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## REIT Financial Report for the 9th Fiscal Period

July 13, 2010

Name of REIT Issuer: DA Office Investment Corporation  
 Stock Code No.: 8976  
 Representative: Yoshiki Nishigaki, Executive Director

Stock Exchange Listing: TSE  
 URL: <http://www.da-office.co.jp>

Name of Asset Manager: Daiwa Real Estate Asset Management Co., Ltd.  
 Representative: Akira Yamanouchi, President and Representative Director  
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Scheduled date of submission of periodic securities report (*yuka shoken hokokusho*): August 26, 2010

Scheduled date of start of distribution payments: August 6, 2010

[Amounts are rounded down to the nearest million yen, except for per unit figures]

### 1. Status of Management and Assets for the 9th Fiscal Period

**9th Fiscal Period: Fiscal period ended May 2010 (from December 1, 2009 to May 31, 2010)**

**8th Fiscal Period: Fiscal period ended November 2009 (from June 1, 2009 to November 30, 2009)**

#### (1) Management

[% figures show the period-on-period increase (decrease)]

	Operating revenue		Operating income		Ordinary income		Net income	
9th Period	¥6,985 million	(9.8%)	¥2,959 million	(24.2%)	¥1,773 million	(34.6%)	¥2,076 million	(23.4%)
8th Period	¥7,744 million	(5.3%)	¥3,903 million	(8.8%)	¥2,710 million	(9.6%)	¥2,709 million	(14.2%)

	Net income per unit	Ratio of net income to unitholders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenue
9th Period	¥5,246	1.0%	0.6%	25.4%
8th Period	¥6,997	1.4%	1.0%	35.0%

#### (2) Distributions

[Total distribution amounts are rounded down to the nearest million yen]

	Distribution amount per unit (excluding distribution amount in excess of earnings)	Total distribution amount	Distribution amount in excess of earnings per unit	Total distribution amount in excess of earnings	Dividend payout (Note)	Ratio of distribution amount to net assets
9th Period	¥5,246	¥2,076 million	¥0	¥- million	100.0%	1.0%
8th Period	¥6,847	¥2,710 million	¥0	¥- million	100.0%	1.3%

(Note) Dividend payout = Total distribution amount (excluding total distribution amount in excess of earnings) ÷ Net income × 100

#### (3) Financial Position

	Total assets	Net assets	Ratio of unitholders' equity to total assets	Net assets per unit
9th Period	¥283,866 million	¥200,857 million	70.8%	¥507,474
8th Period	¥286,901 million	¥201,491 million	70.2%	¥509,075

(4) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
9th Period	¥3,193 million	(¥6,578 million)	(¥2,834 million)	¥16,003 million
8th Period	¥4,085 million	(¥1,211 million)	¥9,291 million	¥22,222 million

**2. Management Status Forecasts for the 10th Fiscal Period**

**10th Fiscal Period: Fiscal period ending November 2010 (from June 1, 2010 to November 30, 2010)**

[% figures show the period-on-period increase (decrease)]

	Operating revenue		Operating income		Ordinary income		Net income	
10th Period	¥6,317 million	(9.6%)	¥2,465 million	(16.7%)	¥1,259 million	(29.0%)	¥1,257 million	(39.5%)

	Distribution amount per unit (excluding distribution amount in excess of earnings)	Distribution amount in excess of earnings per unit
10th Period	¥3,176	¥0

(Reference) Estimated net income per unit for 10th Fiscal Period: ¥3,176

**3. Other**

(1) Changes in Accounting Policies

- (i) Changes accompanying amendments to accounting standards, etc.: None
- (ii) Changes other than (i): None

(2) Number of Investment Units Issued and Outstanding

- (i) Number of investment units issued and outstanding at end of period (including own investment units):  
 9th Fiscal Period: 395,798 units      8th Fiscal Period: 395,798 units
- (ii) Number of own investment units at end of period:  
 9th Fiscal Period: – units      8th Fiscal Period: – units

(Note) Please refer to “Notes on Per Unit Information” on page 25 for the number of investment units used as the basis for calculating the net income per unit.

**\*Explanation on the Appropriate Use of the Management Status Forecasts, and Other Matters of Special Note**

The forecast figures set forth herein are the current prospects based on information currently available to the Investment Corporation and contain elements of uncertainty. Accordingly, the actual operating revenue, operating income, ordinary income, net income and distribution amount per unit may vary due to changes in the status. Moreover, the forecasts set forth herein should not be construed as a guarantee of distribution amounts. For details on the assumptions underlying the forecast figures above, please refer to “2. Management Policy and Management Status; 2.2. Management Status; Assumptions for the Management Status Forecasts for the 10th Fiscal Period and 11th Fiscal Period” on page 8.

## 1. Affiliated Juridical Persons of the Investment Corporation

Please refer to page 47 later in this document.

## 2. Management Policy and Management Status

### 2.1. Management Policy

Disclosure is omitted because there are no significant changes from the “Investment Policy,” “Investment Target” and “Distribution Policy” set out in the most recent periodic securities report (*yuka shoken hokokusho*) (submitted on February 22, 2010).

### 2.2. Management Status

#### 2.2.1. Overview of the Fiscal Period under Review

##### 2.2.1.1. Brief History of the Investment Corporation

DA Office Investment Corporation (the “Investment Corporation”) was established on July 11, 2005 in accordance with the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951; including amendments thereto) (the “Investment Trust Act”) with K.K. daVinci Select (now, Daiwa Real Estate Asset Management Co., Ltd.) (the “Asset Manager”) as the organizer. After its establishment, the Investment Corporation implemented an additional issuance of investment units through a public offering (99,600 units) on October 18, 2005 and then listed on the Tokyo Stock Exchange, Inc. (TSE) Real Estate Investment Trust Section (stock code: 8976) on the following day.

Subsequent activities, such as additional acquisition of properties and replacement of portfolio properties, resulted in the assets under management amounting to 269,195 million yen (sum total of acquisition prices) as of the last day of May 2010.

The Investment Corporation strives to secure stable revenue and maximize returns for unitholders based on a clear portfolio development policy of specializing in investment in office buildings, with a particular focus on investment in A Class buildings (refers to buildings with a total floor area of 30,000m<sup>2</sup> or more) and B Class buildings (refers to buildings with a total floor area of 2,000m<sup>2</sup> or more, but less than 30,000m<sup>2</sup>) situated in downtown Tokyo, as well as through dedicated efforts to heighten tenant satisfaction levels.

##### 2.2.1.2. Investment Environment and Management Performance

###### (a) Investment Environment

In the fiscal period under review (9th Fiscal Period: fiscal period ended May 2010 (from December 1, 2009 to May 31, 2010)), the Japanese economy is on the road to steady recovery. This was evident, for example, by the increase in exports and turnaround in corporate earnings backed by such factors as the economic growth of China and other developing countries, and pick-up in personal consumption thanks to economic packages.

On the other hand, employment-related indicators remain harsh and, although moderate, in a state of deflation. In addition, overseas economies, centering on Europe, faced downward risks. These, among other factors, left the economy in a state in which future economic uncertainty failed to be fully eliminated.

In spite of the described prolonged severe economic environment, the office leasing market is marking a break in the upward trend of vacancy rates and is on the road to, although moderate, recovery. This was evident, for example, by the downward trend in corporate downsizing efforts to consolidate or relocate offices and there being corporate moves to expand floor area or newly occupy space. In addition, signs of recovery in vacancy rates suggest the fall in newly advertised rent levels, too, are also ceasing.

Meanwhile, rent levels at which tenants renew their lease agreements are on a downward trend due to disparities between newly advertised rent and current rent.

In the office transaction market, while transaction volume was on a weak note at the beginning of the 9th Fiscal Period, there were several cases of REITs acquiring properties in correlation with capital increases or issuances of investment corporation bonds as well as private funds and real estate companies acquiring large properties starting from around March 2010. Consequently, transaction volume and transaction amount were on the road to recovery. This is thought to be primarily attributable to improvements in the financing environment, as indicated by initiatives to sell properties that have little disparity between newly advertised rent and current rent levels and thus regarded as being relatively easy to contract being implemented by sellers in light of corporate financial performance and fund redemption deadlines, and the Diffusion Index of Lending Attitude of Financial Institutions (large enterprises in the

real estate industry) in the Bank of Japan's Short-Term Economic Survey of Enterprises in Japan improving from -26 as at June 2009 to -11 as at June 2010.

**(b) Management Performance**

In view of increasing the long-term EPS (EPS after deducting gain on sales of properties (net income per unit)) over the medium and long term, the Investment Corporation worked on "external growth," which aims to boost revenue through acquiring and selling properties, and "internal growth," which aims to maximize income generating from existing properties. Notably, recognizing that the environment is one in which internal growth is difficult and thus external growth is imperative to restore the long-term EPS level, the Investment Corporation proactively engaged in property acquisition activities and purchased ORIX Jimbo-cho Building (acquisition price: 4.15 billion yen).

As a result, the Investment Corporation's assets under management as of the end of the 9th Fiscal Period (May 31, 2010) totaled 31 properties, the sum total of acquisition prices of which amounted to 269,195 million yen. Moreover, this results in investments in the five central wards of Tokyo, which the Investment Corporation positions as a top priority investment area, accounting for 91.1% of the entire portfolio (based on acquisition price).

Concerning internal growth, on the other hand, occupancy rate at the end of the 9th Fiscal Period reflected the severe office leasing market conditions with a drop to 85.7%. In order to avoid further worsening of occupancy rates, the Investment Corporation proactively engaged in leasing, such as continuing to pursue heightened tenant satisfaction levels and strengthening collaboration with leasing brokers and property managers. As a result, the Investment Corporation has paved the way for achieving a recovery in occupancy rates in the next fiscal period (10th Fiscal Period: fiscal period ending November 2010 (from June 1, 2010 to November 30, 2010)) to a certain degree.

**2.2.1.3. Overview of Capital Procurement**

On February 26, 2010, the Investment Corporation borrowed 5,500 million yen in total from Aozora Bank, Ltd., The Kagawa Bank, Ltd. and The Shizuoka Bank, Ltd. to fund the repayment of a loan borrowed from Aozora Bank, Ltd. with its principal repayment due on said date (5,500 million yen). In addition, a contractual repayment of 37.5 million yen was made to Development Bank of Japan Inc. on the same date.

Moreover, on May 31, 2010, contractual repayments of 84.375 million yen in total were made to Sumitomo Mitsui Banking Corporation, The Sumitomo Trust and Banking Co., Ltd., Development Bank of Japan Inc., The Chuo Mitsui Trust and Banking Company, Limited, Taiyo Life Insurance Company and The Gunma Bank, Ltd.

As a result, the balance of interest-bearing liabilities outstanding as at the end of the 9th Fiscal Period stood at 72,408.750 million yen (long-term loans payable: 68,908.750 million yen; subordinated investment corporation bonds: 3,500 million yen). Furthermore, of long-term loans payable, the balance of the current portion of interest-bearing liabilities outstanding stood at 2,258.75 million yen (including 258.75 million yen in contractual repayments).

In addition, for the purpose of hedging the risks of rises in interest rates, of the loans with floating interest rates, the interest rate has been capped for the 7,100 million yen loan whose principal repayment is due on February 20, 2012.

**2.2.1.4. Overview of Financial Performance and Distributions**

As a result of the management described above, the Investment Corporation posted financial performance for the 9th Fiscal Period of 6,985 million yen in operating revenue, 2,959 million yen in operating income, 1,773 million yen in ordinary income and 2,076 million yen in net income.

Concerning distributions, to ensure that the amount equivalent to distributions from earnings would be included in the amount of tax-deductible expenses based on application of special provisions for taxation of corporation tax (Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957; including amendments thereto) (the "Special Taxation Measures Act")), the Investment Corporation decided to distribute the entire amount of unappropriated retained earnings, excluding fractions of the distribution amount per unit that are less than 1 yen. Accordingly, the Investment Corporation declared a distribution amount per unit of 5,246 yen.

## **2.2.2. Outlook for the Next Fiscal Period**

### **2.2.2.1. Investment Environment**

The Japanese economy ahead is expected to continue to be on the road to recovery, backed by the economic growth of developing countries and impact of economic packages. On the other hand, with concerns of worsening employment situation and deteriorating overseas economies, centering on Europe, the stock market slump and increasing appreciation of the yen, among other factors, there are also corresponding risks of downward pressures on the economy.

Under such prospects, the office leasing market is expected to see an increase in leasing demand and improvement in market conditions, backed by the recovery in the Japanese economy. Meanwhile, with construction of several new buildings scheduled to be completed in the next few years, there will be a need to pay heed to concerns of oversupply and other downward pressures.

In the office transaction market, amid improvements in the financing environment, the gap between the target price of sellers and buyers is expected to narrow and thereby boost transaction volume. Meanwhile, the stock market slump and corporate bond market modulation could possibly cause the financing environment to deteriorate.

### **2.2.2.2. Future Management Policy and Tasks**

#### **(a) Strategy for Managing Existing Properties**

Under such office leasing market conditions, the tenant side is also expected to become more selective with properties. Consequently, the Investment Corporation will carry out operational management under the following policy in an aim to enhance the competitiveness of existing properties and thereby increase the long-term EPS over the medium and long term.

##### **(i) Achieve recovery in occupancy rates**

Strive to achieve recovery in occupancy rates through the provision of office environments of high tenant satisfaction levels by maintaining the quality of buildings and equipment and proactively implementing renovations, etc. of common-use areas and thereby lowering vacancy risks.

##### **(ii) Maintain and raise profitability**

Aim to secure stable revenue over the medium and long term through further strengthening of good relationships with existing tenants, as well as proactively tapping the needs of new tenants by discerning the market environment.

##### **(iii) Lower operational management costs**

Strive to lower operational management costs based on maintaining office environments of high tenant satisfaction levels through implementing efficient operational management and reviewing systematic construction work by optimally leveraging the economies of scale achieved from proactively realizing external growth.

#### **(b) Strategy for New Property Investments**

In light of the real estate transaction market conditions described above, the Investment Corporation will concentrate its investment in Tokyo, with a particular focus on A Class and B Class buildings in the five central wards of Tokyo, by maintaining a balance with the financing situation and based on various external growth strategies.

As pipeline support, in addition to expanding its own information-sourcing channels, the Investment Corporation will search for properties that meet its investment criteria by proactively gathering real estate transaction market information through greater collaboration with the Asset Manager and Sponsor Group and utilizing the Group's extensive network of clients, partners, etc.

During the 9th Fiscal Period, the Investment Corporation acquired ORIX Jimbo-cho Building, which is situated in the five central wards of Tokyo. The Investment Corporation believes acquisition of this property will contribute to further stabilization and enhancement of the portfolio, and it will continue to strive to acquire properties that are in line with the investment strategy hereafter.

#### **(c) Financial Strategy**

The Investment Corporation will conduct disciplined financial management based on a medium-term financial strategy of the following basic content.

##### **(i) Keep leverage down at a ratio of interest-bearing liabilities levels within the range of 40% to 50% at maximum.**

- (ii) Diversify repayment deadlines, targeting 20.0 billion yen as the maximum amount of interest-bearing liabilities that shall become due during any single fiscal period.
- (iii) Aim to have long-term loans account for at least 60% to 70% of total loans.
- (iv) Achieve diversification of lenders, which shall mainly be Japanese financial institutions.
- (v) Pursuant to its fund management rules, maintain stability in its financial standing by managing necessary funds, such as the amount equivalent to distributions paid, separately from working capital.

