



Premier Investment Corporation

Fiscal Period

26

(6-month Period Ended October 2015)

**Earnings
Presentation**

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Fiscal Period 26 Earnings Overview

Unit: Million yen

		Actual			Forecast *1	
		FP 25 [1]	FP 26 [2]	Change [2]-[1]	[3]	Difference [2]-[3]
Operation revenue		¥7,460	¥8,076	¥616	¥7,983	¥92
	Gain on property sale	¥251	¥93	- ¥157	¥92	¥1
Operating expenses		¥4,005	¥4,391	¥385	¥4,504	- ¥113
Operating income		¥3,454	¥3,685	¥230	¥3,479	¥205
	Real estate rental income	¥3,403	¥3,816	¥413	¥3,684	¥131
Ordinary income		¥2,828	¥3,122	¥294	¥2,906	¥216
Net income		¥2,826	¥3,120	¥293	¥2,905	¥215
Reserve for reduction entry	Provisions	-	¥74	¥74	¥73	¥0
	Reversals	-	-	-	-	-
	Balance (after profit appropriation)	¥185	¥260	¥74	¥259	¥0
Distribution per unit (yen)		¥10,731	¥11,564	¥833	¥10,750	¥814
Number of investment properties		58	57	- 1	57	-
Number of investment units outstanding (as of end of period)		263,399	263,399	-	263,399	-

*1 Here, "Forecast" refers to the forecast of the operating environment in Fiscal Period 26 disclosed in the release published June 18, 2015, entitled, "Financial Report for the 25th Fiscal Period Ended April 30, 2015."

Fiscal Period 26 Earnings Overview (Major Indicators)

Average Occupancy Rate

	Fiscal Period 25	Fiscal Period 26
Office	94.8%	96.5%
Residential	95.8%	95.7%
Total	95.3%	96.2%

Borrowings (intra-period change)

	Repaid	Borrowed
Amount (billion yen)	29.3	26.3
Average interest rate *1	0.98%	0.70%
Average loan duration	3.3 years	5.2 years

NOI Yield

	Fiscal Period 25	Fiscal Period 26
Office	4.3%	5.0%
Residential	4.7%	4.7%
Total	4.4%	4.9%

Interest-bearing liabilities



	Fiscal Period 25	Fiscal Period 26
LTV (Interest-bearing liabilities)	47.2%	46.5%
Average interest rate *2	0.98%	0.91%
Average remaining maturity on debt	2.1 years	3.0 years

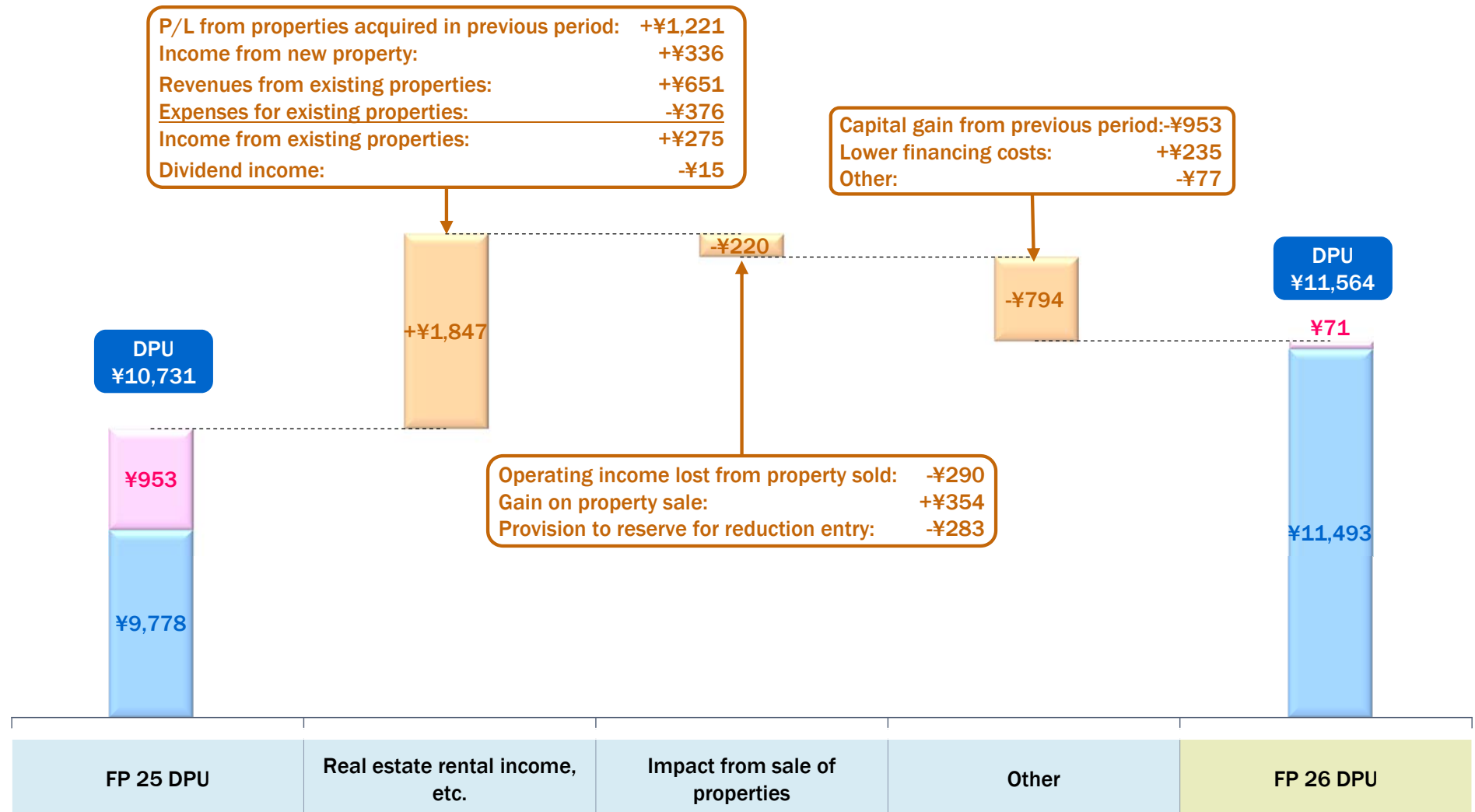
*1 The average interest rate for borrowings with floating interest rates is calculated using the applicable interest rate from the time of repayment or procurement.

*2 Calculated using the interest rate in effect as of the end of the applicable fiscal period.

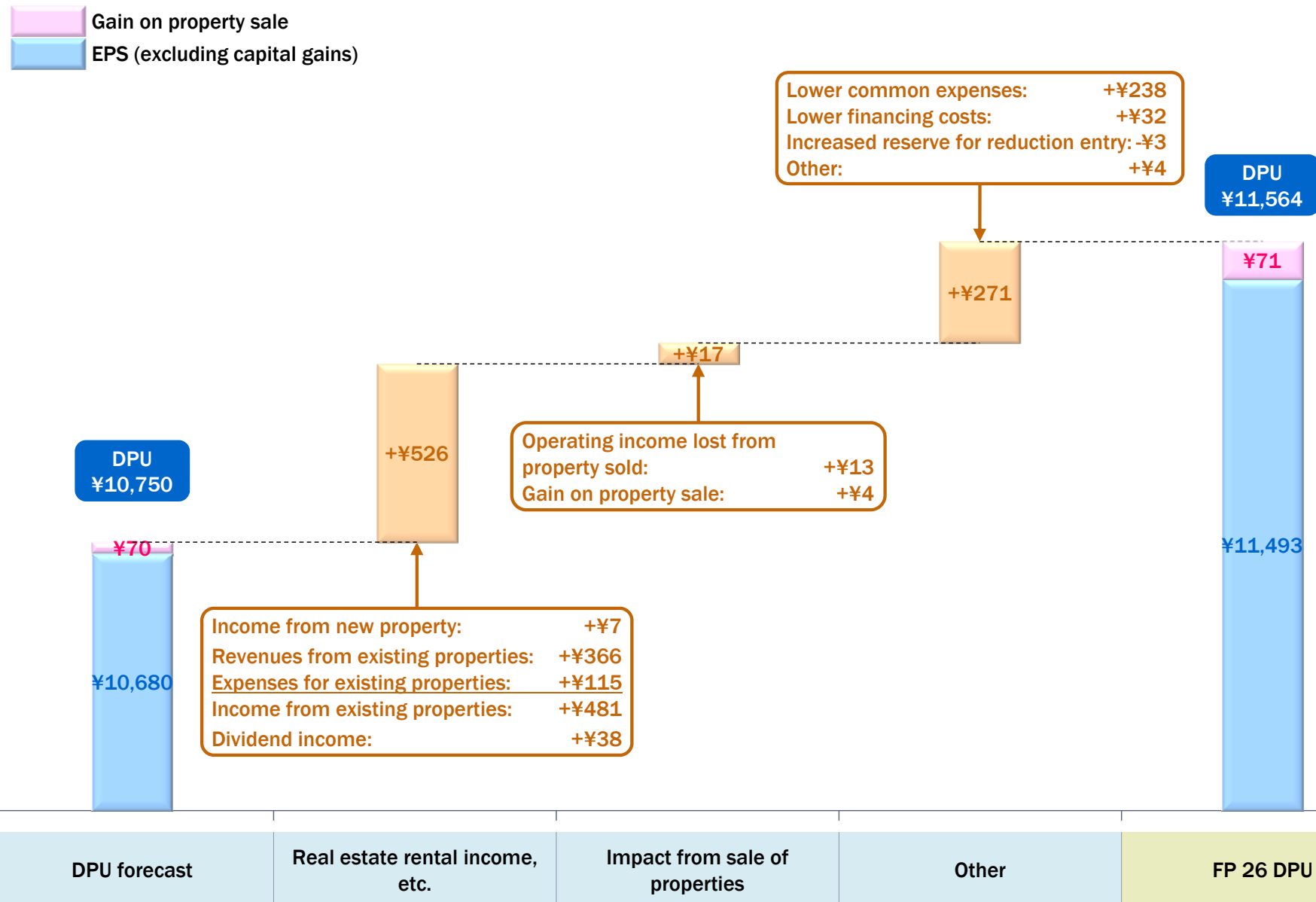
DPU Analysis (Comparison to Results from Previous Period)



 Gain on property sale
 EPS (excluding capital gains)



DPU Analysis (Comparison to Forecast from Beginning of Period)




*1 Here, "Forecast" refers to the forecast of the operating environment in Fiscal Period 26 disclosed in the release published June 18, 2015, entitled, "Financial Report for the 25th Fiscal Period Ended April 30, 2015."

Reshuffling of Assets

- Reshuffled assets as part of efforts to strengthen ties with NTT Urban Development, helping upgrade the portfolio.

Asset Acquired

Acquired a prime property from NTT UD



Property name	NTT CRED Okayama Bldg. 
Asset type	Office
Seller	NTTUD
Acquisition date	May 15, 2015
Acquisition price	3,600 million yen
Appraisal value	3,600 million yen
Location	Okayama City, Okayama
Site	4,160m ²
Gross floor area	35,299m ²
Age (end of FP 26)	16.6 years
Occupancy rate (end of FP 26)	88.3%
Rental NOI Yield (FP 26)	7.5%



Premier Investment Corporation

Assets Sold

Sold 2 residential properties to NTT UD

Property name	Sun palace Minami-Azabu 	Homat Woodville 
Asset type	Residential	
Buyer	NTTUD and a domestic corporation	
Date of sale	May 15, 2015	
Sale price	1,017 million yen	4,861 million yen
Gain or loss on sale	93 million yen	
Location	Minato Ward, Tokyo	Minato Ward, Tokyo
Site	677m ²	2,983m ²
Gross floor area	2,227m ²	8,269m ²
Age (end of FP 25)	25.4 years	26.7 years
Occupancy rate (end of FP 25)	92.0%	95.9%
Rental NOI Yield (FP 25)	4.2%	4.0%



Status of the Portfolio

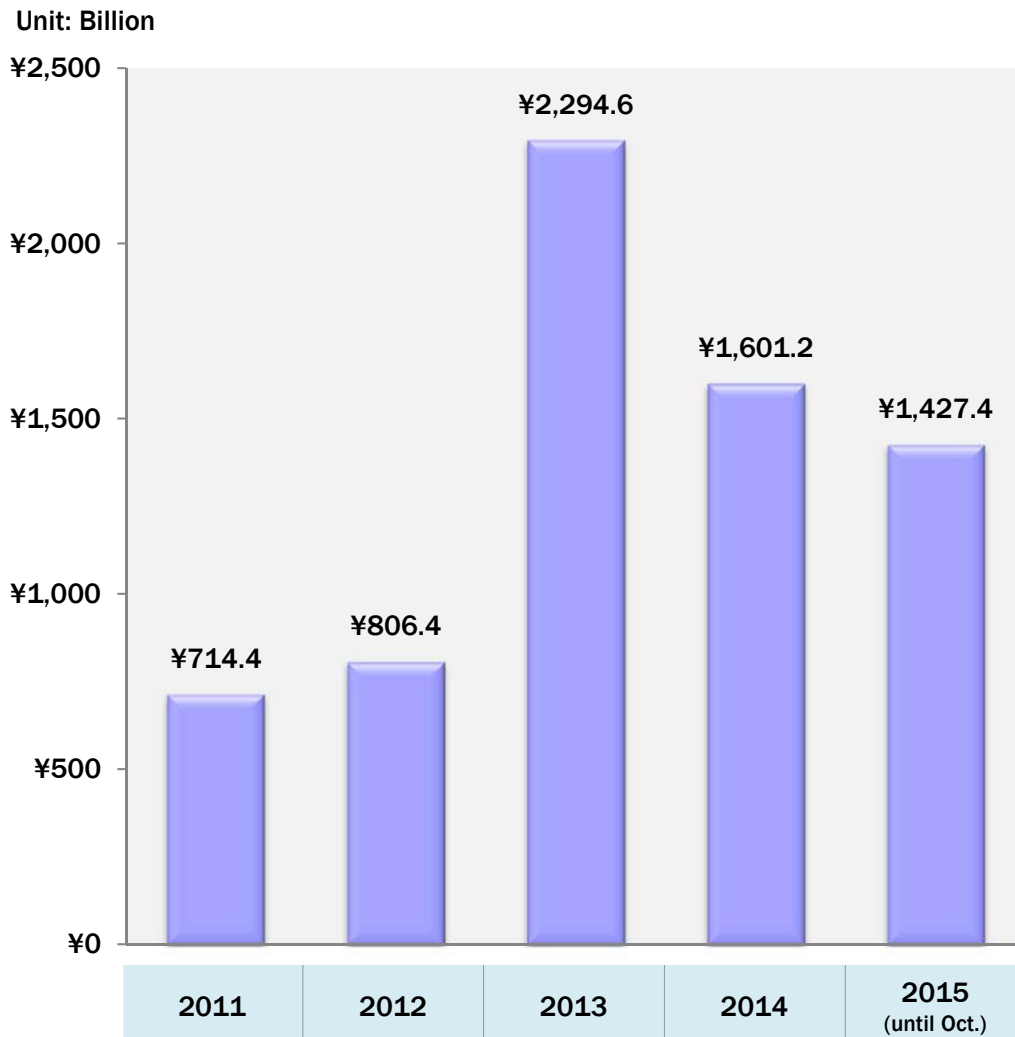
	Fiscal Period 25 (Actual)	Fiscal Period 26 (Actual)	Fiscal Period 27 (Forecast)
Number of properties	58	57	57
Asset size (total acquisition price)	235.8 billion yen	233.2 billion yen	233.2 billion yen
Average age across portfolio	19.6 years	19.8 years	20.3 years
Distribution of the Portfolio	By asset type		
	<div> <div>Office</div> <div>Residential</div> </div>		
	By geographical area		
	<div> <div>5 central wards of Tokyo</div> <div>Other 18 wards of Tokyo</div> <div>Urban areas surrounding Tokyo</div> <div>Major regional cities</div> </div>		
NOI yields	4.4%	4.9%	4.9%
Yields after depreciation	3.3%	3.8%	3.8%

Growth in Asset Size

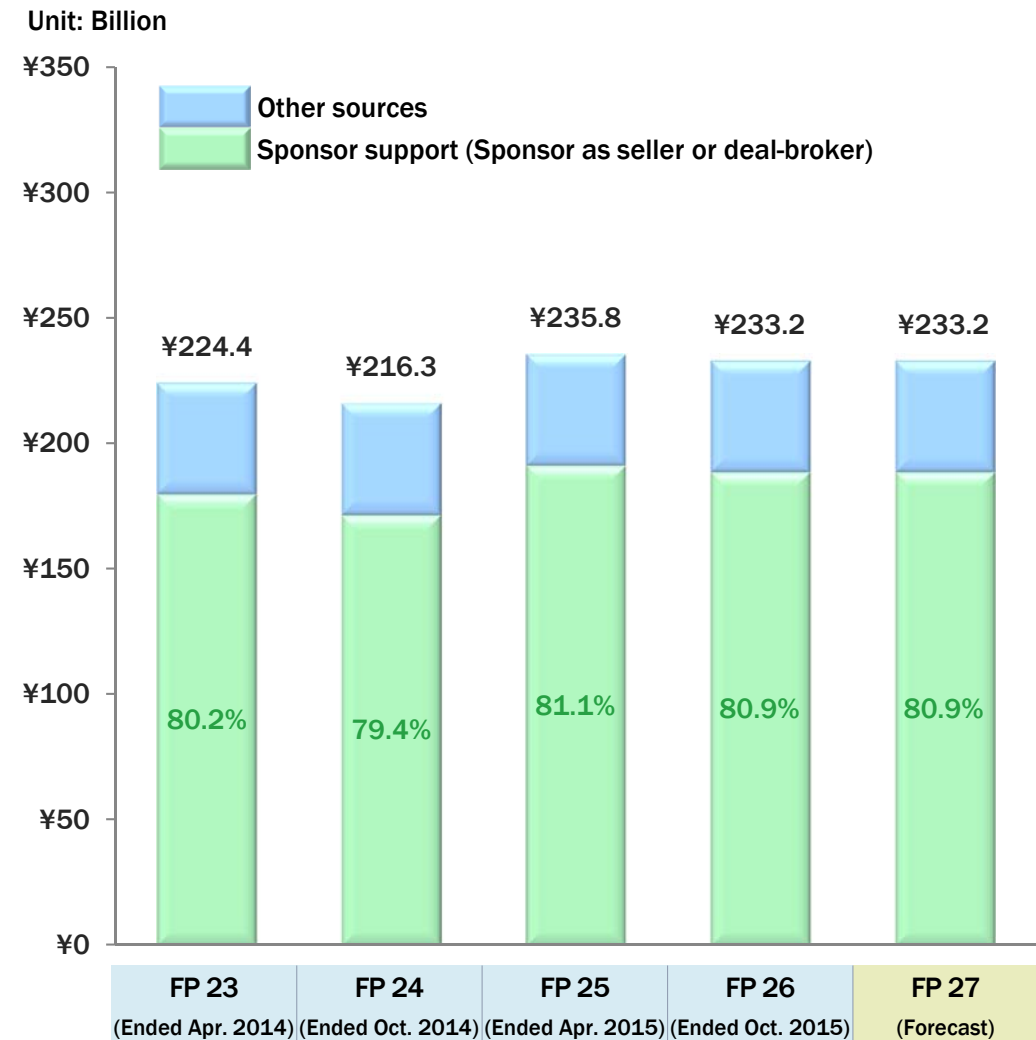
■ Since 2013, J-REITs have bought many properties.

■ Premier (PIC) has grown its asset size to ¥230 billion. More than 80% of properties have been acquired by way of the sponsor.

Property Acquisitions by J-REITs *1



PIC Portfolio Size



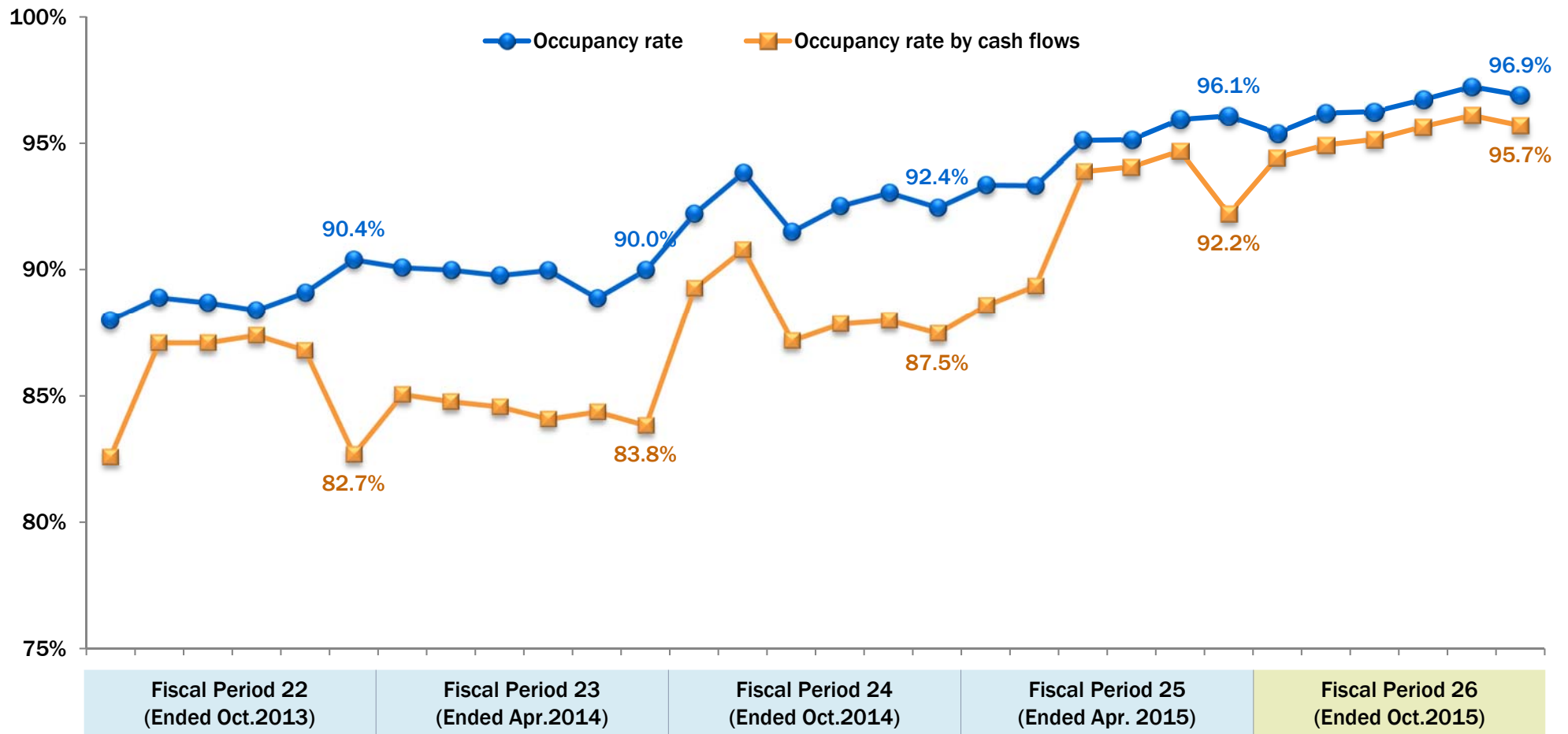
*1 Prepared by Premier REIT Advisors based on timely disclosures from listed REITs. The figures do not include assets such as silent partnership investments in private placement funds that may have been acquired by any of the REITs surveyed.

