



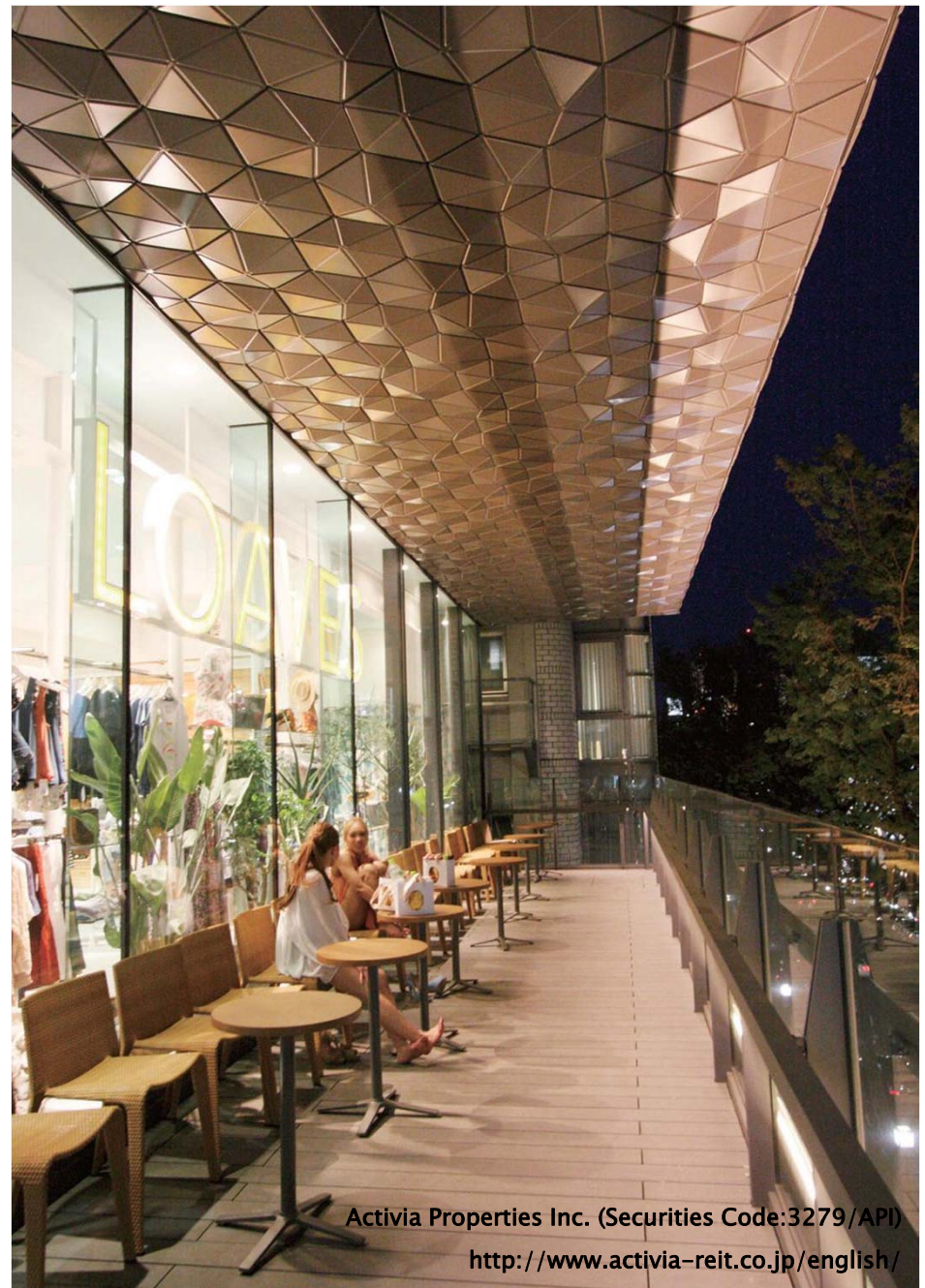
Activia Properties Inc.

The 2nd Period (November 30, 2012) Presentation

January 2013



TLC Activia Investment Management Inc.



Activia Properties Inc. (Securities Code:3279/API)

<http://www.activia-reit.co.jp/english/>



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1. Topics for the 2nd Period (November 30, 2012)

Topic 1 -Our Track Record-

1. Started Asset Management of 18 Properties

- Jun. 13, 2012: Successfully listed on the REIT section of the Tokyo Stock Exchange and raised equity of ¥90.8 billion and borrowed ¥77.0 billion
- We acquired 18 properties (total acquisition price of ¥170.4 billion) and started asset management



Urban Retail Properties

- Acquisition price: ¥94.2 billion
- Number of Properties : 5



Tokyo Office Properties

- Acquisition price : ¥41.5 billion
- Number of Properties : 7



Other Properties

- Acquisition price : ¥34.6 billion
- Number of Properties : 6

2. Improved Leasing Conditions and Asset Values

- The occupancy rate remained high, at 99.4% as of the end of Nov. 2012

<Occupancy rate>

Category	As of the end of Feb.	As of the end of Jun.	As of the end of Nov.
Urban Retail Properties	100.0% ⇒	99.8% ⇒	99.5%
Tokyo Office Properties	89.2% ⇒	93.7% ⇒	97.4%
Other Properties	100.0% ⇒	100.0% ⇒	100.0%
Total	98.1% ⇒	98.7% ⇒	99.4%

- We carried out renovations ahead of schedule to maintain and enhance the asset value and tenant satisfaction



icot Mizonokuchi
Renovation of water-resistant paint on the rooftop

3. Conservative Financing Condition and Outstanding IR Activities

- The long-term borrowings was rated AA- by JCR at the date of resolution for issuance (May 10, 2012)
(As of the end of Nov. 2012)

Rating agency	Rating	Outlook
JCR (Japan Credit Rating Agency)	AA- (Long-term borrowings)	Stable

- Total of interest-bearing debt: ¥77.0 billion, Average interest rate: 0.79657%
(As of the end of Nov. 2012)
- IR activities
 - Daiwa Investor Relations Co., Ltd.
2012 Internet IR Commendation Award
 - Nikko Investor Relations Co., Ltd.
Ranked high in the 2012 Corporate Website Ranking of All Listed Companies



Cash Distributions per unit for the 2nd Period

(Forecast as of Jun. 13, 2012)

¥12,296

(Forecast as of Jul. 6, 2012)

¥13,140

(Forecast as of Dec. 27, 2012)

¥13,900

(Result of the 2nd Period)

¥13,938

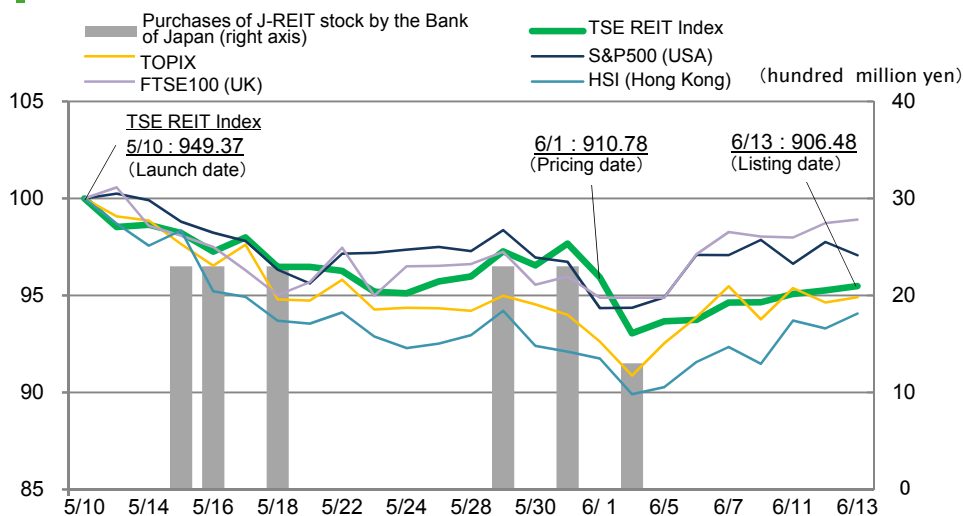
Topic 2 -IPO Highlight-

Offering

Offering style	Global offering (Reg.S+144A)
Launch date	May 10, 2012
Pricing date	Jun. 1, 2012
Listing date	Jun. 13, 2012
Offering price	460,000 yen
Number of offering units	Domestic offering: 169,796 units Over-allotment option: 10,300 units International offering: 34,304 units
Total proceeds (Note1)	90,835 million yen

Note1: Total proceeds including the private placement 762 units (339 million yen) on Jul. 10, 2012 : 91,174 million yen

Market Environment at the time of IPO



Note: Values of TSE REIT Index, TOPIX, S&P500 (US), FTSE100 (UK) and Hang Seng Index (HK) as of May 10, 2012, are adjusted to 100.

Post-IPO Progress

- After the listing, the stock price constantly exceeded the offering price.
- Index inclusions

Jun. 20, 2012 ※Announced on listing date, Jun. 13, 2012

FTSE EPRA/NAREIT Global Real Estate Index Series

Jul. 31, 2012

Tokyo Stock Exchange REIT Index

Sep. 24, 2012

**S&P Global REIT Index/S&P Developed REIT Index
UBS Global Real Estate Index/UBS Global Real Estate Investors Index**



Note1: Values of API unit price (offering price) are adjusted to 100.

Note2: The value of the closing price of TSE REIT Index as of Jun. 12, 2012, is adjusted to 100.



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2. Summary of Financial Results for the 2nd Period

Summary of Financial Results for the 2nd Period -Statement of Income-

- Distribution per unit rose, reflecting decreases in depreciation, cost for listing, and interest expenses.

Comparison of Results and Forecast (Jul. 6, 2012) for the 2nd Period

(In millions of yen)

	Results for the 2 nd period	Forecast for the 2 nd period (as of Jul. 6 2012)	Change
Operating revenue	5,194	5,167	27
Operating expenses	1,696	—	—
Operating income	3,498	3,430	67
Non-operating income	1	—	—
Non-operating expenses	576	—	—
Ordinary income	2,923	2,759	163
Net income	2,922	2,758	163
Cash distributions per unit (yen)	13,938	13,140	798

Changing Factors (from the previous period)

(In millions of yen)

Operating revenue		+27
Expenses related to rent business	+11 ⇒	△11
(Repair and maintenance expenses +28, Management operation expenses △19, etc.)		
Net operating income before depreciation (NOI)		+15
Depreciation	△37 ⇒	+37
Loss on retirement of noncurrent assets	+5 ⇒	△5
Net operating income after depreciation		+48
General and administrative expenses	△19 ⇒	+19
(Asset management fee △5, etc.)		
Operating income		+67

Operating income		+67
Non-operating income	+1 ⇒	+1
Non-operating expenses	△95 ⇒	+95
(Investment unit issuance expenses △76, Interest expenses △31, etc.)		
Net income		+163

Summary of Financial Results for the 2nd Period -Balance Sheet-

Comparison of Results for the 1st Period and 2nd Period

(In millions of yen)

	The 1 st period	The 2 nd period	Change
Assets			
Current assets	132	8,347	8,215
Cash and deposits	127	6,634	6,507
Other	5	1,713	1,707
Noncurrent assets	9	171,718	171,708
Building in trust, etc.	-	31,348	31,348
Accumulated depreciation	-	△451	△451
Land in trust, etc.	-	140,523	140,523
Other	9	298	288
Total assets	142	180,066	179,924
Liabilities			
Current liabilities	3	18,143	18,139
Short-term loans payable	-	17,000	17,000
Other	3	1,143	1,139
Noncurrent liabilities	-	67,688	67,688
Long-term loans payable	-	60,000	60,000
Tenant leasehold and security deposit	-	7,688	7,688
Total liabilities	3	85,831	85,828
Net assets			
Unitholders' equity	138	94,234	94,095
Unitholders' capital	200	91,373	91,173
Surplus	△61	2,861	2,800
Total net assets	138	94,234	94,095
Total liabilities and net assets	142	180,066	179,924

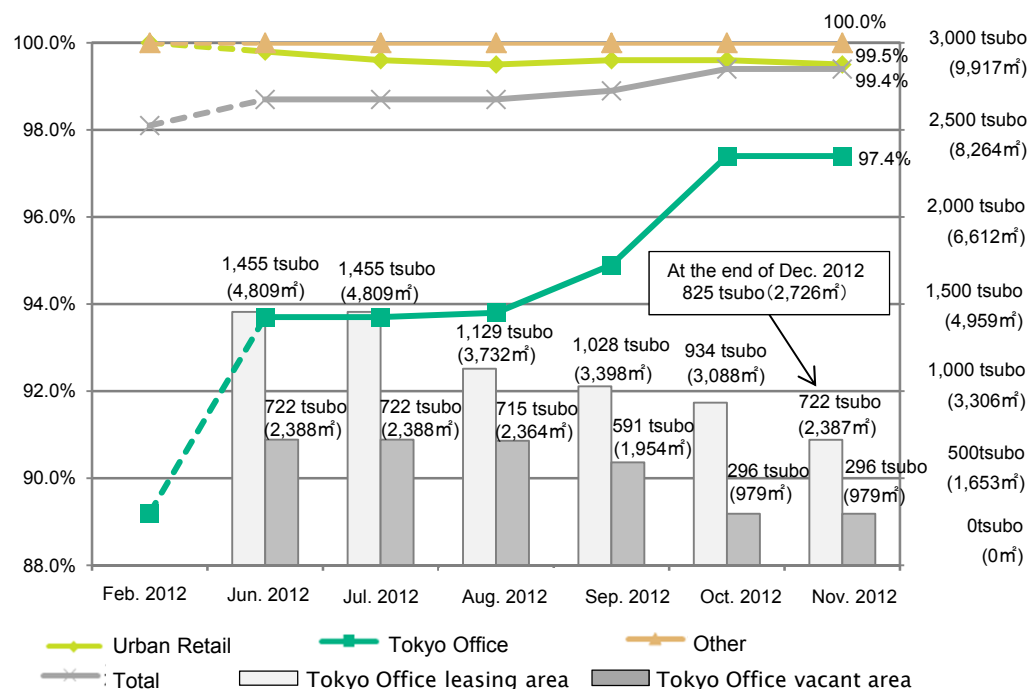
Detail of Balance Sheet for the 2nd Period

Current assets				
• Other Consumption taxes receivable : 1,446 million yen				
Noncurrent assets				
(In millions of yen)				
	Acquisition value	Accumulated depreciation	Book value at end of period	Depreciation for the current period
Building in trust	30,445	428	30,016	429
Structures in trust	323	8	314	8
Machinery and equipment in trust	576	13	562	13
Tools, furniture and fixtures in trust	4	0	4	0
Building in trust, etc.	31,348	451	30,896	452
Land in trust	136,258	—	136,258	—
Leasehold rights in trust	4,265	—	4,265	—
Land in trust, etc.	140,523	—	140,523	—
• Repair and maintenance expenses and capital expenditures(CAPEX)				
Repair and maintenance expenses :108 million yen				
CAPEX : 84 million yen				
icot Kongo (replacement of automatic fire alarm circuit) :12 million yen				
Tokyu Plaza Akasaka (putting plants on the open corridor) :10 million yen, etc.				
Liabilities				
• Loans payable : 77,000 million yen				
• LTV(Interest-bearing debt / Total assets x 100)=42.8%				

Asset Management Condition 1 -Occupancy Rate and Leasing-

- The leasing of the Tokyo Office progressed. The entire occupancy rate improved to 99.4% at the end of November 2012.
- Of the Tokyo Office, only the Aoyama Plaza Building had a leasing area at the beginning of the 3rd period.

Occupancy Rate



Leasing (Tokyo Office)

Aoyama Plaza Building

- Occupancy rate: Jun. 76.3% ⇒ Nov. 86.7%
- Vacancy rate when listed 525 tsubo (1,735m²)
(B1: 8 tsubo (26m²), 2F: 288 tsubo (951m²), 6F: 229 tsubo (758m²))
- Contract in the 2nd period Total: 225tsubo (745m²)
*4tsubo (13m²) divided to common area
 - 6F 124 tsubo (410m²): Contract (Aug.), Move-in (Sep.)
 - 6F 101 tsubo (335m²): Contract (Sep.), Move-in (Oct.)
- Contract in the 3rd period
 - B1・2F 14 tsubo (47m²): Contract (Dec.), Move-in (Feb. 2013)
- Cancellation notice
 - Jun. 2012 (2nd period) 426 tsubo (1,410m²): Move-out (Mar. 2013)
 - Dec. 2012 (3rd period) 117 tsubo (386m²): Move-out (Jun. 2013)



Tokyo Kikai Honsha Building

- Occupancy rate: Jun. 85.2% ⇒ Nov. 100%
- Vacancy rate when listed 198 tsubo (653m²) (3F)
*4tsubo (14m²) divided to common area
- Contract in the 2nd period
 - 3F 194 tsubo (641m²): Contract (Aug.), Move-in (Oct.)



