

Translation of Japanese Original

FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED October 31, 2013 (REIT)

(May 1, 2013 to October 31, 2013)

December 12, 2013

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

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Planned submission of semiannual securities report: January 30, 2014 Planned start of distribution payments: January 22, 2014

Preparing presentation material: Yes · No

Hold a financial brief meeting: Yes · No (for institutional investors and analysts)

(Amounts are rounded down to the nearest ¥million)

1. PERFORMANCE FOR THE FISCAL PERIOD ENDED OCTOBER 31, 2013 (SEVENTEENTH FISCAL PERIOD)

(1) Business Results

(% indications are increase-decrease rate of period-over period)

	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, 2013	9,819 (-0.5%)	4,240 (-3.7%)	2,832 (-5.7%)	2,831 (-5.7%)
April 30, 2012	9,867 (-3.4%)	4,401 (-2.5%)	3,003 (-0.3%)	3,002 (-0.3%)

	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, 2013	9,881	1.9%	0.9%	28.9%
April 30, 2013	10,476	2.0%	1.0%	30.4%

(2) Distribution

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

	Distributions per Unit Excluding Excess of Earnings (Yen)	Total Distribution (Millions of Yen)	Distributions in Excess of Earnings per Unit (Yen)	Total Distributions in Excess of Earnings (Millions of Yen)	Payout Ratio	Distribution Ratio to Unitholders' Equity
For the six months ended						
October 31, 2013	9,302	2,665	0	0	94.1%	1.8%
April 30, 2013	9,434	2,703	0	0	90.1%	1.8%

Note 1: Distribution per unit for the fiscal period ended April 30, 2013 is calculated by dividing the amount remaining after deducting the provision of reserve for reduction entry (¥298 million) from unappropriated retained earnings by the number of investment units issued and outstanding. The main difference between distribution per unit and net income per unit is due to this calculation.

Note 2: Distributions per unit for the fiscal period ended October 31, 2013 is calculated by dividing the amount remaining after deducting the provision of reserve for reduction entry (¥165 million) from unappropriated retained earnings by the number of investment units issued and outstanding. The main difference between distribution per unit and net income per unit is due to this calculation.

(3) Financial Position

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

	Total Assets (Millions of Yen)	Unitholders' Equity (Millions of Yen)	Unitholders' Equity to Total Assets	Unitholders' Equity per Share of Common Stock (Yen)
For the six months ended				
October 31, 2013	316,753	150,781	47.6%	526,195
April 30, 2013	308,172	150,653	48.9%	525,747

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(4) Cash Flow Position

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

	Cash Flows from Operating Activities (Millions of Yen)	Cash Flows from Investing Activities (Millions of Yen)	Cash Flows from Financing Activities (Millions of Yen)	Cash and Cash Equivalents at Period End (Millions of Yen)
For the six months ended				
October 31, 2013	5,924	-14,816	5,469	10,948
April 30, 2013	7,880	-3,060	-950	14,371

2. FORECAST OF RESULTS FOR THE FISCAL PERIOD ENDING APRIL 30, 2014 (November 1, 2013 to April 30, 2014)

	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, 2014	10,177 (3.7%)	4,515 (6.5%)	3,114 (9.9%)	3,112 (9.9%)	9,360	0

(Reference) Estimated net income per unit for the fiscal period ending October 31, 2013: ¥9,463

Forecasted number of investment units issued and outstanding as of April 30, 2014: 332,540 units

Forecasted average number of investment units during the fiscal period ending April 30, 2014: 328,910 units

3. OTHER

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

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

(b) Changes other than (a): No

(c) Change in accounting estimate: No

(d) Retrospective restatement: No

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

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

As of October 31, 2013: 286,550 units

As of April 30, 2013: 286,550 units

(b) Number of treasury units at period end

As of October 31, 2013: 0 units

As of April 30, 2013: 0 units

Note: Please refer to page 33 "Notes to the Information per Unit" for the calculation of net income per unit.

*Details concerning actual status of auditing procedures

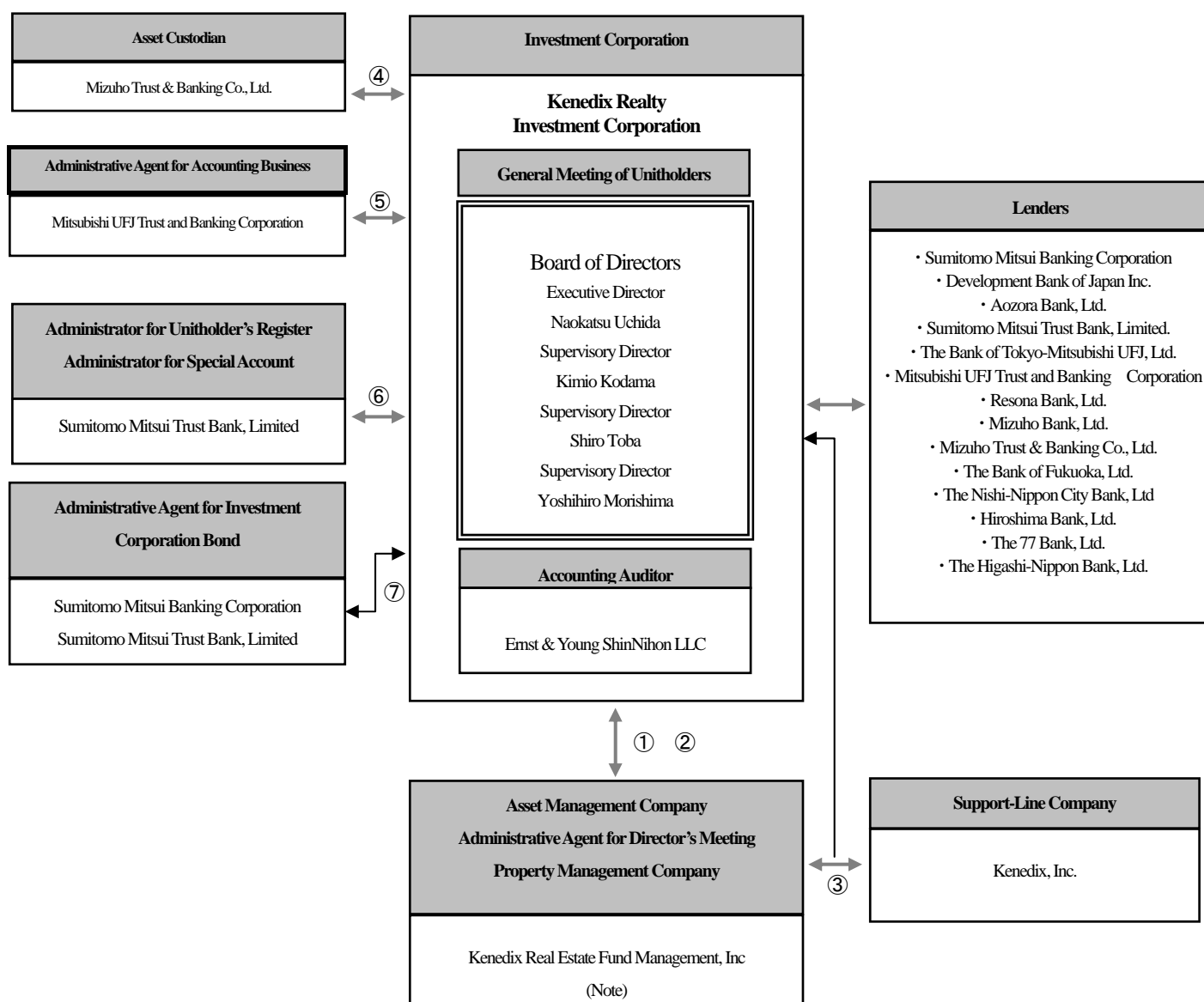
As of the disclosure of this financial report, auditing procedures for financial statements based on the Financial Instruments and Exchange Law are underway.

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

The forecast of results for the eighteenth fiscal period ending April 30, 2014 and nineteenth fiscal period ending October 31, 2014 are calculated based on the assumptions presented on page 11 "Preconditions and Assumptions for the Fiscal Period Ending April 30, 2014 and Fiscal Period Ending October 31, 2014." Readers are advised that actual operating revenues, operating income, ordinary income, net income and distribution per unit may differ significantly from forecasts due to a variety of factors. Accordingly, the Investment Corporation does not guarantee payment of the forecast distribution per unit.

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



- ① Asset Management Agreement / Operating Agency Agreement
- ② Property Management Agreement
- ③ Memorandum of Understanding with Kenedix, Inc. and Kenedix Advisors, Co., Ltd. (Note 2)
- ④ Administrative Agency Agreement / Asset Custodian Agreement
- ⑤ Unitholder Register Administrative Agency Agreement / Special Account Administrative Agency Agreement
- ⑥ Fiscal Agency Agreement

Notes:
 1. On effective from October 1, 2013, the Asset Management Company for the Investment Corporation, Kenedix Office Partners, Inc. is integrated with Kenedix Advisors, Inc. and with Kenedix Residential Partners, Inc as the surviving corporation. Kenedix Residential Partners, Inc. was renamed Kenedix Real Estate Fund Management, Inc. as part of the integration.
 2. The Investment Corporation, the Asset Management Company and Kenedix, Inc. signed the new supporting line memorandum on October 1, 2013.

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 30, 2013), and accordingly this information has been omitted from this document.

(2) Operating Conditions

(1) Operating Conditions for the Seventeenth Fiscal Period (fiscal period ended October 31, 2013)

A. The Investment Corporation

The Investment Corporation was established on May 6, 2005 in accordance with the Investment Trust and Investment Corporation Law (“the

Investment Trust Law”). On July 21, 2005, the Investment Corporation was listed on the Real Estate Investment Trust Market of the Tokyo Stock Exchange with a total of 75,400 investment units issued and outstanding (Securities Code: 8972). Subsequently, the Investment Corporation raised funds through public offerings and other means including four global offerings. As a result, as of October 31, 2013, the end of the seventeenth fiscal period, the number of investment units issued and outstanding totaled 286,550 units.

The Investment Corporation entrusts the Asset Management Company and in collaboration with the Asset Management Company, the Investment Corporation strives to maximize cash distribution to investors by securing stable earnings and sustainable investment growth. To this end, the Investment Corporation adopts the basic policy of conducting dynamic and flexible investment stance that seeks to respond to its environment and market trends, and endeavors to ensure a timely response to opportunities.

B. Investment Environment and Management Performance

(a) Investment Environment

During the fiscal period under review (fiscal period ended October 31, 2013), the Japanese economy was on an ongoing modest recovery supported by internal demand such as for private spending and public investment. According to public documents of the cabinet office, GDP is showing steady undertone growth rate, remaining steady even while temporary factors of volatility such as materials for growth at hand from the demand rush caused by the consumption tax hike and the ensuing stagnation of growth as a rebound are expected. As for overseas economies, according to the IMF’s publicly announced World Economic Outlook, it is forecasted that the growth rate of the world economy will gradually expand, and recoveries can be seen centering on developed countries. Although fundamental solutions have not been reached for the US federal debt ceiling problem and European debt problem and individual risk factors remain, there is a recovery trend based on the stability of financial capital markets.

Concerning the office building leasing market, the vacancy rate of business districts across Japan is on a downward trend as new supply in the period was relatively small and contracts were concluded at existing buildings. In particular, vacancies are steadily being eliminated in central Tokyo such as with the vacancy rate decreasing to the 7% level for the first time in six quarters. Moreover, while the average rent at business districts across Japan is still on a downward trend, some areas of central Tokyo are showing signs of rents increase albeit gradually from a state of bottoming out.

In the office building transaction market, the appetite of domestic investors centering on listed J-REITs and overseas investors for acquiring properties continues to be strong with the backdrop of a favorable funding environment and sense of property prices rising alongside the economic recovery expectation.

(b) Management Performance

As of the end of the sixteenth fiscal period (fiscal period ended April 30, 2013), the Investment Corporation owned 83 properties with a total acquisition price of ¥292,553 million and preferred equity securities (investment of ¥891 million). During the fiscal period under review (fiscal period ended October 31, 2013), the Investment Corporation acquired two office buildings (Itopia Nihonbashi SA Building: acquisition price of ¥2,200 million, Welship Higashi Shinjuku: acquisition price of ¥1,900 million) located in the Tokyo Metropolitan Area, one central urban retail property (Ginza 4chome Tower: acquisition price of ¥9,800 million), equity interest in a Japanese silent partnership (tokumei kumiai) (“TK”) for an equity interest in DNI Mita Building’s (acquisition price of ¥200 million) and sold Ikebukuro Nikko Building (initial acquisition price of ¥1,653 (Acquired during the seventeenth fiscal period, Itopia Nihonbashi SA Building, Welship Higashi Shinjuku and Ginza 4chome Tower may shall hereafter be referred to as collectively, the “the acquisition of properties acquired in the Seventeenth Fiscal Period”)

As a result, the number of properties owned as of October 31, 2013 (excluding the preferred equity securities and TK interest, same applies below.) amounts to 85, with a total acquisition price of ¥304,800 million. Looking at the portfolio as a whole, 89.9% was comprised of office buildings, 7.2% of central urban retail properties and 2.7% of residential properties on an acquisition price basis. The occupancy ratio as of the end of the seventeenth fiscal period was 95.8% reflecting stable investment and asset management.

In addition, the Investment Corporation made its decision to acquire additional acquisition of KDX Shinbashi Building on October 8, 2013, and acquisition of SIA Takanawadai Building, Ikebukuro 261 Building, DNI Mita Building, Akihabara SF Building on October 24, 2013 (Total of 5 properties: total acquisition price of 15,968 million).

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 has strived to secure consistent policies, specifications and procedures along with ensuring swift service with a high degree of quality.

In terms of leasing, the Investment Corporation sought out potential demand by maintaining close relationships with brokers based on the trends of the economy and real estate market. Moreover, in order to maintain and increase the competitiveness of office buildings, renovation of air conditioning, repair of common areas, etc. were implemented according to the plan.

Consequently, as of the end of the period under review, the occupancy ratio of the Investment Corporation's owned office buildings in the Tokyo Metropolitan Area stood at 96.2% and for the Investment Corporation's office buildings overall stood at 95.6%, an increase of 2.1% from the previous fiscal period.

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

The number of end-tenants for our office buildings was 865 (Note 1) as of the end of the fiscal period under review (fiscal period ended October 31, 2013). Floor area leased to the largest office end-tenant as a proportion of total leased floor area of the total portfolio and the top 3 office building tenants was 2.2% and 4.9% (Note 2), respectively. This illustrates our diversification of tenants. Furthermore, tenants of office buildings are in various sectors. As a result, we believe the impact by a certain end-tenant vacating the property or sluggish performance in certain sectors would have a relatively limited effect and will be able to maintain stable revenue.

Note:

1. The number of end-tenants for entire portfolio is 1,016 as of the end of the fiscal period (fiscal period ended October 31, 2013).
2. The largest office end-tenant is SMBC Nikko Securities Inc. When including the affiliates of SMBC Nikko Securities Inc. who are tenants of Kabutocho Nikko Building II, the ratio for the largest office end-tenant as a proportion of total leased floor area of the total portfolio stood at 2.6% and 5.2% for the top 3 office building tenants.

C. Capital Acquisition

(a) Investment Corporation Bonds

The Investment Corporation issued the Fifth Series Unsecured Investment Corporation Bonds (totaling ¥1,800 million and maturing in five years) on September 12, 2013, and used the procured funds to repay Third Series Unsecured Investment Corporation Bonds (totaling ¥1,500 million and maturing in two years) which matured on September 13, 2013 and part of existing borrowings. As a result, the outstanding investment corporation bonds as of the end of the fiscal period under review (fiscal period ended October 31, 2013) totaled ¥6,300 million.

(b) Status of Borrowings

The Investment Corporation will continue to strive to reduce refinancing risk by diversifying repayment dates and extending borrowing periods for its interest-bearing debt. During the fiscal period under review (fiscal period ended October 31, 2013), the Investment Corporation undertook borrowings of ¥8,400 million (¥4,900 million in short-term borrowings, ¥3,500 million in long-term borrowings (Note 1)) to acquire an additional asset and ¥11,200 million (¥8,200 million in long-term borrowings and ¥3,000 million in short-term borrowings) to repay borrowings that matured during the fiscal period. As a result, the balance of interest-bearing debt amounted to ¥150,558 million as of October 31, 2013, comprising ¥144,258 million in borrowings (¥135,158 million in long-term borrowings and ¥9,100 million in short-term borrowings) and ¥6,300 million in investment corporation bonds.

Furthermore, as of October 31, 2013, ¥26,700 million out of ¥43,500 million of long-term borrowings, which have floating interest rates, have been hedged and practically fixed by utilizing interest-rate swap agreements. In addition, the long-term debt ratio (Note 2) was 94.0% and the long-term fixed interest debt ratio (Note 3) was 82.8%.

In addition, the Investment Corporation has maintained the average remaining term of its interest-bearing debt (Note 4), the weighted average based on the balance of interest-bearing debt at the end of each period, from 2.3 years at the end of the thirteenth fiscal period (fiscal period ended October 31, 2011) to 2.3 years at the end of the fiscal period under review (fiscal period ended October 31, 2013). Furthermore, during the same period, the average interest rate (Note 4) was reduced from 2.17% to 1.77%, demonstrating a successful steady reduction of financial costs.

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

Note 2: Long-term debt ratio = (Balance of long-term borrowings + Balance of investment corporation bonds) / (Total borrowings + Balance of investment corporation bonds) × 100

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) × 100

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.

Note 4: Average interest rates and average remaining terms are the weighted average based on the period-end interest rates and remaining terms based on the balance of interest-bearing debt. Average interest rates are rounded to the nearest second decimal place and average remaining terms are rounded to the nearest first decimal place respectively.

The balance of borrowings according to financial institutions as of April 30, 2013 and October 31, 2013 are as follows:

Lender	Sixteenth Fiscal Period (as of April 30, 2013) (Millions of Yen)	Seventeenth Fiscal Period (as of October 31, 2013) (Millions of Yen)	Ratio as of End of Seventeenth Fiscal Period (%) (Note 5)
Sumitomo Mitsui Banking Corporation	35,029.5	36,898.0	25.6
Development Bank of Japan Inc.	25,702.5	24,160.0	16.7
Aozora Bank, Ltd.	19,662.5	21,350.0	14.8
Sumitomo Mitsui Trust Bank, Limited	17,675.0	17,650.0	12.2
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	16,300.0	17,200.0	11.9
Mitsubishi UFJ Trust and Banking Corporation	9,200.0	9,200.0	6.4
Resona Bank, Ltd.	8,300.0	8,300.0	5.8
Mizuho Bank, Ltd.	2,000.0	3,000.0	2.1
Mizuho Trust & Banking Co., Ltd.	1,500.0	3,000.0	2.1
The Bank of Fukuoka, Ltd.	1,000.0	1,500.0	1.0
The Nishi-Nippon City Bank, Ltd.	-	700.0	0.5
Hiroshima Bank, Ltd.	-	500.0	0.3
The 77 Bank, Ltd.	-	500.0	0.3
The Higashi-Nippon Bank, Limited	-	300.0	0.2
Total	136,369.5	144,258.0	100.0

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

(c) Status of Credit Rating

The status of the credit ratings as of October 31, 2013 is as follows:

Credit Rating Agency	Details of the Ratings	
Japan Credit Rating Agency, Ltd.	Long-Term Issuer Rating	A+ (Outlook: Stable)
	Ratings on Bonds Rating of Shelf Registration	A+

(d) Status of Shelf Registration

The Investment Corporation filed a debt shelf registration statement on February 7, 2013. Details are as follows.

	Investment Corporation Bonds
Planned Issue Amount	¥100,000,000,000
Planned Issuance Period	February 15, 2013 to February 14, 2015
Use of Funds	Acquisition funds for specified assets, repayment of borrowings, repayment of investment corporation bonds, refund of lease and guarantee deposits, funds to pay for repairs and maintenance, working capital, etc.

The Investment Corporation's Fifth Series Unsecured Investment Corporation Bonds of ¥1,800,000,000 were issued based on the abovementioned debt shelf registration statement filed in September 2013.

Furthermore, the Investment Corporation filed an equity shelf registration statement to continue to secure opportunity for flexible equity financing on February 7, 2013. Details are as follows.

	Investment Unit Certificates	
	Primary Offering	Secondary Offering
Planned Issue Amount	¥100,000,000,000	¥15,000,000,000
Planned Issuance Period	February 15, 2013 to February 14, 2015	February 15, 2013 to February 14, 2015
Use of Funds	Acquisition funds for specified assets, repayment of borrowings, repayment of investment corporation bonds, refund of lease and guarantee deposits, funds to pay for repairs and maintenance, working capital, etc.	Not applicable

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

D. Operating Results and Cash Distribution

As a result of the aforementioned management performance, the Investment Corporation reported operating revenues of ¥9,819 million, operating income of ¥4,240 million, ordinary income of ¥2,832 million and net income of ¥2,831 million for its seventeenth fiscal period (fiscal period ended October 31, 2013).

Cash distributions are paid out to the application of Article 67-15 of the Special Taxation Measures Law. In addition, 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) in the fiscal period under review. In accordance with this policy, following the posting of this reduction entry reserve, the Investment Corporation deducted ¥165 million from net income to be set aside as a reduction reserve, the posting of which falls within the scope in application of provisions in Article 66-2 and Article 67-15 of the Special Taxation Measures Law. Subsequently, all the remaining net income was distributed to unitholders, yielding ¥9,302 per unit.

(2) Outlook

A. Investment Environment

With regard to the outlook of the Japanese economy, domestic demand is growing steadily due to the effects of monetary easing and various economic measures and it is thought to remain roughly steady for the time being as employment and the wage environment are improving as well. However, there is also believed to be uncertainties in both upward and downward directions such as due to changes in demand in line with the consumption tax hike and expectations for an economic ripple effect from the hosting of the Olympics. For the overseas economy, the overall rate of growth is expected to gradually recover alongside the economic recovery in developed countries, but issues that require close monitoring such as the course of the US financial problem and deficits of current accounts at some emerging countries and resource-rich countries may impact the global economy negatively. Concerning the office building leasing market, according to figures announced by Miki Shoji Co., Ltd., as of the end of October 2013, the average vacancy rate of Tokyo’s five central wards was 7.56%, a decrease of 0.34 % from the previous month. Compared to the beginning of the period, the average vacancy rate dropped by 0.77%

Though modest, the average vacancy rate is indicating a trend of improvement and is at the level in the past one year. On the other hand, average rent in Tokyo’s five central wards (including for newly built office buildings) has been on a gradual downward trend, but was a slight increase from the previous month as of the end of October 2013. Rents are expected to turn to increase in the future since more demand for office floor space is expected alongside improvements of corporate profits and business sentiment amidst an improvement of supply and demand due to the decrease of the vacancy rate.

In the office building transaction market, while the transaction amount in the market is decreasing due to a sense of scarcity of prime investment properties, no major changes are seen in the proactive stance of major investors such as listed J-REITs and foreign investors for acquisitions, and strong demand is expected to continue for office buildings as investment assets.

B. Future Management Policies and Pending Issues

The Investment Corporation adopts the basic policy of conducting dynamic and flexible investment stance that seeks to respond to its environment and market trends, and endeavors to ensure a timely response to opportunities. From this standpoint and in light of the investment environment described above (the Japanese economy, leasing market for office buildings, real estate transaction market, etc.), the Investment Corporation creates a property investment strategy, existing property management strategy, and financial strategy in a dynamic and flexible manner as set forth below.

