



(TSE 8987)

Japan Excellent, Inc.

Twelfth Period (ended June 2012)
Presentation Materials

August 14, 2012

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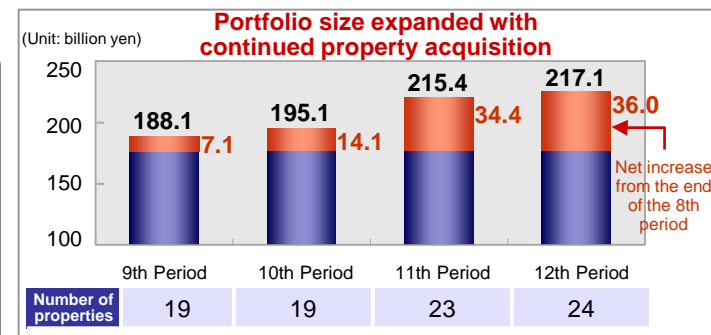
I. Highlights from the Period



1. Topics

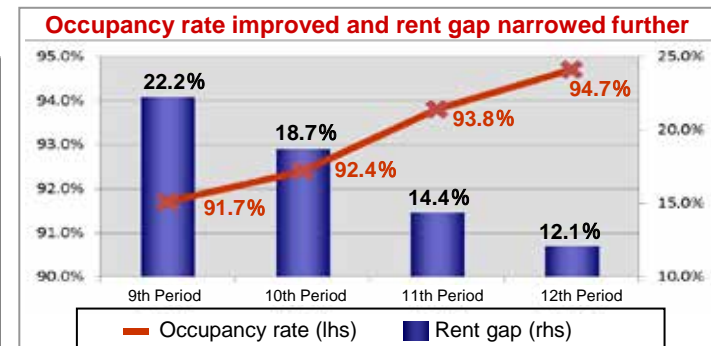
1. Portfolio expansion leveraging the support of the sponsor

- Ø Acquired 2 properties through the sponsor's pipeline.
 - Hiroshima Hacchobori Dai-ichi Seimei Building (acquired from Dai-ichi Life Insurance)
 - Shintomicho Building (acquired through brokerage by Kowa Real Estate with a fixed rent master lease arrangement)
- Ø The portfolio size expanded by 20% since the second half of 2010 with continued asset acquisition.



2. Profitability of the existing portfolio stabilized

- Ø The portfolio profitability stabilized as the occupancy rate improved and the rent gap narrowed.
- Ø Steady progress was made on leasing up of the vacancy created after the relocation of a major tenant.



3. Stable financial management maintained

- Ø Promoted a higher percentage of fixed-rate debts vs. floating-rate debts with longer and more diversified maturity dates.
- Ø Lowered the average borrowing rate.

Financial stability improved further

	11th Period (After refinancing at the end of Jan. 2012)	12th Period (After refinancing at the end of Jul. 2012)	Change
Ratio of fixed-rate debts	70.3%	75.8%	+5.5 point
Average remaining interest-bearing debt maturity	3.28 Year	3.28 Year	0.00 Year
Average borrowing rate at period end	1.36%	1.32%	-0.04 point

The amount of distributions per investment unit for the 12th period (ended June 2012) amounted to **¥12,200**, which was in line with the initial forecast.

2. Financial Results

(Unit: million yen)

	11th Period (Dec. 2011)	12th Period (Jun. 2012)	Difference
Revenue from rental operations (*)	7,146	7,587	441
Rental revenue (*)	6,486	6,885	399
Revenue for utilities expenses	482	503	20
Other rental revenue	177	198	20
Expenses from rental operations	3,645	3,901	256
Property management fees	1,014	1,016	2
Utilities expenses	627	668	40
Taxes	556	592	36
Repairs and maintenance	96	186	90
Other expenses for rental operations	195	177	-18
Depreciation	1,156	1,260	104
Profits from rental operations (*)	3,501	3,685	184
Sales and administrative expenses	470	498	28
Capital gain on sale of real estate		152	152
Other income (*)	14	9	-5
Other expenses	807	913	106
Income before income taxes	2,237	2,435	198
Net income	2,236	2,434	198

Provision for reserve for advanced depreciation		133	133
Total distributions	2,236	2,301	65
Distribution per unit (yen)	11,854	12,200	346

(*) In relation to the change in the timing of the acquisition of No. 35 Kowa Building, the lost revenue attributable to the delay for the period from October 3, 2011 to November 24, 2011 was compensated by and received from the seller as "adjustment proceeds," which were recognized in other income for accounting purposes. However, in the above table, said adjustment proceeds are included in rental revenue for the 11th period rather than in other income. Therefore, the figures of rental revenue, revenue and profit from rental operations for the 11th period are different from those stated for accounting purposes. The same note applies to these figures presented in p.12.

Comparisons to the Previous Period

(1) Rental revenue increased by 399 million yen from the previous period

- The pace of decline in revenue from existing properties slowed down (a decline of ¥71 million from 11th period to 12th period vs. ¥169 million from 10th period to 11th period).
- The decline in revenue from existing properties was compensated for by the property acquisitions and replacements in the 11th and 12th periods.

(2) Increase in repairs and maintenance expenses due, among others, to major repair works

(3) Recognized a gain of ¥152 million on the sale of No. 28 Kowa Building, of which ¥133 million was reserved internally.

[Accumulation of internal reserves]

We intend to accumulate internal reserves in order to prepare for natural disasters and other unforeseen circumstances and to maintain stable distribution levels in the medium- to long-term to the extent they are not subject to income taxes.

(4) Distribution per unit was 12,200 yen, up 346 yen from the previous period, as forecasted at the beginning of the period.

Major Differentiators to the Initial Forecast

(Unit: million yen)

	Initial forecast	Results	Difference
Net income	2,363	2,434	71
Provision for reserve for advanced depreciation	61	133	71
Distribution per unit (yen)	12,200	12,200	0

- Net income increased reflecting, in particular, the contribution of the properties acquired during the 12th period.

II. Results and Approach Moving Forward



1. Management Discussion of the Environment

Office Leasing Market

- ∅ Vacancy rates are expected to gradually improve following a period of ups and downs in a narrow range albeit with concerns about a temporary rise in vacancy due to the current large supply.
- ∅ Rents continue to decline in general, but the pace is slowing in some parts of central Tokyo. The pace of decline is expected to slow down in future.

Real Estate Investment Market

- ∅ The availability of real estate finance continues to be good and the amount of real estate transactions is on a rising trend. However, the supply of excellent properties that are considered qualifying in terms of size and acquisition price is limited.
- ∅ Investors' anticipated yields remain flat in many areas.

Financial Markets

- ∅ Deflationary pressures in the Japanese economy are expected to last for a long time before any signs of the economy growing out of it and the Bank of Japan's benchmark policy rate is expected to remain at low levels for the time being.
- ∅ Although the long-term interest rate is expected to remain at low levels, uncertainty will remain in the financial market with concerns including the developments of the European debt crisis.

2. External Growth

(1) Property acquisitions since January 2011

Portfolio size expansion and profitability improvement since the public stock offering (in January 2011)

- Ø Portfolio size expansion and profitability improvement since the last public stock offering through property acquisitions and replacements
- Ø Continued property acquisitions and replacements leveraging the sponsor's pipeline

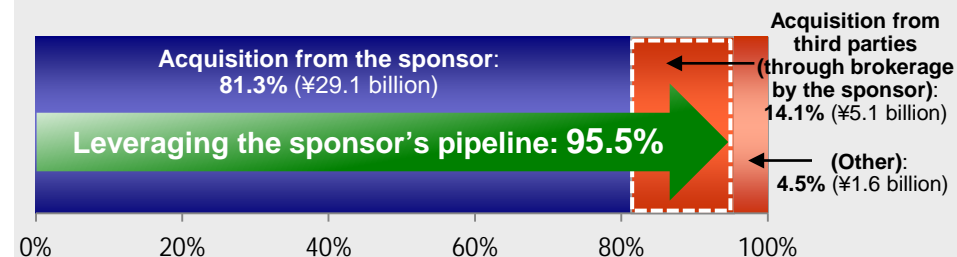
[Portfolio size expansion and profitability improvement]

	Properties held at the end of the 9th period (Dec. 2010)	Assets acquired since the last public stock offering	Properties held at the end of the 12th period (Jun. 2012)
Number of properties	17	7	24
Total acquisition price	¥181.2 billion	¥35.8 billion	¥217.1 billion
Average NOI yield	4.4%	5.9%	4.7%
Occupancy rate	94.0%	97.9%	94.7%
Average age of the buildings	18.2 years	14.5 years	17.6 years

(*) Properties held at the end of the 9th period (Dec. 2010) do not include properties that had already been sold.

(*) Average NOI yields are calculated as the weighted average of the NOI yields of properties in the 12th period weighted by the acquisition price of the properties.

[Property acquisition leveraging the support of the sponsor]



(*) Percentage based on the acquisition price of the properties acquired since January 2011

Summary of properties acquired or sold since January 2011 (Unit: billion yen)

Period	Date of Transaction	Property Name	Seller/buyer	Location	Acquisition	Transfer	Balance
End of 9th Period							188.1
10th Period	Feb. 2011	Daiba Garden City Building	Sponsor	Minato-ku	11.0		199.1
	Feb. 2011	No. 36 Kowa Building	Sponsor	Chiyoda-ku		4.0	195.1
11th Period	Sep. 2011	JEI Kyobashi Building	3rd party	Osaka City	3.3		198.4
	Nov. 2011	No. 35 Kowa Building	Sponsor	Minato-ku	8.3		206.7
	Dec. 2011	HAMARIKYU INTERCITY	Sponsor	Minato-ku	7.1		213.8
	Dec. 2011	Pacific Square Sengoku	3rd party	Bunkyo-ku	1.6		215.4
12th Period	Feb. 2012	No. 28 Kowa Building	Sponsor	Shinagawa-ku		2.9	212.5
	Mar. 2012	Shintomicho Building	3rd party	Chuo-ku	1.8		214.3
	May. 2012	Hiroshima Hacchobori Dai-ichi Seimei Building	Sponsor	Hiroshima City	2.8		217.1
					Increase	Decrease	Net increase
					35.8	6.9	28.9

Acquisition Transfer

(*) The "Seller/buyer" column indicates the attribute of the seller or the buyer. "Sponsor" means the investor company of the asset management company and specific purpose companies in which the sponsor has a tokumei kumiai investment interest.

