



Press Release

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MTR Announces Financial Results for its 9th Fiscal Period

Tokyo, November 22, 2006 – MORI TRUST Sogo Reit, Inc. (MTR) has announced financial results for its 9th fiscal period (from April 1, 2006 to September 30, 2006). For the period, MTR recorded operating revenues of 5,489 million yen and income before income taxes of 3,692 million yen. Net income was 3,691 million yen. As a result, distribution per share was 23,075 yen (shares issued and outstanding: 160,000 shares).

At the end of the 9th period, total assets were 152,657 million yen while total net assets were 83,692 million yen. Net assets per share were 523,075 yen.

As of the end of the period, MTR had 11 properties with a total book value of 142,904 million yen. The occupancy rate on a total rentable area basis for the entire portfolio was 99.9% as of September 30, 2006.

Highlights of the period

MTR sold the Hitachi Headquarters Building at the price of 42,000 million yen and acquired the Akasaka-mitsuke MT Building at the price of 27,000 million yen on May 29, 2006.

In addition, MTR acquired the Hotel Okura Kobe at the price of 19,000 million yen on September 20, 2006.

Distribution per share of 23,075 yen is 3,810 yen higher than the previous fiscal period.

*See disclaimer at end of document.

**Portfolio profile**

As of the end of the 9th period, MTR owned 11 properties with total rentable area of 407,231.68 sq. m, occupied by 29 tenants.

Financing

Total loans outstanding as of the end of the 9th period were 57,500 million yen, of which long-term loans totaled 30,500 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 9th period, MTR's projections of operating results for the next period (10th period: October 1, 2006 – March 31, 2007) are as follows:

Operating revenues	4,947 million yen
Income before income taxes	2,881 million yen
Net income	2,880 million yen
Distribution per share	18,000 yen

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



BALANCE SHEETS
As of September 30, 2006 and March 31, 2006

	September 30, 2006	March 31, 2006
	Thousands of yen	
Assets		
Current Assets:		
Cash and cash equivalents	¥9,529,807	¥7,487,891
Rental and other receivables	41,587	31,257
Consumption tax refundable	143,416	16,052
Other current assets	27,790	40,244
Total current assets	9,742,600	7,575,444
Property and Equipment, at Cost:		
Land including trust accounts	112,078,176	112,658,500
Buildings and structures including trust accounts	33,875,460	28,721,605
Machinery and equipment	53,821	46,013
Tools, furniture and fixtures	9,970	4,061
Construction in progress	-	714
Less: accumulated depreciation	(3,113,061)	(3,297,404)
Net property and equipment	142,904,366	138,133,489
Investments and Other Assets:		
Deposits	10,000	10,000
Organization costs	-	6,844
Other	277	240
Total investments and other assets	10,277	17,084
Total Assets	¥152,657,243	¥145,726,017
Liabilities		
Current Liabilities:		
Accounts payable	¥407,566	¥93,925
Short-term loans	21,500,000	23,500,000
Current portion of long-term loans	5,500,000	5,500,000
Distribution payable	12,066	12,762
Consumption taxes payable	49,970	33,193
Rents received in advance	826,580	824,242
Accrued expenses and other current liabilities	164,511	103,612
Total current liabilities	28,460,693	30,067,734
Long-Term Liabilities:		
Long-term loans	30,500,000	22,500,000
Leasehold and security deposits	10,004,511	10,075,828
Total long-term liabilities	40,504,511	32,575,828
Total Liabilities	68,965,204	62,643,562
Net Assets		
Shareholders' capital		
Shares Authorized: 2,000,000 shares		
Shares Issued and Outstanding: 160,000 shares	80,000,000	80,000,000
Retained earnings	3,692,039	3,082,455
Total Net Assets	83,692,039	83,082,455
Total Liabilities and Net Assets	¥152,657,243	¥145,726,017



STATEMENTS OF INCOME AND RETAINED EARNINGS
For the six-month periods ended September 30, 2006 and March 31, 2006

	April 1, 2006 to September 30, 2006	October 1, 2005 to March 31, 2006
Thousands of yen		
Operating Revenues:		
Rental revenues	¥4,564,350	¥4,876,369
Gain on sale of investment property	925,152	-
Operating Expenses:		
Property-related expenses	1,300,951	1,336,433
Asset management fees	170,517	154,119
Custodian and administrative service fees	41,631	43,158
Other operating expenses	75,268	63,192
Operating Income	3,901,135	3,279,467
Non-Operating Revenues:		
Interest income	1,414	32
Other non-operating revenues	100	-
Non-Operating Expenses:		
Interest expense	202,835	189,274
Amortization of organization costs	6,844	6,844
Income before Income Taxes	3,692,970	3,083,381
Income Taxes:		
Current	986	990
Deferred	0	1
Net Income	3,691,984	3,082,390
Retained Earnings at the Beginning of Period	55	65
Retained Earnings at the End of Period	¥3,692,039	¥3,082,455



