

Kenedix Realty Investment Corporation

10th Period Results (Ended April 2010)

p19,20,22: updated financial related data

p29: updated "Reporting of major unitholders"

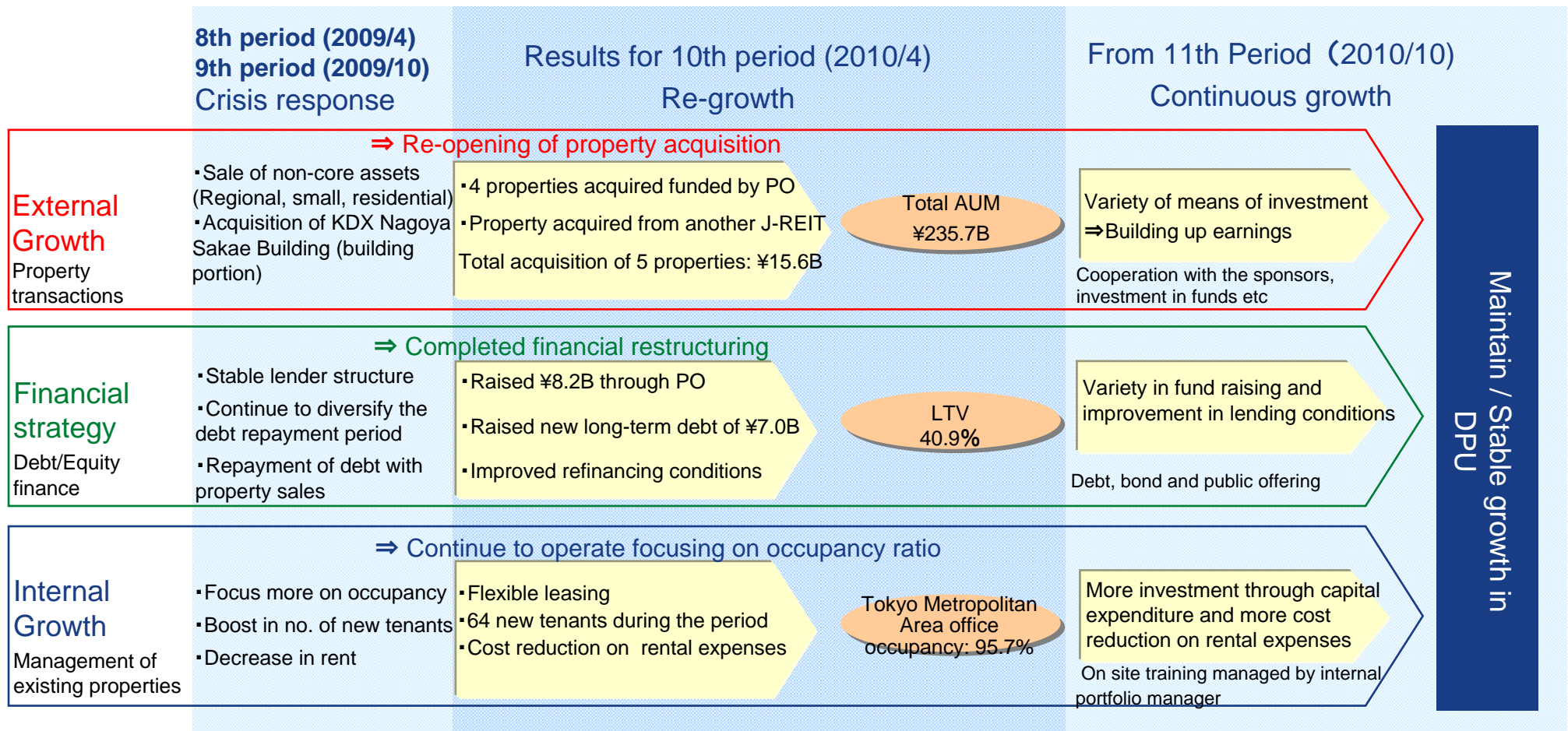
August 2010

Kenedix REIT Management, Inc.

<http://www.kdx-reit.com/eng/>

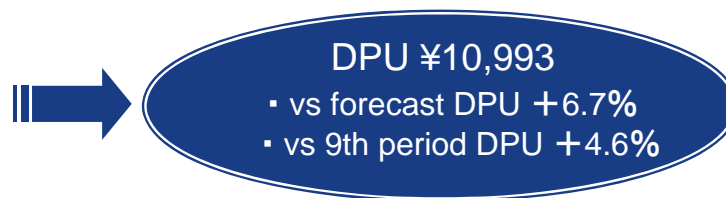


Flexible management taking market environment into consideration: Highlights from the 10th period results(2010/4)



Maintain / Stable growth in DPU

Half a step ahead management taking real estate market environment into consideration



SECTION 1

10th Period Results (Ended Apr. 2010)
11th Period Forecasts (to Oct. 2010)



10th period (2010/4) financial results—Performance highlights

Performance				
	9th period results (2009/10)	10th period results (2010/4)	Difference from 9th to 10th period	Notes
Operating revenues	7,921	8,067	+146	Reference ①
Profit/loss from property sale	-440	0	+440	9th Period: Sales of 2 residential properties
Rental business expenses	3,652	3,714	+62	Reference ②
Depreciation	1,451	1,477	+26	-
Operating income	3,213	3,738	+525	+16.3%
Non-operating expenses	1,116	1,185	+69	Interest expense +25 Financing related expenses +62
Net income	2,102	2,567	+465	+22.1%
NOI (Net Operating Income)	5,721	5,830	+109	Reference ③
FFO (Funds From Operation)	3,994	4,044	+50	-
Number of units outstanding	200,000	233,550	+33,550	issued 33,550 units in Nov. 2009
Distribution per unit	¥10,511	¥10,993	+¥482	+4.6%

Comparison between 9th and 10th period (Main factors)

	10th period 5 property acquisitions	9th period 2 property sales	Properties owned	Total
① Operating revenues	+436	-32	-258	+146 (+1.8%)
② Rental business expenses (※)	+80	-10	-33	+37 (+1.7%)
③ NOI	+355	-22	-225	+109 (+1.9%)

※Excluding depreciation

Comparison between forecasts and 10th period results

	Forecast (2009/12/14)	Results	Difference from forecast	Main factors
Operating revenues	7,965	8,067	+102	Acquisition of Pacific Marks Nishi-Shinjuku (+110)
Operating expenses	4,443	4,329	-114	Reference④
Operating results	3,521	3,738	+217	+6.2%
Non-operating expenses	1,118	1,185	+67	¥7B new syndicate loan
Interest expenses	1,071	1,142	+71	(Same as above)
Net income	2,407	2,567	+160	+6.6%
Distribution per unit	¥10,300	¥10,993	+¥693	+6.7%

Comparison between forecasts and 10th period results (Main factors)

④ Operating expenses	-¥114M
• Decrease in utility costs	-56
• Decrease in leasing costs	-80
• Increase in management commission expense, repair cost, tax and depreciation	+55
• Decrease in S&GA costs	-40

11th period (2010/10) earnings forecasts

Forecasts for 11 th period (2010/10)				(¥M)
	10th period results (2010/4)	11th period forecasts (2010/10)	Net change	Main factors
Operating revenues	8,067	8,199	+132	<ul style="list-style-type: none"> Full revenues contribution from 5 properties acquired in the 10th period Revenue decline for properties owned at the end of 9th period
Operating expenses	4,329	4,519	+190	<ul style="list-style-type: none"> Increase in utility costs, repair costs Full expenses contribution from 5 properties acquired in the 10th period
Rental business expenses (excl. depreciation)	2,237	2,392	+155	—
Depreciation	1,477	1,443	-34	—
Operating profit	3,738	3,679	-59	—
Non-operating expenses	1,185	1,253	+68	—
Interest expense, etc	1,142	1,219	+77	<ul style="list-style-type: none"> Increase in interest from the ¥7B new syndicate loan formed in 10th period Rise in cost of debt from refinancing
Ordinary income	2,568	2,431	-137	—
Net income	2,567	2,430	-137	—
No. of units outstanding	233,550 units	233,550 units	-	—
Distribution per unit (¥)	¥10,993	¥10,400	-¥593	
NOI *	5,830	5,806	-24	
FFO *	4,044	3,874	-170	
Reference) Profit/loss from property sale	-	-	—	—
(Reference) Changes in the no. of properties	65→70 properties	70 properties	—	—
(Reference) Sale / acquisition of properties	Acquisition of 5 office buildings	-	—	—

(Reference) Forecast for property tax

11th period (2010/10) ¥611M

12th period (2011/ 4) ¥631M

Note: Forecast figures are calculated based on certain assumptions. Readers are advised that actual net income and distributions may vary due to variety of reasons. Accordingly, the Investment Corporation does not guarantee payment of the forecast distribution.

* NOI = Rental revenues – property-related expenses + Depreciation

* FFO = (Net income + Depreciation) - Profit/loss from property sale

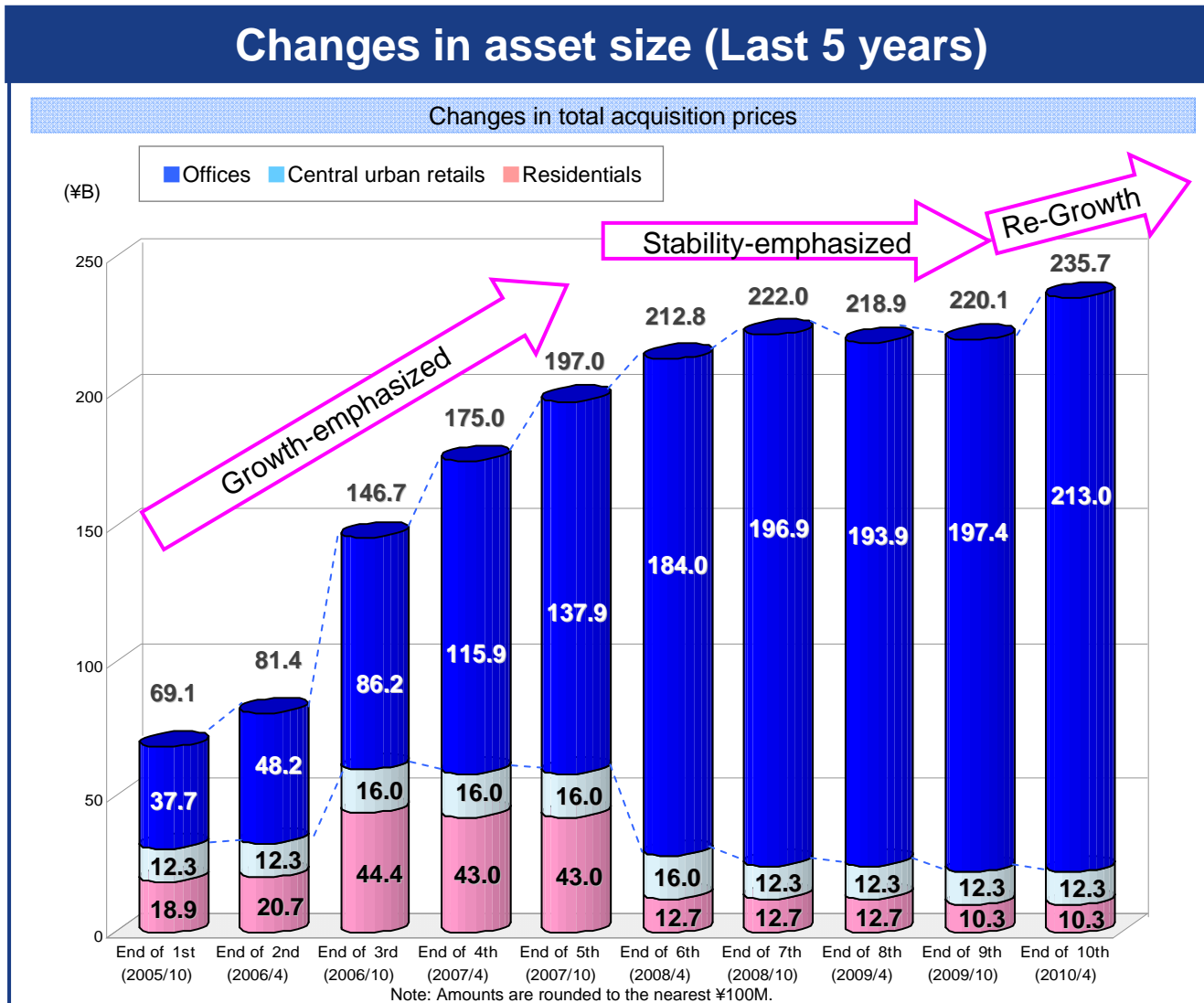
SECTION 2

Portfolio that Focuses on Office Buildings



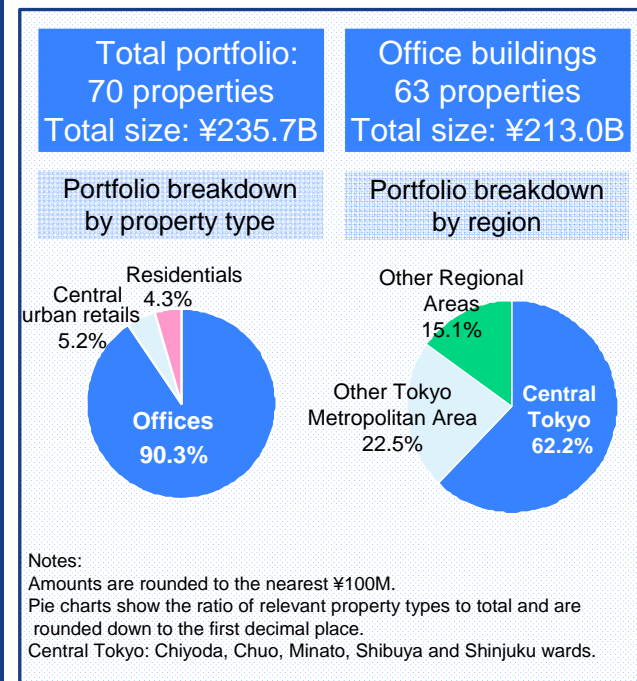
Portfolio that focuses on office buildings: Moving on to the second stage of growth

Changes in asset size (Last 5 years)



Target Portfolio:
Portfolio consisting of
¥400B/ 100 properties
focusing mainly on office
buildings

Portfolio as of June 14, 2010



Stable growth from acquisition of properties :Result for the 10th period (2010/4)

Tokyo Metropolitan Area / mid-sized office buildings:
Acquisition of 5 properties

Re-opening of property market

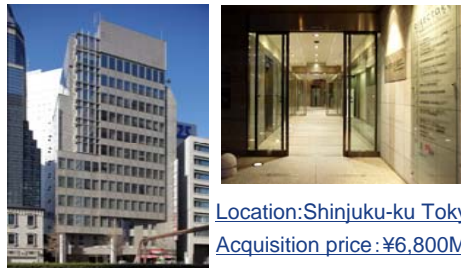
Acquisition of 4 properties funded by public offering
2009/11-2009/12 Total Acquisition price ¥8.8B



Location: Bunkyo-ku, Tokyo	Shinagawa-ku, Tokyo	Chuo-ku, Tokyo	Yokohama, Kanagawa
Acquisition Price: ¥3,080M	¥2,620M	¥2,010M	¥1,100M

Acquisition from other J-REITs

Acquisition of property funded by new borrowings with 5yr maturity
2010/2 Acquisition price ¥6.8B



Location: Shinjuku-ku Tokyo
Acquisition price: ¥6,800M

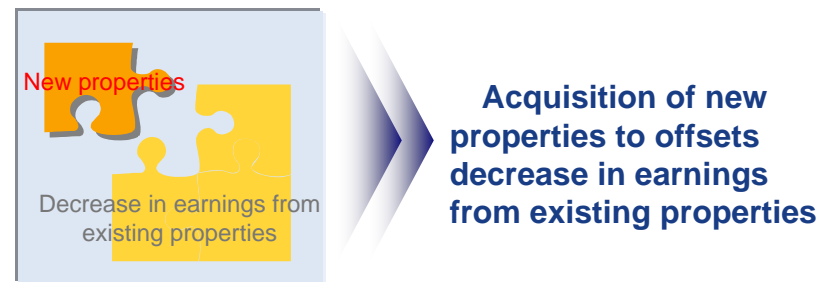
Pacific Marks Nishi-Shinjuku



Comparison of newly acquired properties (Office buildings)		
	End of 9 th period (2009/10)	Properties acquired in 10 th period (2010/4)
Total acquisition price	¥197.4B	¥15.6B
No. of properties	58 properties	5 properties
Average acquisition price	¥3.40B	¥3.12B
Location	Tokyo Metropolitan Area 83.7% Other Regional Areas 16.3%	Tokyo Metropolitan Area 100%
Average property age	20.8 yrs	15.6 yrs
Unrealized gain/loss (%)	-9.8%	+7.1%
NOI yield (2010/4)	5.1%	6.0%

Note: Average property age is the weighted average based on acquisition price. Unrealized gain/losses are based on the difference between the book value and appraisal value as of end of 10th period. NOI yield of properties acquired in the 10th period are calculated based on after property tax NOI (Amounts are rounded to the first decimal place)

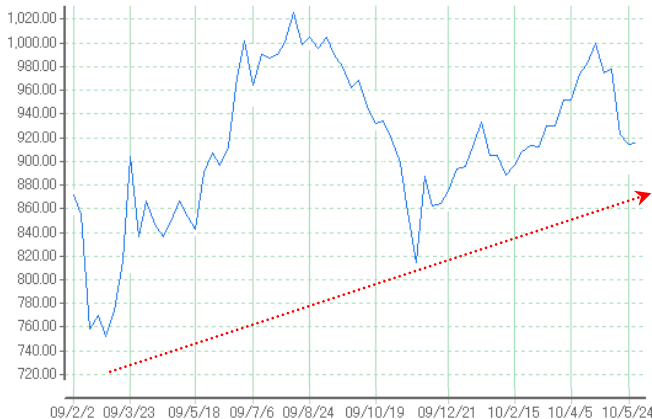
External Growth drives stable DPU



Half a step ahead acquisition of properties
improving the quality of the property portfolio