(a) New Property Investment Strategy and Sales Policy

The Investment Corporation aims for further expansion of its asset size, with the goal of “forming a firm portfolio focusing on mid-sized office buildings” and to become the “No. 1 J-REIT for mid-sized office buildings.” The Investment Corporation will keep mid-sized office buildings in the Tokyo Metropolitan Area as its focus, and with regard to central urban retail properties, invest only in those that have rare value as an alternative to office buildings, are located in busy commercial areas and offer a certain amount of office space. In addition, the Investment Corporation believes that maintaining an investment strategy which aims for a certain degree of regional diversification, will be a foundation for constructing a superior portfolio and differentiating the Investment Corporation from others in the business.

Moreover, when acquiring assets, the Investment Corporation will aim for the stable growth of the portfolio, by securing continuous opportunities for acquiring properties and flexible acquiring methods by utilizing the Asset Management Company’s own networks and the sponsor company’s support line through the construction of multiple pipelines. Also, based on the premises of that the Investment Corporation able to obtain opportunities for property acquisitions in the future, the Investment Corporation might invest in TK interests etc. with the sponsor company on a conjoint basis. In addition, in order to seek diversifying acquisition methods (direct acquisition, equity investment and coordinately

acquire with the sponsor company), with consideration to the balance of capital acquisition and to secure mobilizing acquisition of properties, the investment company invests in warehousing related TMK etc. with the sponsor company cooperation. In selling properties, the Investment Corporation will examine the sale of properties individually in considering the use of funds for replacement of assets through property acquisition or fund-type investments. Of this, concerning 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 and central urban retail properties 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.

(b) Existing property management strategy

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

- Take measures to maintain and raise competitiveness of properties
- Tailor leasing management according to the market environment
- Apply careful control of management and operating costs by taking advantage of portfolio size
- Ensure appropriate response to relevant laws and regulations
- Develop a proactive environmental response

Take measures to maintain and raise competitiveness of properties

The Investment Corporation will implement operation and management in close contact with the actual properties and further enhance the management level. Some specific examples of the operation and management are the installation of public wireless LAN services (installed at 67 properties located within NTT East's service area as of October 31, 2013) and installation of automated external defibrillators (AEDs) (installed at 81 properties as of October 31, 2013) in consideration of business continuity plans (BCP) and its corporate social responsibilities (CSR).

Furthermore, tenants at properties are positioned as important “customers” and the perspective of customer satisfaction (CS) is applied to the management of properties. The Investment Corporation has conducted a CS survey targeting the tenants of its office buildings five times in cooperation with J.D. Power Asia Pacific, Inc., an internationally recognized company that engages in customer satisfaction evaluation (requesting those in charge of general affairs and employees of tenants to complete a questionnaire on the hard aspects such as the building and facilities as well as on the soft aspects such as management and operation, consisting of multiple items for evaluation and open-ended questions). The comprehensive satisfaction rating results for the Fifth CS survey conducted in August 2013 are as follows.

The response of “Satisfied”, “Slightly Satisfied” weighted 2.0% increase compare to the Fourth CS Survey conducted in September 2011

< Comprehensive Satisfaction Rating >

	Satisfied	Slightly Satisfied	Neither	Slightly Dissatisfied	Dissatisfied	Unknown
Fifth CS Survey	26%	51%	18%	4%	1%	1%
Fourth CS Survey	23%	52%	19%	5%	1%	1%

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

Note 2: Ratios are rounded to the nearest unit.

By conducting such surveys continuously and meeting tenant needs, the Investment Corporation is aiming to improve customer satisfaction while also maintaining and improving the competitiveness and asset value of its properties.

Tailor leasing management according to the market environment

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

Concerning the solicitation of new tenants, the Investment Corporation strives to shorten the period of vacancy and boost the occupancy ratio by

implementing dynamic and flexible leasing activities through the sharing of information closely with leasing brokers, holding of previews, marketing directly to corporations, utilizing guarantee companies and other measures while closely watching market conditions and timing of changes going forward.

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

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

Ensure appropriate responses to relevant laws and regulations

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

Develop a proactive environmental response

The Investment Corporation is designated as a specified corporation pursuant to the Act on the Rational Use of Energy. The Investment Corporation will research on energy saving and environmental friendliness of mid-sized office buildings, develop medium- to long-term energy saving plans and reduction targets, and proactively institute measures in terms of both hardware (buildings and facilities) and soft services (operating and management services) in an aim to ensure the simultaneous pursuit of return on investment and social benefits.

(c) Financial Strategy (Debt Financing)

As the environment for procuring interest-bearing debt is continuing to improve, the Investment Corporation is determined to continue to work to improve the terms and conditions of borrowings.

In addition, by taking the following measures, etc., the Investment Corporation aims for stable financial management.

- Reduce refinance risk by diversifying maturities of interest-bearing debt
- Have the procurement ratio of long-term fixed interest borrowings above a certain level
- Control the rate of interest-bearing debt (Note) in a conservative manner (the Investment Corporation will continue to aim to keep the ratio of interest-bearing debt to total assets (LTV) at within less than 45% level as a rule. However, it will also remain open to the option of increasing LTV to the upper 40% level in the event of debt financing conducted for the purpose of acquiring competitive properties or otherwise.)

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. In addition, the Investment Corporation aspires to pay attention to the share of each bank and consider as appropriate the introduction of transactions with new banks based on comparison with the conditions with currently transacting banks.

Note: Interest bearing debt ratio = Interest-bearing debt at end of period / Total assets × 100

(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, and make revisions to the information disclosure system when needed. In specific terms, the Investment Corporation provides information through the Timely Disclosure Network System (TDnet), which is a system operated by the Tokyo Stock Exchange, as well as press releases and its Web site (URL: <http://www.kdx-reit.com/eng/>).

(3) Important Subsequent Events

The Issue of New Investment Units

On October 24, 2013 and November 6, 2013, the Board of Directors of the Investment Corporation resolved to issue new investment units as detailed below. The payments were completed on November 13, 2013 for issuance of new investment units through public offering and the payment were completed on December 10, 2013 for Issuance of New Investment Units through Third-Party Allotment.

As a result, the Investment Corporation had total unitholders' capital of ¥166,261,745,670 with 332,540 investment units outstanding as of December 10, 2013.

Issuance of New Investment Units through Public Offering

Number of New Units Issued	: 43,800 units (Japanese Offering 21,900 units, International Offering 21,900 units)
Issue Price (Offer Price)	: ¥430,950 per unit
Total Amount of the Issue Price (Offer Price)	: ¥18,875,610,000

Paid-in Value (Issue Amount)	: ¥415,480 per unit
Aggregate Paid-in Value (Total Issue Amount)	: ¥18,198,024,000
Payment Date	: November 13, 2013

New Investment Units through Third-Party Allotment.

Number of New Units Issued	: 2,190 units
Paid-in Value (Issue Amount)	: ¥415,480 per unit
Aggregate Paid-in Value (Total Issue Amount)	: ¥909,901,200
Payment Date	: December 10, 2013
Allottee	: Nomura Securities Co. Ltd.

(Use of Funds)

The funds from the Japanese Offering and International Offering, allocated as a portion of the funds for the acquired properties in Eighteenth Fiscal Period and residual amounts allocated as a portion of the funds for the repayment of borrowings alongside the acquisition of properties acquired in the Seventeenth Fiscal Period. Furthermore, because cash on hand was allocated as a portion of the funds for the acquisition of properties acquired in the Seventeenth Fiscal Period, the funds from the issuance of new Investment Units by third-party allotment are allocated to as proceed to compensate for the decrease of cash on hand resulting from the allocation.

(Reference Material)

The Investment Corporation acquired following trust beneficiary interest in real estate (total acquisition price ¥15,968 million for 5 office properties).

Acquisition Date	Property Name	Location (address)	Seller	Acquisition Price (Million yen)	Appraisal Value (Million Yen)
November 18, 2013	Ikebukuro 261 Building	Toshima-ku, Tokyo	GK KRF 35	3,900	4,180
November 18, 2013	DNI Mita Building	Minato-ku, Tokyo	GK KRF 31	3,180	3,400
November 19, 2013	SIA Takanawadai Building	Minato-ku, Tokyo	Global Asset I Holding TMK	5,250	5,280
November 19, 2013	Akihabara SF Building	Chiyoda-ku, Tokyo (Note1)	Global Asset II Holding TMK	2,600	2,710
December 2, 2013	KDX Shinbashi Building (Additional Acquisition)	Minatoku, Tokyo	Japanese general business corporation (Note 2) Individual (Note 2)	1,038	1,150 (Note 3)
Total	—	—	—	15,968	16,720

Notes:

1. The Property's residential address has yet to be determined
2. Names and other information of the Sellers are not disclosed because the Sellers have not given consent.
3. The trust beneficiary interest purchase and sale agreement with the Seller falls under the category of forward commitment made as stipulated in the "Annual Supervisory Policies for Financial Instruments Business Operators" determined by the Financial Services Agency of Japan. Therefore acquired appraisal value based on end of the seventeenth fiscal period. Furthermore, there is no change in the appraisal value at the end of the seventeenth fiscal period and time of the property acquired appraisal value.

(4) Risk Factors

There are no significant changes to the "Investment Risks" as described in the Securities Report (submitted October 24, 2013) and any amendments thereto.

(5) Outlook

Forecasts for the eighteenth fiscal period (November 1, 2013 to April 30, 2014) are presented as follows.

Forecasts for the eighteenth fiscal period (November 1, 2013 to April 30, 2013)

Operating Revenues	¥10,177 million
Operating Income	¥4,515 million
Ordinary Income	¥3,114 million
Net Income	¥3,112 million
Distribution per Unit	¥9,360

Furthermore, as announced in the press release “Notice Concerning the Announcement of Operating Forecasts for the Fiscal Period Ending April 30, 2014 and Operating Forecasts for the Fiscal Period Ending October 31, 2014” on the October 24, 2013, with announcement of public offering on the same date, the outlook for the nineteenth fiscal period (May 1, 2014 to October 31, 2014) are presented as follows.

Forecasts for the nineteenth fiscal period (May 1, 2014 to October 31, 2014)

Operating Revenues	¥10,433 million
Operating Income	¥4,543 million
Ordinary Income	¥3,207 million
Net Income	¥3,206 million
Distribution per Unit	¥9,640

Preconditions and assumptions for the outlooks, please see following “Preconditions and Assumptions for the 18th Fiscal Period Ending April 30, 2014 and 19th Fiscal Period Ending October 31, 2014” for more details.

In addition, as stated in “Preconditions and Assumptions for the 18th Fiscal Period Ending April 30, 2014 and 19th Fiscal Period Ending October 31, 2014”, the Investment Corporation issued new investment units acquired assets, repaid part of the existing borrowings and refinanced after the end of seventeenth fiscal period. There is no changes in the forecast figures although these preconditions are updated as of this financial report date.

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 eighteenth Fiscal Period Ending April 30, 2014 and nineteenth Fiscal Period Ending October 31, 2014

	Preconditions and Assumptions
Calculation Period	<ul style="list-style-type: none"> The eighteenth fiscal period: November 1, 2013 to April 30, 2014 (181 days) The nineteenth fiscal period: May 1, 2014 to October 31, 2014 (184 days)
Property Portfolio	<ul style="list-style-type: none"> Although the number of real estate and trust beneficiary interests in real estate held by the Investment Corporation as of December 12, 2013 including 5 properties (due to KDX Shinbashi Building is additionally acquired and with already acquired portion presented collectively as one property) acquired during the eighteenth fiscal period as stated below is 89 properties. Furthermore, it is based on the precondition that refunded silent partnership equity interest for G.K. KRF 31 TK after DNI Mita Building as stated below. <ul style="list-style-type: none"> SIA Takanawadai Building (office building) (Acquired on November 19, 2013) Ikebukuro 261 Building (office building) (Acquired on November 18, 2013) DNI Mita Building (office building) (Acquired on November 18, 2013) Akihabara SF Building (office building) (Acquired on November 19, 2013) KDX Shinbashi Building (additional acquisition) (office building) (December 2, 2013) Forecasts are based on the assumption that the number of properties will remain unchanged (sales of assets held and acquisition of new properties, etc.) until the end of the eighteenth fiscal period and nineteenth fiscal period, respectively, other than the above mentioned anticipated acquisitions. The Investment Corporation also holds TMK preferred securities. It assumes the refund of its TMK preferred securities will not occur by the end of the eighteenth fiscal period and nineteenth fiscal period. The actual results may fluctuate due to changes in the property portfolio.
Operating Revenues	<ul style="list-style-type: none"> Rental revenues are estimated based on valid leasing agreements as of October 24, 2013 and by considering variable factors, such as seasonal factors against the backdrop of historical performance, as well as leasing conditions, such as the recent deterioration of real estate market conditions, in addition to the difference in number of operating days due to movements in existing investment assets. Forecasts are based on the assumption that there will be no rent in arrears or non-payments from tenants.
Operating Expenses	<ul style="list-style-type: none"> Property-related expenses other than depreciation are based on the difference in number of operating days due to movements in existing investment assets and historic expenses, adjusted to reflect expense variables including seasonal factors. An amount of ¥1,003 million for the eighteenth fiscal period and ¥1,024 million for the nineteenth fiscal period have been assumed for property management fees and facility management fees (property management and building maintenance fees, etc.).

Operating Expenses	<ul style="list-style-type: none"> An amount of ¥853 million for the eighteenth fiscal period and ¥922 million for the nineteenth fiscal period have been assumed for taxes and public dues (property tax and city-planning tax, etc.). An amount of ¥1,781 million for the eighteenth fiscal period and ¥1,786 million for the nineteenth fiscal period have been assumed for depreciation expense. An amount of ¥164 million for the eighteenth fiscal period and ¥165 million for the nineteenth fiscal period have been assumed for repairs, maintenance and renovation expenses. Repairs, maintenance and renovation expenses are estimated based on the amounts budgeted by the asset management company for each property and amounts considered essential for each period. Actual repairs, maintenance and renovation expenses for each fiscal period may, however, differ significantly from estimated amounts due to unforeseen circumstances or emergencies. In general, property tax and city planning tax are allocated to the seller and purchaser on a pro rata basis at the time of acquisition settlement. In the case of the Investment Corporation, an amount equivalent to the portion allocated to the purchaser is included in the acquisition price of the property.
Non-Operating Expenses	<ul style="list-style-type: none"> The Investment Corporation is assumes issuance costs are ¥180million. These costs over a period of three years using the straight-line method. Interest payable (including financing related expenses etc.) of ¥1,337 million is assumed for the eighteenth fiscal period and ¥1,291million is assumed for nineteenth fiscal period
Extraordinary Profit/Loss	<ul style="list-style-type: none"> Extraordinary profit/loss is not assumed.
Debt Financing and Investment Corporation Bonds	<ul style="list-style-type: none"> The balance of the borrowings and the investment corporation bonds as of December 12, 2013 are ¥142,458 million and ¥6,300 million, respectively. Of the borrowings as of December 12, 2013, a total of ¥16,211.5 million in borrowings are due during the eighteenth fiscal period. However, precondition is based on other than all borrowings are presupposed to be refinanced excluding ¥211.5 million of the partial payment and credit ¥1,800 million to repay part of the existing borrowings from funds raised through the issuance of new investment units and all remaining amount will be refinanced. The total borrowing amount due during the nineteenth fiscal period is ¥23,611.5 million, which assumes all borrowings will be refinanced after excluding ¥211.5 million of scheduled repayments. Forecasts are based on the assumption that there will be no maturity for Corporate Bonds during eighteenth and nineteenth fiscal period.
Investment Units Issued and Outstanding	<ul style="list-style-type: none"> Regarding the number of issued investment units, the aggregate number of its investment units issued and outstanding to be 332,540 units consisting of (a) 286,550 investment units issued and outstanding as of October 31, 2013, (b) 45,990 new investment units issued, which is comprised of (i) 43,800 new investment units issued in a capital increase through public offering and (ii) 2,190 new investment units issued through a third-party allotment in connection with a secondary offering.. The Investment Corporation assumes that there will be no additional changes to the issued and outstanding investment units for the eighteenth and nineteenth fiscal periods other than the abovementioned issuance of 45,990 investment units.
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. 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)

	Sixteenth Fiscal Period (As of April 30, 2013)	Seventeenth Fiscal Period (As of October 31, 2013)
ASSETS		
Current assets		
Cash and deposits	8,053,394	4,560,384
Cash and deposits in trust	6,760,531	6,892,601
Accounts receivable-trade	185,046	254,058
Prepaid expenses	53,674	63,341
Consumption Taxes receivable	-	100,158
Other	22,826	165,092
Total current assets	15,075,474	12,035,636
Noncurrent assets		
Property, plant and equipment		
Buildings	15,830,843	15,901,982
Accumulated depreciation	-2,627,418	-2,887,815
Buildings, net	13,203,424	13,014,167
Structures	23,001	23,371
Accumulated depreciation	-7,851	-8,560
Structures, net	15,149	14,811
Machinery and equipment	355,857	365,230
Accumulated depreciation	-117,300	-127,543
Machinery and equipment, net	238,556	237,687
Tools, furniture and fixtures	79,157	79,157
Accumulated depreciation	-31,020	-34,131
Tools, furniture and fixtures, net	48,137	45,026
Land	30,513,666	30,513,666
Buildings in trust	*2 84,385,141	87,645,999
Accumulated depreciation	-14,305,758	-15,632,614
Buildings in trust, net	70,079,382	72,013,385
Structures in trust	249,921	256,376
Accumulated depreciation	-101,166	-109,292
Structures in trust, net	148,754	147,083
Machinery and equipment in trust	1,201,938	1,401,046
Accumulated depreciation	-565,226	-604,831
Machinery and equipment in trust, net	636,711	796,215
Tools, furniture and fixtures in trust	367,590	376,678
Accumulated depreciation	-210,952	-226,002
Tools, furniture and fixtures in trust, net	156,637	150,676
Land in trust	175,189,078	184,832,979
Construction in progress in trust	6,699	4,914
Total property, plant and equipment	290,236,199	301,770,613
Intangible assets		
Leasehold right	285,350	285,350
Leasehold right in trust	71,756	70,981
Right of using water facilities in trust	434	316
Total intangible assets	357,540	356,647
Investments and other assets		
Investment securities	896,655	1,106,339

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Lease and guarantee deposits	10,000	10,000
Lease and guarantee deposits in trust	123,712	124,005
Long-term prepaid expenses	1,402,489	1,270,206
Others	6,244	25,171
Total investments and other assets	2,439,101	2,535,722
Total noncurrent assets	293,032,841	304,662,983
Deferred assets		
Investment corporation bond issuance costs	26,043	35,650
Investment unit issuance expenses	37,806	18,903
Total deferred assets	63,849	54,553
Total assets	308,172,165	316,753,174

(Thousands of Yen)

	Sixteenth Fiscal Period (As of April 30, 2013)	Seventeenth Fiscal Period (As of October 31, 2013)
Liabilities		
Current Liabilities		
Accounts payable	654,666	628,621
Short-term loans payable	5,700,000	9,100,000
Current portion of investment corporation bond	1,500,000	-
Current portion of long-term loans payable	24,300,000	37,700,000
Accounts payable-other	208,564	181,547
Accrued expenses	160,587	152,485
Income taxes payable	775	829
Accrued consumption taxes	204,666	49,260
Advances received	1,686,455	1,506,617
Deposits received	16,967	6,162
Total current liabilities	34,432,683	49,325,524
Noncurrent liabilities		
Investment corporation bond	4,500,000	6,300,000
Long-term loans payable	106,369,500	97,458,000
Tenant leasehold and security deposits	1,723,402	1,700,807
Tenant leasehold and security deposits in trust	10,493,518	11,187,617
Total noncurrent liabilities	123,086,420	116,646,424
Total liabilities	157,519,104	165,971,948
Net assets		
Unitholders' equity		
Unitholders' capital	147,153,820	147,153,820
Surplus		
Reserve for reduction entry	497,042	795,928
Total voluntary reserve	497,042	795,928
Unappropriated retained earnings(undisposed loss)	3,002,198	2,831,476
Total surplus	3,499,241	3,627,405
Total unitholders' equity	150,653,061	150,781,225
Total net assets	150,653,061	150,781,225
Total liabilities and net assets	308,172,165	316,753,174

*1

(2) Statements of Income

(Thousands of Yen)

		Sixteenth Fiscal Period November 1, 2012 to April 30, 2013	Seventeenth Fiscal Period May 1, 2013 to October 31, 2013
Operating revenue			
Rent revenue-real estate	*1	8,217,881	8,237,001
Other lease business revenue	*1	1,088,205	1,264,698
Gain on sales of real estate properties	*2	462,043	234,506
Dividends income		99,168	82,983
Total operating revenue		9,867,299	9,819,190
Operating expenses			
Expenses related to rent business	*1	4,740,083	4,845,826
Asset management fee		553,018	549,899
Directors' compensation		7,800	7,800
Asset custody fee		18,735	18,786
Administrative service fees		50,737	50,440
Audit fee		10,800	10,800
Other operating expenses		84,473	94,850
Total operating expenses		5,465,649	5,578,403
Operating income		4,401,650	4,240,787
Non-operating income			
Interest income		557	565
Dividends and redemption-prescription		1,693	1,499
Interest on refund		-	62
Total non-operating income		2,251	2,127
Non-operating expenses			
Interest expenses		984,520	988,658
Interest expenses on investment corporation bonds		62,206	62,019
Borrowing related expenses		315,050	321,587
Amortization of investment corporation bond issuance costs		6,626	6,142
Amortization of investment unit issuance expenses		18,903	18,903
Other		13,189	12,622
Total non-operating expenses		1,400,496	1,409,933
Ordinary income		3,003,404	2,832,981
Income before income taxes		3,003,404	2,832,981
Income taxes-current		1,338	1,516
Income taxes-deferred		-9	-11
Total income taxes		1,329	1,504
Net income		3,002,075	2,831,476
Retained earnings brought forward		122	-
Unappropriated retained earnings(undisposed loss)		3,002,198	2,831,476

(3) Statements of Unitholders' Equity

(Thousands of Yen)

	Sixteenth Fiscal Period November 1, 2012 to April 30, 2013	Seventeenth Fiscal Period May 1, 2013 to October 31, 2013
Unitholders' equity		
Unitholders' capital		
Balance at the start of current period	147,153,820	147,153,820
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	* 147,153,820	147,153,820
Surplus		
Voluntary reserve		
Reduction entry		
Balance at the start of current period	225,795	497,042
Changes of items during the period		
Provision of reserve for reduction entry	271,247	298,885
Total changes of items during the period	271,247	298,885
Balance at the end of current period	497,042	795,928
Total Voluntary reserve		
Balance at the start of current period	225,795	497,042
Changes of items during the period		
Provision of reserve for reduction entry	271,247	298,885
Total changes of items during the period	271,247	298,885
Balance at the end of current period	497,042	795,928
Unappropriated retained earnings (undisposed loss)		
Balance at the start of current period	3,009,927	3,002,198
Changes of items during the period		
Provision of reserve for reduction entry	-271,247	-298,885
Distribution from surplus	-2,738,558	-2,703,312
Net income	3,002,075	2,831,476
Total changes of items during the period	-7,729	-170,721
Balance at the end of current period	3,002,198	2,831,476
Total Surplus		
Balance at the start of current period	3,235,723	3,499,241
Changes of items during the period		
Provision of reserve for reduction entry	-	-
Distribution from surplus	-2,738,558	-2,703,312
Net income	3,002,075	2,831,476
Total changes of items during the period	263,517	128,164
Balance at the end of current period	3,499,241	3,627,405
Total unitholders' equity		
Balance at the start of current period	150,389,544	150,653,061
Changes of items during the period		
Distribution from surplus	-2,738,558	-2,703,312
Net income	3,002,075	2,831,476
Total changes of items during the period	263,517	128,164
Balance at the end of current period	150,653,061	150,781,225
Total net assets		
Balance at the start of current period	150,389,544	150,653,061
Changes of items during the period		
Distribution from surplus	-2,738,558	-2,703,312

