

Financial Report for the Fiscal Period Ended November 30, 2012 (June 1, 2012 - November 30, 2012)

Activia Properties Inc.

Listing: Tokyo Stock Exchange
 Securities code: 3279
 URL: <http://www.activia-reit.co.jp/en/>
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 Supplementary material on financial report: Yes
 Financial report presentation meeting: Yes (for institutional investors and analysts)

(Amounts truncated to the nearest million yen)

1. Summary of financial results for the fiscal period ended November 30, 2012 (June 1, 2012 - November 30, 2012)

(1) Operating results (Percentages show changes from the corresponding amounts for the previous period.)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended November 30, 2012	5,194	-	3,498	-	2,923	-	2,922	-
Fiscal period ended May 31, 2012	-	-	(7)	-	(60)	-	(61)	-

	Net income per unit	Return on unitholders' equity (ROE)	Ordinary income to total assets	Ordinary income to operating revenues
	Yen	%	%	%
Fiscal period ended November 30, 2012	15,153 [14,244]	6.2	3.2	56.3
Fiscal period ended May 31, 2012	(152,542)	(36.0)	(35.5)	-

(Note 1) Although the calculation period of the Investment Corporation for the fiscal period ended November 30, 2012 consists of 183 days (from June 1, 2012 to November 30, 2012), the actual period for asset management is comprised of 171 days (from June 13, 2012 to November 30, 2012).

(Note 2) Net income per unit is calculated by dividing net income by the day-weighted average number of investment units (192,831 units and 400 units for the fiscal periods ended November 30, 2012 and May 31, 2012, respectively). For the fiscal period ended November 30, 2012, net income per unit which is calculated based on day-weighted average number of investment units (205,141 units) assuming that the fiscal period started on June 13, 2012, the actual start date of asset management, is also provided in square brackets.

(Note 3) Percentages for operating revenues, operating income, ordinary income and net income show changes from the corresponding amounts for the previous period. However, no percentages are shown for the fiscal period ended May 31, 2012 since it is our first fiscal period.

(Note 4) For the calculation of return on unitholders' equity (ROE) and ordinary income to total assets, total net assets and total assets were respectively used, calculated in each case as the average of the amounts at the beginning of the fiscal period and at the end of the fiscal period.

(2) Cash distributions

	Cash distributions per unit (excluding excess of earnings)	Total distributions	Cash distributions in excess of earnings per unit	Total distributions in excess of earnings	Payout ratio	Distribution ratio to unitholders' equity
	Yen	Millions of yen	Yen	Millions of yen	%	%
Fiscal period ended November 30, 2012	13,938	2,860	0	0	97.9	3.5
Fiscal period ended May 31, 2012	0	0	0	0	–	–

(Note 1) The cash distributions per unit for the fiscal period ended November 30, 2012 were calculated by dividing the unappropriated retained earnings for the fiscal period ended November 30, 2012 less the undisposed loss for the fiscal period ended May 31, 2012 (¥61 million) by the number of units issued. The difference between cash distributions per unit and net income per unit is mainly due to the said calculation.

(Note 2) Due to the issuance of new investment units, the payout ratio is calculated based on the following formula, rounding to the nearest tenth. Payout ratio = Total distributions (excluding cash distribution in excess of earnings) / Net income x 100

(3) Financial position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
	Millions of yen	Millions of yen	%	Yen
As of November 30, 2012	180,066	94,234	52.3	459,095
As of May 31, 2012	142	138	97.6	347,457

(Reference) Unitholders' equity

As of November 30, 2012:

¥94,234 million

As of May 31, 2012:

¥138 million

(4) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended November 30, 2012	2,722	(163,837)	167,622	6,634
Fiscal period ended May 31, 2012	(62)	(9)	200	127

2. Forecasts of results for the fiscal period from December 1, 2012 to May 31, 2013

(Percentages show changes from the corresponding amounts for the previous period.)

	Operating revenues		Operating income		Ordinary income		Net income		Cash distributions per unit (excluding excess of earnings)	Cash distributions in excess of earnings per unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Fiscal period ending May 31, 2013	5,572	7.3	3,707	6.0	3,328	13.9	3,327	13.9	16,212	0

(Reference) Forecasted net income per unit

For the fiscal period ending May 31, 2013:

¥16,212

3. Other

(1) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

- a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
- b. Changes in accounting policies due to other reasons: None
- c. Changes in accounting estimates: None
- d. Restatement of prior period financial statements after error corrections: None

(2) Number of units issued

- a. Total number of units issued at end of period (including treasury units)

As of November 30, 2012	205,262 units
As of May 31, 2012	400 units
- b. Number of treasury units at end of period

As of November 30, 2012	– units
As of May 31, 2012	– units

(Note) Please refer to “Notes to Per Unit Information” on page 29 for the number of investment units used as the basis for calculating net income per unit.

* Status of audit procedures

As of the time of this financial report, audit procedures for the financial statements pursuant to the Financial Instruments and Exchange Act of Japan are incomplete.

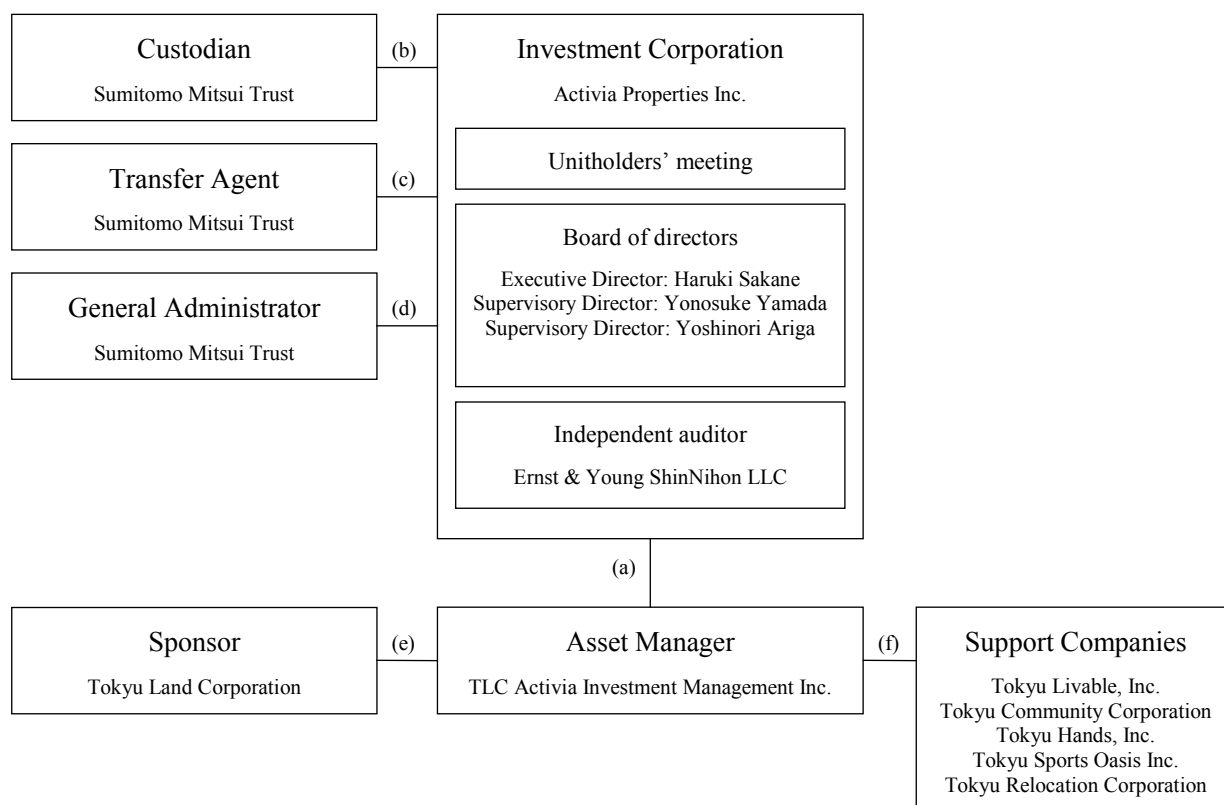
* Appropriate use of forecasts of results and other special items

Forward-looking statements presented in this financial report including forecasts of results are based on information currently available to us and on certain assumptions we deem to be reasonable. As such, actual operating and other results may differ materially from these forecasts due to a number of factors. Furthermore, these forecasts are in no way a guarantee of any distribution amount. Please refer to “Assumptions for Forecasts of Investment Performance for the Fiscal Period from December 1, 2012 to May 31, 2013 and the Fiscal Period from June 1, 2013 to November 30, 2013” on pages 10 and 11 for information on assumptions for the forecasts.

This English version is a translation of the original Japanese document and is only for reference purposes. In the case where any differences occur between the English version and the original Japanese version, the Japanese version will prevail.

1. The Investment Corporation and Related Corporations

The management structure of the Investment Corporation as of November 30, 2012 is as illustrated below.



- (a) Asset management agreement
- (b) Asset custody agreement
- (c) Transfer agency agreement
- (d) General administration agreement
- (e) Sponsor support agreement, outsourcing agreement (Note)
- (f) Affiliate support agreements

(Note) TLC Activia Investment Management Inc. (hereinafter referred to as the “Asset Management Company”), the asset management company of the Investment Corporation, and Tokyu Land Corporation, the sponsor of the Investment Corporation, entered into a outsourcing agreement as of September 27, 2012.

2. Asset Management Policies and Status

(1) Asset Management Policies

As there have been no significant changes in policies described in “Investment Policy,” “Investment Properties” and “Distribution Policy” in the latest Security Report (filed on August 28, 2012; prepared in only Japanese), the disclosure is omitted.

(2) Asset Management Status

i) Summary of Results for the Current Fiscal Period

(A) Transition of Investment Corporation

Activia Properties Inc. (hereinafter referred to as the “Investment Corporation”) was established on September 7, 2011, with unitholders’ capital of 200 million yen (400 units) and TLC Township Inc. (currently TLC Activia Investment Management Inc.) as the organizer under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including subsequent revisions, hereinafter referred to as the “Investment Trust Act”), and completed its registration in the Kanto Local Finance Bureau on September 20, 2011 (Director-General of the Kanto Local Finance Bureau No. 73).

After that, the Investment Corporation issued additional investment units (204,100 units) through a public offering on June 13, 2012, and was listed on the real estate investment trust securities market of Tokyo Stock Exchange, Inc. (hereinafter referred to as the “Tokyo Stock Exchange”) (Securities code 3279). In addition, new investment units (762 units) were issued by private placement on July 10, 2012.