2. External Growth

(2) Asset acquisitions and replacements

Pursuit of growth potential and profitability in asset acquisition

Focus on office buildings in a central city location

∅ Properties with high growth potential

- Large new properties with medium-term competitiveness
- Properties expected to achieve a high growth during the period of recovery in the office market

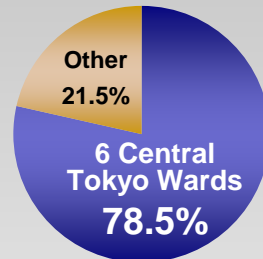
[Asset composition by area]



HAMARIKYU
INTERCITY



Daiba Garden
City Building



* Percentage based on the acquisition price of the properties acquired since January 2011

∅ Properties with excellent location and asset value

- Properties expected to maintain the asset value in the medium-term
- Properties expected to maintain stable revenue



No. 35 Kowa Building

Inclusion of highly profitable medium-size properties/properties in local markets

- Properties with NOI yields exceeding those of existing properties
- Selective investment in prime properties in local markets with particular focus on stable revenue

Improvement of the portfolio quality through property replacements

Replacements aimed at competitiveness improvement

- Replace properties with limited growth potential with newly constructed properties with high growth potential
- The replacement aimed at achieving a higher proportion of larger and newer properties in the portfolio to secure long-term competitiveness



Property replacements aimed at profitability improvement and stabilization

- Replace buildings with a single tenant who is to relocate with multi-tenant buildings
- Realize profitability improvement and stabilization of the portfolio



2. External Growth

(3) Newly acquired properties

Leveraging the sponsor's pipeline

Property acquisition

Property previously held by Dai-ichi Life Insurance (Hiroshima Hacchobori Dai-ichi Seimei Building)

Properties acquired through the brokerage by Kowa Real Estate (Shintomicho Building)

Revenue stabilization

Master lease arrangement with Kowa Real Estate with rents that are partially fixed (Shintomicho Building)

Hiroshima Hacchobori Dai-ichi Seimei Building

- Ø Near the Hacchobori Intersection on Aioi Dori with an abundance of major urban functions.
- Ø Conveniently located within a minute walk from Hacchobori Station on the Hiroshima Electric Railway Line.
- Ø Can meet the needs of a wide variety of tenants with a floor space divisible into smaller leasable spaces starting from 20 tsubo, individually controlled air conditioning, and a parking space accommodating up to 70 cars.

Shintomicho Building

- Ø Conveniently located within a 2 minute walk from Shintomicho Station on the Tokyo Metro Subway Line and is also near Tsukiji Station.
- Ø Enjoy healthy demand for office space as Shintomicho is directly adjacent to the Ginza/Kyobashi area.
- Ø High visibility facing the main street.
- Ø Can meet the needs of small- to medium-size tenants with a floor space divisible into smaller leasable spaces.



Acquisition price	¥2,760 million
Appraisal value	¥2,760 million
NOI yield	7.1% (*)
Location	14-4, Hacchobori, Naka-ku, Hiroshima-shi, Hiroshima Prefecture
Total floor area	9,919.93 m ²
Structure/No. of floors	S/SRC, B1/12F
Built	February 23, 1999
Acquisition date	May 22, 2012
Seller	The Dai-ichi Life Insurance Company, Limited

Acquisition price	¥1,750 million
Appraisal value	¥1,787 million
NOI yield	5.4% (*)
Location	3-10-9, Irifune, Chuo-ku, Tokyo
Total floor area	3,169.78 m ²
Structure/No. of floors	S, 8F
Built	November 1, 1990
Acquisition date	March 28, 2012
Seller	Tierra LLC

(*) NOI yield is calculated based on the annual estimates by excluding the effect of special circumstances that may arise during the year of acquisition.

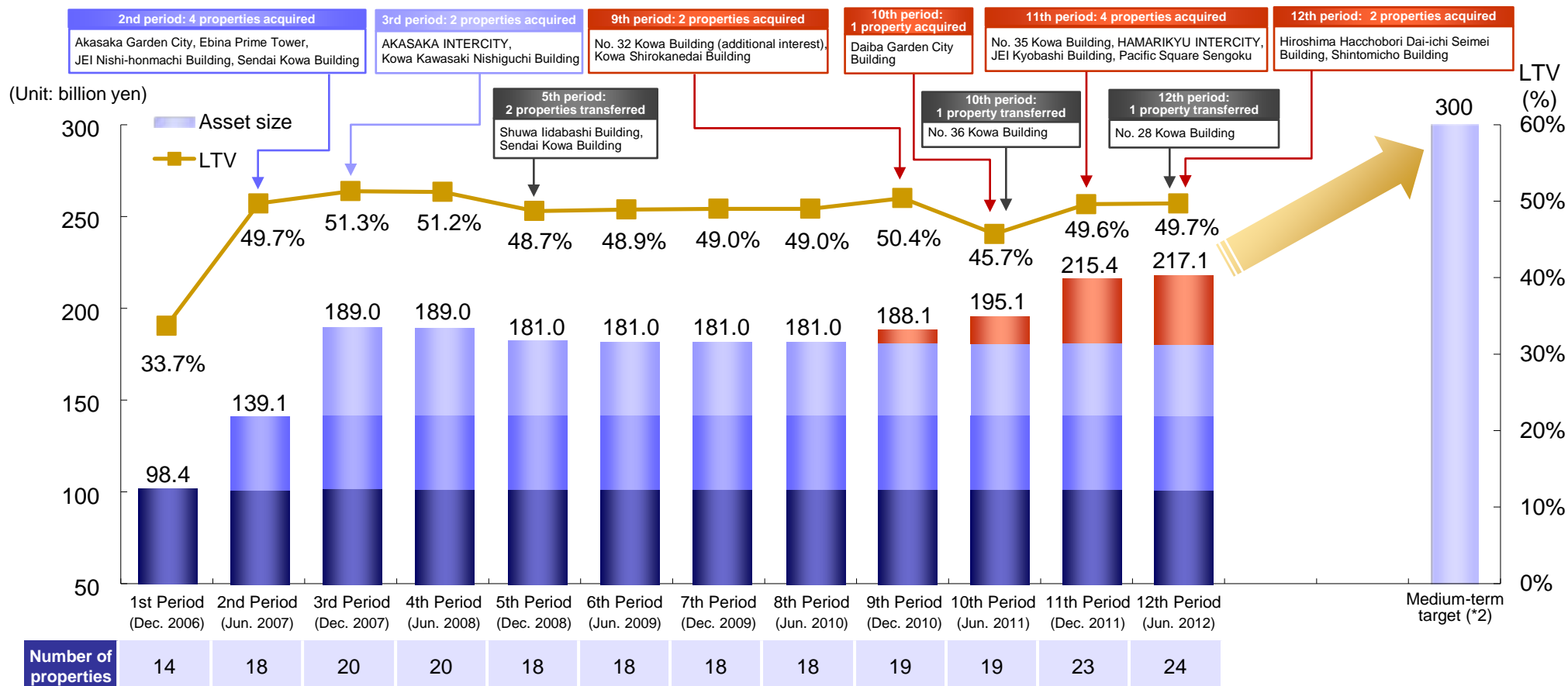


We expect from the property stable demand and an NOI yield exceeding the portfolio average

2. External Growth

(4) External growth targets

- [Expansion]** We hold fast to the mid-term target of achieving an asset size of ¥300 billion by continuing acquisitions from both the sponsor and third parties.
- [Growth]** We will invest in excellent properties that contribute to value enhancement of the entire portfolio through investment focused on office buildings in major cities and property replacements.
- [Balance]** We will construct well-balanced, high-quality portfolio by combining properties with high growth potential and properties with high profitability.



(*1) Figures above are based on the acquisition price at the end of each period.

(*2) Targets as of the date of this document. May not be achievable depending on future events and market environment factors.

3. Internal Growth

(1) Raise occupancy rates

Historical and forecasted occupancy rates

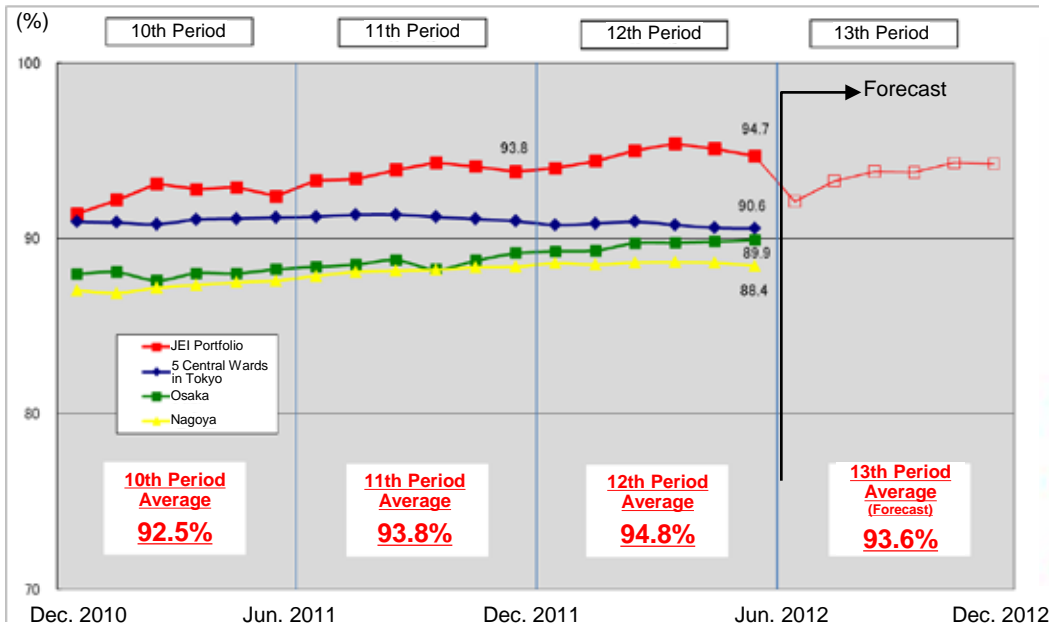
Ø 12th period: Significant occupancy rate improvements achieved

The average occupancy rate for the period rose from **93.8% in the 11th period to 94.8% in the 12th period (+1.0 point)** reflecting occupancy improvement in Ebina Prime Tower and others, full-period contribution of newly acquired high-occupancy properties including HAMARIKYU INTERCITY, and lower tenant departure rates.

Ø 13th period: Promotion of further occupancy rate improvement focusing on early leasing up of the vacancy created after the relocation of a major tenant.

