

**19<sup>th</sup> Fiscal Period Results**

(from Jul. 1, 2012 to Dec. 31, 2012)

**Invincible Investment Corporation**



**Unique Strategies.**

Invincible Investment Corporation

TSE Code: 8963


# Table of Contents

## **Sponsor Support and Activities from Year 2011 to Year 2012 (P.3)**

- History and Background
- Activities during the 19th fiscal period ended Dec. 2012
- Highlights of the 19th fiscal period Results /Forecast for the 20th fiscal period
- Ensuring the Stability of Distribution Amount in the mid-term
- Simulation of Changes in the Amount of Distribution by Refinancing

## **Operational Results for the 19th Fiscal Period (P.9)**

- Acquisition Details and Results
- Overview of Borrowings (as of the end of Dec. 2012)
- Overview of Borrowings (as of the end of Dec. 2012 / Feb. 28, 2013)
- Overview of Borrowing Mortgages (As of Dec.31, 2012)
- Investment in Residential Properties for the Stable Cash Flow
- Characteristics of Portfolio
- Historical Occupancy Rates
- Initiatives for Cost Reductions
- Improvement of the Asset Value and the Profitability
- Major Unitholders (TOP 10)
- Overview of Unitholders
- Historical Unit Price

## **Appendix (P.25)**

### Section 1 Highlights of Performance (P.26)

- Financial Metrics
- Comparison between Forecast and Results for the 19th fiscal period
- Difference between the Initial Forecast (as of Aug. 27, 2012) and Results for the 19th fiscal period
- Difference between Forecast (as of Dec. 20, 2012) and Results for the 19th fiscal period
- Forecast for the 20th fiscal period (as of Feb. 27, 2013)
- Difference between Results for the 19th fiscal period and Forecast for the 20th fiscal period
- Conduit Requirements and Distributions
- Distributions for the 19th fiscal period and the 20th fiscal period

### Section 2 Financial Statements for the 19th Fiscal Period (P.35)

- Income Statement
- Difference between results for the 18th fiscal period and the 19th fiscal period
- Balance Sheet
- Cash Flow Statement/  
Financial Statements pertaining to Distribution of Monies

### Section 3 Overview of New 24 Properties (P.43)

- New 24 Properties (Residences)

### Section 4 Other Information (P.54)

- Performance by Properties in the 19th Fiscal Period
- Appraisal Values & Book Values at the end of 19th Fiscal Period
- Portfolio List

■ Disclaimer

## Sponsor Support and Activities from Year 2011 to Year 2012

- ❑ With regard to the debt facilities, the REIT had a cause for forfeiture of the benefit of time was established, leading to a statement on “Note regarding the Going Concern Basis” being added in the fiscal period ended December 2010 .
- ❑ Calliope Godo Kaisha, an affiliate of Fortress Investment Group LLC, became the new sponsor of Invincible Investment Corporation (hereinafter, “INV”) in July 2011 helping to recapitalize INV through:

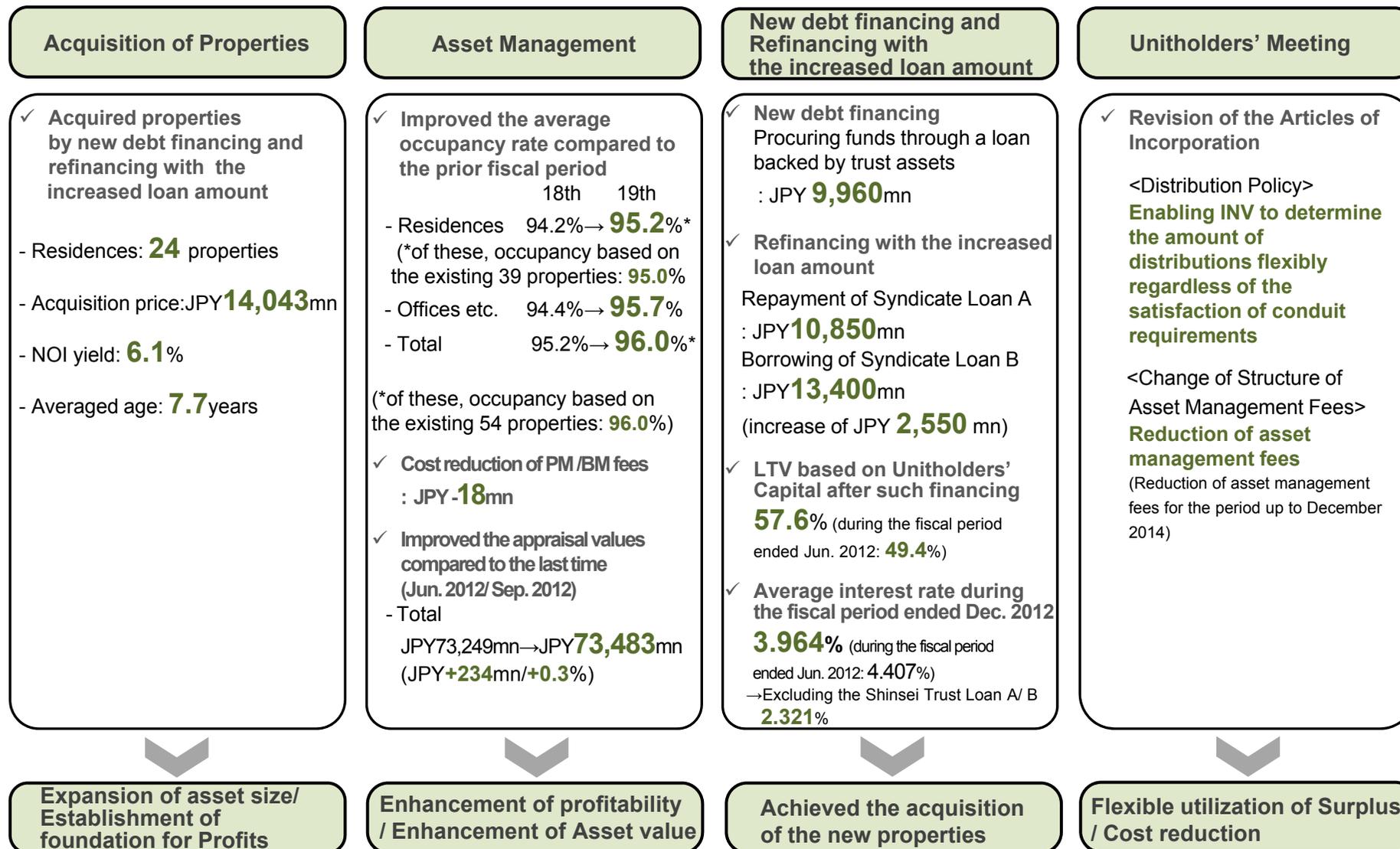
- Financing approximately JPY **7** billion of equity by way of third party allotment
- Refinancing majority of debt with new loans to realize **extension of loan periods with diversified maturity dates**
- Acquiring **97**% of share of asset manager (Consonant Investment Management Co., Ltd.)

- ❑ Since there arose certain prospects of full repayment of the then-existing securitized loan, INV decided to remove the statement on “Note regarding the Going Concern Basis” in the financial summary (*Kessan-Tanshin*) for the fiscal period ended June 2011.
- ❑ As a result of series of transactions mentioned above, avoidance of the bankruptcy risk of INV and removal of the cause for forfeiture of the benefit of time were successfully done.
- ❑ INV has been focusing on further Internal Growth through the improvement of occupancy rates and conducting cost reductions since the fiscal period ended December 2011 (17th fiscal period) .



**Broke away from the critical phase by the recapitalization**

# Activities during the 19th fiscal period ended Dec. 2012

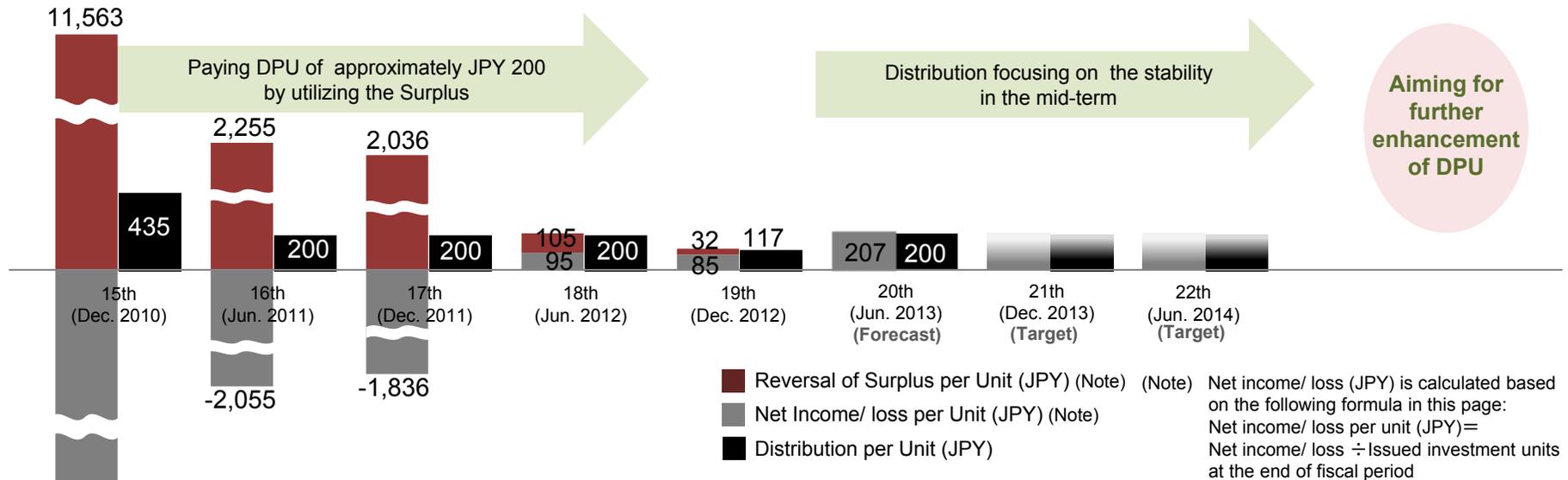


By external growth without capital increase, INV has established a solid platform that will enable INV to pay a consistent dividend (distribution per unit of approximately JPY 200) over the mid- term from portfolio earnings in and after the fiscal period ended June 2013.

# Highlights of the 19th fiscal period Results / Forecast for the 20th fiscal period

	18th fiscal period (Jun. 2012) Results	19th fiscal period (Dec. 2012) Results	Compared to 18th fiscal period	20th fiscal period (Jun. 2013) Forecast As of Feb. 27, 2013	Compared to 19th fiscal period
No. of properties	54	78	24	78	—
Operating revenues	JPY 2,176 mn	JPY 2,476 mn	JPY +299 mn	JPY 2,761 mn	JPY +284 mn
Operating expenses	JPY 1,282 mn	JPY 1,392 mn	JPY +109 mn	JPY 1,578 mn	JPY +185 mn
Operating income	JPY 894 mn	JPY 1,084 mn	JPY +190 mn	JPY 1,183 mn	JPY +98 mn
Other operating expenses	JPY 770 mn	JPY 972 mn	JPY +202 mn	JPY 902 mn	JPY -70 mn
Interest expenses	JPY 695 mn	JPY 763 mn	JPY +67 mn	JPY 803 mn	JPY +39 mn
Finance related costs	JPY 73 mn	JPY 208 mn	JPY +134 mn	JPY 98 mn	JPY -110 mn
Net Income	JPY 128 mn	JPY 114 mn	JPY -13 mn	JPY 280 mn	JPY +165 mn
EPS	JPY 95	JPY 85	JPY -10	JPY 207	JPY +122
Reversal of Surplus per Unit	JPY 105	JPY 32	JPY -73	—	JPY -32
Distribution per Unit	JPY 200	JPY 117	JPY -83	JPY 200	JPY +83
NOI yield	5.0%	5.2%	+0.2%	5.1%	-0.1%

# Ensuring the Stability of Distribution Amount in the mid-term



Aiming for further enhancement of DPU

<DPU from 15th to 18th>

**DPU of JPY 200** with relying on the negative goodwill surplus (Note)  
 (Note) Term of the 15<sup>th</sup> fiscal period was 1 year from Jan. 1, 2010 to Dec. 31, 2010 and the distribution per unit for this period is JPY 435.

<DPU of 19th>

DPU was decreased significantly due to temporary costs that accompanied the acquisition of properties.

<DPU from 20th over the mid term>

By the acquisition of new 24 properties, INV has established a solid platform since the 20<sup>th</sup> fiscal period ended June 2013.  
**Aiming to ensure the stability of distribution amount in the mid-term.**

- Feb. 2010**  
 - Split units  
 - **Merger**
- Feb. to Jun. 2010**  
 - Partial repayments of the existing borrowings by the sale of mortgaged properties
- 2010.9**  
 - **“Note regarding the Going Concern Basis”**

- Jul. to Aug. 2011**  
 - **Invitation of new sponsor**  
 - Implement of Third Party Allotment  
 - New borrowings  
 - A certain expectation of realizing the refinace & repayment of all of the existing borrowings→ **Removal of statement on “Note regarding the Going Concern Basis”**
- Oct. 2011**  
 - Full payment of the existing borrowing by the sale of mortgaged property  
 - Additional borrowing
- Jul. 2011-**  
 - Focus on internal growth such as improvement of occupancy rates, cost reductions

- Sep. 2012**  
 - **Acquisition of new 24 properties**  
 - New borrowings  
 - Refinancing of Syndicate Loan A with the increased loan amount
- Nov. 2012**  
 - **Reduction of asset management fees**
- Other**  
 - Implement of various initiatives for internal growth

- Action Plan from 20<sup>th</sup> over the mid term**
- ✓ **Internal Growth Strategy**
    - Further enhancement of profitability of portfolio earnings, and of asset value (Implement of strengthening leasing activities and various Measures)
    - Working continuously on further cost reductions
  - ✓ **Financial Strategy**
    - Further enhancement of the relationship with the existing financial institutions
    - Developing the relationship with new financial institution/ Strengthening lender formation

**Note**  
 The descriptions regarding forward-looking statements and goals mentioned above are merely statements based on the currently available information and certain assumptions that are considered to be reasonable; therefore, there may be currently unknown risks and uncertainties in such descriptions. Accordingly, said forward-looking statements and goals are subject to such risks, uncertainties, assumptions and other factors. Please be fully aware that INV does not give any assurance on these descriptions.

# Simulation of Changes in the Amount of Distribution by Refinancing

INV aims to reduce interest rates through its stable operational performance when refinancing the Shinsei Trust Loan A / B, due on January 30, 2015 each.

Interest rates on Shinsei Trust Loan A/B	(Current) <b>8.5% / 9.5%</b> (Weighted average: <b>8.7%</b> )	<b>8.0 %</b>	<b>7.0 %</b>	<b>6.0 %</b>	<b>5.0 %</b>	<b>4.0 %</b>	<b>3.0 %</b>	<b>2.0 %</b>
Changes in the Amount of Distribution (Calculation period : 6 months)	JPY - mn (JPY- / unit)	JPY <b>+35</b> mn (JPY <b>+26</b> / unit)	JPY <b>+82</b> mn (JPY <b>+61</b> / unit)	JPY <b>+129</b> mn (JPY <b>+96</b> / unit)	JPY <b>+176</b> mn (JPY <b>+131</b> /unit)	JPY <b>+223</b> mn (JPY <b>+166</b> /unit)	JPY <b>+271</b> mn (JPY <b>+201</b> /unit)	JPY <b>+318</b> mn (JPY <b>+236</b> /unit)

## Note

The simulations, forward-looking statements and goals mentioned above are merely a provisional calculation of Changes in the Amount of Distribution if a refinancing is achieved with the conditions stated in the simulations above, based on the currently available information and certain assumptions that are considered to be reasonable. Accordingly, said simulations, forward-looking statements and goals do not ensure that a refinancing is feasible under these conditions or that the distribution amount will be increased as a result of such refinancing. INV has not yet entered into negotiations with lenders with respect to the refinance of the Shinsei Trust Loan A/B at this point. Therefore, please be fully aware that the above descriptions are merely simulations made on the assumption that interest rates are reduced to certain levels.

No negotiations have been held at this point with respect to the feasibility of refinancing such loan or possibilities of interest rate reduction after refinancing. Accordingly, there is no assurance that the refinancing and the interest rate reduction will be achieved.

Decreased amounts of the Interest Expenses due to lower interest rates are stated in the column of Changes in the Amount of Distribution, and figures are rounded down to the indicated unit.

Moreover, this simulation is based on the premise that there is no change made to the number of the issued investment units (1,348,292 units) as of today. Numbers within parentheses are calculated by dividing each decreased amounts of Interest Expenses due to lower interest rates by the number of the issued investment units (1,348,292 units).

# Operational Results for the 19<sup>th</sup> Fiscal Period

# Acquisition Details and Results

Acquisition Details		Existing 54 properties as of the 18th FP (Jun. 2012)	New 24 properties (Sep. 28, 2012)	78 properties as of the 19th FP (Dec. 2012)
Property Type	<b>Residences</b>			
No. of Properties	<b>24</b>			
Acquisition Price	JPY <b>14,043</b> mn	Acquisition Price: JPY <b>63,118</b> mn	JPY <b>14,043</b> mn	JPY <b>77,161</b> mn
Seller	<b>Rhodia Godo Kaisha</b>	Appraisal Value: JPY <b>59,106</b> mn	JPY <b>14,143</b> mn	JPY <b>73,483</b> mn
Acquisition Date	<b>Sep. 28, 2012</b>	No. of Properties: <b>54</b>	<b>24</b>	<b>78</b>
Acquisition Fund	Debt financing (JPY <b>12,510</b> mn) / Cash on hand (JPY <b>1,533</b> mn)	Debt Financing: JPY <b>31,603</b> mn	JPY <b>12,510</b> mn	JPY <b>43,982</b> mn
Payment of Acquisition Fees to Asset Manager	JPY <b>1,400</b> ths (Note 1)	LTV based on Unitholders' Capital: <b>49.4</b> %		<b>57.6</b> %
		LTV based on Appraisal Value: <b>53.5</b> %	<b>70.4</b> %	<b>59.9</b> %
		NOI yield (Note 2): <b>5.0</b> %	<b>6.1</b> %	<b>5.2</b> %

(Note 1) The acquisition fees of the new 24 properties to the Asset Manager are held down as follows.

“Acquisition Price (JPY14,043 mn) x 0.01%= JPY1.4 mn”.