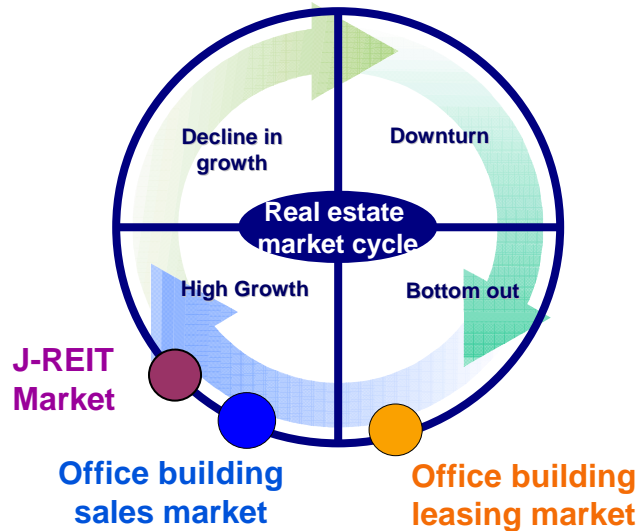
Stable growth of property market

Change of TSE REIT Index

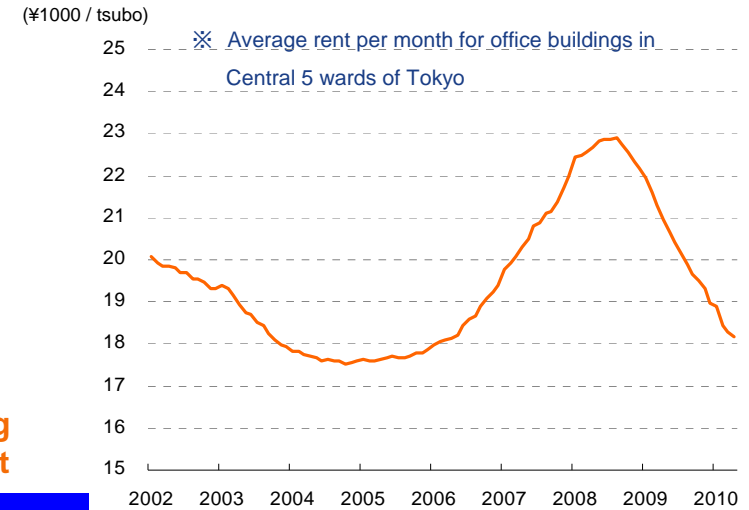


Source: Tokyo Stock Exchange
(Feb. 1, 2009 – May 31, 2010)

Market Cycle



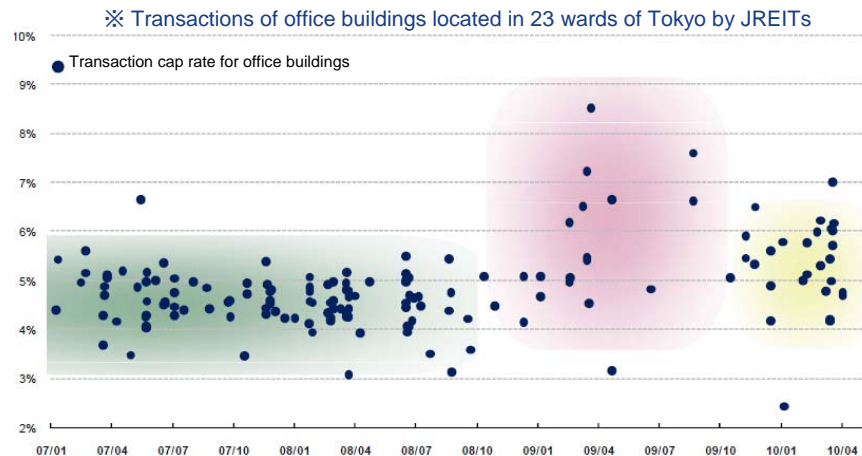
Change in office rent



Note: Office buildings with standard floor larger than 100 tsubo in Central 5 wards of Tokyo (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards)

Source: Miki Shoji Co., Ltd (As of April 2010)

Transaction of office buildings by J-REITs



- Moderation in transaction cap rate of office building shows stabilization in property price
- Investor motivation to invest in real estate shows recovery since the 2nd half of 2009.

Note: (1) Cap Rate of sales = Latest actual NOI/Sales value, Cap Rate of purchase = Appraisal NCF/Appraisal value
Source: Prepared by K DAM based on company filings from J-REITs

Future acquisition strategy: Variety in means of investment

Evolution of various pipeline

Taking advantage of early re-entering to the property acquisition market in 2009

- Strengthening relationship with Sponsor related parties (ITOCHU Corporation and MAX REALTY)
- Expanding/deepening the original source of information (Other J-REITs, private funds and lenders)

Support from sponsors

Kenedix, Inc.

Kenedix Advisors

Channels to strengthen

Sponsor related parties

ITOCHU Corporation

 MAX REALTY

Original source of information

- Other J-REITs
- Exit for private funds
- Loan lenders
- Corporates

Diversify the means and targets of investment

In addition to mid-sized office buildings in Tokyo Metropolitan Area, below are our targets of investment;

- Acquisition of multiple properties such as bulk sale
- Investment in regional properties focusing on location/ profitability
- Investment in tokumei-kumiai(Note) for future acquisition (Joint investment with sponsors)

Property

Debt

 Equity

Jointly investing in equity to secure quality assets
(Investment in tokumei-kumiai (Note) / Preferred shares)

+

Sponsors + others

Investment →

Replacing portfolio properties

Acquisition of mid-sized office buildings with sale of existing properties

- Priorities in properties to be disposed
 - Central urban retail properties
 - Residential properties
- Consider disposition of office buildings based on property features and sales conditions

Improvement in quality of the portfolio

Note: Japanese silent partnership

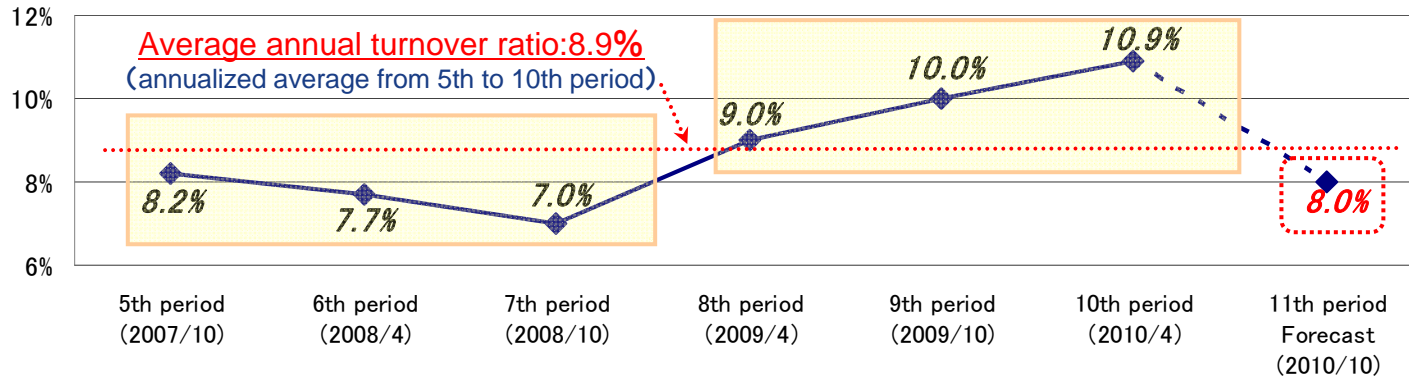
SECTION 3

Management of Existing Properties



Management of existing properties— Trend of turnover and occupancy ratios for office buildings

Annualized turnover ratios for office buildings (actual or forecasted)



Note: 11th period (2010/10) is a forecast based on prior cancellation notice received as of 2010/5

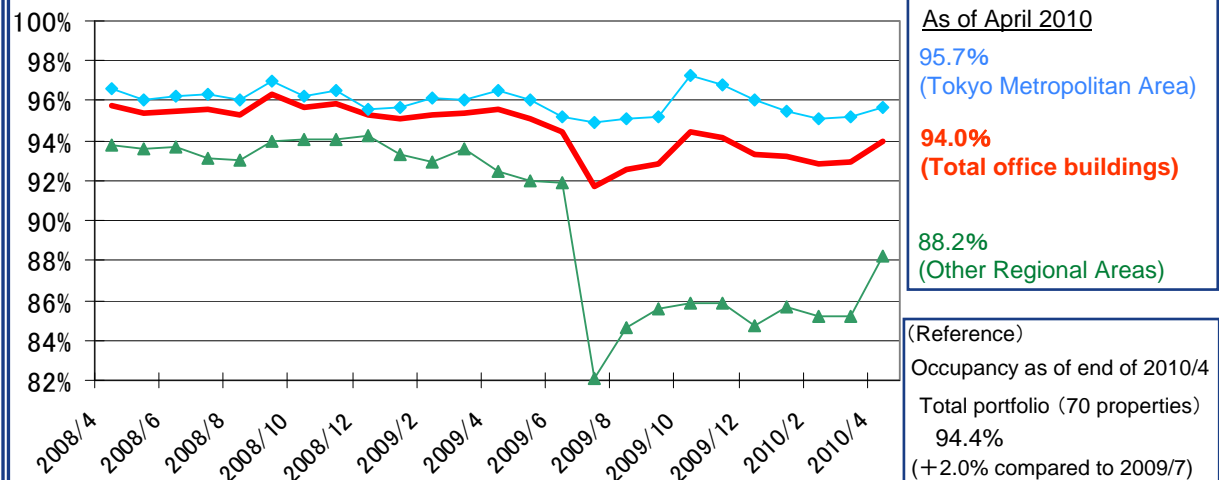
Average vacancy period for office buildings

(in months)	8th Period (2009/4)	9th Period (2009/10)	10th Period (2010/4)
Tokyo Metropolitan Area	4.9 months	6.3 months	6.5 months
Other Regional Areas	10.6 months	11.1 months	12.7 months

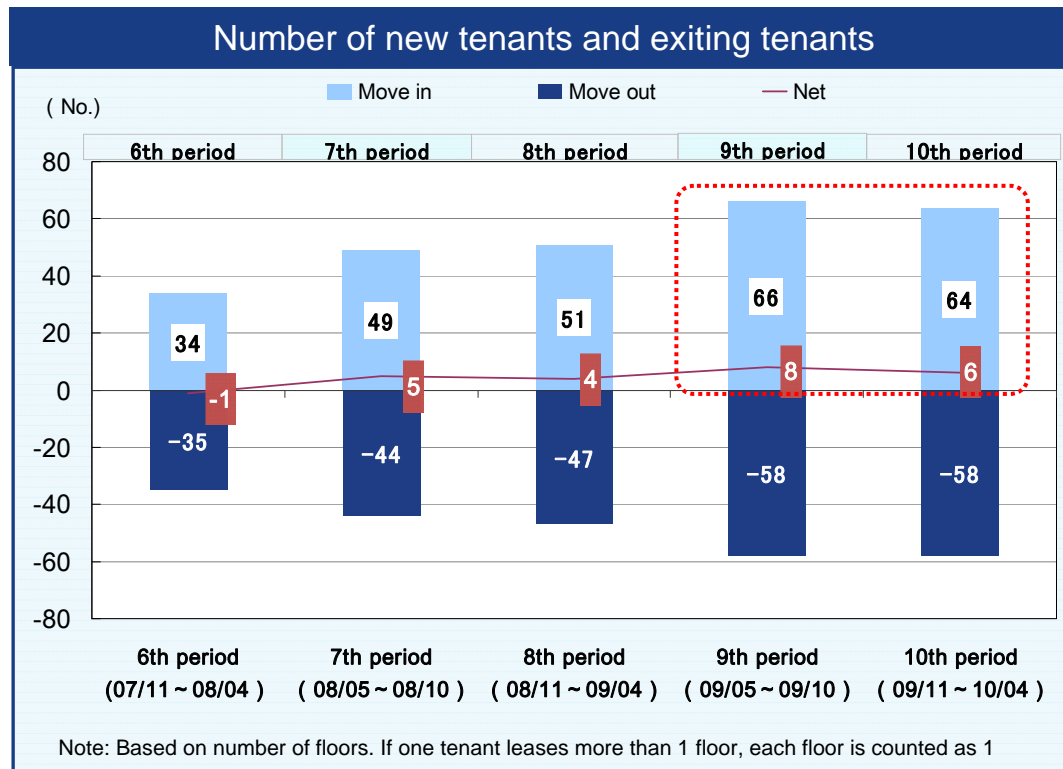
Notes:

- Average (of each floor) based on number of contracts
- Floors (offices on 2F or above) covered by the survey are:
 - Vacant at start of period, but acquired new tenants during the relevant period
 - Continuously vacant from start to end of period
 - Cancelled during but managed to acquire new tenants during the relevant period

Changes in occupancy ratio for office buildings (by region)



Management of existing properties—Status of new tenants and existing tenants



(Reference)
Main reasons for new tenants moving in to office buildings

	6th period (2008/04)	7th period (2008/10)	8th period (2009/4)	9th period (2009/10)	10th period (2010/4)
Expand office space	16	15	19	26	40
Reduce office space	2	3	12	17	14
Others/Unknown	8	7	2	12	3

Note: Survey targeting mainly tenants leasing floors above 2nd floor

(Reference)
Main reasons for tenants to moving out of office buildings

	6th period (2008/04)	7th period (2008/10)	8th period (2009/4)	9th period (2009/10)	10th period (2010/4)	11th period Forecast (2010/10)
Expand office space	2	3	4	2	4	7
Reduce office space	17	23	33	44	47	31
Others/Unknown	11	7	6	6	4	3

Note: Excluding floors for residential use

Deposit	Industries	No. of tenants	(%)
Average deposit amount is equivalent to 11.2 months rent	Service	28	43.8
	Food/retail	15	23.4
	Industrial	5	7.8
	Real estate	4	6.3
	Individual	4	6.3
	Construction	3	4.7
	Financial/insurance	3	4.7
	Transportation/Telecom	2	3.1
	Total	64	100.0

Result of the past year (9th and 10th period)
9 tenants with unpaid rent of more than 2 months

Management of existing properties— Rent level of office buildings

New rents

No. of increase/decrease in rent and average change in rent

		6th period (2008/04)	7th period (2008/10)	8th period (2009/4)	9th period (2009/10)	10th period (2010/4)
Central Tokyo (5 wards)	Changes	35.3%	13.5%	0.0%	-19.3%	-22.8%
	Increase in rent	7	8	8	0	0
	Decrease in rent	0	0	9	17	16
Other Tokyo Metropolitan Area	Changes	15.0%	5.8%	-1.8%	-8.4%	-15.5%
	Increase in rent	4	5	4	3	1
	Decrease in rent	1	2	6	15	11
Other Regional Areas	Changes	7.1%	-5.1%	-7.7%	-16.4%	-15.0%
	Increase in rent	8	3	4	2	6
	Decrease in rent	4	7	7	11	18
Total of Office Buildings	Changes	17.0%	3.9%	-2.7%	-14.4%	-17.5%
	Increase in rent	19	16	16	5	7
	Decrease in rent	5	9	22	43	45

Notes:

Ratio represent the simple average changes between the average monthly rents for existing tenants and the average rents for new contracts for respective periods.

Based on floors used for offices (above 2nd floor), excluding newly acquired building during the period

Renewed rents

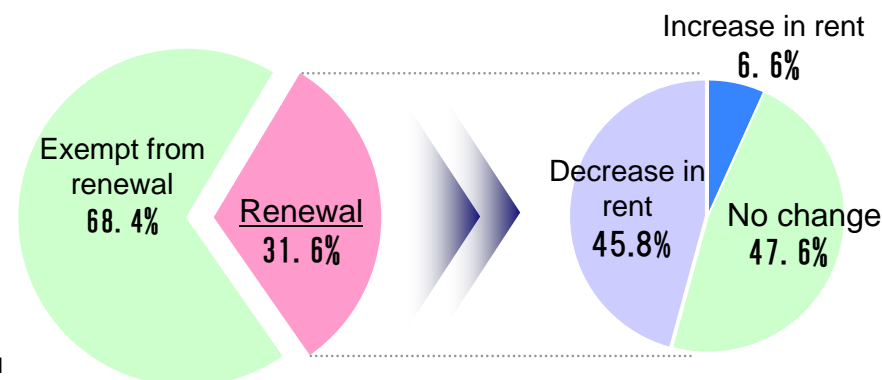
Status of renewed rent (No. of rents changed, % change)

	6th period (2008/04)	7th period (2008/10)	8th period (2009/4)	9th period (2009/10)	10th period (2010/4)
Increase in rent	60	42	12	6	4
Decrease in rent	—	—	14	30	63
Change(%)	7.5%	10.3%	-2.7%	-5.7%	-9.0%

Note:

Changes in rent for tenants that renewed their contracts with rents increased/decreased. Changes are the difference between the rent 1 month prior to the renewal and the renewed rent. Tenants without rent increase/decrease are not included

Status of renewed rents during 10th period (2010/4)



Note:

Any renewed contracts, including contracts extended before the expiration date. Ratio calculated by leased floor area.

