



Nippon Residential Investment Corp.
Explanatory Material on Accounts

for **9th** Fiscal Period

(six months ended May 2008)



**NIPPON
RESIDENTIAL
INVESTMENT
CORPORATION**



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Section I

Overview of 9th Fiscal Period



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Summary of 9th fiscal period performance

	5 th period	6 th period	7 th period	8 th period	9 th period		
					Performance Forecasts as of Jan 21, 2008	Actual	Actual-Forecasts Comparison
Operating Revenues (million)	5,816	6,343	6,911	7,940	9,192	9,316	+124
(Capital Gain from Sales of Property) (million)	(638)	(849)	(761)	(410)	(720)	(704)	(△16)
Ordinary Profit (million)	2,628	2,660	2,679	3,158	3,239	3,603	+364
Net Profit (million)	2,629	2,658	2,678	3,150	3,237	3,602	+365
Distribution per Unit (yen)	14,074	14,232	14,336	12,748	13,100	14,577	+1,477
Net Operating Income (million)	4,126	4,271	4,834	6,177	–	6,765	–
NOI Yield							
(Assumption NOI Yield which C-49 MM* guaranteed rate is 100%) %	4.9	4.7	4.6	4.8	–	4.6	–
					–	(4.8)	–
Area-based occupancy rate %	87.8	90.0	90.9	91.2	–	93.5	–
Revenue-based occupancy rate %	87.8	89.8	86.1	90.3	–	89.0	–

*C-49 MM stands for “C-49 Pacific Royal Court Minato Mirai Ocean Tower”, not include Urban Tower.

Analysis of Variance between Performance Forecasts and Actual Results

1 Increase in rental income due to consistently favorable occupancy rates

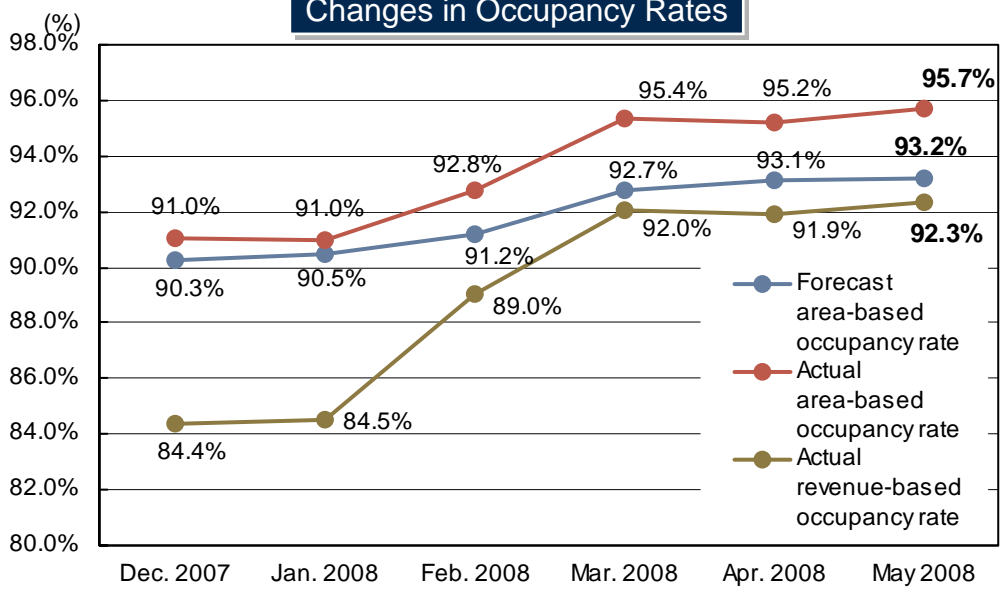
2 Decrease in rental expenses due to efficient asset management

3 Decline in interest cost

Factors of Discrepancy from Performance Forecasts

- Operating revenues +124Mn yen : Increase in rental income due to rising occupancy rates (+141Mn yen); Increase in expenses associated with sales of property (-16Mn yen)
- Ordinary profit +364Mn yen : Breakdown of increase**
- Operating expenses -93Mn yen : Decrease in publicity expenses and other property operating expenses (-66Mn yen); Decrease in other selling, general and administrative expenses (-27Mn yen)
 - Non-operating revenue +75Mn yen : Interest on deposits(+19Mn yen); Compensation for loss by asset management company (+36Mn yen); Other (+20Mn yen)
 - Non-operating expenses -72Mn yen : Lower loan interest (-70Mn yen); Other (-2Mn yen)

Changes in Occupancy Rates



Interest Burden

Decrease in funding costs of existing borrowings -36Mn yen
Decrease in funding costs of new borrowings -34Mn yen

What is Revenue-Based Occupancy Rate?

Occupancy rates are calculated based on area for pass-through properties, and occupancy rates are calculated by taking into account the guaranteed rate for rent-guaranteed properties that have guaranteed rates that are not 100%.

Properties acquired/disposed

Acquisitions

C-49 Pacific Royal Court Minato Mirai



(left: Ocean Tower, right: Urban Tower)

Acquisition Price	(O) 15,221Mn yen (U) 11,715Mn yen(planned)
Sellers	(O) DH Development Minato Mirai Y.K. (U) PD Minato Mirai TMK
Location	Yokohama-shi, Kanagawa
Rentable Unit	(O) 416 (U) 418
Construction Completion	(O) November 2007 (U) May 2008

F-25 Park Tower Shibaura Bayward Urban Wing



Acquisition Price	14,510Mn yen
Seller	Acacia Properties Inc.
Location	Minato-ku, Tokyo
Rentable Unit	191
Construction Completion	May 2005

Dispositions

S-23 Umeda Excelheights



Acquisition Price	5,250Mn Yen
Sales Price	6,200Mn Yen
Appraisal Value	5,380Mn Yen
Buyer	MS Japan Strategic Core Acquisition K.K.
Address	Kita-ku, Osaka-city
Construction Completion	February 2002

L-12 SOHO Kita-Aoyama



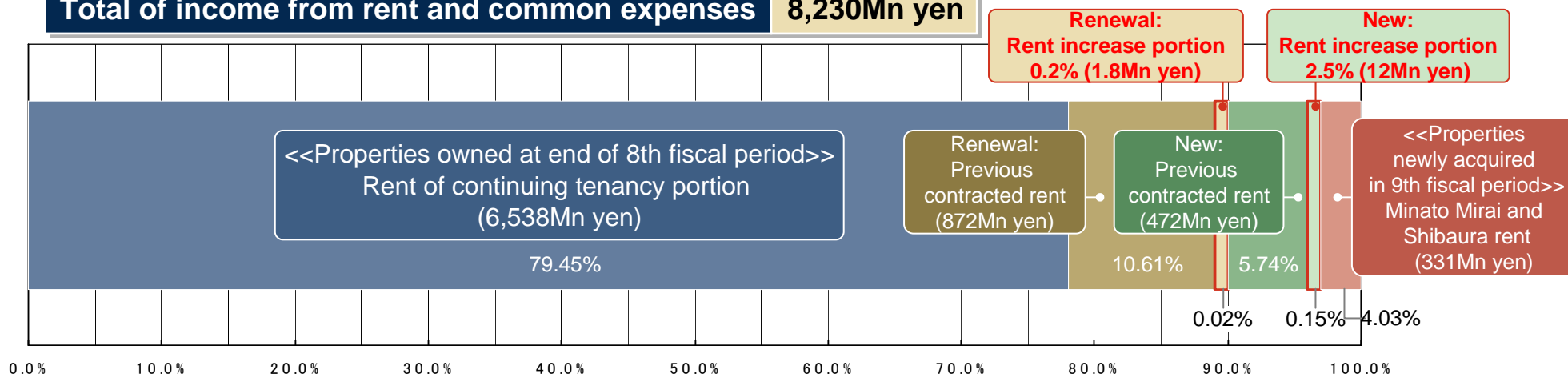
Acquisition Price	1,160Mn Yen
Sales Price	1,500Mn Yen
Appraisal Value	1,230Mn Yen
Buyer	MS Japan Strategic Core Acquisition K.K.
Address	Minato-ku, Tokyo
Construction Completion	March 2004

Asset Name	Sales Price (Mn Yen)	①Acquisition Price (Mn Yen)	Appraisal Value (Mn Yen)	②Gain from Sales	(②/①)	Building age at the time of disposition
Umeda Excelheights	6,200	5,250	5,380	471	9.0%	6
SOHO Kita-Aoyama	1,500	1,160	1,230	234	20.1%	4
Total	7,700	6,410	6,610	704	11.0%	-

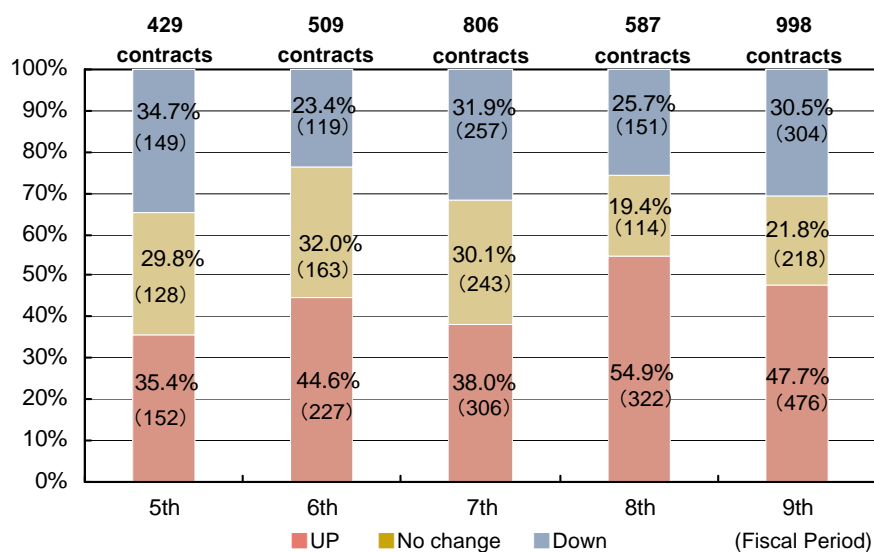
(Note) Appraisal value shows the price at the end of 8th period.

Actual Rent

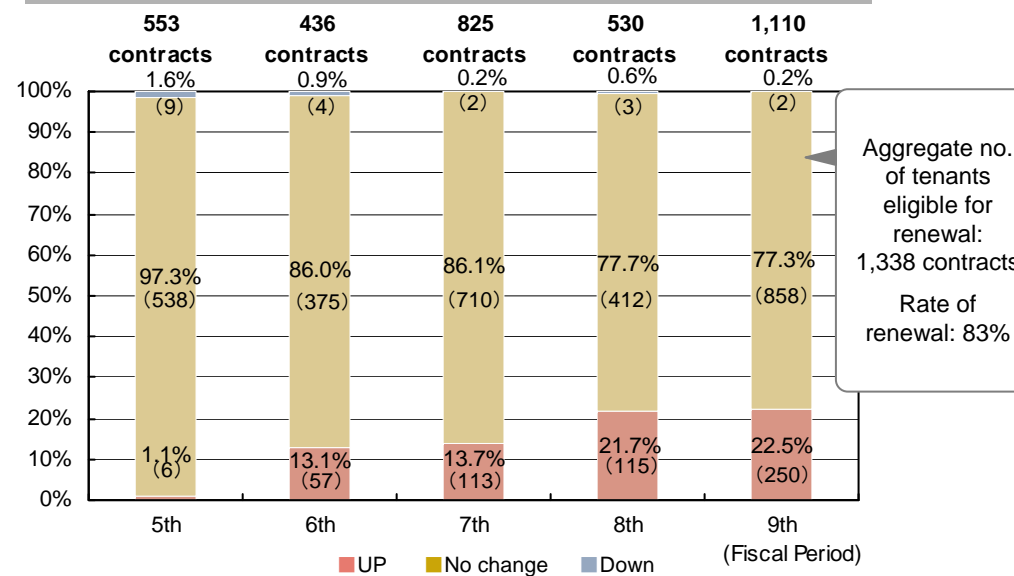
Total of income from rent and common expenses 8,230Mn yen



New (Based on No. of Contracts)



Renewal (Based on No. of Contracts)

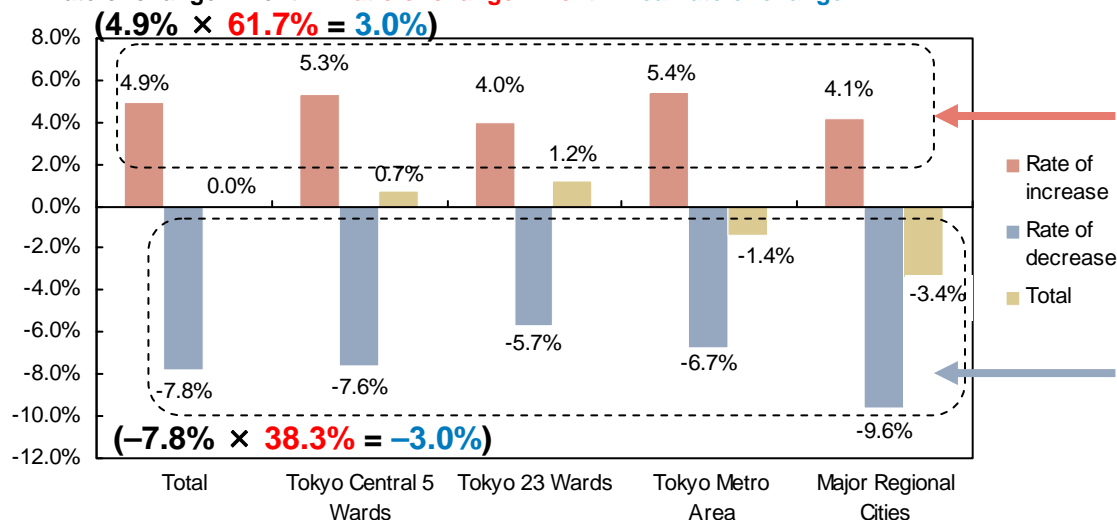


(Note) Tenants with no previous contracted rent are not counted.