(Note 2) NOI yield is calculated based on the following formula:

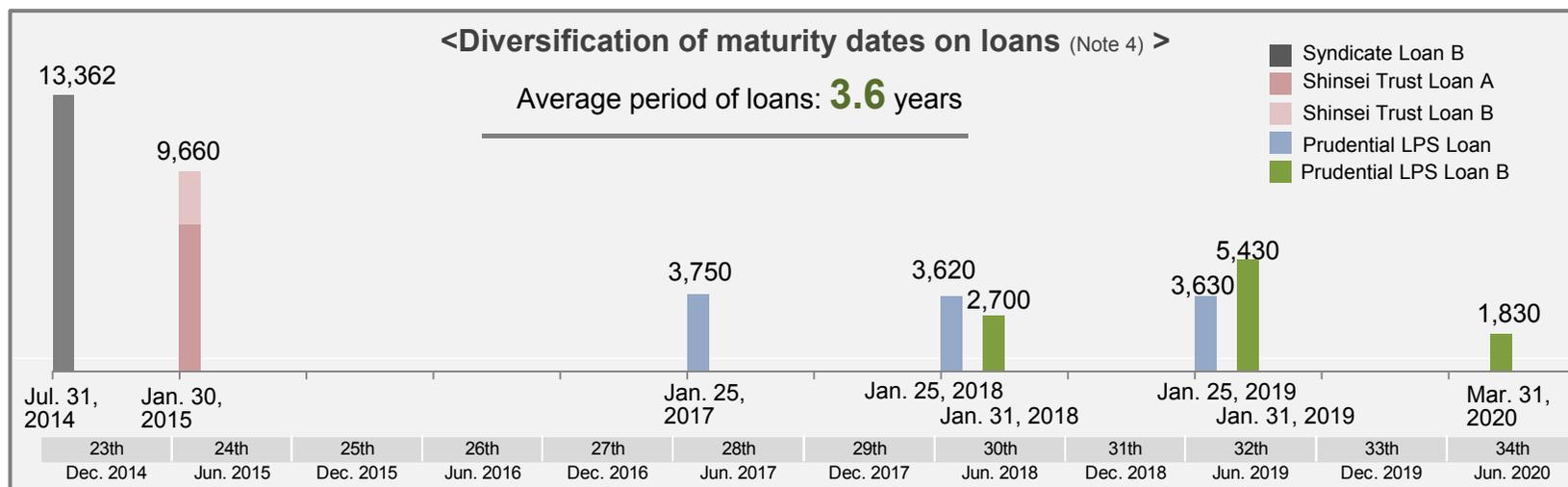
NOI yield (based on Acquisition Price) (%)

= (( Rental Revenues - Property Related Expenses + Depreciation Expenses) / days during the period x 365) / Acquisition Price

Furthermore, the above NOI yield of 6.1% of the new 24 properties is an estimate as of September 26, 2012, calculated based on the number (362 days) calculated by doubling the number of days under INV’s management from January 1, 2013 to June 30, 2013 (181 days).

# Overview of Borrowings (as of the end of Dec. 2012)

✓ Balance of the outstanding of borrowings	:	JPY <b>43,982</b> mn (the previous fiscal period: JPY 31,603 mn)
✓ LTV based on Unitholders' Capital /	:	<b>57.6%</b> (the previous fiscal period: 49.4%) /
LTV based on Appraisal Value (Note 1)	:	<b>59.9%</b> (the previous fiscal period: 53.5%)
✓ Average interest rate (Note 2)	:	<b>3.964%</b> (the previous fiscal period: 4.407%)
	:	→ Except for Shinsei Trust Loan A / B: <b>2.321%</b>
✓ Interest coverage ratio (Note 3)	:	<b>30.8%</b> (the previous fiscal period: 32.0%)
✓ Ratio of long-term debt	:	<b>100.0%</b> (the previous fiscal period: 100.0%)



(Note 1) The LTV based on Unitholders' Capital is calculated based on the following formula:

$$\text{LTV based on Unitholders' Capital} = \frac{\text{Interest-bearing debt}}{\text{Interest-bearing debt} + \text{unitholders' capital} + \text{unitholders' capital surplus}} \times 100$$

The LTV based on Appraisal Value is calculated based on the following formula:  $\text{LTV based on Appraisal Value} = \frac{\text{Interest-bearing debt}}{\text{Appraisal Value}} \times 100$

(Note 2) The average interest rate is calculated by using weighted average by days and is rounded to three decimal places.

(Note 3) Interest coverage ratio is calculated based on the following formula:  $\text{Interest coverage ratio} = \frac{\text{Interest Expenses}}{\text{Operating Revenues}}$

(Note 4) Current portion of long term debts on "Syndicate Loan A" and "Shinsei Trust Loan B" are included in "Long term Debt".

Furthermore, JPY 150 million a year (JPY 37.5 million every three months) with respect to syndicate Loan A and JPY 112 million a year (JPY 28 million every three months) with respect to Shinsei Trust Loan B, are repaid by the scheduled repayments. Also, regarding each Prudential LPS Loans, on each principal and interest payment date (every three months) after three years have passed since the borrowing date, INV will pay the amount calculated on the assumption that the remaining principal as of the date is repaid in equal installments of the principal and the interest over 20 years (80 times in total). With respect to the second lending and the third ending of Prudential LPS Loan B, on each principal and interest payment date (every three months) after five years have passed since the borrowing date, INV will pay the amount calculated on the assumption that the remaining principal as of the date is repaid in equal installments of the principal and the interest over 30 years (120 times in total). On the maturity date, INV will make a lump sum repayment of the remaining amount after such payments are made. As for the fourth lending, on each principal and interest payment date (every three months) after three years have passed since the borrowing date, INV will pay the amount calculated on the assumption that the remaining principal as of the date is repaid in equal installments of the principal and the interest over 27 years (108 times in total). On the maturity date, INV will make a lump sum repayment of the remaining amount after such payments are made.

(Note 5) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.

# Overview of Borrowings

(as of the end of Dec. 2012 / Feb. 28, 2013)

Loan	Lender	Borrowing date	Borrowing amount		Interest rate (annual rate) etc.		Maturity date
			As of the end of Dec. 2012	As of Feb. 28, 2013	As of the end of Dec. 2012	As of Feb. 28, 2013	
Syndicate Loan B	MetLife Alico Life Insurance K.K.	Sep. 28, 2012	JPY 13,362 mn	JPY 13,325 mn	2.28857% (Note 1) Variable interest rate (3 month <b>LIBOR</b> +2.1%)	2.26143%(Note 2) Variable interest rate (3 month <b>LIBOR</b> +2.1%)	Jul. 31, 2014
	The Bank of New York Mellon Trust (Japan), Ltd.						
	Citibank Japan Ltd.						
	Shinsei Bank, Limited						
Shinsei Trust Loan A	Shinsei Trust & Banking Co., Ltd.	Jul. 29, 2011	JPY 7,100 mn	JPY 7,100 mn	8.50000% Fixed interest rate	8.50000% Fixed interest rate	Jan. 30, 2015
Shinsei Trust Loan B	Shinsei Trust & Banking Co., Ltd.	Jul. 29, 2011	JPY 2,560 mn	JPY 2,532 mn	9.50000% Fixed interest rate	9.50000% Fixed interest rate	Jan. 30, 2015
Subtotal of long-term debt			JPY 23,022 mn	JPY 22,957mn			
Prudential LPS Loan	Prudential Mortgage Asset Holdings 1 Japan Investment Business Limited Partnership	Jul. 29, 2011	JPY 3,750 mn	2.50000% Fixed interest rate		Jan. 25, 2017	
		Jul. 29, 2011	JPY 3,620 mn			Jan. 25, 2018	
		Jul. 29, 2011	JPY 3,630 mn			Jan. 25, 2019	
Prudential LPS Loan B	Prudential Mortgage Asset Holdings 1 Japan Investment Business Limited Partnership	Sep. 28, 2012	JPY 2,700 mn	1.90000% Fixed interest rate		Mar. 31, 2018	
		Sep. 28, 2012	JPY 2,860 mn			Mar. 31, 2019	
		Sep. 28, 2012	JPY 1,830 mn			Mar. 31, 2020	
		Sep. 28, 2012	JPY 2,570 mn			Mar. 31, 2019	
Subtotal of long-term debt in trust			JPY 20,960 mn				
<b>Total</b>			<b>JPY 43,982mn</b>	<b>JPY 43,917mn</b>			

(Note 1) The interest rates are applicable for the period from November 30, 2012 through February 27, 2013.

(Note 2) The interest rates are applicable for the period from February 28, 2013 through May 30, 2013.

(Note 3) The outstanding of borrowing is rounded down to the indicated unit.

# Overview of Borrowing Mortgages (As of Dec.31, 2012)

Loan	Maturity Date	Borrowing Amount as of Dec. 2012	Appraisal Values as of Dec. 2012	LTV based on Appraisal Values	Mortgages	No. of Properties
Syndicate Loan B	Jul 31, 2014	JPY 13,362 mn	JPY 24,991 mn	53.5%	City House Tokyo Shinbashi, Winbell Kagurazaka, Nishiwaseda Crescent Mansion, Lexington Square Akebonobashi, Casa Eremitaggio, Towa City Coop Shinotsuka II, Bichsel Musashiseki, Loxel Mansion Ueno Matsugaya, Towa City Coop Sengencho, Royal Park Omachi, Lexington Square Haginomachi, Visconti Kakuozan, Lexington Square Daitabashi, Lexington Square Honjo Azumabashi, AMS TOWER Minami 6-Jo, Cross Square NAKANO, Ohki Aoba Building, Lexington Plaza Hachiman, AEON TOWN Sukagawa, Shinjuku Island and Stop Parking Kanda-Sudacho	21
Shinsei Trust Loan A	Jan 30, 2015	JPY 7,100 mn	JPY 11,000 mn	64.5%	Spacia Ebisu and Lexington Plaza Nishigotanda	2
Shinsei Trust Loan B	Jan 30, 2015	JPY 2,560 mn	JPY 4,708 mn	54.4%	Bon Sejour Chitose Funabashi, Bon Sejour Yotsugi, Bon Sejour Hino, Bon Sejour Musashi Shinjo, Bon Sejour Komaki, Bon Sejour Hadano Shibusawa and Bon Sejour Itami	7
Prudential LPS Loan	Jan 25, 2017	JPY 3,750 mn	JPY 6,439 mn	58.2%	Nisshin Palacestage Daitabashi, Nisshin Palacestage Higashi-Nagasaki, Growth Maison Shin-Yokohama, Belle Face Ueno-Okachimachi, Growth Maison Yoga, Shibuya-Honmachi Mansion, City Heights Kinuta and Foros Nakamurabashi	8
	Jan 25, 2018	JPY 3,620 mn	JPY 5,985 mn	60.5%	Growth Maison Gotanda, Growth Maison Kameido, Emerald House, Growth Maison Ikebukuro, Route Tachikawa, College Square Machida, Belair Meguro and Wacore Tsunashima I	8
	Jan 25, 2019	JPY 3,630 mn	JPY 6,166 mn	58.9%	Harmonie Ochanomizu, Suncrest Shakujii-Koen, Grand Rire Kameido, Acseeds Tower Kawaguchi-Namiki, Capital Heights Kagurazaka, Growth Maison Kaijin, College Square Machiya and Kindai Kagakusha Building	8
Prudential LPS Loan B	Mar 31, 2018	JPY 2,700 mn	JPY 3,869 mn	69.8%	Neo Prominence, Salvo Sala, Luna Court Edobori, Wintage Kobe Motomachi, Revest Meieki Minami	5
	Mar 31, 2019	JPY 2,860 mn	JPY 4,084 mn	70.0%	Sun Terrace Minami Ikebukuro, Excellente Kagurazaka, HERMITAGE NANBA WEST, Little River Honmachibashi, Invoice Shin-Kobe Residence, Cosmo Court Motomachi	6
	Mar 31, 2020	JPY 1,830 mn	JPY 2,622 mn	69.8%	Queen's Court Fukuzumi, Prime Life Sannomiya Isogami Koen, Revest Honjin, Revest Matsubara, Corp Higashinotoin	5
	Mar31, 2019	JPY 2,570 mn	JPY 3,619 mn	71.0%	West Avenue, Belair Oimachi, Siete Minami-Tsukaguchi, Prime Life Mikage, Alba Noritake Shinmachi, Revest Heian, Century Park Shinkawa 1-bankan, Vendir Hamaotsu Ekimae	8
<b>Total</b>	—	<b>JPY 43,982mn</b>	<b>JPY 73,483mn</b>	<b>59.9 %</b>	—	<b>78</b>

Memo

Invincible Investment  
Corporation

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# Investment in Residential Properties for the Stable Cash Flow

(as of the end of Dec. 2012)

## Residences

(Based on Acquisition Price)

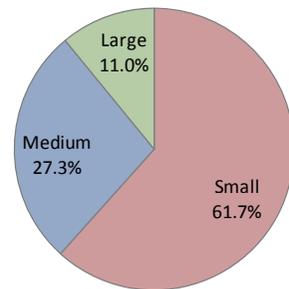
- ✓ No. of Properties: **63** (Previous Period: **39**)
- ✓ Asset Size: JPY **58** billion (Previous Period: JPY **44** billion)
- ✓ Total Rentable Units: **3,413** units (Previous Period: **2,241** units)
- ✓ Total Leasable Area: **109,585.97** m<sup>2</sup> (Previous Period: **74,663.33** m<sup>2</sup>)

As of the end of 18<sup>th</sup> fiscal period  
(Jun. 30, 2012)

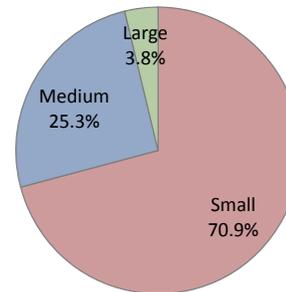
New 24 Properties  
as of the end of 19<sup>th</sup> fiscal period  
(Dec. 31, 2012)

As of the end of 19<sup>th</sup> fiscal period  
(Dec. 31, 2012)

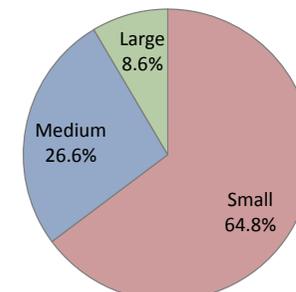
By Room Type



**Small: 61.7%**

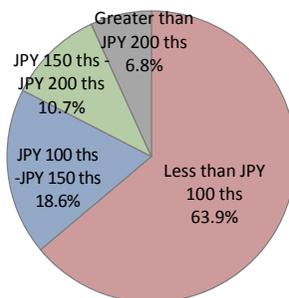


**Small: 70.9%**

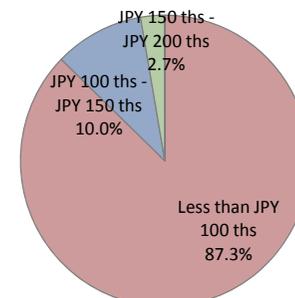


**Small: 64.8%**

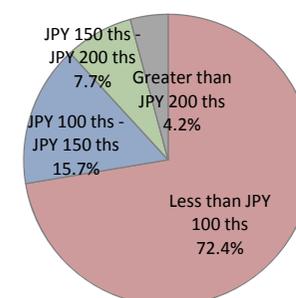
By Rent Range



**Less than JPY 100 ths: 63.9%**



**Less than JPY 100 ths: 87.3%**



**Less than JPY 100 ths: 72.4%**

(Note 1) INV defines "Small" a rentable unit with an area of less than 30m<sup>2</sup>, "Medium" as a rentable unit with an area of 30m<sup>2</sup> or more and less than 60m<sup>2</sup> and "Large" as a rentable unit with an area of 60m<sup>2</sup> or more..

(Note 2) Percentages are rounded to one decimal place.

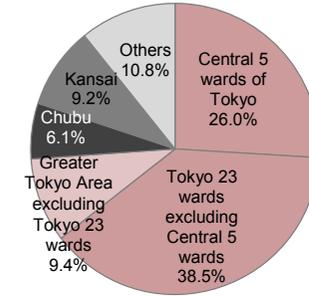
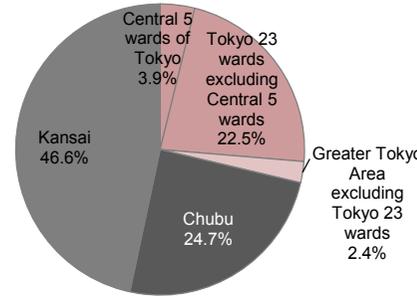
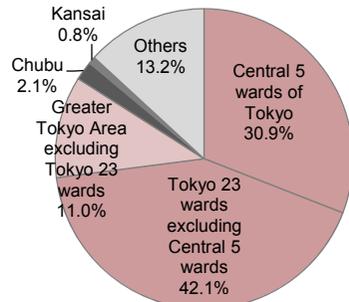
# Characteristics of Portfolio

As of the end of 18<sup>th</sup> fiscal period  
(Jun. 30, 2012)

New 24 Properties  
as of the end of 19<sup>th</sup> fiscal period  
(Dec. 31, 2012)

As of the end of 19<sup>th</sup> fiscal period  
(Dec. 31, 2012)

By Geography

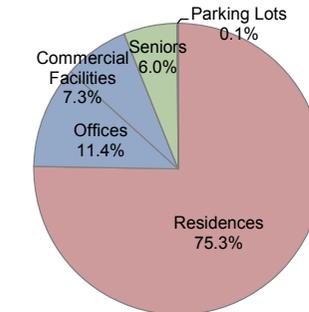
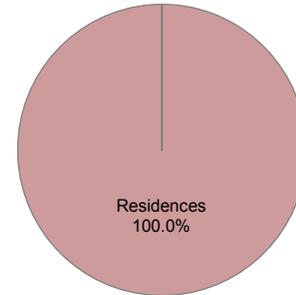
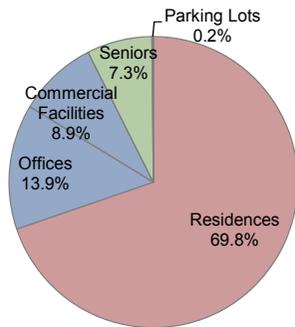


Greater Tokyo Area: **84.0%** (Tokyo 23 wards: 73.0%)

Greater Tokyo Area: **28.7%** (Tokyo 23 wards: 26.3%)

Greater Tokyo Area: **73.9%** (Tokyo 23 wards: 64.5%)

By Property Type

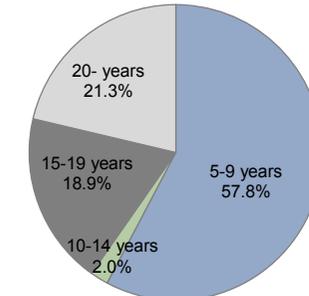
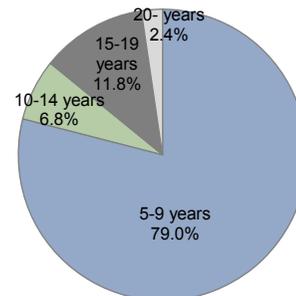
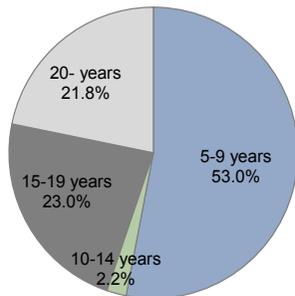


Residences: **69.8%**

Residences: **100.0%**

Residences: **75.3%**

By Age



Weighted average age: **13.2 years**

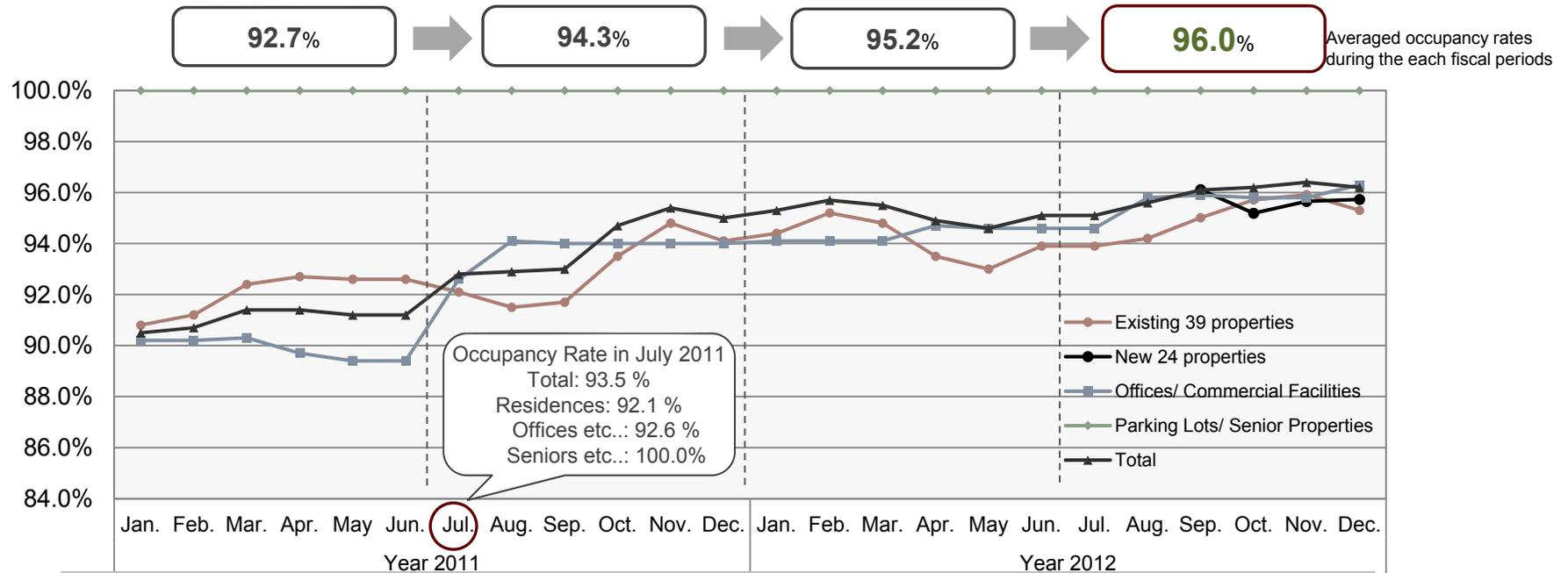
Weighted average age: **7.9 years**

Weighted average age: **12.5 years**

(Note 1) "Tokyo", "Kanagawa, Chiba, and Saitama prefectures" are defined as "Greater Tokyo Area".  
(Note 2) Percentages are calculated based on acquisition price and are rounded to one decimal place.

