



Japan Prime Realty Investment Corporation

**22nd Fiscal Period Results**

**(July 1, 2012 – December 31, 2012)**

**February 14, 2013**

---

**Japan Prime Realty Investment Corporation (JPR)**

Tokyo Stock Exchange (Code 8955)

Board of Directors Meeting: February 14, 2013

Payment of Distribution: March 11, 2013 (planned)

Website: [http://www.jpr-reit.co.jp/jpr\\_e/index.html](http://www.jpr-reit.co.jp/jpr_e/index.html)

Inquiries: Satoshi Eida, Director and Chief Financial Officer

Tokyo Realty Investment Management, Inc.

Tel: +81-3-3516-1591

E-mail: [s-eida@trim-reit.co.jp](mailto:s-eida@trim-reit.co.jp)

## Performance (July 1, 2012 – December 31, 2012)

### (1) Business Results

(Amounts less than a million yen discarded)

(Millions of yen, yen for per unit information / Percentage change from previous fiscal period)

	Operating Revenues	% Change	Operating Income	% Change	Ordinary Income	% Change
<b>Dec. 31, 2012</b>	<b>12,963</b>	<b>5.0%</b>	<b>6,765</b>	<b>5.8%</b>	<b>5,026</b>	<b>9.3%</b>
June 30, 2012	12,345	4.9%	6,393	10.9%	4,597	9.4%

(Yen)

	Net Income	% Change	EPU	Net Income/ NAV	Ordinary Income/ Total Assets	Ordinary Income/ Operating Revenues
<b>Dec. 31, 2012</b>	<b>5,025</b>	<b>9.3%</b>	<b>6,233</b>	<b>2.7%</b>	<b>1.3%</b>	<b>38.8%</b>
June 30, 2012	4,596	9.4%	6,428	2.6%	1.2%	37.2%

Notes: 1. EPU is calculated based on the average number of investment units during the term

Fiscal period ended Dec. 31, 2012: 806,264 units

Fiscal period ended June 30, 2012: 715,000 units

2. Changes in accounting standards: No

3. Net income/NAV and Ordinary Income/Total Assets are calculated based on the average of unitholders' equity (NAV) and Total Assets as of the beginning and end of the period

### (2) Cash Distributions

(Millions of yen, yen for DPU)

	DPU	Distribution Amount	Exceeding Profit Distribution Per Unit	Exceeding Profit Distribution Amount	Dividend Payout Ratio	Distribution/NAV
<b>Dec. 31, 2012</b>	<b>6,093</b>	<b>5,026</b>	<b>0</b>	<b>0</b>	<b>100.0%</b>	<b>2.5%</b>
June 30, 2012	6,430	4,597	0	0	100.0%	2.6%

Notes: 1. Dividend payout ratio is rounded to the nearest tenth.

2. With regard to the cash distributions for the 21st and 22nd fiscal period, JPR decided to distribute part of the retained earnings brought forward that had been internally reserved through the 17th fiscal period. This was conducted with the aim of having the profit distributions deducted as expenses based on application of the special provision on taxation of investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation) and in order to minimize the burden to unitholders incurred by accrual of corporate income tax, etc. As a result, the cash distribution per unit came to 6,430 yen for the 21st fiscal period and 6,093 yen for the 22nd fiscal period.

### (3) Financial Position

(Millions of yen, yen for NAV per unit)

	Total Assets	NAV	NAV Ratio	NAV Per Unit
<b>Dec. 31, 2012</b>	<b>401,984</b>	<b>197,168</b>	<b>49.0%</b>	<b>238,992</b>
June 30, 2012	396,017	176,035	44.5%	246,204

Reference: Net Assets

Fiscal period ended Dec. 31, 2012: 197,168 millions of yen

Fiscal period ended June 30, 2012: 176,035 millions of yen

### (4) Cash Flows

(Millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at end of period
<b>Dec. 31, 2012</b>	<b>6,612</b>	<b>(12,709)</b>	<b>1,435</b>	<b>19,998</b>
June 30, 2012	6,873	(36,868)	27,875	24,660

## Forecasts for 23rd Fiscal Period Ending June 30, 2013

(Millions of yen, yen for DPU and exceeding profit distribution per unit)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	DPU (excluding exceeding profit distribution per unit)	Exceeding Profit Distribution Per Unit
<b>23rd Fiscal Period Ending June 30, 2013</b>	<b>13,017</b>	<b>6,193</b>	<b>4,786</b>	<b>4,785</b>	<b>5,800</b>	<b>0</b>

Reference: Estimated EPU for the fiscal period: 5,800 yen

The above-mentioned forecasts are based on “Assumptions for the 23rd Fiscal Period Forecast (January 1, 2013 – June 30, 2013)” as below. The aforementioned forecasts are based on assumptions and information available to management as of February 14, 2013.

As a result, actual operating revenues, operating income, ordinary income, net income, distribution per unit and exceeding profit distribution per unit will be subject to changes in market conditions.

Accordingly, the forecasts are not a guarantee of any cash distribution amounts.