A-PLACE Ebisu Minami


- Occupancy rate: Jun. 100% ⇒ Nov. 100%
- Cancellation notice
 - May. 2012 (1st period) 3F 306 tsubo (1,110m²): Move-out (Nov.)
- Contract in the 2nd period Total: 306 tsubo (1,011m²)
 - 3F 94 tsubo (312m²): Contract (Oct.), Move-in (Dec. 1)
 - 3F 211 tsubo (699m²): Contract (Nov.), Move-in (Dec. 1)

Transition of Average Rent

	Urban Retail	Tokyo Office	Other	Total
As of the end of Jun.	¥26,047/tsubo	¥20,261/tsubo	¥6,541/tsubo	¥14,721/tsubo
As of the end of Nov.	¥25,973/tsubo	¥20,011/tsubo	¥6,541/tsubo	¥14,683/tsubo
Change(ratio)	Δ¥74(Δ0.3%)	Δ¥250(Δ1.2%)	—	Δ¥38(Δ0.3%)

(Note) Common service fee is included.

Asset Management Condition 2 -Occupancy Rate for Each Property-

Category	Property number	Property name	As of the end of Feb. 2012	Occupancy rate for the 2nd period					
				As of the end of Jun.	As of the end of Jul.	As of the end of Aug.	As of the end of Sep.	As of the end of Oct.	As of the end of Nov.
	UR-1	Tokyu Plaza Omotesando Harajuku(Note2)(Note3)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	UR-2	Tokyu Plaza Akasaka(Note3)	99.9%	99.4%	98.5%	98.4%	98.6%	98.6%	98.5%
	UR-3	Ebisu Q Plaza	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	UR-4	Shinbashi Place	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	UR-5	Kyoto Karasuma Parking Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Urban Retail average		100.0%	99.8%	99.6%	99.5%	99.6%	99.6%	99.5%
	TO-1	TLC Ebisu Building	88.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-2	A-PLACE Ebisu Minami	87.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-3	Yoyogi Place	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-4	Aoyama Plaza Building	89.7%	76.3%	76.3%	76.5%	82.1%	86.7%	86.7%
	TO-5	Luogo Shiodome	64.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-6	Tokyo Kikai Honsha Building	100.0%	85.2%	85.2%	85.4%	85.4%	100.0%	100.0%
	TO-7	A-PLACE Ikebukuro	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Tokyo Office average		89.2%	93.7%	93.7%	93.8%	94.9%	97.4%	97.4%
	O-1	COCOE Amagasaki (Land)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	O-2	icot Nakamozu	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	O-3	icot Kongo	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	O-4	icot Mizonokuchi	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	O-5	icot Tama Center	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	O-6	Kanayama Center Place	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Other Portfolio average		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total			98.1%	98.7%	98.7%	98.7%	98.9%	99.4%	99.4%

Note1: The occupancy rate is the ratio of the total leased area to the total leasable area at a certain point in time on each property, rounding to the first decimal place.

Note2: Occupancy rate at the end of Feb. 2012 is calculated based on the lease agreement as of Apr. 18, 2012.

Note3: Occupancy rate at the end of Feb. 2012 is calculated in respect of the entire building, and occupancy rate for the 2nd period is calculated based on the pro rata share (Tokyu Plaza Omotesando Harajuku:75% and Tokyu Plaza Akasaka: 50%, respectively).

Asset Management Condition 3 -Trend of Tokyo Office Tenants-

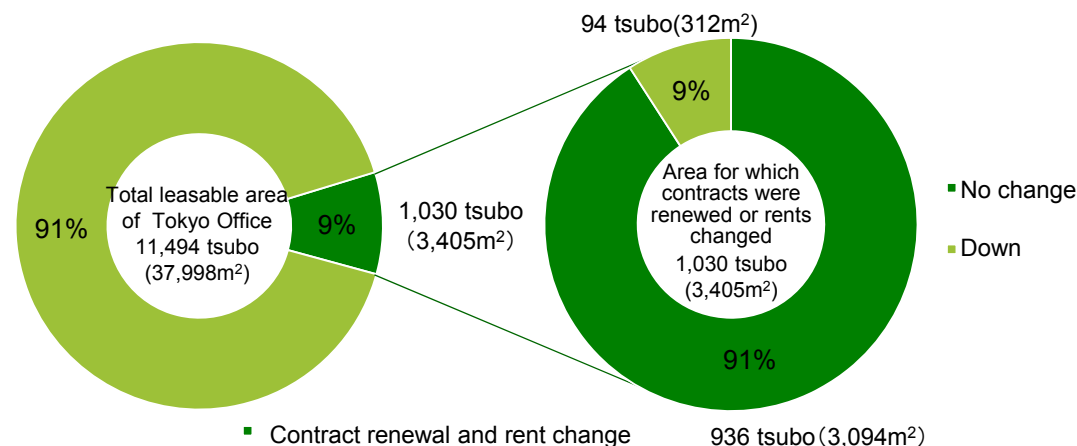
Trend of Tenants for the 2nd Period

Title		Number of tenants	Ratio (Note 1)
Change in rent for existing tenants	Up	0	—
	No change	6	86%
	Down	1	14%
Total		7	100%

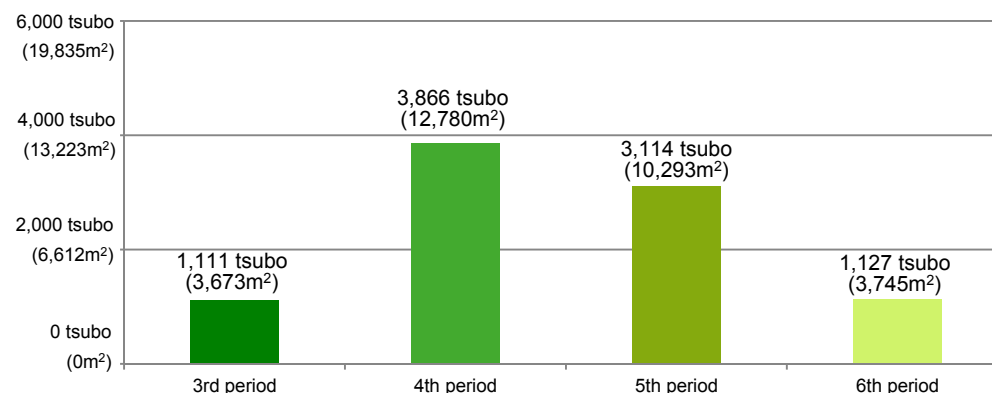
Title	Change ratio
Percentage change in rent (including common service fee) (Note2)	△0.5%
Percentage change in rent reduction (including common service fee) (Note3)	△5.0%

Title		Area	Number of tenants
Tenant replacement	New tenant	420 tsubo (1,387m ²)	3
	Vacated tenant	306 tsubo (1,011m ²)	1
Difference (filled area – vacated area)		114 tsubo (376m ²)	—

Trend of Rent Change for the 2nd Period (based on area)



Trend of Rent Change after the 2nd Period (based on area)



Note 1 Formula: A / B (A = Of tenants for which the contract was renewed and the rent changed in the 2nd period, the numbers of tenants for which the rent rose, remained unchanged, or was reduced; B = the number of tenants for which the contract was renewed and the rent changed in the 2nd period)

Note 2 Formula: A / B – 1 (A = total of monthly rent at the end of the 2nd period for tenants for which the contract was renewed and the rent changed in the 2nd period; B = total of monthly rent at the end of Jun. 2012 for tenants for which the contract was renewed and the rent changed in the 2nd period)

Note 3 Formula: A / B – 1 (A = total of monthly rent at the end of the 2nd period for tenants for which the rent was reduced in the 2nd period; B = total of monthly rent at the end of Jun. 2012 for tenants for which the rent was reduced in the 2nd period)

Note 4 The figures are rounded at the first decimal place except the Change of the rental growth, rounded to the first decimal place.

Asset Management Condition 4 -Trend of Urban Retail Tenants-

- Percentage rents at Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka were expected to be ¥30 million, and the actual percentage rents were ¥30 million.
- The lease term remaining of around 50% of the tenants are more than 5 years.

10 Largest End-tenants by Leased Area

(As of the end of Nov. 2012)

End-tenants	Property name	Total leased area (m ²) (Note1)	% of leased area (Note2)	Lease expiration
Sumitomo Mitsui Trust Bank, Limited	COCOE Amagasaki (Land)	27,465 (Note3)	14.1%	Jan. 2042
Kohnan Shoji Co., Ltd.	icot Nakamozu	26,529	13.6%	Jul. 2027
Paraca Inc.	Kyoto Karasuma Parking Building	21,224	10.9%	-
Daiei, Inc.	icot Kongo	-	-	-
Room's-Taishodo	icot Mizonokuchi	14,032	7.2%	Jul. 2018
Tokyu Hotels Co., Ltd.	Tokyu Plaza Akasaka	11,291 (Note4)	5.8%	Mar. 2016
Yamada-Denki Co., Ltd.	Shinbashi Place	9,156	4.7%	-
Bank of Tokyo-Mitsubishi UFJ, Ltd.	Kanayama Center Place, icot Nakamozu, icot Tama Center	5,609	2.9%	-
Riso Kyoiku Co., Ltd.	A-PLACE Ikebukuro	3,410	1.7%	-
-	A-PLACE Ebisu Minami	-	-	-

Note1: Based on lease agreement as of the end of Nov. 2012.

Note2: The percentage of area for each end-tenant is the ratio of the total leased area to the total leasable area, rounding to the first decimal place.

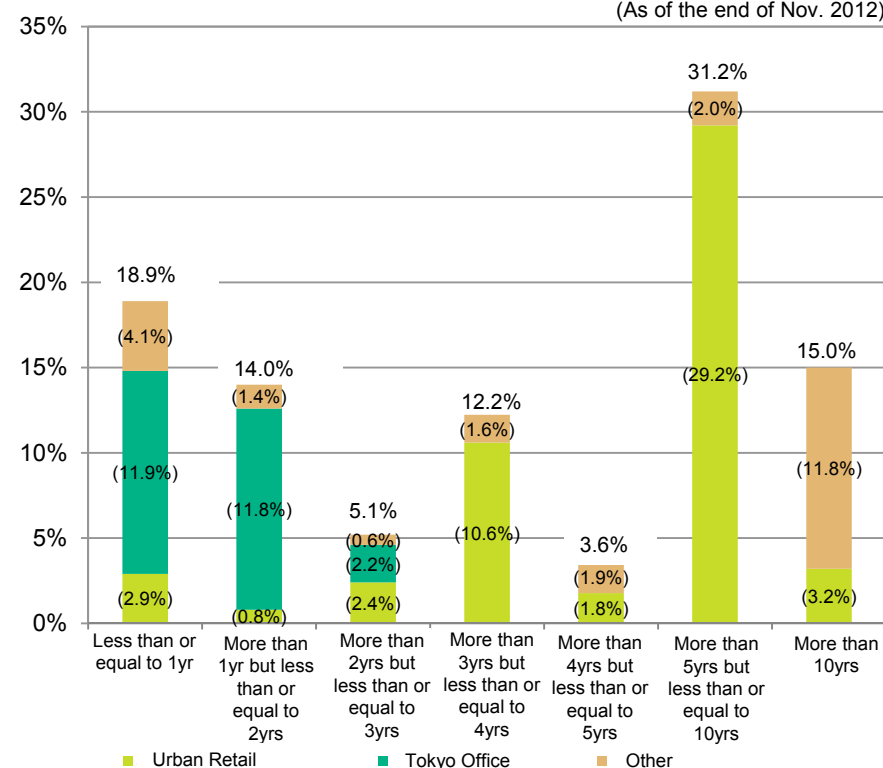
Note3: Total leased area for COC OE Amagasaki (Land) is in respect of the land.

Note4: Based on the pro rata share (50%) of the trust beneficiary co-ownership interests.

Note5: The items marked with "-" are not disclosed because tenant approval was not obtained.

Lease Term Remaining (based on rent)

(As of the end of Nov. 2012)



Average Lease Term Remaining at the end of Nov. 2012

Urban Retail	Tokyo Office	Other	total
6.1 years	1.2 years	12.8 years	6.4 years

Note1: Lease term remaining is based on lease agreement as of the end of Nov. 2012.

Note2: The figures are rounded to the first decimal place.

Asset Management Condition 5 -Initiatives to Maintain and Improve Asset Value (i)-

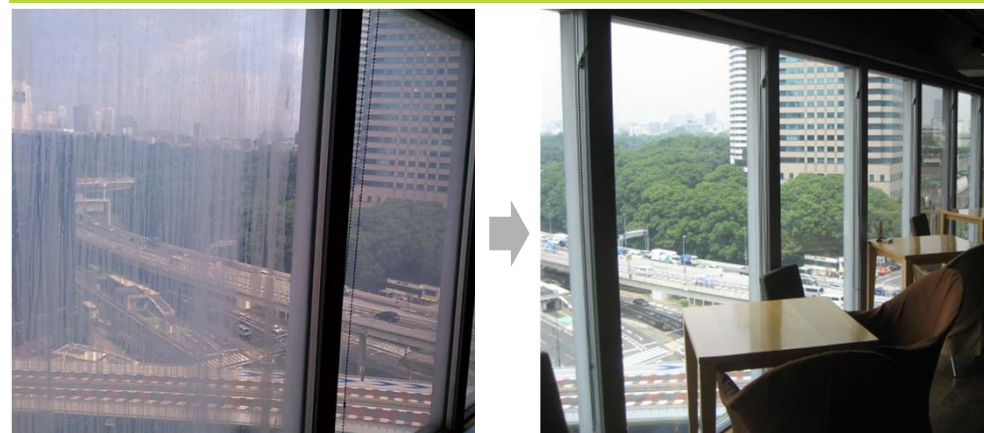
- We carried out renovations ahead of schedule to maintain and enhance the asset value and tenant satisfaction.
- Depreciation in the 2nd period was ¥452 million. Renovation expense and capital expenditure were ¥108 million and ¥84 million, respectively.

Renovations for the 2nd Period

Tokyu Plaza Akasaka
Renovation of open corridor by putting plants



Tokyu Plaza Akasaka
Replacement of glass at the restaurant and bar on the 14th floor



Tokyu Plaza Akasaka
Renovation of water-resistant paint on the rooftop



A-PLACE Ebisu Minami
Repair of a staircase from the entrance lobby



Asset Management Condition 5 -Initiatives to Maintain and Improve Asset Value (ii)-

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Aoyama Plaza Building
Commercialization of the 1st-3rd floors of the tower



icot Mizonokuchi
Renovation of water-resistant paint on the rooftop



Tokyo Kikai Honsha Building
Introduction of a security system and renovation of a rest room



icot Mizonokuchi
Renovation of outer wall






Other Renovations

Category	Property name	Detail
Urban Retail Properties	Tokyu Plaza Akasaka	Renovation of a meeting room for common use on the 3rd floor
		Introduction of individual air-conditioning systems on part of the 2nd floor
		Replacement of the lighting in the common use area on the 2nd floor with LED lighting
	Ebisu Q Plaza	Renovation of the entrance

Category	Property name	Detail
Tokyo Office Properties	A-PLACE Ebisu Minami	Replacement of the security system
		Replacement of the intercommunication system
	Aoyama Plaza Building	Division of rooms on the 6th floor
Other Properties	icot Mizonokuchi	Renovation of fences on the parking facilities on the rooftop

Asset Value at the end of the 2nd Period

(In millions of yen)										
Category	Property number	Property name	Acquisition price	Investment ratio (%)	Book value at end of period (B)	Asset value		Difference from former period (C-D)	Difference from acquisition price (C-A)	Difference from the book value (C-B)
						As of Nov. 30, 2012 (C)	As of Feb. 29, 2012 (D) ^(Note1)			
	UR-1	Tokyu Plaza Omotesando Harajuku ^(Note2)	45,000	26.4	45,220	47,000	45,200	1,800	2,000	1,780
	UR-2	Tokyu Plaza Akasaka ^(Note2)	11,450	6.7	11,592	11,500	11,500	0	50	△92
	UR-3	Ebisu Q Plaza	8,430	4.9	8,468	8,830	8,770	60	400	362
	UR-4	Shinbashi Place	20,500	12.0	20,610	22,800	22,500	300	2,300	2,190
	UR-5	Kyoto Karasuma Parking Building	8,860	5.2	8,924	9,420	9,430	△10	560	496
	Sub total		94,240	55.3	94,817	99,550	97,400	2,150	5,310	4,733
	TO-1	TLC Ebisu Building	7,400	4.3	7,416	7,450	7,420	30	50	34
	TO-2	A-PLACE Ebisu Minami	9,640	5.7	9,698	10,000	9,950	50	360	302
	TO-3	Yoyogi Place	4,070	2.4	4,090	4,230	4,180	50	160	140
	TO-4	Aoyama Plaza Building	8,790	5.2	8,851	8,740	8,850	△110	△50	△111
	TO-5	Luogo Shiodome	4,540	2.7	4,561	4,700	4,570	130	160	139
	TO-6	Tokyo Kikai Honsha Building	3,070	1.8	3,096	3,020	3,090	△70	△50	△76
	TO-7	A-PLACE Ikebukuro	3,990	2.3	4,005	4,040	4,020	20	50	35
	Sub total		41,500	24.4	41,721	42,180	42,080	100	680	459
	O-1	COCOE Amagasaki (Land)	12,000	7.0	12,113	12,100	12,100	0	100	△13
	O-2	icot Nakamozu	8,500	5.0	8,549	8,920	8,880	40	420	371
	O-3	icot Kongo	1,600	0.9	1,637	1,810	1,780	30	210	173
	O-4	icot Mizonokuchi	2,710	1.6	2,729	2,960	2,950	10	250	231
	O-5	icot Tama Center	2,840	1.7	2,857	3,010	2,990	20	170	153
	O-6	Kanayama Center Place	6,980	4.1	6,995	7,360	7,120	240	380	365
	Sub total		34,630	20.3	34,881	36,160	35,820	340	1,530	1,279
Total			170,370	100.0	171,420	177,890	175,300	2,590	7,520	6,470

(Note1) The date of value estimate of Tokyu Plaza Omotesando Harajuku is as of March 31, 2012.

