition price and a steady occupancy ratio of 95.4% as of the end of the fiscal period under review (fiscal period ended April 30, 2012).

The Investment Corporation resumes acquisition of properties from November 2009, ahead of a full-on recovery of the real estate transaction market, and has aimed for asset size growth. Also in the thirteenth fiscal period (fiscal period ended October 31, 2011) and onward, the Investment Corporation acquired four office buildings (KDX Idabashi Building, KDX Higashi-Shinagawa Building, KDX Hakozaki

Building and KDX Shin-Nihonbashi Building) in July 2011, with funds procured by equity raising through public offerings and other means, continuously taking it as a good opportunity for regrowth. In the fiscal period under review (fiscal period ended April 30, 2012), eight properties, seven of which are office buildings, (Kabutocho Nikko Building, Ikebukuro Nikko Building, Kabutocho Nikko Building II, Tachikawa Ekimae Building, Nagoya Ekimae Sakura-dori Building, Nagoya Nikko Shoken Building, Sendai Nikko Building and Kanazawa Nikko Building) were acquired in December 2011 and View Flex Umeda Building was acquired in March 2012 with funds procured through new borrowings and cash on hand. Through acquiring these thirteen properties (total acquisition price of ¥45,590 million), the Investment Corporation increasingly enhanced its presence in the mid-sized office building transaction market. Moreover, the Investment Corporation also secured funds for new acquisitions by selling KDX Hirakawacho Building (sales price of ¥5,800 million) in the thirteenth fiscal period (fiscal period ended October 31, 2011) and KDX Omori Building (sales price of ¥4,200 million) on May 11, 2012.

As an investment corporation with an asset base (portfolio) focused on mid-sized office buildings, having a presence the Investment Corporation pursues consistent external growth by leveraging the know-how on operating mid-sized office buildings accumulated by the Asset Management Company.

Acquisition of Real Estate Backed Securities (Preferred Equity Securities)

The Investment Corporation acquired the following asset (preferred equity securities) as of April 26, 2012 in order to ensure steady growth that emphasizes overall portfolio balance.

Outline of the Acquisition

- | | |
|-------------------------------------|--|
| (i) Targeted Assets | : The preferred equity securities issued by the Senri Property TMK for the purpose of conducting business related to acquiring, managing, and disposing of specified assets in accordance with its asset liquidation plan based on the Act on Liquidation of Assets. |
| (ii) Name of Asset | : Senri Property TMK Preferred Securities |
| (iii) Type of Specified Asset | : Trust beneficiary interest in real estate of the Senri Life Science Center Building |
| (iv) Acquisition (Investment) Price | : ¥891 million (approximately 47.39% of preferred equity investment) |
| (v) Date of Acquisition | : April 26, 2012 |
| (vi) Acquisition Funds | : Cash on hand |

Operation and Management of Existing Properties

The Investment Corporation has appointed the Asset Management Company as its property management company for its entire portfolio. In establishing a single point of contact for all matters relating to property management activities, the Investment Corporation strives to secure consistent policies, specifications and procedures along with ensuring swift service with a high degree of quality. As of April 30, 2012, the investment portfolio is being managed generally at a high occupancy ratio and the occupancy ratio for the portfolio as of the end of the fiscal period under review was 95.4%. The Investment Corporation is satisfied with the quality of property management.

Stable Management through Large Number of Tenants and Tenant Diversification by Sector

The number of end-tenants for our office buildings was 776 as of the end of the fiscal period under review (fiscal period ended April 30, 2012). Floor area leased to the largest office end-tenant as a proportion of total leased floor area of the total portfolio was at 5.4% (Note) and 8.0% (Note) for the top 3 office building tenants. This illustrates our diversification of tenants. Furthermore, tenants of office buildings are in various sectors. As a result, we believe the impact by a certain end-tenant vacating the property or sluggish performance in certain sectors would have a relatively limited effect.

Note: The largest office end-tenant is SMBC Nikko Securities Inc. When including the affiliates of SMBC Nikko Securities Inc. who are tenants of Kabutocho Nikko Building II, the ratios are 5.8% and 8.4% respectively. Moreover, the Investment Corporation has received a notice of cancellation dated May 31, 2012 from SMBC Nikko Securities Inc. for Kabutocho Nikko Building, with the scheduled date of termination being November 30, 2012. The ratio of the portion of termination to the portfolio total leased floor area as of the end of the fiscal period under review is 2.4%.

Leasing Management in View of the Leasing Market Environment

The Investment Corporation believes that the mid-sized office building market tends to be less volatile in a weakening leasing environment. This is because the market has a broad base of potential tenants as well as tenants with a variety of lease needs. We believe that the mid-sized office buildings market in the Tokyo Metropolitan Area, which is a primary investment focus area for the Investment Corporation, is the largest market in terms of demand due to the economic scale of the Tokyo Metropolitan Area and due to the many middle-market and small- and medium-sized enterprises that are candidates for tenancy.

In view of the sudden deterioration of the economy since autumn 2008 and the accompanying weak trends continuing in the leasing market,

the Investment Corporation adopts a basic policy for tenant leasing of endeavoring to maximize revenues for the medium-to long-term while maintaining occupancy ratios.

We will also maintain close relations with brokers and seek out potential demand while according to plan implement repair work such as upgrading of air-conditioning systems and renewal of common areas in order to maintain and improve the competitiveness of office buildings. Furthermore, not only will we differentiate our properties from competing properties and find new customers, we will aim to maintain and improve the satisfaction of existing tenants through attentive measures of office building management such as conducting customer satisfaction surveys as a service to existing tenants.

One reason why the Investment Corporation was able to conduct such leasing management was because it entrusts all its property management duties to the Asset Management Company, and it has an established structure that enables it to take into account future trends of the leasing market in advance and swiftly respond to market changes.

Change in Occupancy Ratio

The average occupancy ratio of office buildings that the Investment Corporation owns in the Tokyo Metropolitan Area was maintained at over 95% at the end of the seventh fiscal period (fiscal period ended October 31, 2008) up to the end of the tenth fiscal period (fiscal period ended April 30, 2010) through a flexible leasing policy responding promptly to the market trends mentioned above. The fiscal period under review (fiscal period ended April 30, 2012) continued with a difficult leasing environment. Nevertheless, the occupancy ratio of the Investment Corporation's office buildings in the Tokyo Metropolitan Area reached the 96% level as of the end of the fiscal period under review and the occupancy ratio of office buildings overall rose to 95.1%, an increase of 0.8% compared to the end of the previous fiscal period. Furthermore, the occupancy ratio was 100% for 48 out of 76 office buildings that the Investment Corporation owns.

<Changes in Occupancy Ratio (Note) for Total Office Buildings, Tokyo Metropolitan Area, Other Regional Areas and Portfolio>

	Office Buildings			Portfolio
	Total	Tokyo Metropolitan Area	Other Regional Areas	
Tenth Fiscal Period (As of April 30, 2010)	94.0%	95.7%	88.2%	94.4%
Eleventh Fiscal Period (As of October 31, 2010)	93.3%	94.6%	89.0%	93.6%
Twelfth Fiscal Period (As of April 30, 2011)	94.2%	95.5%	90.4%	94.6%
Thirteenth Fiscal Period (As of October 31, 2011)	94.3%	95.7%	90.2%	94.7%
Fourteenth Fiscal Period (As of April 30, 2012)	95.1%	96.6%	91.4%	95.4%

Note: Occupancy ratios are rounded to the first decimal place.

C. Capital Acquisition

(a) Investment Corporation Bonds

The Investment Corporation issued the Fourth Series Unsecured Investment Corporation Bonds (totaling ¥1,500 million and maturing in 5.5 years) on March 8, 2012, and used the procured funds as a portion of source of funds to repay the First Series Unsecured Investment Corporation Bonds which matured on March 15, 2012. As a result, the outstanding investment corporation bonds as of the end of the fiscal period under review (fiscal period ended April 30, 2012) totaled ¥6,000 million.

(b) Status of Borrowings

During the fiscal period under review (fiscal period ended April 30, 2012), the Investment Corporation undertook borrowings of ¥31,900 million (¥24,400 million in long-term borrowings and ¥7,500 million in short-term borrowings (Note 1)) to acquire additional assets and ¥8,200 million (¥7,000 million in long-term borrowings and ¥1,200 million in short-term borrowings (Note 1)) to repay borrowings that matured during the fiscal period. In addition to the issuance of investment corporation described above (a), the Investment Corporation undertook additional borrowings of ¥7,300 million in long-term borrowings to repay the First Series Unsecured Investment Corporation Bonds. Details are provided as follows:

Note 1: Short-term borrowings refer to borrowings with a period of less than or equal to one year from the drawdown date to the repayment date. However, the borrowings whose period until repayment date have surpassed one year because the repayment date one year from the drawdown date is not a business day and for which the repayment date has been moved to the following business day are included in short-term borrowings. Long-term borrowings refer to borrowings with a period of more than one year from the drawdown date to the repayment date. The same classification criteria apply to other borrowings listed below.

<Borrowings during the Fourteenth Fiscal Period>

Lender	Classification	Borrowing Amount (Millions of Yen)	Drawdown Date	Last Repayment Date
Aozora Bank, Ltd.	Term Loan 65-A	4,000	December 26, 2011	October 31, 2012
Mitsubishi UFJ Trust and Banking Corporation		2,000		
Sumitomo Mitsui Trust Bank, Limited (Note2)		1,500		
Sumitomo Mitsui Banking Corporation	Term Loan 65-B	2,000	December 26, 2011	October 31, 2014
Resona Bank, Ltd.		2,000		
The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,000		
Development Bank of Japan Inc.	Term Loan 65-C	2,500	December 26, 2011	October 31, 2014
Sumitomo Mitsui Banking Corporation	Term Loan 65-D	2,500	December 26, 2011	October 30, 2015
The Bank of Tokyo-Mitsubishi UFJ, Ltd.		2,000		
Development Bank of Japan Inc.	Term Loan 65-E	2,500	December 26, 2011	October 30, 2015
Sumitomo Mitsui Banking Corporation	Term Loan 65-F	2,500	December 26, 2011	October 31, 2016
The Bank of Tokyo-Mitsubishi UFJ, Ltd.		2,000		
Development Bank of Japan Inc.	Term Loan 65-G	2,500	December 26, 2011	October 31, 2016
Sumitomo Mitsui Banking Corporation	Series 67	2,500	January 10, 2012	January 29, 2016
Mitsubishi UFJ Trust and Banking Corporation	Series 68-A	1,200	January 31, 2012	January 31, 2013
Mitsubishi UFJ Trust and Banking Corporation	Series 68-B	1,500	January 31, 2012	January 30, 2015
Aozora Bank, Ltd.	Term Loan 66-L	2,250	March 12, 2012	March 12, 2014
Sumitomo Mitsui Banking Corporation		1,800		
Development Bank of Japan Inc.		1,800		
Sumitomo Mitsui Trust Bank, Limited (Note2)		450		
Mizuho Bank, Ltd.	Series 69	1,000	March 12, 2012	March 12, 2015
The Bank of Fukuoka, Ltd.	Series 70-A	500	March 28, 2012	March 28, 2017
Sumitomo Mitsui Banking Corporation	Series 70-B	1,400	March 28, 2012	March 28, 2019
Development Bank of Japan Inc.		1,000		
Sumitomo Mitsui Trust Bank, Limited (Note2)	Series 71	2,000	March 30, 2012	September 30, 2015
Aozora Bank, Ltd.	Series 72	1,000	April 27, 2012	October 30, 2015
Total	-	47,400	-	-

Note 2: The Chuo Mitsui Trust and Banking Co., Limited merged with Chuo Mitsui Asset Trust and Banking Co., Limited and The Sumitomo Trust and Banking Co., Ltd. (the company surviving the absorption-type merger) as of April 1, 2012. With this merger, The Sumitomo Trust and Banking Co., Ltd. changed its trade name to Sumitomo Mitsui Trust Bank, Limited. Same applies below.

As of the end of the thirteenth fiscal period (fiscal period ended October 31, 2011), the balance of borrowings amounted to ¥97,414 million (¥87,214 million in long-term borrowings and ¥10,200 million in short-term borrowings). As a result, the balance of interest-bearing debt amounted to ¥137,372.5 million as of April 30, 2012, comprising ¥131,372.5 million in borrowings (¥116,672.5 million in long-term borrowings and ¥14,700 million in short-term borrowings) and ¥6,000 million in investment corporation bonds. As of April 30, 2012, ¥17,500 million out of ¥31,300 million of long-term borrowings, which have floating interest rates, have been hedged and fixed by utilizing interest-rate swap agreements. In addition, the long-term debt ratio (Note 3) was 89.3% and the long-term fixed interest debt ratio (Note 4) was 79.3%.

Note 3: Long-term debt ratio = (Balance of long-term borrowings + Balance of investment corporation bonds) ÷ (Total borrowings + Balance of investment corporation bonds) Long-term debt ratio is rounded to the nearest first decimal place.

Note 4: Long-term fixed interest debt ratio = (Balance of long-term fixed interest rate borrowings + Balance of investment corporation bonds) ÷ (Total borrowings + Balance of investment corporation bonds) The balance of long-term fixed interest rate borrowings includes borrowings with floating interest rates effectively fixed by utilizing interest-rate swap agreements. Long-term fixed interest debt ratio is rounded to the nearest first decimal place.

Furthermore, the Investment Corporation made new borrowings from Mizuho Bank, Ltd. and The Bank of Fukuoka, Ltd., aiming to expand the scope of financial institutions. The balance of borrowings according to financial institutions as of October 31, 2011 and April 30, 2012 are as follows:

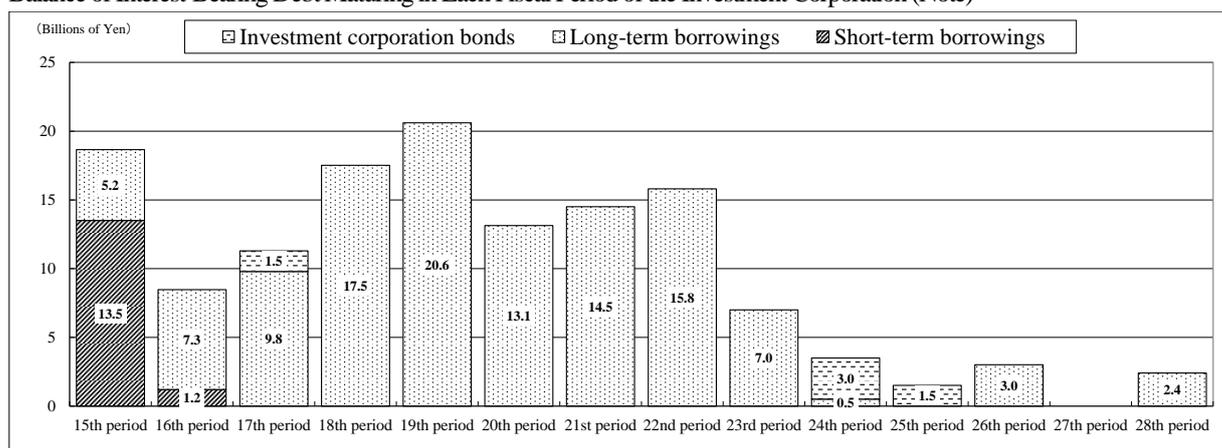
Lender	Thirteenth Fiscal Period (as of October 31, 2011) (Millions of Yen)	Twelfth Fiscal Period (as of April 30, 2011) (Millions of Yen)	Ratio as of End of Fourteenth Fiscal Period (%) (Note 4)
Sumitomo Mitsui Banking Corporation	22,434.0	31,992.5	24.4
Development Bank of Japan Inc.	16,430.0	26,667.5	20.3
Aozora Bank, Ltd.	13,950.0	19,687.5	15.0
Sumitomo Mitsui Trust Bank, Limited	15,800.0	17,725.0	13.5
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	11,300.0	16,300.0	12.4
Mitsubishi UFJ Trust and Banking Corporation	7,200.0	9,200.0	7.0
Resona Bank, Ltd.	5,300.0	7,300.0	5.6
Mizuho Trust & Banking Co., Ltd.	1,000.0	1,000.0	0.8
Mizuho Bank, Ltd.	-	1,000.0	0.8
The Bank of Fukuoka, Ltd.	-	500.0	0.4
The Norinchukin Bank	4,000.0	-	-
Total	97,414.0	131,372.5	100.0

Note 5: Percentages are rounded down to the nearest first decimal place.

(c) Diversification of Debt Maturities

The Investment Corporation will continue to strive to reduce refinancing risk by diversifying repayment dates and extending borrowing periods for its interest-bearing debt. In addition, the total balance of interest-bearing debt as of the end of the fourteenth fiscal period (fiscal period ended April 30, 2012) maturing in each fiscal period is as follows:

Balance of Interest-Bearing Debt Maturing in Each Fiscal Period of the Investment Corporation (Note)



Note: Amounts are rounded to the first decimal place.

(d) Status of Credit Rating

The status of the credit ratings as of April 30, 2012 is as follows:

Credit Rating Agency	Details of the Ratings	
Japan Credit Rating Agency, Ltd.	Rating of Long-Term Senior Debts	A
	Ratings on Bonds	
	Rating of Shelf Registration	
	Outlook	Positive

(e) Status of Shelf Registration

The Investment Corporation filed a debt shelf registration statement on February 4, 2011. Details are as follows:

	Investment Corporation Bond
Planned Issue Amount	¥100,000,000,000
Planned Issuance Period	February 15, 2011 to February 14, 2013
Use of Funds	Acquisition funds for specified assets, repayment of borrowings, repayment of investment corporation bonds, refund of lease and guarantee deposits, funds to pay for repairs and maintenance, working capital, etc.

The Investment Corporation's First Series Unsecured Investment Corporation Bonds of ¥9,000,000,000 and Second Series Unsecured Investment Corporation Bonds of ¥3,000,000,000 were issued in March 2007 based on the debt shelf registration statement filed in February 2007. In addition, the Investment Corporation's Third Series Unsecured Investment Corporation Bonds of ¥1,500,000,000 and Fourth Series Unsecured Investment Corporation Bonds of ¥1,500,000,000 were issued based on the debt shelf registration statement filed in February 2011 in September 2011 and March 2012, respectively.

On February 4, 2011, the Investment Corporation filed an equity shelf registration statement again to continue to secure opportunity for flexible equity financing. Details are as follows:

	Investment Unit Certificate	
	Primary Offering	Secondary Offering
Planned Issue Amount	¥100,000,000,000	¥15,000,000,000
Planned Issuance Period	February 15, 2011 to February 14, 2013	February 15, 2011 to February 14, 2013
Use of Funds	Acquisition funds for specified assets, repayment of borrowings, repayment of investment corporation bonds, refund of lease and guarantee deposits, funds to pay for repairs and maintenance, working capital, etc.	Not applicable

There has not yet been any primary offering or secondary offering based on the abovementioned investment unit certificate shelf registration.

D. Operating Results and Cash Distribution

As a result of the aforementioned management performance, the Investment Corporation reported operating revenues of ¥9,090 million, operating income of ¥4,086 million, ordinary income of ¥2,551 million and net income of ¥2,540 million for its fourteenth fiscal period (fiscal period ended April 30, 2012).

Concerning cash distributions, the Investment Corporation makes sure to make distributions by applying Article 67-15 of the Special Taxation Measures Law. In addition, for the fiscal period under review (fiscal period ended April 30, 2012), a portion of the amount booked to internal reserve in the reserve for reduction entry pursuant to the "Special Provisions for Taxation in the Event of Advance Acquisition of Land, etc. in 2009 and 2010" (Article 66-2 of the Special Taxation Measures Law) (¥143 million) is reversed, and generally all of the amount where the reversal of reserve for reduction entry is added to its unappropriated retained earnings was distributed to unitholders, yielding ¥9,364 per unit.

(2) Outlook

A. Investment Environment

The Japanese economy is expected to mark a more certain recovery as reconstruction-related demand from the earthquake disaster materializes. On the other hand, uncertainties surrounding the European debt crisis are again heightening, and due to fluctuations in financial capital market, downturn of overseas economies and such against this backdrop, there is a risk that the Japanese economy will receive downward pressure. Also, there is a need to continually pay attention to factors including electricity supply constraints, the impact of rising crude oil prices and also the impact of deflation.

Concerning the real estate market conditions, according to the “Trend Report of the Prices of Intensively Used Land in Major Cities” (survey period: January 1, 2012 to April 1, 2012) announced by the Ministry of Land, Infrastructure, Transport and Tourism on May 30, 2012, land prices rose in 22 districts (in contrast to 16 districts in the previous survey), remained unchanged in 80 districts (in contrast to 70 districts in the previous survey) and fell in 48 districts (in contrast to 64 districts in the previous survey) among the high-level use districts (150 commercial and residential districts) of major cities in Japan. Districts where prices remained the same continued to be high at 53%, and the number of districts in which prices rose or remained unchanged increased from 57% in the previous survey to 68%.

In the office building leasing market, the vacancy rates are expected to continue at a high level given the impact of office buildings being supplied in fiscal 2012, but are believed to gradually move toward improvement going forward as completions of new supplies are concentrated in the first half of the fiscal year. On the other hand, a severe situation will continue until vacancy rates move out of their current levels with the competition over solicitation of tenants, but due to materialization of reconstruction demand and expansion of office demand from recovery of corporate results, it is believed that rental demand will be steady.

In the real estate transaction market, investment into Japan has been resumed recently, not only by J-REITs and developers but also by foreign firms and overseas funds, given the expectations of a Japanese macro-economic recovery and the debt procurement environment continuing to stay robust. As such, the Investment Corporation believes that the number of office building transactions will increase over time.

B. Future Management Policies and Pending Issues

The Investment Corporation adopts the basic policy of conducting dynamic and flexible investment that accurately reflects the trends and ensures a timely response, and developing a diversified investment portfolio focused on a three-point investment methodology based on property type, area and size. From this standpoint and in light of the investment environment described above (the Japanese economy, land price trends, leasing market for office buildings, real estate transaction market, etc.), the Investment Corporation creates a property investment strategy, existing property management strategy, and financial strategy in a dynamic and flexible manner as set forth below.

(a) New Property Investment Strategy and Sales Policy

The Investment Corporation aims for further expansion of its asset size, with the goal of “forming a firm portfolio focusing on mid-sized office buildings” and to become the “No. 1 J-REIT for mid-sized office buildings.” The Investment Corporation believes that keeping office buildings in the Tokyo Metropolitan Area, as its focus while maintaining an investment strategy which aims for a certain degree of regional diversification, will be a foundation for constructing a superior portfolio and differentiating the Investment Corporation from others in the business.

The Investment Corporation believes that it holds a competitive advantage over other real estate acquiring firms as it has laid a foundation for renewed external growth ahead of many other real estate firms since November 2009, has resumed property acquisitions through public offerings and new borrowings, holds a portfolio surpassing ¥280 billion, and has a track-record in investing in and managing mid-sized office buildings and financial stability.

Moreover, when acquiring assets, bearing in mind such matters as the securing of property pipelines in the future and revenues during the period, the Investment Corporation is striving to diversify investment methods also taking into consideration the balance of financing sources, such as fund-type investment through investments in silent partnerships and real estate backed securities, and is also strengthening the sourcing of information on portfolio deals.

The Investment Corporation aims to acquire properties that should contribute to increased profitability of its portfolio, fully considering the rental NOI yield (Note) of the portfolio it owns, the weighted average costs and the significance and impact of the properties on its growth strategies.

In selling properties, the Investment Corporation will examine the sale of properties individually in considering the use of funds for replacement of assets through property acquisition or fund-type investments. Of this, concerning central urban retail properties and residential properties, the Investment Corporation will not only refrain from conducting new investments in principle, but will also place such properties on the top of the list of properties to sell while taking into consideration the market environment, asset size and other factors. On the other hand, the Investment Corporation will decide on the sale of office buildings individually by considering the current profitability, revenue projections that take into account future market trends, building age, area and property size, among other factors, and also in light of the significance of the property’s presence in the portfolio.

Note: The leasing NOI yield is a weighted-average figure of the annualized yield of leasing NOI (= Rental revenues - Rental expenses + Depreciation expenses for the period) against the acquisition price, in accordance with the operating period.

(b) Existing property management strategy

The Investment Corporation has appointed the Asset Management Company as its sole property management company for the entire portfolio as of the end of the fourteenth fiscal period (fiscal period ended April 30, 2012). In establishing a single point of contact for all matters relating to property management activities, the Investment Corporation strives to secure consistent policies, specifications and procedures along with ensuring swift and quality service.

