

Translation

This is an English language translation of the original Japanese announcement on our Website released on February 27, 2013. However, no assurance or warranties are given with respect to the accuracy or completeness of this English language translation. The Japanese original shall prevail in the case of any discrepancies between this translation and the Japanese original.

Summary of Financial Results (REIT) for the Fiscal Period Ended December 31, 2012

February 27, 2013

Name of Issuer: Invincible Investment Corporation Stock Exchange Listing: Tokyo Stock Exchange
Securities Code: 8963 URL <http://www.invincible-inv.co.jp/>
Representative: Naoki Shibatsuji, Executive Director
Name of Asset Manager: Consonant Investment Management Co., Ltd.
Representative: Naoki Shibatsuji, President & CEO
Contact: Michiko Ishibachi, Manager in charge of Investor Relations TEL. +81-3-5411-2731

Scheduled Date of Filing of Securities Report: March 27, 2013 Scheduled Date of Commencement for Distribution Payments: March 22, 2013

Supplementary Materials for Financial Results: Yes
Presentation Meeting: Yes (for analysts and investors)

(values are rounded down to the nearest million yen)

1. Financial Results for the Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)

(1) Operating Results (Percentages indicate percentage change from the previous period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Period ended December 2012	2,476	13.8	1,084	21.3	114	(8.9)	114	(10.9)
Period ended June 2012	2,176	(1.2)	894	-	125	-	128	-

	Net Income per Unit	Net Income/ Unitholders' Equity	Ordinary Income/Total Assets	Ordinary Income/Ordinary Revenues
	yen	%	%	%
Period ended December 2012	85	0.3	0.2	4.6
Period ended June 2012	95	0.4	0.2	5.8

(Note) Net Income per Unit is rounded to the nearest yen.

(2) Distributions

	Distribution per Unit (Excluding excess profit distribution per unit)	Distribution Amount	Excess Profit Distribution per Unit	Excess Profit Distribution Amount	Dividend Payout Ratio	Distribution/ Net Assets
	yen	Millions of yen	yen	Millions of yen	%	%
Period ended	117	157	0	0	137.6	0.5

December 2012 Period ended June 2012	200	269	0	0	210.5	0.8
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(Note 1) Invinible Investment Corporation (INV) reversed JPY 141 million out of surplus for the distribution for the fiscal period ended June 30, 2012. As for the distribution for the fiscal period ended December 31, 2012, INV reversed JPY 43 million out of surplus and decided to distribute JPY 117 per unit.

(3) Financial Position

	Total Assets	Net Assets	Net Assets/Total Assets	Net Assets per Unit
	Millions of yen	Millions of yen	%	yen
As of December 31, 2012	80,200	32,670	40.7	24,231
As of June 30, 2012	67,698	32,826	48.5	24,346

(Note) Net Assets per Unit is rounded to the nearest yen.

(4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investment Activities	Cash Flows from Financing Activities	Closing Balance of Cash and Cash Equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal Period ended December 31, 2012	878	(14,412)	11,855	3,531
Fiscal Period ended June 30, 2012	462	(42)	(412)	5,210

2. Forecast for the Fiscal Period ending June 30, 2013 (from January 1, 2013 to June 30, 2013)

(Percentages in brackets represent change from previous fiscal period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Distribution per Unit (excluding excess profit distribution per unit)	Excess Profit Distribution per Unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen	yen
Fiscal Period ending June 30, 2013	2,761	(11.5)	1,183	(9.1)	280	(143.9)	280	(145.2)	200	0

	Reversal of Surplus		Distribution Amount	
	Millions of yen	%	Millions of yen	%
Fiscal Period ending June 30, 2013	—	(—)	269	(70.9)

(Reference) Estimated net income per unit for the fiscal period ending June 30, 2013 is JPY 207.

3. Others

(1) Changes in Accounting Policies, Accounting Estimates or Restatements

(a) Changes in Accounting Policies due to Revisions to Accounting Standards and Other Regulations	None
(b) Changes in Accounting Policies due to Other Reasons	None
(c) Changes in Accounting Estimates	None
(d) Restatements	None

(2) Number of Investment Units Issued and Outstanding

(a) Number of Units Issued and Outstanding as of the End of the Fiscal Period (Including Treasury Units)	December 31, 2012	1,348,292	June 30, 2012	1,348,292
(b) Number of Treasury Units at End of Fiscal Period	December 31, 2012	0	June 30, 2012	0

(Note) Please refer to the "Notes Related to Per Unit Information" on page 34 for the number of units used as a basis for calculating net income per unit.

※ The Implementation Status of Statutory Audit

At the time of this financial report, the audit procedures for the financial statements pursuant to the Financial Instruments and Exchange Act are yet to be completed.

※ Explanation on the Appropriate Use of the Forecast of Results and Other Matters of Special Consideration

(Explanation on the Appropriate Use of the Forecast of Results)

The forward-looking statements in this material are based on the information currently available to us and certain assumptions which we believe are reasonable. Actual operating performance may differ significantly due to factors we cannot predict as of this date, including gains or losses from the disposition of properties, repayment of borrowings, decreases in rents and changes in operating conditions. Further, there is no guarantee of the payment of the forecast distribution amount.

Please refer to "(2) Operating Condition / (b) Outlook for the Fiscal Period Ending June 30, 2013 / b. Operational Outlook / Assumptions for the Forecasts for the Fiscal Period ending June 30, 2013 (from January 1, 2013 to June 30, 2013)" on page 13 for assumptions used in the forecasts and precautions regarding the use of such forecasts.

1. Related Companies of the Investment Corporation

Please refer to “Affiliate Companies of Invincible Investment Corporation” on page 51.

2. Management Policy and Operating Condition

(1) Management Policy

Disclosure is omitted in the “Investment Policy” section of the latest securities report (filed on September 21, 2012) because there have no material changes.

The investment corporation (the “Investment Corporation” or “INV”) amended a portion of its articles of incorporation at the unitholders’ meeting held on November 30, 2012, which resulted in changes to its “investment target” and “distribution policy”. For a description of the “Investment Target” and “Distribution Policy”, as revised, see p.55 though p.57.

(2) Operating Condition

(a) Overview of the Fiscal Period ended December 31, 2012

(i) Main Trends in the Investment Corporation

The Investment Corporation was established in January 2002 based on the Investment Trust and Investment Corporation Act (Law No. 198 of 1951, as amended; hereinafter referred to as the “Investment Trust Act”). In May 2004, the Investment Corporation was listed on the Osaka Stock Exchange, and in August 2006 it was listed on the Real Estate Investment and Trust Securities Section of the Tokyo Securities Exchange (Ticker Code: 8963). In August 2007, in order to consolidate stock exchange trading and to reduce operational and management costs associated with multiple listing, the Investment Corporation applied to delist from the Osaka Stock Exchange, and since then it has only been listed on the Tokyo Stock Exchange.

Effective February 1, 2010, in order to help resolve concerns related to refinancing and other financial issues, the Investment Corporation engaged in a merger by absorption pursuant to which the Investment Corporation was the surviving entity and LCP Investment Corporation (“LCP”) was the absorbed entity (the “Merger”). Since the Merger, the Investment Corporation sought to improve its financial condition principally through repaying debt from the proceeds of sales of properties.

However, the fund-raising environment surrounding the Investment Corporation continued to be extremely difficult, and due to the absence of any concrete path to repaying its debts or extending its maturity payment dates, there resulted in there being a “Note regarding going concern basis” in its financial statements for the interim six months ended June 2010.

In order to avert such serious situation, and to secure stable earnings for the medium to long term, the Investment Corporation deemed that it was indispensable to conduct a refinancing based on a significantly improved financial condition. Thus, on July 29, 2011, the Investment Corporation issued new investment units with Calliope Godo Kaisha (“Calliope”), an affiliate of Fortress Investment Group LLC (“FIG”) and together with its other affiliates, the “Fortress Group”), acting as the principal investor, and conducted a refinancing.

As a result, with respect to the financial report for the six months ended June 2011 announced on August 26, 2011, the Investment Corporation was able to remove the “Note regarding the going concern basis”, and its financial condition has stabilized.

As the next step to secure stable earnings for the medium to long term, the Investment Corporation acquired 24 new properties (trust beneficiary interests in properties in Japan) (the “24 new properties”) on September 28, 2012, or during the six months ended December 31, 2012 (the “reporting period”). In connection with the acquisition of the 24 new properties, in order to

fund the acquisitions and a portion of related costs, the Investment Corporation engaged in a refinancing, including through incurring new debt in trust and increasing the existing loan amount. The Investment Corporation believes that through the acquisition of the 24 new properties, and considering the net income based on the earnings of the properties during the reporting period, an earnings base has been established for stable distributions comparable to earlier performance.

As of the end of the reporting period, the Investment Corporation owned 78 properties and had interest-bearing liabilities of JPY 43,982 million, investment units issued of 1,348,292 units and unitholders' capital of JPY 26,134 million.

b. Investment Environment and Operational Performance

In the reporting period, although the Japanese economy continued to face difficulties, with factors such as reconstruction demand as the background, the economy showed a slight recovery (the July 2012 monthly economic report of the Cabinet Office). As a result of deceleration in the global economy, the Japanese economy has again shown signs of weakness (the December 2012 monthly economic report of the Cabinet Office).

With respect to the prospects for the future, it is believed that while conditions will remain weak for the time being, the Japanese economy will be supported by the continuing reconstruction demand and improvements in the overseas economies, thus providing hope of another recovery. At the same, uncertainties in overseas economies remain high and continue to be a downward risk for the Japanese economy, and there is need for concern regarding the prospect for the employment and consumption environment, as well as the impact of deflation (the December monthly economic report).

With respect to the real estate market, there were new listings of real estate investment trusts, and the market is becoming more active, with continuing acquisitions of properties by J-REITs. In addition, according to the "Trend Report of the Value of Intensively Used Land in Major Cities (the Land Value LOOK Report) (the 20th edition), third quarter of 2012", published in November 2012 by the Ministry of Land, Infrastructure and Transport, the number of areas with falling land values is declining, and the number of areas with flat or increasing land values is increasing. In general, from a condition of "a balance between the number of areas increasing versus the number of areas decreasing" (19th LOOK Report, second quarter of 2012), there was an improvement to "the number of areas increasing being above the number of areas decreasing, with in particular areas in the Osaka and Nagoya regions showing more areas with increases than those with decreases."

Regarding investment properties, although there were differences among regions and types of properties as a result of concerns regarding deflation, employment conditions, corporate performance and the impact of the Great East Japan Earthquake, in particular from the standpoint of earnings stability, there was a scarcity in relatively new residences above a certain size in popular areas in Tokyo, and competition for acquisitions continues to be very intense.

Regarding the residential rental market, demand in the Tokyo region continues to be strong and remains stable. In addition, with respect to the luxury rental properties, which continued to decline after the Lehman shock, although rent levels still remain weak, there are signs of recovery. In addition, in the Tohoku region, there is a scarcity of rental properties in certain areas due to residential demand resulting from the Great East Japan Earthquake. With respect to regions outside the major cities that suffer from difficult employment conditions as well as older properties, there continues to be weakness, including a lengthening of vacancy periods and continued decrease in rent levels.

Regarding the office building rental market, due to factors such as a reduction in the amount of business offices and consolidation of offices resulting from the weak economic conditions and the decline and adjustment in demand, as well the continued new supply of office buildings in Tokyo, there has been no significant improvement in vacancy rates. However, with respect to certain businesses with strong operating results there are some signs of increased floor use and expansion.

In addition, as a result of the impact of the Great East Japan Earthquake, there is continued strong demand for buildings with a strong ground foundation and superior earthquake resistance.

In such a market environment, the Investment Corporation acquired the 24 new properties with a view to increase the earnings of the portfolio, securing stable cash flow and diversifying risks (such as earthquake and economic risks). As a result, as shown below, the Investment Corporation's portfolio has achieved an improvement in quality.

<NOI yield increase>

	Prior period end (June 2012)	Reporting period end (December 2012)
NOI yield	5.0%	5.2%

<Investment ratio by type of property to secure stable cash flows> (by acquisition price)

Ratio by type	Prior period end (June 2012)	Reporting period end (December 2012)
Residential	69.8%	75.3%

Residential properties tend to be smaller in size and have many different tenants, thus making it easier to diversify risk, and the Investment Corporation believes that variations in rental revenues tend to be smaller than office buildings and other properties due to the more stable occupancy rates. In order to secure stable cash flows in the medium to long term, the Investment Corporation seeks to expand investments in residential properties through the acquisition of the 24 new properties. As a result, the investment ratio of residential properties increased, and the cash flow stability of the portfolio has been enhanced.

<Investment ratio by geography to reduce earthquake and economic risks> (by acquisition price)

Geographic investment ratio	Prior period end (June 2012)	Reporting period end (December 2012)
Greater Tokyo Area (Note 1)	84.0%	73.9%
Kansai Area (Note 2)	0.8%	9.1%
Chubu Area (Note 3)	2.1%	6.2%

As a response to the earthquake and economic risks that increased with the Great East Japan Earthquake, there was an expansion into investments to major regional cities, with a focus on the Kansai and Chubu areas. As a result of the acquisition of the 24 new properties, the investment ratio of the Investment Corporation's portfolio in the Greater Tokyo Area decreased, and the investment ratio in the Kansai and Chubu areas increased, thus diversifying risk.

(Note 1) The Greater Tokyo Area refers to Tokyo and Kanagawa, Chiba and Saitama Prefectures.

(Note 2) The Kansai Area refers to Osaka, Hyogo, Kyoto, Nara, Shiga and Wakayama Prefectures.

(Note 3) The Chubu Area refers to Aichi, Gifu, Mie, Shizuoka, Nagano, Yamanashi, Niigata, Toyama, Ishikawa and Fukui Prefectures.

<Improvement in investment ration by property age>

	Prior period end (June 2012)	As of new acquisitions (September 28, 2012)	Reporting period end (December 2012)
Average age	13.2 years (Note 4)	12.3 years (Note 4)	12.5 years (Note 4)

The average age of the 24 new properties is 7.7 years. As a result of the acquisition of the 24 new properties, the age of the portfolio as a whole has improved.

(Note 4) Calculated as the weighted average age (by acquisition price) as of the relevant date (the end of the fiscal period or the acquisition date).

Property Dispositions

The Investment Corporation did not engage in any property dispositions during the reporting period.

As of the end of the reporting period, the Investment Corporation had 63 residential properties, 7 office/retail buildings, one parking lot and 7 senior facilities for a total of 78 properties. The aggregate acquisition price was JPY 77,161 million, and total leasable area was 171,285.49 m².

In addition, the occupancy rate for the Investment Corporation's portfolio as a whole was 96.2% as of the end of the reporting period (as opposed to 95.1% as of the end of the prior period).

c. Overview of Fund Raising

During the reporting period, in order to partially finance the acquisition of the 24 new properties, on the date of the acquisitions, the Investment Corporation procured a loan in trust of JPY 9,960 million and engaged in a refinancing for a larger amount by repaying a portion of existing debt (Syndicate Loan A: repayment of JPY 10,850 million) and concurrently taking out new borrowings in the amount of JPY 13,400 million as Syndicate Loan B with the same interest rate and no new collateral.

The interest rate for the new loan in trust (JPY 9,960 million) is 1.9%, with maturities from 5.5 years to 7.5 years, resulting in a decrease in the Investment Corporation's average interest rate (Average debt interest rate (Note 1): 4.407% as of the prior period end and 3.964% as of reporting period end) and diversified repayment dates.

In addition, the Investment Corporation made two scheduled repayments of debt (Note 2) totaling JPY 131 million (JPY 65 million each), and as a result, the interest-bearing debt as of the end of the reporting period was JPY 43,982 million, and the interest-bearing debt ratio was 54.8% (Note 3).

(Note 1) The average interest rate is the weighted average based on the number of days borrowed during the fiscal period, and has been rounded to the fourth decimal point.

(Note 2) Scheduled repayments include partial repayment of the Syndicate Loan B of JPY 150 million per year (JPY 37 million per quarter) and the Shinsei Trust Loan B of JPY 112 million per year (JPY 28 million per quarter).

(Note 3) The calculation for the interest-bearing debt ratio uses the calculation formula below:

$$\text{Interest-bearing debt ratio} = \text{amount of interest-bearing debt} \div \text{total amount of assets at end of period} \times 100$$

d. Overview of Results of Operations and Distributions

As a result of the above, for the reporting period, operating revenue was JPY 2,476 million, operating income was JPY 1,084 million, ordinary income was JPY 114 million and net income was JPY 114 million.

With respect to distributions, by utilizing a portion (JPY 43 million) of the surplus resulting from the negative goodwill (the "Surplus") from the Merger on top of net income, it has been decided to have total distributions of JPY 157 million, or distribution per unit of JPY 117. As a result of the acquisition of the 24 new properties, the Investment Corporation believes that it has established an earnings base for stable distributions comparable to earlier performance. However, as a result of certain one-time

expenses that were incurred in connection with the acquisition of the 24 properties, net income was not sufficient to make distributions that would be comparable to earlier periods (distributions of approximately JPY 200 per unit). Accordingly, with respect to distributions for the reporting period, pursuant to the Investment Corporation's distribution policy set forth in its articles of incorporation, the distribution was set at above the 90% of distributable profit set forth in the Special Taxation Measures Act, and while emphasizing the securing of a stable distribution level in the medium to long term, the distribution amount per unit was decided at JPY 117.

(Note) The amount of distributable profit (JPY 174 million (*)) x 90% = JPY 156.6 million

The total amount of distributions for the period ended December 2012 was JPY 157.7 million, which exceeded the above calculation of JPY 156.6 million.

(*) The amount of distributable profit (JPY 174 million) = fiscal period net profit before taxes (JPY 114 million) + the sum of negative goodwill amortization (JPY 59 million) ** for each period.

(**) The negative goodwill amortization for each period (JPY 59 million) = extraordinary gain resulting from negative goodwill from the Merger (JPY 11,843) x (net number of months divided by 1200 months (***)).

(***) 1,200 months = a period of 100 years x 12 months (a one-year period)

(b) Outlook for the Fiscal Period Ending June 30, 2013

a. Future operational policy and issues to be addressed

(i) External growth strategy

New Property Acquisitions

With a view to improving earnings potential and portfolio quality, the Investment Corporation acquired new properties (type: 24 residential properties, with a total acquisition price of JPY 14,043 million).

Going forward, the Investment Corporation will seek external growth while focusing on internal growth and emphasizing stable earnings in the medium to long term. For the purpose of medium-to-long term earnings stability, residential properties will continue to be the core asset and the focus of acquisitions. Office buildings, retail facilities, hotels, senior facilities, parking facilities, etc. will be sub-assets that complement the core assets, and acquisitions of properties with a wide variety of uses will be considered in light of market conditions, portfolio composition ratio and geographic area diversification. In addition, in order to further enhance the capacity to collect information about property transactions, the Investment Corporation will explore a wide variety of acquisition opportunities in the market, and will work diligently to expand the Asset Manager's independent information network. In addition, the Investment Corporation will create opportunities to regularly trade information with Fortress, and collect information regarding the market in multifaceted ways.

