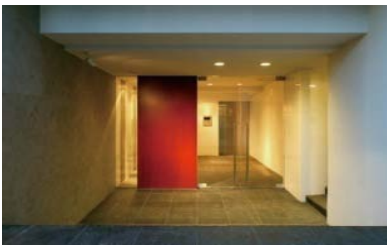


BLife Investment Corporation

Presentation Material for the Ninth Interim Period
(December 1, 2009 - May 31, 2010)



(Asset Management Company)

**DAIWA HOUSE MORIMOTO
ASSET MANAGEMENT Co., Ltd.**

Financial Instruments Dealer, Kanto Financial Bureau
Director (Kin-sho) No. 409
Member of The Investment Trusts Association, Japan

**Daiwa Morimoto
Asset Management**





Table of Contents

Overview of BLife Investment Corporation	3	External and Internal Growth Strategies Using Support From Daiwa House	15	Sponsors and Supporting Company	28
Ninth Interim Period Highlights	4	Future Management Policies	16	Overview of the Leading Sponsor: Daiwa House Group	29
Progress with Merger-driven Profitability Improvement and Rationalization	5	Ninth Interim Period Financial Results, Ninth Fiscal Period Forecasts and Tenth Fiscal Period Forecasts	17	Sponsor Support from Daiwa House	30
Transition of Occupancy Rate.....	6	APPENDIX		Operational and Administrative System of Daiwa House – Case Examples of Rental Residential Development –	31
Improving Portfolio Quality by Replacing Assets (1)	7	Investment Policy: Portfolio Diversification by Property Type and Area	19	Overview of the Asset Management Company	32
Improving Portfolio Quality by Replacing Assets (2)	8	Building Portfolio: Strengths of BLife Portfolio	20~21	Compliance	33
Portfolio After the Merger	9	Investment Stance on Residential Properties (1) ...	22	Portfolio (as of June 30, 2010)	34~38
Tax-loss carryforward Utilization and Negative Goodwill (1)	10	Investment Stance on Residential Properties (2) ...	23	Portfolio: Photos and Profiles	39~40
Tax-loss carryforward Utilization and Negative Goodwill(2)	11	Summary of Financial Results	24	Balance Sheets	41~43
Financial Stability (1)	12	Selected Financial Data	25	Statements of Income	44~45
Financial Stability (2)	13	Portfolio Performance Analysis *Residential for Pre-Merger BLife Only	26	Statements of Cash Flows	46
Financial Stability (3)	14	Changes in B/S due to the Merger	27	Major Unitholders	47
				Movement of Investment Unit Prices	48

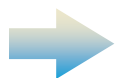
*) All photos used in this material are photos of properties managed by BLife Investment Corporation except for the property photos on pages 30 (photos of three properties under (2), Sponsor Support from Daiwa House) and 31.



Overview of BLife Investment Corporation

Mainly investing in residential properties with relatively stable rent and occupancy rates, we are working in cooperation with our main sponsor, Daiwa House Group to secure stable revenue in the medium- to long-term and steadily grow our assets under management.

(before merger)
End of Eighth Fiscal
Period
(November 30, 2009)

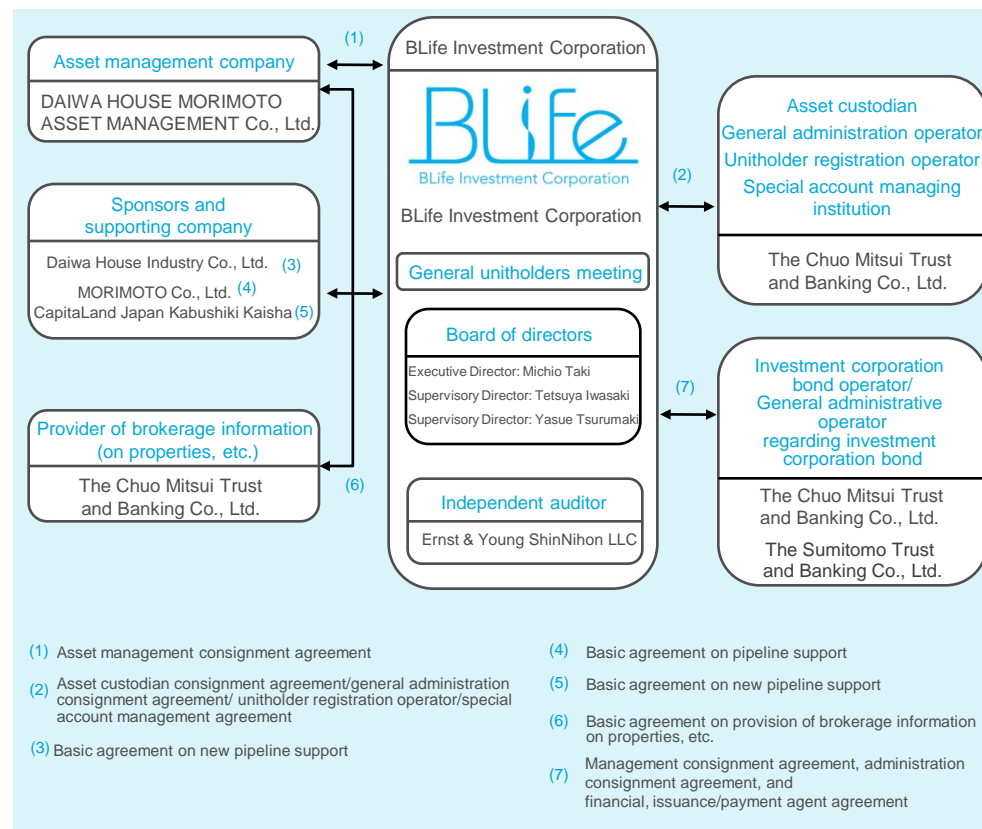


(after merger)
Ninth Interim Period
(as of May 31, 2010)

IPO	March 22, 2006	
Sponsors	Daiwa House Industry, MORIMOTO	
Fiscal Periods	6 months through May and November	6 months through February and August
Number of Owned Properties	24 (22 residential, 2 retail)	129 (127 residential, 2 retail)
Total Assets	54,280 million yen	201,371 million yen
Portfolio Size *1	51,139 million yen	190,537 million yen
Net Assets	24,439 million yen	72,240 million yen (of which, 19,011 million yen is negative goodwill)
Number of Investment Units	49,260	118,735
Net Assets per Unit (NAV)	496 thousand yen	608 thousand yen
LTV *2	52.8%	62.3%

*1) On an acquisition price basis

*2) LTV (total interest-bearing liability ratio) = interest-bearing liabilities at end of fiscal period /total assets at end of fiscal period × 100



Ninth Interim Period Highlights

Merged with New City Residence Investment Corporation (NCR) (April 1, 2010)

- (1) Increases of 3.7x in total assets, 2.9x in net assets, 5.4x in number of properties (all as of May 31, 2010)
- (2) Succeeded NCR's properties at cut prices of book value by 24.3%
- (3) Gain on negative goodwill was determined at ¥19,011 million

Portfolio quality improved via property replacement

- (1) Four NCR properties sold for a total value of ¥709 million, generating sales gains of ¥22 million (after the deduction of expenses)
- (2) Purchased two warehousing properties (IPSE Ichigaya and IPSE Nakanobu) from Daiwa House for a total of ¥2,730 million with cash reserves
- (3) Sale of NCR Kakogawa (for a value of ¥255 million) determined, gains on sales of ¥5 million (after the deduction of expenses) to be recorded for the tenth fiscal period



We aim to continue actively replacing properties to further boost the quality of our property portfolio

Retirement by purchase etc. of rehabilitation obligations

- (1) Rehabilitation obligations (investment corporation bonds) worth ¥475 million were purchased at 90.01% of its face value and retired
- (2) Claims of rehabilitation obligations (other) worth ¥113 million were purchased at 85% of its face value
- (3) Gains on retirement of obligations etc. booked (¥64 million) and LTV reduced (−0.5%)



We plan to continue purchasing and retiring additional obligations using cash reserves

Raised distribution forecasts and set aside retained earnings

- (1) Based on current management conditions, we have raised our forecasts for distribution per unit for the ninth fiscal period

¥14,700 (forecast announced as of January 15, 2010)



¥15,000 (ninth fiscal period); forecast for tenth fiscal period is ¥14,500 (ongoing basis)

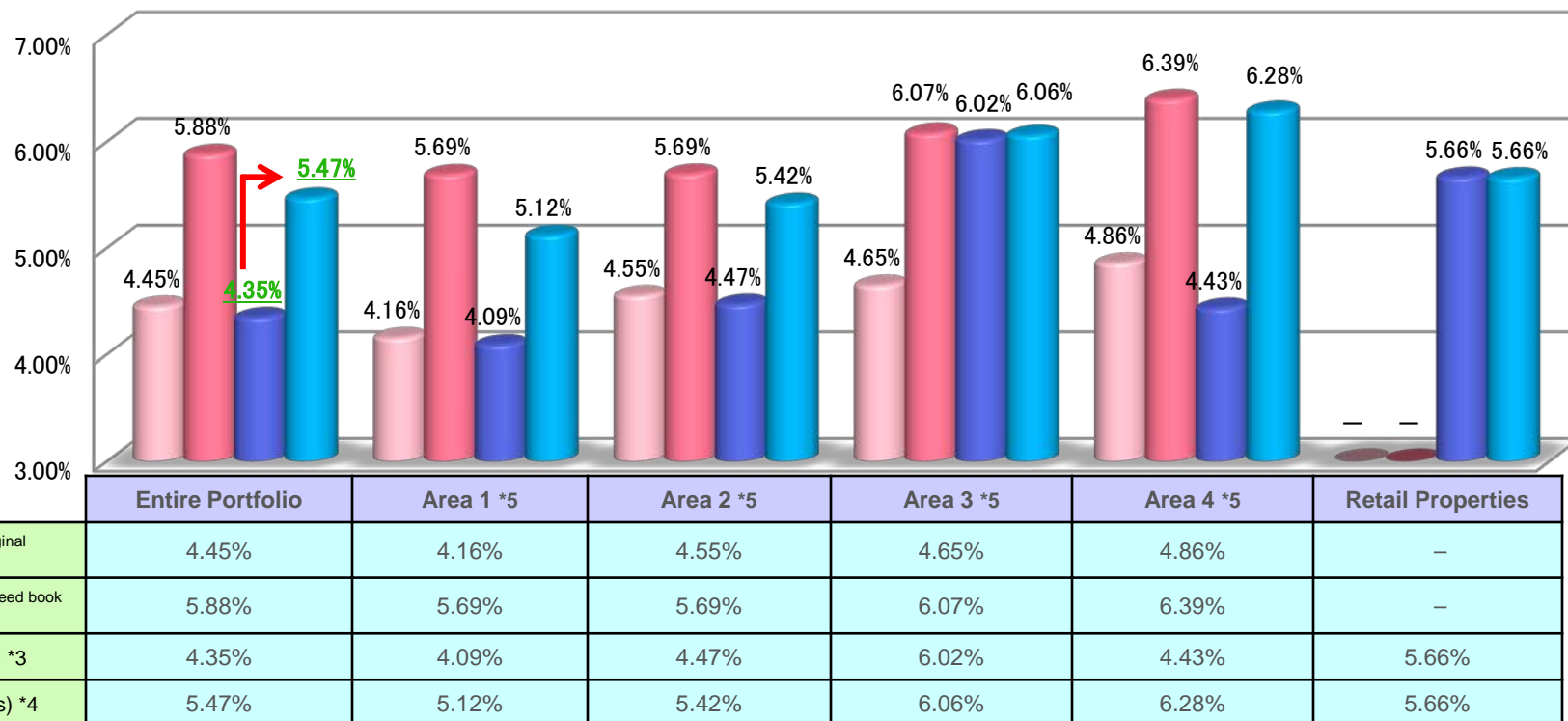
- (2) For the ninth fiscal period, we plan to set aside retained earnings from gains on property sales and gains on retirement by purchase of rehabilitation obligations etc., up to a maximum of ¥86 million (after the deduction of expenses)



Progress with Merger-driven Profitability Improvement and Rationalization

Profitability Improvement (NOI yield)

- Agreement to merge based on reduced book values for 105 NCR properties has led to sharp improvement in NOI yields from 4.35% pre-merger, to 5.47% post-merger



*1) Annualized NOI yield calculated based on performance between April 1, 2010 through May 31, 2010 (rent NOI / original NCR acquisition price)

*2) Annualized NOI yield calculated based on performance between April 1, 2010 through May 31, 2010 (rent NOI / BLife agreed book value: NCR appraisal value as of February 2010)

*3) Annualized NOI yield calculated based on performance between December 1, 2009 through May 31, 2010 (rent NOI / acquisition price)

*4) Calculated by the weighted average of NCR (105 properties: at agreed book value) and BLife (24 properties) figures.

*5) Areas are defined as follows: (1) Area 1: 5 central wards (Chiyoda Ward, Chuo Ward, Minato Ward, Shibuya Ward and Shinjuku Ward), (2) Area 2: Other 23 wards (23 wards of Tokyo excluding Area 1), (3) Area 3: Tokyo Metropolitan area (Tokyo excluding Area 1 and Area 2, Kanagawa Prefecture, Saitama Prefecture and Chiba Prefecture), and (4) Area 4: Other cities with populations of more than approx. 100,000

Progress with Cost Reduction

- General administration expenses common for both REITs reduced by ¥21.2 million annually
- Operational and administrative efficiency savings of ¥5.5 million annually through change in leasing scheme
- Resident service program overhauled, reducing costs by ¥25.8 million annually

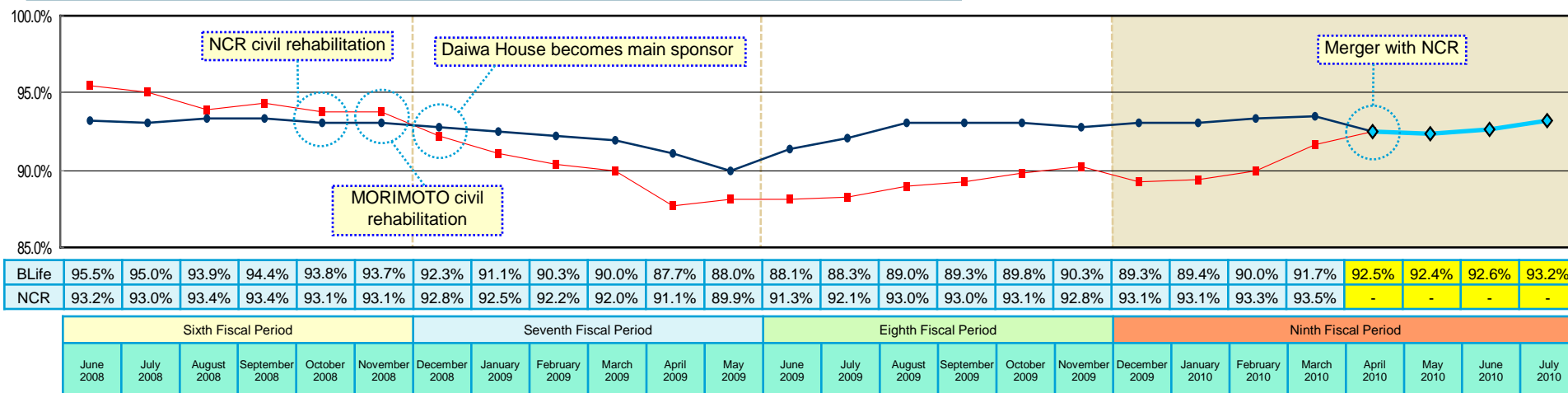


**Implementing
further reductions in
real estate rental expenses**

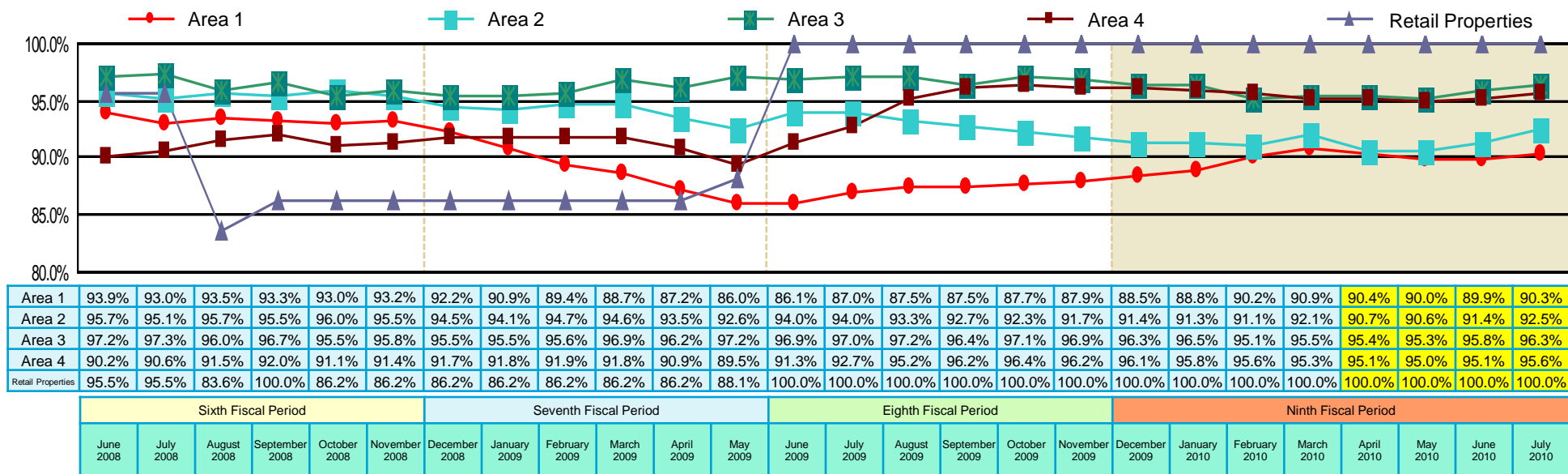
Transition of Occupancy Rate

Transition of Portfolio Occupancy Rate

■ pre-merger BLife ● NCR ◆ post-merger BLife



Transition of Occupancy Rate by Residential Property (by area) and Retail Property (modified based on BLife area definition) *



*) The above graph shows occupancy rates by area over the last four fiscal periods for all 129 properties in the portfolio as of May 31, 2010



Improving Portfolio Quality by Replacing Assets (1)

External Growth Through Acquisition of New Assets

Background to new property purchases

- Properties acquired using Daiwa House's warehousing functions, enabling purchases at more favorable rates than the market (difference between real estate appraisal value and acquisition price of both properties combined: ¥650 million)
- Recently built buildings located near stations with a good level of specification
- Competitive properties with stable occupancy rates (year to date occupancy rate: IPSE Ichigaya, around 92%; IPSE Nakanobu, around 96%)
- Acquired using cash reserves of BLife investment corporation, potentially helping to boost future revenue



IPSE Ichigaya

Acquisition Price 940 million yen
Estimated NOI *1 64 million yen

Location	Ichigaya Yakuojimachi, Shinjuku Ward, Tokyo
Land Area	688.22 m ²
Structure	RC
Floors	6 (and 1 basement floor)
Floor Area	1,769.94 m ²
Leasable Area	1,546.34 m ²
Completed	August 29, 2008
Seller	Daiwa House Industry Co., Ltd.
Acquisition Date	June 29, 2010
Appraisal Values	1,210 million yen
NOI Yield *2	6.85%



IPSE Nakanobu

Acquisition Price 1,790 million yen
Estimated NOI *1 115 million yen

Location	4-chome, Nakanobu, Shinagawa Ward, Tokyo
Land Area	741.81 m ²
Structure	RC
Floors	12
Floor Area	3,004.52 m ²
Leasable Area	2,421.82 m ²
Completed	May 12, 2008
Seller	Daiwa House Industry Co., Ltd.
Acquisition Date	June 29, 2010
Appraisal Values	2,170 million yen
NOI Yield *2	6.46%

*1) Estimated NOI is net rental income in the real estate appraisal report as of May 31, 2010

*2) NOI yield is (net rental income / acquisition price x 100) in the real estate appraisal report as of May 31, 2010




Improving Portfolio Quality by Replacing Assets (2)

Asset Sales

- We established criteria for asset sales and began replacing properties lacking competitiveness.

