



Press Release

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MTR Announces Financial Results for its 15th Fiscal Period

Tokyo, November 13, 2009 – MORI TRUST Sogo Reit, Inc. (MTR) has announced financial results for its 15th fiscal period (from April 1, 2009 to September 30, 2009). For the period, MTR recorded operating revenues of 7,105 million yen and income before income taxes of 4,127 million yen. Net income totaled 4,126 million yen. As a result, distribution per share was 22,672 yen (shares issued and outstanding: 182,000 shares).

At the end of the 15th period, total assets amounted to 208,884 million yen while total net assets were 101,726 million yen. Net assets per share were 558,936 yen.

Portfolio profile

As of the end of the 15th period, MTR had 13 properties with a total book value of 198,554 million yen and total rentable area of 430,324.51 m². The occupancy rate on a total rentable area basis for the entire portfolio was 99.4% as of September 30, 2009.

Financing

Total loans outstanding as of the end of the 15th period were 90,925 million yen, of which long-term loans totaled 66,425 million yen.

*See disclaimer at the end of the document.



Forecasts (Note 1)

Based on the assumptions and information available at the end of the 15th period, MTR's projections of operating results for the 16th and 17th periods (16th period: October 1, 2009 to March 31, 2010; 17th period: April 1, 2010 to September 30, 2010) are as follows:

	16th Fiscal period	17th Fiscal period
Operating revenues	6,710 million yen	6,908 million yen
Income before income taxes	3,458 million yen	3,640 million yen
Net income	3,457 million yen	3,639 million yen
Distribution per share	19,000 yen	20,000 yen

Note 1: Actual operating revenues, income before income taxes, net income, and distribution per share may differ materially from forecasts due to changes in the operating environments. Accordingly, MTR does not guarantee the accuracy of forecast amounts.



BALANCE SHEETS

As of September 30, 2009 and March 31, 2009

	September 30, 2009	March 31, 2009	September 30, 2009
	Thousands of yen		U.S. dollars (Note 1)
Assets			
Current Assets:			
Cash and cash equivalents	¥10,201,157	¥9,549,977	\$113,992,145
Rental and other receivables	69,461	65,141	776,184
Other current assets	49,253	32,614	550,371
Total current assets	<u>10,319,871</u>	<u>9,647,732</u>	<u>115,318,700</u>
Property and Equipment, at Cost:			
Buildings and structures including trust accounts	42,235,579	42,167,676	471,958,648
Machinery and equipment including trust accounts	138,643	138,643	1,549,254
Tools, furniture and fixtures including trust accounts	50,444	33,650	563,686
Land including trust accounts	164,019,716	163,951,360	1,832,827,307
Less: accumulated depreciation	<u>(7,890,240)</u>	<u>(7,026,401)</u>	<u>(88,168,957)</u>
Net property and equipment	198,554,142	199,264,928	2,218,729,938
Investments and Other Assets:			
Deposits	10,000	10,000	111,744
Other	276	276	3,084
Total investments and other assets	<u>10,276</u>	<u>10,276</u>	<u>114,828</u>
Total Assets	<u>¥208,884,289</u>	<u>¥208,922,936</u>	<u>\$2,334,163,466</u>
Liabilities			
Current Liabilities:			
Accounts payable	¥104,107	¥156,429	\$1,163,337
Short-term loans	24,500,000	29,500,000	273,773,606
Long-term loans due within one year	19,750,000	22,650,000	220,695,050
Distributions payable	9,660	8,792	107,950
Consumption taxes payable	115,648	266,560	1,292,299
Rents received in advance	1,103,511	1,083,414	12,331,106
Accrued expenses and other current liabilities	<u>200,184</u>	<u>213,410</u>	<u>2,236,941</u>
Total current liabilities	45,783,110	53,878,605	511,600,289
Long-Term Liabilities:			
Long-term loans	46,675,000	38,850,000	521,566,655
Leasehold and security deposits including trust accounts	<u>14,699,806</u>	<u>14,415,137</u>	<u>164,262,000</u>
Total long-term liabilities	61,374,806	53,265,137	685,828,655
Total Liabilities	<u>107,157,916</u>	<u>107,143,742</u>	<u>1,197,428,944</u>
Net Assets:			
Shareholders' equity:			
Shares authorized: 2,000,000 shares			
Shares issued and outstanding: 182,000 shares	97,600,000	97,600,000	1,090,624,651
Retained earnings	4,126,373	4,179,194	46,109,871
Total Net Assets	<u>101,726,373</u>	<u>101,779,194</u>	<u>1,136,734,522</u>
Total Liabilities and Net Assets	<u>¥208,884,289</u>	<u>¥208,922,936</u>	<u>\$2,334,163,466</u>

The accompanying notes form an integral part of these financial statements.