# Historical Occupancy Rates

In order for INV to maintain a stable and high occupancy rate, INV flexibly reviewed the leasing strategy for rooms for rent which had been vacant for more than 30 days, and implemented measures against this issue. The occupancy rate as of the end of November 2012 reached **96.4%**, which is the highest rate since the merger in February 2010.



	Year 2011		Year 2012		
	Residences		Offices/ Commercial Facilities	Parking Lots/ Senior Properties	Total
	Existing 39 properties	New 24 properties			
End of Dec. 2012	95.3%	95.7%	96.3%	100.0%	96.2%
End of Nov. 2012	95.9%	95.7%	95.8%	100.0%	96.4%
End of Oct. 2012	95.7%	95.2%	95.8%	100.0%	96.2%
End of Sep. 2012	95.0%	96.1%	95.9%	100.0%	96.1%
End of Aug. 2012	94.2%	-	95.8%	100.0%	95.6%
End of Jul. 2012	93.9%	-	94.6%	100.0%	95.1%

**Beyond 96%**  
of occupancy  
rates for 4  
months in a  
row

(Note 1) Occupancy rate = total leased area / total leasable area x100

(Note 2) The occupancy rates from January to September, 2011 are calculated excluding the effect of the sale of New Edobashi Building as of October 21, 2011.

(Note 3) Percentages are rounded to one decimal place.

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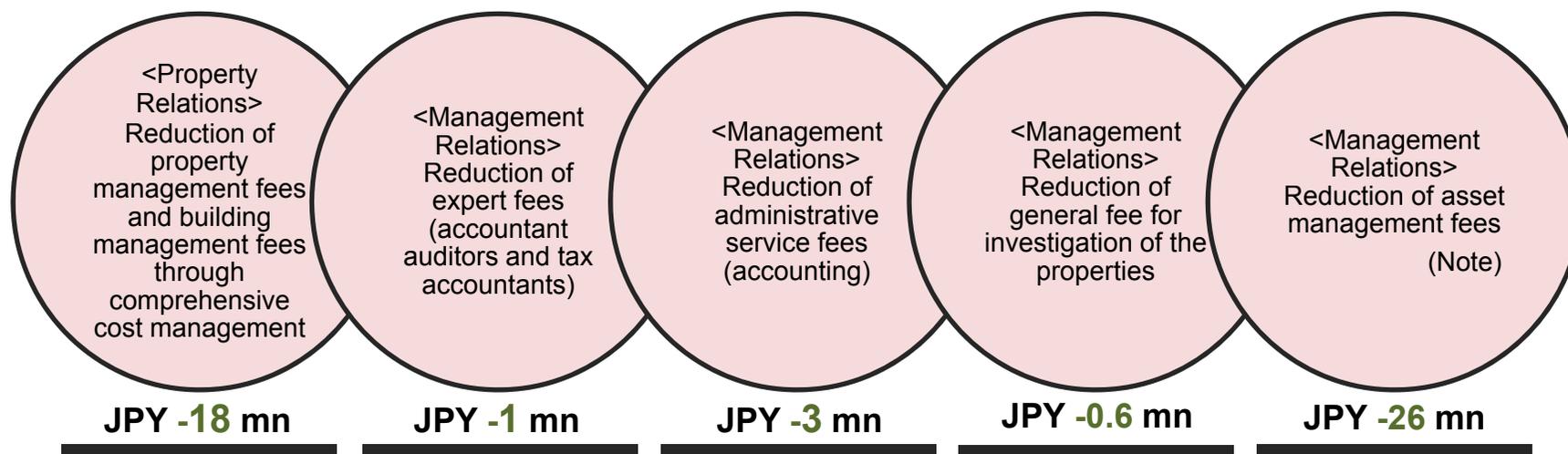
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# Initiatives for Cost Reductions

- Effect of cost reduction for the fiscal period ended December 2012 (19th fiscal period): JPY **-51** mn  
 (Forecast as of the end of fiscal period ended June 2012: JPY **-21** mn)

In addition to further improvement of its operations and cost reduction, on which INV has been continuously working since the fiscal period ended June 2012, INV has revised its Articles of Incorporation at the unitholders' meeting held in November 2012 to reduce the asset management fees paid to the Asset Manager (Note)



- Projected effect of cost reduction for the fiscal period ending June 2013 (20th fiscal period): JPY **-39** mn (Note)

INV continues to work on further improvement of its operations and cost reductions during the fiscal period ending June 2013.

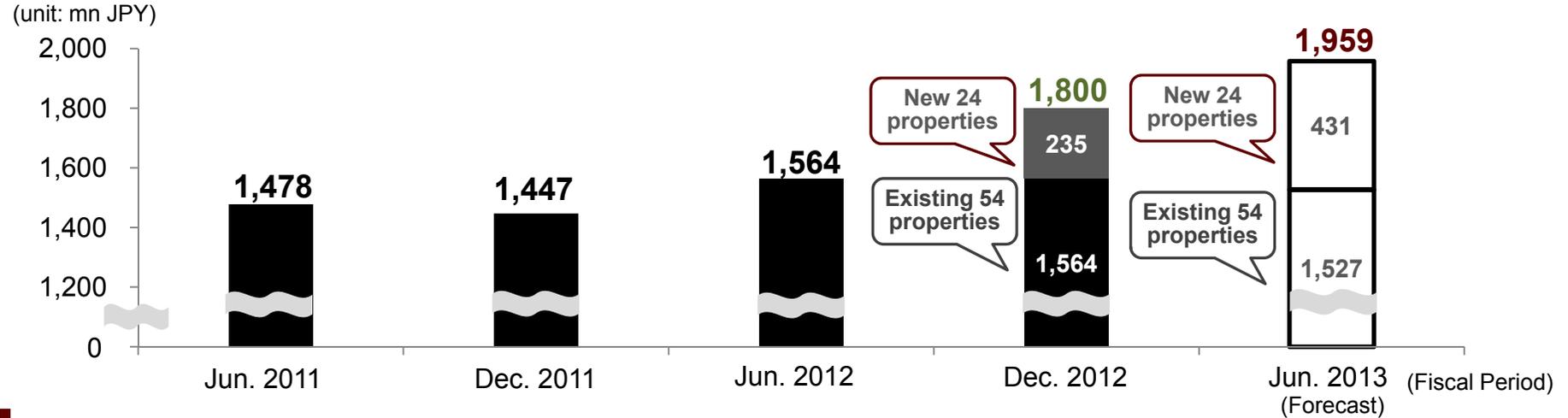
<Property Relations>  
 INV plans to improve management quality and conduct cost reductions by changing building management companies.

<Management Relations>  
 The effects of conducting cost reductions on “Asset management fees and Administrative service fees (accounting)” will continue. INV will work assiduously on further cost reductions other than the above.

(Note) INV plans to continue the reduction of asset management fees for the period up to December 2014. The decreased amounts is calculated by comparing against the amount calculated based on the fee structure before the revision of the article of incorporation.

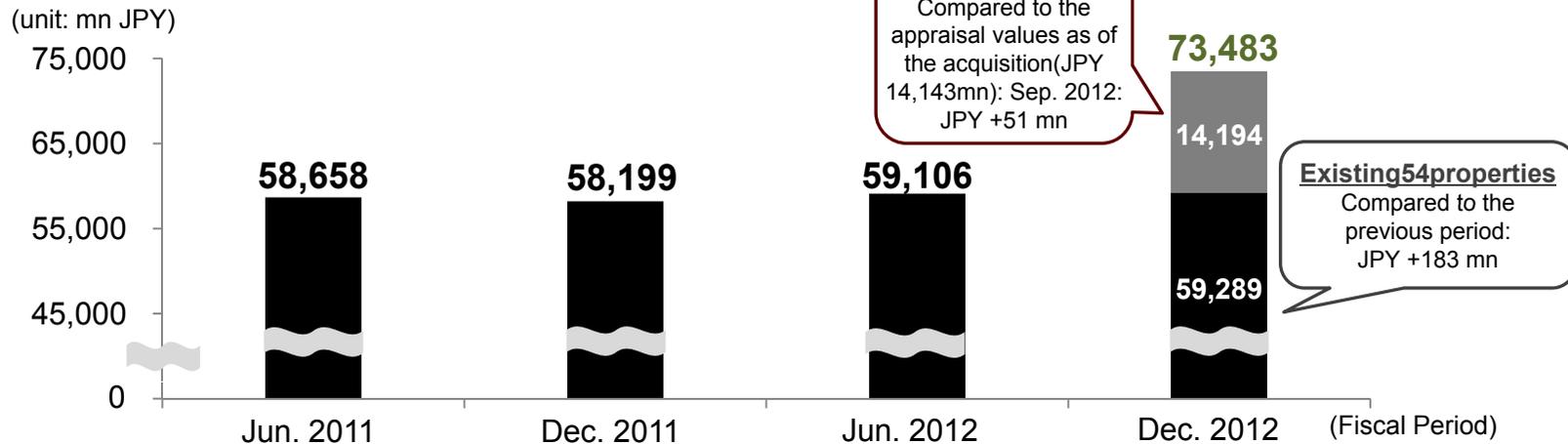
**NOI** (Note 1)

<Dec. 2012: JPY **1,800** mn (Compared to the previous period: JPY: **+236** mn)>



**Appraisal Values** (Note 1)

<Dec. 2012: JPY **73,483** mn (Compared to the previous period: JPY **+14,377** mn)>



(Note 1) Figures are calculated excluding the effect of New Edobashi Building which was sold as of October 21, 2011.

(Note 2) Figures are rounded down to the indicated unit.

# Major Unitholders (TOP 10)

18th Fiscal Period (As of Jun. 30, 2012)		
Name	Number of units held	(%)
1 Calliope Godo Kaisha	609,942	45.23
2 JP MORGAN CHASE BANK 380180	136,248	10.10
3 New Mission Funding G.K.	129,400	9.59
4 PROSPECT JAPAN FUND LIMITED	61,165	4.53
5 The Nomura Trust and Banking Co., Ltd. (investment trust account)	59,912	4.44
6 Japan Trustee Services Bank, Ltd. (trust account)	39,306	2.91
7 CGML - IPB CUSTOMER COLLATERAL ACCOUNT	17,094	1.26
8 Trust & Custody Services Bank, Ltd. (securities investment account)	15,936	1.18
9 The Master Trust Bank of Japan, Ltd. (trust account)	13,428	0.99
10 MELLON BANK TREATY CLIENTS OMNIBUS	13,050	0.96
<b>Total</b>	<b>1,095,481</b>	<b>81.24</b>
	Issued investment units	1,348,292

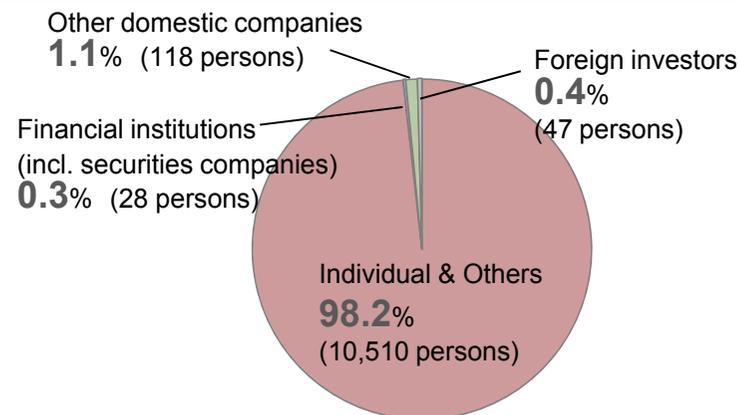
19th Fiscal Period (As of Dec. 31, 2012)		
Name	Number of units held	(%)
1 Calliope Godo Kaisha	609,942	45.23
2 New Mission Funding G.K.	129,400	9.59
3 PROSPECT JAPAN FUND LIMITED	105,496	7.82
4 JP MORGAN CHASE BANK 380180	67,280	4.99
5 Japan Trustee Services Bank, Ltd. (trust account)	52,239	3.87
6 The Nomura Trust and Banking Co., Ltd. (investment trust account)	46,992	3.48
7 MELLON BANK TREATY CLIENTS OMNIBUS	26,361	1.95
8 Trust & Custody Services Bank, Ltd. (securities investment account)	19,896	1.47
9 CGML - IPB CUSTOMER COLLATERAL ACCOUNT	17,337	1.28
10 The Master Trust Bank of Japan, Ltd. (trust account)	16,318	1.21
<b>Total</b>	<b>1,091,261</b>	<b>80.93</b>
	Issued investment units	1,348,292

(Note 1) Percentages (%) are rounded down to two decimal places.

(Note 2) Changes in major unitholding report was submitted by Prospect Asset Management, Inc. as of January 16, 2013, announcing that their holding ratio was decreased by 1.04 % to 15.84 %.

# Overview of Unitholders

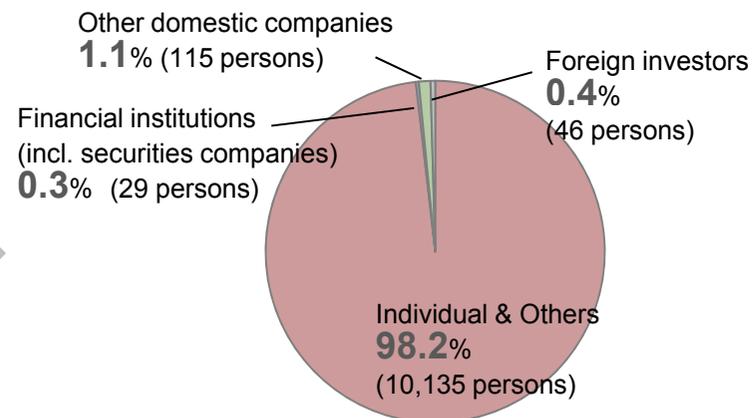
## Breakdown of number of unitholders by their status



As of the end of the 18th fiscal period (Jun. 2012)

Number of total unitholders: 10,703 persons

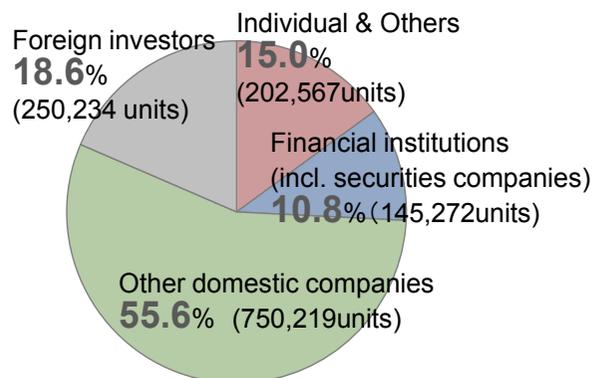
(Note) Percentages are rounded to one decimal place. The same shall apply hereinafter.



As of the end of the 19th fiscal period (Dec. 2012)

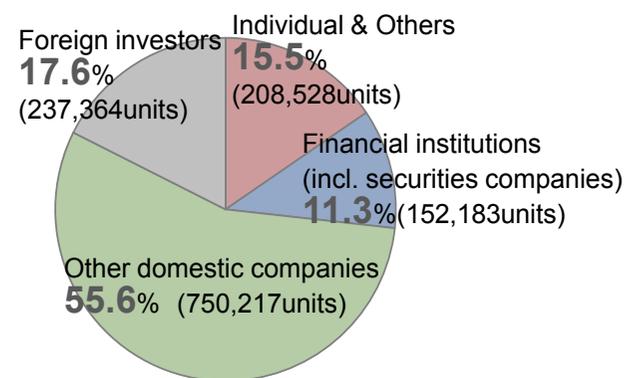
Number of total unitholders: 10,325 persons

## Breakdown of number of units held by the status of unitholders



As of the end of the 18th fiscal period (Jun. 2012)

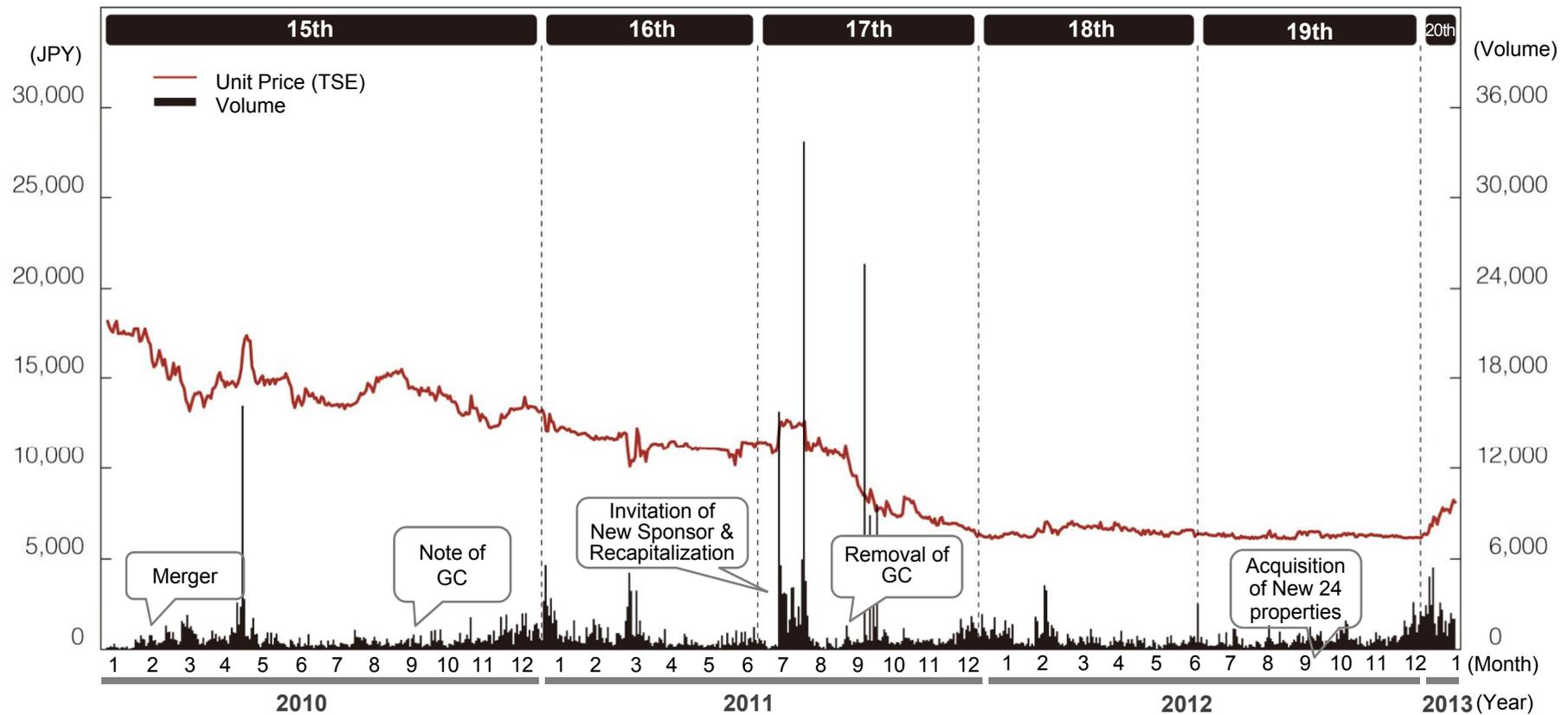
Issued investment units: 1,348,292 units



As of the end of the 19th fiscal period (Dec. 2012)

Issued investment units: 1,348,292 units

# Historical Unit Price



(Note 1) The unit price indicates the closing price on the TSE market.

