

Japan Excellent, Inc.

Tenth Period (ended June 2011)

Presentation Materials

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I. Highlights From the Period

1. Topics

1. Steady progress in external growth strategy with continued property acquisitions after the PO in 2011/01

- Assets to exceed ¥200 billion with decision to acquire MID Kyobashi Building (¥3,308 million) and conclusion of a purchase option agreement for No. 35 Kowa Building (¥8,280 million), following the acquisition of Daiba Garden City Building (¥11,000 million) and Kowa Shirokanedai Building (¥4,705 million).
- Made a steady progress in external growth strategy as assets increased by ¥25.6 billion or 14% after the Lehman Shock.

Amounts shown in parentheses represent acquisition price or purchase option price.

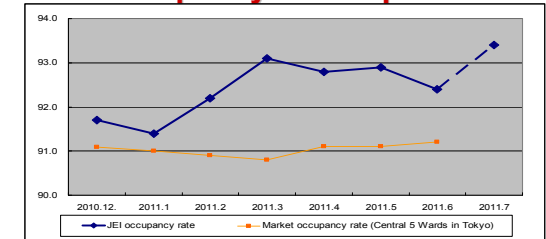
Assets on a steady growth trend

	Total Acquisition Price	Change %
End of 8th Period	¥181,023mn	-
End of 9th Period	¥188,118mn	3.9%
End of 10th Period	¥195,118mn	3.7%
Post Acquisitions (*1)	¥206,706mn	5.9%

2. Occupancy rates have started to improve after hitting bottom in the 9th period (Dec. 2010)

- Our portfolio occupancy rate is steadily improving from 91.7% at the end of the 9th period toward the target rate at the 94% level at the end of 11th period as the occupancy rates of our existing properties have been improving faster than the market average occupancy rate (*2), in addition to the effect of the acquisition of fully occupied properties.
- The downside potential of rent levels is expected to be limited going forward as the gap between market rents and JEI rent levels has narrowed sufficiently.

JEI occupancy rate improved



3. Further financial stabilization achieved with refinancing totaling ¥27.5 billion

- Achieved a higher percentage of fixed-rate debts vs. floating-rate debts with longer and spread-out maturity schedule.
- The issuer rating outlook by Moody's improved from A3 Negative to A3 Stable.

Financial indicators improved

	End of 9th Period	End of 10th Period	Change
Average remaining interest-bearing debt maturity	2.23 years	3.16 years	0.93 years
Ratio of fixed-rate debts	48.1%	57.6%	9.5%



The negative effect of the Great East Japan Earthquake has been limited.
The distributions per investment unit for the 10th period (June 2011) is ¥12,000 as initially forecasted.

(*1) The acquisition of No. 35 Kowa Building upon exercise of purchase option and the acquisition of MID Kyobashi Building are collectively referred to as the "Acquisitions" and the phrase "Post Acquisitions" refers to the point in time when the acquisition of all these properties has been completed.

(*2) Market rents in Central 5 Wards in Tokyo (Source: Survey compiled by Miki Shoji)

2. Financial Results

(Unit: Million Yen)

	9th Period	10th Period	Difference
Revenue	7,094	7,337	243
Rental revenue	6,380	6,432	52 (1)
Revenue for utilities expenses	555	438	-116
Other rental revenue	158	163	4
Capital gain on sale of real estate	-	302	302 (2)
Operating expenses	4,040	4,117	76
Property management fees	1,005	1,033	27
Utilities expenses	649	552	-96
Taxes	550	561	11
Repairs and maintenance	108	92	-15
Other expenses for rental operations	187	234	47
(NOI)	4,593	4,559	-33 (3)
Depreciation	993	1,080	87
(Profits from rental operations)	3,599	3,478	-120
Sales and administrative expenses	546	561	15
Operating income	3,053	3,220	166
Other income	3	6	3
Other expenses	838	864	26
Income before income taxes	2,219	2,362	143
Extraordinary loss	-	47	47 (4)
Net income	2,218	2,313	95 (5)
Provision for reserve for advanced depreciation	-	50	50 (6)
Total distributions	2,218	2,263	45
Distributions per unit (yen)	14,353	12,000	-2,353

(*) Amounts are rounded down.

Comparisons to the Previous Period

- (1) The effect of loss of tenants in existing properties was offset by an increase in revenue due to the full-period contribution of Kowa Shirokanedai Building and the acquisition of Daiba Garden City Building.
- (2) Property replacement with a gain on sale
No. 36 Kowa Building was sold, while Kowa Shirokanedai Building was acquired (in December 2010).
- (3) NOI declined despite the contribution of the newly acquired properties as the sale of No. 36 Kowa Building caused lost revenue and the profitability of existing properties deteriorated.
- (4) Repair expenses incurred due to the Great East Japan Earthquake (extraordinary loss)
- (5) Net income increased by ¥95 million
- (6) JEI reserved some funds internally with advanced depreciation under the application of a special provision. (*1)

(*1) The Special Provisions for Taxation on the Acquisition of Land, etc. in 2009 and 2010 Prior to the Sale of Other Land, etc.

Comparisons to the Initial Forecast

(Unit: Million Yen)

	Initial Forecast	Results	Difference
Revenue	7,356	7,337	-19
Rental revenue, broken out	6,418	6,432	14
NOI	4,513	4,559	46 (1)
Profits from rental operations	3,441	3,478	37
Income before income taxes	2,264	2,362	98 (2)
Extraordinary loss	-	47	47 (3)
Net income	2,263	2,313	50
Provision of reserve for advanced depreciation	-	50	50
Total distributions	2,263	2,263	-
Distributions per unit (yen)	12,000	12,000	-

- (1) Vacancy filled by new tenants earlier than expected
- (2) Decrease in selling, general and administrative expenses
- (3) Repair expenses incurred due to the Great East Japan Earthquake

II. Results and Approach Moving Forward

1. Management Discussion of the Environment

Office Leasing Market, Real Estate Investment Market, Financial Markets

Office Leasing Market

- The office leasing market saw no major turmoil after the Earthquake. Only temporarily, some new leasing negotiations were delayed immediately after its outbreak.
- Vacancy rates, particularly in Tokyo, are on a moderately recovering trend, with little direct effect of the Earthquake.
- Recovery in rent levels, which generally lags that of vacancy rates under normal circumstance, may be delayed somewhat as uncertainty in the economic outlook increased after the Earthquake.

Real Estate Investment Market

- Transactions temporarily slowed down after the Earthquake, but investment needs were sustained as the availability of real estate finance continues to improve.
- The supply of desirable office buildings meeting the investment criteria of REITs continues to be limited and this trend is expected to continue for some time.
- Investors' anticipated yields remained flat in many areas even after the Earthquake.

Financial Markets

- Deflationary pressures in the Japanese economy are expected to last for a long time and the Bank of Japan's benchmark policy rate is expected to remain at low levels going forward.
- Rise in the medium- to long-term interest rates is not expected in the near term.

2. External Growth

(1) Overview of property under purchase option - No. 35 Kowa Building



Rooftop garden

Acquisition price	¥8,280 million
Appraisal value	¥8,960 million
NOI yield	5.0% (*1)
Location	1-14-14 Akasaka, Minato-ku, Tokyo
Total floor area	13,328.53 m ²
Structure/No. of floors	RC, B1/6F
Built	January 16, 1980
Scheduled acquisition date	October 3, 2011(*2)
Seller	Kowa Real Estate Co., Ltd.



About No. 35 Kowa Building

[Location] Excellent location with a rare combination of the convenience of central Tokyo and quiet ambience

- Has close access to four subway stations the government district
- The neighborhood has traditionally been regarded as a desirable area surrounded by luxury hotels and embassies

[Building] Differentiation from high-rise office buildings nearby with rich planting and appropriate maintenance

- With a spacious rooftop garden and rich planting around the building exterior
- Quakeproofing works and a major renovation completed in 2007

[Tenant] Long-term tenancy of foreign-affiliated and media companies who values the excellent office environment

- Current and past tenants include major U.S. chemical and electronics manufacturers and a Japanese broadcasting company
- Occupancy has been stable with few tenant turnovers since the completion

(*1) Based on annual estimates for the earnings and expenses calculated by excluding the effect of special circumstances that may arise during the year of acquisition.

(*2) Only if the purchase option under the Purchase Option Agreement is exercised.