Office: Occupancy Rates

■ The occupancy rate in our office segment has trended upward, reaching 96.9% as of the end of Fiscal Period 26.

■ The gap versus occupancy rate by cash flows has shrunk, too.

Occupancy Rate and Occupancy Rate by Cash Flows

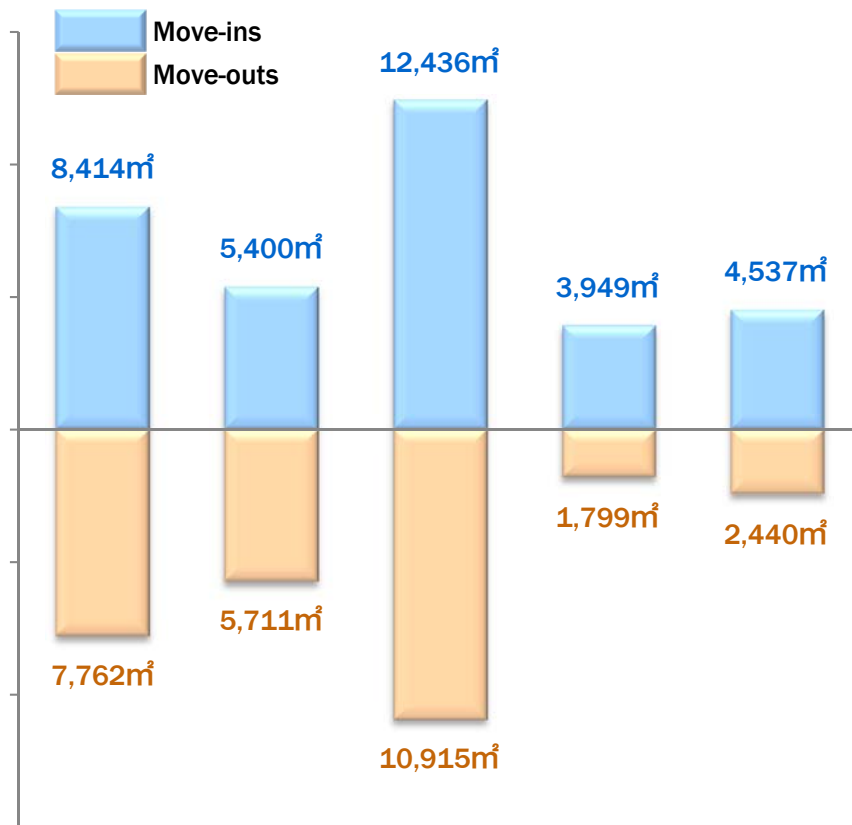


Office: Tenant Turnover and Rent Revisions

■ Tenant inflows exceeded outflows.

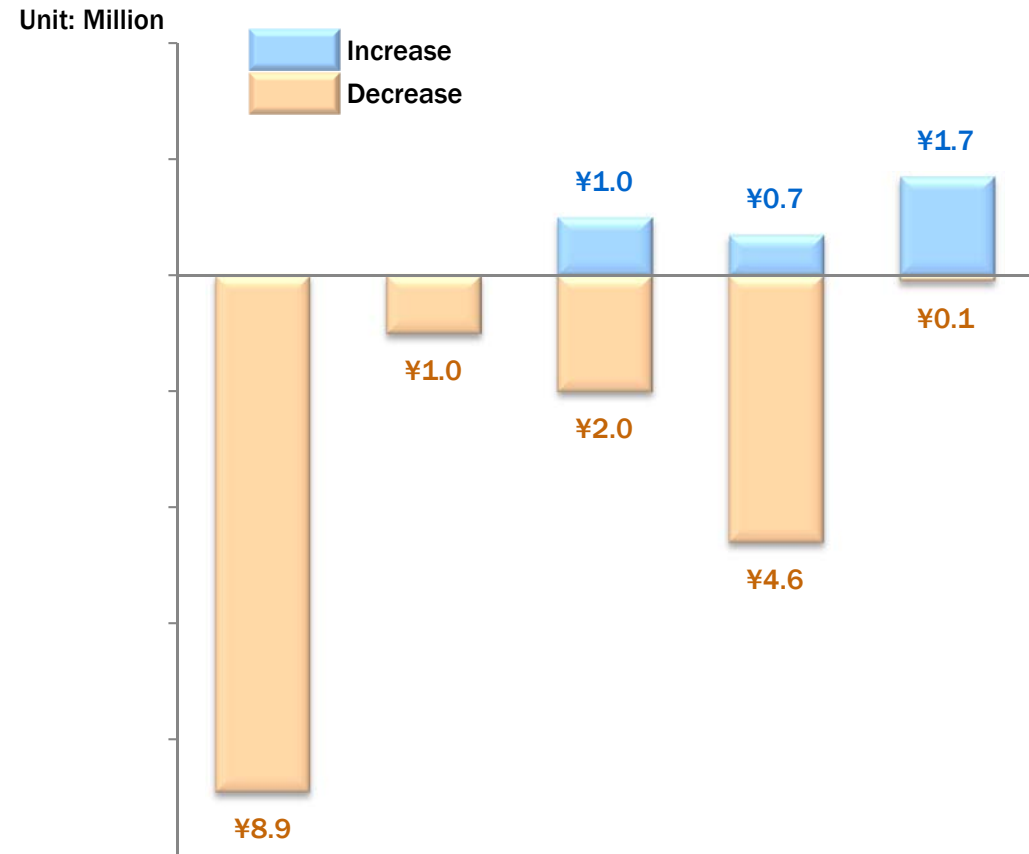
■ Rent reversions: fewer cuts, more hikes.

Office Tenant Turnover



Net difference	651m ²	- 310m ²	1,521m ²	2,149m ²	2,097m ²
	FP 22	FP 23	FP 24	FP 25	FP 26

Rent Reversions (Lease renewals)



Net difference	- ¥8.9	- ¥1.0	- ¥0.9	- ¥3.8	¥1.5
	FP 22	FP 23	FP 24	FP 25	FP 26

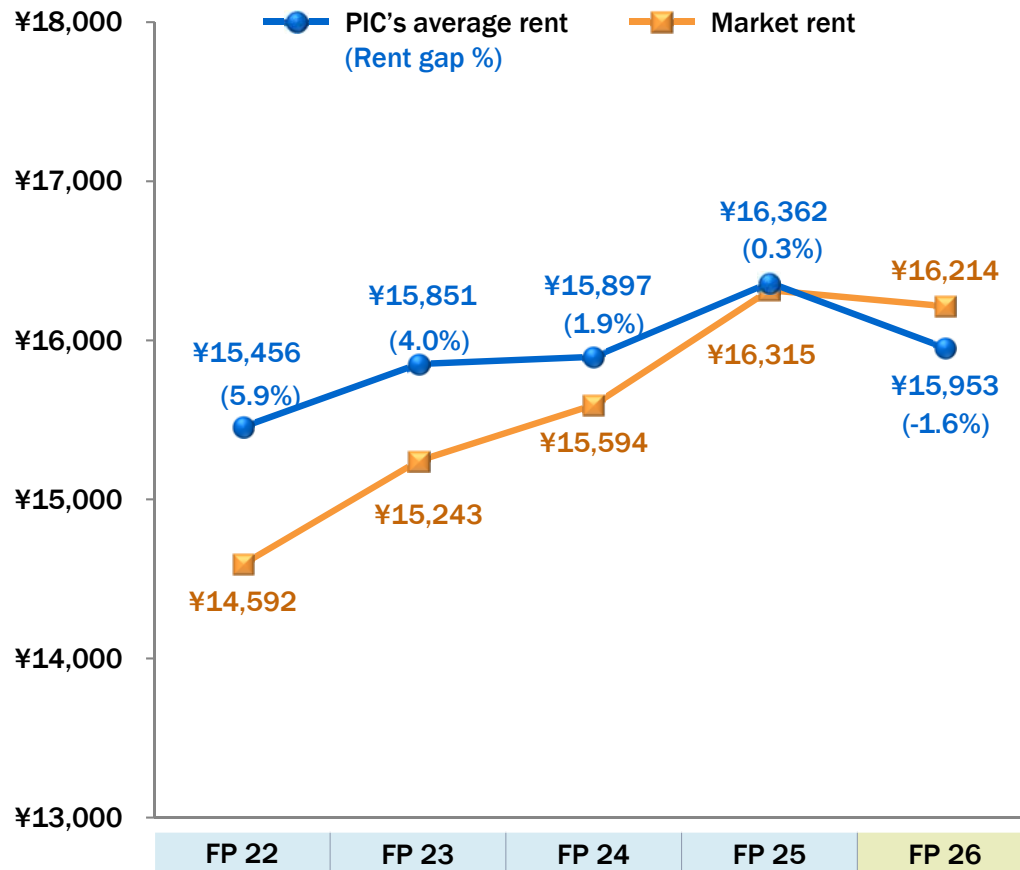
Office: Rent Analysis (Rent Gap)

- Surrounding market rents trending up.
- Gap between Premier (PIC) in-place rents and surrounding market rents is vanishing.

Even split between over- and under-rents

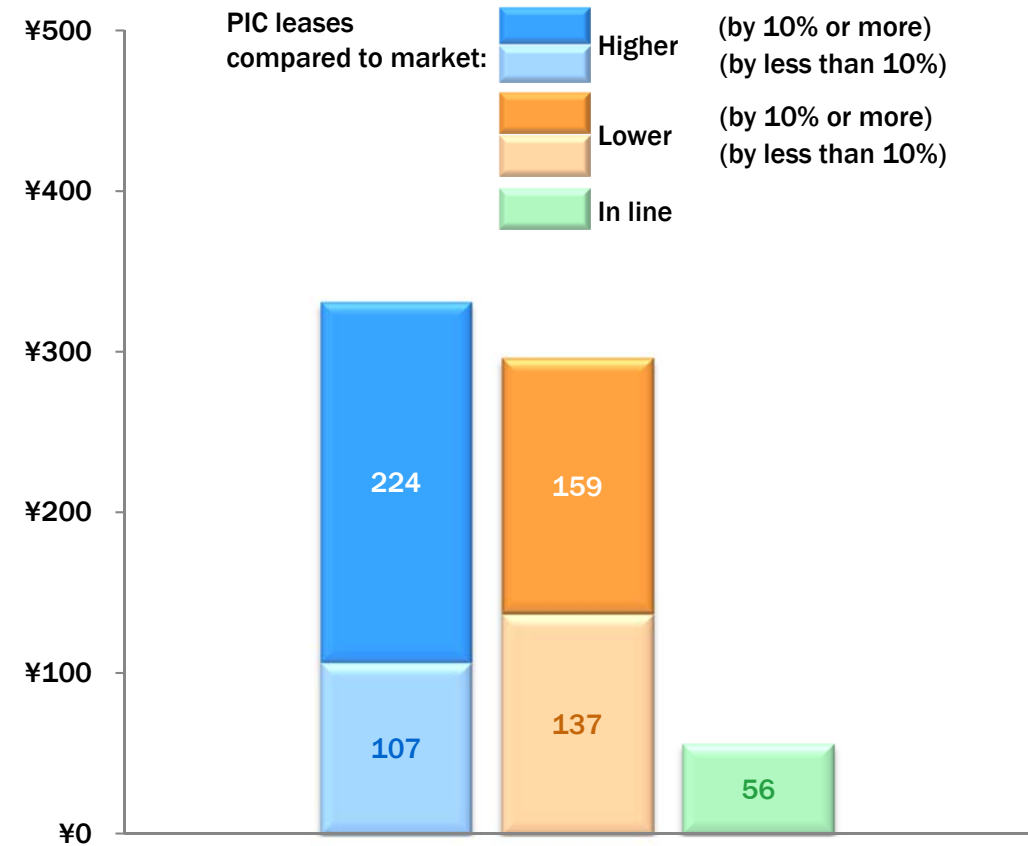
Gap Versus Market Rents *

Unit: Monthly rent per tsubo



Rent Gap Analysis (End of FP 26)

Unit: Million

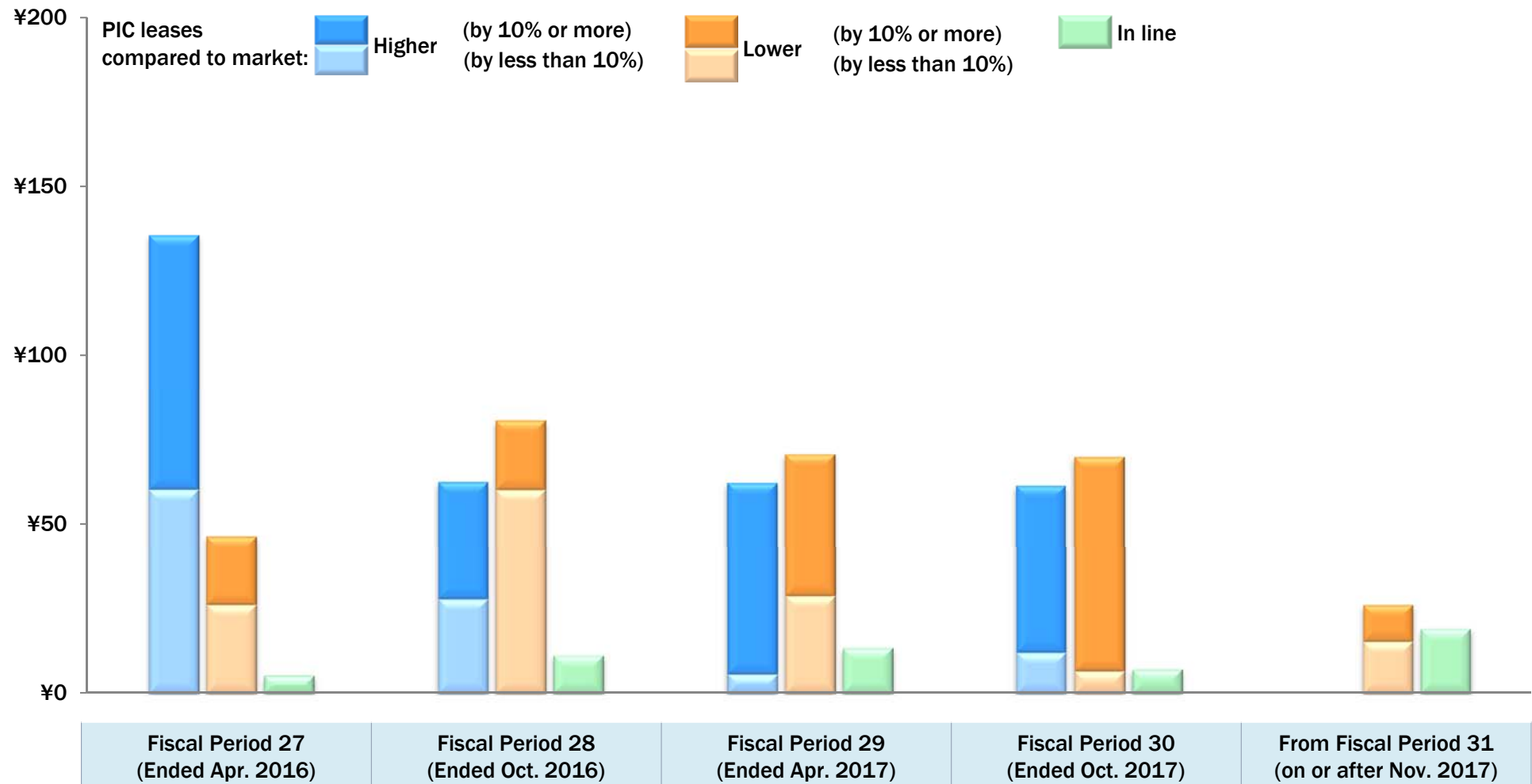


*1 The rent gap represents the gap between the market rent (surveyed every March and September) and the contract rent (as of the end of each fiscal period) for each office building in the portfolio, based on leasable area.

Office: Rent Analysis (Schedule on Contract Renewal)

■ Gap between Premier (PIC) in-place rents and surrounding market rents is gradually vanishing as leases renew.

Unit: Million

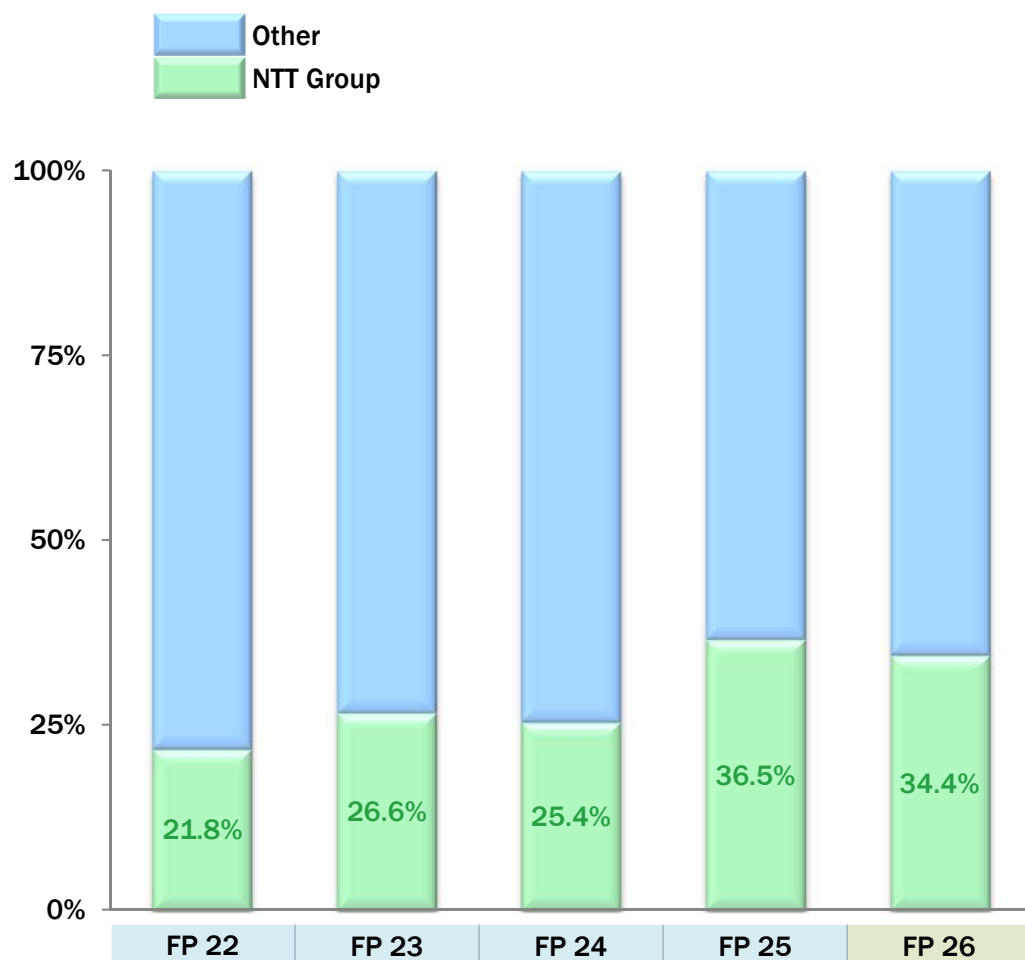


Office: Status of Tenants

■ About 34.4% of tenants belong to the NTT group of companies.

■ Many major tenants belong to the NTT Group.

Office Tenant Exposure to NTT Group



Top 10 Office Tenants *1

(as of October 31, 2015)

	Tenant	Space Leased (m ²)	%	Property name
1	Docomo CS Inc.	9,204	5.8	Urbannet Ikebukuro Bldg. NTT group
2	NTT Business Associe East Co., Ltd.	7,125	4.5	Urbannet Omori bldg. NTT group
3	Sumitomo Osaka Cement Co., Ltd.	6,872	4.3	Rokubancho Bldg.
4	NTT Urban Development Corporation	6,840	4.3	Tradepia Yodoyabashi (land) and others *2 NTT group
5	NTT Data	5,530	3.5	Urbannet Mita Bldg. NTT group
6	NTT Finance Corporation	5,417	3.4	Urbannet Ikebukuro Bldg. NTT group
7	FIELDS Corporation	4,882	3.1	KN Shibuya No.3
8	NTT Learning Systems Corporation	4,801	3.0	Urbannet Azabu Bldg. NTT group
9	Japan Display Inc.	4,140	2.6	Landic Shimbashi 2 Bldg.
10	ITOKI Corporation	4,037	2.6	Urbannet Irifune Bldg.

