



Press Release

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MTR Announces Financial Results for its 6th Fiscal Period

Tokyo, May 23, 2005 – Mori Trust Sogo Reit, Inc. (MTR) has announced financial results for its 6th fiscal period (from October 1, 2004 to March 31, 2005). For the period, MTR recorded operating revenues of 4,451 million yen and income before income taxes of 2,799 million yen. Net income was 2,798 million yen. As a result, distribution per share was 17,493 yen (shares issued and outstanding: 160,000 shares).

At the end of the 6th period, total assets were 139,526 million yen while total shareholders' equity was 82,798 million yen. Net assets per share were 517,493 yen.

As of the end of the period, MTR had ten properties with a total book value of 133,510 million yen. The occupancy rate on a total rentable area basis for the entire portfolio was 99.3% as of March 31, 2005.

Highlights of the period

In December 2004, MTR acquired the Park Lane Plaza, and in March 2005, it purchased the Osaki MT Building.

Park Lane Plaza

Location: Shibuya-ku, Tokyo; Acquisition price: 3,200 million yen; Type of asset: Real estate;
Ownership: [land] title (right of site), [building] sectional ownership (ratio owned by MTR: 100%);
Total rentable area: 4,443.03 sq. m

Osaki MT Building

Location: Shinagawa-ku, Tokyo; Acquisition price: 7,870 million yen; Type of asset: Real estate;
Ownership: [land] title (partially co-owned), [building] title (MTR's co-ownership ratio: 590,950/1,000,000); Total rentable area: 26,980.68 sq. m (of which MTR's portion is 15,944.23 sq.

m)

Portfolio profile

As of the end of the 6th period, MTR owned ten properties with total rentable area of 372,371.04 sq. m, occupied by twenty-six tenants. The occupancy rate for all properties at the end of the period was 99.3%.

Financing

In the period under review, MTR procured 3,000 million yen and 7,000 million yen in short-term loans to assist in the acquisition of the Park Lane Plaza and the Osaki MT Building, respectively. In addition, MTR refinanced a portion of its loans, converting 14,000 million yen of its short-term loans to fixed interest rate long-term loans, and established a revolving line of credit totaling 10,000 million yen, both with the aims of addressing interest rate and refinancing risks, diversifying repayment dates of its loans, securing a source of flexible refinancing, and ensuring financial stability.

As a result, total loans outstanding as of the end of the 6th period were 46,000 million yen, of which long-term loans totaled 25,000 million yen (excluding long-term loans scheduled for repayment within one year).

Forecasts

Based on the assumptions and information available at the end of the 6th period, MTR's projections of operating results for the next period (7th period: April 1, 2005 - September 30, 2005) are as follows.

Operating revenues	4,780 million yen
Ordinary income	2,881 million yen
Net income	2,880 million yen
Distribution per share	18,000 yen



Disclaimer:

This report contains translations of selected information described in the Financial Release (Kessan-Tanshin) prepared under the timely-disclosure requirements of the Tokyo Stock Exchange, and portions of the Financial Statements and the Performance Information Report for the 6th fiscal period from October 1, 2004 to March 31, 2005 of Mori Trust Sogo Reit, Inc. (MTR) prepared pursuant to the Law Concerning Investment Trusts and Investment Corporations of Japan.

This English language document was prepared solely for the convenience of and reference by investors and neither corresponds to the original Japanese documents nor is intended to constitute a disclosure document. The Japanese language Kessan-Tanshin and the Financial Statements and the Performance Information Report for the aforementioned should always be referred to as originals of this document.

English terms for Japanese legal, accounting, tax and business concepts used herein may not be precisely identical to the concepts of the equivalent Japanese terms. With respect to any and all terms herein, including without limitation, financial statements, if there exist any discrepancies in the meaning or interpretation thereof between the original Japanese documents and English statements contained herein, the original Japanese documents will always govern the meaning and interpretation.