(Note 2) Former TGR (INV) merged with former LCP effective on Feb. 1, 2010 and split its investment units with one investment unit into five unit.

(Note 3) For the purpose of providing continuity to the unit prices, the unit prices on or before Jan. 31, 2010 as indicated in the above chart are the figures adjusted by dividing the actual unit prices by five.

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# Appendix

# Section 1 Highlights of Performance

# Financial Metrics

Items	16th Fiscal Period	17th Fiscal Period	18th Fiscal Period	19th Fiscal Period
	2011/1/1- 2011/6/30	2011/7/1- 2011/12/31	2012/1/1- 2012/6/30	2012/7/1- 2012/12/31
Return on Asset (ROA)	-0.1%	-4.8%	0.2%	0.2%
annualized	-0.1%	-9.6%	0.4%	0.3%
Return on Equity (ROE)	-4.4%	-7.1%	0.4%	0.3%
annualized	-8.8%	-14.0%	0.8%	0.7%
Loan-to-Value (LTV 1)	62.6%	49.5%	49.4%	57.6%
Loan-to-Value based on total assets at the end of fiscal period (LTV 2)	58.2%	46.6%	46.7%	54.8%
Capital-to-Asset Ratio (fiscal year-end)	39.1%	48.4%	48.5%	40.7%
Net Operating Income (NOI) (ths JPY)	1,554,015	1,486,538	1,564,247	1,800,380
annualized NOI yield	4.4%	4.4%	5.0%	5.2%
Depreciation Expense (ths JPY)	428,247	422,084	411,685	480,622
Funds from Operation (FFO) (ths JPY)	369,542	-600,801	539,860	594,802

- ROA= Ordinary Income / Weighted Average Total Assets during the period x 100
- ROE= Net Income / Weighted Average Net Assets during the period x100
- LTV(1)= End-of-period Interest-Bearing Debt / (End-of-period Interest-Bearing Debt + Unitholders' Capital + Unitholders' Capital Surplus)x100
- LTV(2)= End-of-period Interest-Bearing Debt / End-of-period Total Assets x 100
- NOI= Rental Revenues - Property Related Expenses + Depreciation Expenses
- Annualized NOI yield=((Rental Revenues - Property Related Expenses + Depreciation Expenses)/ days during the period x 365)/ Acquisition Price
- FFO= Net Income + Depreciation Expenses + Other Amortization – Gain on Sales of Properties + Loss from Sales of Properties

(Note 1) FFO is calculated excluding the effects of "Impairment Loss" in the 16th Fiscal Period, and "Exit fees unpaid" in the 17th Fiscal Period, respectively.

(Note 2) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.

# Comparison between Forecast and Results for the 19th Fiscal Period

	19th fiscal period Initial Forecast (1) (Note 1) (2012/7/1- 2012/12/31)	19th fiscal period Forecast (2) (Note 1) (2012/7/1- 2012/12/31)	19th fiscal period Results (3) (2012/7/1- 2012/12/31)	(3) - (1)		(3) - (2)		20th fiscal period Forecast (2013/1/1- 2013/6/30)
				Changes	(%)	Changes	(%)	
<b>Days of Operation</b>	184	184	<b>184</b>	—	—	—	—	<b>181</b>
<b>No. of properties</b>	54	78	<b>78</b>	24	—	—	—	<b>78</b>
<b>Operating Revenues (ths JPY)</b>	2,161	2,464	<b>2,476</b>	314	14.6	11	0.5	<b>2,761</b>
<b>Operating Income (ths JPY)</b>	858	1,020	<b>1,084</b>	225	26.3	63	6.3	<b>1,183</b>
<b>Ordinary Income (ths JPY)</b>	81	48	<b>114</b>	32	40.1	66	138.9	<b>280</b>
<b>Net Income (ths JPY)</b>	81	47	<b>114</b>	32	40.4	66	141.1	<b>280</b>
<b>Distribution per Unit (JPY)</b>	177	72	<b>117</b>	- 60	- 33.9	45	62.5	<b>200</b>
<b>Reversal of Surplus(ths JPY)</b>	157	49	<b>43</b>	- 113	- 72.3	- 6	- 12.4	<b>—</b>
<b>Surplus after the Distributions for each fiscal period (ths JPY)</b>	0	107	<b>114</b>	113	—	6	5.7	<b>124</b>
<b>Issued Investment Unit</b>	1,348,292	1,348,292	<b>1,348,292</b>	—	—	—	—	<b>1,348,292</b>

(Note 1) "Initial Forecast (1)" is the forecast for the 19th fiscal period ended Dec. 31, 2012 reported in the financial summary (*Kessan-Tanshin*) dated Aug. 28, 2012. "Forecast (2)" is the forecast for the 19th fiscal period ended Dec. 31, 2012 announced in the press release dated Dec. 20, 2012. In addition, "Forecast" in the right end is the forecast for the 20th fiscal period ending Jun. 30, 2013 reported in the financial summary (*Kessan-Tanshin*) dated Feb. 27, 2013.

(Note 2) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.

Difference between the Initial Forecast  
(as of Aug. 27, 2012)  
and Results for the 19th fiscal period

	19 <sup>th</sup> fiscal period Initial Forecast (Dec. 2012) as of Aug. 27, 2012	19 <sup>th</sup> fiscal period Results (Dec. 2012)	Changes	Reasons for changes
No. of Properties	<b>54</b>	<b>78</b>	<b>+24</b>	No. of Properties was increased due to the acquisition of new 24 properties dated September 28, 2012.
Operating Revenues	JPY <b>2,161</b> mn	JPY <b>2,476</b> mn	JPY <b>+314</b> mn	Revenues were increased mainly due to the acquisition of new 24 properties.
Operating Expenses	JPY <b>1,303</b> mn	JPY <b>1,392</b> mn	JPY <b>+88</b> mn	While asset management fees were reduced (JPY -19 mn) and conservatively estimated repair costs were decreased (JPY -17 mn), expenses were increased mainly due to the expenses associated with the acquisition of new 24 properties (JPY +122 mn) .
Operating Income	JPY <b>858</b> mn	JPY <b>1,084</b> mn	JPY <b>+225</b> mn	
Non-Operating Expenses	JPY <b>776</b> mn	JPY <b>972</b> mn	JPY <b>+195</b> mn	
Interest Expenses	JPY <b>699</b> mn	JPY <b>763</b> mn	JPY <b>+63</b> mn	Increased due to the effect of new debt financing and refinancing with the increased loan amount.
Finance Related Costs	JPY <b>75</b> mn	JPY <b>208</b> mn	JPY <b>+132</b> mn	Increased mainly due to temporary costs in the amount of JPY 120 mn, associated with refinancing.
Net Income	JPY <b>81</b> mn	JPY <b>114</b> mn	JPY <b>+32</b> mn	Temporary costs were increased due to the acquisition of new 24 properties.
EPS	JPY <b>60</b>	JPY <b>85</b>	JPY <b>+25</b>	
Reversal of Surplus per Unit	JPY <b>117</b>	JPY <b>32</b>	JPY <b>-85</b>	Limited utilization of the Surplus as a result of the policy that focuses on ensuring the stability of the distribution amount in the mid-term.
Distribution per Unit	JPY <b>177</b>	JPY <b>117</b>	JPY <b>-60</b>	
NOI yield	<b>4.8%</b>	<b>5.2%</b>	<b>+0.4%</b>	

Difference between Forecast  
(as of Dec. 20, 2012)  
and Results for the 19th fiscal period

	19th fiscal period (Dec. 2012) Forecast As of Dec. 20, 2012	19th fiscal period (Dec. 2012) Results	Changes	Reasons of Changes
No. of Properties	78	78	—	
Operating Revenues	JPY 2,464 mn	JPY 2,476 mn	JPY+11 mn	Increased due to the fact that the revenues in relation to fees for restoration were conservatively estimated.
Operating Expenses	JPY 1,444 mn	JPY 1,392 mn	JPY-52 mn	Decreased by JPY 26 mn due to the fact that the repair costs and the costs incurred for promoting the leasing activities (such as costs of construction work for restoration, fees payable for new contracts and advertising expenses) in connection with change in tenants were conservatively estimated. Also, due to change in the calculation method for the amount of consumption tax credit in relation to that imposed on purchase amount, the depreciation expenses and taxes and other public charges were decreased by JPY 9 mn in total.
Operating Income	JPY 1,020 mn	JPY 1,084 mn	JPY+63 mn	
Non-Operating Expenses	JPY 973 mn	JPY 972 mn	—	
Interest Expenses	JPY 762 mn	JPY 763 mn	—	
Finance Related Costs	JPY 209 mn	JPY 208 mn	—	
Net Income	JPY 47 mn	JPY 114 mn	JPY +66 mn	
EPS	JPY 35	JPY 85	JPY +50	
Reversal of Surplus per Unit	JPY 37	JPY 32	JPY -5	By utilizing a part of the Surplus in the amount of JPY 43 mn for payment of distribution, in addition to the Net Income, the total amount of JPY 157 mn was determined to be distributed, and the amount of the distribution per unit was JPY 117.
Distribution per Unit	JPY 72	JPY 117	JPY +45	
NOI yield	5.0 %	5.2 %	+0.2 %	

# Forecast for the 20th Fiscal Period (as of Feb. 27, 2013)

	19th Fiscal Period (Results)		20th Fiscal Period (Forecast)		Changes	
	2012/7/1- 2012/12/31		2013/1/1- 2013/6/30			
	Ths JPY	%	Ths JPY	%	Ths JPY	%
Operating revenues	2,476,430	100.0	2,761,000	100.0	284,570	11.5
Rental revenues (1)	2,476,430	100.0	2,761,000	100.0	284,570	
Operating expenses	1,392,258	56.2	1,578,000	57.2	185,742	13.3
Property related expenses (2)	1,156,672		1,339,000		182,328	
Facilities management fees	403,390		471,000		67,610	
Taxes and other public charges	141,455		155,000		13,545	
Insurance expenses	4,677		5,000		323	
Other expenses	126,526		168,000		41,474	
Depreciation expenses (3)	480,622		537,000		56,378	
NOI (1)-(2)+(3)	1,800,380		1,959,000		158,620	
Rental income (1)-(2)	1,319,757		1,422,000		102,243	
Asset management fees	130,067		125,000		-5,067	
Other operating expenses	105,517		114,000		8,483	
Operating income	1,084,171	43.8	1,183,000	42.8	98,829	9.1
Non-operating revenues	3,391	0.1	0	0.0	-3,391	-100.0
Non-operating expenses	972,778	39.3	902,000	32.7	-70,778	-7.3
Ordinary income	114,784	4.6	280,000	10.2	165,216	143.9
Income before income taxes	114,784	4.6	280,000	10.2	165,216	143.9
Income and other taxes	604	0.0	0	0.0	-604	-100.0
Net income	114,179	4.6	280,000	10.1	165,821	145.2

(Note 1) In order to enhance the stability of maintaining the distribution amount at the same level as before in the mid-term, Distribution per Unit will be JPY 200, which is the same amount as the previous forecast (as of Sep. 26, 2012), out of Net Income per Unit of JPY 207 under the policy to retain some net income as a reserve for future distributions.

(Note 2) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place. Furthermore, figures of the 20th Fiscal Period (Forecasts) are rounded down to the million JPY.

(Note 3) If INV decides to acquire or dispose a property, INV will review and revise the forecast and will disclose the revised forecast in compliance with the rules of Tokyo Stock Exchange.

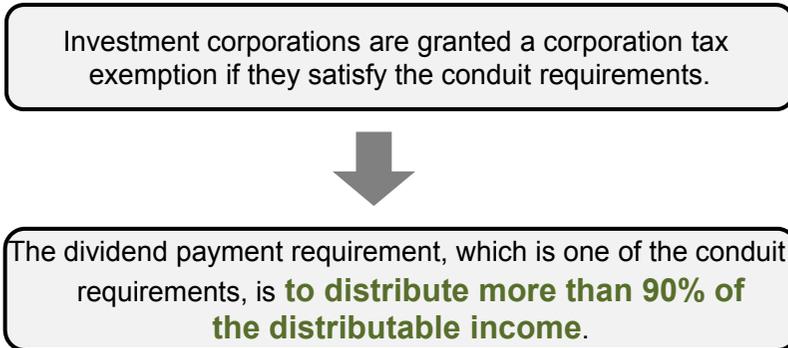
**Forecasted Distribution  
for the 20th fiscal period**  
**JPY 200** per unit (Note 1)

## Difference between Results for the 19th fiscal period and Forecast for the 20th fiscal period

	19th fiscal period (Dec. 2012) Results	20th fiscal period (Jun. 2013) Forecast as of Feb. 27, 2013	Changes	Reasons for changes
No. of Properties	78	78	—	
Operating Revenues	JPY 2,476 mn	JPY 2,761 mn	JPY+284mn	Revenues from the new 24 properties will contribute to the revenues throughout the entire 20th fiscal period whereas they only contributed to the revenues for 95 days out of the 184 days in the 19th fiscal period. Moreover, other miscellaneous revenues, including revenues from key money, are expected to increase due to the fact that the 20th fiscal period includes February and March, which are the busy period for the rental market.
Operating Expenses	JPY 1,392 mn	JPY 1,578 mn	JPY+185mn	Administration related expenses for INV (asset management fees, administrative service fees and expert fees) are expected to decrease by JPY 12 mn. However, Operating Expenses are expected to increase by JPY 185 mn due to increase in various asset related expenses for the new 24 properties and in other expenses affected by seasonal factors.
Operating Income	JPY 1,084 mn	JPY 1,183 mn	JPY +98mn	
Non-Operating Expenses	JPY 972 mn	JPY 902 mn	JPY - 70mn	
Interest Expenses	JPY 763 mn	JPY 803 mn	JPY +39mn	Expected to increase due to the effect of new debt financing and refinancing with the increased loan amount in the 19th fiscal period.
Finance Related Costs	JPY 208 mn	JPY 98 mn	JPY -110mn	While the effect of new debt financing and refinancing with the increased loan amount is expected to contribute to increase, temporary costs in the amount JPY 120 mn associated with the new debt financing and refinancing with the increased loan amount were recorded in the 19th fiscal period. Therefore, there will be a decrease in the 20th fiscal period to the extent of that recorded amount.
Net Income	JPY 114 mn	JPY 280 mn	JPY+165mn	Mainly due to the fact that revenues from the new 24 properties will contribute to the revenues throughout the entire 20th fiscal period.
EPS	JPY 85	JPY 207	JPY+122	
Reversal of Surplus per Unit	JPY 32	—	JPY-32	Net Income per Unit is expected to exceed JPY 200 without utilizing the Surplus.
Distribution per Unit	JPY 117	JPY 200	JPY+83	JPY 7 out of JPY 207 of EPS will be retained as a reserve for the future distribution in order to ensure the stability of the distribution amount in the mid-term.
NOI yield	5.2%	5.1%	-0.1%	

Capital Expenditure	JPY 118 mn (of which 54 properties are existing properties: JPY117 mn/ of which 24 properties are new properties: JPY 0.2 mn)	JPY 198 mn (of which 54 properties are existing properties: JPY 195 mn/ of which 24 properties are new properties: JPY 3 mn)	JPY80mn	Expected to increase due to the fact that (i) the large-scale repair of the Ohki Aoba Building (JPY 21,000 thousand for the air conditioning renewal, JPY 10,930 thousand for the maintenance construction for mechanical parking equipment), the Lexington Plaza Nishigotanda (JPY 16,000 thousand for renewal of fire extinguishing equipment), and the Kindai Kagakusha Building (JPY 11,600 thousand for the air conditioning renewal) are planned and (ii) renewing equipment is expected for some other properties (Nisshin Palacestage Daitabashi, Nisshin Palacestage Higashi-Nagasaki).
Repair costs	JPY 29 mn (of which 54 properties are existing properties: JPY 29 mn/ of which 24 properties are new properties: JPY 0.6 mn)	JPY 50 mn (of which 54 properties are existing properties: JPY 37mn / of which 24 properties are new properties: JPY 12mn)	JPY20mn	Attributable to (i) the increased repair costs associated with operations of new 24 properties throughout the entire 20th fiscal period, and (ii) the conservatively recorded repair costs commensurate with age-related deterioration for some properties, which are over 15 years old.
Total	JPY 148 mn	JPY 249 mn	JPY101mn	

## Conduit Requirements



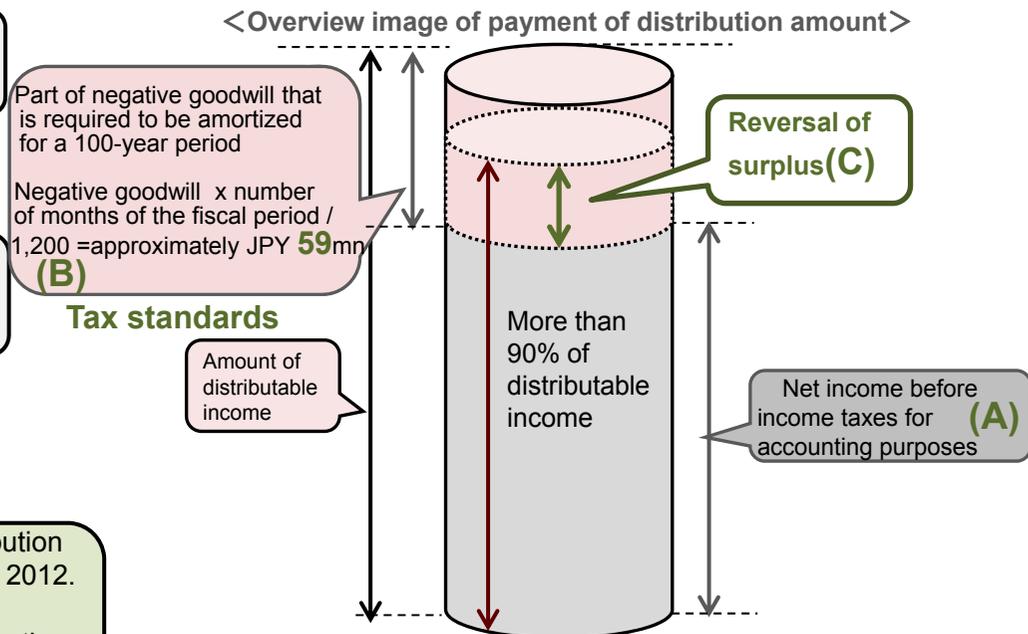
## INV Situation

INV revised its Articles of Incorporation in relation to the distribution policy, as resolved at its unitholders' meeting held on Nov. 30, 2012.

Regarding the conduit requirements, with respect to the satisfaction of the dividend payment requirement, which is one of the conduit requirements, INV takes into account, as much as possible, the satisfaction of this requirement, but **INV believes that INV should place more emphasis on Ensuring the stability of distribution amounts in the mid-term,** and in the case INV determines that it is necessary to do so in that respect, INV may determine the distribution amount in a way that does not satisfy the dividend payment requirement.

