



Sekisui House SI Investment Corporation

Business Results for the 14th Fiscal Period

November 16, 2012

 
SEKISUI HOUSE SPRING INVESTMENT
積水ハウス・SI 投資法人

Sekisui House SI Investment Corporation

Business Results for the 14th Fiscal Period from Apr. 1, 2012 to Sep. 30, 2012

8973

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1. Overview of the Fourteenth Fiscal Period Ended September 30, 2012



Fourteenth Fiscal Period (Ended September 30, 2012)

Main Business Results

- Completed acquisition of assets under management with the intention of replacement for the part of HAMAMATSU Plaza, etc. sold right before the end of the previous period
- Maintained stable occupancy for the overall portfolio (average occupancy rate during period: 97.3%)
- Completed refinancing concerning borrowings made under the previous sponsor

Initial forecast for cash distribution per unit

¥10,150

(Announced May 16, 2012)

Forecast for cash distribution per unit after revision

¥10,300

(Announced September 6, 2012)

Actual cash distribution per unit

¥10,351

Realized increase of cash distributions through **effective utilization of cash position** which increased due to the partial sale of HAMAMATSU Plaza, etc.

Resolved **first public offering after change of sponsors**

Intended **expansion of asset size, increase of residential ratio and reduction of LTV**

Fifteenth Fiscal Period (Ending March 31, 2013)

- Implemented public offering with payment date in **October 2012**
- Newly acquired 5 residential properties (total acquisition price: 9,285 million yen)

Forecast cash distribution per unit for the fifteenth fiscal period ending March 31, 2013

¥10,370

Although the number of investment units issued and outstanding will increase by approx. 19%, **the cash distribution level is expected to be maintained and improved**

Promote various measures based on the growth strategy with the aim of **enhancing profitability and maintaining and improving the cash distribution level through further increase of the asset size**

Summary of Business Results for Fourteenth Fiscal Period

Comparison with Forecasts

| | [Reference] Forecasts for Fiscal Period Ended Sep. 30, 2012 after revision (announced Sep. 6, 2012) | Initial forecasts for Fiscal Period Ended Sep. 30, 2012 (announced May 16, 2012) | Fiscal Period Ended Sep. 30, 2012 (183 days) (Actual) | Difference between actual results and initial forecasts | |
|-----------------------------|---|--|---|---|------|
| Operating revenue | ¥3,565 million | ¥3,550 million | ¥3,567 million | ¥17 million | 0.5% |
| Operating income | ¥1,661 million | ¥1,608 million | ¥1,663 million | ¥55 million | 3.4% |
| Ordinary income | ¥1,187 million | ¥1,170 million | ¥1,193 million | ¥22 million | 2.0% |
| Net income | ¥1,185 million | ¥1,167 million | ¥1,191 million | ¥23 million | 2.0% |
| Cash distributions per unit | ¥10,300 | ¥10,150 | ¥10,351 | ¥201 | 2.0% |

◆ Factors for differences between actual results and initial forecasts for the fiscal period ended September 30, 2012

- Operating income
 - Operating revenue
 - Increase in rent revenue: +¥14 million
 - Increase in other lease business revenue: +¥5 million
 - Decrease in silent partnership distribution: -¥3 million
 - Operating expenses
 - Increase in expenses related to rent business: +¥8 million
 - Decrease in other business expenses: -¥47 million
- Ordinary income
 - Increase in non-operating expenses: +¥32 million

Comparison with Previous Fiscal Period

| | Fiscal Period Ended Mar. 31, 2012 (183 days) (Actual) | Fiscal Period Ended Sep. 30, 2012 (183 days) (Actual) | Change | |
|-----------------------------|---|---|---------------|-------|
| Operating revenue | ¥3,705 million | ¥3,567 million | -¥138 million | -3.7% |
| Operating income | ¥1,600 million | ¥1,663 million | ¥63 million | 4.0% |
| Ordinary income | ¥1,165 million | ¥1,193 million | ¥27 million | 2.4% |
| Net income | ¥1,164 million | ¥1,191 million | ¥26 million | 2.3% |
| Cash distributions per unit | ¥10,117 | ¥10,351 | ¥234 | 2.3% |

◆ Factors for period-on-period changes to actual results for the fiscal period ended September 30, 2012

- Operating income
 - Operating revenue
 - Decrease in rent revenue: -¥50 million
 - Decrease in other lease business revenue: -¥32 million
 - Remove gain on sales of real estate properties: -¥60 million
 - Increase in silent partnership distribution: +¥4 million
 - Operating expenses
 - Decrease in expenses related to rent business: -¥22 million
 - Remove loss on sales of real estate properties: -¥187 million
 - Increase in other business expenses: +¥7 million
- Ordinary income
 - Increase in non-operating expenses: +¥35 million

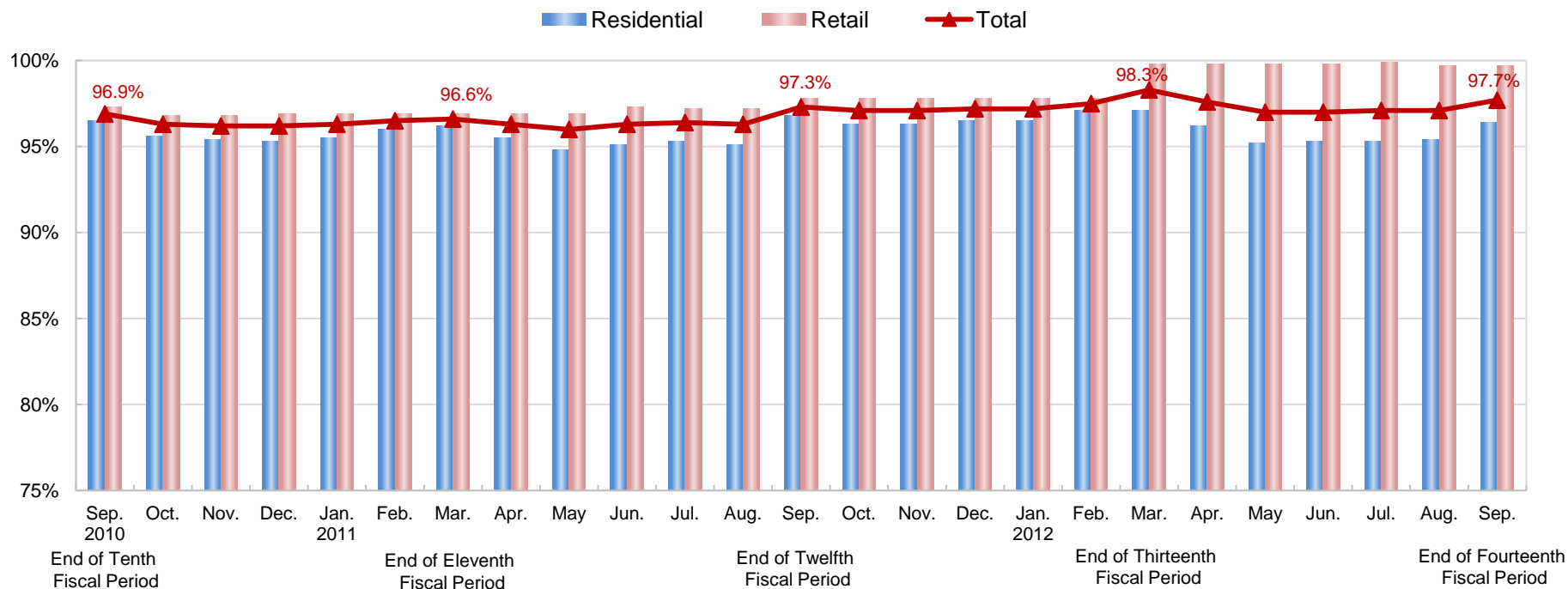
| | | | |
|---|------------------|------------------|----------------|
| Total assets | ¥112,800 million | ¥114,174 million | ¥1,374 million |
| Interest-bearing debt | ¥58,073 million | ¥59,503 million | ¥1,430 million |
| Net assets | ¥51,687 million | ¥51,714 million | ¥26 million |
| Period-end investment unit price | ¥347,000 | ¥353,500 | |
| Number of investment units issued and outstanding | 115,070 units | 115,070 units | |
| Period-end market value | ¥39,929 million | ¥40,677 million | |
| Cash distributions | ¥1,164 million | ¥1,191 million | |

Notes: 1. Amounts less than the indicated unit are rounded down.

2. Percentage figures are rounded to the nearest first decimal place.

Occupancy Rates and NOI Yield

Monthly Occupancy Rates at a Glance



| | Occupancy Rates | |
|-------------|---|---|
| | Fiscal period ended September 30, 2012 (fourteenth fiscal period) | |
| | As of September 30, 2012 | Average for fourteenth fiscal period (Apr. 1, 2012 through Sep. 30, 2012) |
| Residential | 96.4% | 95.6% |
| Retail | 99.7% | 99.8% |
| Total | 97.7% | 97.3% |

| NOI Yields | |
|---|------|
| Fiscal period ended September 30, 2012 (Fourteenth fiscal period) | |
| | 5.1% |
| | 5.4% |
| | 5.1% |

Notes: 1. "Occupancy Rates" indicated in the graph describe the rate of total leased space to the total leasable space for assets held by the Investment Corporation as of the end of each month from September 2010 to September 2012.
 2. The average occupancy rate for the fourteenth fiscal period ended September 30, 2012 indicates the average of occupancy rates as of the end of each month for the fiscal period from Apr. 1, 2012 through Sep. 30, 2012.
 3. The NOI yield in the table is obtained by dividing the annualized NOI for the fiscal period ended Sep. 30, 2012 by the total acquisition price.
 4. Percentage figures are rounded to the nearest first decimal place.

2. Report on the Public Offering Implemented in October 2012



Public Offering Implemented in October 2012 (1)

Overview of Public Offering

| | | |
|---|---|------------------------------|
| Issuance Resolution Date | September 6, 2012 (Thursday) | |
| Pricing Date | September 19, 2012 (Wednesday) | |
| Number of Newly Issued Investment Units | 22,000 units (Of this, 1,540 units for third-party allotment) | |
| Offer Price per Unit | 340,957 yen (Discount rate: 2.50%) | |
| Issue Price per Unit | 328,717 yen | |
| Total Issue Price | 7,231 million yen | |
| Payment Date | For public offering | : October 1, 2012 (Monday) |
| | For third-party allotment | : October 26, 2012 (Friday) |
| Additional Listing Date of New Investment Units | For public offering | : October 2, 2012 (Tuesday) |
| | For third-party allotment | : October 30, 2012 (Tuesday) |

Overview of Acquired Assets

| | |
|-----------------------------|--|
| Asset Class | 5 residential properties |
| Acquisition Date | October 1, 2012 |
| Seller | Sekisui House, Ltd. , Sekiwa Real Estate Chubu, Ltd. |
| Total Appraisal Value | 9,438 million yen |
| Total Acquisition Price | 9,285 million yen |
| Average Appraised NOI Yield | 5.6% (Note) |
| Average Property Age | 6.3 years (Note) |

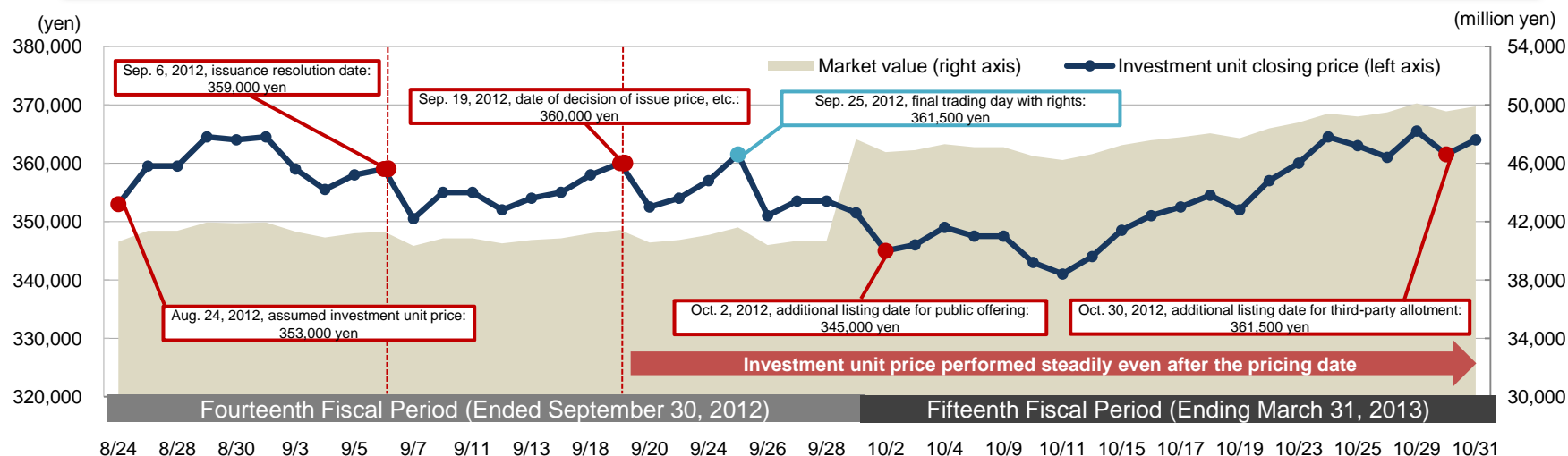
Overview of New Borrowings

| Drawdown date | Loan amount | Loan term | Interest rate/Spread |
|-----------------|-------------------|-------------------|----------------------|
| October 1, 2012 | 2,300 million yen | Approx. 11 months | Floating / 0.4% |

(Note) Average Appraised NOI Yield is calculated by dividing the total of appraised NOI of acquired assets based on real estate appraisal reports by real estate appraisers, valued as of August 1, 2012, by the total acquisition price, and are rounded to the nearest first decimal place. In addition, the average property ages are the result of calculating the weighted average using age of the acquired assets when placing October 1, 2012, which is the acquisition date, as the reference date and the investment ratio calculated based on acquisition price, and are rounded down to the nearest first decimal place.

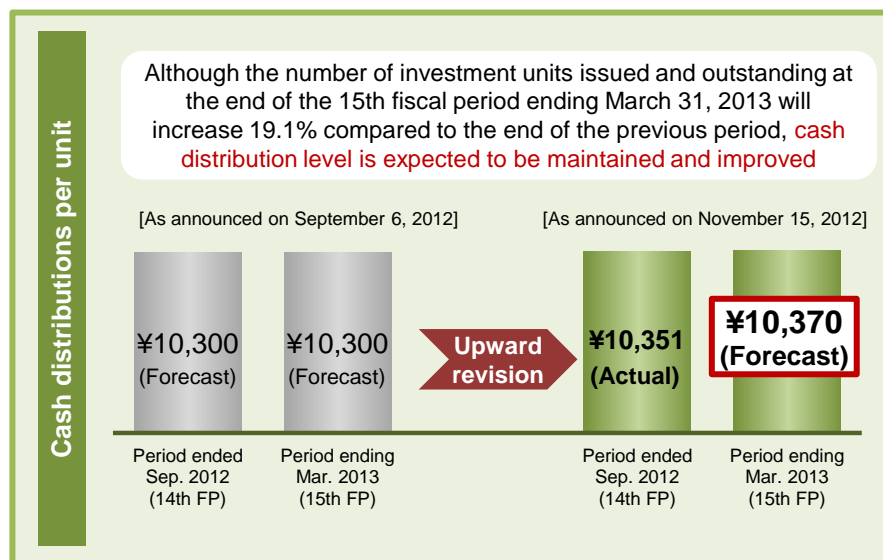
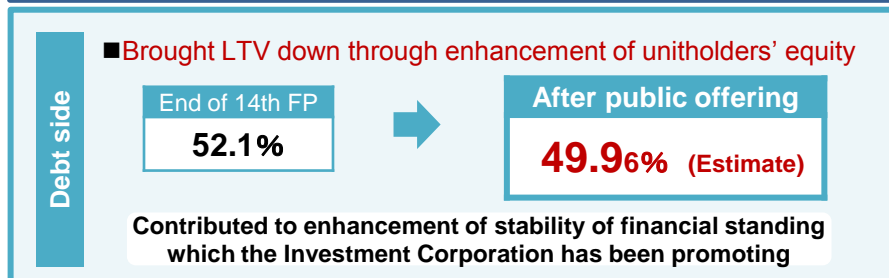
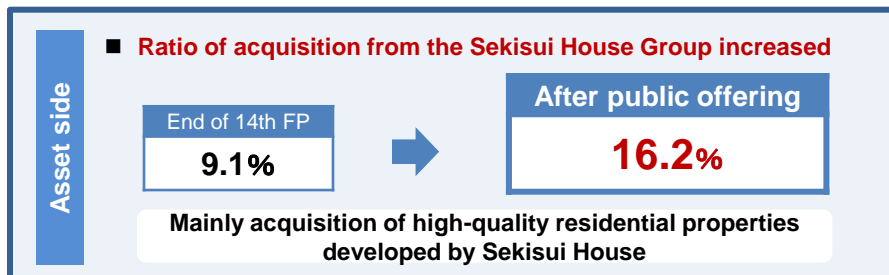
Trends of Investment Unit Closing Price and Market Value Before and After Issuance Resolution Date (August 24, 2012 to end of October 2012)

The amount of new borrowings also scheduled decreased as the public offering was realized under conditions that were better than what was expected as of the issuance resolution date

