

Overview of Financial Results for the 9th Fiscal Period (ended April 30, 2007)

	Results for 9 th Fiscal Period (1)	Forecasts for 9 th Fiscal Period	Results for 8 th Fiscal Period (2)	Variation Compared to 8 th Fiscal Period (1)-(2)
Number of Days of Asset Management (days)	181	181	184	-3
Operating Revenues (millions of yen)	4,050	3,966	3,827	+222
Ordinary Profits (millions of yen)	1,655	1,583	1,531	+124
Net Income (millions of yen)	1,654	1,581	1,529	+124
Dividend per Unit (yen)	16,318	15,600	15,086	+1,232
Number of Investment Properties (properties)	36	36	35	+1
Average Occupancy Rate for Fiscal Period (%)	96.1	95.5	94.9	+1.2

- Concerning office properties, due in part to lease-up advancing for “The Kanagawa Science Park R&D Building,” which had been falling behind schedule, the occupancy rate improved by 1.5% over the previous fiscal period (8th Fiscal Period) to 98.1%. Furthermore, there was also a greater rise in rent levels. As for residential properties also, in addition to properties under lease-up performing favorably, both the occupancy rate and rent level distinctly recovered in the case of condominiums for foreigners. Consequently, there was an **increase in income of 168 million yen over the previous fiscal period in rental earnings.**
- On the other hand, interest expenses increased 37 million yen over the previous fiscal period from financing in short-term loans and long-term fixed loans in February in an aim to further enhance the security of finances in preparation for interest rate rises. The result was an **income rise of 124 million yen from the previous fiscal period in net income** and a **remarkable increase of 1,232 yen in the payout of dividend per unit from that actually paid out in the previous fiscal period.**

Management Summary for the 9th Fiscal Period (ended April 30, 2007)

- 【External Growth】 ✓ Acquired one residential property (Premier Stage Komagome) to total 36 properties in total. Three more properties are expected to be acquired in the next fiscal period (10th Fiscal Period), bringing the portfolio size to reach 110 billion yen.
- 【Internal Growth】 ✓ The average occupancy rate for the fiscal period improved remarkably to 96.1% from the 94.9% in the previous fiscal period (8th Fiscal Period).
- ✓ With office properties, rent is rising not only at the time of tenant replacement, but there are an increasing number of cases where there is a rise in the ongoing rent at the time of contract renewal.
- ✓ Also with residential properties that are competitive in that it is situated in the downtown, built only recently and features high specifications, the ongoing rent is rising (although only slightly) along with new rent. The market environment for condominiums targeted at foreigners has also improved and this has led to greater rent rises.

Management Policy for the 10th Fiscal Period (ending October 31, 2007)

- Investment Policy for New Properties
 - ✓ Interpretation of environment
 - (1) The competition over acquisition of superior properties continues and there is an ongoing tendency for cap rates to drop at the time of acquisition.
 - (2) Due to reinforced regulations and higher interest rates, there are great expectations that properties will be sold out of private funds.
 - ✓ Policy for projects
 - Due to the acquisition of three new properties, more than 85% of liabilities are long-term fixed liabilities with interest-bearing liability ratios of at least 50% and the resistance to interest rate rises is high.
 - Due in part to more stable investment unit prices backed by internal growth, proactive paths of expansion are being promoted.
- Management Policy for Premier Properties
 - ✓ With a favorable turn in the office rental market in the background, the selling of properties will not be considered in principle; rather, high dividends will be maintained with rental earnings alone.

Forecast Budget for the 10th Fiscal Period (ending October 31, 2007)

		【Assumptions】
Number of Days of Asset Management	184 days	■ Total of 39 properties, assuming that three properties will be acquired and be added to the 36 properties already owned as at the end of the 9 th Fiscal Period.
Operating Revenues	4,363 million yen	■ Average occupancy rate for the fiscal period is expected to be 98.0% for office properties, 94.3% for residential properties and 96.3% for the entire portfolio.
Ordinary Profits	1,708 million yen	■ No planned issue of new investment units.
Net Income	1,707 million yen	
Dividend per Unit	16,840 yen	

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