The property's occupancy has been high supported by the demand from tenants who valued the excellent office environment

We decided to acquire the property because a stable revenue stream can be expected going forward and the value of the land is also high (*3)

(*3) The Seller currently owns No. 35 Kowa Building in the form of direct ownership in real estate. JEI has entered into a Purchase Option Agreement for Trust Beneficiary Interests in Real Estate (hereinafter, "Purchase Option Agreement") pertaining to No. 35 Kowa Building dated August 12, 2011 with the Seller. Under the Purchase Option Agreement, JEI is entitled to decide, at its absolute discretion, whether to acquire No. 35 Kowa Building by exercising the purchase option. However, JEI is required to exercise the purchase option pertaining to No. 35 Kowa Building under the Purchase Option Agreement if it is negotiated and agreed between the Seller and a trust bank (which shall be the trust bank agreed by JEI separately in a reasonable manner and is hereinafter referred to as the "Trustee;" as of the date of this release, Mitsubishi UFJ Trust and Banking Corporation is contemplated to be the Trustee) that a real estate management/disposition trust will be established for No. 35 Kowa Building (hereinafter, "establishment of real estate trust") if the purchase option under the Purchase Option Agreement is exercised, JEI will acquire trust beneficiary interests in No. 35 Kowa Building. JEI will be able to double-check the status of legal and other compliance of No. 35 Kowa Building as the property is subject to the validation required for the establishment of real estate trust conducted by the Trustee, who is an expert of real estate trusts. With regard to and throughout the process of the establishment of real estate trust, JEI will remain an independent third party. It has been agreed between JEI and the Seller that if the process of the establishment of real estate trust is not completed by the expiration date of the purchase option under the Purchase Option Agreement, which is October 3, 2011, they will negotiate the acquisition of No. 35 Kowa Building by JEI in good faith.

2. External Growth

(2) Overview of property to be acquired - MID Kyobashi Building



Directly connected to the site of Kyobashi station through a roofed pedestrian bridge



Acquisition price	¥3,308 million
Appraisal value	¥3,530 million
NOI yield	7.9% (*1)
Location	2-2-48 Katamach, Miyakojima-ku, Osaka
Total floor area	10,021.32 m ²
Structure/No. of floors	SRC, 12F
Built	April 27, 1987
Scheduled acquisition date	September 1, 2011
Seller	Liverpool Asset TMK
Broker	Mizuho Trust & Banking Co., Ltd.



About MID Kyobashi Building

[Location] Conveniently located with a 3 minute walk through a roofed pedestrian bridge directly from Kyobashi station, a terminal serving eastern Osaka with connections to four different lines

- The property has excellent transportation access, with a 7 minute trip to Osaka station and a 6 minute trip to Yodoyabashi station
- With Neyagawa (Neya River) just in front of the building, the property is also highly visible from outside and enjoys great views from the office

[Building] With a parking space capable of serving 116 vehicles at a time and a large regular-shaped space without pillars, which is dividable to smaller rentable spaces (30 *tsubo* at a minimum), the property is able to satisfy the needs of tenants of various sizes

- With a parking space capable of serving 116 vehicles at a time, a capacity rarely seen in Osaka City
- The only office building with floor space of over 3,000 *tsubo* within 5 minute walk from Kyobashi station (*)

[Tenant] Matches the needs of branches, sales offices, and business offices with many visitors that require convenient transportation access

- There are many tenants using the property as local sales office for its convenient transportation access
- There is a stable demand for the property also as other offices that need to receive many visitors such as the office of the local tax authority

(*1) According to the survey conducted by CBRE

There is a high demand for the property as a sales office covering eastern Osaka as it has a convenient transportation access and the large-scale parking facilities

We decided to acquire the property because there are few competitive properties with a comparable grade within 5 minute walk from the station, and the property is expected to be highly profitable

2. External Growth

(3) Leverage property acquisitions to grow and strengthen portfolio

- The asset size of our portfolio will grow to ¥206,706 million with the acquisition of No. 35 Kowa Building (¥8,280 million) and MID Kyobashi Building (¥3,308 million).
- The number of properties will increase to 21, contributing to the improvement of the stability of the portfolio.

Post-acquisition Portfolio		
Category	Post Acquisitions	Investment Policy/Target
Asset size (Total acquisition price)	¥206,706 million	Asset size mid-term target ^(*1)
Number of properties	21	¥300 billion
Areas ^(*2)	<p>Area I: 56.0% Area III: 37.1% Area II: 5.3% Area IV: 1.6%</p>	<p>Area IV: No more than 20% Core areas: at least 80% (Areas I, II & III) Area I to account for at least 50% of Core areas</p>
Asset type	Offices 100%	
Average age ^(*3)	17.5 years	

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

(*2) Please refer to p. 29 for the definition of Areas I through IV.

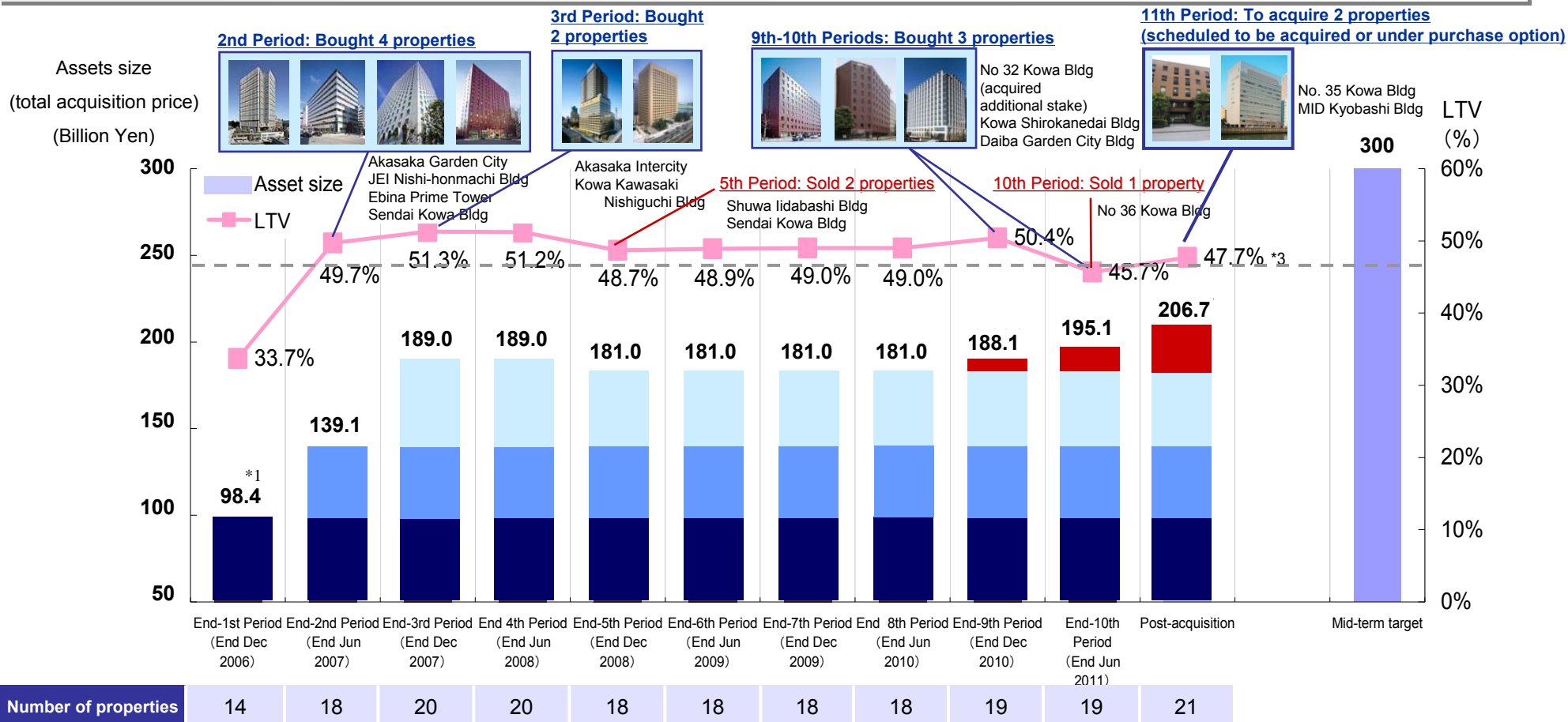
(*3) The average age shown above represents a theoretical value as of June 30, 2011 calculated by adding the effect of the Acquisitions (of No. 35 Kowa Building and MID Kyobashi Building) to the 19 properties held in our portfolio as of the end of the 10th period.

2. External Growth

(4) Policy for future property acquisitions

Future Investment Strategy

- Continue to acquire properties from both sponsors and third parties.
- Focus on the office buildings in the Tokyo metropolitan area, but consider other areas and asset types if accretive to yields.
- Build a strong portfolio that combines newer buildings having growth potential that are located in central Tokyo with middle grade buildings that generate attractive yields.



(*1) Expressed in terms of acquisition price.

(*2) Besides from what is mentioned above, we acquired additional ownership stakes in the Kawasaki Nisshincho Bldg in the 1st and 5th Periods.

(*3) The Post-acquisition LTV (47.7%) is calculated based on the total assets of ¥217,442 million (total assets at the end of 10th period (¥209,142 million) + funds borrowed (¥8,300 million)) and the balance of interest-bearing debts of ¥103,800 million (total interest-bearing debts at the end of 10th period (¥95,500 million) + new borrowing (¥8,300 million)).

