Nippon Commercial Investment Corporation

(Listed on the Tokyo Stock Exchange under securities code 3229)

Explanatory Material on Progress of Selection of Sponsor

NIPPON COMMERCIAL INVESTMENT CORPORATION

PACIFIC COMMERCIAL

Events Leading to Selection of New Sponsor

Events

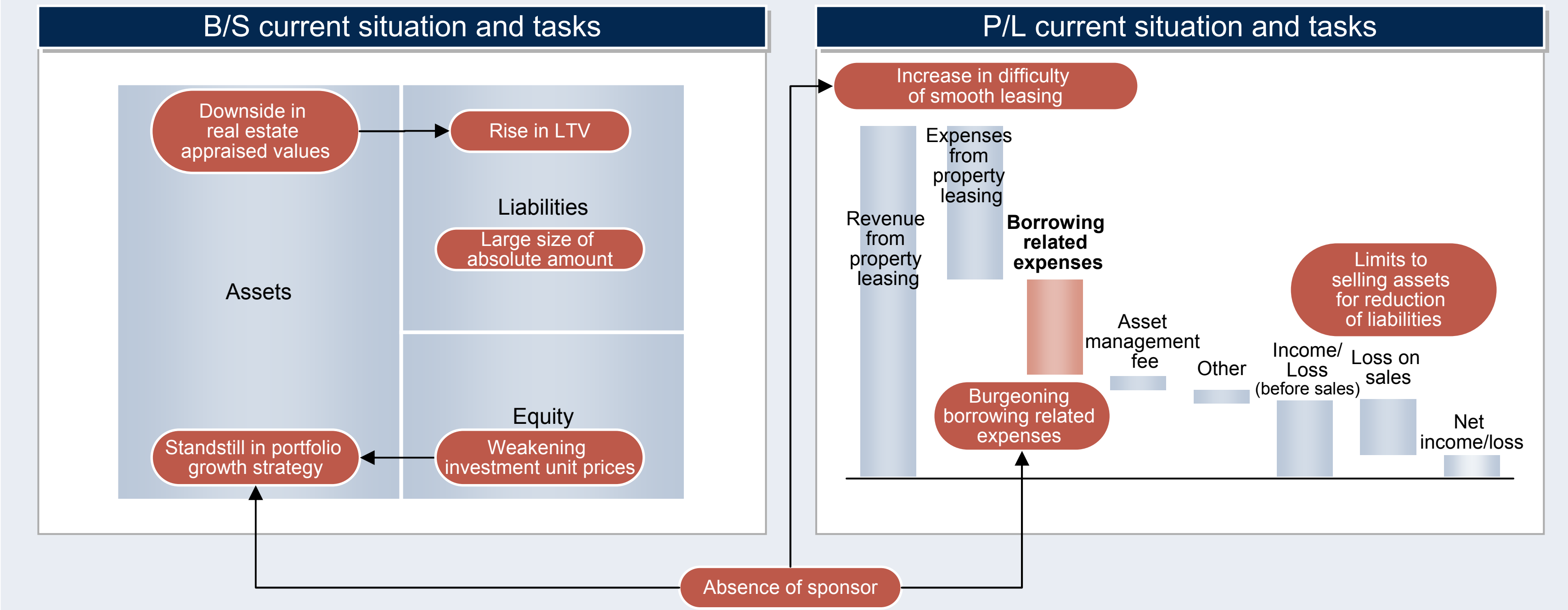
March 10, 2009	Sponsor's filing of petition for application of Corporate Reorganization Law
March 27, 2009	Loan refinancing (13.7 billion yen)
June 29, 2009	Loan refinancing (13.2 billion yen)
September 28, 2009	Loan refinancing (53.4 billion yen)
December 28, 2009	Loan refinancing (52.8 billion yen)
March 29, 2010	Loan refinancing (50.3 billion yen)
April 8, 2010	Procurement of funds for redemption of investment corporation bonds (8.0 billion yen)