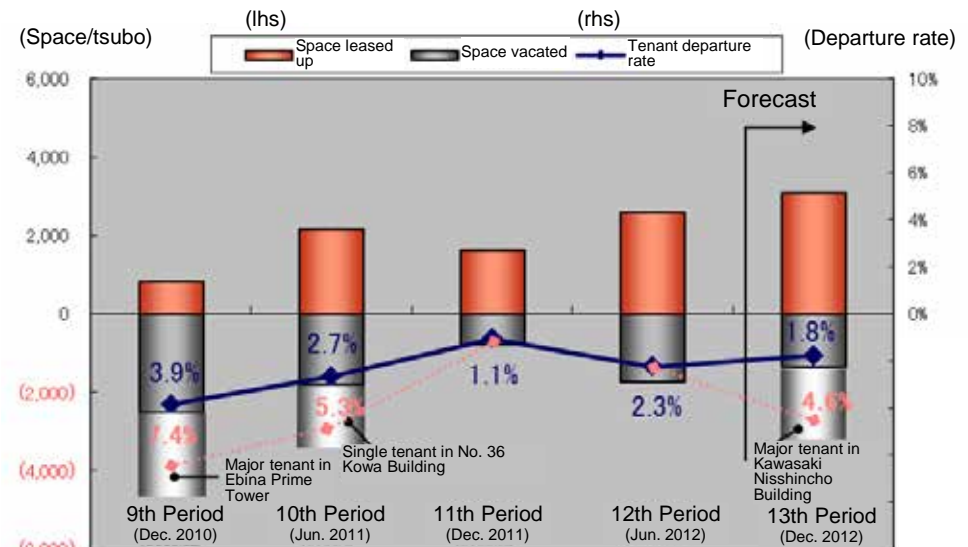
The occupancy rate of Kawasaki Nisshincho Building temporarily declined following the relocation of a major tenant, but it recovered quickly by early leasing up. We expect high occupancy rates to be maintained across most properties including Akasaka Garden City, which regained 100% occupancy.

[Occupancy Rates—Market and JEI Historical and Forecasted]



Source: Prepared based on materials provided by Miki Shoji

[Tenant Departure Rates (*) and Space Leased Up and Vacated Historical and Forecasted]



(*) Tenant departure rate is calculated for the entire JEI portfolio as space vacated by tenants over the period as a percentage of total leased space as of the end of the previous period. In the case of additional acquisition during the period, tenant departure rate is calculated as space vacated by tenants over the period as a percentage of the sum of total leased space as of the end of the previous period and leased space of the newly acquired property. In the case of a sale of a property during the period, leased space of the sold property is not subtracted from the total leased space as of the end of the previous period, and thus, the original formula (space vacated by tenants over the period as a percentage of total leased space as of the end of the previous period) applies.

3. Internal Growth

(2) Rent levels and rental revenue

Rent revisions/average rent levels—historical and forecasted

Ø Rent gap expected to narrow

The rent gap (difference between average and market rents) is expected to steadily narrow well into the 13th period.

[Rent Revisions—Historical and Forecasted]

	Space up for revision * Percentage of leasable space in parentheses	Rent hikes Amount of upward revision	Rent unchanged	Rent cuts Amount of downward revision	Average revision
10th Period	24,224 tsubo (34%)	0%	37%	63%	-8.9%
11th Period	14,628 tsubo (18%)	0%	68%	31%	-4.9%
12th Period	20,575 tsubo (27%)	27%	41%	32%	-4.4%
13th Period (forecast)	11,913 tsubo (15%)	0%	67%	33%	-4.3%

(*) Average rent revision: Average percentage change including rent kept at previous levels

Total rental revenue—historical and forecasted

Ø 12th period: Up 6.2% from the previous period

Total rental revenue increased by ¥399 million due mainly to the contribution of the properties newly acquired in the 11th and 12th periods.

Revenue from existing properties declined at a slower pace by ¥71 million, as compared with ¥169 million in the previous period.

Ø 13th period: Down 1.1% from the previous period

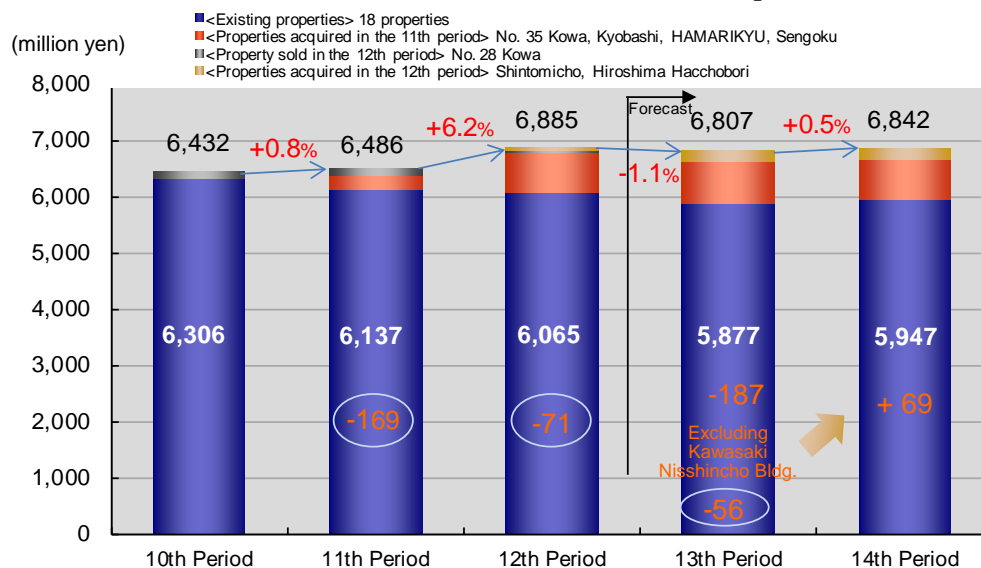
Total rental revenue is expected to decrease by ¥78 million due to the effect of the relocation of major tenants, despite the full-period contribution of properties acquired during the 12th period.

The pace of decline in revenue from existing properties (excluding Kawasaki Nisshincho Building) will slow down further as it will decrease only by ¥56 million.

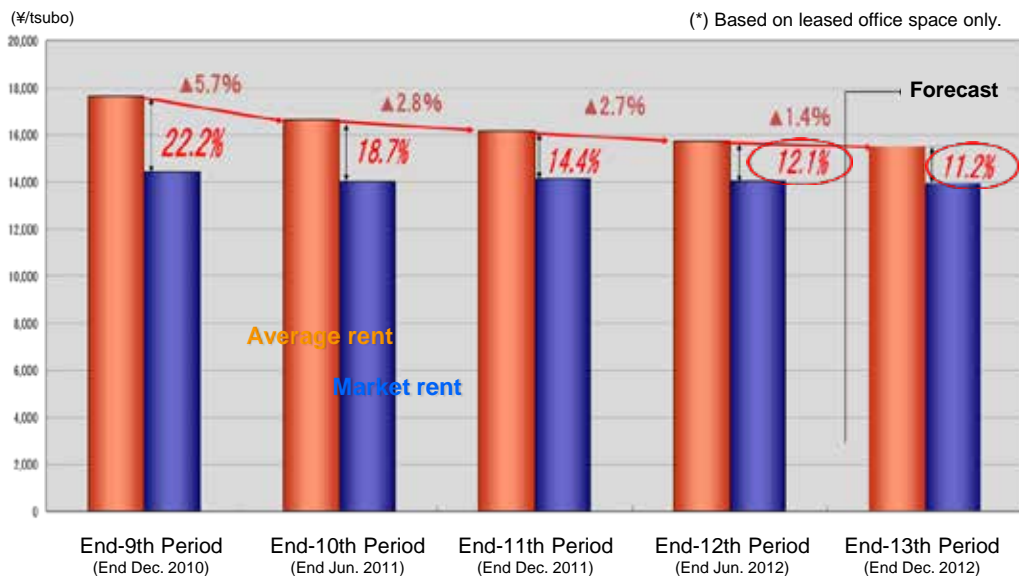
Ø 14th period: Up 0.5% from the previous period

Significant progress is expected to be made in leasing up the vacancy of Kawasaki Nisshincho Building. Occupancy rate will also improve across all other existing properties to achieve higher revenue. Total rental revenue will start to increase on the basis of existing properties only without considering the effect of newly acquired properties.

[Total Rental Revenue and Percentage Change Vs. Previous Period—historical and forecasted]



[Portfolio Average and Market Rent Levels—historical and forecasted]



3. Internal Growth

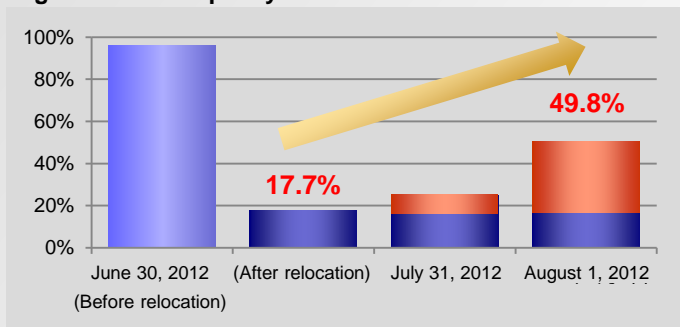
(3) Status of progress on properties faced with difficulties/Measures to stabilize revenue from existing properties

Status of progress on properties faced with difficulties

1. Kawasaki Nisshincho Building

- Following the relocation of a major tenant at the end of June 2012 (the occupancy rate declined to 17.7% after the relocation), measures were taken to accelerate the leasing up including the introduction of the incentive portion in the PM fees.
- As a result, a floor area of 1,400 tsubo was leased up within one month and the occupancy rate recovered to 49.8%.
- We will continue contacting enterprise groups with office needs in the Kawasaki aiming at achieving full occupancy as soon as possible.

[Changes in the occupancy rate of Kawasaki Nisshincho Building]



2. Ebina Prime Tower

- The occupancy rate rose from 67.7% at the end of the 11th period to 75.9% at the end of the 12th period (up 8.2 points).
- The property switched back to profitability through the reduction of property management costs, with the NOI yield recovered to approximately 3%.
- We will consider major investments such as an emergency power generation system to meet the needs of potential new tenants to further raise the occupancy rate.

Measures to stabilize revenue from existing properties

1. Detailed control of operating expenses

- Introduce a PM fee structure that suits the current leasing environment.
- Simultaneously introduce thorough efforts to cut property management cost and the incentive fee.
- Reduce cost by controlling service levels in accordance with the needs of each property.

2. Flexible leasing activities in coordination with PM companies

- Maintain and improve the occupancy rate through flexible rent levels.

3. Strategic investment to improve the competitiveness at the property level

- Implement value-added construction works designed to improve the tenant perception.
- Consider investment to meet BCP needs such as an emergency power generation system.