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Net income	3,002,075	2,831,476
Total changes of items during the period	263,517	128,164
Balance at the end of current period	150,653,061	150,781,225

(4) Basis for Calculating Cash Distribution

(Unit: Yen)

	Sixteenth Fiscal Period (November 1, 2012 to April 30, 2013)	Seventeenth Fiscal Period (May 1, 2013 to October 31, 2013)
I. Retained earnings at the end of period	3,002,198,217	2,831,476,705
II. Total Distribution	2,703,312,700	2,665,488,100
(Distribution per Unit)	(9,434)	(9,302)
III. Voluntary retained earnings (provision)		
Provision for reserve for reduction entry	298,885,517	165,821,852
IV. Retained Earnings brought forward to the next period	-	166,753
Method of calculating the distribution amount	<p>In accordance with the policy depicted in Article 35-1 of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Special Taxation Measures Law, and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation has decided that, of the amount remaining after the reserve for reduction entry as stipulated in Article 66-2 of the Special Taxation Measures Law is deducted from unappropriated retained earnings, it shall distribute the maximum amount of retained earnings at the period-end, namely totaling ¥2,703,312,700 to 286,550 units issued and outstanding.</p> <p>Procedures for the distribution of amounts exceeding distributable income are outlined in Article 35-2 of the Investment Corporation's Articles of Incorporation. In its fiscal period under review, the Investment Corporation has decided not to distribute cash in excess of distributable profit.</p>	<p>In accordance with the policy depicted in Article 35-1 of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Special Taxation Measures Law, and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation has decided that, 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 ¥2,665,488,100 to 286,550 units issued and outstanding.</p> <p>Procedures for the distribution of amounts exceeding distributable income are outlined in Article 35-2 of the Investment Corporation's Articles of Incorporation. In its fiscal period under review, the Investment Corporation has decided not to distribute cash in excess of distributable profit.</p>

(5) Statements of Cash Flows

	Sixteenth Fiscal Period November 1, 2012 to April 30, 2013	Seventeenth Fiscal Period May 1, 2013 to October 31, 2013
Net cash provided by (used in) operating activities		
Income before income taxes	3,003,404	2,832,981
Depreciation and amortization	1,662,015	1,696,848
Loss on retirement of noncurrent assets	5,193	10,114
Amortization of long-term prepaid expenses	293,743	301,667
Interest income	-557	-565
Interest expenses	1,046,727	1,050,677
Amortization of investment unit issuance expenses	18,903	18,903
Amortization of investment corporation bond issuance expenses	6,626	6,142
Decrease (increase) in accounts receivable-trade	240,699	-69,011
Decrease (increase) in consumption taxes refund receivable	-	-100,158
Decrease (increase) in prepaid expenses	21,962	-9,666
Increase (decrease) in accounts payable	-107,777	114,262
Increase (decrease) in accounts payable-other	4,959	-5,240
Increase (decrease) in accrued consumption taxes	68,322	-155,406
Increase (decrease) in advances received	203,592	-179,837
Increase (decrease) in deposits received	-1,996	-10,804
Changes in net property, plant and equipment held in trust from sale	2,641,181	1,672,153
Decrease (increase) in long-term prepaid expenses	-121,699	-169,383
Other, net	-27,423	-22,908
Subtotal	8,957,876	6,980,767
Interest income received	557	565
Interest expenses paid	-1,076,959	-1,056,257
Income taxes paid	-1,091	-890
Net cash provided by (used in) operating activities	7,880,383	5,924,184
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	-2,116,959	-100,404
Purchase of property, plant and equipment in trust	-743,209	-14,989,870
Purchase of investment securities	-	-202,400
Payments of tenant leasehold and security deposits	-83,564	-41,444
Proceeds from tenant leasehold and security deposits	226,044	33,392
Payments of tenant leasehold and security deposits in trust	-1,325,815	-581,653
Proceeds from tenant leasehold and security deposits in trust	413,440	1,127,796
Payments of restricted bank deposits in trust	-	-94,091
Proceeds from restricted bank deposits in trust	569,850	32,279
Others	-	-293
Net cash provided by (used in) investment activities	-3,060,211	-14,816,688
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	1,200,000	7,900,000
Decrease in short-term loans payable	-1,200,000	-4,500,000
Proceeds from long-term loans payable	9,000,000	11,700,000
Repayment of long-term loans payable	-7,211,500	-7,211,500
Proceeds from issuance of investment corporation bonds	-	1,784,249
Redemption of investment corporation bonds	-	-1,500,000
Dividends paid	-2,738,824	-2,702,998
Net cash provided by (used in) financing activities	-950,324	5,469,750
Net increase (decrease) in cash and cash equivalents	3,869,847	-3,422,753

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Cash and cash equivalents at beginning of period		10,501,755	14,371,602
Cash and cash equivalents at end of period	*	14,371,602	10,948,849

(6) Notes to the Going Concern

Not applicable

(7) Important Accounting Standards

1. Evaluation standards and evaluation method of assets	<p>Securities</p> <p>Other securities</p> <p>Those with no fair value</p> <p>Cost method through moving-average method</p> <p>A method of incorporating the amount of equity equivalent to the portion that corresponds to the net gain/loss of silent partnership is employed for the investments in silent partnership.</p>
2. Depreciation of fixed assets	<p>(1) Property, plant and equipment (includes trust assets)</p> <p>The straight-line method is applied.</p> <p>Useful lives of the assets ranging are as follows:</p> <p>Buildings: 2 to 49 years</p> <p>Structures: 2 to 45 years</p> <p>Machinery and equipment: 3 to 17 years</p> <p>Tools, furniture and fixtures: 3 to 20 years</p> <p>(2) Intangible assets (includes trust assets)</p> <p>The straight-line method is applied.</p> <p>Right of using water facilities: 6 years</p> <p>Leasehold rights</p> <p>Fixed term leasehold is amortized over a contractual period of 48 years and 9 months under the straight-line method.</p> <p>(3) Long-term prepaid expenses</p> <p>The straight-line method is applied.</p>
3. Accounting policies for deferred assets	<p>(1) Investment unit issuance costs</p> <p>Unit issuance costs are amortized over a period of 3 years.</p> <p>(2) Investment corporation bond issuance costs</p> <p>Bond issuance costs are amortized by applying the straight-line method for the entire redemption period.</p>
4. Accounting standards for revenues and expenses	<p>Accounting method for property tax</p> <p>Property-related taxes including property taxes and city planning taxes, etc. are imposed on properties on a calendar year basis. These taxes are generally charged to rental expenses for the period, for the portion of such taxes corresponding to said period.</p> <p>In connection with the acquisition of real estate including trust beneficiary interests in real estate during the fiscal period under review, the Investment Corporation included it's pro rata property portion for the year in each property acquisition price and not as rental expense. The amount of property taxes included in acquisition prices for the previous fiscal period amounted to ¥10,264 thousand and for the fiscal period under review amounted to ¥26,946 thousand.</p>
5. Accounting for hedges	<p>(1) Hedge accounting method</p> <p>The deferred hedge method is applied. However, the special treatment is applied for the interest-rate swap and interest-rate cap agreements that meet the criteria.</p> <p>(2) Hedging instruments and risks hedged</p> <p>Hedge instruments</p> <p>The Investment Corporation enters into interest-rate swap transactions.</p> <p>The Investment Corporation enters into interest-rate cap transactions.</p> <p>Risks hedged</p> <p>Interest rates on debt.</p>

	<p>(3) Hedging policy The Investment Corporation enters into derivative transactions based on its risk management policies with the objective of hedging risks in accordance with its Articles of Incorporation.</p> <p>(4) Method of evaluating the effectiveness of hedging During the period from the commencement of hedging to the point at which effectiveness is assessed, the Investment Corporation compares the cumulative total of market changes in the targeted objects of hedging or cash flow changes with the cumulative total of market changes in the hedging instruments or cash flow changes. The Investment Corporation then makes a decision based on the changes and other factors of the two. However, the interest-rate swap and interest-rate cap agreements that meet the criteria for special treatment, the evaluation of effectiveness are omitted.</p>
6. 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 3 months or less, that are readily convertible to known amounts of cash and present insignificant risk of a change in value.
7. Other significant accounting policies utilized in the preparation of financial statements	<p>(1) Accounting method for trust beneficiary interests in real estate and other assets The assets and liabilities as well as revenues and expenses of financial assets held in the form of trust beneficiary interests in real estate and other assets are recorded in full in the Investment Corporation's balance sheets and statements of income. Important line items included in accounting for financial assets and liabilities in the Investment Corporation's balance sheet are as follows:</p> <ol style="list-style-type: none"> 1. Cash and deposits in trust 2. Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and construction in progress in trust 3. Leasehold rights in trust, right of using water facilities in trust 4. Lease and guarantee deposits in trust 5. Tenant leasehold and security deposits in trust <p>(2) Accounting method for consumption tax Consumption taxes are separately recorded. Non-deductible consumption taxes applicable to the acquisition of assets are included in the cost of acquisition for each asset.</p>

(8) [Notes to the Financial Statements]

(Notes to the Balance Sheets)

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

(Thousands of Yen)

	Sixteenth Fiscal Period (as of April 30, 2013)	Seventeenth Fiscal Period (as of October 31, 2013)
	50,000	50,000

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

(Thousands of Yen)

	Sixteenth Fiscal Period (as of April 30, 2013)	Seventeenth Fiscal Period (as of October 31, 2013)
Building in trust	26,230	26,230

(Notes to the Statements of Income)

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

(Thousands of Yen)

	Sixteenth Fiscal Period November 1, 2012 to April 30, 2013	Seventeenth Fiscal Period May 1, 2013 to October 31, 2013
A. Rental and other operating revenues		
Rental revenues		
Leasing income	6,628,332	6,649,670
Common area charges	1,589,549	1,587,331
Total	8,217,881	8,237,001
Other rental revenues		
Parking space rental revenues	292,402	299,883
Utility charge reimbursement	681,271	851,380
Miscellaneous	114,531	113,434
Subtotal	1,088,205	1,264,698
Total rental and other operating revenues	9,306,086	9,501,700
B. Rental and other operating expenses		
Rental expenses		
Property management fees and facility management fees	951,904	951,025
Utilities	753,048	928,822
Taxes	820,157	851,090
Repairs and maintenance costs	322,651	173,603
Insurance	14,837	14,371
Trust fees	42,925	42,376
Others	167,349	177,574
Depreciation	1,662,015	1,696,848
Loss on retirement of fixed assets	5,193	10,114
Total rental and other operating expenses	4,740,083	4,845,826
C. Rental business profit (A – B)	4,566,003	4,655,873

*2. Gain and Loss on sale of real estate

Sixteenth Fiscal Period (November 1, 2012 to April 30, 2013)

(Thousands of Yen)

(1) Kanazawa Nikko Building	
Revenue from sale of the investment property	780,000
Costs of the investment property	677,861
Other sales' expenses	21,300
Gain on sale of real estate properties	80,838
(2) KDX Yotsuya Building	
Revenue from sale of the investment property	2,400,000
Costs of the investment property	1,963,319
Other sales' expenses	55,474
Gain on sale of real estate properties	381,205

Seventeenth Fiscal Period (May 1, 2013 to October 31, 2013)

(Thousands of Yen)

Ikebukuro Nikko Building	
Revenue from sale of the investment property	1,970,000

Costs of the investment property	1,672,153
Other sales' expenses	63,340
Gain on sale of real estate properties	234,506

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

*Total number of authorized investment units and total number of investment units issued and outstanding

	Sixteenth Fiscal Period November 1, 2012 to April 30, 2013	Seventeenth Fiscal Period May 1, 2013 to October 31, 2013
Total number of authorized investment units	2,000,000 units	2,000,000 units
Total number of investment units issued and outstanding	286,550 units	286,550 units

(Notes to the Statements of Cash Flow)

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

(Thousands of Yen)

	Sixteenth Fiscal Period November 1, 2012 to April 30, 2013	Seventeenth Fiscal Period May 1, 2013 to October 31, 2013
Cash and deposits	8,053,394	4,560,384
Cash and deposits in trust	6,760,531	6,892,601
Restricted bank deposits held in trust (Note)	- 442,323	- 504,136
Cash and cash equivalents	14,371,602	10,948,849

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

(Notes to the Lease Transactions)

Operating lease transactions

(Lessor)

(Thousands of Yen)

	Sixteenth Fiscal Period (as of April 30, 2013)	Sixteenth Fiscal Period (as of October 31, 2013)
Unearned lease payments		
Due within one year	922,114	1,492,005
Due after one year	4,563,856	6,790,392
Total	5,485,971	8,282,398

(Notes to the Financial Instruments)

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

(1) Action Policy with Regard to Financial Instruments

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

(2) Financial Instruments and Respective Risks

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

Loans and investment corporation bonds are used primarily for procuring funds necessary for the acquisition of properties and have a redemption date of a maximum of 7 years following the accounting date. Although a certain portion of said liabilities are subject to interest rate fluctuation risks, the Investment Corporation utilizes derivative instruments (interest-rate swap transactions) in order to hedge against such risks.

Derivative instruments are interest-rate swap and interest-rate cap 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 or minimizing the risk of interest rate increase. With regard to hedge accounting methods, hedging instruments and hedged items, hedge policy, and the method of evaluation of hedge effectiveness, please see 5. Hedge Accounting Method in notes concerning Important Accounting Standards.

(3) Risk Management Structure with Regard to Financial Instruments

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

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

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

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

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

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

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

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

2. Items with Regard to Fair Value of Financial Instruments

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

Sixteenth Fiscal Period (as of April 30, 2013)

(Thousands of Yen)

	Book Value	Fair Value	Difference
(1) Cash and deposits	8,053,394	8,053,394	-
(2) Cash and deposits in trust	6,760,531	6,760,531	-
Total assets	14,813,926	14,813,926	-
(1) Short-term loans payable	5,700,000	5,700,000	-
(2) Investment corporation bonds	6,000,000	5,974,800	-25,200
(3) Long-term loans payable	130,669,500	130,858,276	188,776
Total liabilities	142,369,500	142,533,076	163,576
Derivative Transaction	-	-	-

Seventeenth Fiscal Period (as of October 31, 2013)

(Thousands of Yen)

	Book Value	Fair Value	Difference
(1) Cash and deposits	4,560,384	4,560,384	-
(2) Cash and deposits in trust	6,892,601	6,892,601	-
Total assets	11,452,985	11,452,985	-
(1) Short-term loans payable	9,100,000	9,100,000	-
(2) Investment corporation bonds	6,300,000	6,482,910	182,910
(3) Long-term loans payable	135,158,000	135,751,380	593,380
Total liabilities	150,558,000	151,334,290	776,290
Derivative Transaction	-	-	-

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

Assets

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

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

Liabilities

(1) Short-term loans payable

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

(2) Investment corporation bonds

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

(3) Long-term loans payable

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

Derivative Transaction

Please refer to the following “Derivative Transaction.”

Note 2: Financial instruments whose fair values are recognized to be extremely difficult to grasp (Thousands of Yen)

Classification	Sixteenth Fiscal Period (as of April 30, 2013)	Seventeenth Fiscal Period (as of October 31, 2013)
Investment securities *	896,655	1,106,339

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

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

Sixteenth Fiscal Period (as of April 30, 2013) (Thousands of Yen)

	Less than or Equal to 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Cash and deposits	8,053,394	-	-	-	-	-
Cash and deposits in trust	6,760,531	-	-	-	-	-
Total	14,813,926	-	-	-	-	-

Seventeenth Fiscal Period (as of October 31, 2013) (Thousands of Yen)

	Less than or Equal to 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Cash and deposits	4,560,384	-	-	-	-	-
Cash and deposits in trust	6,892,601	-	-	-	-	-
Total	11,452,985	-	-	-	-	-

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

Sixteenth Fiscal Period (as of April 30, 2013) (Thousands of Yen)

	Less than or Equal to 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Short-term loans payable	5,700,000	-	-	-	-	-
Investment corporation bonds	1,500,000	-	-	3,000,000	1,500,000	-
Long-term loans payable	24,300,000	36,669,500	32,800,000	15,000,000	17,000,000	4,900,000

Seventeenth Fiscal Period (as of October 31, 2013) (Thousands of Yen)

	Less than or Equal to 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Short-term loans payable	9,100,000	-	-	-	-	-
Investment corporation bonds	-	-	-	4,500,000	1,800,000	-
Long-term loans payable	37,700,000	30,558,000	30,800,000	15,000,000	14,500,000	6,600,000

(Notes to the Marketable Securities)

Sixteenth Fiscal Period (as of April 30, 2013) and Seventeenth Fiscal Period (as of October 31, 2013)

Not applicable

(Notes to the Derivative Transactions)

(1) Items that do not apply hedge accounting

Sixteenth Fiscal Period (as of April 30, 2013) and Seventeenth Fiscal Period (as of October 31, 2013) : Not applicable

(2) Items that apply hedge accounting

Sixteenth Fiscal Period (as of April 30, 2013)

(Thousands of Yen)

Hedge accounting method	Type of Derivative Transactions	Main target risk hedge	Contracted amount		Fair value	Calculation method for applicable fair value
				More than 1 yr.		
Special treatment of interest-rate swaps	Interest-rate swap transaction Fixed rate payable・Floating rate receivable	Long-term loans payable	20,500,000	20,500,000	*	
Special treatment of interest-rate caps	Interest-rate cap transaction	Long-term loans payable	1,000,000	1,000,000	*	
Total			21,500,000	21,500,000		

Seventeenth Fiscal Period (as of October 31, 2013)

(Thousands of Yen)

Hedge accounting method	Type of Derivative Transactions	Main target risk hedge	Contracted amount		Fair value	Calculation method for applicable fair value
				More than 1 yr.		
Special treatment of interest-rate swaps	Interest-rate swap transaction Fixed rate payable・Floating rate receivable	Long-term loans payable	26,700,000	20,700,000	※	
Special treatment of interest-rate caps	Interest-rate cap transaction	Long-term loans payable	3,000,000	3,000,000	※	
Total			29,700,000	23,700,000		

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

(Notes to the Retirement Payment)

Sixteenth Fiscal Period (as of April 30, 2013) and Seventeenth Fiscal Period (as of October 31, 2013): Not applicable

(Notes to the Asset Retirement Obligations)

Sixteenth Fiscal Period (as of April 30, 2013) and Seventeenth Fiscal Period (as of October 31, 2013): Not applicable

(Notes to the Segment and Related Information)

1. Segment Information

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

2. Related Information

Sixteenth Fiscal Period (November 1, 2012 to April 30, 2013)

(1) Information about each product and service

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

(2) Information about each geographic area

①. 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.

②. Property, plant and equipment

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

(3) Information about each major customer

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

Seventeenth Fiscal Period (May 1, 2013 to October 31, 2013)

(1) Information about each product and service

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

(2) Information about each geographic area

①. 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.

②. Property, plant and equipment

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

(3) Information about each major customer

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

(Notes to the Tax-Effect Accounting)

1. The significant components of deferred tax assets and liabilities

(Thousands of Yen)

	Sixteenth Fiscal Period (as of April 30, 2013)	Seventeenth Fiscal Period (as of October 31, 2013)
Deferred tax assets		
Enterprise tax payable not included in expenses	35	47
Amortization of leasehold rights in trust	1,278	1,543
Subtotal deferred tax assets	1,314	1,590
Valuation Allowance	- 1,278	- 1,543
Total deferred tax assets	35	47

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

(Unit: %)

	Sixteenth Fiscal Period (as of April 30, 2013)	Seventeenth Fiscal Period (as of October 31, 2013)
Statutory tax rate	36.59	36.59
(Adjustments)		
Deductible cash distributions	- 32.93	- 34.43
Provision of reserve for reduction entry	- 3.64	- 2.14
Others	0.03	0.03
Effective tax rate	0.04	0.05

(Notes to the Equity-Method Income and Retained Earnings)

Sixteenth Fiscal Period (as of April 30, 2013) and Seventeenth Fiscal Period (as of October 31, 2013): Not applicable

(Notes to the Related-Party Transactions)

1. Parent Company, corporate unitholders and other

Sixteenth Fiscal Period (November 1, 2012 to April 30, 2013) and Seventeenth Fiscal Period (May 1, 2013 to October 31, 2013): Not applicable

2. Affiliated companies and other

Sixteenth Fiscal Period (November 1, 2012 to April 30, 2013) and Seventeenth Fiscal Period (May 1, 2013 to October 31, 2013): Not applicable

3. Fellow subsidiary companies and other

Sixteenth Fiscal Period (November 1, 2012 to April 31, 2013) and Seventeenth Fiscal Period (May 1, 2013 to October 31, 2013): Not applicable

4. Directors, individual unitholders and other

Sixteenth Fiscal Period (November 1, 2012 to April 30, 2013)

Attributes	Name	Business Activities / Position	Ratio of Possession of Voting Rights (%)	Details of Business	Deal Amount (¥Thousands)	Accounting Term	Balance of Period End (¥Thousands)
Board of Directors and Close Relatives	Naokatsu Uchida	Executive Director for the Investment Corporation and CEO and President of Kenedix Office Partners, Inc.	—	Payment of asset management fee to Kenedix Office Partners, Inc. (Note 1)	579,018 (Note 2) (Note 4)	Accounts Payable -other	110,168 (Note 4)
As above	As above	As above	As above	Payment of business consignment fee to Kenedix Office Partners, Inc. (Note 3)	1,500 (Note 4)	—	—
As above	As above	As above	As above	Payment of property management fee to Kenedix Office Partners, Inc. (Note 5)	349,715 (Note 4)	Accounts Payable	82,363 (Note 4)

Notes:

1. Naokatsu Uchida served as a representative of the third party (Kenedix Office Partners, Inc.), and the fee is set up in the articles of incorporation of the Investment Corporation.
2. Asset management fee include ¥10,100 thousand fee related to the acquisition of property are accounted in book value for the individual real estate and ¥15,900 thousand sales fee related to the sale of property are accounted for in the sales expense for the individual real estate.
3. Naokatsu Uchida served as a representative of the third party (Kenedix Office Partners, Inc.), and the fee is set up in the agreement, "Operating Agency Agreement" between the Investment Corporation and Kenedix Office Partners, Inc.
4. Consumption taxes are not included in the deal amount, and are included in the balance of the end of period.
5. Naokatsu Uchida served as a representative of the third party (Kenedix Office Partners, Inc.), and the fee is set up in the agreement, "Property Management Agreement" between the Investment Corporation and Kenedix Office Partners, Inc. Property management fee include ¥21,874 thousand related to the acquisition of property are accounted in book value for the individual real estate and ¥3,800 thousand sales fee related to the sale of property are accounted for in the sales expense for the individual real estate.