(Note2) Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, the co-ownership (jun kyoyu-mochibun) properties, are calculated based on the pro rata share (75% and 50%, respectively).



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3. Financial Forecasts for the 3rd Period and the 4th Period

Financial Forecasts 1 -The 3rd Period ending May 31, 2013-

- Distribution per unit is expected to rise ¥2,274 from the previous period, reflecting the full-year operation of properties and the absence of listing costs.

Comparison of Forecast for the 3rd Period and Results of the 2nd Period

(In millions of yen)

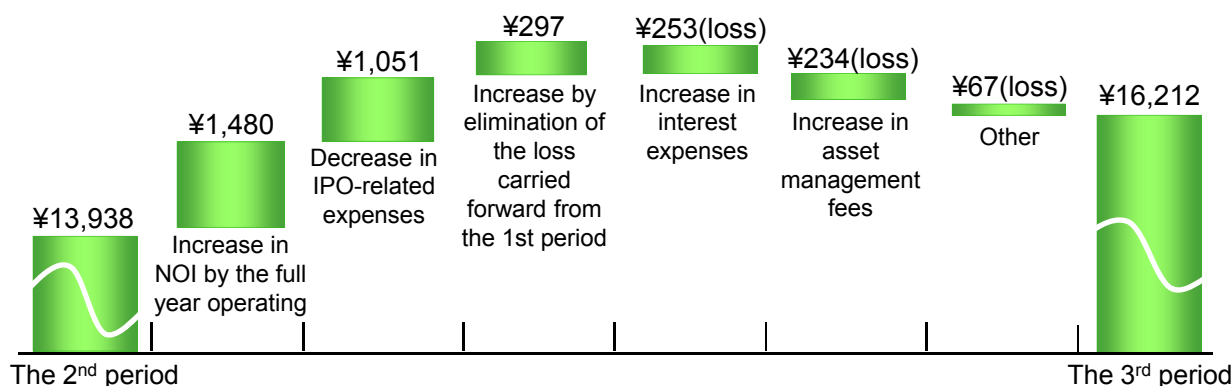
	Forecast for the 3 rd period	Results for the 2 nd period	Change
Operating revenue	5,572	5,194	378
Operating income	3,707	3,498	209
Ordinary income	3,328	2,923	405
Net income	3,327	2,922	405
Cash distributions per unit (yen)	16,212	13,938	2,274

Changing Factors (from the previous period)

(In millions of yen)

Operating revenue		+378
Expenses related to rent business	+74 ⇒	△74
(Management operation expenses +33, Tax and public dues +11, etc.)		
Net operating income before depreciation (NOI)		+303
Depreciation	+2 ⇒	△2
Loss on retirement of noncurrent assets	△5 ⇒	+5
Net operating income after depreciation		+306
General and administrative expenses	+97 ⇒	△97
(Asset management fee +48, etc.)		
Operating income		+209

Changing Factors(cash distributions per unit)



Operating income		+209
Non-operating income	+5 ⇒	+5
Non-operating expenses	△191 ⇒	+191
(Investment unit issuance expenses △215, Interest expenses +52, etc.)		
Net income		+405

Note 1: The forecast for the 3rd period are calculated based on certain assumptions that reflect present conditions, and are subject to change. The forecasts do not guarantee the amount of distribution.

Financial Forecasts 2 -The 4th Period ending November 30, 2013 (for reference)-

- Operating revenue is expected to decline ¥8 million from the previous period, reflecting expected reductions in rents for certain tenants
- Taxes, including property taxes and city planning taxes, of ¥430 million will be expensed starting from the 4th period

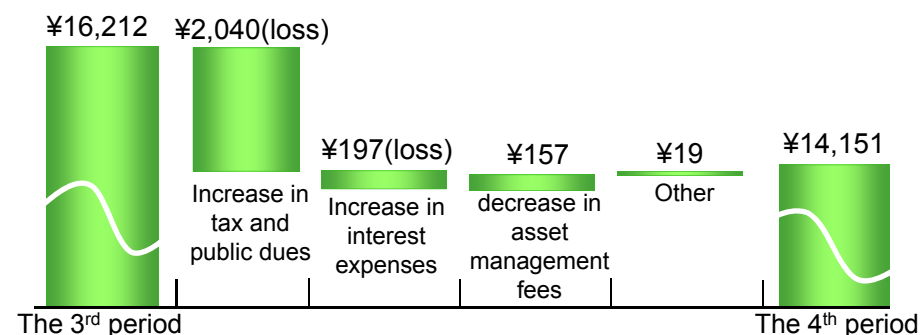
Comparison of Forecasts for the 4th Period and the 3rd Period

(In millions of yen)

	Forecast for the 4 th period	Forecast for the 3 rd period	change
Operating revenue	5,564	5,572	△8
Operating expenses	2,237	1,865	371
Tax and public dues	430	11	418
Operating income	3,327	3,707	△380
Ordinary income	2,905	3,328	△423
Net income	2,904	3,327	△423
Cash distributions per unit (yen)	14,151	16,212	△2,061

- Major Factors in Changes (from the previous period)
 - Operating expenses will increase, reflecting taxes, including property taxes and city planning taxes, of ¥430 million on all the 18 properties expensed starting from the 4th period
 - Asset management fees will decrease ¥32 million in association with a decline in distributions per unit
 - The interest rate is expected to be 1.1% in the 4th period (1.0% in the 3rd period), and interest expenses will increase ¥40 million

Changing Factors(cash distributions per unit)

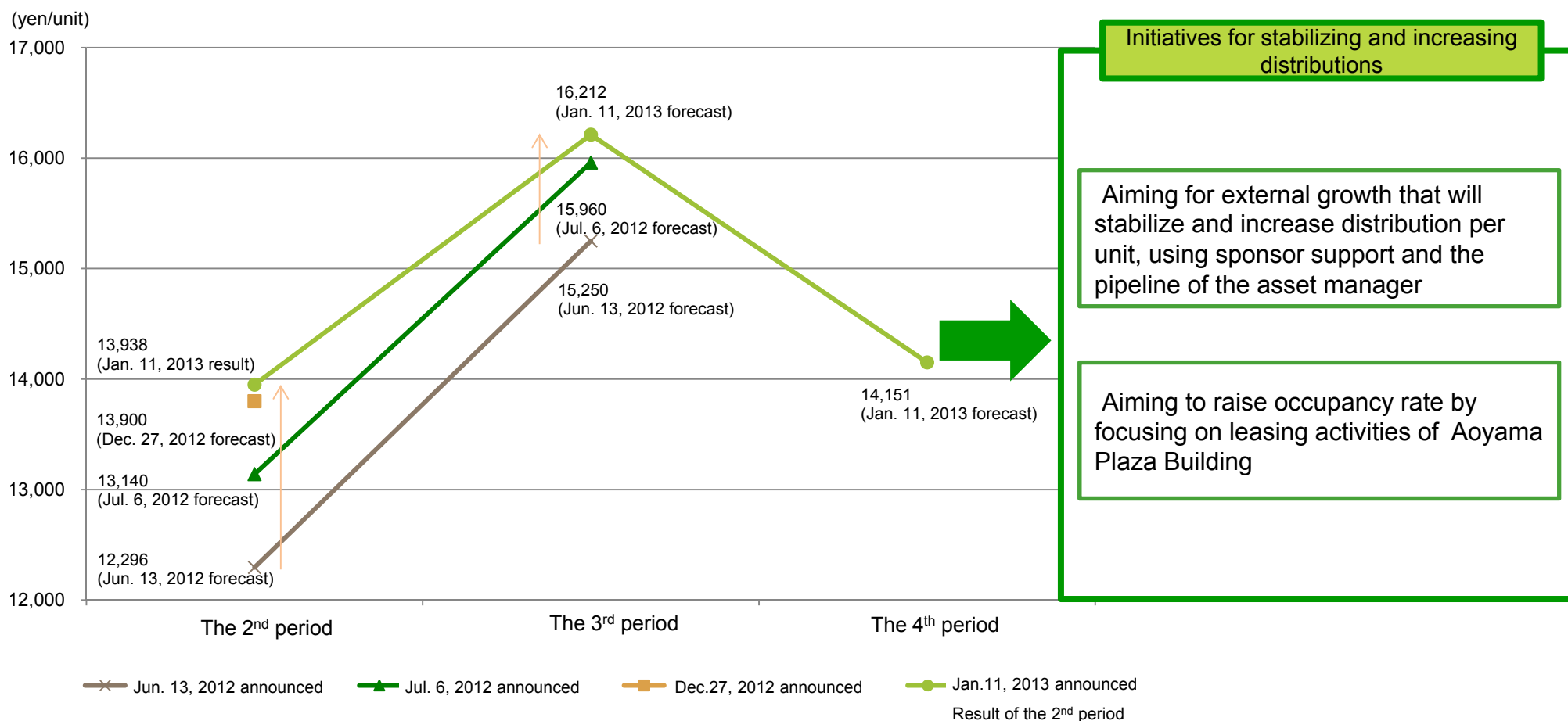


Note 1: The forecast for the 4th period are calculated based on certain assumptions that reflect present conditions, and are subject to change. The forecasts do not guarantee the amount of distribution.

Forecasts of Distributions per Unit

- We aim to make stable distributions over the medium to long terms by purchasing new properties and maintaining and improving the profitability of the existing properties.

Trends of Distributions per Unit





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4. Growth strategies

Growth Strategies –API’s Awareness of the Environment and Future Action–

	API’s awareness of the environment	API’s future action
External growth strategy	<p>(Urban Retail Properties and Tokyo Office Properties)</p> <p>The financing environment is favorable, and increasing investment activities are being made in anticipation of improvements in the rental office market.</p> <p>Polarization is taking hold among retail properties with new supply.</p> <p>Investments, especially by J-REITs, are active. There are a large number of transactions involving small and midsize properties in major cities nationwide, where yields are high, but transactions involving large properties remain limited.</p>	<p>(Urban Retail Properties and Tokyo Office Properties)</p> <p>API’s policy is that the Urban Retail Properties and Tokyo Office Properties account for 70% or more of the portfolio. Under this policy, API will purchase new properties, keeping in mind the yield of the existing portfolio and assessing the quality of target properties.</p> <p>API will gather information on properties, leveraging the value chain of the sponsor and the network of the asset manager. Using also the sponsor’s function as a bridge, API aims to purchase properties flexibly.</p>
Internal growth strategy	<p>(Urban Retail Properties)</p> <p>Although personal spending is weak, retail properties can expect stable sales in urban areas experiencing population inflows. However, there is concern that personal spending will become weaker in association with the consumption tax hike.</p> <p>(Tokyo Office Properties)</p> <p>API expects that the office market will recover moderately. The vacancy rate, which rose with the significant supply of large office buildings in central Tokyo, has peaked. Although rents continue to fall, declines are slowing and appear to be bottoming out.</p>	<p>(Urban Retail Properties)</p> <p>API will seek to maintain and improve its ability to attract customers and sales of its retail properties through long-term contracts and appropriate renovations. API will monitor sales trends and will stabilize its contracts.</p> <p>(Tokyo Office Properties)</p> <p>In addition to attracting new tenants, API will establish good relations with its tenants so that it will be able to negotiate with them flexibly from a long-term perspective when it renews contracts with existing tenants. API will seek to stabilize the occupancy rate by maintaining and improving tenant satisfaction.</p>
Financing strategy	<p>Lending by domestic financial institutions remains favorable. API expects that it will continue to be able to raise funds at low interest rates.</p>	<p>API will seek to raise funds at low interest rates as it has since it was listed. API will raise funds from more diversified sources and will fix rates for long periods. API will also disperse due dates. Through these initiatives, API will maintain and enhance its financial base.</p>

External Growth Strategy –Consideration of Acquisitions and Resources for Acquisitions–

- We aim to make the size of assets ¥400 billion in 3 to 5 years.
- We will keep LTV from 40% to 50% (42.8% at the end of November 2012). If LTV is 50%, we can afford to buy 26 billion yen's worth of properties.
- We emphasize location and quality. We will purchase properties, keeping an NOI yield of 5.1% in mind as a guide. We will seek to maximize unitholder profits by enhancing the stability of the portfolio through the expansion of the asset size and maintaining and increasing distributions per unit.

Sourcing Channels

Acquisition of properties from the sponsor and support companies
(Including assets warehoused by sponsor)

+

Acquisition of properties based on the information from the sponsor and support companies

+

Acquisition of properties from the 3rd parties through the asset manager's network

of Asset Information by Category

(As of the end of Nov. 2012)

Category	Asset information		Properties under review	
	Number	Ratio	Number	Ratio
Urban Retail Properties	38	12.5%	10	21.3%
Tokyo Office Properties	114	37.6%	12	25.5%
Other Properties	151	49.8%	25	53.2%
Total	303	—	47	—
Appraisal report obtained	2	0.7%	2	4.3%

of Asset Information by the Sourcing Channel

(As of the end of Nov. 2012)

Sourcing Channel	Asset information		Properties under review	
	Number	Ratio	Number	Ratio
Sponsor and support companies	144	47.5%	28	59.6%
Sellers	37	12.2%	9	19.1%
Trust bank	65	21.5%	4	8.5%
Mediators and other	57	18.8%	6	12.8%
Total	303	—	47	—
Appraisal report obtained	2	0.7%	2	4.3%

Note1: Support companies: Tokyu Livable, Inc., Tokyu Community Corporation, Tokyu Hands, Inc., Tokyu Sports Oasis Inc., Tokyu Relocation Corporation

Note2: LTV=Interest-bearing debt / Total assets x 100

Financing Strategy -Conservative Financing Management-

Basic Financing Information

(As of the end of Nov. 2012)

Total of interest-bearing debt	77,000 million yen
Total of deposit	7,688 million yen
Long-term borrowing ratio	77.9%
Fixed interest ratio	70.1%
Average remaining borrowing period	3.3 years
Average interest rate	0.79657%
LTV (Note1)	42.8%
Ratings (Rating agency: JCR)	Long-term borrowings: AA- Outlook: Stable

Note1: LTV=Interest-bearing debt / Total assets x 100

The Condition of Interest-bearing Debt

(As of the end of Nov. 2012)

Classification	Lender	Amounts borrowed (JPY mn)	Interest rate ^(Note1)	Maturity	Repayment method	Main uses	Comment
Short-term borrowing	Sumitomo Mitsui Trust Bank, Ltd	17,000	0.45500% (floating rate)	Jun. 2013	Bullet maturity	Purchase of the properties	No-collateral
Long-term borrowing	Sumitomo Mitsui Banking Corporation	6,000	0.38000% (floating rate)	Jun. 2014			
	Syndicate of lenders arranged by Sumitomo Mitsui Trust Bank, Ltd. ^(Note2)	12,000	0.79955% (fixed rate)	Jun. 2015			
	Syndicate of lenders arranged by Mitsubishi UFJ Trust and Banking Corporation ^(Note2)	12,000	0.86572% (fixed rate)	Jun. 2016			
	Syndicate of lenders arranged by The Bank of Tokyo-Mitsubishi UFJ Ltd. ^(Note2)	12,000	0.95315% (fixed rate)	Jun. 2017			
	Syndicate of lenders arranged by Mizuho Corporate Bank, Ltd. ^(Note2)	12,000	1.06309% (fixed rate)	Jun. 2018			
	Development Bank of Japan Inc.	6,000	1.19051% (fixed rate)	Jun. 2019			
Total		77,000	-	-	-	-	-

Note 1: The interest rate is that at the end of November 2012.

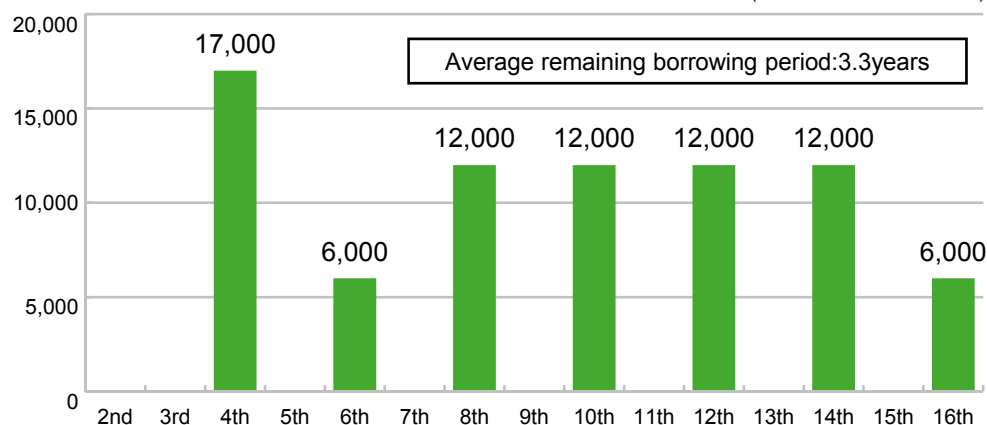
Note 2: The syndicate of lenders consists of Sumitomo Mitsui Trust Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mizuho Corporate Bank, Ltd. and The Bank of Tokyo-Mitsubishi UFJ Ltd.

