

Translation Purpose Only

FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED OCTOBER 31, 2010 (REIT)
(May 1, 2010 to October 31, 2010)

December 13, 2010

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

Representative: Taisuke Miyajima, Executive Director

Asset Management Company: Kenedix REIT Management, Inc.

Representative: Taisuke Miyajima, CEO and President

Inquires: Masahiko Tajima, Director / General Manager, Financial Planning Division

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Planned submission of semiannual security report: January 28, 2011

Planned start of distribution payments: January 18, 2011

1. PERFORMANCE FOR THE FISCAL PERIOD ENDED OCTOBER 31, 2010 (ELEVENTH FISCAL PERIOD)

(1) Business Results

(The amount is 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				
October 31, 2010	8,358 (3.6%)	3,835 (2.6%)	2,608 (1.5%)	2,607 (1.5%)
April 30, 2010	8,067 (1.8%)	3,738 (16.3%)	2,568 (22.1%)	2,567 (22.1%)

	Net Income per Unit (Yen)	Return on Unitholders' Equity	Ordinary Income to Total Assets	Ordinary Income to Operating Revenues
For the six months ended				
October 31, 2010	11,162	1.9%	1.0%	31.2%
April 30, 2010	11,125	2.0%	1.1%	31.8%

(2) Distribution

(The total distribution 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						
October 31, 2010	10,881	2,541	0	-	97.5%	1.9%
April 30, 2010	10,993	2,567	0	-	100.0%	1.8%

Note: The payout ratio is round to the nearest first decimal place.

(3) Financial Position

(The 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				
October 31, 2010	251,080	135,732	54.1%	581,170
April 30, 2010	251,566	135,689	53.9%	580,987

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(4) Cash Flow Position

(The amount 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 End of Period (Millions of Yen)
For the six months ended				
October 31, 2010	6,664	- 615	- 2,966	15,367
April 30, 2010	4,144	- 14,568	11,752	12,285

2. FORECAST OF RESULTS FOR THE FISCAL PERIOD ENDING APRIL 30, 2011 (November 1, 2010 to April 30, 2011)

	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						
April 30, 2011	8,075 (- 3.4%)	3,646 (-4.9%)	2,272 (- 12.9%)	2,271 (-12.9%)	10,000	-

(Reference) Estimated net income per unit for the fiscal period ending April 30, 2011: ¥9,724

Forecasted number of investment units issued and outstanding as of April 30, 2011: 233,550 units

3. OTHER

(1) Changes in Accounting Policies

(a) Changes accompanying amendments to accounting standards: Yes

(b) Changes other than (a): Yes

Note: For details, please refer to page 27 "Notes to the Changes in Accounting Policies".

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

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

As of October 31, 2010: 233,550 units

As of April 30, 2010: 233,550 units

(b) Number of treasury units at end of period

As of October 31, 2010: 0 units

As of April 30, 2010: 0 units

Note: Please refer to page 38 "Notes to the Information per Unit" for the calculation for the net income per unit.

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

The forecast of results for the twelfth fiscal period ending April 30, 2011 are calculated as of December 13, 2010 based on the assumptions presented on page 15 "Preconditions and Assumptions for the Fiscal Period Ending April 30, 2011". Readers are advised that actual operating revenues, operating income, ordinary income, net income, 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 July 27, 2010), and so it 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 July 27, 2010) and extraordinary report (submitted on August 26, 2010), and so it has been omitted from this document.

(2) Operating Conditions

(1) Operating Conditions for the Eleventh Fiscal Period (fiscal period ended October 31, 2010)

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 including two global offerings. The Investment Corporation also undertook an additional issue of 33,550 investment units through a public offering in Japan on November 16, 2009. Consequently, as of October 31, 2010, the end of the eleventh fiscal period, the number of investment units issued and outstanding totaled 233,550 units.

The Investment Corporation appointed Kenedix REIT Management, Inc. as its asset management company. In concert 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 accurately reflects its environment and market trends, and endeavors to ensure a timely response to each and every opportunity. The Investment Corporation endeavors to develop a diversified investment portfolio named “KENEDIX Selection,” adopting a three-point investment criteria 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 October 31, 2010), foreign demand, which has been driving the Japanese economy, began to weaken in driving force and domestic demand, which lacks the ability to achieve self-sustaining recovery, stalled. These factors generated concerns of the Japanese economy entering a temporary lull and a growing sense of uncertainty over the future. Concerning real estate market conditions, official land prices announced by the Ministry of Land, Infrastructure, Transport and Tourism on July 1, 2010 showed that, although land prices continued to decrease against the backdrop of a stagnant economic environment, the degree of decrease was found to be on a narrowing trend. The average change in land prices for the one-year period from July 2009 in Japan decreased by 4.6% for commercial land and decreased by 3.4% for residential land. In the Tokyo Area, the average decreased by 4.1% for commercial land and decreased by 3.0% for residential land. In the three major metropolitan areas, the average decreased by 4.2% for commercial land and decreased by 2.9% for residential land. In each case, the degree of decrease was smaller compared to the previous survey.

Concerning office building leasing market conditions, office vacancy rates continued to hover at high levels. While there were signs of a break in the drop in new rents and rise in vacancy rates in central area locations, there were still ongoing supply-demand adjustments.

On the other hand, in the real estate transaction market, there was a greater sense of security in the market and there were signs of real estate transactions by J-REITs and private placement funds gradually gaining momentum, due in part to the financial environment settling down again and real estate prices seeming more reasonably priced.

(b) Management Performance

As of the end of the tenth fiscal period (fiscal period ended April 30, 2010), the Investment Corporation owned 70 properties with a total acquisition price of ¥235,769 million. In the fiscal period under review (fiscal period ended October 31, 2010), the Investment Corporation sold 1 office building (initial acquisition price of ¥1,610 million), and 1 residential property (initial acquisition price of ¥878 million) in Tokyo Metropolitan Area.

In addition, starting from disclosures pertaining to the fiscal period under review, A-47 KDX Shin-Yokohama 381 Building (acquisition price of ¥4,700 million) and A-65 KDX Shin-Yokohama 381 Building Annex Tower (acquisition price of ¥1,100 million) are indicated collectively as one property.

As a result, the number of properties owned as of October 31, 2010 stood at 67, with a total acquisition price of ¥233,281 million.

Looking at the portfolio as a whole, 90.6% was comprised of office buildings, 5.3% of central urban retail properties and 4.0% of residential properties on an acquisition price basis. The occupancy ratio as of the end of the eleventh fiscal period was 93.6% reflecting stable investment and asset management.

<Changes in Asset Size since Seventh Fiscal Period>

		Seventh Fiscal Period (as of October 31, 2008)		Eighth Fiscal Period (as of April 30, 2009)		Ninth Fiscal Period (as of October 31, 2009)		Tenth Fiscal Period (as of April 30, 2010)		Eleventh Fiscal Period (as of October 31, 2010)	
		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	196,965	88.7	193,911	88.5	197,461	89.6	213,071	90.3	211,461	90.6
	Central Urban Retail Properties	12,379	5.5	12,379	5.6	12,379	5.6	12,379	5.2	12,379	5.3
	Residential Properties	12,709	5.7	12,709	5.8	10,319	4.6	10,319	4.3	9,441	4.0
	Total	222,053	100.0	218,999	100.0	220,159	100.0	235,769	100.0	233,281	100.0
Area	Tokyo Metropolitan Area	189,238	85.2	188,534	86.0	186,144	84.5	201,754	85.5	199,266	85.4
	Other Regional Areas	32,815	14.7	30,465	13.9	34,015	15.4	34,015	14.4	34,015	14.5
	Total	222,053	100.0	218,999	100.0	220,159	100.0	235,769	100.0	233,281	100.0

Notes:

- Total acquisition price is the total of acquisition price for each property classified by type and area.
- Total acquisition price is rounded down to the nearest million yen. Percentages are rounded down to the nearest first decimal place.

Property Acquisitions in the Tenth Fiscal Period (fiscal period ended April 30, 2010) Onwards

The Investment Corporation has built a strong asset (portfolio) base that is diversified across 67 properties amounting to ¥233,281 million in total acquisition price with a stable occupancy ratio of 93.6% as of the end of the fiscal period under review (fiscal period ended October 31, 2010).

The Investment Corporation acquired four office buildings in November 2009, in advance of the full-fledged recovery of the real estate transaction market, with funds procured by increasing capital through public offering and additionally acquired one office building in February 2010 with funds procured through new borrowings. In this manner, the Investment Corporation has been enhancing its presence in the mid-sized office building transaction market. Specifically, four properties were acquired from an external private placement fund, etc. by increasing capital through public offering (Koishikawa TG Building, Gotanda TG Building, KDX Nihonbashi 216 Building and KDX Shin-Yokohama 381 Building Annex Tower) and one property was acquired in a negotiated transaction with another J-REIT through new borrowings (KDX Shinjuku Building) for a total of five properties (total acquisition price of ¥15,610 million) acquired in the tenth fiscal period (fiscal period ended April 30, 2010).

The Investment Corporation has drawn on the advantages of being among the first to resume property acquisitions in the form of expansion and deep cultivation of its own information sourcing channels, such as private placement funds, other J-REITs, financial institutions and brokerage firms, and leading to external growth.

Moreover, the Investment Corporation also secured funds for replacement of assets by selling one office building that is leased out entirely to a single tenant and one residential property that has been five years since construction of it was completed (total sales price: ¥2,500 million).

Furthermore, the Investment Corporation acquired Kyodo Building (Ginza No. 8) and Kyodo Building (Honcho 1chome) in November 2010 and KDX Kobayashi-Doshomachi Building in December 2010 with funds procured through new borrowings and cash on hand for a total of three properties (total acquisition price of ¥11,170 million). Please refer to “(Reference) ① Acquisition of Properties and ② Debt Financing” on page 12 for details.

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

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 and quality service. As of October 31, 2010, the investment portfolio is being managed generally at a high occupancy ratio and the occupancy ratio as of the end of the fiscal period under review (fiscal period ended October 31, 2010) was maintained at 93.6%. The Investment Corporation is satisfied with the quality of property management.

Stable Management due to Large Number of Tenants and Tenant Diversification by Sector

The number of end-tenants for office buildings was 633 as of the end of the fiscal period under review (fiscal period ended October 31, 2010). Floor area leased to each end-tenant as a proportion of total leased floor area of the total portfolio was at most 2.1% for tenants of office buildings, and 5.5% for the total top 3 tenants of office buildings. This indicates that diversification in the number of tenants has been realized. Furthermore, tenants of office buildings are comprised of various sectors, such as the service sector, wholesalers, retailers, manufacturers, etc. As a result, the impact by a certain end-tenant vacating the property or the economic recession impacting a certain sector has relatively small effect. Therefore, the Investment Corporation believes that it will achieve stable portfolio management.

Leasing Management in View of the Leasing Market Environment

The Investment Corporation believes that the mid-sized office building market tends to stably maintain the number of tenants at a certain level even amidst the phase of a weakening leasing market. This is because the market has a broad base of potential tenants as well as diversified business sectors, bringing a variety of tenant needs for lease that include demands for increased floor spaces, requirements by companies to transfer offices from higher-rent buildings and needs to transfer offices as a result of corporate restructuring.

Of all others, “mid-sized office buildings in Tokyo Metropolitan Area,” which is an area that the Investment Corporation is mainly investing in is the largest market in terms of demand due to the economic scale of the Tokyo Metropolitan Area and there are many middle-market and small- and medium-sized enterprises that are candidates for tenancy.

Since the listing in 2005, the Investment Corporation had conducted negotiations to increase rents while maintaining favorable relationships with tenants in cases where market rents greatly exceeded contracted rents. These activities to match the contracted rent with the market rents had realized increases in rental revenue.

On the other hand, in view of the sudden deterioration of the economy since autumn 2008 and the accompanying trends of the leasing market, at the beginning of the eighth fiscal period (fiscal period ended April 30, 2009) the Investment Corporation switched to the management policy of placing priority on maintaining occupancy ratios without, in principle, negotiating to raise rents during forthcoming negotiations on rent.

One reason why it was able to swiftly switch policies was because the Investment Corporation entrusts all its property management duties to the Asset Management Company, and that 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 occupancy ratio of office buildings that the Investment Corporation owns in the Tokyo Metropolitan Area was stably maintained at no less than 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 October 31, 2010) remained under a difficult leasing environment and was affected by such factors as extended periods of vacancy. Nevertheless, the Investment Corporation managed to maintain the occupancy ratio of office buildings in the Tokyo Metropolitan Area at the 94% level and keep the fall in the occupancy ratio of office buildings overall down to 0.7% lower than the end of the previous fiscal period at 93.3%. Furthermore, the occupancy ratio was 100% for 29 out of 61 office buildings that the Investment Corporation owns. These and other results indicate that occupancy ratios have generally maintained stable levels for its office buildings overall.

<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	
Seventh Fiscal Period (As of October 31, 2008)	95.7%	96.2%	94.1%	95.6%
Eighth Fiscal Period (As of April 30, 2009)	95.6%	96.5%	92.4%	95.7%
Ninth Fiscal Period (As of October 31, 2009)	94.4%	97.3%	85.9%	94.7%
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%

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

Average Rent Level

As of the end of the fiscal period under review (fiscal period ended October 31, 2010), the average rent level of office buildings was 16,300 yen (Note), whereas it was 16,700 yen (Note) as of the end of tenth fiscal period (fiscal period ended April 30, 2010) and 17,200 yen (Note) as of the end of ninth fiscal period (fiscal period ended October 31, 2009). This means that it has dropped 5.1% compared to the end of the ninth fiscal period and 2.3% compared to the end of tenth fiscal period, but the downward trend is weakening and the Investment Corporation believes that the rents are stable even amidst this phase of the weakening leasing market.

Note : The average rent level covers the offices primarily on the second floor and above, excluding those on the first floor and those used as shops, warehouses or for special purposes, etc., of the 56 properties the Investment Corporation has owned since the end of the seventh fiscal period (October 31, 2008) and which it has continued to own until the end of the fiscal period under review (KDX Nagoya Sakae Building (building portion) which was acquired in the ninth fiscal period, 5 properties acquired during the tenth fiscal period and KDX Shinjuku-Gyoen Building sold in the fiscal period under review are not included, and starting from the fiscal period under review. Starting from the fiscal period under review, KDX Shin-Yokohama 381 Building is calculated collectively with the Annex Tower as 1 property.). The average rent level of each property is the value obtained by dividing the sum of the monthly rent (including common area charges) per each property by the total leased area of each property, and is rounded down to 100 yen.

C. Capital Acquisition

(a) Status of Borrowings

The Investment Corporation undertook borrowings of ¥14,900 million (¥12,400 million in long-term borrowings and ¥2,500 million in short-term borrowings (Note 1)) to repay borrowings that matured during the eleventh fiscal period (fiscal period ended October 31, 2010).

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 1 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. Same applies below.

<Borrowings During the Eleventh Fiscal Period>

Lender	Classification	Borrowing Amount (Millions of Yen)	Drawdown Date	Last Repayment Date	Borrowing Period
Mitsubishi UFJ Trust and Banking Corporation	Series 48-A	1,500	July 30, 2010	July 31, 2011	1 yr
Resona Bank, Ltd.	Series 48-B	500	July 30, 2010	July 31, 2013	3 yrs
The Chuo Mitsui Trust and Banking Co., Ltd.	Series 48-C	3,700	July 30, 2010	January 31, 2014	3.5 yrs
Sumitomo Mitsui Banking Corporation	Series 48-D	3,700	July 30, 2010	July 31, 2014	4 yr
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Series 49	1,500	October 26, 2010	October 31, 2011	1yr and 6 days
Mitsubishi UFJ Trust and Banking Corporation	Series 50-A	1,000	October 29, 2010	October 31, 2011	1 yr
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Series 50-B	2,500	October 29, 2010	October 31, 2012	2 yrs
Resona Bank, Ltd.	Series 50-C	500	October 29, 2010	October 31, 2013	3 yrs

As of the end of the tenth fiscal period (fiscal period ended April 30, 2010), the balance of borrowings stood at ¥90,968.5 million (¥82,168.5 million in long-term borrowings and ¥8,800 million in short-term borrowings). As a result, the balance of interest-bearing debt stood at ¥102,567 million as of October 31, 2010, comprising ¥90,567 million in borrowings (¥84,267 million in long-term borrowings and ¥6,300 million in short-term borrowings) and ¥12,000 million in investment corporation bonds.

As of October 31, 2010, ¥15,500 million out of ¥22,500 million of long-term borrowings which have floating interest rates have been fixed by utilizing interest-swap agreements. In addition, the long-term debt ratio (Note 2) was 93.9% and the long-term fixed interest debt ratio (Note 3) was 87.0%.

Note 2: 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 3: 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.

The balance of borrowings according to financial institution as of October 31, 2010 is as follows.

(Unit: Millions of Yen)

Lender	Eleventh Fiscal Period (as of October 31, 2010)	Ratio (%) (Note 4)
Sumitomo Mitsui Banking Corporation	21,337	23.6
The Chuo Mitsui Trust and Banking Co., Ltd.	15,400	17.0
Aozora Bank, Ltd.	13,975	15.4
Development Bank of Japan Inc.	13,555	15.0
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	9,800	10.8
Mitsubishi UFJ Trust and Banking Corporation	7,200	7.9
Resona Bank, Ltd.	4,300	4.7
The Norinchukin Bank	4,000	4.4
Mitsui Sumitomo Insurance Co., Ltd.	1,000	1.1
Total	90,567	100.0

Note 4: Percentages are rounded down to the nearest first decimal place.

(b) Overview of Posted Collateral

The status of the posted collateral as of October 31, 2010 are as follows.

(Unit: Millions of Yen)

Type	Collateralized Assets (Secured)		Uncollateralized Assets (Unsecured)	
	Number of Properties	Appraisal Value at the End of Eleventh Fiscal Period	Number of Properties (Note 2)	Appraisal Value at the End of Eleventh Fiscal Period
Office Buildings	41 properties	142,110	20 properties	48,028
Central Urban Retail Properties	1 property	9,750	1 property	1,900
Residential Properties	2 properties	5,900	2 properties	1,909
Total	44 properties	157,760	23 properties	51,837

In addition, the outstanding balance of secured borrowings as of the end of the fiscal period under review (fiscal period ended October 31, 2010) is 90,567 million yen. In addition to the above 44 properties for which it has posted collateral, the Investment Corporation posted collateral for three other properties on November 12, 2010 (KDX Shin-Yokohama 381 Building (Note 2), Kyodo Building (Ginza No. 8) and Kyodo Building (Honcho 1chome)). For further details, please refer to page 13 “(Reference Material) ③Posting Additional Collateral.”

Notes:

- As of December 13, 2010, the outstanding balance of secured borrowings is 100,067 million yen.
- Starting from disclosures pertaining to the fiscal period under review, A-47 KDX Shin-Yokohama 381 Building and A-65 KDX Shin-Yokohama 381 Building Annex Tower are indicated collectively as one property.

(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 eleventh fiscal period (fiscal period ended October 31, 2010) 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 nearest second decimal place.

(d) Status of Credit Rating

The status of the credit ratings as of October 31, 2010 is as follows.

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

On June 14, 2010, the Investment Corporation requested that Moody's Investors Service, Inc. withdraw the issuer credit rating of Ba1 (negative outlook) and senior unsecured long-term debt rating of Ba1 (negative outlook) that it had been issued. Moody's Investors Service, Inc. withdrew the issuer credit rating on June 18, 2010.

(e) Status of Shelf Registration

The Investment Corporation filed a debt shelf registration statement in February 2009. Details are as follows.

	Investment Corporation Bond
Planned Issue Amount	¥100,000,000,000
Planned Issuance Period	February 15, 2009 to February 14, 2011
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

First Series Unsecured Investment Corporation Bonds of ¥9,000,000,000 and Second Series Unsecured Investment Corporation Bonds of ¥3,000,000,000 have been issued in March 2007 based on the debt shelf registration statement filed in February 2007.

In addition, the Investment Corporation filed an equity shelf registration statement to conduct equity financing in April 2009. 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	May 8, 2009 to May 7, 2011	May 14, 2009 to May 7, 2011
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 is no 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 ¥8,358 million, operating income of ¥3,835 million, ordinary income of ¥2,608 million and net income of ¥2,607 million for its eleventh fiscal period (fiscal period ended October 31, 2010).

Concerning cash distributions, the Investment Corporation has decided to book a portion of its unappropriated retained earnings to internal reserve as a reserve for reduction entry based on application of 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). On that basis, to ensure that the stipulations of Article 67-15 of the Special Taxation Measures Law applies, the Investment Corporation decided to distribute roughly the total amount 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. Accordingly, the Investment Corporation declared cash distribution of ¥10,881 per unit.

(2) Outlook

A. Investment Environment

The Japanese economy saw appreciation of the yen, convergence of policy effects and other factors lead to difficult circumstances such as exports and production being on a weak note recently and unemployment rates still hovering at high levels. As a result, the economy is shifting from a recovery trend to a standstill.

Concerning real estate market conditions, according to the “Trend Report of the Prices of Intensively Used Land in Major Cities” (survey period: July 1, 2010 to October 1, 2010) announced by the Ministry of Land, Infrastructure, Transport and Tourism on November 26, 2010, while land prices continued to fall in the majority of the intensively used districts (residential and commercial districts) of major cities in Japan (87 districts (58%) out of all 150 districts), land prices rose or remained unchanged in 63 districts (42%). With no districts reported to have land prices that decreased by “6% or higher” in the previous report and followed by a decrease in the number of districts reported to have land prices that decreased by “3% or higher, but lower than 6%” from the previous survey’s thirteen districts to five districts in the report this time and such, the slowing pace of decrease in land prices overall was found to have continued from the previous report.