Seventeenth Fiscal Period (May 1, 2013 to October 31, 2013)

Attributes	Name	Business Activities / Position	Ratio of Possession of Voting Rights (%)	Details of Business	Deal Amount (¥Thousands)	Accounting Term	Balance of Period End (¥Thousands)
Board of Directors and Close Relatives	Naokatsu Uchida	Executive Director for the Investment Corporation and CEO and President of Kenedix Office Partners, Inc. (Note 6)	—	Payment of asset management fee to Kenedix Office Partners, Inc. (Note 1)	625,499 (Note 2) (Note 4)	Accounts Payable -other	92,022 (Note 4)
As above	As above	As above	As above	Payment of business consignment fee to Kenedix Office Partners, Inc. (Note 3)	1,500 (Note 4)	—	—
As above	As above	As above	As above	Payment of property management fee to Kenedix Office Partners, Inc. (Note 5)	362,457 (Note 4)	Accounts Payable	69,683 (Note 4)

Notes:

1. Naokatsu Uchida served as a representative of the third party (Kenedix Office Partners, Inc.), and the fee is set up in the articles of incorporation of the Investment Corporation.
2. Asset management fee include ¥65,750 thousand fee related to the acquisition of property and TK interests are accounted in book value for the individual real estate and ¥9,800 thousand sales fee related to the sale of property are accounted for in the sales expense for the individual real estate.
3. Naokatsu Uchida served as a representative of the third party (Kenedix Office Partners, Inc.), and the fee is set up in the agreement, "Operating Agency Agreement" between the Investment Corporation and Kenedix Office Partners, Inc.
4. Consumption taxes are not included in the deal amount, and are included in the balance of the end of period.
5. Naokatsu Uchida served as a representative of the third party (Kenedix Office Partners, Inc.), and the fee is set up in the agreement, "Property Management Agreement" between the Investment Corporation and Kenedix Office Partners, Inc. Property management fee include ¥33,652 thousand related to the acquisition of property are accounted in book value for the individual real estate and ¥2,000 thousand sales fee related to the sale of property are accounted for in the sales expense for the individual real estate.
6. Kenedix Residential Partners, Inc. succeeded to the business of Kenedix Advisors, Inc. and Kenedix Office Partners, Inc. as of October 1, 2013, and changed corporate name to Kenedix Real Estate Fund Management, Inc. Furthermore, Ryosuke Homma appointed as CEO and President of Kenedix Real Estate Fund Management, Inc., as of October 1, 2013. The deal amount and the balance of period end are showing the Seventeenth Fiscal Period of amounts, which deal with Kenedix Office Partners, Inc. and after October 1, 2013 with Kenedix Real Estate Fund Management, Inc.

(Notes to the Fair Value of Real Estate for Rental Purposes)

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

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

(Thousands of Yen)

	Sixteenth Fiscal Period November 1, 2012 to April 30, 2013	Seventeenth Fiscal Period May 1, 2013 to October 31, 2013
Book Value (Thousands of Yen)		
Balance at the beginning of period	292,021,269	290,593,740
Changes during the period	-1,427,528	11,533,520
Balance at the end of current period	290,593,740	302,127,261
Fair value at the end of current period	264,961,000	279,238,000

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

Note 2: Fair value at the end of the fiscal period under review is the appraisal value determined by outside appraisers. Ikebukuro Nikko Building is calculated based on the sales price of ¥1,970 million under the sales and purchase agreement dated March 21, 2013.

Note 3: Among changes in the amount of real estate for rental purposes that occurred during the fifteenth fiscal period, principal increases were the acquisition of real estate trust beneficiary interests to 1 property totaling ¥2,108,384 thousand, the sale of real estate trust beneficiary interests to 2 properties amounting ¥2,641,181 thousand and depreciation amounting to ¥1,662,015 thousand and principal increases were the acquisition of real estate to 3 properties totaling ¥14,020,278 thousand, the sale of real estate trust beneficiary interests to 1 property amounting ¥1,672,153 thousand and depreciation amounting to ¥1,696,848 thousand and for the fiscal period under review.

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

(Notes to the Information per Unit)

	Sixteenth Fiscal Period November 1, 2012 to April 30, 2013	Seventeenth Fiscal Period May 1, 2013 to October 31, 2013
Unitholders' Equity per Unit	¥525,747	¥526,195
Net Income per Unit	¥10,476	¥9,881

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

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

	Sixteenth Fiscal Period November 1, 2012 to April 30, 2013	Seventeenth Fiscal Period May 1, 2013 to October 31, 2013
Net Income (Thousands of Yen)	3,002,075	2,831,476
Amount not vested in ordinary investors (Thousands of Yen)	-	-
Net income for ordinary units (Thousands of Yen)	3,002,075	2,831,476
Average number of units during the period (unit)	286,550	286,550

(Important Subsequent Events)

Issuance of the New Investment Units

On October 24, 2013 and November 6, 2013, the Board of Directors of the Investment Corporation resolved to issue new investment units as detailed below. The payments were completed on November 13, 2013 through issuance of public offering, and the payments were completed on December 10, 2013 through issuance of third-party allotment. As a result of the issuance of new investment units, the Investment Corporation had total unitholders' capital of ¥166,261,745,670 with 332,540 investment units outstanding as of December 10, 2013.

(Issuance of New Investment Units through Public Offering)

Issuance of New Investment Units	: 43,800 units (Japanese Offering 21,900 units, International Offering 21,900 units)
Issue Price (Offer Price)	: ¥430,950 per unit
Aggregate Issue Price (Total Offer Price)	: ¥18,875,610,000
Issue Amount (Paid - in Value)	: ¥415,480 per unit
Total Issue Amount (Aggregate Paid - in Value)	: ¥18,198,024,000
Payment Date	: November 13, 2013

(Issuance of New Investment Units through Third-Party Allotment)

Issuance of New Investment Units	: 2,190 units
Issue Amount (Paid - in Value)	: ¥415,480 per unit
Total Issue Amount (Aggregate Paid - in Value)	: ¥909,901,200
Payment Date	: December 10, 2013
Allottee	: Nomura Securities Co. Ltd.

(Use of Funds)

The funds from the Japanese Offering and International Offering, allocated as a portion of the funds for the acquired properties in Eighteenth Fiscal Period and residual amounts allocated as a portion of the funds for the repayment of borrowings alongside the acquisition of assets acquired in the Seventeenth Fiscal Period. Furthermore, because cash on hand was allocated as a portion of the funds for the acquisition of properties acquired in the Seventeenth Fiscal Period, the funds from the issuance of new Investment Units by third – party allotment are allocated to as proceed to compensate for the decrease of cash on hand resulting from the allocation.

(9) Movements in Investment Units Issued and Outstanding

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

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

Notes:

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

4. Resignation/Appointment of the Directors

(1) Resignation/Appointment of the Investment Corporation Directors

Not applicable

(2) Resignation/Appointment of the Asset Management Company

Kenedix Residential Partners, Inc. succeeded the business of Kenedix Advisors, Inc. and Kenedix Office Partners, Inc. in a merger as of October 1, 2013 and changed its corporate name to Kenedix Real Estate Fund Management, Inc. on the same date.

All Directors and Auditors for Kenedix Residential Partners, the surviving entity in the merger, resigned as of September 30, 2013 and four directors and three auditors have been appointed and have newly taken office, as of October 1, 2013. Also, the Board of Directors meeting of the Asset Management Company held on October 1, 2013 resolved to approve the appointment of Ryosuke Homma as CEO and President, Naokatsu Uchida as Director and COO, KRI General Manager of Fund Division and Akira Tanaka as Director and COO, KDR General Manager of Fund Division, respectively.

(1) New Appointment of Directors (As of October 1, 2013)

CEO and President: Ryosuke Homma

Director: Akira Tanaka (Director and COO, KDR General Manager of Fund Division)

Director: Naokatsu Uchida (Director and COO, KRI General Manager of Fund Division)

Director: Masahiko Tajima

(2) Retirement of Directors (As of September 30, 2013)

Director: Akira Tanaka

Director: Naoto Kojima

Director: Akihiro Nakao

(3) New Appointment of Statutory Auditors (As of October 1, 2013)

Statutory Auditor (part-time): Haruo Funabashi

Statutory Auditor (part-time): Ninji Hayashi

Statutory Auditor (part-time): Shintaro Kanno

(4) Retirement of Statutory Auditor (As of September 30, 2013)

Statutory Auditor (part-time): Moyuru Watanabe

5. Reference Information

(1) Component of Assets

Type of Specified Asset	Type	Area	Sixteenth Fiscal Period (as of April 30, 2013)		Seventeenth Fiscal Period (as of October 31, 2013)	
			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	32,176	10.4	32,068	10.1
		Other Regional Areas	12,127	3.9	12,041	3.8
	Total for Office Buildings		44,304	14.4	44,110	13.9
Total for Real Estate			44,304	14.4	44,110	13.9
Trust Beneficiary Interest in Real Estate	Office Buildings	Tokyo Metropolitan Area	187,409	60.8	189,380	59.8
		Other Regional Areas	38,833	12.6	38,877	12.3
	Total for Office Buildings		226,243	73.4	228,258	72.1
	Residential Properties	Tokyo Metropolitan Area	6,049	2.0	5,994	1.9
		Other Regional Areas	1,766	0.6	1,745	0.6
	Total for Residential Properties		7,815	2.5	7,739	2.4
	Central Urban Retail Properties	Tokyo Metropolitan Area	12,230	4.0	22,018	7.0
	Total for Central Urban Retail Properties		12,230	4.0	22,018	7.0
Total of Trust Beneficiary Interests in Real Estate			246,289	79.9	258,016	81.5
Investment Securities (Note 3)			896	0.3	1,106	0.3
Bank Deposits and Other Assets			16,681	5.4	13,519	4.3
Total Assets			308,172	100.0	316,753	100.0

Notes:

1. "Total Amount Held" is the amount allocated in the balance sheets at the end of the period (figures are on a net book value basis after deducting depreciation), and is rounded down to the nearest ¥1 million.
2. "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets rounded to the first decimal place.
3. The preferred equity securities issued by Senri Property TMK and silent partnership interests in a silent partnership operated by GK. KRF 31

	Sixteenth Fiscal Period (as of April 30, 2013)		Seventeenth Fiscal Period (as of October 31, 2013)	
	Price (Millions of Yen)	Ratio (%)	Price (Millions of Yen)	Ratio (%)
Total of Liabilities	157,519	51.1	165,971	52.4
Total Unitholders' Equity	150,653	48.9	150,781	47.6
Total of Assets	308,172	100.0	316,753	100.0

(2) Details of Investment Assets

A. Major components of investment securities

Type of Assets	Name	Number of Units	Book Value (Millions of Yen)	Evaluation Value (Note 1) (Millions of Yen)	Ratio (%) (Note 2)
Preferred Equity Securities	Senri Property TMK Preferred Securities (Note 3)	17,820	896	896	0.3
Silent Partnership Equity Interest	Godo Kaisha KRF31 Silent Partnership Equity Interest (Note 4)	-	209	209	0.1

Notes:

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

B. Properties Roster

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

(Unit: Millions of Yen)

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Seventeenth Fiscal Period					Appraiser (Note 4)	Ratio (%) (Note 5)	
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)			Terminal Capitalization Rate (%)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	5,940	6,030	6,470	6,750	4.6	6,350	4.4	4.8	B	1.9
		A-3	Higashi-Kayabacho Yuraku Building	4,450	4,281	4,780	4,850	4.9	4,710	4.6	5.0	A	1.4
		A-4	KDX Hatchobori Building	3,680	3,421	3,390	3,480	4.9	3,350	4.7	5.1	B	1.2
		A-5	KDX Nakano-Sakae Building	2,533	2,426	2,270	2,340	5.1	2,240	4.9	5.3	B	0.8
		A-6	Harajuku F.F. Building	2,450	2,424	3,030	3,060	5.4	3,000	5.2	5.6	A	0.8
		A-7	FIK Minami Aoyama	2,270	2,236	2,240	2,270	4.7	2,210	4.5	4.9	A	0.7
		A-8	Kanda Kihara Building	1,950	1,837	1,710	1,780	4.9	1,680	4.7	5.1	B	0.6
		A-13	KDX Kojimachi Building	5,950	5,670	4,350	4,410	4.3	4,290	4.1	4.5	A	1.9
		A-14	KDX Funabashi Building	2,252	2,349	1,950	1,950	6.1	1,940	5.9	6.3	A	0.7
		A-15	KDX Hamacho Building	2,300	2,214	2,200	2,220	5.2	2,170	5.0	5.4	A	0.7
		A-16	Toshin 24 Building	5,300	5,023	4,000	4,030	5.7	3,970	5.5	5.9	A	1.7
		A-17	KDX Ebisu Building	4,640	4,533	4,200	4,230	4.7	4,160	4.4	4.9	A	1.5
		A-19	KDX Hamamatsucho Building	3,460	3,186	3,160	3,260	4.5	3,110	4.3	4.7	B	1.1
		A-20	KDX Kayabacho Building	2,780	2,826	2,430	2,440	5.1	2,410	4.7	5.2	A	0.9
		A-21	KDX Shinbashi Building	2,690	2,676	2,380	2,400	4.6	2,350	4.1	4.7	A	0.8
		A-22	KDX Shin-Yokohama Building	2,520	2,397	2,160	2,180	5.9	2,140	5.7	6.1	A	0.8
		A-26	KDX Kiba Building	1,580	1,529	1,370	1,390	5.5	1,350	5.3	5.7	A	0.5
		A-27	KDX Kajicho Building	2,350	2,355	2,330	2,400	4.9	2,300	4.7	5.1	B	0.7
		A-28	KDX Nogizaka Building	1,065	1,111	680	686	5.3	674	5.0	5.4	A	0.3
		A-29	KDX Higashi-Shinjuku Building	2,950	3,145	3,340	3,440	5.0	3,290	4.8	5.2	B	0.9
		A-30	KDX Nishi-Gotanda Building	4,200	4,048	3,750	3,770	5.1	3,720	4.9	5.3	A	1.3
		A-31	KDX Monzen-Nakacho Building	1,400	1,379	1,140	1,200	5.4	1,120	5.2	5.6	B	0.4
		A-32	KDX Shiba-Daimon Building	6,090	6,194	4,510	4,540	4.9	4,480	4.6	5.0	A	1.9
		A-33	KDX Okachimachi Building	2,000	2,099	1,850	1,880	4.9	1,830	4.8	5.1	B	0.6
		A-34	KDX Hon-Atsugi Building	1,305	1,146	1,050	1,080	6.2	1,040	6.0	6.4	B	0.4
		A-35	KDX Hachioji Building	1,155	1,272	979	961	5.8	987	5.6	6.0	B	0.3
		A-37	KDX Ochanomizu Building	6,400	6,571	6,180	6,300	4.7	6,060	4.5	4.9	A	2.0
		A-38	KDX Nishi-Shinjuku Building	1,500	1,565	1,130	1,140	5.1	1,110	4.9	5.3	A	0.4
		A-39	KDX Toranomon Building	4,400	4,754	3,380	3,420	4.4	3,330	4.2	4.6	A	1.4
		A-40	Toranomon Toyo Building	9,850	9,820	10,300	10,500	4.5	10,000	4.3	4.8	A	3.2
		A-41	KDX Shinjuku 286 Building	2,300	2,369	2,250	2,280	4.7	2,220	4.5	4.9	A	0.7
		A-45	KDX Roppongi 228 Building	3,300	3,426	2,120	2,140	4.8	2,100	4.5	4.9	A	1.0
		A-46	Hiei Kudan-Kita Building	7,600	7,598	7,450	7,760	4.5	7,310	4.3	4.7	B	2.4
		A-47	KDX Shin-Yokohama 381 Building	5,800	5,771	4,010	4,040	5.8	3,970	5.6	6.0	A	1.9
A-48	KDX Kawasaki-Ekimae Hon-cho Building	3,760	3,704	2,990	3,020	6.1	2,960	5.7	6.3	A	1.2		
A-49	Nissou Dai-17 Building	2,710	2,580	1,570	1,600	5.8	1,540	5.6	6.0	A	0.8		
A-50	KDX Ikejiri-Ohashi Building (Note 6)	2,400	2,431	1,500	1,510	5.5	1,480	5.3	5.7	A	0.7		
A-51	KDX Hamacho Nakanohashi Building	2,310	2,317	1,770	1,790	5.1	1,740	4.9	5.3	A	0.7		
A-52	KDX Kanda Misaki-cho Building	1,380	1,368	959	976	5.1	942	4.9	5.3	A	0.4		
A-55	Shin-toshin Maruzen Building	2,110	2,138	1,550	1,550	5.2	1,540	4.8	5.4	A	0.6		
A-56	KDX Jimbocho Building	2,760	2,878	1,940	1,960	5.0	1,920	4.7	5.2	A	0.9		
A-57	KDX Gobancho Building	1,951	1,959	1,370	1,380	4.7	1,350	4.5	4.9	A	0.6		

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Seventeenth Fiscal Period						Appraiser (Note 4)	Ratio (%) (Note 5)
						Direct Capitalization Method		Discounted Cash Flow Method					
						Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)	Terminal Capitalization Rate (%)			
Office Buildings	Tokyo Metropolitan Area	A-59	KDX Iwamoto-cho Building	1,864	1,763	1,330	1,340	5.2	1,310	5.0	5.4	A	0.6
		A-60	KDX Harumi Building	10,250	9,486	8,250	8,400	4.8	8,100	4.5	4.9	A	3.3
		A-61	KDX Hamamatsucho Dai-2 Building	2,200	2,274	1,870	1,930	4.5	1,840	4.3	4.7	B	0.7
		A-62	Koishikawa TG Building	3,080	3,099	3,190	3,220	4.9	3,150	4.7	5.1	A	1.0
		A-63	Gotanda TG Building	2,620	2,780	2,570	2,600	5.1	2,540	4.9	5.3	A	0.8
		A-64	KDX Nihonbashi 216 Building	2,010	1,939	1,840	1,860	4.5	1,810	4.3	4.7	A	0.6
		A-66	KDX Shinjuku Building	6,800	6,851	6,420	6,510	4.5	6,320	4.3	4.7	A	2.2
		A-67	KDX Ginza Ichome Building	4,300	4,276	5,000	5,100	4.3	4,950	4.1	4.5	B	1.4
		A-68	KDX Nihonbashi Honcho Building	4,000	3,997	4,350	4,470	4.7	4,300	4.5	4.9	B	1.3
		A-71	KDX Iidabashi Building	4,670	4,653	5,040	5,160	4.7	4,990	4.5	4.9	B	1.5
		A-72	KDX Higashi-Shinagawa Building	4,590	4,873	4,870	4,990	4.9	4,820	4.7	5.1	B	1.5
		A-73	KDX Hakozaki Building	2,710	2,850	2,850	2,930	5.1	2,810	4.9	5.3	B	0.8
		A-74	KDX Shin-Nihonbashi Building	2,300	2,241	2,480	2,520	4.5	2,460	4.3	4.7	B	0.7
		A-75	KDX Nihonbashi Kabutocho Building	11,270	11,497	11,600	11,600	4.6	11,500	4.1	4.5	A	3.6
		A-77	Kabutocho Nikko Building II	1,280	1,272	1,560	1,580	4.9	1,540	4.7	5.1	A	0.4
		A-78	Tachikawa Ekimae Building	1,267	1,311	1,370	1,380	5.8	1,360	5.6	6.0	A	0.4
		A-83	Fuchu South Building	6,120	6,156	6,700	6,730	5.4	6,690	5.2	5.6	B	2.0
		A-84	KDX Kasuga Building (Note 6)	2,800	2,864	3,290	3,310	4.9	3,260	4.7	5.1	A	0.9
		A-85	KDX Nakameguro Building (Note 6)	1,880	1,900	2,260	2,320	5.0	2,230	4.8	5.2	B	0.6
	A-86	KDX Omiya Building (Note 6)	2,020	2,137	2,380	2,380	5.7	2,380	5.5	5.9	B	0.6	
	A-87	Itopia Nihonbashi SA Building	2,200	2,225	2,270	2,260	4.9	2,270	4.7	5.1	B	0.7	
	A-88	Welship Higashi - Shinjuku	1,900	1,915	2,140	2,200	4.9	2,120	4.7	5.1	B	0.6	
	Other Regional Areas	A-12	Portus Center Building	5,570	4,447	4,680	4,710	6.3	4,670	6.1	6.5	B	1.8
		A-24	KDX Minami Sembai-1 Building	1,610	1,498	983	990	5.9	975	5.7	6.1	A	0.5
		A-25	KDX Minami Sembai-2 Building	1,560	1,339	978	985	5.8	970	5.6	6.0	A	0.5
		A-36	KDX Niigata Building	1,305	1,436	886	903	7.3	868	7.1	7.5	A	0.4
		A-42	Karasuma Building	5,400	5,321	4,990	5,090	5.5	4,950	5.3	5.7	B	1.7
		A-44	KDX Sendai Building	2,100	2,113	1,460	1,450	6.0	1,460	6.0	6.2	B	0.6
		A-53	KDX Hakata-Minami Building	4,900	4,752	3,310	3,330	6.5	3,280	6.3	6.7	A	1.6
		A-54	KDX Kitahama Building	2,220	2,158	1,530	1,530	6.0	1,530	5.6	6.2	A	0.7
		A-58	KDX Nagoya Sakae Building	7,550	7,289	4,800	4,880	5.1	4,760	4.9	5.3	B	2.4
		A-69	KDX Kobayashi-Doshomachi Building	2,870	2,596	2,720	2,760	7.0	2,670	5.3	7.3	A	0.9
		A-70	Kitananajo SIA Building	2,005	2,050	2,050	2,100	5.6	2,030	5.4	5.8	B	0.6
A-79		KDX Nagoya Ekimae Building (Note 7)	7,327	7,829	7,600	7,670	5.1	7,520	4.9	5.3	A	2.4	
A-80		Nagoya Nikko Shoken Building	4,158	4,249	4,050	4,080	5.5	4,010	5.3	5.7	A	1.3	
A-81		Sendai Nikko Building	950	1,051	1,030	1,030	5.8	1,020	5.6	6.0	A	0.3	
A-82	KDX Higashi Umeda Building	2,770	2,784	3,350	3,410	5.0	3,330	4.8	5.2	B	0.9		
Subtotal of Office Buildings (79 properties)				274,218	272,368	250,235	254,071	-	247,236	-	-	-	89.9
Residential Properties	Tokyo Metropolitan Area	B-3	Court Mejiro	1,250	1,146	973	979	5.3	966	5.1	5.5	A	0.4
		B-19	Residence Charmante Tsukishima	5,353	4,847	4,600	4,650	5.1	4,550	4.9	5.3	A	1.7
	Other Regional Areas	B-18	Venus Hibiyaoka	1,800	1,745	1,560	1,570	6.4	1,550	6.2	6.6	A	0.5
Subtotal of Residential Properties (3 properties)				8,403	7,739	7,133	7,199	-	7,066	-	-	-	2.7
Central Urban Retail	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	9,900	9,643	9,420	9,570	4.3	9,270	4.1	4.5	A	3.3
		C-2	KDX Yoyogi Building	2,479	2,519	1,950	1,950	5.2	1,940	4.8	5.4	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 Seventeenth Fiscal Period					Appraiser (Note 4)	Ratio (%) (Note 5)	
						Direct Capitalization Method		Discounted Cash Flow Method					
						Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)	Terminal Capitalization Rate (%)			
Properties		C-4	Ginza 4chome Tower	9,800	9,854	10,500	10,600	4.0	10,300	3.8	4.2	A	3.2
Subtotal of Central Urban Retail Properties (3 properties)				22,179	22,018	21,870	22,120	-	21,510	-	-	-	7.2
Total of 85 properties				304,800	302,127	279,238	283,390	-	275,812	-	-	-	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 seventeenth 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.
- 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 (85 properties).
- The Investment Corporation changed the property name for the following buildings. Same applies below.

