

AJA full year results to 30 June 2010

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AGENDA

- Key points
- Financial results
- Portfolio overview and leasing activity
- Capital management
- Outlook
- Appendices



Key Points



KEY POINTS

- Net operating profit after tax of A\$47.7m, down 26.5% on the prior year, due to a decline in net property income and an appreciation in the A\$/¥ exchange rate
- Net property income declined 17.5% on the prior year in constant currency terms, of which approximately 6.6% represents the impact of the sale of Shinjuku Sanei in May 2009
- Excluding Shinjuku Sanei, net property income declined by approximately 10.9% on the prior year, mainly due to a fall in office occupancy and rental levels. The vacancy of Kokusai Nihombashi represented 3.0% of the 10.9% decline
- Funds from operations (FFO)¹ of ¥3.7bn down ¥1.0bn relative to the prior year of which approximately ¥0.5bn represents the impact of the sale of Shinjuku Sanei
- 15 of all 43 portfolio properties were required to be revalued as at 30 June 2010, resulting in a downward revaluation to the portfolio from 31 December 2009 of 4.7% to ¥113.9bn (A\$1.5bn). Over the full year, the portfolio was revalued downwards by 9.2% following fair value adjustments of ¥6.0bn at December 2009 and ¥5.6bn at June 2010
- Portfolio occupancy by area remains high at 93.0% as at 30 June 2010 versus 94.0% as at 30 June 2009; however, rental levels have declined especially in office assets
- Portfolio debt service coverage ratio (DSCR)² remains strong at 3.2x
- Full year distribution of 7.00 cps in line with guidance at the start of the year, after retaining 2.61 cps for capital management purposes

¹ FFO consists of operating cashflow excluding foreign exchange hedge income and Japanese withholding tax

² Portfolio DSCR is FFO before debt service costs divided by debt service costs

ACHIEVEMENTS DURING THE YEAR

Refinancing and debt renegotiation

JPT Co. Ltd. (JPT):

- ✓ Completed refinancing of the five year term loan to JPT which matured in March 2010 and represented 16.3% of AJA's total debt balance, with the closing of a new five year, senior, non-recourse loan of ¥13.4bn (A\$160m)
- ✓ Favourable margin payable of 195 bps, all-in cost of approximately 237 bps
- ✓ DSCR is primary covenant; loan does not include a Loan to Value (LTV) covenant

JPT Corporate Co. Ltd. (JPTC):

- ✓ Successfully renegotiated positive revision to the LTV covenant threshold contained in the loan to JPTC, the only one of five loans to AJA special purpose vehicles with an LTV covenant
- ✓ LTV covenant threshold increased from 78% to 80% following one-time partial repayment of ¥720m (A\$9m)
- ✓ From October 2010 until maturity in December 2012, quarterly amortisation of ¥125m (A\$1.5m)

JPT Scarlett Co. Ltd. (JPTS):

- ✓ Discussions are progressing regarding refinancing of the ¥18bn (A\$238m) loan to JPTS maturing in December 2010

ACHIEVEMENTS DURING THE YEAR (cont'd)

Foreign exchange hedging

- ✓ Successfully renegotiated positive changes to foreign exchange hedging contract terms including:
 - Waiver of counterparty's August 2009 and August 2010 options to terminate
 - Permanent removal of the LTV ratio covenant
 - Permanent amendment of the minimum securityholders' equity covenant reducing the threshold to A\$250m (previously A\$458m)
- ✓ In August 2009, cash collateralised the Group's hedging position by posting ¥2.4bn. The collateral will remain with the counterparty to the extent that any hedging obligations on behalf of AJA remain outstanding
- ✓ In May 2010, partially terminated the A\$/¥ capital hedge book, reducing the capital amount hedged by approximately 22% at an exchange rate of A\$=¥87.6, within 0.5% of the 12-month high of the A\$ against the Yen during FY10
- ✓ Previously posted cash collateral was used to fund this partial termination of capital hedge book leaving balance of ¥2.0bn to collateralise remaining position

ACHIEVEMENTS DURING THE YEAR (cont'd)

AJA's investment in the business of its Japan Asset Manager, Spring Investment Co. Ltd. (Spring)

- ✓ During FY10, AJA received approximately A\$0.7m as a cash distribution in respect of its 30% economic interest in Spring
- ✓ Spring's joint venture with Sekisui House:
 - In February 2010, Spring announced the acquisition of J-REIT management company, Joint Capital Partners (JCP), in JV with Sekisui House Ltd, one of Japan's largest residential developers
 - Sekisui House holds a 75% interest in the JV and Spring holds a 25% interest
 - AJA contributed 30% of the capital to Spring's investment from AJA's existing cash resources
 - JCP - now renamed Sekisui House SI Asset Management - is the manager of Joint REIT, a Tokyo Stock Exchange (TSE) listed J-REIT
 - Joint REIT - now renamed Sekisui House SI Investment Corporation, TSE code: 8973 - owns 53, mainly residential, assets with a book value of approximately ¥100bn (A\$1.3bn)
 - Sekisui House and Spring have announced the intention to double the size of assets held by Sekisui House SI Investment Corporation
- ✓ Post the reporting period:
 - Spring signed an agreement to take over asset management of a third party portfolio previously owned by Rubicon Japan Trust. The portfolio has a value of approximately ¥16bn (A\$211m)

Financial Results



FINANCIAL RESULTS

	Twelve months to 30 June 2010 ¹	Twelve months to 30 June 2009 ²	Change
Net property income (¥)	¥6.6 bn	¥8.0 bn	-17.5%
Net property income (A\$)	\$82.4 m	\$112.0 m	-26.4%
Net operating profit after income tax (A\$)	\$47.7 m	\$64.9 m	-26.5%
Net profit/(loss) after income tax (A\$)	\$(111.9) m	\$(366.8) m	nm
FFO (¥)	¥3.7 bn	¥4.7 bn	-21.3%
FFO per security (¥)	¥7.19	¥9.20	-21.8%
Distribution per security (A\$)	7.00¢	9.00¢	-22.2%

	30 June 2010 ³	30 June 2009 ⁴	Change
Total assets (A\$)	\$1.7 bn	\$1.8 bn	-5.6%
NTA per security (A\$)	\$0.71	\$0.93	-23.7%

- Net property income declined 17.5% on the prior year in constant currency terms of which approximately 6.6% represents the impact of the sale of Shinjuku Sanei in May 2009
- Excluding Shinjuku Sanei, net property income declined by approximately 10.9% on the prior year, mainly due to a fall in office occupancy and rental levels. The vacancy of Kokusai Nihombashi represented 3.0% of the 10.9% decline
- Net loss after income tax includes non-cash items of A\$159.6m, primarily comprised of downward property revaluations of A\$150.7m versus A\$372.2m of downward property revaluations in FY09
- FFO of ¥3.7bn was down ¥1.0bn relative to the prior year of which approximately ¥0.5bn represents the impact of the sale of Shinjuku Sanei
- NTA movement primarily due to downward property revaluations