*1 A calculation of the office space leased by such tenants (as of the end of the applicable fiscal period) as a percentage of gross leasable area in PIC's portfolio. Where PIC owns a partial stake in a property, the calculation has been adjusted PIC's stake of ownership. Office gross leasable area is the sum of leasable area in office properties less any residential space plus any office space from residential properties.

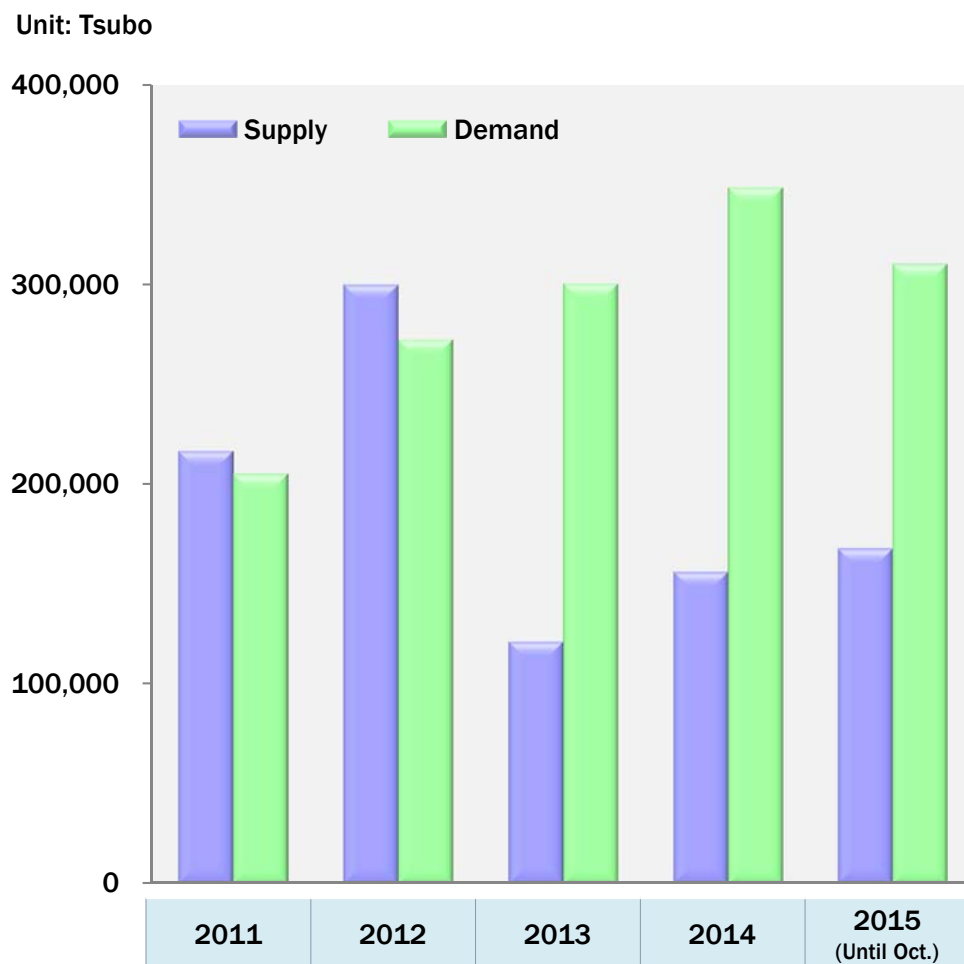
*2 Under the land lease agreement, Sumitomo Mitsui Trust Bank is lessee of the land, trustee of a trust for the building, and lessor of the building to NTT Urban Development (beneficiary).

Office: Market Trends in Tokyo

■ Demand continues to outstrip new supply of office buildings

■ Vacancy rates of large buildings have fallen to the 3% range. Also, average rents have continued to trend upward since 2014.

Supply & Demand in Tokyo's 23 Wards *1



Vacancy Rates of Large Buildings *2



Average Rents per tsubo of Large Buildings *2



*1 Prepared by Premier REIT Advisors based on the Monthly Office Market Survey by Sanko Estate Co., Ltd. The following figures are used to represent supply and demand. Supply = Combined gross leasable area of newly completed office buildings. Demand = Vacant space (unoccupied space) as of the beginning of the period + New supply (space available for lease in new buildings that came online during the period) - Vacant space as the end of the period.

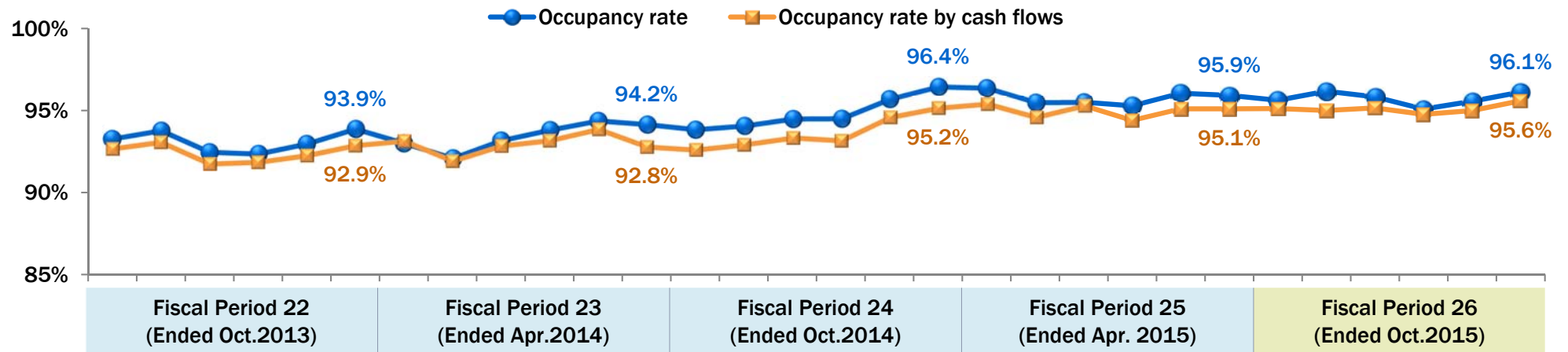
*2 Prepared by Premier REIT Advisors based on market data (November 1, 2012, until October 1, 2015) from Sanko Estate Co., Ltd. "Large buildings" refer to office buildings with at least 200 tsubo (roughly 660 m² or 7,100 ft²) per floor (as defined by Sanko Estate Co., Ltd.)

Residential: Occupancy Rates

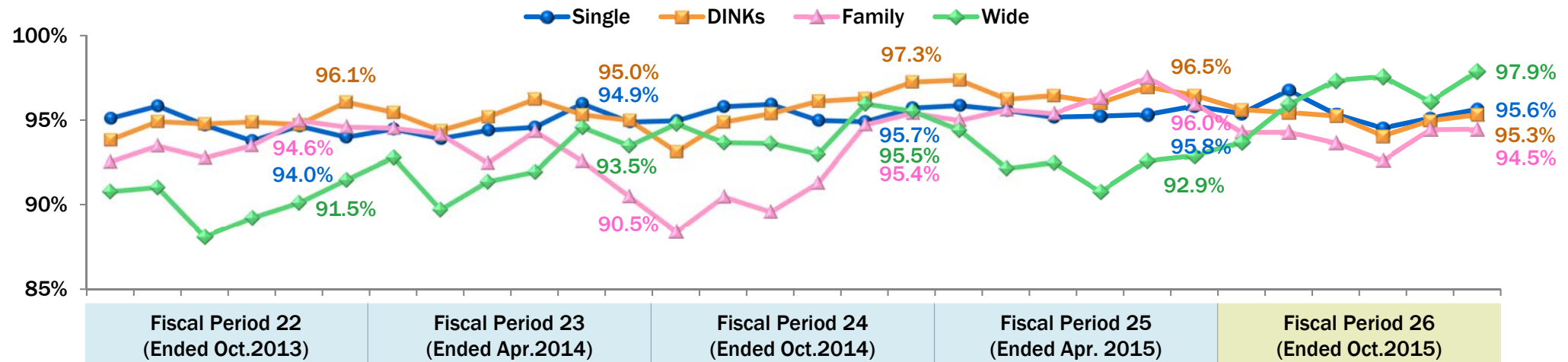
■ Occupancy stayed high at 96.1% as of the end of Fiscal Period 26.

■ The occupancy rate improved in Wide-type units, also.

Occupancy Rate and Occupancy Rate by Cash Flows



Occupancy Rate by Unit Type

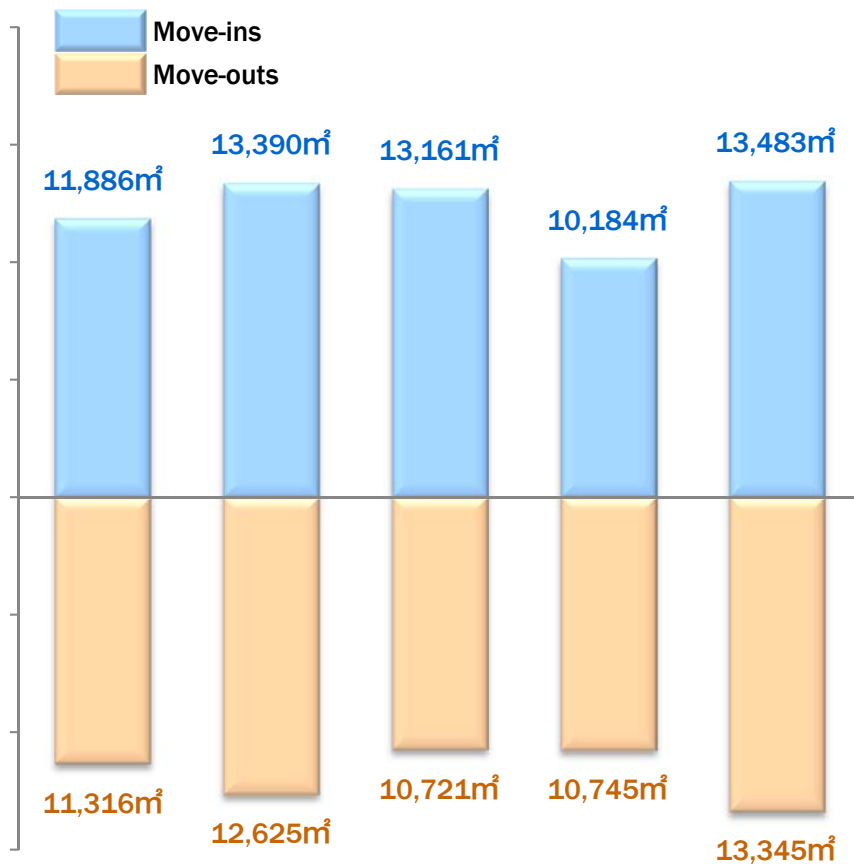


Residential: Tenant Turnover and Rent Trends

■ Secured tenant inflows exceeding outflows.

■ More new tenants brought in at higher rents than lower.

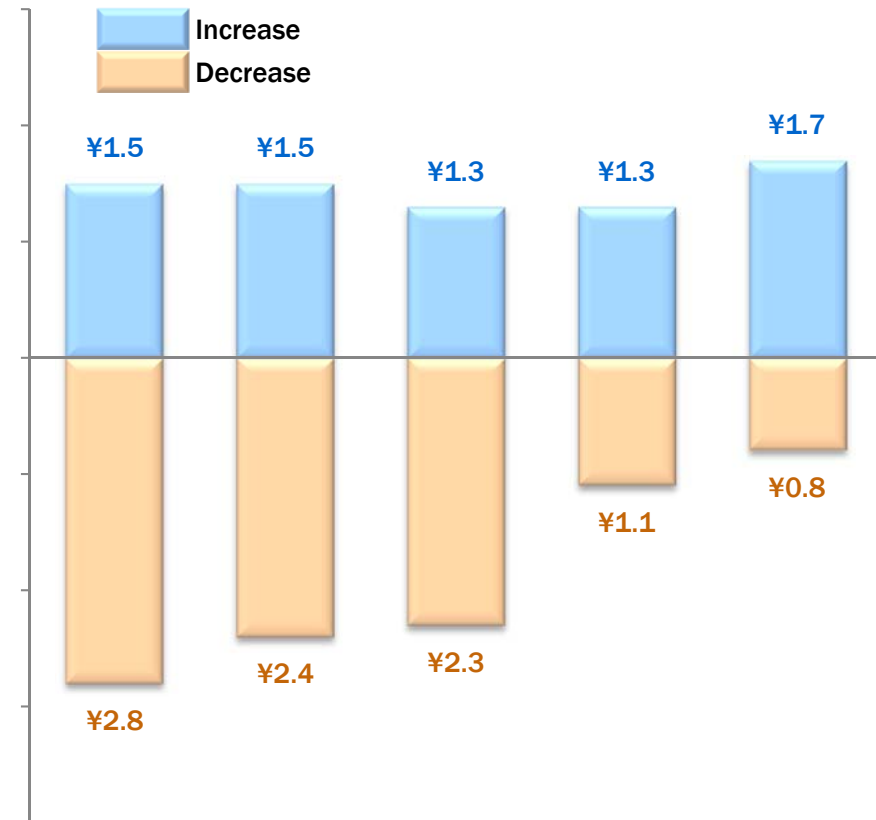
Residential Tenant Turnover



Net difference	569m²	765m²	2,440m²	- 560m²	137m²
	FP 22	FP 23	FP 24	FP 25	FP 26

Change in Rents on New Tenant Leases

Unit: Million

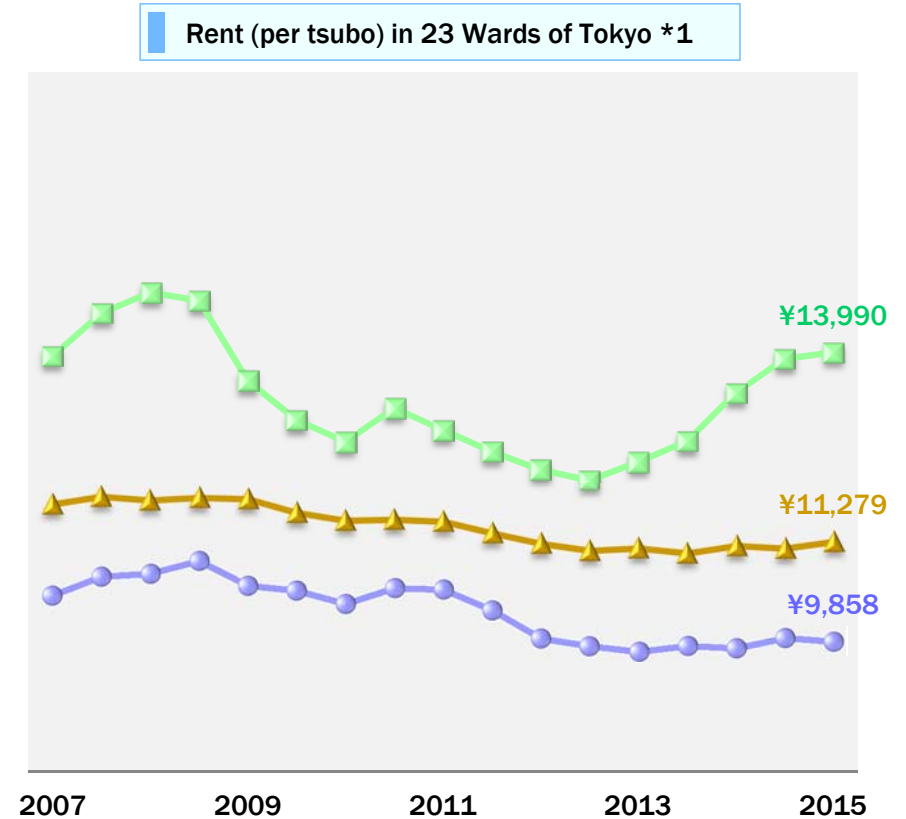
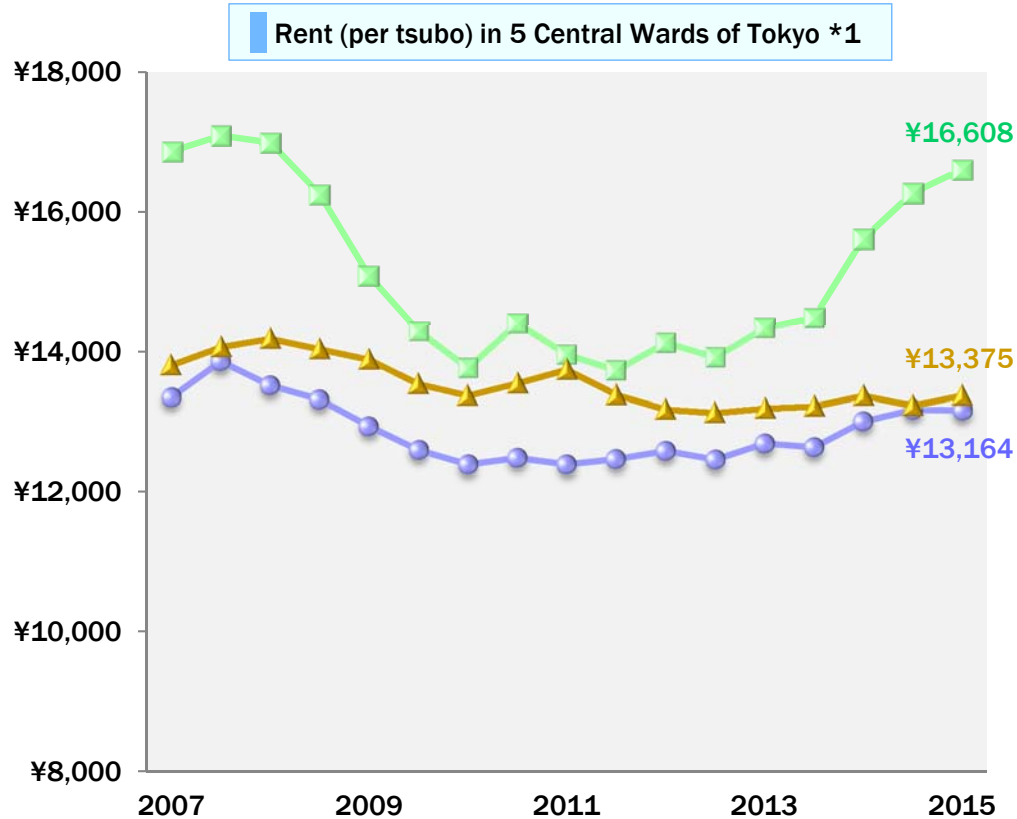


Net difference	- ¥1.3	- ¥0.8	- ¥0.9	¥0.1	¥0.8
	FP 22	FP 23	FP 24	FP 25	FP 26

Apartment Rent Trends in Tokyo

- Apartment rents stable in both central 5 and 23 wards of Tokyo.
- Rents for larger apartments are trending upward.

- Large (80 m² or more)
- Standard (40 m² to 80 m²)
- Small (Less than 40 m²)

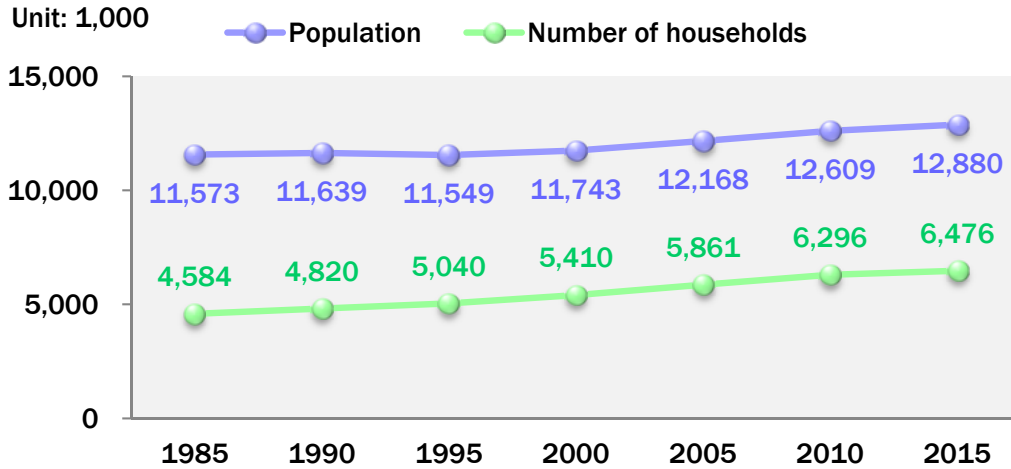


*1 Prepared by PRA based on the Residential Market Index from the Japan Real Estate Institute (JREI). Based on sample data collected by JREI every six months, It is an average rent price (excluding management fees and common-area costs) assuming that each property has a building age of 10 years.

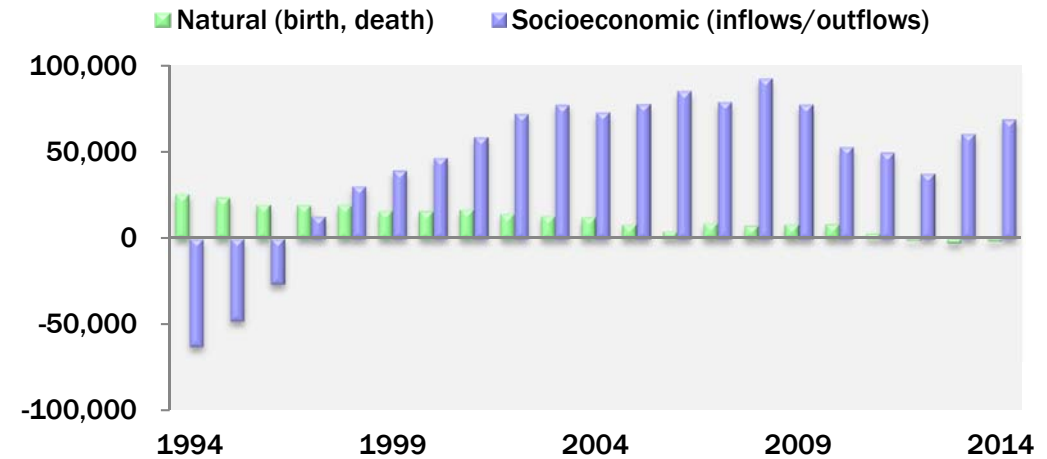
Population Changes in Tokyo

- Population and households in Tokyo increasing due to inflows and other socioeconomic factors.
- Tokyo's population is projected to increase for some time.

