

English Translation of a Report Originally Issued in Korean

**Investment Report
as of 30 September 2008**

Macquarie Central Office CR REIT

14 November 2008

TO : Ministry of Land, Transport and Maritime Affairs

We submit the attached investment report as per the Article 37 of Real Estate Investment Company Act and the Article 40 of the Enforcement Decree, etc.

Company Name: Macquarie Central Office CR REIT
Representative Director: Kwan Young Kim, Joo Hyun Cho
Address: 110 Sogong-Dong, Jung-Gu, Seoul Korea
(Tel.) 822-3705-8710
Prepared by: Woori Bank Business Trust Department, the Business Trustee of
MCO CR REIT
(Tel.) 822-2002-5423

Section 1. General condition of the company

I . Overview of the company

1) Company Name : Macquarie Central Office Corporate Restructuring Real Estate Investment Company

2) Incorporation Date : 12 December, 2003

3) Address : 110 Sogong-Dong, Jung-Gu, Seoul

4) The purposes of the Company:

The purpose of the Company is to invest and manage its assets by any of the following means and distribute the proceeds from the investments to shareholders in accordance with Real Estate Investment Company Act (the "Act"):

1. acquisition, management, improvement and disposition of real estate;
2. development of real estate;
3. lease of real estate;
4. sale and purchase of securities;
5. deposit of funds with financial institutions; or
6. acquisition, management and disposition of rights related to the use of real estate, including the right of superficies and leasehold rights.

5) Size of Asset and Equity:

As of 30 September 2008,

Total Asset : 171,118 (Million KRW)

Paid Equity : 76,303 (Million KRW)

6) Listing: Listed on Korea Exchange (KRX) as of 8 Jan, 2004 (Standard Code: KR707685000)

7) Duration and Dissolution of Company as per AOI

1. Duration : 5th anniversary of incorporation date

2. Events causing Dissolution :

- a) Expiration of corporate life of the Company;
- b) With a resolution of the General Shareholders' Meeting;
- c) Merger;
- d) Bankruptcy;
- e) Court order or judgment of dissolution; or
- f) Notice of revocation of approval of incorporation under Article 42 of the Act.

2. History of Company

1) History of Company

A. Incorporation and change thereafter

①. 30 Sep 2003	Promoters Meeting
②. 10 Nov 2003	Pre-approval from MOCT
③. 2 Dec 2003~3 Dec 2003	IPO (KRW 35,151,500,000)
④. 12 Dec 2003	Inaugural Meeting and Incorporation
⑤. 12 Dec 2003	Asset Management Agreement (Macquarie Real Estate Korea Ltd, formerly known as Macquarie Property Advisors Korea Ltd.)
⑥. 12 Dec 2003	Custodian Agreement (Woori Bank)
⑦. 12 Dec 2003	Business Trustee Agreement (Woori Bank)
⑧. 12 Dec 2003	Incorporation (Paid-in Capital: KRW 76,303,000,000)
⑨. 23 Dec 2003	Incorporation (Paid-in Capital: KRW 76,303,000,000)
⑩. 8 Jan 2004	Final-Approval from MOCT Listed on Korea Exchange (KRX)

B. Change of Company name : N/A

C. M&A : N/A

D. Major matters occurred related to management : N/A

2) Conglomerate by which the company is controlled

A. Introduction of Conglomerate : N/A

B. List of companies in the Conglomerate : N/A

C. Regulations specified in related laws. : N/A

3. Paid-in Capital

1) Change in Share Capital : N/A

2) Change in Paid-in Capital : N/A

3) Payment in kind : N/A

4. Shares

1) Total shares

【as of 30 Sep 2008】

Shares to be issued	Shares issued	Remaining unissued
61,042,400	15,260,600	45,781,800

2) Shares issued

[Par value : KRW 5,000]

【as of 30 Sep 2008】

Type of Shares	Number of Shares	Share Capital (KRW)	Comments
Ordinary	15,260,600	76,303,000,000	
Sub total	15,260,600	76,303,000,000	

3) Treasury Stock Acquisition

Not applicable

4) Stock Option

Not applicable

5. Shares with voting rights

(Unit: Shares)

Category	Shares	
1. Number of ordinary shares with voting rights [a-b]	[15,260,600]	
a. Issued shares	15,260,600	
b. Shares without voting rights	-	
2. Shares of which voting right are restricted [a+b+c+d+e]	[-]	
a. restricted by Commercial Code	-	
b. restricted by Securities and Exchange Act	-	
c. restricted by Monopoly Regulation and Fair Trade Act	-	
d. restricted by Real Estate Investment Company Act	-	
e. restricted by other laws	-	
3. Shares of which voting right are restored	[-]	
Number of shares with voting rights [1-2+3]	[15,260,600]	
※ Participants to shareholders meeting (rate: %):	shares	

6. Dividend

1) Dividend Payment Method

The Company plans to pay, in principle, 100% of the distributable income of each fiscal year as dividend in cash. Actual dividend amount will be decided by the resolution of the general meeting of shareholders pursuant to the Commercial Code.

The Company will operate for five years from December 12, 2003 (inception). The ordinary fiscal periods of the Company are from January 1 and July 1 to June 30 and December 31, respectively. However, the first fiscal period of the Company started from December 12, 2003 (inception) and ended on June 2004. If the real estate amounting to 50% or more of total assets of the Company is sold and sale proceeds are completely collected, the fiscal year ends on the date when the sale proceeds are fully collected, after which the disposal profit from the sale will be distributed immediately.

Dividend is paid to the shareholders of the Company who are legally registered in the shareholders registry at the end of each fiscal year. MCO CR-REIT plans to pay dividend within one week from the date of approval by the general meeting of shareholders unless the dividend payment will be made in some other date followed by the decision from general shareholder's meeting.

2) Dividend Payment for the recent 5 fiscal years

[Par value per share: KRW 5,000]

(Unit: thousand KRW)

Category	9 th Financial Year	8 th Financial Year	7 th Financial Year	6 th Financial Year	5 th Financial Year
Net Income	6,299,172	5,524,342	5,304,623	5,272,511	4,736,100
Earning per share	412.77	362.00	347.60	328.60	310.35
Distributable Income	5,477,930	4,703,099	4,665,799	4,375,878	4,017,608
Dividend in total	6,957,440	5,524,342	5,487,042	5,014,702	4,914,242
Payout Ratio	1.10	1.00	1.03	0.95	1.04
Dividend Rate	9.12%	7.24%	7.19%	6.57%	6.44%
Annualized Dividend Rate	18.29%	14.36%	14.50%	13.04%	12.99%

- Distributable Income : Net Income - Legal Reserves – Carry Forwarded Loss - Amortization of stock issuance costs
- Payout Ratio : Total Dividend / Net Income
- Dividend Rate : “Dividend in total / [(beginning paid-in capital + ending paid-in capital)/2]”
- The excess dividend upto depreciation cost of each year is permissible pursuant to the Articles of Incorporation. Therefore the dividend amount is greater than the distributable Income under the Commercial Code and the payout ratio exceeds 1.