¹ Average exchange rate for period of A\$1.00 = 80.51

² Average exchange rate for period of A\$1.00 = 74.04

³ Exchange rate of A\$1.00 = 75.71 at 30 June 2010

⁴ Exchange rate of A\$1.00 = 78.01 at 30 June 2009

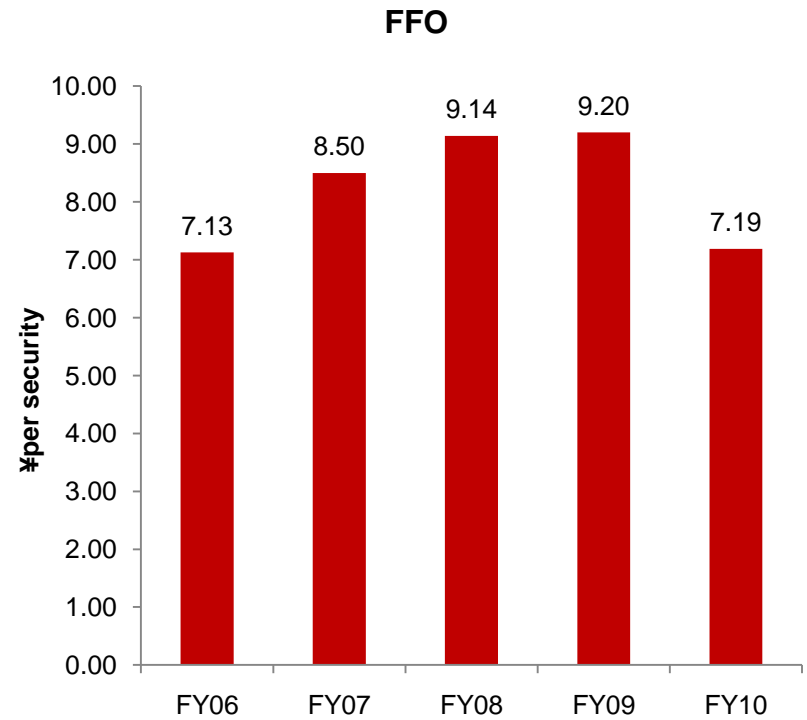
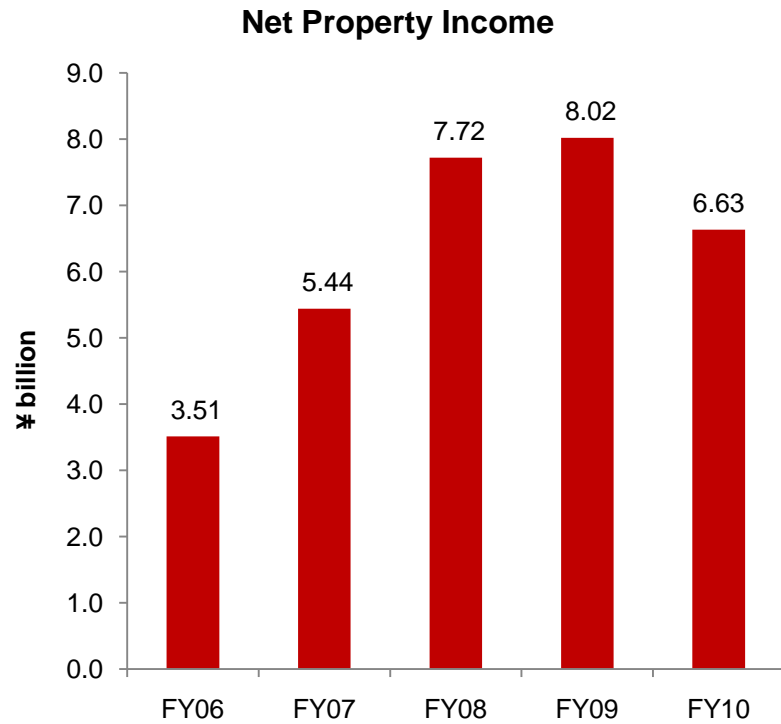
MAIN COMPONENTS OF LIKE-FOR-LIKE NET PROPERTY INCOME DECLINE

Property revenue (¥ million)	Twelve months to 30 June 2010	Twelve months to 30 June 2009 (ex. Shinjuku Sanei)	Change
Retail	4,580	4,834	-5.3%
Office	4,152	4,769	-12.9%
Residential	733	859	-14.6%
Total portfolio	9,465	10,462	-9.5%

Occupancy by area	30 June 2010	30 June 2009	Change
Retail	98.0%	95.2%	+2.8%
Office	79.7%	89.0%	-9.3%
Residential	99.2%	99.9%	-0.7%
Total portfolio	93.0%	94.0%	-1.0%

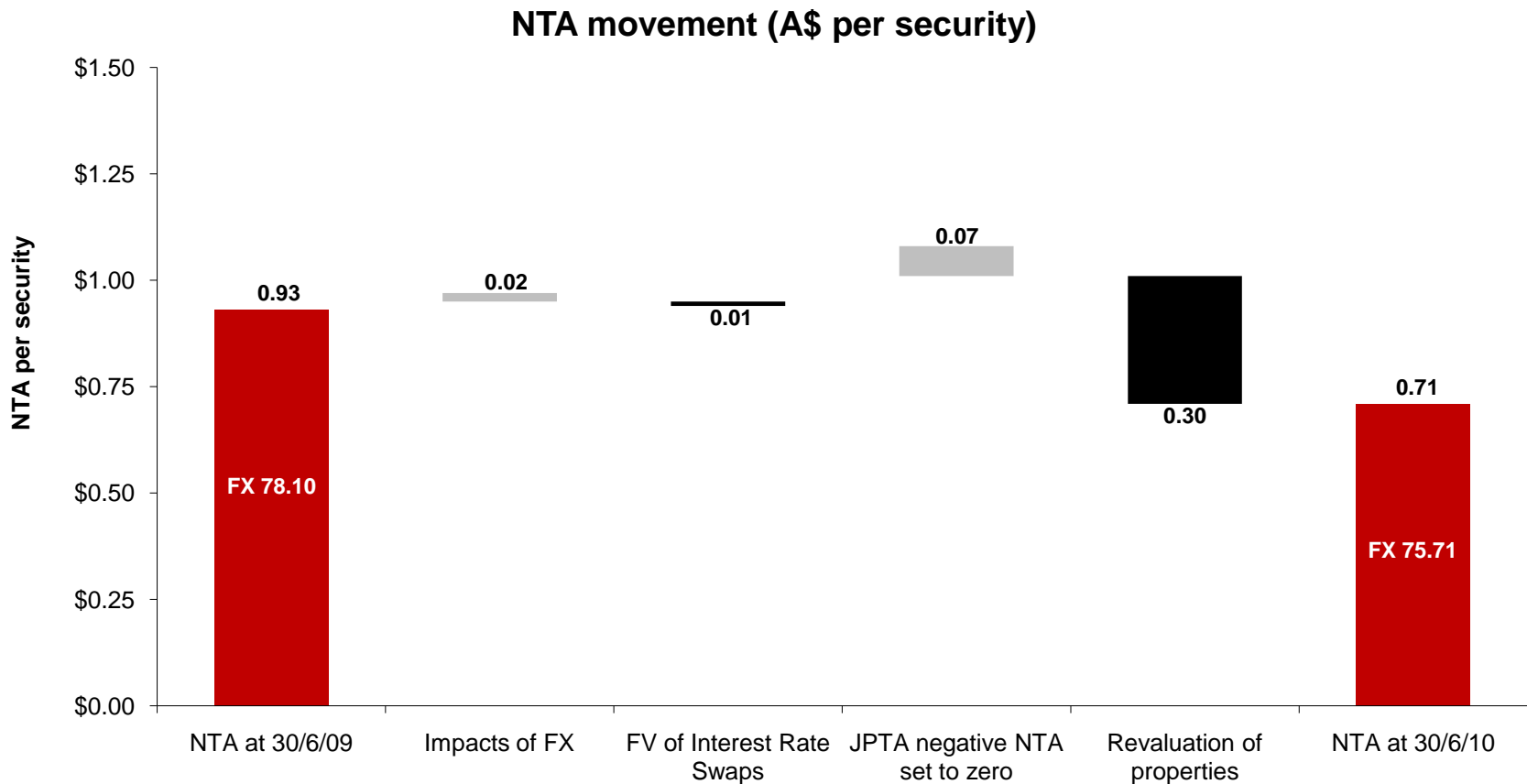
- Rental income declined relative to the prior year reflecting the rise in office vacancies and a general softening in market rents:
 - Of the 5.3% decline in retail rental income, Ginowan contributed 3.1%
 - Of the 12.9% decline in office rental income, Kokusai Nihombashi, vacant since November 2009, contributed 5.8%
 - Of the 14.6% decline in residential rental income, Tosabori contributed 13.8%
- Occupancy levels declined relative to the prior year mainly due to a rise in office vacancies. Of the 9.3% decline in office occupancy levels, Kokusai Nihombashi represented approximately 5.7% of the decline
- Year end occupancy in the retail segment has increased over prior year end