### Assumptions for the 23rd Fiscal Period Forecast (January 1, 2013 – June 30, 2013)

Item	Assumptions
Period	23rd fiscal period: January 1, 2013 to June 30, 2013 (investment period: 181 days)
Property Portfolio	<ul style="list-style-type: none"> <li>• The number of properties held by JPR as of February 14, 2013 is assumed to be 59 properties. Furthermore, the assumed average occupancy rate at end of month is 94.9%.</li> <li>• In practice, these assumptions may vary due to such events as the acquisition of additional properties or the sale of existing properties.</li> </ul>
Operating Revenues	<ul style="list-style-type: none"> <li>• Real estate rental revenues are calculated in consideration of the market environment, competitiveness of properties, tenant conditions, etc. based on the effective lease agreements as of the end of the fiscal period ended December 2012.</li> <li>• It is assumed that there are no delinquencies and defaults in rent payments by tenants.</li> <li>• Gain and loss on sales of real estate properties is not assumed.</li> </ul>
Operating Expenses	<ul style="list-style-type: none"> <li>• Out of real estate rental expenses, which account for a major part of operating expenses, outsourcing expenses other than depreciation is calculated based on information as of the end of the fiscal period ended December 2012 and by reflecting the variation elements of expenses based on the past results. Outsourcing expenses are assumed to be 501 million yen.</li> <li>• Property taxes and city planning taxes indicates the amount to be paid during the fiscal period out of the levied amount and is assumed to be 1,822 million yen. Of this, taxes for Otemachi 1-6 Plan (tentative name) (land with leasehold) acquired in the 21st fiscal period is assumed to be 756 million yen, and taxes for Yakuin Business Garden acquired in the 22nd fiscal period is assumed to be 32 million yen. Moreover, in general practice property taxes and city planning taxes levied on properties acquired are settled after prorating for the period with the previous owner at the time of acquisition, but JPR includes the amount equivalent to such settlement in the acquisition costs for the property.</li> <li>• Repair and maintenance costs forecast to be required during the period is allocated as expenses. However, since there is the possibility that costs for repairs and maintenances will suddenly occur due to issues that are difficult to predict such as damage to the building and since it is generally an expense that varies greatly by year and do not occur periodically and other factors, it may vary greatly from the assumed expenses for repairs and maintenances for the period.</li> </ul>

	<ul style="list-style-type: none"> <li>• Depreciation, including accompanying expenses and future additional capital expenditures are calculated utilizing the straight line method and is assumed to be 1,849 million yen.</li> </ul>
Non Operating Expenses	<ul style="list-style-type: none"> <li>• Interest expenses, interest expenses on investment corporation bonds and borrowing expenses, which account for a major part of non-operating expenses, are assumed to be 1,433 million yen.</li> </ul>
Interest-Bearing Debt Ratio	<ul style="list-style-type: none"> <li>• As of February 14, 2013, the interest-bearing loans payable is 180,557 million yen (comprising 23,618 million in the current portion of long-term debt, 107,439 million yen in long-term debt, 5,000 million yen in the current portion of corporate bonds and 44,500 million yen in corporate bonds) and interest-bearing debt ratio stands at 48.5%.</li> <li>• It is assumed that all borrowings whose repayment will arrive during the fiscal period ending June 30, 2013 will be refinanced, except for scheduled payment of 399 million yen. The interest-bearing debt ratio is expected to be 48.4% at the end of the fiscal period ending June 2013.</li> <li>• The following formula is used in calculating the interest-bearing debt ratio in this table.  <math display="block">\text{Interest-bearing debt ratio} = \frac{\text{Interest-bearing debt}}{\text{Interest-bearing debt} + \text{Unitholders' capital}} * 100</math> </li> </ul>
Total Units Outstanding	<ul style="list-style-type: none"> <li>• The 825,000 investments units outstanding as of December 31, 2012 are assumed.</li> </ul>
Distribution Per Unit	<ul style="list-style-type: none"> <li>• As for distribution per unit, it is assumed that all revenues will be distributed based on the distribution methods provided in the Articles of Incorporation.</li> <li>• There is the possibility that the distribution per unit may vary due to various factors including variation of rental revenue due to transfer of assets under management and tenants moving out, and unpredicted repairs and maintenance.</li> </ul>
Exceeding Profit Distribution Per Unit	<ul style="list-style-type: none"> <li>• Distribution exceeding the profit (exceeding profit distribution per unit) is currently not assumed.</li> </ul>
Others	<ul style="list-style-type: none"> <li>• It is assumed that there will be no changes in legislation, taxation, accounting standards, regulations applying to publicly listed companies, rules and requirements imposed by the Investment Trusts Association, Japan that will impact the aforementioned forecasts.</li> <li>• It is also assumed that there will be no unexpected material changes in general economic and real estate market conditions.</li> </ul>

# Financial Statements

## Balance Sheets (June 30, 2012 and Dec. 31, 2012)

(Thousands of Yen)