3. Internal Growth

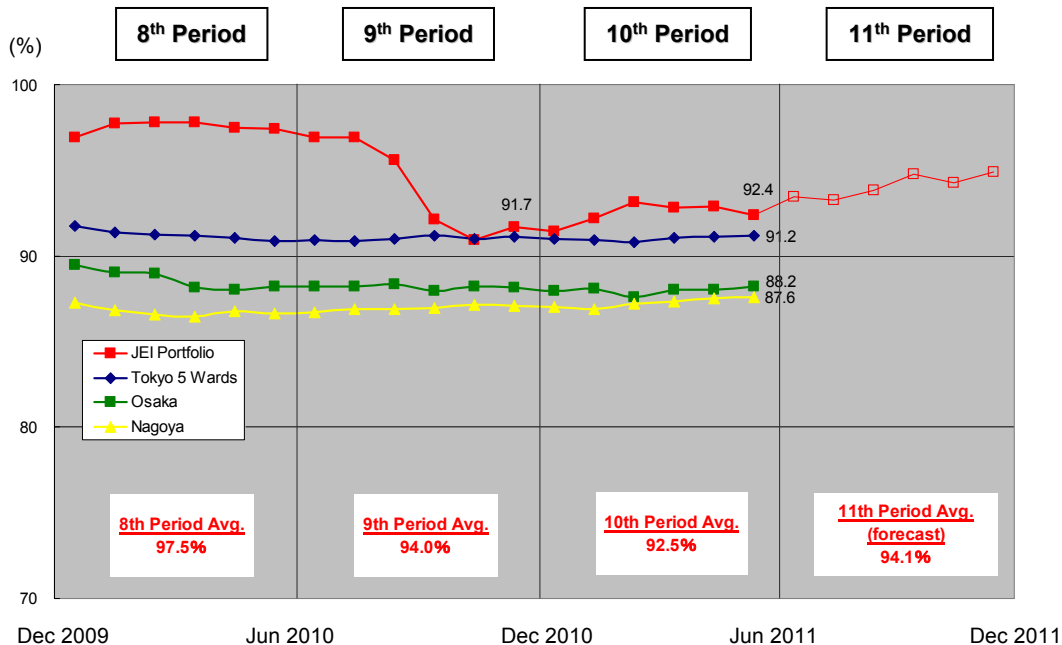
(1) Raise occupancy rates

Historical and forecasted occupancy rates

Portfolio occupancy rate has hit bottom and is expected to rise going forward

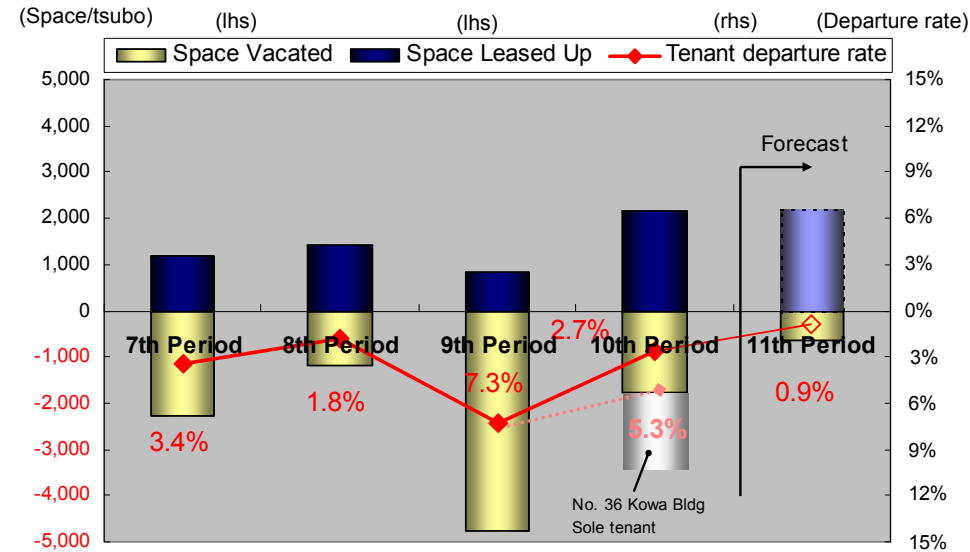
- In the 10th period, the tenant departure rate was stable at a low level of 2.7%, while our leasing activities focused on increasing occupancy rate. The space leased up increased significantly and the period-end occupancy rate increased **from 91.7% in the 9th period to 92.4% (up 0.7%) in the 10th period.**
- The tenant departure rate is expected to further decline to 0.9% in the 11th period as we will strive to prevent any tenant departures in addition to the continued leasing activities. The portfolio occupancy rate is expected to be on an increasing trend.

Occupancy Rates—Market and JEI Historical and Forecasted



Source: Prepared based on data from 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—historical and forecasted / Average rent levels and market rents—historical and forecasted

➤ **Average rent is on a declining path, but the gap with market rents will narrow**

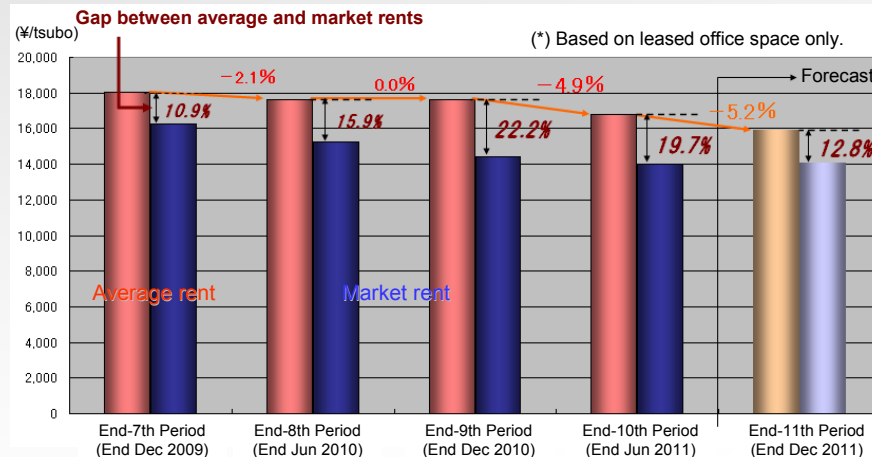
Although the average rent of our portfolio will continue to be on a declining path, the gap with market rents will gradually narrow due to leasing activities based on flexible rent negotiation and rent reduction designed to prevent tenant departure. Therefore, downward pressure on rent level is expected to moderate going forward.

[Reference] Rent Revisions—Historical and Forecasted

	Space up for revision *Percentage of leasable space in parentheses	Rent hikes *Amount of up ward revision	Rent unchanged	Rent cuts *Amount of down ward revision	Average revision
9th Period	8,645 tsubo (32%)	4%	50%	46%	-4.0%
10th Period	24,224 tsubo (34%)	0%	60%	40%	-6.9%
11th Period (forecast)	21,937 tsubo (29%)	0%	18%	82%	-9.5%

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

Portfolio Average and Market Rent Levels



Total rental revenue revisions—historical and forecasted

➤ **10th Period: Up 0.8% from the previous period**

Total rental revenue from existing properties fell as both average occupancy rate over the period and average rent declined.

Total rental revenue from the entire portfolio increased slightly due to the contribution of the newly acquired properties and property replacements.

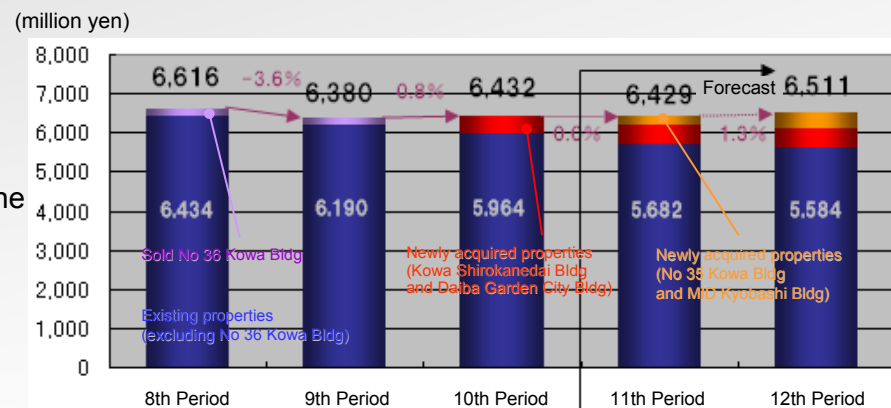
➤ **11th Period: Flat (0.0% change) from the previous period**

Total rental revenue is expected to be flat from the previous period as the decline in average rent will be offset by the effect of increasing occupancy rate and property acquisitions.

➤ **12th Period: Up 1.3% from the previous period**

Total rental revenue is expected to start rising again as revenue reduction in existing properties will be smaller while the properties newly acquired in the previous period will contribute to total revenue on a full-period basis.