Note 3: In addition to the borrowings in the table, we have concluded a ¥10 billion commitment line agreement with Sumitomo Mitsui Trust Bank, Ltd. to finance purchases of properties. We have also concluded basic agreements on credit lines (totaling ¥10 billion) on a non-commitment basis with Sumitomo Mitsui Trust Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mizuho Corporate Bank, Ltd. and The Bank of Tokyo-Mitsubishi UFJ Ltd.

Diversified Borrowing Maturity

(In millions of yen)

(As of the end of Nov. 2012)

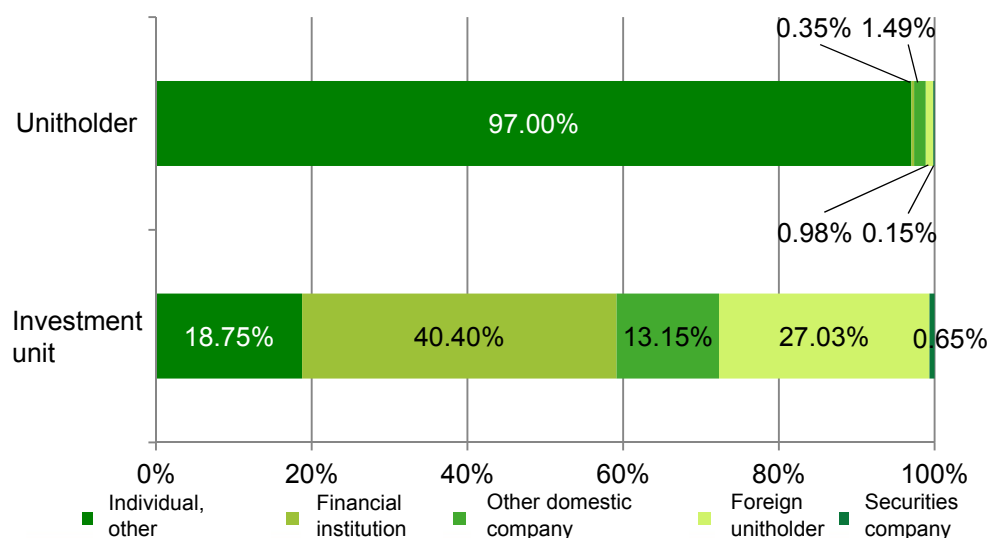


Financing Strategy -Unitholders at the end of the 2nd Period-

Investment Units by Unitholder Type

(As of the end of Nov. 2012)

Unitholder type	Unitholder		Investment unit	
	Number	Ratio	Number	Ratio
Individual, other	14,680	97.00%	38,501	18.75%
Financial institution	54	0.35%	82,936	40.40%
Other domestic company	227	1.49%	26,992	13.15%
Foreign unitholder	149	0.98%	55,485	27.03%
Securities company	24	0.15%	1,348	0.65%
Total	15,134	100.00%	205,262	100.00%



Top 10 Unitholders

(As of the end of Nov. 2012)

Name	Investment units	Ratio
Japan Trustee Services Bank, Ltd. (Trust accounts)	33,038	16.09%
Tokyu Land Corporation	21,500	10.47%
The Master Trust Bank of Japan, Ltd. (Trust accounts)	12,527	6.10%
Trust & Custody Services Bank, Ltd. (Securities investment trust accounts)	12,442	6.06%
The Nomura Trust and Banking Co., Ltd (Investment accounts)	11,569	5.63%
NOMURA BANK (LUXEMBOURG) S.A.	8,228	4.00%
STATE STREET BANK AND TRUST COMPANY	3,619	1.76%
GOLDMAN, SACHS & CO, REG	2,188	1.06%
THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	2,112	1.02%
NOMURA ASSET MANAGEMENT U.K. LIMITED A/C EVER GREEN NOMINEES LTD	2,049	0.99%
Total	109,272	53.23%



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Appendix

Statement of Income -The 2nd Period ended November 30, 2012-

(In thousands of yen)	
Operating revenue	
Rent revenue-real estate	4,889,315
Other lease business revenue	305,296
Total operating revenue	5,194,612
Operating expenses	
Expenses related to rent business	1,278,245
Asset management fee	380,548
Asset custody fee	4,360
Administrative service fee	4,476
Directors' compensations	3,300
Other operating expenses	25,650
Total operating expenses	1,696,580
Operating income (loss)	3,498,031
Non operating income	
Interest income	128
Interest on securities	1,410
Total non-operating income	1,539
Non-operating expenses	
Interest expenses	287,063
Investment unit issuance expenses	129,644
Other offering costs associated with the issuance of investment units	86,181
Borrowing related expenses	69,524
Other	4,000
Total non-operating expenses	576,413
Ordinary income (loss)	2,923,157
Income (loss) before income taxes	2,923,157
Income taxes-current	1,139
Income taxes-deferred	(26)
Total income taxes	1,113
Net income (loss)	2,922,043
Retained earnings (deficit) brought forward	(61,017)
Unappropriated retained earnings (undisposed loss)	2,861,026

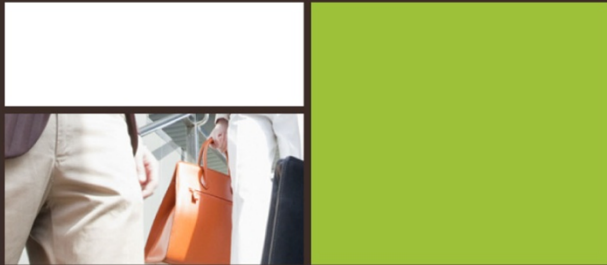
Balance Sheets -The 2nd Period ended November 30, 2012-

(In thousands of yen)	
Assets	
Current assets	
Cash and deposits	5,586,163
Cash and deposits in trust	1,048,439
Operating accounts receivable	156,242
Prepaid expenses	110,647
Deferred tax assets	26
Consumption taxes receivable	1,446,329
Total current assets	8,347,848
Noncurrent assets	
Property, plant and equipment	
Building in trust	30,445,044
Accumulated depreciation	(428,592)
Building in trust, net	30,016,451
Structures in trust	323,045
Accumulated depreciation	(8,823)
Structures in trust, net	314,222
Machinery and equipment in trust	576,121
Accumulated depreciation	(13,921)
Machinery and equipment in trust, net	562,200
Tools, furniture and fixtures in trust	4,286
Accumulated depreciation	(189)
Tools, furniture and fixtures in trust, net	4,096
Land in trust	136,258,287
Total property, plant and equipment	167,155,259
Intangible assets	
Leasehold rights in trust	4,265,157
Other	2,331
Total intangible assets	4,267,489
Investments and other assets	
Long-term prepaid expenses	286,230
Invest securities	9,930
Total investments and other assets	296,160
Total noncurrent assets	171,718,909
Total assets	180,066,757

(In thousands of yen)	
Liabilities	
Current liabilities	
Operating accounts payable	287,850
Short-term loans payable	17,000,000
Accounts payable-other	304,544
Accrued expenses	424,963
Income taxes payable	834
Advances received	102,941
Deposits received	21,873
Other	21
Total current liabilities	18,143,029
Noncurrent liabilities	
Long-term loans payable	60,000,000
Tenant leasehold and security deposits in trust	7,688,827
Other	41
Total noncurrent liabilities	67,688,868
Total liabilities	85,831,897
Net assets	
Unitholders' equity	
Unitholders' capital	91,373,833
Surplus	
Unappropriated retained earnings (undisposed loss)	2,861,026
Total surplus	2,861,026
Total unitholders' equity	94,234,859
Total net assets	94,234,859
Total liabilities and net assets	180,066,757

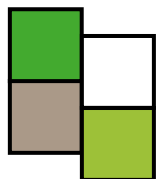


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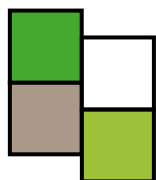


Summary of Activia Properties Inc.

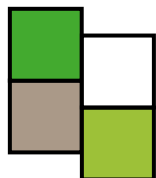
Investment Highlights



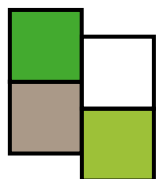
Focused investments in Urban Retail Properties and Tokyo Office Properties



Utilization of the comprehensive support and capabilities of Tokyu Land Group companies' value chain



Strong governance structure aimed at maximizing the value of our units



Sound financing strategy supported by strong banking syndicate

Portfolio Composition Policy

- We intend to acquire a competitive portfolio in the medium to long term by investing primarily in Urban Retail Properties and Tokyo Office Properties. We intend to make these investments upon consideration of location as the most important factor, followed by other factors such as size, quality, specifications, and suitability for use by tenants.



Urban Retail Properties

Urban Retail Properties that are easily recognized and located either near major train stations or popular areas in Tokyo, Government-designated major cities within Japan's three major metropolitan areas and other major cities in Japan.



Tokyo Office Properties

Office properties within the 23 wards of Tokyo in areas with a high concentration of offices and located near major train stations.

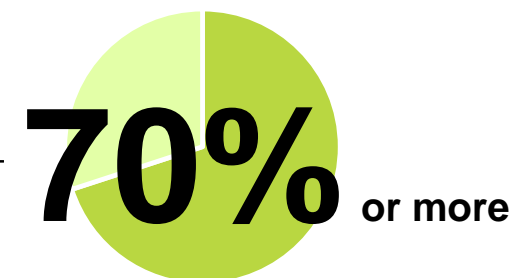


Other Properties

Selective investments in other attractive retail and office properties.



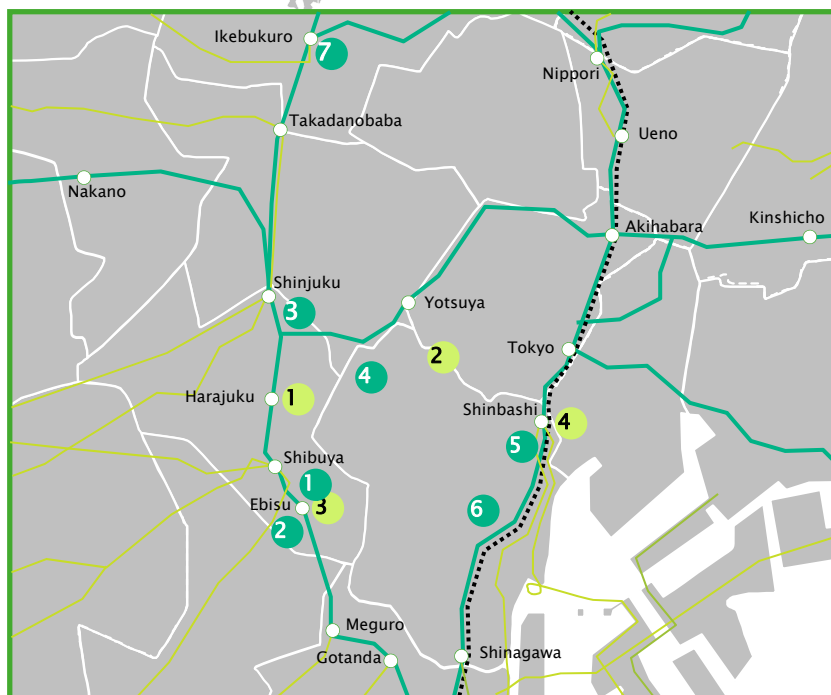
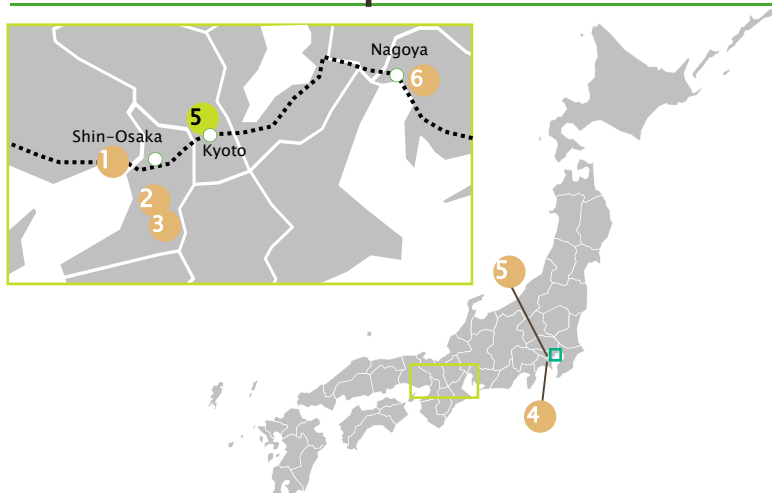
Target Portfolio (acquisition price basis)



30% or less

Note: Percentages may be changed in the short term due to acquisition and disposition of properties.

Portfolio Map



Urban Retail Properties



UR 1

Tokyu Plaza
Omotesando Harajuku

UR 2

Tokyu Plaza
Akasaka

UR 3

Ebisu Q Plaza



UR 4

Shinbashi Place



UR 5

Kyoto Karasuma
Parking Building

Tokyo Office Properties



TO 1

TLC Ebisu
Building

TO 2

A-PLACE
Ebisu Minami

TO 3

Yoyogi Place



TO 4

Aoyama Plaza
Building

TO 5

Luogo
Shiodome

TO 6

Tokyo Kikai
Honsha Building

TO 7

A-PLACE
Ikebukuro

Other Properties



O 1

COCOE Amagasaki
(Land)

O 2

icot Nakamozu



O 3

icot Kongo



O 4

icot Mizonokuchi



O 5

icot
Tama Center

O 6

Kanayama
Center Place

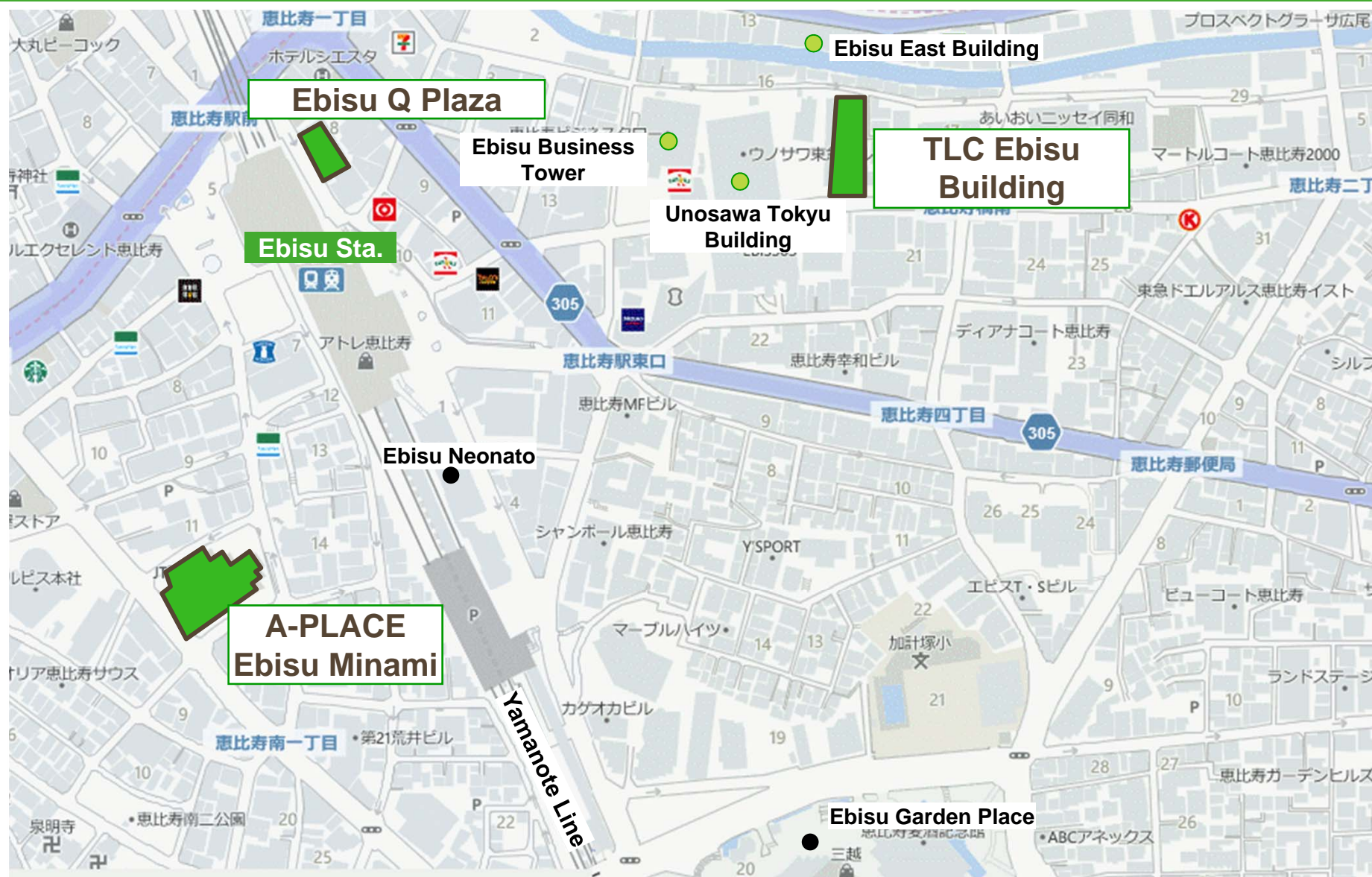
Portfolio Map/Omotesando-Aoyama Area



Portfolio Map/Shinbashi-Shiodome Area

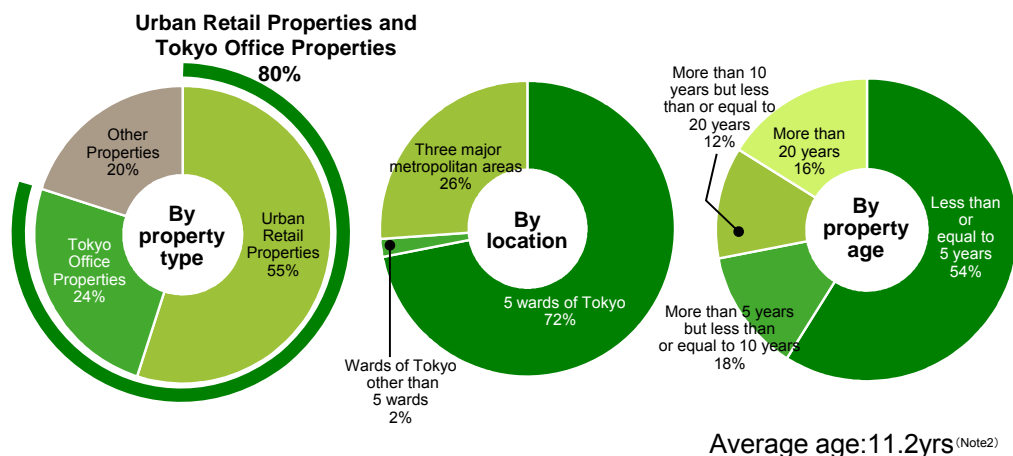


Portfolio Map/Ebisu Area



Portfolio Summary (As of the end of November)