“Activia” of “Activia Properties,” the name of the Investment Corporation, has been coined from the words “activate” and “ia,” a suffix meaning “place.” By investing in and managing real estate appropriate to its name, the Investment Corporation seeks to become an entity capable of broadly energizing society. The Investment Corporation will also select real estate capable of sustaining customer demand as a location for both corporate activities and urban recreation in popular areas, with the aim of maximizing the medium- and long-term value of investors, supported by its proactive management (management to improve the circumstances by taking initiatives and acting for the future).

In the fiscal period under review, which ended on November 30, 2012, the Investment Corporation acquired 18 properties on June 13, 2012 and commenced substantive investment operations. Consequently, the Investment Corporation held 18 properties (with the total acquisition cost of ¥170,370 million) at the end of the fiscal period under review.

(B) Investment environment in the fiscal period under review

In the fiscal period under review, the Japanese economy showed a modest recovery thanks largely to demand from reconstruction projects after the Great East Japan Earthquake, but the outlook still remained uncertain because of the decelerating global economy stemming from the impact of the financial crisis in Europe on emerging countries, etc., the strong yen, the prolonged deflation, and other factors.

In retail properties, personal consumption remained steady. However, short-term consumer confidence was weak as the Monthly Consumer Confidence Survey for November 2012 released by the Economic and Social Research Institute, Cabinet Office, Government of Japan indicated that the consumer confidence index representing consumer sentiment declined for the third consecutive month. In the rental office market, although the data published by Miki Shoji Co., Ltd. showed the average vacancy rate of five central Tokyo wards (Chiyoda-ku, Minato-ku, Chuo-ku, Shibuya-ku and Shinjuku-ku) as of November 30, 2012 stood at 8.76%, down from 9.43% in June 2012, due partly to a slowdown in the vast supply of large office buildings, rents continued to edge down owing to the high vacancy rates. In the real estate trading market, some looking to an improvement in the rental office market began to make moves, backed by the favorable financing environment. Under the situation, aggressive investments were made mainly in J-REIT. While trading of medium and small properties was noticeable in major cities in Japan where high returns were expected, trading of large high-quality properties remained limited.

(C) Investment Performance

The Investment Corporation acquired real estate trust beneficiary rights on June 13, 2012, to 18

properties (with the total acquisition cost of ¥170,370 million) as trust assets with proceeds from the issuance of new investments units by public offerings (public placement) and borrowings in accordance with the basic asset management policy set forth in the Articles of Incorporation, and commenced investment operations.

Consequently, total assets held by the Investment Corporation at the end of the fiscal period under review were 18 properties (with the total acquisition cost of ¥170,370 million) with the total rentable area of 196,296m² (59,379 *tsubo*).

The trend of monthly average occupancy rate during the fiscal period under review is as follows:

	June 30, 2012	July 31, 2012	August 31, 2012	September 30, 2012	October 31, 2012	November 30, 2012
Urban Retail Properties	99.8%	99.6%	99.5%	99.6%	99.6%	99.5%
Tokyo Office Properties	93.7%	93.7%	93.8%	94.9%	97.4%	97.4%
Other Properties	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total	98.7%	98.7%	98.7%	98.9%	99.4%	99.4%

The transition of the monthly average rent (Note) of the fiscal period under review is as follows:

	Urban Retail Properties	Tokyo Office Properties	Other Properties	Total
As of June 30, 2012	¥26,047/ <i>tsubo</i>	¥20,261/ <i>tsubo</i>	¥6,541/ <i>tsubo</i>	¥14,721/ <i>tsubo</i>
As of November 30, 2012	¥25,973/ <i>tsubo</i>	¥20,011/ <i>tsubo</i>	¥6,541/ <i>tsubo</i>	¥14,683/ <i>tsubo</i>
Difference [ratio]	¥(74) [(0.3)%]	¥(250) [(1.2)%]	–	¥(38) [(0.3)%]

(Note) Limited to rent for rooms including common service fees and excluding usage fees for warehouses, signboards, parking lots, etc. regardless of whether the rent was free as of June 30, 2012 and November 30, 2012.

(D) Overview of Financing

The Investment Corporation issued additional investment units (204,100 units) through a public offering on June 13, 2012, and was listed on the real estate investment trust securities market of Tokyo Stock Exchange (Securities code 3279). In addition, new investment units (762 units) were issued by private placement on July 10, 2012. As a result, unitholders' capital amounted to ¥91,373 million, and the number of investment units issued came to 205,262 units as of the end of the fiscal period under review.

In order to cover the acquisition costs for real estate trust beneficiary rights to 18 properties and related costs, funds of ¥77,000 million was borrowed on June 13, 2012, resulting in the borrowing of ¥77,000 million as of the end of the fiscal period under review. Consequently, the ratio of interest-bearing debt to total assets (LTV = Balance of aggregate principal amount of interest-bearing debt / Total assets x 100) was 42.8% as of the end of the fiscal period under review.

The credit rating the Investment Corporation has obtained as of the end of the fiscal period under review is as follows:

Rating Agency	Rating	Forecast
Japan Credit Rating Agency (JCR)	Long-term borrowings: AA-	Stable

(E) Overview of Financial Results and Distributions in the Fiscal Period Under Review

As a result of the above-mentioned investments, operating revenue, operating income, ordinary income and net income came to ¥5,194 million, ¥3,498 million, ¥2,923 million and ¥2,922 million, respectively, for the fiscal period under review.

In accordance with the distribution policy set forth by the Investment Corporation (Article 35 of the Articles of Incorporation), it was decided that the all amount of unappropriated retained earnings would be distributed except a fraction of less than ¥1 of distributions per investment unit, with the aim that as greatest as possible distributions of profits would be included in tax deductible expenses under Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, including subsequent revisions, hereinafter referred to as the “Special Taxation Measures Act”). Consequently, distributions per investment unit came to ¥13,938.

ii) Outlook for the Next Fiscal Period

(A) Investment Environment for the Next Fiscal Period

As the world economy is steadily getting away from the sluggish situation, Japan’s economy is expected to make a gradual recovery, supported by demand from post-quake reconstruction projects. At the same time, there is high uncertainty in the external economy including Europe and China, and risks that may put downward pressure on the domestic business activities such as further downturn in the global economy and fluctuations of financial and capital markets. Thus, attention should also be paid to the outlook of employment and income situations, influences of deflation, etc.

In circumstances surrounding retail properties, despite firm domestic demand, there is concern that personal consumption will weaken in anticipation of a hike in consumption tax. In the rental office market, a rise in vacancy rates along with the vast supply of large office buildings in central Tokyo has already peaked, while the level of rents remains low but the falling pace slowed, indicating that rents have bottomed. Therefore, the market is expected to get on a mild recovery track.

Furthermore, the revision of the Investment Trust Act will be of systemic help to the J-REIT market in the diversified funding for J-REIT, etc.

(B) Investment Policy and Challenges to be Addressed in the Next Fiscal Period

a. Basic Policy

The Investment Corporation’s basic policies are to invest in assets, with targeted investments in Urban Retail and Tokyo Office properties; utilize the Tokyu Land Group’s value chain based on the comprehensive support system; and a governance structure that maximizes investor value.

b. External Growth Strategy

The Investment Corporation will invest in Urban Retail and Tokyo Office properties in a targeted manner. It will make its investment decisions carefully, concentrating on selecting properties in excellent locations, including surrounding areas, and thoroughly considering individual factors such as use, size, quality, specifications, and tenants in order to construct a competitive portfolio in the medium and long term.

To acquire these competitive assets on an ongoing basis, the Investment Corporation will work to maintain and improve the quality of its portfolio and will seek to expand the size of its assets. It will do this by investing in assets it carefully selects based on the information it receives under its sponsor support agreement with Tokyu Land Corporation and its support agreement with five subsidiaries in the Tokyu Land Group. It will also acquire properties through the unique know-how and information-gathering network of the Asset Management Company.

The Investment Corporation was listed on the real estate investment trust securities market of the Tokyo Stock Exchange on June 13, 2012, and acquired 18 properties (with an acquisition cost of ¥170,370 million) from Tokyu Land Corporation and the Tokyu Land Group on the same day.

The properties acquired include Tokyu Plaza Omotesando Harajuku as the flagship property, which was developed by the Tokyu Land Group and will become a new landmark in the Omotesando and Harajuku area. With this as a typical example, it will continue to work to acquire properties that have a competitive advantage.

c. Internal Growth Strategy

The Investment Corporation will operate, manage, and refurbish, etc. its portfolio to maintain and improve the competitiveness of its facilities through a comprehensive understanding of the features of its overall portfolio and its individual assets under management, based on the unique expertise of its Asset Management Company. The Investment Corporation will also seek to soundly manage its portfolio and strengthen its earnings power by creating appropriate operational and management systems tailored to the specific characteristics of the assets it has invested in, and through regular and one-time inspections by the property management company, which has considerable experience in the operation and management of real estate.

The Investment Corporation will also maintain and improve the value of its assets through its expertise in organic growth through operating and managing properties. It will maximize the competitiveness of its assets through the ongoing assistance of Tokyu Land Corporation and other support companies, which, through their face-to-face business with consumers, have a wealth of information regarding consumer needs and developments in industries such as retail and services.

With respect to the property management business for the assets initially acquired, leasing support has been provided from Tokyu Land Corporation and Tokyu Land SC Management Corporation.

d. Financial Strategy

Having the sound financial strategy in an effort to conservatively control LTV as well as make stable long-term loans and stagger maturities (staggering repayment dates), the Investment Corporation will strive to build stable financial ground with steady bank formation based on good relationships with main banks.

In addition, with an aim of achieving long-term and stable growth, the Investment Corporation will flexibly issue new investment units while paying appropriate attention to dilution of investment units.

(C) Significant Matters after the Book Closing

Not applicable

(D) Outlook of Investment Performance

For the fiscal period ending May 31, 2013 (3rd fiscal period: from December 1, 2012 to May 31, 2013), investment performance is estimated as follows. For the assumptions used for the estimation of investment performance, please refer to “Assumptions for Forecasts of Investment Performance for the Fiscal Period from December 1, 2012 to May 31, 2013 and the Fiscal Period from June 1, 2013 to November 30, 2013” on pages 10 and 11.

Operating revenues	¥5,572 million
Operating income	¥3,707 million
Ordinary income	¥3,328 million
Net income	¥3,327 million
Cash distribution per unit	¥16,212
Cash distribution in excess of earnings per unit	¥0

If it is assumed that there are no changes in “Assumptions for Forecasts of Investment Performance for the Fiscal Period from December 1, 2012 to May 31, 2013 and the Fiscal Period from June 1, 2013 to November 30, 2013,” the outlook of investment performance for the fiscal period ending November 30, 2013 (4th fiscal period: from June 1, 2013 to November 30, 2013) is estimated as follows.