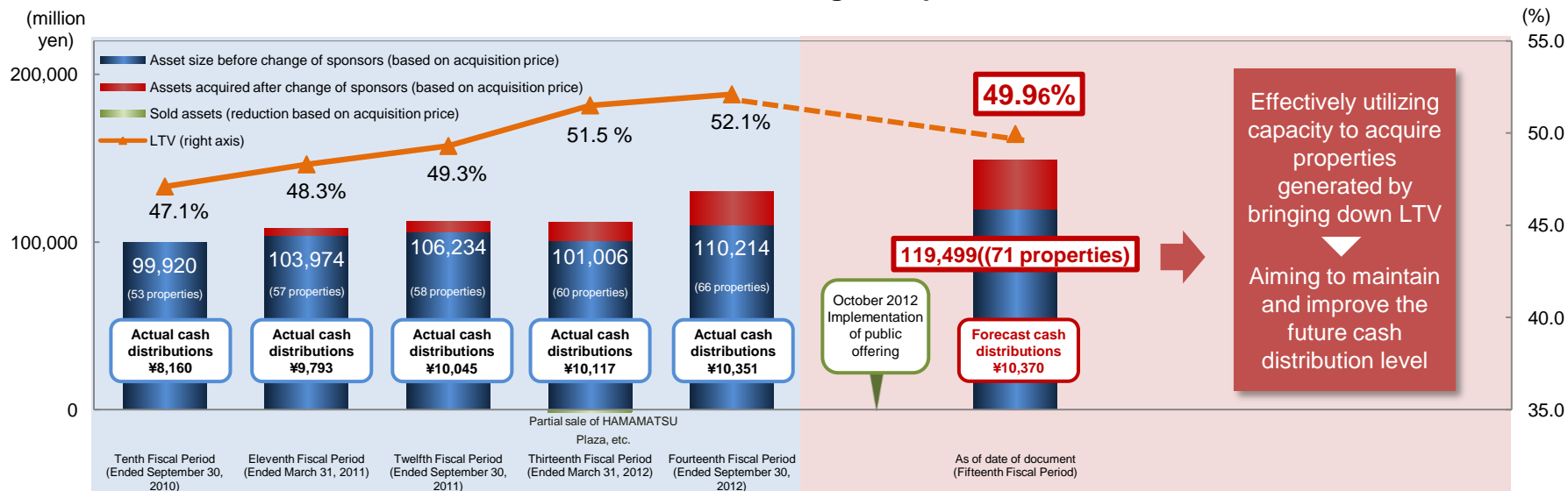


Public Offering Implemented in October 2012 (2)

Effects of Public Offering



Trends of Asset Size, LTV and Cash Distributions after Change of Sponsors



Public Offering Implemented in October 2012 (3)

Overview of Acquisition of Assets

Residence-64 Prime Maison GINZA EAST



| | |
|---------------------|-----------------------|
| Acquisition price | ¥5,205 million |
| Appraisal value | ¥5,265 million |
| Appraised NOI yield | 5.0% |

| | |
|-----------------|---|
| Location | Tsukiji, Chuo-ku, Tokyo |
| Closest station | Directly connected to Shintomicho Station on the Tokyo Metro Yurakucho Line |
| Completed | February 28, 2006 |
| Seller | Sekisui House, Ltd. |

Residence-65 Prime Maison TAKAMI



| | |
|---------------------|---------------------|
| Acquisition price | ¥905 million |
| Appraisal value | ¥930 million |
| Appraised NOI yield | 6.0% |

| | |
|-----------------|---|
| Location | Takami, Chikusa-ku, Nagoya-city, Aichi |
| Closest station | Approx. 3 min. walk from Ikeshita Station on the Nagoya Municipal Subway Higashiyama Line |
| Completed | August 27, 2008 |
| Seller | Sekisui House, Ltd. |

Residence-66 Prime Maison YADAMINAMI



| | |
|---------------------|---------------------|
| Acquisition price | ¥715 million |
| Appraisal value | ¥723 million |
| Appraised NOI yield | 6.2% |

| | |
|-----------------|---|
| Location | Yadaminami, Higashi-ku, Nagoya-city, Aichi |
| Closest station | Approx. 8 min. walk from Nagoya Dome-mae Yata Station on the Nagoya Municipal Subway Meijo Line |
| Completed | July 18, 2007 |
| Seller | Sekisui House, Ltd. |

Residence-67 Prime Maison TERIHA



| | |
|---------------------|-----------------------|
| Acquisition price | ¥1,110 million |
| Appraisal value | ¥1,140 million |
| Appraised NOI yield | 6.9% |

| | |
|-----------------|--|
| Location | Kashiiteriha, Higashi-ku, Fukuoka-city, Fukuoka |
| Closest station | Approx. 25 min. walk from Kashii Station on the JR Kagoshima Main Line |
| Completed | August 31, 2005 |
| Seller | Sekisui House, Ltd. |

Residence-68 Esty Maison HIGASHISHIRAKABE



| | |
|---------------------|-----------------------|
| Acquisition price | ¥1,350 million |
| Appraisal value | ¥1,380 million |
| Appraised NOI yield | 6.3% |

| | |
|-----------------|--|
| Location | Yoshino, Higashi-ku, Nagoya-city, Aichi |
| Closest station | Approx. 5 min. walk from Morishita Station on the Nagoya Railway Seto Line |
| Completed | February 27, 2006 |
| Seller | Sekiwa Real Estate Chubu, Ltd. |

Note: 1. Appraisal values are the appraisal values by real estate appraisers valued as of August 1, 2012.

2. Appraised NOI yields are calculated by dividing the appraised NOI of acquired assets based on appraisal reports by real estate appraisers, valued as of August 1, 2012, by the acquisition price, and are rounded to the nearest first decimal place.



3. Portfolio Management Status of the Fourteenth Fiscal Period Ended September 30, 2012



Business Results Summary of the Fourteenth Fiscal Period

Focused on solidifying foundation for growth to “enhance profitability by significantly increasing the asset size”

Completion of Replacement of Assets Under Management Accompanying Partial Sale of HAMAMATSU Plaza, etc.

Sold properties

- Part of HAMAMATSU Plaza
- Spacia MEGUROFUDOMAE

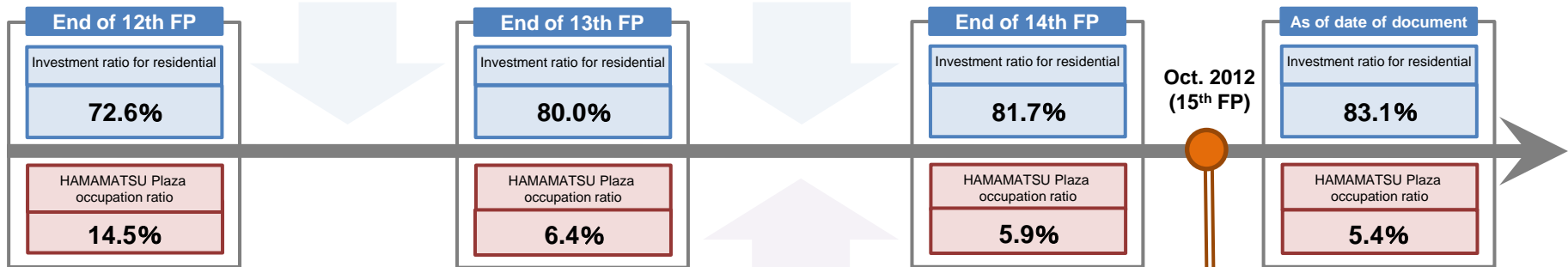


Acquired properties

- Acquired “4 Prime Maison properties” from Sekisui House
- Acquired “Esty Maison AKIHABARA” utilizing unique channel of the Asset Management Company
- Acquired “Esty Maison SASAZUKA” utilizing unique channel of the Asset Management Company



➔ Promoted the reduction of concentration of risk at HAMAMATSU Plaza and improvement of portfolio quality



Preparation of infrastructure for expansion of the asset size

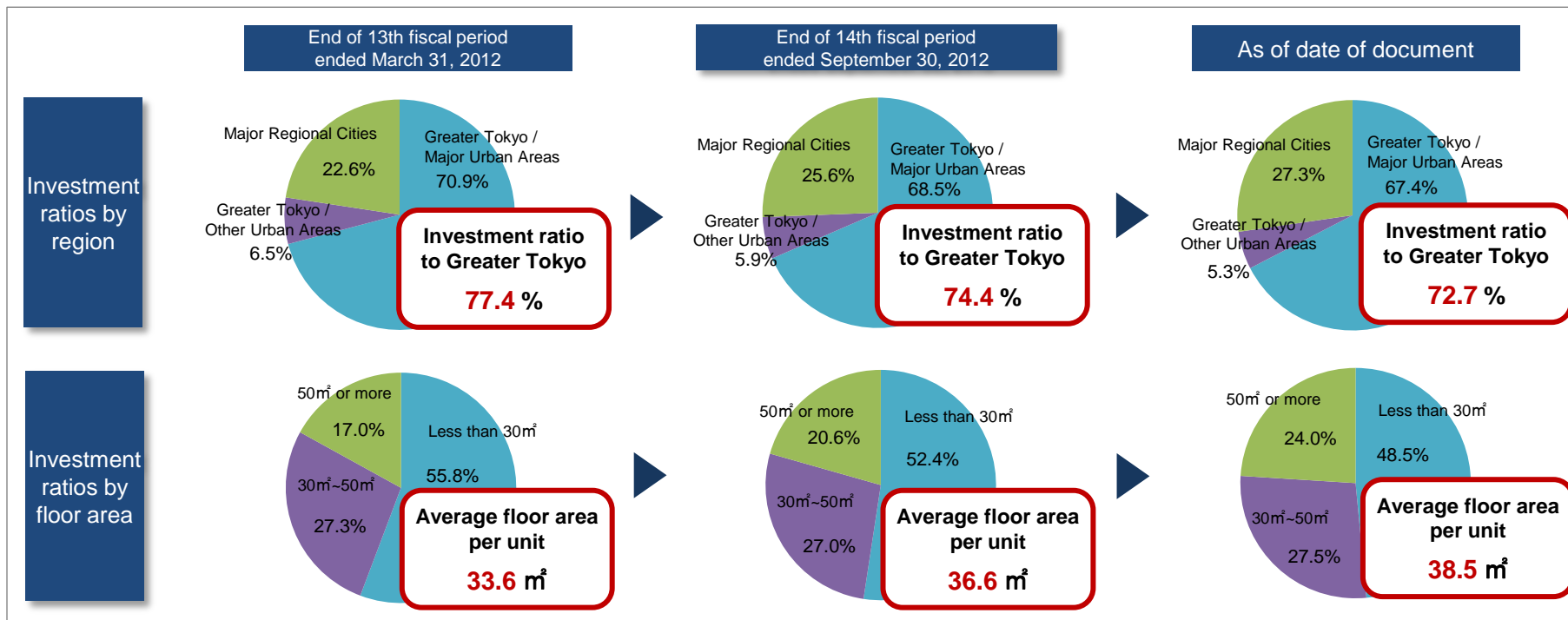
- Approval and adoption of **partial changes to the Investment Corporation’s Articles of Incorporation, etc.** at the General Meeting of Unitholders
- **Changes to the Management Guidelines, etc.** in accordance with partial changes to the Investment Corporation’s Articles of Incorporation
- **Development of brand strategy** for residential properties **Prime Maison Esty Maison**

Implementation of first public offering after change of sponsors

Diversification status by asset class

| Asset class | | End of 13th fiscal period ended March 31, 2012 | | | End of 14th fiscal period ended September 30, 2012 | | | As of date of document | | |
|----------------|-------------------------|--|--------|----------------------|--|--------|----------------------|---|--------|----------------------|
| | | Total Acquisition Price (No. of properties) | Share | Average Property Age | Total Acquisition Price (No. of properties) | Share | Average Property Age | Total Acquisition Price (No. of properties) | Share | Average Property Age |
| Core assets | Residences | ¥80,830 million (52 properties) | 80.0% | 6.0 years | 90,020 million (58 properties) | 81.7% | 6.7 years | 99,305 million (63 properties) | 83.1% | 6.8 years |
| Balance assets | Retail facilities, etc. | ¥20,175 million (8 properties) | 20.0% | 10.2 years | 20,193 million (8 properties) | 18.3% | 10.7 years | 20,193 million (8 properties) | 16.9% | 10.8 years |
| Total | | ¥101,006 million (60 properties) | 100.0% | 6.7 years | 110,214 million (66 properties) | 100.0% | 7.3 years | 119,499 million (71 properties) | 100.0% | 7.3 years |

Diversification Status of Residential Portfolio



(Note) Calculation of ratios of diversification status by asset class, average property ages and investment ratios by region are based on acquisition prices as of each period and calculation of investment ratios by floor area are based on the number of residential units of owned properties as of each period, and all are rounded to the nearest first decimal place. Therefore, the sum total of ratios may not add up to 100%. Also, average floor areas per unit are calculated by dividing the total leasable residential floor space of residential properties by the total number of leasable residential units, and are rounded down to the nearest first decimal place. Furthermore, stores and offices in residential properties are not included in the number of residential

Properties Acquired in the Fourteenth Fiscal Period (1)

Effectively utilized cash position and acquired 6 residential properties through pipeline with Sekisui House and the Asset Management Company's own acquisition route

Residence-58 Prime Maison GOKISO



Acquisition price
¥1,640 million

Appraisal value (Note)
¥1,670 million
(As of March 1, 2012)

Appraised NOI yield (Note)
6.2%



Utilization of pipeline with Sekisui House

| | | | |
|-----------------------------------|---|--------------------------------|---------------|
| Location | Ayuchitori, Showa-ku, Nagoya-city, Aichi | Completed | October 2008 |
| Closest station | Approx. 4 min. walk from Gokiso Station on the Nagoya Municipal Subway Tsurumai Line and Sakura-dori Line | Main residential type | Family type |
| Construction and number of floors | SRC, 14F | Total leasable floor space | 4,427.65㎡ |
| Site area | 1,429.67㎡ | Total number of leasable units | 58 |
| Total floor area | 4,691.72㎡ | Acquisition Date | April 2, 2012 |

Residence-59 Prime Maison YUHIGAOKA



Acquisition price
¥810 million

Appraisal value (Note)
¥829 million
(As of March 1, 2012)

Appraised NOI yield (Note)
5.9%



Utilization of pipeline with Sekisui House

| | | | |
|-----------------------------------|--|--------------------------------|---------------|
| Location | Ueshio, Tennoji-ku, Osaka-city, Osaka | Completed | February 2007 |
| Closest station | Approx. 3 min. walk from Shitennoji-mae Yuhigaoka Station on the Osaka Municipal Subway Tanimachi Line | Main residential type | Family type |
| Construction and number of floors | RC, 14F | Total leasable floor space | 2,040.35㎡ |
| Site area | 547.15㎡ | Total number of leasable units | 26 |
| Total floor area | 2,336.49㎡ | Acquisition Date | April 2, 2012 |

Residence-60 Prime Maison KITATANABE



Acquisition price
¥540 million

Appraisal value (Note)
¥551 million
(As of March 1, 2012)

Appraised NOI yield (Note)
6.4%



Utilization of pipeline with Sekisui House

| | | | |
|-----------------------------------|--|--------------------------------|---------------|
| Location | Kitatanabe, Higashiumiyoshi-ku, Osaka-city, Osaka | Completed | June 2006 |
| Closest station | Approx. 2 min. walk from Kita-Tanabe Station on the Kintetsu Minami-Osaka Line | Main residential type | Family type |
| Construction and number of floors | RC, 10F | Total leasable floor space | 1,798.97㎡ |
| Site area | 640.92㎡ | Total number of leasable units | 26 |
| Total floor area | 2,112.46㎡ | Acquisition Date | April 2, 2012 |

Properties Acquired in the Fourteenth Fiscal Period (2)

Residence-61 Prime Maison MOMOCHIHAMA



Utilization of pipeline with Sekisui House



Acquisition price

¥1,810 million

Appraisal value (Note)

¥1,820 million

(As of March 1, 2012)

Appraised NOI yield (Note)

6.4%

| | | | |
|-----------------------------------|---|--------------------------------|---------------|
| Location | Momochihama, Sawara-ku, Fukuoka-city, Fukuoka | Completed | February 1996 |
| Closest station | Approx. 13 min. walk from Nishijin Station on the Fukuoka City Subway Kuko Line | Main residential type | Family type |
| Construction and number of floors | RC, 13F | Total leasable floor space | 7,514.76㎡ |
| Site area | 4,069.42㎡ | Total number of leasable units | 100 |
| Total floor area | 8,945.61㎡ | Acquisition Date | April 2, 2012 |

Residence-62 Esty Maison AKIHABARA

Utilization of the Asset Management Company's own acquisition route



Acquisition price

¥1,560 million

Appraisal value (Note)

¥1,658 million

(As of June 1, 2012)

Appraised NOI yield (Note)

5.6%

| | | | |
|-----------------------------------|---|--------------------------------|---------------|
| Location | Ueno Taito-ku, Tokyo | Completed | February 2006 |
| Closest station | Approx. 3 min. walk from Suehirocho Station on the Tokyo Metro Ginza Line | Main residential type | Single type |
| Construction and number of floors | RC, 12F/B1F | Total leasable floor space | 2,324.65㎡ |
| Site area | 458.32㎡ | Total number of leasable units | 79 |
| Total floor area | 2,821.47㎡ | Acquisition Date | June 29, 2012 |

Residence-63 Esty Maison SASAZUKA

Utilization of the Asset Management Company's own acquisition route



Acquisition price

¥2,830 million

Appraisal value (Note)

¥2,860 million

(As of July 13, 2012)

Appraised NOI yield (Note)

5.3%

| | | | |
|-----------------------------------|--|--------------------------------|----------------------|
| Location | Sasazuka, Shibuya-ku, Tokyo | Completed | September 2004 |
| Closest station | Approx. 5 min. walk from Sasazuka Station on the Keio Line | Main residential type | Single/ Compact type |
| Construction and number of floors | RC, 10F | Total leasable floor space | 3,701.70㎡ |
| Site area | 909.33㎡ | Total number of leasable units | 90 |
| Total floor area | 4,263.10㎡ | Acquisition Date | September 5, 2012 |

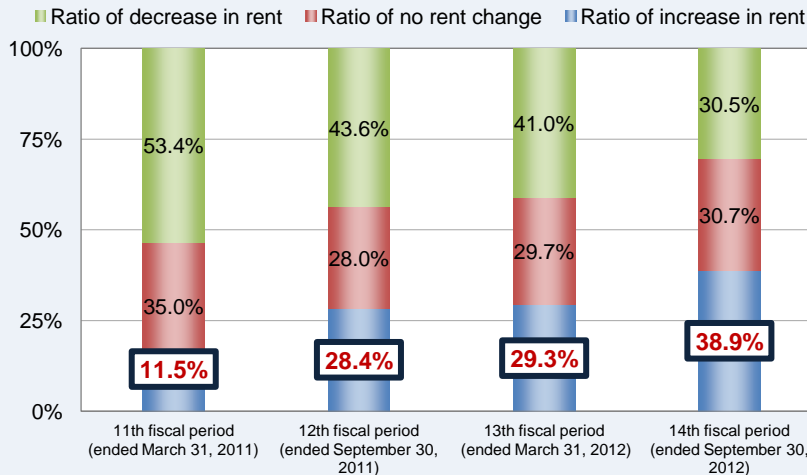
(Note) Appraised NOI yields are calculated by dividing the appraised NOI of each property based on appraisal reports by real estate appraisers by the acquisition prices of each property, and are rounded to the nearest first decimal place.