Leasing Operation

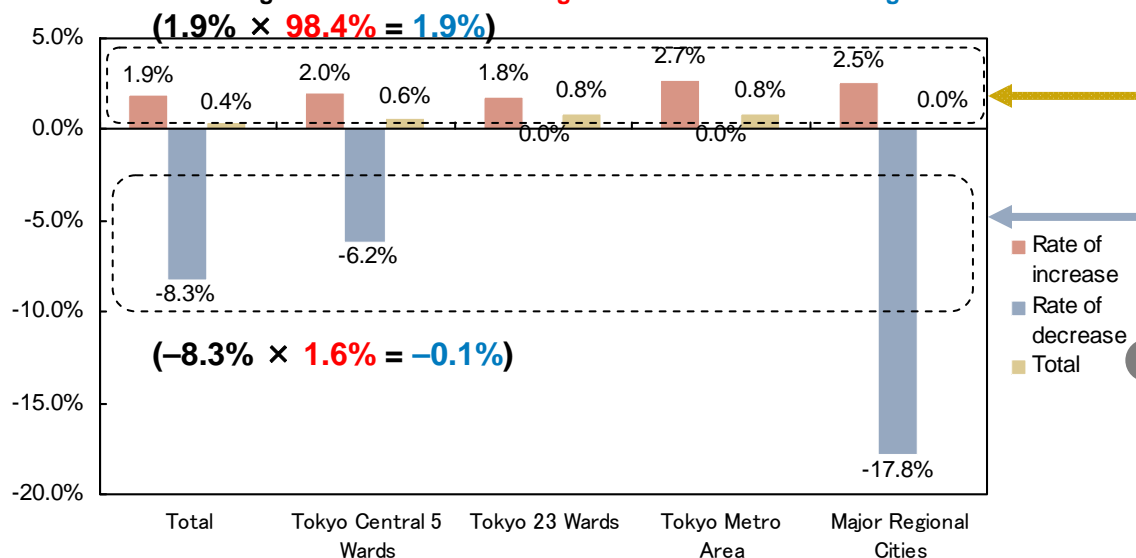
Rate of Change in Rent of New Contracts

Rate of change in rent × Ratio of change in rent = Real rate of change



Rate of Change in Rent of Renewal Contracts

Rate of change in rent × Ratio of change in rent = Real rate of change



Leasing Operation for New Contracts

- **Tokyo Central 5 Wards**
 - Narrowed rent gap and earned increased rent for Compact and Large Types
- **Tokyo 23 Wards**
 - Narrowed rent gap for Single and Family Types and earned increased rent for Compact Type
- **Tokyo Metropolitan Area**
 - Earned increased rent for Single and Compact Types
- **Major Regional Cities**
 - Narrowed rent gap for Single and Compact Types

- **Tokyo Central 5 Wards**
 - Aligned specific Large Type properties to market price
- **Tokyo 23 Wards**
 - Aligned specific Compact and Family Type properties to market price
- **Tokyo Metropolitan Area and Major Regional Cities**
 - Aligned properties that are 10 years old or older (Single, Compact and Family Types) to market price

Leasing Operation for Renewal Contracts

- **Promoted narrowing of rent gap overall**

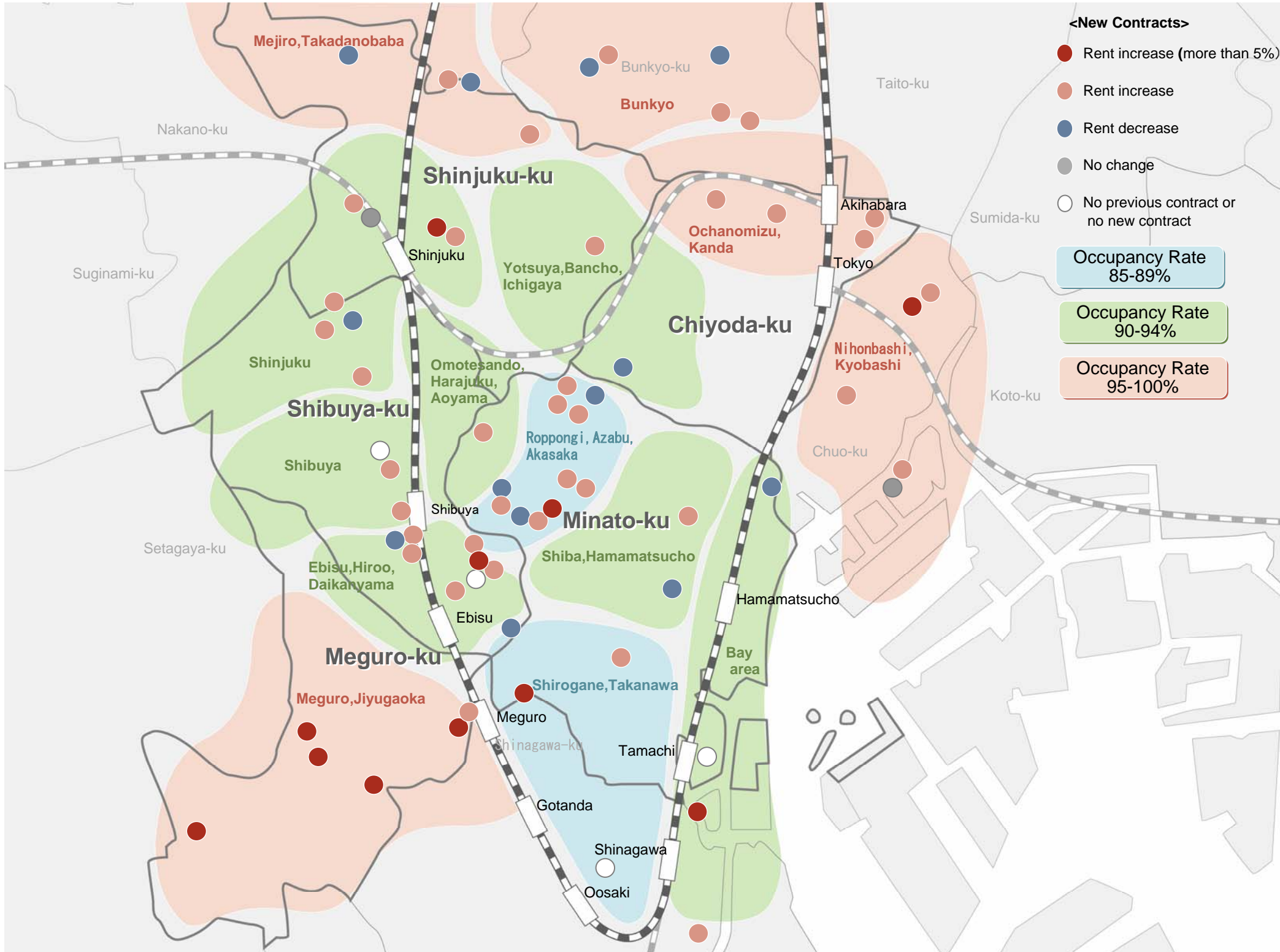
- Tokyo Central 5 Wards
 - Aligned 1 Large Type property to market price
- Major Regional Cities
 - Aligned 1 property that is 10 years old or older to market price

Explanation of Indices

Rate of change in rent = $(\sum \text{New contracted rent} \div \sum \text{Previous contracted rent}) - 1$

Ratio of change in rent = $\frac{\text{Increased (Decreased) previous contracted rent}}{\text{Total amount of increased/decreased previous rent}}$

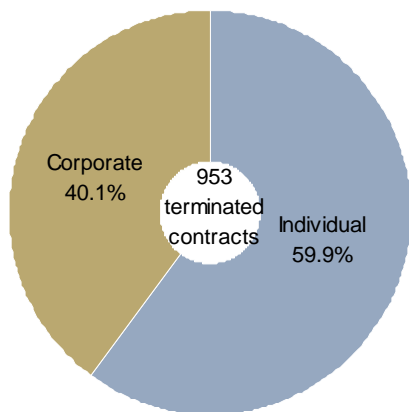
Real rate of change = **Rate of change in rent** × **Ratio of change in rent**



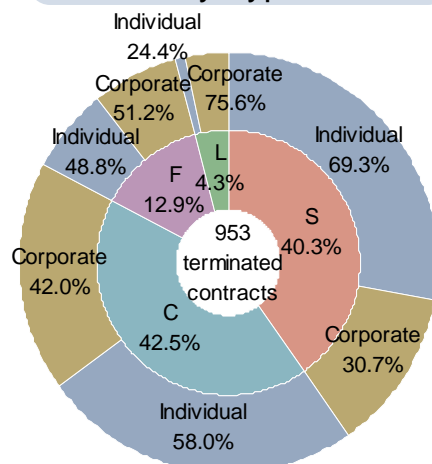
Tenants Who Have Moved Out and Actual Results of Rental Expenses

Ratio of Contract Termination of Moved-Out Tenants

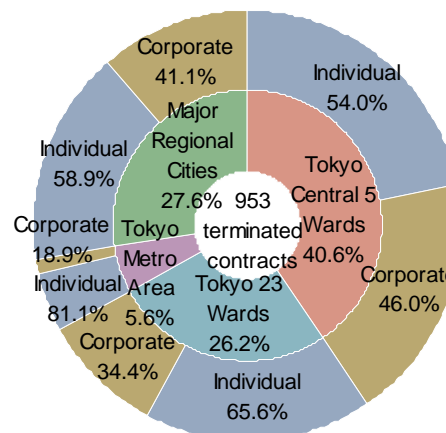
Entire Portfolio



By Type



By Area



Trends of Moved-Out Tenants

Comparison with previous year
(7th fiscal period /
period ended May 2007)

(based on properties owned
at end of 6th fiscal period)

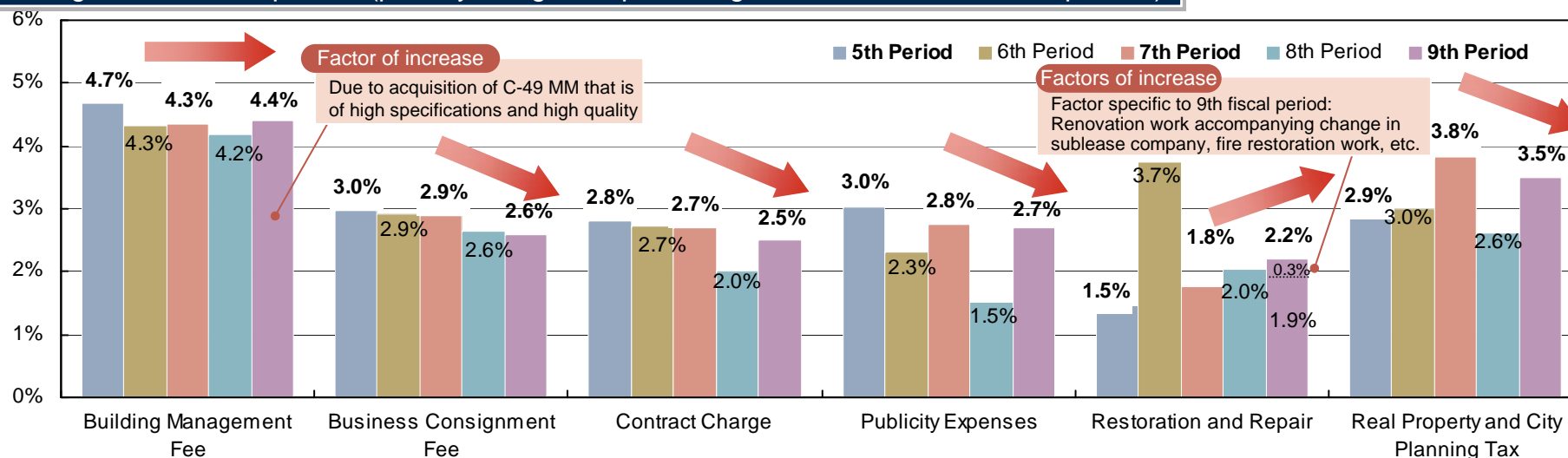
- No. of contracts terminated in entire portfolio
763 contracts in 7th fiscal period →
708 properties in 9th fiscal period

55 cases (7%) less

- No. of contracts terminated for Compact and Family Types
414 contracts in 7th fiscal period →
367 properties in 9th fiscal period

47 cases (11%) less

Changes in Rental Expenses (primary categories; percentage of rents and common expenses)



Decrease in Building Management Fees

Cost Cutting from Consolidating Building Management Companies (BM Companies)

Actual Results in 9th Fiscal Period

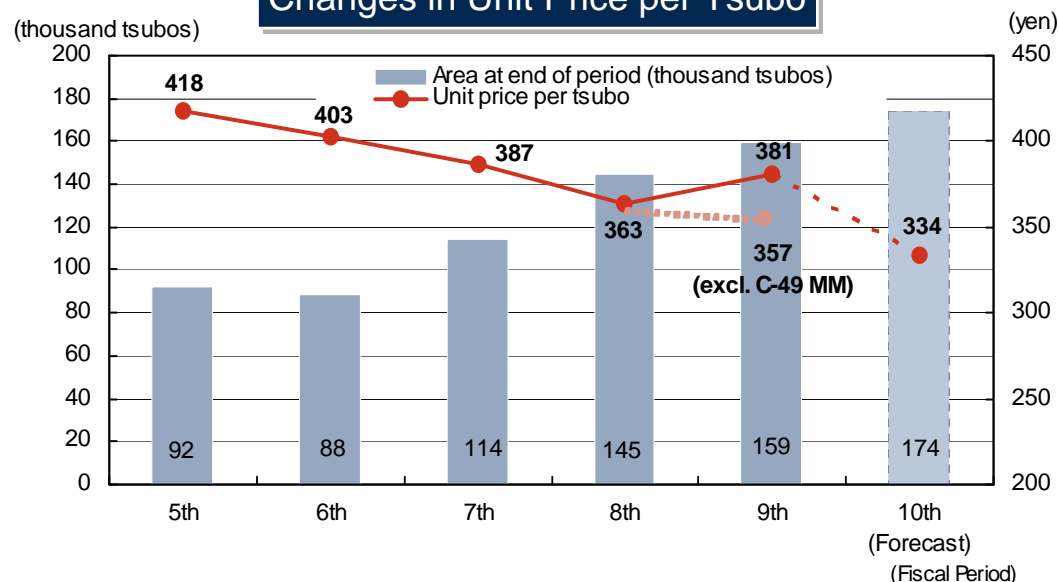
Cut approx. 3Mn yen off per fiscal period

109 properties 34 companies → Consolidated to 3 companies
 30 properties 18 companies → 18 companies (no change)
 Total 52 companies → Consolidated to 21 companies

10th Fiscal Period and Onwards

Cut approx. 36Mn yen off per fiscal period

Changes in Unit Price per Tsubo



Advantages of Consolidating BM Companies

- Cost optimization from economies of scale
- Provision of high-quality / uniform services
 - Improved level of various inspections
 - Repair cost cutting effects through prompt and appropriate maintenance
 - Enhanced brand image through signs featuring logo with attractive appearance in mind