Property Sales

As discussed above, there is a recovery trend in the real estate market. Under such circumstances, the Investment Corporation will make appropriate reviews for selecting potential candidates for sales in consideration of factors such as the portfolio composition, geographic diversification, medium to long term earnings potential, changes in the market competitiveness, additional investments for maintaining competitiveness and profitability. In addition, with respect to property sales as well, the Investment Corporation will gather information through a wide variety of disposition opportunities, and at the same time work diligently to expand the Asset Manager's independent information network. Moreover, the Investment Corporation will create opportunities to regularly trade information with Fortress, collect information regarding the market in multi-faceted ways, and consider the appropriate properties, potential acquirers and disposition timing.

(ii) Strategy for internal growth

With respect to existing properties

The Investment Corporation has made efforts to maintain and improve occupancy rates and rent levels in view of securing stable cash flows. As a result in part of the improved quality of the portfolio due to the acquisition of the 24 new properties, the occupancy rate for the portfolio for the reporting period beginning with September 2012 was maintained at the 96% level. In order to continue to maintain a high occupancy rate in stable manner, the Investment Corporation will flexibly review leasing strategies to eliminate vacancy periods of more than 30 days, and will seek to establish new responses. In addition, steps have been taken to complete repair construction to within a 20-day period after the exit of a tenant in order to quickly lease a unit to a new tenant. Furthermore, in order to accurately understand the residential and office rental markets, the Investment Corporation will work on research on a daily basis, and will not only engage in leasing activities that meet the unique characteristics of each property and geographic area, but will establish a leasing strategy and seek to enhance leasing approach through initiatives such as individual leasing improvement projects.

For the next fiscal period and beyond, the Investment Corporation will continue to establish strategies based on the condition of the market and competing properties. In addition, the Investment Corporation will seek to maintain and enhance the quality of property management through comprehensive supervision and direction of property management companies (“PM companies”) and conducting regularly reviews of PM companies’ management ability. In addition, in order to further enhance profitability, the Investment Corporation will select PM companies that appropriately match the unique characteristics, etc. of each property. At the same time, comprehensive measures will be taken to control costs. Moreover, by utilizing the Asset Manager’s independent network of leasing companies, as well as support from Fortress for diverse market information regarding leasing activities, the Investment Corporation will seek further enhancement and stability in occupancy rates.

Because the preparation and execution of maintenance and repair plans is an important factor in building positive and trustworthy relationships with tenants and maintaining and improving portfolio earnings potential and property values, with respect to property maintenance and repairs, the Investment Corporation will work diligently to prepare plans that seek to increase asset values, maintain and enhance product quality and market competitiveness and increase property occupancy rates and profitability. In addition, with respect to the execution of maintenance and repairs of properties, the Investment Corporation will target prompt earnings improvement for the relevant properties, while at the same time establishing and executing plans for maintaining the Investment Corporations’ earnings and distribution stability, and seeking to diversify and standardize execution timing and costs.

Based on such measures, the Investment Corporation will have as its target the maximization of future cash flows and increased asset value.

As a result of executing the internal growth strategies discussed above, the appraisal value of the 54 existing properties increased by JPY 183 million from JPY 59,106 million as of the prior period end to JPY 59,289 million as of the reporting period end, representing two consecutive periods of asset value growth. With respect to the appraisal value of the 24 new properties, as well, the appraisal value as of the reporting period was JPY 14,194 million, or an increase of JPY 51 million from the acquisition date. The total portfolio appraisal value as of the end of the reporting period was JPY 73,483 million.

Regarding the operation of the Investment Corporation

The Investment Corporation will diligently consider ways to improve its operations to continue to make possible ever more efficient and strategic management. In addition, as part of its internal growth strategy, the Investment Corporation will seek to reduce administrative costs related to its operations. For such purpose, the Investment Corporation will diligently gather and analyze different kinds of information. Moreover, it will continue to regularly have opportunities for obtaining information from

Fortress, and will conduct its investigation in a multi-faceted manner.

During the reporting period, with respect to the operations of the Investment Corporation, there were reductions in the amount of compensation paid to outside experts (accounting and tax), reduction in administrative agent costs resulting from a change in administrative agent for accounting, etc., as well as reductions in certain common agency investigation fees and asset management fees. There are additional reductions expected in third party expert compensation and asset management fees for the next fiscal period.

The Investment Corporation plans to further push forward an efficient operational process and diligently consider additional improvements in operational management and additional cost reductions.

(iii) Financial strategy

In principle, the Investment Corporation will seek to target the total of its borrowings and investment corporation bonds to be no higher than 60% of its total assets (note).

Going forward, when the Investment Corporation engages in fund-raising through borrowings from financial institutions and raising equity for the purpose of repaying existing borrowings and acquiring new properties, the Investment Corporation will carefully consider the trends in the capital and financial markets and decide upon the appropriate way of raising funds accordingly.

In addition to continuing to maintain relationships that have been developed with existing lenders, the Investment Corporation will consider opportunities for improving unitholders' value by diligently considering fund-raising not only from existing lenders but from other lenders, including not only domestic but overseas lenders, as well as a different fund-raising techniques. In addition, by utilizing the relationship with Fortress, efforts will be made to gather information from a variety of sources.

Based on such measures, the Investment Corporation will seek to further enhance unitholders' value through achieving an even more stable financial structure.

(Note) However, interest-bearing liabilities may temporarily exceed 60% in connection with the acquisition of properties.

(iv) Compliance risk management

While the executive officer of the Investment Corporation concurrently serves as the representative director at the Asset Manager, two supervisory directors (an attorney and a certified public account) oversee the execution of the executive officer's duties via the Board of Directors of the Investment Corporation. In addition, the compliance officer of the Asset Manager attends each meeting of the Board of Directors in the capacity of an observer.

The Asset Manager has a compliance officer who is responsible for compliance with laws, regulations and other relevant matters as well as overall management of transactions with sponsor related parties. Moreover, it has in place a compliance committee which, chaired by such compliance officer, is in charge of deliberating on fundamental items related to compliance with laws, regulations and other relevant matters as transactions with sponsor related parties.

Compliance committee meetings are attended by an outside expert (an attorney) who, sitting in as a compliance committee member, contributes to the Asset Manager's compliance by ensuring the compliance of related party transactions from the standpoint of such expert's expertise and experience and promoting restraint in decision-making as a third party.

The Investment Corporation will take steps to further strengthen its compliance structure to contribute to the transparency and health of its operations.

(v) Significant subsequent events

Nothing applicable.

b. Operational Outlook

Based on the enhancement of earnings potential achieved by the acquisition of 24 properties, the forecast for the fiscal period ending June 30, 2013 is for, as set forth below, operating revenues of JPY 2,761 million, ordinary income of JPY 280 million, net income of JPY 280 million, and distribution per unit at a level compared to earlier periods.

Fiscal period ending June 30, 2013 (from January 1, 2013 to June 30, 2013)

Operating Revenues	JPY 2,761 million
Ordinary Income	JPY 280 million
Net Income	JPY 280 million
Distribution per unit	JPY 200
Excess Profit Distributions per unit	JPY 0

With respect to operating revenue, the forecast assumes an increase of JPY 284 million compared to the JPY 2,746 million recorded in the reporting period. This reflects principally the fact that revenue attributable to the 24 new properties (rent revenues, common area charges, parking lot fees, facility usage fees) contributed to only 95 out of the 184 days in the reporting period, but will contribute to the entirety of the next fiscal period. In addition, the forecast assumes an increase in key money and other miscellaneous revenues for February and March, which is a busy period in the rental market.

With respect to operating expenses, the Investment Corporation assumes that, based on its diligent efforts to reduce operational expenses, it will reduce asset management fees and other fees (including administrative agent fees and fees paid to experts) by JPY 12 million. Regarding property-related expenses, the forecast assumes an increase of JPY 187 million resulting from the acquisition of the 24 new properties and certain seasonal factors, contributing to a total increase of JPY 185 million from JPY 1,392 million for the reporting period to JPY 1,578 million.

In addition, with respect to non-operating expenses, the forecast assumes a decrease on JPY 110 million in financing related costs. This is due to one-time expenses that were incurred in the reporting period in connection with the new borrowings and refinancing that are not expected to occur during the next fiscal period. Furthermore, interest expense is assumed to increase JPY 39 million as a result of the new borrowings and increase in borrowings from the refinancing, from JPY 763 million for the reporting period to JPY 803 million. As a result of the above, non-operating expenses are expected to decrease JPY 70 million from JPY 972 million for the reporting period to JPY 902 million for the next fiscal period.

With respect to per unit distribution amount, as announced at the time of the previous forecast announcement on September 26, 2012, in order to enhance stability in the maintenance of the earlier distribution level from a medium to long term perspective, a portion of the forecasted net income will be retained as a reserve for future distribution. Based on an overall consideration of the operating condition of all 78 properties since the acquisition of the 24 new properties, the Investment Corporation's financial condition and the liquidity of funds on hand, the forecast assumes that, from forecasted net income of JPY 207 per unit, the distribution per unit will be JPY 200, as previously announced, and from a medium to long term perspective the remaining amount will be retained as a reserve for future distributions.

When considering the JPY 59 million yen amortization of negative goodwill resulting from the Merger that needs to be added for this purpose, the per unit distribution of JPY 200 for the next fiscal period does not satisfy the requirement to distribute 90% of distributable income, and thus the conduit requirements for the fiscal period ending June 2013 is not expected to be satisfied. However, due to disposition of properties in the past, the Investment Corporation has tax loss carry forwards of JPY 20,561 million (as of December 31, 2012), and thus no corporation tax is expected to be levied.

For the operation outlook for the period ending June 30, 2013, please refer to the following section below: “Assumptions for the Forecasts for the Fiscal Period ending June 30, 2013 (from January 1, 2013 to June 30, 2013)”.

Cautionary Note regarding Forward Looking Statements

Forward looking statements such as the forecasts set forth herein are based on information currently available and certain assumptions that are deemed reasonable. Actual operating performance may vary significantly due to factors not foreseen at the time of this present notice, such as the occurrence of gains and losses associated with the sale of properties, repayment of borrowings and a decrease in rent received. Also, this forecast is not a guarantee of distribution amounts.

Assumptions for the Forecasts for the Fiscal Period ending June 30, 2013 (from January 1, 2013 to June 30, 2013)

Item	Assumptions												
Fiscal period	From January 1, 2013 to June 30, 2013 (181 day period)												
Assets under management	INV assumes the number of properties is 78 properties based on the number of properties held by INV as of today. In addition, INV assumes there will be new acquisitions or disposals of existing properties thereafter through to the end of the fiscal period.												
Units outstanding	INV assumes the number of units issued and outstanding is 1,348,292 units, which is based on the number of units issued by INV as of today. Also, INV assumes there will be no additional issuance of investment units thereafter through to the end of the fiscal period.												
Interest-bearing liabilities	The repayments of JPY 131 million are scheduled to be made by two scheduled repayment during the fiscal period ending June 2013 and INV assumes there will be no new financing or no additional repayments of the existing borrowings other than the scheduled repayments.												
Operating revenues	<p>INV assumes it will earn operating revenues of JPY 2,761 million for the fiscal period. The breakdown is as follows:</p> <ul style="list-style-type: none"> • Rental revenues JPY 2,761 million <p>Rental revenues are calculated based on historical data and taking into account tenant trends, property competitiveness, the market environment and other factors. In addition, INV assumes there will be no delinquencies or non-payment of rent by tenants.</p>												
Operating expenses	<p>INV assumes it will incur property-related expenses of JPY 1,339 million. The breakdown is as follows</p> <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 20px;">• Facility management fees</td> <td style="text-align: right;">JPY 471 million</td> </tr> <tr> <td style="padding-left: 20px;">(of this amount, JPY 50 million are for repair costs)</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">• Taxes and other public charges</td> <td style="text-align: right;">JPY 155 million</td> </tr> <tr> <td style="padding-left: 20px;">• Insurance expenses</td> <td style="text-align: right;">JPY 5 million</td> </tr> <tr> <td style="padding-left: 20px;">• Other expenses</td> <td style="text-align: right;">JPY 168 million</td> </tr> <tr> <td style="padding-left: 20px;">• Depreciation expenses</td> <td style="text-align: right;">JPY 537 million</td> </tr> </table> <p>Other than depreciation expenses, the property related expenses are calculated based on historical data and reflect elements that may cause fluctuations. Of the assessed and decided amount of real property tax, city planning tax, depreciable property tax, etc. applicable to assets under management, INV records as expenses the tax amount that it expects to pay during the fiscal periods. Furthermore, concerning assets newly acquired during the year in which the fiscal periods falls, the tax amount is calculated on a pro-rata basis with the prior titleholder, and this adjusted amount is reimbursed at the time of acquisition. INV, however, capitalizes an amount equivalent to the adjusted amount reimbursed as part of the acquisition cost, and thus does not record the amount as expenses.</p> <p>Repair costs may vary due to the changes in the situation etc., though they are estimated based on the repair plans created by the Asset Manager.</p> <p>Other than these property-related expenses, INV assumes it will incur operating expenses of JPY 239 million for the fiscal period.</p>	• Facility management fees	JPY 471 million	(of this amount, JPY 50 million are for repair costs)		• Taxes and other public charges	JPY 155 million	• Insurance expenses	JPY 5 million	• Other expenses	JPY 168 million	• Depreciation expenses	JPY 537 million
• Facility management fees	JPY 471 million												
(of this amount, JPY 50 million are for repair costs)													
• Taxes and other public charges	JPY 155 million												
• Insurance expenses	JPY 5 million												
• Other expenses	JPY 168 million												
• Depreciation expenses	JPY 537 million												
Non-operating expenses	<p>INV assumes it will incur non-operating expenses of JPY 902 million for the fiscal period. The breakdown is as follows:</p> <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 20px;">• Interest expenses</td> <td style="text-align: right;">JPY 803 million</td> </tr> <tr> <td style="padding-left: 20px;">• Finance related costs</td> <td style="text-align: right;">JPY 98 million</td> </tr> <tr> <td style="padding-left: 20px;">• Other non-operating expenses</td> <td style="text-align: right;">JPY 1 million</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">JPY 902 million</td> </tr> </table>	• Interest expenses	JPY 803 million	• Finance related costs	JPY 98 million	• Other non-operating expenses	JPY 1 million		JPY 902 million				
• Interest expenses	JPY 803 million												
• Finance related costs	JPY 98 million												
• Other non-operating expenses	JPY 1 million												
	JPY 902 million												
Distribution per unit	<p>The distribution per unit is calculated in accordance with the cash distribution policy set forth in INV's articles of incorporation.</p> <p>INV assumes it will pay the distribution using net income as the source, and plans to distribute JPY 269 million (JPY 200 per unit) for fiscal period June 2013.</p> <p>The distribution per unit may vary due to various factors, such as fluctuations in rental revenues resulting from changes in the assets under management, changes in the tenants, etc. and incurrence of unexpected repairs.</p>												

Excess profit distribution per unit	INV currently does not expect to make distributions in excess of profits (excess profit distribution per unit).
Other	INV assumes there will be no amendments to laws and ordinances, the taxation system, accounting standards and other regulations that will affect the foregoing forecasts. In addition, INV assumes there will no unforeseen material changes in the market environment, including general economic trends and real estate market conditions.

3. Financial Statements

(1) Balance Sheets

(Unit: thousands of yen)

		Fiscal Period ended June 30, 2012 (As of June 30, 2012)	Fiscal Period ended December 31, 2012 (As of December 31, 2012)
Assets			
Current Assets			
Cash and deposits		3,080,041	745,429
Cash and deposits in trust	※1	2,130,105	2,786,480
Accounts receivables		19,103	18,370
Advances paid		208	664
Deposits paid	※2	696,804	690,495
Prepaid expenses		164,645	208,056
Consumption tax receivable		23,311	115,447
Allowance for doubtful accounts		(831)	(797)
Total Current Assets		6,113,388	4,564,147
Non-current Assets			
Property, plant and equipment			
Buildings	※1	2,680,174	2,680,174
Accumulated depreciation		(135,561)	(163,166)
Buildings, net		2,544,613	2,517,007
Equipment	※1	50,691	50,691
Accumulated depreciation		(21,152)	(24,125)
Equipment, net		29,539	26,566
Building improvements	※1	3,848	3,848
Accumulated depreciation		(1,121)	(1,261)
Building improvements, net		2,726	2,587
Land	※1	2,713,620	2,713,620
Buildings in trust	※1	23,030,036	29,664,262
Accumulated depreciation		(1,541,195)	(1,782,176)
Buildings in trust, net		21,488,840	27,882,085
Equipment in trust	※1	4,301,492	6,608,496
Accumulated depreciation		(1,091,836)	(1,280,186)
Equipment in trust, net		3,209,656	5,328,309
Building improvements in trust	※1	237,741	294,542
Accumulated depreciation		(62,476)	(73,848)
Building improvements in trust, net		175,265	220,693
Tools, furniture and fixtures in trust	※1	106,361	123,699
Accumulated depreciation		(45,055)	(54,255)
Tools, furniture and fixtures in trust, net		61,305	69,443
Land in trust	※1	31,056,639	36,582,527
Total property, plant and equipment		61,282,207	75,342,842
Intangible assets			
Others		621	244
Total intangible assets		621	244
Total investment and other assets			
Guarantee deposits		10,000	10,000
Long-term prepaid expenses		263,982	253,406
Others		28,686	29,381
Total investments and other assets		302,669	292,787

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2012 (As of June 30, 2012)	Fiscal Period ended December 31, 2012 (As of December 31, 2012)
Total non-current Assets	61,585,498	75,635,874
Total Assets	67,698,887	80,200,022

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2012 (As of June 30, 2012)	Fiscal Period ended December 31, 2012 (As of December 31, 2012)
Liabilities		
Current Liabilities		
Accounts Payable	76,887	133,791
Current portion of long-term debts ※1	262,000	262,000
Accrued liabilities	6,062	18,748
Accrued expenses	371,854	362,514
Accrued income taxes	506	503
Advances received	288,162	378,770
Deposits received	3,307	5,268
Total Current Liabilities	1,008,782	1,161,597
Non-current Liabilities		
Long-term debts ※1	20,341,500	22,760,500
Long-term debts in trust ※1	11,000,000	20,960,000
Tenant leasehold and security deposits in trust	925,696	1,059,315
Tenant leasehold and security deposits	183,579	183,579
Long-term accrued expenses	1,413,153	1,404,333
Total Non-current Liabilities	33,863,929	46,367,728
Total Liabilities	34,872,711	47,529,325
Net Assets		
Unitholders' Equity		
Unitholders' Capital	26,134,396	26,134,396
Surplus		
Capital Surplus	6,264,432	6,264,432
Unappropriated retained earnings/loss	427,346	271,868
Total Surplus	6,691,778	6,536,300
Total Unitholders' Equity	32,826,175	32,670,697
Total Net Assets ※3	32,826,175	32,670,697
Total Liabilities and Net Assets	67,698,887	80,200,022