Taking into consideration economic and real estate market trends, the Investment Corporation adopts a tenant-oriented approach to its leasing activities with aims of ensuring a timely and flexible response as well as optimal tenant satisfaction. Accordingly, the Investment Corporation will aim to maintain / increase cash flow by offering office environments with high tenant satisfaction. Based on the aforementioned, the Asset Management Company undertakes property management activities as follows:

- Identify degree of satisfaction through use of CS surveys (customer satisfaction = tenant satisfaction)
- Take measures to maintain and raise competitiveness of properties
- Tailor leasing management according to the market environment
- Apply careful control of management and operating costs by taking advantage of portfolio size
- Ensure appropriate response to relevant laws and regulations
- Develop a proactive environmental response

Identify degree of tenant satisfaction through use of CS surveys

The Investment Corporation recognizes each tenant as a key customer and strives to enhance customer satisfaction and raise the competitiveness of its properties as the means to maintain and increase earnings.

The Investment Corporation conducted a customer satisfaction survey (“CS Survey”) through J.D. Power Asia Pacific, Inc., an internationally recognized company that engages in customer satisfaction evaluation, to better understand the needs of its tenants and take steps to respond to their preferences. As a part of this survey the administration officers of each tenant and tenant employees were asked to respond to many questions concerning buildings and facilities as well as operating and management services. The Investment Corporation has conducted CS Surveys during the second fiscal period (fiscal period ended April 30, 2006), the fifth fiscal period (fiscal period ended October 31, 2007), the ninth fiscal period (fiscal period ended October 31, 2009) and thirteenth fiscal period (fiscal period ended October 31, 2011) which covered 69 of its properties..

Details of the Fourth CS Survey

Target respondent for the survey: The administration officers of each tenant and tenant employees of the 68 office buildings and one central urban retail property.

Survey population / Response rate: 640 administration officers / 566 collected (response rate of 88%)
 3,730 tenant employees / 3,175 collected (response rate of 85%)

Examples of questions: Building location and environment, external façade, lease space areas (air conditioning system, lighting, ventilation, OA compliant etc.), common use area (elevators, etc. facilities), the service of property manager and person in charge of the building maintenance company, status of cleaning, security, fire prevention and construction conducted during the period, powering savings, etc.

The comprehensive satisfaction rating results for the Third and Fourth CS Survey were as follows.

<Comprehensive Satisfaction Rating >

	Satisfied	Slightly Satisfied	Neither	Slightly Dissatisfied	Dissatisfied	Unknown
Fourth CS Survey	23%	52%	19%	5%	1%	1%
Third CS Survey	19%	49%	22%	6%	1%	3%

Note 1: Target respondent for the survey are the administration officers of each tenant and tenant employees.

Note 2: Ratios are rounded to the nearest unit.

Following the third survey, the Investment Corporation formulated and is implemented a guideline concerning management for soft services such as tenant services. This resulted in better evaluations in the fourth CS Survey compared to the previous survey results from administration officers and employees of respective tenants, both in terms of comprehensive degree of satisfaction and willingness for continued lease, which confirmed that there was a certain level of evaluation by tenants on the improvement measures. Also, by analyzing and inspecting various opinions and requests from tenants received through the fourth survey, we will respond to tenants by formulating action plans for individual properties.

The Investment Corporation will continue to listen to the voices of tenants, its customers, and will endeavor to conduct improvement activities after grasping its strengths and problems both in terms of hardware and soft services for each property, in pursuit of maintaining and enhancing tenant

satisfaction.

By periodically conducting such surveys, the Investment Corporation will aim to enhance customer satisfaction, generate improvements in competitiveness of properties and asset values, improve profitability and aim to maintain and increase cash flow.

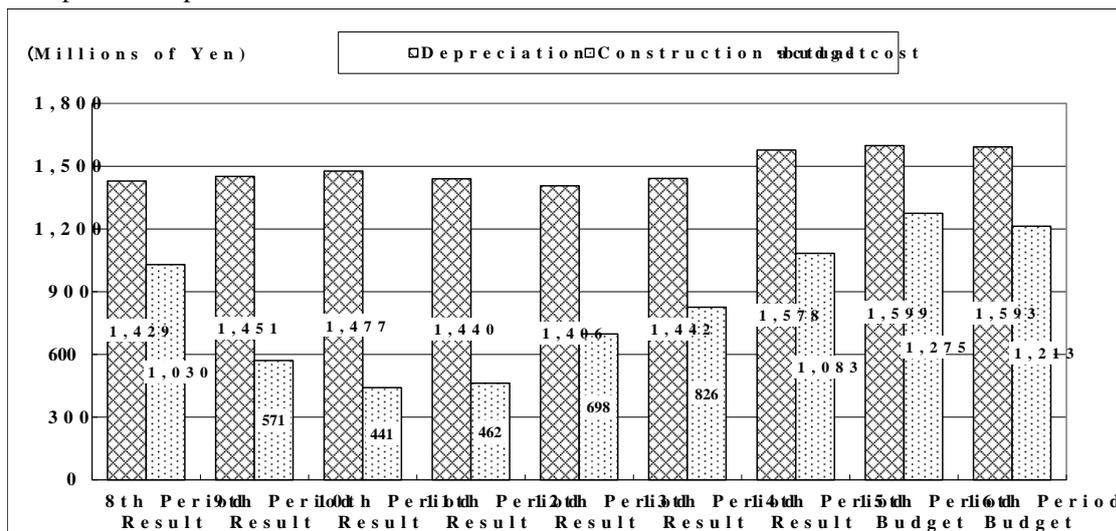
Take measures to maintain and raise competitiveness of properties

The Investment Corporation aims to provide attractive mid-sized office buildings in order to maintain and enhance portfolio value and rental revenues.

The Investment Corporation believes that the quality of mid-sized office buildings in Japan vary considerably depending on the nature of the owner. For example, a building owned by an individual or small company that owns only one or a few buildings may not have the resources to provide high-quality maintenance. Furthermore, when a building is owned by a large company, property management is often dictated by that company’s priorities and does not necessarily correspond to tenant needs or satisfaction.

The Investment Corporation will implement operation and management in close contact with the actual properties and further enhance the management level. Some specific examples of this are the installation of public wireless LAN services (installed at 53 properties located within NTT East’s service area as of May 31, 2012) and installation of automated external defibrillators (AEDs) (installed at 65 properties as of May 31, 2012) in consideration of business continuity plans (BCP) and its corporate social responsibilities (CSR). We will aim to maintain and improve competitiveness of properties and asset value through implementation of such measures to enhance value by carrying out operation and management which spans the portfolio.

Also, the Investment Corporation will utilize the size of the portfolio to the utmost as has been done before and implement construction that will lead to maintaining and increasing competitiveness of properties and asset value while reducing the cost of construction through bulk orders, etc. Moreover, the following are changes in the actual costs and budgets of the repairs, maintenance and renovation plans (construction budget) and changes in depreciation expenses.



Tailor leasing management according to the market environment

The characteristics of mid-sized office buildings, which are the primary target of the Investment Corporation’s investment, are that many of the tenants generally tend to be small- and medium-sized enterprises and turnover ratios are relatively high. Therefore, in the leasing aspect, the Investment Corporation implements leasing activities in a timely and flexible manner by adopting the basic policy of endeavoring to maximize revenues for the medium- to long-term through maintaining occupancy ratios, while taking into account economic and real estate market trends.

Concerning the solicitation of new tenants, the Investment Corporation strives to shorten the period of vacancy and boost the occupancy ratio by implementing dynamic and flexible leasing activities through the sharing of information closely with leasing brokers, holding of previews, marketing directly to corporations, utilizing guarantee companies and other measures while closely watching market conditions and timing of changes going forward.

Apply careful control of management and operating costs by taking advantage of portfolio size

The Investment Corporation utilizes the scale merits of owning many properties and the negotiating strength acquired through its management track record to reduce building maintenance costs. The Investment Corporation has managed to reduce trust fees, etc., as well as reduce building maintenance expenses mainly for office buildings by reviewing the specific elements of building maintenance. In addition, the Investment Corporation has managed to improve the efficiency of content of maintenance and also managed to reduce costs by consolidating the building maintenance company for office buildings in Tokyo.

The Investment Corporation will carefully control the quality of property management and operating costs and reduce building maintenance and operating costs by taking advantage of the portfolio size in building maintenance costs and construction bidding.

Ensure appropriate responses to relevant laws and regulations

The Investment Corporation will gather information on the Building Standards Law and other relevant laws and regulations and any future revisions, in a timely manner and will respond as necessary while considering compliance.

Develop a proactive environmental response

The Investment Corporation was designated as a specified corporation pursuant to the Act on the Rational Use of Energy on October 1, 2010. The Investment Corporation will research on energy saving and environmental friendliness of mid-sized office buildings, develop medium- to long-term energy saving plans and reduction targets, and proactively institute measures in terms of both hardware (buildings and facilities) and soft services (operating and management services) in an aim to ensure the simultaneous pursuit of return on investment and social benefits. Furthermore, in November 2011, the Investment Corporation started to disclose its environmental policies on its website to demonstrate its endeavors in approaching environmental issues.

(c) Financial Strategy (Debt Financing)

The Investment Corporation will seek to diversify its debt repayment period to reduce refinancing risk. Furthermore, the Investment Corporation will pursue stable financial management through such measures as continuing to maintain long-term debt ratios above prudent levels.

Given the ongoing improvement in the debt procurement environment since 2010, the Investment Corporation will continue its endeavors to negotiate better borrowing terms. In order to pursue stable financial management, the Investment Corporation will continue to aim to keep the ratio of interest-bearing debt to total assets (LTV) at less than 45% as a rule. However, it will also remain open to the option of increasing LTV to the upper 40% level in the event of debt financing conducted for the purpose of acquiring competitive properties or otherwise. The Investment Corporation will work to control the ratio of interest-bearing debt to total assets in the same conservative manner as before.

Moreover, the Investment Corporation will undertake stable fund procurement based on existing favorable relations with financial institutions, especially mega-banks, trust banks and Development Bank of Japan, Inc., as well as aim for more conservative financial management.

(d) Information Disclosure

Consistent with its basic information disclosure policy, the Investment Corporation proactively engages in IR activities with the aim of promptly providing a wide range of relevant information to investors. In specific terms, the Investment Corporation provides information through the Timely Disclosure Network System (TDnet), which is a system operated by the Tokyo Stock Exchange, as well as press releases and its Web site (URL: <http://www.kdx-reit.com/eng/>).

(3) Important Subsequent Events

The important subsequent events following the close of the fourteenth fiscal period (fiscal period ended April 30, 2012) are as follows.

Sales of Property

The Investment Corporation has concluded a purchase and sales agreement on February 23, 2012 and sold the following property on May 11, 2012.

Property Name	KDX Omori Building (Office Building)
Type of Assets for Sale	Trust beneficiary interest in real estate
Location (Address)	1-6-8 Omori-kita, Ohta-ku, Tokyo
Buyer	Tokyo Property Service Co., Ltd. (Note)
Sales Price	¥4,200 million

Capital gains from the sale are estimated to be ¥597 million for the fifteenth fiscal period. The aforementioned sales price excludes sales costs, adjusted amounts for property and city-planning tax, consumption tax, regional consumption tax, etc.

Note: Tokyo Property Service Co., Ltd. has changed its company name from OOIKOUGYOU CO., LTD. on March 16, 2012.

(4) Outlook

Forecasts for the fifteenth fiscal period (May 1, 2012 to October 31, 2012) are presented as follows. Please refer to the “Preconditions and Assumptions for the Fiscal Period Ending October 31, 2012” below for factors that underpin forecasts.

Operating Revenues	¥9,882 million
Operating Income	¥4,454 million
Ordinary Income	¥2,987 million
Net Income	¥2,985 million
Distribution per Unit	¥9,400
Distribution in Excess of Earnings per Unit	¥0

Note: Forecast figures are calculated based on certain assumptions. Readers are advised that actual operating revenues, net income and distribution per unit may differ significantly from forecasts due to a variety of reasons. Accordingly, the Investment Corporation does not guarantee payment of the forecast distribution per unit.

“Preconditions and Assumptions for the Fiscal Period Ending October 31, 2012”

	Preconditions and Assumptions
Calculation Period	<ul style="list-style-type: none"> The fifteenth fiscal period: May 1, 2012 to October 31, 2012 (184 days)
Property Portfolio	<ul style="list-style-type: none"> Forecasts are based on the 82 properties held as of June 12, 2011, and the number of properties remaining unchanged up to and including the end of the fifteenth fiscal period. The Investment Corporation owns TMK preferred equity securities other than the abovementioned properties. The property portfolio may change due to a variety of factors in the future.
Operating Revenues	<ul style="list-style-type: none"> Rental revenues are estimated based on valid leasing agreements as of June 12, 2012 and by considering variable factors, such as seasonal factors against the backdrop of historical performance, as well as leasing conditions, such as the recent deterioration of real estate market conditions, in addition to the difference in number of operating days due to movements in existing investment assets. As the dividends for the owned TMK preferred equity securities is scheduled will be confirmed in December 2012 or later, no dividend income is expected for the fiscal period ending October 31, 2012. The Investment Corporation has completed settlement of the sale of KDX Omori Building on May 11, 2012, and capital gains from the sale are estimated to be ¥597 million. Forecasts are based on the assumption that there will be no rent in arrears or non-payments from tenants.
Operating Expenses	<ul style="list-style-type: none"> Property-related expenses other than depreciation are based on the difference in number of operating days due to movements in existing investment assets and historic expenses, adjusted to reflect expense variables including seasonal factors. An amount of ¥933 million has been assumed for property management fees and facility management fees (property management and building maintenance fees, etc.). An amount of ¥837 million has been assumed for taxes and public dues (property tax and city-planning tax, etc.). An amount of ¥1,599 million has been assumed for depreciation expense. An amount of ¥158 million has been assumed for repairs, maintenance and renovation expenses. Repairs, maintenance and renovation expenses are estimated based on the amounts budgeted by the asset management company for each property and amounts considered essential for each period. Actual repairs, maintenance and renovation expenses for each fiscal period may, however, differ significantly from estimated amounts due to unforeseen circumstances or emergencies. In general, property tax and city planning tax are allocated to the seller and purchaser on a pro rata basis at the time of acquisition settlement. In the case of the Investment Corporation, an amount equivalent to the portion allocated to the purchaser is included in the acquisition price of the property.
Non-Operating Expenses	<ul style="list-style-type: none"> The Investment Corporation is amortizing unit issuance costs over a period of three years using the straight-line method. Interest payable (including financing related expenses etc.) of ¥1,418 million is assumed for the fourteenth fiscal period.
Extraordinary Profit/Loss	<ul style="list-style-type: none"> Extraordinary profit/loss is not assumed.
Debt Financing and Investment Corporation Bonds	<ul style="list-style-type: none"> The balance of the borrowings and the investment corporation bonds as of June 12, 2012 are ¥131,372.5 million and ¥6,000 million, respectively.

Debt Financing and Investment Corporation Bonds	<ul style="list-style-type: none"> Of the borrowings as of June 12, 2012, a total of ¥18,651.5 million (short-term borrowings: ¥13,500 million and long-term borrowings: ¥5,151.5 million) in borrowings are due during the fifteenth fiscal period. However, all borrowings are presupposed to be refinanced excluding ¥271.5 million of the partial payment.
Investment Units Issued and Outstanding	<ul style="list-style-type: none"> The number of investment units issued and outstanding as of June 12, 2012 is 286,550 units. Forecasts are based on the assumption that the number of investment units issued and outstanding shall remain unchanged for the fifteenth fiscal period.
Distributions per Unit	<ul style="list-style-type: none"> Distributions per unit are calculated in accordance with the distribution policy outlined in the Investment Corporation's Articles of Incorporation. Forecasts are based on the assumption that pursuant to the "Special Provisions for Taxation in the Event of Advance Acquisition of Land, etc. in 2009 and 2010" (Article 66-2 of the Special Taxation Measures Law), a portion of the estimated amount (¥291 million) of the capital gains from the sale of KDX Omori Building mentioned above (¥597 million) is retained as the reserve for reduction entry within the scope that it will not exceed 80% of gain on sale of land and will not conflict with the conduit requirements stipulated in Article 67-15 of the Special Taxation Measures Law and the Investment Corporation will distribute the amount remaining after deducting the provision of reserve for reduction entry from unappropriated retained earnings. Actual distributions per unit may differ significantly from forecasted figures due to a variety of reasons including movements in investment assets, rental revenues impacted by tenant movements or the incidence of major unforeseen renovation expense.
Distributions in Excess of Earnings per Unit	<ul style="list-style-type: none"> The Investment Corporation does not currently anticipate distributions in excess of earnings per unit.
Other	<ul style="list-style-type: none"> Forecasts are based on the assumption that any revisions to regulatory requirements, taxation, accounting standards, public listing regulations or requirements of the Investment Trusts Association, Japan will not impact forecast figures. Forecasts are based on the assumption that there will be no major unforeseen changes to economic trends and in real estate and other markets.

3. Financial Statements

(1) Balance Sheets

(Thousands of Yen)

	Thirteenth Fiscal Period (As of October 31, 2011)	Fourteenth Fiscal Period (As of April 30, 2012)
ASSETS		
Current assets		
Cash and deposits	12,349,209	6,924,146
Cash and deposits in trust	5,989,325	7,095,792
Accounts receivable-trade	173,772	176,474
Prepaid expenses	74,204	67,014
Consumption taxes receivable	-	220,729
Other	3,359	3,432
Total current assets	18,589,872	14,487,589
Noncurrent assets		
Property, plant and equipment		
Buildings	14,835,908	14,959,843
Accumulated depreciation	-1,932,075	-2,178,129
Buildings, net	12,903,832	12,781,714
Structures	22,461	23,001
Accumulated depreciation	-5,745	-6,447
Structures, net	16,715	16,553
Machinery and equipment	354,877	355,857
Accumulated depreciation	-83,859	-95,707
Machinery and equipment, net	271,017	260,149
Tools, furniture and fixtures	78,185	78,295
Accumulated depreciation	-21,378	-24,669
Tools, furniture and fixtures, net	56,807	53,625
Land	29,104,205	29,104,205
Buildings in trust *2	74,239,182	81,938,473
Accumulated depreciation	-11,002,737	-12,252,860
Buildings in trust, net	63,236,445	69,685,613
Structures in trust	232,442	245,635
Accumulated depreciation	-80,745	-88,670
Structures in trust, net	151,696	156,964
Machinery and equipment in trust	999,616	1,184,280
Accumulated depreciation	-456,979	-494,371
Machinery and equipment in trust, net	542,637	689,909
Tools, furniture and fixtures in trust	327,986	351,383
Accumulated depreciation	-168,348	-185,982
Tools, furniture and fixtures in trust, net	159,638	165,401
Land in trust	148,116,665	172,834,060
Construction in progress in trust	1,874	6,894
Total property, plant and equipment	254,561,536	285,755,092
Intangible assets		
Leasehold right	285,350	285,350
Leasehold right in trust	74,079	73,304
Right of using water facilities in trust	790	671
Total intangible assets	360,219	359,326
Investments and other assets		
Investment securities	-	896,655

KENEDIX REALTY INVESTMENT CORPORATION (8972)

Lease and guarantee deposits	10,000	10,000
Lease and guarantee deposits in trust	123,692	123,712
Long-term prepaid expenses	1,185,942	1,528,273
Total investments and other assets	1,319,635	2,558,640
Total noncurrent assets	256,241,390	288,673,059
Deferred assets		
Investment corporation bond issuance costs	30,906	39,405
Investment unit issuance expenses	111,272	83,990
Total deferred assets	142,178	123,396
Total assets	274,973,440	303,284,044

(Thousands of Yen)

	Thirteenth Fiscal Period (As of October 31, 2011)	Fourteenth Fiscal Period (As of April 30, 2012)
Liabilities		
Current Liabilities		
Accounts payable	556,104	604,452
Short-term loans payable	10,200,000	14,700,000
Current portion of investment corporation bond	9,000,000	-
Current portion of long-term loans payable	13,850,000	11,880,000
Accounts payable-other	246,331	170,672
Accrued expenses	191,325	205,540
Income taxes payable	1,352	1,385
Accrued consumption taxes	80,236	13,372
Advances received	1,281,806	1,887,967
Deposits received	2,814	27,249
Provision for loss on disaster	2,333	-
Total current liabilities	35,412,305	29,490,639
Noncurrent liabilities		
Investment corporation bond	4,500,000	6,000,000
Long-term loans payable	73,364,000	104,792,500
Tenant leasehold and security deposits	1,556,321	1,541,929
Tenant leasehold and security deposits in trust	9,868,360	11,395,973
Total noncurrent liabilities	89,288,681	123,730,402
Total liabilities	124,700,986	153,221,042
Net assets		
Unitholders' equity		
Unitholders' capital	147,153,820	147,153,820
Surplus		
Reserve for reduction entry	65,795	368,795
Total voluntary reserve	65,795	368,795
Unappropriated retained earnings(undisposed loss)	3,052,837	2,540,386
Total surplus	3,118,633	2,909,182
Total unitholders' equity	150,272,453	150,063,002
Total net assets *1	150,272,453	150,063,002
Total liabilities and net assets	274,973,440	303,284,044

(2) Statements of Income

(Thousands of Yen)

	Thirteenth Fiscal Period May 1, 2011 to October 31, 2011	Fourteenth Fiscal Period November 1, 2011 to April 30, 2012
Operating revenue		
Rent revenue-real estate *1	7,475,270	8,071,923
Other lease business revenue *1	1,023,679	1,018,730
Gain on sales of real estate properties *2	545,281	-
Total operating revenue	9,044,231	9,090,653
Operating expenses		
Expenses related to rent business *1	3,961,611	4,284,756
Asset management fee	487,405	491,072
Directors' compensation	6,300	6,669
Asset custody fee	25,525	26,373
Administrative service fees	56,326	54,352
Audit fee	10,800	10,800
Other operating expenses	70,938	130,282
Total operating expenses	4,618,908	5,004,307
Operating income	4,425,323	4,086,345
Non-operating income		
Interest income	1,063	674
Dividends and redemption-prescription	1,176	1,714
Interest on refund	3,512	-
Reversal of Provision for loss on disaster	-	2,333
Total non-operating income	5,753	4,723
Non-operating expenses		
Interest expenses	919,211	948,755
Interest expenses on investment corporation bonds	117,176	110,175
Borrowing related expenses	298,043	444,046
Amortization of investment corporation bond issuance costs	6,880	9,000
Amortization of investment unit issuance expenses	27,281	27,281
Other	22,075	-
Total non-operating expenses	1,390,668	1,539,259
Ordinary income	3,040,407	2,551,809
Extraordinary income		
Gain on donation of noncurrent assets	13,970	-
Total Extraordinary income	13,970	-
Extraordinary loss		
Litigation settlement	-	10,000
Total Extraordinary loss	-	10,000
Income before income taxes	3,054,377	2,541,809
Income taxes-current	1,570	1,520
Income taxes-deferred	-10	6
Total income taxes	1,560	1,526
Net income	3,052,817	2,540,282
Retained earnings brought forward	20	103
Unappropriated retained earnings(undisposed loss)	3,052,837	2,540,386

(3) Statements of Unitholders' Equity

(Thousands of Yen)

	Thirteenth Fiscal Period May 1, 2011 to October 31, 2011	Fourteenth Fiscal Period November 1, 2011 to April 30, 2012
Unitholders' equity		
Unitholders' capital *		
Balance at the start of current period	133,129,755	147,153,820
Changes of items during the period		
Issuance of new investment units	14,024,065	-
Total changes of items during the period	14,024,065	-
Balance at the end of current period	147,153,820	147,153,820
Surplus		
Voluntary reserve		
Reduction entry		
Balance at the start of current period	65,795	65,795
Changes of items during the period		
Provision of reserve for reduction entry	-	303,000
Total changes of items during the period	-	303,000
Balance at the end of current period	65,795	368,795
Total Voluntary reserve		
Balance at the start of current period	65,795	65,795
Changes of items during the period		
Provision of reserve for reduction entry	-	303,000
Total changes of items during the period	-	303,000
Balance at the end of current period	65,795	368,795
Unappropriated retained earnings (undisposed loss)		
Balance at the start of current period	2,310,063	3,052,837
Changes of items during the period		
Provision of reserve for reduction entry	-	-303,000
Distribution from surplus	-2,310,043	-2,749,733
Net income	3,052,817	2,540,282
Total changes of items during the period	742,774	-512,451
Balance at the end of current period	3,052,837	2,540,386
Total Surplus		
Balance at the start of current period	2,375,859	3,118,633
Changes of items during the period		
Provision of reserve for reduction entry	-	-
Distribution from surplus	-2,310,043	-2,749,733
Net income	3,052,817	2,540,282
Total changes of items during the period	742,774	-209,451
Balance at the end of current period	3,118,633	2,909,182
Total unitholders' equity		
Balance at the start of current period	135,505,614	150,272,453
Changes of items during the period		
Issuance of new investment units	14,024,065	-
Distribution from surplus	-2,310,043	-2,749,733
Net income	3,052,817	2,540,282
Total changes of items during the period	14,766,839	-209,451
Balance at the end of current period	150,272,453	150,063,002
Total net assets		

