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For Translation purpose only

For Immediate Release

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Notice Concerning Increase in Ownership of the Fukuoka Building

Japan Prime Realty Investment Corporation (JPR) today announced its decision to acquire additional ownership in the Fukuoka Building, as detailed in brief below.

Details

1. Reason for Acquisition

With its ability to increase its existing ownership in the Fukuoka Building, the Company aims to enhance its operational efficiency by acquiring additional unit ownership.

2. Acquisition Details

- | | |
|------------------------|---|
| 1. Type of Acquisition | Real estate |
| 2. Property Name | Fukuoka Building |
| 3. Acquisition Price | ¥1,120 million
(excluding acquisition costs and consumption tax) |
| 4. Contract Date | April 15, 2005 |
| 5. Acquisition Date | April 15, 2005 |
| 6. Seller | Asahi Kogyo K.K. |
| 7. Funding | Cash on hand |

3. Details of Property in which Additional Ownership Acquired

Location	Registered	Land	2-8-17, Yaesu, Chuo-ku, Tokyo	
	Residential	Bldg.	2-8-17 and 2-8-18, Yaesu, Chuo-ku, Tokyo	
			2-8-7, Yaesu, Chuo-ku, Tokyo	
Access		6 minutes on foot from JR Tokyo Station 2 minutes from Kyobashi Station, Tokyo Metro Ginza Line		
Use		Office space, bank, parking facilities		
Type of Ownership		<p>Land: Co-ownership *</p> <p>Intended acquisition: 7.5%</p> <p>Total ownership after acquisition: 21.8%</p> <p>* Site comprises two parcels. The first parcel (8-17) is co-owned (21.8%) by JPR, The Bank of Fukuoka, Ltd., and three other companies. The second parcel (8-18) is owned solely by The Bank of Fukuoka, Ltd.</p> <p>Bldg.: Unit ownership</p> <p>Intended acquisition: 7th floor portion (716.79 m²)</p> <p>Total ownership after acquisition: 6th to 7th floors and co-ownership of 10th floor ** (2,020.41 m²)</p> <p>** co-ownership of 10F (81.869%), with remainder owned by RKB Mainichi Broadcasting Corporation</p>		
Site Area		Land	Total site area	1,302.17 m ²
			Net area to be acquired by JPR	71.82 m ²
			Total area to be under co-ownership	208.75 m ²
		Bldg.	Gross floor area	11,627.74 m ²
			Proprietary floor area	7,679.60 m ²
			Net floor area to be acquired by JPR	716.79 m ²
		Total area to be under unit ownership	2,020.41 m ²	
Type of Structure		SRC B2/10F		
Completion Date		May 31, 1990		
Architecture and Design		Nihon Sekkei, Inc.		
Construction		Joint construction project comprising Kajima Corporation, Shimizu Corporation and Nissan Construction Co., Ltd. (now Nissan Rinkai Construction Co., Ltd.)		
Building Specifications	Rentable floor space	687.34 m ²		
	Ceiling height	2,600 mm		
	Air Conditioning System	Separate system on each floor		
	Type of flooring	3 way ducted flooring		
Appraisal	Appraiser	Daiwa Real Estate Appraisal Co., Ltd.		
	Appraisal Value	¥1,090 million		
	Appraisal Date	April 1, 2005		
Probable Maximum Loss		<p>9.7% based on earthquake risk assessment report prepared by the Shinozuka Research Institute.</p> <p>PML (Probable Maximum Loss) refers to the expected maximum loss ratio caused by earthquakes. There are two types of PML: PML for respective buildings and PML for property portfolios. Although there is no precise unified definition of PML, PML refers to the percentage of expected damages caused by a maximum-level earthquake that happened during an assumed period for the economic life of a building, to procurement cost for restoring the expected damages. The expected period for economic life of a building is 50 years, which is the useful life of a standard building. The expected maximum-level earthquake here means an earthquake that happens once every 50 years with 10% probability. This means that this level of an earthquake statistically happens once every 475 years.</p>		
Collateral		None		
Number of Tenants		Number of tenants in part held by JPR after acquisition: 2 Of which number of tenants in part to be acquired: 1		
Major Tenants		Keiei Hougaku kurabu Y.K.		
Forecast Rental Revenue (including common charges)		¥199 million		
Total Leasable Floor Space		Total leasable floor space owned by JPR after acquisition: 1,937.40 m ²		
		Net area to be acquired by JPR: 687.34 m ²		
Total Leased Floor Space		Total leased floor space owned by JPR after acquisition: 1,937.40 m ²		
		Net floor area to be acquired by JPR: 687.34 m ²		
Occupancy Ratio on Acquisition Date		100.0%		
Special Considerations		None		
<p>Note: Forecast rental revenue figure above is not a forecast for the current fiscal period. The figure is based on forecast income for a full year for the entire building, after eliminating special factors applicable to the period in which the acquisition is made, and an assumed occupancy ratio of 100%. In addition, the number of tenants, total leasable floor space, total leased floor space, and occupancy ratio are as of the acquisition date, April 15, 2005.</p>				