JEI Kyobashi Building
Common area
refurbishment



Kawasaki Nisshincho Building
Common area refurbishment



Emergency power
generation facility



4. Revenue stabilization through master lease arrangement with a fixed rent

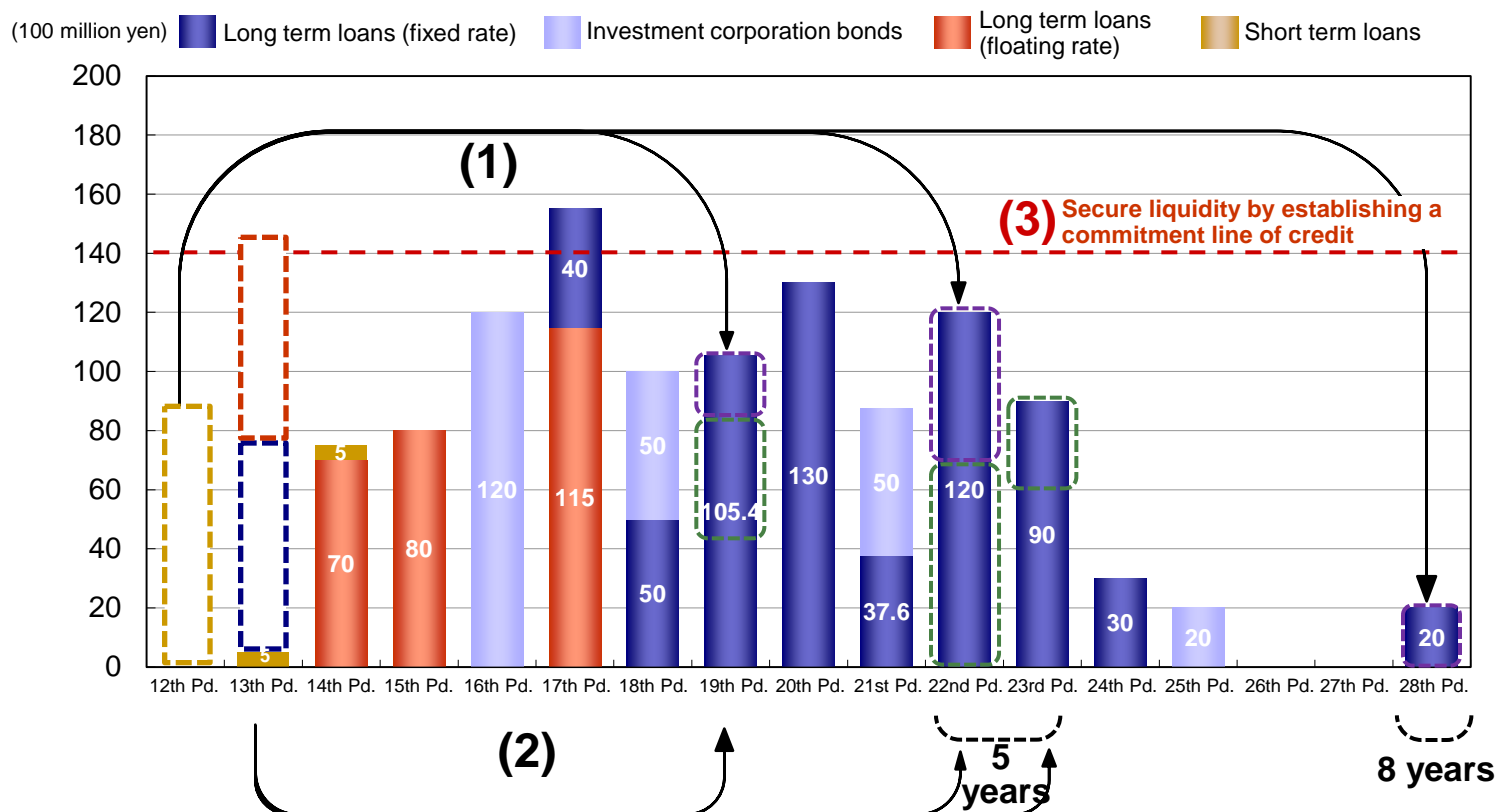
4. Financial Strategy

(1) Achievements

Financial stabilization measures

- Ø Measures toward financial stability: Conversion of floating-rate debts to fixed-rate debts with longer maturity dates
- Ø Measures toward stable fund raising: Diversification of maturity dates, establishment of a commitment line of credit
- Ø Cost reduction achieved by lowering the average borrowing rate

[Interest bearing debts balance by maturity]



[Financial achievements]

- (1) Conversion of short term loans arranged for acquisition financing to **fixed-interest bearing long term loans** (January 2012) (¥9 billion in total; **8-year ¥2 billion, 5-year ¥5 billion, and 3.8-year ¥2 billion** loans).
- (2) Refinancing and conversion of an existing loan of ¥14 billion (¥7 billion floating and ¥7 billion fixed) to a **fixed-interest bearing loan** using an interest rate swap (in July 2012) (**5.3-year ¥3 billion, 4.5-year ¥7 billion, and 3.3-year ¥4 billion** loans).
- (3) Improve the stability of fund raising by diversifying the maturity dates approximately within the limit of the **commitment line of credit (of ¥14 billion)**.

4. Financial Strategy

(2) Financial policy and status of interest-bearing debts

Continued promotion of financial stabilization

- ∅ Promotion of financial stability through further conversion of floating-rate loans to fixed-rate loans and LTV control (upper limit: 60%)
- ∅ Promotion of stability in fund raising through the diversification of maturity dates and funding sources
- ∅ Continue focusing on low cost and stable fund raising

[Interest Bearing Debt]

(Unit: million yen)

	10th Period (Jun. 30, 2011)	11th Period [Jan. 31, 2012 After refinancing]	12th Period [Jul. 31, 2012 After refinancing]
Interest bearing debt	95,500	112,800	113,800
Short term loans (*)	0 (0.0%)	0 (0.0%)	1,000 (1.1%)
Long term loans (*)	78,500 (100.0%)	88,800 (100.0%)	88,800 (98.9%)
Investment corporation bonds	17,000	24,000	24,000
LTV (total assets)	45.7%	49.6%	49.7%
Fixed rate percentage	57.6%	70.3%	75.8%
Average rate at period-end	1.40%	1.36%	1.32%
Short term loans	-	-	0.68%
Long term loans	1.39%	1.36%	1.32%
Investment corporation bonds	1.45%	1.36%	1.36%
Average remaining debt maturity	3.16 years	3.28 years	3.28 years

Favorable ratings maintained (as of August 14, 2012)

Rating agency	Rating (outlook)
R&I	Issuer rating: AA- (stable) Individual debt issue rating: AA- (*)
Moody's Japan	Issuer rating: A3 (stable)

(*) Ratings for unsecured investment corporation bonds (No. 1 through No. 4)

- The issuer rating of Moody's has been maintained at the same level since the rating outlook upgrade in July 2011 (from A3 negative to A3 stable).

Commitment line of credit

- A commitment line of credit for a total amount of ¥14 billion was established (with Mizuho Corporate Bank, Mitsubishi UFJ Trust and Banking Corporation, and Sumitomo Mitsui Banking Corporation).
- To secure short-term liquidity to reduce risks associated with refinance of loans and redemption of investment corporation bonds.
 - ▷ Contribution to improved stability in fund raising

(*) In parentheses as a percentage of total borrowings

5. Performance Forecasts

(Unit: million yen)

	12th Period (Jun. 2012)	13th Period (Dec. 2012)		14th Period (Jun. 2013)	
	Actual	Forecast	Vs. Previous	Forecast	Vs. Previous
Revenue	7,587	7,555	-32	7,563	7
Rental revenue	6,885	6,807	(2) -78	6,842	(4) 35
Revenue for utility expenses	503	550	47	523	-27
Other revenue	198	197	-1	197	0
Expenses from rental operations	3,901	3,888	-13	3,892	4
Property management fees	1,016	1,010	-6	1,026	16
Utilities expenses	668	698	30	680	-18
Repair and maintenance	186	87	(3) -99	101	13
(NOI)	4,946	4,949	2	4,951	2
Depreciation	1,260	1,282	22	1,281	-1
Profits from rental operations	3,685	3,666	-19	3,670	3
Sales and administrative expenses	498	495	-3	495	0
Capital gain on sales of real estate	152	(3) -152			0
Operating income	3,340	3,171	-168	3,174	3
Other expenses	913	872	-41	874	1
Income before income taxes	2,435	2,302	-133	2,302	0
Net income	2,434	2,301	-133	2,301	0
Provision/reversal of reserve for advanced depreciation	133				
Total distributions	2,301	2,301		2,301	
Distributions per unit (yen)	12,200	(1) 12,200	0	12,200	0
Reserve for advanced depreciation	183	183	0	183	0

Outline of performance forecasts

[13th Period]

(1) Distribution per unit to be maintained at ¥12,200 without the need for reversal of internal reserves

- Revenue contribution of properties acquired in the 12th period: ¥138 million
- Reversal of provision for reserve for advanced depreciation as expected at the previous announcement of results: ¥101 million

(2) Decline in rental revenue reduced to ¥78 million

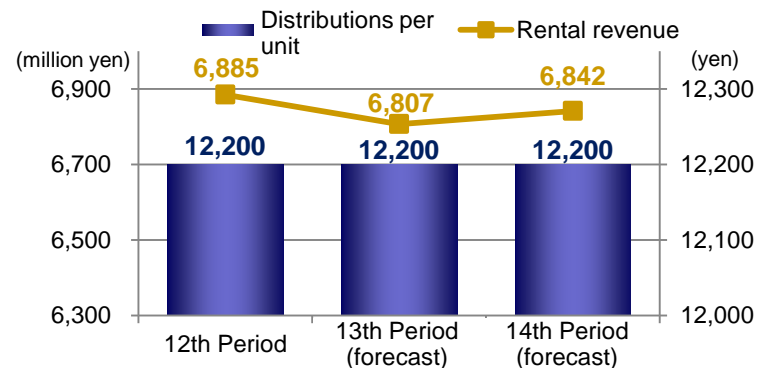
- Effect of the relocation of major tenants: -¥131 million
- Full-period revenue contribution of properties acquired in the 12th period: ¥126 million

(3) Decline in earnings due to the occurrence of unusual factors that were present in the 12th period

[14th Period]

(4) Rental revenue expected to rise on the basis on existing properties only

- Early leasing up of vacancy in the buildings where major tenants relocated
- Rental revenue from other properties also to stabilize with higher occupancy rates and narrower rent gaps



Reference Materials



Revenue, Expenses and NOI Yield by Property

(Unit: million yen)