Analysis of Revenue-Generating Potential

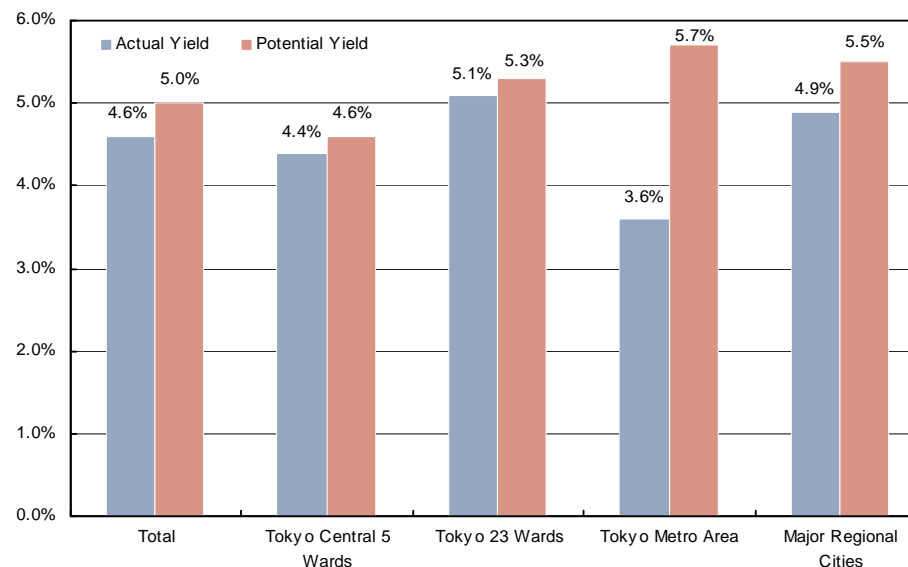
Appraisal NOI Yield and Actual NOI Yield

Period Acquired	Acquisition Price (Mn yen)	Appraisal		Actual Results (9th Period)		Actual Results (8th Period)
		Period-End Appraisal Value (Mn yen)	Weighted Average NOI Yield	Weighted Average NOI Yield	Weighted Average Revenue-Based Occupancy Rate	Weighted Average NOI Yield
2nd or Earlier	39,040	42,030	5.5%	5.1%	94.0%	5.3%
3rd	64,058	67,257	5.1%	4.9%	94.6%	5.0%
4th	30,267	29,781	5.2%	4.8%	95.4%	5.0%
5th	31,760	32,318	5.1%	4.7%	92.4%	4.9%
6th	5,380	5,390	4.9%	5.0%	98.7%	5.0%
7th	44,663	47,502	5.2%	4.4%	92.4%	3.6%
8th	58,682	58,904	4.9%	4.5%	88.7%	4.8%
9th	29,731	29,800	5.0%	2.5%	46.8%	-
9th-End Total	303,584	312,982	5.1%	4.6%	89.0%	4.8%

(Note 1) Yield is the weighted average based on acquisition price.

(Note 2) Excluding properties sold during fiscal period.

Area



Potential NOI Yield

Method of Calculating Potential NOI Yield

- Eliminate and offset factors decreasing NOI specific to 9th fiscal period
 - Payment of real property tax: Amended cash flows from 3 payments → 2 payments
 - Payment of trust agreement renewal fee
 - S-16 J Stage Hounancho: Increase in repair costs due to fire
 - S-31 PL Kyobashi: Decrease in rental income and increase in repair costs due to temporary decline in guaranteed rent from change in sublease company
 - C-21 PR Kichijoji: Increase in repair costs due to renovations
- Correct to steady occupancy rate according to appraisal of 94% for properties acquired during 7th~9th fiscal periods

Period Acquired	Potential NOI Yield in 9th Period (a)	Actual NOI Yield in 9th Period (b)	Difference (a) - (b)
2nd or Earlier	5.2%	5.1%	0.1%
3rd	4.9%	4.9%	-
4th	4.8%	4.8%	-
5th	4.8%	4.7%	0.1%
6th	5.0%	5.0%	-
7th	5.1%	4.4%	0.7%
8th	5.2%	4.5%	0.7%
9th	4.9%	2.5%	2.4%
Total	5.0%	4.6%	0.4%

Rental Market Conditions and Future Efforts

Overall Rental Market

Demand

- **Trend of population influx into central areas continues** in both the Tokyo Metropolitan Area and ordinance designated cities
- **Growth in demand for dormitories and corporate housing** as a result of proactive employment and change in the benefits policies of corporations
- **Conservative buying demand anticipated** due to stagnant for-sale condominium sales
- **Fears of declining demand of high-end segment** owing to change in financial situation, such as less frequent business use by foreigners at some foreign hotels

Supply

- Number of rental housing units supplied in the Tokyo 23 Wards Although increasing until 2007, **a decrease to the 2001~2002 level is expected in 2008**
- Number of rental housing units supplied in central areas of ordinance designated cities
Although considerably exceeded the increased number of households in 2006~2007, the 2008 volume of supply will decrease significantly
- Increase in large-scale properties under development that provide added value through common-use services

- **High-class rental condominiums market expands from central Tokyo to areas surrounding central Tokyo**
 - Implement leasing with market price in mind for properties targeting high-end segment in central Tokyo
 - **Implement measures to raise rent** centering on properties that have high occupancy or meet the dormitory or corporate housing demand in the Tokyo 23 Wards
- **While competition intensifies in ordinance designated cities, occupancy of prime properties on recovery trend**
 - Implement measures in line with property competitiveness, such as location and facilities

Serviced Apartments Market

- Total number of serviced apartments supplied is about 3,700 units centered on Minato Ward, which is the lowest level compared to major cities abroad
- Number of foreign tourists visiting Japan for business and other purposes increased from 2001 to about 2.3Mn a year (2006)
- Occupancy at serviced apartments of major operators in Tokyo is 80~90% and thus generally favorable, and the primary users are foreigners for business use
- Fears of declining serviced apartments demand owing to change in financial situation, such as less frequent business use by foreigners at some hotels

- **Measures to improve occupancy rates**
 - **Enhance property recognition to capture foreigners who are frequent regular users**

Senior Housing Market

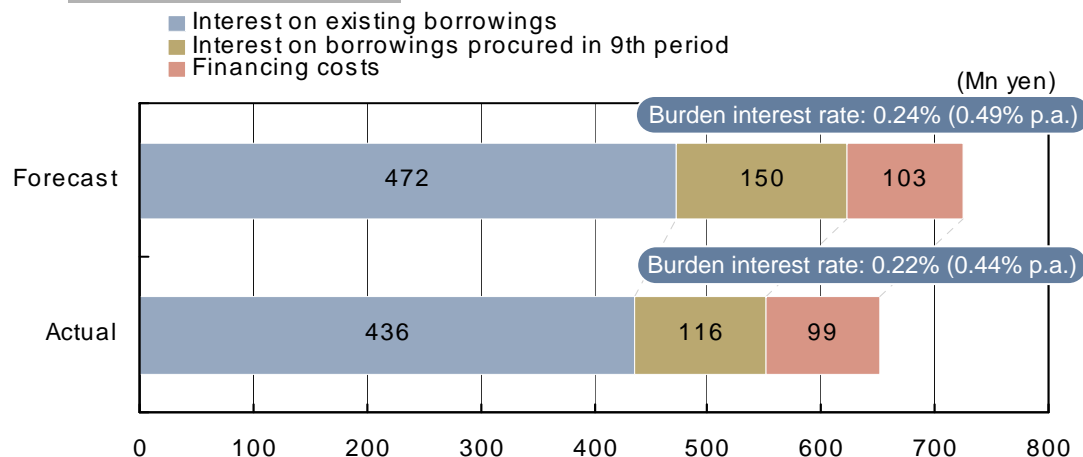
- Population of people aged 65 and older account for 21.2% of Japan's entire population
- Number of locations of elderly housing/facilities nationwide is 30,645 and total number of units is about 1.36Mn, which amounts to a ratio of number of units to population of people aged 65 and older of about 5.0%
- Of the supply of elderly housing/facilities, about 11% are fee-charging nursing homes; there is room for expansion of fee-charging nursing homes

Actual Financial Results

Borrowings from Financial Institutions

Period-end loan to value (LTV): 52.8%

Interest Itemization



New borrowings: 27.1Bn yen (*)

Average borrowing term: 1.41 years

Average financing interest rate: 1.18% (unsecured) (*as of the end of May 2008)

(*Amount of new borrowings excludes 1.98Bn yen in borrowings already repaid during fiscal period.)

Repayment of existing borrowings: 0Bn yen

Period-end balance: 84.9Bn yen

Average remaining borrowing term: 1.76 years

Average financing interest rate: 1.32% (*as of the end of May 2008)

Percentage of borrowings that are

Secured: 22.85% Long-term: 69.85% Fixed interest rate: 59.36%

Discrepancy from Forecasts

Borrowing interest:

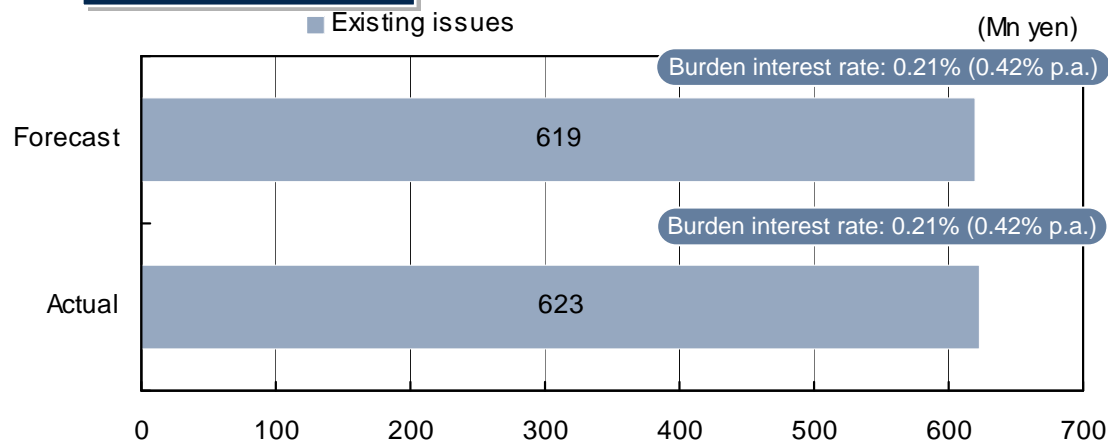
① Base interest rate for existing borrowings remain at low levels compared to initial forecasts (-36Mn yen)

② Decreased funding costs for new borrowings (-34Mn yen)

■ Financing costs: 99Mn yen in actual costs (-4Mn yen compared to forecasts)

Corporate Bonds

Interest Itemization



New issues: 0Bn yen

Redemption of issues: 0Bn yen

Period-end balance: 90.0Bn yen

Average remaining issue term: 2.80 years

Average financing interest rate: 1.43% (*as of the end of May 2008)

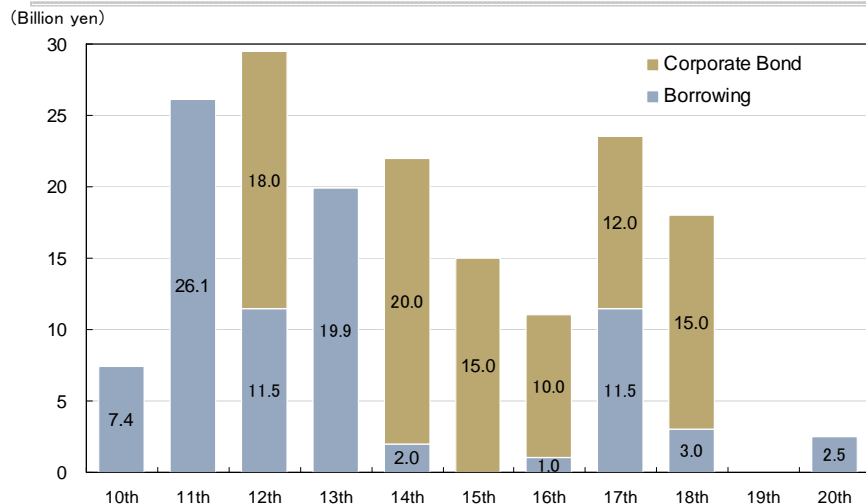
Percentage of bonds that are

Secured: 0% Long-term: 100% Fixed interest rate: 100%

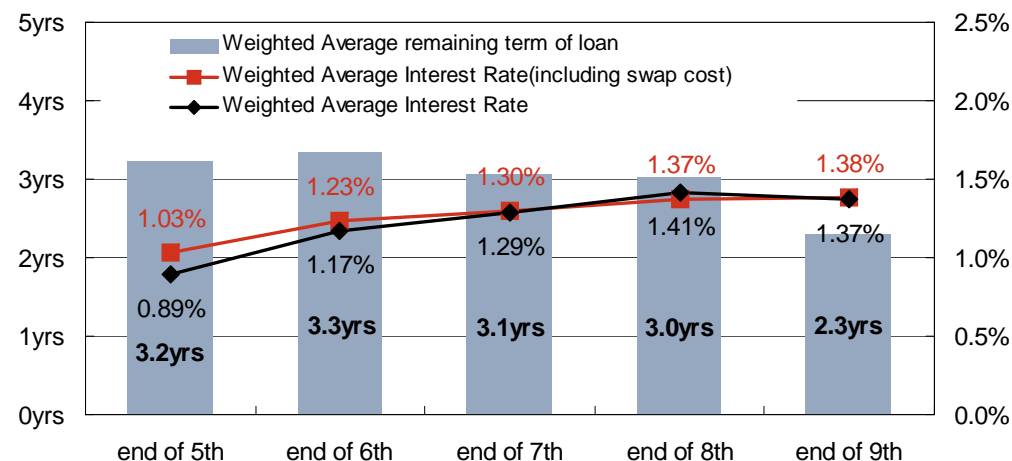
*Burden interest rate is the interest rate costs, etc. divided by the weighted average acquisition price.