Management of existing properties—Rent and tenants of office buildings

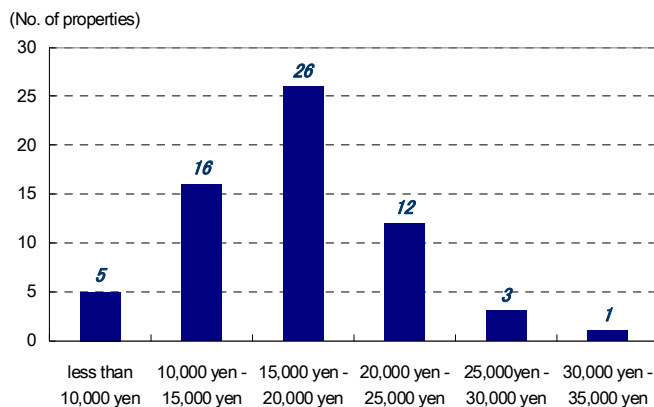
Average rent

Average rent for office buildings

(Monthly rent per tsubo,)	End of 7 th period (2008/10)	End of 8 th period (2009/4)	End of 9 th period (2009/10)	End of 10 th period (2010/4)	Changes compared with 2009/4
Central Tokyo (5 wards)	¥20,500	¥20,400	¥20,200	¥19,600	-3.9%
Other Tokyo Metropolitan Area	¥14,400	¥14,300	¥14,100	¥13,800	-3.5%
Other Regional Areas	¥11,100	¥11,000	¥10,700	¥10,400	-5.5%
Total office buildings	¥17,600	¥17,500	¥17,300	¥16,800	-4.0%

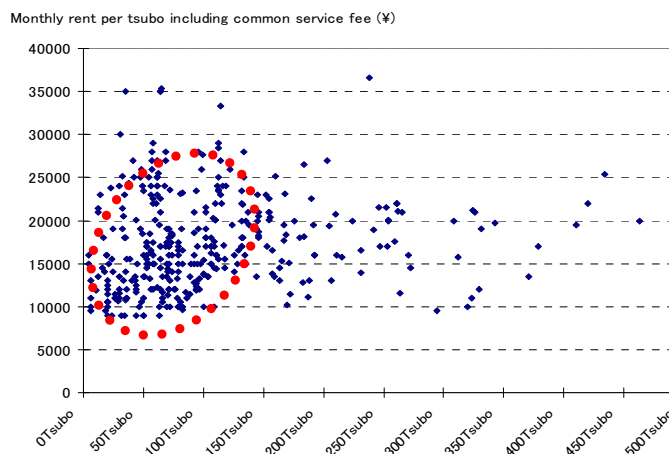
Note: Average rent for offices mainly above 2nd floor of 57 properties owned as of end of 9th period, excluding KDX Nagoya Sakae Building. Average monthly rent of each property is total monthly rent divided by the total leased floor area, rounded down to the nearest ¥1M

No. of properties by rent (As of end of 10th period)



Note: Average monthly rent (per tsubo) is total monthly rent (including common area charges) for offices mainly above 2nd floor divided by total leased area

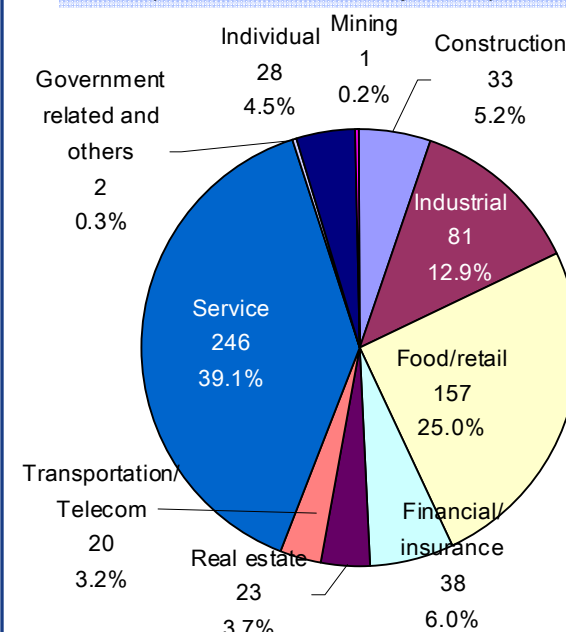
Distribution of tenants in Tokyo Metropolitan Area (As of end of 10th period)



Note: No. of tenants for offices in Tokyo Metropolitan Area: 380
Above chart excludes 13 tenants with leased area more than 500 tsubo

End tenants of office buildings

Variety of tenants (As of end of 10th period)



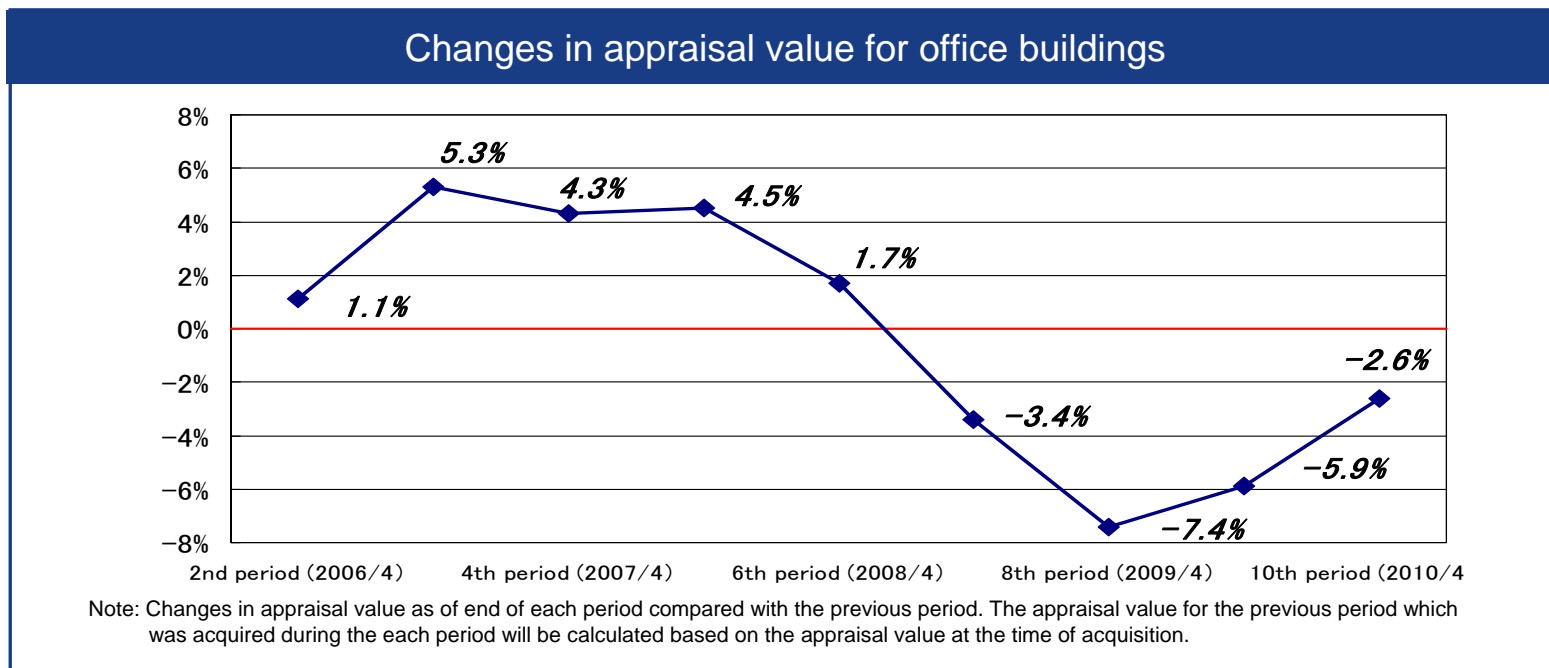
No. of end tenants (No. of properties) **629 (63)**

Ratio of largest end tenant **2.0%**

Ratio of top 3 end tenants **5.2%**

Note: The ratio of top-end tenants within the entire portfolio (based on leased area)

Appraisal profit/loss of office buildings at the end of 10th period



Change in cap rates (based on appraisal value)

Cap rate	→ End of 8th period (2009/4)	→ End of 9th period (2009/10)	→ End of 10th period (2010/4)
Increase	54	37	1
No change	3	20	55
Decrease	0	0	1

Change in cash flow (based on appraisal value)

CF (based on forecasted rent)	→ End of 8th period (2009/4)	→ End of 9th period (2009/10)	→ End of 10th period (2010/4)
Increase	3	0	0
No change	13	18	27
Decrease	41	39	30

Change in appraisal value at each period end

Change in appraisal value	→ End of 8th period (2009/4)	→ End of 9th period (2009/10)	→ End of 10th period (2010/4)
Increase	0	1	5
No change	0	2	10
Decrease	57	54	42

Target : 57 office buildings owned since 7th period (2008/10) to 10th period (2010/4)

Management of existing properties—continuing management based on customer satisfaction strategy

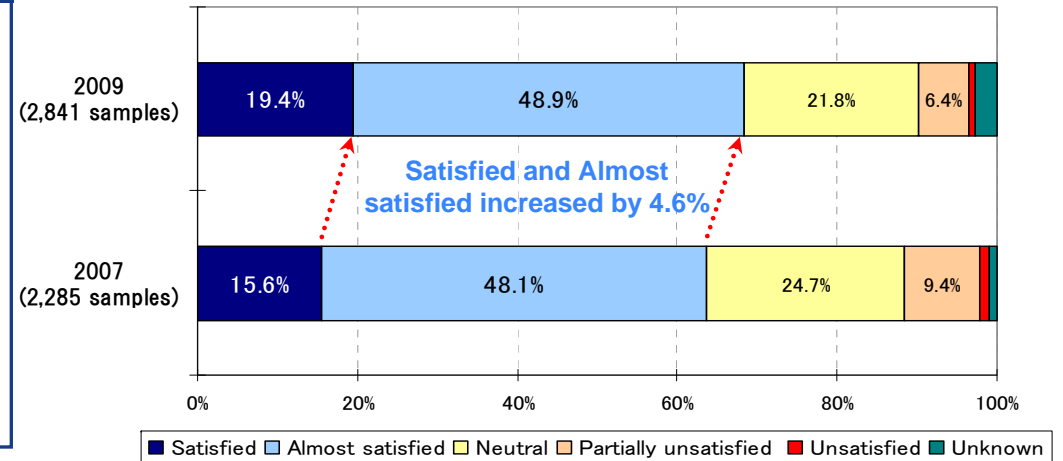
Details of the customer satisfaction survey

- Conducted a survey to tenants of the building with J.D.Power Asia Pacific
- Wide range of questions regarding buildings and equipments as well as management and operations

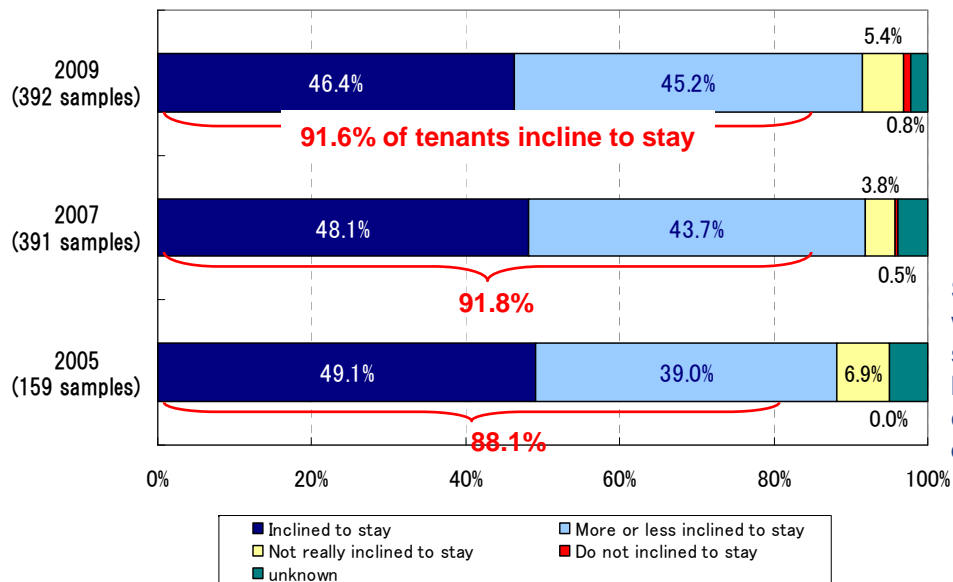
	1st	2nd	3rd
Survey Conducted	Dec. 2005 (2nd period)	Jul. 2007 (5th period)	Jul. 2009 (9th period)
No. properties ^(note1)	20 properties	44 properties	58 properties

Notes: Including 1 central urban retail property

Changes in total satisfaction rate (The questionnaire directed at General Affairs officer and employee)



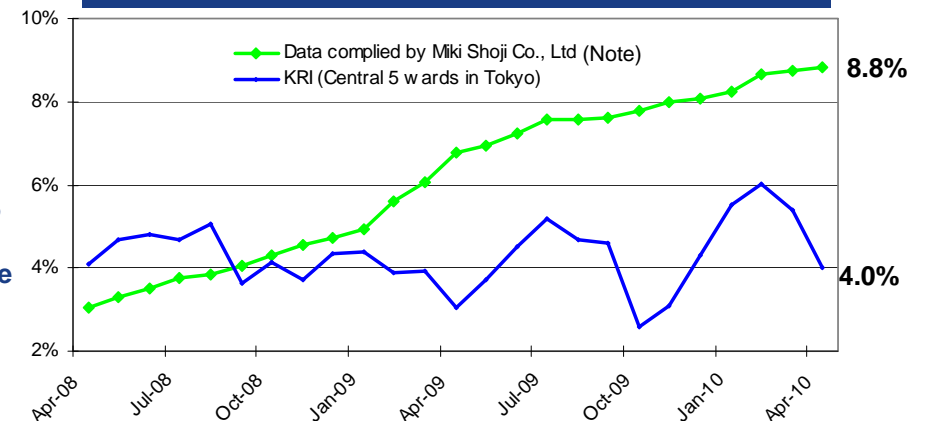
Customer satisfaction survey for Changes in tenants inclined to stay in the same building



➔ **Stability in tenants who are inclined to stay in the same building despite the declining market environment**

Continuing to focus on tenant's satisfaction

Comparison with the vacancy ratio



Note: Average vacancy ratio of Central 5 wards in Tokyo (Chiyoda, Chuo, Minato, Shinjuku, Shibuya). Source: Created by KDRM based on the data compiled by Miki Shoji Co., Ltd.

SECTION 4

Financial Strategies



Stable financial management : Prolonged borrowing period and diversified maturities

10th period (Apr.2010) results of refinancing

Lender	Amount	Drawdown date	Maturity (Original)	Maturity (renewed)
Resona Bank	¥0.5B	2009/12/8	1yr	⇒ 3yrs
Chuo Mitsui Trust and Banking	¥1.0B	2010/1/13	1yr	⇒ 3yrs
Mitsubishi UFJ Trust and Banking	¥1.3B	2010/1/29	1.5yrs	1yr
Sumitomo Mitsui Banking Corporation	¥1.2B	2010/1/29	1.5yrs	⇒ 5yrs
Bank of Tokyo-Mitsubishi UFJ	¥0.5B	2010/2/26	1yr	1yr
Sumitomo Mitsui Banking Corporation	¥2.0B	2010/4/2	3yrs	⇒ 5yrs
Bank of Tokyo-Mitsubishi UFJ	¥1.0B	2010/4/30	1yr	1yr
Mitsubishi UFJ Trust and Banking	¥1.0B	2010/4/30	1yr	1yr
Total	¥8.5B			

10th period (Apr. 2010) results of new borrowings

Lender	Amount	Drawdown date	Maturity
Aozora Bank	¥1.5B	2010/2/18	3yrs
Sumitomo Mitsui Banking Corporation	¥2.3B	2010/2/18	5yrs
Development Bank of Japan	¥1.7B		
Chuo Mitsui Trust and Banking	¥1.0B		
Aozora Bank	¥0.5B		
Total	¥7.0B		

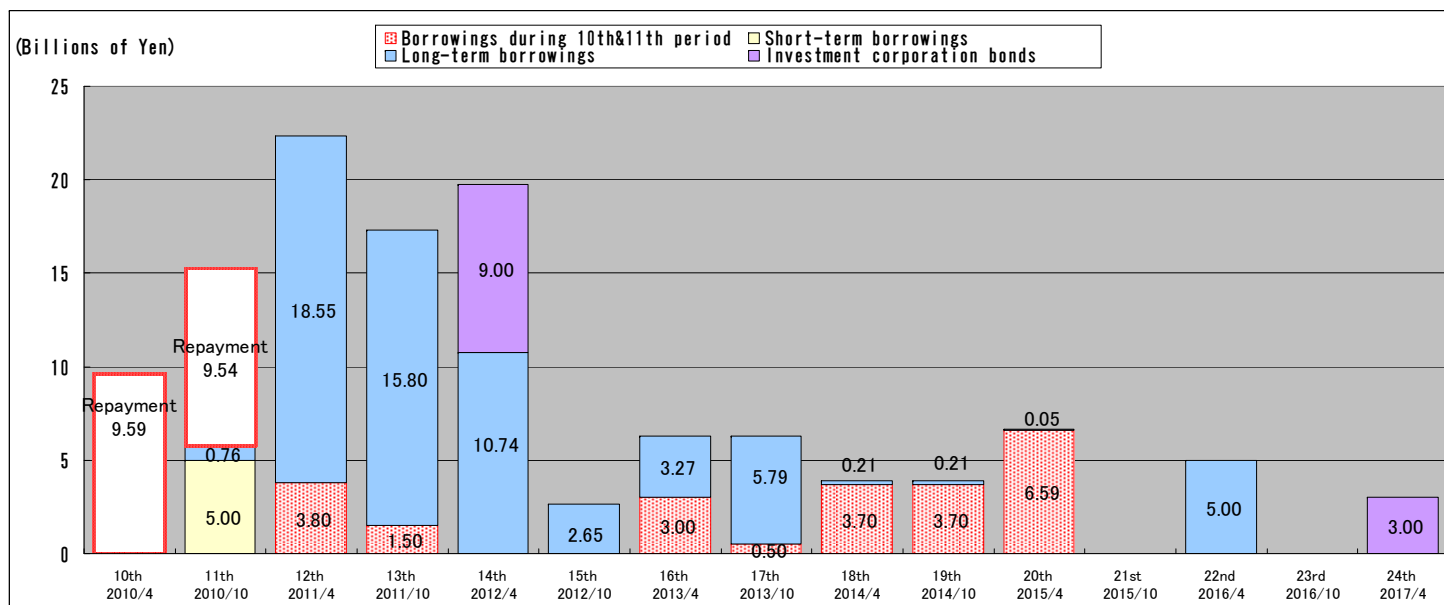
Diversification of debt maturities (as of July 31, 2010)

