

Translation of Japanese Original

FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED October 31, 2016 (REIT)

(May 1, 2016 to October 31, 2016)

December 14, 2016

Kenedix Office Investment Corporation is listed on the Tokyo Stock Exchange with the securities code number 8972.

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Preparing presentation material: Yes · NoHold a financial brief meeting: Yes · No (for institutional investors and analysts)

1. PERFORMANCE FOR THE FISCAL PERIOD ENDED October 31, 2016 (May 1, 2016 to October 31, 2016)

(1) Business Results

(Amounts are rounded down to the nearest one million yen.)

(% indications are increase-decrease rate of period-over-period.)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the six months ended								
October 31, 2016	13,491	(6.1)	5,788	(5.1)	4,603	(4.4)	4,601	(4.4)
April 30, 2016	14,362	4.5	6,102	2.7	4,816	5.5	4,815	5.5

	Net Income per unit	Return on Unitholders' Equity	Ordinary Income to Total Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
For the six months ended				
October 31, 2016	11,365	2.2	1.1	34.1
April 30, 2016	11,892	2.3	1.2	33.5

(2) Distribution

(Total distributions are rounded down to the nearest one million yen.)

	Distributions per Unit (Excluding Excess of Earnings)	Total Distributions (Excluding Excess of Earnings)	Distributions in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
	Yen	Millions of Yen	Yen	Millions of Yen	%	%
For the six months ended						
October 31, 2016	11,365	4,601	0	0	100.0	2.2
April 30, 2016	10,707	4,335	0	0	90.0	2.0

Note 1: Distributions per unit for the fiscal period ended April 30, 2016 is calculated by dividing the amount remaining after deducting provision of reserve for reduction entry (¥480 million) from unappropriated retained earnings by the number of investment units issued and outstanding. The main difference between distributions per unit and net income per unit is due to this calculation.

(3) Financial Position

(Total assets and net assets are rounded down to the nearest one million yen.)

	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Unit
	Millions of Yen	Millions of Yen	%	Yen
For the six months ended				
October 31, 2016	413,031	212,825	51.5	525,644
April 30, 2016	408,813	212,555	52.0	524,977

(4) Cash Flow Situations

(Amounts are rounded down to the nearest one million yen.)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Period End
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
For the six months ended				
October 31, 2016	7,472	(5,473)	(1,338)	19,836
April 30, 2016	21,248	(20,654)	(3,179)	19,175

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2. FORECAST OF RESULTS FOR THE FISCAL PERIOD ENDING April 30, 2017 (November 1, 2016 to April 30, 2017)

(% change from the previous fiscal period)

For the six months ending April 30, 2017	Operating Revenues (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income (Millions of Yen)		Distributions per Unit (Excluding Excess of Earnings)	Distributions in Excess of Earnings per Unit
	14,978	% 11.0	5,809	% 0.4	4,657	% 1.2	4,656	% 1.2	Yen 11,500	Yen 0

(Reference) Estimated net income per unit for the fiscal period ending April 30, 2017: ¥11,500

Forecasted number of investment units issued and outstanding as of April 30, 2017: 404,885 units

Forecasted average number of investment units during the fiscal period ending April 30, 2017: 404,885 units

***OTHER**

(1) Changes in Accounting Policies • Changes in Accounting Estimate • Retrospective Restatement

(a) Changes concerning accounting policy accompanying amendments to accounting standards: No

(b) Changes other than (a): No

(c) Changes in accounting estimate: No

(d) Retrospective restatement: No

(2) Number of Investment Units Issued and Outstanding (including treasury units)

(a) Number of investment units issued and outstanding at period end (including treasury units)

As of October 31, 2016: 404,885 units

As of April 30, 2016: 404,885 units

(b) Number of treasury units at period end

As of October 31, 2016: 0 units

As of April 30, 2016: 0 units

Note: Please refer to page 25 "Notes on the Information per Unit" for the calculation of net income per unit.

***Details concerning actual status of auditing procedures**

As of the disclosure of this financial report, auditing procedures for financial statements based on the Financial Instruments and Exchange Law are underway.

***Explanation on the appropriate use of the forecast of results and other matters of special consideration**

Readers are advised that actual operating revenues, operating income, ordinary income, net income and distributions per unit may differ significantly from forecasts due to a variety of factors. Accordingly, the Investment Corporation does not guarantee payment of the forecast distributions per unit. Please refer to page 10 "Preconditions and Assumptions for the Twenty-fourth Fiscal Period Ending April 30, 2017" for the precondition of forecast for the twenty-fourth fiscal period ending April 30, 2017.

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1. Basic Structure — Overview of Companies Related to the Investment Corporation

There were no major changes to the “Structure of Investment Corporation” from the most recent securities report (submitted on July 28, 2016), and accordingly this information has been omitted from this document.

2. Management Policy and Operating Conditions

(1) Management Policy

There were no major changes to the “Investment Policy,” “Investment Strategy” and “Distribution Policy” from the most recent securities report (submitted on July 28, 2016), and accordingly this information has been omitted from this document.

(2) Operating Conditions

① Operating Conditions for the Twenty-third Fiscal Period (fiscal period ended October 31, 2016)

A. The Investment Corporation

Kenedix Office Investment Corporation (“the Investment Corporation”) was established on May 6, 2005 in accordance with the Investment Trust and Investment Corporation Law (Law No. 198 of the year 1951, including amendments thereafter). On July 21, 2005, the Investment Corporation was listed on the Real Estate Investment Trust Market of the Tokyo Stock Exchange, Inc. (“the Tokyo Stock Exchange”) with a total of 75,400 investment units issued and outstanding (Securities Code: 8972). Subsequently, the Investment Corporation raised funds through public offerings and including seven global offerings. As a result, as of October 31, 2016, the end of the twenty-third fiscal period, the number of investment units issued and outstanding totaled 404,885 units.

The Investment Corporation appointed Kenedix Real Estate Fund Management, Inc. (“the Asset management Company”) as our asset manager. In collaboration with the Asset Management Company, the Investment Corporation strives to maximize cash distribution to investors by securing stable earnings and sustainable investment growth. To this end, the Investment Corporation adopts the basic policy of conducting flexible and dynamic investment stance that seeks to respond to its environment and market trends, and endeavors to ensure a timely response to opportunities.

B. Investment Environment and Management Performance

(a) Investment Environment

During the fiscal period under review (fiscal period ended October 31, 2016), the Japanese economy continued to be on a mild recovery trend backed by improved employment/income environment. The real GDP growth rate for July to September 2016 (The First Preliminary Estimates) showed an annual 2.2% increase, a plus figure for the third consecutive quarter. However, there are some increasing uncertainties lying ahead due to economic slowdown in emerging countries such as China, the U.K.’s decision to leave the EU and other factors.

Individual consumption has begun to gradually pick up despite almost unchanged capital investment by corporations, bringing a continuous mild recovery trend to the economy.

Concerning the office leasing market, demand for relocations for expanded floor area and better location choice continued to be strong in the five central wards of Tokyo, leading to the steady improvement of the average vacancy rate and the rent level. Moreover, the average vacancy rate of major cities across Japan continued to show an improving trend.

In the office building transaction market, domestic investors such as listed J-REITs and real estate companies, overseas investors and such continued to show a strong appetite for property acquisitions. Due partially to ongoing competitive acquisition environment for excellent properties, the cap rates continuously remain at low levels and transaction prices continue to remain high.

(b) Management Performance

As of the end of the previous fiscal period (fiscal period ended April 30, 2016), the Investment Corporation owned 97 properties (with a total acquisition price of ¥393,371 million) and equity interest in a Japanese silent partnership (tokumei kumiai) (“TK”) (acquisition price of ¥1,107 million). During the fiscal period under review (fiscal period ended October 31, 2016), the Investment Corporation acquired two office buildings (KDX Shin-Nihonbashi Ekimae Building: acquisition price of ¥3,829 million, KDX Nihonbashi Edo-dori Building: acquisition price of ¥1,350 million).

As a result, the number of properties owned as of October 31, 2016 (excluding the TK interest, same applies below.) amounts to 99 (with a total acquisition price of ¥398,350 million). Looking at the portfolio distribution by property types, 92.4% was comprised of office buildings, 5.6% of central urban retail properties, 1.3% of residential property and 0.7% of other property on an acquisition price basis. The occupancy ratio as of the end of the twenty-third fiscal period (fiscal period ended October 31, 2016) continuously maintained high occupancy ratio of the same 96.9% as the level of the end of the previous fiscal period (fiscal period ended April 30, 2016).

Operation and Management of Existing Properties

The Investment Corporation entrusts property management services for its entire portfolio as of the end of the fiscal period under review (fiscal period ended October 31, 2016) (excluding Shinjuku 6-chome Building (Land)) to Kenedix Property Management, Inc. By doing so, the Investment Corporation has strived to unify policies, specifications, procedures, points of contact, etc. for the provision of swift and quality services in the operation and management of properties.

In terms of leasing, in light of the recovery trends of the economy and real estate market, the Investment Corporation sought out potential demand by maintaining close relationships with brokers. Moreover, in order to maintain and raise the competitiveness of office buildings, upgrading of air conditioning systems and repair of common areas, etc. were implemented according to plan.

Consequently, as of the end of the fiscal period under review (fiscal period ended October 31, 2016), the occupancy ratio of the Investment Corporation's owned office buildings in the Tokyo Metropolitan Area stood at 97.2%, considerably increased by 0.8 point compared with the end of the previous fiscal period (fiscal period ended April 30, 2016), and for the Investment Corporation's office buildings overall stood at 96.8%, continuously maintained high occupancy ratio of the same as the level of the end of the previous fiscal period (fiscal period ended April 30, 2016).

The Investment Corporation proactively negotiated with the tenants that pay rents lower than market rent level among tenants reaching rent revision period for upward rent revisions, achieved almost 50 cases of upward rent revisions similar to the previous fiscal period.

Stable Management through Large Number of Tenants and Tenant Diversification by Sector

The number of end-tenants for our office buildings was 1,120 (Note 1) (Note 2) as of the end of the fiscal period under review (fiscal period ended October 31, 2016) and diversifying tenant's stratum further. Furthermore, floor area leased to the top 10 office end-tenants as a proportion of total leased floor area of the total portfolio was 8.4%. In addition, tenants of office buildings are in various sectors. As a result, we believe the impact by a certain end-tenant vacating the property or sluggish performance in certain sectors would have a relatively limited effect and will be able to maintain stable revenue.

Note 1: When a tenant is leasing more than one property, it is counted as one tenant and the number of tenants is indicated accordingly.

Note 2: The number of end-tenants for entire portfolio is 1,148 as of the end of the fiscal period (fiscal period ended October 31, 2016).

C. Capital Financing

(a) Status of Borrowings

The Investment Corporation will continue to strive to reduce refinancing risk by diversifying repayment dates for its interest-bearing debt. During the fiscal period under review (fiscal period ended October 31, 2016), the Investment Corporation undertook new borrowings equivalent to the funds to repay borrowings of ¥13,500 million that matured during the fiscal period. Also, the Investment Corporation undertook new borrowings of ¥3,000 million at the time of the property acquisition. As a result, the balance of interest-bearing debt as of October 31, 2016 is comprising ¥168,800 million in borrowings (¥1,500 million in short-term borrowings (Note 1) and ¥167,300 million in long-term borrowings (Note 1)) and ¥9,300 million in investment corporation bonds, and interest-bearing debt ratio is 43.1%. (Note 2)

Furthermore, as of the end of fiscal period under review (fiscal period ended October 31, 2016), ¥105,850 million out of ¥112,350 million of long-term borrowings, which have floating interest rates, have been hedged and practically fixed by utilizing interest-rate swap agreements, etc. In addition, the long-term debt ratio (Note 3) was 99.2% and the long-term fixed interest debt ratio (Note 4) was 95.5%.

In addition, the Investment Corporation lengthened the average remaining term of its interest-bearing debt (Note 5), the weighted average based on the balance of interest-bearing debt at the end of each fiscal period, from 3.6 years at the end of the nineteenth fiscal period (fiscal period ended October 31, 2014) to 4.9 years at the end of the fiscal period under review (fiscal period ended October 31, 2016). Furthermore, the average interest rate (Note 5) was reduced from 1.46% to 1.19% during the same period, demonstrating a steady reduction of financial costs.

Note 1: Short-term borrowings refer to borrowings with a period of less than or equal to one year from the drawdown date to the repayment date.

However, the borrowings whose period until repayment date have surpassed one year because the repayment date one year from the drawdown date is not a business day and for which the repayment date has been moved to the following business day are included in short-term borrowings. Long-term borrowings refer to borrowings with a period of more than one year from the drawdown date to the repayment date. The same classification criteria apply to other borrowings listed below.

Note 2: Interest-bearing debt ratio = Balance of Interest-bearing debt at the end of fiscal period / Total assets at the end of fiscal period × 100

Note 3: Long-term debt ratio = (Balance of long-term borrowings + Balance of investment corporation bonds) / (Total borrowings + Balance of investment corporation bonds) × 100

Long-term debt ratio is rounded to the nearest first decimal place.

Note 4: Long-term fixed interest debt ratio = (Balance of long-term fixed interest rate borrowings + Balance of investment corporation bonds) / (Total borrowings + Balance of investment corporation bonds) × 100

The balance of long-term fixed interest rate borrowings includes long-term borrowings with floating interest rates effectively fixed by utilizing interest-rate swap agreements and excludes long-term borrowings hedged by interest-rate cap agreements. Long-term fixed interest debt ratio is rounded to the nearest first decimal place.

Note 5: Average remaining terms and average interest rates are the weighted average of the period-end remaining terms and interest rates including upfront fees based on the balance of interest-bearing debt. Average remaining terms are rounded to the nearest first decimal place and average interest rates are rounded to the nearest second decimal place respectively.

The balances of borrowings according to financial institutions as of April 30, 2016 and October 31, 2016 are as follows:

Lender	End of Twenty-second Fiscal Period (as of April 30, 2016) (Millions of Yen)	End of Twenty-third Fiscal Period (as of October 31, 2016) (Millions of Yen)	Ratio as of the End of Twenty-third Fiscal Period (%) (Note 6)
Sumitomo Mitsui Banking Corporation	44,300.0	45,300.0	26.8%
Development Bank of Japan Inc.	28,050.0	29,550.0	17.5%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	22,800.0	22,800.0	13.5%
Sumitomo Mitsui Trust Bank, Limited	19,100.0	19,100.0	11.3%
Aozora Bank, Ltd.	14,600.0	13,100.0	7.8%
Resona Bank, Limited	10,250.0	10,250.0	6.1%
Mitsubishi UFJ Trust and Banking Corporation	10,200.0	10,200.0	6.0%
Mizuho Bank, Ltd.	6,200.0	8,200.0	4.9%
Mizuho Trust & Banking Co., Ltd.	2,800.0	2,800.0	1.7%
The Bank of Fukuoka, Ltd.	2,500.0	2,500.0	1.5%
The Nishi-Nippon City Bank, Ltd.	1,700.0	1,700.0	1.0%
The Hiroshima Bank, Ltd.	1,000.0	1,000.0	0.6%
The 77 Bank, Ltd.	1,000.0	1,000.0	0.6%
The Higashi-Nippon Bank, Limited	800.0	800.0	0.5%
The Mie Bank, Ltd.	500.0	500.0	0.3%
Total	165,800.0	168,800.0	100.0%

Note 6: Percentages as of the end of the fiscal period under review are rounded to the first decimal place.

(b) Status of Credit Rating

The status of the credit ratings as of October 31, 2016 is as follows:

Credit Rating Agency	Details of the Ratings	
	Long-Term Issuer Rating	A+ (Outlook: Positive)
Japan Credit Rating Agency, Ltd. (JCR)	Ratings on Bonds Preliminary Rating of Shelf Registration	A+

(c) Status of Shelf Registration

The Investment Corporation filed a shelf registration statement for investment corporation bonds on February 6, 2015.

Details are as follows.

Planned Issue Amount	¥100,000,000,000
Planned Issuance Period	February 15, 2015 to February 14, 2017
Use of Funds	Acquisition funds for specified assets, repayment of borrowings, repayment of investment corporation bonds, refund of lease and guarantee deposits, funds to pay for repairs and maintenance, working capital, etc.

The Seventh Series Unsecured Investment Corporation Bonds of ¥1,000 million were issued based on the above shelf registration on April 28, 2016.

D. Operating Results and Cash Distribution

As a result of the aforementioned management performance, the Investment Corporation reported operating revenues of ¥13,491 million, operating income of ¥5,788 million, ordinary income of ¥4,603 million and net income of ¥4,601 million for its twenty-third fiscal period (fiscal period ended October 31, 2016).

Cash distributions are paid out to the application of Article 67-15 of the Special Taxation Measures Law (Law No. 26 of the year 1957, including amendments thereafter). Following this policy, the Investment Corporation has decided to distribute the entire amount of unappropriated retained earnings excluding the portion where cash distribution per unit would be less than ¥1. Therefore, the distributions per unit resulted in ¥11,365.

② Outlook for next fiscal period

A. Investment Environment

Although future Japanese economy is expected to see the continuous mild recovery, careful attention should be paid to uncertainties concerning overseas economies and politics including the rise of interest rates and the inauguration of the new president in the U.S., possible slowdown in Chinese economy, the U.K.'s withdrawal from the EU and such. Even in Japan as well, it will be necessary to pay close attention to various events such as fluctuation in exchange rates and the impact of the “quantitative and qualitative monetary easing involving control over long- and short-term interest rates” policy that accompanies negative interest rates.

Concerning the office building leasing market, the average vacancy rate in Tokyo's five central wards at the end of October 2016 announced by Miki Shoji Co., Ltd. was 3.64%, down 0.82 point year-on-year. Down 0.59 point compared with the end of the previous fiscal period (fiscal period ended April 30, 2016), improvement in the average vacancy rate continues. In addition, the average rent in Tokyo's five central wards (including newly-built office buildings) has maintained an increasing trend.

In the office building transaction market, although some point out the overheated state, transaction prices are forecasted to continue remaining high with investors such as listed J-REITs, domestic real estate companies and foreign investors bearing yet a strong appetite for acquisition, backed by the introduction of the negative interest rate, the robust leasing market and the favorable financing environment.

B. Future Management Policies and Pending Issues

The Investment Corporation adopts the basic policy of conducting flexible and dynamic investment stance that seeks to respond to its environment and market trends, and endeavors to ensure a timely response to opportunities. Based on this policy, the Investment Corporation creates a property investment strategy, management strategy for existing properties, and financial strategy as set forth below and implements them in a flexible and dynamic manner.

(a) Investment Strategy for New Properties and Sales Policy

The Investment Corporation aims for further expansion of its asset size, with the goal of “forming a firm portfolio focusing on mid-sized office buildings” and to become the “No. 1 J-REIT for mid-sized office buildings.” The Investment Corporation will keep mid-sized office buildings in the Tokyo Metropolitan Area as its focus, and with regard to central urban retail properties, invest only in those that have rare value as an alternative to office buildings, are located in busy commercial areas and offer a certain amount of office space. In addition, the Investment Corporation believes that maintaining an investment strategy which aims for a certain degree of regional diversification, will be a foundation for constructing a superior portfolio and differentiating the Investment Corporation from others in the business.

Moreover, when acquiring assets, the Investment Corporation will aim for the stable growth of the portfolio, by securing continuous opportunities for acquiring properties and flexible acquisition methods by utilizing the Asset Management Company's own networks and the sponsor company's support line through building multiple pipelines. Also, based on the premises of that the Investment Corporation able to obtain opportunities for property acquisitions in the future, the Investment Corporation might invest in TK interests etc. with the sponsor company on a conjoint basis. In addition, in order to seek diversifying acquisition methods (direct acquisition, equity investment and co-acquisition with the sponsor company, mutual transaction with a view of asset reshuffle, etc.), with consideration to the timing or the consistency of the investment principles and to secure mobilizing acquisition of properties, the investment company invests in warehousing related TMK etc. with the sponsor company cooperation.

In selling properties, the Investment Corporation will examine the sale of properties individually in considering the use of funds for replacement of assets through new property acquisition or fund-type investments. Of this, concerning residential properties, the Investment Corporation will not only refrain from conducting new investments in principle, but will also place such properties on the top of the list of properties to sell while taking into consideration the market environment, asset size and other factors. On the other hand, the Investment Corporation will decide on the sale of office buildings and central urban retail properties individually by considering the current profitability, revenue projections that take into account future market trends, building age, area and property size, among other factors, and also in light of the significance of the property's presence in the portfolio.

(b) Management Strategy for Existing Properties

Taking into consideration economic and real estate market trends, the Investment Corporation adopts “a tenant-oriented approach which will lead to revenue” for its leasing activities with aims of ensuring a timely and flexible response as well as optimizing tenant satisfaction. Accordingly, the Investment Corporation seeks to aim to maintain / increase cash flow by offering office environments with high tenant satisfaction. Based on the aforementioned in aim to become “the mid-sized office building of the choice,” the Asset Management Company undertakes asset management activities as follows:

- Take measures to maintain and raise competitiveness of properties

- Tailor leasing management according to the market environment
- Apply careful control of management and operating costs by taking advantage of portfolio size
- Ensure appropriate response to relevant laws and regulations
- Develop a proactive response to environmental issues

Take measures to maintain and raise competitiveness of properties

The Investment Corporation will implement operation and management in close contact with the actual properties and further enhance the management level. Some specific examples of the operation and management are the installation of automated external defibrillators (AEDs) and service delivery of public wireless LAN in consideration of business continuity plans (BCP) and its corporate social responsibilities (CSR).

Furthermore, tenants at properties are positioned as important “customers” and the perspective of customer satisfaction (CS) is applied to the management of properties. The Investment Corporation has conducted CS surveys targeting the tenants of its office buildings six times in cooperation with J.D. Power Asia Pacific, Inc., an internationally recognized company that engages in customer satisfaction evaluation (requesting those in charge of general affairs and employees of tenants to complete a questionnaire on the hard aspects such as the building and facilities as well as on the soft aspects such as management and operation, consisting of multiple items for evaluation and open-ended questions). The comprehensive satisfaction rating results for the Sixth CS survey conducted in August 2015 is as follows.

The response of “Satisfied”, “Slightly Satisfied” remains high level nearly equivalent to the Fifth CS Survey conducted in August 2013.

< Comprehensive Satisfaction Rating > (Note 1) (Note 2)

	Satisfied	Slightly Satisfied	Neither	Slightly Dissatisfied	Dissatisfied	Unknown
Sixth CS Survey	24%	51%	18%	6%	1%	1%
Fifth CS Survey	26%	51%	18%	4%	1%	1%

Note 1: Target respondents for the survey are the administration officers of each tenant and tenant employees.

Note 2: Ratios are rounded to the nearest unit.

By conducting such surveys continuously and meeting tenant needs, the Investment Corporation is aiming to improve customer satisfaction while also maintaining and improving the competitiveness and asset value of its properties, and to further enhance profitability.

Tailor leasing management according to the market environment

The characteristics of mid-sized office buildings, which are the primary investment target of the Investment Corporation, are that tenant turnover ratios are relatively high. Therefore, in the leasing aspect, the Investment Corporation implements leasing activities in a timely and flexible manner by adopting the basic policy of endeavoring to maximize revenues for the medium- to long-term through maintaining occupancy ratios, while taking into account economic and real estate market trends.

Concerning the solicitation of new tenants, the Investment Corporation strives to shorten the period of vacancy and boost the occupancy ratio by implementing flexible and dynamic leasing activities through sharing information closely with leasing brokers, holding of previews, marketing directly to corporations, utilizing guarantee companies and other measures while closely watching market conditions and timing of changes going forward.

Apply careful control of management and operating costs by taking advantage of portfolio size

The Investment Corporation will carefully control the quality of property management and reduce building maintenance and operating costs by continuously taking advantage of the portfolio size through cost reductions of building maintenance, reviews of building maintenance companies, construction bidding and procurement of facilities and equipments, etc. via bulk orders.

Ensure appropriate responses to relevant laws and regulations

The Investment Corporation will gather information on the Building Standards Law (Law No. 201 of the year 1950, including amendments thereafter) and other relevant laws and regulations and any future revisions, in a timely manner and will respond as necessary while considering compliance.

Develop a proactive response to environmental issues

The Investment Corporation is designated as a specified corporation pursuant to the Act on the Rational Use of Energy. The Investment Corporation will research on energy saving and environmental friendliness of mid-sized office buildings, develop

medium- to long-term energy saving plans and reduction targets, and proactively institute measures in terms of both hardware (buildings and facilities) and soft services (operating and management services) in an aim to ensure the simultaneous pursuit of return on investment and social benefits. Furthermore, the Investment Corporation will proactively participate in GRESB Survey and engage in efforts for various certification and rating systems such as DBJ Green Building Certification.

(c) Financial Strategy (Debt Financing)

As the environment for procuring interest-bearing debt remains favorable, the Investment Corporation continuously strives to improve the terms and conditions of existing borrowings.

In addition, by taking the following measures, etc., the Investment Corporation aims for stable financial management.

- Reduce refinance risks by diversifying maturities of interest-bearing debts
- Have the procurement ratio of long-term fixed interest borrowings above a certain level
- Control the interest-bearing debt ratio (Note) in a conservative manner (the Investment Corporation will aim to keep the interest-bearing debt ratio to total assets (LTV) at less than 45% level as a rule. However, it will also remain open to the option of increasing LTV to the upper 40% level in the event of debt financing conducted for the purpose of acquiring competitive properties or otherwise.)

Moreover, the Investment Corporation will undertake stable fund procurement based on existing favorable relations with financial institutions, especially mega-banks, trust banks and Development Bank of Japan Inc., as well as aim for more conservative financial management. In addition, the Investment Corporation aspires to pay attention to the share of each bank and consider as appropriate the introduction of transactions with new banks based on comparison with the conditions with currently transacting banks.