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The financial statements are a translation of the audited financial statements of MTR, that were prepared in accordance with generally accepted accounting principles in Japan (Japanese GAAP) which may materially differ in certain respects from generally accepted accounting principles and practices in other jurisdictions. In preparing the financial statements, certain reclassifications and modifications have been made to the financial statements issued domestically in order to present them in a format that is more familiar to readers outside Japan.

Certain provisions of this document contain forward-looking statements and information. We base these statements on our beliefs as well as our assumptions based solely on certain limited information currently available to us. Because these statements reflect our current views concerning future events, these statements involve known and unknown risks, uncertainties and assumptions. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements, including without limitation: the general economy, market conditions, financial markets including the performance of the real estate market, interest rate fluctuations, competition with our properties, and the impact of changing regulations or taxation.

MTR does not intend and is under no obligation to update any particular forward-looking statement included in this document. The forward-looking statements contained in this press release speak only as of the date of release, May 23, 2005, and MTR does not undertake to update those forward-looking statements to reflect events or circumstances occurring after the date of this release.



MORI TRUST Sogo Reit, Inc.
BALANCE SHEETS

	End of 5th Period (as of September 30, 2004)	End of 6th Period (as of March 31, 2005)
	(thousands of yen)	
Assets		
Current Assets:		
Cash and cash equivalents	5,125,180	5,917,624
Rental and other receivables	40,937	32,564
Consumption tax refundable	917	-
Other current assets	39,624	35,054
Total current assets	5,206,658	5,985,242
Property and Equipment, at Cost:		
Land	100,233,115	108,030,503
Buildings and structures	23,925,355	27,493,768
Machinery and equipment	35,815	43,553
Tools, furniture and fixtures	-	757
Less: accumulated depreciation	(1,478,798)	(2,057,707)
Net property and equipment	122,715,487	133,510,874
Investments and Other Assets:		
Deposits	10,000	10,000
Organization costs	27,378	20,533
Other	-	240
Total investments and other assets	37,378	30,773
Total Assets	127,959,523	139,526,889
Liabilities		
Current Liabilities:		
Accounts payable and accrued expenses	120,593	174,900
Short-term loans	22,000,000	18,000,000
Current portion of long-term loans	-	3,000,000
Distribution payable	8,643	11,373
Accrued consumption taxes	-	32,525
Rents received in advance	646,591	784,175
Other current liabilities	2,073	112,785
Total current liabilities	22,777,900	22,115,758
Long-Term Liabilities:		
Long-term loans	14,000,000	25,000,000
Leasehold and security deposits	8,541,124	9,612,211
Total long-term liabilities	22,541,124	34,612,211
Total Liabilities	45,319,024	56,727,969
Shareholders' Equity		
Shareholders' capital	80,000,000	80,000,000
Shares Authorized: 2,000,000 shares		
Shares Issued and Outstanding: 160,000 shares		
Retained earnings	2,640,499	2,798,920
Total Shareholders' Equity	82,640,499	82,798,920
Total Liabilities and Shareholders' Equity	127,959,523	139,526,889



MORI TRUST Sogo Reit, Inc.
STATEMENTS OF INCOME AND RETAINED EARNINGS

	5th Period (April 1, 2004 to September 30, 2004)	6th Period (October 1, 2004 to March 31, 2005)
	(thousands of yen)	
Operating Revenues:		
Rental revenues	4,136,471	4,451,668
Operating Expenses:		
Property-related expenses	1,133,335	1,222,905
Asset management fees	125,541	138,202
Custodian and general administration fees	68,023	66,358
Other operating expenses	54,635	84,158
Operating Income	2,754,937	2,940,045
Non-Operating Revenues:		
Interest income	24	25
Other non-operating revenues	1,830	2
Non-Operating Expenses:		
Interest expense	108,576	133,316
Amortization of organization costs	6,844	6,844
Income before Income Taxes	2,641,371	2,799,912
Income Taxes:		
Current	974	1,013
Deferred	(18)	(2)
Net Income	2,640,415	2,798,901
Retained Earnings at the Beginning of Period	84	19
Retained Earnings at the End of Period	2,640,499	2,798,920