While the Investment Corporation will continue to conduct disciplined financial management based on the medium-term financial strategy, the ratio of interest-bearing liabilities will be kept down at a conservative level of around 35% at maximum in the 10th Fiscal Period.

The Investment Corporation will also continue to diversify lenders, which shall mainly be Japanese financial institutions.

### 2.2.2.3. Material Subsequent Events

#### (a) Decision on Acquisition of Asset

The Investment Corporation decided on June 14, 2010 to acquire a trust beneficial interest in real estate as follows.

#### Summary of Asset to Be Acquired

(1) Type of asset	Trust beneficial interest in real estate
(2) Property name	Kyodo Building (Kudan Ichigo-kan)
(3) Location	1-5-5 Kudan Minami, Chiyoda-ku, Tokyo
(4) Acquisition price	4.0 billion yen (excluding acquisition costs, consumption tax, etc.)
(5) Date of execution of agreement	June 14, 2010
(6) Date of delivery (scheduled)	September 13, 2010 or any other date to be separately agreed upon by the Seller and the Investment Corporation
(7) Seller	Shining Nova the Fifth B TMK

#### (b) Issuance of Investment Corporation Bonds

Based on a comprehensive resolution on issuance of investment corporation bonds adopted at a meeting of its board of directors held on May 17, 2010, the Investment Corporation issued investment corporation bonds on June 24, 2010 as described below to fund future acquisition of specified assets, payment of repairs, etc., repayment of loans and expenditure of working capital.

#### Overview of the Investment Corporation Bonds

(1) Name of the bonds	DA Office Investment Corporation Second Series of Unsecured Investment Corporation Bonds (ranking pari passu with specified investment corporation bonds)
(2) Total issue amount	5.0 billion yen
(3) Issue price	100 yen per 100 yen of the bonds
(4) Redemption value	100 yen per 100 yen of the bonds
(5) Interest rate	1.87% per annum
(6) Collateral, etc.	The bonds will be issued on an unsecured, unguaranteed basis and without withholding any specific assets.
(7) Redemption method and redemption date	The total amount of the bonds will be redeemed on June 24, 2013. (Note) The bonds may be repurchased and cancelled at the option of the Investment Corporation at any time from the next day of the payment date, unless otherwise provided for by the book-entry transfer agent.
(8) Interest payment dates	June 24 and December 24 of each year

### 2.2.2.4. Outlook for Management Status

The Investment Corporation forecasts the following management status for the 10th Fiscal Period (fiscal period ending November 2010 (from June 1, 2010 to November 30, 2010)). For the assumptions underlying the management status forecasts, please refer to the “Assumptions for the Management Status Forecasts for the 10th Fiscal Period and 11th Fiscal Period” on page 8.

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Operating revenue	6,317 million yen
Ordinary income	1,259 million yen
Net income	1,257 million yen
Distribution amount per unit	3,176 yen
Distribution amount in excess of earnings per unit	0 yen

In addition, on the basis that the “Assumptions for the Management Status Forecasts for the 10th Fiscal Period and 11th Fiscal Period” will remain unchanged, the Investment Corporation forecasts the following management status for the 11th Fiscal Period (fiscal period ending May 2011 (from December 1, 2010 to May 31, 2011)).

Operating revenue	6,320 million yen
Ordinary income	1,260 million yen
Net income	1,258 million yen
Distribution amount per unit	3,180 yen
Distribution amount in excess of earnings per unit	0 yen

(Note) The forecast figures above are the current forecasts calculated based on certain assumptions. Accordingly, the actual operating revenue, operating income, ordinary income, net income, distribution amount per unit and distribution amount in excess of earnings per unit may vary due to changes in the status. Moreover, the forecasts set forth herein should not be construed as a guarantee of distribution amounts.

**Assumptions for the Management Status Forecasts for the 10th Fiscal Period and 11th Fiscal Period**

Item	Assumptions
Fiscal periods	<ul style="list-style-type: none"> <li>• 10th Fiscal Period: Fiscal period ending November 2010 (from June 1, 2010 to November 30, 2010)</li> <li>• 11th Fiscal Period: Fiscal period ending May 2011 (from December 1, 2010 to May 31, 2011)</li> </ul>
Assets under management	<ul style="list-style-type: none"> <li>• 10th Fiscal Period: Assets under management are assumed to be the 31 properties held as of May 31, 2010 plus the 1 property scheduled for delivery on September 13, 2010 to total 32 properties.</li> <li>• 11th Fiscal Period: Assets under management are assumed to be the abovementioned 32 properties.</li> <li>• It is assumed that there are no changes in the assets under management (new property acquisitions, sale of portfolio properties, etc.) through to the end of the 11th Fiscal Period.</li> <li>• The actual number of properties may vary due to changes in the assets under management.</li> </ul>
Operating revenue	<ul style="list-style-type: none"> <li>• Rent revenue (rent revenue – real estate) from existing properties is calculated based on historical data and taking into account variable factors.</li> <li>• It is assumed that there is no gain (loss) on sales of real estate properties.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>• Expenses related to rent business, which constitute a major component of operating expenses, are calculated based on historical data and taking into account variable factors.</li> <li>• Repair expenses for buildings are recorded as expenses in the amount expected to be necessary in the respective fiscal period based on the medium- and long-term repair plan established by the Asset Manager.</li> <li>• Operating income from property leasing (excluding gain on sales of real estate properties) after deducting expenses related to rent business (including depreciation) is expected to be 3,229 million yen in the 10th Fiscal Period and 3,276 million yen in the 11th Fiscal Period.</li> <li>• Consignment expenses are expected to be 509 million yen in the 10th Fiscal Period and 452 million yen in the 11th Fiscal Period.</li> <li>• Taxes and dues (fixed property tax, city planning tax, etc.) are expected to be 561 million yen in the 10th Fiscal Period and 596 million yen in the 11th Fiscal Period.</li> <li>• Depreciation is expected to be 1,232 million yen in the 10th Fiscal Period and 1,258 million yen in the 11th Fiscal Period.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>• Non-operating expenses in the 10th Fiscal Period are expected to be 1,206 million yen, of which the interest expenses and borrowing related expenses are expected to be 1,196 million yen.</li> <li>• Non-operating expenses in the 11th Fiscal Period are expected to be 1,244 million yen, of which the interest expenses and borrowing related expenses are expected to be 1,234 million yen.</li> </ul>
Interest-bearing liabilities	<ul style="list-style-type: none"> <li>• The total amount of interest-bearing liabilities is assumed to be 77,275.625 million yen at the end of the 10th Fiscal Period and 77,150 million yen at the end of the 11th Fiscal Period.</li> <li>• The total amount of interest-bearing liabilities in the 10th Fiscal Period is based on the assumption that funds in the amount of 5,000 million yen will be procured through issuance of its Second Series of Unsecured Investment Corporation Bonds (payment on June 24, 2010). The total amount of interest-bearing liabilities in the 10th Fiscal Period is also based on the assumption that the 133.125 million yen that is to become due for contractual repayment (41.25 million yen due by August 31, 2010; 7.5 million yen due by September 17, 2010; 84.375 million yen due by November 30, 2010) will be repaid using cash reserves.</li> <li>• The total amount of interest-bearing liabilities in the 11th Fiscal Period is based on the assumption that, of the 2,000 million yen that is to become due for repayment, 2,000 million yen (due by March 18, 2011) will be refinanced in the entire amount. The total amount of interest-bearing liabilities in the 11th Fiscal Period is also based on the assumption that the 125.625 million yen that is to become due for contractual repayment (41.25 million yen due by February 28, 2011; 84.375 million yen due by May 31, 2011) will be repaid using cash reserves.</li> </ul>



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Item	Assumptions
Number of investment units issued and outstanding	<ul style="list-style-type: none"> <li>The number of investment units issued and outstanding is assumed to be the 395,798 units issued and outstanding as of the date of submission of this document, and there is assumed to be no additional issuance of investment units through to May 31, 2011.</li> </ul>
Distribution amount per unit	<ul style="list-style-type: none"> <li>The distribution amount per unit is calculated based on the cash distribution policy as set out in the articles of incorporation of the Investment Corporation.</li> <li>The distribution amount per unit may vary depending on a variety of factors, such as changes in the assets under management, changes in the rent revenue (rent revenue – real estate) due to tenant changes and other causes, and incurrence of unforeseen repairs.</li> </ul>
Distribution amount in excess of earnings per unit	<ul style="list-style-type: none"> <li>At present, there is no plan to make any distribution in excess of earnings (distribution amount in excess of earnings per unit).</li> </ul>
Other	<ul style="list-style-type: none"> <li>It is assumed that there are no changes to laws and ordinances, the tax system, accounting standards, listing regulations, the rules of The Investment Trusts Association, Japan, etc. that will affect the abovementioned forecast figures.</li> <li>It is assumed that there will be no major unforeseen changes in general economic trends, real estate market conditions, etc.</li> </ul>

**2.3. Investment Risks**

Disclosure is omitted because there are no significant changes from the “Investment Risks” set out in the periodic securities report (*yuka shoken hokokusho*) submitted on February 22, 2010.

**3. Financial Statements****3.1. Balance Sheets**

(Unit: thousand yen)

	8th Fiscal Period [As of November 30, 2009]	9th Fiscal Period [As of May 31, 2010]
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	15,467,439	11,290,130
Cash and deposits in trust	6,754,925	4,713,508
Operating accounts receivable	193,972	142,101
Consumption taxes receivable	—	32,529
Prepaid expenses	808,962	766,103
Deferred tax assets	17	22
Other	246,496	234,103
<b>Total current assets</b>	<b>23,471,813</b>	<b>17,178,499</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Tools, furniture and fixtures	1,875	1,875
Accumulated depreciation	(1,407)	(1,576)
Tools, furniture and fixtures, net	468	299
Other	3,456	3,456
Accumulated depreciation	(3,456)	(3,456)
Other, net	—	—
Buildings in trust	53,846,910	55,023,264
Accumulated depreciation	(6,950,081)	(8,094,959)
Buildings in trust, net	*1 46,896,828	*1 46,928,304
Structures in trust	748,265	756,065
Accumulated depreciation	(49,886)	(59,692)
Structures in trust, net	*1 698,379	*1 696,373
Machinery and equipment in trust	431,805	702,855
Accumulated depreciation	(166,131)	(193,111)
Machinery and equipment in trust, net	*1 265,674	*1 509,744
Tools, furniture and fixtures in trust	39,752	41,688
Accumulated depreciation	(9,920)	(13,076)
Tools, furniture and fixtures in trust, net	*1 29,831	*1 28,612
Other in trust	6,302	6,302
Accumulated depreciation	(6,302)	(6,302)
Other in trust, net	*1 —	*1 —
Land in trust	*1 209,399,114	*1 212,726,823
Construction in progress in trust	*1 5,102	*1 11,190
<b>Total property, plant and equipment</b>	<b>257,295,399</b>	<b>260,901,349</b>
<b>Intangible assets</b>		
Right of trademark	1,651	1,517
Leasehold rights in trust	*1 4,970,290	*1 4,970,290
Other	2,362	998
<b>Total intangible assets</b>	<b>4,974,304</b>	<b>4,972,807</b>
<b>Investments and other assets</b>		
Lease and guarantee deposits in trust	113,684	113,684
Long-term prepaid expenses	993,832	654,267
Other	24,728	21,427
<b>Total investments and other assets</b>	<b>1,132,245</b>	<b>789,379</b>
<b>Total noncurrent assets</b>	<b>263,401,950</b>	<b>266,663,536</b>
<b>Deferred assets</b>		
Investment corporation bond issuance costs	27,606	24,738
<b>Total deferred assets</b>	<b>27,606</b>	<b>24,738</b>
<b>Total assets</b>	<b>286,901,370</b>	<b>283,866,774</b>

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(Unit: thousand yen)

	8th Fiscal Period [As of November 30, 2009]	9th Fiscal Period [As of May 31, 2010]
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	699,617	510,812
Current portion of long-term loans payable	*1 5,751,250	*1 2,258,750
Accounts payable – other	280,927	269,094
Income taxes payable	788	663
Accrued consumption taxes	114,112	40,750
Advances received	706,815	652,719
Other	102,756	150,078
Total current liabilities	7,656,266	3,882,869
Noncurrent liabilities		
Investment corporation bond	3,500,000	3,500,000
Long-term loans payable	*1 63,279,375	*1 66,650,000
Tenant leasehold and security deposits	5,038,392	4,892,275
Tenant leasehold and security deposits in trust	5,924,911	4,075,204
Other	11,419	8,980
Total noncurrent liabilities	77,754,098	79,126,460
Total liabilities	85,410,365	83,009,329
<b>Net Assets</b>		
Unitholders' equity		
Unitholders' capital	198,780,951	198,780,951
Surplus		
Unappropriated retained earnings (undisposed loss)	2,710,053	2,076,493
Total surplus	2,710,053	2,076,493
Total unitholders' equity	201,491,004	200,857,444
Total net assets	*2 201,491,004	*2 200,857,444
Total liabilities and net assets	286,901,370	283,866,774

## 3.2. Statements of Income

(Unit: thousand yen)

	8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]		9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]	
Operating revenue				
Rent revenue – real estate	*1	7,651,615	*1	6,610,024
Other lease business revenue		92,864		375,937
Total operating revenue		7,744,480		6,985,961
Operating expenses				
Expenses related to rent business	*1	3,009,749	*1	3,248,661
Asset management fees		613,793		560,092
Asset custody fees		14,235		14,251
Administrative service fees		82,248		84,370
Trust fees		25,464		25,567
Directors' compensation		4,200		4,200
Other operating expenses		91,749		89,491
Total operating expenses		3,841,441		4,026,635
Operating income		3,903,039		2,959,325
Non-operating income				
Interest income		2,215		4,791
Reversal of distribution payable		3,226		1,981
Miscellaneous income		4,094		81
Total non-operating income		9,536		6,855
Non-operating expenses				
Interest expenses		741,763		768,933
Investment unit issuance expenses		27,593		–
Borrowing expenses		429,109		420,565
Other		3,181		2,867
Total non-operating expenses		1,201,648		1,192,366
Ordinary income		2,710,927		1,773,814
Extraordinary income				
Settlements received		–		45,844
Gain on donation of noncurrent assets		–		257,880
Total extraordinary income		–		303,724
Income before income taxes		2,710,927		2,077,538
Income taxes – current		955		1,075
Income taxes – deferred		2		(5)
Total income taxes		957		1,069
Net income		2,709,969		2,076,468
Retained earnings brought forward		84		24
Unappropriated retained earnings (undisposed loss)		2,710,053		2,076,493

**3.3. Statements of Unitholders' Equity**

(Unit: thousand yen)

	8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]		9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]	
Unitholders' equity				
Unitholders' capital				
Balance at end of previous period	*1	188,780,910	*1	198,780,951
Changes of items during period				
Issuance of new investment units		10,000,040		—
Total changes of items during period		10,000,040		—
Balance at end of current period	*1	198,780,951	*1	198,780,951
Surplus				
Unappropriated retained earnings (undisposed loss)				
Balance at end of previous period		3,156,788		2,710,053
Changes of items during period				
Dividends from surplus		(3,156,703)		(2,710,028)
Net income		2,709,969		2,076,468
Total changes of items during period		(446,734)		(633,560)
Balance at end of current period		2,710,053		2,076,493
Total surplus				
Balance at end of previous period		3,156,788		2,710,053
Changes of items during period				
Dividends from surplus		(3,156,703)		(2,710,028)
Net income		2,709,969		2,076,468
Total changes of items during period		(446,734)		(633,560)
Balance at end of current period		2,710,053		2,076,493
Total unitholders' equity				
Balance at end of previous period		191,937,699		201,491,004
Changes of items during period				
Issuance of new investment units		10,000,040		—
Dividends from surplus		(3,156,703)		(2,710,028)
Net income		2,709,969		2,076,468
Total changes of items during period		9,553,305		(633,560)
Balance at end of current period		201,491,004		200,857,444
Total net assets				
Balance at end of previous period		191,937,699		201,491,004
Changes of items during period				
Issuance of new investment units		10,000,040		—
Dividends from surplus		(3,156,703)		(2,710,028)
Net income		2,709,969		2,076,468
Total changes of items during period		9,553,305		(633,560)
Balance at end of current period		201,491,004		200,857,444