OPERATING PERFORMANCE



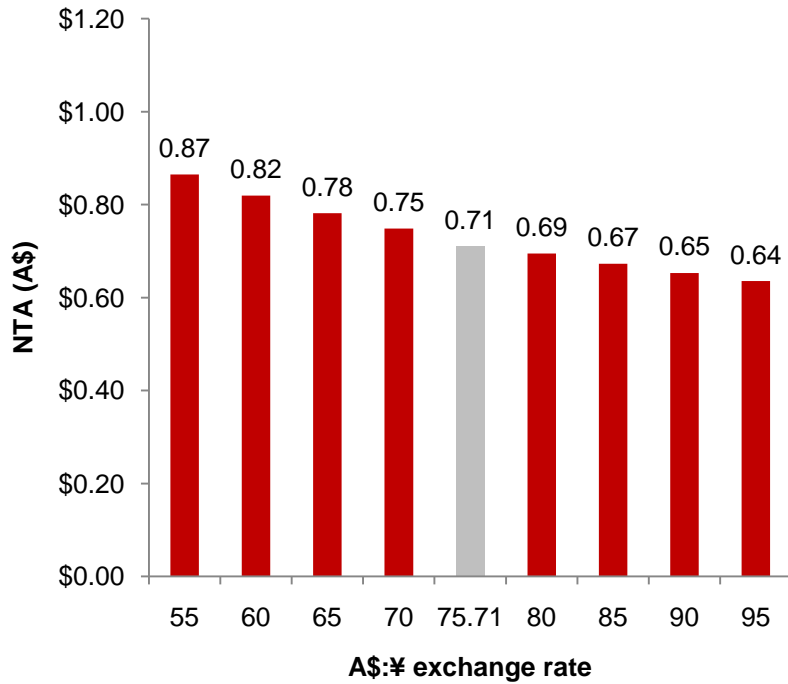
NTA PER SECURITY

Movement for twelve months to 30 June 2010

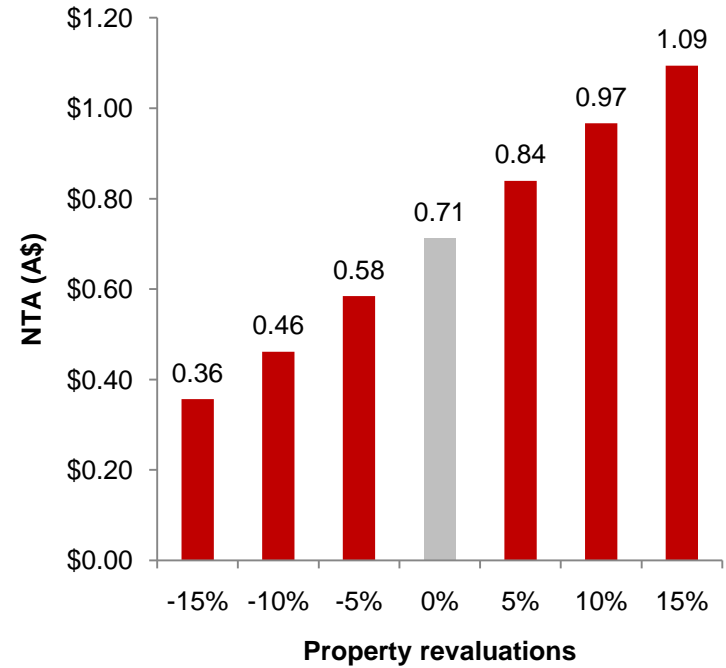


NTA SENSITIVITIES

NTA sensitivity to A\$:¥ exchange rate



NTA sensitivity to revaluations



Portfolio Overview and Leasing Activity



PORTFOLIO OVERVIEW

	30 Jun 2010	30 Jun 2009	Change
Portfolio value	¥113.9 bn	¥125.5 bn	-9.2%
Total number of properties	43	43	0
NRA (sqm)	275,981	275,877	+0.0%
Occupancy by area	93.0%	94.0%	-1.0%
Number of leases	402	422	-20
% non-cancellable leases by income	48.4%	45.5%	+2.9%
Weighted average term to expiry (WALE) (non-cancellable leases) – years	5.5 years	6.7 years	-1.2 years

- Property portfolio value has decreased to ¥113.9 bn at 30 June 2010 from ¥125.5 bn at 30 June 2009 following fair value adjustments of ¥6.0bn at December 2009 and ¥5.6bn at June 2010
- Occupancy by area remains stable despite challenging economic conditions
- More than 400 leases; top 10 tenants account for approximately 32.9% of revenue
- Proportion of non-cancellable leases (mainly in retail assets) remains high at 48.4%, contributing some stability to the Group's medium-term portfolio income stream

LEASING ACTIVITY

For year ended 30 June 2010

Leasing Activity	No. of leases	% of NRA	% of portfolio income ¹
Expired / renewed leases			
Expired leases	(149)	(8.6)%	(17.2)%
Renewed leases	149	8.6%	16.9%
Net change due to renewals	0	0	(0.2)%
New / cancelled leases			
Cancelled leases	(81)	(8.1)%	(12.9)%
New leases	61	7.2%	6.3%
Net change due to new / cancelled leases	(20)	(0.9)%	(6.6)%
Net increase / (decrease) in occupied area	(20)	(0.9)%	(6.8)%
Ongoing leases: Rental Adjustments			
	No. of leases	% of NRA	% of portfolio income¹
Rent increase	2	0.2%	0.0%
Rent decrease	48	9.0%	1.4%

- All 149 leases that expired during the period (equivalent to 17.2% of portfolio income) were renewed by their existing tenants. 143 of the 149 renewed leases were at rents equal to previous rents
- Kokusai Nihombashi represented 4.3% of the portfolio income decline due to cancelled leases
- 20 of 81 leases cancelled during the period have not yet been replaced. Some of the new leases replaced during the period were replaced at lower rents. Total decline in portfolio income due to cancelled leases and leases replaced at lower rents equivalent to 6.6% of portfolio income

¹ Includes rent and Common Area Maintenance (CAM). Reflects the comparison of annualised rent for calendar month June 2010 versus calendar month June 2009 on a signed contract basis

TOP 10 TENANTS

As at 30 June 2010

Tenant Name	Property	Industry	% of Trust's total passing rent + CAM	Lease Expiry Date
Toyota Tsusho Corp / Konan Shoji	Konan Home Centre	Trading / Retail	7.2%	March 2025 ¹
Aki ²	Tosabori	Real Estate	5.0%	December 2014
Mycal	Mukomachi Saty	Retail	4.2%	June 2020
Best Denki ³	Kawasaki Dice	Retail	2.9%	August 2013
Matahari	Kawasaki Dice	Game Centre	2.5%	August 2023
Kyodo PR	Ginza Dowa	Advertising	2.5%	December 2010
Gaia	Shinjuku Fuji	Game Centre	2.4%	July 2020
Jikei Space	Sekijomachi	School	2.3%	March 2022
Konami Sports & Life	Shibuya Konami	Fitness Club	2.0%	March 2019
City of Yokohama	JN	Government	1.9%	March 2011
TOTAL			32.9%	