Operating revenues	¥5,564 million
Operating income	¥3,327 million
Ordinary income	¥2,905 million
Net income	¥2,904 million
Cash distribution per unit	¥14,151
Cash distribution in excess of earnings per unit	¥0

(Note) The above estimation is determined based on certain assumptions at the time of preparing the financial statements. Due to changes in the circumstances surrounding the Investment Corporation including acquisition or sale of properties, the trend of real estate market, etc. in the future, actual operating revenue, operating income, ordinary income, net income and cash distribution per unit may change. Furthermore, this estimation does not guarantee the amount of distributions.

Assumptions for Forecasts of Investment Performance for the Fiscal Period from December 1, 2012 to May 31, 2013 and the Fiscal Period from June 1, 2013 to November 30, 2013

Item	Assumptions
Period	<ul style="list-style-type: none"> • 3rd fiscal period (December 1, 2012 to May 31, 2013) (182 days) • 4th fiscal period (June 1, 2013 to November 30, 2013) (183 days)
Investment portfolio	<ul style="list-style-type: none"> • We assume that there will be no material changes to the composition of our investment portfolio, including acquisition of properties or sale of properties, associated with the 18 properties for which we hold the trust beneficiary interests (the “Assets Currently Held”) as of November 30, 2012, before the end of the 4th fiscal period (November 30, 2013). • Our forecasts, however, may change due to any changes to the composition of our investment portfolio.
Operating revenues	<ul style="list-style-type: none"> • We have calculated our revenues related to rent business from the Assets Currently Held taking into account the relevant lease agreements effective as of the date of this financial report, market trends, etc. • Operating revenues are based on our assumption that there will be no delinquencies or non-payment of rents by tenants.
Operating expenses	<ul style="list-style-type: none"> • Expenses related to rent business (other than depreciation), which are our principal operating expenses, were calculated based on the historical information and upon considering variable factors. • In general, property tax and city planning tax of properties acquired are settled at the time of acquisition between the former owner (seller) and the purchaser based on their respective periods of ownership in relation to the relevant tax year. However, any of these taxes allocated to the purchaser are not expensed at the time of acquisition because they are treated as a part of the acquisition cost for accounting purposes. For property tax, city planning tax, etc., ¥11 million and ¥430 million for the Assets Currently Held will be expensed in the fiscal period ending May 31, 2013 (3rd fiscal period) and in the fiscal period ending November 30, 2013 (4th fiscal period), respectively. • Repair and maintenance expenses of buildings are estimated at the amount required for each of the fiscal periods based on the medium- and long-term repair and maintenance plans formed by the Asset Management Company. However, the actual repair and maintenance expenses for the fiscal periods may significantly differ from the estimates since (i) an unforeseeable event may cause serious damage to a building requiring emergent repair expenditure, (ii) in general, amounts vary according to the fiscal period, and (iii) certain types of repair and maintenance expenses are not required in every fiscal period. • We calculate depreciation expenses (including incidental expenses) by the straight-line method, assuming ¥454 million and ¥457 million for the 3rd fiscal period ending May 31, 2013 and the 4th fiscal period ending November 30, 2013, respectively.
Non-operating expenses	<ul style="list-style-type: none"> • For non-operating expenses, we expect interest and other borrowing-related expenses of ¥385 million and ¥426 million for the 3rd fiscal period ending May 31, 2013 and the 4th fiscal period ending November 30, 2013, respectively.

Item	Assumptions
Borrowings	<ul style="list-style-type: none"> • As of the date of this financial report, we have a balance of ¥77,000 million in loans. We assume that there will be no change to the loan balance before the end of the 4th fiscal period (November 30, 2013). • The LTV ratios as of May 31, 2013 and November 30, 2013 are both projected to be approximately 43%. • The LTV ratio is obtained by the following formula: $\text{LTV} = \frac{\text{Balance of aggregate principal amount of interest-bearing debt}}{\text{Total assets}} \times 100$
Units	<ul style="list-style-type: none"> • The number is based on our assumption of 205,262 units issued as of the date of this financial report. We assume that there will be no additional issuance of new units before the end of the 4th fiscal period (November 30, 2013). • The cash distributions per unit for the 3rd fiscal period ending May 31, 2013 and the 4th fiscal period ending November 30, 2013 have been calculated in accordance with the projected number of units issued as of the end of each of the fiscal periods, which are 205,262 units.
Cash distributions per unit	<ul style="list-style-type: none"> • Cash distributions (cash distributions per unit) are calculated based on the cash distribution policy stipulated in our Articles of Incorporation. • The cash distributions per unit may change due to various factors, including changes to the composition of our investment portfolio, changes in rental revenues accompanying changes in tenants, etc., and unexpected maintenance and repairs.
Cash distributions in excess of earnings per unit	<ul style="list-style-type: none"> • We do not currently anticipate cash distributions in excess of our distributable profit (cash distributions in excess of earnings per unit).
Other	<ul style="list-style-type: none"> • We assume that there will be no amendments in legislation, taxation, accounting standards, listing regulations or regulations of the Investment Trusts Association of Japan that affect the above forecasts. • We assume that there will be no material changes in general economic conditions or real estate markets.

3. Financial Statements

(1) Balance Sheets

	(Unit: Thousands of yen)	
	As of May 31, 2012	As of November 30, 2012
Assets		
Current assets		
Cash and deposits	127,194	5,586,163
Cash and deposits in trust	–	1,048,439
Operating accounts receivable	–	156,242
Prepaid expenses	1,050	110,647
Deferred tax assets	–	26
Consumption taxes receivable	–	1,446,329
Advances paid	4,200	–
Other	2	–
Total current assets	132,447	8,347,848
Noncurrent assets		
Property, plant and equipment		
Buildings in trust	–	30,445,044
Accumulated depreciation	–	(428,592)
Buildings 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	9,917	9,930
Total investments and other assets	9,917	296,160
Total noncurrent assets	9,917	171,718,909
Total assets	142,365	180,066,757

(Unit: Thousands of yen)

	As of May 31, 2012	As of November 30, 2012
Liabilities		
Current liabilities		
Operating accounts payable	–	287,850
Short-term loans payable	–	17,000,000
Accounts payable-other	–	304,544
Accrued expenses	2,547	424,963
Income taxes payable	188	834
Advances received	–	102,941
Deposits received	645	21,873
Other	–	21
Total current liabilities	3,382	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	3,382	85,831,897
Net assets		
Unitholders' equity		
Unitholders' capital	200,000	91,373,833
Surplus		
Unappropriated retained earnings (undisposed loss)	(61,017)	2,861,026
Total surplus	(61,017)	2,861,026
Total unitholders' equity	138,982	94,234,859
Total net assets	*1 138,982	*1 94,234,859
Total liabilities and net assets	142,365	180,066,757

(2) Statements of Income

	(Unit: Thousands of yen)			
	Previous fiscal period (From September 7, 2011 to May 31, 2012)		Current fiscal period (From June 1, 2012 to November 30, 2012)	
Operating revenue				
Rent revenue-real estate	*1, *2	–	*1, *2	4,889,315
Other lease business revenue	*1, *2	–	*1, *2	305,296
Total operating revenue		–		5,194,612
Operating expenses				
Expenses related to rent business	*1, *2	–	*1, *2	1,278,245
Asset management fee		–		380,548
Asset custody fee		836		4,360
Administrative service fees		1,670		4,476
Directors' compensations		1,620		3,300
Other operating expenses		3,090		25,650
Total operating expenses		7,217		1,696,580
Operating income (loss)		(7,217)		3,498,031
Non-operating income				
Interest income		24		128
Interest on securities		12		1,410
Total non-operating income		36		1,539
Non-operating expenses				
Interest expenses		–		287,063
initial expenses		53,642		–
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		53,642		576,413
Ordinary income (loss)		(60,823)		2,923,157
Income (loss) before income taxes		(60,823)		2,923,157
Income taxes-current		193		1,139
Income taxes-deferred		–		(26)
Total income taxes		193		1,113
Net income (loss)		(61,017)		2,922,043
Retained earnings (deficit) brought forward		–		(61,017)
Unappropriated retained earnings (undisposed loss)		(61,017)		2,861,026

(3) Statements of Unitholders' Equity

(Unit: Thousands of yen)

	Previous fiscal period (From September 7, 2011 to May 31, 2012)	Current fiscal period (From June 1, 2012 to November 30, 2012)
Unitholders' equity		
Unitholders' capital		
Balance at the beginning of current period	–	200,000
Changes of items during the period		
Issuance of new investment units	200,000	91,173,833
Total changes of items during the period	200,000	91,173,833
Balance at the end of current period	*1 200,000	*1 91,373,833
Surplus		
Unappropriated retained earnings (undisposed loss)		
Balance at the beginning of current period	–	(61,017)
Changes of items during the period		
Net income (loss)	(61,017)	2,922,043
Total changes of items during the period	(61,017)	2,922,043
Balance at the end of current period	(61,017)	2,861,026
Total surplus		
Balance at the beginning of current period	–	(61,017)
Changes of items during the period		
Net income (loss)	(61,017)	2,922,043
Total changes of items during the period	(61,017)	2,922,043
Balance at the end of current period	(61,017)	2,861,026
Total unitholders' equity		
Balance at the beginning of current period	–	138,982
Changes of items during the period		
Issuance of new investment units	200,000	91,173,833
Net income (loss)	(61,017)	2,922,043
Total changes of items during the period	138,982	94,095,877
Balance at the end of current period	138,982	94,234,859
Total net assets		
Balance at the beginning of current period	–	138,982
Changes of items during the period		
Issuance of new investment units	200,000	91,173,833
Net income (loss)	(61,017)	2,922,043
Total changes of items during the period	138,982	94,095,877
Balance at the end of current period	138,982	94,234,859

(4) Statements of Cash Distributions

	Previous fiscal period (From September 7, 2011 to May 31, 2012)	Current fiscal period (From June 1, 2012 to November 30, 2012)
	Amount	Amount
I Unappropriated retained earnings (undisposed loss)	¥(61,017,145)	¥2,861,026,757
II Distributions [Cash Distribution per unit]	– [–]	¥2,860,941,756 [¥13,938]
III Earnings (loss) carried forward	¥(61,017,145)	¥85,001

Calculation method for distributions	Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of the Investment Corporation, distributions shall be limited to the amount of profit in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. In consideration of this policy, the Investment Corporation did not pay distributions for the fiscal period under review, as there were no profits. Undisposed loss will be carried forward to the next fiscal period.	Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of the Investment Corporation, distributions shall be limited to the amount of profit in excess of an amount equivalent to ninety hundredths (90/100) of distributable profits, as stipulated in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation. In consideration of this policy, we will pay distributions at the total amount of ¥2,860,941,756, which is the amount that does not exceed the unappropriated retained earnings and is the greatest value among integral multiples of 205,262, which is the number of investment units issued; provided, however, that we will not pay the portion of amount that exceeds the profit defined in Article 35, Paragraph 2 of the Articles of Incorporation of the Investment Corporation.
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(5) Statements of Cash Flows