	KENEDIX REALTY INVESTMENT CORPORATION (8972)	
Balance at the start of current period	135,505,614	150,272,453
Changes of items during the period		
Issuance of new investment units	14,024,065	-
Distribution from surplus	-2,310,043	-2,749,733
Net income	3,052,817	2,540,282
Total changes of items during the period	14,766,839	-209,451
Balance at the end of current period	150,272,453	150,063,002

(4) Basis for Calculating Cash Distribution

(Unit: Yen)

	Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)	Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)
I. Retained earnings at the end of period	3,052,837,677	2,540,386,573
II. Voluntary retained earnings (reversal)		
Reversal of reserve for reduction entry	-	143,000,000
III. Total Distribution	2,749,733,800	2,683,254,200
(Distribution per Unit)	(9,596)	(9,364)
IV. Voluntary retained earnings (provision)		
Provision for reserve for reduction entry	303,000,000	-
V. Retained Earnings brought forward to the next period	103,877	132,373
Method of calculating the distribution amount	<p>In accordance with the policy depicted in Article 35-1 of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Special Taxation Measures Law, and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation has decided that, of the amount remaining after the reserve for reduction entry as stipulated in Article 66-2 of the Special Taxation Measures Law is deducted from unappropriated retained earnings, it shall distribute the maximum amount of retained earnings at the period-end, namely totaling ¥2,749,733,800 to 286,550 units issued and outstanding.</p> <p>Procedures for the distribution of amounts exceeding distributable income are outlined in Article 35-2 of the Investment Corporation's Articles of Incorporation. In its fiscal period under review, the Investment Corporation has decided not to distribute cash in excess of distributable profit.</p>	<p>In accordance with the policy depicted in Article 35-1 of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Special Taxation Measures Law, and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation has decided that, based on the total amount for which the reversal of reserve for reduction entry is added to unappropriated retained earnings, it shall distribute ¥2,683,254,200, which is the maximum integral multiple to 286,550 units issued and outstanding as the distribution of earnings.</p> <p>Procedures for the distribution of amounts exceeding distributable income are outlined in Article 35-2 of the Investment Corporation's Articles of Incorporation. In its fiscal period under review, the Investment Corporation has decided not to distribute cash in excess of distributable profit.</p>

(5) Statements of Cash Flows

(Thousands of Yen)

	Thirteenth Fiscal Period May 1, 2011 to October 31, 2011	Fourteenth Fiscal Period November 1, 2011 to April 30, 2012
Net cash provided by (used in) operating activities		
Income before income taxes	3,054,377	2,541,809
Depreciation and amortization	1,442,935	1,578,845
Amortization of long-term prepaid expenses	247,729	257,129
Interest income	-1,063	-674
Interest expenses	1,036,387	1,058,930
Amortization of investment unit issuance expenses	27,281	27,281
Amortization of investment corporation bond issuance expenses	6,880	9,000
Litigation settlement	-	10,000
Gain on donation of noncurrent assets	-13,970	-
Decrease (increase) in accounts receivable-trade	12,639	-2,701
Decrease (increase) in consumption taxes refund receivable	310,485	-220,729
Decrease (increase) in prepaid expenses	-19,290	7,189
Increase (decrease) in accounts payable	65,851	-79
Increase (decrease) in accounts payable-other	8,563	-30,285
Increase (decrease) in accrued consumption taxes	28,955	-66,863
Increase (decrease) in advances received	-590,901	606,160
Increase (decrease) in deposits received	-13,429	24,435
Loss on retirement of noncurrent assets	-	3,719
Changes in net property, plant and equipment held in trust from sale	5,122,100	-
Decrease (increase) in long-term prepaid expenses	-226,107	-599,460
Other, net	731	-4,261
Subtotal	10,500,158	5,199,445
Interest income received	1,063	674
Interest expenses paid	-1,037,432	-1,044,715
Payments for loss on disaster	-28,598	-
Litigation settlement paid	-	-10,000
Income taxes paid	-1,171	-1,352
Net cash provided by (used in) operating activities	9,434,020	4,144,051
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	-53,346	-123,516
Purchase of property, plant and equipment in trust	-15,177,128	-32,707,120
Purchase of investment securities	-	-891,000
Proceeds from collection of lease and guarantee deposits in trust	669	-
Payments of tenant leasehold and security deposits	-40,773	-52,281
Proceeds from tenant leasehold and security deposits	87,177	51,438
Payments of tenant leasehold and security deposits in trust	-643,261	-848,057
Proceeds from tenant leasehold and security deposits in trust	1,123,447	2,443,258
Proceeds from withdrawal of time deposits	464,000	-
Payments of restricted bank deposits in trust	-	-131,124
Proceeds from restricted bank deposits in trust	100,403	40,729
Other, net	-	-20
Net cash provided by (used in) investment activities	-14,138,812	-32,217,695
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	6,000,000	8,700,000

KENEDIX REALTY INVESTMENT CORPORATION (8972)

Decrease in short-term loans payable	-4,500,000	-4,200,000
Proceeds from long-term loans payable	14,000,000	38,700,000
Repayment of long-term loans payable	-18,801,500	-9,241,500
Proceeds from issuance of investment units	13,938,968	-
Proceeds from issuance of investment corporation bonds	1,485,336	1,481,582
Redemption of investment corporation bonds	-	-9,000,000
Payment of investment units issuance costs	-	-28,321
Dividends paid	-2,310,038	-2,747,108
Net cash provided by (used in) financing activities	9,812,767	23,664,651
Net increase (decrease) in cash and cash equivalents	5,107,976	-4,408,992
Cash and cash equivalents at beginning of period	12,820,027	17,928,003
Cash and cash equivalents at end of period	* 17,928,003	13,519,010

(6) Notes to the Going Concern

Not applicable

(7) Important Accounting Standards

1. Evaluation standards and evaluation method of assets	<p>Securities</p> <p>Other securities</p> <p>Those with no fair value</p> <p>Cost method through moving-average method</p>
2. Depreciation of fixed assets	<p>(1) Property, plant and equipment (includes trust assets)</p> <p>The straight-line method is applied.</p> <p>Useful lives of the assets ranging are as follows:</p> <p>Buildings: 2 to 49 years</p> <p>Structures: 2 to 45 years</p> <p>Machinery and equipment: 3 to 17 years</p> <p>Tools, furniture and fixtures: 3 to 20 years</p> <p>(2) Intangible assets (includes trust assets)</p> <p>The straight-line method is applied.</p> <p>Right of using water facilities: 6 years</p> <p>Leasehold rights</p> <p>Fixed term leasehold is amortized over a contractual period of forty-eight years and nine months under the straight-line method.</p> <p>(3) Long-term prepaid expenses</p> <p>The straight-line method is applied.</p>
3. Accounting policies for deferred assets	<p>(1) Investment unit issuance costs</p> <p>Unit issuance costs are amortized over a period of 3 years.</p> <p>(2) Investment corporation bond issuance costs</p> <p>Bond issuance costs are amortized by applying the straight-line method for the entire redemption period.</p>
4. Accounting standards for provision	<p>Provision for loss due to disaster</p> <p>Of the cost of repairs on impaired fixed assets due to the East Japan Earthquake of 2011, the amount reasonably estimable at the period end is recognized as a provision.</p>
5. Accounting standards for revenues and expenses	<p>Accounting method for property tax</p> <p>Property-related taxes including property taxes and city planning taxes, etc. are imposed on properties on a calendar year basis. These taxes are generally charged to rental expenses for the period, for the portion of such taxes corresponding to said period.</p> <p>In connection with the acquisition of real estate including trust beneficiary interests in real estate during the fiscal period under review, the Investment Corporation included its pro rata property portion for the year in each property acquisition price and not as rental expense. The amount of property taxes included in acquisition prices for the previous fiscal period amounted to ¥44,438 thousand and for the fiscal period under review amounted to ¥23,880 thousand.</p>
6. Accounting for hedges	<p>(1) Hedge accounting method</p> <p>The deferred hedge method is applied. However, the special treatment is applied for the interest-rate swap agreements that meet the criteria.</p> <p>(2) Hedging instruments and risks hedged</p> <p>Hedge instruments</p> <p>The Investment Corporation enters into interest-rate swap transactions.</p> <p>Risks hedged</p> <p>Interest rates on debt.</p>

	<p>(3) Hedging policy The Investment Corporation enters into derivative transactions based on its risk management policies with the objective of hedging risks in accordance with its Articles of Incorporation.</p> <p>(4) Method of evaluating the effectiveness of hedging During the period from the commencement of hedging to the point at which effectiveness is assessed, the Investment Corporation compares the cumulative total of market changes in the targeted objects of hedging or cash flow changes with the cumulative total of market changes in the hedging instruments or cash flow changes. The Investment Corporation then makes a decision based on the changes and other factors of the two. However, the interest-rate swap agreements that meet the criteria for special treatment, the evaluation of effectiveness are omitted.</p>
7. The scope of cash and cash equivalents on statements of cash flows	For the purpose of cash flow statements, cash and cash equivalents consist of cash on hand, deposits received that can be withdrawn on demand, and short-term investments with original maturities of three months or less, that are readily convertible to known amounts of cash and present insignificant risk of a change in value.
8. Other significant accounting policies utilized in the preparation of financial statements	<p>(1) Accounting method for trust beneficiary interests in real estate and other assets The assets and liabilities as well as revenues and expenses of financial assets held in the form of trust beneficiary interests in real estate and other assets are recorded in full in the Investment Corporation's balance sheets and statements of income. Important line items included in accounting for financial assets in the Investment Corporation's balance sheet are as follows:</p> <ol style="list-style-type: none"> 1. Cash and deposits in trust 2. Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and construction in progress in trust 3. Right of using water facilities in trust 4. Tenant leasehold and security deposits in trust 5. Tenant leasehold and security deposits in trust <p>(2) Accounting method for consumption tax Consumption taxes are separately recorded. Non-deductible consumption taxes applicable to the acquisition of assets are included in the cost of acquisition for each asset.</p>

(8) [Notes to the Financial Statements]

(Notes to the Balance Sheets)

※1. Minimum unitholders' equity pursuant to Article 67-4 of the Law Concerning Investment Trusts and Investment Corporations Law

(Thousands of Yen)

	Thirteenth Fiscal Period (October 31, 2011)	Fourteenth Fiscal Period (April 30, 2012)
	50,000	50,000

※2. The amount of advanced depreciation of property, plant and equipment acquired by government subsidy

(Thousands of Yen)

	Thirteenth Fiscal Period (October 31, 2011)	Fourteenth Fiscal Period (April 30, 2012)
Building in trust	26,230	26,230

(Notes to the Statements of Income)

※1. Breakdown of real estate rental business profit and loss

(Thousands of Yen)

	Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)	Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)
A. Rental and other operating revenues		
Rental revenues		
Leasing income	6,121,318	6,581,677
Common area charges	1,353,951	1,490,245
Total	7,475,270	8,071,923
Other rental revenues		
Parking space rental revenues	249,514	271,259
Utility charge reimbursement	633,844	621,581
Miscellaneous	140,320	125,888
Subtotal	1,023,679	1,018,730
Total rental and operating revenues	8,498,949	9,090,653
B. Rental and other operating expenses		
Rental expenses		
Property management fees and facility management fees	832,724	911,939
Utilities	617,943	663,799
Taxes	703,542	724,628
Repairs and maintenance costs	152,452	165,367
Insurance	14,654	14,083
Trust fees	43,614	47,276
Others	153,743	175,097
Depreciation	1,442,935	1,578,845
Loss on retirement of fixed assets	-	3,719
Total property-related expenses	3,961,611	4,284,756
C. Rental business profit (A – B)	4,537,337	4,805,896

※2. Gain and Loss on sale of real estate

Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)

(Thousands of Yen)

KDX Hirakawacho Building	
Revenue from sale of the investment property	5,800,000
Costs of the investment property	5,122,100
Other sales' expenses	132,618
Gain on sale of real estate	545,281

Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)

Not applicable

(Notes to the Statements of Changes in Unitholders' Equity)

※1. Total number of authorized investment units and total number of investment units issued and outstanding

	Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)	Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)
Total number of authorized investment units	2,000,000 units	2,000,000 units
Total number of investment units issued and outstanding	286,550 units	286,550 units

(Notes to the Statements of Cash Flow)

※ Reconciliation of balance sheet items to cash and cash equivalents at end of period in the cash flows statements.

(Thousands of Yen)

	Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)	Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)
Cash and bank deposits	12,349,209	6,924,146
Cash and deposits in trust	5,989,325	7,095,792
Restricted bank deposits held in trust (Note)	- 410,532	-500,927
Cash and cash equivalents	17,928,003	13,519,010

Note: Restricted bank deposits held in trust are retained for repayment of tenant leasehold and security deposits held in trust.

(Notes to the Lease Transactions)

Operating lease transactions

(Lessor)

(Thousands of Yen)

	Thirteenth Fiscal Period (October 31, 2011)	Fourteenth Fiscal Period (April 30, 2012)
Unearned lease payments		
Due within one year	788,658	1,019,239
Due after one year	5,355,453	5,069,698
Total	6,144,111	6,088,938

(Notes to the Financial Instruments)

1. Items with Regard to the current status of Financial Instruments

(1) Action Policy with Regard to Financial Instruments

The Investment Corporation procures essential funds for acquiring properties and undertaking the repayment of loans primarily through bank loans and the issuance of corporate bonds and new investment accounts. The Investment Corporation makes use of derivative instruments primarily as a risk hedge against interest rate fluctuations and to lessen interest-rate payments. In addition, it is company policy to not conduct speculative derivative transactions. Management of surplus funds is undertaken in a prudent manner that considers fully such factors as safety, liquidity, interest rate conditions and cash flows.

(2) Financial Instruments and Respective Risks

Investment securities are preferred equity securities of TMK as set forth by the Act on Securitization of Assets and are exposed to credit risk of the issuer and risk of fluctuation of value of real estate, etc.

Loans and investment corporation bonds are used primarily for procuring funds necessary for the acquisition of properties and have a redemption date of a maximum of seven years following the accounting date. Although a certain portion of said liabilities are subject to interest rate fluctuation risks, the Investment Corporation utilizes derivative instruments (interest-rate swap transactions) in order to hedge against such risks.

Derivative instruments are interest-rate swap transactions that are used to hedge against interest rate fluctuation risks. Utilizing interest-rate swap transactions, the Investment Corporation fixed its interest payments for funds procured on a floating interest rate basis. With regard to hedge accounting methods, hedging instruments and hedged items, hedge policy, and the method of evaluation of hedge effectiveness, please see 6. Hedge Accounting Method in notes concerning Important Accounting Standards.

(3) Risk Management Structure with Regard to Financial Instruments

A. Management of Market Risk (Risk Associated with Fluctuations in Interest Rates and Others)

The Investment Corporation uses interest-rate swap transactions in order to minimize risks associated with interest payment rate fluctuations on funds procured.

The Investment Corporation will periodically grasp the value of real estate, etc. and financial condition, etc. of the issuer with regard to investment securities.

B. Management of Liquidity Risk (Risk of Defaulting on Payments by the Due Date) Associated with Funds Procurement

Although loans and other liabilities are subject to liquidity risks, the Investment Corporation reduces such risks by spreading out payment due dates and by using diversified fund procurement methods. Liquidity risk is also managed by such means as regularly checking the balance of cash reserves.

(4) Supplemental Explanation of Items with Regard to Fair Value of Financial Instruments

Included in the fair value of financial products are market prices, or, in the event market prices are not available, prices that are calculated on a rational basis.

Because the factors incorporated into the calculation of these prices are subject to change, differing assumptions are adopted which may alter fair value.

2. Items with Regard to Fair Value of Financial Instruments

The book value per the balance sheet, fair values, as well as their difference as of October 31, 2011 are as follows.

	Book Value (Thousands of Yen)	Fair Value (Thousands of Yen)	Difference (Thousands of Yen)
(1) Cash and deposits	12,349,209	12,349,209	-
(2) Cash and deposits in trust	5,989,325	5,989,325	-
Total assets	18,338,535	18,338,535	-
(1) Short-term loans payable	10,200,000	10,200,000	-
(2) Investment corporation bonds	13,500,000	13,324,050	-175,950
(3) Long-term loans payable	87,214,000	86,587,303	-626,696
Total liabilities	110,914,000	110,111,353	-802,646
Derivative Transaction	-	-	-

The book value per the balance sheet, fair values, as well as their difference as of April 30, 2012 are as follows. Furthermore, items whose fair values are recognized to be extremely difficult to grasp are not included in the following table (Refer to Note 2).

	Book Value (Thousands of Yen)	Fair Value (Thousands of Yen)	Difference (Thousands of Yen)
(1) Cash and deposits	6,924,146	6,924,146	-
(2) Cash and deposits in trust	7,095,792	7,095,792	-
Total assets	14,019,938	14,019,938	-
(3) Short-term loans payable	14,700,000	14,700,000	-
(4) Investment corporation bonds	6,000,000	5,874,300	-125,700
(5) Long-term loans payable	116,672,500	117,265,101	592,601
Total liabilities	137,372,500	137,839,401	466,901
Derivative Transaction	-	-	-

Note 1: Items with regard to the calculation method of financial instrument fair value together with investment securities and derivative transactions.

Assets

(1) Cash and deposits, (2) Cash and deposits in trust

Because these are settled in the short-term, the fair value can be considered as equivalent to the book value; therefore, the book value is used to determine fair value.

Liabilities

(1) Short-term loans payable

Because these are settled in the short-term, the fair value can be considered as equivalent to the book value; therefore, the book value is used to determine fair value.

(2) Investment corporation bonds

The fair value of investment corporation bonds is based on market prices.

(3) Long-term loans payable

The fair value of long-term borrowings is calculated based on the present value that discounts the total amount of principal and interest by using the estimated interest rate in the event that the Investment Corporation conducts new borrowings of the same type. Among interest rate fluctuations on long-term borrowings, said borrowings—which are subject to fixed interest rates resulting from interest-rate swaps and special treatment applied to said swaps—are calculated by discounting the total amount of principal and interest, which is handled together with applicable interest-rate swaps, by the rationally estimated interest rate in the case that the same type of borrowings are undertaken.

Derivative Transaction

Please refer to the aforementioned “Derivative Transaction.”

Note 2: Financial instruments whose fair values are recognized to be extremely difficult to grasp

(Thousands of Yen)

Classification	Thirteenth Fiscal Period (October 31, 2011)	Fourteenth Fiscal Period (April 30, 2012)
Preferred equity securities	-	896,655

Fair values of preferred equity securities are not subject to disclosure of fair value as they have no market value and their fair values are recognized to be extremely difficult to grasp.

Note 3: Redemption schedule of monetary claims after the closing date

Thirteenth Fiscal Period (October 31, 2011)

(Thousands of Yen)

	Less than or Equal to 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Cash and deposits	12,349,209	-	-	-	-	-
Cash and deposits in trust	5,989,325	-	-	-	-	-
Total	18,338,535	-	-	-	-	-

Fourteenth Fiscal Period (April 30, 2012)

(Thousands of Yen)

	Less than or Equal to 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Cash and deposits	6,924,146	-	-	-	-	-
Cash and deposits in trust	7,095,792	-	-	-	-	-
Total	14,019,938	-	-	-	-	-

Note 4: Investment corporation bonds, repayment of loans after the closing date, planned repayment amount

Thirteenth Fiscal Period (October 31, 2011)

(Thousands of Yen)

	Less than or Equal to 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Short-term loans payable	10,200,000	-	-	-	-	-
Investment corporation bonds	9,000,000	1,500,000	-	-	-	3,000,000
Long-term loans payable	13,850,000	17,606,000	24,323,000	15,135,000	13,300,000	3,000,000

Fourteenth Fiscal Period (April 30, 2012)

(Thousands of Yen)

	Less than or Equal to 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Short-term loans payable	14,700,000	-	-	-	-	-
Investment corporation bonds	-	1,500,000	-	-	3,000,000	1,500,000
Long-term loans payable	11,880,000	27,846,000	33,746,500	30,300,000	7,500,000	5,400,000

(Notes to the Marketable Securities)

Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011) and Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)

Not applicable

(Notes to the Derivative Transactions)

(1) Items that do not apply hedge accounting

Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011) and Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012): Not applicable

(2) Items that apply hedge accounting

Thirteenth Fiscal Period (October 31, 2011)

(Thousands of Yen)

Hedge accounting method	Type of Derivative Transactions	Main target risk hedge	Contracted amount		Fair value	Calculation method for applicable fair value
				More than 1 yr.		
Special treatment of interest-rate swaps	Interest-rate swap transaction Fixed rate payable·Floating rate receivable	Long-term loans payable	6,500,000	2,000,000	※	

Fourteenth Fiscal Period (April 30, 2012)

(Thousands of Yen)

Hedge accounting method	Type of Derivative Transactions	Main target risk hedge	Contracted amount		Fair value	Calculation method for applicable fair value
				More than 1 yr.		
Special treatment of interest-rate swaps	Interest-rate swap transaction Fixed rate payable·Floating rate receivable	Long-term loans payable	17,500,000	16,500,000	※	

※Special treatment of interest-rate swaps are reported at the fair value of applicable long-term loans payable. This is because such swaps are handled together with hedged long-term loans payable.

(Notes to the Retirement Payment)

Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011) and Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012): Not applicable

(Asset Retirement Obligations)

Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011) and Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012): Not applicable

(Segment and Related Information)

1. Segment Information

Disclosure is omitted because the real estate leasing business is the Investment Corporation's sole business and it has no reportable segment subject to disclosure.

2. Related Information

Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)

(1) Information about each product and service

Disclosure is omitted because net sales to external customers for a single product/service category account for over 90% of the operating revenue on the statement of income.

(2) Information about each geographic area

A. Net sales

Disclosure is omitted because net sales to external customers in Japan account for over 90% of the operating revenue on the statement of income.

B. Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information about each major customer

Disclosure is omitted because net sales to a single external customer account for less than 10% of the operating revenue on the statement of income.

Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)

(1) Information about each product and service

Disclosure is omitted because net sales to external customers for a single product/service category account for over 90% of the operating revenue on the statement of income.

(2) Information about each geographic area

A. Net sales

Disclosure is omitted because net sales to external customers in Japan account for over 90% of the operating revenue on the statement of income.

B. Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information about each major customer

Disclosure is omitted because net sales to a single external customer account for less than 10% of the operating revenue on the statement of income.

(Notes to the Tax-Effect Accounting)

1. The significant components of deferred tax assets and liabilities

(Thousands of Yen)

	Thirteenth Fiscal Period (October 31, 2011)	Fourteenth Fiscal Period (April 30, 2012)
Deferred tax assets		
Enterprise tax payable not included in expenses	49	43
Amortization of leasehold rights in trust	558	749
Subtotal deferred tax assets	607	792
Valuation Allowance	- 558	- 749
Total deferred tax assets	49	43

2. Significant difference between statutory income tax rate and the effective tax rate

(Unit: %)

	Thirteenth Fiscal Period (October 31, 2011)	Fourteenth Fiscal Period (April 30, 2012)
Statutory tax rate	39.33	39.33
(Adjustments)		
Deductible cash distributions	- 35.41	- 41.52
Provision of reserve for reduction entry	- 3.90	-
Others	0.03	2.25
Effective tax rate	0.05	0.06

3. Modification of the amount of deferred tax assets and deferred tax liabilities due to change of tax rates of income taxes, etc.

The Act to Revise the Income Tax Act, etc., in Order to Construct a Tax System Addressing Changes in the Socio-Economic Structure (Act No. 114 of 2011) and the Act on Special Measures for Securing Necessary Financial Resources to Implement Measures to Rebuild Areas Devastated by the Great East Japan Earthquake (Act No. 117 of 2011) were promulgated on December 2, 2011. In accordance with the promulgation, the effective statutory tax rate used to calculate the deferred tax assets and deferred tax liabilities concerning the temporary differences, etc. expected to be reversed in the accounting periods starting on April 1, 2012 and after will be changed to 36.59%, and the effective statutory tax rate used to calculate the deferred tax assets and deferred tax liabilities concerning the temporary differences, etc. expected to be reversed in the accounting periods starting on April 1, 2015 and after will be changed to 34.16%, respectively.

The impact of these changes on the settlement of the Investment Corporation is minimal.

