

Overview of the Financial Results for the Fiscal Period Ended October 31, 2006 (8th Fiscal Period)

	Results for 8 th Fiscal Period (1)	Forecast for 8 th Fiscal Period	Results for 7 th Fiscal Period (2)	Variation Compared to 7 th Fiscal Period (1)-(2)
Number of Days of Asset Management (days)	184	184	181	3
Operating Revenues (millions of yen)	3,827	3,751	3,742	85
Ordinary Profits (millions of yen)	1,531	1,451	1,452	79
Net Income (millions of yen)	1,529	1,450	1,451	78
Dividend per Unit (yen)	15,086	14,300	14,311	775
Number of Investment Properties (properties)	35	33	32	3
Average Occupancy Rate for Fiscal Period (%)	94.9	94.6	94.9	-

- Despite a slight drop in the occupancy rate for office properties compared to the previous fiscal period (7th Fiscal Period) to 96.6% (decrease of 0.2% compared to the previous fiscal period), the average occupancy rate for the 8th Fiscal Period remained at the same level as the previous fiscal period (94.9%) due to such factors as three properties being newly acquired during the 8th Fiscal Period, including one residential property that had almost full occupancy. However, in addition to the effects of property acquisitions, the reduced amount of taxes and other public charges resulting from a different frequency of taxation and the progress in rent level improvements for some office properties led to Premier securing an **increase in income of 95 million yen over the previous fiscal period in rental earnings.**
- Meanwhile, interest expenses increased 18 million yen compared to the previous fiscal period due to the acquisition of new properties using short-term loans. The result was an **income rise of 78 million yen from the previous fiscal period in net income** and a **remarkable increase of 775 yen in the payout of dividend per unit from that actually paid out in the previous fiscal period.**

Management Summary for the Fiscal Period Ended October 30, 2006 (8th Fiscal Period)

- [External Growth]** ✓ Acquired three residential properties (MEW, Across Yushima, and Premier Stage Shibakoen). Our current portfolio size (in terms of acquisition price) of all 35 properties is 97.7 billion yen. In addition, a sale and purchase agreement was concluded for Premier Stage Komagome, for which construction completion and acquisition is scheduled for February 2007. As a result, the portfolio size is soon to reach almost 100 billion yen.
- [Internal Growth]** ✓ The average occupancy rate for the fiscal period was 94.9%, which was the same level as the previous fiscal period (7th Fiscal Period).
- ✓ The favorable market conditions of Class A buildings in central Tokyo has spread to Class B buildings as well and there have been a growing number of cases where rents increase at the time of tenant replacement for office properties.
- ✓ New rents for competitive residential properties have also increased, although not as much as for office properties. The market environment surrounding condominiums for non-Japanese people has also improved.

Management Policy for the Fiscal Period Ending April 30, 2007 (9th Fiscal Period)

- Investment Policy for New Properties
 - ✓ Interpretation of environment
 - (1) The selling off of assets will decrease due to improvements in business performance at business corporations. On the other hand, exits by private funds will increase but the quality of properties overall will be low.
 - (2) The severe property acquisition environment will, although only slightly, cool off due to financial institutions revising their policies for lending to REITs and private funds among other factors.
 - ✓ Policy for projects

Pursue a more stable asset management environment through continuing proactive paths of expansion by leveraging the stability of shifts in interest-bearing liabilities to long-term and fixed-interest liabilities and LTV ratios at levels that provide a certain degree of latitude.
- Management Policy for Premier Properties
 - ✓ Set Premier apart from other REITs that specialize in residential properties by achieving internal growth backed by the upturn in the office rental market.

Forecast Budget for the Fiscal Period Ending April 30, 2007 (9th Fiscal Period)

		[Assumptions]
Number of Days of Asset Management	181 days	<ul style="list-style-type: none"> ■ Total of 36 properties, assuming that Premier Stage Komagome will be acquired to add to the 35 properties already owned as at the end of the 8th Fiscal Period. ■ The average occupancy rate for the fiscal period is expected to be 97.6% for office properties, 93.1% for residential properties and 95.5% for the entire portfolio. ■ No planned issue of new investment units.
Operating Revenues	3,966 million yen	
Ordinary Profits	1,583 million yen	
Net Income	1,581 million yen	
Dividend per Unit	15,600 yen	

*Please note that this English translation of the Japanese original document is provided solely for information purposes. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.