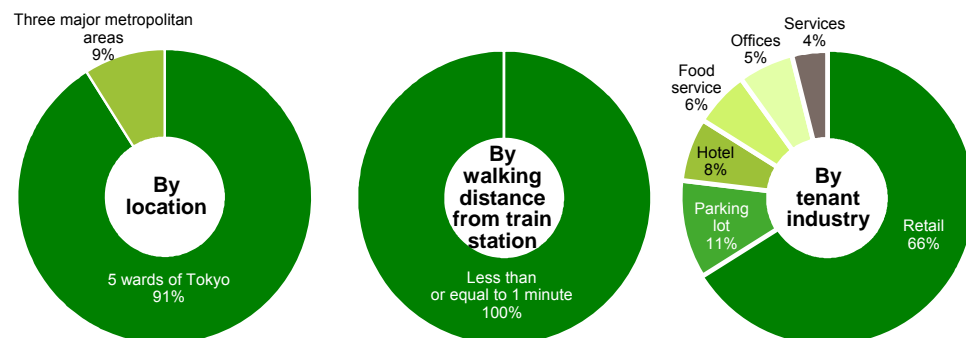
Overview of the Initial Portfolio^(Note1)



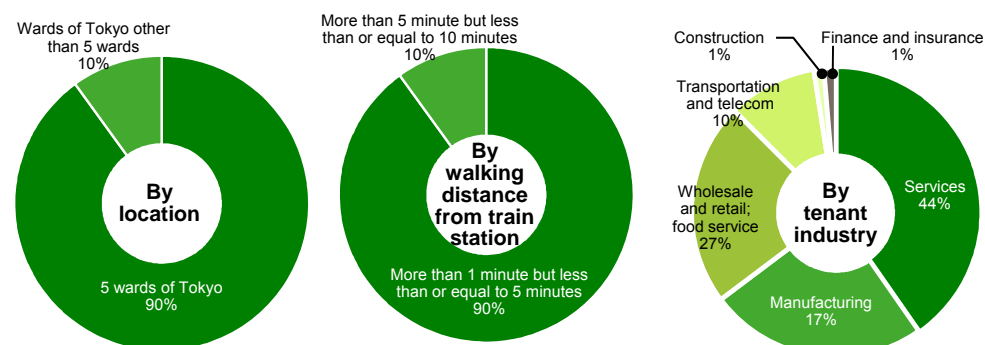
- Portfolio size of JPY 170.4billion by acquisition price
- 80% of the portfolio comprised of Urban Retail Properties and Tokyo Office Properties, which are our main targets for focused investments

	Urban Retail Properties	Tokyo Office Properties	Other Properties	Total
Acquisition price (JPY'00mn)	942	415	346	1,704
Appraisal value when acquired ^(Note3) (JPY'00mn)	974	421	358	1,753
Number of tenants	5	7	6	18
Appraisal NOI yield ^(Note4)	4.8%	5.1%	5.9%	5.1%
Occupancy rate ^(Note5)	99.5%	97.4%	100.0%	99.4%

Urban Retail Properties^(Note1)



Tokyo Office Properties^(Note1)



Note1: Calculations for the charts are based on acquisition price. "By tenant industry" charts are based on annual contracted rent as of the end of Nov. 2012.

Note2: Average property age is calculated as a weighted-average property age as of the end of Nov. 2012 on an acquisition price basis. The property age of COCOE Amagasaki (Land) is not included in the foregoing calculation.






Note3: The date of value estimate is as of Feb. 29, 2012 except Tokyu Plaza Omotesando-Harajuku, as of March 31, 2012.

Note4: Appraisal NOI yield is calculated by dividing NOI by the acquisition price. NOI is calculated by subtracting operating expense from operating income for each property and depreciation cost is not subtracted, described in the appraisal report when acquired.

Note5: As of the end of Nov. 2012. Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, the co-ownership (jun kyoyu-mochibun) Properties, are calculated based on the pro rata share (75% and 50%, respectively).

Note6: The figures on charts are rounded at the first decimal place except appraisal NOI yield and occupancy rate.

Portfolio/Urban Retail Properties

Property name	Tokyu Plaza Omotesando Harajuku ^(Note1)	Tokyu Plaza Akasaka ^(Note1)	Ebisu Q Plaza	Shinbashi Place	Kyoto Karasuma Parking Building
Photo					
Location	Jingu-mae, Shibuya-ku, Tokyo	Nagatacho, Chiyoda-ku, Tokyo	Ebisu, Shibuya-ku, Tokyo	Shinbashi, Minato-ku, Tokyo	Moto Honenji-cho, Nakagyo-ku, Kyoto
Access	Within 1-minute walking distance from Tokyo Metro Chiyoda Line/Fukutoshin Line "Meiji Jingu-mae" station	Within 1-minute walking distance from Tokyo Metro Ginza Line/Marunouchi Line "Akasaka-mitsuke" station	Within 1-minute walking distance from JR/Tokyo Metro Hibiya Line "Ebisu" station	Within 1-minute walking distance from JR/Tokyo Metro Ginza Line/Municipal Subway Asakusa Line "Shinbashi" station	Within 1-minute walking distance from Hankyu Kyoto Line "Karasuma" station and 1-minute walking distance from subway Karasuma Line "Shijo" station
Acquisition price (A)	JPY45,000mn	JPY11,450mn	JPY8,430mn	JPY20,500mn	JPY8,860mn
Appraisal value (B) ^(Note2)	JPY45,200mn	JPY11,500mn	JPY8,770mn	JPY22,500mn	JPY9,430mn
vs appraisal value (A/B)	99.6%	99.6%	96.1%	91.1%	94.0%
Appraisal NOI yield ^(Note3)	3.9%	6.1%	4.5%	5.4%	6.2%
Structure	Steel framed, partially RC, SRC	SRC	Steel framed, partially RC	Steel framed, partially SRC	Steel framed
Number of floors	7 floors above and 2 floors underground	14 floors above and 3 floors underground	6 floors above and 1 floor underground	10 floors above and 1 floor underground	9 floors above and 1 floor underground
Gross floor area	11,368.11m ²	51,491.66m ²	4,670.02m ²	8,541.70m ²	21,495.47m ²
Total leasable area	4,904.55m ²	16,620.48m ²	4,024.88m ²	9,156.01m ²	21,616.04m ²
Occupancy rate ^(Note4)	100.0%	98.5%	100.0%	100.0%	100.0%
Key tenants	Baroque Japan Limited	Tokyu Hotels Co., Ltd.	Tokyu Sports Oasis Inc.	Yamada-Denki Co., Ltd.	Paraca Inc.
Number of tenants ^(Note4)	27	96	4	1	2
Investment criteria	<ul style="list-style-type: none"> Located at the crossing of Omotesando and Meiji Street, the center of Japan's fashion culture. It is an excellent location with strong branding effect for fashion shops Aiming to develop a "fashion theme park" that enables customers to enjoy the latest fashion and life-style themes in an environment full of greenery Many tenants have positioned their shops in this building as their flagship or prototype shop considering the building's excellent location and high visibility 	<ul style="list-style-type: none"> Property is located in an area of Akasaka with a high concentration of restaurants, hotels and offices where many middle-aged office workers like to meet. The strong international flavor stems from the many foreign companies and embassies in this area. In the back of the site is the Nagatacho and Kasumigaseki areas Located in the busy commercial area of Tokyo city-center, it has good commercial potential to attract diversified businesses Property is facing Akasakamitsuke crossing where Sotobori Street crosses with Route 246. It is a high profile building with a large facade and one of the landmarks of Akasaka area 	<ul style="list-style-type: none"> Located in Ebisu area which is, unlike Shibuya or Daikanyama, well-known as the town for grown-ups High-profile building located in front of a station with a large facade made of terracotta bars and glass One of the few buildings with significant presence in the West exit area of "Ebisu" station where there are very few large-sized retail properties 	<ul style="list-style-type: none"> 1-minute walking distance from convenient "Shinbashi" station, which is one of the busiest terminal stations in Japan It is located in a place that is the starting point for both shoppers visiting Ginza and office workers Versatile structure of the building allows various alternative uses including, but not limited to, use as offices for versatile coverage of diversified tenants' needs 	<ul style="list-style-type: none"> Located in Shijo Karasuma area, which is one of Kyoto's most prominent city center areas With a facade facing Karasuma Street, it is a high-profile building with an automated parking lot open 24 hours a day It is one of the few retail properties in the area with a large car park Highly important facility as it provides parking space to retail centers in the neighborhood such as Daimaru Kyoto and Takashimaya Kyoto

Note1: Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, the co-ownership (jun kyoyu-mochibun) properties, are calculated based on the pro rata share (75% and 50%, respectively).

Note2: The date of value estimate is as of Feb. 29, 2012 except Tokyu Plaza Omotesando Harajuku, as of Mar. 31, 2012.

Note3: Appraisal NOI yield is calculated by dividing NOI by the acquisition price. NOI is calculated by subtracting operating expense from operating income for each property and depreciation cost is not subtracted, described in the appraisal report when acquired.

Note4: As of the end of Nov. 2012.

Tokyu Plaza Omotesando Harajuku 1



Location	30-3, Jingumae 4-chome, Shibuya-ku, Tokyo
Acquisition price	JPY45,000mn
Land/Gross Floor Area	1,576.50 m ² /11,368.11 m ²
Structure/# of floors	Steel framed, partially RC, SRC/7 floors above and 2 floors underground
Completion	Mar. 2012
Type of ownership	75% co-ownership of the trust beneficiary
Occupancy rate	100.0%
Selected tenant	Baroque Japan Ltd.

Note: As of the end of Nov. 2012.

1-minute walk from the nearest train station



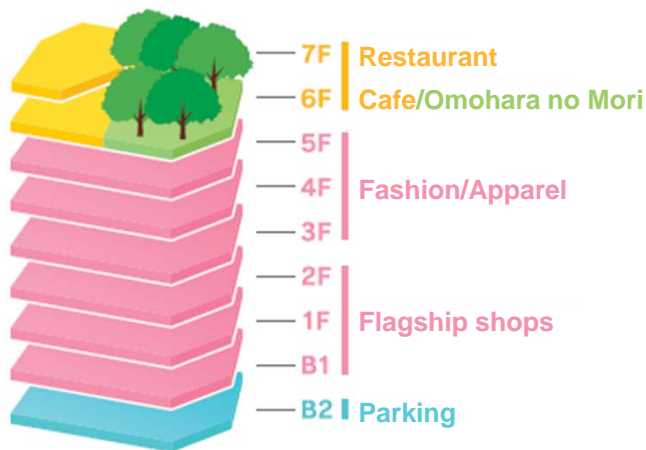
Tokyu Plaza Omotesando Harajuku 2

Key Features of the Property

- Developed as the new landmark of Omotesando and Harajuku area, which is one of the busiest commercial centers in Japan and Asia
- Located at the crossing of Omotesando and Meiji Street, the center of Japan's fashion culture. It is an excellent location with strong branding effect for fashion shops
- Aiming to develop a "fashion theme park" that enables customers to enjoy the latest fashion and lifestyle themes in an environment full of greenery
- Many tenants have positioned their shops in this building as their flagship or prototype shop considering the building's excellent location and high visibility

Floor Map

- # of tenant stores: 27 (fashion & apparel (15), fashion merchandise (6), lifestyle merchandise (4), coffee shops and restaurants (2))



Tenant Profile

- Long-term lease contract by responding to the need of major tenant for a flagship store
- 27 shops including 3 flagship shops are moving-in

One of the largest flagship shop globally and the first in Asia

TOMMY HILFIGER

Category: men's, ladies' children's clothing, golf wear, denim

A new type of shop operated by Baroque Japan

The SHEL'TTER TOKYO

Category: ladies' apparel, fashion merchandise, cosmetics, sweets, lifestyle merchandise, etc.

The first shop in Japan of an American casual brand

AMERICAN EAGLE OUTFITTERS

Category: men's and ladies' apparel

Flagship lifestyle shop produced by Tokyu Hands

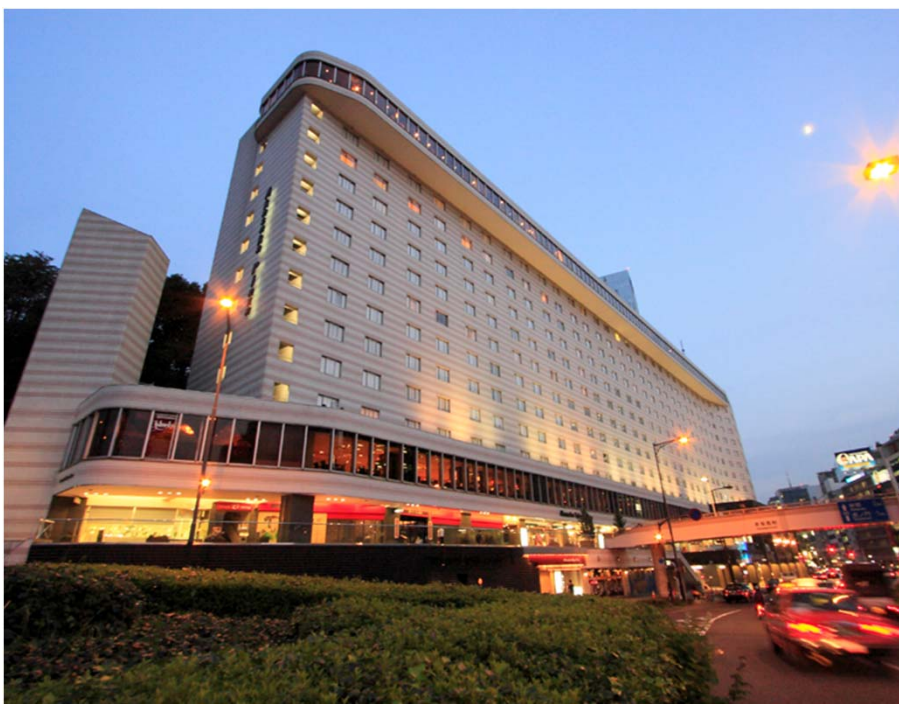
hands be

Category: lifestyle merchandise



Tokyu Plaza Akasaka 1

37



Location	14-3, Nagatacho 2-chome, Chiyoda-ku, Tokyo
Acquisition price	JPY11,450mn
Land/Gross Floor Area	5,103.57 m ² /51,491.66 m ²
Structure/# of floors	SRC/14 floors above and 3 floors underground
Completion	Sep. 1969
Type of ownership	50% co-ownership of the trust beneficiary
Occupancy rate	98.5%
Selected tenant	TOKYU HOTELS CO., LTD.

Note: As of the end of Nov. 2012.

1-minute walk from the nearest train station

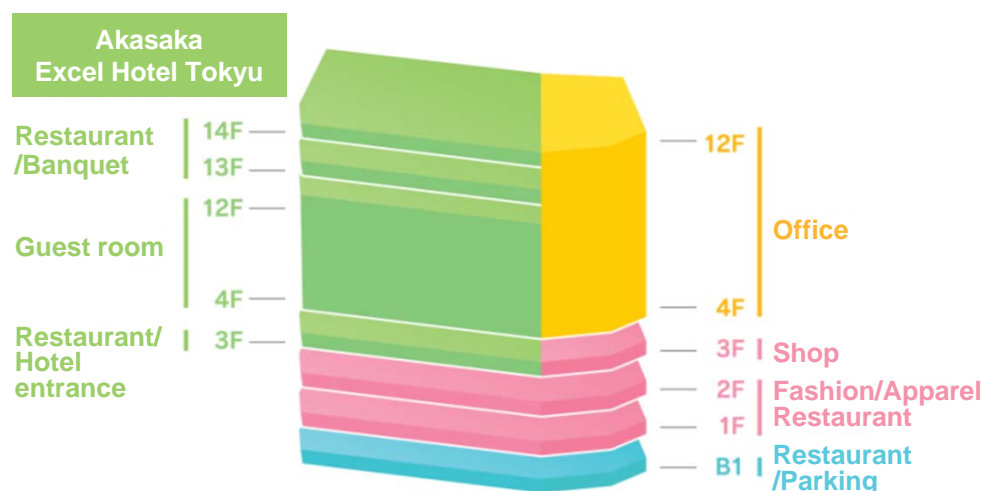


Tokyu Plaza Akasaka 2

Key Features of Properties

- Multi-tenant building facing Akasakamitsuke crossing
- Property is located in an area of Akasaka with a high concentration of restaurants, hotels and offices and strong international flavor from the many foreign companies and embassies. The back of the site extends to the Nagatacho and Kasumigaseki area
- Located in the busy commercial area of Tokyo city-center, it has good commercial potential to attract a diverse range of businesses
- Property is facing Akasakamitsuke crossing where Sotobori Street crosses Route 246. It is a high-profile building with a large facade and one of the landmarks of Akasaka area

Floor Map



Tenant Profile

- The building has 96 tenants (As of the end of Nov. 2012)

Sophisticated and modern city hotel

Akasaka Excel Hotel Tokyu

- One of the larger hotels in Tokyo with approximately 480 rooms.
- Renovated in 2007

A US restaurant chain entering the Japanese market for the first time

HOOTERS








- HOOTERS is a casual restaurant and sports bar. The first HOOTERS opened in Florida, USA in Oct. 1983. There are more than 450 HOOTERS establishments, mostly in the United States.
- The hospitality of healthy HOOTERS Girls, who are dressed like cheerleaders, is popular.