(2) Statement of Income

		(Unit: thousands of yen)	
		Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)	Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)
Operating Revenues			
Rental revenues	※1	2,176,839	2,476,430
Total Operating Revenues		2,176,839	2,476,430
Operating Expenses			
Property related expenses	※1	1,024,277	1,156,672
Directors' remuneration		4,800	4,800
Asset management fees		150,000	130,067
Asset custodian fees		3,328	3,351
Administrative service fees		25,273	24,781
Provision of allowance for doubtful accounts		646	797
Bad debt expenses		1,137	-
Other operating expenses		73,303	71,786
Total Operating Expenses		1,282,766	1,392,258
Operating Income/Loss		894,072	1,084,171
Non-operating Revenues			
Interest revenues		515	487
Miscellaneous income		1,875	2,904
Total Non-operating Revenues		2,390	3,391
Non-operating Expenses			
Interest expenses		695,689	763,201
Finance related costs		73,562	208,347
Investment unit issuance expenses		1,230	1,230
Miscellaneous losses		-	-
Total Non-operating Expenses		770,482	972,778
Ordinary Income/Loss		125,981	114,784
Income/Loss Before Income Taxes		125,981	114,784
Corporate Tax, etc.		605	604
Taxes due/Tax refund after adjustments		(2,799)	-
Total Corporate Tax, etc.		(2,194)	604
Net Income/Loss		128,175	114,179
Retained Earnings at the Beginning of the Period		299,171	157,688
Unappropriated Retained Earnings/Loss at the End of the Period		427,346	271,868

(3) Statement of Unitholders' Equity

	(Unit: thousands of yen)	
	Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)	Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)
Unitholders' Equity		
Unitholders' Capital		
Balance at the beginning of the period	26,134,396	26,134,396
Change during the period		
Total change during the period	-	-
Balance at the end of the period	26,134,396	26,134,396
Surplus		
Capital Surplus		
Balance at the beginning of the period	6,264,432	6,264,432
Change during the period		
Total change during the period	-	-
Balance at the end of the period	6,264,432	6,264,432
Unappropriated Retained Earnings/Loss		
Balance at the beginning of the period	568,830	427,346
Change during the period		
Distributions from surplus	(269,658)	(269,658)
Net income/Loss	128,175	114,179
Total change during the period	(141,483)	(155,478)
Balance at the end of the period	427,346	271,868
Total Surplus		
Balance at the beginning of the period	6,833,262	6,691,778
Change during the period		
Distributions from surplus	(269,658)	(269,658)
Net income	128,175	114,179
Total change during the period	(141,483)	(155,478)
Balance at the end of the period	6,691,778	6,536,300
Total Unitholders' Equity		
Balance at the beginning of the period	32,967,658	32,826,175
Change during the period		
Distributions from surplus	(269,658)	(269,658)
Net income/Loss	128,175	114,179
Total change during the period	(141,483)	(155,478)
Balance at the end of the period	32,826,175	32,670,697
Total Net Assets		
Balance at the beginning of the period	32,967,658	32,826,175
Change during the period		
Distributions from surplus	(269,658)	(269,658)
Net income/Loss	128,175	114,179
Total change during the period	(141,483)	(155,478)
Balance at the end of the period	32,826,175	32,670,697

(4) Statement of Cash Distribution

	Fiscal Period ended June 30, 2012 (from July 1, 2012 to June 30, 2012)	Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)
I Unappropriated retained earnings	427,346,794 yen	271,868,258 yen
II Distribution Amount	269,658,400 yen	157,750,164 yen
(Distribution per Unit)	(200 yen)	(117 yen)
III Retained earnings carried forward	157,688,394 yen	114,118,094 yen
Calculation method of distribution amount	In accordance with the distribution policy set forth in Article 17, Paragraph 1 of the Articles of Incorporation of INV, the distribution amount shall be the amount which does not exceed the amount of profits but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act. Pursuant to this policy, INV determined the distribution amount to be 269,658,400 yen, which is the sum of net income of 128,175,038 yen and reversal of surplus of 141,483,362 yen. INV did not distribute any amounts in excess of profit, as set forth in Article 17, Paragraph 4 of the Articles of Incorporation.	In accordance with the distribution policy set forth in Article 17, Paragraph 1 of the Articles of Incorporation of INV, the distribution amount shall be the amount which does not exceed the amount of profits but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act. However, in the event that any tax losses arise, or if no profits have been recorded for tax purposes due to tax losses carried forward, the distribution amount may be as reasonably determined by INV. Pursuant to this policy, INV determined the distribution amount to be 157,750,164 yen, which is the sum of net income of 114,179,864 yen and reversal of surplus of 43,570,300 yen. INV did not distribute any amounts in excess of profit, as set forth in Article 17, Paragraph 4 of the Articles of Incorporation.

(5) Statement of Cash Flows

	(Unit: thousands of yen)	
	Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)	Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)
Cash Flows from Operating Activities		
Net income/loss before taxes	125,981	114,784
Depreciation expenses	412,110	481,000
Investment unit issuance expenses	1,230	1,230
Finance related costs	73,562	208,347
Amortization of tenant leasehold and security deposits	(927)	(1,354)
Interest received	(515)	(487)
Interest paid	695,689	763,201
Increase (decrease) in allowance for doubtful accounts	519	(33)
Decrease (increase) in accounts receivable	(902)	733
Decrease (increase) in deposit payments	(49,446)	6,308
Decrease (increase) in consumption tax receivable	(23,311)	(92,135)
Increase (decrease) in accrued consumption tax payable	(59,401)	-
Increase (decrease) in accounts payable	(38,383)	62,798
Increase (decrease) in accrued liabilities	(344)	13,696
Increase (decrease) in accrued expenses	(570)	(31,930)
Increase (decrease) in advances received	6,598	90,607
Increase (decrease) in deposits received	(2,315)	1,960
Others	15,097	714
Subtotal	1,154,670	1,619,439
Proceeds of interest	493	487
Payment of interest	(688,459)	(740,409)
Payment of loss due to disaster	(3,667)	-
Payment of corporate taxes, etc.	(595)	(608)
Cash Flows from Operating Activities	462,441	878,909
Cash Flows from Investing Activities		
Payment for acquisition of tangible assets in trust	(38,277)	(14,547,093)
Payment of tenant leasehold and security deposits in trust	(49,274)	(39,366)
Proceeds of tenant leasehold and security deposits in trust	45,436	174,339
Others	(694)	(694)
Cash Flows from Investing Activities	(42,810)	(14,412,815)
Cash Flows from Financing Activities		
Proceeds from long-term debt	-	13,400,000
Repayment of long-term debt	(131,000)	(10,981,000)
Proceeds from long-term debt in trust	-	9,960,000
Costs from issuance of investment units	(1,230)	(1,230)
Finance related costs	(10,452)	(251,904)
Payment of distributions	(270,167)	(270,196)
Cash Flows from Financing Activities	(412,849)	11,855,670
Increase (decrease) in cash and cash equivalents	6,780	(1,678,236)
Beginning balance of cash and cash equivalents	5,203,366	5,210,146
Closing balance of cash and cash equivalents	※1 5,210,146	3,531,910

(6) Notes Concerning Going Concerns Assumption

None

(7) Notes Concerning Significant Accounting Policies

1. Method of depreciation of non-current assets

(a) Property, plant and equipment

The straight-line method is used.

The useful lives of major property, plant and equipment are as follows.

Buildings	40-77 years
Equipment	3-24 years
Building improvements	3-18 years
Buildings in trust	6-66 years
Equipment in trust	3-32 years
Building improvements in trust	3-55 years
Tools, furniture and fixtures in trust	2-15 years

(b) Intangible assets

The straight-line method is used.

(c) Long-term prepaid expenses

The straight-line method is used.

2. Method of calculating allowances

Allowance for doubtful accounts

To reserve for losses on doubtful accounts, allowances are provided for normal receivables using a rate determined based on past bad debt experiences, and specific allowances are provided for accounts with a possibility of default based on the estimated amounts considered to be uncollectible by considering the collectability of accounts on an individual basis.

3. Revenue and expense recognition

Accounting treatment of property taxes and other taxes

With respect to property taxes, city planning taxes and depreciable asset taxes, of the tax amount assessed and determined, the amount corresponding to the relevant fiscal period is accounted for as property related expenses.

Of the amounts paid to the seller for acquisitions of real estate, the amount equivalent to property taxes is capitalized as part of the acquisition cost of the real estate instead of being charged as expense. The equivalent to property taxes that was included as part of the acquisition of real estate during this fiscal period is 16,270 thousand yen.

4. Cash and cash equivalents as stated in Statement of Cash Flows

Cash and cash equivalents as stated in the Statement of Cash Flows consist of cash on hand and cash in trust, floating deposits, deposits in trust and short-term investments that are very liquid and realizable with a maturity of three months or less when purchased and that are subject to insignificant risks of changes in value.

5. Other significant matters which constitute the basis for preparation of financial statements

(1) Accounting treatment of trust beneficiary interests of real estate

As to trust beneficiary interests of real estate, all accounts of assets and liabilities within assets in trust, as well as all income generated and expenses incurred from assets in trust, are recorded in the relevant balance sheets and income statement accounts. Of such items, the following significant trust assets and liabilities are shown separately on the balance sheet.

Cash and deposits in trust

Buildings in trust, equipment in trust, building improvements in trust, tools, furniture and fixtures in trust and land in trust

Tenant leasehold and security deposits in trust

Long-term debts in trust

(2) Accounting treatment of consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

(8) Notes to the Financial Statements

(Notes to the Balance Sheets)

※1. Assets pledged as collateral and liabilities with collateral

Assets pledged as collateral are as follows.

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2012 (as of June 30, 2012)	Fiscal Period ended December 31, 2012 (as of December 31, 2012)
Cash and deposits in trust	2,130,105	2,786,480
Buildings	2,544,613	2,517,007
Equipment	29,539	26,566
Building improvements	2,726	2,587
Land	2,713,620	2,713,620
Buildings in trust	21,488,840	27,882,085
Equipment in trust	3,209,656	5,328,309
Building improvements in trust	175,265	220,693
Tools, furniture and fixtures in trust	61,305	69,443
Land in trust	31,056,639	36,582,527
Total	63,412,312	78,129,323

Liabilities with collateral are as follows.

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2012 (as of June 30, 2012)	Fiscal Period ended December 31, 2012 (as of December 31, 2012)
Current portion of long-term debts	262,000	262,000
Long-term debts	20,341,500	22,760,500
Long-term debts in trust	11,000,000	20,960,000
Total	31,603,500	43,982,500

※2. Represents amounts entrusted to financial institutions for the purpose of repayment of borrowings in trust from such financial institutions.

※3. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Unit: thousands of yen)

Fiscal Period ended June 30, 2012 (as of June 30, 2012)	Fiscal Period ended December 31, 2012 (as of December 31, 2012)
50,000	50,000

(Notes to Statement of Income)

※1. Rental revenues and property related expenses are as follows:

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)	Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)
A. Rental revenues		
Rent/common area charges	1,996,336	2,300,764
Other revenues	180,502	175,665
Total	2,176,839	2,476,430
B. Property related expenses		
Maintenance costs	359,308	403,390
Taxes and public dues	146,563	141,455
Insurance expenses	4,118	4,677
Other expenses	102,601	126,526
Depreciation expenses	411,685	480,622
Total	1,024,277	1,156,672
C. Operating income from rental revenues (A-B)	1,152,562	1,319,757

(Notes to Statement of Unitholders' Equity)

Number of investment units authorized and number of investment units issued and outstanding

	Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)	Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)
Number of investment units authorized	10,000,000 units	10,000,000 units
Number of investment units issued and outstanding	1,348,292 units	1,348,292 units

(Notes to Statement of Cash Flow)

※1. Relationship between cash and cash equivalents in statement of cash flows and amounts in accompanying balance sheet

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)	Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)
Cash and deposits	3,080,041	745,429
Cash and deposits in trust	2,130,105	2,786,480
Cash and cash equivalents	5,210,146	3,531,910

(Notes Related to Lease Contracts)

Operating lease transactions (as lessee)

Remaining lease payments

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2012 (as of June 30, 2012)	Fiscal Period ended December 31, 2012 (as of December 31, 2012)
Due within one year	112,249	112,249
Due after one year	2,504,787	2,448,662
Total	2,617,036	2,560,911

Operating lease transactions (as lessor)

Remaining lease payments

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2012 (as of June 30, 2012)	Fiscal Period ended December 31, 2012 (as of December 31, 2012)
Due within one year	674,516	674,516
Due after one year	7,933,109	7,595,851
Total	8,607,625	8,270,367

(Notes Related to Financial Instruments)

1. Status of Financial Instruments

(1) Policy for Financial Instruments

The Investment Corporation principally conducts its operations through investments in real estate and other specified assets to seek to ensure stable income in the medium to long term.

The policy for raising funds is principally through issuing new investment units or entering into debt.

Derivative transactions are to be entered into for the purpose of hedging against the rate of future interest rate increases, etc. and not for speculation. There are currently no derivative transactions that have been entered into.

Surplus funds are managed carefully after carefully taking into account safety, liquidity, the interest rate environment and financing.

(2) Nature and extent of risks arising from financial instruments and risk management

The funds raised through borrowings are mainly used to acquire real estate properties or properties in trust (including related acquisition costs) and for the repayment of existing debt. Liquidity risks relating to debt are managed by the planning/finance department of the Asset Manager by preparing and updating plans for funds, and monitoring the covenants set forth in loan agreements.

(3) Supplemental information regarding market value, etc. for financial instruments

The fair value of financial instruments is based on quoted market prices if available. When quoted market prices are not available, fair value is estimated using valuation techniques which contain various assumptions. If other valuation models or assumptions were used, the estimated value may differ.

2. Estimated Fair Value of Financial Instruments

Book value, fair value and the difference between values as of June 30, 2012 are as follows.

(Unit: thousands of yen)

	Book value	Fair value	Difference
(1) Cash and deposits	3,080,041	3,080,041	—
(2) Cash and deposits in trust	2,130,105	2,130,105	—
Total assets	5,210,146	5,210,146	—
(3) Current portion of long-term debts	262,000	262,025	25
(4) Long-term debts	20,341,500	20,369,393	27,893
(5) Long-term debts in trust	11,000,000	11,097,830	97,830
Total liabilities	31,603,500	31,729,249	125,749

Book value, fair value and the difference between values as of December 31, 2012 are as follow.

(Unit: thousands of yen)

	Book value	Fair value	Difference
(1) Cash and deposits	745,429	745,429	—
(2) Cash and deposits in trust	2,786,480	2,786,480	—
Total assets	3,531,910	3,531,910	—
(3) Current portion of long-term debts	262,000	262,039	39
(4) Long-term debts	22,760,500	22,788,497	27,997
(5) Long-term debts in trust	20,960,000	21,195,979	235,979
Total liabilities	43,982,500	44,246,517	264,017

(Note 1) Methods to calculate fair values of financial instruments

(1) Cash and deposits (2) Cash and deposits in trust

Due to the short maturities, the book value of these instruments is deemed a reasonable approximation of the fair value, and therefore, the book value is used as the fair value.

(3) Current portion of long-term debts (4) Long-term debts (5) Long-term debts in trust

The fair values of long-term debt with fixed interest rates are determined based on the present value of contractual cash flows discounted at current market interest rates which would be applicable to new debt with the same amount. Long-term debt with floating interest rates reflecting changes in market rates within a short term period are stated at their book value as their book value approximate their fair values.

(Note 2) Financial instruments for which fair value is extremely difficult to value

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2012 (as of June 30, 2012)	Fiscal Period ended December 31, 2012 (as of December 31, 2012)
Tenant leasehold and security deposits	183,579	183,579
Tenant leasehold and security deposits in trust	925,696	1,059,315

Tenant leasehold and security deposits and tenant leasehold and security deposits in trust have no observable market price, and it is impracticable to reasonably estimate their future cash flows because it because the repayment dates of those deposits and the timing of the lessee's exit from the property are not certain. Thus, their fair value is not disclosed.

(Note 3) Remaining schedule of monetary claims after the closing date of the fiscal period

As of June 30, 2012

(Unit: thousands of yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Cash and deposits	3,080,041	—	—	—	—	—
Cash and deposits in trust	2,130,105	—	—	—	—	—
Total	5,210,146	—	—	—	—	—

As of December 31, 2012

(Unit: thousands of yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Cash and deposits	745,429	—	—	—	—	—
Cash and deposits in trust	2,786,480	—	—	—	—	—
Total	3,531,910	—	—	—	—	—

(Note 4) Redemption schedule of long-term debts and other interest-bearing indebtedness after the closing date of the fiscal period

As of June 30, 2012

(Unit: thousands of yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Current portion of long-term debts	262,000	—	—	—	—	—
Long-term debts	—	262,000	20,079,500	—	—	—
Long-term debts in trust	—	—	320,981	436,972	3,787,346	6,454,699
Total	262,000	262,000	20,400,481	436,972	3,787,346	6,454,699

As of December 31, 2012

(Unit: thousands of yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Current portion of long-term debts	262,000	—	—	—	—	—
Long-term debts	—	13,324,500	9,436,000	—	—	—
Long-term debts in trust	—	105,833	450,442	516,273	3,819,427	16,068,022
Total	262,000	13,430,333	9,886,442	516,273	3,819,427	16,068,022

(Notes Related to Investment Securities)

None

(Notes Related to Derivative Transactions)

None

(Notes Related to Retirements Payments)

None

(Notes Related to Asset Retirement Obligations)

None

(Notes Related to Segment and Related Information)

I. Segment Information

Disclosure is omitted because the real estate investment business is the Investment Corporation's sole business and it has no reportable segments.

II. Related Information

Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)

1. Information about each product and service

Disclosure is omitted because net sales to external customers for a single product/service category accounted for over 90% of the operating revenue on the statement of income.

2. Information about each geographic area

(1) Net sales

Disclosure is omitted because net sales to external customer in Japan accounted for over 90% of the operating revenue on the statement of income.

(2) Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounted for over 90% of the amount of property, plant and equipment on the balance sheet.

3. Information about each major customer

Disclosure is omitted because net sales to any single external customer accounted for less than 10% of the operating revenue on the statement of income.

Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)

1. Information about each product and service

Disclosure is omitted because net sales to external customers for a single product/service category accounted for over 90% of the operating revenue on the statement of income.

2. Information about each geographic area

(1) Net sales

Disclosure is omitted because net sales to external customer in Japan accounted for over 90% of the operating revenue on the statement of income.

(2) Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounted for over 90% of the amount of property, plant and equipment on the balance sheet.

3. Information about each major customer

Disclosure is omitted because net sales to any single external customer accounted for less than 10% of the operating revenue on the statement of income.

(Notes Related to Rental Properties)

The Investment Corporation owns residential and other properties principally in the Tokyo area and major regional cities for the purpose of earning stable rental revenues. The book value, amount changed during the period and balance at the end of the period are as follows.