**3.4. Statements of Cash Distributions**

Item	8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]	9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]
	Amount (yen)	Amount (yen)
I. Unappropriated retained earnings	2,710,053,589	2,076,493,484
II. Distribution amount [Distribution amount per unit]	2,710,028,906 [6,847]	2,076,356,308 [5,246]
III. Retained earnings carried forward	24,683	137,176
Method for calculating distribution amount	Pursuant to the policy that “the Investment Corporation shall distribute an amount in excess of the amount equivalent to 90% of its distributable earnings as defined in Article 67-15 of the Act on Special Measures Concerning Taxation” but no more than the amount of earnings as specified in Article 32, Item 1 of the Investment Corporation’s articles of incorporation, the Investment Corporation decided the distributions from earnings that it shall pay out shall be the maximum value of the integral multiple of the number of units issued and outstanding (395,798 units) in an amount that is not in excess of unappropriated retained earnings. Accordingly, the Investment Corporation declared a distribution amount of 2,710,028,906 yen. Furthermore, the Investment Corporation shall not distribute cash in excess of earnings as stipulated in Article 32, Item 2 of its articles of incorporation.	Pursuant to the policy that “the Investment Corporation shall distribute an amount in excess of the amount equivalent to 90% of its distributable earnings as defined in Article 67-15 of the Act on Special Measures Concerning Taxation” but no more than the amount of earnings as specified in Article 32, Item 1 of the Investment Corporation’s articles of incorporation, the Investment Corporation decided the distributions from earnings that it shall pay out shall be the maximum value of the integral multiple of the number of units issued and outstanding (395,798 units) in an amount that is not in excess of unappropriated retained earnings. Accordingly, the Investment Corporation declared a distribution amount of 2,076,356,308 yen. Furthermore, the Investment Corporation shall not distribute cash in excess of earnings as stipulated in Article 32, Item 2 of its articles of incorporation.

**3.5. Statements of Cash Flows**

(Unit: thousand yen)

	8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]	9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]
Net cash provided by (used in) operating activities		
Income before income taxes	2,710,927	2,077,538
Depreciation and amortization	1,182,187	1,184,842
Investment unit issuance expenses	27,593	–
Amortization of investment corporation bond issuance costs	1,181	2,867
Interest income	(2,215)	(4,791)
Interest expenses	741,763	768,933
Decrease (increase) in operating accounts receivable	(32,453)	51,870
Decrease (increase) in accounts receivable – other	658	–
Decrease (increase) in consumption taxes refund receivable	162,295	(32,529)
Decrease (increase) in prepaid expenses	(72,120)	42,859
Increase (decrease) in operating accounts payable	113,071	(139,198)
Increase (decrease) in accounts payable – other	(3,898)	(11,832)
Increase (decrease) in accrued consumption taxes	67,639	(73,361)
Increase (decrease) in advances received	(59,789)	(54,095)
Decrease (increase) in long-term prepaid expenses	129,835	339,564
Increase (decrease) in long-term advances received	(2,452)	(2,439)
Other, net	(149,712)	(215,847)
Subtotal	4,814,509	3,934,380
Interest income received	2,215	4,791
Interest expenses paid	(729,997)	(743,714)
Income taxes paid	(820)	(1,510)
Net cash provided by (used in) operating activities	4,085,906	3,193,946
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment in trust	(636,594)	(4,582,663)
Proceeds from tenant leasehold and security deposits	431,216	319,592
Proceeds from tenant leasehold and security deposits in trust	213,252	352,059
Repayments of tenant leasehold and security deposits	(791,689)	(694,747)
Repayments of tenant leasehold and security deposits in trust	(427,702)	(1,972,728)
Net cash provided by (used in) investing activities	(1,211,516)	(6,578,487)
Net cash provided by (used in) financing activities		
Proceeds from long-term loans payable	17,900,000	5,500,000
Repayment of long-term loans payable	(18,891,875)	(5,621,875)
Proceeds from issuance of investment units	10,000,040	–
Proceeds from issuance of investment corporation bonds	3,500,000	–
Redemption of investment corporation bonds	(28,788)	–
Payments for investment unit issuance expenses	(27,593)	–
Dividends paid	(3,160,208)	(2,712,310)
Net cash provided by (used in) financing activities	9,291,575	(2,834,185)
Net increase (decrease) in cash and cash equivalents	12,165,965	(6,218,725)
Cash and cash equivalents at beginning of period	10,056,399	22,222,364
Cash and cash equivalents at end of period	22,222,364	16,003,638

**3.6. Notes on the Going Concern Assumption**

8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]	9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]
Not applicable.	Not applicable.

**3.7. Significant Accounting Policies**

Item	8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]	9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]																				
1. Accumulated depreciation method for noncurrent assets	<p>(1) Property, plant and equipment The straight-line method is adopted. The useful life of primary property, plant and equipment are as follows:</p> <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 20px;">Tools, furniture and fixtures</td> <td style="text-align: right;">5 years</td> </tr> <tr> <td style="padding-left: 20px;">Buildings in trust</td> <td style="text-align: right;">2~50 years</td> </tr> <tr> <td style="padding-left: 20px;">Structures in trust</td> <td style="text-align: right;">2~50 years</td> </tr> <tr> <td style="padding-left: 20px;">Machinery and equipment in trust</td> <td style="text-align: right;">2~22 years</td> </tr> <tr> <td style="padding-left: 20px;">Tools, furniture and fixtures in trust</td> <td style="text-align: right;">6~10 years</td> </tr> </table> <p>(2) Intangible assets The straight-line method is adopted.</p> <p>(3) Long-term prepaid expenses The straight-line method is adopted.</p>	Tools, furniture and fixtures	5 years	Buildings in trust	2~50 years	Structures in trust	2~50 years	Machinery and equipment in trust	2~22 years	Tools, furniture and fixtures in trust	6~10 years	<p>(1) Property, plant and equipment The straight-line method is adopted. The useful life of primary property, plant and equipment are as follows:</p> <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 20px;">Tools, furniture and fixtures</td> <td style="text-align: right;">5 years</td> </tr> <tr> <td style="padding-left: 20px;">Buildings in trust</td> <td style="text-align: right;">2~49 years</td> </tr> <tr> <td style="padding-left: 20px;">Structures in trust</td> <td style="text-align: right;">4~50 years</td> </tr> <tr> <td style="padding-left: 20px;">Machinery and equipment in trust</td> <td style="text-align: right;">2~22 years</td> </tr> <tr> <td style="padding-left: 20px;">Tools, furniture and fixtures in trust</td> <td style="text-align: right;">3~18 years</td> </tr> </table> <p>(2) Intangible assets The straight-line method is adopted.</p> <p>(3) Long-term prepaid expenses The straight-line method is adopted.</p>	Tools, furniture and fixtures	5 years	Buildings in trust	2~49 years	Structures in trust	4~50 years	Machinery and equipment in trust	2~22 years	Tools, furniture and fixtures in trust	3~18 years
Tools, furniture and fixtures	5 years																					
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Structures in trust	4~50 years																					
Machinery and equipment in trust	2~22 years																					
Tools, furniture and fixtures in trust	3~18 years																					
2. Accounting for deferred assets	<p>(1) Investment unit issuance expenses Entire amount is expensed as incurred.</p> <p>(2) Investment corporation bond issuance costs Amortized using the straight-line method over the period up to redemption.</p>	<p>(1) Investment unit issuance expenses —</p> <p>(2) Investment corporation bond issuance costs Amortized using the straight-line method over the period up to redemption.</p>																				
3. Standards for recording revenues and expenses	<p>Accounting for fixed property tax, etc. Concerning fixed property tax, city planning tax, depreciated asset tax, etc. for owned real estate in trust, of the tax amount that has been broken down into installments, the method of accounting for the amount corresponding to the concerned fiscal period as expenses related to rent business is adopted.</p> <p>Concerning the amount equivalent to fixed property tax, etc. for the initial fiscal year that shall be borne by the Investment Corporation in correlation with acquisitions of real estate or trust beneficial interest that have real estate as assets in trust, the amount is not expensed but is rather included in the cost of acquisition of the concerned real estate property. The amount equivalent to fixed property tax, etc. that was included in the cost of acquisition of real estate properties in the fiscal period under review is nil.</p>	<p>Accounting for fixed property tax, etc. Concerning fixed property tax, city planning tax, depreciated asset tax, etc. for owned real estate in trust, of the tax amount that has been broken down into installments, the method of accounting for the amount corresponding to the concerned fiscal period as expenses related to rent business is adopted.</p> <p>Concerning the amount equivalent to fixed property tax, etc. for the initial fiscal year that shall be borne by the Investment Corporation in correlation with acquisitions of real estate or trust beneficial interest that have real estate as assets in trust, the amount is not expensed but is rather included in the cost of acquisition of the concerned real estate property. The amount equivalent to fixed property tax, etc. that was included in the cost of acquisition of real estate properties in the fiscal period under review is 18,648 thousand yen.</p>																				



DA Office Investment Corporation (8976) Financial Report for the 9th Fiscal Period

Item	8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]	9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]
4. Hedge accounting approaches	<p>(1) Hedge accounting approach Special accounting is adopted for interest rate caps that meet the requirements for special accounting.</p> <p>(2) Hedging instruments and hedged items Hedging instruments: Interest rate cap transactions Hedged items: Interest on loans</p> <p>(3) Hedging policy The Investment Corporation conducts derivative transactions to hedge risks stipulated in the Investment Corporation's articles of incorporation in accordance with the Investment Corporation's risk management policy.</p> <p>(4) Method for assessing the effectiveness of hedging Assessment of the effectiveness is omitted because interest rate caps meet the requirements for special accounting.</p>	<p>(1) Hedge accounting approach Special accounting is adopted for interest rate caps that meet the requirements for special accounting.</p> <p>(2) Hedging instruments and hedged items Hedging instruments: Interest rate cap transactions Hedged items: Interest on loans</p> <p>(3) Hedging policy The Investment Corporation conducts derivative transactions to hedge risks stipulated in the Investment Corporation's articles of incorporation in accordance with the Investment Corporation's risk management policy.</p> <p>(4) Method for assessing the effectiveness of hedging Assessment of the effectiveness is omitted because interest rate caps meet the requirements for special accounting.</p>
5. Scope of funds in the statements of cash flows	<p>The funds (cash and cash equivalents) in the statements of cash flows consist of cash on hand and cash in trust; deposits that can be withdrawn at any time and deposits in trust; and short-term investments with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.</p>	<p>The funds (cash and cash equivalents) in the statements of cash flows consist of cash on hand and cash in trust; deposits that can be withdrawn at any time and deposits in trust; and short-term investments with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.</p>

DA Office Investment Corporation (8976) Financial Report for the 9th Fiscal Period

Item	8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]	9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]
6. Other significant matters forming basis for preparation of financial statements	<p>(1) Accounting method for trust beneficial interest that have real estate properties as assets in trust Concerning owned trust beneficial interest that have real estate properties as assets in trust, all accounts of assets and liabilities within assets in trust as well as all accounts of revenues and expenses incurred from the assets in trust are recorded in the relevant account item of the balance sheets and statements of income. The following material items of the assets in trust recorded in the relevant account item are separately listed on the balance sheets.</p> <ul style="list-style-type: none"> <li>(i) Cash and deposits in trust</li> <li>(ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; other tangible assets in trust; land in trust; and construction in progress in trust</li> <li>(iii) Leasehold rights in trust</li> <li>(iv) Lease and guarantee deposits in trust</li> <li>(v) Tenant leasehold and security deposits in trust</li> </ul> <p>(2) Accounting for consumption taxes Consumption tax and local consumption tax are accounted for by the tax-exclusion method and consumption taxes that are not tax-deductible are expensed in the fiscal period under review. The consumption taxes relating to noncurrent assets, etc. that are not tax-deductible are recorded as long-term prepaid expenses and amortized in equal installments over 5 years.</p>	<p>(1) Accounting method for trust beneficial interest that have real estate properties as assets in trust Concerning owned trust beneficial interest that have real estate properties as assets in trust, all accounts of assets and liabilities within assets in trust as well as all accounts of revenues and expenses incurred from the assets in trust are recorded in the relevant account item of the balance sheets and statements of income. The following material items of the assets in trust recorded in the relevant account item are separately listed on the balance sheets.</p> <ul style="list-style-type: none"> <li>(i) Cash and deposits in trust</li> <li>(ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; other in trust; land in trust; and construction in progress in trust</li> <li>(iii) Leasehold rights in trust</li> <li>(iv) Lease and guarantee deposits in trust</li> <li>(v) Tenant leasehold and security deposits in trust</li> </ul> <p>(2) Accounting for consumption taxes Consumption tax and local consumption tax are accounted for by the tax-exclusion method and consumption taxes that are not tax-deductible are expensed in the fiscal period under review. The consumption taxes relating to noncurrent assets, etc. that are not tax-deductible are recorded as long-term prepaid expenses and amortized in equal installments over 5 years.</p>

**3.8. Notes to Financial Statements**

Concerning notes on lease transactions, securities, retirement benefits, tax-effect accounting and derivative transactions, disclosure is omitted because there is thought to be no substantial need for such disclosure in the financial report (*kessan tanshin*).