Ninja-themed restaurant which provides entertainment and restaurant services

NINJA AKASAKA

- NINJA AKASAKA is an entertainment restaurant featuring traps that are like ones used by ninjas. Staff wearing ninja costumes entertain guests.
- The restaurant has been reported by overseas media and visited by guests from around the world.

Portfolio/Tokyo Office Properties





Property name	TLC Ebisu Building	A-PLACE Ebisu Minami	Yoyogi Place	Aoyama Plaza Building	Luogo Shiodome	Tokyo Kikai Honsha Building	A-PLACE Ikebukuro
Photo							
Location	Ebisu, Shibuya-ku, Tokyo	Ebisu-Minami, Shibuya-ku, Tokyo	Sendagaya, Shibuya-ku, Tokyo	Kita-Aoyama, Minato-ku, Tokyo	Higashi Shinbashi, Minato-ku, Tokyo	Shiba, Minato-ku, Tokyo	Minami Ikebukuro, Toshima-ku, Tokyo
Access	4-minute walking distance from JR Yamanote Line "Ebisu" station	4-minute walking distance from JR Yamanote Line/Tokyo Metro Hibiya Line "Ebisu" station	3-minute walking distance from JR Yamanote Line/Municipal Subway Oedo Line "Yoyogi" station	4-minute walking distance from Tokyo Metro Ginza Line "Gaienmae" station	4-minute walking distance from Municipal Subway Oedo Line/Yurikamome's "Shiodome" station	2-minute walking distance from Municipal Subway Asakusa Line/Mita Line "Mita" station	6-minute walking distance from JR Yamanote Line/ Saikyo Line/Shonan-Shinjuku Line/Tokyo Metro Marunouchi Line/Yurakucho Line/ Fukutoshin Line/Seibu Ikebukuro Line/Tobu Tojo Line "Ikebukuro" station
Acquisition price (A)	JPY7,400mn	JPY9,640mn	JPY4,070mn	JPY8,790mn	JPY4,540mn	JPY3,070mn	JPY3,990mn
Appraisal value (B) ^(Note1)	JPY7,420mn	JPY9,950mn	JPY4,180mn	JPY8,850mn	JPY4,570mn	JPY3,090mn	JPY4,020mn
vs appraisal value (A/B)	99.7%	96.9%	97.4%	99.3%	99.3%	99.4%	99.3%
Appraisal NOI yield ^(Note2)	5.4%	4.9%	5.1%	5.0%	4.7%	6.3%	5.2%
Structure	SRC	SRC	Steel framed	RC	Steel framed, partially RC	SRC	Steel framed, partially RC
Number of floors	9 floors above and 1 floor underground	6 floors above and 1 floor underground	10 floors above and 1 floor underground	9 floors above and 1 floor underground	11 floors above and 1 floor underground	6 floors above and 1 floor underground	7 floors above and 1 floor underground
Gross floor area	10,297.73m ²	12,167.57m ²	4,201.59m ²	9,958.33m ²	8,242.61m ²	6,992.31m ²	4,709.05m ²
Total leasable area	7,342.60m ²	7,950.51m ²	3,106.17m ²	7,323.13m ²	4,476.35m ²	4,389.20m ²	3,409.73m ²
Occupancy rate ^(Note3)	100.0%	100.0%	100.0%	86.7%	100.0%	100.0%	100.0%
Investment criteria	<ul style="list-style-type: none"> The building is in the high-profile area of Ebisu, which has the highest concentration of office buildings in this area Compared with other buildings in the neighborhood, its large floor size of approx. 805 m² on standard floors makes it highly competitive 	<ul style="list-style-type: none"> Located within walking distance from "Ebisu" station, which attracts high traffic Considering the high traffic of Ebisu area, demand by IT companies including software developers, apparel companies, as well as service providers such as restaurants, beauty salons & clinics and schools is quite high Large floor size of approx. 1,655 m² on standard floor area 	<ul style="list-style-type: none"> Highly visible building standing along the roadside of Meiji Street and is within walking distance from "Shinjuku" station Approx. 346 m² astylar space on one floor allows highly efficient space usage Versatile building of rectangular shape which allows partial leasing of the building 	<ul style="list-style-type: none"> Building has strong competitive advantages compared with the office buildings in the neighborhood due to its large size Large-scale renovation of the building including seismic strengthening completed in 2008 Above-ground parking space for 24 cars is a strong point of appeal to companies including apparel companies that need to deliver products and equipment 	<ul style="list-style-type: none"> Located on the north side of Shiodome Siosite's western district, known as "Italy Town", which has high traffic Higher competitiveness compared with other office properties in the neighborhood due to its quake-absorbing structure Strong demand expected from affiliates and customers of large corporations that are tenants in large buildings around "Shiodome" station 	<ul style="list-style-type: none"> Located 2-minute walking distance from "Mita" station and 4-minute walking distance from JR "Tamachi" station The HQ building of a general electronics manufacturer is located in the neighborhood along with a number of its group/partner companies, but other types of businesses including financial institutions have increasingly set up their HQ in the area recently The subject property has a typical floor area of approx. 840 m² and is within short distance of the nearest train station 	<ul style="list-style-type: none"> High-profile building located within a 6-minute walking distance from "Ikebukuro station" along Meiji Street Relatively new building which is built by the latest building/facility specifications and located in an area with little supply of new office properties

Note1: The date of value estimate is as of Feb. 29, 2012.

Note2: Appraisal NOI yield is calculated by dividing NOI by the acquisition price. NOI is calculated by subtracting operating expense from operating income for each property and depreciation cost is not subtracted, described in the appraisal report when acquired.

Note3: As of the end of Nov. 2012.

Portfolio/Other Properties

Property name	COCOE Amagasaki (Land)	icot Nakamozu	icot Kongo	icot Mizonokuchi	icot Tama Center	Kanayama Center Place
Photo						
Location	Shioe, Amagasaki City, Hyogo Prefecture	Nakamozu town Kita-ku, Sakai City, Osaka Prefecture	Handa, Osaka Sayama City, Osaka Prefecture	Mizonokuchi, Takatsu-ku, Kawasaki City, Kanagawa Prefecture	Ochiai, Tama City, Tokyo	Kanayama, Naka-ku, Nagoya City, Aichi Prefecture
Access	2-minute walking distance from JR Kobe Line/Takarazuka Line/Tozai Line "Amagasaki" station	6-minute walking distance from Midosuji Subway Line "Nakamozu" station	5-minute walking distance from Nankai Koya Line "Kongou" station	13-minute walking distance from Tokyu Denen Toshi Line "Takatsu" station	4-minute walking distance from Keio Sagami-hara Line "Keio Tama Center" station and 4-minute walking distance from Odakyu Tama Line "Odakyu Tama Center" station	1-minute walking distance from Nagoya Municipal Subway Meijo Line/Meiko Line "Kanayama" station, and 2-minute walking distance from JR Chubu Line/JR Tokaido Line/Meitetsu Nagoya Main Line "Kanayama" station
Acquisition price (A)	JPY 12,000mn	JPY 8,500mn	JPY 1,600mn	JPY 2,710mn	JPY 2,840mn	JPY 6,980mn
Appraisal value (B) ^(Note1)	JPY 12,100mn	JPY 8,880mn	JPY 1,780mn	JPY 2,950mn	JPY 2,990mn	JPY 7,120mn
vs appraisal value (A/B)	99.2%	95.7%	89.9%	91.9%	95.0%	98.0%
Appraisal NOI yield ^(Note2)	5.0%	6.4%	9.4%	6.7%	6.6%	5.6%
Structure	-	Steel framed	RC	Steel framed	RC	Steel framed, partially SRC
Number of floors	-	3 floors above	3 floors above	4 floors above and 1 floor underground	15 floors above and 1 floor underground	9 floors above and 1 floor underground
Gross floor area	-	27,408.34m ²	17,894.95m ²	14,032.05m ²	31,553.75m ²	12,783.13m ²
Total leasable area	27,465.44m ²	28,098.02m ²	17,884.55m ²	14,032.05m ²	5,181.58m ²	9,314.91m ²
Occupancy rate ^(Notes3)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Investment criteria	<ul style="list-style-type: none"> Multi-tenant property that represents Amagasaki and is directly connected to the JR Amagasaki train station. Its approx. 140 specialty store tenants include the largest sports club & cinema complex in the region and a department store that specializes in house and livingware Stable income expected from the strong competitiveness of the property in the relevant region and a 30-year term leasehold agreement (land) for commercial use with the lease-holder (Sumitomo Mitsui Trust Bank) Good access by car as the property has a parking lot for 1,514 cars, enabling it to attract visitors from a widespread area 	<ul style="list-style-type: none"> Located in Nakamozu area where housing concentration is growing steadily as it connects Osaka City with Senboku New Town It is one of the No. 1 neighborhood shopping center in the nearby commercial area Attracted to its large size, core tenants of the multi-tenant property include UNIQLO and ABC Mart. It also has the flagship store of home improvement retailer Kohnan Shoji. Stable income expected from the 20-year fixed-term lease contracts with such core tenants 	<ul style="list-style-type: none"> Strong competitiveness in the area supported by its location in Osaka's commuter town, proximity to the station, large floor area and the large open above-ground parking space Renovation of the building in 2006 to maintain/increase its competitiveness Daiei Kongo Shop is supported by local residents especially as a food supermarket, and it stands in a local trade area that is different from the trade area of roadside SCs 	<ul style="list-style-type: none"> Good access from Tokyo city center as property is facing the trunk road. It is located in an area with many residential and a promising trade area Property presents one of the few opportunities to major retailers who want to open their shops on roadside properties and provides leasing contracts with terms through 2018 to ensure stable income 	<ul style="list-style-type: none"> High concentration of residents in an area which is located in the center of Tama New Town. Property is connected with a station and retail properties by a pedestrian deck Unique tenant structure that includes a one-price shop, clinic mall and bank branches helps satisfy the needs of people in surrounding areas, and parking for 103 cars helps capture shoppers who come by car 	<ul style="list-style-type: none"> Property is located in front of "Kanayama" station which has good access to "Nagoya" station and Chubu International Airport respectively. The large size of 300 tsubo on standard floors and landmark exterior ensures sufficient competitiveness in the area Relatively new office building completed in Feb 2009 which is equipped with state-of-the-art-specifications




Note1: The date of value estimate is as of Feb. 29, 2012.

Note2: Appraisal NOI yield is calculated by dividing NOI by the acquisition price. NOI is calculated by subtracting operating expense from operating income for each property and depreciation cost is not subtracted, described in the appraisal report when acquired.

Note3: As of the end of Nov. 2012.

Portfolio Appraisal Values -As of February 29, 2012-

(In millions of yen)

Category	Property number	Property name	Acquisition price	Investment ratio (%)	Appraisal agency (Note1)	Appraisal Value (Note2)	Capitalization						Appraisal NOI yield (NOI / Acquisition price) (%)
							Direct capitalization method	Capitalization rate (%)	Discounted cash flow method	Discount rate (%)	Terminal capitalization rate (%)	NOI ^(Note6)	
	UR-1	Tokyu Plaza Omotesando Harajuku ^(Note3)	45,000	26.4	J	45,200	46,100	3.8	44,300	3.6	4.0	1,761	3.9
	UR-2	Tokyu Plaza Akasaka ^(Note3)	11,450	6.7	T	11,500	11,800	5.3	11,400	5.5	5.6	700	6.1
	UR-3	Ebisu Q Plaza	8,430	4.9	T	8,770	8,930	4.3	8,700	4.6/4.5 ^(Note4)	4.6	378	4.5
	UR-4	Shinbashi Place	20,500	12.0	D	22,500	23,000	4.9	22,300	4.7	5.1	1,104	5.4
	UR-5	Kyoto Karasuma Parking Building	8,860	5.2	D	9,430	9,430	5.7	9,430	5.7	5.9	547	6.2
	TO-1	TLC Ebisu Building	7,400	4.3	T	7,420	7,730	4.7	7,280	4.9	5.0	400	5.4
	TO-2	A-PLACE Ebisu Minami	9,640	5.7	T	9,950	10,300	4.6	9,800	4.8	4.9	477	4.9
	TO-3	Yoyogi Place	4,070	2.4	V	4,180	4,480	4.6	4,180	4.6	4.9	206	5.1
	TO-4	Aoyama Plaza Building	8,790	5.2	D	8,850	8,890	4.9	8,830	4.7	5.1	441	5.0
	TO-5	Luogo Shiodome	4,540	2.7	D	4,570	4,690	4.5	4,520	4.3	4.7	212	4.7
	TO-6	Tokyo Kikai Honsha Building	3,070	1.8	T	3,090	3,040	5.4	3,110	5.3/5.4 ^(Note5)	5.7	193	6.3
	TO-7	A-PLACE Ikebukuro	3,990	2.3	J	4,020	4,060	5.1	3,970	4.9	5.3	207	5.2
	O-1	COCOE Amagasaki (Land)	12,000	7.0	J	12,100	12,100	5.0	12,000	4.6	5.2	600	5.0
	O-2	icot Nakamozu	8,500	5.0	T	8,880	9,030	6.0	8,820	5.9	6.3	546	6.4
	O-3	icot Kongo	1,600	0.9	M	1,780	1,810	6.9	1,740	6.6	7.4	150	9.4
	O-4	icot Mizonokuchi	2,710	1.6	M	2,950	2,990	6.0	2,900	5.7	6.4	182	6.7
	O-5	icot Tama Center	2,840	1.7	J	2,990	3,030	6.2	2,950	5.5	6.4	188	6.6
	O-6	Kanayama Center Place	6,980	4.1	V	7,120	7,360	5.3	7,120	5.3	5.6	392	5.6
Total		—	170,370	100.0	—	175,300	178,770	—	173,350	—	—	8,684	5.1

Note1: J:Japan Real Estate Institute, T: The Tanizawa Sōgō Appraisal Co., Ltd., D: Daiwa Real Estate Appraisal Co., Ltd., V:Japan Valuers Co., Ltd., M:Morii Appraisal & Investment Consulting, Inc.

Note2: As of Feb. 29, 2012 except Tokyu Plaza Omotesando Harajuku, as of Mar. 31, 2012.

Note3: Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, the co-ownership (jun kyoyu-mochibun) properties, are calculated based on the pro rata share (75% and 50%, respectively).




Note4: The discount rate for Ebisu Q Plaza is 4.6% while owned and 4.5% for the terminal discount rate.

Note5: The discount rate for Tokyo Kikai Honsha Building is 5.3% for the 1st year through the 3rd year, and 5.4% for the 4th year through the 11th year.

Note6: Calculated based on Direct capitalization method. The figures are rounded at the first decimal place.