Total Rental Revenue and Percentage Change Vs. Previous



3. Internal Growth

(3) Impact of the Great East Japan Earthquake / power-saving initiatives for summer

Status of damage from the Great East Japan Earthquake

➤ Status of damage

We started to collect information from PM companies immediately after the outbreak of the earthquake and confirmed, within the same day, that there was no damage that would significantly interfere with the asset management with respect to any of the properties in our portfolio.

➤ Status of recovery

With regard to 17 properties what suffered from minor damage, recovery was completed for 13 properties by the end of June under our efforts for early recovery made in close coordination with the tenants.

➤ Recovery expense: Approx. ¥52 million --- 0.03% of portfolio's total acquisition price

Of which ¥47 million was recognized as extraordinary loss for the current period (distributions: down approximately 250 yen)

Earthquake resistance of the properties in JEI portfolio

➤ Out of 19 properties in the JEI portfolio, 16 properties are designed based on the "new earthquake-resistance standards."

(92.3% of the portfolio based on total acquisition price)

➤ Of which, 10 properties have been certified for structural seismic assessment including sophisticated earthquake-resistance safety validation such as earthquake response analysis.

(74.3% of the portfolio based on total acquisition price)

➤ For the 3 properties constructed under the old earthquake-resistance standards, quakeproofing works or quake-resistance diagnosis has been completed to demonstrate that they have favorable quake-resistance characteristics. Indeed, the damage from the Earthquake on these 3 properties has been very small and the recovery expense amounted only to approximately **¥1 million** yen in total.

Responses to power-saving requirements for summer

➤ Details of the power-saving requirements

<Scope>

Offices with contractual electric power of 500 kw or more located in the area covered by Tohoku Electric Power Co. or TEPCO

<Requirements>

Maximum electric power usage to be cut by 15% for the period from July 1 to September 22 during the hours from 9:00 to 20:00.

13 JEI properties are in the scope

➤ Power-saving initiatives

- Power-saving plans have been developed in cooperation with PM companies for each property designed to cut the maximum power usage by **15%** as compared with the last year
- Explanation meetings and individual visits were conducted to request cooperation from tenants

[Power-saving plan tables]

[Power-saving initiatives]

<Cooperation request relating to the tenant-occupied space>

- Keep the air-conditioning temperature at 28 °C, in principle
- Reduce lighting

<Efforts relating to the common space>

- Stop running the air conditioning
- Reduce the number of elevators in operation
- Reduce lighting on each floor
- Reduce lighting in the entrance

As of August 15, electric power has been cut by more than the targeted 15%

4. Financial Strategy

(1) Achievements

Financial stability improvement

- Increased long-term loans, increased fixed-rate borrowings and spread out our maturity schedule as a result of the debt refinancing totaling ¥27.5 billion completed on June 29, 2011.
- The rating outlook by Moody's improved from A3 Negative to A3 Stable as of July 7, 2011.

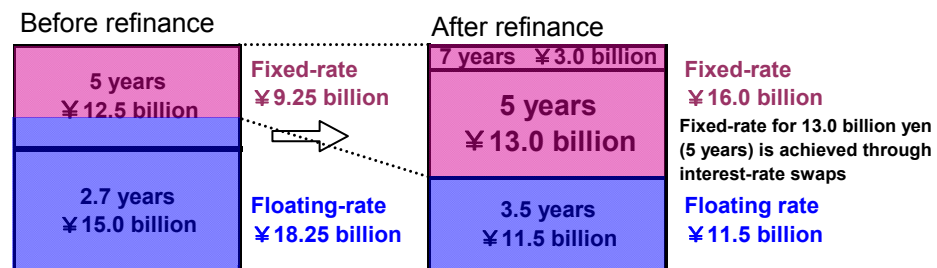
[Interest Bearing Debt]

(Unit: million yen)

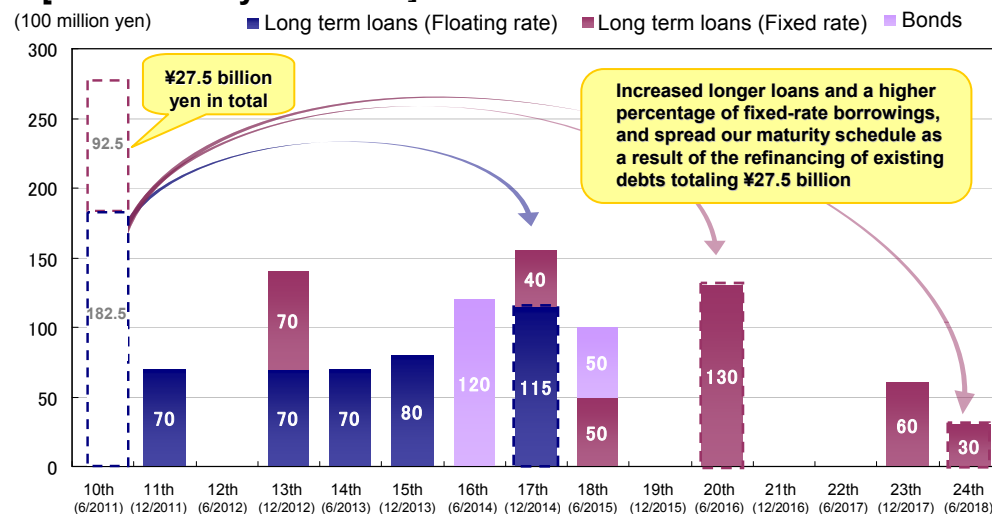
	8th Period	9th Period	10th Period
Interest bearing debt	95,500	100,400	95,500
Short term loans (*1)	0 (0.0%)	4,900 (5.9%)	0 (0.0%)
Long term loans (*1)	78,500 (100.0%)	78,500 (94.1%)	78,500 (100.0%)
Investment corporation bonds	17,000	17,000	17,000
Period-end LTV (total assets)	49.0%	50.4%	45.7%
Fixed rate percentage	44.2%	48.1%	57.6%
Average rate at period-end	1.40%	1.36%	1.40%
Short term loans	-	0.78%	-
Long term loans	1.39%	1.38%	1.39%
Bonds	1.45%	1.45%	1.45%
Average remaining debt maturity	2.46 years	2.23 years	3.16 years

(*1) In parentheses as a percentage of total borrowings

[Overview of the Refinance on June 29, 2011]



[Debt Maturity Schedule]



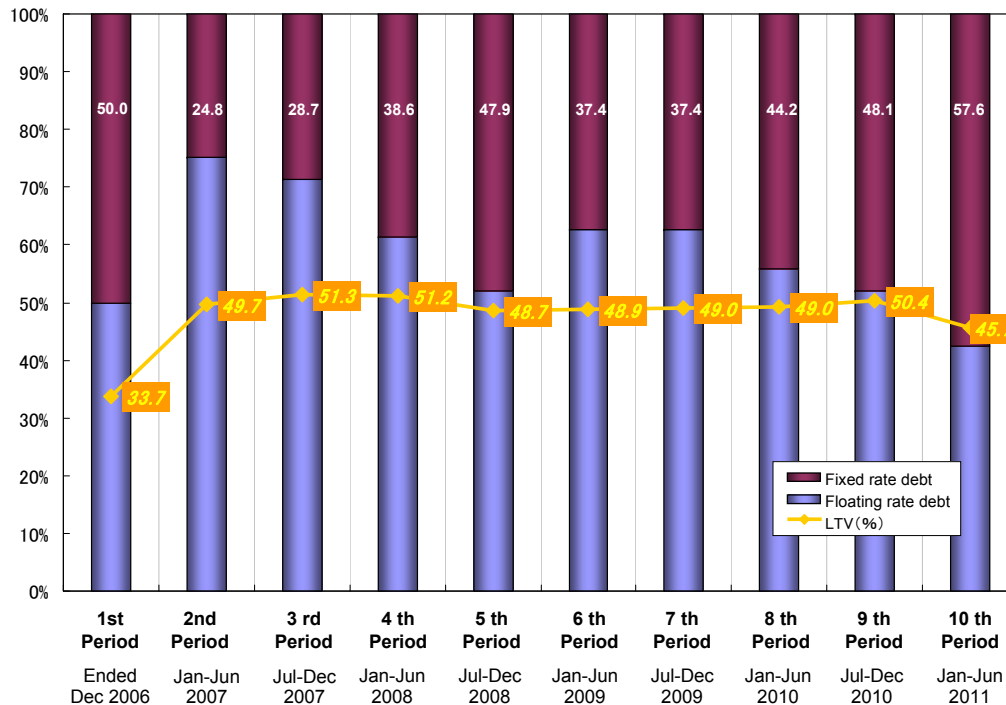
4. Financial Strategy

(2) Financial policy

Stay with stable financial operations and keep or improve borrowing capacity

- Shift to fixed-rate borrowings (including bond issuances)
- Move to longer-term debt, spread out maturity ladder
- Keep LTV stable basically between 35% and 50%