Prolong borrowing period

10th period Avg. borrowing period: 3.6 yrs

(reference) 8th period (Apr. 2009) 1.8 yrs

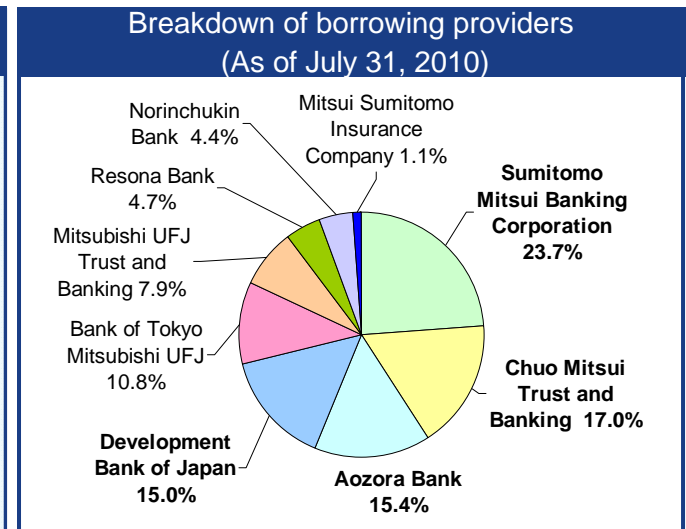
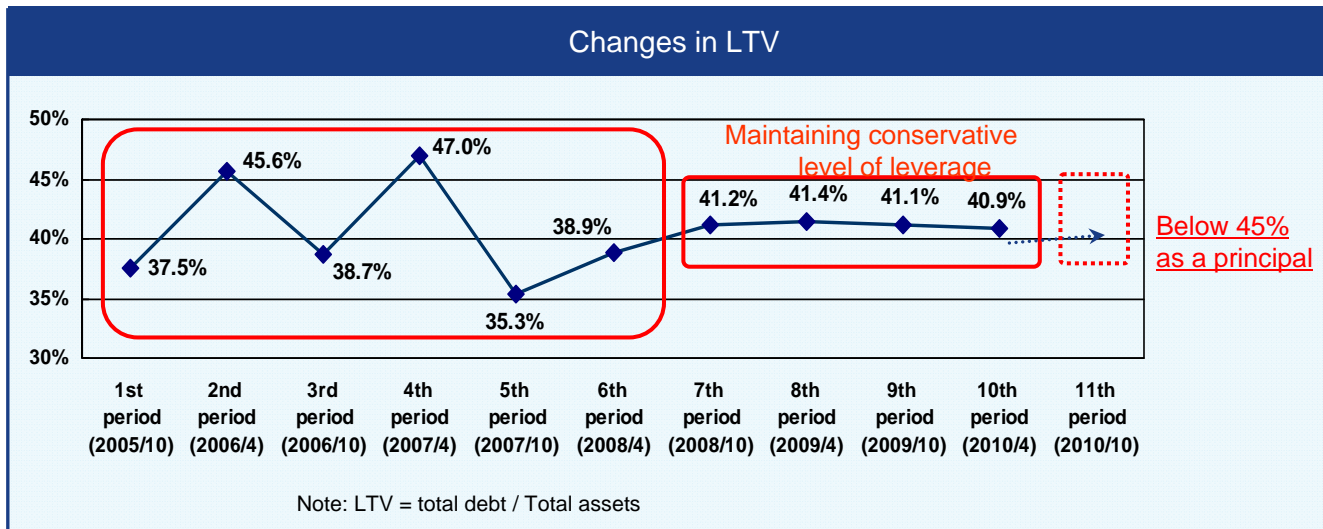
Note: Weighted-average borrowing period based on interest rate from the drawdown date to last repayment date



Note1: Shows debt amounts that mature in each period (rounded to the second decimal place)

Note2: Balance of borrowings undertaken during 10th period (2010/4) (excluding dividend repayment amount based on the agreement)

Stable financial management : Conservative LTV management and diversification of funding sources



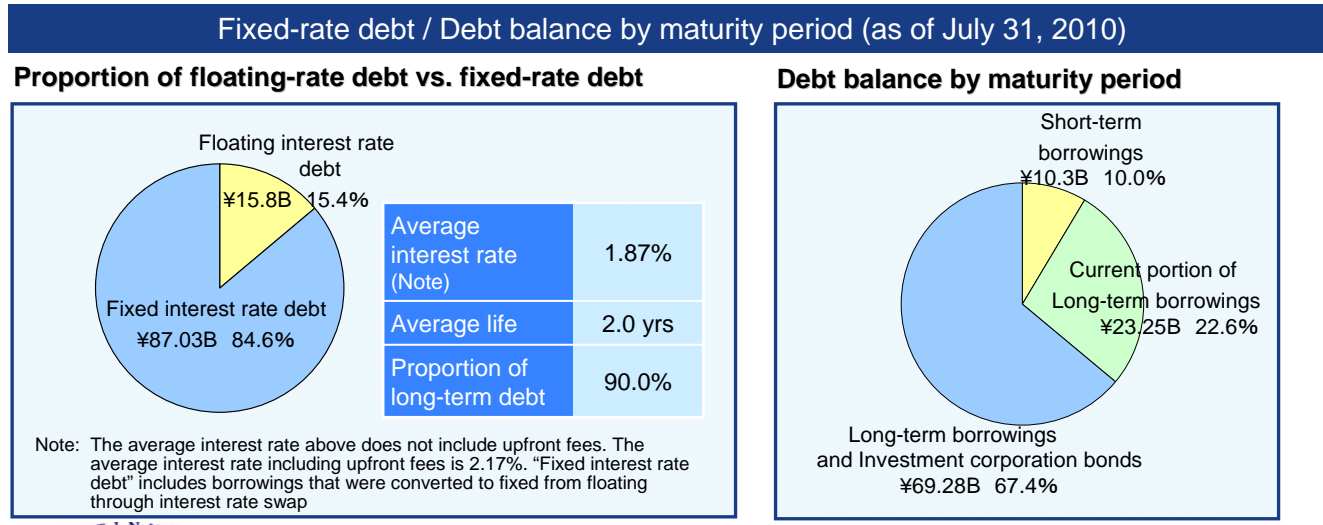
We aim to increase our revenue through property acquisition by diversifying our financing method such as long-term debt, asset backed loans, investment corporation bonds and public offering. As a principal, we aim to keep LTV level below 45%, however, we allow LTV to rise to high 40% level with debt financing for property acquisition

Credit ratings and Investment corporation bonds (As of July 31, 2010)

Rating agency	Rating
Japan Credit Rating Agency (JCR)	A (Stable)

Bonds	Size	Interest rate	Maturity	Maturity date
1st Bond	¥9.0B	1.74%	5yrs	2012/3/15
2nd Bond	¥3.0B	2.37%	10yrs	2017/3/15

We requested Moody's to withdraw its rating on June 14, 2010, and Moody's has withdrawn the issuer rating on June 18, 2010.



Shelf registration for fund raising

Summary of shelf registration	Investment corporation bond	Investment unit certificate	
		Primary	Secondary
Planned issue amount	¥100B	¥100B	¥15B
Planned issuance period	2 yrs from Feb. 2009	2 yrs from May 2009	2 yrs from May 2009

Appendix



Stable financial management : Borrowing list

Borrowing list (as of July 31, 2010)

	Lender	Balance (¥M)	Drawdown date	Last repayment date	
Short-term Borrowings	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,500	2009/10/26	2010/10/26	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.(2,500), Mitsubishi UFJ Trust and Banking Corporation(1,000)	3,500	2009/10/30	2010/10/29	
	Mitsubishi UFJ Trust and Banking Corporation	1,300	2010/1/29	2011/1/31	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500	2010/2/26	2011/2/28	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.(1,000), Mitsubishi UFJ Trust and Banking Corporation(1,000)	2,000	2010/4/30	2011/4/28	
	Mitsubishi UFJ Trust and Banking Corporation	1,500	2010/7/30	2011/7/31	
Total Short-term Borrowings		10,300			
Current portion of Long-term Borrowings	Resona Bank, Ltd.	500	2008/10/31	2010/10/29	
	Sumitomo Mitsui Banking Corporation(1,300), Mitsubishi UFJ Trust and Banking Corporation(1,400), The Bank of Tokyo-Mitsubishi UFJ, Ltd.(800)	3,500	2008/7/31	2011/1/31	
	Aozora Bank, Ltd.	2,000	2008/2/29	2011/2/28	
	Aozora Bank, Ltd.	1,000	2008/6/30	2011/2/28	
	The Chuo Mitsui Trust and Banking Co., Ltd.	1,250	2008/9/22	2011/3/22	
	Aozora Bank, Ltd.	2,000	2008/7/15	2011/3/31	
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000	2008/9/30	2011/3/31	
	The Norinchukin Bank	1,500	2007/4/17	2011/4/18	
	Aozora Bank, Ltd.(1,500), Mitsui Sumitomo Insurance Co., Ltd.(1,000)	2,500	2006/5/1	2011/4/28	
	The Chuo Mitsui Trust and Banking Co., Ltd.(1,500), Resona Bank, Ltd.(1,000)	2,500	2009/4/30	2011/4/28	
	Mitsubishi UFJ Trust and Banking Corporation	1,000	2006/7/14	2011/7/13	
	Sumitomo Mitsui Banking Corporation(2,200), The Chuo Mitsui Trust and Banking Co., Ltd.(1,000), Resona Bank, Ltd.(300)	3,500	2008/7/31	2011/7/29	
	Total Current Portion of Long-term Borrowings		23,250		
Long-term Borrowings	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,500	2008/2/29	2011/8/31	
	The Chuo Mitsui Trust and Banking Co., Ltd.	1,000	2008/9/1	2011/9/1	
	Sumitomo Mitsui Banking Corporation(3,000), The Chuo Mitsui Trust and Banking Co., Ltd.(2,000)	5,000	2008/3/31	2011/9/30	
	Aozora Bank, Ltd.	3,500	2009/4/30	2011/10/31	
	The Chuo Mitsui Trust and Banking Co., Ltd.	1,000	2008/5/1	2011/11/1	
	The Norinchukin Bank	2,500	2006/12/1	2011/11/30	
	Sumitomo Mitsui Banking Corporation	2,500	2008/1/10	2012/1/10	
	Sumitomo Mitsui Banking Corporation	480	2009/2/27	2012/2/29 (Note 1)	
	The Chuo Mitsui Trust and Banking Co., Ltd.	2,000	2007/4/2	2012/4/2	
	Aozora Bank, Ltd.	2,000	2009/4/30	2012/4/27	
	Resona Bank, Ltd.	1,500	2008/6/30	2012/6/29	
	Development Bank of Japan Inc.	960	2009/2/27	2012/8/31 (Note 1)	
	Resona Bank, Ltd.	500	2009/12/8	2012/12/10	3years
	Development Bank of Japan Inc.	3,000	2008/6/30	2012/12/28	
	The Chuo Mitsui Trust and Banking Co., Ltd.	1,000	2010/1/13	2013/1/15	3years
	Aozora Bank, Ltd.	1,500	2010/2/18	2013/2/18	3years
	Resona Bank, Ltd.	500	2010/7/30	2013/7/31	3years
	Development Bank of Japan Inc.	3,000	2006/9/1	2013/8/30	
	Sumitomo Mitsui Banking Corporation	980	2009/10/26	2013/10/28 (Note 1)	
	Sumitomo Mitsui Banking Corporation	1,920	2009/10/30	2013/10/30 (Note 1)	
	The Chuo Mitsui Trust and Banking Co., Ltd.	3,700	2010/7/30	2014/1/31	3.5years
	Sumitomo Mitsui Banking Corporation	3,700	2010/7/30	2014/7/31	4years
	Sumitomo Mitsui Banking Corporation	1,176	2010/1/29	2015/1/30 (Note 1)	5years
Sumitomo Mitsui Banking Corporation(2,243), Development Bank of Japan Inc.(1,658), The Chuo Mitsui Trust and Banking Co., Ltd.(975), Aozora Bank, Ltd.(488)	5,363	2010/2/18	2015/2/18 (Note 1)	5years	
Sumitomo Mitsui Banking Corporation	2,000	2010/4/2	2015/4/2 (Note 1)	5years	
Development Bank of Japan Inc.	5,000	2006/5/1	2016/4/28		
Total Long-term Borrowings		57,279			
Total Borrowings		90,829			

(Reference) Summary of collateralized properties: As of the end of 10th period (2010/4)

Uncollateralized	No. of properties	Collateralized
26 properties		44 properties
¥55.0B (25.6%)	Total appraisal value	¥159.9 (74.4%)

4 out of 5 properties acquired during 10th period were additionally collateralized.

Note: % is rounded to the first decimal place

Notes:

1. Repayment method: Amortization of payment every 6 months
2. Rounded to the nearest million yen

Appraisal values and cap rates as of the end of 10th period

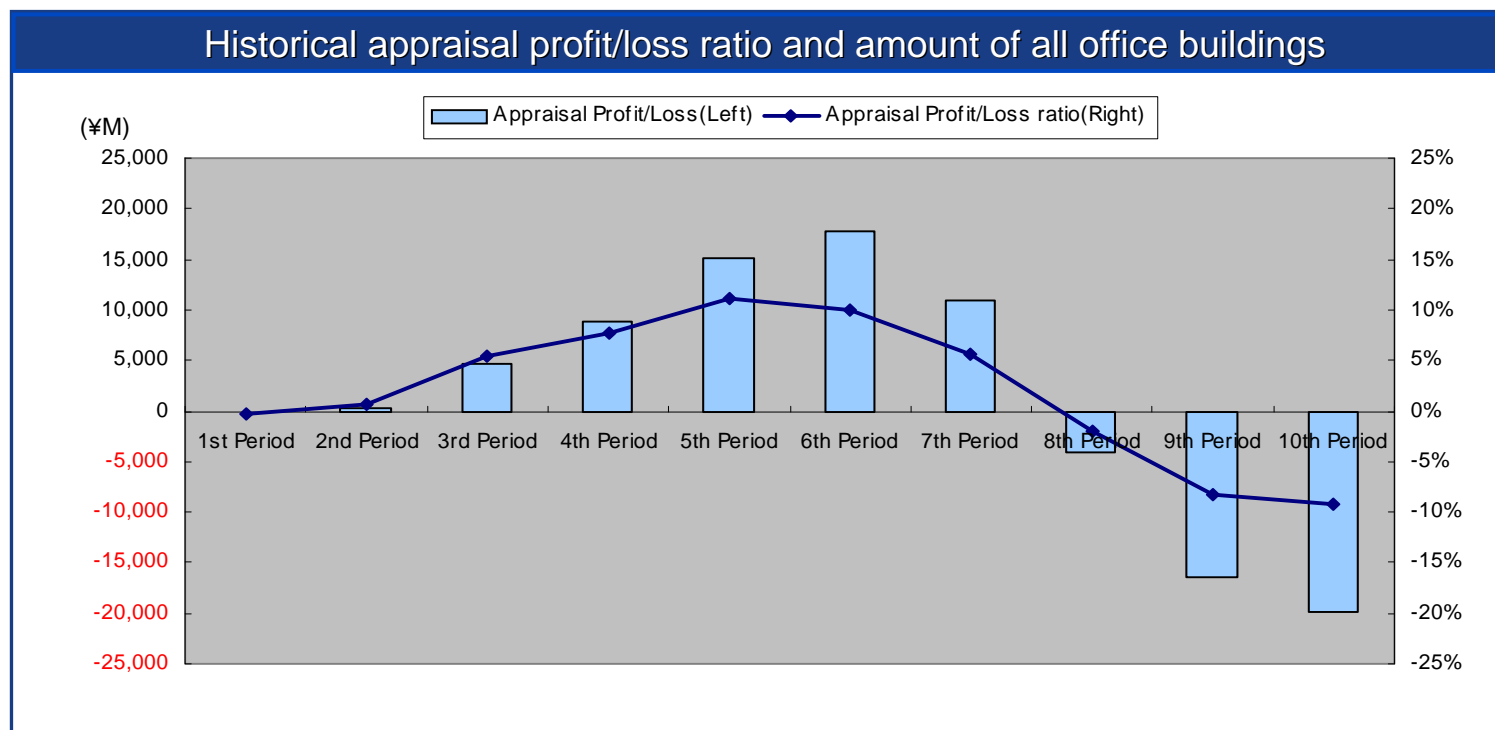
¥M											¥M										
No.	Property name	Appraiser	Acquisition price	10th period					CR		No.	Property name	Appraiser	Acquisition price	10th period					CR	
				Appraisal value	Book value	vs acquisition	vs 9th period	vs book value	End of 10th period	vs 9th period					Appraisal value	Book value	vs acquisition	vs 9th period	vs book value	End of 10th period	vs 9th period
A 1	KDX Nihonbashi 313 Building	Daiwa	5,940	7,360	6,203	23.9%	-0.5%	18.6%	4.9%	0.0%	A 40	Toranomon Toyo Building	JREI	9,850	9,810	9,880	-0.4%	-1.0%	-0.7%	4.7%	-0.1%
A 2	KDX Hirakawacho Building	Daiwa	5,180	5,050	5,177	-2.5%	-3.8%	-2.5%	4.8%	0.0%	A 41	KDX Shinjuku 286 Building	JREI	2,300	2,050	2,349	-10.9%	0.0%	-12.7%	5.3%	0.0%
A 3	Higashi-Kayabacho Yuraku Building	JREI	4,450	5,460	4,444	22.7%	-1.8%	22.8%	5.1%	0.0%	A 42	Karasuma Building	Daiwa	5,400	5,140	5,473	-4.8%	-4.8%	-6.1%	5.6%	0.0%
A 4	KDX Hatchobori Building	Daiwa	3,680	3,360	3,421	-8.7%	-2.3%	-1.8%	5.1%	0.0%	A 44	KDX Sendai Building	Daiwa	2,100	1,470	2,198	-30.0%	-2.6%	-33.1%	6.1%	0.0%
A 5	KDX Nakano-Sakaue Building	Daiwa	2,533	2,350	2,475	-7.2%	-2.1%	-5.1%	5.5%	0.0%	A 45	KDX Roppongi 228 Building	JREI	3,300	2,200	3,449	-33.3%	-1.8%	-36.2%	5.0%	0.1%
A 6	Harajuku F.F. Building	JREI	2,450	2,920	2,465	19.2%	0.0%	18.4%	5.7%	0.0%	A 46	Hiei Kudan-Kita Building	Daiwa	7,600	7,810	7,622	2.8%	-1.1%	2.5%	4.8%	0.0%
A 7	FK Minami Aoyama Building	JREI	2,270	2,390	2,269	5.3%	-14.0%	5.3%	5.0%	0.0%	A 47	KDX Shin-Yokohama 381 Building	JREI	4,700	3,010	4,863	-36.0%	-1.3%	-38.1%	5.9%	0.0%
A 8	Kanda Kihara Building	Daiwa	1,950	1,870	1,858	-4.1%	0.0%	0.6%	5.1%	0.0%	A 48	KDX Kawasaki-Ekimae Hon-cho Building	JREI	3,760	3,320	3,883	-11.7%	0.0%	-14.5%	6.3%	0.0%
A 9	KDX Shinjuku-Gyoen Building	JREI	1,610	2,040	1,574	26.7%	0.5%	29.5%	5.2%	0.0%	A 49	Nissou Dai-17 Building	JREI	2,710	1,650	2,674	-39.1%	-4.1%	-38.3%	5.8%	0.0%
A 12	Portus Center Building	Daiwa	5,570	4,650	4,837	-16.5%	-4.3%	-3.9%	6.4%	0.0%	A 50	Kejiri-Ochashi Building	JREI	2,400	1,620	2,484	-32.5%	-4.7%	-34.8%	6.2%	0.0%
A 13	KDX Kojimachi Building	Nittochi	5,950	3,960	5,734	-33.4%	-10.4%	-30.9%	5.0%	0.0%	A 51	KDX Hamacho Nakanohashi Building	JREI	2,310	1,810	2,383	-21.6%	-7.2%	-24.1%	5.6%	0.0%
A 14	KDX Funabashi Building	Nittochi	2,252	1,900	2,450	-15.6%	0.5%	-22.5%	6.2%	0.0%	A 52	KDX Kanda Misaki-cho Building	JREI	1,380	988	1,388	-28.4%	-5.0%	-28.8%	5.5%	0.0%
A 15	KDX Hamacho Building	Nittochi	2,300	2,210	2,239	-3.9%	-0.5%	-1.3%	5.5%	0.0%	A 53	KDX Hakata-Mnami Building	JREI	4,900	3,950	4,862	-19.4%	-5.5%	-18.8%	6.5%	0.0%
A 16	Toshin 24 Building	JREI	5,300	4,580	5,177	-13.6%	-7.8%	-11.5%	5.7%	0.0%	A 54	KDX Kitahama Building	JREI	2,220	1,680	2,254	-24.3%	-3.4%	-25.5%	6.0%	0.0%
A 17	Ebisu East 438 Building	JREI	4,640	4,200	4,527	-9.5%	-1.9%	-7.2%	5.2%	0.0%	A 55	Shin-toshin Maruzen Building	JREI	2,110	1,640	2,167	-22.3%	-2.4%	-24.3%	5.5%	0.0%
A 18	KDX Omori Building	JREI	3,500	3,780	3,428	8.0%	-3.1%	10.2%	5.4%	0.0%	A 56	KDX Jimbocho Building	JREI	2,760	2,300	2,937	-16.7%	-6.1%	-21.7%	5.4%	0.0%
A 19	KDX Hamamatsucho Building	Daiwa	3,460	3,390	3,324	-2.0%	-3.4%	2.0%	4.8%	0.0%	A 57	KDX Gobancho Building	JREI	1,951	1,510	2,007	-22.6%	0.0%	-24.8%	5.2%	0.0%
A 20	KDX Kayabacho Building	Nittochi	2,780	2,880	2,861	3.6%	0.3%	0.7%	5.4%	0.0%	A 58	KDX Nagoya Sakae Building	Daiwa	7,550	4,710	7,772	-37.6%	-7.6%	-39.4%	5.2%	0.0%
A 21	KDX Shinbashi Building	JREI	2,690	2,790	2,666	3.7%	0.0%	4.6%	4.7%	0.0%	A 59	KDX Iwamoto-cho Building	JREI	1,864	1,380	1,847	-26.0%	-6.1%	-25.3%	5.7%	0.0%
A 22	KDX Shin-Yokohama Building	JREI	2,520	2,480	2,449	-1.6%	-2.7%	1.2%	5.9%	0.0%	A 60	KDX Harumi Building	JREI	10,250	10,500	9,998	2.4%	-0.9%	5.0%	4.8%	0.0%
A 23	KDX Yotsuya Building	JREI	1,950	2,380	1,962	22.1%	0.4%	21.2%	5.6%	0.0%	A 61	KDX Hamamatsucho Dai-2 Building	Daiwa	2,200	1,940	2,266	-11.8%	-3.5%	-14.4%	4.7%	0.0%
A 24	KDX Minami Semba Dai-1 Building	Nittochi	1,610	1,080	1,504	-32.9%	-2.7%	-28.2%	5.6%	0.0%	A 62	Koishikawa TG Building	JREI	3,080	3,250	3,179	5.5%	-0.3%	2.2%	5.2%	0.1%
A 25	KDX Minami Semba Dai-2 Building	Nittochi	1,560	1,120	1,403	-28.2%	-1.8%	-20.2%	5.6%	0.0%	A 63	Gotanda TG Building	JREI	2,620	2,730	2,709	4.2%	-3.5%	0.7%	5.5%	0.1%
A 26	KDX Kiba Building	Nittochi	1,580	1,460	1,605	-7.6%	0.7%	-9.0%	5.7%	0.0%	A 64	KDX Nihonbashi 216 Building	JREI	2,010	2,090	2,014	4.0%	-0.9%	3.7%	5.0%	0.0%
A 27	KDX Kajicho Building	Daiwa	2,350	2,230	2,423	-5.1%	-3.0%	-8.0%	5.2%	0.0%	A 65	KDX Shin-Yokohama 381 Building Annex Tower	JREI	1,100	1,230	1,104	11.8%	1.7%	11.4%	6.0%	-0.2%
A 28	KDX Nogizaka Building	Nittochi	1,065	842	1,130	-20.9%	-3.4%	-25.5%	5.2%	0.0%	A 66	Pacific Marks Nishi-Shinjuku	JREI	6,800	7,420	6,838	9.1%	0.0%	8.5%	4.6%	0.0%
A 29	KDX Higashi-Shinjuku Building	Daiwa	2,950	3,240	3,183	9.8%	0.0%	1.8%	5.3%	0.0%	A Office Building Subtotal		213,071	194,765	214,579	-8.6%	-2.6%	-9.2%	5.3%	0.0%	
A 30	KDX Nishi-Gotanda Building	Nittochi	4,200	3,680	4,145	-12.4%	-0.8%	-11.2%	5.4%	0.0%	B 3	Court Mejiro	JREI	1,250	967	1,205	-22.6%	0.5%	-19.8%	5.6%	0.0%
A 31	KDX Monzen-Nakacho Building	Daiwa	1,400	1,270	1,438	-9.3%	-0.8%	-11.7%	5.6%	0.0%	B 18	Venus Hibarigaoka	Nittochi	1,800	1,370	1,876	-23.9%	0.0%	-27.0%	6.7%	0.0%
A 32	KDX Shiba-Daimon Building	Nittochi	6,090	4,630	6,289	-24.0%	-8.0%	-26.4%	5.4%	0.0%	B 19	Residence Charmante Tsukishima	Nittochi	5,353	4,400	5,155	-17.8%	-0.5%	-14.7%	5.5%	0.0%
A 33	KDX Okachimachi Building	Daiwa	2,000	1,790	2,136	-10.5%	-2.2%	-16.2%	5.2%	0.0%	B 25	Court Shin-Okachimachi	Daiwa	878	775	845	-11.7%	-0.1%	-8.4%	5.6%	0.0%
A 34	KDX Hon-Atsugi Building	Daiwa	1,305	1,070	1,243	-18.0%	-1.8%	-13.9%	6.3%	0.0%	B 34	Gradito Kawaguchi	Nittochi	1,038	953	1,034	-8.2%	0.2%	-7.9%	5.8%	0.0%
A 35	KDX Hachioji Building	Daiwa	1,155	821	1,312	-28.9%	0.0%	-37.4%	5.9%	0.0%	B Residential Subtotal		10,319	8,465	10,117	-18.0%	-0.2%	-16.3%	5.8%	0.0%	
A 36	KDX Niigata Building	JREI	1,305	824	1,477	-36.9%	0.0%	-44.2%	7.3%	0.0%	C 1	Frame Jinnan-zaka	JREI	9,900	9,700	9,966	-2.0%	-5.8%	-2.7%	4.7%	0.0%
A 37	KDX Ochanomizu Building	JREI	6,400	6,760	6,735	5.6%	0.0%	0.4%	4.9%	0.0%	C 2	KDX Yoyogi Building	Nittochi	2,479	1,970	2,539	-20.5%	1.5%	-22.4%	5.1%	0.0%
A 38	KDX Nishi-Shinjuku Building	Nittochi	1,500	1,240	1,541	-17.3%	-6.8%	-19.6%	5.3%	0.0%	C Central Urban Retail Subtotal		12,379	11,670	12,506	-5.7%	-4.7%	-6.7%	4.8%	0.0%	
A 39	KDX Toranomon Building	JREI	4,400	3,500	4,842	-20.5%	-3.3%	-27.7%	4.6%	0.0%	Total		235,769	214,900	237,204	-8.9%	-2.7%	-9.4%	5.3%	0.0%	

Notes:

1. Acquisition price, appraisal value and book values are rounded down to the nearest ¥M. Ratios are rounded to the first decimal place
2. Total cap rates for each property type is the weighted-average based on acquisition price

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Appraisal profit/loss ratio and amount of office buildings



	1st (2005/10)	2nd (2006/4)	3rd (2006/10)	4th (2007/4)	5th (2007/10)	6th (2008/4)	7th (2008/10)	8th (2009/4)	9th (2009/10)	10th (2010/4)
Appraisal Profit/Loss ratio	-0.2%	0.6%	5.4%	7.7%	11.1%	10.0%	5.6%	-2.1%	-8.2%	-9.2%
Appraisal Profit/Loss amount (¥M)	-78	304	4,636	8,928	15,128	17,823	10,842	-4,004	-16,458	-19,814

Factors affecting appraisal values of office buildings

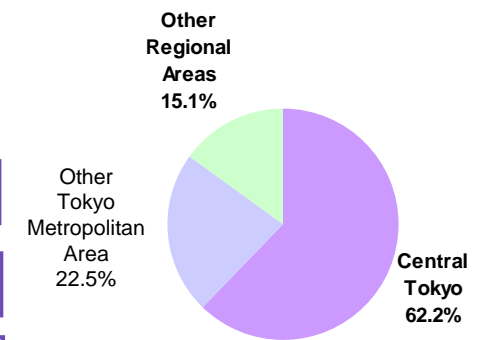
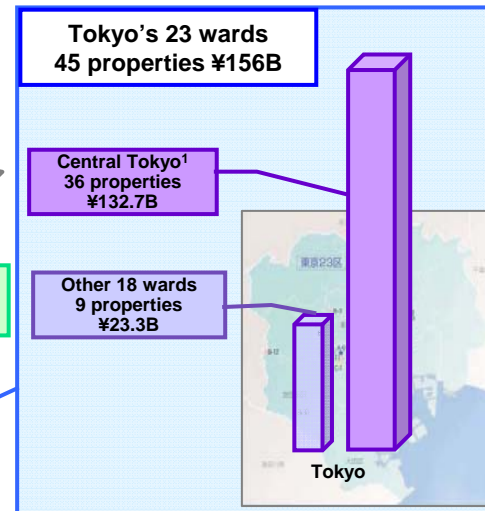
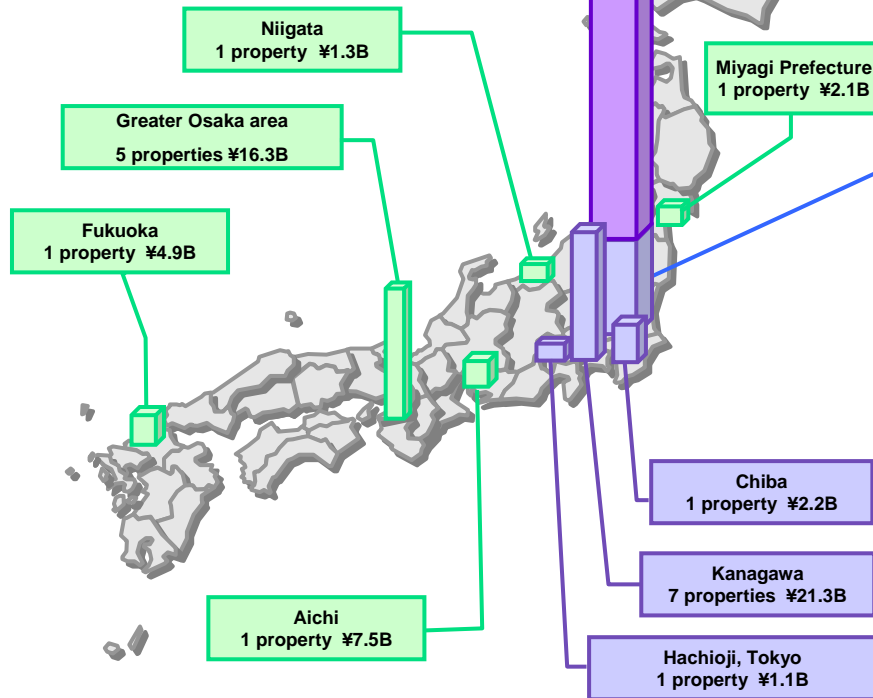
	6th→7th	7th→8th	8th→9th	9th→10th
Changes in cap rates	+0.2%	+0.2%	+0.1%	0.0%
Change in expected rent for appraisal value	+0.4%	-4.5%	-4.8%	-2.2%

Emphasis on mid-sized office buildings in Tokyo Metropolitan Area

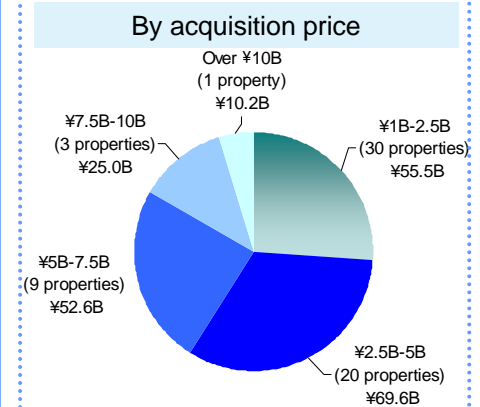
(As of April 30, 2010)

Office portfolio: 63 properties, with a total acquisition price of ¥213.0B

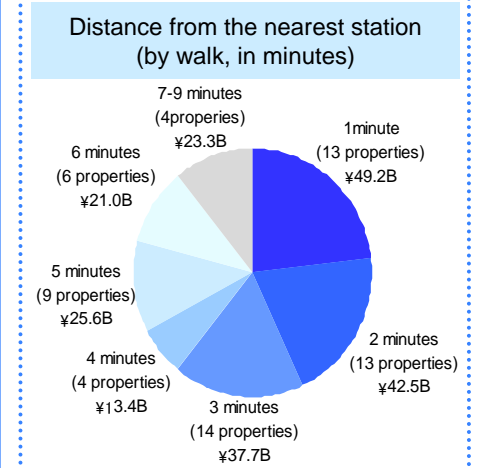
Composition of office portfolio



	# of properties	Acquisition price (¥B)	Ratio (%)
Tokyo Metropolitan Area	54	180.8	84.9
Other Regional Areas	9	32.2	15.1
Total	63	213.0	100.0



¥2.5B - ¥7.5B accounts for 57.3%



Within 3 minutes walk: 60.8%
Within 6 minutes walk: 89.0%

Note: Rounded to the nearest ¥100M.