Section 2. Asset composition and details of changes

I . Total Asset Composition

1. Real Estate Investment Company

Not applicable

2. Corporate Restructuring Real Estate Investment Trust Company (CR-REIT)

1) Total Asset Composition (all assets included)

(Unit: million KRW, %)

Items		Preceding Quarter		Current Quarter		% of Total Asset	
		Total Amount	%	Total Amount	%		
Corporate Restructuring Real Estate	Property and Equipment	168,199	93.19	168,384	95.04	95.04	95.04
	Property Use Rights including the right of superficies, the right of leases	-	-	-	-	-	
	Real Estate Development Projects	-	-	-	-	-	
Other Real Estate	Property and Equipment	-	-	-	-	-	
	Property Use Rights including the right of superficies, the right of leases	-	-	-	-	-	
	Real Estate Development Projects	-	-	-	-	-	
Real Estate Related Securities		-	-	-	-	-	
Marketable Securities		-	-	-	-	-	
Deposits at Financial Institutions		11,988	6.64	8,575	4.84	4.84	
Other Assets		298	0.17	206	0.12	0.12	
① Total Asset	Stock Owner's Equity	88,214	48.88	84,586	47.74	47.74	100.0
	Liabilities	92,271	51.12	92,579	52.26	52.26	

* Asset value is represented pursuant to the article 27 of Enforcement Decree of REIT Act, not from book value.

2) Total Asset Composition (excluding paid-in capital and subscription capital at the time of incorporation)

Not applicable

3) Status of assets purchased with funds from the paid-in capital at the time of incorporation

Not applicable

4) Status of assets purchased with funds from the newly-paid-in capital after the incorporation

Not applicable

II. Change in Total Assets

1. Real Estate Transaction

Not applicable

2. Marketable Securities Transaction related to real estate

Not applicable

3. Marketable Securities

Not applicable

4. Cash/Cash Equivalent in Financial Institutions

(Unit : million KRW)

Financial Institutions	Kind	Interest	Preceding balance	Current balance
Woori Bank	MMDA	0%~4.60%	6,673	6,808
Woori Bank	Time Deposit	2.50 %~6.10%	3,734	1,726
Kookmin Bank	Time Deposit	5.30%	1,500	-
Total			8,273	8,534

III. Net Asset Value per share

(Unit: shares, million KRW)

	30-Sep-08	30-Jun-08	31-Mar-08	31-Dec-07
Total Asset Value per the Article 27 (3) of ED of Real Estate Investment Company Act (I)	177,166	180,485	176,459	178,031
Total liabilities per Balance Sheets (II)	92,579	92,271	91,618	91,250
Net Asset Value (III=I-II)	84,587	88,214	84,841	86,781
Number of Shares issued	15,260,600	15,260,600	15,260,600	15,260,600
Net Asset Value per share	5,543	5,781	5,559	5,687

Section 3. Status of each properties under management

I . Status of each property under management; Present condition, price, rent and primary lessees for each real estate held

1. Overview of portfolio

Name	Location	Construction Completed Year	Acquisition Date	Interest bearing Debt and Mortgage
Kukdong building	60-1, Chungmuro 3-Ga, Chung-gu, Seoul	1978	26 Dec 2003	Interest bearing Debt : 75,244 KRW Million Total of Kun-Mortgage : 105,280 KRW Million

* Total Kun-Mortgage amount is related to the interest bearing debt and lease key money deposits from tenants.

2. Price of each portfolio

(Unit: KRW million)

Portfolio	Acquisition amount		Capital expenditures		Revaluation gain/loss		Property Value			Cumulative Depreciation	Book Value
	Land	Building	Land	Building	Land	Building	Land	Building	Total		
Kukdong Building	102,398	57,641	-	8,345	-	-	102,398	65,986	168,384	6,047	162,337

* The ending balance of the building includes 60 million KRW of equipment acquired for Kukdong building and construction in progress.

3. Lease status

【as of 30 Sep 2008】

Portfolio	Gross Leasable Area(m ²)	Leased Area(m ²)	Occupancy Rate	Annual Rent (KRW mil)	Number of Lease Contracts	Average annual rent per m ²
Kukdong building	62,344	62,344	100%	17,625	65	282,713
	Vacancy	0	0%			
Sub total	62,344	62,344	100%			

<Note>

* Annual Rental Income KRW 17,625,483,120= monthly rent KRW 1,468,790,260*12
(Annual CAM income KRW 7,413,536,760= KRW 617,794,730*12)

* Average annual rental income per m² = Annual Rent KRW 17,625,483,120÷62,344m²

* The monthly vacancy rate of Kukdong Building is as follows.

2008-01	2008-02	2008-03	2008-04	2008-05	2008-06	2008-07	2008-08	2008-09
1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

II. Matters relating to development of real estate

Not applicable

Section 4. Total income amount, income structure and yield
(From 01 Jul 2008 to 30 Sep 2008)

I . Total Income Amount and Income Structure

1. Income amount by investment assets

Category		Amount (in KRW million)	% of total income	Notes
Real Estate	Rental Income	4,397	64.31	
	Income/Loss from Sale	-	-	
	Other Income related to Real Estate	2,277	33.31	
Marketable Securities	Income/Loss from Sale	-	-	
	Revaluation Income/Loss	-	-	
	Interest Income/ Dividend	-	-	
Other Income		163	2.38	
Total Income		6,837	100.00	

※ Revaluation Income/ Loss reflects current fiscal incomes or losses only.

II . Income by Sector

1. Real Estate

1) Rental Income from Real Estate

	Rental Income (in KRW million)	% of Total Income	Notes
Kukdong Building	4,397	100.00	

2) Income/ Loss from Sale of Real Estate

No incomes or losses from the sale of real estate properties have been incurred during this quarter.

3) Other Income related to Real Estate

	Other Income (in KRW million)	% of Total Income	Notes
Kukdong Building	2,277	100.00	

* Other Income related to Real Estate: CAM, Parking Income, Tenant Reimbursement and Other Operating Revenue

2. Marketable Securities

No transaction incurred during this quarter

3. Other Income

Category	Amount (in KRW million)	%	Notes
Interest income	163	100.00	
Late Fee	-	-	
Compensation for damage	-	-	
Other Income Total	163	100.00	

III. Return on Equity

(Unit: %)

Category	FY 10 1 st Quarter	FY 9 2 nd Quarter	FY 9 1 st Quarter	FY 8 2 nd Quarter	FY 8 1 st Quarter
Company (A)	16.66	17.19	18.19	15.00	15.39
Industry Average (B)		-	-	-	-
Excess in Rate of Return		-	-	-	-

*Return on Equity: Net Income / Average Paid-in Capital

※ Return on Equity represents an annualized accounting return on Equity. The calculation is shown as below.