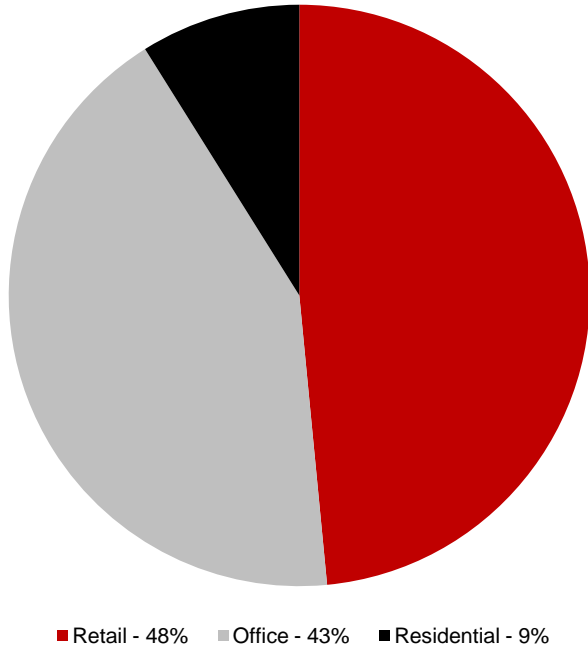
¹ Master leased. Lease to Toyota Tsusho until March 2017. Thereafter until March 2025 direct lease to current occupant, Konan Shoji

² Tenant has since period-end changed to Takuto Kanri, a master lessee which subleases to approximately 210 residents on a pass-through basis

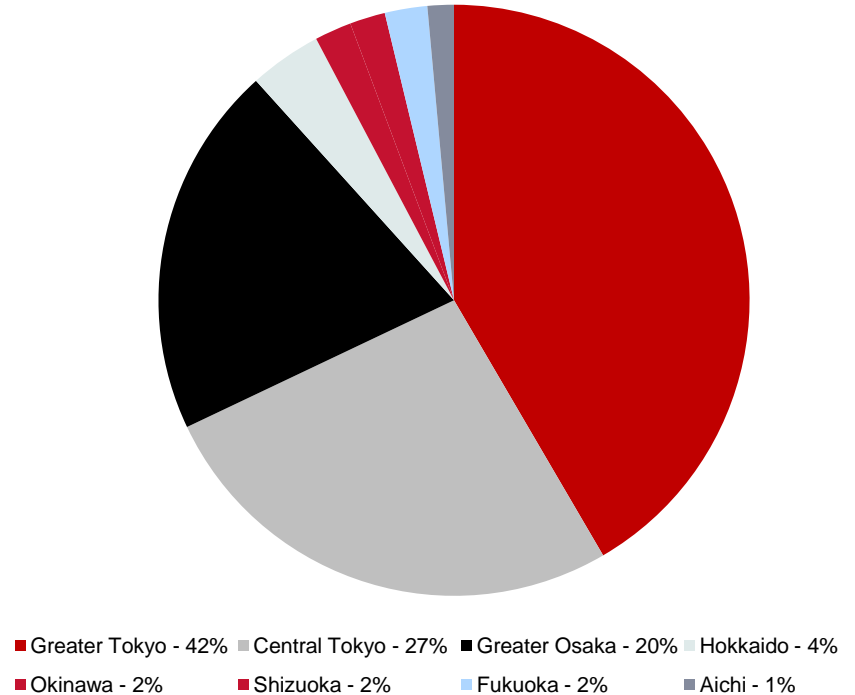
³ Tenant name has changed from Sakuraya due to merger

PORTFOLIO DIVERSIFICATION

Asset class diversification (by value)



Geographic diversification (by value)



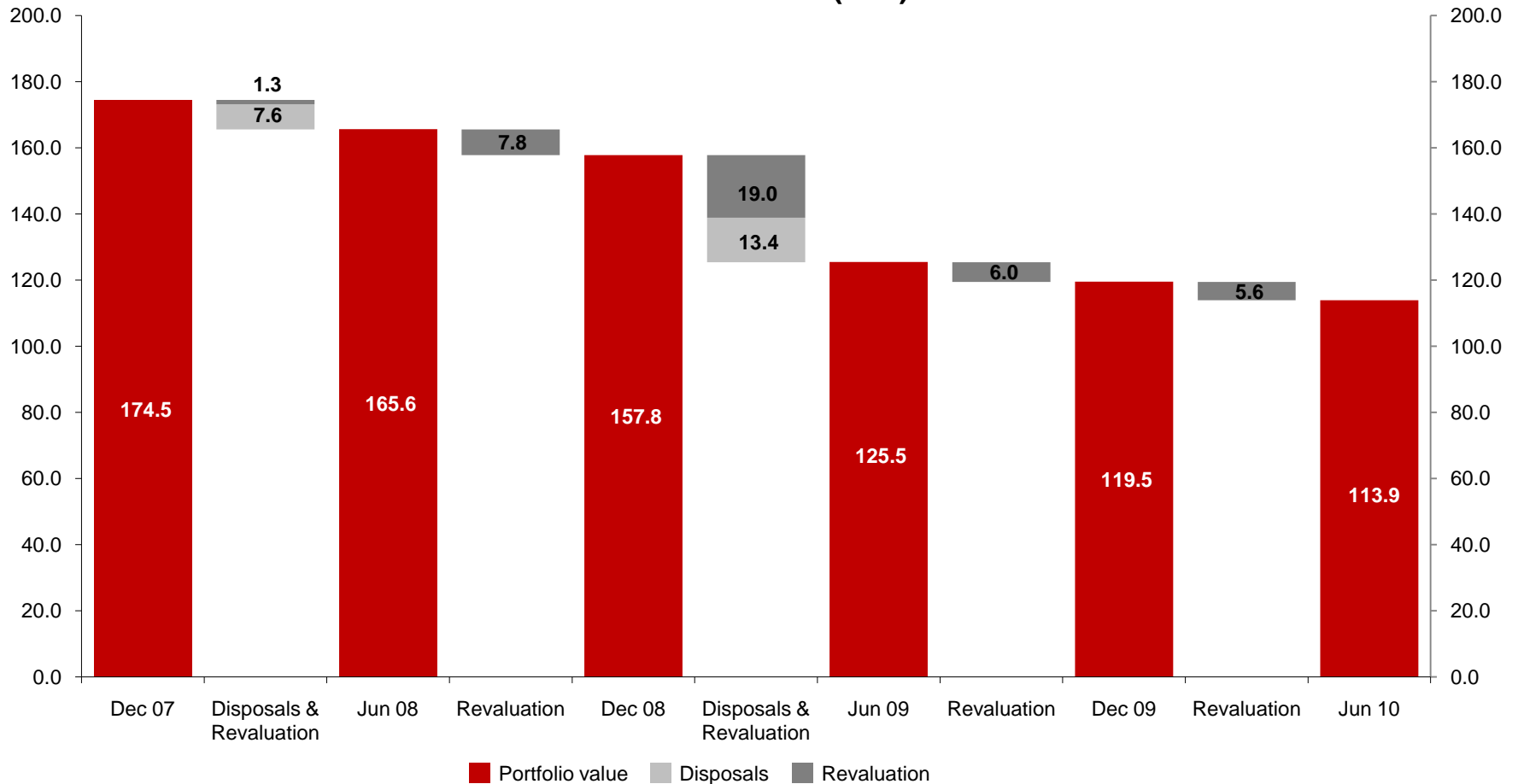
- Post property revaluations in June 2010:
 - Retail increased to 48% from 46% at June 2009
 - Office decreased to 43% from 46% at June 2009
 - Residential increased to 9% of the total portfolio from 8% at June 2009
- Approximately 69% concentration of properties in Central and Greater Tokyo

PROPERTY REVALUATIONS

- Fair values of all 43 portfolio properties were independently assessed at 30 June 2010
- All valuers used are also used by J-REITs
- As a result of the review, 15 properties were required to be revalued as at 30 June 2010
- Over the full year period, AJA's portfolio was revalued downwards by 9.2% to ¥113.9bn (A\$1.5bn) following fair value adjustments of ¥6.0bn at December 2009 and ¥5.6bn at June 2010
 - Retail asset valuations only marginally reduced, suggesting values are stabilising
 - Office asset valuations showed continued weakness, accounting for just under 80% of the total downward portfolio revaluation. Osaka office market currently considerably weaker than Tokyo
- Weighted average capitalisation rate used by valuers for the portfolio increased marginally to 5.6% from 5.5% (at 30 June 2009)
- Rate of increase in capitalisation rates appears to have slowed significantly since June 2009. Cyclical expansion in capitalisation rates appears to be starting to conclude