In the office building leasing market, a research group on office market trends formed jointly by Japan Real Estate Institute and Miki Shoji Co., Ltd. says that vacancy rates will peak in 2010 and rents will bottom out in 2011 for large- and mid-sized buildings (100 tsubo or more in floor area of a typical floor) in the central business district of Tokyo (five central wards of Tokyo) and sees that the worst of the sharp downturn may soon be over. However, while companies are ceasing movements to reduce offices, there are little movements to expand offices, etc. by increasing floor area or relocating and so there is still no progress in improvement of the balance of supply and demand.

In the real estate transaction market, there were signs of transactions gradually becoming more active as a result of the large favorable turn in the financing environment, real estate prices seeming more reasonably priced, global monetary easing leading to a flow of investment money, centering on Asia, towards real estate and other factors.

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 criterion 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 to grow its asset size to about ¥400 billion yen within the medium-to-long terms, with establishing its position as the “No. 1 REIT for mid-sized office buildings” in mind.

In the wake of the global credit crunch, the Investment Corporation has been prioritizing the improvement of its financial standing and selling of its properties from the eighth fiscal period (fiscal period ended April 30, 2009) through ninth fiscal period (fiscal period ended October 31, 2009). However, the Investment Corporation believes that it is now at the stage of reverting back to the natural state of a J-REIT, which is to pursue portfolio growth over the medium to long term.

With such factors as the recovery of creditworthiness of J-REITs for which the real estate market stabilization fund was established, change of sponsor companies, mergers between J-REITs and the resumption of public offerings or issuance of investment corporation bonds, in addition to the declining lending base rate, the financing environment of J-REITs has improved. Amidst such a situation, the appetite of investors to invest in real estate is gradually recovering and real estate transaction prices are also showing signs of a recovery.

Under these circumstances, the Investment Corporation occupies an advantageous position in the transaction market for mid-sized office buildings, as it holds a portfolio surpassing 200 billion yen and has an abundant track-record in investing in and managing mid-sized office buildings, as well as proven financial stability.

Against such a backdrop, the Investment Corporation considers the present situation as “a good opportunity to work to seek stable growth of its portfolio through newly acquiring mid-sized office buildings.” With this perspective, the Investment Corporation intends to further the acquisition of mid-sized office buildings ahead of the full-fledged recovery of the market, without waiting for deals in the overall office building transaction market to become active.

Moreover, in acquiring properties, the Investment Corporation will strive to diversify investment methods in due consideration of also the balance of financing, such as fund-type investments through investments in silent partnership, and will also strengthen the sourcing of information on portfolio matters so as to get a hold of properties ahead of others.

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 accordance with the room for replacement of assets that assumes 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 eleventh fiscal period (fiscal period ended October 31, 2010). 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 responses as well as optimal tenant satisfaction. Accordingly, the Investment Corporation will aim to maintain / increase of the cash flow by offering office environment with high tenant satisfaction. Based on the aforementioned, the Asset Management Company undertakes property management activities as follows:

- Identify satisfaction through use of CS surveys (customer satisfaction = tenant satisfaction)
- Measures to Maintain and Raise Competitiveness of Properties
- Leasing management according to the market environment
- Careful control of management and operating costs by taking advantage of portfolio size
- Appropriate responses to relevant laws and regulations
- Proactive environmental response

Identify 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 conducted the first CS Survey, which covered 20 of its properties, during the second fiscal period (fiscal period ended April 30, 2006), the second CS Survey, which covered 44 of its properties, during the fifth fiscal period (fiscal period ended October 31, 2007) and the third CS Survey, which covers 58 properties during the ninth fiscal period (fiscal period ended October 31, 2009).

Based on the results of the first survey and the second survey, the Investment Corporation has strived to maintain and enhance customer satisfaction by, in terms of hardware (buildings and facilities), implementing construction for maintenance and construction in response to the CS Survey (renovations to enhance value and for other purposes) for respective properties in a way to meet tenant needs and, in terms of software (operating and management services), by changing building maintenance companies for properties with low satisfaction on building maintenance, and conducting improvement activities individually based on the feedback to questionnaires to administration officers on the site. The third survey conducted in July 2009, showed enhanced satisfaction in most items, resulting in the reflection of the improvement activities the Investment Corporation has taken to date.

Given the results of the third CS Survey, the Investment Corporation gave feedback during the eleventh fiscal period (fiscal period ended October 31, 2010) to each tenant for all properties concerning opinions of tenants and countermeasures. Following that, it has taken specific measures to address individual problems one by one. Furthermore, based on the voices of tenants up to the third survey, the Investment Corporation established guidelines on management response centering on improvement measures to reflect issues of dissatisfaction in terms of software (operating and management services), including cleaning and tenant services, in an aim to standardize and enhance service quality in relation to the portfolio. The Investment Corporation has adopted the guidelines as a rule as of the twelfth fiscal period (fiscal period ending April 30, 2011).

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 software for each property, in pursuit of maintaining and enhancing tenant satisfaction.

By continuously conducting such surveys, the Investment Corporation will aim to increase customer satisfaction, generate improvements in rent levels and asset values, promote enhanced earnings and aim to maintain and increase cash flow.

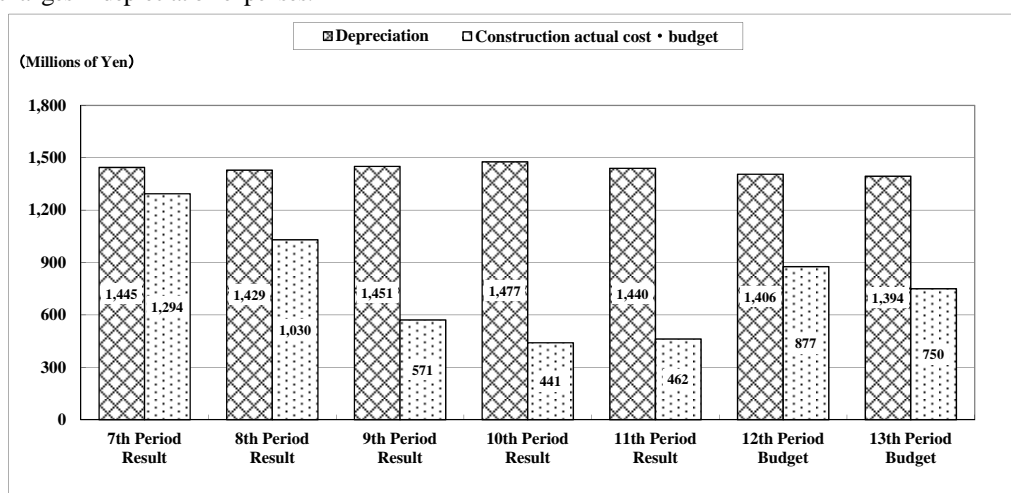
Measures to Maintain and Raise Competitiveness of Properties

The Investment Corporation aims to provide attractive mid-sized office buildings in order to enhance portfolio value and rental revenues. During the period from the eighth fiscal period (fiscal period ended April 30, 2009) to the tenth fiscal period (fiscal period ended April 30, 2010), the Investment Corporation conducted management under the policy of reducing the budget for major construction to enhance value and keeping construction expenditures to the scope necessary, due to having completed the bulk of construction measures at many of its portfolio properties. For the fiscal period under review (fiscal period ended October 31, 2010) and onwards, the Investment Corporation will proactively follow through with the above, in addition to appropriate construction for maintenance and construction for renovations that are necessary for lease-up, in view of maintaining and boosting asset value and stabilizing revenue.

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.

Based on the results of the CS surveys, the Investment Corporation will consolidate its building maintenance companies by taking utmost advantage of the portfolio size, and then will implement operation and management in close contact with the actual properties in order to further enhance the management quality and services. The Investment Corporation will set unified standards in regards to specifications and services that tend to differ by property, and implement measures to enhance the value by carrying out property management based on these unified standards. By doing so, the Investment Corporation aims to maintain rent levels and asset values.

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.



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 leading brokers, holding of previews, marketing directly to corporations, utilizing guarantee companies and other measures.

On the other hand, the Investment Corporation will endeavor to conduct property management so as to increase customer satisfaction by adopting the basic policy of maintaining current conditions in serving existing tenants.

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 building maintenance expenses for office buildings, trust fees and electricity costs at some properties by reviewing the content 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.

Appropriate responses to relevant laws and regulations

The Investment Corporation will swiftly collect information with regard to the laws to be revised, including the Energy Saving Act, as well as present laws and regulations, to appropriately make the required responses.

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 software (operating and management services) in an aim to ensure the simultaneous pursuit of return on investment and social benefits.

(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.

While all borrowings of the Investment Corporation were unsecured and unguaranteed since the first borrowing was drawn in August 2005, collateral was posted in April 2009 for a certain proportion of its assets under management for the purpose of smooth fund procurement. Given the ongoing improvement in the financing environment since 2010, the Investment Corporation will aim to improve present borrowing terms.

In order to pursue stable financial management, the Investment Corporation will aim to keep the ratio of interest-bearing debt to total assets (LTV) at less than 45% as a rule as it has done so to date. However, it will also remain open to the option of management at the upper 40% level brought about by debt financing conducted for the purpose of acquiring prime properties, etc. The Investment Corporation will continue to carry out conservative leverage control over its LTV.

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 than ever before.

(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

There were no important events following account settlement of the eleventh fiscal period (fiscal period ended October 31, 2010).

(Reference Material)

① Acquisition of Properties

The Investment Corporation acquired Kyodo Building (Ginza No.8) and Kyodo Building (Honcho 1chome) on November 12, 2010 and KDX Kobayashi-Doshomachi Building on December 1, 2010 with funds procured through aforementioned ②new borrowings and cash on hand for a total of three properties (total acquisition price of ¥11,170 million).

Property Name	Kyodo Building (Ginza No. 8) (office building)
Type of Specified Asset	Trust beneficiary interest in real estate
Location (Address)	1-20-14 Ginza Chuo-ku, Tokyo
Type of Structure	F9
Site Area	4,724.62 m ²
Completion Date	November 29, 1991
Acquisition Price	4,300 million yen

Property Name	Kyodo Building (Honcho 1chome) (office building)
Type of Specified Asset	Trust beneficiary interest in real estate
Location (Address)	1-5-9 Honcho, Nihonbashi, Chuo-ku, Tokyo
Type of Structure	B1 F9
Site Area	5,110.45 m ²
Completion Date	January 31, 1984
Acquisition Price	4,000 million yen

Property Name	KDX Kobayashi-Doshomachi Building (office building)
Type of Specified Asset	Trust beneficiary interest in real estate (fixed-term leasehold with special agreement on building sales, and the building)
Location (Address)	4-4-10 Doshomachi, Chuo-ku, Osaka-shi, Osaka
Type of Structure	B1 F12
Site Area	10,723.83 m ²
Completion Date	July 28, 2009
Acquisition Price	2,870 million yen

②Debt Financing

The Investment Corporation executed the following syndicated loan with Sumitomo Mitsui Banking Corporation acting as an agent on November 12, 2010 and December 1, 2010 to support the acquisition of the abovementioned three properties.

	Term Loan 51-A	Term Loan 51-B	Term Loan 51-C
Lender	The Bank of Tokyo-Mitsubishi UFJ, Ltd. The Chuo Mitsui Trust and Banking Co., Limited Aozora Bank, Ltd.		Sumitomo Mitsui Banking Corporation Resona Bank, Ltd.
Amount	¥2,700 million	¥800 million	¥2,000 million
Interest Rate	1.58375% (Fixed rate of interest)	1.25742% (Floating rate of interest) (Note 1)	1.78875% (Fixed rate of interest)
Drawdown Date	November 12, 2010	December 1, 2010	November 12, 2010
Repayment Date	November 12, 2013	November 12, 2013	November 12, 2015

	Term Loan 51-D	Term Loan 51-E	Term Loan 51-F
Lender	Sumitomo Mitsui Banking Corporation Resona Bank, Ltd.	Development Bank of Japan Inc.	
Amount	¥1,000 million	¥2,300 million	¥700 million
Interest Rate	1.35742% (Floating rate of interest) (Note 2)	2.0225% (Fixed rate of interest)	2.20625% (Fixed rate of interest)
Drawdown Date	December 1, 2010	November 12, 2010	December 1, 2010
Repayment Date	November 12, 2015	November 12, 2017	November 12, 2017

Notes:

1. The interest rate covers the period commencing December 1, 2010 through January 31, 2011. Thereafter, the interest rate shall be calculated based on the six-month yen TIBOR +1.00%. The interest rate after January 31, 2011, shall be disclosed as and when determined.
2. The interest rate covers the period commencing December 1, 2010 through January 31, 2011. Thereafter, the interest rate shall be calculated based on the six-month yen TIBOR +1.10%. The interest rate after January 31, 2011, shall be disclosed as and when determined.

③Posting Additional Collateral

The following three properties were pledged as additional collateral on November 12, 2010. The assets that were pledged as additional collateral are the following trust beneficiary interests in real estate, as well as other contingent assets (right to claim fire insurance proceeds, etc.).

(Unit: Millions of Yen)

Type	Property No.	Property Name	Area	Type of Assets	Most Recent Appraisal Value (Reference)
Office	A-47	KDX Shin-Yokohama 381 Building	Tokyo Metropolitan Area	Trust Beneficiary Interests (Note 1)	4,250
	A-67	Kyodo Building (Ginza No.8)	Tokyo Metropolitan Area	Trust Beneficiary Interests	4,520
	A-68	Kyodo Building (Honcho 1chome)	Tokyo Metropolitan Area	Trust Beneficiary Interests	4,330

Notes:

1. For KDX Shin-Yokohama 381 Building, the existing tower which was acquired on February 1, 2008 and the annex tower which was acquired on November 18, 2009 are indicated collectively as one property. However, assets that are to be pledged as additional collateral are in the form of separate trust beneficiary interests in real estate for the existing tower and the annex tower (total of two).
2. The appraisal value for KDX Shin-Yokohama 381 Building are stated as of October 31, 2010, while the appraisal values for Kyodo Building (Ginza No.8) and Kyodo Building (Honcho 1chome) are stated as of October 1, 2010.

(4) Outlook

Forecasts for the twelfth fiscal period (November 1, 2010 to April 30, 2011) are presented as follows. Please refer to the “Preconditions and Assumptions for the Fiscal Period Ending April 30, 2011” below for factors that underpin forecasts.

Operating Revenues	¥8,075 million
Operating Income	¥3,646 million
Ordinary Income	¥2,272 million
Net Income	¥2,271 million
Distribution per Unit	¥10,000
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 April 30, 2011”

	Preconditions and Assumptions
Calculation Period	<ul style="list-style-type: none"> The twelfth fiscal period: November 1, 2010 to April 30, 2011 (181 days)
Property Portfolio	<ul style="list-style-type: none"> Forecasts are based on the 70 properties held as of December 13, 2010. Upon calculating the abovementioned number of properties, KDX Shin-Yokohama 381 Building and KDX Shin-Yokohama 381 Building Annex Tower were considered together as 1 property Forecasts are based on the number of properties remaining unchanged up to and including the end of the twelfth fiscal period. The property portfolio may change due to a variety of factors.
Operating Revenues	<ul style="list-style-type: none"> Rental revenues are estimated based on valid leasing agreements as of December 13, 2010 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. Upon calculating the operating revenues, the 2 properties (Kyodo Building (Ginza No.8) and Kyodo Building (Honcho 1chome)) acquired in November 2010, and 1 property (KDX Kobayashi-Doshomachi Building) acquired in December 2010 are included. Forecasts are based on the assumption that there will be no rent in arrear or non-payments from tenants.
Operating Expenses	<ul style="list-style-type: none"> Property-related expenses other than depreciation are based on historic expenses, adjusted to reflect the expenses variables including seasonal factors. Upon calculating the operating expenses, the 2 properties (Kyodo Building (Ginza No.8) and Kyodo Building (Honcho 1chome)) acquired in November 2010 and 1 property (KDX Kobayashi-Doshomachi Building) acquired in December 2010 are included. An amount of ¥809 million has been estimated for property management fees and facility management fees (property management and building maintenance fees, etc.). An amount of ¥649 million has been estimated for taxes and public dues (property tax and city-planning tax, etc.). An amount of ¥1,406 million has been estimated for depreciation expense. An amount of ¥123 million has been estimated for repairs and maintenance expense. 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. 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.
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 ¥1,359 million is forecasted for the

Non-Operating Expenses	<p>twelfth fiscal period. Furthermore, non-operating expenses are expected to increase compared with the eleventh fiscal period (fiscal period ended October 31, 2010) due to such factors as the increase in interest expenses on borrowings of ¥9,500 million newly undertaken in November and December 2010.</p>
Debt Financing and Investment Corporation Bonds	<ul style="list-style-type: none"> • The balance of the borrowings and the investment corporation bonds as of December 13, 2010 are ¥100,067 million and ¥12,000 million, respectively. • Of the borrowings as of December 13, 2010, ¥22,351.5 million (short-term borrowings: ¥3,800 million and long-term borrowings: ¥18,551.5 million) in borrowings are due during the twelfth fiscal period. However, all borrowings are presupposed to be refinanced excluding ¥301.5 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 December 13, 2010 is 233,550 units. Forecasts are based on the assumption that the number of investment units issued and outstanding shall remain unchanged for the twelfth 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 the reserve for reduction entry in the amount of ¥65 million in internal reserves in the eleventh fiscal period (fiscal period ended October 31, 2010) 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) will be reversed and the amount distributed. • 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)

	Tenth Fiscal Period (As of April 30, 2010)	Eleventh Fiscal Period (As of October 31, 2010)
ASSETS		
Current assets		
Cash and deposits *3	7,299,121	10,416,712
Cash and deposits in trust *3	5,998,669	5,828,961
Accounts receivable-trade	151,362	208,479
Prepaid expenses	67,532	66,530
Consumption taxes receivable	48,308	-
Other	15,607	8,187
Total current assets	13,580,602	16,528,870
Noncurrent assets		
Property, plant and equipment		
Buildings	14,695,921	14,743,175
Accumulated depreciation	- 1,192,499	- 1,439,687
Buildings, net	13,503,421	13,303,487
Structures	18,886	19,086
Accumulated depreciation	- 3,717	- 4,379
Structures, net	15,169	14,707
Machinery and equipment	341,317	341,632
Accumulated depreciation	- 48,923	- 60,538
Machinery and equipment, net	292,394	281,094
Tools, furniture and fixtures	69,567	75,740
Accumulated depreciation	- 11,065	- 14,341
Tools, furniture and fixtures, net	58,502	61,399
Land	29,104,205	29,104,205
Buildings in trust	66,052,389	65,118,690
Accumulated depreciation	- 8,312,165	- 9,200,374
Buildings in trust, net	57,740,224	55,918,316
Structures in trust	191,517	186,595
Accumulated depreciation	- 64,313	- 69,189
Structures in trust, net	127,203	117,406
Machinery and equipment in trust	923,150	934,428
Accumulated depreciation	- 350,844	- 391,706
Machinery and equipment in trust, net	572,306	542,721
Tools, furniture and fixtures in trust	271,202	290,955
Accumulated depreciation	- 125,468	- 138,638
Tools, furniture and fixtures in trust, net	145,733	152,316
Land in trust	135,358,591	133,943,076
Total property, plant and equipment *3	236,917,754	233,438,730
Intangible assets		
Leasehold right	285,350	285,350
Right of using water facilities in trust *3	1,145	1,027
Total intangible assets	286,495	286,377
Investments and other assets		
Lease and guarantee deposits	11,652	11,652
Long-term prepaid expenses	694,220	752,924
Total investments and other assets	705,872	764,576
Total noncurrent assets	237,910,122	234,489,684

KENEDIX REALTY INVESTMENT CORPORATION (8972)

Deferred assets		
Investment corporation bond issuance costs	33,865	27,987
Investment unit issuance expenses	41,893	33,514
Total deferred assets	75,758	61,502
Total assets	251,566,484	251,080,057
		(Thousands of Yen)
	Tenth Fiscal Period (As of April 30, 2010)	Eleventh Fiscal Period (As of October 31, 2010)
Liabilities		
Current Liabilities		
Accounts payable	377,030	499,242
Short-term loans payable*3	8,800,000	6,300,000
Current portion of long-term loans payable *2 *3	28,250,000	35,250,000
Accounts payable-other	172,263	212,243
Accrued expenses	148,773	155,398
Income taxes payable	639	632
Accrued consumption taxes	17,330	282,121
Advances received	1,245,402	1,166,896
Deposits received	17,053	7,158
Derivatives liabilities	12,520	7,420
Total current liabilities	39,041,014	43,881,112
Noncurrent liabilities		
Investment corporation bond	12,000,000	12,000,000
Long-term loans payable *3	53,918,500	49,017,000
Tenant leasehold and security deposits	1,593,089	1,547,030
Tenant leasehold and security deposits in trust	9,324,241	8,902,539
Total noncurrent liabilities	76,835,830	71,466,569
Total liabilities	115,876,845	115,347,682
Net assets		
Unitholders' equity		
Unitholders' capital	133,129,755	133,129,755
Surplus		
Unappropriated retained earnings(undisposed loss)	2,567,479	2,607,121
Total surplus	2,567,479	2,607,121
Total unitholders' equity	135,697,235	135,736,876
Valuation and translation adjustments		
Deferred gains or losses on hedges	- 7,596	- 4,502
Total valuation and translation adjustments	- 7,596	- 4,502
Total net assets *1	135,689,639	135,732,374
Total liabilities and net assets	251,566,484	251,080,057

(2) Statements of Income

(Thousands of Yen)