$$1^{\text{st}} \text{ Quarter return on Equity} = \{1 + (\text{Net Income of the 1}^{\text{st}} \text{ Quarter} / [\text{Average Paid-in Capital}])\}^4 - 1$$

$$2^{\text{nd}} \text{ Quarter return on Equity} = \{1 + (\text{Net Income of the 1}^{\text{st}} \text{ Half} / [\text{Average Paid-in Capital}])\}^2 - 1$$

$$3^{\text{rd}} \text{ Quarter return on Equity} = \{1 + (\text{Net Income during 1}^{\text{st}} \text{ Quarter to 3}^{\text{rd}} \text{ Quarter} / [\text{Average Paid-in Capital}])\}^4 - 1$$

$$4^{\text{th}} \text{ Quarter return on Equity} = (\text{Net Income of the year} / [\text{Average Paid-in Capital}])$$

Section 5. Matters relating to expense including expenditure of real estate business, etc.
(From 01 Jul 2008 to 30 Sep 2008)

I . Total Operating Expenses

1) On-site Property Operating Expenses

Items	Kukdong Building (in KRW million)
Property Administration Expenses	190
Facility Maintenance Fees	506
Utility Expenses	445
Repairs and Maintenance	55
Property Taxes and Dues	311
Sub Total	1,507

2) General Operating Expenses

Items	Amount in KRW million
Remuneration to officers	3
Depreciation Costs	333
Amortization of Insurance Premium	17
National Tax and Dues	19
General Administration Fees	15
Professional Fees	166
Sub Total	553

* Specific professional trustee fees not shown in the above table. Refer to **II . Professional Trustee Fees** table below for details.

II. Professional Trustee Fees

Category	To	Fees and Calculation method		Payment	Comments
Asset Management Fee	Macquarie Real Estate Korea Ltd.	Adivisory fee on Acquisition	1) 0.55% of net acquisition price for Kukdong building 2) Upto 1% of net acquisition price of an acquired real estate after incorporation	upon incorporation	<i>pro-rated</i>
		Basic Fee	11.3% of the ordinary income that does not include the basic compensation payable to MREK (from the 5 th fiscal period) (1 st FY : 0%, 2 nd FY : 17%, 3 rd -4 th FY : 11%, and the ordinary income includes gains on disposal of asset)	6months basis	
		Disposition Fee	25% of the excess of the sales price of such Assets less costs related to such sale over the aggregate investments plus the capital expenditure (“Capital Gain”) under the condition that the IRR based on cash flow of net income over the 5 year period of ownership of the Assets is greater than 11.5%	upon liquidation	<i>pro-rated</i>
		Performanc e Fee	40% of any excess over the cash flows that make equity IRR 11.5% less already calculated Disposition Fee	upon liquidation	
Underwriting Fee to Securities Companies	Samsung Daewoo SK	2.3% of IPO amount (KRW 808,484,500)		upon incorporation	<i>down payment</i>
Custodian Fee	Woori Bank	0.03% of total assets per annum		quarterly	<i>pro-rated</i>
Business Trustee Fee	Woori Bank	0.05% of total assets per annum		quarterly	<i>pro-rated</i>

Section 6. Matters relating to borrowing

I . Borrowing

(Unit: million KRW)

Category	Begin	Increase	Pay-off	Outstanding	Note
Short-term borrowing for funding for operating capital	-	-	-	-	
Assumption of Long-term borrowings mortgaged to the property	75,244	-	-	75,244	
National Housing Fund	-	-	-	-	
Borrowing for the stock refund, etc.	-	-	-	-	

II . Borrowing Sources, etc.

(Unit: KRW)

Borrowing	Draw-down	Borrowing Principal	Interest	Category	Amortization	Outstanding amount
Samsung Life	26 Dec 2003	45,898,840,000	6.90%	Longterm ¹⁾	Lump sum repayment at maturity	45,898,840,000
Samsung F&M	26 Dec 2003	12,791,480,000	6.90%	Longterm ¹⁾	Lump sum repayment at maturity	12,791,480,000
LIG Insurance	26 Dec 2003	10,534,160,000	6.90%	Longterm ¹⁾	Lump sum repayment at maturity	10,534,160,000
Korea Life	26 Dec 2003	6,019,520,000	6.90%	Longterm ¹⁾	Lump sum repayment at maturity	6,019,520,000
Total		75,244,000,000				75,244,000,000

Note 1) According to the Credit Facility Agreement, interest rate is 6.03% p.a. from the funding date, 26 December 2003 to the first anniversary date of the acquisition closing date, 26 December 2004 and 6.9% p.a. thereafter.

Section 7. Shareholder structure and present condition of primary shareholders

I . Present condition of securities possession;

(Applicable only to investment reports which are prepared at each fiscal year end);

1. Largest Shareholder and its special-related-parties

【as of 30 Sep 2008】

Name	Relation	Stock	Number of shares (%)				Note
			Beginning	Increase	Decrease	Outstanding	
Macquarie Bank Limited	Largest Shareholder	Ordinary	1,216,038 (7.97%)	-	-	1,216,038 (7.97%)	
Macquarie Bank Limited - BPG	Largest Shareholder	Ordinary	1,369,232 (8.97%)	-	-	1,369,232 (8.97%)	
Macquarie Real Estate Korea	Special Related Party	Ordinary	456,290 (2.99%)	-	-	456,290 (2.99%)	
Sub total			3,041,560 (19.93%)	-	-	3,041,560 (19.93%)	

2. Important Shareholders (3% or more)

【as of 30 Sep 2008】

	Shareholders	Type of Stock	No. of Stock owned	Ratio (%)	Note
1	Samsung Life Insurance Ltd.	Common Stock	1,520,000	9.96	
2	AIAKOREA-STOCK	Common Stock	1,000,000	6.55	
3	Shinhan Life Insurance Ltd.	Common Stock	979,810	6.42	
4	Samsung Fire & Marine Co Ltd.	Common Stock	760,000	4.98	
5	LIG Insurance Co Ltd.	Common Stock	600,000	3.93	
Total			4,859,810	31.85	

3. Distribution of shareholders – Small, Largest, Other shareholders

Not required for quarterly reports

4. Stock Administration

Fiscal year Ending Date	30 June, 31 December	Shareholders' meeting	March, September
Kind of share certificate	1share-note, 5 share-note, 10share-note, 50share-note, 100share-note, 500share-note, 1,000share-note, 10,000share- note	Public notices	Maeil Business Newspaper and Korea Economic Daily
		Stock Transfer Agent	Hana Bank

Note 1) The 1st FY ends at 30 June 2004.

