



Financial Summary for the 10th Fiscal Period

(from July 1, 2007 to December 31, 2007)

Name	: TGR Investment Inc.
Representative	: Takashi Tsunogae, Executive Director
Stock Listing	: Tokyo Stock Exchange
Securities Code	: 8963
URL	: http://www.tgr-inv.co.jp/eng/
Contact	: GrowthREIT Advisors, Ltd. (Asset Manager of TGR) Hideyo Hironaka, Director Tel. +81-3-3238-5341
Start date for dividend distribution	: March 14, 2008

(Note) This financial summary has been prepared in accordance with generally accepted accounting principles in Japan and Japanese laws.

Overview of TGR Investment Inc.

TGR Investment Inc. (hereinafter, "TGR") was established in January 2002 in accordance with the Law concerning Investment Trusts and Investment Corporations (Law No. 198, 1951 and subsequent revisions, hereinafter "Investment Trust Law"). TGR was listed as a Real Estate Investment Trust on the Osaka Securities Exchange in May 2004 and on the Tokyo Stock Exchange (hereinafter, "TSE") in August 2006 on the J-REIT market (Securities Code: 8963). Subsequently, in order to focus trading on one securities exchange and reduce administrative tasks and costs accompanying cross listing, TGR delisted from Osaka Securities Exchange in October 2007. Consequently, TGR is listed only on the TSE as of the end of the 10th fiscal period (ended December 31, 2007).

In the five years since establishment, TGR has built up a solid track record. TGR will continue its efforts to realize its "Growth Potential" and seek to improve investor value as a comprehensive REIT that invests in a variety of assets.

Overview of Financial Results

TGR announced financial results for its 10th fiscal period (ended December 31, 2007) on February 19, 2008.

For this period, operating revenues were JPY1,664 million, operating income was JPY744 million, recurring profits were JPY485 million and net income was JPY481 million. As for the distribution, with the aim of having the maximum amount of interest distribution included in expenses in accordance with Article 67-15 of the Special Taxation Measures Law, it was decided to distribute the full amount of unappropriated profits for this period's distribution per unit, excluding fractional amounts less than 1 yen, and thus distribution per unit is 8,934 yen.

As of the end of this period, total assets were approximately JPY48,461 million, total liabilities were JPY28,865 million and total net assets were JPY19,595 (JPY363,567 per unit).

Summary of the 10th Fiscal Period

Acquisitions and Dispositions

TGR considers it necessary to replace properties in the portfolio through acquisitions and selling of properties with the aim of securing the growth potential of assets. Therefore, TGR tries to secure profitability and maintain stable earnings through flexible acquisition of properties, while pursuing improved efficiency of administrative operations and enhanced profitability of the entire portfolio.

When selecting properties to be sold, small properties (acquisition price of less than JPY500

million for residences and less than JPY700 million for offices etc.) or old properties are mainly considered. In such occasions, real estate market conditions, future fluctuations in profitability and the asset value of properties, expected capital expenditures to deal with the deterioration or obsolescence of properties, and portfolio composition among other factors are all taken into consideration.

The upswing in the Japanese economy seen in the previous period continued into this period as corporate performance remained strong. However, despite the worldwide turmoil in the financial market in the wake of the U.S. subprime loan problem as well as the continuing soaring prices of crude oil, gold and other commodities markets, harmful effects on business conditions have been avoided.

The real estate market maintained active demand. Land prices in large metropolitan areas are on an upward trend and thus land is not readily available in some regions. In addition, in the residential real estate rental market, rent levels remain unchanged by and large due to the ongoing trend of an increase in supply. On the other hand, in the office market that has been buoyed by active demand due to strong corporate performance continuing from the previous period, a rising trend in rents has become apparent in addition to an improvement in vacancy rates.

Under such circumstances, TGR worked to acquire properties while avoiding excessive acquisition competition through effective use of the support of sponsor companies and focusing on negotiation transactions and considering only real estate with great potential and profitability as properties.