Note: Interest-bearing debt ratio = Balance of interest-bearing debt at the end of fiscal period / Total assets at the end of fiscal period × 100

(d) Information Disclosure

Consistent with its basic information disclosure policy, the Investment Corporation proactively engages in IR activities with the aim of promptly providing a wide range of relevant information to investors, and make revisions to the information disclosure system when needed. In specific terms, the Investment Corporation provides information through the Timely Disclosure Network System (TDnet), which is a system operated by the Tokyo Stock Exchange, as well as press releases and its website (URL: <http://www.kdo-reit.com/en/>).

(3) Important Subsequent Events

Not applicable

(Reference Information)

(a) Sale of Property

- ① The Investment Corporation sold the following real estate on December 1, 2016

Date of Sale	Property Name	Location	Buyer	Sale Price (Millions of Yen) (Note 1)	Assumed Book Value (Millions of Yen)	Difference between Sale Price and Assumed Book Value (Millions of Yen) (Note 2)
December 1, 2016	BUREX Toranomom	Minato-ku, Tokyo	Mori Building Co., Ltd.	2,440	1,734	706

(Note 1) Transfer costs, adjustment of property tax and city-planning tax, and consumption tax, etc. are excluded.

(Note 2) Figure is referential amount and different from gain or loss on sale.

- ② The Investment Corporation concluded the following trust beneficiary interest transaction agreement regarding sale of trust beneficiary interest in real estate on November 1, 2016 (Note 2).

Scheduled Date of Sale	Property Name	Location	Buyer	Anticipated Sale Price (Millions of Yen) (Note 1) (Note 2)	Assumed Book Value (Millions of Yen)	Difference between Sale Price and Assumed Book Value (Millions of Yen) (Note 3)
February 1, 2017	KDX Nihonbashi Kabutocho Building	Chuo-ku, Tokyo	HEIWA REAL ESTATE CO., LTD.	12,400	11,104	1,296

(Note 1) Transfer costs, adjustment of property tax and city-planning tax, and consumption tax, etc. are excluded.

(Note 2) The transaction agreement in the transaction fall under the category of forward commitment made by investment corporations as stipulated in the “Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc.” determined by the Financial Services Agency of Japan. In the event of a violation of the transaction agreement made by the Investment Corporation or the Buyer, the penalty is stipulated to be an amount equivalent to 10% of the transaction price (¥1,240 million) in the transaction agreement.

(Note 3) Figure is referential amount and different from gain or loss on sale.

(b) Acquisition of Property

① The Investment Corporation acquired the following trust beneficiary interest in real estate (Note 2) on December 1, 2016.

Date of Acquisition	Property Name	Location	Seller	Acquisition Price (Millions of Yen) (Note 1)	Appraisal Value (Millions of Yen)	Base Date for Appraisal
December 1, 2016	ARK Mori Building	Minato-ku, Tokyo	Mori Building Co., Ltd.	4,169	4,310	October 31, 2016

(Note 1) Transfer costs, adjustment of property tax and city-planning tax, and consumption tax, etc. are excluded.

(Note 2) Trust beneficiary interest in compartmentalized ownership for the 34th and 35th floors of ARK Mori Building (40% of quasi co-ownership interest)

② The Investment Corporation concluded the following trust beneficiary interest transaction agreement regarding acquisition of trust beneficiary interest in real estate on November 1, 2016. (Note 2)

Scheduled Date of Acquisition	Property Name	Location	Seller (Note 3)	Anticipated Acquisition Price (Millions of Yen) (Note 1)	Appraisal Value (Millions of Yen)	Base Date for Appraisal
February 1, 2017	Nishi-Shinbashi TS Building	Minato-ku, Tokyo	Kenedix Development, Inc.	8,400	8,480	October 31, 2016

(Note 1) Transfer costs, adjustment of property tax and city-planning tax, and consumption tax, etc. are excluded.

(Note 2) The transaction agreement in the transaction fall under the category of forward commitment made by investment corporations as stipulated in the “Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc.” determined by the Financial Services Agency of Japan. In the event of a violation of the transaction agreement made by the Investment Corporation or the Seller, the penalty is stipulated to be an amount equivalent to 10% of the transaction price (¥840 million) in the transaction agreement.

(Note 3) The property to be acquired is owned by HEIWA REAL ESTATE CO., LTD. as of the date of this document and its wholly owned subsidiary. In the transaction, Kenedix Development, Inc., a wholly owned subsidiary of Kenedix, Inc. that is the brokerage firm will acquire the property to be acquired at first and then transfer it to the Investment Corporation on the same date.

(4) Risk Factors

There are no significant changes to the “Investment Risks” as described in the Securities Report submitted July 28, 2016.

(5) Outlook

Forecasts for the twenty-fourth fiscal period (November 1, 2016 to April 30, 2017) are presented as follows.

Operating Revenues	¥14,978 million
Operating Income	¥5,809 million
Ordinary Income	¥4,657 million
Net Income	¥4,656 million
Distributions per Unit	¥11,500

For preconditions and assumptions of the outlook, please see following “Preconditions and Assumptions for the Twenty-fourth Fiscal Period Ending April 30, 2017”.

Note: Forecast figures above are calculated based on certain assumptions. Readers are advised that actual operating revenues, net income and distribution per unit may differ significantly from forecasts due to a variety of reasons. Accordingly, the Investment Corporation does not guarantee payment of the forecasted distribution per unit.

Preconditions and Assumptions for the Twenty-fourth Fiscal Period Ending April 30, 2017

	Preconditions and Assumptions
Calculation Period	<ul style="list-style-type: none"> The twenty-fourth fiscal period: November 1, 2016 to April 30, 2017 (181 days)
Property Portfolio	<ul style="list-style-type: none"> The real estate and trust beneficiary interests in real estate held by the Investment Corporation are assumed on the basis that the Investment Corporation held 99 properties as of October 31, 2016 and adds 2 properties (the acquisitions of ARK Mori Building on December 1, 2016 and Nishi-Shinbashi TS Building scheduled on February 1, 2017), sells 2 properties (the sales of BUREX Toranomom on December 1, 2016 and KDX Nihonbashi Kabutocho Building scheduled on February 1, 2017) and premises the additional sales of 3 properties (“the Additional Property Sales”). At this time, these additional sales of 3 properties are not decided, but assumed to be done during the said fiscal period. The Investment Corporation also holds the TK equity other than above. It assumes the refund of the TK equity will not occur by the end of the twenty-fourth fiscal period. The actual results may fluctuate due to changes in the property portfolio.
Operating Revenues	<ul style="list-style-type: none"> Rental revenues are estimated based on valid leasing agreements as of December 14, 2016 and by considering variable factors, such as seasonal factors against the backdrop of historical performance, as well as leasing conditions, such as the recent real estate market conditions, in addition to the difference in number of operating days due to movements in existing investment assets. Dividends received of ¥46 million have been assumed with regard to the TK equity stated in the above “Property Portfolio”. Forecasts are based on the assumption that there will be no rent in arrears or non-payments from tenants. Gain on sales of real estate property is anticipated to amount to ¥1,660 million yen due to the sales of BUREX Toranomom on December 1, 2016, KDX Nihonbashi Kabutocho Building scheduled on February 1, 2017 and the Additional Property Sales, which are not decided at this time. The actual results may fluctuate due to changes in success and failure of transactions, sale price, settlement date and other conditions.
Operating Expenses	<ul style="list-style-type: none"> Expenses related to rent business other than depreciation are based on the historic expenses, adjusted to reflect expense variables including seasonal factors. An amount of ¥1,316 million has been assumed for property and facility management fees (property management and building maintenance fees, etc.). An amount of ¥1,122 million has been assumed for taxes and public dues (property tax and city-planning tax, etc.). An amount of ¥2,299 million has been assumed for depreciation expense. An amount of ¥426 million has been assumed for repairs, maintenance and renovation expenses. Repairs, maintenance and renovation expenses are estimated based on the amounts budgeted by the Asset Management Company for each property and considered essential for the period. Actual repairs, maintenance and renovation expenses for the fiscal period may, however, differ significantly from estimated amounts due to unforeseen circumstances or emergencies. In general, property tax and city planning tax are allocated to the seller and purchaser on a pro rata basis at the time of acquisition settlement. In the case of the Investment Corporation, an amount equivalent to the portion allocated to the purchaser is included in the acquisition price of the property. Loss on sales of real estate property is anticipated to amount to ¥1,659 million yen due to the Additional Property Sales, which are not decided at this time. The actual results may fluctuate due to changes in success and failure of transactions, sale price, settlement date and other conditions.
Non-Operating Expenses	<ul style="list-style-type: none"> Interest payable (including financing related expenses etc.) of ¥1,061 million is assumed. Amortization of investment unit issuance expenses of ¥34 million is assumed.
Extraordinary Profit/Loss	<ul style="list-style-type: none"> Extraordinary profit/loss is not assumed.
Borrowings and Investment Corporation Bonds	<ul style="list-style-type: none"> The balance of the borrowings and the investment corporation bonds as of December 14, 2016 is ¥168,800 million and ¥9,300 million, respectively. Of the borrowings as of December 14, 2016, a total of ¥6,200 million is due for repayment during the said fiscal period. It is assumed that all the borrowings will be refinanced. Of the investment corporation bonds as of December 14, 2016, a total of ¥3,000 million is due for repayment during the said fiscal period. It is assumed that all the investment corporation bonds will be redeemed with funds raised by an issue of investment corporation bonds and debt financing.
Investment Units Issued and Outstanding	<ul style="list-style-type: none"> Forecasts are based on the assumption that the number of investment units issued and outstanding as of October 31, 2016 is 404,885 units. Forecasts are based on the assumption that the number of investment units issued and outstanding shall remain unchanged until the end of the said fiscal period.
Distributions per Unit	<ul style="list-style-type: none"> Distributions per unit are calculated in accordance with the distribution policy outlined in the Investment Corporation’s Articles of Incorporation. Actual distributions per unit may differ significantly from forecasted figures due to a variety of reasons including movements in investment assets, rental revenues impacted by tenant movements or incidence of major unforeseen renovation expense.
Distributions in Excess of Earnings per Unit	<ul style="list-style-type: none"> The Investment Corporation does not currently anticipate distributions in excess of earnings.
Other	<ul style="list-style-type: none"> Forecasts are based on the assumption that any revisions to regulatory requirements, taxation, accounting standards, public listing regulations or requirements of the Investment Trusts Association, Japan will not impact forecast figures. Forecasts are based on the assumption that there will be no major unforeseen changes to economic trends and in real estate and other markets.

3. Financial Statements

(1) Balance Sheets

(Thousands of Yen)

	Twenty-second Fiscal Period (As of April 30, 2016)	Twenty-third Fiscal Period (As of October 31, 2016)
Assets		
Current assets		
Cash and deposits	11,235,762	11,268,439
Cash and deposits in trust	9,367,233	9,442,126
Accounts receivable-trade	341,786	330,775
Prepaid expenses	41,985	104,040
Consumption taxes receivable	53,578	-
Other	17,758	11,362
Total current assets	21,058,104	21,156,743
Noncurrent assets		
Property, plant and equipment		
Buildings	19,417,134	19,465,902
Accumulated depreciation	(4,278,789)	(4,599,804)
Buildings, net	15,138,344	14,866,097
Structures	37,639	37,639
Accumulated depreciation	(12,345)	(13,384)
Structures, net	25,294	24,254
Machinery and equipment	371,786	390,920
Accumulated depreciation	(179,333)	(190,056)
Machinery and equipment, net	192,452	200,864
Tools, furniture and fixtures	84,191	85,371
Accumulated depreciation	(47,061)	(49,913)
Tools, furniture and fixtures, net	37,129	35,457
Land	36,424,212	36,424,212
Buildings in trust	*2 116,588,541	118,277,285
Accumulated depreciation	(21,695,828)	(23,556,115)
Buildings in trust, net	94,892,713	94,721,169
Structures in trust	379,259	380,114
Accumulated depreciation	(146,980)	(158,140)
Structures in trust, net	232,279	221,974
Machinery and equipment in trust	1,670,106	1,700,363
Accumulated depreciation	(715,244)	(766,617)
Machinery and equipment in trust, net	954,862	933,746
Tools, furniture and fixtures in trust	429,890	439,064
Accumulated depreciation	(219,426)	(234,952)
Tools, furniture and fixtures in trust, net	210,464	204,111
Land in trust	236,625,041	241,213,445
Total property, plant and equipment	384,732,794	388,845,334
Intangible assets		
Leasehold right	285,350	285,350
Leasehold right in trust	67,109	66,335
Other	5,716	5,125
Total intangible assets	358,176	356,810
Investments and other assets		
Investment securities	1,089,760	1,093,584
Lease and guarantee deposits	10,000	10,000
Lease and guarantee deposits in trust	122,889	122,889
Long-term prepaid expenses	1,283,195	1,352,177
Other	5,513	3,561
Total investments and other assets	2,511,359	2,582,214

(Thousands of Yen)

	Twenty-second Fiscal Period (As of April 30, 2016)	Twenty-third Fiscal Period (As of October 31, 2016)
Total noncurrent assets	387,602,330	391,784,359
Deferred assets		
Investment corporation bond issuance costs	42,377	36,498
Investment unit issuance expenses	110,640	54,159
Total deferred assets	153,018	90,657
Total assets	408,813,454	413,031,761
Liabilities		
Current Liabilities		
Accounts payable	913,869	1,366,552
Short-term loans payable	2,500,000	1,500,000
Current portion of investment corporation bonds	3,000,000	4,500,000
Current portion of long-term loans payable	19,700,000	21,200,000
Accounts payable-other	257,024	248,036
Accrued expenses	90,456	76,005
Income taxes payable	799	838
Accrued consumption taxes	-	343,665
Advances received	2,115,824	2,143,523
Deposits received	54,160	2,896
Other	-	2,274
Total current liabilities	28,632,136	31,383,793
Noncurrent liabilities		
Investment corporation bonds	6,300,000	4,800,000
Long-term loans payable	143,600,000	146,100,000
Tenant leasehold and security deposits	1,938,465	2,185,141
Tenant leasehold and security deposits in trust	15,783,129	15,736,451
Other	4,328	977
Total noncurrent liabilities	167,625,923	168,822,570
Total liabilities	196,258,059	200,206,363
Net assets		
Unitholders' equity		
Unitholders' capital	206,199,945	206,199,945
Surplus		
Voluntary reserve		
Reserve for reduction entry	1,544,521	2,024,673
Total voluntary reserve	1,544,521	2,024,673
Unappropriated retained earnings (undisposed loss)	4,815,255	4,601,756
Total surplus	6,359,776	6,626,429
Total unitholders' equity	212,559,722	212,826,375
Valuation and translation adjustments		
Deferred gains or losses on hedges	(4,328)	(977)
Total valuation and translation adjustments	(4,328)	(977)
Total net assets	*1 212,555,394	212,825,397
Total liabilities and net assets	408,813,454	413,031,761

(2) Statements of Income

(Thousands of Yen)

		Twenty-second Fiscal Period November 1, 2015 to April 30, 2016	Twenty-third Fiscal Period May 1, 2016 to October 31, 2016
Operating revenues			
Rental revenues	*1	11,048,079	11,362,345
Other rental revenues	*1	1,763,949	2,067,427
Gain on sales of real estate property	*2	1,510,168	-
Dividends income		40,015	61,739
Total operating revenue		14,362,213	13,491,513
Operating expenses			
Property related expenses	*1	6,533,202	6,754,675
Loss on sales of real estate property, etc.	*2	766,004	-
Asset management fee		759,989	755,591
Directors' compensation		8,400	8,400
Asset custody fee		22,177	22,264
Administrative service fees		56,235	55,879
Audit fee		11,800	11,800
Other operating expenses		102,321	94,726
Total operating expenses		8,260,131	7,703,337
Operating income		6,102,081	5,788,175
Non-operating income			
Interest income		697	38
Dividends and redemption-prescription		1,133	940
Interest on refund		4	364
Total non-operating income		1,835	1,343
Non-operating expenses			
Interest expenses		922,754	864,908
Interest expenses on investment corporation bonds		71,137	76,194
Borrowing related expenses		183,756	176,510
Amortization of investment corporation bond issuance costs		5,262	5,879
Amortization of investment unit issuance expenses		56,481	56,481
Other		48,005	6,426
Total non-operating expenses		1,287,398	1,186,399
Ordinary income		4,816,518	4,603,119
Income before income taxes		4,816,518	4,603,119
Income taxes-current		1,262	1,371
Income taxes-deferred		0	(7)
Total income taxes		1,263	1,363
Net income		4,815,255	4,601,756
Unappropriated retained earnings (undisposed loss)		4,815,255	4,601,756

(3) Statements of Unitholders' Equity

Twenty-second fiscal period (November 1, 2015 to April 30, 2016)

(Thousands of Yen)

	Unitholders' equity					Valuation and translation adjustments			Total net assets
	Unitholders' capital	Surplus				Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
		Voluntary reserve		Unappropriated retained earnings (undisposed loss)	Total surplus				
		Reserve for reduction entry	Total voluntary reserve						
Balance at the start of current period	206,199,945	1,150,494	1,150,494	4,564,342	5,714,837	211,914,782	-	-	211,914,782
Changes of items during the period									
Provision of reserve for reduction entry		394,026	394,026	(394,026)	-	-			-
Distribution from surplus				(4,170,315)	(4,170,315)	(4,170,315)			(4,170,315)
Net income				4,815,255	4,815,255	4,815,255			4,815,255
Items other than unitholders' equity, net							(4,328)	(4,328)	(4,328)
Total changes of items during the period	-	394,026	394,026	250,912	644,939	644,939	(4,328)	(4,328)	640,611
Balance at the end of current period	206,199,945*	1,544,521	1,544,521	4,815,255	6,359,776	212,559,722	(4,328)	(4,328)	212,555,394

Twenty-third fiscal period (May 1, 2016 to October 31, 2016)

(Thousands of Yen)

	Unitholders' equity					Valuation and translation adjustments			Total net assets
	Unitholders' capital	Surplus				Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
		Voluntary reserve		Unappropriated retained earnings (undisposed loss)	Total surplus				
		Reserve for reduction entry	Total voluntary reserve						
Balance at the start of current period	206,199,945	1,544,521	1,544,521	4,815,255	6,359,776	212,559,722	(4,328)	(4,328)	212,555,394
Changes of items during the period									
Provision of reserve for reduction entry		480,151	480,151	(480,151)	-	-			-
Distribution from surplus				(4,335,103)	(4,335,103)	(4,335,103)			(4,335,103)
Net income				4,601,756	4,601,756	4,601,756			4,601,756
Items other than unitholders' equity, net							3,350	3,350	3,350
Total changes of items during the period	-	480,151	480,151	(213,499)	266,652	266,652	3,350	3,350	270,002
Balance at the end of current period	206,199,945*	2,024,673	2,024,673	4,601,756	6,626,429	212,826,375	(977)	(977)	212,825,397

(4) Basis for Calculating Cash Distribution

(Unit: Yen)

	Twenty-second Fiscal Period (November 1, 2015 to April 30, 2016)	Twenty-third Fiscal Period (May 1, 2016 to October 31, 2016)
I. Retained earnings at the end of period	4,815,255,316	4,601,756,256
II. Total Distribution (Distribution per Unit)	4,335,103,695 (10,707)	4,601,518,025 (11,365)
III. Voluntary retained earnings (Provision) Provision for reserve for reduction entry	480,151,621	-
IV. Retained Earnings brought forward to the next period	-	238,231
Method of calculating the distribution amount	<p>In accordance with the policy depicted in Article 35 (1) of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Special Taxation Measures Law, and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation has decided that, of the amount remaining after the reserve for reduction entry as stipulated in Article 66-2 of the Special Taxation Measures Law is deducted from unappropriated retained earnings, it shall distribute the maximum amount of retained earnings at the period-end, namely totaling ¥4,335,103,695 to 404,885 units issued and outstanding.</p> <p>Procedures for the distribution of amounts exceeding distributable income are outlined in Article 35 (2) of the Investment Corporation's Articles of Incorporation. In its fiscal period under review, the Investment Corporation has decided not to distribute cash in excess of distributable profit.</p>	<p>In accordance with the policy depicted in Article 35 (1) of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Special Taxation Measures Law, and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation has decided to distribute ¥4,601,518,025, the maximum integral multiple amounts of investment units issued and outstanding of 404,885 units, up to unappropriated retained earnings.</p> <p>Procedures for the distribution of amounts exceeding distributable income are outlined in Article 35 (2) of the Investment Corporation's Articles of Incorporation. In its fiscal period under review, the Investment Corporation has decided not to distribute cash in excess of distributable profit.</p>

(5) Statements of Cash Flows

(Thousands of Yen)

	Twenty-second Fiscal Period November 1, 2015 to April 30, 2016	Twenty-third Fiscal Period May 1, 2016 to October 31, 2016
Net cash provided by (used in) operating activities		
Income before income taxes	4,816,518	4,603,119
Depreciation	2,230,944	2,275,342
Amortization of long-term prepaid expenses	178,006	170,760
Interest income	(697)	(38)
Interest expenses	993,892	941,102
Amortization of investment unit issuance expenses	56,481	56,481
Amortization of investment corporation bond issuance expenses	5,262	5,879
Decrease (increase) in accounts receivable-trade	(3,499)	11,011
Decrease (increase) in consumption taxes refund receivable	(53,578)	53,578
Decrease (increase) in prepaid expenses	47,233	(62,054)
Increase (decrease) in accounts payable	(188,896)	292,408
Increase (decrease) in accounts payable-other	(14,635)	(4,717)
Increase (decrease) in accrued consumption taxes	(407,556)	343,665
Increase (decrease) in advances received	157,163	29,973
Increase (decrease) in deposits received	7,320	51,263
Changes in net property, plant and equipment held in trust from sale	14,591,895	-
Decrease (increase) in long-term prepaid expenses	(177,437)	(239,742)
Other	(781)	1,111
Subtotal	22,237,636	8,426,615
Interest income received	697	38
Interest expenses paid	(989,130)	(953,601)
Income taxes paid	(868)	(805)
Net cash provided by (used in) operating activities	21,248,334	7,472,246
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(600,760)	(75,799)
Purchase of property, plant and equipment in trust	(19,802,481)	(6,097,777)
Purchase of intangible assets	(5,913)	-
Payments of tenant leasehold and security deposits	(408,289)	(80,696)
Proceeds from tenant leasehold and security deposits	317,786	323,548
Payments of tenant leasehold and security deposits in trust	(1,087,808)	(837,355)
Proceeds from tenant leasehold and security deposits in trust	1,533,423	741,835
Payments of restricted bank deposits in trust	(600,261)	-
Proceeds from restricted bank deposits in trust	-	552,921
Net cash provided by (used in) investment activities	(20,654,305)	(5,473,322)
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	1,500,000	-
Repayment of short-term loans payable	(1,500,000)	(1,000,000)
Proceeds from long-term loans payable	18,300,000	16,500,000
Repayment of long-term loans payable	(18,300,000)	(12,500,000)
Proceeds from issuance of investment corporation bond	990,471	-
Payments of investment corporation bond issuance expenses	-	(4,010)
Dividends paid	(4,169,538)	(4,334,422)
Net cash provided by (used in) financing activities	(3,179,066)	(1,338,432)
Net increase (decrease) in cash and cash equivalents	(2,585,038)	660,491
Cash and cash equivalents at beginning of period	21,760,581	19,175,542
Cash and cash equivalents at end of period	19,175,542	19,836,034

(6) Notes on the Going Concern

Not applicable

(7) Important Accounting Standards

1. Evaluation standards and evaluation method of assets	<p>Securities</p> <p>Other securities</p> <p>Those with no fair value</p> <p>Cost method through moving-average method</p> <p>Concerning silent partnership (tokumei kumiai) (TK) interests, the method of incorporating the amount of equity equivalent to the portion that corresponds to the net gain or loss of TK is added.</p>
2. Depreciation of fixed assets	<p>(1) Property, plant and equipment (includes trust assets)</p> <p>The straight-line method is applied.</p> <p>Useful lives of the assets ranging are as follows:</p> <p>Buildings: 2 to 49 years</p> <p>Structures: 2 to 45 years</p> <p>Machinery and equipment: 3 to 17 years</p> <p>Tools, furniture and fixtures: 3 to 20 years</p> <p>(2) Intangible assets (includes trust assets)</p> <p>The straight-line method is applied.</p> <p>Leasehold rights: Fixed term leasehold is amortized over a contractual period of 48 years and 9 months under the straight-line method.</p> <p>(3) Long-term prepaid expenses</p> <p>The straight-line method is applied.</p>
3. Accounting policies for deferred assets	<p>(1) Investment unit issuance costs</p> <p>Unit issuance costs are amortized over a period of 3 years.</p> <p>(2) Investment corporation bond issuance costs</p> <p>Bond issuance costs are amortized by applying the straight-line method for the entire redemption period.</p>
4. Accounting standards for revenues and expenses	<p>Accounting method for property tax, etc.</p> <p>Property-related taxes including property taxes and city planning taxes, etc. are imposed on properties on a calendar year basis. These taxes are generally charged to rental expenses for the said fiscal period, for the portion of such taxes corresponding to said period.</p> <p>In connection with the acquisition of real estate including trust beneficiary interests in real estate during the fiscal period under review, the Investment Corporation included its pro rata property portion for the year in each property acquisition price and not as rental expense. The amount of property taxes included in acquisition prices for the previous fiscal period amounted to ¥83,801 thousand and for the fiscal period under review amounted to ¥13,334 thousand.</p>
5. Accounting for hedges	<p>(1) Hedge accounting method</p> <p>The deferred hedge method is applied. However, the special treatment is applied for the interest-rate swap and interest-rate cap agreements that meet the criteria.</p> <p>(2) Hedging instruments and risks hedged</p> <p>Hedge instruments</p> <p>The Investment Corporation enters into interest-rate swap transactions.</p> <p>The Investment Corporation enters into interest-rate cap transactions.</p> <p>Risks hedged</p> <p>Interest rates on debt.</p> <p>(3) Hedging policy</p> <p>The Investment Corporation enters into derivative transactions based on its risk management policies with the objective of hedging risks in accordance with its Articles of Incorporation.</p> <p>(4) Method of evaluating the effectiveness of hedging</p> <p>During the period from the commencement of hedging to the point at which effectiveness is assessed, the Investment Corporation compares the cumulative total of market changes in the targeted objects of hedging or cash flow changes with the cumulative total of market changes in the hedging instruments or cash flow changes. The Investment Corporation then makes a decision based on the changes and other factors of the two.</p> <p>However, the interest-rate swap and interest-rate cap agreements that meet the criteria for special treatment, the evaluation of effectiveness are omitted.</p>