STATEMENTS OF CASH FLOWS

For the six-month periods ended September 30, 2006 and March 31, 2006

	April 1, 2006 to September 30, 2006	October 1, 2005 to March 31, 2006
	Thousands of yen	
Cash Flows from Operating Activities:		
Income before income taxes	¥3,692,970	¥3,083,381
Depreciation and amortization	592,319	608,451
Amortization of organization costs	6,844	6,844
Interest income	(1,414)	(32)
Interest expense	202,835	189,274
Changes in assets and liabilities		
Investment property	41,039,949	-
Rental and other receivables	(10,330)	4,029
Consumption tax refundable	(127,365)	(16,052)
Other assets	-	(1,650)
Accounts payable and accrued expenses	247,440	12,777
Consumption taxes payable	16,778	(144,281)
Rents received in advance	2,338	15,191
Other liabilities	65,996	(1,406)
Subtotal	45,728,360	3,756,526
Interest received	1,414	32
Interest paid	(193,444)	(187,763)
Income taxes paid	(1,221)	(1,014)
Net cash provided by operating activities	45,535,109	3,567,781
Cash Flows from Investing Activities:		
Purchases of property and equipment including trust accounts	(46,336,944)	(5,477,763)
Purchases of intangible assets	(36)	-
Repayments of leasehold and security deposits	(2,806,120)	(6,736)
Proceeds from leasehold and security deposits	2,733,004	380,979
Net cash used in investing activities	(46,410,096)	(5,103,520)
Cash Flows from Financing Activities:		
Net increase (decrease) in short-term loans	(2,000,000)	5,500,000
Proceeds from long-term loans	8,000,000	3,000,000
Repayment of long-term loans	-	(3,000,000)
Distributions paid to shareholders	(3,083,097)	(2,947,117)
Net cash provided by financing activities	2,916,903	2,552,883
Net Change in Cash and Cash Equivalents	2,041,916	1,017,144
Cash and Cash Equivalents at the Beginning of Period	7,487,891	6,470,747
Cash and Cash Equivalents at the End of Period	¥9,529,807	¥7,487,891



Portfolio Overview

(As of September 30, 2006)

Property Name	Location	Appraisal Value (Millions of yen)	Rent Area (sq. m)	Rentable Area (sq. m)	Occupancy Rate	Number of Tenants	Rental Revenues in 9th Fiscal Period (Thousands of yen)	% of Total
Nissan Motor New Headquarters Building	Chuo-ku, Tokyo	17,300	23,614.49	23,614.49	100.0%	1	448,730	9.8%
Mita MT Building	Minato-ku, Tokyo	18,400	21,043.02	21,043.02	100.0%	1	503,793	11.0%
Osaki MT Building	Shinagawa-ku, Tokyo	15,100	22,634.06	22,634.06	100.0%	1	380,618	8.3%
Akasaka-mitsuke MT Building	Minato-ku, Tokyo	27,400	13,194.20	13,194.20	100.0%	1	512,923	11.2%
Park Lane Plaza	Shibuya-ku, Tokyo	3,550	4,117.01	4,443.03	92.6%	16	108,390	2.4%
Marubeni Osaka Headquarters Building	Osaka, Osaka	14,100	41,574.47	41,574.47	100.0%	1	600,177	13.1%
Shin-Yokohama TECH Building	Yokohama, Kanagawa	8,920	18,359.46	18,359.46	100.0%	4	535,904	11.7%
Ito-Yokado Shonandai	Fujisawa, Kanagawa	14,400	53,393.66	53,393.66	100.0%	1	395,045	8.7%
Cresse Inage	Chiba, Chiba	5,630	79,113.42	79,113.42	100.0%	1	237,165	5.2%
Ito-Yokado Shin-Urayasu	Urayasu, Chiba	13,300	57,621.38	57,621.38	100.0%	1	378,165	8.3%
Hotel Okura Kobe	Kobe, Hyogo	18,600	72,240.49	72,240.49	100.0%	1	38,903	0.9%
Total		156,700	406,905.66	407,231.68	99.9%	29	4,564,350	100.0%

Notes: Both the total rent and total rentable areas of the Osaki MT Building as of September 30, 2006 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 838,899/1,000,000.



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 9th fiscal period from April 1, 2006 to September 30, 2006, 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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