[Residential] Rent Trends in New Contracts and Contract Renewals

Rent Trends in New Contracts

| | 11th FP | 12th FP | 13th FP | 14h FP |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| No. of new contract | 451 | 486 | 488 | 499 |
| Total increase in rent / month (number of cases) | ¥229 thousand (52) | ¥521 thousand (138) | ¥508 thousand (143) | ¥811 thousand (194) |
| Total decrease in rent / month (number of cases) | ¥2,336 thousand (241) | ¥1,706 thousand (212) | ¥1,416 thousand (200) | ¥1,101 thousand (152) |
| Change in rent (net) | ¥2,107 thousand | ¥1,185 thousand | ¥908 thousand | ¥290 thousand |

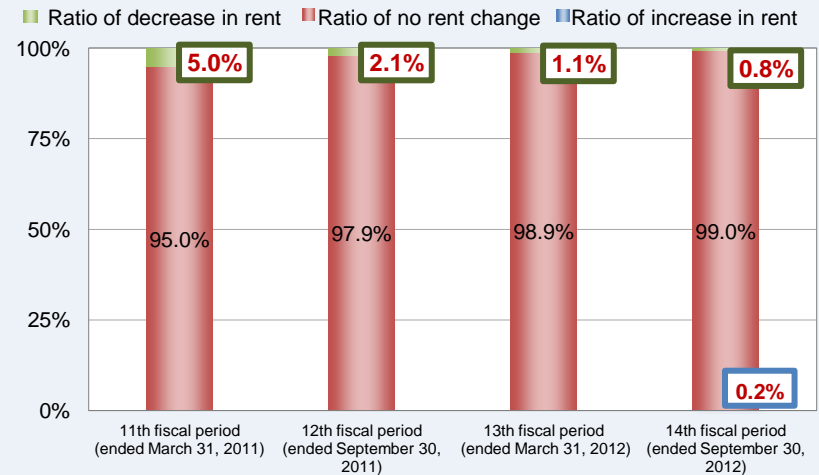
Both **range of rent increase and number of cases increased**
⇒ Rate of change in rent against previous rent is **steadily improving**



Rent Trends in Contract Renewals

| | 11th FP | 12th FP | 13th FP | 14h FP |
|--|--------------------|------------------|------------------|------------------|
| No. of contract renewal | 483 | 427 | 704 | 616 |
| Total increase in rent / month (number of cases) | - | - | - | ¥7 thousand (1) |
| Total decrease in rent / month (number of cases) | ¥329 thousand (24) | ¥63 thousand (9) | ¥59 thousand (8) | ¥34 thousand (5) |
| Change in rent (net) | ¥329 thousand | ¥63 thousand | ¥59 thousand | ¥26 thousand |

Both **range of rent decrease and number of cases decreased**
⇒ Rate of change in rent against previous rent is **at a level of nearly 0**

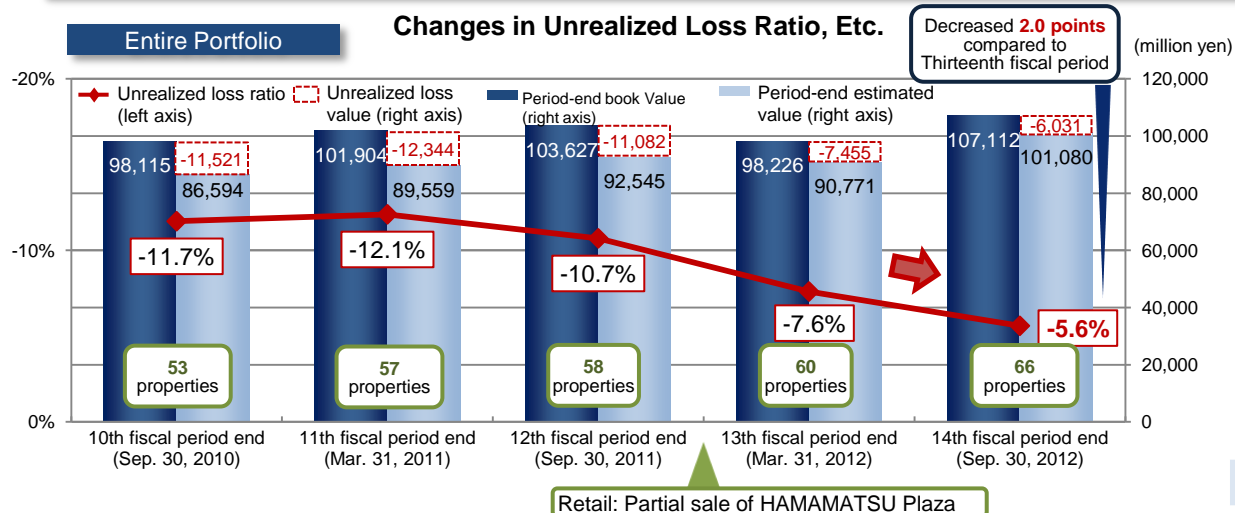


(Note) "Rate of change in rent against previous rent" is calculated by dividing the net change in rent for new contracts and contract renewals in each period by previous rent, and are rounded to the nearest first decimal place. In addition, "ratio of renewals where rent decreased/increased/didn't change" are the ratios of cases of decreased, no change and increased rents in the total new contracts or renewed contracts in the respective periods, and are rounded to the nearest first decimal place. Accordingly, ratio totals may not add up to 100%. Furthermore, stores and offices in residential properties are not included in the calculations, nor is MAST HAKATA and Prime Maison MOMOCHIYAMA for which there is a master lease agreement and rent guarantee type lease agreement concluded with a master lease company.

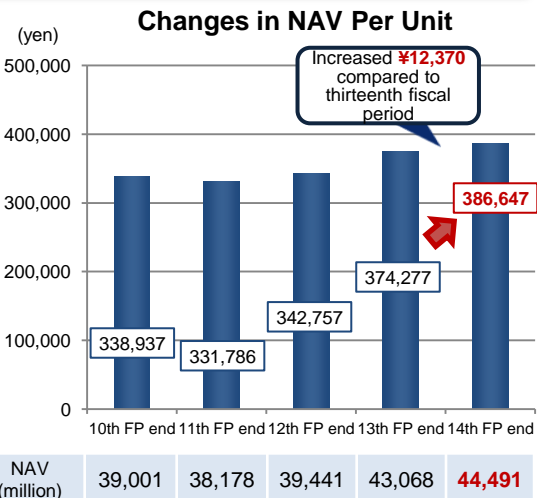
Changes in Unrealized Loss Ratio, Etc.

Changes in Unrealized Loss and NAV for the Entire Portfolio

The amount of unrealized loss for the entire portfolio **decreased further** from the end of the fiscal period ended March 31, 2012 (13th fiscal period), and the **unrealized loss ratio improved**

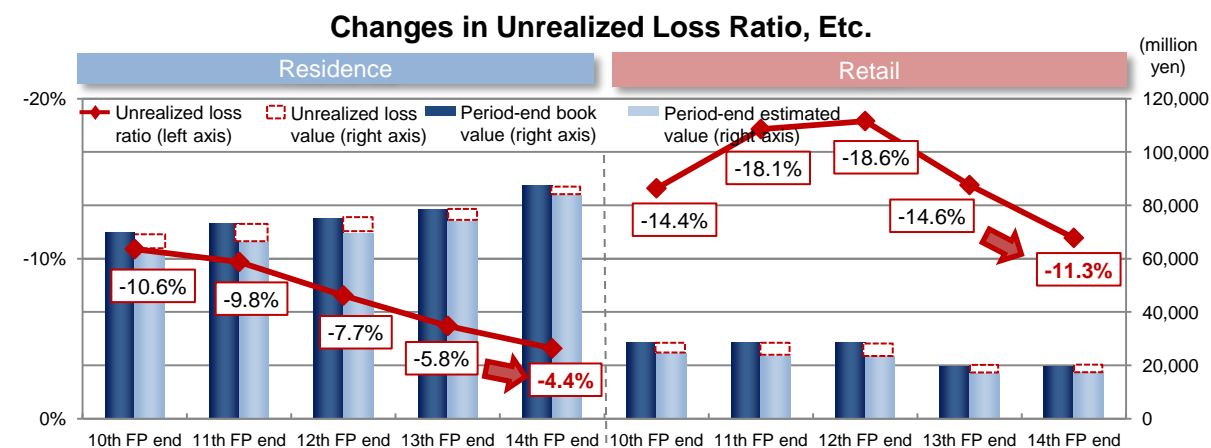


(Note) Unrealized loss ratio = $\text{Unrealized loss value} \div \text{Period-end book value}$
Unrealized loss value = $\text{Period-end estimated value} - \text{Period-end book value}$



(Note) NAV = $\text{Period-end net asset} - \text{Period distribution value} + \text{Unrealized gain/loss value}$
NAV per unit = $\text{Period-end NAV} \div \text{Period-end number of outstanding investment units}$

Changes in Unrealized Loss by Asset Class



[Reasons for the Decrease of Unrealized Loss Ratio]

- Period-end estimated value increased for a total of 29 properties, 25 residential properties and 4 retail facilities, from the end of the 13th fiscal period
<Main factors>
 - Decrease of cap rates (residences only)
 - Reduction of taxes and public dues in accordance with revaluation of noncurrent asset tax, etc. (both residences and retail facilities)
- Acquisition of new properties



4. Financial Activities of the Fourteenth Fiscal Period Ended September 30, 2012



Overview of Financial Activities (1)

Overview of Financial Activities in the Fourteenth Fiscal Period

With the refinancing in August 2012, refinancing of all loans taken before the change of sponsors have been completed

| Drawdown Date | Loan Amount | Lender | Loan Term | Interest Rate / Spread |
|------------------------------------|----------------|--|---|------------------------|
| August 2, 2012 (Refinance) | ¥2.705 billion | Mizuho Corporate Bank, Ltd. The Norinchukin Bank Sumitomo Mitsui Banking Corporation | Approx. 5 years 1 month | Fixed with swap 0.6% |
| August 2, 2012 (Refinance) | ¥3.882 billion | Mizuho Corporate Bank, Ltd. Development Bank of Japan Inc. Sumitomo Mitsui Banking Corporation | Approx. 6 years 7 months Longest loan term since the listing of the Investment Corporation | Fixed with swap 0.7% |
| September 5, 2012 (New borrowings) | ¥1.5 billion | Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation | Approx. 1 year | Floating 0.4% |

Rating Status

As of April 26, 2012

Rating agency

Rating and Investment Information, Inc. (R&I)

Issuer rating

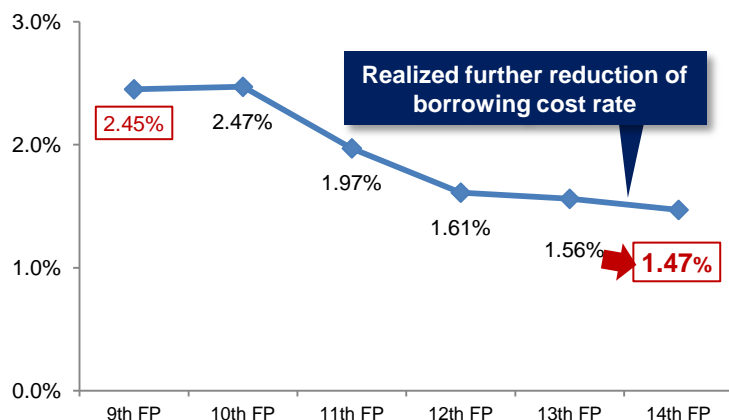
A [Rating Outlook: Change to **Positive**]

Use funds for acquiring new properties

[Reference] Finance Activities in the Fifteenth Fiscal Period

| | | | | |
|----------------------------------|--------------|--|-------------------|---------------|
| October 1, 2012 (New borrowings) | ¥2.3 billion | Mizuho Corporate Bank, Ltd. Sumitomo Mitsui Banking Corporation | Approx. 11 months | Floating 0.4% |
|----------------------------------|--------------|--|-------------------|---------------|

Period Average Borrowing Cost Rate (Notes 1 and 2)



[Reference] Spread of Long-Term Loans Payable of around 5 Years after Change of Sponsors

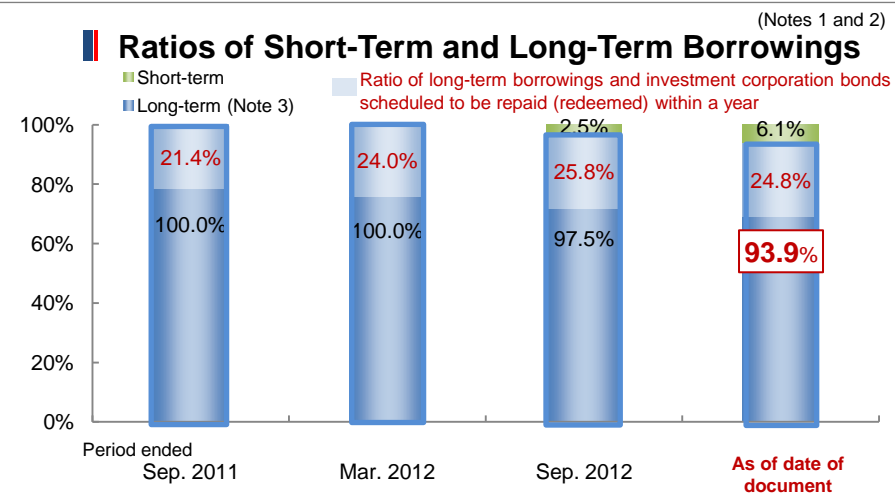
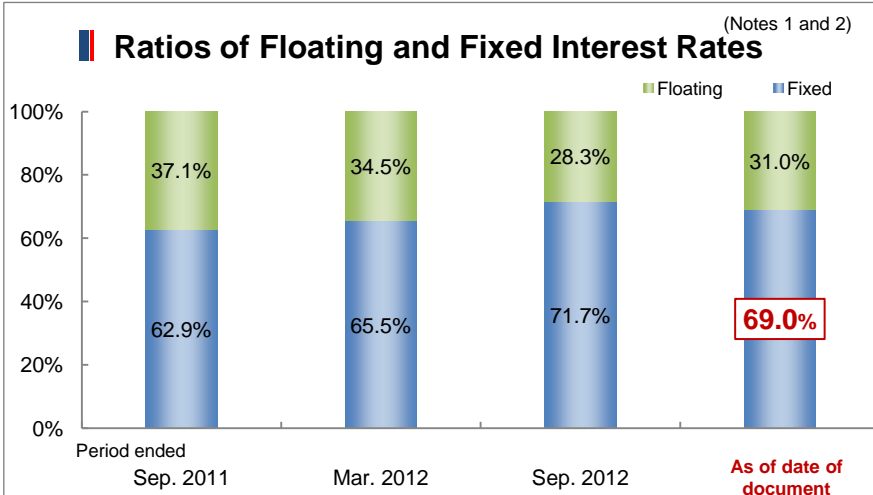
| Drawdown Date | May 9, 2011 | March 2, 2012 | March 8, 2012 | August 2, 2012 | |
|---------------|---------------------------|-----------------|-----------------|--------------------------|-------------------------|
| Loan Amount | ¥2.85 billion | ¥1.5 billion | ¥5.0 billion | ¥3.882 billion | ¥2.705 billion |
| Loan Term | Approx. 4 years 10 months | Approx. 5 years | Approx. 5 years | Approx. 6 years 7 months | Approx. 5 years 1 month |
| Spread | 0.8% | 0.7% | 0.7% | 0.7% | 0.6% |

The spread is trending downwards due to the effects of sponsor credit, financial environment, etc.

