



[ENGLISH TRANSLATION]

October 24, 2008

To whom it may concern:

Name of the issuer of the real estate investment fund:
Nippon Commercial Investment Corporation
Name of the representative:
Tomohiro Makino, Executive Director
(Securities Identification Code: 3229)

Asset Manager:
Pacific Commercial Corporation
Name of the representative:
Tetsuya Saito
Chief Executive Officer and President

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Notice of Views with Respect to the Rating Changes by
Moody's Investors Service Relating to the Investment Corporation

Nippon Commercial Investment Corporation (the "Investment Corporation") hereby informs you as follows of its views and the views of its asset manager to which asset management has been entrusted by the Investment Corporation, Pacific Commercial Corporation (the "Asset Manager"), with respect to the announcement by Moody's Investors Service, Inc. ("Moody's"), dated October 24, 2008, relating to the change in issuer rating of the Investment Corporation and the change in rating of the Investment Corporation's unsecured senior bonds.

1. Rating Changes of the Investment Corporation Announced by Moody's

Issuer Rating:
Baa1 (Rating Outlook: Negative) → Baa3 (Rating Outlook: Negative)

Unsecured Senior Bond Rating:
Baa1 (Rating Outlook: Negative) → Baa3 (Rating Outlook: Negative)

For details, please refer to Moody's homepage.
Moody's Homepage: <http://www.moodys.co.jp/>

2. Views of the Investment Corporation and the Asset Manager

- (a) According to the announcement by Moody's, the reasons for these rating changes are as follows:
- (1) Growing uncertainty over conditions in the real estate financial market.
 - (2) Possibility that the financial performance of Pacific Holdings, Inc. (the "Sponsor"), shareholder of the Asset Manager, may affect the Investment Corporation.
 - (3) Due to items (1) and (2) above, concerns that the financial flexibility of the Investment Corporation will be further stressed.

In addition, Moody's states that the ratings remain under review for possible downgrade as it believes that "[the Investment Corporation] is likely to require substantially more time before it can stabilize its fund-raising."

On the other hand, Moody's acknowledges the following points in the same announcement:

- (i) "Debt maturing in September and October totaled over JPY 30 billion, refinanced mainly by [the Investment Corporation's] main banks for a maximum of another two years."
 - (ii) "[The Investment Corporation] also announced on October 1, 2008, that it would provide collateral to secure all of its loans, which may ease its relationships with financial institutions."
 - (iii) The Investment Corporation's portfolio consists of competitive urban commercial properties located mainly in Tokyo and neighboring areas and the Investment Corporation's "fundamentals are good, given the supply/demand balance."
- (b) Below are the views of the Investment Corporation and the Asset Manager with respect to Moody's views set forth above:
- (1) The Investment Corporation and the Asset Manager recognize the general fact that there is growing uncertainty over conditions in the real estate financial market; however, such factor not only affects the Investment Corporation but affects all participants in the real estate financial market. Accordingly, the Investment Corporation and the Asset Manager believe that such factor is not applicable specifically to the Investment Corporation.

In addition, as Moody's acknowledges, even under such circumstances, the Investment Corporation has been able to refinance, mainly with its main banks, term loans aggregating in excess of 30 billion yen that matured as of September and

October, with the longest refinancing term being two years. Given such fact, the Investment Corporation and the Asset Manager believe that the concerns expressed by Moody's are not applicable to the Investment Corporation.

- (2) The Investment Corporation and the Asset Manager believe that the financial conditions or the credit quality of the Sponsor will not have any significant effect on the management of the Investment Corporation or the various agreements, including the term loans, that the Investment Corporation has entered into.

In addition, as Moody's acknowledges, the Investment Corporation's "fundamentals are good" and the Investment Corporation and the Asset Manager believe that there are no concerns with respect to the management of the Investment Corporation.

- (3) Currently, there are no difficulties with respect to the transactions between the Investment Corporation and those financial institutions with which it transacts business, and the Investment Corporation maintains good relationships with such financial institutions.

The Investment Corporation has not entered into any legally binding undertakings, such as plans, commitments, memoranda of understandings or letters of intent to acquire new properties. From the perspective of maintaining liquidity on hand, there are no concerns with respect to cash management. Accordingly, the Investment Corporation and the Asset Manager believe that the concerns expressed by Moody's are not applicable to the Investment Corporation.

Furthermore, since the change in ratings of the Investment Corporation announced by Moody's on October 1, 2008, there have been no new facts, concerns, decisions, etc. regarding the financial management or cash management of the Investment Corporation, other than as announced in "Notice of Borrowings (Grant of Collateral)," dated October 1, 2008.

Moreover, as Moody's acknowledges, recognizing the growing uncertainty over conditions in the real estate financial market, the Investment Corporation and the Asset Manager believe that the provision of collateral to secure all of the Investment Corporation's loans is expected to ease its relationships with financial institutions.

(c) Concerns Regarding Moody's Views



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From the announcement by Moody's on October 1, 2008 of the change in ratings of the Investment Corporation to the further change in ratings announced today, neither the Investment Corporation nor the Asset Manager has been interviewed by Moody's.

Accordingly, the Investment Corporation and the Asset Manager are concerned that, with respect to these rating changes, Moody's may have based their views on an erroneous understanding of the facts without accurately understanding various factors, such as the financial management conditions or policies of the Investment Corporation since October 1, 2008 or the negotiation status with those financial institutions with which the Investment Corporation transacts business since October 1, 2008.

(d) Future Response Towards Moody's

The Investment Corporation and the Asset Manager plan to continue providing explanations to Moody's in order for Moody's to obtain an accurate understanding of the facts regarding the Investment Corporation.

In addition, if there are any new items to report, such items will be disclosed appropriately and promptly.

3. Future Prospects

The impact of the above change in ratings on its performance for the fiscal period ending February 2009 (from September 1, 2008 through February 28, 2009) is immaterial, and therefore the Investment Corporation has not made any changes to its performance forecasts.