PORTFOLIO VALUATIONS HAVE DECLINED 26% SINCE THE PEAK

Portfolio movement (¥bn)



PORTFOLIO YIELD DATA AS AT 30 JUNE 2010

Asset class	Original NOI yield / purchase price	Current NOI yield / current book value June 2010	Valuation cap rates ¹ June 2010
Retail	5.3%	6.0%	5.8%
Office	5.0%	5.5%	5.3%
Residential	5.5%	6.3%	6.2%
Total	5.2%	5.8%	5.6%

¹ Cap rate used by valuers for NCF (Net operating income less leasing fees less capex)

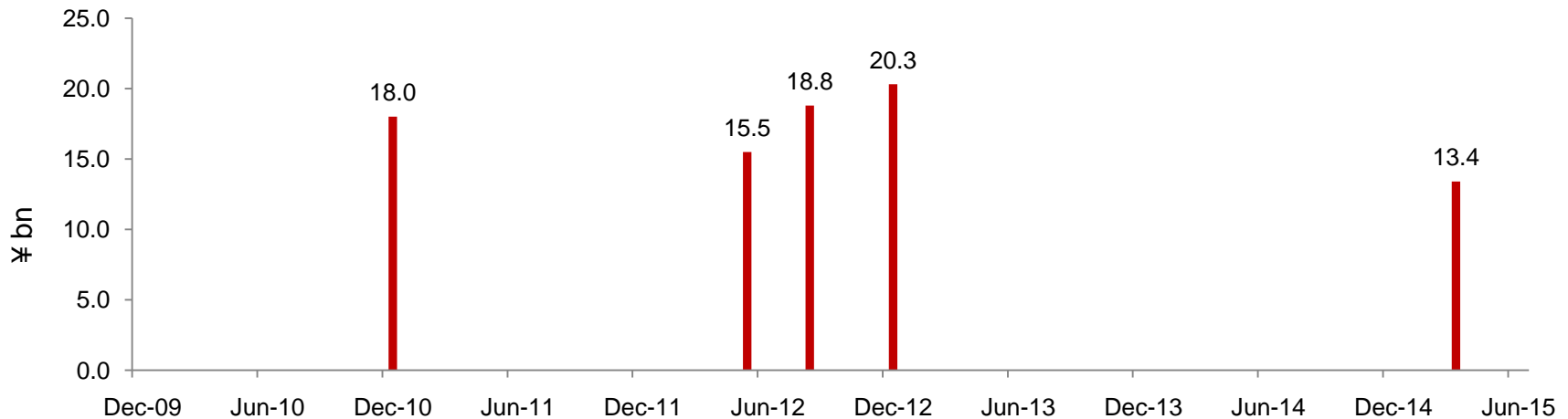
Capital management



DEBT OVERVIEW AND MATURITY PROFILE

- Total AJA debt is 5 separate, non-recourse, asset-specific loans, all borrowed in ¥ in Japan, primarily from Japanese lenders
- No cross-collateralisation or cross-default between loans
- With the exception of one loan, there are no provisions in the debt covenants which enable lenders to call in their loans based on falls in property values
- None of the loans contain covenants which take into account FX hedging mark-to-market
- Interest rate swaps hedging loans of approximately ¥10.0bn matured on 31 July 2010 resulting in a reduction in the overall proportion of debt hedged to fixed interest rates to 45.6%
- Portfolio DSCR¹ of 3.2x

Debt Maturity Profile as at 30 June 2010 (¥ bn)



¹ Portfolio DSCR is FFO before debt service costs divided by debt service costs

DEBT COVENANTS

- The principal financial covenant under each loan is a DSCR test. Only one loan contains an LTV test
- Portfolio gearing ratio does not impact any loan terms or covenants
- AJA remains within all covenants for the 2010 financial year

	Loan amt (¥ bn) ¹	AJA value Jun 10 (¥ bn)	LTV covenant test	LTV at Jun 10 (%)	DSCR covenant test ²	DSCR at June 10	Total interest rate ³ (%)	Maturity	Term to maturity (yrs)	FFO per security 12 mths to 30 Jun 10 (¥)
JPTS	18.0	27.1	None	66.5%	Actual: Over 1.6x Stress: Over 1.2x	Actual: 4.9x Stress: 1.2x	1.57%	Dec 2010	0.5	2.05
JPTD	15.5	17.5	None	88.5%	Stress: Over 1.15x	Stress: 1.6x	2.81%	May 2012	1.9	1.16
JPTA	18.8	16.0	None	117.9%	Stress: Over 1.1x	Stress: 1.6x	2.69%	Aug 2012	2.2	0.73
JPTC	20.3	25.9	LTV of less than 80%	78.4%	Actual: Over 1.5x (on Kawasaki Dice only)	Actual: 8.4x	1.08%	Dec 2012	2.5	1.96
JPT	13.4	27.5	None	48.7%	Stress: Over 1.28x	Stress: 1.7x	2.26%	Mar 2015	4.8	1.67
Portfolio	86.0	113.9	N/A	75.5%	N/A	N/A	2.03%	N/A	N/A	7.57

¹ Loan amounts as at 30 June 2010. At the end of July, JPT loan was marginally reduced by ¥11.8m by the first quarterly amortisation payment

² Actual DSCR based on actual loan payment whereas Stress DSCR based on theoretical loan payment constants

³ Interest rate for 4 out of 5 of the loans included a floating rate portion based on 3 month JPY LIBOR of 0.244% and 1 month LIBOR of 0.158% (JPTC) as at 30 June 2010. As at the end of July, all 5 loans now include floating portions following the partial expiration of the interest rate swaps of JPTD and JPTA. Total interest rate of JPTD loan declined from 2.81% to 2.73% and total interest rate of JPTA loan declined from 2.69% to 2.22 % based on current 3 month JPY LIBOR of 0.24% as of 16 August 2010

FOREIGN EXCHANGE HEDGING

- Successfully renegotiated positive changes to foreign exchange hedging contract terms including:
 - Waiver of counterparty's August 2009 and August 2010 options to terminate
 - Permanent removal of the LTV ratio covenant
 - Permanent amendment of the minimum securityholders' equity covenant reducing the threshold to A\$250m (previously A\$458m)
 - In August 2009, collateralised the hedge position by posting ¥2.4bn with the counterparty. The collateral will remain with the counterparty to the extent that any hedging obligations on behalf of AJA remain outstanding
- Partial termination of the A\$/¥ hedge book, reducing the capital amount hedged by 22%
 - Capital hedge terminated was to originally mature in 2015 with a principal amount of ¥2.5bn (A\$28.5m at A\$=¥87.60)
 - Termination of hedge resulted in net cash loss of A\$4.8m
 - Only second time since 2005 inception that any A\$/¥ hedges have been terminated. Previous termination resulted in a net cash profit of A\$18.8m
 - Reduction in capital hedge book expected to reduce income by approximately A\$1.3m or 0.25 cps per year
 - Elimination of long-dated hedge after a significant run-up in the value of the A\$ against the ¥ in the past 12 months greatly reduces potential pressure from the hedge book if trend reversed significantly
 - Previously posted cash collateral used to fund partial termination of capital hedge book leaving balance of ¥2.0bn to collateralise remaining position

Covenant	Threshold	As at 30 June 2010
Securityholders' equity	Not to fall below A\$250m	Approximately A\$339m
Interest coverage (Net operating profit before tax / borrowing costs)	At least 2.0x	Approximately 3.1x
Cross default	Default will arise if any TK operator defaults on its obligations	N/A