Since INV has a loss carried forward for tax purposes totaling JPY 20,561 mn(as at the end of the 19th fiscal period), no corporation tax will be levied for a certain period even if INV does not satisfy the conduit requirements.

## Payment of distribution by INV in and after the 20th fiscal period (ending Jun. 2013)



- ❑ The amount of distributable income of INV is the amount calculated by adding part of negative goodwill (B) to Net Income before income taxes (A)
- ❑ For satisfaction of the conduit requirements, it is necessary to distribute more than  $((A)+(B)) \times 90\%$ .

Until now, INV has made distribution in the amount that satisfies the conduit requirements by utilizing **the reversal of surplus (C)** but from the 20th fiscal period, INV's policy is to ensure stabilized distribution (approximately JPY 200 of distribution per unit ) in the mid-term only from (A).

# Distributions for the 19th fiscal period and the 20th fiscal period

	19th fiscal period (Dec. 2012)	20th fiscal period (Jun. 2013) Forecast
Dividend Payment Requirement	Satisfied	(Reference) in the case satisfied <b>Not satisfied</b>
Net Income Before Income Taxes (A)	JPY 114 mn	JPY 280 mn
Amount Added in the fiscal period (B)	JPY +59 mn	JPY +59 mn
Amount of Distributable Income (A) + (B)	JPY 174 mn	JPY 339 mn
Ratio for Discriminate (α)	90.66 %	90.04 %
Amount of Distribution((A) + (B)) × (α)	JPY 157 mn	JPY 306 mn
EPS	JPY 85	JPY 207
(Breakdown)	JPY 114 mn	JPY 280 mn
Reversal of Surplus (c)	JPY 43 mn	JPY 25 mn

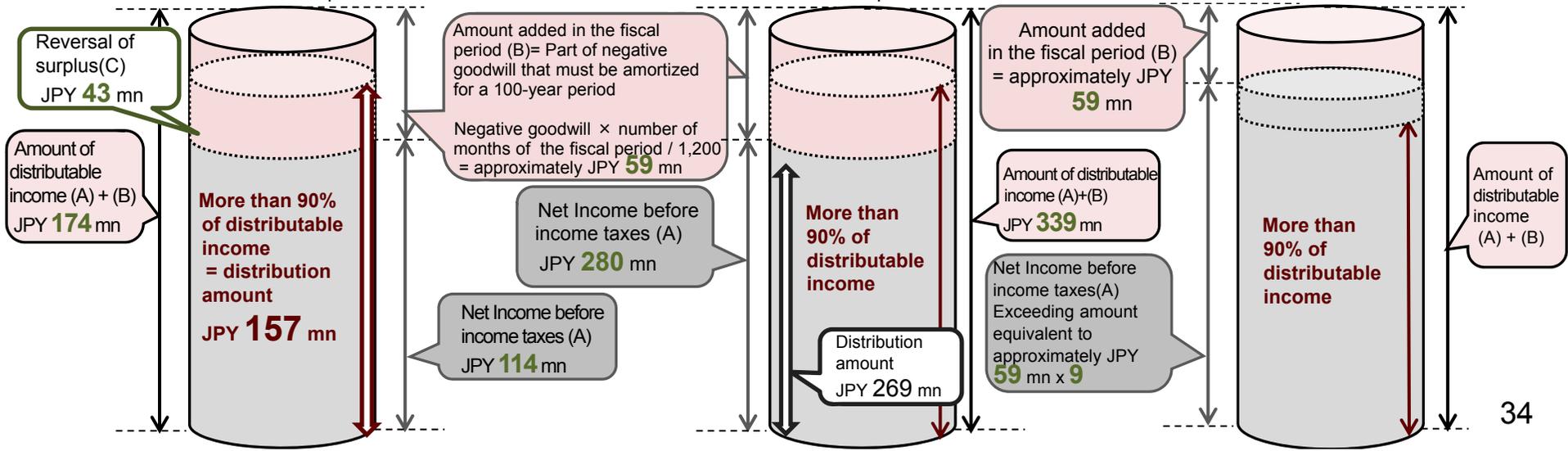
INV will not satisfy the dividend payment requirement for the 20th fiscal period.  
 Distribute JPY 200 per unit x 1,348,292, which is total number of issued investment units=JPY269mn

(Note)  
 If the (amount of distributable income (A) + (B)) x 90% is less than Net Income before income taxes (A), i.e., Net Income before income taxes (A) exceeds the amount equivalent to approximately JPY 59 mn x 9, it is possible to satisfy the dividend payment requirement without the reversal of surplus.

<Overview image of payment of distribution amount for the 19th fiscal period>

<Overview image of payment of distribution amount for 20th fiscal period>

<Overview image of (Note)>



## Section 2 **Financial Statements** **for the 19th Fiscal Period**



# Income Statement

Items	18th Fiscal Period		19th Fiscal Period		Changes	
	2012/1/1- 2012/06/30		2012/7/1 2012/12/31			
	Ths JPY	%	Ths JPY	%	Ths JPY	%
Operating revenues	2,176,839	100.0	2,476,430	100.0	299,590	13.8
Rental revenues (1)	2,176,839		2,476,430		299,590	
Operating expenses	1,282,766	58.9	1,392,258	56.2	109,491	8.5
Property related expenses (2)	1,024,277		1,156,672		132,395	
Depreciation expenses (3)	411,685		480,622		68,937	
NOI(1)-(2)+(3)	1,564,247		1,800,380		236,132	
Directors' remuneration	4,800		4,800		-	
Asset management fees	150,000		130,067		-19,932	
Asset custodian fees	3,328		3,351		23	
Administrative service fees	25,273		24,781		-491	
Provision of allowance for doubtful accounts	646		797		150	
Bad debt expenses	1,137		-		-1,137	
Other operating expenses	73,303		71,786		-1,516	
Operating income / loss	894,072	41.1	1,084,171	43.8	190,099	21.3
Non-operating revenues	2,390	0.1	3,391	0.1	1,000	41.9
Interest revenues	515		487		-28	
Miscellaneous income	1,875		2,904		1,028	
Non-operating expenses	770,482	35.4	972,778	39.3	202,296	26.3
Interest expenses	695,689		763,201		67,511	
Finance related costs	73,562		208,347		134,784	
Public listing related costs	1,230		1,230		-	
Ordinary income / loss	125,981	5.8	114,784	4.6	-11,196	-8.9
Income / loss before income taxes	125,981	5.8	114,784	4.6	-11,196	-8.9
Corporate tax, etc.	-2,194		604		2,798	
Net income / loss	128,175	5.9	114,179	4.6	-13,995	-10.9
Retained earnings at the beginning of the period	299,171		157,688		-141,483	
Unappropriated retained earnings / loss at the end of the period	427,346		271,868		-155,478	

(Note) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.

## Difference between Results for the 18th fiscal period and the 19th fiscal period

	18 <sup>th</sup> fiscal period (Jun. 2012) Results	19 <sup>th</sup> fiscal period (Dec. 2012) Results	Changes	Reasons for changes
No. of Properties	<b>54</b>	<b>78</b>	<b>24</b>	No. of Properties was increased due to the acquisition of new 24 properties dated September 28, 2012.
Operating Revenues	JPY <b>2,176</b> mn	JPY <b>2,476</b> mn	JPY <b>+299</b> mn	Revenues were increased mainly due to the acquisition of new 24 properties.
Operating Expenses	JPY <b>1,282</b> mn	JPY <b>1,392</b> mn	JPY <b>+109</b> mn	While asset management fees were reduced (JPY -19mn) and cost reductions (JPY -24 mn) were achieved, expenses were increased due to the acquisition of new 24 properties.
Operating Income	JPY <b>894</b> mn	JPY <b>1,084</b> mn	JPY <b>+190</b> mn	
Non-Operating Expenses	JPY <b>770</b> mn	JPY <b>972</b> mn	JPY <b>+202</b> mn	
Interest Expenses	JPY <b>695</b> mn	JPY <b>763</b> mn	JPY <b>+67</b> mn	Increased due to the effect of new debt financing and refinancing with the increased loan amount.
Finance Related Costs	JPY <b>73</b> mn	JPY <b>208</b> mn	JPY <b>+134</b> mn	Increased mainly due to temporary costs in the amount of JPY 120 mn associated with refinancing.
Net Income	JPY <b>128</b> mn	JPY <b>114</b> mn	JPY <b>-13</b> mn	Temporary costs were increased due to the acquisition of new 24 properties.
EPS	JPY <b>95</b>	JPY <b>85</b>	JPY <b>-10</b>	
Reversal of Surplus per Unit	JPY <b>105</b>	JPY <b>32</b>	JPY <b>-73</b>	Limited utilization of the Surplus as a result of the policy that focuses on ensuring the stability of the distribution amount in the mid-term.
Distribution per Unit	JPY <b>200</b>	JPY <b>117</b>	JPY <b>-83</b>	Temporary costs were increased due to the acquisition of new 24 properties.
NOI yield	<b>5.0%</b>	<b>5.2%</b>	<b>+0.2%</b>	

# Balance Sheet – Assets

Items	18th Fiscal Period		19th Fiscal Period		Changes	
	(As of Jun. 30, 2012)		(As of Dec. 31, 2012)			
	Ths JPY	%	Ths JPY	%	Ths JPY	%
<b>Assets</b>						
<b>Current assets</b>						
Cash and deposits	3,080,041		745,429		-2,334,611	
Cash and deposits in trust	2,130,105		2,786,480		656,375	
Accounts receivables	19,103		18,370		-733	
Advances paid	208		664		456	
Deposits paid	696,804		690,495		-6,308	
Prepaid expenses	164,645		208,056		43,411	
Consumption tax receivable	23,311		115,447		92,135	
Allowance for doubtful accounts	-831		-797		33	
<b>Total current assets</b>	<b>6,113,388</b>	<b>9.0</b>	<b>4,564,147</b>	<b>5.7</b>	<b>-1,549,240</b>	<b>-25.3</b>
<b>Non-current assets</b>						
Property, plant and equipment, at cost						
Buildings	2,544,613		2,517,007		-27,605	
Equipment	29,539		26,566		-2,973	
Building improvements	2,726		2,587		-139	
Land	2,713,620		2,713,620		-	
Buildings in trust	21,488,840		27,882,085		6,393,245	
Equipment in trust	3,209,656		5,328,309		2,118,653	
Building improvements in trust	175,265		220,693		45,428	
Tools, furniture and fixtures in trust	61,305		69,443		8,138	
Land in trust	31,056,639		36,582,527		5,525,888	
<b>Total property, plant and equipment, at cost</b>	<b>61,282,207</b>	<b>90.5</b>	<b>75,342,842</b>	<b>93.9</b>	<b>14,060,634</b>	<b>22.9</b>
Intangible assets						
Others	621		244		-377	
<b>Total intangible assets</b>	<b>621</b>	<b>0.0</b>	<b>244</b>	<b>0.0</b>	<b>-377</b>	<b>-60.7</b>
Investment and other assets						
Guarantee deposits	10,000		10,000		-	
Long-term prepaid expenses	263,982		253,406		-10,576	
Others	28,686		29,381		694	
<b>Total investment and other assets</b>	<b>302,669</b>	<b>0.4</b>	<b>292,787</b>	<b>0.4</b>	<b>-9,881</b>	<b>-3.3</b>
<b>Total non-current assets</b>	<b>61,585,498</b>	<b>91.0</b>	<b>75,635,874</b>	<b>94.3</b>	<b>14,050,376</b>	<b>22.8</b>
<b>Total assets</b>	<b>67,698,887</b>	<b>100.0</b>	<b>80,200,022</b>	<b>100.0</b>	<b>12,501,135</b>	<b>18.5</b>

(Note) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.

# Balance Sheet – Liabilities/ Net Assets

Items	18th Fiscal Period		19th Fiscal Period		Changes	
	(As of Jun. 30, 2012)		(As of Dec. 31, 2012)			
	Ths JPY	%	Ths JPY	%	Ths JPY	%
<b>Liabilities</b>						
Current liabilities						
Accounts payable	76,887		133,791		56,904	
Current portion of long-term debts	262,000		262,000		-	
Accrued liabilities	6,062		18,748		12,685	
Accrued expenses	371,854		362,514		-9,340	
Accrued income taxes	506		503		-3	
Advances received	288,162		378,770		90,607	
Deposits received	3,307		5,268		1,960	
Total current liabilities	1,008,782	1.5	1,161,597	1.4	152,815	15.1
Non-current liabilities						
Long-term debts	20,341,500		22,760,500		2,419,000	
Long-term debts in trust	11,000,000		20,960,000		9,960,000	
Tenant leasehold and security deposits in trust	925,696		1,059,315		133,618	
Tenant leasehold and security deposits	183,579		183,579		-	
Long-term accrued expenses	1,413,153		1,404,333		-8,820	
Total non-current liabilities	33,863,929	50.0	46,367,728	57.8	12,503,798	36.9
<b>Total liabilities</b>	<b>34,872,711</b>	<b>51.5</b>	<b>47,529,325</b>	<b>59.3</b>	<b>12,656,613</b>	<b>36.3</b>
<b>Net assets</b>						
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		-155,478	
Total surplus	6,691,778	9.9	6,536,300	8.1	-155,478	-2.3
Total unitholders' equity	32,826,175	48.5	32,670,697	40.7	-155,478	-0.5
<b>Total net assets</b>	<b>32,826,175</b>	<b>48.5</b>	<b>32,670,697</b>	<b>40.7</b>	<b>-155,478</b>	<b>-0.5</b>
<b>Total liabilities and net assets</b>	<b>67,698,887</b>	<b>100.0</b>	<b>80,200,022</b>	<b>100.0</b>	<b>12,501,135</b>	<b>18.5</b>

The end of the 19<sup>th</sup> fiscal period  
**Net assets per unit**  
**JPY 24,231**  
 (Issued investment units: 1,348,292 units)

(Note) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.

# Cash Flow Statement / Financial Statements pertaining to Distribution of Monies

Items	18th Fiscal Period		19th Fiscal Period	
	2012/1/1	2012/7/31	2012/7/31	2012/12/31
	2012/6/30	2012/12/31		
	Ths JPY		Ths JPY	
<i>Cash flows from operating activities</i>				
Net income (loss) before taxes		125,981		114,784
Depreciation expenses		412,110		481,000
Public listing related costs		1,230		1,230
Finance related costs		73,562		208,347
Amortization of tenant leasehold and security deposits in trust		(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 taxes		(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
Decrease due to sale of tangible assets in trust		-		0
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)
<i>Cash flows from operating activities</i>		462,441		878,909
<i>Cash flows from investment activities</i>				
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)
<i>Cash flows from investment activities</i>		(42,810)		(14,412,815)
<i>Cash flows from financing activities</i>				
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
Public listing related costs		(1,230)		(1,230)
Finance related costs		(10,452)		(251,904)
Payment of distributions		(270,167)		(270,196)
<i>Cash flows from financing activities</i>		(412,849)		11,855,670
<i>Increase (decrease) in cash and cash equivalents</i>		6,780		(1,678,236)
<i>Beginning balance of cash and cash equivalents</i>		5,203,366		5,210,146
<i>Closing balance of cash and cash equivalents</i>		5,210,146		3,531,910

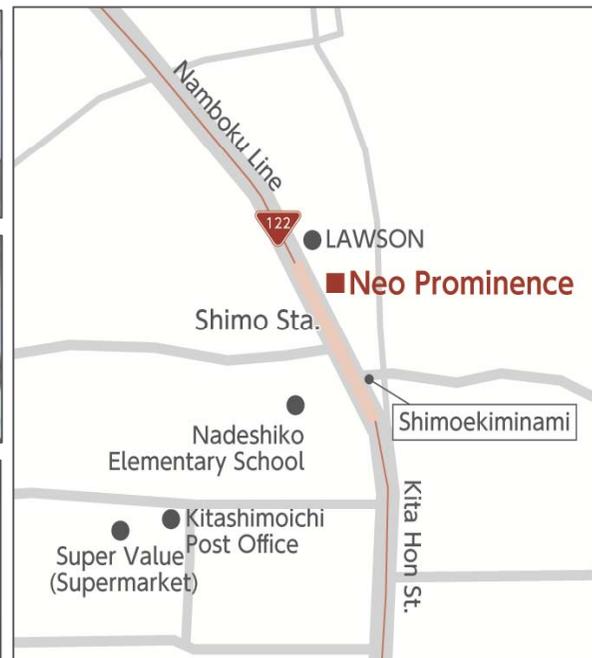
Items		18th Fiscal Period		19th Fiscal Period	
		2012/1/1	2012/6/30	2012/1/1	2012/12/31
Unappropriated retained earnings	(Ths JPY)		427,346		271,868
Distributions	(Ths JPY)		269,658		157,750
Distribution per unit	(JPY)		200		117
Retained earnings carried forward	(Ths JPY)		157,688		114,118

(Note) Figures are rounded down to the indicated.



## Section 3 Overview of New 24 Properties

## A76 Neo Prominence

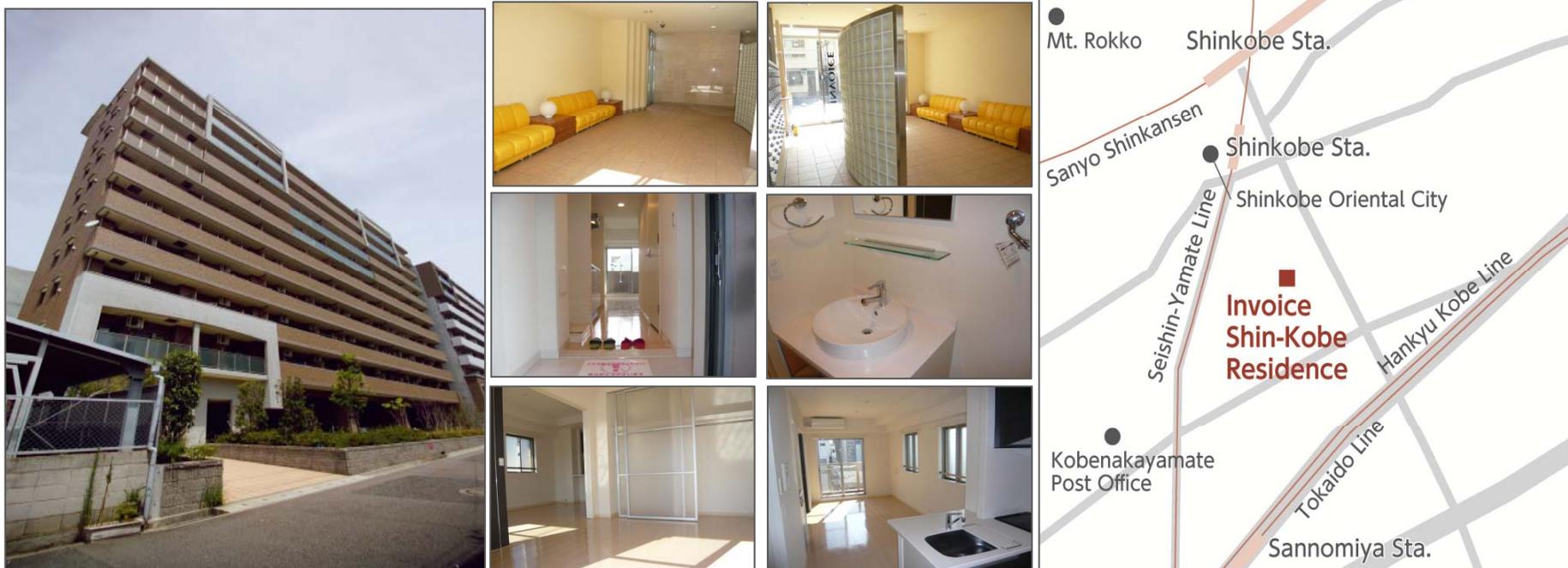


Location	3-21-5 Shimo, Kita Ward, Tokyo		
Transport Access	About 1 minute walk from Shimo Station on Tokyo Metro Namboku Line		
Structure & Floors	Steel-reinforced concrete, roof deck, 12 stories	Completion Date	Apr. 4, 1994
Total Leasable Area	3,574.70 m <sup>2</sup>	Total Leasable Units	52
Appraisal Value	JPY 1,670 mn	Acquisition Price	JPY 1,660 mn
NOI (Note)	JPY 27 mn	Price Per Unit Area	JPY 8,767
Occupancy Rate	94.8 %		

(Note) The term of calculation of NOI is from Sep. 28, 2012 to Dec. 31, 2012.