(Unit: thousands of yen)

			Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)	Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)
Residential	Book value	Balance at the beginning of the period	42,941,963	42,701,472
		Change during the period	(240,490)	14,144,274
		Balance at the end of the period	42,701,472	56,845,746
	Fair value at the end of the period		41,825,000	56,237,000
Office	Book value	Balance at the beginning of the period	8,626,170	8,567,280
		Change during the period	(58,889)	(9,898)
		Balance at the end of the period	8,567,280	8,557,382
	Fair value at the end of the period		7,312,000	7,237,000
Retail	Book value	Balance at the beginning of the period	5,491,912	5,442,452
		Change during the period	(49,460)	(44,824)
		Balance at the end of the period	5,442,452	5,397,628
	Fair value at the end of the period		5,170,000	5,210,000
Parking	Book value	Balance at the beginning of the period	100,892	100,878
		Change during the period	(13)	(13)
		Balance at the end of the period	100,878	100,865
	Fair value at the end of the period		91,300	91,300
Senior	Book value	Balance at the beginning of the period	4,499,026	4,470,123
		Change during the period	(28,903)	(28,903)
		Balance at the end of the period	4,470,123	4,441,219
	Fair value at the end of the period		4,708,000	4,708,000
Total	Book Value	Balance at the beginning of the period	61,659,964	61,282,207
		Change during the period	(377,757)	14,060,634
		Balance at the end of the period	61,282,207	75,342,842
	Fair value at the end of the period		59,106,300	73,483,300

(Note 1) Book value is the figure calculated by decreasing the amount of depreciation from acquisition price (including acquisition-

related costs).

(Note 2) The major factor of the decrease for the fiscal period ended June 30, 2012 was depreciation. The major factor of the increase for the fiscal period ended December 31, 2012 was acquisition of new properties and the major factor of the decrease was depreciation.

(Note 3) The fair value as of the end of the reporting period is determined based on the appraisal value provided by Tanizawa Sogo Appraisal Co., Ltd., Asset Research and Development Inc., Japan Real Estate Institute and Morii Appraisal & Investment Consulting Inc.

For information related to profits and losses from rental properties, please refer to “Notes to Statement of Income.”

(Notes Related to Retirement Payment)

1. Significant components of deferred tax assets and liabilities

(Unit: thousands of yen)

	Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)	Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)
Deferred tax assets - current assets		
Enterprise tax payable	544	564
Rental receivables (merger)	211	211
Allowance for doubtful accounts	304	291
Accrued expenses	6,454	6,454
Subtotal	7,515	7,522
Valuation allowance	7,515	7,522
Total	—	—
Net deferred tax assets – current	—	—
Deferred tax assets – non-current assets		
Buildings and other (merger)	1,227,581	1,208,736
Land (merger)	2,547,099	2,547,099
Long-term accrued expenses	517,072	513,845
Net loss carried forward	7,023,707	7,023,707
Subtotal	11,315,460	11,293,388
Valuation allowance	11,315,460	11,293,388
Total	—	—
Net deferred tax assets – non-current	—	—

2. Significant difference between statutory income tax rate and the effective tax rate

(Unit: %)

	Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)	Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)
Statutory tax rate	39.33	36.59
Deductible cash distributions	(20.06)	(17.47)
Provision of reserve for reduction entry	(19.27)	(19.22)
Others	0.48	0.63
Effective tax rate	0.48	0.53

(Notes Related to Equity-Method Income)

None.

(Notes Related to Related Party Transactions)

1. Transactions with Parent Company and Major Unitholders

Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)

Classification	Name	Address	Stated capital (millions of yen)	Type of business	% of voting rights owned	Relationship		Type of transaction	Transaction amount (thousands of yen) (Note 1)	Account	Ending balance (thousands of yen) (Note 1)
						Common board member	Business relationship				
Interested Party of the Asset Manager	Shinsei Trust and Banking Co., Ltd.	Chuo-ku, Tokyo	5,000	Financial Business	—	—	Lender	Repayment of long-term debts (Note 2) (Note 3)	56,000	Repayment of long-term debts	9,716,000
								Finance related fees	43,927	Long-term prepaid expenses	143,196
										Prepaid expenses	90,270
										Long-term accrued expenses	1,413,153
										Accrued expenses	17,640
Interest expenses	425,928	Accrued expenses	149,395								

(Note 1) Consumption taxes are not included in transaction amounts, but are included in the balance at the end of the period.

(Note 2) The financing includes transactions for which Calliope, which became the parent company of the Asset Manager on July 29, 2011, had a portion of the economic benefit.

(Note 3) Calliope holds 609,942 units (holding ratio: 45.23%) of the issued investment units of the Company.

Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)

Classification	Name	Address	Stated capital (millions of yen)	Type of business	% of voting rights owned	Relationship		Type of transaction	Transaction amount (thousands of yen) (Note 1)	Account	Ending balance (thousands of yen) (Note 1)
						Common board member	Business relationship				
Interested Party of the Asset Manager	Shinsei Trust and Banking Co., Ltd.	Chuo-ku, Tokyo	5,000	Financial Business	—	—	Lender	Repayment of long-term debts (Note 2) (Note 3)	56,000	Repayment of long-term debts	9,660,000
								Finance related fees	45,506	Long-term prepaid expenses	97,690
										Prepaid expenses	90,270
										Long-term accrued expenses	1,404,333
										Accrued expenses	17,640
Interest expenses	428,601	Accrued expenses	141,503								
Interested Party of the Asset Manager (Note 4)	Rhodia Godo Kaisha (Note 4)	Minato-ku, Tokyo	0.1	Financial Business	—	—	Seller of trust beneficiary interests	Acquisition of trust beneficiary interests of properties in trust (Note 5) (Note 6)	14,043,000	—	—

- (Note 1) Consumption taxes are not included in transaction amounts, but are included in the balance at the end of the period.
- (Note 2) The financing includes transactions for which Calliope, which became the parent company of the Asset Manager on July 29, 2011, had a portion of the economic benefit.
- (Note 3) Calliope holds 609,942 units (holding ratio: 45.23%) of the issued investment units of the Company.
- (Note 4) The seller, Rhodia Godo Kaisha, receives an anonymous partnership investment through funds that are managed by FIG, an affiliate of Calliope. Accordingly, the Investment Corporation treats Rhodia Godo Kaisha as a related party.
- (Note 5) The acquisition of the trust beneficiary interests relates to the properties below. Transaction amount is the purchase amount set forth in the trust beneficiary purchase agreement, and does not include other acquisition-related expenses, such as real property and city planning tax, as well as consumption taxes.
- (Note 6) The terms and conditions have been determined based on the Asset Manager's internal rules and manual regarding transactions with the sponsor company.

Property number	Name of property	Purchase and Sale Price (thousands of yen)
A76	Neo Prominence	1,660,000
A77	Invoice Shin-Kobe Residence	1,260,000
A78	Cosmo Court Motomachi	973,000
A79	Revest Honjin	674,000
A80	Revest Matsubara	657,000
A81	Sun Terrace Minami Ikebukuro	625,000
A82	Alba Noritake Shinmachi	608,000
A83	Revest Meieki Minami	597,000
A84	Revest Heian	595,000
A85	Vendir Hamaotsu Ekimae	581,000
A86	Salvo Sala	544,000
A87	Excellente Kagurazaka	543,000
A88	Luna Court Edobori	525,000
A89	Winntage Kobe Motomachi	512,000
A90	Queen's Court Fukuzumi	456,000
A91	Corp Higashinotoin	446,000
A92	Belair Oimachi	412,000
A93	Siete Minami-Tsukaguchi	374,000
A94	Prime Life Sannomiya Isogami Koen	373,000
A95	HERMITAGE NANBA WEST	355,000
A96	Century Park Shinkawa 1-bankan	335,000
A97	West Avenue	331,000
A98	Little River Honmachibashi	310,000
A99	Prime Life Mikage	297,000
Total		14,043,000

2. Transactions with Affiliates

None for both the fiscal period ended December 31, 2012 and the fiscal period ended June 30, 2013

3. Transactions with Companies under Common Control

None for both the fiscal period ended December 31, 2012 and the fiscal period ended June 30, 2013

4. Transactions with Directors and Major Unitholders

Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)

Classification	Name	Business or occupation	Ratio of voting rights	Details of transaction	Transaction amount (thousands of yen) (Note 3)	Account	Balance at the End of the Period (thousands of yen) (Note 3)
Directors and close relatives	Naoki Shibatsuji	Executive Director of the Investment Corporation and President & CEO of Consonant Investment Management Co., Ltd.	—	Payment of asset management fees to Consonant Investment Management Co., Ltd. (Note 1)	150,000	Trade and other payables	78,750
Same as above	Same as above	Same as above	—	Payment of general administration fees for organizational management to Consonant Investment Management Co., Ltd. (Note 2)	600	Trade and other payables	315

(Note 1) Naoki Shibatsuji served as a representative of the third party (Consonant Investment Management Co., Ltd.), and the fee is as set forth in the Articles of Incorporation of the Investment Corporation.

(Note 2) Naoki Shibatsuji served as a representative of the third party (Consonant Investment Management Co., Ltd.), and the fee is as set forth in the agreement, "General Administrative Agreement relating to Organizational Management, between the Investment Corporation and Consonant Investment Management Co., Ltd.

(Note 3) Consumption taxes are not included in transaction amounts, but are included in the balance of the end of the period.

Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)

Classification	Name	Business or occupation	Ratio of voting rights	Details of transactions	Transaction amount (thousands of yen) (Note 3)	Account	Balance at the end of the period (thousands of yen) (Note 3)
Directors and close relatives	Naoki Shibatsuji	Executive Director of the Investment Corporation and President & CEO of Consonant Investment Management Co., Ltd.	—	Payment of asset management fees to Consonant Investment Management Co., Ltd. (Note 1)	130,067	Trade and other payables	—
Same as above	Same as above	Same as above	—	Payment of general administration fees for organizational management to Consonant Investment Management Co., Ltd. (Note 2)	11,000	Trade and other payables	630

(Note 1) Naoki Shibatsuji served as a representative of the third party (Consonant Investment Management Co., Ltd.), and the fee is as set forth in the Articles of Incorporation of the Investment Corporation.

(Note 2) Naoki Shibatsuji served as a representative of the third party (Consonant Investment Management Co., Ltd.), and the fee is as set forth in the agreement, "General Administrative Agreement relating to Organizational Management, between the Investment Corporation and Consonant Investment Management Co., Ltd.

(Note 3) Consumption taxes are not included in transaction amounts, but are included in the balance of the end of the period.

(Notes Related to Per Unit Information)

	For the Fiscal Period ended June 30, 2012 (from January 1, 2012 to June 30, 2012)	For the Fiscal Period ended December 31, 2012 (from July 1, 2012 to December 31, 2012)
Net assets per unit	24,346 yen	24,231 yen
Net income per unit	95 yen	85 yen

Net income per unit is calculated by dividing net income for the period by the daily weighted average number of investment units issued and outstanding. Diluted net income is not stated as there are no diluted units.

(Note) The basis for calculating net income/loss per unit is as follows.

	Fiscal Period ended June 30, 2012 (January 1, 2012 to June 30, 2012)	Fiscal Period ended December 31, 2012 (July 1, 2012 to December 31, 2012)
Net income/loss for the fiscal period (thousands of yen)	128,175	114,179
Amounts not attributable to common unit holders (thousands of yen)	—	—
Net income/loss attributable to common unit holders (thousands of yen)	128,175	114,179
Average number of investment units during the period (unit)	1,348,292	1,348,292

(Significant Subsequent Events)

None.

(9) Changes in Number of Investment Units Issued and Outstanding

Changes in the number of investment units issued and outstanding and unitholders' equity from the date of establishment to the end of the reported fiscal period is as follows.

Date	Type of issue	Number of investment units issued and outstanding (units)		Unitholders' equity (yen)		Reference
		Increase	Total	Increase	Total	
January 18, 2002	Private placement for incorporation	400	400	200,000,000	200,000,000	(Note 1)
December 26, 2003	Private placement	2,700	3,100	1,012,500,000	1,212,500,000	(Note 2)
January 9, 2004	Private Placement	1,350	4,450	506,250,000	1,718,750,000	(Note 2)
January 21, 2003	Private placement	1,333	5,783	499,875,000	2,218,625,000	(Note 2)
January 27, 2004	Private placement	267	6,050	100,125,000	2,318,750,000	(Note 2)
January 28, 2004	Private placement	800	6,850	300,000,000	2,618,750,000	(Note 2)
January 31, 2004	Private placement	266	7,116	99,750,000	2,718,500,000	(Note 2)
February 5, 2004	Private placement	800	7,916	300,000,000	3,018,500,000	(Note 2)
February 7, 2004	Private placement	1,333	9,249	499,875,000	3,518,375,000	(Note 2)
May 17, 2004	Public offering	9,000	18,249	3,377,250,000	6,895,625,000	(Note 3)
February 7, 2005	Public offering	10,650	28,899	3,937,667,100	10,833,292,100	(Note 4)
July 31, 2006	Public offering	25,000	53,899	8,301,125,000	19,134,417,100	(Note 5)
February 1, 2010	Unit split	215,596	269,495	—	19,134,417,100	(Note 6)
February 1, 2010	Merger	367,200	636,695	—	19,134,417,100	(Note 7)
July 29, 2011	Third-party allotment	711,597	1,348,292	6,999,979,689	26,134,396,789	(Note 8)

(Note 1) The Investment Corporation was incorporated through a private placement at a price of 500,000 yen per unit.

(Note 2) New investment units were issued in a private placement at a price of 375,000 yen per unit to raise funds for the acquisition of new properties.

(Note 3) New investment units were issued in a public offering at a price of 395,000 per unit (375,250) yen after deducting the underwriters' discount) to raise funds for the acquisition of new properties.

(Note 4) New investment units were issued in a public offering at a price of 385,140 yen per unit (369,734 yen after deducting the underwriters' discount) to raise funds for the acquisition of new properties.

(Note 5) New investment units were issued in a public offering at a price of 348,740 yen per unit (332,045 yen after deducting the underwriters' discount) to raise funds for the acquisition of new properties.

(Note 6) An investment unit split of 5 units per 1 unit was conducted.

(Note 7) A merger by absorption pursuant to Article 147 of the Act on Investment Trusts and Investment Corporations was conducted with LCP, with the Investment Corporation as the surviving entity. As a result of the merger by absorption, 4 investment units of the Investment Corporation (after the investment unit split) were allotted for each LCP investment unit. The number of LCP investment units issued as of the time of the merger by absorption was 91,800 units.

(Note 8) New investment units were issued in a third party allotment at a price of 9,387 yen per unit to make repayment of existing debt, etc.

4. Change in Directors

(1) Changes in directors of the Investment Corporation

There were no changes in the Investment Corporation's directors during the fiscal period. For the status of the directors as of today, please refer to the latest securities report (filed on September 21, 2012).

(2) Changes in the directors of the Asset Manager.

There were no changes in the Asset Manager's directors during the fiscal period. For the status of the directors as of today, please refer to the latest securities report (filed on September 21, 2012).

5. Reference Information

(1) Composition of Investment Corporation's Assets

Type of Asset	Purpose	Geographic area (Note 1)	Fiscal Period ended June 30, 2012 (as of June 30, 2012)		Fiscal Period ended December 31, 2012 (as of December 31, 2012)	
			Amount held (millions of yen) (Note 2)	Ratio of total assets (%)	Amount held (millions of yen) (Note 2)	Ratio of total assets (%)
Real estate	Residential	Greater Tokyo area	—	—	—	—
		Major regional cities	—	—	—	—
		Subtotal	—	—	—	—
	Office/Retail	Greater Tokyo area	719	1.1	717	0.9
		Major regional cities	—	—	—	—
		Subtotal	719	1.1	717	0.9
	Senior, hourly parking, etc.	Greater Tokyo area	3,096	4.6	3,078	3.8
		Major regional cities	1,474	2.2	1,463	1.8
		Subtotal	4,571	6.8	4,542	5.7
Total real estate			5,290	7.8	5,259	6.6
Real estate in trust	Residential	Greater Tokyo area	40,618	60.0	44,512	55.5
		Major regional cities	2,082	3.1	12,333	15.4
		Subtotal	42,701	63.1	56,845	70.9
	Office/Retail	Greater Tokyo area	7,087	10.5	7,089	8.8
		Major regional cities	6,202	9.2	6,147	7.7
		Subtotal	13,290	19.6	13,237	16.5
	Senior, hourly parking, etc.	Greater Tokyo area	—	—	—	—
		Major regional cities	—	—	—	—
		Subtotal	—	—	—	—
Total real estate in trust			55,991	82.7	70,083	87.4
Deposits and other assets			6,416	9.5	4,857	6.1
Total assets (Note 3)			67,698 (61,282)	100.0 (90.5)	80,200 (75,342)	100.0 (93.9)

(Note 1) Greater Tokyo area refers to Tokyo, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture.

(Note 2) "Amount held" is from the balance sheet as of the end of the reporting period and is calculated by decreasing accumulated depreciation from the acquisition price (including acquisition related costs).

(Note 3) The figure indicated in“()” in “total assets” shows the amount related to actual owned real estate.

	Fiscal Period ended June 30, 2012 (as of June 30, 2012)		Fiscal Period ended December 31, 2012 (as of December 31, 2012)	
	Amount (millions of yen)	Ratio to total assets (%)	Amount (millions of yen)	Ratio to total assets (%)
Total Liabilities	34,872	51.5	47,529	59.3
Total Net Assets	32,826	48.5	32,670	40.7
Total Liabilities and Net Assets	67,698	100.0	80,200	100.0

(2) Real Estate Properties

The following summarizes the real estate and real estate held in trust of the Investment Corporation held as of December 31, 2012.