	Tenth Fiscal Period November 1, 2009 to April 30, 2010	Eleventh Fiscal Period May 1, 2010 to October 31, 2010
Operating revenue		
Rent revenue-real estate *1	7,150,115	7,159,361
Other lease business revenue *1	917,332	1,082,839
Gain on sales of real estate properties	-	116,396
Total operating revenue	8,067,447	8,358,596
Operating expenses		
Expenses related to rent business *1	3,714,417	3,817,751
Loss on sales of real estate properties *2	-	64,348
Asset management fee	433,914	458,033
Directors' compensation	5,400	5,400
Asset custody fee	23,860	24,851
Administrative service fees	53,368	55,209
Audit fee	10,800	10,800
Other operating expenses	87,330	86,547
Total operating expenses	4,329,092	4,522,943
Operating income	3,738,355	3,835,653
Non-operating income		
Interest income	10,865	1,916
Dividends and redemption-prescription	2,638	346
Other	1,616	1,812
Total non-operating income	15,121	4,075
Non-operating expenses		
Interest expenses	818,702	879,628
Interest expenses on investment corporation bonds	113,378	114,321
Borrowing related expenses	210,090	211,796
Amortization of investment corporation bond issuance costs	5,781	5,877
Amortization of investment unit issuance expenses	32,062	8,378
Amortization of business commencement expenses	5,089	-
Other	-	11,671
Total non-operating expenses	1,185,105	1,231,673
Ordinary income	2,568,370	2,608,055
Income before income taxes	2,568,370	2,608,055
Income taxes-current	884	826
Income taxes-deferred	55	171
Total income taxes	939	998
Net income	2,567,430	2,607,056
Retained earnings brought forward	48	64
Unappropriated retained earnings(undisposed loss)	2,567,479	2,607,121

(3) Statements of Unitholders' Equity

(Thousands of Yen)

	Tenth Fiscal Period November 1, 2009 to April 30, 2010	Eleventh Fiscal Period May 1, 2010 to October 31, 2010
Unitholders' equity		
Unitholders' capital *		
Balance at the end of previous period	124,973,750	133,129,755
Changes of items during the period		
Issuance of new investment units	8,156,005	-
Total changes of items during the period	8,156,005	-
Balance at the end of current period	133,129,755	133,129,755
Unappropriated retained earnings (undisposed loss)		
Balance at the end of previous period	2,102,248	2,567,479
Changes of items during the period		
Distribution from surplus	- 2,102,200	- 2,567,415
Net income	2,567,430	2,607,056
Total changes of items during the period	465,230	39,641
Balance at the end of current period	2,567,479	2,607,121
Total unitholders' equity		
Balance at the end of previous period	127,075,999	135,697,235
Changes of items during the period		
Issuance of new investment units	8,156,005	-
Distribution from surplus	- 2,102,200	- 2,567,415
Net income	2,567,430	2,607,056
Total changes of items during the period	8,621,235	39,641
Balance at the end of current period	135,697,235	135,736,876
Valuation and translation adjustments		
Deferred gains or losses on hedges		
Balance at the end of previous period	- 8,830	- 7,596
Changes of items during the period		
Net change of items other than owners' equity	1,234	3,093
Total changes of items during the period	1,234	3,093
Balance at the end of current period	- 7,596	- 4,502
Total valuation and translation adjustments		
Balance at the end of previous period	- 8,830	- 7,596
Changes of items during the period		
Net change of items other than owners' equity	1,234	3,093
Total changes of items during the period	1,234	3,093
Balance at the end of current period	- 7,596	- 4,502
Total net assets		
Balance at the end of previous period	127,067,169	135,689,639
Changes of items during the period		
Issuance of new investment units	8,156,005	-
Distribution from surplus	- 2,102,200	- 2,567,415
Net income	2,567,430	2,607,056
Net change of items other than owners' equity	1,234	3,093
Total changes of items during the period	8,622,470	42,735
Balance at the end of current period	135,689,639	135,732,374

(4) Basis for Calculating Cash Distribution

(Unit: Yen)

	Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
I. Retained earnings at the end of period	2,567,479,697	2,607,121,406
II. Total Distribution	2,567,415,150	2,541,257,550
(Distribution per Unit)	(10,993)	(10,881)
III. Voluntary retained earnings		
Provision for reserve for reduction entry		65,795,848
IV. Retained Earnings bring to next period	64,547	68,008
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 to distribute the maximum amount of retained earnings at the period-end, namely totaling ¥2,567,415,150 to 233,550 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, 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 ¥2,541,257,550 to 233,550 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>

(5) Statements of Cash Flows

(Thousands of Yen)

	Tenth Fiscal Period November 1, 2009 to April 30, 2010	Eleventh Fiscal Period May 1, 2010 to October 31, 2010
Net cash provided by (used in) operating activities		
Income before income taxes	2,568,370	2,608,055
Depreciation and amortization	1,477,409	1,440,311
Amortization of long-term prepaid expenses	152,340	191,122
Interest income	- 10,865	- 1,916
Interest expenses	932,080	993,950
Amortization of deferred organization expenses	5,089	-
Amortization of investment unit issuance expenses	32,062	8,378
Amortization of investment corporation bond issuance expenses	5,781	5,877
Decrease (increase) in accounts receivable-trade	32,705	- 57,116
Decrease (increase) in consumption taxes refund receivable	87,756	48,308
Decrease (increase) in prepaid expenses	15,240	- 14,437
Increase (decrease) in accounts payable	2,259	37,913
Increase (decrease) in accounts payable-other	- 7,040	35,586
Increase (decrease) in accrued consumption taxes	- 30,679	264,790
Increase (decrease) in advances received	111,665	- 78,506
Increase (decrease) in deposits received	1,948	- 9,894
Loss on retirement of noncurrent assets	12,537	1,143
Changes in net property, plant and equipment held in trust from sale	-	2,406,185
Decrease (increase) in long-term prepaid expenses	- 342,735	- 234,386
Other, net	- 5,950	4,702
Subtotal	5,039,976	7,650,069
Interest income received	10,865	1,916
Interest expenses paid	- 905,953	- 987,325
Income taxes paid	- 752	- 639
Net cash provided by (used in) operating activities	4,144,136	6,664,020
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	- 79,864	- 55,081
Purchase of property, plant and equipment in trust	- 16,161,537	- 311,836
Proceeds from collection of lease and guarantee deposits	330	-
Payments of tenant leasehold and security deposits	- 110,816	- 108,141
Proceeds from tenant leasehold and security deposits	80,323	73,207
Payments of tenant leasehold and security deposits in trust	- 553,653	- 611,265
Proceeds from tenant leasehold and security deposits in trust	1,356,119	263,920
Payments of bank deposits in trust	1,000,000	-
Payments of restricted bank deposits in trust	- 165,814	- 13,667
Proceeds from restricted bank deposits in trust	66,354	146,977
Net cash provided by (used in) investment activities	- 14,568,558	- 615,886
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	3,800,000	2,500,000
Decrease in short-term loans payable	- 5,000,000	- 5,000,000
Proceeds from long-term loans payable	11,700,000	12,400,000
Repayment of long-term loans payable	- 4,751,500	- 10,301,500
Proceeds from issuance of investment units	8,105,732	-
Dividends paid	- 2,101,909	- 2,565,441

KENEDIX REALTY INVESTMENT CORPORATION (8972)

Net cash provided by (used in) financing activities	11,752,323	- 2,966,941
Net increase (decrease) in cash and cash equivalents	1,327,900	3,081,192
Cash and cash equivalents at beginning of period	10,957,955	12,285,856
Cash and cash equivalents at end of period	* 12,285,856	15,367,049

(6) Notes**【Going Concern】**

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
None	Same applies as left.

【Important Accounting Standards】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
1. Depreciation of fixed assets	<p>(1) Property, plant and equipment (includes trust assets) The straight-line method is applied. Useful lives of the assets ranging are as follows: Buildings: 2 to 49 years Structures: 2 to 45 years Machinery and equipment: 3 to 17 years Tools, furniture and fixtures: 3 to 20 years</p> <p>(2) Intangible assets (includes trust assets) The straight-line method is applied. Right of using water facilities: 6 years</p> <p>(3) Long-term prepaid expenses The straight-line method is applied.</p>
2. Accounting policies for deferred assets	<p>(1) Property, plant and equipment (includes trust assets) Same applies as left.</p> <p>(2) Intangible assets (includes trust assets) Same applies as left.</p> <p>(3) Long-term prepaid expenses Same applies as left.</p>
1. Depreciation of fixed assets	<p>(1) Property, plant and equipment (includes trust assets) The straight-line method is applied. Useful lives of the assets ranging are as follows: Buildings: 2 to 49 years Structures: 2 to 45 years Machinery and equipment: 3 to 17 years Tools, furniture and fixtures: 3 to 20 years</p> <p>(2) Intangible assets (includes trust assets) The straight-line method is applied. Right of using water facilities: 6 years</p> <p>(3) Long-term prepaid expenses The straight-line method is applied.</p>
2. Accounting policies for deferred assets	<p>(1) Deferred organization expenses Organization costs are amortized over a period of 5 years.</p> <p>(2) Investment unit issuance costs Unit issuance costs are amortized over a period of 3 years. The spread method, in which the securities underwriters underwrite the unit at the underwritten price and offer them to investors at the issue price, and was used for the primary offering of new investment units conducted on November 16, 2009. Under the spread method, the difference between the issue price and the underwritten price represents the underwriting commission received by the securities underwriters, eliminating the need for the issuer to pay underwriting commissions. In connection with the primary offering of new investment units conducted on November 16, 2009, the total aggregate difference between the issue price and the underwritten price was ¥305,305 thousand. This expense would have been accounted as new unit issuance costs if the conventional method had been used in which the underwriters offer new units to the public at the underwritten price. Therefore, the spread method understated unit issuance costs by ¥254,420 thousand on the balance sheet and decreased amortization of unit issuance costs by ¥50,884 thousand and increased income before income taxes by the same amount compared to the conventional method.</p> <p>(1) Investment unit issuance costs Unit issuance costs are amortized over a period of 3 years.</p>

	Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
	(3) Investment corporation bond issuance costs Bond issuance costs are amortized by applying the straight-line method for the entire redemption period.	(2) Investment corporation bond issuance costs Same applies as left.
3. Accounting standards for revenues and expenses	<p>Accounting method for property tax 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 which the payment was made during the 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 fiscal period under review amounted to ¥5,536 thousand.</p>	<p>Accounting method for property tax 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 fiscal period under review amounted to ¥52,547 thousand.</p>
4. Accounting for hedges	<p>(1) Hedge accounting method 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 Hedge instruments The Investment Corporation enters into interest-rate swap transactions. Risks hedged 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>	<p>(1) Hedge accounting method Same applies as left.</p> <p>(2) Hedging instruments and risks hedged Hedge instruments Same applies as left. Risks hedged Same applies as left.</p> <p>(3) Hedging policy Same applies as left.</p> <p>(4) Method of evaluating the effectiveness of hedging Same applies as left.</p>

	Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
5. 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	Same applies as left.
6. 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</p> <p>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.</p> <p>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, and land in trust 3. Right of using water facilities in trust 4. Tenant leasehold and security deposits in trust <p>(2) Accounting method for consumption tax</p> <p>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>	<p>(1) Accounting method for trust beneficiary interests in real estate and other assets</p> <p>Same applies as left.</p> <p>(2) Accounting method for consumption tax</p> <p>Same applies as left.</p>

[Notes to the Changes in Accounting Policy]

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
	<p>①Accounting Standard for Asset Retirement Obligations From the fiscal period under review, the Investment Corporation has applied “Accounting Standard for Asset Retirement Obligations” (Accounting Standards Board of Japan (ASBJ) Statement No. 18; March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21; March 31, 2008). This does not impact profit/loss.</p> <p>②Accounting Method for Property Tax Under the accounting method adopted for property-related taxes, including property taxes, city planning taxes and depreciable property taxes, for owned real estate, of the assessment and decision tax amount, the amount of taxes to be paid in the fiscal period under review used to be charged to rental expenses (expenses related to rent business). As of the fiscal period under review, the Investment Corporation changed the accounting method to one under which, of the assessment and decision tax amount, the amount of taxes corresponding to the fiscal period under review is charged to rental expenses (expenses related to rent business).</p> <p>The recent increase in real estate and other acquisitions has increased the financial significance of the amount of property taxes, etc. charged to expenses. The change in accounting method is thus being made to more appropriately allocate expenses because the described circumstances are expected to persist.</p> <p>As a result, compared to the accounting method adopted prior to the change, operating expenses increase by ¥67,895 thousand and operating income, ordinary income and net income each decrease by said amount.</p>

【Notes to the Balance Sheets】

(Thousands of Yen, otherwise stated)

Tenth Fiscal Period (April 30, 2010)	Eleventh Fiscal Period (October 31, 2010)
*1. Minimum unitholders' equity pursuant to Article 67-4 of the Law Concerning Investment Trusts and Investment Corporations Law ¥50,000	*1. Minimum unitholders' equity pursuant to Article 67-4 of the Law Concerning Investment Trusts and Investment Corporations Law ¥50,000
*2. Balance of undrawn credit facility The Investment Corporation established credit facilities with financial institutions. (Note) Total credit facility 2,000,000 Drawn credit facility 2,000,000 Balance of Undrawn credit facility —	*2. Balance of undrawn credit facility The Investment Corporation established credit facilities with financial institutions. (Note) Total credit facility 2,000,000 Drawn credit facility 2,000,000 Balance of Undrawn credit facility —
Note: The commitment period of the commitment line agreement (total commitment line amount ¥2,000,000 thousand) concluded with The Bank of Tokyo-Mitsubishi UFJ, Ltd. has already expired. Furthermore, the expiration date of the commitment line agreement is March 31, 2011, set in the memorandum of understanding executed on September 26, 2008. However, since the commitment period has already expired, the Investment Corporation can not undertake new borrowings.	Note: The commitment period of the commitment line agreement (total commitment line amount ¥2,000,000 thousand) concluded with The Bank of Tokyo-Mitsubishi UFJ, Ltd. has already expired. Furthermore, the expiration date of the commitment line agreement is March 31, 2011, set in the memorandum of understanding executed on September 26, 2008. However, since the commitment period has already expired, the Investment Corporation can not undertake new borrowings.
*3. Assets pledged as collateral and secured loans payable Assets pledged as collateral Cash and deposits 390,000 Cash and deposits in trust 4,823,604 Buildings 7,149,192 Structures 2,379 Machinery and equipment 13,808 Tools, furniture and fixtures 5,544 Land 12,547,562 Buildings in trust 44,265,941 Structures in trust 96,540 Machinery and equipment in trust 530,278 Tools, furniture and fixtures in trust 116,435 Land in trust 104,962,407 Right of using water facilities in trust 1,145 Total 174,904,840 Secured loans payable Short-term loans payable 8,800,000 Current portion of long-term loans payable 28,250,000 Long-term loans payable 53,918,500 Total 90,968,500	*3. Assets pledged as collateral and secured loans payable Assets pledged as collateral Cash and deposits 390,000 Cash and deposits in trust 4,694,003 Buildings 7,040,275 Structures 2,288 Machinery and equipment 12,160 Tools, furniture and fixtures 7,891 Land 12,547,562 Buildings in trust 43,638,595 Structures in trust 91,714 Machinery and equipment in trust 506,717 Tools, furniture and fixtures in trust 124,371 Land in trust 104,993,667 Right of using water facilities in trust 1,027 Total 174,050,274 Secured loans payable Short-term loans payable 6,300,000 Current portion of long-term loans payable 35,250,000 Long-term loans payable 49,017,000 Total 90,567,000

【Notes to the Statements of Income】

(Thousands of Yen)

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
*1. Breakdown of real estate rental business profit and loss	
A. Rental and other operating revenues	
Rental revenues	
Leasing income	5,882,594
Common area charges	1,267,520
Total	7,150,115
Others	
Parking space rental revenues	243,319
Utility charge reimbursement	560,259
Miscellaneous	113,754
Subtotal	917,332
Total rental and operating revenues	8,067,447
B. Rental and other operating expenses	
Rental expenses	
Property management fees and facility management fees	801,876
Utilities	508,338
Taxes	648,231
Repairs and maintenance costs	110,725
Insurance	16,758
Trust fees	41,579
Others	96,961
Depreciation	1,477,409
Loss on retirement of fixed assets	12,537
Total property-related expenses	3,714,417
C. Rental business profit (A – B)	4,353,030
*2. Gain and Loss on sale of real estate	
①KDX Shinjuku-Gyoen Building	
Revenue from sale of the investment property	1,710,000
Costs of the investment property	1,569,750
Other sales' expenses	23,852
Gain on sale of real estate	116,396
②Court Shin-Okachimachi	
Revenue from sale of the investment property	790,000
Costs of the investment property	836,434
Other sales' expenses	17,914
Loss on sale of real estate	64,348

【Notes to the Statements of Changes in Unitholders' Equity】

	Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
Total number of authorized investment units and total number of investment units issued and outstanding		
• Total number of authorized investment units	2,000,000 units	2,000,000 units
• Total number of investment units issued and outstanding	233,550 units	233,550 units

【Notes to the Statements of Cash Flow】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
*Reconciliation of balance sheet items to cash and cash equivalents at end of period in the cash flows statements. (As of April 30, 2010) (Thousands of Yen)	*Reconciliation of balance sheet items to cash and cash equivalents at end of period in the cash flows statements. (As of October 31, 2010) (Thousands of Yen)
Cash and bank deposits 7,299,121	Cash and bank deposits 10,416,712
Cash and deposits in trust 5,998,669	Cash and deposits in trust 5,828,961
Restricted bank deposits held in trust (Note 1) - 621,934	Restricted bank deposits held in trust (Note 1) - 488,624
More than 3 months fixed deposits (Note 2) - 390,000	More than 3 months fixed deposits (Note 2) - 390,000
Cash and cash equivalents <u>12,285,856</u>	Cash and cash equivalents <u>15,367,049</u>
Note 1: Restricted bank deposits held in trust are retained for repayment of tenant leasehold and security deposits held in trust.	Note 1: Restricted bank deposits held in trust are retained for repayment of tenant leasehold and security deposits held in trust.
Note 2: More than 3 months fixed deposits are fixed deposit which has deposit term of more than 3 months.	Note 2: More than 3 months fixed deposits are fixed deposit which has deposit term of more than 3 months.

【Notes to the Lease Transactions】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
Operating lease transactions (Thousands of Yen) (Lessor)	Operating lease transactions (Thousands of Yen) (Lessor)
Unearned lease payments	Unearned lease payments
Due within one year 1,285,413	Due within one year 1,178,139
Due after one year 7,940,846	Due after one year 7,068,297
Total <u>9,226,259</u>	Total <u>8,246,436</u>

Financial Instruments

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
<p>1. Items with Regard to the current status of Financial Instruments</p> <p>(1) Action Policy with Regard to Financial Instruments</p> <p>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.</p> <p>(2) Financial Instruments and Respective Risks</p> <p>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.</p> <p>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 4. Hedge Accounting Method in notes concerning Important Accounting Standards.</p> <p>(3) Risk Management Structure with Regard to Financial Instruments</p> <p>A. Management of Market Risk (Risk Associated with Fluctuations in Interest Rates and Others)</p> <p>The Investment Corporation uses interest rate swap transactions in order to minimize risks associated with interest payment rate fluctuations on funds procured.</p> <p>B. Management of Liquidity Risk (Risk of Defaulting on Payments by the Due Date) Associated with Funds Procurement</p> <p>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.</p> <p>(4) Supplemental Explanation of Items with Regard to Fair Value of Financial Instruments</p> <p>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.</p>	<p>1. Items with Regard to the current status of Financial Instruments</p> <p>(1) Action Policy with Regard to Financial Instruments</p> <p>Same applies as left.</p> <p>(2) Financial Instruments and Respective Risks</p> <p>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 six 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.</p> <p>Same applies as left.</p> <p>(3) Risk Management Structure with Regard to Financial Instruments</p> <p>A. Management of Market Risk (Risk Associated with Fluctuations in Interest Rates and Others)</p> <p>Same applies as left.</p> <p>B. Management of Liquidity Risk (Risk of Defaulting on Payments by the Due Date) Associated with Funds Procurement</p> <p>Same applies as left.</p> <p>(4) Supplemental Explanation of Items with Regard to Fair Value of Financial Instruments</p> <p>Same applies as left.</p>

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)				Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)			
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 April 30, 2010 are as follows.				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, 2010 are as follows.			
	Book Value (Thousands of Yen)	Fair Value (Thousands of Yen)	Difference (Thousands of Yen)		Book Value (Thousands of Yen)	Fair Value (Thousands of Yen)	Difference (Thousands of Yen)
(1) Cash and deposits	7,299,121	7,299,121	-	(1) Cash and deposits	10,416,712	10,416,712	-
(2) Cash and deposits in trust	5,998,669	5,998,669	-	(2) Cash and deposits in trust	5,828,961	5,828,961	-
Total assets	13,297,791	13,297,791	-	Total assets	16,245,673	16,245,673	-
(1) Short-term loans payable	8,800,000	8,800,000	-	(1) Short-term loans payable	6,300,000	6,300,000	-
(2) Investment corporation bonds	12,000,000	11,415,600	- 584,400	(2) Investment corporation bonds	12,000,000	11,700,300	- 299,700
(3) Long-term loans payable	82,168,500	81,417,950	- 750,550	(3) Long-term loans payable	84,267,000	83,766,880	- 500,120
Total liabilities	102,968,500	101,633,550	- 1,334,950	Total liabilities	102,567,000	101,767,180	- 799,820
Derivative Transaction				Derivative Transaction			
Items that are not applied to hedge accounting	-	-	-	Items that are not applied to hedge accounting	-	-	-
Items that are applied to hedge accounting	- 12,520	- 12,520	-	Items that are applied to hedge accounting	- 7,420	- 7,420	-
Total derivative transactions	- 12,520	- 12,520	-	Total derivative transactions	- 7,420	- 7,420	-
Note 1: Items with regard to the calculation method of financial instrument fair value together with investment securities and derivative transactions				Note 1: Items with regard to the calculation method of financial instrument fair value together with investment securities and derivative transactions			
Assets				Assets			
(1) Cash and deposits, cash and deposits in trust				(1) Cash and deposits, 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.				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.			
<u>Liabilities</u>				<u>Liabilities</u>			
(1) Short-term loans payable				(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.				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				(2) Investment corporation bonds			
The fair value of Investment corporation bonds is based on market prices				The fair value of Investment corporation bonds is based on market prices			
(3) Long-term loans payable				(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.				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.			
<u>Derivative Transaction</u>				<u>Derivative Transaction</u>			
Please refer to the aforementioned “Derivative Transaction.”				Same applies as left.			