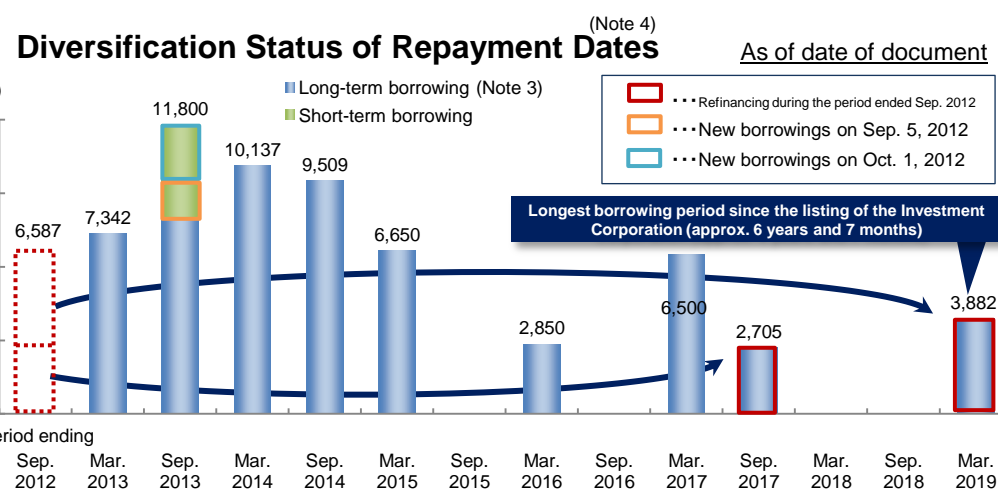
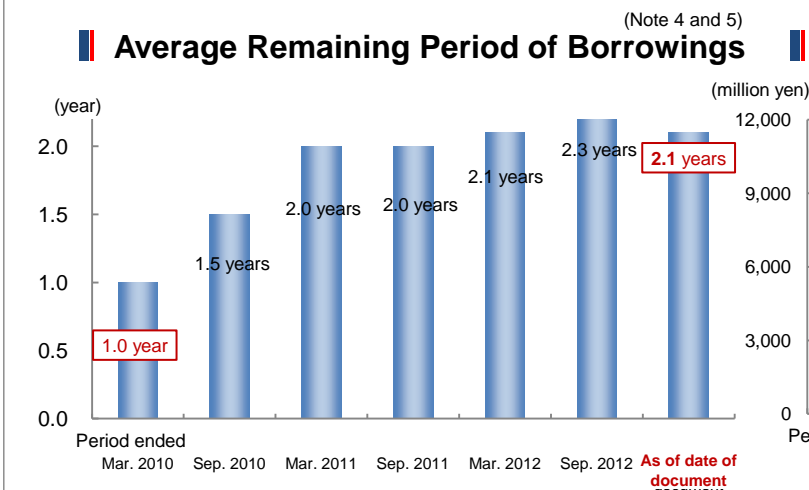
Notes: 1. Period average borrowing cost rate = Period borrowing cost (annualized) ÷ Balance of period average interest-bearing debt
2. Rounded to the nearest second decimal place.

Borrowing cost = Borrowing related expenses + Interest expenses on investment corporation bonds + interest expenses

Overview of Financial Activities (2)



Promoting the extension of loan terms while maintaining optimal balance of fixed and floating borrowings such as by utilizing interest rate swap agreements



Switched to policy of further extending the setting of loan terms of long-term debt ⇒ Setting repayment dates so that the loan terms are in range of around 3 to 7 years

Notes: 1. The above ratios are rounded to the nearest first decimal place. 2. Ratio against the total interest-bearing debt. 3. Includes long-term borrowings scheduled to be repaid within one year. 4. Does not include interest-bearing tenant leasehold and security deposits. 5. The figures are the result of calculation based on the weighted average using the remaining period from each date to the repayment (redemption) dates of loans and investment corporation bonds, and their balances and rounded down to the nearest first decimal place.

5. Forecasts for the Fifteenth Fiscal Period Ending March 31, 2013 and Current Management Policy



Forecasts for the Fifteenth Fiscal Period

| | Fiscal Period Ended Sep. 30, 2010 (183 days) | Fiscal Period Ended Mar.31, 2011 (182 days) | Fiscal Period Ended Sep. 30, 2011 (183 days) | Fiscal Period Ended Mar.31, 2012 (183 days) | Fiscal Period Ended Sep. 30, 2012 (183 days) | Fiscal Period Ending Mar.31, 2013 (182 days) (forecast) |
|-----------------------------------|--|---|--|---|--|---|
| Operating revenue (million yen) | 3,334 | 3,462 | 3,533 | 3,705 | 3,567 | 3,961 |
| Operating income (million yen) | 1,576 | 1,655 | 1,622 | 1,600 | 1,663 | 1,866 |
| Ordinary income (million yen) | 956 | 1,144 | 1,156 | 1,165 | 1,193 | 1,423 |
| Net income (million yen) | 938 | 1,126 | 1,155 | 1,164 | 1,191 | 1,421 |
| Cash distributions per unit (yen) | 8,160 | 9,793 | 10,045 | 10,117 | 10,351 | 10,370 |

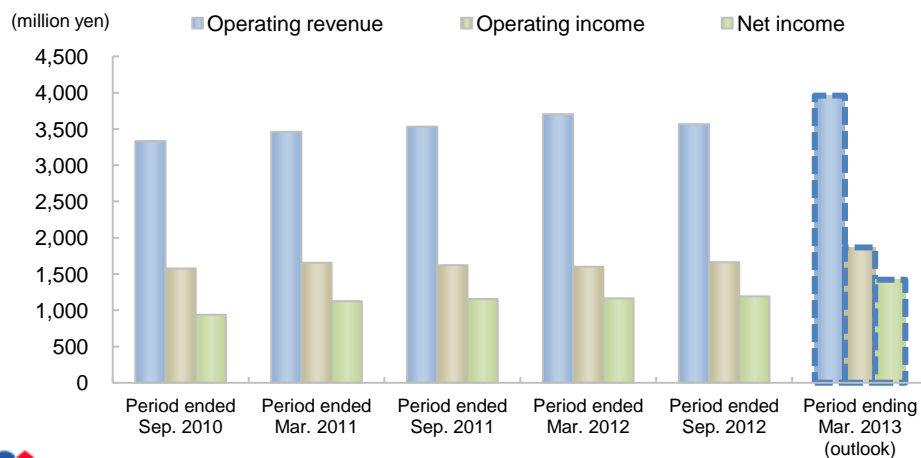
<Assumptions for forecast of fiscal period ending March 31, 2013>

- ◆ Assets under management: 71 properties owned as of October 1, 2012
- ◆ Management fees: Approx. ¥333 million
- ◆ Noncurrent asset tax, etc. that will be allocated as expenses related to rent business: Approx. ¥179 million
- ◆ Depreciation and amortization: Approx. ¥833 million
- ◆ Interest expenses, loan origination fees, etc.: Approx. ¥434 million
- ◆ Number of investment units issued and outstanding: 137,070 units

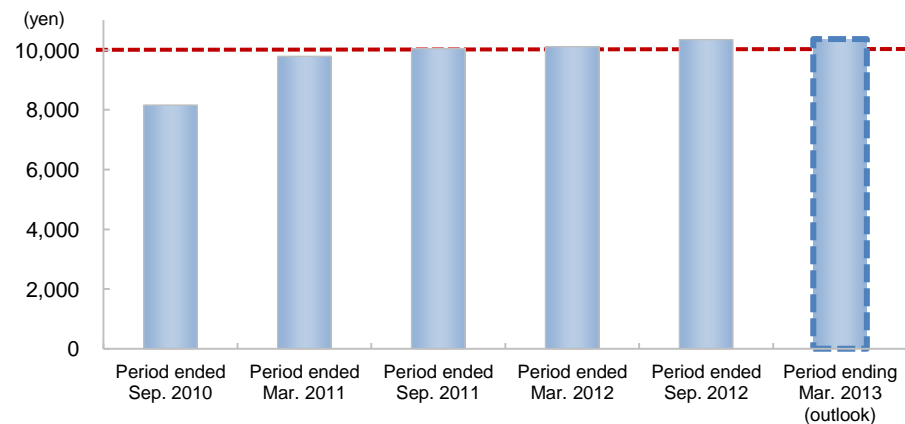
Notes: 1. Amounts less than the indicated denomination are rounded down.

2. The above figures are calculated based upon certain assumptions as of November 15, 2012. Actual operating revenue, operating income, ordinary income, net income and cash distributions per unit may differ as a result of subsequent acquisitions or sales of real estate, trends in real estate markets, changes in the operating environment or other conditions affecting the Investment Corporation. The above forecasts are not intended to be guarantees of business results or cash distributions.

Operating Revenue, Operating Income and Net Income

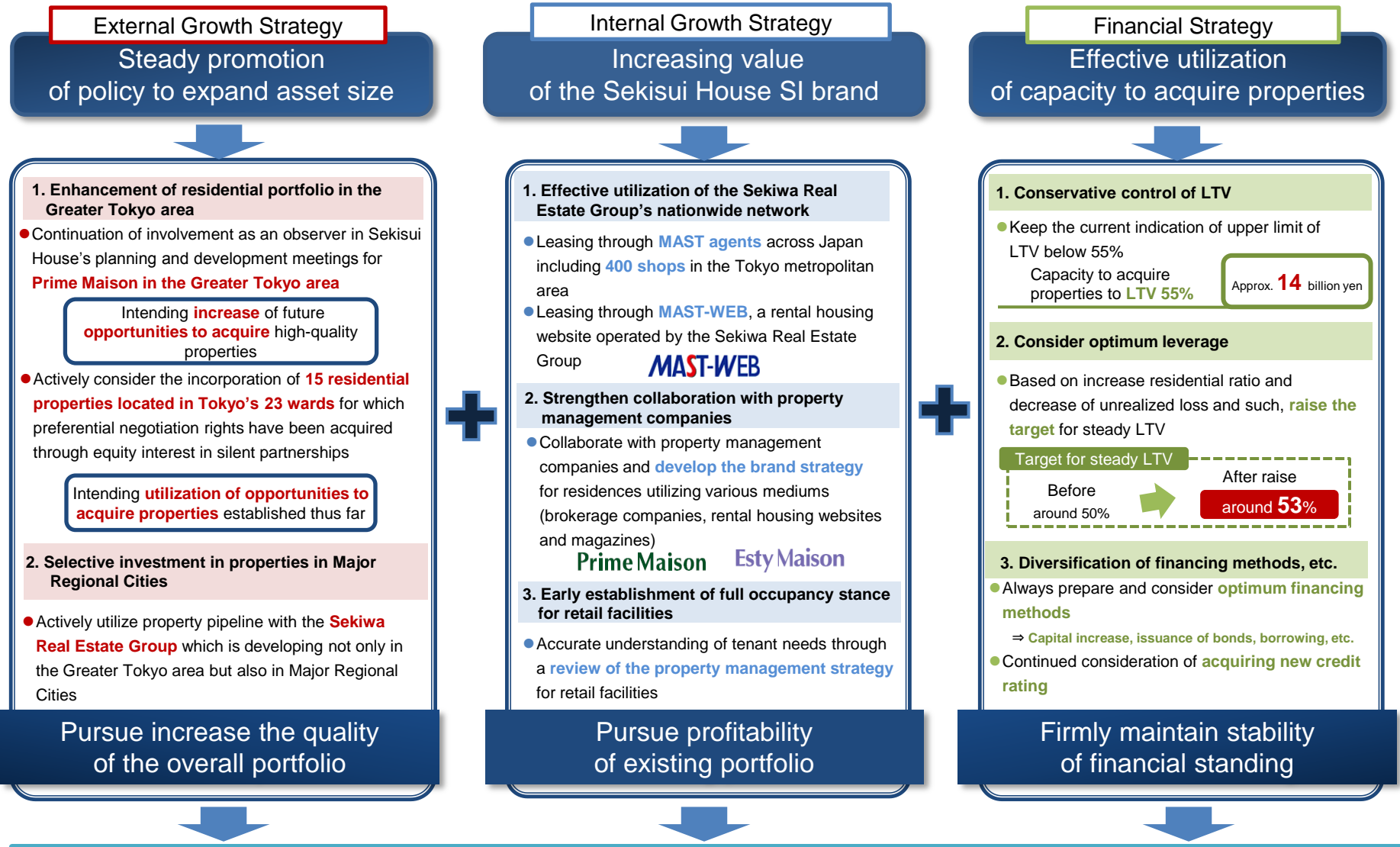


Cash Distribution Per Unit



Current Management Policy (1)

Promotion of a growth strategy that utilized the comprehensive strengths of the Sekisui House Group; its ability to supply properties, nationwide network and creditworthiness



Aim for an **expansion of asset size focused on maximizing unitholder returns** by building a portfolio centering on high-quality residential properties.

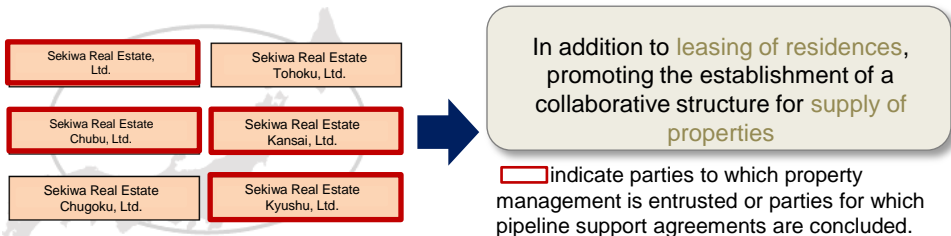
Current Management Policy (2)

History of Property Acquisitions after Change of Sponsors and Future Acquisition Opportunities

| Source of information | Sponsors, etc | | | The Asset Management Company's own route |
|--|---|--|---|---|
| | Sekisui House, Ltd. | Sekiwa Real Estate Group | Spring Investment | |
| History of acquisitions after change of sponsors | 11 properties, 16,075 million yen | 2 properties, 3,270 million yen | 2 properties, 1,764 million yen (Sellers are third parties) | 4 properties , 8,100 million yen |
| Main future opportunities for acquisitions | <p>Participated in properties' planning meetings as an observer and exchanged opinions</p> <p>Supply information Exchange of opinion Demand information</p> <p>Example of rental housing properties under development by Sekisui House (Note)</p> <p>Prime Maison HATCHOBORI Prime Maison WASEDA Prime Maison JIMBOCHO Prime Maison MORISHITA</p> <p>Features: Centering on Greater Tokyo area Centering on single types Centering on properties close to train stations</p> | | | <p>Secured preferential negotiation rights for acquisition of 15 high-quality residential properties through equity interest in silent partnerships</p> <p>● Real estate in trust</p> <p>Features: All in Tokyo's 23 wards Average property age 3.1 years (Note 1) Centering on single and compact types Within 5-minute walking distance 55.4% (Note 2)</p> <p>15 properties in Tokyo's 23 wards Lowest acquisition price based on preferential negotiation rights 19,650 million yen</p> <p>Example of real estate in trust (Note 3) PLUS TORITSU-DAIGAKU PLUS SENGOKU</p> |

Cooperation with the Sekiwa Real Estate Group in external and internal growth

- Fully funded by Sekisui House, the core is the 6 Sekiwa Real Estate companies conducting business nationwide
- Expand Sekisui House's real estate department (real estate sale and real estate leasing business)
- The real estate leasing department has records of management of 498 thousand units nationwide centering on rental housing of Sekisui House (Note 1)
- Occupancy rate for properties leased as Sha-Maison (Note 2): 95.9% (Note 1)



Notes: 1. Figure is as of end of July 2012. 2. "Sha-Maison" refers to the rental housing brand where construction is undertaken by Sekisui House and management by the Sekiwa Real Estate Group.

"MAST CLUB" promoted by the Sekiwa Real Estate Group

As part of its promotional measures for new residents, the Sekiwa Real Estate Group is promoting the "MAST CLUB" to residents of rental housing managed by Sekiwa Real Estate companies, which provides members with life support and other services



MAST Point Service (free membership, no annual fees)

A maximum of 3 months of free rent will be given when relocating to a property managed by the Sekiwa Real Estate Group by giving points back by turning rent into points. Furthermore, there are some services for purchasing real estate.

[Reference] Portfolio Development Policy ~Changed Management Guidelines in June 2012~

Diversified Investment

Limited core assets to “residences,” clarified that “management-type residences (Note)” are included in residences and **expanded the focused investment areas** for residences in the **Greater Tokyo area**.

Note: Management-type residences are facilities operated by dedicated management companies and providing general services (student dorms, serviced housing for the elderly, pay nursing homes, etc.)

Diversified investment by asset class

- Work towards external growth based on **high-quality rental housing properties** developed by Sekisui House, the main sponsor, and aim to construct a portfolio **centering on residences**
- For retail facilities, focus on **stable management of currently owned properties**

Diversified investment by region

- Make **Greater Tokyo / Major Urban Areas** the focused investment area of the portfolio
- Fully utilize the **nationwide network of the Sekisui House Group** and also conduct diversified investments in other investment areas with careful selection

| | Allocation rate by asset class | Allocation rate by region | Specific area |
|----------------|--|--|---|
| Core assets | Residences 80%~100% [Management-type residences 0%~10%] | Greater Tokyo / Major Urban Areas (Focused investment area) About 70% | ①Tokyo 23 wards, Musashino-shi, Mitaka-shi, Koganei-shi ②Kanagawa Yokohama-shi, Kawasaki-shi |
| | | Greater Tokyo / Other Urban Areas Together with Greater Tokyo / Major Urban Areas about 80% | ① Tokyo areas (except islands) and Kanagawa other than the above ② Chiba, Saitama ③ Additional areas within commuting distance |
| | | Major Regional Cities About 20% | ① Sapporo-shi, Sendai-shi, Nagoya-shi, Kyoto-shi, Osaka-shi, Kobe-shi, Hiroshima-shi, Fukuoka-shi, etc. ② Additional areas within commuting distance |
| Balance assets | Retail facilities, etc. 0%~20% | Based on an assessment of the specific characteristics of each property, region and trade zone | |

(Note) About means ±10%

Residence Type

With regard to the types of rental housing that will be targets of investment, investment will be made in a wide range of rental housing types in order to respond to the various needs of residents.

Single/ Compact

Had already been positioned as a **main investment target**

Participate in the Sekisui House's development department's planning and development meeting as an observer

Family

Properties that are **expected to have stable profitability** considering their area's characteristics will be included as main investment target

Sekisui House has **extensive performance in development**

Large

Invest selectively after carefully analyzing the location's environment, etc.