(Equity-Method Income and Retained Earnings)

Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011) and Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012): Not applicable

(Related-Party Transactions)

1. Parent Company, corporate shareholders and other

Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011) and Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012): Not applicable

2. Affiliated companies and other

Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011) and Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012): Not applicable

3. Fellow subsidiary companies and other

Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011) and Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012): Not applicable

4. Directors, individual shareholders and other

Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)

Attributes	Name	Business Activities / Position	Ratio of Possession of Voting Rights (%)	Details of Business	Deal Amount (¥Thousands)	Accounting Term	Balance of Period End (¥Thousands)
Board of Directors and Close Relatives	Taisuke Miyajima	Executive Director for the Investment Corporation and CEO and President of Kenedix REIT Management, Inc.	Possession of Right Direct 0.0%	Payment of asset management fee to Kenedix REIT Management, Inc. (Note 1)	587,755 (Note 2) (Note 4)	Accounts Payable -other	99,238 (Note 4)
As above	As above	As above	As above	Payment of business consignment fee to Kenedix REIT Management, Inc. (Note3)	1,500 (Note4)	—	—
As above	As above	As above	As above	Payment of property management fee to Kenedix REIT Management, Inc. (Note5)	332,825 (Note 4)	Accounts Payable	82,757 (Note 4)

Notes:

- Taisuke Miyajima served as a representative of the third party (Kenedix REIT Management, Inc.), and the fee is set up in the articles of incorporation of the Investment Corporation.
- Asset management fee include ¥71,350 thousand fee related to the acquisition of property are accounted in book value for the individual real estate and ¥29,000 thousand sales fee related to the sale of property are accounted for in the sales expense for the individual real estate.
- Taisuke Miyajima served as a representative of the third party (Kenedix REIT Management, Inc.), and the fee is set up in the agreement, "Operating Agency Agreement" between the Investment Corporation and Kenedix REIT Management, Inc.
- Consumption taxes are not included in the deal amount, and are included in the balance of the end of period.
- Taisuke Miyajima served as a representative of the third party (Kenedix REIT Management, Inc.), and the fee is set up in the agreement, "Property Management Agreement" between the Investment Corporation and Kenedix REIT Management, Inc. Property management fee include ¥31,424 thousand related to the acquisition of property are accounted in book value for the individual real estate and ¥2,400 thousand sales fee related to the sale of property are accounted for in the sales expense for the individual real estate.

Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)

Attributes	Name	Business Activities / Position	Ratio of Possession of Voting Rights (%)	Details of Business	Deal Amount (¥Thousands)	Accounting Term	Balance of Period End (¥Thousands)
Board of Directors and Close Relatives	Naokatsu Uchida	Executive Director for the Investment Corporation and CEO and President of Kenedix REIT Management, Inc.	—	Payment of asset management fee to Kenedix REIT Management, Inc. (Note 1)	652,127 (Note 2) (Note 4) (Note 6)	Accounts Payable -other	87,221 (Note 4)
As above	As above	As above	As above	Payment of business consignment fee to Kenedix REIT Management, Inc. (Note3)	6,500 (Note 4) (Note 6)	—	—
As above	As above	As above	As above	Payment of property management fee to Kenedix REIT Management, Inc. (Note5)	368,339 (Note 4) (Note 6)	Accounts Payable	115,960 (Note 4)

Notes:

- Naokatsu Uchida served as a representative of the third party (Kenedix REIT Management, Inc.), and the fee is set up in the articles of incorporation of the Investment Corporation.

2. Asset management fee include ¥161,055 thousand fee related to the acquisition of property are accounted in book value for the individual real estate.
3. Naokatsu Uchida served as a representative of the third party (Kenedix REIT Management, Inc.), and the fee is set up in the agreement, "Operating Agency Agreement" between the Investment Corporation and Kenedix REIT Management, Inc.
4. Consumption taxes are not included in the deal amount, and are included in the balance of the end of period.
5. Naokatsu Uchida served as a representative of the third party (Kenedix REIT Management, Inc.), and the fee is set up in the agreement, "Property Management Agreement" between the Investment Corporation and Kenedix REIT Management, Inc. Property management fee include ¥50,361 thousand related to the acquisition of property are accounted in book value for the individual real estate.
6. At the Board of Directors meeting of Kenedix REIT Management, Inc. held on February 2, 2012, Taisuke Miyajima resigned as CEO and President, and Naokatsu Uchida was appointed as new CEO and President in his place. Also, at the Investment Corporation's General Meeting of Unitholders held on March 15, 2012, the resignation of Taisuke Miyajima as executive director and the new appointment of Naokatsu Uchida as executive director were approved. In the deal amount, the deal amount of the fiscal period under review including the period for which Taisuke Miyajima held office is indicated.

(Fair Value of Real Estate for Rental Purposes)

The Investment Corporation owns real estate for rental purposes mainly in the Tokyo Metropolitan Area for the purpose of generating rental revenue.

The book value per balance sheet for the fiscal period under review and fair value concerning the above real estate for rental purposes are as follows.

(Thousands of Yen)

	Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)	Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)
Book Value (Thousands of Yen)		
Balance at the end of previous period	246,187,379	254,921,755
Changes during the period	8,734,375	31,192,663
Balance at the end of current period	254,921,755	286,114,419
Fair value at the end of current period	230,717,000	263,867,000

Note 1: Book value excludes accumulated depreciation from acquisition costs.

Note 2: Fair value at the end of the fiscal period under review is the appraisal value determined by outside appraisers. KDX Omori Building is calculated based on the sales price of ¥4,200 million under the sales and purchase agreement dated February 23, 2012.

Note 3: Among changes in the amount of real estate for rental purposes that occurred during the thirteenth fiscal period, principal increases were the acquisition of real estate trust beneficiary interests to four properties totaling ¥14,609,501 thousand, the sale of real estate trust beneficiary interests to one property amounting ¥5,122,100 thousand and depreciation amounting to ¥1,442,935 thousand and for the fiscal period under review, principal increases were the acquisition of real estate trust beneficiary interests to nine properties totaling ¥31,851,608 thousand and depreciation amounting to ¥1,578,845 thousand.

Income and loss for real estate for rental purposes is listed in Notes to the Statements of Income.

(Notes to the Information per Unit)

	Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)	Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)
Unitholders' Equity per Unit	¥524,419	¥523,668
Net Income per Unit	¥11,592	¥8,865

Note 1: Net Income per Unit is calculated by dividing Net Income by the weighted average (based on number of days) number of units. Net income per unit after adjusting for residual units is not included because there were no residual investment units.

Note 2: The calculation for the net income per unit is as follow.

	Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)	Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)
Net Income (Thousands of Yen)	3,052,817	2,540,282
Amount not vested in ordinary investors (Thousands of Yen)	-	-
Net income for ordinary units (Thousands of Yen)	3,052,817	2,540,282
Average number of units during the period (unit)	263,341	286,550

(Important Subsequent Events)

Sales of Property

The Investment Corporation has concluded a purchase and sales agreement on February 23, 2012 and sold the following property on May 11, 2012.

Property Name	KDX Omori Building (Office Building)
Type of Assets for Sale	Trust beneficiary interest in real estate
Location (Address)	1-6-8 Omori-kita, Ohta-ku, Tokyo
Buyer	Tokyo Property Service Co., Ltd. (Note)
Sales Price	¥4,200 million

Capital gains from the sale are estimated to be ¥597 million for the fifteenth fiscal period. The aforementioned sales price excludes sales costs, adjusted amounts for property and city-planning tax, consumption tax, regional consumption tax, etc.

Note: Tokyo Property Service Co., Ltd. has changed its company name from OOIKOUGYOU CO., LTD. on March 16, 2012.T

(9) Movements in Investment Units Issued and Outstanding

Movements in the number of investment units issued and outstanding and unitholders' capital since first fiscal periods are summarized in the following table.

Settlement Date	Particulars	Investment Units Issued and Outstanding (Units)		Unitholders' Capital (Millions of Yen)		Remarks
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
May 6, 2005	Private placement	400	400	200	200	(Note 1)
July 20, 2005	Public offering	75,000	75,400	41,868	42,068	(Note 2)
August 16, 2005	Third-party allocation	3,970	79,370	2,216	44,285	(Note 3)
May 1, 2006	Public offering	73,660	153,030	42,171	86,456	(Note 4)
May 26, 2006	Third-party allocation	3,970	157,000	2,272	88,729	(Note 5)
May 22, 2007	Public offering	40,900	197,900	34,474	123,203	(Note 6)
June 19, 2007	Third-party allocation	2,100	200,000	1,770	124,973	(Note 7)
November 16, 2009	Public offering	33,550	233,550	8,156	133,129	(Note 8)
July 20, 2011	Public offering	51,400	284,950	13,600	146,730	(Note 9)
August 8, 2011	Third-party allocation	1,600	286,550	423	147,153	(Note 10)

Notes:

1. The Investment Corporation was established with an offer price of ¥500,000 per unit.
2. The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of investment properties. The offer price was ¥580,000 per unit with an underwritten price of ¥558,250 per unit.
3. The Investment Corporation undertook an additional issue of new investment units by way of third-party allotment with the aim of procuring funds for the acquisition of investment properties. The issue price was ¥558,250 per unit.
4. The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of investment properties. The offer price was ¥593,096 per unit with an issue price of ¥572,519 per unit.
5. The Investment Corporation undertook an additional issue of new investment units by way of third-party allotment with the aim of procuring funds for the acquisition of investment properties. The issue price was ¥572,519 per unit.
6. The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of investment properties and repayment of borrowings. The offer price was ¥873,180 per unit with an issue price of ¥842,886 per unit.
7. The Investment Corporation undertook an additional issue of new investment units by way of third-party allotment with the aim of procuring funds for the acquisition of investment properties and repayment of borrowings. The issue price was ¥842,886 per unit.
8. The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of investment properties. The offer price was ¥252,200 per unit with an issue price of ¥243,100 per unit.
9. The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of investment properties. The offer price was ¥274,510 per unit with an issue price of ¥264,605 per unit.
10. The Investment Corporation undertook an additional issue of new investment units by way of third-party allotment with the aim of procuring funds for the repayment of borrowings. The issue price was ¥264,605 per unit.

4. Resignation/Appointment of the Directors**(1) Resignation/Appointment of the Investment Corporation Directors**

At the Investment Corporation's Sixth General Meeting of Unitholders held on March 15, 2012, Taisuke Miyajima resigned as executive director, Naokatsu Uchida was appointed as new executive director and Kimio Kodama and Shiro Toba were reappointed and Yoshihiro Morishima appointed as supervisory directors as of March 15, 2012. Naokatsu Uchida also doubles as the CEO and President at Kenedix REIT Management, Inc. the asset management company for the Investment Corporation. Also, Yoshihiro Sogou of the Asset Management Company was appointed as non-statutory executive director at the General Meeting of Unitholders in order to avoid the case of having fewer executive directors than that designated by relevant regulatory requirements.

Appointed: Executive Director Naokatsu Uchida (Date of change: March 16, 2012)
 Supervisory Director Yoshihiro Morishima (Date of change: March 16, 2012)
 Retired : Executive Director Taisuke Miyajima (Date of change: March 15, 2012)

(2) Resignation/Appointment of the Asset Management Company**A. Change of CEO and President**

Appointed: CEO and President Naokatsu Uchida (Date of change: February 2, 2012)
 Retired : CEO and President Taisuke Miyajima (Date of change: February 2, 2012)

B. Change of Directors

Appointed:	Director	Koju Komatsu (Date of change: February 2, 2012)
Retired :	Director	Masahiko Tajima (Date of change: February 2, 2012)
	Director (part-time)	Taisuke Miyajima (Date of change: March 15, 2012) (Note)

Note: Taisuke Miyajima assumed the post of part-time director from CEO and President as of February 2, 2012 and subsequently resigned the post as of March 15, 2012.

5. Reference Information

(1) Component of Assets

Type of Specified Asset	Type	Area	Thirteenth Fiscal Period (As of October 31, 2011)		Fourteenth Fiscal Period (As of April 30, 2012)	
			Total Amount Held (¥M) (Note 1)	Ratio (%) (Note 2)	Total Amount Held (¥M) (Note 1)	Ratio (%) (Note 2)
Real Estate	Office Buildings	Tokyo Metropolitan Area	30,275	11.0	30,213	10.0
		Other Regional Areas	12,362	4.5	12,288	4.1
	Total for Office Buildings		42,637	15.5	42,501	14.0
Total for Real Estate			42,637	15.5	42,501	14.0
Trust Beneficiary Interest in Real Estate	Office Buildings	Tokyo Metropolitan Area	167,283	60.8	182,695	60.2
		Other Regional Areas	23,584	8.6	38,939	12.8
	Total for Office Buildings		190,868	69.4	221,634	73.1
	Residential Properties	Tokyo Metropolitan Area	7,198	2.6	7,153	2.4
		Other Regional Areas	1,830	0.7	1,807	0.6
	Total for Residential Properties		9,028	3.3	8,960	3.0
	Central Urban Retail Properties	Tokyo Metropolitan Area	12,386	4.5	12,330	4.1
		Total for Central Urban Retail Properties		12,386	4.5	12,330
	Others	Other Regional Areas	-	-	686	0.2
	Total for Others		-	-	686	0.2
Total of Trust Beneficiary Interests in Real Estate			212,283	77.2	243,612	80.3
Investment Securities (Note 3)			-	-	896	0.3
Bank Deposits and Other Assets			20,051	7.3	16,272	5.4
Total Assets			274,973	100.0	303,284	100.0

Notes:

1. "Total Amount Held" is the amount allocated in the balance sheets at the end of the period (figures are on a net book value basis after deducting depreciation), and is rounded down to the nearest ¥1 million.
2. "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets rounded to the first decimal place.
3. The preferred equity securities issued by Senri Property TMK.

	Thirteenth Fiscal Period (As of October 31, 2011)		Fourteenth Fiscal Period (As of April 30, 2012)	
	Price (Millions of Yen)	Ratio (%)	Price (Millions of Yen)	Ratio (%)
Total of Liabilities	124,700	45.4	153,221	50.5
Total Unitholders' Equity	150,272	54.6	150,063	49.5
Total of Assets	274,973	100.0	303,284	100.0

(2) Details of Investment Assets

A. Major components of investment securities

Type of Assets	Name	Number of Units	Book Value (Millions of Yen)	Evaluation Value (Note 1) (Millions of Yen)	Ratio (%) (Note 2)
Preferred Equity Securities	Senri Property TMK Preferred Securities (Note 3)	17,820	896	896	0.3

Notes:

1. Book value is stated for the evaluation value.
2. "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets rounded to the first decimal place.
3. Type of specified asset is the trust beneficiary interest in real estate of Senri Life Science Center Building

B. Properties Roster (*We have changed the order of the Properties Roster to Type, Area and No. starting from the fourteenth fiscal period under review.)

(a) The Price of the Investment Properties and the Investment Ratio(

(Unit: Millions of Yen)

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Fourteenth Fiscal Period					Appraiser (Note 4)	Ratio (%) (Note 5)	
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)			Terminal Capitalization Rate (%)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	5,940	6,110	6,380	6,700	4.8	6,240	4.6	5.0	B	2.0
		A-3	Higashi-Kayabacho Yuraku Building	4,450	4,348	5,190	5,260	4.9	5,120	4.7	5.1	A	1.5
		A-4	KDX Hatchobori Building	3,680	3,343	3,440	3,470	5.0	3,430	4.8	5.2	B	1.2
		A-5	KDX Nakano-Sakaue Building	2,533	2,447	2,290	2,370	5.4	2,260	5.2	5.6	B	0.8
		A-6	Harajuku F.F. Building	2,450	2,442	2,980	3,010	5.6	2,950	5.4	5.8	A	0.8
		A-7	FIK Minami Aoyama	2,270	2,247	2,120	2,150	4.8	2,090	4.6	5.0	A	0.7
		A-8	Kanda Kihara Building	1,950	1,848	1,870	1,910	5.0	1,850	4.8	5.2	B	0.6
		A-13	KDX Kojimachi Building	5,950	5,627	4,400	4,450	4.4	4,350	4.2	4.6	A	2.0
		A-14	KDX Funabashi Building	2,252	2,397	1,970	1,980	6.1	1,950	5.9	6.3	A	0.7
		A-15	KDX Hamacho Building	2,300	2,260	2,370	2,400	5.2	2,340	5.0	5.4	A	0.8
		A-16	Toshin 24 Building	5,300	5,121	4,160	4,180	5.7	4,130	5.5	5.9	A	1.8
		A-17	KDX Ebisu Building	4,640	4,559	4,200	4,240	4.9	4,160	4.6	5.1	A	1.6
		A-18	KDX Omori Building (Note 6)	3,500	3,361	3,790	3,820	5.3	3,750	5.1	5.5	A	1.2
		A-19	KDX Hamamatsucho Building	3,460	3,245	3,180	3,290	4.7	3,130	4.5	4.9	B	1.2
		A-20	KDX Kayabacho Building	2,780	2,843	2,690	2,710	5.3	2,660	4.9	5.4	A	0.9
		A-21	KDX Shinbashi Building	2,690	2,693	2,700	2,730	4.6	2,660	4.2	4.8	A	0.9
		A-22	KDX Shin-Yokohama Building	2,520	2,451	2,270	2,290	5.9	2,240	5.7	6.1	A	0.8
		A-23	KDX Yotsuya Building	1,950	1,979	2,470	2,490	5.3	2,440	5.1	5.5	A	0.6
		A-26	KDX Kiba Building	1,580	1,562	1,430	1,440	5.6	1,410	5.4	5.8	A	0.5
		A-27	KDX Kajicho Building	2,350	2,386	2,320	2,390	5.1	2,290	4.9	5.3	B	0.8
		A-28	KDX Nogizaka Building	1,065	1,124	723	726	5.5	720	5.2	5.6	A	0.3
		A-29	KDX Higashi-Shinjuku Building	2,950	3,196	3,320	3,480	5.2	3,250	5.0	5.4	B	1.0
		A-30	KDX Nishi-Gotanda Building	4,200	4,045	3,780	3,830	5.1	3,720	5.0	5.4	A	1.4
		A-31	KDX Monzen-Nakacho Building	1,400	1,402	1,170	1,220	5.6	1,150	5.4	5.8	B	0.4
		A-32	KDX Shiba-Daimon Building	6,090	6,199	4,950	4,980	4.9	4,920	4.7	5.1	A	2.1
		A-33	KDX Okachimachi Building	2,000	2,121	1,850	1,880	5.1	1,830	5.0	5.3	B	0.6
		A-34	KDX Hon-Atsugi Building	1,305	1,172	1,070	1,060	6.3	1,070	6.1	6.5	B	0.4
		A-35	KDX Hachioji Building	1,155	1,282	831	832	5.9	831	5.7	6.1	B	0.4
		A-37	KDX Ochanomizu Building	6,400	6,641	6,540	6,630	4.9	6,450	4.7	5.1	A	2.2
		A-38	KDX Nishi-Shinjuku Building	1,500	1,544	1,130	1,150	5.2	1,110	5.0	5.4	A	0.5
		A-39	KDX Toranomon Building	4,400	4,791	3,460	3,510	4.4	3,410	4.2	4.6	A	1.5
		A-40	Toranomon Toyo Building	9,850	9,853	10,100	10,300	4.5	9,810	4.3	4.8	A	3.4
		A-41	KDX Shinjuku 286 Building	2,300	2,392	2,140	2,160	5.0	2,110	4.8	5.2	A	0.8
		A-45	KDX Roppongi 228 Building	3,300	3,434	2,160	2,180	4.8	2,140	4.5	4.9	A	1.1
		A-46	Hiei Kudan-Kita Building	7,600	7,649	7,380	7,750	4.7	7,220	4.5	4.9	B	2.6
A-47	KDX Shin-Yokohama 381 Building	5,800	5,888	4,050	4,060	5.9	4,040	5.6	6.0	A	2.0		
A-48	KDX Kawasaki-Ekimae Hon-cho Building	3,760	3,792	2,990	3,040	6.1	2,940	5.7	6.3	A	1.3		
A-49	Nissou Dai-17 Building	2,710	2,618	1,600	1,620	5.8	1,570	5.6	6.0	A	0.9		
A-50	Ikejiri-Oohashi Building	2,400	2,452	1,500	1,520	5.8	1,480	5.6	6.0	A	0.8		
A-51	KDX Hamacho Nakanohashi Building	2,310	2,347	1,700	1,720	5.3	1,670	5.1	5.5	A	0.8		
A-52	KDX Kanda Misaki-cho Building	1,380	1,377	981	991	5.3	970	5.1	5.5	A	0.4		
A-55	Shin-toshin Maruzen Building	2,110	2,160	1,570	1,580	5.3	1,560	4.9	5.5	A	0.7		

KENEDIX REALTY INVESTMENT CORPORATION (8972)

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Fourteenth Fiscal Period						Appraiser (Note 4)	Ratio (%) (Note 5)
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)	Terminal Capitalization Rate (%)		
Office Buildings	Tokyo Metropolitan Area	A-56	KDX Jimbocho Building	2,760	2,900	1,870	1,880	5.3	1,860	5.0	5.5	A	0.9
		A-57	KDX Gobancho Building	1,951	1,987	1,500	1,510	4.9	1,480	4.7	5.1	A	0.6
		A-59	KDX Iwamoto-cho Building	1,864	1,795	1,350	1,360	5.4	1,340	5.2	5.6	A	0.6
		A-60	KDX Harumi Building	10,250	9,701	8,230	8,400	4.8	8,060	4.5	4.9	A	3.5
		A-61	KDX Hamamatsucho Dai-2 Building	2,200	2,288	1,860	1,910	4.7	1,840	4.5	4.9	B	0.7
		A-62	Koishikawa TG Building	3,080	3,133	3,150	3,190	5.0	3,110	4.8	5.2	A	1.0
		A-63	Gotanda TG Building	2,620	2,816	2,590	2,620	5.3	2,560	5.1	5.5	A	0.9
		A-64	KDX Nihonbashi 216 Building	2,010	1,970	1,930	1,950	4.7	1,900	4.5	4.9	A	0.7
		A-66	KDX Shinjuku Building	6,800	6,883	6,600	6,690	4.5	6,510	4.3	4.7	A	2.3
		A-67	KDX Ginza Ichome Building	4,300	4,302	4,760	4,870	4.5	4,710	4.3	4.7	B	1.4
		A-68	KDX Nihonbashi Honcho Building	4,000	4,013	4,300	4,470	4.8	4,220	4.6	5.0	B	1.3
		A-71	KDX Iidabashi Building	4,670	4,697	4,830	4,970	4.9	4,770	4.7	5.1	B	1.6
		A-72	KDX Higashi-Shinagawa Building	4,590	4,817	4,800	4,970	5.1	4,730	4.9	5.3	B	1.6
		A-73	KDX Hakozaki Building	2,710	2,910	2,850	2,940	5.2	2,810	5.0	5.4	B	0.9
		A-74	KDX Shin-Nihonbashi Building	2,300	2,294	2,480	2,540	4.7	2,460	4.5	4.9	B	0.8
		A-75	Kabutocho Nikko Building	11,270	11,364	13,500	13,600	4.6	13,400	4.2	4.7	A	3.9
		A-76	Ikebukuro Nikko Building	1,653	1,675	1,690	1,700	5.5	1,670	5.3	5.7	A	0.5
		A-77	Kabutocho Nikko Building II	1,280	1,294	1,550	1,570	5.0	1,520	4.8	5.2	A	0.4
	A-78	Tachikawa Ekimae Building	1,267	1,290	1,330	1,340	5.9	1,320	5.7	6.1	A	0.4	
	Other Regional Areas	A-12	Portus Center Building	5,570	4,584	4,600	4,630	6.4	4,590	6.2	6.6	B	1.9
		A-24	KDX Minami Sembai-1 Building	1,610	1,456	1,020	1,030	5.8	1,010	5.6	6.0	A	0.5
		A-25	KDX Minami Sembai-2 Building	1,560	1,369	1,050	1,060	5.8	1,040	5.6	6.0	A	0.5
		A-36	KDX Niigata Building	1,305	1,453	914	928	7.3	899	7.1	7.5	A	0.4
		A-42	Karasuma Building	5,400	5,394	5,030	5,170	5.6	4,970	5.4	5.8	B	1.8
		A-44	KDX Sendai Building	2,100	2,162	1,440	1,430	6.1	1,440	6.1	6.3	B	0.7
		A-53	KDX Hakata-Minami Building	4,900	4,795	3,460	3,490	6.6	3,420	6.4	6.8	A	1.7
		A-54	KDX Kitahama Building	2,220	2,191	1,530	1,530	6.0	1,530	5.6	6.2	A	0.7
		A-58	KDX Nagoya Sakae Building	7,550	7,492	4,750	4,880	5.2	4,700	5.0	5.4	B	2.6
A-69		KDX Kobayashi-Doshomachi Building	2,870	2,748	2,890	2,910	7.0	2,860	5.3	7.3	A	1.0	
A-70	Kitananajo SIA Building	2,005	2,089	2,050	2,100	5.8	2,030	5.6	6.0	B	0.6		
A-79	Nagoya Ekimae Sakura-dori Building	7,327	7,420	7,780	7,860	5.1	7,690	4.9	5.3	A	2.5		
A-80	Nagoya Nikko Shoken Building	4,158	4,210	4,280	4,310	5.5	4,240	5.3	5.7	A	1.4		
A-81	Sendai Nikko Building	950	975	1,050	1,050	5.9	1,040	5.6	6.0	A	0.3		
A-82	View Flex Umeda Building	2,770	2,882	3,240	3,270	5.1	3,220	4.9	5.3	B	0.9		
Subtotal of Office Buildings (76 properties)				264,401	264,136	243,469	247,627	-	240,370	-	-	-	92.1
Residential Properties	Tokyo Metropolitan Area	B-3	Court Mejiro	1,250	1,173	940	945	5.5	935	5.3	5.7	A	0.4
		B-19	Residence Charmante Tsukishima	5,353	4,984	4,480	4,520	5.3	4,430	5.1	5.5	A	1.8
		B-34	Gradito Kawaguchi	1,038	995	948	957	5.6	938	5.4	5.8	A	0.3
	Other Regional Areas	B-18	Venus Hibanagaoka	1,800	1,807	1,520	1,520	6.6	1,510	6.4	6.8	A	0.6
Subtotal of Residential Properties (4 properties)				9,441	8,960	7,888	7,942	-	7,813	-	-	-	3.2
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	9,900	9,816	9,090	9,240	4.5	8,940	4.3	4.7	A	3.4
		C-2	KDX Yoyogi Building	2,479	2,514	1,910	1,910	5.3	1,900	4.9	5.5	A	0.8
Subtotal of Central Urban Retail Properties (2 properties)				12,379	12,330	11,000	11,150	-	10,840	-	-	-	4.3
Others	Other Regional Areas	D-1	Kanazawa Nikko Building	645	686	1,100	1,100	7.3	1,100	7.1	7.5	A	0.2

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Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Fourteenth Fiscal Period					Appraiser (Note 4)	Ratio (%) (Note 5)
						Direct Capitalization Method		Discounted Cash Flow Method				
						Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)	Terminal Capitalization Rate (%)		
Subtotal of Others (1 property)				645	686	1,100	1,100	-	1,100	-	-	0.2
Total of 83 properties				286,866	286,114	263,457	267,819	-	260,123	-	-	100.0

Notes:

1. Acquisition price is the purchase price for trust beneficiary interests or properties acquired by the Investment Corporation (excluding acquisition costs, property tax, city-planning tax, and consumption tax, etc., rounded down to the nearest million yen.).
2. Figures of less than 1 million are rounded down from the amounts on the balance sheet.
3. Appraisal values (end of the fourteenth fiscal period) are based on the asset valuation method and standards outlined in the Investment Corporation's Articles of Incorporation and regulations formulated by the Investment Trusts Association, Japan. Appraisal values are drawn from valuation reports prepared by Japan Real Estate Institute and Daiwa Real Estate Appraisal Co., Ltd.
4. As of the fiscal period under review, appraisals of the properties are entrusted to two appraisers: Japan Real Estate Institute and Daiwa Real Estate Appraisal Co., Ltd. In the table, the appraisers are referred to as "A" for Japan Real Estate Institute and "B" for Daiwa Real Estate Appraisal Co., Ltd.
5. Figures are the acquisition price of each asset as a percentage of the total acquisition prices for the portfolio rounded down to the nearest first decimal place.
The figures entered in the subtotal and total columns are those obtained by dividing the subtotal (total) of acquisition prices of properties corresponding to each subtotal and total column by the total acquisition price of the entire assets (83 properties).
6. The Investment Corporation has sold KDX Omori Building on May 11, 2012. Same applies below.