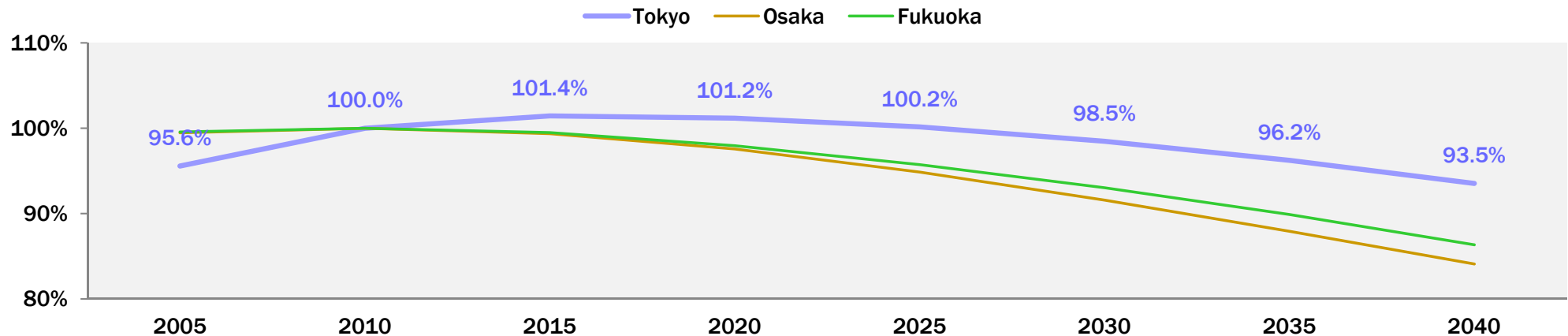
Population and Households in Tokyo *1



Population Changes in Tokyo*1



Projected Future Populations by Geography*2



*1 Prepared by Premier REIT Advisors based on the Survey of Population, Demography and Number of Households based on the Basic Resident Registration system by the Ministry of Internal Affairs and Communications.

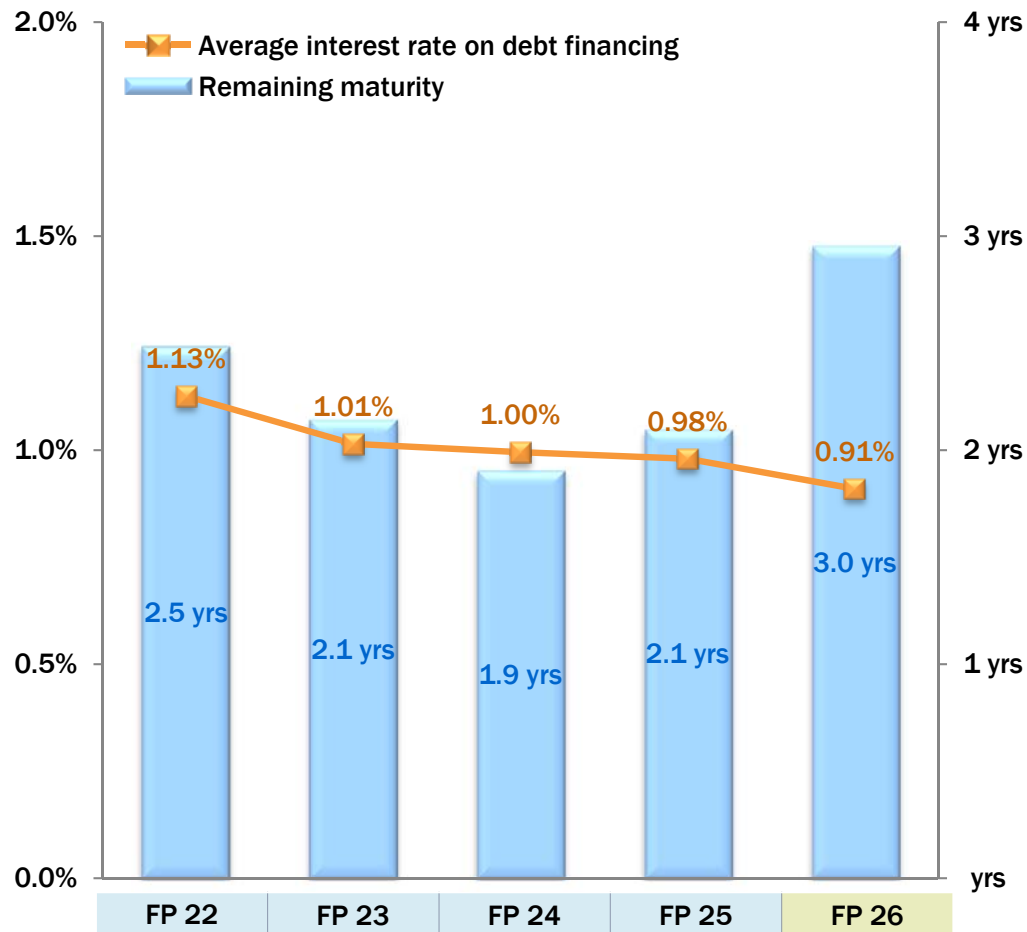
*2 Prepared by Premier REIT Advisors based on the Regional Population Projections for Japan by the National Institute of Population and social Security Research. Populations of respective geographies as of 2010 have been indexed to 100.

Financial Information

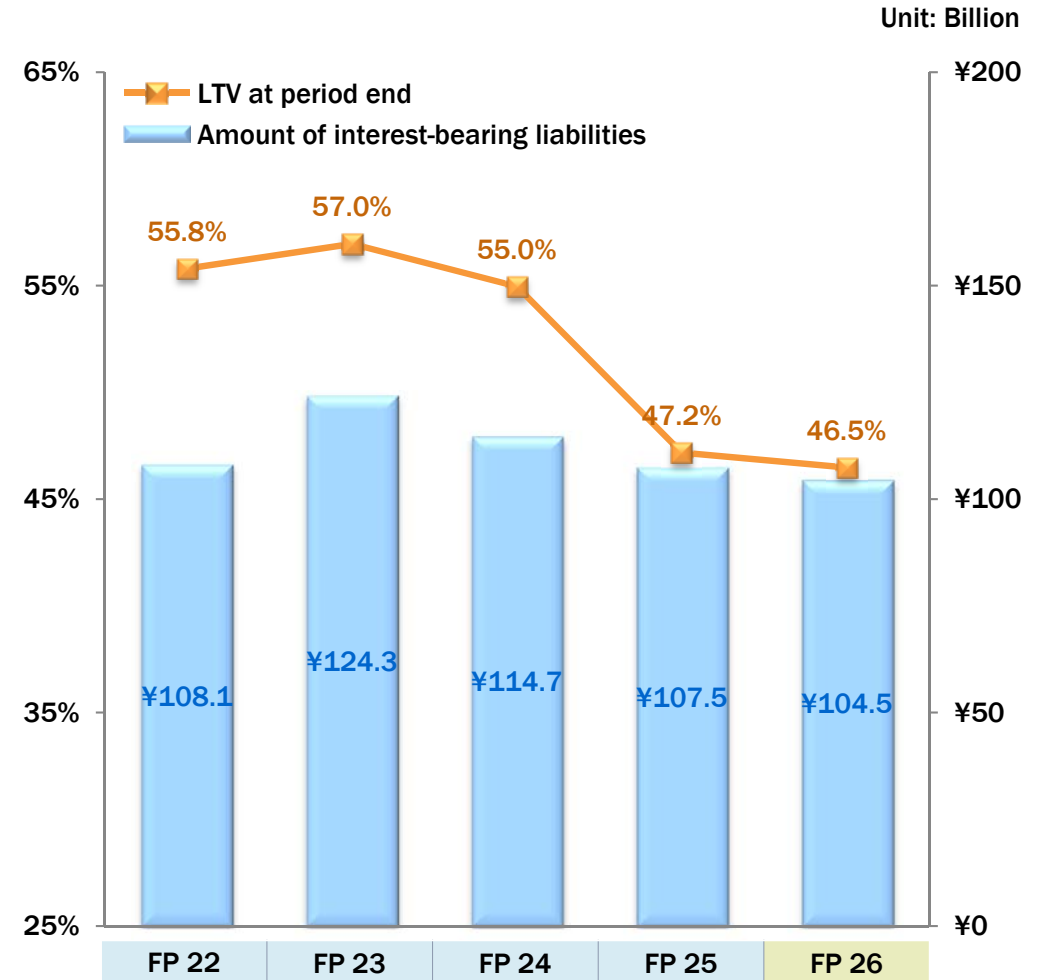
■ Rolled over debt into longer maturities. Average remaining maturity grew to 3.0 years. Average interest rate down to 0.91%.

■ LTV (loan to value) is 46.5%, improved significantly from FP 24 and before.

Average Rate and Remaining Maturity *1



LTV (loan to value)

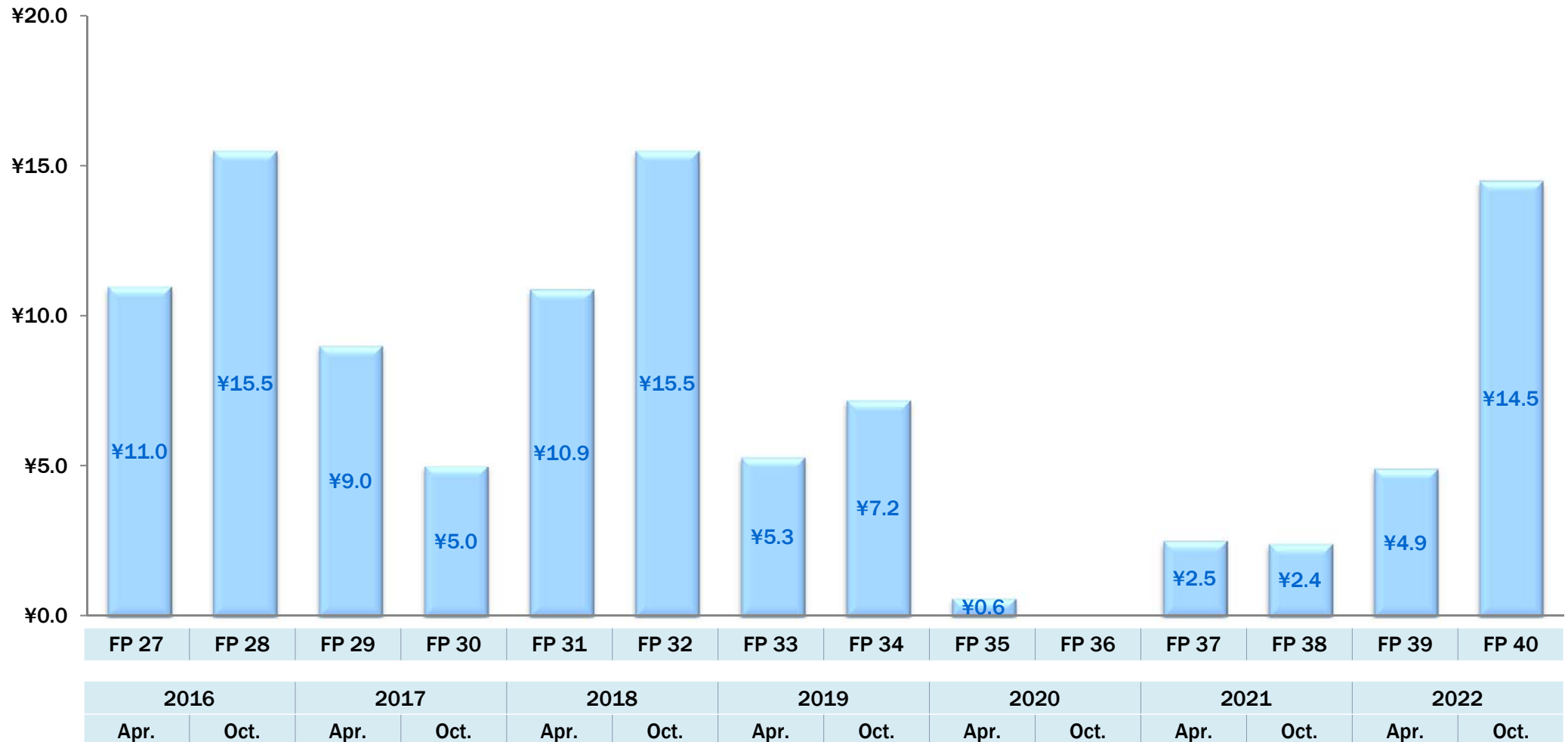


*1 Average interest rate on debt financing is an average weighted for balances outstanding as of the end of the period for each nominal interest rate.

Schedule on Debt Maturity

■ Working to lengthen maturities as well as level out the maturity schedule.

Unit: Billion



Interest-bearing Liabilities

List of Borrowings

Lender	Balance (million yen)	Interest rate *1 (%)	Drawdown Repayment
Sumitomo Mitsui Trust Bank, etc.	4,500	floating: 0.37091	2015/07/31 2016/07/29
Sumitomo Mitsui Banking etc.	3,400	floating: 0.35000	2015/09/30 2016/09/30
Subtotal short-term loans	7,900		
Aozora Bank, etc.	11,000	fixed: 1.29375	2011/12/08 2015/12/08
Sumitomo Mitsui Trust Bank, etc.	9,000	fixed: 1.43375	2011/12/08 2016/12/08
Sumitomo Mitsui Banking etc.	2,250	fixed: 1.34525	2012/02/29 2016/08/31
Mizuho Bank, etc.	5,000	fixed: 1.21000	2012/09/05 2018/09/05
The Bank of Fukuoka, etc.	5,000	fixed: 0.95375	2012/09/05 2017/09/05
Development Bank of Japan, etc.	3,000	fixed: 0.98250	2012/11/16 2017/11/16
Resona Bank, etc.	2,850	fixed: 1.02875	2013/02/28 2019/02/28
Sumitomo Mitsui Trust Bank, etc.	7,900	fixed: 0.88250	2013/03/27 2018/03/27
Development Bank of Japan	3,000	fixed: 1.15125	2013/05/22 2018/05/22
Mizuho Bank, etc.	5,400	floating: 0.42091	2013/11/08 2016/10/31
Development Bank of Japan	2,400	fixed: 0.71625	2014/11/18 2019/09/30
Sumitomo Mitsui Banking	2,400	fixed: 0.71625	2014/11/18 2019/09/30
Mitsubishi UFJ Trust & Banking	2,400	fixed: 0.71625	2014/11/18 2019/09/30
Mizuho Bank	2,400	fixed: 0.91125	2014/11/18 2021/09/30

Lender	Balance (million yen)	Interest rate *1 (%)	Drawdown Repayment
Sumitomo Mitsui Trust Bank	1,050	fixed: 0.87000	2015/03/31 2022/03/31
Aozora Bank	650	fixed: 0.69000	2015/03/31 2020/03/31
Sumitomo Mitsui Trust Bank, etc.	3,900	fixed: 0.91375	2015/05/14 2022/04/28
Sumitomo Mitsui Trust Bank, etc.	6,500	fixed: 0.86625	2015/07/29 2022/07/29
Mitsubishi UFJ Trust & Banking, etc.	8,000	fixed: 0.80125	2015/09/04 2022/08/31
Subtotal long-term loans	84,100		
Total loans	92,000		

List of Corporate Bonds

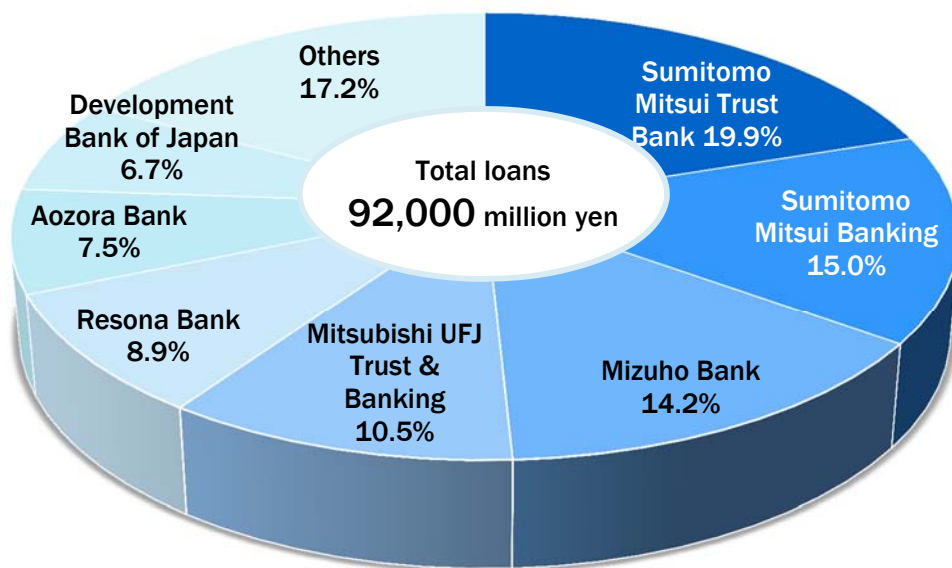
Name	Issue amount (million yen)	Interest rate (%)	Date issued Maturity date
Unsecured Bond No. 4	7,500	Fixed: 0.72	2013/07/25 2018/07/25
Unsecured Bond No. 5	2,500	Fixed: 0.45	2014/03/06 2019/03/06
Unsecured Bond No. 6	2,500	Fixed: 0.72	2014/03/06 2021/03/05
Corporate bond total	12,500		

*1 Figures for floating rates represent the rates applicable as of the end of Fiscal Period 26 (Oct. 31, 2015).

*2 For floating-rate denominated borrowings with interest-rate swaps, the interest rate is expressed as the fixed rate reflecting the effect of the relevant swap transaction.

Lenders and Rating

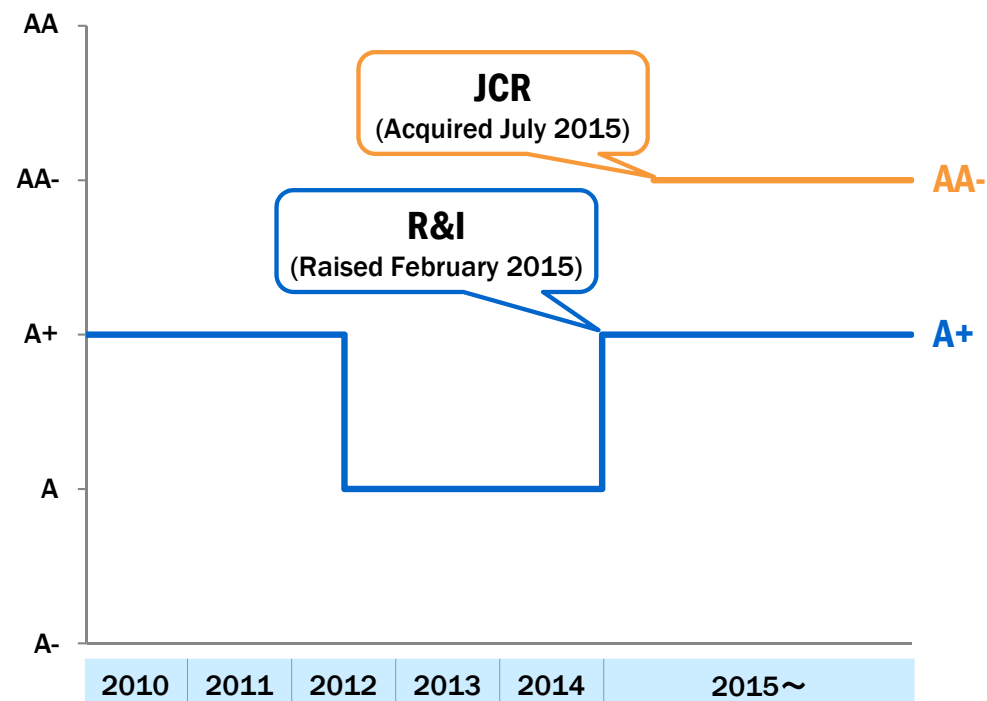
Lender Formation



Credit Ratings

Rating Agency	Rating
Japan Credit Rating Agency Ltd. (JCR)	Issuer rating: AA - Rating outlook: Stable
Rating and Investment Information, Inc. (R&I)	Issuer rating: A+ Rating outlook: Stable

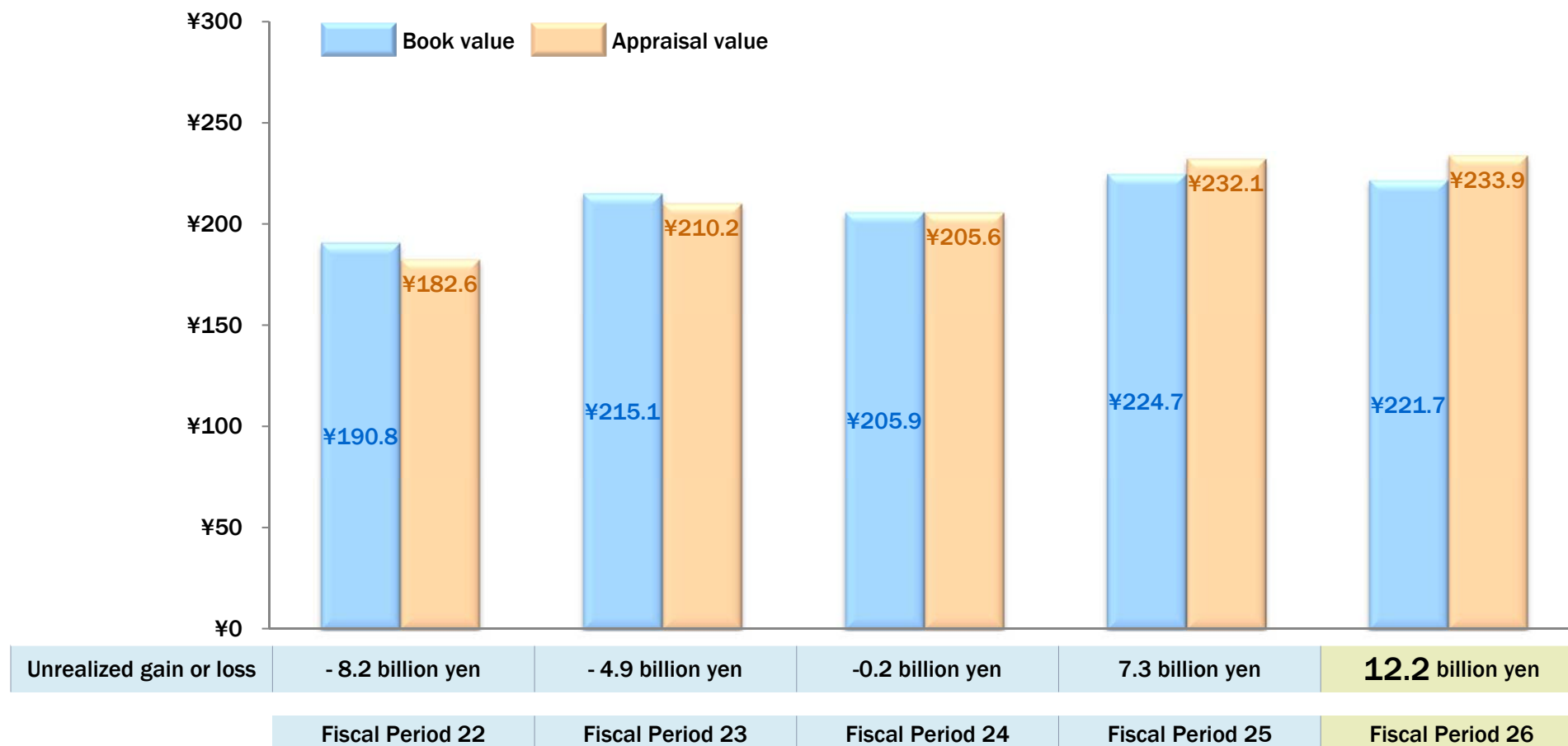
Historical Credit Ratings



Changes in Book Value and Appraisal Value

■ Unrealized gain of ¥12.2 billion due to increased appraisal values (taken at the period-end).