Sponsor selection activities

Contact made with about 30 companies. Of them, signed into non-disclosure agreements with about 20 companies and considered them as potential candidates. Received proposals from several Japanese and non-Japanese candidates (~ end of June 2009).	Commenced seeking of potential new sponsors flexibly, led by Asset Manager
In tandem with above, Asset Manager selects financial advisor (May 22, 2009)	Introduced fair selection process for reconciliation between NCI and its related parties in talks with several candidates
NCI selects financial advisor (July 21, 2009)	NCI deemed it itself needs to be proactively involved in selection process and also avoid conflicts of interest with Asset Manager
Preferential negotiation rights granted to (some) Japanese candidates (September 10, 2009)	Selected several Japanese companies in view of maximizing unitholder value and ensuring ongoing support of its lending financial institutions
1 company selected as final candidate (November 30, 2009)	Selected and continued talks towards executing agreement with 1 company that will most facilitate maximizing of unitholder value and ensuring of ongoing support of lending financial institutions
Talks steadily ongoing with final candidate (as of April 15, 2010)	Talks underway towards transfer of Asset Manager shares and determining subsequent structures

Key Tasks Facing NCI

Current situation and tasks facing NCI



To be back on REIT's original track for growth backed by sponsor boasting high creditworthiness is an urgent task

Points to Talks in Selection of New Sponsor

Top priority items in selection

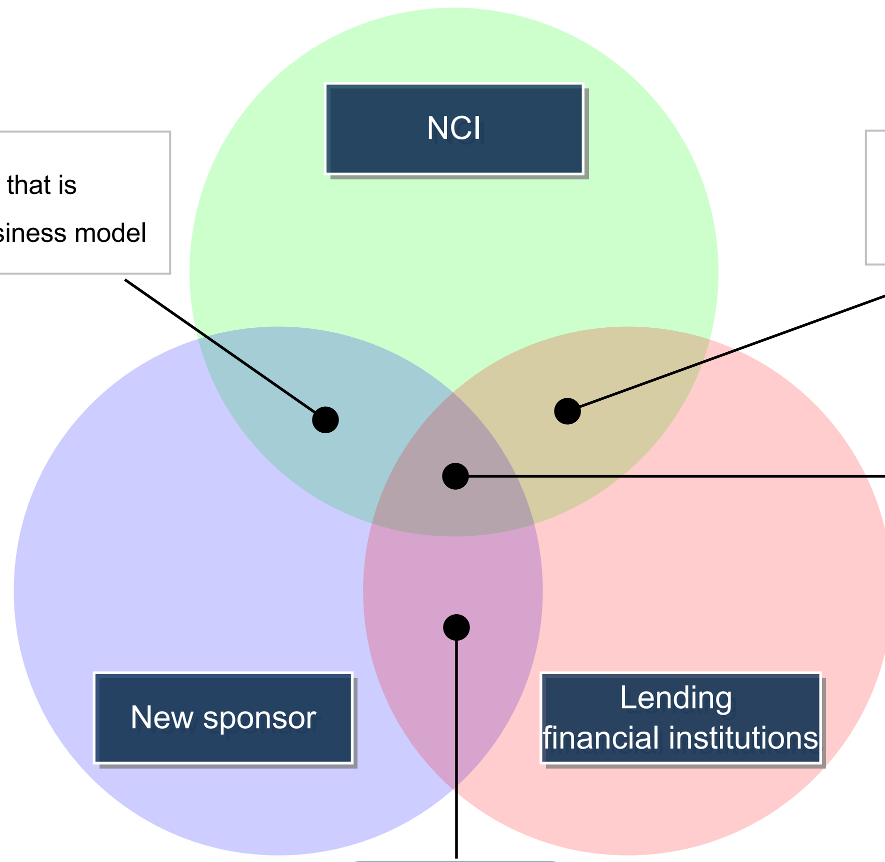
- **Secure returns for unitholders over medium and long term**
- **Secure stability of financial standing**

Point 1

Develop new NCI growth strategy that is consistent with new sponsor's business model

Point 2

Gain understanding for process of selection of new sponsor and maintain structure of support



Point 4

Build consensus among concerned parties towards securing returns for unitholders over medium and long term

Point 3

Maintain structure of support of financial institutions for growth strategy after change of sponsor

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Asset Manager: Pacific Commercial Corporation
(Financial Instruments Business Operator, Director-General of Kanto Local Finance Bureau (Kinsho) No. 377)
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