FOREIGN EXCHANGE HEDGING PROFILE

Capital hedge maturity profile				
Settlement date	AJA receives AUD	AJA pays JPY	Exchange rate	Interest rate spread
Aug 2011	14,724,649	1,500,000,000	101.9	6.19%
Aug 2012	20,614,509	2,100,000,000	101.9	6.01%
Aug 2013	16,687,936	1,700,000,000	101.9	5.86%
Aug 2014	22,577,795	2,300,000,000	101.9	5.69%
Aug 2016	14,724,649	1,500,000,000	101.9	5.39%

Distribution hedge maturity profile		
Settlement date	Exchange rate	JPY
Aug 2010	68.1	1,094,291,000
Feb 2011	68.0	1,339,291,000

- Approximately 18.4% of net investment in Japanese properties is hedged
- As at 30 June 2010 at A\$= ¥75.71:
 - Capital hedges were A\$30.6 m out-of-the money (excluding collateral)
 - Distribution hedges were A\$2.4 m in-the-money
 - AJA has ¥2.0bn (A\$26.1m) in cash collateral posted

PROPOSED SECURITY CONSOLIDATION

- AJA currently intends to consolidate its stapled securities on issue by seeking securityholder approval to do so at the Annual General Meeting in November
- Key benefits of the consolidation are expected to include:
 - Improved trading liquidity
 - Reduced transaction costs to investors in dealing in AJA securities
 - Reduced administrative costs
- Full details of the proposed consolidation, including the proposed ratio for consolidation into a smaller number of securities, will be provided in the Notice of Meeting

Outlook



OPERATING OUTLOOK

- Vacancy rates for Tokyo Central five wards showing signs of slowing having approached high single-digit peak levels of past downturns
- Valuers believe 2011 will see a stabilisation – and even in places perhaps an improvement – in cap rates in Japan
- AJA portfolio performance, although weak over the prior period in the relatively volatile office segment, continues to benefit from a high – 48% – proportion of non-cancellable revenues, which are predominantly retail, the largest segment of the portfolio

STRATEGIC PRIORITIES AND GOALS

Securing core equity value in AJA's three main property portfolios

- Of AJA's NTA of \$0.71 per security, JPT, already refinanced for five years in March 2010, accounts for approximately \$0.36
- Almost all of the balance of AJA's NTA comes from the equity value in JPTS, to be refinanced in December 2010, and JPTC, to be refinanced in December 2012
- These 3 core portfolios, which have a combined LTV of 64.2%, are the focus of management efforts to refinance/de-leverage to protect this equity value in a capital efficient manner

Hedging: Ongoing reduction of distribution and capital hedging

- Distribution hedges: Will run-off over coming 12 months; not expected to be re-implemented for further periods of more than 12 months, if at all
- Capital Hedges: Book has been reduced by approximately 64% in the past 2 years. Continued focus on opportunistic reduction. First maturity due in August 2011

Security price and liquidity: Security consolidation

- Board intends to seek securityholder approval at November 2010 AGM to undertake a stapled security consolidation

Continuity of distributions

- Continued focus on prudent capital management which seeks to maximise equity returns and ensure, as far as possible consistent with that prudence, continuation of distributions to securityholders
- Based on current market conditions and the anticipated outcome of the December 2010 refinancing, the Board provides distribution guidance for FY11 of 4.50 cents per security

Appendices



INCOME STATEMENT

	30 June 2010 – \$'000	30 June 2009 – \$'000	30 June 2010 – ¥'000	30 June 2009 – ¥'000
Net Property Income				
Property revenue	117,725	156,063	9,465,715	11,181,027
Property expenses	(35,299)	(44,042)	(2,837,508)	(3,165,691)
Net property income	82,426	112,021	6,628,207	8,015,336
Income from foreign currency capital hedge	5,581	6,564	449,347	486,026
Interest income	285	2,076	22,916	176,925
Other income	(564)	1,076	(45,455)	79,664
Total income	87,728	121,737	7,055,015	8,757,951
Expenses				
Asset Management fees	(9,232)	(11,474)	(742,423)	(826,805)
Borrowing expense	(23,889)	(30,424)	(1,921,516)	(2,204,813)
Other expenses	(4,217)	(8,391)	(338,330)	(566,868)
Total Expenses	(37,338)	(50,289)	(3,002,269)	(3,598,486)
Net Operating Profit before withholding tax	50,390	71,448	4,052,746	5,159,465
Withholding tax	(2,685)	(6,542)	(216,120)	(455,219)
Net Operating Profit after withholding tax	47,705	64,906	3,836,626	4,704,246
Non operating items				
Net fair value adjustment of investment properties	(150,662)	(372,184)	(11,953,839)	(27,085,536)
Net gain/(loss) on derivatives (excluding capital hedge income)	2,061	(71,529)	165,901	(6,460,493)
Net foreign currency gain	(105)	3,451	(8,449)	256,698
Gain/(loss) on disposal of investment properties	-	(32,565)	-	(2,574,172)
Withholding tax on disposal of investment properties	-	(6,066)	-	(449,127)
Deferred withholding tax (expense)/benefit	(3,921)	42,116	(292,300)	3,285,229
Impairment of goodwill	(7,000)	-	(563,570)	-
Unrealised loss on financial asset	-	(1,890)	-	(159,542)
Performance fee (expense)/discount	-	6,965	-	514,499
Net non operating profit/(loss)	(159,627)	(431,702)	(12,652,257)	(32,672,444)
Net AIFRS accounting profit/(loss)	(111,922)	(366,796)	(8,815,631)	(27,968,198)

BALANCE SHEET

	30 June 2010 (A\$'000)	30 June 2009 (A\$'000)	30 June 2010 (¥'000)	30 June 2009 (¥'000)
Current Assets				
Cash	65,009	120,617	4,921,941	9,409,332
Restricted cash ¹	55,479	40,428	4,200,409	3,153,788
Derivative financial instruments	2,374	6,093	179,740	475,315
Investment in convertible note	-	12,900	-	1,006,329
Investment property held for sale	45,568	56,780	3,450,030	4,429,408
Other assets	5,761	5,059	436,175	394,653
Total current assets	174,191	241,877	13,188,295	18,868,825
Non-current assets				
Property investments	1,459,427	1,551,177	110,495,684	121,007,318
Derivative financial assets	-	-	-	-
Deferred tax assets	11,055	19,062	836,993	1,487,027
Plant, property & equipment	91	-	6,890	-
Intangible assets	8,046	-	609,176	-
Investment in associate	6,094	6,566	461,387	512,214
Other assets	1,625	1,745	123,031	136,127
Total non-current assets	1,486,338	1,578,550	112,533,162	123,142,686
Total assets	1,660,529	1,820,427	125,721,457	142,011,510
Current liabilities				
Payables	21,984	24,132	1,664,446	1,882,537
Provisions	31	-	2,347	-
Deferred lease incentive	3	-	227	-
Tenant deposits	37,405	45,699	2,831,996	3,564,979
Interest bearing liabilities	246,177	226,725	18,638,477	17,686,817
Provision for distributions	17,787	25,411	1,346,684	1,982,312
Derivative financial liabilities	31,783	35,002	2,406,345	2,730,506
Current tax liability	1,456	7,239	110,236	564,714
Total current liabilities	356,626	364,208	27,000,757	28,411,866
Non-current liabilities				
Payables	-	-	-	-
Deferred lease incentive	18	-	1,363	-
Tenant deposits	58,424	58,720	4,423,380	4,580,747
Interest bearing liabilities	881,089	889,439	66,708,737	69,385,136
Derivative financial liabilities	18,644	17,295	1,411,569	1,349,183
Deferred tax liability	6,796	8,829	514,537	688,750
Total non-current liabilities	964,971	974,283	73,059,585	76,003,817
Total liabilities	1,321,597	1,338,491	100,060,342	104,415,683
Net assets	338,932	481,936	25,661,114	37,595,827
Net tangible assets per security	\$0.71	\$0.93		
Gearing ratio (interest bearing debt/property value)	75.5%	69.4%		

1 Restricted cash consists of cash in trust (e.g. tenant security deposits), lender reserves (e.g. cash required under loan agreements for items such as capex and repairs) and cash posted as collateral with the FX hedging counterparty.