[Fixed Rate Debt as a % of Total Debt and LTV]



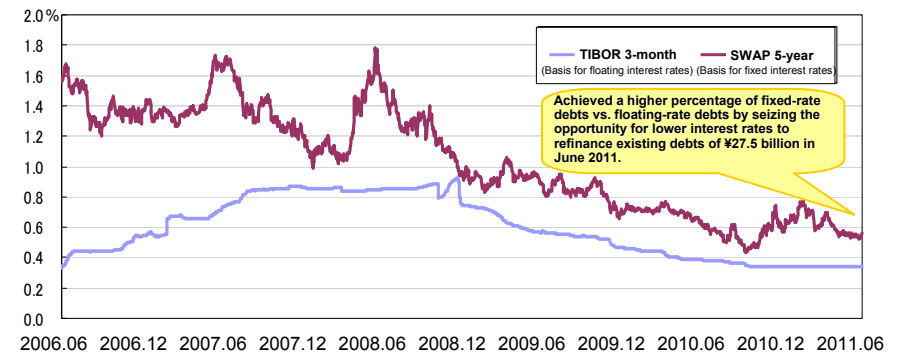
- The rating outlook by Moody's improved from A3 Negative to **A3 Stable** as of July 7, 2011.

■ Ratings as of August 15, 2011

Ratings agency	Rating (Outlook)
Moody's Japan	Issuer rating: A3 (stable)
Rating and Investment Information Inc. (R&I)	Issuer rating: AA- (stable) Individual debt rating: AA- (※)

(*) Rating on our first and second issuances of investment corporation bonds

[Interest Rates Since Listing]



5. Performance Forecasts

(Unit: million yen)

	10th Period	11th Period		12th Period	
	Actual	Forecast	Vs. Previous	Forecast	Vs. Previous
Revenue	7,034	7,113	78	7,157	43
Rental revenue	6,432	6,429	-2	6,511	81
Revenue for utilities expenses	438	516	77	472	-43
Other revenue	163	167	4	173	5
Expenses from rental operations	3,555	3,687	131	3,713	25
Property management fees	1,033	1,027	-5	1,050	22
Utilities expenses	552	627	74	583	-44
Repair and maintenance	92	115	23	130	15
(NOI)	4,559	4,578	(1) 18	4,616	(4) 38
Depreciation	1,080	1,152	71	1,173	20
Profits from rental operations	3,478	3,425	-53	3,443	17
Capital gain on real estate	302	-	(2-i) -302	-	-
Sales and administrative expenses	561	467	(3) -94	478	10
Operating income	3,220	2,958	-261	2,965	7
Other expenses	864	812	(2-ii) -51	783	-29
Income before income taxes	2,362	2,151	-211	2,189	37
Extraordinary loss	47	-	(2-iii) -47	-	-
Net income	2,313	2,150	-163	2,188	(5) 37
Provision of reserve for advanced depreciation	50	-	(2-iv) -50	-	-
Total distributions	2,263	2,150	-113	2,188	37
Distributions per unit (yen)	12,000	11,400	-600	11,600	200

* The 10th Period total revenue is ¥7,337 million, comprising ¥7,034 million in revenue from rental operations and a ¥302 million capital gain on the sale of real estate.

Salient points from our forecasts for the 11th Period (Dec 2011) and 12th Period (Jun 2012)

[11th Period]

(1) Cover NOI declines in existing properties with newly acquired properties (No. 35 Kowa Bldg (*2) and MID Kyobashi Bldg)

(2) Absence of unusual factors seen in the previous period

[Major unusual factors in the previous period]

i) Gain on sale of No. 36 Kowa Building

ii) PO-related expenses

iii) Repair expenses incurred due to the Earthquake

iv) Provision for reserve for advanced depreciation

(3) Reduction of asset management fees, etc.

[12th Period]

(4) Smaller profit decline in existing properties

(5) Profit increase due to full-period contribution of properties acquired in the 11th period

(*2) Only if the purchase option under the Purchase Option Agreement is exercised.

Reference Materials

Revenue, Expenses and NOI Yield by Property

(Unit: Million yen)

10 th Period	Area I										Area II		Area III									Total
	I-1	I-2	I-3	I-4	I-5	I-6	I-7	I-8	I-9	I-10	II-1	II-2	III-1	III-2	III-3	III-5	III-6	III-7	III-8	III-9		
	Omori	Shiba 2-chome	Hama-matsu-cho	32 Kowa	36 Kowa <i>Sold</i>	28 Kowa	Akasaka Garden City	AKASAKA INTERCITY	Kowa Shiro-kanedai	Daiba Garden City Building	NHK Nagoya	Nishi-Honmachi	Musashi-Kosugi	Kawasaki Higashi-guchi	Hongo	Kawasaki Nisshin-cho	44 Kowa	Ryogoku	Ebina	Kawasaki Nishi-guchi		
Revenue	1,020	373	295	277	-	138	516	306	197	276	297	227	799	-	172	225	90	106	295	912	7,034	
Rental revenue	974	372	282	263	-	129	494	280	184	276	-	208	702	-	163	224	82	98	256	823	6,565	
Other revenue	46	1	12	13	-	9	22	26	12	-	-	18	97	-	9	1	8	7	39	88	469	
Operating expenses	487	130	101	94	-	58	164	136	67	73	191	155	378	-	64	90	37	56	318	594	3,555	
Property management	145	45	24	38	-	24	47	12	21	0	56	48	122	-	14	35	13	18	126	158	1,033	
Utilities	119	0	13	16	-	10	21	26	12	-	25	21	70	-	7	-	6	9	51	83	552	
Property taxes	84	33	19	19	-	8	34	19	7	0	21	29	62	-	10	16	5	8	46	81	561	
Insurance	2	1	0	0	-	0	0	0	0	1	0	0	2	-	0	0	0	0	2	3	21	
Repair and maintenance	6	10	0	7	-	1	-	0	4	0	17	4	13	-	2	0	1	1	7	7	92	
Other expenses	4	2	14	3	-	1	4	35	1	0	29	2	13	-	1	1	1	1	10	16	212	
Depreciation and amortization	123	37	27	9	3	11	55	41	19	70	41	47	94	91	27	35	7	16	73	242	1,080	
Total rental income	532	243	193	182	-62	79	352	170	130	203	105	71	420	213	108	135	53	49	-22	317	3,478	
NOI	656	281	221	192	-58	91	407	211	149	273	146	119	514	304	135	171	61	66	50	560	4,618	
Number of operating days	181	181	181	181	34	181	181	181	181	147	181	181	181	181	181	181	181	181	181	181	181	
Acquisition price	22,553	9,450	8,350	7,430	-	2,859	23,300	17,857	4,705	11,000	4,300	6,674	13,890	10,976	5,400	4,205	1,150	2,550	6,470	32,000	195,118	

Compared with previous period	10th period NOI yield (annualized)	5.9%	6.0%	5.3%	5.2%	-	6.5%	3.5%	2.4%	6.4%	6.2%	6.9%	3.6%	7.5%	5.6%	5.1%	8.2%	10.7%	5.3%	1.6%	3.5%	4.8%
	9th period NOI yield (annualized)	5.7%	5.8%	5.3%	5.7%	6.5%	7.2%	3.9%	2.5%	-	-	7.5%	4.1%	7.7%	5.7%	5.1%	7.7%	10.3%	5.5%	3.9%	4.0%	5.0%
	Difference	0.2%	0.2%	0.0%	-0.5%	-	-0.7%	-0.4%	-0.1%	-	-	-0.6%	-0.5%	-0.2%	-0.1%	0.0%	0.5%	0.4%	-0.2%	-2.3%	-0.5%	-0.2%

- Notes:
- Figures are rounded down to the nearest million. "Acquisition price" are rounded off less than one million yen.
 - Ratios are rounded to the nearest decimal point.
 - The NOI yield for each property shown is annualized. (NOI yield = Annualized NOI ÷ acquisition price)
 - Details concerning revenue and expenses for 36 Kowa and Kawasaki Higashiguchi are not released because we are not able to receive authorization from tenants.
 - Details concerning rental revenue for NHK Nagoya are not released because we are not able to receive authorization from the business partner.
 - The NOI yield total does not include 36 Kowa, which was sold on Feb. 4, 2011.