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)				Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)			
Note 2: Amount of redemption of monetary claims				Note 2: Amount of redemption of monetary claims			
	Less than or equal to 1 year (Thousands of Yen)				Less than or equal to 1 year (Thousands of Yen)		
Cash and deposits	7,299,121			Cash and deposits	10,416,712		
Cash and deposits in trust	5,998,669			Cash and deposits in trust	5,828,961		
Total	13,297,791			Total	16,245,673		
Note 3: Investment corporation bonds, repayment of loans, planned repayment amount				Note 3: Investment corporation bonds, repayment of loans, planned repayment amount			
	Less than or Equal to 1 yr.	1-2 yrs.	2-3 yrs.		Less than or Equal to 1 yr.	1-2 yrs.	2-3 yrs.
Short-term loans payable	8,800,000	-	-	Short-term loans payable	6,300,000	-	-
Investment corporation bonds	-	9,000,000	-	Investment corporation bonds	-	9,000,000	-
Long-term loans payable	28,250,000	25,980,000	8,460,000	Long-term loans payable	35,250,000	15,410,000	12,880,000
	3-4 yrs.	4-5 yrs.	More than 5 yrs.		3-4 yrs.	4-5 yrs.	More than 5 yrs.
Short-term loans payable	-	-	-	Short-term loans payable	-	-	-
Investment corporation bonds	-	-	3,000,000	Investment corporation bonds	-	-	3,000,000
Long-term loans payable	5,940,000	8,538,500	5,000,000	Long-term loans payable	7,400,000	8,327,000	5,000,000
(Additional Information)							
From the fiscal period under review, the Investment Corporation has applied “Revised Accounting Standard for Financial Instruments” (The Accounting Standards Board of Japan [ASBJ] No. 10, March 10, 2008) and “Guidance on Disclosures about Fair Value of Financial Instruments” (The Accounting Standards Board of Japan [ASBJ] No. 19, March 10, 2008).							

[Notes to the Marketable Securities]

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
The Investment Corporation has not undertaken transactions in marketable securities. Accordingly, there is no information to report.	Same applies as left.

【Notes to the Derivative Transactions】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)				Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)					
(1) Items that are not applied to hedge accounting Not applicable				(1) Items that are not applied to hedge accounting Same applies as left.					
(2) Items that are applied to hedge accounting				(2) Items that are applied to hedge accounting					
Hedge accounting method	Type of Derivative Transactions	Main target risk hedge		Hedge accounting method	Type of Derivative Transactions	Main target risk hedge			
Accounting method, in principle	Interest-rate swap transaction Fixed rate payable Floating rate receivable	Long-term loans payable		Accounting method, in principle	Interest-rate swap transaction Fixed rate payable Floating rate receivable	Long-term loans payable			
Special treatment of interest rate swaps	Interest-rate swap transaction Fixed rate payable Floating rate receivable	Long-term loans payable		Special treatment of interest rate swaps	Interest-rate swap transaction Fixed rate payable Floating rate receivable	Long-term loans payable			
Hedge accounting method	Contracted amount (Thousands of Yen)		Fair value (Thousands of Yen)	Calculation method for applicable fair value	Hedge accounting method	Contracted amount (Thousands of Yen)		Fair value (Thousands of Yen)	Calculation method for applicable fair value
		More than 1 yr.					More than 1 yr.		
Accounting method, in principle	1,500,000	-	-12,520	*1	Accounting method, in principle	1,500,000	-	-7,420	*1
Special treatment of interest rate swaps	23,500,000	9,000,000	*2		Special treatment of interest rate swaps	14,000,000	4,500,000	*2	
Total	25,000,000	9,000,000	-12,520		Total	15,500,000	4,500,000	-7,420	
*1 In accordance with the amount provided by counterparty financial institutions.				*1 In accordance with the amount provided by counterparty financial institutions.					
*2 Special treatment of interest rate swaps is 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.				*2 Special treatment of interest rate swaps is 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】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
The Investment Corporation does not maintain a retirement payment system. Accordingly, there is no information to report.	Same applies as left.

【Asset Retirement Obligations】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
	Not applicable

【Segment and Related Information】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
<hr/>	<p>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.</p> <p>2. Related Information</p> <p>(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.</p> <p>(2) Information about each geographic area</p> <p>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.</p> <p>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.</p> <p>(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.</p> <p>(Additional Information) From the fiscal period under review, the Investment Corporation has applied "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17; March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20; March 21, 2008). Disclosure of segment information for the previous fiscal period in accordance with the Accounting Standard, etc. is omitted because the real estate leasing business is the Investment Corporation's only segment.</p>

【Tax-Effect Accounting】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)		Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)	
1.Principal deferred tax assets and liabilities (Thousands of Yen) (Deferred tax assets)		1.Principal deferred tax assets and liabilities (Thousands of Yen) (Deferred tax assets)	
Enterprise tax payable not included in expenses	13	Enterprise tax payable not included in expenses	10
Bad debts loss	169	Unrealized loss from deferred hedge transactions	2,918
Unrealized loss from deferred hedge transactions	4,924	Total deferred tax assets	2,929
Total deferred tax assets	5,106		
2. Significant difference between statutory income tax rate and the effective tax rate (%)		2. Significant difference between statutory income tax rate and the effective tax rate (%)	
Statutory tax rate	39.33	Statutory tax rate	39.33
(Adjustments)		(Adjustments)	
Deductible cash distributions	- 39.32	Deductible cash distributions	- 38.32
Others	0.03	Others	- 0.97
Effective tax rate	0.04	Effective tax rate	0.04

【Equity-Method Income and Retained Earnings】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
The Investment Corporation has no affiliated companies accounted for under the equity-method. Accordingly, there is no information to report.	Same applies as left.

【Related-Party Transactions】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)

1. Parent Company, corporate shareholders and other: None
2. Affiliated companies and other: None
3. Fellow subsidiary companies and other: None
4. Directors, individual shareholders and other

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)	504,189 (Note 2) (Note 4)	Accounts Payable -other	83,405 (Note 4)
As above	As above	As above	As above	Payment of business consignment fee to Kenedix REIT Management, Inc. (Note 3)	1,500 (Note 4)	—	—
As above	As above	As above	As above	Payment of property management fee to Kenedix REIT Management, Inc. (Note 5)	304,894	Accounts Payable	76,759

Notes:

1. Taisuke Miyajima performed 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 ¥70,275 thousand management fee related to the acquisition of property that count in book value for individual real estate.
3. Taisuke Miyajima performed 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 a deal amount, and are included in the balance of the end of period.
5. Taisuke Miyajima performed 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 ¥21,206 thousand related to the acquisition of property that count in book value for individual real estate.

Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)

1. Parent Company, corporate shareholders and other: None
2. Affiliated companies and other: None
3. Fellow subsidiary companies and other: None
4. Directors, individual shareholders and other

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)	470,533 (Note 2) (Note 4)	Accounts Payable -other	84,718 (Note 4)
As above	As above	As above	As above	Payment of business consignment fee to Kenedix REIT Management, Inc. (Note 3)	1,500 (Note 4)	—	—
As above	As above	As above	As above	Payment of property management fee to Kenedix REIT Management, Inc. (Note 5)	304,690	Accounts Payable	54,543

Notes:

1. Taisuke Miyajima performed 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 ¥12,500 thousand sales fee related to the sale of property that count in sales expense for individual real estate.
3. Taisuke Miyajima performed 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 a deal amount, and are included in the balance of the end of period.
5. Taisuke Miyajima performed 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 ¥11,324 thousand related to the acquisition of property that count in book value, and ¥3,800 thousand related to the sale of properties that count in sales expense for individual real estate..

【Fair Value of Real Estate for Rental Purposes】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)				Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)			
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.				Same applies as left.			
Book Value (Thousands of Yen)			Fair value at the end of current period (Thousands of Yen)	Book Value (Thousands of Yen)			Fair value at the end of current period (Thousands of Yen)
Balance at the end of previous period	Changes during the period	Balance at the end of current period		Balance at the end of previous period	Changes during the period	Balance at the end of current period	
222,449,460	14,754,789	237,204,249	214,900,000	237,204,249	- 3,479,142	233,725,107	209,597,000
Note 1: Book value excludes accumulated depreciation from acquisition costs.				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 or the survey value determined by outside appraisers.				Note 2: Fair value at the end of the fiscal period under review is the appraisal value or the survey value determined by outside appraisers.			
Note 3: Among changes in the amount of real estate for rental purposes that occurred during the fiscal period under review, principal increases were the acquisition of real estate trust beneficiary interests to five properties totaling ¥15,893,389 thousand, principal decreases were the retirement of one portion of assets concerning real estate trust beneficiary interests to two properties amounting to ¥12,537 thousand and depreciation amounting to ¥1,477,409 thousand.				Note 3: Among changes in the amount of real estate for rental purposes that occurred during the fiscal period under review, principal increases were the sales of real estate trust beneficiary interests to two properties totaling ¥2,406,185 thousand, and depreciation amounting to ¥1,440,311 thousand.			
Income and loss in the fiscal period ended April 30, 2010 for real estate for rental purposes is listed in Notes Concerning Statements of Income.				Income and loss in the fiscal period ended October 31, 2010 for real estate for rental purposes is listed in Notes Concerning Statements of Income.			
Additional Information From the fiscal period under review, the Investment Corporation has applied "Accounting Standard for Disclosures about Fair Value of Investment and Rental Property" (The Accounting Standards Board of Japan [ASBJ] No. 20, November 28, 2008) and "Guidance on Accounting Standard for Disclosures about Fair Value of Investment and Rental Property" (The Accounting Standards Board of Japan [ASBJ] No. 23, November 28, 2008).							

【Notes to the Information per Unit】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)		Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)	
Unitholders' Equity per Unit	¥580,987	Unitholders' Equity per Unit	¥581,170
Net Income per Unit	¥ 11,125	Net Income per Unit	¥ 11,162
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 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.		Net income per unit after adjusting for residual units is not included because there were no residual investment units.	

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

	Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
Net Income (¥ thousand)	2,567,430	2,607,056
Amount not vested in ordinary investors (¥ thousand)	—	—
Net income for ordinary units (¥ thousand)	2,567,430	2,607,056
Average number of units during the period (unit)	230,770	233,550

【Important Subsequent Events】

Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
Not applicable	Same applies as left.

(7) Movements in Investment Units Issued and Outstanding

Movements in unitholders' capital and the number of investment units issued and outstanding 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)

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.

4. Transfer of the Directors

During the eleventh fiscal period (fiscal period ended October 31, 2010), there was no transfer for the Directors.

5. Reference Information

(1) Component of Assets

Type of Specified Asset	Type	Area	Tenth Fiscal Period (As of April 30, 2010)		Eleventh Fiscal Period (As of October 31, 2010)	
			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	30,623	12.2	30,510	12.2
		Other Regional Areas	12,635	5.0	12,539	5.0
Total for Real Estate			43,259	17.2	43,050	17.1
Trust Beneficiary Interest in Real Estate	Office Buildings	Tokyo Metropolitan Area	152,170	60.5	150,075	59.8
		Other Regional Areas	19,150	7.6	18,950	7.5
	Total for Office Buildings		171,320	68.1	169,026	67.3
	Residential Properties	Tokyo Metropolitan Area	8,241	3.3	7,329	2.9
		Other Regional Areas	1,876	0.7	1,875	0.7
	Total for Residential Properties		10,117	4.0	9,204	3.7
Central Urban Retail Properties	Tokyo Metropolitan Area	12,506	5.0	12,443	5.0	
Total of Trust Beneficiary Interests in Real Estate			193,945	77.1	190,674	75.9
Bank Deposits and Other Assets			14,362	5.7	17,354	6.9
Total Assets			251,566	100.0	251,080	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 million yen.
2. "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets rounded to the first decimal place.

	Tenth Fiscal Period (As of April 30, 2010)		Eleventh Fiscal Period (As of October 31, 2010)	
	Price (Millions of Yen)	Ratio (%)	Price (Millions of Yen)	Ratio (%)
Total of Liabilities	115,876	46.1	115,347	45.9
Total Unitholders' Equity	135,689	53.9	135,732	54.1
Total of Assets	251,566	100.0	251,080	100.0

(2) Properties Roster

① The Price of the Investment Properties and the Investment Ratio

(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 Eleventh 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-60	KDX Harumi Building	10,250	9,922	10,600	10,700	4.8	10,400	4.6	5.0	A	4.3
		A-40	Toranomon Toyo Building	9,850	9,873	9,770	9,980	4.7	9,560	4.5	5.0	A	4.2
		A-46	Hiei Kudan-Kita Building	7,600	7,607	7,640	7,860	4.8	7,540	4.6	5.0	B	3.2
		A-66	KDX Shinjuku Building	6,800	6,880	7,010	7,130	4.6	6,890	4.5	4.9	A	2.9
		A-37	KDX Ochanomizu Building	6,400	6,716	6,530	6,610	4.9	6,450	4.7	5.1	A	2.7
		A-32	KDX Shiba-Daimon Building	6,090	6,262	4,840	4,860	5.2	4,820	5.0	5.4	A	2.6
		A-13	KDX Kojimachi Building	5,950	5,696	4,250	4,280	4.6	4,210	4.4	4.8	A	2.5
		A-1	KDX Nihonbashi 313 Building	5,940	6,175	7,170	7,360	4.9	7,090	4.7	5.1	B	2.5
		A-47	KDX Shin-Yokohama 381 Building (Note 6)	5,800	5,927	4,250	4,250	5.9	4,240	5.6	6.0	A	2.4
		A-16	Toshin-24 Building	5,300	5,170	4,320	4,380	5.7	4,260	5.5	5.9	A	2.2
		A-2	KDX Hirakawacho Building	5,180	5,153	4,910	5,080	4.8	4,840	4.6	5.0	B	2.2
		A-17	Ebisu East 438 Building	4,640	4,511	4,210	4,240	5.2	4,170	4.9	5.4	A	1.9
		A-3	Higashi-Kayabacho Yuraku Building	4,450	4,425	5,190	5,250	5.1	5,120	4.9	5.3	A	1.9
		A-39	KDX Toranomon Building	4,400	4,829	3,420	3,460	4.6	3,380	4.4	4.8	A	1.8
		A-30	KDX Nishi-Gotanda Building	4,200	4,119	3,640	3,670	5.2	3,610	5.1	5.5	A	1.8
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	3,760	3,854	3,410	3,410	6.3	3,410	5.9	6.5	A	1.6
		A-4	KDX Hatchobori Building	3,680	3,385	3,380	3,390	5.1	3,370	4.9	5.3	B	1.5
		A-18	KDX Omori Building	3,500	3,410	3,640	3,660	5.5	3,610	5.3	5.7	A	1.5
		A-19	KDX Hamamatsucho Building	3,460	3,307	3,180	3,290	4.8	3,130	4.6	5.0	B	1.4
		A-45	KDX Roppongi 228 Building	3,300	3,445	2,160	2,180	5.0	2,130	4.7	5.1	A	1.4
		A-62	Koishikawa TG Building	3,080	3,165	3,240	3,270	5.2	3,210	5.0	5.4	A	1.3
		A-29	KDX Higashi-Shinjuku Building	2,950	3,194	3,240	3,320	5.3	3,210	5.1	5.5	B	1.2
		A-20	KDX Kayabacho Building	2,780	2,853	3,070	3,080	5.5	3,060	5.2	5.7	A	1.1
		A-56	KDX Jimbocho Building	2,760	2,926	2,080	2,090	5.6	2,060	5.3	5.8	A	1.1
		A-49	Nissou Dai-17 Building	2,710	2,659	1,640	1,660	5.8	1,620	5.6	6.0	A	1.1
		A-21	KDX Shinbashi Building	2,690	2,662	2,790	2,800	4.7	2,770	4.3	4.9	A	1.1
		A-63	Gotanda TG Building	2,620	2,714	2,570	2,590	5.5	2,550	5.2	5.6	A	1.1
		A-5	KDX Nakano Sakae Building	2,533	2,459	2,350	2,370	5.5	2,340	5.3	5.7	B	1.0
		A-22	KDX Shin-Yokohama Building	2,520	2,433	2,430	2,450	6.0	2,400	5.7	6.1	A	1.0
		A-6	Harajuku F.F. Building	2,450	2,456	2,860	2,890	5.8	2,830	5.6	6.0	A	1.0
		A-50	Ikejiri-Ohashi Building	2,400	2,475	1,600	1,610	6.2	1,590	6.0	6.4	A	1.0
		A-27	KDX Kajicho Building	2,350	2,415	2,230	2,290	5.2	2,210	5.0	5.4	B	1.0
		A-51	KDX Hamacho Nakanohashi Building	2,310	2,377	1,690	1,710	5.6	1,670	5.4	5.8	A	0.9
A-15	KDX Hamacho Building	2,300	2,230	2,320	2,330	5.5	2,300	5.3	5.7	A	0.9		
A-41	KDX Shinjuku 286 Building	2,300	2,344	2,050	2,070	5.3	2,020	5.1	5.5	A	0.9		
A-7	FIK Minami Aoyama	2,270	2,264	2,210	2,240	5.0	2,180	4.8	5.2	A	0.9		
A-14	KDX Funabashi Building	2,252	2,444	1,990	1,990	6.1	1,990	5.9	6.3	A	0.9		
A-61	KDX Hamamatsucho Dai-2 Building	2,200	2,265	1,920	1,970	4.7	1,900	4.5	4.9	B	0.9		
A-55	Shin-toshin Maruzen Building	2,110	2,161	1,560	1,560	5.6	1,560	5.2	5.8	A	0.9		
A-64	KDX Nihonbashi 216 Building	2,010	2,003	1,990	2,020	5.0	1,950	4.9	5.3	A	0.8		

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Eleventh Fiscal Period						Appraiser (Note 4)	Ratio (%) (Notes5)
						Direct Capitalization Method		Discounted Cash Flow Method					
						Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)	Terminal Capitalization Rate (%)			
Office Buildings	Tokyo Metropolitan Area	A-33	KDX Okachimachi Building	2,000	2,141	1,790	1,830	5.2	1,770	5.1	5.4	B	0.8
		A-57	KDX Gobancho Building	1,951	2,000	1,480	1,500	5.2	1,460	5.0	5.4	A	0.8
		A-8	Kanda Kihara Building	1,950	1,871	1,870	1,910	5.1	1,850	4.9	5.3	B	0.8
		A-23	KDX Yotsuya Building	1,950	1,955	2,280	2,300	5.6	2,260	5.4	5.8	A	0.8
		A-59	KDX Iwamoto-cho Building	1,864	1,834	1,310	1,310	5.7	1,310	5.5	5.9	A	0.7
		A-26	KDX Kiba Building	1,580	1,590	1,470	1,480	6.0	1,460	5.8	6.2	A	0.6
		A-38	KDX Nishi-Shinjuku Building	1,500	1,536	1,210	1,220	5.4	1,190	5.2	5.6	A	0.6
		A-31	KDX Monzen-Nakacho Building	1,400	1,428	1,270	1,290	5.6	1,260	5.4	5.8	B	0.6
		A-52	KDX Kanda Misaki-cho Building	1,380	1,385	980	991	5.5	969	5.3	5.7	A	0.5
		A-34	KDX Hon-Atsugi Building	1,305	1,225	1,070	1,070	6.3	1,070	6.1	6.5	B	0.5
		A-35	KDX Hachioji Building	1,155	1,303	821	828	5.9	818	5.7	6.1	B	0.4
		A-28	KDX Nogizaka Building	1,065	1,129	829	837	5.5	820	5.3	5.7	A	0.4
	Other Regional Areas	A-58	KDX Nagoya Sakae Building	7,550	7,702	4,710	4,850	5.2	4,650	5.0	5.4	B	3.2
		A-12	Portus Center Building	5,570	4,740	4,590	4,600	6.4	4,580	6.2	6.6	B	2.3
		A-42	Karasuma Building	5,400	5,451	5,020	5,120	5.6	4,980	5.4	5.8	B	2.3
		A-53	KDX Hakata-Minami Building	4,900	4,837	3,840	3,870	6.5	3,800	6.3	6.7	A	2.1
		A-54	KDX Kitahama Building	2,220	2,239	1,670	1,670	6.0	1,670	5.6	6.2	A	0.9
		A-44	KDX Sendai Building	2,100	2,182	1,470	1,440	6.1	1,480	6.1	6.3	B	0.9
		A-24	KDX Minami Senba Dai-1 Building	1,610	1,487	1,090	1,090	5.8	1,080	5.6	6.0	A	0.6
		A-25	KDX Minami Senba Dai-2 Building	1,560	1,384	1,150	1,160	5.8	1,140	5.6	6.0	A	0.6
A-36	KDX Niigata Building	1,305	1,465	868	881	7.3	854	7.1	7.5	A	0.5		
Subtotal of Office Buildings (61 properties)				211,461	212,077	190,138	192,597	-	188,121	-	-	-	90.6
Residential Properties	Tokyo Metropolitan Area	B-19	Residence Charmante Tsukishima	5,353	5,110	4,480	4,500	6.1	4,450	5.4	5.8	A	2.2
		B-3	Court Mejiro	1,250	1,194	950	955	5.6	945	5.4	5.8	A	0.5
		B-34	Gradito Kawaguchi	1,038	1,024	959	967	5.8	950	5.6	6.0	A	0.4
	Other Regional Areas	B-18	Venus Hibarigaoka	1,800	1,875	1,420	1,420	7.1	1,410	6.9	7.3	A	0.7
Subtotal of Residential Properties (4 properties)				9,441	9,204	7,809	7,842	-	7,755	-	-	-	4.0
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	9,900	9,910	9,750	9,780	4.7	9,710	4.4	4.8	A	4.2
		C-2	KDX Yoyogi Building	2,479	2,533	1,900	1,900	5.3	1,890	4.9	5.5	A	1.0
Subtotal of Central Urban Retail Properties (2 properties)				12,379	12,443	11,650	11,680	-	11,600	-	-	-	5.3
Total of 67 properties				233,281	233,725	209,597	212,119	-	207,476	-	-	-	100.0

Notes:

- 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.).
- Figures of less than 1 million are rounded down from the amounts on the balance sheet.
- Appraisal values (end of the eleventh 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.
- 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. In the above chart, the appraisers are indicated as (A) for Japan Real Estate Institute and (B) for Daiwa Real Estate Appraisal Corporation.