	(Unit: Thousands of yen)	
	Previous fiscal period (From September 7, 2011 to May 31, 2012)	Current fiscal period (From June 1, 2012 to November 30, 2012)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes	(60,823)	2,923,157
Depreciation and amortization	-	452,298
Loss on retirement of noncurrent assets	-	5,230
Interest income and interest on securities	(36)	(1,539)
Interest expenses	-	287,063
Investment unit issuance expenses	-	129,644
Borrowing related expenses	-	58,603
Decrease (increase) in operating accounts receivable	-	(156,242)
Decrease (increase) in consumption taxes refund receivable	-	(1,446,329)
Decrease (increase) in prepaid expenses	(1,050)	(19,726)
Decrease (increase) in advances paid	(4,200)	4,200
Increase (decrease) in operating accounts payable	-	238,935
Increase (decrease) in accrued expenses	2,547	420,735
Increase (decrease) in advances received	-	102,941
Decrease (increase) in long-term prepaid expenses	-	(13,204)
Other, net	645	21,290
Subtotal	(62,917)	3,007,057
Interest income received	21	1,529
Interest expenses paid	-	(285,382)
Income taxes paid	(4)	(494)
Net cash provided by (used in) operating activities	(62,899)	2,722,709
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment in trust	-	(167,259,077)
Purchase of investment securities	(9,905)	-
Purchase of intangible assets	-	(2,582)
Purchase of intangible assets in trust	-	(4,265,157)
Repayments of tenant leasehold and security deposits	-	(23,086)
Proceeds from tenant leasehold and security deposits	-	7,711,913
Net cash provided by (used in) investing activities	(9,905)	(163,837,990)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	-	17,000,000
Proceeds from long-term loans payable	-	59,578,500
Proceeds from issuance of investment units	200,000	91,044,188
Net cash provided by (used in) financing activities	200,000	167,622,688
Net increase (decrease) in cash and cash equivalents	127,194	6,507,407
Cash and cash equivalents at beginning of period	-	127,194
Cash and cash equivalents at end of period	*1 127,194	*1 6,634,602

(6) Notes on Assumption of Going Concern

Not applicable

(7) Notes on Important Accounting Policies

1. Valuation standards and accounting methods for securities	Held-to-maturity bonds The amortized cost method (straight-line method) is used.
2. Method of depreciation of noncurrent assets	(1) Property, plant, and equipment (including trust assets) The straight-line method is used. The useful lives of major property, plant and equipment are listed below. Buildings 2 to 64 years Structures 2 to 60 years Machinery and equipment 2 to 32 years Tools, furniture, and fixtures 3 to 8 years (2) Intangible assets Internal use software is amortized by the straight-line method over the expected useful life (5 years). (3) Long-term prepaid expenses The straight-line method is used.
3. Accounting method for deferred assets	Investment unit issuance expenses The full amount is recorded as expenses at the time of expenditure.
4. Accounting standards for income and expenses	Property-related taxes For property tax, city planning tax, depreciation asset tax for real properties held, the amount of tax levied corresponding to the calculation period is recorded as expenses related to rent business. The settlement money for property tax that is paid to the transferor for acquisition of real properties (so-called "amount equivalent to property tax") is not recorded as expenses related to rent business but included in the acquisition costs for the related properties. The amount equivalent to property tax included in acquisition cost for properties for the current fiscal period is ¥456,323 thousand.
5. Scope of cash (cash and cash equivalents) in the statements of cash flows	Cash and cash equivalents include cash on hand, cash in trust, demand deposits, deposits in trust, and highly liquid short-term investments that are readily convertible, bear little risk in price fluctuations, and mature within three months of the date of acquisition.
6. Other important matters related to the preparation of financial statements	(1) Accounting method for trust beneficiary right with real estate, etc. as trust asset With regard to trust beneficiary right with real estate, etc. in holding as trust asset, all assets and liabilities as well as all revenue and expense items associated with all trust assets are accounted for under the respective account items of the Balance Sheets and Statements of Income. Of the trust assets accounted for under the respective account items, the following items with significance are separately indicated on the Balance Sheets. i) Cash and deposits in trust ii) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; and leasehold rights in trust

	iii) Tenant leasehold and security deposits in trust (2) Accounting method for consumption tax and local consumption tax Consumption tax and local consumption tax are accounted for by the tax-exclusion method. Consumption taxes unqualified for deduction for tax purposes for noncurrent assets, etc. are included in acquisition cost for each asset.
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(8) Notes to Financial Statements

Notes to Balance Sheets

*1. Minimum Net Assets Stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

	As of May 31, 2012	As of November 30, 2012
	¥50,000 thousand	¥50,000 thousand

2. Commitment Line Contracts

The Investment Corporation has the commitment line contracts with one bank with which we have transaction.

	As of May 31, 2012	As of November 30, 2012
Total amount specified in the commitment line contracts	-	¥10,000,000 thousand
Loan balance	-	-
Net balance	-	¥10,000,000 thousand

Notes to Statements of Income

*1. Breakdown of Income (Loss) from Real Estate Leasing Business

		(Unit: Thousands of yen)	
		Previous fiscal period (From September 7, 2011 to May 31, 2012)	Current fiscal period (From June 1, 2012 to November 30, 2012)
A.	Real estate leasing business revenues		
	Rent revenue—real estate		
	Rent	—	4,449,798
	Common service fees	—	325,961
	Parking lots fees	—	77,849
	Other rent revenue	—	35,705
	Other rent business revenue	—	4,889,315
	Total real estate leasing business revenues	—	305,296
B.	Real estate leasing business expenses		
	Expenses related to rent business		
	Management operation expenses	—	343,672
	Utilities expenses	—	272,691
	Insurance	—	4,306
	Repair and maintenance expenses	—	108,170
	Depreciation	—	452,047
	Loss on retirement of noncurrent assets	—	5,230
	Other expenses related to rent business	—	92,126
	Total real estate leasing business expenses	—	1,278,245
C.	Income (loss) from real estate leasing business (A – B)	—	3,916,367

*2. Transactions with Major Unitholders

		(Unit: Thousands of yen)	
		Previous fiscal period (From September 7, 2011 to May 31, 2012)	Current fiscal period (From June 1, 2012 to November 30, 2012)
Operating transactions			
	Rent revenue—real estate	—	4,191,200
	Other lease business revenue	—	273,876
	Expenses related to rent business	—	218,363

Notes to Statements of Unitholders' Equity

	Previous fiscal period (From September 7, 2011 to May 31, 2012)	Current fiscal period (From June 1, 2012 to November 30, 2012)
*1. Total number of authorized investment units and total number of investment units issued		
Total number of authorized investment units	2,000,000 units	2,000,000 units
Total number of investment units issued	400 units	205,262 units

Notes to Statements of Cash Flows

*1. Reconciliation between Cash and Cash Equivalents at End of Period and the Amount on the Balance Sheets

	As of May 31, 2012	As of November 30, 2012
Cash and deposits	¥127,194 thousand	¥5,586,163 thousand
Cash and deposits in trust	–	¥1,048,439 thousand
Cash and cash equivalents	¥127,194 thousand	¥6,634,602 thousand

Notes on Financial Instruments

1. Matters Regarding Financial Instruments

(1) Policy for Financial Instruments

The Investment Corporation raises funds by borrowing, issuing investment corporation bonds, or issuing investment units for the purpose of acquiring real estate-related assets and repaying interest-bearing debt.

When raising funds, the Investment Corporation aims to sustain stable fund-raising capability for a long time at low cost by enhancing its capital adequacy and maintaining conservative interest-bearing debt, looking for attributes such as extended borrowing periods for interest-bearing debt, fixed interest rates, and diversified due dates to ensure financial stability and avoid the risk of interest-rate hikes.

We also invest temporary excess funds in deposits in general, taking safety and liquidity, etc. into account and carefully considering the interest-rate environment and our cash management.

We may carry out derivatives transactions for the purpose of hedging the interest-rate risk of borrowings and other risks, but do not engage in speculative transactions.

(2) Content and Risks of Financial Instruments and Risk Management System

As the excess funds of the Investment Corporation are invested in deposits, they are exposed to credit risks such as the insolvency of the financial institutions in which the excess funds are deposited. However, we deposit excess funds carefully by limiting the period of deposits to the short term, taking safety and liquidity, etc. into account and carefully considering the financial environment and our cash management.

(3) Supplemental Remarks on the Fair Value of Financial Instruments

The fair value of financial instruments is based on market prices or reasonably calculated value if it has no market price. As certain assumptions are made in calculating these values, if different assumptions, etc. are used, these values could vary.

2. Matters Regarding Fair Values of Financial Instruments

Carrying amount, fair value, and the difference between the two values as of May 31, 2012, are as shown below. Financial instruments whose fair value is considered to be extremely difficult to determine are not included in this table.

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	127,194	127,194	–
(3) Advances paid	4,200	4,200	–
(4) Invest securities (Held-to-maturity bonds)	9,917	9,965	47
Total assets	141,312	141,360	47
(3) Accrued expenses	2,547	2,547	–
Total liabilities	2,547	2,547	–

Carrying amount, fair value, and the difference between the two values as of November 30, 2012, are as shown below. Financial instruments whose fair value is considered to be extremely difficult to determine are not included in this table.

(Unit: Thousands of yen)

	Carrying amount	Fair value	Difference
(1) Cash and deposits	5,586,163	5,586,163	–
(2) Cash and deposits in trust	1,048,439	1,048,439	–
Total assets	6,634,602	6,634,602	–
(1) Short-term loans payable	17,000,000	17,000,000	–
(2) Long-term loans payable	60,000,000	60,345,213	345,213
Total liabilities	77,000,000	77,345,213	345,213

(Note 1) Measurement Methods for Fair Values of Financial Instruments

Assets

- (1) Cash and deposits, (2) Cash and deposits in trust, (3) Advances paid,

The book value is used as the fair value of these assets, given that the fair value is almost the same as the book value, as it is settled in a short time.

- (4) Invest securities

Prices announced by the Japan Securities Dealers Association are used as the fair values.

Liabilities

- (1) Short-term loans payable

The book value is used as the fair value of these liabilities, given that the fair value is almost the same as the book value, as it is settled in a short time.