Building a Sound Financial Base

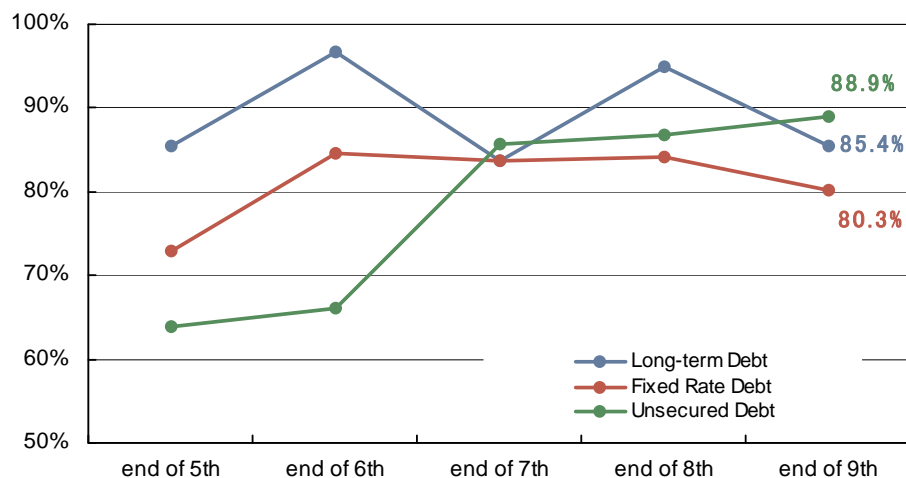
Dispersion of Maturity Dates



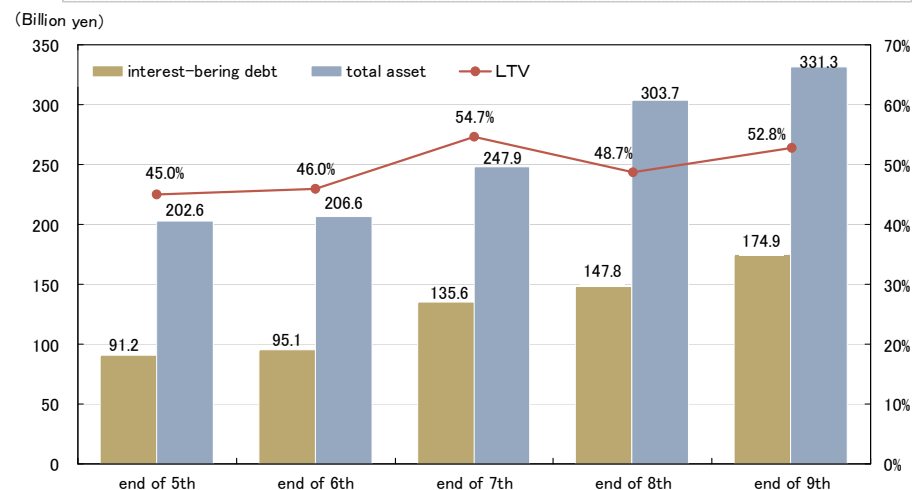
Change in Weighted Average Interest



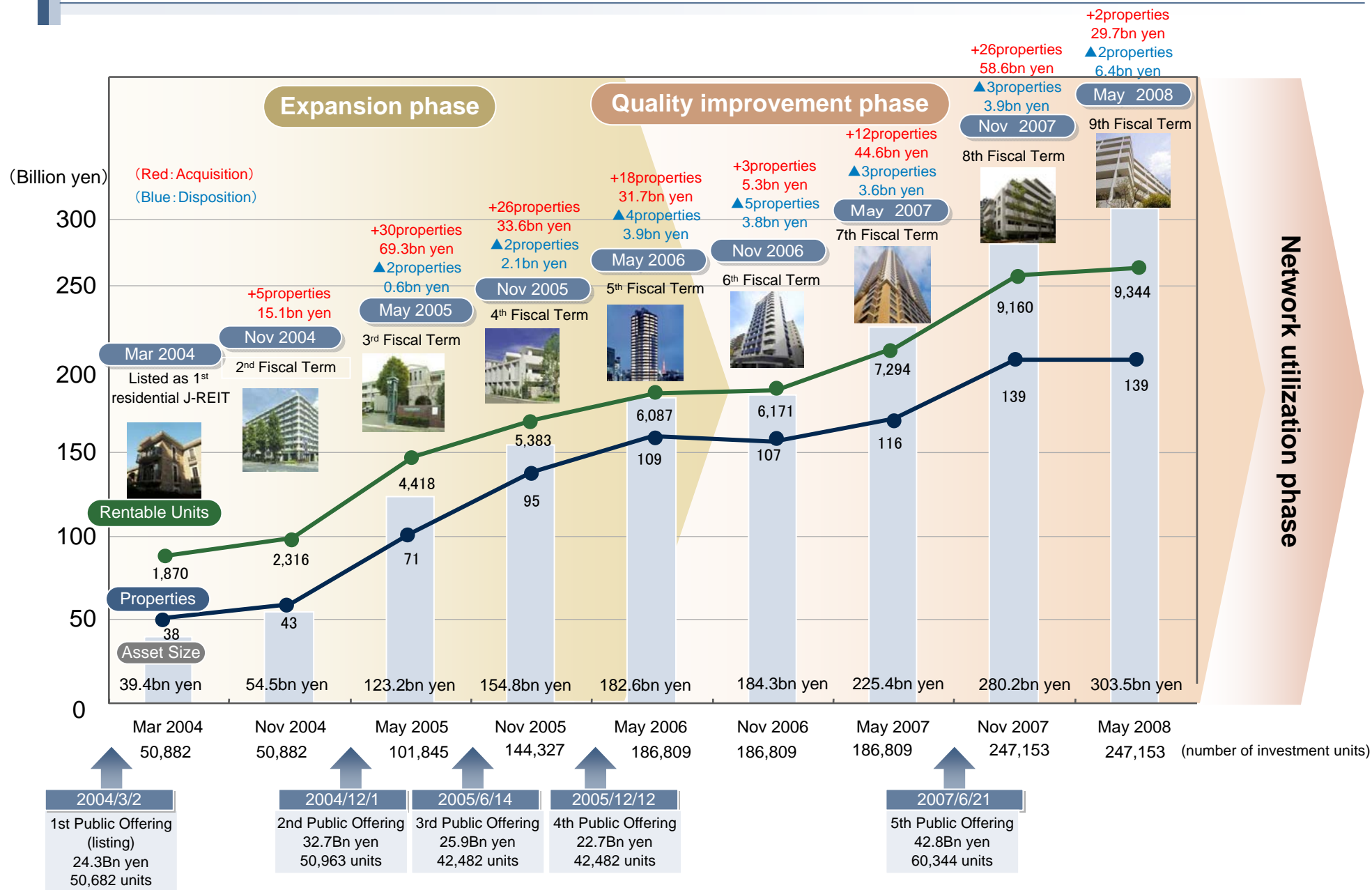
Promotion of Fixed Interest



Change in LTV



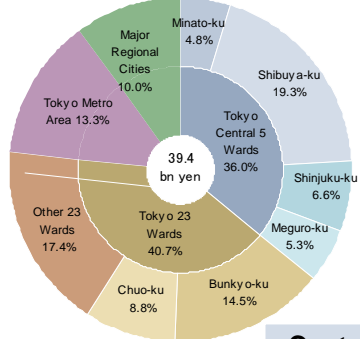
Portfolio Strategy



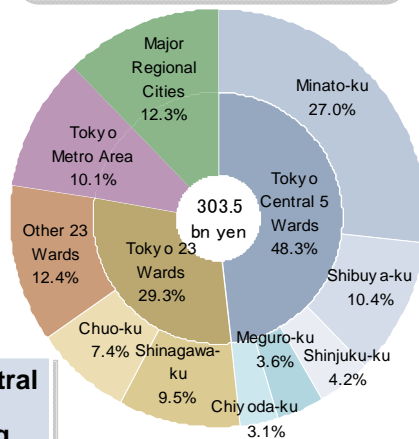
Changes in Portfolio Quality since IPO

Geographic Distribution

IPO 38 Assets



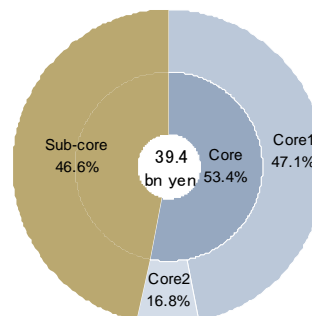
9th Period End 139 Assets



Centered on central Tokyo where demand is strong

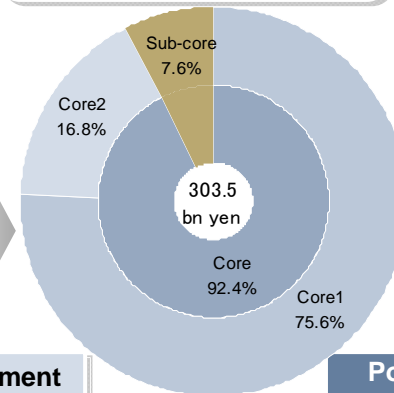
Core & Sub-core Distribution

IPO 38 Assets



Portfolio PML
5.9%

9th Period End 139 Assets

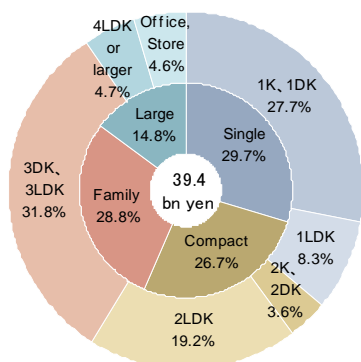


Quality enhancement through replacement of properties

Portfolio PML
5.1%

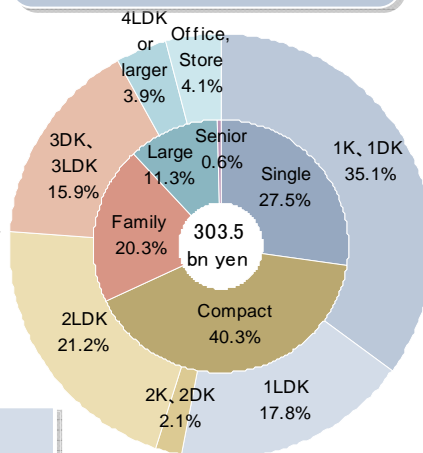
Type Distribution

IPO 38 Assets



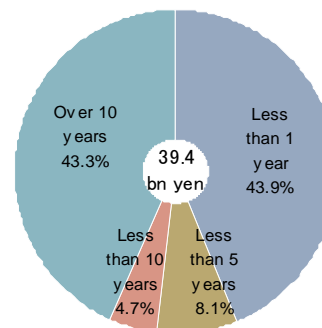
Put priority in investing in assets targeted for smaller sized families

9th Period End 139 Assets



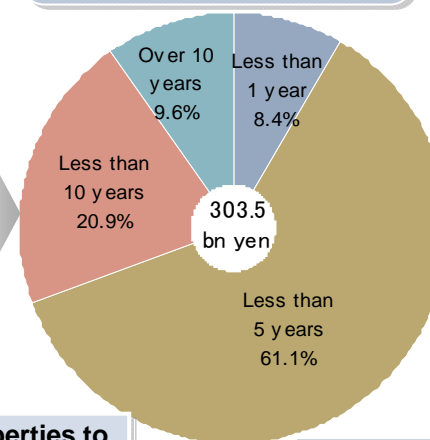
Age Distribution

IPO 38 Assets



Weighted Average
6.6 years

9th Period End 139 Assets



Acquisition of properties to maintain the weighted average age of portfolio within 10 years old

Weighted Average
4.5 years

Section II

10th Fiscal Period Performance Forecasts



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10th Fiscal Period Performance Forecasts

10th Fiscal Period (June ~ Nov. 2008)	
Operating revenues	8,967Mn yen
Operating profit	4,438Mn yen
Ordinary profit	2,968Mn yen
Net profit	2,965Mn yen
Capital gain from sales of property	—
Depreciation	1,649Mn yen
Distribution per unit	12,000 yen
Investment units outstanding at end of period	247,153 units

NOI Revenue Composition

Acquired Properties

- **COSMOS GRACIA Kinshicho Aquver** (acquired in June 2008)
Acquisition price: 2,908Mn yen; NOI yield: 4.8%
- **Pacific Royal Court Minato Mirai** (Urban Tower)
Scheduled to be acquired in November 2008
Acquisition price: 11,715Mn yen; NOI yield: 5.6%

Area-Based Occupancy Rate

- Weighted average portfolio occupancy rate: 93.9% (+0.4% from actual 9th fiscal period results)

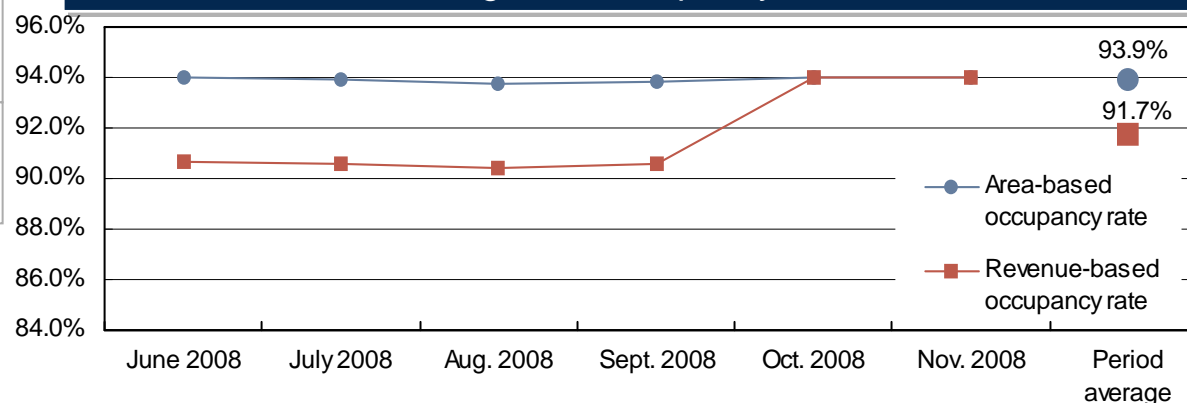
Revenue-Based Occupancy Rate

- Phased sublease property “Pacific Royal Court Minato Mirai (Ocean Tower)”
June ~ September 2008: 40% → October 2008 and onwards: 100%
- Entire portfolio: 90.6% at beginning of period → 94.0% at end of period (average during period: 91.7%)

NOI Yield

- Entire portfolio: 4.7% (+0.1% from actual 9th fiscal period results)

Changes in Occupancy Rates



Section III

Reference Materials



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Balance Sheet (Assets)