PORTFOLIO OVERVIEW AS AT 30 JUNE 2010

	Retail		Office		Residential		Portfolio	
	31-Dec-09	30-Jun-10	31-Dec-09	30-Jun-10	31-Dec-09	30-Jun-10	31-Dec-09	30-Jun-10
Number of properties	18	18	20	20	5	5	43	43
Carrying value (¥ bn)	55.9	55.2	52.9	48.6	10.6	10.1	119.5	113.9
Net Rentable Area (tsubo)	51,565	51,564	23,345	23,355	8,569	8,569	83,478	83,488
Net Rentable Area (sqm)	170,449	170,449	77,167	77,202	28,330	28,330	275,946	275,981
% of portfolio by value	46.8%	48.5%	44.3%	42.6%	8.9%	8.9%	100.0%	100.0%
% of portfolio by area	61.8%	61.8%	28.0%	28.0%	10.3%	10.3%	100.0%	100.0%
Number of leases	111	109	230	231	68	62	409	402
Occupancy by area	97.6%	98.0%	79.1%	79.7%	99.6%	99.2%	92.7%	93.0%

PORTFOLIO SNAPSHOT AS AT 30 JUNE 2010

	Carrying value			Occupancy by area		
	December 2009 (¥bn)	June 2010 (¥bn)	% change	% of portfolio post-revaluations	Jun-09	Jun-10
Retail	55.9	55.2	-1.2%	48.5%	95.2%	98.0%
Office	52.9	48.6	-8.3%	42.6%	89.0%	79.7%
Residential	10.6	10.1	-4.6%	8.9%	99.9%	99.2%
Portfolio	119.5	113.9	-4.7%	100.0%	94.0%	93.0%

RETAIL

Kawasaki Dice	12.3	12.3	0.0%	10.8%	98.2%	99.3%
Konan Home Centre	10.5	10.5	0.0%	9.2%	100.0%	100.0%
Shinjuku Fuji	4.5	4.5	0.0%	4.0%	100.0%	100.0%
Mukomachi Saty	4.2	4.2	0.0%	3.7%	100.0%	100.0%
Motomachi	2.3	2.3	0.0%	2.0%	100.0%	100.0%
Shibuya Konami	2.4	2.3	-4.6%	2.0%	100.0%	100.0%
Susono	2.3	2.3	0.0%	2.0%	100.0%	100.0%
Matsudo Nitori	2.2	2.2	0.0%	1.9%	100.0%	100.0%
Tsudanuma	2.0	2.0	0.0%	1.7%	100.0%	100.0%
Sapporo Co-op	1.9	1.9	0.0%	1.7%	100.0%	100.0%
Ginowan	2.3	1.9	-17.6%	1.6%	45.1%	74.0%
Sapporo Ai	1.7	1.7	0.0%	1.5%	100.0%	97.0%
Harajuku Bell Pier	1.6	1.6	0.0%	1.4%	79.3%	81.2%
Sapporo Toys 'R' Us	1.6	1.6	0.0%	1.4%	100.0%	100.0%
Round One Amagasaki	1.3	1.3	0.0%	1.2%	100.0%	100.0%
Round One Nara	1.0	1.0	0.0%	0.9%	100.0%	100.0%
Yoshikawa	1.0	0.9	-11.7%	0.8%	86.0%	99.0%
Kajicho Ekimae	0.9	0.8	-10.4%	0.7%	79.2%	79.2%
Retail sub total / average	55.9	55.2	-1.2%	48.5%	95.2%	98.0%

PORTFOLIO SNAPSHOT AS AT 30 JUNE 2010 (cont'd)

	Carrying value			Occupancy by area		
	December 2009 (¥bn)	June 2010 (¥bn)	% change	% of portfolio post-revaluations	Jun-09	Jun-10
OFFICE						
JN	9.6	8.9	-6.7%	7.8%	100.0%	96.5%
Osaka No.4	9.4	7.7	-17.9%	6.8%	97.0%	95.7%
Ginza Dowa	8.0	7.5	-5.6%	6.6%	84.9%	68.5%
Kokusai Nihombashi	3.9	3.5	-10.6%	3.0%	100.0%	0.0%
Osaka No.3	4.0	3.2	-20.1%	2.8%	86.0%	81.3%
Yamashitacho	2.7	2.5	-8.2%	2.2%	87.9%	76.9%
Higashi Totsuka	2.0	2.0	0.0%	1.7%	87.3%	93.7%
Takadanobaba	1.7	1.7	0.0%	1.5%	79.4%	51.1%
Forest Kita Aoyama	1.6	1.6	0.0%	1.4%	100.0%	100.0%
OS Tsukiji	1.4	1.4	0.0%	1.2%	100.0%	86.5%
Sun Ace Tokugawa	1.4	1.4	-4.2%	1.2%	58.5%	49.6%
Prime Kanda	1.2	1.2	0.0%	1.1%	85.7%	100.0%
Asakusa	1.2	1.2	0.0%	1.1%	100.0%	100.0%
Shiba Daimon	0.9	0.9	0.0%	0.8%	62.9%	100.0%
Prime Tsukiji	0.9	0.8	-8.6%	0.7%	71.4%	100.0%
Daikanyama Takara	0.7	0.7	0.0%	0.6%	100.0%	75.8%
Akabane	0.7	0.7	0.0%	0.6%	100.0%	100.0%
Yotsuya KD	0.7	0.7	-8.0%	0.6%	79.1%	100.0%
FT Nihombashi	0.6	0.6	0.0%	0.5%	83.3%	83.3%
Sun No. 5	0.4	0.4	0.0%	0.4%	100.0%	100.0%
Office sub total / average	52.9	48.6	-8.3%	42.6%	89.0%	79.7%
RESIDENTIAL						
Tosabori	5.2	4.7	-9.3%	4.1%	100.0%	100.0%
Sekijomachi	2.7	2.7	0.0%	2.3%	100.0%	100.0%
G-Clef Kamata	1.6	1.6	0.0%	1.4%	100.0%	100.0%
Prime Stay Tsukiji	0.7	0.7	0.0%	0.6%	97.2%	81.7%
Nishi Kasai	0.5	0.5	-1.0%	0.4%	100.0%	100.0%
Residential sub total / average	10.6	10.1	-4.6%	8.9%	99.9%	99.2%
Total / average	119.5	113.9	-4.7%	100.0%	94.0%	93.0%