- (2) Long-term loans payable

These fair values are determined by discounting the total of principal and interest at the rate assumed when a new loan is made corresponding to the remaining period. The book value is used as the fair value of those loans payable with floating interest rate, given that the fair value is almost the same as the book value, as their interest rates are reviewed on a short-term interval to reflect market interest rates.

(3) Accrued expenses

The book value is used as the fair value of these assets, given that the fair value is almost the same as the book value, as it is settled in a short time.

(Note 2) Carrying amount of Financial Instruments Whose Fair Value Is Considered to Be Extremely Difficult to Determine

(Unit: Thousands of yen)

Category	As of May 31, 2012	As of November 30, 2012
Tenant leasehold and security deposits in trust *	–	7,688,827

* As there are no market prices for security deposits in trust from tenants for leasehold properties and the actual period of deposit from move-in of the tenant to move-out is difficult to determine, it is extremely difficult to reasonably estimate the cash flow. Therefore, the fair value for security deposits in trust is not subject to the disclosure of fair value.

(Note 3) Expected Amount of Repayments of Monetary Claims and Securities with Maturities after the Account Closing Date (May 31, 2012)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Deposits	127,194	–	–	–	–	–
Advances paid	4,200	–	–	–	–	–
Invest securities Held-to-maturity bonds (Government bonds)	–	–	–	10,000	–	–
Total	131,394	–	–	10,000	–	–

Expected Amount of Repayments of Monetary Claims after the Account Closing Date (November 30, 2012)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Deposits	5,586,163	–	–	–	–	–
Deposits in trust	1,048,439	–	–	–	–	–
Total	6,634,602	–	–	–	–	–

(Note 4) Expected Amount of Repayments of Loans Payable and Other Interest Bearing Debt after the Account Closing Date (May 31, 2012)

Not applicable

Expected Amount of Repayments of Loans Payable after the Account Closing Date (November 30, 2012)

(Unit: Thousands of yen)

	Within 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years
Short-term loans payable	17,000,000	–	–	–	–	–
Long-term loans payable	–	6,000,000	12,000,000	12,000,000	12,000,000	18,000,000
Total	17,000,000	6,000,000	12,000,000	12,000,000	12,000,000	18,000,000

Notes on Tax Effect Accounting

1. Breakdown of Deferred Tax Assets and Deferred Tax Liability by Origin

	As of May 31, 2012	As of November 30, 2012
Deferred tax assets		
Tax loss carried forward	¥23,922 thousand	–
Non-deductible amount for tax purposes of enterprise tax payable	–	¥26 thousand
Subtotal deferred tax assets	¥23,922 thousand	¥26 thousand
Valuation allowance	¥(23,922) thousand	–
Total deferred tax assets	–	¥26 thousand
Net deferred tax assets	–	¥26 thousand

2. Breakdown of Major Items That Cause Differences between Statutory and Effective Tax Rates and Income Tax Burden after Tax Effect Accounting is Applied

	As of May 31, 2012	As of November 30, 2012
Effective statutory tax rate	–	36.59%
(Adjustments)		
Dividends paid included in deductibles	–	(35.81)%
Other	–	(0.74)%
Effective income tax rate after the application of tax effect accounting	–	0.04%

(Note) Disclosure for the previous fiscal period is omitted as loss before income taxes was recorded.

Notes on Transactions with Related Parties

1. Parent Company and Major Corporate Unitholders

Previous fiscal period (From September 7, 2011 to May 31, 2012)

Attribute	Name	Address	Capital stock or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Parent company	Tokyu Land Corporation	21-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	100%	None	Parent company	Acceptance of investment capital	200,000	Unitholders' capital	200,000

Current fiscal period (From June 1, 2012 to November 30, 2012)

Attribute	Name	Address	Capital stock or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Major unitholder	Tokyu Land Corporation	21-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	57,551	Real estate business	10.47%	None	Major unit holder, and rent and management of properties	Purchase of real estate trust beneficiary rights	64,437,000	-	-
								Acceptance of tenant leasehold and security deposits	2,896,924	Security deposits in trust	6,590,205
								Delivery of tenant leasehold and security deposits	5,757,583		
								Receipt of tenant leasehold and security deposits	6,271,854		
								Repayments of tenant leasehold and security deposits	23,086		
								Rental revenues, etc.	4,465,077		
										Advances received	102,913
		Fees for consignment for real estate management	218,314	Operating accounts payable	38,408						

(Note 1) Of the amounts above, the transaction amount does not include consumption taxes, and the end balance includes consumption taxes.

(Note 2) The transaction terms are based on current market practices.

2. Affiliates, etc.

Previous fiscal period (From September 7, 2011 to May 31, 2012)

Not applicable

Current fiscal period (From June 1, 2012 to November 30, 2012)

Not applicable

3. Sister companies, etc.

Previous fiscal period (From September 7, 2011 to May 31, 2012)

Attribute	Name	Address	Capital stock or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Company that has the same parent company	TLC Activia Investment Management Inc.	16-3 Dogenzaka 1-chome, Shibuya-ku, Tokyo	300	Operations related to management of the Investment Corporation's portfolio assets	-	One interlocking officer	Asset manager	Payment of organizer's fees	50,000	-	-
								Payment of listing related costs	4,200	Advances paid	4,200

Current fiscal period (From June 1, 2012 to November 30, 2012)

Attribute	Name	Address	Capital stock or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Cross Special Purpose Company	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	13,916	Real estate business	-	None	Subsidiary of major unitholder	Purchase of real estate trust beneficiary rights	45,000,000	-	-
								Acceptance of tenant leasehold and security deposits	1,756,535	-	-
Subsidiary of major unitholder	Pixis Ltd.	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	3	Real estate business	-	None	Subsidiary of major unitholder	Purchase of real estate trust beneficiary rights	20,500,000	-	-
								Acceptance of tenant leasehold and security deposits	1,200,000	-	-
Subsidiary of major unitholder	Kotoru Ltd.	11 Kanda-Jimbocho 1-chome, Chiyoda-ku, Tokyo	3	Real estate business	-	None	Subsidiary of major unitholder	Purchase of real estate trust beneficiary rights	8,860,000	-	-
								Acceptance of tenant leasehold and security deposits	46,941	-	-
Subsidiary of major unitholder	Rouge LLC	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	1	Real estate business	-	None	Subsidiary of major unitholder	Purchase of real estate trust beneficiary rights	8,790,000	-	-
Subsidiary of major unitholder	Classer LLC	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	1	Real estate business	-	None	Subsidiary of major unitholder	Purchase of real estate trust beneficiary rights	4,540,000	-	-
								Acceptance of tenant leasehold and security deposits	248,564	-	-
Subsidiary of major unitholder	Happy Family Special Purpose Company	10-5 Akasaka 2-chome, Minato-ku, Tokyo	-	Real estate business	-	None	Subsidiary of major unitholder	Purchase of real estate trust beneficiary rights	8,423,000	-	-
								Acceptance of tenant leasehold and security deposits	427,576	-	-
Subsidiary of major unitholder	KTMO Ltd.	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	3	Real estate business	-	None	Subsidiary of major unitholder	Purchase of real estate trust beneficiary rights	2,840,000	-	-
								Acceptance of tenant leasehold and security deposits	232,200	-	-

Attribute	Name	Address	Capital stock or investment in capital (Millions of yen)	Business or occupation	Percentage of voting rights owning (owned)	Relationship		Transaction	Transaction amount (Thousands of yen)	Account title	Ending balance (Thousands of yen)
						Interlocking officers, etc.	Business relationship				
Subsidiary of major unitholder	Villa LLC	4-1 Nihonbashi 1-chome, Chuo-ku, Tokyo	0	Real estate business	-	None	Subsidiary of major unitholder	Purchase of real estate trust beneficiary rights	6,980,000	-	-
								Acceptance of tenant leasehold and security deposits	388,900	-	-
Subsidiary of major unitholder	Tokyu Land SC Management Corporation	2-2 Dogenzaka 1-chome, Shibuya-ku, Tokyo	100	Real estate management business	-	None	Subsidiary of major unitholder	Increase in tenant leasehold and security deposits	1,002,412	Tenant leasehold and security deposits in trust	1,002,412
								Receipt of tenant leasehold and security deposits	1,002,412		
								rental revenues, etc.	639,740	Operating accounts receivable	11,698
										Advances received	28
Subsidiary of major unitholder	TLC Activia Investment Management Inc.	16-3 Dogenzaka 1-chome, Shibuya-ku, Tokyo	300	Operations related to management of the Investment Corporation's portfolio assets	-	One interlocking officer	Asset manager	Payment of fees for asset management	1,232,398	Other accrued expenses	399,575

(Note 1) The amount of remuneration above is in accordance with the terms set forth in the Articles of Incorporation of the Investment Corporation.

(Note 2) Of the amounts above, the transaction amount does not include consumption taxes, and the end balance includes consumption taxes.

(Note 3) The transaction terms are based on current market practices.

4. Directors and principal individual unitholders

Previous fiscal period (From September 7, 2011 to May 31, 2012)

Not applicable

Current fiscal period (From June 1, 2012 to November 30, 2012)

Not applicable

Notes on Lease Properties

The Investment Corporation holds Urban Retail and Tokyo Office properties and other properties in Tokyo and other regions for rental revenue. The amounts on the Balance Sheets as of November 30, 2012, changes during the fiscal period, and fair values of lease properties are as follows.

(Unit: Thousands of yen)

Use		Previous fiscal period (From September 7, 2011 to May 31, 2012)	Current fiscal period (From June 1, 2012 to November 30, 2012)
Urban Retail Properties	Amount on the Balance Sheets		
	Balance at beginning of period	–	–
	Changes during period	–	94,817,681
	Balance at end of period	–	94,817,681
	Fair value at end of period	–	99,550,000
Tokyo Office Properties	Amount on the Balance Sheets		
	Balance at beginning of period	–	–
	Changes during period	–	41,721,522
	Balance at end of period	–	41,721,522
	Fair value at end of period	–	42,180,000
Other Properties	Amount on the Balance Sheets		
	Balance at beginning of period	–	–
	Changes during period	–	34,881,212
	Balance at end of period	–	34,881,212
	Fair value at end of period	–	36,160,000
Total	Amount on the Balance Sheets		
	Balance at beginning of period	–	–
	Changes during period	–	171,420,417
	Balance at end of period	–	171,420,417
	Fair value at end of period	–	177,890,000

(Note 1) The amount on the Balance Sheets is the acquisition cost less accumulated depreciation.