(Assets)	(thousand yen)					
	8th fiscal period (as of Nov 30, 2007)		9th fiscal period (as of May 31, 2008)		Variance	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	(%)
I. Current Assets						
Cash and Deposits	7,258,237		10,387,809		3,129,571	
Cash in Trust and Deposit intrust	3,950,800		4,242,032		291,232	
Accounts Receivable	304,222		298,635		△ 5,586	
Prepaid Expenses	19,231		32,184		12,953	
Deferred Tax Assets	4,366		7,111		2,744	
Accrued Corporate Tax	3,824		3,848		23	
Accrued Consumption Tax	101,206		102,753		1,546	
Other Current Assets	12,968		27,348		14,380	
Allowance for Bad Debt	△ 4,498		△ 10,806		△ 6,308	
Total of Current Assets	11,650,358	3.8	15,090,916	4.6	3,440,557	29.5
II. Fixed Assets						
1. Tangible Fixed Assets						
Buildings	70,265,439		83,516,319		13,250,880	
Structures	415,399		523,629		108,230	
Tools, Funitures & Fixtures	111,081		105,401		△ 5,679	
Lands	84,278,739		80,077,496		△ 4,201,242	
Construction in Progress	8,114		4,249		△ 3,864	
Buildings in Trust	54,863,960		60,337,752		5,473,791	
Structures in Trust	335,367		359,774		24,407	
Tools, Funitures & Fixtures in Trust	27,362		57,412		30,049	
Lands in Trust	79,323,898		88,224,581		8,900,682	
Total of Tangible Fixed Assets	289,629,362	95.4	313,206,617	94.5	23,577,255	8.1
2. Intangible Fix Assets						
Leaseholds	1,214,497		1,214,497		-	
Total of Intangible Fixed Assets	1,214,497	0.4	1,214,497	0.4	-	0.0
3. Investment and other assets						
Long-term Prepaid Expenses	795,734		796,348		613	
Deferred Tax Assets	35,013		0		△ 35,013	
Deriatives Assets	174,702		204,980		30,278	
Security Deposits	1,238		1,288		50	
Guarantee Deposits Paid	10,000		717,127		707,127	
Total of Investment and other assets	1,016,688	0.3	1,719,744	0.5	703,055	69.2
Total of Fixed Assets	291,860,548	96.1	316,140,859	95.4	24,280,311	8.3
III. Deferred Assets						
Corporate Bonds Issuance cost	220,712		153,013		△ 67,698	
Total of Deferred Assets	220,712	0.1	153,013	0.0	△ 67,698	△ 30.7
Total Assets	303,731,619	100.0	331,384,789	100.0	27,653,170	9.1

Fixed Assets

- Buildings, land, buildings in trust and land in trust

Properties acquired in 9th Fiscal Period	2 properties (total of 29,731 million yen)
--	---

Properties sold in 9th Fiscal Period	2 properties (6,716 million yen in total book value as of Nov 30, 2007)
--------------------------------------	--

Investment and Other Assets

- Guarantee Deposits Paid
Due to acquisition of C-49 Pacific Royal Court Minato-mirai Ocean Tower

Deferred Assets

- Corporate bonds issuance cost

9th Fiscal Period amortization	67,698 thousand yen
--------------------------------	---------------------

Unamortized balance	153,013 thousand yen
---------------------	----------------------

Balance Sheet (Liabilities and Unitholders' Equity)

(thousand yen)

	8th fiscal period		9th fiscal period		Variance	
	(as of Nov 30, 2007)		(as of May 31, 2008)			
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	(%)
(Liabilities)						
I. Current Liabilities						
Accounts Payable	158,220		199,002		40,782	
Short-term Borrowings	7,400,000		25,600,000		18,200,000	
Long-term Borrowings due within 1 year	-		7,900,000		7,900,000	
Accrued Liabilities	34,416		32,427		△ 1,989	
Accrued Expenses	865,620		810,748		△ 54,872	
Income Taxes Payable	605		3,190		2,585	
Receipt in Advance	26,060		27,438		1,378	
Other Current Liabilities	174		305		131	
Total of Current Liabilities	8,485,097	2.8	34,573,113	10.4	26,088,015	307.5
II. Fixed Liabilities						
Corporate Bonds	90,000,000		90,000,000		-	
Long-term Borrowings	50,400,000		51,400,000		1,000,000	
Deferred Tax Liabilities	-		25,678		25,678	
Security Deposits and Guarantee Money	1,454,994		1,447,523		△ 7,471	
Security Deposits and Guarantee Money in Trus	1,667,055		1,772,727		105,672	
Long-term advance received	20,511		9,558		△ 10,953	
Long-term deposits received	82,592		76,244		△ 6,348	
Derivative Liabilities	104,988		19,199		△ 85,789	
Total of Fixed Liabilities	143,730,143	47.3	144,750,932	43.7	1,020,789	0.7
Total Liabilities	152,215,241	50.1	179,324,045	54.1	27,108,804	17.8
(Unitholders' Equity)						
I. Unitholders' Capital						
Unitholders' Capital	148,417,850		148,417,850		-	
unappropriated retained earnings for the period	3,150,950		3,602,937		451,987	
Total Unitholders' Capital	151,568,800	49.9	152,020,788	45.9	451,987	0.3
II. Evaluation, Currency Translation and etc.						
1. Deferred Hedge Profit and Loss	△ 52,422		39,955		92,378	
Total of Evaluation, Currency Translation and etc.	△ 52,422	△ 0.0	39,955	0.0	92,378	△ 176.2
Total Unitholders' Equity	151,516,378	49.9	152,060,743	45.9	544,365	0.4
Total Liabilities and Unitholders' Equity	303,731,619	100.0	331,384,789	100.0	27,653,170	9.1

Current Liabilities

- End-of-period balance of short-term loans

End of 9 th Fiscal Period	Combined total of 25.6 billion yen from 9 banks
End of 8 th Fiscal Period	Combined total of 7.4 billion yen from 3 banks
- Prepayment of 1.9 billion yen in short-term loans
- New borrowings (short-term) 20.1 billion yen

Fixed Liabilities

- End-of-period balance of long-term loans

End of 9 th Fiscal Period	Combined total of 59.3 billion yen from 18 banks
End of 8 th Fiscal Period	Combined total of 50.4 billion yen from 18 banks
- New borrowings(long-term)8.9 billion yen

Income Statement

	8th fiscal period		9th fiscal period		Variance	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	(%)
(thousand yen)						
1. Operating Revenues						
Rental income	7,530,441		8,612,346			
Gain on Sale of Real Estate	410,232	100.0	704,484	100.0	1,376,157	17.3
2. Operating Expenses						
Property operating expenses	2,879,644		3,661,700			
Asset Management Fees	630,680		712,912			
Asset Custodian Fees	27,245		27,654			
Outsourcing Fees for Administrative Works	80,937		44,410			
Directors' Remuneration	5,400		5,400			
Attorneys' Fees	8,368		10,259			
Audit Fees	17,972		11,000			
Doubtful Debt Account	1,529		9,133			
Bad Debt Loss	241		-			
Other Operating Expenses	91,452	47.1	108,232	49.3	847,234	22.6
Operating Profit	4,197,203	52.9	4,726,126	50.7	528,923	12.6
3. Non-Operating Revenue						
Interest Received	19,125		19,243			
Miscellaneous Revenue	90,026	1.4	209,935	2.5	120,026	110.0
4. Non-Operating Expense						
Interest Paid	399,851		552,099			
Loan-related expenses	100,794		99,267			
Corporate Bond Interest	529,690		622,961			
Amortization for Corporate Bond Issue Expenses	59,773		67,698			
Expenditure for Issue of New Investment Units	44,523		-			
Write-off of Initial Expenses	6,624		-			
Other non-operating expenses	6,643	14.5	9,483	14.5	203,607	17.7
Ordinary Profit	3,158,453	39.8	3,603,795	38.7	445,342	14.1
Net Income Before Tax	3,158,453	39.8	3,603,795	38.7	445,342	14.1
Corporate Tax, Local Inhabitant's Tax and Enterprise Tax	605		3,190			
Adjustment of Income Taxes	7,036	0.1	△ 2,088	0.0	△ 6,539	△ 85.6
Net Income	3,150,811	39.7	3,602,693	38.7	451,881	14.3
Profit Brought Forward	138		243		105	
Unappropriated Retained Earnings	3,150,950		3,602,937		451,987	

Operating Revenues

- Rental income
Revenue contributions by 139 properties this fiscal period (reference: 139 properties in 8th fiscal period)
- Gain on sales of investments in real estate
(figures in parentheses are net values after deduction of expenses)
Umeda Excelheights (470,900 thousand yen)
SOHO Kita-Aoyama (233,583 thousand yen)

Operating Expenses

- Public charges
The adjusted amounts of real property taxes and city planning taxes for properties acquired on January 1, 2008 or after are included in the acquisition costs (not expensed).
- Asset management Fee
Consists of management fee (1) + (2) alone
Acquisition compensation is included in the acquisition cost while transfer (sale) compensation is deducted from the capital gains

9 th fiscal period	712,912 thousand yen
8 th fiscal period	630,680 thousand yen

Non-Operating Revenues

- Of these, revenues from refunded consumption tax: 163,424 thousand yen
(consumption tax included in acquisition costs during accounting inclusive of taxes)

Cash Flow Statement

(thousand yen)

Account Titles	9th Fiscal Period	8h Fiscal Period
I. Cash Flow from Operating Activities		
Net Income Before Tax	3,603,795	3,158,453
Depreciation	1,815,233	1,526,773
Bad Debt Loss	0	241
Write-Off of Long-term Prepaid Expenses	76,692	69,236
Write-Off of Initial Expenses	0	6,624
Write-Off of Corporate Bond Fees	67,698	59,773
Interest Received	△ 19,243	△ 19,125
Interest Paid	1,175,061	929,542
Increase or Decrease in Allowance for Bad Debt	6,308	△ 3,308
Increase or Decrease in Accounts Receivable	5,586	△ 12,406
Increase or Decrease in Accrued Consumption Tax	△ 1,546	12,529
Increase or Decrease in Accounts Payable	40,782	7,630
Increase or Decrease in Accrued Liabilities	△ 2,293	△ 13,095
Increase or Decrease in Accrued Expenses	37,184	210,327
Increase or Decrease in Receipt in Advance	△ 9,575	△ 203,398
Decrease due to Sale of Tangible Fixed Assets in Trust	—	3,958,884
Decrease due to Sale of Tangible Fixed Assets	6,718,516	—
Payment of Long-term Prepaid Expenses	△ 102,384	△ 98,115
Others	△ 23,636	65,846
subtotal	13,388,180	9,656,412
Receipt of Interest	19,243	19,125
Payment of Interest	△ 1,135,415	△ 836,148
Receipt of Insurance Benefit	25,077	4,512
Payment of Corporate Taxes	△ 628	△ 10,628
Cash Flow from Operating Activities	12,296,457	8,833,272
II. Cash Flow from Investment Activities		
Receipt for withdrawal of time deposits	—	1,000,000
Payment for acquisition of Tangible Assets	△ 17,004,721	△ 32,299,724
Payment for acquisition of Tangible Assets in Trust	△ 15,215,647	△ 29,667,721
Payments for Guarantee Deposits	△ 707,127	—
Receipt of Security Deposits & Guarantee Money	△ 7,471	188,010
Receipt of Security Deposits & Guarantee Money in Trust	105,672	317,531
Payments for repayment of long-term deposits	△ 6,348	△ 6,348
Others	△ 50	△ 10,908
Cash Flow from Investment Activities	△ 32,835,693	△ 60,479,160
III. Cash Flow from Financing Activities		
Proceeds from Short-term Borrowings	20,180,000	11,810,000
Repayment of Short-term Borrowings	△ 1,980,000	△ 26,580,000
Proceeds from Long-term Borrowings	8,900,000	5,900,000
Proceeds from issuance of units	0	42,780,225
Proceeds from bonds	0	20,896,601
Distributions to unitholders	△ 3,139,959	△ 2,677,202
Cash Flow from Financing Activities	23,960,040	52,129,623
IV. Increase in Cash and Cash Equivalents	3,420,804	483,735
V. Beginning Balance of Cash and Cash Equivalent	11,209,037	10,725,302
VI. Closing Balance of Cash and Cash Equivalents	14,629,842	11,209,037

IV. Increase in Cash and Cash Equivalents	3,420,804	483,735
V. Beginning Balance of Cash and Cash Equivalent	11,209,037	10,725,302
VI. Closing Balance of Cash and Cash Equivalents	14,629,842	11,209,037

Distribution Calculation Table

Account Title	8th fiscal period	9th fiscal period
Unappropriated Retained Earnings (thousand yen)	3,150,950	3,602,937
Distributions (thousand yen)	3,150,706	3,602,749
Distribution per Unit (yen)	12,748	14,577
Retained Earnings Carried Forward (thousand yen)	243	188

Reference Indices

Title	unit	8th fiscal period	9th fiscal period
Capital Expenditures	Mn yen	88	168
Net Operating Income	(Note1) Mn yen	6,177	6,765
FFO per unit (Funds from Operation)	(Note2) yen	17,814	19,655
FFO (Funds from Operation) multiple	(Note3) multiple	14.6	8.9
Debt-Service Coverage Ratio	(Note4) multiple	6	5.6
Net Income Before Amortization of Interest	Mn yen	5,607	6,592
Interest-baring Debt	Mn yen	147,800	174,900
Ratio of Interest-baring Debt to Gross Asset at the end of fiscal period	(Note5) %	48.7	52.8
Net Asset Value per unit	yen	613,047	615,249

(Note 1) Net Operating Income = rental income – rental expenses + depreciation and amortization

(Note 2) FFO per unit = FFO (= net income + depreciation and amortization + other amortization – gain on sales of investments in real estate)/investment units issued as of end of period (recorded with decimal points rounded off)

(Note 3) 8th fiscal period: FFO multiple = end of Nov 2007 investment unit price (520,000 yen)/FFO per unit after conversion to annual figure
 9th fiscal period: FFO multiple = end of May 2008 investment unit price (350,000 yen)/FFO per unit after conversion to annual figure (FFO multiple is rounded to one decimal place)

(Note 4) Debt service coverage ratio = Net income prior to deduction of interest/interest expenses (including interest on corporate bonds)

(Note 5) Ratio of interest-bearing debt to total assets at end of period = End-of-period interest-bearing debt/end-of-period total assets x 100 (recorded with figure rounded to one decimal place)