Criteria

Comprehensive assessment of a range of factors including property size (price, leasable area, number of units), form of ownership (fee simple or not), location, yields, age of property, occupancy rates, and distance from nearest station

- Four properties sold for a total of ¥709 million in the ninth fiscal period and one property to be sold for a total of ¥255 million in the tenth fiscal period
Gains on the sales of all five properties booked  **gains on sales of ¥22 million and ¥5 million (after the deduction of expenses) recorded/to be recorded for the ninth and tenth fiscal periods, respectively**
- Decision to sell: all five properties were small in size and subject to large fluctuations in profitability due to changes in occupancy rates and status of repairs; Lions Mansion Higashi Oume Daisan was a partially owned property, with our interest equating to 33.3% of the floor area, which was less than majority, leading to potential administration problems in the future.

(unit: thousand yen)

	Park Terrace Shioyaki	Park Terrace Horie	LM Higashi Oume Daisan	New City Residence Shonan	New City Residence Kakogawa	A Total of Assets Sold in Ninth and Tenth Fiscal Periods
Sales date (scheduled)	June 28, 2010	June 28, 2010	June 29, 2010	August 4, 2010	September 7, 2010	—
Sales price (A)	185,000	125,000	81,000	318,000	255,000	964,000
Book value (B) *1	158,475	119,633	77,584	307,027	238,757	901,478
Difference between sales price and book value (A) – (B) *2	26,524	5,366	3,415	10,972	16,242	62,521

List of Assets Sold and Acquired in the Ninth Fiscal Period

	Assets Acquired After the Merger	Assets Sold After the Merger
Total acquisition price (a) / total sales price (b)	2,730 million yen	964 million yen
Book value (c) *1	—	901 million yen
Real estate appraisal values (d) *3	3,380 million yen	904 million yen
Difference between total acquisition price and real estate appraisal values (e) [(e) = (d) – (a)] [(e) / (a) x 100]	650 million yen (23.8%)	—
Difference between total sales price and book value (f) [(f) = (b) – (c)] [(f) / (b) x 100]	—	62 million yen (6.5%)
Weighted average NOI yield	6.60% *4	6.52% *5
Weighted average age of property	2.0 years	13.3 years

*1) Book value as of sales date

*2) Does not include sales-related expenses, settlement of taxes and public charges, or consumption taxes

*3) Real estate appraisal values as of February 28, 2010

*4) Weighted average NOI yield for acquired assets: (net rental income in the real estate appraisal report / acquisition price) given a weighted average based on acquisition price

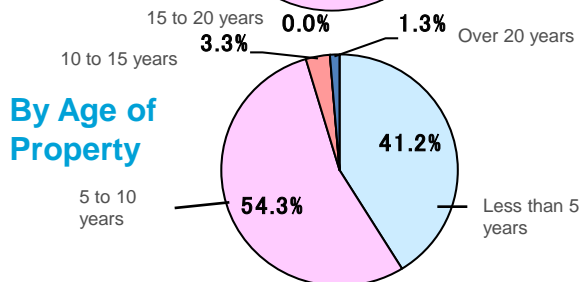
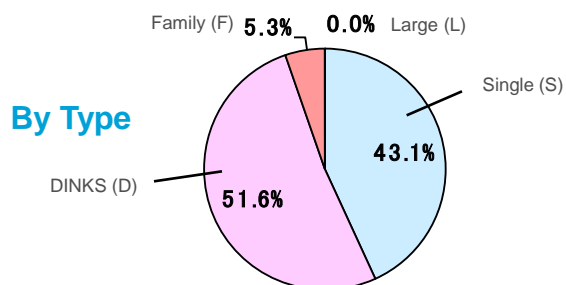
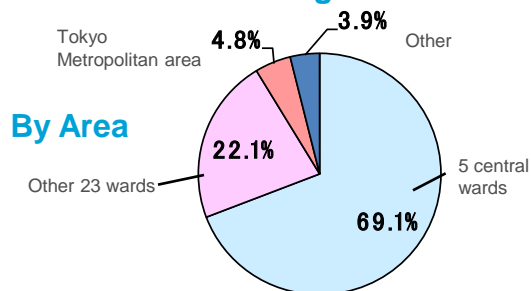
*5) Weighted average NOI yield for sold assets: (weighted average NOI over the last four fiscal periods for properties sold / acquisition price) given a weighted average based on acquisition price



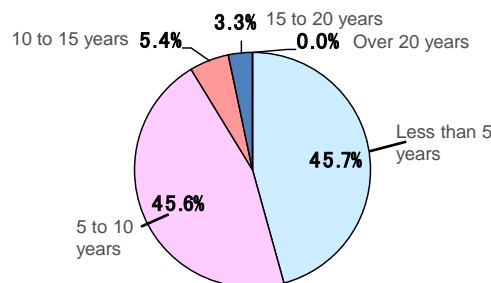
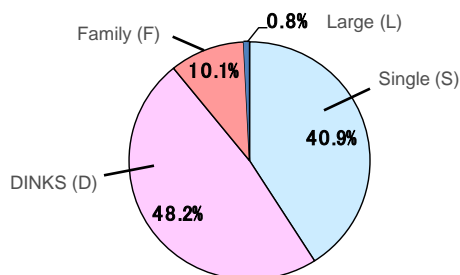
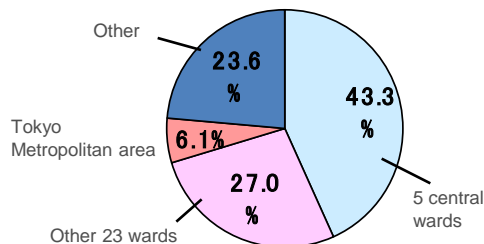
Portfolio After the Merger

- Stabilizing our portfolio performance by lessening investment focus on the 5 central wards of Tokyo and DINKS type residences* in favor of diversified investments throughout 23 wards and Tokyo Metropolitan area that demonstrates stable performance, balanced with single, DINKS and family residences *) DINKS stands for "Double Income No Kids". Such residences are designed for couples with high household income seeking a high quality of life.
- Maintaining portfolio quality through investment focus on recently built, mid-sized, high-liquidity properties

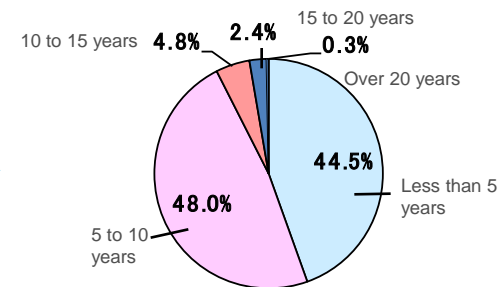
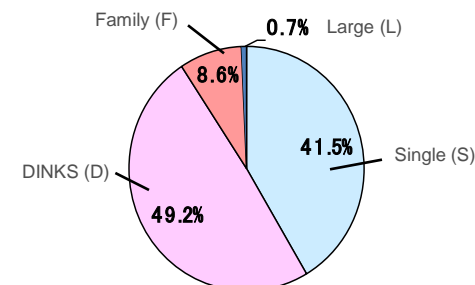
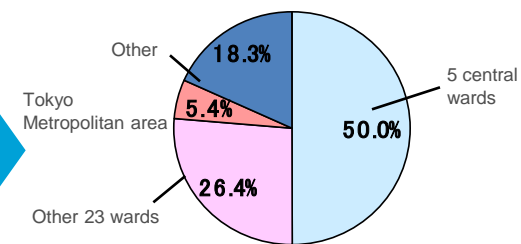
Pre-merger BLife



Former NCR



**Post-merger BLife
August 31, 2010**



*1) Values by area and by age of property are calculated based on acquisition prices for pre-merger BLife, on appraisal values for the fiscal period ended February 2010 for former NCR. Values by type are calculated based on the number of residential units in each classification after the merger.
 *2) Areas are defined as follows: (1) 5 central wards (Area 1): Chiyoda Ward, Chuo Ward, Minato Ward, Shibuya Ward and Shinjuku Ward, (2) Other 23 wards (Area 2): 23 wards of Tokyo excluding Area 1, (3) Tokyo Metropolitan area (Area 3): Tokyo excluding Area 1 and Area 2, Kanagawa Prefecture, Saitama Prefecture and Chiba Prefecture, and (4) Other (Area 4): Other cities with populations of more than approx. 100,000
 *3) Types are defined as follows: Single (S): leasable area of less than 30m² / DINKS (D): leasable area of 30m² ~ 70m² / Family (F): leasable area of 70m² ~ 100m² / Large (L): leasable area of over 100m²
 *4) Age of property is counted based on properties owned as of August 31, 2010



Tax-loss Carryforward Utilization and Negative Goodwill (1)

Utilizing Tax-loss Carryforward to Secure Retained Earnings

- By utilizing tax-loss carryforward of approx. ¥48 billion* succeeded from NCR as part of the merger, we were able to secure retain earnings and also avoid taxation even though J-REIT's conduit requirement was not fulfilled
- Cash equivalent to the amount of retained earnings to be booked as surplus at BLife, in contrast to negative goodwill, which is a non-cash item
- We plan to allocate a portion of profits for retained earnings from the ninth fiscal period
- Loss for taxation purposes can be carried forward until the 21st fiscal period (ending August 31, 2016)



**Significant
merits**

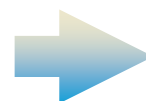
Criteria for allocating profits to retained earnings

*) On December 9, 2009, the day that NCR's civil rehabilitation plan was approved, NCR reduced its book value for tax purposes and the resulting loss for taxation purposes of ¥48 billion were all transferred to BLife Investment Corporation as part of the merger on April 1, 2010.

- In principle, any extraordinary income that are not factored into assumptions at the time distribution forecasts are formulated will be the upper limit for profits allocated to retained earnings
- The amount of profits allocated to retained earnings is based on the comprehensive rational, assessment of a number of factors, including financial conditions at BLife, results of previous distribution amounts, investment unit prices, interest rates, and real estate market trends, as well as the stability of distribution amount
- For the ninth fiscal period, the upper limit for allocatable profits of retained earnings was set at ¥86 million in total of gains on properties sales and gains on retirement by purchase of some of its rehabilitation obligations etc. (after the deduction of expenses)

Options for uses of retained earnings

- More efficient and rapid acquisition of properties, upgrades to properties to boost profitability and competitiveness, or repayment of debt depending on the financial environment



**Potential for boosting revenue and
improving financial stability**



Tax-loss Carryforward Utilization and Negative Goodwill (2)

Negative Goodwill

- Gain on negative goodwill at BLife Investment Corporation **¥19,011 million (all allocated to retained earnings)**
- Gain on negative goodwill is booked as extraordinary income on the P/L statement, however, the entire amount is not distributed but allocated to retained earnings because gain on negative goodwill is not included in distributable income for J-REIT's conduit requirement test

[Determination of tax requirement for payment of distributions in excess of 90%]

$$\begin{array}{lcl} \text{Formula of J-REIT's} & & \text{Actual amount of distributions, etc.} \\ \text{conduit requirement test} & = & \text{(distribution based on profits recorded in the financial statements)} \\ & & \hline & & \text{Distributable income} \\ & & \text{(profits recorded in the financial statements) }^{*1} \end{array} > 90\%$$

*1) Distributable income = income before income taxes – gain on negative goodwill + portion of deducted gain on negative goodwill applicable to the fiscal period (regulation 22-19 (2))

[Calculation of gain on negative goodwill applicable to the fiscal period]

Based on monthly allocation averaged over a period of 100 years

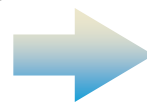
Utilizing Retained Earnings Credited by Tax-loss Carryforward and Negative Goodwill

Criteria for reversal of retained earnings

- The amount of retained earnings for reversal is based on the comprehensive, rational assessment of a number of factors, including financial conditions at BLife, results of previous distribution amounts forecasts for distribution amounts, and investment unit prices

Examples for uses of funds from the reversal of retained earnings

- A shortfall in distribution amount to meet the initial distribution forecasts owing to losses on property sales due to asset replacement
- A sharp decline in distributions compared to past years owing to unit dilution from capital increase through public offering, etc



Used for stabilizing distributions and potential for strategically replacing portfolio properties



Financial Stability (1)

Financial Strategy

- Building a strong banking structure based on financial institutions closely related to the Daiwa House Group
- Work to reduce loans, etc. with an eye on lowering LTV
- The liability structure is stable, with all interest-bearing liabilities based on long-term loans with a mix of fixed and variable interest rates (the proportion of liabilities with fixed interest rates stands at 21.4%, the proportion of liabilities that can be switched to fixed interest rates stands at 42.8%.)

Status of Interest-bearing Liabilities

Status of Loans of BLife *1

(unit: million yen)

No.	Lenders	Balance as of August 31, 2010		Interest Rate	Loan Date	Due Date	Description
No. 1	◎ Mizuho Bank	12,657	3,553	1.39000% (July 1, 2010 – September 30, 2010)	March 31, 2010	July 31, 2012	Secured loan
	◎ Chuo Mitsui Trust & Banking		3,553				
	◎ Sumitomo Mitsui Banking		3,553				
	Bank of Tokyo-Mitsubishi UFJ		1,996				
No. 2	◎ Sumitomo Mitsui Banking	15,903	3,809	1.49000% (July 1, 2010 – September 30, 2010)	September 30, 2009	September 30, 2011	Secured loan
	◎ Chuo Mitsui Trust & Banking		3,809				
	◎ Mizuho Bank		3,809				
	Bank of Tokyo-Mitsubishi UFJ		2,983				
	Sumitomo Trust & Banking		1,491				
	Total (1)	28,560					

Status of obligations succeeded from NCR

(unit: million yen)

	Period	Balance as of August 31, 2010	Interest Rate	Date of Modification of Rights	Due Date	Description
Rehabilitation Obligations with Right of Separate Satisfaction	2 years	16,019	1.47154%	January 5, 2010	January 31, 2012	Secured loan
Rehabilitation Obligations *2	3 years	26,669	1.27154% *3	January 5, 2010	January 31, 2013	Unsecured loan
	4 years	26,669	1.37154% *3	January 5, 2010	January 31, 2014	
	5 years	26,671	1.72553% (Fixed interest rate)	January 5, 2010	January 30, 2015	
	Total (2)	96,030				
Total (1) + (2)		124,590				

*1) ◎ indicates a bank that is also a shareholder of the asset management company

*2) In August 2010, of rehabilitation obligations, rehabilitation obligations (investment corporation bonds) of ¥475 million and rehabilitation obligations (other) of ¥113 million were purchased at ¥428 million (at 90.01% of its principal) and ¥96 million (at 85% of its principal), respectively, and retired.

*3) BLife Investment Corporation may shift to a fixed interest rate without changing the applied spread

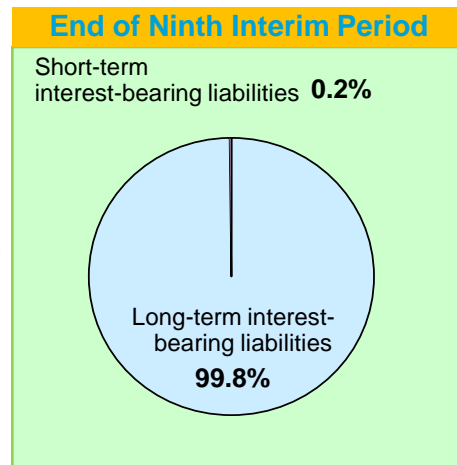
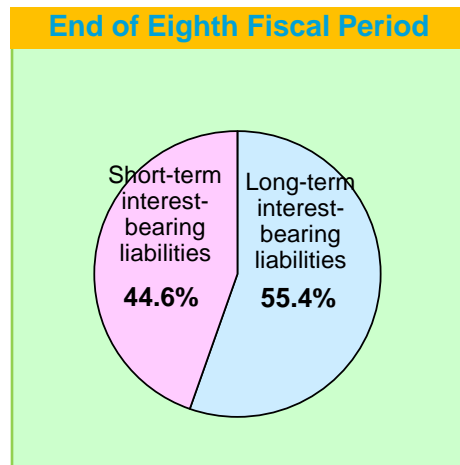


Financial Stability (2)

■ Large Improvement in Composition of Interest-bearing Liabilities

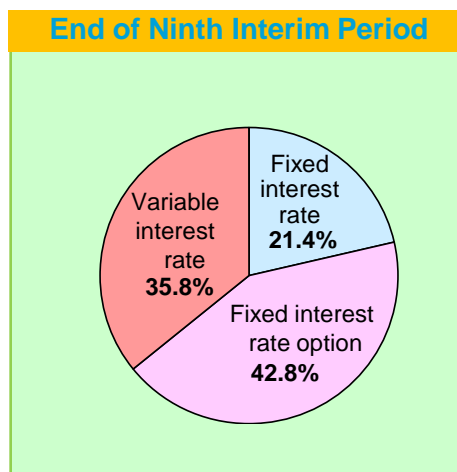
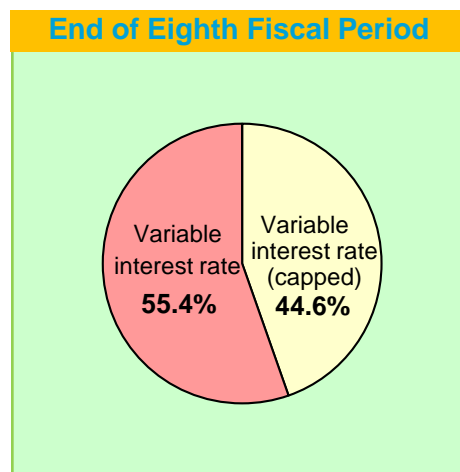
Interest-bearing liabilities are comprised almost entirely of long-term liabilities

