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**For Immediate Release**

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**Notice Concerning Revision of Operation Status Forecasts for the 10th Fiscal Period**

BLife Investment Corporation (“BLife”) announces the following revision of the operation status forecasts for the fiscal period ending in February 2011 (10th Fiscal Period: from September 1, 2010 to February 28, 2011) from that announced on October 15, 2010.

1. Revision of Operation Status Forecasts for the 10th Fiscal Period  
 (from September 1, 2010 to February 28, 2011)

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Distribution per unit (excluding distribution in excess of earnings) (yen)	Distribution in excess of earnings per unit (yen)
Previous forecasts (A)	7,699	3,896	2,774	2,783	14,500	—
Revised forecasts (B)	7,588	3,790	2,697	3,172	15,000	—
Amount of Increase (decrease) (B-A)	(111)	(105)	(76)	388	500	—
Rate of increase (decrease) (%)	(1.4)	(2.7)	(2.8)	14.0	3.4	—
(Reference) 9th Fiscal Period	6,514	2,951	1,845	20,918	15,341	—

(Note 1) Number of investment units issued and outstanding: 118,735 units (10th Fiscal Period (forecasts) and 9th Fiscal Period).

(Note 2) Figures for monetary amounts are rounded down to the nearest specified unit, and rates of increase (decrease) are rounded to one decimal place.

(Note 3) “Net income” for the 9th Fiscal Period is the amount including the gain on negative goodwill from the merger and differs to the amount of funds from which distributions are paid out.

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(Note 4) "Net income" for the 10th Fiscal Period is the amount including the amount set aside as internal reserves and differs to the amount of funds from which distributions are paid out.

(Note 5) Fiscal period ending in February 2011 (10th Fiscal Period): September 1, 2010 to February 28, 2011 (181 days).

Fiscal period ended in August 2010 (9th Fiscal Period): December 1, 2009 to August 31, 2010 (274 days).

## 2. Reason for Revision

- (1) Factors, such as an increase in rent income, reduction of lease costs and reduction of interest rate costs, backed by the good operation status of owned real estate, etc., places BLife in a state in which it can expect higher lease business revenue and income than usual.
- (2) On the other hand, proactive efforts to replace assets for the purpose of enhancing the portfolio, which BLife continued to undertake after the operation status forecasts were announced on October 15, 2010, will result in a total of 135 million yen arising in loss on sales of real estate properties and the operating revenue overall reflecting such decreasing by 111 million yen. Nevertheless, 474 million yen in gain on retirement by purchase, etc. from the purchase of investment corporation bonds, etc. will be additionally posted to extraordinary income, placing BLife in a state in which it can expect net income to increase by 388 million yen.
- (3) Of the increase in net income, the sum total amount of the gain on sales of real estate properties, gain on retirement by purchase of rehabilitation obligations, etc. corresponding to extraordinary income that are not attributable to the performance of the usual management business (each the expected amount less sundry expenses associated with the sale, etc.; hereafter referred to collectively as the "Income") will be set aside as internal reserves as provisions for the future as was the case in the Ninth Fiscal Period. Concerning the increase in net income generating from strong performance in the usual lease business, BLife intends to pay out such as distributions in the Tenth Fiscal Period and is thus revising the distribution per unit expected upward from 14,500 yen by 500 yen to 15,000 yen.
- (4) Please note that, at this stage, the Income that will be set aside from net income of 3,172 million yen as internal reserves is expected to be 1,391 million yen. BLife plans to set aside internal reserves in an amount no more than the Income and does not plan to pay out the entire amount of net income as distributions (total distributions: 1,781 million yen).
- (5) For the assumptions for the forecasts above, please refer to "Assumptions for Operation Status Forecasts for the 10th Fiscal Period" below.

(Note)

The forecasts are the current operation status forecasts. Accordingly, actual operating revenue, operating income, ordinary income, net income and distribution per unit may vary. Moreover, these forecasts are not intended as a guarantee of distribution amount.