Loans

Classification		Balance at previous period end (thousand yen)	Increase in current period (thousand yen)	Decrease in current period (thousand yen)	Balance as of report date (thousand yen)	Average interest rate (note1)	Repayment date	Purpose	Remarks
Lender									
Short-term loans	Mizuho Corporate Bank, Ltd.	2,400,000	—	—	2,400,000	1.14333%	2008/8/29	(note6)	Unsecured Non-guaranteed
	Sumitomo Mitsui Banking Corporation	2,000,000	—	—	2,000,000				
	Shinkin Central Bank	1,000,000	—	—	1,000,000				
	Sumitomo Mitsui Banking Corporation	2,000,000	—	1,500,000	500,000	1.14333%	2008/11/28	(note7)	Unsecured Non-guaranteed
	The Shinkumi Federation Bank	—	1,000,000	—	1,000,000				
	North Pacific Bank, Ltd.	—	500,000	—	500,000				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	3,150,000	—	3,150,000				
	Mitsubishi UFJ Trust and Banking Corporation	—	3,150,000	—	3,150,000	1.14333%	2008/12/26	(note9)	Unsecured Non-guaranteed
	The Chuo Mitsui Trust and Banking Company, Limited	—	3,150,000	—	3,150,000				
	The Sumitomo Trust & Banking Co., Ltd.	—	3,150,000	—	3,150,000				
	Mizuho Corporate Bank, Ltd.	—	1,600,000	—	1,600,000				
	Shinkin Central Bank	—	1,000,000	—	1,000,000	1.19333%	2009/2/27	(note6)	Unsecured Non-guaranteed
	Sumitomo Mitsui Banking Corporation	—	3,000,000	—	3,000,000				
		subtotal	7,400,000	19,700,000 (note5)	1,500,000 (note5)	25,600,000			
Long-term loans due within 1 year	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,002,000	—	—	3,002,000	1.27898% (note2)	2009/2/28	(note6)	Secured Non-guaranteed
	The Chuo Mitsui Trust and Banking Company, Limited	1,224,500	—	—	1,224,500				
	Mitsubishi UFJ Trust and Banking Corporation	1,027,000	—	—	1,027,000				
	The Sumitomo Trust & Banking Co., Ltd.	1,027,000	—	—	1,027,000				
	Resona Bank, Ltd.	1,027,000	—	—	1,027,000				
	Aozora Bank, Ltd.	592,500	—	—	592,500				
		subtotal	7,900,000	—	—	7,900,000			
	subtotal	11,573,500	19,700,000 (note5)	1,500,000 (note5)	33,500,000				

Loans (continued)

Classification		Balance at previous period end (thousand yen)	Increase in current period (thousand yen)	Decrease in current period (thousand yen)	Balance as of report date (thousand yen)	Average interest rate (note1)	Repayment date	Purpose	Remarks				
Lender													
Long-term loans	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,250,000	—	—	3,250,000	1.21808% (note2)	2009/11/30	(note8)	Secured Non-guaranteed				
	The Chuo Mitsui Trust and Banking Company, Limited	1,550,000	—	—	1,550,000								
	Mitsubishi UFJ Trust and Banking Corporation	1,200,000	—	—	1,200,000								
	The Sumitomo Trust & Banking Co., Ltd.	1,250,000	—	—	1,250,000								
	Resona Bank, Ltd.	1,200,000	—	—	1,200,000								
	Aozora Bank, Ltd.	800,000	—	—	800,000								
	The Norinchukin Bank	1,250,000	—	—	1,250,000								
	The Shizuoka Bank, Ltd.	500,000	—	—	500,000								
	The Chiba Bank Limited	500,000	—	—	500,000								
	The Dai-ichi Mutual Life Insurance Company	1,000,000	—	—	1,000,000					1.94000%	2011/8/31	(note8)	Unsecured Non-guaranteed
	Daido Life Insurance Company	1,600,000	—	—	1,600,000	2.19875%	2013/11/17	(note8)					
	National Mutual Insurance Federation of Agricultural Cooperatives	2,000,000	—	—	2,000,000	1.84500%	2011/12/26	(note7)	Unsecured Non-guaranteed				
	Taiyo Life Insurance Company	1,500,000	—	—	1,500,000								
	The Dai-ichi Mutual Life Insurance Company	1,000,000	—	—	1,000,000								
	Mitsui Sumitomo Insurance Co., Ltd.	1,000,000	—	—	1,000,000								
	The Norinchukin Bank	5,000,000	—	—	5,000,000					1.39333% (note3)	2011/12/26	(note7)	Unsecured Non-guaranteed
	The Hachijuni Bank, Ltd.	1,000,000	—	—	1,000,000	1.24167% (note4)	2010/2/19	(note7)	Unsecured Non-guaranteed				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000,000	—	—	2,000,000								
	The Sumitomo Trust & Banking Co., Ltd.	2,000,000	—	—	2,000,000								
	Mitsubishi UFJ Trust and Banking Corporation	2,000,000	—	—	2,000,000								
	The Chuo Mitsui Trust and Banking Company, Limited	2,000,000	—	—	2,000,000								
	The Chiba Bank Limited	2,000,000	—	—	2,000,000								
	Shinkin Central Bank	1,000,000	—	—	1,000,000								
	Taiyo Life Insurance Company	1,000,000	—	—	1,000,000					1.78500%	2012/9/19	(note7)	Unsecured Non-guaranteed
	Daido Life Insurance Company	900,000	—	—	900,000					1.89250%	2013/9/19	(note7)	
	Sumitomo Mitsui Banking Corporation	2,000,000	—	—	2,000,000					1.44000%	2010/11/30	(note7)	
	Development Bank of Japan	2,000,000	—	—	2,000,000	1.74375%	2012/5/31	(note7)	Unsecured Non-guaranteed				
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	—	2,000,000	—	2,000,000	1.24333%	2010/5/31	(note6)					
	Mitsubishi UFJ Trust and Banking Corporation	—	1,800,000	—	1,800,000								
	The Sumitomo Trust & Banking Co., Ltd.	—	1,800,000	—	1,800,000								
The Chuo Mitsui Trust and Banking Company, Limited	—	1,300,000	—	1,300,000									
Sumitomo Mitsui Banking Corporation	—	2,000,000	—	2,000,000	1.24333%					2010/5/31	(note6)		
subtotal	42,500,000	8,900,000	—	51,400,000									
Total	57,800,000	28,600,000 (note5)	1,500,000 (note5)	84,900,000									

- (Note1) The average interest rate is the loan interest rate of each loan agreement (weighted average rate at the end of fiscal period) rounded to five decimal places.
- (Note2) The weighted average interest rate that considers the effect of the interest rate swap is listed for borrowings for which interest rate swap transactions were conducted with the objective of avoiding interest rate fluctuation risks.
- (Note3) We purchased an interest rate cap to set the upper limit of applicable interest rate (3-month JPY TIBOR) to 1.38%.
- (Note4) We purchased an interest rate cap to set the upper limit of applicable interest rate (3-month JPY TIBOR) to 1.07%.
- (Note5) Short-term loan shows only lenders with balance at the end of 9th fiscal period. 1,980,000 thousand yen in short-term loans borrowed during 9th fiscal period have been repaid by the end of 9th fiscal period.
- (Note6) The purpose of loan is to purchase real estate in trust.
- (Note7) The purpose of loan is to purchase real estate.
- (Note8) The purpose of loan is to purchase real estate and real estate in trust, and to repay short-term loans.
- (Note9) The propose of loan is to purchase real estate and leaseholds.
- (Note10) The following represents the scheduled repayment amounts for each year over the next 5 years calculated from the end of this fiscal period for long-term loans (excluding the amount to be repaid within one year)

	within 2 years	within 3 years	within 4 years	within 5 years
Long-term loans	31,400,000 thousand yen	2,000,000 thousand yen	12,500,000 thousand yen	3,000,000 thousand yen

Issuance of Corporate Bonds

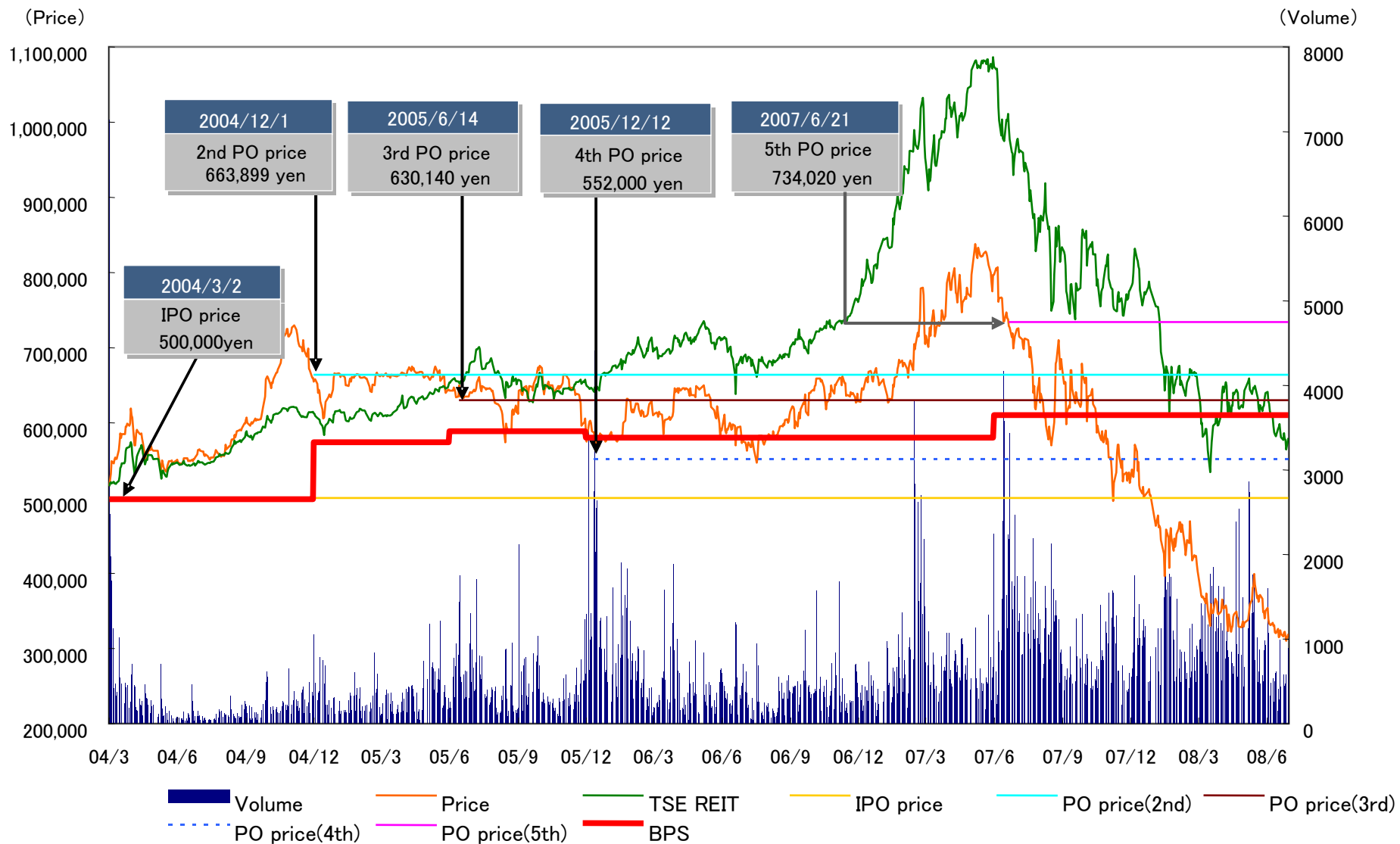
Public Private	Date of Issuance	Redemption	Issuance Amount	Interest Rate	Credit Rating
Public	2005/7/20	2010/7/20 (5years)	JPY 10Bn	0.74%	A2 (Moody's)
Public	2005/9/26	2010/9/24 (5years)	JPY 10Bn	0.84%	A2 (Moody's)
Public	2005/9/26	2012/9/24 (7years)	JPY 10Bn	1.28%	A2 (Moody's)
Public	2006/2/20	2011/2/18 (5years)	JPY 15Bn	1.50%	A2 (Moody's)/A+ (R&I)
Public	2006/10/25	2009/10/23 (3years)	JPY 12Bn	1.54%	A2 (Moody's)/A+ (R&I)
Public	2007/2/9	2012/2/9 (5years)	JPY 12Bn	1.84%	A2 (Moody's)/A+ (R&I)
Public	2007/9/13	2009/9/11 (3years)	JPY 6Bn	1.58%(note)	A2 (Moody's)/A+ (R&I)
Public	2007/9/13	2011/9/13 (4years)	JPY 10Bn	1.83%(note)	A2 (Moody's)/A+ (R&I)
Public	2007/9/13	2012/9/13 (5years)	JPY 5Bn	1.90%	A2 (Moody's)/A+ (R&I)
Total	-	-	JPY 90Bn	-	-

(Note) The weighted average interest rate that considers the effect of the interest rate swap is listed for borrowings for which interest rate swap transactions were conducted with the objective of avoiding interest rate fluctuation risks.