During the 10th fiscal period, TGR acquired 9 properties, consisting of 2 residences, 1 office, and 6 parking lots (total acquisition price: JPY 5,636 million).

In addition, TGR did not sell or transfer any properties during this period. Consequently, operating income in this period fell 4.9% from the previous period ended June 30, 2007. However, rental revenues increased 14.6% from the previous period, indicating steady growth.

Portfolio Overview

As of the end of this period, the number of properties that TGR owned was 36 residences, 10 offices & commercial facilities etc., 10 parking lots, which totals 56 properties with a total acquisition price of JPY44,808 million and total leasable area of 97,384.59m². Further, the occupancy rate of the total portfolio of TGR was 97.2 % as of the end of this period.

(Note) For further information, please see "Portfolio (Portfolio List and Portfolio Data)" page on the following website of TGR.

URL: <http://www.tgr-inv.co.jp/eng/>

Debt Financing

During this period, TGR proposed acquisition of properties and refinancing of short-term debt and took out a long-term loan of JPY7,648 million. In addition, in line with refinancing, short-term debt of JPY1,000 million was paid off ahead of schedule. Also, portion of long-term debt (JPY115 million) was paid off at maturity.

With regard to capital procurement, TGR's basic policy is to reduce financing costs, seek to diversify sources of financing and spread out maturity dates. With the goal of enjoying the advantage of low interest rates and enable flexible leverage control, the ratio of variable interests has been increased.

As a result, the outstanding interest-bearing debt that TGR had as of the end of this period was JPY27,283 million (all of which is long-term debt) and an LTV of 58.8%*

*LTV (Loan-to-Value) = Interest-bearing debt / (Interest-bearing debt + Unitholders' capital) x100

(Note) For further information, please see "Investors' Guide (Financial Information)" page on the following website of TGR.

URL: <http://www.tgr-inv.co.jp/eng/>

1. Performance for the 10th Fiscal Period

(from July 1, 2007 to December 31, 2007)

1) Business Results

(Percentages in brackets represent change from previous fiscal period)

	Operating Revenues		Operating Income		Recurring Profits		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Dec. 31, 2007	1,664	(1.7)	744	(-4.9)	485	(-19.4)	481	(-19.9)
Jun. 30, 2007	1,637	(-4.9)	782	(-13.8)	602	(-6.4)	600	(-6.5)

	Earnings Per Unit	Net Income /NAV	Reference (Annualized)	Recurring Profits/ Total Assets	Reference (Annualized)	Recurring Profits/ Operating Revenues
	Yen	%	%	%	%	%
Dec. 31, 2007	8,934	2.4	(4.9)	1.1	(2.1)	29.2
Jun. 30, 2007	11,150	3.0	(6.1)	1.4	(2.9)	36.8

2) Cash Distributions

	Distribution Per Unit (Excluding exceeding profit distribution per unit)	Distribution Amount	Exceeding Profit Distribution Per unit	Exceeding Profit Distribution Amount	Dividend Payout Ratio	Distribution /NAV
	Yen	Millions of yen	Yen	Yen	%	%
Dec. 31, 2007	8,934	481	0	0	100.0	2.5
Jun. 30, 2007	11,150	600	0	0	99.9	3.0

(Note) "Dividend Payout Ratio" is rounded to one decimal place.

3) Financial Position

	Total Assets	NAV*	NAV Ratio	NAV per Unit
	Millions of yen	Millions of yen	%	Yen
Dec. 31, 2007	48,461	19,595	40.4	363,567
Jun. 30, 2007	41,753	19,728	47.3	366,025

(Reference) Net Assets:

As of December 31, 2007: JPY19,595 million As of June 30, 2007: JPY19,728 million

*NAV=Total net assets

4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Dec. 31, 2007	673	-5,588	5,929	3,154
Jun. 30, 2007	3,079	-3,762	-741	2,141

2. Forecast of Results for the 11th Fiscal Period

(from January 1, 2008 to June 30, 2008)