PORTFOLIO VALUATION SUMMARY

	Carrying value	Date	Type of report	Direct Cap Overall Cap Rate	DCF Discount Rate	DCF Terminal Cap Rate	Method	
	June 2010 (¥bn)	% of portfolio		%	%	%		
Retail	55.2	48.5%		5.8%	5.6%	6.1%		
Office	48.6	42.6%		5.3%	5.2%	5.6%		
Residential	10.1	8.9%		6.2%	6.0%	6.5%		
Portfolio	113.9	100.0%		5.6%	5.4%	5.9%		
RETAIL								
Kawasaki Dice	12.3	10.8%	30/06/2010	Quasi appraisal	5.0%	4.7%	5.2%	DCF
Konan Home Centre	10.5	9.2%	30/06/2010	Quasi appraisal	6.1%	6.0%	6.3%	DCF
Shinjuku Fuji	4.5	4.0%	30/06/2010	Quasi appraisal	6.0%	5.2%	6.4%	DCF
Mukomachi Saty	4.2	3.7%	30/06/2010	Quasi appraisal	6.1%	5.9%	6.6%	DCF
Motomachi	2.3	2.0%	30/06/2010	Desk-top	5.5%	5.2%	5.6%	DCF
Shibuya Konami	2.3	2.0%	30/06/2010	Quasi appraisal	4.9%	4.9%	5.4%	DCF
Susono	2.3	2.0%	30/06/2010	Desk-top	6.3%	6.3%	6.8%	DCF
Matsudo Nitori	2.2	1.9%	30/06/2010	Desk-top	5.5%	5.5%	5.8%	DCF
Tsudanuma	2.0	1.7%	30/06/2010	Full Appraisal	6.1%	5.9%	6.4%	DCF
Sapporo Co-op	1.9	1.7%	30/06/2010	Desk-top	6.6%	6.6%	7.1%	DCF
Ginowan	1.9	1.6%	30/06/2010	Quasi appraisal	6.4%	6.4%	6.9%	DCF
Sapporo Ai	1.7	1.5%	30/06/2010	Full Appraisal	5.7%	5.7%	6.0%	DCF
Harajuku Bell Pier	1.6	1.4%	30/06/2010	Desk-top	4.9%	4.7%	5.0%	DCF
Sapporo Toys 'R' Us	1.6	1.4%	30/06/2010	Desk-top	7.2%	6.7%	7.5%	DCF
Round One Amagasaki	1.3	1.2%	30/06/2010	Full Appraisal	6.5%	6.2%	6.7%	DCF
Round One Nara	1.0	0.9%	30/06/2010	Full Appraisal	6.8%	6.4%	7.0%	DCF
Yoshikawa	0.9	0.8%	30/06/2010	Full Appraisal	7.0%	6.3%	6.8%	80:20 DCF & DC
Kajicho Ekimae	0.8	0.7%	30/06/2010	Quasi appraisal	5.8%	5.4%	6.0%	DCF
Retail sub total / average	55.2	48.5%			5.8%	5.6%	6.1%	

PORTFOLIO VALUATION SUMMARY (cont'd)

	Carrying value		Date	Type of report	Direct Cap	DCF	DCF Terminal	Method
	June 2010	% of portfolio			Overall Cap	Discount		
	(¥bn)				Rate	Rate	Cap Rate	
					%	%	%	
OFFICE								
JN	8.9	7.8%	30/06/2010	Quasi appraisal	5.0%	5.0%	5.3%	DCF
Osaka No.4	7.7	6.8%	30/06/2010	Full Appraisal	5.0%	5.0%	5.4%	DCF
Ginza Dowa	7.5	6.6%	30/06/2010	Quasi appraisal	4.9%	4.7%	5.1%	DCF
Kokusai Nihombashi	3.5	3.0%	30/06/2010	Full Appraisal	5.4%	4.8%	5.2%	DCF
Osaka No.3	3.2	2.8%	30/06/2010	Full Appraisal	5.1%	5.1%	5.5%	DCF
Yamashitacho	2.5	2.2%	30/06/2010	Full Appraisal	5.7%	5.7%	6.2%	DCF
Higashi Totsuka	2.0	1.7%	30/06/2010	Desk-top	6.2%	6.2%	6.8%	DCF
Takadanobaba	1.7	1.5%	30/06/2010	Desk-top	5.3%	5.3%	5.8%	DCF
Forest Kita Aoyama	1.6	1.4%	30/06/2010	Desk-top	4.7%	4.7%	4.9%	DCF
OS Tsukiji	1.4	1.2%	30/06/2010	Desk-top	5.6%	5.4%	5.7%	DCF
Sun Ace Tokugawa	1.4	1.2%	30/06/2010	Quasi appraisal	7.5%	6.8%	7.4%	DCF
Prime Kanda	1.2	1.1%	30/06/2010	Desk-top	5.7%	5.5%	5.8%	DCF
Asakusa	1.2	1.1%	30/06/2010	Desk-top	5.9%	5.5%	6.0%	DCF
Shiba Daimon	0.9	0.8%	30/06/2010	Desk-top	5.5%	5.2%	5.6%	DCF
Prime Tsukiji	0.8	0.7%	30/06/2010	Quasi appraisal	5.7%	5.5%	5.8%	DCF
Daikanyama Takara	0.7	0.6%	30/06/2010	Desk-top	5.7%	5.5%	5.8%	DCF
Akabane	0.7	0.6%	30/06/2010	Desk-top	5.9%	5.5%	5.9%	DCF
Yotsuya KD	0.7	0.6%	30/06/2010	Quasi appraisal	6.0%	5.4%	5.8%	DCF
FT Nihombashi	0.6	0.5%	30/06/2010	Desk-top	6.0%	5.6%	6.1%	DCF
Sun No. 5	0.4	0.4%	30/06/2010	Desk-top	5.9%	5.6%	6.1%	DCF
Office sub total / average	48.6	42.6%			5.3%	5.2%	5.6%	
RESIDENTIAL								
Tosabori	4.7	4.1%	30/06/2010	Full Appraisal	6.3%	6.1%	6.4%	DCF
Sekijomachi	2.7	2.3%	30/06/2010	Full Appraisal	6.1%	6.1%	6.7%	DCF
G-Clef Kamata	1.6	1.4%	30/06/2010	Desk-top	6.0%	5.5%	6.3%	DCF
Prime Stay Tsukiji	0.7	0.6%	30/06/2010	Desk-top	6.3%	6.1%	6.5%	DCF
Nishi Kasai	0.5	0.4%	30/06/2010	Quasi appraisal	6.8%	6.1%	7.1%	DCF
Residential sub total / average	10.1	8.9%			6.2%	6.0%	6.5%	
Total / average	113.9	100.0%			5.6%	5.4%	5.9%	

PORTFOLIO ASSETS BY TK

JPT			JPTS			JPTC			JPTD			JPTA		
Property	Carrying value 30 Jun 10 ¥bn	% of portfolio	Property	Carrying value 30 Jun 10 ¥bn	% of portfolio	Property	Carrying value 30 Jun 10 ¥bn	% of portfolio	Property	Carrying value 30 Jun 10 ¥bn	% of portfolio	Property	Carrying value 30 Jun 10 ¥bn	% of portfolio
Konan Home Centre	10.5	9.2%	Shinjuku Fuji	4.5	4.0%	Kawasaki Dice	12.3	10.8%	Yamashitacho	2.5	2.2%	Osaka No.4	7.7	6.8%
Ginza Dowa	7.5	6.6%	Mukomachi Saty	4.2	3.7%	JN	8.9	7.8%	Shibuya Konami	2.3	2.0%	Osaka No.3	3.2	2.8%
Motomachi	2.3	2.0%	Kokusai Nihombashi	3.5	3.0%	Tosabori	4.7	4.1%	Susono	2.3	2.0%	Sekijomachi	2.7	2.3%
Higashi Totsuka	2.0	1.7%	Takadanobaba	1.7	1.5%				Matsudo Nitori	2.2	1.9%	Round One Amagasaki	1.3	1.2%
Forest Kita Aoyama	1.6	1.4%	G-Clef Kamata	1.6	1.4%				Tsudanuma	2.0	1.7%	Round One Nara	1.0	0.9%
Harajuku Bell Pier	1.6	1.4%	Sapporo Toys 'R' Us	1.6	1.4%				Sapporo Co-op	1.9	1.7%			
Shiba Daimon	0.9	0.8%	OS Tsukiji	1.4	1.2%				Ginowan	1.9	1.6%			
Yotsuya KD	0.7	0.6%	Sun Ace Tokugawa	1.4	1.2%				Sapporo Ai	1.7	1.5%			
Sun No.5	0.4	0.4%	Prime Kanda	1.2	1.1%				Yoshikawa	0.9	0.8%			
			Asakusa	1.2	1.1%									
			Kajicho Ekimae	0.8	0.7%									
			Prime Tsukiji	0.8	0.7%									
			Daikanyama Takara	0.7	0.6%									
			Akabane	0.7	0.6%									
			Prime Stay Tsukiji	0.7	0.6%									
			FT Nihombashi	0.6	0.5%									
			Nishi Kasai	0.5	0.4%									
Total	27.5	24.2%	Total	27.1	23.7%	Total	25.9	22.8%	Total	17.5	15.3%	Total	16.0	14.0%