No.	New Property Name	Old Property Name	Change of Date
A-86	KDX Omiya Building	Nomura Fudosan Omiya Kyodo Building	September 26, 2013
A-50	KDX Ikejiri - Oohashi Building	Ikejiri-Oohashi Building	December 1, 2013
A-84	KDX Kasuga Building	Kasuga Business Center Building	
A-85	KDX Nakameguro Building	Nakameguro Business Center Building	

(b) Property Distribution

Property Types

Type	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Office Buildings	79	274,218	89.9
Residential Properties	3	8,403	2.7
Central Urban Retail Properties	3	22,179	7.2
Total	85	304,800	100.0

Geographic Distribution

Area	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Tokyo Metropolitan Area	69	250,705	82.2
Other Regional Areas	16	54,095	17.7
Total	85	304,800	100.0

Property Distribution by Acquisition Price

Acquisition Price (Millions of Yen)	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Less than 1,000	1	950	0.3
1,000 - 2,500	38	71,279	23.3
2,500 - 5,000	27	94,301	30.9
5,000 - 7,500	12	72,050	23.6
7,500 - 10,000	5	44,700	14.6

10,000 - 12,500	2	21,520	7.0
Total	85	304,800	100.0

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

Figures are rounded down to the nearest first decimal place.

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

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

Type	Area	No.	Property Name	Site Area (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-1	KDX Nihonbashi 313 Building	1,047.72	Offices	8,613.09	SRC B2F9	April 1974	9.50
		A-3	Higashi-Kayabacho Yuraku Building	773.43	Offices	5,916.48	SRC B1F9	January 1987	7.01
		A-4	KDX Hatchobori Building	992.20	Offices	4,800.43	SRC · RC B1F8	June 1993	6.42
		A-5	KDX Nakano-Sakaue Building	1,235.16	Offices, Retail Shops Residential, Parking Storage	6,399.42	SRC B1F11	August 1992	5.20
		A-6	Harajuku F.F. Building	699.67	Retail Shops, Offices Parking	3,812.44	SRC F11	November 1985	5.66
		A-7	FIK Minami Aoyama	369.47	Offices, Retail Shops Residential	1,926.98	SRC B1F9	November 1988	4.92
		A-8	Kanda Kihara Building	410.18	Offices	2,393.94	SRC · RC · S B1F8	May 1993	7.77
		A-13	KDX Kojimachi Building	612.17	Offices, Retail Shops	5,323.81	SRC B2F9	May 1994	3.60
		A-14	KDX Funabashi Building	1,180.41	Offices, Retail Shops	5,970.12	SRC B1F8	April 1989	2.76
		A-15	KDX Hamacho Building	554.80	Retail Shops, Offices Parking	4,133.47	SRC B2F10	September 1993	6.76
		A-16	Toshin 24 Building	1,287.16	Offices, Retail Shops Parking	8,483.17	SRC B1F8	September 1984	8.75
		A-17	KDX Ebisu Building	724.22	Offices, Retail Shops	4,394.58	SRC B1F7	January 1992	4.16
		A-19	KDX Hamamatsucho Building	504.26	Offices, Retail Shops Parking	3,592.38	S F9	September 1999	6.13
		A-20	KDX Kayabacho Building	617.17	Offices, Parking	3,804.86	SRC F8	October 1987	7.90
		A-21	KDX Shinbashi Building	536.11	Offices, Retail Shops Parking	3,960.22	SRC · S B1F8	February 1992	6.84
		A-22	KDX Shin-Yokohama Building	705.00	Offices, Retail Shops Parking	6,180.51	S B1F9	September 1990	10.36
		A-26	KDX Kiba Building	922.77	Offices, Parking	2,820.64	RC F5	October 1992	7.79
		A-27	KDX Kajicho Building	526.43	Offices, Retail Shops	3,147.70	SRC B1F8	March 1990	6.05
		A-28	KDX Nogizaka Building	409.36	Offices, Retail Shops Residential	1,695.07	RC B1F5	May 1991	9.48
		A-29	KDX Higashi-Shinjuku Building	1,340.97	Offices, Storage, Parking	7,885.40	SRC B1F9	January 1990	3.63
		A-30	KDX Nishi-Gotanda Building	684.41	Offices, Parking	5,192.87	SRC B1F8	November 1992	8.28
		A-31	KDX Monzen-Nakacho Building	580.99	Offices Retail Shops	2,668.91	SRC F8	September 1986	5.72
A-32	KDX Shiba-Daimon Building	1,188.28	Offices	7,824.03	SRC B1F9	July 1986	7.60		

KENEDIX REALTY INVESTMENT CORPORATION (8972)

Type	Area	No.	Property Name	Site Area (㎡) (Note 1)	Usage (Note 2)	Total Floor Area (㎡) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-33	KDX Okachimachi Building	239.72	Offices	1,882.00	S F10	June 1988	2.23
		A-34	KDX Hon-Atsugi Building	724.62	Offices Retail Shops	3,603.63	SRC F8	May 1995	11.12
		A-35	KDX Hachioji Building	460.62	Offices, Parking Retail Shops	2,821.21	SRC F9	December 1985	13.00
		A-37	KDX Ochanomizu Building	1,515.28	Offices, Storage Retail Shops, Parking Mechanical Room	7,720.08	SRC B1F7	August 1982	2.97
		A-38	KDX Nishi-Shinjuku Building	626.06	Offices, Parking	2,017.63	RC F5	October 1992	9.02
		A-39	KDX Toranomon Building	288.20	Offices, Retail Shops	2,277.38	SRC B1F9	April 1988	8.07
		A-40	Toranomon Toyo Building	869.01	Bank, Offices Retail Shops, Storage	8,346.83	RC B2F9	August 1962	13.06
		A-41	KDX Shinjuku 286 Building	421.70	Offices, Parking	3,432.04	SRC · RC B1F9	August 1989	8.71
		A-45	KDX Roppongi 228 Building	408.86	Offices Retail Shops	2,235.30	SRC B1F9	April 1989	8.95
		A-46	Hiei Kudan-Kita Building	1,844.83	Offices, Retail Shops Office Room Parking, Storage	11,425.31	SRC · S B1F11	March 1988	3.14
		A-47	KDX Shin-Yokohama 381 Building (Note 7)	1,229.24	Offices, Retail Shops Parking, Garbage Room	10,290.30	SRC · RC B1F10	March 1988 (Note 8)	12.02
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	1,968.13	Offices	7,420.87	SRC B1F9	February 1985	8.34
		A-49	Nissou Dai-17 Building	629.00	Offices, Parking	4,016.61	SRC B1F8	July 1991	13.23
		A-50	KDX Ikejiri-Ohashi Building	834.79	Offices	3,482.96	RC B2F9	September 1988	3.02
		A-51	KDX Hamacho Nakanohashi Building	462.29	Offices	3,280.41	SRC F9	September 1988	6.17
		A-52	KDX Kanda Misaki-cho Building	314.54	Offices	1,536.60	SRC B1F7	October 1992	9.41
		A-55	Shin-toshin Maruzen Building	457.64	Offices, Retail Shops Parking	3,439.37	SRC B1F8	July 1990	4.87
		A-56	KDX Jimbocho Building	465.92	Offices	3,292.13	SRC B1F8	May 1994	7.25
		A-57	KDX Gobancho Building	335.70	Offices, Parking	1,893.11	S F8	August 2000	9.06
		A-59	KDX Iwamoto-cho Building	266.86	Offices Residential Complex	1,618.65	S F9	March 2008	7.15
		A-60	KDX Harumi Building	2,230.69	Offices Retail Shops	12,694.32	S · SRC B1F11	February 2008	5.60
		A-61	KDX Hamamatsucho Dai-2 Building	368.28	Offices	2,478.90	S · SRC B1F8	April 1992	2.01
A-62	Koishikawa TG Building	1,250.42	Offices, Parking	5,862.02	SRC B1F8	November 1989	7.54		

Type	Area	No.	Property Name	Site Area (㎡) (Note 1)	Usage (Note 2)	Total Floor Area (㎡) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)		
Office Buildings	Tokyo Metropolitan Area	A-63	Gotanda TG Building	582.90	Offices, Parking	4,440.61	SRC B1F9	April 1988	8.37		
		A-64	KDX Nihonbashi 216 Building	307.77	Offices	1,871.62	SRC F9	October 2006	6.99		
		A-66	KDX Shinjuku Building	1,118.12	Offices, Retail Shops Parking	10,348.02	S・RC B4F11	May 1993	1.78		
		A-67	KDX Ginza Ichome Building	678.24	Offices, Bank	4,724.62	SRC F9	November 1991	8.41		
		A-68	KDX Nihonbashi Honcho Building	583.40	Offices, Parking	5,110.45	SRC B1F9	January 1984	7.92		
		A-71	KDX Iidabashi Building	967.38	Offices, Parking	5,422.64	SRC B1F8	March 1990	8.37		
		A-72	KDX Higashi-Shinagawa Building	3,115.45	Offices	10,138.65	S・RC B1F5	January 1993	10.40		
		A-73	KDX Hakozaeki Building	971.83	Offices, Parking	6,332.48	SRC B1F10	November 1993	7.29		
		A-74	KDX Shin-Nihonbashi Building	444.32	Offices, Retail Shops Parking	3,712.25	S B1F10	November 2002	5.51		
		A-75	KDX Nihonbashi Kabutocho Building	1,920.79	Offices, Parking	11,705.49	S・SRC B1F8	November 1998	4.23		
		A-77	Kabutocho Nikko Building II	350.63	Offices	2,016.03	RC F8	October 2001	6.15		
		A-78	Tachikawa Ekimae Building	464.95	Offices	2,896.48	S B1F8	February 1990	3.34		
		A-83	Fuchu South Building	2,400.00	Offices, Parking	16,647.00	SRC・S B1F14	March 1996	2.97		
		A-84	KDX Kasuga Building	1,319.24	Offices, Retail Shops Parking	6,444.31	SRC B1F10	June 1992	7.19		
		A-85	KDX Nakameguro Building	730.26	Offices	3,455.90	SRC F7	October 1985	3.44		
		A-86	KDX Omiya Building	775.67	Offices, Retail Shops, Parking, Residential	5,055.50	①S・SRC B1F8 ②S F3	April 1993	6.97		
		A-87	Itoya Nihonbashi SA Building	1,193.91	Offices, Residential, Parking	7,362.25	SRC B1F10	July 1995	5.30		
		A-88	Welship Higashi-Shinjuku	1,072.03	Offices, Retail Shops, Parking	5,907.00	SRC・RC B2F10	March 1990	3.48		
		Other Regional Areas		A-12	Portus Center Building	13,936.63	Offices, Retail Shops Storage, Parking	79,827.08	SRC・S B2F25	September 1993	3.48
				A-24	KDX Minami Sembai Dai-1 Building	715.44	Offices, Parking	4,236.59	SRC・RC・S B1F9	March 1993	9.04
A-25	KDX Minami Sembai Dai-2 Building			606.45	Parking, Retail Shops Offices, Residential	3,315.93	SRC・S B1F9	September 1993	10.59		
A-36	KDX Niigata Building			1,110.56	Offices, Retail Shops	6,810.29	RC B2F13	July 1983	4.39		
A-42	Karasuma Building			1,788.67	Offices	12,632.68	SRC B1F8	October 1982	8.37		
A-44	KDX Sendai Building			987.78	Offices	5,918.30	SRC B1F10	February 1984	1.93		

Type	Area	No.	Property Name	Site Area (㎡) (Note 1)	Usage (Note 2)	Total Floor Area (㎡) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Other Regional Areas	A-53	KDX Hakata-Minami Building	1,826.25	Offices, Retail Shops Parking	13,238.16	SRC B1F9	June 1973	1.48
		A-54	KDX Kitahama Building	751.92	Offices, Storage Parking	4,652.96	S F10	July 1994	9.79
		A-58	KDX Nagoya Sakae Building	1,192.22	Offices, Retail Shops	9,594.00	S F11	April 2009	2.87
		A-69	KDX Kobayashi-Doshomachi Building (Note 9)	1,561.04	Offices, Parking Retail Shops	10,723.83	S · SRC B1F12	July 2009	13.79
		A-70	Kitananajo SIA Building	819.44	Offices	5,503.90	SRC B1F9	October 1989	0.51
		A-79	KDX Nagoya Ekimae Building	1,354.10	Offices, Retail Shops	13,380.30	S · SRC B2F15	April 1986	12.13
		A-80	Nagoya Nikko Shoken Building	1,403.93	Offices, Retail Shops Parking	14,308.76	SRC B3F11	August 1974	14.36
		A-81	Sendai Nikko Building	522.14	Offices	3,598.01	SRC · S B1F8	March 1989	3.48
		A-82	KDX Higashi Umeda Building	804.50	Offices, Retail Shops Parking	6,805.76	S · SRC B1F10	July 2009	8.78
Subtotal of Office Buildings (79 properties)				-	-	-	-	Avg. 23.2 yrs (Note 8)	-
Residential Properties	Tokyo Metropolitan Area	B-3	Court Mejiro	1,581.91	Residential Complex	3,326.07	RC B1F3	March 1997	7.11
		B-19	Residence Charmante-Tsukishima	4,252.86	Residential Complex	18,115.39	SRC B1F10	January 2004	9.88
	Other Regional Areas	B-18	Venus Hibarigaoka	8,595.00	Residential Complex	14,976.25	①RC F6 ②RC F5 ③RC F6	March 1989	5.20
Subtotal of Residential Properties (3 properties)				-	-	-	-	Avg. 14.0 yrs	-
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	1,240.51	Retail Shops	6,302.58	S · RC · SRC B2F7	March 2005	8.02
		C-2	KDX Yoyogi Building	228.74	Retail Shops, Offices	1,269.06	SRC F8	August 1991	8.17
		C-4	Ginza 4chome Tower	688.52	Retail Shops, Offices, Parking	6,787.33	S B1F13	November 2008	1.16
Subtotal of Central Urban Retail Properties (3 properties)				-	-	-	-	Avg. 8.4 yrs	-
Total of 85 properties				-	-	-	-	Avg. 21.8 yrs (Note 8)	4.79 (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, 2013, 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 Nipponkoa Risk Management, Inc. as of August 2013.
7. KDX Shin-Yokohama 381 Building is comprised from two compartmentalized buildings within a single building. By consolidating them together, they become a property that comprises the entire building (total ownership ratio: 100%).
8. The completion date of the existing tower is shown for the completion date of KDX Shin-Yokohama 381 Building. Upon calculating the weighted-average portfolio age, the completion date (April 2009) for the KDX Shin-Yokohama 381 Building Annex Tower is not considered.
9. KDX Kobayashi Doshomachi Building includes the term leasehold interest with a special agreement to transfer building.

(ii) Capital Expenditure

① Planned capital expenditures

Major capital expenditure plans for renovation of properties in which the Investment Corporation holds for the eighteenth fiscal period (November 1, 2013 to April 30, 2014) are as follows. Planned capital expenditure may include portions classified into expenses for accounting purposes.

Property Name (Location)	Purpose	Schedule	Planned Amount of Capital Expenditure (Millions of Yen)		
			Total	Paid in the Fiscal Period Under Review	Total Amount Previously Paid
KDX Nagoya Ekimae Building (Nagoya, Aichi)	Air conditioning system construction, other	November 2013 to April 2014	213	-	3
KDX Omiya Building (Saitama, Saitama)	Air conditioning system construction	As above	136	-	-
KDX Shinbashi Building (Minato-ku, Tokyo)	Upgrade of common areas, other	As above	136	-	-
KDX Hon-Atsugi Building (Atsugi, Kanagawa)	Air conditioning system construction, other	As above	101	-	-
KDX Shinjuku Building (Shinjuku-ku, Tokyo)	Air conditioning system construction, Upgrade of common areas, other	As above	98	-	-
Nagoya Nikko Shoken Building (Nagoya, Aichi)	Renovate external wall	As above	65	-	-

② Capital Expenditures during the Fiscal Period Under Review (fiscal period ended October 31, 2013)

The Investment Corporation undertook the following major capital expenditures as follows. In the fiscal period under review (fiscal period ended October 31, 2013), the Investment Corporation completed work across its entire portfolio totaling ¥1,067 million. This total comprised of ¥894 million in capital expenditures and ¥173 million for repairs, maintenance and renovation expenses.

Property Name (Location)	Purpose	Schedule	Amount of Capital Expenditures (Millions of Yen)
KDX Nagoya Ekimae Building (Nagoya, Aichi)	Air conditioning system construction, other	April 2013 to October 2013	219
KDX Hatchobori Building (Chuo-ku, Tokyo)	Air conditioning system construction	As above	118
KDX Kojimachi Building (Chiyoda-ku, Tokyo)	Air conditioning system construction	As above	89
KDX Minami Semba Dai-1 Building (Osaka, Osaka)	Air conditioning system construction, other	As above	75
KDX Omiya Building (Omiya, Omiya)	Upgrade elevators, other	As above	42
KDX Kasuga Building (Bunkyo-ku, Tokyo)	Upgrade of common areas, other	As above	35
Nagoya Nikko Shoken Building (Nagoya, Aichi)	Air conditioning system construction	As above	26
KDX Hachioji Building (Hachioji, Tokyo)	Upgrade parking and signboard, other	As above	14
Others			272
Portfolio Total			894

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

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

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

The following amount has been transferred to the reserve from period cash flows.

(Millions of Yen)

Fiscal period	Thirteenth Fiscal Period (May 1, 2011 to October 31, 2011)	Fourteenth Fiscal Period (November 1, 2011 to April 30, 2012)	Fifteenth Fiscal Period (May 1, 2012 to October 31, 2012)	Sixteenth Fiscal Period (November 1, 2012 to April 30, 2013)	Seventeenth Fiscal Period (May 1, 2013 to October 31, 2013)
Reserve for the end of the previous period	440	517	643	503	523
Reserve for the fiscal period under review	96	296	224	30	12
Reversal of reserve for the fiscal period under review	19	170	364	10	34
Reserve brought forward to the next period	517	643	503	523	502

(iii) Details of the Tenants

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-1	KDX Nihonbashi 313 Building	5,889.32	5,889.32	-	-	10	100.0	199,902	232,123
		A-3	Higashi-Kayabacho Yuraku Building	4,379.66	4,379.66	-	-	8	100.0	117,465	216,172
		A-4	KDX Hatchobori Building	3,323.73	3,323.73	-	-	5	100.0	126,951	134,559
		A-5	KDX Nakano-Sakaue Building	4,390.27	4,390.27	18	18	25	100.0	87,134	88,469
		A-6	Harajuku F.F. Building	3,068.36	3,068.36	-	-	3	100.0	109,230	169,343
		A-7	FIK Minami Aoyama	1,814.56	1,814.56	-	-	7	100.0	74,708	107,055
		A-8	Kanda Kihara Building	1,947.62	1,483.45	-	-	9	76.2	47,616	95,108
		A-13	KDX Kojimachi Building	3,793.02	3,793.02	-	-	10	100.0	147,100	225,629
		A-14	KDX Funabashi Building	3,836.02	3,836.02	-	-	24	100.0	103,961	127,112
		A-15	KDX Hamacho Building	3,101.38	2,749.76	-	-	9	88.7	84,297	90,944
		A-16	Toshin 24 Building	6,624.74	6,038.32	-	-	17	91.1	174,624	223,136
		A-17	KDX Ebisu Building	3,074.47	2,564.80	-	-	5	83.4	124,266	198,440
		A-19	KDX Hamamatsucho Building	2,724.35	2,724.35	-	-	9	100.0	100,183	124,409
		A-20	KDX Kayabacho Building	3,019.93	3,019.93	-	-	7	100.0	83,835	107,717
		A-21	KDX Shinbashi Building	1,696.42	1,696.42	-	-	5	100.0	83,571	136,557
		A-22	KDX Shin-Yokohama Building	4,792.64	4,453.74	-	-	18	92.9	95,274	151,733
		A-26	KDX Kiba Building	2,452.94	2,452.94	-	-	6	100.0	59,101	52,996
		A-27	KDX Kajicho Building	2,564.65	2,564.65	-	-	10	100.0	78,343	94,792
		A-28	KDX Nogizaka Building	1,251.40	1,251.40	1	1	6	100.0	26,348	25,834
		A-29	KDX Higashi-Shinjuku Building	5,930.96	5,930.96	-	-	6	100.0	130,558	120,647
		A-30	KDX Nishi-Gotanda Building	3,881.58	3,881.58	-	-	5	100.0	145,439	203,523
		A-31	KDX Monzen-Nakacho Building	2,008.74	2,008.74	-	-	7	100.0	47,061	43,788
		A-32	KDX Shiba-Daimon Building	5,997.36	5,572.87	-	-	10	92.9	101,592	160,710
		A-33	KDX Okachimachi Building	1,792.54	1,792.54	-	-	2	100.0	68,017	110,237
		A-34	KDX Hon-Atsugi Building	2,746.89	2,445.30	-	-	9	89.0	48,206	63,871
		A-35	KDX Hachioji Building	2,178.61	2,178.61	-	-	8	100.0	50,777	47,827
		A-37	KDX Ochanomizu Building	5,880.71	5,880.71	-	-	7	100.0	174,257	227,261
		A-38	KDX Nishi-Shinjuku Building	1,593.60	1,593.60	-	-	8	100.0	48,297	56,648
		A-39	KDX Toranomon Building	1,966.56	1,966.56	-	-	7	100.0	102,392	179,712
		A-40	Toranomon Toyo Building	6,499.63	6,299.81	-	-	9	96.9	304,227	507,244
		A-41	KDX Shinjuku 286 Building	2,444.43	2,444.43	-	-	9	100.0	85,199	102,608
		A-45	KDX Roppongi 228 Building	1,908.14	1,204.28	-	-	6	63.1	39,690	55,284
		A-46	Hiei Kudan-Kita Building	6,897.59	6,897.59	-	-	14	100.0	249,228	300,531
		A-47	KDX Shin-Yokohama 381 Building	8,131.47	8,065.38	-	-	42	99.2	168,254	237,188
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	5,124.98	5,124.98	-	-	1	100.0	103,380	155,571
		A-49	Nissou Dai-17 Building	2,739.64	2,237.29	-	-	7	81.7	46,468	53,793
		A-50	KDX Ikejiri-Oohashi Building	2,456.72	2,244.16	-	-	7	91.3	57,878	72,100
		A-51	KDX Hamacho Nakanohashi Building	2,239.13	2,239.13	-	-	9	100.0	67,463	86,495
		A-52	KDX Kanda Misaki-cho Building	1,330.06	979.68	-	-	6	73.7	28,508	27,807
		A-55	Shin-toshin Maruzen Building	1,912.28	1,912.28	-	-	5	100.0	58,979	72,273
		A-56	KDX Jimbocho Building	2,321.80	2,321.80	-	-	3	100.0	69,058	96,451
		A-57	KDX Gobancho Building	1,649.47	1,649.47	-	-	7	100.0	36,537	52,540
A-59	KDX Iwamoto-cho Building	1,529.91	1,529.91	3	3	10	100.0	45,115	56,592		
A-60	KDX Harumi Building	9,294.00	6,619.76	-	-	7	71.2	169,871	280,526		
A-61	KDX Hamamatsucho Dai-2 Building	1,953.50	1,709.57	-	-	7	87.5	59,165	95,821		
A-62	Koishikawa TG Building	3,945.54	3,945.54	-	-	5	100.0	130,282	157,041		

KENEDIX REALTY INVESTMENT CORPORATION (8972)