6. Appendix



Balance Sheets (1)

| | 13th fiscal period (As of March 31, 2012) | | 14th fiscal period (As of September 30, 2012) | | Change | |
|---|--|------------------|--|------------------|---------------|----------------------|
| | Million yen | Percent of total | Million yen | Percent of total | Million yen | Period on period (%) |
| Assets | | | | | | |
| Current assets | | | | | | |
| Cash and deposits | 9,355 | | 1,747 | | -7,608 | |
| Cash and deposits in trust | 4,275 | | 4,327 | | 51 | |
| Operating accounts receivable | 132 | | 29 | | -103 | |
| Prepaid expenses | 124 | | 147 | | 22 | |
| Deferred tax assets | 0 | | 0 | | 0 | |
| Consumption tax receivable | - | | 124 | | 124 | |
| Other | 12 | | 24 | | 11 | |
| Allowance for doubtful accounts | -1 | | -1 | | -0 | |
| Total current assets | 13,900 | 12.3 | 6,399 | 5.6 | -7,501 | -54.0 |
| Noncurrent assets | | | | | | |
| Property, plant and equipment | | | | | | |
| Buildings in trust | 44,864 | | 49,910 | | 5,046 | |
| Accumulated depreciation | -6,019 | | -6,708 | | -688 | |
| Buildings in trust, net | 38,845 | | 43,202 | | 4,357 | |
| Structures in trust | 324 | | 380 | | 56 | |
| Accumulated depreciation | -87 | | -99 | | -11 | |
| Structures in trust, net | 236 | | 281 | | 44 | |
| Machinery and equipment in trust | 518 | | 553 | | 34 | |
| Accumulated depreciation | -161 | | -180 | | -19 | |
| Machinery and equipment in trust, net | 357 | | 372 | | 15 | |
| Tools, furniture and fixtures in trust | 53 | | 62 | | 8 | |
| Accumulated depreciation | -17 | | -22 | | -4 | |
| Tools, furniture and fixtures in trust, net | 35 | | 39 | | 3 | |
| Land in trust | 58,587 | | 63,054 | | 4,467 | |
| Total property, plant and equipment | 98,062 | 86.9 | 106,949 | 93.7 | 8,887 | 9.1 |
| Intangible assets | | | | | | |
| Leasehold rights in trust | 164 | | 162 | | -2 | |
| Other | 4 | | 3 | | -0 | |
| Total intangible assets | 168 | 0.2 | 165 | 0.1 | -2 | -1.6 |
| Investments and other assets | | | | | | |
| Investment securities | 206 | | 195 | | -10 | |
| Lease and guarantee deposits | 241 | | 235 | | -6 | |
| Long-term prepaid expenses | 127 | | 128 | | 1 | |
| Other | 93 | | 100 | | 6 | |
| Total investments and other assets | 669 | 0.6 | 660 | 0.6 | -9 | -1.4 |
| Total noncurrent assets | 98,900 | 87.7 | 107,775 | 94.4 | 8,875 | 9.0 |
| Total Assets | 112,800 | 100.0 | 114,174 | 100.0 | 1,374 | 1.2 |

Balance Sheets (2)

| | 13th fiscal period (As of March 31, 2012) | | 14th fiscal period (As of September 30, 2012) | | Change | |
|--|--|------------------|--|------------------|---------------|----------------------|
| | Million yen | Percent of total | Million yen | Percent of total | Million yen | Period on period (%) |
| Liabilities | | | | | | |
| Current liabilities | | | | | | |
| Operating accounts payable | 144 | | 168 | | 23 | |
| Short-Term loans payable | - | | 1,500 | | 1,500 | |
| Current portion of long-term loans payable | 13,929 | | 15,342 | | 1,413 | |
| Accounts payable – other | 352 | | 347 | | -4 | |
| Accrued expenses | 78 | | 70 | | -7 | |
| Income taxes payable | 1 | | 1 | | -0 | |
| Consumption taxes payable | 139 | | - | | -139 | |
| Advances received | 365 | | 359 | | -6 | |
| Other | 5 | | 6 | | 0 | |
| Total current liabilities | 15,017 | 13.3 | 17,796 | 15.6 | 2,779 | 18.5 |
| Noncurrent liabilities | | | | | | |
| Long-term loans payable | 43,646 | | 42,233 | | -1,413 | |
| Tenant leasehold and security deposits in trust | 2,449 | | 2,431 | | -18 | |
| Total noncurrent liabilities | 46,095 | 40.9 | 44,664 | 39.1 | -1,431 | -3.1 |
| Total Liabilities | 61,112 | 54.2 | 62,460 | 54.7 | 1,347 | 2.2 |
| Net Assets | | | | | | |
| Unitholders' equity | | | | | | |
| Unitholders' capital | 50,523 | 44.8 | 50,523 | 44.3 | - | - |
| Surplus | | | | | | |
| Unappropriated retained earnings (undisposed loss) | 1,164 | | 1,191 | | 26 | |
| Total surplus | 1,164 | 1.0 | 1,191 | 1.0 | 26 | 2.3 |
| Total unitholders' equity | 51,687 | 45.8 | 51,714 | 45.3 | 26 | 0.1 |
| Total Net Assets | 51,687 | 45.8 | 51,714 | 45.3 | 26 | 0.1 |
| Total Liabilities and Net Assets | 112,800 | 100.0 | 114,174 | 100.0 | 1,374 | 1.2 |

Statements of Income

| | 13th fiscal period from October 1, 2011 to March 31, 2012 | | 14th fiscal period from April 1, 2012 to September 30, 2012 | | Change | |
|--|---|------------------|---|------------------|-------------|-------------------------|
| | Million yen | Percent of total | Million yen | Percent of total | Million yen | Period on period (%) |
| Operating revenue | | | | | | |
| Rent revenue - real estate | 3,645 | | 3,562 | | -82 | |
| Gain on sales of real estate properties | 60 | | - | | -60 | |
| Silent partnership distribution | - | | 4 | | 4 | |
| Total operating revenue | 3,705 | 100.0 | 3,567 | 100.0 | -138 | -3.7 |
| Operating expenses | | | | | | |
| Expenses related to rent business | 1,550 | | 1,528 | | -22 | |
| Loss on sales of real estate properties | 187 | | - | | -187 | |
| Asset management fee | 221 | | 219 | | -2 | |
| Asset custody fee | 10 | | 11 | | 0 | |
| Administrative service fees | 25 | | 25 | | 0 | |
| Directors' compensations | 3 | | 3 | | - | |
| Provision of allowance for doubtful accounts | 0 | | 0 | | 0 | |
| Other operating expenses | 105 | | 114 | | 8 | |
| Total operating expenses | 2,104 | 56.8 | 1,903 | 53.4 | -201 | -9.6 |
| Operating income | 1,600 | 43.2 | 1,663 | 46.6 | 63 | 4.0 |
| Non-operating income | | | | | | |
| Interest income | 0 | | 0 | | 0 | |
| Reversal of distributions payable | 0 | | 0 | | -0 | |
| Total non-operating income | 0 | 0.0 | 0 | 0.0 | -0 | -5.1 |
| Non-operating expenses | | | | | | |
| Interest expenses | 330 | | 366 | | 36 | |
| Interest expenses on investment corporation bonds | 46 | | - | | -46 | |
| Amortization of investment corporation bond issuance costs | 1 | | - | | -1 | |
| Borrowing related expenses | 56 | | 62 | | 6 | |
| Investment unit issuance expenses | - | | 39 | | 39 | |
| Other | 0 | | 2 | | 1 | |
| Total non-operating expenses | 435 | 11.7 | 471 | 13.1 | 35 | 8.2 |
| Ordinary Income | 1,165 | 31.5 | 1,193 | 33.5 | 27 | 2.4 |
| Income before Income Taxes | 1,165 | 31.5 | 1,193 | 33.5 | 27 | 2.4 |
| Income taxes - current | 1 | | 2 | | 0 | |
| Income taxes - deferred | -0 | | -0 | | -0 | |
| Total income taxes | 1 | 0.1 | 2 | 0.1 | 0 | 54.1 |
| Net Income | 1,164 | 31.4 | 1,191 | 33.4 | 26 | 2.3 |
| Retained earnings brought forward | 0 | | 0 | | -0 | |
| Unappropriated Retained Earnings (undisposed loss) | 1,164 | 31.4 | 1,191 | 33.4 | 26 | 2.3 |

Statements of Cash Flows / Cash Distributions

Statements of Cash Flows

| | 13th fiscal period from October 1, 2011 to March 31, 2012 | 14th fiscal period from April 1, 2012 to September 30, 2012 |
|---|--|--|
| | Million yen | Million yen |
| Net cash provided by (used in) operating activities | | |
| Income before income taxes | 1,165 | 1,193 |
| Depreciation and amortization | 695 | 727 |
| Amortization of investment corporation bond issuance costs | 1 | - |
| Increase (decrease) in allowance for doubtful accounts | -0 | 0 |
| Interest income | -0 | -0 |
| Interest expenses | 376 | 366 |
| Decrease (increase) in operating accounts receivable | -88 | 103 |
| Decrease (increase) in prepaid expenses | 50 | -29 |
| Increase (decrease) in consumption tax receivable | - | -124 |
| Increase (decrease) in operating accounts payable | -85 | 16 |
| Increase (decrease) in accounts payable - other | 45 | -48 |
| Increase (decrease) in consumption taxes payable | 122 | -139 |
| Increase (decrease) in advances received | -66 | -6 |
| Decrease (increase) in long-term prepaid expenses | -7 | 5 |
| Decrease (increase) from sale of property, plant and equipment in trust | 9,446 | - |
| Other, net | -10 | 31 |
| Subtotal | 11,646 | 2,094 |
| Interest income received | 0 | 0 |
| Interest expenses paid | -374 | -374 |
| Income taxes paid | -0 | -2 |
| Net cash provided by (used in) operating activities | 11,271 | 1,718 |

| | 13th fiscal period from October 1, 2011 to March 31, 2012 | 14th fiscal period from April 1, 2012 to September 30, 2012 |
|--|--|--|
| | Million yen | Million yen |
| Net cash provided by (used in) investment activities | | |
| Purchase of property, plant and equipment in trust | -4,546 | -9,600 |
| Purchase of intangible assets in trust | -164 | -0 |
| Purchase of investment securities | -205 | -0 |
| Proceeds from refund of investment securities | - | 10 |
| Provision of lease and guarantee deposits | -231 | - |
| Proceeds from repayments of lease and guarantee deposits | - | 6 |
| Proceeds from tenant leasehold and security deposits in trust received | 110 | 155 |
| Repayments of tenant leasehold and security deposits in trust received | -1,733 | -173 |
| Decrease (increase) in investments and other assets | -5 | -6 |
| Other | - | -0 |
| Net cash provided by (used in) investment activities | -6,776 | -9,608 |
| Net cash provided by (used in) financing activities | | |
| Proceeds from short-term loans | - | 1,500 |
| Proceeds from long-term loans payable | 9,700 | 6,587 |
| Repayments of long-term loans payable | - | -6,587 |
| Redemption of investment corporation bonds | -5,000 | - |
| Dividends paid | -1,156 | -1,164 |
| Other | - | -2 |
| Net cash provided by (used in) financing activities | 3,543 | 333 |
| Net increase (decrease) in cash and cash equivalents | 8,037 | -7,557 |
| Cash and cash equivalents at beginning of period | 5,593 | 13,631 |
| Cash and cash equivalents at end of period | 13,631 | 6,074 |

Cash Distributions

| | 13th fiscal period from October 1, 2011 to March 31, 2012 | 14th fiscal period from April 1, 2012 to September 30, 2012 |
|---------------------------------------|---|---|
| | Yen | Yen |
| I Unappropriated retained earnings | 1,164,203,769 | 1,191,116,731 |
| II Cash distributions | 1,164,163,190 | 1,191,089,570 |
| (Cash distributions per unit) | (10,117) | (10,351) |
| III Retained earnings brought forward | 40,579 | 27,161 |

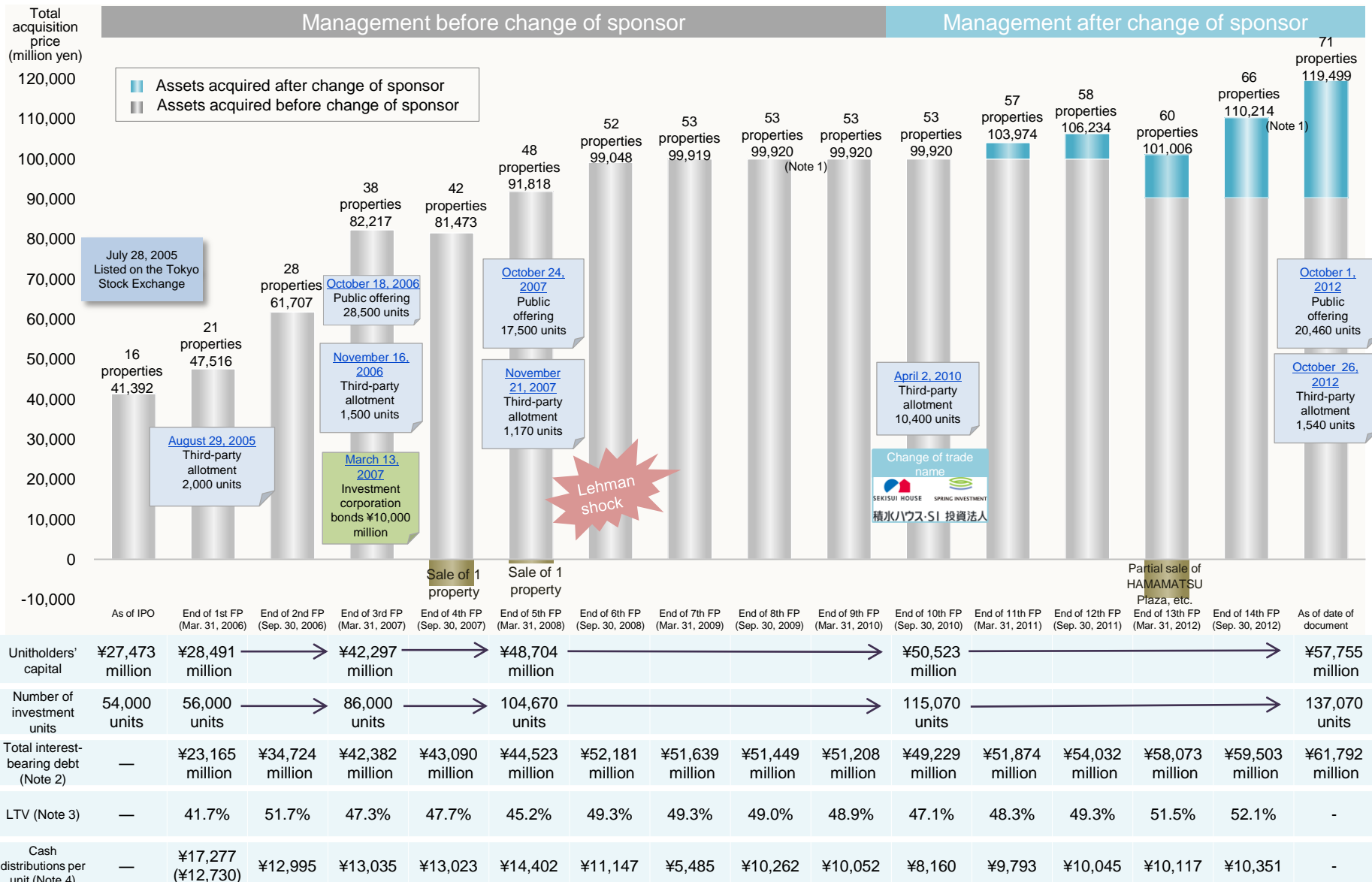
Summary of Selected Financial Data

| | 13th fiscal period from October 1, 2011 to March 31, 2012 | 14th fiscal period from April 1, 2012 to September 30, 2012 |
|--|---|---|
| Business days | 183 | 183 |
| Total assets | 112,800 million yen | 114,174 million yen |
| Net assets | 51,687 million yen | 51,714 million yen |
| Unitholders' capital | 50,523 million yen | 50,523 million yen |
| Investment units outstanding | 115,070 units | 115,070 units |
| Net assets per unit | 449,183 yen | 449,417 yen |
| Total cash distributions | 1,164 million yen | 1,191 million yen |
| Cash distributions per unit | 10,117 yen | 10,351 yen |
| Ordinary income to total assets ¹ (annualized) | 2.1% | 2.1% |
| Return on unitholders' equity ² (annualized) | 4.5% | 4.6% |
| Unitholders' equity ratio ³ | 45.8% | 45.3% |
| Total number of properties | 60 | 66 |
| Total rentable floor area | 237,289.73m ² | 259,178.31m ² |
| Period-end occupancy rate | 98.3% | 97.7% |
| Depreciation expense | 695 million yen | 727 million yen |
| Capital expenditures | 30 million yen | 51 million yen |
| Leasing Net Operating Income ⁴ (NOI) | 2,789 million yen | 2,761 million yen |
| Funds from Operation ⁵ (FFO) | 1,986 million yen | 1,918 million yen |
| FFO per unit | 17,265 yen | 16,674 yen |
| Total interest-bearing debt | 58,073 million yen | 59,503 million yen |
| Loan to Value ⁶ (LTV) | 51.5% | 52.1% |
| Interest-bearing debt ratio ⁷ | 53.5% | 54.1% |
| Debt Service Coverage Ratio ⁸ (DSCR) | 4.7 times | 5.4 times |

- (1) Ordinary income to total assets = Ordinary income (annualized) / Average total assets
Average total assets = (Period-beginning total assets + Period-end total assets) / 2
- (2) Return on unitholders' equity = Net income (annualized) / Average net assets
Average net assets = (Period-beginning net assets + Period-end net assets) / 2
- (3) Unitholders' equity ratio = Period-end net assets / Period-end total assets
- (4) Leasing NOI = Leasing operating income (= Rent revenue-real estate – Expenses related to rent business) + Depreciation and amortization (Expenses related to rent business)
- (5) FFO = Net income – Gain on sales of real estate properties + Loss on sales of real estate properties + Depreciation and amortization
- (6) LTV = Period-end interest-bearing debt / Period-end total assets
Interest-bearing debt = Borrowings + Investment corporation bonds + Interest-bearing tenant leasehold and security deposits
- (7) Interest-bearing debt ratio = Period-end interest-bearing debt / (Period-end interest-bearing debt + Unitholders' capital)
- (8) DSCR = (Net income + Repayment of interest-bearing debt + Interest expenses + Depreciation and amortization) / (Repayment of interest-bearing debt + Interest expenses)

Note: Ratios are rounded to the nearest first decimal place.