(Percentages in brackets represent change from previous fiscal period)

	Operating Revenues		Operating Income		Recurring Profits		Net Income		Distribution Per Unit (Excluding exceeding profit distribution per unit)	Exceeding Profit Distribution Per Unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
11 th Fiscal Period Ending June 30, 2008	1,710	(2.8)	685	(-8.0)	397	(-18.2)	395	(-18.0)	7,330	0

(Reference) Estimated EPU for the 11th fiscal period: JPY7,330**Pre-Conditions and Assumptions that Support Operating Forecasts for the 11th Fiscal Period Ending June 30, 2008**

Item	Assumptions
Period	Fiscal Period Ending June 30, 2008: January 1, 2008 to June 30, 2008 (182 days)
Assets under Management	Forecasts for the 11 th fiscal period ending June 30, 2008 are based on a property portfolio totaling 56 properties held as of February 19, 2008. In reality, however, there is a possibility that the number of properties of TGR Investment Inc. would be changed since TGR Investment Inc. might acquire or sell properties during the 11 th fiscal period.
Units Outstanding	The number of investment units issued and outstanding as of February 19, 2008 is 53,899 investment units. Forecasts are based on the assumption that the number of investment units issued and outstanding may remain unchanged for the 11 th fiscal period.
LTV (Loan-to-Value)	Forecasts for the fiscal period ending June 30, 2008 are based on an LTV* of 58.8% as of February 19, 2008. *LTV=Interest-bearing debt/ (Interest-bearing debt + Unitholders' capital) x100

3. Financial Statements

1) Balance Sheet of TGR as of December 31, 2007 (Consistent with Japanese GAAP)

(Thousands of yen)

Items	10 th Fiscal Period (As of Dec. 2007)		9 th Fiscal Period (As of Jun. 2007)		Changes	
	Amount	%	Amount	%	Amount	%
Assets						
I Current assets						
Cash and cash equivalents	1,087,701		552,493		535,208	
Cash and cash equivalents in trust	2,067,238		1,588,576		478,661	
Rental receivables	51,015		47,421		3,594	
Payment in advance	392		375		16	
Deposit payments	15,013		-		15,013	
Prepaid expenses	55,149		37,140		18,009	
Consumption tax refundable	62,284		10,972		51,312	
Deferred income taxes	2,372		6,070		-3,697	
Other current assets	-		10,000		-10,000	
Allowance for doubtful assets	-4,003		-3,423		-580	
Total current assets	3,337,166	6.9	2,249,626	5.4	1,087,539	48.3
II Non-current assets						
Property, plant and equipment, at cost						
Buildings	673,383		457,917		215,466	
Equipment	160,284		116,892		43,392	
Building improvements	6,873		3,732		3,141	
Land	2,866,124		2,197,698		668,426	
Buildings in trust	16,280,334		14,561,822		1,718,512	
Equipment in trust	2,674,533		2,379,993		294,539	
Building improvements in trust	184,175		186,600		-2,424	
Furniture and fixtures in trust	29,334		19,653		9,680	
Land in trust	22,020,574		19,461,257		2,559,317	
Net property, plant and equipment, at cost	44,895,618	92.6	39,385,567	94.3	5,510,050	14.0
Intangible assets net of amortization						
Other intangible assets	121		121		-	
Other intangible assets in trust	2,812		3,125		-313	
Intangible assets	2,934	0.0	3,247	0.0	-313	-9.6
Investments						
Lease deposits	99,667		10,000		89,667	
Long-term prepaid expenses	54,900		42,155		12,744	
Deferred income taxes	13,279		4,755		8,523	
Other Investments	51,959		50,362		1,596	
Total investments	219,806	0.5	107,273	0.3	112,533	104.9
Total non-current assets	45,118,359	93.1	39,496,088	94.6	5,622,270	14.2
III Deferred assets						
Offering costs	5,544		7,295		-1,750	
Total deferred assets	5,544	0.0	7,295	0.0	-1,750	-24.0
Total assets	48,461,069	100.0	41,753,010	100.0	6,708,059	16.1