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Assumptions for Operation Status Forecasts for the 10th Fiscal Period

Item	Assumptions
Business Period and Accounting Period	<ul style="list-style-type: none"> <li>Fiscal period ending in February 2011: September 1, 2010 to February 28, 2011 (181 days)</li> </ul>
Assets under Management	<ul style="list-style-type: none"> <li>BLife owns 124 properties as of today. The acquisition of Lexington Square Fushimi announced on December 17, 2010 will bring the total to 125 properties. BLife assumes there will be no changes in the portfolio composition (new property acquisitions or sale of acquired properties, etc.; the same hereafter) from these 125 properties through to February 28, 2011.</li> <li>Actual assets under management may vary as a result of changes in the portfolio composition.</li> </ul>
Issuance of Investment Units	<ul style="list-style-type: none"> <li>The number of investment units issued and outstanding as of today is 118,735 units. BLife assumes there will be no change from that number through to February 28, 2011.</li> </ul>
Operating Revenue	<ul style="list-style-type: none"> <li>Operating revenue include rent income, common area charges income, parking space income, incidental revenue, utilities income, key money, etc. Each of these items is calculated based on historical data and future projections.</li> <li>Operating revenue include 916 million yen in gain on sales of real estate properties. (Gain on sales of NCR Kakogawa, Catherina Mita Towersuite (NCR) and NCR Nishi Ohori: 1,062 million yen. Loss on sales of Lions Mansion Fuchinobe Honcho, Sonnen HeimMotosumiyoshi and Lions MansionMaebashi Nishikatakai: 146 million yen)</li> <li>Anticipated occupancy rates are also calculated based on historical data and future projections for each property.</li> </ul>
Operating Expenses	<ul style="list-style-type: none"> <li>Operating expenses include management fees, utilities expenses, taxes and dues (307 million yen), non-life insurance expenses, depreciation and amortization, trust compensations, repair expenses, etc. Each of these items is calculated based on historical data and future projections.</li> <li>Selling, general and administrative expenses are estimated based on actual values or rates, etc. of each item individually.</li> <li>Depreciation and amortization is calculated based on the straight-line method. Depreciation and amortization is expected to be 1,147 million yen.</li> </ul>
Borrowings	<ul style="list-style-type: none"> <li>The balance of interest-bearing liabilities after implementation of the new borrowing announced today, as well as completion of the retirement by purchase of investment corporation bonds, purchase of rehabilitation obligations and repayment to Shinsei Bank, will be 123,800 million yen. BLife assumes there will be no change from this balance through to February 28, 2011.</li> <li>Interest expenses, etc. (including borrowing related expenses) are expected to be 1,046 million yen.</li> </ul>
Extraordinary Income	<ul style="list-style-type: none"> <li>The total amount of extraordinary income is expected to be 474 million yen. (Gain on retirement by purchase, etc. from the purchase of investment corporation bonds, etc.)</li> </ul>
Distribution per Unit	<ul style="list-style-type: none"> <li>BLife assumes it will pay out distributions (distribution per unit) of no more than the amount of earnings pursuant to the cash distribution policy set forth in its Articles of Incorporation. In the 10th Fiscal Period, BLife intends to adopt the policy of setting aside 1,357 million yen in gain on sales of real estate properties, etc. as internal reserves and thus does not plan to distribute the entire amount of net income.</li> <li>The amount of distribution per unit may vary due to various factors, such as fluctuations in rent revenue caused by changes in the tenant composition, etc., changes in the portfolio composition, fluctuations in interest rates and additional issuances of new investment units.</li> </ul>
Distribution in Excess of Earnings per Unit	<ul style="list-style-type: none"> <li>BLife currently has no plans to pay out cash distributions in excess of earnings (distribution in excess of earnings per unit).</li> </ul>

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Other	<ul style="list-style-type: none"><li>• BLife assumes there will be no amendments to laws and regulations, the taxation system, accounting standards, listing regulations, The Investment Trusts Association, Japan rules, etc. that would affect the forecasts above.</li><li>• BLife assumes there will be no unforeseen material changes in general economic trends, real estate market conditions, etc.</li></ul>
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\* This press release is to be distributed to the Kabuto Club (the press club of the Tokyo Stock Exchange); the Ministry of Land, Infrastructure, Transport and Tourism Press Club; and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.

\* URL of the BLife's website: <http://www.blife-reit.co.jp/eng/>

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