□ Long-term /Short-term Liabilities



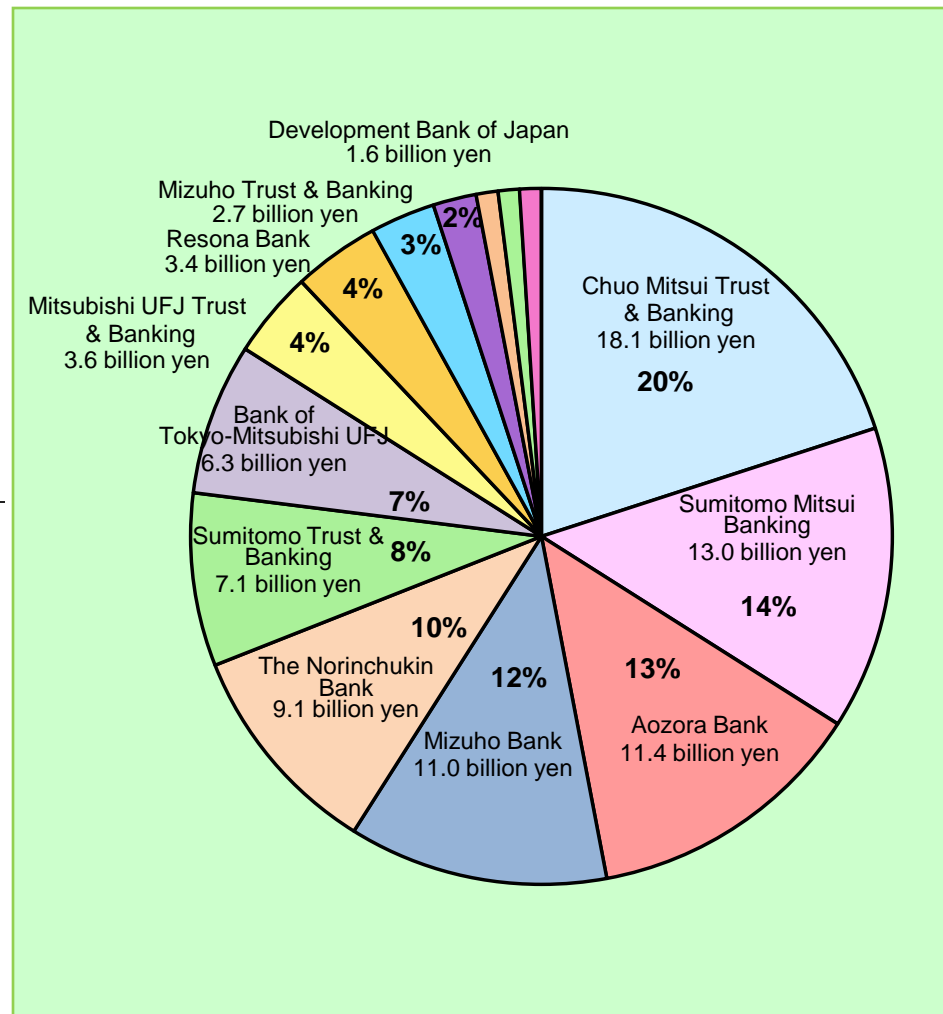
□ Applicable Interest Rates

By shifting to fixed interest rates, it is possible to equalize interest expenses



□ Breakdown of Borrowings by Lenders

Principal lenders are major Japanese financial institutions



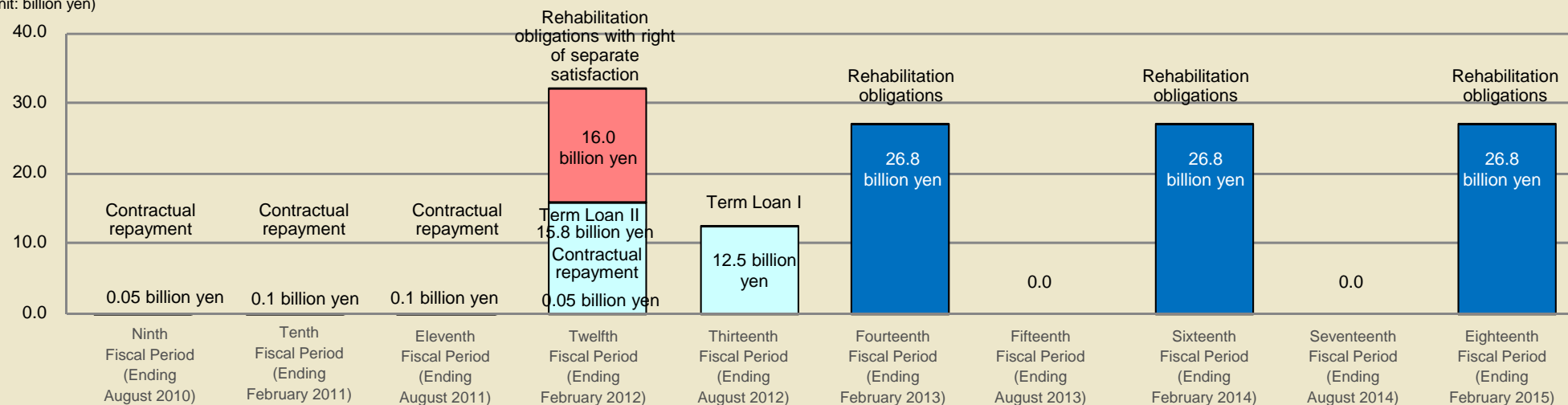


Financial Stability (3)

- By refinancing Term Loan I in March 2010, there are no upcoming due dates until September 2011. BLife has a long average loan period of 3.0 years.
- Strategic refinancing possible by diversification of maturities to cause due dates to fall on same date

Status of Upcoming Due Dates

(unit: billion yen)



■ Transition of LTV

	Second Fiscal Period	Third Fiscal Period	Fourth Fiscal Period	Fifth Fiscal Period	Sixth Fiscal Period	Seventh Fiscal Period	Eighth Fiscal Period	Ninth Interim Period
LTV	39.3%	33.9%	53.1%	53.1%	52.5%	52.7%	52.8%	62.3%

■ Status of Issuer Ratings

Rating Agency	Type	Rating	Announcement Date
Rating and Investment Information, Inc. (R&I)	Issuer rating	A (Stable)	April 1, 2010



External and Internal Growth Strategies Using Support From Daiwa House

■ Change in Investment Stance

- We have changed our investment stance in light of greater cooperation with Daiwa House

■ Investment Stance on Residential Properties

An investment area where we can leverage Daiwa House's all-round capabilities

- **Area 1 (the five major wards of Tokyo)** remains our main investment area
- BLife Investment Corporation has a strong track record in **Area 2 (wards of Tokyo excluding Area 1)** and in **Area 3 (Tokyo Metropolitan area excluding Area 1 and Area 2 (Tokyo, Kanagawa Prefecture, Saitama Prefecture and Chiba Prefecture))** in terms of occupancy rates and rent levels
- By diversifying investment in **Area 2 and Area 3**, where Daiwa House Group has extensive property planning and development expertise, we can leverage these strengths

Investment by type where we can leverage Daiwa House's all-round capabilities

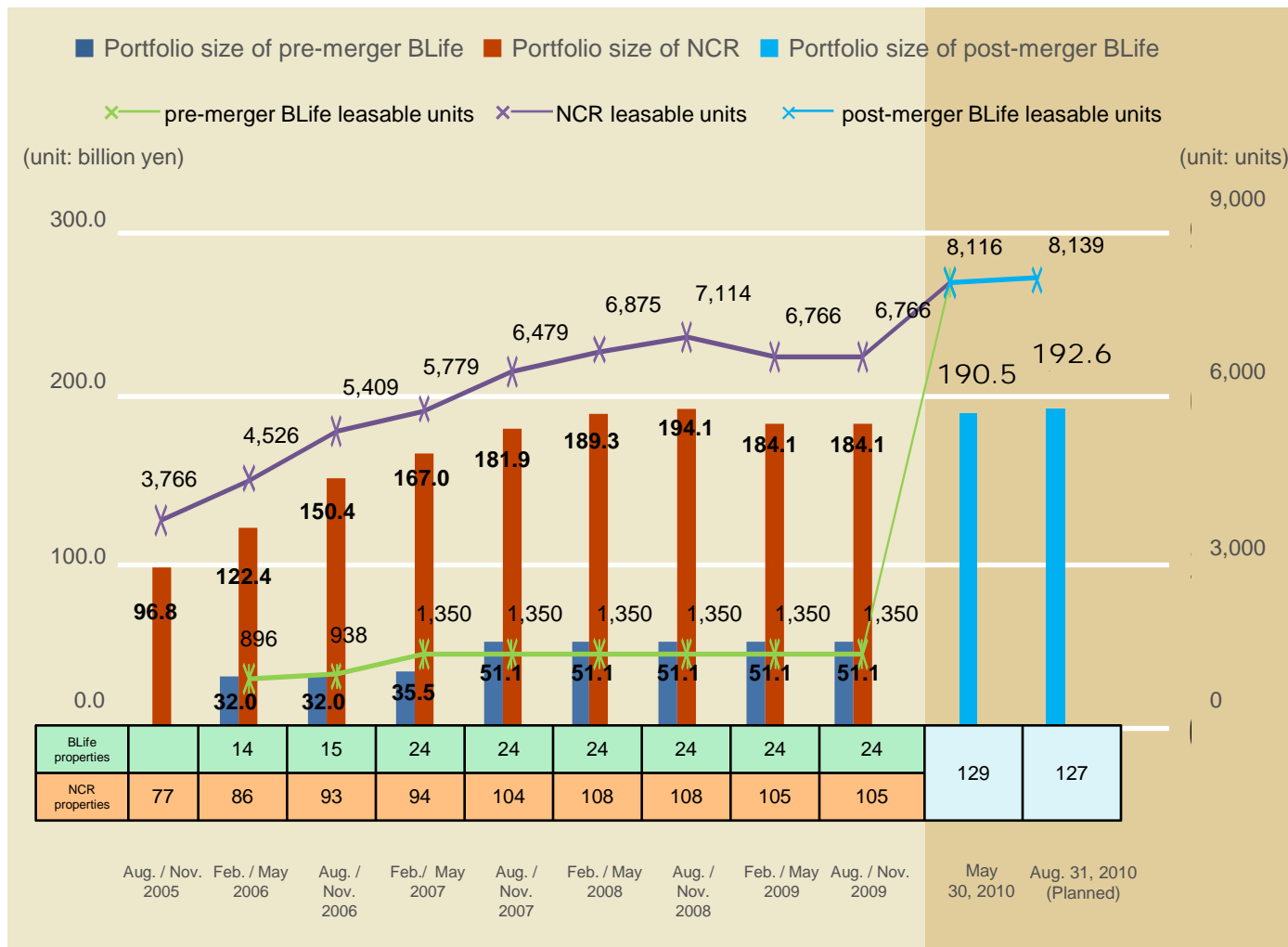
- Investment in **family residences**, where the Daiwa House Group is strong, in addition to existing investment in properties for **singles** and **DINKS**
- Consider the use of a master lease system whereby the Daiwa House Group guarantees rent on some properties
- Active acquisition of multi-use properties (residential buildings with retail space) duly considering location and margins

■ Investment Stance on Retail Property

- No plans to change our investment policy at present, but no purchases of retail property to be carried out for the moment either

Future Management Policies

Transition of Portfolio Size



Management policies

■ Stage 1

- (1) Improvement of occupancy rate through appropriate rent setting
- (2) Reduction in real estate administration costs
- (3) LTV reduction and portfolio quality improvement by asset replacement

■ Stage 2

- (1) Increase capital through public offering and other actions at appropriate time
- (2) External growth by acquisitions focused on properties developed by Daiwa House and properties held by Daiwa House through its warehousing function



Ninth Interim Period Financial Results, Ninth Fiscal Period Forecasts and Tenth Fiscal Period Forecasts

		Eighth Fiscal Period (ended November 2009)	Ninth Interim Period (ended May 2010)	Forecasts for Ninth Fiscal Period (ending August 2010)	Forecasts for Tenth Fiscal Period (ending February 2011)
Management Period		183 days	182 days	274 days	181 days
Operating Revenue		1,478 mn yen	3,156 mn yen	6,499 mn yen	6,677 mn yen
Operating Income		742 mn yen	1,567 mn yen	2,866 mn yen	2,953 mn yen
Net Income (excluding gain on negative goodwill)		436 mn yen (436 mn yen)	19,996 mn yen (984 mn yen)	20,846 mn yen (1,835 mn yen)	1,721 mn yen (1,721 mn yen)
Distribution per Unit (outstanding investment units issued at end of fiscal period)		8,862 yen (49,260 units)	— (118,735 units)	15,000 yen (118,735 units)	14,500 yen (118,735 units)
Total Assets		54,280 mn yen	201,371 mn yen	—	—
Net Assets		24,439 mn yen	72,240 mn yen	—	—
Assets Under Management:	Acquisition Price	51,139 mn yen	190,537 mn yen	192,603 mn yen	192,603 mn yen
	Number of Properties	24	129	127	127
	Leasable Units (including store)	1,350 units (Store: 30 units)	8,116 units (Store: 62 units)	8,139 units (Store: 63 units)	8,139 units (Store: 63 units)
Occupancy Rate at End of Fiscal Period		90.3%	92.4%	92.4%	92.4%
NOI Yield		4.53%	5.08%	—	—
End of Period LTV (interest-bearing liabilities/total assets)		52.8%	62.3%	—	—

< Earnings forecast assumptions for the ninth and tenth fiscal periods >

- No change in the 127 properties, excluding the scheduled sale (as of July 29, 2010) of NCR Shonan
- Average occupancy rate is 92.4%
- Total outstanding investment units issued: As of the date of this report, outstanding investment units issued totaled 118,735, and we assume no change in this figure through to the end of the tenth fiscal period



APPENDIX

Daiwa Morimoto
Asset Management





Investment Policy: Portfolio Diversification by Property Type and Area

- The portfolio investment ratio is 80~100% for residential and 0~20% for retail

Unit Ratio by Type of Residential Property

Type	Single	DINKS *	Family	Large
Ratio	30~60%	40~60%	0~20%	0~10%

*) DINKS means Double-Income-No-Kids

Investment Ratio by Type of Retail Property

Type	Station Front	Urban	Suburban	Rural
Size (floor area)	500m ² ~	3,000m ² ~	5,000m ² ~	10,000m ² ~
Trade area Population	~50km About 2 million	~30km About 1 million	~10km About 0.2 million	~10km About 0.05 million
Ratio	0~40%	0~40%	60~100%	0~20%

Investment Ratio by Area

Area 1	5 major wards of Tokyo (Chiyoda, Chuo, Minato, Shibuya and Shinjuku Wards)	Portfolio Ratio	Residential: 40~60% Retail: 0~40%
Area 2	Wards of Tokyo excluding Area 1	Portfolio Ratio	Residential: 20~50% Retail: 0~40%
Area 3	Tokyo Metropolitan area (Tokyo excluding Area 1 and Area 2, Kanagawa, Saitama and Chiba Prefectures)	Portfolio Ratio	Residential: 0~20% Retail: 0~70%
Area 4	Other cities with populations of more than approx. 100,000	Portfolio Ratio	Residential: 0~20% Retail: 0~70%



Building Portfolio: Strengths of BLife Portfolio

- Investment is focused on the Tokyo Metropolitan area where population is expected to continue growing
- Investment is made on properties meant for singles and DINKS of which the number of households is expected to increase

Transition of Population in Major Areas of Tokyo (including forecasts)

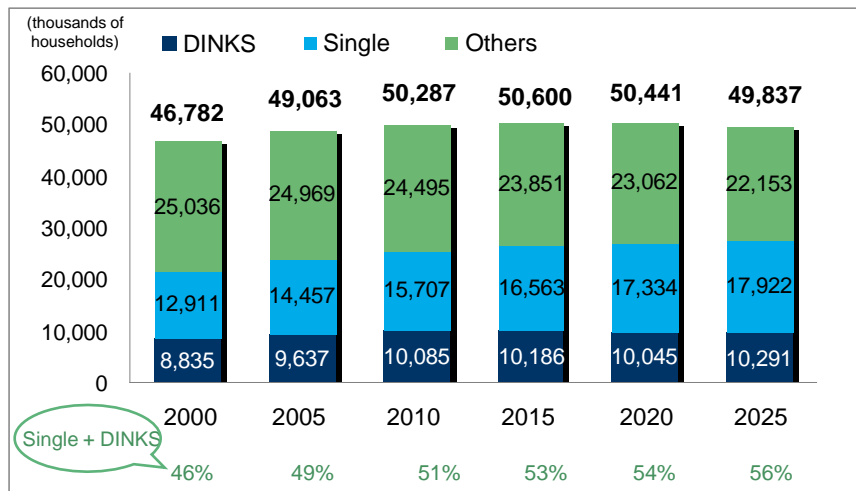
(unit: person)

	May 2003	May 2004	May 2005	May 2006	May 2007	May 2008	May 2009	May 2010	2015 (forecast)
5 major wards	819,010	834,051	846,577	869,392	886,432	902,612	913,250	921,368	915,512
Other 18 wards	7,586,340	7,632,069	7,671,498	7,727,268	7,790,660	7,863,119	7,929,094	7,965,931	8,004,754
23 wards	8,405,350	8,466,120	8,518,075	8,596,660	8,677,092	8,765,731	8,842,344	8,887,299	8,920,266
Tokyo	12,393,703	12,489,982	12,568,036	12,670,435	12,777,001	12,892,168	12,993,453	13,057,373	13,075,022

(Source) Households and Population Based on Basic Resident Registration Card by Statistics Division, Bureau of General Affairs, Tokyo Metropolitan Government

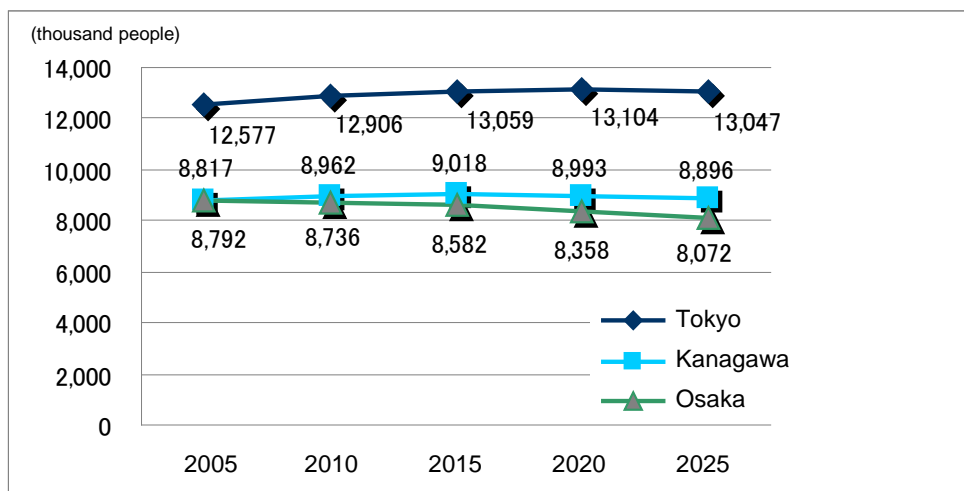
*) The above chart represents the transition of population as of May 1 each year between 2003 and 2015 in the 5 major wards (Chiyoda, Chuo, Minato, Shibuya and Shinjuku), other 18 wards of Tokyo, 23wards of Tokyo and Tokyo Prefecture, based on the House holds and Population Based on Basic Resident Registration Card by Statistics Division Bureau of General Affairs, the Tokyo Metropolitan Government (population, the number of house holds and registered foreigners on the basic resident registration cards as of the first day of every month.)