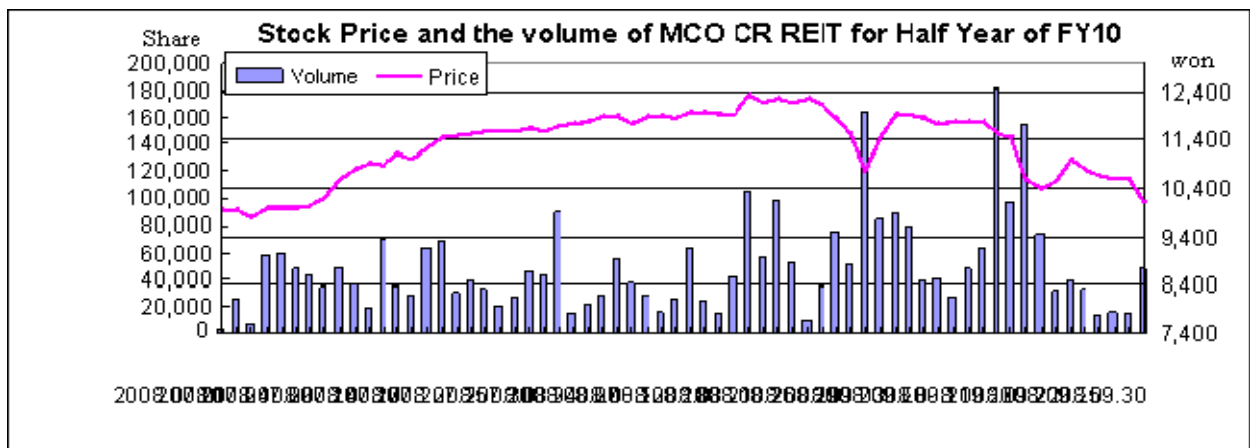
II. State of stock price change

(Unit: KRW, Shares)

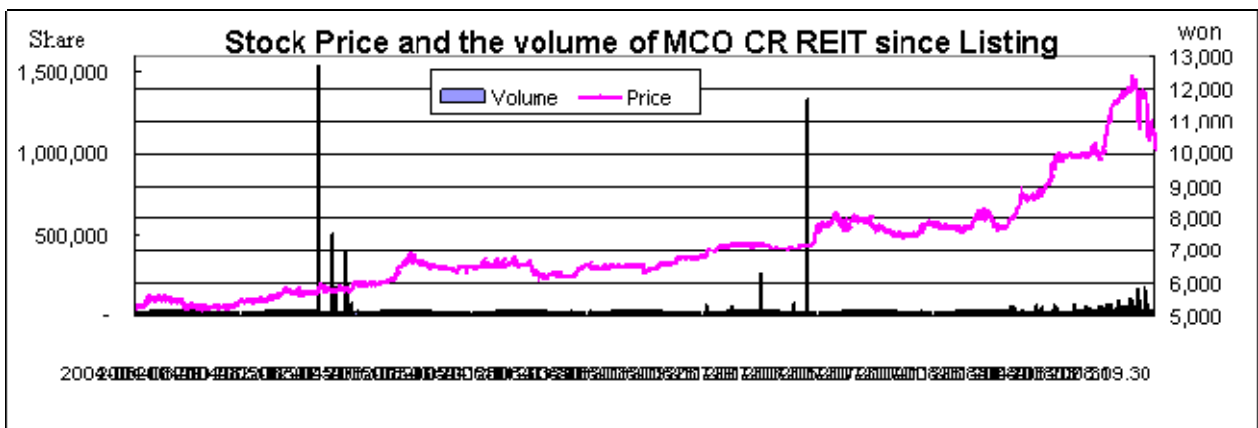
Category	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008
High (Date)	10,000 (08.04.24)	9,970 (08.05.19)	10,300 (08.06.26)	11,650 (08.07.30)	12,350 (08.08.21)	11,500 (08.09.03)
Low (Date)	8,760 (08.04.02)	9,830 (08.05.23)	9,850 (08.06.16)	9,780 (08.07.03)	11,700 (08.08.01)	10,100 (08.09.30)
Monthly Trade Volume	444,161	212,991	394,140	884,569	896,120	1,391,797
Average Daily Trade Volume	21,150	11,210	19,707	38,459	44,806	66,276

[Korea Exchange, Seoul]

< FY9: 01 Jan 2008 to 30 Sep 2008 >



< Since listing date 08 Jan 2004 to 30 Sep 2008 >



Section 8. Summarized balance sheet and income statement

I .Principles of B/S

1. Current Assets

(1)Accrued income:

Accrued income includes interest income receivable as of the end of this quarter.

(2)Account Receivables:

Account Receivables include rental income receivable as of the end of this quarter.

(3)Prepaid Expenses:

Prepaid Expenses include insurance premium paid less cumulatively expensed amortization of premium amount.

(4) Short-term financial instruments :

Short-term financial instruments include short-term time deposits and the money market deposits part of which are restricted.

2. Investment assets:

Investment assets includes long-term financial instruments which are comprised of time deposits of which maturity is more than 1 year as of balance sheet date.

3. Property investments:

Property investments include land, building, plant and equipment. The applied useful lives for buildings and equipments are 50 years and 5 years consecutively and the capital expenditures used under construction are expressed as construction in progress.

4. Current Liabilities :

Current liabilities represent account payables and accrued expenses incurred by the real estate holdings.

5. Long-Term Liabilities :

Long-term liabilities represent rental deposits and long-term borrowings.

6. Capital Stock :

Capital stock represents paid-in capital as of the end of this quarter.

7. Capital Adjustments :

The underwriting fees paid to securities company at the time of IPO is represented as Discounts on stock issuance in Capital Adjustments.

II. Violations of Korean GAAP

Not applicable

III. Other Recommendations

Not applicable

IV. Balance Sheets

Macquarie Central Office Corporate Restructuring Real Estate Investment Trust Balance Sheets September 30, 2008 and June 30, 2008

<i>(in thousands of Korean)</i>	<u>2008.09</u>	<u>2008.06</u>
Assets		
Current assets		
Cash and cash equivalents	₩ 6,807,865	₩ 10,185,568
Short-term financial instruments	1,725,942	1,721,920
Accrued income	40,992	80,063
Prepaid expense	145,891	266,570
Tax refund receivables	60,465	32,231
Total current assets	<u>8,781,155</u>	<u>12,286,352</u>
Property and equipment, net of accumulated depreciation of ₩ thousand (2008.6: ₩	162,337,317	162,484,150
Total assets	<u>₩ 171,118,472</u>	<u>₩ 174,770,502</u>
Liabilities and Shareholders' Equity		
Current liabilities		
Other accounts payable	₩ 430,993	₩ 1,055,693
Accrued expense	71,121	266,380
Advanced receipts	1,000,009	76,283
Withholdings payable	28,900	28,900
VAT payables	467,531	484,279
Current portion of long-term borrowings	75,244,000	75,244,000
Deferred income tax liabilities	47,292	-
Total current liabilities	<u>77,289,846</u>	<u>77,155,535</u>
Deposits received	15,289,514	15,115,545
Total liabilities	<u>92,579,360</u>	<u>92,271,080</u>
Commitments and contingencies		
Shareholders' equity		
Capital stock		
Common stock, ₩		
authorized 61,042,400 shares;		
issued and outstanding 15,260,600 shares	76,303,000	76,303,000
Appropriated retained earnings	718,492	718,492
Retained earnings before appropriations	1,517,620	5,477,930
Total shareholders' equity	<u>78,539,112</u>	<u>82,499,422</u>
Total liabilities and shareholders' equity	<u>₩ 171,118,472</u>	<u>₩ 174,770,502</u>