Item	End of Fiscal 21st Period (June 30, 2012)	End of Fiscal 22nd Period (Dec. 31, 2012)	% Change
<b>Assets</b>			
<b>Current assets</b>			
Cash and deposits	12,750,078	8,402,885	
Cash and deposits in trust	11,910,686	11,596,061	
Operating accounts receivable	256,788	229,329	
Prepaid expenses	153,433	203,381	
Consumption taxes receivable	—	259,150	
Other	4,713	5,689	
<b>Total current assets</b>	<b>25,075,700</b>	<b>20,696,498</b>	(17.5)
<b>Noncurrent assets</b>			
Property, plant and equipment			
Buildings	51,044,234	57,328,085	
Accumulated depreciation	(7,505,860)	(8,339,934)	
Buildings, net	43,538,373	48,988,151	
Buildings in trust	75,570,997	75,979,066	
Accumulated depreciation	(20,326,948)	(21,257,423)	
Buildings in trust, net	55,244,049	54,721,643	
Structures	41,823	44,461	
Accumulated depreciation	(7,914)	(9,160)	
Structures, net	33,908	35,300	
Structures in trust	109,441	111,925	
Accumulated depreciation	(45,245)	(49,146)	
Structures in trust, net	64,196	62,778	
Machinery and equipment	577,666	720,700	
Accumulated depreciation	(261,833)	(283,078)	
Machinery and equipment, net	315,833	437,622	
Machinery and equipment in trust	1,418,326	1,442,809	
Accumulated depreciation	(956,595)	(990,861)	
Machinery and equipment in trust, net	461,731	451,947	
Tools, furniture and fixtures	41,588	42,589	
Accumulated depreciation	(21,866)	(23,853)	
Tools, furniture and fixtures, net	19,721	18,735	
Tools, furniture and fixtures in trust	112,390	119,049	
Accumulated depreciation	(76,099)	(80,300)	
Tools, furniture and fixtures in trust, net	36,291	38,749	
Land	106,669,360	111,970,153	
Land in trust	158,879,372	158,879,372	
Construction in progress	104,711	114,764	
Construction in progress in trust	1,009	3,399	
<b>Total property, plant and equipment</b>	<b>365,368,560</b>	<b>375,722,618</b>	2.8
Intangible assets			
Leasehold right	4,794,109	4,794,109	
Other	5,956	5,359	
<b>Total intangible assets</b>	<b>4,800,065</b>	<b>4,799,469</b>	(0.0)
Investments and other assets			
Lease and guarantee deposits	49,520	49,520	
Long-term prepaid expenses	577,784	539,667	
<b>Total investments and other assets</b>	<b>627,304</b>	<b>589,187</b>	(6.1)
<b>Total noncurrent assets</b>	<b>370,795,930</b>	<b>381,111,275</b>	2.8
<b>Deferred assets</b>			
Investment corporation bond issuance costs	146,257	176,542	
<b>Total deferred assets</b>	<b>146,257</b>	<b>176,542</b>	20.7
<b>Total assets</b>	<b>396,017,887</b>	<b>401,984,316</b>	1.5

**Balance Sheets (June 30, 2012 and Dec. 31, 2012)**

(Thousands of Yen)

Item	End of 21st Period (June 30, 2012)	End of 22nd Period (Dec. 31, 2012)	% Change
<b>Liabilities</b>			
<b>Current liabilities</b>			
Operating accounts payable	2,640,312	1,722,706	
Short-term loans payable	20,600,000	—	
Current portion of long-term loans payable	18,543,000	30,618,000	
Current portion of investment corporation bonds	9,000,000	—	
Accounts payable-other	809,548	581,266	
Accrued expenses	302,602	211,449	
Income taxes payable	605	605	
Accrued consumption taxes	122,215	64,194	
Advances received	2,328,074	2,461,001	
Total current liabilities	54,346,358	35,659,223	(34.4)
<b>Noncurrent liabilities</b>			
Investment corporation bonds	42,500,000	49,500,000	
Long-term loans payable	104,438,000	100,439,000	
Tenant leasehold and security deposits	7,408,110	7,871,730	
Tenant leasehold and security deposits in trust	11,289,504	11,345,751	
Total noncurrent liabilities	165,635,614	169,156,482	2.1
<b>Total liabilities</b>	<b>219,981,973</b>	<b>204,815,706</b>	<b>(6.9)</b>
<b>Net assets</b>			
<b>Unitholders' equity</b>			
Unitholders' capital	171,339,818	192,044,238	
Surplus			
Voluntary deposits			
Deposits for advanced depreciation	73,946	73,946	
Total voluntary deposits	73,946	73,946	
Unappropriated retained earnings (undisposed losses)	4,622,149	5,050,424	
Total surplus	4,696,096	5,124,371	9.1
Total unitholders' equity	176,035,914	197,168,609	12.0
<b>Total net assets</b>	<b>176,035,914</b>	<b>197,168,609</b>	<b>12.0</b>
<b>Total liabilities and net assets</b>	<b>396,017,887</b>	<b>401,984,316</b>	<b>1.5</b>

## Statements of Income and Retained Earnings

(Jan. 1, 2012– June 30, 2012 and July 1, 2012 – Dec. 31, 2012)

(Thousands of Yen)