Portfolio Appraisal Values -As of November 30, 2012-

(In millions of yen)

Category	Property number	Property name	Acquisition price	Investment ratio (%)	Appraisal agency ^(Note1)	Appraisal value ^(Note2)	Capitalization					
							Direct capitalization method	Capitalization rate (%)	Discounted cash flow method	Discount rate (%)	Terminal capitalization rate (%)	NOI ^(Note6)
	UR-1	Tokyu Plaza Omotesando Harajuku ^(Note3)	45,000	26.4	J	47,000	47,925	3.7	45,975	3.5	3.9	1,756
	UR-2	Tokyu Plaza Akasaka ^(Note3)	11,450	6.7	T	11,500	11,800	5.3	11,300	5.5	5.6	699
	UR-3	Ebisu Q Plaza	8,430	4.9	T	8,830	8,980	4.3	8,770	4.6/4.5 ^(Note4)	4.6	380
	UR-4	Shinbashi Place	20,500	12.0	D	22,800	23,100	4.9	22,600	4.7	5.1	1,110
	UR-5	Kyoto Karasuma Parking Building	8,860	5.2	D	9,420	9,410	5.7	9,420	5.7	5.9	546
	TO-1	TLC Ebisu Building	7,400	4.3	T	7,450	7,760	4.7	7,310	4.9	5.0	401
	TO-2	A-PLACE Ebisu Minami	9,640	5.7	T	10,000	10,400	4.6	9,870	4.8	4.9	483
	TO-3	Yoyogi Place	4,070	2.4	V	4,230	4,530	4.6	4,230	4.6	4.9	208
	TO-4	Aoyama Plaza Building	8,790	5.2	D	8,740	8,820	4.9	8,710	4.7	5.1	438
	TO-5	Luogo Shiodome	4,540	2.7	D	4,700	4,750	4.5	4,680	4.3	4.7	214
	TO-6	Tokyo Kikai Honsha Building	3,070	1.8	T	3,020	3,210	5.2	2,940	5.3/5.2 ^(Note5)	5.5	195
	TO-7	A-PLACE Ikebukuro	3,990	2.3	J	4,040	4,080	5.1	3,990	4.9	5.3	208
	O-1	COCOE Amagasaki (Land)	12,000	7.0	J	12,100	12,100	5.0	12,000	4.6	5.2	600
	O-2	icot Nakamozu	8,500	5.0	T	8,920	9,070	6.0	8,860	5.9	6.3	549
	O-3	icot Kongo	1,600	0.9	M	1,810	1,840	6.9	1,770	6.6	7.4	153
	O-4	icot Mizonokuchi	2,710	1.6	M	2,960	3,010	6.0	2,910	5.7	6.4	183
	O-5	icot Tama Center	2,840	1.7	J	3,010	3,050	6.2	2,970	5.5	6.4	189
	O-6	Kanayama Center Place	6,980	4.1	V	7,360	7,660	5.3	7,360	5.3	5.6	408
Total		—	170,370	100.0	—	177,890	181,495	—	175,665	—	—	8,720

Note1: J:Japan Real Estate Institute, T: The Tanizawa Sōgō Appraisal Co., Ltd., D: Daiwa Real Estate Appraisal Co., Ltd., V:Japan Valuers Co., Ltd., M:Morii Appraisal & Investment Consulting, Inc.

Note2: As of Nov. 30, 2012.

Note3: Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, the co-ownership (jun kyoyu-mochibun) properties, are calculated based on the pro rata share (75% and 50%, respectively).

Note4: The discount rate for Ebisu Q Plaza is 4.6% while owned and 4.5% for the terminal discount rate.

Note5: The discount rate for Tokyo Kikai Honsha Building is 5.3% for the 1st year through the 2nd year, and 5.2% for the 3rd year through the 11th year.

Note6: Calculated based on Direct capitalization method. The figures are rounded at the first decimal place.

Overview of Lease and Profit and Loss for the 2nd Period

(In thousands of yen)

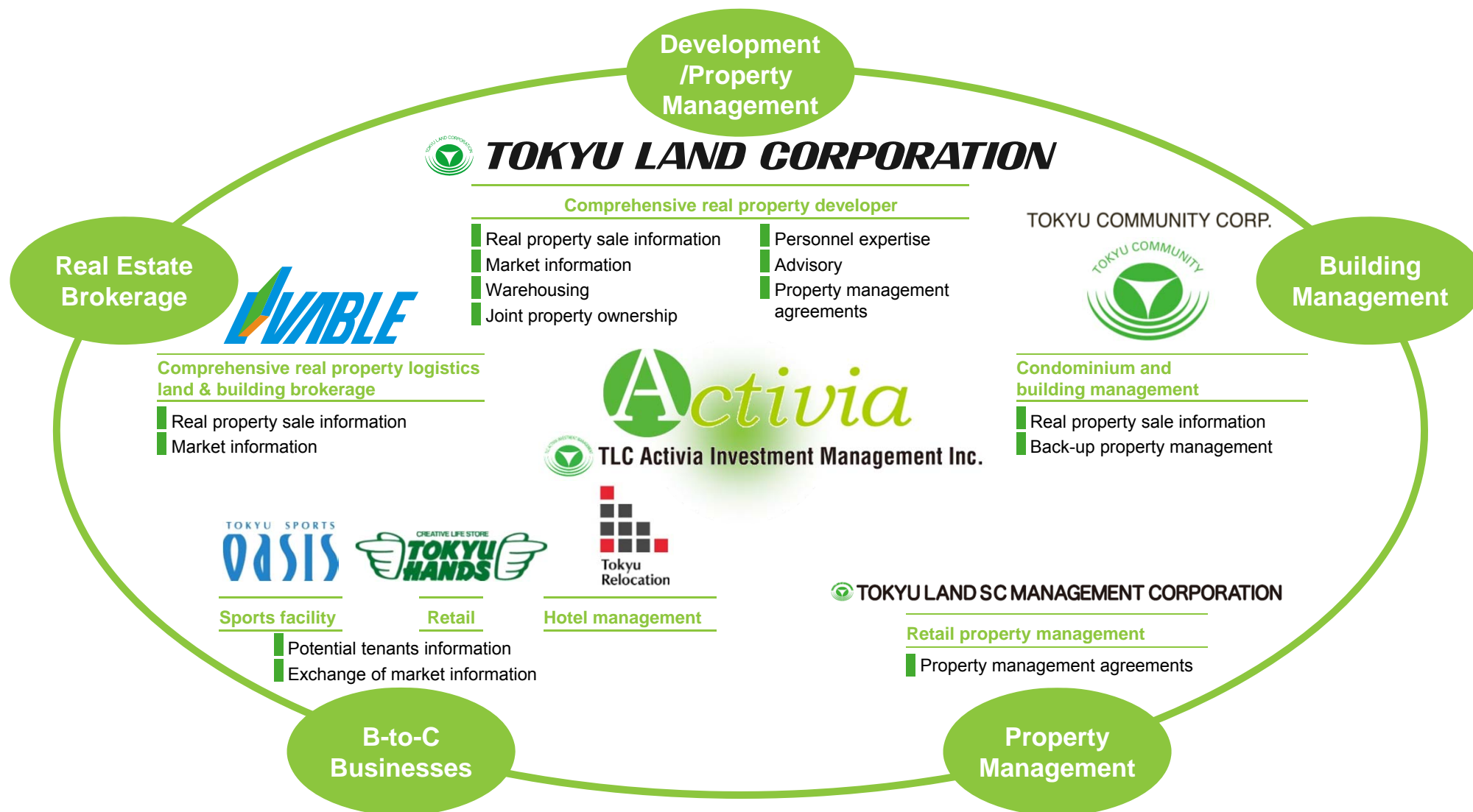
	Urban Retail Properties					Tokyo Office Properties							Other Properties					
	Tokyu Plaza Omotesando Harajuku (Note1)	Tokyu Plaza Akasaka (Note1)	Ebisu Q Plaza	Shinbashi Place	Kyoto Karasuma Parking Building	TLC Ebisu Building	A-PLACE Ebisu Minami	Yoyogi Place	Aoyama Plaza Buildign	Luogo Shiodome	Tokyo Kikai Building	A-PLACE Ikebukuro	COCOE Amagasaki (Land)	icot Nakamozu	icot Kongo	icot Mizono kuchi	icot Tama Center	Kanayma Center Place
a. Revenue related to rent business	1,046,815	555,636	252,540	(Note2)	(Note2)	250,593	291,869	130,659	235,174	115,780	134,356	(Note2)	318,764	290,269	(Note2)	(Note2)	133,658	262,860
Rent revenue-real estate	990,942	456,348	221,708	(Note2)	(Note2)	225,475	276,344	123,963	223,254	102,655	129,924	(Note2)	318,764	290,244	(Note2)	(Note2)	121,977	241,380
Other lease business revenue	55,873	99,287	30,831	(Note2)	(Note2)	25,117	15,525	6,695	11,919	13,125	4,431	(Note2)	-	25	(Note2)	(Note2)	11,680	21,480
b. Expenses related to rent business	170,815	206,214	53,546	12,153	4,438	64,427	50,443	18,530	45,501	24,766	30,738	16,869	234	6,619	6,097	32,752	32,168	44,646
Management operation expenses	78,297	74,445	15,737	11,200	3,038	20,583	24,302	9,854	20,698	9,661	17,214	7,634	-	5,575	2,575	3,541	17,243	22,066
Utilities expenses	33,380	78,854	28,421	-	-	20,900	21,208	8,023	14,915	13,291	10,183	8,589	-	28	-	-	13,785	21,109
Tax and public dues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	373	576	114	250	219	260	313	111	239	204	168	108	-	312	411	134	192	316
Repair and maintenance expenses	734	48,123	1,330	-	483	14,915	2,262	68	6,594	529	1,801	-	-	-	2,875	28,374	35	40
Other expenses related to rent business	58,029	4,213	7,942	703	697	7,768	2,355	472	3,052	1,079	1,370	537	234	703	234	703	911	1,114
c. NOI (a-b)	876,000	349,421	198,993	(Note2)	(Note2)	186,166	241,426	112,128	189,673	91,014	103,618	(Note2)	318,529	283,650	(Note2)	(Note2)	101,489	218,214
d. Depreciation, etc. (Note3)	47,099	21,632	18,481	32,734	16,007	45,734	32,751	15,466	21,997	27,384	16,955	20,682	-	34,521	22,827	12,259	18,704	52,036
Income (loss) from rent business (c-d)	828,900	327,788	180,512	(Note2)	(Note2)	140,431	208,674	96,661	167,676	63,629	86,662	(Note2)	318,529	249,128	(Note2)	(Note2)	82,785	166,177

Note1: Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, the co-ownership (jun kyoyu-mochibun) properties, are calculated based on the pro rata share (75% and 50%, respectively).

Note2: We have not obtained permission from the tenant of this property to release the information missing from this table.

Note3: Loss on retirement of current assets is included.

Tokyu Land Group's Value Chain



Tokyu Land Group's robust support system centered around Tokyu Land Corporation

Tokyu Land Group's Track Record

Tokyu Land Group's Track Record in Developing Urban Retail Properties

- The following table shows the major Urban Retail Properties developed by Tokyu Land Corporation, which demonstrates Tokyu Land Corporation's track record in developing Urban Retail Properties of a variety of sizes and in a variety of areas. All of these properties are located in areas with high scarcity value and near major train stations

Property ^(Note1)	Nearest train station	Walking distance from nearest train station	Year of completion	Gross floor area ^(Note2)
Tokyu Plaza Shibuya	Shibuya	1 minute	1965	approx. 30
Tokyu Plaza Kamata	Kamata	1 minute	1968	approx. 26
Tokyu Plaza Akasaka	Akasaka-mitsuke	1 minute	1969	approx. 51
Tokyu Plaza Sapporo	Susukino	1 minute	1980	approx. 27
Kyoto Karasuma Parking Building	Karasuma	1 minute	2006	approx. 21
Shinbashi Place	Shinbashi	1 minute	2008	approx. 9
Futakotamagawa Rise Shopping Center	FutakoTamagawa	1 minute	2010	approx. 99
Abeno Market Park Q's Mall	Tennoji	2 minutes	2011	approx. 171
Tokyu Plaza Omotesando Harajuku	Meiji-jingumae	1 minute	2012	approx. 11
<Temporary name>Ginza 5 Chome Project	Ginza	1 minute	2016 (scheduled)	approx. 51



Note 1: Includes projects which is still in development.

Note 2: In thousands of m². Based on the registered floor area of the entire building. For Futakotamagawa Rise, the area is based on the real estate register for block 1b under the Futakotamagawa Area Higashi District Type 1 Urban Redevelopment Project (the 1st period) as the entire building. For Abeno Market Park Q's Mall, the area is based on the real estate register for Building A2 of the Abeno District A1 Type 2 Urban Redevelopment Project as the entire building.

Note 3: Other than the acquisitions of Tokyu Plaza Akasaka, Kyoto Karasuma Parking Building, Shinbashi Place, and Tokyu Plaza Omotesando Harajuku, we have no other plans for acquiring the remaining properties listed in the table. We acquired 75% of the trust beneficiary co-ownership interest (jun kyoyu-mochibun) in Tokyu Plaza Omotesando Harajuku and 50% of the trust beneficiary co-ownership interest (jun kyoyu-mochibun) in Tokyu Plaza Akasaka.

Note 4: The photos above are those of Abeno Market Park Q's Mall and Tokyu Plaza Omotesando harajuku. Abeno Market Park Q's Mall has not been acquired by API.

Tokyu Land Group's Track Record in Developing Tokyo Office Properties

- The following table shows the main Tokyo Office Properties developed by Tokyu Land Corporation. All of these properties are located in central Tokyo near major train stations with easy access to transportation

Property	Nearest train station	Walking time from nearest train station	Year of completion	Gross floor area ^(Note1)
Nihonbashi Front	Nihonbashi	2 minutes	2008	approx. 29
Shinbashi Tokyu Building	Shinbashi	2 minutes	2008	approx. 15
Minami Aoyama Tokyu Building	Omotesando	4 minutes	2008	approx. 12
Shibuya Place	Shibuya	3 minutes	2009	approx. 4
Kasumigaseki Tokyu Building	Tameike-Sannō	4 minutes	2010	approx. 19
A-PLACE Ikebukuro	Ikebukuro	4 minutes	2011	approx. 5
Gotanda Front	Gotanda	3 minutes	2012	approx. 6
Spline Aoyama Tokyu Building	Gaienmae	3 minutes	2012	approx. 8
Shin Meguro Tokyu Building	Meguro	2 minutes	2012	approx. 22



Note 1: In thousands of m². Based on the floor area of the entire building shown in the real estate register.

Note 2: As of today except for A-PLACE Ikebukuro, there are no other properties listed in the table that we plan to acquire.

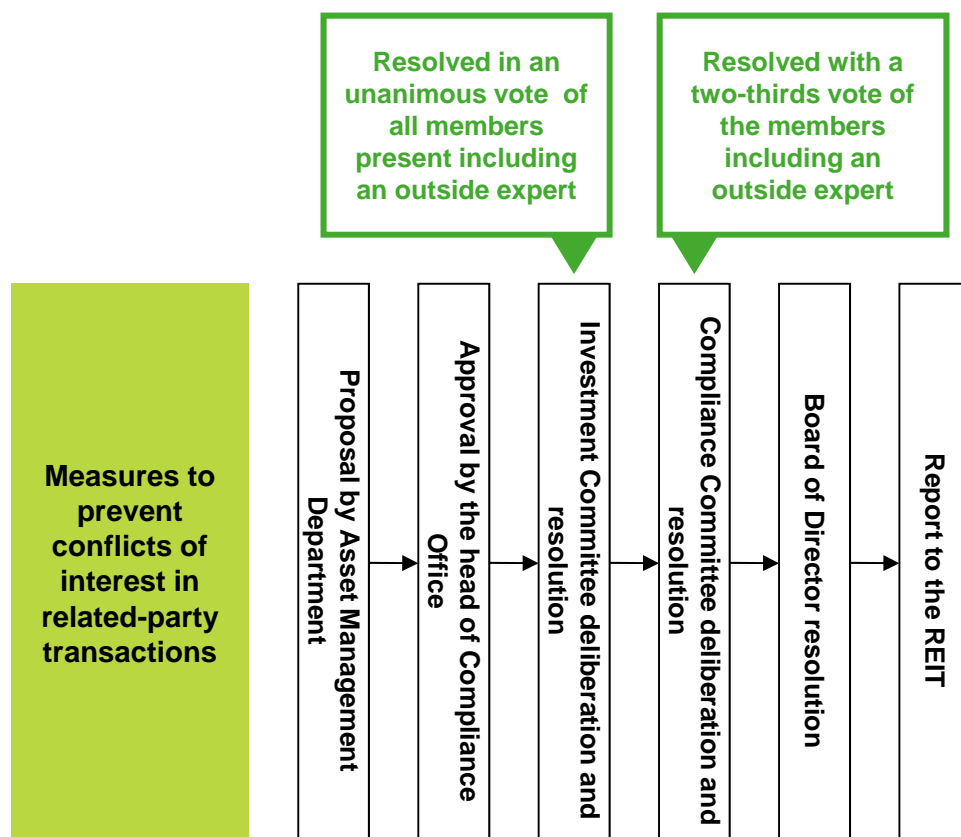
Note 3: The photos above are those of Spline Aoyama Tokyu Building and the Shin Meguro Tokyu Building. These buildings have not been acquired by API.

Strong Governance Structure

- We believe that our governance structure, which aligns the interests of the Asset Manager and Tokyu Land Corporation with those of our unitholders, allows us to maximize the value of our units

Involvement of Third Parties to Protect the Interests of Unitholders

- Related-party transactions are subject to resolution by the compliance committee



Sponsor's Interests Aligned with Those of the Unitholders

- In order to maximize the value of our units, we have built a governance structure which aligns the interests of the Asset Manager and Tokyu Land Corporation with those of our unitholders

1 Equity investment in us by Tokyu Land Corporation

Tokyu Land Corporation has an approximately 10% equity interest in us.

2 Co-ownership of properties

We have co-own properties with Tokyu Land Group Companies to share the same objectives and interest with Tokyu Land Corporation in the management of properties.



Asset Management Fee Structure

- We intend to emphasize unitholder value by incentivizing the Asset Manager through payment of asset management fees that partly depend on our DPU

Asset Management Fee

- Asset management fee system that partly depends on our DPU

	Fee I ^(Note1)	Fee II
Basis for calculation	Total assets at the end of the previous fiscal period × 0.3% per year	DPU (before deduction of Fee II) × NOI × 0.0002%
Fee rate	*The sum of Fee I and Fee II may not exceed 0.5% per year of our total assets	

Acquisition / Disposition Fee

- In acquisition/disposition of properties from/to the Sponsor, for related party transactions, we intend to apply lower fee levels and ensure the terms are determined on an arm's length basis
- For the disposition of properties held, we have introduced a fee scheme emphasizing unitholder value

Acquisition fee	Disposition fee
0.7% (or 0.5% for related party transactions)	0.5% (or no fee for related party transactions)
	* no disposition fees when loss on sale is accrued

Note1: Fee I may be up to 0.4% per year. With respect to the fiscal period, the total assets will be determined as stated in our balance sheet as of Nov. 30, 2012.