(a) Price and investment ratio

Property number (Note 1)	Name of property	Location (Note 2)	Type of ownership	Acquisition price (millions of yen) (Note 3)	Balance sheet carrying value (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value as of December 31, 2012 (millions of yen) (Note 5)	
A26	Nisshin Palacestage Daitabashi	1-31-2 Izumi, Suginami Ward, Tokyo	Trust beneficiary interests	1,251	1,153	1.6	1,110	(Note 6)
A27	Nisshin Palacestage Higashi-Nagasaki	5-4-1 Nagasaki, Toshima Ward, Tokyo	Trust beneficiary interests	1,229	1,102	1.6	1,190	(Note 6)
A28	Growth Maison Gotanda	2-26-6 Nishi-Gotanda, Shinagawa Ward, Tokyo	Trust beneficiary interests	888	859	1.2	909	(Note 6)
A29	Growth Maison Kameido	6-58-16 Kameido, Koto Ward, Tokyo	Trust beneficiary interests	1,070	1,030	1.4	1,020	(Note 6)
A30	Emerald House	3-27-18 Itabashi, Itabashi Ward, Tokyo	Trust beneficiary interests	1,505	1,444	2.0	1,160	(Note 6)
A31	Harmonie Ochanomizu	2-5-5 Yushima, Bunkyo Ward, Tokyo	Trust beneficiary interests	1,428	1,392	1.9	1,190	(Note 6)
A32	Suncrest Shakujii-Koen	3-15-35 Takanodai, Nerima Ward, Tokyo	Trust beneficiary interests	1,088	1,052	1.4	990	(Note 6)
A33	Growth Maison Shin-Yokohama	3-16-2 Shin-Yokohama, Kohoku-ku, Yokohama City, Kanagawa Prefecture	Trust beneficiary interests	1,059	1,010	1.4	1,020	(Note 6)
A34	Belle Face Ueno-Okachimachi	1-27-5 Higashi-Ueno, Taito Ward, Tokyo	Trust beneficiary interests	1,023	999	1.3	916	(Note 6)
A35	Grand Rire Kameido	3-39-12 Kameido, Koto Ward, Tokyo	Trust beneficiary interests	906	871	1.2	889	(Note 6)
A36	Growth Maison Ikebukuro	3-31-14 Nishi-Ikebukuro, Toshima Ward, Tokyo	Trust beneficiary interests	825	792	1.1	783	(Note 6)
A37	Growth Maison Yoga	1-15-15 Okamoto, Setagaya Ward, Tokyo	Trust beneficiary interests	795	774	1.0	664	(Note 6)
A38	Route Tachikawa	3-7-6 Nishikicho, Tachikawa City, Tokyo	Trust beneficiary interests	676	655	0.9	583	(Note 6)
A39	Shibuya-Honmachi Mansion	2-35-2 Honmachi, Shibuya Ward, Tokyo	Trust beneficiary interests	651	656	0.8	575	(Note 6)
A40	City Heights Kinuta	4-13-15 Kinuta, Setagaya Ward, Tokyo	Trust beneficiary interests	646	646	0.8	446	(Note 6)
A41	Acseeds Tower Kawaguchi-Namiki	2-5-13 Namiki, Kawaguchi City, Saitama Prefecture	Trust beneficiary interests	620	586	0.8	648	(Note 6)
A42	Capital Heights Kagurazaka	71-1 Enokicho, Shinjuku Ward, Tokyo	Trust beneficiary interests	604	619	0.8	528	(Note 6)
A43	College Square Machida	3-4-4 Nakamachi, Machida City, Tokyo	Trust beneficiary interests	589	578	0.8	515	(Note 6)
A44	Belair Meguro	1-2-15 Meguro, Meguro Ward, Tokyo	Trust beneficiary interests	589	577	0.8	526	(Note 6)
A45	Wacore Tsunashima I	2-7-47 Tarumachi, Kohoku-ku, Yokohama City, Kanagawa Prefecture	Trust beneficiary interests	572	557	0.7	489	(Note 6)
A46	Foros Nakamurabashi	1-6-6 Koyama, Nerima Ward, Tokyo	Trust beneficiary interests	566	542	0.7	518	(Note 6)
A47	Growth Maison Kaijin	5-29-51 Kaijin, Funabashi City, Chiba Prefecture	Trust beneficiary	557	524	0.7	449	(Note 6)

Property number (Note 1)	Name of property	Location (Note 2)	Type of ownership	Acquisition price (millions of yen) (Note 3)	Balance sheet carrying value (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value as of December 31, 2012 (millions of yen) (Note 5)	
			interests					
A48	College Square Machiya	7-3-1 Arakawa, Arakawa Ward, Tokyo	Trust beneficiary interests	510	488	0.7	483	(Note 6)
A51	City House Tokyo Shinbashi	6-19-1 Shinbashi, Minato Ward, Tokyo	Trust beneficiary interests	2,520	2,444	3.3	2,560	(Note 7)
A52	Winbell Kagurazaka	6-15 Shin-Ogawacho, Shinjuku Ward, Tokyo	Trust beneficiary interests	3,260	3,171	4.2	3,320	(Note 9)
A53	Nishiwaseda Crescent Mansion	3-18-9 Nishi-Waseda, Shinjuku Ward, Tokyo	Trust beneficiary interests	1,880	1,854	2.4	1,990	(Note 9)
A54	Lexington Square Akebonobashi	3-8 Yochomachi, Shinjuku Ward, Tokyo	Trust beneficiary interests	1,450	1,402	1.9	1,520	(Note 8)
A56	Casa Eremitaggio	1-14-15 Nakane, Meguro Ward, Tokyo	Trust beneficiary interests	1,070	1,021	1.4	996	(Note 7)
A59	Towa City Coop Shinotsuka II	5-49-7 Higashi-Ikebukuro, Toshima Ward, Tokyo	Trust beneficiary interests	866	841	1.1	915	(Note 7)
A61	Bichsel Musashiseki	1-22-7 Sekimachi-Kita, Nerima Ward, Tokyo	Trust beneficiary interests	577	566	0.7	580	(Note 9)
A62	Lexel Mansion Ueno Matsugaya	3-10-2 Matsugaya, Taito Ward, Tokyo	Trust beneficiary interests	970	924	1.3	1,030	(Note 8)
A63	Towa City Coop Sengencho	4-338-2 Sengencho, Nishi-ku, Yokohama City, Kanagawa Prefecture	Trust beneficiary interests	1,110	1,066	1.4	1,210	(Note 7)
A64	Royal Park Omachi	2-11-10 Omachi, Aoba-ku, Sendai City, Miyagi Prefecture	Trust beneficiary interests	415	402	0.5	434	(Note 7)
A65	Lexington Square Haginomachi	1-15-16 Haginomachi, Miyagino-ku, Sendai City, Miyagi Prefecture	Trust beneficiary interests	330	317	0.4	363	(Note 7)
A66	Visconti Kakuozan	2-44 Otanacho, Chikusa-ku, Nagoya City, Aichi Prefecture	Trust beneficiary interests	255	245	0.3	218	(Note 8)
A71	Lexington Square Daitabashi	1-33-8 Izumi, Suginami Ward, Tokyo	Trust beneficiary interests	977	930	1.3	989	(Note 8)
A72	Lexington Square Honjo Azumabashi	4-20-6 Higashikomagata, Sumida Ward, Tokyo	Trust beneficiary interests	511	482	0.7	507	(Note 8)
A73	AMS TOWER Minami 6-Jo	2-5-15 Minami 6-Jo Nishi, Chuo-ku, Sapporo City, Hokkaido	Trust beneficiary interests	1,180	1,097	1.5	1,010	(Note 8)
A75	Spacia Ebisu	3-6-22 Higashi, Shibuya Ward, Tokyo	Trust beneficiary interests	7,010	6,801	9.1	6,800	(Note 7)
A76	Neo Prominence	3-21-5 Shimo, Kita Ward, Tokyo	Trust beneficiary interests	1,660	1,678	2.2	1,670	(Note 7)
A77	Invoice Shin-Kobe Residence	3-3-8 Ikutacho Chuo Ward, Kobe City, Hyogo Prefecture	Trust beneficiary interests	1,260	1,285	1.6	1,260	(Note 7)
A78	Cosmo Court Motomachi	3-12-20 Motomachi Dori Chuo Ward, Kobe City, Hyogo Prefecture	Trust beneficiary interests	973	996	1.3	981	(Note 7)
A79	Revest Honjin	2-13 Torii Dori Nakamura Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	674	691	0.9	678	(Note 7)
A80	Revest Matsubara	3-13-12 Matsubara Naka Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	657	673	0.9	664	(Note 7)
A81	Sun Terrace Minami Ikebukuro	2-22-6 Minami Ikebukuro, Toshima Ward, Tokyo	Trust beneficiary interests	625	634	0.8	625	(Note 7)
A82	Alba Noritake Shinmachi	3-6-8 Noritake Shinmachi, Nishi Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	608	625	0.8	617	(Note 7)

Property number (Note 1)	Name of property	Location (Note 2)	Type of ownership	Acquisition price (millions of yen) (Note 3)	Balance sheet carrying value (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value as of December 31, 2012 (millions of yen) (Note 5)	
A83	Revest Meieki Minami	2-13-33 Meiekiminami, Nakamura Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	597	614	0.8	599	(Note 7)
A84	Revest Heian	2-13-17 Heian, Kita Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	595	610	0.8	599	(Note 7)
A85	Vendir Hamaotsu Ekimae	1-2-15 Hama Otsu, Otsu City, Shiga Prefecture	Trust beneficiary interests	581	597	0.8	638	(Note 7)
A86	Salvo Sala	2-6-21 Shimanouchi, Chuo Ward, Osaka City, Osaka Prefecture	Trust beneficiary interests	544	558	0.7	548	(Note 7)
A87	Excellente Kagurazaka	128-1 Yamabukicho, Shinjuku Ward, Tokyo	Trust beneficiary interests	543	554	0.7	544	(Note 7)
A88	Luna Court Edobori	3-4-11 Edobori, Nishi Ward, Osaka City, Osaka Prefecture	Trust beneficiary interests	525	537	0.7	528	(Note 7)
A89	Winntage Kobe Motomachi	7-2-2 Motomachi Dori, Chuo Ward, Kobe City, Hyogo Prefecture	Trust beneficiary interests	512	526	0.7	524	(Note 7)
A90	Queen's Court Fukuzumi	1-3-10 Fukuzumi, Koto Ward, Tokyo	Trust beneficiary interests	456	463	0.6	461	(Note 7)
A91	Corp Higashinotoin	380-1 Kawaranomachi, Higashinotoin Dori Niijo Kudara, Chukyo Ward, Kyoto City, Kyoto Prefecture	Trust beneficiary interests	446	455	0.6	447	(Note 7)
A92	Belair Oimachi	5-14-17 Higashi Oi, Shinagawa Ward, Tokyo	Trust beneficiary interests	412	419	0.5	413	(Note 7)
A93	Siete Minami-Tsukaguchi	3-18 Minami Tsukaguchimachi, Amagasaki City, Hyogo Prefecture	Trust beneficiary interests	374	383	0.5	380	(Note 7)
A94	Prime Life Sannomiya Isogami Koen	4-3-23 Isogamidori, Chuo Ward, Kobe City Hyogo Prefecture	Trust beneficiary interests	373	381	0.5	372	(Note 7)
A95	HERMITAGE NANBA WEST	4-10-3 Sakuragawa, Naniwa Ward, Osaka City, Osaka Prefecture	Trust beneficiary interests	355	364	0.5	358	(Note 7)
A96	Century Park Shinkawa 1-bankan	4-1-2 Shinkawamachi, Minato Ward, Nagoya City, Aichi Prefecture	Trust beneficiary interests	335	344	0.4	340	(Note 7)
A97	West Avenue	1-5-17 Nishi, Kunitachi City, Tokyo	Trust beneficiary interests	331	336	0.4	333	(Note 7)
A98	Little River Honmachibashi	1-34 Honmachibashi, Chuo Ward, Osaka City, Osaka Prefecture	Trust beneficiary interests	310	318	0.4	316	(Note 7)
A99	Prime Life Mikage	2-25-11 Mikage Tsukamachi Higashi, Nada Ward, Kobe City, Hyogo Prefecture	Trust beneficiary interests	297	304	0.4	299	(Note 7)
Subtotal (63 properties)				58,083	56,845	75.3	56,237	-
B8	Kindai Kagakusha Building	2-7-15, Ichigaya Tamachi, Shinjuku Ward, Tokyo	Trust beneficiary interests	1,301	1,221	1.7	989	(Note 6)
B9	Shinjuku Island	6-5-1 Nishi-Shinjuku, Shinjuku Ward, Tokyo	Real estate	715	717	0.9	520	(Note 9)
B14	Lexington Plaza Nishigotanda	5-2-4 Nishigotanda, Shinagawa Ward, Tokyo	Trust beneficiary interests	4,880	4,827	6.3	4,200	(Note 7)
B15	Cross Square NAKANO	5-24-18 Nakano, Nakano Ward, Tokyo	Trust beneficiary interests	1,060	1,041	1.4	935	(Note 7)
B16	Ohki Aoba Building	9-7 Futsukacho, Aoba-ku, Sendai City, Miyagi Prefecture	Trust beneficiary interests	816	749	1.1	593	(Note 8)
B17	Lexington Plaza Hachiman	3-1-50 Hachiman, Aoba-ku, Sendai City, Miyagi Prefecture	Trust beneficiary interests	3,280	3,218	4.3	3,140	(Note 9)
B18	AEON TOWN Sukagawa	105 Furukawa, Sukagawa City, Fukushima Prefecture	Trust beneficiary interests	2,320	2,179	3.0	2,070	(Note 9)

Property number (Note 1)	Name of property	Location (Note 2)	Type of ownership	Acquisition price (millions of yen) (Note 3)	Balance sheet carrying value (millions of yen)	Investment ratio (%) (Note 4)	Appraisal value as of December 31, 2012 (millions of yen) (Note 5)	
Subtotal (7 properties)				14,372	13,955	18.6	12,447	-
C1	Stop Parking Kanda-Sudacho	1-22-7, 1-22-15 Kanda sudacho, Chiyoda-ku, Tokyo	Real estate	97	100	0.1	91	(Note 6)
C21	Bon Sejour Chitose Funabashi	1-37-3 Funabashi, Setagaya Ward, Tokyo	Real estate	685	666	0.9	734	(Note 7)
C22	Bon Sejour Yotsugi	3-1-11 Higashi-Yotsugi, Katsushika Ward, Tokyo	Real estate	652	631	0.8	681	(Note 7)
C23	Bon Sejour Hino	438-1 Ochigawa, Hino City, Tokyo	Real estate	574	558	0.7	641	(Note 7)
C24	Bon Sejour Musashi Shinjo	773-2 Chitose, Takatsu-ku, Kawasaki City, Kanagawa Prefecture	Real estate	486	473	0.6	543	(Note 7)
C25	Bon Sejour Komaki	3-1 Shiroyama, Komaki City, Aichi Prefecture	Real estate	1,050	1,004	1.4	1,060	(Note 7)
C26	Bon Sejour Hadano Shibusawa	1-6-60 Shibusawa-Kami, Hadano City, Kanagawa Prefecture	Real estate	681	647	0.9	616	(Note 7)
C27	Bon Sejour Itami	1-2-25 Chuo, Itami City, Hyogo Prefecture	Real estate	480	459	0.6	433	(Note 7)
Subtotal (8 properties)				4,705	4,542	6.1	4,799	-
Total (78 properties)				77,161	75,342	100.0	73,483	-

(Note 1) "Property number" indicates the categorization of properties acquired by the Investment Corporation according to use, with "A" for residential, "B" for office and retail and "C" for senior and parking lots, and a number assigned for each property. The number following "A", "B" and "C" is based on how early the acquisition was made, except that for acquisitions made at the same time the number is based on how large the acquisition price was.

(Note 2) "Location" is in principle based on the indicated address (*jukohyoji*), except that if the *jukohyoji* system has not been implemented for such property, the location is based on the land number (*banchi*).

(Note 3) "Acquisition price" is the purchase price indicated in the real estate or trust beneficiary purchase agreement. Such price excludes consumption taxes and has been rounded down to the nearest hundred million yen.

(Note 4) "Investment ratio" is the ratio of the acquisition price to the aggregate acquisition price of the Investment Corporation's portfolio, and has been rounded to the second digit.

(Note 5) "Appraisal value as of December 31, 2012" is the value appraised or researched by the real estate appraiser as of the end of the fiscal period in accordance with the Articles of Incorporation and the regulations of the Investment Trust Association, Japan. The real estate appraisers are as follows.

Real estate appraiser	
(Note 6)	Asset Research and Development Inc.
(Note 7)	Japan Real Estate Institute
(Note 8)	Tanizawa Sogo Appraisal Co., Ltd.
(Note 9)	Morii Appraisal & Investment Consulting Inc.

(b) Capital expenditures for properties

(i) Schedule for capital expenditures

The schedule for the principal capital expenditures for property maintenance construction, etc. as of the end of the fiscal period for the real estate assets is as follows.

Property	Location	Purpose	Scheduled time of implementation	Estimated cost (thousands of yen)			
				Total	Payment for the fiscal period ended December 31, 2012	Advance payments	
B16	Ohki Aoba Building	Sendai City, Miyagi Prefecture	Renewal construction of air conditioning system on the 3rd and 5 th floors	From June 2013 to June 2013	21,000	21,000	—
B14	Lexington Plaza Nishigotanda	Shinagawa Ward, Tokyo	Renewal construction of automatic fire alarm equipment	From May 2013 to June 2013	16,000	16,000	—

B8	Kindai Kagakusha Building	Shinjuku Ward, Tokyo	Renewal construction of air conditioning system in the common-use spaces of the 1st, BF1 and BF2 floors	From May 2013 to May 2013	11,600	11,600	—
B16	Ohki Aoba Building	Sendai City, Miyagi Prefecture	Maintenance construction of mechanical parking lot	From May 2013 to May 2013	10,930	10,930	—
A27	Nisshin Palacestage Higashi-Nagasaki	Toshima Ward, Tokyo	Replacement construction of water heater	From March 2013 to March 2013	9,300	9,300	—
A47	Growth Maison Kaijin	Funabashi City, Chiba Prefecture	Renewal construction of CO2 cylinder	From June 2013 to June 2013	9,078	9,078	—
B14	Lexington Plaza Nishigotanda	Shinagawa Ward, Tokyo	Renewal construction of halon fire extinguishing equipment	From May 2013 to May 2013	8,300	8,300	—
A26	Nisshin Palacestage Daitabashi	Suginami Ward, Tokyo	Replacement construction of water heater	From March 2013 to March 2013	8,000	8,000	—
A31	Harmonie Ochanomizu	Bunkyo Ward, Tokyo	Maintenance construction of mechanical parking lot	From May 2013 to May 2013	6,000	6,000	—

(ii) Capital expenditures for the fiscal period ended December 31, 2012

The principal construction constituting capital expenditures for the real estate assets for the fiscal period ended December 31, 2012 is as follows. Capital expenditures for the fiscal period was 118,189 thousand yen, and together with 29,915 of repair cost include in this fiscal period's expenses, construction work totaling 148,105 thousand yen was implemented.

Property		Location	Purpose	Time of implementation	Payment (thousands of yen)
B14	Lexington Plaza Nishigotanda	Shinagawa Ward, Tokyo	Renewal construction of air conditioning system on the 2 nd and 5 th floors	From June 2012 to July 2012	27,390
B14	Lexington Plaza Nishigotanda	Shinagawa Ward, Tokyo	Renewal construction of air conditioning system in the common-use spaces of the 1 st to 7 th floors	From October 2012 to November 2012	25,000 (Note)
A26	Nisshin Palacestage Daitabashi	Suginami Ward, Tokyo	Construction to repair/replace exterior wall tiles	From October 2012 to December 2012	16,700
A64	Royal Park Omachi	Sendai City, Miyagi Prefecture	Maintenance construction of halon fire extinguishing equipment in the multi-story parking lot	From November 2012 to November 2012	3,998
A45	Wacore Tsunashima I	Yokohama City, Kanagawa Prefecture	Renewal construction of exterior wall tiles	From October 2012 to October 2012	2,300
Other construction					42,801
Total					118,189

(Note) The construction includes both the initially scheduled renewal construction of the air conditioning system in the common-use spaces of the 1st to 7th floors as well as the concurrent repair construction of the common-use space floor, walls and ceiling as well as the renewal construction of the air condition system on the 1st basement floor and on the 1st floor in the building manager office. Of the 25,000 thousand yen, the initially scheduled renewal construction of the air conditioning system in the common-use spaces of the 1st to 7th floor accounted for 15,044 thousand yen.