Future Transition of the Number of Households (including forecasts)



(Source) National Institute of Population and Social Security Research, "Future Change in Households in Japan" (March 2008)

Estimated Population Transition by Prefecture (Tokyo, Kanagawa and Osaka)



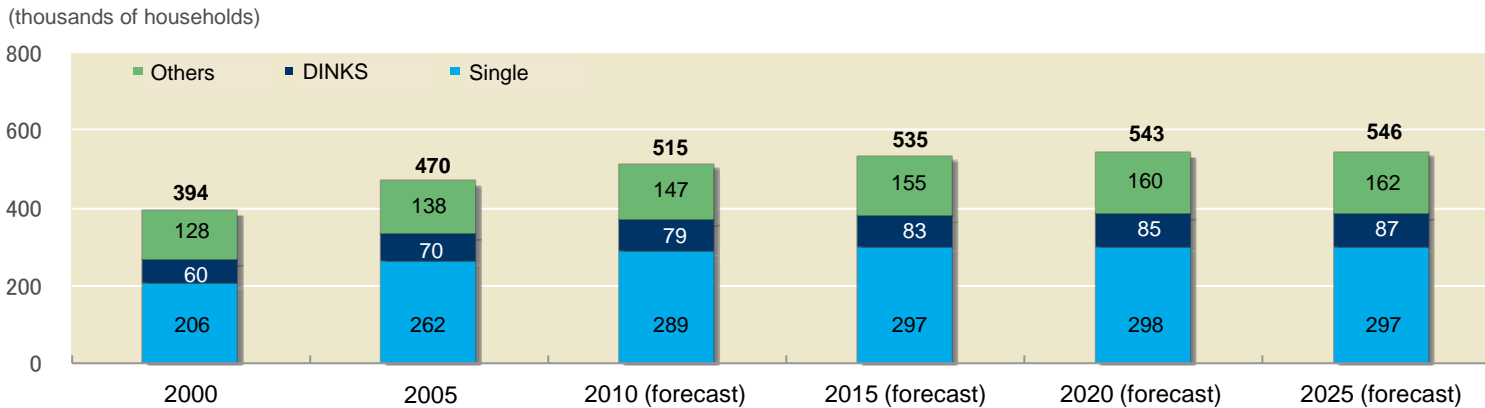
(Source) National Institute of Population and Social Security Research, "Estimated Population Changes by Prefecture"

The average personal income in target investment areas of BLife is 4,540,000 yen in Tokyo, 3,284,000 yen in Kanagawa, and 3,107,000 yen in Osaka in fiscal 2007. The figure for Tokyo, which is the major investment area for BLife, is far greater than the national average of 3,059,000 yen. (Source: Personal Income by Prefecture per Capita by the Cabinet Office, announced on February 19, 2010)



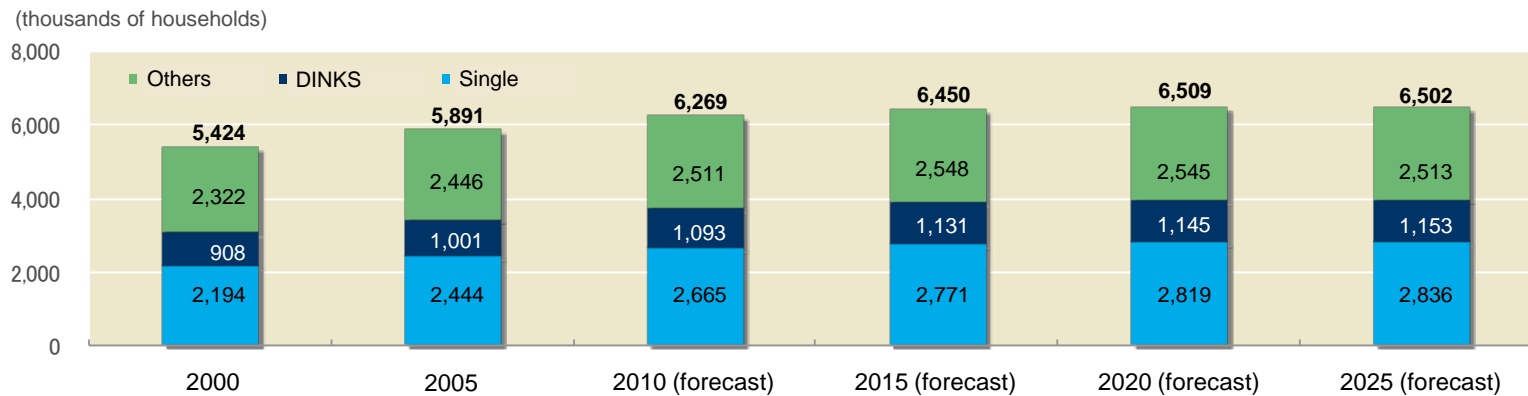
Building Portfolio: Strengths of BLife Portfolio

Transition of the Number of Households (5 major wards of Tokyo)



(Source) Statistics Division, Bureau of General Affairs, Tokyo Metropolitan Government, "Forecast of Number of Households in Tokyo" (March 2009)

Transition of the Number of Households (Tokyo)



(Source) Statistics Division, Bureau of General Affairs, Tokyo Metropolitan Government, "Forecast of Number of Households in Tokyo" (March 2009)



Investment Stance on Residential Properties (1)

■ By Area

	Area	Area 1	Area 2	Area 3	Area 4
Current	Definition	▪ 5 major wards of Tokyo (Chiyoda Ward, Chuo Ward, Minato Ward, Shibuya Ward and Shinjuku Ward)	Wards of Tokyo excluding Area 1	Tokyo Metropolitan area (Tokyo excluding Area 1 and Area 2, Kanagawa Prefecture, Saitama Prefecture and Chiba Prefecture)	Other cities with populations of more than approx. 100,000
	Investment Policy (Investment Guideline)	40~60%	20~50%	0~20%	0~20%
	BLife's Portfolio	50.0% <div></div>	26.4% <div></div>	5.4% <div></div>	18.3% <div></div>



Future	Direction of Target Portfolio	<div></div>	<div></div>	<div></div>	<div></div>
	Factors etc.	▪ High proportion of investment in this area, but offers the potential for strong rent rises once the economy recovers ▪ No plans to sell properties, but planning to reduce or maintain relative weighting of investment in this area by acquiring properties in other areas	▪ Area 2 rents are very stable while occupancy rates are stable. Aim to increase the investment balance of this area ▪ The strengths of Daiwa House Group can be best utilized in this area	▪ A supply of excellent properties is expected from Daiwa House ▪ Study prospect of investing in properties for which Daiwa House Group operates as an ML that guarantees rent	▪ Consider purchasing attractive properties in this area based on property competitiveness, size, and yields






Investment Stance on Residential Properties (2)

By Type

	Type	Single	DINKS	Family	Large
Current	Overview	<ul style="list-style-type: none"> Aimed at mid-level income singles, size less than 30m² Emphasis on proximity to nearest train station 	<ul style="list-style-type: none"> Aimed at childless dual-income couples and high-level income singles, size between 30m² ~ 70m² Emphasis on proximity to nearest train station 	<ul style="list-style-type: none"> Aimed at mid-level income families, size between 70m² ~ 100m² Emphasis on quiet residential location, full array of cultural facilities and lifestyle convenience 	<ul style="list-style-type: none"> Aimed at wealthy families, size over 100m² Emphasis on quiet residential location, full array of cultural facilities and lifestyle convenience
	Investment Policy (Investment Guideline)	30~60%	40~60%	0~20%	0~10%
	BLife's Portfolio (Unit basis)	41.5%	49.2%	8.6%	0.7%



Future	Direction of Target Portfolio				
	Factors etc.	<ul style="list-style-type: none"> Rents are low and downward rigidity of occupancy rates and rent is strong 	<ul style="list-style-type: none"> Investment has been heavily weighted toward DINKS properties, but with the number of households expected to increase in this and the single category, we plan to maintain a certain level of investment in this type of property 	<ul style="list-style-type: none"> A supply of excellent properties is expected from Daiwa House Study prospect of investing in properties for which Daiwa House Group operates as an ML that guarantees rent 	

Summary of Financial Results

	Second Fiscal Period *1 (ended November 2006)	Third Fiscal Period (ended May 2007)	Fourth Fiscal Period (ended November 2007)	Fifth Fiscal Period (ended May 2008)	Sixth Fiscal Period (ended November 2008)	Seventh Fiscal Period (ended May 2009)	Eighth Fiscal Period (ended November 2009)	Ninth Interim Period (ended May 2010)	Variation Between Eighth Fiscal Period
Operating Revenue	1,597 mn yen	1,315 mn yen	1,551 mn yen	1,658 mn yen	1,675 mn yen	1,558 mn yen	1,478 mn yen	3,156 mn yen	1,677 mn yen
Operating Income	1,048 mn yen	852 mn yen	909 mn yen	977 mn yen	949 mn yen	854 mn yen	742 mn yen	1,567 mn yen	824 mn yen
Ordinary Income	732 mn yen	721 mn yen	637 mn yen	654 mn yen	619 mn yen	549 mn yen	437 mn yen	985 mn yen	547 mn yen
Net Income	730 mn yen	720 mn yen	637 mn yen	653 mn yen	612 mn yen	548 mn yen	436 mn yen	19,996 mn yen	19,559 mn yen
Distribution Per Unit	17,337 yen	14,619 yen	12,936 yen	13,262 yen	12,434 yen	11,138 yen	8,862 yen	–	–
(after deducting gains on real estate sales)	(17,337 yen)	(10,413 yen)	(12,813 yen)	(13,262 yen)	(12,434 yen)	(11,138 yen)	(8,862 yen)	(–)	(–)
Outstanding Investment Units Issued at End of Fiscal Period	41,260 units	49,260 units	49,260 units	49,260 units	49,260 units	49,260 units	49,260 units	118,735 units	69,475 units
Management Period	273 days	182 days	183 days	183 days	183 days	182 days	183 days	182 days	-1 day
Gains On Real Estate Sales	–	207 mn yen	6 mn yen	–	–	–	–	–	–
Real Estate Lease Business Revenue	1,597 mn yen	1,108 mn yen	1,545 mn yen	1,658 mn yen	1,675 mn yen	1,558 mn yen	1,478 mn yen	3,156 mn yen	1,677 mn yen
Real Estate Expenses Related To Rent Business	465 mn yen	342 mn yen	509 mn yen	529 mn yen	550 mn yen	542 mn yen	590 mn yen	1,212 mn yen	622 mn yen
Real Estate Lease Business Income	1,131 mn yen	765 mn yen	1,035 mn yen	1,128 mn yen	1,125 mn yen	1,016 mn yen	888 mn yen	1,944 mn yen	1,055 mn yen
Rent NOI	1,410 mn yen	953 mn yen	1,307 mn yen	1,401 mn yen	1,398 mn yen	1,289 mn yen	1,162 mn yen	2,477 mn yen	1,315 mn yen
NOI Yield * 2	5.89%	5.38%	5.10%	5.47%	5.45%	5.06%	4.53%	5.08%	0.55%

<Portfolio at End of Fiscal Period>

Number of Owned Properties	14	15	24	24	24	24	24	129	105
Total Acquisition Price *2	32,018 mn yen	35,511 mn yen	51,139 mn yen	51,139 mn yen	51,139 mn yen	51,139 mn yen	51,139 mn yen	190,537 mn yen	139,398 mn yen
Leasable Units	896 units (store: 17 units)	938 units (store: 26 units)	1,350 units (store: 30 units)	1,350 units (store: 30 units)	1,350 units (store: 30 units)	1,350 units (store: 30 units)	1,350 units (store: 30 units)	8,116 units (store: 62 units)	6,766 units (store: 32 units)
Properties Acquired (Transferred) in The Fiscal Period *3	14 / 32,018 mn yen	3 / 4,820 mn yen	10 / 16,078 mn yen	–	–	–	–	105 / 190,537 mn yen	
Properties Sold in the Fiscal Period *3	–	2 / 1,645 mn yen	1 / 480 mn yen	–	–	–	–	–	
Average Occupancy Rate in the Fiscal Period *4	94.0%	96.2%	95.9%	96.1%	94.4%	89.9%	89.2%	90.1% 92.5%	
Occupancy Rate at End of Fiscal Period	96.6%	95.8%	96.7%	95.4%	93.7%	88.0%	90.3%	92.4%	

*1) The calculation period for the second fiscal period of BLife Investment Corporation is 365 days from December 1, 2005 to November 30, 2006. However, the figure was set at 273 days as a result of the weighted average (on an acquisition price basis) of 254 days for the management of the 2 properties that started operation on December 20, 2005 (total acquisition price: 6,420 million yen) and the 12 properties that started operation on March 22, 2006 (same: 25,598 million yen).

*2) NOI yield is calculated by dividing the rent NOI (lease business revenue + other lease business revenue – real estate expenses related to rent business + depreciation and amortization), pro rata over 365 days, from the total end of period acquisition price.

*3) Figures indicate the number of properties and total acquisition price or sale price. Expenses related to acquisition or sale, settlement of taxes and public charges and consumption taxes are excluded.

*4) For average occupancy rates in the ninth interim period, the left figure shows the rate from December 31, 2009 through March 31, 2010, while the right figure shows the rate from April 30, 2010 through May 31, 2010 after the merger with NCR.



Selected Financial Data

	Second Fiscal Period (ended November 2006)	Third Fiscal Period (ended May 2007)	Fourth Fiscal Period (ended November 2007)	Fifth Fiscal Period (ended May 2008)	Sixth Fiscal Period (ended November 2008)	Seventh Fiscal Period (ended May 2009)	Eighth Fiscal Period (ended November 2009)	Ninth Interim Period (ended May 2010)
Management Period	273 days *1	182 days	183 days	183 days	183 days	182 days	183 days	182 days
Total Assets	35,338 mn yen	39,064 mn yen	55,534 mn yen	55,546 mn yen	54,618 mn yen	54,456 mn yen	54,280 mn yen	201,371 mn yen
Net Assets	20,684 mn yen	24,725 mn yen	24,642 mn yen	24,667 mn yen	24,615 mn yen	24,551 mn yen	24,439 mn yen	72,240 mn yen
Unitholders' Capital	19,968 mn yen	24,002 mn yen	24,002 mn yen	24,002 mn yen	24,002 mn yen	24,002 mn yen	24,002 mn yen	24,002 mn yen
Total Outstanding Investment Units Issued	41,260 units	49,260 units	49,260 units	49,260 units	49,260 units	49,260 units	49,260 units	118,735 units
Net Assets Per Unit	501,314 yen	501,940 yen	500,247 yen	500,752 yen	499,712 yen	498,402 yen	496,125 yen	608,419 yen
Distribution Per Unit	17,337 yen	14,619 yen	12,936 yen	13,262 yen	12,434 yen	11,138 yen	8,862 yen	–
Return on Assets (ROA) *2	4.1%	3.9%	2.7%	2.3%	2.2%	2.0%	1.6%	1.5%
Return on Equity (ROE) *3	7.0%	6.4%	5.1%	5.3%	5.0%	4.5%	3.6%	83.0%
Net Asset Ratio at End of Fiscal Period *4	58.5%	63.3%	44.4%	44.4%	45.1%	45.1%	45.0%	35.9%
Number of Properties	14	15	24	24	24	24	24	129
Leasable Units	896 units (store: 17 units)	938 units (store: 26 units)	1,350 units (store: 30 units)	1,350 units (store: 30 units)	1,350 units (store: 30 units)	1,350 units (store: 30 units)	1,350 units (store: 30 units)	8,116 units (store: 62 units)
Leasable Area *5	34,350.24m ² (store: 3,374.54m ²)	40,872.16m ² (store: 7,420.24m ²)	57,656.70m ² (store: 10,450.47m ²)	57,657.42m ² (store: 10,450.47m ²)	57,660.40m ² (store: 10,450.47m ²)	57,660.40m ² (store: 10,450.47m ²)	57,660.40m ² (store: 10,450.47m ²)	336,320.79m ² (store: 12,521.02m ²)
Average Occupancy Rate in the Fiscal Period *6	94.0%	96.2%	95.9%	96.1%	94.4%	89.9%	89.2%	90.1% 92.5%
Occupancy Rate at End of Fiscal Period	96.6%	95.8%	96.7%	95.4%	93.7%	88.0%	90.3%	92.4%
Current Depreciation and Amortization	278 mn yen	187 mn yen	271 mn yen	272 mn yen	272 mn yen	273 mn yen	274 mn yen	533 mn yen
Rent NOI *7	1,410 mn yen	953 mn yen	1,307 mn yen	1,401 mn yen	1,398 mn yen	1,289 mn yen	1,162 mn yen	2,477 mn yen
FFO Per Unit *8	24,597 yen	14,340 yen	18,450 yen	18,916 yen	18,095 yen	16,818 yen	14,548 yen	12,838 yen
Debt Service Coverage Ratio *9	9.3x	12.1x	6.2x	5.3x	4.7x	4.8x	4.5x	4.4 x
Total Interest-bearing Liabilities	13,900 mn yen	13,241 mn yen	29,495 mn yen	29,488 mn yen	28,685 mn yen	28,685 mn yen	28,674 mn yen	125,531 mn yen
LTV (interest-bearing liabilities/total assets)	39.3%	33.9%	53.1%	53.1%	52.5%	52.7%	52.8%	62.3%

*1) The calculation period for the second fiscal period of BLife Investment Corporation is 365 days from December 1, 2005 to November 30, 2006. However, the figure was set at 273 days as a result of the weighted average (on an acquisition price basis) of 254 days for the management of the 2 properties that started operation on December 20, 2005 (total acquisition price: 6,420 million yen) and the 12 properties that started operation on March 22, 2006 (same: 25,598 million yen).

*2) Return on assets (ROA) = Ordinary income/(total assets at beginning of fiscal period + total assets at end of fiscal period)/2 x 100, annualized based on management period

*3) Return on equity (ROE) = Net income/(net assets at beginning of fiscal period + net assets at end of fiscal period)/2 x 100, annualized based on management period

*4) Net asset ratio at end of fiscal period = Net assets at end of fiscal period/total assets at end of fiscal period

*5) The leasable area of S-2 INAGEYA Yokohama Nishigaoka, which was acquired in the fourth fiscal period and is continually owned at the end of the ninth interim period is larger than the total floor area of 2,221.32m² under the Real Estate Registration Law, as the lease agreement was concluded to include the space below the floors and other areas that were not calculated in the total floor area.

*6) For average occupancy rates in the ninth interim period, the left figure shows the rate from December 31, 2009 through March 31, 2010, while the right figure shows the rate from April 31, 2010 through May 31, 2010 after the merger with NCR.