(Note 2) The main reason for the increase for the current fiscal period is the acquisition of 18 properties (Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, Ebisu Q Plaza, Shinbashi Place, Kyoto Karasuma Parking Building, TLC Ebisu Building, A-PLACE Ebisu Minami, Yoyogi Place, Aoyama Plaza Building, Luogo Shiodome, Tokyo Kikai Honsha Building, A-PLACE Ikebukuro, COCOE Amagasaki (Land), icot Nakamozu, icot Kongo, icot Mizonokuchi, icot Tama Center, and Kanayama Center Place) worth ¥171,789,737 thousand. The decrease is mainly due to the recording of depreciation (¥452,047 thousand).

(Note 3) The fair value at the end of the fiscal period is the appraisal value provided by an outside real estate appraiser.

The income (loss) concerning lease properties for the current fiscal period is indicated under “Notes to Statements of Income.”

Per Unit Information

	Previous fiscal period (From September 7, 2011 to May 31, 2012)	Current fiscal period (From June 1, 2012 to November 30, 2012)
Net assets per unit	¥347,457	¥459,095
Net income (loss) per unit	¥(152,542)	¥15,153 [¥14,244]

(Note 1) Net income (loss) per unit is calculated by dividing net income (loss) by the day-weighted average number of investment units for the period (400 units and 192,831 units for the previous fiscal period and the current fiscal period, respectively). For the current fiscal period, net income per unit that is calculated based on day-weighted average number of investment units (205,141 units) assuming that the fiscal period started on June 13, 2012, the actual start date of asset management, is also provided in square brackets.

Fully diluted net income (loss) per unit is not stated, as there is no potential investment unit.

(Note 2) The basis for calculating net income (loss) per share is as follows:

	Previous fiscal period (From September 7, 2011 to May 31, 2012)	Current fiscal period (From June 1, 2012 to November 30, 2012)
Net income (loss) (Thousands of yen)	(61,017)	2,922,043
Amount not attributable to common unitholders (Thousands of yen)	—	—
Net income (loss) attributable to common investment units (Thousands of yen)	(61,017)	2,922,043
Average number of investment units for the period (Units)	400	192,831

Major Subsequent Events

Not applicable

Omission of Disclosure

As the need for disclosing notes to lease transactions, securities, derivatives transactions, retirement benefits, equity in earnings of affiliates, asset retirement obligations, and segment information in the earnings summary is not considered to be substantial, the disclosure of these items is omitted.

(9) Changes in Total Number of Investment Units Issued and Outstanding

The overview of investment increases, etc. for the current fiscal period and the previous fiscal period is as follows:

Date	Summary	Total investments (Thousands of yen)		Total number of investment units issued (Units)		Remarks
		Change	Balance	Change	Balance	
September 7, 2011	Private placement offering	200,000	200,000	400	400	(Note 1)
June 12, 2012	Capital increase through public offering	90,834,705	91,034,705	204,100	204,500	(Note 2)
July 10, 2012	Capital increase through third-party allotment	339,128	91,373,833	762	205,262	(Note 3)

(Note 1) The Investment Corporation was established with an offer price per unit of ¥500,000.

(Note 2) New investment units were issued by public offering with an offering price per unit of ¥460,000 (issue price of ¥445,050 per unit) in order to raise funds for the acquisition of new properties, etc., and then investment operations were commenced.

(Note 3) New investment units were issued with an issue price of ¥445,050 per unit and underwritten by Nomura Securities Co., Ltd.

4. Changes in Directors

There have been no changes of directors described in “Directors” in the latest Security Report (filed on August 28, 2012; prepared in only Japanese).

5. Reference Information

(1) Composition of invested assets

Type of assets	Category	Previous fiscal period (As of May 31, 2012)		Current fiscal period (As of November 30, 2012)	
		Total amount held (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)	Total amount held (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)
Real estate	Urban Retail Properties	—	—	—	—
	Tokyo Office Properties	—	—	—	—
	Other Properties	—	—	—	—
	Subtotal	—	—	—	—
Real estate in trust	Urban Retail Properties	—	—	94,817	52.7
	Tokyo Office Properties	—	—	41,721	23.2
	Other Properties	—	—	34,881	19.4
	Subtotal	—	—	171,420	95.2
Total real estate assets		—	—	171,420	95.2
Deposits and other assets		142	100.0	8,646	4.8
Total assets (Note 3)		142	100.0	180,066	100.0

	Amount (Millions of yen)	Percentage to total assets (%) (Note 2)	Amount (Millions of yen)	Percentage to total assets (%) (Note 2)
Total liabilities (Note 3) (Note 4)	3	2.4	85,831	47.7
Total net assets (Note 3)	138	97.6	94,234	52.3

(Note 1) The total amount held is based on the amounts recorded in the balance sheets as of November 30, 2012 (for real estate and real estate in trust, book value less depreciation expenses), in accordance with the asset valuation method set forth in the Articles of Incorporation of the Investment Corporation.

(Note 2) Figures are rounded to the first decimal place.

(Note 3) Total assets, total liabilities and total net assets represent the amounts recorded in the balance sheets as of November 30, 2012.

(Note 4) Total liabilities include the obligation to refund security deposits.

(2) Investment assets

i) Major investment securities

Type of assets	Name	Total face value (Thousands of yen)	Book value (Thousands of yen)	Accrued interest (Thousands of yen)	Prepaid accrued interest (Thousands of yen)	Fair value (Thousands of yen)	Valuation gain or loss (Thousands of yen)	Remark
Government bonds	Principal-stripped government bonds (5 years, Series 91)	10,000	9,930	–	–	9,973	43	Given as security deposit
Total		10,000	9,930	–	–	9,973	43	

ii) Investment properties

(A) Overview of real estate and real estate trust beneficiary rights

The following table shows property name, acquisition price, book value at the end of the fiscal period, assessed value at the end of the fiscal period and investment ratio related to the assets held by the Investment Corporation as of the end of the 2nd fiscal period. Figures shown in the table are as of November 30, 2012 unless otherwise provided.

a. Overview of assets held (1)

(As of November 30, 2012)

Category	Property number (Note 1)	Property name	Acquisition price (Millions of yen) (Note 2)	Book value at end of period (Millions of yen) (Note 3)	Assessed value at end of period (Millions of yen) (Note 4)	Return price				Investment ratio (%) (Note 5)	
						Direct capitalization method		DCF method			
						Price based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Price based on DCF method (Millions of yen)	Discount rate (%)		Terminal capitalization rate (%)
Urban Retail Properties	UR-1	Tokyu Plaza Omotesando Harajuku (Note 6)	45,000	45,220	47,000	47,925	3.7	45,975	3.5	3.9	26.4
	UR-2	Tokyu Plaza Akasaka (Note 6)	11,450	11,592	11,500	11,800	5.3	11,300	5.5	5.6	6.7
	UR-3	Ebisu Q Plaza	8,430	8,468	8,830	8,980	4.3	8,770	4.6 4.5 (Note 7)	4.6	4.9
	UR-4	Shinbashi Place	20,500	20,610	22,800	23,100	4.9	22,600	4.7	5.1	12.0
	UR-5	Kyoto Karasuma Parking Building	8,860	8,924	9,420	9,410	5.7	9,420	5.7	5.9	5.2
		Subtotal	94,240	94,817	99,550	101,190	–	97,990	–	–	55.3
Tokyo Office Properties	TO-1	TLC Ebisu Building (Note 9)	7,400	7,416	7,450	7,760	4.7	7,310	4.9	5.0	4.3
	TO-2	A-PLACE Ebisu Minami	9,640	9,698	10,000	10,400	4.6	9,870	4.8	4.9	5.7
	TO-3	Yoyogi Place	4,070	4,090	4,230	4,530	4.6	4,230	4.6	4.9	2.4
	TO-4	Aoyama Plaza Building	8,790	8,851	8,740	8,820	4.9	8,710	4.7	5.1	5.2
	TO-5	Luogo Shiodome	4,540	4,561	4,700	4,750	4.5	4,680	4.3	4.7	2.7
	TO-6	Tokyo Kikai Honsha Building	3,070	3,096	3,020	3,210	5.2	2,940	5.3 5.2 (Note 8)	5.5	1.8
	TO-7	A-PLACE Ikebukuro	3,990	4,005	4,040	4,080	5.1	3,990	4.9	5.3	2.3
	Subtotal	41,500	41,721	42,180	43,550	–	41,780	–	–	24.4	
Other Properties	O-1	COCOE Amagasaki (Land)	12,000	12,113	12,100	12,100	5.0	12,000	4.6	5.2	7.0
	O-2	icot Nakamozu	8,500	8,549	8,920	9,070	6.0	8,860	5.9	6.3	5.0
	O-3	icot Kongo	1,600	1,637	1,810	1,840	6.9	1,770	6.6	7.4	0.9
	O-4	icot Mizonokuchi	2,710	2,729	2,960	3,010	6.0	2,910	5.7	6.4	1.6
	O-5	icot Tama Center	2,840	2,857	3,010	3,050	6.2	2,970	5.5	6.4	1.7
	O-6	Kanayama Center Place	6,980	6,995	7,360	7,660	5.3	7,360	5.3	5.6	4.1
	Subtotal	34,630	34,881	36,160	36,730	–	35,910	–	–	20.3	
	Total	170,370	171,420	177,890	181,495	–	175,665	–	–	100.0	

(Note 1) A property number is assigned to each of assets held by the Investment Corporation, which are divided into the three categories: UR (meaning Urban Retail properties), TO (meaning Tokyo Office properties) and O (meaning Other Properties).

(Note 2) Acquisition price represents trading value of trust beneficiary rights stipulated in each beneficiary right transfer contract with conditions precedent in relation to the assets held (excluding consumption tax and local consumption tax and expenses such as trading commissions, rounding to the nearest million yen).