**[Notes to Balance Sheets]**

8th Fiscal Period [As of November 30, 2009]	9th Fiscal Period [As of May 31, 2010]																																																
<p>*1. Pledged assets and secured liabilities</p> <p>The following are the assets that are pledged as collateral.</p> <p style="text-align: right;">(Unit: thousand yen)</p> <table> <tr> <td>Buildings in trust</td> <td style="text-align: right;">43,507,093</td> </tr> <tr> <td>Structures in trust</td> <td style="text-align: right;">614,282</td> </tr> <tr> <td>Machinery and equipment in trust</td> <td style="text-align: right;">253,547</td> </tr> <tr> <td>Tools, furniture and fixtures in trust</td> <td style="text-align: right;">29,781</td> </tr> <tr> <td>Other in trust</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Land in trust</td> <td style="text-align: right;">190,766,117</td> </tr> <tr> <td>Construction in progress in trust</td> <td style="text-align: right;">4,995</td> </tr> <tr> <td>Leasehold rights in trust</td> <td style="text-align: right;">4,970,290</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>240,146,109</u></td> </tr> </table> <p>The following are the liabilities secured by pledged assets.</p> <p style="text-align: right;">(Unit: thousand yen)</p> <table> <tr> <td>Current portion of long-term loans payable</td> <td style="text-align: right;">5,751,250</td> </tr> <tr> <td><u>Long-term loans payable</u></td> <td style="text-align: right;"><u>63,279,375</u></td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>69,030,625</u></td> </tr> </table> <p>*2. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations</p> <p style="text-align: right;">50,000 thousand yen</p>	Buildings in trust	43,507,093	Structures in trust	614,282	Machinery and equipment in trust	253,547	Tools, furniture and fixtures in trust	29,781	Other in trust	-	Land in trust	190,766,117	Construction in progress in trust	4,995	Leasehold rights in trust	4,970,290	<u>Total</u>	<u>240,146,109</u>	Current portion of long-term loans payable	5,751,250	<u>Long-term loans payable</u>	<u>63,279,375</u>	<u>Total</u>	<u>69,030,625</u>	<p>*1. Pledged assets and secured liabilities</p> <p>The following are the assets that are pledged as collateral.</p> <p style="text-align: right;">(Unit: thousand yen)</p> <table> <tr> <td>Buildings in trust</td> <td style="text-align: right;">42,710,198</td> </tr> <tr> <td>Structures in trust</td> <td style="text-align: right;">612,551</td> </tr> <tr> <td>Machinery and equipment in trust</td> <td style="text-align: right;">454,355</td> </tr> <tr> <td>Tools, furniture and fixtures in trust</td> <td style="text-align: right;">28,567</td> </tr> <tr> <td>Other in trust</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Land in trust</td> <td style="text-align: right;">190,766,117</td> </tr> <tr> <td>Construction in progress in trust</td> <td style="text-align: right;">11,190</td> </tr> <tr> <td>Leasehold rights in trust</td> <td style="text-align: right;">4,970,290</td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>239,553,272</u></td> </tr> </table> <p>The following are the liabilities secured by pledged assets.</p> <p style="text-align: right;">(Unit: thousand yen)</p> <table> <tr> <td>Current portion of long-term loans payable</td> <td style="text-align: right;">2,258,750</td> </tr> <tr> <td><u>Long-term loans payable</u></td> <td style="text-align: right;"><u>66,650,000</u></td> </tr> <tr> <td><u>Total</u></td> <td style="text-align: right;"><u>68,908,750</u></td> </tr> </table> <p>*2. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations</p> <p style="text-align: right;">50,000 thousand yen</p>	Buildings in trust	42,710,198	Structures in trust	612,551	Machinery and equipment in trust	454,355	Tools, furniture and fixtures in trust	28,567	Other in trust	-	Land in trust	190,766,117	Construction in progress in trust	11,190	Leasehold rights in trust	4,970,290	<u>Total</u>	<u>239,553,272</u>	Current portion of long-term loans payable	2,258,750	<u>Long-term loans payable</u>	<u>66,650,000</u>	<u>Total</u>	<u>68,908,750</u>
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**[Notes to Statements of Income]**

8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]	9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]																																																
<p>*1. Breakdown of operating income (loss) from property leasing (Unit: thousand yen)</p> <p>A. Property leasing revenue</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Rent revenue – real estate</td> <td style="text-align: right;">7,651,615</td> </tr> <tr> <td style="padding-left: 20px;">Other lease business revenue</td> <td style="text-align: right;">92,864</td> </tr> <tr> <td style="padding-left: 20px;">Total property leasing revenue</td> <td style="text-align: right; border-top: 1px solid black;">7,744,480</td> </tr> </table> <p>B. Property leasing expenses</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Consignment expenses</td> <td style="text-align: right;">497,288</td> </tr> <tr> <td style="padding-left: 20px;">Utilities expenses</td> <td style="text-align: right;">585,394</td> </tr> <tr> <td style="padding-left: 20px;">Taxes and dues</td> <td style="text-align: right;">540,355</td> </tr> <tr> <td style="padding-left: 20px;">Non-life insurance expenses</td> <td style="text-align: right;">13,487</td> </tr> <tr> <td style="padding-left: 20px;">Repair expenses</td> <td style="text-align: right;">138,797</td> </tr> <tr> <td style="padding-left: 20px;">Depreciation</td> <td style="text-align: right;">1,180,326</td> </tr> <tr> <td style="padding-left: 20px;">Other lease business expenses</td> <td style="text-align: right;">54,099</td> </tr> <tr> <td style="padding-left: 20px;">Total property leasing expenses</td> <td style="text-align: right; border-top: 1px solid black;">3,009,749</td> </tr> </table> <p>C. Operating income (loss) from property leasing [A – B]</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="text-align: right; border-top: 1px solid black;">4,734,730</td> </tr> </table>	Rent revenue – real estate	7,651,615	Other lease business revenue	92,864	Total property leasing revenue	7,744,480	Consignment expenses	497,288	Utilities expenses	585,394	Taxes and dues	540,355	Non-life insurance expenses	13,487	Repair expenses	138,797	Depreciation	1,180,326	Other lease business expenses	54,099	Total property leasing expenses	3,009,749		4,734,730	<p>*1. Breakdown of operating income (loss) from property leasing (Unit: thousand yen)</p> <p>A. Property leasing revenue</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Rent revenue – real estate</td> <td style="text-align: right;">6,610,024</td> </tr> <tr> <td style="padding-left: 20px;">Other lease business revenue</td> <td style="text-align: right;">375,937</td> </tr> <tr> <td style="padding-left: 20px;">Total property leasing revenue</td> <td style="text-align: right; border-top: 1px solid black;">6,985,961</td> </tr> </table> <p>B. Property leasing expenses</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Consignment expenses</td> <td style="text-align: right;">469,842</td> </tr> <tr> <td style="padding-left: 20px;">Utilities expenses</td> <td style="text-align: right;">522,664</td> </tr> <tr> <td style="padding-left: 20px;">Taxes and dues</td> <td style="text-align: right;">573,864</td> </tr> <tr> <td style="padding-left: 20px;">Non-life insurance expenses</td> <td style="text-align: right;">12,945</td> </tr> <tr> <td style="padding-left: 20px;">Repair expenses</td> <td style="text-align: right;">429,305</td> </tr> <tr> <td style="padding-left: 20px;">Depreciation</td> <td style="text-align: right;">1,184,842</td> </tr> <tr> <td style="padding-left: 20px;">Other lease business expenses</td> <td style="text-align: right;">55,196</td> </tr> <tr> <td style="padding-left: 20px;">Total property leasing expenses</td> <td style="text-align: right; border-top: 1px solid black;">3,248,661</td> </tr> </table> <p>C. Operating income (loss) from property leasing [A – B]</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="text-align: right; border-top: 1px solid black;">3,737,299</td> </tr> </table>	Rent revenue – real estate	6,610,024	Other lease business revenue	375,937	Total property leasing revenue	6,985,961	Consignment expenses	469,842	Utilities expenses	522,664	Taxes and dues	573,864	Non-life insurance expenses	12,945	Repair expenses	429,305	Depreciation	1,184,842	Other lease business expenses	55,196	Total property leasing expenses	3,248,661		3,737,299
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**[Notes to Statements of Unitholders' Equity]**

8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]	9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]								
<p>*1. Total number of investment units authorized and number of investment units issued and outstanding</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Total number of investment units authorized</td> <td style="text-align: right;">2,000,000 units</td> </tr> <tr> <td style="padding-left: 20px;">Number of investment units issued and outstanding</td> <td style="text-align: right;">395,798 units</td> </tr> </table>	Total number of investment units authorized	2,000,000 units	Number of investment units issued and outstanding	395,798 units	<p>*1. Total number of investment units authorized and number of investment units issued and outstanding</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Total number of investment units authorized</td> <td style="text-align: right;">2,000,000 units</td> </tr> <tr> <td style="padding-left: 20px;">Number of investment units issued and outstanding</td> <td style="text-align: right;">395,798 units</td> </tr> </table>	Total number of investment units authorized	2,000,000 units	Number of investment units issued and outstanding	395,798 units
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**[Notes to Statements of Cash Flows]**

8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]	9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]												
<p>*1. Relationship between cash and cash equivalents at end of period in the statements of cash flows and the amount stated in the balance sheets (As of November 30, 2009) (Unit: thousand yen)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Cash and deposits</td> <td style="text-align: right;">15,467,439</td> </tr> <tr> <td style="padding-left: 20px;">Cash and deposits in trust</td> <td style="text-align: right;">6,754,925</td> </tr> <tr> <td style="padding-left: 20px;">Cash and cash equivalents</td> <td style="text-align: right; border-top: 1px solid black;">22,222,364</td> </tr> </table>	Cash and deposits	15,467,439	Cash and deposits in trust	6,754,925	Cash and cash equivalents	22,222,364	<p>*1. Relationship between cash and cash equivalents at end of period in the statements of cash flows and the amount stated in the balance sheets (As of May 31, 2010) (Unit: thousand yen)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Cash and deposits</td> <td style="text-align: right;">11,290,130</td> </tr> <tr> <td style="padding-left: 20px;">Cash and deposits in trust</td> <td style="text-align: right;">4,713,508</td> </tr> <tr> <td style="padding-left: 20px;">Cash and cash equivalents</td> <td style="text-align: right; border-top: 1px solid black;">16,003,638</td> </tr> </table>	Cash and deposits	11,290,130	Cash and deposits in trust	4,713,508	Cash and cash equivalents	16,003,638
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**[Notes on Financial Instruments]**

9th Fiscal Period [from December 1, 2009 to May 31, 2010]

**[Additional Information]**

The “Accounting Standard for Financial Instruments” (Accounting Standards Board of Japan (ASBJ) Statement No. 10 issued on March 10, 2008) and “Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19 issued on March 10, 2008) are applied as of the 9th Fiscal Period.

(1) Matters Concerning Status of Financial Instruments

(a) Policy for Handling Financial Instruments

The Investment Corporation procures funds, such as for acquisition or repair and maintenance of assets, payout of distributions and repayment of interest-bearing liabilities, by primarily borrowing from financial institutions, issuing investment corporation bonds or issuing new investment units. In the procurement of funds through interest-bearing liabilities, the Investment Corporation pays heed to such efforts as making the loan period long term, setting the interest rates at fixed rates and spreading out the repayment deadlines in view of securing financial stability and avoiding future interest rate fluctuation risks.

Concerning the investment management of surplus funds, while the scope of such includes deposits, monetary claims and securities, the Investment Corporation invests in deposits in principle.

Derivative transactions are limited to those that are for the purpose of hedging interest rate fluctuation risks arising from the Investment Corporation’s liabilities.

(b) Description of Financial Instruments and Associated Risks, and Risk Management Structure

The use of funds from loans and investment corporation bonds are mainly to fund the acquisition of assets (trust beneficial interest in real estate, etc.) and repayment/redemption of existing loans / investment corporation bonds. These are exposed to liquidity risks on repayment/redemption deadlines, but the concerned risks are controlled by maintaining the ratio of interest-bearing liabilities at a low level, spreading out due dates and keeping the percentage of interest-bearing liabilities that are long term at a high level, along with diversifying lenders centering on Japanese financial institutions. Loans, etc. with floating interest rates are exposed to risks of fluctuation in the interest payable, but derivative transactions (interest rate swap transactions) are available to the Investment Corporation as a hedging instrument.

Tenant leasehold and security deposits are deposits from tenants and are exposed to liquidity risks at the time that the deposits are to be returned to tenants when they vacate the property, but the Investment Corporation strives to limit the concerned risks by putting aside a certain percentage of that amount.

Deposits are those from when an investment corporation’s surplus funds are invested and are exposed to risks of failure of the financial institution holding the deposit and other credit risks, but the Investment Corporation strives to control the concerned risks through such measures as limiting deposit periods to short term and setting a minimum credit rating for the financial institution holding the deposit (excluding checkable deposits).

(c) Supplementary Explanation on Matters Concerning Fair Value, etc. of Financial Instruments

The fair value of financial instruments, aside from values based on market price, include values based on reasonable calculations when there is no market price. Certain assumptions are adopted in the calculations of said values and there may be cases where said values will vary when different assumptions, etc. are adopted.

(2) Matters Concerning Fair Value, etc. of Financial Instruments

The carrying amounts and fair values as of May 31, 2010 and their differences are as follows. Please note that the following table does not include those for which discerning of fair value is recognized to be extremely difficult (please refer to (Note 2)).

(Unit: thousand yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	11,290,130	11,290,130	–
(2) Cash and deposits in trust	4,713,508	4,713,508	–
Total assets	16,003,638	16,003,638	–
(1) Current portion of long-term loans payable	2,258,750	2,250,426	(8,323)
(2) Investment corporation bond	3,500,000	3,500,000	–
(3) Long-term loans payable	66,650,000	66,725,181	75,181
Total liabilities	72,408,750	72,475,607	66,857
(1) Derivative transactions	11,427	545	(10,881)

(Note 1) Method of calculation of fair value of financial instruments, and matters concerning derivative transactions

Assets

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

As these are settled within a short period of time, the fair value is approximately the same as the book value and thus is stated at that book value.

Liabilities

(1) Current portion of long-term loans payable; (3) Long-term loans payable

As those with floating interest rates reflect market interest rates within a short period of time, the fair value is approximately the same as the book value and thus is stated at that book value. Those with fixed interest rates, on the other hand, are based on the method of calculating by discounting the sum total amount of principal and interest by the rate reasonably estimated as being applicable in the event of a similar drawdown.

(2) Investment corporation bond

Concerning the fair value of investment corporation bonds issued by the Investment Corporation, as these are based on floating interest rates and reflect market interest rates within a short period of time, the fair value is approximately the same as the book value and thus is stated at that book value.

Derivative transactions

(1) Derivative transactions

(a) Transactions for which hedge accounting is not applied

Not applicable.

(b) Transactions for which hedge accounting is applied

The contract amount, amount equivalent to the principal provided in the contract, etc. as of the settlement of accounts for each hedge accounting approach are as follows.

(Unit: thousand yen)

Hedge accounting approach	Type, etc. of derivative transaction	Main hedged item	Contract amount, etc.		Fair value	Method of calculation of that fair value
				Of which, over 1 year		
Special accounting for interest rate caps	Interest rate cap transaction	Long-term loans payable	7,100,000	7,100,000	545	*

\*Based on price quoted by partner financial institution.

(Note 2) Tenant leasehold and security deposits (carrying amount: 4,892,275 thousand yen) and tenant leasehold and security deposits in trust (carrying amount: 4,075,204 thousand yen) that are deposited by lessees of rental properties are not subject to disclosure of fair value because discerning of the fair value is recognized to be extremely difficult as future cash flows cannot be reasonably estimated due to there being no market price and difficulty of calculation of the actual deposit period from when lessees move in to when they move out.

(Note 3) Amount of redemption of monetary claims scheduled to be due after the settlement of accounts

(Unit: thousand yen)

	Within 1 year	Within 2 years, but over 1 year	Within 3 years, but over 2 years	Within 4 years, but over 3 years	Within 5 years, but over 4 years
Cash and deposits	11,290,130	–	–	–	–
Cash and deposits in trust	4,713,508	–	–	–	–
Total	16,003,638	–	–	–	–

(Note 4) Amount of repayment of investment corporation bond and long-term loans payable scheduled to be due after the settlement of accounts

(Unit: thousand yen)

	Within 1 year	Within 2 years, but over 1 year	Within 3 years, but over 2 years	Within 4 years, but over 3 years	Within 5 years, but over 4 years	Over 5 years
Current portion of long-term loans payable	2,258,750	–	–	–	–	–
Investment corporation bond	–	–	–	–	–	3,500,000
Long-term loans payable	–	38,958,750	22,691,250	5,000,000	–	–
Total	2,258,750	38,958,750	22,691,250	5,000,000	–	3,500,000

**[Notes on Transactions with Related Parties]**

8th Fiscal Period [from June 1, 2009 to November 30, 2009]

**Parent company, major unitholder, etc.**

Classification	Name of company, etc.	Location	Capital stock or investments in capital	Business description	Percentage of voting rights, etc. held by related party (held in the Investment Corporation)	Nature of transaction	Amount of transaction (thousand yen)	Account	Balance at end of period (thousand yen)
Other affiliated company	Daiwa Securities Group Inc.	Chiyoda-ku, Tokyo	247.3 billion yen	Holding company	13.11%	Third-party allotment (Note 1)	10,000,040	-	-
						Issuance of investment corporation bonds (Note 2)	3,500,000	Investment corporation bond	3,500,000
						Payment of interest expenses on investment corporation bonds (Note 2)	43,336	Other (current liabilities)	21,668

Transaction terms, and policy for determining transaction terms

(Note 1) The third-party allotment is at an issue price of 192,705 yen and for 51,893 investment units.