- The property is about 1 minute's walk from Shimo Station on the Tokyo Metro Namboku Line.
- JR Akabane Station is also an option for residents and so access to places such as Ikebukuro and Shinjuku is also good.
- The residential units are suitable for families, centering on 3LDK of around 60m<sup>2</sup> (43units).
- The property is a rental apartment with shops (family restaurant and beauty parlor) on the lower floor.
- Nearby are facilities such as large supermarkets, convenience stores and a post office, making the property excellent also in terms of living convenience.
- Demand from families is expected that seek rents that are more reasonable than downtown areas in addition to the preciousness since there are few competitive properties nearby.
- Pets allowed.
- 2 lifts.
- By Seller's expense, implemented large-scale repairs, including outer wall repair, replacement of shared corridor sheet, iron parts paint and waterproof construction.

## A77 Invoice Shin-Kobe Residence

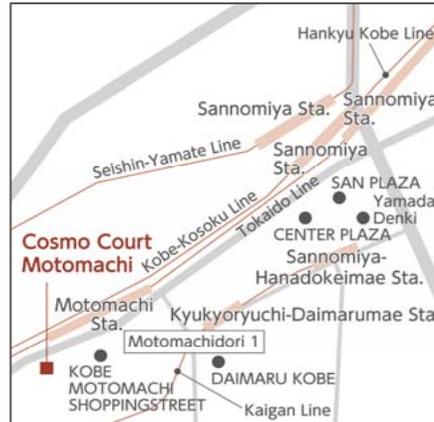


Location	3-3-8 Ikutacho, Chuo Ward, Kobe City, Hyogo Prefecture		
Transport Access	About 6 minute walk from Shin-Kobe Station on Kobe Municipal Subway Seishin-Yamate Line		
Structure & Floors	Reinforced concrete, roof deck, 10 stories	Completion Date	Jan. 24, 2007
Total Leasable Area	2,773.71 m <sup>2</sup>	Total Leasable Units	81
Appraisal Value	JPY 1,260 mn	Acquisition Price	JPY 1,260 mn
NOI (Note)	JPY 21 mn	Price Per Unit Area	JPY 9,450
Occupancy Rate	99.1 %		

(Note) The term of calculation of NOI is from Sep. 28, 2012 to Dec. 31, 2012.

- It takes 2 minutes by the train from Shin-Kobe Subway Station, which is the nearest to the property, to Sannomiya Subway Station, and Shin-Kobe Subway Station is connected to Shin-Kobe Station on the Sanyo Shinkansen Line where the Nozomi train service is available. Therefore, there is excellent access to locations across the country.
- The south side of Shin-Kobe Station is directly connected to Shin-Kobe Oriental City which is a hotel, shopping and theater complex. On the north side sits Mount Rokko.
- As Sannomiya Station on JR Tokaido Main Line, the central area of administration and economy in Hyogo Prefecture, is only about a 12 minute walk away from the property, demand from the tenants is expected.
- The property is a relatively large rental apartment for single persons and DINKS consisting of 1K (27units) and ILDK (54units), which is popular.
- All units face south-southeast.

## A78 Cosmo Court Motomachi



Location	3-12-20 Motomachi Dori, Chuo Ward, Kobe City, Hyogo Prefecture		
Transport Access	About 1 minute walk from Motomachi Station on JR Kobe Line		
Structure & Floors	Reinforced concrete, roof deck, 13 stories with basement	Completion Date	Mar. 6, 2007
Total Leasable Area	2,310.49 m <sup>2</sup>	Total Leasable Units	82
Appraisal Value	JPY 981 mn	Acquisition Price	JPY 973 mn
NOI (Note)	JPY 17 mn	Price Per Unit Area	JPY 8,993
Occupancy Rate	97.5 %		

- The property is located approximately 1 minute's walk from Motomachi Station on the JR Tokaido Main Line and has good access to the nearest train station.
- It takes approximately 1 minute to Sannomiya Station, which is the central area of the prefecture's administration and economy, from Motomachi Station. In addition to JR, access to the Hankyu Kobe Line and Hanshin Main Line is also excellent.
- The JR Motomachi Station area is a busy area where commercial facilities such as department stores and large electronics retail stores are located, and the area is also near to Motomachi Chinatown.
- Rental apartment targeting single persons and consisting of 82 1K units.
- Many tenants reside for medium- to long-term and the occupancy rate is stable.

## A81 Sun Terrace Minami Ikebukuro



Location	2-22-6 Minami Ikebukuro, Toshima Ward, Tokyo		
Transport Access	About 5 minute walk from Ikebukuro Station on JR Yamanote Line, Tokyo Metro Marunouchi Line and other lines.		
Structure & Floors	Steel-reinforced concrete, roof deck, 11 stories	Completion Date	Feb. 28, 1998
Total Leasable Area	898.70 m <sup>2</sup>	Total Leasable Units	38
Appraisal Value	JPY 625 mn	Acquisition Price	JPY 625 mn
NOI (Note)	JPY 7 mn	Price Per Unit Area	JPY 12,536
Occupancy Rate	100.0 %		

- The property is located approximately 5 minutes' walk from Ikebukuro Station, which is one of Tokyo's terminal stations with trains coming from JR lines, Tokyo Metro lines, Tobu Line and Seibu Line. The access to all directions is excellent.
- The area surrounding the JR Ikebukuro Station is a busy area where, centering on large department stores, commercial facilities such as electronics retail stores and specialized stores, and restaurants are located.
- Rental apartment targeting single persons and consisting of 38 1K units.
- By Seller's expense, implemented large-scale repairs, including outer wall repair, replacement of shared corridor sheet, iron parts paint and waterproof construction.

(Note) The term of calculation of NOI is from Sep. 28, 2012 to Dec. 31, 2012

# New 24 Properties (Residences)(4/10)

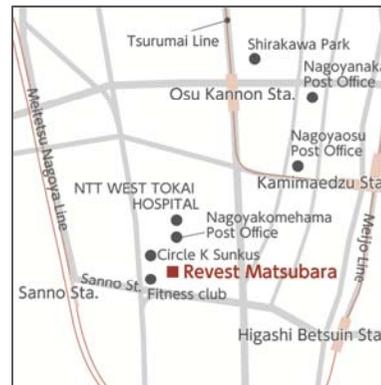
## A79 Revest Honjin



(Note) The term of calculation of NOI is from Sep. 28, 2012 to Dec. 31, 2012.

Location	2-13 Torii Dori Nakamura Ward, Nagoya City, Aichi Prefecture		
Transport Access	About 2 minute walk from Honjin Station on Nagoya Municipal Subway Higashiyama Line		
Structure & Floors	Steel concrete, roof deck, 11 stories	Completion Date	Mar. 8, 2007
Total Leasable Area	1,933.80 m <sup>2</sup>	Total Leasable Units	80
Appraisal Value	JPY 678 mn	Acquisition Price	JPY 674 mn
NOI(Note)	JPY 12 mn	Price Per Unit Area	JPY 8,560
Occupancy Rate	93.8 %		

## A80 Revest Matsubara



Location	3-13-12 Matsubara Naka Ward ,Nagoya City, Aichi Prefecture		
Transport Access	About 12 minute walk from Higashi Betsuin Station on Nagoya Municipal Subway Meijo Line		
Structure & Floors	Steel concrete, roof deck, 11 stories	Completion Date	Mar. 6, 2007
Total Leasable Area	1,955.40 m <sup>2</sup>	Total Leasable Units	70
Appraisal Value	JPY 664 mn	Acquisition Price	JPY 657 mn
NOI(Note)	JPY 13 mn	Price Per Unit Area	JPY 8,045
Occupancy Rate	91.9 %		

# New 24 Properties (Residences)(5/10)

## A82 Alba Noritake Shinmachi

(Note) The term of calculation of NOI is from Sep. 28, 2012 to Dec. 31, 2012



Location	3-6-8 Noritake Shinmachi, Nishi Ward, Nagoya City, Aichi Prefecture		
Transport Access	About 7 minute walk from Kamejima Station on Nagoya Municipal Subway Higashiyama Line		
Structure & Floors	Steel concrete, roof deck, 9 stories	Completion Date	Nov. 6, 2006
Total Leasable Area	1,731.68 m <sup>2</sup>	Total Leasable Units	64
Appraisal Value	JPY 617 mn	Acquisition Price	JPY 608 mn
NOI(Note)	JPY 10 mn	Price Per Unit Area	JPY 7,979
Occupancy Rate	98.6 %		

## A83 Revest Meieki Minami



Location	2-13-33 Meiekinami, Nakamura Ward, Nagoya City, Aichi Prefecture		
Transport Access	About 6 minute walk from Kintetsu-Nagoya Station on Kintetsu Nagoya Line		
Structure & Floors	Steel concrete, roof deck, 15 stories	Completion Date	Feb. 23, 2007
Total Leasable Area	1,634.60 m <sup>2</sup>	Total Leasable Units	61
Appraisal Value	JPY 599 mn	Acquisition Price	JPY 597 mn
NOI(Note)	JPY 10 mn	Price Per Unit Area	8,266
Occupancy Rate	97.0 %		

## A84 Revest Heian



Location	2-13-17 Heian, Kita Ward, Nagoya City, Aichi Prefecture		
Transport Access	About 3 minute walk from Heian-dori Station on Nagoya Municipal Subway Meijo Line, etc.		
Structure & Floors	Steel concrete, roof deck, 9 stories	Completion Date	Nov. 22, 2006
Total Leasable Area	1,554.03 m <sup>2</sup>	Total Leasable Units	40
Appraisal Value	JPY 599 mn	Acquisition Price	JPY 595 mn
NOI(Note)	JPY 9 mn	Price Per Unit Area	JPY 8,231
Occupancy Rate	95.2 %		

# New 24 Properties (Residences)(6/10)

**A85 Vendir Hamaotsu Ekimae**

(Note) The term of calculation of NOI is from Sep. 28, 2012 to Dec. 31, 2012.



Location	1-2-15 Hama Otsu, Otsu City, Shiga Prefecture		
Transport Access	About 1 minute walk from Hamaotsu Station on Keihan Ishiyama Sakamoto Line and Keishin Line		
Structure & Floors	Steel concrete, roof deck, 10 stories	Completion Date	Feb. 28, 2007
Total Leasable Area	2,670.66 m <sup>2</sup>	Total Leasable Units	81
Appraisal Value	JPY 638 mn	Acquisition Price	JPY 581 mn
NOI(Note)	JPY 13 mn	Price Per Unit Area	JPY 6,403
Occupancy Rate	93.3 %		

**A86 Salvo Sala**



Location	2-6-21 Shimanouchi Chuo Ward, Osaka City, Osaka Prefecture		
Transport Access	About 6 minute walk from Nagahoribashi Station on Osaka Municipal Subway Sakaisuji Line and Nagahori Tsurumi-ryokuchi Line		
Structure & Floors	Steel concrete, roof deck, 10 stories	Completion Date	Jan. 5, 2007
Total Leasable Area	1,428.12 m <sup>2</sup>	Total Leasable Units	54
Appraisal Value	JPY 548 mn	Acquisition Price	JPY 544 mn
NOI(Note)	JPY 5 mn	Price Per Unit Area	JPY 9,427
Occupancy Rate	89.9 %		

**A87 Excellente Kagurazaka**

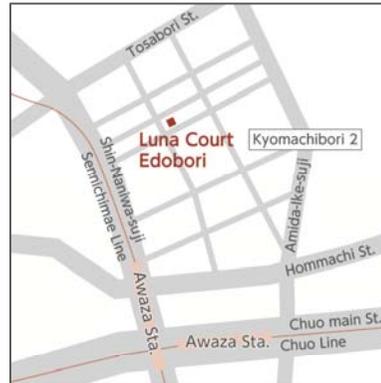


Location	128-1 Yamabukicho Shinjuku Ward, Tokyo		
Transport Access	About 6 minutes walk from Edogawabashi Station on Tokyo Metro Yurakucho Line		
Structure & Floors	Steel concrete, roof deck, 12 stories	Completion Date	Jan. 11, 2007
Total Leasable Area	701.92 m <sup>2</sup>	Total Leasable Units	33
Appraisal Value	JPY 544 mn	Acquisition Price	JPY 543 mn
NOI(Note)	JPY 6 mn	Price Per Unit Area	JPY 14,208
Occupancy Rate	100.0 %		

# New 24 Properties (Residences)(7/10)

**A88 Luna Court Edobori**

(Note) The term of calculation of NOI is from Sep. 28, 2012 to Dec. 31, 2012.



Location	3-4-11 Edobori, Nishi Ward, Osaka City, Osaka Prefecture		
Transport Access	About 4 minute walk from Awaza Station on Osaka Municipal Subway Chuo Line and Sennichimae Line		
Structure & Floors	Steel concrete, roof deck, 11 stories	Completion Date	Feb. 25, 2004
Total Leasable Area	1,185.50 m <sup>2</sup>	Total Leasable Units	50
Appraisal Value	JPY 528 mn	Acquisition Price	JPY 525 mn
NOI(Note)	JPY 8 mn	Price Per Unit Area	JPY 9,793
Occupancy Rate	96.0 %		

**A89 Winntage Kobe Motomachi**



Location	7-2-2 Motomachi Dori, Chuo Ward, Kobe City, Hyogo Prefecture		
Transport Access	About 2 minute walk from Nishi-Motomachi Station on Kobe Kosoku Line		
Structure & Floors	Steel concrete, roof deck, 13 stories with basement	Completion Date	May.28, 2007
Total Leasable Area	1,433.35 m <sup>2</sup>	Total Leasable Units	57
Appraisal Value	JPY 524 mn	Acquisition Price	JPY 512 mn
NOI(Note)	JPY 8 mn	Price Per Unit Area	JPY 9,156
Occupancy Rate	98.2 %		

**A90 Queen's Court Fukuzumi**



Location	1-3-10 Fukuzumi, Koto Ward, Tokyo		
Transport Access	About 7 minute walk from Monzen-Nakacho Station on Tokyo Metro Tozai Line, etc		
Structure & Floors	Steel, roof deck, 6 stories	Completion Date	Sep. 22, 2006
Total Leasable Area	765.18 m <sup>2</sup>	Total Leasable Units	25
Appraisal Value	JPY 461 mn	Acquisition Price	JPY 456 mn
NOI(Note)	JPY 5 mn	Price Per Unit Area	JPY 11,301
Occupancy Rate	100.0 %		

# New 24 Properties (Residences)(8/10)

(Note) The term of calculation of NOI is from Sep. 28, 2012 to Dec. 31, 2012.

## A91 Corp Higashinotoin



Location	380-1 Kawaranomachi, Higashinotoin Dori Nijo Kudara, Chukyo Ward Kyoto City, Kyoto Prefecture		
Transport Access	About 5 minute walk from Karasuma Oike Station on Kyoto Municipal Subway Karasuma Line and Tozai Line		
Structure & Floors	Steel concrete, roof deck, 10 stories	Completion Date	Feb. 27, 2004
Total Leasable Area	1,029.05 m <sup>2</sup>	Total Leasable Units	42
Appraisal Value	JPY 447 mn	Acquisition Price	JPY 446 mn
NOI(Note)	JPY 7 mn	Price Per Unit Area	JPY 9,230
Occupancy Rate	100.0 %		

## A92 Belair Oimachi



Location	5-14-17 Higashi Oi, Shinagawa Ward, Tokyo		
Transport Access	About 3 minute walk from Oimachi Station on JR Keihin-Tohoku Line, etc.		
Structure & Floors	Steel concrete, roof deck, 10 stories	Completion Date	Apr. 19, 2006
Total Leasable Area	530.60 m <sup>2</sup>	Total Leasable Units	26
Appraisal Value	JPY 413 mn	Acquisition Price	JPY 412 mn
NOI(Note)	JPY 6 mn	Price Per Unit Area	JPY 15,210
Occupancy Rate	92.6 %		

## A93 Siete Minami-Tsukaguchi

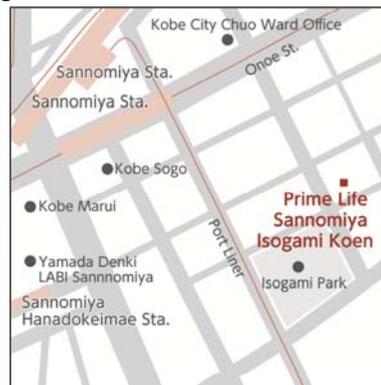


Location	3-18 Minami Tsukaguchimachi, Amagasaki City, Hyogo Prefecture		
Transport Access	About 7 minute walk from Tsukaguchi Station on JR Fukuchiyama Line		
Structure & Floors	Steel concrete, roof deck, 5 stories	Completion Date	Jan. 30, 2007
Total Leasable Area	1,020.86 m <sup>2</sup>	Total Leasable Units	40
Appraisal Value	JPY 380 mn	Acquisition Price	JPY 374 mn
NOI(Note)	JPY 7 mn	Price Per Unit Area	JPY 8,863
Occupancy Rate	94.9 %		

# New 24 Properties (Residences)(9/10)

## A94 Prime Life Sannomiya Isogami Koen

(Note) The term of calculation of NOI is from Sep. 28, 2012 to Dec. 31, 2012.



Location	4-3-23 Isogamidori ,Chuo Ward, Kobe City Hyogo Prefecture		
Transport Access	About 5 minute walk from Sannomiya-Hanadokeimae Station on Kobe Municipal Subway Line		
Structure & Floors	Steel concrete, roof deck, 9 stories	Completion Date	Nov. 21, 2006
Total Leasable Area	789.12 m <sup>2</sup>	Total Leasable Units	32
Appraisal Value	JPY 372 mn	Acquisition Price	JPY 373 mn
NOI(Note)	JPY 6 mn	Price Per Unit Area	JPY 9,961
Occupancy Rate	100.0 %		

## A95 HERMITAGE NANBA WEST



Location	4-10-3 Sakuragawa Naniwa Ward, Osaka City, Osaka Prefecture		
Transport Access	About 6 minute walk from Sakuragawa Station on Osaka Municipal Subway Sennichimae Line		
Structure & Floors	Steel concrete, roof deck, 7 stories	Completion Date	Dec. 10, 2006
Total Leasable Area	992.76 m <sup>2</sup>	Total Leasable Units	21
Appraisal Value	JPY 358 mn	Acquisition Price	JPY 355 mn
NOI(Note)	JPY 3 mn	Price Per Unit Area	JPY 8,776
Occupancy Rate	91.2 %		

## A96 Century Park Shinkawa 1-bankan



Location	4-1-2 Shinkawamachi Minato Ward, Nagoya City, Aichi Prefecture		
Transport Access	About 9 minute walk from Tokai-dori Station on Nagoya Municipal Subway Meiko Line		
Structure & Floors	Steel, roof deck, 11 stories	Completion Date	Sep. 7, 2001
Total Leasable Area	1,477.62 m <sup>2</sup>	Total Leasable Units	44
Appraisal Value	JPY 340 mn	Acquisition Price	JPY 335 mn
NOI(Note)	JPY 7 mn	Price Per Unit Area	JPY 5,685
Occupancy Rate	100.0 %		

# New 24 Properties (Residences)(10/10) **Invincible** Investment Corporation

## A97 West Avenue



(Note) The term of calculation of NOI is from Sep. 28, 2012 to Dec. 31, 2012.