12th Period (Jun. 2012)	Area I												Area II		Area III										Area IV		Total
	I-1	I-2	I-3	I-4	-6	I-7	I-8	I-9	I-10	I-11	I-12	I-13	II-1	II-2	III-1	III-2	III-3	III-5	III-6	III-7	III-8	III-9	III-10	IV-2	IV-3		
	Omori	Shiba 2-chome	Hama- matsu- cho	32 Kowa	28 Kowa Sold	Akasaka Garden City	AKASAKA INTERCITY	Kowa Shiro- kanedai	Daiba Garden	35 Kowa	HAMA- RIKYU INTERCITY	Shintomi- cho	NHK Nagoya	Nishi- Honmachi	Musashi- Kosugi	Kawasaki Higashi- guchi	Hongo	Kawasaki Nissshin- cho	44 Kowa	Ryogoku	Ebina	Kawasaki Nishi- guchi	Sengoku	Kyobashi	Hiroshima		
Revenue	989	371	254	274	39	359	318	191	338	-	260	37	292	208	794	-	174	217	90	108	324	913	80	185	33	7,587	
Rental revenue	941	371	242	260	36	340	289	178	338	-	248	34	-	190	701	-	164	215	81	99	281	820	66	171	30	7,046	
Other revenue	48	0	12	14	2	19	28	12	-	-	12	2	-	17	92	-	9	1	9	9	43	92	13	13	2	541	
Operating expenses	491	128	106	94	23	167	140	74	115	-	140	15	203	137	384	-	65	93	36	56	306	589	39	102	14	3,901	
Property management	128	46	23	36	4	54	12	19	1	-	46	3	55	32	117	-	13	37	11	16	93	126	6	16	3	1,016	
Utilities	128	0	12	17	5	19	30	12	-	-	23	2	26	21	82	-	7	-	8	9	62	96	6	13	2	668	
Property taxes	81	32	19	21	7	33	18	15	18	-	12	0	20	27	61	-	10	15	5	8	44	78	3	6	0	592	
Insurance	2	1	0	0	0	0	0	0	0	-	1	0	0	0	2	-	0	0	0	0	2	3	0	0	0	25	
Repair and maintenance	22	6	6	4	-	0	1	2	9	-	0	-	24	5	19	-	4	3	1	2	18	23	8	11	-	186	
Other expenses	3	2	14	2	1	2	34	2	1	-	2	0	27	1	6	-	1	1	1	2	12	12	1	1	0	151	
Depreciation and amortization	124	38	29	10	3	55	41	21	84	18	54	8	47	48	94	91	28	36	7	16	73	248	14	53	7	1,260	
Total rental income	498	242	147	180	16	191	177	116	222	194	120	21	88	70	409	164	108	123	54	52	17	324	40	82	18	3,685	
NOI	622	281	177	190	19	247	219	138	306	213	174	30	136	118	504	255	136	159	62	69	91	572	54	136	25	4,946	
Number of operating days	182	182	182	182	59	182	182	182	182	182	182	95	182	182	182	182	182	182	182	182	182	182	182	182	40		
Acquisition price	22,553	9,450	8,350	7,430	2,859	23,300	17,857	4,705	11,000	8,280	7,080	1,750	4,300	6,674	13,890	10,976	5,400	4,205	1,150	2,550	6,470	32,000	1,620	3,308	2,760	219,916	
Compared with previous period	12th period NOI yield (annualized)	5.5%	6.0%	4.3%	5.2%	4.3%	2.1%	2.5%	5.9%	5.6%	5.2%	4.9%	6.7%	6.3%	3.6%	7.3%	4.7%	5.1%	7.6%	10.9%	5.4%	2.8%	3.6%	6.7%	8.3%	8.6%	4.6%
	11th period NOI yield (annualized)	5.7%	6.0%	5.0%	5.2%	5.5%	2.2%	2.3%	5.9%	6.0%	5.1%	4.9%	-	6.6%	3.8%	7.5%	4.7%	4.8%	8.1%	10.5%	5.4%	1.9%	3.3%	7.9%	9.3%	-	4.6%
	Difference	-0.2%	0.0%	-0.7%	0.0%	-1.2%	-0.1%	0.2%	0.0%	-0.4%	0.1%	0.0%	-	-0.3%	-0.2%	-0.2%	0.0%	0.3%	-0.5%	0.4%	0.0%	0.9%	0.3%	-1.2%	-1.0%	-	0.0%

[Breakdown by Area]

(Unit: million yen)

	Area I total	Area II total	Area III total	Area IV total
NOI	2,623	254	1,906	162
Acquisition price	124,614	10,974	78,261	6,068
12th period NOI yield (annualized)	4.3%	4.7%	4.9%	8.3%
11th period NOI yield (annualized)	4.4%	4.9%	4.7%	9.3%
Difference	-0.1%	-0.2%	0.2%	-1.0%

- Notes: 1. Figures are rounded down to the nearest million. "Acquisition price" are rounded off less than one million yen.
2. Ratios are rounded to the nearest decimal point.
3. The NOI yield for each property shown is annualized. (NOI yield = Annualized NOI / acquisition price)
4. Details concerning revenue and expenses for 35 Kowa and Kawasaki Higashiguchi are not released because we are not able to receive authorization from tenants.
5. Details concerning rental revenue for NHK Nagoya are not released because we are not able to receive authorization from the business partner.

Portfolio Appraisal Value

(Unit: million yen)

Property Number	Area	Name	Evaluation	Acquisition price	Appraisal value		Difference (-)		Book Value at end of FP12	Difference (-)		Direct reduction Reduced yield		Difference (-)		Appraisal organization	
					End of FP11	End of FP12		%			%	End of FP11	End of FP12		%		
I-1	I	Omori Bellport D		22,553	24,040	24,110	70	0.3%	21,867	2,243	10.3%			5.1%	5.1%	0.0%	Chuo Real Estate Appraisal Co., Ltd.
I-2		Shiba 2-Chome Building		9,450	10,800	10,900	100	0.9%	9,172	1,728	18.8%	Office 4.9%	Office 4.9%	Office 0.0%	Japan Real Estate Institute		
I-3		JEI Hamamatsucho Building		8,350	7,930	7,470	-460	-5.8%	8,272	-802	-9.7%	Residence 5.6%	Residence 5.6%	Residence 0.0%	Japan Real Estate Institute		
I-4		No. 32 Kowa Building		7,430	7,031	7,080	49	0.7%	7,396	-316	-4.3%	4.6%	4.6%	0.0%	Japan Real Estate Institute		
I-7		Akasaka Garden City		23,300	18,200	17,700	-500	-2.7%	22,824	-5,124	-22.5%	5.7%	5.7%	0.0%	Chuo Real Estate Appraisal Co., Ltd.		
I-8		AKASAKA INTERCITY		17,857	12,600	12,500	-100	-0.8%	17,494	-4,994	-28.5%	4.1%	4.1%	0.0%	Japan Real Estate Institute		
I-9		Kowa Shirokanedai Building		4,705	5,200	5,090	-110	-2.1%	4,904	186	3.8%	3.9%	3.9%	0.0%	Japan Real Estate Institute		
I-10		Daiba Garden City Building		11,000	11,660	11,730	70	0.6%	10,877	853	7.8%	5.1%	5.1%	0.0%	Japan Real Estate Institute		
I-11		No. 35 Kowa Building		8,280	9,100	9,110	10	0.1%	8,300	810	9.8%	5.2%	5.2%	0.0%	Chuo Real Estate Appraisal Co., Ltd.		
I-12		HAMARIKYU INTERCITY		7,080	7,320	7,550	230	3.1%	7,044	506	7.2%	4.2%	4.2%	0.0%	Japan Real Estate Institute		
II-1		II	NHK Nagoya Housou Center Building		4,300	4,320	4,250	-70	-1.6%	4,480	-230	-5.1%	4.7%	4.6%	-0.1%	Japan Real Estate Institute	
II-2			JEI Nishi-Honmachi Building		6,674	4,220	4,420	200	4.7%	7,443	-3,023	-40.6%	5.8%	5.8%	0.0%	Japan Real Estate Institute	
III-1	III	Musashikosugi Tower Place		13,890	16,400	16,400	0	0.0%	13,004	3,396	26.1%	5.4%	5.4%	0.0%	Japan Real Estate Institute		
III-2		Kowa Kawasaki Higashiguchi Building		10,976	8,380	8,380	0	0.0%	10,229	-1,849	-18.1%	5.4%	5.4%	0.0%	Japan Valuers Co., Ltd.		
III-3		JEI Hongo Building		5,400	5,010	4,560	-450	-9.0%	5,248	-688	-13.1%	5.1%	5.1%	0.0%	Japan Valuers Co., Ltd.		
III-5		Kawasaki Nisshincho Building		4,205	4,380	3,570	-810	-18.5%	4,063	-493	-12.1%	4.7%	4.6%	-0.1%	Japan Real Estate Institute		
III-6		No. 44 Kowa Building		1,150	1,570	1,540	-30	-1.9%	993	547	55.1%	5.6%	5.8%	0.2%	Japan Real Estate Institute		
III-7		JEI Ryogoku Building		2,550	2,191	2,136	-55	-2.5%	2,379	-243	-10.2%	5.9%	5.9%	0.0%	Japan Real Estate Institute		
III-8		Ebina Prime Tower		6,470	3,590	3,690	100	2.8%	6,116	-2,426	-39.7%	5.7%	5.7%	0.0%	Chuo Real Estate Appraisal Co., Ltd.		
III-9		Kowa Kawasaki Nishiguchi Building		32,000	24,800	24,500	-300	-1.2%	30,419	-5,919	-19.5%	6.4%	6.4%	0.0%	Japan Real Estate Institute		
III-10		Pacific Square Sengoku		1,620	1,702	1,638	-64	-3.8%	1,664	-26	-1.6%	5.1%	5.1%	0.0%	Japan Valuers Co., Ltd.		
IV-2		IV	JEI Kyobashi Building		3,308	3,530	3,510	-20	-0.6%	3,365	145	4.3%	5.3%	5.3%	0.0%	Chuo Real Estate Appraisal Co., Ltd.	
Total				212,547	193,974	191,834	-2,140	-1.1%	207,563	-15,729	-7.6%	-	-	-	-	-	
I-13	I	Shintomicho Building		1,750	-	1,806	-	-	1,812	-6	-0.3%	-	-	5.2%	-	-	Chuo Real Estate Appraisal Co., Ltd.
IV-3	IV	Hiroshima Hacchobori Dai-ichi Seimei Building		2,760	-	2,770	-	-	2,803	-33	-1.2%	-	-	5.8%	-	-	Japan Real Estate Institute
Grand Total				217,057	193,974	196,410	-	-	212,178	-15,768	-7.4%	5.0%	5.0%	0.0%	-	-	-
Area I Total				121,755	113,881	115,046	-641	-0.6%	119,967	-4,921	-4.1%	4.7%	4.7%	0.0%	-	-	-
Area II Total				10,974	8,540	8,670	130	1.5%	11,923	-3,253	-27.3%	5.6%	5.6%	0.0%	-	-	-
Area III Total				78,261	68,023	66,414	-1,609	-2.4%	74,119	-7,705	-10.4%	5.3%	5.3%	0.0%	-	-	-
Area IV Total				6,068	3,530	6,280	-20	-0.6%	6,168	112	1.8%	6.0%	5.9%	-0.1%	-	-	-

Notes: 1. Total yield by area was calculated using weighted averages and rounding to the nearest decimal point.

2. "Appraisal value" includes the appraisal value described in the real estate appraisal report made by a real estate appraiser belonging to Japan Real Estate Institute, Chuo Real Estate Appraisal, and Japan Valuers as of end of 11th and 12th period based on Japan Excellent's rules and the regulations stipulated by the Investment Trusts Association of Japan. When there is a joint ownership property in the current portfolio, its value is obtained after multiplying the total value of the shared real estate by the percentage of the interest owned by Japan Excellent or the trustee.

