



[ENGLISH TRANSLATION]

October 31, 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

Inquiries:  
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Notice of Views with Respect to the Rating Changes by  
Rating and Investment Information, Inc. 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 Rating and Investment Information, Inc. (“R&I”), dated October 31, 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 R&I

Issuer Rating:  
A (Rating Outlook: Stable) → (A-) (Rating Monitor Designation; Downgrading)

Unsecured Senior Bond Rating:  
A → (A-) (Rating Monitor Designation; Downgrading)

For details, please refer to R&I’s homepage.

R&I’s Homepage: <http://www.r-i.co.jp/>

2. Views of the Investment Corporation and the Asset Manager

- (a) According to the announcement by R&I, the reasons for these rating changes are as follows:
- (1) The absolute debt amount of the Investment Corporation which needs to be repaid in the near term is significant under the worsening financing environment.
  - (2) Expectation that the downgrade of Pacific Holdings, Inc. (the “Sponsor”), shareholder of the Asset Manager, is likely to affect the lending environment.

In addition, R&I states that the ratings will be placed on the Rating Monitor\* with a view to downgrading.

\* Rating Monitor is a system for implementing a special rating review in the event of major changes in the issuer’s operational environment such as mergers, takeovers, capital tie-ups, or developments such as a sudden deterioration in operational performance. For the ratings that are placed on Rating Monitor, R&I makes an urgent review centering on the effect the event and the change in the business environment would have and announces a new rating. The rating placed on the Rating Monitor is indicated with brackets. (Excerpt from R&I’s homepage.)

- (b) Below are the views of the Investment Corporation and the Asset Manager with respect to R&I’s views set forth above:
- (1) The Investment Corporation and the Asset Manager recognize the general fact of the worsening financing environment; 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, the Investment Corporation and the Asset Manager continue to maintain good relationships with financial institutions as can be seen from the fact that the Investment Corporation has been able to refinance, mainly with its main banks, term loans aggregating 30.9 billion yen as of September and October 2008, with the longest refinancing term being two years.

While fully recognizing the concern held by R&I and continuing to maintain good relationships with financial institutions, the Investment Corporation and the Asset Manager plan to diversify the maturity periods of its loans, etc.

- (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.



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While the Investment Corporation and the Asset Manager are not able to gauge the effect to the lending environment noted by R&I, the Investment Corporation and the Asset Manager believe that it is possible to minimize such effect by continuing to maintain good relationships with financial institutions.

Moreover, recognizing the worsening financing environment, 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) Future Response Towards R&I

The Investment Corporation and the Asset Manager explained the accurate factual understanding of the Investment Corporation at an interview held in connection with R&I's emergency review. By continuing to explain to R&I the trends, etc. of the financial institutions after such interview, the Investment Corporation and the Asset Manager endeavor to have the Rating Monitor designation removed in the near future.

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.