Items	10 th Fiscal Period (As of Dec. 2007)		9 th Fiscal Period (As of Jun. 2007)		Changes	
	Amount	%	Amount	%	Amount	%
Liabilities						
I Current liabilities						
Accounts payable	65,874		103,423		-37,549	
Short-term debt	-		1,000,000		-1,000,000	
Accrued liabilities	18,174		14,430		3,744	
Accrued expenses	89,946		38,989		50,956	
Accrued income taxes	479		5,678		-5,199	
Unearned revenues	197,051		156,408		40,642	
Deposits received	13,760		8,834		4,926	
Total current liabilities	385,286	0.8	1,327,764	3.2	-942,478	-71.0
II Non-current liabilities						
Long-term debt	27,283,000		19,750,000		7,533,000	
Tenant leasehold and security	1,053,821		828,685		225,136	
Tenant leasehold and security in trust	109,944		106,595		3,349	
Derivative liabilities	33,145		11,559		21,585	
Total non-current liabilities	28,479,911	58.8	20,696,840	49.6	7,783,071	37.6
Total liabilities	28,865,197	59.6	22,024,604	52.7	6,840,593	31.1
Net assets						
I Unitholders' equities						
1. Unitholders' capital	19,134,417		19,134,417		-	
2. Retained earnings						
Unappropriated profit for the year	481,544		600,995		-119,450	
Total unitholders' equities	19,615,961	40.5	19,735,412	47.3	-119,450	-0.6
II Evaluation, currency translation and etc.						
Deferred hedge losses	-20,089		-7,006		-13,082	
Total evaluation, currency translation and etc.	-20,089	-0.0	-7,006	0.0	-13,082	186.7
Total net assets	19,595,871	40.4	19,728,405	47.3	-132,533	-0.7
Total liabilities and net assets	48,461,069	100.0	41,753,010	100.0	6,708,059	16.1

2) Statement of Income for the 6 months ended December 31, 2007
(Consistent with Japanese GAAP)

(Thousands of yen)

Items	10 th Fiscal Period (Six months ended Dec. 2007)		9 th Fiscal Period (Six months ended Jun. 2007)		Changes	
	Amount	%	Amount	%	Amount	%
I. Operating revenues	1,664,747	100.0	1,637,306	100.0	27,441	1.7
Rental revenues (1)	1,664,747		1,452,853		211,893	
Gain from sales of properties	-		184,452		-184,452	
II. Operating expenses	919,997	55.3	854,437	52.2	65,560	7.7
Property related expenses (2)	730,292		675,995		54,296	
Depreciation expenses (3)	308,501		278,036		30,465	
NOI(1)-(2)+(3)	1,242,957	74.7	1,054,893	64.4	188,063	17.8
Directors' fees	3,300		3,300		-	
Asset management fees	99,390		88,919		10,470	
Asset custodian fees	10,883		9,074		1,808	
Administrative service fees	21,884		19,912		1,971	
Allowance for uncollectible accounts	4,003		3,423		580	
Bad debt expenses	2,052		1,630		421	
Other operating expenses	48,191		52,180		-3,989	
Operating income	744,750	44.7	782,869	47.8	-38,118	-4.9
III. Non-operating revenues	8,286	0.5	1,943	0.1	6,342	326.3
Interest revenues	2,517		1,683		833	
Other non-operating revenues	5,769		259		5,509	
IV. Non-operating expenses	267,232	16.1	182,391	11.1	84,840	46.5
Interest expenses	255,593		166,590		89,003	
Finance related costs	8,302		12,246		-3,943	
Public listing related costs	1,585		1,766		-181	
Other non-operating expenses	0		38		-38	
Amortization of offering costs	1,750		1,750		-	
Recurring profits	485,804	29.2	602,421	36.8	-116,616	-19.4
Income before income taxes	485,804	29.2	602,421	36.8	-116,616	-19.4
Income and other taxes	605		6,014		-5,409	
Tax adjustments	3,676		-4,576		8,252	
Net income	481,522	28.9	600,982	36.7	-119,459	-19.9
Retained earnings (beginning balance)	21		12		8	
Retained earnings (ending balance)	481,544	28.9	600,995	36.7	-119,450	-19.9