Note 1: Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥89.49 = U.S.\$1.00, the foreign exchange rate prevailing on September 30, 2009, has been used for translation. The inclusion of such amounts is not intended to imply that Japanese yen has been or could be readily converted, realized or settled into U.S. dollars at that or any other rate.



STATEMENTS OF INCOME AND RETAINED EARNINGS

For the six-month periods ended September 30, 2009 and March 31, 2009

	April 1, 2009 to September 30, 2009	October 1, 2008 to March 31, 2009	April 1, 2009 to September 30, 2009
	Thousands of yen		U.S. dollars (Note 1)
Operating Revenues:			
Rental revenues	¥7,105,333	¥6,895,691	\$79,398,066
Operating Expenses:			
Property-related expenses	2,006,239	2,052,791	22,418,584
Asset management fees	219,672	231,384	2,454,715
Custodian and administrative service fees	59,516	60,539	665,060
Other operating expenses	77,209	69,938	862,754
Operating Income	4,742,697	4,481,039	52,996,953
Non-Operating Revenues:			
Interest income	4,436	9,329	49,570
Other non-operating revenues	893	4,330	9,983
Non-Operating Expenses:			
Interest expense	620,795	619,060	6,937,041
Investment share issuance expenses	-	42,831	-
Extraordinary income:			
Compensation for transfer of head office	-	347,417	-
Income before Income Taxes	4,127,231	4,180,224	46,119,465
Income Taxes:			
Current	965	1,057	10,778
Deferred	4	(4)	51
Net Income	4,126,262	4,179,171	46,108,636
Retained Earnings at the Beginning of Period	111	23	1,235
Retained Earnings at the End of Period	¥4,126,373	¥4,179,194	\$46,109,871

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN NET ASSETS

For the six-month periods ended September 30, 2009 and March 31, 2009

	Thousands of yen			U.S. dollars (Note 1)
	Shares	Common shares	Retained earnings	Total net assets
Balance as of September 30, 2008	160,000	¥80,000,000	¥3,260,343	¥83,260,343
Additional issuance of new investment shares through third-party allotment on October 1, 2008	22,000	17,600,000		17,600,000
Cash dividends paid	-		(3,260,320)	(3,260,320)
Net income	-		4,179,171	4,179,171
Balance as of March 31, 2009	182,000	97,600,000	4,179,194	101,779,194
Cash dividends paid	-		(4,179,083)	(4,179,083)
Net income	-		4,126,262	4,126,262
Balance as of September 30, 2009	182,000	¥97,600,000	¥4,126,373	¥101,726,373
				\$1,136,734,522

The accompanying notes form an integral part of these financial statements.