Unit: Billion



1 Includes UDX Special Purpose Company Preferred Securities (Akihabara UDX). The following formula is used to approximate the period-end appraisal value of Akihabara UDX. Period-end appraisal value (approximate value) = [(Total assets () - total specific assets (*) + period-end reference survey price for Akihabara UDX - total liabilities (*)) attributable to UDX SPC] X [PIC's percentage of ownership]

* Uses book value as of the last day of June or the last day of December from each fiscal period.

Appraisal Value (Comparison with Fiscal Period 25)

Unit: Billion yen

		Fiscal Period 25	Fiscal Period 26	Change
Number of properties		58	57	- 1
Appraisal value at end of period		¥232.1	¥233.9	¥1.8
(Excluding property buy and sale in FP 26)		(¥226.6)	(¥230.3)	(¥3.7)
Book value		¥224.7	¥221.7	(- ¥3.0)
(Excluding property buy and sale in FP 26)		(¥218.9)	(¥218.0)	(- ¥0.8)
Unrealized gain or loss		¥7.3	¥12.2	¥4.9
(Excluding property buy and sale in FP 26)		(¥7.6)	(¥12.3)	(¥4.6)
Unrealized gain or loss as % of total value		3.3%	5.5%	2.3%
Cap rate *1 (Number of properties)	Raised	-	-	-
	No change	6	22	16
	Lowered	49	34	- 15
Appraisal rent *2 (Number of properties)	Raised	12	13	1
	No change	23	28	5
	Lowered	17	11	- 6

*1 About cap rates on portfolio properties as of the end of Fiscal Period 26

- (1) Cap rate arrived at using the direct capitalization method is used as a comparison to the end of the previous fiscal period. However, a discount rate is used for those properties valued using DCF. Further, properties acquired during the period are compared to the appraisal value upon acquisition.
- (2) Of properties owned as of the end of the fiscal period, the Preferred Securities (1 name) have been excluded.

*2 About appraisal rents on portfolio properties as of the end of Fiscal Period 26

- (1) Appraisal rents arrived at using the direct capitalization method are used as a comparison to the end of the previous fiscal period.
- (2) Of properties owned as of the end of the fiscal period under review, the following 5 properties have been excluded.

[1] Preferred Securities: 1 name. [2] Land-only ownership: 1 office property. [3] Assets where DCF was used instead of a direct capitalization valuation model: 2 residential properties. [4] Property acquired during the period: 1 office property.

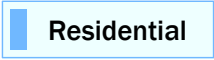
Overview of Performance Forecasts for Fiscal Periods 27 and 28

Unit: Million yen

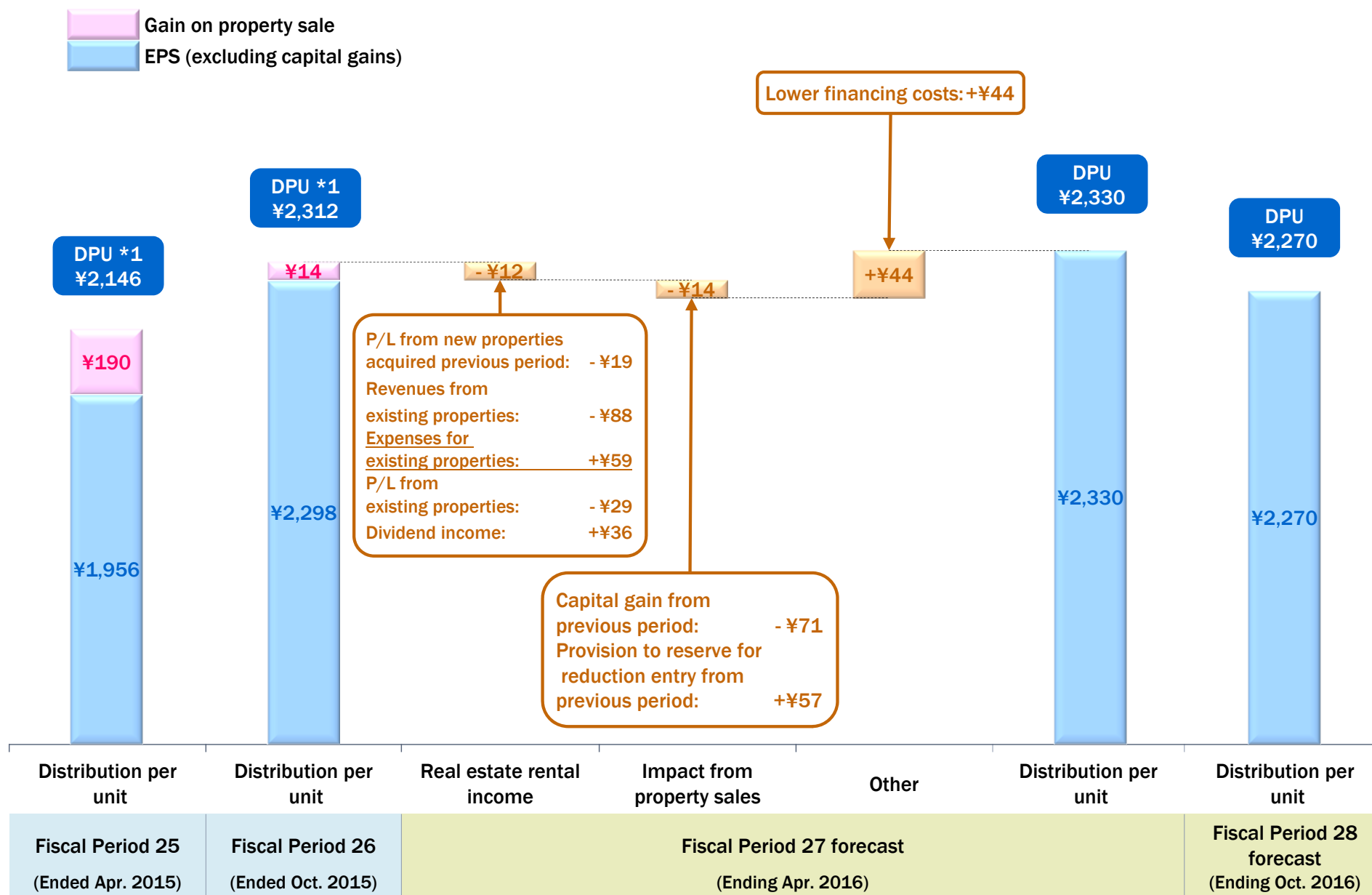
		FP 26 Actual [1]	FP 27 Forecast [2]	Change [2]-[1]	FP 28 Forecast [3]	Change [3]-[2]
Operation revenue		¥8,076	¥7,910	- ¥165	¥7,990	¥80
	Gain on property sale	¥93	-	- ¥93	-	-
Operating expenses		¥4,391	¥4,333	- ¥57	¥4,492	¥159
Operating income		¥3,685	¥3,577	- ¥108	¥3,497	- ¥79
	Real estate rental income	¥3,816	¥3,752	- ¥64	¥3,715	- ¥36
Ordinary income		¥3,122	¥3,070	- ¥52	¥2,991	- ¥79
Net income		¥3,120	¥3,068	- ¥51	¥2,989	- ¥79
Reserve for reduction entry	Provisions	¥74	-	- ¥74	-	-
	Reversals	-	-	-	-	-
	Balance (after profit appropriation)	¥260	¥260	-	¥260	-
Distribution per unit (yen)		¥2,312 *1	¥2,330 *1	¥18	¥2,270	- ¥60
Average Occupancy Rate	Office	96.5%	96.9%	0.4%	97.4%	0.5%
	Residential	95.7%	94.1%	- 1.6%	94.1%	-
	Total	96.2%	95.9%	- 0.3%	96.2%	0.3%
Number of investment properties		57	57	-	57	-
Number of investment units outstanding (as of end of period)		263,399 *1	1,316,995 *1	1,053,596	1,316,995	-

*1 Implemented a 5-for-1 investment unit split effective November 1, 2015 (the first day of FP 27). FP 26 DPU has been adjusted for the unit split to facilitate comparison with forecasts for FP 27 and beyond.

Office



Performance Forecasts for Fiscal Periods 27 and 28 (DPU Analysis)



*1 Implemented a 5-for-1 investment unit split effective November 1, 2015 (the first day of FP 27). DPU for FP 25 and FP 26 have been adjusted for the unit split to facilitate comparison with forecasts for FP 27 and beyond.

Our Strategy

External growth

Market environment

Office



- J-REITs and private equity funds continue to be active players in the acquisition market
- Limited opportunities to acquire quality properties in greater Tokyo

Residential



- Broad range of potential buyers competing in over-heated acquisition market

Management direction

- Strengthening ties with NTT Urban Development Corporation
- External growth with a focus on cash flows

Internal growth

Market environment

Office



- Grade A buildings in greater Tokyo have falling vacancy rates and rising rents on newly signed leases

Residential



- Occupancy rates and rents remain mostly stable
- Occupancy rates also improving in centrally located high-end properties

Management direction

- Strengthening ties with tenants, sponsor and tenant brokers
- Enhancing competitiveness with value-added renovations and planned improvements

Financial operations

Market environment

- Funding environment favorable as monetary easing continues
- Investment unit prices perform solidly

Management direction

- Longer remaining maturities
- Maintaining positive relationships with existing lenders
- Studying a bond issuance

Management objectives

Solid asset growth
Keep and grow distributions
Promote financial controls

(Reference) Enhancing Competitiveness with Value-added Renovations

- Improvements to common areas and exterior walls to upgrade design and ambiance

Premier Yokohama Nishiguchi Bldg. (Elevator hall)



Renai Shinjuku-Gyoen Tower (Entrance hall)





Supplementary Data on Fiscal Period **26** Earnings

Supplementary Data on Fiscal Period 26 Earnings

■ Fiscal Period 26 Balance Sheet	P.31	■ Basic Information on Properties	P.44
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■ Monthly Occupancy Rates	P.42		



Fiscal Period 26 Balance Sheet



(Million yen)

Item	FP 25 [1]	FP 26 [2]	Change [2]-[1]
Current assets	14,295	15,132	836
Cash and deposits	2,449	3,171	721
Cash and deposits held in trust	11,046	11,642	595
Other current assets	799	318	- 481
Tenant receivable	97	130	33
Prepaid expenses	159	113	- 45
Income taxes refund receivables	69	71	1
Consumption taxes refund receivables	460	-	- 460
Deferred tax assets	3	1	- 1
Other current assets	9	1	- 7
Long-term assets	225,488	222,538	- 2,950
Property and equipment	202,927	199,887	- 3,040
Buildings held in trust, net	62,588	62,130	- 457
Structures held in trust, net	1,022	1,029	6
Tools, furniture and fixture held in trust, net	65	69	4
Land held in trust	139,251	136,658	- 2,593
Property and equipment, net	202,927	199,887	- 3,040
Intangible fixed assets	1,782	1,780	- 1
Lease hold held in trust	1,777	1,777	-
Other intangible fixed assets held in trust	3	2	- 1
Intangible fixed assets	0	0	- 0
Investment and other assets	20,778	20,869	90
Investment securities	20,035	20,035	-
Other deposits	10	10	-
Long-term prepaid expenses	129	201	71
Other deposits held in trust	604	623	18
Deferred assets	76	63	- 13
New investment units issuance costs	29	22	- 6
Corporate bond issuance costs	47	41	- 6
Total assets	239,861	237,733	- 2,127

(Million yen)

Item	FP 25 [1]	FP 26 [2]	Change [2]-[1]
Current liabilities	42,590	29,163	- 13,427
Accounts payable	998	1,201	202
Short-term loans payable	10,900	7,900	- 3,000
Long-term loans payable within 1 year	29,400	18,650	- 10,750
Accrued expenses	175	162	- 13
Rents received in advance	965	963	- 2
Other current liabilities	150	286	136
Income taxes payable	1	0	- 1
Consumption taxes payable	-	148	148
Business office taxes payable	9	5	- 4
Deposits received	125	118	- 7
Distribution payable	13	14	0
Long-term payable	73,908	84,914	11,006
Long-term loans	54,700	65,450	10,750
Corporate bonds	12,500	12,500	-
Tenant security deposits held in trust	6,708	6,964	256
Total liabilities	116,499	114,077	- 2,421

Unitholders' equity	123,362	123,656	293
Unitholders' capital	120,350	120,350	-
Surplus			
Voluntary reserve			
Reserve for reduction entry	185	185	-
Total voluntary reserve	185	185	-
Unappropriated income	2,826	3,120	293
Total equity	123,362	123,656	293

Total liabilities and equity	239,861	237,733	- 2,127
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Fiscal Period 26 Income Statement and Statement of Unitholders' Equity



(million yen)

Item				FP 25 [1]	FP 26 [2]	Change [2]-[1]	Office			Residential																			
							FP 25	FP 26	Change	FP 25	FP 26	Change																	
Ordinary P/L	Operating P/L	Rental revenue	6,162	6,742	580	3,790	4,509	719	2,371	2,232	- 138																		
		Rents	5,173	5,606	433	2,853	3,426	573	2,319	2,179	- 140																		
		Common area charge	989	1,136	147	937	1,082	145	51	53	1																		
		Other rental revenues	696	893	197	522	711	189	173	181	8																		
		Parking fees	166	197	31	99	132	33	66	65	- 1																		
		Facilities fees	52	56	3	43	48	5	9	8	- 1																		
		Incidental revenue	386	529	143	372	515	143	13	13	- 0																		
		Miscellaneous income	91	109	17	7	14	7	84	94	10																		
		[1] Total real estate rental revenue	6,858	7,635	777	4,313	5,221	908	2,545	2,414	- 130																		
		[2] Dividend income	350	347	- 3																								
		[3] Capital gains on property sales	251	93	- 157																								
		[A] Operating income ([1]+[2]+[3])	7,460	8,076	616																								
		Property management fees	824	950	125	517	647	129	307	302	- 4																		
		Utilities	489	582	93	435	535	100	53	47	- 6																		
		Real estate taxes	460	470	9	323	335	12	137	135	- 2																		
		Insurance	14	15	1	8	10	1	5	5	- 0																		
		Maintenance and repairs	268	297	29	148	149	1	119	147	28																		
		Trust fees	40	37	- 3	17	17	0	22	19	- 3																		
		Depreciation	1,223	1,274	51	593	683	90	630	591	- 39																		
		Miscellaneous expenses	134	190	55	32	82	50	102	107	5																		
	[4] Total real estate rental expenses	3,455	3,819	363	2,076	2,461	385	1,379	1,357	- 21																			
	Real estate rental income ([1]-[4])	3,403	3,816	413	2,237	2,759	522	1,165	1,057	- 108																			
	Rental NOI	4,626	5,091	464	2,830	3,442	612	1,796	1,648	- 147																			
	Non- operating P/L	Asset management fees	295	323	28	<div>Statement of Unitholders' Equity</div> <table><tr><th>Item</th><th>Fiscal Period 25</th><th>Fiscal Period 26</th></tr><tr><td>I. Unappropriated income</td><td>¥2,826,693,685</td><td>¥3,120,660,244</td></tr><tr><td>II. Voluntary reserve Reversal of reserve for reduction entry</td><td>-</td><td>-</td></tr><tr><td>III. Cash distribution declared (distribution per unit)</td><td>¥2,826,534,669 ¥10,731</td><td>¥3,045,946,036 ¥11,564</td></tr><tr><td>IV. Voluntary reserve Provision to reserve for reduction entry</td><td>-</td><td>74,654,083</td></tr><tr><td>V. Income carried forward</td><td>¥159,016</td><td>¥60,125</td></tr></table>						Item	Fiscal Period 25	Fiscal Period 26	I. Unappropriated income	¥2,826,693,685	¥3,120,660,244	II. Voluntary reserve Reversal of reserve for reduction entry	-	-	III. Cash distribution declared (distribution per unit)	¥2,826,534,669 ¥10,731	¥3,045,946,036 ¥11,564	IV. Voluntary reserve Provision to reserve for reduction entry	-	74,654,083	V. Income carried forward	¥159,016	¥60,125
		Item	Fiscal Period 25	Fiscal Period 26																									
		I. Unappropriated income	¥2,826,693,685	¥3,120,660,244																									
		II. Voluntary reserve Reversal of reserve for reduction entry	-	-																									
		III. Cash distribution declared (distribution per unit)	¥2,826,534,669 ¥10,731	¥3,045,946,036 ¥11,564																									
		IV. Voluntary reserve Provision to reserve for reduction entry	-	74,654,083																									
		V. Income carried forward	¥159,016	¥60,125																									
		Directors' compensation	9	9	-																								
		Custodian fees	10	11	0																								
		Administration fees	90	85	- 5																								
Audit fees		8	8	- 0																									
Other expenses		135	134	- 1																									
[5] Other operating expenses		550	571	21																									
[B] Operating expenses ([4]+[5])	4,005	4,391	385																										
Operating income ([A]-[B])	3,454	3,685	230																										
Non-operating income	1	3	2																										
Interest expenses	589	550	- 38																										
Other expenses	38	15	- 23																										
Non-operating expenses	628	566	- 61																										
Ordinary income			2,828	3,122	294																								
Income tax			1	2	0																								
Net income			2,826	3,120	293																								

Statement of Unitholders' Equity

Item	Fiscal Period 25	Fiscal Period 26
I. Unappropriated income	¥2,826,693,685	¥3,120,660,244
II. Voluntary reserve Reversal of reserve for reduction entry	-	-
III. Cash distribution declared (distribution per unit)	¥2,826,534,669 ¥10,731	¥3,045,946,036 ¥11,564
IV. Voluntary reserve Provision to reserve for reduction entry	-	74,654,083
V. Income carried forward	¥159,016	¥60,125

Fiscal Period 27 Income Statement (Forecast)

(million yen)