	Area I total	Area II total	Area III total
NOI	2,484	266	1,866
Acquisition price	107,504	10,974	76,641
10th period NOI yield (annualized)	4.8%	4.9%	4.9%
9th period NOI yield (annualized)	4.7%	5.4%	5.3%
Difference	0.1%	-0.5%	-0.4%

Portfolio Appraisal Value

(Unit: Million yen)

Property number	Area	Evaluation Name	Acquisition price	Appraisal value		Difference (㉔-㉑)		Book Value at end of FP10㉓	Difference (㉔-㉓)		Direct reduction Reduced yield		Difference (㉕-㉔)	Appraisal organization
				End of FP9㉑	End of FP10㉒		%			%	End of FP9㉔	End of FP10㉕		
I-1	I	Omori Bellport D	22,553	24,790	24,480	▲ 310	-1.3%	22,060	2,420	11.0%	5.0%	5.0%	0.0%	Chuo Real Estate Appraisal Co., Ltd.
I-2		Shiba 2-Chome Building	9,450	11,400	10,600	▲ 800	-7.0%	9,223	1,377	14.9%	Office 5.1% Residence 5.7%	Office 5.0% Residence 5.6%	Office -0.1% Residence -0.1%	Japan Real Estate Institute
I-3		JEI Hamamatsucho Building	8,350	8,370	8,370	0	0.0%	8,205	165	2.0%	4.6%	4.6%	0.0%	Japan Real Estate Institute
I-4		No. 32 Kowa Building	7,430	7,445	6,934	▲ 511	-6.9%	7,408	▲ 474	-6.4%	5.7%	5.7%	0.0%	Chuo Real Estate Appraisal Co., Ltd.
I-6		No. 28 Kowa Building	2,859	2,880	2,750	▲ 130	-4.5%	2,813	▲ 63	-2.2%	5.7%	5.7%	0.0%	Japan Real Estate Institute
I-7		Akasaka Garden City	23,300	18,600	18,000	▲ 600	-3.2%	22,932	▲ 4,932	-21.5%	4.2%	4.2%	0.0%	Japan Real Estate Institute
I-8		Akasaka INTERCITY	17,857	13,100	12,900	▲ 200	-1.5%	17,577	▲ 4,677	-26.6%	4.0%	4.0%	0.0%	Japan Real Estate Institute
I-9		Kowa Shirokanedai Building	4,705	4,950	5,090	140	2.8%	4,850	240	4.9%	5.3%	5.2%	-0.1%	Japan Real Estate Institute
II-1		II	NHK Nagoya Housou Center Building	4,300	4,640	4,410	▲ 230	-5.0%	4,309	101	2.3%	5.7%	5.7%	0.0%
II-2	JEI Nishi-Honmachi Building		6,674	4,540	4,390	▲ 150	-3.3%	7,508	▲ 3,118	-41.5%	5.4%	5.4%	0.0%	Japan Real Estate Institute
III-1	III	Musashikosugi Tower Place	13,890	16,200	16,300	100	0.6%	13,191	3,109	23.6%	5.4%	5.4%	0.0%	Japan Real Estate Institute
III-2		Kowa Kawasaki Higashiguchi Building	10,976	9,250	8,330	▲ 920	-9.9%	10,396	▲ 2,066	-19.9%	5.1%	5.1%	0.0%	Japan Valuers Co., Ltd.
III-3		JEI Hongo Building	5,400	4,990	4,990	0	0.0%	5,265	▲ 275	-5.2%	4.7%	4.7%	0.0%	Japan Valuers Co., Ltd.
III-5		Kawasaki Nisshincho Building	4,205	5,230	4,930	▲ 300	-5.7%	4,113	817	19.9%	5.7%	5.6%	-0.1%	Japan Real Estate Institute
III-6		No. 44 Kowa Building	1,150	1,520	1,520	0	0.0%	1,007	513	50.9%	6.1%	6.0%	-0.1%	Japan Real Estate Institute
III-7		JEI Ryogoku Building	2,550	2,132	2,140	8	0.4%	2,412	▲ 272	-11.3%	5.7%	5.7%	0.0%	Chuo Real Estate Appraisal Co., Ltd.
III-8		Ebina Prime Tower	6,470	4,090	3,960	▲ 130	-3.2%	6,258	▲ 2,298	-36.7%	6.4%	6.4%	0.0%	Japan Real Estate Institute
III-9		Kowa Kawasaki Nishiguchi Building	32,000	25,700	25,400	▲ 300	-1.2%	30,875	▲ 5,475	-17.7%	5.1%	5.1%	0.0%	Japan Valuers Co., Ltd.
Total			184,118	169,827	165,494	▲ 4,333	-2.6%	180,409	▲ 14,915	-8.3%	-	-	-	-
I-10	I	Daiba Garden City Building	11,000	-	11,470	-	-	11,045	425	3.8%	-	5.2%	-	Chuo Real Estate Appraisal Co., Ltd.
Garand Total			195,118	169,827	176,964	-	-	191,455	▲ 14,491	-7.6%	5.0%	5.0%	0.0%	-
Area I Total			107,504	91,535	100,594	9,059	9.9%	106,116	▲ 5,522	-5.2%	4.8%	4.8%	0.0%	-
Area II Total			10,974	9,180	8,800	▲ 380	-4.1%	11,817	▲ 3,017	-25.5%	5.6%	5.6%	0.0%	-
Area III Total			76,641	69,112	67,570	▲ 1,542	-2.2%	73,521	▲ 5,951	-8.1%	5.3%	5.3%	0.0%	-

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 9th and 10th 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)

	9th period	%	10th period	%	Difference	Difference by %
1. Revenue	7,094	100.0	7,337	100.0	243	+ 3.4
Rental revenue	6,506		6,565		58	
Other rental revenue	587		469		▲ 117	
Capital gain on sale of real estate	—		302		302	
2. Operating expenses	4,040	57.0	4,117	56.1	76	+ 1.9
Property management cost and fees	1,005		1,033		27	
Utilities	649		552		▲ 96	
Property taxes	550		561		11	
Insurance	20		21		1	
Repairs and maintenance	108		92		▲ 15	
Other	166		212		46	
Depreciation	993		1,080		87	
Total operating expenses	3,494		3,555		61	+ 1.8
Total rental income	3,599		3,478		▲ 120	▲ 3.4
Asset management fees	416		428		11	
Other	129		133		3	
Operating income	3,053	43.0	3,220	43.9	166	+ 5.5
3. Other expenses	3	0.1	6	0.1	3	+ 78.2
Interest income	2		1		▲ 1	
Other	1		5		4	
4. Other expenses	838	11.8	864	11.8	26	+ 3.1
Interest expense	546		541		▲ 4	
Loan relating fees	157		146		▲ 10	
Interest expense on Investment Corporation Bonds	124		122		▲ 2	
Amortization of Investment Corporation Bond Issuance Costs	9		9		-	
Other	0		44		43	
Income before income taxes	2,219	31.3	2,362	32.2	143	+ 6.5
5. Extraordinary loss	-	-	47	0.7	47	-
Net income before taxes	2,219	31.3	2,314	31.5	95	+ 4.3
Income taxes- current	1		0		0	
Income taxes- deferred	▲ 0		0		0	
Net income	2,218	31.3	2,313	31.5	95	+ 4.3
Retained earnings at beginning of period	0		0		0	
Retained earnings at end of period	2,218		2,314		95	

Note: Figures under 1 million yen are rounded down. Ratios are rounded to the nearest decimal point.

Balance Sheet

(Unit: Million yen)

Assets					Liabilities and unitholders' equity						
	9th period		10th period		Difference		9th period		10th period		Difference
Assets		%		%		Liabilities		%		%	
I. Current assets	13,720	6.9	17,179	8.2	3,459	I. Current liabilities	40,626	20.4	8,200	3.9	▲ 32,426
Cash and cash equivalents	2,290		5,560		3,269	Accounts payable-trade	584		583		▲ 1
Cash and cash equivalents (as trust accounts)	10,861		10,936		75	Short-term debt	39,400		7,000		▲ 32,400
Rental receivables	432		375		▲ 57	Accounts payable-other	356		342		▲ 13
Other	135		307		171	Unpaid consumption taxes	4		-		▲ 4
						Allowance for disaster loss of real estate	-		16		16
						Other	281		257		▲ 23
II. Fixed assets	185,395	93.1	191,901	91.8	6,506	II. Long-term liabilities	69,287	34.8	96,575	46.2	27,287
1. Property and equipment	176,489	88.6	182,889	87.5	6,400	Investment corporation bond	17,000		17,000		-
Real estate	3,023		3,109		86	Long-term debt	44,000		71,500		27,500
Real estate (as trust accounts)	173,453		179,765		6,312	Security deposits from tenants	428		421		▲ 6
Construction in progress	13		14		1	Security deposits from tenants (as trust accounts)	7,859		7,653		▲ 205
2. Intangible assets	8,565	4.3	8,565	4.1	▲ 0	Total liabilities	109,914	55.2	104,775	50.1	▲ 5,138
Leasehold rights	1,185		1,185		-	Unitholders' equity					
Leasehold rights (as trust accounts)	7,380		7,380		-	I. Unitholders' capital	89,301	44.8	104,366	49.9	15,065
Other	0		0		▲ 0	1. Unitholders' capital	87,083	43.7	102,052	48.8	14,969
3. Investments and other assets	339	0.2	445	0.2	105	2. Retained earnings	2,218		2,314		95
Security deposits	15		15		-	Unappropriated retained	2,218	1.1	2,314	1.1	95
Long-term prepaid expenses	262		362		100	II. Valuation and translation adjustments	▲ 28	▲ 0.0	-	-	28
Other	62		67		5	Loss on differed hedge	▲ 28		-		28
III. Deferred assets	70	0.0	61	0.0	▲ 9	Total unitholders' equity	89,272	44.8	104,366	49.9	15,093
Deferred Investment Corporation Bond Issuance Costs	70		61		▲ 9	Total liabilities and unitholders' equity	199,186	100.0	209,142	100.0	9,955
Total assets	199,186	100.0	209,142	100.0	9,955						

Note: Figures under 1 million yen are rounded down. Ratios are rounded to the nearest decimal point.