(b) Property Distribution

Property Types

Type	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Office Buildings	76	264,401	92.1
Residential Properties	4	9,441	3.2
Central Urban Retail Properties	2	12,379	4.3
Other	1	645	0.2
Total	83	286,866	100.0

Geographic Distribution

Area	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Tokyo Metropolitan Area	66	232,126	80.9
Other Regional Areas	17	54,740	19.0
Total	83	286,866	100.0

Property Distribution by Acquisition Price

Acquisition Price (Millions of Yen)	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Less than 1,000	2	1,595	0.5
1,000 - 2,500	37	67,920	23.6
2,500 - 5,000	27	95,001	33.1
5,000 - 7,500	11	65,930	22.9
7,500 - 10,000	4	34,900	12.1
10,000 - 12,500	2	21,520	7.5
Total	83	286,866	100.0

Note: "Ratio" refers to the percentage of the acquisition price by each category to the acquisition prices of the entire portfolio.

Figures are rounded down to the nearest first decimal place.

(c) Details of Investment Real Estate and Trust Real Estate

(i) Overview of Investment Real Estate Properties and Trust Real Estate

Type	Area	No.	Property Name	Site Area (㎡) (Note 1)	Usage (Note 2)	Total Floor Area (㎡) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	1,047.72	Offices	8,613.09	SRC B2F9	April 1974	9.50
		A-3	Higashi-Kayabacho Yuraku Building	773.43	Offices	5,916.48	SRC B1F9	January 1987	7.01
		A-4	KDX Hatchobori Building	992.20	Offices	4,800.43	SRC · RC B1F8	June 1993	6.42
		A-5	KDX Nakano-Sakaue Building	1,235.16	Offices, Retail Shops Residential, Parking Storage	6,399.42	SRC B1F11	August 1992	5.20
		A-6	Harajuku F.F. Building	699.67	Retail Shops, Offices Parking	3,812.44	SRC F11	November 1985	5.66
		A-7	FIK Minami Aoyama	369.47	Offices, Retail Shops Residential	1,926.98	SRC B1F9	November 1988	4.92
		A-8	Kanda Kihara Building	410.18	Offices	2,393.94	SRC · RC · S B1F8	May 1993	7.77
		A-13	KDX Kojimachi Building	612.17	Offices, Retail Shops	5,323.81	SRC B2F9	May 1994	3.60
		A-14	KDX Funabashi Building	1,180.41	Offices, Retail Shops	5,970.12	SRC B1F8	April 1989	2.76
		A-15	KDX Hamacho Building	554.80	Retail Shops, Offices Parking	4,133.47	SRC B2F10	September 1993	6.76
		A-16	Toshin 24 Building	1,287.16	Offices, Retail Shops Parking	8,483.17	SRC B1F8	September 1984	8.75
		A-17	KDX Ebisu Building	724.22	Offices, Retail Shops	4,394.58	SRC B1F7	January 1992	4.16
		A-18	KDX Omori Building (Note 6)	1,123.93	Offices, Retail Shops Parking	7,334.77	RC · SRC B1F9	October 1990	0.71
		A-19	KDX Hamamatsucho Building	504.26	Offices, Retail Shops Parking	3,592.38	S F9	September 1999	6.13
		A-20	KDX Kayabacho Building	617.17	Offices, Parking	3,804.86	SRC F8	October 1987	7.90
		A-21	KDX Shinbashi Building	536.11	Offices, Retail Shops Parking	3,960.22	SRC · S B1F8	February 1992	6.84
		A-22	KDX Shin-Yokohama Building	705.00	Offices, Retail Shops Parking	6,180.51	S B1F9	September 1990	10.36
		A-23	KDX Yotsuya Building	996.65	Offices, Retail Shops Parking	3,329.68	RC B2F4	October 1989	9.79
		A-26	KDX Kiba Building	922.77	Offices, Parking	2,820.64	RCF5	October 1992	7.79
		A-27	KDX Kajicho Building	526.43	Offices, Retail Shops	3,147.70	SRC B1F8	March 1990	6.05
A-28	KDX Nogizaka Building	409.36	Offices, Retail Shops Residential	1,695.07	RC B1F5	May 1991	9.48		
A-29	KDX Higashi-Shinjuku Building	1,340.97	Offices, Storage Parking	7,885.40	SRC B1F9	January 1990	3.63		
A-30	KDX Nishi-Gotanda Building	684.41	Offices, Parking	5,192.87	SRC B1F8	November 1992	8.28		

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Type	Area	No.	Property Name	Site Area (㎡) (Note 1)	Usage (Note 2)	Total Floor Area (㎡) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-31	KDX Monzen-Nakacho Building	580.99	Offices Retail Shops	2,668.91	SRC F8	September 1986	5.72
		A-32	KDX Shiba-Daimon Building	1,188.28	Offices	7,824.03	SRC B1F9	July 1986	7.60
		A-33	KDX Okachimachi Building	239.72	Offices	1,882.00	S F10	June 1988	2.23
		A-34	KDX Hon-Atsugi Building	724.62	Offices Retail Shops	3,603.63	SRC F8	May 1995	11.12
		A-35	KDX Hachioji Building	460.62	Offices, Parking Retail Shops	2,821.21	SRC F9	December 1985	13.00
		A-37	KDX Ochanomizu Building	1,515.28	Offices, Storage Retail Shops, Parking Mechanical Room	7,720.08	SRC B1F7	August 1982	2.97
		A-38	KDX Nishi-Shinjuku Building	626.06	Offices, Parking	2,017.63	RC F5	October 1992	9.02
		A-39	KDX Toranomom Building	288.20	Offices, Retail Shops	2,277.38	SRC B1F9	April 1988	8.07
		A-40	Toranomon Toyo Building	869.01	Bank, Offices Retail Shops, Storage	8,346.83	RC B2F9	August 1962	13.06
		A-41	KDX Shinjuku 286 Building	421.70	Offices, Parking	3,432.04	SRC · RC B1F9	August 1989	8.71
		A-45	KDX Roppongi 228 Building	408.86	Offices Retail Shops	2,235.30	SRC B1F9	April 1989	8.95
		A-46	Hiei Kudan-Kita Building	1,844.83	Offices, Retail Shops Office Room Parking, Storage	11,425.31	SRC · S B1F11	March 1988	3.14
		A-47	KDX Shin-Yokohama 381 Building (Note 7)	1,229.24	Offices, Retail Shops Parking, Garbage Room	10,290.30	SRC · RC B1F10	March 1988 (Note 8)	12.02
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	1,968.13	Offices	7,420.87	SRC B1F9	February 1985	8.34
		A-49	Nissou Dai-17 Building	629.00	Offices, Parking	4,016.61	SRC B1F8	July 1991	13.23
		A-50	Ikejiri-Oohashi Building	834.79	Offices	3,482.96	RC B2F9	September 1988	3.02
		A-51	KDX Hamacho Nakanohashi Building	462.29	Offices	3,280.41	SRC F9	September 1988	6.17
		A-52	KDX Kanda Misaki-cho Building	314.54	Offices	1,536.60	SRC B1F7	October 1992	9.41
		A-55	Shin-toshin Maruzen Building	457.64	Offices, Retail Shops Parking	3,439.37	SRC B1F8	July 1990	4.87
		A-56	KDX Jimbocho Building	465.92	Offices	3,292.13	SRC B1F8	May 1994	7.25
A-57	KDX Gobancho Building	335.70	Offices Parking	1,893.11	S F8	August 2000	9.06		
A-59	KDX Iwamoto-cho Building	266.86	Offices Residential Complex	1,618.65	S F9	March 2008	7.15		
A-60	KDX Harumi Building	2,230.69	Offices Retail Shops	12,694.32	S · SRC B1F11	February 2008	5.60		

KENEDIX REALTY INVESTMENT CORPORATION (8972)

Type	Area	No.	Property Name	Site Area (㎡) (Note 1)	Usage (Note 2)	Total Floor Area (㎡) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-61	KDX Hamamatsucho Dai-2 Building	368.28	Offices	2,478.90	S・SRC B1F8	April 1992	2.01
		A-62	Koishikawa TG Building	1,250.42	Offices, Parking	5,862.02	SRC B1F8	November 1989	7.54
		A-63	Gotanda TG Building	582.90	Offices, Parking	4,440.61	SRC B1F9	April 1988	8.37
		A-64	KDX Nihonbashi 216 Building	307.77	Offices	1,871.62	SRC F9	October 2006	6.99
		A-66	KDX Shinjuku Building	1,118.12	Offices, Retail Shops Parking	10,348.02	S・RC B4F11	May 1993	1.78
		A-67	KDX Ginza Ichome Building	678.24	Offices, Bank	4,724.62	SRC F9	November 1991	8.41
		A-68	KDX Nihonbashi Honcho Building	583.40	Offices, Parking	5,110.45	SRC B1F9	January 1984	7.92
		A-71	KDX Iidabashi Building	967.38	Offices, Parking	5,422.64	SRC B1F8	March 1990	8.37
		A-72	KDX Higashi-Shinagawa Building	3,115.45	Offices	10,138.65	S・RC B1F5	January 1993	10.40
		A-73	KDX Hakozaki Building	971.83	Offices, Parking	6,332.48	SRC B1F10	November 1993	7.29
		A-74	KDX Shin-Nihonbashi Building	444.32	Offices, Retail Shops Parking	3,712.25	S B1F10	November 2002	5.51
		A-75	Kabutocho Nikko Building	1,920.79	Offices, Parking	11,705.49	S・RC B1F8	November 1998	4.23
		A-76	Ikebukuro Nikko Building	560.42	Offices	3,223.75	SRC B1F8	March 1986	8.67
		A-77	Kabutocho Nikko Building II	350.63	Offices	2,016.03	RC F8	October 2001	6.15
		A-78	Tachikawa Ekimae Building	464.95	Offices	2,896.48	S B1F8	February 1990	3.34
	Other Regional Areas	A-12	Portus Center Building	13,936.63	Offices, Retail Shops Storage, Parking	79,827.08	SRC・S B2F25	September 1993	3.48
		A-24	KDX Minami Sembai Dai-1 Building	715.44	Offices, Parking	4,236.59	SRC・RC・S B1F9	March 1993	9.04
		A-25	KDX Minami Sembai Dai-2 Building	606.45	Parking, Retail Shops Offices, Residential	3,315.93	SRC・S B1F9	September 1993	10.59
		A-36	KDX Niigata Building	1,110.56	Offices, Retail Shops	6,810.29	RC B2F13	July 1983	4.39
		A-42	Karasuma Building	1,788.67	Offices	12,632.68	SRC B1F8	October 1982	8.37
A-44		KDX Sendai Building	987.78	Offices	5,918.30	SRC B1F10	February 1984	1.93	
A-53		KDX Hakata-Minami Building	1,826.25	Offices, Retail Shops Parking	13,238.16	SRC B1F9	June 1973	1.48	
A-54		KDX Kitahama Building	751.92	Offices, Storage Parking	4,652.96	S F10	July 1994	9.79	
A-58		KDX Nagoya Sakae Building	1,192.22	Offices, Retail Shops	9,594.00	S F11	April 2009	2.87	

Type	Area	No.	Property Name	Site Area (㎡) (Note 1)	Usage (Note 2)	Total Floor Area (㎡) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Other Regional Areas	A-69	KDX Kobayashi-Doshomachi Building (Note 9)	1,561.04	Offices, Parking Retail Shops	10,723.83	S · SRC B1F12	July 2009	13.79
		A-70	Kitananajo SIA Building	819.44	Offices	5,503.90	SRC B1F9	October 1989	0.51
		A-79	Nagoya Ekimae Sakura-dori Building	1,354.10	Offices, Retail Shops	13,380.30	S · RC B2F15	April 1986	12.13
		A-80	Nagoya Nikko Shoken Building	1,403.93	Offices, Retail Shops Parking	14,308.76	SRC B3F11	August 1974	14.36
		A-81	Sendai Nikko Building	522.14	Offices	3,598.01	SRC · S B1F8	March 1989	3.48
		A-82	View Flex Umeda Building	804.50	Offices, Retail Shops Parking	6,805.76	S · SRC B1F10	July 2009	8.78
Subtotal of Office Buildings (76 properties)				-	-	-	-	Avg. 21.9 yrs (Note 8)	-
Residential Properties	Tokyo Metropolitan Area	B-3	Court Mejiro	1,581.91	Residential Complex	3,326.07	RC B1F3	March 1997	7.11
		B-19	Residence Charmante Tsukishima	4,252.86	Residential Complex	18,115.39	SRC B1F10	January 2004	9.88
		B-34	Gradito Kawaguchi	423.94	Residential Complex Retail Shops	1,705.38	RC F12	February 2006	6.46
	Other Regional Areas	B-18	Venus Hibiyaoka	8,595.00	Residential Complex	14,976.25	①RC F6 ②RC F5 ③RC F6	March 1989	5.20
Subtotal of Residential Properties (4 properties)				-	-	-	-	Avg. 11.8 yrs	-
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	1,240.51	Retail Shops	6,302.58	S · RC · SRC B2F7	March 2005	8.02
		C-2	KDX Yoyogi Building	228.74	Retail Shops, Offices	1,269.06	SRC F8	August 1991	8.17
Subtotal of Central Urban Retail Properties (2 properties)				-	-	-	-	Avg. 9.8 yrs	-
Others	Other Regional Areas	D-1	Kanazawa Nikko Building	751.16	Offices, Hotel	4,497.22	SRC B1F7	March 1989	2.61
Subtotal of Others (1 property)				-	-	-	-	Avg. 23.1 yrs	-
Total of 83 properties				-	-	-	-	Avg. 21.0 yrs (Note 8)	4.98 (Note 6)

Notes:

1. Site area data is based on figures recorded in the land register (including relevant figures for leasehold land, if any). Data may not match with the actual current status. In the case of buildings with compartmentalized ownership, the figure indicates the site area of the entire land subject to site rights.
2. Usage is based on data recorded in the land register. For buildings with compartmentalized ownership, the usage type of areas covered by the relevant ownership is shown.
3. Total floor space is based on figures recorded in the land register and does not include related structures. The total floor area for the entire buildings is reported for compartmentalized ownership.
4. Type of structure data is based on data recorded in the land register. For buildings with compartmentalized ownership, the structure and the number of floors of the entire building that includes the compartmentalized ownership is shown. The following abbreviations are used to report data relating to structure and the number of floors:
SRC: Steel-Reinforced Concrete; RC: Reinforced Concrete; S: Steel Frame; B: Below Ground Level; F: Above Ground Level.
For example: B2F9: Two floors below ground level and nine floors above ground level.
5. Completion date is the date of construction completion recorded in the land register. Average age subtotal and total data is calculated using the

weighted-average based on acquisition prices as of April 30, 2012, and is rounded down to the nearest first decimal place.

6. Probable Maximum Loss (PML) data is based on a survey provided by NKSJ Risk Management, Inc. as of February 2012. The Portfolio PML is the data based on 82 properties and does not include KDX Omori Building which was sold on May 11, 2012.
7. KDX Shin-Yokohama 381 Building is comprised from two compartmentalized buildings within a single building. By consolidating them together, they become a property that comprises the entire building (total ownership ratio: 100%).
8. The completion date of the existing tower is shown for the completion date of KDX Shin-Yokohama 381 Building. Upon calculating the weighted-average portfolio age, the completion date (April 2009) for the KDX Shin-Yokohama 381 Building Annex Tower is not considered.
9. KDX Kobayashi Doshomachi Building includes the term leasehold interest with a special agreement to transfer building.

(ii) Capital Expenditure

① Planned capital expenditures

Major capital expenditure plans for renovation of properties in which the Investment Corporation holds for the fifteenth fiscal period (May 1, 2012 to October 31, 2012) are as follows. Planned capital expenditure may include portions classified into expenses for accounting purposes.

Property Name (Location)	Purpose	Schedule	Planned Amount of Capital Expenditure (Millions of Yen)		
			Total	Paid in the Fiscal Period Under Review	Total Amount Previously Paid
KDX Higashi-Shinagawa Building (Shinagawa-ku, Tokyo)	Air conditioning system construction, other	May 2012 to October 2012	136	-	-
Sendai Nikko Building (Sendai, Miyagi)	Air conditioning system construction, other	As above	120	1	1
KDX Nishi-Gotanda Building (Shinagawa-ku, Tokyo)	Air conditioning system construction, other	As above	90	-	-
Nagoya Ekimae Sakura-dori Building (Nagoya, Aichi)	Air conditioning system construction, other	As above	61	3	3
KDX Shin-Yokohama 381 Building (Yokohama, Kanagawa)	Upgrade of external walls, other	As above	51	-	-
KDX Nishi-Shinjuku Building (Shinjuku-ku, Tokyo)	Air conditioning system construction, other	As above	50	-	-
KDX Kayabacho Building (Chuo-ku, Tokyo)	Upgrade of common areas, other	As above	48	-	-
Nagoya Nikko Shoken Building (Nagoya, Aichi)	Upgrade 7 th and basement floor, other	As above	45	-	-
KDX Yoyogi Building (Shibuya-ku, Tokyo)	Air conditioning system construction, other	As above	36	-	-
Tachikawa Ekimae Building (Tachikawa, Tokyo)	Air conditioning system construction, other	As above	33	-	-
KDX Niigata Building (Niigata, Niigata)	Air conditioning system construction, other	As above	21	-	-

② Capital Expenditures during the Fiscal Period Under Review (fiscal period ended April 30, 2012)

The Investment Corporation undertook the following major capital expenditures as follows. In the fiscal period under review (fiscal period ended April 30, 2012), the Investment Corporation completed work across its entire portfolio totaling ¥1,083 million. This total comprised of ¥918 million in capital expenditures and ¥165 million for repairs, maintenance and renovation expenses.

Property Name (Location)	Purpose	Schedule	Amount of Capital Expenditures (Millions of Yen)
KDX Hakozaki Building (Chuo-ku, Tokyo)	Air conditioning system construction, other	November 2011 to April 2012	104
Hiei Kudan-Kita Building (Chiyoda-ku, Tokyo)	Air conditioning system construction, other	As above	86
KDX Higashi-Shinagawa Building (Shinagawa-ku, Tokyo)	Upgrade of common areas, other	As above	75
KDX Shinjuku 286 Building (Shinjuku-ku, Tokyo)	Air conditioning system construction, other	As above	68
KDX Shinbashi Building (Minato-ku, Tokyo)	Air conditioning system construction, other	As above	46
KDX Hamamatsucho Dai-2 Building (Minato-ku, Tokyo)	Air conditioning system construction, other	As above	36
Kitananajo SIA Building (Sapporo, Hokkaido)	Repair of multi-story parking space, other	As above	32
Kanazawa Nikko Building (Kanazawa, Ishikawa)	Air conditioning system construction, other	As above	31
KDX Kayabacho Building (Chuo-ku, Tokyo)	Upgrade of common areas, other	As above	30
KDX Nishi-Shinjuku Building (Shinjuku-ku, Tokyo)	Upgrade of external walls, other	As above	24
KDX Niigata Building (Niigata, Niigata)	Upgrade of elevators, other	As above	19
KDX Hon-Atsugi Building (Atsugi, Kanagawa)	Upgrade of external walls, other	As above	14
Others			349
Portfolio Total			918

Note: The amounts of the capital expenditures are rounded down to the nearest ¥1 million.

③ Reserved Amount for Long-Term Repairs, Maintenance and Renovation Plans

The Investment Corporation formulates long-term repairs, maintenance and renovation plans on an individual investment property basis and allocates a portion of its cash flows generated during the period to a reserve for repairs, maintenance and renovation to meet large-scale renovation over the medium- to long-terms. The following amount has been transferred to the reserve from period cash flows.