Location	1-5-17 Nishi, Kunitachi City, Tokyo		
Transport Access	About 14 minute walk from Nishi-Kunitachi Station on JR Nambu Line		
Structure & Floors	Steel concrete, roof deck, 4 stories	Completion Date	Oct. 15, 1991
Total Leasable Area	794.80 m <sup>2</sup>	Total Leasable Units	40
Appraisal Value	JPY 333 mn	Acquisition Price	JPY 331 mn
NOI(Note)	JPY 5 mn	Price Per Unit Area	JPY 9,660
Occupancy Rate	90.0 %		

## A98 Little River Honmachibashi



Location	1-34 Honmachibashi Chuo Ward, Osaka City, Osaka Prefecture		
Transport Access	About 8 minute walk from Sakaisuji-Hommachi Station on Osaka Municipal Subway Sakaisuji Line and Chuo Line		
Structure & Floors	Steel-reinforced concrete, roofing cover, 11 stories	Completion Date	Jun. 15, 2007
Total Leasable Area	974.81 m <sup>2</sup>	Total Leasable Units	31
Appraisal Value	JPY 316 mn	Acquisition Price	JPY 310 mn
NOI(Note)	JPY 4 mn	Price Per Unit Area	JPY 7,510
Occupancy Rate	96.9 %		

## A99 Prime Life Mikage



Location	2-25-11 Mikage Tsukamachi Higashi Nada Ward, Kobe City, Hyogo Prefecture		
Transport Access	About 5 minute walk from Ishiyagawa Station on Hanshin Main Line		
Structure & Floors	Steel concrete, roof deck, 8 stories	Completion Date	Jan. 24, 2007
Total Leasable Area	761.18 m <sup>2</sup>	Total Leasable Units	28
Appraisal Value	JPY 299 mn	Acquisition Price	JPY 297 mn
NOI(Note)	JPY 4 mn	Price Per Unit Area	JPY 9,006
Occupancy Rate	85.5 %		

## Section 4 Other Information

## (Other Information) Performance by Properties in the 19th Fiscal Period

(unit:JPY ths)

No.	Property Name	Rental Revenues (1)	Rents and Common Expenses	Other Income	Property Related Expenses (2)	Facilities Management Fees	Taxes and Other Public Charges	Insurance Expenses	Other Expenses	Depreciation Expenses (3)	(1)-(2)	NOI ((1)-(2)+(3))	NOI Yield (Acquisition Price Basis (%))(Note 1)	NOI Yield (Appraisal Value Basis (%))(Note 2)
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	4.9	5.5
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	5.4	5.6
A28	Growth Maison Gotanda	27,399	26,772	627	8,877	2,653	1,323	34	513	4,350	18,522	22,873	5.1	5.0
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	5.0	5.2
A30	Emerald House	42,027	39,411	2,616	18,614	5,553	2,577	105	768	9,609	23,412	33,022	4.4	5.7
A31	Harmonie Ochanomizu	40,401	38,108	2,292	13,932	3,132	1,808	72	2,054	6,863	26,469	33,332	4.6	5.6
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	3.5	3.8
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	4.9	5.1
A34	Belle Face Ueno Okachimachi	30,593	30,593	-	12,544	4,924	1,679	46	538	5,355	18,049	23,404	4.6	5.1
A35	Grand Rire Kameido	26,619	26,619	-	7,809	75	1,696	49	501	5,487	18,809	24,297	5.3	5.4
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	4.5	4.7
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	4.3	5.2
A38	Route Tachikawa	20,021	18,525	1,496	9,197	1,860	1,047	43	2,432	3,812	10,823	14,636	4.3	5.0
A39	Shibuya Honmachi Mansion	19,691	18,904	787	6,974	2,341	879	36	1,703	2,012	12,716	14,728	4.5	5.1
A40	City Heights Kinuta	16,876	16,160	716	5,964	2,285	907	37	982	1,752	10,912	12,664	3.9	5.6
A41	Acceeds Tower Kawaguchi Namiki	25,138	23,397	1,740	11,109	2,464	1,133	40	2,432	5,038	14,029	19,067	6.1	5.9
A42	Capital Heights Kagurazaka	18,276	17,777	498	7,040	2,522	1,063	40	1,458	1,955	11,236	13,191	4.3	5.0
A43	College Square Machida	18,268	18,268	-	5,227	534	1,503	31	500	2,659	13,040	15,699	5.3	6.1
A44	Belair Meguro	15,463	14,752	710	6,558	2,077	832	23	1,422	2,202	8,904	11,107	3.8	4.2
A45	Wacore Tsunashima I	16,969	16,211	758	13,529	5,139	883	33	3,550	3,921	3,439	7,361	2.6	3.0
A46	Foros Nakamurabashi	17,094	15,918	1,175	10,334	3,334	977	37	1,737	4,246	6,759	11,006	3.9	4.2
A47	Growth Maison Kajin	23,017	20,961	2,055	14,358	5,974	2,032	89	964	5,297	8,658	13,955	5.0	6.2
A48	College Square Machiya	14,706	14,706	-	5,025	-	945	30	499	3,549	9,680	13,230	5.2	5.4
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	4.7	4.6
A52	Winbell Kagurazaka	98,837	93,195	5,642	41,546	12,348	6,284	154	7,195	15,563	57,290	72,854	4.4	4.4
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	5.0	4.8
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	5.2	5.0
A56	Casa Eremitaggio	29,761	27,534	2,227	18,008	4,288	1,731	48	3,098	8,841	11,753	20,594	3.8	4.1
A59	Towa City Coop Shin-otsukaII	33,612	32,514	1,097	16,538	6,764	1,363	78	3,263	5,068	17,073	22,141	5.1	4.8
A61	Bichsel Musashiseki	24,418	23,900	518	10,059	4,954	1,170	50	1,104	2,779	14,359	17,138	5.9	5.9
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	5.3	5.0
A63	Towa City Coop Sengencho	60,001	54,905	5,095	34,933	16,759	3,002	124	5,814	9,232	25,067	34,300	6.1	5.6
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	7.3	6.9
A65	Lexington Square Haginomachi	17,468	15,954	1,514	7,230	1,758	1,156	40	731	3,543	10,237	13,780	8.3	7.6
A66	Visconti Kakuozan	11,680	10,110	1,569	7,525	3,410	915	29	1,388	1,782	4,154	5,937	4.6	5.4
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	4.5	4.4
A72	Lexington Square Honjo-Azumabashi	17,529	17,171	357	8,634	1,635	809	32	1,263	4,893	8,895	13,788	5.4	5.4
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	5.2	6.1
A75	Spacia Ebisu	186,857	169,667	17,189	72,644	15,698	8,630	251	11,396	36,668	114,212	150,881	4.3	4.4
A76	Neo Prominence	31,424	27,768	3,656	8,735	3,221	-	61	468	4,984	22,689	27,673	6.4	6.4
A77	Invoice Shin-Kobe Residence	25,296	23,856	1,439	9,810	2,638	-	34	1,320	5,816	15,485	21,301	6.5	6.5
A78	Cosmo Court Motomachi	19,528	19,106	422	7,174	1,327	-	34	753	5,059	12,354	17,414	6.9	6.8
A79	Revest Honjin	15,724	14,663	1,061	6,480	1,713	-	31	1,027	3,708	9,243	12,952	7.4	7.4
A80	Revest Matsubara	15,031	14,256	775	5,394	1,380	-	28	483	3,502	9,636	13,139	7.7	7.6
A81	Sun Terrace Minami Ikebukuro	10,867	10,269	598	5,489	1,554	-	14	1,445	2,474	5,378	7,853	4.8	4.8
A82	Alba Noritake Shinmachi	13,104	12,423	681	5,726	1,394	-	28	801	3,501	7,377	10,879	6.9	6.8
A83	Revest Meieki Minami	12,852	12,306	545	5,586	1,317	-	30	796	3,441	7,265	10,707	6.9	6.9
A84	Revest Heian	11,283	11,069	214	5,388	921	-	20	1,215	3,231	5,894	9,125	5.9	5.9
A85	Vendir Hamatsuta Ekimae	16,600	15,199	1,400	6,642	2,150	-	33	924	3,533	9,957	13,491	8.9	8.1
A86	Salvo Sala	10,958	10,050	907	7,702	2,498	-	23	2,465	2,714	3,255	5,970	4.2	4.2
A87	Excellente Kagurazaka	8,945	8,697	248	4,160	740	-	13	1,263	2,142	4,784	6,927	4.9	4.9
A88	Luna Court Edobori	10,787	10,432	354	4,574	1,167	-	17	793	2,595	6,212	8,807	6.5	6.4
A89	Winntage Kobe Motomachi	11,636	11,272	363	5,926	1,570	-	21	1,379	2,955	5,709	8,665	6.5	6.4
A90	Queen's Court Fukuzumi	8,191	7,995	195	3,858	1,600	-	12	609	1,635	4,332	5,968	5.0	5.0
A91	Corp Higashinotoin	9,189	8,702	487	3,523	1,025	-	15	546	1,935	5,666	7,601	6.6	6.6
A92	Belair Oimachi	7,351	7,267	84	2,337	582	-	10	363	1,380	5,014	6,394	6.0	6.0
A93	Siete Minami-Tsukaguchi	8,935	8,397	537	3,417	1,388	-	23	376	1,629	5,517	7,146	7.4	7.2
A94	Prime Life Sannomiya Isogami Koen	7,741	7,371	369	2,863	740	-	11	343	1,768	4,878	6,646	6.9	6.9
A95	HERMITAGE NANBA WEST	7,889	6,955	934	5,865	2,108	-	13	2,045	1,697	2,024	3,721	4.0	4.0
A96	Century Park Shinkawa 1-bankan	9,010	7,834	1,175	3,124	750	-	20	416	1,937	5,885	7,822	9.0	8.9
A97	West Avenue	6,787	6,617	169	2,615	724	-	10	368	1,511	4,172	5,683	6.6	6.6
A98	Little River Honmachibashi	6,685	6,642	43	3,056	1,099	-	12	588	1,355	3,629	4,985	6.2	6.1
A99	Prime Life Mikage	6,292	5,778	513	3,057	1,009	-	10	530	1,507	3,234	4,742	6.2	6.1
	Subtotal of Residences	1,719,628	1,614,183	105,445	769,166	236,450	79,508	3,195	118,066	331,944	950,462	1,282,407	5.1	5.3

## (Other Information) Performance by Properties in the 19th Fiscal Period

(unit:JPY ths)

No.	Property Name	Rental Revenues (1)	Rents and Common Expenses	Other Income	Property Related Expenses (2)	Facilities Management Fees	Taxes and Other Public Charges	Insurance Expenses	Other Expenses	Depreciation Expenses (3)	(1)-(2)	NOI ((1)-(2)+(3))	NOI Yield (Acquisition Price Basis (%))(Note 1)	NOI Yield (Appraisal Value Basis (%))(Note 2)
B8	Kindai Kagaku Sha Building	37,386	31,479	5,906	22,628	8,364	4,325	78	1,234	8,625	14,757	23,383	3.6	4.7
B9	Shinjuku Island	(Note 3)	(Note 3)	(Note 3)	(Note 3)	(Note 3)	(Note 3)	(Note 3)	(Note 3)	(Note 3)	(Note 3)	(Note 3)	2.6	3.5
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	4.5	5.2
B15	Cross Square NAKANO	29,234	24,197	5,037	15,426	6,915	3,865	89	916	3,638	13,807	17,446	3.3	3.7
B16	Ohki Aoba Building	39,761	32,159	7,601	29,881	12,647	3,885	111	851	12,384	9,879	22,264	5.4	7.5
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	6.0	6.3
B18	AEON TOWN Sukagawa	143,761	143,761	-	94,777	56,124	8,260	213	740	29,438	48,984	78,423	6.7	7.5
	Subtotal of Offices etc.	583,412	514,886	68,525	342,474	165,417	47,887	947	8,459	119,761	240,938	360,699	5.0	5.8
C1	Stop Parking Kanda-Sudacho	2,443	2,443	-	265	-	252	-	-	13	2,178	2,191	4.4	4.8
C21	Bon Sejour Chitose Funabashi	23,906	22,541	1,364	5,527	319	1,754	61	-	3,393	18,378	21,771	6.3	5.9
C22	Bon Sejour Yotsugi	22,528	22,528	-	4,817	225	1,022	41	-	3,529	17,711	21,240	6.5	6.2
C23	Bon Sejour Hino	21,405	21,405	-	4,128	214	1,188	47	-	2,678	17,276	19,955	6.9	6.2
C24	Bon Sejour Musashi-Shinjo	17,747	17,747	-	3,264	167	924	43	-	2,129	14,483	16,612	6.8	6.1
C25	Bon Sejour Komaki	45,582	45,582	-	12,953	201	4,744	198	-	7,810	32,629	40,439	7.7	7.6
C26	Bon Sejour Hadano Shibusawa	23,802	23,472	330	8,830	249	2,772	84	-	5,723	14,971	20,695	6.0	6.7
C27	Bon Sejour Itami	15,971	15,971	-	5,243	145	1,404	56	-	3,638	10,728	14,366	6.0	6.6
	Subtotal of Parking lots etc.	173,388	171,694	1,694	45,032	1,521	14,060	533	-	28,916	128,356	157,273	6.6	6.5
	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	5.2	5.5

(Note 1) NOI Yield (%) (Acquisition Price Basis)= (( Rental Revenues - Property Related Expenses + Depreciation Expenses)/ Operation Days x 365)/ Acquisition Price

(Note 2) NOI Yield (%) (Appraisal Value Basis)= (( Rental Revenues - Property Related Expenses + Depreciation Expenses)/ Operation Days x 365)/ Appraisal Value

(Note 3) Figures are not written since the tenants do not give approvals to disclose them in public.

(Note 4) Accounting period: from Jul. 1, 2012 to Dec. 31, 2012. However, the accounting period of the new 24 properties (A76-A99): Sep. 28, 2012 to Dec. 31, 2012

(Note 5) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.

## (Other Information) Appraisal Values &amp; Book Values at the end of 19th Fiscal Period

No.	Property Name	Book Value as of Dec. 2012	Appraisal Value					Cap Rate			
			As of Acquisition	As of Dec. 2011	As of Jun. 2012	As of Dec. 2012	Compared to Jun. 2012	As of Jun. 2012 (existing properties/ As of Aug. 2012 (new 24 properties)	As of Dec. 2012	Changes	
			(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(%)	(%)	(%)	(%)
A26	Nisshin Palacestage Daitabashi	1,153,274	1,300,000	1,090,000	1,110,000	1,110,000	0	-	5.35	5.35	-
A27	Nisshin Palaistage Higashi-Nagasaki	1,102,798	1,300,000	1,120,000	1,180,000	1,190,000	0	0.8	5.35	5.35	-
A28	Growth Maison Gotanda	859,737	991,000	891,000	909,000	909,000	0	-	5.00	5.00	-
A29	Growth Maison Kameido	1,030,185	1,110,000	1,000,000	1,020,000	1,020,000	0	-	5.10	5.10	-
A30	Emerald House	1,444,571	1,570,000	1,160,000	1,160,000	1,160,000	0	-	5.30	5.30	-
A31	Harmonie Ochanomizu	1,392,333	1,710,000	1,160,000	1,180,000	1,190,000	0	0.8	5.10	5.10	-
A32	Suncrest Shakujii Koen	1,052,477	1,220,000	990,000	993,000	990,000	0	-0.3	5.15	5.15	-
A33	Growth Maison Shin Yokohama	1,010,603	1,110,000	1,020,000	1,020,000	1,020,000	0	-	5.25	5.25	-
A34	Belle Face Ueno Okachimachi	999,191	1,100,000	922,000	915,000	916,000	0	0.1	5.00	5.00	-
A35	Grand Rire Kameido	871,705	930,000	889,000	889,000	889,000	0	-	5.25	5.25	-
A36	Growth Maison Ikebukuro	792,180	856,000	682,000	781,000	783,000	*	0.3	5.15	5.10	-0.05
A37	Growth Maison Yoga	774,535	831,000	597,000	664,000	664,000	*	-	5.10	5.10	-
A38	Route Tachikawa	655,720	749,000	607,000	582,000	583,000	0	0.2	5.35	5.35	-
A39	Shibuya Honmachi Mansion	656,802	678,000	564,000	576,000	575,000	0	-0.2	5.15	5.20	0.05
A40	City Heights Kinuta	646,275	707,000	457,000	447,000	446,000	0	-0.2	5.25	5.25	-
A41	Acseeds Tower Kawaguchi Namiki	586,706	698,000	627,000	645,000	648,000	0	0.5	6.00	6.00	-
A42	Capital Heights Kagurazaka	619,234	647,000	536,000	528,000	528,000	0	-	5.15	5.15	-
A43	College Square Machida	578,333	597,000	514,000	515,000	515,000	0	-	5.75	5.75	-
A44	Belair Meguro	577,911	608,000	519,000	532,000	526,000	0	-1.1	4.90	4.90	-
A45	Wacore Tsunashima I	557,358	665,000	507,000	508,000	489,000	0	-3.7	5.45	5.45	-
A46	Foros Nakamurabashi	542,509	634,000	518,000	518,000	518,000	0	-	5.10	5.10	-
A47	Growth Maison Kaijin	524,144	603,000	434,000	448,000	449,000	0	0.2	5.80	5.80	-
A48	College Square Machiya	488,224	521,000	484,000	482,000	483,000	0	0.2	5.25	5.25	-
A51	City House Tokyo Shinbashi	2,444,537	2,790,000	2,470,000	2,540,000	2,560,000	0	0.8	5.20	5.20	-
A52	Winbell Kagurazaka	3,171,521	3,690,000	3,200,000	3,260,000	3,320,000	0	1.8	5.00	4.90	-0.10
A53	Nishiwaseda Crescent Mansion	1,854,398	2,190,000	1,930,000	1,980,000	1,990,000	0	0.5	5.30	5.20	-0.10
A54	Lexington Square Akebonobashi	1,402,533	1,600,000	1,430,000	1,480,000	1,520,000	0	2.7	5.20	5.10	-0.10
A56	Casa Eremitaggio	1,021,245	1,240,000	999,000	997,000	996,000	0	-0.1	5.00	5.00	-
A59	Towa City Coop Shin-otsuka II	841,088	937,000	908,000	916,000	915,000	0	-0.1	5.60	5.60	-
A61	Bichsel Musashiseki	566,602	703,000	552,000	562,000	580,000	0	3.2	5.50	5.40	-0.10
A62	Lexel Mansion Ueno Matsugaya	924,020	1,130,000	966,000	1,010,000	1,030,000	0	2.0	5.30	5.20	-0.10
A63	Towa City Coop Sengencho	1,066,907	1,240,000	1,170,000	1,210,000	1,210,000	0	-	6.20	6.20	-
A64	Royal Park Omachi	402,848	564,000	394,000	416,000	434,000	0	4.3	6.70	6.60	-0.10
A65	Lexington Square Haginomachi	317,294	411,000	326,000	357,000	363,000	*	1.7	6.80	6.70	-0.10
A66	Visconti Kakuozan	245,372	397,000	218,000	224,000	218,000	0	-2.7	6.10	6.10	-
A71	Lexington Square Daitabashi	930,752	1,019,000	948,000	975,000	989,000	0	1.4	5.20	5.10	-0.10
A72	Lexington Square Honjo-Azumabashi	482,844	525,000	492,000	506,000	507,000	0	0.2	5.30	5.20	-0.10
A73	AMS TOWER Minami 6-Jo	1,097,733	1,400,000	994,000	1,000,000	1,010,000	0	1.0	6.30	6.20	-0.10
A75	Spacia Ebisu	6,801,887	9,140,000	6,620,000	6,790,000	6,800,000	0	0.1	4.90	4.90	-
A76	Neo Prominence	1,678,187	1,660,000	-	-	1,670,000	0	0.6	5.50	5.50	-
A77	Invoice Shin-Kobe Residence	1,285,326	1,260,000	-	-	1,260,000	0	-	5.90	5.90	-
A78	Cosmo Court Motomachi	996,547	980,000	-	-	981,000	0	0.1	5.80	5.80	-
A79	Revest Honjin	691,567	679,000	-	-	678,000	0	-0.1	6.40	6.40	-
A80	Revest Matsubara	673,525	662,000	-	-	664,000	0	0.3	6.00	6.00	-
A81	Sun Terrace Minami Ikebukuro	634,465	625,000	-	-	625,000	0	-	5.10	5.10	-
A82	Alba Noritake Shinmachi	625,145	608,000	-	-	617,000	0	1.5	6.00	5.90	-0.10
A83	Revest Meieki Minami	614,097	597,000	-	-	599,000	0	0.3	5.80	5.70	-0.10
A84	Revest Heian	610,742	599,000	-	-	599,000	0	-	6.00	6.00	-
A85	Vendir Hamaotsu Ekimae	597,494	638,000	-	-	638,000	0	-	6.60	6.60	-
A86	Salvo Sala	558,989	548,000	-	-	548,000	0	-	6.00	6.00	-
A87	Excellente Kagurazaka	554,698	543,000	-	-	544,000	0	0.2	5.00	5.00	-
A88	Luna Court Edobori	537,195	525,000	-	-	528,000	0	0.6	5.80	5.80	-
A89	Wintage Kobe Motomachi	526,051	516,000	-	-	524,000	0	1.6	5.90	5.90	-
A90	Queen's Court Fukuzumi	463,989	456,000	-	-	461,000	0	1.1	5.10	5.10	-
A91	Corp Higashinotoin	455,762	446,000	-	-	447,000	0	0.2	5.70	5.70	-
A92	Belair Oimachi	419,621	412,000	-	-	413,000	0	0.2	5.10	5.10	-
A93	Siete Minami-Tsukaguchi	383,246	377,000	-	-	380,000	0	0.8	6.10	6.10	-
A94	Prime Life Sannomiya Isogami Koen	381,813	373,000	-	-	372,000	0	-0.3	5.80	5.80	-
A95	HERMITAGE NANBA WEST	364,518	358,000	-	-	358,000	0	-	5.90	5.90	-
A96	Century Park Shinkawa 1-bankan	344,558	337,000	-	-	340,000	0	0.9	6.40	6.40	-
A97	West Avenue	336,499	333,000	-	-	333,000	0	-	6.00	6.00	-
A98	Little River Honmachibashi	318,427	312,000	-	-	316,000	0	1.3	5.70	5.70	-
A99	Prime Life Mikage	304,869	299,000	-	-	299,000	0	-	6.10	6.10	-
	Subtotal of Residences	56,845,746	64,254,000	40,905,000	41,825,000	56,237,000	0.5	-	-	-	-