(Note 2) Issuance terms, etc. for investment corporation bonds were determined by conducting a multifaceted analysis, including the disparity in the spread of investment corporation bonds of other similar investment corporations and the spread of senior bonds and subordinated bonds in the market (bank bonds) and verification from the spread of subordinated investment corporation bonds issued in the past in Japan.

9th Fiscal Period [from December 1, 2009 to May 31, 2010]

**(1) Parent company, major unitholder, etc.**

Classification	Name of company, etc.	Location	Capital stock or investments in capital	Business description	Percentage of voting rights, etc. held by related party (held in the Investment Corporation)	Relationship with related party	Nature of transaction	Amount of transaction (thousand yen)	Account	Balance at end of period (thousand yen)
Other affiliated company	Daiwa Securities Group Inc.	Chiyoda-ku, Tokyo	247.3 billion yen	Holding company	13.11% directly held in the Investment Corporation [20.21%] (Note 1)	Provision of capital	Payment of interest expenses on investment corporation bonds (Note 2)	52,599	Investment corporation bond	3,500,000
									Other (current liabilities)	21,240

(Note 1) The percentage of voting rights, etc. held by related party (held in the Investment Corporation) shown does not include the percentage held by the party with which there is an agreement on the exercising of voting rights based on an agreement among unitholders. The percentage held by said party that was not included is shown in parentheses [ ].

(Note 2) Issuance terms, etc. for investment corporation bonds were determined by conducting a multifaceted analysis, including the disparity in the spread of investment corporation bonds of other similar investment corporations and the spread of senior bonds and subordinated bonds in the market (bank bonds) and verification from the spread of subordinated investment corporation bonds issued in the past in Japan.

 (2) Subsidiaries and related companies, etc.  
 Not applicable.

 (3) Companies, etc. with same parent company and subsidiaries, etc. of other affiliated companies  
 Not applicable.

 (4) Officers and major unitholders, etc.  
 Not applicable.

**[Notes on Investment and Rental Property]**

9th Fiscal Period [from December 1, 2009 to May 31, 2010]

**[Additional Information]**

The “Accounting Standard for Disclosures about Fair Value of Investment and Rental Property” (ASBJ Statement No. 20 issued on November 28, 2008) and “Guidance on Accounting Standard for Disclosures about Fair Value of Investment and Rental Property” (ASBJ Guidance No. 23 issued on November 28, 2008) are applied as of the 9th Fiscal Period.

The Investment Corporation has rental office buildings, etc. (including land) in Tokyo and other regions. The carrying amount, amount of increase (decrease) during current period and fair value as of May 31, 2010 for these rental properties are as follows.

(Unit: thousand yen)

Carrying amount			Fair value at end of current period
Balance at end of previous period	Amount of increase (decrease) during current period	Balance at end of current period	
262,260,119	3,600,030	265,860,150	236,653,000

(Note 1) The carrying amount is the amount after accumulated depreciation is deducted from the cost of acquisition.

(Note 2) Of the amount of increase (decrease) during current period, the amount of increase is mainly attributable to acquisition of ORIX Jimbo-cho Building (4,150 million yen) and the amount of decrease is mainly attributable to depreciation (1,184 million yen).

(Note 3) The fair value at end of current period shows the appraisal value as appraised by an outside real estate appraiser.

The income (loss) in the 9th Fiscal Period for investment and rental properties are as presented in the Statements of Income.

**[Notes on Per Unit Information]**

8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]		9th Fiscal Period [From: December 1, 2009 To: May 31, 2010]	
Net assets per unit	509,075 yen	Net assets per unit	507,474 yen
Net income per unit	6,997.26 yen	Net income per unit	5,246.28 yen
The net income per unit was calculated by dividing the net income by the daily weighted average number of investment units issued and outstanding. The diluted net income per unit is not stated as there are no diluted investment units.		The net income per unit was calculated by dividing the net income by the daily weighted average number of investment units issued and outstanding. The diluted net income per unit is not stated as there are no diluted investment units.	

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

	8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]	9th Fiscal Period [From: December 1, 2009 To: May 31, 2010]
Net income (thousand yen)	2,709,969	2,076,468
Amounts not attributable to common unitholders (thousand yen)	–	–
Net income attributable to common investment units (thousand yen)	2,709,969	2,076,468
Average number of investment units during period (unit)	387,290	395,798



**[Notes on Subsequent Material Events]**

<p>8th Fiscal Period [From: June 1, 2009 To: November 30, 2009]</p>	<p>9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]</p>
<p>—</p>	<p>1. Decision on Acquisition of Asset The Investment Corporation decided on June 14, 2010 to acquire a trust beneficial interest in real estate as follows.</p> <p>Summary of Asset to Be Acquired</p> <p>(1) Type of asset: Trust beneficial interest in real estate (2) Property name: Kyodo Building (Kudan Ichigo-kan) (3) Location: 1-5-5 Kudan Minami, Chiyoda-ku, Tokyo (4) Acquisition price: 4.0 billion yen (excluding acquisition costs, consumption tax, etc.) (5) Date of execution of agreement: June 14, 2010 (6) Date of delivery (scheduled): A date no later than September 13, 2010 to be separately agreed upon by the Seller and the Investment Corporation (7) Seller: Shining Nova the Fifth B TMK</p> <p>2. Issuance of Investment Corporation Bonds Based on a comprehensive resolution on issuance of investment corporation bonds adopted at a meeting of its board of directors held on May 17, 2010, the Investment Corporation issued investment corporation bonds on June 24, 2010 as described below to fund future acquisition of specified assets, payment of repairs, etc., repayment of loans and expenditure of working capital.</p> <p>Overview of the Investment Corporation Bonds</p> <p>(1) Name of the bonds: DA Office Investment Corporation Second Series of Unsecured Investment Corporation Bonds (ranking pari passu with specified investment corporation bonds) (2) Total issue amount: 5.0 billion yen (3) Issue price: 100 yen per 100 yen of the bonds (4) Redemption value: 100 yen per 100 yen of the bonds (5) Interest rate: 1.87% per annum (6) Collateral, etc.: The bonds will be issued on an unsecured, unguaranteed basis and without withholding any specific assets. (7) Redemption method and redemption date: The total amount of the bonds will be redeemed on June 24, 2013. (Note) The bonds may be repurchased and cancelled at the option of the Investment Corporation at any time from the next day of the payment date, unless otherwise provided for by the book-entry transfer agent. (8) Interest payment dates: June 24 and December 24 of each year</p>

**3.9. Increase (Decrease) in Number of Investment Units Issued and Outstanding**

Payment date	Description	Number of investment units issued and outstanding (units)		Unitholders' capital (million yen)		Notes
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
July 11, 2005	Incorporation through private placement	400	400	200	200	(Note 1)
October 18, 2005	Capital increase through public offering	99,600	100,000	49,498	49,698	(Note 2)
July 10, 2007	Capital increase through public offering	100,000	200,000	75,316	125,015	(Note 3)
August 7, 2007	Capital increase by way of a third-party allotment	5,000	205,000	3,765	128,781	(Note 4)
June 4, 2008	Capital increase by way of a third-party allotment	138,905	343,905	59,999	188,780	(Note 5)
July 1, 2009	Capital increase by way of a third-party allotment	51,893	395,798	10,000	198,780	(Note 6)

(Note 1) The Investment Corporation was incorporated at an issue price of 500,000 yen per unit.

(Note 2) The Investment Corporation issued new investment units through public offering at an issue price of 515,000 yen per unit (issue amount: 496,975 yen) to procure funds for acquisition of properties to be acquired upon listing, etc.

(Note 3) The Investment Corporation issued new investment units through public offering at an issue price of 781,060 yen per unit (issue amount: 753,165 yen) to procure funds for acquisition of acquisition properties, etc.

(Note 4) The Investment Corporation issued new investment units by way of a third-party allotment at an issue price of 753,165 yen per unit (issue amount: 753,165 yen) to fund part of acquisition of acquisition properties, etc.

(Note 5) The Investment Corporation issued new investment units by way of a third-party allotment at an issue price of 431,949 yen per unit (issue amount: 431,949 yen) to fund repayment of loans and redemption of investment corporation bonds.

(Note 6) The Investment Corporation issued new investment units by way of a third-party allotment at an issue price of 192,705 yen per unit (issue amount: 192,705 yen) to fund repayment of loans, capital expenditure to enhance property value, acquisition of property, etc.

#### 4. Change in Directors

##### 4.1. Change in Directors at the Investment Corporation

##### 4.1.1. Candidate for New Executive Director

Kazuo Otaka (effective August 20, 2010)

Title	Name	Career summary		Number of investment units held
Executive Director	Kazuo Otaka	Apr. 1970	Joined Daiwa Securities Co. Ltd. (currently, Daiwa Securities Group Inc.)	—
		Jan. 1990	Head of International Sales Department	
		July 1993	Head of Stock Future and Option Department	
		Apr. 1998	Head of Foreign Product Department	
		Jan. 1999	President of Daiwa Europe Limited (currently: Daiwa Securities Capital Markets Europe Limited)	
		June 2001	Executive Director, Daiwa SB Investments Ltd.	
		Apr. 2005	Senior Managing Director	
		Apr. 2008	Advisor	
		June 2008	Corporate Auditor	
		June 2010	Resigned from office as Corporate Auditor	
		Aug. 2010	Executive Director of DA Office Investment Corporation (planned)	

##### 4.1.2. Executive Director Scheduled to Resign from Office as Executive Director

Yoshiki Nishigaki (effective August 20, 2010)

(scheduled to assume office as substitute Executive Director, effective August 20, 2010)

**4.2. Change in Directors at the Asset Manager**

Changes in directors took place at the Asset Manager, effective March 31, 2010 and May 1, 2010.

The following presents the status of directors at the Asset Manager as of the date of this document.

Title	Name	Career summary		Number of shares held
President and Representative Director	Akira Yamanouchi	Apr. 1986 Apr. 2002 May 2002 Mar. 2003 Aug. 2004 Aug. 2006 Feb. 2008 Feb. 2008 Feb. 2009 Mar. 2009 July 2009 Mar. 2010 Apr. 2010 May 2010	Joined Marubeni Corporation Joined Pacific Management Corporation (currently, Pacific Holdings, Inc.) Temporarily transferred to Pacific Investment Advisors Corporation (currently, AD Investment Management Co., Ltd.) President and Representative Director of Pacific Investment Advisors Corporation (with employment transfer) Executive Director of Nippon Residential Investment Corporation (currently, Advance Residence Investment Corporation) Resigned from office as Executive Director Resigned from office as President and Representative Director of Pacific Investment Advisors Corporation President and Representative Director of Pacific Investment Partners Inc. (currently, Cushman & Wakefield Asset Management K.K.) Representative Director (part-time basis) of Pacific Holdings, Inc. Resigned from Pacific Holdings, Inc. Executive Managing Director of Cushman & Wakefield Asset Management K.K. Resigned from Cushman & Wakefield Asset Management K.K. Advisor of Daiwa Real Estate Asset Management Co., Ltd. President and Representative Director (current position)	—
Vice President and Representative Director	Yoshiki Nishigaki	Apr. 1992 May 1996 Feb. 2006 Mar. 2007 Mar. 2008 Nov. 2008 May 2010	Joined Cititrust & Banking Corporation Joined K.K. daVinci Advisors Transferred to K.K. daVinci Select (currently, Daiwa Real Estate Asset Management Co., Ltd.) Head of IR & Business Planning Department President and Representative Director Executive Director, DA Office Investment Corporation (current position) Vice President and Representative Director, Daiwa Real Estate Asset Management Co., Ltd. (current position)	—
Vice-President and Representative Director (Head of Corporate Planning Department)	Yuji Shinotsuka	Apr. 1989 June 2009 July 2009 Nov. 2009	Joined Daiwa Securities Co. Ltd. (currently, Daiwa Securities Group Inc.) Head of Corporate Planning Department Temporarily transferred to Daiwa Real Estate Asset Management Co., Ltd. Vice-President and Representative Director (Head of IR & Planning Department) Vice-President and Representative Director (Head of Corporate Planning Department) (current position)	—

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Title	Name	Career summary		Number of shares held
Director (Head of Investment Management Department)	Atsuko Takahashi	Apr. 1991 June 1992  Apr. 2002  Apr. 2005 Nov. 2008	Joined Recruit Co., Ltd. Temporarily transferred to K.K. Recruit Building Management (currently, XYMAX corporation) Concurrently temporarily transferred to XYMAX Alpha corporation (currently, XYMAX AXIS corporation) Joined K.K. daVinci Advisors Manager of Acquisition Team K.K. daVinci Select (currently, Daiwa Real Estate Asset Management Co., Ltd.) (with employment transfer) Director (Head of Investment Management Department) (current position)	—
Director (Head of Administration Department)	Naoyuki Owa	Apr. 1986  Apr. 1990  June 2006  Oct. 2006  July 2009	Joined Tokyo High Court as Court Administrative Official Joined Daiwa Securities Co. Ltd. (currently, Daiwa Securities Group Inc.) Head of Corporate Planning Department and Treasury Department of Daiwa Securities SMBC Co., Ltd. (currently, Daiwa Securities Capital Markets Co. Ltd.) Head of Corporate Planning Department of Daiwa Securities Group Inc. Temporarily transferred to Daiwa Real Estate Asset Management Co., Ltd. Director (Head of Administration Department) (current position)	—
Director (Head of Finance Department)	Yoji Ueda	Apr. 1990  June 2007  July 2009	Joined Daiwa Securities Co. Ltd. (currently, Daiwa Securities Group Inc.) Head of Structured Finance Department of Daiwa Securities SMBC Co., Ltd. (currently, Daiwa Securities Capital Markets Co. Ltd.) Temporarily transferred to Daiwa Real Estate Asset Management Co., Ltd. Director (Head of Finance Department) of said company (current position)	—
Director (part-time basis)	Toshihiro Matsui	Apr. 1985  May 2004  Apr. 2005 Oct. 2005 Oct. 2006 Apr. 2007  Oct. 2008  Apr. 2009 July 2009	Joined Daiwa Securities Co. Ltd. (currently, Daiwa Securities Group Inc.) Head of Corporate Institutions Department (V) of Daiwa Securities SMBC Co., Ltd. (currently, Daiwa Securities Capital Markets Co. Ltd.) Head of Corporate Institutions Department (IV) Head of Corporate Finance Department Head of Corporate Finance Department (I) Head of Fixed Income, Currency and Commodities (FICC) Department Head of Corporate Planning Department of Daiwa Securities Group Inc. Executive Officer (current position) Director (part-time basis) of Daiwa Real Estate Asset Management Co., Ltd. (current position)	—

Title	Name	Career summary		Number of shares held
Director (part-time basis)	Hikari Sakagami	Apr. 1984	Joined Daiwa Securities Co. Ltd. (currently, Daiwa Securities Group Inc.)	—
		Apr. 2001	Head of Corporate Planning Department of Daiwa Securities SMBC Co., Ltd. (currently, Daiwa Securities Capital Markets Co. Ltd.)	
		July 2004	Head of Accounting & Finance Department of Daiwa Securities Co. Ltd.	
		Oct. 2005	Head of Headquarters Relocation Department of Daiwa Securities Group Inc.	
		Oct. 2008	Head of Finance Department (current position)	
		July 2009	Director (part-time basis) of Daiwa Real Estate Asset Management Co., Ltd. (current position)	
Statutory Auditor (part-time basis)	Shigeharu Tominaga	Apr. 1973	Joined Daiwa Securities Co. Ltd. (currently, Daiwa Securities Group Inc.)	—
		Apr. 1999	Head of Fukuoka Branch	
		May 2004	Consultant	
		Apr. 2005	Advisor of Daiwa Securities SMBC Co., Ltd. (currently, Daiwa Securities Capital Markets Co. Ltd.)	
		June 2005	Corporate Auditor (full-time basis) (current position)	
		July 2009	Statutory Auditor (part-time basis) of Daiwa Real Estate Asset Management Co., Ltd. (current position)	

(Note 1) Akira Yamanouchi assumed office as President and Representative Director, effective May 1, 2010.