(Millions of Yen)

Fiscal period	Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)	Twelfth Fiscal Period (November 1, 2010 to April 30, 2011)	Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)	Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)
Reserve for the end of the previous period	469	444	430	440	517
Reserve for the fiscal period under review	29	-	10	96	296
Reversal of reserve for the fiscal period under review	54	14	-	19	170
Reserve brought forward to the next period	444	430	440	517	643

(iii) Details of the Tenants

Type	Area	No.	Property Name	Total Leasable Floor Area (m ²)(Note 1)	Total Leased Floor Area (m ²)(Note 2)	Total No. of Leasable Residential units (Note 3)	Total No. of Leased Residential units (Note 4)	No. of Tenants (Note 5)	Occupancy Ratio (%) (Note 6)	Total Rental and Other Operating Revenues (¥thousands)(Note 7)	Leasehold and Security Deposits (¥thousands) (Note 8)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	5,892.76	5,576.01	-	-	10	94.6	171,175	237,135
		A-3	Higashi-Kayabacho Yuraku Building	4,413.17	4,413.17	-	-	7	100.0	166,017	232,417
		A-4	KDX Hatchobori Building	3,323.83	3,323.83	-	-	6	100.0	134,300	148,613
		A-5	KDX Nakano-Sakaue Building	4,389.61	4,313.32	18	17	25	98.3	84,857	95,796
		A-6	Harajuku F.F. Building	3,068.36	3,068.36	-	-	3	100.0	108,402	169,103
		A-7	FIK Minami Aoyama	1,814.56	1,814.56	-	-	9	100.0	67,863	103,752
		A-8	Kanda Kihara Building	1,947.40	1,947.40	-	-	9	100.0	67,778	123,204
		A-13	KDX Kojimachi Building	3,792.64	3,792.64	-	-	10	100.0	152,663	246,031
		A-14	KDX Funabashi Building	3,835.77	3,835.77	-	-	22	100.0	102,389	125,210
		A-15	KDX Hamacho Building	3,105.68	2,951.06	-	-	9	95.0	99,883	106,145
		A-16	Toshin 24 Building	6,618.81	6,618.81	-	-	19	100.0	190,096	245,882
		A-17	KDX Ebisu Building	3,077.61	3,077.61	-	-	7	100.0	143,891	249,876
		A-18	KDX Omori Building	4,945.03	4,945.03	-	-	11	100.0	162,982	218,018
		A-19	KDX Hamamatsucho Building	2,724.35	2,724.35	-	-	8	100.0	106,461	137,148
		A-20	KDX Kayabacho Building	3,019.95	3,019.95	-	-	6	100.0	88,387	100,924
		A-21	KDX Shinbashi Building	1,693.63	1,685.02	-	-	7	99.5	91,025	123,121
		A-22	KDX Shin-Yokohama Building	4,799.71	4,700.90	-	-	19	97.9	95,137	161,291
		A-23	KDX Yotsuya Building	2,530.71	2,530.71	-	-	4	100.0	92,914	142,123
		A-26	KDX Kiba Building	2,452.91	2,452.91	-	-	6	100.0	63,108	75,583
		A-27	KDX Kajicho Building	2,564.11	2,564.11	-	-	10	100.0	81,935	98,540
		A-28	KDX Nogizaka Building	1,250.76	1,250.76	1	1	6	100.0	24,480	34,700
		A-29	KDX Higashi-Shinjuku Building	5,930.96	5,913.94	-	-	6	99.7	98,951	120,647
		A-30	KDX Nishi-Gotanda Building	3,881.58	3,881.58	-	-	5	100.0	154,279	211,227
		A-31	KDX Monzen-Nakacho Building	2,010.48	2,010.48	-	-	5	100.0	50,621	53,367
		A-32	KDX Shiba-Daimon Building	5,984.71	5,984.71	-	-	9	100.0	179,454	233,247
		A-33	KDX Okachimachi Building	1,792.54	1,792.54	-	-	3	100.0	68,712	105,649
		A-34	KDX Hon-Atsugi Building	2,747.28	2,747.28	-	-	10	100.0	61,736	87,259
		A-35	KDX Hachioji Building	2,178.61	2,178.61	-	-	8	100.0	50,071	47,023
		A-37	KDX Ochanomizu Building	5,881.47	5,881.47	-	-	6	100.0	201,312	239,692
		A-38	KDX Nishi-Shinjuku Building	1,595.21	1,413.49	-	-	7	88.6	43,419	55,846
		A-39	KDX Toranomom Building	1,966.56	1,966.56	-	-	7	100.0	106,412	185,953
		A-40	Toranomon Toyo Building	6,421.29	6,107.67	-	-	11	95.1	298,136	531,074
		A-41	KDX Shinjuku 286 Building	2,444.43	2,444.43	-	-	9	100.0	85,719	103,655
		A-45	KDX Roppongi 228 Building	1,909.08	1,242.01	-	-	6	65.1	43,631	58,188
		A-46	Hiei Kudan-Kita Building	6,900.33	6,309.74	-	-	12	91.4	236,989	302,417
		A-47	KDX Shin-Yokohama 381 Building	8,131.89	7,437.29	-	-	38	91.5	156,726	222,425
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	5,124.98	5,124.98	-	-	1	100.0	144,093	155,091
		A-49	Nissou Dai-17 Building	2,739.62	2,366.99	-	-	5	86.4	56,947	65,112
		A-50	Ikejiri-Oohashi Building	2,454.80	2,454.80	-	-	7	100.0	46,327	81,286
		A-51	KDX Hamacho Nakanohashi Building	2,239.13	2,239.13	-	-	9	100.0	62,393	86,420
		A-52	KDX Kanda Misaki-cho Building	1,334.76	1,334.76	-	-	8	100.0	36,477	45,898
A-55	Shin-toshin Maruzen Building	1,922.78	1,922.78	-	-	5	100.0	52,806	94,963		
A-56	KDX Jimbocho Building	2,321.80	2,321.80	-	-	3	100.0	68,983	96,431		
A-57	KDX Gobancho Building	1,650.58	1,650.58	-	-	7	100.0	53,238	63,804		
A-59	KDX Iwamoto-cho Building	1,524.44	1,524.44	3	3	10	100.0	51,839	53,433		
A-60	KDX Harumi Building	9,294.00	6,538.04	-	-	6	70.3	124,709	235,735		
A-61	KDX Hamamatsucho Dai-2 Building	1,953.50	1,711.29	-	-	7	87.6	61,793	86,052		

KENEDIX REALTY INVESTMENT CORPORATION (8972)

Type	Area	No.	Property Name	Total Leasable Floor Area (㎡)(Note 1)	Total Leased Floor Area (㎡)(Note 2)	Total No. of Leasable Residential units (Note 3)	Total No. of Leased Residential units (Note 4)	No. of Tenants (Note 5)	Occupancy Ratio (%) (Note 6)	Total Rental and Other Operating Revenues (¥thousands)(Note7)	Leasehold and Security Deposits (¥thousands) (Note 8)
Office Buildings	Tokyo Metropolitan Area	A-62	Koishikawa TG Building	3,944.26	3,944.26	-	-	5	100.0	130,776	165,511
		A-63	Gotanda TG Building	3,166.56	3,166.56	-	-	10	100.0	88,908	130,319
		A-64	KDX Nihonbashi 216 Building	1,615.20	1,615.20	-	-	8	100.0	57,809	99,194
		A-66	KDX Shinjuku Building	5,887.35	5,752.26	-	-	21	97.7	239,173	314,884
		A-67	KDX Ginza Ichome Building	3,573.59	3,573.59	-	-	5	100.0	143,335	178,693
		A-68	KDX Nihonbashi Honcho Building	3,998.39	3,998.39	-	-	8	100.0	127,452	204,126
		A-71	KDX Iidabashi Building	4,429.22	4,429.22	-	-	7	100.0	154,356	306,002
		A-72	KDX Higashi-Shinagawa Building	7,108.35	6,340.40	-	-	5	89.2	167,338	219,598
		A-73	KDX Hakozaki Building	3,992.60	3,992.60	-	-	8	100.0	97,224	164,132
		A-74	KDX Shin-Nihonbashi Building	2,658.79	2,658.79	-	-	10	100.0	80,402	112,006
		A-75	Kabutocho Nikko Building	7,833.19	7,833.19	-	-	1	100.0	245,667	600,127
		A-76	Ikebukuro Nikko Building	1,984.47	1,984.47	-	-	2	100.0	50,456	105,144
		A-77	Kabutocho Nikko Building II	1,395.78	1,395.78	-	-	4	100.0	37,555	82,526
	A-78	Tachikawa Ekimae Building	1,612.13	1,612.13	-	-	5	100.0	44,907	86,432	
	Other Regional Areas	A-12	Portus Center Building	11,581.92	10,362.22	-	-	27	89.5	279,501	353,705
		A-24	KDX Minami Sembai Dai-1 Building	3,108.16	2,672.28	-	-	10	86.0	56,045	65,644
		A-25	KDX Minami Sembai Dai-2 Building	2,693.37	2,435.32	-	-	21	90.4	49,114	40,159
		A-36	KDX Niigata Building	4,063.36	2,604.66	-	-	20	64.1	49,854	52,149
		A-42	Karasuma Building	8,745.05	8,745.05	-	-	40	100.0	210,055	280,221
		A-44	KDX Sendai Building	3,958.68	3,828.31	-	-	30	96.7	83,485	188,446
		A-53	KDX Hakata-Minami Building	9,970.28	8,569.70	-	-	47	86.0	151,006	183,588
		A-54	KDX Kitahama Building	3,995.50	3,565.58	-	-	10	89.2	69,904	79,400
		A-58	KDX Nagoya Sakae Building	6,923.12	6,923.12	-	-	16	100.0	184,252	213,436
		A-69	KDX Kobayashi-Doshomachi Building	7,072.24	6,762.62	-	-	12	95.6	185,070	247,846
		A-70	Kitanarajo SIA Building	3,788.73	3,788.73	-	-	19	100.0	101,262	108,517
		A-79	Nagoya Ekimae Sakura-dori Building	7,934.59	7,365.77	-	-	17	92.8	216,532	492,587
A-80		Nagoya Nikko Shoken Building	8,050.60	7,462.50	-	-	9	92.7	148,107	276,779	
A-81	Sendai Nikko Building	2,539.01	1,915.21	-	-	4	75.4	32,656	70,771		
A-82	View Flex Umeda Building	4,986.24	4,762.89	-	-	10	95.5	20,362	100,007		
Subtotal of Office Buildings (76 properties)				306,208.90	291,168.47	22	21	814	95.1	8,394,119	12,318,493
Residential Properties	Tokyo Metropolitan Area	B-3	Court Mejiro	2,046.79	1,948.31	20	19	19	95.2	41,303	14,245
		B-19	Residence Chamante Tsukishima	7,711.14	7,711.14	140	140	1 (Note9)	100.0	149,948	50,580
		B-34	Gradito Kawaguchi	1,619.34	1,619.34	66	66	2 (Note10)	100.0	32,508	10,028
	Other Regional Areas	B-18	Venus Hibarigaoka	12,829.64	12,189.38	159	151	120	95.0	91,396	24,731
Subtotal of Residential Properties (4 properties)				24,206.91	23,468.17	385	376	142	96.9	315,156	99,584
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	4,653.40	4,653.40	-	-	12	100.0	269,892	280,897
		C-2	KDX Yoyogi Building	1,182.14	1,182.14	-	-	11	100.0	67,993	108,150
Subtotal of Central Urban Retail Properties (2 properties)				5,835.54	5,835.54	-	-	23	100.0	337,885	389,047
Others	Other Regional Areas	D-1	Kanazawa Nikko Building	4,338.61	4,338.61	-	-	2	100.0	43,490	130,776
Subtotal of Others (1 property)				4,338.61	4,338.61	-	-	2	100.0	43,490	130,776
Total of 83 properties				340,589.96	324,810.79	407	397	981 (Note11)	95.4	9,090,653	12,937,902
Occupancy Ratio over the Past Five Years			October 31, 2007	96.9%							
			April 30, 2008	95.9%							
			October 31, 2008	95.6%							
			April 30, 2009	95.7%							
			October 31, 2009	94.7%							

Type	Area	No.	Property Name	Total Leasable Floor Area (m ²)(Note 1)	Total Leased Floor Area (m ²)(Note 2)	Total No. of Leasable Residential units (Note 3)	Total No. of Leased Residential units (Note 4)	No. of Tenants (Note 5)	Occupancy Ratio (%) (Note 6)	Total Rental and Other Operating Revenues (¥thousands)(Note7)	Leasehold and Security Deposits (¥thousands) (Note 8)
			April 30, 2010	94.4%							
			October 31, 2010	93.6%							
			April 30, 2011	94.6%							
			October 31, 2011	94.7%							
			April 30, 2012	95.4%							

Notes:

- Total leasable floor area refers to the leasable floor area for each Property including the building (aggregate total of the leasable floor area of each building in the case of more than one building), excluding land (including land for one-story parking) identified in lease agreements or construction completion plans.
- Total leased floor area refers to the area identified in lease agreements with end tenants or sub-lease agreements.
- The total number of leasable residential units and the number of leased residential units refers to the portion of the building used for residential purposes.
- The total number of leased residential units refers to the number of residential units among leasable residential units for which lease agreements with end tenants or sub-lease agreements are signed.
- The total number of tenants refers to the actual number of end tenants for each property. However, for Residence Charmante Tsukishima, please refer to Note 9, and for Gradito Kawaguchi, please refer to Note 10.
- The occupancy ratio is calculated by dividing leased floor area by total leasable floor area. Figures are rounded to the nearest first decimal place.
- Total rental and other operating revenues cover all income, including that from rental revenue, common charges, and parking space rental revenues, rounded to the nearest one thousand yen. Total real estate business rental revenues refers to the total amount of revenues generated during the fiscal period under review from real estate rental operations including leasing revenues, common charges and parking revenues rounded down to the nearest thousand yen.
- Guarantee and security deposits refers to the total of the balances of security deposits held (including net security deposits in the case of discount) and guarantee deposits, both identified in lease agreements or sub-lease agreements, with the figure rounded down to the nearest thousand yen.
- Residence Charmante Tsukishima: Because we have concluded a rental guarantee (fixed-term lease: until January 30, 2014) fixed-term building lease contract (term of contract: to January 30, 2029) with Sekiwa Real Estate, Ltd., a master lessor, the total number of tenants is indicated as 1.
- Gradito Kawaguchi: Because the master lessor and Haseko Livenet Inc. have concluded a rental guarantee (fixed-term lease: until March 31, 2014) building lease contract for dwelling units (excluding first-floor shops), the total number of tenants is indicated as 2.
- The number presented does not reflect the adjustment for end-tenants who are overlapping in multiple properties.

(iv) Information concerning major real estate properties

There were no major real estate properties with real estate business rental revenues exceeding 10% of total real estate business rental revenues for the fourteenth fiscal period (fiscal period ended April 30, 2012).

(v) Information concerning major tenants

- ①Tenant which holds more than 10% of the total leased area: None
- ②Reference: Major end tenants

(As of April 30, 2012)

	Name of End Tenant	Property Name	Leased Floor Area	Percentage of Total Leased Floor Area (Note 1)
1	SMBC Nikko Securities, Inc. (Note2)	Kabutocho Nikko Building, Ikebukuro Nikko Building, Kabutocho Nikko Building II, Tachikawa Ekimae Building, Nagoya Ekimae Sakura-dori Building, Nagoya Nikko Shoken Building, Sendai Nikko Building, Kanazawa Nikko Building	18,984.14 m ²	5.8%
2	Sekiwa Real Estate, Ltd.	Residence Charmante Tsukishima	7,711.14 m ²	2.4%
3	N / A (Note 3)	KDX Kawasaki-Ekimae Hon-cho Building	5,124.98 m ²	1.6%
4	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Toranomon Toyo Building, Harajuku FF. Building, KDX Yoyogi Building	3,478.05 m ²	1.1%
5	Kodak Japan Ltd.	KDX Monzen Nakacho Building, KDX Ochanomizu Building	3,121.83 m ²	1.0%
		Subtotal	38,420.14 m ²	11.8%
		Total Portfolio	324,810.79 m ²	100.0%

Notes:

- Percentage of total leased floor area refers to the floor area leased to each end tenant as a proportion of total leased floor area. Figures are rounded to the nearest first decimal place.
- The Investment Corporation has received a notice of cancellation dated May 31, 2012 from SMBC Nikko Securities Inc. for Kabutocho Nikko Building (7,833.19 m²), with the scheduled date of termination being November 30, 2012.
- Not disclosed due to the tenants' request.

【Reference】

Earnings Performance for the Individual Properties for the 14th Fiscal Period (November 1, 2011 to April 30, 2012) : 182days ※As of April 30, 2012

Type	Office Buildings																
Location	Tokyo Metropolitan Area																
Property No.	A01	A03	A04	A05	A06	A07	A08	A13	A14	A15	A16	A17	A18	A19	A20	A21	
Property Name	KDX Nihonbashi 313 Building	Higashi-Kayabacho Yuraku Building	KDX Hatchobori Building	KDX Nakano-Sakaue Building	Harajuku F.F. Building	FIK Minami Aoyama	Kanda Kihara Building	KDX Kojimachi Building	KDX Funabashi Building	KDX Hamacho Building	Toshin 24 Building	KDX Ebisu Building	KDX Omori Building	KDX Hamamatsucho Building	KDX Kayabacho Building	KDX Shinbashi Building	
Acquisition Date	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	November 1, 2005	March 1, 2006	March 16, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	
Price Information	Acquisition price (¥ Millions)	5,940	4,450	3,680	2,533	2,450	2,270	1,950	5,950	2,252	2,300	5,300	4,640	3,500	3,460	2,780	2,690
	Percentage of total portfolio	2.1%	1.6%	1.3%	0.9%	0.9%	0.8%	0.7%	2.1%	0.8%	0.8%	1.8%	1.6%	1.2%	1.2%	1.0%	0.9%
	Net book value (¥ Millions)	6,110	4,348	3,343	2,447	2,442	2,247	1,848	5,627	2,397	2,260	5,121	4,559	3,361	3,245	2,843	2,693
	Appraisal value at the end of period (¥ Millions)	6,380	5,190	3,440	2,290	2,980	2,120	1,870	4,400	1,970	2,370	4,160	4,200	3,790	3,180	2,690	2,700
	Percentage of total appraisal value	2.4%	2.0%	1.3%	0.9%	1.1%	0.8%	0.7%	1.7%	0.7%	0.9%	1.6%	1.6%	1.4%	1.2%	1.0%	1.0%
Lease Information	Number of tenants	10	7	6	25	3	9	9	10	22	9	19	7	11	8	6	7
	Leasable floor area (㎡)	5,892.76	4,413.17	3,323.83	4,389.61	3,068.36	1,814.56	1,947.40	3,792.64	3,835.77	3,105.68	6,618.81	3,077.61	4,945.03	2,724.35	3,019.95	1,693.63
	Leased floor area (㎡)	5,576.01	4,413.17	3,323.83	4,313.32	3,068.36	1,814.56	1,947.40	3,792.64	3,835.77	2,951.06	6,618.81	3,077.61	4,945.03	2,724.35	3,019.95	1,685.02
	Occupancy ratio																
	As of April 30, 2012	94.6%	100.0%	100.0%	98.3%	100.0%	100.0%	100.0%	100.0%	100.0%	95.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.5%
	As of October 31, 2011	85.2%	100.0%	100.0%	84.1%	100.0%	100.0%	100.0%	100.0%	98.7%	95.0%	96.2%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2011	71.8%	100.0%	100.0%	100.0%	100.0%	100.0%	93.5%	100.0%	100.0%	100.0%	84.7%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2010	100.0%	100.0%	100.0%	96.5%	100.0%	100.0%	100.0%	91.9%	98.5%	93.9%	72.7%	83.4%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2010	100.0%	100.0%	100.0%	100.0%	100.0%	77.1%	100.0%	97.1%	100.0%	100.0%	84.1%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2009	100.0%	100.0%	93.1%	91.3%	100.0%	100.0%	100.0%	86.7%	100.0%	100.0%	93.3%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2009	100.0%	100.0%	100.0%	92.3%	100.0%	100.0%	100.0%	88.6%	100.0%	100.0%	100.0%	83.4%	94.5%	87.7%	100.0%	100.0%
As of October 31, 2008	100.0%	100.0%	100.0%	96.5%	100.0%	100.0%	100.0%	98.2%	98.4%	100.0%	100.0%	100.0%	100.0%	75.4%	100.0%	100.0%	
As of April 30, 2008	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
As of October 31, 2007	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	97.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Income and Retained Earnings Information for the 14th Fiscal Period	Operating periods	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	
	①Rental and other operating revenues (¥ Thousands)	171,175	166,017	134,300	84,857	108,402	67,863	67,778	152,663	102,389	99,883	190,096	143,891	162,982	106,461	88,387	91,025
	Rental revenues	156,987	151,454	118,613	72,201	99,104	62,671	62,477	132,177	88,620	73,969	159,161	126,050	141,623	97,430	79,303	80,113
	Other operating revenues	14,187	14,562	15,687	12,655	9,298	5,191	5,301	20,485	13,769	25,913	30,935	17,840	21,359	9,030	9,084	10,912
	②Property-related expenses (¥ Thousands)	54,989	35,699	33,527	34,029	25,289	17,165	17,443	44,307	32,864	29,741	51,234	35,435	48,475	25,789	29,265	24,443
	Property management fees	14,990	13,138	12,632	8,959	7,830	5,148	6,169	10,706	13,134	9,239	17,916	10,030	16,945	7,757	7,564	6,899
	Taxes	20,856	9,689	9,346	8,062	8,522	5,911	4,248	18,030	7,604	7,453	12,619	11,350	13,006	9,531	6,672	10,416
	Utilities	12,646	8,247	9,123	6,875	5,887	4,479	4,935	10,451	8,552	6,116	17,276	9,854	14,441	5,634	5,559	5,629
	Repairs and maintenance costs	1,371	2,943	1,097	2,810	768	633	1,434	2,497	2,135	2,873	558	2,894	2,486	376	3,329	449
	Insurance	231	161	144	178	108	58	64	162	154	116	243	124	204	94	107	84
	Trust fees and other expenses	4,893	1,519	1,182	7,145	2,171	934	589	2,458	1,283	3,943	2,621	1,182	1,390	2,394	6,033	963
③NOI (=①-②) (¥ Thousands)	116,185	130,317	100,773	50,827	83,113	50,698	50,335	108,355	69,524	70,141	138,861	108,455	114,507	80,672	59,122	66,582	
④Depreciation (¥ Thousands)	27,310	27,151	17,032	15,370	9,234	6,351	8,928	19,684	19,328	21,016	35,617	18,602	25,609	22,599	16,514	5,571	
⑤Rental operating income (=③-④) (¥ Thousands)	88,874	103,165	83,740	35,457	73,879	44,347	41,406	88,670	50,196	49,124	103,244	89,852	88,897	58,072	42,607	61,011	
⑥Capital expenditures (¥ Thousands)	6,584	2,457	3,488	5,545	190	1,650	1,249	1,380	410	21,041	608	1,380	1,872	4,465	30,020	46,857	
⑦NCF (=⑤-⑥) (¥ Thousands)	109,600	127,860	97,285	45,281	82,923	49,048	49,085	106,975	69,114	49,099	138,253	107,075	112,635	76,207	29,102	19,725	
Reference	Expense ratio (=②/①)	32.1%	21.5%	25.0%	40.1%	23.3%	25.3%	25.7%	29.0%	32.1%	29.8%	27.0%	24.6%	29.7%	24.2%	33.1%	26.9%
	Property tax for the year 2012or 2011(¥ Thousands)	41,712	19,378	18,693	16,124	17,045	11,822	8,498	36,060	14,703	14,905	25,845	22,699	26,012	19,063	13,344	20,832
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	5,864	6,047	4,797	2,769	3,908	2,419	2,410	5,326	3,508	3,469	6,713	5,149	5,663	3,819	3,010	3,216
	Reference: Percentage of rental and other operating revenues	3.43%	3.64%	3.57%	3.26%	3.61%	3.57%	3.56%	3.49%	3.43%	3.47%	3.53%	3.58%	3.47%	3.59%	3.41%	3.53%
	Long-term repairs, maintenance and renovation																
Estimated amount of 1st yr to 12th yr (¥ Thousands)	214,470	107,050	158,190	141,400	160,510	71,790	80,430	180,970	160,670	134,170	217,670	147,940	317,870	135,060	120,000	111,266	
Reference: Amount of yearly avg.	17,872	8,920	13,182	11,783	13,375	5,982	6,702	15,080	13,389	11,180	18,139	12,328	26,489	11,255	10,000	9,272	

We have changed the order of the Properties Roster to Type, Area and No. starting from the fourteenth fiscal period under review.