*7) Rent NOI = Lease business revenue + other lease business revenue – real estate expenses related to rent business + depreciation and amortization

*8) FFO per unit = (Net income + depreciation and amortization + other amortization expenses – gains on real estate sales)/total outstanding investment units issued (for the ninth interim period, gain on negative goodwill is deducted from net income)

*9) Debt service coverage ratio = Net income before interest amortization/interest expenses (for the ninth interim period, gain on negative goodwill is deducted from net income before interest amortization)



Portfolio Performance Analysis *Residential for Pre-Merger BLife Only

[All]

	Fifth Fiscal Period		Sixth Fiscal Period		Seventh Fiscal Period		Eighth Fiscal Period	
Average Occupancy Rate	95.8%	(0.3%)	95.1%	(-0.7%)	90.3%	(-4.8%)	87.8%	(-2.5%)
Average Monthly Rent per Tsubo (unit: thousand yen)	14.79	(-0.12%)	14.79	(0.06%)	14.77	(-0.20%)	14.57	(-1.31%)
	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)
Rent Increase	66	261	70	765	51	227	19	59
Rent Decrease	22	-91	24	-195	33	-410	141	-2,156
No Rent Revision	45	-	22	-	11	-	19	-
Total	133	170	116	570	95	-183	179	-2,097

<Additional notes>

- Values in parentheses “()” are period-on-period changes
- Ave. rents are total of ordinary contracts excluding zero-style contracts (no security deposits)
- Sixth fiscal period's actual results of Area 2 includes the review of sublease rent for whole buildings
- Excludes properties sold during the relevant period

[9 major wards of Tokyo] *1

	Fifth Fiscal Period		Sixth Fiscal Period		Seventh Fiscal Period		Eighth Fiscal Period	
Average Occupancy Rate	95.8%	(0.6%)	95.0%	(-0.8%)	88.8%	(-6.2%)	86.0%	(-2.8%)
Average Rent (unit: thousand yen)	16.29	(-0.03%)	16.26	(-0.23%)	16.14	(-0.74%)	15.85	(-1.80%)
	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)
Rent Increase	49	176	54	282	38	170	14	38
Rent Decrease	5	-23	17	-149	23	-331	112	-1,866
No Rent Revision	39	-	18	-	7	-	11	-
Total	93	153	89	133	68	-161	137	-1,828

[surrounding areas excluding 9 major wards of Tokyo] *4

	Fifth Fiscal Period		Sixth Fiscal Period		Seventh Fiscal Period		Eighth Fiscal Period	
Average Occupancy Rate	95.9%	(-0.6%)	95.2%	(-0.7%)	94.6%	(-0.6%)	92.8%	(-1.8%)
Average Rent (unit: thousand yen)	10.79	(-0.42%)	10.86	(0.65%)	10.86	(-0.02%)	10.79	(-0.61%)
	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)
Rent Increase	17	85	16	483	13	57	5	21
Rent Decrease	17	-68	7	-46	10	-79	29	-290
No Rent Revision	6	-	4	-	4	-	8	-
Total	40	17	27	436	27	-22	42	-269

[5 central wards] *2

	Fifth Fiscal Period		Sixth Fiscal Period		Seventh Fiscal Period		Eighth Fiscal Period	
Average Occupancy Rate	95.6%	(1.1%)	94.3%	(-1.3%)	87.5%	(-6.8%)	84.6%	(-2.9%)
Average Rent (unit: thousand yen)	16.95	(-0.08%)	16.91	(-0.24%)	16.75	(-0.96%)	16.46	(-1.76%)
	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)
Rent Increase	37	140	42	257	25	138	10	32
Rent Decrease	4	-20	14	-133	23	-331	91	-1,591
No Rent Revision	32	-	7	-	6	-	4	-
Total	73	120	63	124	54	-193	105	-1,559

[Tokyo Metropolitan area]

	Fifth Fiscal Period		Sixth Fiscal Period		Seventh Fiscal Period		Eighth Fiscal Period	
Average Occupancy Rate	97.3%	(-1.3%)	98.3%	(1.0%)	97.2%	(-1.1%)	95.8%	(-1.4%)
Average Rent (unit: thousand yen)	11.07	(0.52%)	11.17	(0.98%)	11.19	(0.13%)	11.16	(-0.26%)
	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)
Rent Increase	16	83	16	483	12	55	4	20
Rent Decrease	1	-1	0	0	3	-34	9	-36
No Rent Revision	4	-	0	-	4	-	8	-
Total	21	82	16	483	19	21	21	-16

[other 4 wards] *3

	Fifth Fiscal Period		Sixth Fiscal Period		Seventh Fiscal Period		Eighth Fiscal Period	
Average Occupancy Rate	96.4%	(-0.8%)	97.2%	(0.8%)	93.0%	(-4.2%)	90.9%	(-2.1%)
Average Rent (unit: thousand yen)	14.31	(0.15%)	14.29	(-0.18%)	14.29	(0.01%)	14.02	(-1.91%)
	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)
Rent Increase	12	36	12	25	13	32	4	6
Rent Decrease	1	-3	3	-16	0	0	21	-275
No Rent Revision	7	-	11	-	1	-	7	-
Total	20	33	26	9	14	32	32	-269

[Nagoya]

	Fifth Fiscal Period		Sixth Fiscal Period		Seventh Fiscal Period		Eighth Fiscal Period	
Average Occupancy Rate	92.2%	(1.5%)	86.6%	(-5.6%)	87.4%	(0.8%)	84.7%	(-2.7%)
Average Rent (unit: thousand yen)	9.41	(-1.2%)	9.34	(-0.76%)	9.27	(-0.77%)	9.11	(-1.7%)
	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)	No. of Cases	Amount (unit: thousand yen)
Rent Increase	1	2	0	0	1	2	1	1
Rent Decrease	16	-67	7	-46	7	-45	20	-254
No Rent Revision	2	-	0	-	0	-	0	-
Total	19	-65	7	-46	8	-43	21	-253

*1) 9 major wards of Tokyo (Chiyoda Ward, Chuo Ward, Minato Ward, Shibuya Ward, Shinjuku Ward, Meguro Ward, Shinagawa Ward, Setagaya Ward and Ota Ward)

*2) 5 central wards (Chiyoda Ward, Chuo Ward, Minato Ward, Shibuya Ward and Shinjuku Ward)

*3) Other 4 wards (Meguro Ward, Shinagawa Ward, Setagaya Ward and Ota Ward)

*4) Wards of Tokyo excluding the 9 major wards, Yokohama City, Kawasaki City, Osaka City, Nagoya City, Fukuoka City and surrounding areas



Changes in B/S due to the Merger

(unit: billion yen)

Pre-merger BLife

(Eighth Fiscal Period, November 2009 B/S): (A)

Assets	54.2	Liabilities	29.8
		Interest-bearing liabilities	28.7
		Net assets	24.4
Number of units		49,260	

NCR (Tenth Fiscal Period, February 2010 B/S)

Assets	193.6	Liabilities	99.3
		Interest-bearing liabilities	96.9
		Net assets	94.3
Number of units		302,068	

NCR (B/S estimate at time of merger): (B)

Evaluate real estate at market price (estimate based on appraisal values at February 28, 2010)

(market price) Assets	148.3	(market price) Liabilities	99.5
		Interest-bearing liabilities	96.9
		(market price) Net assets	48.8
Number of units		302,068	

Merged on April 1, 2010

Post-merger BLife

(Ninth Interim Period, May 2010 B/S): (A)+(B)

Merger by absorption of NCR by BLife (purchase method)

Assets	201.4	Liabilities	129.1
		Interest-bearing liabilities	125.5
		Net assets	72.2
Number of units		118,735	

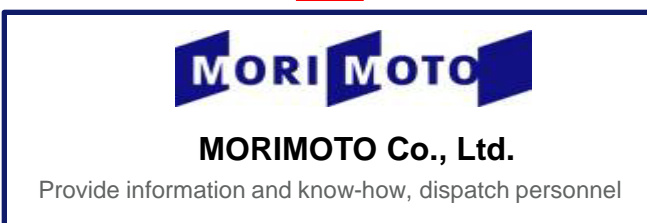
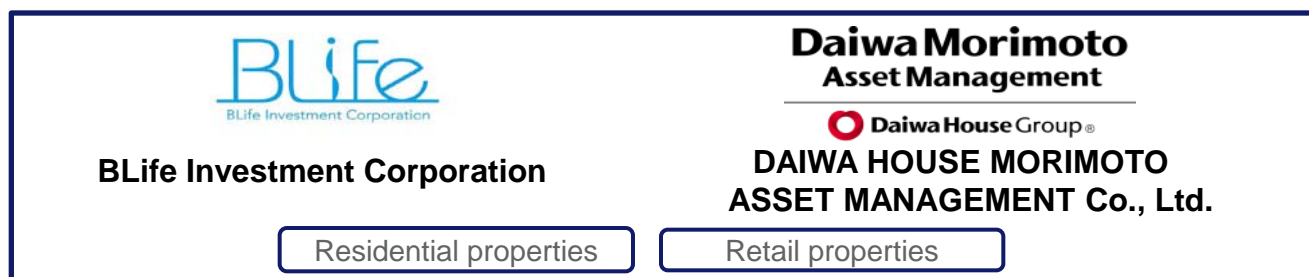
NCR market price + BLife book value		LTV (interest-bearing liabilities/assets) 62.3%	
(1) Paid-in capital	24.0	406,500 yen x 69,475 units	
(2) Capital surplus	28.2		
(3) Gain on negative goodwill etc.	20.0		



Sponsors and Supporting Company



Maximum leverage of Daiwa House Group's comprehensive strengths



Support from Daiwa House

- Provides information and preferential negotiation rights on all residential properties and retail properties whose expected sale price is 2.0 billion yen or less per property
- Provides know-how and advice on property operations and management, and supports BLife's acquisitions of properties
- Provides warehousing function
- Supports redevelopments of properties
- Dispatches personnel
- Maintains the capital tie with BLife (holds 8,820 shares of the asset management company, ownership ratio is 73.5%)
- Holds 18,860 investment units of BLife (15.8% share)

Support from MORIMOTO

- BLife is a preferred information recipient and granted preferential negotiation rights on property transactions for investment-grade properties
- Provides know-how and advice on operations
- Dispatches personnel

Support from CapitaLand

- BLife is a preferred information recipient and granted preferential negotiation rights on property transactions related to residential properties held by CapitaLand
- Management of IR activities and REITs in general, and acquisition and operation of properties of the CapitaLand Group
- Provides a variety of support and advices concerning REIT markets including sale and disposal of properties



Overview of the Leading Sponsor: Daiwa House Group

The Daiwa House Group – working to co-create value for individuals, communities and people's lifestyles

- The Daiwa House Group consists of five segments: Residential Business, Commercial Construction Business, Resort Hotels and Sports Life Business, Home Center Business and Other Businesses, covering three areas of “Housing,” “Business” and “Life”.
- The Group conducts business by leveraging a wide spectrum of fields as a group that co-creates value for individuals, communities and people's lifestyles.

Profile of Daiwa House

- Company Name: Daiwa House Industry Co., Ltd.
- Head Office: 3-3-5 Umeda, Kita Ward, Osaka City
- Established: April 5, 1955
(Founded: March 4, 1947)
- Paid-in Capital: 110,120,483,981 yen



Ratings

Rating Agency	Rating
Japan Credit Rating Agency, Ltd. (JCR)	AA (Stable)
Rating and Investment Information, Inc. (R&I)	AA- (Stable)

Selected Financial Data (consolidated basis)

(unit: million yen)

	Fiscal Year Ended March 2007	Fiscal Year Ended March 2008	Fiscal Year Ended March 2009	Fiscal Year Ending March 2010	Fiscal Year Ending March 2011 (Forecast)
Net Sales	1,618,450	1,709,254	1,690,956	1,609,883	1,610,000
Operating Income	85,678	89,120	73,580	62,714	66,000
Ordinary Income	89,356	61,290	39,855	60,036	60,500
Net Income	46,393	13,079	4,170	19,113	24,000
Total Assets	1,630,022	1,791,052	1,810,573	1,916,927	-



Sponsor Support from Daiwa House

Support from Daiwa House

- Subscribed to ¥3 billion of an NCR capital increase through third party allotment
- Helped seal the merger with NCR by showing support for BLife Investment Corporation in negotiations with the financial institutions
- Provided warehousing function

(1) In June 29, 2010, acquired two properties from Daiwa House (IPSE Ichigaya and IPSE Nakanobu) using Daiwa's warehousing function



IPSE Ichigaya
Location: Ichigaya Yakuojimachi, Shinjuku Ward, Tokyo
Total Units: 50 units
Structure/size: RC/5 floors
Access: 5-minute walk from Ushigome Yanagicho Station on the Toei Oedo Line



IPSE Nakanobu
Location: 4-chome, Nakanobu, Shinagawa Ward, Tokyo
Total Units: 83 units (of which 1 is a store)
Structure/size: RC/12 floors
Access: 1-minute walk from Nakanobu Station on the Toei Asakusa Line

(2) In the ninth fiscal period, we requested Daiwa House to hold additional two properties; Daiwa currently holds three properties



IPSE Togoshi
Location: 5-chome, Togoshi, Shinagawa Ward, Tokyo
Total Units: 120 units
Structure/size: SRC/14 floors
Access: 4-minute walk from Togoshi Station on the Toei Asakusa Line



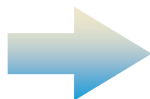
Lexington Square Fushimi
Location: 1-chome Nishiki, Naka Ward, Nagoya City, Aichi Prefecture
Total Units: 123 units
Structure/size: SRC/15 floors
Access: 6-minute walk from Kokusai Center Station on the Nagoya City Subway Sakuradori Line



Big Tower Minami 3-Jo
Location: 2-chome Minami 3-Jo Higashi, Chuo Ward, Sapporo City, Hokkaido
Total Units: 179 units
Structure/size: SRC/31 floors (and 1 basement floor)
Access: 4-minute walk from Bus Center-mae Station on the Sapporo City Subway Tozai Line

- Daiwa House has established a limited liability company to take over from companies previously acting as master lease companies for NCR properties

DH Leasing LLC



Reduce costs and improve stability of the leasing scheme



Operational and Administrative System of Daiwa House

- Case Examples of Rental Residential Development -

Key features of Royal Park Series, typical rental residences of Daiwa House

- Development of a wide range of plans from 1R to 4LDK, mainly in the three major Metropolitan areas
- Excellent rental residences designed by the residence maker targeting all types of renter communities including singles, DINKS, families and executives
- Provision of out-of-the-ordinary lifestyle luxury and convenience akin to a resort hotel with specific emphasis on residence qualities such as security, comfort and health for residents

Safety-focused crime prevention and administrative systems

- Comprehensive administrative systems with concierge (building administrator) and security guards
- Adoption of difficult-to-duplicate card keys and door locks, and auto-lock systems
- Securing of lifestyle safety through installation of security cameras, and internal building patrols by security guards at night
- Hotel-like luxurious daily support by concierge service (cleaning and parcel delivery service, introductory service for house-keeping, baby-sitting etc.)

Function-rich facilities

- 24-hour trash station/storage rooms/floor heating/bathroom ventilation dryers
- Disposal system in kitchen sink/water purifier connected to tap/air-conditioning and lighting equipment etc. in all rooms

Architectural structure and housing qualities

- Building construction and design that places importance on robustness, natural lighting, sound insulation, and heat insulation
- "Evaluation report on design performance" and "Evaluation report on construction and residence qualities" have been received from third party bodies

Operation and administration via Daiwa House Group's rental website "D-Room"



*1) Wholly-owned subsidiary of Daiwa House Industry Co., Ltd.; it manages a total of more than 253,552 units (as of May 31, 2010).

*2) Wholly-owned subsidiary of Daiwa Living Co., Ltd.

*3) Wholly-owned subsidiary of Daiwa House Group

Royal Parks Tower MINAMISENJU

Location	4-chome, Minamisenju, Arakawa Ward, Tokyo
Access	5-minute walk from Minamisenju Station on the JR Joban Line
Total Units	555 units
Structure/size	RC/39 floors (and 1 basement floor)
Floor Plan	1DK~4LDK
Floor Area	45.25m ² ~170.26m ²
Completed	June 2008



Royal Parks NISHIARAI

Location	1-chome, Nishiarai Sakaecho, Adachi Ward, Tokyo
Access	5-minute walk from Nishiarai Station on the Tobu Isezaki Line
Total Units	432 units
Structure/size	RC/14 floors
Floor Plan	Studio~4LDK
Floor Area	43.05m ² ~187.35m ²
Completed	October 2008



Royal Parks TOYOSU

Location	3-chome, Toyosu, Koto Ward, Tokyo
Access	7-minute walk from Toyosu Station on the Yurakucho Line
Total Units	267 units
Structure/size	RC/14 floors
Floor Plan	40.56m ² ~149.35m ²
Floor Area	1K~3LDK
Completed	February 2006



*) The properties listed above are owned by Daiwa House. BLife has made no decision concerning the acquisition of these properties.



Overview of the Asset Management Company

Daiwa Morimoto Asset Management



- The part-time directors and employees of the asset management company are primarily personnel dispatched from Daiwa House, MORIMOTO and The Chuo Mitsui Trust and Banking, or personnel from NCR's asset management company. They are experts in real estate development, investments, asset finance, REIT management and compliance.
- BLife has concluded a basic agreement on pipeline support with Daiwa House, MORIMOTO and CapitaLand Group. The three companies have established a strong backup system for BLife.