(Note 2) Yoshiki Nishigaki's title has changed from President and Representative Director to Vice President and Representative Director, effective May 1, 2010. In addition, as of May 31, 2020, he concurrently serves as Executive Director of the Investment Corporation, for which notification on the concurrent holding of the positions has been made to the Commissioner of the Financial Services Agency in accordance with the provisions of Article 31-4, Paragraph 1 of the Financial Instruments and Exchange Act. Furthermore, he is scheduled to resign from office as Executive Director of the Investment Corporation, effective August 20, 2010, and assume office as substitute Executive Director, effective August 20, 2010.

(Note 3) Seiji Nakata resigned from office as Director (part-time basis), effective March 31, 2010.

## 5. Reference Information

### 5.1. Investment Status

Type of asset	Use	Region	9th Fiscal Period (As of May 31, 2010)	
			Total amount owned (million yen) (Note 1)	As a percentage of total assets (%)
Trust beneficial interest in real estate	Office	Five Central Wards of Tokyo	242,244	85.3
		Tokyo Metropolitan Area	18,652	6.6
		Major Regional Cities	4,963	1.7
	Total	265,860	93.7	
Deposits and other assets			18,006	6.3
Total amount of assets (Note 2)			283,866	100.0
			[265,860]	[93.7]

(Note 1) The total amount owned is the carrying amount (the book value after depreciation in the case of real estate in trust).

(Note 2) The figures in parentheses [ ] under "Total amount of assets" shows the portion of the applicable asset that, in effect, corresponds to the holding of real estate properties.

**5.2. Investment Real Estate Properties (As of May 31, 2010)**
**5.2.1. Price and Investment Ratio of Investment Real Estate Properties**

Region	Property name	Acquisition price (million yen) (Note 4)	Carrying amount (million yen) (Note 5)	Estimated price at end of period (million yen) (Note 6)	Investment ratio (%) (Note 7)
Five Central Wards of Tokyo (Note 1)	daVinci Ginza	14,100	13,749	14,600	5.2
	daVinci Ginza Annex	3,050	2,965	3,030	1.1
	daVinci Shibaura	8,265	8,164	7,430	3.1
	daVinci Minami-Aoyama	4,550	4,513	4,350	1.7
	daVinci Sarugakucho	3,000	2,987	3,350	1.1
	daVinci A Hamamatsucho (Note 8)	2,865	2,839	2,860	1.1
	daVinci Jingumae	2,800	2,763	1,940	1.0
	daVinci Shibadaimon	2,578	2,492	2,812	1.0
	daVinci Misakicho	2,346	2,274	2,392	0.9
	daVinci Shimbashi 510	2,080	2,138	2,560	0.8
	BPS Square	1,560	1,435	1,650	0.6
	daVinci Tsukiji	1,240	1,236	1,390	0.5
	daVinci Tsukiji 616	2,440	2,389	2,600	0.9
	Shuwa Tsukushima Building	7,840	7,470	7,690	2.9
	Nihombashi MS Building	2,520	2,520	2,490	0.9
	Atlantic Building	1,600	1,576	1,830	0.6
	Shibuya SS Building	3,930	3,865	3,950	1.5
	daVinci Nihombashi Honcho	7,420	7,264	8,070	2.8
	daVinci Ginza 1-chome	4,620	4,536	4,550	1.7
	daVinci Kyobashi	3,460	3,424	3,550	1.3
	Sunline Building No. 7 (Note 8)	2,680	2,663	2,450	1.0
	daVinci Onarimon	13,860	13,761	15,100	5.1
	Shinjuku Maynds Tower (Note 8)	133,800	132,676	106,000	49.7
	SHIBUYA EDGE	5,900	5,885	4,220	2.2
	daVinci Kodenmacho	2,460	2,440	1,950	0.9
	ORIX Jimbo-cho Building	4,150	4,205	4,290	1.5
Total for Five Central Wards of Tokyo (26 properties)		245,114	242,244	217,104	91.1
Tokyo Metropolitan Area (Note 2)	daVinci Kinshicho	3,653	3,548	3,542	1.4
	daVinci Higashi-Ikebukuro	2,958	2,914	3,417	1.1
	Benex S-3	4,950	4,583	3,380	1.8
	daVinci Shinagawa II	7,710	7,605	5,710	2.9
Total for Tokyo Metropolitan Area (4 properties)		19,271	18,652	16,049	7.2
Major Regional Cities (Note 3)	daVinci Minami-Senba	4,810	4,963	3,500	1.8
Total for Major Regional Cities (1 property)		4,810	4,963	3,500	1.8
Total (31 properties)		269,195	265,860	236,653	100.0

- (Note 1) “Five Central Wards of Tokyo” are the Chiyoda, Chuo, Minato, Shinjuku and Shibuya Wards.
- (Note 2) “Tokyo Metropolitan Area” is Tokyo (excluding the Five Central Wards of Tokyo), and the Kanagawa, Chiba and Saitama Prefectures.
- (Note 3) “Major Regional Cities” are the Osaka metropolitan area (Osaka, Kyoto and Hyogo Prefectures), Nagoya metropolitan area (Aichi and Mie Prefectures), ordinance-designated cities (Sapporo, Sendai, Niigata, Shizuoka, Hamamatsu, Okayama, Hiroshima, Kitakyushu and Fukuoka Cities), and Hakodate, Asahikawa, Aomori, Morioka, Akita, Koriyama, Iwaki, Utsunomiya, Toyama, Kanazawa, Nagano, Gifu, Nara, Wakayama, Kurashiki, Fukuyama, Shimonoseki, Takamatsu, Matsuyama, Kochi, Kurume, Nagasaki, Kumamoto, Oita, Miyazaki and Kagoshima Cities.
- (Note 4) Acquisition price is the transaction value (excluding the amount equivalent to consumption taxes) of the applicable trust beneficial interest stated in the trust beneficial interest transaction contract.
- (Note 5) Carrying amount is the book value after depreciation amount as of May 31, 2010.
- (Note 6) Estimated price at end of period is the price that has May 31, 2010 as the date of the price opinion stated in appraisal reports prepared by real estate appraisers of Tanizawa Sogo Appraisal Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd., Chuo Real Estate Appraisal Co., Ltd. and Morii Appraisal & Investment Consulting, Inc. in accordance with the articles of incorporation of the Investment Corporation and the rules of The Investment Trusts Association, Japan.
- (Note 7) Investment ratio is the acquisition price of the applicable trust beneficial interest expressed as a percentage of the total amount of acquisition prices, rounded to one decimal place.
- (Note 8) For daVinci A Hamamatsucho, Sunline Building No. 7 and Shinjuku Maynds Tower, the figures are those pertaining to the Investment Corporation’s ownership interest.
- (Note 9) As of the date of this document, the name of the following properties will be or are scheduled to be changed on the dates indicated below. Please note that, in principle, these properties will be referred to by their old name within this document.

New name	Old name	(Scheduled) Date of change
Daiwa Ginza Building	daVinci Ginza	September 1, 2010
Daiwa Ginza Annex	daVinci Ginza Annex	September 1, 2010
Daiwa Shibaura Building	daVinci Shibaura	July 14, 2010
Daiwa Minami-Aoyama Building	daVinci Minami-Aoyama	July 1, 2010
Daiwa Sarugakucho Building	daVinci Sarugakucho	July 11, 2010
Daiwa A Hamamatsucho Building	daVinci A Hamamatsucho	June 30, 2010
Daiwa Jingumae Building	daVinci Jingumae	July 1, 2010
Daiwa Shibadaimon Building	daVinci Shibadaimon	June 30, 2010
Daiwa Misakicho Building	daVinci Misakicho	July 7, 2010
Daiwa Shimbashi 510 Building	daVinci Shimbashi 510	August 1, 2010
Daiwa Tsukiji Building	daVinci Tsukiji	July 4, 2010
Daiwa Tsukiji 616 Building	daVinci Tsukiji 616	August 4, 2010
Daiwa Tsukishima Building	Shuwa Tsukishima Building	August 4, 2010
Daiwa Azabudai Building	Atlantic Building	June 27, 2010
Daiwa Shibuya SS Building	Shibuya SS Building	June 29, 2010
Daiwa Nihombashi Honcho Building	daVinci Nihombashi Honcho	July 18, 2010
Daiwa Ginza 1-chome Building	daVinci Ginza 1-chome	July 2, 2010
Daiwa Kyobashi Building	daVinci Kyobashi	July 2, 2010
Daiwa Onarimon Building	daVinci Onarimon	July 16, 2010
Daiwa Kodenmachi Building	daVinci Kodenmachi	August 5, 2010
Daiwa Jimbocho Building	ORIX Jimbo-cho Building	July 7, 2010
Daiwa Kinshicho Building	daVinci Kinshicho	July 6, 2010
Daiwa Higashi-Ikebukuro Building	daVinci Higashi-Ikebukuro	June 29, 2010
Daiwa Shinagawa North Building	daVinci Shinagawa II	July 12, 2010
Daiwa Minami-Senba Building	daVinci Minami-Senba	July 17, 2010



**5.2.2. Summary of Building and Leasing of Investment Real Estate**

Region	Property name	Structure and number of floors (Note 1)	Construction completion (Note 2)	Leasable floor area (Note 3)	Leased floor area (Note 4)	Total number of tenants (Note 5)	Occupancy rate (%) (Note 6)	Rent revenue during current period (thousand yen) (Note 7)
Five Central Wards of Tokyo	daVinci Ginza	SRC B3 / 12F	July 1960	8,273.44	7,383.72	1 [25]	89.2	370,933
	daVinci Ginza Annex	SRC B3 / 8F	Aug. 1972	2,032.52	1,758.27	1 [6]	86.5	92,132
	daVinci Shibaura	SRC B1 / 12F	Oct. 1987	9,626.16	9,544.62	1 [55]	99.1	287,228
	daVinci Minami-Aoyama	S / SRC B2 / 5F	Sept. 1990	2,715.54	2,715.54	1 [6]	100.0	138,229
	daVinci Sarugakucho	SRC 8F	June 1985	3,657.43	3,657.43	1 [1]	100.0	127,876
	daVinci A Hamamatsucho	SRC B2 / 10F	July 1993	3,671.25	3,671.25	1 [11]	100.0	145,720
	daVinci Jingumae	RC B1 / 4F	Dec. 1997	2,388.22	0.00	1 [0]	0.0	72,898
	daVinci Shibadaimon	SRC / RC B1 / 7F	Nov. 1996	2,384.70	2,384.70	1 [5]	100.0	104,719
	daVinci Misakicho	S 8F	July 1996	2,137.53	2,137.53	1 [1]	100.0	84,896
	daVinci Shimbashi 510	SRC B1 / 8F	Apr. 1974	2,792.99	2,463.51	1 [8]	88.2	85,688
	BPS Square	SRC 10F	Jan. 1996	2,852.97	2,852.97	1 [1]	100.0	55,320
	daVinci Tsukiji	SRC B1 / 7F	Jan. 1990	1,487.82	1,266.40	1 [4]	85.1	50,762
	daVinci Tsukiji 616	SRC B1 / 9F	Mar. 1994	2,932.65	2,932.65	1 [8]	100.0	99,188
	Shuwa Tsukishima Building	S 5F	July 1996	8,426.85	8,426.85	1 [3]	100.0	282,883
	Nihombashi MS Building	SRC B2 / 7F	Apr. 1993	2,989.56	2,989.56	1 [9]	100.0	77,107
	Atlantic Building	SRC B2 / 9F	Apr. 1984	1,705.44	1,705.44	1 [9]	100.0	59,099
	Shibuya SS Building	SRC / S B1 / 9F	July 1977	2,980.92	2,980.92	1 [11]	100.0	110,151
	daVinci Nihombashi Honcho	SRC B1 / 10F	Jan. 1964	7,419.77	2,840.12	1 [7]	38.2	230,343
	daVinci Ginza 1-chome	SRC B2 / 11F	Jan. 1962	3,757.77	2,966.59	1 [9]	78.9	120,366
	daVinci Kyobashi	SRC B1 / 8F	Oct. 1974	3,220.47	2,837.33	1 [5]	88.1	112,089
	Sunline Building No. 7	SRC B2 / 9F	Oct. 1987	2,405.15	1,917.75	1 [7]	79.7	54,763
	daVinci Onarimon	SRC 9F	Apr. 1973	11,615.37	11,615.37	1 [8]	100.0	421,944
	Shinjuku Maynds Tower (Note 8)	S / SRC B3 / 34F	Sept. 1995	45,556.73	35,588.00	1 [35]	78.1	2,450,303
	SHIBUYA EDGE	RC B1 / 9F	Aug. 2006	2,480.65	2,480.65	1 [7]	100.0	136,644
	daVinci Kodenmachi	SRC 8F	Mar. 1985	2,379.29	2,065.94	1 [7]	86.8	47,388
	ORIX Jimbo-cho Building	S B1 / 8F	Mar. 1997	3,166.84	3,166.84	1 [2]	100.0	69,905
Total for Five Central Wards of Tokyo (26 properties)				145,058.03	124,349.95	26 [250]	85.7	5,888,586

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Region	Property name	Structure and number of floors (Note 1)	Construction completion (Note 2)	Leasable floor area (Note 3)	Leased floor area (Note 4)	Total number of tenants (Note 5)	Occupancy rate (%) (Note 6)	Rent revenue during current period (thousand yen) (Note 7)
Tokyo Metropolitan Area	daVinci Kinshicho	S B1 / 5F	Jan. 1992	5,468.85	5,468.85	1 [6]	100.0	153,778
	daVinci Higashi-Ikebukuro	SRC / S B1 / 9F	June 1993	4,630.94	4,630.94	1 [6]	100.0	153,723
	Benex S-3	S / SRC B1 / 12F	Feb. 1994	7,472.29	6,007.89	1 [19]	80.4	122,413
	daVinci Shinagawa II	SRC B1 / 11F	July 1991	6,551.08	5,949.28	1 [12]	90.8	188,487
Total for Tokyo Metropolitan Area (4 properties)				24,123.16	22,056.96	4 [43]	91.4	618,402
Major Regional Cities	daVinci Minami-Senba	SRC B1 / 8F	Sept. 1986	5,747.12	3,632.66	1 [5]	63.2	103,035
Total for Major Regional Cities (1 property)				5,747.12	3,632.66	1 [5]	63.2	103,035
Total (31 properties)				174,928.31	150,039.57	31 [298]	85.7	6,610,024

- (Note 1) “Structure and number of floors” are the entries in the real estate registry of the building of the applicable investment real estate property. “S” refers to steel-framed structure, “RC” refers to reinforced concrete structure, “SRC” refers to steel-framed reinforced concrete structure, “B” refers to floors below ground and “F” refers to floors above ground.
- (Note 2) “Construction completion” is the entry in the real estate registry of the building of the applicable investment real estate property.
- (Note 3) “Leasable floor area” represents the floor area of the building of the applicable investment real estate property that is leasable, not including the leasable area of the land (including level parking space), and is the floor area indicated in the leasing contract, etc.
- (Note 4) “Leased floor area” is the sum total of the floor area that is actually leased based on lease or sublease agreements executed with end-tenants as of May 31, 2010.
- (Note 5) “Total number of tenants” when there is a master lease agreement is stated as “1” with the number of end-tenants given in parentheses [ ]. When there is a tenant occupying multiple buildings, the concerned tenant is counted and stated for each individual building.
- (Note 6) “Occupancy rate” is the figure arrived at when leased floor area is divided by leasable floor area, rounded down to one decimal place.
- (Note 7) “Rent revenue during current period” is rent income, common area charges income, parking lot income and other income generated from the applicable investment real estate property during the 9th Fiscal Period, rounded down to the nearest thousand yen.
- (Note 8) Leasable floor area and leased floor area are calculated for the common ownership interest in the real estate in trust pertaining to trust beneficial interest held by the Investment Corporation, which corresponds to six-sevenths of the entire Property. Accordingly, leasable floor area and leased floor area are the floor areas corresponding to six-sevenths of the entire building.