MORI TRUST Sogo Reit, Inc.
STATEMENTS OF CASH FLOWS

	5th Period (April 1, 2004 to September 30, 2004)	6th Period (October 1, 2004 to March 31, 2005)
	(thousands of yen)	
Cash Flows from Operating Activities:		
Income before income taxes	2,641,371	2,799,912
Depreciation and amortization	523,712	578,909
Amortization of organization costs	6,844	6,844
Interest income	(24)	(25)
Interest expense	107,824	133,316
Rental and other receivables	(21,026)	8,372
Consumption tax refundable	220,778	917
Prepaid expenses and other assets	(11,664)	3,951
Accounts payable and accrued expenses	(80,905)	7,299
Accrued consumption taxes	-	32,525
Rents received in advance	(22,910)	137,584
Other liabilities	(1,696)	13,232
Subtotal	3,362,304	3,722,836
Interest received	24	25
Interest paid	(86,624)	(126,815)
Income taxes paid	(504)	(974)
Net cash provided by operating activities	3,275,200	3,595,072
Cash Flows from Investing Activities:		
Purchases of property and equipment	(12,630,579)	(11,347,967)
Purchases of intangible assets	-	(240)
Repayments of leasehold and security deposits	-	(8,000)
Proceeds from leasehold and security deposits	757,430	1,191,329
Net cash used in investing activities	(11,873,149)	(10,164,878)
Cash Flows from Financing Activities:		
Net increase (decrease) in short-term loans	11,000,000	(4,000,000)
Proceeds from long-term loans	-	14,000,000
Distributions paid to shareholders	(2,430,237)	(2,637,750)
Net cash provided by financing activities	8,569,763	7,362,250
Net Change in Cash and Cash Equivalents	(28,186)	792,444
Cash and Cash Equivalents at the Beginning of Period	5,153,366	5,125,180
Cash and Cash Equivalents at the End of Period	5,125,180	5,917,624

Portfolio Overview

(as of March 31, 2005)

Property Name	Location	Appraisal Value (millions of yen)	Rent Area (sq. m)	Rentable Area (sq. m)	Occupancy Rate	Number of Tenants	Rental Revenues in 6th Fiscal Period (thousands of yen)	% of Total
Hitachi Headquarters Building	Chiyoda-ku, Tokyo	40,114	57,254.61	57,254.61	100.0%	1	1,316,052	29.6%
Nissan Motors New Headquarters Building	Chuo-ku, Tokyo	16,080	23,614.49	23,614.49	100.0%	1	450,380	10.1%
Mita MT Building	Minato-ku, Tokyo	16,370	21,043.02	21,043.02	100.0%	1	503,278	11.3%
Osaki MT Building	Shinagawa-ku, Tokyo	7,870	15,944.23	15,944.23	100.0%	1	-	-
Park Lane Plaza	Shibuya-ku, Tokyo	3,280	3,673.95	4,443.03	82.7%	14	53,442	1.2%
Marubeni Osaka Headquarters Building	Osaka, Osaka	12,600	41,574.47	41,574.47	100.0%	1	600,177	13.5%
Shin-Yokohama TECH Building	Yokohama, Kanagawa	7,190	16,645.89	18,368.73	90.6%	4	516,553	11.6%
Ito-Yokado Shonandai	Fujisawa, Kanagawa	12,000	53,393.66	53,393.66	100.0%	1	395,046	8.9%
Cresse Inage	Chiba, Chiba	5,000	79,113.42	79,113.42	100.0%	1	238,572	5.4%
Ito-Yokado Shin-Urayasu	Urayasu, Chiba	12,500	57,621.38	57,621.38	100.0%	1	378,165	8.5%
Total		133,004	369,879.12	372,371.04	99.3%	26	4,451,668	100.0%

Notes:

- Both the total rent and total rentable areas of the Osaki MT Building as of March 31, 2005 are 26,980.68 sq. m. The rent area and rentable area identified in the above table represent MTR's co-ownership portion calculated at a ratio of 590,950/1,000,000.
- MTR began receiving rental revenues from the Osaki MT Building from April 1, 2005. Accordingly, there were no rental revenues from the Osaki MT Building for the 6th fiscal period.