- (Note 3) Book value at end of period represents book value less depreciation expenses as of November 30, 2012, rounding to the nearest million yen.
- (Note 4) The appraisal of properties is commissioned to Japan Real Estate Institute, Daiwa Real Estate Appraisal Co., Ltd., The Tanizawa Sōgō Appraisal Co., Ltd., Japan Valuers Co., Ltd. or Morii Appraisal & Investment Consulting, Inc. Assessed value at end of period shows appraised value described in each real estate appraisal report with the date of value estimate as of November 30, 2012.
- (Note 5) Investment ratio is calculated by dividing the acquisition price for each property by the total acquisition price. Figures are rounded to the first decimal place.
- (Note 6) As for Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (jun kyōyū-mochibun) (75% and 50%, respectively).
- (Note 7) The discount rates of Ebisu Q Plaza show the discount rate in the holding period at 4.6% and the discount rate for terminal value at 4.5%.
- (Note 8) The discount rates of Tokyo Kikai Honsha Building represent 5.3% from the first year to the second year and 5.2% from the third year to the eleventh year.
- (Note 9) On October 1, 2012, the name of Ebisu Tokyu Building was changed to TLC Ebisu Building.

b. Overview of assets held (2)

(As of November 30, 2012)

Category	Property number	Property name	Location	Date of construction (Note 1)	Number of tenants (Note 2)	Annual contracted rent (Millions of yen) (Note 3)	Security deposit (Millions of yen) (Note 4)	Total leasable area (m ²) (Note 5)	Total leased area (m ²) (Note 6)	Occupancy rate (%) (Note 7)
Urban Retail Properties	UR-1	Tokyu Plaza Omotesando Harajuku (Note 8)	Shibuya, Tokyo	March 14, 2012	27	2,058 (Note 9)	1,757	4,904.55	4,904.55	100.0
	UR-2	Tokyu Plaza Akasaka (Note 8)	Chiyoda, Tokyo	September 10, 1969	96	906 (Note 9)	408	16,620.48	16,365.75	98.5
	UR-3	Ebisu Q Plaza	Shibuya, Tokyo	August 20, 2008	4	475	475	4,024.88	4,024.88	100.0
	UR-4	Shinbashi Place	Minato, Tokyo	April 25, 2008	1	– (Note 10)	– (Note 10)	9,156.01	9,156.01	100.0
	UR-5	Kyoto Karasuma Parking Building	Kyoto, Kyoto	July 24, 2006	2	– (Note 10)	– (Note 10)	21,616.04	21,616.04	100.0
	Subtotal				–	130	–	–	56,321.96	56,067.23
Tokyo Office Properties	TO-1	TLC Ebisu Building (Note 11)	Shibuya, Tokyo	March 5, 1993	11	466	382	7,342.60	7,342.60	100.0
	TO-2	A-PLACE Ebisu Minami	Shibuya, Tokyo	January 31, 1995	8	630	481	7,950.51	7,950.51	100.0
	TO-3	Yoyogi Place	Shibuya, Tokyo	February 22, 2007	3	261	216	3,106.17	3,106.17	100.0
	TO-4	Aoyama Plaza Building	Minato, Tokyo	September 6, 1966	7	507	448	7,323.13	6,345.93	86.7
	TO-5	Luogo Shiodome	Minato, Tokyo	July 30, 2004	6	298	247	4,476.35	4,476.35	100.0
	TO-6	Tokyo Kikai Honsha Building	Minato, Tokyo	June 6, 1985	3	278	204	4,389.20	4,389.20	100.0
	TO-7	A-PLACE Ikebukuro	Toshima, Tokyo	October 13, 2011	1	– (Note 10)	– (Note 10)	3,409.73	3,409.73	100.0
	Subtotal				–	39	–	–	37,997.69	37,020.49
Other Properties	O-1	COCOE Amagasaki (Land)	Amagasaki, Hyogo	–	1	683	341	27,465.44	27,465.44	100.0
	O-2	icot Nakamozu	Sakai, Osaka	June 27, 2007	2	619	428	28,098.02	28,098.02	100.0
	O-3	icot Kongo	Osakasayama, Osaka	February 8, 1977	1	– (Note 10)	– (Note 10)	17,884.55	17,884.55	100.0
	O-4	icot Mizonokuchi	Kawasaki, Kanagawa	July 15, 1998	1	– (Note 10)	100	14,032.05	14,032.05	100.0
	O-5	icot Tama Center	Tama, Tokyo	March 7, 2006	11	230	230	5,181.58	5,181.58	100.0
	O-6	Kanayama Center Place	Nagoya, Aichi	February 10, 2009	20	491	383	9,314.91	9,314.91	100.0
	Subtotal				–	36	–	–	101,976.55	101,976.55
Total				–	205	–	–	196,296.20	195,064.27	99.4

(Note 1) Date of construction of the main building, as described in the property registry. For properties with several main buildings, the construction date of the oldest building is listed. The construction date is omitted in case of acquisition of land only (Land represents the part of site on which the building is established under a land lease right; the same shall apply hereinafter).

(Note 2) At each property, the number of tenants is equal to the aggregate number of tenants as of November 30, 2012 described in the lease agreements in relation to buildings, except that for properties with master lease agreements, the total number of end-tenants is listed. For properties for which we acquire only land, the total number of tenants of the

land is listed.

- (Note 3) The annual contracted rent for each property other than properties for which we acquire only land is calculated by multiplying the aggregate anticipated monthly rent (limited to rent for rooms which were occupied by tenants as of November 30, 2012), including common service fee and excluding usage fee for warehouses, signboards and parking lots regardless of whether the rent was free as of November 30, 2012, as indicated in the lease agreements in relation to buildings as of November 30, 2012 by 12 (for where there are multiple lease agreements in relation to buildings, the aggregate anticipated monthly rent for all lease agreements) (excluding consumption tax) and rounding to the nearest million yen. For properties for which we acquire only land, it is calculated as the annual contracted rent (excluding consumption tax) as indicated in the lease agreement for such land as of November 30, 2012, rounding to the nearest million yen. For properties with master lease agreements, the annual contracted rent is calculated by multiplying the aggregate anticipated monthly rent (including common service fees and excluding usage fees for warehouses, signboards and parking lots regardless of whether the rent was free as of November 30, 2012), as indicated in the relevant sublease agreement with end-tenants by 12.
- (Note 4) The security deposit is calculated as the total amount on the lease agreement for each property as of November 30, 2012 that was occupied by the tenant as of such date, rounding to the nearest million yen. For properties with master lease agreements, the security deposit is calculated as the total amount on the sub-lease agreements with end-tenants regardless of whether the rent was free as of November 30, 2012, rounding to the nearest million yen.
- (Note 5) The total leasable area is equal to gross floor area of leasable space in each property other than properties for which we acquire only land, based on the lease agreements for building or floor plans as of November 30, 2012. Total leasable area for properties for which we acquire only land is based on the lease agreement for land or land plans as of November 30, 2012.
- (Note 6) The total leased area is equal to the total leased area in each property as of November 30, 2012. For properties with master lease agreements, the total leased area is based on the sublease agreements with the end-tenants.
- (Note 7) The occupancy rate is calculated by dividing total leased area for each property by the total leasable area as of November 30, 2012, rounding to the nearest tenth. The subtotal and portfolio total are calculated by dividing aggregate leased area for each category by aggregate leasable area, rounding to the nearest tenth.
- (Note 8) As for Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75% and 50%, respectively).
- (Note 9) Rents for some end-tenants of Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka are linked to the respective sales performances, and such rents are not included.
- (Note 10) We have not obtained permission from the tenant of this property to release the information missing from this table.
- (Note 11) On October 1, 2012, the name of Ebisu Tokyu Building was changed to TLC Ebisu Building.
- (Note 12) For lease agreements with end-tenants that have been asked to be terminated or cancelled, or for which the rent has not been paid, number of tenants, annual contracted rent, security deposit, total leased area and occupancy rate are shown in the above table if these agreements continued as of November 30, 2012, assuming that the lease agreements with the end-tenants remained effective; the same shall apply hereinafter.

(B) Capital expenditure for assets under management

a. Scheduled capital expenditure

The following table shows major estimated capital expenditure for renovation work, etc. that the Investment Corporation plans to conduct for assets held in the 2nd fiscal period as of November 30, 2012. The estimated construction cost below includes the portion expensed for accounting purposes.

Name of real property (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen)		
			Total amount	Payment for the period	Total amount paid
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Replacement works for BR electrical room	From October 2012 to March 2013	42 (Note)	—	—
icot Kongo (Osakasayama, Osaka)	Replacement works for the east entrance subgrades	From January 2013 to March 2013	19	—	—
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Renewal works for open corridors	From February 2013 to March 2013	13 (Note)	—	—
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Replacement works for elevated water tanks	From September 2012 to March 2013	12 (Note)	—	—

Name of real property (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen)		
			Total amount	Payment for the period	Total amount paid
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Replacement works for electric lights board and power board	From November 2012 to March 2013	11 (Note)	–	–
Tokyo Kikai Honsha Building (Minato, Tokyo)	Replacement works for receivers and sensors of automatic fire alarms	From August 2013 to September 2013	10	–	–

(Note) The shown construction cost with regard to Tokyu Plaza Akasaka is the amount equivalent to the ratio of the Investment Corporation's co-ownership interests of real estate trust beneficiary (50%) of the total cost required for construction works.

b. Capital expenditure during the fiscal period

For assets held by the Investment Corporation in the 2nd fiscal period, construction work conducted by the Investment Corporation during the fiscal period ended November 30, 2012 that falls into capital expenditure is as follows. The capital expenditure for the fiscal period ended November 30, 2012 amounted to ¥84 million, and repair and maintenance expenses that were accounted for as expense in the fiscal period ended November 30, 2012 came to ¥108 million. On aggregate, construction work of ¥192 million was carried out during the fiscal period.

Name of real property (Location)	Purpose	Period	Construction cost (Millions of yen)
icot Kongo (Osakasayama, Osaka)	Works to replace electrical circuit of automatic fire alarm	From September 2012 to November 2012	12
Tokyu Plaza Akasaka (Chiyoda, Tokyo)	Work plan for planting open corridors	From November 2012 to November 2012	10 (Note)
Other		From June 2012 to November 2012	62
Total			84

(Note) The shown construction cost with regard to Tokyu Plaza Akasaka is the amount equivalent to the ratio of the Investment Corporation's co-ownership interests of real estate trust beneficiary (50%) of the total cost required for construction works.

(C) Information concerning Major Tenants

a. Summary of major tenants

For assets held in the 2nd fiscal period, the table below shows tenants whose leased area accounts for 10% or more of the total leased area in the entire portfolio (major tenants) based on the data as of November 30, 2012. In regard to forms of agreements with the tenants in the table, the agreement with Sumitomo Mitsui Trust is an agreement for fixed-term business-use lease agreement, and the agreements with other tenants are ordinary lease agreements.

As for certain assets held, the Investment Corporation has entered into lease agreements (master lease agreements) with Tokyu Land Corporation and Tokyu Land SC Management Corporation with the objective of allowing them to be master lease companies and sublease the leased assets to end-tenants. The table below shows information on the major tenants with master lease agreements based on the data as of November 30, 2012. Rents received by the Investment Corporation from the master lease companies are equal to the rents received by these companies from sublessees (end-tenants) (pass-through master lease), and such rents are not guaranteed.