Balance of Interest Bearing Debt by Source of Financing

(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.	19,138	24.4%	20.0%
Mitsubishi UFJ Trust and Banking Corporaiton	14,238	18.1%	14.9%
Development Bank of Japan Inc.	10,000	12.7%	10.5%
The Dai-ichi Life Insurance Company, Limited	8,000	10.2%	8.4%
Sumitomo Mitsui Banking Corporation	7,276	9.3%	7.6%
Mizuho Trust & Banking Co., Ltd.	6,815	8.7%	7.1%
The Norinchukin Bank	5,100	6.5%	5.3%
Sompo Japan Insurance Inc.	2,000	2.5%	2.1%
Resona Bank, Ltd.	1,700	2.2%	1.8%
Aozora Bank, Ltd.	1,615	2.1%	1.7%
Chuo Mitsui Trust and Banking Co., Ltd.	1,615	2.1%	1.7%
Tokio Marine & Nichido Fire Insurance Co., Ltd.	1,000	1.3%	1.0%
Loan Total	78,500	100.0%	(82.2%)
1st Series Unsecured Investment Corporation Bond	12,000	/	12.6%
2nd Series Unsecured Investment Corporation Bond	5,000		5.2%
Investment Corporation Bond Total	17,000		(17.8%)
Total	95,500		100.0%

■ : Sponsor companies of the asset management company.

Statements of Cash Flow and Profit Distributions

■ Cash flow statement

(Unit: Million yen)

Classification	Amount
I. Cash flow from operating activities	7,272
Income before income taxes	2,314
Proceeds from sale of fixed assets	3,995
Depreciation and amortization	1,080
Interest expense	▲ 689
Other	571
II. Cash flow from investing activities	▲ 11,736
Purchases of property and equipment	▲ 11,524
Net payments for security deposits	▲ 212
III. Cash flow from financing activities	7,808
Repayment of short-term debt	▲ 4,900
Proceeds from long-term debt	27,500
Repayment of long-term debt	▲ 27,500
Proceeds from issuance of investment units	14,969
New units issuance costs	▲ 43
Distributions to unitholders	▲ 2,216
IV. Net Increase in cash and cash equivalents	3,344
V. Cash and cash equivalents at beginning of period	13,151
VI. Cash and cash equivalents at end of period	16,496

Note: Figures under 1 million yen are rounded down.

■ Profit distribution

(Unit: Yen)

Classification	Amount
Retained earnings at end of period	2,314,032,725
Distributions	2,263,800,000
(Distributions per investment unit)	12,000
Voluntary retained earnings (Provision of reserve for advanced depreciation)	50,180,900
Earnings carried over to next period	51,825
Outstanding investment units	188,650 units

Financial Indicators

Financial indicators	Calculation method	Unit	9th period	10th period
EPS (Earnings per share)	Net income / total units outstanding	yen	14,353	12,677
EBIT (Earnings before interest and tax)	Earnings before taxes + (Interest expense + Interest expense on Investment Corporation Bonds)	MM yen	2,890	2,978
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	3,883	4,059
NOI (Net operating income)	Rental revenue - rental expenses + Depreciation and amortization	MM yen	4,593	4,559
NCF (Net cash flow)	NOI-Capital expenditures	MM yen	4,264	4,212
FFO (Funds from operation)	Net Income + Depreciation and Amortization - net profit of disposal	MM yen	3,211	3,092
FFO per unit	(Net Income + Depreciation and Amortization - net profit of disposal) / Total units outstanding	yen	20,780	16,391
DSCR (Debt service coverage ratio)	Net income before interest and taxes / (Interest expense + Interest expense on Investment Corporation Bonds)	multiple	4.3	4.5
ROA	Income before income taxes / [(Period beginning total assets + period end total assets) / 2] x 100	%	1.1	1.2
(Reference) Annualized with following formula	Above x 365 days / number of operating days	%	2.2	2.3
ROE	Net income / [(Period beginning net assets + period end net assets) / 2] x 100	%	2.5	2.4
(Reference) Annualized with following formula	Above x 365 days/ number of operating days	%	4.9	4.8
Equity to Total Assets	(Period end net assets / period end total assets) x 100	%	44.8	49.9
LTV (loan-to-value)	(Period end interest - bearing debt / period end total assets) x 100	%	50.4	45.7
BPS (Book value per unit)	Period end net assets / number of outstanding investment units	yen	577,629	553,227
Distribution payout ratio	Total cash distribution amount / net income x 100	%	99.9	97.8

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				
	9th period (Dec. 2010)		10th period (Jun. 2011)		Change	9th period (Dec. 2010)		10th period (Jun. 2011)		Change
	Number of units	Composition (%)	Number of units	Composition (%)	(%)	Number of unitholders	Composition (%)	Number of unitholders	Composition (%)	(%)
Financial institutions and securities companies	97,355	63.0	119,309	63.2	0.2	85	1.5	119	1.6	0.1
Other domestic companies	23,016	14.9	25,598	13.6	-1.3	124	2.3	177	2.4	0.1
Foreign companies, etc.	19,803	12.8	22,292	11.8	-1.0	116	2.1	108	1.5	-0.7
Individuals	14,376	9.3	21,451	11.4	2.1	5,170	94.1	7,007	94.5	0.5
Total	154,550	100.0	188,650	100.0	-	5,495	100.0	7,411	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)	35,345	18.7
2	The Nomura Trust and Banking Co., Ltd. (Investment trust account)	15,722	8.3
3	Trust & Custody Services Bank, Ltd. (Securities investment trust account)	14,863	7.9
4	Kowa Real Estate Co., Ltd.	14,312	7.6
5	The Master Trust Bank of Japan, Ltd. (Trust account)	8,435	4.5
6	NOMURA BANK (LUXEMBOURG) S.A.	4,872	2.6
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.	3,641	1.9
10	Sekisui House, Ltd.	2,091	1.1
	AIG Edison Life Insurance Company GA Equity PIMJ	2,091	1.1
Total		110,094	58.4

Note: Ratios are rounded to the nearest decimal place.

 : Sponsor companies of the asset management company

Portfolio Overview (including No. 35 Kowa Bldg and MID Kyobashi Bldg)