Type	Area	No.	Property Name	Total Leasable Floor Area (m ²)(Note 1)	Total Leased Floor Area (m ²)(Note 2)	Total No. of Leasable Residential units (Note 3)	Total No. of Leased Residential units (Note 4)	No. of Tenants (Note 5)	Occupancy Ratio (%) (Note 6)	Total Rental and Other Operating Revenues (¥thousands)(Note 7)	Leasehold and Security Deposits (¥thousands) (Note 8)
Office Buildings	Tokyo Metropolitan Area	A-63	Gotanda TG Building	3,166.56	3,166.56	-	-	10	100.0	103,292	138,452
		A-64	KDX Nihonbashi 216 Building	1,615.20	1,615.20	-	-	8	100.0	56,469	95,968
		A-66	KDX Shinjuku Building	5,851.30	5,168.17	-	-	19	88.3	221,220	273,094
		A-67	KDX Ginza 1chome Building	3,573.59	3,573.59	-	-	4	100.0	135,384	169,724
		A-68	KDX Nihonbashi Honcho Building	3,998.39	3,998.39	-	-	8	100.0	138,008	204,126
		A-71	KDX Iidabashi Building	4,429.25	4,429.25	-	-	5	100.0	165,643	227,405
		A-72	KDX Higashi-Shinagawa Building	7,110.62	7,110.62	-	-	6	100.0	180,038	225,273
		A-73	KDX Hakozaki Building	3,992.60	3,992.60	-	-	8	100.0	114,751	164,334
		A-74	KDX Shin-Nihonbashi Building	2,658.79	2,658.79	-	-	9	100.0	81,984	134,301
		A-75	KDX Nihonbashi Kabutocho Building	7,562.93	7,549.35	-	-	7	99.8	43,230	330,311
		A-77	Kabutocho Nikko Building II	1,395.78	1,395.78	-	-	4	100.0	54,579	82,526
		A-78	Tachikawa Ekimae Building	1,612.13	1,612.13	-	-	5	100.0	63,879	86,432
		A-83	Fuchu South Building	10,151.48	10,151.48	-	-	34	100.0	305,806	347,714
		A-84	KDX Kasuga Building	4,344.41	4,232.41	-	-	13	97.4	119,436	141,408
		A-85	KDX Nakameguro Building	2,681.29	2,681.29	-	-	6	100.0	79,486	94,286
		A-86	KDX Oniya Building	3,819.09	3,633.32	1	1	17	95.1	106,617	176,354
		A-87	Itoya Nihonbashi SA Building	3,106.42	3,106.42	8	8	14	100.0	47,906	116,969
		A-88	Welship Higashi-Shinjuku Building	4,037.44	4,037.44	-	-	7	100.0	20,858	74,507
	Other Regional Areas	A-12	Portus Center Building	11,533.14	11,053.11	-	-	28	95.8	299,070	351,771
		A-24	KDX Minami Semba Dai-1 Building	3,106.75	2,808.17	-	-	12	90.4	46,438	70,076
		A-25	KDX Minami Semba Dai-2 Building	2,697.65	2,218.74	-	-	21	82.2	45,473	39,243
		A-36	KDX Niigata Building	4,067.25	2,591.01	-	-	21	63.7	49,603	54,484
		A-42	Karasuma Building	8,745.01	8,247.21	-	-	37	94.3	213,942	262,814
		A-44	KDX Sendai Building	3,958.39	3,622.70	-	-	30	91.5	86,340	154,239
		A-53	KDX Hakata-Minami Building	9,926.93	9,323.74	-	-	49	93.9	166,716	210,873
		A-54	KDX Kitahama Building	3,995.50	3,708.71	-	-	11	92.8	79,303	83,327
		A-58	KDX Nagoya Sakae Building	6,923.12	6,923.12	-	-	16	100.0	193,246	206,368
		A-69	KDX Kobayashi-Doshomachi Building	7,072.23	7,072.23	-	-	13	100.0	180,151	250,404
A-70		Kitananajo SIA Building	3,788.73	3,400.53	-	-	17	89.8	90,855	113,856	
A-79		KDX Nagoya Ekimae Building	7,932.43	7,932.43	-	-	19	100.0	311,144	497,522	
A-80		Nagoya Nikko Shoken Building	7,994.75	7,834.12	-	-	9	98.0	208,443	279,348	
A-81		Sendai Nikko Building	2,538.40	2,226.50	-	-	5	87.7	54,376	76,448	
A-82	KDX Higashi Umeda Building	4,986.24	4,986.24	-	-	11	100.0	137,284	103,900		
Subtotal of Office Buildings (79 properties)				324,475.11	310,232.58	31	31	899	95.6	8,760,816	12,064,107
Residential Properties	Tokyo Metropolitan Area	B-3	Court Mejiro	2,046.79	2,046.79	20	20	20	100.0	38,814	15,857
		B-19	Residence Charmante Tsukishima	7,711.14	7,711.14	140	140	1 (Note 9)	100.0	149,371	50,580
	Other Regional Areas	B-18	Venus Hibarigaoka	12,829.64	12,084.74	159	150	111	94.2	91,587	24,348
Subtotal of Residential Properties (3 properties)				22,587.57	21,842.67	319	310	132	96.7	279,774	90,785
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	4,653.40	4,653.40	-	-	12	100.0	268,979	279,259
		C-2	KDX Yoyogi Building	1,177.00	1,177.00	-	-	11	100.0	74,691	108,150
		C-4	Ginza 4chome Tower	5,624.23	5,624.23	-	-	4	100.0	113,990	346,121
Subtotal of Central Urban Retail Properties (3 properties)				11,454.63	11,454.63	-	-	27	100.0	457,662	733,531
Total of 85 properties				358,517.31	343,529.88	350	341	1,058 (Note 10)	95.8	9,498,253	12,888,424
Occupancy Ratio over the Past Five Years				April 30, 2009	95.7%						
				October 31, 2009	94.7%						
				April 30, 2010	94.4%						

October 31, 2010	93.6%
April 30, 2011	94.6%
October 31, 2011	94.7%
April 30, 2012	95.4%
October 31, 2012	95.5%
April 30, 2013	93.9%
October 31, 2013	95.8%

Notes:

- Total leasable floor area refers to the leasable floor area for each Property including the building (aggregate total of the leasable floor area of each building in the case of more than one building), excluding land (including land for one-story parking) identified in lease agreements or construction completion plans.
- Total leased floor area refers to the area identified in lease agreements with end tenants or sub-lease agreements.
- The total number of leasable residential units and the number of leased residential units refers to the portion of the building used for residential purposes.
- The total number of leased residential units refers to the number of residential units among leasable residential units for which lease agreements with end tenants or sub-lease agreements are signed.
- The total number of tenants refers to the actual number of end tenants for each property. However, for Residence Charmante Tsukishima, please refer to Note 9.
- The occupancy ratio is calculated by dividing leased floor area by total leasable floor area. Figures are rounded to the nearest first decimal place.
- Total rental and other operating revenues cover all income, including that from rental revenue, common charges, and parking space rental revenues, rounded to the nearest one thousand yen. Total real estate business rental revenues refers to the total amount of revenues generated during the fiscal period under review from real estate rental operations including leasing revenues, common charges and parking revenues rounded down to the nearest thousand yen.

(Reference) Total operating rental and other revenues for properties sold during the Sixteenth Fiscal Period

Type of Property	No.	Property Name	Total Rental and Other Operating Revenues (¥thousands)
Office Building	A-76	Ikebukuro Nikko Building	3,446

- Guarantee and security deposits refers to the total of the balances of security deposits held (including net security deposits in the case of discount) and guarantee deposits, both identified in lease agreements or sub-lease agreements, with the figure rounded down to the nearest thousand yen.
- Residence Charmante Tsukishima: Because we have concluded a rental guarantee (fixed-term lease: until January 30, 2014) fixed-term building lease contract (term of contract: to January 30, 2029) with Sekiwa Real Estate, Ltd., a master lessor, the total number of tenants is indicated as 1.
- The number presented does not reflect the adjustment for end-tenants who are overlapping in multiple properties.

(iv) Information concerning major real estate properties

There were no major real estate properties with real estate business rental revenues exceeding 10% of total real estate business rental revenues for the sixteenth fiscal period (fiscal period ended October 31, 2013).

(v) Information concerning major tenants

①Tenant which holds more than 10% of the total leased area: Not applicable

②Reference: Major end tenants

(As of October 31, 2013)

	Name of End Tenant	Property Name	Leased Floor Area	Percentage of Total Leased Floor Area (Note 1)
1	SMBC Nikko Securities, Inc.	Kabutocho Nikko Building II, Tachikawa Ekimae Building, KDX Nagoya Ekimae Building, Nagoya Nikko Shoken Building, Sendai Nikko Building,	7,714.37 m ²	2.2%
2	Sekiwa Real Estate, Ltd.	Residence Charmante Tsukishima	7,711.14 m ²	2.2%
3	N / A (Note 2)	KDX Kawasaki-Ekimae Hon-cho Building	5,124.98 m ²	1.5%
4	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Toranomon Toyo Building, Harajuku FF Building, KDX Yoyogi Building	3,955.36 m ²	1.2%
5	Kenedix, Inc.	KDX Shinbashi Building, KDX Nihonbashi Kabutocho Building	3,782.19 m ²	1.1%
		Subtotal	28,288.04 m ²	8.2%
		Total Portfolio	343,529.88 m ²	100.0%

Notes:

- Percentage of total leased floor area refers to the floor area leased to each end tenant as a proportion of total leased floor area. Figures are rounded to the nearest first decimal place.
- Not disclosed due to the tenants' request.

【Reference】 Earnings Performance for the Individual Properties for the 17th Fiscal Period (May 1, 2013 to October 31, 2013) : 184days ※As of October 31, 2013

Type	Office Buildings																
Location	Tokyo Metropolitan Area																
Property No.	A01	A03	A04	A05	A06	A07	A08	A13	A14	A15	A16	A17	A19	A20	A21	A22	
Property Name	KDX Nihonbashi 313 Building	Higashi-Kayabacho Yuraku Building	KDX Hatchobori Building	KDX Nakano-Sakaue Building	Harajuku F.F. Building	FIK Minami Aoyama	Kanda Kihara Building	KDX Kojimachi Building	KDX Funabashi Building	KDX Hamacho Building	Toshin 24 Building	KDX Ebisu Building	KDX Hamamatsucho Building	KDX Kayabacho Building	KDX Shinbashi Building	KDX Shin-Yokohama Building	
Acquisition Date	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	November 1, 2005	March 1, 2006	March 16, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	
Price Information	Acquisition price (¥ Millions)	5,940	4,450	3,680	2,533	2,450	2,270	1,950	5,950	2,252	2,300	5,300	4,640	3,460	2,780	2,690	2,520
	Percentage of total portfolio	1.9%	1.5%	1.2%	0.8%	0.8%	0.7%	0.6%	2.0%	0.7%	0.8%	1.7%	1.5%	1.1%	0.9%	0.9%	0.8%
	Net book value (¥ Millions)	6,030	4,281	3,421	2,426	2,424	2,236	1,837	5,670	2,349	2,214	5,023	4,533	3,186	2,826	2,676	2,397
	Appraisal value at the end of period (¥ Millions)	6,470	4,780	3,390	2,270	3,030	2,240	1,710	4,350	1,950	2,200	4,000	4,200	3,160	2,430	2,380	2,160
Lease Information	Percentage of total appraisal value	2.3%	1.7%	1.2%	0.8%	1.1%	0.8%	0.6%	1.6%	0.7%	0.8%	1.4%	1.5%	1.1%	0.9%	0.9%	0.8%
	Number of tenants	10	8	5	25	3	7	9	10	24	9	17	5	9	7	5	18
	Leasable floor area (㎡)	5,889.32	4,379.66	3,323.73	4,390.27	3,068.36	1,814.56	1,947.62	3,793.02	3,836.02	3,101.38	6,624.74	3,074.47	2,724.35	3,019.93	1,696.42	4,792.64
	Leased floor area (㎡)	5,889.32	4,379.66	3,323.73	4,390.27	3,068.36	1,814.56	1,483.45	3,793.02	3,836.02	2,749.76	6,038.32	2,564.80	2,724.35	3,019.93	1,696.42	4,453.74
	Occupancy ratio																
	As of October 31, 2013	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	76.2%	100.0%	100.0%	88.7%	91.1%	83.4%	100.0%	100.0%	100.0%	92.9%
	As of April 30, 2013	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	86.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	92.9%
	As of October 31, 2012	100.0%	89.1%	100.0%	100.0%	100.0%	100.0%	88.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	95.4%
	As of April 30, 2012	94.6%	100.0%	100.0%	98.3%	100.0%	100.0%	100.0%	100.0%	100.0%	95.0%	100.0%	100.0%	100.0%	100.0%	99.5%	97.9%
	As of October 31, 2011	85.2%	100.0%	100.0%	84.1%	100.0%	100.0%	100.0%	100.0%	98.7%	95.0%	100.0%	100.0%	100.0%	100.0%	100.0%	93.1%
	As of April 30, 2011	71.8%	100.0%	100.0%	100.0%	100.0%	100.0%	93.5%	100.0%	100.0%	100.0%	84.7%	100.0%	100.0%	100.0%	100.0%	93.1%
	As of October 31, 2010	100.0%	100.0%	100.0%	96.5%	100.0%	100.0%	100.0%	91.9%	98.5%	93.9%	72.7%	83.4%	100.0%	100.0%	100.0%	74.0%
	As of April 30, 2010	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	77.1%	100.0%	100.0%	100.0%	84.1%	100.0%	100.0%	100.0%	100.0%	86.3%
	As of October 31, 2009	100.0%	100.0%	93.1%	91.3%	100.0%	100.0%	100.0%	86.7%	100.0%	100.0%	93.3%	100.0%	100.0%	100.0%	100.0%	93.1%
	As of April 30, 2009	100.0%	100.0%	100.0%	92.3%	100.0%	100.0%	100.0%	88.6%	100.0%	100.0%	100.0%	83.4%	87.7%	100.0%	100.0%	93.1%
	Income and Retained Earnings Information for the 17th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
		①Rental and other operating revenues (¥ Thousands)	199,902	117,465	126,951	87,134	109,230	74,708	47,616	147,100	103,961	84,297	174,624	124,266	100,183	83,835	83,571
Rental revenues		179,652	103,110	109,546	72,055	99,104	68,300	43,111	122,685	89,338	73,441	139,063	106,500	89,292	73,829	75,732	81,240
Other operating revenues		20,249	14,355	17,404	15,078	10,125	6,407	4,504	24,415	14,622	10,856	35,561	17,766	10,890	10,005	7,839	14,033
②Property-related expenses (¥ Thousands)		56,167	36,660	47,844	29,797	24,460	18,430	15,934	56,612	31,321	24,437	52,916	34,993	27,502	25,419	25,806	29,368
Property management fees		16,126	11,124	11,839	9,048	6,833	5,305	5,086	10,097	13,071	8,604	17,153	9,121	7,334	7,186	6,486	11,741
Taxes		20,563	8,932	8,658	7,554	7,977	5,722	4,055	16,870	7,332	7,005	12,295	11,008	8,928	6,265	9,405	6,545
Utilities		17,082	8,023	10,585	10,188	6,950	5,998	4,937	14,019	10,125	6,907	22,036	11,642	7,307	8,046	6,979	9,330
Repairs and maintenance costs		612	204	12,222	1,397	453	234	383	11,287	520	829	305	1,929	1,512	3,014	353	840
Insurance		221	151	137	169	103	55	60	155	146	109	230	116	89	100	78	148
Trust fees and other expenses	1,561	7,924	4,401	1,438	2,143	1,113	1,411	4,181	125	980	895	1,173	2,330	807	2,503	762	
③NOI (=①-②) (¥ Thousands)	143,734	81,104	79,107	57,337	84,769	56,277	31,681	90,488	72,639	59,859	121,708	89,273	72,680	58,416	57,765	65,906	
④Depreciation (¥ Thousands)	27,424	26,945	18,776	15,371	9,445	6,569	8,119	19,720	19,355	18,253	35,574	18,838	22,813	17,432	6,670	22,217	
⑤Rental operating income (=③-④) (¥ Thousands)	116,310	54,159	60,330	41,966	75,324	49,707	23,562	70,767	53,283	41,605	86,133	70,435	49,866	40,983	51,094	43,688	
⑥Capital expenditures (¥ Thousands)	-	6,008	118,064	9,471	-	600	10,070	89,246	700	1,480	2,771	18,275	3,465	600	-	5,666	
⑦NCF (=⑤-⑥) (¥ Thousands)	143,734	75,096	△38,957	47,865	84,769	55,677	21,611	1,241	71,939	58,379	118,936	70,997	69,215	57,816	57,765	60,240	
Reference	Expense ratio (=②/①)	28.1%	31.0%	37.7%	34.2%	22.4%	24.7%	33.5%	38.5%	30.1%	29.0%	30.3%	28.2%	27.5%	30.3%	30.8%	
	Property tax for the year 2013 (¥ Thousands)	41,127	17,864	17,316	15,108	15,955	11,445	8,109	33,740	14,667	14,011	24,591	22,017	17,857	12,531	18,809	13,092
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	7,013	4,052	4,205	2,948	3,959	2,673	1,618	4,848	3,604	2,941	6,047	4,357	3,527	2,903	2,884	3,289
	Reference: Percentage of rental and other operating revenues	3.51%	3.45%	3.31%	3.38%	3.62%	3.58%	3.40%	3.30%	3.47%	3.49%	3.46%	3.51%	3.52%	3.46%	3.45%	3.45%
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yr (¥ Thousands)	214,470	107,050	158,190	141,400	160,510	71,790	80,430	180,970	160,670	134,170	217,670	147,940	135,060	120,000	133,340	152,030
Reference: Amount of yearly avg.	17,872	8,920	13,182	11,783	13,375	5,982	6,702	15,080	13,389	11,180	18,139	12,328	11,255	10,000	11,111	12,669	

[Reference]

Earnings Performance for the Individual Properties for the 17th Fiscal Period (May 1, 2013 to October 31, 2013) : 184days ※As of October 31, 2013

Type	Office Buildings																	
Location	Tokyo Metropolitan Area																	
Property No.	A26	A27	A28	A29	A30	A31	A32	A33	A34	A35	A37	A38	A39	A40	A41	A45		
Property Name	KDX Kiba Building	KDX Kajicho Building	KDX Nogizaka Building	KDX Higashi-Shinjuku Building	KDX Nishi-Gotanda Building	KDX Monzen-Nakacho Building	KDX Shiba-Daimon Building	KDX Okachimachi Building	KDX Hon-Atsugi Building	KDX Hachioji Building	KDX Ochanomizu Building	KDX Nishi-Shinjuku Building	KDX Toranomon Building	Toranomon Toyo Building	KDX Shinjuku 286 Building	KDX Roppongi 228 Building		
Acquisition Date	June 20, 2006	July 3, 2006	July 14, 2006	September 1, 2006	December 1, 2006	January 19, 2007	March 1, 2007	March 1, 2007	March 1, 2007	March 1, 2007	April 2, 2007	April 2, 2007	April 17, 2007	June 1, 2007	June 1, 2007	January 10, 2008		
Price Information	Acquisition price (¥ Millions)	1,580	2,350	1,065	2,950	4,200	1,400	6,090	2,000	1,305	4,200	1,155	6,400	1,500	4,400	9,850	2,300	3,300
	Percentage of total portfolio	0.5%	0.8%	0.3%	1.0%	1.4%	0.5%	2.0%	0.7%	0.4%	0.4%	2.1%	0.5%	1.4%	3.2%	0.8%	1.1%	
	Net book value (¥ Millions)	1,529	2,355	1,111	3,145	4,048	1,379	6,194	2,099	1,146	1,272	6,571	1,565	4,754	9,820	2,369	3,426	
	Appraisal value at the end of period (¥ Millions)	1,370	2,330	680	3,340	3,750	1,140	4,510	1,850	1,050	979	6,180	1,130	3,380	10,300	2,250	2,120	
Lease Information	Percentage of total appraisal value	0.5%	0.8%	0.2%	1.2%	1.3%	0.4%	1.6%	0.7%	0.4%	2.2%	0.4%	1.2%	3.7%	0.8%	0.8%		
	Number of tenants	6	10	6	6	5	7	10	2	9	8	7	8	7	9	9	6	
	Leasable floor area (㎡)	2,452.94	2,564.65	1,251.40	5,930.96	3,881.58	2,008.74	5,997.36	1,792.54	2,746.89	2,178.61	5,880.71	1,593.60	1,966.56	6,499.63	2,444.43	1,908.14	
	Leased floor area (㎡)	2,452.94	2,564.65	1,251.40	5,930.96	3,881.58	2,008.74	5,572.87	1,792.54	2,445.30	2,178.61	5,880.71	1,593.60	1,966.56	6,299.81	2,444.43	1,204.28	
	Occupancy ratio																	
	As of October 31, 2013	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	92.9%	100.0%	89.0%	100.0%	100.0%	100.0%	100.0%	96.9%	100.0%	63.1%	
	As of April 30, 2013	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	79.1%	100.0%	95.7%	100.0%	100.0%	100.0%	100.0%	96.9%	100.0%	54.4%	
	As of October 31, 2012	100.0%	100.0%	78.1%	100.0%	100.0%	100.0%	82.8%	100.0%	86.0%	100.0%	90.1%	100.0%	100.0%	96.9%	100.0%	54.4%	
	As of April 30, 2012	100.0%	100.0%	100.0%	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.6%	100.0%	95.1%	100.0%	65.1%	
	As of October 31, 2011	100.0%	100.0%	100.0%	83.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	65.1%	
As of April 30, 2011	100.0%	100.0%	56.2%	100.0%	100.0%	100.0%	84.3%	100.0%	100.0%	100.0%	100.0%	87.6%	100.0%	100.0%	100.0%	65.1%		
As of October 31, 2010	100.0%	100.0%	78.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	96.4%	100.0%	87.6%	100.0%	95.4%	100.0%	65.1%		
As of April 30, 2010	100.0%	75.1%	78.1%	100.0%	100.0%	100.0%	97.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	93.9%	100.0%	65.1%		
As of October 31, 2009	100.0%	94.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	85.6%	100.0%	100.0%	100.0%	89.3%	100.0%	52.4%		
As of April 30, 2009	100.0%	100.0%	87.7%	97.0%	91.9%	100.0%	100.0%	100.0%	100.0%	85.6%	100.0%	100.0%	78.6%	100.0%	100.0%	65.2%		
Income and Retained Earnings Information for the 17th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days		
	①Rental and other operating revenues (¥ Thousands)	59,101	78,343	26,348	130,558	145,439	47,061	101,592	68,017	48,206	50,777	174,257	48,297	102,392	304,227	85,199	39,690	
	Rental revenues	51,387	68,537	21,524	114,255	123,045	36,518	90,291	58,613	39,597	42,766	160,629	40,751	95,849	290,780	71,640	34,334	
	Other operating revenues	7,714	9,806	4,823	16,302	22,394	10,543	11,300	9,404	8,609	8,010	13,627	7,546	6,542	13,447	13,558	5,356	
	②Property-related expenses (¥ Thousands)	19,748	20,208	11,990	45,488	32,635	15,231	39,257	16,065	16,783	18,117	43,716	15,222	21,669	67,346	24,341	19,844	
	Property management fees	5,294	6,963	3,128	13,077	11,571	4,366	11,926	5,949	6,076	5,791	11,277	4,646	6,336	20,823	7,258	4,661	
	Taxes	4,745	5,325	3,533	13,445	9,065	3,139	11,301	2,921	3,629	4,088	14,662	4,287	9,162	27,374	8,000	7,130	
	Utilities	4,981	6,099	3,247	16,396	10,307	7,154	10,478	5,311	5,827	5,607	14,773	5,612	4,444	16,629	7,849	5,675	
	Repairs and maintenance costs	3,547	413	1,046	966	828	350	2,742	217	146	1,355	1,288	355	395	609	190	887	
	Insurance	74	82	40	207	141	71	180	49	100	68	207	56	65	232	97	56	
Trust fees and other expenses	1,105	1,324	994	1,395	721	150	2,626	1,616	1,004	1,205	1,506	264	1,265	1,678	946	1,433		
③NOI (=①-②) (¥ Thousands)	39,353	58,135	14,357	85,070	112,803	31,829	62,335	51,951	31,423	32,659	130,541	33,074	80,722	236,880	60,858	19,845		
④Depreciation (¥ Thousands)	11,993	12,853	5,678	19,863	28,977	9,518	30,852	8,066	12,120	10,394	27,325	6,809	13,326	12,339	9,877	5,172		
⑤Rental operating income (=③-④) (¥ Thousands)	27,360	45,281	8,679	65,207	83,826	22,311	31,482	43,885	19,302	22,265	103,216	26,265	67,396	224,541	50,981	14,673		
⑥Capital expenditures (¥ Thousands)	2,205	889	-	4,073	1,711	-	10,117	1,422	194	14,986	-	430	-	-	-	3,237		
⑦NCF (=⑤-⑥) (¥ Thousands)	37,148	57,246	14,357	80,996	111,092	31,829	52,217	50,529	31,229	17,673	130,541	32,644	80,722	236,880	60,858	16,608		
Reference	Expense ratio (=②/①)	33.4%	25.8%	45.5%	34.8%	22.4%	32.4%	38.6%	23.6%	34.8%	35.7%	25.1%	31.5%	21.2%	22.1%	28.6%	50.0%	
	Property tax for the year 2013 (¥ Thousands)	9,491	10,650	7,065	26,890	18,130	6,275	22,602	5,841	7,258	8,143	29,324	8,558	18,324	54,748	16,000	14,259	
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	2,009	2,785	830	4,400	5,270	1,610	3,345	2,448	1,625	1,702	6,220	1,660	3,737	11,043	2,980	1,215	
	Reference: Percentage of rental and other operating revenues	3.40%	3.56%	3.15%	3.37%	3.62%	3.42%	3.29%	3.60%	3.37%	3.35%	3.57%	3.44%	3.65%	3.63%	3.50%	3.06%	
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yr (¥ Thousands)	93,650	87,590	49,950	149,280	133,200	113,920	169,180	55,430	147,990	100,380	249,810	74,560	75,680	286,720	143,300	80,070	
Reference: Amount of yearly avg.	7,804	7,299	4,162	12,440	11,100	9,493	14,098	4,619	12,332	8,365	20,817	6,213	6,306	23,893	11,941	6,672		