Statement of Income and Retained Earnings

(Unit: million yen)

	11th period (Dec. 2011)	%	12th period (Jun. 2012)	%	Difference	Difference by %
1. Revenue	7,085	100.0	7,740	100.0	655	+ 9.2
Rental revenue	6,569		7,046		476	
Other rental revenue	515		541		25	
Capital gain on sale of real estate	-		152		152	
2. Operating expenses	4,116	58.1	4,400	56.9	284	+ 6.9
Property management cost and fees	1,014		1,016		2	
Utilities	627		668		40	
Property taxes	556		592		36	
Insurance	21		25		3	
Repairs and maintenance	96		186		90	
Other	173		151		-21	
Depreciation	1,156		1,260		104	
Total operating expenses	3,645		3,901		256	+ 7.0
Total rental income	3,439		3,685		246	+ 7.2
Asset management fees	337		356		18	
Other	132		142		9	
Operating income	2,969	41.9	3,340	43.1	370	+ 12.5
3. Other income	76	1.1	9	0.13	-66	- 87.1
Interest income	1		1		-0	
Adjustment proceeds income (No.35 Kowa Building)	61		-		-61	
Other	12		8		-4	
4. Other expenses	807	11.4	913	11.8	106	+ 13.1
Interest expense	551		599		48	
Loan relating fees	101		138		36	
Interest expense on Investment Corporation Bonds	136		161		25	
Amortization of Investment Corporation Bond Issuance Costs	11		13		2	
Other	6		0		-6	
Income before income taxes	2,237	31.6	2,435	31.5	198	+ 8.9
5. Extraordinary loss	0	0.0	-0	-0.0	-0	-
Loss on disaster	0		-0		-0	
Net income before taxes	2,237	31.6	2,435	31.5	198	+ 8.9
Income taxes- current	1		1		0	
Income taxes- deferred	-0		-0		0	
Net income	2,236	31.6	2,434	31.5	198	+ 8.9
Retained earnings at beginning of period	0		0		-0	
Retained earnings at end of period	2,236		2,434		198	

Note: Figures under one million yen are rounded down. Ratios are rounded to the nearest decimal point.

Balance Sheet

(Unit: million yen)

Assets					Liabilities and unitholders' equity						
	11th period (Dec. 2011)		12th period (Jun. 2012)		Difference		11th period (Dec. 2011)		12th period (Jun. 2012)		Difference
		%		%				%		%	
Assets		%		%		Liabilities		%		%	
I. Current assets	15,508	6.8	16,079	7.0	571	I. Current liabilities	24,158	10.6	23,453	10.2	-705
Cash and cash equivalents	2,940		3,490		550	Accounts payable-trade	583		587		4
Cash and cash equivalents (as trust accounts)	11,768		11,892		124	Short-term debt	23,000		22,000		-1,000
Rental receivables	453		539		85	Accounts payable-other	303		381		78
Other	345		156		-189	Unpaid consumption taxes	-		155		155
II. Fixed assets	211,647	93.1	212,659	93.0	1,011	Other	271		328		57
1. Property and equipment	202,638	89.2	203,613	89.0	975	II. Long-term liabilities	98,751	43.5	100,827	44.1	2,076
Real estate	3,180		3,283		102	Investment corporation bond	24,000		24,000		-
Real estate (as trust accounts)	199,445		200,309		864	Long-term debt	65,800		67,800		2,000
Construction in progress	12		20		8	Security deposits from tenants	415		425		9
2. Intangible assets	8,565	3.8	8,565	3.8	-0	Security deposits from tenants (as trust accounts)	8,535		8,602		66
Leasehold rights	1,185		1,185		-	Total liabilities	122,910	54.1	124,281	54.3	1,370
Leasehold rights (as trust accounts)	7,380		7,380		-	Unitholders' equity					
Other	0		0		-0	I. Unitholders' capital	104,338	45.9	104,537	45.7	198
3. Investments and other assets	443	0.2	479	0.2	36	1. Unitholders' capital	102,052	44.9	102,052	44.6	-
Security deposits	15		15		-	2. Retained earnings	2,286		2,485		198
Long-term prepaid expenses	355		385		30	Voluntary retained earnings (Reserve for advanced depreciation)	50	0.0	50	0.0	-
Other	73		78		5	Unappropriated retained earnings	2,236	1.0	2,434	1.1	198
. Deferred assets	93	0.0	79	0.0	-13	Total unitholders' equity	104,338	45.9	104,537	45.7	198
Deferred Investment Corporation Bond Issuance Costs	93		79		-13	Total liabilities and unitholders' equity	227,249	100.0	228,818	100.0	1,569
Total assets	227,249	100.0	228,818	100.0	1,569						

Note: Figures under one million yen are rounded down. Ratios are rounded to the nearest decimal point.

Balance of Interest Bearing Debt by Source of Financing (as of the end of July 2012)

(Unit: million yen)

Lenders	Interest-Bearing Debts	As a percentage of all borrowings	As a percentage of all interest-bearing debt
Mizuho Corporate Bank, Ltd.	21,990	24.5%	19.3%
Mitsubishi UFJ Trust and Banking Corporaiton	16,240	18.1%	14.3%
Development Bank of Japan Inc.	12,000	13.4%	10.5%
Sumitomo Mitsui Banking Corporation	9,060	10.1%	8.0%
The Dai-ichi Life Insurance Company, Limited	8,000	8.9%	7.0%
Mizuho Trust & Banking Co., Ltd.	7,820	8.7%	6.9%
The Norinchukin Bank	5,100	5.7%	4.5%
Aozora Bank, Ltd.	2,470	2.8%	2.2%
Resona Bank, Ltd.	2,200	2.4%	1.9%
Sompo Japan Insurance Inc.	2,000	2.2%	1.7%
Sumitomo Mitsui Trust Bank, Limited	1,620	1.8%	1.4%
Tokio Marine & Nichido Fire Insurance Co., Ltd.	1,000	1.1%	0.9%
The Bank of Fukuoka, Ltd.	300	0.3%	0.3%
Loan Total	89,800	100.0%	(78.9%)
1st Series Unsecured Investment Corporation Bond	12,000	/	10.5%
2nd Series Unsecured Investment Corporation Bond	5,000		4.4%
3rd Series Unsecured Investment Corporation Bond	5,000		4.4%
4th Series Unsecured Investment Corporation Bond	2,000		1.8%
Investment Corporation Bond Total	24,000		(21.1%)
Interest-Bearing Debt Total	113,800		100.0%

□ : Sponsor companies of the asset management company.

Statements of Cash Flow and Profit Distributions

n Cash flow statement

(Unit: million yen)

12th period (June 30, 2012)	
Classification	Amount
I. Cash flow from operating activities	6,947
Income before income taxes	2,435
Depreciation and amortization	1,260
Interest expense	-709
Sale of No.28 Kowa Building	2,798
Other	1,161
II. Cash flow from investing activities	-5,038
Purchases of property and equipment	-5,114
Net payments for security deposits	76
III. Cash flow from financing activities	-1,233
Proceeds from short-term debt	1,000
Repayment of short-term debt	-9,000
Proceeds from long-term debt	9,000
Repayment of long-term debt	-
Proceeds from issuance of investment corporation bonds	-
Payments for investment corporation bond issuance costs	-
Distributions to unitholders	-2,233
IV. Net increase in cash and cash equivalents	674
V. Cash and cash equivalents at beginning of period	14,708
VI. Cash and cash equivalents at the end of period	15,383

n Profit distribution

(Unit: yen)

12th period (June 30, 2012)	
Classification	Amount
Retained earnings at the end of period	2,434,824,551
Distributions	2,301,530,000
(Distributions per investment unit)	12,200
Voluntary retained earnings (Reserve for advanced depreciation)	133,186,900
Earnings carried over to next period	107,651
Outstanding investment units at the end of period	188,650 units

Note: Figures under one million yen are rounded down.

Financial Indicators

Financial indicators	Calculation method	Unit	11th period (Dec. 2011)	12th period (Jun. 2012)
EPS (Earnings per share)	Net income / total units outstanding	yen	11,853	12,906
EBIT (Earnings before interest and tax)	Earnings before taxes + (Interest expense + Interest expense on Investment Corporation Bonds)	MM yen	2,925	3,197
EBITDA (Earnings before interest, tax and depreciation and amortization)	Earnings before taxes + (Interest expense + Interest expense on Investment Corporation Bonds) + Depreciation and amortization	MM yen	4,081	4,458
NOI (Net operating income)	Rental revenue - rental expenses + Depreciation and amortization	MM yen	4,595	4,946
NCF (Net cash flow)	NOI-Capital expenditures	MM yen	4,238	4,553
FFO (Funds from operation)	Net income + Depreciation and amortization - Net profit of disposal	MM yen	3,392	3,542
FFO per unit	(Net income + Depreciation and amortization - Net profit of disposal) / Total units outstanding	yen	17,982	18,780
DSCR (Debt service coverage ratio) (1)	Cash flow before interest and taxes / (Interest expense + Interest expense on Investment Corporation Bonds) * Cash flow before interest and taxes = Net income before interest and taxes + Depreciation and amortization	multiple	5.9	5.9
DSCR (Debt service coverage ratio) (2)	Net income before interest and taxes / (Interest expense + Interest expense on Investment Corporation Bonds)	multiple	4.3	4.2
ROA	Income before income taxes / [(Period beginning total assets + period end total assets) / 2] x100	%	1.0	1.1
(Reference) Annualized with following formula	Above x 365 days / Number of operating days	%	2.0	2.1
ROE	Net income / [(Period beginning net assets + period end net assets) / 2]x100	%	2.1	2.3
(Reference) Annualized with following formula	Above x 365 days/ Number of operating days	%	4.3	4.7
Equity to Total Assets	(Period end net assets / Period end total assets) x 100	%	45.9	45.7
LTV (loan-to-value)	(Period end interest-bearing debt / Period end total assets) x 100	%	49.6	49.7
BPS (Book value per unit)	Period end net assets / Number of outstanding investment units	yen	553,081	554,134
Distribution payout ratio	Total cash distribution amount / Net income x 100	%	100.0	94.5

Note: Figures less than the unit are rounded down. Distribution payout ratio is rounded down to the nearest decimal place. Other ratios are rounded to the nearest decimal place.