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 (67 properties).

6. KDX Shin-Yokohama 381 Building: Starting from disclosures pertaining to the fiscal period under review, A-47 KDX Shin-Yokohama 381 Building (existing tower) and A-65 KDX Shin-Yokohama 381 Building Annex Tower are indicated collectively as one property. Moreover, the appraisal value at the end of the fiscal period is obtained from the appraiser as a single property as of the end of the fiscal period under review. The acquisition price and amount on the balance sheet for the existing tower and annex tower are respectively as follows:

(Millions of Yen)

Property Name	Acquisition Price	Amount on the Balance Sheet
A-47 KDX Shin-Yokohama 381 Building	4,700	4,830
A-65 KDX Shin-Yokohama 381 Building Annex Tower	1,100	1,097

② Property Distribution

Property Types

Type	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Office Buildings	61 (Note 1)	211,461	90.6
Residential Properties	4	9,441	4.0
Central Urban Retail Properties	2	12,379	5.3
Total	67 (Note 1)	233,281	100.0

Geographic Distribution

Area	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Tokyo Metropolitan Area	57 (Note 1)	199,266	85.4
Other Regional Areas	10	34,015	14.5
Total	67 (Note 1)	233,281	100.0

Property Distribution by Acquisition Price

Acquisition Price (Millions of Yen)	Number of Properties (Note 1)	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Less than 1,000	-	-	-
1,000 - 2,500	32	59,415	25.4
2,500 - 5,000	19	64,933	27.8
5,000 - 7,500	11	63,783	27.3
7,500 - 10,000	4	34,900	14.9
10,000 - 12,500	1	10,250	4.3
Total	67	233,281	100.0

Notes

- Starting from disclosures pertaining to the fiscal period under review, A-47 KDX Shin-Yokohama 381 Building (acquisition price of 4,700 million yen) and A-65 KDX Shin-Yokohama 381 Building Annex Tower (acquisition price of 1,100 million yen) are indicated collectively as one property.
- "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.

③ Details of Investment Real Estate and Trust Real Estate

A. Overview of Investment Real Estate Properties and Trust Real Estate

Type	Area	No.	Property Name	Site Area (㎡)(Note1)	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-60	KDX Harumi Building	2,230.69	Offices, Retail Shops	12,694.32	S・SRC B1F11	February 2008	5.60
		A-40	Toranomon Toyo Building	869.01	Bank, Offices Retail Shops, Storage	8,346.83	RC B2F9	August 1962	13.06
		A-46	Hiei Kudan-Kita Building	1,844.83	Retail Shops, Office Room Parking, Storage, Offices	11,425.31	SRC・S B1F11	March 1988	3.14
		A-66	KDX Shinjuku Building	1,118.12	Offices, Retail Shops Parking	10,348.02	SRC B4F11	May 1993	1.78
		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-32	KDX Shiba-Daimon Building	1,188.28	Offices	7,824.03	SRC B1F9	July 1986	7.60
		A-13	KDX Kojimachi Building	612.17	Offices Retail Shops	5,323.81	SRC B2F9	May 1994	3.60
		A-1	KDX Nihonbashi 313 Building	1,047.72	Offices	8,613.09	SRC B2F9	April 1974	9.50
		A-47	KDX Shin-Yokohama 381 Building (Note 7)	1,229.24	Offices, Retail Shops, Garbage Room, Parking	10,290.30	SRC・RC B1F10	March 1988 (Note 8)	12.02
		A-16	Toshin-24 Building	1,287.16	Offices, Retail Shops Parking	8,483.17	SRC B1F8	September 1984	8.75
		A-2	KDX Hirakawacho Building	1,013.85	Offices, Retail Shops Residential Complex	8,002.97	SRC B3F10	March 1988	7.25
		A-17	Ebisu East 438 Building	724.22	Offices Retail Shops	4,394.58	SRC B1F7	January 1992	4.16
		A-3	Higashi-Kayabacho Yuraku Building	773.43	Offices	5,916.48	SRC B1F9	January 1987	7.01
		A-39	KDX Toranomon Building	288.20	Offices Retail Shops	2,277.38	SRC B1F9	April 1988	8.07
		A-30	KDX Nishi-Gotanda Building	684.41	Offices, Parking	5,192.87	SRC B1F8	November 1992	8.28
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	1,968.13	Offices	7,420.87	SRC B1F9	February 1985	8.34
		A-4	KDX Hatchobori Building	992.20	Offices	4,800.43	SRC・RC B1F8	June 1993	6.42
		A-18	KDX Omori Building	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-45	KDX Roppongi 228 Building	408.86	Offices, Retail Shops	2,235.30	SRC B1F9	April 1989	8.95
A-62	Koishikawa TG Building	1,250.42	Offices, Parking	5,862.02	SRC B1F8	November 1989	7.54		
A-29	KDX Higashi-Shinjuku Building	1,340.97	Offices, Storage Parking	7,885.40	SRC B1F9	January 1990	3.63		

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-20	KDX Kayabacho Building	617.17	Offices, Parking	3,804.86	SRC F8	October 1987	7.90
		A-56	KDX Jimbocho Building	465.92	Offices	3,292.13	SRC B1F8	May 1994	7.25
		A-49	Nissou Dai-17 Building	629.00	Offices, Parking	4,016.61	SRC B1F8	July 1991	13.23
		A-21	KDX Shinbashi Building	536.11	Offices, Retail Shops Parking	3,960.22	SRC · S B1F8	February 1992	6.84
		A-63	Gotanda TG Building	582.90	Offices, Parking Storage	4,440.61	SRC B1F9	April 1988	8.37
		A-5	KDX Nakano Sakaue Building	1,235.16	Offices, Retail Shop Residential, Parking Storage	6,399.42	SRC B1F11	August 1992	5.20
		A-22	KDX Shin-Yokohama Building	705.00	Offices, Retail Shops Parking	6,180.51	S B1F9	September 1990	10.36
		A-6	Harajuku F.F. Building	699.67	Retail Shops Offices, Parking	3,812.44	SRC F11	November 1985	5.66
		A-50	Ikejiri-Oohashi Building	834.79	Offices	3,482.96	RC B2F9	September 1988	3.02
		A-27	KDX Kajicho Building	526.43	Offices, Retail Shops	3,147.70	SRC B1F8	March 1990	6.05
		A-51	KDX Hamacho Nakanohashi Building	462.29	Offices	3,280.41	SRC F9	September 1988	6.17
		A-15	KDX Hamacho Building	554.80	Retail Shops, Offices Parking	4,133.47	SRC B2F10	September 1993	6.76
		A-41	KDX Shinjuku 286 Building	421.70	Offices, Parking	3,432.04	SRC · RC B1F9	August 1989	8.71
		A-7	FIK Minami Aoyama	369.47	Offices, Retail Shops Residential	1,926.98	SRC B1F9	November 1988	4.92
		A-14	KDX Funabashi Building	1,180.41	Offices Retail Shops	5,970.12	SRC B1F8	April 1989	2.76
		A-61	KDX Hamamatsucho Dai-2 Building	368.28	Offices	2,478.90	S · SRC B1F8	April 1992	2.01
		A-55	Shin-toshin Maruzen Building	457.64	Offices, Retail Shops Parking	3,439.37	SRC B1F8	July 1990	4.87
		A-64	KDX Nihonbashi 216 Building	307.77	Offices	1,871.62	SRC F9	October 2006	6.99
		A-33	KDX Okachimachi Building	239.72	Offices	1,882.00	S F10	June 1988	2.23
		A-57	KDX Gobancho Building	335.70	Offices, Parking	1,893.11	S F8	August 2000	9.06
A-8	Kanda Kihara Building	410.18	Offices	2,393.94	SRC · RC · S B1F8	May 1993	7.77		
A-23	KDX Yotsuya Building	996.65	Offices, Retail Shops Parking	3,329.68	RC B2F4	October 1989	9.79		

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-59	KDX Iwamoto-cho Building	266.86	Offices Residential Complex	1,618.65	S F9	March 2008	7.15
		A-26	KDX Kiba Building	922.77	Offices, Parking	2,820.64	RC F5	October 1992	7.79
		A-38	KDX Nishi-Shinjuku Building	626.06	Offices, Parking	2,017.63	RC F5	October 1992	9.02
		A-31	KDX Monzen-Nakacho Building	580.99	Offices Retail Shops	2,668.91	SRC F8	September 1986	5.72
		A-52	KDX Kanda Misaki-cho Building	314.54	Offices	1,536.60	SRC B1F7	October 1992	9.41
		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-28	KDX Nogizaka Building	409.36	Offices, Retail Shops Residential	1,695.07	RC B1F5	May 1991	9.48
	Other Regional Areas	A-58	KDX Nagoya Sakae Building	1,192.22	Offices, Retail Shops	9,594.00	S F11	April 2009	2.87
		A-12	Portus Center Building	13,936.63	Offices, Retail Shops, Storage, Parking	79,827.08	SRC · S B2F25	September 1993	3.48
		A-42	Karasuma Building	1,788.67	Offices	12,632.68	SRC B1F8	October 1982	8.37
		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-44	KDX Sendai Building	987.78	Offices	5,918.30	SRC B1F10	February 1984	1.93
		A-24	KDX Minami Semba Dai-1 Building	715.44	Offices, Parking	4,236.59	SRC · RC · S B1F9	March 1993	9.04
		A-25	KDX Minami Semba 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
		Subtotal of Office Buildings (61 properties)				-	-	-	-
Residential Properties	Tokyo Metropolitan Area	B-19	Residence Charmante Tsukishima	4,252.86	Residential Complex Offices	18,115.39	SRC B1F10	January 2004	9.88
		B-3	Court Mejiro	1,581.91	Residential Complex	3,326.07	RC B1F3	March 1997	7.11
		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	①RCF6 ②RCF5 ③RCF6	March 1989	5.20
Subtotal of Residential Properties (4 properties)				-	-	-	-	Average of 10.3 yrs	-

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
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)				-	-	-	-	Average of 8.3 yrs	-
Total of 67 properties				-	-	-	-	Average of 20.0 yrs (Note 8)	5.24 (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 October 31, 2010, and is rounded down to the nearest first decimal place.
6. Probable Maximum Loss (PML) data is based on a survey provided by Sompo Japan Risk Management, Inc. (changed company name to NKSJ Risk Management, Inc. as of November 1, 2010 as a result of an integration of business operations with N.K. Risk Consulting Co., Ltd.) as of September 2010. The Portfolio PML is the data based on 67 properties.
7. KDX Shin-Yokohama 381 Building:
Starting from disclosures pertaining to the fiscal period under review, A-47 KDX Shin-Yokohama 381 Building (existing tower) and A-65 KDX Shin-Yokohama 381 Building Annex Tower are indicated collectively as one property. The two properties are 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.

B. Capital Expenditure

(a) Planned capital expenditures

Major capital expenditure plans for renovation of properties in which the Investment Corporation holds for the twelfth fiscal period (November 1, 2010 to April 30, 2011) 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
Gotanda TG Building (Shinagawa-ku, Tokyo)	Air conditioning system construction, upgrade of restrooms, other	November 2010 to April 2011	131	-	-
KDX Shin-Yokohama Building (Yokohama-shi, Kanagawa)	Air conditioning system construction, supply/exhaust air fan construction, other	As above	100	-	-
Ebisu East 438 Building (Shibuya-ku, Tokyo)	Air conditioning system construction, upgrade of restrooms, other	As above	85	-	-
KDX Yotsuya Building (Shinjuku-ku, Tokyo)	Air conditioning system construction, supply/exhaust air fan construction, other	As above	65	-	-
KDX Hamacho Building (Chuo-ku, Tokyo)	Air conditioning system construction, other	As above	63	-	-
KDX Kawasaki-Ekimae Hon-cho Building (Kawasaki-shi, Kanagawa)	Upgrade of external walls, other	As above	40	-	-
Ikejiri-Oohashi Building (Meguro-ku, Tokyo)	Upgrade of external walls, other	As above	28	-	-

(b) Capital Expenditures during the Fiscal Period Under Review (fiscal period ended October 31, 2010)

The Investment Corporation undertook the following major capital expenditures as follows. In the fiscal period under review (fiscal period ended October 31, 2010), the Investment Corporation completed work across its entire portfolio totaling ¥462 million. This total comprised of ¥312 million in capital expenditures and ¥149 million for repairs, maintenance and renovation expenses.

Property Name (Location)	Purpose	Schedule	Amount of Capital Expenditures (Millions of Yen)
KDX Higashi-Shinjuku Building (Shinjuku-ku, Tokyo)	Upgrade of external walls, other	May 2010 to October 2010	29
Kanda Kihara Building (Chiyoda-ku, Tokyo)	Air conditioning system construction, other	As above	28
Venus Hibarigaoka (Sapporo, Hokkaido)	Upgrade of external walls, other	As above	22
Others			232
Portfolio Total			312

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

(c) 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	Seventh Fiscal Period (May 1, 2008 to October 31, 2008)	Eighth Fiscal Period (November 1, 2008 to April 30, 2008)	Ninth Fiscal Period (May 1, 2009 to October 31, 2009)	Tenth Fiscal Period (November 1, 2009 to April 30, 2010)	Eleventh Fiscal Period (May 1, 2010 to October 31, 2010)
Reserve for the end of the previous period	432	552	477	469	444
Reserve for the fiscal period under review	128	93	71	29	-
Reversal of reserve for the fiscal period under review	8	167	79	54	14
Reserve bring to the next period	552	477	469	444	430

C. Details of the Tenants

(As of October 31, 2010)

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) (Note 7)	Leasehold and Security Deposits (¥thousands) (Note 8)
Office Buildings	Tokyo Metropolitan Area	A-60	KDX Harumi Building	9,294.00	9,122.60	-	-	6	98.2	375,363	554,203
		A-40	Toranomon Toyo Building	6,392.26	6,101.31	-	-	11	95.4	301,819	518,404
		A-46	Hiei Kudan-Kita Building	6,902.72	5,891.30	-	-	13	85.3	266,179	361,603
		A-66	KDX Shinjuku Building	5,893.41	5,523.33	-	-	21	93.7	273,992	358,930
		A-37	KDX Ochanomizu Building	5,880.88	5,880.88	-	-	5	100.0	229,902	250,999
		A-32	KDX Shiba-Daimon Building	5,984.71	5,984.71	-	-	9	100.0	200,995	257,125
		A-13	KDX Kojimachi Building	3,809.74	3,499.49	-	-	9	91.9	136,347	211,886
		A-1	KDX Nihonbashi 313 Building	5,899.56	5,899.56	-	-	9	100.0	266,847	352,783
		A-47	KDX Shin-Yokohama 381 Building (Note 9)	8,132.21	8,132.21	-	-	32	100.0	188,442	237,524
		A-16	Toshin-24 Building	6,611.23	4,803.49	-	-	12	72.7	181,610	234,612
		A-2	KDX Hirakawacho Building	4,457.97	4,457.97	4	4	18	100.0	161,507	216,995
		A-17	Ebisu East 438 Building	3,079.74	2,567.94	-	-	6	83.4	150,951	225,132
		A-3	Higashi-Kayabacho Yuraku Building	4,413.17	4,413.17	-	-	7	100.0	181,868	246,519
		A-39	KDX Toranomon Building	1,966.56	1,966.56	-	-	7	100.0	112,598	183,786
		A-30	KDX Nishi-Gotanda Building	3,881.58	3,881.58	-	-	5	100.0	154,893	211,542
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	5,124.98	5,124.98	-	-	1	100.0	171,309	155,091
		A-4	KDX Hatchobori Building	3,324.82	3,324.82	-	-	6	100.0	140,746	148,343
		A-18	KDX Omori Building	4,945.03	4,945.03	-	-	10	100.0	164,611	227,514
		A-19	KDX Hamamatsucho Building	2,725.33	2,725.33	-	-	8	100.0	108,922	149,371
		A-45	KDX Roppongi 228 Building	1,909.08	1,242.01	-	-	6	65.1	42,560	58,188
		A-62	Koishikawa TG Building	3,944.26	3,944.26	-	-	5	100.0	137,623	165,764
		A-29	KDX Higashi-Shinjuku Building	5,927.09	5,927.09	-	-	7	100.0	146,798	162,535
		A-20	KDX Kayabacho Building	3,019.95	3,019.95	-	-	5	100.0	123,752	190,438
		A-56	KDX Jimbocho Building	2,321.10	2,192.10	-	-	3	94.4	77,791	100,099
		A-49	Nissou Dai-17 Building	2,739.62	2,600.04	-	-	6	94.9	74,004	71,370
		A-21	KDX Shinbashi Building	1,696.62	1,696.62	-	-	6	100.0	98,323	129,117
		A-63	Gotanda TG Building	3,169.57	2,443.77	-	-	7	77.1	78,965	126,373
		A-5	KDX Nakano Sakaue Building	4,389.65	4,237.07	18	16	24	96.5	103,792	98,820
		A-22	KDX Shin-Yokohama Building	4,810.97	3,559.26	-	-	17	74.0	93,303	137,244
		A-6	Harajuku F.F. Building	3,068.36	3,068.36	-	-	3	100.0	113,313	169,103
		A-50	Ikejiri-Ohashi Building	2,449.11	2,236.55	-	-	7	91.3	80,049	105,617
		A-27	KDX Kajicho Building	2,563.63	2,157.71	-	-	9	84.2	66,090	88,225
		A-51	KDX Hamacho Nakanohashi Building	2,241.42	2,085.16	-	-	8	93.0	73,065	79,638
		A-15	KDX Hamacho Building	3,105.63	2,915.30	-	-	9	93.9	93,480	129,588
		A-41	KDX Shinjuku 286 Building	2,447.80	2,447.80	-	-	9	100.0	89,465	104,603
		A-7	FIK Minami Aoyama	1,814.56	1,814.56	-	-	8	100.0	66,937	104,652
		A-14	KDX Funabashi Building	3,863.94	3,807.23	-	-	19	98.5	105,830	125,739
		A-61	KDX Hamamatsucho Dai-2 Building	1,953.50	1,953.50	-	-	8	100.0	64,910	99,247
		A-55	Shin-toshin Maruzen Building	1,938.10	1,938.10	-	-	5	100.0	66,680	92,798
		A-64	KDX Nihonbashi 216 Building	1,615.20	1,211.40	-	-	5	75.0	68,502	101,706
A-33	KDX Okachimachi Building	1,792.54	1,792.54	-	-	4	100.0	67,537	109,239		
A-57	KDX Gobancho Building	1,651.48	1,415.52	-	-	6	85.7	48,763	49,299		
A-8	Kanda Kihara Building	1,946.89	1,946.89	-	-	8	100.0	67,703	136,064		
A-23	KDX Yotsuya Building	2,536.53	2,536.53	-	-	3	100.0	98,112	154,666		
A-59	KDX Iwamoto-cho Building	1,524.68	1,524.68	3	3	9	100.0	54,588	52,162		

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) (Note 7)	Leasehold and Security Deposits (¥thousands) (Note 8)
Office Buildings	Tokyo Metropolitan Area	A-26	KDX Kiba Building	2,450.90	2,450.90	-	-	7	100.0	69,081	80,731
		A-38	KDX Nishi-Shinjuku Building	1,601.15	1,402.54	-	-	6	87.6	46,716	56,527
		A-31	KDX Monzen-Nakacho Building	2,010.55	2,010.55	-	-	5	100.0	54,620	58,559
		A-52	KDX Kanda Misaki-cho Building	1,339.46	1,164.27	-	-	7	86.9	34,604	41,567
		A-34	KDX Hon-Atsugi Building	2,747.28	2,747.28	-	-	10	100.0	63,048	87,259
		A-35	KDX Hachioji Building	2,177.79	2,099.06	-	-	7	96.4	52,214	50,874
		A-28	KDX Nogizaka Building	1,250.12	976.64	1	1	5	78.1	29,731	36,421
	Other Regional Areas	A-58	KDX Nagoya Sakae Building	6,923.12	6,251.45	-	-	14	90.3	150,586	194,022
		A-12	Portus Center Building	11,569.21	10,867.51	-	-	27	93.9	288,752	375,124
		A-42	Karasuma Building	8,555.73	7,978.03	-	-	36	93.2	205,476	262,253
		A-53	KDX Hakata-Minami Building	10,094.83	8,134.70	-	-	42	80.6	171,725	199,323
		A-54	KDX Kitahama Building	3,993.81	3,850.54	-	-	8	96.4	86,545	83,180
		A-44	KDX Sendai Building	3,957.56	3,907.85	-	-	29	98.7	89,157	190,353
		A-24	KDX Minami Samba Dai-1 Building	3,108.16	2,584.32	-	-	9	83.1	53,168	65,442
		A-25	KDX Minami Samba Dai-2 Building	2,693.72	2,693.72	-	-	24	100.0	57,219	46,407
A-36	KDX Niigata Building	4,058.00	2,655.32	-	-	20	65.4	51,513	51,600		
Subtotal of Office Buildings (63 properties)				237,692.57	221,734.94	26	24	657	93.3	7,475,021	9,924,330
Residential Properties	Tokyo Metropolitan Area	B-19	Residence Charmante Tsukishima	7,711.14	7,711.14	140	140	1 (Note 10)	100.0	166,441	50,580
		B-3	Court Mejiro	2,046.79	1,948.31	20	19	19	95.2	40,536	15,403
		B-34	Gradito Kawaguchi	1,619.34	1,619.34	66	66	2 (Note 11)	100.0	32,936	10,028
	Other Regional Areas	B-18	Venus Hibarigaoka	12,829.64	11,851.42	159	147	114	92.4	89,429	25,901
Subtotal of Residential Properties (4 properties)				24,206.91	23,130.21	385	372	136	95.6	329,344	101,912
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	4,655.71	4,655.71	-	-	11	100.0	290,095	302,794
		C-2	KDX Yoyogi Building	1,182.14	1,120.30	-	-	10	94.8	63,813	120,532
Subtotal of Central Urban Retail Properties (2 properties)				5,837.85	5,776.01	-	-	21	98.9	353,908	423,326
Total of 67 properties				267,737.33	250,641.16	411	396	814 (Note 12)	93.6	8,158,273	10,449,569
Occupancy Ratio over the Past Five Years											
				April 30, 2006	94.9%						
				October 31, 2006	95.3%						
				April 30, 2007	95.9%						
				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%						
				April 30, 2010	94.4%						
				October 31, 2010	93.6%						

Notes:

1. 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.
2. Total leased floor area refers to the area identified in lease agreements with end tenants or sub-lease agreements.
3. 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.
4. 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.
5. The total number of tenants refers to the actual number of end tenants for each property. However, for KDX Shin-Yokohama 381 Building, please refer to

Note 9, for Residence Charmante Tsukishima, please refer to Note 10, and for Gradito Kawaguchi, please refer to Note 11.