Item	21st Fiscal Period (Jan. 1, 2012 – June 30, 2012)	22nd Fiscal Period (July 1, 2012 – Dec. 31, 2012)	% Change
<b>Operating revenue</b>			
Rent revenue-real estate	12,345,900	12,963,538	
<b>Total operating revenue</b>	12,345,900	12,963,538	5.0
<b>Operating expenses</b>			
Expenses related to rent business	5,217,950	5,519,704	
Asset management fee	443,284	465,059	
Administrative service and asset custody fees	74,575	77,588	
Directors' compensation	6,600	6,600	
Trust fees	42,693	40,194	
Other operating expenses	167,020	89,011	
<b>Total operating expenses</b>	5,952,124	6,198,159	4.1
<b>Operating income</b>	6,393,776	6,765,379	5.8
<b>Non-operating income</b>			
Interest income	2,666	2,665	
Income on settlement of management association accounts	54,158	5,570	
Other	5,622	2,082	
<b>Total non-operating income</b>	62,447	10,318	(83.5)
<b>Non-operating expenses</b>			
Interest expenses	1,000,168	972,379	
Borrowing expenses	373,744	260,539	
Interest expenses on investment corporation bonds	459,431	396,043	
Amortization of investment corporation bond issuance costs	23,428	20,070	
Unit-issuance costs	—	98,328	
Other	2,163	2,005	
<b>Total non-operating expenses</b>	1,858,935	1,749,367	(5.9)
<b>Ordinary income</b>	4,597,288	5,026,329	9.3
<b>Income before income taxes</b>	4,597,288	5,026,329	9.3
<b>Income taxes-current</b>	605	605	
<b>Total income taxes</b>	605	605	0.0
<b>Net income</b>	4,596,683	5,025,724	9.3
<b>Retained earnings brought forward</b>	25,466	24,699	(3.0)
<b>Unappropriated retained earnings</b>	4,622,149	5,050,424	9.3



## Statements of Changed in Net Assets

(Jan. 1, 2012 – June 30, 2012 and July 1, 2012 – Dec. 31, 2012)

	(Thousands of Yen)	
	21st Fiscal Period (Jan. 1, 2012 – June 30, 2012)	22nd Fiscal Period (July 1, 2012 – Dec. 31, 2012)
<b>Unitholders' equity</b>		
<b>Unitholders' capital</b>		
Balance at the beginning of current period	171,339,818	171,339,818
Changes of items during the period		
Issuance of units	—	20,704,420
Total changes of items during the period	—	20,704,420
Balance at the end of current period	171,339,818	192,044,238
<b>Surplus</b>		
Voluntary deposits		
Balance at the beginning of current period	73,946	73,946
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	73,946	73,946
Unappropriated retained earnings (undisposed losses)		
Balance at the beginning of current period	4,226,806	4,622,149
Changes of items during the period		
Dividends from surplus	(4,201,340)	(4,597,450)
Net income	4,596,683	5,025,724
Total changes of items during the period	395,343	428,274
Balance at the end of current period	4,622,149	5,050,424
Total surplus		
Balance at the beginning of current period	4,300,752	4,696,096
Changes of items during the period		
Total changes of items during the period	395,343	428,274
Balance at the end of current period	4,696,096	5,124,371
<b>Total unitholders' equity</b>		
Balance at the beginning of current period	175,640,571	176,035,914
Changes of items during the period		
Total changes of items during the period	395,343	21,132,694
Balance at the end of current period	176,035,914	197,168,609
<b>Total net assets</b>		
Balance at the beginning of current period	175,640,571	176,035,914
Changes of items during the period		
Total changes of items during the period	395,343	21,132,694
<b>Balance at the end of current period</b>	<b>176,035,914</b>	<b>197,168,609</b>

**Statements of Cash Flows****(Jan. 1, 2012 – June 30, 2012 and July 1, 2012 – Dec. 31, 2012)**

(Thousands of Yen)