V. Income Statements

Macquarie Central Office Corporate Restructuring Real Estate Investment Trust Statements of Income Three-Month Periods Ended September 30, 2008 and March 31, 2008

<i>(in thousands of Korean)</i>	<u>2008.09</u>	<u>2008.03</u>
Operating Revenue		
Rental income	₩ 4,396,599	₩ 4,278,839
Common area maintenance income	1,853,384	1,844,054
Parking income	326,498	354,900
Tenant reimbursement	73,468	63,099
Other operating revenue	23,935	39,478
	<u>6,673,884</u>	<u>6,580,370</u>
Operating Expenses		
Real estate expenses		
Property administration expenses	189,768	151,193
Facility management fees	506,075	451,702
Utilities	445,045	466,203
Maintenance and repairs	54,984	118,230
Local taxes and dues	311,494	139,256
Fund operating expenses		
Remuneration to officers	3,000	4,000
Depreciation	332,634	329,107
Insurance expenses	17,327	10,263
National taxes and dues	19,197	18,548
Fund administration fees	14,604	12,163
Professional fees	165,709	13,850
Asset management fees	387,846	414,692
Asset custodian fees	12,834	12,831
Business trustee fees	21,390	21,384
	<u>2,481,907</u>	<u>2,163,422</u>
Operating income	<u>4,191,977</u>	<u>4,416,948</u>
Non-operating income		
Interest income	162,598	131,519
Late fees	316	1,083
Other income	150	1
	<u>163,064</u>	<u>132,603</u>
Non-operating expenses		
Interest expenses	1,310,620	1,294,403
	<u>1,310,620</u>	<u>1,294,403</u>
Income before income taxes	3,044,421	3,255,148
Income tax expense	47,292	-
Net income	<u>₩ 2,997,129</u>	<u>₩ 3,255,148</u>
Per share data (In Korean won)		
Earnings per share	₩ 196	₩ 213

VI. Statements of Appropriations of Retained Earnings (Annually)

Not required for quarterly reports.

VII. Statements of Cash flows (Annually)

Not required for quarterly reports.

VIII. Notes to Current Fiscal Year's Financial Statements

1. General

Macquarie Central Office Corporate Restructuring Real Estate Investment Trust (the Company) was incorporated on December 12, 2003. On December 24, 2003, it was approved as a CR-REIT company by the Ministry of Construction and Transportation of Korea under the Real Estate Investment Company Act of Korea. The Company is mainly engaged in the acquisition, development, management, improvement and sale of real estate and others.

On January 8, 2004, its shares of stock were listed on the Korea Exchange.

The Company's head office is in Sokong-dong, Jung-gu, Seoul, Korea, and as of March 31, 2008, its biggest shareholders are Macquarie Bank Limited and a related party, which own a combined total of 3,041,560 shares representing 19.93% of the total outstanding shares.

The Company will operate for five years from December 12, 2003, the date of incorporation, and its fiscal period consisting of six months starts from January 1 and ends on June 30, and from July 1 ending on December 31.

The first fiscal period, however, was from the date of incorporation to June 30, 2004 and the 10th fiscal period is from July 1, 2008 to November 6, 2008 on which disposal of properties will be completed(Note 15). The Company is planning to allot gains on disposal of assets to stockholders after 10th fiscal period ends.

Authorized number of shares	Number of shares outstanding	Par value per share	Common stock (in thousands of Korean won)
61,042,400	15,260,600	₩ 5,000	₩ 76,303,000

As of September 30, 2008, the shareholders of the Company are as follows:

Shareholders	Number of shares	Amount (in thousands)	Percentage of Ownership (%)
Macquarie Bank Limited	2,585,270	₩ 12,926,350	16.94
Samsung Life Insurance Co., Ltd.	1,520,000	7,600,000	9.96
American Intl. Assurance Co. Ltd.	1,000,000	5,000,000	6.55
Shinhan Life Insurance Co., Ltd.	979,810	4,899,050	6.42
Samsung Fire & Marine Insurance Co., Ltd.	760,000	3,800,000	4.98
LIG Insurance Co., Ltd.	600,000	3,000,000	3.93
Others	7,815,520	39,077,600	51.22
Total	15,260,600	₩ 76,303,000	100.00

2. Summary of Significant Accounting Policies

The significant accounting policies followed by the Company in the preparation of its interim financial statements for the three-month period ended June 30, 2008, are summarized below:

Basis of Financial Statement Presentation

The Company maintains its accounting records in Korean won and prepares statutory financial statements in the Korean language (Hangul) in conformity with accounting principles generally accepted in the Republic of Korea. Certain accounting principles applied by the Company that conform with financial accounting standards and accounting principles in the Republic of Korea may not conform with generally accepted accounting principles in other countries. Accordingly, these financial statements are intended for use by those who are informed about Korean accounting principles and practices. The accompanying financial statements have been condensed, restructured and translated into English from the Korean language financial statements.

The following is a summary of significant accounting policies followed by the Company in the preparation of its financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Accounting Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect amounts reported therein. Although these estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future, actual results may differ from those estimates.

Application of the Statements of Korean Financial Accounting Standards

The Korean Accounting Standards Board has published a series of Statements of Korean Financial Accounting Standards ("SKFAS"), which will gradually replace the existing financial accounting standards, established by the Korean Financial Supervisory Commission. As SKFAS No. 1 through 23 became applicable to the Company on January 1, 2008, the Company adopted these statements in its interim financial statements as of June 30, 2008 and for the three-month period then ended. SKFAS No. 14 and No. 18 were excluded from the application.

Revenue Recognition

The Company recognizes revenues from rental, common area maintenance, parking, tenant reimbursement and others upon delivery of the service.

Property and Equipment

Property and equipment are stated at cost, which includes acquisition cost, production cost and other costs required to prepare the asset for its intended use. It also includes the present value of the estimated cost of dismantling and removing the asset, and restoring the site after the termination of the asset's useful life, provided that it meets the criteria for recognition of provisions

Property and equipment are stated net of accumulated depreciation calculated based on the following depreciation method and estimated useful lives

	<u>Estimated useful lives</u>	<u>Depreciation Method</u>
Buildings	50 years	Straight-line method
Machinery and equipment	5 years	Straight-line method

Expenditures incurred after the acquisition or completion of assets are capitalized if they enhance the value of the related assets over their recently appraised value or extend the useful life of the related assets. Routine maintenance and repairs are charged to expense as incurred.

Income Taxes

Income tax expense includes the current income tax under the relevant income tax law and the changes in deferred tax assets or liabilities. Deferred tax assets and liabilities represent temporary differences between financial reporting and the tax bases of assets and liabilities. Deferred tax assets are recognized for temporary differences which will decrease future taxable income or operating loss to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized. Deferred tax effects

applicable to items in the shareholders' equity are directly reflected in the shareholders' equity.