4. Seller Profile

Company Name	Asahi Kogyo K.K.
Head Office Address	2-16-6, Hirakawa-cho, Chiyoda-ku, Tokyo
Representative	Yoshio Okamoto, President & Representative Director
Capital	¥50 million
Principal Activities	Real estate business
Relationship with JPR	None

5. Background to the property acquisition

	Acquired October 15, 2003	Subject of acquisition
Purchase price (Cumulative total)	¥1,800 million (¥1,800 million)	¥1,120 million (¥2,920 million)
Proprietary floor area to be acquired by JPR (Cumulative total)	1,303.62㎡ (1,303.62㎡)	716.79㎡ (2,020.41㎡)
Cumulative ratio of total proprietary floor area	17.0%	26.3%

Building	Use	Parts Held by JPR
10F	Office	Acquired on Oct. 15, 2003 (co-ownership: 81869 of 100000)
9F	Office	
8F	Office	
7F	Office	Subject of acquisition
6F	Office	Acquired on Oct. 15, 2003
5F ∧ 1F	Office	
B2F	Car Parking	
B1F	Car Parking	
Land	Area solely owned by other unit owners 344.62㎡	Area co-owned 957.55㎡ Co-ownership portion acquired on Oct. 15, 2003 (143/1000) Co-ownership portion acquired this time (75/1000)

Note: The portion of the property purchased on October 15, 2003, was acquired on a beneficiary interest basis.

6. Outlook

The impact on business results following the acquisition of additional unit ownership in the Fukuoka Building will be minimal. Operating forecasts for JPR's seventh fiscal period, the six months ending June 30, 2005 remain unchanged.

[Attachments]

1. Projected cash flow
2. Real estate portfolio after property acquisition
3. Photograph of the Fukuoka Building

Attachment 1

Projected cash flow

(Millions of yen)

Projected Cash Flow	
Operating revenues	205
Rental revenues and common charges	199
Other operating revenues	6
Operating expenses (excluding depreciation)	61
Property management fees	30
Utility charges	4
Property and other taxes	21
Other operating expenses	5
NOI (= -)	145

Notes:

The above projected cash flow is an estimate equal to the Company's holdings after the current acquisition for the fiscal year in which acquisition was made and is exclusive of extraordinary factors. The projected cash flow is not for the current period under review. The projected cash flow has also been prepared based on the following assumptions.

- 1) Revenues are based on an estimated occupancy ratio of 100%.
- 2) Property and other taxes are the same as those for fiscal 2004.