6. The scope of cash and cash equivalents on statements of cash flows	For the purpose of cash flow statements, cash and cash equivalents consist of cash on hand, deposits received that can be withdrawn on demand, and short-term investments with original maturities of 3 months or less, that are readily convertible to known amounts of cash and present insignificant risk of a change in value.
7. Other significant accounting policies utilized in the preparation of financial statements	<p>(1) Accounting method for trust beneficiary interests in real estate and other assets</p> <p>The assets and liabilities as well as revenues and expenses of financial assets held in the form of trust beneficiary interests in real estate and other assets are recorded in full in the Investment Corporation's balance sheets and statements of income.</p> <p>Important line items included in accounting for financial assets and liabilities in the Investment Corporation's balance sheet are as follows:</p> <ol style="list-style-type: none"> 1. Cash and deposits in trust 2. Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and construction in progress in trust 3. Leasehold rights in trust 4. Lease and guarantee deposits in trust 5. Tenant leasehold and security deposits in trust <p>(2) Accounting method for consumption tax</p> <p>Consumption taxes are separately recorded. Non-deductible consumption taxes applicable to the acquisition of assets are included in the cost of acquisition for each asset.</p>

(8) Notes to the Financial Statements

(Notes to the Balance Sheets)

*1. Minimum unitholders' equity pursuant to Article 67, paragraph 4 of the Investment Trusts and Investment Corporations Law

(Thousands of Yen)

	Twenty-second Fiscal Period (as of April 30, 2016)	Twenty-third Fiscal Period (as of October 31, 2016)
	50,000	50,000

*2. The amount of advanced depreciation of property, plant and equipment acquired by government subsidy

(Thousands of Yen)

	Twenty-second Fiscal Period (as of April 30, 2016)	Twenty-third Fiscal Period (as of October 31, 2016)
Buildings in trust	26,230	26,230

(Notes to the Statements of Income)

*1. Breakdown of real estate rental business profit and loss

(Thousands of Yen)

	Twenty-second Fiscal Period November 1, 2015 to April 30, 2016	Twenty-third Fiscal Period May 1, 2016 to October 31, 2016
A. Rental and other operating revenues		
Rental revenues		
Leasing income	9,117,585	9,450,736
Common area charges	1,930,493	1,911,609
Subtotal	11,048,079	11,362,345
Other rental revenues		
Parking space rental revenues	471,916	490,492
Utility charge reimbursement	990,851	1,136,867
Miscellaneous	301,181	440,067
Subtotal	1,763,949	2,067,427
Total rental and other operating revenues	12,812,028	13,429,773
B. Rental and other operating expenses		
Property-related expenses		
Property management fees and facility management fees	1,251,482	1,280,694
Utilities	1,071,934	1,110,302
Taxes	1,112,600	1,111,203
Repairs and maintenance costs	451,262	582,716
Insurance	17,492	18,018
Trust fees	32,130	32,348
Others	365,553	344,639
Depreciation	2,230,747	2,274,750
Total rental and other operating expenses	6,533,202	6,754,675
C. Rental operating profit (A – B)	6,278,825	6,675,098

*2. Gain and Loss on sale of real estate property

Twenty-second Fiscal Period (November 1, 2015 to April 30, 2016)

(Thousands of Yen)	
(1) Toranomom Toyo Building	
Revenue from sale of the investment property	11,470,000
Costs of the investment property	9,899,061
Other sales expenses	60,770
Gain on sale of real estate property	1,510,168

(Thousands of Yen)	
(2) KDX Toranomom Building	
Revenue from sale of the investment property	3,950,000
Costs of the investment property	4,692,834
Other sales expenses	23,170
Loss on sale of real estate property	766,004

Twenty-third Fiscal Period (May 1, 2016 to October 31, 2016)

Not applicable

(Notes to the Statements of Changes in Unitholders' Equity)

*Total number of authorized investment units and total number of investment units issued and outstanding

	Twenty-second Fiscal Period November 1, 2015 to April 30, 2016	Twenty-third Fiscal Period May 1, 2016 to October 31, 2016
Total number of authorized investment units	2,000,000 units	2,000,000 units
Total number of investment units issued and outstanding	404,885 units	404,885 units

(Notes to the Statements of Cash Flow)

* Reconciliation of balance sheet items to cash and cash equivalents at end of period in the cash flows statements

	Twenty-second Fiscal Period November 1, 2015 to April 30, 2016	Twenty-third Fiscal Period May 1, 2016 to October 31, 2016
Cash and deposits	11,235,762	11,268,439
Cash and deposits in trust	9,367,233	9,442,126
Restricted bank deposits held in trust (Note)	(1,427,453)	(874,531)
Cash and cash equivalents	19,175,542	19,836,034

Note: Restricted bank deposits held in trust are retained for repayment of tenant leasehold and security deposits held in trust.

(Notes on the Lease Transactions)

Operating lease transactions

(Lessor)

	Twenty-second Fiscal Period (as of April 30, 2016)	Twenty-third Fiscal Period (as of October 31, 2016)
Unearned lease payments		
Due within one year	1,486,303	1,444,094
Due after one year	9,544,085	9,350,987
Total	11,030,389	10,795,081

(Notes on the Financial Instruments)

1. Items with Regard to the current status of Financial Instruments

(1) Action Policy with Regard to Financial Instruments

The Investment Corporation procures essential funds for acquiring properties and undertaking the repayment of loans primarily through bank loans and the issuance of investment corporation bonds and new investment units. The Investment Corporation makes use of derivative instruments primarily as a risk hedge against interest rate fluctuations and to lessen interest-rate payments. In addition, it is company policy to not conduct speculative derivative transactions. Management of surplus funds is undertaken in a prudent manner that considers fully such factors as safety, liquidity, interest rate conditions and cash flows.

(2) Financial Instruments and Respective Risks

Investment securities are TK interests, which are exposed to credit risk of the issuer and risk of fluctuation of value of real estate, etc.

Loans and investment corporation bonds are used primarily for procuring funds necessary for the acquisition of properties and have a redemption date of a maximum of about 11 years and 6 months following the closing date. Although a certain portion of said liabilities are subject to interest rate fluctuation risks, the Investment Corporation utilizes derivative instruments (interest-rate swap transactions, etc.) in order to hedge against such risks.

Derivative instruments are interest-rate swap and interest-rate cap transactions that are used to hedge against interest rate fluctuation risks. Utilizing interest-rate swap transactions, the Investment Corporation fixed its interest payments for funds procured on a floating interest rate basis or minimizing the risk of interest rate increase. With regard to hedge accounting methods, hedging instruments and hedged items, hedge policy, and the method of evaluation of hedge effectiveness, please see "5. Hedge Accounting Method in notes concerning Important Accounting Standards".

(3) Risk Management Structure with Regard to Financial Instruments

A. Management of Market Risk (Risk Associated with Fluctuations in Interest Rates and Others)

The Investment Corporation uses interest-rate swap etc., in order to minimize risks associated with interest payment rate fluctuations on funds procured.

The Investment Corporation will periodically grasp the value of real estate, etc. and financial condition, etc. of the issuer with regard to investment securities.

B. Management of Liquidity Risk (Risk of Defaulting on Payments by the Due Date) Associated with Funds Procurement

Although loans and other liabilities are subject to liquidity risks, the Investment Corporation reduces such risks by spreading out payment due dates and by using diversified fund procurement methods. Liquidity risk is also managed by such means as regularly checking the balance of cash reserves.

(4) Supplemental Explanation of Items with Regard to Fair Value of Financial Instruments

Included in the fair value of financial products are market prices, or, in the event market prices are not available, prices that are calculated on a rational basis. Because the factors incorporated into the calculation of these prices are subject to change, differing assumptions are adopted which may alter fair value. Moreover, the contract amounts, etc. of derivative transactions in "2. Items with Regard to Fair Value of Financial Instruments" do not indicate the market risk of derivative transactions.

2. Items with Regard to Fair Value of Financial Instruments

The book value per the balance sheet, fair values, as well as their difference are as follows. Furthermore, items whose fair values are recognized to be extremely difficult to grasp are not included in the following table (Refer to Note 2).

Twenty-second Fiscal Period (as of April 30, 2016)

(Thousands of Yen)

	Book Value	Fair Value	Difference
(1) Cash and deposits	11,235,762	11,235,762	-
(2) Cash and deposits in trust	9,367,233	9,367,233	-
Total	20,602,996	20,602,996	-
(1) Short-term loans payable	2,500,000	2,500,000	-
(2) Investment corporation bonds	9,300,000	9,486,050	186,050
(3) Long-term loans payable	163,300,000	165,889,327	2,589,327
Total	175,100,000	177,875,377	2,775,377
Derivative transaction	(4,328)	(4,328)	-

Twenty-third Fiscal Period (as of October 31, 2016)

(Thousands of Yen)

	Book Value	Fair Value	Difference
(1) Cash and deposits	11,268,439	11,268,439	-
(2) Cash and deposits in trust	9,442,126	9,442,126	-
Total	20,710,565	20,710,565	-
(1) Short-term loans payable	1,500,000	1,500,000	-
(2) Investment corporation bonds	9,300,000	9,448,956	148,956
(3) Long-term loans payable	167,300,000	169,668,738	2,368,738
Total	178,100,000	180,617,694	2,517,694
Derivative transaction	(977)	(977)	-

Note 1: Items with regard to the calculation method of financial instrument fair value, investment securities and derivative transactions.

Assets

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

Because these are settled in the short-term, the fair value can be considered as equivalent to the book value; therefore, the book value is used to determine fair value.

Liabilities

(1) Short-term loans payable

Because these are settled in the short-term, the fair value can be considered as equivalent to the book value; therefore, the book value is used to determine fair value.

(2) Investment corporation bonds

The fair value of investment corporation bonds is based on market prices.

(3) Long-term loans payable

The fair value of long-term borrowings is calculated based on the present value that discounts the total amount of principal and interest by using the estimated interest rate in the event that the Investment Corporation conducts new borrowings of the same type. Among long-term borrowings with floating interest rates, the said borrowings, which are subject to special treatment of interest-rate swaps or caps, are calculated by discounting the total amount of principal and interest, which is handled together with applicable interest-rate swaps or caps, by the rationally estimated interest rate in the case that the same type of borrowings are undertaken.

Derivative Transactions

Please refer to the following "Notes on the Derivative Transactions".

Note 2: Book value of financial instruments for which it is extremely difficult to determine the fair value

(Thousands of Yen)

Classification	Twenty-second Fiscal Period (as of April 30, 2016)	Twenty-third Fiscal Period (as of October 31, 2016)
Investment securities *	1,089,760	1,093,584

*Because no quoted market price is available and it is extremely difficult to determine the fair value, the above TK interests are not included in the preceding table.

Note 3: Redemption schedule of monetary claims after the closing date

Twenty-second Fiscal Period (as of April 30, 2016)

(Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Cash and deposits	11,235,762	-	-	-	-	-
Cash and deposits in trust	9,367,233	-	-	-	-	-
Total	20,602,996	-	-	-	-	-

Twenty-third Fiscal Period (as of October 31, 2016)

(Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Cash and deposits	11,268,439	-	-	-	-	-
Cash and deposits in trust	9,442,126	-	-	-	-	-
Total	20,710,565	-	-	-	-	-

Note 4: Redemption schedule of investment corporation bonds and repayment schedule of loans after the closing date

Twenty-second Fiscal Period (as of April 30, 2016)

(Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Short-term loans payable	2,500,000	-	-	-	-	-
Investment corporation bonds	3,000,000	1,500,000	1,800,000	-	-	3,000,000
Long-term loans payable	19,700,000	19,250,000	16,050,000	14,700,000	19,600,000	74,000,000

Twenty-third Fiscal Period (as of October 31, 2016)

(Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Short-term loans payable	1,500,000	-	-	-	-	-
Investment corporation bonds	4,500,000	1,800,000	-	-	-	3,000,000
Long-term loans payable	21,200,000	17,750,000	13,750,000	18,600,000	21,300,000	74,700,000

(Notes on the Marketable Securities)

Twenty-second Fiscal Period (as of April 30, 2016) and Twenty-third Fiscal Period (as of October 31, 2016): Not applicable

(Notes on the Derivative Transactions)

(1) Items that do not apply hedge accounting

Twenty-second Fiscal Period (as of April 30, 2016) and Twenty-third Fiscal Period (as of October 31, 2016): Not applicable

(2) Items that apply hedge accounting

Twenty-second Fiscal Period (as of April 30, 2016)

(Thousands of Yen)

Hedge accounting method	Type of derivative transactions	Main target of risk hedge	Contracted amount		Fair value	Calculation method for applicable fair value
				More than 1 yr.		
Principle method	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	1,000,000	1,000,000	(4,328)	Based on the quoted price obtained from counterparty financial institutions.
Special treatment of interest-rate swaps	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	109,350,000	102,150,000	*	-
Special treatment of interest-rate caps	Interest-rate cap transactions	Long-term loans payable	2,000,000	500,000	*	-
Total			112,350,000	103,650,000	(4,328)	-

Twenty-third Fiscal Period (as of October 31, 2016)

(Thousands of Yen)

Hedge accounting method	Type of derivative transactions	Main target of risk hedge	Contracted amount		Fair value	Calculation method for applicable fair value
				More than 1 yr.		
Principle method	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	2,500,000	2,500,000	(977)	Based on the quoted price obtained from counterparty financial institutions.
Special treatment of interest-rate swaps	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	103,350,000	99,650,000	*	-
Special treatment of interest-rate caps	Interest-rate cap transactions	Long-term loans payable	500,000	500,000	*	-
Total			106,350,000	102,650,000	(977)	-

* Special treatment of interest-rate swaps or the interest-rate caps is reported at the fair value of applicable long-term loans payable. This is because such swaps or caps are handled together with hedged long-term loans payable.

(Notes on the Retirement Payment)

Twenty-second Fiscal Period (as of April 30, 2016) and Twenty-third Fiscal Period (as of October 31, 2016): Not applicable

(Notes on the Asset Retirement Obligations)

Twenty-second Fiscal Period (as of April 30, 2016) and Twenty-third Fiscal Period (as of October 31, 2016): Not applicable

(Notes on the Segment and Related Information)

1. Segment Information

Disclosure is omitted because the Investment Corporation has been engaged in the real estate leasing business as a sole business and it has no reportable segment subject to disclosure.

2. Related Information

Twenty-second Fiscal Period (November 1, 2015 to April 30, 2016)

(1) Information about each product and service

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

(2) Information about each geographic area

① Net sales

Disclosure is omitted because net sales to external customers in Japan account for over 90% of the operating revenues on the statement of income.

② Property, plant and equipment

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

(3) Information about each major customer

Disclosure is omitted because net sales to a single external customer account for less than 10% of the operating revenues on the statement of income.

Twenty-third Fiscal Period (May 1, 2016 to October 31, 2016)

(1) Information about each product and service

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

(2) Information about each geographic area

① Net sales

Disclosure is omitted because net sales to external customers in Japan account for over 90% of the operating revenues on the statement of income.

② Property, plant and equipment

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

(3) Information about each major customer

Disclosure is omitted because net sales to a single external customer account for less than 10% of the operating revenues on the statement of income.

(Notes on the Tax-Effect Accounting)

1. Significant components of deferred tax assets and liabilities

(Thousands of Yen)

	Twenty-second Fiscal Period (as of April 30, 2016)	Twenty-third Fiscal Period (as of October 31, 2016)
Deferred tax assets		
Enterprise tax payable not included in expenses	31	39
Deferred gains or losses on hedges	1,373	310
Amortization of leasehold rights in trust	2,662	2,908
Subtotal deferred tax assets	4,067	3,257
Valuation allowance	(4,036)	(3,218)
Total deferred tax assets	31	39

2. Significant components causing difference between statutory income tax rate and the effective tax rate after tax effect accounting

(Unit: %)

	Twenty-second Fiscal Period (as of April 30, 2016)	Twenty-third Fiscal Period (as of October 31, 2016)
Statutory income tax rate	32.31	31.74
(Adjustments)		
Deductible cash distributions	(29.08)	(31.73)
Provision of reserve for reduction entry	(3.22)	-
Others	0.02	0.02
Effective tax rate after tax effect accounting	0.03	0.03

(Notes on the Gains and Losses on Equity-method, etc.)

Twenty-second Fiscal Period (November 1, 2015 to April 30, 2016) and Twenty-third Fiscal Period (May 1, 2016 to October 31, 2016): Not applicable

(Notes on the Related-Party Transactions)

1. Parent Company, major corporate unitholders and other

Twenty-second Fiscal Period (November 1, 2015 to April 30, 2016) and Twenty-third Fiscal Period (May 1, 2016 to October 31, 2016): Not applicable

2. Affiliated companies and other

Twenty-second Fiscal Period (November 1, 2015 to April 30, 2016) and Twenty-third Fiscal Period (May 1, 2016 to October 31, 2016): Not applicable

3. Fellow subsidiary companies and other

Twenty-second Fiscal Period (November 1, 2015 to April 30, 2016) and Twenty-third Fiscal Period (May 1, 2016 to October 31, 2016): Not applicable

4. Directors, major individual unitholders and other

Twenty-second Fiscal Period (November 1, 2015 to April 30, 2016) and Twenty-third Fiscal Period (May 1, 2016 to October 31, 2016): Not applicable

(Notes on the Real Estate for Rental Purposes)

The Investment Corporation owns real estate for rental purposes mainly in the Tokyo Metropolitan Area for the purpose of generating rental revenue.

The book value per balance sheet for the fiscal period under review, changes during the period and fair value concerning the above real estate for rental purposes are as follows.

(Thousands of Yen)

	Twenty-second Fiscal Period November 1, 2015 to April 30, 2016	Twenty-third Fiscal Period May 1, 2016 to October 31, 2016
Book value		
Balance at the beginning of the period	381,466,640	385,085,254
Changes during the period	3,618,614	4,111,765
Balance at the end of the period	385,085,254	389,197,020
Fair value at the end of period	402,555,000	414,605,000

Note 1: Book value excludes accumulated depreciation from acquisition costs.

Note 2: Fair value at the end of the fiscal period is the appraisal value determined by outside appraisers. Fair values at the end of the fiscal period under review of KDX Nihonbashi Kabutocho Building and BUREX Toranomon are calculated based on the anticipated sale price (¥12,400 million) in the transaction agreement on November 1, 2016 and the sale price (¥2,440 million) in the transaction agreement on December 1, 2016, respectively.

Note 3: Among changes in the amount of real estate for rental purposes that occurred during the twenty-second fiscal period, principal increase/decrease factors were the acquisition of real estate trust beneficiary interests in 2 properties totaling ¥19,321,018 thousand, the sale of real estate trust beneficiary interests in 2 properties amounting ¥14,591,895 thousand and depreciation amounting in ¥2,230,747 thousand. For the fiscal period under review, principal increase/decrease factors were the acquisition of real estate trust beneficiary interests in 2 properties totaling ¥5,221,373 thousand and depreciation amounting in ¥2,274,750 thousand.

Income and loss for real estate for rental purposes are listed in "Notes to the Statements of Income".

(Notes on the Information per Unit)

	Twenty-second Fiscal Period November 1, 2015 to April 30, 2016	Twenty-third Fiscal Period May 1, 2016 to October 31, 2016
Net Assets per unit	¥524,977	¥525,644
Net income per unit	¥11,892	¥11,365

Note 1: Net income per unit is calculated by dividing net income by the weighted average (based on number of days) number of units. Net income per unit after adjusting for diluted investment units is not included because there were no dilutive investment units.

Note 2: The basis of calculation for the net income per unit is as follow.

	Twenty-second Fiscal Period November 1, 2015 to April 30, 2016	Twenty-third Fiscal Period May 1, 2016 to October 31, 2016
Net income (Thousands of Yen)	4,815,255	4,601,756
Amount not vested in ordinary unitholders (Thousands of Yen)	-	-
Net income for ordinary investment units (Thousands of Yen)	4,815,255	4,601,756
Average number of investment units during the period (unit)	404,885	404,885

(Important Subsequent Events)

Not applicable.

(9) Changes in the number of Investment Units Issued and Outstanding

Changes in the number of investment units issued and outstanding and unitholders' capital in the last 5 years are summarized in the following table.

Settlement Date	Particulars	Investment Units Issued and Outstanding (Units)		Unitholders' Capital (Millions of Yen) (Note 9)		Remarks
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
July 20, 2011	Public offering	51,400	284,950	13,600	146,730	(Note 1)
August 8, 2011	Third-party allotment	1,600	286,550	423	147,153	(Note 2)
November 13, 2013	Public offering	43,800	330,350	18,198	165,351	(Note 3)
December 10, 2013	Third-party allotment	2,190	332,540	909	166,261	(Note 4)
May 27, 2014	Public offering	21,400	353,940	9,876	176,138	(Note 5)
June 24, 2014	Third-party allotment	1,070	355,010	493	176,632	(Note 6)
November 27, 2014	Public offering	47,685	402,695	28,269	204,901	(Note 7)
December 24, 2014	Third-party allotment	2,190	404,885	1,298	206,199	(Note 8)

Note 1: The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of new properties and repayment of borrowings. The offer price was ¥274,510 per unit with an issue price of ¥264,605 per unit.

Note 2: The Investment Corporation undertook an additional issue of new investment units by way of third-party allotment with the aim of procuring funds for the repayment of borrowings. The issue price was ¥264,605 per unit.

Note 3: The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of new properties and repayment of borrowings. The offer price was ¥430,950 per unit with an issue price of ¥415,480 per unit.

Note 4: The Investment Corporation undertook an additional issue of new investment units with an issue price of ¥415,480 per unit by way of third-party allotment because cash on hand was allocated as a portion of the funds for the acquisition of new properties, the funds from the issuance of new Investment Units by third-party allotment are allocated as proceeds to compensate for the decrease of cash on hand.

Note 5: The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of new properties. The offer price was ¥478,725 per unit with an issue price of ¥461,540 per unit.

Note 6: The Investment Corporation undertook an additional issue of new investment units with an issue price of ¥461,540 per unit by way of third-party allotment for the purpose of using as funds for the future acquisition of specified assets or a portion of funds for the repayment of borrowings.

Note 7: The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of new properties and a portion of funds for the repayment of borrowings. The offer price was ¥614,250 per unit with an issue price of ¥592,830 per unit.

Note 8: The Investment Corporation undertook an additional issue of new investment units with an issue price of ¥592,830 per unit by way of third-party allotment for the purpose of using as funds for the future acquisition of specified assets or a portion of funds for the repayment of borrowings.

Note 9: The amounts stated in ¥1 million unit are truncated at less than ¥1 million.

4. Resignation/Appointment of the Director

(1) Resignation/Appointment of the Director of the Investment Corporation

Not applicable

(2) Resignation/Appointment of the Director of the Asset Management Company

Not applicable

5. Reference Information

(1) Component of Assets

Type of Specified Asset	Type	Area	Twenty-second Fiscal Period (as of April 30, 2016)		Twenty-third Fiscal Period (as of October 31, 2016)	
			Total Amount Held (Millions of Yen) (Note 1)	Ratio (%) (Note 2)	Total Amount Held (Millions of Yen) (Note 1)	Ratio (%) (Note 2)
Real Estate	Office Buildings	Tokyo Metropolitan Area	39,179	9.6	38,997	9.4
		Other Regional Areas	12,922	3.2	12,838	3.1
	Total for Office Buildings		52,102	12.7	51,836	12.6
Total for Real Estate			52,102	12.7	51,836	12.6
Trust Beneficiary Interest in Real Estate	Office Buildings	Tokyo Metropolitan Area	243,794	59.6	248,435	60.1
		Other Regional Areas	60,034	14.7	59,903	14.5
	Total for Office Buildings		303,829	74.3	308,338	74.7
	Residential Properties	Tokyo Metropolitan Area	4,623	1.1	4,582	1.1
	Total for Residential Properties		4,623	1.1	4,582	1.1
	Central Urban Retail Properties	Tokyo Metropolitan Area	21,555	5.3	21,466	5.2
	Total for Central Urban Retail Properties		21,555	5.3	21,466	5.2
	Others	Tokyo Metropolitan Area	2,973	0.7	2,973	0.7
	Total for Others		2,973	0.7	2,973	0.7
Total of Trust Beneficiary Interests in Real Estate			332,982	81.5	337,360	81.7
Investment Securities (Note 3)			1,089	0.3	1,093	0.3
Bank Deposits and Other Assets			22,638	5.5	22,741	5.5
Total Assets			408,813	100.0	413,031	100.0

Note 1: "Total Amount Held" is the amount allocated in the balance sheets at the end of the fiscal period (figures are on a net book value basis after deducting depreciation), and is rounded down to the nearest ¥1 million.

Note 2: "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets, rounded to the first decimal place.

Note 3: Interests in a silent partnership operated by G.K. KRF 43 are indicated.