(iii) Reserved funds for long-term maintenance plan

The Investment Corporation has reserved funds, as below, from the cash flow of the relevant fiscal period towards large-scale maintenance repairs in the medium to long term future in accordance with the long-term maintenance plan for each property.

Fiscal period	15 th Period	16 th Period	17 th Period	18 th Period	19 th Period
	From January 1, 2010 to December 31, 2010	From January 1, 2011 to June 30, 2011	From July 1, 2011 to December 31, 2011	From January 1, 2012 to June 30, 2012	From July 1, 2012 to December 31, 2012
Reserved funds at beginning of period	480,420 thousand yen	489,033 thousand yen	551,103 thousand yen	356,408 thousand yen	487,561 thousand yen
Amount reserved (Note)	402,973 thousand yen	85,250 thousand yen	238,107 thousand yen	163,931 thousand yen	151,076 thousand yen
Amount reversed (Note)	394,360 thousand yen	23,180 thousand yen	432,803 thousand yen	32,777 thousand yen	97,028 thousand yen
Amount carried over for next fiscal period	489,033 thousand yen	551,103 thousand yen	356,408 thousand yen	487,561 thousand yen	541,609 thousand yen

(Note) The amount reserved for the relevant fiscal period includes the reserves for acquired properties, and the amount reversed includes the reserves for disposed properties.

(c) Condition of income, etc. (From July 1, 2012 to December 31, 2012)

(Thousands of yen)

No.	Property Name	Rental revenue ①	Rent, common area fees	Other income	Property related expenses ②	Facility management fee	Tax and other public charges	Insurance expenses	Other expenses	Depreciation expenses ③	Profit and Loss (①-②)	NOI (①-②+③)
A26	Nisshin Palacestage Daitabashi	41,031	37,751	3,280	17,972	6,171	1,437	74	2,655	7,633	23,059	30,693
A27	Nisshin Palacestage Higashi-Nagasaki	46,864	41,757	5,106	24,691	8,889	2,585	102	1,804	11,309	22,172	33,482
A28	Growth Maison Gotanda	27,399	26,772	627	8,877	2,653	1,323	34	513	4,350	18,522	22,873
A29	Growth Maison Kameido	33,066	31,871	1,194	12,162	3,220	1,693	47	1,322	5,879	20,904	26,783
A30	Emerald House	42,027	39,411	2,616	18,614	5,553	2,577	105	768	9,609	23,412	33,022
A31	Harmonie Ochanomizu	40,401	38,108	2,292	13,932	3,132	1,808	72	2,054	6,863	26,469	33,332
A32	Suncrest Shakujii-Koen	35,273	32,432	2,841	22,758	11,494	3,086	105	1,483	6,587	12,515	19,102
A33	Growth Maison Shin-Yokohama	35,184	32,504	2,680	14,826	3,751	2,399	73	2,653	5,949	20,358	26,308
A34	Belle Face Ueno-Okachimachi	30,593	30,593	-	12,544	4,924	1,679	46	538	5,355	18,049	23,404
A35	Grand Rire Kameido	26,619	26,619	-	7,809	75	1,696	49	501	5,487	18,809	24,297
A36	Growth Maison Ikebukuro	25,016	23,977	1,038	11,550	3,733	1,061	42	1,539	5,173	13,465	18,639
A37	Growth Maison Yoga	22,964	21,753	1,210	9,530	2,754	1,350	42	1,596	3,787	13,433	17,220
A38	Route Tachikawa	20,021	18,525	1,496	9,197	1,860	1,047	43	2,432	3,812	10,823	14,636
A39	Shibuya-Honmachi Mansion	19,691	18,904	787	6,974	2,341	879	36	1,703	2,012	12,716	14,728
A40	City Heights Kinuta	16,876	16,160	716	5,964	2,285	907	37	982	1,752	10,912	12,664
A41	Acseeds Tower Kawaguchi-Namiki	25,138	23,397	1,740	11,109	2,464	1,133	40	2,432	5,038	14,029	19,067
A42	Capital Heights Kagurazaka	18,276	17,777	498	7,040	2,522	1,063	40	1,458	1,955	11,236	13,191
A43	College Square Machida	18,268	18,268	-	5,227	534	1,503	31	500	2,659	13,040	15,699
A44	Belair Meguro	15,463	14,752	710	6,558	2,077	832	23	1,422	2,202	8,904	11,107
A45	Wacore Tsunashima I	16,969	16,211	758	13,529	5,139	883	33	3,550	3,921	3,439	7,361
A46	Foros Nakamurabashi	17,094	15,918	1,175	10,334	3,334	977	37	1,737	4,246	6,759	11,006
A47	Growth Maison Kaijin	23,017	20,961	2,055	14,358	5,974	2,032	89	964	5,297	8,658	13,955
A48	College Square Machiya	14,706	14,706	-	5,025	-	945	30	499	3,549	9,680	13,230
A51	City House Tokyo Shinbashi	84,981	81,043	3,938	38,231	14,108	4,916	140	6,000	13,064	46,750	59,815
A52	Winbell Kagurazaka	98,837	93,195	5,642	41,546	12,348	6,284	154	7,195	15,563	57,290	72,854
A53	Nishiwaseda Crescent Mansion	68,772	65,141	3,630	27,306	11,424	3,468	110	6,149	6,153	41,465	47,619
A54	Lexington Square Akebonobashi	47,536	45,441	2,095	18,060	4,609	2,155	62	2,509	8,724	29,475	38,200
A56	Casa Eremitaggio	29,761	27,534	2,227	18,008	4,288	1,731	48	3,098	8,841	11,753	20,594
A59	Iowa City Coop Shinotsuka II	33,612	32,514	1,097	16,538	6,764	1,363	78	3,263	5,068	17,073	22,141
A61	Bichsel Musashiseki	24,418	23,900	518	10,059	4,954	1,170	50	1,104	2,779	14,359	17,138
A62	Lexel Mansion Ueno Matsugaya	33,276	29,864	3,411	15,552	3,121	1,928	60	2,225	8,216	17,723	25,940
A63	Iowa City Coop Sengencho	60,001	54,905	5,095	34,933	16,759	3,002	124	5,814	9,232	25,067	34,300
A64	Royal Park Omachi	24,448	21,056	3,392	13,991	6,506	1,585	64	1,159	4,677	10,456	15,133
A65	Lexington Square Haginomachi	17,468	15,954	1,514	7,230	1,758	1,156	40	731	3,543	10,237	13,780
A66	Visconti Kakuozan	11,680	10,110	1,569	7,525	3,410	915	29	1,388	1,782	4,154	5,937
A71	Lexington Square Daitabashi	29,171	27,831	1,339	15,313	3,021	1,545	44	2,699	8,002	13,857	21,860
A72	Lexington Square Honjo Azumabashi	17,529	17,171	357	8,634	1,635	809	32	1,263	4,893	8,895	13,788
A73	AMS TOWER Minami 6-Jo	47,194	44,776	2,418	30,481	6,521	3,937	126	5,622	14,274	16,712	30,987
A75	Spacia Ebisu	186,857	169,667	17,189	72,644	15,698	8,630	251	11,396	36,668	114,212	150,881
A76	Neo Prominence ※	31,424	27,768	3,656	8,735	3,221	-	61	468	4,984	22,689	27,673
A77	Invoice Shin-Kobe Residence ※	25,296	23,856	1,439	9,810	2,638	-	34	1,320	5,816	15,485	21,301
A78	Cosmo Court Motomachi ※	19,528	19,106	422	7,174	1,327	-	34	753	5,059	12,354	17,414
A79	Revest Honjin ※	15,724	14,663	1,061	6,480	1,713	-	31	1,027	3,708	9,243	12,952
A80	Revest Matsubara ※	15,031	14,256	775	5,394	1,380	-	28	483	3,502	9,636	13,139
A81	Sun Terrace Minami Ikebukuro ※	10,867	10,269	598	5,489	1,554	-	14	1,445	2,474	5,378	7,853
A82	Alba Noritake Shinmachi ※	13,104	12,423	681	5,726	1,394	-	28	801	3,501	7,377	10,879
A83	Revest Meieki Minami ※	12,852	12,306	545	5,586	1,317	-	30	796	3,441	7,265	10,707
A84	Revest Heian ※	11,283	11,069	214	5,388	921	-	20	1,215	3,231	5,894	9,125
A85	Vendir Hamaotsu Ekimae ※	16,600	15,199	1,400	6,642	2,150	-	33	924	3,533	9,957	13,491
A86	Salvo Sala ※	10,958	10,050	907	7,702	2,498	-	23	2,465	2,714	3,255	5,970
A87	Excellente Kagurazaka ※	8,945	8,697	248	4,160	740	-	13	1,263	2,142	4,784	6,927
A88	Luna Court Edobori ※	10,787	10,432	354	4,574	1,167	-	17	793	2,595	6,212	8,807
A89	Winntage Kobe Motomachi ※	11,636	11,272	363	5,926	1,570	-	21	1,379	2,955	5,709	8,665

No.	Property Name	Rental			Property related						Profit and Loss (①-②)	NOI (①-②+③)
		revenue ①	common area fees	Other income	expenses ②	Facility management fee	Tax and other public charges	Insurance expenses	Other expenses	Depreciation expenses ③		
A90	Queen's Court Fukuzumi ※	8,191	7,995	195	3,858	1,600	-	12	609	1,635	4,332	5,968
A91	Corp Higashinotoin ※	9,189	8,702	487	3,523	1,025	-	15	546	1,935	5,666	7,601
A92	Belair Oimachi ※	7,351	7,267	84	2,337	582	-	10	363	1,380	5,014	6,394
A93	Siete Minami-Tsukaguchi ※	8,935	8,397	537	3,417	1,388	-	23	376	1,629	5,517	7,146
A94	Prime Life Sannomiya Isogami Koen ※	7,741	7,371	369	2,863	740	-	11	343	1,768	4,878	6,646
A95	HERMITAGE NANBA WEST ※	7,889	6,955	934	5,865	2,108	-	13	2,045	1,697	2,024	3,721
A96	Century Park Shinkawa 1-bankan ※	9,010	7,834	1,175	3,124	750	-	20	416	1,937	5,885	7,822
A97	West Avenue ※	6,787	6,617	169	2,615	724	-	10	368	1,511	4,172	5,683
A98	Little River Honmachibashi ※	6,685	6,642	43	3,056	1,099	-	12	588	1,355	3,629	4,985
A99	Prime Life Mikage ※	6,292	5,778	513	3,057	1,009	-	10	530	1,507	3,234	4,742
B8	Kindai Kagakusha Building	37,386	31,479	5,906	22,628	8,364	4,325	78	1,234	8,625	14,757	23,383
B9	Shinjuku Island	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)
B14	Lexington Plaza Nishigotanda	157,111	138,765	18,345	90,489	30,785	12,740	209	2,923	43,830	66,622	110,452
B15	Cross Square NAKANO	29,234	24,197	5,037	15,426	6,915	3,865	89	916	3,638	13,807	17,446
B16	Ohki Aoba Building	39,761	32,159	7,601	29,881	12,647	3,885	111	851	12,384	9,879	22,264
B17	Lexington Plaza Hachiman	158,959	127,325	31,633	79,486	45,820	11,659	172	1,792	20,041	79,472	99,513
B18	AEON TOWN Sukagawa	143,761	143,761	-	94,777	56,124	8,260	213	740	29,438	48,984	78,423
C1	Stop Parking Kanda-Sudacho	2,443	2,443	-	265	-	252	-	-	13	2,178	2,191
C21	Bon Sejour Chitose Funabashi	23,906	22,541	1,364	5,527	319	1,754	61	-	3,393	18,378	21,771
C22	Bon Sejour Yotsugi	22,528	22,528	-	4,817	225	1,022	41	-	3,529	17,711	21,240
C23	Bon Sejour Hino	21,405	21,405	-	4,128	214	1,188	47	-	2,678	17,276	19,955
C24	Bon Sejour Musashi Shinjo	17,747	17,747	-	3,264	167	924	43	-	2,129	14,483	16,612
C25	Bon Sejour Komaki	45,582	45,582	-	12,953	201	4,744	198	-	7,810	32,629	40,439
C26	Bon Sejour Hadano Shibusawa	23,802	23,472	330	8,830	249	2,772	84	-	5,723	14,971	20,695
C27	Bon Sejour Itami	15,971	15,971	-	5,243	145	1,404	56	-	3,638	10,728	14,366
	Total	2,476,430	2,300,764	175,665	1,156,672	403,390	141,455	4,677	126,526	480,622	1,319,757	1,800,380

(Note 1) Not disclosed because the consent of the tenant was not obtained.

(Note 2) The properties indicated with a “※” were acquired on September 28, 2012, and thus the condition of income, etc. covers the period from September 28, 2012 to December 31, 2012.

(3) Tenant Summary

(a) Summary of lease conditions by property

(As of December 31, 2012)

No.	Property Name	Leasable Area (m ²) (Note 1)	Leased Area (m ²) (Note 2)	Leasable Units (units) (Note 3)	Leased Units (units) (Note 4)	Number of tenants	Tenants (Note 5)	Rental Revenue (Thousands of yen) (Note 6)	Ratio of Rental Revenue (%)	Type of Lease (Note 7)
A26	Nisshin Palacestage Daitabashi	1,771.13	1,717.07	98	95	1	Best Property Corporation	41,031	1.7	Pass through master lease
A27	Nisshin Palacestage Higashi-Nagasaki	2,681.94	2,422.77	60	54	1	Best Property Corporation	46,864	1.9	Pass through master lease
A28	Growth Maison Gotanda	1,051.50	1,051.50	48	48	1	Tokyu Livable, Inc.	27,399	1.1	Pass through master lease
A29	Growth Maison Kameido	1,367.96	1,286.12	66	62	1	Mitsui Home Estate Co., Ltd.	33,066	1.3	Pass through master lease
A30	Emerald House	2,152.31	2,130.01	96	95	1	Tokyo Gakusei Life Co., Ltd.	42,027	1.7	Pass through master lease
A31	Harmonie Ochanomizu	1,748.24	1,748.24	65	65	1	Tokyu Livable, Inc.	40,401	1.6	Pass through master lease
A32	Suncrest Shakujii-Koen	3,029.16	2,869.61	29	27	1	Mitsui Home Estate Co., Ltd.	35,273	1.4	Pass through master lease
A33	Growth Maison Shin-Yokohama	1,858.44	1,830.64	68	67	1	Tokyu Livable, Inc.	35,184	1.1	Pass through master lease
A34	Belle Face Ueno-Okachimachi	1,351.11	1,330.11	64	63	1	Mainichicomnet Co., Ltd.	30,593	1.2	Pass through master lease
A35	Grand Rire Kameido	1,562.26	1,562.26	72	72	1	J.S.B. Co., Ltd.	26,619	1.1	Fixed rent master lease
A36	Growth Maison Ikebukuro	952.89	863.06	42	38	1	Tokyu Livable, Inc.	25,016	1.0	Pass through master lease
A37	Growth Maison Yoga	1,015.34	936.64	39	36	1	Mitsui Home Estate Co., Ltd.	22,964	0.9	Pass through master lease
A38	Route Tachikawa	1,368.57	1,368.57	24	24	1	Tokyu Livable, Inc.	20,021	0.8	Pass through master lease
A39	Shibuya-Honmachi Mansion	1,167.50	1,167.50	25	25	1	Tokyu Livable, Inc.	19,691	0.8	Pass through master lease
A40	City Heights Kinuta	1,235.93	1,102.73	19	17	1	Mitsui Home Estate Co., Ltd.	16,876	0.7	Pass through master lease
A41	Acseeds Tower Kawaguchi-Namiki	1,210.74	1,210.74	57	57	1	Access Group, Inc.	25,138	1.0	Pass through master lease
A42	Capital Heights Kagurazaka	1,126.65	1,042.18	26	24	1	Mitsui Home Estate Co., Ltd.	18,276	0.7	Pass through master lease
A43	College Square Machida	1,047.75	1,047.75	62	62	1	Mainichicomnet Co., Ltd.	18,268	0.7	Fixed rent master lease
A44	Belair Meguro	557.05	513.10	25	23	1	Tokyu Livable, Inc.	15,463	0.6	Pass through master lease
A45	Wacore Tsunashima I	908.99	873.09	50	48	1	Tokyu Livable, Inc.	16,969	0.7	Pass through master lease
A46	Foros Nakamurabashi	815.76	815.76	37	37	1	Mitsui Home Estate Co., Ltd.	17,094	0.7	Pass through master lease
A47	Growth Maison Kaijin	2,040.27	1,981.14	34	33	1	Mitsui Home Estate Co., Ltd.	23,017	0.9	Pass through master lease
A48	College Square Machiya	871.35	871.35	43	43	1	Mainichicomnet Co., Ltd.	14,706	0.6	Fixed rent master lease
A51	City House Tokyo Shinbashi	3,364.00	3,054.95	86	79	1	Mitsui Home Estate Co., Ltd.	84,981	3.4	Pass through master lease
A52	Winbell Kagurazaka	4,032.70	3,887.82	118	114	1	Mitsui Home Estate Co., Ltd.	98,837	4.0	Pass through master lease
A53	Nishiwaseda Crescent Mansion	4,310.77	4,310.77	69	69	1	Tokyu Livable, Inc.	68,772	2.8	Pass through master lease
A54	Lexington Square Akebonobashi	1,987.88	1,850.59	88	82	1	Mitsui Home Estate Co., Ltd.	47,536	1.9	Pass through master lease
A56	Casa Eremitaggio	1,197.19	1,112.63	17	16	1	Tokyu Livable, Inc.	29,761	1.2	Pass through master lease
A59	Towa City Coop Shinotsuka II	1,627.13	1,583.85	58	57	1	Mitsui Home Estate Co., Ltd.	33,612	1.4	Pass through master lease
A61	Bichsel Musashiseki	1,220.24	1,184.54	70	68	1	Mitsui Home Estate Co., Ltd.	24,418	1.0	Pass through master lease
A62	Lexel Mansion Ueno Matsugaya	1,969.45	1,836.39	29	27	1	Tokyu Livable, Inc.	33,276	1.3	Pass through master lease
A63	Towa City Coop Sengencho	3,426.36	3,231.76	154	145	1	Tokyu Livable, Inc.	60,001	2.4	Pass through master lease
A64	Royal Park Omachi	1,929.59	1,860.47	51	49	1	One-Eyed Capital Advisers	24,448	1.0	Pass through master lease
A65	Lexington Square Haginomachi	1,528.58	1,528.58	39	39	1	One-Eyed Capital Advisers	17,468	0.7	Pass through master lease
A66	Visconti Kakuozan	705.75	625.58	8	7	1	Mitsui Home Estate Co., Ltd.	11,680	0.5	Pass through master lease