6. The occupancy ratio is calculated by dividing leased floor area by total leasable floor area. Figures are rounded to the nearest first decimal place.
7. 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.
8. 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.
9. Starting from disclosures pertaining to the fiscal period under review, A-47 KDX Shin-Yokohama 381 Building and A-65 KDX Shin-Yokohama 381 Building Annex Tower are indicated collectively as one property. In addition, concerning the number of tenants for KDX Shin-Yokohama 381 Building Annex Tower as of the end of the fiscal period under review, other than 1 tenant occupying the first floor and second floor, the Investment Corporation and Y.K. KRF 11 have concluded a fixed-rent, fixed-term building lease contract for the third floor to ninth floor (term of contract: to November 17, 2010). Therefore, the number of tenants is indicated as 2 in the table below.

Details for KDX Shin-Yokohama 381 Building and KDX Shin-Yokohama 381 Building Annex Tower are as follows.

No.	Property Name	Total Leasable Floor Area (㎡)	Total Leased Floor Area (㎡)	No. of Tenants	Occupancy Ratio (%)	Total Rental and Other Operating Revenues (¥thousands)	Leasehold and Security Deposits (¥thousands)
A-47	KDX Shin-Yokohama 381 Building	5,684.84	5,684.84	30	100.0	135,790	208,675
A-65	KDX Shin-Yokohama 381 Building Annex Tower	2,447.37	2,447.37	*2	100.0	52,652	28,849

10. Residence Charmante Tsukishima: Because we have concluded a rental guarantee (fixed-term lease: until January 30, 2011) 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.
11. Gradito Kawaguchi: Because the master lessor and Haseko Livenet Inc. have concluded a rental guarantee (fixed-term lease: until March 31, 2011) building lease contract for dwelling units (excluding first-floor shops), the total number of tenants is indicated as 2.
12. The number presented does not reflect the adjustment for end-tenants who are overlapping in multiple properties.

(Reference) Total operating rental and other revenues for the office building and residential property sold during the Eleventh Fiscal Period

No.	Property Name	Total Rental and Other Operating Revenues (¥thousands)
A-9	KDX Shinjuku-Gyoen Building	57,616
B-25	Court Shin-Okachimachi	26,310
Total		83,926

D. 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 eleventh fiscal period (fiscal period ended October 31, 2010).

E. Information concerning major tenants

- (a) Tenant which holds more than 10% of the total leased area: None
- (b) Reference: Major end tenants

(As of October 31, 2010)

	Name of End Tenant	Property Name	Leased Floor Area	Percentage of Total Leased Floor Area (Note 1)
1	Sekiwa Real Estate, Ltd.	Residence Charmante Tsukishima	7,711.14 ㎡	3.1%
2	NTT Data Corporation	KDX Harumi Building, KDX Higashi-Shinjuku Building	5,185.96 ㎡	2.1%
3	N / A (Note 2)	KDX Kawasaki-Ekimae Hon-cho Building	5,124.98 ㎡	2.0%
4	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Toranomon Toyo Building, Harajuku F.F. Building, KDX Yoyogi Building	3,447.80 ㎡	1.4%
5	Kodak Japan Ltd.	KDX Monzen Nakacho Building, KDX Ochanomizu Building	3,121.83 ㎡	1.3%
Subtotal			24,591.71 ㎡	9.8%
Portfolio Total			250,641.16 ㎡	100.0%

Notes:

1. 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.
2. Not disclosed due to the tenants' request.

④ Status of the Posted Collateral

No.	Property Name	Status of Collateral (Secured • Unsecured)		Type of Collateral	Appraisal Value at the End of Eleventh Fiscal Period (Millions of Yen)	
					Collateralized	Uncollateralized
A-60	KDX Harumi Building	Secured		Fixed pledge	10,600	-
A-40	Toranomon Toyo Building	Secured		Fixed pledge	9,770	-
A-46	Hiei Kudan-Kita Building	Secured		Fixed pledge	7,640	-
A-66	KDX Shinjuku Building	Secured		Fixed pledge	7,010	-
A-37	KDX Ochanomizu Building	Secured		Fixed pledge	6,530	-
A-32	KDX Shiba-Daimon Building	Secured		Fixed pledge	4,840	-
A-13	KDX Kojimachi Building		Unsecured	-	-	4,250
A-1	KDX Nihonbashi 313 Building	Secured		Fixed pledge	7,170	-
A-47	KDX Shin-Yokohama 381 Building (Note 1)		Unsecured	-	-	4,250
A-16	Toshin-24 Building	Secured		Fixed pledge	4,320	-
A-2	KDX Hirakawacho Building		Unsecured	-	-	4,910
A-17	Ebisu East 438 Building		Unsecured	-	-	4,210
A-3	Higashi-Kayabacho Yuraku Building	Secured		Fixed pledge	5,190	-
A-39	KDX Toranomon Building	Secured		Fixed pledge	3,420	-
A-30	KDX Nishi-Gotanda Building	Secured		Fixed mortgage	3,640	-
A-48	KDX Kawasaki-Ekimae Hon-cho Building	Secured		Fixed mortgage	3,410	-
A-4	KDX Hatchobori Building		Unsecured	-	-	3,380
A-18	KDX Omori Building	Secured		Fixed pledge	3,640	-
A-19	KDX Hamamatsucho Building	Secured		Fixed pledge	3,180	-
A-45	KDX Roppongi 228 Building		Unsecured	-	-	2,160
A-62	Koishikawa TG Building	Secured		Fixed pledge	3,240	-
A-29	KDX Higashi-Shinjuku Building	Secured		Fixed pledge	3,240	-
A-20	KDX Kayabacho Building	Secured		Fixed pledge	3,070	-
A-56	KDX Jimbocho Building	Secured		Fixed mortgage	2,080	-
A-49	Nissou Dai-17 Building	Secured		Fixed pledge	1,640	-
A-21	KDX Shinbashi Building		Unsecured	-	-	2,790
A-63	Gotanda TG Building	Secured		Fixed pledge	2,570	-
A-5	KDX Nakano Sakaue Building	Secured		Fixed pledge	2,350	-
A-22	KDX Shin-Yokohama Building	Secured		Fixed pledge	2,430	-
A-6	Harajuku F.F. Building	Secured		Fixed pledge	2,860	-
A-50	Ikejiri-Oohashi Building	Secured		Fixed pledge	1,600	-
A-27	KDX Kajicho Building	Secured		Fixed pledge	2,230	-
A-51	KDX Hamacho Nakanohashi Building	Secured		Fixed pledge	1,690	-
A-15	KDX Hamacho Building	Secured		Fixed pledge	2,320	-
A-41	KDX Shinjuku 286 Building	Secured		Fixed pledge	2,050	-
A-7	FIK Minami Aoyama		Unsecured	-	-	2,210
A-14	KDX Funabashi Building	Secured		Fixed mortgage	1,990	-
A-61	KDX Hamamatsucho Dai-2 Building		Unsecured	-	-	1,920
A-55	Shin-toshin Maruzen Building	Secured		Fixed pledge	1,560	-
A-64	KDX Nihonbashi 216 Building	Secured		Fixed pledge	1,990	-
A-33	KDX Okachimachi Building		Unsecured	-	-	1,790
A-57	KDX Gobancho Building		Unsecured	-	-	1,480
A-8	Kanda Kihara Building	Secured		Fixed pledge	1,870	-
A-23	KDX Yotsuya Building		Unsecured	-	-	2,280

No.	Property Name	Status of Collateral (Secured • Unsecured)		Type of Collateral	Appraisal Value at the End of Eleventh Fiscal Period (Millions of Yen)	
					Collateralized	Uncollateralized
A-59	KDX Iwamoto-cho Building		Unsecured	-	-	1,310
A-26	KDX Kiba Building	Secured		Fixed pledge	1,470	-
A-38	KDX Nishi-Shinjuku Building		Unsecured	-	-	1,210
A-31	KDX Monzen-Nakacho Building	Secured		Fixed mortgage	1,270	-
A-52	KDX Kanda Misaki-cho Building		Unsecured	-	-	980
A-34	KDX Hon-Atsugi Building	Secured		Fixed pledge	1,070	-
A-35	KDX Hachioji Building		Unsecured	-	-	821
A-28	KDX Nogizaka Building		Unsecured	-	-	829
A-58	KDX Nagoya Sakae Building		Unsecured	-	-	4,710
A-12	Portus Center Building	Secured		Fixed pledge	4,590	-
A-42	Karasuma Building	Secured		Fixed pledge	5,020	-
A-53	KDX Hakata-Minami Building	Secured		Fixed mortgage	3,840	-
A-54	KDX Kitahama Building		Unsecured	-	-	1,670
A-44	KDX Sendai Building	Secured		Fixed pledge	1,470	-
A-24	KDX Minami Semba Dai-1 Building	Secured		Fixed pledge	1,090	-
A-25	KDX Minami Semba Dai-2 Building	Secured		Fixed pledge	1,150	-
A-36	KDX Niigata Building		Unsecured	-	-	868
B-19	Residence Charmante Tsukishima	Secured		Fixed pledge	4,480	-
B-3	Court Mejiro		Unsecured	-	-	950
B-34	Gradito Kawaguchi		Unsecured	-	-	959
B-18	Venus Hibarigaoka	Secured		Fixed pledge	1,420	-
C-1	Frame Jinnan-zaka	Secured		Fixed pledge	9,750	-
C-2	KDX Yoyogi Building		Unsecured	-	-	1,900
Total					157,760	51,837

Notes:

- The Investment Corporation posted collateral KDX Shin-Yokohama 381 Building which was uncollateralized at the end of fiscal period under review (fiscal period ended October 31, 2010) and two other properties on November 12, 2010. For details, please refer to page 13 “(Reference) ③Posting Additional Collateral”. In addition, starting from the end of the fiscal period under review, A-47 KDX Shin-Yokohama 381 Building (existing tower) and A-65 KDX Shin-Yokohama 381 Building Annex Tower are indicated collectively as one property. However, assets that are to be pledged as additional collateral are in the form of separate trust beneficiary interests in real estate for the existing tower and the annex tower.
- Collateral right holders (including fixed pledge holders and fixed mortgage holders) for all of the collateralized properties are as follows:
Sumitomo Mitsui Banking Corporation, The Chuo Mitsui Trust and Banking Co., Ltd., Aozora Bank, Ltd., Development Bank of Japan Inc., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Resona Bank, Ltd., The Norinchukin Bank and Mitsui Sumitomo Insurance Co., Ltd.
- The outstanding balance of secured borrowings as of the end of the fiscal period under review is 90,567 million yen. In addition, as of December 13, 2010, the outstanding balance of secured borrowings is 100,067 million yen.

【Reference】 Earnings Performance for the Individual Properties for the 11th Fiscal Period (May 1, 2010 to October 31, 2010) : 184days ※As of October 31, 2010

Type		Office Buildings															
Location		Tokyo Metropolitan Area															
Property Name		KDX Harumi Building	Toranomon Toyo Building	Hiei Kudan-Kita Building	KDX Shinjuku Building	KDX Ochanomizu Building	KDX Shiba-Daimon Building	KDX Kojimachi Building	KDX Nihonbashi 313 Building	KDX Shin-Yokohama 381 Building (Note)	Toshin 24 Building	KDX Hirakawacho Building	Ebisu East 438 Building	Higashi-Kayabacho Yuraku Building	KDX Toranomon Building	KDX Nishi-Gotanda Building	KDX Kawasaki-Ekimae Hon-cho Building
Acquisition Date		June 30, 2008	June 1, 2007	February 1, 2008	February 18, 2010	April 2, 2007	March 1, 2007	November 1, 2005	August 1, 2005	February 1, 2008	May 1, 2006	August 1, 2005	May 1, 2006	August 1, 2005	April 17, 2007	December 1, 2006	February 1, 2008
Price Information	Acquisition price (¥ Millions)	10,250	9,850	7,600	6,800	6,400	6,090	5,950	5,940	5,800	5,300	5,180	4,640	4,450	4,400	4,200	3,760
	Percentage of total portfolio	4.4%	4.2%	3.3%	2.9%	2.7%	2.6%	2.6%	2.5%	2.5%	2.3%	2.2%	2.0%	1.9%	1.9%	1.8%	1.6%
	Net book value (¥ Millions)	9,922	9,873	7,607	6,880	6,716	6,262	5,696	6,175	5,927	5,170	5,153	4,511	4,425	4,829	4,119	3,854
	Appraisal value at the end of period (¥ Millions)	10,600	9,770	7,640	7,010	6,530	4,840	4,250	7,170	4,250	4,320	4,910	4,210	5,190	3,420	3,640	3,410
	Percentage of total appraisal value	5.1%	4.7%	3.6%	3.3%	3.1%	2.3%	2.0%	3.4%	2.0%	2.1%	2.3%	2.0%	2.5%	1.6%	1.7%	1.6%
Lease Information	Number of tenants	6	11	13	21	5	9	9	9	32	12	18	6	7	7	5	1
	Leasable floor area (㎡)	9,294.00	6,392.26	6,902.72	5,893.41	5,880.88	5,984.71	3,809.74	5,899.56	8,132.21	6,611.23	4,457.97	3,079.74	4,413.17	1,966.56	3,881.58	5,124.98
	Leased floor area(㎡)	9,122.60	6,101.31	5,891.30	5,523.33	5,880.88	5,984.71	3,499.49	5,899.56	8,132.21	4,803.49	4,457.97	2,567.94	4,413.17	1,966.56	3,881.58	5,124.98
	Occupancy ratio																
	As of October 31, 2010	98.2%	95.4%	85.3%	93.7%	100.0%	100.0%	91.9%	100.0%	100.0%	72.7%	100.0%	83.4%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2010	98.2%	93.9%	91.9%	93.8%	100.0%	97.3%	97.1%	100.0%	100.0%	84.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2009	100.0%	95.4%	100.0%	-	100.0%	100.0%	86.7%	100.0%	100.0%	93.3%	100.0%	100.0%	100.0%	89.3%	100.0%	100.0%
	As of April 30, 2009	100.0%	100.0%	100.0%	-	100.0%	100.0%	88.6%	100.0%	100.0%	92.1%	100.0%	100.0%	100.0%	78.6%	91.9%	100.0%
	As of October 31, 2008	100.0%	100.0%	100.0%	-	90.2%	100.0%	98.2%	100.0%	100.0%	97.5%	100.0%	100.0%	100.0%	78.6%	100.0%	100.0%
	As of April 30, 2008	-	99.1%	100.0%	-	100.0%	100.0%	98.2%	100.0%	94.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2007	-	97.5%	-	-	100.0%	100.0%	97.1%	100.0%	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-
	As of April 30, 2007	-	-	-	-	100.0%	93.0%	97.1%	100.0%	98.9%	100.0%	100.0%	100.0%	89.1%	0.0%	73.7%	-
As of October 31, 2006	-	-	-	-	-	-	97.1%	100.0%	-	100.0%	100.0%	100.0%	100.0%	-	-	-	
As of April 30, 2006	-	-	-	-	-	-	80.5%	100.0%	-	100.0%	100.0%	100.0%	100.0%	-	-	-	
Income and Retained Earnings Information for the 11th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	375,363	301,819	266,179	273,992	229,902	200,995	136,347	266,847	188,442	181,610	161,507	150,951	181,868	112,598	154,893	171,309
	Rental revenues	312,559	284,918	238,991	234,174	215,653	177,911	112,038	249,255	157,849	153,214	143,291	126,952	162,311	104,575	129,909	134,066
	Other operating revenues	62,803	16,901	27,188	39,818	14,248	23,083	24,309	17,591	30,593	28,395	18,216	23,999	19,557	8,023	24,983	37,243
	②Property-related expenses (¥ Thousands)	102,921	74,537	91,016	56,251	44,889	46,920	45,569	61,178	46,940	53,878	47,965	36,516	36,986	23,891	32,827	51,884
	Property management fees	39,021	20,746	30,852	24,306	13,454	16,439	10,201	19,069	14,461	19,616	15,870	11,649	14,124	6,708	12,152	14,687
	Taxes	19,862	31,377	26,423	13	16,042	12,072	17,905	19,880	13,966	12,866	15,783	10,900	9,821	10,579	9,572	7,748
	Utilities	40,826	16,768	20,075	24,508	11,734	15,394	11,155	13,969	15,109	16,407	11,292	11,038	10,341	4,368	9,758	27,757
	Repairs and maintenance costs	-	1,501	7,096	1,789	1,691	1,121	5,095	6,462	1,337	807	1,468	1,604	879	166	499	672
	Insurance	526	364	472	371	316	284	228	339	373	352	305	180	230	98	213	252
	Trust fees and other expenses	2,683	3,779	6,097	5,261	1,649	1,608	982	1,456	1,692	3,828	3,244	1,143	1,588	1,970	631	765
	③NOI (=①-②) (¥ Thousands)	272,441	227,281	175,162	217,741	185,013	154,074	90,778	205,669	141,502	127,731	113,542	114,434	144,882	88,706	122,066	119,424
④Depreciation (¥ Thousands)	76,973	11,857	14,763	14,580	26,610	28,628	40,560	28,614	45,781	33,589	24,709	17,173	26,946	13,176	29,302	30,197	
⑤Rental operating income (=③-④) (¥ Thousands)	195,468	215,424	160,399	203,160	158,402	125,445	50,217	177,054	95,720	94,142	88,832	97,260	117,935	75,530	92,763	89,227	
⑥Capital expenditures (¥ Thousands)	390	4,480	-	3,791	8,311	2,146	2,793	548	2,813	26,002	702	1,600	7,982	-	2,700	720	
⑦NCF (=③-⑥) (¥ Thousands)	272,051	222,801	175,162	213,950	176,702	151,928	87,985	205,121	138,688	101,729	112,839	112,834	136,899	88,706	119,366	118,704	
Reference	Expense ratio (=②/①)	27.4%	24.7%	34.2%	20.5%	19.5%	23.3%	33.4%	22.9%	24.9%	29.7%	29.7%	24.2%	20.3%	21.2%	21.2%	30.3%
	Property tax for the year 2010(¥ Thousands)	39,715	62,754	52,845	60,504	32,076	24,147	35,809	39,760	27,820	25,731	31,565	21,800	39,624	21,158	19,139	15,500
	Among② of property management fee (Leasing management fees)(¥ Thousands)	13,220	10,797	9,090	10,035	8,467	7,246	4,834	9,930	6,733	6,313	5,613	5,416	6,668	4,108	5,652	5,933
	Reference: Percentage of rental and other operating revenues	3.52%	3.58%	3.42%	3.66%	3.68%	3.61%	3.55%	3.72%	3.57%	3.48%	3.48%	3.59%	3.67%	3.65%	3.65%	3.46%
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yr (¥ Thousands)	110,320	260,050	296,707	362,230	323,470	169,180	180,970	214,470	217,420	217,670	210,660	147,940	107,050	70,400	136,230	446,967
Reference: Amount of yearly avg.	9,193	21,670	24,725	30,185	26,955	14,098	15,080	17,872	18,118	18,139	17,555	12,328	8,920	5,866	11,352	37,247	
Assets pledged as collateral		◆	◆	◆	◆	◆	◆	-	◆	-	◆	-	-	◆	◆	◆	◆

Note: Starting from the eleventh fiscal period, A-47 KDX Shin-Yokohama 381 Building and A-65 KDX Shin-Yokohama 381 Building Annex Tower are indicated collectively as one property.