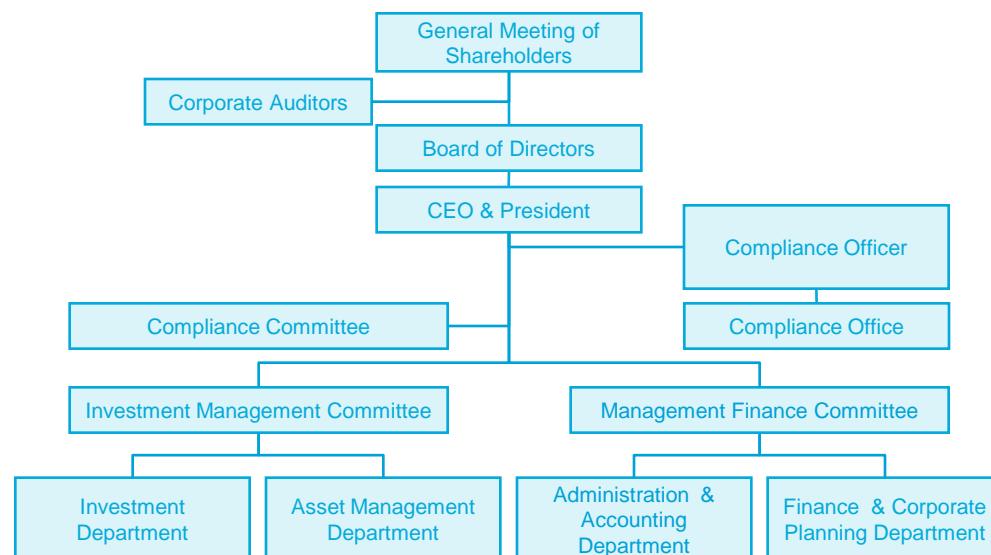
Shareholders in the Asset Management Company

(unit: share)

	Number of Shares Held	Percentage of Shares
Daiwa House Industry Co., Ltd.	8,820	73.5%
MORIMOTO Co., Ltd.	2,400	20.0%
Morgan Stanley Capital K. K.	240	2.0%
Mizuho Bank, Ltd.	180	1.5%
The Chuo Mitsui Trust and Banking Co., Ltd.	180	1.5%
Sumitomo Mitsui Banking Corporation	180	1.5%
Total	12,000	100.0%

(as of the date of this material)

Organization of the Asset Management Company

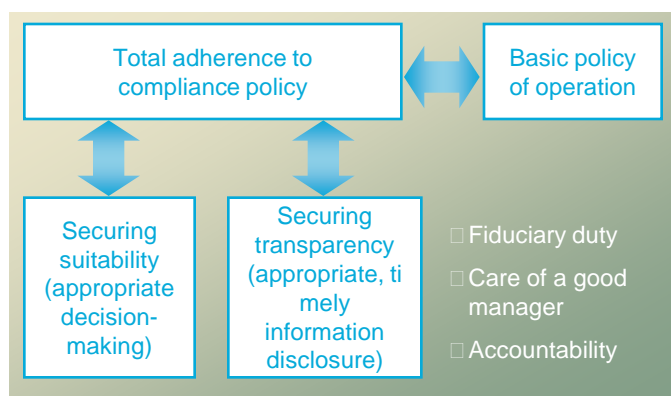




Compliance

BLife and DAIWA HOUSE MORIMOTO ASSET MANAGEMENT both consider total adherence to compliance policy to be a basic policy of operation and have established strict flows for decision-making to prevent conflicts of interest

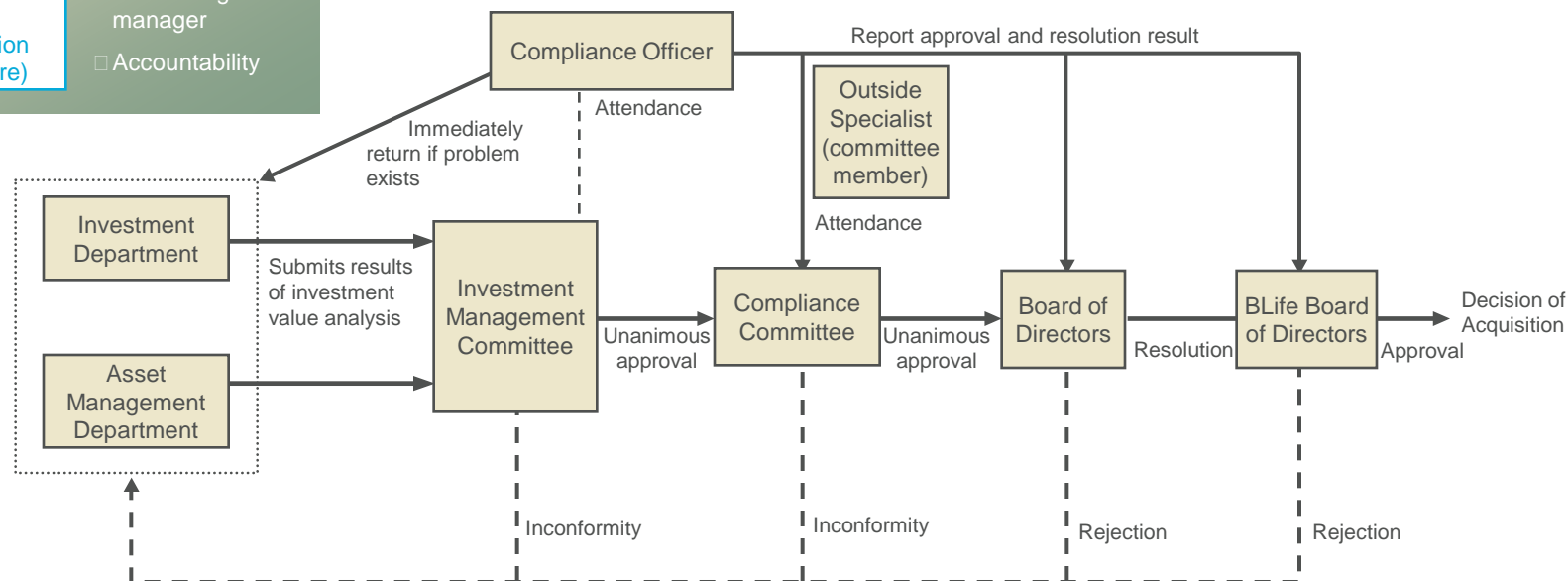
Compliance



Interested Parties

■ A material compliance issue for J-REITs is preventing conflicts of interest with interested parties

■ BLife (DAIWA HOUSE MORIMOTO ASSET) has clear, strict corporate governance rules pertaining to deals with interested parties



Portfolio (as of June 30, 2010)

Area *1	New Property No. *2	Former Property No. *2	Property Name *3	Address	Leasable Area (m ²)	Leasable Units (units)	Acquisition Price (million yen) *4	Acquisition Price Ratio (%) *5	Appraisal Values (million yen) *6
Area 1	1001	J-03	Qiz Ebisu	4-3-1 Ebisu, Shibuya Ward, Tokyo	5,249.98	93	7,650	4.0	8,790
	1002	J-04	IPSE Azabujuban Shichimenzaka	2-7-5 Azabu Juban, Minato Ward, Tokyo	3,493.83	96	4,500	2.3	4,520
	1003	J-05	IPSE Shibakoen	3-32-10 Shiba, Minato Ward, Tokyo	2,707.51	75	2,630	1.4	2,260
	1004	J-06	IPSE Ginza	1-14-13 Ginza, Chuo Ward, Tokyo	2,226.42	67	2,520	1.3	2,240
	1005	J-07	Next Form Nishiazabu	3-13-3 Nishi Azabu, Minato Ward, Tokyo	1,627.06	22	2,220	1.2	2,120
	1006	J-08	IPSE Nihonbashi	11-2 Nihonbashi Kabutocho, Chuo Ward, Tokyo	1,458.73	51	1,200	0.6	1,120
	1007	J-15	IPSE Tokyo East	3-27-5 Hatchobori, Chuo Ward, Tokyo	2,969.57	59	2,300	1.2	2,140
	1008	J-17	IPSE Azabujuban	2-10-1 Azabu Juban, Minato Ward, Tokyo	2,400.00	51	2,910	1.5	2,650
	1009	J-18	IPSE Azabujuban DUO	2-21-2 Azabu Juban, Minato Ward, Tokyo	2,094.58	66	2,690	1.4	2,460
	1010	J-19	IPSE Shinjuku Natsumezaka	10 Kikuicho, Shinjuku Ward, Tokyo	1,917.62	41	1,865	1.0	1,700
	1011	J-20	UNIROYAL Ginza	1-23-4 Ginza, Chuo Ward, Tokyo	1,817.56	61	1,800	0.9	1,550
	1012	J-22	IPSE Shibuya Tiers	29-21 Sakuragaokacho, Shibuya Ward, Tokyo	1,123.80	30	1,400	0.7	1,210
	1013	C-1	New City Residence Minami Aoyama	6-10-9 Minami Aoyama, Minato Ward, Tokyo	3,473.28	62	2,660	1.4	2,660
	1014	C-2	New City Residence Nishi Azabu Twin Tower	2-26-20 Nishi Azabu, Minato Ward, Tokyo	3,296.44	60	2,352	1.2	2,352
	1015	C-3	New City Residence Nishi Azabu	1-3-12 Nishi Azabu, Minato Ward, Tokyo	2,802.62	37	2,143	1.1	2,143
	1016	C-4	New City Residence Ochanomizu	3-24-1 Kanda Ogawamachi, Chiyoda Ward, Tokyo	2,507.30	44	1,770	0.9	1,770
	1017	C-5	New City Residence Sangubashi	4-52-12 Yoyogi, Shibuya Ward, Tokyo	1,898.47	26	1,393	0.7	1,393
	1018	C-8	New City Residence Nihonbashi East	2-8-13 Nihonbashi Kakigaracho, Chuo Ward, Tokyo	1,940.94	62	1,279	0.7	1,279
	1019	C-9	New City Residence Nihonbashi West	1-38-16 Nihonbashi Kakigaracho, Chuo Ward, Tokyo	1,858.34	55	1,138	0.6	1,138
	1020	C-10	New City Residence Ginza Twin I	3-10-10 Irifune, Chuo Ward, Tokyo	1,444.52	40	932	0.5	932
	1021	C-11	New City Residence Ginza Twin II	2-6-4 Irifune, Chuo Ward, Tokyo	1,244.54	33	825	0.4	825
	1022	C-12	New City Residence Harajuku	3-55-3 Sendagaya, Shibuya Ward, Tokyo	1,225.26	21	887	0.5	887
	1023	C-14	New City Residence Yoyogi Uehara	1-17-16 Uehara, Shibuya Ward, Tokyo	811.95	25	608	0.3	608
	1024	C-15	New City Residence Sendagaya	2-9-10 Sendagaya, Shibuya Ward, Tokyo	803.03	21	555	0.3	555
	1025	C-16	New City Residence Shinjuku 7 chome	7-17-16 Shinjuku, Shinjuku Ward, Tokyo	957.60	23	464	0.2	464
	1026	C-17	New City Residence Ichigaya Sanaicho	21 Ichigaya Sanaicho, Shinjuku Ward, Tokyo	694.16	21	424	0.2	424
	1027	C-18	NCR Nihonbashi Ningyocho I	7-15 Nihonbashi Tomizawacho, Chuo Ward, Tokyo	1,747.90	32	947	0.5	947
	1028	C-19	NCR Nihonbashi Ningyocho II	8-12 Nihonbashi Tomizawacho, Chuo Ward, Tokyo	1,826.80	38	1,070	0.6	1,070
	1029	C-20	NCR Shin-Ochanomizu	2-3-4 Kanda Awajicho, Chiyoda Ward, Tokyo	1,308.38	32	914	0.5	914
	1030	C-22	NCR Nihonbashi Ningyocho III	12-11 Nihonbashi Tomizawacho, Chuo Ward, Tokyo	2,117.46	63	1,370	0.7	1,370

Portfolio (as of June 30, 2010)

Area *1	New Property No. *2	Former Property No. *2	Property Name *3	Address	Leasable Area (m ²)	Leasable Units (units)	Acquisition Price (million yen) *4	Acquisition Price Ratio (%) *5	Appraisal Values (million yen) *6
Area 1	1031	C-23	New City Residence Jinbocho II	2-40-8 Kanda Jimbocho, Chiyoda Ward, Tokyo	1,628.80	60	1,160	0.6	1,160
	1032	C-24	New City Residence Ginza East III	2-8-8 Irifune, Chuo Ward, Tokyo	972.51	41	675	0.3	675
	1033	C-25	New City Residence Shinjuku Gyoen I	2-14-4 Shinjuku, Shinjuku Ward, Tokyo	3,594.16	108	2,720	1.4	2,720
	1034	C-27	New City Residence Takanawadai	3-4-12 Takanawa, Minato Ward, Tokyo	1,147.44	32	860	0.4	860
	1035	C-28	New City Residence Nihonbashi Ningyocho IV	3-5-6 Higashi Nihonbashi, Chuo Ward, Tokyo	1,105.20	48	666	0.3	666
	1036	C-29	New City Residence Shinjuku Gyoen II	1-29-15 Shinjuku, Shinjuku Ward, Tokyo	668.79	27	486	0.3	486
	1037	C-30	New City Residence Ginza East IV	3-10-8 Irifune, Chuo Ward, Tokyo	681.00	20	400	0.2	400
	1038	C-31	New City Residence Takanawadai II	3-5-6 Takanawa, Minato Ward, Tokyo	1,567.84	40	1,190	0.6	1,190
	1039	C-32	New City Residence Minami Azabu	2-2-27 Minami Azabu, Minato Ward, Tokyo	882.67	24	642	0.3	642
	1040	C-34	New City Residence Ginza	8-18-2 Ginza, Chuo Ward, Tokyo	3,494.42	96	2,880	1.5	2,880
	1041	C-35	New City Residence Nihonbashi Suitengu	2-1 Nihonbashi Koamicho, Chuo Ward, Tokyo	4,602.95	88	2,707	1.4	2,707
	1042	C-36	New City Residence Takanawa	2-17-12 Takanawa, Minato Ward, Tokyo	10,408.26	169	7,430	3.9	7,430
	1043	C-37	New City Residence Higashi Nihonbashi	9-14 Nihonbashi Yokoyamacho, Chuo Ward, Tokyo	6,442.28	103	3,520	1.8	3,520
	1044	C-38	Catherina Mita Towersuite (New City Residence)	4-16-1,2 Shiba, Minato Ward, Tokyo	17,553.76	264	10,400	5.4	10,400
	1045	C-39	New City Residence Shinjuku	2-6-11 Shinjuku, Shinjuku Ward, Tokyo	3,150.80	122	2,950	1.5	2,950
	1046	-	IPSE Ichigaya	14-4 Ichigaya Yakuojimachi, Shinjuku Ward, Tokyo	1,546.34	50	940	0.5	1,210
Area 2	2001	J-01	Meguro Kamurozaka Residencia	4-31-23 Nishi Gotanda, Shinagawa Ward, Tokyo	4,967.97	125	4,500	2.3	4,020
	2002	J-10	IPSE Torisudaigaku	1-4-1 Midorigaoka, Meguro Ward, Tokyo	863.70	30	648	0.3	565
	2003	J-14	Comfort Time Otsuka	2-19-7 Kita Otsuka, Toshima Ward, Tokyo	1,204.61	55	779	0.4	762
	2004	J-16	IPSE Yukigaya	2-13-3 Higashi Yukigaya, Ota Ward, Tokyo	1,542.30	52	1,110	0.6	1,040
	2005	J-21	IPSE Yutenji	2-14-21 Yutenji, Meguro Ward, Tokyo	1,380.35	29	1,450	0.8	1,390
	2006	J-23	IPSE Otsuka	3-17-4 Minami Otsuka, Toshima Ward, Tokyo	1,871.70	70	1,480	0.8	1,400
	2007	J-24	IPSE Kikukawa	2-1-12 Kikukawa, Sumida Ward, Tokyo	1,168.18	43	817	0.4	698
	2008	C-40	New City Residence Meguro	2-1-13 Meguro, Meguro Ward, Tokyo	1,414.73	26	844	0.4	844
	2009	C-41	New City Residence Otsuka	2-32-20 Higashi Ikebukuro, Toshima Ward, Tokyo	1,784.50	54	1,040	0.5	1,040
	2010	C-42	New City Residence Jiyugaoka	1-20-1 Jiyugaoka, Meguro Ward, Tokyo	1,472.47	40	1,200	0.6	1,200
	2011	C-43	New City Residence Mejiro East	2-8-16 Takada, Toshima Ward, Tokyo	1,658.90	29	988	0.5	988
	2012	C-44	New City Residence Ikebukuro	3-1-12 Nishi Ikebukuro, Toshima Ward, Tokyo	3,644.35	87	2,570	1.3	2,570
	2013	C-45	New City Residence Kaname-cho	5-26-10 Nishi Ikebukuro, Toshima Ward, Tokyo	1,624.06	73	1,140	0.6	1,140
	2014	C-46	New City Residence Shinagawa Seaside Tower	4-10-18 Higashi Shinagawa, Shinagawa Ward, Tokyo	12,732.35	208	7,380	3.8	7,380

Portfolio (as of June 30, 2010)

Area *1	New Property No. *2	Former Property No. *2	Property Name *3	Address	Leasable Area (m ²)	Leasable Units (units)	Acquisition Price (million yen) *4	Acquisition Price Ratio (%) *5	Appraisal Values (million yen) *6
Area 2	2015	C-47	New City Residence Yakumo	2-20-5 Yakumo, Meguro Ward, Tokyo	1,276.91	18	857	0.4	857
	2016	C-50	New City Residence Togoshiekimae	1-7-16 Hiratsuka, Shinagawa Ward, Tokyo	2,014.12	64	1,560	0.8	1,560
	2017	M-02	New City Residence Todoroki	1-16-7 Nakamachi, Setagaya Ward, Tokyo	2,863.78	22	1,210	0.6	1,210
	2018	M-03	New City Residence Honjo Azumabashi	3-7-11 Honjo, Sumida Ward, Tokyo	2,255.88	35	996	0.5	996
	2019	M-04	New City Residence Kitazawa	1-15-5 Kitazawa, Setagaya Ward, Tokyo	1,220.16	15	742	0.4	742
	2020	M-08	New City Residence Monzennakacho	1-17-12 Fukuzumi, Koto Ward, Tokyo	887.94	31	503	0.3	503
	2021	M-09	New City Residence Denenchofu	5-35-15 Denenchofu, Ota Ward, Tokyo	1,066.08	17	425	0.2	425
	2022	M-10	New City Residence Negishi	4-15-16 Negishi, Taito Ward, Tokyo	594.79	12	249	0.1	249
	2023	M-11	New City Residence Kamiikedai	1-4-15 Kamiikedai, Ota Ward, Tokyo	414.45	12	198	0.1	198
	2024	M-13	New City Residence Morishita	1-16-12 Morishita, Koto Ward, Tokyo	1,383.90	38	832	0.4	832
	2025	M-14	New City Residence Wakabayashi koen	4-39-4 Wakabayashi, Setagaya Ward, Tokyo	1,425.43	23	776	0.4	776
	2026	M-15	New City Residence Asakusabashi	2-16-21 Yanagibashi, Taito Ward, Tokyo	1,537.84	32	792	0.4	792
	2027	M-19	New City Residence Iriya	3-1-28 Shitaya, Taito Ward, Tokyo	1,415.15	22	546	0.3	546
	2028	M-22	New City Residence Ueno Tower	1-15-5 Kita Ueno, Taito Ward, Tokyo	4,197.66	102	2,641	1.4	2,641
	2029	M-25	New City Residence Morishita West	2-12-11 Shin Ohashi, Koto Ward, Tokyo	1,275.60	40	686	0.4	686
	2030	M-27	New City Residence Minowa	5-24-4 Negishi, Taito Ward, Tokyo	2,406.41	78	1,430	0.7	1,430
	2031	M-28	New City Residence Jiyugaoka West	7-14-13 Todoroki, Setagaya Ward, Tokyo	857.32	28	533	0.3	533
	2032	M-29	New City Residence Nakano	2-12-13 Arai, Nakano Ward, Tokyo	1,613.86	42	1,060	0.5	1,060
	2033	M-30	New City Residence Yoda	1-3-12 Tamagawadai, Setagaya Ward, Tokyo	1,472.38	45	923	0.5	923
	2034	M-31	New City Residence Sumiyoshi	2-8-11 Sumiyoshi, Koto Ward, Tokyo	1,362.60	60	948	0.5	948
	2035	M-33	New City Residence Monzennakacho East	2-2-9 Tomioka, Koto Ward, Tokyo	3,038.98	94	2,160	1.1	2,160
Area 3	2036	M-35	New City Residence Oshiage	3-5-2 Mukojima, Sumida Ward, Tokyo	1,785.24	60	1,100	0.6	1,100
	2037	M-36	New City Residence Kuramae	3-9-4 Kuramae, Taito Ward, Tokyo	1,994.93	67	1,260	0.7	1,260
	2038	-	IPSE Nakanobu	4-7-11 Nakanobu, Shinagawa Ward, Tokyo	2,421.82	83	1,790	0.9	2,170
	3001	J-13	Cosmo Heim Musashikosugi	2-8 Kizuki Isecho, Nakahara Ward, Kawasaki City, Kanagawa Prefecture	4,208.83	59	1,674	0.9	1,580
	3002	J-25	IPSE Tsurumi	3-5-10 Tsurumi Chuo, Tsurumi Ward, Yokohama City, Kanagawa Prefecture	1,452.09	32	666	0.3	657
	3003	G-2	New City Residence Funabashi Honcho	4-4-8 Honcho, Funabashi City, Chiba Prefecture	1,496.40	86	704	0.4	704
	3004	G-3	SH Motosumiyoshi	8-8 Idanakanochi, Nakahara Ward, Kawasaki City, Kanagawa Prefecture	2,910.25	57	897	0.5	897
	3005	G-4	New City Residence Toyoda	3-2-23 Asahigaoka, Hino City, Tokyo	3,630.55	67	864	0.4	864
	3006	G-5	New City Residence Nishi Funabashi	4-19-16 Nishifuna, Funabashi City, Chiba Prefecture	1,597.32	81	783	0.4	783