STATEMENTS OF CASH FLOWS

For the six-month periods ended September 30, 2009 and March 31, 2009

	April 1, 2009 to September 30, 2009	October 1, 2008 to March 31, 2009	April 1, 2009 to September 30, 2009
	Thousands of yen		U.S. dollars (Note 2)
Cash Flows from Operating Activities:			
Income before income taxes	¥4,127,231	¥4,180,224	\$46,119,465
Depreciation and amortization	863,840	872,097	9,652,911
Investment share issuance expenses	-	42,831	-
Interest income	(4,436)	(9,329)	(49,570)
Interest expense	620,796	619,059	6,937,041
Changes in assets and liabilities:			
Rental and other receivables	(4,320)	(16,409)	(48,270)
Consumption tax refundable	-	211,601	-
Accounts payable and accrued expenses	(52,630)	70,366	(588,107)
Consumption taxes payable	(150,912)	266,560	(1,686,354)
Rents received in advance	20,096	62,843	224,567
Other	(30,418)	5,386	(339,904)
Subtotal	5,389,247	6,305,229	60,221,779
Interest received	4,757	8,546	53,161
Interest paid	(621,174)	(641,999)	(6,941,264)
Income taxes paid	(359)	(160)	(4,018)
Net cash provided by operating activities	4,772,471	5,671,616	53,329,658
Cash Flows from Investing Activities:			
Purchases of property and equipment including trust accounts	(152,745)	(277,558)	(1,706,843)
Repayment of leasehold and security deposits	(17,742)	(1,104,375)	(198,257)
Proceeds from leasehold and security deposits including trust accounts	302,411	1,780,979	3,379,274
Net cash provided by investing activities	131,924	399,046	1,474,174
Cash Flows from Financing Activities:			
Net increase in short-term loans	(5,000,000)	(20,000,000)	(55,872,164)
Proceeds from long-term loans	12,000,000	3,000,000	134,093,195
Payment of long-term loans	(7,075,000)	(3,000,000)	(79,059,113)
Proceeds from issuance of investment shares	-	17,557,168	-
Distributions paid to shareholders	(4,178,216)	(3,260,666)	(46,689,189)
Net cash used in financing activities	(4,253,216)	(5,703,498)	(47,527,271)
Net Change in Cash and Cash Equivalents	651,179	367,164	7,276,561
Cash and Cash Equivalents at the Beginning of Period	9,549,978	9,182,813	106,715,584
Cash and Cash Equivalents at the End of Period	¥10,201,157	¥9,549,977	\$113,992,145

The accompanying notes form an integral part of these financial statements.

Portfolio Overview

(As of September 30, 2009)

Property Name	Location	Appraisal Value (Millions of yen)	Rent Area (m ²)	Rentable Area (m ²)	Occupancy Rate	Number of Tenants	Rental Revenues in 15th Fiscal Period (Thousands of yen)	Percent of Total
Ginza MTR Building	Chuo-ku, Tokyo	16,000	23,614.49	23,614.49	100.0%	1	518,653	7.3%
Mita MT Building	Minato-ku, Tokyo	20,600	15,419.88	15,419.88	100.0%	3	923,785	13.0%
Marubeni Osaka Headquarters Building	Osaka, Osaka	13,500	41,574.47	41,574.47	100.0%	1	600,177	8.4%
Shin-Yokohama TECH Building	Yokohama, Kanagawa	7,300	16,645.89	18,359.46	90.7%	3	475,942	6.7%
Osaki MT Building	Shinagawa-ku, Tokyo	17,700	22,634.06 (Note 1)	22,634.06 (Note 1)	100.0%	1	527,659	7.4%
Akasaka-mitsuke MT Building	Minato-ku, Tokyo	24,300	13,194.20	13,194.20	100.0%	1	753,417	10.6%
ON Building	Shinagawa-ku, Tokyo	36,100	20,654.60	20,654.60	100.0%	1	- (Note 2)	- (Note 2)
Ito-Yokado Shonandai	Fujisawa, Kanagawa	12,500	53,393.66	53,393.66	100.0%	1	395,045	5.6%
Frespo Inage	Chiba, Chiba	5,010	79,113.42	79,113.42	100.0%	1	236,406	3.3%
Ito-Yokado Shin-Urayasu	Urayasu, Chiba	11,800	57,621.38	57,621.38	100.0%	1	378,165	5.3%
Shinbashi Ekimae MTR Building	Minato-ku, Tokyo	18,000	8,055.00	8,055.00	100.0%	1	511,000	7.2%
Park Lane Plaza	Shibuya-ku, Tokyo	3,190	3,607.93	4,443.03	81.2%	13	109,899	1.5%
Hotel Okura Kobe	Kobe, Hyogo	16,900	72,246.86	72,246.86	100.0%	1	632,118	8.9%
Total		202,900	427,775.84	430,324.51	99.4%	29	7,105,332	100.0%

Notes 1: Both the total rent and total rentable areas of the Osaki MT Building as of September 30, 2009 are 26,980.68 m². The rent area and rentable area identified in the above table represent MTR's co-ownership portion calculated at a ratio of 838,899/1,000,000.

Notes 2: For reasons outside the control of the Company, real estate rental revenues for the ON Building are not disclosed.



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 15th fiscal period from April 1, 2009 to September 30, 2009, 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.

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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, November 13, 2009, and MTR does not undertake to update those forward-looking statements to reflect events or circumstances occurring after the date of this release.