Item				FP 26 Actual [1]	FP 27 Forecast [2]	Change [2]-[1]	Office			Residential		
							FP 26 Actual	FP 27 Forecast	Change	FP 26 Actual	FP 27 Forecast	Change
Ordinary P/L	Operating P/L	Rental revenue	6,742	6,718	- 24	4,509	4,524	14	2,232	2,193	- 39	
		Rents	5,606	5,602	- 4	3,426	3,459	33	2,179	2,142	- 37	
		Common area charge	1,136	1,115	- 20	1,082	1,064	- 18	53	51	- 2	
		Other rental revenues	893	798	- 95	711	645	- 66	181	153	- 28	
		Parking fees	197	202	4	132	140	7	65	62	- 2	
		Facilities fees	56	57	0	48	48	0	8	8	0	
		Incidental revenue	529	467	- 62	515	455	- 60	13	12	- 1	
		Miscellaneous income	109	71	- 38	14	1	- 13	94	70	- 24	
		[1] Total real estate rental revenue	7,635	7,516	- 119	5,221	5,169	- 51	2,414	2,346	- 67	
		[2] Dividend income	347	394	46							
		[3] Capital gains on property sales	93	0	- 93							
		[A] Operating income ([1]+[2]+[3])	8,076	7,910	- 165							
		Property management fees	950	929	- 20	647	637	- 10	302	292	- 10	
		Utilities	582	562	- 20	535	513	- 21	47	48	1	
		Real estate taxes	470	462	- 7	335	335	0	134	127	- 7	
		Insurance	15	15	0	10	10	0	5	4	0	
		Maintenance and repairs	297	288	- 9	149	165	15	147	123	- 24	
		Trust fees	37	35	- 1	17	17	0	19	17	- 1	
		Depreciation	1,274	1,287	12	683	694	11	591	592	1	
		Miscellaneous expenses	190	182	- 7	82	69	- 12	108	112	4	
		[4] Total real estate rental expenses	3,819	3,763	- 55	2,461	2,444	- 17	1,357	1,318	- 38	
		Real estate rental income ([1]-[4])	3,816	3,752	- 64	2,759	2,724	- 34	1,057	1,027	- 29	
		Rental NOI	5,091	5,039	- 51	3,442	3,419	- 23	1,648	1,620	- 28	
	Non-operating P/L	Asset management fees	323	321	- 2							
		Custodian fees	11	11	0							
		Administration fees	85	86	1							
		Directors' compensation	9	9	0							
		Other expenses	143	141	- 1							
		[5] Other operating expenses	571	569	- 2							
		[B] Operating expenses ([4]+[5])	4,391	4,333	- 57							
		Operating income ([A]-[B])	3,685	3,577	- 108							
		Non-operating income	3	2	- 1							
		Interest expenses	550	493	- 57							
Other expenses	15	15	0									
Non-operating expenses			566	509	- 57							
Ordinary income			3,122	3,070	- 52							
Income tax			2	1	0							
Net income			3,120	3,068	- 51							

Major Components of Maintenance and Repair Expenses

Maintenance and repairs expenditures	FP 26 Actual (297 mm yen)	Landic Shimbashi Bldg.:	Exterior walls	58	
		Shibaura Island Air Tower:	Tenant improvements	19	
	FP 27 Plan (288 mm yen)	KN Shibuya No.3:	HVAC facilities	30	
		Urbannet Ikebukuro Bldg.:	HVAC facilities	23	
	Capital expenditures	FP 26 Actual (345 mm yen)	NU Kannai Bldg.:	HVAC facilities	142
			Renai Shinjuku-Gyoen Tower:	Common area	66
FP 27 Plan (383 mm yen)		KN Shibuya No.3:	HVAC facilities	134	
		KSP R&D Bldg.:	Update to wastewater facilities	85	

Major Components of Maintenance and Repair Expenses

(million yen)

Maintenance and repairs expenditures	FP 26 Actual (297 mm yen)	Landic Shimbashi Bldg.:		FP 27 Plan (288 mm yen)	KN Shibuya No.3:	
		Exterior walls	58		HVAC facilities	30
Capital expenditures	FP 26 Actual (345 mm yen)	Shibaura Island Air Tower:	Tenant improvements	FP 27 Plan (383 mm yen)	Urbannet Ikebukuro Bldg.:	HVAC facilities
			19			23
	FP 26 Actual (345 mm yen)	NU Kannai Bldg.:	HVAC facilities		Renai Shinjuku-Gyoen Tower:	Common area
			142			66
Capital expenditures	FP 27 Plan (383 mm yen)	KN Shibuya No.3:	HVAC facilities		KSP R&D Bldg.:	Update to wastewater facilities
			134			85



Performance Forecast Assumptions



	Fiscal Period 27 (Ending Apr. 2016)	Fiscal Period 28 (Ending Oct. 2016)
Investment properties	Assumes no change in the number of portfolio assets (57) from the end of Fiscal Period 26.	Assumes no change in the number of portfolio assets (57) from the end of Fiscal Period 27.
No. of units outstanding	Assumes no change from the 1,316,995 units outstanding as of the beginning of Fiscal Period 27.	Assumes no change from the 1,316,995 units outstanding as of the end of Fiscal Period 27.
Interest-bearing liabilities	Assumes the following changes from the ¥104,500 million in interest-bearing liabilities outstanding as of the end of Fiscal Period 26. (Refinancing) • Long-term borrowings of ¥11,000 million due December 8, 2015: Rolled over the same amount. (Expected balance as of the period-end: ¥104,500 million)	Assumes the following changes from the ¥104,500 million in interest-bearing debt expected to be outstanding as of the end of Fiscal Period 27. (Refinancing) • Long- and short-term borrowings of ¥15,550 million scheduled to come due during the period: Roll over the same amount. (Expected balance as of the period-end: ¥104,500 million)
Average occupancy rate	Office: 96.9% Residential: 94.1% Overall: 95.9%	Office: 97.4% Residential: 94.1% Overall: 96.2%
Other	(Operating revenue) Forecasting a decline in revenue compared to the previous period due to factors such as seasonally lower utilities revenues in the office segment. Assumes no repeat of the capital gain realized in the previous period. (Operating expenses) Major items are as follows. Property management fees: ¥929 million Utilities: ¥562 million Property taxes, etc: ¥462 million Depreciation: ¥1,287 million Operating expenses other than rental expenses: ¥569 million (Non-operating expenses) Interest expenses (including bond interest): ¥493 million (Distributions) Assuming no new reversals or provisions to the reserve for reduction entry. Assuming that net income will be roughly equivalent to funds available for cash distributions.	(Operating revenue) Forecasting an increase in revenue compared to the previous period due to factors such as higher leasing revenue resulting from improved occupancy in the office segment and seasonally higher utilities revenues. (Operating expenses) Major items are as follows. Property management fees: ¥920 million Utilities: ¥588 million Property taxes, etc: ¥563 million Depreciation: ¥1,292 million Operating expenses other than rental expenses: ¥572 million (Non-operating expenses) Interest expenses (including bond interest): ¥492 million (Distributions) Assuming no reversals or new reversals or provisions to the reserve for reduction entry. Assuming that net income will be roughly equivalent to funds available for cash distributions.



Financial Indicators



Item		Fiscal Period 22	Fiscal Period 23	Fiscal Period 24	Fiscal Period 25	Fiscal Period 26
Financial Indicators	Return on assets (ROA) *1	1.0%	1.0%	1.0%	1.2%	1.3%
	Annualized	1.9%	2.1%	2.1%	2.5%	2.6%
	Return on equity (ROE) *2	2.2%	2.4%	2.4%	2.6%	2.5%
	Annualized	4.3%	4.9%	4.8%	5.2%	5.0%
	Unitholders' equity ratio (period-end) *3	43.1%	42.1%	44.1%	51.4%	52.0%
	Loan to value (LTV) (period-end) *4	53.2%	54.4%	52.4%	44.8%	44.0%
	Fixed assets to equity and fixed liabilities (period-end) *5	106.3%	115.2%	122.6%	114.3%	106.7%
	Debt service coverage ratio (times) *6	5.4	5.9	6.1	7.4	8.8
	Earnings before interest and depreciation (EBID) (million yen)	3,767	4,102	3,927	4,388	4,852
	Interest paid (Includes interest paid on bonds) (million yen)	699	695	645	589	550
	Rental NOI (million yen)	3,924	4,216	4,072	4,626	5,091
	Portfolio NOI yield	4.4%	4.3%	4.3%	4.4%	4.9%
	Rental NCF (million yen) *7	3,653	3,948	3,877	4,367	4,746
	Depreciation (as rental business expenses) (million yen)	1,145	1,193	1,155	1,223	1,274
	Capital expenditures (million yen)	271	268	195	258	345
	Annualized NCF yield *8	3.8%	3.9%	4.2%	4.3%	4.7%
Reference	FFO (million yen) *9	3,066	3,406	3,281	3,798	4,301
	Number of properties at end of period	55	58	56	58	57
	Number of tenants as of end of period	3,341	3,564	3,597	3,610	3,621
	Gross leasable area (GLA) (period-end)	223,713m ²	244,419m ²	234,319m ²	261,471m ²	264,359m ²
	Occupancy rate (period average)	90.9%	91.5%	93.6%	95.3%	96.2%
	(as of period-end)	92.0%	91.8%	94.3%	96.0%	96.6%
	Appraisal value as of period-end (includes Akihabara UDX) (million yen)	182,622	210,201	205,674	232,119	233,989
	Investment units outstanding (period-end)	196,699	218,699	218,699	263,399	263,399
	Unitholders' capital (period-end) (million yen)	85,644	94,005	94,005	120,350	120,350
	Unitholders' equity (period-end) (million yen)	87,667	96,274	96,401	123,362	123,656
	Unitholders' equity per unit *10	¥89,138	¥88,043	¥88,159	¥93,669	¥93,892

*1 Return on assets (ROA) = [Ordinary income ÷ {(Total assets as of the beginning of the period + Total assets as of the end of the period) ÷ 2}] X 100 (%)

*2 Return on equity (ROE) = [Net income ÷ {(Unitholders' equity as of the beginning of the period + Unitholders' equity as of the end of the period) ÷ 2}] X 100 (%)

*3 Unitholders' equity ratio (period-end) = (Unitholders' equity as of the end of the period ÷ Total assets as of the end of the period) X 100 (%)

*4 Loan to value (LTV) (period-end) = (Total interest-bearing liabilities as of the end of the period ÷ Total assets as of the end of the period) X 100 (%)

*5 Fixed assets to equity and fixed liabilities (period-end) = {Fixed assets as of the end of the period ÷ (Fixed liabilities as of the end of the period + Unitholders' equity as of the end of the period)} X 100 (%)

*6 Debt service coverage ratio = {Earnings before interest and depreciation (excluding gains from property sales) ÷ Interest paid} X 100 (%)

*7 Rental NCF = Rental NOI - Capital expenditures

*8 Annualized NCF yield = Annualized rental NCF ÷ Amount of investments

*9 FFO = Net income + Depreciation (as rental business expenses) - capital gains on real estate sales

*10 Unitholders' equity per unit = Unitholders' equity (as of the end of the period) ÷ Number of investment units outstanding (as of the end of the period) [adjusted for the 5-for-1 unit split]



P/L by Property (1)



(million yen)

	Landic Shimbashi Bldg.		Landic Shimbashi 2 Bldg.		Premier Dogenzaka Bldg.		KN Shibuya No.3 *1		Takadanobaba Center Bldg.		Rokubancho Bldg. *1		Ougaku Bldg.		Premier Kaigan Bldg.	
	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26
Real estate rental revenue	193	195	211	211	71	79	Non-disclosure	Non-disclosure	241	249	Non-disclosure	Non-disclosure	64	64	99	107
Rental revenue	173	176	192	190	61	68			199	207			55	55	79	87
Other income	19	19	19	20	10	10			42	42			8	9	20	20
Real estate rental expenses	82	139	123	97	26	27			117	105			30	29	75	80
Property management fees	14	16	20	19	5	5			25	24			6	5	14	19
Utilities	11	11	17	15	4	4			19	19			5	5	9	9
Real estate taxes	21	22	15	15	5	5			20	20			4	4	14	14
Maintenance and repairs	3	58	34	8	0	1			14	3			3	2	3	2
Depreciation	28	28	34	35	9	9			35	35			10	10	30	30
Miscellaneous expenses	1	1	1	1	0	0			1	1			1	0	2	2
Real estate rental income	110	56	87	114	45	52	114	133	124	144	147	150	33	35	24	27
Rental NOI	139	85	122	150	54	61	131	148	159	179	179	181	44	45	54	58
Rental NOI yield	4.5%	2.8%	3.6%	4.4%	7.2%	8.2%	5.4%	6.1%	7.1%	8.1%	4.5%	4.6%	5.1%	5.3%	2.2%	2.3%

(million yen)

	Urbannet Mita Bldg.		Urbannet Azabu Bldg. *1		Urbannet Ichigaya Bldg. *1		Urbannet Irifune Bldg. *1		Granpark		Urbannet Kojimachi Bldg.		Premier Toyoko Bldg.		Ueno TH Bldg.	
	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26
Real estate rental revenue	294	282	Non-disclosure	Non-disclosure	Non-disclosure	Non-disclosure	Non-disclosure	Non-disclosure	428	459	89	161	83	94	90	101
Rental revenue	271	257							374	385	83	150	73	82	79	86
Other income	23	24							53	73	6	11	9	12	11	15
Real estate rental expenses	125	125							227	213	22	40	65	71	64	96
Property management fees	35	35							64	59	13	23	10	9	12	16
Utilities	24	25							61	66	5	9	8	9	6	8
Real estate taxes	28	29							42	37	-	-	8	8	8	8
Maintenance and repairs	7	4							17	8	-	0	1	6	0	0
Depreciation	27	28							36	36	3	6	35	35	15	15
Miscellaneous expenses	1	2							5	4	0	1	1	2	20	47
Real estate rental income	169	156	76	93	36	36	95	94	200	246	66	120	17	23	26	4
Rental NOI	196	185	92	110	44	44	113	112	236	282	70	127	53	58	41	20
Rental NOI yield	3.9%	3.6%	3.8%	4.5%	5.4%	5.5%	7.9%	7.8%	4.1%	5.0%	7.1%	7.0%	2.7%	3.1%	1.8%	0.9%

*1 Details on leasing P/L are not disclosed herein because consent to disclose the information has not been obtained from major tenant(s).



P/L by Property (2)



(million yen)																
	Gotanda NT Bldg.		Ueno Tosei Bldg.		Urbannet Ikebukuro Bldg.		Urbannet Omori Bldg.		Premier Yokohama Nishiguchi Bldg.		The Kanagawa Science Park R&D Bldg.		NU Kannai Bldg.		Tradepia Yodoyabashi (land) *1	
	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26
Real estate rental revenue	85	89	206	205	398	725	145	252	82	116	408	425	149	151	Non-disclosure	Non-disclosure
Rental revenue	74	76	186	186	348	629	136	239	66	93	318	320	124	128		
Other income	11	12	19	19	49	95	9	13	16	22	89	105	25	23		
Real estate rental expenses	40	42	93	92	133	255	54	100	71	86	274	258	97	89		
Property management fees	8	8	13	13	46	80	20	35	17	23	59	60	27	25		
Utilities	7	8	12	11	42	85	10	21	9	10	96	101	19	16		
Real estate taxes	7	8	12	12	-	0	-	-	10	10	33	33	13	13		
Maintenance and repairs	0	2	1	1	0	8	1	3	2	10	29	6	12	7		
Depreciation	13	13	51	51	42	77	21	37	29	29	54	54	23	24		
Miscellaneous expenses	1	1	1	1	1	3	0	1	1	1	1	1	1	1		
Real estate rental income	45	46	112	113	264	469	90	152	11	29	133	167	51	62		
Rental NOI	59	60	164	165	307	546	111	190	41	59	187	221	75	87		
Rental NOI yield	2.8%	2.9%	5.7%	5.8%	8.3%	8.1%	8.5%	8.0%	2.5%	3.6%	7.3%	8.6%	4.7%	5.3%	4.8%	4.0%

(million yen)																	
		NTT CRED Okayama Bldg. *2		Park Axis Yotsuya Stage		Park Axis Meiji-Jingumae		Sun Palace Minami-Azabu *3		Cabin Arena Akasaka		Cabin Arena Minami-Aoyama		Bureau Kioicho		Homat Woodville *3	
		FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26
Real estate rental revenue			244	152	149	53	53	31	2	39	38	36	36	37	37	124	9
	Rental revenue		172	144	139	49	48	31	2	37	36	34	34	37	37	123	9
	Other income		71	7	10	4	4	0	0	2	1	1	2	-	-	1	0
Real estate rental expenses			147	73	75	24	23	18	2	17	20	17	20	15	15	60	7
	Property management fees		60	16	18	4	5	3	0	4	4	3	4	-	0	11	0
	Utilities		29	1	1	1	1	2	0	0	0	0	0	-	-	2	0
	Real estate taxes		0	8	8	2	2	2	2	1	1	1	1	2	2	8	6
	Maintenance and repairs		1	4	5	4	2	1	0	1	4	2	4	1	1	4	0
	Depreciation		31	37	37	8	8	7	-	7	7	8	8	11	11	31	-
	Miscellaneous expenses		23	4	5	2	2	0	0	0	0	0	0	0	0	2	0
Real estate rental income			96	79	74	28	29	13	- 0	22	18	18	16	22	21	64	1
Rental NOI			127	116	111	37	38	21	- 0	30	26	26	25	33	33	95	1
Rental NOI yield			7.5%	5.2%	5.0%	3.0%	3.1%	4.2%	- 1.5%	5.1%	4.4%	5.8%	5.5%	4.0%	3.9%	4.0%	1.1%

*1 Details on leasing P/L are not disclosed herein because consent to disclose the information has not been obtained from major tenant(s).

*2 NTT CRED Okayama Bldg. was acquired on May 15, 2015.

*3 Sun Palace Minami-Azabu and Homat Woodville were sold May 15, 2015.

P/L by Property (3)



(million yen)

	Roppongi Green Terrace		Premier Stage Shibakoen II		Langue Tower Kyobashi		Premier Stage MitaKeidaimae		Premier Rosso		Premier Blanc Yoyogikouen		Premier Stage Uchikanda		Premier Stage Ichigayakawadacho	
	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26
Real estate rental revenue	111	119	55	54	35	36	53	52	53	50	65	61	57	58	45	46
Rental revenue	109	115	53	53	34	34	51	52	48	45	63	58	54	55	44	42
Other income	1	4	2	1	1	1	2	0	5	4	2	2	3	3	1	3
Real estate rental expenses	66	69	27	29	16	16	19	20	22	24	30	34	22	23	20	24
Property management fees	12	14	4	5	3	3	4	4	5	6	6	7	4	4	4	4
Utilities	2	2	0	0	0	0	0	0	1	1	1	1	2	2	0	0
Real estate taxes	7	7	2	3	1	1	2	2	2	2	3	3	2	2	1	1
Maintenance and repairs	10	10	1	2	2	1	1	3	1	3	1	3	1	1	2	5
Depreciation	32	32	16	16	7	7	8	8	9	9	17	17	10	10	9	10
Miscellaneous expenses	1	1	1	1	0	0	1	1	1	1	1	2	1	2	1	2
Real estate rental income	44	49	27	25	18	20	34	32	31	25	35	26	35	34	25	21
Rental NOI	76	82	44	41	26	28	43	41	41	35	52	43	45	45	35	31
Rental NOI yield	3.8%	4.1%	4.7%	4.5%	6.4%	7.0%	5.9%	5.6%	5.4%	4.7%	5.0%	4.3%	5.8%	5.8%	5.3%	4.8%

(million yen)

	Walk Akasaka		Premier Stage Shibakoen		MEW		Shibaura Island Air Tower		Storia Akasaka		Renai Shinjuku-Gyoen Tower		Shibaura Island Bloom Tower		Questcourt Harajuku	
	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26
Real estate rental revenue	44	48	42	44	36	36	332	336	87	84	180	183	274	270	126	133
Rental revenue	41	45	40	41	31	30	294	294	80	77	159	160	248	246	117	126
Other income	3	2	1	2	5	5	38	42	6	7	20	23	25	24	8	7
Real estate rental expenses	32	28	28	19	21	23	239	246	42	48	110	108	163	169	56	57
Property management fees	6	5	5	5	3	4	53	54	8	10	34	35	39	39	15	16
Utilities	0	0	0	0	0	0	10	10	2	2	6	5	3	3	3	3
Real estate taxes	2	2	2	2	1	1	16	16	6	6	11	11	13	13	6	6
Maintenance and repairs	3	1	10	1	0	2	15	19	3	8	9	9	9	11	6	6
Depreciation	16	16	8	8	12	12	96	96	18	18	44	42	66	66	23	23
Miscellaneous expenses	1	1	1	1	1	1	46	49	3	1	4	3	31	35	1	1
Real estate rental income	12	20	13	24	15	13	93	90	44	35	69	75	110	100	69	76
Rental NOI	29	36	22	32	28	26	189	186	63	54	113	118	176	166	92	99
Rental NOI yield	3.3%	4.2%	2.9%	4.3%	4.0%	3.7%	5.9%	5.9%	3.3%	2.8%	3.6%	3.8%	7.0%	6.7%	4.2%	4.6%



P/L by Property (4)



(million yen)

	Urbancourt Ichigaya		B-Site Osaki		Premier Garden Hongo		Premier Grande Magome		Premier Nozze Yutenji		Premier Stage Yushima		Premier Stage Komagome		Premier Stage Otsuka	
	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26	FP 25	FP 26
Real estate rental revenue	57	59	29	29	30	29	41	40	37	38	51	49	51	52	41	42
Rental revenue	54	55	29	29	29	28	38	37	34	35	48	48	49	49	40	41
Other income	3	3	0	-	1	1	3	3	2	3	3	1	1	2	1	0
Real estate rental expenses	21	21	10	11	12	27	20	23	21	21	30	29	27	28	22	18
Property management fees	7	7	-	-	3	3	3	4	5	4	6	6	5	5	4	3
Utilities	0	0	-	-	0	0	0	0	0	0	1	0	0	0	0	0
Real estate taxes	3	3	1	1	2	2	2	2	1	2	2	2	2	2	1	1
Maintenance and repairs	2	2	-	1	2	17	0	3	1	2	2	2	1	1	2	0
Depreciation	6	6	8	8	3	3	11	11	10	10	14	14	15	15	10	10
Miscellaneous expenses	0	0	0	0	0	0	1	1	1	1	3	1	2	2	2	2
Real estate rental income	36	37	19	17	18	1	20	17	16	17	21	20	23	24	19	23
Rental NOI	43	44	27	26	22	5	31	28	26	28	36	34	39	39	30	33
Rental NOI yield	6.1%	6.4%	6.1%	5.9%	4.6%	1.1%	4.7%	4.2%	3.7%	3.9%	4.5%	4.4%	4.9%	5.0%	5.0%	5.6%

(million yen)