	Twenty-second Fiscal Period (as of April 30, 2016)		Twenty-third Fiscal Period (as of October 31, 2016)	
	Amount (Millions of Yen)	Ratio (%)	Amount (Millions of Yen)	Ratio (%)
Total Liabilities	196,258	48.0	200,206	48.5
Total Net Assets	212,555	52.0	212,825	51.5
Total Assets	408,813	100.0	413,031	100.0

(2) Details of Investment Assets

① Major components of investment securities

Type of Assets	Name	Number of Units	Book Value (Millions of Yen)	Evaluation Value (Note 1) (Millions of Yen)	Ratio (%) (Note 2)
Silent Partnership Equity Interest	G.K. KRF43 Silent Partnership Equity Interest (Note 3)	-	1,093	1,093	0.3

Note 1: Book value is stated for the evaluation value.

Note 2: "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets, rounded to the first decimal place.

Note 3: The asset under management is the trust beneficiary interest in real estate of Shinjuku Sanei Building.

②. Properties Roster

A. The Price of the Investment Properties and the Investment Ratio

(Unit: Millions of Yen)

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Twenty-third Fiscal Period					Appraiser (Note 4)	Ratio (%) (Note 5)	
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)			Terminal Capitalization Rate (%)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	5,940	5,877	6,740	6,940	4.1	6,650	3.9	4.3	B	1.4
		A-3	Higashi-Kayabacho Yuraku Building	4,450	4,127	4,940	5,000	4.4	4,870	4.1	4.5	A	1.1
		A-4	KDX Hatchobori Building	3,680	3,310	3,250	3,330	4.4	3,210	4.2	4.6	B	0.9
		A-5	KDX Nakano-Sakaue Building	2,533	2,358	2,360	2,430	4.6	2,330	4.4	4.8	B	0.6
		A-6	Harajuku F.F. Building	2,450	2,403	3,080	3,100	4.8	3,060	4.5	4.9	A	0.6
		A-7	KDX Minami Aoyama Building	2,270	2,206	2,510	2,530	4.1	2,490	3.8	4.2	A	0.5
		A-8	Kanda Kihara Building	1,950	1,796	1,620	1,680	4.4	1,600	4.2	4.6	B	0.4
		A-13	KDX Kojimachi Building	5,950	5,565	4,820	4,870	3.9	4,770	3.6	4.0	A	1.4
		A-14	KDX Funabashi Building	2,252	2,242	2,140	2,140	5.5	2,130	5.2	5.6	A	0.5
		A-16	Toshin 24 Building	5,300	4,853	4,910	4,940	4.8	4,870	4.5	4.9	A	1.3
		A-17	KDX Ebisu Building	4,640	4,433	4,800	4,810	4.2	4,780	3.8	4.3	A	1.1
		A-19	KDX Hamamatsucho Building	3,460	3,083	3,370	3,480	4.0	3,320	3.8	4.2	B	0.8
		A-20	KDX Kayabacho Building	2,780	2,736	2,570	2,590	4.5	2,540	4.1	4.6	A	0.6
		A-21	KDX Shinbashi Building	3,728	3,765	4,530	4,570	3.9	4,490	3.6	4.0	A	0.9
		A-22	KDX Shin-Yokohama Building	2,520	2,307	2,360	2,380	5.2	2,330	4.9	5.3	A	0.6
		A-26	KDX Kiba Building	1,580	1,472	1,280	1,290	5.1	1,260	4.7	5.1	A	0.3
		A-27	KDX Kajicho Building	2,350	2,282	2,240	2,300	4.4	2,210	4.2	4.6	B	0.5
		A-29	KDX Higashi-Shinjuku Building	2,950	3,055	3,720	3,820	4.5	3,680	4.3	4.7	B	0.7
		A-30	KDX Nishi-Gotanda Building	4,200	3,895	3,630	3,700	4.5	3,550	4.3	4.7	A	1.0
		A-31	KDX Monzen-Nakacho Building	1,400	1,327	1,070	1,120	5.0	1,050	4.8	5.2	B	0.3
		A-32	KDX Shiba-Daimon Building	6,090	6,036	4,740	4,780	4.4	4,690	4.1	4.5	A	1.5
		A-33	KDX Okachimachi Building	2,000	2,052	1,930	1,980	4.5	1,910	4.4	4.7	B	0.5
		A-34	KDX Hon-Atsugi Building	1,305	1,163	1,270	1,310	5.7	1,250	5.5	5.9	B	0.3
		A-35	KDX Hachioji Building	1,155	1,212	1,080	1,070	5.4	1,090	5.2	5.6	B	0.2
		A-37	KDX Ochanomizu Building	6,400	6,422	6,740	6,800	4.2	6,680	3.9	4.3	A	1.6
		A-38	KDX Nishi-Shinjuku Building	1,500	1,531	1,280	1,290	4.6	1,270	4.3	4.7	A	0.3
		A-41	KDX Shinjuku 286 Building	2,300	2,322	2,480	2,490	4.2	2,460	3.9	4.3	A	0.5
		A-45	KDX Roppongi 228 Building	3,300	3,399	2,120	2,150	4.2	2,080	3.9	4.3	A	0.8
		A-46	Hiei Kudan-Kita Building	7,600	7,495	7,960	8,190	4.1	7,860	3.9	4.3	B	1.9
		A-47	KDX Shin-Yokohama 381 Building	5,800	5,494	4,310	4,330	5.3	4,280	5.0	5.4	A	1.4
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	3,760	3,584	3,080	3,080	5.2	3,080	4.6	5.2	A	0.9
		A-50	KDX Ikejiri-Oohashi Building	2,400	2,367	1,730	1,740	5.0	1,720	4.7	5.1	A	0.6
		A-51	KDX Hamacho Nakanohashi Building	2,310	2,246	1,930	1,940	4.6	1,910	4.3	4.7	A	0.5
		A-52	KDX Kanda Misaki-cho Building	1,380	1,343	961	980	4.5	942	4.2	4.6	A	0.3
		A-55	Shin-toshin Maruzen Building	2,110	2,096	1,670	1,680	4.6	1,660	4.2	4.8	A	0.5
		A-56	KDX Jimbocho Building	2,760	2,875	2,100	2,120	4.5	2,080	4.1	4.6	A	0.6
		A-57	KDX Gobancho Building	1,951	1,900	1,420	1,430	4.2	1,410	3.9	4.3	A	0.4
		A-59	KDX Iwamoto-cho Building	1,864	1,687	1,510	1,520	4.7	1,500	4.4	4.8	A	0.4
		A-60	KDX Harumi Building	10,250	9,034	8,470	8,560	4.3	8,380	3.9	4.3	A	2.5
		A-61	KDX Hamamatsucho Dai-2 Building	2,200	2,246	2,080	2,140	4.0	2,050	3.8	4.2	B	0.5
		A-62	Koishikawa TG Building	3,080	3,024	3,400	3,430	4.4	3,370	4.1	4.5	A	0.7
		A-63	Gotanda TG Building	2,620	2,721	3,060	3,080	4.5	3,040	4.2	4.6	A	0.6
		A-64	KDX Nihonbashi 216 Building	2,010	1,872	2,050	2,070	4.1	2,030	3.8	4.2	A	0.5
		A-66	KDX Shinjuku Building	6,800	6,877	8,290	8,330	3.9	8,240	3.6	4.0	A	1.7
		A-67	KDX Ginza Ichome Building	4,300	4,208	5,550	5,680	3.8	5,490	3.6	4.0	B	1.0
		A-68	KDX Nihonbashi Honcho Building	4,000	3,942	4,540	4,670	4.2	4,480	4.0	4.4	B	1.0

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Twenty-third Fiscal Period					Appraiser (Note 4)	Ratio (%) (Note 5)		
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method					
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)			Terminal Capitalization Rate (%)	
Office Buildings	Tokyo Metropolitan Area	A-71	KDX Iidabashi Building	4,670	4,562	5,410	5,580	4.2	5,330	4.0	4.4	B	1.1	
		A-72	KDX Higashi-Shinagawa Building	4,590	4,764	4,300	4,430	4.4	4,250	4.2	4.6	B	1.1	
		A-73	KDX Hakozaki Building	2,710	2,741	3,200	3,260	4.6	3,170	4.4	4.8	B	0.6	
		A-74	KDX Shin-Nihonbashi Building	2,300	2,120	2,720	2,770	4.0	2,700	3.8	4.2	B	0.5	
		A-75	KDX Nihonbashi Kabutocho Building	11,270	11,128	12,400	12,500	4.2	12,300	3.8	4.2	A	2.8	
		A-78	KDX Tachikawa Ekimae Building	1,267	1,305	1,550	1,550	5.3	1,540	5.0	5.4	A	0.3	
		A-83	KDX Fuchu Building	6,120	5,949	7,560	7,690	5.0	7,510	4.8	5.2	B	1.5	
		A-84	KDX Kasuga Building	2,800	2,764	3,630	3,650	4.4	3,600	4.1	4.5	A	0.7	
		A-85	KDX Nakameguro Building	1,880	1,872	2,610	2,640	4.6	2,590	4.4	4.8	B	0.4	
		A-86	KDX Omiya Building	2,020	2,190	2,730	2,730	5.2	2,730	5.0	5.4	B	0.5	
		A-87	Itoya Nihonbashi SA Building	2,200	2,254	2,550	2,570	4.5	2,540	4.3	4.7	B	0.5	
		A-88	KDX Shinjuku 6-chome Building	1,900	1,888	2,870	2,930	4.4	2,850	4.2	4.6	B	0.4	
		A-89	KDX Takanawadai Building	5,250	5,293	6,060	6,110	4.4	6,010	4.1	4.5	A	1.3	
		A-90	KDX Ikebukuro Building	3,900	3,760	4,730	4,830	4.1	4,680	3.9	4.3	B	0.9	
		A-91	KDX Mita Building	3,180	3,154	3,390	3,420	4.3	3,360	4.0	4.4	A	0.7	
		A-92	KDX Akihabara Building	2,600	2,563	3,020	3,050	4.2	2,990	3.9	4.3	A	0.6	
		A-93	KDX Iidabashi Square	4,350	4,995	5,140	5,240	4.2	5,100	4.0	4.4	B	1.0	
		A-94	KDX Musashi-Kosugi Building	12,000	11,535	14,600	14,700	4.4	14,400	4.1	4.5	A	3.0	
		A-95	KDX Toyosu Grand Square	8,666	8,334	9,040	9,280	4.8	8,930	4.6	5.0	B	2.1	
		A-96	KDX Takadanobaba Building	3,650	3,637	4,180	4,240	4.6	4,160	4.3	4.8	B	0.9	
		A-99	KDX Ikebukuro West Building	1,934	1,986	2,010	2,060	4.5	1,990	4.3	4.7	B	0.4	
		A-101	KDX Yokohama Building	7,210	7,581	8,100	8,400	4.6	7,970	4.4	4.8	B	1.8	
		A-102	KDX Yokohama Nishiguchi Building	2,750	2,746	3,030	3,090	4.7	3,010	4.5	4.9	B	0.6	
		A-103	KDX Shin-Yokohama 214 Building	2,200	2,218	2,350	2,370	5.1	2,330	4.8	5.2	A	0.5	
		A-105	BUREX Toranomon	1,750	1,738	2,440	2,460	3.8	2,410	3.5	3.9	A	0.4	
		A-107	KDX Ginza East Building	3,600	3,601	3,700	3,720	4.3	3,670	4.0	4.4	A	0.9	
		A-108	Pentel Building	3,350	3,554	3,714	3,817	4.1	3,662	3.9	4.3	B	0.8	
		A-109	KDX Hamamatsucho Center Building	3,950	4,040	4,140	4,340	4.0	4,060	3.8	4.2	B	0.9	
		A-112	Nittochi Toranomon Building	15,550	15,666	16,600	16,700	3.6	16,400	3.3	3.7	A	3.9	
		A-113	KDX Shin-Nihonbashi Ekimae Building	3,829	3,853	3,950	3,950	4.1	3,950	3.6	4.0	A	0.9	
		A-114	KDX Nihonbashi Edo-dori Building	1,350	1,364	1,420	1,430	4.5	1,410	4.1	4.5	A	0.3	
		Other Regional Areas	A-12	Portus Center Building	5,570	4,145	4,710	4,750	5.8	4,690	5.6	6.0	B	1.3
			A-42	KDX Karasuma Building	5,400	5,174	5,300	5,390	5.0	5,260	4.8	5.2	B	1.3
			A-44	KDX Sendai Building	2,100	2,008	1,670	1,670	5.6	1,670	5.6	5.8	B	0.5
A-53	KDX Hakata-Minami Building		4,900	4,577	3,850	3,870	6.1	3,830	5.8	6.2	A	1.2		
A-54	KDX Kitahama Building		2,220	2,093	1,610	1,610	5.5	1,600	5.0	5.6	A	0.5		
A-58	KDX Nagoya Sakae Building		7,550	6,863	5,270	5,400	4.6	5,220	4.4	4.8	B	1.8		
A-69	KDX Kobayashi-Doshomachi Building		2,870	2,278	2,570	2,610	6.4	2,530	4.6	6.6	A	0.7		
A-70	KDX Sapporo Building		2,005	1,957	2,190	2,260	5.2	2,160	5.0	5.4	B	0.5		
A-79	KDX Nagoya Ekimae Building		7,327	7,972	9,000	9,080	4.4	8,920	4.1	4.5	A	1.8		
A-82	KDX Higashi Umeda Building		2,770	2,572	3,550	3,620	4.5	3,520	4.3	4.7	B	0.6		
A-97	KDX Utsunomiya Building		2,350	2,343	2,480	2,470	5.8	2,490	5.6	6.0	B	0.5		
A-98	KDX Hiroshima Building		1,300	1,397	1,530	1,540	5.7	1,520	5.4	5.8	A	0.3		
A-100	Senri Life Science Center Building		13,000	12,813	12,900	13,100	4.8	12,800	4.6	5.0	B	3.2		
A-104	KDX Minami-Honmachi Building		2,200	2,127	2,830	2,840	4.6	2,820	4.3	4.7	A	0.5		
A-106	KDX Sakura-dori Building		5,900	6,253	7,490	7,590	4.8	7,440	4.6	5.0	B	1.4		
A-110	KDX Shin-Osaka Building		4,550	4,598	4,870	5,060	4.3	4,790	4.1	4.5	B	1.1		

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Twenty-third Fiscal Period						Appraiser (Note 4)	Ratio (%) (Note 5)
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)	Terminal Capitalization Rate (%)		
Office Buildings	Other Regional Areas	A-111	Nichigin-mae KD Building	3,500	3,564	3,830	3,890	4.5	3,770	4.2	4.6	A	0.8
Subtotal of Office Buildings (94 properties)				367,937	360,174	380,485	386,117	-	376,774	-	-	-	92.3
Residential	Tokyo Metropolitan Area	B-19	Residence Charmante Tsukishima	5,353	4,582	4,900	4,930	4.5	4,860	4.2	4.6	A	1.3
Subtotal of Residential Properties (1 property)				5,353	4,582	4,900	4,930	-	4,860	-	-	-	1.3
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	9,900	9,342	10,700	10,800	3.8	10,600	3.5	3.9	A	2.4
		C-2	KDX Yoyogi Building	2,479	2,465	2,130	2,120	4.8	2,130	4.3	4.9	A	0.6
		C-4	Ginza 4chome Tower	9,800	9,658	13,200	13,400	3.4	13,000	3.1	3.5	A	2.4
Subtotal of Central Urban Retail Properties (3 properties)				22,179	21,466	26,030	26,320	-	25,730	-	-	-	5.5
Others	Tokyo Metropolitan Area	D-2	Shinjuku 6-chome Building (Land)	2,880	2,973	3,190	3,220	3.9	3,180	3.8	3.9	B	0.7
Subtotal of Others (1 property)				2,880	2,973	3,190	3,220	-	3,180	-	-	-	0.7
Total of 99 properties				398,350	389,197	414,605	420,587	-	410,544	-	-	-	100.0

Note 1: Acquisition prices are the purchase prices for trust beneficiary interests or properties acquired by the Investment Corporation (excluding acquisition costs, property tax, city-planning tax, and consumption tax, etc., rounded down to the nearest million yen.).

Note 2: Figures of less than 1 million are rounded down from the amounts on the balance sheet.

Note 3: Appraisal values (at the end of the twenty-third fiscal period) are based on the asset valuation method and standards outlined in the Investment Corporation's Articles of Incorporation and regulations formulated by the Investment Trusts Association, Japan. Appraisal values are transcribed from valuation reports prepared by Japan Real Estate Institute and Daiwa Real Estate Appraisal Co., Ltd.

Note 4: Appraisals of the properties were entrusted to two appraisers: Japan Real Estate Institute and Daiwa Real Estate Appraisal Co., Ltd. In the table, the appraisers are referred to as "A" for Japan Real Estate Institute and "B" for Daiwa Real Estate Appraisal Co., Ltd.

Note 5: Figures are the acquisition price of each asset as a percentage of the total acquisition prices for the portfolio rounded down to the nearest first decimal place. The figures entered in the subtotal and total columns are those obtained by dividing the subtotal (total) of acquisition prices of properties corresponding to each subtotal and total column by the total acquisition price of the entire assets (99 properties).

B. Property Distribution

Distribution by Property Types

Type	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Office Buildings	94	367,937	92.3
Residential Properties	1	5,353	1.3
Central Urban Retail Properties	3	22,179	5.5
Others	1	2,880	0.7
Total	99	398,350	100.0

Geographic Distribution

Area	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Tokyo Metropolitan Area	82	322,838	81.0
Other Regional Areas	17	75,512	18.9
Total	99	398,350	100.0

Property Distribution by Acquisition Price

Acquisition Price (Millions of Yen)	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Less than 1,000	0	-	-
1,000 - 2,500	37	72,193	18.1
2,500 - 5,000	37	130,160	32.6
5,000 - 7,500	15	90,410	22.6
7,500 - 10,000	5	43,516	10.9
10,000 - 12,500	3	33,520	8.4
12,500 - 15,000	1	13,000	3.2
15,000 - 17,500	1	15,550	3.9
Total	99	398,350	100.0

Note: "Ratio" refers to the percentage of the acquisition price by each category to the acquisition prices of the entire portfolio.

Figures are rounded down to the nearest first decimal place. Accordingly, the sum total of each item may be less than 100%.

C. Details of Investment Real Estate and Trust Real Estate

(a) Overview of Investment Real Estate Properties and Trust Real Estate

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	1,047.72	Offices	8,613.09	SRC B2F9	April 1974	7.32
		A-3	Higashi-Kayabacho Yuraku Building	773.43	Offices	5,916.48	SRC B1F9	January 1987	3.71
		A-4	KDX Hatchobori Building	992.20	Offices	4,800.43	SRC · RC B1F8	June 1993	3.74
		A-5	KDX Nakano-Sakaue Building	1,235.16	Offices, Retail Shops Residential, Parking Storage	6,399.42	SRC B1F11	August 1992	3.72
		A-6	Harajuku F.F. Building	699.67	Retail Shops, Offices Parking	3,812.44	SRC F11	November 1985	5.88
		A-7	KDX Minami Aoyama Building	369.47	Offices, Retail Shops Residential	1,926.98	SRC B1F9	November 1988	6.34
		A-8	Kanda Kihara Building	410.18	Offices	2,393.94	SRC · RC · S B1F8	May 1993	4.26
		A-13	KDX Kojimachi Building	612.17	Offices, Retail Shops	5,323.81	SRC B2F9	May 1994	2.34
		A-14	KDX Funabashi Building	1,180.41	Offices, Retail Shops	5,970.12	SRC B1F8	April 1989	4.17
		A-16	Toshin 24 Building	1,287.16	Offices, Retail Shops Parking	8,483.17	SRC B1F8	September 1984	6.05
		A-17	KDX Ebisu Building	724.22	Offices, Retail Shops	4,394.58	SRC B1F7	January 1992	7.35
		A-19	KDX Hamamatsucho Building	504.26	Offices, Retail Shops Parking	3,592.38	S F9	September 1999	4.86
		A-20	KDX Kayabacho Building	617.17	Offices, Parking	3,804.86	SRC F8	October 1987	4.25
		A-21	KDX Shinbashi Building	536.11	Offices, Retail Shops Parking	3,960.22	SRC · S B1F8	February 1992	4.44
		A-22	KDX Shin-Yokohama Building	705.00	Offices, Retail Shops Parking	6,180.51	S B1F9	September 1990	6.88
		A-26	KDX Kiba Building	922.77	Offices, Parking	2,820.64	RC F5	October 1992	4.70
		A-27	KDX Kajicho Building	526.43	Offices, Retail Shops	3,147.70	SRC B1F8	March 1990	7.11
		A-29	KDX Higashi-Shinjuku Building	1,340.97	Offices Storage, Parking	7,885.40	SRC B1F9	January 1990	6.03
		A-30	KDX Nishi-Gotanda Building	684.41	Offices, Parking	5,192.87	SRC B1F8	November 1992	8.29
		A-31	KDX Monzen-Nakacho Building	580.99	Offices, Retail Shops	2,668.91	SRC F8	September 1986	3.83
		A-32	KDX Shiba-Daimon Building	1,188.28	Offices	7,824.03	SRC B1F9	July 1986	4.58
		A-33	KDX Okachimachi Building	239.72	Offices	1,882.00	S F10	June 1988	4.00
		A-34	KDX Hon-Atsugi Building	724.62	Offices, Retail Shops	3,603.63	SRC F8	May 1995	6.38
		A-35	KDX Hachioji Building	460.62	Offices, Parking Retail Shops	2,821.21	SRC F9	December 1985	7.53
		A-37	KDX Ochanomizu Building	1,515.28	Offices, Storage Retail Shops, Parking Mechanical Room	7,720.08	SRC B1F7	August 1982	5.93
		A-38	KDX Nishi-Shinjuku Building	626.06	Offices, Parking	2,017.63	RC F5	October 1992	10.39
		A-41	KDX Shinjuku 286 Building	421.70	Offices, Parking	3,432.04	SRC · RC B1F9	August 1989	5.92
		A-45	KDX Roppongi 228 Building	408.86	Offices, Retail Shops	2,235.30	SRC B1F9	April 1989	6.45
		A-46	Hiei Kudan-Kita Building	1,844.83	Offices, Retail Shops Office Room Parking, Storage	11,425.31	SRC · S B1F11	March 1988	4.33
		A-47	KDX Shin-Yokohama 381 Building (Note 7)	1,229.24	Offices, Retail Shops Parking, Garbage Room	10,290.30	SRC · RC B1F10	March 1988	10.64
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	1,968.13	Offices	7,420.87	SRC B1F9	February 1985	4.71
		A-50	KDX Ikejiri-Oohashi Building	834.79	Offices	3,482.96	RC B2F9	September 1988	6.75
		A-51	KDX Hamacho Nakanohashi Building	462.29	Offices	3,280.41	SRC F9	September 1988	3.71
		A-52	KDX Kanda Misaki-cho Building	314.54	Offices	1,536.60	SRC B1F7	October 1992	4.89
		A-55	Shin-toshin Maruzen Building	457.64	Offices, Retail Shops Parking	3,439.37	SRC B1F8	July 1990	5.99
		A-56	KDX Jimbocho Building	465.92	Offices	3,292.13	SRC B1F8	May 1994	5.14
		A-57	KDX Gobancho Building	335.70	Offices, Parking	1,893.11	S F8	August 2000	5.05
		A-59	KDX Iwamoto-cho Building	266.86	Offices Residential Complex	1,618.65	S F9	March 2008	5.00
		A-60	KDX Harumi Building	2,230.69	Offices, Retail Shops	12,694.32	S · SRC B1F11	February 2008	7.12
		A-61	KDX Hamamatsucho Dai-2 Building	368.28	Offices	2,478.90	S · SRC B1F8	April 1992	3.78
		A-62	Koishikawa TG Building	1,250.42	Offices, Parking	5,862.02	SRC B1F8	November 1989	6.61
		A-63	Gotanda TG Building	582.90	Offices, Parking	4,440.61	SRC B1F9	April 1988	8.30