Item	21st Fiscal Period (Jan. 1, 2012 – June 30, 2012)	22nd Fiscal Period (July 1, 2012 – Dec. 31, 2012)
<b>Net cash provided by (used in) operating activities</b>		
Income before income taxes	4,597,288	5,026,329
Depreciation and amortization	1,755,478	1,831,992
Amortization of investment corporation bond issuance costs	23,428	20,070
Unit-issuance cost	—	98,328
Interest income	(2,666)	(2,665)
Interest expenses	1,459,599	1,368,423
Decrease (increase) in operating accounts receivable	(88,424)	27,458
Decrease (increase) in consumption taxes receivable	—	(259,150)
Decrease (increase) in prepaid expenses	65,189	(49,948)
Increase (decrease) in operating accounts payable	150,308	(112,886)
Increase (decrease) in accounts payable-other	6,394	21,530
Increase (decrease) in accrued consumption taxes	(4,691)	(58,020)
Increase (decrease) in advances received	568,339	132,927
Other, net	(165,208)	25,222
Subtotal	8,365,035	8,069,613
Interest income received	2,666	2,665
Interest expenses paid	(1,494,464)	(1,459,576)
Income taxes (paid) refund	24	0
Net cash provided by (used in) operating activities	6,873,261	6,612,702
<b>Net cash provided by (used in) investing activities</b>		
Purchase of property, plant and equipment	(474,731)	(11,867,274)
Purchase of property, plant and equipment in trust	(37,520,326)	(1,122,899)
Repayments of tenant leasehold and security deposits	(210,491)	(289,918)
Proceeds from tenant leasehold and security deposits	49,124	631,339
Repayments of tenant leasehold and security deposits in trust	(277,809)	(371,566)
Proceeds from tenant leasehold and security deposits in trust	1,566,126	310,522
Net cash provided by (used in) investing activities	(36,868,108)	(13,087,909)
<b>Net cash provided by (used in) financing activities</b>		
Increase in short-term loans payable	38,600,000	23,600,000
Decrease in short-term loans payable	(30,400,000)	(44,200,000)
Proceeds from long-term loans payable	38,800,000	15,900,000
Repayment of long-term loans payable	(14,924,000)	(7,824,000)
Proceeds from issuance of investment corporation bonds	—	6,949,644
Redemption of investment corporation bonds	—	(9,000,000)
Proceeds from issuance of units	—	20,606,594
Dividends paid	(4,200,602)	(4,596,962)
Net cash provided by (used in) financing activities	27,875,397	1,435,276
<b>Net changes in cash and cash equivalents</b>	(2,119,448)	(4,661,817)
<b>Cash and cash equivalents at the beginning of current period</b>	26,780,213	24,660,764
<b>Cash and cash equivalents at the end of current period</b>	24,660,764	19,998,947

## Notes to Financial Statements

### < Change in Accounting Policies >

There are no important changes in accounting policies for this fiscal period.

## Subsequent Events

There are no material subsequent events for this fiscal period.

## Reference

### Details of Corporate Credit Ratings as of Dec. 31, 2012

Ratings Agency	Corporate Credit Rating (Outlook)
Rating and Investment Information, Inc.	AA- (Stable)
Standard & Poor's Ratings Japan K.K.	Long-term : A (Stable) Short-term : A-1
Moody's Japan K.K.	A3 (Negative) (Note)

Note : The rating outlook was changed from "negative" to "stable" on February 4, 2013.

