

NEWS & RELEASE

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Contract Rent DI (Q1 2014)

XyMAX Real Estate Institute summarized the results of Contract Rent Diffusion Index (DI) for Q1 2014 (January - March) of office space in Tokyo 23 Wards and Central Three Wards.

Q1 2014 Contract Rent DI was **+9** for Tokyo 23 Wards and **+8** for Tokyo Central Three Wards, an increase of 9 points and 11 points from Q4 2013, respectively.

A higher proportion of office buildings saw rent increases and fewer office buildings saw rent decreases this quarter, reflecting expanded demand in the overall office market.

Figure 1: Contract Rent DI (Tokyo 23 Wards)

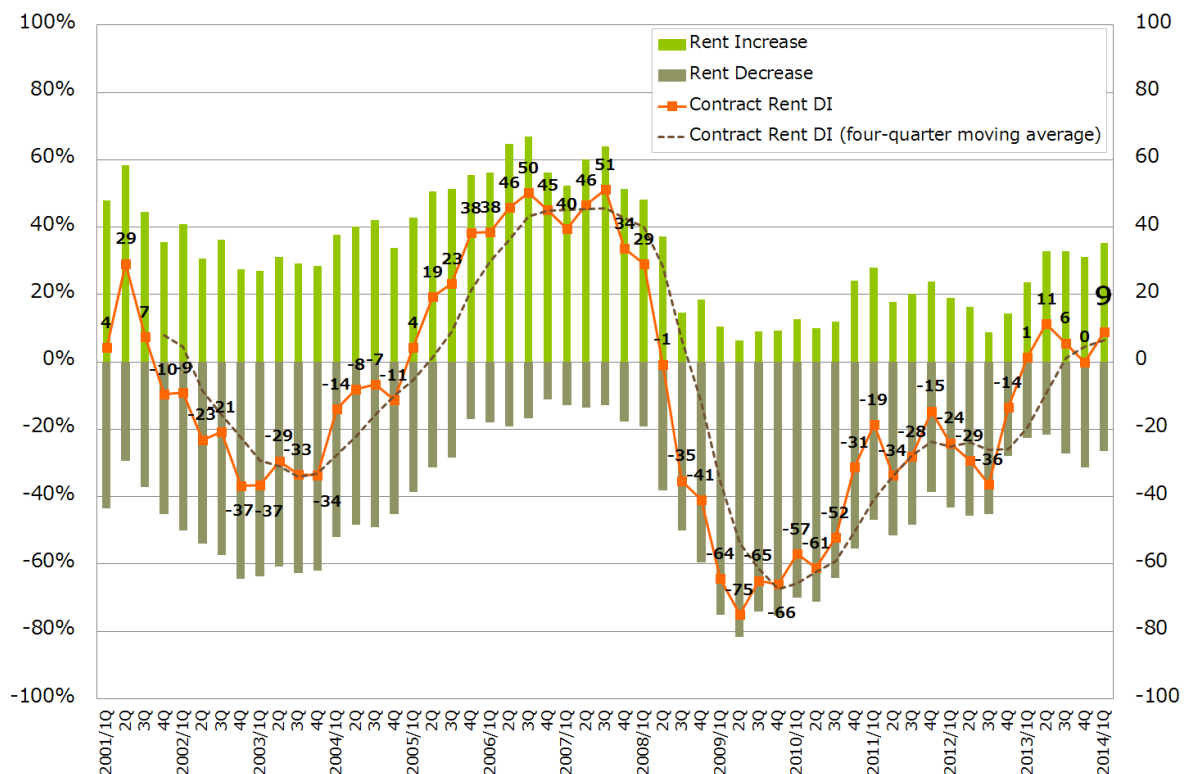
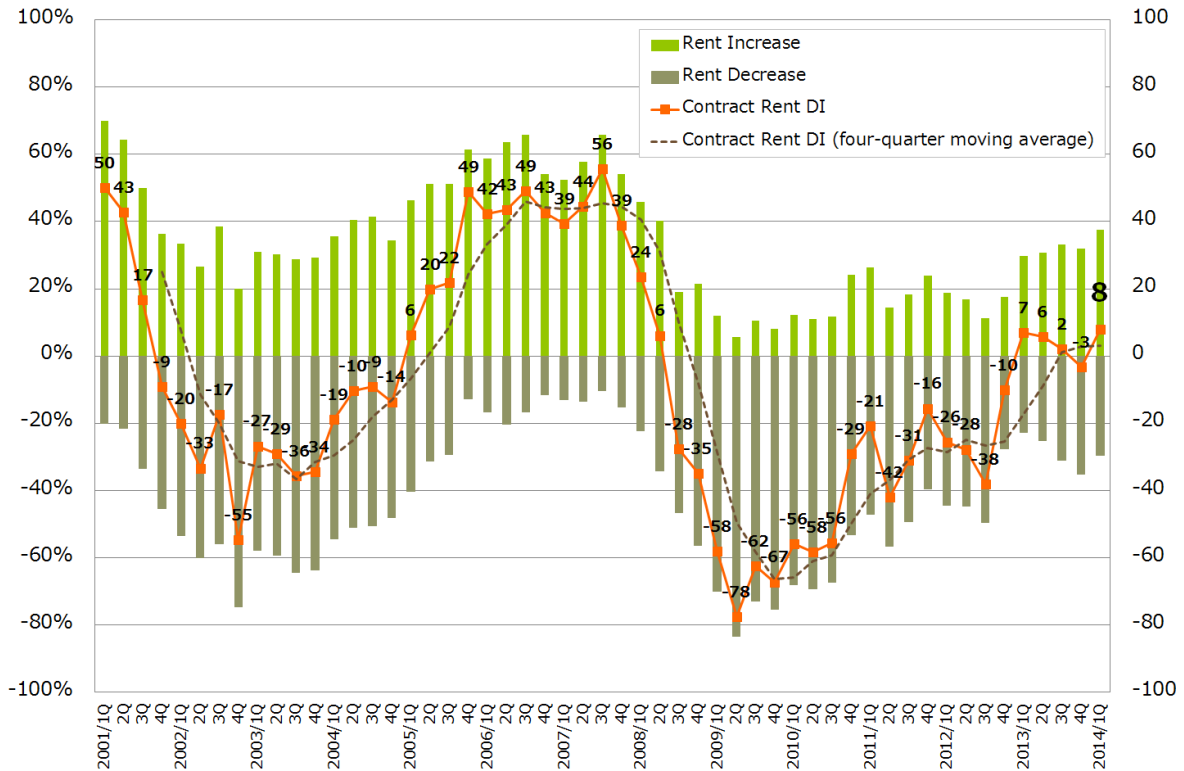


Figure 2: Contract Rent DI (Tokyo Central Three Wards*)



*Tokyo Central Three Wards: Chiyoda, Chuo and Minato

Contract Rent DI

Contract Rent Diffusion Index (DI) is an indicator of the office space market, estimated based on changes in the rent agreed for a new lease in the same building (whether the rent has increased, remained the same or decreased).

Xymax Group collected market data directly from its business activities and used it to compare the contract rent data in a particular period with that in the 6-month prior period in the same office building. Each data was counted separately into three categories (“rent increase”, “no change”, and “rent decrease”). The index is estimated by subtracting the ratio of “rent decrease” from the ratio of “rent increase” (see the figure below). The number of sample data for each quarter is about 400 on average.