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)		
Office Buildings	Tokyo Metropolitan Area	A-64	KDX Nihonbashi 216 Building	307.77	Offices	1,871.62	SRC F9	October 2006	7.86		
		A-66	KDX Shinjuku Building	1,118.12	Offices, Retail Shops Parking	10,348.02	S · RC B4F11	May 1993	2.01		
		A-67	KDX Ginza Ichome Building	678.24	Offices, Bank	4,724.62	SRC F9	November 1991	6.80		
		A-68	KDX Nihonbashi Honcho Building	583.40	Offices, Parking	5,110.45	SRC B1F9	January 1984	4.48		
		A-71	KDX Iidabashi Building	967.38	Offices, Parking	5,422.64	SRC B1F8	March 1990	4.49		
		A-72	KDX Higashi-Shinagawa Building	3,115.45	Offices	10,138.65	S · RC B1F5	January 1993	5.13		
		A-73	KDX Hakozaki Building	971.83	Offices, Parking	6,332.48	SRC B1F10	November 1993	4.42		
		A-74	KDX Shin-Nihonbashi Building	444.32	Offices, Retail Shops Parking	3,712.25	S B1F10	November 2002	3.42		
		A-75	KDX Nihonbashi Kabutocho Building	1,920.79	Offices, Parking	11,705.49	S · SRC B1F8	November 1998	4.89		
		A-78	KDX Tachikawa Ekimae Building	464.95	Offices	2,896.48	S B1F8	February 1990	2.19		
		A-83	KDX Fuchu Building	2,400.00	Offices, Parking	16,647.00	SRC · S B1F14	March 1996	1.83		
		A-84	KDX Kasuga Building	1,319.24	Offices, Retail Shops Parking	6,444.31	SRC B1F10	June 1992	7.43		
		A-85	KDX Nakameguro Building	730.26	Offices	3,455.90	SRC F7	October 1985	6.50		
		A-86	KDX Omiya Building	775.67	Offices, Retail Shops Parking, Residential	5,055.50	①S · SRC B1F8 ②S F3	April 1993	4.40		
		A-87	Itopia Nihonbashi SA Building	1,193.91	Offices, Residential Parking	7,362.25	SRC B1F10	July 1995	3.64		
		A-88	KDX Shinjuku 6-chome Building	1,072.03	Offices, Retail Shops, Parking	5,907.00	SRC · RC B2F10	March 1990	6.11		
		A-89	KDX Takanawadai Building	2,547.15	Office	9,265.03	SRC B1F9	October 1985	6.17		
		A-90	KDX Ikebukuro Building	472.94	Offices, Retail Shops Parking	3,848.18	S · RC B1F10	March 2009	3.78		
		A-91	KDX Mita Building	548.72	Offices, Retail Shops Parking	5,007.98	S · SRC B3F11	March 1993	4.81		
		A-92	KDX Akihabara Building	374.88	Retail Shops, Office	2,979.14	SRC B1F9	December 1973	4.47		
		A-93	KDX Iidabashi Square	1,341.98	Offices, Parking	6,764.37	SRC B1F8	January 1994	4.48		
		A-94	KDX Musashi-Kosugi Building	3,210.09	Offices, Retail Shops	16,094.14	S B1F11	May 2013	8.11		
		A-95	KDX Toyosu Grand Square	20,403.07	Offices, Retail Shops	63,419.60	S F11	April 2008	3.84		
		A-96	KDX Takadanobaba Building	1,511.58	Offices, Parking	6,576.07	SRC · RC B2F7	October 1988	6.06		
		A-99	KDX Ikebukuro West Building	603.21	Offices, Retail Shops, Parking	3,477.86	SRC F10	July 1988	4.45		
		A-101	KDX Yokohama Building	2,499.38	Offices, Parking	15,894.75	SRC · S B1F11	March 1994	8.44		
		A-102	KDX Yokohama Nishiguchi Building	1,029.45	Offices	6,556.59	SRC B1F9	October 1988	7.59		
		A-103	KDX Shin-Yokohama 214 Building	998.00	Offices, Retail Shops, Parking	6,478.89	SRC B1F8	November 1989	4.72		
		A-105	BUREX Toranomon	466.96	Offices	2,808.24	S F13	July 2011	6.57		
		A-107	KDX Ginza East Building	1,216.99	Offices, Parking	6,413.60	SRC B1F9	August 1991	5.95		
		A-108	Pentel Building	2,502.63	Offices, Bank, Residential	18,880.89	S · SRC B3F14	November 1990	6.22		
		A-109	KDX Hamamatsucho Center Building	835.83	Offices, Parking	3,981.69	SRC F7	December 1985	4.21		
		A-112	Nittochi Toranomon Building	1,564.12	Offices, Retail Shops Parking	11,212.05	S · SRC B1F11	October 2013	7.93		
		A-113	KDX Shin-Nihonbashi Ekimae Building	531.64	Offices, Parking	4,254.07	SRC B1F10	May 1992	7.05		
		A-114	KDX Nihonbashi Edo-dori Building	252.89	Offices, Retail Shops	1,722.17	SRC F8	March 1985	4.55		
		Other Regional Areas		A-12	Portus Center Building	13,936.63	Offices, Retail Shops Storage, Parking	79,827.08	SRC · S B2F25	September 1993	6.70
				A-42	KDX Karasuma Building	1,788.67	Offices	12,632.68	SRC B1F8	October 1982	3.88
				A-44	KDX Sendai Building	987.78	Offices	5,918.30	SRC B1F10	February 1984	2.71
				A-53	KDX Hakata-Minami Building	1,826.25	Offices, Retail Shops Parking	13,238.16	SRC B1F9	June 1973	0.93
				A-54	KDX Kitahama Building	751.92	Offices, Storage Parking	4,652.96	S F10	July 1994	6.32
				A-58	KDX Nagoya Sakae Building	1,192.22	Offices, Retail Shops	9,594.00	S F11	April 2009	1.12
				A-69	KDX Kobayashi-Doshomachi Building (Note 9)	1,561.04	Offices, Parking Retail Shops	10,723.83	S · SRC B1F12	July 2009	10.99
A-70	KDX Sapporo Building			819.44	Offices	5,503.90	SRC B1F9	October 1989	0.41		
A-79	KDX Nagoya Ekimae Building			1,354.10	Offices, Retail Shops	13,380.30	S · SRC B2F15	April 1986	8.98		
A-82	KDX Higashi Umeda Building			804.50	Offices, Retail Shops Parking	6,805.76	S · SRC B1F10	July 2009	6.11		

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Other Regional Areas	A-97	KDX Utsunomiya Building	1,412.00	Offices, Retail Shops Parking	7,742.18	S · SRC B1F10	February 1999	0.98
		A-98	KDX Hiroshima Building	706.78	Offices, Parking Tower	5,718.83	SRC B1F10	January 1990	6.98
		A-100	Senri Life Science Center Building	5,911.08	Offices, Retail Shops Parking	49,260.78	SRC · S B3F21	June 1992	1.34
		A-104	KDX Minami-Honmachi Building	882.96	Offices, Retail Shops Parking	7,694.03	S · RC B1F12	December 2009	5.31
		A-106	KDX Sakura-dori Building	2,420.43	Offices, Retail Shops Lounge, Storage	19,680.16	S B1F18	August 1992	10.49
		A-110	KDX Shin-Osaka Building	1,016.54	Offices, Parking Retail Shops	7,987.35	SRC B1F11	May 1992	10.28
		A-111	Nichigin-mae KD Building	732.14	Offices	5,862.22	S B1F10	September 2006	9.67
Subtotal of Office Buildings (94 properties)				-	-	-	-	Avg. 22.5yrs (Note 8)	-
Residential	Tokyo Metropolitan Area	B-19	Residence Charmante Tsukishima	4,252.86	Residential Complex	18,115.39	SRC B1F10	January 2004	5.38
Subtotal of Residential Properties (1 property)				-	-	-	-	Avg. 12.8yrs	-
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	1,240.51	Retail Shops	6,302.58	S · RC · SRC B2F7	March 2005	6.80
		C-2	KDX Yoyogi Building	228.74	Retail Shops, Offices	1,269.06	SRC F8	August 1991	4.55
		C-4	Ginza 4chome Tower	688.52	Retail Shops, Offices Parking	6,787.33	S B1F13	November 2008	5.23
Subtotal of Central Urban Retail Properties (3 properties)				-	-	-	-	Avg. 11.4yrs	-
Other	Tokyo Metropolitan Area	D-2	Shinjuku 6-chome Building (Land)	1,355.13	-	-	-	-	-
Subtotal of Others (1 property)				-	-	-	-	-	-
Total of 99 properties				-	-	-	-	Avg. 21.8yrs (Note 8)	2.39

Note 1: Site area data is based on figures recorded in the land register (including relevant figures for leasehold land, if any). Data may not match with the actual current status. In the case of buildings with compartmentalized ownership, the figure indicates the site area of the entire land subject to site rights.

Note 2: Usage is based on data recorded in the land register. For buildings with compartmentalized ownership, the usage type of exclusively-owned area is shown.

Note 3: Total floor area is based on figures recorded in the land register and does not include related structures. The total floor area for the entire building is reported for compartmentalized ownership.

Note 4: Type of structure data is based on data recorded in the land register. For buildings with compartmentalized ownership, the structure and the number of floors of the entire building that includes the compartmentalized ownership is shown. The following abbreviations are used to report data relating to structure and the number of floors:

SRC: Steel-Reinforced Concrete; RC: Reinforced Concrete; S: Steel Frame; B: Below Ground Level; F: Above Ground Level.

For example: B2F9: Two floors below ground level and nine floors above ground level.

Note 5: Completion date is the date of construction completion recorded in the land register. Average age subtotal and total data are calculated using the weighted-average based on acquisition prices as of October 31, 2016, and are rounded down to the first decimal place.

Note 6: Probable Maximum Loss (PML) data is based on a survey provided by Sampo Risk Management & Health Care Inc. as of October 2016.

Note 7: KDX Shin-Yokohama 381 Building is comprised from two compartmentalized buildings within a single building. By consolidating them together, they become a property that comprises the entire building (total ownership ratio: 100%).

Note 8: Upon calculating the average portfolio age, the completion date of KDX Shin-Yokohama 381 Building is based on the completion date of its existing tower.

Note 9: KDX Kobayashi Doshomachi Building includes the term leasehold interest with a special agreement to transfer building.

(b) Capital Expenditure

① Planned capital expenditures

Major capital expenditure plans for renovation of properties in which the Investment Corporation holds for the twenty-fourth fiscal period (November 1, 2016 to April 30, 2017) are as follows. Planned capital expenditure may include portions classified into expenses for accounting purposes.

Property Name (Location)	Purpose	Schedule	Planned Amount of Capital Expenditure (Millions of Yen)		
			Total	Paid in the Fiscal Period Under Review	Total Amount Previously Paid
Senri Life Science Center Building (Toyonaka, Osaka)	Upgrade of exclusively-owned area, other	November 2016 to April 2017	250	-	-
KDX Takawadai Building (Minato-ku, Tokyo)	Renovation of elevator, other	As above	68	-	-
KDX Nihonbashi 313 Building (Chuo-ku, Tokyo)	Upgrade of exclusively-owned area, other	As above	64	-	-
KDX Ikebukuro West Building (Toshima-ku, Tokyo)	Upgrade of common area, other	As above	62	-	-
Nichigin-mae KD Building (Nagoya, Aichi)	Upgrade of exclusively-owned area, other	As above	56	-	-
KDX Tachikawa Ekimae Building (Tachikawa, Tokyo)	Renovation of external wall, other	As above	55	-	-
Harajuku F.F. Building (Shibuya-ku, Tokyo)	Renewal of air conditioning system, other	As above	49	-	-
KDX Shin-Yokohama 214 Building (Yokohama, Kanagawa)	Upgrade of common area, other	As above	44	-	-
KDX Minami Aoyama Building (Minato-ku, Tokyo)	Renovation of external wall, other	As above	42	-	-
Pentel Building (Chuo-ku, Tokyo)	Renewal of air conditioning system, other	As above	40	-	-
Itopia Nihonbashi SA Building (Chuo-ku, Tokyo)	Renovation of external wall, other	As above	37	-	-
KDX Hiroshima Building (Hiroshima, Hiroshima)	Renovation of external wall, other	As above	36	-	-
KDX Shin-Yokohama Building (Yokohama, Kanagawa)	Upgrade of exclusively-owned area, other	As above	26	-	-

Note: The planned amounts of capital expenditure are truncated at less than ¥1 million.

② Capital Expenditures during the Fiscal Period under Review (fiscal period ended October 31, 2016)

The Investment Corporation undertook the following major capital expenditures. In the fiscal period under review (fiscal period ended October 31, 2016), the Investment Corporation completed works across its entire portfolio totaling ¥1,747 million. This total comprised of ¥1,165 million in capital expenditures and ¥582 million for repairs, maintenance and renovation expenses.

Property Name (Location)	Purpose	Term	Amount of Capital Expenditures (Millions of Yen)
KDX Yokohama Building (Yokohama, Kanagawa)	Renewal of air conditioning system, Upgrade of common area, other	May 2016 to October 2016	387
KDX Sakura-dori Building (Nagoya, Aichi)	Renewal of air conditioning system and mechanical car parking system, other	As above	266
Senri Life Science Center Building (Toyonaka, Osaka)	Renovation of external wall, other	As above	69
KDX Hamamatsucho Center Building (Minato-ku, Tokyo)	Renewal of air conditioning system, other	As above	46
KDX Shin-Yokohama Building (Yokohama, Kanagawa)	Upgrade of exclusively-owned area and common area, Renewal of mechanical car parking system, other	As above	35
Harajuku F.F. Building (Shibuya-ku, Tokyo)	Renewal of air conditioning system, other	As above	25
KDX Hiroshima Building (Hiroshima, Hiroshima)	Renewal of mechanical car parking system, other	As above	25
Others			308
Portfolio Total			1,165

Note: The amounts of the capital expenditures are truncated at less than ¥1 million.

③ Reserved Amount for Long-Term Repairs, Maintenance and Renovation Plans

The Investment Corporation formulates long-term repairs, maintenance and renovation plans on an individual investment property basis and allocates a portion of its cash flow generated during the period to a reserve for repairs, maintenance and renovation to meet large-scale renovation over the medium- to long-terms. The following amount has been transferred to the reserve from period cash flow.

(Millions of Yen)

Fiscal period	Nineteenth Fiscal Period (May 1, 2014 to October 31, 2014)	Twentieth Fiscal Period (November 1, 2014 to April 30, 2015)	Twenty-first Fiscal Period (May 1, 2015 to October 31, 2015)	Twenty-second Fiscal Period (November 1, 2015 to April 30, 2016)	Twenty-third Fiscal Period (May 1, 2016 to October 31, 2016)
Balance at the beginning of the period	493	495	465	-	-
Reserve for the period	12	8	-	-	-
Reversal of reserve for the period	10	37	465	-	-
Balance brought forward to the next period	495	465	-	-	-

Note: The Investment Corporation has decided not to reserve amount for repairs, maintenance and renovation expenses since the twenty-first fiscal period because they are covered within the scope of the cash flow in each period.

(c) Details of the Tenants

Type	Area	No.	Property Name	Total Leasable Floor Area (m ²) (Note 1)	Total Leased Floor Area (m ²) (Note 2)	No. of Leasable Residential Units (Note 3)	No. of Leased Residential Units (Note 4)	No. of Tenants (Note 5)	Occupancy Ratio (%) (Note 6)	Rental and Other Operating Revenues (Thousands of Yen) (Note 7)	Leasehold and Security Deposits (Thousands of Yen) (Note 8)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	5,889.32	5,572.57	-	-	11	94.6	183,644	219,318
		A-3	Higashi-Kayabacho Yuraku Building	4,379.66	4,379.66	-	-	7	100.0	139,555	217,047
		A-4	KDX Hatchobori Building	3,323.14	3,323.14	-	-	4	100.0	108,136	109,468
		A-5	KDX Nakano-Sakaue Building	4,386.18	4,157.31	18	15	22	94.8	77,554	90,602
		A-6	Harajuku F.F. Building	3,071.15	3,071.15	-	-	2	100.0	103,403	141,704
		A-7	KDX Minami Aoyama Building	1,814.56	1,814.56	-	-	8	100.0	76,880	107,806
		A-8	Kanda Kihara Building	1,947.80	1,947.80	-	-	11	100.0	53,251	92,142
		A-13	KDX Kojimachi Building	3,719.18	3,719.18	-	-	9	100.0	145,347	201,005
		A-14	KDX Funabashi Building	3,859.85	3,859.85	-	-	20	100.0	106,873	137,086
		A-16	Toshin 24 Building	6,621.19	6,621.19	-	-	22	100.0	183,638	244,225
		A-17	KDX Ebisu Building	3,072.34	3,072.34	-	-	6	100.0	131,757	246,060
		A-19	KDX Hamamatsucho Building	2,724.35	2,724.35	-	-	9	100.0	98,421	130,604
		A-20	KDX Kayabacho Building	3,019.93	3,019.93	-	-	7	100.0	82,877	101,101
		A-21	KDX Shinbashi Building	2,803.79	2,803.79	-	-	8	100.0	119,034	175,050
		A-22	KDX Shin-Yokohama Building	4,779.74	4,259.11	-	-	19	89.1	75,820	110,823
		A-26	KDX Kiba Building	2,455.44	2,162.54	-	-	5	88.1	25,729	53,725
		A-27	KDX Kajicho Building	2,564.79	2,564.79	-	-	10	100.0	74,041	88,135
		A-29	KDX Higashi-Shinjuku Building	5,914.28	5,914.28	-	-	7	100.0	137,746	121,031
		A-30	KDX Nishi-Gotanda Building	3,882.75	2,904.47	-	-	9	74.8	62,553	127,439
		A-31	KDX Monzen-Nakacho Building	2,008.74	2,008.74	-	-	7	100.0	44,244	46,740
		A-32	KDX Shiba-Daimon Building	5,997.36	5,997.36	-	-	9	100.0	156,641	206,767
		A-33	KDX Okachimachi Building	1,792.54	1,792.54	-	-	2	100.0	67,918	110,237
		A-34	KDX Hon-Atsugi Building	2,747.66	2,657.93	-	-	11	96.7	51,472	71,247
		A-35	KDX Hachioji Building	2,163.36	1,849.55	-	-	9	85.5	43,990	49,594
		A-37	KDX Ochanomizu Building	5,892.10	5,892.10	-	-	8	100.0	194,822	256,304
		A-38	KDX Nishi-Shinjuku Building	1,593.59	1,593.59	-	-	9	100.0	46,879	60,106
		A-41	KDX Shinjuku 286 Building	2,446.12	2,446.12	-	-	7	100.0	81,287	100,498
		A-45	KDX Roppongi 228 Building	1,940.06	1,940.06	-	-	8	100.0	62,920	85,781
		A-46	Hiei Kudan-Kita Building	6,908.84	6,908.84	-	-	14	100.0	251,969	322,951
		A-47	KDX Shin-Yokohama 381 Building	8,125.73	8,125.73	-	-	41	100.0	162,276	239,800
		A-48	KDX Kawasaki-Ekimaie Hon-cho Building	5,126.69	5,126.69	-	-	1	100.0	104,636	155,562
		A-50	KDX Ikejiri-Oohashi Building	2,458.64	2,458.64	-	-	8	100.0	70,079	96,301
		A-51	KDX Hamacho Nakanohashi Building	2,238.01	2,238.01	-	-	9	100.0	66,599	90,088
		A-52	KDX Kanda Misaki-cho Building	1,315.96	1,315.96	-	-	8	100.0	28,467	40,408
		A-55	Shin-toshin Maruzen Building	1,912.28	1,912.28	-	-	5	100.0	58,518	74,077
		A-56	KDX Jimbocho Building	2,321.80	2,321.80	-	-	3	100.0	65,922	96,451
		A-57	KDX Gobancho Building	1,649.02	1,649.02	-	-	7	100.0	45,535	55,116
		A-59	KDX Iwamoto-cho Building	1,529.91	1,529.91	3	3	10	100.0	45,264	61,722
		A-60	KDX Harumi Building	9,294.00	8,657.86	-	-	9	93.2	204,904	300,030
		A-61	KDX Hamamatsucho Dai-2 Building	1,954.23	1,954.23	-	-	8	100.0	62,290	98,026
		A-62	Koishikawa TG Building	3,945.54	3,945.54	-	-	5	100.0	129,203	156,831
		A-63	Gotanda TG Building	3,158.67	3,158.67	-	-	10	100.0	96,395	131,339
		A-64	KDX Nihonbashi 216 Building	1,615.20	1,615.20	-	-	8	100.0	60,536	96,961
		A-66	KDX Shinjuku Building	5,836.68	5,836.68	-	-	20	100.0	257,277	320,514
A-67	KDX Ginza Ichome Building	3,573.59	3,507.89	-	-	3	98.2	138,350	186,478		
A-68	KDX Nihonbashi Honcho Building	3,998.39	3,998.39	-	-	8	100.0	136,276	212,991		
A-71	KDX Iidabashi Building	4,429.25	4,429.25	-	-	5	100.0	157,674	230,280		
A-72	KDX Higashi-Shinagawa Building	7,117.97	7,117.97	-	-	5	100.0	123,343	221,226		
A-73	KDX Hakozaeki Building	3,992.60	3,992.60	-	-	8	100.0	111,736	156,454		
A-74	KDX Shin-Nihonbashi Building	2,658.79	2,658.79	-	-	8	100.0	84,756	126,985		

Type	Area	No.	Property Name	Total Leasable Floor Area (m ²) (Note 1)	Total Leased Floor Area (m ²) (Note 2)	No. of Leasable Residential Units (Note 3)	No. of Leased Residential Units (Note 4)	No. of Tenants (Note 5)	Occupancy Ratio (%) (Note 6)	Rental and Other Operating Revenues (Thousands of Yen) (Note 7)	Leasehold and Security Deposits (Thousands of Yen) (Note 8)
Office Buildings	Tokyo Metropolitan Area	A-75	KDX Nihonbashi Kabutocho Building	7,562.93	7,562.93	-	-	7	100.0	281,241	330,311
		A-78	KDX Tachikawa Ekimae Building	1,612.13	1,612.13	-	-	5	100.0	64,365	86,432
		A-83	KDX Fuchu Building	10,151.48	8,653.17	-	-	36	85.2	289,216	313,635
		A-84	KDX Kasuga Building	4,345.13	4,345.13	-	-	15	100.0	126,705	150,429
		A-85	KDX Nakameguro Building	2,726.69	2,726.69	-	-	5	100.0	72,944	128,510
		A-86	KDX Omiya Building	3,814.00	3,814.00	1	1	18	100.0	118,993	184,758
		A-87	Itopia Nihonbashi SA Building	3,106.42	3,012.86	8	6	12	97.0	99,766	120,102
		A-88	KDX Shinjuku 6-chome Building	4,037.44	4,037.44	-	-	7	100.0	106,207	87,464
		A-89	KDX Takanawadai Building	6,951.88	6,537.12	-	-	7	94.0	209,306	246,355
		A-90	KDX Ikebukuro Building	3,110.65	2,808.51	-	-	9	90.3	131,179	183,703
		A-91	KDX Mita Building	3,331.61	3,331.61	-	-	12	100.0	104,462	154,485
		A-92	KDX Akihabara Building	2,289.27	2,289.27	-	-	6	100.0	82,053	97,151
		A-93	KDX Iidabashi Square	4,571.92	4,280.71	-	-	6	93.6	35,762	281,039
		A-94	KDX Musashi-Kosugi Building	12,978.52	12,978.52	-	-	9	100.0	438,606	661,244
		A-95	KDX Toyosu Grand Square	11,797.85	11,557.40	-	-	15	98.0	282,879	463,958
		A-96	KDX Takadanobaba Building	4,585.47	4,269.37	-	-	10	93.1	133,545	157,519
		A-99	KDX Ikebukuro West Building	2,553.06	2,553.06	-	-	6	100.0	72,764	57,774
		A-101	KDX Yokohama Building	10,932.12	10,389.58	-	-	25	95.0	274,108	319,995
		A-102	KDX Yokohama Nishiguchi Building	4,981.07	4,981.07	-	-	14	100.0	114,413	160,487
		A-103	KDX Shin-Yokohama 214 Building	4,615.14	4,412.63	-	-	16	95.6	75,703	124,910
		A-105	BUREX Toranomon	1,900.93	1,900.93	-	-	1	100.0	49,996	24,998
		A-107	KDX Ginza East Building	4,458.02	4,458.02	-	-	12	100.0	123,862	100,483
		A-108	Pentel Building	4,346.66	4,346.66	5	5	10	100.0	119,906	159,434
		A-109	KDX Hamamatsucho Center Building	3,052.64	3,052.64	-	-	8	100.0	104,906	126,586
	A-112	Nittochi Toranomon Building	8,179.00	8,179.00	-	-	4	100.0	385,395	664,950	
	A-113	KDX Shin-Nihonbashi Ekimae Building	3,287.64	2,209.92	-	-	8	67.2	29,155	101,308	
	A-114	KDX Nihonbashi Edo-dori Building	1,516.15	1,117.79	-	-	6	73.7	13,822	28,160	
	Other Regional Areas	A-12	Portus Center Building	11,582.43	11,197.97	-	-	29	96.7	294,790	365,023
		A-42	KDX Karasuma Building	8,743.96	8,743.96	-	-	39	100.0	215,507	275,186
		A-44	KDX Sendai Building	3,962.37	3,962.37	-	-	34	100.0	93,410	176,274
		A-53	KDX Hakata-Minami Building	9,813.85	9,579.31	-	-	50	97.6	174,149	239,984
		A-54	KDX Kitahama Building	3,995.50	3,569.96	-	-	10	89.3	75,197	85,235
		A-58	KDX Nagoya Sakae Building	6,923.12	6,688.59	-	-	15	96.6	183,700	221,552
		A-69	KDX Kobayashi-Doshomachi Building	7,072.23	7,072.23	-	-	12	100.0	191,532	250,552
A-70		KDX Sapporo Building	3,788.51	3,788.51	-	-	21	100.0	92,645	122,080	
A-79		KDX Nagoya Ekimae Building	7,902.96	7,902.96	-	-	19	100.0	284,113	514,057	
A-82		KDX Higashi Umeda Building	4,986.24	4,986.24	-	-	7	100.0	138,039	110,979	
A-97		KDX Utsunomiya Building	5,328.77	5,328.77	-	-	24	100.0	128,337	149,065	
A-98		KDX Hiroshima Building	3,982.43	3,602.47	-	-	20	90.5	68,738	100,354	
A-100		Senri Life Science Center Building	17,209.90	14,332.26	-	-	57	83.3	830,748	869,212	
A-104		KDX Minami-Honmachi Building	5,285.95	4,891.88	-	-	22	92.5	109,296	138,219	
A-106		KDX Sakura-dori Building	12,335.57	12,222.11	-	-	32	99.1	334,550	445,626	
A-110		KDX Shin-Osaka Building	5,977.39	5,977.39	-	-	17	100.0	145,680	146,895	
A-111		Nichigin-mae KD Building	4,360.90	4,019.23	-	-	13	92.2	103,672	130,326	
Subtotal of Office Buildings (94 properties)				442,020.66	427,814.32	35	30	1,179	96.8	12,603,843	17,029,082
Residential	Tokyo Metropolitan Area	B-19	Residence Charmante Tsukishima	7,711.14	7,711.14	140	140	1 (Note 9)	100.0	146,746	45,721
Subtotal of Residential Properties (1 property)				7,711.14	7,711.14	140	140	1	100.0	146,746	45,721
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	4,646.51	4,646.51	-	-	13	100.0	261,285	338,063
		C-2	KDX Yoyogi Building	1,176.25	1,176.25	-	-	11	100.0	69,627	105,833
		C-4	Ginza 4chome Tower	5,624.23	5,624.23	-	-	4	100.0	280,141	346,121

Type	Area	No.	Property Name	Total Leasable Floor Area (m ²) (Note 1)	Total Leased Floor Area (m ²) (Note 2)	No. of Leasable Residential Units (Note 3)	No. of Leased Residential Units (Note 4)	No. of Tenants (Note 5)	Occupancy Ratio (%) (Note 6)	Rental and Other Operating Revenues (Thousands of Yen) (Note 7)	Leasehold and Security Deposits (Thousands of Yen) (Note 8)
Subtotal of Central Urban Retail Properties (3 properties)				11,446.99	11,446.99	-	-	28	100.0	611,055	790,018
Others	Tokyo Metropolitan Area	D-2	Shinjuku 6-Chome Building (Land)	1,355.13	1,355.13	-	-	1	100.0	68,128	56,770
Subtotal of Others (1 property)				1,355.13	1,355.13	-	-	1	100.0	68,128	56,770
Total of 99 properties				462,533.92	448,327.58	175	170	1,209 (Note 10)	96.9	13,429,773	17,921,592
Occupancy Ratio over the Past Five Years											
				April 30, 2012	95.4%						
				October 31, 2012	95.5%						
				April 30, 2013	93.9%						
				October 31, 2013	95.8%						
				April 30, 2014	96.0%						
				October 31, 2014	95.6%						
				April 30, 2015	96.5%						
				October 31, 2015	94.9%						
				April 30, 2016	96.9%						
				October 31, 2016	96.9%						

Note 1: Total leasable floor area refers to the leasable floor area for a building (aggregate total of the leasable floor area of each building in the case of more than one building), excluding land (including land for one-story parking) identified in lease agreements or construction completion plans, etc. However, the indicated figure of rentable area for Pentel Building includes rentable area for land stated in the lease agreement. The indicated figure of rentable area for Shinjuku 6-chome Building (Land) is rentable area stated in the land lease agreement.