Unitholders

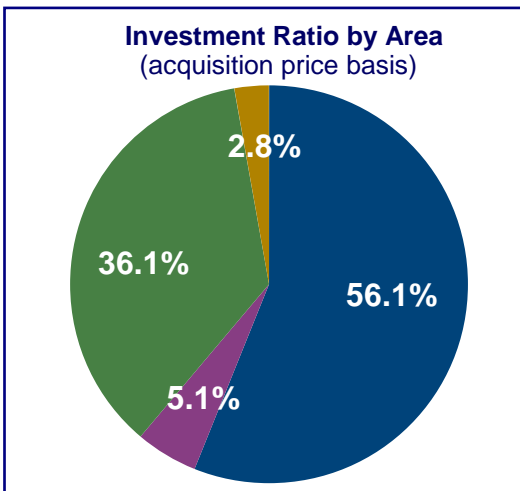
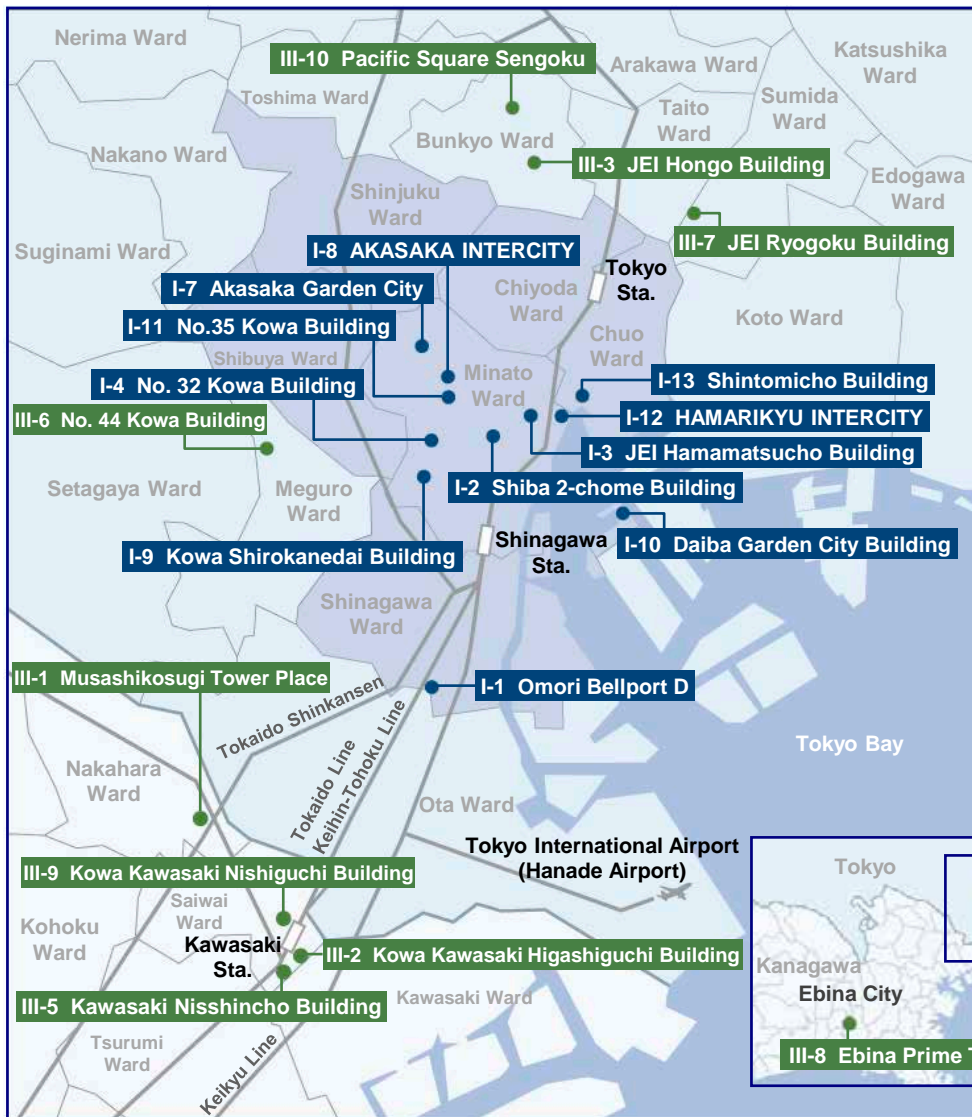
Owner Classification	Investment Units					Unitholders				
	11th period (Dec. 2011)		12th period (Jun. 2012)		Composition Change (%)	11th period (Dec. 2011)		12th period (Jun. 2012)		Composition Change (%)
	Number of Units	Composition (%)	Number of Units	Composition (%)		Number of Unitholders	Composition (%)	Number of Unitholders	Composition (%)	
Financial Institutions and Securities Companies	115,889	61.4	121,774	64.6	3.1	110	1.4	103	1.4	0.0
Other Domestic Companies	24,890	13.2	24,134	12.8	-0.4	185	2.3	177	2.4	0.0
Foreign Companies, etc.	20,772	11.0	18,262	9.7	-1.3	100	1.3	95	1.3	0.0
Individuals	27,099	14.4	24,480	13.0	-1.4	7,480	95.0	7,072	95.0	0.0
Total	188,650	100.0	188,650	100.0	-	7,875	100.0	7,447	100.0	-

Ratio of investment units held by the 3 sponsor companies: 10.9 %

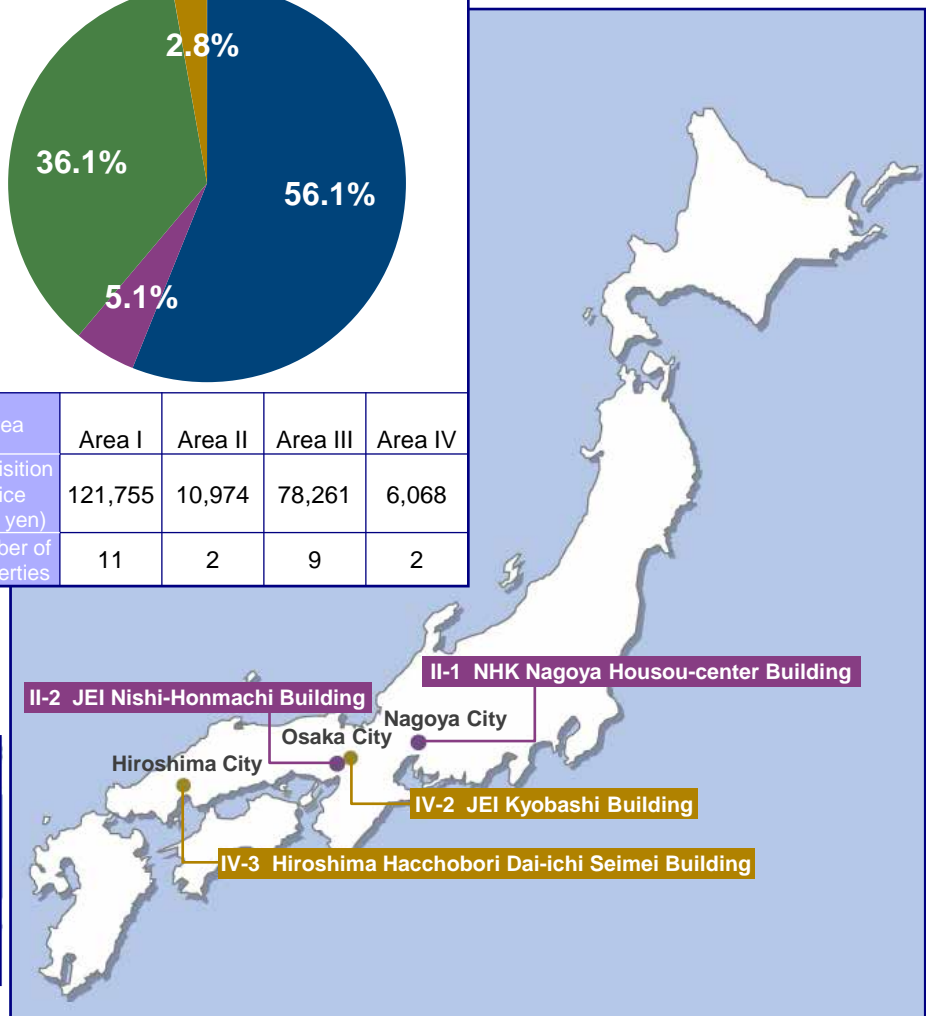
Rank	Name	Units	Composition ratio (%)
1	Japan Trustee Services Bank, Ltd. (Trust Account)	45,614	24.2
2	Kowa Real Estate Co., Ltd.	14,312	7.6
3	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	11,704	6.2
4	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	11,184	5.9
5	The Master Trust Bank of Japan, Ltd. (Trust Account)	7,569	4.0
6	NOMURA BANK (LUXEMBOURG) S.A.	5,294	2.8
7	North Pacific Bank, LTD.	4,590	2.4
8	The Dai-ichi Life Insurance Company, Limited	4,132	2.2
9	The Chugoku Bank, LTD.	3,405	1.8
10	The Gibraltar Life Insurance Co., Ltd. (General Account J-REIT)	2,225	1.2
	Total	110,029	58.3

: Sponsor companies of the asset management company. Note: Ratios are rounded to the nearest decimal place.

Portfolio Map



Area	Area I	Area II	Area III	Area IV
Acquisition Price (MM yen)	121,755	10,974	78,261	6,068
Number of Properties	11	2	9	2



Note: 1. Please refer to p. 29 for the definition of Areas I through IV.

2. "Acquisition Price" is the total acquisition price by area. Amounts of less than one million yen are rounded.

Portfolio Overview



Property number	I-1	I-2	I-3	I-4	I-7	I-8	I-9	I-10	I-11	I-12	I-13
Type	Office	Office	Office	Office	Office	Office	Office	Office	Office	Other	Office
Name	Omori Bellport D	Shiba 2-Chome Building	JEI Hamamatsucho Building	No.32 Kowa Building	Akasaka Garden City	AKASAKA INTERCITY	Kowa Shirokanadai Building	Daiba Garden City Building	No.35 Kowa Building	HAMARIKYU INTERCITY	Shintomicho Building
Photograph											
Location	Minami-Oi, Shinagawa Ward, Tokyo	Shiba, Minato Ward, Tokyo	Hamamatsucho, Minato Ward, Tokyo	Minami-Azabu, Minato Ward, Tokyo	Akasaka, Minato Ward, Tokyo	Akasaka, Minato Ward, Tokyo	Shirokanedai, Minato Ward, Tokyo	Daiba, Minato Ward, Tokyo	Akasaka, Minato Ward, Tokyo	Kaigan, Minato Ward, Tokyo	Irifune, Chuo Ward, Tokyo
Total Floor Area (m ²)	155,778.75	19,518.15	8,327.53	10,110.96	46,776.76	73,061.33	7,374.74	33,283.49	13,328.53	35,555.87	3,169.78
Completion Date	September, 1996	March, 1994	December, 1991	March, 1979	January, 2006	January, 2005	March, 1978	December, 2007	January, 1980	March, 2011	November, 1990
Acquisition Price (MM yen)	22,553	9,450	8,350	7,430	23,300	17,857	4,705	11,000	8,280	7,080	1,750
Investment Ratio (%)	10.4	4.4	3.8	3.4	10.7	8.2	2.2	5.1	3.8	3.3	0.8
PML (%)	8.0	8.2	8.2	13.2	8.6	9.2	14.6	7.8	12.9	8.3	13.6

Notes: 1. "Completion Date" is as of the time of initial construction described in the register.