【Reference】 Earnings Performance for the Individual Properties for the 14th Fiscal Period (November 1, 2011 to April 30, 2012) : 182days ※As of April 30, 2012

Type	Office Buildings																
Location	Tokyo Metropolitan Area																
Property No.	A22	A23	A26	A27	A28	A29	A30	A31	A32	A33	A34	A35	A37	A38	A39	A40	
Property Name	KDX Shin-Yokohama Building	KDX Yotsuya Building	KDX Kiba Building	KDX Kajicho Building	KDX Nogizaka Building	KDX Higashi-Shinjuku Building	KDX Nishi-Gotanda Building	KDX Monzen-Nakacho Building	KDX Shiba-Daimon Building	KDX Okachimachi Building	KDX Hon-Atsugi Building	KDX Hachioji Building	KDX Ochanomizu Building	KDX Nishi-Shinjuku Building	KDX Toranomon Building	Toranomon Toyo Building	
Acquisition Date	May 1, 2006	May 1, 2006	June 20, 2006	July 3, 2006	July 14, 2006	September 1, 2006	December 1, 2006	January 19, 2007	March 1, 2007	March 1, 2007	March 1, 2007	March 1, 2007	April 2, 2007	April 2, 2007	April 17, 2007	June 1, 2007	
Price Information	Acquisition price (¥ Millions)	2,520	1,950	1,580	2,350	1,065	2,950	4,200	1,400	6,090	2,000	1,305	1,155	6,400	1,500	4,400	9,850
	Percentage of total portfolio	0.9%	0.7%	0.6%	0.8%	0.4%	1.0%	1.5%	0.5%	2.1%	0.7%	0.5%	0.4%	2.2%	0.5%	1.5%	3.4%
	Net book value (¥ Millions)	2,451	1,979	1,562	2,386	1,124	3,196	4,045	1,402	6,199	2,121	1,172	1,282	6,641	1,544	4,791	9,853
	Appraisal value at the end of period (¥ Millions)	2,270	2,470	1,430	2,320	723	3,320	3,780	1,170	4,950	1,850	1,070	831	6,540	1,130	3,460	10,100
	Percentage of total appraisal value	0.9%	0.9%	0.5%	0.9%	0.3%	1.3%	1.4%	0.4%	1.9%	0.7%	0.4%	0.3%	2.5%	0.4%	1.3%	3.8%
Lease Information	Number of tenants	19	4	6	10	6	6	5	5	9	3	10	8	6	7	7	11
	Leasable floor area (㎡)	4,799.71	2,530.71	2,452.91	2,564.11	1,250.76	5,930.96	3,881.58	2,010.48	5,984.71	1,792.54	2,747.28	2,178.61	5,881.47	1,595.21	1,966.56	6,421.29
	Leased floor area (㎡)	4,700.90	2,530.71	2,452.91	2,564.11	1,250.76	5,913.94	3,881.58	2,010.48	5,984.71	1,792.54	2,747.28	2,178.61	5,881.47	1,413.49	1,966.56	6,107.67
	Occupancy ratio																
	As of April 30, 2012	97.9%	100.0%	100.0%	100.0%	100.0%	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.6%	100.0%	95.1%
	As of October 31, 2011	93.1%	100.0%	100.0%	100.0%	100.0%	83.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2011	93.1%	100.0%	100.0%	100.0%	100.0%	56.2%	100.0%	100.0%	84.3%	100.0%	100.0%	100.0%	100.0%	87.6%	100.0%	100.0%
	As of October 31, 2010	74.0%	100.0%	100.0%	84.2%	78.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	96.4%	100.0%	87.6%	100.0%	95.4%
	As of April 30, 2010	86.3%	100.0%	100.0%	75.1%	78.1%	100.0%	100.0%	100.0%	97.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	93.9%
	As of October 31, 2009	93.1%	100.0%	100.0%	94.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	85.6%	100.0%	100.0%	89.3%	95.4%
As of April 30, 2009	93.1%	100.0%	100.0%	100.0%	87.7%	97.0%	91.9%	100.0%	100.0%	100.0%	100.0%	85.6%	100.0%	100.0%	78.6%	100.0%	
As of October 31, 2008	83.2%	100.0%	100.0%	100.0%	100.0%	86.2%	100.0%	100.0%	100.0%	100.0%	88.6%	85.6%	90.2%	100.0%	78.6%	100.0%	
As of April 30, 2008	100.0%	100.0%	88.0%	100.0%	100.0%	82.2%	100.0%	100.0%	100.0%	89.7%	100.0%	85.6%	100.0%	100.0%	100.0%	99.1%	
As of October 31, 2007	99.6%	100.0%	100.0%	85.8%	87.7%	92.6%	100.0%	84.4%	100.0%	100.0%	100.0%	85.6%	100.0%	100.0%	100.0%	97.5%	
Income and Retained Earnings Information for the 14th Fiscal Period	Operating periods	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	
	①Rental and other operating revenues (¥ Thousands)	95,137	92,914	63,108	81,935	24,480	98,951	154,279	50,621	179,454	68,712	61,736	50,071	201,312	43,419	106,412	298,136
	Rental revenues	83,168	84,622	55,616	74,018	21,164	89,412	134,071	42,097	163,622	61,107	53,663	43,257	192,315	38,159	99,355	285,798
	Other operating revenues	11,968	8,292	7,491	7,917	3,316	9,539	20,207	8,524	15,831	7,605	8,072	6,813	8,996	5,260	7,056	12,337
	②Property-related expenses (¥ Thousands)	33,158	21,806	21,410	19,661	10,043	43,500	31,122	14,049	44,362	15,115	32,406	20,191	42,789	19,633	23,265	68,527
	Property management fees	12,459	9,183	5,570	7,342	3,121	12,139	12,168	4,894	15,530	5,859	6,484	10,245	12,384	4,514	6,500	20,968
	Taxes	6,809	6,592	5,012	5,567	3,500	14,374	9,546	3,318	12,119	3,226	3,912	4,229	15,686	4,564	9,936	29,191
	Utilities	8,181	5,139	4,374	4,836	2,561	11,150	8,386	5,303	12,448	4,088	5,027	4,689	10,475	3,665	4,260	13,133
	Repairs and maintenance costs	2,911	-	2,473	907	680	1,638	527	423	2,668	337	15,898	80	2,110	5,482	65	2,882
	Insurance	157	88	79	87	43	217	148	76	195	52	106	72	220	59	66	238
	Trust fees and other expenses	2,639	802	3,900	919	135	3,980	344	33	1,402	1,551	976	872	1,913	1,346	2,435	2,114
	③NOI (=①-②) (¥ Thousands)	61,978	71,107	41,697	62,274	14,437	55,450	123,157	36,572	135,091	53,596	29,329	29,879	158,523	23,786	83,147	229,608
	④Depreciation (¥ Thousands)	22,013	10,128	13,148	12,698	5,536	19,669	29,206	9,509	29,009	8,017	25,042	9,972	26,832	6,458	13,224	12,311
⑤Rental operating income (=③-④) (¥ Thousands)	39,964	60,979	28,549	49,575	8,900	35,781	93,950	27,062	106,082	45,578	4,287	19,907	131,690	17,327	69,922	217,297	
⑥Capital expenditures (¥ Thousands)	6,398	-	3,545	938	6,522	7,366	560	-	6,510	2,782	14,124	3,365	4,799	24,968	-	6,123	
⑦NCF (=⑤-⑥) (¥ Thousands)	55,580	71,107	38,152	61,336	7,914	48,084	122,597	36,572	128,581	50,813	15,204	26,514	153,724	△1,181	83,147	223,485	
Expense ratio (=②/①)	34.9%	23.5%	33.9%	24.0%	41.0%	44.0%	20.2%	27.8%	24.7%	22.0%	52.5%	40.3%	21.3%	45.2%	21.9%	23.0%	
Property tax for the year 2012or 2011(¥ Thousands)	14,127	13,183	10,024	11,135	7,001	28,744	19,093	6,640	24,237	6,454	7,825	8,459	31,372	9,131	19,872	58,382	
Among ② of property management fee (Leasing management fees) (¥ Thousands)	3,206	3,347	2,138	2,943	794	3,151	5,661	1,779	6,419	2,496	1,858	1,631	7,343	1,371	3,868	10,770	
Reference: Percentage of rental and other operating revenues	3.37%	3.60%	3.39%	3.59%	3.24%	3.18%	3.67%	3.52%	3.58%	3.63%	3.01%	3.26%	3.65%	3.16%	3.64%	3.61%	
Long-term repairs, maintenance and renovation																	
Estimated amount of 1st yr to 12th yr (¥ Thousands)	152,030	90,020	93,650	87,590	49,950	149,280	133,200	113,920	169,180	55,430	147,990	100,380	249,810	74,560	70,400	260,050	
Reference: Amount of yearly avg.	12,669	7,501	7,804	7,299	4,162	12,440	11,100	9,493	14,098	4,619	12,332	8,365	20,817	6,213	5,866	21,670	

【Reference】 Earnings Performance for the Individual Properties for the 14th Fiscal Period (November 1, 2011 to April 30, 2012) : 182days ※As of April 30, 2012

Type	Office Buildings																
Location	Tokyo Metropolitan Area																
Property No.	A41	A45	A46	A47	A48	A49	A50	A51	A52	A55	A56	A57	A59	A60	A61	A62	
Property Name	KDX Shinjuku 286 Building	KDX Roppongi 228 Building	Hiei Kudan-Kita Building	KDX Shin-Yokohama 381 Building	KDX Kawasaki-Ekimae Hon-cho Building	Nissou Dai-17 Building	Ikejiri-Oohashi Building	KDX Hamacho Nakanohashi Building	KDX Kanda Misaki-cho Building	Shin-toshin Maruzen Building	KDX Jimbocho Building	KDX Gobancho Building	KDX Iwamoto-cho Building	KDX Harumi Building	KDX Hamamatsucho Dai-2 Building	Koishikawa TG Building	
Acquisition Date	June 1, 2007	January 10, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 29, 2008	March 31, 2008	March 31, 2008	May 1, 2008	June 30, 2008	September 1, 2008	November 18, 2009
Price Information	Acquisition price (¥ Millions)	2,300	3,300	7,600	5,800	3,760	2,710	2,400	2,310	1,380	2,110	2,760	1,951	1,864	10,250	2,200	3,080
	Percentage of total portfolio	0.8%	1.2%	2.6%	2.0%	1.3%	0.9%	0.8%	0.8%	0.5%	0.7%	1.0%	0.7%	0.7%	3.6%	0.8%	1.1%
	Net book value (¥ Millions)	2,392	3,434	7,649	5,888	3,792	2,618	2,452	2,347	1,377	2,160	2,900	1,987	1,795	9,701	2,288	3,133
	Appraisal value at the end of period (¥ Millions)	2,140	2,160	7,380	4,050	2,990	1,600	1,500	1,700	981	1,570	1,870	1,500	1,350	8,230	1,860	3,150
	Percentage of total appraisal value	0.8%	0.8%	2.8%	1.5%	1.1%	0.6%	0.6%	0.6%	0.4%	0.6%	0.7%	0.6%	0.5%	3.1%	0.7%	1.2%
Lease Information	Number of tenants	9	6	12	38	1	5	7	9	8	5	3	7	10	6	7	5
	Leasable floor area (㎡)	2,444.43	1,909.08	6,900.33	8,131.89	5,124.98	2,739.62	2,454.80	2,239.13	1,334.76	1,922.78	2,321.80	1,650.58	1,524.44	9,294.00	1,953.50	3,944.26
	Leased floor area (㎡)	2,444.43	1,242.01	6,309.74	7,437.29	5,124.98	2,366.99	2,454.80	2,239.13	1,334.76	1,922.78	2,321.80	1,650.58	1,524.44	6,538.04	1,711.29	3,944.26
	Occupancy ratio																
	As of April 30, 2012	100.0%	65.1%	91.4%	91.5%	100.0%	86.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	70.3%	87.6%	100.0%
	As of October 31, 2011	100.0%	65.1%	98.8%	93.0%	100.0%	86.4%	54.9%	100.0%	100.0%	81.2%	100.0%	100.0%	100.0%	88.9%	100.0%	100.0%
	As of April 30, 2011	100.0%	65.1%	95.9%	89.5%	100.0%	86.4%	74.4%	100.0%	86.9%	100.0%	74.8%	100.0%	100.0%	98.2%	100.0%	100.0%
	As of October 31, 2010	100.0%	65.1%	85.3%	100.0%	100.0%	94.9%	91.3%	93.0%	86.9%	100.0%	94.4%	85.7%	100.0%	98.2%	100.0%	100.0%
	As of April 30, 2010	100.0%	65.1%	91.9%	100.0%	100.0%	94.9%	100.0%	100.0%	100.0%	100.0%	85.0%	85.7%	100.0%	98.2%	87.5%	100.0%
	As of October 31, 2009	100.0%	52.4%	100.0%	100.0%	100.0%	100.0%	91.3%	100.0%	100.0%	100.0%	100.0%	85.7%	75.0%	100.0%	100.0%	-
	As of April 30, 2009	100.0%	65.2%	100.0%	92.1%	100.0%	100.0%	82.6%	100.0%	100.0%	64.3%	100.0%	100.0%	100.0%	100.0%	100.0%	-
As of October 31, 2008	100.0%	78.0%	100.0%	97.5%	100.0%	100.0%	100.0%	100.0%	100.0%	80.9%	59.8%	85.7%	92.7%	100.0%	100.0%	-	
As of April 30, 2008	100.0%	80.4%	100.0%	94.6%	100.0%	100.0%	91.3%	100.0%	86.9%	100.0%	0.0%	100.0%	-	-	-	-	
As of October 31, 2007	100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Income and Retained Earnings Information for the 14th Fiscal Period	Operating periods	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days	182days
	①Rental and other operating revenues (¥ Thousands)	85,719	43,631	236,989	156,726	144,093	56,947	46,327	62,393	36,477	52,806	68,983	53,238	51,839	124,709	61,793	130,776
	Rental revenues	71,991	39,322	214,277	129,248	134,066	48,780	35,788	52,091	33,699	45,770	63,040	48,368	48,064	110,697	56,111	114,638
	Other operating revenues	13,727	4,309	22,712	27,478	10,027	8,167	10,539	10,302	2,777	7,035	5,942	4,870	3,775	14,011	5,682	16,138
	②Property-related expenses (¥ Thousands)	26,210	17,832	84,778	50,351	37,021	20,498	26,339	19,786	19,205	18,466	17,695	12,524	10,928	70,319	18,815	39,055
	Property management fees	7,265	4,824	29,704	13,125	13,826	7,390	5,150	6,750	3,688	5,930	5,414	4,871	3,979	28,867	4,674	14,922
	Taxes	8,528	7,680	26,714	13,357	7,477	5,374	6,606	5,820	2,654	4,841	7,241	4,309	3,124	19,598	8,514	10,668
	Utilities	7,185	4,459	16,753	14,371	13,864	5,898	3,985	4,539	2,272	2,977	4,354	3,043	2,284	18,588	3,921	11,188
	Repairs and maintenance costs	340	634	5,441	3,333	941	373	179	920	10,390	3,039	434	152	9	263	652	981
	Insurance	102	60	289	272	178	111	94	98	45	69	78	51	44	352	66	170
	Trust fees and other expenses	2,788	173	5,875	5,891	731	1,352	10,323	1,657	154	1,607	172	96	1,486	2,649	987	1,124
③NOI (=①-②) (¥ Thousands)	59,509	25,798	152,211	106,375	107,072	36,449	19,988	42,607	17,272	34,340	51,287	40,714	40,910	54,389	42,977	91,721	
④Depreciation (¥ Thousands)	8,432	4,988	15,648	47,485	30,730	15,613	10,955	12,053	4,551	7,804	10,307	10,377	13,097	77,286	4,652	14,398	
⑤Rental operating income (=③-④) (¥ Thousands)	51,076	20,810	136,562	58,890	76,342	20,835	9,032	30,553	12,720	26,536	40,979	30,337	27,813	Δ22,896	38,325	77,322	
⑥Capital expenditures (¥ Thousands)	68,961	2,929	86,000	48,067	5,130	1,869	1,120	1,540	4,294	7,187	191	10,937	-	-	36,392	582	
⑦NCF (=⑤-⑥) (¥ Thousands)	Δ9,451	22,869	66,211	58,308	101,942	34,580	18,868	41,067	12,977	27,153	51,095	29,777	40,910	54,389	6,585	91,139	
Reference	Expense ratio (=②/①)	30.6%	40.9%	35.8%	32.1%	25.7%	36.0%	31.7%	52.6%	35.0%	25.7%	23.5%	21.1%	56.4%	30.4%	29.9%	
	Property tax for the year 2012or 2011(¥ Thousands)	17,056	15,363	53,428	25,861	14,435	11,081	13,212	11,640	5,308	10,296	14,483	8,620	6,251	39,197	17,031	21,340
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	2,963	1,416	7,942	5,369	5,125	1,906	1,353	2,142	1,096	1,778	2,454	1,917	1,892	3,655	2,138	4,540
	Reference: Percentage of rental and other operating revenues	3.46%	3.25%	3.35%	3.43%	3.56%	3.35%	2.92%	3.43%	3.01%	3.37%	3.56%	3.60%	3.65%	2.93%	3.46%	3.47%
Long-term repairs, maintenance and renovation																	
Estimated amount of 1st yr to 12th yr (¥ Thousands)	169,080	54,680	296,707	216,990	157,210	88,480	158,270	130,030	46,140	70,900	98,399	55,230	19,680	110,320	81,710	230,330	
Reference: Amount of yearly avg.	14,090	4,556	24,725	18,082	13,100	7,373	13,189	10,835	3,845	5,908	8,199	4,602	1,640	9,193	6,809	19,194	

【Reference】 Earnings Performance for the Individual Properties for the 14th Fiscal Period (November 1, 2011 to April 30, 2012) : 182days ※As of April 30, 2012

Type	Office Buildings													Other Regional Areas			
Location	Tokyo Metropolitan Area													Other Regional Areas			
Property No.	A63	A64	A66	A67	A68	A71	A72	A73	A74	A75	A76	A77	A78	A12	A24	A25	
Property Name	Gotanda TG Building	KDX Nihonbashi 216 Building	KDX Shinjuku Building	KDX Ginza Ichome Building	KDX Nihonbashi Honcho Building	KDX Iidabashi Building	KDX Higashi-Shinagawa Building	KDX Hakozaki Building	KDX Shin-Nihonbashi Building	Kabutocho Nikko Building	Ikebukuro Nikko Building	Kabutocho Nikko Building II	Tachikawa Ekimae Building	Portus Center Building	KDX Minami Semba Dai-1 Building	KDX Minami Semba Dai-2 Building	
Acquisition Date	November 18, 2009	December 1, 2009	February 18, 2010	November 12, 2010	November 12, 2010	July 22, 2011	July 22, 2011	July 22, 2011	July 22, 2011	December 26, 2011	December 26, 2011	December 26, 2011	December 26, 2011	September 21, 2005	May 1, 2006	May 1, 2006	
Price Information	Acquisition price (¥ Millions)	2,620	2,010	6,800	4,300	4,000	4,670	4,590	2,710	2,300	11,270	1,653	1,280	1,267	5,570	1,610	1,560
	Percentage of total portfolio	0.9%	0.7%	2.4%	1.5%	1.4%	1.6%	1.6%	0.9%	0.8%	3.9%	0.6%	0.4%	0.4%	1.9%	0.6%	0.5%
	Net book value (¥ Millions)	2,816	1,970	6,883	4,302	4,013	4,697	4,817	2,910	2,294	11,364	1,675	1,294	1,290	4,584	1,456	1,369
	Appraisal value at the end of period (¥ Millions)	2,590	1,930	6,600	4,760	4,300	4,830	4,800	2,850	2,480	13,500	1,690	1,550	1,330	4,600	1,020	1,050
	Percentage of total appraisal value	1.0%	0.7%	2.5%	1.8%	1.6%	1.8%	1.8%	1.1%	0.9%	5.1%	0.6%	0.6%	0.5%	1.7%	0.4%	0.4%
Lease Information	Number of tenants	10	8	21	5	8	7	5	8	10	1	2	4	5	27	10	21
	Leasable floor area (㎡)	3,166.56	1,615.20	5,887.35	3,573.59	3,998.39	4,429.22	7,108.35	3,992.60	2,658.79	7,833.19	1,984.47	1,395.78	1,612.13	11,581.92	3,108.16	2,693.37
	Leased floor area (㎡)	3,166.56	1,615.20	5,752.26	3,573.59	3,998.39	4,429.22	6,340.40	3,992.60	2,658.79	7,833.19	1,984.47	1,395.78	1,612.13	10,362.22	2,672.28	2,435.32
	Occupancy ratio																
	As of April 30, 2012	100.0%	100.0%	97.7%	100.0%	100.0%	100.0%	89.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	89.5%	86.0%	90.4%
	As of October 31, 2011	80.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	83.3%	100.0%	-	-	-	-	90.1%	94.7%	94.3%
	As of April 30, 2011	80.0%	100.0%	100.0%	100.0%	100.0%	-	-	-	-	-	-	-	-	95.8%	95.6%	100.0%
	As of October 31, 2010	77.1%	75.0%	93.7%	-	-	-	-	-	-	-	-	-	-	93.9%	83.1%	100.0%
	As of April 30, 2010	57.8%	87.5%	93.8%	-	-	-	-	-	-	-	-	-	-	88.5%	83.1%	94.1%
	As of October 31, 2009	-	-	-	-	-	-	-	-	-	-	-	-	-	88.5%	84.4%	82.1%
	As of April 30, 2009	-	-	-	-	-	-	-	-	-	-	-	-	-	93.4%	96.9%	88.1%
As of October 31, 2008	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	91.6%	91.2%	
As of April 30, 2008	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	87.2%	94.1%	
As of October 31, 2007	-	-	-	-	-	-	-	-	-	-	-	-	-	94.6%	100.0%	93.6%	
Income and Retained Earnings Information for the 14th Fiscal Period	Operating periods	182days	182days	182days	182days	182days	182days	182days	182days	127days	127days	127days	127days	182days	182days	182days	
	①Rental and other operating revenues (¥ Thousands)	88,908	57,809	239,173	143,335	127,452	154,356	167,338	97,224	80,402	245,667	50,456	37,555	44,907	279,501	56,045	49,114
	Rental revenues	81,561	52,338	207,748	132,895	119,489	138,387	145,905	90,186	74,241	237,447	44,898	33,836	38,229	231,824	43,573	39,225
	Other operating revenues	7,346	5,471	31,425	10,439	7,963	15,968	21,432	7,038	6,160	8,219	5,557	3,719	6,677	47,677	12,471	9,888
	②Property-related expenses (¥ Thousands)	32,260	14,716	78,087	35,600	34,762	31,851	37,965	21,116	15,034	21,758	8,149	7,705	8,223	124,610	22,227	17,463
	Property management fees	7,837	5,554	22,583	9,495	9,377	12,269	17,789	7,606	7,789	20,219	3,812	4,299	4,342	73,113	6,973	5,506
	Taxes	8,992	4,819	30,032	13,208	15,144	4	-	-	4	5	5	5	5	25,498	6,843	5,604
	Utilities	6,006	3,213	20,796	8,360	5,886	16,486	15,601	8,254	5,966	-	3,552	2,868	3,308	18,998	6,348	5,054
	Repairs and maintenance costs	4,065	51	1,876	529	1,207	302	2,259	1,251	419	921	233	140	-	3,170	665	247
	Insurance	128	58	301	136	137	158	253	182	105	264	74	44	55	2,140	117	101
Trust fees and other expenses	5,229	1,018	2,497	3,870	3,009	2,630	2,060	3,820	749	347	471	347	512	1,689	1,279	948	
③NOI (=①-②) (¥ Thousands)	56,648	43,093	161,085	107,735	92,690	122,504	129,373	76,108	65,368	223,908	42,307	29,850	36,683	154,890	33,817	31,651	
④Depreciation (¥ Thousands)	12,999	11,227	16,023	11,278	9,169	15,515	20,906	19,748	21,527	52,814	4,034	8,076	2,140	54,154	13,736	13,199	
⑤Rental operating income (=③-④) (¥ Thousands)	43,648	31,866	145,061	96,456	83,521	106,989	108,466	56,359	43,840	171,094	38,272	21,774	34,542	100,736	20,081	18,451	
⑥Capital expenditures (¥ Thousands)	5,157	115	11,370	583	5,901	6,922	75,381	104,157	1,069	1,676	-	-	3,097	431	6,059	6,609	
⑦NCF (=⑤-⑥) (¥ Thousands)	51,491	42,978	149,715	107,151	86,789	115,582	53,991	Δ28,049	64,299	222,232	42,307	29,850	33,586	154,459	27,758	25,041	
Reference	Expense ratio (=②/①)	36.3%	25.5%	32.6%	24.8%	27.3%	20.6%	22.7%	21.7%	18.7%	8.9%	16.2%	20.5%	18.3%	44.6%	39.7%	35.6%
	Property tax for the year 2012or 2011(¥ Thousands)	17,982	9,638	60,067	26,415	30,289	23,430	35,756	25,911	15,654	66,505	16,891	9,612	14,584	51,002	13,078	11,680
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	2,970	2,059	8,168	5,123	4,492	5,650	6,055	3,537	2,974	9,583	1,893	1,375	1,665	8,865	1,833	1,648
	Reference: Percentage of rental and other operating revenues	3.34%	3.56%	3.42%	3.57%	3.53%	3.66%	3.62%	3.64%	3.70%	3.90%	3.75%	3.66%	3.71%	3.17%	3.27%	3.36%
Long-term repairs, maintenance and renovation																	
Estimated amount of 1st yr to 12th yr (¥ Thousands)	207,750	31,190	362,230	80,690	82,180	117,560	256,450	255,430	102,390	549,760	170,320	69,160	121,540	527,651	140,130	122,820	
Reference: Amount of yearly avg.	17,312	2,599	30,185	6,724	6,848	9,796	21,370	21,285	8,532	45,813	14,193	5,763	10,128	43,970	11,677	10,235	

【Reference】 Earnings Performance for the Individual Properties for the 14th Fiscal Period (November 1, 2011 to April 30, 2012) : 182days ※As of April 30, 2012