3) Statement of Cash Flow for the 6 months ended December 31, 2007
(Consistent with Japanese GAAP)

Items	(Thousands of yen)	
	10 th Fiscal Period (Six months ended Dec. 2007)	9 th Fiscal Period (Six months ended Jun. 2007)
	Amount	Amount
I Cash flow from operating activities		
Net income before taxes	485,804	602,421
Depreciation expenses	308,815	278,302
Public listing related costs	1,585	1,766
Finance related costs	8,302	12,246
Amortization of offering costs	1,750	1,750
Interest received	-2,517	-1,683
Interest paid	255,593	166,590
Increase or decrease in allowance for doubtful assets	580	3,423
Decrease due to sale of tangible assets in trust	-	2,203,994
Amortization of tenant leasehold and security deposits	-1,101	-115
Increase (-) or decrease in accounts receivable	-3,594	28,910
Increase (-) or decrease in deposit payments	-15,013	-
Increase (-) or decrease in consumption tax receivable	-51,312	9,470
Increase (-) or decrease in guarantee money paid	-89,667	-
Increase or decrease (-) in accrued consumption tax	-	-5,522
Increase or decrease (-) in accounts payable	-37,549	26,902
Increase or decrease (-) in accrued liabilities	-3,742	-7,931
Increase or decrease (-) in accrued expenses	48,559	-933
Increase or decrease (-) in unearned revenues	40,642	-2,157
Increase or decrease (-) in deposits	4,926	-6,240
Others	-4,939	-41,219
Subtotal	947,122	3,269,975
Proceeds of interest	2,517	1,683
Payment of interest	-270,625	-189,536
Payment of corporate taxes	-5,804	-2,437
Cash flow from operating activities	673,210	3,079,685
II Cash flow from investment activities		
Payment for acquisition of tangible assets	-940,773	-2,777,362
Payment for acquisition of tangible assets in trust	-4,877,779	-1,034,286
Payment for acquisition of other intangible assets	-	-2,827
Payment of security deposits & guarantee money	-1,750	-
Proceeds of security deposits & guarantee money	5,099	106,595
Payment of security deposits & guarantee money in trust	-77,146	-137,094
Proceeds of security deposits & guarantee money in trust	303,384	82,253
Cash flow from investment activities	-5,588,965	-3,762,721
III Cash flow from financing activities		
Proceeds from short-term debt	-	1,000,000
Repayment of short-term debt	-1,000,000	-8,842,004
Proceeds of long-term debt	7,648,000	7,750,000
Repayment of long-term debt	-115,000	-
Public listing related costs	-1,585	-1,766
Finance related costs	-8,302	-12,246
Payment of distributions	-593,487	-635,222
Cash flow from financing activities	5,929,625	-741,239
IV Increase in cash and cash equivalents	1,013,870	-1,424,275
V Beginning balance of cash and cash equivalents	2,141,069	3,565,345
VI Closing balance of cash and cash equivalents	3,154,940	2,141,069

For further information:

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Disclaimer

This document contains translations of selected information provided in the Japanese language Financial Report (*Kessan-Tanshin*) of TGR Investment Inc. (hereinafter, "TGR") dated February 19, 2008 and prepared under the timely disclosure requirements of the Tokyo Stock Exchange for the 10th fiscal period (from July 1, 2007 to December 31, 2007).

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These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements, including without limitation: the general economy, market conditions, financial markets including the performance of the real market, interest rate fluctuations, competition with our properties, and the impact of changing regulations or taxation.

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