History of the Investment Corporation since Listing

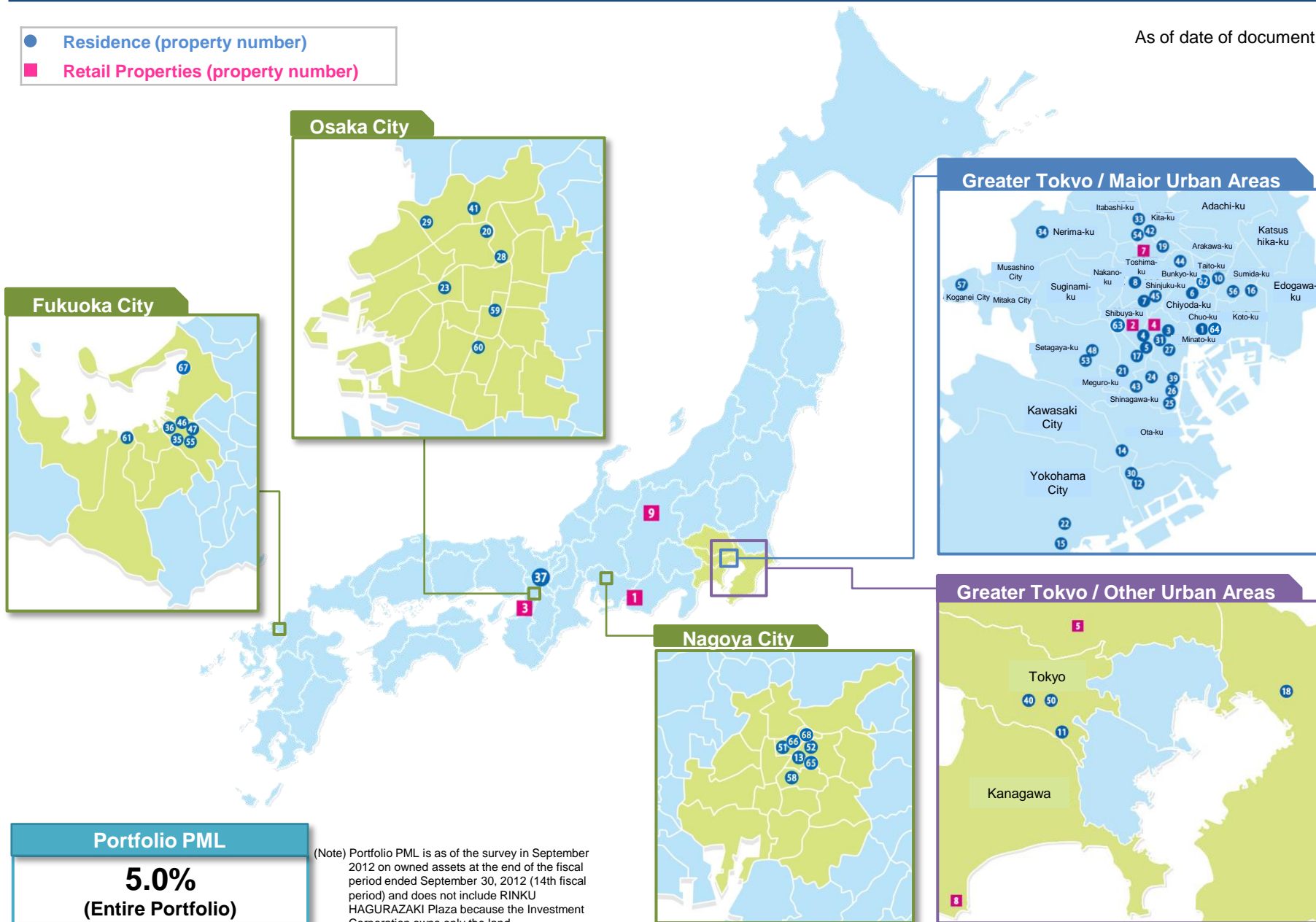


Notes: 1. With regard to Bell Plaza Shopping Center acquired in the fiscal period ended March 31, 2008, the former waterway on site, adjacent signboards and the site itself were additionally acquired at a total of ¥1 million during the fiscal period ended September 30, 2009. Also, the building additionally built on the site was additionally acquired on June 29, 2012 for ¥18 million.
 2. Total interest-bearing debt = Loans payable + Investment corporation bonds + Interest-bearing tenant leasehold and security deposits
 3. LTV = Period-end interest-bearing debt / Period-end total assets
 4. The operating period for the first fiscal period was the 346 days between April 20, 2005 and March 31, 2006. The actual management period was the 247 days between July 28, 2005 and March 31, 2006. In order to compare with the successive fiscal periods, the figure calculated with the number of management days as 182 is indicated in parentheses.

Portfolio Map (1)

- Residence (property number)
- Retail Properties (property number)

As of date of document

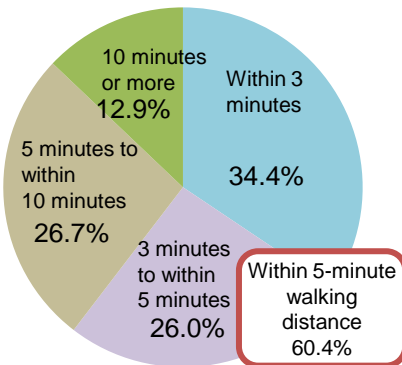


Portfolio PML
5.0%
 (Entire Portfolio)

(Note) Portfolio PML is as of the survey in September 2012 on owned assets at the end of the fiscal period ended September 30, 2012 (14th fiscal period) and does not include RINKU HAGURAZAKI Plaza because the Investment Corporation owns only the land.

Status of Portfolio ~Residence~

Investment Ratios by Walking Distance



As of date of document

Primary Properties Owned

Greater Tokyo / Major Urban Areas

Esty Maison GINZA



Esty Maison OISENDAIZAKA



Esty Maison YOKOHAMA



Prime Maison GINZA EAST



Greater Tokyo / Other Urban Areas

Esty Maison MACHIDA



Prime Maison MUSASHINONOMORI



Major Regional Cities

Prime Maison HIGASHISAKURA

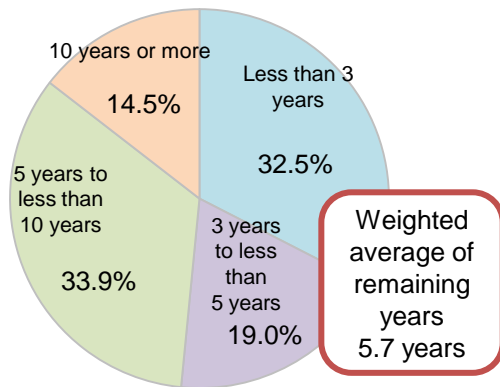


MAST HAKATA



Status of Portfolio ~Retail Properties~

Remaining contract period



As of End of fiscal period ended September 30, 2012

Properties Owned

Greater Tokyo / Major Urban Areas

b-town JINGUMAE II



b-town MINAMIAOYAMA



Greater Tokyo / Other Urban Areas

b-toss IKEBUKURO



KOJIMA NEW KAMIFUKUOKATEN



Joy Square YUGAWARA



Major Regional Cities

HAMAMATSU Plaza



RINKU HAGURAZAKI Plaza



Bell Plaza Shopping Center



(Note) The weighted average of remaining years is based on tenant lease agreements effective as of the end of the period ended September 30, 2012 (end of 14th fiscal period) and calculated by seeking the weighted average with the highest shop rent (excluding sales rent) during the lease period, and are rounded down to the nearest first decimal place.

Portfolio at a Glance (1)

Properties Owned as of September 30, 2012

| Property No. | Property Name | Location | Site Area (m ²) | Total Floor Area (m ²) | Acquisition Price | | Appraisal Value at End of Period (Million yen) | Occupancy Rate (%) | | Completion Date |
|--------------|--------------------------------|---|-----------------------------|------------------------------------|---------------------|-----------|--|---------------------|---------------------|-------------------|
| | | | | | Price (Million yen) | Ratio (%) | | As of Mar. 31, 2012 | As of Sep. 30, 2012 | |
| Residence-1 | Esty Maison GINZA | Ginza, Chuo-ku, Tokyo | 636.36 | 7,836.57 | 5,290 | 4.8 | 5,260 | 99.2 | 94.5 | February 7, 2005 |
| Residence-3 | Esty Maison AZABUNAGASAKA | Roppongi, Minato-ku, Tokyo | 677.45 | 2,317.87 | 1,730 | 1.6 | 1,490 | 96.0 | 94.2 | January 16, 2004 |
| Residence-4 | Esty Maison EBISU II | Higashi, Shibuya-ku, Tokyo | 561.58 | 2,452.69 | 1,960 | 1.8 | 1,730 | 92.6 | 87.6 | June 13, 2003 |
| Residence-5 | Esty Maison EBISU | Hiroo, Shibuya-ku, Tokyo | 169.00 | 871.90 | 700 | 0.6 | 736 | 96.1 | 96.8 | October 20, 2004 |
| Residence-6 | Esty Maison KANDA | Kandata-cho, Chiyoda-ku, Tokyo | 307.69 | 2,028.19 | 1,360 | 1.2 | 1,260 | 98.7 | 100.0 | February 20, 2004 |
| Residence-7 | Esty Maison SENDAGAYA | Daikyo-cho, Shinjuku-ku, Tokyo | 340.49 | 844.13 | 576 | 0.5 | 471 | 96.2 | 87.1 | August 31, 2004 |
| Residence-8 | Esty Maison KITASHINJUKU | Kita-shinjuku, Shinjuku-ku, Tokyo | 504.41 | 2,204.07 | 1,290 | 1.2 | 1,350 | 92.7 | 95.0 | August 6, 2004 |
| Residence-10 | Esty Maison ASAKUSAKOMAGATA | Komagata, Taito-ku, Tokyo | 663.54 | 3,406.10 | 1,870 | 1.7 | 1,820 | 93.6 | 92.8 | July 28, 2004 |
| Residence-11 | Esty Maison MACHIDA | Hara-machida, Machida-shi, Tokyo | 587.48 | 4,033.59 | 1,360 | 1.2 | 1,360 | 94.4 | 100.0 | February 23, 2004 |
| Residence-12 | Esty Maison KAWASAKI | Ogawa-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa | 683.69 | 4,656.10 | 2,130 | 1.9 | 2,170 | 97.3 | 90.1 | July 15, 2004 |
| Residence-13 | Esty Maison IMAIKE | Imaie, Chikusa-ku, Nagoya-shi, Aichi | 360.54 | 1,375.76 | 300 | 0.3 | 196 | 91.9 | 87.2 | October 15, 1991 |
| Residence-14 | Esty Maison SHINKAWASAKI | Furuichiba, Saiwai-ku, Kawasaki-shi, Kanagawa | 1,992.09 | 3,737.47 | 1,018 | 0.9 | 981 | 100.0 | 100.0 | March 5, 1999 |
| Residence-15 | Esty Maison YOKOHAMA | Tsuruya-cho, Kanagawa-ku, Yokohama-shi, Kanagawa | 611.41 | 3,076.45 | 2,090 | 1.9 | 1,930 | 100.0 | 100.0 | January 23, 2007 |
| Residence-16 | Esty Maison KAMEIDO | Kameido, Koto-ku, Tokyo | 438.43 | 2,899.67 | 1,650 | 1.5 | 1,440 | 98.0 | 96.9 | November 30, 2005 |
| Residence-17 | Esty Maison MEGURO | Mita, Meguro-ku, Tokyo | 578.01 | 1,283.92 | 887 | 0.8 | 978 | 100.0 | 97.5 | November 28, 2005 |
| Residence-18 | Esty Maison YACHIYOMIDORIGAOKA | Midorigaoka, Yachiyo-shi, Chiba | 1,289.14 | 5,420.53 | 1,348 | 1.2 | 1,090 | 100.0 | 95.3 | January 10, 1998 |
| Residence-19 | Esty Maison SUGAMO | Sugamo, Toshima-ku, Tokyo | 965.70 | 2,785.83 | 1,510 | 1.4 | 1,410 | 97.3 | 84.4 | February 22, 2007 |
| Residence-20 | Esty Maison KYOBASHI | Higashinoda-cho, Miyakojima-ku, Osaka-shi, Osaka | 799.68 | 5,995.82 | 2,774 | 2.5 | 2,610 | 98.9 | 100.0 | March 2, 2006 |
| Residence-21 | Esty Maison MEGUROHONCHO | Megurohoncho, Meguro-ku, Tokyo | 865.22 | 1,975.84 | 1,220 | 1.1 | 969 | 100.0 | 93.8 | February 22, 2006 |
| Residence-22 | Esty Maison HAKURAKU | Rokkakubashi, Kanagawa-ku, Yokohama-shi, Kanagawa | 457.54 | 1,593.68 | 844 | 0.8 | 811 | 98.0 | 100.0 | February 2, 2006 |
| Residence-23 | Esty Maison MINAMIHORIE | Minamihorie, Nishi-ku, Osaka-shi, Osaka | 475.06 | 1,994.14 | 1,055 | 1.0 | 930 | 100.0 | 96.8 | February 19, 2007 |
| Residence-24 | Spacia GOTANDA (Note 5) | Nishi-gotanda, Shinagawa-ku, Tokyo | 593.32 | 5,590.34 | 3,043 | 2.8 | 2,620 | 93.2 | 98.7 | March 2, 2006 |
| Residence-25 | Esty Maison OISENDAIZAKA | Higashi-oi, Shinagawa-ku, Tokyo | 558.39 | 3,440.73 | 2,440 | 2.2 | 2,330 | 97.6 | 94.3 | August 10, 2006 |
| Residence-26 | Esty Maison SHINAGAWA SEASIDE | Higashi-Shinagawa, Shinagawa-ku, Tokyo | 1,049.00 | 3,127.48 | 2,200 | 2.0 | 1,940 | 99.0 | 97.1 | June 23, 2006 |
| Residence-27 | Esty Maison MINAMIAZABU | Minamiaزابu, Minato-ku, Tokyo | 487.27 | 1,479.61 | 1,300 | 1.2 | 1,110 | 96.2 | 94.2 | August 23, 2006 |
| Residence-28 | Esty Maison JYOUTOU | Noe, Jyoutou-ku, Osaka-shi, Osaka | 740.49 | 2,232.26 | 1,075 | 1.0 | 916 | 96.8 | 98.5 | August 31, 2006 |
| Residence-29 | Esty Maison TSUKAMOTO | Tsukamoto, Yodogawa-ku, Osaka-shi, Osaka | 808.54 | 2,565.66 | 1,250 | 1.1 | 1,030 | 100.0 | 99.0 | August 10, 2006 |
| Residence-30 | Esty Maison KAWASAKI II | Ogawa-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa | 601.38 | 3,193.14 | 1,900 | 1.7 | 1,820 | 97.7 | 100.0 | February 27, 2007 |
| Residence-31 | Esty Maison AZABUJUBAN | Azabujuban, Minato-ku, Tokyo | 380.26 | 2,097.45 | 2,700 | 2.4 | 2,250 | 94.5 | 98.7 | February 22, 2007 |