No.	Property Name	Leasable Area (m ²) (Note 1)	Leased Area (m ²) (Note 2)	Leasable Units (units) (Note 3)	Leased Units (units) (Note 4)	Number of tenants	Tenants (Note 5)	Rental Revenue (Thousands of yen) (Note 6)	Ratio of Rental Revenue (%)	Type of Lease (Note 7)
A71	Lexington Square Daitabashi	1,430.64	1,360.41	43	41	1	Nisshin Jyutaku Support K.K.	29,171	1.2	Pass through master lease
A72	Lexington Square Honjo Azumabashi	784.74	784.74	33	33	1	Nisshin Jyutaku Support K.K.	17,529	0.7	Pass through master lease
A73	AMS TOWER Minami 6-Jo	4,460.56	4,013.17	120	109	1	Big Service Co., Ltd.	47,194	1.9	Pass through master lease
A75	Spacia Ebisu	7,794.91	7,186.21	109	101	1	Tokyu Livable, Inc.	186,857	7.5	Pass through master lease
A76	Neo Prominence	3,574.70	3,389.89	52	50	1	Goodworks Co., Ltd.	31,424	1.3	Pass through master lease
A77	Invoice Shin-Kobe Residence	2,773.71	2,748.92	81	80	1	Sohgoh Real Estate	25,296	1.0	Pass through master lease
A78	Cosmo Court Motomachi	2,310.49	2,252.69	82	80	1	Global Community Co., Ltd.	19,528	0.8	Pass through master lease
A79	Revest Honjin	1,933.80	1,813.35	80	75	1	Mininet, Inc.	15,724	0.6	Pass through master lease
A80	Revest Matsubara	1,955.40	1,796.80	70	65	1	Mininet, Inc.	15,031	0.6	Pass through master lease
A81	Sun Terrace Minami Ikebukuro	898.70	898.70	38	38	1	Goodworks Co., Ltd.	10,867	0.4	Pass through master lease
A82	Alba Noritake Shinmachi	1,731.68	1,707.84	64	63	1	Mininet, Inc.	13,104	0.5	Pass through master lease
A83	Revest Meieki Minami	1,634.60	1,584.88	61	59	1	Mininet, Inc.	12,852	0.5	Pass through master lease
A84	Revest Heian	1,554.03	1,479.03	40	37	1	Mininet, Inc.	11,286	0.5	Pass through master lease
A85	Vendir Hamaotsu Ekimae	2,670.66	2,490.81	81	75	1	Mininet, Inc.	16,600	0.7	Pass through master lease
A86	Salvo Sala	1,428.12	1,283.21	54	49	1	Daygran, Inc.	10,958	0.4	Pass through master lease
A87	Excellente Kagurazaka	701.92	701.92	33	33	1	Goodworks Co., Ltd.	8,945	0.4	Pass through master lease
A88	Luna Court Edobori	1,185.50	1,138.36	50	48	1	Nihon Housing Co., Ltd.	10,787	0.4	Pass through master lease
A89	Winntage Kobe Motomachi	1,433.35	1,408.11	57	56	1	Global Community Co., Ltd.	11,636	0.5	Pass through master lease
A90	Queen's Court Fukuzumi	765.18	765.18	25	25	1	Goodworks Co., Ltd.	8,191	0.3	Pass through master lease
A91	Corp Higashinotoin	1,029.05	1,029.05	42	42	1	Global Community Co., Ltd.	9,189	0.4	Pass through master lease
A92	Belair Oimachi	530.60	491.20	26	24	1	Goodworks Co., Ltd.	7,351	0.3	Pass through master lease
A93	Siete Minami-Tsukaguchi	1,020.86	969.14	40	38	1	Goodworks Co., Ltd.	8,935	0.4	Pass through master lease
A94	Prime Life Sannomiya Isogami Koen	789.12	789.12	32	32	1	Global Community Co., Ltd.	7,741	0.3	Pass through master lease
A95	HERMITAGE NANBA WEST	992.76	905.31	21	20	1	Daygran, Inc.	7,889	0.3	Pass through master lease
A96	Century Park Shinkawa 1-bankan	1,477.62	1,477.62	44	44	1	Goodworks Co., Ltd.	9,010	0.4	Pass through master lease
A97	West Avenue	794.80	715.32	40	36	1	Joint Property Co., Ltd.	6,787	0.3	Pass through master lease
A98	Little River Honmachibashi	974.81	944.86	31	30	1	Goodworks Co., Ltd.	6,685	0.3	Pass through master lease
A99	Prime Life Mikage	761.18	650.48	28	24	1	Global Community Co., Ltd.	6,292	0.3	Pass through master lease
B8	Kindai Kagakusha Building	1,451.54	1,451.54	13	13	1	Kokura Enterprise Co., Ltd.	37,386	1.5	Pass through master lease
B9	Shinjuku Island	526.43	526.43	1	1	1	(Note 8)	(Note 8)	(Note 8)	Direct variable rent lease (Note 9)
B14	Lexington Plaza Nishigotanda	6,033.58	6,033.58	11	11	8	Community One Co., Ltd.	157,111	6.3	Variable rent lease (Note 10)
B15	Cross Square NAKANO	2,145.00	1,161.92	45	17	1	Nisshin Jyutaku Support K.K.	29,234	1.2	Pass through master lease
B16	Ohki Aoba Building	2,178.41	2,178.41	13	13	1	Tozai Asset Management Co., Ltd.	39,761	1.6	Fixed rent master lease
B17	Lexington Plaza Hachiman	8,419.15	7,964.63	18	15	1	Tokyo Biso Kogyo Corporation	158,959	6.4	Pass through master lease
B18	AEON TOWN Sukagawa	18,440.58	18,440.58	1	1	1	Aeon Town Co., Ltd.	143,761	5.8	Fixed rent lease
C1	Stop Parking Kanda-Sudacho	81.04	81.04	1	1	1	Office-attend Co., Ltd.	2,443	0.1	Direct fixed rent lease (Note 11)

No.	Property Name	Leasable Area (m ²) (Note 1)	Leased Area (m ²) (Note 2)	Leasable Units (units) (Note 3)	Leased Units (units) (Note 4)	Number of tenants	Tenants (Note 5)	Rental Revenue (Thousands of yen) (Note 6)	Ratio of Rental Revenue (%)	Type of Lease (Note 7)
C21	Bon Sejour Chitose Funabashi	2,342.17	2,342.17	42	42	1	Benesse Style Care Co., Ltd.	23,906	1.0	Direct fixed rent lease (Note 11)
C22	Bon Sejour Yotsugi	1,962.87	1,962.87	62	62	1	Benesse Style Care Co., Ltd.	22,528	0.9	Direct fixed rent lease (Note 11)
C23	Bon Sejour Hino	1,984.17	1,984.17	56	56	1	Benesse Style Care Co., Ltd.	21,405	0.9	Direct fixed rent lease (Note 11)
C24	Bon Sejour Musashi Shinjo	1,710.43	1,710.43	46	46	1	Benesse Style Care Co., Ltd.	17,747	0.7	Direct fixed rent lease (Note 11)
C25	Bon Sejour Komaki	8,858.49	8,858.49	123	123	1	Benesse Style Care Co., Ltd.	45,582	1.8	Direct fixed rent lease (Note 11)
C26	Bon Sejour Hadano Shibusawa	3,435.79	3,435.79	100	100	1	Benesse Style Care Co., Ltd.	23,802	1.0	Direct fixed rent lease (Note 11)
C27	Bon Sejour Itami	2,129.87	2,129.87	62	62	1	Benesse Style Care Co., Ltd.	15,971	0.6	Direct fixed rent lease (Note 11)
	Total	171,285.50	164,848.11	4,007	3,837	85	—	2,476,430	100.0	—

(Note 1) “Leasable Area” is based on the portion of each property or property in trust owned by the Investment Corporation and leasable as residential, office, retail etc.

(Note 2) “Leased Area” is the portion of leasable area for which there is actually a lease agreement and is based on the area indicated in the lease agreements.

(Note 3) “Leasable Units” is the number of units possible to lease for each property or property in trust.

(Note 4) “Leased Units” is the number of units actually leased to tenants and end-tenants based on lease agreements.

(Note 5) “Tenant” is the master lessee where there is a master lease agreement between the Investment Corporation or the trustee and a master lease company, and the principal lessee where there are direct lease agreements with end-tenants.

(Note 6) “Rental Revenue” is the aggregate rent revenue for each property for the fiscal period, rounded down to the nearest thousand yen.

(Note 7) Pursuant to pass through master lease agreements between the master lease company and the trustee, the master lease company pays the amount paid by end-tenants pursuant to subleases. Pursuant to fixed rent master lease agreements, the master lease company pays fixed rent.

(Note 8) Not disclosed because the consent of the tenant was not obtained.

(Note 9) A direct lease agreement has been entered into between the Investment Corporation and the tenant (without using a master lease company), and rent is received from the end tenant pursuant thereto.

(Note 10) A direct lease agreement has been entered into between the trustee and the tenant (without using a master lease company), and rent is received from the end tenant pursuant thereto.

(Note 11) A direct lease agreement has been entered into between the Investment Corporation and the tenant (without using a master lease company). The lease is fixed rent regardless of use or occupancy conditions.

(b) Occupancy trend

(Unit: %)

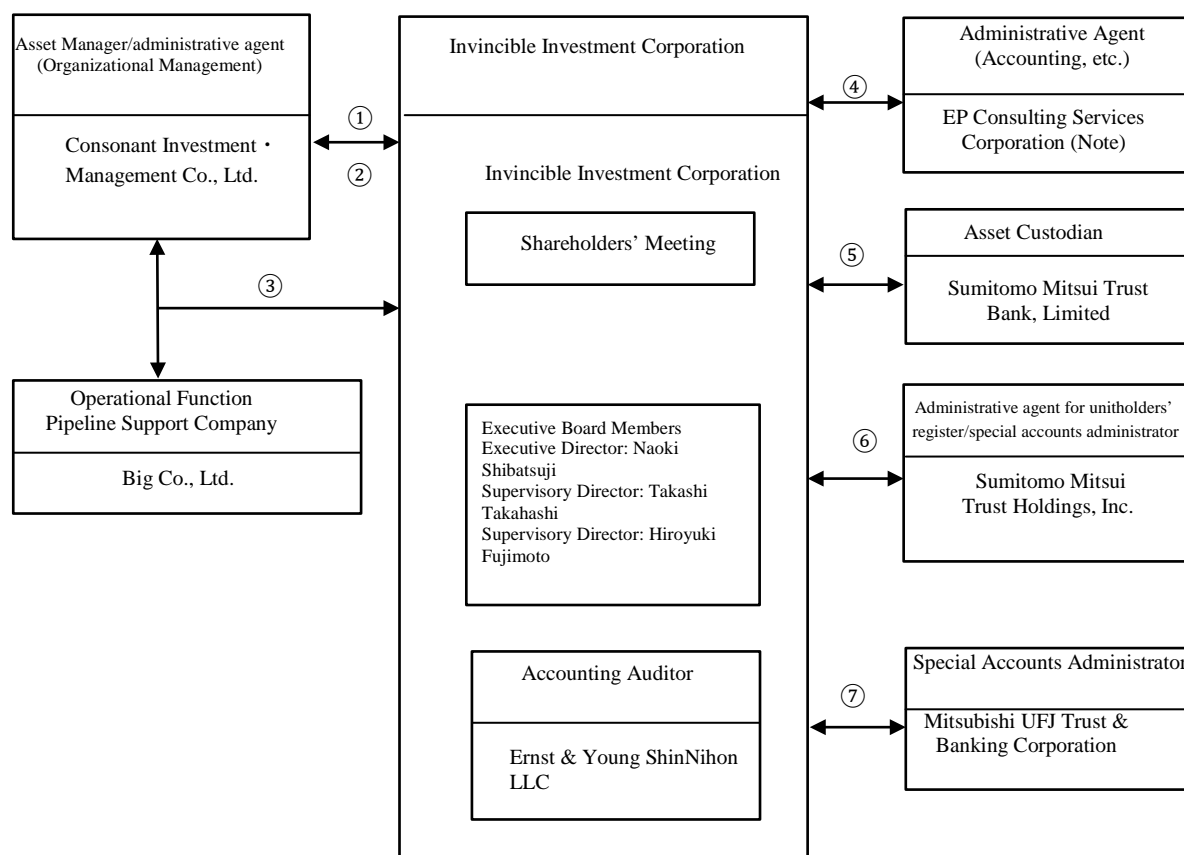
No.	Property Name	15 th Fiscal	15 th Fiscal	16 th Fiscal	17 th Fiscal	18 th Fiscal	19 th Fiscal Period					
		Mid-Period	Period	Period	Period	Period	As of	As of	As of	As of	As of	As of
		As of	As of	As of	As of	As of	As of	As of	As of	As of	As of	As of
		Jun. 2010	Dec. 2010	Jun. 2011	Dec. 2011	Jun. 2012	Jul. 2012	Aug. 2012	Sep. 2012	Oct. 2012	Nov 2012	Dec. 2012
A26	Nisshin Palacestage Daitabashi	92.7	93.8	89.8	94.8	95.8	98.0	95.9	95.9	94.0	96.0	96.9
A27	Nisshin Palacestage Higashi-Nagasaki	94.7	94.4	94.4	95.3	97.8	100.0	98.1	99.1	99.1	97.5	90.3
A28	Growth Maison Gotanda	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
A29	Growth Maison Kameido	96.9	93.9	92.5	89.4	95.4	95.4	97.0	100.0	100.0	95.5	94.0
A30	Emerald House	92.2	91.1	100.0	98.9	100.0	100.0	97.9	99.0	99.0	99.0	99.0
A31	Harmonie Ochanomizu	86.9	89.6	93.6	88.5	96.1	96.1	97.4	97.4	100.0	100.0	100.0
A32	Suncrest Shakujii-Koen	94.9	97.1	95.0	95.4	97.1	94.3	94.3	92.2	97.1	97.4	94.7
A33	Growth Maison Shin-Yokohama	100.0	100.0	100.0	100.0	94.1	97.0	88.0	96.9	100.0	98.6	98.5
A34	Belle Face Ueno-Okachimachi	98.3	93.7	100.0	93.4	100.0	100.0	98.4	100.0	100.0	100.0	98.4
A35	Grand Rire Kameido	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
A36	Growth Maison Ikebukuro	100.0	100.0	100.0	100.0	90.5	97.6	100.0	100.0	95.3	92.9	90.6
A37	Growth Maison Yoga	100.0	100.0	100.0	100.0	92.4	100.0	100.0	100.0	100.0	94.9	92.2
A38	Route Tachikawa	96.6	74.7	96.6	93.2	67.9	74.7	100.0	100.0	100.0	100.0	100.0
A39	Shibuya-Honmachi Mansion	77.5	84.5	83.4	96.5	96.5	90.4	92.3	95.8	95.8	95.8	100.0
A40	City Heights Kinuta	94.6	89.2	83.8	94.6	94.6	94.6	94.6	94.6	100.0	100.0	89.2
A41	Acseeds Tower Kawaguchi-Namiki	87.7	89.5	100.0	100.0	94.8	94.8	100.0	100.0	96.5	98.3	100.0
A42	Capital Heights Kagurazaka	94.4	82.6	95.2	85.7	84.4	84.4	95.3	95.3	95.3	95.3	92.5
A43	College Square Machida	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
A44	Belair Meguro	100.0	92.3	91.9	100.0	87.9	100.0	100.0	96.0	96.0	92.1	92.1
A45	Wacore Tsunashima I	94.0	95.8	91.9	98.0	84.2	82.2	84.2	88.2	88.0	90.1	96.1
A46	Foros Nakamurabashi	97.5	100.0	94.2	89.3	92.6	95.1	92.6	92.6	92.6	90.1	100.0
A47	Growth Maison Kaijin	84.4	97.4	95.1	97.4	96.7	96.7	96.7	96.7	96.7	100.0	97.1
A48	College Square Machiya	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
A51	City House Tokyo Shinbashi	87.0	95.7	88.1	88.5	93.0	90.7	90.9	94.9	92.7	96.4	90.8
A52	Winbell Kagurazaka	91.0	93.5	95.3	96.1	93.3	90.6	94.1	94.8	94.5	96.7	96.4
A53	Nishiwaseda Crescent Mansion	95.6	91.2	94.3	90.7	88.8	92.3	90.7	92.4	95.4	100.0	100.0
A54	Lexington Square Akebonobashi	84.0	95.4	86.4	91.3	93.4	95.6	94.5	94.5	95.6	93.2	93.1
A56	Casa Eremitaggio	93.0	83.0	87.1	90.5	90.0	90.0	87.1	97.1	100.0	92.9	92.9
A59	Towa City Coop Shinotsuka II	89.9	93.8	92.2	90.1	92.6	96.1	93.8	98.8	96.0	91.8	97.3
A61	Bichsel Musashiseki	95.7	97.1	84.3	90.0	97.1	98.5	100.0	100.0	98.5	97.1	97.1
A62	Lexel Mansion Ueno Matsugaya	89.6	86.4	96.8	93.2	96.3	92.8	92.8	96.3	96.3	100.0	93.2
A63	Towa City Coop Sengencho	87.6	85.4	95.7	96.3	89.8	88.5	90.9	89.0	91.5	91.1	94.3
A64	Royal Park Omachi	83.4	81.5	83.7	89.0	93.2	94.8	93.2	95.3	100.0	98.1	96.4
A65	Lexington Square Haginomachi	94.8	97.6	97.4	97.4	100.0	100.0	100.0	100.0	100.0	100.0	100.0
A66	Visconti Kakuozan	78.3	78.3	72.5	89.7	100.0	100.0	100.0	100.0	100.0	88.6	88.6
A71	Lexington Square Daitabashi	89.4	95.1	90.9	97.2	97.9	88.7	87.3	85.2	89.4	92.9	95.1
A72	Lexington Square Honjo Azumabashi	97.0	94.0	97.0	87.9	90.9	93.9	100.0	96.9	96.9	100.0	100.0
A73	AMS TOWER Minami 6-Jo	89.3	72.5	84.3	96.1	88.6	88.6	87.5	89.3	90.7	91.0	90.0
A75	Spacia Ebisu	87.8	88.7	88.7	91.3	97.1	94.5	93.1	90.9	90.7	91.0	92.2
A76	Neo Prominence	—	—	—	—	—	—	—	94.0	94.8	94.8	94.8
A77	Invoice Shin-Kobe Residence	—	—	—	—	—	—	—	99.1	95.4	97.2	99.1
A78	Cosmo Court Motomachi	—	—	—	—	—	—	—	97.5	98.8	98.8	97.5
A79	Revest Honjin	—	—	—	—	—	—	—	98.8	93.8	95.0	93.8
A80	Revest Matsubara	—	—	—	—	—	—	—	96.8	98.1	98.1	91.9
A81	Sun Terrace Minami Ikebukuro	—	—	—	—	—	—	—	97.4	92.1	94.7	100.0
A82	Alba Noritake Shinmachi	—	—	—	—	—	—	—	98.6	97.3	93.8	98.6
A83	Revest Meieki Minami	—	—	—	—	—	—	—	96.6	96.6	96.6	97.0
A84	Revest Heian	—	—	—	—	—	—	—	90.3	93.6	92.0	95.2
A85	Vendir Hamaotsu Ekimae	—	—	—	—	—	—	—	97.7	94.6	93.4	93.3
A86	Salvo Sala	—	—	—	—	—	—	—	81.1	79.2	88.9	89.9
A87	Excellente Kagurazaka	—	—	—	—	—	—	—	94.2	91.2	94.1	100.0
A88	Luna Court Edobori	—	—	—	—	—	—	—	96.0	98.0	96.0	96.0
A89	Winntage Kobe Motomachi	—	—	—	—	—	—	—	96.3	92.8	94.4	98.2