Legal Reserve

Under Article 28(1) of the Real Estate Investment Company Act, the Company is not required to appropriate legal reserves as previously mandated by the Commercial Code of the Republic of Korea.

Excess dividends

Under the Article 28(3) of the Real Estate Investment Company Act, the Company can declare dividends in excess of retained earnings, up to the amount of depreciation expense for the period.

3. Restricted Financial Instruments

Financial instruments whose withdrawals are restricted as of September 30, 2008 and June 30, 2008, are as follows.

<i>(in thousands of Korean won)</i>	Bank	2008.09.30		2008.06.30	
Short-term financial instruments					
Money market deposit account	Woori Bank	₩	991,263	₩	987,242
Time deposits	Woori Bank		700,000		700,000
Time deposits	Woori Bank		34,678		34,678
			<u>₩ 1,725,941</u>		<u>₩ 1,721,920</u>

As of September 30, 2008, the above short-term financial instruments are pledged as collaterals for the leasehold deposits.

4. Declared Value of Land

As of September 30, 2008, the value of land based on the posted price issued by the Korean tax authority is as follows:

<i>(in thousands of Korean won)</i>	Size(sq.m.)	Book value	Posted value of land
Chungmu-ro 60-1, Jung-gu, Seoul	7,942.50	<u>₩ 102,397,913</u>	<u>₩ 94,515,750</u>

5. Property and Equipment

Changes in property and equipment for the three-month periods ended September 30, 2008 and March 31, 2008, are as follows:

2008.09.30

<i>(in thousands of Korean won)</i>	Land	Buildings	Construction in progress	Equipment	Total
Balance as of July 1, 2008	₩ 102,397,913	₩ 59,561,237	₩ 514,200	₩ 10,800	₩ 162,484,150
Acquisition	-	-	185,800	-	185,800
Disposal	-	-	-	-	-
Depreciation	-	(329,634)	-	(3,000)	(332,634)
Reclassification	-	700,000	(700,000)	-	-

Balance as of September 30, 2008	₩ 102,397,913	₩ 59,931,603	₩ -	₩ 7,800	₩ 162,337,316
Acquisition cost	₩ 102,397,913	65,926,707	-	₩ 60,000	₩ 168,384,620
Accumulated depreciation	-	(5,995,104)	-	(52,200)	(6,047,304)

2008.03.31

<i>(in thousands of Korean won)</i>	Land	Buildings	Construction		Total
			in progress	Equipment	
Balance as of January 1, 2008	₩ 102,397,913	₩ 60,208,204	₩ 5,300	₩ 16,800	₩ 162,628,217
Acquisition	-	-	-	-	-
Disposal	-	-	-	-	-
Depreciation	-	(326,107)	-	(3,000)	(329,107)
Reclassification	-	-	-	-	-
Balance as of March 31, 2008	₩ 102,397,913	₩ 59,882,097	₩ 5,300	₩ 13,800	₩ 162,299,110
Acquisition cost	₩ 102,397,913	₩ 65,221,407	₩ 5,300	₩ 60,000	₩ 167,684,620
Accumulated depreciation	-	(5,339,310)	-	(46,200)	(5,385,510)

6. Insurance

As of September 30, 2008, the Company has the following insurance policies:

Description	Insurance Company	Amount Insured	Period
Building & machinery	Samsung Fire & Marine Insurance Co., Ltd.	₩ 93,664 million	December 24, 2007 to December 24, 2008
Advance loss of profit		₩ 24,129 million	
General liability		US\$ 5,000,000 per each occurrence and others	
Gas insurance		₩ 300 million per accident ₩ 80 million per person	
D&O liability	Hyundai Marine & Fire Insurance	₩ 5,000 million	May 1, 2008 to May 1, 2009

7. Collateralized Assets

The property investments pledged as security to its lenders and tenants as of September 30, 2008 and June 30, 2008, are as follows:

<i>(in thousands of Korean won)</i>	Collateralized amounts		Related Liabilities
	2008.09.30	2008.06.30	
Samsung Life Insurance Co., Ltd., Samsung Fire & Marine Insurance Co., Ltd., LIG Insurance Co., Ltd. and Korea Life Insurance Co., Ltd.	₩ 97,817,200	₩ 97,817,200	Current portion of long-term borrowings
Korea Life Insurance Association	759,885	759,885	Deposits received
Dong Ah Construction Industrial Co., Ltd.	652,151	652,151	Deposits received
OTIS Elevator	871,097	871,097	Deposits received

Shinhan Bank	2,296,410	2,296,410	Deposits received
The Investigative Commission on Pro-Japanese Collaborators' Property	738,332	693,168	Deposits received
Prudential Life Insurance Co., Ltd.	187,580	187,580	Deposits received
Standard Chartered Capital Korea Co., Ltd.	109,523	109,523	Deposits received
	63,665	63,665	Deposits received
Shinsegae Co., Ltd.	669,686	669,686	Deposits received
Shinsegae Mart Co., Ltd.	149,509	149,509	Deposits received
Korea Labor Welfare Corporation	805,460	805,460	Deposits received
Woori Financial Co., Ltd.	159,795	-	Deposits received
	<u>₩ 105,280,293</u>	<u>₩ 105,075,334</u>	

8. Current portion of Long-Term Borrowings

Current portion of long-term borrowings as of September 30, 2008, consists of the following:

<i>(in thousands of Korean won)</i>	Annual interest rates (%) as of September 30, 2008	Maturity date	2008.09.30
Samsung Life Insurance Co., Ltd.	6.9%	2008-12-26	₩ 45,898,840
Samsung Fire & Marine Insurance Co., Ltd.	6.9%	2008-12-26	12,791,480
LIG Insurance Co., Ltd.	6.9%	2008-12-26	10,534,160
Korea Life Insurance Co., Ltd.	6.9%	2008-12-26	6,019,520
			<u>₩ 75,244,000</u>

As of September 30, 2008, land, building and the short-term financial instruments are pledged as collaterals for the above current portion of long-term borrowings (Notes 3 and 7).

9. Commitments and Contingencies

As of September 30, 2008, the Company has the following contracts:

Asset Management Contract

The Company has an asset management contract with Macquarie Real Estate Korea Ltd. (the MREK), where in MREK manages and invests the securities and financial instruments of the Company, and manages, sells, develops and leases out the real estate properties of the Company. In turn, the Company pays basic fees, commissions and performance fees for MREK's services. Details of the contract are as follows:

Basic Fee	11.3% of the ordinary income that does not include the basic compensation payable to MREK(from the 5 th fiscal period) (1 st fiscal period: 0%, 2 nd : 17%, 3 rd & 4 th : 11%, and the ordinary income includes gains on disposal of asset)
Commission	25% of the excess of the sales price of such assets less costs related to such sale over the aggregate investments plus the capital expenditure during the said period. Only if the sales price of such assets less costs related to such sale exceeds the aggregate investments by the Company at the time of incorporation and an internal rate of return on such assets over a 5-year period of ownership of the assets is

Performance Fee greater than 11.5%
40% of any excess over the cash flows that make equity IRR 11.5% minus the calculated disposal fee

Asset Custodian Contract

The Company has a contract with Woori Bank for the custodial services of the Company's assets. The Company pays Woori Bank quarterly fees equivalent to 0.03% of the total assets.