## Real Estate Portfolio (as of Dec. 31, 2012)

Area	Type	Property Name	Location	Acquired	Acquisition Price (yen in millions)	% of Total	Appraisal Value (yen in millions)	% of Total
Tokyo CBDs	Office	Kanematsu Bldg.	Chuo-ku, Tokyo	Dec. 2001	16,276	4.2	11,700	3.3
		Kanematsu Bldg. Annex	Chuo-ku, Tokyo	Dec. 2001	2,874	0.7	2,220	0.6
		JPR Ningyo-cho Bldg.	Chuo-ku, Tokyo	Nov. 2001	2,100	0.5	2,130	0.6
		Shin-Kojimachi Bldg.	Chiyoda-ku, Tokyo	Nov. 2001	1,670	0.4	1,922	0.5
				Nov. 2002	550	0.1	823	0.2
				Nov. 2004	200	0.1	285	0.1
		JPR Crest Takebashi Bldg.	Chiyoda-ku, Tokyo	Jun. 2002	4,000	1.0	3,310	0.9
		MS Shibaura Bldg.	Minato-ku, Tokyo	Mar. 2003	11,200	2.9	11,800	3.3
		Gotanda First Bldg.	Shinagawa-ku, Tokyo	Jul. 2003	2,920	0.7	2,700	0.8
		Fukuoka Bldg.	Chuo-ku, Tokyo	Oct. 2003	1,800	0.5	2,007	0.6
				Apr. 2005	1,120	0.3	1,053	0.3
		JPR Ichigaya Bldg.	Chiyoda-ku, Tokyo	May 2004	5,100	1.3	4,770	1.3
		Oval Court Ohsaki Mark West	Shinagawa-ku, Tokyo	Jun. 2004	3,500	0.9	4,200	1.2
		Shinjuku Square Tower	Shinjuku-ku, Tokyo	Jul. 2004	10,000	2.6	7,289	2.0
				Sep. 2008	180	0.0	99	0.0
		BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	Nov. 2004	2,900	3.9	13,400	3.7
				Apr. 2005	8,921			
				Jul. 2010	3,300			
		Across Shinkawa Bldg. Annex	Chuo-ku, Tokyo	Nov. 2004	710	0.2	813	0.2
		Shinjuku Center Bldg.	Shinjuku-ku, Tokyo	Mar. 2008	21,000	5.4	12,500	3.5
	Minami Azabu Bldg.	Minato-ku, Tokyo	Jul. 2008	3,760	1.0	2,630	0.7	
	Shinagawa Canal Bldg.	Minato-ku, Tokyo	Dec. 2008	1,870	0.5	1,810	0.5	
	Rokubancho Bldg.	Chiyoda-ku, Tokyo	Dec. 2009	2,800	0.7	3,120	0.9	
	JPR Harajuku Bldg.	Shibuya-ku, Tokyo	Dec. 2009	8,400	2.1	6,900	1.9	
	Tokyo Tatenomo Kyobashi Bldg.	Chuo-ku, Tokyo	Feb. 2010	5,250	1.3	5,210	1.5	
	JPR Nihonbashi-horidome Bldg.	Shibuya-ku, Tokyo	Mar. 2010	5,100	1.3	5,730	1.6	
	JPR Sendagaya Bldg.	Shibuya-ku, Tokyo	May 2010	15,050	3.8	10,600	3.0	
	Ginza Sanwa Bldg.	Chuo-ku, Tokyo	Aug. 2011	3,400	0.9	3,260	0.9	
	Otemachi 1-6 Plan (tentative name)(land with land leasehold)	Chiyoda-ku, Tokyo	Mar. 2012	36,000	9.2	36,800	10.3	
	Retail	JPR Shibuya Tower Records Bldg.	Shibuya-ku, Tokyo	Jun. 2003	12,000	3.1	12,100	3.4
JPR Daikanyama		Shibuya-ku, Tokyo	Oct. 2004	2,160	0.6	1,430	0.4	
JPR Jingumae 432		Shibuya-ku, Tokyo	Mar. 2006	4,275	1.1	3,350	0.9	
Shinjuku Sanchoe East Bldg.		Shinjuku-ku, Tokyo	Mar. 2007	540	0.7	2,400	0.7	
			Apr. 2008	2,200				
Yurakucho Ekimae Bldg. (Yurakucho Itocia)	Chiyoda-ku, Tokyo	Aug. 2008	3,400	0.9	2,620	0.7		
<b>Subtotal</b>					<b>206,526</b>	<b>52.7</b>	<b>180,981</b>	<b>50.4</b>
Greater Tokyo	Office	Arca East	Sumida-ku, Tokyo	Nov. 2001	5,880	1.5	5,830	1.6
		JPR Chiba Bldg.	Chiba, Chiba	Dec. 2001	2,350	0.6	1,610	0.4
		JPR Yokohama Nihon Odori Bldg.	Yokohama, Kanagawa	Nov. 2001	2,927	0.7	2,380	0.7
		Shinyokohama 2nd Center Bldg.	Yokohama, Kanagawa	Sep. 2002	920	0.2	865	0.2
		Kawaguchi Center Bldg.	Kawaguchi, Saitama	Feb. 2004	8,100	2.1	7,610	2.1
		JPR Ueno East Bldg.	Taito-ku, Tokyo	Mar. 2004	3,250	0.8	4,420	1.2
		Tachikawa Business Center Bldg.	Tachikawa, Tokyo	Sep. 2005	888	0.2	1,050	0.3
				Feb. 2007	2,300	0.6	1,840	0.5
		Rise Arena Bldg.	Toshima-ku, Tokyo	Mar. 2007	5,831	1.5	6,020	1.7
		Yume-ooka Office Tower	Yokohama, Kanagawa	Jul. 2007	6,510	1.7	5,230	1.5
	Olinas Tower	Sumida-ku, Tokyo	Jun. 2009	31,300	8.0	32,300	9.0	
	Tokyo Tatenomo Yokohama Bldg.	Yokohama, Kanagawa	Dec. 2010	7,000	1.8	6,860	1.9	
	Retail	Tanashi ASTA	Nishitokyo, Tokyo	Nov. 2001	10,200	2.6	12,500	3.5
		Cupo-la Main Bldg.	Kawaguchi, Saitama	Mar. 2006	2,100	0.5	2,500	0.7
		JPR Musashikosugi Bldg.	Kawasaki, Kanagawa	Sep. 2006	7,260	1.9	5,270	1.5
		Musashiurawa Shopping Square	Saitama, Saitama	Mar. 2007	4,335	1.1	3,960	1.1
Kawasaki Dice Bldg.		Kawasaki, Kanagawa	Apr. 2007	15,080	3.8	14,300	4.0	
<b>Subtotal</b>					<b>116,231</b>	<b>29.7</b>	<b>114,545</b>	<b>31.9</b>
Other Cities	Office	Niigata Ekinan Center Bldg.	Niigata, Niigata	Nov. 2001	2,140	0.5	2,170	0.6
		Tokyo Tatenomo Honmachi Bldg.	Osaka, Osaka	Nov. 2001	4,150	1.1	3,210	0.9
		JPR Hakata Bldg.	Fukuoka, Fukuoka	Nov. 2001	2,900	0.7	2,780	0.8
		JPR Naha Bldg.	Naha, Okinawa	Nov. 2001	1,560	0.4	1,390	0.4
		Sompo Japan Sendai Bldg.	Sendai, Miyagi	Jun. 2002	3,150	0.8	3,280	0.9
		Sompo Japan Wakayama Bldg.	Wakayama, Wakayama	Jun. 2002	1,670	0.4	1,590	0.4
		Tenjin 121 Bldg.	Fukuoka, Fukuoka	Jun. 2002	2,810	0.7	2,100	0.6
		JPR Dojima Bldg.	Osaka, Osaka	Jan. 2004	2,140	0.5	2,090	0.6
		JPR Hakata-chuo Bldg.	Fukuoka, Fukuoka	Jun. 2004	1,920	0.5	1,630	0.5
		JPR Nagoya Fushimi Bldg.	Nagoya, Aichi	Mar. 2005	4,137	1.1	2,780	0.8
	Yakuin Business Garden	Fukuoka, Fukuoka	Aug. 2012	10,996	2.8	11,300	3.1	
	Retail	JPR Umeda Loft Bldg.	Osaka, Osaka	May 2003	8,000	3.3	13,600	3.8
		Jul. 2003		5,000				
		Benetton Shinsaibashi Bldg.	Osaka, Osaka	May 2005	5,430	1.4	4,340	1.2
Housing Design Center Kobe		Kobe, Hyogo	Sep. 2005	7,220	1.8	6,450	1.8	
JPR Chayamachi Bldg.	Osaka, Osaka	Aug. 2006	6,000	1.5	4,580	1.3		
<b>Subtotal</b>					<b>69,223</b>	<b>17.7</b>	<b>63,290</b>	<b>17.6</b>
<b>Total</b>					<b>391,980</b>	<b>100.0</b>	<b>358,816</b>	<b>100.0</b>