【Reference】

Earnings Performance for the Individual Properties for the 17th Fiscal Period (May 1, 2013 to October 31, 2013) : 184days ※As of October 31, 2013

Type	Office Buildings																
Location	Tokyo Metropolitan Area																
Property No.	A46	A47	A48	A49	A50	A51	A52	A55	A56	A57	A59	A60	A61	A62	A63	A64	
Property Name	Hiei Kudan-Kita Building	KDX Shin-Yokohama 381 Building	KDX Kawasaki-Ekimae Hon-cho Building	Nissou Dai-17 Building	KDX Ikejiri-Oohashi Building	KDX Hamacho Nakanohashi Building	KDX Kanda Misaki-cho Building	Shin-toshin Maruzen Building	KDX Jimbocho Building	KDX Gobancho Building	KDX Iwamoto-cho Building	KDX Harumi Building	KDX Hamamatsucho Dai-2 Building	Koishikawa TG Building	Gotanda TG Building	KDX Nihonbashi 216 Building	
Acquisition Date	February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 29, 2008	March 31, 2008	March 31, 2008	May 1, 2008	June 30, 2008	September 1, 2008	November 18, 2009	November 18, 2009	December 1, 2009	
Price Information	Acquisition price (¥ Millions)	7,600	5,800	3,760	2,710	2,400	2,310	1,380	2,110	2,760	1,951	1,864	10,250	2,200	3,080	2,620	2,010
	Percentage of total portfolio	2.5%	1.9%	1.2%	0.9%	0.8%	0.8%	0.5%	0.7%	0.9%	0.6%	0.6%	3.4%	0.7%	1.0%	0.9%	0.7%
	Net book value (¥ Millions)	7,598	5,771	3,704	2,580	2,431	2,317	1,368	2,138	2,878	1,959	1,763	9,486	2,274	3,099	2,780	1,939
	Appraisal value at the end of period (¥ Millions)	7,450	4,010	2,990	1,570	1,500	1,770	959	1,550	1,940	1,370	1,330	8,250	1,870	3,190	2,570	1,840
Lease Information	Percentage of total appraisal value	2.7%	1.4%	1.1%	0.6%	0.5%	0.6%	0.3%	0.6%	0.7%	0.5%	0.5%	3.0%	0.7%	1.1%	0.9%	0.7%
	Number of tenants	14	42	1	7	7	9	6	5	3	7	10	7	7	5	10	8
	Leasable floor area (㎡)	6,897.59	8,131.47	5,124.98	2,739.64	2,456.72	2,239.13	1,330.06	1,912.28	2,321.80	1,649.47	1,529.91	9,294.00	1,953.50	3,945.54	3,166.56	1,615.20
	Leased floor area (㎡)	6,897.59	8,065.38	5,124.98	2,237.29	2,244.16	2,239.13	979.68	1,912.28	2,321.80	1,649.47	1,529.91	6,619.76	1,709.57	3,945.54	3,166.56	1,615.20
	Occupancy ratio																
	As of October 31, 2013	100.0%	99.2%	100.0%	81.7%	91.3%	100.0%	73.7%	100.0%	100.0%	100.0%	100.0%	71.2%	87.5%	100.0%	100.0%	100.0%
	As of April 30, 2013	100.0%	100.0%	100.0%	46.7%	91.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	72.2%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2012	100.0%	91.7%	100.0%	86.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	70.3%	87.6%	100.0%	100.0%	100.0%
	As of April 30, 2012	91.4%	91.5%	100.0%	86.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	70.3%	87.6%	100.0%	100.0%	100.0%
	As of October 31, 2011	98.8%	93.0%	100.0%	86.4%	54.9%	100.0%	100.0%	81.2%	100.0%	100.0%	100.0%	88.9%	100.0%	100.0%	80.0%	100.0%
	As of April 30, 2011	95.9%	89.5%	100.0%	86.4%	74.4%	100.0%	86.9%	100.0%	74.8%	100.0%	100.0%	98.2%	100.0%	100.0%	80.0%	100.0%
	As of October 31, 2010	85.3%	100.0%	100.0%	94.9%	91.3%	93.0%	86.9%	100.0%	94.4%	100.0%	85.7%	100.0%	98.2%	100.0%	77.1%	75.0%
	As of April 30, 2010	91.9%	100.0%	100.0%	94.9%	100.0%	100.0%	100.0%	100.0%	85.0%	85.7%	100.0%	98.2%	87.5%	100.0%	57.8%	87.5%
	As of October 31, 2009	100.0%	100.0%	100.0%	100.0%	91.3%	100.0%	100.0%	100.0%	100.0%	85.7%	75.0%	100.0%	100.0%	-	-	-
	As of April 30, 2009	100.0%	92.1%	100.0%	100.0%	82.6%	100.0%	100.0%	64.3%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-
	Income and Retained Earnings Information for the 17th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
		①Rental and other operating revenues (¥ Thousands)	249,228	168,254	103,380	46,468	57,878	67,463	28,508	58,979	69,058	36,537	45,115	169,871	59,165	130,282	103,292
Rental revenues		219,214	139,653	93,138	37,239	44,542	55,560	25,903	49,324	62,556	32,941	42,042	141,507	53,197	108,006	93,208	50,493
Other operating revenues		30,014	28,600	10,242	9,228	13,335	11,902	2,605	9,655	6,501	3,596	3,073	28,364	5,968	22,275	10,083	5,975
②Property-related expenses (¥ Thousands)		89,362	48,443	34,975	26,821	19,377	19,635	9,392	19,930	17,938	14,201	9,950	81,532	19,821	44,089	28,385	15,912
Property management fees		31,130	13,267	12,733	6,716	5,650	6,895	3,503	6,291	5,223	3,982	3,761	30,124	4,509	14,522	8,181	5,137
Taxes		24,707	12,898	7,282	5,187	6,221	5,511	2,481	4,590	6,786	4,116	3,022	18,113	7,972	9,891	8,498	4,504
Utilities		22,491	19,367	13,280	6,241	5,541	5,357	2,539	5,413	5,239	3,159	2,665	28,868	4,648	16,599	8,656	3,892
Repairs and maintenance costs		4,951	319	799	2,144	978	926	614	2,918	372	1,366	184	2,188	631	1,812	377	395
Insurance		274	256	177	102	88	93	42	66	76	48	42	332	62	161	122	56
Trust fees and other expenses		5,805	2,335	701	6,429	898	852	211	650	240	1,528	274	1,905	1,997	1,102	2,549	1,924
③NOI (=①-②) (¥ Thousands)	159,866	119,810	68,404	19,646	38,500	47,827	19,116	39,049	51,120	22,336	35,165	88,339	39,344	86,192	74,907	40,556	
④Depreciation (¥ Thousands)	17,360	48,522	30,856	15,819	11,277	12,313	4,220	7,919	9,535	10,626	13,247	77,591	5,055	14,760	13,201	11,346	
⑤Rental operating income (=③-④) (¥ Thousands)	142,506	71,288	37,548	3,827	27,223	35,514	14,896	31,130	41,585	11,709	21,918	10,747	34,288	71,431	61,705	29,210	
⑥Capital expenditures (¥ Thousands)	-	1,570	4,147	5,607	6,240	420	2,901	-	316	980	470	17,688	140	198	920	-	
⑦NCF (=⑤-⑥) (¥ Thousands)	159,866	118,240	64,257	14,039	32,259	47,407	16,214	39,049	50,804	21,356	34,695	70,650	39,204	85,994	73,987	40,556	
Reference	Expense ratio (=②/①)	35.9%	28.8%	33.8%	57.7%	33.5%	29.1%	32.9%	33.8%	26.0%	38.9%	22.1%	48.0%	33.5%	33.8%	27.5%	28.2%
	Property tax for the year 2013 (¥ Thousands)	49,415	25,797	14,459	10,374	12,441	11,007	4,961	9,757	13,569	8,230	6,041	36,225	15,942	19,782	16,996	9,009
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	8,348	5,878	3,505	1,349	1,966	2,352	971	2,000	2,452	1,201	1,638	5,269	2,010	4,417	3,636	1,980
	Reference: Percentage of rental and other operating revenues	3.35%	3.49%	3.39%	2.90%	3.40%	3.49%	3.41%	3.39%	3.55%	3.29%	3.63%	3.10%	3.40%	3.39%	3.52%	3.51%
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yr (¥ Thousands)	328,200	204,910	157,210	96,640	120,300	98,820	51,480	92,540	93,860	61,480	26,050	114,460	75,220	230,330	207,750	31,190
Reference: Amount of yearly avg.	27,350	17,075	13,100	8,053	10,025	8,235	4,290	7,711	7,821	5,123	2,170	9,538	6,268	19,194	17,312	2,599	

【Reference】

Earnings Performance for the Individual Properties for the 17th Fiscal Period (May 1, 2013 to October 31, 2013) : 184days ※As of October 31, 2013

Type	Office Buildings																
Location	Tokyo Metropolitan Area																
Property No.	A66	A67	A68	A71	A72	A73	A74	A75	A77	A78	A83	A84	A85	A86	A87	A88	
Property Name	KDX Shinjuku Building	KDX Ginza Ichome Building	KDX Nihonbashi Honcho Building	KDX Iidabashi Building	KDX Higashi-Shinagawa Building	KDX Hakozaki Building	KDX Shin-Nihonbashi Building	KDX Nihonbashi Kabutocho Building	Kabutocho Nikko Building II	Tachikawa Ekimae Building	Fuchu South Building	KDX Kasuga Building	KDX Nakameguro Building	KDX Omiya Building	Itopia Nihonbashi SA Building	Welship Higashi-Shinjuku	
Acquisition Date	February 18, 2010	November 12, 2010	November 12, 2010	July 22, 2011	July 22, 2011	July 22, 2011	July 22, 2011	December 26, 2011	December 26, 2011	December 26, 2011	September 21, 2012	September 21, 2012	September 21, 2012	March 26, 2013	August 19, 2013	September 13, 2013	
Price Information	Acquisition price (¥ Millions)	6,800	4,300	4,000	4,670	4,590	2,710	2,300	11,270	1,280	1,267	6,120	2,800	1,880	2,020	2,200	1,900
	Percentage of total portfolio	2.2%	1.4%	1.3%	1.5%	1.5%	0.9%	0.8%	3.7%	0.4%	0.4%	2.0%	0.9%	0.6%	0.7%	0.7%	0.6%
	Net book value (¥ Millions)	6,851	4,276	3,997	4,653	4,873	2,850	2,241	11,497	1,272	1,311	6,156	2,864	1,900	2,137	2,225	1,915
	Appraisal value at the end of period (¥ Millions)	6,420	5,000	4,350	5,040	4,870	2,850	2,480	11,600	1,560	1,370	6,700	3,290	2,260	2,380	2,270	2,140
Lease Information	Percentage of total appraisal value	2.3%	1.8%	1.6%	1.8%	1.7%	1.0%	0.9%	4.2%	0.6%	0.5%	2.4%	1.2%	0.8%	0.9%	0.8%	0.8%
	Number of tenants	19	4	8	5	6	8	9	7	4	5	34	13	6	17	14	7
	Leasable floor area (㎡)	5,851.30	3,573.59	3,998.39	4,429.25	7,110.62	3,992.60	2,658.79	7,562.93	1,395.78	1,612.13	10,151.48	4,344.41	2,681.29	3,819.09	3,106.42	4,037.44
	Leased floor area (㎡)	5,168.17	3,573.59	3,998.39	4,429.25	7,110.62	3,992.60	2,658.79	7,549.35	1,395.78	1,612.13	10,151.48	4,232.41	2,681.29	3,633.32	3,106.42	4,037.44
	Occupancy ratio																
	As of October 31, 2013	88.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.8%	100.0%	100.0%	100.0%	97.4%	100.0%	95.1%	100.0%	100.0%
	As of April 30, 2013	96.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	97.2%	92.4%	100.0%	95.1%	-	-
	As of October 31, 2012	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.2%	95.7%	100.0%	-	-	-
	As of April 30, 2012	97.7%	100.0%	100.0%	100.0%	89.2%	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-	-	-	-
	As of October 31, 2011	100.0%	100.0%	100.0%	100.0%	100.0%	83.3%	100.0%	-	-	-	-	-	-	-	-	-
As of April 30, 2011	100.0%	100.0%	100.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of October 31, 2010	93.7%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of April 30, 2010	93.8%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of October 31, 2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of April 30, 2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Income and Retained Earnings Information for the 17th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	74days	49days
	①Rental and other operating revenues (¥ Thousands)	221,220	135,384	138,008	165,643	180,038	114,751	81,984	43,230	54,579	63,879	305,806	119,436	79,486	106,617	47,906	20,858
	Rental revenues	178,703	125,289	127,651	148,303	157,898	103,093	74,628	34,160	48,412	54,697	269,286	108,054	68,888	87,701	36,082	16,539
	Other operating revenues	42,517	10,094	10,356	17,340	22,140	11,657	7,355	9,069	6,166	9,181	36,520	11,382	10,597	18,915	11,823	4,318
	②Property-related expenses (¥ Thousands)	82,254	34,491	33,934	41,949	56,153	32,354	24,701	97,056	16,333	20,122	97,627	36,444	21,776	38,349	8,593	6,392
	Property management fees	21,293	9,060	9,414	11,331	16,136	8,064	6,980	12,850	6,140	5,192	29,769	11,275	6,660	12,818	4,520	2,918
	Taxes	27,837	12,426	14,727	10,558	16,101	11,914	7,218	31,076	4,468	7,015	24,711	11,212	5,323	-	49	6
	Utilities	29,040	8,581	8,324	17,745	21,606	10,690	7,077	12,850	4,829	4,961	39,714	9,108	6,795	15,383	3,247	2,362
	Repairs and maintenance costs	867	591	490	1,164	783	499	491	8,593	335	1,971	1,399	3,214	2,179	9,344	487	-
	Insurance	285	131	131	155	239	174	102	344	60	75	446	170	99	151	47	47
Trust fees and other expenses	2,931	3,700	847	994	1,285	1,011	2,832	31,339	500	905	1,585	1,462	717	652	240	1,058	
③NOI (=①-②) (¥ Thousands)	138,965	100,892	104,073	123,694	123,884	82,396	57,283	Δ53,825	38,245	43,757	208,179	82,992	57,709	68,267	39,312	14,465	
④Depreciation (¥ Thousands)	15,276	11,622	9,739	15,846	25,684	22,025	22,138	71,366	9,878	3,520	43,709	18,721	8,587	9,696	3,995	2,801	
⑤Rental operating income (=③-④) (¥ Thousands)	123,689	89,270	94,334	107,847	98,199	60,371	35,144	Δ125,192	28,367	40,236	164,470	64,270	49,121	58,570	35,316	11,664	
⑥Capital expenditures (¥ Thousands)	6,254	-	-	160	987	648	-	36,512	6,403	4,512	28,682	35,523	4,286	42,336	372	-	
⑦NCF (=③-⑥) (¥ Thousands)	132,711	100,892	104,073	123,534	122,897	81,748	57,283	Δ90,338	31,842	39,244	179,496	47,468	53,422	25,931	38,940	14,465	
Reference	Expense ratio (=⑥/①)	37.2%	25.5%	24.6%	25.3%	31.2%	28.2%	30.1%	224.5%	29.9%	31.5%	31.9%	30.5%	27.4%	36.0%	17.9%	30.6%
	Property tax for the year 2013 (¥ Thousands)	55,676	24,840	29,441	21,116	32,203	23,829	14,428	62,149	8,935	14,030	49,396	22,423	10,646	13,482	13,560	21,043
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	7,350	4,821	4,940	5,904	6,202	4,023	2,842	864	1,894	2,196	10,489	4,131	2,799	3,569	1,779	720
	Reference: Percentage of rental and other operating revenues	3.32%	3.56%	3.58%	3.56%	3.45%	3.51%	3.47%	2.00%	3.47%	3.44%	3.43%	3.46%	3.52%	3.35%	3.72%	3.46%
	Long-term repairs, maintenance and renovation																
Estimated amount of 1st yr to 12th yr (¥ Thousands)	362,230	80,690	82,180	117,560	256,450	255,430	102,390	549,760	69,160	121,540	442,330	204,470	173,340	210,300	337,220	214,340	
Reference: Amount of yearly avg.	30,185	6,724	6,848	9,796	21,370	21,285	8,532	45,813	5,763	10,128	36,860	17,039	14,445	17,525	28,101	17,861	

【Reference】

Earnings Performance for the Individual Properties for the 17th Fiscal Period (May 1, 2013 to October 31, 2013) : 184days ※As of October 31, 2013

Type	Office Buildings															
Location	Other Regional Areas															
Property No.	A12	A24	A25	A36	A42	A44	A53	A54	A58	A69	A70	A79	A80	A81	A82	
Property Name	Portus Center Building	KDX Minami Semba Dai-1 Building	KDX Minami Semba Dai-2 Building	KDX Niigata Building	Karasuma Building	KDX Sendai Building	KDX Hakata-Minami Building	KDX Kitahama Building	KDX Nagoya Sakae Building	KDX Kobayashi-Doshomachi Building	Kitananojia SIA Building	KDX Nagoya Ekimae Building	Nagoya Nikko Shoken Building	Sendai Nikko Building	KDX Higashi Umeda Building	
Acquisition Date	September 21, 2005	May 1, 2006	May 1, 2006	March 1, 2007	June 1, 2007	June 1, 2007	February 1, 2008	February 1, 2008	July 1, 2009	December 1, 2010	March 25, 2011	December 26, 2011	December 26, 2011	December 26, 2011	March 28, 2012	
Price Information	Acquisition price (¥ Millions)	5,570	1,610	1,560	1,305	5,400	2,100	4,900	2,220	7,550	2,870	2,005	7,327	4,158	950	2,770
	Percentage of total portfolio	1.8%	0.5%	0.5%	0.4%	1.8%	0.7%	1.6%	0.7%	2.5%	0.9%	0.7%	2.4%	1.4%	0.3%	0.9%
	Net book value (¥ Millions)	4,447	1,498	1,339	1,436	5,321	2,113	4,752	2,158	7,289	2,596	2,050	7,829	4,249	1,051	2,784
	Appraisal value at the end of period (¥ Millions)	4,680	983	978	886	4,990	1,460	3,310	1,530	4,800	2,720	2,050	7,600	4,050	1,030	3,350
Percentage of total appraisal value	1.7%	0.4%	0.4%	0.3%	1.8%	0.5%	1.2%	0.5%	1.7%	1.0%	0.7%	2.7%	1.5%	0.4%	1.2%	
Lease Information	Number of tenants	28	12	21	21	37	30	49	11	16	13	17	19	9	5	11
	Leasable floor area (㎡)	11,533.14	3,106.75	2,697.65	4,067.25	8,745.01	3,958.39	9,926.93	3,995.50	6,923.12	7,072.23	3,788.73	7,932.43	7,994.75	2,538.40	4,986.24
	Leased floor area (㎡)	11,053.11	2,808.17	2,218.74	2,591.01	8,247.21	3,622.70	9,323.74	3,708.71	6,923.12	7,072.23	3,400.53	7,932.43	7,834.12	2,226.50	4,986.24
	Occupancy ratio															
	As of October 31, 2013	95.8%	90.4%	82.2%	63.7%	94.3%	91.5%	93.9%	92.8%	100.0%	100.0%	89.8%	100.0%	98.0%	87.7%	100.0%
	As of April 30, 2013	98.6%	94.1%	82.9%	61.9%	98.3%	96.8%	94.9%	92.8%	100.0%	100.0%	94.4%	100.0%	98.0%	75.4%	100.0%
	As of October 31, 2012	89.5%	77.7%	100.0%	67.5%	99.2%	93.8%	93.3%	92.8%	100.0%	91.3%	100.0%	93.8%	98.0%	75.4%	95.5%
	As of April 30, 2012	89.5%	86.0%	90.4%	64.1%	100.0%	96.7%	86.0%	89.2%	100.0%	95.6%	100.0%	92.8%	92.7%	75.4%	95.5%
	As of October 31, 2011	90.1%	94.7%	94.3%	64.6%	99.2%	87.4%	79.3%	84.4%	100.0%	95.6%	100.0%	-	-	-	-
	As of April 30, 2011	95.8%	95.6%	100.0%	66.7%	94.2%	99.1%	75.4%	92.8%	93.7%	91.0%	100.0%	-	-	-	-
	As of October 31, 2010	93.9%	83.1%	100.0%	65.4%	93.2%	98.7%	80.6%	96.4%	90.3%	-	-	-	-	-	-
As of April 30, 2010	88.5%	83.1%	94.1%	64.3%	93.9%	92.8%	86.2%	96.4%	90.3%	-	-	-	-	-	-	
As of October 31, 2009	88.5%	84.4%	82.1%	62.2%	86.1%	96.6%	94.4%	96.4%	72.3%	-	-	-	-	-	-	
As of April 30, 2009	93.4%	96.9%	88.1%	73.2%	93.0%	91.2%	95.8%	100.0%	-	-	-	-	-	-	-	
Income and Retained Earnings Information for the 17th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	
	①Rental and other operating revenues (¥ Thousands)	299,070	46,438	45,473	49,603	213,942	86,340	166,716	79,303	193,246	180,151	90,855	311,144	208,443	54,376	137,284
	Rental revenues	238,606	35,774	35,798	41,456	180,956	74,339	141,844	61,675	169,586	161,197	77,338	266,279	180,071	47,219	113,646
	Other operating revenues	60,464	10,663	9,674	8,146	32,986	12,000	24,872	17,628	23,660	18,954	13,516	44,864	28,371	7,156	23,638
	②Property-related expenses (¥ Thousands)	136,202	32,433	18,045	25,658	69,301	28,952	52,654	30,940	59,095	87,847	38,919	125,030	81,934	19,236	40,922
	Property management fees	76,066	6,193	5,222	10,818	20,809	11,672	14,403	7,666	18,129	15,789	9,580	31,468	27,112	6,014	9,827
	Taxes	22,826	6,546	5,331	7,657	20,844	6,796	10,040	4,609	20,552	11,673	8,687	35,839	26,779	6,915	12,488
	Utilities	27,131	6,482	5,861	5,454	22,680	7,502	23,482	11,127	18,635	17,311	9,495	38,720	23,110	4,100	17,229
	Repairs and maintenance costs	7,134	6,110	814	353	2,430	1,282	3,039	1,719	1,133	13	7,798	16,882	2,913	186	370
	Insurance	1,949	110	96	167	301	147	311	120	262	275	154	383	378	104	201
	Trust fees and other expenses	1,094	6,990	719	1,207	2,234	1,550	1,377	5,698	382	42,784	3,203	1,737	1,640	1,915	804
③NOI (=①-②) (¥ Thousands)	162,868	14,004	27,427	23,945	144,640	57,387	114,062	48,362	134,150	92,303	51,935	186,113	126,508	35,139	96,362	
④Depreciation (¥ Thousands)	51,456	13,744	12,101	13,899	30,076	19,589	36,024	14,656	71,617	53,312	16,604	26,840	12,921	6,507	35,336	
⑤Rental operating income (=③-④) (¥ Thousands)	111,411	260	15,326	10,045	114,564	37,797	78,037	33,706	62,532	38,991	35,331	159,273	113,586	28,632	61,025	
⑥Capital expenditures (¥ Thousands)	15,774	75,381	-	331	2,257	1,341	11,796	1,826	10,177	-	776	219,028	26,749	3,006	7,585	
⑦NCF (=⑤-⑥) (¥ Thousands)	147,093	Δ61,376	27,427	23,613	142,383	56,045	102,265	46,536	123,972	92,303	51,159	Δ32,914	99,758	32,133	88,776	
Reference	Expense ratio (=②/①)	45.5%	69.8%	39.7%	51.7%	32.4%	33.5%	31.6%	39.0%	30.6%	48.8%	42.8%	40.2%	39.3%	35.4%	29.8%
	Property tax for the year 2013 (¥ Thousands)	47,201	13,094	10,662	14,990	41,626	13,593	20,081	9,218	41,108	23,347	17,377	71,678	53,559	13,831	24,977
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	9,427	1,253	1,487	1,500	7,318	2,933	5,730	2,605	6,681	5,560	2,914	10,148	6,835	1,826	4,768
	Reference: Percentage of rental and other operating revenues	3.15%	2.66%	3.27%	3.03%	3.42%	3.40%	3.44%	3.29%	3.46%	3.09%	3.21%	3.26%	3.28%	3.36%	3.47%
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yr (¥ Thousands) Reference: Amount of yearly avg.	527,651 43,970	140,130 11,677	122,820 10,235	219,160 18,263	262,560 21,880	223,960 18,663	185,690 15,474	136,270 11,355	95,450 7,954	87,340 7,278	202,790 16,899	737,870 61,489	413,140 34,428	181,590 15,132	107,610 8,967

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

A-69 KDX Kobayashi Doshomachi Building: The rent for land to the land owner (Kobayashi Pharmaceutical Co., Ltd.) is stipulated according to specific terms under the land lease agreement and the annual rent to be paid is ¥80.7 million until August 2014.