	Premier Stage Honjo-Azumabashi		Premier Stage Ryogoku	
	FP 25	FP 26	FP 25	FP 26
Real estate rental revenue	78	79	46	47
Rental revenue	73	73	43	44
Other income	4	6	3	2
Real estate rental expenses	40	41	24	23
Property management fees	7	8	4	4
Utilities	0	0	0	0
Real estate taxes	4	4	2	2
Maintenance and repairs	2	2	0	0
Depreciation	22	22	14	14
Miscellaneous expenses	2	2	1	1
Real estate rental income	38	37	22	23
Rental NOI	61	60	36	38
Rental NOI yield	5.0%	4.9%	5.5%	5.7%

Period-end Appraisal Values (1)



		Property name	Appraisal value			Direct cap rate		DCF method		Book value [3] (million yen)	Unrealized gain or loss [2]-[3] (million yen)
			FP 25 [1] (million yen)	FP 26 [2] (million yen)	Change *1 [2]-[1] (million yen)	FP 26	Change	Discount rate	Terminal cap rate		
Office	5 Central Wards of Tokyo	Landic Shimbashi Bldg.	6,050	6,230	180	4.0%	- 0.1%	3.8%	4.2%	6,138	91
		Landic Shimbashi 2 Bldg.	6,900	7,020	120	4.2%	- 0.1%	3.9%	4.3%	6,829	190
		Premier Dogenzaka Bldg.	2,310	2,420	110	4.1%	- 0.1%	3.9%	4.3%	1,509	910
		KN Shibuya No.3	6,780	6,840	60	4.0%	- 0.1%	3.7%	4.1%	4,840	1,999
		Takadanobaba Center Bldg.	5,820	5,980	160	4.5%	- 0.1%	4.3%	4.7%	4,441	1,538
		Rokubancho Bldg.	8,370	8,380	10	4.4%	-	4.1%	4.5%	7,855	524
		Ougaku Bldg.	1,470	1,500	30	4.6%	- 0.1%	4.4%	4.8%	1,726	- 226
		Premier Kaigan Bldg.	3,420	3,500	80	4.4%	- 0.1%	4.1%	4.6%	5,035	- 1,535
		Urbannet Mita Bldg.	10,200	10,500	300	4.1%	- 0.1%	3.8%	4.3%	10,181	318
		Urbannet Azabu Bldg.	4,920	4,960	40	4.3%	- 0.1%	4.1%	4.5%	4,909	50
		Urbannet Ichigaya Bldg.	1,660	1,680	20	4.9%	- 0.1%	4.7%	5.1%	1,636	43
		Urbannet Irifune Bldg.	3,240	3,360	120	4.9%	- 0.1%	4.6%	4.9%	2,862	497
		Granpark	12,100	12,300	200	4.1%	- 0.1%	3.8%	4.3%	11,425	874
		Urbannet Kojimachi Bldg.	3,810	3,970	160	4.1%	- 0.1%	3.9%	4.3%	3,640	329
	Other 18 Wards of Tokyo	Premier Toyochō Bldg.	3,360	3,370	10	5.0%	- 0.1%	4.7%	5.2%	3,862	- 492
		Ueno TH Bldg.	2,700	2,700	-	4.9%	- 0.1%	4.5%	5.3%	4,559	- 1,859
		Gotanda NT Bldg.	2,440	2,440	-	4.8%	- 0.1%	4.4%	5.2%	4,179	- 1,739
		Ueno Tosei Bldg.	6,370	6,510	140	4.6%	- 0.1%	4.3%	4.8%	5,708	801
		Urbannet Ikebukuro Bldg.	14,800	15,300	500	4.5%	- 0.1%	4.4%	4.8%	13,577	1,722
		Urbannet Omori Bldg.	5,210	5,310	100	4.9%	- 0.1%	4.7%	5.1%	4,795	514
	Urban Areas Surroundin g Tokyo	Premier Yokohama Nishiguchi Bldg.	3,130	3,190	60	4.9%	- 0.5%	4.7%	5.1%	3,280	- 90
		The Kanagawa Science Park R&D Bldg.	5,170	5,370	200	6.1%	- 0.2%	5.8%	6.2%	5,124	245
		NU Kannai Bldg.	3,620	3,420	- 200	4.9%	- 0.1%	4.6%	5.1%	3,315	104
	Regional Cities	Tradepia Yodoyabashi (land)	6,540	6,540	-	4.0%	-	4.0%	4.0%	6,558	- 18
		NTT CRED Okayama Bldg.	-	3,600	-	6.3%	-	6.1%	6.5%	3,636	- 36
			Subtotal	130,390	136,390	2,400					131,632
Residential	5 Central Wards of Tokyo	Park Axis Yotsuya Stage	4,790	4,840	50	4.4%	-	4.2%	4.6%	4,452	387
		Park Axis Meiji-Jingumae	1,800	1,800	-	4.4%	-	4.2%	4.6%	2,462	- 662
		Cabin Arena Akasaka	1,170	1,170	-	4.5%	-	4.3%	4.7%	1,183	- 13
		Cabin Arena Minami-Aoyama	1,030	1,030	-	4.5%	-	4.3%	4.7%	911	118
		Bureau Kioicho	1,410	1,410	-	4.3%	-	4.2%	4.6%	1,684	- 274

*1 Excludes the increase over the previous period attributable to properties newly acquired during the period.

Period-end Appraisal Values (2)



	Property name	Appraisal value			Direct cap rate		DCF method		Book value [3] (million yen)	Unrealized gain or loss [2]-[3] (million yen)	
		FP 25 [1] (million yen)	FP 26 [2] (million yen)	Change *1 [2]-[1] (million yen)	FP 26	Change	Discount rate	Terminal cap rate			
Residential	5 Central Wards of Tokyo	Roppongi Green Terrace	3,770	3,940	170	4.3%	- 0.1%	4.1%	4.5%	4,030	- 90
		Premier Stage Shibakoen II	1,790	1,800	10	4.5%	-	4.3%	4.7%	1,878	- 78
		Langue Tower Kyobashi	996	997	1	4.4%	-	4.2%	4.6%	805	191
		Premier Stage MitaKeidaimae	1,780	1,800	20	4.6%	- 0.1%	4.3%	4.8%	1,466	333
		Premier Rosso	1,600	1,600	-	4.5%	-	4.3%	4.7%	1,517	82
		Premier Blanc Yoyogikouen	2,160	2,200	40	4.6%	- 0.1%	4.3%	4.8%	2,058	141
		Premier Stage Uchikanda	1,870	1,870	-	4.5%	-	4.3%	4.7%	1,550	319
		Premier Stage Ichigayakawadacho	1,570	1,590	20	4.7%	- 0.1%	4.4%	4.9%	1,327	262
		Walk Akasaka	1,540	1,560	20	4.4%	-	4.2%	4.6%	1,747	- 187
		Premier Stage Shibakoen	1,400	1,420	20	4.5%	- 0.1%	4.2%	4.7%	1,515	- 95
		MEW	1,100	1,110	10	4.8%	- 0.1%	4.5%	5.0%	1,406	- 296
		Shibaura Island Air Tower	7,080	7,080	-	-	-	4.2%	6.3%	6,323	756
		Storia Akasaka	2,960	3,020	60	4.3%	- 0.1%	4.1%	4.5%	3,849	- 829
		Renai Shinjuku-Gyoen Tower	5,080	5,090	10	4.5%	-	4.3%	4.7%	6,290	- 1,200
		Shibaura Island Bloom Tower	6,140	6,140	-	-	-	4.3%	6.4%	5,010	1,129
		Questcourt Harajuku	4,890	4,900	10	4.4%	-	4.2%	4.6%	4,367	532
		Urbancourt Ichigaya	1,500	1,550	50	4.9%	- 0.1%	4.6%	5.1%	1,400	149
	Other 18 Wards of Tokyo	B-Site Osaki	987	987	-	4.8%	-	4.4%	4.8%	886	100
		Premier Garden Hongo	863	889	26	4.4%	- 0.1%	4.2%	4.6%	961	- 72
		Premier Grande Magome	1,160	1,160	-	4.8%	-	4.6%	5.0%	1,352	- 192
		Premier Nozze Yutenji	1,270	1,290	20	4.7%	- 0.1%	4.4%	4.9%	1,432	- 142
		Premier Stage Yushima	1,570	1,600	30	4.6%	- 0.1%	4.3%	4.8%	1,577	22
		Premier Stage Komagome	1,710	1,760	50	4.6%	- 0.1%	4.3%	4.8%	1,598	161
		Premier Stage Otsuka	1,360	1,360	-	4.8%	-	4.6%	5.0%	1,201	158
		Premier Stage Honjo-Azumabashi	2,690	2,690	-	4.5%	-	4.3%	4.7%	2,451	238
		Premier Stage Ryogoku	1,530	1,530	-	4.6%	-	4.4%	4.8%	1,335	194
	Subtotal		70,566	71,183	617					70,036	1,146
	Total		200,956	207,573	3,017					201,668	5,904

*1 Excludes the increase over the previous period attributable to properties newly acquired during the period.

Monthly Occupancy Rates (1)

		(%)														
		Property name	Fiscal Period 25 (ended Apr. 2015)						Fiscal Period 26 (ended Oct. 2015)							
			Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Avg.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Avg.
Office	5 Central Wards of Tokyo	Landic Shimbashi Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Landic Shimbashi 2 Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Premier Dogenzaka Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		KN Shibuya No.3	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Takadanobaba Center Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Rokubancho Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Ougaku Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Premier Kaigan Bldg.	79.6	79.6	79.6	79.6	79.6	75.1	78.8	75.1	76.9	76.9	90.7	100.0	100.0	86.6
		Urbannet Mita Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	92.5	92.5	92.5	92.5	92.5	92.5	92.5
		Urbannet Azabu Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Urbannet Ichigaya Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Urbannet Irifune Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Granpark	95.9	95.6	95.5	95.9	99.1	99.5	96.9	99.5	99.5	99.4	99.1	99.0	99.0	99.3
	Urbannet Kojimachi Bldg. *1	-	-	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
	Other 18 Wards of Tokyo	Premier Toyochō Bldg.	80.4	80.4	80.4	80.4	80.4	100.0	83.7	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Ueno TH Bldg.	61.7	61.7	61.7	61.7	74.5	74.5	66.0	74.5	87.2	87.2	87.2	87.2	95.1	86.4
		Gotanda NT Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Ueno Tosei Bldg.	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Urbannet Ikebukuro Bldg. *1	-	-	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Urbannet Omori Bldg. *1	-	-	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Urban Areas Surrounding Tokyo	Premier Yokohama Nishiguchi Bldg.	58.8	58.8	75.2	75.2	70.6	70.6	68.2	70.6	83.1	87.6	87.6	100.0	100.0	88.1	
	The Kanagawa Science Park R&D Bldg.	97.6	97.6	97.5	97.5	97.7	97.7	97.6	98.6	98.6	98.6	98.6	97.2	90.9	97.1	
	NU Kannai Bldg.	77.6	77.6	77.6	77.6	84.1	80.1	79.1	80.1	80.1	80.1	80.1	80.1	81.7	80.4	
Regional Cities	Tradepia Yodoyabashi (land)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
	NTT CRED Okayama Bldg. *2	-	-	-	-	-	-	-	91.4	91.4	90.2	90.2	89.1	88.3	90.1	
Subtotal		93.3	93.3	95.1	95.1	95.9	96.1	94.8	95.4	96.2	96.2	96.7	97.2	96.9	96.5	
Residential	5 Central Wards of Tokyo	Park Axis Yotsuya Stage	98.0	98.6	99.0	98.9	97.4	95.6	97.9	94.6	94.1	92.8	95.9	95.8	93.7	94.5
		Park Axis Meiji-Jingumae	94.8	88.6	88.3	97.9	97.3	100.0	94.5	93.1	95.6	95.6	85.6	86.6	96.7	92.2
		Sun Palace Minami-Azabu *3	100.0	100.0	100.0	100.0	100.0	92.0	98.7	-	-	-	-	-	-	-
		Cabin Arena Akasaka	97.4	94.8	97.4	97.4	97.4	100.0	97.4	97.4	100.0	94.8	97.4	94.2	96.8	96.8
		Cabin Arena Minami-Aoyama	97.4	94.8	94.8	94.8	100.0	100.0	97.0	97.4	97.4	95.3	89.6	96.9	90.8	94.6
		Bureau Kioicho	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Homat Woodville *3	95.9	92.9	92.9	92.9	95.9	95.9	94.4	-	-	-	-	-	-	-

*1 Urbannet Kojimachi Bldg., Urbannet Ikebukuro Bldg. and Urbannet Omori Bldg. were acquired January 22, 2015.

*2 NTT CRED Okayama Bldg. was acquired May 15, 2015.

*3 Sun Palace Minami-Azabu and Homat Wood Ville were sold May 15, 2015.

Monthly Occupancy Rates (2)

(%)


	Property name	Fiscal Period 25 (ended Apr. 2015)							Fiscal Period 26 (ended Oct. 2015)						
		Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Avg.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Avg.
	Residential														
5 Central Wards of Tokyo	Roppongi Green Terrace	90.4	90.0	90.0	87.0	92.4	90.8	90.1	94.9	96.1	96.1	95.6	95.6	100.0	96.4
	Premier Stage Shibakoen II	95.5	95.5	93.2	94.3	94.1	95.3	94.7	95.3	94.1	95.5	94.2	91.9	92.9	94.0
	Langue Tower Kyobashi	96.6	95.0	95.0	100.0	100.0	98.3	97.5	100.0	98.3	98.3	98.3	98.3	100.0	98.9
	Premier Stage MitaKeidaimae	100.0	98.4	95.3	92.1	92.1	90.5	94.7	95.3	100.0	100.0	98.4	98.4	98.4	98.4
	Premier Rosso	100.0	100.0	100.0	94.1	91.1	89.4	95.8	92.4	91.8	92.3	89.3	95.2	95.2	92.7
	Premier Blanc Yoyogikouen	98.6	100.0	98.7	98.7	97.0	95.3	98.0	97.0	97.0	93.8	86.4	84.7	94.2	92.2
	Premier Stage Uchikanda	100.0	98.4	96.4	96.4	98.1	96.0	97.6	98.2	100.0	100.0	97.5	96.4	97.5	98.3
	Premier Stage Ichigayakawadacho	100.0	100.0	98.4	98.4	91.4	93.0	96.9	91.5	95.2	90.1	88.4	93.1	88.3	91.1
	Walk Akasaka	93.4	87.5	87.5	82.3	94.8	96.6	90.3	100.0	95.4	100.0	100.0	100.0	100.0	99.2
	Premier Stage Shibakoen	93.3	90.9	88.8	91.1	97.7	100.0	93.6	95.5	97.7	93.0	93.1	97.7	97.7	95.8
	MEW	100.0	100.0	100.0	96.5	100.0	100.0	99.4	100.0	100.0	94.6	89.7	100.0	94.6	96.5
	Shibaura Island Air Tower	97.5	96.7	97.1	96.9	97.2	97.0	97.1	96.9	96.5	96.3	96.8	96.0	96.1	96.4
	Storia Akasaka	98.1	95.4	95.4	88.0	88.0	88.6	92.2	92.0	95.8	92.6	90.9	84.3	88.1	90.6
	Renai Shinjuku-Gyoen Tower	93.6	95.7	94.8	94.7	96.3	96.8	95.3	97.6	98.0	96.3	93.1	95.5	94.5	95.8
	Shibaura Island Bloom Tower	98.3	97.7	98.0	96.9	97.2	96.4	97.4	96.6	96.8	97.0	97.4	97.0	96.8	97.0
	Questcourt Harajuku	91.4	89.5	89.5	96.3	94.6	96.9	93.0	90.2	90.2	96.4	96.4	100.0	100.0	95.5
	Urbancourt Ichigaya	97.3	94.7	97.3	94.6	97.3	97.3	96.4	97.3	97.3	97.3	100.0	100.0	97.6	98.2
	Other 18 Wards of Tokyo	B-Site Osaki	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Premier Garden Hongo		100.0	100.0	100.0	100.0	92.3	93.1	97.6	93.1	93.1	93.2	93.2	93.2	93.2	93.2
Premier Grande Magome		93.9	93.9	93.9	97.0	100.0	100.0	96.4	96.7	96.7	93.6	87.3	93.6	100.0	94.6
Premier Nozze Yutenji		93.3	89.9	93.1	93.1	90.8	97.4	92.9	93.9	93.9	94.1	93.5	93.5	96.6	94.3
Premier Stage Yushima		97.1	97.1	95.3	93.7	94.2	89.9	94.5	89.3	96.7	98.9	98.9	96.4	94.6	95.8
Premier Stage Komagome		94.7	95.7	96.8	98.4	94.1	96.0	96.0	93.4	94.7	96.0	96.0	97.4	96.0	95.6
Premier Stage Otsuka		95.1	93.9	97.1	95.5	95.4	97.0	95.7	97.0	97.0	97.0	98.5	98.5	97.0	97.5
Premier Stage Honjo-Azumabashi		94.6	95.2	95.2	97.0	97.5	97.5	96.2	94.6	94.6	93.4	91.6	95.2	96.4	94.3
Premier Stage Ryogoku		93.1	90.8	89.7	94.4	100.0	100.0	94.7	95.4	96.5	97.7	97.7	95.4	96.6	96.6
Subtotal		96.4	95.5	95.5	95.3	96.1	95.9	95.8	95.6	96.2	95.8	95.1	95.6	96.1	95.7
Total		94.7	94.3	95.3	95.2	96.0	96.0	95.3	95.5	96.2	96.1	96.1	96.6	96.6	96.2



Basic Information on Properties (1)











	Landic Shimbashi Bldg.	Landic Shimbashi 2 Bldg.	Premier Dogenzaka Bldg.	KN Shibuya No.3	Takadanobaba Center Bldg.	Rokubancho Bldg.	Ougaku Bldg.	Premier Kaigan Bldg.
								
Location	Minato Ward, Tokyo	Minato Ward, Tokyo	Shibuya Ward, Tokyo	Shibuya Ward, Tokyo	Shinjuku Ward, Tokyo	Chiyoda Ward, Tokyo	Chiyoda Ward, Tokyo	Minato Ward, Tokyo
Acquisition price (million yen)	6,341	7,045	1,727	5,348	5,118	7,860	1,796	5,100
Gross floor area	6,914m ²	8,332m ²	2,721m ²	7,737m ²	9,906m ²	9,339m ²	2,776m ²	8,476m ²
Completed	June 1982	December 1978	June 1991	February 1993	May 1992	April 1987	March 1988	January 1993

	Urbannet Mita Bldg.	Urbannet Azabu Bldg.	Urbannet Ichigaya Bldg.	Urbannet Irifune Bldg.	Granpark	Urbannet Kojimachi Bldg.	Premier Toyochō Bldg.	Ueno TH Bldg.
								
Location	Minato Ward, Tokyo	Minato Ward, Tokyo	Shinjuku Ward, Tokyo	Chuo Ward, Tokyo	Minato Ward, Tokyo	Chiyoda Ward, Tokyo	Koto Ward, Tokyo	Bunkyo Ward, Tokyo
Acquisition price (million yen)	10,300	5,000	1,650	2,900	11,490	3,600	4,310	4,380
Gross floor area	13,987m ²	6,486m ²	4,217m ²	6,058m ²	160,042m ²	6,231m ²	5,054m ²	4,799m ²
Completed	September 1987	April 1992	December 1993	July 1990	August 1996	May 1987	October 2006	December 1985



Basic Information on Properties (2)



	Gotanda NT Bldg.	Ueno Tosei Bldg.	Urbannet Ikebukuro Bldg.	Urbannet Omori Bldg.	Premier Yokohama Nishiguchi Bldg.	The Kanagawa Science Park R&D Bldg.	NU Kannai Bldg.	Tradepia Yodoyabashi (land)
								
Location	Shinagawa Ward, Tokyo	Taito Ward, Tokyo	Toshima Ward, Tokyo	Ota Ward, Tokyo	Yokohama City, Kanagawa	Kawasaki City, Kanagawa	Yokohama City, Kanagawa	Osaka City, Osaka
Acquisition price (million yen)	4,100	5,900	13,600	4,800	3,558	6,556	3,300	6,500
Gross floor area	7,545m ²	6,868m ²	25,050m ²	11,937m ²	7,562m ²	83,500m ²	10,963m ²	-
Completed	November 1987	May 2007	September 1988	July 1992	April 1986	July 1989	February 1987	-









	NTT CRED Okayama Bldg.	Akihabara UDX *1	Park Axis Yotsuya Stage	Park Axis Meiji-Jingumae	Cabin Arena Akasaka	Cabin Arena Minami-Aoyama	Bureau Kioicho	Roppongi Green Terrace
								
Location	Okayama City, Okayama	Chiyoda Ward, Tokyo	Shinjuku Ward, Tokyo	Shibuya Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Chiyoda Ward, Tokyo	Minato Ward, Tokyo
Acquisition price (million yen)	3,600	19,940	5,208	2,604	1,330	1,070	1,840	4,678
Gross floor area	35,299m ²	155,629m ²	8,158m ²	1,913m ²	1,793m ²	1,399m ²	2,008m ²	8,332m ²
Completed	February 1999	January 2006	November 2001	March 2002	November 2002	February 2003	November 2002	October 2002

*1 PIC owns 53,850 (or 19%) of the 282,000 preferred securities outstanding backed by the asset Akihabara UDX.