## Real Estate Portfolio (as of Dec. 31, 2012)

Area	Type	Property Name	Leasable Area (㎡)	Leased Area (㎡)	Number of Tenants	Occupancy Ratio (%)	Rental Revenue (yen in thousands)	% of Total
Tokyo CBDs	Office	Kanematsu Bldg.	7,994.02	7,994.02	10	100.0	357,220	2.8
		Kanematsu Bldg. Annex	2,291.13	2,291.13	1	100.0	81,483	0.6
		JPR Ningyo-cho Bldg.	2,804.56	2,804.56	5	100.0	61,423	0.5
		Shin-Kojimachi Bldg.	2,104.92	2,104.92	12	100.0	76,240	0.6
			901.36	708.50		78.6	19,037	0.1
			312.53	101.39		32.4	659	0.0
		JPR Crest Takebashi Bldg.	3,265.34	1,909.92	5	58.5	63,452	0.5
		MS Shibaura Bldg.	14,469.72	13,489.37	7	93.2	404,818	3.1
		Gotanda First Bldg.	4,243.58	4,243.58	2	100.0	136,987	1.1
		Fukuoka Bldg.	1,250.06	1,250.06	1	100.0	87,356	0.7
			687.34	687.34		100.0	33,983	0.3
		JPR Ichigaya Bldg.	4,224.96	4,224.96	9	100.0	173,734	1.3
		Oval Court Ohsaki Mark West	4,088.44	4,088.44	3	100.0	180,287	1.4
		Shinjuku Square Tower	10,982.03	10,324.97	24	94.0	195,681	1.5
			168.75	158.65		94.0	3,006	0.0
		BYGS Shinjuku Bldg.	15,190.65	14,779.31	23	97.3	538,555	4.2
		Across Shinkawa Bldg. Annex	1,253.39	1,253.39	4	100.0	37,508	0.3
		Shinjuku Center Bldg.	8,863.98	8,197.27	25	92.5	440,956	3.4
		Minami Azabu Bldg.	3,405.73	0.00	0	0.0	—	0.0
		Shinagawa Canal Bldg.	1,700.57	1,700.57	4	100.0	67,717	0.5
		Rokubancho Bldg. *	2,488.36	2,488.36	1	100.0		
		JPR Harajuku Bldg.	4,760.09	4,760.09	9	100.0	199,084	1.5
		Tokyo Tatemono Kyobashi Bldg. *	3,499.31	3,499.31	2	100.0		
	JPR Nihonbashi-horidome Bldg.	5,299.89	5,299.89	7	100.0	179,262	1.4	
	JPR Sendagaya Bldg.	6,177.74	5,813.42	6	94.1	248,531	1.9	
	Ginza Sanwa Bldg.	1,899.27	1,899.27	8	100.0	108,903	0.8	
	Otemachi 1-6 Plan (tentative name)(land with land leasehold)	11,034.78	11,034.78	1	100.0	1,408,500	10.9	
	Retail	JPR Shibuya Tower Records Bldg.	8,076.85	8,076.85	1	100.0	321,385	2.5
		JPR Daikanyama	651.29	498.28	3	76.5	31,686	0.2
		JPR Jingumae 432	1,027.33	1,027.33	6	100.0	74,795	0.6
		Shinjuku Sanchoe East Bldg. *	2,347.81	2,347.81	1	100.0		
		Yurakucho Ekimae Bldg. *(Yurakucho Itocia)	1,101.92	1,101.92	1	100.0		
	Greater Tokyo	Office	Arca East	7,022.76	5,439.86	4	77.5	216,562
JPR Chiba Bldg.			5,535.67	4,946.85	36	89.4	115,133	0.9
JPR Yokohama Nihon Odori Bldg.			6,066.53	6,066.53	13	100.0	131,830	1.0
Shinyokohama 2nd Center Bldg.			2,642.38	2,128.81	13	80.6	51,039	0.4
Kawaguchi Center Bldg.			15,455.96	12,024.59	37	77.8	328,551	2.5
JPR Ueno East Bldg.			6,490.05	6,119.16	7	94.3	160,810	1.2
Tachikawa Business Center Bldg.			1,747.13	1,747.13	17	100.0	59,322	0.5
			2,983.91	2,873.27		96.3	93,601	0.7
Rise Arena Bldg.			6,023.39	6,023.39	1	100.0	229,593	1.8
Yume-ooka Office Tower			12,013.88	10,437.62	32	86.9	311,513	2.4
Olinas Tower			23,987.40	22,229.63	11	92.7	999,168	7.7
Tokyo Tatemono Yokohama Bldg.	6,494.09	6,494.09	13	100.0	302,589	2.3		
Greater Tokyo	Retail	Tanashi ASTA	31,121.71	31,121.71	1	100.0	596,400	4.6
		Cupo-la Main Bldg. *	5,963.00	5,963.00	1	100.0		
		JPR Musashikosugi Bldg. *	19,740.95	19,740.95	1	100.0		
		Musashiurawa Shopping Square	14,960.69	14,960.69	3	100.0	129,061	1.0
		Kawasaki Dice Bldg.	13,066.69	12,911.37	20	98.8	470,658	3.6
Other Cities	Office	Niigata Ekinan Center Bldg.	5,326.88	5,326.88	8	100.0	127,564	1.0
		Tokyo Tatemono Honmachi Bldg.	7,162.60	5,559.63	9	77.6	146,599	1.1
		JPR Hakata Bldg.	6,581.15	5,954.26	27	90.5	137,764	1.1
		JPR Naha Bldg.	3,946.42	3,188.19	16	80.8	76,449	0.6
		Sompo Japan Sendai Bldg.	7,129.05	7,018.52	13	98.4	192,530	1.5
		Sompo Japan Wakayama Bldg.	4,874.91	4,139.20	12	84.9	104,175	0.8
		Tenjin 121 Bldg.	3,257.73	3,257.73	16	100.0	95,343	0.7
		JPR Dojima Bldg.	3,930.21	3,930.21	8	100.0	120,388	0.9
		JPR Hakata-chuo Bldg.	3,290.42	3,290.42	5	100.0	80,822	0.6
		JPR Nagoya Fushimi Bldg.	7,086.37	6,356.18	3	89.7	117,937	0.9
	Yakuin Business Garden	16,654.33	16,644.71	17	99.9	358,308	2.8	
	Retail	JPR Umeda Loft Bldg.	18,586.97	18,586.97	1	100.0	362,583	2.8
		Benetton Shinsaibashi Bldg. *	5,303.98	5,303.98	1	100.0		
		Housing Design Center Kobe *	35,444.13	35,444.13	1	100.0		
JPR Chayamachi Bldg.		2,484.39	2,484.39	6	100.0	137,387	1.1	
<b>Total</b>			<b>450,943.43</b>	<b>427,873.71</b>	<b>534</b>	<b>94.9</b>	<b>12,963,538</b>	<b>100.0</b>