[Reference] Earnings Performance for the Individual Properties for the 11th Fiscal Period (May 1, 2010 to October 31, 2010) : 184days ※As of October 31, 2010

Type		Office Buildings															
Location		Tokyo Metropolitan Area															
Property Name		KDX Hatchobori Building	KDX Omori Building	KDX Hamamatsucho Building	KDX Roppongi 228 Building	Koishikawa TG Building	KDX Higashi-Shinjuku Building	KDX Kayabacho Building	KDX Jimbocho Building	Nissou Dai-17 Building	KDX Shinbashi Building	Gotanda TG Building	KDX Nakano-Sakaue Building	KDX Shin-Yokohama Building	Harajuku F.F. Building	Ikejiri-Oohashi Building	KDX Kajicho Building
Acquisition Date		August 1, 2005	May 1, 2006	May 1, 2006	January 10, 2008	November 18, 2009	September 1, 2006	May 1, 2006	March 31, 2008	February 1, 2008	May 1, 2006	November 18, 2009	August 1, 2005	May 1, 2006	August 1, 2005	February 1, 2008	July 3, 2006
Price Information	Acquisition price (¥ Millions)	3,680	3,500	3,460	3,300	3,080	2,950	2,780	2,760	2,710	2,690	2,620	2,533	2,520	2,450	2,400	2,350
	Percentage of total portfolio	1.6%	1.5%	1.5%	1.4%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%	1.1%	1.1%	1.1%	1.1%	1.0%	1.0%
	Net book value (¥ Millions)	3,385	3,410	3,307	3,445	3,165	3,194	2,853	2,926	2,659	2,662	2,714	2,459	2,433	2,456	2,475	2,415
	Appraisal value at the end of period (¥ Millions)	3,380	3,640	3,180	2,160	3,240	3,240	3,070	2,080	1,640	2,790	2,570	2,350	2,430	2,860	1,600	2,230
	Percentage of total appraisal value	1.6%	1.7%	1.5%	1.0%	1.5%	1.5%	1.5%	1.0%	0.8%	1.3%	1.2%	1.1%	1.2%	1.4%	0.8%	1.1%
Lease Information	Number of tenants	6	10	8	6	5	7	5	3	6	6	7	24	17	3	7	9
	Leasable floor area (㎡)	3,324.82	4,945.03	2,725.33	1,909.08	3,944.26	5,927.09	3,019.95	2,321.10	2,739.62	1,696.62	3,169.57	4,389.65	4,810.97	3,068.36	2,449.11	2,563.63
	Leased floor area (㎡)	3,324.82	4,945.03	2,725.33	1,242.01	3,944.26	5,927.09	3,019.95	2,192.10	2,600.04	1,696.62	2,443.77	4,237.07	3,559.26	3,068.36	2,236.55	2,157.71
	Occupancy ratio																
	As of October 31, 2010	100.0%	100.0%	100.0%	65.1%	100.0%	100.0%	100.0%	94.4%	94.9%	100.0%	77.1%	96.5%	74.0%	100.0%	91.3%	84.2%
	As of April 30, 2010	100.0%	100.0%	100.0%	65.1%	100.0%	100.0%	100.0%	85.0%	94.9%	100.0%	57.8%	100.0%	86.3%	100.0%	100.0%	75.1%
	As of October 31, 2009	93.1%	100.0%	100.0%	52.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	91.3%	93.1%	100.0%	91.3%	94.3%
	As of April 30, 2009	100.0%	94.5%	87.7%	65.2%	-	97.0%	100.0%	100.0%	100.0%	100.0%	-	92.3%	93.1%	100.0%	82.6%	100.0%
	As of October 31, 2008	100.0%	100.0%	75.4%	78.0%	-	86.2%	100.0%	59.8%	100.0%	100.0%	-	96.5%	83.2%	100.0%	100.0%	100.0%
	As of April 30, 2008	100.0%	100.0%	100.0%	80.4%	-	82.2%	100.0%	0.0%	100.0%	100.0%	-	100.0%	100.0%	100.0%	91.3%	100.0%
	As of October 31, 2007	100.0%	100.0%	100.0%	-	-	92.6%	100.0%	-	-	100.0%	-	100.0%	99.6%	100.0%	-	85.8%
	As of April 30, 2007	100.0%	100.0%	100.0%	-	-	100.0%	100.0%	-	-	100.0%	-	100.0%	100.0%	100.0%	-	100.0%
	As of October 31, 2006	100.0%	100.0%	100.0%	-	-	100.0%	100.0%	-	-	100.0%	-	97.0%	99.6%	100.0%	-	100.0%
As of April 30, 2006	100.0%	-	-	-	-	-	-	-	-	-	-	98.8%	-	100.0%	-	-	
Income and Retained Earnings Information for the 11th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	140,746	164,611	108,922	42,560	137,623	146,798	123,752	77,791	74,004	98,323	78,965	103,792	93,303	113,313	80,049	66,090
	Rental revenues	119,420	140,414	93,085	37,662	119,375	127,710	110,804	65,129	65,214	90,476	70,198	90,046	80,274	102,214	64,923	56,946
	Other operating revenues	21,326	24,197	15,836	4,898	18,248	19,088	12,947	12,662	8,789	7,847	8,767	13,746	13,029	11,099	15,126	9,144
	②Property-related expenses (¥ Thousands)	36,042	51,631	28,765	18,058	43,750	62,707	26,822	20,933	22,265	26,207	41,161	28,382	31,010	29,855	19,442	19,229
	Property management fees	12,925	16,862	7,796	4,791	15,355	14,290	9,139	5,689	8,050	7,205	11,800	10,097	12,489	9,973	6,643	6,523
	Taxes	9,503	12,810	9,472	7,495	10,694	14,746	7,012	7,429	5,552	11,430	9,169	8,146	7,056	8,394	6,429	5,826
	Utilities	10,342	19,034	6,186	4,932	12,571	15,666	6,661	4,728	6,942	5,977	5,929	6,808	7,466	7,102	5,258	4,870
	Repairs and maintenance costs	1,951	1,773	185	289	3,815	16,031	2,986	1,081	171	495	8,825	1,527	2,792	1,904	88	929
	Insurance	203	301	137	88	208	314	156	116	159	119	159	260	225	154	136	125
Trust fees and other expenses	1,116	849	4,987	461	1,104	1,657	867	1,888	1,388	979	5,277	1,542	980	2,327	886	953	
③NOI (=①-②) (¥ Thousands)	104,704	112,979	80,156	24,501	93,873	84,090	96,929	56,858	51,739	72,116	37,804	75,410	62,293	83,457	60,606	46,861	
④Depreciation (¥ Thousands)	37,357	25,446	22,308	4,879	13,962	18,441	15,827	13,217	15,967	6,268	9,123	17,177	20,705	10,984	10,774	12,174	
⑤Rental operating income (=③-④) (¥ Thousands)	67,346	87,533	57,848	19,622	79,911	65,648	81,102	43,641	35,771	65,848	28,680	58,232	41,587	72,473	49,831	34,686	
⑥Capital expenditures (¥ Thousands)	1,350	7,520	5,305	950	264	29,507	7,987	1,255	490	3,093	13,874	1,495	4,118	1,370	1,150	3,480	
⑦NCF (=⑤-⑥) (¥ Thousands)	103,354	105,459	74,851	23,551	93,609	54,582	88,942	55,603	51,249	69,022	23,929	73,915	58,175	82,087	59,456	43,380	
Reference	Expense ratio (=②/①)	25.6%	31.4%	26.4%	42.4%	31.8%	42.7%	21.7%	26.9%	30.1%	26.7%	52.1%	27.3%	33.2%	26.3%	24.3%	29.1%
	Property tax for the year 2010(¥ Thousands)	19,006	25,619	18,935	14,989	21,230	29,494	14,016	18,856	11,103	22,859	17,604	16,291	14,114	16,788	12,858	11,652
	Among② of property management fee (Leasing management fees)(¥ Thousands)	5,009	5,665	3,858	1,368	4,877	5,247	4,575	2,801	2,566	3,478	2,791	3,657	3,236	4,015	2,870	2,305
	Reference: Percentage of rental and other operating revenues	3.56%	3.44%	3.54%	3.22%	3.54%	3.57%	3.70%	3.60%	3.47%	3.54%	3.54%	3.52%	3.47%	3.54%	3.59%	3.49%
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yr (¥ Thousands)	158,190	317,870	135,060	54,680	230,330	200,740	120,000	98,399	88,480	111,266	207,750	141,400	194,390	160,510	158,270	96,450
Reference: Amount of yearly avg.	13,182	26,489	11,255	4,556	19,194	16,728	10,000	8,199	7,373	9,272	17,312	11,783	16,199	13,375	13,189	8,037	
Assets pledged as collateral	-	◆	◆	-	◆	◆	◆	◆	◆	-	◆	◆	◆	◆	◆	◆	

【Reference】 Earnings Performance for the Individual Properties for the 11th Fiscal Period (May 1, 2010 to October 31, 2010) : 184days ※As of October 31, 2010

Type		Office Buildings																
Location		Tokyo Metropolitan Area																
Property Name		KDX Hamacho Nakanohashi Building	KDX Hamacho Building	KDX Shinjuku 286 Building	FIK Minami Aoyama	KDX Funabashi Building	KDX Hamamatsucho Dai-2 Building	Shin-toshin Maruzen Building	KDX Nihonbashi 216 Building	KDX Okachimachi Building	KDX Gobancho Building	Kanda Kihara Building	KDX Yotsuya Building	KDX Iwamoto-cho Building	KDX Kiba Building	KDX Nishi-Shinjuku Building	KDX Monzen-Nakacho Building	
Acquisition Date		February 1, 2008	March 16, 2006	June 1, 2007	August 1, 2005	March 1, 2006	September 1, 2008	February 29, 2008	December 1, 2009	March 1, 2007	March 31, 2008	August 1, 2005	May 1, 2006	May 1, 2008	June 20, 2006	April 2, 2007	January 19, 2007	
Price Information	Acquisition price (¥ Millions)	2,310	2,300	2,300	2,270	2,252	2,200	2,110	2,010	2,000	1,951	1,950	1,950	1,864	1,580	1,500	1,400	
	Percentage of total portfolio	1.0%	1.0%	1.0%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.8%	0.8%	0.8%	0.8%	0.7%	0.6%	0.6%	
	Net book value (¥ Millions)	2,377	2,230	2,344	2,264	2,444	2,265	2,161	2,003	2,141	2,000	1,871	1,955	1,834	1,590	1,536	1,428	
	Appraisal value at the end of period (¥ Millions)	1,690	2,320	2,050	2,210	1,990	1,920	1,560	1,990	1,790	1,480	1,870	2,280	1,310	1,470	1,210	1,270	
	Percentage of total appraisal value	0.8%	1.1%	1.0%	1.1%	0.9%	0.9%	0.7%	0.9%	0.9%	0.7%	0.9%	1.1%	0.6%	0.7%	0.6%	0.6%	
Lease Information	Number of tenants	8	9	9	8	19	8	5	5	4	6	8	3	9	7	6	5	
	Leasable floor area (㎡)	2,241.42	3,105.63	2,447.80	1,814.56	3,863.94	1,953.50	1,938.10	1,615.20	1,792.54	1,651.48	1,946.89	2,536.53	1,524.68	2,450.90	1,601.15	2,010.55	
	Leased floor area (㎡)	2,085.16	2,915.30	2,447.80	1,814.56	3,807.23	1,953.50	1,938.10	1,211.40	1,792.54	1,415.52	1,946.89	2,536.53	1,524.68	2,450.90	1,402.54	2,010.55	
	Occupancy ratio																	
	As of October 31, 2010	93.0%	93.9%	100.0%	100.0%	98.5%	100.0%	100.0%	75.0%	100.0%	85.7%	100.0%	100.0%	100.0%	100.0%	100.0%	87.6%	100.0%
	As of April 30, 2010	100.0%	100.0%	100.0%	77.1%	100.0%	87.5%	100.0%	100.0%	85.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2009	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-	100.0%	85.7%	100.0%	100.0%	75.0%	100.0%	100.0%	100.0%	
	As of April 30, 2009	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	64.3%	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	As of October 31, 2008	100.0%	100.0%	100.0%	100.0%	100.0%	98.4%	100.0%	80.9%	100.0%	85.7%	100.0%	100.0%	92.7%	100.0%	100.0%	100.0%	
	As of April 30, 2008	100.0%	100.0%	100.0%	100.0%	100.0%	-	100.0%	-	89.7%	100.0%	100.0%	100.0%	-	88.0%	100.0%	100.0%	
	As of October 31, 2007	-	100.0%	100.0%	100.0%	100.0%	-	-	-	100.0%	-	100.0%	100.0%	-	100.0%	100.0%	84.4%	
	As of April 30, 2007	-	100.0%	-	100.0%	100.0%	-	-	-	100.0%	-	100.0%	100.0%	-	100.0%	100.0%	100.0%	
As of October 31, 2006	-	65.3%	-	100.0%	97.9%	-	-	-	-	-	100.0%	100.0%	-	69.1%	-	-		
As of April 30, 2006	-	87.3%	-	100.0%	91.9%	-	-	-	-	-	100.0%	-	-	-	-	-		
Income and Retained Earnings Information for the 11th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	
	①Rental and other operating revenues (¥ Thousands)	73,065	93,480	89,465	66,937	105,830	64,910	66,680	68,502	67,537	48,763	67,703	98,112	54,588	69,081	46,716	54,620	
	Rental revenues	61,865	81,908	72,783	60,387	88,314	56,950	53,471	61,436	58,190	43,682	61,556	88,617	50,122	60,242	40,192	46,241	
	Other operating revenues	11,200	11,572	16,681	6,549	17,516	7,960	13,209	7,065	9,347	5,081	6,146	9,495	4,465	8,838	6,524	8,379	
	②Property-related expenses (¥ Thousands)	21,117	25,629	26,150	19,769	31,843	20,406	16,867	15,712	24,542	12,160	18,692	25,315	10,453	18,799	14,952	13,786	
	Property management fees	7,334	8,992	7,401	5,139	13,043	4,825	6,463	5,858	5,901	4,504	6,097	9,247	4,082	5,912	4,611	4,911	
	Taxes	5,786	7,446	8,871	5,757	7,844	4,884	5,027	3,326	4,317	4,498	6,594	3,177	5,030	4,727	3,319	3,319	
	Utilities	4,669	6,473	7,634	4,216	8,523	4,664	4,603	3,363	4,516	2,789	5,055	6,190	2,816	4,624	3,481	5,148	
	Repairs and maintenance costs	846	1,198	987	862	1,475	1,387	65	217	9,250	409	914	934	45	2,270	2,022	257	
	Insurance	140	172	145	86	222	93	99	88	75	74	92	131	66	114	85	109	
Trust fees and other expenses	2,340	1,345	1,109	3,708	733	1,003	750	1,156	1,472	65	2,034	2,214	266	846	24	41		
③NOI (=①-②) (¥ Thousands)	51,948	67,850	63,315	47,167	73,987	44,504	49,813	52,789	42,994	36,602	49,010	72,797	44,134	50,281	31,763	40,833		
④Depreciation (¥ Thousands)	11,857	22,204	7,485	6,813	19,079	4,351	7,347	11,224	7,800	9,949	15,552	8,533	13,076	16,764	6,792	9,447		
⑤Rental operating income (=③-④) (¥ Thousands)	40,090	45,646	55,829	40,354	54,907	40,153	42,465	41,565	35,194	26,653	33,457	64,264	31,057	33,517	24,971	31,386		
⑥Capital expenditures (¥ Thousands)	6,048	13,790	2,681	1,238	13,335	2,552	1,094	-	13,236	2,979	28,703	1,310	-	2,512	1,340	-		
⑦NCF (=⑤-⑥) (¥ Thousands)	45,899	54,060	60,634	45,929	60,651	41,951	48,718	52,789	29,758	33,623	20,306	71,487	44,134	47,769	30,423	40,833		
Reference	Expense ratio (=②/①)	28.9%	27.4%	29.2%	29.5%	30.1%	31.4%	25.3%	22.9%	36.3%	24.9%	27.6%	25.8%	19.2%	27.2%	32.0%	25.2%	
	Property tax for the year 2010(¥ Thousands)	11,573	14,893	17,743	11,514	15,694	16,843	10,386	6,648	8,995	13,188	10,061	6,353	10,061	9,444	6,633	6,633	
	Among② of property management fee (Leasing management fees)(¥ Thousands)	2,551	3,292	3,117	2,328	3,682	2,232	2,377	2,475	2,616	1,742	2,381	3,487	2,014	2,504	1,601	1,948	
	Reference: Percentage of rental and other operating revenues	3.49%	3.52%	3.49%	3.48%	3.48%	3.44%	3.57%	3.61%	3.87%	3.57%	3.52%	3.56%	3.69%	3.63%	3.43%	3.57%	
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yr (¥ Thousands)	130,030	134,170	169,080	71,790	160,670	81,710	70,900	31,190	64,400	55,230	80,430	106,330	19,680	85,850	69,950	61,470	
Reference: Amount of yearly avg.	10,835	11,180	14,090	5,982	13,389	6,809	5,908	2,599	5,366	4,602	6,702	8,860	1,640	7,154	5,829	5,122		
Assets pledged as collateral	◆	◆	◆	-	◆	-	◆	◆	-	-	◆	-	-	◆	-	◆		

[Reference] Earnings Performance for the Individual Properties for the 11th Fiscal Period (May 1, 2010 to October 31, 2010) : 184days ※As of October 31, 2010

Type	Office Buildings													
Location	Tokyo Metropolitan Area				Other Regional Areas									
Property Name	KDX Kanda Misaki-cho Building	KDX Hon-Atsugi Building	KDX Hachioji Building	KDX Nogizaka Building	KDX Nagoya Sakae Building	Portus Center Building	Karasuma Building	KDX Hakata-Minami Building	KDX Kitahama Building	KDX Sendai Building	KDX Minami Semba Dai-1 Building	KDX Minami Semba Dai-2 Building	KDX Niigata Building	
Acquisition Date	February 1, 2008	March 1, 2007	March 1, 2007	July 14, 2006	July 1, 2009	September 21, 2005	June 1, 2007	February 1, 2008	February 1, 2008	June 1, 2007	May 1, 2006	May 1, 2006	March 1, 2007	
Price Information	Acquisition price (¥ Millions)	1,380	1,305	1,155	1,065	7,550	5,570	5,400	4,900	2,220	2,100	1,610	1,560	1,305
	Percentage of total portfolio	0.6%	0.6%	0.5%	0.5%	3.2%	2.4%	2.3%	2.1%	1.0%	0.9%	0.7%	0.7%	0.6%
	Net book value (¥ Millions)	1,385	1,225	1,303	1,129	7,702	4,740	5,451	4,837	2,239	2,182	1,487	1,384	1,465
	Appraisal value at the end of period (¥ Millions)	980	1,070	821	829	4,710	4,590	5,020	3,840	1,670	1,470	1,090	1,150	868
	Percentage of total appraisal value	0.5%	0.5%	0.4%	0.4%	2.2%	2.2%	2.4%	1.8%	0.8%	0.7%	0.5%	0.5%	0.4%
Lease Information	Number of tenants	7	10	7	5	14	27	36	42	8	29	9	24	20
	Leasable floor area (㎡)	1,339.46	2,747.28	2,177.79	1,250.12	6,923.12	11,569.21	8,555.73	10,094.83	3,993.81	3,957.56	3,108.16	2,693.72	4,058.00
	Leased floor area (㎡)	1,164.27	2,747.28	2,099.06	976.64	6,251.45	10,867.51	7,978.03	8,134.70	3,850.54	3,907.85	2,584.32	2,693.72	2,655.32
	Occupancy ratio													
	As of October 31, 2010	86.9%	100.0%	96.4%	78.1%	90.3%	93.9%	93.2%	80.6%	96.4%	98.7%	83.1%	100.0%	65.4%
	As of April 30, 2010	100.0%	100.0%	100.0%	78.1%	90.3%	88.5%	93.9%	86.2%	96.4%	92.8%	83.1%	94.1%	64.3%
	As of October 31, 2009	100.0%	100.0%	85.6%	100.0%	72.3%	88.5%	86.1%	94.4%	96.4%	96.6%	84.4%	82.1%	62.2%
	As of April 30, 2009	100.0%	100.0%	85.6%	87.7%	-	93.4%	93.0%	95.8%	100.0%	91.2%	96.9%	88.1%	73.2%
	As of October 31, 2008	100.0%	88.6%	85.6%	100.0%	-	100.0%	98.1%	95.4%	88.1%	86.2%	91.6%	91.2%	76.2%
	As of April 30, 2008	86.9%	100.0%	85.6%	100.0%	-	100.0%	98.6%	95.4%	88.1%	93.7%	87.2%	94.1%	61.0%
	As of October 31, 2007	-	100.0%	85.6%	87.7%	-	94.6%	100.0%	-	-	97.1%	100.0%	93.6%	71.2%
	As of April 30, 2007	-	100.0%	96.4%	100.0%	-	97.1%	-	-	-	-	100.0%	93.6%	83.9%
	As of October 31, 2006	-	-	-	100.0%	-	100.0%	-	-	-	-	100.0%	90.0%	-
As of April 30, 2006	-	-	-	-	-	100.0%	-	-	-	-	-	-	-	
Income and Retained Earnings Information for the 11th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	34,604	63,048	52,214	29,731	150,586	288,752	205,476	171,725	86,545	89,157	53,168	57,219	51,513
	Rental revenues	31,950	53,663	44,952	25,436	126,965	228,444	174,096	148,185	68,432	75,923	41,042	42,780	44,786
	Other operating revenues	2,654	9,384	7,262	4,295	23,620	60,307	31,379	23,540	18,112	13,233	12,126	14,438	6,727
	②Property-related expenses (¥ Thousands)	9,293	18,188	21,891	14,878	56,703	135,034	66,409	51,744	30,541	29,881	22,214	21,411	27,469
	Property management fees	3,731	6,491	11,497	3,582	16,109	74,887	20,643	15,639	8,007	11,908	6,756	5,749	11,577
	Taxes	2,756	3,950	4,246	3,378	22,940	25,521	21,169	10,054	5,241	7,480	7,145	5,850	8,564
	Utilities	2,306	5,646	4,634	3,174	16,883	23,686	19,373	20,873	10,229	7,353	6,995	5,999	5,091
	Repairs and maintenance costs	272	1,022	575	4,568	114	3,685	1,949	3,261	1,080	529	349	2,281	915
	Insurance	66	151	103	65	380	2,401	446	476	182	220	167	147	250
Trust fees and other expenses	160	925	835	110	275	4,850	2,827	1,440	5,799	2,390	799	1,381	1,071	
③NOI (=①-②) (¥ Thousands)	25,311	44,859	30,322	14,853	93,883	153,717	139,066	119,981	56,003	59,275	30,954	35,808	24,043	
④Depreciation (¥ Thousands)	4,407	24,331	9,953	6,275	71,226	104,609	29,051	32,738	19,377	18,019	19,301	21,408	12,348	
⑤Rental operating income (=③-④) (¥ Thousands)	20,904	20,528	20,369	8,577	22,656	49,108	110,015	87,242	36,625	41,255	11,652	14,400	11,694	
⑥Capital expenditures (¥ Thousands)	1,295	6,241	1,481	5,266	650	7,957	7,112	7,662	4,181	1,907	2,088	1,752	-	
⑦NCF (=⑤-⑥) (¥ Thousands)	24,016	38,618	28,841	9,587	93,233	145,759	131,954	112,319	51,821	57,367	28,866	34,055	24,043	
Reference	Expense ratio (=②/①)	26.9%	28.8%	41.9%	50.0%	37.7%	46.8%	32.3%	30.1%	35.3%	33.5%	41.8%	37.4%	53.3%
	Property tax for the year 2010(¥ Thousands)	5,511	7,892	8,484	6,754	45,881	51,041	42,279	20,112	10,482	14,953	14,293	11,701	16,674
	Among② of property management fee (Leasing management fees)(¥ Thousands)	1,222	2,202	1,684	1,093	4,989	9,029	7,031	5,953	2,925	3,029	1,716	1,898	1,541
	Reference: Percentage of rental and other operating revenues	3.53%	3.49%	3.23%	3.68%	3.31%	3.13%	3.42%	3.47%	3.38%	3.40%	3.23%	3.32%	2.99%
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yr (¥ Thousands)	46,140	141,590	109,860	50,870	94,270	527,651	229,180	140,450	167,760	192,400	140,130	122,820	249,590
Reference: Amount of yearly avg.	3,845	11,799	9,155	4,239	7,855	43,970	19,098	11,704	13,980	16,033	11,677	10,235	20,799	
Assets pledged as collateral	-	◆	-	-	-	◆	◆	◆	-	◆	◆	◆	-	