Asset	Type	Name	Location	Total Floor Area (m2)	Completion Date *1	Acquisition Price *2 (MM Yen)	Ratio *3 (%)	PML *4 (%)	Remarks
I-1	Office	Omori Bellport D	Minami-Oi, Shinagawa Ward, Tokyo	155,778.75	September, 1996	22,553	10.9	8.0	
I-2	Office	Shiba 2-Chome Building	Shiba, Minato Ward, Tokyo	19,518.15	March, 1994	9,450	4.6	8.2	
I-3	Office	JEI Hamamatsucho Building	Hamamatsucho, Minato Ward, Tokyo	8,327.53	December, 1991	8,350	4.0	8.2	
I-4	Office	No. 32 Kowa Building	Minami-Azabu, Minato Ward, Tokyo	10,110.96	March, 1979	7,430	3.6	13.2	
I-6	Office	No. 28 Kowa Building	Nishi-Gotanda, Shinagawa Ward, Tokyo	6,282.23	February, 1975	2,859	1.4	13.5	
I-7	Office	Akasaka Garden City	Akasaka, Minato Ward, Tokyo	46,776.76	January, 2006	23,300	11.3	8.6	
I-8	Office	AKASAKA INTERCITY	Akasaka, Minato Ward, Tokyo	73,061.33	January, 2005	17,857	8.6	9.2	
I-9	Office	Kowa Shirokanedai Building	Shirokanedai, Minato Ward, Tokyo	7,374.74	March, 1978	4,705	2.3	14.6	
I-10	Office	Daiba Garden City Building	Daiba, Minato Ward, Tokyo	33,283.49	December, 2007	11,000	5.3	7.8	
I-11	Office	No. 35 Kowa Building *5	Akasaka, Minato Ward, Tokyo	13,328.53	January, 1980	8,280	4.0	12.9	To be acquired on October 3, 2011
Subtotal				373,842.47	-	115,784	56.0	-	
II-1	Office	NHK Nagoya Housou-Center Building	Higashi Ward, Nagoya City, Aichi	80,809.95	July, 1991	4,300	2.1	11.9	
II-2	Office	JEI Nishi-Honmachi Building	Nishi Ward, Osaka City, Osaka	15,800.31	February, 1988	6,674	3.2	11.5	
Subtotal				96,610.26	-	10,974	5.3	-	
III-1	Office	Musashikosugi Tower Place	Nakahara Ward, Kawasaki City, Kanagawa	53,711.13	July, 1995	13,890	6.7	11.5	
III-2	Office	Kowa Kawasaki Higashiguchi Building	Kawasaki Ward, Kawasaki City, Kanagawa	31,009.62	April, 1988	10,976	5.3	6.7	
III-3	Office	JEI Hongo Building	Hongo, Bunkyo Ward, Tokyo	5,877.11	February, 1991	5,400	2.6	14.2	
III-5	Office	Kawasaki Nisshincho Building	Kawasaki Ward, Kawasaki City, Kanagawa	22,141.60	April, 1992	4,205	2.0	14.7	
III-6	Office	No. 44 Kowa Building	Higashiyama, Meguro Ward, Tokyo	3,359.55	July, 1984	1,150	0.6	13.4	
III-7	Office	JEI Ryogoku Building	Ryogoku, Sumida Ward, Tokyo	5,820.56	August, 1996	2,550	1.2	14.3	
III-8	Office	Ebina Prime Tower	Chuo, Ebina City, Kanagawa	55,806.20	May, 1995	6,470	3.1	12.2	
III-9	Office	Kowa Kawasaki Nishiguchi Building	Saiwai Ward, Kawasaki City, Kanagawa	61,856.92	February, 1988	32,000	15.5	7.9	
Subtotal				239,582.69	-	76,641	37.1	-	
IV-2	Office	MID Kyobashi Building	Miyakojima Ward, Osaka City, Osaka	10,021.32	April, 1987	3,308	1.6	8.9	To be acquired on September 1, 2011
Subtotal				10,021.32	-	3,308	1.6	-	
Total				720,056.74	-	206,706	100.0	6.1	

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.

4. "PML" total covers the entire portfolio, including No. 35 Kowa Building and MID Kyobashi Building. "PML" is based on the PML description in the building examination report including the PML calculation report. The relevant description is no more than the opinion of the reporting party and Japan Excellent does not guarantee the accuracy of the content.

5. Only if the purchase option under the Purchase Option Agreement is exercised.

Portfolio Overview

Area I



I-7 Akasaka Garden City

I-1 Omori Bellport D

I-8 AKASAKA INTERCITY

I-10 Daiba Garden City Building

I-2 Shiba 2-Chome Building



I-3 JEI Hamamatsucho Building

I-11 No. 35 Kowa Building *2

I-4 No. 32 Kowa Building

I-9 Kowa Shirokanedai Building

I-6 No. 28 Kowa Building

Notes 1: Listed in order of area and acquisition price.

2: Only if the purchase option under the Purchase Option Agreement is exercised.

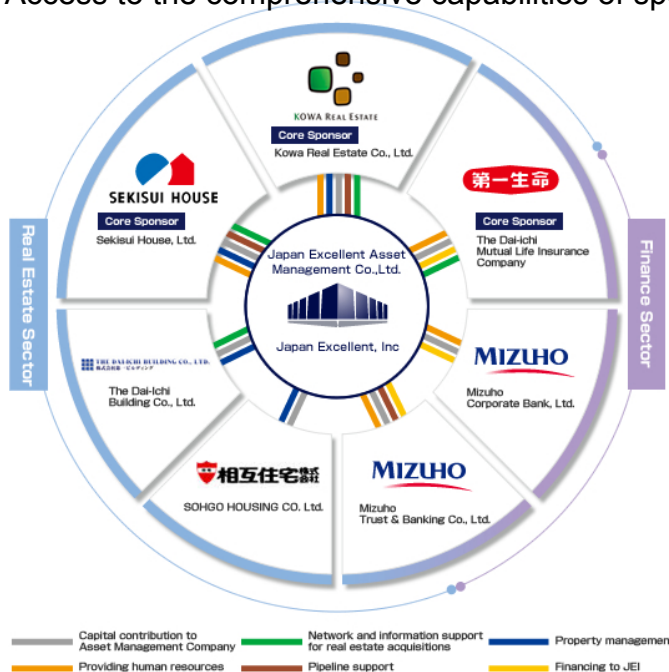
Portfolio Overview

Area II			Area III		
					
II-2	JEI Nishi-Honmachi Building	II-1	NHK Nagoya Housou-center Building	III-9	Kowa Kawasaki Nishiguchi Building
				III-1	Musashikosugi Tower Place
				III-2	Kowa Kawasaki Higashiguchi Building
Area III					Area IV
					
III-8	Ebina Prime Tower	III-3	JEI Hongo Building	III-5	Kawasaki Nisshincho Building
				III-7	JEI Ryogoku Building
				III-6	No. 44 Kowa Building
				IV-2	MID Kyobashi Building

Note: Listed in order of area and acquisition price.

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.

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, 2011, manages 287 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.

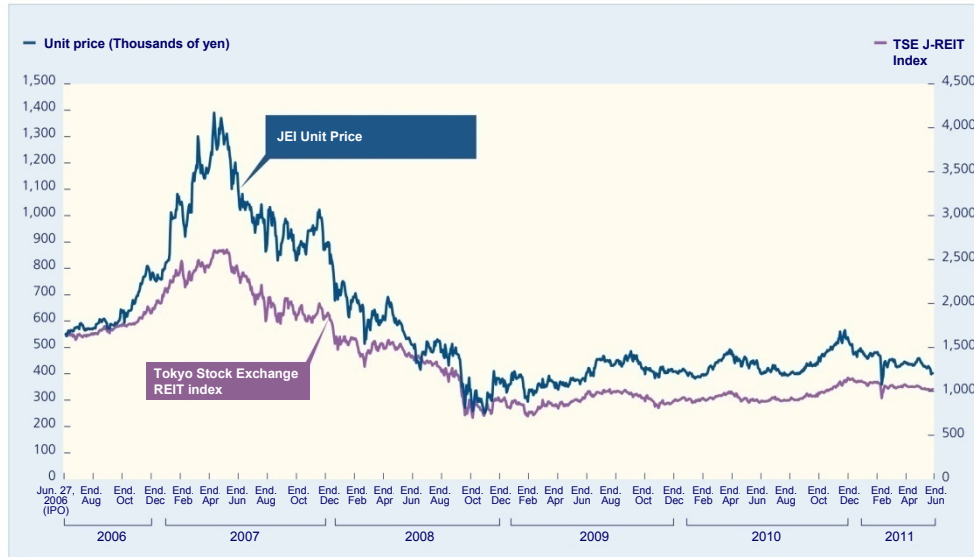
Usage (Note 1)	Investment ratio in portfolio (Note 2)
Office buildings	More than 90%
Other (Commercial facilities, residential, etc.)	Less than 10%

- Note: 1. 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.
2. 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.

Target investment areas		Investment ratio in portfolio (Note 2)
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

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

Unit price and Tokyo Stock Exchange REIT index

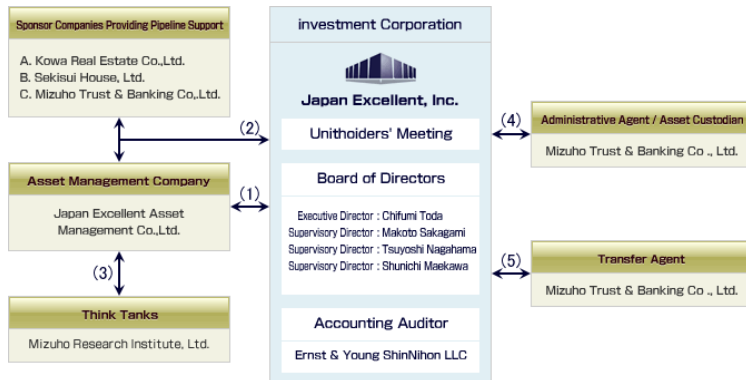


Overview of Japan Excellent Asset Management

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	<table border="0"> <tr> <td>Kowa Real Estate Co., Ltd.</td> <td>45.0%</td> </tr> <tr> <td>The Dai-ichi Life Insurance Company, Limited</td> <td>20.0%</td> </tr> <tr> <td>Sekisui House, Ltd.</td> <td>15.0%</td> </tr> <tr> <td>The Dai-ichi Building Co., Ltd.</td> <td>5.0%</td> </tr> <tr> <td>Sohgo Housing Co., Ltd.</td> <td>5.0%</td> </tr> <tr> <td>Mizuho Corporate Bank, Ltd.</td> <td>5.0%</td> </tr> <tr> <td>Mizuho Trust & Banking Co., Ltd.</td> <td>5.0%</td> </tr> </table>	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%
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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