Notes:

- 1 Central Tokyo: Chiyoda, Chuo, Minato, Shibuya and Shinjuku wards
- 2 Acquisition price are rounded to the nearest ¥100M. Ratios indicate the total acquisition price for properties in each area in proportion to the total acquisition price for all properties combined and are rounded down to the first decimal place

Appendix II



Portfolio overview (office buildings)

(As of April 30, 2010)

Office Buildings (63 properties)

Type	Area	No.	Name	Location	Acquisition price (¥10) ¹	Year built ²	Occupancy at end of 10th period (%) ³	Type	Area	No.	Name	Location	Acquisition price (¥10) ¹	Year built ²	Occupancy at end of 10th period (%) ³	
Office Building	Tokyo Metropolitan Area	A-60	KDX Harumi Building	Chuo-ward, Tokyo	10,250	Feb-2008	98.2%	Office Building	Tokyo Metropolitan Area	A-41	KDX Shinjuku 286 Building	Shinjuku-ward, Tokyo	2,300	Aug-1989	100.0%	
		A-40	Toranomon Toyo Building	Minato-ward, Tokyo	9,850	Aug-1962	93.9%			A-7	FIK Minami Aoyama Building	Minato-ward, Tokyo	2,270	Nov-1988	77.1%	
		A-46	Hiei Kudan-Kita Building	Chiyoda-ward, Tokyo	7,600	Mar-1988	91.9%			A-14	KDX Funabashi Building	Funabashi, Chiba	2,252	Apr-1989	100.0%	
		A-66	Pacific Marks Nishi-Shinjuku	Shinjuku-ward, Tokyo	6,800	May-1993	93.8%			A-61	KDX Hamamatsucho Dai-2 Building	Minato-ward, Tokyo	2,200	Apr-1992	87.5%	
		A-37	KDX Ochanomizu Building	Chiyoda-ward, Tokyo	6,400	Aug-1982	100.0%			A-55	Shin-toshin Maruzen Building	Shinjuku-ward, Tokyo	2,110	Jul-1990	100.0%	
		A-32	KDX Shiba-Daimon Building	Minato-ward, Tokyo	6,090	Jul-1986	97.3%			A-64	KDX Nihonbashi 216 Building	Chuo-ward, Tokyo	2,010	Oct-2006	87.5%	
		A-13	KDX Kojimachi Building	Chiyoda-ward, Tokyo	5,950	May-1994	97.1%			A-33	KDX Okachimachi Building	Taito-ward, Tokyo	2,000	Jun-1988	100.0%	
		A-1	KDX Nihonbashi 313 Building	Chuo-ward, Tokyo	5,940	Apr-1974	100.0%			A-57	KDX Gobancho Building	Chiyoda-ward, Tokyo	1,951	Aug-2000	85.7%	
		A-16	Toshin 24 Building	Yokohama, Kanagawa	5,300	Sep-1984	84.1%			A-8	Kanda Kihara Building	Chiyoda-ward, Tokyo	1,950	May-1993	100.0%	
		A-2	KDX Hirakawacho Building	Chiyoda-ward, Tokyo	5,180	Mar-1988	100.0%			A-23	KDX Yotsuya Building	Shinjuku-ward, Tokyo	1,950	Oct-1989	100.0%	
		A-47	KDX Shin-Yokohama 381 Building	Yokohama, Kanagawa	4,700	Mar-1988	100.0%			A-59	KDX Iwamoto-cho Building	Chiyoda-ward, Tokyo	1,864	Mar-2008	100.0%	
		A-65	KDX Shin-Yokohama 381 Building Annex Tower	Yokohama, Kanagawa	1,100	Apr-2009	100.0%			A-9	KDX Shinjuku-Gyoen Building	Shinjuku-ward, Tokyo	1,610	Jun-1992	100.0%	
		A-17	Ebisu East 438 Building	Shibuya-ward, Tokyo	4,640	Jan-1992	100.0%			A-26	KDX Kiba Building	Koto-ward, Tokyo	1,580	Oct-1992	100.0%	
		A-3	Higashi-Kayabacho Yuraku Building	Chuo-ward, Tokyo	4,450	Jan-1987	100.0%			A-38	KDX Nishi-Shinjuku Building	Shinjuku-ward, Tokyo	1,500	Oct-1992	100.0%	
		A-39	KDX Toranomon Building	Minato-ward, Tokyo	4,400	Apr-1988	100.0%			A-31	KDX Monzen-Nakacho Building	Koto-ward, Tokyo	1,400	Sep-1986	100.0%	
		A-30	KDX Nishi-Gotanda Building	Shinagawa-ward, Tokyo	4,200	Nov-1992	100.0%			A-52	KDX Kanda Misaki-cho Building	Chiyoda-ward, Tokyo	1,380	Oct-1992	100.0%	
		A-48	KDX Kawasaki-Ekimaie Hon-cho Building	Kawasaki, Kanagawa	3,760	Feb-1985	100.0%			A-34	KDX Hon-Atsugi Building	Atsugi, Kanagawa	1,305	May-1995	100.0%	
		A-4	KDX Hatchobori Building	Chuo-ward, Tokyo	3,680	Jun-1993	100.0%			A-35	KDX Hachioji Building	Hachioji, Tokyo	1,155	Dec-1985	100.0%	
		A-18	KDX Omori Building	Ota-ward, Tokyo	3,500	Oct-1990	100.0%			A-28	KDX Nogizaka Building	Minato-ward, Tokyo	1,065	May-1991	78.1%	
		A-19	KDX Hamamatsucho Building	Minato-ward, Tokyo	3,460	Sep-1999	100.0%			Other Regional Areas	A-58	KDX Nagoya Sakae Building	Nagoya, Aichi	7,550	Apr-2009	90.3%
		A-45	KDX Roppongi 228 Building	Minato-ward, Tokyo	3,300	Apr-1989	65.1%				A-12	Portus Center Building	Sakai, Osaka	5,570	Sep-1993	88.5%
		A-62	Koishikawa TG Building	Bunkyo-ward, Tokyo	3,080	Nov-1989	100.0%				A-42	Karasuma Building	Kyoto, Kyoto	5,400	Oct-1982	93.9%
		A-29	KDX Higashi-Shinjuku Building	Shinjuku-ward, Tokyo	2,950	Jan-1990	100.0%				A-53	KDX Hakata-Minami Building	Fukuoka, Fukuoka	4,900	Jun-1973	86.2%
		A-20	KDX Kayabacho Building	Chuo-ward, Tokyo	2,780	Oct-1987	100.0%				A-54	KDX Kitahama Building	Osaka, Osaka	2,220	Jul-1994	96.4%
		A-56	KDX Jimbocho Building	Chiyoda-ward, Tokyo	2,760	May-1994	85.0%				A-44	KDX Sendai Building	Sendai, Miyagi	2,100	Feb-1984	92.8%
		A-49	Nissou Dai-17 Building	Yokohama, Kanagawa	2,710	Jul-1991	94.9%				A-24	KDX Minami Semba Dai-1 Building	Osaka, Osaka	1,610	Mar-1993	83.1%
		A-21	KDX Shinbashi Building	Minato-ward, Tokyo	2,690	Feb-1992	100.0%				A-25	KDX Minami Semba Dai-2 Building	Osaka, Osaka	1,560	Sep-1993	94.1%
		A-63	Gotanda TG Building	Shinagawa-ward, Tokyo	2,620	Apr-1988	57.8%				A-36	KDX Niigata Building	Niigata, Niigata	1,305	Jul-1983	64.3%
		A-5	KDX Nakano-Sakae Building	Nakano-ward, Tokyo	2,533	Aug-1992	100.0%				Office Building (63 properties) Subtotal			213,071	Avg. 20.5 yrs	94.0%
		A-22	KDX Shin-Yokohama Building	Yokohama, Kanagawa	2,520	Sep-1990	86.3%									
		A-6	Harajuku F.F. Building	Shibuya-ward, Tokyo	2,450	Nov-1985	100.0%									
		A-50	Ikejiri-Ohashi Building	Meguro-ward, Tokyo	2,400	Sep-1988	100.0%									
		A-27	KDX Kajicho Building	Chiyoda-ward, Tokyo	2,350	Mar-1990	75.1%									
		A-51	KDX Hamacho Nakanohashi Building	Chuo-ward, Tokyo	2,310	Sep-1988	100.0%									
		A-15	KDX Hamacho Building	Chuo-ward, Tokyo	2,300	Sep-1993	100.0%									

Notes:

- Acquisition price is the purchase price for trust beneficiary interests etc. acquired by the Investment Corporation
- Year built is the date of construction completion recorded in the land register. Average age subtotal is shown as the weighted-average portfolio age based upon acquisition prices with a base date of Apr.30, 2010, and is rounded down to the nearest first decimal place. The weighted-average age of the 70 properties held as of Apr. 30, 2010 is 19.3 years.
- Occupancy ratio is calculated by dividing leased area by leasable area and rounded to the first decimal place. Average occupancy ratio of 70 properties held as of Apr. 30, 2010 is 94.4%

Portfolio overview (central urban retail / residential properties)

Central Urban Retail Properties (2 properties)

(As of April 30, 2010)

Type	Area	No.	Name	Location	Acquisition price (¥M) ¹	Year built ²	Occupancy at end of 10th period (%) ³
Central Urban Retail	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	Shibuya-ward, Tokyo	9,900	Mar-2005	100.0%
		C-2	KDX Yoyogi Building	Shibuya-ward, Tokyo	2,479	Aug-1991	87.2%
Central Urban Retail (2 properties) Subtotal					12,379	Avg. 7.8 yrs	97.4%

Residential Properties (5 properties)

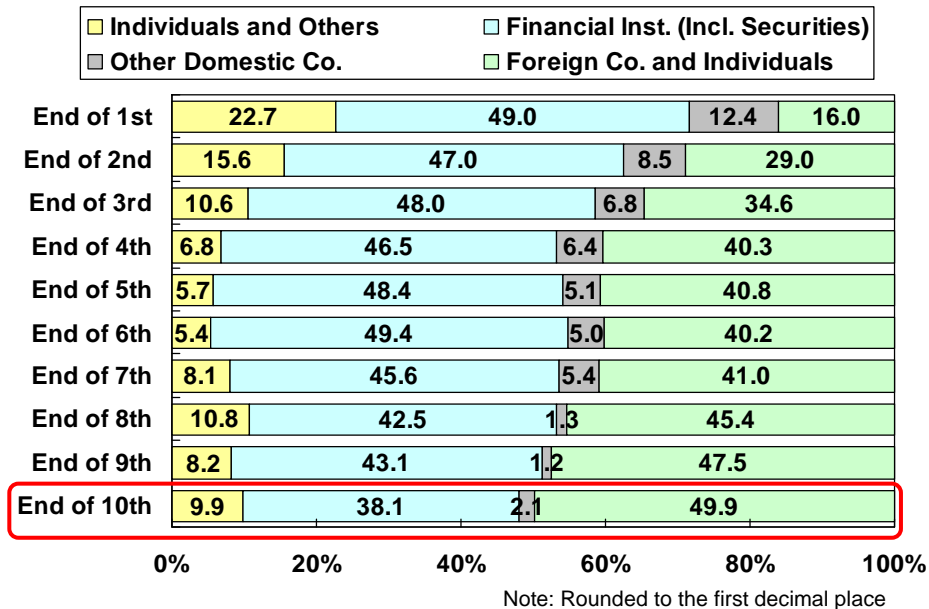
Type	Area	No.	Name	Location	Acquisition price (¥M) ¹	Year built ²	Occupancy at end of 10th period (%) ³
Residential	Tokyo Metropolitan Area	B-19	Residence Charmante Tsukishima	Chuo-ward, Tokyo	5,353	Jan-2004	100.0%
		B-3	Court Mejiro	Shinjuku-ward, Tokyo	1,250	Mar-1997	95.2%
		B-34	Gradito Kawaguchi	Kawaguchi, Saitama	1,038	Feb-2006	100.0%
		B-25	Court Shin-Okachimachi	Taito-ward, Tokyo	878	Oct-2005	93.0%
	Other Regional Areas	B-18	Venus Hibarigaoka	Sapporo, Hokkaido	1,800	Mar-1989	96.3%
Residential (5 properties) Subtotal					10,319	Avg. 9.3 yrs	97.4%

Notes:

- 1 Acquisition price is the purchase price for trust beneficiary interests etc. acquired by the Investment Corporation
- 2 Year built is the date of construction completion recorded in the land register. Subtotal is shown as weighted-average portfolio age based upon acquisition price with a base date of Apr. 30, 2010 (rounded down to the nearest first decimal place)
- 3 Occupancy ratio is calculated by dividing leased area by leasable area and rounded to the first decimal place. Ratios are calculated as of April 30, 2010

KRI unitholders

Changes in investment units by unitholders



Type of unitholders End of 10th (as of Apr. 30, 2010)

Type of unitholder	# of unitholder	Ratio (%)	# of units held (unit)	Ratio (%)
Individual and Others	7,405	95.3%	23,113	9.9%
Financial Inst. (Incl. Securities co.)	45	0.6%	89,040	38.1%
Other Domestic Co.	122	1.6%	4,865	2.1%
Foreign Co. and Individuals	198	2.5%	116,532	49.9%
Total	7,770	100.0%	233,550	100.0%

Note: Rounded to the first decimal place

Top 10 unitholders at the end of 10th period (Apr. 30, 2010)

Name	# of units held (unit)	(%)
Japan Trustee Services Bank, Ltd. (trust acct.)	20,401	8.73%
NCT Trust and Banking Corporation (investment trust acct.)	17,950	7.68%
Trust and Custody Services Bank, Ltd. (securities investment trust acct.)	16,030	6.86%
The Nomura Trust and Banking Co., Ltd. (investment trust acct.)	12,564	5.37%
The Master Trust Bank of Japan, Ltd. (trust acct.)	11,937	5.11%
The Bank of New York Treaty JASDEC Account	9,250	3.96%
State Street Bank and Trust Company 505025	8,314	3.55%
BNP PARIBAS SECURITIES SERVICES LUXEMBOURG /JASDEC/HENDERSON HHF SICA V	7,800	3.33%
State Street Bank and Trust Company	6,808	2.91%
State Street Bank and Trust Company 505223	4,675	2.00%
Total	115,729	49.55%

Note: Rounded down to the second decimal place

(Reference) Reporting of major unitholders

Name	Submitted on	# of units held (unit)
Nomura Securities Co., Ltd.	2009/12/3	17,797
Nomura Asset Management Co., Ltd.		15,189
Nomura Securities Co., Ltd.		2,355
NOMURA INTERNATIONAL PLC		253
The Sumitomo Trust and Banking Co., Ltd	2009/10/21	16,046
Nikko Asset Management Co., Ltd		16,046
Fidelity Investments Japan Limited	2010/4/15	16,029
Fidelity Investments Japan Limited		11,355
FMR LLC		4,674
ING Clarion Real Estate Securities LLC	2009/8/4	10,869
Mizuho Asset Management Co., Ltd	2009/10/22	10,435
Mizuho Asset Management Co., Ltd		8,354
Shinko Investment Trust Management Co., Ltd		2,081

Notes

- 1: Reports submitted from the PO on 2007/5/22 to 2010/7/23 (excluding unitholders that have less than 10,000 units)
- 2: Total unitholders increased from 200,000 units to 233,550 units due to PO on 2009/11/16

Disclosure and IR activities

	Domestic investors	Individual investors	Debt investors	International investors
Ongoing disclosure	TSE compliant disclosure: TDnet and press release			<ul style="list-style-type: none"> Same day disclosure on English website (Press release & Kessan Tanshin) Publication through WIRE
	Financial reports			
Accounting-related disclosure	Video streaming of investor presentation (Website)			Video streaming of Investor presentation in English (website)
	Asset management report (sent to existing investors)			English annual report
Web disclosure / other media disclosure	(1) Proactive disclosure by utilizing KRI website			Disclosure via English website
	Media articles			(3) Media articles
Hosting/participation in briefing sessions	Investor presentation	(2) Retail investors briefing		Presentation on various forum
Hosting of one-on-one meetings	One-on-one meetings		One-on-one meetings	One-on-one meeting / Conference Call

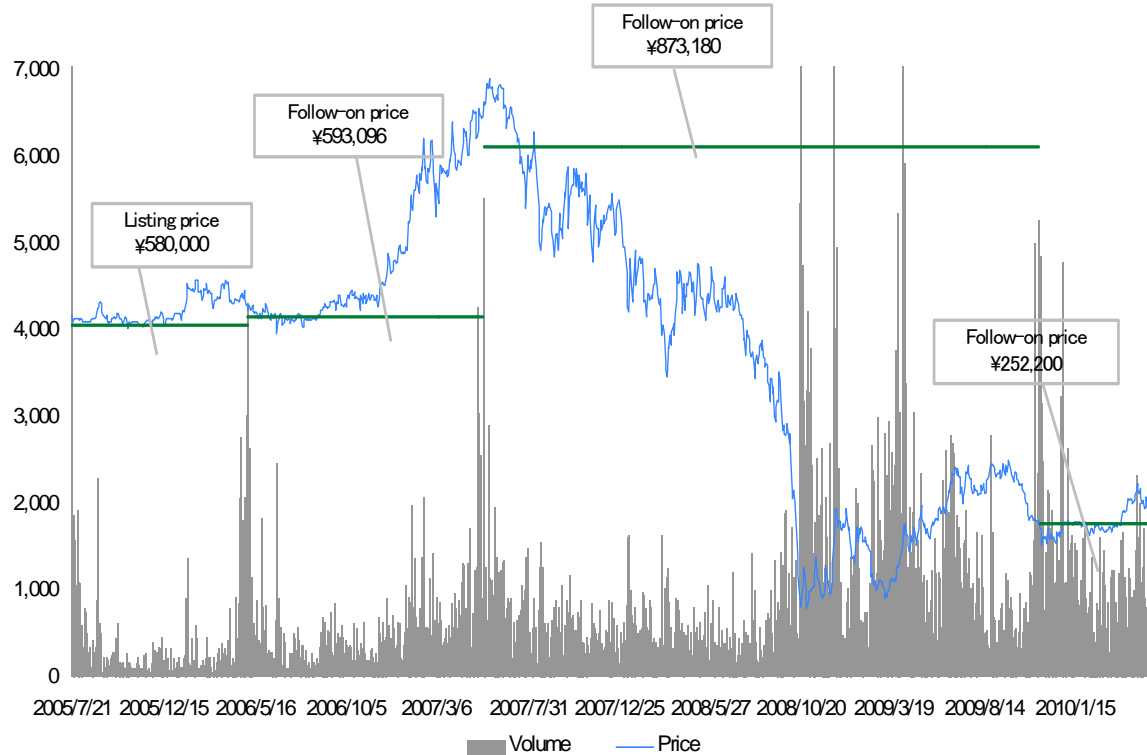
IR activities for individual investors						
(1) Disclosure using KRI website		(2) Participation in the seminar for individual investors				
Main Items	10 th Period (2010/4) No. of access	Events (organizers)				
List of portfolio	12,049	J-REIT seminar (Nikkei)				
Press release	9,596	Seminar for individual investors (The Securities Analysts Association of Japan)				
Disclosure materials	7,788	J-REIT Seminar for individual investors 2010 (The Association For Real Estate Securitization)				
Updated information	7,226	TSE IR Event 2010 (Tokyo Stock Exchange)				
DPU·Earnings results	7,140					
Top page	4,573					
Occupancy ratio	4,347					
Debt	2,599					
FAQ	2,335					
English website	2,005					
Total access	54,678					
		<table border="1"> <tr> <td>No. of participants</td> <td>Around 480 people</td> </tr> <tr> <td>Individual meetings</td> <td>Around 240 people</td> </tr> </table>	No. of participants	Around 480 people	Individual meetings	Around 240 people
No. of participants	Around 480 people					
Individual meetings	Around 240 people					