2. "Acquisition Price" is the price recorded in sales agreements (excluding consumption tax). Amounts of less than one million yen are rounded.

3. "Investment Ratio" shows a ratio of the acquisition price for each property, and is rounded to the nearest decimal place.

Portfolio Overview

Property number	II-1	II-2	III-1	III-2	III-3	III-5	III-6	III-7	III-8	III-9	III-10	IV-2	IV-3
Type	Office	Office	Office	Office	Office	Office	Office	Office	Office	Office	Office	Office	Office
Name	NHK Nagoya Housou-Center Building	JEI Nishi-Honmachi Building	Musashikosugi Tower Place	Kowa Kawasaki Higashiguchi Building	JEI Hongo Building	Kawasaki Nisshincho Building	No.44 Kowa Building	JEI Ryogoku Building	Ebina Prime Tower	Kowa Kawasaki Nishiguchi Building	Pacific Square Sengoku	JEI Kyobashi Building	Hiroshima Hacchobori Dai-ichi Seimei Building
Photograph													
Location	Higashi Ward, Nagoya City, Aichi	Nishi Ward, Osaka City, Osaka	Nakahara Ward, Kawasaki City, Kanagawa	Kawasaki Ward, Kawasaki City, Kanagawa	Hongo, Bunkyo Ward, Tokyo	Kawasaki Ward, Kawasaki City, Kanagawa	Higashiyama, Meguro Ward, Tokyo	Ryogoku, Sumida Ward, Tokyo	Chuo, Ebina City, Kanagawa	Saiwai Ward, Kawasaki City, Kanagawa	Honkomagome, Bunkyo Ward, Tokyo	Miyakojima Ward, Osaka City, Osaka	Naka Ward, Hiroshima City, Hiroshima
Total Floor Area (m ²)	80,809.95	15,800.31	53,711.13	31,009.62	5,877.11	22,141.60	3,359.55	5,820.56	55,806.20	61,856.92	4,017.44	10,021.32	9,919.93
Completion Date	July, 1991	February, 1988	July, 1995	April, 1988	February, 1991	April, 1992	July, 1984	August, 1996	May, 1995	February, 1988	November, 1992	April, 1987	February, 1999
Acquisition Price (MM yen)	4,300	6,674	13,890	10,976	5,400	4,205	1,150	2,550	6,470	32,000	1,620	3,308	2,760
Investment Ratio (%)	2.0	3.1	6.4	5.1	2.5	1.9	0.5	1.2	3.0	14.7	0.7	1.5	1.3
PML (%)	11.9	11.5	11.5	6.7	14.2	14.7	13.4	14.3	12.2	7.9	13.3	8.9	5.1

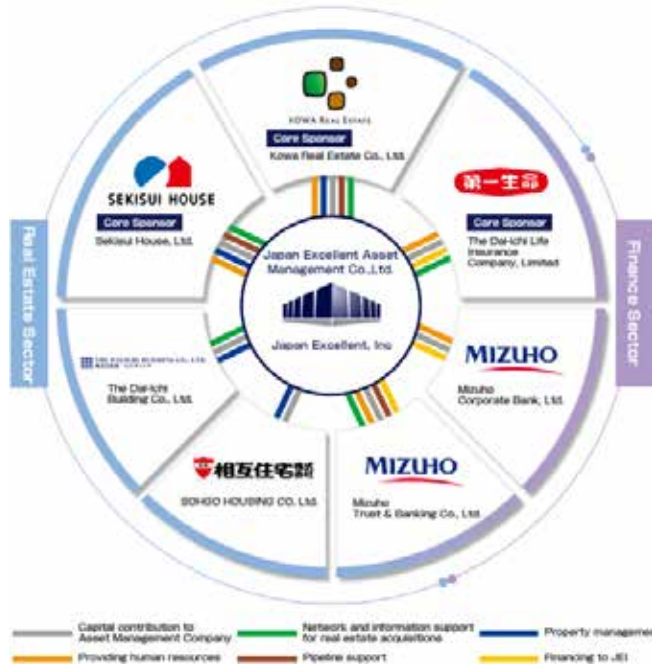
Notes:1. "Completion Date" is as of the time of initial construction described in the register.

2. "Acquisition Price" is the price recorded in sales agreements (excluding consumption tax). Amounts of less than one million yen are rounded.

3. "Investment Ratio" shows a ratio of the acquisition price for each property, and is rounded to the nearest decimal place.

What Makes Japan Excellent Inc. Unique

Access to the comprehensive capabilities of sponsor companies having strengths in both real estate and finance.



Kowa Real Estate Co., Ltd. (Note 1)

A real estate company with a close relationship with Mizuho Corporate Bank that develops and manages office buildings and luxury residences in central Tokyo.

The Dai-ichi Life Insurance Company, Limited

One of Japan's top class life insurance companies. As of March 31, 2012, manages 281 office buildings and other investment properties nationwide.

Sekisui House, Ltd.

One of Japan's top class homebuilders. Boasts a track record in large-scale urban development projects, too. Developed Akasaka Garden City and Honmachi Garden City.

JEI invests mainly in office buildings in metropolitan areas and operates its portfolio balancing revenue stability and expansion.

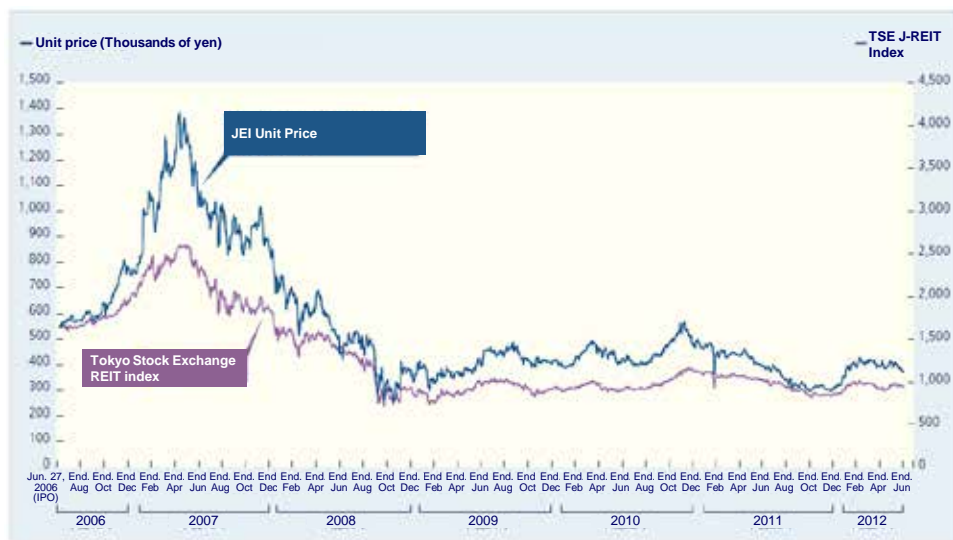
Usage (Note 2)	Investment ratio in portfolio (Note 3)
Office Building	More than 90%
Other (Commercial Facilities, Residential, etc.)	Less than 10%

Target investment areas		Investment ratio in portfolio (Note 3)
Core areas		80% or more
Area I	6 central wards of Tokyo (Chiyoda, Chuo, Minato, Shinjuku, Shinagawa and Shibuya)	50% or more of the core areas
Area II	Central Osaka (Umeda, Dojima, Nakanoshima, Yodoyabashi, Honmachi, etc.) Central Nagoya (Meieki, Fushimi, Sakae, etc.) Central Fukuoka (Tenjin, Hakata-ekimae, etc.)	50% or less of the core areas
Area III	Tokyo other than Area I, and its vicinity (Kanagawa, Saitama, and Chiba)	50% or less of the core areas
Area IV	Areas in Osaka, Nagoya and Fukuoka other than Area II and other government designated cities	20% or less

- Notes: 1. Kowa Real Estate Co., Ltd. will integrate its management with Nippon Steel City Produce, Inc. on October 1, 2012, and changing a corporate name into the "Nippon Steel Kowa Real Estate Co., Ltd." is planned.
2. Usage is determined based on the majority share of space for rental for each asset related to real estate. The total acquisition cost of the concerned asset related to real estate is incorporated in the acquisition price by said usage.
3. This refers to the total acquisition cost of the asset related to real estate for each usage against the total acquisition cost for the portfolio overall.

Unit Price Performance and Overview of Japan Excellent Asset Management Co., Ltd.

Unit price and Tokyo Stock Exchange REIT index

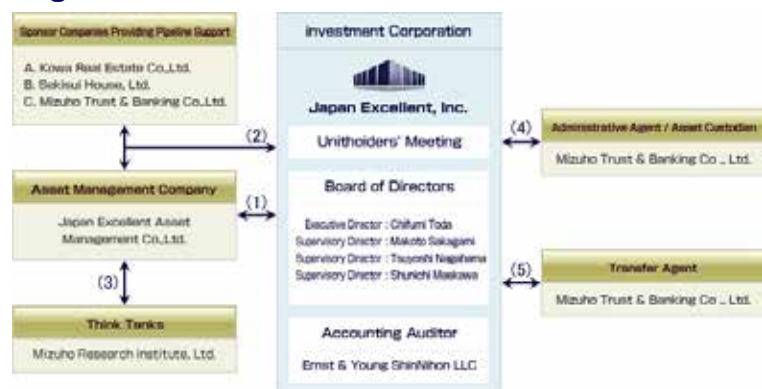


Overview of Japan Excellent Asset Management

Company Outline	
Corporate Name	Japan Excellent Asset Management Co., Ltd.
Headquarter	1-9-20 Akasaka, Minato-ku, Tokyo
Established	April 14, 2005
Capital	450 million yen
Shareholders	Kowa Real Estate Co., Ltd. 45.0%
	The Dai-ichi Life Insurance Company, Limited 20.0%
	Sekisui House, Ltd. 15.0%
	The Dai-ichi Building Co., Ltd. 5.0%
	Sohgo Housing Co., Ltd. 5.0%
	Mizuho Corporate Bank, Ltd. 5.0%
Mizuho Trust & Banking Co., Ltd. 5.0%	
Business Operations	Financial Instrument Dealer

Note: Percentages in the above table are percentages of total outstanding shares.

Organization



- (1) Asset management agreement
- (2) A. Pipeline support agreement with Kowa Real Estate
B. Pipeline support agreement with Sekisui House
C. Pipeline support agreement with Mizuho Trust & Banking
- (3) Agreement with Mizuho Research Institute for provision of market and other information
- (4) Agreement to entrust administrative duties and asset custody
- (5) Agreement to entrust administrative of unitholders' register

Outline and Organization of JEAM