Portfolio at a Glance (2)

| Property No. | Property Name | Location | Site Area (m ²) | Total Floor Area (m ²) | Acquisition Price | | Appraisal Value at End of Period (Million yen) | Occupancy Rate (%) | | Completion Date |
|----------------------|---------------------------------------|---|-----------------------------|------------------------------------|---------------------|-----------|--|---------------------|---------------------|-------------------|
| | | | | | Price (Million yen) | Ratio (%) | | As of Mar. 31, 2012 | As of Sep. 30, 2012 | |
| Residence-33 | Esty Maison ITABASHIHONCHO | Yamato-cho, Itabashi-ku, Tokyo | 220.85 | 1,446.78 | 1,000 | 0.9 | 847 | 100.0 | 95.3 | February 27, 2007 |
| Residence-34 | Esty Maison OIZUMIGAKUEN | Higashi-Oizumi, Nerima-ku, Tokyo | 618.00 | 1,542.16 | 871 | 0.8 | 742 | 100.0 | 94.6 | February 22, 2007 |
| Residence-35 | Esty Maison TENJINHIGASHI I | Susaki-machi, Hakata-ku, Fukuoka-shi, Fukuoka | 239.18 | 1,158.70 | 445 | 0.4 | 357 | 100.0 | 100.0 | January 31, 2007 |
| Residence-36 | Esty Maison TENJINHIGASHI II | Susaki-machi, Hakata-ku, Fukuoka-shi, Fukuoka | 514.89 | 2,108.69 | 840 | 0.8 | 662 | 97.6 | 100.0 | May 23, 2007 |
| Residence-37 | Esty Maison SHIJONISHINOTOIN | Myodenji-cho, Shijo-sagaru, Nishinotoin-dori, Shimogyo-ku, Kyoto-shi, Kyoto | 400.59 | 3,374.74 | 1,420 | 1.3 | 1,020 | 97.7 | 97.7 | April 8, 2008 |
| Residence-39 | Esty Maison HIGASHISHINAGAWA | Higashi-Shinagawa, Shinagawa-ku, Tokyo | 1,028.92 | 3,338.12 | 2,610 | 2.4 | 2,170 | 99.2 | 92.5 | May 23, 2008 |
| Residence-40 | Esty Maison HACHIOJIMINAMINO | Nishikatakura, Hachioji-shi, Tokyo | 1,134.50 | 2,243.06 | 1,000 | 0.9 | 941 | 87.2 | 89.5 | March 6, 2007 |
| Residence-41 | Esty Maison NISHINAKAJIMA | Higashinakajima, Higashiyodogawa-ku, Osaka-shi, Osaka | 969.02 | 3,947.24 | 2,250 | 2.0 | 1,860 | 99.2 | 95.5 | April 18, 2007 |
| Residence-42 | Esty Maison ITABASHIKUYAKUSHOMAE | Itabashi, Itabashi-ku, Tokyo | 731.71 | 4,322.19 | 2,700 | 2.4 | 2,270 | 95.2 | 98.4 | April 22, 2007 |
| Residence-43 | Esty Maison MUSASHIKOYAMA (Note 5) | Ebara, Shinagawa-ku, Tokyo | 512.62 | 1,616.87 | 1,012 | 0.9 | 919 | 100.0 | 96.3 | November 5, 2007 |
| Residence-44 | Esty Maison SENDAGI (Note 5) | Sendagi, Bunkyo-ku, Tokyo | 250.44 | 1,239.10 | 757 | 0.7 | 623 | 97.3 | 93.1 | January 9, 2008 |
| Residence-45 | Esty Maison YOTSUYASAKAMACHI (Note 5) | Sakamachi, Shinjuku-ku, Tokyo | 905.08 | 3,675.01 | 2,300 | 2.1 | 1,770 | 96.7 | 96.3 | March 29, 2008 |
| Residence-46 | Esty Maison HAKATAHIGASHI | Yoshizuka, Hakata-ku, Fukuoka-shi, Fukuoka | 4,590.91 | 9,465.09 | 2,250 | 2.0 | 2,160 | 98.3 | 97.0 | November 21, 2007 |
| Residence-47 | Esty Maison KAMIGOFUKU | Kamigofukumachi, Hakata-ku, Fukuoka-shi, Fukuoka | 593.55 | 2,523.71 | 900 | 0.8 | 757 | 98.5 | 97.2 | March 14, 2008 |
| Residence-48 | Esty Maison SANGENJAYA | Sangenjaya, Setagaya-ku, Tokyo | 153.83 | 954.94 | 871 | 0.8 | 753 | 100.0 | 100.0 | January 22, 2008 |
| Residence-50 | Prime Maison MUSASHINONOMORI | Josuihoncho, Kodaira-shi, Tokyo | 5,116.62 | 4,412.42 | 1,560 | 1.4 | 1,690 | 94.0 | 98.7 | December 19, 2007 |
| Residence-51 | Prime Maison HIGASHISAKURA | Higashisakura, Higashi-ku, Nagoya-shi, Aichi | 846.05 | 3,517.62 | 1,140 | 1.0 | 1,240 | 95.6 | 98.6 | February 15, 2008 |
| Residence-52 | Prime Maison KAYABAKOEN | Kayaba, Chikusa-ku, Nagoya-shi, Aichi | 1,129.02 | 2,301.42 | 640 | 0.6 | 679 | 92.4 | 92.8 | November 7, 2006 |
| Residence-53 | Esty Maison SANGENJAYA II | Shimouma, Setagaya-ku, Tokyo | 473.85 | 1,006.89 | 714 | 0.6 | 743 | 97.0 | 95.0 | January 28, 2008 |
| Residence-54 | Mitezza C6 | Oyama-higashi-cho, Itabashi-ku, Tokyo | 773.48 | 5,249.34 | 2,260 | 2.1 | 2,300 | 96.8 | 94.3 | March 12, 2008 |
| Residence-55 | MAST HAKATA (Note 6) | Hakata Ekimae, Hakata-ku, Fukuoka-shi, Fukuoka | 2,457.01 | 11,621.67 | 1,920 | 1.7 | 2,070 | 100.0 | 100.0 | January 15, 2005 |
| Residence-56 | Esty Maison KINSHICHO | Kinshi, Sumida-ku, Tokyo | 338.57 | 1,718.10 | 1,050 | 1.0 | 1,131 | 93.1 | 100.0 | September 6, 2006 |
| Residence-57 | Esty Maison MUSASHIKOGANEI | Honcho, Koganei-shi, Tokyo | 520.25 | 2,676.36 | 1,450 | 1.3 | 1,550 | 86.3 | 94.2 | February 2, 2005 |
| Residence-58 | Prime Maison GOKISO | Ayuchitori, Showa-ku, Nagoya-shi, Aichi | 1,429.67 | 4,691.72 | 1,640 | 1.5 | 1,690 | - | 100.0 | October 28, 2008 |
| Residence-59 | Prime Maison YUHIGAOKA | Ueshio, Tennoji-ku, Osaka-shi, Osaka | 547.15 | 2,336.49 | 810 | 0.7 | 840 | - | 92.3 | February 16, 2007 |
| Residence-60 | Prime Maison KITATANABE | Kitatanabe, Higashisumiyoshi-ku, Osaka-shi, Osaka | 640.92 | 2,112.46 | 540 | 0.5 | 543 | - | 85.1 | June 13, 2006 |
| Residence-61 | Prime Maison MOMOCHIHAMAMA | Momochihama, Sawara-ku Fukuoka-shi, Fukuoka | 4,069.42 | 8,945.61 | 1,810 | 1.6 | 1,820 | - | 100.0 | February 29, 1996 |
| Residence-62 | Esty Maison AKIHABARA | Ueno, Taito-ku, Tokyo | 458.32 | 2,821.47 | 1,560 | 1.4 | 1,659 | - | 98.7 | February 24, 2006 |
| Residence-63 | Esty Maison SASAZUKA | Sasazuka, Shibuya-ku, Tokyo | 909.33 | 4,263.10 | 2,830 | 2.6 | 2,860 | - | 92.0 | September 7, 2004 |
| Residential Subtotal | | | 51,756.91 | 187,148.06 | 90,020 | 81.7 | 83,674 | 97.1 | 96.4 | |

Portfolio at a Glance (3)

| Property No. | Property Name | Location | Site Area (m ²) | Total Floor Area (m ²) | Acquisition Price | | Appraisal Value at End of Period (Million yen) | Occupancy Rate (%) | | Completion Date |
|-----------------|---------------------------------|--|-----------------------------|------------------------------------|---------------------|-----------|--|---------------------|---------------------|--------------------|
| | | | | | Price (Million yen) | Ratio (%) | | As of Mar. 31, 2012 | As of Sep. 30, 2012 | |
| Retail-1 | HAMAMATSU Plaza (Note 7) | Kaminishi-cho, Higashi-ku, Hamamatsu-shi, Shizuoka, etc. | 99,135.98 | 53,975.49 | 6,477 | 5.9 | 5,625 | 100.0 | 100.0 | (Note 7) |
| Retail-2 | b-town JINGUMAE II | Jingumae, Shibuya-ku, Tokyo | 283.83 | 499.67 | 1,043 | 0.9 | 891 | 100.0 | 100.0 | May 20, 2005 |
| Retail-3 | RINKU HAGURAZAKI Plaza (Note 8) | Tajiri-cho, Gashouji, Sennan-gun, Osaka, etc. | 53,231.66 | — | 4,697 | 4.3 | 4,410 | 100.0 | 100.0 | — |
| Retail-4 | b-town MINAMIAOYAMA | Minamiaoyama, Minato-ku, Tokyo | 385.32 | 797.63 | 1,530 | 1.4 | 1,140 | 92.3 | 100.0 | February 28, 2006 |
| Retail-5 | KOJIMA NEW KAMIFUKUOKATEN | Kamifukuoka, Fujimino-shi, Saitama | 4,877.90 | 3,413.40 | 1,300 | 1.2 | 1,120 | 100.0 | 100.0 | October 14, 1996 |
| Retail-7 | b-toss IKEBUKURO | Nishi-Ikebukuro, Toshima-ku, Tokyo | 223.38 | 1,474.21 | 1,980 | 1.8 | 1,540 | 88.8 | 77.5 | November 12, 2005 |
| Retail-8 | Joy Square YUGAWARA | Chuo, Yugawaramachi, Ashigarashimo-gun, Kanagawa | 5,425.13 | 6,326.53 | 1,810 | 1.6 | 1,510 | 100.0 | 100.0 | September 22, 2006 |
| Retail-9 | Bell Plaza Shopping Center | Nakamaruko, Ueda-shi, Nagano | 23,304.57 | 6,283.76 | 1,355 (Note 9) | 1.2 | 1,170 | 100.0 | 100.0 | (Note 9) |
| Retail Subtotal | | | 186,867.77 | 72,770.69 | 20,193 | 18.3 | 17,406 | 99.8 | 99.7 | |
| Portfolio Total | | | 238,624.68 | 259,918.75 | 110,214 | 100.0 | 101,080 | 98.3 | 97.7 | |

Owned as of September 30, 2012

66 properties

110,214 million yen

Acquired October 1, 2012 (15th fiscal period)

5 properties

9,285 million yen

Owned as of the date of this document (November 16, 2012)

71 properties

119,499 million yen

- Notes:
- Based on information as of September 30, 2012. Occupancy rates are rounded to the nearest first decimal place.
 - Concerning acquisition prices, amounts of less than one million yen are rounded down, and percentages indicate the portion of the portfolio's total acquisition price for properties owned and are rounded to the nearest first decimal place.
 - The listed site area, total floor area figures and completion dates are based on indications given in the register.
 - The appraisal value at end of period is the amount appraised based on either an appraisal by a real estate appraiser or the amount as found in a real estate price survey, rounded down to the nearest million yen.
 - The ratio of site rights (co-ownership rights) for Spacia GOTANDA, Esty Maison MUSASHIKOYAMA, Esty Maison SENDAGI and Esty Maison YOTSUYASAKAMACHI are 387,036/426,933, 117,678/127,609, 89,730/103,842 and 245,317/329,739, respectively. However, "Site Area" indicates the total land area of the real estate in trust, while "Total Floor Area" indicates the floor area of the entire building. The exclusive portions of the total floor area that the Investment Corporation has acquired are 3,637.18m², 1,148.58m², 867.27m² and 2,253.07m², respectively.
 - MAST HAKATA is a leasehold property with a general fixed-term land leasehold of a 50 year lease period which began on December 1, 2002, with the Urban Renaissance Agency as the land owner. As such, its "site area" is that which is indicated in the land leasehold agreement.
 - HAMAMATSU Plaza is a commercial complex comprised of five buildings (Ito-Yokado Building, Akachan Honpo Building, XEBIO Building, HAMAPLA Frespo Building and the management building) or Hamamatsu Plaza East and Hamamatsu Plaza West. Operations began after the property was acquired for ¥15,360 million on July 28, 2005, but a portion was sold on March 30, 2012. Since then, Sekisui House SI Investment Corporation has held a 49% quasi-co-ownership interest in the real estate trust beneficial interest of Hamamatsu Plaza East, but for "site area" and "total floor area" that for the entire Hamamatsu Plaza East are indicated. In addition, the HAMAPLA Frespo Building is not included in the "total floor space" because only the land is owned and leased (the buildings on it are owned by the tenants). As "acquisition price" and "appraisal value at end of period" are for the 49% quasi-co-ownership interest, they are not included in the sale portion. With regard to "completion date" the Ito-Yokado Building and management building were completed on November 7, 2000, and Akachan Honpo Building and XEBIO Building were completed on November 9, 2000. As HAMAPLA Frespo Building its "completion date" is not indicated because only the land is owned and leased (the buildings on it are owned by the tenants).
 - As for Rinku Hagurazaki Plaza, its "total floor area" and "completion date" are not indicated because only the land is owned and leased (the buildings on it are owned by the tenants).
 - With regard to Bell Plaza Shopping Center acquired in the fiscal period ended March 31, 2008, the former waterway on site, adjacent signboards and the site itself were additionally acquired at a total of ¥1 million during the fiscal period ended September 30, 2009. Also, the building additionally built on the site was additionally acquired on June 29, 2012 for ¥18 million. Bell-Plaza Shopping Center is commercial complex, with the center building and shop building completed on November 30, 1992, the restaurant building completed on July 12, 2006 and the separate crystal plaza building completed on June 26, 2012.

Overview of Interest-Bearing Debt (1)

Loans

As of date of document

| | Lender | Drawdown Date | Balance as of date of document (Note 1) | Interest Rate (Note 2) | Fixed/ Floating | Repayment Date | Use | Collateral |
|--|--|-------------------|---|------------------------|--------------------|-------------------|----------|------------|
| Short-Term loans payable | Mizuho Corporate Bank, Ltd. | September 5, 2012 | ¥750 million | 0.58000% | Floating | August 30, 2013 | (Note 4) | Unsecured |
| | Sumitomo Mitsui Banking Corporation | | ¥750 million | | | | | |
| | Mizuho Corporate Bank, Ltd. | October 1, 2012 | ¥1,150 million | 0.58000% | Floating | August 30, 2013 | (Note 4) | Unsecured |
| | Sumitomo Mitsui Banking Corporation | | ¥1,150 million | | | | | |
| | Subtotal | | ¥3,800 million | | | | | |
| Current portion of long-term loans payable | The 77 Bank, Ltd. | August 31, 2010 | ¥500 million | 1.12833% | Floating | February 28, 2013 | (Note 3) | Unsecured |
| | The Hiroshima Bank, Ltd. | | ¥500 million | | | | | |
| | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | | ¥2,200 million | | | | | |
| | Mitsubishi UFJ Trust and Banking Corporation | | ¥1,342 million | | | | | |
| | Mizuho Corporate Bank, Ltd. | October 1, 2010 | ¥500 million | 1.12833% | Floating | February 28, 2013 | (Note 4) | Unsecured |
| | Mizuho Trust & Banking Co., Ltd. | | ¥500 million | | | | | |
| | Mitsubishi UFJ Trust and Banking Corporation | | ¥1,300 million | | | | | |
| | Resona Bank, Ltd. | | ¥500 million | | | | | |
| | Aozora Bank, Ltd. | February 28, 2011 | ¥1,500 million | 1.02833% | Floating | August 31, 2013 | (Note 3) | Unsecured |
| | Mizuho Corporate Bank, Ltd. | | ¥600 million | | | | | |
| | Sumitomo Mitsui Banking Corporation | | ¥600 million | | | | | |
| | Sumitomo Mitsui Trust Bank, Limited | | ¥3,000 million | | | | | |
| | Mizuho Corporate Bank, Ltd. | June 10, 2011 | ¥100 million | 1.02833% | Floating | August 30, 2013 | (Note 4) | Unsecured |
| | Mizuho Trust & Banking Co., Ltd. | | ¥400 million | | | | | |
| | Sumitomo Mitsui Banking Corporation | | ¥500 million | | | | | |
| The Bank of Tokyo-Mitsubishi UFJ, Ltd. | ¥600 million | | | | | | | |
| Mitsubishi UFJ Trust and Banking Corporation | ¥200 million | | | | | | | |
| Resona Bank, Ltd. | ¥500 million | | | | | | | |
| | Subtotal | | ¥15,342 million | | | | | |
| Long-Term loans payable | The Senshu Ikeda Bank, Ltd. | July 30, 2010 | ¥500 million | 1.42000% | Fixed | February 28, 2014 | (Note 3) | Unsecured |
| | Mizuho Corporate Bank, Ltd. | | ¥1,205 million | | | | | |
| | Mizuho Trust & Banking Co., Ltd. | | ¥1,484 million | | | | | |
| | Sumitomo Mitsui Banking Corporation | | ¥2,146 million | | | | | |
| | Sumitomo Mitsui Trust Bank, Limited | | ¥2,000 million | | | | | |
| | Mitsubishi UFJ Trust and Banking Corporation | | ¥1,000 million | | | | | |
| | The Yamaguchi Bank, Ltd. | ¥500 million | | | | | | |
| | Resona Bank, Ltd. | February 28, 2011 | ¥1,300 million | 1.43000% | Fixed | August 31, 2014 | (Note 3) | Unsecured |
| | Mizuho Corporate Bank, Ltd. | | ¥4,954 million | | | | | |
| | Sumitomo Mitsui Banking Corporation | | ¥3,954 million | | | | | |
| | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | | ¥600 million | | | | | |
| | Development Bank of Japan Inc. | May 9, 2011 | ¥2,000 million | 1.57000% | Fixed | February 28, 2016 | (Note 3) | Unsecured |
| Mizuho Corporate Bank, Ltd. | ¥425 million | | | | | | | |
| Sumitomo Mitsui Banking Corporation | ¥425 million | | | | | | | |