Type	Office Buildings												Residential Properties				
Location	Other Regional Areas												Tokyo Metropolitan Area			Other Regional	
Property No.	A36	A42	A44	A53	A54	A58	A69	A70	A79	A80	A81	A82	B03	B19	B34	B18	
Property Name	KDX Niigata Building	Karasuma Building	KDX Sendai Building	KDX Hakata-Minami Building	KDX Kitahama Building	KDX Nagoya Sakae Building	KDX Kobayashi-Doshomachi Building	Kitananajo SIA Building	Nagoya Ekimae Sakura-dori Building	Nagoya Nikko Shoken Building	Sendai Nikko Building	View Flex Umeda Building	Court Mejiro	Residence Charmante Tsukishima	Gradito Kawaguchi	Venus Hibarigaoka	
Acquisition Date	March 1, 2007	June 1, 2007	June 1, 2007	February 1, 2008	February 1, 2008	July 1, 2009	December 1, 2010	March 25, 2011	December 26, 2011	December 26, 2011	December 26, 2011	March 28, 2012	August 1, 2005	May 1, 2006	June 30, 2006	December 8, 2005	
Price Information	Acquisition price (¥ Millions)	1,305	5,400	2,100	4,900	2,220	7,550	2,870	2,005	7,327	4,158	950	2,770	1,250	5,353	1,038	1,800
	Percentage of total portfolio	0.5%	1.9%	0.7%	1.7%	0.8%	2.6%	1.0%	0.7%	2.6%	1.4%	0.3%	1.0%	0.4%	1.9%	0.4%	0.6%
	Net book value (¥ Millions)	1,453	5,394	2,162	4,795	2,191	7,492	2,748	2,089	7,420	4,210	975	2,882	1,173	4,984	995	1,807
	Appraisal value at the end of period (¥ Millions)	914	5,030	1,440	3,460	1,530	4,750	2,890	2,050	7,780	4,280	1,050	3,240	940	4,480	948	1,520
Lease Information	Percentage of total appraisal value	0.3%	1.9%	0.5%	1.3%	0.6%	1.8%	1.1%	0.8%	3.0%	1.6%	0.4%	1.2%	0.4%	1.7%	0.4%	0.6%
	Number of tenants	20	40	30	47	10	16	12	19	17	9	4	10	19	1	2	120
	Leasable floor area (㎡)	4,063.36	8,745.05	3,958.68	9,970.28	3,995.50	6,923.12	7,072.24	3,788.73	7,934.59	8,050.60	2,539.01	4,986.24	2,046.79	7,711.14	1,619.34	12,829.64
	Leased floor area (㎡)	2,604.66	8,745.05	3,828.31	8,569.70	3,565.58	6,923.12	6,762.62	3,788.73	7,365.77	7,462.50	1,915.21	4,762.89	1,948.31	7,711.14	1,619.34	12,189.38
	Occupancy ratio																
	As of April 30, 2012	64.1%	100.0%	96.7%	86.0%	89.2%	100.0%	95.6%	100.0%	92.8%	92.7%	75.4%	95.5%	95.2%	100.0%	100.0%	95.0%
	As of October 31, 2011	64.6%	99.2%	87.4%	79.3%	84.4%	100.0%	95.6%	100.0%	-	-	-	-	100.0%	100.0%	100.0%	99.5%
	As of April 30, 2011	66.7%	94.2%	99.1%	75.4%	92.8%	93.7%	91.0%	100.0%	-	-	-	-	91.3%	100.0%	100.0%	96.7%
	As of October 31, 2010	65.4%	93.2%	98.7%	80.6%	96.4%	90.3%	-	-	-	-	-	-	95.2%	100.0%	100.0%	92.4%
	As of April 30, 2010	64.3%	93.9%	92.8%	86.2%	96.4%	90.3%	-	-	-	-	-	-	95.2%	100.0%	100.0%	96.3%
	As of October 31, 2009	62.2%	86.1%	96.6%	94.4%	96.4%	72.3%	-	-	-	-	-	-	85.3%	100.0%	100.0%	96.5%
	As of April 30, 2009	73.2%	93.0%	91.2%	95.8%	100.0%	-	-	-	-	-	-	-	96.1%	100.0%	100.0%	98.9%
	As of October 31, 2008	76.2%	98.1%	86.2%	95.4%	88.1%	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	88.7%
	As of April 30, 2008	61.0%	98.6%	93.7%	95.4%	88.1%	-	-	-	-	-	-	-	95.1%	100.0%	100.0%	93.0%
As of October 31, 2007	71.2%	100.0%	97.1%	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	94.4%	
Income and Retained Earnings Information for the 14th Fiscal Period	Operating periods	182days	182days	182days	182days	182days	182days	182days	127days	127days	127days	127days	34days	182days	182days	182days	182days
	①Rental and other operating revenues (¥ Thousands)	49,854	210,055	83,485	151,006	69,904	184,252	185,070	101,262	216,532	148,107	32,656	20,362	41,303	149,948	32,508	91,396
	Rental revenues	43,068	183,351	71,610	126,415	58,109	166,516	169,198	84,181	187,408	130,744	28,264	17,241	37,543	132,064	32,389	81,613
	Other operating revenues	6,785	26,704	11,875	24,590	11,794	17,736	15,871	17,081	29,124	17,363	4,391	3,121	3,760	17,883	119	9,782
	②Property-related expenses (¥ Thousands)	32,078	71,575	30,631	48,931	30,801	55,209	83,662	29,425	62,699	52,714	14,600	3,829	10,493	39,032	6,380	38,803
	Property management fees	10,811	20,820	11,752	13,995	7,406	17,870	16,273	10,501	24,253	18,969	4,002	1,848	2,920	16,557	2,437	8,075
	Taxes	8,108	21,293	7,452	10,066	4,931	21,731	12,227	4,261	17,082	13,397	3,873	-	3,146	10,636	1,584	7,959
	Utilities	7,320	16,891	8,081	20,235	7,937	14,749	13,321	12,474	18,733	13,973	4,596	1,759	810	1,360	412	2,175
	Repairs and maintenance costs	4,266	9,238	270	1,175	2,174	190	78	1,080	725	5,318	993	-	1,255	3,396	1,083	11,202
	Insurance	177	317	154	328	127	274	287	162	280	277	75	37	70	302	45	323
Trust fees and other expenses	1,394	3,013	2,920	3,130	8,223	392	41,474	945	1,623	778	1,058	184	2,289	6,779	818	9,068	
③NOI (=①-②) (¥ Thousands)	17,775	138,479	52,854	102,074	39,103	129,043	101,407	71,836	153,833	95,393	18,056	16,533	30,810	110,915	26,127	52,592	
④Depreciation (¥ Thousands)	12,646	29,661	19,142	33,886	19,447	71,355	52,966	15,494	14,199	9,255	3,033	11,715	11,312	45,655	10,048	23,127	
⑤Rental operating income (=③-④) (¥ Thousands)	5,128	108,818	33,711	68,188	19,655	57,687	48,440	56,342	139,634	86,137	15,022	4,818	19,497	65,259	16,079	29,464	
⑥Capital expenditures (¥ Thousands)	19,169	14,182	9,332	31,296	3,588	-	5,170	32,170	7,062	2,310	8,523	-	11,085	11,059	-	160	
⑦NCF (=⑤-⑥) (¥ Thousands)	Δ 1,394	124,297	43,522	70,777	35,514	129,043	96,236	39,666	146,771	93,083	9,532	16,533	19,725	99,856	26,127	52,432	
Reference	Expense ratio (=②/①)	64.3%	34.1%	36.7%	32.4%	44.1%	30.0%	45.2%	29.1%	29.0%	35.6%	44.7%	18.8%	25.4%	26.0%	19.6%	42.5%
	Property tax for the year 2012or 2011(¥ Thousands)	15,239	41,628	14,903	20,121	10,455	41,827	25,435	17,042	68,308	53,567	15,471	25,803	6,293	21,273	3,168	16,592
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	1,380	7,112	2,782	5,164	2,224	6,393	5,846	3,532	7,558	4,969	1,034	752	1,471	4,593	1,196	2,938
	Reference: Percentage of rental and other operating revenues	2.77%	3.39%	3.33%	3.42%	3.18%	3.47%	3.16%	3.49%	3.49%	3.36%	3.17%	3.70%	3.56%	3.06%	3.68%	3.22%
Long-term repairs, maintenance and renovation																	
Estimated amount of 1st yr to 12th yr (¥ Thousands)	249,590	229,180	192,400	140,450	167,760	94,270	87,340	202,790	737,870	413,140	181,590	107,610	74,650	170,810	30,480	339,440	
Reference: Amount of yearly avg.	20,799	19,098	16,033	11,704	13,980	7,855	7,278	16,899	61,489	34,428	15,132	8,967	6,220	14,234	2,540	28,286	

A-58 KDX Nagoya Sakae Building: The land portion of KDX Nagoya Sakae Building was acquired on April 25, 2008.

A-69 KDX Kobayashi Doshomachi Building: The rent for land to the land owner (Kobayashi Pharmaceutical Co., Ltd.) is stipulated according to specific terms under the land lease agreement and the annual rent to be paid is ¥80.7 million until August

【Reference】 **Earnings Performance for the Individual Properties for the 14th Fiscal Period (November 1, 2011 to April 30, 2012) : 182days** ※As of April 30, 2012

Type	Central Urban Retail Properties		Other	Total of 83 Properties	
Location	Tokyo Metropolitan Area		Other Regional Areas		
Property No.	C01	C02	D01		
Property Name	Frame Jinnanzaka	KDX Yoyogi Building	Kanazawa Nikko Building		
Acquisition Date	August 1, 2005	September 30, 2005	December 26, 2011		
Price Information	Acquisition price (¥ Millions)	9,900	2,479	645	286,866
	Percentage of total portfolio	3.5%	0.9%	0.2%	100.0%
	Net book value (¥ Millions)	9,816	2,514	686	286,114
	Appraisal value at the end of period (¥ Millions)	9,090	1,910	1,100	263,457
	Percentage of total appraisal value	3.5%	0.7%	0.4%	100.0%
Lease Information	Number of tenants	12	11	2	981
	Leasable floor area (㎡)	4,653.40	1,182.14	4,338.61	340,589.96
	Leased floor area (㎡)	4,653.40	1,182.14	4,338.61	324,810.79
	Occupancy ratio				
	As of April 30, 2012	100.0%	100.0%	100.0%	95.4%
	As of October 31, 2011	89.5%	100.0%	-	94.7%
	As of April 30, 2011	100.0%	100.0%	-	94.6%
	As of October 31, 2010	100.0%	94.8%	-	93.6%
	As of April 30, 2010	100.0%	87.2%	-	94.4%
	As of October 31, 2009	93.6%	100.0%	-	94.7%
	As of April 30, 2009	96.0%	75.9%	-	95.7%
	As of October 31, 2008	97.9%	91.7%	-	95.6%
	As of April 30, 2008	97.9%	100.0%	-	95.9%
As of October 31, 2007	100.0%	100.0%	-	96.9%	
Operating periods	182days	182days	127days	175days	
Income and Retained Earnings Information for the 14th Fiscal Period	①Rental and other operating revenues (¥ Thousands)	269,892	67,993	43,490	9,090,653
	Rental revenues	242,422	60,231	38,385	8,071,923
	Other operating revenues	27,470	7,761	5,105	1,018,730
	②Property-related expenses (¥ Thousands)	64,288	17,850	10,790	2,705,911
	Property management fees	18,167	4,396	3,483	911,939
	Taxes	16,449	4,367	2,469	724,628
	Utilities	17,546	3,957	3,635	663,799
	Repairs and maintenance costs	5,855	3,890	-	165,367
	Insurance	159	38	145	14,083
	Trust fees and other expenses	6,110	1,199	1,056	226,093
③NOI (=①-②) (¥ Thousands)	205,603	50,142	32,700	6,384,741	
④Depreciation (¥ Thousands)	58,416	8,455	5,384	1,578,845	
⑤Rental operating income (=③-④) (¥ Thousands)	147,187	41,687	27,316	4,805,896	
⑥Capital expenditures (¥ Thousands)	11,184	243	31,124	918,600	
⑦NCF (=⑤-⑥) (¥ Thousands)	194,419	49,898	1,575	5,466,141	
Expense ratio (=②/①)	23.8%	26.3%	24.8%	29.8%	
Reference	Property tax for the year 2012or 2011(¥ Thousands)	32,898	8,735	9,811	1,764,122
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	9,704	2,410	1,554	315,094
	Reference: Percentage of rental and other operating revenues	3.60%	3.55%	3.58%	3.47%
	Long-term repairs, maintenance and renovation				
Estimated amount of 1st yr to 12th yr (¥ Thousands)	82,330	39,160	134,540	13,313,703	
Reference: Amount of yearly avg.	6,860	3,263	11,211	1,109,475	

*Percentage are rounded to the first decimal place.

*Total: Cost-weighted average management period (days)

(Reference) Borrowings

Borrowings on a financial institution basis as of April 30, 2012 are as follows.

Classification	Lender	Drawdown Date	Balance at the End of Previous Period (¥Thousands)	Balance at the End of Period (¥Thousands)	Average Interest Rate (Note 1)	Last Repayment Date	Payment Method	Usage	Remarks
Short-Term Payable	Mitsubishi UFJ Trust and Banking Corporation	January 31, 2011	2,700,000	-	1.086	January 31, 2012	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	The Norinchukin Bank	April 18, 2011	1,500,000	-	1.380	November 30, 2011			
	Mitsubishi UFJ Trust and Banking Corporation	July 29, 2011	1,500,000	1,500,000	1.036	July 31, 2012			
	Aozora Bank, Ltd.	October 31, 2011	3,500,000	3,500,000	0.986	October 31, 2012			
	Mitsubishi UFJ Trust and Banking Corporation		1,000,000	1,000,000	0.986	October 31, 2012			
	Aozora Bank, Ltd.	December 26, 2011	-	4,000,000	0.911	October 31, 2012			
	Mitsubishi UFJ Trust and Banking Corporation		-	2,000,000	0.911	October 31, 2012			
	Sumitomo Mitsui Trust Bank, Limited		-	1,500,000	0.911	October 31, 2012			
	Mitsubishi UFJ Trust and Banking Corporation	January 31, 2012	-	1,200,000	0.836	January 31, 2013			
	Sub Total			10,200,000	14,700,000				
Current Portion of Long-Term Payable	The Norinchukin Bank	December 1, 2006	2,500,000	-	1.964	November 30, 2011	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	April 2, 2007	2,000,000	-	1.875	April 2, 2012			
	Sumitomo Mitsui Banking Corporation	January 10, 2008	2,500,000	-	1.503	January 10, 2012			
	Sumitomo Mitsui Banking Corporation	February 27, 2009	450,000	-	2.071	February 29, 2012	(Note 4)		
	Aozora Bank, Ltd.	April 30, 2009	1,500,000	-	2.236	April 27, 2012	Full on maturity		
	Resona Bank, Ltd.	June 30, 2008	1,500,000	1,500,000	2.150	June 30, 2012			
	Development Bank of Japan Inc.	February 27, 2009	900,000	880,000	2.040	August 31, 2012	(Note 5)		
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	October 29, 2010	2,500,000	2,500,000	1.450	October 31, 2012	Full on maturity		
	Resona Bank, Ltd. (Note 6)	December 8, 2009	500,000	500,000	1.671	December 8, 2012			
	Development Bank of Japan Inc. (Note 6)	June 30, 2008	3,000,000	3,000,000	2.263	December 28, 2012			
	Sumitomo Mitsui Trust Bank, Limited (Note 6)	January 13, 2010	1,000,000	1,000,000	1.901	January 15, 2013			
	Aozora Bank, Ltd. (Note 6)	February 18, 2010	1,500,000	1,500,000	1.899	February 18, 2013			
	Mitsubishi UFJ Trust and Banking Corporation (Note 6)	April 28, 2011	1,000,000	1,000,000	1.496	April 30, 2013			
	Sub Total			20,850,000	11,880,000				
Long-Term Payable	Development Bank of Japan Inc.	May 1, 2006	5,000,000	5,000,000	2.731	April 30, 2016	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Development Bank of Japan Inc.	September 1, 2006	3,000,000	3,000,000	2.124	August 31, 2013			
	Sumitomo Mitsui Banking Corporation	October 26, 2009	920,000	900,000	2.424	October 26, 2013	(Note 7)		
	Sumitomo Mitsui Banking Corporation	October 30, 2009	1,840,000	1,800,000	2.445	October 30, 2013	(Note 8)		
	Sumitomo Mitsui Banking Corporation	January 29, 2010	1,104,000	1,080,000	2.173	January 30, 2015	(Note 9)		
	Sumitomo Mitsui Banking Corporation	February 18, 2010	2,070,000	2,012,500	2.190	February 18, 2015	(Note10)		
	Development Bank of Japan Inc.		1,530,000	1,487,500	2.190	February 18, 2015			
	Sumitomo Mitsui Trust Bank, Limited		900,000	875,000	2.190	February 18, 2015			
	Aozora Bank, Ltd.	April 2, 2010	450,000	437,500	2.190	February 18, 2015	(Note11)		
	Sumitomo Mitsui Banking Corporation		1,850,000	1,800,000	2.220	April 2, 2015			
	Resona Bank, Ltd.	July 30, 2010	500,000	500,000	1.488	July 31, 2013	Full on maturity		
	Sumitomo Mitsui Trust Bank, Limited		3,700,000	3,700,000	1.660	January 31, 2014			
	Sumitomo Mitsui Banking Corporation		3,700,000	3,700,000	1.731	July 31, 2014			
	Resona Bank, Ltd.	October 29, 2010	500,000	500,000	1.463	October 31, 2013			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	November 12, 2010	1,500,000	1,500,000	1.584	November 12, 2013			
	Sumitomo Mitsui Trust Bank, Limited		800,000	800,000	1.584	November 12, 2013			
	Aozora Bank, Ltd.		400,000	400,000	1.584	November 12, 2013			
	Sumitomo Mitsui Banking Corporation		1,200,000	1,200,000	1.789	November 12, 2015			
	Resona Bank, Ltd.		800,000	800,000	1.789	November 12, 2015			
	Development Bank of Japan Inc.		2,300,000	2,300,000	2.023	November 12, 2017			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	December 1, 2010	500,000	500,000	1.445	November 12, 2013			
	Sumitomo Mitsui Trust Bank, Limited		200,000	200,000	1.445	November 12, 2013			
	Aozora Bank, Ltd.		100,000	100,000	1.445	November 12, 2013			
	Sumitomo Mitsui Banking Corporation		800,000	800,000	1.545	November 12, 2015			
	Resona Bank, Ltd.		200,000	200,000	1.545	November 12, 2015			
	Development Bank of Japan Inc.		700,000	700,000	2.206	November 12, 2017			
	Sumitomo Mitsui Banking Corporation	January 31, 2011	1,300,000	1,300,000	1.570	January 31, 2014			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		800,000	800,000	1.939	January 29, 2016			

Classification	Lender	Drawdown Date	Balance at the End of Previous Period (¥Thousands)	Balance at the End of Period (¥Thousands)	Average Interest Rate (Note 1)	Last Repayment Date	Payment Method	Usage	Remarks
Long-Term Payable	Aozora Bank, Ltd.	February 28, 2011	3,000,000	3,000,000	1.912	August 31, 2015	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		500,000	500,000	1.952	January 29, 2016			
	Sumitomo Mitsui Trust Bank, Limited	March 22, 2011	2,700,000	2,700,000	1.630	September 22, 2014			
	Aozora Bank, Ltd.	March 31, 2011	2,000,000	2,000,000	1.525	September 30, 2013			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		2,000,000	2,000,000	1.905	January 29, 2016			
	Resona Bank, Ltd.		1,000,000	1,000,000	1.386	March 31, 2016			
	Aozora Bank, Ltd.	April 28, 2011	1,500,000	1,500,000	1.859	October 31, 2015			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,000,000	1,000,000	1.886	January 29, 2016			
	Mitsubishi UFJ Trust and Banking Corporation	July 13, 2011	1,000,000	1,000,000	1.535	July 14, 2014			
	Sumitomo Mitsui Banking Corporation	July 29, 2011	2,200,000	2,200,000	1.136	July 31, 2014			
	Sumitomo Mitsui Trust Bank, Limited		1,000,000	1,000,000	1.136	July 31, 2014			
	Resona Bank, Ltd.		300,000	300,000	1.398	July 31, 2014			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	August 31, 2011	1,500,000	1,500,000	1.086	February 27, 2015			
	Sumitomo Mitsui Trust Bank, Limited	September 1, 2011	1,000,000	1,000,000	1.149	August 29, 2014			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	September 30, 2011	1,000,000	1,000,000	1.151	September 30, 2013			
	Sumitomo Mitsui Trust Bank, Limited		2,500,000	2,500,000	1.161	March 31, 2014			
	The Mizuho Trust and Banking Co., Limited		1,000,000	1,000,000	1.270	September 30, 2014			
	Sumitomo Mitsui Banking Corporation		2,500,000	2,500,000	1.289	March 31, 2015			
	Development Bank of Japan Inc.		-	2,500,000	1.239	October 31, 2014			
	Sumitomo Mitsui Banking Corporation	December 26, 2011	-	2,000,000	1.261	October 31, 2014			
	Resona Bank, Ltd.		-	2,000,000	1.261	October 31, 2014			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		-	1,000,000	1.261	October 31, 2014			
	Sumitomo Mitsui Banking Corporation		-	2,500,000	1.338	October 31, 2015			
	Development Bank of Japan Inc.		-	2,500,000	1.315	October 31, 2015			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		-	2,000,000	1.338	October 31, 2015			
	Sumitomo Mitsui Banking Corporation		-	2,500,000	1.439	October 31, 2016			
	Development Bank of Japan Inc.		-	2,500,000	1.415	October 31, 2016			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		-	2,000,000	1.439	October 31, 2016			
	Sumitomo Mitsui Banking Corporation		January 10, 2012	-	2,500,000	1.269			
	Mitsubishi UFJ Trust and Banking Corporation	January 31, 2012	-	1,500,000	1.190	January 30, 2015			
	Aozora Bank, Ltd.	March 12, 2012	-	2,250,000	0.979	March 12, 2014			
	Development Bank of Japan Inc.		-	1,800,000	0.979	March 12, 2014			
	Sumitomo Mitsui Banking Corporation		-	1,800,000	0.979	March 12, 2014			
	Sumitomo Mitsui Trust Bank, Limited		-	450,000	0.979	March 12, 2014			
	Mizuho Bank, Ltd.		-	1,000,000	1.075	March 12, 2015			
	The Bank of Fukuoka, Ltd.	March 28, 2012	-	500,000	1.364	March 28, 2017			
	Sumitomo Mitsui Banking Corporation		-	1,400,000	1.770	March 28, 2019			
	Development Bank of Japan Inc.		-	1,000,000	1.770	March 28, 2019			
	Sumitomo Mitsui Trust Bank, Limited	March 30, 2012	-	2,000,000	1.211	September 30, 2015			
	Aozora Bank, Ltd.	April 27, 2012	-	1,000,000	1.271	October 30, 2015			
	Sub Total		66,364,000	104,792,500					
	Total		97,414,000	131,372,500					

Notes:

- The average interest rate is the weighted-average interest rate for the fiscal period. The Investment Corporation entered into interest-rate swap transactions with the aim of minimizing the risk of future increase in interest rates. The effect of interest-rate swap transactions has been incorporated into calculations for the weighted-average interest rate.
- Funds procured through borrowings were used to acquire real estate or trust beneficiary interests in real estate and to repay borrowings.
- The Investment Corporation undertook prepayment on March 30, 2012.
- Repayment Method: August 31, 2009 to August 31, 2011: repayment of 10,000 thousand yen every 6 months, and February 29, 2012: repayment of 450,000 thousand yen
- Repayment Method: August 31, 2009 to February 29, 2012: repayment of 20,000 thousand yen every 6 months, and August 31, 2012: repayment of 880,000 thousand yen
- Borrowings listed in the current portion of long-term payable were listed in long-term payable in the previous fiscal period.
- Repayment Method: February 26, 2010 to August 31, 2013: repayment of 20,000 thousand yen every 6 months, and October 26, 2013: repayment of 840,000 thousand yen
- Repayment Method: January 29, 2010 to July 31, 2013: repayment of 40,000 thousand yen every 6 months, and October 30, 2013: repayment of 1,680,000 thousand yen
- Repayment Method: April 30, 2010 to October 31, 2014: repayment of 24,000 thousand yen every 6 months, and January 30, 2015: repayment of 960,000 thousand yen
- Repayment Method: February 26, 2010 to August 31, 2014: repayment of 137,500 thousand yen every 6 months, and February 18, 2015: repayment of 4,125,000 thousand yen
- Repayment Method: August 31, 2010 to February 28, 2015: repayment of 50,000 thousand yen every 6 months, and April 2, 2015: repayment of 1,500,000 thousand yen