Portfolio (as of June 30, 2010)

Area *1	New Property No. *2	Former Property No. *2	Property Name *3	Address	Leasable Area (m ²)	Leasable Units (units)	Acquisition Price (million yen) *4	Acquisition Price Ratio (%) *5	Appraisal Values (million yen) *6
Area 3	3007	G-06	New City Residence Maihama	5-14-17 Fujimi, Urayasu City, Chiba Prefecture	1,287.72	61	670	0.3	670
	3008	G-07	New City Residence Ichikawamyoden	2-14-20 Shioyaki, Ichikawa City, Chiba Prefecture	1,218.00	58	671	0.3	671
	3009	G-08	New City Residence Kumegawa	1-12-1 Honcho, Higashi Murayama City, Tokyo	2,013.93	31	480	0.2	480
	3010	G-09	New City Residence Urayasu	3-30-4 Arai, Ichikawa City, Chiba Prefecture	1,074.53	51	592	0.3	592
	3011	G-10	New City Residence Minamigyotoku I	4-1-26 Minami Gyotoku, Ichikawa City, Chiba Prefecture	1,031.81	49	543	0.3	543
	3012	G-11	New City Residence Minamigyotoku II	4-1-5 Minami Gyotoku, Ichikawa City, Chiba Prefecture	724.63	35	385	0.2	385
	3013	G-12	New City Residence Nogeiyama	1-6 Hinodecho, Naka Ward, Yokohama City, Kanagawa Prefecture	744.90	30	325	0.2	325
	3014	G-13	New City Residence Minamirinkan	2-11-16 Minami Rinkan, Yamato City, Kanagawa Prefecture	1,489.44	29	363	0.2	363
	3015	G-14	New City Residence Shonan	1-20-4 Higashi Kaigan Minami, Chigasaki City, Kanagawa Prefecture	1,082.28	19	308	0.2	308
	3016	G-15	LM Fuchinobe Honcho	4-38-13 Fuchinobe Honcho, Sagamiara City, Kanagawa Prefecture	997.92	15	137	0.1	137
	3017	G-17	Park Terrance Ichikawa	1-24-3 Ichikawa, Ichikawa City, Chiba Prefecture	876.89	40	461	0.2	461
Area 4	4001	J-02	Fourteen Hills East Tower	1-11-29 Shin Sakae, Naka Ward, Nagoya City, Aichi Prefecture	3,548.48	131	1,920	1.0	1,660
	4002	R-01	NCR Odori-koen	13-4-60 Minami 1 Jo Nishi, Chuo Ward, Sapporo City, Hokkaido	2,996.24	40	490	0.3	490
	4003	R-02	Goshikiyama Heights	4-20-18 Goshikiyama, Tarumi Ward, Kobe City, Hyogo Prefecture	2,253.34	33	489	0.3	489
	4004	R-03	New City Residence Nishikoen	2-5-6 Arato, Chuo Ward, Fukuoka City, Fukuoka Prefecture	1,483.50	30	337	0.2	337
	4005	R-04	New City Residence Nishi Ohori	2-7-44 Imagawa, Chuo Ward, Fukuoka City, Fukuoka Prefecture	1,013.22	17	226	0.1	226
	4006	R-05	New City Residence Kakogawa	397-1, 380-1 Kakogawacho Minoriaza, Kakogawa City, Hyogo Prefecture	1,888.02	34	240	0.1	240
	4007	R-06	LM Maebashi Nishikataai	1-301-5 Nishi Katakaimachi, Maebashi City, Gunma Prefecture	1,284.45	23	92	0.0	92
	4008	R-07	Aprile Tarumi	7-3-1 Takamaru, Tarumi Ward, Kobe City, Hyogo Prefecture	6,545.25	99	1,340	0.7	1,340
	4009	R-09	Crest Kusatsu	5-3-27 Kasayama, Kusatsu City, Shiga Prefecture	13,452.80	540	3,004	1.6	3,004
	4010	R-10	New City Residence Honmachi East	1-3-7 Kyutaromachi, Chuo Ward, Osaka City, Osaka Prefecture	3,471.39	117	1,490	0.8	1,490
	4011	R-11	New City Residence Shin-Umeda	6-8-21 Nakatsu, Kita Ward, Osaka City, Osaka Prefecture	3,279.90	108	1,376	0.7	1,376
	4012	R-13	New City Residence Abeno	2-4-37 Abenosuji, Abeno Ward, Osaka City, Osaka Prefecture	10,832.11	153	4,368	2.3	4,368
	4013	R-14	New City Residence Otedori	2-4-15 Otedori, Chuo Ward, Osaka City, Osaka Prefecture	860.48	31	300	0.2	300
	4014	R-15	New City Residence Sakae	4-16-10 Sakae, Naka Ward, Nagoya City, Aichi Prefecture	2,836.00	73	1,010	0.5	1,010
	4015	R-16	New City Residence Nipponbashi Kouzu	2-4-6 Kouzu, Chuo Ward, Osaka City, Osaka Prefecture	9,334.47	262	3,570	1.9	3,570

Portfolio (as of June 30, 2010)

Area *1	New Property No.*2	Former Property No. *2	Property Name *3	Address	Leasable Area (m ²)	Leasable Units (units)	Acquisition Price (million yen) *4	Acquisition Price Ratio (%) *5	Appraisal Values (million yen) *6
Area 4	4016	R-17	New City Residence Maruyama Urasando	21-1-47 Minami 2 Jo Nishi, Chuo Ward, Sapporo City, Hokkaido	1,522.89	36	411	0.2	411
	4017	R-18	New City Residence Maruyama Omotesando	21-2-1 Kita 1 Jo Nishi, Chuo Ward, Sapporo City, Hokkaido	6,100.31	146	1,740	0.9	1,740
	4018	R-19	New City Residence Hakataekihigashi	5-31 Hiemachi, Hakata Ward, Fukuoka City, Fukuoka Prefecture	3,061.60	115	960	0.5	960
	4019	R-20	New City Residence Shinsaibashi East Tower	1-15-25 Shimanouchi, Chuo Ward, Osaka City, Osaka Prefecture	8,747.40	133	3,400	1.8	3,400
	4020	R-21	New City Residence Sannomiya	3-2-31 Isobedori, Chuo Ward, Kobe City, Hyogo Prefecture	3,071.60	112	1,230	0.6	1,230
	4021	R-22	New City Residence Kotodaikoen	3-10-24 Kokubuncho, Aoba Ward, Sendai City, Miyagi Prefecture	1,684.10	50	481	0.2	481
	4022	R-23	New City Residence Ichibancho	1-6-27, 30 Ichibancho, Aoba Ward, Sendai City, Miyagi Prefecture	2,800.32	68	783	0.4	783
	4023	R-24	New City Residence Omachi	2-5-8 Omachi, Aoba Ward, Sendai City, Miyagi Prefecture	2,149.08	72	656	0.3	656
	4024	R-25	New City Residence Uemachidai	4-1-12 Uehonmachi Nishi, Chuo Ward, Osaka City, Osaka Prefecture	5,415.39	69	2,190	1.1	2,190
	4025	R-26	New City Residence Higobashi Tower	1-2-24 Tosabori, Nishi Ward, Osaka City, Osaka Prefecture	6,230.20	194	2,670	1.4	2,670
Total of Residential Properties					332,306.30	8,146	190,501	98.8	188,954
Area 3	8001	S-02	INAGEYA Yokohama Nishigaoka	1-2-1 Nishigaoka, Izumi Ward, Yokohama City, Kanagawa Prefecture	2,343.26	1	1,000	0.5	867
Area 4	8002	S-01	FOLEO TOWN Tsutsui	531-1 Tsutsuimachi, Yamato Koriyama City, Nara Prefecture	4,022.27	11	1,410	0.7	1,160
Total of Retail Properties					6,365.53	12	2,410	1.2	2,027
Total Owned Assets					338,671.83	8,158	192,911	100.0	190,981

*1) "Area 1" indicated in the Area column means Chiyoda Ward, Chuo Ward, Minato Ward, Shibuya Ward and Shinjuku Ward of Tokyo. "Area 2" means the wards of Tokyo excluding Area 1. "Area 3" means the Tokyo Metropolitan area (Tokyo excluding Area 1 and Area 2, Kanagawa Prefecture, Saitama Prefecture and Chiba Prefecture). "Area 4" means other cities (areas with populations more than approx. 100,000).

*2) BLife Investment Corporation changed the numbers assigned to its properties as of June 25, 2010

*3) In the Property Name column, "NCR" means New City Residence, "LM" means Lions Mansion, "SH" means Sonnen Heim and "PT" means Park Terrace.

*4) "Acquisition price" does not include expenses related to acquisition, settlement of taxes and public charges and consumption taxes. For properties formerly owned by NCR, the table shows the agreed book value at the time of the merger (appraisal value as of February 28, 2010); amounts rounded to ¥ million units.

*5) "Acquisition Price Ratio" column indicates the ratio of each acquisition price against the total acquisition price. The figures are rounded to the first decimal place.

*6) "Appraisal Values" column indicates real estate appraisal values as of November 30, 2009 for BLife and those as of February 28, 2010 for properties formerly owned by NCR; for 1046 IPSE Ichigaya and 2038 IPSE Nakanobu, values are those as of May 31, 2010; and all of those where appraisal dates differ from each other are simply aggregated. Amounts rounded to ¥ million units.

*7) The leasable area of 8002 (S-2) INAGEYA Yokohama Nishigaoka is larger than the total floor area of 2,221.32 m² under the Real Estate Registration Law, as the lease agreement was concluded to include the space below the floors and other areas that were not calculated in the total floor area.

Portfolio: Photos and Profiles



1001
Qiz Ebisu
 Address: 4-3-1 Ebisu, Shibuya Ward, Tokyo
 Access: 1-minute walk from Ebisu Station on the JR Yamanote Line
 Floors: 10 (and 1 basement floor)
 Completed: February 28, 2005
 Leasable Units: 93 (of which 10 are stores)



1002
IPSE Azabujuban Shichimenzaka
 Address: 2-7-5 Azabu Juban, Minato Ward, Tokyo
 Access: 4-minute walk from Azabu-juban Station on the Nanboku Line
 Floors: 13 (and 1 basement floor)
 Completed: January 5, 2005
 Leasable Units: 96 (of which 1 is a store)



1006
IPSE Nihonbashi
 Address: 11-2 Nihonbashi Kabutocho, Chuo Ward, Tokyo
 Access: 2-minute walk from Kayabacho Station on the Tozai Line
 Floors: 15 (and 1 basement floor)
 Completed: November 3, 2004
 Leasable Units: 51 (of which 1 is a store)



1007
IPSE Tokyo East
 Address: 3-27-5 Hatchobori, Chuo Ward, Tokyo
 Access: 1-minute walk from Hatchobori Station on the JR Keiyo Line
 Floors: 10 (and 1 basement floor)
 Completed: January 20, 2006
 Leasable Units: 59



1008
IPSE Azabujuban
 Address: 2-10-1 Azabu Juban, Minato Ward, Tokyo
 Access: 3-minute walk from Azabu-juban Station on the Nanboku Line
 Floors: 7 (and 2 basement floors)
 Completed: September 2, 2005
 Leasable Units: 51



1009
IPSE Azabujuban DUO
 Address: 2-21-2 Azabu Juban, Minato Ward, Tokyo
 Access: 1-minute walk from Azabu-juban Station on the Nanboku Line
 Floors: 14
 Completed: March 8, 2006
 Leasable Units: 66



1012
IPSE Shibuya Tiers
 Address: 29-21 Sakuragaokacho, Shibuya Ward, Tokyo
 Access: 8-minute walk from Shibuya Station on the JR Yamanote Line
 Floors: 8
 Completed: March 28, 2007
 Leasable Units: 30



1034
New City Residence Takanawadai
 Address: 3-4-12 Takanawadai, Minato Ward, Tokyo
 Access: 4-minute walk from Takanawadai Station on the Toei Asakusa Line
 Floors: 9
 Completed: February 23, 2004
 Leasable Units: 32



1041
New City Residence Nihonbashi Suitengu
 Address: 2-1 Nihonbashi Koamicho, Chuo Ward, Tokyo
 Access: 5-minute walk from Suitengu Station on the Hanzomon Line
 Floors: 12
 Completed: July 25, 2005
 Leasable Units: 88



1042
New City Residence Takanawa
 Address: 2-17-12 Takanawa, Minato Ward, Tokyo
 Access: 1-minute walk from Sengakuji Station on the Toei Asakusa Line
 Floors: 12
 Completed: August 4, 2005
 Leasable Units: 169



2001
Meguro Kamurozaka Residencia
 Address: 4-31-23 Nishi Gotanda, Shinagawa Ward, Tokyo
 Access: 3-minute walk from Fudomae Station on the Tokyu Meguro Line
 Floors: 14
 Completed: January 25, 2005
 Leasable Units: 125



2002
IPSE Toritsudaigaku
 Address: 1-4-1 Midorigaoka, Meguro Ward, Tokyo
 Access: 9-minute walk from Toritsudaigaku Station on the Tokyu Toyoko Line
 Floors: 6
 Completed: September 17, 1968
 Renovated: January 27, 2005
 Leasable Units: 30

Portfolio: Photos and Profiles



2006
IPSE Otsuka
 Address: 3-17-4 Minami Otsuka, Toshima Ward, Tokyo
 Access: 4-minute walk from Shin Otsuka Station on the Marunouchi Line
 Floors: 11
 Completed: January 11, 2006
 Leasable Units: 70



2007
IPSE Kikukawa
 Address: 2-1-12 Kikukawa, Sumida Ward, Tokyo
 Access: 3-minute walk from Kikukawa Station on the Toei Shinjuku Line
 Floors: 7
 Completed: March 3, 2006
 Leasable Units: 43



2014
New City Residence Shinagawa Seaside Tower
 Address: 4-10-18 Higashi Shinagawa, Shinagawa Ward, Tokyo
 Access: 5-minute walk from Shinagawa Seaside Station on the Rinkai Line
 Floors: 25
 Completed: November 15, 2005
 Leasable Units: 208



2015
New City Residence Yakumo
 Address: 2-20-5 Yakumo, Meguro Ward, Tokyo
 Access: 13-minute walk from Toritsudaigaku Station on the Tokyu Toyoko Line
 Floors: 3
 Completed: November 4, 2005
 Leasable Units: 18



2016
New City Residence Togoshiekimae
 Address: 1-7-16 Hiratsuka, Shinagawa Ward, Tokyo
 Access: 1-minute walk from Togoshi Station on the Toei Asakusa Line
 Floors: 6
 Completed: January 17, 2008
 Leasable Units: 64 (of which 2 are stores)



2028
New City Residence Ueno Tower
 Address: 1-15-5 Kita Ueno, Taito Ward, Tokyo
 Access: 2-minute walk from Iriya Station on the Hibiya Line
 Floors: 14
 Completed: February 22, 2005
 Leasable Units: 102 (of which 2 are stores)



2033
New City Residence Yoga
 Address: 1-3-12 Tamagawadai, Setagaya Ward, Tokyo
 Access: 6-minute walk from Yoga Station on the Tokyu Denentoshi Line
 Floors: 9
 Completed: June 20, 2007
 Leasable Units: 45



2035
New City Residence Monzennakacho East
 Address: 2-2-9 Tomioka, Koto Ward, Tokyo
 Access: 5-minute walk from Monzennakacho Station on the Tozai Line
 Floors: 10
 Completed: February 20, 2008
 Leasable Units: 94 (of which 1 is a store)



3002
IPSE Tsurumi
 Address: 3-5-10 Tsurumi Chuo, Tsurumi Ward, Yokohama City, Kanagawa Prefecture
 Access: 9-minute walk from Keikyu Tsurumi Station on the Keikyu Line
 Floors: 6
 Completed: February 20, 2006
 Leasable Units: 32



4018
New City Residence Hakataekihigashi
 Address: 5-31 Hiemachi, Hakata Ward, Fukuoka City, Fukuoka Prefecture
 Access: 3-minute walk from Higashi-hie Station on the Kuko Line
 Floors: 10
 Completed: November 6, 2007
 Leasable Units: 115



4024
New City Residence Uemachidai
 Address: 4-1-12 Uehonmachi Nishi, Chuo Ward, Osaka City, Osaka Prefecture
 Access: 10-minute walk from Tanimachi Rokuchome Station on the Tanimachi Line
 Floors: 15 (and 1 basement floor)
 Completed: January 18, 2007
 Leasable Units: 69



4025
New City Residence Higobashi Tower
 Address: 1-2-24 Tosabori, Nishi Ward, Osaka City, Osaka Prefecture
 Access: 2-minute walk from Higobashi Station on the Yotsubashi Line
 Floors: 21
 Completed: March 14, 2007
 Leasable Units: 194



Balance Sheets

Assets

(unit: thousand yen)