Credit Rating

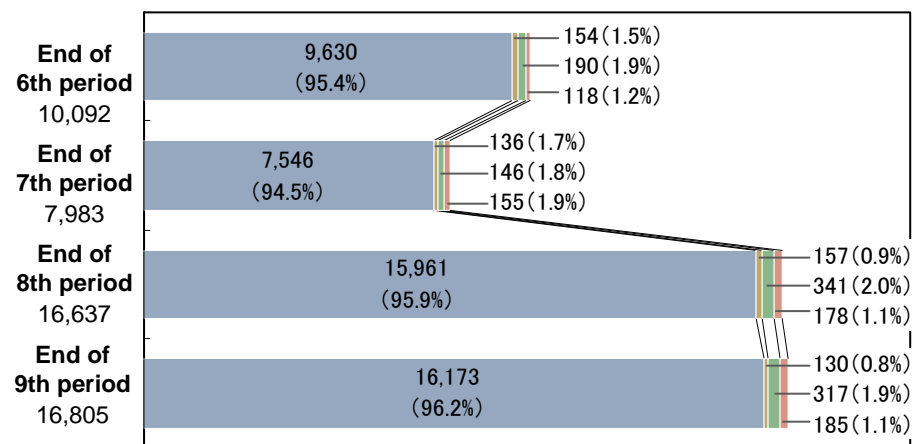
Credit Rating Agency	Credit Rate	Outlook
Moody's Investor Service Inc.	A2	Stable
Rating and Investment Information, Inc.	A+	Stable

Trend of Stock Price



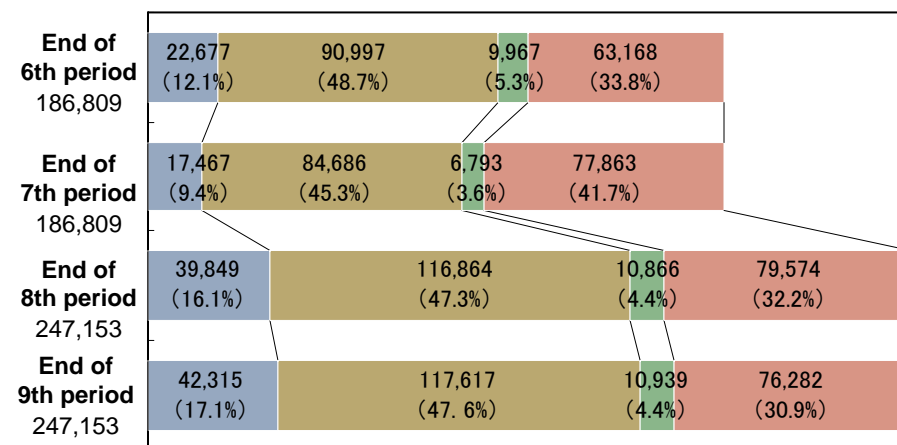
Investment Units

Number of Investors



■ Individual and others ■ Financial Institutions (incl. securities companies)

Number of Units held by Investor Type



■ Other domestic companies ■ Foreign Investors

Major Investors (As of May 31, 2008)

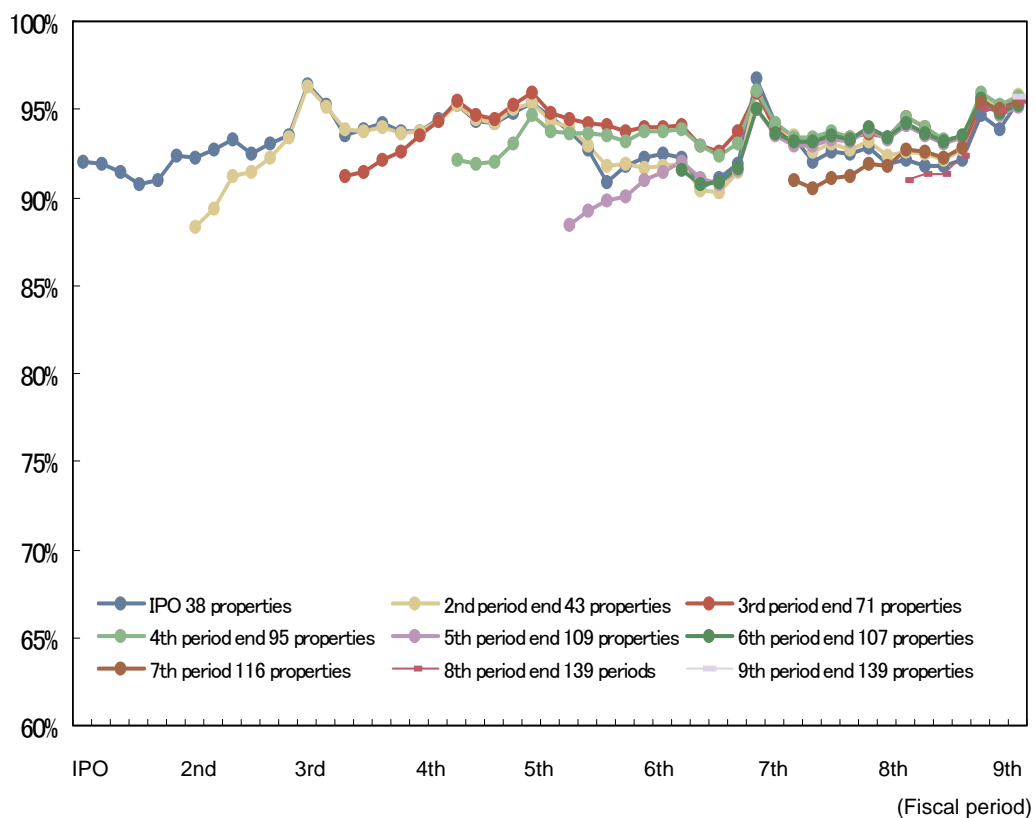
Rank	Name	Number of Units	Share
1	NikkoCiti Trust and Banking Corporation (Trust)	17,836	7.2%
2	Japan Trustee Services Bank, Ltd. (Trust)	15,309	6.2%
3	The Master Trust Bank of Japan, Ltd. (Trust)	9,539	3.9%
4	Trust & Custody Services Bank, Ltd. (Securities Investment Trust)	8,810	3.6%
5	National Mutual Insurance Federation of Agricultural Cooperatives	7,930	3.2%
6	The Nomura Trust & Banking Co.,Ltd	7,575	3.1%
7	North Pacific Bank	6,498	2.6%
8	Goldman Sachs International	4,544	1.8%
9	State Street Bank And Trust Company	4,393	1.8%
10	Nomura Securities Co.,Ltd.	4,378	1.8%
Total		86,812	35.1%

(Reference) Major Investors (As of Nov 30, 2007)

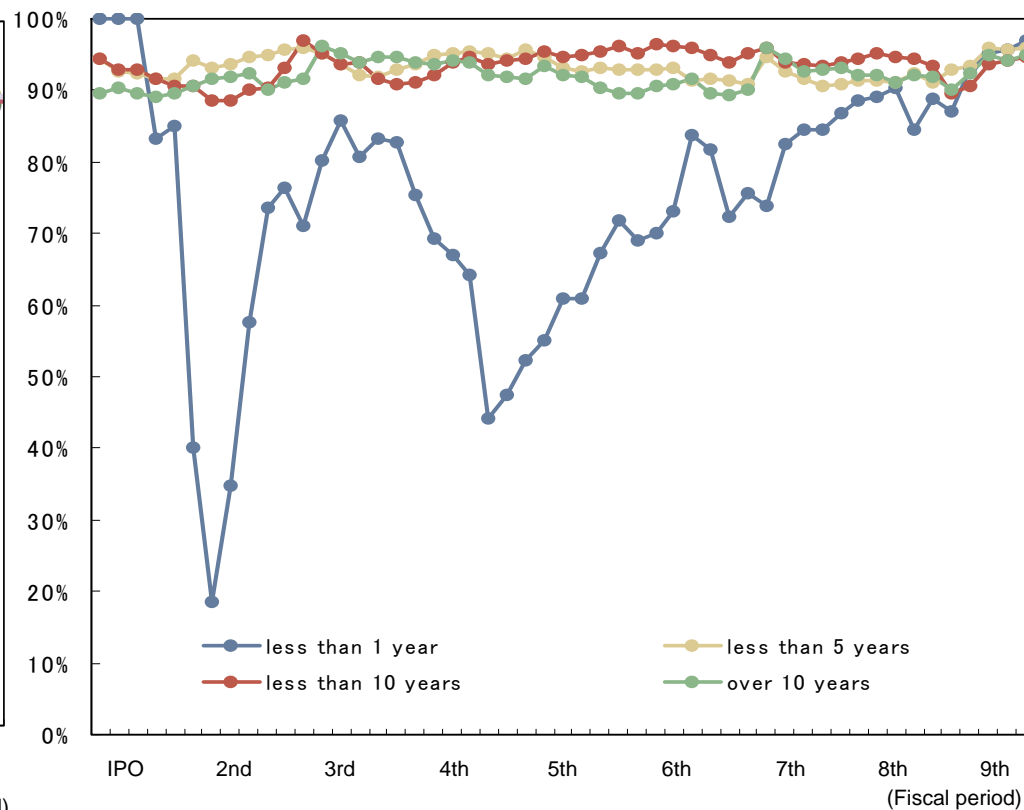
Rank	Name	Number of Units	Share
1	NikkoCiti Trust and Banking Corporation (Trust)	17,769	7.2%
2	Japan Trustee Services Bank, Ltd. (Trust)	15,700	6.4%
3	The Master Trust Bank of Japan, Ltd. (Trust)	11,305	4.6%
4	Trust & Custody Services Bank, Ltd. (Securities Investment Trust)	8,792	3.6%
5	CBLDN Standard Life Assurance Limited	8,164	3.3%
6	The Nomura Trust & Banking Co.,Ltd	7,409	3.0%
7	North Pacific Bank	5,842	2.4%
8	National Mutual Insurance Federation of Agricultural Cooperatives	4,241	1.7%
9	The Bank of New York, Treaty Jas dec Account	4,008	1.6%
10	AIG Star Life Insurance Co., Ltd.	3,697	1.5%
Total		86,927	35.2%

Occupancy History

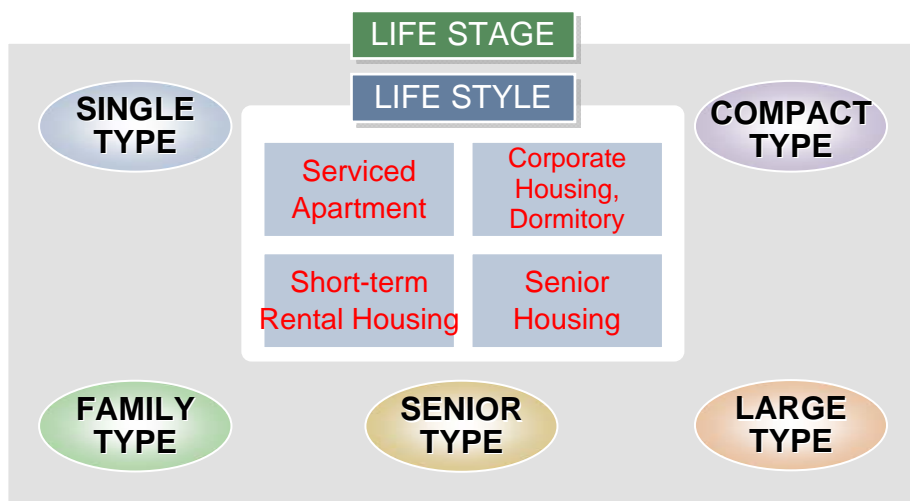
Occupancy by Acquisition Period



Occupancy by Building Age



Promotion of Portfolio Strategy “Total Life Support”



TYPE	LARGE						
						SENIOR	
			FAMILY				
		COMPACT			COMPACT		
	SINGLE						
LIFE STAGE	Early Single	Mid Single	Double Income	Family	Empty Nesters	Senior	
Age Group	Early 20s	Late 20s	Late 20s -30s	30s-50s	Around 60	Mid 60s	
Events	Student life and being employed	Career switches and job relocation	Marriage and start of family life	Childbirth, education, and working for children	Retirement and independence of children	Pension and post-retirement life time	

1. Serviced apartments

[Management case]

PT Roppongi, PR Takanawa

[Required conditions]

Properties located downtown in an area neighboring a major office area, excellent building quality and located near a station

2. Short-term rental condominiums

[Management case]

PL Nagatacho, PL Wasedanishi, PR Kanda-iwamotocho

[Required conditions]

Properties located downtown or near downtown and located near a station. NRIC is allied with a very reliable monthly condominium firm.

3. Corporate housing

[Management case]

PR Sannomiyahigashi, PL Yokohamakannai

[Required conditions]

Properties located in an area near downtown on a commuter line with good convenience to major office areas, or a property near a terminal station in an ordinance designated city

4. Senior housing

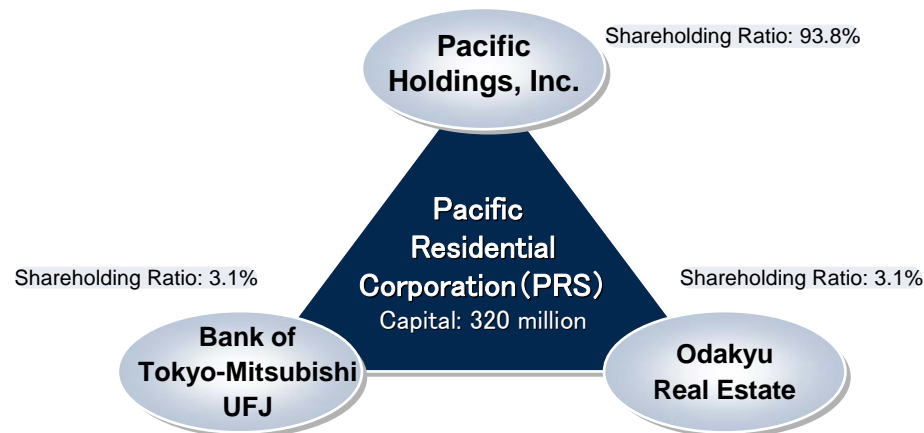
[Management case]




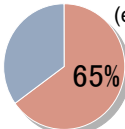
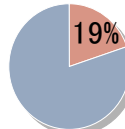
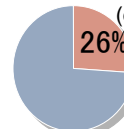
Life & Senior House Kohoku II

[Required conditions]

Properties with specifications that are friendly to the elderly. They have a good neighboring environment and are located in the Tokyo metropolitan area or a core regional city. It has a community facility adjoining it and NRIC is allied with an operator that boasts a strong business plan and good reliability.

Sponsor of Asset Management Company and Property Acquisitions from Sponsor and Others



Acquisition Channel	IPO (March 2004)	2nd-7th Fiscal Periods (May 2007)	8th-9th Fiscal Period (as of end of May 2008)	Total	
Acquisition from Sponsor (Note 1)	 Manoa Okamoto Bellwood	 PR Daikanyama PR Kichijoji	 PR Sodai-dori PR Azabudai PR Daikanyama-Sarugakucho/ Daikanyama Parkside Village	46 properties	
Acquisition from Outside Parties	<ul style="list-style-type: none"> ■ Manoa Saginuma ■ Veil Kohinata 	<ul style="list-style-type: none"> ■ PR Tsukiji ■ PT Meguro-Fudomae ■ Motoazabu Place ■ PT Roppongi 	<ul style="list-style-type: none"> ■ PR Musashikosugi ■ PR Takaoka ■ PR Minami-ichijo ■ PR Ookayama 		114 properties
Share of Overall Portfolio Acquired from Sponsor	 (end of March 2004)	 (end of May 2007)	 (end of May 2008)		

(Note 1) This includes acquisitions from the sponsor and funds that the sponsor handles asset management of.

(Note 2) PR stands for Pacific Residence and PT for Pacific Tower.

(Note 3) The table shows representative examples of properties.