Sound Financing Strategy Supported by Strong Banking Syndicate

- We have formed a basis for strong relationships with major lenders, including megabanks
- We also have been rated AA– for long-term borrowings (by JCR), which reflects our sound financial policies including our plans to set an upper limit for our LTV ratio in order to achieve a stable level of financial leverage

1**Strong banking relationships with major lenders****2****Seek to keep the LTV ratio at a conservative level in order to facilitate stable financial conditions****3****Maintain stable and prudent long-term loans with maturity diversification****4****Maintain our high (AA–) credit rating for long-term borrowings (by JCR)**

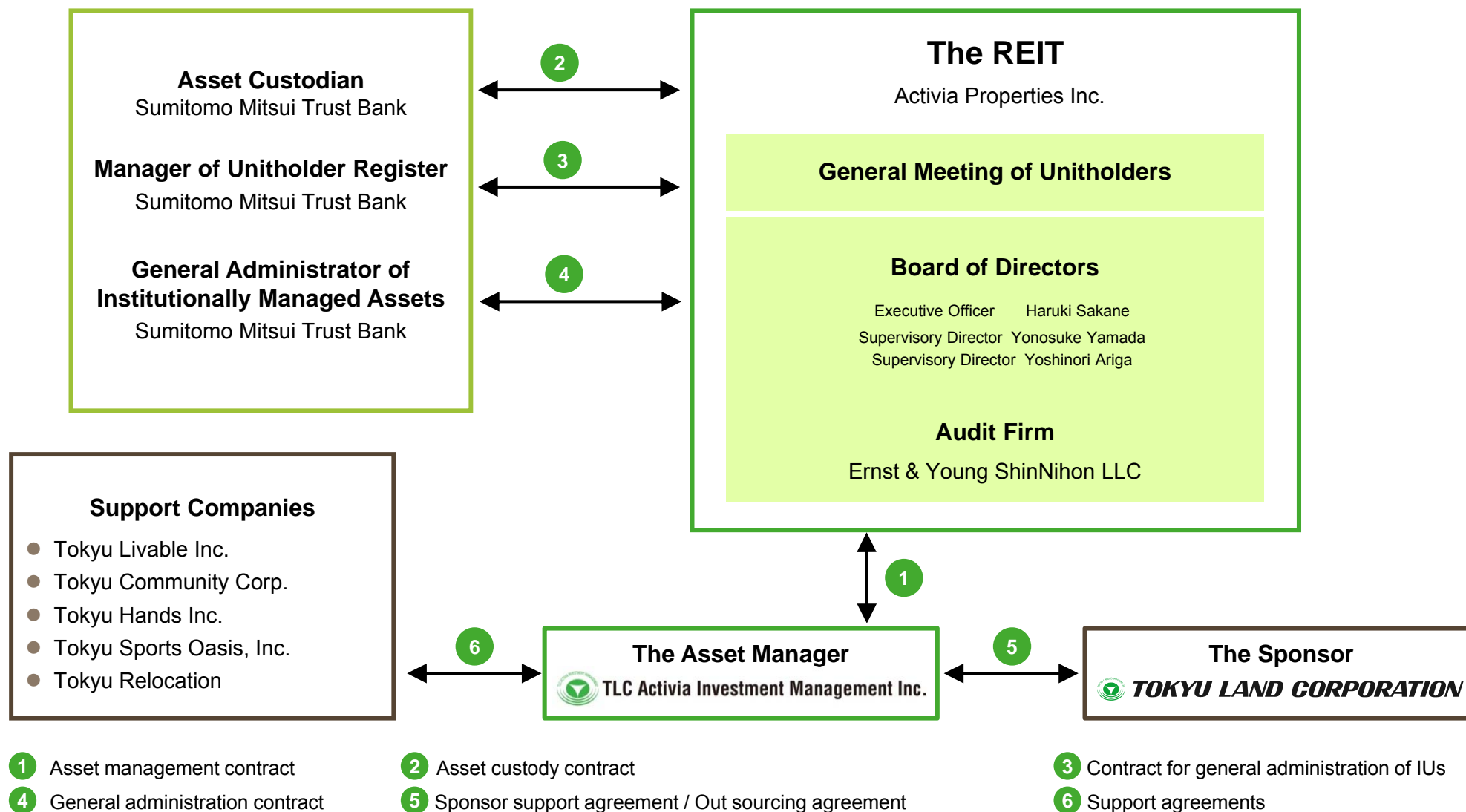


Activia



Additional References

REIT Organizational Overview



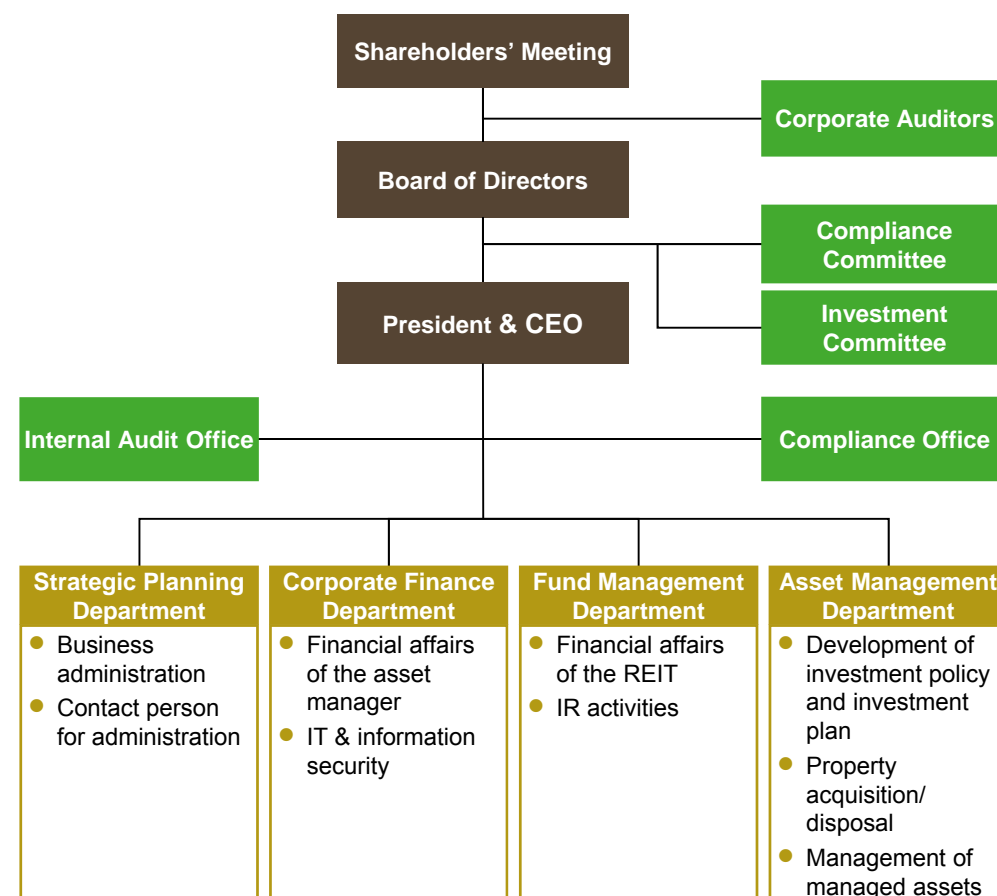
Asset Manager Organization Chart

- Development of an organization that capitalizes on the capabilities of the sponsor group for efficient management and for controlling conflicts of interest
- Appointment of an independent property appraiser as a member to the Investment Committee with veto rights

Overview of the Asset Manager

Corporate name	TLC Activia Investment Management Inc.
Established on	Nov 15, 2010
Capital	JPY300mn
Shareholder	Tokyu Land Corp. 100%
Representative Director and President	Haruki Sakane
Registration & License	<p>Real estate agent license (Governor of Tokyo (1) No. 92551)</p> <p>Discretionary Transaction Agent License (Minister of Land, Infrastructure and Transportation Approval No. 67)</p> <p>Licensed Financial Instrument Trader (kinsho)</p> <p>Kanto Local Finance Bureau License No. 2551</p>

Asset Manager Organizational Chart



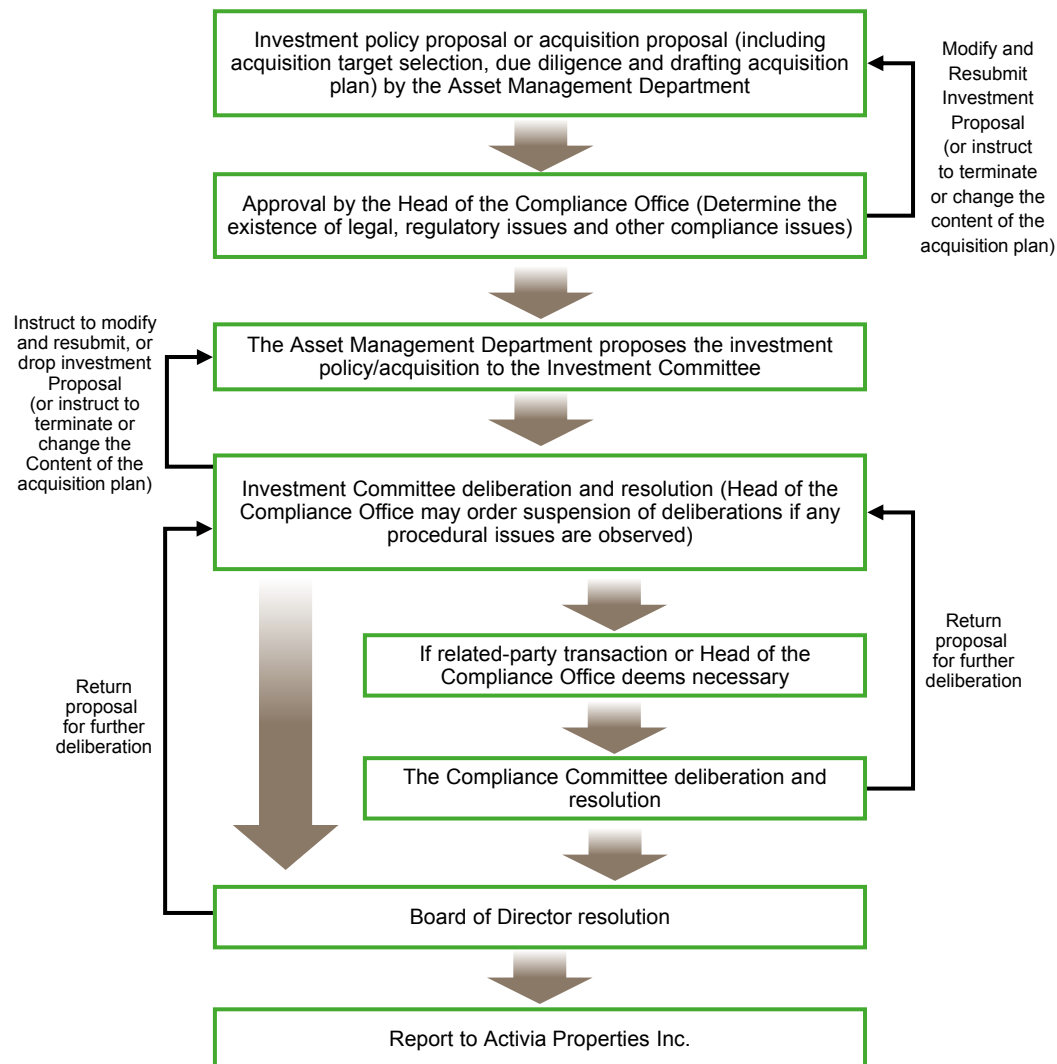
Asset Management Structure 1 -Investment/Compliance Committee-

Investment Committee			Compliance Committee		
Chairperson	Representative Director		Chairperson	Head of the Compliance Office	
Members	<div><div><ul style="list-style-type: none">● Representative Director● Directors (excluding Part-time Directors)● Head of the Asset Management Department● Head of the Fund Management Department</div><div><ul style="list-style-type: none">● Qualified real estate appraiser appointed by the Board of Directors (Note)● Head of the Compliance Office (who have no voting rights)</div></div>		Members	<div><div><ul style="list-style-type: none">● Head of the Compliance Office● Representative Director● Directors (excluding Part-time Directors)</div><div><ul style="list-style-type: none">● External experts versed in compliance who are appointed by the Board of Directors (lawyers or certified public accountants, among other experts)</div></div>	
Meetings	In principle, once in three months or more (meetings to be held as needed)		Meetings	In principle, once in three months or more (meetings to be held as needed)	
Quorum	In principle, all members need to be present. * If an Investment Committee meeting discusses proposals that do not involve discussions as to whether real estate prices are reasonable or not, as in (1), (3), (4), (5), (6), (7), and (8) below, a qualified real estate appraiser does not need to attend the meeting. * If a qualified real estate appraiser needs to attend an Investment Committee meeting, but is unable to do so, the real estate appraiser is deemed to have attended the meeting if the appraiser submits a written opinion (that must include an argument for or against the proposal; the same applies hereinafter) to the Investment Committee in advance.		Quorum	A meeting requires the presence of more than two thirds of the members with voting rights including at least the head of the Compliance Office and one external expert.	
Requirements for a resolution	A resolution shall be adopted through a unanimous vote by the members present. * Members having a special interest in the proposal cannot vote. * If the qualified real estate appraiser's written opinion includes an argument for the proposal, the appraiser is deemed to vote for the proposal.		Requirements for a resolution	A resolution shall be adopted on a two-thirds majority of the members present, including at least the head of the Compliance Office and one external expert. * Members having a special interest in the proposal cannot vote.	
Resolutions	<div><div><div>(1) Formulation and revision of basic investment policies on asset management</div><div>(2) Determination of the acquisition or disposal of assets and conditions for the acquisition or disposal, and change of the determination</div><div>(3) Formulation and revision of asset management plans</div><div>(4) Formulation and revision of basic policies on the management of assets</div><div>(5) Important decisions on the management of assets, and their changes</div></div><div><div>(6) Formulation and revision of basic policies on financing and dividends</div><div>(7) Decisions on financing and dividend policies, and their changes</div><div>(8) Resolutions related to related-party transactions (excluding transactions that do not need the prior approval of the Compliance Committee under the Related-Party Transactions Relations)</div><div>(9) Other important matters</div></div></div>		Resolutions (examples)	<div><div><div>(1) Resolutions related to related-party transactions (excluding transactions that do not need the prior approval of the Compliance Committee under the Related-Party Transactions Regulations)</div><div>(2) Deliberation and decisions on remedial or preventive actions against inappropriate behavior in terms of compliance</div></div><div><div>(3) Other important matters that the head of the Compliance Office has determined need to be discussed at a Compliance Committee meeting</div></div></div>	

Note: In an Investment Committee meeting about a transaction with a related party stipulated in the Related-Party Transactions Regulations, the qualified real estate appraiser shall not be the real estate appraiser that has prepared a real estate appraisal report on the transaction being considered, a real estate appraiser that is a related party, or a real estate appraiser employed by the related party. In an Investment Committee meeting about a transaction that is not a related-party transaction, the qualified real estate appraiser shall not be the real estate appraiser that has prepared a real estate appraisal report on the transaction being considered.

Asset Management Structure 2 -Related-Party Transactions-

Decision Making Process Chart for Investment Policy and Asset Acquisition



Related-Party Transactions

- We conduct transactions with related parties under the Related Party Transactions Regulations. The transactions include acquisitions, transfers, and the leasing of properties, outsourcing real estate management, outsourcing intermediary services for the trading and leasing of properties, placing orders for construction work, and financing.
- Transactions associated with investment management will follow the decision-making procedure as shown by the chart at left.
- In principle, API compares prices of transactions related to management with the market prices under the arms length rule in accordance with the Management Guidelines.

Scope of related parties

- Related parties set out in Article 201, Paragraph 1 of the Investment Trust and Investment Corporation Act, the parent juridical person, etc. set out in Article 31-4, Paragraph 3 of the Financial Instruments and Exchange Act, and the subsidiary juridical person, etc. set out in Article 31-4, Paragraph 4 of the same act
- Shareholders holding more than 5% of all the voting rights of the asset manager
- Special purpose companies that have outsourced asset management to the parties specified in item A) or B) above
- Officers of the Asset Manager
- Special purpose companies over 50% of the investments in which are accounted for by investments by parties specified in item A), B), or D) above (regardless of their voting right holding ratios), including special purpose companies assumed to be independent of its investors under Article 33, Paragraph 2 of the Cabinet Office Ordinance on the Financial Instruments Business
- Judicial persons more than 50% of whose voting rights are held by the Asset Manager, sponsors of the Asset Manager, and the officers of these parties
- Judicial persons with a board of directors or decision-making body similar to a board of directors in which the majority of members are officers and employees of the Asset Manager and its sponsors

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This document is not a disclosure document or statement of financial performance required by the Financial Instruments and Exchange Act, the Act Concerning Investment Trusts and Investment Corporations of Japan, the rules governing companies listed on the Tokyo Stock Exchange or any other applicable rules.

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