Note 2: Total leased floor area refers to the area identified in lease agreements with end tenants or sub-lease agreements.

Note 3: The number of leasable residential units and the number of leased residential units refers to the portion of the building used for residential purposes.

Note 4: The number of leased residential units refers to the number of residential units among leasable residential units for which lease agreements with end tenants or sub-lease agreements are signed.

Note 5: The number of tenants refers to the actual number of end tenants for each property. However, for Residence Charmante Tsukishima, please refer to Note 9.

Note 6: Occupancy ratio is calculated by dividing leased floor area by total leasable floor area. Figures are rounded to the nearest first decimal place.

Note 7: Rental and other operating revenues refers to the total amount of revenues generated during the fiscal period under review from real estate rental operations including leasing revenues, common charges and parking revenues rounded down to the nearest thousand yen.

Note 8: Leasehold and security deposits refers to the total of the balances of security deposits held (including net security deposits in the case of discount) and guarantee deposits, both identified in lease agreements or sub-lease agreements, with the figure rounded down to the nearest thousand yen.

Note 9: Residence Charmante Tsukishima: Because we have concluded a rental guarantee (fixed-term lease: until January 31, 2019) fixed-term building lease contract (term of contract: to January 30, 2029) with Sekiwa Real Estate, Ltd., a master lessor, the total number of tenants is indicated as 1.

Note 10: The number presented does not reflect the adjustment for end-tenants who are overlapping in multiple properties.

(d) Information concerning major real estate properties

There were no major real estate properties with rental and other operating revenues exceeding 10% of total rental and other operating revenues for the twenty-third fiscal period (fiscal period ended October 31, 2016).

(e) Information concerning major tenants

- ① Tenant which holds more than 10% of the total leased area: Not applicable
- ② Reference: Major end tenants

(As of October 31, 2016)

	Name of End Tenant	Property Name	Leased Floor Area (m ²)	Percentage of Total Leased Floor Area (Note 1)
1	Sekiwa Real Estate, Ltd.	Residence Charmante Tsukishima	7,711.14	1.7%
2	N / A (Note 2)	KDX Kawasaki-Ekimae Hon-cho Building	5,126.69	1.1%
3	N / A (Note 2)	KDX Musashi-Kosugi Building, KDX Hiroshima Building	4,856.75	1.1%
4	ADK Arts Inc.	Nittochi Toranomom Building	4,719.91	1.1%
5	JASTEC Co., Ltd.	KDX Takanawadai Building	4,312.83	1.0%
Subtotal			26,727.32	6.0%
Total Portfolio			448,327.58	100.0%

Note 1: Percentage of total leased floor area refers to the floor area leased to each end tenant as a proportion of total leased floor area. Figures are rounded to the nearest first decimal place.

Note 2: Not disclosed due to the tenants' request.

[Reference]

Earnings Performance for the Individual Properties for the 23rd Fiscal Period (May 1, 2016 to October 31, 2016) : 184 days ※As of October 31, 2016

Type		Office Buildings													
Location		Tokyo Metropolitan Area													
Property No.		A001	A003	A004	A005	A006	A007	A008	A013	A014	A016	A017	A019	A020	A021
Property Name		KDX Nihonbashi 313 Building	Higashi- Kayabacho Yuraku Building	KDX Hatchobori Building	KDX Nakano- Sakaue Building	Harajuku F.F. Building	KDX Minami Aoyama Building	Kanda Kihara Building	KDX Kojimachi Building	KDX Funabashi Building	Toshin 24 Building	KDX Ebisu Building	KDX Hamamatsucho Building	KDX Kayabacho Building	KDX Shinbashi Building
Acquisition Date		August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	November 1, 2005	March 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006
Price Information	Acquisition price (¥ Millions)	5,940	4,450	3,680	2,533	2,450	2,270	1,950	5,950	2,252	5,300	4,640	3,460	2,780	3,728
	Percentage of total portfolio	1.5%	1.1%	0.9%	0.6%	0.6%	0.6%	0.5%	1.5%	0.6%	1.3%	1.2%	0.9%	0.7%	0.9%
	Net book value (¥ Millions)	5,877	4,127	3,310	2,358	2,403	2,206	1,796	5,565	2,242	4,853	4,433	3,083	2,736	3,765
	Appraisal value at the end of period (¥ Millions)	6,740	4,940	3,250	2,360	3,080	2,510	1,620	4,820	2,140	4,910	4,800	3,370	2,570	4,530
Lease Information	Percentage of total appraisal value	1.6%	1.2%	0.8%	0.6%	0.7%	0.6%	0.4%	1.2%	0.5%	1.2%	1.2%	0.8%	0.6%	1.1%
	Number of tenants	11	7	4	22	2	8	11	9	20	22	6	9	7	8
	Leasable floor area (㎡)	5,889.32	4,379.66	3,323.14	4,386.18	3,071.15	1,814.56	1,947.80	3,719.18	3,859.85	6,621.19	3,072.34	2,724.35	3,019.93	2,803.79
	Leased floor area (㎡)	5,572.57	4,379.66	3,323.14	4,157.31	3,071.15	1,814.56	1,947.80	3,719.18	3,859.85	6,621.19	3,072.34	2,724.35	3,019.93	2,803.79
Income and Retained Earnings Information for the 23rd Fiscal Period	Occupancy ratio														
	As of October 31, 2016	94.6%	100.0%	100.0%	94.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2016	100.0%	100.0%	100.0%	91.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	83.4%	100.0%	100.0%	100.0%
	As of October 31, 2015	100.0%	100.0%	100.0%	94.8%	100.0%	100.0%	100.0%	100.0%	100.0%	95.6%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2015	100.0%	100.0%	93.1%	96.5%	100.0%	100.0%	88.2%	100.0%	99.8%	97.4%	100.0%	100.0%	84.9%	100.0%
	As of October 31, 2014	100.0%	100.0%	100.0%	95.2%	100.0%	100.0%	76.2%	100.0%	96.5%	94.1%	100.0%	100.0%	84.9%	100.0%
	As of April 30, 2014	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.0%	100.0%	100.0%	94.4%	100.0%	100.0%	84.9%	86.8%
	As of October 31, 2013	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	76.2%	100.0%	100.0%	91.1%	83.4%	100.0%	100.0%	100.0%
	As of April 30, 2013	99.7%	89.1%	100.0%	100.0%	100.0%	100.0%	86.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2012	100.0%	89.1%	100.0%	100.0%	100.0%	88.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
As of April 30, 2012	94.6%	100.0%	100.0%	98.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.5%	
Reference	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	183,644	139,555	108,136	77,554	103,403	76,880	53,251	145,347	106,873	183,638	131,757	98,421	82,877	119,034
	Rental revenues	166,234	127,502	92,157	63,751	96,080	68,365	47,988	118,411	92,370	148,736	114,263	89,190	73,976	110,679
	Other operating revenues	17,409	12,052	15,978	13,802	7,323	8,515	5,263	26,935	14,502	34,902	17,493	9,230	8,900	8,355
	②Property-related expenses (¥ Thousands)	55,530	34,063	39,083	46,624	28,027	17,844	18,356	51,974	36,563	58,714	35,888	28,777	21,595	35,584
	Property management fees	15,207	12,317	10,640	8,367	6,531	5,293	4,986	9,599	13,119	14,602	9,321	7,182	7,030	8,822
	Taxes	20,754	9,022	8,668	7,615	8,082	5,726	4,059	17,144	7,284	12,314	11,108	9,027	6,383	15,870
	Utilities	13,013	9,539	7,536	7,286	5,261	4,620	4,245	10,480	8,447	18,744	9,230	5,673	6,461	5,881
	Repairs and maintenance costs	4,165	1,467	9,573	19,559	6,037	1,042	4,439	2,659	6,513	11,845	3,025	2,621	660	1,098
	Insurance	224	153	135	169	103	56	59	154	155	240	124	94	99	110
Trust fees and other expenses	2,164	1,561	2,530	3,626	2,012	1,106	567	11,937	1,043	967	3,078	4,178	960	3,802	
③NOI (=①-②) (¥ Thousands)	128,113	105,492	69,052	30,929	75,376	59,036	34,894	93,372	70,310	124,923	95,868	69,643	61,282	83,450	
④Depreciation (¥ Thousands)	28,004	27,100	19,007	16,005	10,063	6,636	8,342	19,867	19,566	36,645	19,568	10,431	17,368	10,423	
⑤Rental operating income (=③-④) (¥ Thousands)	100,108	78,392	50,045	14,924	65,312	52,399	26,551	73,504	50,743	88,278	76,299	59,211	43,913	73,026	
⑥Capital expenditures (¥ Thousands)	420	1,302	556	797	25,371	1,550	-	-	740	12,606	3,550	3,196	1,837	3,733	
⑦NCF (=⑤-⑥) (¥ Thousands)	127,693	104,190	68,496	30,131	50,004	57,486	34,894	93,372	69,570	112,317	92,318	66,446	59,444	79,716	
Reference	Expense ratio (=②/①)	30.2%	24.4%	36.1%	60.1%	27.1%	23.2%	34.5%	35.8%	34.2%	32.0%	27.2%	29.2%	26.1%	29.9%
	Property tax for the year 2016 (¥ Thousands)	41,509	18,045	17,335	15,229	16,164	8,118	34,287	14,569	24,628	22,216	18,055	12,766	31,739	
	Property management fee (Leasing management fees) of ② (¥ Thousands)	6,362	5,000	3,616	2,213	3,648	2,773	1,798	4,871	3,616	6,297	4,645	3,429	2,942	4,132
	Reference: Percentage of rental and other operating revenues	3.5%	3.6%	3.3%	2.9%	3.5%	3.6%	3.4%	3.4%	3.4%	3.4%	3.5%	3.5%	3.5%	3.5%
	Long-term repairs, maintenance and renovation														
Estimated amount of 1st yr to 12th yrs (¥ Thousands)	318,440	159,300	141,890	164,530	204,340	97,670	79,020	161,000	180,238	309,328	232,159	163,222	198,294	133,340	
Reference: Amount of yearly avg.	26,536	13,275	11,824	13,710	17,028	8,139	6,585	13,416	15,019	25,777	19,346	13,601	16,524	11,111	

Properties are shown in order of property number with respect to each type and location.

【Reference】

Earnings Performance for the Individual Properties for the 23rd Fiscal Period (May 1, 2016 to October 31, 2016) : 184 days ※As of October 31, 2016

Type	Office Buildings														
Location	Tokyo Metropolitan Area														
Property No.	A022	A026	A027	A029	A030	A031	A032	A033	A034	A035	A037	A038	A041	A045	
Property Name	KDX Shin-Yokohama Building	KDX Kiba Building	KDX Kajicho Building	KDX Higashi-Shinjuku Building	KDX Nishi-Gotanda Building	KDX Monzen-Nakacho Building	KDX Shiba-Daimon Building	KDX Okachimachi Building	KDX Hon-Atsugi Building	KDX Hachioji Building	KDX Ochanomizu Building	KDX Nishi-Shinjuku Building	KDX Shinjuku 286 Building	KDX Roppongi 228 Building	
Acquisition Date	May 1, 2006	June 20, 2006	July 3, 2006	September 1, 2006	December 1, 2006	January 19, 2007	March 1, 2007	March 1, 2007	March 1, 2007	March 1, 2007	April 2, 2007	April 2, 2007	June 1, 2007	January 10, 2008	
Price Information	Acquisition price (¥ Millions)	2,520	1,580	2,350	2,950	4,200	1,400	6,090	2,000	1,305	1,155	6,400	1,500	2,300	3,300
	Percentage of total portfolio	0.6%	0.4%	0.6%	0.7%	1.1%	0.4%	1.5%	0.5%	0.3%	0.3%	1.6%	0.4%	0.6%	0.8%
	Net book value (¥ Millions)	2,307	1,472	2,282	3,055	3,895	1,327	6,036	2,052	1,163	1,212	6,422	1,531	2,322	3,399
	Appraisal value at the end of period (¥ Millions)	2,360	1,280	2,240	3,720	3,630	1,070	4,740	1,930	1,270	1,080	6,740	1,280	2,480	2,120
	Percentage of total appraisal value	0.6%	0.3%	0.5%	0.9%	0.9%	0.3%	1.1%	0.5%	0.3%	0.3%	1.6%	0.3%	0.6%	0.5%
Lease Information	Number of tenants	19	5	10	7	9	7	9	2	11	9	8	9	7	8
	Leasable floor area (㎡)	4,779.74	2,455.44	2,564.79	5,914.28	3,882.75	2,008.74	5,997.36	1,792.54	2,747.66	2,163.36	5,892.10	1,593.59	2,446.12	1,940.06
	Leased floor area (㎡)	4,259.11	2,162.54	2,564.79	5,914.28	2,904.47	2,008.74	5,997.36	1,792.54	2,657.93	1,849.55	5,892.10	1,593.59	2,446.12	1,940.06
	Occupancy ratio														
	As of October 31, 2016	89.1%	88.1%	100.0%	100.0%	74.8%	100.0%	100.0%	100.0%	96.7%	85.5%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2016	78.7%	88.1%	100.0%	100.0%	47.4%	100.0%	100.0%	100.0%	96.7%	85.5%	96.4%	100.0%	100.0%	100.0%
	As of October 31, 2015	83.3%	76.1%	93.5%	87.3%	100.0%	84.3%	100.0%	100.0%	96.7%	72.7%	96.4%	100.0%	100.0%	100.0%
	As of April 30, 2015	87.2%	76.1%	97.5%	87.3%	100.0%	100.0%	100.0%	100.0%	94.3%	72.7%	100.0%	100.0%	100.0%	87.4%
	As of October 31, 2014	97.5%	88.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	72.7%	100.0%	77.8%	100.0%	87.4%
	As of April 30, 2014	94.1%	88.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	73.8%
As of October 31, 2013	92.9%	100.0%	100.0%	100.0%	100.0%	100.0%	92.9%	100.0%	89.0%	100.0%	100.0%	100.0%	100.0%	63.1%	
As of April 30, 2013	92.9%	100.0%	100.0%	100.0%	100.0%	100.0%	79.1%	100.0%	95.7%	100.0%	100.0%	100.0%	100.0%	54.4%	
As of October 31, 2012	95.4%	100.0%	100.0%	100.0%	100.0%	100.0%	82.8%	100.0%	86.0%	100.0%	100.0%	90.1%	100.0%	54.4%	
As of April 30, 2012	97.9%	100.0%	100.0%	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.6%	100.0%	65.1%	
Income and Retained Earnings Information for the 23rd Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	75,820	25,729	74,041	137,746	62,553	44,244	156,641	67,918	51,472	43,990	194,822	46,879	81,287	62,920
	Rental revenues	64,707	20,140	64,096	119,124	47,603	35,613	142,417	58,613	44,376	35,818	178,727	41,052	68,638	55,153
	Other operating revenues	11,112	5,588	9,944	18,621	14,949	8,631	14,224	9,305	7,096	8,172	16,094	5,826	12,649	7,766
	②Property-related expenses (¥ Thousands)	36,077	15,798	23,693	46,636	41,533	14,955	42,968	15,330	17,913	16,349	43,946	19,233	25,716	20,117
	Property management fees	7,791	3,914	6,687	13,053	6,720	4,137	13,655	5,733	6,162	4,535	12,140	4,469	7,027	5,525
	Taxes	6,373	4,721	5,357	13,601	9,041	3,112	11,477	2,885	3,629	4,063	14,994	4,317	8,215	7,284
	Utilities	7,752	3,448	5,289	13,201	7,137	5,306	12,974	4,584	4,497	4,216	12,456	3,627	6,676	6,107
	Repairs and maintenance costs	10,032	3,146	5,177	5,069	5,536	2,078	3,220	474	2,678	2,844	2,311	5,395	2,893	852
	Insurance	152	72	81	210	130	68	174	47	95	65	198	53	92	56
	Trust fees and other expenses	3,975	494	1,099	1,499	12,967	251	1,467	1,604	849	624	1,844	1,370	810	292
	③NOI (=①-②) (¥ Thousands)	39,742	9,930	50,348	91,110	21,019	29,289	113,672	52,588	33,559	27,641	150,875	27,645	55,571	42,802
	④Depreciation (¥ Thousands)	22,531	11,904	12,648	20,502	29,242	9,495	30,852	8,153	13,438	10,691	27,988	6,911	9,431	5,467
⑤Rental operating income (=③-④) (¥ Thousands)	17,211	△1,973	37,699	70,607	△8,222	19,793	82,819	44,434	20,120	16,950	122,887	20,734	46,139	37,334	
⑥Capital expenditures (¥ Thousands)	35,705	9,084	520	2,625	10,939	2,310	17,639	-	-	-	-	-	350	1,890	1,249
⑦NCF (=⑤-⑥) (¥ Thousands)	4,037	846	49,828	88,485	10,080	26,979	96,033	52,588	33,559	27,641	150,875	27,295	53,681	41,552	
Reference	Expense ratio (=②/①)	47.6%	61.4%	32.0%	33.9%	66.4%	33.8%	27.4%	22.6%	34.8%	37.2%	22.6%	41.0%	31.6%	32.0%
	Property tax for the year 2016 (¥ Thousands)	12,747	9,443	10,714	27,177	18,078	6,222	22,952	5,749	7,259	8,126	29,971	8,633	16,431	14,567
	Property management fee (Leasing management fees) of ② (¥ Thousands)	2,358	727	2,538	4,670	1,705	1,500	5,516	2,459	1,735	1,461	7,055	1,520	2,793	2,157
	Reference: Percentage of rental and other operating revenues	3.1%	2.8%	3.4%	3.4%	2.7%	3.4%	3.5%	3.6%	3.4%	3.3%	3.6%	3.2%	3.4%	3.4%
	Long-term repairs, maintenance and renovation														
Estimated amount of 1st yr to 12th yrs (¥ Thousands)	111,671	127,183	133,761	93,342	129,945	136,390	323,620	90,133	65,934	85,771	355,880	45,530	143,300	80,070	
Reference: Amount of yearly avg.	9,305	10,598	11,146	7,778	10,828	11,365	26,968	7,511	5,494	7,147	29,656	3,794	11,941	6,672	

[Reference]

Earnings Performance for the Individual Properties for the 23rd Fiscal Period (May 1, 2016 to October 31, 2016) : 184 days ※As of October 31, 2016

Type		Office Buildings													
Location		Tokyo Metropolitan Area													
Property No.		A046	A047	A048	A050	A051	A052	A055	A056	A057	A059	A060	A061	A062	A063
Property Name		Hiei Kudan-Kita Building	KDX Shin-Yokohama 381 Building	KDX Kawasaki-Ekimae Hon-cho Building	KDX Ikejiri-Oohashi Building	KDX Hamacho Nakanohashi Building	KDX Kanda Misaki-cho Building	Shin-toshin Maruzen Building	KDX Jimbocho Building	KDX Gobancho Building	KDX Iwamoto-cho Building	KDX Harumi Building	KDX Hamamatsucho Dai-2 Building	Koishikawa TG Building	Gotanda TG Building
Acquisition Date		February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 1, 2008	February 29, 2008	March 31, 2008	March 31, 2008	May 1, 2008	June 30, 2008	September 1, 2008	November 18, 2009	November 18, 2009
Price Information	Acquisition price (¥ Millions)	7,600	5,800	3,760	2,400	2,310	1,380	2,110	2,760	1,951	1,864	10,250	2,200	3,080	2,620
	Percentage of total portfolio	1.9%	1.5%	0.9%	0.6%	0.6%	0.3%	0.5%	0.7%	0.5%	0.5%	2.6%	0.6%	0.8%	0.7%
	Net book value (¥ Millions)	7,495	5,494	3,584	2,367	2,246	1,343	2,096	2,875	1,900	1,687	9,034	2,246	3,024	2,721
	Appraisal value at the end of period (¥ Millions)	7,960	4,310	3,080	1,730	1,930	961	1,670	2,100	1,420	1,510	8,470	2,080	3,400	3,060
	Percentage of total appraisal value	1.9%	1.0%	0.7%	0.4%	0.5%	0.2%	0.4%	0.5%	0.3%	0.4%	2.0%	0.5%	0.8%	0.7%
Lease Information	Number of tenants	14	41	1	8	9	8	5	3	7	10	9	8	5	10
	Leasable floor area (㎡)	6,908.84	8,125.73	5,126.69	2,458.64	2,238.01	1,315.96	1,912.28	2,321.80	1,649.02	1,529.91	9,294.00	1,954.23	3,945.54	3,158.67
	Leased floor area (㎡)	6,908.84	8,125.73	5,126.69	2,458.64	2,238.01	1,315.96	1,912.28	2,321.80	1,649.02	1,529.91	8,657.86	1,954.23	3,945.54	3,158.67
	Occupancy ratio														
	As of October 31, 2016	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	93.2%	100.0%	100.0%	100.0%
	As of April 30, 2016	100.0%	96.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	93.2%	100.0%	100.0%	100.0%
	As of October 31, 2015	100.0%	96.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.5%
	As of April 30, 2015	100.0%	100.0%	100.0%	100.0%	88.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2014	100.0%	100.0%	100.0%	63.6%	88.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2014	100.0%	100.0%	100.0%	91.3%	100.0%	60.8%	100.0%	100.0%	100.0%	100.0%	72.2%	100.0%	100.0%	100.0%
As of October 31, 2013	100.0%	99.2%	100.0%	91.3%	100.0%	73.7%	100.0%	100.0%	100.0%	100.0%	71.2%	87.5%	100.0%	100.0%	
As of April 30, 2013	100.0%	100.0%	100.0%	91.3%	100.0%	100.0%	100.0%	100.0%	100.0%	85.7%	72.2%	100.0%	100.0%	100.0%	
As of October 31, 2012	100.0%	91.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	70.3%	87.6%	100.0%	100.0%	
As of April 30, 2012	91.4%	91.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	70.3%	87.6%	100.0%	100.0%	
Income and Retained Earnings Information for the 23rd Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	251,969	162,276	104,636	70,079	66,599	28,467	58,518	65,922	45,535	45,264	204,904	62,290	129,203	96,395
	Rental revenues	227,832	137,704	93,139	56,160	54,796	25,582	50,306	59,374	41,560	40,923	168,715	55,384	107,782	86,785
	Other operating revenues	24,137	24,571	11,497	13,919	11,803	2,884	8,212	6,547	3,974	4,341	36,189	6,905	21,421	9,610
	②Property-related expenses (¥ Thousands)	88,312	48,588	37,619	20,341	22,994	9,065	15,477	17,586	11,991	10,500	90,750	19,736	44,486	26,474
	Property management fees	31,264	12,560	13,154	6,114	6,867	3,461	6,363	5,012	4,119	3,654	31,447	4,624	13,938	8,233
	Taxes	25,354	12,714	7,260	6,271	5,479	2,543	4,610	6,826	4,038	3,007	18,046	7,998	9,993	8,619
	Utilities	17,868	14,751	9,537	5,145	4,820	2,572	4,089	4,388	2,742	2,452	30,671	3,833	12,751	7,468
	Repairs and maintenance costs	5,423	4,695	6,243	2,138	4,576	353	-	776	643	1,109	7,993	3,023	6,664	919
	Insurance	263	244	167	86	89	39	63	72	46	40	314	59	159	121
	Trust fees and other expenses	8,138	3,622	1,256	585	1,160	95	350	510	401	235	2,276	196	979	1,111
	③NOI (=①-②) (¥ Thousands)	163,657	113,687	67,017	49,738	43,605	19,402	43,040	48,335	33,543	34,764	114,154	42,554	84,717	69,921
	④Depreciation (¥ Thousands)	17,399	48,943	33,062	11,569	12,360	4,155	7,983	9,990	7,207	13,309	78,034	5,076	15,122	13,859
⑤Rental operating income (=③-④) (¥ Thousands)	146,258	64,744	33,954	38,169	31,245	15,246	35,057	38,345	26,336	21,454	36,119	37,478	69,594	56,062	
⑥Capital expenditures (¥ Thousands)	560	2,929	4,725	-	-	-	1,147	-	-	-	1,995	1,011	5,124	8,274	
⑦NCF (=⑤-⑥) (¥ Thousands)	163,097	110,757	62,292	49,738	43,605	19,402	41,892	48,335	33,543	34,764	112,159	41,543	79,592	61,647	
Reference	Expense ratio (=②/①)	35.0%	29.9%	36.0%	29.0%	34.5%	31.8%	26.4%	26.7%	26.3%	23.2%	44.3%	31.7%	34.4%	27.5%
	Property tax for the year 2016 (¥ Thousands)	50,708	25,427	14,509	12,543	10,959	5,085	9,219	13,651	8,067	6,022	36,028	15,995	19,947	17,236
	Property management fee (Leasing management fees) of ② (¥ Thousands)	8,482	5,631	3,503	2,445	2,249	976	2,072	2,331	1,613	1,633	6,511	2,139	4,365	3,394
	Reference: Percentage of rental and other operating revenues	3.4%	3.5%	3.3%	3.5%	3.4%	3.4%	3.5%	3.5%	3.5%	3.6%	3.2%	3.4%	3.4%	3.5%
	Long-term repairs, maintenance and renovation														
Estimated amount of 1st yr to 12th yrs (¥ Thousands)	328,200	204,910	157,210	120,300	98,820	51,480	92,540	93,860	61,480	26,050	114,460	75,220	297,050	140,280	
Reference: Amount of yearly avg.	27,350	17,075	13,100	10,025	8,235	4,290	7,711	7,821	5,123	2,170	9,538	6,268	24,754	11,690	