### 5.2.3. Capital Expenditures for Assets Under Management

#### 5.2.3.1. Schedule of Capital Expenditures

The following are the principal capital expenditures arising from renovation construction work, etc. currently planned for existing portfolio properties. Please note that the expected construction amount includes portions that are expensed as a separate account item of accounting costs.

Name of real estate properties (Location)	Purpose	Scheduled implementation period	Expected construction amount (million yen)		
			Total amount	Amount paid during current period	Total amount already paid
Shinjuku Maynds Tower (Shibuya-ku, Tokyo)	Construction work for replacement of cold-water coil in air-conditioning system	From: July 2010 To: Nov. 2010	111	–	–
daVinci Ginza 1-chome (Chuo-ku, Tokyo)	Construction work for upgrading package air-conditioning system	From: Oct. 2010 To: Nov. 2010	30	–	–
daVinci Ginza 1-chome (Chuo-ku, Tokyo)	Construction work for addressing leasing	From: Aug. 2010 To: Sept. 2010	25	–	–
Shinjuku Maynds Tower (Shibuya-ku, Tokyo)	Construction work for replacement of outdoor lighting fixtures	From: July 2010 To: Nov. 2010	17	–	–
daVinci Shimbashi 510 (Minato-ku, Tokyo)	Construction work for turning B1F into office space	From: June 2010 To: June 2010	15	–	–

#### 5.2.3.2. Capital Expenditures During Period

The following summarizes the primary construction work that constitutes capital expenditures implemented during the 9th Fiscal Period. Capital expenditures for the 9th Fiscal Period amounted to 568 million yen and, when combined with the 429 million yen in repair expenses charged to 9th Fiscal Period expenses, totals 998 million yen in construction work implemented.

Name of real estate properties (Location)	Purpose	Period	Construction amount paid (million yen)
Shinjuku Maynds Tower (Shibuya-ku, Tokyo)	Construction work for new installation of cold-water heat exchanger	From: June 2009 To: Apr. 2010	255
Shinjuku Maynds Tower (Shibuya-ku, Tokyo)	Construction work for renovation of 6~13F	From: Oct. 2009 To: Mar. 2010	102
Shinjuku Maynds Tower (Shibuya-ku, Tokyo)	Construction work for replacement of cold-water coil in air-conditioning system on each floor	From: Nov. 2009 To: Jan. 2010	35
Shinjuku Maynds Tower (Shibuya-ku, Tokyo)	Construction work for replacement of cold-water coil in air-conditioning system on each floor	From: Apr. 2010 To: May 2010	22
Shuwa Tsukishima Building (Chuo-ku, Tokyo)	Construction work for servicing of air-conditioning system	From: Mar. 2010 To: Mar. 2010	18
Shinjuku Maynds Tower (Shibuya-ku, Tokyo)	Construction work for renovation of 1F entrance lobby and elevator lobby	From: Mar. 2010 To: May 2010	13
daVinci Kyobashi (Chuo-ku, Tokyo)	Construction work for renovation of outdoor steel- framed stairs	From: Mar. 2010 To: May 2010	11
daVinci Kyobashi (Chuo-ku, Tokyo)	Construction work for maintenance of multi-level parking equipment	From: Apr. 2010 To: Apr. 2010	10
Other		From: Dec. 2009 To: May 2010	99
Total			568

#### 5.2.3.3. Monies Set Aside for Long-Term Repair Plans (Reserve for Repairs)

The Investment Corporation sets aside the following reserve for repairs from cash flows during the fiscal period to be allocated to payment of such funds as future major repairs.

(Unit: thousand yen)

Fiscal period	9th Fiscal Period [From: December 1, 2009 To: May 31, 2010 ]
Balance of reserve at end of previous period	–
Amount of reserve in current period	643
Reversal of reserve in current period	–
Amount carried forward to next period	643

**5.2.3.4. Summary of Estimated Price at End of Period (As of May 31, 2010)**

Property name	Estimated price at end of period (million yen) (Note 1)	Summary of Appraisal Report					Price indicated by the cost approach (million yen) (Note 2)
		Direct capitalization method		DCF method			
		Price (million yen)	Cap rate (%)	Price (million yen)	Discount rate (%)	Terminal cap rate (%)	
daVinci Ginza	14,600	15,600	4.6	14,200	4.3	4.9	13,000
daVinci Ginza Annex	3,030	3,160	4.5	2,970	4.2	4.8	3,390
daVinci Shibaura	7,430	7,571	5.2	7,430	4.9	5.7	5,385
daVinci Minami-Aoyama	4,350	4,430	4.8	4,270	4.5	5.1	3,500
daVinci Sarugakuchō	3,350	3,390	5.7	3,300	5.4	6.0	1,420
daVinci A Hamamatsucho (Note 5)	2,860	2,876	5.1	2,860	4.7	5.7	1,765
daVinci Jingumae	1,940	2,080	4.7	1,880	4.4	5.0	2,210
daVinci Shibadaimon	2,812	2,982	5.1	2,812	4.8	5.6	1,617
daVinci Misakicho	2,392	2,502	5.3	2,392	5.0	5.8	1,220
daVinci Shimbashi 510	2,560	2,610	5.2	2,510	4.9	5.5	1,930
BPS Square	1,650	1,670	5.3	1,640	5.1 (Note 3) 5.3 (Note 4)	5.6	1,020
daVinci Tsukiji	1,390	1,380	5.2	1,390	5.2	5.5	726
daVinci Tsukiji 616	2,600	2,610	5.1	2,600	4.8	5.3	1,220
Shuwa Tsukishima Building	7,690	7,760	5.3	7,660	5.0	5.5	4,860
Nihombashi MS Building	2,490	2,640	5.0	2,430	4.7	5.3	1,660
Atlantic Building	1,830	1,870	5.0	1,790	4.7	5.3	1,310
Shibuya SS Building	3,950	4,110	5.0	3,880	4.7	5.3	3,040
daVinci Nihombashi Honcho	8,070	8,660	5.1	7,810	4.7	5.4	4,340
daVinci Ginza 1-chome	4,550	4,880	4.8	4,410	4.4	5.1	4,760
daVinci Kyobashi	3,550	3,700	5.0	3,480	4.7	5.3	1,970
Sunline Building No. 7 (Note 5)	2,450	2,620	5.0	2,370	4.7	5.3	3,290
daVinci Onarimon	15,100	15,900	4.9	14,700	4.6	5.2	11,100
Shinjuku Maynds Tower (Note 6)	106,000	132,000	4.0	120,000	3.8	4.1	102,000
SHIBUYA EDGE	4,220	4,390	4.6	4,140	4.3	4.9	3,690
daVinci Kodenmachi	1,950	2,100	5.3	1,890	5.0	5.6	1,020
ORIX Jimbo-cho Building	4,290	4,230	5.2	4,310	5.2	5.5	2,680
daVinci Kinshicho	3,542	3,788	5.6	3,542	5.3	6.1	1,723
daVinci Higashi-Ikebukuro	3,417	3,587	5.4	3,417	5.1	5.9	1,898
Benex S-3	3,380	3,530	5.8	3,320	5.5	6.1	3,600
daVinci Shinagawa II	5,710	6,320	5.2	5,450	4.9	5.5	5,170
daVinci Minami-Senba	3,500	3,560	5.5	3,430	5.2	5.8	2,010
Total	236,653	268,506		248,283			198,524

(Note 1) “Estimated price at end of period” is the price that has May 31, 2010 as the date of the price opinion stated in appraisal reports prepared by real estate appraisers of Tanizawa Sogo Appraisal Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd., Chuo Real Estate Appraisal Co., Ltd. and Morii Appraisal & Investment Consulting, Inc. in accordance with the articles of incorporation of the Investment Corporation and the rules of The Investment Trusts Association, Japan.

(Note 2) “Price indicated by the cost approach” is rounded down to the nearest million yen.

(Note 3) The discount rate for the 1st~2nd year.

(Note 4) The discount rate for the 3rd or subsequent years.

(Note 5) For daVinci A Hamamatsucho and Sunline Building No. 7, the prices are those pertaining to the Investment Corporation’s ownership interest.

(Note 6) For Shinjuku Maynds Tower, the estimated price at end of period is the price pertaining to the Investment Corporation’s ownership interest, and the price indicated by the direct capitalization method, price indicated by the DCF method and price indicated by the cost approach are the prices pertaining to the entire Property.

**5.2.3.5. Status of Income (Loss), etc. of Individual Properties**

The following table summarizes the status of income (loss), etc. for the 9th Fiscal Period (from December 1, 2009 to May 31, 2010) for each individual property as a list. Income (loss) information is presented in accordance with the “Significant Accounting Policies” outlined earlier in this document.

Region		Five Central Wards of Tokyo				
Property name		daVinci Ginza	daVinci Ginza Annex	daVinci Shibaura	daVinci Minami- Aoyama	daVinci Sarugakucho
Acquisition date		Oct. 2005	Oct. 2005	Oct. 2005	Oct. 2005	Oct. 2005
Price information	Acquisition price (million yen)	14,100	3,050	8,265	4,550	3,000
	Investment ratio (%)	5.2	1.1	3.1	1.7	1.1
	Carrying amount (million yen)	13,749	2,965	8,164	4,513	2,987
	Estimated price at end of period (million yen)	14,600	3,030	7,430	4,350	3,350
Leasing information	Number of tenants (Note 1)	25	6	55	6	1
	Leasable floor area (m <sup>2</sup> )	8,273.44	2,032.52	9,626.16	2,715.54	3,657.43
	Leased floor area (m <sup>2</sup> )	7,383.72	1,758.27	9,544.62	2,715.54	3,657.43
	Occupancy rate (%)					
	End of May 2008	99.5	98.2	98.3	100.0	100.0
	End of Nov. 2008	98.4	96.6	99.2	100.0	100.0
	End of May 2009	94.9	96.6	90.3	80.6	100.0
End of Nov. 2009	85.4	86.4	88.5	100.0	100.0	
End of May 2010	89.2	86.5	99.1	100.0	100.0	
Income (loss) information	Number of days of asset management	182	182	182	182	182
	Total property leasing revenue (A) (thousand yen)	370,933	94,832	288,886	138,229	127,876
	Rent revenue – real estate	370,933	92,132	287,228	138,229	127,876
	Other lease business revenue	–	2,700	1,657	–	–
	Total property leasing expenses (B) (thousand yen)	153,382	41,258	99,768	35,220	38,563
	Consignment expenses	21,915	7,549	19,165	5,635	7,330
	Utilities expenses	25,471	4,863	19,003	6,733	7,497
	Taxes and dues	23,610	7,662	19,511	10,975	3,064
	Non-life insurance expenses	615	146	566	205	188
	Repair expenses	2,519	3,594	18,134	1,113	238
	Depreciation (C)	67,066	17,441	23,168	10,557	11,777
	Other lease business expenses	12,183	–	220	–	8,467
	Operating income (loss) from property leasing (D) [(A) – (B)] (thousand yen)	217,551	53,573	189,118	103,008	89,313
NOI (E) [(D) + (C)] (thousand yen)	284,617	71,015	212,286	113,566	101,090	
Capital expenditures (F) (thousand yen)	7,571	2,401	6,907	1,018	410	
NCF [(E) – (F)] (thousand yen)	277,045	68,614	205,378	112,548	100,680	
Reference information	Expense rate (%) [(B) ÷ (A)]	41.35	43.51	34.54	25.48	30.16
	Annual amount of fixed property tax, etc. for fiscal 2010 (thousand yen)	49,798	16,270	40,116	22,604	6,108
	Estimated long-term repair expenses (thousand yen) (Note 2)	128,190	34,770	218,640	111,190	162,170
	Status of pledge as collateral	Yes	Yes	Yes	Yes	Yes

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Region		Five Central Wards of Tokyo				
Property name		daVinci A Hamamatsucho	daVinci Jingumae	daVinci Shibadaimon	daVinci Misakicho	daVinci Shimbashi 510
Acquisition date		Oct. 2005	Oct. 2005	Oct. 2005	Oct. 2005	Oct. 2005
Price information	Acquisition price (million yen)	2,865	2,800	2,578	2,346	2,080
	Investment ratio (%)	1.1	1.0	1.0	0.9	0.8
	Carrying amount (million yen)	2,839	2,763	2,492	2,274	2,138
	Estimated price at end of period (million yen)	2,860	1,940	2,812	2,392	2,560
Leasing information	Number of tenants (Note 1)	11	0	5	1	8
	Leasable floor area (m <sup>2</sup> )	3,671.25	2,388.22	2,384.70	2,137.53	2,792.99
	Leased floor area (m <sup>2</sup> )	3,671.25	0.00	2,384.70	2,137.53	2,463.51
	Occupancy rate (%)					
	End of May 2008	100.0	100.0	100.0	100.0	93.6
	End of Nov. 2008	100.0	100.0	100.0	100.0	100.0
	End of May 2009	100.0	100.0	100.0	100.0	100.0
End of Nov. 2009	100.0	100.0	100.0	100.0	88.2	
End of May 2010	100.0	0.0	100.0	100.0	88.2	
Income (loss) information	Number of days of asset management	182	182	182	182	182
	Total property leasing revenue (A) (thousand yen)	145,731	107,898	104,719	84,896	86,376
	Rent revenue – real estate	145,720	72,898	104,719	84,896	85,688
	Other lease business revenue	10	35,000	–	–	688
	Total property leasing expenses (B) (thousand yen)	78,846	58,430	46,594	32,049	28,064
	Consignment expenses	13,455	5,134	7,078	4,151	6,457
	Utilities expenses	8,430	5,509	6,375	5,417	4,106
	Taxes and dues	9,059	6,268	5,730	5,590	5,722
	Non-life insurance expenses	258	105	158	124	153
	Repair expenses	2,007	31,727	12,983	2,683	5,737
	Depreciation (C)	16,234	9,427	14,269	14,083	5,825
	Other lease business expenses	29,400	258	–	–	60
	Operating income (loss) from property leasing (D) [(A) – (B)] (thousand yen)	66,885	49,467	58,124	52,846	58,312
NOI (E) [(D) + (C)] (thousand yen)	83,119	58,895	72,393	66,930	64,138	
Capital expenditures (F) (thousand yen)	348	1,808	878	–	350	
NCF [(E) – (F)] (thousand yen)	82,771	57,086	71,515	66,930	63,788	
Reference information	Expense rate (%) [(B) ÷ (A)]	54.10	54.15	44.50	37.75	32.49
	Annual amount of fixed property tax, etc. for fiscal 2010 (thousand yen)	17,969	12,976	11,743	11,349	11,895
	Estimated long-term repair expenses (thousand yen) (Note 2)	115,840	84,980	98,390	129,500	117,390
	Status of pledge as collateral	Yes	Yes	Yes	Yes	Yes