Overview of Interest-Bearing Debt (2)

| | Lender | Drawdown Date | Balance as of date of document (Note 1) | Interest Rate (Note 2) | Fixed/ Floating | Repayment Date | Use | Collateral |
|-------------------------------------|--|------------------|---|------------------------|--------------------|-------------------|----------|------------|
| Long-Term loans payable | The Norinchukin Bank | July 29, 2011 | ¥1,500 million | 1.15900% | Fixed (Note 5) | February 27, 2015 | (Note 3) | Unsecured |
| | Mizuho Corporate Bank, Ltd. | | ¥500 million | | | | | |
| | Sumitomo Mitsui Banking Corporation | | ¥500 million | | | | | |
| | Resona Bank, Ltd. | | ¥950 million | | | | | |
| | The Senshu Ikeda Bank, Ltd. | February 1, 2012 | ¥500 million | 0.99850% | Fixed (Note 5) | February 27, 2015 | (Note 4) | Unsecured |
| | The Shizuoka Bank, Ltd. | | ¥500 million | | | | | |
| | The 77 Bank, Ltd. | | ¥500 million | | | | | |
| | Shinkin Central Bank | | ¥500 million | | | | | |
| | The Hiroshima Bank, Ltd. | | ¥500 million | | | | | |
| | Mizuho Corporate Bank, Ltd. | | ¥700 million | | | | | |
| | Aozora Bank, Ltd. | | ¥100 million | | | | | |
| | Shinkin Central Bank | March 2, 2012 | ¥100 million | 1.18975% | Fixed (Note 5) | February 28, 2017 | (Note 4) | Unsecured |
| | Mizuho Corporate Bank, Ltd. | | ¥200 million | | | | | |
| | Mizuho Trust & Banking Co., Ltd. | | ¥200 million | | | | | |
| | Sumitomo Mitsui Banking Corporation | | ¥200 million | | | | | |
| | Sumitomo Mitsui Trust Bank, Limited | | ¥100 million | | | | | |
| | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | | ¥100 million | | | | | |
| | Mitsubishi UFJ Trust and Banking Corporation | | ¥300 million | | | | | |
| | Resona Bank, Ltd. | | ¥200 million | | | | | |
| | Development Bank of Japan Inc. | | ¥1,200 million | | | | | |
| | The Bank of Fukuoka | | ¥500 million | | | | | |
| | Mizuho Corporate Bank, Ltd. | March 8, 2012 | ¥400 million | 1.19475% | Fixed (Note 5) | February 28, 2017 | (Note 6) | Unsecured |
| | Sumitomo Mitsui Banking Corporation | | ¥1,100 million | | | | | |
| | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | | ¥1,300 million | | | | | |
| | The Yamaguchi Bank, Ltd. | | ¥500 million | | | | | |
| | The Norinchukin Bank | | ¥2,352 million | | | | | |
| | Mizuho Corporate Bank, Ltd. | August 2, 2012 | ¥176 million | 0.95750% | Fixed (Note 5) | August 31, 2017 | (Note 3) | Unsecured |
| | Sumitomo Mitsui Banking Corporation | | ¥176 million | | | | | |
| | Development Bank of Japan Inc. | | ¥941 million | | | | | |
| | Mizuho Corporate Bank, Ltd. | August 2, 2012 | ¥1,470 million | 1.15475% | Fixed (Note 5) | February 28, 2019 | (Note 3) | Unsecured |
| Sumitomo Mitsui Banking Corporation | ¥1,470 million | | | | | | | |
| | Subtotal | | ¥42,233 million | | | | | |
| | Total loans | | ¥61,375 million | | | | | |

Interest-bearing Deposit

| | Counterparty | Acceptance Date | Balance as of date of document (Note 1) | Interest Rate (Note 2) | Fixed/Floating | Repayment Date | Use | Collateral |
|--|--------------------------------|-------------------|---|------------------------|----------------|---------------------------|-----|------------|
| | Ito-Yokado Co., Ltd. | November 30, 2000 | ¥416 million | 2.00000% | Fixed | October 31, 2015 (Note 7) | — | Secured |
| | Total interest-bearing deposit | | ¥416 million | | | | | |

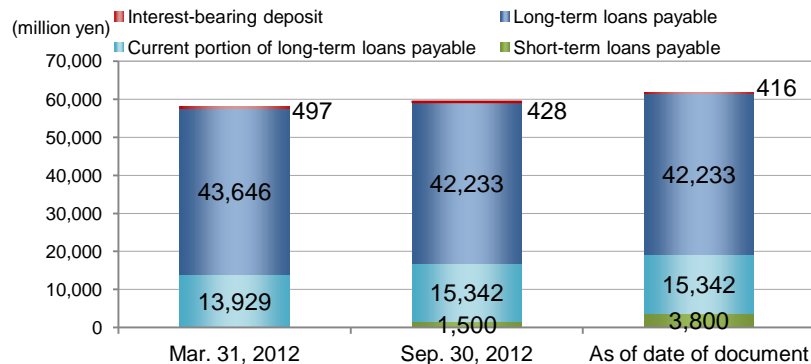
| | |
|------------------------------------|------------------------|
| Total interest-bearing debt | ¥61,792 million |
|------------------------------------|------------------------|

Note: 1. Amounts are rounded down to the nearest million yen. 2. Interest rates as of October 31, 2012 are indicated. 3. Repayment funds for existing borrowings. 4. Acquisition funds for trust beneficiary interest in real estate. 5. Interest rate swap agreements are concluded in order to avoid the risk of rising interest rates, and the interest rates indicated are the rates fixed with the interest rate swap agreements. 6. Redemption funds for second unsecured investment corporation bonds. 7. Repayment of ¥11,572,000 per month from March 2012.

Status of Interest-Bearing Debt

Overview of Interest-Bearing Debt

| | Balance at end of period | Average Interest Rate on Procurement (Note 2) | Balance as of date of document |
|----------------------------------|--------------------------|---|--------------------------------|
| Short-term loans payable | ¥1,500 million | 0.6% | ¥3,800 million |
| Long-term loans payable (Note 3) | ¥57,575 million | 1.2% | ¥57,575 million |
| Interest-bearing deposits | ¥428 million | 2.0% | ¥416 million |
| Investment corporation bonds | - million | -% | - million |
| Total interest-bearing debt | ¥59,503 million | 1.2% | ¥61,792 million |
| LTV (Note 4) | 52.1% | | |

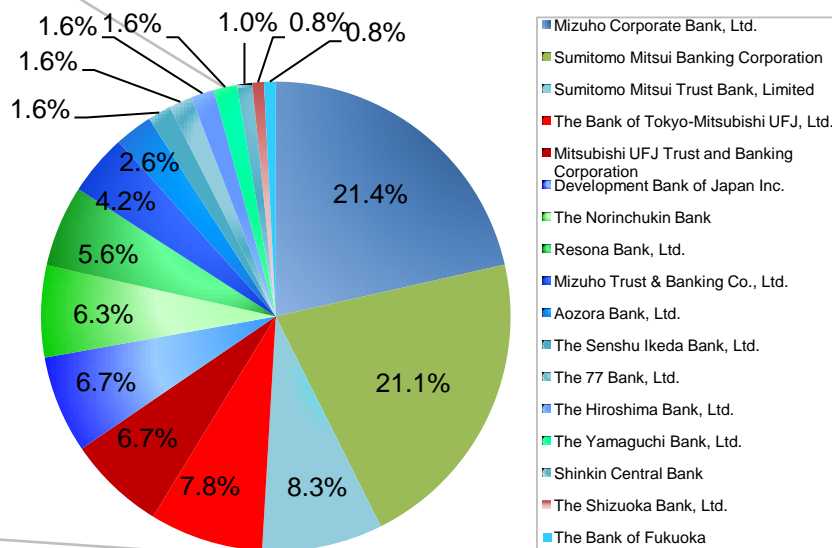


Loans Payable Outstanding by Financial Institution

As of date of document

| Financial Institution | Outstanding Balance | Share |
|--|---------------------|--------|
| Mizuho Corporate Bank, Ltd. | ¥13,132 million | 21.4% |
| Sumitomo Mitsui Banking Corporation | ¥12,973 million | 21.1% |
| Sumitomo Mitsui Trust Bank, Limited | ¥5,100 million | 8.3% |
| The Bank of Tokyo-Mitsubishi UFJ, Ltd. | ¥4,800 million | 7.8% |
| Mitsubishi UFJ Trust and Banking Corporation | ¥4,142 million | 6.7% |
| Development Bank of Japan Inc. | ¥4,141 million | 6.7% |
| The Norinchukin Bank | ¥3,852 million | 6.3% |
| Resona Bank, Ltd. | ¥3,450 million | 5.6% |
| Mizuho Trust & Banking Co., Ltd. | ¥2,584 million | 4.2% |
| Aozora Bank, Ltd. | ¥1,600 million | 2.6% |
| The Senshu Ikeda Bank, Ltd. | ¥1,000 million | 1.6% |
| The 77 Bank, Ltd. | ¥1,000 million | 1.6% |
| The Hiroshima Bank, Ltd. | ¥1,000 million | 1.6% |
| The Yamaguchi Bank, Ltd. | ¥1,000 million | 1.6% |
| Shinkin Central Bank | ¥600 million | 1.0% |
| The Shizuoka Bank, Ltd. | ¥500 million | 0.8% |
| The Bank of Fukuoka | ¥500 million | 0.8% |
| Total debt | ¥61,375 million | 100.0% |

Well balanced bank formation centering on major domestic financial institutions



Notes: 1. Concerning figures in the graphs and tables above, amounts of less than one million yen are rounded down and percentage figures are rounded to the nearest first decimal place. Accordingly, the ratio totals may not add up to 100%.

2. The average interest rate on procurement is the weighted average of applied interest rates as of September 30, 2012, and the figures are rounded to the nearest first decimal place.

3. Includes current portion of long-term loans payable.

4. LTV = Period-end total interest-bearing debt / Period-end total assets (Interest-bearing debt = Borrowings + Investment corporation bonds + Interest-bearing leasehold and security deposits)

Overview of Unitholders as of September 30, 2012

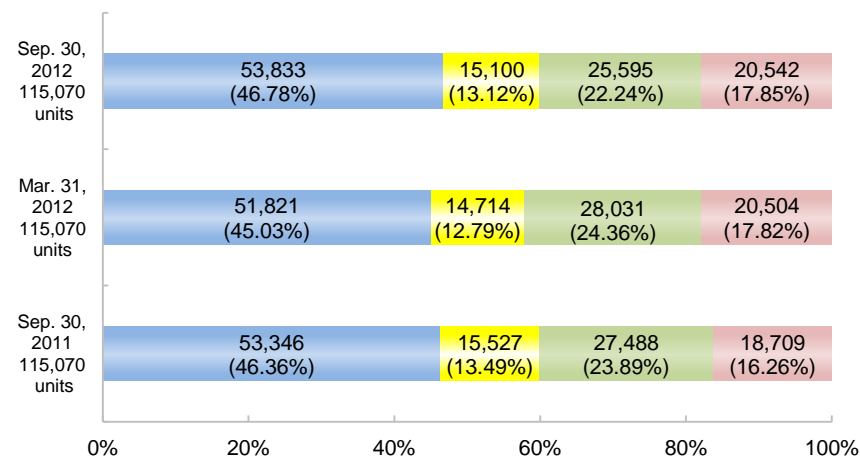
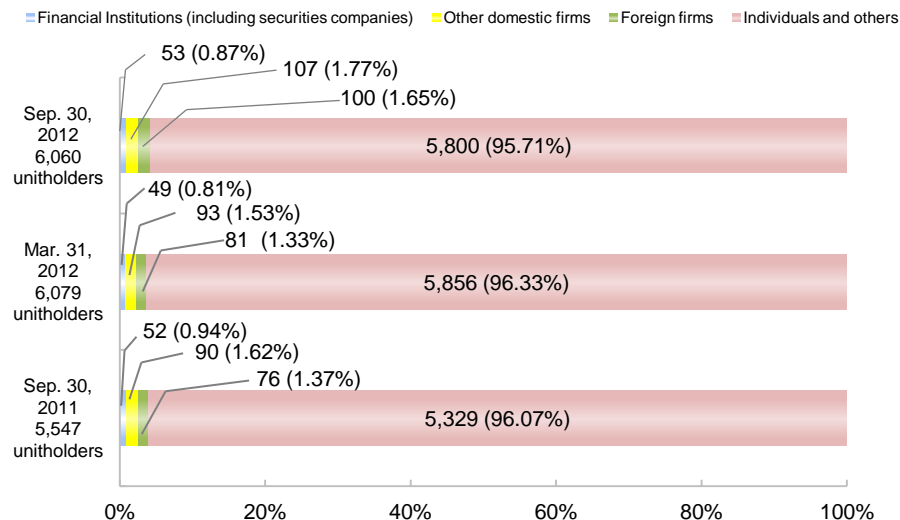
Major Unitholders

| Name / Company Name | Investment Units Owned (units) | Ownership of Investment Units Outstanding (%) |
|---|--------------------------------|---|
| Japan Trustee Services Bank, Ltd. (Trust Account) | 28,494 | 24.76 |
| Goldman Sachs International | 10,672 | 9.27 |
| Sekisui House Ltd. | 7,800 | 6.77 |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 5,845 | 5.07 |
| Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account) | 5,438 | 4.72 |
| The Nomura Trust and Banking Co., Ltd. (Trust Account) | 4,812 | 4.18 |
| Deutsche Bank AG London-PB Non-Treaty Clients 613 | 3,727 | 3.23 |
| JOINT CORPORATION | 3,000 | 2.60 |
| Nomura Bank (Luxembourg) S.A. | 2,808 | 2.44 |
| Spring Investors Co., Ltd. | 2,600 | 2.25 |
| Total | 75,196 | 65.34 |

■ Note: The status of large holdings as determined by the large share holdings reports (including Reports of Changes) submitted by November 13, 2012 is as follows.

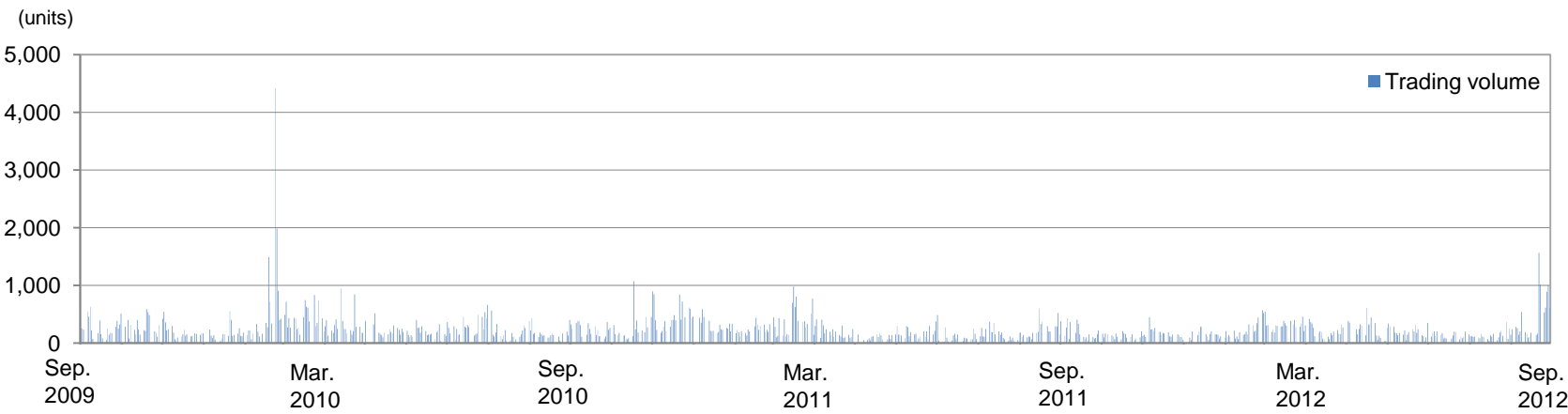
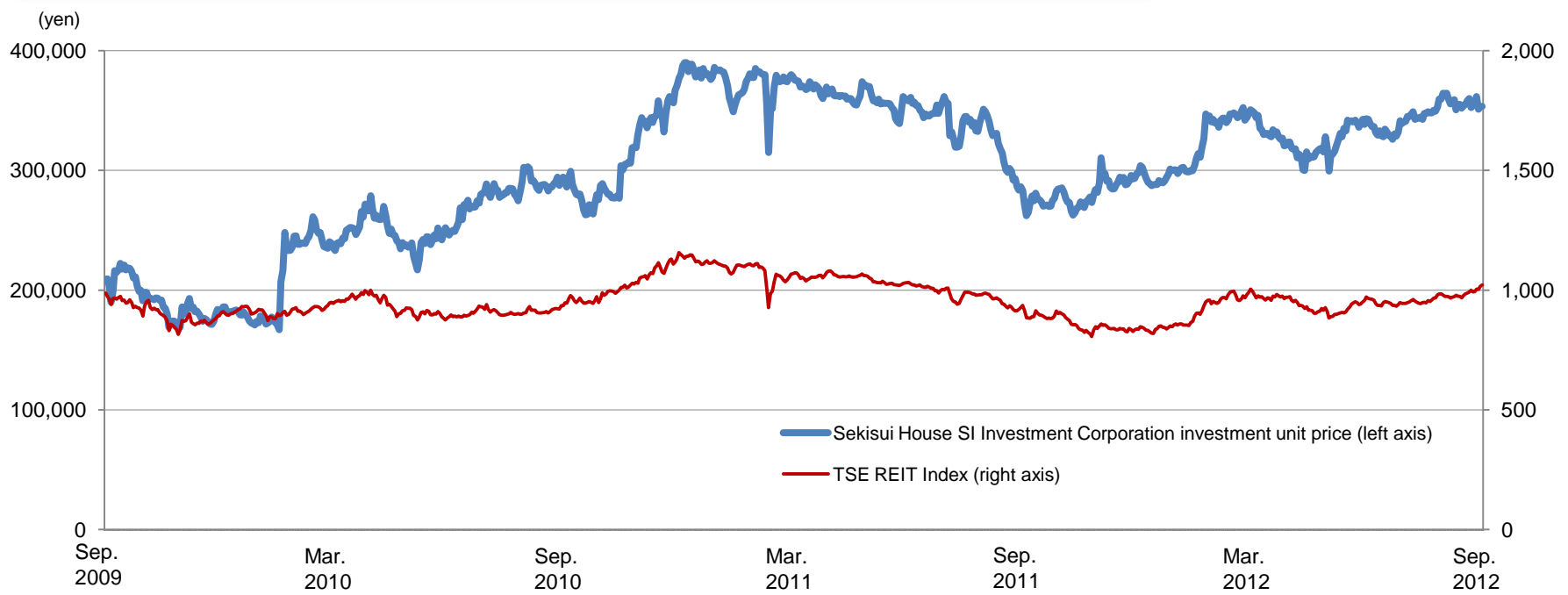
| Name | Mizuho Trust & Banking Co., Ltd | Sumitomo Mitsui Trust Bank, Limited | DIAM Co., Ltd. | Tower Investment Management Co., Ltd. |
|-------------------------------|---------------------------------|-------------------------------------|----------------|---------------------------------------|
| Total units held | 8,376 units | 12,348 units | 9,915 units | 16,015 units |
| Total percentage of ownership | 7.28% | 9.11% | 7.32% | 11.82% |
| Submission date | Sep. 24, 2012 | Oct. 4, 2012 | Oct. 18, 2012 | Oct. 18, 2012 |

Diversification of Unitholders



Historical Investment Unit Price

Sekisui House SI Investment Corporation Investment Unit Price Summary



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