Basic Information on Properties (3)





	Premier Stage Shibakoen II	Langue Tower Kyobashi	Premier Stage MitaKeidaimae	Premier Rosso	Premier Blanc Yoyogikouen	Premier Stage Uchikanda	Premier Stage Ichigayakawadacho	Walk Akasaka
								
Location	Minato Ward, Tokyo	Chuo Ward, Tokyo	Minato Ward, Tokyo	Shibuya Ward, Tokyo	Shibuya Ward, Tokyo	Chiyoda Ward, Tokyo	Shinjuku Ward, Tokyo	Minato Ward, Tokyo
Acquisition price (million yen)	2,181	927	1,580	1,662	2,330	1,723	1,460	2,043
Gross floor area	2,548m ²	1,714m ²	1,748m ²	2,487m ²	3,086m ²	2,458m ²	1,779m ²	2,357m ²
Completed	February 2003	February 2003	November 2004	November 2004	June 2005	August 2005	July 2005	November 2004

	Premier Stage Shibakoen	MEW	Shibaura Island Air Tower	Storia Akasaka	Renai Shinjuku-Gyoen Tower	Shibaura Island Bloom Tower	Questcourt Harajuku	Urbancourt Ichigaya
								
Location	Minato Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Shinjuku Ward, Tokyo	Minato Ward, Tokyo	Shibuya Ward, Tokyo	Shinjuku Ward, Tokyo
Acquisition price (million yen)	1,585	1,556	7,590	3,930	6,500	5,500	4,500	1,385
Gross floor area	2,129m ²	1,826m ²	81,760m ²	6,329m ²	11,203m ²	104,186m ²	5,408m ²	3,662m ²
Completed	September 2006	August 2005	March 2007	December 2002	December 2002	September 2008	January 2004	January 1993



Basic Information on Properties (4)



	B-Site Osaki	Premier Garden Hongo	Premier Grande Magome	Premier Nozze Yutenji	Premier Stage Yushima	Premier Stage Komagome	Premier Stage Otsuka	Premier Stage Honjo-Azumabashi
								
Location	Shinagawa Ward, Tokyo	Bunkyo Ward, Tokyo	Ota Ward, Tokyo	Setagaya Ward, Tokyo	Bunkyo Ward, Tokyo	Toshima Ward, Tokyo	Toshima Ward, Tokyo	Sumida Ward, Tokyo
Acquisition price (million yen)	1,072	975	1,560	1,525	1,803	1,830	1,310	2,640
Gross floor area	1,462m ²	1,583m ²	2,446m ²	1,904m ²	2,527m ²	2,400m ²	1,894m ²	3,852m ²
Completed	December 2002	March 2002	February 2005	March 2006	March 2006	January 2007	August 2006	November 2007



Premier Stage Ryogoku

Location	Sumida Ward, Tokyo
Acquisition price (million yen)	1,496
Gross floor area	2,475m ²
Completed	March 2008



Characteristics of PIC

- A J-REIT that invests in multiple asset types (office and residential) with a portfolio concentrated in Greater Tokyo.

Investment Policy

A Portfolio Comprising Both Office and Residential Assets

- Mitigates the impact of economic fluctuations by combining asset types that have low correlation to each other in terms of market rent fluctuations
- Diversifies the tenant base into different types such as corporations and individuals



Profitability

Exerts strengths when the economy is recovering

Tenant demand and rent trends are prone to be affected by business cycles and other economic trends

Stability

Exerts strengths when the economy is receding

Tenant demand and rent trends are relatively resistant to changes in economic and social conditions

Focused Investments in Greater Tokyo

- Focuses investments in Greater Tokyo, which enjoys an established economic base due to a high concentration of population and industry
- Partially expand the target investment area to Major Regional Cities (strengthening coordination with NTT Urban Development)



Potential Tenant Needs

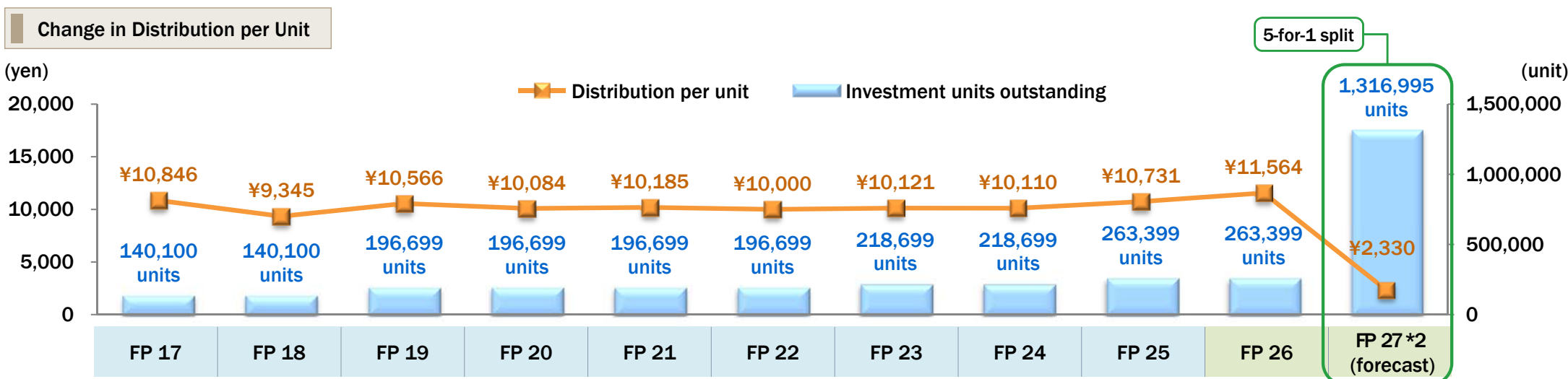
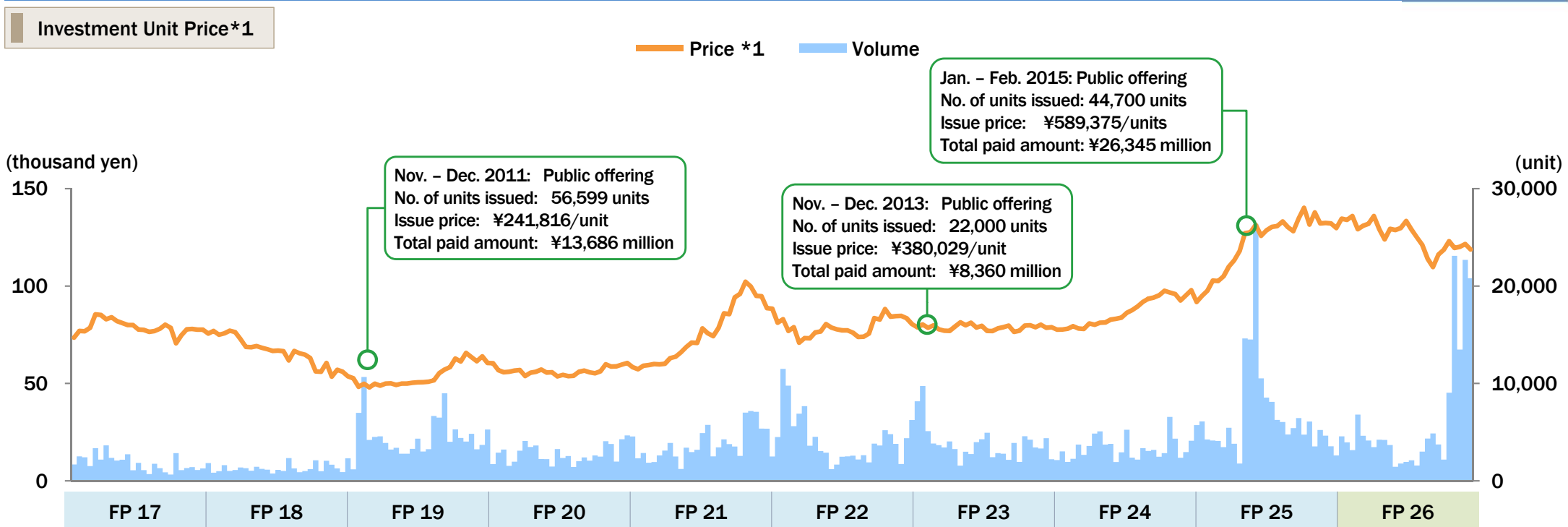
- The population is returning to city centers
- The rate of owner-occupiers is decreasing while rental demand is growing
- Socio-economic and government functions are concentrated in city centers

More Efficiency by Concentrating Investment Areas

- Realizes low management fee rates thanks to a lean asset management organization
- Enables greater consistency in property-management fees and quality



Investment Unit Price and Distribution per unit



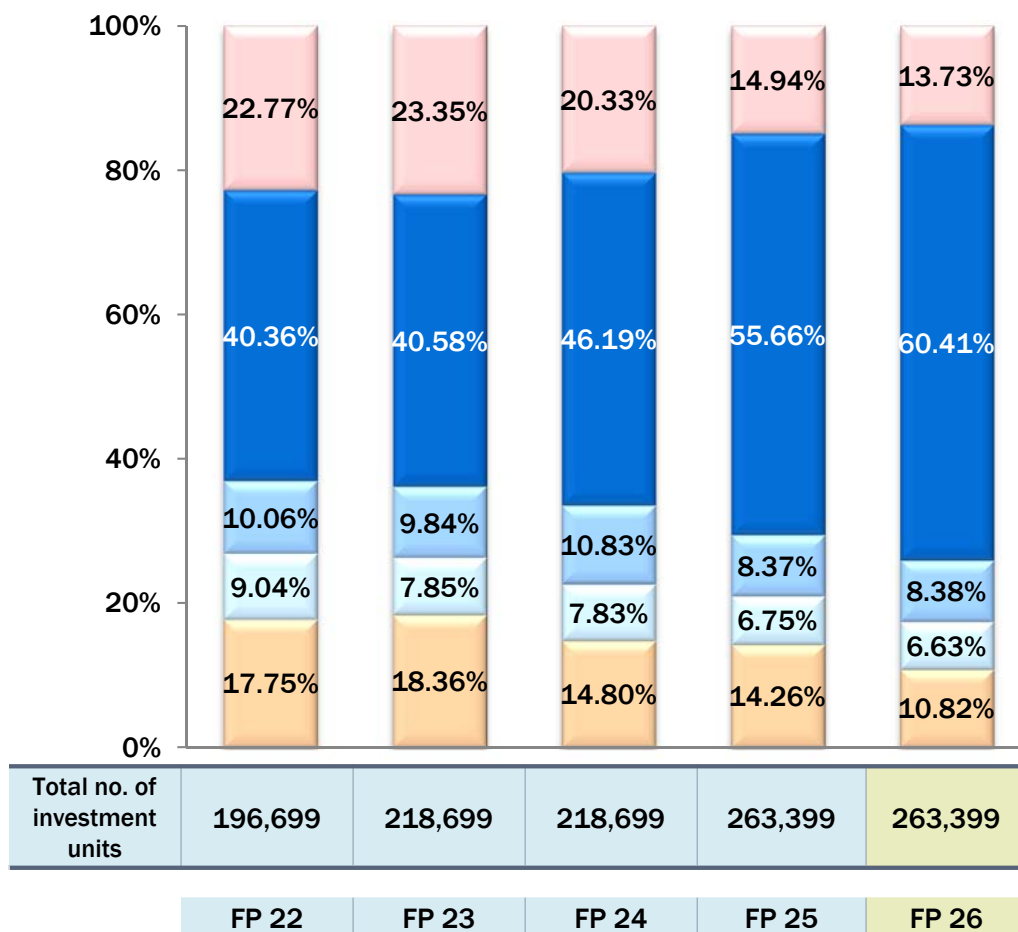
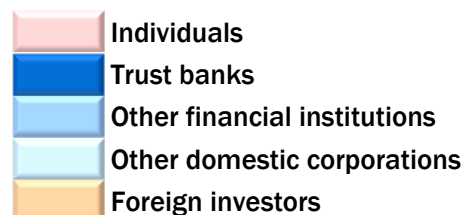
*1 Investment Unit Price is based on the closing price from the last trading day of each week. (Trading) Volume is the total weekly volume of buy- and sell-trades. Furthermore, investment unit prices before and on October 27, 2015 (the final day of trading at the former price) have been adjusted to reflect the 5-for-1 investment unit split implemented effective November 1, 2015.

*2 DPU figures for Fiscal Period 26 and before have not been adjusted for stock splits and therefore reflect actual contemporary values.



Status of Unitholders

Breakdown of Unitholders *1



Major Unitholders

Fiscal Period 26 (Investment units outstanding: 263,399 units)				
	Unitholder	Units held	Share *1	Change
1	Japan Trustee Services Bank, Ltd. (Trust Account)	94,395	35.83	9,156
2	Trust & Custody Service Bank, Ltd. (Money Trust Tax Account)	24,969	9.47	1,532
3	The Master Trust Bank of Japan, Ltd. (Trust Account)	22,677	8.60	539
4	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	10,402	3.94	247
5	NTT Urban Development Corporation	8,700	3.30	-
6	Mitsubishi UFJ Trust and Banking Corporation	3,451	1.31	-
7	GOLDMAN SACHS INTERNATIONAL	3,307	1.25	963
8	Mizuho Securities Co., Ltd.	3,258	1.23	3,181
9	STATE STREET BANK AND TRUST COMPANY 505223	3,112	1.18	- 229
10	STATE STREET BANK-WEST PENSION FUND CLIENTS-EXEMPT 505233	2,707	1.02	- 74
Total		176,978	67.19	

*1 Percentage figures have been rounded down to the second decimal place.



About the Asset Management Company

Overview of the Asset Management Company

Company Name	Premier REIT Advisors (PRA)
Establishment	July 17, 2001
Paid-in capital	300 million yen (as of September 30, 2015)

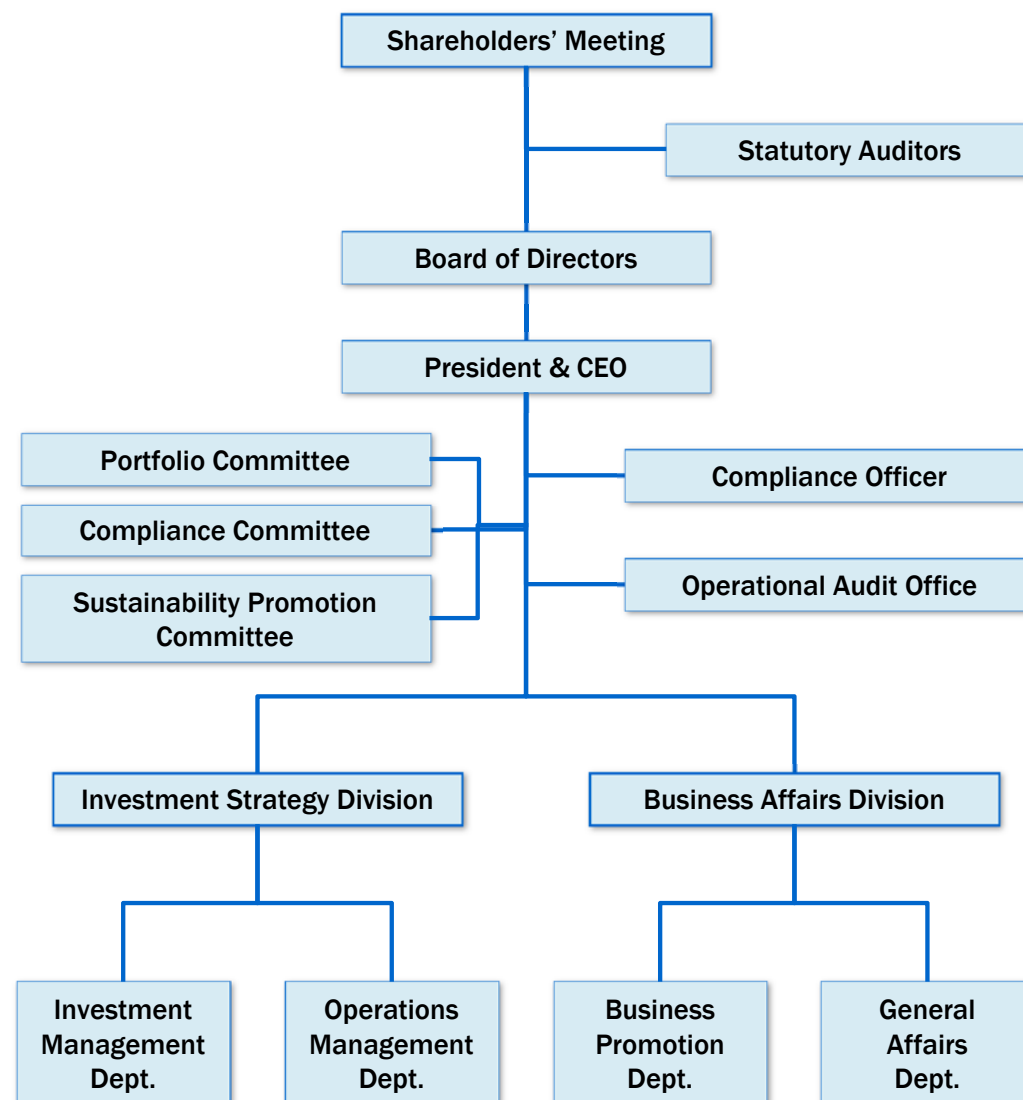
Participation of NTT Urban Development

	Acquired majority of PRA shares (53.1%)
May 14, 2010	Underwrote 8,700 units of PIC's investment units newly issued by way of third-party allotment (*) * 43,500 units after the 5-for-1 split

Shareholder Composition

Shareholders	No. of stocks (share)	Corporate profile
NTT Urban Development Corporation	3,186 units (53.1%)	The only diversified real estate company in the NTT Group
Kenedix, Inc.	1,800 units (30.0%)	One of Japan's leading independent real-estate asset managers
SOHGOH REAL ESTATE CO., LTD.	600 units (10.0%)	A comprehensive real-estate solutions provider with a focus on condominium development services
Sumitomo Mitsui Trust Bank, Limited	294 units (4.9%)	One of the leading trust banks in Japan
Nikko Properties Co., Ltd.	120 units (2.0%)	An asset management company belonging to the SMBC Nikko Securities Group

Organization of the Asset Management Company



Terminology Used in this Presentation

Term	Definition
<ul style="list-style-type: none"> ■ Investment areas 	<ul style="list-style-type: none"> • 5 central wards of Tokyo: The 3 central wards of Tokyo (Chiyoda, Chuo and Minato) plus Shinjuku and Shibuya • Other 18 wards of Tokyo: The remaining 18 of Tokyo's 23 wards, after excluding the 5 central wards of Tokyo • Urban areas surrounding Tokyo: Other urban areas within Greater Metropolitan Tokyo, which comprises The Metropolis of Tokyo (excluding Tokyo's 23 Wards), Kanagawa Prefecture (densely populated areas such as Yokohama City and Kawasaki City), Saitama Prefecture (densely populated areas such as Saitama City) and Chiba Prefecture (densely populated areas such as Chiba City) • Major regional cities: Major cities such as Sapporo, Sendai, Shizuoka, Nagoya, Osaka, Kyoto, Kobe, Hiroshima, Okayama and Fukuoka
■ Akihabara UDX	An office building located in Tokyo's Chiyoda Ward that is the underlying asset to UDX SPC Preferred Securities PIC owns 53,580 (19.0%) of the 282,000 Preferred Securities. Unless noted otherwise, the Preferred Securities are represented herein as "Akihabara UDX". We categorize it as an office building located within the Central 5 Wards of Tokyo.
■ Acquisition price/Transfer price	The transaction price before taxes. Does not include various expenses (transaction brokerage fees, real estate taxes, etc.), required for the acquisition or transfer of the property in question.
■ Occupancy rate	Occupancy rate = $\text{[Total area under lease} \div \text{Gross leasable area (GLA)]} \times 100 (\%)$
■ Occupancy rate by cash flows	For any given month, the area actually generating cash flow (*) \div Gross leasable area (GLA) $\times 100 (\%)$ <ul style="list-style-type: none"> • The portion of leasable area remaining after excluding any area for which the rent (including common services charges) stipulated under the lease agreement is not being received due to special incentives such as free rent. (The area actually generating cash flows during the month in question.)
■ Rental NOI	Rental NOI = Real estate rental income + depreciation (for each property in the portfolio during the fiscal period in question)
■ Rental NOI yield	Rental NOI yield = $\text{Annualized rental NOI} (*) \div \text{Amount invested} (**)$ (for each property in the portfolio during the fiscal period in question) $\times 100 (\%)$ * Annualized rental NOI = Real estate rental income + Depreciation (annualized for properties in the portfolio during the fiscal period in question) <ul style="list-style-type: none"> ▪ Annualized = Actual results from the fiscal period in question $\times 2$ (For properties bought or sold at some point within the fiscal period in question, actual results from the period in question $\times 365$ / Number of days the property was held in the portfolio) ** Amount invested = Book value (after depreciation) as of the end of the period for properties in the portfolio during the period in question <ul style="list-style-type: none"> ▪ For properties sold, the book value at the time of sale is used in place of book value as of the end of the period.
■ Appraisal NOI yield	Appraisal NOI yield = $\text{Appraisal NOI} (*) \div \text{Acquisition cost} \times 100(\%)$ * Appraisal NOI = Net operating income arrived at using the direct capitalization method described in the real estate appraisal document created upon acquisition of the property in question.
■ Portfolio NOI yield	NOI yield = $\text{Annualized rental NOI} (*) \div \text{Amount invested} (**)$ for assets (including preferred securities) held during the period in question $\times 100 (\%)$ * Annualized rental NOI = The total of {(Real estate rental income) + (Depreciation) + (Dividend income from preferred securities)} $\times 2$, for assets held during the period in question ** Amount invested = Total book value (after depreciation) as of the end of the period for assets held during the period in question
■ Portfolio yield (after depreciation)	Yield after depreciation = $\text{[Annualized real estate rental income} (*) \div \text{Amount invested} (**)]$ for assets (including preferred securities) held during the period in question $\times 100 (\%)$ * Annualized real estate rental income = The total of {(Real estate rental income) + (Dividend income from preferred securities)} $\times 2$, for assets held during the period in question ** Amount invested = Total book value (after depreciation) as of the end of the period for assets held during the period in question
■ LTV (loan to value)	LTV (loan to value) = $\text{[Interest-bearing liabilities} \div \text{(interest-bearing liabilities + unitholders' capital)]} \times 100(\%)$



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