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Region		Five Central Wards of Tokyo				
Property name		BPS Square	daVinci Tsukiji	daVinci Tsukiji 616	Shuwa Tsukishima Building	Nihombashi MS Building
Acquisition date		Jan. 2006	Jan. 2006	Mar. 2006	Mar. 2006	May 2006
Price information	Acquisition price (million yen)	1,560	1,240	2,440	7,840	2,520
	Investment ratio (%)	0.6	0.5	0.9	2.9	0.9
	Carrying amount (million yen)	1,435	1,236	2,389	7,470	2,520
	Estimated price at end of period (million yen)	1,650	1,390	2,600	7,690	2,490
Leasing information	Number of tenants (Note 1)	1	4	8	3	9
	Leasable floor area (m <sup>2</sup> )	2,852.97	1,487.82	2,932.65	8,426.85	2,989.56
	Leased floor area (m <sup>2</sup> )	2,852.97	1,266.40	2,932.65	8,426.85	2,989.56
	Occupancy rate (%)					
	End of May 2008	100.0	100.0	73.7	100.0	86.9
	End of Nov. 2008	100.0	100.0	100.0	100.0	85.9
	End of May 2009	100.0	100.0	100.0	100.0	85.9
End of Nov. 2009	100.0	100.0	100.0	100.0	100.0	
End of May 2010	100.0	85.1	100.0	100.0	100.0	
Income (loss) information	Number of days of asset management	182	182	182	182	182
	Total property leasing revenue (A) (thousand yen)	55,320	50,762	99,188	282,883	85,645
	Rent revenue – real estate	55,320	50,762	99,188	282,883	77,107
	Other lease business revenue	–	–	–	–	8,538
	Total property leasing expenses (B) (thousand yen)	23,866	18,494	50,930	119,405	42,109
	Consignment expenses	655	3,817	7,155	13,859	6,608
	Utilities expenses	–	2,913	6,413	20,933	4,551
	Taxes and dues	5,414	3,994	7,451	12,968	7,027
	Non-life insurance expenses	133	77	171	413	176
	Repair expenses	324	416	1,236	4,092	6,503
	Depreciation (C)	17,338	7,276	28,501	67,138	17,107
	Other lease business expenses	–	–	–	–	135
	Operating income (loss) from property leasing (D) [(A) – (B)] (thousand yen)	31,453	32,267	48,257	163,478	43,535
NOI (E) [(D) + (C)] (thousand yen)	48,791	39,544	76,759	230,616	60,642	
Capital expenditures (F) (thousand yen)	400	160	–	18,300	–	
NCF [(E) – (F)] (thousand yen)	48,391	39,384	76,759	212,316	60,642	
Reference information	Expense rate (%) [(B) ÷ (A)]	43.14	36.43	51.35	42.21	49.17
	Annual amount of fixed property tax, etc. for fiscal 2010 (thousand yen)	10,926	8,336	14,740	26,756	14,160
	Estimated long-term repair expenses (thousand yen) (Note 2)	114,750	49,770	73,410	331,450	139,000
	Status of pledge as collateral	Yes	Yes	Yes	Yes	Yes

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Region		Five Central Wards of Tokyo				
Property name		Atlantic Building	Shibuya SS Building	daVinci Nihombashi Honcho	daVinci Ginza 1-chome	daVinci Kyobashi
Acquisition date		May 2006	May 2006	July 2006	July 2006	July 2006
Price information	Acquisition price (million yen)	1,600	3,930	7,420	4,620	3,460
	Investment ratio (%)	0.6	1.5	2.8	1.7	1.3
	Carrying amount (million yen)	1,576	3,865	7,264	4,536	3,424
	Estimated price at end of period (million yen)	1,830	3,950	8,070	4,550	3,550
Leasing information	Number of tenants (Note 1)	9	11	7	9	5
	Leasable floor area (m <sup>2</sup> )	1,705.44	2,980.92	7,419.77	3,757.77	3,220.47
	Leased floor area (m <sup>2</sup> )	1,705.44	2,980.92	2,840.12	2,966.59	2,837.33
	Occupancy rate (%)					
	End of May 2008	100.0	97.6	97.9	96.6	88.1
	End of Nov. 2008	100.0	100.0	100.0	80.0	100.0
	End of May 2009	97.2	93.0	100.0	90.7	100.0
End of Nov. 2009	87.9	91.3	84.9	78.9	100.0	
End of May 2010	100.0	100.0	38.2	78.9	88.1	
Income (loss) information	Number of days of asset management	182	182	182	182	182
	Total property leasing revenue (A) (thousand yen)	60,480	138,949	230,343	150,989	115,383
	Rent revenue – real estate	59,099	110,151	230,343	120,366	112,089
	Other lease business revenue	1,380	28,798	—	30,622	3,293
	Total property leasing expenses (B) (thousand yen)	23,767	70,789	67,280	47,702	36,623
	Consignment expenses	4,595	10,362	12,931	8,625	6,564
	Utilities expenses	2,573	7,946	12,372	6,224	6,352
	Taxes and dues	5,063	10,297	12,224	7,281	6,653
	Non-life insurance expenses	113	191	413	199	184
	Repair expenses	4,481	26,885	1,283	6,040	678
	Depreciation (C)	6,939	15,105	28,055	19,256	16,191
	Other lease business expenses	—	—	—	74	—
	Operating income (loss) from property leasing (D) [(A) – (B)] (thousand yen)	36,712	68,160	163,063	103,286	78,759
NOI (E) [(D) + (C)] (thousand yen)	43,652	83,265	191,119	122,543	94,950	
Capital expenditures (F) (thousand yen)	3,183	6,481	2,587	3,935	22,856	
NCF [(E) – (F)] (thousand yen)	40,468	76,784	188,531	118,608	72,094	
Reference information	Expense rate (%) [(B) ÷ (A)]	39.30	50.95	29.21	31.59	31.74
	Annual amount of fixed property tax, etc. for fiscal 2010 (thousand yen)	10,545	21,978	25,156	15,679	13,891
	Estimated long-term repair expenses (thousand yen) (Note 2)	67,880	113,840	116,900	191,730	61,450
	Status of pledge as collateral	Yes	Yes	Yes	Yes	Yes



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Region		Five Central Wards of Tokyo				
Property name		Sunline Building No. 7	daVinci Onarimon	Shinjuku Maynds Tower (Note 3)	SHIBUYA EDGE	daVinci Kodenmacho
Acquisition date		Oct. 2006	Dec. 2006	July and Nov. 2007	July 2007	Aug. 2007
Price information	Acquisition price (million yen)	2,680	13,860	133,800	5,900	2,460
	Investment ratio (%)	1.0	5.1	49.7	2.2	0.9
	Carrying amount (million yen)	2,663	13,761	132,676	5,885	2,440
	Estimated price at end of period (million yen)	2,450	15,100	106,000	4,220	1,950
Leasing information	Number of tenants (Note 1)	7	8	35	7	7
	Leasable floor area (m <sup>2</sup> )	2,405.15	11,615.37	45,556.73	2,480.65	2,379.29
	Leased floor area (m <sup>2</sup> )	1,917.75	11,615.37	35,588.00	2,480.65	2,065.94
	Occupancy rate (%)					
	End of May 2008	100.0	100.0	100.0	100.0	100.0
	End of Nov. 2008	97.2	100.0	96.6	100.0	100.0
	End of May 2009	97.2	97.3	99.9	100.0	100.0
End of Nov. 2009	76.9	86.6	99.1	100.0	100.0	
End of May 2010	79.7	100.0	78.1	100.0	86.8	
Income (loss) information	Number of days of asset management	182	182	182	182	182
	Total property leasing revenue (A) (thousand yen)	54,776	421,944	2,706,855	136,644	47,388
	Rent revenue – real estate	54,763	421,944	2,450,303	136,644	47,388
	Other lease business revenue	13	—	256,551	—	—
	Total property leasing expenses (B) (thousand yen)	33,891	109,613	1,465,973	39,756	23,692
	Consignment expenses	5,750	25,444	159,073	9,391	6,189
	Utilities expenses	4,387	17,789	262,968	6,198	3,422
	Taxes and dues	13,632	34,079	256,965	6,962	3,801
	Non-life insurance expenses	177	598	5,178	154	112
	Repair expenses	771	2,476	279,418	450	1,404
	Depreciation (C)	9,170	29,226	499,844	16,597	7,938
	Other lease business expenses	—	—	2,524	—	822
	Operating income (loss) from property leasing (D) [(A) – (B)] (thousand yen)	20,885	312,330	1,240,881	96,888	23,695
NOI (E) [(D) + (C)] (thousand yen)	30,056	341,556	1,740,726	113,485	31,633	
Capital expenditures (F) (thousand yen)	307	640	462,564	950	1,305	
NCF [(E) – (F)] (thousand yen)	29,748	340,916	1,278,161	112,535	30,328	
Reference information	Expense rate (%) [(B) ÷ (A)]	61.87	25.98	54.16	29.09	50.00
	Annual amount of fixed property tax, etc. for fiscal 2010 (thousand yen)	29,041	73,392	518,934	14,396	7,696
	Estimated long-term repair expenses (thousand yen) (Note 2)	68,810	236,800	2,502,610	48,290	70,970
	Status of pledge as collateral	Yes	Yes	Yes (Note 3)	Yes	Yes

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Region		Five Central Wards of Tokyo	Tokyo Metropolitan Area				Major Regional Cities
Property name		ORIX Jimbo-cho Building	daVinci Kinshicho	daVinci Higashi-Ikebukuro	Benex S-3	daVinci Shinagawa II	daVinci Minami-Senba
Acquisition date		Mar. 2010	Oct. 2005	Oct. 2005	May 2006	July 2007	Aug. 2007
Price information	Acquisition price (million yen)	4,150	3,653	2,958	4,950	7,710	4,810
	Investment ratio (%)	1.5	1.4	1.1	1.8	2.9	1.8
	Carrying amount (million yen)	4,205	3,548	2,914	4,583	7,605	4,963
	Estimated price at end of period (million yen)	4,290	3,542	3,417	3,380	5,710	3,500
Leasing information	Number of tenants (Note 1)	2	6	6	19	12	5
	Leasable floor area (m <sup>2</sup> )	3,166.84	5,468.85	4,630.94	7,472.29	6,551.08	5,747.12
	Leased floor area (m <sup>2</sup> )	3,166.84	5,468.85	4,630.94	6,007.89	5,949.28	3,632.66
	Occupancy rate (%)						
	End of May 2008	—	100.0	100.0	100.0	100.0	92.8
	End of Nov. 2008	—	100.0	100.0	100.0	85.6	100.0
	End of May 2009	—	100.0	100.0	100.0	91.8	100.0
End of Nov. 2009	—	100.0	100.0	67.2	100.0	63.2	
End of May 2010	100.0	100.0	100.0	80.4	90.8	63.2	
Income (loss) information	Number of days of asset management	83	182	182	182	182	182
	Total property leasing revenue (A) (thousand yen)	69,905	153,778	153,723	122,413	195,168	103,035
	Rent revenue – real estate	69,905	153,778	153,723	122,413	188,487	103,035
	Other lease business revenue	—	—	—	—	6,681	—
	Total property leasing expenses (B) (thousand yen)	17,866	70,643	68,614	120,505	106,543	77,620
	Consignment expenses	3,480	16,226	12,505	22,201	21,091	15,438
	Utilities expenses	2,486	10,532	14,111	15,023	13,379	8,672
	Taxes and dues	—	12,757	9,588	24,571	18,893	17,037
	Non-life insurance expenses	121	340	317	513	499	332
	Repair expenses	78	1,758	2,458	2,738	4,162	910
	Depreciation (C)	11,440	29,027	29,633	55,455	48,517	35,228
	Other lease business expenses	259	—	—	—	—	—
	Operating income (loss) from property leasing (D) [(A) – (B)] (thousand yen)	52,039	83,134	85,108	1,907	88,624	25,414
NOI (E) [(D) + (C)] (thousand yen)	63,479	112,162	114,741	57,363	137,142	60,643	
Capital expenditures (F) (thousand yen)	694	856	3,245	15,291	—	3,374	
NCF [(E) – (F)] (thousand yen)	62,785	111,306	111,496	42,072	137,142	57,269	
Reference information	Expense rate (%) [(B) ÷ (A)]	25.56	45.94	44.64	98.44	54.59	75.33
	Annual amount of fixed property tax, etc. for fiscal 2010 (thousand yen)	—	25,506	19,311	32,666	37,802	23,237
	Estimated long-term repair expenses (thousand yen) (Note 2)	126,090	285,600	141,210	402,880	191,640	107,090
	Status of pledge as collateral	None	Yes	Yes	Yes	Yes	Yes

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- (Note 1) Number of tenants is the number of end-tenants. When there is a tenant occupying multiple buildings, the concerned tenant is counted and stated for each individual building.
- (Note 2) Estimated long-term repair expenses are the total amount of repair expenses and renewal expenses thought to arise over the 12-year period from the 1st year to the 12th year as stated in the building investigation diagnosis report.
- (Note 3) The real estate in trust pertaining to trust beneficial interest held by the Investment Corporation is common ownership interest corresponding to six-sevenths of the entire Property. Of this, the common ownership interest corresponding to five-sevenths of the entire Property is pledged as collateral.

### 5.3. Affiliated Juridical Persons of the Investment Corporation

Asset Manager  
Daiwa Real Estate Asset Management Co., Ltd.

Supporting Company  
Daiwa Securities Group Inc.

The Investment Corporation  
DA Office Investment Corporation  
General Meeting of Unitholders  
Board of Directors  
Executive Director: Yoshiki Nishigaki  
Supervisory Director: Takayuki Hiraishi  
Supervisory Director: Hiroshi Sakuma

Accounting Auditor  
KPMG AZSA LLC (Note)

General Administrator  
Asset Custodian  
The Sumitomo Trust and Banking Co., Ltd.

Administrator of Unitholders Register  
Manager of Special Accounts  
The Chuo Mitsui Trust and Banking Company, Limited

General Administrator  
(Investment Corporation Bonds)  
Sumitomo Mitsui Banking Corporation

(Note) Temporary Accounting Auditor (As of May 31, 2010)  
KPMG AZSA LLC changed its name from KPMG AZSA & Co., effective July 1, 2010.

- (1) Asset management contract
- (2) General administrative affairs contract / Asset custodian contract
- (3) Unitholder register, etc. management contract / Special account management contract
- (4) Sponsor support agreement
- (5) Fiscal agent agreement