Tenant	Business	Property acquired (Property name)	Leased area (m ²) (Note 1)	Contracted rent (Annual) (Millions of yen) (Note 2)	Security deposit (Millions of yen) (Note 3)	Expiration date (Note 4)
Tokyu Land Corporation	Real Estate business	Tokyu Plaza Omotesando Harajuku (Note 5)	4,904.55	2,058	1,757	June 30, 2022
		Tokyu Plaza Akasaka (Note 5)	16,365.75	906	430	June 30, 2022
		Shinbashi Place	9,156.01	— (Note 6)	— (Note 6)	June 30, 2022
		Kyoto Karasuma Parking Building	21,616.04	— (Note 6)	— (Note 6)	June 30, 2022
		TLC Ebisu Building (Note 7)	7,342.60	466	387	June 30, 2022
		A-PLACE Ebisu Minami	7,950.51	630	506	June 30, 2022
		Yoyogi Place	3,106.17	261	217	June 30, 2022
		Aoyama Plaza Building	6,345.93	507	455	June 30, 2022
		Luogo Shiodome	4,476.35	298	249	June 30, 2022
		Tokyo Kikai Honsha Building	4,389.20	278	207	June 30, 2022
		A-PLACE Ikebukuro	3,409.73	— (Note 6)	— (Note 6)	June 30, 2022
		icot Tama Center	5,181.58	230	232	June 30, 2022
		Kanayama Center Place	9,314.91	491	389	June 30, 2022
	Total	103,559.33	—	—	—	
Tokyu Land SC Management Corporation	Real Estate Management	Ebisu Q Plaza	4,024.88	475	475	June 30, 2022
		icot Nakamozu	28,098.02	619	428	June 30, 2022
		icot Kongo	17,884.55	— (Note 6)	— (Note 6)	June 30, 2022
		icot Mizonokuchi	14,032.05	— (Note 6)	100	June 30, 2022
		Total	64,039.50	—	—	—
Sumitomo Mitsui Trust (Note 8)	Finance	COCOE Amagasaki (Land)	27,465.44	683	341	January 31, 2042
		Total	27,465.44	683	341	—

(Note 1) The total leased area is the total leasable area to end-tenants in respect to the leased area provided in the master lease agreement as of November 30, 2012 where the tenant is the master lease company and sublessor, rounding to the nearest hundredth.

(Note 2) The annual contracted rent for each property is calculated by multiplying the monthly rent (limited to rooms which were occupied by tenants as of November 30, 2012), including common service fee and excluding usage fee for warehouses, signboards and parking lots regardless of whether the rent was free as of November 30, 2012, as indicated in the sublease agreement with the end-tenant as of November 30, 2012 by 12, rounding to the nearest million yen.

(Note 3) The security deposit is calculated as the total amount on the sublease agreement with the end-tenant as of November 30, 2012 (limited to rooms which were occupied by tenants as of the same date), rounding to the nearest million yen, where the tenant is the master lease company and sublessor. Even if the rent is free as of November 30, 2012, it is not considered in the calculation.

(Note 4) The expiration date is the date provided in the lease agreement where the tenant is the lessee, including where the tenant is a sublessor and master lease company under a sublease agreement.

(Note 5) As for Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, leased area, annual contracted rent and security deposit are in proportion to the pro rata share of our trust beneficiary co-ownership interests (*jun kyōyū-mochibun*) (75% and 50%, respectively).

(Note 6) We have not obtained permission from the tenant of this property to release the information missing from this table.

(Note 7) On October 1, 2012, the name of Ebisu Tokyu Building was changed to TLC Ebisu Building.

(Note 8) Tenant is the trustee of the building on the land; Tokyu Land Corporation is the trust beneficiary under such trust.

b. End-tenants in the top 10 in terms of total leased area

For assets held by the Investment Corporation, the following table shows end-tenants ranked in the top 10 in terms of total leased area in the entire portfolio as of November 30, 2012.

End-tenants	Property name	Total leased area (m ²) (Note 1)	Lease expiration date	Form of agreement (Note 2)
Sumitomo Mitsui Trust (Note 3)	COCOE Amagasaki (Land)	27,465.44 (Note 4)	January 31, 2042	Fixed-term business-use lease agreement
Kohnan Shoji Co., Ltd.	icot Nakamozu	26,529.03	July 11, 2027	Fixed-term building lease agreement
Paraca Inc.	Kyoto Karasuma Parking Building	21,224.14	–	–
Daiei, Inc.	icot Kongo	–	–	–
Room's-Taishodo	icot Mizonokuchi	14,032.05	July 4, 2018	Ordinary building lease agreement
Tokyu Hotels Co., Ltd.	Tokyu Plaza Akasaka	11,291.30	March 31, 2016	Fixed-term building lease agreement
Yamada-Denki Co., Ltd.	Shinbashi Place	9,156.01	–	–
Bank of Tokyo-Mitsubishi UFJ, Ltd.	Kanayama Center Place icot Nakamozu icot Tama Center	5,609.11	–	–
Riso Kyoiku Co., Ltd.	A-PLACE Ikebukuro	3,409.73	–	–
–	A-PLACE Ebisu Minami	–	–	–

(Note 1) The total leased area is equal to the total leased area in each property under the lease agreement with the end-tenant as of November 30, 2012. As for Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, the figures are based on the amounts in proportion to the pro rata share of our trust beneficiary co-ownership interests (jun kyōyū-mochibun) (75% and 50%, respectively).

(Note 2) The form of agreement is equal to the form of agreement described in the lease agreement with the end-tenants as of November 30, 2012.

(Note 3) Tenant is the trustee of the building on the land; Tokyu Land Corporation is the trust beneficiary under such trust.

(Note 4) Total leased area for COCOE Amagasaki (Land) is in respect of the land.

(Note 5) We have not obtained permission from the end-tenant of this property to release the information missing from this table.

(D) Overview of lease and profit and loss

2nd fiscal period (From June 1, 2012 to November 30, 2012)

(Unit: Thousands of yen)

Property number	UR-1	UR-2	UR-3	UR-4	UR-5
Property name	Tokyu Plaza Omotesando Harajuku (Note 2)	Tokyu Plaza Akasaka (Note 2)	Ebisu Q Plaza	Shinbashi Place	Kyoto Karasuma Parking Building
Number of business days in the 2nd fiscal period	171	171	171	171	171
a. Revenues related to rent business	1,046,815	555,636	252,540	(Note 3)	(Note 3)
Rent revenue—real estate	990,942	456,348	221,708	(Note 3)	(Note 3)
Other lease business revenue	55,873	99,287	30,831	(Note 3)	(Note 3)
b. Expenses related to rent business	170,815	206,214	53,546	12,153	4,438
Management operation expenses	78,297	74,445	15,737	11,200	3,038
Utilities expenses	33,380	78,854	28,421	—	—
Tax and public dues	—	—	—	—	—
Insurance	373	576	114	250	219
Repair and maintenance expenses	734	48,123	1,330	—	483
Other expenses related to rent business	58,029	4,213	7,942	703	697
c. NOI (a – b)	876,000	349,421	198,993	(Note 3)	(Note 3)
d. Depreciation, etc. (Note 4)	47,099	21,632	18,481	32,734	16,007
Income (loss) from rent business (c – d)	828,900	327,788	180,512	(Note 3)	(Note 3)

(Unit: Thousands of yen)

Property number	TO-1	TO-2	TO-3	TO-4	TO-5	TO-6	TO-7
Property name	TLC Ebisu Building (Note 5)	A-PLACE Ebisu Minami	Yoyogi Place	Aoyama Plaza Building	Luogo Shiodome	Tokyo Kikai Honsha Building	A-PLACE Ikebukuro
Number of business days in the 2nd fiscal period	171	171	171	171	171	171	171
a. Revenues related to rent business	250,593	291,869	130,659	235,174	115,780	134,356	(Note 3)
Rent revenue—real estate	225,475	276,344	123,963	223,254	102,655	129,924	(Note 3)
Other lease business revenue	25,117	15,525	6,695	11,919	13,125	4,431	(Note 3)
b. Expenses related to rent business	64,427	50,443	18,530	45,501	24,766	30,738	16,869
Management operation expenses	20,583	24,302	9,854	20,698	9,661	17,214	7,634
Utilities expenses	20,900	21,208	8,023	14,915	13,291	10,183	8,589
Tax and public dues	—	—	—	—	—	—	—
Insurance	260	313	111	239	204	168	108
Repair and maintenance expenses	14,915	2,262	68	6,594	529	1,801	—
Other expenses related to rent business	7,768	2,355	472	3,052	1,079	1,370	537
c. NOI (a – b)	186,166	241,426	112,128	189,673	91,014	103,618	(Note 3)
d. Depreciation, etc. (Note 4)	45,734	32,751	15,466	21,997	27,384	16,955	20,682
Income (loss) from rent business (c – d)	140,431	208,674	96,661	167,676	63,629	86,662	(Note 3)

(Unit: Thousands of yen)

Property number	O-1	O-2	O-3	O-4	O-5	O-6
Property name	COCOE Amagasaki (Land)	icot Nakamozu	icot Kongo	icot Mizonokuchi	icot Tama Center	Kanayama Center Place
Number of business days in the 2nd fiscal period	171	171	171	171	171	171
a. Revenues related to rent business	318,764	290,269	(Note 3)	(Note 3)	133,658	262,860
Rent revenue—real estate	318,764	290,244	(Note 3)	(Note 3)	121,977	241,380
Other lease business revenue	—	25	(Note 3)	(Note 3)	11,680	21,480
b. Expenses related to rent business	234	6,619	6,097	32,752	32,168	44,646
Management operation expenses	—	5,575	2,575	3,541	17,243	22,066
Utilities expenses	—	28	—	—	13,785	21,109
Tax and public dues	—	—	—	—	—	—
Insurance	—	312	411	134	192	316
Repair and maintenance expenses	—	—	2,875	28,374	35	40
Other expenses related to rent business	234	703	234	703	911	1,114
c. NOI (a – b)	318,529	283,650	(Note 3)	(Note 3)	101,489	218,214
d. Depreciation, etc. (Note 4)	—	34,521	22,827	12,259	18,704	52,036
Income (loss) from rent business (c – d)	318,529	249,128	(Note 3)	(Note 3)	82,785	166,177

(Note 1) Although the calculation period of the Investment Corporation for the fiscal period ended November 30, 2012 consists of 183 days (from June 1, 2012 to November 30, 2012), the actual period for asset management is comprised of 171 days (from June 13, 2012 to November 30, 2012).

(Note 2) As for Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, the figures are in proportion to the pro rata share of our trust beneficiary co-ownership interests (jun kyōyū-mochibun) (75% and 50%, respectively).

(Note 3) We have not obtained permission from the tenant of this property to release the information missing from this table.

(Note 4) “Depreciation, etc.” includes loss on retirement of noncurrent assets.

(Note 5) On October 1, 2012, the name of Ebisu Tokyu Building was changed to TLC Ebisu Building.

iii) Other investment assets

Properties in trust held by the Investment Corporation are included in the above section “ii) Investment properties.” Other than those properties in trust, we have no other investment assets.