Business Trust Contract

The Company has a contract with Woori Bank for the maintenance of the stock and transfer records as well as for the bookkeeping of accounts and other administrative services. The Company pays Woori Bank quarterly fees equivalent to 0.05% of the total assets for the services.

Property Management Contracts

The Company has a contract with SAMS property management, which includes rental, budget management and maintenance, and facilities management, which includes security and management of parking lots and facilities.

10. Related Party Transactions

The Company has no parent company or any subsidiary.

The compensation for the Company's key management includes salaries of ₩ 3 million for the three-month period ended September 30, 2008. The Company's key management consists of officers, who have authority and responsibilities for the Company's plans, operations and control.

Details of the Company's transactions with the related parties for the three-month periods ended September 30, 2008 and March 31, 2008, are summarized as follows:

<i>(in thousands of Korean won)</i>	Transactions	
	2008. 09. 30	2008. 03. 31
Samsung Life Insurance Co., Ltd.		
Interest expense	₩ 798,263	₩ 789,586
Rental income	212,046	212,046
Common area maintenance income	83,853	83,853
Parking income	23,291	22,091
Tenant reimbursement	170	201
Samsung Fire & Marine Insurance Co., Ltd.		
Interest expense	222,467	220,049
Insurance premium	10,376	10,263
LIG Insurance Co., Ltd.		
Interest expense	183,208	181,216

Related account balances as of September 30, 2008 and June 30, 2008, are as follows:

<i>(in thousands of Korean won)</i>	Receivables and Payables	
	2008. 09. 30	2008. 06. 30
Samsung Life Insurance Co., Ltd.		
Accrued expenses	₩ 43,384	₩ 43,384
Current portion of long-term borrowings	45,898,840	45,898,840
Leasehold deposits	338,800	338,800
Samsung Fire & Marine Insurance Co., Ltd.		
Prepaid expenses	9,474	19,850
Accrued expenses	12,091	12,091
Current portion of long-term borrowings	12,791,480	12,791,480
LIG Insurance Co., Ltd.		

<i>(in thousands of Korean won)</i>	Receivables and Payables	
	2008. 09. 30	2008. 06. 30
Accrued expenses	9,957	9,957
Current portion of long-term borrowings	10,534,160	10,534,160

11. Rental Income

The Company does not project its future rental income due to the nature of the business. It adjusts the rental rates on its rental contracts based on the consumer price index.

12. Income Taxes

Income tax expenses and deferred income tax assets (liabilities) for the three-month periods ended September 30, 2008 and March 31, 2008, are as follows:

<i>(in thousands of Korean won)</i>	2008. 09. 30	2008. 03. 31
Current income tax	₩ -	₩ -
Changes in deferred income tax assets (liabilities) due to temporary differences	47,292	-
Income tax expenses	<u>₩ 47,292</u>	<u>₩ -</u>

The income tax effect of temporary differences, including available net operating loss carry-forwards and tax credits, comprising the deferred income tax assets and liabilities as of September 30, 2008 and March 31, 2008, are as follows:

<i>(in thousands of Korean won)</i>	2008. 09. 30	2008. 03. 31
Accrued income	₩ 80,063	₩ 131,708
Accrued expenses	-	97,630
Prepaid expenses	234,329	263,237
Total (I)	<u>314,392</u>	<u>492,575</u>
Accrued income	(40,992)	(116,272)
Accrued expenses	(195,259)	-
Prepaid expenses	(130,978)	(311,278)
Total (II)	<u>(367,229)</u>	<u>(427,550)</u>
Total (I + II = III)	<u>₩ (52,837)</u>	<u>₩ 65,025</u>

Changes in cumulative temporary differences for the three-month periods ended September 30, 2008 and March 31, 2008 are as follows:

2008.09.30

<i>_(in thousands of Korean won)</i>	2008.7.1	Decrease	Increase	2008.9.30
Accrued income	₩ (80,063)	₩ (80,063)	₩ (40,992)	₩ (40,992)
Accrued expenses	195,259	195,259	-	-
Prepaid expenses	(234,329)	(234,329)	(130,978)	(130,978)
Total	<u>(119,133)</u>	<u>(119,133)</u>	<u>(171,970)</u>	<u>(171,970)</u>

Income tax rate	27.5%	27.5%
Deferred income tax assets (liabilities)	₩ -	₩ (47,292)

2008.03.31

<i>_(in thousands of Korean won)</i>	2008.1.1	Decrease	Increase	2008.3.31
Accrued income	₩ (131,708)	₩ (131,708)	₩ (116,272)	₩ (116,272)
Accrued expenses	-	-	97,629	97,629
Prepaid expenses	(263,237)	(263,237)	(311,278)	(311,278)
Total	₩ (394,945)	₩ (394,945)	₩ (329,921)	₩ (329,921)
Income tax rate	27.5%			27.5%
Deferred income tax assets (liabilities)	₩ -			₩ -

As stated in Note 2, the Company can pay dividends in excess of its profits under the Real Estate Investment Company Act so that the Company has a plan to do within current depreciation expenses. According to Article 51(2) of the corporate income tax law, if the Company distributes more than 90% of income available for dividends, the amount is exempted from the income tax. Therefore, there was no deferred income tax assets (liabilities) and income tax incurred as of former period so that the Company did not recognize any deferred income tax asset (liability). The Company, however, is going to proceed with liquidation as disposal of entire properties during the current period so that it is impossible to distribute income for excess dividends from now on. According to this, it is expected that income tax to be paid will be incurred so that the Company deferred income tax liabilities due to temporary differences as of September 30, 2008.