Attachment 2

Real estate portfolio after property acquisition

Area	Type	Property Name	Location	Acquired	Acquisition Price (yen in millions)	% of Total
Tokyo CBDs	Office	Kanematsu Bldg.	Chuo-ku, Tokyo	Dec. 2001	16,276	8.1%
	Office	Kanematsu Bldg. Annex	Chuo-ku, Tokyo	Dec. 2001	2,874	1.4%
	Office	JPR Ningyo-cho Bldg.	Chuo-ku, Tokyo	Nov. 2001	2,100	1.1%
	Office	Shin-Kojimachi Bldg.	Chiyoda-ku, Tokyo	Nov. 2001 Nov. 2002 Nov. 2004	2,420	1.2%
	Office	JPR Crest Takebashi Bldg.	Chiyoda-ku, Tokyo	Jun. 2002	4,000	2.0%
	Office	MS Shibaura Bldg.	Minato-ku, Tokyo	Mar. 2003	11,200	5.6%
	Office	Gotanda First Bldg.	Shinagawa-ku, Tokyo	Jul. 2003	2,920	1.5%
	Office	Fukuoka Bldg.	Chuo-ku, Tokyo	Oct. 2003 Apr. 2005	2,920	1.5%
	Office	JPR Ichigaya Bldg.	Chiyoda-ku, Tokyo	May 2004	5,100	2.6%
	Office	Oval Court Ohsaki Mark West	Shinagawa-ku, Tokyo	Jun. 2004	3,500	1.8%
	Office	Shinjuku Square Tower	Shinjuku-ku, Tokyo	Jul. 2004	10,000	5.0%
	Office	BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	Nov. 2004 Apr. 2005	11,821	5.9%
	Office	Across Shinkawa Bldg. Annex	Chuo-ku, Tokyo	Nov. 2004	710	0.4%
	Retail	JPR Shibuya Tower Records Bldg.	Shibuya-ku, Tokyo	Jun. 2003	12,000	6.0%
	Retail	SS Daikanyama	Shibuya-ku, Tokyo	Oct. 2004	2,160	1.1%
Subtotal					90,001	45.1%
Greater Tokyo	Office	Arca East	Sumida-ku, Tokyo	Nov. 2001	5,880	2.9%
	Office	JPR Chiba Bldg.	Chiba, Chiba	Dec. 2001	2,350	1.2%
	Office	JPR Yokohama Nihon Odori Bldg.	Yokohama, Kanagawa	Nov. 2001	2,927	1.5%
	Office	Shinyokohama 2nd Center Bldg.	Yokohama, Kanagawa	Sep. 2002	920	0.5%
	Office	Kawaguchi Center Bldg.	Kawaguchi, Saitama	Feb. 2004	8,100	4.1%
	Office	JPR Ueno East Bldg.	Taito-ku, Tokyo	Mar. 2004	3,250	1.6%
	Retail	Tanashi ASTA	Nishitokyo, Tokyo	Nov. 2001	10,200	5.1%
	Retail	Tsurumi fuga 1	Yokohama, Kanagawa	Nov. 2001	3,040	1.5%
	Retail	The Cupo-la Main Building (1-1 Kawaguchi Redevelopment Project)	Kawaguchi, Saitama	Mar. 2006 (Planned)	2,100	1.1%
Subtotal					38,767	19.4%

Area	Type	Property Name	Location	Acquired	Acquisition Price (yen in millions)	% of Total
Other Cities	Office	Niigata Ekinan Center Bldg.	Niigata, Niigata	Nov. 2001	2,140	1.1%
	Office	Meiji Yasuda Life Osaka Umeda Bldg.	Osaka, Osaka	Dec. 2001	8,300	4.2%
	Office	Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Nov. 2001	4,150	2.1%
	Office	JPR Takamatsu Bldg.	Takamatsu, Kagawa	Dec. 2001	2,130	1.1%
	Office	JPR Hakata Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,900	1.5%
	Office	JPR Naha Bldg.	Naha, Okinawa	Nov. 2001	1,560	0.8%
	Office	North 33 Bldg.	Sapporo, Hokkaido	Jun. 2002	3,700	1.9%
	Office	Park East Sapporo	Sapporo, Hokkaido	Jun. 2002	2,150	1.1%
	Office	Sompo Japan Sendai Bldg.	Sendai, Miyagi	Jun. 2002	3,150	1.6%
	Office	Sompo Japan Wakayama Bldg.	Wakayama, Wakayama	Jun. 2002	1,670	0.8%
	Office	Tenjin 121 Bldg.	Fukuoka, Fukuoka	Jun. 2002	2,810	1.4%
	Office	SK Hiroshima Bldg.	Hiroshima, Hiroshima	Oct. 2002	947	0.5%
	Office	JPR Nagoya Sakae Bldg.	Nagoya, Aichi	Sep. 2003	4,550	2.3%
	Office	Dojima F Bldg.	Osaka, Osaka	Jan. 2004	2,140	1.1%
	Office	Semba Fukuoka Bldg.	Fukuoka, Fukuoka	Jun. 2004	1,920	1.0%
	Office	UFJ Central Leasing Head Office Bldg.	Nagoya, Aichi	Mar. 2005	4,137	2.1%
	Retail	JPR Umeda Loft Bldg.	Osaka, Osaka	May 2003 Jul. 2003	13,000	6.5%
	Retail	Strasse Ichibancho	Sendai, Miyagi	Feb. 2005	4,200	2.1%
	Retail	Benetton Shinsaibashi Bldg.	Osaka, Osaka	May 2005 (Planned)	5,430	2.7%
Subtotal					70,984	35.5%
Total					199,752	100.0%

Notes:

1. The “Acquisition Price” is the amount identified in the purchase agreement and does not include acquisition costs and consumption tax.
2. Percentages are rounded to the nearest first decimal place.
3. JPR contracted to purchase a parcel of the Cupo-la Main Building (1-1 Kawaguchi Redevelopment Project) on November 25, 2004. The planned acquisition date, however, is in March 2006.

Attachment 3

Photograph of the Fukuoka Building