IR activities for domestic /international investors	
(3) Articles	
Posted an article in IR magazine "ZIPANGU"	
	The Philosophy of "A Half-Step Ahead"
(Reference)	
Number of Investor meetings (including conference calls)	
9 th Period IR (excluding PO Road show)	
Domestic institutional investors	30
Domestic regional institutions	9
International investors (Europe)	18
International investors (US)	20
International investors (Other)	16
Total	93

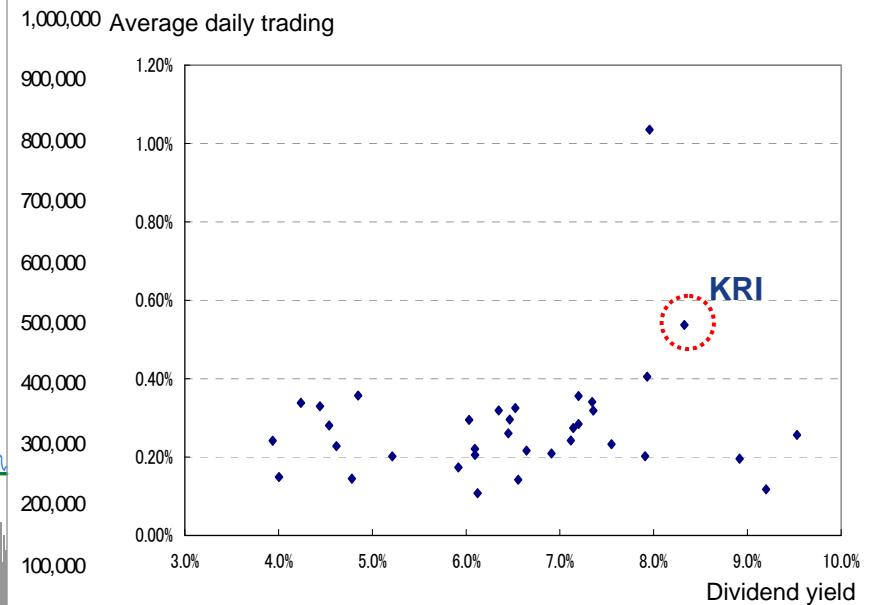
Unit price performance / Transaction volume since IPO

Kenedix Realty Investment Corporation (KRI) price/volume performance



Highest price (trading price): 988,000 (2007/5/31)
 Lowest price (trading price): 100,300 (2008/10/20)
 As of June 1, 2010

(Reference) Dividend yield vs liquidity of J-REITs



Source: Created by KDRM based on the data compiled by UBS Securities
 Notes:

1. Dividend yield is calculated based on last price on June 10, 2010
2. Average daily trading % = Average daily volume (last 1 year) based on VWAP/ average market cap (last 1 year)
3. Only includes J-REITs with dividend yield of more than 3%
4. Average daily volume for new J-REITs established within last year is from the date of establishment

Offering summary

	2005 IPO	2006 PO	2007 PO	2009 PO
No of units offered	Domestic IPO Domestic Offering: 75,000 units Third party allotment: 3,970 units <hr/> Total 78,970 units	Global offering Domestic Offering: 50,370 units Global Offering: 23,290 units Third party allotment: 3,970 units <hr/> Total 77,630 units	Global offering Domestic Offering: 26,710 units Global Offering: 14,190 units Third party allotment: 2,100 units <hr/> Total 43,000 units	Domestic offering Domestic Offering: 33,550 units
Over allotment units	3,970 units	3,970 units	2,100 units	1,450 units
Units placed	9,770 units [Kenedix, Inc.: 3,770 units Others: 6,000 units]	3,980 units [Kenedix, Inc.: 3,880 units Kenedix REIT Management, Inc.: 100 units]	52 units [Kenedix REIT Management, Inc.: 52 units]	1,200 units [Kenedix REIT Management, Inc.: 1,200 units]
No. of units post offering	79,370 units	157,000 units	200,000 units	233,550 units
Pricing date	July 11, 2005	April 19, 2006	May 14, 2007	November 9, 2009
Delivery date	July 21, 2005	May 2, 2006	May 23, 2007	November 17, 2009
Discount rate	-	2.0%	2.0%	3.0%
Price	¥ 580,000	¥ 593,096	¥ 873,180	¥ 252,200
Size	¥ 45.8B	¥ 46.0B	¥ 37.5B	¥ 8.5B
Bookrunner	UBS Nomura Securities	UBS Nomura Securities	UBS Nomura Securities	Nomura Securities

Summary financials for 10th period — Income statement and Cash flow statement

Comparison between 10th period (to Apr. 2010) and 9th period (to Oct. 2009)

	2009/5/1	2009/11/1	Difference	Note
	2009/10/31	2010/4/30		
	(¥M)	(¥M)	(¥M)	
Rental and other operating revenues	6,906	7,150	244	
Rental revenues	5,711	5,882	171	5 new properties +327 Existing properties -126 2 properties sold in 9th period -28
Common area charges	1,195	1,267	72	5 new properties +60 Existing properties +12
Others	1,015	917	-98	
Parking space rental revenues	231	243	12	5 new properties +12
Utility charge reimbursements	617	560	-57	Due to seasonal variability
Miscellaneous	166	113	-53	Decrease in repairs/maintenance revenue -53
Total rental and other operating revenues (A)	7,921	8,067	146	
Prof it on sale etc.	-	-	-	
Operating revenues	7,921	8,067	146	
Property management fee	764	801	37	5 new properties +44
Utilities	529	508	-21	Due to seasonal variability
Taxes	536	648	112	Gap in date of payment
Repairs and maintenance cost	171	110	-61	Decrease in repair
Others (*1)	199	167	-32	Decrease in fees paid
Depreciation	1,451	1,477	26	Due to acquisition of 5 new properties
Total property-related expense B	3,652	3,714	62	
Rental business profit (A—B)	4,269	4,353	84	
Net operating income (NOI)	5,721	5,830	109	
Loss on disposal of real estate	440	-	-440	Loss of 2 properties sold in 9th period
Asset management fee	423	433	10	
Others (*2)	192	180	-12	
Operating expenses	4,708	4,329	-379	
Operating income	3,213	3,738	525	
Non operating income	5	15	10	
Interest expense	793	818	25	Increase in debt amount / full year contribution of interest from debt refinance in 9th period
Investment corporation bonds interest	114	113	-1	
Financing related expense	147	210	63	Due to ¥7B of syndicate loan
Amortization of bond issuance costs	5	5	-	
Amortization of unit issuance costs	23	32	9	Amortization of PO in 10th period
Amortization of organization costs	5	5	-	
Other non-operating expenses	25	-	-25	No consumption tax is declared in 10th period
Non-operating expenses	1,116	1,185	69	
Ordinary income	2,103	2,568	465	
Income before income taxes	2,103	2,568	465	
Income taxes	1	0	-1	
Net income	2,102	2,567	465	
Retained earnings at the beginning of period	0	0	-	
Retained earnings at the end of period	2,102	2,567	465	

*1. Other expenses: Insurance, trust fee etc.

*2. Other operating expenses: Directors' compensation, asset custody fees, administrative fees, audit fees
Numbers showing differences is rounded

NOI yields (by type of property, annualized)

	7th period	8th period	9th period	10th period
Office	5.3%	5.5%	5.2%	5.1%
Central urban retails	4.8%	4.7%	4.6%	4.5%
Residential	5.3%	5.2%	5.0%	5.2%
Total	5.3%	5.4%	5.2%	5.1%

Notes:

Figures after property and city planning taxes for the periods
Ratios are rounded to the first decimal place

Cash flow statement

	9th period	10th period
	As of Oct. 31, 2009	As of Apr. 30, 2010
	(¥M)	(¥M)
Cash flow from operating activities	5,415	4,144
Cash flow from investing activities	-4,204	-14,568
Cash flow from financing activities	-3,964	11,752
Net increase (decrease) in cash and cash equivalents	-2,753	1,327
Cash and cash equivalents at beginning of period	13,711	10,957
Cash and cash equivalents at end of period	10,957	12,285

Summary financials for 10th period —Balance sheet

	9th period		10th period	
	As of Oct. 31, 2009		As of Apr. 30, 2010	
	(¥M)	(%)	(¥M)	(%)
Current assets	13,289	5.6	13,580	5.4
Cash and bank deposits	7,256		7,299	
Entrusted deposits	5,613		5,998	
Other current assets	419		282	
Fixed assets	222,962	94.3	237,910	94.6
Property, plant and equipment	222,162		236,917	
Buildings	14,062		13,869	
Land	29,104		29,104	
Buildings in trust	55,772		58,585	
Lands in trust	123,222		135,358	
Intangible assets	286		286	
Ground leasehold	285		285	
Right of using water facilities	1		1	
Investment and other assets	512		705	
Leasehold and security deposit	11		11	
Long-term prepaid expenses	494		694	
Deferred income tax asset	5		-	
Deferred assets	68	0.0	75	0.0
Organization costs	5		-	
Corporate bond issuance costs	39		33	
Unit issuance costs	23		41	
Total asset	236,320	100.0	251,566	100.0
Current liabilities	26,290	11.1	39,041	15.5
Trade and other payables	288		377	
Short-term debt	24,500		37,050	
Other account payables	181		172	
Rents in advance	1,133		1,245	
Derivative liability	-		12	
Others	186		183	
Fixed liabilities	82,963	35.1	76,835	30.6
Corporate bonds	12,000		12,000	
Long-term debt	60,720		53,918	
Leasehold and security deposit received	1,624		1,593	
Security deposit received in trust	8,604		9,324	
Derivative liability	14		-	
Liabilities	109,253	46.2	115,876	46.1
Total unitholders' capital	124,973		133,129	
Retained earnings	2,102		2,567	
Unrealized gain from deferred hedge transactions	-8		-7	
Equities	127,067	53.8	135,689	53.9
Total liabilities and unitholders' equity	236,320	100.0	251,566	100.0

Changes in Performance Valuation

	9th period 2009/10	10th period 2010/4	Difference	Note
Unitholders' equity per share of common stocks	¥ 635,335	¥ 580,987	-¥ 54,348	PO in Nov. 2009
LTV at end of period	41.1%	40.9%	-0.2%	Interest bearing debt + ¥5,748M
Unitholders' equity to total assets	53.8%	53.9%	+0.1%	PO in Nov. 2009
Number of properties at end of period	65	70	+5	Acquisition of office buildings
Total leasable floor	254,225.04m ²	271,260.81m ²	+17,035.77m ²	+6.7%
Occupancy ratio at end of period	94.7%	94.4%	-0.3%	Office building: 94.0% (-0.4%) Central urban retail: 97.4% (+2.5%) Residential: 97.4%(+1.0%)

Property, plant and equipment: +¥14,755M
(Acquisition of 5 office buildings in 10th period)

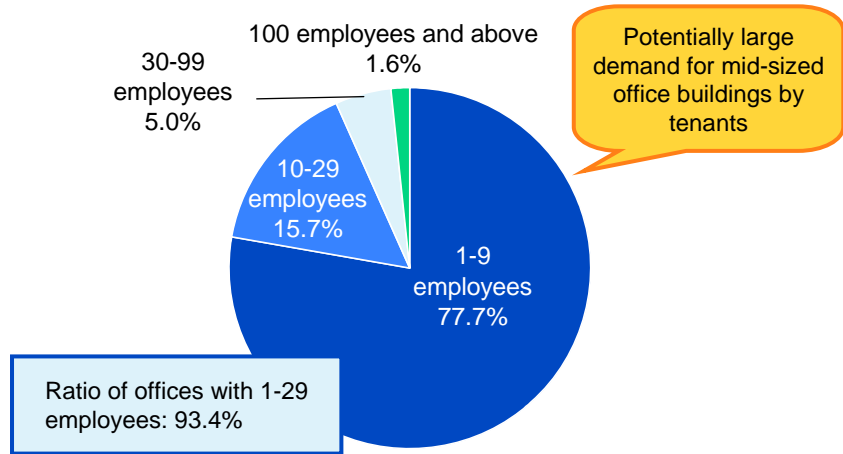
Short-term debt: +¥12,550M
(Increase in long-term debt due within one year)

Long-term debt: -¥6,802M
(Decrease due to the increase in long-term debt due within one year, new long-term debt of ¥7,000M borrowed in Feb, 2010)

Total unitholders' capital: +¥8,156M
(Increase due to PO in Nov. 2009)

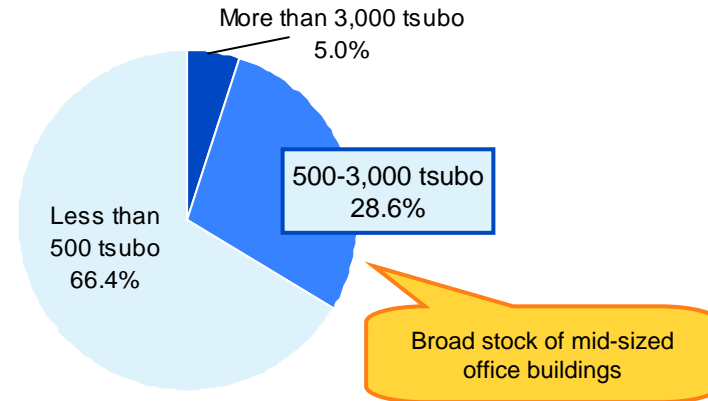
(Reference data 1) Office building market environment

1. Breakdown of offices based on the number of employees (Tokyo)



Source: KDRM, based on Tokyo office statistics report as of 2006 (MPHPT Statistics Bureau)

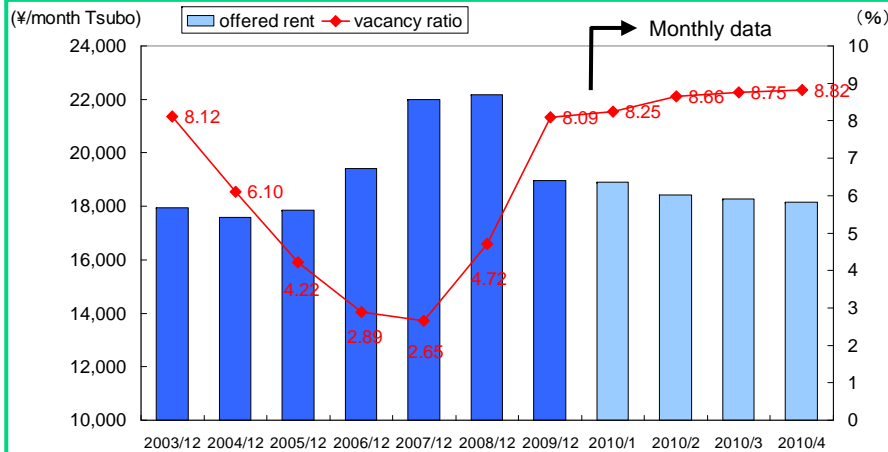
2. Breakdown of office buildings by GFA (tsubo)



Source: Survey conducted by CB Richard Ellis Research Institute based on KRI's request "Macro market survey of Tokyo's central 5 wards" (as of Mar. 31, 2007)

Note: The above data covers rental office buildings located in Tokyo's central 5 wards that were surveyed by CB Richard Ellis Research Institute. The above data may not include the data of all properties in the said 5 wards.

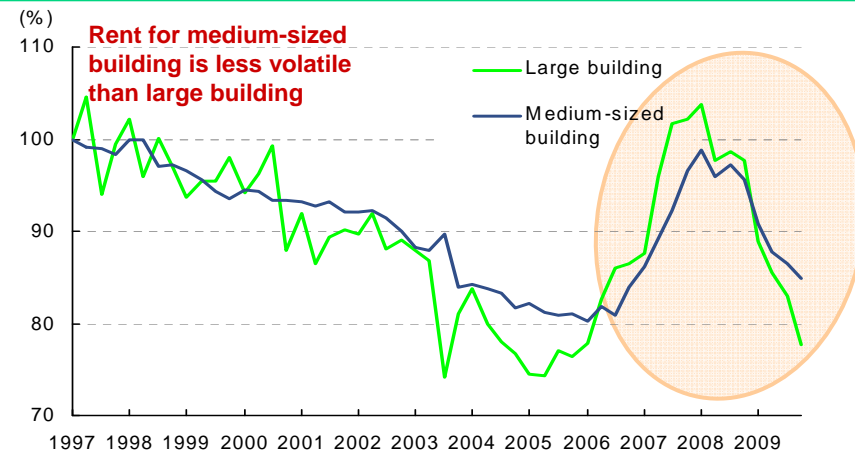
3. Changes in the offered rent and vacancy ratio in Central Tokyo



Source: Miki Shoji "Latest Office Building Markets in Tokyo's central 5 wards" (the latest values as of 2010/4)

Note: Survey covers buildings with more than 100 tsubo in Tokyo's central 5 wards (Chiyoda, Chuo, Minato, Shinjuku, Shibuya)

4. 23 wards of Tokyo: rent levels for large buildings and medium-sized buildings.