【Reference】

Earnings Performance for the Individual Properties for the 23rd Fiscal Period (May 1, 2016 to October 31, 2016) : 184 days ※As of October 31, 2016

Type	Office Buildings														
Location	Tokyo Metropolitan Area														
Property No.	A064	A066	A067	A068	A071	A072	A073	A074	A075	A078	A083	A084	A085	A086	
Property Name	KDX Nihonbashi 216 Building	KDX Shinjuku Building	KDX Ginza 1chome Building	KDX Nihonbashi Honcho Building	KDX Iidabashi Building	KDX Higashi-Shinagawa Building	KDX Hakozaeki Building	KDX Shin-Nihonbashi Building	KDX Nihonbashi Kabutocho Building	KDX Tachikawa Ekimae Building	KDX Fuchu Building	KDX Kasuga Building	KDX Nakameguro Building	KDX Omiya Building	
Acquisition Date	December 1, 2009	February 18, 2010	November 12, 2010	November 12, 2010	July 22, 2011	July 22, 2011	July 22, 2011	July 22, 2011	December 26, 2011	December 26, 2011	September 21, 2012	September 21, 2012	September 21, 2012	March 26, 2013	
Price Information	Acquisition price (¥ Millions)	2,010	6,800	4,300	4,000	4,670	4,590	2,710	2,300	11,270	1,267	6,120	2,800	1,880	2,020
	Percentage of total portfolio	0.5%	1.7%	1.1%	1.0%	1.2%	1.2%	0.7%	0.6%	2.8%	0.3%	1.5%	0.7%	0.5%	0.5%
	Net book value (¥ Millions)	1,872	6,877	4,208	3,942	4,562	4,764	2,741	2,120	11,128	1,305	5,949	2,764	1,872	2,190
	Appraisal value at the end of period (¥ Millions)	2,050	8,290	5,550	4,540	5,410	4,300	3,200	2,720	12,400	1,550	7,560	3,630	2,610	2,730
Percentage of total appraisal value	0.5%	2.0%	1.3%	1.1%	1.3%	1.0%	0.8%	0.7%	3.0%	0.4%	1.8%	0.9%	0.6%	0.7%	
Lease Information	Number of tenants	8	20	3	8	5	5	8	8	7	5	36	15	5	18
	Leasable floor area (㎡)	1,615.20	5,836.68	3,573.59	3,998.39	4,429.25	7,117.97	3,992.60	2,658.79	7,562.93	1,612.13	10,151.48	4,345.13	2,726.69	3,814.00
	Leased floor area (㎡)	1,615.20	5,836.68	3,507.89	3,998.39	4,429.25	7,117.97	3,992.60	2,658.79	7,562.93	1,612.13	8,653.17	4,345.13	2,726.69	3,814.00
	Occupancy ratio														
	As of October 31, 2016	100.0%	100.0%	98.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	85.2%	100.0%	100.0%	100.0%
	As of April 30, 2016	100.0%	98.3%	98.2%	100.0%	100.0%	88.4%	100.0%	100.0%	100.0%	100.0%	98.6%	100.0%	85.5%	100.0%
	As of October 31, 2015	100.0%	100.0%	65.4%	100.0%	100.0%	51.0%	100.0%	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	100.0%
	As of April 30, 2015	100.0%	88.3%	100.0%	100.0%	86.6%	73.5%	100.0%	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	93.8%
	As of October 31, 2014	100.0%	91.8%	100.0%	100.0%	86.6%	56.7%	89.3%	100.0%	100.0%	100.0%	97.6%	100.0%	100.0%	100.0%
	As of April 30, 2014	100.0%	88.4%	100.0%	100.0%	100.0%	76.7%	78.6%	100.0%	100.0%	100.0%	97.6%	100.0%	100.0%	100.0%
As of October 31, 2013	100.0%	88.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.8%	100.0%	100.0%	97.4%	100.0%	95.1%	
As of April 30, 2013	100.0%	96.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	13.4%	100.0%	97.2%	92.4%	100.0%	95.1%	
As of October 31, 2012	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.2%	95.7%	100.0%	-	
As of April 30, 2012	100.0%	97.7%	100.0%	100.0%	100.0%	89.2%	100.0%	100.0%	100.0%	100.0%	-	-	-	-	
Income and Retained Earnings Information for the 23rd Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	60,536	257,277	138,350	136,276	157,674	123,343	111,736	84,756	281,241	64,365	289,216	126,705	72,944	118,993
	Rental revenues	52,282	210,549	128,017	126,033	139,677	103,559	101,023	76,601	252,469	54,922	253,948	113,870	61,966	102,924
	Other operating revenues	8,254	46,727	10,332	10,242	17,996	19,784	10,713	8,155	28,772	9,443	35,268	12,834	10,977	16,069
	②Property-related expenses (¥ Thousands)	18,088	84,261	34,843	34,728	43,824	56,454	33,629	24,537	90,290	21,820	96,403	33,292	24,748	31,265
	Property management fees	5,234	22,656	9,077	9,431	10,776	13,446	7,963	6,924	25,475	5,187	28,468	11,492	6,355	9,832
	Taxes	4,529	27,652	12,688	14,586	10,579	16,150	12,111	7,166	31,403	7,232	24,760	11,441	5,607	6,724
	Utilities	3,268	19,257	6,367	6,830	16,956	14,839	9,507	6,276	23,082	4,324	28,176	7,954	3,911	10,993
	Repairs and maintenance costs	3,096	11,486	3,033	2,214	4,380	8,091	1,163	2,330	8,967	4,145	12,323	1,497	5,180	3,288
	Insurance	55	279	129	127	148	230	171	98	333	72	416	159	91	140
Trust fees and other expenses	1,903	2,929	3,546	1,538	983	3,697	2,713	1,742	1,028	856	2,258	747	3,603	285	
③NOI (=①-②) (¥ Thousands)	42,447	173,015	103,507	101,547	113,849	66,888	78,107	60,219	190,951	42,545	192,812	93,412	48,195	87,728	
④Depreciation (¥ Thousands)	11,376	19,110	11,739	9,866	16,107	26,559	23,162	22,363	36,355	4,139	41,806	19,286	9,434	13,851	
⑤Rental operating income (=③-④) (¥ Thousands)	31,071	153,905	91,767	91,680	97,742	40,329	54,945	37,856	154,595	38,405	151,006	74,125	38,761	73,876	
⑥Capital expenditures (¥ Thousands)	-	6,070	-	-	1,310	10,739	-	3,506	-	5,076	22,214	1,995	8,058	5,444	
⑦NCF (=⑤-⑥) (¥ Thousands)	42,447	166,945	103,507	101,547	112,539	56,149	78,107	56,713	190,951	37,469	170,598	91,417	40,137	82,283	
Reference	Expense ratio (=②/①)	29.9%	32.8%	25.2%	25.5%	27.8%	45.8%	30.1%	29.0%	32.1%	33.9%	33.3%	26.3%	33.9%	26.3%
	Property tax for the year 2016 (¥ Thousands)	9,059	55,304	25,373	29,173	21,158	32,267	24,222	14,332	62,803	14,465	49,520	22,842	11,213	13,446
	Property management fee (Leasing management fees) of ② (¥ Thousands)	2,101	8,781	4,935	4,853	5,541	3,882	3,874	2,958	9,636	2,181	9,837	4,492	2,472	4,218
	Reference: Percentage of rental and other operating revenues	3.5%	3.4%	3.6%	3.6%	3.5%	3.1%	3.5%	3.5%	3.4%	3.4%	3.4%	3.5%	3.4%	3.5%
	Long-term repairs, maintenance and renovation														
Estimated amount of 1st yr to 12th yrs (¥ Thousands)	75,950	347,300	103,230	172,940	204,780	216,520	169,820	151,090	549,760	99,610	442,330	204,470	173,340	210,300	
Reference: Amount of yearly avg.	6,329	28,941	8,602	14,411	17,065	18,043	14,151	12,590	45,813	8,300	36,860	17,039	14,445	17,525	

【Reference】

Earnings Performance for the Individual Properties for the 23rd Fiscal Period (May 1, 2016 to October 31, 2016) : 184 days ※As of October 31, 2016

Type	Office Buildings														
Location	Tokyo Metropolitan Area														
Property No.	A087	A088	A089	A090	A091	A092	A093	A094	A095	A096	A099	A101	A102	A103	
Property Name	Itopia Nihonbashi SA Building	KDX Shinjuku 6-chome Building	KDX Takanawadai Building	KDX Ikebukuro Building	KDX Mita Building	KDX Akihabara Building	KDX Iidabashi Square	KDX Musashi-Kosugi Building	KDX Toyosu Grand Square	KDX Takadanobaba Building	KDX Ikebukuro West Building	KDX Yokohama Building	KDX Yokohama Nishiguchi Building	KDX Shin-Yokohama 214 Building	
Acquisition Date	August 19, 2013	September 13, 2013	November 19, 2013	November 18, 2013	November 18, 2013	November 19, 2013	January 10, 2014	March 20, 2014	May 30, 2014	May 30, 2014	September 3, 2014	October 29, 2014	December 2, 2014	December 2, 2014	
Price Information	Acquisition price (¥ Millions)	2,200	1,900	5,250	3,900	3,180	2,600	4,350	12,000	8,666	3,650	1,934	7,210	2,750	2,200
	Percentage of total portfolio	0.6%	0.5%	1.3%	1.0%	0.8%	0.7%	1.1%	3.0%	2.2%	0.9%	0.5%	1.8%	0.7%	0.6%
	Net book value (¥ Millions)	2,254	1,888	5,293	3,760	3,154	2,563	4,995	11,535	8,334	3,637	1,986	7,581	2,746	2,218
	Appraisal value at the end of period (¥ Millions)	2,550	2,870	6,060	4,730	3,390	3,020	5,140	14,600	9,040	4,180	2,010	8,100	3,030	2,350
	Percentage of total appraisal value	0.6%	0.7%	1.5%	1.1%	0.8%	0.7%	1.2%	3.5%	2.2%	1.0%	0.5%	2.0%	0.7%	0.6%
Lease Information	Number of tenants	12	7	7	9	12	6	6	9	15	10	6	25	14	16
	Leasable floor area (㎡)	3,106.42	4,037.44	6,951.88	3,110.65	3,331.61	2,289.27	4,571.92	12,978.52	11,797.85	4,585.47	2,553.06	10,932.12	4,981.07	4,615.14
	Leased floor area (㎡)	3,012.86	4,037.44	6,537.12	2,808.51	3,331.61	2,289.27	4,280.71	12,978.52	11,557.40	4,269.37	2,553.06	10,389.58	4,981.07	4,412.63
	Occupancy ratio														
	As of October 31, 2016	97.0%	100.0%	94.0%	90.3%	100.0%	100.0%	93.6%	100.0%	98.0%	93.1%	100.0%	95.0%	100.0%	95.6%
	As of April 30, 2016	100.0%	100.0%	94.0%	100.0%	90.6%	100.0%	47.7%	100.0%	100.0%	93.1%	100.0%	98.5%	100.0%	95.6%
	As of October 31, 2015	100.0%	90.2%	100.0%	100.0%	87.5%	100.0%	0.0%	100.0%	80.8%	100.0%	100.0%	98.2%	100.0%	83.0%
	As of April 30, 2015	100.0%	100.0%	100.0%	100.0%	95.6%	100.0%	100.0%	100.0%	87.0%	100.0%	81.2%	100.0%	100.0%	96.3%
	As of October 31, 2014	98.0%	100.0%	100.0%	100.0%	95.6%	100.0%	100.0%	100.0%	87.0%	100.0%	100.0%	100.0%	-	-
	As of April 30, 2014	81.1%	100.0%	95.7%	100.0%	88.4%	100.0%	100.0%	95.9%	-	-	-	-	-	-
As of October 31, 2013	100.0%	100.0%	-	-	-	-	-	-	-	-	-	-	-	-	
As of April 30, 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of October 31, 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
As of April 30, 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Income and Retained Earnings Information for the 23rd Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	99,766	106,207	209,306	131,179	104,462	82,053	35,762	438,606	282,879	133,545	72,764	274,108	114,413	75,703
	Rental revenues	89,492	87,009	185,150	111,943	84,860	75,698	29,715	396,218	227,620	105,162	61,086	233,136	97,498	61,850
	Other operating revenues	10,274	19,198	24,156	19,235	19,601	6,355	6,046	42,388	55,259	28,383	11,677	40,971	16,915	13,852
	②Property-related expenses (¥ Thousands)	27,193	35,007	59,646	33,080	33,459	19,749	64,217	98,635	84,217	39,828	18,217	174,503	47,306	28,290
	Property management fees	10,314	8,777	16,471	10,562	8,822	5,355	6,782	36,314	20,804	9,671	6,268	26,373	11,333	7,486
	Taxes	6,820	10,507	18,480	7,517	9,781	3,455	13,505	26,650	21,502	9,736	5,067	18,994	10,277	5,987
	Utilities	6,508	8,629	16,611	9,251	9,481	5,543	6,721	25,667	31,733	11,092	5,169	23,249	11,965	6,544
	Repairs and maintenance costs	2,117	5,187	6,712	862	3,477	3,556	14,312	7,060	1,953	7,379	1,504	102,096	8,063	2,463
	Insurance	134	149	243	91	134	81	170	447	399	143	98	426	182	180
Trust fees and other expenses	1,298	1,755	1,126	4,796	1,761	1,757	22,724	2,496	7,823	1,804	109	3,362	5,484	5,627	
③NOI (=①-②) (¥ Thousands)	72,573	71,200	149,660	98,098	71,002	62,303	△28,455	339,971	198,661	93,717	54,547	99,604	67,107	47,412	
④Depreciation (¥ Thousands)	10,146	9,272	8,588	27,193	11,287	11,171	26,612	101,805	78,046	15,017	9,893	43,941	14,968	12,674	
⑤Rental operating income (=③-④) (¥ Thousands)	62,427	61,927	141,071	70,904	59,715	51,131	△55,068	238,165	120,615	78,699	44,653	△55,663	52,138	34,738	
⑥Capital expenditures (¥ Thousands)	16,439	4,339	16,717	330	999	2,835	1,180	-	430	870	4,330	387,647	3,438	11,955	
⑦NCF (=⑤-⑥) (¥ Thousands)	56,133	66,861	132,942	97,768	70,003	59,468	△29,635	339,971	198,230	92,847	50,217	△288,042	63,668	35,457	
Reference	Expense ratio (=②/①)	27.3%	33.0%	28.5%	25.2%	32.0%	24.1%	179.6%	22.5%	29.8%	29.8%	25.0%	63.7%	41.3%	37.4%
	Property tax for the year 2016 (¥ Thousands)	13,640	20,991	36,960	15,016	19,563	6,911	27,009	53,269	41,216	19,455	10,118	37,980	20,555	11,974
	Property management fee (Leasing management fees) of ② (¥ Thousands)	3,517	3,620	7,325	4,679	3,580	2,946	715	15,889	2,979	4,638	2,598	7,626	3,704	2,512
	Reference: Percentage of rental and other operating revenues	3.5%	3.4%	3.5%	3.6%	3.4%	3.6%	2.0%	3.6%	1.1%	3.5%	3.6%	2.8%	3.2%	3.3%
	Long-term repairs, maintenance and renovation														
Estimated amount of 1st yr to 12th yrs (¥ Thousands)	337,220	214,340	551,213	72,362	180,220	117,070	384,169	140,030	708,370	213,711	187,542	647,152	213,177	170,738	
Reference: Amount of yearly avg.	28,101	17,861	45,934	6,030	15,018	9,755	32,014	11,669	59,030	17,809	15,628	53,929	17,764	14,228	

【Reference】

Earnings Performance for the Individual Properties for the 23rd Fiscal Period (May 1, 2016 to October 31, 2016) : 184 days ※As of October 31, 2016

Type	Office Buildings														
Location	Tokyo Metropolitan Area								Other Regional Areas						
Property No.	A105	A107	A108	A109	A112	A113	A114	A012	A042	A044	A053	A054	A058	A069	
Property Name	BUREX Toranomon	KDX Ginza East Building	Pentel Building	KDX Hamamatsucho Center Building	Nittochi Toranomon Building	KDX Shin-Nihonbashi Ekimae Building	KDX Nihonbashi Edo-dori Building	Portus Center Building	KDX Karasuma Building	KDX Sendai Building	KDX Hakata-Minami Building	KDX Kitahama Building	KDX Nagoya Sakae Building	KDX Kobayashi-Doshomachi Building	
Acquisition Date	December 3, 2014	March 13, 2015	March 26, 2015	September 1, 2015	March 30, 2016	August 2, 2016	August 2, 2016	September 21, 2005	June 1, 2007	June 1, 2007	February 1, 2008	February 1, 2008	July 1, 2009	December 1, 2010	
Price Information	Acquisition price (¥ Millions)	1,750	3,600	3,350	3,950	15,550	3,829	1,350	5,570	5,400	2,100	4,900	2,220	7,550	2,870
	Percentage of total portfolio	0.4%	0.9%	0.8%	1.0%	3.9%	1.0%	0.3%	1.4%	1.4%	0.5%	1.2%	0.6%	1.9%	0.7%
	Net book value (¥ Millions)	1,738	3,601	3,554	4,040	15,666	3,853	1,364	4,145	5,174	2,008	4,577	2,093	6,863	2,278
	Appraisal value at the end of period (¥ Millions)	2,440	3,700	3,714	4,140	16,600	3,950	1,420	4,710	5,300	1,670	3,850	1,610	5,270	2,570
	Percentage of total appraisal value	0.6%	0.9%	0.9%	1.0%	4.0%	1.0%	0.3%	1.1%	1.3%	0.4%	0.9%	0.4%	1.3%	0.6%
Lease Information	Number of tenants	1	12	10	8	4	8	6	29	39	34	50	10	15	12
	Leasable floor area (㎡)	1,900.93	4,458.02	4,346.66	3,052.64	8,179.00	3,287.64	1,516.15	11,582.43	8,743.96	3,962.37	9,813.85	3,995.50	6,923.12	7,072.23
	Leased floor area (㎡)	1,900.93	4,458.02	4,346.66	3,052.64	8,179.00	2,209.92	1,117.79	11,197.97	8,743.96	3,962.37	9,579.31	3,569.96	6,688.59	7,072.23
	Occupancy ratio														
	As of October 31, 2016	100.0%	100.0%	100.0%	100.0%	100.0%	67.2%	73.7%	96.7%	100.0%	100.0%	97.6%	89.3%	96.6%	100.0%
	As of April 30, 2016	100.0%	100.0%	94.9%	100.0%	100.0%	-	-	97.3%	99.3%	100.0%	97.5%	89.3%	100.0%	100.0%
	As of October 31, 2015	100.0%	100.0%	88.9%	100.0%	-	-	-	95.9%	99.2%	100.0%	88.7%	92.8%	100.0%	100.0%
	As of April 30, 2015	100.0%	96.4%	100.0%	-	-	-	-	94.9%	100.0%	96.4%	94.7%	92.8%	100.0%	100.0%
	As of October 31, 2014	-	-	-	-	-	-	-	97.5%	100.0%	94.4%	98.5%	92.8%	99.3%	91.3%
	As of April 30, 2014	-	-	-	-	-	-	-	96.5%	100.0%	91.9%	95.8%	92.8%	100.0%	100.0%
As of October 31, 2013	-	-	-	-	-	-	-	95.8%	94.3%	91.5%	93.9%	92.8%	100.0%	100.0%	
As of April 30, 2013	-	-	-	-	-	-	-	98.6%	98.3%	96.8%	94.9%	92.8%	100.0%	93.5%	
As of October 31, 2012	-	-	-	-	-	-	-	89.5%	99.2%	93.8%	93.3%	92.8%	100.0%	91.3%	
As of April 30, 2012	-	-	-	-	-	-	-	89.5%	100.0%	96.7%	86.0%	89.2%	100.0%	95.6%	
Income and Retained Earnings Information for the 23rd Fiscal Period	Operating periods	184days	184days	184days	184days	184days	91days	91days	184days	184days	184days	184days	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	49,996	123,862	119,906	104,906	385,395	29,155	13,822	294,790	215,507	93,410	174,149	75,197	183,700	191,532
	Rental revenues	49,996	103,896	115,206	94,207	357,633	25,271	13,086	243,246	183,354	79,848	146,369	59,761	160,874	170,561
	Other operating revenues	-	19,965	4,700	10,699	27,762	3,884	736	51,544	32,153	13,562	27,780	15,435	22,825	20,970
	②Property-related expenses (¥ Thousands)	8,320	31,493	44,918	27,684	53,765	16,142	5,779	120,895	65,575	29,088	57,298	38,027	57,839	93,962
	Property management fees	1,870	9,282	29,771	9,167	32,562	3,295	1,324	63,697	20,377	11,270	14,408	7,257	17,721	15,638
	Taxes	6,254	10,413	13,250	7,632	9	18	9	21,911	21,544	6,737	10,052	4,437	19,842	11,439
	Utilities	-	9,998	-	6,026	19,162	2,247	989	21,722	19,046	8,940	22,388	8,688	15,835	15,811
	Repairs and maintenance costs	121	787	395	4,255	567	1,050	690	10,709	2,639	649	3,359	11,528	2,403	2,697
	Insurance	73	181	217	118	341	55	21	1,122	287	141	298	114	247	268
Trust fees and other expenses	-	830	1,284	484	1,121	9,475	2,743	1,732	1,679	1,350	6,791	6,001	1,790	48,107	
③NOI (=①-②) (¥ Thousands)	41,675	92,368	74,987	77,222	331,629	13,012	8,043	173,894	149,932	64,321	116,851	37,169	125,860	97,569	
④Depreciation (¥ Thousands)	12,167	12,884	12,693	9,206	47,339	3,777	1,366	51,724	30,926	19,833	37,089	13,573	71,868	53,414	
⑤Rental operating income (=③-④) (¥ Thousands)	29,508	79,484	62,294	68,015	284,290	9,234	6,676	122,170	119,005	44,488	79,761	23,595	53,992	44,154	
⑥Capital expenditures (¥ Thousands)	-	820	-	46,274	-	312	1,344	360	2,065	-	10,818	5,092	900	-	
⑦NCF (=⑤-⑥) (¥ Thousands)	41,675	91,548	74,987	30,947	331,629	12,700	6,699	173,534	147,867	64,321	106,032	32,076	124,960	97,569	
Reference	Expense ratio (=②/①)	16.6%	25.4%	37.5%	26.4%	14.0%	55.4%	41.8%	41.0%	30.4%	31.1%	32.9%	50.6%	31.5%	49.1%
	Property tax for the year 2016 (¥ Thousands)	12,506	20,825	26,500	15,265	91,484	25,470	6,637	43,823	43,091	13,474	20,108	8,875	39,685	22,879
	Property management fee (Leasing management fees) of ② (¥ Thousands)	1,870	4,412	3,977	3,716	14,633	860	446	9,565	7,457	3,219	5,938	2,293	6,317	5,900
	Reference: Percentage of rental and other operating revenues	3.7%	3.6%	3.3%	3.5%	3.8%	3.0%	3.2%	3.2%	3.5%	3.4%	3.4%	3.0%	3.4%	3.1%
	Long-term repairs, maintenance and renovation														
Estimated amount of 1st yr to 12th yrs (¥ Thousands)	25,599	242,059	288,245	169,148	118,382	231,210	92,960	856,430	262,560	223,960	185,690	136,270	95,450	170,520	
Reference: Amount of yearly avg.	2,133	20,171	24,020	14,095	9,865	19,267	7,746	71,369	21,880	18,663	15,474	11,355	7,954	14,210	

A058 KDX Nagoya Sakae Building: The land portion of KDX Nagoya Sakae Building was acquired on April 25, 2008.

A069 KDX Kobayashi Doshomachi Building: The rent for land to the land owner (Kobayashi Pharmaceutical Co., Ltd.) is stipulated according to specific terms under the land lease agreement and the annual rent to be paid is ¥94.3 million until the end of August 2019.