No.	Property Name	15 th Fiscal	15 th Fiscal	16 th Fiscal	17 th Fiscal	18 th Fiscal	19 th Fiscal Period					
		Mid-Period	Period	Period	Period	Period	As of	As of	As of	As of	As of	As of
		As of	As of	As of	As of	As of	As of	As of	As of	As of	As of	As of
		Jun. 2010	Dec. 2010	Jun. 2011	Dec. 2011	Jun. 2012	Jul. 2012	Aug. 2012	Sep. 2012	Oct. 2012	Nov 2012	Dec. 2012
A90	Queen's Court Fukuzumi	—	—	—	—	—	—	—	100.0	96.6	100.0	100.0
A91	Corp Higashinotoin	—	—	—	—	—	—	—	100.0	97.9	95.6	100.0
A92	Belair Oimachi	—	—	—	—	—	—	—	96.4	96.4	96.4	92.6
A93	Siete Minami-Tsukaguchi	—	—	—	—	—	—	—	100.0	100.0	100.0	94.9
A94	Prime Life Sannomiya Isogami Koen	—	—	—	—	—	—	—	100.0	100.0	100.0	100.0
A95	HERMITAGE NANBA WEST	—	—	—	—	—	—	—	87.9	87.9	96.0	91.2
A96	Century Park Shinkawa 1-bankan	—	—	—	—	—	—	—	100.0	100.0	100.0	100.0
A97	West Avenue	—	—	—	—	—	—	—	92.5	92.5	92.5	90.0
A98	Little River Honmachibashi	—	—	—	—	—	—	—	100.0	96.9	96.9	96.9
A99	Prime Life Mikage	—	—	—	—	—	—	—	93.4	100.0	92.0	85.5
B8	Kindai Kagakusha Building	89.7	67.2	75.2	85.5	85.5	85.5	85.5	85.5	85.5	85.5	100.0
B9	Shinjuku Island	0.0	0.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
B13	New Edobashi Building	100.0	63.4	51.2	—	—	—	—	—	—	—	—
B14	Lexington Plaza Nishigotanda	80.2	72.3	62.4	92.0	92.0	92.0	100.0	100.0	100.0	100.0	100.0
B15	Cross Square NAKANO	75.3	54.7	49.2	44.3	54.0	54.0	54.0	55.7	54.2	54.2	54.2
B16	Ohki Aoba Building	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
B17	Lexington Plaza Hachiman	96.6	97.3	94.6	94.6	94.6	94.6	94.6	94.6	94.6	94.6	94.6
B18	AEON TOWN Sukagawa	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
C1	Stop Parking Kanda-Sudacho	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
C21	Bon Sejour Chitose Funabashi	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
C22	Bon Sejour Yotsugi	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
C23	Bon Sejour Hino	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
C24	Bon Sejour Musashi Shinjo	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
C25	Bon Sejour Komaki	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
C26	Bon Sejour Hadano Shibusawa	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
C27	Bon Sejour Itami	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Total	93.7	91.1	91.2	95.0	95.1	95.1	95.6	96.1	96.2	96.4	96.2

(Note) "Occupancy Rate" is computed by dividing the leased area by leasable area, and rounded to the second digit.

Affiliate companies of Invincible Investment Corporation (as of the date of this document)

(1) Structure Chart of Invincible Investment Corporation



Number	Documents
①	Asset Management Agreement
②	Organizational Management Agreement
③	Real Estate Acquisition Support (Information Provision) Agreement
④	Administrative Agent Agreement
⑤	Asset Custody Agreement
⑥	Unitholders' Register Administrative Agent Agreement
⑦	Special Accounts Administration Agreement

(Note) The Administrative Agent who provides administrative services pertaining to accounting matters etc. under the Act on Investment Trusts and Investment Corporations was changed from Sumitomo Mitsui Trust Bank, Limited to EP Consulting Services Corporation as of October 1, 2012.

(2) Name, operational role and summary of operations of the Investment Corporation and its affiliate companies

Name	Operational role	Summary of operations
Invincible Investment Corporation	Investment corporation	Pursuant to its articles of incorporation, the investment corporation invests funds collected from unitholders, etc. in the operating assets, and conducts its operations by seeking to ensure steady growth in assets and stable earnings from a medium-to-long term perspective.
Consonant Investment Management Co., Ltd.	Asset manager/administrative agent (organizational management)	<p>The Asset Manager entered into an asset management agreement with LCP on September 21, 2005, and engaged in asset management operations as the asset manager under the Investment Trust Act pursuant to such agreement, as well as to LCP's articles of incorporation and the Asset Manager's investment guidelines, which constitute its internal rules. In connection with the merger on February 1, 2010, the Investment Corporation succeeded to this agreement. The operations entrusted to the Asset Manager include (1) management of the operating assets, (2) operations related to fund-raising for the Investment Corporation, (3) reporting the status of the operating assets to the Investment Corporation, (4) the drafting and execution of a management plan regarding the operating assets, and (5) other operations accompanying or associated with (1) through (4).</p> <p>In addition, the Asset Manager entered into an organizational management agreement with the Investment Corporation dated October 31, 2011. Pursuant to this agreement, the Asset Manager serves as the administrative agent under the Investment Trust Act (Article 117, Paragraph 4) and provides the following services: (1) services related to the operation of the Investment Corporation's unitholders' meeting (excluding the services to dispatch the documents of the unitholders' meeting, accept voting forms and count vote rights), (2) services relating to the operation of the meetings of the board directors, and (3) services accompanying or associated with (1) or (2).</p>
EP Consulting Services Corporation	Administrative agent (accounting, etc.)	EP Consulting Services Corporation entered into an administrative agent agreement with the Investment Corporation, dated August 1, 2012. Pursuant to this agreement, EP Consulting Services Corporation serves as the administrative agent under the Investment Trust Act (Article 117, Paragraphs 5 and 6) and provides the following services: (1) Services relating to accounting, (2) services relating to preparation of account books, 3) services relating to tax payments, and (4) other services associated with or accompanying (1) through (3).
Sumitomo Mitsui Trust Bank, Limited	Asset custodian	Sumitomo Mitsui Trust Bank, Limited entered into an asset custody agreement with LCP dated September 20, 2005. In connection with the merger on February 1, 2010, the Investment Corporation succeeded to the agreement. Pursuant to this agreement, Sumitomo Mitsui Trust Bank, Limited serves as the asset custodian (under Article 208 of the Investment Trust Act) and provides the following services: (1) providing custody of all documentation, etc. (property registration certificate, trust beneficiary certificate, agreement, certificates and other documentation related to securities) necessary to evidence the Investment Corporation's rights over the assets held by the Investment Corporation (meaning all assets acquired under Article 193 of the Investment Trust Act, within the scope set forth in the Investment Corporation's articles of incorporation, which were prepared in accordance with Article 67 of the Investment Trust Act), as well as other documentation, (2) services related to the management of deposits and withdrawals in cash deposit accounts and transfers, (3) preparation of account books, (4) the sending and transporting of things necessary for (1) through (3), (5) providing custody of the Investment Corporation's seal and (6) other services associated with or accompanying (1) through (5).

Name	Operational role	Summary of operations
Sumitomo Mitsui Trust Holdings, Inc.	Administrative agent for unitholders' register/special accounts administrator	<p>Sumitomo Mitsui Trust Holdings, Inc. entered into a unitholders' register administrative agent agreement with the Investment Corporation, dated January 19, 2010. Pursuant to this agreement, Sumitomo Mitsui Trust Holdings, Inc. provides the following services as an administrative agent under the Investment Trust Act: (1) creation, administration and custody of the unitholder register, (2) recording of data in the unitholders' register and the registration and cancellation of pledges, (3) recording unitholders' names and addresses, (4) receipt of documentation from unitholders, (5) distribution of unitholders' meeting convocation notices, notice of resolutions and accompanying reference documents, and preparation of voting certificates and proxies), (6) calculation of distribution of cash and services associated with administration of such payments (7) determination of distribution amount after the duration of the payment period for the distribution payment handling bank and administration of such payment, (8) responding to inquiries regarding the investment units and services in connection with issuing various certificates, (9) handling and custody of documents belonging to the Investment Corporation and used in connection with the execution of its duties as well as undelivered parcel, (10) services related to the issuance of offered investment units, (11) services related to the merger or split of investment units, (12) services related to receipt of claims from unitholders exercising rights, etc. and requests from unitholders (limited to matters related to (1) through (11)), (13) preparation of statistical data required by the Investment Corporation pursuant to laws and ordinances or this agreement, (14) services related to receipt of information from the unit transfer institution, and (15) other than (1) through (14), any additional services agreed upon by the Investment Corporation and the administrative agent.</p> <p>In addition, Sumitomo Mitsui Trust Holdings, Inc. entered into a special accounts administration agreement, dated November 18, 2008, with LCP. Pursuant to this agreement, as an administrative agent under the Investment Trust Act, Sumitomo Mitsui Trust Holdings, Inc. provides services related to the creation, administration and custody of the transfer account book relating to the special account for previous unitholders of LCP prior to the merger and other services related to the transfer account book. In connection with the merger on February 1, 2010, the Investment Corporation succeeded to this agreement.</p>
Mitsui UFJ Trust & Banking Corporation	Special accounts administrator	<p>A special accounts administration agreement was entered into with the Investment Corporation dated December 26, 2008. Pursuant to this agreement, as an administrative agent under the Investment Trust Act, Mitsubishi UFJ Trust & Banking Corporation provides services related to the creation, administration and custody of the transfer account book relating to the special account for unitholders of the Investment Corporation prior to the merger and other services related to the transfer account book. In addition, on January 1, 2011, the agreement was succeeded to from Daiko Clearing Services Corporation to Mitsubishi UFJ Trust & Banking Corporation through a corporate split.</p>

(3) Other Significant Affiliate of the Investment Corporation

Operational role	Name	Summary of operations
Operational function Pipeline support company	Big Co., Ltd.	Big Co., Ltd. entered into a real estate acquisition support (information provision) agreement with LCP and the Asset Manager dated November 8, 2005. In connection with the merger on February 1, 2010, the Investment Corporation succeeded to this agreement. Pursuant to the agreement, as a general matter, Big Co., Ltd. has agreed to the following: (1) when considering sales of its own assets that meet the investment policies and investment criteria set forth in the Investment Corporation's investment guidelines, or when it is involved in the sale of such an asset by a third party, except where the provision of information is impractical, Big Co., Ltd. will provide such information to the Asset Manager preferentially, and if the Asset Manager expresses interest in acquiring such asset, Big Co., Ltd. will discuss the terms of a sale in good faith or negotiate towards the acquisition of such asset in good faith (provision of information) and (2) Big Co., Ltd. will provide reports to the Investment Corporation and the Asset Manager regarding the real estate market, with a focus on trends in the real estate market, current status and future trends regarding real estate demand, current status and future prospects of the supply of new real estate, tenant needs and rental market within Japan and in certain geographic areas (market research services).

【Investment Target】

- (1) Pursuant to Article 9 of its Articles of Incorporation, the Investment Corporation invests principally in the specified assets set forth below.
 - (a) Real estate, real estate leasehold interests and surface rights
 - (b) Trust beneficiary interests for real estate, real estate leasehold interests and surface rights (including comprehensive trusts holding money incidental to real estate)
 - (c) Trust beneficiary interests in cash the purpose of which is to primarily invest in real estate, real estate leasehold interests and surface rights
 - (d) Equity interests in which one of the parties agrees to make a contribution to an investment by the other party in the assets listed above, and such other party invests the contributed property mainly in such assets and distributes the profits derived from such investment (“anonymous partnership interests”)
 - (e) Trust beneficiary interests in cash the purpose of which is to principally invest the trust property in anonymous partnership interests
 - (f) Preferred equity interests in special purpose companies (limited, however, to cases where the purpose is to invest in underlying assets of which more than one half is real estate, etc.)
 - (g) Beneficiary certificates for special purpose trusts (limited, however, to cases where the purpose is to invest in underlying assets of which more than one half is real estate, etc., excluding assets corresponding to (b), (c) and (e))
 - (h) Beneficiary certificates for investment trusts (limited, however, to cases where the purpose is to invest in underlying assets of which more than one half is real estate, etc.)
 - (i) Investment securities (limited, however, to cases where the purpose is to invest in underlying assets of which more than one half is real estate, etc.)
- (2) In order to manage funds in an efficient manner, the Investment Corporation may investment in the following specified assets.
 - (a) Securities (“securities” as defined in Article 2(1) of the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended, or the “FIEA”) and interests that are deemed to be securities pursuant to Article 2(2) of the FIEA)
 - (b) Monetary claims (meaning, as set forth in the Order for Enforcement of the Act on Investment Trusts and Investment Corporations, ordinary deposits, large time deposits and negotiable certificates of deposit)
 - (c) Call loans
 - (d) Trust beneficiary interests in cash the purpose of which is to invest in assets forth in (b) and (c), as well as trust beneficiary interests in cash the purpose of which is to invest in such trust beneficiary interests
 - (e) Interests related to financial futures transactions
 - (f) Interests related to financial derivative transactions
- (3) In addition to the specified assets set forth in (1) and (2) above, the Investment Corporation may invest in the following assets as necessary in connection with investing in real estate, etc.
 - (a) Trademark rights, rights of exclusive use and rights of non-exclusive use as set forth in the Trademark Act (Act No 127 of 1959, as amended) (limited, however, to cases that are ancillary to investing in real estate, etc.)
 - (b) Rights to use the source of hot springs as set forth in Article 2(1) of the Hot Springs Act (Act No. 125 of 1948, as amended) as well as related facilities (limited, however, to cases that are ancillary to investing in real estate, etc.)
 - (c) Rights to emit equivalent quotas of carbon dioxide and similar gases under the Act on Promotion of Global Warming Countermeasures (Act No. 117 of 1998, as amended) (including rights to emit greenhouse gasses)
 - (d) Copyrights, etc. under the Copyright Act (Act No. 48 of 1970, as amended)
 - (e) Equity interests (limited to equity interests represented by securities) related to a partnership contract as set forth in Article 667 of the Civil Code (Act No. 89 of 1896, as amended, the “Civil Code”) (limited, however, to partnerships which are established by contributing real estate, real estate leasehold interests, surface rights, or easements for the purpose of leasing, operating, and managing such real estate, etc.)
 - (f) Movable assets (as specified in the Civil Code)
 - (g) Easements
 - (h) Specified shares as defined in Article 2(6) of the Securitization Act

- (i) Other than (a) through (h), assets whose ancillary acquisition is necessary or useful to investing in real estate, etc. and real estate-related securities
 - (j) Trust beneficiary interests in case the purpose of which is to invest in (a) through (h)
 - (k) Rights as employee in a limited liability company pursuant to the Companies Act (Act No. 86 of 2005)
 - (l) Rights as contributor of funds to general incorporated associations (including the right to demand recovery of funds) under the Act on General Incorporated Associations and General Incorporated Foundations (Act No. 48 of 2006)
- (4) With respect to rights to be indicated on securities as set forth in Article 2(2) of the FIEA, even if securities indicating such rights are not issued, such rights shall be deemed to be securities, and (1) through (3) is applicable.

【Distribution Policy】

INV conforms to the policies set out below with regards to cash distributions to unitholders or registered pledgees of investment units listed or recorded in the registry of unitholders at the end of each fiscal period.

(1) Distribution of Profits

Distributable amounts generated from the management of INV's assets (hereinafter "distributable amounts") refers to the amount of profits calculated in conformity with the provisions of the Law Concerning Investment Trusts and Investment Corporations (hereinafter "the Law") or generally accepted accounting principles in Japan (net assets in the balance sheet as of the closing date of each fiscal period less unitholders' capital, retained earnings, and evaluation, currency translation, etc.) (Article 17, Item 1 of the Articles of Incorporation of INV).

INV determines the amount of distribution, which must be an amount that exceeds 90% of the amount of INV's distributable income as stipulated in Article 67, Item 15 (the Special Provisions of Taxation for Investment Corporations) of the Act on Special Measures Concerning Taxation in principle (hereinafter "distributable income") (or the relevant amount after modification if there is any modification to the calculation of the said amount due to revisions to the law, etc.) (However, the amount may not exceed the distributable amount.). If, however, a deficiency account for tax purposes arises or income for tax purposes does not arise due to the carried-over deduction of a deficiency account, INV shall determine the amount of distribution on a rational basis. In addition, INV can accumulate reserves and allowances from the distributable income amount that are deemed to be necessary for maintaining its investment assets and improving or increasing the value of assets such as long-term reserve for maintenance, payment reserve, reserve for distribution, and other similar reserves, etc. (Article 17, Item 2 of the Articles of Incorporation of INV).

Any retained earnings not allocated for dividends will be managed based on INV's investment asset targets and policies (Article 17, Item 3 of the Articles of Incorporation of INV).

(2) Cash Distribution Exceeding Profits

In cases when the distributable amount is less than 90% of distributable income, or when INV considers it appropriate depending on the economic circumstances and the trends in the real estate market, the leasing market, etc., INV may, in accordance with the provisions under the Law, determine an additional amount to be distributed to the unitholders in cash as a refund of the investment over and above the distributable amount, with the upper limit of the additional amount being prescribed in rules of the Investment Trusts Association, Japan, based on the approved cash distribution statement in accordance with the Law . In this case, if such cash distributions do not satisfy the requirements for Special Provisions of Taxation for Investment Corporations, INV may distribute monies in an amount determined by INV for the purpose of satisfying those conditions (Article 17, Item 4 of the Articles of Incorporation of INV).

(3) Methods of Distribution

Distributions shall be paid in cash and based on the number of investment units held to unitholders who are listed or recorded in the registry of unitholders on the closing date of each fiscal period, or to registered pledgees of investment units (Article 17, Item 5 of the Articles of Incorporation of INV).

(4) Statutory Limitation for Dividends

INV will be exempted from its obligation to pay distributions to unitholders or registered pledgees of investment units after a lapse of three years from the commencement date of payment. No interest will accrue with respect to unpaid distributions (Article 17, Item 6 of the Articles of Incorporation of INV).