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

[Reference] Earnings Performance for the Individual Properties for the 11th Fiscal Period (May 1, 2010 to October 31, 2010) : 184days ※As of October 31,

Type	Residential Properties				Central Urban Retail Properties		Total of 67 Properties	
Location	Tokyo Metropolitan Area			Other Regional Areas	Tokyo Metropolitan Area			
Property Name	Residence Charmante Tsukishima	Court Mejiro	Gradito Kawaguchi	Venus Hibarigaoka	Frame Jinnan-zaka	KDX Yoyogi Building		
Acquisition Date	May 1, 2006	August 1, 2005	June 30, 2006	December 8, 2005	August 1, 2005	September 30, 2005		
Price Information	Acquisition price (¥ Millions)	5,353	1,250	1,038	1,800	9,900	2,479	233,281
	Percentage of total portfolio	2.3%	0.5%	0.4%	0.8%	4.2%	1.1%	100.0%
	Net book value (¥ Millions)	5,110	1,194	1,024	1,875	9,910	2,533	233,725
	Appraisal value at the end of period (¥ Millions)	4,480	950	959	1,420	9,750	1,900	209,597
	Percentage of total appraisal value	2.1%	0.5%	0.5%	0.7%	4.7%	0.9%	100.0%
Lease Information	Number of tenants	1	19	2	114	11	10	814
	Leasable floor area (㎡)	7,711.14	2,046.79	1,619.34	12,829.64	4,655.71	1,182.14	267,737.33
	Leased floor area (㎡)	7,711.14	1,948.31	1,619.34	11,851.42	4,655.71	1,120.30	250,641.16
	Occupancy ratio							
	As of October 31, 2010	100.0%	95.2%	100.0%	92.4%	100.0%	94.8%	93.6%
	As of April 30, 2010	100.0%	95.2%	100.0%	96.3%	100.0%	87.2%	94.4%
	As of October 31, 2009	100.0%	85.3%	100.0%	96.5%	100.0%	100.0%	94.7%
	As of April 30, 2009	100.0%	96.1%	100.0%	98.9%	96.0%	75.9%	95.7%
	As of October 31, 2008	100.0%	100.0%	100.0%	88.7%	97.9%	91.7%	95.6%
	As of April 30, 2008	100.0%	95.1%	100.0%	93.0%	97.9%	100.0%	95.9%
	As of October 31, 2007	100.0%	100.0%	100.0%	94.4%	100.0%	100.0%	96.9%
	As of April 30, 2007	100.0%	95.0%	100.0%	98.7%	91.7%	100.0%	95.9%
	As of October 31, 2006	100.0%	100.0%	100.0%	84.6%	100.0%	100.0%	95.3%
	As of April 30, 2006	-	85.1%	-	82.7%	100.0%	87.1%	94.9%
Income and Retained Earnings Information for the 11th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	166,441	40,536	32,936	89,429	290,095	63,813	8,158,273
	Rental revenues	146,882	37,089	32,809	80,484	262,159	55,501	7,079,120
	Other operating revenues	19,558	3,447	127	8,944	27,935	8,311	1,079,153
	②Property-related expenses (¥ Thousands)	35,149	9,041	6,383	47,299	58,565	14,556	2,353,302
	Property management fees	17,132	2,888	2,427	8,421	19,429	4,293	798,500
	Taxes	10,775	3,144	1,578	8,360	15,913	4,351	637,452
	Utilities	1,326	768	373	1,920	21,083	3,856	631,337
	Repairs and maintenance costs	4,194	581	1,112	20,805	33	400	147,911
	Insurance	430	100	66	458	242	57	15,995
	Trust fees and other expenses	1,289	1,558	825	7,332	1,863	1,596	122,103
	③NOI (=①-②) (¥ Thousands)	131,292	31,495	26,552	42,130	231,529	49,256	5,804,971
	④Depreciation (¥ Thousands)	45,522	11,310	10,026	22,886	56,917	9,249	1,425,327
⑤Rental operating income (=③-④) (¥ Thousands)	85,770	20,184	16,525	19,243	174,612	40,007	4,379,644	
⑥Capital expenditures (¥ Thousands)	-	330	-	22,022	-	3,165	312,127	
⑦NCF (=⑤-⑥) (¥ Thousands)	131,292	31,164	26,552	20,107	231,529	46,091	5,492,843	
Reference	Expense ratio (=②/①)	21.1%	22.3%	19.4%	52.9%	20.2%	22.8%	28.8%
	Property tax for the year 2010(¥ Thousands)	21,551	6,288	3,156	16,725	31,822	8,701	1,334,354
	Among② of property management fee (Leasing management fees)(¥ Thousands)	5,277	1,470	1,214	3,242	10,645	2,307	287,220
	Reference: Percentage of rental and other operating revenues	3.17%	3.63%	3.69%	3.63%	3.67%	3.62%	3.52%
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yr (¥ Thousands)	126,753	74,650	24,690	339,440	82,330	39,160	10,238,133
	Reference: Amount of yearly avg.	10,562	6,220	2,057	28,286	6,860	3,263	853,177
Assets pledged as collateral	◆	-	-	◆	◆	-		

*Percentage are rounded to the first decimal place.

【Reference】 **Earnings Performance for the Individual Properties for the 11th Fiscal Period (May 1, 2010 to October 31, 2010) : 184days** ※As of October 31

Type	Office Buildings	Residential Properties			
Location	Tokyo Metropolitan Area		Total of 2 sold Properties	Total of 69 Properties	
Property Name	KDX Shinjuku-Gyoen Building	Court Shin-Okachimachi			
Acquisition Date	August 1, 2005	May 1, 2006			
Price Information	Acquisition price (¥ Millions)	1,610	878	2,488	
	Percentage of total portfolio	64.7%	35.3%	100.0%	
	Revenue from sale of the investment property (¥ Millions)	1,710	790	2,500	
	Costs of the investment property (¥ Millions)	1,569	836	2,406	
	Gain / Loss on sale of real estate (¥ Millions)	116	△64	52	
Lease Information	Number of tenants	-	-	-	
	Leasable floor area (㎡)	-	-	-	
	Leased floor area (㎡)	-	-	-	
	Occupancy ratio	-	-	-	
	As of October 31, 2010	-	-	-	
	As of April 30, 2010	100.0%	93.0%	-	
	As of October 31, 2009	100.0%	88.5%	-	
	As of April 30, 2009	100.0%	96.5%	-	
	As of October 31, 2008	100.0%	100.0%	-	
	As of April 30, 2008	100.0%	95.4%	-	
	As of October 31, 2007	100.0%	90.7%	-	
As of April 30, 2007	100.0%	91.6%	-		
As of October 31, 2006	100.0%	100.0%	-		
As of April 30, 2006	100.0%	-	-		
Income and Retained Earnings Information for the 11th Fiscal Period	Operating periods	153days	180days	162days	184days
	①Rental and other operating revenues (¥ Thousands)	57,616	26,310	83,926	8,242,200
	Rental revenues	54,723	25,516	80,240	7,159,361
	Other operating revenues	2,892	793	3,685	1,082,839
	②Property-related expenses (¥ Thousands)	17,188	6,948	24,137	2,377,439
	Property management fees	4,323	1,930	6,254	804,754
	Taxes	9,374	1,825	11,200	648,652
	Utilities	2,523	359	2,883	634,220
	Repairs and maintenance costs	355	1,405	1,761	149,673
	Insurance	84	54	139	16,134
	Trust fees and other expenses	526	1,372	1,899	124,003
	③NOI (=①-②) (¥ Thousands)	40,427	19,361	59,788	5,864,760
	④Depreciation (¥ Thousands)	5,552	9,431	14,984	1,440,311
⑤Rental operating income (=③-④) (¥ Thousands)	34,874	9,929	44,804	4,424,448	
⑥Capital expenditures (¥ Thousands)	390	-	390	312,517	
⑦NCF (=⑤-⑥) (¥ Thousands)	40,037	19,361	59,398	5,552,242	
Reference	Expense ratio (=②/①)	29.8%	26.4%	28.8%	28.8%
	Property tax for the year 2010(¥ Thousands)	-	-	-	-
	Among ② of property management fee (Leasing management fees)(¥ Thousands)	2,000	932	2,932	290,153
	Reference: Percentage of rental and other operating revenues	3.47%	3.54%	3.49%	3.52%
	Long-term repairs, maintenance and renovation	-	-	-	-
	Estimated amount of 1st yr to 12th yr (¥ Thousands)	-	-	-	-
	Reference: Amount of yearly avg.	-	-	-	-
Assets pledged as collateral	-	-	-	-	

Note:The Investment Corporation has sold KDX Shinjuku-Gyoen Building on September 30, 2010 and Court Shin-Okachimachi on October 27, 2010.

【Reference】

Earnings Performance for the Individual Properties for the 11th Fiscal Period (May 1, 2010 to October 31, 2010) : 184days ※As of October 31, 2010

Type				Total
Location				
Property Name	KDX Shin-Yokohama 381 Building	KDX Shin-Yokohama 381 Building Annex Tower		
Acquisition Date	February 1, 2008	November 18, 2009		
Price Information	Acquisition price (¥ Millions)	4,700	1,100	5,800
	Net book value (¥ Millions)	4,830	1,097	5,927
	Appraisal value at the end of period (¥ Millions)			4,250
Lease Information	Number of tenants	30	2	32
	Leasable floor area (㎡)	5,684.84	2,447.37	8,132.21
	Leased floor area(㎡)	5,684.84	2,447.37	8,132.21
	Occupancy ratio			
	As of October 31, 2010	100.0%	100.0%	100.0%
	As of April 30, 2010	100.0%	100.0%	100.0%
	As of October 31, 2009	100.0%	-	100.0%
	As of April 30, 2009	92.1%	-	92.1%
	As of October 31, 2008	97.5%	-	97.5%
	As of April 30, 2008	94.6%	-	94.6%
	As of October 31, 2007	-	-	-
	As of April 30, 2007	-	-	-
As of October 31, 2006	-	-	-	
As of April 30, 2006	-	-	-	
Income and Retained Earnings Information for the 11th Fiscal Period	Operating periods	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	135,790	52,652	188,442
	Rental revenues	111,286	46,562	157,849
	Other operating revenues	24,503	6,090	30,593
	②Property-related expenses (¥ Thousands)	34,242	12,697	46,940
	Property management fees	10,390	4,071	14,461
	Taxes	10,099	3,866	13,966
	Utilities	11,434	3,675	15,109
	Repairs and maintenance costs	889	447	1,337
	Insurance	293	79	373
	Trust fees and other expenses	1,135	557	1,692
	③NOI (=①-②) (¥ Thousands)	101,547	39,955	141,502
	④Depreciation (¥ Thousands)	35,764	10,016	45,781
⑤Rental operating income (=③-④) (¥ Thousands)	65,782	29,938	95,720	
⑥Capital expenditures (¥ Thousands)	2,322	491	2,813	
⑦NCF (=⑤-⑥) (¥ Thousands)	99,224	39,464	138,688	
Expense ratio (=⑥/⑤)	25.2%	24.1%	24.9%	
Property tax for the year 2010(¥ Thousands)	20,088	7,732	27,820	
Among ② of property management fees (Leasing management fees)(¥Thousands)	4,843	1,889	6,733	
Reference: Percentage of rental and other operating revenues	3.57%	3.59%	3.57%	
Long-term repairs, maintenance and renovation				
Estimated amount of 1st yr to 12th yr (¥ Thousands)	188,930	28,490	217,420	
Reference: Amount of yearly avg.	15,744	2,374	18,118	
Assets pledged as collateral	-	-	-	

Note: Starting from the eleventh fiscal period, A-47 KDX Shin-Yokohama 381 Building and A-65 KDX Shin-Yokohama 381 Building Annex Tower are indicated collectively as one pr

(Reference) Borrowings

Borrowings on a financial institution basis as of October 31, 2010 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	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	October 26, 2009	1,500,000	-	1.691	October 26, 2010	Full on maturity	(Note 2)	Secured/ Unguaranteed
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	October 30, 2009	2,500,000	-	1.691	October 30, 2010			
	Mitsubishi UFJ Trust and Banking Corporation		1,000,000	-	-				
	Mitsubishi UFJ Trust and Banking Corporation	January 29, 2010	1,300,000	1,300,000	1.291	January 29, 2011			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	February 26, 2010	500,000	500,000	1.593	February 28, 2011			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	April 30, 2010	1,000,000	1,000,000	1.391	April 28, 2011			
	Mitsubishi UFJ Trust and Banking Corporation		1,000,000	1,000,000	-	April 30, 2011			
	Mitsubishi UFJ Trust and Banking Corporation	July 30, 2010	-	1,500,000	1.179	July 31, 2011			
	Mitsubishi UFJ Trust and Banking Corporation	October 29, 2010	-	1,000,000	1.140	October 31, 2011			
	Sub Total		8,800,000	6,300,000					
Current Portion of Long-Term Payable	The Chuo Mitsui Trust and Banking Co., Ltd.	August 1, 2005	3,750,000	-	1.288	July 31, 2010	Full on maturity	(Note 2)	Secured/ Unguaranteed
	Sumitomo Mitsui Banking Corporation		3,750,000	-	-				
	Mitsubishi UFJ Trust and Banking Corporation		1,500,000	-	-				
	Resona Bank, Ltd.		500,000	-	-				
	Resona Bank, Ltd.	October 31, 2008	500,000	-	1.565	October 31, 2010			
	Sumitomo Mitsui Banking Corporation	July 31, 2008	1,300,000	1,300,000	1.870	January 31, 2011			
	Mitsubishi UFJ Trust and Banking Corporation		1,400,000	1,400,000	-				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		800,000	800,000	-				
	Aozora Bank, Ltd.	February 29, 2008	2,000,000	2,000,000	1.366	February 28, 2011			
	Aozora Bank, Ltd.	June 30, 2008	1,000,000	1,000,000	1.987	February 28, 2011			
	The Chuo Mitsui Trust and Banking Co., Ltd.	September 22, 2008	1,250,000	1,250,000	1.713	March 22, 2011			
	Aozora Bank, Ltd.	July 15, 2008	2,000,000	2,000,000	1.867	March 31, 2011			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	September 30, 2008	2,000,000	2,000,000	1.818	March 31, 2011			
	The Norinchukin Bank	April 17, 2007	1,500,000	1,500,000	1.646	April 16, 2011			
	The Chuo Mitsui Trust and Banking Co., Ltd.	April 30, 2009	1,500,000	1,500,000	2.225	April 28, 2011			
	Aozora Bank, Ltd.	May 1, 2006	1,500,000	1,500,000	2.199	April 30, 2011			
	Mitsui Sumitomo Insurance Co., Ltd.		1,000,000	1,000,000	-				
	Resona Bank, Ltd.	April 30, 2009	1,000,000	1,000,000	2.230	April 30, 2011			
	Mitsubishi UFJ Trust and Banking Corporation (Note 3)	July 14, 2006	1,000,000	1,000,000	2.149	July 13, 2011			
	Sumitomo Mitsui Banking Corporation (Note 3)	July 31, 2008	2,200,000	2,200,000	1.992	July 31, 2011			
	The Chuo Mitsui Trust and Banking Co., Ltd. (Note 3)		1,000,000	1,000,000	-				
	Resona Bank, Ltd. (Note 3)		300,000	300,000	-				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Note 3)	February 29, 2008	1,500,000	1,500,000	1.429	August 31, 2011			
	The Chuo Mitsui Trust and Banking Co., Ltd. (Note 3)	September 1, 2008	1,000,000	1,000,000	1.775	September 1, 2011			
	Sumitomo Mitsui Banking Corporation (Note 3)	March 31, 2008	3,000,000	3,000,000	1.609	September 30, 2011			
	The Chuo Mitsui Trust and Banking Co., Ltd. (Note 3)		2,000,000	2,000,000	1.559				
	Aozora Bank, Ltd. (Note 3)	April 30, 2009	3,500,000	3,500,000	2.291	October 31, 2011			
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	October 26, 2010	-	1,500,000	1.246	October 31, 2011				
	Sub Total		43,750,000	35,250,000					
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)	Secured/ Unguaranteed
	Development Bank of Japan Inc.	September 1, 2006	3,000,000	3,000,000	2.124	August 31, 2013			
	The Norinchukin Bank	December 1, 2006	2,500,000	2,500,000	1.964	November 30, 2011			
	The Chuo Mitsui Trust and Banking Co., Ltd.	April 2, 2007	2,000,000	2,000,000	1.875	April 2, 2012			
	Sumitomo Mitsui Banking Corporation	January 10, 2008	2,500,000	2,500,000	1.503	January 10, 2012			
	The Chuo Mitsui Trust and Banking Co., Ltd.	May 1, 2008	1,000,000	1,000,000	1.905	November 1, 2011			
	Resona Bank, Ltd.	June 30, 2008	1,500,000	1,500,000	2.150	June 30, 2012			
	Development Bank of Japan Inc.		3,000,000	3,000,000	2.263	December 28, 2012			
	Sumitomo Mitsui Banking Corporation	February 27, 2009	480,000	470,000	2.071	February 29, 2012			
	Development Bank of Japan Inc.		960,000	940,000	2.040	August 31, 2012			
	Aozora Bank, Ltd.	April 30, 2009	2,000,000	2,000,000	2.291	April 27, 2012			
	Sumitomo Mitsui Banking Corporation	October 26, 2009	980,000	960,000	2.424	October 26, 2013			
	Sumitomo Mitsui Banking Corporation	October 30, 2009	1,960,000	1,920,000	2.445	October 30, 2013			
	Resona Bank, Ltd.	December 8, 2009	500,000	500,000	1.671	December 8, 2012			
	The Chuo Mitsui Trust and Banking Co., Ltd.	January 13, 2010	1,000,000	1,000,000	1.901	January 15, 2013			
	Sumitomo Mitsui Banking Corporation	January 29, 2010	1,176,000	1,152,000	2.173	January 30, 2015			
	Aozora Bank, Ltd.	February 18, 2010	1,500,000	1,500,000	1.899	February 18, 2013			
	Sumitomo Mitsui Banking Corporation	February 18, 2010	2,242,500	2,185,000	2.190	February 18, 2015			
	Development Bank of Japan Inc.		1,657,500	1,615,000	-				
	The Chuo Mitsui Trust and Banking Co., Ltd.		975,000	950,000	-				
	Aozora Bank, Ltd.		487,500	475,000	-				
	Sumitomo Mitsui Banking Corporation	April 2, 2010	2,000,000	1,950,000	2.220	April 2, 2015			
	Resona Bank, Ltd.	July 30, 2010	-	500,000	1.488	July 31, 2013			
The Chuo Mitsui Trust and Banking Co., Ltd.		-	3,700,000	1.660	January 31, 2014				
Sumitomo Mitsui Banking Corporation		-	3,700,000	1.731	July 31, 2014				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	October 29, 2010	-	2,500,000	1.450	October 31, 2012				
Resona Bank, Ltd.		-	500,000	1.463	October 31, 2013				
	Sub Total		38,418,500	49,017,000					
	Total		90,968,500	90,567,000					

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.
- Borrowings listed in the current portion of long-term payable were listed in long-term payable in the previous fiscal period.
- 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
- 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