Details of deferred income tax assets and liabilities in total amount before a setoff as of September 30, 2008 are as follows:

<i>(in thousands of Korean won)</i>	Temporary differences as of Sep. 30, 2008	Lapse period of temporary differences		Deferred income tax liabilities	
		Within a year	Over a year	Current	Non-current
Accrued income	₩ 40,992	₩ 40,992	₩ -	₩ 11,273	₩ -
Prepaid expenses	130,978	130,978	-	36,019	-
Total	₩ 171,970	₩ 171,970	₩ -	₩ 47,292	₩ -
Income tax rate		27.5%	27.5%		

The income tax rate applicable to the Company is 27.5% including resident tax, for the three-month periods ended September 30, 2008 and March 31, 2008. However, the effective tax rate for the three-month period ended March 31, 2008, was not calculated as the Company has not incurred any income tax expense for the period, due to the amendment of the Real Estate Investment Company Act in Korea and the Articles of Incorporation of the Company. The effective tax rate for the three-month period ended September 30, 2008, is as follows:

<i>(in thousands of Korean won)</i>	2008. 09. 30
Income tax expense	₩ 47,292
Income before income tax	3,044,421
Effective tax rate	1.55%

13. Earnings Per Share

Basic earnings per share for the three-month periods ended September 30, 2008 and March 31, 2008, are calculated as follows:

<i>(in Korean won, except per share amounts)</i>	2008.09.30	2008.03.31
Net income allocated to common stock	₩ 2,997,129,075	₩ 3,255,147,554
Weighted average number of common shares outstanding during the year	15,260,600 shares	15,260,600 shares
Basic earnings per share	<u>196</u>	<u>₩ 213</u>

As the Company has not issued any common stock during the three-month periods ended September 30, 2008 and March 31, 2008, the weighted average number of common shares outstanding during the period is the same as the number of issued common stock.

Diluted earnings per share for the three-month periods ended September 30, 2008 and March 31, 2008, are identical to the basic earning per share since the Company has not issued any dilutive securities as of September 30, 2008 and March 31, 2008.

Basic and diluted earnings per share for the six-month period ended June 31, 2008 amounted to ₩ 413.

14. Comprehensive Income

Comprehensive income for the three-month periods ended September 30, 2008 and March 31, 2008, consists of:

<i>(in thousands of Korean won)</i>	2008.09.30	2008.03.31
Net Income	₩ 2,997,129	₩ 3,255,148
Other comprehensive income	-	-
	<u>₩ 2,997,129</u>	<u>₩ 3,255,148</u>

15. Disposal Decision of Properties

The Company determined disposal of its properties by the board of directors' resolution as expiration date fixed by the Articles of incorporation comes. Details are as follows.

<i>(in thousands of Korean won)</i>	Approved date of Board of Directors	Conclusion date of the contract	Expected date of disposal	Expected amount of disposal	Preferential acquisition negotiator
Kukdong Building	September 30, 2008	September 30, 2008	November 6, 2008	₩ 325,000,000	GE NPS 1st Real Estate Investment Trust Company

The Company recorded as advanced receipts 1 billion won for disposal properties which is pre-received from the fixer. However, subsequent to September 30, 2008, National Pension Services ("NPS"), who was intended to acquire 100% of the fixer's shares have determined not to invest in buying properties so that the contract was cancelled (Note 16).

16. Disposal Decision of Properties

The Company was notified by the National Pension Service (NPS) that the latter was withdrawing its intention to acquire 100% ownership in GE NPS 1st Real Estate Investment Trust. Due to this, the contract to sell the Company's properties to GE NPS 1st

Real Estate Investment Trust was cancelled on October 20, 2008.

17. Uncertainty of Going Concern

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the Republic of Korea, which contemplate continuation of the Company as a going concern. Therefore, the Company recorded its transactions based on the assumption that assets and liabilities could be realized or redeemed through normal operating activities. However, as of September 30, 2008, the Company may not be able to repay the current portion of its long-term debts with its current assets under the normal circumstances due to a subsequent cancellation of a contract to sell its properties. These matters indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

However, the Company is planning to extend its operating life and request an extension of its borrowings' due dates through a resolution of its Board of Directors. It also plans to request a re-authorization from the Ministry of Land, Transport and Maritime Affairs.

If the Company's plans do not materialize, its assets and liabilities may not be realized or redeemed, resulting in an uncertainty of its continued operations. These factors raise doubts about the Company's ability to continue as a going concern. The financial statements do not include adjustments that might result from the outcome of this uncertainty.

IX. Auditor's Opinion

- External Auditor's Opinion

The financial statements referred to above present fairly, in all material respects, the financial position of Macquarie Central Office Corporate Restructuring Real Estate Investment Trust as of June 30, 2008 and the results of its operations, the changes in its retained earnings, its cash flows and changes in shareholders' equity for six-month periods then ended in conformity with accounting principles generally accepted in the Republic of Korea.

Samil PricewaterhouseCoopers

- Statutory Auditor's Opinion

The Financial Statements adequately reflect the company's financial status and comply with the Real Estate Investment Company Act, Articles of Incorporation and Korean GAAP, etc.

Statutory Auditor Jong-Hee Lee

Section 9. Other matters relating to asset management that are prescribed by the Ministry of Land, Transportation and Maritimes

I . Summary on disclosures and reports

Date	Contents	Disclose to
26 Sep 2008	Annual Report for FY9	FSS, KRX
23 Sep 2008	Asset Management Agreement Modification	FSS, KRX
23 Sep 2008	Resolution for holding a General Shareholders' Meeting	FSS, KRX
11 Sep 2008	Financial Audit Report for FY 9	FSS, KRX
08 Sep 2008	Convocation of General shareholder's meeting and public announcements	FSS, KRX
02 Sep 2008	Resolution for Dividend Payment	FSS, KRX
02 Sep 2008	Resolution for holding a General Shareholders' Meeting	FSS, KRX

II.States of important lawsuits that are connected with management of the company

Not applicable

III.Present condition of transactions falling under the provision of Article 30 of the Act

Not applicable

IV. Penalty

Not applicable

V. Compliance to the regulated restricted Investment

Regulation	Compliance
1. 70% or more of a company's total assets shall be composed of real estates for corporate restructuring, etc for the seller.	Complied
2. With respect to investment in securities, MCO CR REIT shall not acquire any securities exceeding 10% of the total issued and outstanding voting stocks of another company, except for the allowance under the Real Estate Investment Company Act of Korea (the "Act").	Complied
3. With respect to the investment in securities, MCO CR REIT shall not acquire any securities issued by a single entity in excess of 5% of MCO CR REIT's total assets, except for national bonds, local or municipal bonds or such other securities whose acquisition in such amounts is permitted under the Enforcement Decree promulgated under the Act.	Complied

Regulation	Compliance
<p>4. MCO CR REIT shall not engage in any transactions falling within the categories listed, as follows, with directors and officers and their respective related persons (as defined in Article 21(1) of the Real Estate Investment Company Act of Korea (the “Act”)), and any shareholder who owns and holds 10% or more of the shares in MCO CR REIT and its respective related persons, except for the circumstances under the Act.</p>	Complied
<p>5. MCO CR REIT and its related person shall not engage in the sale and purchase of real property or the trading of securities with the AMC and its related persons, except in the following circumstances: If MCO CR REIT is forced to dispose of its securities (other than shares) because it temporarily faces difficulty in making payment of purchase price or repurchase price of shares due to substantial number of appraisal or repurchase claims; General sale, competitive bidding or any similar transaction; Transactions (other than with the directors, officers and employees of the AMC and their respective related persons) where MCO CR REIT rents its property at a rate higher than that determined by the Board; or Unavoidable transactions as a result of merger, liquidation, spin-off or merger by a spin-off entity.</p>	Complied