## (Other Information) Appraisal Values &amp; Book Values at the end of 19th Fiscal Period

No.	Property Name	Book Value as of Dec. 2012	Appraisal Value					Cap Rate			
			As of Acquisition	As of Dec. 2011	As of Jun. 2012	As of Dec. 2012	Compared to Jun. 2012	As of Jun. 2012 (existing properties)/ As of Aug. 2012 (new 24 properties)	As of Dec. 2012	Changes	
			(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(ths JPY)	(%)	(%)	(%)	(%)
B8	Kindai Kagaku Sha Building	1,221,658	1,340,000	993,000	989,000	989,000	0	-	5.15	5.15	-
B9	Shinjuku Island	717,697	871,000	488,000	520,000	520,000	0	-	5.40	5.40	-
B14	Lexington Plaza Nishigotanda	4,827,122	7,160,000	4,280,000	4,280,000	4,200,000	0	-1.9	5.20	5.20	-
B15	Cross Square NAKANO	1,041,211	1,038,000	981,000	932,000	935,000	0	0.3	5.50	5.50	-
B16	Ohki Aoba Building	749,693	847,000	593,000	591,000	593,000	0	0.3	6.50	6.50	-
B17	Lexington Plaza Hachiman	3,218,123	4,760,000	3,090,000	3,100,000	3,140,000	0	1.3	6.70	6.60	-0.10
B18	AEON TOWN Sukagawa	2,179,504	2,563,000	2,070,000	2,070,000	2,070,000	0	-	7.30	7.30	-
Subtotal of Offices		13,955,010	18,579,000	12,495,000	12,482,000	12,447,000		-0.3	-	-	-
C1	Stop Parking Kanda-Sudacho	100,865	100,000	91,200	91,300	91,300	0	-	4.70	4.70	-
C21	Bon Sejour Chitose Funabashi	666,152	791,000	734,000	734,000	734,000	0	-	5.90	5.90	-
C22	Bon Sejour Yotsugi	631,677	765,000	681,000	681,000	681,000	0	-	6.20	6.20	-
C23	Bon Sejour Hino	558,572	699,000	641,000	641,000	641,000	0	-	6.20	6.20	-
C24	Bon Sejour Musashi-Shinjo	473,722	610,000	543,000	543,000	543,000	0	-	6.10	6.10	-
C25	Bon Sejour Komaki	1,004,442	1,940,000	1,060,000	1,060,000	1,060,000	0	-	7.60	7.60	-
C26	Bon Sejour Hadano Shibusawa	647,613	962,000	616,000	616,000	616,000	0	-	7.00	7.00	-
C27	Bon Sejour Itami	459,038	748,000	433,000	433,000	433,000	0	-	6.70	6.70	-
Subtotal of Parking lots etc.		4,542,084	6,615,000	4,799,200	4,799,300	4,799,300		-	-	-	-
Total		75,342,842	89,448,000	58,199,200	59,106,300	73,483,300		0.3	-	-	-

(note) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.

## (Other Information) Portfolio List

(As of Dec. 31, 2012)

No.	Property Name	Location		Acquisition Price (JPY mn)	Appraisal Value (JPY mn)	Acquisition Date	Completion Date	Property Age (years)	Total Rentable Units	Total Leasable Area (m <sup>2</sup> )	Occupancy Rate (%)
A26	Nisshin Palacestage Daitabashi	23 wards	Suginami, Tokyo	1,251	1,110	Jul. 2005	Dec. 1992	20	98	1,771.13	96.9
A27	Nisshin Palacestage Higashi-Nagasaki	23 wards	Toshima, Tokyo	1,229	1,190	Jul. 2005	Mar. 1989	23	60	2,681.94	90.3
A28	Growth Maison Gotanda	23 wards	Shinagawa, Tokyo	888	909	Jan. 2006	Jul. 2005	7	48	1,051.50	100.0
A29	Growth Maison Kameido	23 wards	Koto, Tokyo	1,070	1,020	Mar. 2006	Oct. 2005	7	66	1,367.96	94.0
A30	Emerald House	23 wards	Itabashi, Tokyo	1,505	1,160	Aug. 2006	Feb. 1995	17	96	2,152.31	99.0
A31	Harmonie Ochanomizu	23 wards	Bunkyo, Tokyo	1,428	1,190	Aug. 2006	Mar. 1997	15	65	1,748.24	100.0
A32	Suncrest Shakujii Koen	23 wards	Nerima, Tokyo	1,088	990	Aug. 2006	Mar. 1990	22	29	3,029.16	94.7
A33	Growth Maison Shin Yokohama	Surrounding	Yokohama, Kanagawa	1,059	1,020	Aug. 2006	Mar. 2006	6	68	1,858.44	98.5
A34	Belle Face Ueno Okachimachi	23 wards	Taito, Tokyo	1,023	916	Aug. 2006	Feb. 2006	6	64	1,351.11	98.4
A35	Grand Rire Kameido	23 wards	Koto, Tokyo	906	889	Aug. 2006	Mar. 2006	6	72	1,562.26	100.0
A36	Growth Maison Ikebukuro	23 wards	Toshima, Tokyo	825	783	Aug. 2006	Jan. 2006	6	42	952.89	90.6
A37	Growth Maison Yoga	23 wards	Setagaya, Tokyo	795	664	Aug. 2006	Mar. 2006	6	39	1,015.34	92.2
A38	Route Tachikawa	Surrounding	Tachikawa, Tokyo	676	583	Aug. 2006	Mar. 1997	15	24	1,368.57	100.0
A39	Shibuya Honmachi Mansion	23 wards	Shibuya, Tokyo	651	575	Aug. 2006	Dec. 1986	26	25	1,167.50	100.0
A40	City Heights Kinuta	23 wards	Setagaya, Tokyo	646	446	Aug. 2006	Mar. 1983	29	19	1,235.93	89.2
A41	Acceeds Tower Kawaguchi Namiki	Surrounding	Kawaguchi, Saitama	620	648	Aug. 2006	Feb. 2006	6	57	1,210.74	100.0
A42	Capital Heights Kagurazaka	23 wards	Shinjuku, Tokyo	604	528	Aug. 2006	May. 1987	25	26	1,126.65	92.5
A43	College Square Machida	Surrounding	Machida, Tokyo	589	515	Aug. 2006	Mar. 1984	28	62	1,047.75	100.0
A44	Belair Meguro	23 wards	Meguro, Tokyo	589	526	Aug. 2006	Oct. 2005	7	25	557.05	92.1
A45	Wacore Tsunashima I	Surrounding	Yokohama, Kanagawa	572	489	Aug. 2006	Feb. 1991	21	50	908.99	96.1
A46	Foros Nakamurabashi	23 wards	Nerima, Tokyo	566	518	Aug. 2006	Sep. 2001	11	37	815.76	100.0
A47	Growth Maison Kaijin	Surrounding	Funabashi, Chiba	557	449	Aug. 2006	Oct. 1993	19	34	2,040.27	97.1
A48	College Square Machiya	23 wards	Arakawa, Tokyo	510	483	Aug. 2006	Mar. 2006	6	43	871.35	100.0
A51	City House Tokyo Shinbashi	23 wards	Minato, Tokyo	2,520	2,560	Feb. 2010	Aug. 2004	8	86	3,364.00	90.8
A52	Winbell Kagurazaka	23 wards	Shinjuku, Tokyo	3,260	3,320	Feb. 2010	Feb. 2004	8	118	4,032.70	96.4
A53	Nishiwaseda Crescent Mansion	23 wards	Shinjuku, Tokyo	1,880	1,990	Feb. 2010	Jul. 1987	25	69	4,310.77	100.0
A54	Lexington Square Akebonobashi	23 wards	Shinjuku, Tokyo	1,450	1,520	Feb. 2010	Dec. 2004	8	88	1,987.88	93.1
A56	Casa Eremitaggio	23 wards	Meguro, Tokyo	1,070	996	Feb. 2010	Dec. 2003	9	17	1,197.19	92.9
A59	Towa City Coop Shin-otsuka II	23 wards	Toshima, Tokyo	866	915	Feb. 2010	May. 1993	19	58	1,627.13	97.3
A61	Bichsel Musashiseki	23 wards	Nerima, Tokyo	577	580	Feb. 2010	Feb. 1992	20	70	1,220.24	97.1
A62	Lexel Mansion Ueno Matsugaya	23 wards	Taito, Tokyo	970	1,030	Feb. 2010	Jan. 2005	7	29	1,969.45	93.2
A63	Towa City Coop Sengencho	Surrounding	Yokohama, Kanagawa	1,110	1,210	Feb. 2010	Oct. 1992	20	154	3,426.36	94.3
A64	Royal Park Omachi	Tohoku	Sendai, Miyagi	415	434	Feb. 2010	Feb. 1993	19	51	1,929.59	96.4
A65	Lexington Square Haginomachi	Tohoku	Sendai, Miyagi	330	363	Feb. 2010	Aug. 2005	7	39	1,528.58	100.0
A66	Visconti Kakuozan	Chubu	Nagoya, Aichi	255	218	Feb. 2010	Sep. 2003	9	8	705.75	88.6
A71	Lexington Square Daitabashi	23 wards	Suginami, Tokyo	977	989	Feb. 2010	Nov. 2006	6	43	1,430.64	95.1
A72	Lexington Square Honjo-Azumabashi	23 wards	Sumida, Tokyo	511	507	Feb. 2010	Oct. 2006	6	33	784.74	100.0
A73	AMS TOWER Minami 6-Jo	Hokkaido	Sapporo, Hokkaido	1,180	1,010	Feb. 2010	Feb. 2007	5	120	4,460.56	90.0
A75	Spacia Ebisu	23 wards	Shibuya, Tokyo	7,010	6,800	Feb. 2010	Feb. 2003	9	109	7,794.91	92.2
A76	Neo Prominence	23 wards	Kita, Tokyo	1,680	1,670	Sep. 2012	Apr. 1994	18	52	3,574.70	94.8
A77	Invoice Shin-Kobe Residence	Kansai	Kobe, Hyogo	1,260	1,260	Sep. 2012	Jan. 2007	5	81	2,773.71	99.1
A78	Cosmo Court Motomachi	Kansai	Kobe, Hyogo	973	981	Sep. 2012	Mar. 2007	5	82	2,310.49	97.5
A79	Revest Honjin	Chubu	Nagoya, Aichi	674	678	Sep. 2012	Mar. 2007	5	80	1,933.80	93.8
A80	Revest Matsubara	Chubu	Nagoya, Aichi	657	664	Sep. 2012	Mar. 2007	5	70	1,955.40	91.9
A81	Sun Terrace Minami Ikebukuro	23 wards	Toshima, Tokyo	625	625	Sep. 2012	Feb. 1998	14	38	898.70	100.0
A82	Alba Noritake Shinmachi	Chubu	Nagoya, Aichi	608	617	Sep. 2012	Nov. 2006	6	64	1,731.68	98.6
A83	Revest Meieki Minami	Chubu	Nagoya, Aichi	597	599	Sep. 2012	Feb. 2007	5	61	1,634.60	97.0
A84	Revest Heian	Chubu	Nagoya, Aichi	595	599	Sep. 2012	Nov. 2006	6	40	1,554.03	95.2
A85	Vendir Hamaotsu Ekimae	Kansai	Otsu, Shiga	581	638	Sep. 2012	Feb. 2007	5	81	2,670.66	93.3
A86	Salvo Sala	Kansai	Osaka, Osaka	544	548	Sep. 2012	Jan. 2007	5	54	1,428.12	89.9
A87	Excellente Kagurazaka	23 wards	Shinjuku, Tokyo	543	544	Sep. 2012	Jan. 2007	5	33	701.92	100.0
A88	Luna Court Edobori	Kansai	Osaka, Osaka	525	528	Sep. 2012	Feb. 2004	8	50	1,185.50	96.0
A89	Winnage Kobe Motomachi	Kansai	Kobe, Hyogo	512	524	Sep. 2012	May. 2007	5	57	1,433.35	98.2
A90	Queen's Court Fukuzumi	23 wards	Koto, Tokyo	456	461	Sep. 2012	Sep. 2006	6	25	765.18	100.0
A91	Corp Higashinotoin	Kansai	Kyoto, Kyoto	446	447	Sep. 2012	Feb. 2004	8	42	1,029.05	100.0
A92	Belair Oimachi	23 wards	Shinagawa, Tokyo	412	413	Sep. 2012	Apr. 2006	6	26	530.60	92.6
A93	Siete Mirami-Tsukaguchi	Kansai	Amagasaki, Hyogo	374	380	Sep. 2012	Jan. 2007	5	40	1,020.86	94.9
A94	Prime Life Sannomiya Isogami Koen	Kansai	Kobe, Hyogo	373	372	Sep. 2012	Nov. 2006	6	32	789.12	100.0
A95	HERMITAGE NANBA WEST	Kansai	Osaka, Osaka	355	358	Sep. 2012	Dec. 2006	6	21	992.76	91.2
A96	Century Park Shinkawa 1-bankan	Chubu	Nagoya, Aichi	335	340	Sep. 2012	Sep. 2001	11	44	1,477.62	100.0
A97	West Avenue	23 wards	Kunitachi, Tokyo	331	333	Sep. 2012	Oct. 1991	21	40	794.80	90.0
A98	Little River Honmachiabashi	Kansai	Osaka, Osaka	310	316	Sep. 2012	Jun. 2007	5	31	974.81	96.9
A99	Prime Life Mikage	Kansai	Kobe, Hyogo	297	299	Sep. 2012	Jan. 2007	5	28	761.18	85.5
Subtotal of Residences		-	-	58,083	56,237	-	-	11.3	3,413	109,585.97	95.4

## (Other Information) Portfolio List

No.	Property Name	Location		Acquisition Price (JPY mn)	Appraisal Value (JPY mn)	Acquisition Date	Completion Date	Property Age (years)	Total Rentable Units	Total Leasable Area (㎡)	Occupancy Rate (%)
B8	Kindai Kagaku Sha Building	23 wards	Shinjuku, Tokyo	1,301	989	Aug. 2006	Jun. 1991	21	13	1,451.54	100.0
B9	Shinjuku Island	23 wards	Shinjuku, Tokyo	715	520	Mar. 2007	Jan. 1995	17	1	526.43	100.0
B14	Lexington Plaza Nishigotanda	23 wards	Shinagawa, Tokyo	4,880	4,200	Feb. 2010	Jun. 1993	19	11	6,033.58	100.0
B15	Cross Square NAKANO	23 wards	Nakano, Tokyo	1,060	935	Feb. 2010	Jan. 1993	19	45	2,145.00	54.2
B16	Ohki Aoba Building	Tohoku	Sendai, Miyagi	816	593	Feb. 2010	Jul. 1997	15	13	2,178.41	100.0
B17	Lexington Plaza Hachiman	Tohoku	Sendai, Miyagi	3,280	3,140	Feb. 2010	Dec. 2005	7	18	8,419.15	94.6
B18	AEON TOWN Sukagawa	Tohoku	Sukagawa, Fukushima	2,320	2,070	Feb. 2010	Oct. 2005	7	1	18,440.58	100.0
	Subtotal of Offices etc.	-	-	14,372	12,447	-	-	14.2	102	39,194.69	96.3
C1	Stop Parking Kanda-Sudacho	23 wards	Chiyoda, Tokyo	97	91	Jan. 2007	-	-	1	81.04	100.0
C21	Bon Sejour Chitose Funabashi	23 wards	Setagaya, Tokyo	685	734	Feb. 2010	Mar. 1988	24	42	2,342.17	100.0
C22	Bon Sejour Yotsugi	23 wards	Katsushika, Tokyo	652	681	Feb. 2010	Mar. 1989	23	62	1,962.87	100.0
C23	Bon Sejour Hino	Surrounding	Hino, Tokyo	574	641	Feb. 2010	May. 1990	22	56	1,984.17	100.0
C24	Bon Sejour Musashi-Shinjo	Surrounding	Kawasaki, Kanagawa	486	543	Feb. 2010	Feb. 1985	27	46	1,710.43	100.0
C25	Bon Sejour Komaki	Chubu	Komaki, Aichi	1,050	1,060	Feb. 2010	Mar. 1991	21	123	8,858.49	100.0
C26	Bon Sejour Hadano Shibusawa	Surrounding	Hadano, Kanagawa	681	616	Feb. 2010	Jul. 1991	21	100	3,435.79	100.0
C27	Bon Sejour Itami	Kansai	Itami, Hyogo	480	433	Feb. 2010	Mar. 1989	23	62	2,129.87	100.0
	Subtotal of Parking lots etc.	-	-	4,705	4,799	-	-	22.7	492	22,504.83	100.0
	Total	-	-	77,161	73,483	-	-	12.5	4,007	171,285.49	96.2

(Note 1) "Tokyo (except for "Tokyo 23 wards")" and "Kanagawa, Chiba, and Saitama prefectures" are defined as "Surrounding".

(Note 2) Property ages in the "Subtotal" and "Total" fields are weighted average figures.

(Note 3) Since "C1 Stop Parking Kanda-Sudacho" is a flat parking lot, there are no buildings on the ground so there are no "Completion Date" and "Property Age".

(Note 4) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.

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