Properties Roster(1/2)

139 Properties owned at the end of 9th fiscal period

	Asset Type	Area	Property Name	Acquisition Price (Mn yen)	Rentable Units
S-1	Core1	Tokyo 23 Wards	Pacific Livew Shinkawa	2,050	83
S-2	Core1	Tokyo Central 5 Wards	Pacific Livew Shiba Daimon	1,900	63
S-3	Sub-core	Tokyo Central 5 Wards	Glenpark Sangubashi	1,040	27
S-5	Sub-core	Tokyo Central 5 Wards	Leopalace Udagawacho Mansion	569	30
S-7	Sub-core	Tokyo 23 Wards	Escort Kami-Ikebukuro	644	44
S-8	Core1	Tokyo 23 Wards	Pacific Residence Shin-Nakano	448	24
S-9	Sub-core	Tokyo Metropolitan Area	Dormitory Haramachida	490	73
S-13	Sub-core	Major Regional Cities	Yoshizuka AG Building No.6 and No.7	428	86
S-14	Core1	Tokyo 23 Wards	Pacific Livew Shirokanedai	1,250	32
S-15	Core2	Major Regional Cities	Grand Blue Hakata	1,582	155
S-16	Sub-core	Tokyo 23 Wards	J Stage Honancho	952	91
S-17	Core2	Tokyo 23 Wards	Park Habio Kyobashi	2,725	63
S-18	Core1	Major Regional Cities	Pacific Livew Tenjinbashi	970	78
S-19	Core1	Tokyo 23 Wards	Pacific Residence Yushimasancho	1,020	63
S-20	Core1	Tokyo Central 5 Wards	Pacific Residence Shinjuku East	1,397	54
S-21	Core1	Tokyo Central 5 Wards	Pacific Livew Shinjuku Higashi	854	48
S-22	Core1	Tokyo Central 5 Wards	Pacific Residence Kandaiwamotocho	1,657	65
S-24	Core1	Tokyo 23 Wards	Pacific Residence Tsukiji	1,320	54
S-25	Core1	Tokyo 23 Wards	Pacific Residence Sasaduka	1,950	96
S-26	Core1	Tokyo Central 5 Wards	Pacific Residence Minamiazabu	1,060	37
S-27	Core1	Tokyo Central 5 Wards	Pacific Residence Ebisu Higashi	660	26
S-28	Core1	Tokyo 23 Wards	Pacific Residence Meguronishi	800	20
S-29	Core1	Tokyo Central 5 Wards	Pacific Residence Hiroo 3chome	850	29
S-30	Core1	Tokyo Central 5 Wards	Pacific Residence Akasaka II	1,567	37
S-31	Core1	Tokyo 23 Wards	Pacific Livew Kyobashi	1,401	52
S-32	Core1	Major Regional Cities	Pacific Residence Sannomiyahigashi	2,247	161
S-33	Core1	Tokyo 23 Wards	Pacific Livew Tamagawa	1,514	98
S-34	Sub-core	Tokyo 23 Wards	Maison Korakuen	710	31
S-35	Core1	Tokyo 23 Wards	Pacific Livew Ginza Higashi	2,348	94
S-36	Sub-core	Tokyo 23 Wards	Relation Oji	1,027	61
S-37	Sub-core	Tokyo Metropolitan Area	No.6 Zelkova Mansion	609	33
S-38	Core1	Tokyo 23 Wards	Pacific Livew Wasedanishi	1,100	63
S-39	Sub-core	Major Regional Cities	KC21 Building	1,167	79
S-40	Core1	Tokyo Central 5 Wards	Pacific Livew Hiroo	1,741	76
S-41	Sub-core	Tokyo Metropolitan Area	Cosmo Nishi-Funabashi II	799	70
S-42	Core1	Tokyo Metropolitan Area	Pacific Livew Yokohama Kannai	1,950	102
S-43	Sub-core	Tokyo 23 Wards	K2	393	25
S-44	Sub-core	Tokyo Metropolitan Area	Flats Okurayama	895	64
S-45	Core2	Tokyo Central 5 Wards	Pianeta Shiodome	2,782	67
S-46	Sub-core	Tokyo 23 Wards	ZESTY Komazawadaigaku	393	18
S-47	Sub-core	Tokyo Central 5 Wards	ZESTY Yoyogi	377	16

	Asset Type	Area	Property Name	Acquisition Price (Mn yen)	Rentable Units
S-48	Sub-core	Tokyo Central 5 Wards	ZESTY Nishishinjuku	436	19
S-49	Sub-core	Tokyo 23 Wards	ZESTY Kyodo	344	15
S-50	Core1	Major Regional Cities	Pacific Livew Utsuboko	1,200	94
S-51	Core1	Tokyo 23 Wards	Pacific Residence Tsukishima I	1,176	40
S-52	Core2	Tokyo 23 Wards	CYNTHIA Oimachi	1,100	48
S-53	Core1	Tokyo Central 5 Wards	Pacific Residence Ebisu	3,500	61
S-54	Core1	Tokyo Central 5 Wards	Pacific Residence Kamiochiai	1,332	70
S-55	Core1	Tokyo 23 Wards	Pacific Residence Higashishinagawa	2,317	122
S-56	Core2	Tokyo Central 5 Wards	LUKE	1,530	34
S-57	Core1	Tokyo Central 5 Wards	Pacific Residence Toranomon	1,484	63
S-58	Core1	Tokyo 23 Wards	Pacific Residence Kamata I	1,579	78
S-59	Core1	Tokyo Metropolitan Area	Pacific Residence Musashikosugi	1,767	68
S-60	Core1	Tokyo Central 5 Wards	Pacific Residence Kanda-Ogawamachi	1,370	52
S-61	Core1	Tokyo Central 5 Wards	Pacific Residence Sodai-dori	1,090	52
S-62	Core1	Major Regional Cities	Pacific Livew Kyotoekimae	2,200	116
S-63	Core1	Tokyo 23 Wards	Pacific Residence Tsukishima II	2,650	105
S-64	Core1	Tokyo Metropolitan Area	Pacific Residence Funabashi I・II	3,300	172
S-65	Core1	Tokyo 23 Wards	Pacific Residence Oimachi I	1,267	40
S-66	Core1	Major Regional Cities	Pacific Residence Takaoka	3,000	198
S-67	Core1	Tokyo Central 5 Wards	Pacific Residence Ookayama	1,301	53
C-1	Core1	Tokyo 23 Wards	Pacific Residence Bunkyoootowa	3,590	104
C-2	Core1	Tokyo 23 Wards	Pacific Residence Sengoku	760	33
C-3	Core1	Tokyo Central 5 Wards	Pacific Livew Jiyugaoka	1,080	28
C-4	Core1	Tokyo 23 Wards	Pacific Residence Yushima	1,110	39
C-6	Sub-core	Tokyo 23 Wards	ZESTY Ikegami Building A and B	381	19
C-8	Core1	Tokyo Metropolitan Area	Pacific Livew Hachioji	700	40
C-9	Sub-core	Major Regional Cities	Grand Heights Hibino	1,230	124
C-10	Core1	Major Regional Cities	Pacific Residence Koyocho	454	40
C-11	Core1	Tokyo Central 5 Wards	Pacific Livew Nagatacho	1,000	23
C-12	Core1	Tokyo Central 5 Wards	Pacific Residence Suidobashi	2,330	65
C-13	Core1	Tokyo Central 5 Wards	Pacific Tower Nogizaka	3,900	68
C-14	Core1	Tokyo Central 5 Wards	Pacific Residence Akasaka I	1,300	37
C-15	Core2	Tokyo Central 5 Wards	Apartments Nishi-Azabu	7,920	125
C-16	Core1	Major Regional Cities	Pacific Residence Tenjinminami	1,200	56
C-17	Core1	Major Regional Cities	Pacific Livew Hakataeki-Minami	420	39
C-18	Core1	Tokyo 23 Wards	Pacific Residence Ningyocho	572	25
C-19	Core1	Tokyo Central 5 Wards	Pacific Residence Daikanyama	2,180	42
C-20	Core1	Tokyo Central 5 Wards	Pacific Residence Ichigaya	2,580	85
C-21	Core1	Tokyo Metropolitan Area	Pacific Residence Kichijoji	1,445	48
C-22	Core1	Tokyo 23 Wards	Pacific Residence Bunkyo Sengoku	1,557	45
C-23	Core1	Tokyo Central 5 Wards	Pacific Residence Akasaka Hinokicho	4,710	87
C-24	Core1	Tokyo Central 5 Wards	Pacific Residence Takanawa	1,550	31
C-25	Core1	Tokyo 23 Wards	Pacific Tower Meguro-fudomae	14,507	358

Properties Roster(2/2)

139 Properties owned at the end of 9th fiscal period

	Asset Type	Area	Property Name	Acquisition Price (Mn yen)	Rentable Units
C-26	Core1	Tokyo 23 Wards	Pacific Residence Sangen-jaya I	3,311	78
C-27	Core1	Tokyo 23 Wards	Pacific Livew Chojamaru	3,338	71
C-28	Sub-core	Tokyo Central 5 Wards	L'air Minami Aoyama	1,030	13
C-29	Core2	Major Regional Cities	Mare	963	38
C-30	Core1	Tokyo Central 5 Wards	Pacific Livew Kandahigashi	1,880	64
C-31	Sub-core	Major Regional Cities	Melody Heim Shin-Osaka	956	70
C-32	Sub-core	Major Regional Cities	Melody Heim Matsubara	643	53
C-33	Core1	Tokyo 23 Wards	Pacific Livew Iriya	1,190	49
C-34	Core1	Tokyo Central 5 Wards	Pacific Residence Higashiazabu	1,570	31
C-35	Core1	Tokyo Central 5 Wards	Pacific Residence Ebisu-minami	2,436	39
C-36	Core1	Tokyo Central 5 Wards	PacificTower Azabu Jyuban	9,060	113
C-37	Core1	Major Regional Cities	Pacific Residence Minami-ichijo	1,910	179
C-38	Core1	Major Regional Cities	Pacific Residence Odori-Nishi	1,790	103
C-39	Core1	Major Regional Cities	Pacific Residence Kita-sanjo	1,261	100
C-40	Core2	Tokyo Central 5 Wards	Cosmos Gracia Shibuya	1,633	40
C-41	Core1	Tokyo 23 Wards	Pacific Livew Nakanobu	2,040	65
C-42	Core1	Tokyo Central 5 Wards	Pacific Residence Azabudai	2,040	47
C-43	Core1	Tokyo Central 5 Wards	Pacific Residence Shibadaimon	1,980	48
C-44	Sub-core	Tokyo 23 Wards	Glana Nihonbashi	1,550	45
C-45	Sub-core	Tokyo Central 5 Wards	Nostel Court Kanda	1,320	43
C-46	Sub-core	Tokyo 23 Wards	Cosmos Gracia Shin-okachimachi	2,162	69
C-47	Core1	Tokyo 23 Wards	Pacific Residence Sangen-jaya II	1,750	34
C-48	Core1	Tokyo 23 Wards	Pacific Residence Chidoricho	1,500	60
C-49	Core1	Tokyo Metropolitan Area	Pacific Royal Court Minato Mirai Ocean Tower	15,221	416
C-50	Core1	Tokyo Central 5 Wards	Pacific Residence Nishi-Shinjuku	2,020	74
C-51	Core1	Tokyo Central 5 Wards	Pacific Residence Hiroo-Minami	1,180	26
F-1	Core1	Tokyo Central 5 Wards	Pacific Residence Sakuragaoka	3,960	66
F-2	Core1	Tokyo Central 5 Wards	Pacific Residence Mejiro Otomeyama	1,100	19
F-3	Core1	Tokyo 23 Wards	Pacific Residence Shinkawa	1,420	36
F-9	Sub-core	Major Regional Cities	Sky Heights Hirabari	554	36
F-10	Core1	Tokyo 23 Wards	Pacific Residence Mejiro	7,350	162
F-11	Core1	Tokyo Central 5 Wards	Pacific Residence Shibaura	4,900	154
F-12	Core1	Major Regional Cities	Pacific Residence Shirakabehigashi	1,070	33
F-13	Core1	Major Regional Cities	Pacific Residence Sakahigashi	890	50
F-14	Sub-core	Tokyo Metropolitan Area	Maison Yachiyodai	1,281	39
F-15	Sub-core	Tokyo 23 Wards	Abreast Kasai	807	29
F-16	Core1	Major Regional Cities	Pacific Residence Uzumasa	958	48
F-17	Core1	Major Regional Cities	Pacific Residence Izumi	4,400	122
F-18	Core1	Tokyo 23 Wards	Pacific Residence Nihonbashi-bakurocho	5,380	132
F-19	Core1	Tokyo 23 Wards	Pacific Residence Gotenyama	1,186	16
F-20	Core1	Major Regional Cities	Pacific Residence Maruyama-kitagojo	1,284	56
F-21	Core1	Major Regional Cities	Pacific Residence Tokugawa	975	27

	Asset Type	Area	Property Name	Acquisition Price (Mn yen)	Rentable Units
F-22	Core1	Tokyo Central 5 Wards	Pacific Residence Yutenji	5,940	118
F-23	Core1	Major Regional Cities	Pacific Residence Higashiyama-Motomachi	991	23
F-24	Core1	Major Regional Cities	Pacific Residence Odori-Koen	2,680	109
F-25	Core2	Tokyo central 5 wards	Park Tower Shibaura Bayward Urban Wing	14,510	191
L-7	Core2	Tokyo Central 5 Wards	Motoazabu Place	10,270	41
L-8	Core1	Tokyo Central 5 Wards	Pacific Tower Roppongi	8,456	83
L-9	Core1	Tokyo Central 5 Wards	Pacific Residence Kamimeguro	1,000	16
L-10	Core1	Tokyo Central 5 Wards	Pacific Residence Yoyogikoen	1,310	6
L-11	Core2	Tokyo Central 5 Wards	Windsor House Hiroo	2,000	12
L-13	Core1	Tokyo 23 Wards	Pacific Residence Ohi	1,120	22
L-15	Core1	Tokyo Central 5 Wards	Pacific Residence Daikanyama- Sarugakucho/Daikanyama Parkside Village	8,140	77
L-16	Sub-core	Tokyo Central 5 Wards	Luxeair Kita-Shinjuku	1,900	26
SE-1	Core2	Tokyo Metropolitan Area	Life & Senior House Kohoku II	1,950	78
Subtotal				303,584	9,344

Properties (to be) acquired during 10th period and onwards

	Asset Type	Area	Property Name	Acquisition Price	Rentable Units
S-68	Core2	Tokyo 23 wards	Cosmos Gracia Kinshicho Aquver	2,908	99
C-49	Core1	Tokyo Metropolitan area	Pacific Royal Court Minato Mirai Urban Tower	11,715	418
Subtotal				14,623	517

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