【Reference】

Earnings Performance for the Individual Properties for the 23rd Fiscal Period (May 1, 2016 to October 31, 2016) : 184 days ※As of October 31, 2016

Type	Office Buildings											Residential Properties	Central Urban Retail Properties		
Location	Other Regional Areas											Tokyo Metropolitan Area	Tokyo Metropolitan Area		
Property No.	A070	A079	A082	A097	A098	A100	A104	A106	A110	A111	B019	C001	C002	C004	
Property Name	KDX Sapporo Building	KDX Nagoya Ekimae Building	KDX Higashi Umeda Building	KDX Utsunomiya Building	KDX Hiroshima Building	Senri Life Science Center Building	KDX Minami-Honmachi Building	KDX Sakura-dori Building	KDX Shin-Osaka Building	Nichigin-mae KD Building	Residence Charmante Tsukushima	Frame Jinnan-zaka	KDX Yoyogi Building	Ginza 4chome Tower	
Acquisition Date	March 25, 2011	December 26, 2011	March 28, 2012	May 30, 2014	September 1, 2014	October 15, 2014	December 2, 2014	January 9, 2015	September 1, 2015	March 15, 2016	May 1, 2006	August 1, 2005	September 30, 2005	August 19, 2013	
Price Information	Acquisition price (¥ Millions)	2,005	7,327	2,770	2,350	1,300	13,000	2,200	5,900	4,550	3,500	5,353	9,900	2,479	9,800
	Percentage of total portfolio	0.5%	1.8%	0.7%	0.6%	0.3%	3.3%	0.6%	1.5%	1.1%	0.9%	1.3%	2.5%	0.6%	2.5%
	Net book value (¥ Millions)	1,957	7,972	2,572	2,343	1,397	12,813	2,127	6,253	4,598	3,564	4,582	9,342	2,465	9,658
	Appraisal value at the end of period (¥ Millions)	2,190	9,000	3,550	2,480	1,530	12,900	2,830	7,490	4,870	3,830	4,900	10,700	2,130	13,200
	Percentage of total appraisal value	0.5%	2.2%	0.9%	0.6%	0.4%	3.1%	0.7%	1.8%	1.2%	0.9%	1.2%	2.6%	0.5%	3.2%
Lease Information	Number of tenants	21	19	7	24	20	57	22	32	17	13	1	13	11	4
	Leasable floor area (㎡)	3,788.51	7,902.96	4,986.24	5,328.77	3,982.43	17,209.90	5,285.95	12,335.57	5,977.39	4,360.90	7,711.14	4,646.51	1,176.25	5,624.23
	Leased floor area (㎡)	3,788.51	7,902.96	4,986.24	5,328.77	3,602.47	14,332.26	4,891.88	12,222.11	5,977.39	4,019.23	7,711.14	4,646.51	1,176.25	5,624.23
	Occupancy ratio														
	As of October 31, 2016	100.0%	100.0%	100.0%	100.0%	90.5%	83.3%	92.5%	99.1%	100.0%	92.2%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2016	100.0%	100.0%	100.0%	100.0%	90.5%	95.7%	100.0%	98.2%	100.0%	89.5%	100.0%	95.5%	100.0%	100.0%
	As of October 31, 2015	100.0%	100.0%	100.0%	100.0%	82.3%	97.3%	100.0%	94.6%	96.6%	-	100.0%	95.2%	100.0%	100.0%
	As of April 30, 2015	100.0%	99.0%	100.0%	98.5%	74.0%	99.0%	98.8%	89.9%	-	-	100.0%	98.0%	91.7%	100.0%
	As of October 31, 2014	95.6%	99.0%	100.0%	97.0%	73.3%	99.3%	-	-	-	-	100.0%	93.6%	100.0%	100.0%
	As of April 30, 2014	97.8%	100.0%	100.0%	-	-	-	-	-	-	-	100.0%	96.3%	100.0%	100.0%
As of October 31, 2013	89.8%	100.0%	100.0%	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	
As of April 30, 2013	94.4%	100.0%	100.0%	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	-	
As of October 31, 2012	100.0%	93.8%	95.5%	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	-	
As of April 30, 2012	100.0%	92.8%	95.5%	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	-	
Income and Retained Earnings Information for the 23rd Fiscal Period	Operating periods	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days	184days
	①Rental and other operating revenues (¥ Thousands)	92,645	284,113	138,039	128,337	68,738	830,748	109,296	334,550	145,680	103,672	146,746	261,285	69,627	280,141
	Rental revenues	76,800	242,311	111,461	112,313	56,315	419,028	86,956	276,144	128,843	87,950	132,064	239,027	59,954	245,603
	Other operating revenues	15,844	41,802	26,577	16,023	12,422	411,720	22,340	58,405	16,837	15,722	14,681	22,258	9,672	34,538
	②Property-related expenses (¥ Thousands)	33,988	117,213	41,507	50,052	23,846	375,492	41,118	147,018	44,305	23,202	36,190	58,999	14,568	71,138
	Property management fees	9,323	29,508	9,586	15,167	8,234	88,843	10,519	48,620	13,131	8,878	16,614	18,349	4,165	19,052
	Taxes	8,826	38,191	12,018	8,572	6,638	60,628	12,422	36,034	12,223	-	10,085	15,463	4,273	20,532
	Utilities	10,642	28,523	16,801	10,146	6,312	99,703	14,944	32,781	11,812	7,309	1,324	18,294	4,190	19,950
	Repairs and maintenance costs	4,031	15,496	1,085	15,109	1,021	43,388	1,486	26,183	5,652	4,809	5,884	5,559	1,107	1,127
	Insurance	150	368	192	201	143	1,261	193	520	214	133	273	154	37	194
Trust fees and other expenses	1,013	5,124	1,823	854	1,497	81,668	1,552	2,877	1,269	2,073	2,007	1,178	795	10,282	
③NOI (=①-②) (¥ Thousands)	58,656	166,899	96,531	78,285	44,892	455,256	68,177	187,531	101,375	80,469	110,555	202,285	55,058	209,003	
④Depreciation (¥ Thousands)	16,818	41,628	35,387	27,758	12,507	114,387	23,938	36,911	20,369	26,259	46,164	58,285	9,267	35,047	
⑤Rental operating income (=③-④) (¥ Thousands)	41,838	125,270	61,144	50,526	32,385	340,868	44,239	150,620	81,005	54,210	64,391	144,000	45,791	173,955	
⑥Capital expenditures (¥ Thousands)	-	11,348	-	6,300	25,083	69,757	-	266,307	12,137	8,367	4,787	4,327	651	8,419	
⑦NCF (=⑤-⑥) (¥ Thousands)	58,656	155,551	96,531	71,985	19,809	385,498	68,177	Δ78,776	89,237	72,102	105,768	197,958	54,406	200,583	
Reference	Expense ratio (=②/①)	36.7%	41.3%	30.1%	39.0%	34.7%	45.2%	37.6%	43.9%	30.4%	22.4%	24.7%	22.6%	20.9%	25.4%
	Property tax for the year 2016 (¥ Thousands)	17,654	76,383	24,037	17,145	13,276	121,256	24,850	72,077	24,446	17,608	20,161	30,920	8,528	41,064
	Property management fee (Leasing management fees) of ② (¥ Thousands)	3,087	9,204	4,787	4,216	2,319	24,794	3,621	10,654	5,041	3,758	4,651	9,460	2,544	9,982
	Reference: Percentage of rental and other operating revenues	3.3%	3.2%	3.5%	3.3%	3.4%	3.0%	3.3%	3.2%	3.5%	3.6%	3.2%	3.6%	3.7%	3.6%
	Long-term repairs, maintenance and renovation														
Estimated amount of 1st yr to 12th yrs (¥ Thousands)	202,570	527,610	219,680	312,190	195,898	1,489,569	111,951	580,570	274,671	132,296	334,719	141,540	47,520	161,290	
Reference: Amount of yearly avg.	16,880	43,967	18,306	26,015	16,324	124,130	9,329	48,380	22,889	11,024	27,893	11,795	3,960	13,440	

【Reference】

Type	Other	Total of 99 Properties	
Location	Tokyo Metropolitan Area		
Property No.	D002		
Property Name	Shinjuku 6-chome Building (Land)		
Acquisition Date	April 18, 2014		
Price Information	Acquisition price (¥ Millions)	2,880	398,350
	Percentage of total portfolio	0.7%	100.0%
	Net book value (¥ Millions)	2,973	389,197
	Appraisal value at the end of period (¥ Millions)	3,190	414,605
	Percentage of total appraisal value	0.8%	100.0%
Lease Information	Number of tenants	1	1,209
	Leasable floor area (㎡)	1,355.13	462,533.92
	Leased floor area (㎡)	1,355.13	448,327.58
	Occupancy ratio		
	As of October 31, 2016	100.0%	96.9%
	As of April 30, 2016	100.0%	96.9%
	As of October 31, 2015	100.0%	94.9%
	As of April 30, 2015	100.0%	96.5%
	As of October 31, 2014	100.0%	95.6%
	As of April 30, 2014	100.0%	96.0%
	As of October 31, 2013	-	95.8%
As of April 30, 2013	-	93.9%	
As of October 31, 2012	-	95.5%	
As of April 30, 2012	-	95.4%	
Income and Retained Earnings Information for the 2nd Fiscal Period	Operating periods	184days	183days ※
	①Rental and other operating revenues (¥ Thousands)	68,128	13,429,773
	Rental revenues	68,124	11,362,345
	Other operating revenues	4	2,067,427
	②Property-related expenses (¥ Thousands)	6,116	4,479,924
	Property management fees	-	1,280,694
	Taxes	5,916	1,111,203
	Utilities	-	1,110,302
	Repairs and maintenance costs	-	582,716
	Insurance	-	18,018
Trust fees and other expenses	200	376,988	
③NOI (=①-②) (¥ Thousands)	62,011	8,949,849	
④Depreciation (¥ Thousands)	-	2,274,750	
⑤Rental operating income (=③-④) (¥ Thousands)	62,011	6,675,098	
⑥Capital expenditures (¥ Thousands)	-	1,165,142	
⑦NCF (=③-⑥) (¥ Thousands)	62,011	7,784,706	
Reference	Expense ratio (=②/①)	9.0%	33.4%
	Property tax for the year 2016 (¥ Thousands)	11,833	2,361,301
	Property management fee (Leasing management fees) of ② (¥ Thousands)	-	445,739
	Reference: Percentage of rental and other operating revenues	0.0%	3.3%
	Long-term repairs, maintenance and renovation		
Estimated amount of 1st yr to 12th yrs (¥ Thousands)	-	21,416,472	
Reference: Amount of yearly avg.	-	1,784,706	

*Total: Cost-weighted average management period (days)

(Reference) Borrowings

Borrowings as of October 31, 2016 are as follows.

Classification	Lender	Drawdown Date	Balance at the Beginning of Period (¥Thousands)	Balance at the End of Period (¥Thousands)	Average Interest Rate (Note 1) (%)	Last Repayment Date	Payment Method	Usage	Remarks
Short-Term Loans Payable	Sumitomo Mitsui Banking Corporation	July 31, 2015	1,000,000	-	0.435	July 31, 2016	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Sumitomo Mitsui Banking Corporation	March 31, 2016	1,500,000	1,500,000	0.413	March 31, 2017			
	Sub Total		2,500,000	1,500,000					
Current Portion of Long-Term Loans Payable	Sumitomo Mitsui Banking Corporation	December 26, 2011	2,500,000	-	1.439	October 31, 2016	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Development Bank of Japan Inc.	December 26, 2011	2,500,000	-	1.415	October 31, 2016			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	December 26, 2011	2,000,000	-	1.439	October 31, 2016			
	Aozora Bank, Ltd.	October 31, 2012	2,500,000	-	1.061	October 31, 2016			
	Sumitomo Mitsui Trust Bank, Limited	October 31, 2012	1,500,000	-	1.045	October 31, 2016			
	Mitsubishi UFJ Trust and Banking Corporation	July 31, 2013	1,500,000	-	0.463	July 29, 2016			
	Sumitomo Mitsui Banking Corporation	November 12, 2015	2,000,000	2,000,000	0.413	November 30, 2016			
	Resona Bank, Limited	December 10, 2012	500,000	500,000	0.983	December 12, 2016			
	Development Bank of Japan Inc.	December 28, 2012	2,000,000	2,000,000	1.013	December 28, 2016			
	Sumitomo Mitsui Trust Bank, Limited	January 15, 2013	1,000,000	1,000,000	0.974	January 15, 2017			
	Mitsubishi UFJ Trust and Banking Corporation	January 31, 2014	1,200,000	1,200,000	0.667	January 31, 2017			
	The Bank of Fukuoka, Ltd.	March 28, 2012	500,000	500,000	1.364	March 28, 2017			
	Resona Bank, Limited (Note 3)	June 29, 2012	1,500,000	1,500,000	1.286	June 30, 2017			
	Sumitomo Mitsui Banking Corporation	July 29, 2016	-	1,000,000	0.381	July 31, 2017			
	Sumitomo Mitsui Banking Corporation	August 2, 2016	-	1,000,000	0.381	August 31, 2017			
	Mizuho Bank, Ltd.	August 2, 2016	-	1,000,000	0.231	August 31, 2017			
	Sumitomo Mitsui Banking Corporation (Note 3)	September 21, 2012	5,000,000	5,000,000	1.158	September 21, 2017			
	Development Bank of Japan Inc. (Note 3)	September 21, 2012	1,000,000	1,000,000	1.158	September 21, 2017			
	Mizuho Bank, Ltd. (Note 3)	September 21, 2012	1,000,000	1,000,000	1.158	September 21, 2017			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Note 3)	October 31, 2012	2,500,000	2,500,000	1.096	October 31, 2017			
Sub Total		30,700,000	21,200,000						
Long-Term Loans Payable	Development Bank of Japan Inc.	November 12, 2010	2,300,000	2,300,000	2.023	November 12, 2017	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Development Bank of Japan Inc.	December 1, 2010	700,000	700,000	2.206	November 12, 2017			
	Sumitomo Mitsui Banking Corporation	March 28, 2012	1,400,000	1,400,000	1.770	March 28, 2019			
	Development Bank of Japan Inc.	March 28, 2012	1,000,000	1,000,000	1.770	March 28, 2019			
	Aozora Bank, Ltd.	October 31, 2012	2,500,000	2,500,000	1.253	October 31, 2018			
	The Bank of Fukuoka, Ltd.	December 28, 2012	500,000	500,000	1.086	December 28, 2017			
	Mizuho Trust & Banking Co., Ltd.	December 28, 2012	500,000	500,000	1.086	December 29, 2017			
	Resona Bank, Limited	March 26, 2013	1,000,000	1,000,000	1.036	March 26, 2018			
	Sumitomo Mitsui Banking Corporation	March 26, 2013	1,000,000	1,000,000	1.036	March 26, 2018			
	Resona Bank, Limited	July 31, 2013	500,000	500,000	0.561	July 31, 2018			
	Sumitomo Mitsui Banking Corporation	August 19, 2013	1,000,000	1,000,000	0.950	August 19, 2018			
	Aozora Bank, Ltd.	August 19, 2013	1,000,000	1,000,000	0.950	August 19, 2018			
	Mizuho Trust & Banking Co., Ltd.	August 19, 2013	500,000	500,000	0.950	August 19, 2018			
	The Hiroshima Bank, Ltd.	August 19, 2013	500,000	500,000	0.969	August 19, 2018			
	The Bank of Fukuoka, Ltd.	August 19, 2013	500,000	500,000	0.950	August 19, 2018			
	The Nishi-Nippon City Bank, Ltd.	August 30, 2013	700,000	700,000	1.080	August 31, 2018			
	The 77 Bank, Ltd.	August 30, 2013	500,000	500,000	1.080	August 31, 2018			
	The Higashi-Nippon Bank, Limited	August 30, 2013	300,000	300,000	1.080	August 31, 2018			
	Development Bank of Japan Inc.	August 30, 2013	1,500,000	1,500,000	1.420	August 31, 2020			
	Aozora Bank, Ltd.	September 30, 2013	1,800,000	1,800,000	1.059	September 30, 2019			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	September 30, 2013	900,000	900,000	1.059	September 30, 2019			
	Resona Bank, Limited	October 31, 2013	500,000	500,000	0.887	October 31, 2018			
	Sumitomo Mitsui Trust Bank, Limited	November 12, 2013	1,000,000	1,000,000	0.820	November 12, 2018			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	November 12, 2013	2,000,000	2,000,000	1.074	November 12, 2020			
	Aozora Bank, Ltd.	November 12, 2013	500,000	500,000	1.074	November 12, 2020			
	Mizuho Bank, Ltd.	November 29, 2013	200,000	200,000	0.844	November 30, 2018			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	November 29, 2013	1,000,000	1,000,000	1.122	November 30, 2020			
	Aozora Bank, Ltd.	November 29, 2013	900,000	900,000	1.122	November 30, 2020			
	Sumitomo Mitsui Banking Corporation	January 10, 2014	1,300,000	1,300,000	1.205	January 31, 2021			
	Sumitomo Mitsui Trust Bank, Limited	January 31, 2014	3,700,000	3,700,000	0.932	January 31, 2020			
	Sumitomo Mitsui Banking Corporation	January 31, 2014	2,300,000	2,300,000	1.130	January 31, 2021			
	Aozora Bank, Ltd.	March 12, 2014	2,250,000	2,250,000	0.751	March 12, 2018			
	Sumitomo Mitsui Trust Bank, Limited	March 12, 2014	450,000	450,000	0.781	March 31, 2019			
	Sumitomo Mitsui Banking Corporation	March 12, 2014	1,800,000	1,800,000	0.916	March 12, 2020			
	Development Bank of Japan Inc.	March 12, 2014	1,800,000	1,800,000	1.358	March 12, 2023			
	Sumitomo Mitsui Banking Corporation	March 20, 2014	3,000,000	3,000,000	0.912	March 12, 2020			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	March 20, 2014	4,000,000	4,000,000	1.013	September 20, 2021			
	Development Bank of Japan Inc.	March 20, 2014	3,000,000	3,000,000	1.199	March 20, 2022			
	Development Bank of Japan Inc.	March 20, 2014	2,000,000	2,000,000	1.349	March 12, 2023			
	Sumitomo Mitsui Trust Bank, Limited	March 31, 2014	2,500,000	2,500,000	0.762	March 31, 2019			
	Sumitomo Mitsui Banking Corporation	April 22, 2014	2,900,000	2,900,000	0.954	October 31, 2020			
	The Hiroshima Bank, Ltd.	July 10, 2014	500,000	500,000	0.640	July 10, 2019			
	Mizuho Bank, Ltd.	July 10, 2014	2,000,000	2,000,000	0.903	July 10, 2021			
	The Nishi-Nippon City Bank, Ltd.	July 10, 2014	500,000	500,000	0.903	July 10, 2021			
	Mitsubishi UFJ Trust and Banking Corporation	July 14, 2014	1,000,000	1,000,000	0.682	July 31, 2019			
	Sumitomo Mitsui Trust Bank, Limited	July 31, 2014	1,000,000	1,000,000	0.616	July 31, 2019			
	Sumitomo Mitsui Banking Corporation	July 31, 2014	2,700,000	2,700,000	0.736	July 31, 2020			
	Resona Bank, Limited	July 31, 2014	300,000	300,000	0.756	October 31, 2020			
	Sumitomo Mitsui Banking Corporation	July 31, 2014	2,200,000	2,200,000	1.014	July 31, 2022			
	Sumitomo Mitsui Trust Bank, Limited	August 29, 2014	1,000,000	1,000,000	0.650	July 31, 2019			
	Mizuho Trust & Banking Co., Ltd.	September 1, 2014	800,000	800,000	0.885	August 31, 2021			
	The Bank of Fukuoka, Ltd.	September 1, 2014	500,000	500,000	0.885	August 31, 2021			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	September 3, 2014	1,000,000	1,000,000	0.979	August 31, 2022			
	Resona Bank, Limited	September 3, 2014	950,000	950,000	0.979	August 31, 2022			
	Sumitomo Mitsui Trust Bank, Limited	September 22, 2014	2,700,000	2,700,000	0.798	September 30, 2021			
	Mizuho Trust & Banking Co., Ltd.	September 30, 2014	1,000,000	1,000,000	0.893	September 30, 2021			
	Mitsubishi UFJ Trust and Banking Corporation	October 31, 2014	3,000,000	3,000,000	0.802	October 31, 2021			
	Resona Bank, Limited	October 31, 2014	2,000,000	2,000,000	1.071	October 31, 2023			
	Development Bank of Japan Inc.	October 31, 2014	1,500,000	1,500,000	1.126	October 31, 2023			
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	October 31, 2014	1,000,000	1,000,000	1.071	October 31, 2023			
Sumitomo Mitsui Banking Corporation	October 31, 2014	2,000,000	2,000,000	1.257	October 31, 2024				
Development Bank of Japan Inc.	October 31, 2014	1,000,000	1,000,000	1.259	October 31, 2024				
Mitsubishi UFJ Trust and Banking Corporation	January 30, 2015	1,500,000	1,500,000	0.710	January 31, 2021				
Sumitomo Mitsui Banking Corporation	January 30, 2015	1,500,000	1,500,000	1.161	January 31, 2025				
Sumitomo Mitsui Trust Bank, Limited	February 18, 2015	1,250,000	1,250,000	0.907	February 28, 2022				
Aozora Bank, Ltd.	February 18, 2015	350,000	350,000	0.907	February 28, 2022				
Sumitomo Mitsui Banking Corporation	February 18, 2015	1,700,000	1,700,000	1.157	February 29, 2024				
Development Bank of Japan Inc.	February 18, 2015	1,250,000	1,250,000	1.314	February 28, 2025				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	February 27, 2015	2,100,000	2,100,000	1.153	February 28, 2025				
Mizuho Bank, Ltd.	March 12, 2015	1,000,000	1,000,000	1.218	February 28, 2025				

Classification	Lender	Drawdown Date	Balance at the Beginning of Period (¥Thousands)	Balance at the End of Period (¥Thousands)	Average Interest Rate (Note 1) (%)	Last Repayment Date	Payment Method	Usage	Remarks				
Long-Term Loans Payable	Sumitomo Mitsui Banking Corporation	March 31, 2015	2,500,000	2,500,000	1.266	March 31, 2025	Full on maturity	(Note 2)	Unsecured/ Unguaranteed				
	Aozora Bank, Ltd.	April 30, 2015	2,300,000	2,300,000	0.825	April 30, 2022							
	The Nishi-Nippon City Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022							
	The 77 Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022							
	The Mie Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022							
	Mizuho Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022							
	The Bank of Fukuoka, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022							
	The Higashi-Nippon Bank, Limited	August 31, 2015	500,000	500,000	0.872	August 31, 2022							
	Sumitomo Mitsui Trust Bank, Limited	September 30, 2015	2,000,000	2,000,000	1.065	September 30, 2024							
	Mitsubishi UFJ Trust and Banking Corporation	October 30, 2015	1,000,000	1,000,000	0.989	October 31, 2024							
	Sumitomo Mitsui Banking Corporation	October 30, 2015	2,500,000	2,500,000	1.114	October 30, 2025							
	Development Bank of Japan Inc.	October 30, 2015	2,500,000	2,500,000	1.121	October 30, 2025							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	October 30, 2015	2,000,000	2,000,000	1.114	October 30, 2025							
	Mizuho Bank, Ltd.	October 30, 2015	1,500,000	1,500,000	1.114	October 30, 2025							
	Resona Bank, Limited	November 12, 2015	1,000,000	1,000,000	1.173	November 30, 2025							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	January 29, 2016	2,500,000	2,500,000	0.590	January 31, 2022							
	Sumitomo Mitsui Banking Corporation	January 29, 2016	500,000	500,000	0.640	January 31, 2022							
	Sumitomo Mitsui Banking Corporation	January 29, 2016	2,000,000	2,000,000	1.074	January 29, 2026							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	January 29, 2016	1,800,000	1,800,000	1.024	January 29, 2026							
	Sumitomo Mitsui Trust Bank, Limited	February 18, 2016	1,000,000	1,000,000	0.998	February 18, 2026							
	Aozora Bank, Ltd.	February 18, 2016	500,000	500,000	0.998	February 18, 2026							
	Resona Bank, Limited	March 30, 2016	1,000,000	1,000,000	0.169	March 31, 2019							
	Resona Bank, Limited	March 31, 2016	1,000,000	1,000,000	0.898	March 31, 2026							
	Development Bank of Japan Inc.	April 28, 2016	2,000,000	2,000,000	0.654	April 30, 2024							
	Development Bank of Japan Inc.	April 28, 2016	2,000,000	2,000,000	0.835	April 30, 2026							
	Mitsubishi UFJ Trust and Banking Corporation	April 28, 2016	1,000,000	1,000,000	0.865	April 30, 2026							
	Mitsubishi UFJ Trust and Banking Corporation	July 29, 2016	-	1,500,000	0.613	July 31, 2026							
	Mizuho Bank, Ltd.	August 2, 2016	-	1,000,000	0.544	July 31, 2026							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	October 31, 2016	-	1,000,000	0.330	October 31, 2018							
	Aozora Bank, Ltd.	October 31, 2016	-	1,000,000	0.668	October 31, 2024							
	Development Bank of Japan Inc.	October 31, 2016	-	4,000,000	0.734	October 31, 2026							
	Sumitomo Mitsui Banking Corporation	October 31, 2016	-	2,500,000	0.876	October 31, 2026							
	Sumitomo Mitsui Trust Bank, Limited	October 31, 2016	-	1,500,000	0.826	October 31, 2026							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	October 31, 2016	-	1,000,000	0.760	October 31, 2026							
		Sub Total		132,600,000	146,100,000								
		Total		165,800,000	168,800,000								

Note 1: The average interest rate is the weighted-average interest rate during the fiscal period, rounded to the third decimal place. The Investment Corporation entered into interest-rate swap transactions with the aim of minimizing the risk of future increase in interest rates. The effect of interest-rate swap transactions has been incorporated into calculations for the weighted-average interest rate.

Note 2: Funds procured through borrowings are used to acquire real estate or trust beneficiary interests in real estate and to repay borrowings, etc.

Note 3: Borrowings are listed in the current portion of long-term loans payable from the fiscal period under review, listed in long-term loans payable in the previous fiscal period.