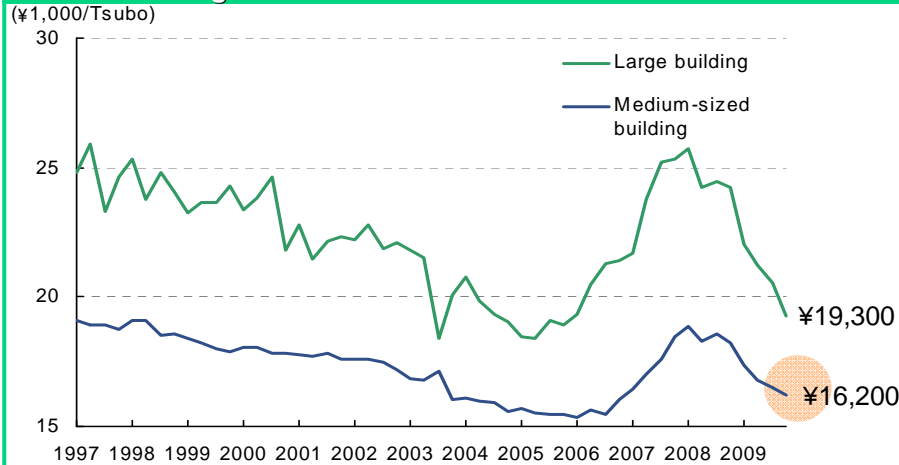


Source: Created by KDAM based on the data compiled by CBRE (the latest values as of 2010/3)

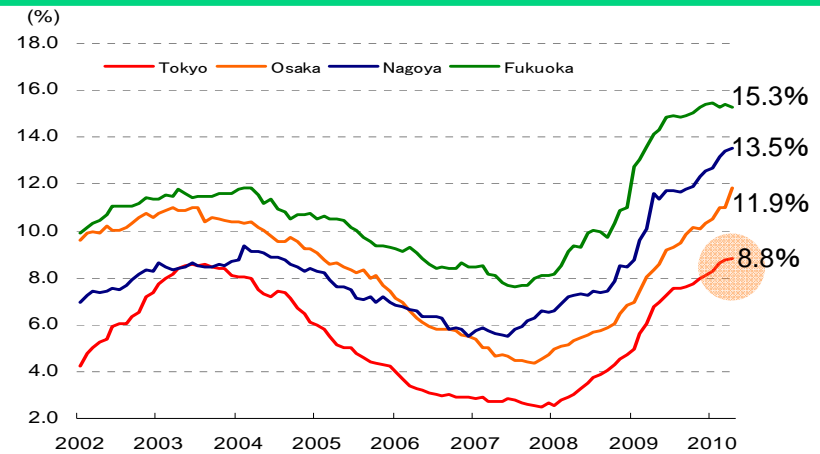
Note: Large building is a building with a gross floor area of 3,000 tsubo or more, while medium-sized building is a building with a gross floor area of 1,000 to 3,000 tsubo

(Reference data 2) Market environment for office buildings

1. 23 wards of Tokyo: rent levels for large buildings and medium-sized buildings



2. Changes in vacancy ratios by region

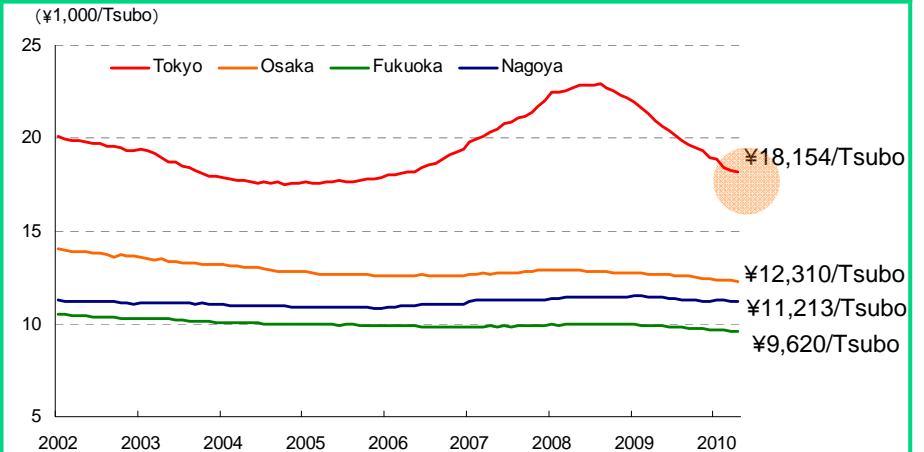


3. Economic situation in Tokyo

	Tokyo	Date	Japan
GDP in Tokyo (Nominal GDP)	¥ 92,277.1B	FY2006	¥ 510,924.7B
No. of office	690,000	2006	5,910,000
No. of employee	8.70M	2006	58.63M
Population	12.83M	1 Oct 2008	127.69M
Population of productive age (15-64 years old)	8.72M	1 Oct 2008	82.30M

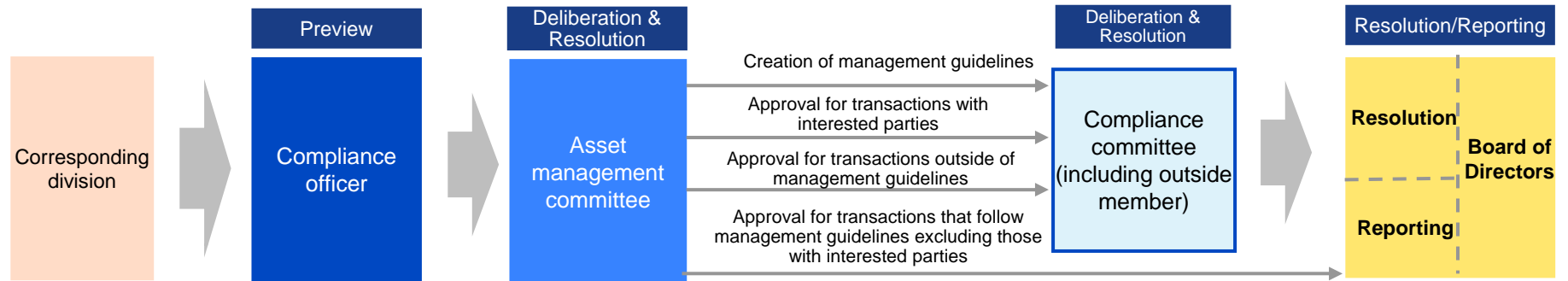
Source: Created by KDRM based on the data compiled by "Kurashi to toukei 2009(Life and statistics 2009)" on the Tokyo metropolitan government website

4. Changes in rent levels by region



Management structure of Asset Management Company

Asset Management Company's decision-making process



Rules on transactions with interested parties

◆ Transactions with interested parties

- Asset acquisition: **Must not acquire properties for more than appraised price** (except for properties pre-acquired by Kenedix Inc. pursuant to the MOU)
- Asset disposal: **Must not sell properties for less than appraised price**

<Reference>

Meetings held by the various committees, Board of Directors of the Asset Management Company / Investment Corporation

	1st period	2nd period	3rd period	4th period	5th period	6th period	7th period	8th period	9th period	10th period
Compliance committee	7	7	7	8	6	8	9	8	8	10
Asset management committee	21	35	39	39	38	38	52	44	36	39
Board of directors	9	7	9	8	9	7	10	8	10	12
Board of directors of Investment Corporation	11	7	7	9	7	7	7	8	8	8

< Reference >

Asset management company's management fee structure

■ Asset management fee

- Management fee I : 0.15% of total assets
- Management fee II : 3.0% of distributable amount each fiscal period
- Acquisition fee : 0.5% of acquisition price (0.25% if interested parties)
- Disposition fee : capped at 0.5% of transfer price

■ Property management fees

- Rental management fee: 2% of rent revenues + 2% of operating revenues from the property (after deducting operating expenses and before deducting depreciation)
- Management transfer fee: amount determined in proportion to the acquisition/sale price (e.g. ¥1-3B → ¥2M, ¥5-10B → ¥2.4M)
- Construction supervision fee: amount determined in proportion to the construction costs (e.g. ¥1-5M → 5%, ¥10-100M → ¥450,000+3%)

Change in shareholders of AM company

Change in shareholders of Kenedix REIT Management

Summary of the change in shareholders

Dec. 14, 2009: Asset management company approved stock transfer in board meeting
 Dec. 22, 2009: Shares transferred from Kenedix, Inc. to Kenedix Asset Management, Inc.

Shareholders before change

Shareholders	Address	No. of Shares	(%)
<u>Kenedix, Inc.</u>	2-2-9 Shimbashi, Minato-ku, Tokyo	5,805	90%
ITOCHU Corporation	2-5-1 Kita-Aoyama, Minato-ku, Tokyo	645	10%
Total	-	6,450	100%

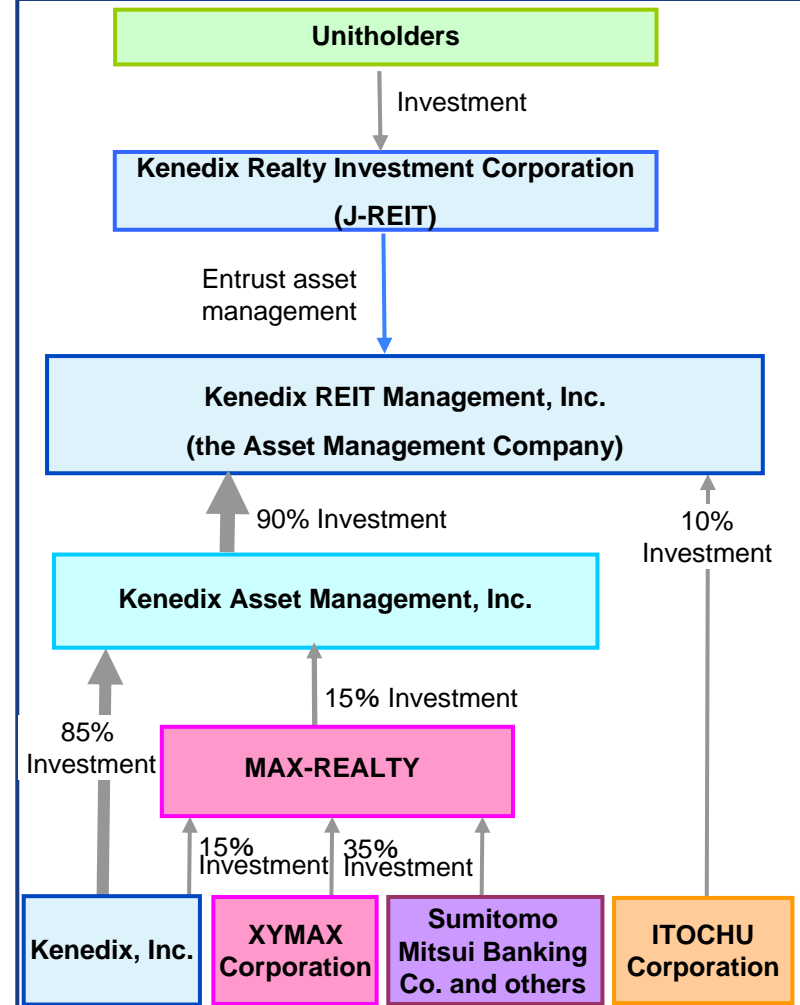
Shareholders after change (as of April 30, 2010)

Shareholders	Address	No. of Shares	(%)
<u>Kenedix Asset Management, Inc.</u>	2-2-9 Shimbashi, Minato-ku, Tokyo	5,805	90%
ITOCHU Corporation	2-5-1 Kita-Aoyama, Minato-ku, Tokyo	645	10%
Total	-	6,450	100%

Details of Kenedix Asset Management Company, Inc.

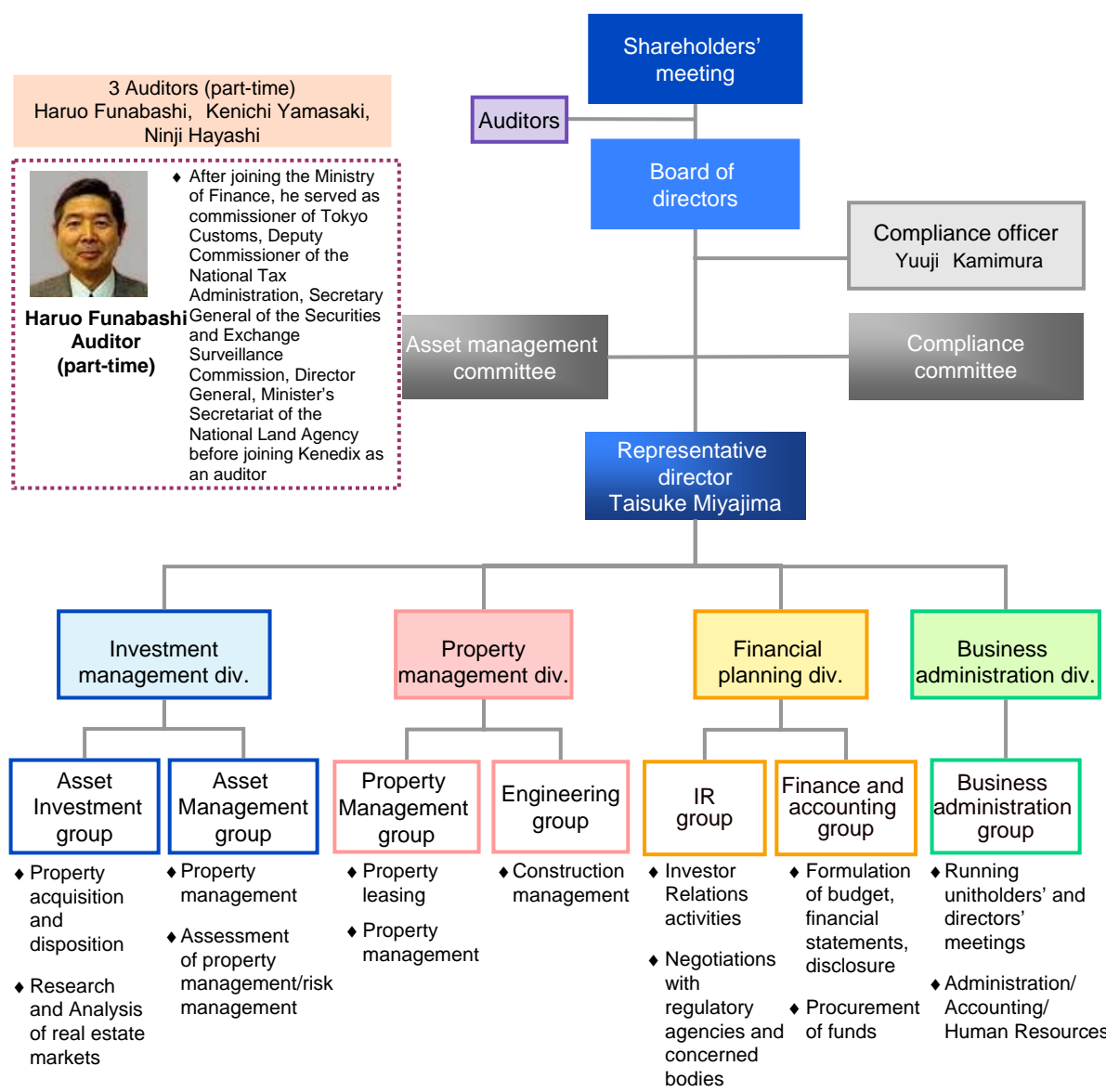
Name	Kenedix Asset Management, Inc.
Incorporated	October 2009
Representative	President Atsushi Kawashima
Capital	¥405M (As of March 31, 2010)

Structure of the Investment Corporation



Note:
 MAX-REALTY is an asset management company invested by XYMAX Corporation, Sumitomo Mitsui Banking Corporation and others, based on the concept of “combining real estate and finance consulting knowledge in to one.”

Kenedix REIT Management, Inc.—Organizational chart



Major members

Taisuke Miyajima
CEO & President

- Worked for **Mitsubishi Trust and Banking** (debt capital market group, Los Angeles branch). Seven years of experience in real estate investment advisory division after joining Kenedix, Inc.
- Transferred to Kenedix REIT Management to become CEO and president

Koju Komatsu
General Manager,
Investment Management Division

- Worked for c.7 years for **Chuo Mitsui Trust and Banking** (Property Sales Department, Property Investment Advisory Department, Asset Finance Department)
- Worked for **Cititrust & Banking** before joining Kenedix, Inc.
- Property appraiser

Masashi Ohwa
Director & General Manager,
Property Management Division

- Worked for **Asahi Urban Development Corporation, Nihonjisho**, others before he joined Kenedix
- Executive Officer & General Manager of REIT Management Division, Kenedix Advisors before joining Kenedix REIT Management

Masahiko Tajima
Director & General Manager,
Financial Planning Division

- Worked for 12 years at **Chuo Mitsui Trust and Banking**, where he was responsible for securitization
- Joined Kenedix, Inc. after 4 years of experience in various securitized paper investments at **Sumitomo Life Insurance**

Yuuji Kamimura
Compliance Officer

- Worked for 27 years for Joined **Shinsei Bank, Ltd.**
- Joined Kenedix REIT Management after 8 years of experience as a compliance officer at Shinsei Bank.

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