\*Note : Buildings leased to a single tenant. JPR was unable to obtain tenants' approval to the disclosure of rental information.

## Disclaimer

This document contains a translation of selected information described in the Financial Report (*Kessan Tanshin*) dated February 14, 2013 and prepared under the timely disclosure requirements of the Tokyo Stock Exchange, as well as the Financial Statements and Performance Information Report written pursuant to the Investment Trust Law of Japan and the Financial Instruments and Exchange Law, for the period from July 1, 2012 to December 31, 2012 of Japan Prime Realty Investment Corporation (JPR).

This English language document was provided solely for the convenience of and reference by non-Japanese investors and is not intended to constitute a disclosure document. The Japanese language Financial Report, Financial Statements and Performance Information Report for the aforementioned period should be referred to as the originals of this document. English translations for legal, accounting, tax and business concepts used herein may not convey precisely identical concepts of the equivalent Japanese terms. The figures presented in the financial statements and other data including real estate portfolio details may differ from the Company's Business Reports due to rounding. With respect to any and all terms herein, including without limitation, financial statements, if there exist any discrepancies in the meaning or interpretation thereof between the original Japanese documents and English documents contained herein, the original Japanese documents will govern the meaning and interpretation. Neither JPR, Tokyo Realty Investment Management, Inc. nor any of their respective directors, officers, employees, partners, shareholders, agents or affiliates will be responsible or liable for the completeness, appropriateness or accuracy of English translations or the selection of the portion(s) of any document(s) translated into English. No person has been authorized to give any information or make any representations other than as contained in this document in relation to the matters set out in this document, and if given or made, such information or representation must not be relied upon as having been authorized by JPR, Tokyo Realty Investment Management, Inc. or any of their respective directors, officers, employees, partners, shareholders, agents or affiliates.

The financial statements of JPR have been prepared in accordance with generally accepted accounting principles in Japan, which may materially differ in certain respects from generally accepted accounting principles in other jurisdictions.

Many provisions of this document contain information that constitutes forward-looking statements. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and various factors may cause actual results to differ materially from those in the forward-looking statements.