【Reference】

Earnings Performance for the Individual Properties for the 17th Fiscal Period (May 1, 2013 to October 31, 2013) : 184days ※As of October 31, 2013

Type	Residential Properties			Central Urban Retail Properties			Total of 85 Properties	
Location	Tokyo Metropolitan Area		Other Regional Areas	Tokyo Metropolitan Area				
Property No.	B03	B19	B18	C01	C02	C04		
Property Name	Court Mejiro	Residence Charmante Tsukishima	Venus Hibarigaoka	Frame Jinnanzaka	KDX Yoyogi Building	Ginza 4chome Tower		
Acquisition Date	August 1, 2005	May 1, 2006	December 8, 2005	August 1, 2005	September 30, 2005	August 19, 2013		
Price Information	Acquisition price (¥ Millions)	1,250	5,353	1,800	9,900	2,479	9,800	304,800
	Percentage of total portfolio	0.4%	1.8%	0.6%	3.2%	0.8%	3.2%	100.0%
	Net book value (¥ Millions)	1,146	4,847	1,745	9,643	2,519	9,854	302,127
	Appraisal value at the end of period (¥ Millions)	973	4,600	1,560	9,420	1,950	10,500	279,238
	Percentage of total appraisal value	0.3%	1.6%	0.6%	3.4%	0.7%	3.8%	100.0%
Lease Information	Number of tenants	20	1	111	12	11	4	1,058
	Leasable floor area (㎡)	2,046.79	7,711.14	12,829.64	4,653.40	1,177.00	5,624.23	358,517.31
	Leased floor area (㎡)	2,046.79	7,711.14	12,084.74	4,653.40	1,177.00	5,624.23	343,529.88
	Occupancy ratio							
	As of October 31, 2013	100.0%	100.0%	94.2%	100.0%	100.0%	100.0%	95.8%
	As of April 30, 2013	90.1%	100.0%	96.3%	100.0%	100.0%	-	93.9%
	As of October 31, 2012	100.0%	100.0%	96.1%	100.0%	100.0%	-	95.5%
	As of April 30, 2012	95.2%	100.0%	95.0%	100.0%	100.0%	-	95.4%
	As of October 31, 2011	100.0%	100.0%	99.5%	89.5%	100.0%	-	94.7%
	As of April 30, 2011	91.3%	100.0%	96.7%	100.0%	100.0%	-	94.6%
	As of October 31, 2010	95.2%	100.0%	92.4%	100.0%	94.8%	-	93.6%
	As of April 30, 2010	95.2%	100.0%	96.3%	100.0%	87.2%	-	94.4%
As of October 31, 2009	85.3%	100.0%	96.5%	93.6%	100.0%	-	94.7%	
As of April 30, 2009	96.1%	100.0%	98.9%	96.0%	75.9%	-	95.7%	
Income and Retained Earnings Information for the 17th Fiscal Period	Operating periods	184days	184days	184days	184days	184days	74days	179days
	①Rental and other operating revenues (¥ Thousands)	38,814	149,371	91,587	268,979	74,691	113,990	9,498,253
	Rental revenues	35,327	132,064	81,546	245,439	60,231	99,033	8,233,893
	Other operating revenues	3,486	17,307	10,040	23,540	14,460	14,957	1,264,360
	②Property-related expenses (¥ Thousands)	13,233	42,014	32,414	59,703	15,185	19,909	3,142,987
	Property management fees	2,748	16,601	8,255	18,263	4,724	8,068	950,806
	Taxes	2,995	10,011	7,608	15,714	4,278	9	845,575
	Utilities	944	1,752	2,173	22,421	5,020	11,124	928,604
	Repairs and maintenance costs	2,344	4,831	7,642	1,426	-	351	173,603
	Insurance	67	289	310	155	37	63	14,367
	Trust fees and other expenses	4,134	8,528	6,423	1,722	1,124	291	230,029
	③NOI (=①-②) (¥ Thousands)	25,581	107,357	59,173	209,276	59,506	94,081	6,355,266
	④Depreciation (¥ Thousands)	11,690	45,870	21,436	58,685	9,291	17,370	1,695,996
⑤Rental operating income (=③-④) (¥ Thousands)	13,890	61,486	37,736	150,590	50,214	76,711	4,659,269	
⑥Capital expenditures (¥ Thousands)	2,907	-	-	-	1,120	-	894,028	
⑦NCF (=③-⑥) (¥ Thousands)	22,673	107,357	59,173	209,276	58,386	94,081	5,461,237	
Reference	Expense ratio (=②/①)	34.1%	28.1%	35.4%	22.2%	20.3%	17.5%	33.1%
	Property tax for the year 2013 (¥ Thousands)	5,990	20,021	15,217	31,427	8,557	41,836	1,782,429
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	1,314	4,532	3,076	9,760	2,738	4,246	323,915
	Reference: Percentage of rental and other operating revenues	3.39%	3.03%	3.36%	3.63%	3.67%	3.73%	3.41%
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yr (¥ Thousands)	74,650	301,520	339,440	82,330	39,160	161,290	14,538,651
Reference: Amount of yearly avg.	6,220	25,126	28,286	6,860	3,263	13,440	1,211,554	

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

【Reference】 Earnings Performance for the Individual Properties for the 17th Fiscal Period (May 1, 2013 to October 31, 2013) : 184days ※As of October

Type	Office Buildings			
Location	Tokyo Metropolitan Area			
Property No.	A76	Total 1 sold of Properties	Total of 86 Properties	
Property Name	Ikebukuro Nikko Building			
Acquisition Date	December 26, 2011			
Price Information	Acquisition price (¥ Millions)	1,653	1,653	-
	Percentage of total portfolio	100.0%	100.0%	-
	Revenue from sale of in the investment property(¥ Millions)	1,970	1,970	-
	Costs of the investment property (¥ Millions)	1,672	1,672	-
	Gain / Loss on sale of real estate(¥ Millions)	234	234	-
Lease Information	Number of tenants	-	-	-
	Leasable floor area (㎡)	-	-	-
	Leased floor area (㎡)	-	-	-
	Occupancy ratio			
	As of October 31, 2013	-	-	-
	As of April 30, 2013	100.0%	-	-
	As of October 31, 2012	100.0%	-	-
	As of April 30, 2012	100.0%	-	-
	As of October 31, 2011	-	-	-
	As of April 30, 2011	-	-	-
	As of October 31, 2010	-	-	-
	As of April 30, 2010	-	-	-
	As of October 31, 2009	-	-	-
As of April 30, 2009	-	-	-	
Income and Retained Earnings Information for the 17th Fiscal Period	Operating periods	10days	10days	178days
	①Rental and other operating revenues (¥ Thousands)	3,446	3,446	9,501,700
	Rental revenues	3,108	3,108	8,237,001
	Other operating revenues	338	338	1,264,698
	②Property-related expenses (¥ Thousands)	5,991	5,991	3,148,978
	Property management fees	218	218	951,025
	Taxes	5,514	5,514	851,090
	Utilities	217	217	928,822
	Repairs and maintenance costs	-	-	173,603
	Insurance	4	4	14,371
	Trust fees and other expenses	35	35	230,065
	③NOI (=①-②) (¥ Thousands)	-2,544	-2,544	6,352,721
	④Depreciation (¥ Thousands)	851	851	1,696,848
⑤Rental operating income (=③-④) (¥ Thousands)	-3,396	-3,396	4,655,873	
⑥Capital expenditures (¥ Thousands)	-	-	894,028	
⑦NCF (=⑤-⑥) (¥ Thousands)	-2,544	-2,544	5,458,693	
Reference	Expense ratio (=②/①)	173.8%	173.8%	33.1%
	Property tax for the year 2013 (¥ Thousands)	-	-	-
	Among ② of property management fee (Leasing management fees) (¥ Thousands)	68	68	323,984
	Reference: Percentage of rental and other operating revenues	2.00%	2.00%	3.41%
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yr (¥ Thousands) Reference: Amount of yearly avg.	-	-	-

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

Note:The Investment Corporation has sold Ikebukuro Nikko Building on May 10, 2013.

(Reference) Borrowings

Borrowings on a financial institution basis as of October 31, 2013 are as follows.

Classification	Lender	Drawdown Date	Balance at the Beginning of Period (¥Thousands)	Balance at the End of Period (¥Thousands)	Average Interest Rate (%) (Note 1)	Last Repayment Date	Payment Method	Usage	Remarks		
Short-Term Payable	Mitsubishi UFJ Trust and Banking Corporation	July 31, 2012	1,500,000	-	0.730	July 31, 2013	Full on maturity	(Note 2)	Unsecured/ Unguaranteed		
	Mitsubishi UFJ Trust and Banking Corporation	October 31, 2012	3,000,000	-	0.680	October 31, 2013					
	Mitsubishi UFJ Trust and Banking Corporation	January 31, 2013	1,200,000	1,200,000	0.680	January 31, 2014					
	Mizuho Bank, Ltd.	August 19, 2013	-	1,000,000	0.550	November 29, 2013					
	Mizuho Trust & Banking Co., Ltd.		-	1,000,000	0.600	February 19, 2014					
	Sumitomo Mitsui Banking Corporation	September 13, 2013	-	1,000,000	0.570	March 13, 2014					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		-	1,000,000	0.570	October 31, 2014					
	Aozora Bank, Ltd.		-	900,000	0.570						
	Mitsubishi UFJ Trust and Banking Corporation	October 31, 2013	-	3,000,000	0.548	October 31, 2014					
	Sub Total		5,700,000	9,100,000							
Current Portion of Long-Term Payable	Resona Bank, Ltd.	July 30, 2010	500,000	-	1.488	July 31, 2013	Full on maturity	(Note 2)	Unsecured/ Unguaranteed		
	Development Bank of Japan Inc.	September 1, 2006	3,000,000	-	2.124	August 31, 2013					
	Aozora Bank, Ltd.	March 31, 2011	2,000,000	-	1.525	September 30, 2013					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	September 30, 2011	1,000,000	-	1.151	October 31, 2013					
	Resona Bank, Ltd.	October 29, 2010	500,000	-	1.463	November 12, 2013					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	November 12, 2010	1,500,000	1,500,000	1.584	November 12, 2013					
	Sumitomo Mitsui Trust Bank, Limited		800,000	800,000							
	Aozora Bank, Ltd.	December 1, 2010	400,000	400,000	1.317	November 12, 2013					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		500,000	500,000							
	Sumitomo Mitsui Trust Bank, Limited		200,000	200,000							
	Aozora Bank, Ltd.	March 12, 2012	100,000	100,000	0.956	March 12, 2014					
	Sumitomo Mitsui Trust Bank, Limited		3,700,000	3,700,000						1.660	January 31, 2014
	Sumitomo Mitsui Banking Corporation		1,300,000	1,300,000						1.570	
	Aozora Bank, Ltd.		2,250,000	2,250,000							
	Development Bank of Japan Inc.	September 30, 2011	1,800,000	1,800,000	0.956	March 12, 2014					
	Sumitomo Mitsui Banking Corporation		1,800,000	1,800,000							
	Sumitomo Mitsui Trust Bank, Limited		450,000	450,000							
	Sumitomo Mitsui Trust Bank, Limited	September 30, 2011	2,500,000	2,500,000	1.161	March 31, 2014					
	Mitsubishi UFJ Trust and Banking Corporation (Note 3)	July 13, 2011	1,000,000	1,000,000	1.535	July 14, 2014					
	Sumitomo Mitsui Banking Corporation (Note 3)	July 30, 2010	3,700,000	3,700,000	1.731	July 31, 2014					
	Sumitomo Mitsui Banking Corporation (Note 3)	July 29, 2011	2,200,000	2,200,000	1.030						
	Sumitomo Mitsui Trust Bank, Limited (Note 3)		1,000,000	1,000,000	1.030						
	Resona Bank, Ltd. (Note 3)		300,000	300,000	1.398						
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	September 1, 2011	1,000,000	1,000,000	1.149	August 29, 2014					
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	March 22, 2011	2,700,000	2,700,000	1.630	September 22, 2014					
	Mizuho Trust & Banking Co., Ltd. (Note 3)	September 30, 2011	1,000,000	1,000,000	1.270	September 30, 2014					
	Development Bank of Japan Inc. (Note 3)	December 26, 2011	2,500,000	2,500,000	1.261	October 31, 2014					
	Sumitomo Mitsui Banking Corporation (Note 3)		2,000,000	2,000,000							
	Resona Bank, Ltd. (Note 3)		2,000,000	2,000,000							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Note 3)		1,000,000	1,000,000							
	Sub Total		44,700,000	37,700,000							
Long-Term Payable	Development Bank of Japan Inc.	May 1, 2006	5,000,000	5,000,000	2.731	April 30, 2016	Full on maturity	(Note 2)	Unsecured/ Unguaranteed		
	Sumitomo Mitsui Banking Corporation	January 29, 2010	1,032,000	1,008,000	2.173	January 30, 2015	(Note 4)				
	Sumitomo Mitsui Banking Corporation	February 18, 2010	1,897,500	1,840,000	2.190	February 18, 2015	(Note 5)				
	Development Bank of Japan Inc.		1,402,500	1,360,000							
	Sumitomo Mitsui Trust Bank, Limited		825,000	800,000							
	Aozora Bank, Ltd.		412,500	400,000							
	Sumitomo Mitsui Banking Corporation	April 2, 2010	1,700,000	1,650,000	2.220	April 2, 2015	(Note 6)				
	Sumitomo Mitsui Banking Corporation	November 12, 2010	1,200,000	1,200,000	1.789	November 12, 2015	Full on maturity				
	Resona Bank, Ltd.		800,000	800,000							
	Development Bank of Japan Inc.		2,300,000	2,300,000						2.023	November 12, 2017
	Sumitomo Mitsui Banking Corporation	December 1, 2010	800,000	800,000	1.461	November 12, 2015	Full on maturity				
	Resona Bank, Ltd.		200,000	200,000							
	Development Bank of Japan Inc.	February 28, 2011	700,000	700,000	2.206	November 12, 2017	Full on maturity				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		800,000	800,000						1.939	January 29, 2016
	Aozora Bank, Ltd.		3,000,000	3,000,000						1.912	August 31, 2015
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		500,000	500,000						1.952	January 29, 2016
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	March 31, 2011	2,000,000	2,000,000	1.905	January 29, 2016	Full on maturity				
	Resona Bank, Ltd.		1,000,000	1,000,000						1.306	March 31, 2016
	Aozora Bank, Ltd.	April 28, 2011	1,500,000	1,500,000	1.859	October 31, 2015	Full on maturity				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,000,000	1,000,000						1.886	January 29, 2016
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,500,000		1,500,000	0.986				February 27, 2015			
Sumitomo Mitsui Banking Corporation	September 30, 2011	2,500,000	2,500,000	1.289	March 31, 2015						

Classification	Lender	Drawdown Date	Balance at the Beginning of Period (¥Thousands)	Balance at the End of Period (¥Thousands)	Average Interest Rate (%) (Note 1)	Last Repayment Date	Payment Method	Usage	Remarks
Long-Term Payable	Sumitomo Mitsui Banking Corporation	December 26, 2011	2,500,000	2,500,000	1.338	October 31, 2015	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Development Bank of Japan Inc.		2,500,000	2,500,000	1.315				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		2,000,000	2,000,000	1.338				
	Sumitomo Mitsui Banking Corporation		2,500,000	2,500,000	1.439				
	Development Bank of Japan Inc.		2,500,000	2,500,000	1.415	October 31, 2016			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		2,000,000	2,000,000	1.439				
	Sumitomo Mitsui Banking Corporation	January 10, 2012	2,500,000	2,500,000	1.269				
	Mitsubishi UFJ Trust and Banking Corporation	January 31, 2012	1,500,000	1,500,000	1.190	January 30, 2015			
	Mizuho Bank, Ltd.	March 12, 2012	1,000,000	1,000,000	1.075	March 12, 2015			
	The Bank of Fukuoka, Ltd.	March 28, 2012	500,000	500,000	1.364	March 28, 2017			
	Sumitomo Mitsui Banking Corporation		1,400,000	1,400,000	1.770	March 28, 2019			
	Development Bank of Japan Inc.		1,000,000	1,000,000					
	Sumitomo Mitsui Trust Bank, Limited	March 30, 2012	2,000,000	2,000,000	1.211	September 30, 2015			
	Aozora Bank, Ltd.	April 27, 2012	1,000,000	1,000,000	1.271	October 30, 2015			
	Resona Bank, Ltd.	June 29, 2012	1,500,000	1,500,000	1.286	June 30, 2017			
	Sumitomo Mitsui Banking Corporation	September 21, 2012	5,000,000	5,000,000	1.158	September 21, 2017			
	Development Bank of Japan Inc.		1,000,000	1,000,000					
	Mizuho Bank, Ltd.		1,000,000	1,000,000					
	Aozora Bank, Ltd.	October 31, 2012	2,500,000	2,500,000	1.008	April 30, 2015			
	Aozora Bank, Ltd.		2,500,000	2,500,000	1.061	October 31, 2016			
	Sumitomo Mitsui Trust Bank, Limited		1,500,000	1,500,000	1.045				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		2,500,000	2,500,000	1.096	October 31, 2017			
	Aozora Bank, Ltd.		2,500,000	2,500,000	1.253	October 31, 2018			
	Resona Bank, Ltd.		December 10, 2012	500,000	500,000	0.983			
	Development Bank of Japan Inc.	December 28, 2012	2,000,000	2,000,000	1.086	December 28, 2016			
	The Bank of Fukuoka, Ltd.		500,000	500,000		December 28, 2017			
	Mizuho Trust & Banking Co., Ltd.		500,000	500,000		December 29, 2017			
	Sumitomo Mitsui Trust Bank, Limited	January 15, 2013	1,000,000	1,000,000	0.974	January 15, 2017			
	Aozora Bank, Ltd.	February 18, 2013	1,500,000	1,500,000	0.840	February 18, 2016			
	Resona Bank, Ltd.	March 26, 2013	1,000,000	1,000,000	1.036	March 26, 2018			
	Sumitomo Mitsui Banking Corporation		1,000,000	1,000,000					
	Mitsubishi UFJ Trust and Banking Corporation	April 30, 2013	1,000,000	1,000,000	0.730	April 30, 2016			
	Mitsubishi UFJ Trust and Banking Corporation	July 31, 2013	-	1,500,000	0.630	July 29, 2016			
	Resona Bank, Ltd.	July 31, 2013	-	500,000	0.730	July 31, 2018			
	Sumitomo Mitsui Banking Corporation	August 19, 2013	-	1,000,000	0.950	August 19, 2018			
	Aozora Bank, Ltd.		-	1,000,000	0.950				
	Mizuho Trust & Banking Co., Ltd.		-	500,000	0.950				
	The Bank of Fukuoka, Ltd.		-	500,000	0.950				
	Hiroshima Bank, Ltd.		-	500,000	0.969				
	The Nishi-Nippon City Bank, Ltd.	August 30, 2013	-	700,000	1.080	August 31, 2018			
The 77 Bank, Ltd.	-		500,000	1.080					
The Higashi-Nippon Bank, Limited	-		300,000	1.080					
Development Bank of Japan Inc.	-		1,500,000	1.420	August 31, 2020				
Aozora Bank, Ltd.	September 30, 2013	-	1,800,000	1.059	September 30, 2019				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	September 30, 2013	-	900,000	1.059	September 30, 2019				
Resona Bank, Ltd.	October 31, 2013	-	500,000	0.887	October 31, 2018				
	Sub Total		85,969,500	97,458,000					
	Total		136,369,500	144,258,000					

Notes:

1. The average interest rate is the weighted-average interest rate for the fiscal period and figures are rounded at third decimal places. 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.

2. Funds procured through borrowings were used to acquire real estate or trust beneficiary interests in real estate and to repay borrowings.

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

4. Repayment Method: April 30, 2010 to January 30, 2015: repayment of 24,000 thousand yen every 6 months, and January 30, 2015: repayment of 960,000 thousand yen

5. Repayment Method: February 26, 2010 to February 18, 2015: repayment of 137,500 thousand yen every 6 months, and February 18, 2015: repayment of 4,125,000 thousand yen

6. Repayment Method: August 31, 2010 to April 2, 2015: repayment of 50,000 thousand yen every 6 months, and April 2, 2015: repayment of 1,500,000 thousand yen