Category	Eighth Fiscal Period (as of November 30, 2009)		Ninth Interim Period (as of May 31, 2010)		Variation
	Amount	Share (%)	Amount	Share (%)	
Assets					
Current assets					
Cash and deposits	598,780		5,490,313		4,891,532
Cash and deposits in trust	1,861,737		4,769,906		2,908,168
Operating accounts receivable	89,772		222,321		132,548
Prepaid expenses	161,887		314,219		152,331
Deferred tax assets	237		237		-
Other	482		2,397		1,914
Allowance for doubtful accounts	(14,958)		(69,030)		(54,071)
Total current assets	2,697,940	5.0	10,730,365	5.3	8,032,425
Noncurrent assets					
Property, plant and equipment					
Buildings	-		28,007,177		28,007,177
Accumulated depreciation	-		(90,742)		(90,742)
Buildings, net	-		27,916,434		27,916,434
Structures	-		235,186		235,186
Accumulated depreciation	-		(786)		(786)
Structures, net	-		234,400		234,400
Machinery and equipment	-		416,407		416,407
Accumulated depreciation	-		(2,388)		(2,388)
Machinery and equipment, net	-		414,018		414,018
Tools, furniture and fixtures	-		643,166		643,166
Accumulated depreciation	-		(8,046)		(8,046)
Tools, furniture and fixtures, net	-		635,119		635,119
Land	-		22,226,919		22,226,919
Buildings in trust	22,954,983		65,432,852		42,477,868
Accumulated depreciation	(1,708,160)		(2,118,066)		(409,906)
Buildings in trust, net	21,246,822		63,314,785		42,067,962
Structures in trust	26,112		526,702		500,590
Accumulated depreciation	(4,086)		(6,676)		(2,590)
Structures in trust, net	22,026		520,026		497,999
Machinery and equipment in trust	388,293		650,984		262,691
Accumulated depreciation	(85,518)		(98,923)		(13,404)
Machinery and equipment in trust, net	302,775		552,061		249,286
Tools, furniture and fixtures in trust	3,881		274,748		270,867
Accumulated depreciation	(1,051)		(6,916)		(5,864)
Tools, furniture and fixtures in trust, net	2,829		267,832		265,002
Land in trust	29,879,034		72,840,310		42,961,276
Total property, plant and equipment	51,453,488	94.8	188,921,909	93.8	137,468,420



Balance Sheets

Assets

(unit: thousand yen)

Category	Eighth Fiscal Period (as of November 30, 2009)		Ninth Interim Period (as of May 31, 2010)		Variation
	Amount	Share (%)	Amount	Share (%)	
Assets					
Intangible assets					
Right of trademark	803		2,899		2,095
Leasehold rights in trust	-		1,521,475		1,521,475
Total intangible assets	803	0.0	1,524,374	0.8	1,523,570
Investments and other assets					
Long-term prepaid expenses	112,119		174,839		62,719
Guarantee deposits	10,000		20,212		10,212
Total investments and other assets	122,119	0.2	195,051	0.1	72,931
Total noncurrent assets	51,576,411	95.0	190,641,335	94.7	139,064,923
Deferred assets					
Deferred organization expenses	5,881		-		(5,881)
Total deferred assets	5,881	0.0	-	0.0	(5,881)
Total assets	54,280,233	100.0	201,371,701	100.0	147,091,467



Balance Sheets

Liabilities and Net Assets

(unit: thousand yen)

Category	Eighth Fiscal Period (as of November 30, 2009)		Ninth Interim Period (as of May 31, 2010)		Variation
	Amount	Share (%)	Amount	Share (%)	
Liabilities					
Current liabilities					
Operating accounts payable	47,232		187,263		140,031
Current portion of long-term loans payable	12,800,000		208,000		(12,592,000)
Accounts payable-other	5,327		171,591		166,263
Accrued expenses	128,306		208,793		80,486
Income taxes payable	1,098		605		(493)
Accrued consumption taxes	208		886		677
Advances received	128,456		591,595		463,139
Deposits received	9,556		387,626		378,069
Total current liabilities	13,120,186	24.2	1,756,361	0.9	(11,363,824)
Noncurrent liabilities					
Long-term loans payable	15,874,000		28,404,000		12,530,000
Tenant leasehold and security deposits	-		298,555		298,555
Tenant leasehold and security deposits in trust	846,894		1,752,915		906,020
Rehabilitation debt	-		96,919,214		96,919,214
Total noncurrent liabilities	16,720,894	30.8	127,374,684	63.2	110,653,790
Total liabilities	29,841,081	55.0	129,131,046	64.1	99,289,965
Net assets					
Unitholders' equity					
Unitholders' capital	24,002,588		24,002,588		-
Surplus					
Capital surplus	-		28,241,587		28,241,587
Unappropriated retained earnings (undisposed loss)	436,563		19,996,478		19,559,914
Total surplus	436,563		48,238,066		47,801,502
Total unitholders' equity	24,439,151	45.0	72,240,654	35.9	47,801,502
Valuation and translation adjustments					
Deferred gains or losses on hedges	-		-		-
Total valuation and translation adjustments	-	0.0	-	0.0	-
Total net assets	24,439,151	45.0	72,240,654	35.9	47,801,502
Total liabilities and net assets	54,280,233	100.0	201,371,701	100.0	147,091,467

Notes and Remarks for Ninth Interim Period

(unit: million yen)

1. Cash and deposits	
Investment corporation title	5,490
Trust bank title	4,769
(of which, equivalent to deposit)	2,051
Balance	8,208
2. Interest-bearing liabilities	
Total interest-bearing liabilities	125,531
3. Allowance for doubtful accounts	
Total allowance for doubtful accounts	69
4. Change in unitholders' capital	
Total unitholders' capital	24,002
June 2005: Established with private offering	300
December 2005: Increase capital through third party allotment	1,430
March 2006: Increase capital through public offering	18,238
March 2007: Increase capital through third party allotment	4,034

Unitholders' Capital and Total Outstanding Investment Units Issued

Date	Unitholders' Capital (yen)	Total Unitholders' Capital (yen)	Total Investment Units Issued (unit)	Total Outstanding Investment Units Issued (unit)
June 7, 2005 *1	300,000,000	300,000,000	600	600
December 19, 2005	1,430,000,000	1,730,000,000	2,860	3,460
March 20, 2006	18,238,500,000	19,968,500,000	37,800	41,260
March 2, 2007	4,034,088,000	24,002,588,000	8,000	49,260
April 1, 2010 *2	-	24,002,588,000	69,475	118,735

*1) BLife Investment Corporation was established on June 7, 2005.

*2) Following the merger with New City Residence Investment Corporation (NCR), for each investment unit of NCR, 0.23 investment unit of BLife was allotted and issued.



Statements of Income

Category	(unit: thousand yen)		
	Eighth Fiscal Period (June 1, 2009 – November 30, 2009)	Ninth Interim Period (December 1, 2009 – May 31, 2010)	Variation
	Amount	Amount	
Operating revenue			
Rent revenue-real estate	1,305,045	2,970,734	1,665,689
Other lease business revenue	173,648	185,864	12,215
Total operating revenue	1,478,694	3,156,598	1,677,904
Operating expenses			
Expenses related to rent business	590,123	1,212,439	622,315
Asset management fee	56,899	95,342	38,443
Asset custody fee	5,401	10,290	4,888
Administrative service fees	20,740	52,840	32,099
Directors' compensations	4,800	5,700	900
Bad debts expenses	91	1,002	911
Provision of allowance for doubtful accounts	10,690	49,549	38,858
Other operating expenses	46,989	162,261	115,271
Total operating expenses	735,736	1,589,425	853,688
Operating income	742,957	1,567,173	824,216
Non-operating income			
Interest income	493	558	64
Other	-	1,581	1,581
Total non-operating income	493	2,139	1,646
Non-operating expenses			
Interest expenses	202,070	442,590	240,519
Borrowing related expenses	96,722	134,469	37,746
Amortization of deferred organization expenses	5,881	5,881	-
Other	1,037	1,041	3
Total non-operating expenses	305,711	583,981	278,270
Ordinary income	437,739	985,330	547,591
Extraordinary income			
Gain on negative goodwill	-	19,011,819	19,011,819
Other	-	13	13
Total extraordinary income	-	19,011,832	19,011,832
Income before income taxes	437,739	19,997,163	19,559,424
Income taxes-current	1,196	706	(490)
Total income taxes	1,196	706	(490)
Net income	436,542	19,996,456	19,559,914
Retained earnings brought forward	21	21	-
Unappropriated retained earnings (undisposed loss)	436,563	19,996,478	19,559,914

Category	(unit: yen)	
	Eighth Fiscal Period (June 1, 2009 – November 30, 2009)	Ninth Interim Period (December 1, 2009 – May 31, 2010)
I. Unappropriated retained earnings	436,563,837	19,996,478,705
II. Distribution amount (Distribution per investment unit)	436,542,120 (8,862)	- (-)
III. Retained earnings carried forward	21,717	-



Statements of Income

Breakdown of Real Estate Lease Business Revenue and Expenses

(unit: thousand yen)

Category	Eighth Fiscal Period (June 1, 2009 – November 30, 2009)	Ninth Interim Period (December 1, 2009 – May 31, 2010)
A. Real estate lease business revenue		
Lease business revenue		
Rent income	1,281,981	2,912,407
Common service fees	23,063	58,327
Subtotal	1,305,045	2,970,734
Other lease business revenue		
Facility charges	44,206	78,442
Incidental revenue	15,190	17,361
Other lease business revenue	114,251	90,059
Subtotal	173,648	185,864
Total real estate lease business revenue	1,478,694	3,156,598
B. Real estate expenses related to rent business		
Expenses related to rent business		
Management fees	164,686	340,071
Utility expenses	23,159	45,257
Tax and public charges	50,125	117,724
Repair expenses	5,216	22,014
Insurance expenses	3,015	5,785
Restoration cost	42,972	78,883
Custodian fees	14,385	30,059
Depreciation and amortization	274,149	533,730
Other operating expenses	12,412	38,911
Total real estate expenses related to rent business	590,123	1,212,439
C. Real estate lease business income (A-B)	888,570	1,944,159

Statements of Cash Flows

(unit: thousand yen)

Category	Eighth Fiscal Period (June 1, 2009 – November 30, 2009)	Ninth Interim Period (December 1, 2009 – May 31, 2010)
Net cash provided by (used in) operating activities		
Income before income taxes	437,739	19,997,163
Depreciation and amortization	274,149	533,730
Gain on negative goodwill	-	(19,011,819)
Amortization of trademark rights	63	137
Amortization of Organization expenses	5,881	5,881
Interest income	(493)	(558)
Interest expenses	202,070	442,590
Decrease (increase) in operating accounts receivable	(47,745)	45,390
Decrease (increase) in prepaid expenses	(67,000)	(135,002)
Increase (decrease) in operating accounts payable	(240)	(170,681)
Increase (decrease) in accounts payable-other	-	15,703
Increase (decrease) in accrued consumption taxes	(9,313)	(1,681)
Increase (decrease) in accrued expenses	(9,355)	78,901
Increase (decrease) in deposits received	(4,268)	254,599
Increase (decrease) in advances received	10,808	12,346
Decrease (increase) in long-term prepaid expenses	(112,119)	(62,719)
Increase (decrease) in allowance for doubtful accounts	1,525	12,667
Other, net	(61,864)	(7,765)
Subtotal	619,835	2,008,883
Interest income received	493	558
Interest expenses paid	(200,825)	(569,218)
Income taxes paid	(372)	(7,957)
Net cash provided by (used in) operating activities	419,129	1,432,265

(unit: thousand yen)

Category	Eighth Fiscal Period (June 1, 2009 – November 30, 2009)	Ninth Interim Period (December 1, 2009 – May 31, 2010)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	-	(99,165)
Purchase of property, plant and equipment in trust	(27,872)	(14,020)
Proceeds from lease and guarantee deposits received	-	20,436
Repayments of lease and guarantee deposits received	-	(8,858)
Proceeds from tenant leasehold and security deposits in trust	71,195	84,405
Repayments of tenant leasehold and security deposits in trust	(51,572)	(67,422)
Net cash provided by (used in) investing activities	(8,249)	(84,625)
Net cash provided by (used in) financing activities		
Proceeds from long-term loans payable	15,990,000	12,680,000
Repayment of long-term loans payable	(16,001,000)	(12,742,000)
Dividends paid	(548,670)	(436,533)
Net cash provided by (used in) financing activities	(559,670)	(498,533)
Net increase (decrease) in cash and cash equivalents	(148,789)	849,106
Cash and cash equivalents at beginning of period	2,609,307	2,460,517
Increase in cash and cash equivalents resulting from merger	-	6,950,594
Cash and cash equivalents at end of period	2,460,517	10,260,219

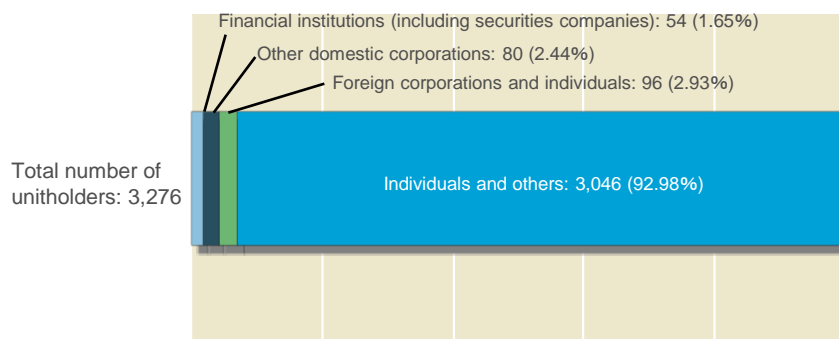


Major Unitholders

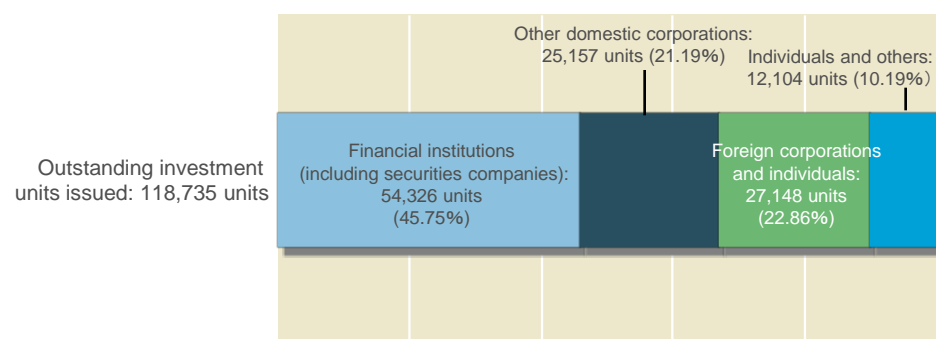
(as of August 9, 2010)

Name	Number of Units Held	Percentage of Total
Daiwa House Industry Co., Ltd.	18,860	15.88
The Nomura Trust and Banking Co., Ltd. (investment trust account)	13,402	11.28
Japan Trustee Services Bank, Ltd. (investment account)	12,327	10.38
The Master Trust Bank of Japan, Ltd. (investment account)	6,202	5.22
Trust & Custody Services Bank, Ltd. (securities investment trust account)	6,172	5.19
Sumitomo Mitsui Banking Corporation	4,600	3.87
The Chuo Mitsui Trust and Banking Company, Limited	4,600	3.87
Mizuho Securities Principal Investment Co., Ltd.	4,600	3.87
CapitaLand Nippon Investments	3,999	3.36
DBS Vickers (HK) Ltd Clients	3,450	2.90

Number of Unitholders

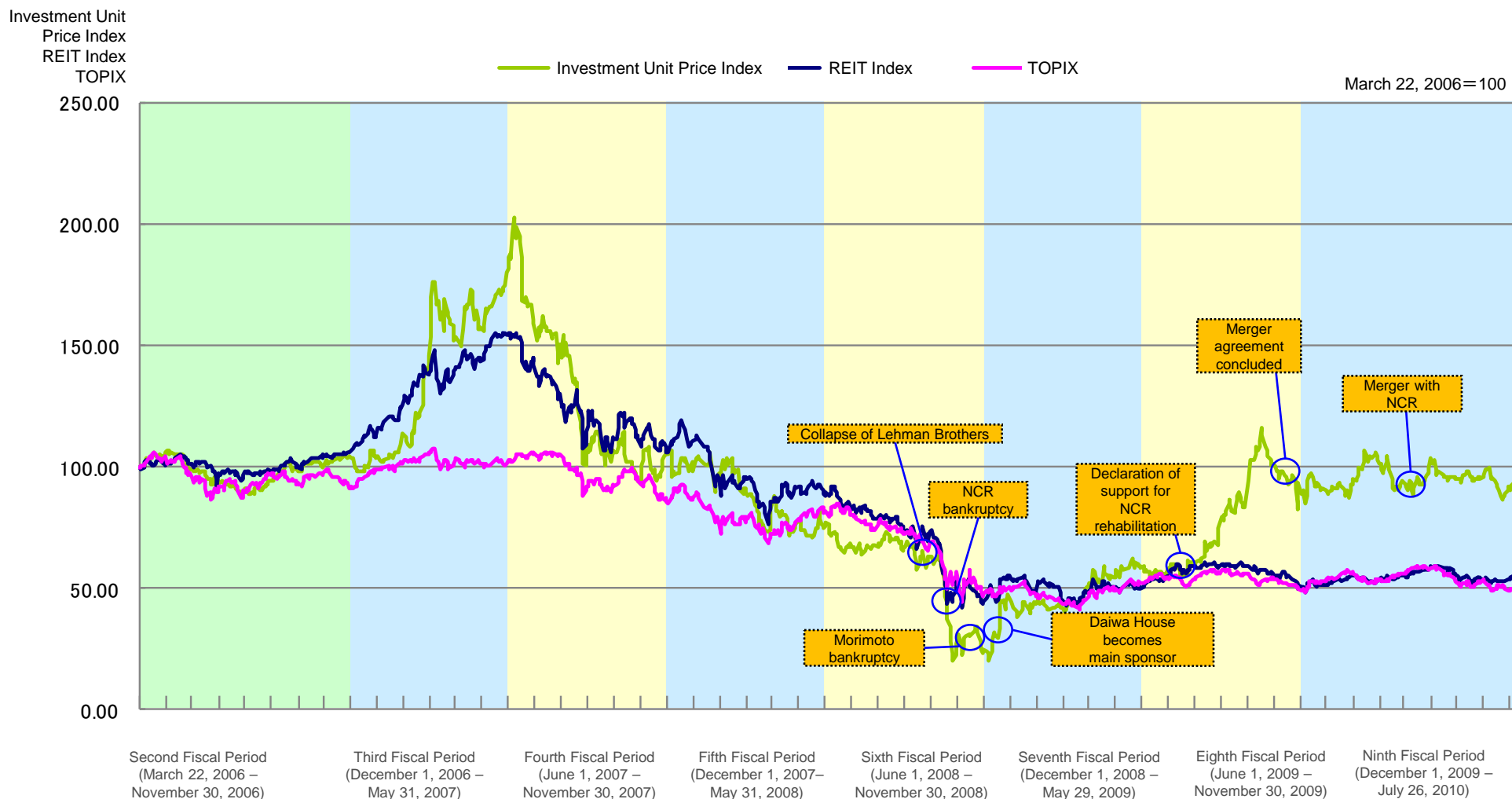


Number of Investment Units





Movement of Investment Unit Prices



The investment unit price index shows the indexation of TSE's closing price of BLife's investment unit.



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